

ORDINANCE NO.

1587

**AN ORDINANCE OF THE CITY OF BAY CITY, TEXAS, AMENDING THE CITY CODE OF ORDINANCES, CHAPTER 2 (ENTITLED "ADMINISTRATION"), ARTICLE IV (ENTITLED "DEPARTMENTS") CREATING A DEPARTMENT OF FINANCE; PROVIDING FOR A CUMULATIVE & CONFLICTS CLAUSE, PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, Section 9.01 of the City Charter authorizes City Council to establish a Department of Finance upon prior consultation with the City's Chief Administration Officer; and

**WHEREAS**, the City Council desires to establish a Department of Finance and set forth its organization and procedures for its operations; and

**WHEREAS**, City Council finds that the establishment of a Department of Finance is in the best interest of the public welfare;

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

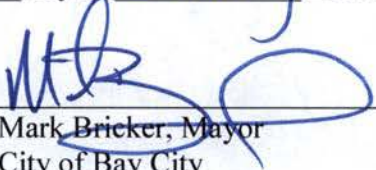
**Section one.** The Code of Ordinances, Chapter 2 (entitled "Administration"), Article IV (entitled "Departments") is hereby amended by creating Division 2, Department of Finance and adding the language that is set out in **Exhibit "A"** attached hereto and incorporated by reference as if fully set forth herein.

**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with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed. Any and all previous versions of this Ordinance to the extent that they are in conflict herewith are repealed.

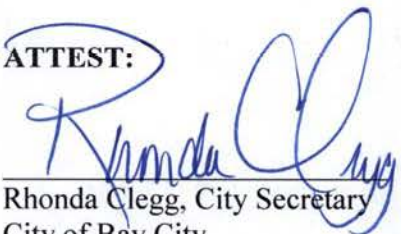
**Section three. Severability.** It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause sentence, paragraph or section of this Ordinance shall be declared unconstitutional 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. Effective Date.** This Ordinance shall become effective immediately upon its passage, approval, and publication as provided by law.

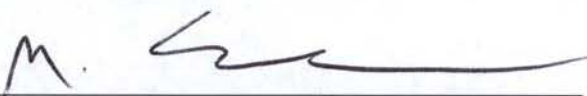
PASSED AND APPROVED on this 12 day of January 2017.

  
Mark Bricker, Mayor  
City of Bay City

ATTEST:

  
Rhonda Clegg, City Secretary  
City of Bay City

APPROVED AS TO FORM:

  
M. Shannon Kackley, Asst. City Attorney  
DENTON NAVARRO ROCHA BERNAL HYDE & ZECH,  
PC

Council Member:

Voted Aye

Voted No

Absent

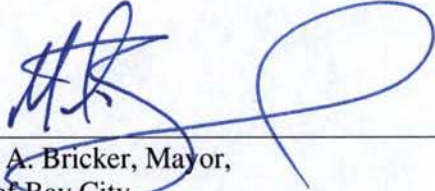
Julie L. Estlinbaum

Bill Cornman

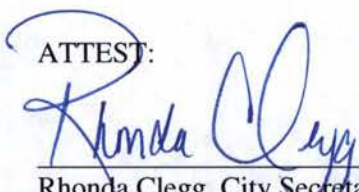
Chrystal Folse  
Mayor Pro Tem

Steven Johnson

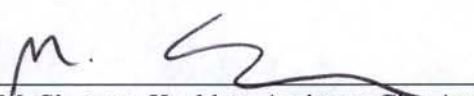
Carolyn Thames

  
\_\_\_\_\_  
Mark A. Bricker, Mayor,  
City of Bay City

ATTEST:

  
\_\_\_\_\_  
Rhonda Clegg, City Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
M. Shannon Kackley, Assistant City Attorney  
City of Bay City  
DENTON, NAVARRO, ROCHA,  
BERNAL, HYDE & ZECH, P.C.



## **EXHIBIT A**

### **CHAPTER 2**

#### **ARTICLE IV – DEPARTMENTS**

##### **DIVISION 2 – DEPARTMENT OF FINANCE**

**Section 2-158. Established, composition.** The Department of Finance is established pursuant to Section 9.01 of the City Charter.

**Section 2-159. Director of Finance; appointment and qualifications.** There shall be a Department of Finance, the head of which shall be the Director of Finance, who is appointed by the Mayor, with the approval of the City Council as set forth in section 7.05 of the City Charter. The Director of Finance shall have the proper knowledge of municipal accounting and sufficient experience in budgeting and financial control to properly perform the duties of the office.

**Section 2-160. Personnel.** The Director of Finance shall have the authority to appoint deputies, assistants, and employees in the department as approved by the Mayor.

**Section 2-161. Powers and duties.** The Director of Finance shall administer and supervise all financial affairs of the City and shall:

- (a) Supervise and be responsible for the disbursement of all monies and have control over all expenditures to ensure that budget appropriations are not exceeded.
- (b) Maintain proper accounting systems for the City government and each of its offices, departments, and agencies; keep books for and exercise financial budgetary control over each office, department, and agency; keep separate bookkeeping accounts for the items of appropriations contained in the City budget and each account shall show the amount of the appropriations, the amount paid there from, and the unencumbered balance; require reports of receipts and disbursements from each receiving and spending office, department, or agency of the City to be made daily or at such intervals as directed by the Director of Finance.
- (c) Prescribe the forms of receipts, purchase orders, bills, claims, bookkeeping, and computer data entry procedures to be used by all offices and departments of the City.
- (d) Present to City Council a quarterly financial statement in sufficient detail to show the exact financial condition of the City.
- (e) Submit a list of City expenditures at least quarterly to be approved by City Council as set forth in Section 4.09 of the City Charter.
- (f) Assist the Mayor and all department heads in the preparation of the budgets for all departments.
- (g) Compile estimates of revenues and expenditures for the budget as required by the Mayor or City Council.
- (h) Approve all proposed expenditures in accordance with the established purchasing procedures.



