



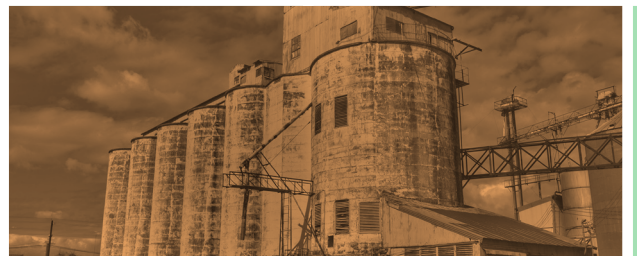
ADOPTED ANNUAL BUDGET



**FISCAL YEAR
2023-2024**

**CITY OF
BAY CITY, TEXAS**

CITYOFBAYCITY.ORG



CITY OF BAY CITY, TEXAS

ANNUAL OPERATING BUDGET

FOR FISCAL YEAR 2024

This budget will raise more revenue from property taxes than last year’s budget by an amount of \$73,162, which is a 1.14% increase from last year’s budget. The property tax revenue to be raised from new property added to the tax roll this year is \$106,145.

City Council will vote on **September 26, 2023**

The members of the governing body voted on the adoption of the budget as follows:

Record of Vote	Adopted Budget	Ratification of Property Tax Increase	Setting of Property Tax Rate
Mayor Robert K. Nelson	✓	✓	X
Mayor Pro-Tem Blayne Finlay	✓	✓	✓
Benjamin Flores	✓	✓	✓
Becca Sitz	✓	✓	✓
Brad Westmoreland	✓	✓	✓
Jim Folse	✓	✓	✓

*Note: Mayor Robert K. Nelson is entitled to a vote.

Tax Rate Information	Adopted FY 2023	Proposed FY 2024
Property Tax Rate	.63500	.56995
No-New Revenue Tax Rate	.59683	.56995
No-New Revenue M&O Tax Rate	.44118	.43058
Debt Rate	.15425	.13542
Voter-Approval Tax Rate	.65556	.58338
De Minimis Rate	.64497	.60988

Debt service requirements for the City of Bay City are currently \$.13542 of the current **adopted** property tax rate of **\$.56995**. The City has twelve outstanding debt issues. At the end of Fiscal Year 2024, outstanding general obligation bond and certificates of obligation bonds will be \$58,487,000, however only \$7,378,658 is currently supported by property taxes.

FY 2024 Debt Service Requirement to be paid by property taxes \$1,543,055. See Debt rate (.13542) requirement above.

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **City of Bay City, Texas**, for its Annual Budget for the fiscal year beginning **October 1, 2022**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide and as a communications device.

This 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.

This budget would not have been possible without the contributions made by the Mayor, City Manager, Councilman, department heads and numerous employees that put in countless hours to make this happen.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Bay City
Texas**

For the Fiscal Year Beginning

October 01, 2022

Christopher P. Morill

Executive Director

How to use this Book

We understand how difficult it can be to find what you're looking for in such a complex document. We've made every effort to provide an easy way to navigate through this document to areas of interest.

The City of Bay City's Annual Budget is comprised of a table of contents and twelve sections. The book, in its entirety, can be grouped into three broad categories.

Introduction and Information:

Budget Message

This section contains the City Manager's Budget Transmittal Letter and a summary narrative of the budget plan.

City Profile

This section provides our organizational chart, the City's history, and information about our City today.

Budget Summaries

This section depicts the "big picture" of city-wide revenue and expenditures, reflects the changes in fund balance or working capital for each budgeted fund and provides comparison to prior year.

Revenue Assumptions and Trends

This section provides revenue descriptions, trends, and assumptions for major revenue line items. Detailed revenue information can be found within each respective fund.

Financial:

General Fund

The General Fund is the general operating fund of the City. This section provides a three (3) year comparative summary and detailed information for revenue and expenditures. You will also find each operating department's mission, upcoming goals, budget history, performance measures and major additions related to the General Fund.

Enterprise Funds

This section provides a three (3) year comparative summary and detailed information for revenue and expenditures. You will also find each department's mission, upcoming goals, budget history, performance measures and major additions related to the Public Utility and Airport Fund.

Special Revenue Funds

This section includes special revenues such as the Hotel/Motel, TIRZ, Forfeiture, Building Security and Court Technology Funds. These funds are legally restricted for certain purposes.

Internal Service Funds

This section includes two funds (Information Technology and Maintenance) that are used by the City to charge the costs of certain activities.

Capital

This section provides current year capital expenditures and projects for all major funds and the City's Five-Year Capital Improvement Plan.

City Wide Debt

This section provides summary and detailed information on all debt issued and each annual debt service obligation by fund.

Supporting Information:

Statistical Information

This section provides statistical and historical information that can also be found within the last completed fiscal years' ACFR.

Appendix

This section provides the City's budgetary and financial policies, personnel staffing and compensation plan, glossary of terms, acronyms, and index.



(Hard copy only)

Budget Message.....	1
City Profile.....	13
<i>Elected Officials.....</i>	13
<i>Mission and Vision.....</i>	15
<i>Strategic Plan and Goals</i>	16
<i>City Officials.....</i>	28
<i>Organizational Chart.....</i>	29
<i>History Of Bay City.....</i>	30
<i>Snapshot of Bay City Today.....</i>	33
<i>Demographic Overview</i>	37
Budget Summaries.....	39
<i>Budgetary Fund Structure.....</i>	40
<i>Combined Budget Overview.....</i>	41
<i>Changes in Fund Balance/Working Capital.....</i>	42
<i>Combined Revenue and Expenditures Summary.....</i>	44
Revenue Assumption and Trends.....	47
<i>General Fund Revenue.....</i>	47
<i>Enterprise and Special Revenue Funds.....</i>	51
General Fund.....	55
<i>General Fund Revenue.....</i>	55
<i>General Fund Expenditures by Function.....</i>	58
<i>Departmental Summaries.....</i>	60
Administration.....	60
City Secretary.....	62
City General.....	65
Main Street.....	66
Human Resources.....	69
Municipal Court.....	71
Finance.....	74

Code Enforcement.....	77
Police.....	80
Animal Impound.....	84
Fire.....	87
Street & Bridge.....	90
Recycling Center.....	95
Parks.....	98
Riverside Park.....	101
Recreation	104
Pools.....	107
Library.....	109
Enterprise Funds.....	113
<i>Public Utility Fund Revenue.....</i>	114
<i>Public Utility Expenditures by Function.....</i>	116
<i>Public Utility Fund Departmental Summaries.....</i>	118
Utility Billing.....	118
Utility Operations.....	121
Utility Maintenance.....	125
Water and Wastewater Treatment Plant.....	129
<i>Airport Fund Revenue.....</i>	133
<i>Airport Fund Departmental Summary.....</i>	136
Airport Operations.....	136
Special Revenue Funds.....	143
<i>Hotel/Motel Fund.....</i>	143
<i>TIRZ Fund.....</i>	153
<i>Forfeiture Fund.....</i>	163
<i>Building Security Fund.....</i>	165
<i>Court Technology Fund.....</i>	167
Internal Service Funds.....	169
<i>Information Technology Fund.....</i>	169
<i>Maintenance Fund.....</i>	175
Equipment Maintenance.....	177
Facility Maintenance.....	180

Capital.....	183
<i>Capital Improvement Plan.....</i>	183
<i>Five Year Capital Improvement Plan Summary-All Funds.....</i>	186
<i>2024 Project Details.....</i>	193
<i>Operating Capital Outlay By Funds.....</i>	203
City Wide Debt.....	209
<i>Long Term Debt.....</i>	209
<i>Property Tax Supported Debt.....</i>	211
<i>Public Utility Fund Supported Debt.....</i>	213
<i>Outstanding Debt Issue By Series.....</i>	215
Statistical Information.....	217
Appendix.....	245
<i>Budgetary Process and Guidelines.....</i>	245
<i>Budget Planning Calendar.....</i>	246
<i>Summary Description of the Budget Process.....</i>	250
<i>Budget Ordinance.....</i>	256
<i>Tax Rate Ordinance.....</i>	257
<i>Budgetary & Financial Management Policies.....</i>	259
<i>Investment Policy Summary.....</i>	269
<i>Capital Asset Policy.....</i>	270
<i>Resolution Adopting a Five-Year Capital Improvement Program.....</i>	276
<i>Compensation and Staffing Plan</i>	277
<i>Long-Term Financial Planning.....</i>	284
<i>Acronyms.....</i>	292
<i>Glossary of Terms.....</i>	294

Contributors

Inside Back Cover



City Manager's Message



Dear Mayor, City Council Members and Citizens of Bay City:

Once again, let me thank you for the opportunity to serve as City Manager for the City of Bay City. It is truly an honor to work with such an experienced City Council that has embraced a new vision for the City of Bay City, which states the following:

In FY 2022, City staff and Bay City Community Development Corporation focused the first half of FY 2022 on jump starting a “Housing Initiative” which was identified as the number one goal for and in the Matagorda County Economic Development Corporation, the Bay City Community Development Corporation, and the City of Bay City’s Strategic Plans. Through the use of the City’s Economic Development toolbox, the City reactivated several existing Tax Increment Reinvestment Zones (TIRZs) in FY 2023 (TIRZs 1, 2 and 3). The City also created a new Public Improvement District and a new TIRZ 4 (50%) – for the Maddox Housing Development (behind McCoy’s). The City also expanded two TIRZs:

- TIRZ 1a (100%) – Valor Park Housing Development (off 12th St. / Old Jr. High) and
- TIRZ 2a (100%) – Bold Fox Housing Development with annexation (near Van Vleck).

Through these Economic Development efforts, the City of Bay City can add approximately 600 new homes to its housing inventory. We anticipate new homes to be available on the market by the first quarter of 2024.

Regrettably, the City of Bay City encountered the nationwide economic downturn over the last several years. Since this time, the City has seen significant inflation in the cost of goods and services, fuel, asphalt, oil, metal and wood. Similarly, the City has also seen significant increases in health insurance (22%), windstorm insurance (20%) and Workers Compensation which will affect FY 2024 Budget.

Fortunately, the economic downturn did not negatively impact the City of Bay City projects accomplished during FY 2023. The City garnered funds through the Texas Water Development Board (TWDB), Texas General Land Office (GLO), America Rescue Plan (ARP) and Community Development Block Grant Program (CDBG). With these funds, the City of Bay City was able to complete:

- Hamman Rd. Drainage Project– Phase 1A
- United Rental Drainage Project
- Resurfacing of San Jose Subdivision

BUDGET MESSAGE

- Engineering for the Dunn Water Well and Tenaris Water Well and
- Engineering for the Rehabilitation of the Wastewater Plant, just to name a few.

City staff received acknowledgements for excellence by the Texas Parks and Wildlife Award for the new programming and the Achievement of Excellence in Libraries by the Texas Municipal Library Directors Association.

As we begin FY 2024, the City Council has developed its Goals and Objectives within 5 key Vision 2040 Plan Elements: Governance, Public Safety, Livability & Quality of Life, Community & Economic Development, and Infrastructure & City Facilities. These key elements have been used to develop the FY 2024 Adopted Budget and 5 Year Capital Plan. Highlights include:

- Fourth year of the Texas Water Development Board’s Clean Water State Revolving Fund Loan and the Drinking Water State Revolving Fund Loan for the Rehabilitation of the Wastewater Treatment Plan and the drilling of two new water wells
- Continuance of the Housing Initiative
- Implementation of Merit Compensation for City employees
- Interlocal Agreements with numerous entities, including Matagorda County, Bay City Gas Company, Bay City Community Development Corporation, and Bay City Independent School District
- Preliminary Engineering for Nile Valley Road Project – Phase II and supporting Grant submittals
- Future TIRZ for Economic Development
- Additional Façade Grants through Mainstreet program
- Replacement of Service Center windows, and renovations of City Hall roof

The City of Bay City must always manage the budget in the most judicious manner possible, which means spending your tax dollars wisely and effectively. You can rest assured that the City will act in the most conservative manner possible.

Presented hereafter is the Adopted Budget & 5 Year Capital Plan for FY 2024.

The City will continue to provide the same or better level of customer service to the citizens of Bay City. Please accept the FY 2023-2024 Budget as an integral component of our movement towards a family-centered, citizen engaged, and culturally diverse community.

Shawna Burkhart

City Manager, City of Bay City, Texas

Executive Summary

The City Council and Staff reviewed the progress of last year’s Council goals and from those sessions provided staff with FY 2024 Strategic Goals or focus. This process set the tone and direction for each year’s budget process. Through these discussions, a new set of objectives were placed in each department’s business plan to meet Mayor’s / Council’s “Strategic Plan”.

The “Strategic Plan” set forth by Council Goals provides staff with a more defined direction for the upcoming year. The 2024 strategic focus areas are Governance, Public Safety, Infrastructure &, Livability & Quality of Life, and Community and Economic Development. More information on the City’s Strategic Plan (Council’s Goals) can be found in the **City Profile** section of this book.



Reviewing our Priorities for the FY 2024 Budget

What did we do last year? Is our budget focus changing?

The prior year's budget was focused on improving customer service, streamlining processes, maintaining healthy reserves, improving infrastructure and City facilities. Below lists the public improvement projects and other improvements accomplished that enhanced the quality of life in our community:

- Installed roof at the Park Offices (Armory Building)
- Awarded contract to install soccer field lighting at Hardeman Park
- Awarded contract to install new windows at the USO (Service Center)
- Constructed Lil Cats football field at Sports Complex
- Refurbished press box at Sports Complex
- Replaced pavilion at LeTulle Park
- Added Kayak rentals to Riverside Park
- Planted 2,000 trees through Scenic Texas Grant
- Installed roof at City Hall
- Installed new baler through HGAC funding for recycling center
- Purchased an Asphalt Patcher Truck to do in-house street maintenance
- Completed Hamman Road Drainage Improvements
- Completed United Rentals Drainage Project
- Re-striped downtown area
- Rebuilt various asphalt and cement roads throughout the City
- Completed repairs to Avenue C Lift Station
- Completed the mass meter change out
- Designed East and North Water Plants
- Awarded the construction contract on the Wastewater Treatment Plant
- Installed numerous water and sewer taps for both residential and commercial properties
- Repaired numerous water and sewer lines throughout the City
- Repaired and/or installed several manholes throughout the City
- Completed construction at Airport to relocate taxiway and drainage

With the most recent set of strategic goals, the City's capital budget remains focused on replacing aging infrastructure, providing additional enhancements to City's Parks, improving drainage, repairing streets, and upgrading various city facilities. Additionally, departments will strive to provide superior municipal services, enhance community engagement, review procedures to improve organizational and operational effectiveness, and support community and economic development initiatives.

Budget Overview

City Wide

The adopted expenditures of the City’s major funds total \$33,758,000, up \$2,551,500 or 8% from prior year. This is primary attributable to the Public Utility Fund due to increased debt payments related to improvements to the water and wastewater system. Of this budget amount, \$17,680,000 is estimated for the operations and maintenance of the General Fund (3% increase from prior year), \$2,071,000 for the Debt Service Fund (1% increase from prior year), \$12,200,000 for the Public Utility Fund (18% increase from prior year), and \$1,017,000 for the Airport Fund (16% increase from prior year). Within these budgets are capital costs of approximately \$13.4 million to fund equipment and major public improvement projects funded by grants, reserves, & operating revenue. Bond proceeds of 16.7 million will fund water and sewer improvements. Bond proceeds of 7.6 million are anticipated to be utilized for the purchase and/or construction of a public safety center among other public improvements. When comparing each fund over prior year—most variances are a result of changes in debt and timing of capital projects. More information on the City’s Capital Program can be found in the Capital section of this document.

Major Budgetary Funds Revenues and Expenditures

The fiscal year 2023-2024 revenues, expenditures, and changes in working capital for the City’s major operating funds.

Fund	Projected Beginning Balance	Revenues & Transfers In	Expenditures & Transfers Out	Revenue Over/Under	Projected Ending Balance
General Fund	5,175,932	17,162,000	17,680,000	(438,000)	4,737,932
Debt Service Fund (I & S)	222,898	2,071,000	2,071,000	-	222,898
Hotel/Motel Fund	711,404	725,000	790,000	(65,000)	646,404
Utility Fund	3,990,618	11,500,000	12,200,000	(700,000)	3,290,618
Airport Fund	236,344	865,000	1,017,000	(152,000)	84,344

Compensation, Benefits, & Staffing Levels- City Wide

The budget supports a competitive compensation and benefit plan in efforts to maintain and attract a service-oriented quality workforce.

- An increase in base pay of \$2,000 across the board for a COLA (3% or \$313,000)
- 2% performance/merit pay pool (\$159,000)
- Health Insurance premiums increases (\$150,000)
- Staffing levels increased by 1 position in the General Fund
 - Added a Public Information Officer
 - Added a Part Time Ground Maintenance position to Code Enforcement
 - Added a Part Time Ground Maintenance position to the Airport
 - Decreased a Full Time Streets Position (Concrete Inspector)

More Information on staffing and compensation can be found in the appendix section of this book.

General Fund

The **Adopted** General Fund Budget for FY 2024 recommends no increase in property tax revenue other than new value. The City Council **Adopted** a tax rate of .56995 per \$100 valuation. This tax rate is referred to as the no-new revenue tax rate because it will raise the same amount of property tax revenue for the City of Bay City from the same properties in both the 2022 and 2023 tax year. The City’s tax rate is **Adopted** to reduce by 6.5 cents.

	FY 2022-2023	FY 2023-2024	Change from Prior Year
Total Taxable Value	\$1,031,171,657	\$1,171,494,617	\$140,312,960*
Value in the TIRZ	\$22,706,382	\$37,720,157	\$15,013,775
Total Tax Rate	.63500	.56995	(.06505)
Total Tax Levy*	\$6,547,940	\$6,676,877	\$128,937
Maintenance & Operations <i>Budget*</i>	\$4,896,000	\$5,032,000	\$136,000
Interest in Sinking <i>Budget</i>	\$1,582,992	\$1,589,894	\$6,902
Total Budget*	\$6,478,992	\$6,621,894	\$142,902

*Includes Value in the Tax Increment Reinvestment Zones (TIRZ). TIRZ dollars are transferred out of the operating budget. For FY 24, TIRZ amounts to \$212K of the \$5,032,000 GF Levy.

General Fund Continued

The **Adopted** budget will raise more revenue from property taxes than last year's budget by \$73,162 which is a 1.14% increase from last year's budget. However, it is all attributable to new properties on the roll. The General Fund Budget over prior year decreases by \$76,000 after transferring out Tax Increment Reinvestment Zone dollars (TIF) in the amount of \$212,000 that may not be used in the General Fund. Sales Tax increases over prior year allowed the City to reduce the property tax rate while still maintaining a budget that continues to address street improvements, public safety needs, and quality of life improvements for the citizens.

The FY 2023-2024 General Fund Budget projects next year's expenditures to be \$16.8 million which is up 3% or \$513,500 over prior year. This is primarily due to compensation plan, health insurance, increasing staffing level by 1 FTE (Public Information Officer), capital projects (building improvements), and unfreezing street positions.

Utility Fund

The FY 2023-2024 Utility Fund Budget projects next year's expenditures to be \$12.2 million which is up 18% or 1.8 million over prior year. This is due to increased debt payments associated with critical water and sewer improvements – 2 new water plants, and improvements to the Wastewater Treatment Plant to name a few. The budget holds an **adopted rate** increase of 14% in the water and sewer rates to support the revenue needed to pay the debt.

Airport Fund

The FY 2023-2024 Airport Fund Budget projects next year's expenditures to be \$1,017,000 which is up 16% or \$144,000 over prior year. This is attributable to grant match dollars for capital projects (main apron strengthening, runway overlay, & game fence)

Hotel/Motel Occupancy Tax Fund

The City also appropriates for one of eight Special Revenue Funds. The Hotel/Motel Tax Fund totals \$790,000 (3% increase from prior year). The increase is attributable to an increase in capital spending for the Civic Center. Spending plans are not provided for the City's other Special Revenue Funds because activity is recorded on a project length basis or as it occurs. Even though the City is not required to adopt budgets for these funds, they are subject to an annual audit. More information on these funds can be found behind the Special Revenue Fund section of this document.

Budget Challenges

Issues below:

- The City's largest revenue sources for the General Fund are tied to property tax and sales tax. Sales tax has been very strong but as this appears very positive—it is only covering the inflationary impacts on the service and material side of the City's budget. The City's population has remained relatively flat for the last nine years. The City had an increase in property values which in turn can lower the property tax rate. However, in order to keep the property tax low--- the City needs new growth (value). It is hopeful that the new housing developments will encourage and attract new residents. The City must prepare and plan for quality of life amenities to match new resident and existing resident expectations.
- The City strives to provide superior municipal services. Maintaining quality employees helps establish that mission. A merit system was established to structure pay based on an employee's performance (\$159,000). In addition, the City provided a cost of living adjustment of \$2,000 per employee or \$313,000. (City Wide)
- The City meets the fund balance policy. The challenge will be to maintain the fund balance between 90 days & 120 Days of operating expenditures while balancing the needs of the community, considering the new limitations on a government's ability to raise revenue (Senate Bill 2). It is imperative to be in a strong financial position to maintain a good credit rating when considering future debt issuances as shown in the City's five-year capital plan. In addition, a healthy fund balance proactively positions the City for economic downturns or natural disasters.
- The City's rising costs of health insurance, workers compensation, and windstorm continues each year (\$171,000).
- Fuel prices in prior year impacted municipal services and materials. Many vendors of the City increased prices due to elevated fuel costs. Supply disruptions and shortages caused high inflation and as a result, many planned projects (bids) are exceeding budgeted prices.
- The City's sanitation contract expired, and the renewal impacted the General Fund by 28% or (\$570K). This was unknown prior to setting the City's desired tax rate.
- It is difficult to address future growth while current infrastructure (streets, water, and sewer lines) replacements are needed.

BUDGET MESSAGE

- The City acquired in recent years a library and a swimming pool. Though very significant to the community, both impact the City's General Fund by approximately \$543,412 in operational cost per year. In addition, the pools need major repairs. This takes into consideration the County's contribution to the Library's budget and the School District's share in cost for 16th Street Pool.
- The Bay City Gas Company (Component Unit of the City) reduced their level of financial support due to financial impacts related to Winter Storm Uri that in prior years budgets helped offset street capital projects. This reduction amounts to approximately \$250,000. The Bay City Gas Company historically has provided funding for street projects in amounts up to \$500,000 annually. Please note that the Bay City Gas Company has continued to fund ½ of the Nile Valley Road Bond for approximately \$237,000/year.

How the City Addressed Challenges

The FY 2024 Adopted Budget utilizes business plans that were developed in support of the City Councils Goals recently adopted. These goals link the City Council to the workforce—working together to improve Governance, Organizational and Operational Effectiveness, Public Safety, and Community and Economic Development. Capital projects and expenditures were prioritized early in the budget process based on these goals.

Response to maintain service levels and to fund strategic initiatives are as follows:

- Due to inflation, the City's sales tax revenue has exceeded prior year sales tax. The increased sales tax partially offset the flat property tax revenue stream for the City to maintain existing service levels.
- Sales Tax and the Utility Administration & Franchise Fee assisted in funding the pay plan pool and offset the costs associated with the rising cost of property and health insurance.
- With the City meeting the Fund Balance policy—the City was able to begin funding again a **Fixed Asset Replacement Fund**. This Fund was set up to pay for one-time capital related expenditures for vehicles and equipment in the General Fund. This fund can be expanded to fund other infrastructure projects with surplus general fund revenues over the 90-day reserve.

- The ***Street Improvement Fund*** was established in fiscal year 2004 to ensure that the City had adequate funding for maintenance and construction of streets. In addition, the Bay City Gas Company will soon share in the funding of this program annually.
- The City reduced expenses related to travel and training to help offset the City's compensation and benefits plan.
- The City reduced windstorm coverage to only cover essential buildings and is currently working on a risk management policy to determine ongoing management of windstorm or other natural disaster events.
- The City delayed capital spending unless it was funded by grants or previous loan commitments.
- The City offered a new PPO plan along and further incentivized a lower cost HMO health plan in an effort to lower city costs. In addition, changes in City contributions were made. True savings will be known once employee health plan elections are made.
- City properties have been inventoried to determine which properties to declare surplus. These funds will assist the City with "pay as you go" rather than borrowing for capital.
- The City will continue to review all franchise agreements and make recommended changes.
- The City will continue to find cost reductions by reviewing all service/financial related contracts with outside parties and then recommend changes for the most efficient and effective ways to operate (i.e. legal, mowing, landscaping, consulting services).
- The City will continue to reduce costs by reviewing various city services to determine the cost benefit analysis of outsourcing services versus doing it in-house.
- The City will develop a budget to cover depreciation in each enterprise fund. This practice builds the reserve to replace infrastructure assets rather than issue debt.

The decisions above assisted the City in maintaining a service plan that is focused on aging infrastructure and a quality workforce while still maintaining adequate fund balance levels.

Outlook for the Future

Sales tax is budgeted to increase 3% over FY 2023. Previously, the effects of inflation increased the City's sales tax, and in recent months have shown some increases as much as 10% over prior year. Despite all the economic activity of the area—a more conservative approach was taken since CPI has dropped to 3% over prior year.

In addition, the City was awarded funding through the Texas Water Development Revolving Loan Program of approximately \$60 million to address the City's aging water and sewer infrastructure. The projects will span over the next three years with loan funding aligned by project timelines. This will aid in evaluating the timing of utility rate increases. The City is anticipated to increase utility rates in October 2023 to support future debt payments associated with these bond issues.

The City has created four Tax Increment Reinvestment Zones (TIRZ#1, TIRZ#2, TIRZ#3, TIRZ#4) pursuant to Chapter 311 of the Texas Tax Code. The first reinvestment zone is generally located in the downtown area, including a large portion of the north downtown area. In 2022, the City expanded this zone (Zone #1) by approximately 54 acres to support a 233 lot sub-division. The second reinvestment zone is generally located at the far eastern city limit and is currently unimproved land apart from a new cinema/family entertainment center. In 2022, this zone was expanded to add 147 acres to support an estimated 300 lot sub-division, multi-family living, and anticipated restaurants. TIRZ #3 was approved for an estimated 68 lot sub-division estimated to be completed by 2024 and is currently making progress. Lastly, in 2022, TIRZ #4 was created in the eastern portion of the City encompassing 49.71 acres to support an estimated 189 lot sub-division to be completed by 2024. Values have increased thus far in these zones by approximately 37 million combined.

Other developments or expansions are taking place in Bay City, our extra-territorial jurisdiction (ETJ), and County. These companies include HIF USA (E-Fuels), Roehm America (chemical plant), OQ, Big Hill (green energy hydrogen power plant), and Tenaris (steel seamless pipe company). The City will focus on improvements that capitalize on this growth. We will examine infrastructure needs, housing, and amenity upgrades.

Conclusion

Keeping the City's new Vision Statement in mind—this budget looks ahead to build a budget to improve infrastructure, amenities, safety, and service for its residents and visitors. It is a budget preparing for growth while improving the appearance for our welcomed visitors. This year's budget and corresponding Five Year Capital Plan address our service and infrastructure needs. We want to thank a very supportive and progressive City Council and the great employees of the City of Bay City without whom none of this would have been possible.

Scotty Jones

Director of Finance



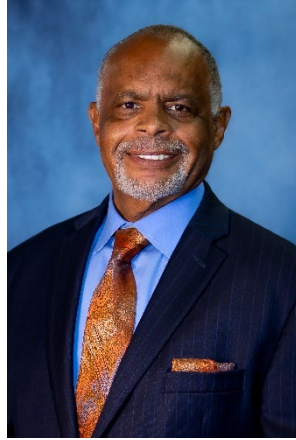


CITY OF BAY CITY

FORM OF GOVERNMENT & ELECTED OFFICIALS

The City provided by this Charter is the Council/Mayor-City Manager Form of Government. The elected body is made up of a Mayor and five council members who are elected on an “at-large” basis by the community. The Mayor is elected for a three-year term while Council Members are all elected for staggered three-year terms. Your City Council meets every second and fourth Tuesday at 6:00 p.m. Special Called meetings, Workshops and/or Public Hearings are scheduled, as necessary, with the approval of the Mayor.

The Mayor presides at council meetings while the City Manager is in charge of administering the City’s daily activities, advising and assisting City Council, and representing the City’s interests with other levels and agencies of government, business interests and the community at large. The City Council is responsible for appointing the City Secretary, City Treasurer, Municipal Judge(s) and Chief of Police.



Mayor Nelson



Councilman Flores
Position 1



Councilman Folsie
Position 2



Councilman Westmoreland
Position 3



Councilwoman Sitz
Position 4



Councilman Childers
Position 5
Mayor Pro-Tem

Official	Title	Years of Service	Term Expires
Robert Nelson	Mayor	4	2025
Benjamin Flores	Councilwoman Position 1	0	2026
James Folsie	Councilman Position 2	3	2026
Brad Westmoreland	Councilwoman Position 3	2	2025
Becca Sitz	Councilwoman Position 4	6	2025
Blayne Finlay *Mayor Pro-Tem*	Councilman Position 5	1	2025

VISION

Through a united and collaborative effort, we seek to grow the City of Bay City with a diverse culture that is proud to call Bay City home. We envision a thriving family-centered community where citizens are involved in the future development of our city. We desire our citizens to work, play, worship, and shop in the community in which we live. Visitors are welcomed and encouraged to enjoy the friendly environment and amenities the citizens and business owners have created together.

MISSION

The City of Bay City is committed to fostering future economic growth by collaborating with our citizens, employers, current and future business owners, as well as the Community and Economic Development Centers. We strive to deliver superior municipal services and to invest in quality-of-life initiatives such as housing, businesses, jobs, and activities for all citizens. We make a concerted effort to respond to residents' concerns in a timely and professional manner in order to achieve customer satisfaction.

CITY COUNCIL GOALS

Vision

Bay City adopted a Comprehensive plan in 2014 consisting of five areas of emphasis as shown in the graph below. This plan reflects the priorities of the City and serves as a guide of city-wide action. The City is committed to fostering future economic growth by building economic partnerships, continually improving our infrastructure, expanding our tax base and creating a culture, which retains as well as attracts new business and investments.

The City will work to deliver quality services in a healthy and safe environment by consolidating our assets and resources and empowering our employees while encouraging volunteer citizen involvement.

We will enhance our tourism opportunities by promoting our or City.

We will commit our resources, talents, and energy to achieve economic well-being and improve the quality of life for our citizens. **Below are the Comprehensive Plan Elements.**



City Council Area of Emphasis with Associated Goal Statement Fiscal Year 2024 Strategic Focus



Governance

- Explore all funding sources available to the City
- Improving the Image of Bay City
 - Provide superior municipal services
- Organizational & Operational Effectiveness
 - Re-organization of City to streamline processes
 - Staff Development- *Coachhub*
- Enhance Communication & Customer Service
 - Promote City’s Efforts – *Celebrate Successes*
 - Create a Public Information Officer position
 - Implement Citizen Work Order App
 - Community Meetings – *Various Locations*

Bay City residents are well informed and involved with the affairs of local city government.



Public Safety

- Public Safety Building
 - Approve Location and Preliminary Design
 - Explore Combined Dispatch options with County
- Safe Community
 - Lower Crime Statistics for Bay City
- Code Enforcement- Cleaner Community
- Enhanced Communication & Customer Service
 - Community Meetings- *Various Locations*

Bay City residents are safe and secure living, working, and raising their families in Bay City.



Livability & Quality of Life

- Parks & Recreation - walking trails, pools, & other amenities
 - Determine Community Aquatic Needs
 - Water Park / Regional Attraction
 - LeTulle Park- improve road surfaces
 - Combined Sports Venue
 - Promote Children’s Programs in the Community
- Theater & Arts
 - Develop a Plan of Action
- City-wide Clean-up Campaign

Bay City residents enjoy a safe and clean community with great amenities and affordable living.



Community & Economic Development

- Commercial and Residential
 - Streamline Department & Permitting Process
 - Create TIRZ 5 to improve blighted areas and encourage redevelopment
- Downtown Revitalization/Historic Preservation
 - Business Recruitment in unoccupied spaces
- Tourism - *Becoming a Destination Location*
 - Improve Wayfinding Signage
 - Promote Bay City and Surrounding Communities

Bay City is known for encouraging economic development opportunities, creating a business development program that is responsive to existing business needs, and actively promoting tourism.

City Council Area of Emphasis with Associated Goal Statement Fiscal Year 2024 Strategic Focus (Continued)



Infrastructure

- Transportation
 - Nile Valley Bridge Assessment
 - Nile Valley Phase II
 - Explore Funding Options
 - Streets Repair- Improve Surfaces
 - Downtown Parking
- Repair Water and Wastewater System
 - Address Arsenic in Ave I Water Well
 - Texas Water Development Board Projects
 - Water Wells
 - Sewer Plant Rehabilitation
- Improve Drainage System
 - Strategic Land Acquisition
 - Implement recommendations in Drainage Study
 - Cottonwood Creek Bank Stabilization
 - Utilize 3-million-dollar Mitigation Grant
- Airport
 - New Public Water Well
 - Wildlife Mitigation Fence
 - Apron Strengthening
 - New Terminal
 - Engineering for Runway Overlay
 - Upgrade Automated Weather Observing System

Bay City residents enjoy new community infrastructure and enhancements to the transportation network and systems.

Linking Long-Term Goals to Departmental Objectives

For the FY 2024 Budget, each department has outlined a description of services and aligned themselves with the City's Vision 2040 Plan along with Council's Goals derived from FY 2023 Council/Staff work sessions. When compared to prior year accomplishments, these objectives help us mark our progress toward the achievement of the City Council's goals. The section below shows the linkage of our short-term departmental objectives to long-term council goals.

Governance

- **Explore all funding sources available to the City**
- **Improving the Image of Bay City**
 - Provide superior municipal services
- **Organizational & Operational Effectiveness**
 - Re-organization of City to streamline processes
 - Staff Development- *Coachhub*
- **Enhance Communication & Customer Service**
 - Promote City's Efforts – *Celebrate Successes*
 - Create a Public Information Officer position
 - Implement Citizen Work Order App
 - Community Meetings – *Various Locations*

Bay City residents are well informed and involved with the affairs of local city government.

Fiscal Year 2024 Departmental Business Plans (Objectives)

Administration

- Re-organization of City to streamline services
- Add Emergency Management Director duties to Fire Marshal position
- Continue staff development through CoachHub for directors and supervisors
- Designate a new Public Information Officer for the City
- Assess the structural integrity of Nile Valley bridge and address any deficiencies
- Develop 30% drawings necessary for applying for IJA grant funding for the development of Nile Valley-Phase II
- Improve roads throughout the community using chip seal, cold and hot mix, and the use of the City's new and existing equipment
- Determine location and architectural design of the new Police Department headquarters
- Assist Fire Department to develop a plan to address ISO rating to improve city-wide insurance rates
- Create TIRZ 5 to further economic development and redevelopment on the far west side of Highway 35, east side of Highway 35 and south Highway 60
- Create a partnership with Bay City Community Development Corporation, Lynn Group, Bay City I.S.D and Wharton County Junior College to initiate the development of a trade school in Bay City
- Support drainage applications and housing for commercial developments as they go through Drainage District I approval process
- Recruitment of administration for Public Works and Parks Department

City Secretary Department

- Finalize and print re-codified Code of City Ordinances
- Promote City Council meeting agenda process for Council members and directors placing items on the agenda
- Perform City-wide records audit and update retention schedule
- Re-organize Records Management Policy and Procedures
- Continue organization and update of the City Code of Ordinances both hard copy and online
- Continue to pursue opportunities which will enhance the Department’s ability to provide accurate and timely information to the City Council, Mayor, City Departments and the general public
- Maintain records and appointment processes of Board membership and terms of all City Board participation
- Continue to update and enhance the City Secretary’s website information

Human Resources Department

- Continue with Merit and COLA implementation
- Update salary ranges to coincide with market data
- Implement, at least partially, market findings for salary ranges
- Update and implement certification pay (phase-in)
- Fulfill city-wide longevity pay
- Carry out a city-wide intranet
- Amend personnel policies

Municipal Court Department

- Continue to hold successful Warrant Resolution Campaign
- Optimize records management by constructing an electronic records retention policy
- Optimize records management by scanning files from 2016-2022 into TCM
- Utilize Bay City Municipal Court Facebook page to inform the citizens of upcoming events, important court dates, Municipal Court news, city-wide event information and more
- Educate citizens of the role of Municipal Court, certain laws & ordinances through our “Information Station” highlights on our website and Facebook page
- Continue to increase outreach/public education campaign through outside partnerships with other entities to increase traffic safety education and compliance
- Enhance warrant service and processing through our new Warrant Officer/Bailiff position
- Attend education conferences in order to stay well-informed of latest court trends, regulations and procedures

Finance Department

- Implement changes to internal purchase order requisition process with City staff
- Apply for additional transparency star: Contracts and Procurement
- Explore janitorial vs. employee options
- Implement new timekeeping system, Executime, to improve payroll process
- Explore windstorm insurance options along with creating a risk management policy
- Explore Tyler Content Management scanning capabilities to create a more paperless environment
- Create payroll accrual process for all sick and vacation time
- Transition to State’s credit card vendor contract from current vendor

Public Works Departments (Streets and Utility Departments)

- Continue Public Outreach campaigns to new businesses to set more recycling dumpsters to collect cardboard
- Increase public education efforts on social media about recycling and how it improves the community
- Improve City Planning Division to improve building permitting processes, establish City planning coordination with outside agencies, and revamp the pre-development process for residential, commercial, and industrial developments
- Continue to promote an equal application of division policies, city ordinances and model codes for all developers and citizens
- Continue development and enforcement of the Cross-Connection Control Program
- Update the Operating & Maintenance Manual for the WWTP
- Develop Standard Operating Procedures for Public Works departments
- Increase code compliance efforts and improve effectiveness by partnering with Code Enforcement and the Building Department to review and revise the grease ordinance and ensure proper enforcement
- Develop and implement a backflow prevention program and utilize Cityworks to track inspections. Review City Ordinance related to backflow prevention, make necessary changes and partner with Code Enforcement to ensure proper enforcement
- Increase efficiency by developing and implementing an inventory control program by using Cityworks

Utility Billing

- Complete scanning of all utility applications into Incode software
- Implement text to pay option for customers
- Install new payment kiosk
- Create fillable online applications
- Research 2turniton option for out of town customers
- Add hyper reach sign up option to all applications
- Work with building inspector to assist with inspections for occupant change-move in

Airport

- Host a fly-in movie night
- Host 6th Annual fly-in story time

Information Technology

- Revamp Library’s network to improve security and accessibility
- Update radio inventory for asset tracking and proper cost allocation
- Upgrade access control at MSB for improved security for citizens and employees
- Implement a training portal for all staff on various software (i.e. Microsoft products)
- Implement recommended improvements of network deficiencies per cybersecurity GAP analysis
- Continue to provide fast and reliable access to all information systems
- Facilitate the collection, storage, and security of electronic data
- Consolidate Fiber throughout the City for greater performance and lower pricing through AT&T
- Partner with Matagorda County to rehab the City’s tower infrastructure in accordance with our annual tower inspection

Public Safety

- **Public Safety Building**
 - Approve Location and Preliminary Design
 - Explore Combined Dispatch options with County
- **Safe Community**
 - Lower Crime Statistics for Bay City
- **Code Enforcement- Cleaner Community**
- **Enhanced Communication & Customer Service**
 - Community Meetings- *Various Locations*

Bay City residents are safe and secure living, working, and raising their families in Bay City.

Fiscal Year 2024 Departmental Business Plans (Objectives)

Public Safety Departments (Police, Fire, Animal Control & Code Enforcement)

Police Department

- Move forward with plans for new public safety building
- Lower citizen complaints by enhancing communication and customer service
- Provide officers and detectives with surveillance equipment to increase likelihood of solving crimes
- Continue to provide professional services to citizens through community outreach and educational programs, National Night Out, residential and business security inspections
- Provide citizens with alternative reporting solutions to report low priority or non-emergency related calls for service to create capacity for high priority call for service and proactivity policing (online reporting)
- Increase transparency to the community regarding agency policies, calls for service and critical incidents by improving our social media presence to including refining the department’s website page

Fire Department

- Respond quickly to extinguish fires as to minimize the loss of life, damage to property, and economic impact upon the community

Fire Marshal/Code Enforcement

- Collectively advance the number of annual, preventative, and compliance inspections performed
- Further the remediation and abatement of substandard structures within the City
- Refine abatements of offensive conditions implementing House Bill 2359; Sec. 2, 125.046(a)(b)
- Focalize on the recovery of delinquent liens while moderating recurrent liens filed
- Promote the development and revitalization of our City, including façade along Hwy 35 & 60
- Actualize ordinance specific to AST/UST/LPST reporting permitting, and maintenance
- Striving to become the standard in customer services, support services, and service within the community
- Complete encryption of our police radios to ensure protection of protected health and information as well as ensuring safety of our police officers

Livability & Quality of Life

- **Parks and Recreation- walking trails, pools, & other amenities**
 - Determine Community Aquatic Needs
 - Water Park/Regional Attraction
 - LeTulle Park- improve road surfaces
 - Combined Sports Venue
 - Promote Children’s Programs in the Community
- **Theater & Arts**
 - Develop a Plan of Action
- **City-wide Clean-up Campaign**

Bay City residents enjoy a safe and clean community with great amenities and affordable living.

Fiscal Year 2024 Departmental Business Plans (Objectives)

Parks Department

- Extend Southern Pacific Trailway
- Replace and create additional shade structures at Community Park
- Install high efficiency LED lighting at existing parks
- Shore up sagging floor at USO, replace carpet and paint interior
- Add marquee sign at USO
- Continue to improve amenities such as shade canopies and play features
- Add 5 camping cabins to expand amenities and level of service
- Develop paddling trail at Riverside with Texas Parks and Wildlife
- Develop hiking trail to LeTulle Park with LCRA
- Create partnership programs for volleyball and boxing
- Research new methods to market programs, events, and facilities
- Create more partnership opportunities with other agencies and individuals to host leisure classes and events
- Increase attendance at swim programs at Hilliard Pool
- Recruit more lifeguards
- Initiate closure of Valiant Pool
- Plan for replastering, decking and upgrade of Hilliard Pool in off-season
- Plan for possible new splashpad within the 5-year capital plan

Library

- Create outdoor library space
- Develop services and programs for preserving local history
- Implement sensory inclusive initiative
- Complete strategic planning process for Fiscal Year 2025 through Fiscal Year 2029
- Earn Texas Municipal Library Directors Association award

Community & Economic Development

- **Commercial and Residential**
 - Streamline Department & Permitting Process
 - Create TIRZ 5 to improve blighted areas and encourage redevelopment
- **Downtown Revitalization/Historic Preservation**
 - Business Recruitment in unoccupied spaces
- **Tourism - *Becoming a Destination Location***
 - Improve Wayfinding Signage
 - Promote Bay City and Surrounding Communities

Bay City is known for encouraging economic development opportunities, creating a business development program that is responsive to existing business needs, and actively promoting tourism.

Fiscal Year 2024 Departmental Business Plans (Objectives)

Main Street

- Continue relocation and replacement of trees around the square
- Begin rebranding Main Street Program logo and design
- Continue beautification efforts by updating downtown seating and wayfinding
- Continue partnership with City of Bay City Public Works department on downtown beautification efforts
- Work on new tourism pamphlets after rebranding program
- Continue working to grow CamoFest and increasing revenue for larger projects
- Work on downtown street banners for light poles
- Continue to push for downtown events and work with merchants on social media outlet presence

Tourism

- Develop new brand by updating logo and campaign
- Implement social media plan to increase social media presence and involvement
- Develop partner packages program by updating destination materials, establishing partner relationships, creating, and publicizing packages
- Develop a City app for mobile devices
- Expand Day of the Dead festival to a 2-day event to encourage hotel stays
- Plan the commission of art attractions (statues, murals, exhibits)

Bay City Community Development Corporation

- Increase façade grants for non-main street businesses
- Assist Code Enforcement with expanding existing ordinances for structures
- Work with schools to develop an entrepreneur pipeline
- Further investigate BNSF/UP corrective actions within Bay City
- Continue to focus on housing development(s) within the city until fruition
- Partner with Wharton County Junior College campus to expand educational opportunities

Infrastructure

- Transportation
 - Nile Valley Bridge Assessment
 - Nile Valley Phase II
 - Explore Funding Options
 - Streets Repair- Improve Surfaces
 - Downtown Parking
- Repair Water and Wastewater System
 - Address Arsenic in Ave I Water Well
 - Texas Water Development Board Projects
 - Water Wells
 - Sewer Plant Rehabilitation
- Improve Drainage System
 - Strategic Land Acquisition
 - Implement recommendations in Drainage Study
 - Cottonwood Creek Bank Stabilization
 - Utilize 3-million-dollar Mitigation Grant
- Airport
 - New Public Water Well
 - Wildlife Mitigation Fence
 - Apron Strengthening
 - New Terminal
 - Engineering for Runway Overlay
 - Upgrade Automated Weather Observing System

Bay City residents enjoy new community infrastructure and enhancements to the transportation network and systems.

Fiscal Year 2024 Departmental Business Plans (Objectives)

Public Works Departments (Streets and Utility Departments)

- Explore an in-house seal coat program
- Continue street reconstruction and concrete paver projects
- Continue water and sewer line improvement projects
- Continue curb and gutter repair and replacement program
- Establish striping program for parking spaces in the downtown area and City owned buildings
- Continue to address various drainage issues throughout the City
- Continue to improve infrastructure by implementing Capital Improvement Projects identified in the Water System Analysis and Master Plan as well as the WWTP Evaluation
- Maintain facilities by continuing the consistent Preventative Maintenance plan on water well equipment, lift station equipment and Wastewater Treatment Plant equipment; continue documenting the activities using Cityworks.

- Continue to maintain infrastructure by continuing line replacement/extension program of aging water and sewer lines and associated components
- Continue to develop streamline maintenance plan with water meter supplier for the life of the Advanced Meter Infrastructure (AMI) system to address failing Metering Interface Units (MIU's)
- Continue to improve efficiency and demand at the WWTP by reducing inflow and infiltration of storm water into collection system by: continuing sewer line rehab program, identifying manholes in need of rehab and use of inflow protectors in manholes
- Develop an in-house sign shop in efforts to continue with aggressive sign installation and maintenance program to improve safety and appearance city-wide

Airport

- Complete runway 13/31 engineering and design
- Complete design and construction of main hangar concrete
- Submit FAA grant for new terminal building
- Bring new hydrogen fuel aircraft manufacturing (Zeroavia) to airport
- Complete public parking lot crack seal, seal coat, and paint re-striping

CITY OFFICIALS

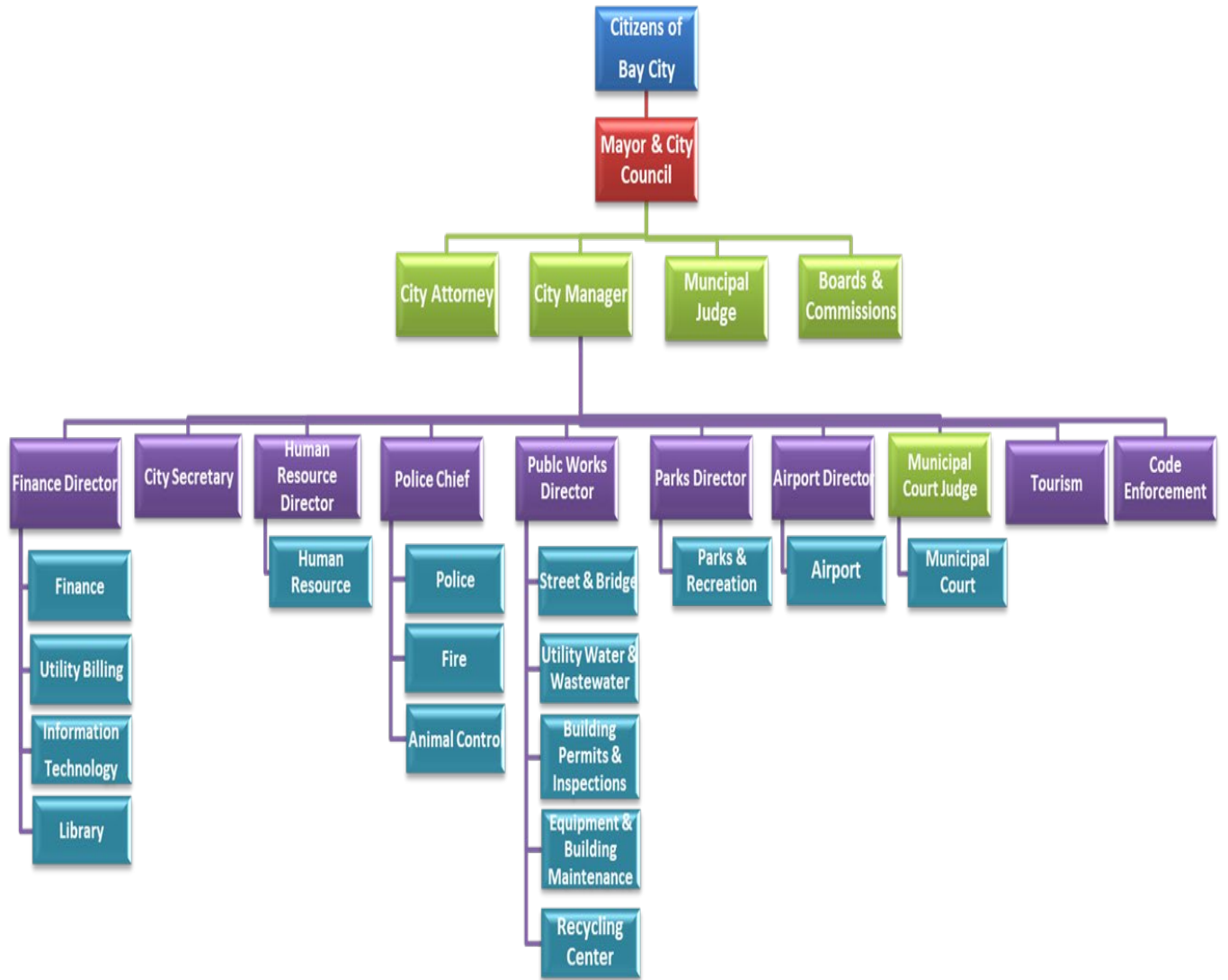
FY 2024

Shawna Burkhart	City Manager
Scotty Jones	Assistant City Manager/ Director of Finance
Jeanna Thompson	City Secretary
Rhonda Clegg	Director of Human Resource
Herb Blomquist	Director of Public Works
Christella Rodriguez	Chief of Police
Suzan Thompson	Municipal Court Judge- Appointed
Kelly Penewitt	Director of Parks & Recreation- Interim
James Mason	Airport Manager

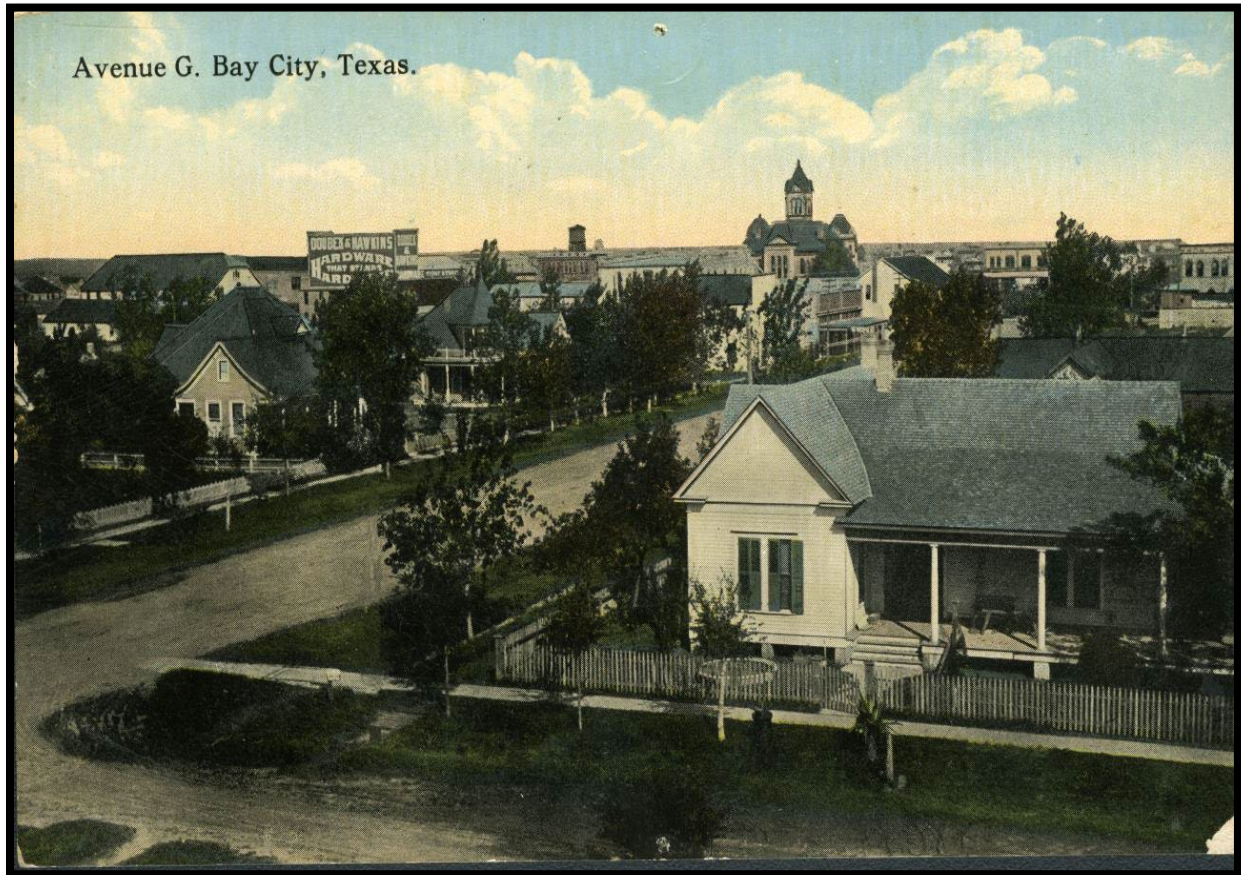


"Alone we can do so little; together we can do so much"-Helen Keller

Organizational Chart



History of Bay City, Texas



Bay City, the county seat of Matagorda County, is an incorporated city at the junction of State Highways 35 and 60, in the north central portion of the county ninety miles southwest of Houston. The community is named for its location on Bay Prairie, between the richly productive bottomlands of the Colorado River and Caney Creek. It was established in 1894 when David Swickheimer, a Colorado mining millionaire and participant in a promotional organization called the Enterprise Land and Colonizing Company, formed the Bay City Town Company in partnership with G. M. Magill, N. M. Vogelsang, and Nicholas King. Planning that Bay City would one day supplant Matagorda as county seat, the men selected two cow pastures on Bay Prairie as the site for a new community. The company bought 320 acres from D. P. Moore and another 320 acres from the Mensing brothers of Galveston. One square mile was given to the townsite, on which the promoters laid out wide, regular streets. Elliott's Ferry (see Elliott, Texas), two miles away, provided transportation across the Colorado River.

In August 1894, before a single building had been erected, Magill and Vogelsang released the first issue of the Bay City Breeze and began to promote the new community. Distributed countywide, the newspaper, coupled with the promoters' promise to build a new courthouse if the county government were moved, succeeded in convincing county residents to support the new town.

CITY PROFILE

At the time, the population of the county totaled roughly 3,000 people, of which 75 percent were black. On September 18, 1894, Matagorda County voters elected to make Bay City the new county seat. A week later, when editor Vogelsang announced the victory in the Breeze, he also revealed that the town did not yet actually exist: "As soon as it can be surveyed, lots will be put on the market, buildings will go up and Bay City will be a reality." Bay City was a tent city before construction began on its first buildings.

The Town Company office, which housed the printing presses of the Bay City Breeze, was among the first completed. A small frame house, formerly used as the grand jury room at Matagorda, was moved overland to Bay City to serve as a makeshift courthouse, as was D. P. Moore's dry-goods store, which housed the post office. Education for black and white children began immediately. The town's first telephone was installed in 1900, and the Wharton-Bay City Telephone Company was awarded a franchise in 1903. Bay City Rice Mills completed construction on its rice warehouse in 1901, and the next year it opened the town's first mill. Other businesses at that time included four groceries, three implement stores, three saloons, and two each of butcher shops, barbershops, confectioneries, and drugstores, as well as several dry-goods stores and a bakery, a laundry, a blacksmith shop, a brickmaking plant, a broom factory, a cotton gin, and a lumberyard.



In 1901 the Cane Belt Railroad reached Bay City, the first of several lines to serve the town. By that time the Breeze had ceased publication and been replaced by the Matagorda County Tribune, edited by J. L. Ladd, and the Weekly Visitor, edited by W. E. Green. Methodist, Baptist, Christian, Episcopalian, and Presbyterian congregations held services in the community. An eight-room, two-story frame school building had opened, and residents had the services of one dentist, four physicians, six lawyers, and three teachers. In 1902 the city, with about 2,000 inhabitants, incorporated, but it failed to replace its plank roads with streets until sometime later. Also, in 1902 the New York, Texas and Mexican Railway came into Bay City. Oil was discovered in the county in 1904, and that year the St. Louis, Brownsville and Mexico Railway arrived. By 1914 Bay City, with 3,156 residents, was a thriving community at the center of the largest rice-producing area in the nation and was served by three railroads: the St. Louis, Brownsville and Mexico, the Galveston, Harrisburg and San Antonio, and the Gulf, Colorado, and Santa Fe. In 1914 the town had four cotton gins, three banks, two rice mills, a brick and tile factory, a nursery, a creamery, an ice factory, a municipal waterworks, and a large cooling station for fruits and vegetables. By 1915 residents had built a library, and Bay City Business College offered the community's first higher education.

In 1916, as revolution developed in Mexico, a company of men from the community served on the border. The town grew slowly during World War I and reached a population of 3,454 by

1920. Bay City was regularly flooded by the Colorado River until levees and dams were built along the river in 1924. The population rose by roughly 600 between 1920 and 1930, and during that period the town reported a maximum of 165 businesses. In the 1930s Bay City had a canning plant, a bottling works, a hollow-tile factory, two rice mills, two gins, three hatcheries, and six dairies. LeTulle Park, named for local rice grower Victor L. LeTulle, was developed in 1934, despite the Great Depression. In the 1937-38 school year, the local school district employed thirty-eight teachers to instruct 1,146 white students through the eleventh grade, and ten teachers to instruct 377 black students through the tenth grade. Bay City continued to grow steadily, and its population reached 9,427 by 1940. A United Service Organizations building was constructed in 1941, and World War II increased the city's building program. A new football stadium and high school were finished by 1949. The 1950s saw the completion of a new public library and a United States Army Reserve building. Between 1960 and 1970 an airport was built, and a barge canal was constructed to link Bay City to the Gulf Intracoastal Waterway. The manmade port of Bay City was completed, and an inflatable rubber dam, designed to impound water for rice irrigation, improved use of the river. In 1960 the population of Bay City was about 77 percent white, 10 percent Hispanic, and 23 percent black.

Over the ensuing decade the population rose by less than 100, and businesses increased from 285 to 330. The town attracted new industry beginning in 1960, when the Celanese Chemical Company built a petrochemical plant that would become the city's largest employer. The population of Bay City grew in the 1970s and early 1980s as Celanese, the South Texas Nuclear Project (later known as the South Texas Project), Occidental Chemical Company, and other employers entered the county. Between 1980 and 1990 the city's population rose from 14,291 to 19,684, and the number of businesses increased from 335 to 391. During this time the city limits were expanded to include more than six square miles. In the early 1990s the town was served by the Union Pacific and the Atchison, Topeka and Santa Fe railways and was a shipping center for the county's oil industry.

BIBLIOGRAPHY: Bay City Chamber of Commerce, *Bay City Story* (1957). Matagorda County Historical Commission, *Historic Matagorda County* (3 vols. 1986-88). Junann J. Stieghorst, *Bay City and Matagorda County* (Austin: Pemberton, 1965).



Snapshot of Bay City Today

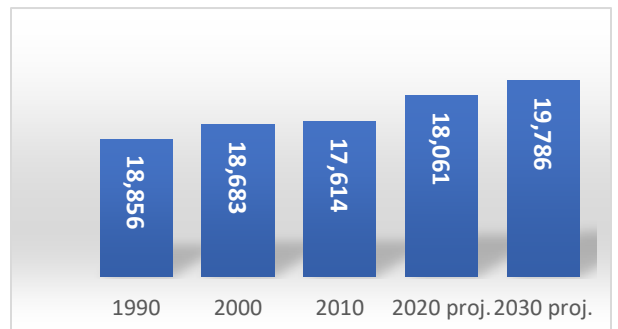


Location

The City of Bay City is in southeast Texas, near the Texas Gulf Coast. The City is about 8.87 square miles, of which 0.12 square miles of water area, with an elevation of 52 feet. Bay City is the county seat of Matagorda County, which also includes the cities of Palacios, Matagorda, Van Vleck, Markham, Blessing, and Sargent. Bay City is accessible via State Highways 35 and 60 along with FM 457. These roads provide access to Houston and the market areas of Brazoria, Jackson, and Wharton Counties.

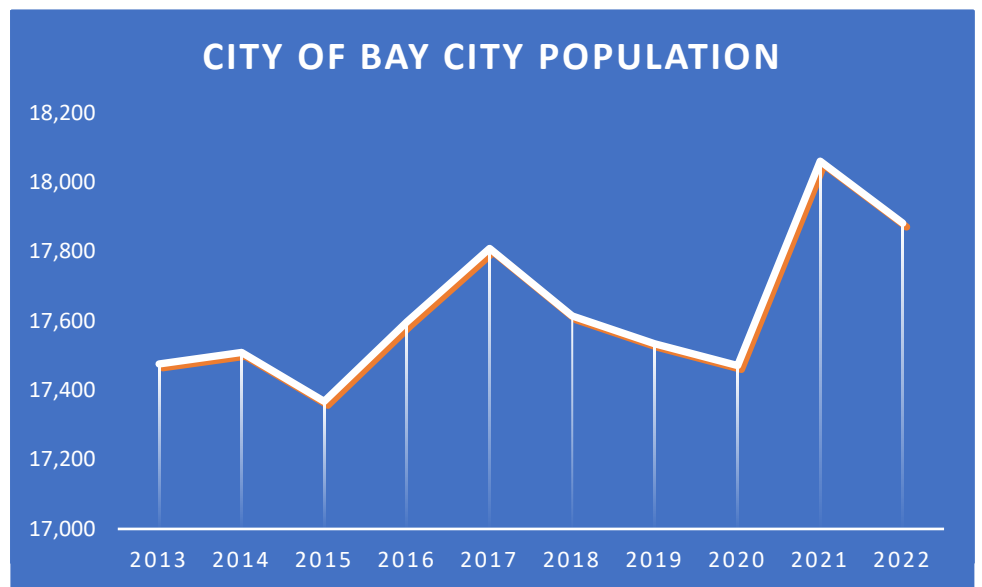
Population

According to the 2020 census, Bay City is currently home to about 18,061 residents. The graph to the right represents the City's population beginning in 1990 to the projected 2030, based on the records of the U.S. Census Bureau. The City, according to the Texas Water Development Board is projected to reach 19,786 by 2030. The City has seen slow, but steady growth.



