CITY OF BATTLE CREEK

FY 2020 BUDGET STATUS
THROUGH 12/31/19

January 28, 2020

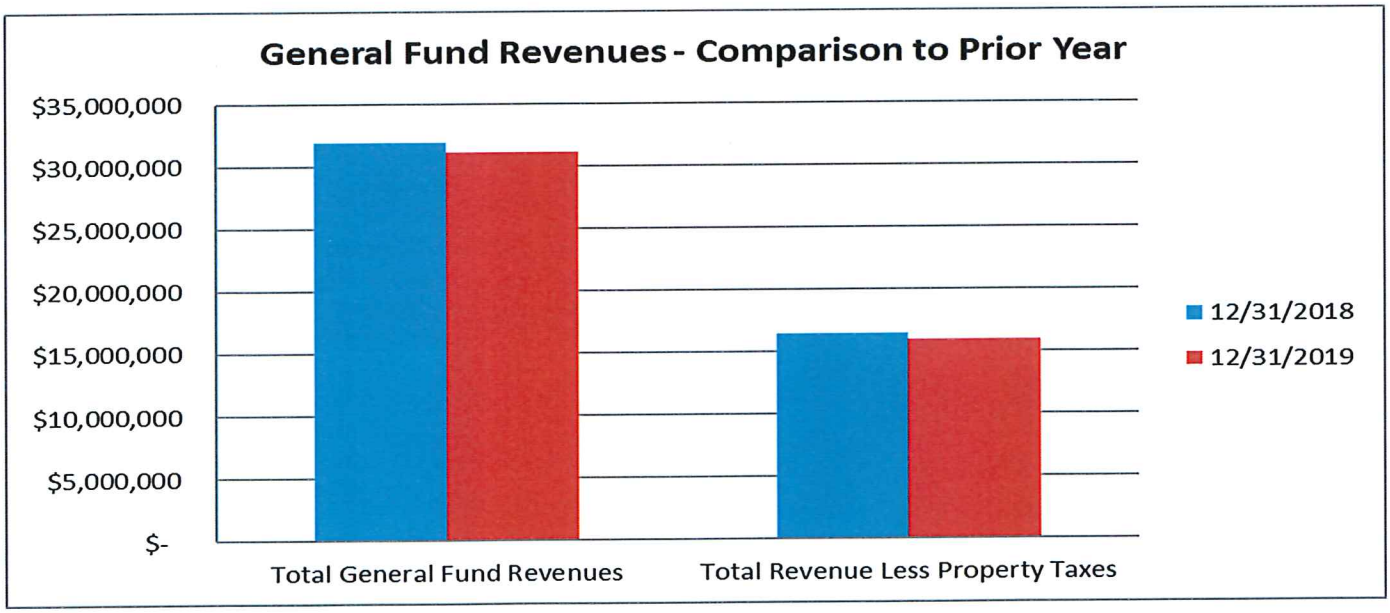
BUDGET POSITION SUMMARY AS OF DECEMBER 31, 2019

Please Note: References to funds being over or below budget are based upon one half of the fiscal year being completed (July 1 – December 31); hence an assumption is made that 50% of the line item should be realized. This assumption does not apply in all cases, as revenues and expenditures may be seasonal. Also, budget amounts shown include adjustments made from prior year appropriations carried forward, depreciation, and/or approved current year budget adjustments .

