

RULE 15c2-12 FILING COVER SHEET

This cover sheet is sent with all submissions to the Municipal Securities Rulemaking Board (the Nationally Recognized Municipal Securities Information Repository) and any applicable State Information Depository pursuant to Securities and Exchange Commission (SEC) Rule 15c2-12 or any analogous state statute.

Issuer Name: **City of Bay City**

Issue(s):		
\$	5,000,000	Tax & Revenue Certificates of Obligation, Series 2009
\$	3,300,000	Tax & Revenue Certificates of Obligation, Series 2010
\$	9,530,000	Tax & Revenue Certificates of Obligation, Series 2012
\$	642,000	Tax Notes, Series 2013
\$	5,125,000	General Obligation Refunding Bonds, Series 2013
\$	3,995,000	Tax & Revenue Certificates of Obligation, Series 2014
\$	5,665,000	Tax & Revenue Certificates of Obligation, Series 2016

CUSIP Number(s): **072131**

* * * * *

Financial & Operating Data Disclosure Information

- Annual Financial Report or CAFR
- Financial Information & Operating Data
- Other (describe) _____
- Fiscal period covered: 2017
- Monthly Quarterly Annually

The information set forth herein has been furnished by the City and by sources which are believed to be accurate and reliable but no representation is made with respect to the accuracy or completeness of information obtained from sources other than the District. Statements which involve estimates, forecasts, or other matters of opinion are intended solely as such and are not to be construed as representations of facts. Furthermore, the information herein is subject to change without notice and will not, under any circumstances, create any implication that there has been no change in the affairs of the City or other parties described herein.

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature: _____
 Name: Scotty Jones Title: Finance Director
 Employer: City of Bay City

2010 US Census

17,614

2017 Certified Taxable Assessed Value :

\$ 810,967,405

Outstanding Tax Debt as of 9/30/2017

Outstanding General Obligation Debt	Amount
Tax & Revenue Certificates of Obligation, Series 2009	\$ 1,130,000
Tax & Revenue Certificates of Obligation, Series 2010	2,485,000
Tax & Revenue Certificates of Obligation, Series 2012	6,865,000
Tax Notes, Series 2013	200,000
General Obligation Refunding Bonds, Series 2013	2,645,000
Tax & Revenue Certificates of Obligation, Series 2014	2,815,000
Tax & Revenue Certificates of Obligation, Series 2016	5,440,000
Total Outstanding Debt	\$ 21,580,000

Self-Supporting Debt as of 9/30/2017

Less: Self-Supporting Debt	Amount
Tax & Revenue Certificates of Obligation, Series 2012	\$ 6,865,000
Tax & Revenue Certificates of Obligation, Series 2014	703,750
Tax & Revenue Certificates of Obligation, Series 2016	1,813,152
Total Outstanding Self-Supporting Debt	\$ 9,381,902
 Total Net Debt	 \$ 12,198,098

Outstanding Tax Debt as of 9/30/2017

The city does not currently have revenue debt outstanding.

Debt Service Requirements

FYE 9/30	Outstanding Debt Service	New Debt				Total Debt Service	Less:		Net Debt Service
		Principal	Interest Rate	Interest	Total		Self-Supporting Debt Service (a)		
2018	\$ 2,773,288	\$ -	-	\$ -	\$ -	\$ 2,773,288	\$ 991,495	\$ 1,781,793	
2019	2,749,731	-	-	-	-	2,749,731	985,878	1,763,853	
2020	2,063,273	-	-	-	-	2,063,273	988,128	1,075,144	
2021	2,057,248	-	-	-	-	2,057,248	988,301	1,068,946	
2022	2,065,223	-	NO NEW DEBT IN FY 2017		-	2,065,223	989,091	1,076,132	
2023	2,066,073	-	-	-	-	2,066,073	989,041	1,077,032	
2024	2,070,673	-	-	-	-	2,070,673	988,320	1,082,353	
2025	1,653,448	-	-	-	-	1,653,448	986,834	666,613	
2026	1,657,873	-	-	-	-	1,657,873	989,578	668,294	
2027	1,658,573	-	-	-	-	1,658,573	986,761	671,811	
2028	850,035	-	-	-	-	850,035	179,981	670,054	
2029	856,110	-	-	-	-	856,110	181,371	674,739	
2030	855,190	-	-	-	-	855,190	181,204	673,986	
2031	598,350	-	-	-	-	598,350	180,887	417,463	
2032	601,300	-	-	-	-	601,300	181,671	419,629	
2033	598,550	-	-	-	-	598,550	180,588	417,962	
2034	595,250	-	-	-	-	595,250	179,771	415,479	
2035	371,450	-	-	-	-	371,450	123,804	247,646	
2036	375,950	-	-	-	-	375,950	125,304	250,646	
Total	\$ 26,517,584	\$ -	-	\$ -	\$ -	\$ 26,517,584	\$ 11,398,009	\$ 15,119,574	