City of Bay City, Texas
Population

<u>Year</u>	<u>Population</u>
2013	17,476
2014	17,509
2015	17,368
2016	17,598
2017	17,809
2018	17,614
2019	17,534
2020	17,471
2021	18,061
2022	17,882

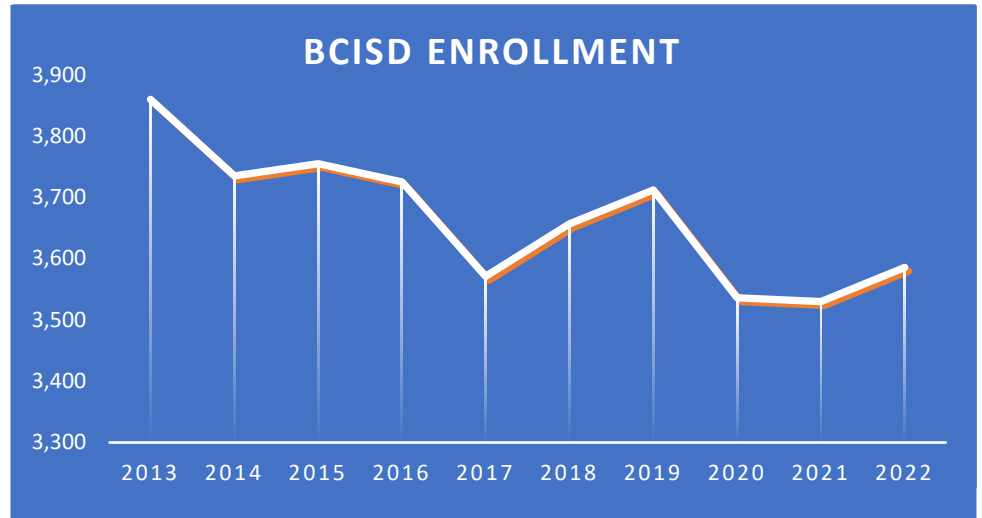


Schools

Bay City is served by the Bay City Independent School District. The City presently has three Pre-Kindergarten through Fifth grade elementary schools: Cherry Elementary for Pre-K and Kindergarten, Linnie Roberts Elementary for First and Second grade and Tenie Holmes for Third through Fifth grades; Bay City Jr. High serves the Sixth through Eighth grades; Bay City High School serves the Ninth through Twelfth grades. Bay City also has a college campus, Wharton County Junior College, which focuses on technical training and nuclear plant operations.

BCISD Enrollment

<u>Year</u>	<u>Enrollment</u>
2013	3,860
2014	3,735
2015	3,755
2016	3,725
2017	3,571
2018	3,657
2019	3,712
2020	3,536
2021	3,530
2022	3,586



*Source for School Enrollment: Bay City Independent School District



City Services

The City’s primary objective is Public Safety. A full-time equivalent staff of 62 employees are dedicated to serving the community in the most efficient and cost-effective way possible. The City has one police station with 39 sworn police officers dedicated to serving and protecting our citizens. The Bay City Volunteer Fire Department, consisting of 27 volunteers, provides the City with fire suppression and rescue protection. Our Animal Control Department, consisting of 2 animal control officers, responds to all animal calls in conjunction with our Animal Impound.

Utilities

The City of Bay City owns and operates its own water, wastewater and gas which is operated by the Bay City Gas Company. Sanitation services have been contracted out to GFL. Currently, the City has approx. 6,700 water and sewer customers, whether it be residential or commercial. Average daily water consumption (millions) is 1.727 and average daily sewage consumption (millions) is 1.525. The City maintains 110 miles of streets, 113 water main miles and 108 sewer miles.

Culture and Recreation

“The Gateway to the Great Outdoors”, there are a variety of things to do within Bay City and the surrounding cities of Matagorda County.

Citizens can enjoy any one of the City’s 23 parks, 1 pool and a sports complex. Hilliard Pool is open from Memorial Day through Labor Day.

Local attractions include: Matagorda County Birding and Nature Center, Rio Colorado Golf Course, Schulman Movie Bowl Grill, Bay City Public Library, Matagorda County Museum, Splashpad, and local downtown square



Festivals and events are constantly being held throughout our community which citizens can attend. Some of our notable events/festivals are:

Rotary Concert	Annual
Rice Festival	Annual
Christmas in the Park	Annual
CamoFest	Annual (January)
Sparks in the Park	Annual (4 th of July)

Principal Employers

(Unaudited)

2022

Employer	Employees	Percentage of Area Employment
South Texas Project (STP)	1,089	6.83%
Tenaris	710	4.45%
Bay City ISD	550	3.45%
Williams	468	2.94%
Matagorda County Regional Medical Center	295	1.85%
H.E.B.	260	1.63%
Wal-Mart	252	1.58%
Matagorda County	250	1.57%
Oxea	175	1.10%
LyondellBasell	158	0.99%
	4,207	26.39%

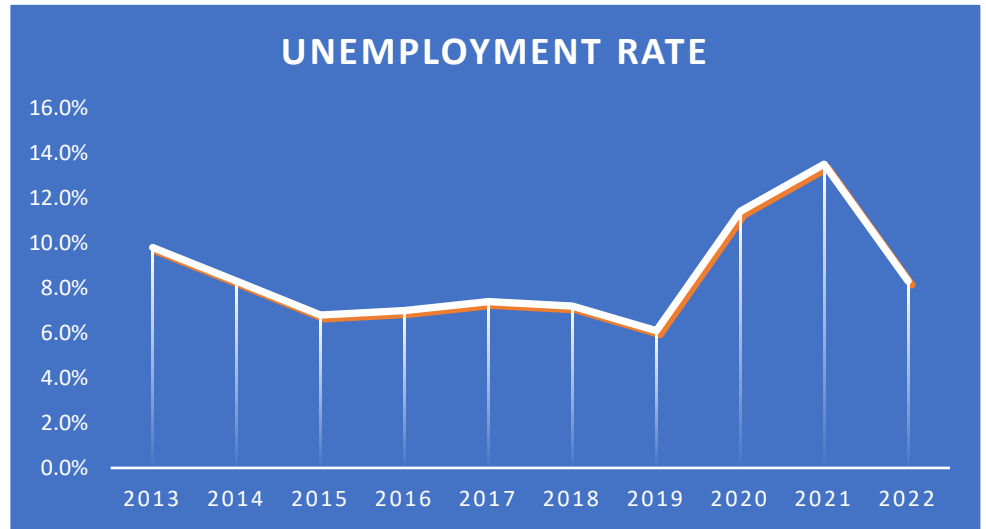
2013

Employer	Employees	Percentage of Area Employment
South Texas Project (STP)	1,163	N/A
Bay City ISD	534	N/A
Matagorda County General Hospital	246	N/A
Valerus	175	N/A
City of Bay City	160	N/A
OXEA	150	N/A
Lyondell	143	N/A
Wal-Mart	125	N/A
H.E.B.	107	N/A
McAda Drilling Fluids	66	N/A
	2,869	

Demographic and Economic Statistics

Unemployment Rate

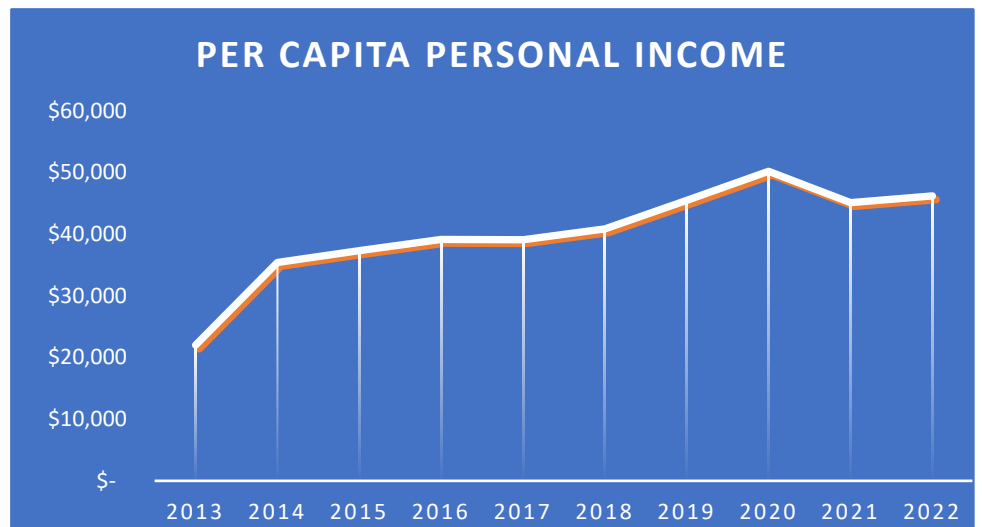
<u>Year</u>	<u>Rate</u>
2013	9.8%
2014	8.3%
2015	6.8%
2016	7.0%
2017	7.4%
2018	7.2%
2019	6.1%
2020	11.4%
2021	13.50%
2022	8.3%



*Source for Unemployment Rate: Texas Workforce Commission

Per Capita Personal Income

<u>Year</u>	<u>Income</u>
2013	\$ 22,000
2014	\$ 35,426
2015	\$ 37,324
2016	\$ 39,111
2017	\$ 39,090
2018	\$ 40,827
2019	\$ 45,482
2020	\$ 50,182
2021	\$ 45,089
2022	\$ 46,171

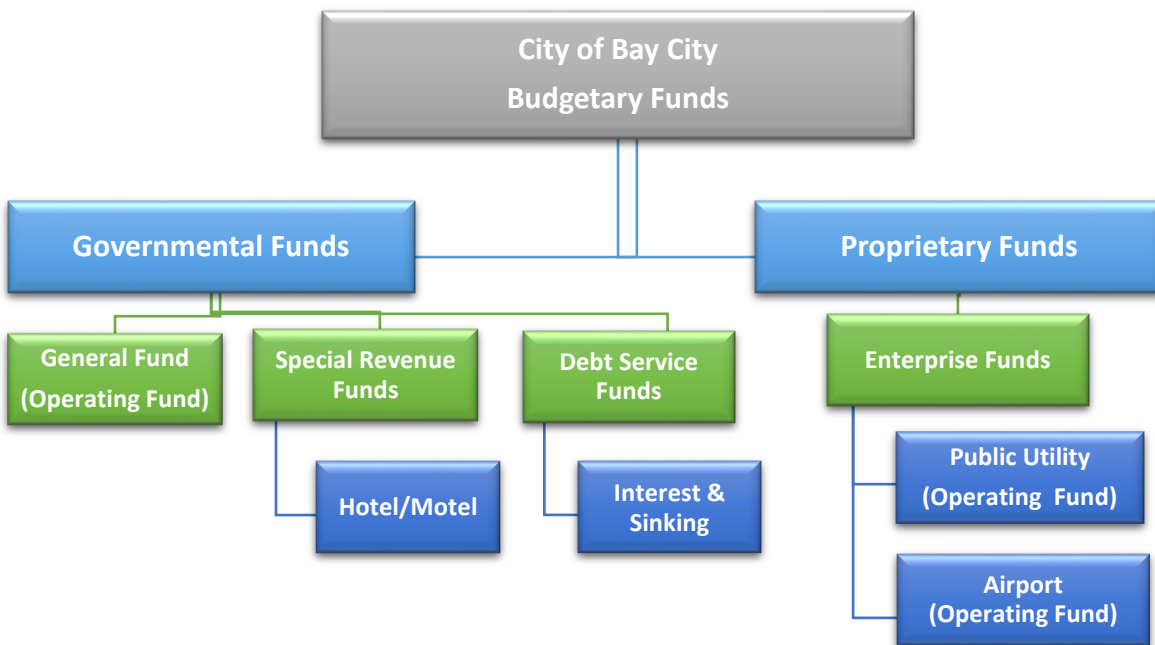


*Source for Per Capita Personal Income: US Department of Labor, Bureau of Labor Statistics



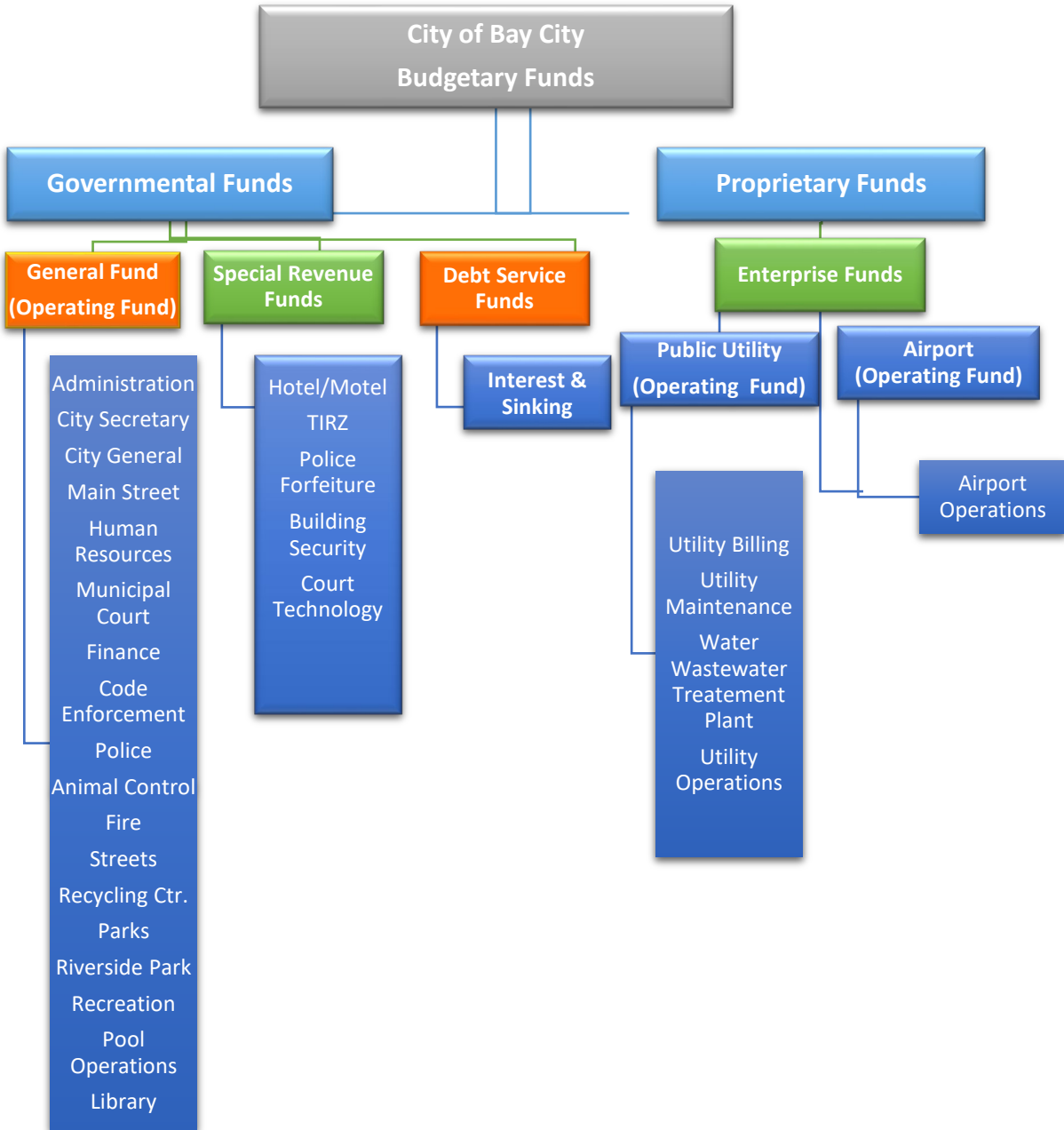
Budgetary Fund Structure

The illustration below is intended to serve as a “big picture” overview for the City of Bay City’s FY 2024 budgeted fund structure. The adopted budget presents three operating funds (General, Public Utility and Airport), one special revenue fund (Hotel/Motel) and one debt service fund (Interest & Sinking). Not all funds of the City are appropriated (i.e., budgeted). Capital projects and most of the City’s special revenue funds are recorded on a project length basis as opposed to annual appropriation. Each fund is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The budgeted funds of the City can be divided into two categories: governmental funds and proprietary funds. Governmental Funds are supported primarily with taxes while proprietary funds are supported by user charges. Operating funds provide for the day-to-day operations of the City. They account for all routine expenditures and capital outlay items. Debt service funds, also known as interest and sinking funds, are governmental type funds used for the accumulation of resources to pay off long-term debt. Special Revenue funds, such as the Hotel/Motel, are used to account for the proceeds of specific revenue that are legally restricted to expenditures for specified purposes. A more in-depth explanation of the budget is depicted with graphs, charts and a narrative of revenue and expenditures within the detail of each respective fund.



Detailed Budgetary Fund Structure

The following graph shows the fund/department relationship for the City of Bay City’s FY 2024 budgeted fund structure. The General Fund and the Debt Service Funds are the only funds the City must legally adopt budgets for and are major funds while all others are non-major.



Combined Budget Overview

The FY 2024 budget for all appropriated funds totals \$33,878,000 in revenues and expenditures, including transfers between funds. The goal of the budget process is to provide a balanced budget, in which expenditures do not exceed revenues.

The table below shows an overview of FY 2024 Budget by Funds as it compares to the prior year.

	Amended Budget FY 2023	Adopted Budget FY 2024	Variance	Variance By %
General Fund	17,166,500	17,680,000	513,500	3%
Interest & Sinking Fund	2,060,000	2,071,000	11,000	1%
Public Utility Fund	10,338,000	12,200,000	1,862,000	18%
Airport Fund	873,000	1,017,000	144,000	16%
Hotel/Motel Fund	769,000	790,000	21,000	3%
Total Budget	31,206,500	33,758,000	2,551,500	8%



Changes in Fund Balance/Working Capital- Budgeted Funds

The following summary shows the projected beginning and ending fund balance or working capital balance for each appropriated fund. The fund balances below include reserved and designated dollars and should not be considered as available for operations.

BUDGETARY FUNDS	Projected Fund Balance Working Capital 10-1-23	Budgeted Revenue FY 2024	Budgeted Expenditures FY 2024	Ending Fund Balance/ Working Capital 9-30-24
General Fund	5,175,932	17,680,000	(17,680,000)	5,175,932
Interest & Sinking Fund	222,898	2,071,000	(2,071,000)	222,898
Utility Fund	3,990,618	12,200,000	(12,200,000)	3,990,618
Airport Fund	236,344	1,017,000	(1,017,000)	236,344
Hotel Occupancy Tax Fund	711,404	790,000	(790,000)	711,404
Total Fund Balance/Working Capital	10,337,196	33,758,000	(33,758,000)	10,337,196

The following summary shows the available fund balance after reserve policies are applied. Reserve Policies can be found in the Financial Policy document located in the Appendix section of this budget document.

Changes in Fund Balance/Working Capital- Budgeted Funds

Fund Balance/Working Capital After Reserves and Designations	General Fund	I & S Funds	Public Utility Fund	Airport Fund	Hotel Occupancy Tax Fund
Projected Fund Balance/ Working Capital 10-1-23	5,175,932	222,898	3,990,618	236,344	711,404
Reserve Policy (90 days)	(4,137,163)	0	(2,338,815)	0	0
Reserves Used-Capital Projects	0	0	(700,000)	(125,000)	(65,000)
Encumbered Capital from Prior Year	(438,000)	0	0	0	0
Reserves Used- Balance Budget*	0	0	0	(27,000)	0
Budgeted Depreciation**	0	0	0	0	0
Build Reserve	0	0	0	0	0
Target Reserve Over/Under	600,769	222,898	951,803	84,344	646,404

Assumptions on the tables above are as follows:

1. Budgeted revenues equal budgeted expenses.
2. Reserve designations are based on City policy to maintain three months operating reserve in the General Fund and three months reserve in the Utility Fund. This information may be found in the City’s financial policies located behind the Appendix tab of this budget document.
3. *At times, the City will balance the budget with reserves. This is only used to fund one-time projects where additional reserves are available over the City’s minimum required reserve levels.
4. **The City currently does not budget to cover all depreciation in the Public Utility Fund. This budget practice will be phased in to enable the City to fund infrastructure projects rather than borrow funds.

Changes in Fund Balance/Working Capital – All Funds

FUNDS	Projected Beginning Balance 10-1-23	Revenues & Transfers In	Expenditures & Transfer Out	Revenue Over/(Under)	Projected Ending Balance
*General Fund	5,175,932	17,242,000	(17,680,000)	(438,000)	4,737,932
Internal Service Funds:					
Information Technology Fund	0	972,000	(972,000)	0	0
Maintenance Fund	0	674,000	(674,000)	0	0
Special Revenue Funds:					
*Hotel Occupancy Tax Fund	711,404	725,000	(790,000)	(65,000)	646,404
Police Forfeiture Fund	79,593	10,000	(10,000)	0	79,593
MC Court Technology Fund	14,143	10,000	(10,000)	0	14,143
MC Building Security Fund	18,971	7,000	(7,000)	0	18,971
TIRZ District # 1	316,933	244,000	(244,000)	0	316,933
TIRZ District # 2	2,000	185,000	(185,000)	0	2,000
TIRZ District # 3	0	60,000	(60,000)	0	0
TIRZ District # 4	0	1,000	(1,000)	0	0
Enterprise Funds:					
*Utility Fund	3,990,618	11,500,000	(12,200,000)	(700,000)	3,290,618
*Airport Fund	236,344	865,000	(1,017,000)	(152,000)	84,344
*Debt Service Fund	222,898	2,071,000	(2,071,000)	0	222,898
Total Fund Balance/Working Capital	10,768,836	34,566,000	(35,921,000)	(1,355,000)	9,413,836



Riverside Park Entrance Road

Combined Revenue and Expenditures Summary

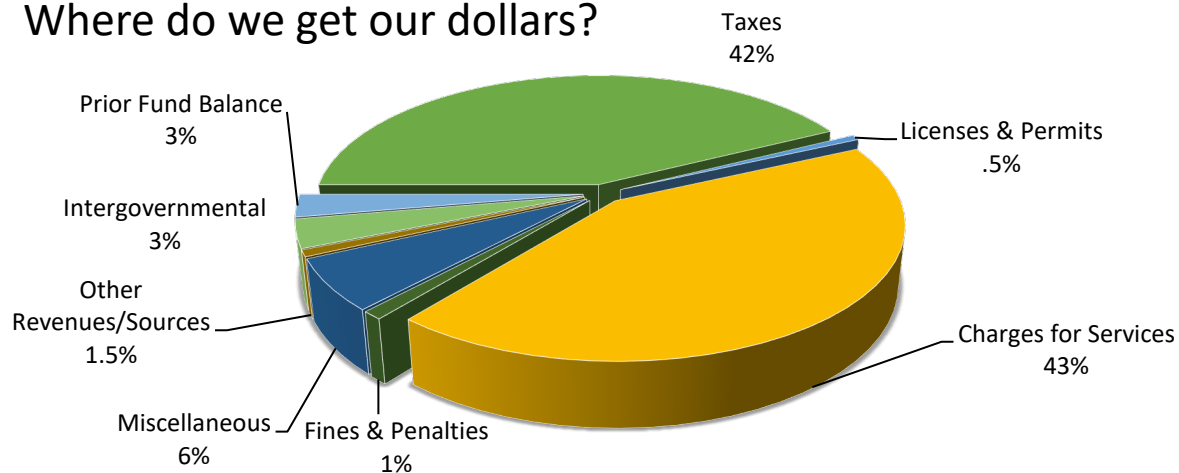
	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024	% Change Budget FY 2023 to Adopted FY 2024
Funding Sources						
Property Tax	5,965,544	6,192,058	6,631,192	6,610,000	6,763,894	2.00%
Sales and Use Tax	4,980,165	5,124,799	5,339,000	5,445,000	5,592,000	4.74%
Franchise Tax	1,263,438	1,280,419	1,361,000	1,353,000	1,305,000	-4.11%
Hotel/Motel Tax	640,386	586,528	620,000	610,000	615,000	-0.81%
Licenses and Permits	193,014	246,296	198,500	167,500	210,000	5.79%
Charges for Services	10,939,308	11,459,387	12,424,500	12,448,350	14,445,500	16.27%
Fines & Penalties	331,851	356,284	360,800	321,300	337,800	-6.37%
Other Revenues/ Sources	3,193,666	288,536	412,500	210,100	265,500	-35.64%
Miscellaneous	2,535,633	1,942,649	2,331,008	2,218,728	2,152,306	-7.67%
Intergovernmental	2,202,935	1,633,116	1,102,000	1,073,000	1,154,000	4.72%
Prior Fund Balance	-	-	426,000	-	917,000	115.26%
Total Revenues & Transfers	32,245,941	29,110,073	31,206,500	30,456,978	33,758,000	8.18%
Expenditures						
General Government	3,959,357	4,386,703	4,615,910	4,388,824	5,258,618	13.92%
Streets	3,838,132	4,422,646	4,086,359	3,925,223	4,454,469	9.01%
Public Safety	5,499,838	5,821,878	5,964,487	5,868,138	5,900,700	-1.07%
Parks & Recreation	2,229,613	2,147,265	2,499,744	1,971,393	2,066,213	-17.34%
Water & Sewer	9,050,489	10,724,914	10,338,000	9,952,275	12,200,000	18.01%
Airport	897,916	946,503	873,000	678,542	1,017,000	16.49%
Hotel Motel	649,757	695,538	769,000	649,477	790,000	2.73%
Interest & Sinking	4,184,105	2,052,268	2,060,000	2,058,069	2,071,000	0.53%
Total Expenditures & Transfers	30,309,207	31,197,715	31,206,500	29,491,941	33,758,000	8.18%
Net Revenue (Expenditures)	1,936,734	-2,087,642	-	965,037	-	-
Beginning Fund Balance	9,523,067	11,459,807	9,372,159	9,372,159	10,337,196	
Ending Fund Balance	11,459,801	9,372,159	9,372,159	10,337,196	10,337,196	

City Wide Revenue

The FY 2024 budgeted revenues total \$33,758,000, which is up \$2,551,500 from prior year FY 2023 budget. The funding of prior year capital projects with grant funding and other outside sources attributes for this decrease. The largest revenue source fund is taxes which represent 42% of the total revenue. Details of each revenue source fund can be found in the revenue section of this book.

Revenue by Receipt Type	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Taxes (Property, Sales, Franchise, Hotel/Motel)	12,849,533	13,183,805	13,951,192	14,018,000	14,275,894
Licenses & Permits	193,014	246,296	198,500	167,500	210,000
Charges for Services	10,939,308	11,459,387	12,424,500	12,448,350	14,445,500
Fines & Penalties	331,851	356,284	360,800	321,300	337,800
Miscellaneous	2,535,633	1,942,649	2,331,008	2,218,728	2,152,306
Other Revenues/ Sources	3,193,666	288,536	412,500	210,100	265,500
Intergovernmental	2,202,935	1,633,116	1,102,000	1,073,000	1,154,000
Prior Fund Balance	-	-	426,000	-	917,000
Total Revenue	32,245,941	29,110,073	31,206,500	30,456,978	33,758,000

Where do we get our dollars?

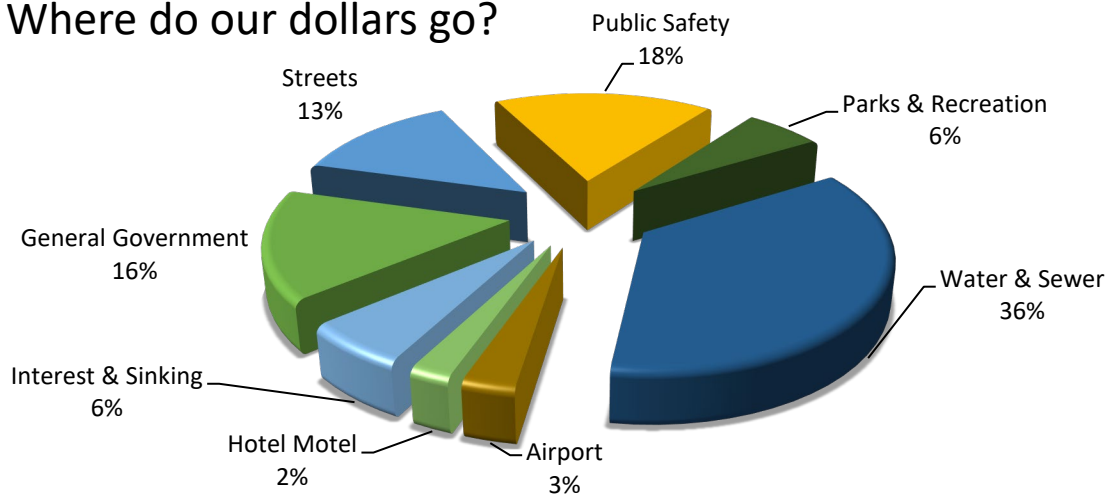


City Wide Expenditures

The FY 2024 budgeted expenditures total \$33,758,000, which is up \$2,551,500 over FY 2023 budget. This is primarily attributable to the timing of one-time capital projects in the General Fund, Water and Sewer Fund as it relates to capital projects in the prior year.

By Object (Operational Funds)	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
General Government	3,959,357	4,386,703	4,615,910	4,388,824	5,258,618
Streets	3,838,132	4,422,646	4,086,359	3,925,223	4,454,469
Public Safety	5,499,838	5,821,878	5,964,487	5,868,138	5,900,700
Parks & Recreation	2,229,613	2,147,265	2,499,744	1,971,393	2,066,213
Water & Sewer	9,050,489	10,724,914	10,338,000	9,952,275	12,200,000
Airport	897,916	946,503	873,000	678,542	1,017,000
Hotel Motel	649,757	695,538	769,000	649,477	790,000
Interest & Sinking	4,184,105	2,052,268	2,060,000	2,058,069	2,071,000
Total Expenditures	30,309,207	31,197,715	31,206,500	29,491,941	33,758,000

Where do our dollars go?



General Fund Revenue

The Property Tax Rate and Property Tax Revenue

Property taxes are levied each year on October 1st on the assessed values as of the prior January 1st for all real and personal property located in the City. Assessed values are established by the Matagorda County Appraisal District (MCAD). Certified taxable values are provided to the City by the MCAD in July. Property tax is the largest source of income for the General Fund and makes up **32%** of the budgeted revenue for the 2024 fiscal year. This tax supports operations such as police services, fire protection, streets, park maintenance and code enforcement. The City approved a \$10,000 exemption for all Bay City citizens over the age of 65. The citizens of Bay City elected for .5% of the City’s 2% local option to be used for property tax relief. Increase sales tax helps the City decrease reliance on property tax revenue.

The total value of all taxable property as certified by the Matagorda County Appraisal District is summarized in the following table:

	Current Year FY 2024	Prior Year FY 2023	Variance	Variance
*Certified Taxable Value (2023 Tax Roll)	1,171,484,617	1,031,171,657	140,312,960	13.61%
**TIRZ New Value (Increment over Base)	37,720,157	22,706,382	15,013,775	66.12%

* The City has 4 Tax Increment Reinvestment Zones (TIRZ’s). TIRZ value is included in the Certified Value Total.

**TIRZ New Value equals the 2023 Taxable Value less the value of the TIRZ when it was created.

Certified taxable property valuations provided to the City by the MCAD on July 14, 2023 totaled \$1,171,484,617 - an increase of 13% over prior year. For the Fiscal Year 2024 budget, the **adopted budget** will raise more property taxes than last year’s budget by \$73,162 (1.14%). The City Council adopted a tax rate of **.56995**/\$100 value which will afford the City to maintain service levels, fund street projects, maintain the minimum fund balance, and help offset the rising costs property insurance, health insurance, and other employee related costs.

The table below shows the City’s tax rate distribution & associated tax levy as approved in the budget.

	Tax Rate	Tax Rate Percent	Total Gross Levy ¹	FY 2023 Budget ²
Debt Service Funds:				
Various Debt Service	.13540	XX.XX%	1,542,376	1,542,376
Total Debt Service (Required)	<u>.13540</u>	<u>XX.XX%</u>	<u>1,542,376</u>	<u>1,542,376</u>
General Fund:				
Operation and Maintenance	<u>.XXXXX</u>	<u>XX.XX%</u>	<u>5,252,235</u>	<u>5,140,000</u>
Total	<u>.XXXXX</u>	100.00%	6,794,611	6,682,376

¹ **Gross levy** - anticipates 100% collection rate; ² **Budget** anticipates 100% collection rate in debt service and 98% collection rate in General Fund Operations and Maintenance Budget.

REVENUE ASSUMPTIONS

Property Tax Value has remained steady with an average of 6.5% growth over the last 5 years and 6% growth over the last 10 years. The chart below shows the history of taxable value.

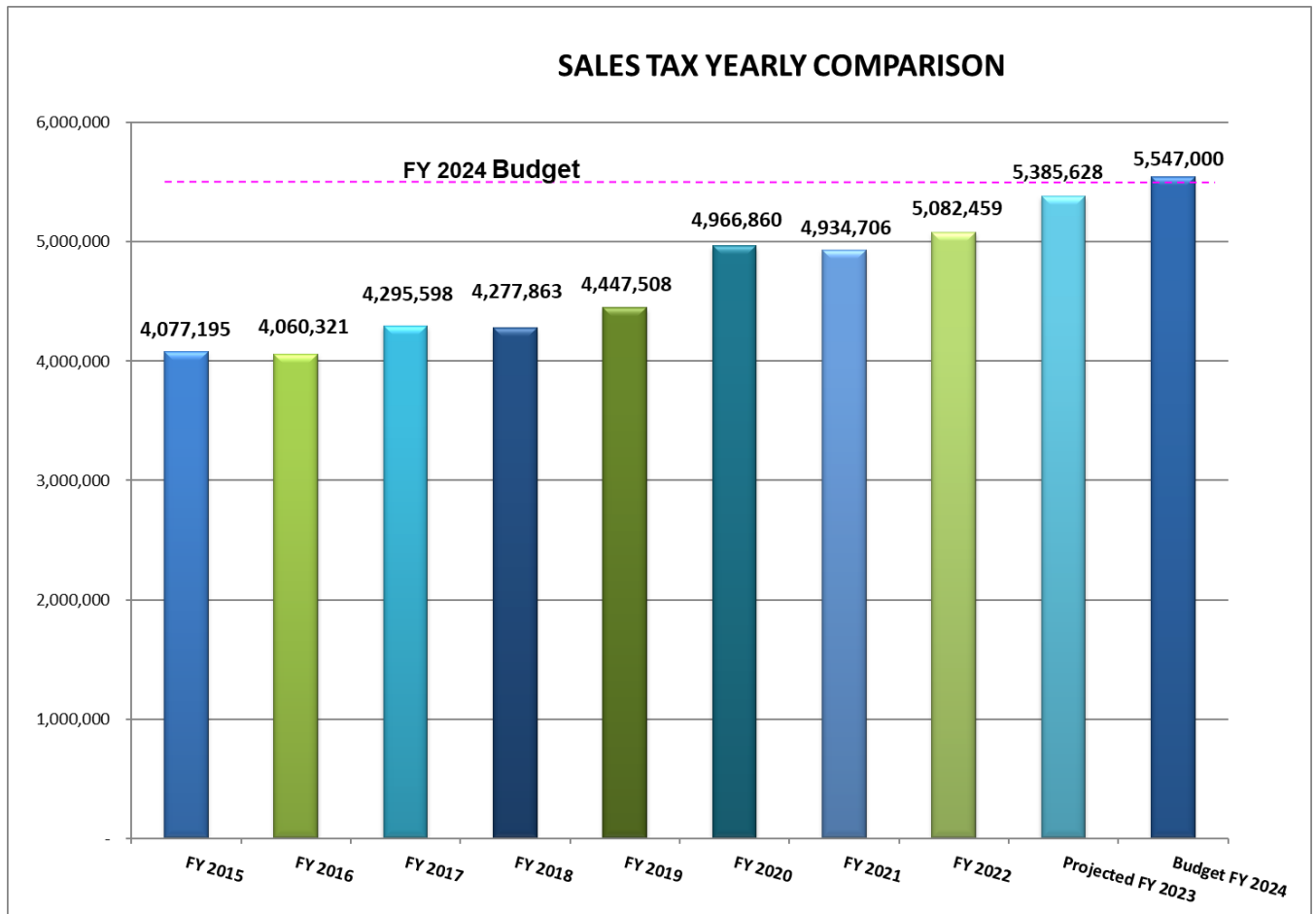


Each year the City Council determines what tax rate will be applied to the taxable value in order to maintain city services and pay debt associated with the City. Please see the tax rate distribution on the previous page. The graph below shows the history of the City's original tax levy.



Sales Tax

Sales tax is the second largest revenue source in the General Fund making up **31%** of the City’s General Fund budget. The City receives 1.5% of the 8.25% tax charged inside the city limits. The Bay City Community Development Corporation receives 0.5% and the remaining 6.25% goes to the State. The City budgeted sales tax based on estimated year end of FY 2023 while taking under consideration the prior year. The City was up 6.5% (324,000) over prior year at 3rd quarter 2023. The FY 2024 budget for sales tax is budgeted 3% over prior year and is anticipated to be a conservative approach.



Franchise Fees

Franchise Fees represent **8%** of the City's General Fund revenue. Franchise fees are collected from major public utility providers operating within the City limits. This charge is for the use of the City's right of ways and streets. The fee is usually computed by a percentage of gross receipts. The City is budgeted to collect a total of **\$1,305,000** a slight increase as compared to prior year's budget. Included in that amount is a Franchise Fee charged to the Public Utility Fund based on 6% of gross revenue. This franchise fee amounts to \$690,000. Historical collections of the most recent years are the primary basis for assumptions of Franchise fees as it relates to franchises such as cable, electric, and telecommunications.

Licenses & Permits

Revenues from these categories relate to various contractors' permits, alcohol permits and animal licenses. Historical averages are the basis of this budget assumption due to the timing of construction jobs.

Grants & Contributions

The City provides services to the County for library and animal impound services. This revenue is budgeted based on interlocal agreements between the City and County. The City also has agreements with each component unit of the City. The Bay City Community Development Corporation Board approves 4B Sales Tax dollars to fund various economic or community development projects while the Bay City Gas Company provides funds to rebuild city streets. This year's annual contracts & local grants equate to **\$531,890**.

- Interlocal agreement with Matagorda County for library services- \$200,000
- Interlocal agreement with Matagorda County for animal impound- \$86,240
- Interlocal Agreement with Bay City ISD for use of City pool- \$37,500
- Police Department grants (CVLG, BPV, and JAG)- \$107,000
- Local law enforcement grant - \$2,500
- Bay City Gas Company for Volunteer Fire Department Support- \$16,000
- Bay City Community Development for match to sidewalk grant and economic development consulting- \$82,650
- Other Contributions from the Bay City Gas Company and the Bay City Community Development Corporation are found in the Debt Section of this book (Certificate of Obligation 2020)

Intergovernmental Revenue

This revenue represents transfers from various funds to reimburse the General Fund for services such as office space, financial services, administrative services, equipment purchases, and capital projects. This year’s annual transfers in equate to **\$873,000**.

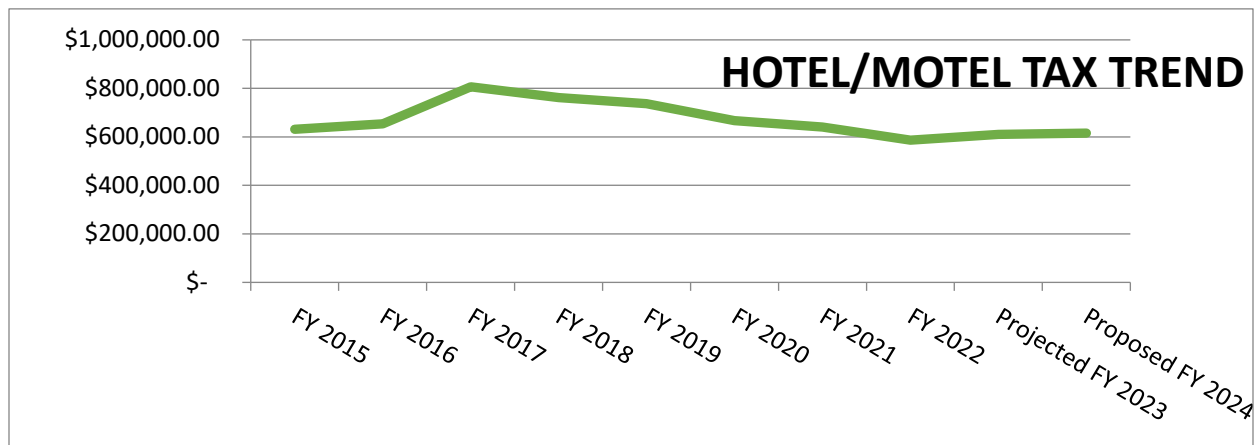
- Transfer in from Public Utility Fund to recover administrative fees- \$765,000
- Transfer in from Hotel Motel Fund to cover costs related to Main Street \$ 68,000
- Transfer in from Fixed Asset Replacement Fund to cover purchase of machinery and/or vehicles- \$ 40,000

Special Revenue Fund

Hotel Occupancy Tax (HOT) Fund

Hotel Tax

All occupants staying overnight in hotels or motels in the City of Bay City for less than 30 consecutive days, are charged a hotel tax of 13% of the room cost. The City receives 7% of the revenue while the State collects 6%. This money is used to promote the City of Bay City following strict guidelines on the use of this tax set up by the State Comptroller’s Office. Historical trends are used to estimate this revenue. The City budgeted \$615,000 in hotel tax revenue and \$790,000 in total revenue.

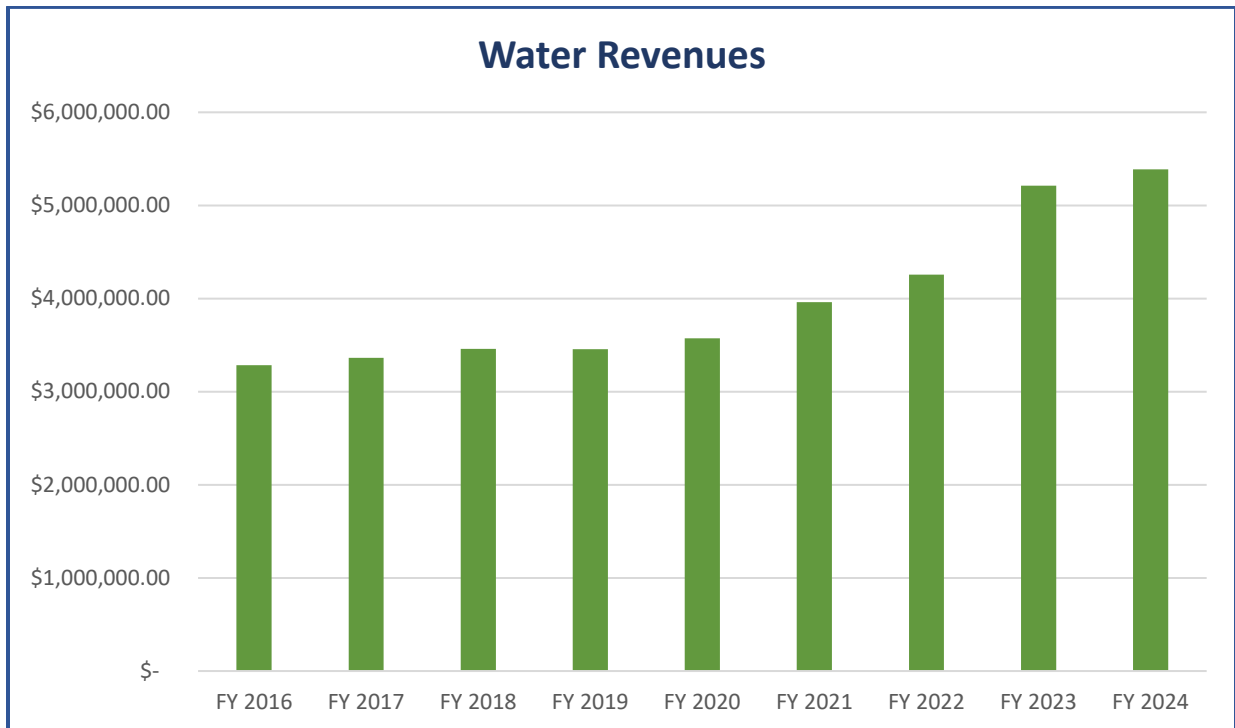


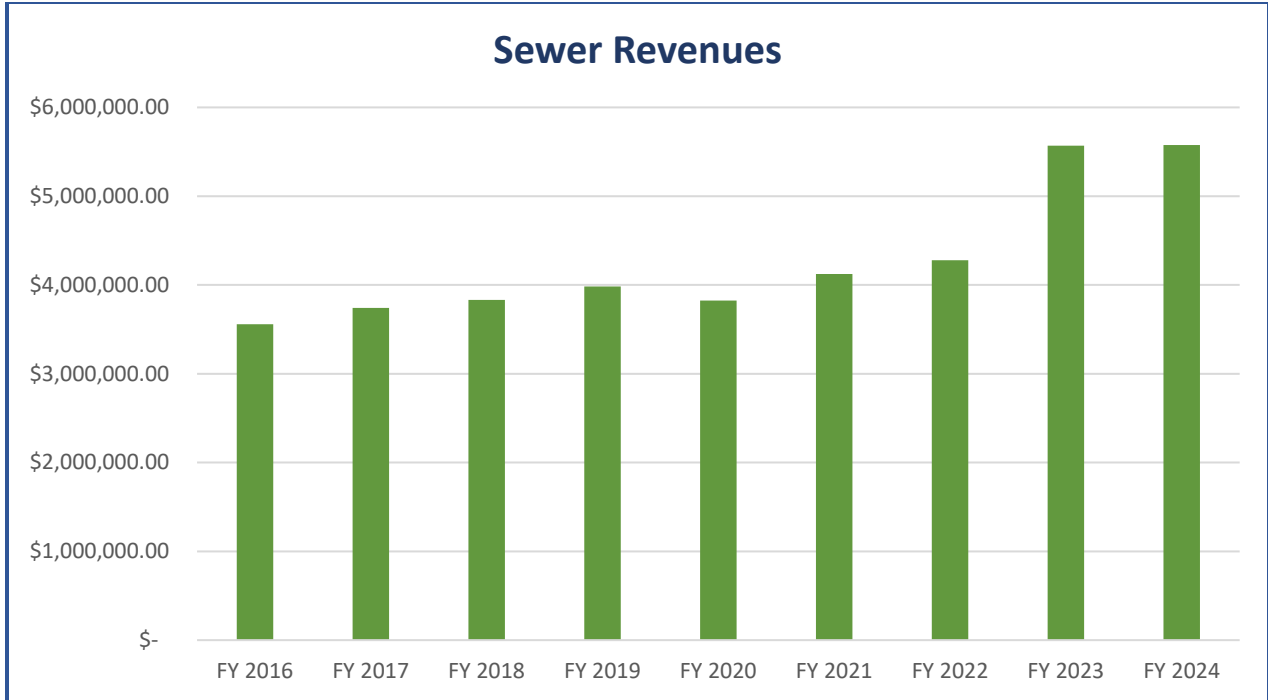
Enterprise Funds

Public Utility Fund

Water & Sewer Revenue

The water and wastewater operations are funded primarily through user fees. The City must set rates to cover the cost to pump and treat water along with the cost to maintain and repair the City’s infrastructure. The City budget holds an increase in water and sewer rates by 14%. The City’s last rate increase was **October 1, 2022**. The City usually estimates revenue based on historical trends that consider weather and consumption history. However, this year is different. The City updated the water rate study to take into consideration new debt related to large capital projects to be funded through the Texas Water Development Board revolving loan fund over the next two years.





Garbage Fees

Residential and commercial garbage pickup is provided by a private contractor. The City sets rates to cover the charges of the 3rd party contractor. The City increased garbage rates by 14% to offset the anticipated price increase imposed by the contractor of 15% or (\$309,000). The estimated revenue is derived by the average number of customers multiplied by the rate, then annualized.

Airport Fund

The City charges tie down and full-service fees and jet and aviation fuel purchases. Hanger rentals (\$130,000) and fuel/oil sales (\$265,500) are the largest user fees in this fund and are estimated to be **\$395,500**, or **39%** of total budget. The General Fund is set to subsidize this fund by approximately \$225,000 in Fiscal Year 2024. Revenue assumptions are based on department input and historical trends.

All Major Funds

User & Service Charges

This type of charge can be found in the General Fund, Public Utility Fund and Airport Fund. These fees account for **43%** of citywide revenue.

Less than **18%** of the General Fund revenue comes from service fees (sanitation fees). However, this is **92%** of the Public Utility Fund's revenue source.

Fines & Forfeitures

Fines and forfeitures account for approximately **1%** of the city-wide revenue and can be found in the General Fund and Public Utility Fund. In the General Fund, this revenue is represented by payments of citations, warrants, court costs and Library Fines. The revenue is represented as late payment penalties in the Public Utility Fund.

Other Revenue

This is the smallest resource of citywide revenue and can be found in most funds. This includes items such as interest income, auction proceeds and other financing sources.

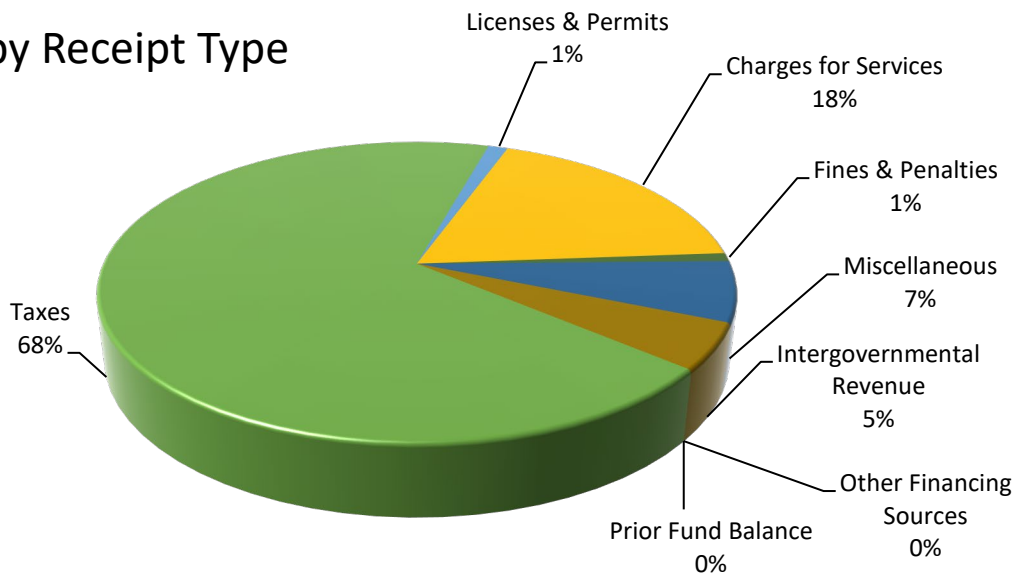
Total City Revenue

The Fiscal Year 2024 budgeted revenues for the City totaled \$33,758,000. This is up \$2,551,500 or **8%** more than prior year's budget. This is attributable to the increase in the Utility Fund needed to support critical infrastructure improvements.

General Fund Revenue

Receipt Type	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024	Variance
Taxes	10,649,896	11,011,883	11,746,200	11,793,000	12,069,000	322,800
Licenses & Permits	193,014	246,296	198,500	167,500	210,000	11,500
Charges for Services	2,596,307	2,615,508	2,714,000	2,700,250	3,228,000	514,000
Fines & Penalties	193,433	176,879	190,800	146,300	157,800	-33,000
Miscellaneous	1,364,248	1,035,831	1,469,000	1,505,000	1,142,200	-326,800
Intergovernmental Rev.	671,500	1,388,116	848,000	848,000	873,000	25,000
Prior Fund Balance	-	-	-	-	-	-
Total Revenue	15,668,397	16,474,513	17,166,500	17,160,050	17,680,000	513,500

Revenue by Receipt Type



Largest Revenue Sources	Amended Budget FY 2023	% Of Total FY 23 General Fund Budget	Adopted FY 2024	% Of Total FY 24 General Fund Budget	Variance
Property Taxes	5,046,200	29%	5,172,000	29%	125,800
Sales Tax	5,301,000	31%	5,547,000	31%	246,000
Franchise Fees	1,361,000	8%	1,305,000	7%	-56,000
Mixed Beverage Tax	38,000	0%	45,000	0%	7,000
Total	11,746,200	68%	12,069,000	68%	315,800

General Fund Revenue Detail

General Fund Revenues	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Taxes					
Property Taxes Collections	4,243,164	4,461,517	4,896,000	4,850,000	5,032,000
Delinquent Taxes	80,844	66,118	75,000	69,000	65,000
Tax Overpayments	4,109	8,120	2,200	6,000	5,000
Property Taxes- P&I Fees	78,175	70,911	73,000	70,000	70,000
State Sales Tax	3,290,957	3,391,866	3,534,000	3,590,000	3,698,000
State Mixed Drink Tax	45,459	42,340	38,000	60,000	45,000
Franchise Tax	625,758	632,502	625,000	620,000	615,000
Enterprise Franchise Fee	501,000	510,000	593,000	593,000	690,000
Waste Collection Franchise	136,680	137,918	143,000	140,000	-
State Sales Tax- Tax Relief	1,643,749	1,690,593	1,767,000	1,795,000	1,849,000
Total Taxes	10,649,896	11,011,883	11,746,200	11,793,000	12,069,000
Licenses & Permits					
Alcohol Beverage Permit	5,815	6,498	5,000	6,500	6,500
Other License/Permits	2,200	2,740	-	1,000	-
Building Permits	181,327	235,068	190,000	152,000	200,000
Misc. Inspection Fee- Code Enf.	1,475	1,400	1,000	1,000	1,000
Plat Filing Fees	2,197	590	2,500	7,000	2,500
Total Licenses & Permits	193,014	246,296	198,500	167,500	210,000
Charges for Services					
Sanitation Fees	2,595,995	2,615,271	2,714,000	2,700,000	3,228,000
Service Charges	312	237	-	250	-
Total Charges for Services	2,596,307	2,615,508	2,714,000	2,700,250	3,228,000
Fines & Penalties					
Court Fines	175,528	157,810	175,000	125,000	140,000
Warrant Fines-Collected	9,102	10,156	8,000	14,000	10,000
Arrest Fees	377	428	300	300	300
Juvenile Case Management	5,272	4,753	5,000	4,500	5,000
Library Fines	3,154	3,732	2,500	2,500	2,500
Total Fines & Penalties	193,433	176,879	190,800	146,300	157,800

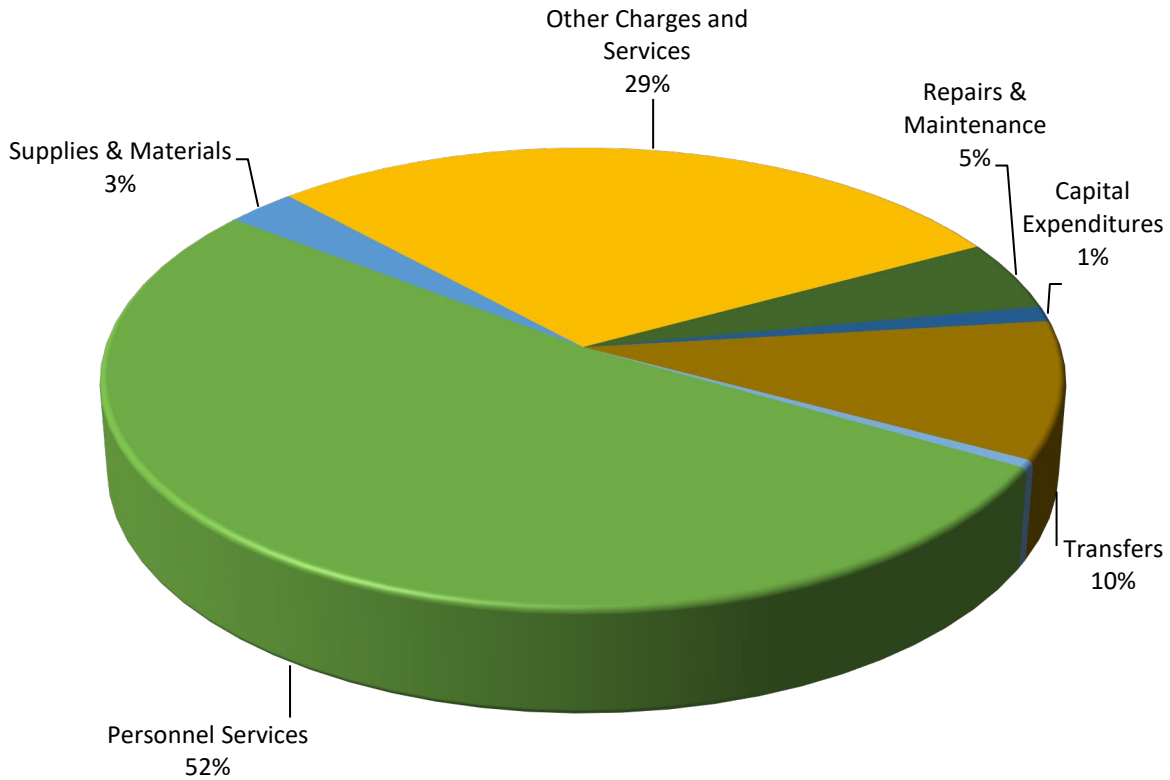
GENERAL FUND

General Fund Revenues (Continued)	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Miscellaneous					
Interest Income	22,080	32,635	133,000	183,000	130,000
Liens	13,344	49,937	13,000	23,000	-
Rental Proceeds	77,779	66,037	67,000	75,000	67,000
Recycling Center	19,901	35,442	20,000	10,000	20,000
PD Grants and Special Rev.	43,693	129,065	120,000	100,000	133,500
Grants- Various Sources	107,799	9,624	141,000	140,000	-
Law Enforcement Education	3,451	-	3,500	3,000	2,500
Parks- Rental Income	57,282	49,009	54,000	38,000	55,000
Rec Programs	16,008	20,202	15,000	20,000	20,000
Riverside- RV Rentals	33,722	60,396	72,000	85,000	100,000
Riverside Park Fees	40,599	29,903	32,000	30,000	35,000
Service Center Fees	6,846	14,666	15,000	10,000	15,000
Library Fees	8,984	7,212	9,000	7,000	8,310
Donations	17,040	2,285	-	17,000	-
BCISD- Pool Interlocal	-	41,300	75,000	75,000	37,500
County- Animal Impound %	77,563	72,598	92,000	90,000	86,240
County- Library Funding	200,000	200,000	200,000	200,000	200,000
Animal Impound- Fees	5,440	7,969	5,000	5,000	5,000
Suspense Account	(103)	-	-	-	-
Insurance Claims	13,347	73,940	198,000	202,000	-
Gain on Disposal of Assets	12,242	20,752	-	11,000	41,500
Other Income- From Gas Co.	205,602	19,259	16,000	16,000	16,000
Other Income- Police	4,379	2,959	20,500	20,000	2,000
Other Income- BCCDC	164,260	-	82,500	75,000	82,650
Other Income	212,991	90,639	85,500	70,000	85,000
Total Miscellaneous	1,364,248	1,035,831	1,469,000	1,505,000	1,142,200
Intergovernmental Revenue					
Transfer from FD 25	58,000	58,000	68,000	68,000	68,000
Transfer from Utility	613,500	510,000	668,000	668,000	765,000
Transfer from Fund 23	-	600,000	87,000	87,000	-
Transfer from FSA Fund	-	5,000	-	-	-
Transfer from Fund 12	-	215,116	25,000	25,000	40,000
Total Intergovernmental	671,500	1,388,116	848,000	848,000	873,000
Prior Fund Balance					
Other Financing Sources	-	-	-	-	-
Prior Fund Balance	-	-	-	-	-
Total Fund Balance	-	-	-	-	-
Total General Fund Revenue	15,668,397	16,474,513	17,166,500	17,160,050	17,680,000

General Fund Expenditures by Function

Expenses by Function	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024	Variance
Personnel Services	7,744,164	8,303,784	8,787,219	8,427,274	9,230,355	443,136
Supplies & Materials	385,889	481,650	498,685	473,513	466,695	-31,990
Charges and Services	4,302,405	4,720,018	4,431,532	4,361,449	5,181,800	750,268
Repairs & Maint.	776,792	693,602	868,000	777,245	865,500	-2,500
Capital Expenditures	632,774	819,855	976,000	520,930	123,000	-853,000
Transfers	1,544,760	1,609,827	1,474,000	1,474,000	1,718,150	244,150
Debt Service	41,064	41,064	41,064	41,067	-	-41,064
Other Expenses	99,091	108,691	90,000	78,100	94,500	4,500
Total Expenditures	15,526,940	16,778,492	17,166,500	16,153,578	17,680,000	513,500

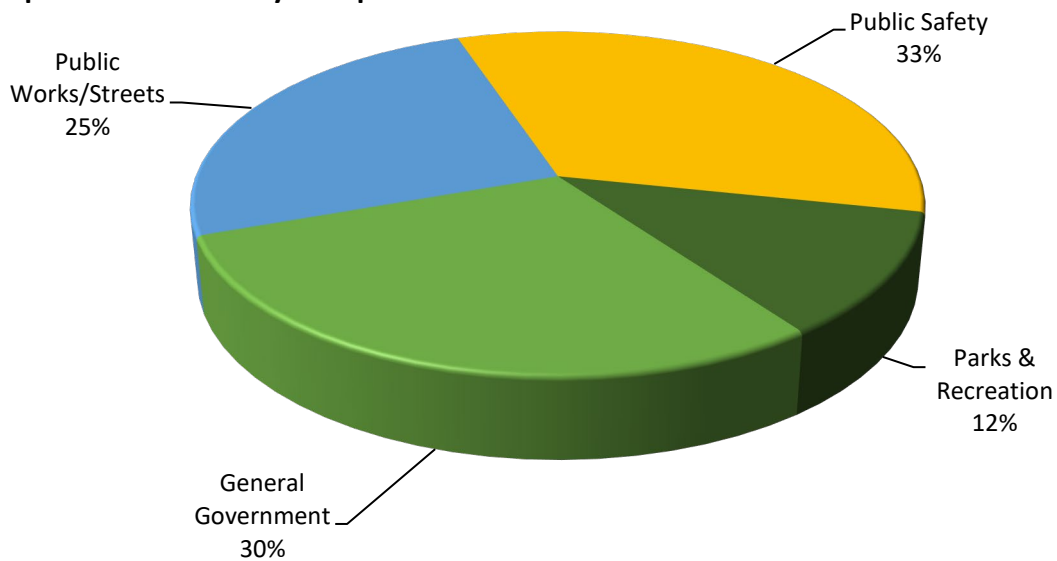
Expenditures by Function



General Fund Expenditures by Department

Department	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024	Variance	%
City Secretary	97,130	117,378	131,013	117,532	207,211	76,198	58%
City General Services	2,515,357	2,869,100	3,012,372	2,841,430	3,449,250	436,878	15%
Administration	315,257	329,369	335,552	327,663	336,406	854	0%
Main Street	54,130	55,439	75,000	61,150	75,000	-	0%
Human Resources	270,608	273,448	283,709	282,969	275,380	-8,329	-3%
Municipal Court	307,213	345,537	381,646	368,907	467,251	85,605	22%
Finance	399,661	396,432	396,618	389,173	448,120	51,502	13%
Code Enforcement	311,660	491,303	475,584	487,151	446,699	-28,885	-6%
Police	4,837,877	5,004,736	5,117,503	5,026,937	5,081,887	-35,616	-1%
Animal Impound	172,802	163,776	222,350	226,015	196,064	-26,286	-12%
Fire	177,499	162,063	149,050	128,035	176,050	27,000	18%
Street and Bridge	3,583,114	4,225,272	3,770,619	3,624,350	4,253,817	483,198	13%
Recycling Center	255,018	197,374	315,740	300,873	200,652	-115,088	-36%
Parks & Recreation	1,154,769	1,088,409	1,390,765	937,980	983,037	-407,728	-29%
Riverside Park	201,989	196,601	208,998	183,976	209,664	666	0%
Recreational Programs	101,745	102,047	83,265	75,838	92,600	9,335	11%
Pool Operations	279,470	228,572	300,339	261,000	264,169	-36,170	-12%
Library	491,640	531,636	516,377	512,599	516,743	366	0%
Total Expenditures	15,526,940	16,778,492	17,166,500	16,153,578	17,680,000	513,500	3%

Expenditures by Department



Departmental Summaries

ADMINISTRATION

Our Mission

To develop and enhance the long-term prosperity, sustainability, and health of the community by providing direction, support, and regulation to the operations of all City Departments based on State Law, City Charter, or City Council.