- (i) Have custody of all City investments, invested funds, bonds, notes, warrants, depreciation reserves, and funds in the possession of the City in a fiduciary capacity.
- (j) Invest all funds in excess of current needs in the manner authorized by State law.
- (k) Inspect and audit any account or records of financial transactions which may be maintained in any office, department, or agency of the City apart from or subsidiary to the accounts kept in their office.
- (l) Supervise or oversee other City departments as determined by City Council.
- (m) Coordinate annual audit and prepare the comprehensive annual financial report.

**Sec. 2-162. Transfer of appropriations.** With the approval of the Mayor, the Director of Finance may at any time transfer any unencumbered appropriation balance or portion thereof between general classifications of expenditures within an office, department, or agency

At the request of the Director of Finance, and within the last three (3) months of the fiscal year, the City Council may by ordinance transfer any unencumbered appropriation balance or portion thereof from one office, department or agency to another as set forth in section 10.14 of the City Charter.

**Sec. 2-163. Lapse of appropriations.** All appropriations shall lapse at the end of the fiscal year to the extent that they have not been expended or lawfully encumbered.

**Sec. 2-164. Fees shall be paid to City.** All fees received by any officer or employee of the City shall belong to the City and shall be deposited to the appropriate fund at such time as required by the Director of Finance.

**Sec. 2.165. Purchase and contract procedure.** Any purchase made or contract entered into by the City shall be in accordance with the laws of the State of Texas and in accordance with the Purchasing Policies duly adopted by City Council. Prior to execution, examine all contracts, orders, and other documents by the City incurs financial obligations, and ascertain that money has been appropriated and will be available when the obligation becomes due and payable.

**Sec. 2-166. Disbursements of funds.** All checks, vouchers, or warrants for the withdrawal of money from the City depository shall be signed by the Director of Finance, or his/her deputy, and countersigned by the Mayor or Mayor Pro Tem.

**Sec. 2-167. Surety bonds.** In accordance with Section 7.03 of the City Charter, any director of administrative department whose duties include the handling of moneys and any employee whose duties include the handling of moneys belonging to the City shall, before entering upon the duties of their office or employment, make bond in some responsible surety company, acceptable to the City Council for such amount as the City Council may prescribe. The premium of the bond shall be paid by the City. The City Council may also require any such surety bond to be further conditioned that the principal thereon will faithfully perform and discharge the duties of their office, and if there are provisions of State law bearing upon the functions of their office under which the execution of a surety bond is required, it shall be further conditioned to comply therewith.



## FINANCE COMMITTEE

JUNE 2016

ESTLINBAUM (1), CHAIRMAN  
JOHNSON (4), ALDERMAN

DECEMBER 2016

CORNMAN (2), CHAIRMAN  
ESTLINBAUM (1), ALDERMAN

JULY 2016

ESTLINBAUM (1), CHAIRMAN  
THAMES (5), ALDERMAN

JANUARY 2017

CORNMAN (2) CHAIRMAN  
FOLSE (3), ALDERMAN

AUGUST 2016

ESTLINBAUM (1), CHAIRMAN  
CORNMAN (2), ALDERMAN

FEBRUARY 2017

CORNMAN (2), CHAIRMAN  
JOHNSON (4), ALDERMAN

SEPTEMBER 2016

ESTLINBAUM (1), CHAIRMAN  
FOLSE (3), ALDERMAN

MARCH 2017

CORNMAN (2) CHAIRMAN  
THAMES (5), ALDERMAN

OCTOBER 2016

ESTLINBAUM (1), CHAIRMAN  
JOHNSON (4), ALDERMAN

APRIL 2017

CORNMAN (2) CHAIRMAN  
ESTLINBAUM (1), ALDERMAN

NOVEMBER 2016

ESTLINBAUM (1), CHAIRMAN  
THAMES (5), ALDERMAN

MAY 2017

CORNMAN (2) CHAIRMAN  
FOLSE (3), ALDERMAN

*Review  
Budgetary &  
Financial  
Policies*

*Investment  
Policy*

*Audit  
Committee  
(limited to 2)*

*Investment  
Policy*

Section 4.09. - Finance Committee.

- (a) A Finance Committee is created to review all expenditures of the City, including regular budgeted salary payments and review all financial policies. City Council shall appoint a Finance Chairman and Assistant Chairman, which may include the Mayor, to serve a one-year term.
- (b) The Finance Committee shall meet at least once a quarter to review expenditures and policies as necessary.
- (c) At least once a quarter, Council shall vote to approve the City expenditures made since the last Council approval.

ARTICLE IX. - DEPARTMENT OF FINANCE

Section 9.01. - Creation and Purpose of the Department of Finance.

A Department of Finance may be created by Ordinance as determined by City Council upon prior consultation with the Chief Administrative Officer. The City shall maintain a Purchasing Policy by Ordinance.