(a) The City pays a portion of its outstanding debt service from the net revenues of other City sources. While the City currently intends however, there to continue this practice however there is no assurance the City will continue doing so.

Average Annual Debt Service	\$ 1,395,662
Maximum Annual Debt Service (2018)	\$ 2,773,288
Average Net Annual Debt Service	\$ 795,767
Maximum Net Annual Debt Service (2018)	\$ 1,781,793

Financial Ratios

Total Debt Ratios	Per Capita	Percent 2017 Assessed Value
Direct Debt	\$ 1,225	2.66%
Direct & Overlapping Debt	\$ 4,309	9.36%
Net Direct Debt	\$ 858	1.50%
Net Direct & Overlapping Debt	\$ 3,776	8.20%

Estimated Overlapping Debt

Issuers	Total Debt	As of	Estimated % Overlapping City	City's Overlapping
Bay City ISD	\$ 88,873,484	2/28/2018	60.66%	\$ 53,910,655
Matagorda County	2,645,000	2/28/2018	15.41%	407,595
Subtotal overlapping debt				\$ 54,318,250
Direct Debt	\$ 21,580,000	2/28/2018	100%	\$ 21,580,000
Total Direct and Overlapping Debt				\$ 75,898,250
Net Direct Debt	\$ 12,198,098	1/0/1900	100%	\$ 12,198,098
Total Net Direct and Overlapping Debt				\$ 66,516,348

Source: Municipal Advisory Council of Texas

Overlapping Tax Rate

Overlapping Tax Rate	2017 Tax Rate
Bay City ISD	\$ 1.437
Matagorda Co	0.4190
City of Bay City	0.6550

Historical Analysis of Ad Valorem Taxation

Tax Year	Total Assessed		Tax Rate	Tax Levy	Percent Collection		FYE 9/30
	Taxable Valuation				Current	Total	
2013	\$ 660,653,879	\$	0.5679	\$ 3,756,825	96.52%	99.35%	2014
2014	677,511,832		0.6021	4,087,782	97.36%	99.16%	2015
2015	743,532,492		0.6021	4,473,615	97.38%	98.78%	2016
2016	763,437,983		0.6021	4,626,589	97.44%	97.44%	2017
2017	810,967,405		0.6550	5,310,677	(In the process of collection)		2018

Source: Municipal Advisory Council of Texas

Historical Taxable Assessed Valuation by Category

Historical valuations published in the Bay City CAFR for FYE 2017

Matagorda Appraisal District Certified Totals

	Tax Year		
	2017	2016	2015
Total Land	\$ 151,003,218	\$ 146,814,843	\$ 146,095,833
Total Improvements	701,855,136	661,849,602	636,305,867
Total Non Real	85,531,655	83,698,841	90,674,590
Market Value	938,390,009	892,363,286	873,076,290
Productivity Loss	(6,789,991)	(7,189,335)	(7,385,829)
Appraised Value	931,600,018	885,173,951	865,690,461
Homestead Cap	(3,004,650)	(5,388,404)	(6,707,293)
Assessed Value	928,595,368	879,785,547	858,983,168
Total Exemptions	(117,627,963)	(116,347,564)	(115,450,676)
Net Taxable	\$ 810,967,405	\$ 763,437,983	\$ 743,532,492