Description of Our Services

The City Manager exercises leadership in maintaining effective communication between the Mayor, City Council, City employees and the citizens of Bay City. As the City's Chief Executive Officer, the City Manager performs financial monitoring, presents the annual budget, prepares City Council agenda, provides citizen assistance, and works on economic and community development opportunities. This office also handles customer service requests and provides general administrative assistance to other programs.

Vision 2040

2024 Strategic Focus*

Governance

- Organizational/Operational Effectiveness
- Improving Image of Bay City
- Communication

Bay City residents are well informed and involved with the affairs of local city government

Infrastructure and City Facilities

Bay City residents enjoy new streets, sidewalks and have access to public facilities that meet the standards of our community.

Community & Economic Development (2024 Strategic Focus)

Bay City is known for encouraging economic development opportunities, creating a business development program that is responsive to existing business needs, and actively promoting tourism.

Livability & Quality of Life

Bay City residents enjoy a safe community with great amenities and affordable living.

FY 2024 Business Plans (Objectives)

- Re-organization of City to streamline services
- Add Emergency Management Director duties to Fire Marshal position
- Continue staff development through CoachHub for directors and supervisors
- Designate a new Public Information Officer for the City
- Assess the structural integrity of Nile Valley bridge and address any deficiencies
- Develop 30% drawings necessary for applying for IJA grant funding for the development of Nile Valley- Phase II
- Improve roads throughout the community using chip seal, cold and hot mix, and the use of the City’s new and existing equipment
- Determine location and architectural design of the new Police Department headquarters
- Assist Fire Department to develop a plan to address ISO rating to improve city-wide insurance rates
- Create TIRZ 5 to further economic development and redevelopment on the far west side of Highway 35, east side of Highway 35 and south Highway 60
- Create a partnership with Bay City Community Development Corporation, Lynn Group, Bay City I.S.D and Wharton County Junior College to initiate the development of a trade school in Bay City
- Support drainage applications and housing for commercial developments as they go through Drainage District I approval process
- Recruitment of administration for Public Works and Parks Department

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Established use of CoachHub as a new mean of staff development for all directors and supervisors
- ✓ Created Planning Manager position to streamline permitting and development process
- ✓ Developed list of City owned properties for designation as surplus

Budget Summary

Administration	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	298,995	321,288	324,802	316,788	325,656
Supplies & Materials	4,667	2,356	4,650	4,550	4,650
Other Charges & Services	11,595	5,724	6,100	6,325	6,100
Total Administration	315,257	329,369	335,552	327,663	336,406

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Mayor	1	1	1	1
City Manager	1	1	1	1
Executive Assistant	1	1	1	1
Council Members	5	5	5	5
Total	8	8	8	8

CITY SECRETARY

Our Mission

To ensure the City’s elections and legislative processes are open and public by providing a link between citizens and government through the dissemination of information; and to ensure the preservation and integrity of official records that are stored and maintained for legal and business purposes. The City Secretary Department is to support, facilitate and strengthen the City of Bay City government process by:

- ❖ Assisting the City Council in fulfilling its duties and responsibilities
- ❖ Enhancing public participation in municipal government processes
- ❖ Improving public access to municipal records and other information
- ❖ Providing continuity for the Bay City government by recording its legislative actions and serving as historian for the city
- ❖ Providing daily assistance to all administrative departments of the City of Bay City
- ❖ Safeguarding and enriching the municipal election and records management processes

Description of Our Services

The City Secretary Department is responsible for open records and information requests, issues vendor permits and prepares and distributes City Council agendas and support materials, along with maintaining accurate official meeting minutes. Other services include, administering the oath of office and overseeing the retention of city records.

Vision 2040

2024 Strategic Focus*

Governance*

- **Organizational/Operational Effectiveness**
- **Improving Image of Bay City**
- **Communication**

Bay City residents are well informed and involved with the affairs of local city government

- ❖ Foster strategic relationships with all City Departments
- ❖ Enhance the quality of service of the City Secretary Department
- ❖ Implement technological improvements in the Department.

FY 2024 Business Plans (Objectives)

- Finalize and print re-codified Code of City Ordinances
- Promote City Council meeting agenda process for Council members and directors placing items on the agenda
- Perform City-wide records audit and update retention schedule
- Re-organize Records Management Policy and Procedures
- Continue organization and update of the City Code of Ordinances both hard copy and online
- Continue to pursue opportunities which will enhance the Department’s ability to provide accurate and timely information to the City Council, Mayor, City Departments and the general public
- Maintain records and appointment processes of Board membership and terms of all City Board participation
- Continue to update and enhance the City Secretary’s website information

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Evaluated cost of an electronic records management program for storage, retrieval, and workflow of documents
- ✓ Continued re-codification of City Code of Ordinances
- ✓ Organized and updated the City Code of Ordinances both hardcopy and online
- ✓ Pursued opportunities which will enhance the Department’s ability to provide accurate and timely information to the City Council, Mayor, all City departments, and the general public
- ✓ Maintained Records and appointment processes of Board membership and terms of all City Board participation
- ✓ Implemented Open Records Request application for public easy access and staff tracking/notification

Budget Summary

City Secretary	Actual FY 2021	Actual FY 2022	Amended Budgeted FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	81,980	83,145	89,863	86,757	178,561
Supplies & Materials	6,027	1,920	12,150	11,775	1,950
Other Charges & Services	9,123	32,314	29,000	19,000	26,700
Total City Secretary	97,130	117,378	131,013	117,532	207,211

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
City Secretary	1	1	1	1
Deputy City Secretary/Public Information Officer	0	0	0	1
DECA Student (Temp.)	0	0.5	0	0
Total	1	1.5	1	2

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Number of Agendas/Meetings/Mins.	58	59	43	56
Number of closed sessions	17	18	18	18
Number of public hearings	5	10	5	5
Number of new Ordinances approved	19	26	20	20
Number of resolutions approved	22	32	35	30
Number of Liens Released	357	90	150	140
Number of requests for Public Info.	52	148	45	50
Number of elections prepared for	0	78	92	75
<i>Measuring our Effectiveness</i>				
% of Agendas posted 96 hours prior to meeting	100%	100%	100%	100%

CITY GENERAL

Description of Our Services

Expenditures considered to be of a non-departmental nature include: audit and legal fees, general liability insurance, Fixed Asset Replacement Fund allocations, approved contingency allocations and transfers to other funds for shared operating costs. This department also provides for the operation of the City Hall building including all utilities, janitorial and building maintenance costs.

Contingency

In accordance with Section 10.07 of the City Charter, provisions shall be made in the annual budget for a contingent appropriation in an amount not more than seven (7) percent of the total budget to be used in case of unforeseen items of expenditure. Such contingent appropriation shall be under the control of the Chief Administrative Officer and distributed by him/her after approval by the City Council. Council, with recommendation from the Chief Administrative Officer, may adjust the percentage of the contingency appropriation for cause.

Fixed Asset Replacement Fund Allocations (FARF)

This fund is specifically used to replace vehicles, machinery, and equipment in the General Fund. Annually the City’s goal will be to transfer dollars to the FARF based on one year’s annual depreciation for all assets of this type. A minimum threshold will be reviewed annually for the appropriateness based on the depreciation schedule along with funding ability.

Budget Summary

City General	Actual FY 2021	Actual FY 2022	Amended Budgeted FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	-	14,009	15,000	15,000	15,000
Supplies & Materials	20,485	25,862	23,000	24,150	23,600
Other Charges & Services	905,489	1,110,812	1,142,372	1,017,530	1,582,500
Repairs & Maintenance	44,623	95,389	43,000	43,000	80,000
Capital Expenditures	-	13,200	315,000	267,750	30,000
Transfers	1,544,760	1,609,827	1,474,000	1,474,000	1,718,150
Total City General	2,515,357	2,869,100	3,012,372	2,841,430	3,449,250

MAIN STREET



Our Mission

The mission of Bay City Main Street is to promote historic pride and economic vitality within the Four Points Approach. Success in these four areas will result in our vision for hospitality and economic vitality through County strength and pride.

Four Points Approach:

1. Design (historic preservation)
2. Organization (added partners)
3. Promotion (inventive ideas)
4. Economic Restructuring (shared financial information and aid)

Description of Our Services

The Bay City Main Street program is a City of Bay City program administered by The Bay City Community Development Corporation. The Main Street program, under the direction of Main Street Co-Managers, organizes community volunteers to provide advice on historic design and rehabilitation, promotions, and business incentives available for downtown businesses. Main Street administers the City of Bay City's historic façade grant program. Bay City is an accredited Main Street America and Main Street Texas Program which affords the community resources to help address the needs and concerns of downtown businesses.

Vision 2040

2024 Strategic Focus*

Community & Economic Development*

Bay City is known for encouraging economic development opportunities, creating a business development program that is responsive to existing business needs and actively promoting tourism.

- ❖ **Downtown Revitalization** – Since becoming a Main Street Program in 1992, downtown Bay City has received over \$16,500,000 in investment through rehabilitation projects, new construction, and public improvement projects. These improvements have resulted in a vibrant downtown featuring a mix of retail, restaurants, professional services, government, and housing.
- ❖ **Historic Preservation** – Bay City maintains a high preservation ethic, while encouraging entrepreneurs to invest in rehabilitation and reuse of historic properties to meet the needs of the 21st Century.

Vision 2040 Goals:

- Provide sidewalks throughout downtown
- Utilize historic assets in Bay City
- Encourage businesses to stay open later
- Conduct regular events downtown
- Improve the appearance of downtown
- Develop public restrooms
- Identify parking opportunities
- Update wayfinding and signage plan



CamoFest Committee

FY 2024 Business Plans (Objectives)

- Continue relocation and replacement of trees around the square
- Begin rebranding Main Street Program logo and design
- Update downtown seating and wayfinding to increase beautification efforts
- Partner with City of Bay City Public Works department on downtown beautification efforts
- Work on new tourism pamphlets after rebranding program
- Continue working to grow CamoFest and increasing revenue for larger projects
- Work on downtown street banners for light poles
- Push for downtown events and work with merchants on social media outlet presence

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Received 2023 National Accreditation from Main Street America
- ✓ Rebranded Wild Game and Wine Camofest logo design and rebuilt new website under new company
- ✓ Partnered with Bay City Community Development Corporation (BCCDC) and Studio ZG on mural project located at Three Chicks Soap
- ✓ Funded five façade grant improvements to new and pre-existing businesses
- ✓ Passed Vacant building ordinance through coordination with City of Bay City Code Enforcement and Public Works Divisions
- ✓ Partnered with BCCDC on the replacement of downtown digital sign
- ✓ Assisted on new sidewalk project with Public Works on Highway 35 to the corner of Avenue H
- ✓ Created downtown photo ops using wooden cutouts through collaboration with BCCDC, Bay City Lions Club and Bay City Rotary Club
- ✓ Assisted with and coordinated State Review of The Old Bay City Bank Building which began renovations in April 2023

Budget Summary

Main Street	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Other Charges & Services	51,917	48,076	55,000	50,550	60,000
Other Expenses	2,214	7,363	20,000	10,600	15,000
Total Main Street	54,130	55,439	75,000	61,150	75,000

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
10-point criteria met/Accredited	Yes	Yes	Yes	Yes
Façade Grants Awarded	3	3	3	3
Main Street Board Meetings	12	12	12	12
Historic Commission Meetings	6	6	6	6

HUMAN RESOURCES

Our Mission

To provide information regarding policies, procedures, employment, and employee benefits to the City staff and to support the City’s efforts to attract, develop and retain a diverse, well-qualified and productive workforce that can provide quality services to the citizens of Bay City.

Description of Our Services

The Human Resource Department provides services to City employees; processes all hiring and termination of employees; maintains personnel and medical files on all employees; processes worker compensation claims; unemployment claims; resolves retirement fund issues and health/dental insurance coverage issues. This department works closely with department heads, payroll and the safety committee in all matters involving employees of the City.

Vision 2040

2024 Strategic Focus*

Governance*

- Organizational/Operational Effectiveness
- Improving Image of Bay City
- Communication

Bay City residents are well informed and involved with the affairs of local city government.

FY 2024 Business Plans (Objectives)

- Continue with Merit and COLA implementation
- Update salary ranges to coincide with market data
- Implement, at least partially, market findings for salary ranges
- Update and implement certification pay (phase-in)
- Fulfill city-wide longevity pay
- Carry out a city-wide intranet
- Amend personnel policies

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Implemented performance-based merit increases
- ✓ Increased/broadened recruitment strategies
- ✓ Implemented new employee benefits portal

Budget Summary

Human Resources	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	182,154	189,626	209,809	208,939	211,980
Supplies & Materials	6,457	6,937	5,900	5,675	5,900
Other Charges & Services	81,996	76,885	68,000	68,355	57,500
Total Human Resources	270,608	273,448	283,709	282,969	275,380

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Director of Human Resources	1	1	1	1
Personnel Generalist	1	1	1	1
Total	2	2	2	2

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Number of new employees processed (F/T)	23	30	35	15
Number of employee separations (F/T)	10	20	20	10
Number of work-related injuries	16	10	7	0
Number of open enrollment changes processed	46	55	70	50
Number of applications received	320	350	350	200
Number of grievances	0	0	0	0
Number of sick hours used per FTE	95.62	90	40	30
Total number of job postings (Annual)	33	40	35	10
Percentage of positions filled internally	15.15%	10%	10%	20%
Turnover rate	25.4%	35%	13.25%	5%
Average tenure of employees (years)	7.9	7.2	6.3	7

MUNICIPAL COURT

Our Mission

The mission of the City of Bay City Municipal Court is to serve the citizens of Bay City, Texas in a courteous, professional, and efficient manner by providing friendly and impartial case resolution through the judicial process as it relates to Class “C” offenses filed within the city limits of the City of Bay City.

Description of Our Services

Bay City Municipal Court provides a fair and impartial court of law to its citizens. Municipal Court is responsible for accurately and efficiently processing Class C misdemeanor charges, collecting fines & fees, court scheduling, issuing, tracking, and clearing warrants, maintaining court records, and reporting to state agencies.



Vision 2040

2024 Strategic Focus*

Governance*

Bay City residents are well informed and involved with the affairs of local city government.

Livability and Quality of Life

Bay City residents enjoy a safe community with great amenities and affordable living.

FY 2024 Business Plans (Objectives)

- Continue to hold successful Warrant Resolution Campaign
- Optimize records management by creating an electronic records retention policy
- Increase records management by scanning files from 2016-2022 into TCM
- Utilize Bay City Municipal Court Facebook page to inform the citizens of upcoming events, important court dates, Municipal Court news, city-wide event information and more
- Educate citizens of the role of Municipal Court, certain laws & ordinances through our “Information Station” highlights on our website and Facebook page
- Continue to increase outreach/public education campaign through outside partnerships with other entities to increase traffic safety education and compliance
- Enhance warrant service and processing through our new Warrant Officer/Bailiff position
- Attend education conferences to stay well-informed of latest court trends, regulations, and procedures

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Held successful Warrant Resolution Campaign, clearing 89 Class C Warrants
- ✓ Continued paper lite case resolution with TCM (Tyler Content Manager)
- ✓ Optimized records management by scanning files from 2015, 2016, 2022 and current year into TCM
- ✓ Created City of Bay City Municipal Court Facebook page to inform the citizens of upcoming events, important court dates, Municipal Court news, city-wide event information and more
- ✓ Published forms and important dates to city website for easier access by the public
- ✓ Increased outreach/public education campaign through outside partnerships with other entities to increase traffic safety education and compliance by attending National Night Out, holding safety seat event and visiting schools
- ✓ Attended education conferences to stay well-informed of latest court trends, regulations, and procedures

Budget Summary

Municipal Court	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	234,047	253,475	265,911	266,829	365,306
Supplies & Materials	6,691	7,830	5,885	5,813	7,945
Other Charges & Services	64,689	73,938	88,850	94,565	91,500
Repairs & Maintenance	1,786	10,295	21,000	1,700	2,500
Total Municipal Court	307,213	345,537	381,646	368,907	467,251

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Municipal Court Judge-Contract	1	1	1	1
Municipal Court Assoc. Judge-Contract	1	1	1	1
Municipal Court Administrator	1	1	1	1
Municipal Juvenile Case Manager	1	1	1	1
Municipal Court Clerk	2	2	2	2
Warrant Officer	0	0	0	1
Total	6	6	6	7

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Number of violations filed	3,052	2,713	2,500	2,200
Number of warrants issued	1,037	1,217	930	900
Number of juvenile citations	53	48	32	40
Number of warrants cleared	728	1,085	1,105	1,000
Number of completed cases	1,032	3,014	2,816	2,200
Cases satisfied by Community Service	67	28	60	62
Cases satisfied by Jail Time	411	427	400	415
Other Completed Cases	2,085	1,926	1,786	1,580
<i>Measuring our Effectiveness</i>				
#of case files created with 24 hrs. of citation receipt	100%	100%	100%	100%



Municipal Court ladies at Car Seat Event

FINANCE

Our Mission

To provide an efficient accounting system for City government while ensuring financial accountability to our citizens.

Description of Our Services

The Finance Department is responsible for the administration and supervision of all financial affairs of the City, the timely recording of revenue and the disbursement of City funds in accordance with State Law, City polices and Generally Accepted Accounting Principles. The Finance Department assists in enforcing budgetary control and performs internal audit functions as needed.



Vision 2040

2024 Strategic Focus*

Governance*

Bay City residents are well informed and involved with the affairs of local city government.

- **Organizational/Operational Effectiveness**
- **Improving City Image of Bay City**
- **Communication**

FY 2024 Business Plans (Objectives)

- Apply for additional transparency star: Contracts & Procurement
- Explore Janitorial vs. Employee options as well as landscaping
- Implement new timekeeping system, Executime, to improve payroll process
- Implement changes to internal purchase order requisition process with City staff
- Explore windstorm insurance options along with creating a risk management policy
- Transition to State's credit card vendor contract from current vendor
- Explore Tyler Content Management scanning capabilities to create a more paperless environment
- Create payroll accrual process for all sick and vacation time
- Continue to increase accounts payable ACH payment efforts

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Applied for additional transparency star: Economic Development
- ✓ Implemented changes to streamline the internal budget process with City staff
- ✓ Created uniform lease agreements
- ✓ Earned Government Finance Officers of America (GFOA) Distinguished Budget, Popular Annual Financial Report and Annual Comprehensive Financial Report Awards
- ✓ Created new pooled cash fund in Incode software as a result of switching bank depositories
- ✓ Assisted in the disposition of City Property deemed surplus (particularly buildings and land)
- ✓ Created tower lease document for City/County internet company to assist in underserved areas of connectivity

Budget Summary

Finance	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	386,865	379,676	380,018	374,723	430,620
Supplies & Materials	7,779	7,036	7,600	7,200	7,500
Other Charges & Services	5,017	9,719	9,000	7,250	10,000
Total Finance	399,661	396,432	396,618	389,173	448,120

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Finance Director	1	1	1	1
Senior Accountant	1	1	1	1
Payroll Administrator	1	1	1	1
Accounts Payable Clerk	1	1	1	1
Total	4	4	4	4

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Number of invoices processed	9,190	7,836	8,000	8,100
Number of vendor checks issued	4,700	3,552	3,800	4,000
Number of payroll checks/ACH issued	1,400	1,768	1,800	1,800
Number of manual journal entries	2,100	2,197	2,200	2,100
<i>Measuring our Effectiveness</i>				
GFOA's Distinguished Budget Presentation Award received	Yes	Yes	Yes	Yes
GFOA's Excellence in Financial Reporting Award received	Yes	Yes	Yes	Yes
General Fund Reserves as % of Target	100%	100%	100%	100%
Audit receives a clean opinion	Yes	Yes	Yes	Yes
Continuing Disclosure report by March 31 st	Yes	Yes	Yes	Yes
Compliance with Investment Policy	100%	100%	100%	100%
Quarterly Investment Reports Presented to City Council	4/100%	4/100%	4/100%	4/100%
Average number of working days to close month	10	10	10	10
Average number of working days to issue monthly financial report	15	15	15	15

CODE ENFORCEMENT

Our Mission

It is the mission of the Fire Marshal to protect and enhance the safety of the community through both long and short-range planning activities including management and enforcement of assigned laws, codes, and ordinances. While the mission of the Code Enforcement Department is to inspect, protect, and enhance public and private premises. Identifying environmental hazards to improve and rehabilitate the character and stability of the community through both long and short-range planning activities including management and enforcement of assigned laws, codes, and ordinances.

Description of Our Services

The Fire Marshal provides enforcement and inspection services in accordance with the Texas State Laws and the City's Code of Ordinances. This is done through the periodic inspection of businesses and common areas of multi-family dwellings, enforcing the International Fire Code as adopted by the City. Also included within the Fire Marshal's Office is the investigation of all fires within the City limits and enforcement of criminal acts associated with those fires.

The Code Enforcement Department provides inspection, enforcement, and abatement services in accordance with the City's Code of Ordinances, State Environmental Laws, State adopted ICC Codes, Texas Administrative Code and Local Government Code.

Vision 2040

2024 Strategic Focus*

Public Safety*

Bay City residents are safe and secure living, working, and raising their families in Bay City.

- **Public Safety Building**
- **Safe Community**
- **Code Enforcement-Fire Marshal**
- **Enhance Communication & Customer Service**

FY 2024 Business Plans (Objectives)

- Advance the number of annual, preventative, and compliance inspections performed
- Further the remediation and abatement of substandard structures within the City
- Refine abatements of offensive conditions implementing HB 2359; Sec. 2, 125.046(a)(b)
- Focalize on the recovery of delinquent liens while moderating recurrent liens filed
- Promote the development and revitalization of our City, including façade along HWY 35 & 60
- Actualize Ordinance specific to AST/UST/LPST reporting, permitting and maintenance
- Striving to become the standard in customer services, support services, and service within the community
- Complete encryption of our police radios to ensure protection of protected health and information and to ensure safety of our police officers

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Continued fire inspections in hopes to reduce frequency of fire calls
- ✓ Performed fire extinguisher training for Bay City ISD and public audiences
- ✓ Investigated legal action for criminal illegal dumping
- ✓ Mitigated hazardous waste complaints, remediation and abatement
- ✓ Demolished abatements that typically attract criminal activity in hopes to reduce the frequency of criminal complaints and activity received by police department

Budget Summary

Code Enforcement	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	216,185	277,324	341,484	324,751	350,199
Supplies & Materials	4,423	10,873	15,300	13,400	10,400
Other Charges & Services	90,445	155,384	117,300	146,500	84,600
Repairs & Maintenance	607	606	1,500	2,500	1,500
Capital Expenditures	-	47,116	-	-	-
Total Code Enforcement	311,660	491,303	475,584	487,151	446,699

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Fire Marshal	1	1	1	1
Code Enforcement Officer	2	2.5	2.5	2.5
Maintenance Tech I	0	1	1	1.5
Total	3	4.5	4.5	5

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Number of Liens Filed- Code Enforcement	162	147	145	150
Number of Illegal Dumping Cases- Code Enforcement	38	17	30	20
Number of Illegal Dumping Cases- Felony Pending Trial	4	3	2	2
Number of Substandard Building Inspections	163	286	150	150
Number of Substandard Building Demolitions	10	14	17	15
Number of Code Enforcement Investigations	1,375	1,208	1,450	1,350
Number of Legacy OSSF- Reported/Abandoned	2	4	5	5
Number of Environmental Cases- Spills/Mitigation	2	3	2	7
Number of Fire Inspections Performed	366	108	170	400
Number of Fire Investigations Performed	20	9	14	15
<i>Measuring Our Effectiveness</i>				
Response to Code Enforcement Requests Within 1 business day	98%	99%	99%	100%

POLICE DEPARTMENT

Our Mission

It is the mission of the Bay City Police Department and its employees, in cooperation with the citizens of Bay City, to maintain public order and continually strive to improve the quality of life through fair and impartial public service and law enforcement.

Description of Our Services

The Bay City Police Department is responsible for the protection of lives and property of the citizens of Bay City; the preservation of public peace and the enforcement of all laws- City, State and Federal. Other areas of responsibility include, but are not limited to, Animal Control, traffic control and enforcement, criminal, juvenile and narcotics investigations. Officers prepare and investigate reports of incidents requiring constant contact with the public; make arrests, investigate motor vehicle accidents, and perform other duties. The communications sector is the first point of contact for telephone and walk-in requests for service; acting as a liaison with other law enforcement agencies, dispatching calls, and relaying information as requested.



Vision 2040

2024 Strategic Focus*

Public Safety*

Bay City residents are safe and secure living, working, and raising their families in Bay City.

- **Public Safety Building**
- **Safe Community**
- **Code Enforcement-Fire Marshal**
- **Enhance Communication & Customer Service**

FY 2024 Business Plans (Objectives)

- Move forward with plans for new public safety building- (\$7,000,000)
- Lower citizen complaints by enhancing communication and customer service
- Provide officers and detectives with surveillance equipment to increase likelihood of solving crimes
- Continue to provide professional services to citizens through community outreach and educational programs, National Night Out, residential and business security inspections
- Provide citizens with alternative reporting solutions to report low priority or non-emergency related calls for service to create capacity for high priority call for service and proactivity policing (online reporting)
- Increase transparency to the community regarding agency policies, calls for service and critical incidents by improving our social media presence to including refining the department’s website page

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Upgraded dispatch supplementary system to help with computer aided dispatching
- ✓ Renewed Crime Victim’s Liaison grant with Attorney General’s Office for crime victim liaison position
- ✓ Awarded federal grant to equip officers with rifle rated shields
- ✓ Held the First Annual Back the Badge Event
- ✓ Met with surrounding School Districts and other agencies to provide combined Active Shooter Training for our community responses
- ✓ Installed building intercom system used to page building staff in emergency situations
- ✓ Updated department’s mission statement
- ✓ Established Narcotics Division using current staff as well as moving K9 Handler and K9 Bulifwy to division

Budget Summary

Police	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	4,042,731	4,410,099	4,604,029	4,550,533	4,633,137
Supplies & Materials	98,852	127,701	135,300	130,300	122,800
Other Charges & Services	337,521	187,211	204,110	204,655	213,950
Repairs & Maintenance	49,351	33,483	66,000	63,000	59,000
Capital Expenditures	268,358	205,178	67,000	37,382	53,000
Debt Service	41,064	41,064	41,064	41,067	-
Total Police	4,837,877	5,004,736	5,117,503	5,026,937	5,081,887

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Police Chief	1	1	1	1
Police Captain	1	1	1	0
Police Lieutenant	2	2	2	3
Sergeants	7	7	7	7
Corporals	5	5	5	5
Patrol Officers	15	15	15	15
Traffic Officer	1	1	1	1
Detectives	4	5	5	5
Narcotics Officer	1	1	1	1
Warrant Officer	1	1	1	0
Administrative Assistant	1	1	1	1
Admin Clerk (CID)	0	1	1	1
Dispatchers	10	10	10	10
Records Clerk	1	2	2	2
Crime Victim Liaison (Grant)	1	1	1	1
ID Technician	2	2	2	2
Subtotal Police	53	56	56	55
Code Enforcement Officer	0	0	0	0
Subtotal Code Enforcement	0	0	0	0
Animal Control Officer	2	2	2	2
Subtotal Animal Control	2	2	2	2
Grand Total Police	55	58	58	57



Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Number of community programs & events attended by personnel	115	110	110	115
Number of training hours received by personnel	7,606	3,139	3,500	3,700
Total number of calls for service	33,973	28,152	28,500	28,700
Number of traffic contacts	8,933	4,373	4,400	4,600
Number of vehicle accidents patrol worked	481	427	457	470
Number of cases assigned to CID	2,657	2,436	2,600	2,620
Number of cases cleared by arrest	175	180	150	200



ANIMAL IMPOUND

Our Mission

The mission of the Bay City Animal Control Department is to provide quality animal control services to the citizens of Bay City and Matagorda County. It is the duty of the City to ensure that the Animal Control Department employees are trained to safely and professionally serve our community.

Description of Our Services

The Bay City Animal Control Department provides for the apprehension of stray and nuisance animals, primarily dogs and cats, for the City of Bay City and Matagorda County. The department enforces the Bay City Animal Control Ordinance and State Health Department regulations concerning dogs and cats; houses stray and nuisance animals; investigates incidents involving dangerous and vicious animals; and in emergencies, apprehends domestic livestock and wild animals. The Animal Control Department activities are conducted to ensure the health, safety, and welfare of the community.

Vision 2040

2024 Strategic Focus*

Public Safety*

Bay City residents are safe and secure living, working, and raising their families in Bay City.

- **Public Safety Building**
- **Safe Community**
- **Code Enforcement-Fire Marshal**
- **Enhance Communication & Customer Service**

FY 2024 Business Plans (Objectives)

- Continue to increase the number of adoptions and rescues of animals at the Impound
- Continue to work closely with the Police and Inspection Departments to ensure proper enforcement of animal control ordinances and state health regulations
- Promote citizen compliance with pet registration requirements

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Received in-kind donation from a rescue group, Pups, to supply all animal vaccinations for free
- ✓ Increased animal rescue efforts from 119 in 2021 to 179 in 2022

Budget Summary

Animal Impound	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	162,158	146,428	174,000	175,169	178,714
Supplies & Materials	3,488	2,742	3,950	3,800	3,950
Other Charges & Services	6,740	7,949	7,400	9,282	9,400
Repairs & Maintenance	415	6,657	4,000	8,300	4,000
Capital Expenditures	-	-	33,000	29,464	-
Total Animal Impound	172,802	163,776	222,350	226,015	196,064

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Animal Impound Manager	1	1	1	1
Assistant Manager	0	0	0	0
Maintenance Tech	1	1	1	1
Maintenance Tech II	1	1	1	1
Total	3	3	3	3

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Euthanized Animals	668	650	625	600
Number of animals picked up (City)	896	641	650	670
Number of animals picked up (County)	351	465	450	440
<i>Measuring Our Effectiveness</i>				
Average response time to pick up animals	5 minutes	5 minutes	5 minutes	5 minutes



FIRE

Our Mission

Our mission at the Bay City Fire Department is to prevent and protect the loss of life and property for the citizens, businesses and visitors of Bay City and surrounding areas. This mission is accomplished with pride through training, public education, and incident response.

Description of Our Services

The Bay City Volunteer Fire Department is responsible for fire prevention through community education programs and hands on training during Fire Prevention Week. Requests are answered promptly for the protection of life and property within the city limits and for the surrounding vicinity. Fire suppression and vehicle accidents are some of the emergency services provided by the Fire Department for the well-being of our community and its guests. The Fire Department also serves as a point of coordination for emergency services during disasters and other emergency situations. The Bay City Volunteer Fire Department also provides mutual aid throughout Matagorda County and has letters of agreement with the South Texas Nuclear Operation Project to aid in case of an incident. Due to cooperation between the City of Bay City and the Bay City Volunteer Fire Department, we achieved a Class 4 ISO rating, which helps reduce insurance ratings for homeowners.

Vision 2040

2024 Strategic Focus*

Public Safety*

Bay City residents are safe and secure living, working, and raising their families in Bay City.

- **Public Safety Building**
- **Safe Community**
- **Code Enforcement-Fire Marshal**
- **Enhance Communication & Customer Service**



FY 2024 Business Plans (Objectives)

- Respond quickly to extinguish fires as to minimize the loss of life, damage to property, and economic impact upon the community
- Ensure fiscal responsibility while delivering the highest level of customer service as possible

Since Bay City’s Fire Department is composed of Volunteers, these business plans will be continuous

Budget Summary

Fire	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	53,212	26,605	16,100	10,600	15,100
Supplies & Materials	7,189	9,758	15,150	8,350	13,150
Other Charges & Services	73,202	71,681	72,800	73,620	72,800
Repairs & Maintenance	43,897	54,019	45,000	35,465	75,000
Total Fire	177,499	162,063	149,050	128,035	176,050

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Maintenance Tech I	1	0	0	0
Total	1	0	0	0



Bay City Fire Dept & Truck (1946)

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Number of Man-hours for training	960	960	960	960
Number of Man Hours	1,762	1,443	1,602	1,522
Number of Calls Per Year	207	188	197	192
Motor Vehicle Fires	22	5	13	9
Dwelling Fires	13	13	13	13
Rescue Calls	7	6	7	6
Grass Fires	29	47	38	42
Refuse Fires	15	13	14	13
Structure Fires	2	4	3	3
Business Structure Fires	5	6	5	6
Institutional Fires	0	0	0	0
Mobile Home Fires	2	1	2	1
Mutual Aid Calls	18	15	16	15
Other Calls	107	93	100	96
Calls Outside City Limits	56	44	50	47
<i>Measuring Our Effectiveness</i>				
ISO Rating	4	4	4	4



STREET & BRIDGE

Our Mission

The mission of the City of Bay City Public Works Street & Bridge Division is to enhance the quality of life for our residents and promote economic development for our community by providing and maintaining public infrastructure (streets and drainage system) in a sustainable manner to the highest possible standards.

Description of Our Services

The Street & Bridge Division is under the general direction of the Director of Public Works. The Street & Bridge Division performs construction, reconstruction, repairs and maintenance on approximately 109 miles of City owned asphalt and concrete streets, including 27.5 miles of streets with curbs and gutters within the City. The Street & Bridge Division performs many activities including street repair of both concrete and asphalt roadways, overlays, maintenance on drainage systems, cleaning ditches, installing & repairing street signs, street sweeping, weed and pest control, cleaning lots for Code Enforcement, setting driveway pipes, mowing rights-of-way, repairing sidewalks and curbs and pavement markings. They also have the duty to set up barricades for high water, parades, and festivals; manage city brush site; clean up roadway spills; and assist other departments with traffic control, operating heavy equipment and hauling of materials.

Vision 2040

2024 Strategic Focus*

Governance*

Bay City residents are well informed and involved with the affairs of local city government.

Infrastructure and City Facilities

Bay City residents enjoy new streets, parks, sidewalks and have access to public facilities that meet the standards of our community.

- ❖ The Street and Bridge crews work diligently to repair the roadways and maintain reconstructed roadways with the resources that are available and within budget.

Livability and Quality of Life

Bay City residents enjoy a safe community with great amenities and affordable living. Major roadways have been identified to move traffic.

- ❖ Other City streets should be designed as attractive public spaces with consideration of all users—vehicles, cyclists, and pedestrians.

FY 2024 Business Plans (Objectives)

Street & Bridge Division

- Establish a street overlay, repair, and maintenance program to include pavement and specialty markings
- Perform rehabilitations of various streets: LeTulle Park (\$250,000), Design phase of Highland (\$300,000), and Design phase of Moore (\$450,000)
- Continue the street rehabilitation program; goal of 10,000 LF each year
- Explore an in-house seal coat program
- Replace approx. 2,000 LF annually by continuing the curb and gutter repair and replacement program
- Clean ditches, repair and upgrade storm drains and inlets and when possible, upgrade culverts
- Continue an aggressive sign installation and maintenance program to improve safety and appearance by developing an in-house sign shop
- Maintain tree trimming to ensure safe passage of emergency and maintenance vehicles
- Provide adequate access to the brush site for citizens and contractors performing work for residential property owners within the City limits
- Support efforts by providing labor and equipment for City-wide clean up events
- Utilize, continuously, City Works to track all street repairs, drainage repairs, streets swept (mileage), mowing (mileage), and striping (feet)
- Empower employees through training to improve effectiveness and embracing customer service
- Compile a list of streets for street reconstruction program
- Equally apply division policies, city ordinances and model codes for all developers and citizens
- Established striping program for parking spaces in the downtown area and city owned buildings
- Develop Standard Operating Procedures

Building Department

- Continue to improve building permit process for citizens and contractors
- Launch a social media campaign directed at Public Education
- Manage and direct third-party inspectors (Bureau Veritas) in a manner that assists staff in the implementation of model codes
- Host meetings between staff and plumbing, electrical, mechanical and general contractors that work in the City to foster professional working relations
- Utilize services of third-party inspectors (Bureau Veritas) to train and educate office staff on various building code related topics

FY 2023 Accomplishments of Prior Year Business Plans

Street & Bridge Division

- ✓ Advertised and awarded bids for miscellaneous concrete repair to sidewalks, curb and gutter, and roadway repairs after utility upgrades/repairs in various locations in Bay City
- ✓ Inspected and provided guidance during capital infrastructure improvements in Elliott Addition and Bordeaux Estates
- ✓ Assisted Building Department with inspections of driveways
- ✓ Created a consistent sweeping schedule to include Hwy 35, Hwy 60, the downtown area, and subdivisions
- ✓ Laid blocks around square after tree removal
- ✓ Rebuilt Asphalt Roads within the San Jose Subdivision (3,500 LF; \$245,000)
- ✓ Rebuilt Asphalt Road in the 500 block of 4th St (400 LF; \$28,000)
- ✓ Rebuilt Asphalt Road on Letulle between 4th St & 5th St. (500 LF; \$35,000)
- ✓ Rebuilt Asphalt Road on the 2800 block of Avenue A (350 LF; \$24,500)
- ✓ Rebuilt Asphalt Road on the 1700 block of Katy (500 LF; \$35,000)
- ✓ Rebuilt Asphalt Road on the 1900 block of Cypress (500 LF; \$35,000)
- ✓ Rebuilt Cement Road on the 3400 block of Glen Haven.
- ✓ Rebuilt Cement Road on Avenue D and 2100 block of 6th St
- ✓ Rebuilt Bridge and Cement Road on the 1600 block of Avenue I
- ✓ Resolved drainage issues on 5th St near Tenie Homes Elementary, 8th St, Hwy 60/4th St, Del Norte, various areas on Hwy 60
- ✓ Striping and pressure washing of downtown area
- ✓ Cleared 20,000+ cubic yards of stock-piled brush at City brush site by using a wood-chipping contractor. Cleaned and leveled the site once chipping was completed
- ✓ Graded and rebuilt the Police Department gun range

Building Inspections Division

- ✓ Developed checklists for Business Occupancy permits to educate business owners on code requirements and prepare them for the inspection
- ✓ Developed checklists for Mobile Home Occupancy permits to educate tenants on code requirements and prepare them for the inspection
- ✓ Created lists of required inspections for plumbing, electrical, mechanical, and building permits
- ✓ Streamlined the process of building plan review and civil plan review to conduct reviews concurrently to minimize review time
- ✓ Worked with Matagorda Drainage District #1 to address driveway construction and drainage issues
- ✓ Partnered with the Fire Marshal to conduct business occupancy inspections together to improve efficiency and issuance of Certificates of Occupancy
- ✓ Performed in-house plan review of new construction and remodels
- ✓ Fostered professional working relationships with trade contractors to better educate them on city and code requirements

Budget Summary

Street and Bridge	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	815,202	908,240	864,619	734,750	1,030,817
Supplies & Materials	43,366	98,421	70,500	73,500	73,500
Other Charges & Services	2,364,649	2,581,508	2,348,500	2,360,500	2,702,500
Repairs & Maintenance	346,397	295,051	451,000	454,000	447,000
Capital Expenditures	13,500	342,052	36,000	1,600	-
Total Street and Bridge	3,583,114	4,225,272	3,770,619	3,624,350	4,253,817

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Assistant Director of Public Works	1	1	1	1
Street & Bridge Supervisor	1	1	1	1
Street & Bridge Crew Leader	0	1	1	1
Equipment Operator	4	4	4	4
Truck Driver	0	0	0	0
Street Sweeper Operator	1	1	1	1
Concrete Finisher	0	0	0	0
Concrete Finisher Helper	1	1	1	1
Maintenance Technician II	2	2	2	2
Maintenance Technician I	1	1	1	1
Construction Inspector	1	1	1	0
Building Official	1	1	1	1
Building Permit Technician	1	1	1	1
Office Manager	0	0	0	0
Administrative Assistant I	1	1	1	1
Total	15	16	16	15

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Miles of street sweeping	26	27.50	52	80
Backfill Pavement Edge Work Orders	20	35	35	35
Storm Drain Cleaning Work Orders	15	30	24	10
Ditch Cleaning Work Orders	40	50	24	24
Concrete Pavement Repair Work Orders	15	25	25	15
Culvert Work Orders	35	55	24	24
Sidewalk Work Orders	3	5	5	5
City ROW Mowing Work Orders	20	25	25	25
Sign Work Orders	35	50	50	50
Street Sweeping Work Orders	20	25	30	20
Traffic Control Work Orders	30	40	24	35
Tree Trimming Work Orders	20	25	25	35
Utility Asphalt Repair Work Orders	25	35	35	35
Utility Concrete Repair Work Orders	20	30	30	20
Driveway Culvert Installation	35	40	40	20
Building Inspections Performed	475	525	525	750
Electrical Inspections Performed	525	689	689	750
Mechanical Inspections Performed	175	200	200	300
Plumbing Inspections Performed	600	892	892	900
Other Inspections Performed	200	200	200	200

RECYCLING CENTER

Our Mission

The mission of the City of Bay City Recycling Center is to provide a clean recycling facility and to educate, encourage, and assist the citizens of Bay City with their recycling efforts.

Description of Our Services

The Recycling Center is under the general direction of the Director of Public Works. The Recycling Center has been the primary recycling option for the Bay City community since 1991 and provides an excellent drop-off area for citizens. The center provides jobs and vocational training for special needs citizens of Bay City and Matagorda County. The Recycling Center is a member of the CTRA and markets the recycled materials through the association. The materials accepted at the recycling center include paper, cardboard, plastics (#1 and #2), metal, oil (motor oil and cooking oil) and antifreeze.

Vision 2040

Infrastructure and City Facilities

Bay City residents enjoy new streets, sidewalks and have access to public facilities that meet the standards of our community.

- The Recycling Center is in the North Downtown development area. The current facility was funded in part by Solid Waste Grants through H-GAC. The Recycling Center was relocated as per the amended development agreement between the City and SAL Holding, LTD. The City was awarded an H-GAC grant to build the new facility outside of the north downtown area.

Livability and Quality of Life

Bay City residents enjoy a safe community with great amenities and affordable living.

- Recycling is an act that can bring a community together. Collective efforts in proper waste disposal, which includes recycling, can make a town cleaner and happier.

FY 2024 Business Plans (Objectives)

- Seek grant opportunities to add new equipment to expand services (trailers, hoppers, etc.)
- Increase revenues by 1) marketing the Recycling Center, and 2) implementing more efficient sorting practices to reduce contamination in recycled materials
- Engage and educate customers on the proper way to recycle
- Increase public education efforts on social media about recycling
- Continue Public Outreach campaigns to new businesses to place more recycling dumpsters to collect cardboard

GENERAL FUND

- Expand recycling services to include latex paint, e-waste, possibly glass, white goods, and tires
- Increase visual marketing on Recycling Center equipment such as trailers and recycling bin trailers
- Build partnerships with neighboring Recycling Centers

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Purchased and installed a new Harmony baler through HGAC grant funding. This will allow for more efficient sorting and processing of plastics which will result in higher revenues from the mills (\$108,000)
- ✓ Purchased and deployed 4 new hoppers through HGAC grant fund to increase capacity at drop off and allow for more efficient sorting (\$8,000)
- ✓ Started accepting aluminum and tin cans again with plans to recycle locally
- ✓ Improved efficiency by maintaining a regular schedule for pickup of recyclables at local businesses
- ✓ Encouraged more businesses to recycle cardboard and as a result placed more dumpsters and trailers that resulted in the creation of a waiting list
- ✓ Collected and sorted various recycling materials which ultimately diverted 180 tons of waste and 3,100 gallons of oil from the landfill
- ✓ Received certificate of Recognition for recycling efforts presented by Keep Texas Recycling
- ✓ Continued to distribute the Recycling Center Guide at the Recycling Center and other City facilities
- ✓ With the assistance of KTR as well as Keep Texas Beautiful, designed graphics for signs at the Recycling Center as well as magnets for the recycle bin trailers
- ✓ Increased Public Education efforts by posting “recycling tips” on social media and the City’s website
- ✓ Started daily training sessions for staff to include the Recycling Attendants
- ✓ Recycling efforts resulted in the following environmental savings: 3,3107 trees; 798,516 kW hours of electricity; 1,363,320 gallons of water; 643cu yds of landfill space; 11,686 pounds of air pollution; \$5,842.80 estimated landfill fees

Budget Summary

Recycling Center	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	157,697	155,646	173,340	157,643	173,952
Supplies & Materials	2,719	4,187	4,900	5,850	5,000
Other Charges and Services	70,558	34,111	20,500	18,100	12,700
Repairs & Maintenance	24,044	3,430	9,000	11,280	9,000
Capital Expenditures	-	-	108,000	108,000	-
Total Recycling Center	255,018	197,374	315,740	300,873	200,652

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Recycling Center Manager	1	1	1	1
Recycling Center Technician	1	1	1	1
Recycling Center Part-Time Staff (3)	1.5	1.5	1.5	1.5
Total	3.5	3.5	3.5	3.5

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Recycled Plastic - Tons	40	40	40	40
Recycled Cardboard - Tons	200	250	250	255
Recycled Mixed Paper - Tons	20	40	40	40
Recycled Oil - Gallons	2,700	5,000	5,000	5,500

PARKS

Our Mission

In partnership with our citizens, the Parks Department provides programs, facilities, and services which respond to changing needs within our communities. We strive to protect and preserve a park system that promotes quality recreational, cultural, and outdoor experiences for the community and enriches the quality of life for present and future generations in a safe and secure environment.

Description of Our Services

The Parks Department provides operation and maintenance services to include mowing, landscaping, park maintenance, facility repairs, playground equipment inspections, custodial duties, maintenance of the swimming pool and construction of new projects. Park staff have additional duties extending to special events and maintenance of multiple city properties. Our primary focus remains on providing quality venues and programs to the public for recreational enjoyment. This is achieved through clean, well-kept facilities with thoughtfully planned programming which is centered on the needs and desires of residents of Bay City.

Vision 2040

2024 Strategic Focus*

Infrastructure and City Facilities

Bay City residents enjoy new streets, parks, sidewalks and have access to public facilities that meet the standards of our community.

- ❖ Bay City residents enjoy their parks and open spaces year-round. Our department currently manages 25 park properties along with other vacant parcels and city properties.

Community Development & Economic Development*

Bay City is known for encouraging economic development opportunities, creating a business development program that is responsive to existing business needs, and actively promoting tourism.

- ❖ Bay City parks are vital towards community development and provide a venue where we can all come together on common grounds. Open space is also a key component in connectivity within the city and is critical for its development.

Livability & Quality of Life

Bay City residents enjoy a safe community with great amenities and affordable living.

- ❖ Parks and open spaces enhance the lives of everyone in Bay City. It is critical that they are viewed as essential to the well-being of all residents with continued resolve to keep them well maintained and functioning.

FY 2024 Business Plans (Objectives)

- Extend Southern Pacific Trailway- grant funding (\$2,200,000)
- Replace and create additional shade structures at Community Park (\$65,000)
- Install high efficiency LED lighting at existing parks (\$175,000)
- Shore up sagging floor at USO, replace carpet and new interior paint (\$225,000)
- USO Marquee sign for customer service (\$50,000)

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Adopted a five-year update to the Parks Master Plan
- ✓ Installed soccer field lighting at Hardeman Park
- ✓ Replaced windows at USO Building
- ✓ Installed refurbished light poles at Hardeman Park
- ✓ Replaced roof at Armory
- ✓ Constructed Lil Cats football field at Sports Complex
- ✓ Refurbished press box at Sports Complex
- ✓ Replaced pavilion at Le Tulle Park

Budget Summary

Parks	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	539,944	583,271	667,965	614,646	682,937
Supplies & Materials	49,229	49,811	52,300	39,600	49,100
Other Charges & Services	68,961	124,307	100,500	91,500	93,000
Repairs & Maintenance	145,718	118,711	153,000	115,500	118,000
Capital Expenditures	350,916	212,309	417,000	76,734	40,000
Total Parks	1,154,769	1,088,409	1,390,765	937,980	983,037

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Parks Director	1	1	1	1
Recreation Specialist	1	1	1	1
Admin. Assistant	1	1	1	1
Lead Park Specialist	1	1	1	1
Recreation Specialist	6	6	6	6
Temporary Worker	2	2	2	2
Total	12	12	12	12

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Acres of park grounds maintained	474	474	474	474
Grant applications submitted	3	3	6	3



Grant presentation for lighting at Hardeman Park soccer fields

RIVERSIDE PARK

Our Mission

In partnership with our citizens, the Parks and Recreation Department provides programs, facilities, and services which respond to changing needs within our communities. We strive to protect and preserve a park system that promotes quality recreational, cultural, and outdoor experiences for the community and enriches the quality of life for present and future generations in a safe and secure environment.



Description of Our Services

Riverside Park provides operation and maintenance services to include RV sites, camping, picnicking, fishing, boat launch, walking trail, laundromat, restrooms/showers, mowing, landscaping, park maintenance, playground equipment, custodial duties, and construction of new projects.

Vision 2040

2024 Strategic Focus*

Infrastructure and City Facilities

Bay City residents enjoy new streets, parks, sidewalks and have access to public facilities that meet the standards of our community.

Community and Economic Development*

Bay City is known for encouraging economic development opportunities, creating a business development program that is responsive to existing business needs, and actively promoting tourism.

- ❖ Riverside Park is demographically diverse and actively promotes tourism with a great potential for economic development opportunities. A significant amount of unused acreage could be developed to enhance outdoor recreational resources or provide additional campsites and RV spaces.

Livability and Quality of Life

Bay City residents enjoy a safe community with great amenities and affordable living.

- ❖ Riverside Park greatly enhances the quality of life for Bay City residents and has historically been operated as a ‘best-kept secret’. The park can continue to function in this manner to ensure ample access to locals who know about it, or it can be promoted to generate more revenues and tourism to Bay City.

FY 2024 Business Plans (Objectives)

- Increase awareness of the park through marketing to the Houston metropolitan area
- Continue to improve amenities such as shade canopies and play features
- Add 5 camping cabins to expand amenities and level of service
- Develop paddling trail with TP&W
- Develop hiking trail to LeTulle Park with LCRA

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Added kayak rentals as part of park amenities
- ✓ Continued the “Riverside Smoke-Off” cooking events which generated \$8,000 in additional revenue
- ✓ Continued nature programs to enhance visitor experience (kite making, fish prints, owls, etc.)
- ✓ Worked with Tourism for creation of new billboards and signage
- ✓ Attended Houston Boat Show to gain park exposure
- ✓ Added additional events such as fishing tournaments and kayak rally
- ✓ Planted 600 trees throughout the park

Budget Summary

Riverside Park	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	115,496	120,608	130,898	129,621	134,364
Supplies & Materials	12,712	17,840	16,800	13,050	17,300
Other Charges & Services	29,931	40,154	32,800	33,055	34,500
Repairs & Maintenance	43,851	17,999	28,500	8,250	23,500
Total Riverside Park	201,989	196,601	208,998	183,976	209,664

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Park Ranger	1	1	1	1
Park Secretary	1	1	1	1
Temporary Worker	1	1	1	1
Total	3	3	3	3

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Acres of park grounds maintained	100	100	100	100
Annual number of guests	11,000	12,000	24,400	30,000



Rally on the River event at Riverside Park

RECREATION

Our Mission

In partnership with our citizens, the Parks and Recreation Department provides programs, facilities, and services which respond to changing needs within our communities. We strive to protect and preserve a park system that promotes quality recreational, cultural, and outdoor experiences for the community and enriches the quality of life for present and future generations in a safe and secure environment.

Description of Our Services

The Parks Department provides programs directly and indirectly. Direct programs include Easter Egg Scramble, Sparks in the Park, Christmas in the Park, Dive-In Movies, dances, senior exercise, softball, volleyball, basketball, swim lessons and other events. Indirect programs where our department provides a venue partnership for programs include Aqua Cats, BCISD/VVISD Swim Teams, Little League, Girls Softball, Youth Soccer, Youth Football, Teen Life, 4-H, Girl Scouts, Cub/Boy Scouts, Narcotics Anonymous, Republican Club, Service Sorority, Helping Hands, Love of Animals, Ebony Club, IMPACT Outreach and United Way along with use for public elections.

Vision 2040

2024 Strategic Focus*

Infrastructure and City Facilities

Bay City residents enjoy new streets, parks, sidewalks and have access to public facilities that meet the standards of our community.

- ❖ Bay City events and programs require significant infrastructure. Meeting halls, restroom facilities, utility systems and maintained grounds and open space are all necessary for special events. Recent improvements at both the USO and Train Depot have greatly assisted with program facilitation.

Community and Economic Development*

Bay City is known for encouraging economic development opportunities, creating a business development program that is responsive to existing business needs, and actively promoting tourism.

- ❖ Community programming is vital to community development. Events bring people together to enjoy each other and our programs.

Livability and Quality of Life

Bay City residents enjoy a safe community with great amenities and affordable living.

- ❖ Recreation programs improve our quality of life and provide memories that will last a lifetime. Programs are a way where the city can give back to the community meaningfully.

FY 2024 Business Plans (Objectives)

- Restore budgets for summer camp, seniors, Mother’s Day concert and other programs
- Increase public attendance at events
- Create partnership programs for volleyball and boxing
- Research new methods to market programs, events, and facilities
- Create more partnership opportunities with other agencies and individuals to host leisure classes and events

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Maintained relations with partners of unfunded programs
- ✓ Opened “Big Oak Disc Golf Course”
- ✓ Planted 2,000 trees through Scenic Texas grant
- ✓ Accepted HGAC award for Go Wild! program

Budget Summary

Recreation	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	4,867	718	13,265	8,338	13,100
Other Expenses	96,878	101,329	70,000	67,500	79,500
Total Recreation	101,745	102,047	83,265	75,838	92,600

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Temporary Workers	3	3	3	3
Total	3	3	3	3

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Number of direct programs	17	52	41	41
Number of indirect programs	15	15	17	17
Program attendance	15,000	12,000	17,000	25,000



Hometown Christmas Event at USO

POOLS

Our Mission

In partnership with our citizens, the Parks and Recreation Department provides programs, facilities, and services which respond to changing needs within our communities. We strive to protect and preserve a park system that promotes quality recreational, cultural, and outdoor experiences for the community and enriches the quality of life for present and future generations in a safe and secure environment.

Description of Our Services

The Parks Department provides swimming opportunities by providing two pool operations through services to include lifeguards, programs, chemical service, mowing, landscaping, maintenance, inspections, custodial duties, and construction of new projects.

Vision 2040

2024 Strategic Focus*

Infrastructure and City Facilities

Bay City residents enjoy new streets, parks, sidewalks and have access to public facilities that meet the standards of our community.

Community Development & Economic Development*

Bay City is known for encouraging economic development opportunities, creating a business development program that is responsive to existing business needs, and actively promoting tourism.

- The community of Bay City has expressed great interest in alternative aquatic recreation from results of the Parks Master Plan.

Livability and Quality of Life

Bay City residents enjoy a safe community with great amenities and affordable living.

FY 2024 Business Plans (Objectives)

- Prepare for closure of Valiant Pool
- Increase attendance at swim programs at Hilliard Pool
- Recruit more lifeguards
- Plan for the replastering, decking and upgrades of Hilliard Pool during off-season (\$275,000)
- Incorporate new splashpad within the 5 year plan (\$3,500,000)

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Partnered with Bay City ISD on an interlocal agreement for use of Valiant Pool
- ✓ Repainted exterior of buildings at Hilliard Pool
- ✓ Conducted leak detection and repairs at Hilliard Pool
- ✓ Added water polo and volleyball to program offerings
- ✓ Created pool party area for reservations during pool hours
- ✓ Increased seating area at Hilliard Pool

Budget Summary

Pool Operations	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	130,495	104,783	161,739	128,285	135,569
Supplies & Materials	51,982	41,447	57,200	59,015	47,200
Other Charges & Services	38,361	39,374	44,400	42,200	44,400
Repairs & Maintenance	58,631	42,968	37,000	31,500	37,000
Total Pool Operations	279,470	228,572	300,339	261,000	264,169

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Aquatic Supervisor	1	1	1	1
Temps. (Lifeguards)	20	20	20	14
Total	21	21	21	15

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Number of Pools maintained	2	2	2	1.5
Operating Hours Available to Public	750	750	450	450
Total Number of Customers	4,116	5,629	6,000	6,500

LIBRARY

Our Mission

The Bay City Public Library (BCPL) connects residents of Matagorda County with information, technology, ideas, and experiences to provide enjoyment, enrich lives and strengthen our community.

Description of Our Services

BCPL meets the diverse needs of the community for lifelong learning with materials, branch facilities and services, virtual services, programming, and staff. Library services to the public are provided at two library branches and through outreach services. BCPL has a service population of 26,800.

Vision 2040

2024 Strategic Focus*

Livability and Quality of Life

Bay City residents enjoy a safe community with great amenities and affordable living.

- ❖ Bay City residents are provided resources to improve personal lives, professional success, and local economy through free services and programming.

Infrastructure and City Facilities

Bay City residents enjoy new streets, parks, sidewalks and have access to public facilities that meet the standards of our community.

- ❖ Bay City residents enjoy library environments that are engaging and conducive to the safe and healthy use of facilities.



*Public Library- Today

FY 2024 Business Plans (Objectives)

- Create outdoor library space
- Develop services and programs for preserving local history
- Implement sensory inclusive initiative
- Complete strategic planning process for Fiscal Year 2025 through Fiscal Year 2029
- Earn Texas Municipal Library Directors Association award

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Increased outreach to nursing homes through rotating kits
- ✓ Developed online guides to organize information for the public
- ✓ Replaced and expanded public computer stations through external funding
- ✓ Expanded access to library services by entering the Texshare Card Program
- ✓ Began strategic planning process for Fiscal Year 2025 through Fiscal Year 2029
- ✓ Continued and expanded student library card program
- ✓ Began replacement of outdated library furniture
- ✓ Updated Library’s Policy Manual
- ✓ Earned Texas Municipal Library Directors Association (TMLDA) award

Budget Summary

Library	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted Budget FY 2024
Personnel Services	322,135	328,843	354,377	323,902	355,343
Supplies & Materials	59,824	66,928	68,100	67,485	72,750
Other Charges & Services	92,211	120,871	84,900	118,462	79,650
Repairs & Maintenance	17,471	14,994	9,000	2,750	9,000
Total Library	491,640	531,636	516,377	512,599	516,743

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Library Director	1	1	1	1
Specialists	3	3	3	3
Assistants	3	3	3	3
Temporary Workers	.5	.5	.5	1
Total	7.5	7.5	7.5	8

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Total Library Circulation	29,089	36,417	35,000	35,000
Total Library Visits	22,399	21,953	22,000	22,000
Total Computer Sessions	3,156	26,379	29,144	29,144
Population per ALA-MLS	26,379	4,059	4,484	4,484
Population per non-MLS staff	4,059	286	290	290
Number of programs	116	4,588	4,750	4,750
Attendance of programs	1,954	36,417	35,000	35,000
Measuring Our Effectiveness				
Achievement of Excellence in Libraries Award	Yes	Yes	Yes	Yes
TSLAC Accredited Library	Yes	Yes	Yes	Yes





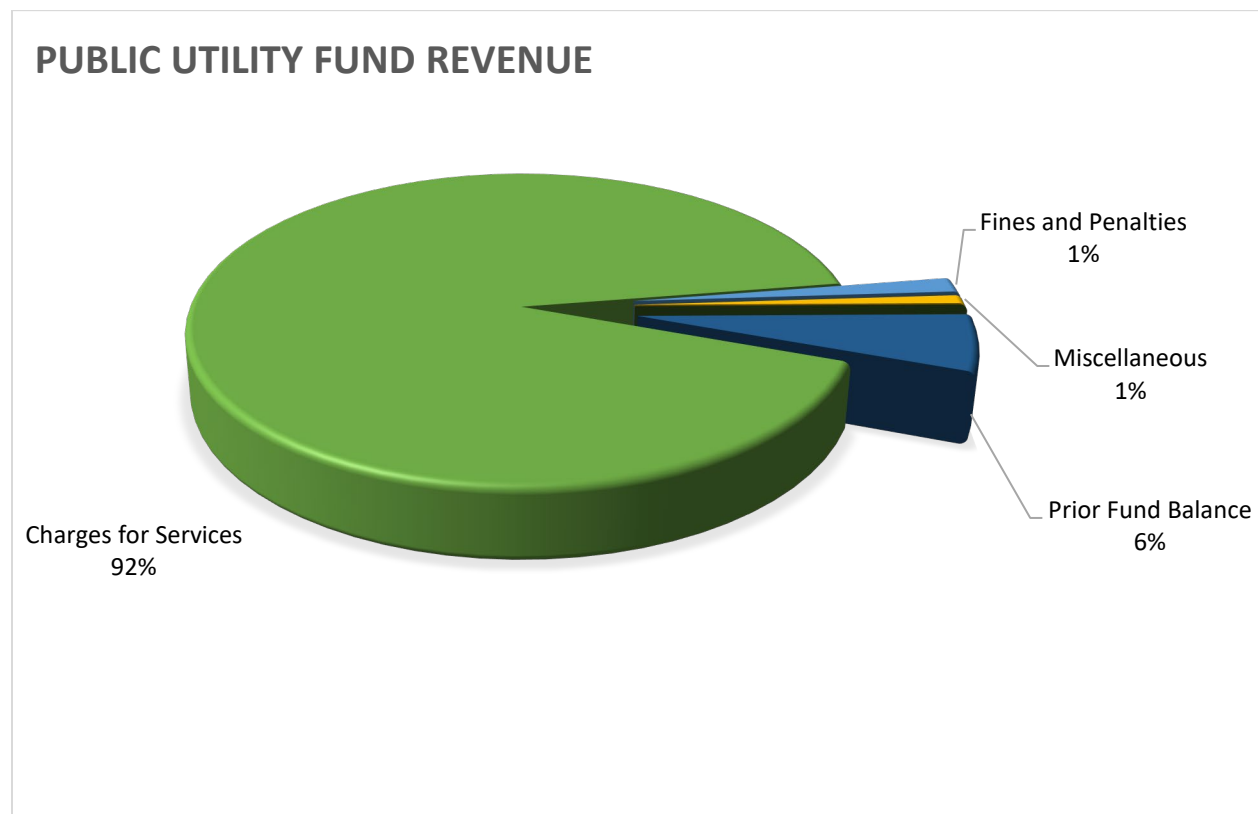


PUBLIC UTILITY FUND

The Public Utility Fund accounts for the operations of the Utility Billing, Utility Operations, Utility Maintenance, and Water Wastewater Treatment Plant Departments.

Public Utility Fund Revenue

Revenue Summary	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024	Variance
Charges for Services	8,343,001	8,843,879	9,710,500	9,748,000	11,217,500	1,507,000
Fines and Penalties	138,418	179,405	170,000	175,000	180,000	10,000
Miscellaneous	16,273	77,959	77,500	118,750	102,500	25,000
Intergovernmental	1,912,625	-	29,000	29,000	-	-29,000
Prior Fund Balance	-	-	351,000	-	700,000	349,000
Total Revenues	10,410,319	9,101,243	10,338,000	10,070,750	12,200,000	1,862,000



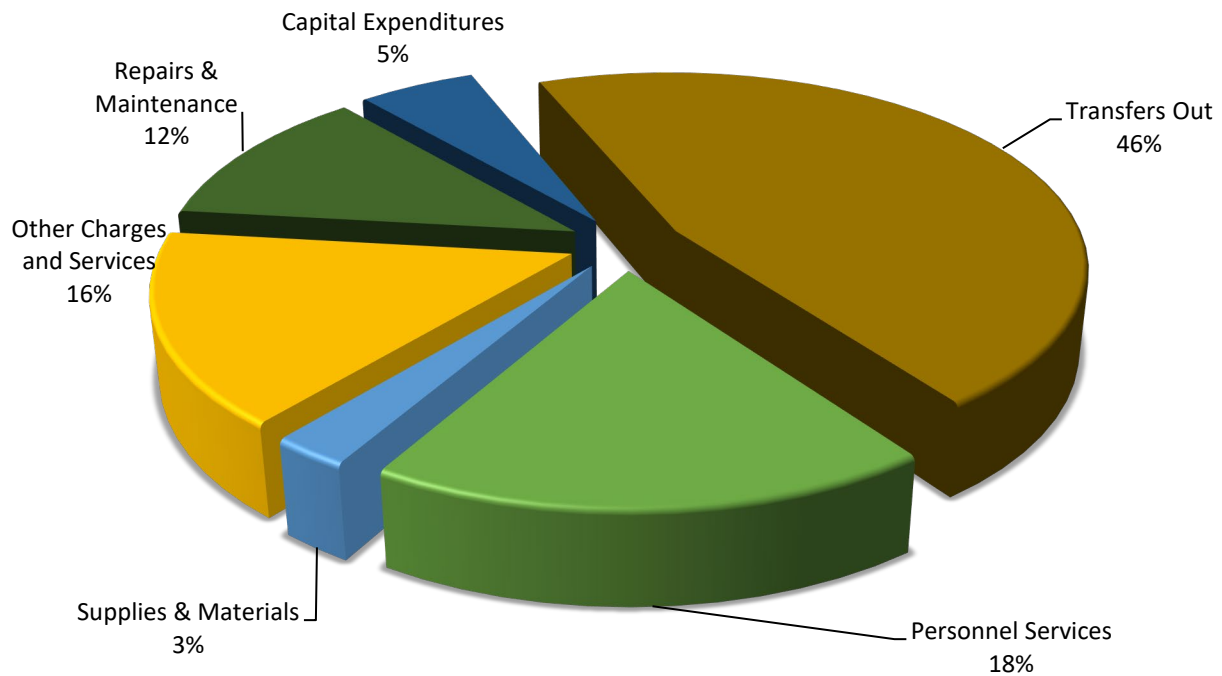
Public Utility Revenue Detail

Public Utility Fund Revenue	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Charges for Services					
Water Receipts	3,960,804	4,256,241	4,633,000	4,625,000	5,387,000
Commercial Water Sales	3,332	(206)	7,500	3,000	3,500
Water Taps	45,000	76,730	65,000	25,000	45,000
Service Charges	134,594	114,338	121,000	4,950,000	145,000
Sewer Receipts	4,124,794	4,278,607	4,794,000	5,000	5,577,000
Sewer Surcharges	30,408	51,940	40,000	10,000	30,000
Sewer Taps	28,750	61,618	50,000	130,000	30,000
Contract Revenue	15,320	4,612	-	-	-
Total Charges for Services	8,343,001	8,843,879	9,710,500	9,748,000	11,217,500
Fines & Forfeitures					
Late Payment Penalties	138,418	179,405	170,000	175,000	180,000
Total Fine & Forfeitures	138,418	179,405	170,000	175,000	180,000
Miscellaneous					
Interest Income	1,291	12,106	75,000	200,000	100,000
Investment G/L	-	(1,512)	-	-	-
Gain on Disposal of Assets	-	1,875	-	-	-
Insurance Claims	8,541	61,642	-	2,750	-
Other Income	6,441	3,848	2,500	16,000	2,500
Total Miscellaneous	16,273	77,959	77,500	118,750	102,500
Intergovernmental					
Transfer from Fund 62	-	-	-	-	-
Transfer from Fund 23	-	-	29,000	29,000	-
Contributed Capital	1,306,435	-	-	-	-
Transfer from TWDB	388,023	-	-	-	-
Water Fund 68	-	-	-	-	-
Transfer from TWDB	218,167	-	-	-	-
Sewer Fund 69	-	-	-	-	-
Total Intergovernmental	1,912,625	-	29,000	29,000	-
Prior Fund Balance					
Prior Fund Balance	-	-	351,000	-	700,000
Total Prior Fund Balance	-	-	351,000	-	700,000
Total Public Utility Revenue	10,410,319	9,101,243	10,338,000	10,070,750	12,200,000

Public Utility Expenditures by Function

Expenditures by Function	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024	Variance
Personnel Services	1,491,092	1,658,011	2,029,631	1,730,966	2,248,905	219,274
Supplies & Materials	250,904	326,079	296,400	337,600	316,100	19,700
Other Charges and Services	3,462,911	3,570,924	1,401,078	1,412,610	1,943,600	542,522
Repairs & Maint.	1,095,281	2,096,679	1,508,115	1,379,545	1,423,500	-84,615
Capital Expenditures	-	-	462,385	451,163	655,000	192,615
Transfers Out	2,750,301	3,073,222	4,640,391	4,640,391	5,612,895	972,504
Total Expenditures	9,050,489	10,724,914	10,338,000	9,952,275	12,200,000	1,862,000

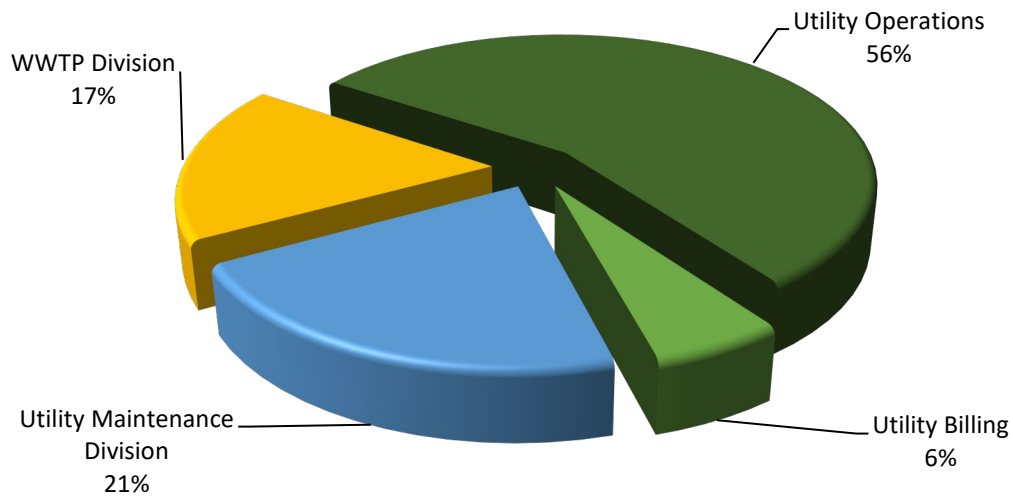
Expenditure by Function



Public Utility Expenditures by Department

Expenditures by Department	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024	Variance
Utility Billing	296,354	434,718	570,703	561,828	704,472	133,769
Utility Operations	5,928,288	6,254,589	5,610,124	5,601,876	6,817,377	1,207,253
Utility Maintenance	1,466,960	2,501,130	2,177,828	1,920,786	2,565,875	388,047
WWTP	1,358,887	1,534,477	1,979,345	1,867,785	2,112,276	132,931
Total Expenses	9,050,489	10,724,914	10,338,000	9,584,914	12,200,000	1,862,000

Expenditure by Department



Departmental Summaries

UTILITY BILLING

Our Mission

The mission of the City of Bay City Utility Billing Division is to support and enhance a high quality of life for Bay City’s residents, businesses, and visitors by providing responsive, professional, and courteous customer service. The division strives for excellence in accurate metering and fulfilling requests in an efficient, timely manner, while providing accurate and accountable billing and revenue collection services.

Description of Our Services

The Utility Billing Department is under the general direction of the Finance Director. Utility Billing ensures that Bay City residents and businesses are properly billed at rates established and approved by City Council for water, sewer, and sanitation. The employees set up new utility accounts, receive payments, assist citizens with billing and other utility issues and monitor accounts for non-payment. The Utility Billing department utilizes the AMI system for collecting meter reads in preparation of the bills and coordinates with customer service for manual meter reads. The employees also receive, sort, and distribute mail for all city departments.

Vision 2040

2024 Strategic Focus*

Governance

- Organizational/Operational Effectiveness
- Improving Image of Bay City
- Communication

Bay City residents are well informed and involved with the affairs of local city government

Infrastructure and City Facilities

Bay City residents enjoy new streets, sidewalks and have access to public facilities that meet the standards of our community.

- ❖ Improving the efficiency of the AMI system will improve the accuracy of meter reads which will lead to more accurate billing for the customer. The system will reduce the time Customer Service Division employees dedicate to manual meter reading and reduce the time Utility Billing personnel dedicate to data entry of manual meter reads. This will allow quicker response to reported water and sewer line issues.

Livability & Quality of Life

Bay City residents enjoy a safe community with great amenities and affordable living.

- ❖ Efficient meter reading and timely, efficient response to requests will provide Bay City residents with accurate water and sewer billing and will minimize interruptions in service.

FY 2024 Business Plans (Objectives)

- Complete scanning of all utility applications into Incode software
- Implement text to pay option for customers
- Install new payment kiosk beside drive-thru window
- Create fillable online applications
- Research 2turniton option for out-of-town customers
- Add sign-up option for hyper reach to all applications
- Work with building inspector to assist with inspections for occupant change-move in

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Assisted in the city-wide mass meter change out completion
- ✓ Completed Tyler Content Manager (TCM) training while installing and implementing new scanners; compliments electronic retention policy
- ✓ Created welcome bags for new customers
- ✓ Implemented new sewer credit guidelines for consistency
- ✓ Added lockbox options for payment processing to improve efficiencies
- ✓ Updated Utility Billing webpage to connect citizens to various payment options, forms, and important utility information
- ✓ Added a Utility Billing field technician to assist in quicker response to customer work orders
- ✓ Implemented the Utility Disclosure Form per the Texas Privacy Law
- ✓ Created and added QR codes to utility bills for quick link payment options
- ✓ Revamped various applications for uniformity
- ✓ Implemented use of mobile service order software to increase field efficiencies
- ✓ Researched all zero consumption accounts and took appropriate actions based on findings
- ✓ Marketed “Eye on Water App” to customers to help with proactive monitoring of water usage

Budget Summary

Utility Billing	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	140,158	195,555	290,703	273,933	400,972
Supplies & Materials	40,202	34,780	44,000	57,100	45,000
Other Charges & Services	101,478	203,437	222,500	230,750	227,000
Repairs & Maintenance	14,516	947	13,500	45	31,500
Capital Expenditures	-	-	-	-	-
Total Utility Billing	296,354	434,718	570,703	561,828	704,472

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Utility Billing Clerk	3	3	3	3
Customer Service Coordinator	0	0	0	1
Customer Service Technician I	0	0	0	1
Customer Service Technician II	0	1	1	2
Total	3	4	4	7

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Number of meter leaks	185	996	627	600
Number of service orders completed	5,072	18,696	15,473	15,473
Number of connects with service change	706	3,048	1,967	1,750
Number of disconnects	771	3,132	2,028	2,000
Number of re-connects (from non-payments) and miscellaneous requests	1,423	8,514	6,172	6,000
Number of meter swap orders	432	366	-	-
Number of sewer stops	408	240	230	200
Annual average of active accounts	6,700	5,679	5,800	5,900
Number of utility account bills generated	76,029	68,200	68,300	68,750
Number of utility payments received	75,957	36,396	43,789	44,000
Number of adjustments processed	15,624	27,864	19,585	19,000
Number of Service Orders generated	5,072	41,610	26,930	27,000
Measuring Our Effectiveness				
Percentage of monthly bills posted to customer accounts on time	97%	100%	100%	100%
Percentage of billing adjustments due to meter reading or billing errors	17%	4%	1%	1%
Annual average –Percentage of overall AMI effectiveness (good reads/total AMI reads)	82%	99.8%	99.9%	99.9%
% of new accounts connected within 24 hrs.	90%	98%	98%	98%
% of customers delinquent/total customers	15%	4%	3%	3%

UTILITY OPERATIONS

Our Mission

The mission of the Municipal Services Building (MSB) Office is to provide outstanding customer service to our residents and businesses through communication, integrity, and accountability. This division also strives to provide outstanding support to our administration, other departments, and employees.

Description of Our Services

The Warehouse Operations Division is under the general direction of the Director of Public Works. The MSB staff provides support for all divisions of Public Works, Parks and Recreation and Airport Departments by assisting the supervisors with budgeting, procurement, processing invoices, entering information for work orders, processing timesheets and payroll data, training and maintenance of all department documents and records. The staff assists citizens and developers, in person, on the phone and via email, with the rental of City facilities, permitting, work order requests for City infrastructure (signs, streets, water leaks, etc.) and general information requests.

The Code Compliance Division administers the contracts for sanitation operations and household hazardous waste services in the City; enforces municipal ordinances related to Utility, Solid Waste and Streets; supports the Building Official by issuing stop work orders; compiles all regulatory reports for the water and wastewater divisions (TWDB reports, Consumer Confidence Reports, Coastal Plains Groundwater Conservation District permits and annual water use, monthly operating reports for water wells, discharge monitoring reports for WWTP); serves as Water Conservation Coordinator; manages/enforces the City's Cross Connection Control program; manages/enforces grease trap maintenance; assists the Recycling Center with public education and grants.

Strategic Focus

Community & Economic Development (2024 Strategic Focus)

Bay City is known for encouraging economic development opportunities, creating a business development program that is responsive to existing business needs, and actively promoting tourism.

- ❖ The MSB staff has direct contact with citizens, developers, contractors, vendors, and suppliers. They represent the City and strive to provide outstanding customer service and support.

Livability & Quality of Life

Bay City residents enjoy a safe community with great amenities and affordable living.

- ❖ The behind-the-scenes support Warehouse Operations provides is essential for other divisions and departments to effectively do their jobs in maintaining a safe city and ensuring the delivery of services that contribute to Bay City citizen’s quality of life.

FY 2024 Business Plans (Objectives)

- Arrange additional training for new MSB Secretaries in Cityworks geared toward: 1) improving GIS asset management; 2) reporting; 3) capturing equipment hours, labor hours, and materials for all work orders
- Schedule additional training for new MSB Secretaries in Building Inspections Incode program and city ordinances geared toward permitting process
- Resume “Friendly Certified Customer Service Training” through Victoria Chamber of Commerce. Our goal is to continue changing the culture and make the City of Bay City known for good customer service
- Schedule CPR/First Aid Classes for Public Works, Parks and Recreation, and Airport employees. Will offer class to other departments that are interested
- Develop Standard Operating Procedures for Public Works department
- Continue to assist with planning for monthly safety meetings
- Increase code compliance efforts and improve effectiveness by partnering with Code Enforcement and the Building Department to review and revise the grease ordinance and ensure proper enforcement
- Continue development and enforcement of the Cross-Connection Control program
- Equally apply division policies, city ordinances, and model codes for all developers and citizens
- Expand the program to chip brush at the Brush Site
- Continue to provide administrative services for Govdeals annual auction of obsolete equipment and miscellaneous items
- Promote new sanitation services and public education relating to water conservation, solid waste, recycling, and grease ordinance
- Continue to provide administrative services for all grants, contracts and bid documents submitted and received by the Public Works department
- Provide administrative services, inspections and scheduling for city contractors working on street, drainage, and utilities projects for the Public Works department
- Increase advertising efforts and continue to grow the Fall and Spring Citywide Cleanup Events

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ City Planning Division created and staffed. Improved building permit and pre-development process for residential, commercial, and industrial developments
- ✓ Utility Foreman, City Planning Manager and Office Manager attended the Bay City High School Career Fair, in hopes of educating young adults on alternative workplace opportunities after graduation
- ✓ One MSB office staff employees served on the Records Management Review Committee tasked with reviewing current records management policies and procedures; developing procedures and forms for department record audits; developing an emergency preparedness and recovery plan for records; and developing an electronic records program
- ✓ MSB Office Manager served as Safety Committee Chair and assisted with planning of all monthly safety meetings
- ✓ Finished “Painting & Updating” Warehouse Bay Area Municipal Services Building”
- ✓ Continued to add/remove vehicles and employees to Fluid Secure, our Fuel Management System
- ✓ Added all three diesel and unleaded pumps to fuel system to generators for disaster events
- ✓ Continued enforcement of Cross Connection Control program
- ✓ Optimized city sanitation services by continuously meeting with GFL representatives, City Manager’s Office, Utility Billing, and Code Enforcement to optimize city sanitation services
- ✓ Coordinated efforts between city employees and city contractors to complete utility projects in an efficient and timely manner, thereby aiding the city in continuing to provide excellent customer service to our citizens
- ✓ Furthered development of “Standard Operating Procedures” for Public Works Department

Budget Summary

Utility Operations	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	446,756	458,087	519,855	464,485	620,882
Supplies & Materials	20,959	28,540	21,400	22,800	21,100
Other Charges & Services	2,698,063	2,645,600	408,478	458,200	537,500
Repairs & Maintenance	12,208	49,140	20,000	16,000	25,000
Transfers Out	2,750,301	3,073,222	4,640,391	4,640,391	5,612,895
Total Utility Operations	5,928,288	6,254,589	5,610,124	5,601,876	6,817,377

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Director of Public Works	1	1	1	1
Assistant Director of Public Works	1	1	1	1
Office Manager	1	1	1	1
Engineering Technician	1	1	1	1
City Planning Manager	1	1	1	1
Code Compliance Officer	0	0	0	1
Total	5	5	5	6

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Code Violation Complaints-Sanitation	194	180	180	170
Code Violation Complaints-Utilities	62	50	105	125
Code Violation Complaints-Streets	16	16	15	15
Stop work order issued	8	15	15	15
WCA complaints investigated	14	15	12	12
Notice of Violation issued	41	40	70	75
Cross connection control non-compliance Notice issued	61	65	75	75

UTILITY MAINTENANCE

Our Mission

The mission of the City of Bay City Utility Maintenance Division is to support and enhance a high quality of life for Bay City’s residents, businesses, and visitors by providing well-planned, cost-effective water distribution, sewer collection services and infrastructure maintenance through responsible use of resources, innovations, and technology to promote public health and economic growth while remaining stewards of the environment.

Description of Our Services

The Utility Maintenance Division is under the general direction of the Director of Public Works. Employees of the division have 75+ years combined experience with water distribution and sewer collection systems. The primary responsibility of the department is the construction, operation, and maintenance of the City's water distribution and sewer collection systems. The crews repair and install new water and sewer lines, install water and sewer taps for new residential development, perform locates to identify the water and sewer lines when others are excavating in the city right-of-way, repair and flush fire hydrants, camera/video sewer lines and storm drains and jet sewer lines.

Vision 2040

2024 Strategic Focus*

Governance

- **Organizational/Operational Effectiveness**
- **Improving Image of Bay City**
- **Communication**

Bay City residents are well informed and involved with the affairs of local city government

Infrastructure and City Facilities

Bay City residents enjoy new streets, sidewalks and have access to public facilities that meet the standards of our community.

- ❖ One of the key components of The Vision Bay City 2040 Plan outlined that Bay City’s water system and sewer collection infrastructure must be able to support expected growth. The water distribution and sewer collection system are the heart of the City. All residents, businesses and visitors must have access to the basic need of safe and reliable drinking water and environmentally sensitive wastewater collection to ensure that our community continues to thrive, grow, and prosper. Funding Capital Improvement Projects identified in the Water System Analysis and Master Plan as well as the Sanitary Sewer System Analysis and Master Plan is essential for the City to move forward in accomplishing The Vision Bay City 2040 Plan.

Livability & Quality of Life

Bay City residents enjoy a safe community with great amenities and affordable living.

- ❖ Turning on a faucet for fresh, clean drinking water and flushing a toilet are actions we all take for granted. What happens when water doesn't flow from the faucet or when you can't flush your toilet? Quality of life quickly declines. Repairing and/or replacing our aging infrastructure and effective planning for future growth will ensure the City can support a high quality of life for not only current Bay City residents, businesses, and visitors but also future generations.

FY 2024 Business Plans (Objectives)

- Continue to improve infrastructure by continuing line replacement/extension program of aging water and sewer lines and associated components
- Continue initiating Capital Improvement Projects identified in the Water System Analysis and Master Plan
- Meet water supply demands by continuing to identify all water mains less than two inches and develop scopes of work to upsize lines
- Sustain quality of life by continuing to maintain adequate pressure of 50 to 55 psi throughout the water system at a volume to meet the demands of the citizens
- Improve quality of life by continuing to respond quickly and efficiently, within twenty-four (24) hours, to complaints regarding water leaks to reduce water loss
- Increase effectiveness by expanding on the grease trap inspection program using Cityworks to document and schedule inspections. Review and update City Ordinance related to grease traps. Partner with Code Enforcement to ensure proper enforcement
- Develop and implement a backflow prevention program and utilize Cityworks to track inspections. Review City Ordinance related to backflow prevention, make necessary changes and partner with Code Enforcement to ensure proper enforcement
- Use City Works to increase efficiency by developing and implementing an inventory control program
- Implement Customer Service Inspector for all new water turn-ons. Phase in duties to become compliant with the state laws (TCEQ). Currently non-compliant.
- Establish a two-man crew: Duties to include manhole ID's and fire hydrant preventative maintenance.
- Respond quickly and efficiently, within twenty-four (24) hours, to complaints regarding water leaks to reduce water loss
- Work to improve efficiency by reducing the need for manual meter reading by improving the efficiency of maintenance of the City's Advanced Meter Infrastructure (AMI) water meter system
- Educate Bay City residents on the harmful effects of fats, oils and grease on the City's wastewater collection system to obtain their assistance in reducing the amount of fats, oils and grease introduced into the system
- Work with Utility Billing to improve efficiency and reduce water loss by communicating with residents to address potential water leaks at their homes/businesses to reduce water loss
- Partner with Code Enforcement and Building Department to review and revise the grease ordinance and ensure proper enforcement

ENTERPRISE FUNDS

- Assist plumbers to serve residents by helping identify and eliminate water leaks and properly address reported sewer issues to ensure they are handled in a timely manner to minimize the customer's disruption in service
- Address failing Metering Service Units (MIUs) by developing a streamline maintenance plan with water meter supplier for the life of the AMI system

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Installed numerous water and sewer taps for both residential and commercial properties
- ✓ Replaced and/or installed several manholes throughout the City
- ✓ Repaired numerous water and sewer lines throughout the City
- ✓ Completed city-wide water meter changeout through TWDB DWSRF funding
- ✓ Implemented Standard Operating Procedures for oversight and maintenance of water meters
- ✓ Executed a service agreement with vendor to maintain, repair, and/or warranty any non-working meters
- ✓ Provided training to Utility employees on the use of the Beacon website to monitor water meters
- ✓ Inspected and provided labor, equipment, and materials as needed in Capital Improvement Projects to include the Elliott Subdivision and Bordeaux Estates

Budget Summary

Utility Maintenance Division	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	563,477	524,292	657,528	506,636	654,575
Supplies & Materials	31,583	51,589	45,800	43,550	44,800
Other Charges & Services	36,396	6,595	38,500	9,600	475,500
Repairs & Maintenance	835,504	1,918,654	998,615	986,000	1,036,000
Capital Expenditures	-	-	437,385	375,000	355,000
Total Utility Maintenance	1,466,960	2,501,130	2,177,828	1,920,786	2,565,875

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Utility Foreman	1	1	1	1
Crew Leader	3	3	3	2
Administrative Assistant I	1	1	1	1
Maintenance Technician II	4	1	1	2
Maintenance Technician I	4	2	2	3
Customer Service Supervisor	0	1	1	0
Customer Service Technician I	1	2	2	0
Customer Service Technician II	0	1	1	0
Vactor Truck Operator	1	1	1	1
Total	15	13	13	10

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Total length of water mains (miles)	113	115	120	145
Total length of sewer mains (miles)	108	110	115	140
Total number of fire hydrants	369	370	370	375
Number of water leaks	407	430	543	570
Number of new water taps	24	75	60	120
Number of new sewer taps	26	70	55	120
Number of water lines located	697	740	960	980
Number of sewer lines located	697	740	960	980
Linear feet (LF) water line replaced or installed	3,000	3,500	5,500	3,800
Linear feet (LF) sewer line replaced or installed	1,220	2,000	3,500	2,800
Estimated gallons of water loss associated with reported water leaks	315,568,100	320,500,000	325,000,000	325,000,000
Number of sewer overflows per year	7	3	9	5
Number of meter swap orders	292	1,841	1,031	500
Number of meter leaks	47	50	94	115
Number of sewer stops	390	240	230	200
<i>Measuring Our Effectiveness</i>				
Annual Water Loss	35.34%	36%	36%	38%

WATER AND WASTEWATER TREATMENT PLANT

Our Mission

The mission of the City of Bay City Water and Wastewater Treatment Plant Division is to support and enhance a high quality of life for Bay City’s residents, businesses, and visitors by providing reliable, sustainable, superior quality water through protecting and managing current sources; and, by protecting public health and the environment through responsible environmental stewardship and treatment of the City’s wastewater.

Description of Our Services

The WWTP Division is under the general direction of the Director of Public Works. The employees maintain the City’s potable water supply by checking and monitoring operations of the City’s six water wells, four Ground Storage Tanks and three Elevated Storage Tanks. They ensure quality of the water supply through disinfection, sampling and testing and security of the facilities through visual monitoring and facility maintenance. The employees also maintain the city’s wastewater collection system which includes the WWTP and 26 sewer lift stations. They ensure proper operation of the lift stations to prevent illicit sewer discharges of sewage flowing to the WWTP. The employees also operate and manage the sewer treatment process at the WWTP to assure a clean effluent to Cottonwood Creek. Operators are licensed by TCEQ and are required to strictly adhere to rules and regulations set by City Ordinance, the State of Texas and the EPA.

Vision 2040

2024 Strategic Focus*

Governance

- **Organizational/Operational Effectiveness**
- **Improving Image of Bay City**
- **Communication**

Bay City residents are well informed and involved with the affairs of local city government

Infrastructure and City Facilities

Bay City residents enjoy new streets, sidewalks and have access to public facilities that meet the standards of our community.

- ❖ Bay City’s aging water and wastewater infrastructure must be regarded as a priority even though there was limited public concern in the Vision Bay City 2040 Plan. Being proactive with preventative maintenance, replacing outdated equipment and anticipating necessary capital repairs will allow Bay City to continue to provide superior quality drinking water and environmentally sound wastewater treatment services to residents, businesses, and visitors.

Livability & Quality of Life

Bay City residents enjoy a safe community with great amenities and affordable living.

- ❖ Dependable water and wastewater services are essential to the citizens of Bay City. The Utility Maintenance and Customer Service crews work together with the plant operators to deliver superior quality drinking water and Bay City’s growth and long-term sustainability are dependent on them. Repairing and/or replacing our aging infrastructure and effective planning for future growth will ensure the City can support a high quality of life for not only current Bay City residents, businesses, and visitors but also future generations.

FY 2024 Business Plans (Objectives)

- Implement Capital Improvement Projects identified in the Sanitary Sewer Analysis and Master Plan as well as the WWTP Evaluation: Rehab of the WWTP System- (\$12,000,000), and the Lift station Rehab on FM 457- (\$300,000)
- Maintain facilities by continuing the consistent Preventative Maintenance plan on water well equipment, lift station equipment and Wastewater Treatment Plant equipment
- Continue to maintain quality of life by ensuring that all 26 lift stations are inspected regularly and are adequately maintained to ensure consistent, uninterrupted service to citizens
- Update Continue Operating & Maintenance (O&M) Manual for the WWTP to improve effectiveness and efficiency
- Continue to improve efficiency and demand at the WWTP by reducing inflow and infiltration of storm water into the collection system by: continuing sewer line rehab program, identifying manholes in need of rehabilitation, use of inflow protectors in manholes
- Maintain infrastructure to ensure that operations are in accordance with the Texas Commission on Environmental Quality (TCEQ) and other regulatory agencies

FY 2023 Accomplishments of Prior Year Business Plans

WATER PLANTS AND WELLS:

- ✓ Awarded the Texas Water Development Board funding for water and wastewater improvements
- ✓ Passed TCEQ Inspection

SEWER LIFT STATIONS:

- ✓ Completed repairs to Avenue C Lift Station

WWTP

- ✓ Completed repairs on Clarifier #2
- ✓ Passed TCEQ Inspection

Budget Summary

Water and Wastewater Treatment Plant Division	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	340,700	480,079	561,545	485,912	572,476
Supplies & Materials	158,160	211,169	185,200	214,150	205,200
Other Charges & Services	626,974	715,291	731,600	714,060	703,600
Repairs & Maintenance	233,053	127,938	476,000	377,500	331,000
Capital Expenditures	-	-	25,000	76,163	300,000
Total WWTP	1,358,887	1,534,477	1,979,345	1,867,785	2,112,276

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Utility Superintendent	1	1	1	1
Plant Operator III	3	3	3	3
Plant Operator II	1	1	1	1
Plant Operator I	1	1	1	1
Administrative Assistant I	1	1	1	1
Total	7	7	7	7

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Number of water samples collected for bacteriological testing	384	384	394	384
Number of fire hydrants flushed	612	612	612	612
Estimated gallons of water loss associated with routine fire hydrant flushing	240,000	240,000	250,000	245,000
Cubic Yards of sludge removed/number of loads hauled	3,611 356	3,611 356	3,566 322	3,500 320
<i>Measuring our Effectiveness</i>				
Number of TCEQ violations – groundwater	-	-	1	-
Gallons of water produced per year	860,409,000	860,409,000	917,800,000	925,000,000
Number of TCEQ violations – wastewater	-	-	-	-
Total gallons of wastewater treated per year	576,000,000	576,000,000	580,000,000	580,100,000

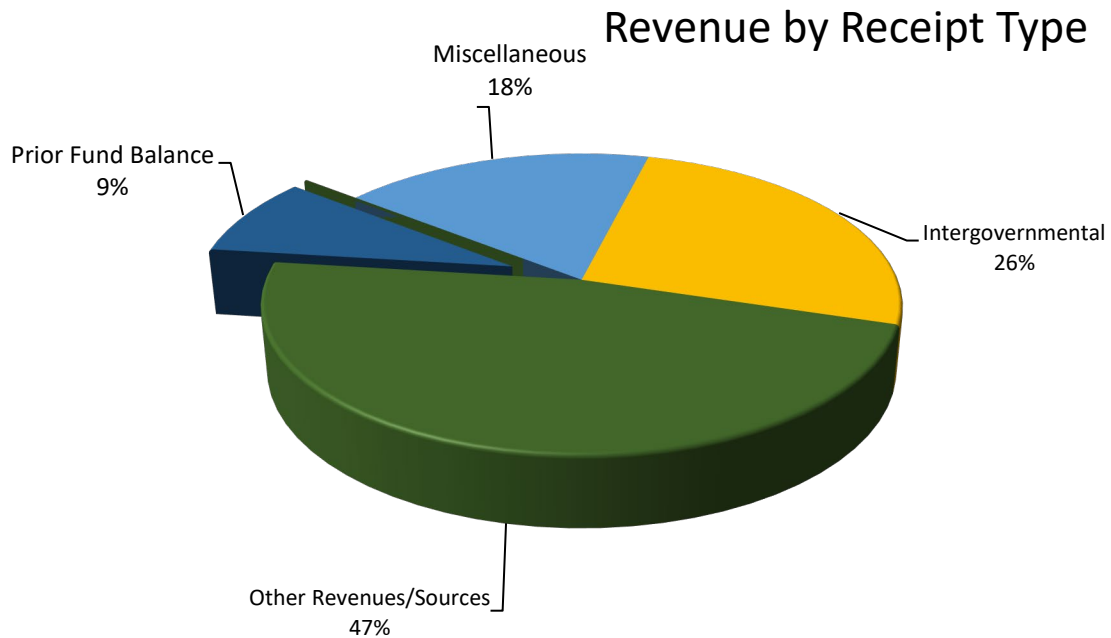


AIRPORT FUND

The Airport Fund is used to account for the operations of the Bay City Regional Airport.

Airport Fund Revenue

Revenue Summary	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024	Variance
Charges for Services	-	-	-	100	-	-
Miscellaneous	584,786	222,236	160,500	195,845	318,500	158,000
Transfers In	225,000	245,000	225,000	225,000	281,000	56,000
Other Revenues/Sources	296,471	288,536	412,500	210,100	265,500	-147,000
Prior Fund Balance	-	-	75,000	-	152,000	77,000
Total Revenues	1,106,257	755,772	873,000	631,045	1,017,000	144,000



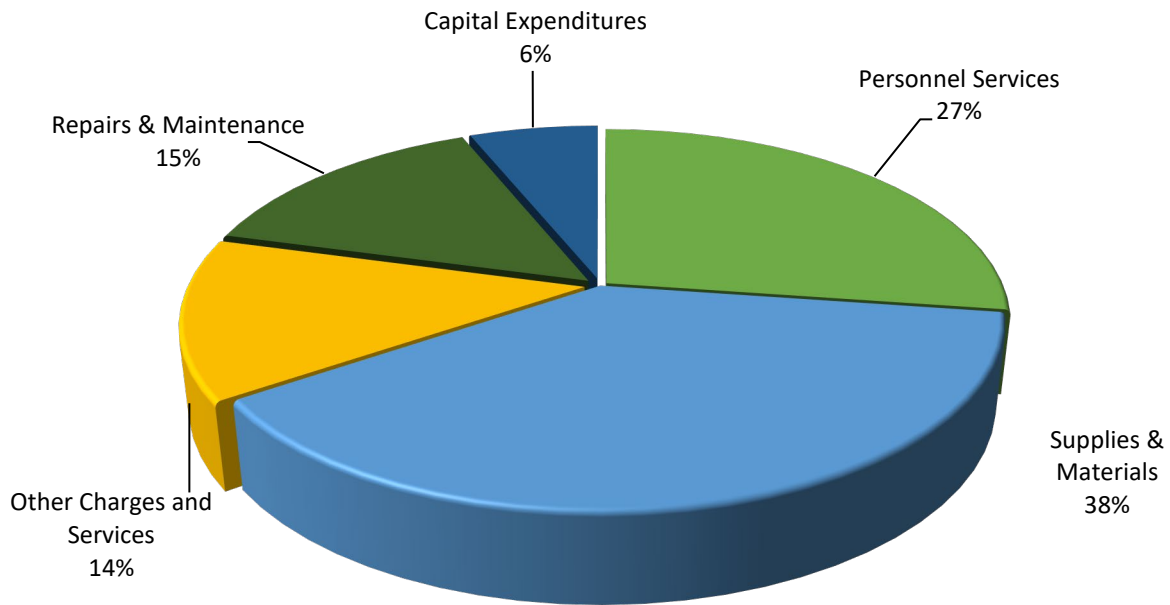
Airport Revenue Detail

Airport Fund Revenue	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Charges for Services					
Late Fees	-	-	-	100	-
Total Charges for Services	-	-	-	100	-
Miscellaneous					
Interest Income	40	37	-	145	-
Capital Contribution	375,906	-	-	-	-
T-Hanger Rental Fees	99,538	122,602	98,000	136,000	130,000
Tie Down Fees	4,591	6,180	2,500	2,200	2,500
Tx Dept. of Transportation	89,247	50,000	50,000	50,000	176,000
Insurance Claims	-	29,205	-	-	-
Gain on Disposal of Assets	875	-	-	-	-
Other Income	14,589	14,212	10,000	7,500	10,000
Total Miscellaneous	584,786	222,236	160,500	195,845	318,500
Intergovernmental					
Transfer from General FD	225,000	245,000	225,000	225,000	225,000
Transfer from BCCDC	-	-	-	-	56,000
Total Intergovernmental	225,000	245,000	225,000	225,000	281,000
Other Revenues/Sources					
Jet Fuel	215,110	159,722	300,000	110,000	165,000
Aviation Fuel	80,709	128,395	112,000	100,000	100,000
Aviation Oil	651	419	500	100	500
Total Other Revenue	296,471	288,536	412,500	210,100	265,500
Prior Fund Balance					
Prior Fund Balance	-	-	75,000	-	152,000
Total Prior Fund Balance	-	-	75,000	-	152,000
Total Airport Revenue	1,106,257	755,772	873,000	631,045	1,017,000

Airport Expenditures by Function

Expenditures by Function	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024	Variance
Personnel Services	198,889	216,175	237,850	228,692	261,850	24,000
Supplies & Materials	241,234	236,742	334,150	193,150	243,150	-91,000
Other Charges and Services	325,581	342,723	119,500	110,700	87,500	-32,000
Repairs & Maint.	132,212	150,862	127,500	126,000	127,500	-
Capital Expenditures	-	-	54,000	20,000	297,000	243,000
Total Expenditures	897,916	946,502	873,000	678,542	1,017,000	144,000

Expenditures by Function



AIRPORT OPERATIONS

Our Mission

Bay City Regional Airport is a general and business aviation airport, which is operated, maintained, and preserved for the benefit of the community and airport users.

Our Vision

The Vision of the Bay City Regional Airport is to be the best and most well-regarded regional airport in the State of Texas. We are committed to supporting the economic needs of the community through safe and secure operations.

Airport Goals & Objectives

The objective of the Bay City Regional Airport is to support its mission and vision through the operation, maintenance, and development of airport services and infrastructure that is accountable to its constituents, provides appropriate airport facilities, and supports compatible business uses and development. The following goals further define and clarify airport accountability, facilities, and business.

ACCOUNTABILITY

- Accountable to provide services to
 - Users
 - Tenants
 - Customers
- Financially accountable to
 - Airport sponsor (enterprise fund)
 - Grantors
- Meeting Regulatory obligations to
 - FAA
 - TXDOT
 - EPA
 - TCEQ
 - City of Bay City
 - Self-sustaining
 - Sensitive to the needs of the community
 - Sensitive to the environment

FACILITIES

- Addressing the needs of the general aviation users
- Addressing the general aviation needs of businesses
- Enabling and supporting the acquisition of new assets
- Ensuring efficient and effective service quality
- Maintaining and retaining current Airport assets, including real property, existing runways, taxiways, ramps, runway lengths and operational utility
- Maintaining modern and up to date facilities
- Providing a safe environment for all concerned
- Providing services and/or economic value to the community
- Providing a welcoming gateway to Bay City and local communities
- Secure (controlled access)
- Serving as a regional resource for emergencies

BUSINESS

- Compatible with the mission and vision of the Airport
- Encouraging economic growth
- Encouraging revenue-generating activities that are competitively priced
- Fostering partnerships
- Promoting tourism
- Responding to the demands of dynamically changing economic and aviation
- Technologies
- Welcoming to aviation-compatible businesses

ACTION PLAN SUPPORTING THE AIRPORT MISSION, VISION, GOALS & OBJECTIVES

- Prepare a long-term Airport Master Plan update. The Airport Master Plan will provide guidance for the development and operation of the airport.
- Soliciting aviation-compatible businesses to build operational infrastructure based on the Airport.

Description of Our Services

Airport Operating Fund is an Enterprise fund. It provides operations, maintenance, and security services for those that use the Bay City Regional Airport and its facilities. The Airport revenues are generated by the following activities:

- Aircraft tie down fees
- Rental of hangar space
- Ramp fees
- Courtesy vehicle user fees
- Fuel sales

Vision 2040

- ❖ Expansion / Growth
 - *Expand throughout aviation community*
- ❖ Revenue / Cost / Margin
 - *Increase sales*
- ❖ Customer Satisfaction
 - *Repeat business from customers*
- ❖ Engagement with citizens
 - *Engage with our community*
- ❖ Employee Happiness
 - *Proud & Happy staff*

2024 Strategic Focus*

Governance

- **Organizational/Operational Effectiveness**
- **Improving Image of Bay City**
- **Communication**

Bay City residents are well informed and involved with the affairs of local city government

Infrastructure and City Facilities

- ❖ Bay City residents enjoy new streets, sidewalks and have access to public facilities that meet the standards of our community.

Investments in renovations and expansion of Bay City Regional Airport facilities and airfield will actively support the long-term fiscal strength of the airport.

Community & Economic Development (2024 Strategic Focus)

Bay City is known for encouraging economic development opportunities, creating a business development program that is responsive to existing business needs, and actively promoting tourism.

- ❖ Bay City Regional Airport serves as a gateway to Bay City and surrounding communities. Developers, local business executives and new visitors utilize the airport frequently. This in turn lends to the vision of Bay City’s economy development by shopping, visiting attractions, eating at local restaurants, and staying at Bay City accommodations.
- ❖ Bay City Regional Airport’s business development is focused on attracting new commercial, general aviation tenants and transient business executive aircraft while maintaining current general aviation occupancy.

Livability & Quality of Life

Bay City residents enjoy a safe community with great amenities and affordable living.

- ❖ Bay City Regional Airport provides vital transportation services to all citizens in Bay City, whether they use the system directly or benefit indirectly. Aviation plays a crucial role in business, tourism, emergency services, agriculture, and even public safety. Communities depend upon airports to provide needed services and accessibility with connections within the state, nation, and world. Bay City Regional Airport serves an essential role in the overall economy and quality of life of the city and surrounding areas. Bay City Regional Airport is the staging point for all relief supplies in the event of a natural and/or manmade disaster.

FY 2024 Business Plans (Objectives)

- Promote Airport as a destination for business and general aviation
- Complete Runway 13/31 engineering and design – (\$140,670 Grant, \$15,630 City, Total \$156,300)
- Complete design & construction of main hangar concrete – (\$819,000 Grant, \$91,000 City, Total \$910,000)
- Host 6th annual “Santa’s Fly-In Storytime”
- Submit FAA grant for new terminal building- (\$6,703,485 Grant, \$352,815 City, Total \$7,056,300)
- Recruit new hydrogen fuel aircraft manufacturing (Zeroavia) to airport
- Host fly-in movie night
- Complete public parking lot crack seal, seal coat and paint re-striping – (\$15,000 Grant, \$15,000 City, Total \$30,000) (covered in RAMP, (routine airport maintenance program) Grant 50/50)
- Completed installation of wildlife fencing along west runway property line – (\$364,950 Grant, \$40,550 City, Total \$405,500)
- Complete partial replacement of AWOS (automated weather observation system) – (\$126,000 Grant, \$14,000 City, Total 140,000)
- Replace water well to include bulk water station – (\$1,265,000 Total) (grant funded)

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Promoted Airport through websites and magazine publications
- ✓ Featured in Aviation View magazine article, “Soaring in the Right Direction”
- ✓ Concluded construction of Taxiway and Drainage relocation, 11-month project
- ✓ Williams Energy relocated offshore business office to airport with additional parking lot
- ✓ Hosted the 5th annual “Santa’s Fly In Storytime” in partnership with the Library, TxDOT Aviation, Memorial Hermann LifeFlight, Texas DPS Aviation Division, American Furniture Warehouse and Van Vleck ISD drama department
- ✓ Replaced Jet-A fuel station skid pump and hose reels
- ✓ Selected Titan Fuels as our new fuel provider, installed new sign at Avgas self-serve station

ENTERPRISE FUNDS

- ✓ Updated the Airport welcome sign on main hangar building
- ✓ Installed new highway sign for the Airport
- ✓ Finalized Airport Layout Plan with narrative
- ✓ Completed FAA grant for new terminal building, (not selected in this round but will submit FY24)
- ✓ Completed FAA grant for Runway 13/31 reconstruction, replacement, or overlay
- ✓ Completed taxilane and t-hangar re-striping and marking
- ✓ Participated in CouchHub program
- ✓ Painted AWOS and Beacon per FAA regulations
- ✓ Painted safety rails around propane tanks per Railroad regulations

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Airport Manager	1	1	1	1
Airport Secretary	1	1	1	1
Lineman	1	1.5	1.5	1.5
Temporary Worker	1	1	1	1
Total	4	4.5	4.5	4.5



Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Number of daily airfield inspections	247	247	247	247
Number of airfield lighting repairs	-	4	5	2
Number of airfield fence repairs	-	4	2	2
Number of aircraft fueled	1,164	1,111	800	1,600
Acres of airport grounds mowed/ maintained	181	181	181	181
Number of courtesy car rentals/usage	53	103	50	100
Estimated number of take offs & landings	11,640	11,111	8,000	16,000
Usage/inquires to paid websites for Airport information	979	1,827	2,500	2,500
Measuring Our Effectiveness				
T-hangar tenant occupancy	80%	84%	88%	75%
% of time airfield operational	98%	100%	98%	100%
Value of TxDOT Aviation RAMP funding obtained	\$50,000	\$50,000	\$50,000	\$50,000





1997.07.42.5
Texas Theater
2227 Ave. F
Bay City, TX
Opened Nov. 23, 1939
Closed 1981

Texas Theater
1939- Left, Future- Right



BayTex Hotel
Old-Left, Today-Right



HOTEL/MOTEL FUND

The City adopted a local hotel occupancy tax (7%) within the City limits. The City uses these funds to directly enhance and promote tourism and the convention and hotel industry or other expenses approved by State Law.

Hotel/Motel Tax Fund

The primary funding source for the Hotel/Motel Tax Fund is the Hotel Occupancy tax, a consumption type of tax authorized under Texas state statute. This tax allows the City of Bay City to collect up to its current tax rate of 7% on rental income of hotels and motels within the City limits.

In Chapter 351 of the Tax Code, funds derived from the Hotel/Motel Tax Fund can only be spent if the following two-part test is met:

- Every expenditure must directly enhance and promote tourism and the convention and hotel industry.
- Every expenditure must clearly fit into one of nine statutorily provided categories for expenditure of local hotel occupancy taxes:
 1. Funding the establishment, improvement or maintenance of a convention or visitor information center
 2. Paying for the administrative costs for facilitating convention registration
 3. Paying for tourism related advertising and promotion of the city or its vicinity
 4. Funding programs that enhance the arts
 5. Funding historical restoration or preservation projects
 6. Sporting events where most participants are tourists in cities located in a county with a population of 290,000 or less
 7. Enhancing and upgrading existing sport facilities or fields for certain municipalities
 8. Funding transportation systems for tourists
 9. Signage directing the public to sights and attractions that are visited frequently by hotel guests in the municipality

Within the city limits of Bay City there are currently 20 hotels and motels all in which report and pay hotel occupancy taxes to the City. The following hotels and motels can be found in Bay City, Texas:

Hotels and Motels within Bay City

Best Western Plus	Knights Inn
Candlewood Suites	La Quinta Inn
Comfort Suites	Paradise Inn
Days Inn	Regency Inn
Economy Inn	Scottish Inn
Fairfield Inn	South Texas Inn
Hampton Inn	Starland Motel
Happy Bay	Studio 6
Holiday Inn	Super 8
Island Inn	Town House Motel

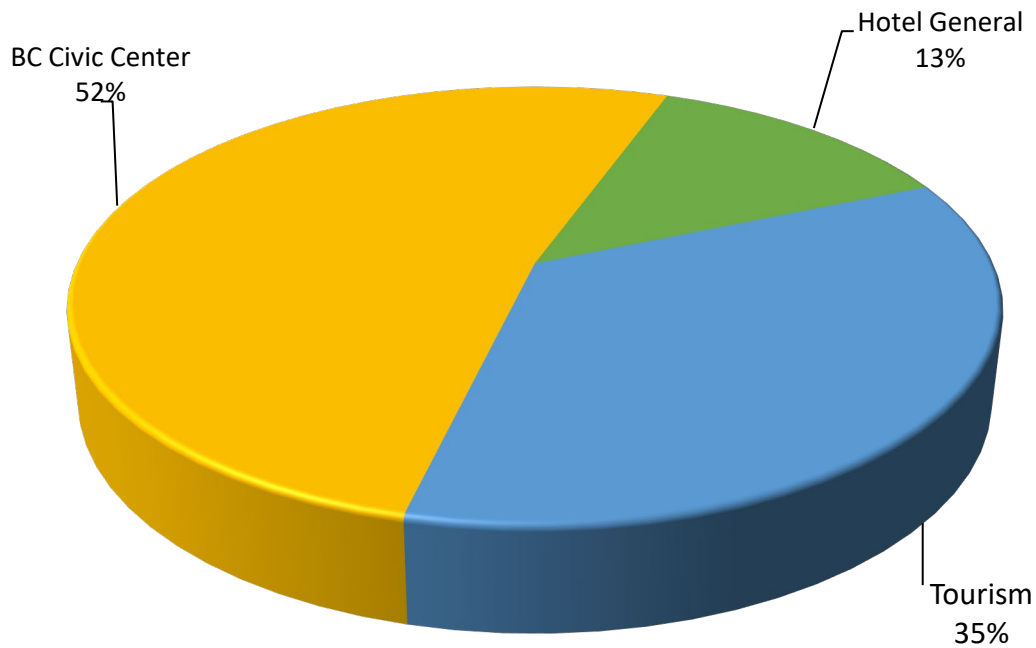
Hotel / Motel Revenue

Revenue Summary	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Hotel Occupancy Tax	640,386	586,528	620,000	610,000	615,000
Miscellaneous	90,672	127,157	149,000	132,343	110,000
Prior Fund Balance	-	-	-	-	65,000
Total Revenue	731,058	713,685	769,000	742,343	790,000

Hotel / Motel Expenditures

Hotel/Motel Expenditures	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Hotel General	126,847	123,129	104,500	104,500	103,000
Tourism	194,633	277,261	274,500	219,776	277,500
Civic Center	318,489	271,813	382,000	414,555	409,000
Bay City Theatre	9,788	23,334	8,000	500	500
Total Hotel/Motel	649,757	695,538	769,000	739,331	790,000

Expenditures by Department



HOTEL GENERAL

Description of Our Services

Expenditures considered to be of a non-departmental nature include funding the Matagorda County Museum, funding a portion of Main Street Budget (in General Fund) that qualifies for the HOT funds and other special projects which are approved by City Council.

Budget Summary

Hotel General	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Other Charges and Services	68,847	65,130	36,500	36,500	35,000
Transfers	58,000	58,000	68,000	68,000	68,000
Total Hotel General	126,847	123,130	104,500	104,500	103,000



Matagorda County Museum @ 2100 Avenue F

TOURISM

Our Purpose

The Tourism Department’s activity, under the direction of the CVB Board of Directors, Mayor and Council is primarily responsible to position Bay City and Matagorda County as a nationally and regionally recognized tourist destination by developing quality marketing programs and events to attract visitors and stimulate economic development and growth.

Mission Statement

Bay City Tourism Council promotes and develops tourism and awareness of our beaches, birds and thriving arts along with our downtown culture.

Vision 2040 Plan Elements

(2024 Strategic Focus)

Community & Economic Development

Bay City is known for encouraging economic development opportunities, creating a business development program that is responsive to existing business needs, and actively promoting tourism.

- By using all forms of tourism, eco, birding, beach related, and history related visits we want to showcase Bay City, so it is known for its diverse opportunities while creating a business development program that is responsive to existing business needs.

Livability and Quality of Life

Bay City residents and visitors enjoy a safe community with great amenities and affordable living.



Bay City Black Cat Mural, at All Star Fitness. Owner cleaned, painted, installed asphalt and lighting in parking lot.

FY 2024 Business Plans (Objectives)

- Develop new brand by updating logo and campaign
- Implement social media plan to increase social media presence and involvement
- Develop partner packages program by updating destination materials, establishing partner relationships, creating, and publicizing packages
- Develop a City app for mobile devices with Tourism component
- Expand Day of the Dead Festival to a 2-day event to encourage hotel stays
- Plan the commission of art attractions (statues, murals, exhibits)

FY 2023 Accomplishments of Prior Year Business Plans

- Installed digital sign at Bay City Civic Center
- Rebuilt Tourism Board
- Increased social media presence
- Supported productions from CAST through hotel occupancy tax sponsorship

Budget Summary

Tourism	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	71,710	50,588	95,500	79,976	94,700
Supplies & Materials	5,712	6,557	8,500	3,000	7,500
Other Charges and Services	117,137	220,117	170,500	136,800	175,300
Repairs & Maintenance	74	-	-	-	-
Total Tourism	194,633	277,261	274,500	219,776	277,500

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Tourism Director	1	1	1	1
Total	1	1	1	1

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Exhibit Shows Attended	2	2	1	4
Advertising Placements: Billboards, Magazines	23	23	20	20
Facebook Followers	3,019	3,500	6,800	7,000
Number of Events Held	3	3	1	1
Total Attendance of Events	5,000	5,000	2,000	2,000
<i>Measuring Our Effectiveness</i>				
Annual Update of Business Plan	2	2	1	1
Number of Meetings Held	6	6	4	6
Council Updated Quarterly	4	4	4	4

CIVIC CENTER



Our Mission

The mission of the Bay City Civic Center is to provide a safe, beneficial, and enjoyable facility for special events for all citizens, tourists, and visitors to the City of Bay City, Texas.

Description of Our Services

The Bay City Chamber of Commerce and Agriculture with the City of Bay City provides management and operations for the facilities of the Bay City Civic Center. Revenues are generated from facility rentals. The maintenance costs are provided by Fund 25 of the City of Bay City.

Vision 2040

2024 Strategic Focus*

Community and Economic Development*

Bay City is known for encouraging economic development opportunities, creating a business development program that is responsive to existing business needs, and actively promoting tourism.

Livability and Quality of Life

Bay City residents enjoy a safe community with great amenities and affordable living.

FY 2024 Business Plans (Objectives)

- Ensure the customers and community maximizes the use of the Bay City Civic Center
- Provide staff to set-up, supervise, and maintain a presence at the center, and ensure every service is afforded to the Customer
- Conduct routine repair and preventative maintenance to the facility and parking lot and ensure it is maintained at the same or higher level as was designed to provide quality customer experience
- Continue to research community services being offered by cities with comparable population and evaluate opportunities to include appropriate services which would benefit our community
- Encourage professionalism in customer service through continuing education and staff development opportunities
- Seek community input of services through pre- and post-event communications

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Held several successful events throughout the year
- ✓ Continued to have business training opportunities
- ✓ Provided staff to set up, supervise and maintain a presence at the center and to ensure every service is afforded to all customers
- ✓ Maintained the Civic Center with fees paid by the consumer and utilization of the Hotel-Motel Tax with no reliance on the General Fund Budget
- ✓ Added LED lighting to parking lot to improve safety and visibility

Budget Summary

Bay City Civic Center	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Supplies and Materials	5,720	5,465	8,500	6,000	7,500
Other Charges and Services	221,104	217,255	238,500	237,000	269,500
Repairs and Maintenance	52,847	47,342	100,000	77,770	132,000
Capital Expenditures	38,819	1,750	35,000	93,785	-
Total Civic Center	318,489	271,813	330,000	414,555	409,000

BAY CITY THEATRE

Description of Our Services

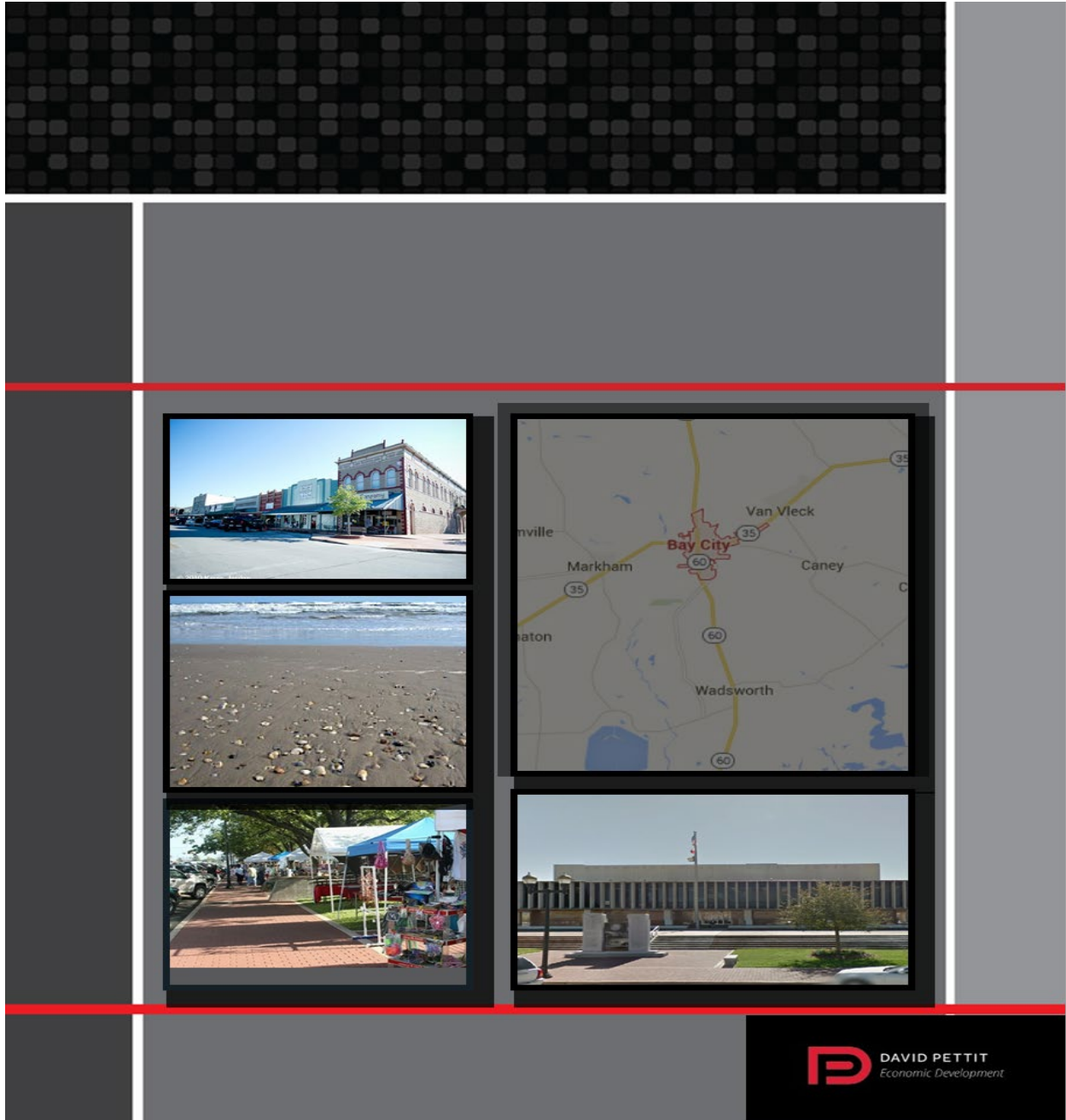
This department is accountable for all expenditures related to the Theatre rehabilitation project that is currently ongoing.

Budget Summary

Bay City Theatre	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Other Charges and Services	3,271	6,834	8,000	500	500
Capital Expenditures	6,517	16,500	-	-	-
Total Bay City Theatre	9,788	23,334	8,000	500	500



Bay City Theatre Before Rehabilitation Project (Left) and After (Right)



TAX INCREMENT REINVESTMENT ZONE FUND

This fund is used to account for the three separate reinvestment zones receiving all the incremental tax revenue growth flows within its designated zone to help pay for public improvements within that zone.

TIRZ 1 Fund Revenue

Revenue Summary	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Miscellaneous	46,080		83,000		
Transfers In	37,823		72,000		
Total Revenue	83,903		155,000		

TIRZ 1 Fund Expenditures

TIRZ 1 Expenditures	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Other Charges and Services	58,232		155,000		
Transfers Out	-		-		
Total TIRZ 1	58,232		155,000		

TIRZ 2 Fund Revenue

Revenue Summary	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Miscellaneous	99,001		84,000		
Transfers In	82,075		72,000		
Total Revenue	181,075		156,000		

TIRZ 2 Fund Expenditures

TIRZ 2 Expenditures	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Other Charges and Services	148,362		156,000		
Transfers Out	-		-		
Total TIRZ 2	148,362		156,000		

TIRZ 3 Fund Revenue

Revenue Summary	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Miscellaneous	-	-	-	-	31,000
Transfers In	-	-	-	-	29,000
Total Revenue	-	-	-	-	60,000

TIRZ 3 Fund Expenditures

TIRZ 3 Expenditures	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Other Charges and Services	-	-	-	-	60,000
Transfers Out	-	-	-	-	-
Total TIRZ 1	-	-	-	-	60,000

TIRZ 4 Fund Revenue

Revenue Summary	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Miscellaneous	-	-	-	-	500
Transfers In	-	-	-	-	500
Total Revenue	-	-	-	-	1,000

TIRZ 4 Fund Expenditures

TIRZ 4 Expenditures	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Other Charges and Services	-	-	-	-	1,000
Transfers Out	-	-	-	-	-
Total TIRZ 2	-	-	-	-	1,000



Annual Report Requirements

Texas state law requires the governing body of the municipality that created the TIRZ to submit an annual report to the chief executive officer of each taxing unit that levies taxes on property within the zone. The report must be provided within 150 days of the end of the city’s fiscal year. The report must include the following items:

1. The amount and source of revenue in the tax increment fund established for the zone;
2. The amount and purpose of expenditures from the fund;
3. The amount of principal and interest due on outstanding bonded indebtedness;
4. The tax increment base and current captured appraised value retained by the zone;
5. The captured appraised value shared by the city and other taxing units;
6. The total amount of tax increments received; and
7. Any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the city.

A copy of the above report must be sent to the Texas State Comptroller’s Office.

What is Tax Increment Financing (TIF)?

Tax Increment Financing (TIF) is a tool to help finance public improvements and development projects within a defined area. A municipality makes an area eligible for TIF by designating it a Tax Increment Reinvestment Zone (TIRZ). Within the designated zone all the incremental tax revenue growth flows to an established tax increment fund to help pay for public improvements within the zone.

Following incremental growth in property values, and the collection of tax revenue in the established TIRZ fund, the TIRZ board and the City Council disburse funds to promote revitalization efforts within the zone.

While TIRZ’s are generally established by cities, other taxing jurisdictions such as a county or junior college can participate in the zone at their own discretion.