Source: Matagorda County Appraisal District

Ten Largest Taxpayers

2017 Principal Tax Payers		Type	2017 Assessed Valuation	Percent of 2017 Valuation
1	Oak Manor Bay City LLC	Real Estate	10,437,040.00	1.29%
2	Nichols Square Partners Ltd.	Apartments	10,181,250.00	1.26%
3	AEP Texas Central Co.	Electric Utility	8,672,810.00	1.07%
4	Wal Mart Real Estate Business Trust	Trust	8,445,300.00	1.04%
5	Fortress Lodging LLC	Hotel	6,804,500.00	0.84%
6	Cypressbrook Palm Village	Real Estate	6,573,150.00	0.81%
7	Wal Mart Store #01-1405	Retail	5,909,470.00	0.73%
8	Dunn Heat Exchangers Inc.	Heat Exchanger Cleaning Svcs.	5,606,540.00	0.69%
9	IMFI SB Apartments LP	Apartments	5,194,530.00	0.64%
10	Pasupatinath LLC	Commercial	4,900,000.00	0.60%
			\$ 72,724,590	8.97%

Tax Rate Distribution

Tax Rate Distribution	2017	2016	2015	2014	2013
General Fund	\$ 0.5110	\$ 0.4881	\$ 0.4916	\$ 0.5434	\$ 0.5077
Debt Service Fund	0.1440	0.1140	0.1105	0.0587	0.0602
Total	\$ 0.6550	\$ 0.6021	\$ 0.6021	\$ 0.6021	\$ 0.5679

City Sales Tax History

FYE 9/30	Total Sales Tax Collections	Percent of Ad Valorem Tax Levy	Equivalent Ad Valorem Tax Rate	U.S. Census Population	Collections Per Capita
2012	\$ 3,385,962	90.80%	\$ 0.5175	17,614	\$ 192.23
2013	3,440,988	91.75%	0.5250	17,614	195.36
2014	3,469,272	92.35%	0.5251	17,614	196.96
2015	4,077,195	99.74%	0.6018	17,614	231.47
2016	4,060,321	90.76%	0.5461	17,614	230.52
2017	4,295,598	92.85%	0.5627	17,614	243.87

Source: Municipal Advisory Council of Texas

Historical Operations of the Debt Service Fund

	Fiscal Year Ending September 30,				
	2017	2016	2015	2014	2013
Revenues					
Property taxes	\$ 854,361	\$ 797,443	\$ 398,724	\$ 392,077	\$ 292,584
Delinquent taxes	14,740	12,168	-	-	-
Penalty and interest	13,242	11,374	6,659	6,107	4,800
Interest	155	600	-	272	274
Total revenues	882,498	821,585	405,383	398,456	297,658
Expenditures					
Debt service					
Principal	1,380,508	1,489,500	1,435,000	789,000	445,500
Interest and fiscal charges	400,694	337,004	359,369	246,296	241,067
Paying agents' fees and issue costs	5,495	2,300	-	2,000	122,499
Total expenditures	1,786,697	1,828,804	1,794,369	1,037,296	809,066
(Deficiency) of revenues (under) expenditures	(904,199)	(1,007,219)	(1,388,986)	(638,840)	(511,408)
Other Financing Sources (Uses)					
General Obligation Refunding Bonds, Series 2013	-	-	-	-	4,030,000
Bond Premium	-	-	-	-	65,470
Payment to Escrow	-	-	-	-	(3,960,250)
Bond Issue Costs	-	-	-	-	-
Transfers in ^(a)	869,704	1,209,739	956,381	1,158,493	395,481
Transfers out			(86,311)	-	-
Total other financing sources(uses)	869,704	1,209,739	870,070	1,158,493	530,701
Net change in fund balance	(34,495)	202,520	(518,916)	519,653	19,293
Fund Balance-Beginning	233,825	31,305	550,221	30,568	11,275
Fund Balance-Ending	\$ 199,330	\$ 233,825	\$ 31,305	\$ 550,221	\$ 30,568

^(a) Funds transferred from the General, Utility, and Sanitation Funds.