TAX INCREMENT REINVESTMENT ZONE #1

The City of Bay City Tax Increment Reinvestment Zone (TIRZ) Number One (TIRZ #1) was established in 2015 and consisted of 219 acres of land located in the City’s central core encompassing approximately 160 acres. Bay City TIRZ #1 is bounded by 11th Street to the north, Avenue E to the west, 5th Street to the south, and Avenue L on the eastern border.

While the site holds great potential due to its location, it lacks the infrastructure necessary to support commercial and residential development. As such, the site will not be developed to its full potential but for the creation of a TIRZ.

TIRZ Revenue Overview

The City of Bay City TIRZ #1 base value was established in 2015 with a real property taxable value base of \$23,875,760. The City of Bay City agreed to contribute 100% of its incremental tax revenue to the TIRZ fund for a period of 30 years. Matagorda County, Matagorda County Hospital District, and Port of Bay City will each contribute 100% of their incremental tax revenue within the zone.

	2015 Base Year	2023 Taxable	Increment
TIRZ 1	23,875,760	42,236,180	18,360,420



*TIRZ #1 Boundary

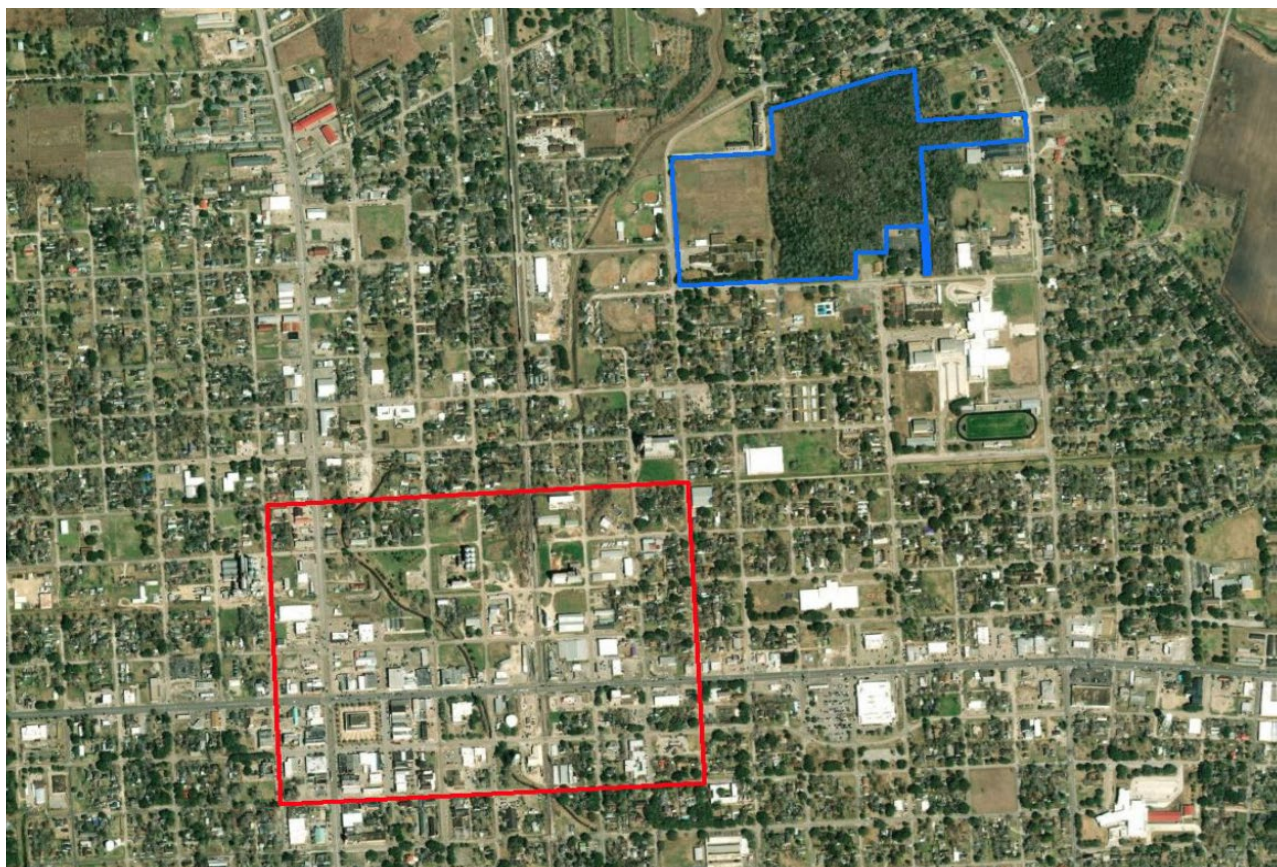
TAX INCREMENT REINVESTMENT ZONE #1A

In 2022, TIRZ #1 was expanded to encompass approximately 54.441 acres bringing total acreage to 214.41 acres. The expanded boundaries are non-contiguous to the north of the original TIRZ boundaries. While the sites hold great potential due to its locations, it lacks the infrastructure necessary to support commercial and residential development. As such, the sites will not be developed to their full potential but for the creation of a TIRZ.

TIRZ Revenue Overview

The City of Bay City TIRZ #1A base value was established in 2022 with a real property taxable value base of \$2,151,750. The City of Bay City agreed to contribute 100% of its incremental tax revenue to the TIRZ fund. Matagorda County, Matagorda County Hospital District, and Port of Bay City will each contribute 100% of their incremental tax revenue within the zone.

	2021 Base Year	2023 Taxable	Increment
TIRZ 1A	2,151,750	417,450	(1,734,300)



- TIRZ #1 Boundary
- TIRZ #1A Boundary

TAX INCREMENT REINVESTMENT ZONE #2

The City of Bay City Tax Increment Reinvestment Zone Number Two (TIRZ #2) consists of approximately 344 acres of land located in the eastern sector of the City along TX-35.

Most of the property within TIRZ #2 is currently vacant. The purpose of TIRZ #2 is to help pay for infrastructure costs associated with the development of a large mixed-use development totaling more than 2,200,000 square feet of new construction. It is expected to facilitate the construction of both residential and commercial development.

TIRZ Revenue Overview

The City of Bay City TIRZ #2 base value was established in 2015 with a real property taxable value base of \$2,099,193. The City of Bay City agreed to contribute 100% of its incremental tax revenue to the TIRZ fund for a period of 30 years. Matagorda County, Matagorda County Hospital District, and Port of Bay City each contribute 100% of their incremental tax revenue within the zone.

	2015 Base Year	2023 Taxable	Increment
TIRZ 2	2,099,193	16,041,720	13,942,527



*TIRZ 2 Boundary

TAX INCREMENT REINVESTMENT ZONE #2A

In 2021, the TIRZ was expanded to encompass approximately 147.27 acres bringing total acreage to 491.27 acres. The expanded boundaries are -contiguous to the west of the original TIRZ boundaries.

TIRZ Revenue Overview

The City of Bay City TIRZ #2 base value was established in 2021 with a real property taxable value base of \$16,020. The City of Bay City agreed to contribute 100% of its incremental tax revenue to the TIRZ fund. Matagorda County, Matagorda County Hospital District, and Port of Bay City each contribute 100% of their incremental tax revenue within the zone.

	2021 Base Year	2023 Taxable	Increment
TIRZ 2A	16,020	16,020	0



- TIRZ #2 Boundary
- TIRZ #2A Boundary

TAX INCREMENT REINVESTMENT ZONE #3

The City of Bay City Tax Increment Reinvestment Zone Number Three (TIRZ #3) consists of 20 acres of land, located on the eastern portion of Marguerite Street. Bay City TIRZ #3 fronts Marguerite Street and is then bounded to the West by Carrington Oaks Subdivision, to the North by Pearl Street and to the East by Cottonwood Creek and to the South by Valhalla Subdivision.

All real property within the boundaries is underdeveloped and the sidewalks and street layout are inadequate. As such, the site will not be developed to its full potential but for the creation of a TIRZ.

TIRZ Revenue Overview

The City of Bay City TIRZ #3 was established in 2017 with a real property taxable value base of \$349,100. The City of Bay City agreed to contribute 90% of its incremental tax revenue to the TIRZ fund for a period of 30 years. Matagorda County and Matagorda County Hospital each contribute 90% of their incremental tax revenue within the zone.

	2017 Base Year	2023 Taxable	Increment
TIRZ 3	349,100	5,601,520	5,252,420



*TIRZ 3 Boundary

TAX INCREMENT REINVESTMENT ZONE #4

The City of Bay City Tax Increment Reinvestment Zone Number Four (TIRZ #4) consists of 49.71 acres of land located on the eastern portion of Bay City. Bay City TIRZ #4 is generally bounded by 7th Street to the south, Rose Street to the west, and Old Van Vleck Road to the east.

The land within the zone is primarily vacant inadequate. As such, the site will not be developed to its full potential but for the creation of a TIRZ. The purpose of TIRZ #4 is to help pay for infrastructure costs associated with the development of 189 single family homes.

TIRZ Revenue Overview

The City of Bay City TIRZ #4 was established in 2022 with a real property taxable value base of \$191,200. The City of Bay City agreed to contribute 50% of its incremental tax revenue to the TIRZ fund for a period of 36 years. Matagorda County, Matagorda County Hospital District, and Port of Bay City will each contribute 50% of their incremental tax revenue within the zone.

	2022 Base Year	2023 Taxable	Increment
TIRZ 4	191,200	355,990	164,790



*TIRZ #4 Boundary



FORFEITURE FUND

This fund accounts for the forfeiture of contraband gained from the commission of criminal activity. Proceeds from this fund are used for specific expenses for law enforcement needs.

Forfeiture Fund Revenue

Revenue Summary	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Miscellaneous	50,855	13,313	5,000	11,200	5,000
Prior Year Fund Balance	-	-	5,000	-	5,000
Total Revenue	50,855	13,313	10,000	11,200	10,000

Forfeiture Fund Expenditures

Police Forfeiture Expenditures	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	-	-	-	750	-
Supplies & Materials	-	-	5,000	100	5,000
Other Charges & Services	21,248	12,111	5,000	15,000	5,000
Repairs & Maintenance	-	7	-	600	-
Capital Expenditures	16,297	-	-	-	-
Total Forfeiture	37,545	12,119	10,000	16,450	10,000



BUILDING SECURITY FUND

This fund accounts for fees collected on conviction of certain Municipal Court offenses and are intended to create a security plan for the courtroom.

Building Security Fund Revenue

Revenue Summary	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Fines & Penalties	4,890	4,495	4,500	3,500	4,500
Miscellaneous	12	7	-	20	-
Prior Year Fund Balance	-	-	11,000	-	2,500
Total Revenue	4,901	4,502	15,500	3,520	15,500

Building Security Expenditures

Building Security Expenditures	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	824	1,058	4,500	1,600	2,050
Supplies & Materials	59	29	200	100	50
Other Charges & Services	13,196	1,692	7,320	1,500	2,000
Repairs & Maintenance	22	-	3,480	2,000	2,900
Total Expense	14,101	2,779	15,500	5,200	7,000



COURT TECHNOLOGY FUND

This fund accounts for fees collected on conviction of certain Municipal Court offenses and are intended to provide technology to process court cases.

Court Technology Revenue

Revenue Summary	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Fines & Penalties	4,251	3,844	4,000	3,000	4,000
Miscellaneous	10	5	-	15	-
Prior Year Fund Balance	-	-	11,500	-	6,000
Total Revenue	4,260	3,849	15,500	3,015	10,000

Court Technology Expenditures

Court Technology Expenditures	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	-	-	1,200	1,200	1,200
Supplies & Materials	48	21	100	20	100
Other Charges & Services	13,721	1,803	15,000	1,500	8,700
Total Court Tech.	13,769	1,824	15,500	2,720	10,000



INFORMATION TECHNOLOGY FUND

The Information Technology fund was created to provide technological maintenance and purchases for all the departments of the City.

Information Technology Fund Revenue

Revenue Summary	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Miscellaneous	1	173	-	800	-
Transfers In	670,000	782,000	806,000	806,000	972,000
Total Revenue	670,001	782,173	806,000	806,800	972,000

Information Technology Fund Expenditures

Information Technology Expenditures	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	140,595	183,232	166,225	193,859	223,550
Supplies & Materials	6,756	7,429	9,675	5,975	13,350
Other Charges & Services	592,179	537,156	610,200	601,766	724,000
Repairs & Maintenance	9,381	2,154	19,900	5,200	11,100
Capital Expenditures	-	-	-	-	-
Total IT	748,911	759,655	806,000	806,800	972,000

INFORMATION TECHNOLOGY

Our Mission

Proactively provide quality technology-based services supporting the integrity, reliability, and confidentiality of the City's technology environment engaging the missions and goals of its employees and citizens.

- ❖ Provide prompt and professional customer service skills to our staff to ensure limited downtime and help contribute to an efficient work environment.
- ❖ Facilitate all network infrastructures, storage, security, hardware, and software to ensure the integrity of the City's electronic data and provide reliable access.
- ❖ Introduce new ideas to simplify challenging and time-consuming tasks utilizing technology.
- ❖ Visualize a proactive direction for the city and provide strategic planning to adjust the use of technology to help aid in upcoming events.
- ❖ Maintain a level of commitment to keep our staff knowledgeable and up to date with the latest trend in technology providing the tools necessary to accommodate and serve the public promptly.



Description of Our Services

The major systems for which the IT Department provides support and maintenance are: computer systems (servers, workstations, peripherals, networking equipment and software); the phone system (Analog and Digital/VoIP desk sets and cell phones); the security system (secured entryway access and surveillance cameras/recorders) and miscellaneous electronic systems (faxes, badge printers, etc.). It also handles day-to-day maintenance and replacement/upgrade of assets under its control and provides training to City employees. The department researches, advises, and leads the City in technical projects and trends in an efficient and cost-effective manner.

Manages

The Information Technology Department currently manages technology assets at 12 locations. These assets include approximately:

- 220 Computers
- 50 Printers
- 19 Servers
- 15 Patrol Cars

FY 2024 Business Plans (Objectives)

- Revamp Library’s network to improve security and accessibility
- Update radio inventory for asset tracking and proper cost allocation
- Transition Municipal Court software from Incode 9 to NetData- (\$9,750)
- Convert Laserfiche, electronic records management program, to Avante- (\$20,000)
- Purchase 20 new computers to replace outdated ones in various departments- (\$20,000)
- Transition to Executime, new timekeeping system, to improve payroll process – (\$18,500)
- Implement recommended improvements of network deficiencies per cybersecurity GAP analysis
- Continue to provide fast and reliable access to all information systems
- Facilitate the collection, storage, and security of electronic data

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Continued to provide fast & reliable access to all information systems
- ✓ Upgraded access control system at MSB to improve security for citizens and employees
- ✓ Facilitated the collection, storage, and security of electronic data
- ✓ Re-evaluated technology-based contracts for cost savings
- ✓ Reduced redundant data in cloud storage to reduce cost
- ✓ Implemented recommended improvements of Network deficiencies per Cybersecurity GAP Analysis
- ✓ Upgraded security cameras and access systems throughout the City for improved security for both citizens and the City employees
- ✓ Consolidated Fiber throughout the City for greater performance and lower pricing through AT&T
- ✓ Installed appropriate tower lighting in accordance with our annual tower inspection to comply with the Federal Aviation Administration (FAA).
- ✓ Upgraded servers and all computers to new Tyler Public Safety software
- ✓ Upgraded all servers at City Hall and Police Department to Server 2019

Budget Summary

Information Technology	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	140,595	183,232	166,225	193,859	223,550
Supplies & Materials	6,756	7,429	9,675	5,975	13,350
Other Charges & Services	592,179	537,156	610,200	601,766	724,000
Repairs & Maintenance	9,381	2,154	19,900	5,200	11,100
Capital Expenditures	-	-	-	-	-
Total IT	748,911	759,655	806,000	806,800	972,000

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Information Technology Manager	1	1	1	1
Network Administrator	0	0	0	0
Information Technology Technician	1	1	1	1
Total	2	2	2	2

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Information Technology work orders completed	521	800	825	825
Workstations and Servers maintained	N/A	250	250	250
Telephones supported	N/A	150	155	160
% of Network uptime during business hours	97	97.5	99	99
Network Printers supported	N/A	50	50	50

Began tracking several new performance measures in FY 2022





MAINTENANCE FUND

The Maintenance Fund was created to provide maintenance on all City owned equipment, vehicles, and facilities.

Maintenance Fund Revenue

Revenue Summary	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Miscellaneous	99	65	-	250	-
Transfers In	625,000	620,000	654,000	602,750	674,000
Total Revenue	625,099	620,065	654,000	603,000	674,000

Maintenance Fund Expenditures by Department

Total Expenditures	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Equipment Maintenance	244,946	223,246	268,086	212,786	269,894
Facility Maintenance	362,322	298,787	385,914	390,214	404,106
Total Expenditures	607,268	522,033	654,000	603,000	674,000



EQUIPMENT MAINTENANCE

Our Mission

The mission of the City of Bay City Equipment Maintenance Division is to provide City departments with an efficient maintenance and repair process as it pertains to the City's fleet. With only three mechanics, our goal is to address any fleet repair and maintenance issue, establish an efficient service maintenance program to extend the life and productivity of the City's entire fleet and reduce equipment down time and unnecessary repair cost.

Description of Our Services

The Equipment Maintenance Division is under the general direction of the Director of Public Works. The Equipment Maintenance Division is primarily responsible for providing internal support to all departments and divisions through vehicle and equipment maintenance activities. The department maintains detailed records of repair and maintenance costs of the fleet by utilizing the CityWorks program. With the assistance of the program, the department has initiated a program of preventative maintenance procedures to keep the fleet in proper operating order and to extend the life of the fleet by performing routine preventative maintenance services.

Our lead mechanic handles the daily operations of this division by distributing work orders among himself and the other two mechanics. They are responsible for the repair, servicing, preventative maintenance, and inspection of gasoline, alternate fuels, and diesel-powered automobiles; light medium and heavy-duty trucks and construction equipment. The mechanics take turns being on-call to service vehicles outside of normal operating hours to keep other departments functioning.

Vision 2040

Infrastructure

Equipment Maintenance services and repair over three hundred city vehicles and pieces of equipment. Equipment Maintenance is the backbone to keeping the equipment for each department in the city running and for each employee to be able to carry out their job productively and safely.

Quality of Life

The behind-the-scenes support equipment maintenance provides is essential for other divisions and departments to effectively do their jobs in maintaining a safe city and ensuring the delivery of services that contribute to Bay City citizen’s quality of life.

FY 2024 Business Plans (Objectives)

- Continue to empower employees through training to ensure the highest quality work possible by the department
- Research and stay informed on new tools, techniques, and software that will assist the department in maintaining a high standard of performance
- Service, troubleshoot, and perform complex automotive repairs on engines and related components of electrical, mechanical, and computerized vehicle systems
- Use Cityworks to evaluate ways to improve PM procedures for City’s fleet and present recommendations as warranted
- Continue using state of the art oil on all new vehicles and equipment which allows mechanics to services vehicles every 6,000 miles instead of every 3,000 miles, reducing time and wear and tear on engines and transmissions

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Utilized vehicle lifts to reduce time for vehicle services and repairs on city fleet
- ✓ Ensured that the fleet fueling station met all state and federal guidelines and that all departments have problem-free access to all fleet fueling facilities
- ✓ Completed annual upgrade of computer software from Vehicle Manger to Cityworks to track service, parts, and repair costs for city fleet
- ✓ Multi-tasked to perform emergency repairs on high priority equipment (police vehicles, vactor and backhoe) and still stay on schedule for routine repairs
- ✓ Completed approximately 400 service and repair jobs this year
- ✓ Worked well as a three-man team to work on service, repairs, and annual maintenance jobs while still maintaining a heavy workload

Budget Summary

Equipment Maintenance	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	226,495	199,392	229,186	178,386	233,994
Supplies & Materials	6,397	10,047	11,400	10,500	11,000
Other Charges & Services	9,554	7,266	7,500	5,900	20,900
Repairs & Maintenance	2,498	6,542	5,000	3,000	4,000
Capital Expenditures	-	-	15,000	15,000	-
Total Maintenance	244,946	223,246	268,086	212,786	269,894

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Lead Mechanic	1	1	1	1
Mechanic	2	2	2	2
Total	3	3	3	3

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
A/C repairs	8	20	3	6
Air System repairs	3	4	0	5
Axle repairs	1	0	0	2
Battery/Charging System repairs	30	35	19	20
Bearing repairs	5	3	1	3
Belt/Hoses repairs	9	13	3	5
Blades repairs	11	10	5	10
Brakes/ABS repairs	24	45	16	20
Check Engine Light repairs	20	38	7	12
Cooling System repairs	5	15	2	5
Drive Line repairs	2	13	0	3
Electrical repairs	15	18	4	7
Engine repairs	28	25	8	13
Exhaust repairs	2	5	6	5
Fuel System	15	45	8	6
Hydraulic System repairs	18	10	6	5
Interior/Exterior repairs	112	150	53	70
Lights repairs	32	50	16	25
Service repairs	85	125	56	75
Small Engine repairs	6	8	5	10
Suspension/Steering repairs	6	10	2	5
Tire repair/replacement	47	85	36	30
Transmission repairs	8	15	2	4
Welding repairs	13	20	7	5
Total Work Orders Completed	505	762	264	351

FACILITY MAINTENANCE

Our Mission

The mission of the City of Bay City Facility Maintenance Division is to address building repair or maintenance issues in a cost effective and timely manner. By establishing an aggressive building maintenance program, we cut down on energy expenses and costly repairs. Our goal is to provide City employees with a comfortable and productive work environment, while maintaining the integrity and functionality of our multi-use rental facilities for the use and enjoyment of our citizens.

Description of Our Services

The Facility Maintenance Division is a division in the Public Works Department and is under the general direction of the Director of Public Works. The Facility Maintenance Division is responsible for maintenance and repairs of all City facilities. The staff is comprised of skilled trade people, including but not limited to electricians, heating ventilation and air conditioning technicians, and maintenance personnel. When the workload exceeds the manpower and equipment we have on hand, our facility maintenance crew is also responsible for soliciting bids from contractors. Without facility maintenance, our City employees in all departments would be responsible for their own repairs.

Vision 2040

Infrastructure

As Bay City grows, there will be a need for City facilities to be updated as well. The facility maintenance crew's main goal is to maintain clean, safe, and functional facilities for all to enjoy until facility upgrades or replacements are funded.

Quality of Life

Public buildings, such as city halls, libraries, and other service buildings, define a community's identity and instill a sense of pride. These facilities are also critical elements in a community that are needed to sustain neighborhoods, business, and governmental functions.

FY 2024 Business Plans (Objectives)

- Perform annual on-site inspections of all City facilities, diagnose problems, and execute repairs and upgrades, as approved by the Director and document in City Works
- Continue oversight of all City generators through on-site inspections, preventative maintenance program and repairs
- Continue to empower employees by training
- Use Cityworks to track routine work orders associated with our City facilities
- Investigate and implement energy conservation methods
- Initiate and prioritize work orders as needed for facilities
- Work with engineers and contractors on installation of new generators

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Installed exterior LED lighting at the Civic Center
- ✓ Replaced the roof at the Calvary Church
- ✓ Installed and rewired the new pavilion at Letulle Park to install LED lighting
- ✓ Repaired and replaced damaged barbed wire at all lift stations
- ✓ Replaced electrical service at the 457 and Grace St Lift Stations
- ✓ Made necessary repairs to the control panel at the Eagles Lift Station
- ✓ Replaced the Booster Pump at the Ave B Water Plant
- ✓ Emergency replacement of the well motor and pump at Katy Water Plant and Grace St Water Plant
- ✓ Replaced damaged ceiling tiles in the police department
- ✓ Replaced the HVAC unit at the police department that services Detective Cunningham's office and the surrounding area
- ✓ Coordinated with H&H Overhead Door to repair damaged garage door
- ✓ Converted all outdoor lighting, that was damaged due to the power outage, to LED lighting
- ✓ Replaced main breaker and the (4) breakers going to the light poles, after being advised that there were issues with lighting, at the ball field
- ✓ Installed new fluorescent lighting in the Parks and Rec Jack Young Ball field restrooms
- ✓ Installed new pedestal at site #54 at Riverside Park
- ✓ Coordinated with AEP after receiving a complaint of light not being bright enough at 4th Street and Avenue A. AEP crew placed an extension arm on the light post so it will illuminate further
- ✓ Replaced wooden pickets and repaired the fence gate around the Communications Tower
- ✓ Repaired minor plumbing problems at various facilities and coordinated with a licensed plumber for major repairs

Budget Summary

Facility Maintenance	Actual FY 2021	Actual FY 2022	Amended Budget FY 2023	Projected FY 2023	Adopted FY 2024
Personnel Services	291,309	259,609	314,314	312,514	334,906
Supplies & Materials	10,712	17,309	15,700	15,200	15,200
Other Charges and Services	10,881	16,495	20,100	18,500	19,000
Repairs & Maintenance	49,421	5,374	35,800	44,000	35,000
Total Facility Maintenance	362,322	298,787	385,914	390,214	404,106

Budgeted Personnel

Position	Actual FY 2021	Actual FY 2022	Actual FY 2023	Budgeted FY 2024
Master Electrician	1	1	1	1
Electrician Helper	1	1	1	1
Facilities Maintenance Tech II	2	2	2	2
Facilities Maintenance Tech I	1	1	1	1
Total	5	5	5	5

Performance Measures

<i>Our Workload</i>	Actual FY 2021	Actual FY 2022	Projected FY 2023	Estimated FY 2024
Electrical work orders	413	413	235	350
Plumbing work orders	31	31	18	27
Air Conditioner repair work orders	126	126	60	50
Carpenter work orders	76	76	8	25
Street Light work orders	1	1	0	5
Trim Tree Limb work orders	5	5	0	5
Generator Repairs	106	106	44	50
Miscellaneous Repairs	158	158	91	150
Total work orders completed	916	916	458	662

Capital Expenditures

Capital expenditures are payments used to acquire assets or improve the life of existing assets. Factors that are considered in determining capital items are as follows:

- Expected normal useful life of more than 3 years
- The item has a unit cost of \$10,000 or more (including freight and installation)
- Buildings and improvements shall also have a cost of \$10,000 or more

More information regarding the City's Fixed Asset Capitalization Policy can be found in the appendix section of this document on page 270.

Capital Improvement Plan

Presented herewith is the adopted FY 2024 Capital Improvement Plan (CIP) as approved on September 26, 2023. This document reflects input from City Staff, City Council and City Advisory Boards. This document serves as both a budget for FY 2024 and as a major planning tool for subsequent years. The five-year CIP is dynamic in nature, and as such, is reviewed and revised annually to ensure projects with the greatest need receive the highest priority. Project priorities and available funding are constantly monitored throughout the fiscal year to ensure there is adequate funding for critical projects. The plan reflects the City's strategic investment in municipal infrastructure and facilities over the next five years and the continuation of capital projects approved in prior years.

The CIP incorporates the project descriptions, estimated costs, and funding sources by Fund over the next five years. Projects that are appropriated in FY 2024 have individual project pages containing more detailed information such as project scope, estimated beginning and ending date, funding source(s), contact information, project graphic and operational impact. Costs already incurred and future cost estimates are listed for each project. The architect/engineer and contractor are listed where applicable. Each project is linked to the City's Comprehensive Plan (Vision 2040) and the 2024 Strategic Plan.

The CIP for General Fund projects follow a three-year pattern between Park Focus and Street Focus. For two years, the City designates funds on improving the park infrastructure, sidewalks, or sealcoating. The remaining funds are reserved for a future street project. In the third year, the City funds a major street project. The capital projects funding for parks during the third year (large street project) is lower in priority. The capital plan is rolled forward each year using this same philosophy. In this plan, 2024 is a street year so there will be less focus on parks unless grants are involved.

The CIP for Utility Fund projects take into consideration upcoming street projects. Water and sewer infrastructure are replaced prior to any major street project. Other priorities are given to subdivisions where utility systems have been partially completed.

The CIP for Airport Fund projects center around infrastructure improvements in hopes to spur economic development activity while satisfying existing customers.

Overview of the City's CIP:

The first year of the CIP is the capital budget. Any operating costs associated with the capital budget are incorporated in the annual budget to appropriate funds for the specific improvements. The projects that are scheduled for subsequent years in the CIP are approved only on a planning basis and do not receive expenditure authority until they are incorporated within a capital budget. However, potential funding sources are identified for planning purposes. The CIP is a rolling process where the subsequent year items in the program are moved up in each future year and reconsidered in subsequent years.

Look back at FY 2023 CIP Accomplishments:

Completed Hamman Road Drainage and United Rentals Drainage Improvement Projects

Improved infrastructure by continuing line replacement/extension program of aging water and sewer lines and all associated components

Completed AMI Meter Replacement Project through Texas Water Development Board (TWDB) funding

Awarded Texas Water Development Board funding for water and wastewater improvement projects to include AMI Meter Replacement and Waste Water Treatment Plant Improvements

Purchased Asphalt Patcher Truck to do in-house street maintenance

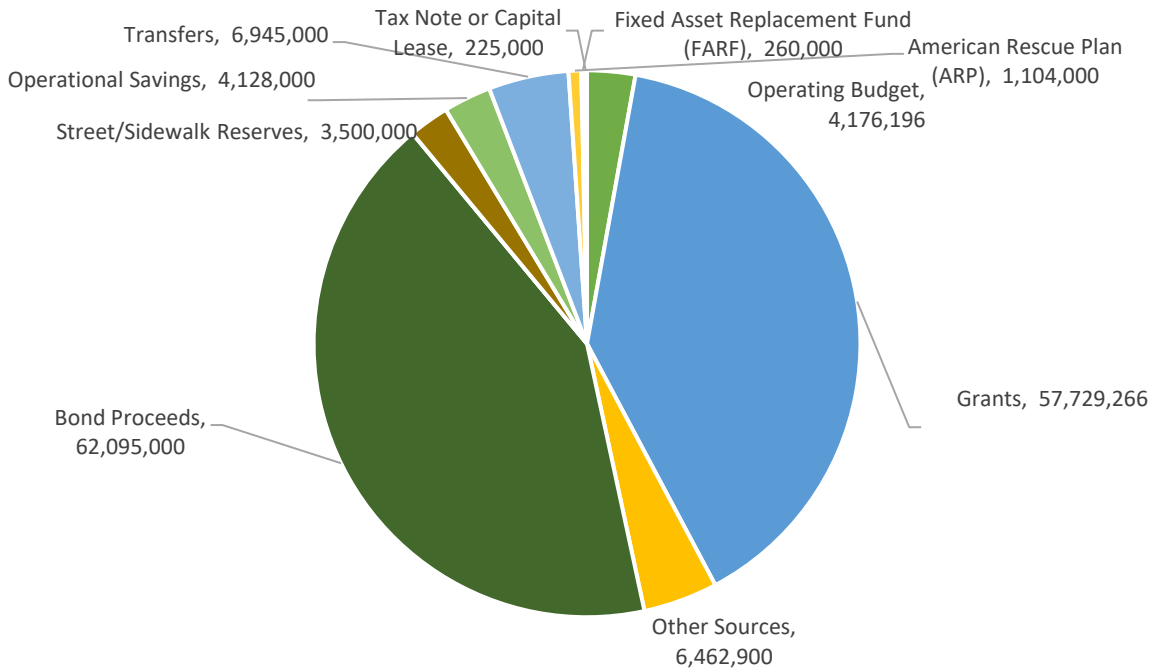
Completed construction to relocate taxiway and drainage at Regional Airport

The following pages outline the CIP approved by the City Council for 2024-2028. The Capital Improvement plan is produced as a separate document from the Operating Budget. A copy of the FY 2024-2028 CIP can be found on the City's website at www.cityofbaycity.org.

Capital Improvement Program Project Financing

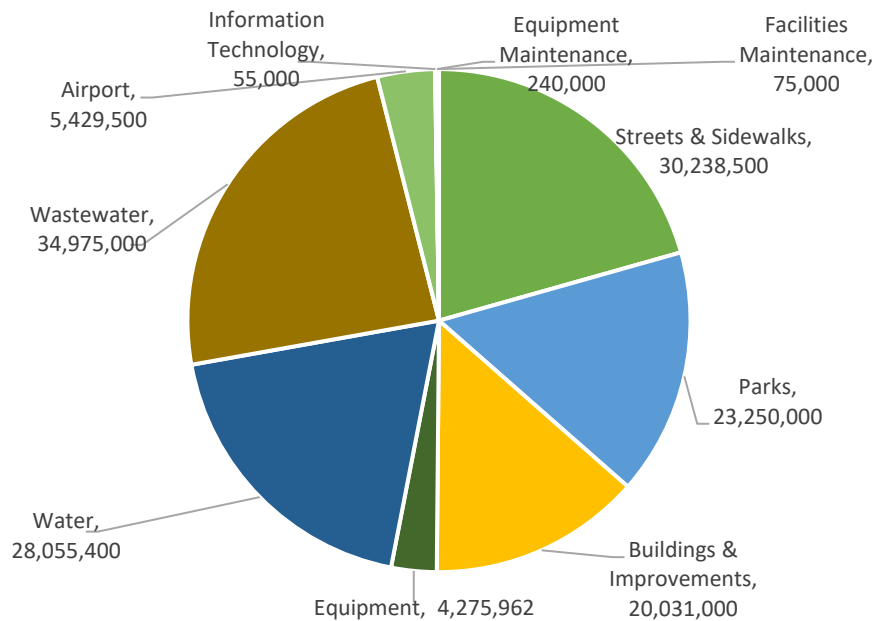
Where the City of Bay City CIP Dollars Come From

All Funds 2024-2028 Adopted CIP (\$146,625,362)



Where the City of Bay City CIP Dollars Go

All Funds 2024-2028 Adopted CIP (\$146,625,362)



Planning for our City’s Future

The City of Bay City’s Five-Year Capital Improvement Program (CIP) is designed to help the City strategically plan for future capital improvements to public facilities, parks and opens spaces, drainage systems, streets and right of ways and utility systems. These projects are funded by various sources, including fund balance reserves, grants, general funds, enterprise funds and other available sources. The City’s FY 2024 CIP is being funded by bonds, grants, current revenues, and reserves.

The table below shows the City of Bay City’s five-year capital improvement plan summary by category.

Five Year Capital Improvement Plan Summary- All Funds

	Budget FY 2024	Budget FY 2025	Budget FY 2026	Budget FY 2027	Budget FY 2028	Five Year CIP Total
General Fund						
Streets	\$ 5,116,500	\$ 4,772,000	\$ 8,800,000	\$ 11,050,000	\$ 500,000	\$ 30,238,500
Parks	550,000	8,050,000	7,050,000	7,550,000	50,000	23,250,000
Buildings	7,425,000	3,000,000	-	3,350,000	-	13,775,000
Equipment	871,000	1,484,962	307,000	316,000	147,000	3,125,962
Total	\$ 13,962,500	\$17,306,962	\$ 16,157,000	\$ 22,266,000	\$ 697,000	\$ 70,389,462
Utility Fund						
Water	\$ 8,895,000	\$ 9,970,000	\$ 3,990,000	\$ 4,200,400	\$ 1,000,000	\$ 28,055,400
Wastewater	13,100,000	18,860,000	1,175,000	1,430,000	410,000	34,975,000
Buildings	-	100,000	170,000	208,000	50,000	528,000
Equipment	205,000	270,000	205,000	150,000	110,000	940,000
Total Utility	\$ 22,200,000	\$29,200,000	\$ 5,540,000	\$ 5,988,400	\$ 1,570,000	\$ 64,498,400
Airport Fund						
	\$ 1,621,500	\$ 3,818,000	\$ -	\$ 5,728,000	\$ 200,000	\$ 11,367,500
Internal Service Fund						
	\$ -	\$ 225,000	\$ 145,000	\$ -	\$ -	\$ 370,000
Total All Funds	\$ 37,784,000	\$50,549,962	\$ 21,842,000	\$ 33,982,400	\$ 2,467,000	\$ 146,625,362
					<i>Five Year Total</i>	\$ 146,625,362

FIVE-YEAR CAPITAL IMPROVEMENT- BY FUND

General Fund

Project Description	Budget FY 2024	Budget FY 2025	Budget FY 2026	Budget FY 2027	Budget FY 2028
Streets & Sidewalks					
Street Reconstruction Project Engineering- Highland	\$ 300,000	\$ -	\$ -	\$ 3,000,000	\$ -
Street Reconstruction Project Engineering- Moore	\$ 450,000	\$ -	\$ -	\$ 4,500,000	\$ -
Street Resurface Project- LeTulle	\$ 250,000	\$ 300,000	\$ -	\$ -	\$ -
Street Resurface Project- Marguerite	\$ -	\$ -	\$ 300,000	\$ -	\$ -
Street Resurface Projects	\$ -	\$ -	\$ 200,000	\$ -	\$ 100,000
Sidewalk New/Replace Project	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ -
Bridge Replacement- 8 th Street	\$ -	\$ 736,000	\$ -	\$ -	\$ -
Bridge Replacement- Avenue H	\$ -	\$ 736,000	\$ -	\$ -	\$ -
Bridge Replacement- Hamman Rd.	\$ -	\$ 815,000	\$ -	\$ -	\$ -
Bridge Replacement- 6 th & Ave. I	\$ -	\$ -	\$ 1,100,000	\$ -	\$ -
Nile Valley Drive- Bridge Assessment	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Nile Valley Drive- Phase II Design (SH60 to Nichols)	\$ 120,000	\$ 600,000	\$ -	\$ -	\$ -
Nile Valley Drive- Phase II Construction	\$ -	\$ -	\$ 7,200,000	\$ -	\$ -
Nile Valley Drive- Phase III Design (Nichols to SH35)	\$ -	\$ -	\$ -	\$ -	\$ 400,000
Nile Valley Drive- North Loop ROW	\$ 250,000	\$ -	\$ -	\$ -	\$ -
Diversion Channel Improvements- CDBG-DR Grant (Harvey)	\$ 96,500	\$ 885,000	\$ -	\$ -	\$ -
Cottonwood Creek Improvements- RESTORE Act Grant	\$ 200,000	\$ -	\$ -	\$ -	\$ -
Drainage Construction- Grant (MIT- MOD)	\$ 3,000,000	\$ -	\$ -	\$ -	\$ -
Tenie Holmes Drainage Improvements- (ARPA)	\$ 300,000	\$ -	\$ -	\$ -	\$ -
Storm Water Management Plan	\$ -	\$ 650,000	\$ -	\$ -	\$ -
Railroad Quiet Zone	\$ 50,000	\$ -	\$ -	\$ 3,500,000	\$ -
Street & Sidewalks Subtotals	\$ 5,116,500	\$ 4,772,000	\$ 8,800,000	\$ 11,050,000	\$ 500,000
Parks					
Southern Pacific Trailway-TXDOT	\$ -	\$ 7,400,000	\$ -	\$ -	\$ -
Southern Pacific Trailway- Cottonwood to Dog Park	\$ -	\$ 300,000	\$ -	\$ -	\$ -
Park Improvements- Riverside Cabins (5)	\$ -	\$ 100,000	\$ 50,000	\$ 50,000	\$ 50,000
Ball Field Lighting- Hardeman Park	\$ 275,000	\$ -	\$ -	\$ -	\$ -
Building Improvements- New Sports Complex	\$ -	\$ -	\$ -	\$ 2,500,000	\$ -

CAPITAL

Building Improvements- Sports Complex Roof	\$ -	\$ 250,000	\$ -	\$ -	\$ -
Building Improvements- Recreation Center	\$ -	\$ -	\$ -	\$ 5,000,000	\$ -
Aquatics- Hilliard Pool Plaster	\$ 275,000	\$ -	\$ -	\$ -	\$ -
Aquatics- New Pool	\$ -	\$ -	\$ 6,000,000	\$ -	\$ -
Aquatics- Splash Pad	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -
Parks Subtotals	\$ 550,000	\$ 8,050,000	\$ 7,050,000	\$ 7,550,000	\$ 50,000

Building & Improvements					
City Annex Roof	\$ 100,000	\$ -	\$ -	\$ -	\$ -
City Hall Windows	\$ 50,000	\$ -	\$ -	\$ -	\$ -
Fire Department Roof	\$ 150,000	\$ -	\$ -	\$ -	\$ -
PD- Public Safety Building	\$ 7,000,000	\$ 3,000,000	\$ -	\$ -	\$ -
New Restroom (Downtown)	\$ 125,000	\$ -	\$ -	\$ -	\$ -
Animal Impound Building	\$ -	\$ -	\$ -	\$ 3,000,000	\$ -
Library Roof	\$ -	\$ -	\$ -	\$ 350,000	\$ -
Bldgs. & Improvements Subtotals	\$ 7,425,000	\$ 3,000,000	\$ -	\$ 3,350,000	\$ -

Equipment Subtotals	\$ 871,000	\$ 1,484,962	\$ 307,000	\$ 316,000	\$ 147,000
----------------------------	-------------------	---------------------	-------------------	-------------------	-------------------

General Fund CIP Fund Totals	\$ 13,962,500	\$ 17,306,962	\$ 16,157,000	\$ 22,266,000	\$ 697,000
-------------------------------------	----------------------	----------------------	----------------------	----------------------	-------------------

Source of Funds:					
Operating Budget	\$ 200,500	\$ 330,896	\$ 174,000	\$ 127,000	\$ 77,000
Grants(EDA,TDA,H-GAC,LCRA,ETC.)	\$ 3,296,500	\$ 12,722,816	\$ 10,670,000	\$ 3,500,000	\$ -
American Rescue Plan (ARP)	\$ 1,104,000	\$ -	\$ -	\$ -	\$ -
Transfers (CARES Act, etc.)	\$ 200,000	\$ 300,000	\$ 300,000	\$ 5,000,000	\$ -
Other Sources (BCCDC, Interlocals)	\$ 476,500	\$ 322,250	\$ 4,036,000	\$ 1,536,000	\$ 36,000
Bond/Loan Proceeds	\$ 7,645,000	\$ 3,250,000	\$ 750,000	\$ 10,350,000	\$ -
Tax Note or Capital Lease	\$ -	\$ -	\$ -	\$ 225,000	\$ -
Street/Sidewalk (Reserves)- Fund 28	\$ 1,000,000	\$ 300,000	\$ 200,000	\$ 1,500,000	\$ 500,000
Fixed Asset Replacement Fund (FARF)	\$ 40,000	\$ 81,000	\$ 27,000	\$ 28,000	\$ 84,000
Total Resources Planned	\$ 13,962,500	\$ 17,306,962	\$ 16,157,000	\$ 22,266,000	\$ 697,000

Utility Fund

Project Description	Budget FY 2024	Budget FY 2025	Budget FY 2026	Budget FY 2027	Budget FY 2028
Utility Water					
Lead and Copper Rule- Lead Service Line Inventory	\$ 245,000	\$ -	\$ -	\$ -	\$ -
Lead and Copper Rule- Lead Service Line Replacement	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ -
Arsenic Removal/Abandon Well	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -
Duncan & Whitson St.-1.5" to 6" Water Main, 700 LF	\$ -	\$ 75,000	\$ -	\$ -	\$ -
Ave F. & Ave G. 4" Water Main Rear Easement	\$ -	\$ 275,000	\$ -	\$ -	\$ -
Ave A. & Moore Ave- 2" to 6" Water Main Rear Easement	\$ -	\$ 35,000	\$ -	\$ -	\$ -
Water Improvements- Highland	\$ -	\$ -	\$ -	\$ 1,100,000	\$ -
Water Improvements- Moore	\$ -	\$ -	\$ -	\$ 1,100,000	\$ -
Walnut Ave 2" to 6" Water Main	\$ -	\$ -	\$ 90,000	\$ -	\$ -
B/T Golden Ave & Kilowatt- Remove 2" Water Main	\$ -	\$ -	\$ 100,000	\$ -	\$ -
Traveler's Paradise RV Park- 2" to 6" Water Main, Master Meter	\$ -	\$ 90,000	\$ -	\$ -	\$ -
Holly, Shantilly, Renwick- 2" Water Main No Access- Add Main	\$ -	\$ -	\$ -	\$ 200,000	\$ -
NW Quadrant Phase 2- Upsize Water Mains	\$ -	\$ -	\$ -	\$ 1,800,400	\$ -
Install Master Meters- All RV Parks, Trailer Parks and Apartments	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -
Water Plant Recoatings- (8)	\$ 4,000,000	\$ -	\$ -	\$ -	\$ -
Public Water System- Airport Well	\$ -	\$ 195,000	\$ 1,100,000	\$ -	\$ -
Mockingbird Water Well No. 7- Rework	\$ -	\$ -	\$ 550,000	\$ -	\$ -
Mockingbird Water Plant No. 2- Electrical Improvements	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -
4 th St. & Ave B Water Plant No. 1- Electrical Improvements	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
New Water Plant- North Side	\$ 250,000	\$ 125,000	\$ -	\$ -	\$ -
New Water Plant- East Side	\$ 250,000	\$ 125,000	\$ -	\$ -	\$ -
12-Inch Water Transmission Line (New Water Plant- North Side)	\$ 250,000	\$ 2,250,000	\$ -	\$ -	\$ -
12-Inch New Water Line Extension- SH35 East	\$ -	\$ 1,600,000	\$ -	\$ -	\$ -
12-Inch Waterline Replacement- 5 th St.	\$ 300,000	\$ 1,800,000	\$ -	\$ -	\$ -
12-Inch New Waterline Extension SH60 N.	\$ -	\$ 300,000	\$ 900,000	\$ -	\$ -
12-Inch New Waterline, 12 th St.	\$ -	\$ 1,750,000	\$ -	\$ -	\$ -
12-Inch New Waterline Extension SH60 S.	\$ -	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -
Utility Water Subtotals	\$ 8,895,000	\$ 9,970,000	\$ 3,990,000	\$ 4,200,400	\$ 1,000,000

CAPITAL

Wastewater System

Manhole Rehab Program	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Lift Station Rehab Program	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ -
Ave B to Ave E, 6 th St- 8" Sewer Main/ Add Manholes	\$ 150,000	\$ -	\$ -	\$ -	\$ -
B/T Horn Rd & Baywood St- 8" Sewer Main	\$ -	\$ 90,000	\$ -	\$ -	\$ -
WWTP & Cottonwood LS Rehab- Construction	\$ 12,000,000	\$ 15,900,000	\$ -	\$ -	\$ -
Gravity Sewer Rehabilitation Main Trunkline to Sewer Plant	\$ 450,000	\$ 1,500,000	\$ 775,000	\$ -	\$ -
12-Inch New Sewerline Extension- SH35 East	\$ 100,000	\$ 900,000	\$ -	\$ -	\$ -
Sewer Improvements- Highland	\$ -	\$ -	\$ -	\$ 200,000	\$ -
Sewer Improvements- Moore	\$ -	\$ -	\$ -	\$ 800,000	\$ -
13 LS 16- Del Norte Rehabilitation	\$ -	\$ -	\$ 300,000	\$ -	\$ -
15 LS 17- FM457 Rehabilitation	\$ 300,000	\$ -	\$ -	\$ -	\$ -
14 LS 2- 11 th St & Ave I Rehabilitation	\$ -	\$ 320,000	\$ -	\$ -	\$ -
19 LS 15- Bell Rehabilitation	\$ -	\$ -	\$ -	\$ 280,000	\$ -
21 LS 3- Doris Rehabilitation	\$ -	\$ -	\$ -	\$ -	\$ 170,000
25 LS 12- Thompson Rehabilitation	\$ -	\$ -	\$ -	\$ -	\$ 140,000
Wastewater Subtotals	\$ 13,100,000	\$ 18,860,000	\$ 1,175,000	\$ 1,430,000	\$ 410,000

Building & Improvements

MSB- Remodel Women's Restroom	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Extend Equip./Maint. Storage Bldgs.	\$ -	\$ -	\$ -	\$ 208,000	\$ -
Replace MSB Shop Roof	\$ -	\$ -	\$ 130,000	\$ -	\$ -
Coat MSB Shop Ceiling	\$ -	\$ -	\$ 40,000	\$ -	\$ -
MSB Renovations (New Lobby Restrooms)	\$ -	\$ 100,000	\$ -	\$ -	\$ -
Bldg. & Improvements Subtotals	\$ -	\$ 100,000	\$ 170,000	\$ 208,000	\$ 50,000

Equipment Subtotals	\$ 205,000	\$ 270,000	\$ 205,000	\$ 150,000	\$ 110,000
----------------------------	-------------------	-------------------	-------------------	-------------------	-------------------

Utility System CIP Fund Totals	\$ 22,200,000	\$ 29,200,000	\$ 5,540,000	\$ 5,988,400	\$ 1,570,000
---------------------------------------	----------------------	----------------------	---------------------	---------------------	---------------------

Source of Funds:

Operating Budget	\$ 400,000	\$ 790,000	\$ 775,000	\$ 630,000	\$ 570,000
Grants (EDA,TDA,H-GAC,LCRA,TXDOT)	\$ 4,400,000	\$ 7,545,000	\$ 3,000,000	\$ 1,800,400	\$ -
Transfers (TIRZ, etc.)	\$ -	\$ -	\$ 775,000	\$ -	\$ -
Bond/ Loan Proceeds	\$ 16,700,000	\$ 19,900,000	\$ -	\$ 3,200,000	\$ -
Operational Savings	\$ 700,000	\$ 965,000	\$ 990,000	\$ 358,000	\$ 1,000,000
Total Resources Planned	\$ 22,200,000	\$ 29,200,000	\$ 5,540,000	\$ 5,988,400	\$ 1,570,000

Airport Fund

Project Description	Budget FY 2024	Budget FY 2025	Budget FY 2026	Budget FY 2027	Budget FY 2028
Engineering & Design-Main Apron Strengthening	\$ 85,000	\$ -	\$ -	\$ -	\$ -
Engineering & Construction- Game Fence	\$ 405,500	\$ -	\$ -	\$ -	\$ -
Engineering & Design-Runway Overlay	\$ 156,000	\$ -	\$ -	\$ -	\$ -
Construction- Main Apron Strengthening	\$ 825,000	\$ -	\$ -	\$ -	\$ -
Construction- Runway Overlay	\$ -	\$ 3,818,000	\$ -	\$ -	\$ -
Design & Construction- New AWOS	\$ 140,000	\$ -	\$ -	\$ -	\$ -
Airport Projects Subtotals	\$ 1,611,500	\$ 3,818,000	\$ -	\$ -	\$ -

Construction Professional Services- T-Hangars	\$ -	\$ -	\$ -	\$ 750,000	\$ -
Construction- Row A T-Hangar	\$ -	\$ -	\$ -	\$ 1,032,000	\$ -
Construction- Row B T-Hangar	\$ -	\$ -	\$ -	\$ 1,032,000	\$ -
Construction- Row C T-Hangar	\$ -	\$ -	\$ -	\$ 1,032,000	\$ -
Construction- Maintenance Shop Structure	\$ -	\$ -	\$ -	\$ 550,000	\$ -
Construction- Row D T-Hangar	\$ -	\$ -	\$ -	\$ 1,032,000	\$ -
Construction- Vertiport	\$ -	\$ -	\$ -	\$ 300,000	\$ -
Bldg. & Improvements Subtotals	\$ -	\$ -	\$ -	\$ 5,728,000	\$ -

Equipment Subtotals	\$ 10,000	\$ -	\$ -	\$ -	\$ 200,000
----------------------------	------------------	-------------	-------------	-------------	-------------------

Source of Funds

Operating Budget	\$ -	\$ 81,800	\$ -	\$ -	\$ 20,000
Grants (EDA,TDA,H-GAC,LCRA,TXDOT)	\$ 1,450,350	\$ 3,436,200	\$ -	\$ 5,728,000	\$ 180,000
Other Sources (BCCDC, Interlocals,etc)	\$ 56,150	\$ -	\$ -	\$ -	\$ -
Bond/ Loan Proceeds	\$ -	\$ 300,000	\$ -	\$ -	\$ -
Operational Savings	\$ 115,000	\$ -	\$ -	\$ -	\$ -
Total Resources Planned	\$ 1,621,500	\$ 3,818,000	\$ -	\$ 5,728,000	\$ 200,000

Internal Service Fund

Project Description	Budget FY 2024	Budget FY 2025	Budget FY 2026	Budget FY 2027	Budget FY 2028
Information Technology	\$ -	\$ -	\$ 55,000	\$ -	\$ -
Equipment Maintenance	\$ -	\$ 150,000	\$ 90,000	\$ -	\$ -
Facilities Maintenance	\$ -	\$ 75,000	\$ -	\$ -	\$ -
Internal Service Fund CIP Subtotals	\$ -	\$ 225,000	\$ 145,000	\$ -	\$ -

Source of Funds

Transfers	\$ -	\$ 225,000	\$ 145,000	\$ -	\$ -
Total Resources Planned	\$ -	\$ 225,000	\$ 145,000	\$ -	\$ -

General Fund – Nile Valley Drive – UPRR Bridge Rehab FY 2024

Infrastructure (Strategic Focus)

Project Scope	
This project will address the rehabilitation and re-coating of the steel girders on the Nile Valley Dr Bridge that spans over the UPRR.	
Project Name:	Nile Valley Dr UPRR Bridge Rehab
Construction Start:	TBD
Project Completion:	TBD
Current Phase:	N/A
Project Contact Information	
City Project Manager:	Herb Blomquist
Phone Number:	(979) 323-1659
Email Address:	hblomquist@cityofbaycity.org
Grant Administrator:	N/A
Engineer:	N/A
General Contractor:	TBD
City Construction Inspection:	Wesslee Davis
City Engineering Tech:	Gabriel Lopez

Approved Project Funding	
Funding Source	Fiscal Year 2022
Grant Funds	N/A
Certificate of Obligations	\$500,000
Project Budget & Expenditures	
Project Budget:	\$500,000
Expended to Date:	\$0
Operational Impact	
Recoating the steel girders will help preserve the structural integrity of the bridge. Recoating will also ensure the longevity of the bridge and keep maintenance cost low throughout it's life cycle.	
Current Activity	
Staff preparing bid documents to bid project late 2024.	

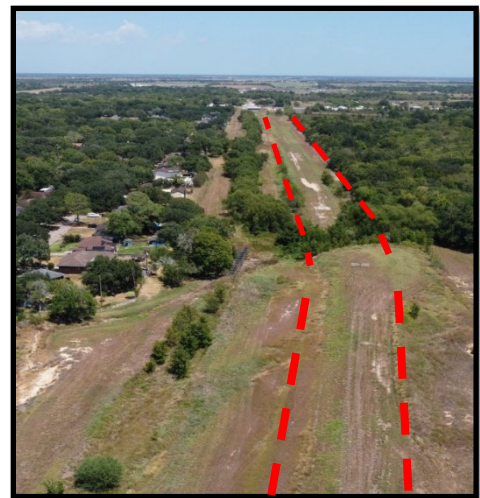


General Fund – Nile Valley Project, Phase II (Design), FY 2024

Infrastructure (Strategic Focus)

Project Scope
Nile Valley Road Phase II is a one-mile segment of roadway that will span from HWY 60 to Nichols Ave. Phase II will serve as an extension of the existing truck bypass that connects HWY 35 and HWY 60. This will help alleviate downtown freight congestion and provide an alternate route for faster emergency responses.
The scope of this project involves the preliminary engineering design of the proposed road. The design documents and cost estimates produced will be used in the pursuit of various funding opportunities. When funding becomes available, the preliminary design documents will be used to complete the full construction design.
The preliminary design will address elements such as roadway alignment, drainage configuration, pavement design, bridge design and utility relocations. This will include conducting topographical surveys, hydraulic and hydrological studies, geotechnical investigation, and environmental impact assessments to ensure that the road meets all functional, safety, and environmental standards.
Project Name: Nile Valley Project, Phase II (Design)
Construction Start: TBD
Project Completion: TBD
Current Phase: Phase II
Project Contact Information
City Project Manager: Herb Blomquist
Phone Number: 979-323-1659
Email Address: hblomquist@cityofbaycity.org
Grant Administrator: N/A
Engineer: TBD
General Contractor: TBD
City Construction Inspection: Wesslee Davis
City Engineering Tech: Gabriel Lopez

Approved Project Funding	
Funding Source	Fiscal Year 2024
Grant Funds	N/A
Certificate of Obligations	\$120,000
Project Budget & Expenditures	
Project Budget:	\$120,000
Expended to Date:	\$0
Operational Impact	
Nile Valley Road Phase II will reduce traffic congestion in downtown Bay City by redirecting freight traffic through a more efficient route. This will not only shorten travel times for daily commuters and commercial transport but also enhance road safety. The proposed road will also provide a quicker, alternative path for emergency vehicles, greatly enhancing response times in critical situations.	
Current Activity	
The project is currently underway. An RFQ for engineering services is being prepared and will be issued in early 2024. The engineering consultant selected will initiate preliminary design when FY 2024 funding opportunities become available. Phase II is anticipated to be submitted to TxDOT and USDOT and should be eligible for reimbursement if awarded.	
Additionally, an application to fund the full design and bidding documents of Nile Valley Phase II, estimated to cost \$840,000, was submitted to USDOT in September and is currently under review.	



General Fund – Diversion Channel Improvements, Phase II, CDBG-DR Grant (Harvey) FY 2024

Infrastructure (Strategic Focus)

Project Scope
Flood waters from Cottonwood Creek, carrying debris, are caught by a bar screen at the diversion channel. The project scope includes installing an automatic trash rack system on this bar screen with an automatic cleaner and a backup generator to ensure removal of debris and function during power outages in storms.
The scope also involves installing flap gates with a SCADA system at the channel’s outfall to the Colorado River, preventing backflow into the city and allowing real-time flood control.
Project Name: Diversion Channel Improvements (C142)
Construction Start: TBD
Project Completion: TBD
Current Phase: 1
Project Contact Information
City Project Manager: Herb Blomquist
Phone Number: 979-323-1659
Email Address: hblomquist@cityofbaycity.org
Grant Administrator: GLO - CDBG-DR Grant (Harvey) (GrantWorks)
Engineer: Quiddity (Jones and Carter)
General Contractor: TBD
City Construction Inspection: Wesslee Davis
City Engineering Tech: Gabriel Lopez

Approved Project Funding	
Funding Source	Fiscal Year 2024
Grant Funds	\$981,500
Certificate of Obligations	N/A
Project Budget & Expenditures	
Project Budget:	\$981,500
Expended to Date:	\$96,500
Operational Impact	
With the diversion channel free from trash/debris build up, the city (especially downtown) will be relieved of flooding due to mitigation improvements.	
Current Activity	
The engineering design plans and benefit cost analysis for this project have been completed. The project was submitted to FEMA and is currently under review to approve funding for construction phase.	



General Fund – Cottonwood Creek Improvements RESTORE Act Grant FY 2024

Infrastructure (Strategic Focus)

Project Scope	
<p>Cottonwood Creek Improvements, funded through the RESTORE Act, target severely eroded natural creek banks and undermined concrete sloped paving at three critical locations. The project will stabilize failing creek banks by re-grading and then establishing vegetation growth on new gentler slopes. Areas that experience high water velocities will be protected through hard armoring techniques, such as articulating concrete blocks or gabions. These methods will not only protect against the higher erosive forces but also promote vegetation growth, in the spaces designed to hold soil, contributing to the ecological enhancement of the creek.</p> <p>In addition to these measures, the project will widen sections of the creek and remove accumulated sediment and debris from the creek bed to improve water flow. Additionally, a new headwall will be installed to provide necessary reinforcement and stability at an eroded drainage outfall.</p>	
Project Name:	Cottonwood Creek Improvements- RESTORE Act Grant
Construction Start:	TBD
Project Completion:	Oct. 2025
Current Phase:	N/A
Project Contact Information	
City Project Manager:	Herb Blomquist
Phone Number:	(979) 323-1659
Email Address:	hblomquist@cityofbaycity.org
Grant Administrator:	COBC
Engineer:	TBD
General Contractor:	TBD
City Construction Inspection:	Wesslee Davis
City Engineering Tech:	Gabriel Lopez

Approved Project Funding	
Funding Source	Fiscal Year 2024
Grant Funds	\$200,000
Certificate of Obligations	N/A
Project Budget & Expenditures	
Project Budget:	\$200,000
Expended to Date:	\$0
Operational Impact	
<p>The creek bank stabilization project along Cottonwood Creek will significantly reduce flooding and enhance stormwater conveyance. These improvements will benefit the downtown area by lowering the risk of upstream flooding. The project's use of nature-based and hard armor techniques will not only enhance the creek's structural integrity but also improve water quality and ecological health, making for a more resilient and environmentally sustainable creek.</p>	
Current Activity	
<p>The project is currently in the application writing step. The application will be submitted to the RESTORE Council, through TCEQ, for approval of the funds allocated to Bay City after Hurricane Harvey.</p>	



General Fund – Cottonwood Creek Improvements RESTORE Act Grant FY 2024
1st Street and Avenue L



Live Oak and Cottonwood Creek



Cypress Avenue and Rugley Street (Community Park)



General Fund – Drainage Improvements – GLO-MIT-MOD Project Grant FY 2024

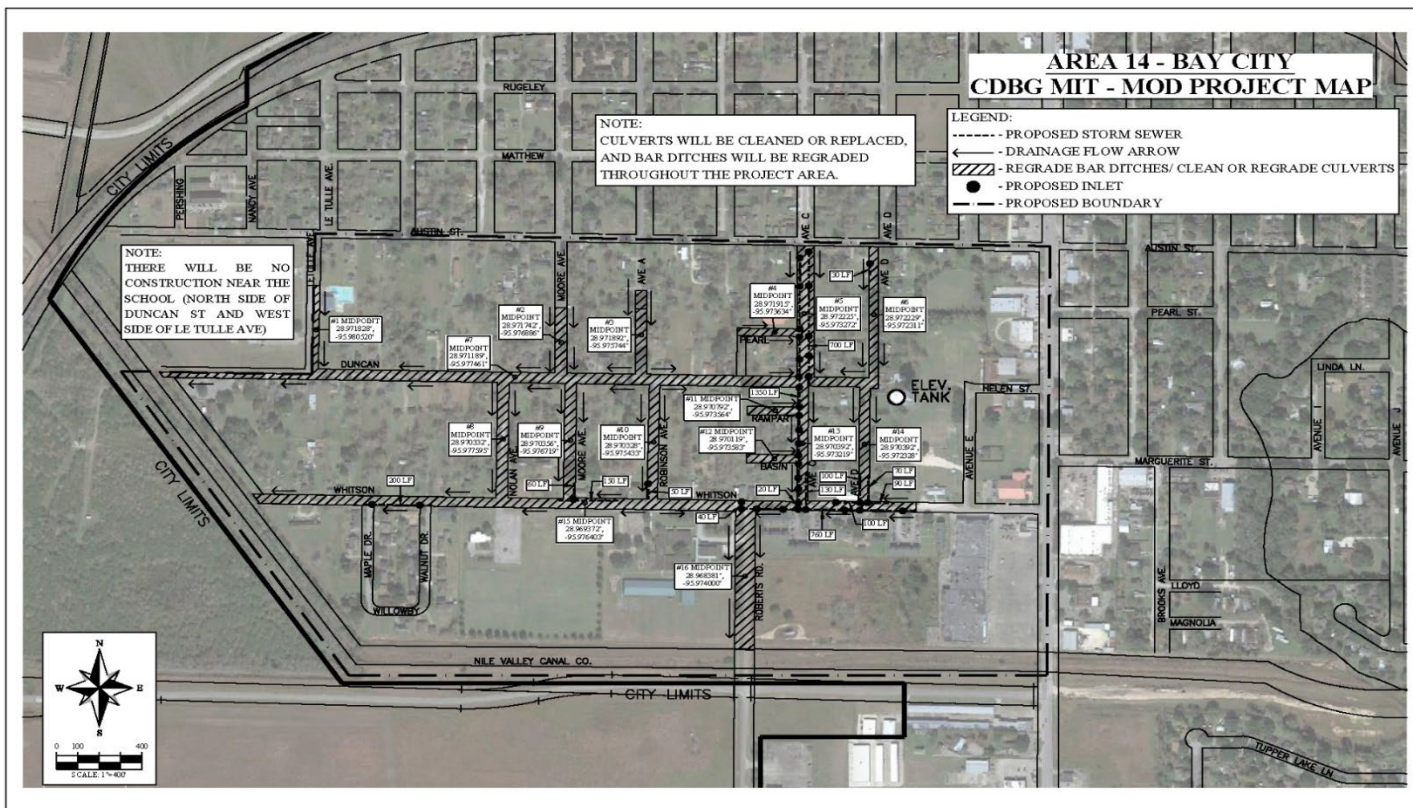
Infrastructure (Strategic Focus)

Project Scope	
<p>The scope of this project will focus on addressing drainage improvements at two different locations. The first, Area 14, lies along Cottonwood Creek near Ave H. The second, Area 19, extends across the southwest neighborhood of Bay City.</p> <p>Improvements for Area 19 involve removing 320 feet of undersized culverts within the creek that currently restrict flow and contribute to increased upstream flooding during heavy rain. This work will also include stabilizing the banks at the culvert removal site and providing slope protection for the adjacent Ave H Bridge.</p> <p>In Area 14, the project will re-grade 15,000 linear feet of bar ditches and 7,600 linear feet of outfall channel. Additionally, the scope for Area 14 includes replacing 3,521 linear feet of culverts and installing 38 new storm inlets along with 3,850 linear feet of storm sewer.</p>	
Project Name:	Drainage Improvements – GLO – MIT-MOD Project
Construction Start:	TBD
Project Completion:	TBD
Current Phase:	N/A
Project Contact Information	
City Project Manager:	Herb Blomquist
Phone Number:	(979) 323-1659
Email Address:	hblomquist@cityofbaycity.org
Grant Administrator:	GrantWorks
Engineer:	John Mercer
General Contractor:	TBD
City Construction Inspection:	Wesslee Davis
City Engineering Tech:	Gabriel Lopez

Approved Project Funding	
Funding Source	Fiscal Year 2024
Grant Funds	\$3,000,000
Certificate of Obligations	N/A
Project Budget & Expenditures	
Project Budget:	\$3,000,000
Expended to Date:	\$0
Operational Impact	
<p>The drainage improvements will significantly mitigate flood risks and enhance stormwater management in Bay City. In Area 14, the removal of the obstructing culverts and creek bank stabilization will notably decrease upstream flooding, safeguarding the adjacent Ave H Bridge and surrounding residential properties. In Area 19, re-grading of ditches and outfall channel, coupled with the replacement of culverts and installation of new storm inlets and sewers, will lead to improved drainage throughout the City’s southwest neighborhood. Overall, these improvements will enhance long-term community safety and infrastructure resilience.</p>	
Current Activity	
<p>The application for the \$3,000,00 in allocated MIT-MOD funds has been submitted to GLO and is currently being reviewed. RFIs are currently being addressed to provide additional project information.</p>	



General Fund – Drainage Improvements – GLO-MIT-MOD Project Grant FY 2024

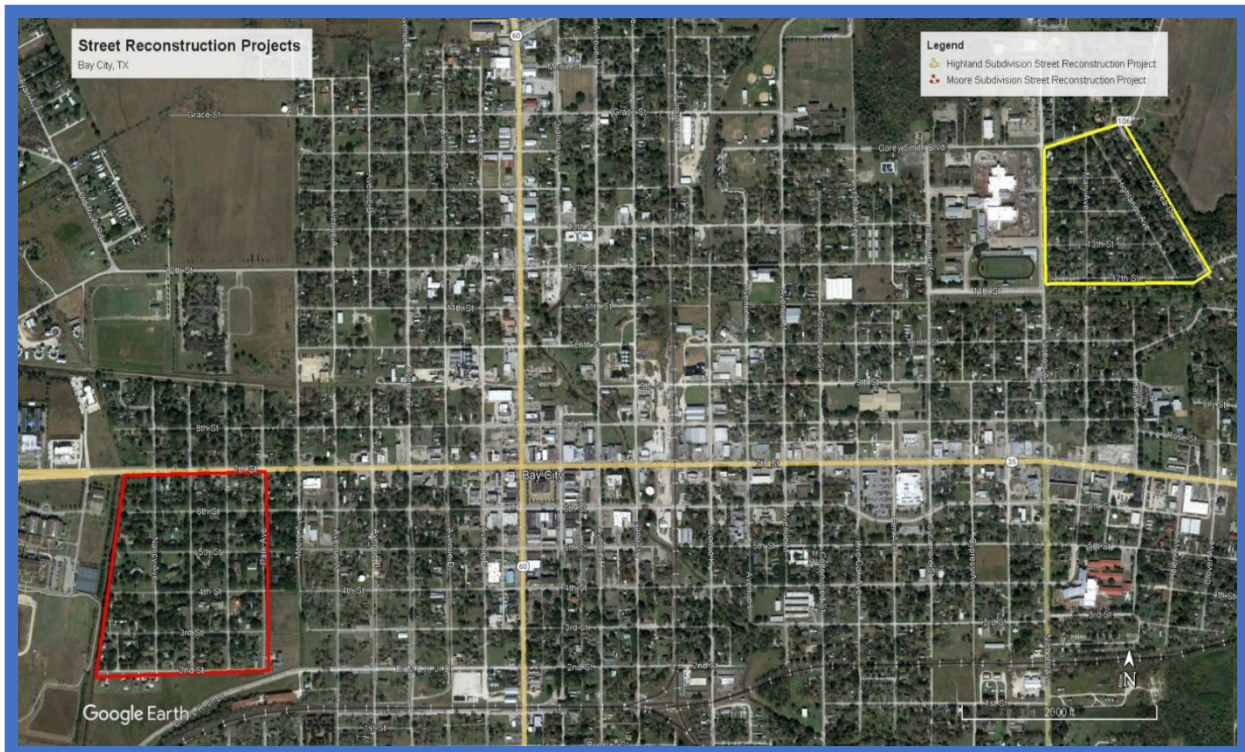


General Fund – Street Reconstruction Projects – Moore & Highland - FY 2024

Infrastructure (Strategic Focus)

Project Scope	
The City has allocated \$750,000 to this street reconstruction project in 2024. Design and engineering will be done in 2024 for Moore Addition and Highland Addition. Construction to begin in FY 2027.	
Project Name: Street Reconstruction Projects	
Construction Start: TBD	
Project Completion: TBD	
Current Phase: N/A	
Project Contact Information	
City Project Manager:	Herb Blomquist
Phone Number:	(979) 323-1659
Email Address:	hblomquist@cityofbaycity.org
Grant Administrator:	N/A
Engineer:	TBD
General Contractor:	TBD
City Construction Inspection:	Wesslee Davis
City Engineering Tech:	Gabriel Lopez

Approved Project Funding	
Funding Source	Fiscal Year 2024
Grant Funds	N/A
Certificate of Obligations	\$750,000
Project Budget & Expenditures	
Project Budget:	\$8,250,000
Expended to Date:	N/A
Operational Impact	
To uphold a quality standard of life for Bay City citizens, maintenance of streets is a necessity. Moore Subdivision and Highland Subdivision are in dire need of rehabilitation. The Moore and Highland Subdivision Reconstruction and Waterline Improvement project will enhance living standards for this area.	
Current Activity	
Request for Qualifications to hire engineering services will be issued in early 2024 to commence engineering design.	



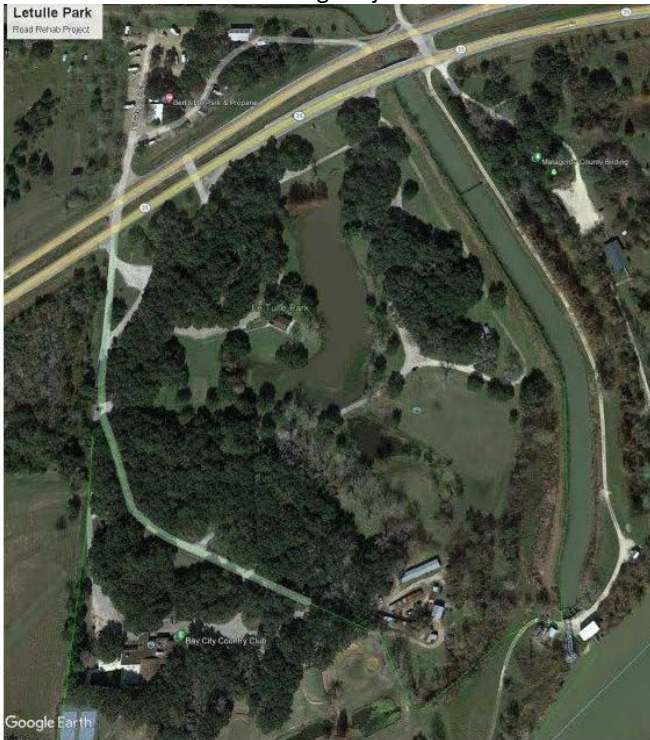
General Fund – Letulle Park Street Resurfacing Project FY 2024

Infrastructure (Strategic Focus)

Project Scope	
The City has allocated \$250,000 to Letulle Park Street Resurfacing Project in 2024. The resurface project will be completed in-house by the Street & Bridge Department. Approved funding is for materials only.	
Project Name: Letulle Park Street Resurface Project	
Construction Start: TBD	
Project Completion: TBD	
Current Phase: N/A	
Project Contact Information	
City Project Manager:	Herb Blomquist
Phone Number:	(979) 323-1659
Email Address:	hblomquist@cityofbaycity.org
Grant Administrator:	N/A
Engineer:	TBD
General Contractor:	TBD
City Construction Inspection:	Wesslee Davis
City Engineering Tech:	Gabriel Lopez

Approved Project Funding	
Funding Source	Fiscal Year 2024
Grant Funds	N/A
Certificate of Obligations	N/A
Project Budget & Expenditures	
Project Budget:	\$250,000
Expended to Date:	N/A
Operational Impact	
To uphold a quality standard of life for patrons of Letulle Park, maintenance of streets is a necessity. Letulle Park streets are in dire need of resurfacing.	
Current Activity	
In early 2024, the project will begin in phases to minimize the impact to park patrons.	

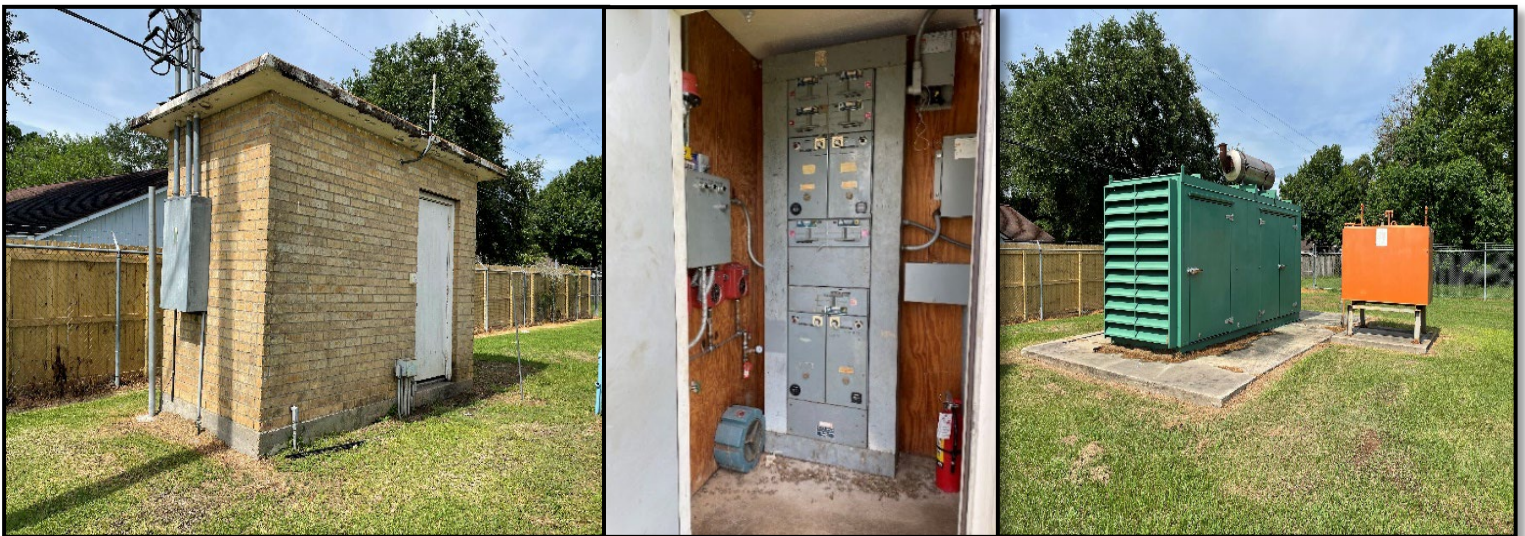
Letulle Park Road Resurfacing Project



Fiscal Year 2024-25
 Project: Letulle Park Road Rehab Project
 Estimate: \$550,000
 Budget Source: American Rescue Plan (ARP)

General Fund – Mockingbird Water Plant No.2 - Electrical Improvements FY 2024
Infrastructure (Strategic Focus)

Project Scope		Approved Project Funding	
Mockingbird Water Plant No.2 needs new electrical improvements. This project includes, new electrical service entrance and system, as well as a new natural gas generator with new natural gas line, also a new pre-cast concrete building with HVAC system and site lighting. During the FY 2024, the city has budgeted \$2,500,000 towards these improvements.		Funding Source	Fiscal Year 2024
		Grant Funds	N/A
		Certificate of Obligations	
		Project Budget & Expenditures	
		Project Budget:	\$2,500,000
		Expended to Date:	\$155,000
		Operational Impact	
		To protect the health and safety of the citizens of Bay City and to continue providing a superior water supply, routine maintenance measures are to be in place and regularly upgraded. With the electrical improvements completed, the plant will function at its optimal operation.	
		Current Activity	
		The construction portion of this project is currently unfunded. However, engineering is complete, and the City is seeking grant opportunities to fund the construction of this project.	
Project Name: Mockingbird Water Plant No.2 - Electrical Improvements			
Construction Start:	TBD		
Project Completion:	TBD		
Current Phase: N/A			
Project Contact Information			
City Project Manager: Herb Blomquist			
Phone Number: 979-323-1659			
Email Address: hblomquist@cityofbaycity.org			
Grant Administrator: N/A			
Engineer:	Garver		
General Contractor:	TBD		
City Construction Inspection: Ozzie Martinez			
City Engineering Tech: Gabriel Lopez			



CAPITAL OUTLAY
Fiscal Year 2024 Capital Expenditures

GOVERNMENTAL FUNDS
GENERAL FUND

Vehicles and Equipment

DEPT. #	DEPARTMENT	DESCRIPTION	QTY	COST
150	Police Department	SUV (Patrol Unit)	4	284,000
150	Police Department	Flock Cameras	12	53,000**
150	Police Department	In-Car Video (27,000/year)	13	27,000
150	Police Department	Tasers (22,000/year)	38	22,000
175	Streets	Flat Bed Truck	1	85,000
175	Streets	Smooth Drum Roller	1	120,000
175	Streets	Sheep Foot Roller	1	100,000
175	Streets	Pneumatic Roller	1	140,000
180	Parks	Trailer	1	15,000***
180	Parks	Mower	1	25,000***
Total General Fund Equipment				871,000

*Supported by Current Revenues- \$ 49,000; *Supported by Grants- \$755,500*

***Other Financing Sources (BCCDC)- \$26,500; ***Fixed Asset Replacement Fund- \$ \$40,000*

Capital Projects

DEPT. #	DEPARTMENT	DESCRIPTION	QTY	COST
110	General	City Hall Annex Roof	1	100,000
110	General	City Hall Windows	1	50,000
110	General	Downtown Restroom	1	125,000***
150	Police	Public Safety Building- Phase I	1	7,000,000**
165	Fire	Fire Department Roof	1	150,000**
175	Streets	Railroad Quiet Zone	1	50,000
175	Streets	Street Rehab- LeTulle Park	1	250,000
175	Streets	Street Rehab- Highland (Design)	1	300,000
175	Streets	Street Rehab- Moore (Design)	1	450,000
175	Streets	Nile Valley Road Bridge	1	100,000**
		Assessment		
175	Streets	Nile Valley Road Project (SH60 to Nichols- Design)	1	120,000
175	Streets	Nile Valley Drive North Loop-ROW	1	250,000
175	Streets	Cottonwood Creek Improvements (Bank Stabilization)	1	200,000*
175	Streets	Diversion Channel Improvements	1	96,500*
175	Street	Drainage Improvements- GLO (Various locations)	1	3,000,000*
175	Streets	Drainage Improvements- Tenie Holmes Area	1	300,000*
180	Parks	Hardeman Park Lighting	1	275,000*

CAPITAL

183	Parks	Hilliard Pool Plaster	1	275,000**
Total General Fund Projects				13,091,500

*Supported by Current Revenues- \$200,000; Street Reserve- \$1,000,000; *Supported by Grants- \$3,671,500;*

***Supported by Other Financing Sources \$8,095,000; ***\$125,000 TIRZ 1*

PROPRIETARY FUNDS

ENTERPRISE FUNDS

UTILITY FUND

Vehicles and Equipment

DEPT. #	DEPARTMENT	DESCRIPTION	QTY	COST
615	Utility Maintenance	½ Ton Truck	1	55,000
615	Utility Maintenance	Dump Truck Trailer	1	150,000
Total Utility Equipment				205,000

Supported by Current Revenues- \$ 205,000

Capital Projects

DEPT. #	DEPARTMENT	DESCRIPTION	QTY	COST
615	Utility Maintenance	12" Waterline- North Loop- Design	1	250,000**
615	Utility Maintenance	12" Waterline- 5 th Street- Design	1	300,000*
615	Utility Maintenance	Lead Service Line Inventory	1	245,000
615	Utility Maintenance	Sewer Main Trunkline	1	450,000**
615	Utility Maintenance	8" Sewer Main- 6 th Street	1	150,000
615	Utility Maintenance	12" Sewerline Ext. -SH35 East	1	100,000
620	Water & WWTP	New Water Plant- North	1	250,000**
620	Water & WWTP	New Water Plant- East	1	250,000**
620	Water & WWTP	WWTP System Rehab	1	12,000,000**
620	Water & WWTP	Water Plant Recoatings	1	4,000,000*
620	Water & WWTP	Mockingbird Water Plant Electrical Improvements	1	2,500,000**
620	Water & WWTP	Arsenic Project	1	1,000,000**
620	Water & WWTP	Liftstation Rehab- FM 457	1	300,000
Total Utility Projects				21,795,000

*Operational Reserves- \$695,000; *Supported by Grant- \$4,400,000*

***Supported by Other Financing Sources (TWDB) \$16,700,000*

ENTERPRISE FUNDS

AIRPORT

Vehicles & Equipment

DEPT. #	DEPARTMENT	DESCRIPTION	QTY	COST
640	Airport	Scissor Lift	1	10,000
Total Airport Equipment				10,000

Supported by Operational Reserves- \$10,000

Capital Projects

DEPT. #	DEPARTMENT	DESCRIPTION	QTY	COST
640	Airport	Main Apron Strengthening	1	910,000*
640	Airport	Game Fence	1	405,500*
640	Airport	Automated Weather Observing System	1	140,000*
640	Airport	Runway Overlay- Engineering	1	156,000*
Total Airport Projects				1,611,500

*Supported by Operational Reserves- \$105,000; *Supported by Grant- \$1,450,350*

***Other Financing Sources (BCCDC)- \$56,150*

Capital Improvement Plan
FY 2025-2028 Project Outlook

General Fund

Street Reconstruction Project Engineering- Highland (\$3,000,000)
 Street Reconstruction Project Engineering- Moore (\$4,500,000)
 Street Resurface Projects- LeTulle (\$300,000)
 Street Resurface Projects- Marguerite Street (TIRZ 3) (\$300,000)
 Street Resurface Projects (\$300,000)
 Sidewalk New/Replace Project (\$100,000)
 Bridge Replacement- 8th Street (\$736,000)
 Bridge Replacement- Ave. H (\$736,000)
 Bridge Replacement- Hamman Rd. (\$815,000)
 Bridge Replacement- 6th & Ave. I (\$1,100,000)
 Nile Valley Drive- Phase II Design (SH60 to Nichols) (\$600,000)
 Nile Valley Drive- Phase II Construction (\$7,200,000)
 Nile Valley Drive- Phase III Design (Nichols to SH35) (\$400,000)
 Diversion Channel Improvements (\$885,000)
 Storm Water Management Plan (\$650,000)
 Railroad Quiet Zone (\$3,500,000)
 Southern Pacific Trailway (TxDOT Grant) (\$7,400,000)
 Southern Pacific Trailway- Cottonwood to Dog Park (\$300,000)
 Park Improvements- 5 Riverside Cabins (\$250,000)
 Building Improvements- Sports Complex Roof (\$250,000)
 Building Improvements- New Sports Complex (\$2,500,000)
 Building Improvements- Recreation Center (\$5,000,000)
 Park Improvements- Splash Pad, Other Amenities (\$100,000)
 Aquatics- New Pool (\$6,000,000)
 Aquatics- Splash Pad (\$1,000,000)
 Public Safety Building (\$3,000,000)
 Animal Impound Building (\$3,000,000)
 Library Roof (\$350,000)

Utility Fund

Water

Lead and Copper Rule- Lead Service Line Replacement (\$500,000)
 Duncan St. & Whitson St. 1.2" to 6" Water Main (\$75,000)
 Ave F. & Ave G. 4" Water Main Rear Easement (\$275,000)
 Ave A. & Moore Ave. 2" to 6" Water Main Rear Easement (\$35,000)
 Water Improvements- Highland (\$1,100,000)
 Water Improvements- Moore (\$1,100,000)
 Walnut Ave- 2" to 6" Water Main (\$90,000)
 B/T Golden Ave. & Kilowatt Remove 2" Water Main (\$100,000)
 Traveler's Paradise RV Park 2" to 6" Water Main (\$90,000)
 Holly, Shantilly and Renwick 2" Water Main No Access (\$200,000)
 NW Quadrant Phase II Upsize Water Mains (\$1,800,400)
 Install Master Meters All RV Parks, Trailer Parks and Apartments (\$100,000)

CAPITAL

Public Water System- Airport Well (\$1,295,000)
Mockingbird Water Well No. 7 Rework (\$550,000)
4th St. & Ave B. Water Plant No. 1 Electrical Improvements (\$1,000,000)
New Water Plant- North Side (\$125,000)
New Water Plant- East Side (\$125,000)
12-Inch Water Transmission Line (New Water Plant-North Side) (\$2,250,000)
12-Inch New Waterline Extension, 7,500 LF- SH 35 East (\$1,600,000)
12-Inch Waterline Replacement, 7,000 LF- 5th Street (\$1,800,000)
12-Inch New Waterline Extension, 4,500 LF- SH 60 North- Phase I (\$1,200,000)
12-Inch New Waterline, 5,500 LF- 12th Street East (\$1,750,000)
12-Inch New Waterline Extension, 5,000 LF- SH 60 South (\$2,000,000)

Wastewater

Manhole Rehab Program (\$400,000)
Lift Station Rehab Program (\$100,000)
B/T Horn Rd. & Baywood St. 8" Sewer Main (\$90,000)
WWTP & Cottonwood LS Rehab- Construction (\$15,900,000)
Gravity Sewer Rehabilitation Main Trunkline to Sewer Plant- (\$2,275,000)
12-Inch New Sewerline Extension SH35 East (\$900,000)
Sewer Improvements- Highland (\$200,000)
Sewer Improvements- Moore (\$800,000)
13 LS 16 DelNorte Rehabilitation (\$300,000)
14 LS 2 11th St. & Ave I. Rehabilitation (\$320,000)
19 LS 15 Bell Rehabilitation (\$280,000)
21 LS 3 Doris Rehabilitation (\$170,000)
25 LS 12 Thompson Rehabilitation (\$140,000)

Building & Improvements

Municipal Services Building Renovations-Remodel Women's Restroom (\$50,000)
Extend Equipment/Material Storage Buildings (\$208,000)
Replace MSB Shop Roof (\$130,000)
Coat MSB Shop Ceiling (\$40,000)
Municipal Services Building Renovations- New Lobby Restrooms (\$100,000)

Airport Fund

Construction- Runway Overlay (\$3,818,000)

Building & Improvements

Construction Professional Services- T-Hangars (\$750,000)
Construction- Row A T-Hangars (\$1,032,000)
Construction- Row B T-Hangars (\$1,032,000)
Construction- Row C T-Hangars (\$1,032,000)
Construction- Row D T-Hangars (\$1,032,000)
Construction- Maintenance Hangar (\$550,000)
Construction- Vertiport (\$300,000)



Long Term Debt

General Obligation Bonds (G.O.'s) are payable from the proceeds of an annual property tax, levied within the limitations of the law. The payment of General Obligation Bonds is guaranteed by the full faith and credit of the city. G.O.'s must be authorized by a vote of the citizens.

Certificates of Obligations (C.O.'s) do not require voter approval and, though used largely for the same projects as General Obligation Bonds, are ordinarily sold to finance smaller, less expensive, projects which tend to have shorter pay-out periods on the debt. General Obligation Bonds, as well as Certificates of Obligation, are backed by the full faith and credit of the City and are paid from property tax receipts.

Revenue Bonds are payable from specific sources of non-tax revenue and do not affect the property tax rate. Coverage Ratios of Revenue Bonds will always be in compliance with the minimum coverage ratio required by the revenue bond ordinances. It shall be the goal of the City to achieve a budgeted coverage ratio of 1.60.

The City's practice is to fund capital improvement projects on a "pay as you go" basis whenever possible. If a debt issue is required, then key factors such as an asset's life and future debt payments will be considered carefully. Issues will not extend longer than an asset's expected life.

The City currently holds an A+ rating from Standard and Poor's Corporation for both General Obligation and Tax Revenue Certificates of Obligations. A credit rating is an assessment of the city's ability and willingness, as well as its legal obligation, to make full and timely payments of principal and interest on the debt security over the course of its maturity schedule. Ratings are designed exclusively for the purpose of granting debt instruments according to their credit qualities and do not constitute a recommendation to buy or sale a security. When applying for a credit rating, the items required of the City include audit reports, current budget document, current capital improvement program (CIP), statement of long-and short-term debt and indication of appropriate authority for debt issuance.

There is no direct limit on debt in the City Charter. Statutes of the State of Texas do not provide any limitations on the dollar amount of debt cities can float; however, as a matter of policy, the Attorney General of Texas, will not approve the issuance of bonds where the total debt service of all tax supported debt requires a tax rate of more than \$1.50 per \$100 assessed valuation. The truth-in-taxation criterion specifies that debt (Interest & Sinking) requirements must be met first, and then the operations can be funded. The property tax rate to meet these needs cannot exceed \$2.50 per \$100 valuation.

Debt service requirements for the City of Bay City are currently \$.13542 of the current property tax rate of \$.56995. The City currently has twelve outstanding debt issues most of which are Tax and Revenue Certificates of Obligations. Various percentages of the debt payments are self-supporting or paid by the Public Utility Fund.

Those particular issues have an operational impact equal to the annual debt service payment in the Public Utility Fund. **The City has plans to issue debt within the next 12 months to fund water and sewer improvements through the Texas Water Development Board. In addition, the City will issue bonds for a Public Safety Center.** More information on these projects can be found in the capital section of this book, page 183.

Assessed value, 2023 tax roll	\$1,171,484,617	Actual amount of tax-secured debt service - Year ended September 30, 2024	\$5,057,671
Limit on amount designated for debt service per \$100 assessed valuation	x \$ 1.50	Legal Debt Margin	\$12,514,598
Legal Debt Service Limit	17,572,269		

After fiscal year 2024 payments, outstanding general obligation bond and certificates of obligation bonds will be \$57,538,000 however only \$7,378,658 is currently supported by property taxes. The long- term debt policy along with the history of tax rates can be found in the appendix section of this book.

Combined Principal and Interest By Payment Sources												
FYE 9/30	Total Debt Service			Total Self-Supported Debt Service			Total Partner Paid Debt Service			Total Tax Supported Debt Service		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2024	3,625,000	1,432,671	5,057,671	1,958,608	1,030,787	2,989,395	355,000	123,381	478,381	1,311,392	278,502	1,589,894
2025	3,299,000	1,336,112	4,635,112	2,000,375	986,813	2,987,187	365,000	112,731	477,731	933,626	236,568	1,170,193
2026	3,153,000	1,252,071	4,405,071	2,044,241	941,921	2,986,162	375,000	101,781	476,781	733,759	208,369	942,128
2027	3,236,000	1,167,248	4,403,248	2,093,774	895,136	2,988,910	385,000	90,531	475,531	757,226	181,581	938,807
2028	2,509,000	1,077,504	3,586,504	1,565,091	845,922	2,411,013	395,000	78,981	473,981	548,910	152,600	701,510
2029	2,583,000	1,024,841	3,607,841	1,597,024	823,461	2,420,484	410,000	67,131	477,131	575,977	134,249	710,225
2030	2,626,000	969,118	3,595,118	1,613,157	799,653	2,412,810	420,000	54,831	474,831	592,844	114,634	707,477
2031	2,361,000	918,092	3,279,092	1,508,490	775,214	2,283,704	430,000	46,431	476,431	422,511	96,446	518,956
2032	2,415,000	877,491	3,292,491	1,533,323	756,614	2,289,936	440,000	37,831	477,831	441,678	83,045	524,723
2033	2,450,000	835,142	3,285,142	1,552,489	737,066	2,289,555	445,000	29,031	474,031	452,511	69,045	521,556
2034	2,485,000	791,736	3,276,736	1,567,072	716,960	2,284,032	455,000	20,131	475,131	462,928	54,645	517,573
2035	2,312,000	743,599	3,055,599	1,533,655	693,336	2,226,991	465,000	10,463	475,463	313,345	39,801	353,146
2036	1,881,000	699,477	2,580,477	1,557,655	668,477	2,226,132	-	-	-	323,346	31,000	354,346
2037	1,539,000	661,999	2,200,999	1,459,000	640,299	2,099,299	-	-	-	80,000	21,700	101,700
2038	1,572,000	632,828	2,204,828	1,487,000	613,128	2,100,128	-	-	-	85,000	19,700	104,700
2039	1,607,000	601,196	2,208,196	1,522,000	583,621	2,105,621	-	-	-	85,000	17,575	102,575
2040	1,638,000	567,467	2,205,467	1,548,000	552,017	2,100,017	-	-	-	90,000	15,450	105,450
2041	1,671,000	531,749	2,202,749	1,581,000	518,549	2,099,549	-	-	-	90,000	13,200	103,200
2042	1,720,000	493,876	2,213,876	1,625,000	483,151	2,108,151	-	-	-	95,000	10,725	105,725
2043	1,756,000	453,620	2,209,620	1,661,000	445,508	2,106,508	-	-	-	95,000	8,113	103,113
2044	1,793,000	411,423	2,204,423	1,693,000	405,923	2,098,923	-	-	-	100,000	5,500	105,500
2045	1,837,000	367,272	2,204,272	1,737,000	364,522	2,101,522	-	-	-	100,000	2,750	102,750
2046	1,781,000	321,215	2,102,215	1,781,000	321,215	2,102,215	-	-	-	-	-	-
2047	1,827,000	276,068	2,103,068	1,827,000	276,068	2,103,068	-	-	-	-	-	-
2048	1,874,000	229,008	2,103,008	1,874,000	229,008	2,103,008	-	-	-	-	-	-
2049	1,923,000	180,140	2,103,140	1,923,000	180,140	2,103,140	-	-	-	-	-	-
2050	1,967,000	129,380	2,096,380	1,967,000	129,380	2,096,380	-	-	-	-	-	-
2051	1,723,000	76,943	1,799,943	1,723,000	76,943	1,799,943	-	-	-	-	-	-
2052	949,000	29,474	978,474	949,000	29,474	978,474	-	-	-	-	-	-
Total	\$ 62,112,000	\$ 19,088,760	\$ 81,200,760	\$ 48,481,951	\$ 16,520,306	\$ 65,002,257	\$ 4,940,000	\$ 773,256	\$ 5,713,256	\$8,690,050	\$ 1,795,198	\$10,485,247

- \$62,112,000 City Wide Debt Outstanding Principal before FY 2024 Payment**
- \$58,487,000 Outstanding Principal at Fiscal Year End 2024**
- \$7,378,658 Outstanding Principal of Tax Supported Debt at Fiscal Year End 2024**
- \$46,523,343 Outstanding Principal of Self -Supported Debt (Paid by Water and Sewer Revenues)**
- \$4,585,000 Outstanding Principal of Nile Valley Road Project paid by BC Gas Company and BCCDC**

Property Tax Supported Debt

2013 General Obligation Refunding Bonds

\$5,125,000 – 2013 General Obligation Refunding Bond was issued to take advantage of the low interest rate environment by refunding the callable portion of the General Obligation Bonds, Series 2003 and the Combination Tax and Revenue Certificates of Obligation, Series 2004 that were originally issued to fund various street projects. The payments are secured by property taxes due in annual installments ranging from \$405,000 to \$413,000 through September 1, 2024; interest fixed at 2.00%. *Callable 9-1-2022*

*2014 Tax and Revenue Certificates of Obligation (CO)

\$3,995,000 – 2014 Tax and Revenue Certificate of Obligation Bond was issued for construction and improvement of streets, sidewalks, water and sewer system, and to purchase public works equipment. The payments are secured by property taxes due in annual installments ranging from \$222,000 to \$247,000 through September 1, 2034 funded by both Utility revenues (25%) and property taxes (75%); interest varying between 2.00% and 4.00%. *Callable 9-1-2024*

*2016 Tax and Revenue Certificates of Obligation (CO)

\$5,665,000 – 2016 Tax and Revenue Certificate of Obligation Bond was issued for construction and improvement of streets, sidewalks, water and sewer system, and to purchase park equipment. The payments are secured by property taxes due in annual installments ranging from \$371,000 to \$376,000 through September 1, 2036 funded by both Utility revenues (33.33%) and property taxes (66.67%); interest varying between 2.00% and 3.00%. *Callable 9-1-2026*

2018 Tax Note

\$1,285,000 – 2018 Tax Note was issued for the acquisition of road equipment. The payments are secured by property taxes due in annual installments ranging from \$195,000 to \$230,000 through March 1, 2025; interest fixed at 3.01%.

2020 Tax and Revenue Certificates of Obligation (CO)

\$8,965,000 – 2020 Tax and Revenue Certificate of Obligation Bond was issued for the purchase of street equipment, renovation of the Bay City Regional Airport hangars, and construction of the Nile Valley Road. These payments are secured by property taxes due in annual installments ranging from \$80,000 to \$620,000 through September 1, 2045 funded by property taxes and the City's two component units - Bay City Gas Company and Bay City Community Development Corporation (BCCDC); interest varying between 2.00% and 3.00%. *Callable 9-1-2029*

*2021 General Obligation Refunding Bonds

\$6,205,000 – 2021 General Obligation Refunding Bond was issued to take advantage of the low interest rate environment by refunding the callable portion of the General Obligation Bonds, Series 2010 and the Combination Tax and Revenue Certificates of Obligation, Series 2012. The Series 2010 was originally issued to fund street and drainage improvements, park improvements, and civic center improvements. The Series 2012 was issued to the replacement of all the City's water meters and to upgrade to an Automated Meter Reading System. The payments are secured by both Utility revenues (71%) and property taxes (29%) due in annual installments ranging from \$184,000 to \$1,000,000. through September 1, 2030; interest at 5.00%. *Callable 9-1-2029*

CITY WIDE DEBT

Interest and Sinking Fund (I & S)	Actual FY 2021	Actual FY 2022	Budget FY 2023	Projected FY 2023	Adopted FY 2024
Taxes					
Property Taxes- Current	1,519,779	1,548,753	1,582,992	1,575,000	1,589,894
Property Taxes- Delinquent	20,750	17,882	1,000	20,000	1,000
Property Taxes- P & I Fees	18,723	18,759	1,000	20,000	1,000
Total Taxes	1,559,252	1,585,394	1,584,992	1,615,000	1,591,894
Miscellaneous					
Interest Income	1,422	4,473	1,428	30,000	724
Other Funds- Gas Co.	239,116	236,741	236,790	236,790	239,191
Other Funds- BCCDC	239,116	236,741	236,790	236,790	239,191
Total Miscellaneous	479,653	477,954	475,008	503,580	479,106
Other Sources					
Other Financing Sources	2,121,072	-	-	-	-
Total Other Sources	2,121,072	-	-	-	-
Total I & S Revenue	4,159,977	2,063,348	2,060,000	2,118,580	2,071,000
Debt Service					
Debt Service Principal	1,553,042	1,555,475	1,607,708	1,607,708	1,666,392
Debt Service Interest	506,859	494,208	448,864	448,864	401,883
Debt Service Admin. Fee	1,615	1,600	2,000	2,000	2,000
Bank Charges	1,517	985	1,428	497	725
Payment to Escrow	2,068,282	-	-	-	-
Bond Issue Costs	52,790	-	-	-	-
Total Debt Service	4,184,105	2,052,283	2,060,000	2,059,069	2,071,000
Total I & S Expenditures	4,184,105	2,052,268	2,060,000	2,059,069	2,071,000

FY 2024 Requirements:			
<u>Issue</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2013 GO	405,000	8,100	413,100
*Series 2014 CO	112,500	56,747	169,247
*Series 2016 CO	173,342	75,304	248,646
2018 Tax Note	220,000	13,545	233,545
**Series 2020 CO	525,000	191,275	716,275
*Series 2021 GO	230,550	56,913	287,463
Total	1,666,392	401,883	2,068,275

*Payments paid by both property taxes and utility system revenue

**A portion of the CO 2020 payment (\$478,382) is related to the Nile Valley Road Project and is paid in equal payments by the Bay City Gas Co. and Bay City Community Development Corporation.

Public Utility Fund Supported Debt

2021A Tax and Revenue Certificates of Obligation (CO)-TWDB CWSRF

\$4,742,000 – 2021A Tax and Revenue Certificates Bond is 1st of 4 issues for improvements to the City's sanitary sewer system, sewer lines, and design/construction of the City's wastewater treatment plant and lift stations. The payments are secured by both property tax revenues and Utility revenue; however, Utility pays at 100%. Principal payments are due in annual installments ranging from \$209,000 to \$211,000 through September 1, 2050; interest varying between .80% and 2.29%. *Callable 9-1-2031*

2021B Tax and Revenue Certificates of Obligation (CO)- TWDB DWSRF

\$2,125,000 – 2021B Tax and Revenue Certificate Bond is 1st of 5 issues for improvements to the City's water system, construction of two water plants, including water wells, ground storage tanks, water transmission lines, water meter replacements, and other related infrastructure and equipment. The payments are secured by both property tax revenues and Utility revenue; however, Utility pays at 100%. Principal payments are due in annual installments ranging from \$65,000 to \$90,000 through September 1, 2050; interest varying between .80% and 2.34%. *Callable 9-1-2031*

2022A Tax and Revenue Certificates of Obligation (CO)-TWDB CWSRF

\$12,707,000 – 2022A Tax and Revenue Certificates Bond is 2nd of 4 issues for improvements to the City's sanitary sewer system, sewer lines, and design/construction of the City's wastewater treatment plant and lift stations. The payments are secured by both property tax revenues and Utility revenue; however, Utility pays at 100%. Principal payments are due in annual installments ranging from \$373,000 to \$554,000 through September 1, 2051; fixed payment with interest coupons varying between .80% and 2.35%. *Callable 9-1-2032*

2022B Tax and Revenue Certificates of Obligation (CO)- TWDB DWSRF

\$5,645,000 – 2022B Tax and Revenue Certificate Bond is 2nd of 5 issues for improvements to the City's water system, construction of two water plants, including water wells, ground storage tanks, water transmission lines, water meter replacements, and other related infrastructure and equipment. The payments are secured by both property tax revenues and Utility revenue; however, Utility pays at 100%. Principal payments are due in annual installments ranging from \$165,000 to \$250,000 through September 1, 2051; fixed payments with interest coupons varying between .80% and 2.40%. *Callable 9-1-2032*

2023A Tax and Revenue Certificates of Obligation (CO)-TWDB CWSRF

\$13,427,000 – 2023A Tax and Revenue Certificates Bond is 3rd of 4 issues for improvements to the City's sanitary sewer system, sewer lines, and design/construction of the City's wastewater treatment plant and lift stations. The payments are secured by both property tax revenues and Utility revenue; however, Utility pays at 100%. Principal payments are due in annual installments ranging from \$357,000 to \$649,000 through September 1, 2052; fixed payment with interest coupons varying between 1.10% and 3.09%. *Callable 9-1-2033*

2023B Tax and Revenue Certificates of Obligation (CO)- TWDB DWSRF

\$6,175,000 – 2023B Tax and Revenue Certificate Bond is 3rd of 5 issues for improvements to the City’s water system, construction of two water plants, including water wells, ground storage tanks, water transmission lines, water meter replacements, and other related infrastructure and equipment. The payments are secured by both property tax revenues and Utility revenue; however, Utility pays at 100%. Principal payments are due in annual installments ranging from \$165,000 to \$300,000 through September 1, 2052; fixed payments with interest coupons varying between 1.16% and 3.14%. *Callable 9-1-2033*

	Actual FY 2021	Actual FY 2022	Budget FY 2023	Projected FY 2023	Adopted FY 2024
Utility Debt Service					
Miscellaneous					
Interest Income	228	741	109	10,500	4,605
Total Miscellaneous	228	741	109	10,500	4,605
Intergovernmental					
Transfer In- Utility Fund	988,301	1,189,509	2,536,891	2,537,000	3,222,395
Total Intergovernmental	988,301	1,189,509	2,536,891	2,537,000	3,222,395
Total Water Debt Service	988,529	1,190,250	2,537,000	2,547,500	3,227,000
Debt Service					
Debt Service Principal	-	-	1,401,291	1,401,000	1,958,608
Debt Service Interest	156,865	384,044	863,599	864,000	1,263,787
Debt Service- Admin Fee	-	2,380	500	4,850	500
Bank Charges	770	609	610	500	610
Cost of Issuance	377,910	754,329	-	-	-
Reserved Debt Retirement	-	-	271,000	-	3,495
Amortization Expense	19,774	26,366	-	-	-
Total Debt Service	555,319	1,167,727	2,537,000	2,270,350	3,227,000
Total Utility Debt Service	555,319	1,167,727	2,537,000	2,270,350	3,227,000

FY 2024 Requirements:			
Issue	Principal	Interest	Total
*Series 2014 CO	37,500	18,916	56,416
*Series 2016 CO	86,658	37,646	124,304
*Series 2021 GO	564,450	139,338	703,788
Series 2021A CO	142,000	67,207	209,207
Series 2021B CO	65,000	30,724	95,724
Series 2022A CO	376,000	191,960	567,960
Series 2022B CO	165,000	87,267	252,267
Series 2023A CO	357,000	311,338	668,338
Series 2023B CO	165,000	146,392	311,392
**Series 2024 CO	0	233,000	233,000
Total	1,958,608	1,263,787	3,222,395

*Payments paid by both property taxes and utility system revenue

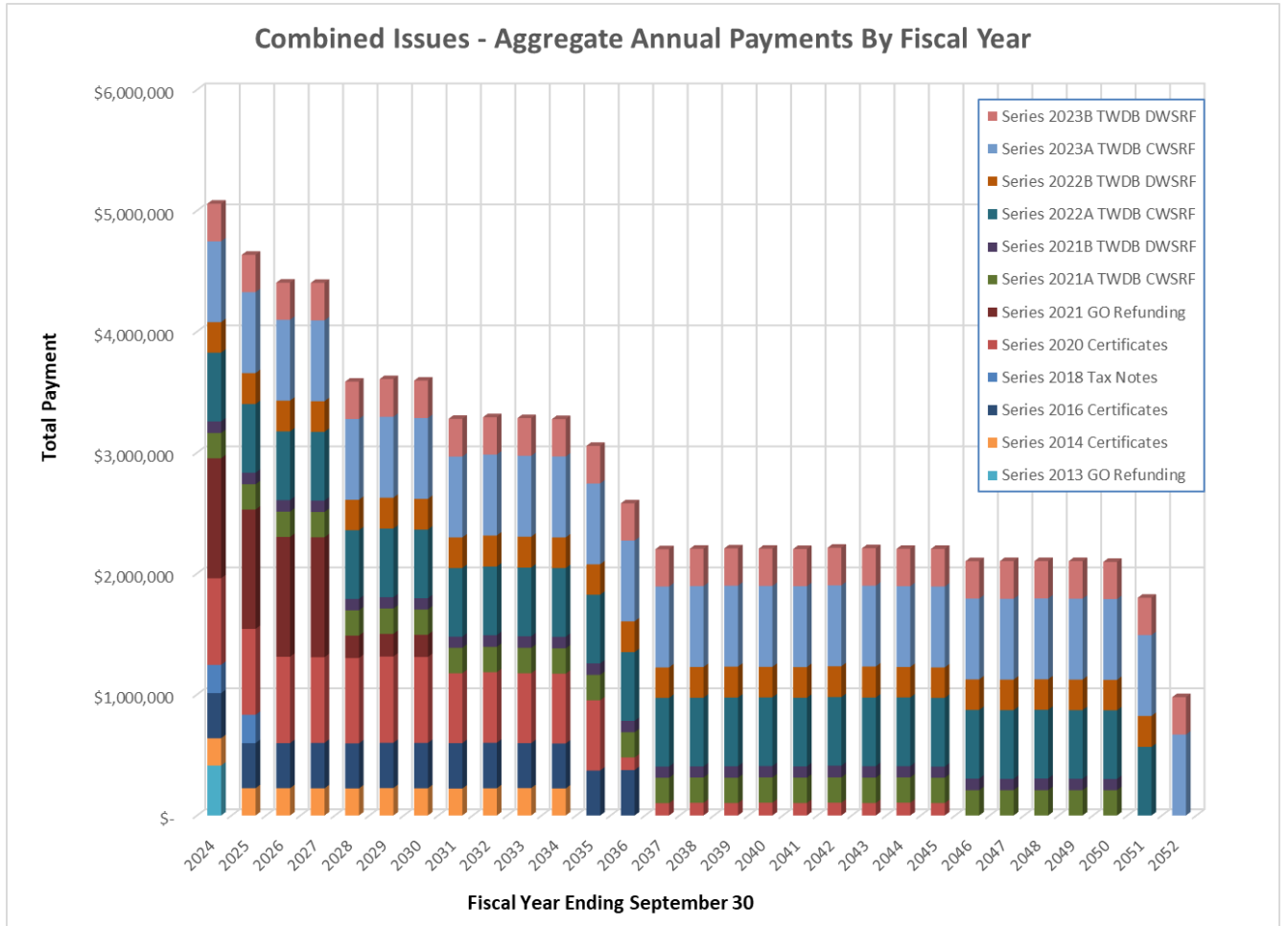
**Estimated Interest Only Payment

Budget holds estimated payments for bonds that will be issued during the fiscal year

Outstanding Debt Issue by Series

Supporting Fund	General Fund	General Fd- 75% Utility- 25%	General Fd- 66.67% Utility- 33.33%	General Fd- 100% Utility- 0%	General Fd- 33.8% Utility- 0% Partners- 66.2%	General Fd- 29% Utility- 71%	General Fd- 0% Utility- 100%	General Fd- 0% Utility- 100%	General Fd- 0% Utility- 100%	General Fd- 0% Utility- 100%	General Fd- 0% Utility- 100%	General Fd- 0% Utility- 100%	
FYE	Series 2013	Series 2014	Series 2016	Series 2018	Series 2020	Series 2021	Series 2021A	Series 2021B	Series 2022A	Series 2022B	Series 2023A	Series 2023B	
9/30	GO Refunding	Certificates	Certificates	Tax Notes	Certificates	GO Refunding	TWDB CWSRF	TWDB DWSRF	TWDB CWSRF	TWDB DWSRF	TWDB CWSRF	TWDB DWSRF	Total
2024	413,100	225,663	372,950	233,545	716,275	991,250	209,207	95,724	567,960	252,267	668,338	311,392	5,057,671
2025	-	225,788	372,750	233,462	710,525	986,500	209,071	95,204	567,952	255,947	668,733	309,181	4,635,112
2026	-	225,363	372,450	-	714,475	990,000	209,927	94,684	567,920	254,587	668,498	307,168	4,405,071
2027	-	224,763	375,700	-	707,825	991,250	209,767	94,164	567,864	253,227	668,435	310,254	4,403,248
2028	-	223,575	372,300	-	705,875	185,250	209,599	93,644	567,784	251,867	668,328	308,282	3,586,504
2029	-	227,200	373,750	-	713,475	187,250	209,423	93,124	567,680	255,507	669,139	311,293	3,607,841
2030	-	225,000	374,900	-	710,325	183,750	209,239	92,604	567,552	254,107	668,553	309,088	3,595,118
2031	-	222,600	375,750	-	577,925	-	210,047	92,084	567,400	252,707	668,766	311,813	3,279,092
2032	-	225,000	376,300	-	582,925	-	209,839	96,564	567,224	256,307	668,877	309,455	3,292,491
2033	-	227,000	371,550	-	577,625	-	209,623	96,004	568,024	254,867	668,532	311,917	3,285,142
2034	-	223,600	371,650	-	577,225	-	209,399	95,444	567,792	253,373	669,000	309,253	3,276,736
2035	-	-	371,450	-	580,963	-	209,921	94,737	567,763	251,501	668,213	311,052	3,055,599
2036	-	-	375,950	-	103,700	-	209,096	93,883	567,954	254,305	668,300	307,290	2,580,477
2037	-	-	-	-	101,700	-	210,023	92,924	567,463	251,771	669,104	308,015	2,200,999
2038	-	-	-	-	104,700	-	209,703	91,874	567,274	253,959	669,003	308,316	2,204,828
2039	-	-	-	-	102,575	-	209,160	95,740	567,528	255,862	669,097	308,236	2,208,196
2040	-	-	-	-	105,450	-	209,421	94,450	567,237	252,488	668,558	307,865	2,205,467
2041	-	-	-	-	103,200	-	209,465	93,085	567,431	253,939	668,414	307,216	2,202,749
2042	-	-	-	-	105,725	-	209,320	96,660	567,080	255,119	668,670	311,303	2,213,876
2043	-	-	-	-	103,113	-	209,981	95,076	567,168	256,019	668,284	309,981	2,209,620
2044	-	-	-	-	105,500	-	209,441	93,436	567,755	251,672	668,240	308,380	2,204,423
2045	-	-	-	-	102,750	-	209,733	91,748	567,854	252,199	668,494	311,494	2,204,272
2046	-	-	-	-	-	-	209,851	95,020	567,454	252,491	668,159	309,242	2,102,215
2047	-	-	-	-	-	-	209,790	93,141	567,641	252,585	668,170	311,742	2,103,068
2048	-	-	-	-	-	-	209,585	96,237	567,385	252,477	668,486	308,838	2,103,008
2049	-	-	-	-	-	-	209,215	94,185	567,730	252,187	669,121	310,703	2,103,140
2050	-	-	-	-	-	-	209,695	92,106	567,593	251,688	668,093	307,205	2,096,380
2051	-	-	-	-	-	-	-	-	567,019	256,000	668,427	308,497	1,799,943
2052	-	-	-	-	-	-	-	-	-	-	669,054	309,420	978,474
Total	\$ 413,100	\$ 2,475,550	\$ 4,857,450	\$ 467,007	\$ 8,913,850	\$ 4,515,250	\$ 5,658,545	\$ 2,543,535	\$ 15,892,484	\$ 7,101,023	\$ 19,389,085	\$ 8,973,882	\$81,200,760

Combined Issues- Aggregate Annual Payments by Fiscal Year



CITY OF BAY CITY, TEXAS

WATER PRODUCED AND CONSUMED AND WASTEWATER TREATED

Last ten fiscal years

<u>Fiscal Year</u>	<u>Gallons of Water Produced</u>	<u>Gallons of Water Consumed</u>	<u>Gallons of Water Unbilled</u>	<u>Average Percent Unbilled</u>	<u>Gallons of Wastewater Treated</u>
2013	798,353,000	725,058,000	73,295,000	9.18%	571,850,000
2014	780,403,000	623,508,400	156,894,600	20.10%	545,020,000
2015	824,901,000	627,451,200	197,449,800	23.94%	691,614,000
2016	842,451,000	635,604,500	207,846,500	24.67%	717,629,000
2017	812,961,000	609,958,200	203,002,800	24.97%	581,611,000
2018	743,714,000	603,790,221	139,923,779	18.81%	657,579,000
2019	713,562,000	537,363,274	176,198,726	24.69%	707,134,000
2020	850,124,700	549,790,300	300,334,400	35.33%	536,280,000
2021	885,002,000	570,433,900	314,568,100	35.54%	706,391,000
2022	941,937,481	628,258,008	313,679,473	33.30%	556,863,000

CITY OF BAY CITY, TEXAS

NET POSITION BY COMPONENT (1)

Last ten fiscal years

	Fiscal Year			
	2013	2014	2015	2016
Governmental activities				
Net investment in capital assets	\$ 8,444,943	\$ 7,050,325	\$ 6,540,844	\$ 9,638,245
Restricted	132,143	1,073,579	646,117	994,641
Unrestricted	<u>3,865,608</u>	<u>2,807,480</u>	<u>3,391,400</u>	<u>783,252</u>
Total governmental activities net position	<u>\$ 12,442,694</u>	<u>\$ 10,931,384</u>	<u>\$ 10,578,361</u>	<u>\$ 11,416,138</u>
Business-type activities				
Net investment in capital assets	\$ 12,245,026	\$ 9,681,894	\$ 13,826,216	\$ 15,011,700
Restricted	-	-	-	-
Unrestricted	<u>2,668,278</u>	<u>6,217,963</u>	<u>1,518,085</u>	<u>2,926,172</u>
Total business-type activities net position	<u>\$ 14,913,304</u>	<u>\$ 15,899,857</u>	<u>\$ 15,344,301</u>	<u>\$ 17,937,872</u>
Primary government				
Invested in capital assets, net of related debt	\$ 20,689,969	\$ 16,732,219	\$ 20,367,060	\$ 24,649,945
Restricted	132,143	1,073,579	646,117	994,641
Unrestricted	<u>6,533,886</u>	<u>9,025,443</u>	<u>4,909,485</u>	<u>3,709,424</u>
Total primary government activities net position	<u>\$ 27,355,998</u>	<u>\$ 26,831,241</u>	<u>\$ 25,922,662</u>	<u>\$ 29,354,010</u>

(1) Accrual basis of accounting

NOTES: The City implemented GASB Statement No. 68 "Accounting and Financial Reporting for Pensions" in fiscal year 2015. The amounts for all prior fiscal years have not been restated for the effects of this standard.

The City implemented GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" in fiscal year 2018. The amounts for all prior fiscal years have not been restated for the effects of this new standard.

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 10,607,667	\$ 11,656,559	\$ 13,287,618	\$ 21,205,583	\$ 18,917,264	\$ 18,519,578
1,034,228	813,690	857,834	1,199,626	1,856,278	1,648,936
(93,799)	160,683	512,916	2,151,111	3,267,133	4,568,157
<u>\$ 11,548,096</u>	<u>\$ 12,630,932</u>	<u>\$ 14,658,368</u>	<u>\$ 24,556,320</u>	<u>\$ 24,040,675</u>	<u>\$ 24,736,671</u>
\$ 14,799,364	\$ 14,675,677	\$ 14,858,787	\$ 15,909,542	\$ 17,403,926	\$ 19,973,502
-	-	-	-	-	-
3,541,009	4,098,316	4,067,830	4,066,694	4,273,998	(58,672)
<u>\$ 18,340,373</u>	<u>\$ 18,773,993</u>	<u>\$ 18,926,617</u>	<u>\$ 19,976,236</u>	<u>\$ 21,677,924</u>	<u>\$ 19,914,830</u>
\$ 25,407,031	\$ 26,332,236	\$ 28,146,405	\$ 37,115,125	\$ 36,321,190	\$ 38,493,080
1,034,228	813,690	857,834	1,199,626	1,856,278	1,648,936
3,447,210	4,258,999	4,580,746	6,217,805	7,541,131	4,509,485
<u>\$ 29,888,469</u>	<u>\$ 31,404,925</u>	<u>\$ 33,584,985</u>	<u>\$ 44,532,556</u>	<u>\$ 45,718,599</u>	<u>\$ 44,651,501</u>

CITY OF BAY CITY, TEXAS
CHANGES IN NET POSITION (1)
Last ten fiscal years

	Fiscal Year			
	2013	2014	2015	2016
Governmental activities				
Expenses				
General government	\$ 2,321,123	\$ 2,295,602	\$ 2,147,396	\$ 2,534,500
Public safety	4,303,562	4,662,949	4,661,538	5,383,527
Public works	2,656,096	5,854,434	5,595,487	5,216,175
Cultural and recreation	2,100,338	2,137,429	2,220,915	2,483,518
Interest on long-term debt	495,527	305,880	340,100	450,012
Total expenses	<u>11,876,646</u>	<u>15,256,294</u>	<u>14,965,436</u>	<u>16,067,732</u>
Program revenues				
Charges for services				
General government	81,818	999,059	235,881	429,269
Public safety	538,848	149,354	326,125	276,229
Public works	59,130	1,832,671	2,657,519	2,779,000
Cultural and recreation	154,573	260,195	154,741	239,908
Operating grants and contributions	281,587	280,889	200,000	317,050
Capital grants and contributions	-	-	386,329	828,794
Total program revenues	<u>1,115,956</u>	<u>3,522,168</u>	<u>3,960,595</u>	<u>4,870,250</u>
Total governmental activities net program (expense) revenue	(10,760,690)	(11,734,126)	(11,004,841)	(11,197,482)
General revenues and other changes in net position				
Taxes				
Property taxes	3,769,351	3,749,040	4,098,134	4,462,235
Sales taxes	3,440,988	3,469,272	4,077,195	4,060,320
Franchise taxes	1,087,598	984,607	1,047,005	1,040,631
Other taxes	497,136	614,073	668,601	694,611
Unrestricted investment earnings	5,779	3,653	2,660	16,254
Miscellaneous	685,286	709,694	1,077,904	756,915
Special item - discontinued operations	-	-	(1,208,541)	-
Transfers	501,909	692,477	2,903,367	1,004,293
Total general revenues and other changes in net position	<u>9,988,047</u>	<u>10,222,816</u>	<u>12,666,325</u>	<u>12,035,259</u>
Total governmental activities change in net position	<u>\$ (772,643)</u>	<u>\$ (1,511,310)</u>	<u>\$ 1,661,484</u>	<u>\$ 837,777</u>

STATISTICAL INFORMATION

CITY OF BAY CITY, TEXAS
CHANGES IN NET POSITION (1)
Last ten fiscal years

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 2,489,768	\$ 2,570,638	\$ 2,525,947	\$ 2,543,235	\$ 3,191,169	\$ 2,796,565
5,633,913	5,129,141	5,329,122	5,434,064	5,508,076	5,252,099
5,500,397	5,513,362	6,347,218	5,630,596	6,390,932	6,684,191
2,576,955	2,534,887	2,720,126	2,962,822	2,790,759	3,023,964
<u>376,732</u>	<u>391,428</u>	<u>329,979</u>	<u>636,430</u>	<u>522,913</u>	<u>421,679</u>
<u>16,577,765</u>	<u>16,139,456</u>	<u>17,252,392</u>	<u>17,207,147</u>	<u>18,403,849</u>	<u>18,178,498</u>
421,190	610,361	602,332	546,080	502,838	601,275
16,762	18,332	18,705	42,283	65,382	29,554
2,413,138	2,394,073	2,467,600	2,528,436	2,616,208	2,650,950
237,775	128,710	124,532	152,478	238,636	256,270
571,157	807,058	2,207,235	3,441,951	1,648,408	633,386
<u>911,963</u>	<u>798,666</u>	<u>376,144</u>	<u>7,844,725</u>	<u>416,419</u>	<u>238,006</u>
<u>4,571,985</u>	<u>4,757,200</u>	<u>5,796,548</u>	<u>14,555,953</u>	<u>5,487,891</u>	<u>4,409,441</u>
(12,005,780)	(11,382,256)	(11,455,844)	(2,651,194)	(12,915,958)	(13,769,057)
4,618,958	5,268,946	5,603,015	5,677,751	5,844,703	6,103,748
4,295,598	4,277,863	4,447,508	4,966,859	4,934,706	5,082,459
1,127,475	1,253,205	1,266,666	1,258,458	1,263,438	1,280,420
845,778	801,926	779,523	698,939	685,845	628,868
37,960	110,943	134,570	107,377	50,980	(95,498)
213,350	289,684	483,211	501,621	354,982	449,556
-	-	-	-	-	-
<u>998,619</u>	<u>1,007,784</u>	<u>768,787</u>	<u>(661,859)</u>	<u>(734,341)</u>	<u>1,015,500</u>
<u>12,137,738</u>	<u>13,010,351</u>	<u>13,483,280</u>	<u>12,549,146</u>	<u>12,400,313</u>	<u>14,465,053</u>
<u>\$ 131,958</u>	<u>\$ 1,628,095</u>	<u>\$ 2,027,436</u>	<u>\$ 9,897,952</u>	<u>\$ (515,645)</u>	<u>\$ 695,996</u>

CITY OF BAY CITY, TEXAS
CHANGES IN NET POSITION (1)
Last ten fiscal years

	Fiscal Year			
	2013	2014	2015	2016
Business-type activities				
Expenses				
Water and sewer	\$ 5,134,720	\$ 5,775,681	\$ 6,063,713	\$ 6,681,343
Sanitation	2,446,553	503,196	-	-
Airport	459,418	540,255	550,555	588,537
Total expenses	8,040,691	6,819,132	6,614,268	7,269,880
Program revenues				
Charges for services				
Water and sewer	6,367,177	6,582,946	6,873,149	7,108,017
Sanitation	2,768,743	449,082	-	-
Airport	250,113	327,899	340,572	276,533
Operating grants and contributions	27,468	10,914	-	68,197
Capital grants and contributions	584,651	975,226	1,115,799	3,384,479
Total program revenues	9,998,152	8,346,067	8,329,520	10,837,226
Total business-type activities net program (expense) revenue	1,957,461	1,526,935	1,715,252	3,567,346
General revenues and other changes in net position				
Unrestricted investment earnings	3,507	3,680	1,729	5,966
Miscellaneous	3,487	148,415	-	24,552
Special item - discontinued operations	-	-	(2,903,367)	-
Transfers	(501,909)	(692,477)	1,134,457	(1,004,293)
Total general revenues and other changes in net position	(494,915)	(540,382)	(1,767,181)	(973,775)
Total business-type activities change in net position	\$ 1,462,546	\$ 986,553	\$ (51,929)	\$ 2,593,571
Total primary government change in net position	\$ 689,903	\$ (524,757)	\$ 1,609,555	\$ 3,431,348

(1) Accrual basis of accounting

NOTES: The City implemented GASB Statement No. 68 "Accounting and Financial Reporting for Pensions" in fiscal year 2015. The amounts for all prior fiscal years have not been restated for the effects of this standard.