Historical Operations of the General Fund

Revenues	Fiscal Year Ending September 30,				
	2017	2016	2015	2014	2013
Taxes					
Property	\$ 3,820,914	\$ 3,758,550	\$ 3,790,373	\$ 3,428,359	\$ 3,521,985
Sales	4,295,598	4,060,320	4,077,195	3,469,272	3,440,988
Franchises	1,127,475	1,040,631	1,047,005	984,607	1,087,598
Other	39,307	40,191	37,797	32,242	22,815
Licenses and permits	154,409	255,511	235,881	205,321	5,706
Fines and forfeitures	252,113	269,859	276,911	286,748	330,637
Fees and charges for services	2,563,553	2,755,992	2,655,020	2,445,127	168,396
Intergovernmental	153,480	58,635	220,857	142,057	121,587
Investment earnings	7,440	2,746	867	1,512	2,867
Other	328,076	845,595	855,090	748,906	630,695
Total Revenues	12,742,365	13,088,030	13,196,996	11,744,152	9,333,274
Expenditures					
General government	2,191,915	2,335,155	2,214,609	2,343,485	2,031,233
Public safety	5,077,199	4,938,374	4,569,082	4,425,534	4,080,637
Public works	3,241,311	3,424,210	3,156,360	2,851,186	1,082,257
Public activities and recreation	1,338,905	1,421,965	1,039,801	1,052,414	996,117
Cultural arts and public benefits	-	-	-	-	-
Debt Service					
Principal	51,849	64,252	61,153	58,110	330,207
Interest and fiscal charges	1,378	5,346	8,657	11,701	107,444
Capital outlay	-	-	-	-	-
Total Expenditures	11,902,557	12,189,302	11,049,662	10,742,430	8,627,895
(Deficiency) of revenues (under) expenditures	839,808	898,728	2,147,334	1,001,722	705,379
Other Financing Sources (Uses)					
Debt issuance	-	-	-	-	-
Transfers in	522,550	233,784	434,173	94,675	112,358
Transfers out ^(a)	(1,974,219)	(2,223,607)	(1,297,992)	(2,050,678)	(1,017,202)
Total other financing sources (uses)	(1,451,669)	(1,989,823)	(863,819)	(1,956,003)	(904,844)
Net change in fund balances	(611,861)	(1,091,095)	1,283,515	(954,281)	(199,465)
Fund Balance - Beginning ^(b)	1,975,014	3,066,109	1,782,594	2,736,876	2,936,342
Fund Balance - Ending	\$ 1,363,153	\$ 1,975,014	\$ 3,066,109	\$ 1,782,594	\$ 2,736,876

^(a) Transfers to the Water & Sewer Fund, Airport Fund and Street Maintenance & Construction Fund.

^(b) Restated fund balances necessary to correctly reflect various allowances for uncollectible accounts, recording of receivables not previously reported and correcting the balance of accrued salaries.

Historical Operations of the Water & Sewer Fund

	Fiscal Year End September 30,				
	2017	2016	2015	2014	2013
Revenues					
Charges for services	\$ 7,426,893	\$ 7,108,017	\$ 6,860,689	\$ 6,542,164	\$ 6,288,584
Miscellaneous	11,917		12,460	40,782	78,593
Total operating revenues	7,438,810	7,108,017	6,873,149	6,582,946	6,367,177
Expenditures					
Cost of sales and services	4,030,136	4,782,177	4,304,382	3,724,922	3,685,606
Depreciation and amortization	1,814,164	1,578,645	1,494,886	1,697,329	1,143,118
Total operating expenses	5,844,300	6,360,822	5,799,268	5,422,251	4,828,724
Operating income (loss)	1,594,510	747,195	1,073,881	1,160,695	1,538,453
Non-Operating Revenues (Expenses)	-	-	-	-	
Investment earnings	23,216	5,896	1,711	1,892	3,226
Grant revenue		-	-	-	-
Miscellaneous	8,200	24,552	(264,445)	(353,430)	-
Interest and fiscal charges	(276,951)	(320,521)	-	-	(305,996)
Total non-operating revenues (expenses)	(245,535)	(290,073)	(262,734)	(351,538)	(302,770)
Income (loss) before transfers	1,348,975	457,122	811,147	809,157	1,235,683
Contributions and Transfers					
Capital contribution	406,561	2,337,999	1,059,639	778,266	360,163
Transfers in	-	554,274	802,229	103,050	162,234
Transfers out	(1,194,987)	(1,679,031)	(1,631,660)	(915,991)	(624,787)
Total contributions and transfers	(788,426)	1,213,242	230,208	(34,675)	(102,390)
Change in net assets	560,549	1,670,364	1,041,355	774,482	1,133,293
Fund Balance - Beginning ^(a)	15,798,009	14,127,645	13,086,290	12,815,435	11,682,142
Fund Balance - Ending	\$ 16,358,558	\$ 15,798,009	\$ 14,127,645	\$ 13,589,917	\$ 12,815,435

^(a) Beginning fund balance restated in fiscal years 2013 and 2015.