The City implemented GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" in fiscal year 2018. The amounts for all prior fiscal years have not been restated for the effects of this new standard.

STATISTICAL INFORMATION

CITY OF BAY CITY, TEXAS
CHANGES IN NET POSITION (1)
Last ten fiscal years

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 6,121,251	\$ 6,431,453	\$ 6,993,425	\$ 7,655,910	\$ 7,443,424	\$ 9,423,621
-	-	-	-	-	-
<u>707,869</u>	<u>584,476</u>	<u>644,192</u>	<u>778,555</u>	<u>890,695</u>	<u>947,247</u>
<u>6,829,120</u>	<u>7,015,929</u>	<u>7,637,617</u>	<u>8,434,465</u>	<u>8,334,119</u>	<u>10,370,868</u>
7,438,810	7,779,321	7,849,327	7,700,198	8,476,372	9,088,774
-	-	-	-	-	-
305,074	304,191	313,835	284,031	405,920	460,734
48,351	15,870	84,130	50,000	89,247	50,000
<u>406,561</u>	<u>417,799</u>	<u>219,828</u>	<u>730,209</u>	<u>326,500</u>	<u>9,450</u>
<u>8,198,796</u>	<u>8,517,181</u>	<u>8,467,120</u>	<u>8,764,438</u>	<u>9,298,039</u>	<u>9,608,958</u>
1,369,676	1,501,252	829,503	329,973	963,920	(761,910)
23,244	51,731	86,208	30,887	2,552	12,441
8,200	-	5,800	26,900	875	1,875
-	-	-	-	-	-
<u>(998,619)</u>	<u>(1,007,784)</u>	<u>(768,787)</u>	<u>661,859</u>	<u>734,341</u>	<u>(1,015,500)</u>
<u>(967,175)</u>	<u>(956,053)</u>	<u>(676,779)</u>	<u>719,646</u>	<u>737,768</u>	<u>(1,001,184)</u>
<u>\$ 402,501</u>	<u>\$ 545,199</u>	<u>\$ 152,724</u>	<u>\$ 1,049,619</u>	<u>\$ 1,701,688</u>	<u>\$ (1,763,094)</u>
<u>\$ 534,459</u>	<u>\$ 2,173,294</u>	<u>\$ 2,180,160</u>	<u>\$10,947,571</u>	<u>\$ 1,186,043</u>	<u>\$ (1,067,098)</u>

STATISTICAL INFORMATION

CITY OF BAY CITY, TEXAS

FUND BALANCES, GOVERNMENTAL FUNDS (1)

Last ten fiscal years

	Fiscal Year			
	2013	2014	2015	2016
General Fund				
Nonspendable				
Prepaid items	\$ 16,879	\$ 55,374	\$ 120,664	\$ 44,589
Assigned	-	-	-	-
Unassigned	<u>2,719,997</u>	<u>1,727,220</u>	<u>2,945,445</u>	<u>1,930,425</u>
Total general fund	<u>\$ 2,736,876</u>	<u>\$ 1,782,594</u>	<u>\$ 3,066,109</u>	<u>\$ 1,975,014</u>
All Other Governmental Funds				
Nonspendable				
Prepaid items	\$ -	\$ -	\$ -	\$ -
Restricted				
Retirement of long-term debt	30,568	550,221	31,305	233,825
Capital project funds	1,191,190	2,022,383	2,877,230	3,899,359
Special revenue funds	-	-	-	-
Arts, tourism, and conventions	221,561	302,436	372,746	449,295
Municipal court	101,575	96,262	102,994	83,196
Culture and recreation	42,270	71,538	60,336	92,576
Public safety	610,912	615,582	631,515	94,804
Public works	-	-	-	-
Unassigned	-	(40,379)	(98,700)	-
Total all other governmental funds	<u>\$ 2,198,076</u>	<u>\$ 3,618,043</u>	<u>\$ 3,977,426</u>	<u>\$ 4,853,055</u>

(1) Modified accrual basis of accounting

STATISTICAL INFORMATION

CITY OF BAY CITY, TEXAS

FUND BALANCES, GOVERNMENTAL FUNDS (1)

Last ten fiscal years

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 31,665	\$ 49,261	\$ 44,540	\$ 64,211	\$ 76,727	\$ 83,640
-	-	-	-	-	-
<u>1,331,488</u>	<u>2,169,106</u>	<u>3,165,690</u>	<u>4,568,759</u>	<u>4,839,191</u>	<u>4,158,460</u>
<u>\$ 1,363,153</u>	<u>\$ 2,218,367</u>	<u>\$ 3,210,230</u>	<u>\$ 4,632,970</u>	<u>\$ 4,915,918</u>	<u>\$ 4,242,100</u>
\$ -	\$ 14,849	\$ 13,799	\$ 19,990	\$ 20,468	\$ 18,536
199,330	191,351	224,645	235,947	211,819	222,898
3,183,380	2,583,241	621,267	6,890,626	2,237,608	2,192,135
-	-	-	-	-	-
568,200	404,406	473,619	591,966	672,789	692,868
71,500	65,170	59,591	47,902	29,194	32,941
118,928	52,213	-	-	-	-
54,276	40,023	44,280	48,307	598,527	316,624
-	15,851	9,968	230,274	288,659	320,355
-	-	(710,973)	(2,014,216)	(91,681)	(145,409)
<u>\$ 4,195,614</u>	<u>\$ 3,367,104</u>	<u>\$ 736,196</u>	<u>\$ 6,050,796</u>	<u>\$ 3,967,383</u>	<u>\$ 3,650,948</u>

STATISTICAL INFORMATION

CITY OF BAY CITY, TEXAS

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (1)

Last ten fiscal years

	Fiscal Year			
	2013	2014	2015	2016
Revenues				
Taxes	\$ 8,845,091	\$ 8,894,495	\$ 9,988,557	\$ 10,375,097
Licenses and permits	5,706	205,321	235,881	255,511
Fines and forfeitures	378,455	339,905	326,125	322,166
Fees and charges for services	444,908	2,585,325	2,809,761	2,898,210
Intergovernmental	281,587	342,057	420,857	264,635
Investment earnings (net)	5,773	3,647	2,660	16,240
Miscellaneous	713,618	805,993	998,560	892,115
Total revenues	<u>10,675,138</u>	<u>13,176,743</u>	<u>14,782,401</u>	<u>15,023,974</u>
Expenditures				
Current				
General government	2,031,233	2,343,485	2,083,129	2,335,155
Public safety	4,118,972	4,472,587	4,581,482	4,986,001
Public works	1,142,463	2,895,565	3,163,745	3,425,770
Cultural and recreation	1,869,035	2,022,110	2,102,214	2,396,240
Capital outlay	1,005,219	1,072,074	2,245,491	3,704,716
Debt service				
Principal retirement	775,707	847,110	1,496,153	1,553,752
Interest and fiscal charges	348,511	257,997	368,026	344,650
Paying agents' fees and issue cost	154,249	71,973	-	123,195
Total expenditures	<u>11,445,389</u>	<u>13,982,901</u>	<u>16,040,240</u>	<u>18,869,479</u>
Excess (deficiency) of revenues over expenditures	(770,251)	(806,158)	(1,257,839)	(3,845,505)
Other financing sources (uses)				
Debt issued	4,672,000	1,598,000	1,398,250	3,776,667
Premium on debt issuance	65,470	67,893	-	235,643
Payment to escrow	(3,960,250)	-	-	-
Transfers in	874,319	1,684,648	3,058,627	2,920,044
Transfers out	(1,054,827)	(2,078,698)	(1,556,140)	(3,302,315)
Total other financing sources (uses)	<u>596,712</u>	<u>1,271,843</u>	<u>2,900,737</u>	<u>3,630,039</u>
Changes in fund balances	<u>\$ (173,539)</u>	<u>\$ 465,685</u>	<u>\$ 1,642,898</u>	<u>\$ (215,466)</u>
Debt service as a percentage of noncapital expenditures	<u>11.23%</u>	<u>8.84%</u>	<u>13.64%</u>	<u>13.88%</u>

(1) Modified accrual basis of accounting

STATISTICAL INFORMATION

CITY OF BAY CITY, TEXAS

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (1)

Last ten fiscal years

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 10,972,108	\$ 11,692,838	\$ 12,169,745	\$ 12,653,131	\$ 12,849,533	\$ 13,183,805
154,409	396,638	281,795	205,985	193,014	246,296
268,378	215,278	218,133	253,564	253,375	198,464
2,675,326	2,553,631	2,690,027	2,799,645	2,958,252	3,045,829
1,141,371	437,982	1,528,833	1,033,091	3,797,468	950,939
37,941	110,753	134,381	106,954	50,924	(95,564)
<u>490,118</u>	<u>685,503</u>	<u>1,020,763</u>	<u>929,003</u>	<u>1,261,451</u>	<u>857,174</u>
<u>15,739,651</u>	<u>16,092,623</u>	<u>18,043,677</u>	<u>17,981,373</u>	<u>21,364,017</u>	<u>18,386,943</u>
2,263,841	2,444,796	2,284,868	2,259,594	3,076,155	2,783,149
5,140,028	4,819,143	4,853,722	5,147,126	5,648,947	5,838,601
3,241,311	3,429,104	3,950,358	3,476,267	4,044,731	4,644,975
2,350,942	2,350,388	2,381,035	3,174,094	2,776,032	2,766,554
2,024,539	2,384,427	3,957,938	3,334,455	5,196,584	905,149
1,432,357	1,419,841	1,465,175	986,258	1,553,042	1,555,475
402,072	362,729	364,072	387,190	506,859	496,793
<u>5,495</u>	<u>59,101</u>	<u>4,341</u>	<u>263,595</u>	<u>55,922</u>	<u>-</u>
<u>16,860,585</u>	<u>17,269,529</u>	<u>19,261,509</u>	<u>19,028,579</u>	<u>22,858,272</u>	<u>18,990,696</u>
(1,120,934)	(1,176,906)	(1,217,832)	(1,047,206)	(1,494,255)	(603,753)
-	1,285,000	-	9,122,532	1,799,450	-
-	-	-	419,757	321,622	-
-	-	-	-	(2,068,282)	-
2,162,044	1,841,923	1,822,325	1,946,639	1,102,289	1,881,369
<u>(2,310,412)</u>	<u>(1,923,313)</u>	<u>(2,243,538)</u>	<u>(3,704,382)</u>	<u>(1,461,289)</u>	<u>(2,267,869)</u>
<u>(148,368)</u>	<u>1,203,610</u>	<u>(421,213)</u>	<u>7,784,546</u>	<u>(306,210)</u>	<u>(386,500)</u>
\$ <u>(1,269,302)</u>	\$ <u>26,704</u>	\$ <u>(1,639,045)</u>	\$ <u>6,737,340</u>	\$ <u>(1,800,465)</u>	\$ <u>(990,253)</u>
<u>12.61%</u>	<u>12.72%</u>	<u>11.89%</u>	<u>9.18%</u>	<u>12.10%</u>	<u>11.89%</u>

STATISTICAL INFORMATION

CITY OF BAY CITY, TEXAS

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last ten fiscal years

<u>Fiscal Year</u>	<u>Tax Roll</u>	<u>Residential Property</u>	<u>Commercial and Industrial Property</u>	<u>Personal Property</u>	<u>Less: Tax-Exempt Real Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>
2013	2012	\$317,325,756	\$375,135,265	\$69,127,650	\$106,208,499	\$ 655,380,172	\$ 0.57191
2014	2013	312,442,879	383,121,147	71,745,470	106,655,617	660,653,879	0.60209
2015	2014	319,956,588	393,514,710	71,784,570	107,744,036	677,511,832	0.60209
2016	2015	330,005,930	440,810,448	88,166,790	115,450,676	743,532,492	0.60209
2017	2016	342,546,022	455,655,624	81,557,591	116,289,064	763,470,173	0.60209
2018	2017	350,930,628	500,023,135	77,641,605	117,627,963	810,967,405	0.65500
2019	2018	366,542,154	540,269,770	77,800,324	128,887,212	855,725,036	0.65500
2020	2019	372,695,204	549,611,757	78,508,945	131,854,932	868,960,974	0.65500
2021	2020	378,389,457	566,492,601	87,061,140	134,241,420	897,701,778	0.65500
2022	2021	408,665,471	610,480,537	89,231,109	139,525,564	968,851,553	0.63500

NOTE: Property in the City is reassessed annually. The City assesses property at 100% of actual taxable value for all types of real and personal property. Tax rates are per \$100 of assessed value.

SOURCE: Matagorda County Appraisal District



CITY OF BAY CITY, TEXAS

DIRECT AND OVERLAPPING PROPERTY TAX RATES

PER \$100 OF ASSESSED VALUE

Last ten fiscal years

Fiscal Year	City Direct Rates			Overlapping Rates		
	Debt Service	General Fund	Total	Bay City ISD	Matagorda County	Port of Bay City
2013	\$ 0.04516	\$ 0.52675	\$ 0.57191	\$ 1.32000	\$ 0.29878	\$ 0.03284
2014	0.05866	0.54343	0.56794	1.32394	0.32099	0.03645
2015	0.05866	0.54343	0.60209	1.34064	0.35867	0.04044
2016	0.11047	0.49162	0.60209	1.34064	0.39568	0.04539
2017	0.11398	0.48811	0.60209	1.33120	0.41998	0.04856
2018	0.14400	0.51100	0.65500	1.43701	0.41898	0.05072
2019	0.14460	0.51040	0.65500	1.55220	0.41758	0.05389
2020	0.14460	0.51040	0.65500	1.53731	0.43342	0.05477
2021	0.17288	0.48212	0.65500	1.43140	0.42223	0.05628
2022	0.16363	0.47137	0.63500	1.39124	0.39974	0.05299

SOURCE: Tax department records of the various taxing authorities

STATISTICAL INFORMATION

CITY OF BAY CITY, TEXAS

DIRECT AND OVERLAPPING PROPERTY TAX RATES

PER \$100 OF ASSESSED VALUE

Last ten fiscal years

Overlapping Rates			
Matagorda Co. Hospital District	Matagorda Co. Drainage District #1	Matagorda Co. Conservation & Reclaim. Distr.	Total
\$ 0.23163	\$ 0.09524	\$ 0.00470	\$ 2.55510
0.25600	0.08600	0.00522	2.59654
0.27624	0.07750	0.00577	2.70135
0.30147	0.07158	0.00646	2.76331
0.31270	0.06554	0.00691	2.78698
0.32096	0.05138	0.00721	2.94126
0.32159	0.04178	0.00765	3.04969
0.32159	0.04169	0.00776	3.05154
0.31815	0.04201	0.00831	2.93338
0.29127	0.04113	0.00819	2.81956

STATISTICAL INFORMATION

CITY OF BAY CITY, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
(UNAUDITED)
Current Year and Nine Years Ago

2022		
Taxpayer	Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
Nichols Square Partners LTD	\$ 15,544,210	1.60%
Oak Manor Bay City LLC	12,172,292	1.26%
Wal-Mart Real Estate Business Trust	11,987,930	1.24%
Cypressbrook Palm Village LP	11,800,500	1.22%
AEP Texas Central Company	11,256,290	1.16%
IMFI CB Apartments LP	7,000,000	0.72%
Bay City Community Development Corp.	6,608,350	0.68%
Interurban Riverway LLP	5,951,750	0.61%
H E Butt Grocery Company	5,875,200	0.61%
Rock Hard Real Estate LLC	5,598,090	0.58%
	<u>\$ 93,794,612</u>	<u>9.68%</u>

2013		
Taxpayer	Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
Wal-Mart Real Estate Business Trust	\$ 8,846,870	1.35%
Wal-Mart Store #01-1405	7,559,070	1.15%
Fortress Lodging LLC	6,335,110	0.97%
AEP Texas Central Company	5,832,220	0.89%
Blue Valley Apartment INC	4,913,340	0.75%
W R H Bay City LTD	4,076,040	0.62%
H E Butt Grocery Company	3,596,290	0.55%
Bay City Accommodations LTD	3,309,930	0.51%
Pasupatinath LLC	3,266,380	0.50%
H E Butt Grocery Co	3,093,170	0.47%
	<u>\$ 50,828,420</u>	<u>7.76%</u>

SOURCE: Matagorda Central Appraisal District

STATISTICAL INFORMATION

CITY OF BAY CITY, TEXAS

PROPERTY TAX LEVIES AND COLLECTIONS

Last ten fiscal years

Fiscal Year	Taxes Levied for the Fiscal Year (Adjusted Levy)	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 3,748,023	\$ 3,629,326	96.83%	\$ 110,103	\$ 3,739,429	99.77%
2014	3,754,701	3,625,489	96.56%	119,068	3,744,557	99.73%
2015	4,087,255	3,980,062	97.38%	93,573	4,073,635	99.67%
2016	4,471,088	4,356,460	97.44%	99,449	4,455,909	99.66%
2017	4,621,767	4,508,161	97.54%	94,218	4,602,379	99.58%
2018	5,304,477	5,189,424	97.83%	88,724	5,278,148	99.50%
2019	5,606,323	5,497,009	98.05%	77,028	5,574,037	99.42%
2020	5,676,653	5,558,188	97.91%	67,965	5,626,153	99.11%
2021	5,871,086	5,762,943	98.16%	42,933	5,805,876	98.89%
2022	6,117,480	6,006,616	98.19%	-	6,006,616	98.19%

NOTES: Collections do not include penalty and interest.

The information above is presented to illustrate the City's ability to collect the amount it levies for a fiscal year, rather than provide a detailed breakdown of the revenue recognized in a fiscal year.

SOURCE: Tax assessor/collector's records

STATISTICAL INFORMATION

CITY OF BAY CITY, TEXAS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last ten fiscal years

Fiscal Year	Governmental Activities					
	Certificates of Obligation	General Obligation Bonds	Tax Notes	Direct Borrowing: Financed Purchases	Right-to-Use Lease	Plus: Issuance Premiums
2013	\$ 4,595,000	\$ 3,995,000	\$ 819,255	\$ -	\$ -	\$ 92,872
2014	5,828,000	3,665,000	667,185	199,845	-	149,646
2015	7,566,250	3,330,000	511,101	151,690	-	212,081
2016	10,290,611	2,990,000	349,849	101,617	-	424,826
2017	9,353,103	2,645,000	200,000	49,549	-	391,643
2018	8,387,262	2,290,000	1,386,000	-	-	358,459
2019	7,408,087	1,930,000	1,260,000	-	-	325,276
2020	15,951,829	1,560,000	1,065,000	116,468	-	713,715
2021	13,177,238	2,751,000	865,000	78,735	-	960,198
2022	12,420,563	2,157,200	660,000	39,923	179,778	885,058

NOTES: Details regarding the City's outstanding debt can be found in the notes to financial statements.

N/A denotes information not available.

CITY OF BAY CITY, TEXAS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last ten fiscal years

<u>Business-type Activities</u>					
<u>Certificates of Obligation</u>	<u>General Obligation Bonds</u>	<u>Plus: Issuance Premiums</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
\$ 10,675,000	\$ 225,000	\$ 88,080	\$ 20,490,207	N/A	\$ 1,163
12,297,000	-	157,645	22,964,321	N/A	1,312
8,883,750	-	68,697	20,723,569	N/A	1,193
10,074,583	-	181,502	24,412,988	N/A	1,387
9,381,907	-	171,344	22,192,546	N/A	1,246
8,667,748	-	161,185	21,250,654	N/A	1,206
7,941,922	-	151,026	19,016,311	N/A	1,085
7,193,180	-	140,867	26,741,059	N/A	1,525
8,929,771	3,834,000	830,704	31,426,646	N/A	1,740
26,958,446	3,322,800	703,981	47,327,749	N/A	2,647

CITY OF BAY CITY, TEXAS

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

Last ten fiscal years

Fiscal Year	General Bonded Debt Outstanding			Total
	Certificates of Obligation	General Obligation Bonds	Plus: Issuance Premiums	
2013	\$ 15,270,000	\$ 4,220,000	\$ 88,080	\$ 19,578,080
2014	18,125,000	3,665,000	157,645	21,947,645
2015	16,450,000	3,330,000	68,697	19,848,697
2016	20,365,194	2,990,000	181,502	23,536,696
2017	18,735,010	2,645,000	171,344	21,551,354
2018	17,055,010	2,290,000	161,185	19,506,195
2019	15,350,009	1,930,000	151,026	17,431,035
2020	23,145,009	1,560,000	140,867	24,845,876
2021	22,107,009	6,585,000	830,704	29,522,713
2022	39,379,009	5,480,000	883,759	45,742,768

NOTE: Details regarding the City's outstanding debt can be found in the notes to financial statements.

CITY OF BAY CITY, TEXAS

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

Last ten fiscal years

Debt Service Monies Available	Net Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita
\$ 30,567	\$ 19,547,513	100.00%	\$ 1,113
542,496	21,405,149	100.00%	1,214
31,305	19,817,392	100.00%	1,142
233,825	23,302,871	100.00%	1,324
199,330	21,352,024	100.00%	1,199
191,351	19,314,844	100.00%	1,097
224,645	17,206,390	100.00%	981
235,947	24,609,929	100.00%	1,403
211,819	29,310,894	100.00%	1,623
222,898	45,519,870	100.00%	2,546

CITY OF BAY CITY, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

(UNAUDITED)

September 30, 2022

	<u>Gross Debt Outstanding</u>		<u>Percentage</u>	<u>Amount</u>
	<u>Date</u>	<u>Amount</u>	<u>Applicable</u>	<u>Applicable</u>
			<u>To City</u>	<u>To City</u>
Direct Debt:				
City of Bay City (1)	9/30/2022	\$ 16,162,744	100.00%	\$ 16,162,744
Overlapping Debt:				
Matagorda County	9/30/2021	2,551,558	17.85%	455,546
Bay City Independent School District	9/30/2022	<u>130,557,272</u>	60.20%	<u>78,592,241</u>
Total Overlapping Debt		<u>133,108,830</u>		<u>79,047,787</u>
Total		<u>\$ 149,271,574</u>		<u>\$ 95,210,531</u>

(1) Figures do not include accrued compensated absences, net pension liability or OPEB liability.

NOTES: There is no legal debt limit for the City. Texas municipalities are not bound by any direct constitutional or statutory maximums as to the amount of obligation bonds which may be issued; however, all local bonds must be submitted to and approved by the State Attorney General. It is the established practice of the Attorney General not to approve a prospective bond issue if it will result in a tax levy for general bonded debt of over \$1.00 for cities under 5,000 population, or \$1.50 for cities over 5,000 population.

The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the City's boundaries and dividing it by each government's total taxable value.

SOURCES: Bay City Independent School District
Matagorda County



CITY OF BAY CITY, TEXAS

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last ten fiscal years

Function/Program	Fiscal Year			
	2013	2014	2015	2016
General government				
Building permits issued	459	1,227	1,039	1,012
Building inspections conducted	1,222	1,735	2,238	2,256
Fire inspection conducted	22	8	13	16
Public safety				
Police				
Arrests	1,722	1,520	1,364	1,405
Accident Reports	304	325	471	521
Citations	1,621	1,862	1,784	1,736
Offense reports	2,669	2,231	3,427	2,820
Calls for service	32,155	31,544	32,864	29,618
Fire				
Emergency responses:	233	178	170	167
Fire incidents	101	66	64	74
Service calls and other calls	132	112	106	93
Automatic aid, mutual aid given	21	19	23	32
Streets and highways				
Street resurfacing (lane miles)	-	-	5.20	3.49
Water and wastewater				
Water				
Average daily consumption (millions)	2.187	1.707	2.251	1.692
Total consumption (millions)	798.353	623.508	824.901	635.604
Peak daily consumption (millions)	3.485	2.001	3.338	2.569
Wastewater				
Average daily sewage treatment (millions)	1.566	N/A	1.774	1.954
Total consumption (millions)	571.850	545.020	691.614	717.629
Peak daily consumption (millions)	11.755	N/A	6.287	6.532

NOTE: N/A denotes information not available

CITY OF BAY CITY, TEXAS

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last ten fiscal years

Fiscal Year					
2017	2018	2019	2020	2021	2022
1,246	1,373	1,224	1,037	1,536	1,569
2,366	2,040	1,696	1,631	1,358	2,714
23	14	18	10	12	11
1,356	1,234	1,280	959	1,051	992
505	476	515	434	471	432
1,707	956	1,863	1,539	1,609	1,315
2,892	2,744	3,071	2,861	2,826	2,473
31,320	28,448	31,842	31,645	34,090	29,535
204	254	181	165	202	188
111	130	79	70	109	74
93	124	102	86	78	99
44	31	14	9	15	15
9.52	1.00	0.50	-	-	1.50
1.563	2.024	1.470	1.502	1.553	1.727
609.958	743.714	537.300	549.790	570.433	628.258
2.445	2.418	2.050	2.030	2.213	2.313
1.634	1.634	1.938	1.469	1.931	1.525
581.611	657.579	707.134	536.280	706.391	556.863
3.520	3.526	5.264	4.060	6.187	3.904

STATISTICAL INFORMATION

CITY OF BAY CITY, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last ten fiscal years

Function/Program	Fiscal Year			
	2013	2014	2015	2016
Public safety				
Police				
Stations	1	1	1	1
Police units	35	33	37	34
Fire				
Fire stations	1	1	1	1
Public works				
Streets				
Streets (lane miles)	109	109	109	109
Parks				
Acreage	360	360	348	348
Parks	22	22	22	23
Swimming pools	2	2	2	2
Water and wastewater				
Water				
Water mains (miles)	94	115	115	115
Fire hydrants	600	600	650	650
Maximum daily capacity (thousands of gallons)	4	4	4	4
Wastewater				
Sanitary sewers (miles)	88	88	88	88
Storm sewers (miles)	80	80	80	80
Maximum daily treatment capacity (thousands of gallons)	4.3	4.3	4.3	4.3
Sanitation				
Collection trucks	8	-	-	-

STATISTICAL INFORMATION

CITY OF BAY CITY, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last ten fiscal years

Fiscal Year					
2017	2018	2019	2020	2021	2022
1	1	1	1	1	1
34	34	32	32	31	32
1	1	1	1	1	1
109	109	109	110	110	110
348	299	314	326	326	314
23	23	26	26	26	26
2	2	2	2	2	2
113	113	113	113	113	113
650	650	650	650	650	360
3	3	3	3	3	3
108	108	108	108	108	108
80	80	80	80	80	80
4.3	4.3	4.3	4.3	4.3	4.3
-	-	-	-	-	-



Budgetary Process and Guidelines

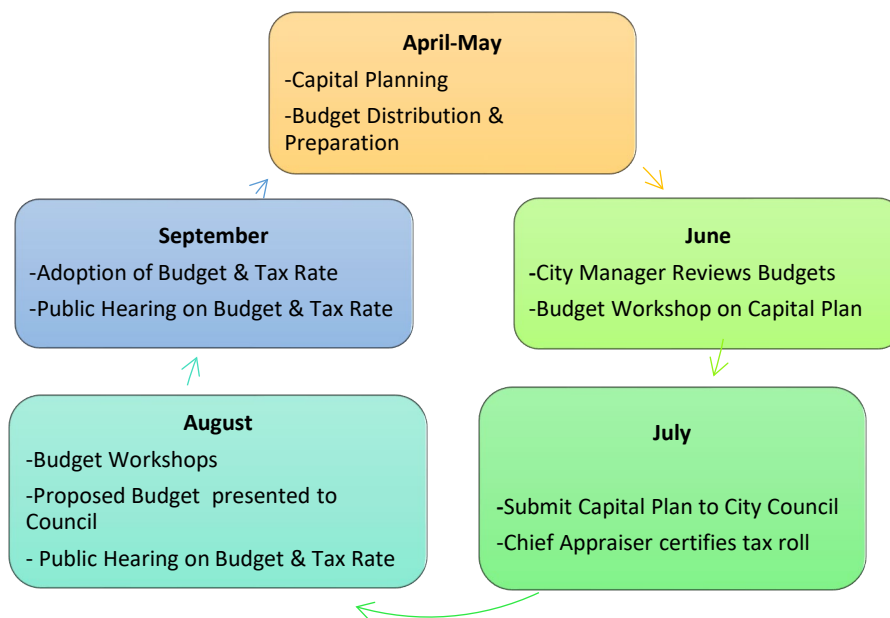
The purpose of this segment is to explain the budgetary policies and process of the City of Bay City. This narrative describes the legal requirements, budgeting standards and basic rationale of the budget process.

Purpose of the Budget

The purpose of the annual operating budget of the City of Bay City is to:

- Act as a financial plan which describes the activities that will be undertaken during the current fiscal year
- Define the resources available for the completion of those activities
- Determine the level of taxation necessary to generate required revenue resources
- Act as an operations guide by providing levels of expenditures allowed for the accomplishment of departmental and program objectives
- Provide the public with information about the activities and objectives of the various city departments and programs and the financial condition of the City

Budget Calendar Cycle



Fiscal Year 2024- Summary Budget Calendar

Date	Activity	Responsible Party
Jan-May	Goal Visioning Workshops Develop/Adopt Strategic Priorities	City Council, City Manager Department Heads
March-April	Capital Planning	City Manager, Department Heads
April-May	Mailing of notices of appraised value	Matagorda County Appraisal District
May 9	Regular Workshop – 5:00 PM Regular Council Meeting	City Council, City Manager Department Heads
May 16	Budget Workshop – Goal Visioning- 5:00 PM	City Council, City Manager Department Heads
May 19	Turn in budget package to Finance Director	Department Heads
May 23	Budget Workshop – Goal Visioning- 4:30 PM Regular Council Meeting	City Council, City Manager Department Heads
June 8-16	Budget review with Department Heads	City Manager, Finance Director Department Heads
June 13	Budget Workshop- Open- 5:00 PM Regular Council Meeting -Approve Strategic Plan (City Council Goals)	City Council, City Manager Department Heads
June 15	Budget Workshop- Capital Planning – 5:00 PM	City Council, City Manager Department Heads
June 27	Regular City Council Meeting	City Council
July 11	Budget Workshop–Hotel/Motel & Outside Organizations- 4:30 PM Regular Council Meeting	City Council, City Manager Department Heads
July 20	Budget Workshop- 5-year Capital Plan- 5:00 PM	City Council, City Manager Department Heads
July 25	Certification of appraisal roll	Chief Appraiser
July 25	Regular Meeting	City Council
August 5	Publishes no-new revenue tax rate, etc.	Matagorda County Tax Office
August 8	Regular Meeting	City Council
August 10	Budget Workshop- 5:00 PM BCCDC, Utility Rates, & Other Fees	City Council, City Manager Department Heads
August 13	Last day to file Proposed Budget with City Secretary	Finance Director
August 15	Budget Workshop- 5:00 PM – Benefits & Presentation of Proposed Budget	City Council, City Manager Department Heads
August 22	Budget Workshop (Tentative) Regular Meeting -Discuss tax rate- Propose desired rate -Set Public Hearings on tax rate (if required) -Set Public Hearings on budget & Capital Plan	City Council
September 21	Special Called Meeting- 6:00 -Public Hearings on budget -Public Hearing on Capital Plan (Charter 10.16) -Public Hearing on tax rate (if required)	City Council
September 26	Regular Council Meeting -Approve Capital Plan -Approval of budget and tax rate ordinance -First and final reading of fee ordinance	City Council
October 1	Budget becomes effective	N/A

Fiscal Year 2024- Detailed Budget Calendar

Date	Description	Notes
Jan-May	Goal Visioning Workshops	<i>Workshops with City Council and Department Heads</i>
April	Capital Project Planning Departments Prepare Business Plans	<i>Preparing for Capital Workshop with City Council Goals for 2024 / Accomplishments 2023</i>
April-May	Mailing of Notices of appraised value	<i>Matagorda County Appraisal District</i>
May 1-2	Review budget packets with staff	<i>Budget Kick off with Department Heads</i>
May 9 (Tues)	Regular Workshop- Open Regular Council Meeting	
May 12 (Fri)	72 Hour Notice (May 16 Meeting)	
May 16 (Tues)	Budget Workshop- Goal Visioning	<i>Review Strategic Plan/Vision Statement Review Accomplishments and discuss Business Plans Strategic Plan Update- Set New Priorities and Goals</i>
May 19 (Fri)	Turn in budget packet to Finance Director	<i>Capital Plans, Budget, Business Plans, Accomplishments</i>
May 23 (Tues)	Budget Workshop- Goal Visioning Regular Council Meeting	<i>Strategic Plan Update- Set New Priorities and Goals Discuss Business Plans</i>
June 6 (Tues)	Submit first draft to City Manager	
June 8-16	Budget Review with Department Heads	
June 9 (Fri)	72 Hour Notice (June 13 or 15 Meeting)	
June 13 (Tues)	Budget Review with Department Heads Capital Plan Review with City Manager	<i>Review Capital Plan to be presented to City Council</i>
June 13 (Tues)	Regular Workshop- Open Regular Meeting (Approve Strategic Plan)	<i>Approve City Council Goals FY 2023</i>
June 15 (Thurs)	Budget Workshop- Capital Planning	<i>Present Capital Plan and receive input from Council of Ranking (10-year Plan)</i>
June 27 (Tues)	Regular Council Meeting	
July 11 (Tues)	Budget Workshop-Hotel / Motel, etc Regular Council Meeting	<i>Hotel/Motel, and Outside Organizations</i>
July 14 (Fri)	72 Hour Notice (July 18 or 20 Meeting)	
July 20 (Thur)	Budget Workshop-5-year plan Regular Council Meeting	<i>Narrow 10-year plan down to 5-Year Capital plan</i>
July 25 (Tues)	Deadline for Certification of Roll (MCAD)	<i>Chief appraiser certifies the approved appraisal roll</i>

July 25 (Tues)	Regular Council Meeting	
July 26-Aug 5	Calculation of No-New Revenue Tax Rate	<i>August 7 Deadline per Texas Tax Code 26.04(e)</i>
August 4 (Fri)	72 Hour Notice (August 8 & 10 Meeting)	
August 7 (Mon)	Publication of no-new revenue tax rate, etc (Matagorda Tax Assessor/Collector)	Place information on City’s Website <i>No-new revenue & voter-approval tax rate</i>
August 8 (Tues)	Regular Council Meeting	
August 10 (Thur)	Budget Workshop- BCCDC & Rate Review	<i>BCCDC Present Budget to Council Review fee ordinance & utility fees</i>
August 11 (Fri)	72 Hour Notice (August 15 Meeting)	
August 13 (Sun)	Last Day to File Proposed Budget with City Secretary	
August 15 (Tues)	Budget Workshop -City Benefits -General Fund -Utility -Budget Calendar deadlines -Proposed Fee Ordinance -Budgetary & Financial Policy	<i>Kick Off Budget Workshop</i>
August 22 (Tues)	Budget Workshop (Tentative) Regular Council Meeting Discussion of tax rate; If proposed tax rate exceeds the no new revenue rate- take record of vote and schedule PH’s. Set public hearing on <u>capital plan</u> per Charter	<i>Continuation of August 15 Workshop if needed “Consider and/or approve placing a proposal to adopt a tax rate for the 2024 fiscal year as an action item on the agenda of a future meeting, specifying therein the desired rate and publishing notice thereof.” “Consider and/or approve setting public hearing on the proposed 2024 Tax Rate for September 7.” Only required if proposed rate exceeds “No-New Revenue Rate” “Consider and/or approve setting public hearing on the proposed 2024 Budget for September 7.”</i>
September 6 (Wed)	Confirm placement with newspaper Put Notices on City’s Website	<i>“Notice of 2023 Tax Year Proposed Tax Rate” if applicable “Notice of Public Hearing on Proposed Budget” Ads to run Sun, September 10</i>
September 15 (Fri)	72 Hour Notice for Public Hearings	

<p>September 21 (Thurs)</p>	<p>Special Called Meeting <i>Public Hearing Capital Plan (Citizen Input)</i></p> <p>Public Hearings on tax rate (if needed) & Proposed Budget & Capital Plan</p> <p>Tax rate hearings are only needed if proposed tax rate exceeds the No-New Revenue tax rate.</p> <p>Budget Hearings are always required</p>	<p><i>The governing body may not adopt a tax rate at the Public Hearing. However, the governing body must announce the date, time, and place of the meeting at which it will vote on the tax rate</i></p> <p><i>Announce the date & time for final approval for the budget and tax rate ordinance (September 12 @ 6:00 at CH Council Chambers)</i></p> <p><i>There must be some sort of action on the budget after the budget hearing, therefore (LGC 102.007) This action could be the adoption of the budget or else vote to postpone the final budget vote.</i></p>
<p>September 26 (Tues)</p>	<p>Regular Council Meeting -Adopt Budget and Vote on Tax Rate (if applicable) -Approve Fee Ordinance -Approve Budgetary Policy</p>	<p><i>“Consider reading an ordinance approving the annual budget”</i></p> <p><i>A separate vote is needed to “ratify” the property tax revenue increase reflected in the budget (if applicable)</i></p> <p><i>“Consider ratification of the property tax revenue increase reflected in the 2024 budget.”</i></p>
<p>September 22 (Fri)</p>	<p>Distribute Budgets</p>	<p><i>“Consider an ordinance fixing the tax rate...”</i> <i>Approve Fee Ordinance if applicable</i></p>
<p>Oct. 1</p>	<p>Budget becomes effective</p>	

Summary Description of the Budget Process

As previously stated, the City Charter, under Article 10.01 provides, “the fiscal year of the City of Bay City shall begin on the first day of October of each calendar year and shall end on the last day of September of each following calendar year. Such fiscal year shall also constitute the budgeted and accounting year.”

The Charter requires that a proposed budget shall be submitted to Council by July 1st in advance of each fiscal year containing a financial plan for the next fiscal year. The plan must contain, among other things, a budget message explanatory of the budget and any significant changes, an analysis of property valuation and tax rate, and detail concerning fund revenues and expenditures.

Upon receipt of the proposed budget, the Council orders a public hearing on the budget. By State law (Section 102.003 of the Local Government Code), the Council is required to hold a public hearing on the budget not less than fifteen (15) days after the budget is filed. By Charter, at least seven (7) days prior to the date of the budget hearing, a public notice of such hearing must be published. The Charter requires that the Council adopt a budget prior to the beginning of the fiscal year. Normally, the Council sets the tax rate for the coming fiscal year during the same meeting in which they adopt the budget ordinance.

The City Manager and Finance Director prepare estimates of revenues and cash balances for the coming budget year. Departments are asked to submit budget requests to the Finance Director during May or early June. In June and July, the City Manager and Director of Finance meet with departments to discuss their budget requests and develop line-item funding proposals for each department and fund. Then the City Manager submits his proposed budget to the City Council. The Council will then examine the Budget and have one or more hearings and/or work sessions on the budget. The Council normally votes on the budget ordinance in the first or second week of September.

After the budget is adopted by the Council, copies are available for public inspection with the City Secretary’s Office, the County Clerk of Matagorda County, and the Bay City Public Library.

On the effective date of the budget, October first (1st), the amounts adopted by the City Council for each line item become appropriated. That is to say, an authorization is made by the City Council which permits the City to incur obligations and make expenditures of resources based on an amount of money adopted by Council.

Legal Requirements

A. City Charter.

The budgetary process of the City of Bay City shall comply with the provisions of Article X of the City Charter relating to the preparation and execution of the City budget.

B. State Law.

The budgeting process of the City of Bay City shall comply with the Texas Uniform Budget Law (articles 689a-13, 14, 15, and 16) and Section 102.003 of the local government code.

C. Federal Law.

The budgetary procedures of the City of Bay City shall comply with the requirements of Federal Law as they apply to such programs and grants administered by the City.

Budgeting Standards

The budgeting process of the City of Bay City generally conforms to the Governmental Accounting Standards Board (GASB): Principles of Budgeting, Budgetary Control, and Budgetary Reporting as published in the Governmental Accounting, Auditing and Financial Reporting (GAAFR). In addition, the budget document is believed to generally satisfy the evaluation criteria of the budget awards program of the Governmental Finance Officers Association.

Budget Policies as set forth in the City Charter

Fiscal Year

The fiscal year of the City of Bay City shall begin on the first day of October of each calendar year and shall end on the last day of September of each next following calendar year. Such fiscal year shall also constitute the budget and accounting year.

Preparation, Submission and Content of Budget

The City Manager shall submit to the Council a proposed budget, of which the budget shall provide a complete financial plan for the fiscal year, and shall contain the following:

1. A budget message outlining the proposed financial policies and priorities of the City for the fiscal year and the impact those policies will have on future years. The message shall explain any significant changes in financial policies, debt, and revenue as compared to the previous fiscal year, and factors affecting the ability to raise resources through issuance of debt and include such other issues as deemed desirable.
2. A consolidated statement of anticipated receipts and proposed expenditures for all funds, departments, and tax income
3. Parallel columns opposite each revenue and expenditure line item shall show:

- for prior fiscal year- amount budgeted and amount actually collected or spent;
 - for current fiscal year- amount budgeted, amount actually collected or spent by June 1st, and estimated deficit or excess; and
 - for next fiscal year- proposed budget amount
4. A summary estimate of deficits and excess funds for each department and the City as a whole for the current fiscal year.
 5. Bonds and Loans- An individual schedule of requirements for all bond issues and loans outstanding, showing rates of interest, date of issue, maturity date, amount authorized, amount issued or spent, principal paid and due, interest paid and due, and purpose for the bond or loans.
 6. Capital Improvements- Each capital improvement shall be a line item with parallel columns opposite showing:
 - for all past fiscal years appropriate- the amount budgeted, amount actually spent, source of funds (i.e. depreciation reserve, grant, bond, etc.), deficit or excess amount over budget;
 - for current fiscal year- amount budgeted, amount actually spent by June 1st, source of funds, and estimated deficit or excess;
 - for next fiscal year- amount to be budgeted, source of funds.
 7. General fund and special fund resources in detail.
 8. Property valuation analysis.
 9. Tax rate analysis.
 10. Tax levies and tax collections by year for the last five years.
 11. The proposed appropriation ordinance.
 12. The proposed tax levying ordinance.
 13. Objectives as established by Council.
 14. Goals to meet objectives of Council.
 15. Methods to measure milestones, outcomes, and performance related to the goals.

Anticipated Revenues and Proposed Expenditures Compared With Other Years

The City Manager, in preparation of the budget, shall show in parallel columns, opposite the various properly classified items of revenues and expenditures, the actual amount budgeted and collected or spent for prior fiscal year; the actual amount budgeted and collected or spent by June 1st of the current fiscal year, and estimated deficit or excess; and the proposed budget for next fiscal year.

Estimated Expenditures Shall Not Exceed Estimated Resources

Per Article 10.08 of the City Charter “The total estimated expenditures of the general fund, available utility fund, and debt service fund shall not exceed the total estimated resources (prospective income plus cash on hand). The classification of revenue and expenditure accounts shall conform as nearly as local conditions will permit to the uniform classification as promulgated by the American Institute of Certified Public Accountants or some other nationally accepted classification.

Budgetary Basis

Basis of accounting refers to the point in time at which revenues and expenditures are recognized in the accounts and reported in the financial statements. The budget of each City fund, with the subsequently noted exceptions, is prepared consistently with the basis of accounting used for that fund.

Budget Amendments

The City Charter, under Article 10.14(a) (Supplemental Appropriations) provides, “If during the fiscal year, the City Treasurer certifies that there are available for appropriation revenues in excess of those estimated in the budget, the Council, by Ordinance, may make supplemental appropriations for the fiscal year up to the amount of the excess”.

Basic Budgetary Units

The budget of the City of Bay City is both an annual operating budget and a capital budget. The operating budget contains current operations and services, current maintenance, debt service and is funded by funds currently available. Current expenses for capital outlay are included as expenditures.

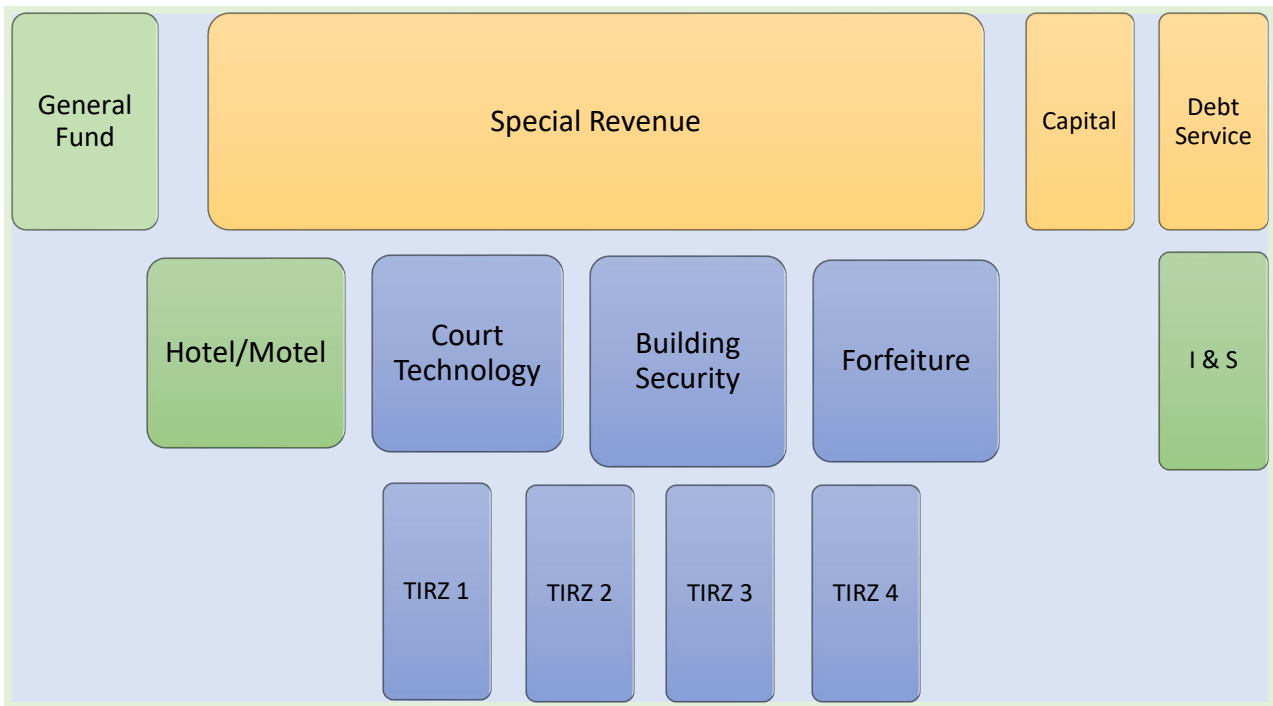
The organizational arrangement of the budget document is based upon the format reflecting the funds of the City, the departments associated with each fund, followed by revenue and expenditures.

Fund Structure

Governmental Funds

Governmental Funds are used to account for all or most of the City’s general activities. The **modified accrual basis of accounting** is used for governmental funds (general, special revenue, debt service and capital projects), expendable trust funds and agency funds. Revenues are recognized in the accounting period in which they become measurable and reliable as net current assets; that is, collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred.

Governmental Fund Structure – Modified Basis

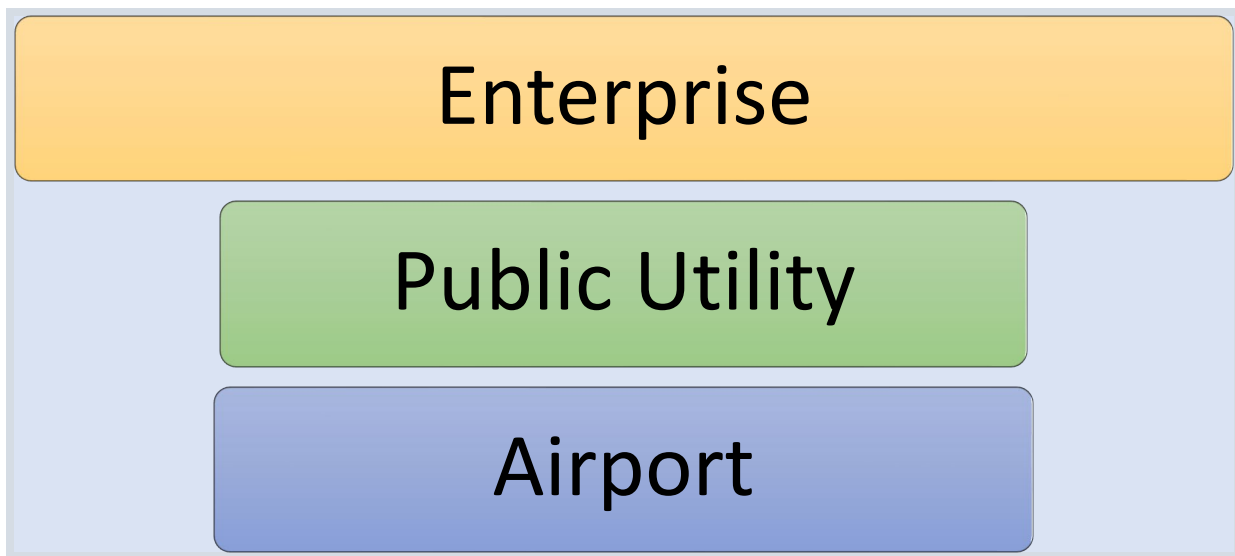


*Although the City has a number of funds shown above, only the General Fund, Hotel/Motel and Debt Service Fund(s) are appropriated for. All City funds are audited annually. General Fund and Debt Service are legally required.

Proprietary Funds

Proprietary funds are used to account for the operations and maintenance of City facilities and services. The ***accrual basis of accounting*** is used for proprietary funds (enterprise funds and internal service funds). Revenues are recognized in the accounting period in which they are earned, and expenses recognized in the period in which they are incurred. The City budgets to cover depreciation expenses. Capital leases, capital outlay and debt principal payments are budgeted as expenditures and then reclassified at year-end.

Proprietary Fund Structure – Accrual Basis



*All funds above are appropriated and audited annually.

Budget Ordinance

AN ORDINANCE ADOPTING AN OPERATING BUDGET FOR THE CITY OF BAY CITY, TEXAS FOR FISCAL YEAR 2024 AND ALL DESIGNATED, SPECIFIED, NOTED, AND INDICATED LEVIES, RATES, RESERVES, REVENUE PROVISIONS, AND PLANNED EXPENDITURE INHERENT, EXPRESSED AND INCLUDED THEREIN; PROVIDING FOR A CUMULATIVE CLAUSE: PROVIDING FOR SEVERABILITY: AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Bay City, Texas, is desirous of adopting an Operating Budget for the fiscal year of 2024 and

WHEREAS, the proposed Operating Budget was placed on file with the City Secretary on the 13th day of August 2023; and

WHEREAS, a public hearing on the Operating Budget for the City of Bay City for the fiscal year 2024 has heretofore been published in accordance with the law; and

WHEREAS, the required time has passed since the last public hearing as required by state law and the City of Bay City Home Rule Charter; and

WHEREAS, it is necessary, at this time that said budget is adopted.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BAY CITY THAT:

Section one. Operating Budget Approved. The Operating Budget for the fiscal year 2024 is hereby approved and adopted and does include:

- a) all designated, specified, noted, and indicated levies, rate, reserves, revenues provisions, and planned expenditures inherent, expressed, and included therein; and
- b) a contingent appropriation of 0.5 percent of the total budget to be used for unforeseen expenditures. Expenditures from this appropriation shall be made only with Council approval, and a detailed account of all expenditures shall be recorded and reported.

Section two. Cumulative and Conflicts. This Ordinance shall be cumulative of all provisions of ordinances of the City of Bay City, Texas, except where the provisions of the Ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed. Any and all previous versions of this Ordinance to the extent that they are in conflict herewith are repealed.

Section three. Severability. It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

Section four. City Council directs the Director of Finance to file the Operating Budget with the Municipal Clerk.

Section five. City Council directs the Director of Finance to ensure the Operating Budget, including the Cover Page, is posted on the City’s website.

Section six. Effective Date. This Ordinance shall become effective October 1, 2023.

PASSED AND APPROVED on this 26th day of September 2023.

Tax Rate Ordinance

AN ORDINANCE ADOPTING THE TAX RATE OF \$0.56995 PER \$100.00 OF ASSESSED VALUATION FOR THE CITY OF BAY CITY, TEXAS, FOR THE PURPOSE OF PAYING THE CURRENT EXPENSES OF THE CITY FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2024, LEVYING A MAINTENANCE AND OPERATIONS RATE OF \$.43453 AND FOR THE FURTHER PURPOSE OF CREATING A SINKING FUND TO RETIRE THE PRINCIPAL AND INTEREST OF THE BOND INDEBTEDNESS OF THE CITY LEVYING A DEBT SERVICE RATE OF \$.13542; PROVIDING FOR A LIEN ON ALL REAL AND PERSONAL PROPERTY TO SECURE PAYMENT OF TAXES DUE THEREON; PROVIDING A SERVERABILITY CLAUSE HEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of Bay City, Texas, has on this date, by way of separate Ordinance, duly approved, adopted an Operating Budget for the operation of the City for fiscal year 2024; and

WHEREAS, the aforesaid Ordinance anticipates and requires the levy of an *ad valorem* tax on taxable property in the City of Bay City; and

WHEREAS, the Chief Appraiser of Matagorda County Tax Appraisal District has prepared and certified the appraisal roll for the City of Bay City, Texas, that roll being that portion of the approved appraisal roll of the Bay City Tax Appraisal District which lists property taxable by the City of Bay City, Texas; and

WHEREAS, it is necessary to levy such an *ad valorem* tax at a given rate to generate revenues sufficient to meet the projected expenses of the City for fiscal year 2024; and

WHEREAS, the City has acknowledged that:

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

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 0.92 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$-46.22.

WHEREAS, the City has fully and timely complied with all notice and other requirements relative to the adoption of a tax rate for fiscal year 2024.

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

Section one. There is hereby levied for the fiscal year 2024 upon all real property situated within the corporate limits of the City of Bay City, Texas, and upon all personal property which is owned within the

corporate limits of the City of Bay City, Texas on January 1, 2023, except so much thereof as may be exempt by the Constitution or laws of the State of Texas, a total tax of \$0.56995 on each \$100 of assessed valuation on all taxable property, which total tax herein so levied shall consist and be comprised of the following components:

- a) An *ad valorem* tax rate of \$0.43543 on each \$100 of assessed valuation of all taxable property is hereby levied for general City purposes and to pay the current operating expenses of the City of Bay City, Texas, for the fiscal year ending September 30, 2024, which tax, when collected shall be appropriated to and for the credit of the General Fund of the City of Bay City, Texas.
- b) An *ad valorem* tax rate of \$0.13542 on each \$100 of assessed valuation of taxable property is hereby levied for the purpose of creating an Interest and Sinking Fund with which to pay the interest and principal of the valid bonded indebtedness, and related fees of the City of Bay City, now outstanding and such tax, when collected, shall be appropriated and deposited in and to the credit of the General Debt Service Fund of the City of Bay City, Texas, for fiscal year ending September 30, 2024.

Section two. The City of Bay City shall have lien on all taxable property located in the City of Bay City to secure the payments of taxes, penalty, and interest, and all costs of collection, assessed and levied hereby.

Section three. Taxes are payable in Bay City, Texas at the Office of the Tax Assessor/Collector of Matagorda County. The City shall have available all the rights and remedies provided by law for the enforcement of the collection of taxes levied under this Ordinance.

Section four. The tax roll presented to the City Council, together with any supplements thereto, are hereby accepted and approved.

Section five. A copy of the "Vote Results" sheet for this Ordinance, reflecting the record vote of the City Council on this Ordinance, shall be attached to this Ordinance by the City Secretary, and shall constitute a part of this Ordinance for all purposes.

Section six. Should any paragraph, sentence, provision, clause, phrase, or section of this Ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this Ordinance, as a whole or any part or provision thereof, other than the part or parts adjudged to be invalid, illegal, or unconstitutional.

Section seven. This ordinance shall be in full force and effect from and after its adoption by the City Council and publication of its caption as the law and the City Charter provide in such cases.

Section eight. All other ordinances and Code provisions in conflict herewith are hereby repealed, but only to the extent of any such conflict or inconsistency and all other provisions of the Bay City Code and ordinances not in conflict herewith shall remain in full force and effect.

Section nine. The repeal of any ordinance or parts thereof by the enactment of this Ordinance, shall not be construed as abandoning any action now pending under or by virtue of such ordinance; nor shall it have the effect of discontinuing, abating, modifying, or altering any penalty accruing or to accrue, nor as affecting any rights of the City under any section or provision of any ordinance at the time of passage of this Ordinance.

PASSED AND APPROVED on this 26th day of September 2023.



Budgetary & Financial Management Policies

The goal of formally adopting financial management and budgetary policies is to provide sound guidelines in planning the City's financial future. The adoption and adherence to these policies will help ensure long-term financial stability and a healthy financial position for the City of Bay City.

General Budgetary Policies

Budget Preparation

The City Budget shall be prepared in accordance with all applicable Charter requirements and State laws. The goal each year shall be to present the Proposed Budget to Council no later than six weeks prior to the end of the fiscal year and for the final approval of the Budget to be ready for Council action no later than two weeks before the end of the fiscal year. The Budget shall be comprehensive in nature and address all major funds of the City.

Government Finance Officer Association Distinguished Budget Program

The goal this year and each year following will be for the City's Budget to conform to the requirements of the Distinguished Budget Program of the G.F.O.A. and be submitted thereto for peer review.

Balanced Budget

It shall be a requirement each year for the budget of each fund to be balanced. This means that total resources available, including prior year-ending resources plus projected revenues, shall be equal to or greater than the projected expenditures for the coming year. In a case where a deficit fund balance does occur, the goal shall be to limit deficits to only those amounts representing one-time capital expenditures and/or to adjust revenues and/or expenses so that the deficit is eliminated in no more than two budget years.

Public Hearings, Availability of Budget to Public

Upon completion of the Proposed Budget to Council, the City holds public hearings in August and September. A copy of the Proposed Budget is made available in the City Secretary's Office, the Bay City Library, and on the City's website. These hearings provide the Citizens of Bay City a chance to ask questions as well as an opportunity for Council to hear any recommendations before final approval of the budget.

Cost Center Accounting and Budgeting

It shall be the policy of the City to allocate cost, and budget accordingly, to the various funds to the extent practical. This includes such items as utility costs, fuel costs, vehicle lease charges, overhead manpower and insurance fees.

Bond Ratings

It shall be the City's long-term goal to improve its bond ratings for general obligation bonds and revenue bonds. The City's policy shall be to manage its budget and financial affairs in such a way so as to promote enhancement of its bond ratings. This financial management includes the following:

- *Develop and maintain a multi-year operating budget*
- *Develop and maintain a multi-year capital improvements plan*
- *Implement financial procedures to quickly identify financial problems & limit budget shortfalls*
- *Review projected revenue methodologies annually*
- *Review method of determining appropriate cash reserve levels annually*

Administrative Overhead Fee to Enterprise Funds

It shall be the budgetary policy of each enterprise fund to pay to the General Fund an amount as set by the Budget each year. This charge shall be set as a percent of fund revenues and shall be construed as a payment for general administrative overhead, including management, accounting, legal, and personnel services. From an accounting perspective, such fee shall be treated as a fund operating transfer.

Budget Projections for Revenues and Expenditures

Most individual budget projections are a collaborative effort between the Division Heads, the Director of Finance, and the City Manager. The Director of Finance will note the methodology for estimating each major revenue or expense item budgeted; taking into consideration the insight of the respective Division Head. Revenue and expense estimates are always to be conservative so as to reduce any potential for budget shortfalls.

Maintenance of Plant and Equipment

The operating budget will provide for the adequate maintenance and replacement of the capital plant, building, infrastructure, and equipment. Deferral of such costs on a long-term continued basis will not be an acceptable policy to use in balancing the budget.

Financial Management Policies

Fund Balance Policy

Purpose

The purpose of this policy is to establish a key element of the financial stability of the City of Bay City by setting guidelines for fund balance in accordance with Governmental Accounting Standards Board (GASB) Statement No. 54. Unassigned fund balance is an important measure of economic stability, and it is essential that the City maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and other similar circumstances. This policy will ensure the City maintains adequate fund balances in the operating fund with the capacity to:

1. Provide sufficient cash flow for daily financial needs,
2. Secure and maintain investment grade bond ratings,
3. Offset significant economic downturns or revenue shortfalls, and
4. Provide funds for unforeseen expenditures related to emergencies.

Definitions

Fund Equity – A fund's equity is generally the difference between its assets and its liabilities.

Fund Balance – The fund equity of a governmental fund for which an accounting distinction is made between the portions that are spendable and nonspendable.

Fund Balance reporting in governmental funds: Fund balance will be reported in governmental funds under the following categories using the *definitions* provided by GASB Statement No. 54:

- 1) **Nonspendable fund balance** – includes the portion of net resources that cannot be spent because of their form (i.e. inventory, long-term loans, or prepaids) or because they must remain in-tact such as the principal of an endowment.
- 2) **Restricted fund balance** – includes the portion of net resources on which limitations are imposed by creditors, grantors, contributors, or by laws or regulations of other governments (i.e. externally imposed limitations). Amounts can be spent only for the specific purposes stipulated by external resource providers or as allowed by law through constitutional provisions or enabling legislation. Examples include impact fees, grants, and debt covenants.

- 3) **Committed fund balance** – includes the portion of net resources upon which the Council has imposed limitations on use. Amounts that can be used only for the specific purposes determined by a *formal action* of the council. Commitments may be changed or lifted only by the Council taking the same *formal action* that originally imposed the constraint. The formal action must be approved before the end of the fiscal year in which the commitment will be reflected on the financial statements. An example would be committing hotel/motel tax funds for future consideration of a reconstruction project. (i.e. Visitor' Center)
- 4) **Assigned fund balance** – includes the portion of net resources for which an *intended use* has been established by the City Council or the City Official authorized to do so by the City Council. Assignments of fund balance are much less formal than commitments and do not require formal action for their imposition or removal. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed which indicates that resources are, at a minimum, intended to be used for the purpose of that fund. An example would be encumbrances (i.e. Purchase Orders) for purchase of goods and/or supplies and/or construction services.

Authority to Assign - The City Council delegates the responsibility to assign funds to the City Manager or their designee to be used for specific purposes. City Council shall have the authority to assign any amount of funds to be used for specific purposes. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund. The assignments may occur subsequent to fiscal year-end.

- 5) **Unassigned fund balance** – includes the amounts in the general fund in excess of what can properly be classified in one of the other four categories of fund balance. It is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

Minimum Unassigned Fund Balance

General Fund - Being a City on the Gulf Coast, it shall be the goal of the City to maintain a fund balance in the General Fund equal to 120 days of the operating expenditures and a policy to maintain a **unassigned** fund balance of no less than 90 days of operating expenditures and outgoing transfers as to provide operating liquidity and contingency funding for non-specific unscheduled expenditures such as natural disasters or major unexpected expenditures. In the event that the unassigned fund balance is calculated to be less than the policy stipulates, the City shall plan to adjust budget resources in subsequent fiscal years to restore the balance.

Hotel/Motel Tax Fund – Since the City’s Convention Center qualifies for use of Hotel/Tax, it shall be the goal of the City to maintain a fund balance in the Hotel/Motel Fund to support the annual cost for repairs and maintenance of the Civic Center. The proper level of this unassigned fund balance will be based on the most recent three-year average cost of building maintenance plus the most recent insurance payment for the Civic Center or \$50,000 whichever is greater.

Committed Fund Balances

Fixed or Capital Asset Replacement- The City Council commits an additional portion of the General Fund Reserve for fixed asset replacement related to machinery and equipment. On an annual basis, the City strives to commit dollars equal to one year’s depreciation expense of machinery and equipment for assets on record as of the previous fiscal year end. The balance at year end in this account will be the committed fund balance.

Replenishment of Minimum Fund Balance Reserves

If unassigned fund balance unintentionally falls below 90 days or if it is anticipated that at the completion of any fiscal year the projected unassigned fund balance will be less than the minimum requirement, the City Manager shall prepare and submit a plan to restore the minimum required level as soon as economic conditions allow. The plan shall detail the steps necessary for the replenishment of fund balance as well as an estimated timeline for achieving such.

These steps may include, but are not limited to, identifying new, nonrecurring, or alternative sources of revenue; increasing existing revenues, charges and/or fees; use of year end surpluses; and/or enacting cost saving measures such as holding capital purchases, reducing departmental operating budgets, freezing vacant positions, and/or reducing the workforce. The replenishment of fund balance to the minimum level shall be accomplished within a three to four-year period. If restoration of the reserve cannot be accomplished within such a period without severe hardship to the City of Bay City, then the Council shall establish an extended timeline for attaining the minimum balance.

Order of Expenditure of Funds

When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the Council, and unassigned fund balance), the Council will first spend the most restricted funds before moving down to the next most restrictive category with available funds.

Appropriation of Unassigned Fund Balance

Appropriation from the minimum unassigned fund balance shall require the approval of the City Council and shall be utilized only for one-time expenditures, such as capital purchases, and not

for ongoing operating expenditures unless a viable revenue plan designed to sustain the expenditure is simultaneously adopted.

The Council may appropriate unassigned fund balances for emergency purposes, as deemed necessary, even if such use decreases the fund balance below the established minimum.

Monitoring and Reporting

The Director of Finance shall be responsible for monitoring and reporting the City's reserve balances. The City Manager is directed to make recommendations to the Council on the use of reserve funds both as an element of the annual operating budget submission and from time to time throughout the fiscal year as needs may arise.

Compliance with the provisions of the policy shall be reviewed as a part of the annual operating budget adoption process and subsequent review will be included in the annual audit and financial statement preparation procedures.

Fund Balance Policy for Component Units

Each Component Unit (i.e. Bay City Community Development, Bay City Gas Company) shall create a fund balance/reserve policy that shall be approved by the City Council.

Revenue Management Policy

The City strives for the following optimum characteristics in its revenue system:

- ***Simplicity and Certainty.*** The City shall strive to keep the revenue classification system simple to promote understanding of the revenue sources. The City shall describe its revenue sources and enact consistent collection policies to provide assurances that the revenue is collected according to budgets and plans.
- ***Equity.*** The City shall make every effort to maintain equity in its revenue system structure. The City shall minimize all forms of subsidization between entities, funds, services, utilities, and customers.
- ***Realistic and Conservative Estimates.*** Revenues are to be estimated realistically. Revenues of volatile nature shall be budgeted conservatively.
- ***Centralized Reporting.*** Receipts will be submitted daily to the Finance Department for deposit and investment. Daily transaction reports and supporting documentation will be prepared.
- ***Review of Fees and Charges.*** The City shall review all fees and charges annually in order to match fees and charges with the cost of providing that service.

- Aggressive Collection Policy.** The City shall follow an aggressive policy of collecting revenues. Utility services will be discontinued (i.e. turned off) for non-payment in accordance with established policies and ordinances. The Matagorda County Tax Office is responsible for delinquent tax collection, through the central collection agency, shall be encouraged to collect delinquent property taxes using an established tax suit policy and sale of real and personal property to satisfy non-payment of property taxes. A warrant officer in the Police Division will aggressively pursue outstanding warrants, and the Court will use a collection agency to pursue delinquent fines.

Use of Fund Balance and Non-Recurring Revenues

The City will use non-recurring revenues and excess fund balance for capital expenditures or for non-recurring expenditures. These non-recurring revenues will not be used to fund recurring type maintenance and operating costs. *For example, the City receives annual contributions from the City's two component units- the Bay City Gas Company and the Bay City Community Development Corporation. These appropriations are treated as non-recurring in the sense that they are committed for capital expenditures (i.e. park amenities and/or street projects).*

Property Tax Revenue

All real and business personal property located within the City shall be valued at 100% of the fair market value based on the appraisal supplied by the Matagorda County Appraisal District. Reappraisal and reassessment is provided by the Appraisal District. A ninety-eight percent (98%) collection rate shall serve each year as a goal for tax collections and the budgeted revenue projection shall be based in average collection rate calculated by the Matagorda County Appraisal District. Property tax rates shall be maintained at a rate adequate to fund an acceptable service level. Based upon taxable values, rates will be adjusted to fund this service level. Collection services shall be contracted out with a collection agency, currently the Matagorda County Tax Office.

Interest Income

Interest earned from investment of available monies, whether pooled or not, shall be distributed to the funds in accordance with the equity balance of the fund from which monies were invested.

User Based Fees and Service Charges

For services associated with a user fee or charge, the direct and indirect costs of that service shall be offset wholly or partially by a fee where possible. There shall be an annual review of fees and charges to ensure that the fees provide adequate coverage of costs of services.

Water and Wastewater Rates and other fees for Services

Water and wastewater shall be set to generate revenues required to cover operating expenditures, meet the legal requirements of applicable bond covenants, and provide for an adequate level of working capital. It is the goal of the City that the Water and Wastewater Fund, and other enterprise funds, not be subsidized by property tax revenue.

Intergovernmental Revenues/Grants/Special Revenues

Grant revenues and other special revenues shall be spent for the purpose(s) intended. The City shall review grant match requirements and include in the budget all grant revenues and expenditures.

Collection of Charges

The City will follow a policy of collecting, on a timely basis, all fees, charges, taxes and other revenues properly due to the City. The City will follow an aggressive policy of collecting all delinquencies due to the City.

Revenue Monitoring

Revenues actually received are to be regularly compared to budgeted revenues (at least monthly) with a formal report to City Council at least quarterly. If revenue estimates are down, the Director of Finance shall recommend to Council a corrective action to minimize the impact on the budget at the next available Council Meeting.

Expenditure Control Policy

Appropriations

The responsibility for budgetary control lies with the Department Head. Department Heads may not approve expenditures that exceed monies available at the departmental budget level excluding personnel and capital expenditures. Capital expenditures are approved by the City Council on a per project basis normally during the annual budget process.

Amendments to the Budget

In accordance with the City Charter, under Article 10.14 (Budget Amendments after Adoption) provides, that if, during the fiscal year, the City Treasurer certifies that there are available for appropriation revenues in excess of those estimated in budget, the Council, by ordinance, may make supplemental appropriations for the fiscal year up to the amount of the excess.

Central Control

Unspent funds in salary and capital allocation object codes may not be spent for any purpose other than their specifically intended purpose without prior authorization of City Manager.

City Manager's Authority to Amend the Budget

The City Manager is authorized to transfer budgeted amounts within and among departments; however any revisions that alter the total expenditures/expenses must be approved by the City Council.

Purchasing

All purchases shall be made in accordance with the Purchasing Policies approved by the City Council.

Prompt Payment

All invoices approved for payment by the proper City authorities shall be paid by the Finance Department within thirty (30) calendar days of receipt, in accordance with the provisions of state law. Proper procedures shall be established that enables the City to take advantage of all purchase discounts, except in the instance where payments can be reasonably and legally delayed in order to maximize the City's investable cash.

Long-Term Debt Policy

Revenue Bond Debt Service Account

It shall be the policy of the City to always be in strict compliance with the requirements of the ordinance that created the Revenue Bond Debt Service Fund. Monthly transfers are to be made to this account each year in accordance with the bond debt service payment schedule. The balance in the account must be adequate to cover semi-annual payments as they become due.

General Obligation Bond Debt Service Account

It shall be the policy of the City to always be in strict compliance with the requirements of the ordinance that created the General Obligation Bond Interest and Sinking Fund Account. Taxes, as applicable shall be distributed to this account monthly as received. Utility Revenues transferred to the Interest and Sinking Fund Account shall occur, as needed prior to the semi-annual payment dates. The balance in the account must be adequate to cover semi-annual payments as they become due.

Capital Improvement Plan (CIP)

The City will develop a multi-year plan to present to Council each year for approval. The City will provide a list of proposed capital improvements, funding recommendations, and prospective timing of projects. CIP projects shall be for equipment over \$10,000, infrastructure over \$50,000 and facilities over \$25,000. Any maintenance and operational cost shall be disclosed that could impact future operating budgets.

Debt Policy Guidelines

- The City will limit long-term debt to only those capital projects that cannot be financed from current revenues.
- The City will not use long-term debt to finance recurring maintenance and operating costs.
- The City will not issue long-term debt for a period longer than the estimated useful life of the capital project.
- Decisions will be made based on long term goals rather than a short- term fix.

- Debt Service Funds will be managed and invested according to all federal, state, and local laws
- Coverage Ratios of Revenue Bonds will always be in compliance with the minimum coverage ratio required by the revenue bond ordinances. It shall be the goal of the City to achieve a budgeted coverage ratio of 1.60.

Other Fund Use Information

Governmental Funds

Most government functions are financed through governmental funds. The acquisition, use, and balances of the City's expendable resources and related current liabilities are accounted for through governmental funds. Long-term liabilities and fixed assets are not accounted for through governmental funds.

Proprietary Funds

These funds listed below are used to account for the ongoing activities of the City that are similar to those found in the private sector. These funds are financed through user charges to recover costs of services provided. Proprietary funds use accrual accounting, which means revenues are recognized when they are earned by the City and expenses are recognized when they are incurred. Enterprise funds are considered proprietary funds and are used to account for operations for the City's Public Utility Fund and Airport Fund.

Working Capital Position- the goal shall be to maintain a working capital position equal to 120 days of the operating budget and a policy to maintain a working capital position no less than 90 days of the operating budget.

Public Utility Fund

It shall be the general policy of the City to commit a portion of the reserve for fixed asset replacement as it strives to budget for revenue to cover depreciation.

Airport Fund

It will be the general policy of the City that the fees collected will be spent on maintenance of the facilities grounds, and other structures. The goal shall be to reduce the reliance of the general fund tax dollars for this purpose.

Implementation and Review

Upon adoption of this policy the City Council authorizes the City Manager to establish any standards and procedures which may be necessary for its implementation. The Director of Finance shall review this policy at least annually and make recommendations for changes to the Mayor and City Council.



Investment Policy Summary

I. POLICY STATEMENT

It is the policy of the City that the administration of its funds and the investment of those funds shall be handled as its highest public trust. Investments shall be made in a manner which will provide the maximum security of principal invested through limitations and diversification while meeting the daily cash flow needs of the City and conforming to all applicable state statutes governing the investment of public funds.

II. SCOPE

This investment policy applies to all the financial assets and funds of the City. The City commingles its funds into one pooled investment fund for investment purposes to provide efficiency and maximum investment opportunity. These funds are defined in the City's Annual Comprehensive Financial Report (ACFR).

Any new funds created by the City shall be included unless specifically exempted by the City Council and this policy.

III. OBJECTIVES

It is the policy of the City that all funds shall be managed and invested with four primary objectives, listed in order of their priority: safety, liquidity, diversification, and yield.



Ordinance of the City of Bay City, Texas
No. 1436

FIXED ASSETS CAPITALIZATION POLICY

- 1) Purpose: The purpose of this policy is to provide definitions and procedures for recording and accounting for the various types of fixed assets of the City of Bay City, Texas (the City), in accordance with generally accepted accounting principles, as applied to governmental entities.
- 2) Definition: A fixed asset is defined as tangible or intangible assets of significant value having a useful life of more than three years and costs more than \$10,000, except as otherwise provided herein.
- 3) The items meeting the following criteria are considered fixed assets:
 - a) Land – includes all land parcels purchased donated, or otherwise acquired for building sites, parks, etc. All land should be capitalized without regard to its size or value.
 - b) Buildings – includes all City-owned buildings (or structures which serve as buildings, such as permanently established trailers) exceeding \$10,000 in original cost. Permanently attached fixtures installed during construction are considered a part of the building. Subsequent addition of equipment will be recorded as machinery and equipment. Major improvements are capitalized as a part of the original structure. All additions to existing structures exceeding \$10,000 in original cost shall also be capitalized as a part of the original structure.
 - c) Improvements Other than Buildings – includes improvements exceeding \$10,000 such as park facilities, parking lots and infrastructure assets. (Infrastructure assets include streets, roads, sidewalks, bridges, underground structures, and piping, etc.) Improvements Other Than Buildings are generally not individually identifiable as specific assets. As a result, the cost of these assets are generally grouped in general categories.
 - d) Machinery & Equipment – includes all motor vehicles, trailers, and construction and maintenance equipment where the unit cost exceeds \$10,000.

- e) Office Machinery & Equipment – includes all office equipment and machinery, including computers, computer software, typewriters, telephones, etc., where the unit cost exceeds \$10,000.
 - f) Furniture & Fixtures – includes all office furniture and fixtures such as desks, tables, file cabinets, chairs, where the cost exceeds \$10,000.
 - g) Construction Work-in-Progress – includes all partially completed projects, except roads and bridges. Upon completion, these assets are transferred to one of the above classifications.
- 4) The following costs associated in determining the total acquisition of a fixed asset are to be capitalized, i.e., added to the cost of the asset:
- a) Purchase cost before trade-in allowances and less discounts; or a qualified appraisal of the value at the time of acquisition if the asset is donated.
 - b) Professional fees of attorneys, architects, engineers, appraisers, surveyors, etc.
 - c) Site preparation costs such as clearing, leveling, filling, and demolition of unwanted structures.
 - d) Fixtures attached to a building or other structure.
 - e) Transportation, installation and training costs.
 - f) Any other expenditure required to put the asset into its intended state of use.
 - g) The acquisition cost of any asset shall be reduced by receipts for the sale or reimbursements of salvage materials or work initially charged to the cost of acquisition or construction.
 - h) For assets for which no records of acquisition exist, the Finance Director and Department Head shall ascertain the original cost of the asset using accepted accounting methods.
- 5) The following guidelines with respect to the treatment of costs that are incurred subsequent to the acquisition or construction of an asset are as follows:
- a) Maintenance – expenditures that neither materially add to the value of an asset nor appreciably prolong its life. Maintenance costs keep an asset in an ordinary, efficient operating condition. As a result, maintenance costs should not be capitalized.
 - b) Replacements – replacing an existing asset with an improved or superior unit or component part, usually resulting in a more productive, efficient, or longer useful life.

Replacement of an existing unit or component part thereof, by another of like quality is not generally considered a replacement of the asset for accounting purposes. Only when the value of the original asset is increased, or the useful life is significantly prolonged, should the new value or replacement cost be capitalized.

- c) Additions – new and separate assets, or extensions of existing assets. The cost of significant additions to assets should be capitalized and added to the value of the existing asset(s).
 - d) Alterations – changes in the physical structure of an asset which neither materially adds to the value of the asset nor prolongs its expected life. As such, alterations should not be capitalized.
- 6) Accounting for Assets; Annual physical inventory required.
- a) All fixed assets in excess of the established minimums shall be capitalized.
 - b) Property inventory records will be maintained by the Finance Department.
 - c) Each Department Head shall be accountable for all assets assigned to their department, and knowledgeable at all times of the physical location of all assets issued to the department.
 - d) Upon receipt of an asset, the department receiving the asset shall notify the Finance Department. The Finance Department will be responsible for tagging the asset and assigning an asset number.
 - e) Transfer of assets between departments shall be initiated by completion of a “Fixed Asset Transfer” form. The form shall be forwarded to the Finance Department for recording purposes.
 - f) Disposal of assets shall be processed by completing a “Fixed Asset Disposal” form. The form shall also be forwarded to the Finance Department for recording purposes. Disposal of an asset shall be necessary when the asset is either sold or is no longer in service.
 - g) Physical inventories of assets shall be conducted annually by each department and submitted to the Finance Department.
- 7) Depreciation.
- a) General Fixed Assets. General fixed assets are those assets purchased or in use by all funds other than proprietary and trust funds. Depreciation shall be recorded for general

fixed assets. For purposes of depreciation, no salvage values shall be estimated, and the method of depreciation shall be designated as the straight-line method. Depreciation shall begin on the date the asset is placed in service.

- b) Proprietary and Trust Funds. Depreciation shall be recorded in all proprietary and trust funds (if applicable). For purposes of depreciation, no salvage values shall be estimated, and the method of depreciation shall be designated as the straight-line method. Depreciation shall begin on the date the asset is placed in service. The following is a representative list of estimated lives for depreciation purposes:
 - i) Infrastructure (mains, services, improvements) – 40 years
 - ii) Buildings – 40 years
 - iii) Furniture and fixtures – 5 to 15 years
 - iv) Motor vehicles – 4 to 10 years
 - v) Heavy machinery and equipment – 10 to 20 years
 - vi) Light and medium mobile equipment – 7 to 15 years
 - vii) Office and other equipment – 5 to 10 years
 - viii) Computer hardware and software – 5 to 10 years

All of the above useful lives are dependent upon the actual use of the asset. Some assets may be used more frequently than others, and would require a shorter useful life for depreciation purposes.

Lease, Sale or Disposal of City Property:

- 1) Purpose: This policy shall be established with regard to lease, sale or disposal of personal property owned by the City.
- 2) Non-applicability: This policy shall not apply to the following:
 - a) The lease, sale or disposal of property obtained from grants or other sources, whereby the procedures for lease, sale or disposal of such property are determined by other policies, or are prescribed by separate contract or agreement;
 - b) Temporary lease or rental of City facilities or real property, such as the Civic Center;
 - c) Property to be leased, sold or disposed under laws of the State of Texas or the United States of America. In such instances, the policies, rules or laws of the appropriate agency or organization governing the lease, sale or disposal of property shall apply; or
 - d) Property valued at \$1,000 or more not sold at a public auction, or any lease or sale of City-owned real property for any amount. Sale or lease of such property shall be authorized only by the City Council.

- 3) Definitions:
 - a) Property – shall refer to assets, supplies, or any other tangible item or property, other than real property, owned by the City, or in its legal possession.
- 4) Lease of Property:
 - a) Property may be leased by the City, provided the City executes a lease agreement which has been approved by the City Council and the City Attorney.
 - b) Proceeds or revenue from the lease of City property may be used to offset any expenses for maintenance and other related costs of the property being leased and shall be credited to the appropriate fund or account, as determined by the Finance Director, or his designee.
- 5) Sale or Disposal of Personal Property:
 - a) Annual Sale (Public Auction). Annually, each department of the City shall submit to the City Manager and Finance Director a detailed listing of the property for sale or disposal. The City Manager and Finance Director shall review the lists and make a recommendation to City Council of the items to be sold or disposed. A public auction shall be the primary means of disposal or sale of property.
 - i) The City Manager or Finance Director shall submit the list of items or property for sale or disposal to the City Council for approval. Upon approval by the City Council, the items or property may, be advertised for sale at a public auction or may be declared as surplus property and donated in accordance with all federal, state and local laws.
 - ii) Subsequent to the authorization by the City Council, the City Secretary shall provide public notice of the sale. The notice shall be published in a local newspaper of general circulation at least one (1) time, and at least seven (7) days prior to the date set for such public sale. Sale or disposal of property obtained from grants or other sources shall follow established notice requirements in accordance with the State of Texas or Federal statutes.
 - iii) The annual auction shall be conducted by a legal agent of the City (an auction firm), or by acceptance of sealed bids by the City Manager. In order for an agent to be used by the City, the City Council must select a firm based upon competitive proposals. For sealed public auctions, the type and method of receipt of sealed bids shall be determined by the City Manager.

- b) **As-Needed Sale.** At other times during the year, a department may request sale or disposal of an item or items without the use of a public auction. An as-needed sale may be necessary in the event that (1) damage or significant deterioration of the item(s) or property would result from a delay in disposal; (2) where no proper storage area for the item(s) or property is available; or (3) where the value of the property would be significantly reduced as a result of a delay in disposal. The City Manager shall review all requests for as-needed sales, and make a final determination authorizing the sale or disposition.
 - i) The City Manager, or authorized agent of the City, shall be authorized to sell such property to the highest and most responsible bidder. Only sealed bids will be accepted, except where other types of bids may be recognized during a public auction.
 - ii) Prior to an as-needed sale, the City Secretary shall publish a notice of the City’s interest to sell property in accordance with Section (4)(a)(ii) above.
 - iii) The City shall reserve the right to reject any and all sealed bids. In the event no bid is received or bid(s) are not responsible bids, the City Manager is authorized to dispose of the property in the most economical means possible, up to and including the sale or disposal for scrap material. In the event of a tie bid, where two or more sealed bids are identical, the first bid submitted shall be awarded.
 - iv) City employees or officials may bid on items to be sold, or disposed, provided that the method for submitting a bid is the same as the bidding method used for receipt of all other bids. No preferential treatment of bidding procedures shall be permitted for an employee or official of the City.
 - c) The sale and lease of land and certain personal property shall be done in accordance with Local Government Code Chapter 272.
- b. **Expenses and Proceeds of Sale or Disposal:**
- a) Expenses related to the sale or disposal of property, such as advertising and bidding supplies, shall be charged against proceeds of the sale. If proceeds of the sale are not sufficient to cover the expenses of the sale, the Finance Director shall allocate any remaining expenses of the sale according to departmental budgetary allocations.
 - b) Proceeds of sale or disposal of property not otherwise designated or reserved by contract or other agreement shall be deposited into the appropriate account or fund from which the item was originally purchased or used for other purposes as may be designated by the City Council.



**Resolution of the City of Bay City, Texas
No. R-2023-016**

**A RESOLUTION ADOPTING A FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM (CIP) IN
COMPLIANCE WITH THE CITY CHARTER**

WHEREAS the City Charter requires the City Manager to submit a plan for capital improvement covering the succeeding five years and proposed method of financing to the City Council prior to the beginning of each budget year; and,

WHEREAS the City Manager submitted a Five-Year Capital Program to the City Council on July 20, 2023 in compliance with the City Charter and,

WHEREAS the City Council has reviewed the Five-Year Capital Program, found it to be in compliance with all City Charter and believes its approval by resolution is in the best interest of Bay City residents.

**NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BAY CITY,
TEXAS:**

THAT the Five-Year Capital Program (October 1, 2023 – September 30, 2028), a copy of which is attached hereto and incorporated in the Fiscal Year Budget 2024, is hereby adopted in compliance with the City of Bay City Home Rule Charter.

PASSED and APPROVED this 26th day of September 2023.

Compensation and Staffing Plan

The City is working to maintain a competitive compensation and staffing plan which will include schedules that need to be updated by the Council annually to keep the policy current. This document will outline some of the proposals to the plan.

2024 Business Plans (Objectives)

- Phase in additional certification pay
- Implement Merit and Cost of Living Adjustment (COLA) policy
- Create implementation plan for City-wide longevity
- Increase/broaden recruitment strategies
- Implement City-wide intranet

2023 Accomplishments of Prior Year Business Plans

- ✓ Streamlined a portion of the new hire process by creating online form completion
- ✓ Updated the salary scale after going to market and applied the findings
- ✓ Partially phased-in identified compression
- ✓ Completed partial phase-in of certification pay for additional City departments
- ✓ Moved to direct deposit for all employees and paperless direct deposit confirmation

Salary Increase (City Council Annual Approval)

City Council approved a compensation pool of approximately 2.0%. Beginning April 1, the City will provide merit pay as part of the employee's annual performance evaluation.

Approved Positions for FY 2024 (City Council Annual Approval)

The City Council approves the number of part-time and full-time positions annually. The purpose of this schedule is to designate how many positions are authorized. The information about each department is included in the Staffing Levels Table. City Secretary increased one full-time position (PIO/Deputy City Secretary), Streets decreased by 1 full-time position (Construction Inspector), Airport increased by 1 part-time position (Grounds Maintenance), and Code increased by 1 part-time position (Grounds Maintenance). Both maintenance positions were offset in costs by reducing mowing contracts. **The City increased overall staffing levels by 1 position.**

Approved by Council for 2024 Budget

- **Amount of Salary (Merit) Increase Allocated- \$159,000 (2% of total salaries)**
- **Cost of Living Adjustment (COLA)- \$313,000 (3% of total salaries)**
- **Number of Positions (162.5)**

APPENDIX

Occupational Department	No. Of Positions FY 2021	No. Of Positions FY 2022	No. Of Positions FY 2023	No. Of Positions FY 2024
*Administration	8	8	8	8
*City Secretary	1	1.5	1	2
Human Resources	2	2	2	2
*Municipal Court	6	6	6	7
Finance	4	4	4	4
Code Enforcement	3	4.5	4.5	5
Police	55	58	58	57
Fire	1	0	0	0
Animal Impound	3	3	3	3
Streets	15	16	16	15
Recycling Center	3.5	3.5	3.5	3.5
*Parks	12	12	12	12
*Riverside Park	3	3	3	3
*Recreation	3	3	3	3
*Pools	21	21	21	15
Library	7.5	7.5	7.5	8
Tourism	1	1	1	1
Utility Billing	3	4	4	6
Utility Maintenance	15	13	13	10
Waste Water (WWTP)	7	7	7	7
Utility Operations	5	5	5	6
*Airport	4	4.5	4.5	4
Information Technology	2	2	2	2
Equipment Maintenance	3	3	3	3
Facility Maintenance	5	5	5	5
Total Budgeted Positions	193	197.5	197	191.5
*Temporary /Appointed Positions	35.5	36	35.5	29
Total Full Time/Part Time	157.5	161.5	161.5	162.5
Temporary/Appointed by Dept.				
Council Members- Administration	6	6	6	6
Appointed-Judges- Municipal Court	2	2	2	2
Temporary Workers-Administrative	0	.5	0	0
Temporary Workers-Parks	2	2	2	2
Temporary Worker- Riverside	1	1	1	1
Temporary Workers-Recreation	3	3	3	3
Temporary Workers-Pools	20	20	20	14
Temporary Workers- Library	.5	.5	.5	1
Temporary Worker- Airport	1	1	1	0
Total Budgeted Positions	193	197.5	197	191.5

Component Unit: Bay City Community Development Corporation (BCCDC)

The Bay City Community Development Corporation (BCCDC) is a legally separate unit from the City and is governed by a board appointed by the Bay City City Council. The BCCDC was formed to oversee revenues and expenditures of a special one-fourth cents sales tax for economic development pursuant to the Development Corporation Act of 1979. This revenue collected from sales tax revenues is one of the most useful tools in helping to promote economic development throughout the community. For financial reporting purposes, the BCCDC is reported as a component unit.



Our Mission

The mission of Bay City Community Development Corporation is to retain and attract jobs, encourage investment, and enhance the quality of life for the citizens of Bay City.

Description of Our Services

The Bay City Development Corporation promotes Bay City and improves the quality of place through the seven goals outlined below. The CDC works with City and County officials, City staff, constituents, business and industry, and schools to improve the daily lives of our citizens. We strive to bring business to our area, promote our local diversity, and meet the needs of our industry and citizens.

Vision 2040

2024 Strategic Focus*

Infrastructure/Transportation

Bay City residents enjoy new community infrastructure and enhancements to the transportation network and systems.

- ❖ Infrastructure improvements

Community & Economic Development

Bay City is known for encouraging economic development opportunities, creating a business development program that is responsive to existing business needs, and actively promoting tourism.

- ❖ Housing
 - Single Family Sub-Division
- ❖ Downtown Revitalization/Historic Preservation
 - North Downtown Plan
 - Business Recruitment in unoccupied spaces
- ❖ Land Use
 - Planning Commission
 - Incorporate in TIRZ process for future development
- ❖ Improve educational opportunities for citizens and students, including skills training and higher education

BCCDC Goals:

- ❖ Encourage cooperation amongst county/city entities to further the best interests of Bay City and its residents regarding new business
- ❖ Continue to invest in the beautification of Bay City through new and existing programs, focusing on the public image and attitude of Bay City residents and visitors
- ❖ Expand continuing education and higher education courses to increase the diversity of degree plans offered in the area that complement the current and future workforce and business community.
- ❖ Continue efforts and secure single-family resident subdivision(s) to increase worker retention and direct efforts towards multifamily housing opportunities.
- ❖ Provide assistance and partner with local, state, and federal governments towards improving infrastructure in Bay City/Matagorda County
- ❖ Continue to address the vacant buildings and dilapidated structures that are not in line with the beautification of Bay City through partnership, ordinance, and enforcement.
Strive to improve constituent knowledge of economic and community development and the benefits of being an informed citizen

FY 2024 Business Plans (Objectives)

- Build coalitions of small business owners to provide resources for development and BRE programs
- Continue to work with local officials in supporting community development projects
- Refine the incentive package from BCCDC/City/Other entities for housing developers
- Develop programs that unite the business community with the school system
- Successfully recruit and assist a housing developer to create a residential subdivision
- Expand Wharton County Junior College Campus classes in Bay City
- Continue both the Business Retention and Expansion Façade Grant and the Business Resiliency Program
- Partner with other entities in the City of Bay City to educate potential work force
- Begin work on regional detention
- Continue to partner with the City of Bay City for Nile Valley Road construction, the MCEDC for industrial recruitment, and any other entity that behooves moving our goals forward.
- Begin new speaker project for downtown square
- Increase CamoFest funds through sponsorship and higher attendance to event
- Continue partnership with City of Bay City Public Works department on downtown beautification efforts
- Work with Code Enforcement on Vacant Building Ordinance and assist with enforcement
- Create Special Event ordinance for all downtown events

FY 2023 Accomplishments of Prior Year Business Plans

- ✓ Developed BCISD entrepreneur program
- ✓ Funded the Virtual Library Resource Center
- ✓ Recruited 3 new subdivisions average of 600 homes total
- ✓ Continued to fund a significant portion of Nile Valley 1 Phase 1 to increase economic development in the area
- ✓ Awarded approximately \$75,000 to Business Retention and Expansion Grant funds to existing businesses and new businesses
- ✓ Partnered with the City of Bay City and Main Street Programs to award \$50,000 worth of grants to new and existing businesses targeting website development
- ✓ Represented BCCDC on a state and federal level by attending state and national conventions, and the Economic Development Institute
- ✓ Organized and updated Bay City's profile for retail recruitment
- ✓ Assisted the City in identifying and acquiring land for their next wastewater system
- ✓ Partnered with the Matagorda County Economic Development Corporation routinely to assist with the recruitment of economic impact projects
- ✓ Oversaw the management of the Main Street Project and staff
- ✓ Entered development stage for a regional economic development website
- ✓ Worked closely with the Small Business Development Center to recruit and assist new and existing businesses locating in Bay City
- ✓ Interviewed with local papers to keep our community up to date on our efforts
- ✓ Held successful CamoFest event with record number of attendees and sponsors
- ✓ Funded 15 façade grants to new and existing businesses

Bay City Community Development Corporation (BCCDC) Budget Summary

	<i>Actual FY 2021</i>	<i>Actual FY 2022</i>	<i>Amended Budget FY 2023</i>	<i>Projected FY 2023</i>	<i>Adopted FY 2024</i>
<i>Training Center Lease Income</i>	80,695	85,661	88,144	88,144	89,385
<i>SMBG Lease Income</i>	275,000	300,000	100,000	-	-
<i>Sales Tax Collections</i>	1,575,000	1,650,000	1,675,000	1,328,907	1,825,000
<i>BDC Income</i>	4,800	9,600	9,600	5,602	10,000
<i>Main Street Income</i>	48,000	48,000	72,000	32,470	77,000
<i>Interest Income</i>	7,500	1,750	-	-	-
<i>Reduction in grant obligation</i>	-	-	-	19,690	-
<i>TIRZ #2 Income</i>	150,000	150,000	150,000	165,000	190,000
<i>Total Revenue</i>	\$2,140,995	2,245,011	2,094,744	1,639,813	2,191,385
<i>Administrative</i>					
<i>Salaries and Wages</i>	182,876	183,000	234,295	183,904	195,000
<i>Other Compensation</i>	2,052	2,052	2,052	1,368	2,000
<i>Payroll Taxes</i>	13,479	13,999	17,600	15,239	17,600
<i>Unemployment Taxes</i>	250	616	1,500	45	1,500
<i>Retirement Expense</i>	20,342	20,355	25,000	19,726	25,000
<i>Workers Compensation</i>	800	800	1,000	641	1,000
<i>Employee Health Insurance</i>	26,000	31,070	43,400	13,752	25,000
<i>Travel and Training</i>	4,000	4,000	6,000	7,152	7,000
<i>General Supplies</i>	3,500	4,800	4,800	4,500	4,800
<i>Dues and Subscriptions</i>	5,000	3,400	4,000	7,027	7,000
<i>Vehicle Expense</i>	1,614	3,000	4,000	944	3,000
<i>General Insurance</i>	50,000	50,000	57,500	2,023	50,000
<i>Telephone</i>	1,750	3,000	2,500	2,109	2,500
<i>Utilities</i>	4,500	4,000	4,000	3,706	4,000
<i>Legal and Professional Fees</i>	25,000	25,000	25,000	25,650	26,000
<i>Cleaning and Maintenance</i>	6,210	6,750	6,750	4,695	6,750
<i>Leaseholder Improvements</i>	40,000	-	500	-	500
<i>Equipment Rentals</i>	4,600	3,100	3,100	2,663	3,100

APPENDIX

<i>Continued</i>	<i>Actual FY 2021</i>	<i>Actual FY 2022</i>	<i>Amended Budget FY 2023</i>	<i>Projected FY 2023</i>	<i>Adopted FY 2024</i>
<i>Building Rental</i>	61,200	62,424	63,648	58,794	63,648
<i>Business Meals</i>	2,000	2,000	3,000	1,577	3,000
<i>Misc. Furniture and Equipment</i>	500	-	500	2,162	2,000
<i>Miscellaneous</i>	500	500	1,000	21	1,000
<i>Repairs and Maint. Equipment</i>	500	-	-	-	-
<i>Total Administrative</i>	\$456,673	\$423,866	\$511,145	\$357,698	\$451,398
<u><i>Prospect Development</i></u>					
<i>Travel and Training</i>	4,000	9,000	3,500	-	3,500
<i>Contracted Services</i>	1,000	1,000	8,000	545	20,500
<i>Advertising</i>	7,000	22,000	20,000	19,190	20,000
<i>Website Development & Maint</i>	8,000	3,500	1,680	300	2,000
<i>Business Meals</i>	1,000	1,000	1,000	732	1,000
<i>Miscellaneous</i>	500	500	500	-	500
<i>Total Prospect Development</i>	\$21,500	\$37,000	\$34,680	\$20,767	\$47,500
<u><i>Project Expenses</i></u>					
<i>Mat. Co. Economic Devel. Corp.</i>	75,000	75,000	75,000	75,000	75,000
<i>Main Street</i>	30,000	25,000	25,000	17,747	25,000
<i>Website Grant</i>	-	50,000	40,000	42,051	40,000
<i>Family Entertainment Center (property taxes)</i>	240,000	200,000	-	-	-
<i>City Vision 2040 Plan</i>	5,000	5,000	100,000	99,439	125,000
<i>BR&E Program</i>	75,000	150,000	100,000	54,725	100,000
<i>CED Insurance and Maintenance</i>	209,000	120,000	300,000	253,227	300,000
<i>Downtown Parking Lot</i>	-	400	3,000	3,487	-
<i>Aquatic Center Feasibility</i>	-	-	-	-	-
<i>McCoys Land</i>	-	-	-	-	-
<i>Detention Pond</i>	-	-	-	-	-
<i>Debt principal payments</i>	438,010	463,086	189,200	357,174	-
<i>Interest Expense</i>	412,480	349,690	57,200	77,761	-
<i>Debt Service-Nile Valley Road</i>	239,116	239,116	239,116	236,791	239,191
<i>Total Project Expenses</i>	\$1,723,606	\$1,677,292	\$1,148,516	\$1,474,592	\$995,841
<i>Total BCCDC Expenditures</i>	\$2,201,779	\$2,138,158	\$1,694,341	\$1,853,057	\$1,494,739
<i>Revenue over (under) expenditures</i>	\$(60,784)	\$106,853	\$400,403	\$(213,244)	\$696,646

Long-Term Financial Planning OVERVIEW

The City must take into consideration many different facets when trying to plan for the future. The City's first step was with the adoption of a Vision 2040 Plan in 2014. Next, the City implemented a Five-Year Capital Plan. This was an effort to look at the "big ticket" items and determine what funding sources would be needed for all the planned projects for the next five years. Revenue assumptions were then developed. The City's Strategic Plan is updated annually along with the Council's associated goal statements. These statements have provided staff with a future picture of desired outcomes that the staff can continually aim towards. This enabled departmental business plans to be linked to the "big picture."

COMPONENTS OF LONG-TERM PLANNING

Vision, Mission, and Strategic Plan

Information on the City's Strategic Plan can be found in the "City Profile" section of this document.

Demographic and Economic Profile

Population

Any discussion of the population of Bay City must recognize the significant long-term transient population of construction workers and others in the community. These individuals are not captured in Census data yet have a significant impact on the community and must be considered in any planning process. With the large number of major projects happening in Bay City, such as the Tenaris construction, outages at STP, etc., this will be a significant issue to address in the planning process.

Table 1 Population Growth

	2000	2010	2020 (estimate)
Bay City	18,593	17,614	17,635
Matagorda County	37,957	36,702	36,954

Source: US Census, ESRI Business Analyst

The population of Bay City and Matagorda County declined slightly between 2000 and 2010 but has shown a rebound since the 2010 Census. The rebound in population is likely due to the resurgence in economic activity and new job opportunities being created in the County.

The population projects below utilize data from two sources, the Texas Water Development Board, and the Texas State Data Center. The Data Center only provides data at the County level; however, population trends within Bay City reflect those of the County overall, so it can be expected that growth within Bay City will mirror that of the County overall. The two different methodologies show fairly similar results, with growth expected to be fairly slow and steady over the next few years.

It is important to recognize that population projections are based on historic trends, and Bay City’s population actually declined between 2000 and 2010. This decline has influenced the projections to show slower growth going forward. Given the economic activity happening in Bay City, it is likely that those projections are not reflective of current conditions and that the population can be expected to grow faster than shown. Development pressure will first be visible through the Public Works department, as developers begin submitting plans for new subdivisions, apartments, etc. As these plans come in, City Staff must communicate with the Planning Commission and City Council to update them and ensure proper capital planning is done to address this growth.

Table 2 Population Projection

	2019(estimate)	2020 Texas State Data Center	2020 Texas Water Development Board	2030 Texas State Data Center	2030 Texas Water Development Board
Bay City	17,535	NA	18,797	NA	19,786
Matagorda County	36,643	37,064	39,166	36,457	41,226

Source: Texas Water Development Board www.twdb.state.tx.gov and Texas State Data Center www.osd.texas.gov

Ethnicity

Bay City is fairly reflective of the State as a whole in terms of diversity. There are a slightly higher percentage of Hispanic and Black residents in the City than the State overall. This does not reflect the transient population of construction workers and others who are in Bay City long term, but not captured by the Census. This transient population will influence the community, despite not being “counted” as part of the population. In Census data, Hispanic is considered an Ethnicity, not a race. This means the numbers below will not add up to 100% as individuals can identify as White and Hispanic, etc.

Table 3 Race and Ethnicity

	Count	Percent
White Alone	10,662	60.6%
Black Alone	2,516	14.3%
American Indian	52	0.3%
Asian	140	0.8%
Pacific Islander	35	0.2%
Other	5,488	31.3%
2 or more Races	403	2.3%
Hispanic (any race)	9,083	51.8%

Source: US Census Bureau www.census.gov

Age

Bay City is a relatively young community, with a median age of 36 years. Nearly 50% of the population is between 25 and 64, which are the prime working years. This is an asset for the community to build on, because it indicates an available workforce for new jobs. It also has implications for the school district, parks and recreation, and other community assets because this is also the prime years for people with families who demand services and amenities in the community.

Table 4 Age

	Count	Percent
0 – 4	1,783	7.6%
5 – 9	1,864	8.0%
10 – 14	1,632	7.0%
15 – 19	1,410	6.0%
20 – 24	1,387	5.9%
25 – 34	3,074	13.2%
35 – 44	2,752	11.8%
45 – 54	2,731	11.7%
55 – 64	3,209	13.7%
65 – 74	2,092	8.9%
75 – 84	929	4.0%
85+	506	2.2%
Median Age	36.0	

Source: U.S. Census Bureau www.census.gov

Income and Employment

The median income in Bay City (\$50,182) is lower than the State (\$61,874) and but higher than the County (\$48,913). This indicates that many of the well-paying jobs in and around Bay City are held by those living in the City limits. However, poverty rate is 21.3% being the highest in comparison to County (17.5%) and State (13.6%). This puts a significant strain on public services and is a challenge for the community. It will be important to identify strategies to address this issue and create opportunity for Bay City residents to access employment.

Table 5 Income by Household

	Count	Percent
< \$15,000	1,589	18.3%
\$15,000 - \$24,999	873	10.1%
\$25,000 - \$34,999	914	10.6%
\$35,000 - \$49,999	1,280	14.8%
\$50,000 - \$74,999	1,433	16.6%
\$75,000 - \$99,999	1,034	12.0%
\$100,000 - \$149,999	1,016	11.7%
\$150,000 or more	513	5.9%
Median Household Income	\$46,104	

Source: U.S. Census Bureau www.census.gov

One of the reasons for the low income in Bay City can be found in the table below. Nearly 70% of the jobs in the City Limits are in the Retail and Service industry, which typically has low wages. While there has been tremendous success in economic development within Matagorda County, residents of Bay City have not seen as much benefit from this as would be hoped. It will be critical going forward for the City to continue working to develop the local workforce to compete for the new jobs being created in the region.

Table 6 Employment by Sector

	Business Count	Business Percent	Employee Count	Employee Percent
Total, All Industries	1,102	100%	6,101	100%
Agricultural & Mining	61	5.5%	244	4.0%
Construction	54	4.9%	130	2.1%
Manufacturing	26	2.4%	173	2.9%
Transportation	23	2.1%	136	2.2%
Communication	8	0.7%	97	1.6%
Utility	4	0.4%	253	4.1%
Wholesale Trade	47	4.3%	253	4.1%
Retail Trade	218	19.8%	1,572	25.8%
Finance, Insurance, Real Estate	106	9.6%	345	5.7%
Services	526	47.7%	2,622	43.0%
Government	29	2.6%	462	7.6%

Source: ESRI Business Analyst

Housing

Housing is a tremendous challenge for many communities, especially those with characteristics like Bay City. With the population decline between 2000 and 2010, there was a decrease in available homes (8,035 in 2000 vs. 7,856 in 2010 per US Census). In addition, builders will be hesitant to build in a community with a history of population decline because it indicates there will not be a market for their properties. Bay City has taken a proactive approach to encourage housing development and is working with developers to encourage new building. This has shown success in several new projects breaking ground in the area.

Given the large transient population in Bay City, it will be important to work with apartment developers and RV Park developers to address this demand for longer-term housing other than hotels. This is a challenge to address because many residents are resistant to developments of this type, and developers are often wary of making significant investments because the population is not stable. It will be a challenge to meet the demand for this type of housing; however, it is an opportunity for the City.

An area of concern is the lack of homes for sale. Potential new residents may not be able to find suitable homes available in their price range and decide to look elsewhere. Another issue is the large number of “Other” vacant homes. These represent homes that are unoccupied, but not for sale or rent. These may be homes that have been abandoned, held in trusts, or other issues.

There needs to be a focus on ensuring these homes are maintained and do not become sources of blight in the community. Code Enforcement should prioritize these properties for attention.

Table 7 2010 Housing Occupancy

	Count	Percent
Total	7,856	100%
Occupied	6,648	84.6%
Owner	3,523	44.8%
Renter	3,125	39.8%
Vacant	1,208	15.4%
For Rent	594	7.6%
Rented- Not Occupied	16	0.2%
For Sale Only	65	0.8%
Sold- Not Occupied	20	0.3%
Seasonal Use	68	0.9%
Migrant Workers	2	0.0%
Other	443	5.6%

Source: 2010 US Census

The majority of homes in Bay City are single family (63.1%). Bay City is fortunate to have a significant percentage of multi-family homes; however, the low vacancy rates means there are few available for potential residents. The City should continue to focus on developing a diversity of housing options, both multi and single family to ensure adequate opportunities for potential residents. This data comes from the American Community Survey, which is a statistical survey rather than actual count like the US Census. This is why the numbers in this table are different from the other housing data.

Table 8 2013-2017 Housing Units per Structure

	Count	Percent
Total	11,905	100%
1, Detached	7,510	63.1%
1, attached	154	1.3%
2	121	1.0%
3 to 4	444	3.7%
5 to 9	1,073	9.0%
10 to 19	520	4.4%
20 or More	271	2.3%
Mobile Home	1,750	14.7%
Boat, RV, Van, Etc.	62	0.5%

Source: US Census Bureau www.census.gov

With a median value of \$105,500, a median priced home would be within reach of a family making the median income; however, without a significant down payment, the monthly payment might be a struggle. Also, given the limited number of homes available, it may be difficult for a potential resident to find a suitable home in their price range.

Table 9 Housing Values for Owner Occupied Units

	Count	Percent
Total	5,0008	100%
<\$50,000	1,065	21.3%
\$50,000 - \$99,999	1,314	26.2%
\$100,000 - \$149,999	959	19.1%
\$150,000 - \$199,999	703	14.0%
\$200,000 - \$299,999	605	12.1%
\$300,000 - \$499,999	299	6.0%
\$500,000 - \$999,999	47	0.9%
➤ \$1,000,000	16	0.3%
Median Value	\$105,500	

Source: U.S. Census Bureau www.census.gov

Education

Over 23% of Bay City residents do not have a high school diploma. This presents a tremendous challenge in creating quality jobs because there is not a skilled workforce to recruit from. This low education attainment is reflected in the low household income discussed earlier.

Addressing the educational attainment and skills of the local workforce is a key challenge for Bay City. There is work underway, through the partnership with Wharton County Junior College; however, much more needs to be done to get local residents at least a high school equivalency so they can be prepared for the new jobs being created in Matagorda County.

Table 10 Educational Attainment 25 years+

	Count	Percent
Total Pop 25+	15,293	100%
Less than 9th grade	1,999	13.1%
Some HS, no diploma	1,609	10.5%
HS Degree	4,608	30.1%
Some College	3,897	25.5%
Associates Degree	870	5.7%
Bachelor’s Degree	1,721	11.3%
Graduate degree	589	3.9%

Source: US Census Bureau www.census.gov

Taxes

The majority of funding for local governments comes from property taxes and sales tax. Property taxes are collected by a number of entities, with the City, County, and School District being the primary drivers. In addition, there are a number of special districts that collect taxes in all or part of the County. These districts provide specific services and collect taxes to be used within that district’s boundaries on approved projects. Table 11 provides an overview of the taxing districts and the basic rate. Specific information on exemptions, etc. can be found at the County Appraisal website.

Table 11 Property Tax Rates and Entities 2018 (most recent available on CAD site)

	Rate / \$100
City of Bay City	0.65500
City of Palacios	0.85351
Matagorda County	0.41758
Bay City ISD	1.55222
Boling ISD	1.04000
Matagorda ISD	1.13541
Palacios ISD	1.13500
Tidehaven ISD	1.22275
Van Vleck ISD	1.25325
Matagorda County Hospital District	0.32159
Port of Bay City Authority	0.05389
Matagorda County Nav District #1	0.04533
Matagorda County Consv. & Recl. District	0.00765

Source: Matagorda County CAD

The Sales Tax in Bay City is the State maximum of 8.25 percent. Of this, 6.25 percent goes to the State of Texas, 1.0 percent goes to the City, 0.5 percent for property tax relief, and 0.5 percent is for economic development.

The economic downturn of 2008 resulted in a significant drop in gross sales and sales tax collection in Bay City. While there has been a rebound in the gross sales, the level of sales subject to sales tax has not returned to the same level as in 2008. As the City continues to rebound and see more retail and service growth, this revenue will continue to increase and return to the levels seen prior to the recession.

Table 12 Gross Retail Sales

	Gross Sales	Amount Subject to Sales Tax
2008	\$1,129,330,892	\$206,250,221
2009	\$886,306,707	\$168,627,904
2010	\$1,054,681,190	\$165,389,889
2011	\$1,267,010,937	\$180,724,866
2012	\$1,195,880,273	\$188,777,615
2013- Through 3rd Qtr.	\$913,418,235	\$140,552,454

Hotel and Motel Taxes

Hotels, motels, and bed and breakfast establishments are levied a Hotel/Motel tax. This tax is intended to be used on projects that will put “heads in beds”, which means projects need to promote tourism in the community. This can include marketing, festivals and events, and similar projects. In the fourth quarter of 2018, Bay City had 20 properties reporting for the Hotel/Motel tax, totaling 837 rooms and \$1,774,297.84 in taxable receipts. Bay City hotels and motels are full, and many of their occupants are long term. Companies renting blocks of rooms for employees to be in the area for extended periods of time.

Conclusion

Bay City is a community in transition. After a period of stagnation, there is significant change happening, with tremendous opportunity for growth. New jobs and new opportunities are being created in the area, and this plan will allow the City to harness that opportunity for the betterment of its residents. The population is changing, and it will be important to address those changes and ensure future community development meets the needs of current and future residents.

Acronyms

A/P – Accounts Payable

ACFR – Annual Comprehensive Financial Report (Audit)

ACH- Automated Clearing House

AMI- Advanced Metering Infrastructure

BCCDC- Bay City Community Development Corporation

BCISD- Bay City Independent School District

BCLA- Bay City Library Association

BCPD- Bay City Police Department

BCPL- Bay City Public Library

CDBG – Community Development Block Grant

CIP – Capital Improvement Plan

C.O. – Certificates of Obligation

COG – Council of Governments

CTRA- Central Texas Recycling Association

CVB- Convention and Visitors Bureau

CY – Cubic Yard

ED – Economic Development

EAC- Economic Action Committee

EPA – Environmental Protection Agency

FAA- Federal Aviation Administration

FASB – Financial Accounting Standards Board

FICA – Federal Insurance Contribution Act

FTE – Full-Time Equivalent

FY – Fiscal Year

GAAFR – Governmental Accounting, Auditing and Financial Reporting

GAAP – Generally Accepted Accounting Principals

GASB – Governmental Accounting Standards Board

GF – General Fund

GFOA – Government Finance Officers Association

GIS – Geographical Information Systems

G.O. – General Obligation

APPENDIX

H-GAC- Houston-Galveston Area Council
HOT – Hotel Occupancy Tax
HR – Human Resources
HRS – Hours
I & S – Interest and Sinking
ISO- Insurance Service Office
IT – Information Technology
LCRA- Lower Colorado River Authority
LED- Light Emitting Diode
LF – Linear Foot
MCAD- Matagorda County Appraisal District
M & O- Maintenance and Operations
MIU- Metering Interface Units
MSB- Municipal Services Building
PSI- Pounds per Square Inch
RAMP- Repair and Maintenance Program
RFP – Request for Proposal
RFQ – Request for Qualifications
ROW – Right of Way
RV – Recreational Vehicle
SCADA – System Control and Data Acquisition
TCCA- Texas Court Clerk Association
TCEQ – Texas Commission on Environmental Quality
TCF- Texas Capital Fund
TIF- Tax Increment Financing
TIRZ- Tax Increment Reinvestment Zone
TML – Texas Municipal League
TMRS – Texas Municipal Retirement System
TWC – Texas Workforce Commission
TWDB- Texas Water Development Board
TXDOT – Texas Department of Transportation
USO- United Service Organization
WWTP – Wastewater Treatment Plant

Glossary of Terms

Accrual Basis

The basis of accounting where transactions are recognized when they occur, regardless of the timing of related cash flows.

Ad Valorem Taxes

Commonly referred to as property taxes. Charges levied on all property, real personal, mixed tangible, intangible, annexations, additions, and improvements to property located within the taxing unit's jurisdiction. These levies are based on the property's assessed value and the tax rate.

Appropriation

An authorization made by the legislative body to make expenditures and incur obligations for the City.

Assessed Value

A value that is established on real estate or other property as a basis for levying property taxes.

Asset

Resources owned or held which have monetary value that can be used to cover or be applied to cover liabilities.

Audit

A comprehensive review of an organization's financial accounts and records and the utilization of resources. An annual audit is conducted by a certified public accountant who concludes the audit with a Comprehensive Annual Financial Report also referred to as a CAFR.

Balanced Budget

Annual financial plan in which expenses do not exceed revenues and carry-over fund balance.

Basis of Accounting

The method of accounting used to recognize revenues, expenses, expenditures and transfers, and the related assets and liabilities.

Bond

A written promise to pay a specified sum of money (principal) at a specified date or dates in the future (maturity date), and carrying interest at a specified rate, usually paid periodically. The most common types of bonds are general obligation and revenue bonds. Bonds are frequently used for construction of large capital projects such as buildings, streets, and water and sewer improvements.

Budget

A financial plan for a specified period of time of projected resources and proposed expenditures.

Budget Calendar

A schedule of key dates that the City follows in the preparation and adoption of the City's budget.

Budget Year

From October 1st through September 30th, is the same as the fiscal year.

CAFR

Comprehensive Annual Financial Report.

Capital Outlay

Expenditures that result in the acquisition of or addition to fixed assets.

Capital Program

A five-year plan that outlines the capital projects and includes information regarding funding, project description and scheduling.

Cash Basis

A basis of accounting under which transactions are recorded when cash is received or disbursed.

Certificate of Obligation (CO's)

Legal debt instruments used to finance capital improvement projects. CO's are backed by the credit of the government entity and are fully payable from a property tax levy. CO's differ from general obligation debt in that they are approved by the City Council and are not voter approved.

Contingency

An appropriation reserve set aside for emergencies or unforeseen expenditures not budgeted.

Current Taxes

Taxes that are levied and due within the current year.

Debt Service Fund

A fund established to account for payment of principal and interest on outstanding bonds when due.

Delinquent Taxes

Property taxes that remain unpaid on and after the due date. Delinquent taxes also incur penalties and interest at specified rates set by law.

Department

A functional group aimed at accomplishing a major service or program using related activities.

Depreciation

The allocation of the cost of a fixed asset over the estimated service life of that asset.

Division

A division is a separately budgeted segment of the department.

Effectiveness

A program performance indicator that measures the quality of the program outputs.

Effective Tax Rate

The rate that produced the same effect in terms of the total amount of taxes last year using the assessed valuation in the current year.

Encumbrance

Appropriated funds committed to purchase a good or service that has not been performed or executed. After the receipt or performance of goods or service the commitment becomes an account payable.

Enterprise Fund

A fund that operates like a business with the intent that the costs of providing the services will be recovered through user charges such as water and sewer charges.

Expenditure

This term refers to total funds paid or to be paid for an asset or goods or services regardless whether the expense has been paid or unpaid.

Expense

Charges incurred, whether paid or unpaid, for operation, maintenance, interest or other charges within the current period.

Fiscal Year

The time period designated by the City signifying the beginning and ending period for recording financial transactions. The City of Bay City has specified the fiscal year as beginning October 1 and ending September 30.

Fixed Assets

Assets of a long-term character which are intended to be held or used, such as buildings, machinery, furniture, equipment, and land.

Full-Time

The 40 hours per week that constitutes a regular full-time position.

Fund

Separate accounting entities with their own resources, budgets, and accounts for recording all financing transactions for specific activities or government functions.

Fund Balance

The difference between fund assets and fund liabilities, excess being a surplus and a shortfall being a deficit.

GAAP

General Accepted Accounting Principles.

General Fund

The fund used to account for all financial resources and activities except for those required to be in another fund.

General Obligation Bonds

Voter approved bonds that finance a variety of public projects such as streets, buildings, and capital improvements. The Debt Service Fund is usually used to service and pay the debt issued. These bonds are backed by the full faith and credit of the City.

Goals

Generalized statements of where an organization desires to be at some future time with regard to certain operating elements. (e.g. financial conditions, service levels provided, etc.)

Grants

Contributions or gifts of cash or other assets from another government or entity to be used for a specific purpose, activity, or facility.

Interfund Transfers

Amounts transferred from one fund to another.

Infrastructure

Substructure or underlying foundation of the City. (E.g. streets, utility lines, water and wastewater treatment facilities, etc.)

Liaison

The contact or connection maintained by communications between any organization to ensure concerted action, cooperation, etc.

Legal Debt Margin

Actual amount of tax-secured debt service at the end of the fiscal year.

Legal Debt Service Limit

The assessed value of the tax roll multiplied by the limit on amount designated for debt service per \$100 assessed valuation

Modified Accrual Basis

This method of accounting recognizes revenues when they are measurable and available and expenditures when goods or services are received the exception being principal and interest on long-term debt which are generally recognized when due.

Operating Budget

A plan of current year financing activities including expenditures and the proposed means of funding them.

Ordinance

A formal legislative enactment by the governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, usually require ordinances.

Policy

A plan, course of action, or guiding principle, designed to set parameters for decisions and actions.

Property Tax

Taxes that are levied on both real and personal property according to the property's assessed valuation and tax rate.

Reserve

An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is therefore, not available for general appropriation.

Retained Earnings

An equity account reflecting the accumulated earnings of a proprietary, or enterprise fund, or internal service fund.

Revenue

Funds received as income. It includes such items as tax payments, fees from specific services, fines, interest income, franchise fees, etc.

Revenue Bonds

Bonds for which principal and interest are paid from an Enterprise or Proprietary Fund.

Sales Tax

A general “sales tax” is levied on all persons and businesses selling merchandise within the City limits on retail items.

SCADA

Supervisory and Control Data Acquisition.

Special Revenue Funds

Funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. (e.g. Hotel/Motel)

Strategic Plan

A collectively supported vision of the City’s future including observations regarding the potential effects of various operating decisions.

Tax Base

Certified by the Tax Appraisal District the total taxable value of all real and personal property within the City as of January 1st of each year.

Tax Levy

The product of the tax rate per one hundred dollars multiplied by the tax base.

Tax Rate

The amount of tax levied against each \$100 of taxable value.

Tax Roll

The official list showing the amount of taxes levied against each taxpayer or property.

Taxes

Compulsory charges levied by a government for the purpose of financing services performed by the government for the common benefit of the public it serves.

Unencumbered Balance

The amount of an appropriation that is neither expended nor encumbered. It is the amount of money still available for future purchases.

INDEX

A

ACRONYMS.....292
 ADMINISTRATION..... 60
 AIRPORT.....133
 ANIMAL IMPOUND..... 84
 APPENDIX..... 245

B

BUDGETARY & FINANCIAL MANAGEMENT POLICIES..... 259
 BUDGETARY FUND STRUCTURE..... 39
 BUDGETARY PROCESS AND GUIDELINES..... 245
 BUDGET MESSAGE..... 1
 BUDGET ORDINANCE.....256
 BUDGET PLANNING CALENDAR..... 246
 BUDGET SUMMARIES..... 39
 BUILDING SECURITY FUND..... 165

C

CAPITAL..... 183
 CAPITAL ASSET POLICY.....270
 CAPITAL IMPROVEMENT PLAN.....183
 CHANGES IN FUND BALANCE/WORKING CAPITAL.....42
 CITY GENERAL.....65
 CITY OFFICIALS.....28
 CITY PROFILE.....13
 CITY SECRETARY.....62
 CITY WIDE DEBT..... 209
 CIVIC CENTER.....150
 COMBINED BUDGET OVERVIEW..... 41
 COMBINED REVENUE AND EXPENDITURES SUMMARY..... 44
 COMPENSATION AND STAFFING PLAN..... 277
 COURT TECHNOLOGY FUND..... 167

D

DEMOGRAPHIC OVERVIEW..... 37
 DEPARTMENTAL SUMMARIES..... 60

E

ELECTED OFFICIALS..... 14
 ENTERPRISE AND SPECIAL REVENUE FUNDS..... 51
 ENTERPRISE FUNDS..... 113
 EQUIPMENT MAINTENANCE..... 177

APPENDIX

F

FACILITY MAINTENANCE.....	180
FINANCE.....	74
FIRE.....	87
FIVE YEAR CAPITAL IMPROVEMENT PLAN SUMMARY.....	186
FORFEITURE FUND.....	163

G

GENERAL FUND	55
GENERAL FUND EXPENDITURES BY FUNCTION.....	58
GENERAL FUND REVENUE.....	47,55
GLOSSARY OF TERMS.....	294

H

HISTORY OF BAY CITY	30
HOTEL/MOTEL FUND.....	144
HUMAN RESOURCES.....	69

I

INFORMATION TECHNOLOGY.....	169
INTERNAL SERVICE FUNDS.....	169
INVESTMENT POLICY SUMMARY.....	269

J

K

L

LIBRARY.....	109
LONG-TERM DEBT.....	209
LONG-TERM FINANCIAL PLANNING.....	284

M

MAIN STREET.....	66
MAINTENANCE FUND.....	175
MISSION AND VISION.....	15
MUNICIPAL COURT.....	71

N

O

OPERATING CAPITAL OUTLAY BY FUNDS.....	203
ORGANIZATIONAL CHART.....	29
OUTSTANDING DEBT ISSUE BY SERIES.....	215

APPENDIX

P

PARKS..... 98
POLICE..... 80
POOLS..... 107
PROPERTY TAX SUPPORTED DEBT..... 211
PUBLIC UTILITY EXPENDITURES BY FUNCTION..... 116
PUBLIC UTILITY FUND DEPARTMENTAL SUMMARIES..... 118
PUBLIC UTILITY FUND REVENUE..... 114
PUBLIC UTILITY FUND- SUPPORTED DEBT..... 213

Q

R

RECREATION..... 104
RECYCLING CENTER..... 95
RESOLUTION ADOPTING A FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM..... 276
REVENUE ASSUMPTION AND TRENDS..... 47
RIVERSIDE PARK..... 101

S

SNAPSHOT OF BAY CITY TODAY..... 33
SPECIAL REVENUE FUNDS..... 143
STATISTICAL INFORMATION..... 217
STRATEGIC PLAN AND GOALS..... 17
STREET & BRIDGE..... 90
SUMMARY DESCRIPTION OF THE BUDGET PROCESS..... 250

T

TABLE OF CONTENTS.....iii
TAX INCREMENT REINVESTMENT ZONE FUND..... 153
TAX RATE ORDINANCE..... 257
TOURISM.....147

U

UTILITY BILLING.....118
UTILITY MAINTENANCE.....125
UTILITY OPERATIONS..... 121

V

W

WATER AND WASTEWATER TREATMENT PLANT.....129

X

Y

Z





CONTRIBUTORS

Financial Consultants and Editors

Shawna Burkhart

City Manager

Scotty Jones

Finance Director

Jennifer Leverett

Senior Accountant

Page Design and Typography

Jennifer Leverett

Photography

Photos submitted by Various Departments

Budget Cover by Heather Bryan with Creekside Productions

CITY OF BAY CITY

1901 Fifth Street

Bay City, Texas 77414

979-245-2137

www.cityofbaycity.org



CITY OF BAY CITY
WWW.CITYOFBAYCITY.ORG