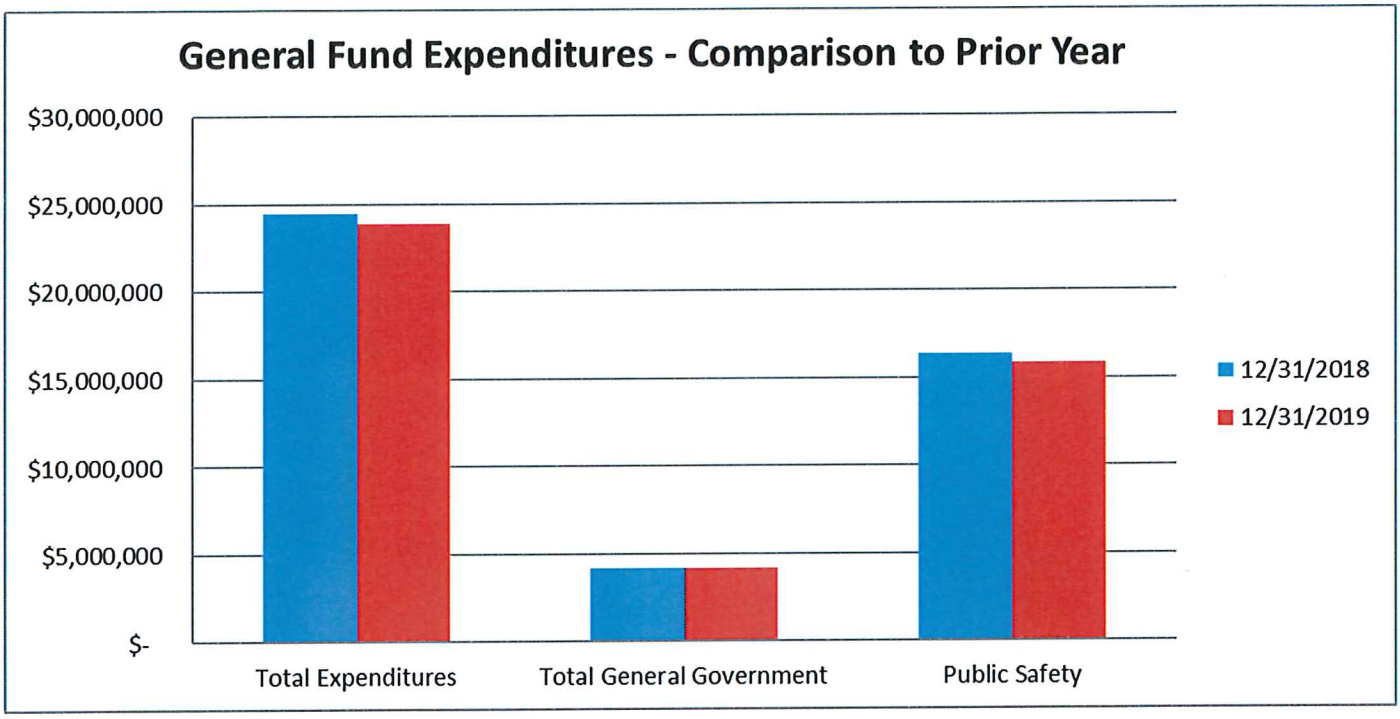
General Fund Revenue: For the six months ending December 31, 2019 total General Fund revenues are at 52.2% of budget; however, all of the City's property tax is billed in the first and second quarters of the fiscal year and the revenue is recorded. Excluding property taxes, all other revenue in the General Fund is at 49.95% of budget and is a decrease of 3.20% compared to the same period one year ago. As a reminder, this is the first year that police services for Bedford Township has been billed for the entire year up-front, making Police Services revenue 69.56% of budget and 15.68% higher than the same period one year ago. Other Intergovernmental revenue includes the personal property tax replacement (LCSA) reimbursement that was received in October. The $786,952 received in October was $326,952 over the conservative $460,000 budget. This LCSA revenue will be part of a mid-year or year-end budget adjustment that will be presented to you before the end of the fiscal year.

The following table provides a comparison of ***income tax collections*** for the six months ending December 31, 2019 compared to the same period last fiscal year.

	12/31/2018	12/31/2019	Difference	% Change
Personal & Partnership	$ 6,950,830	$ 6,146,411	$ (804,419)	-11.57%
Corporate	744,271	1,610,168	865,897	116.34%
Refunds	(349,072)	(492,219)	(143,147)	41.01%
Total	$ 7,346,029	$ 7,264,359	$ (81,670)	-1.11%

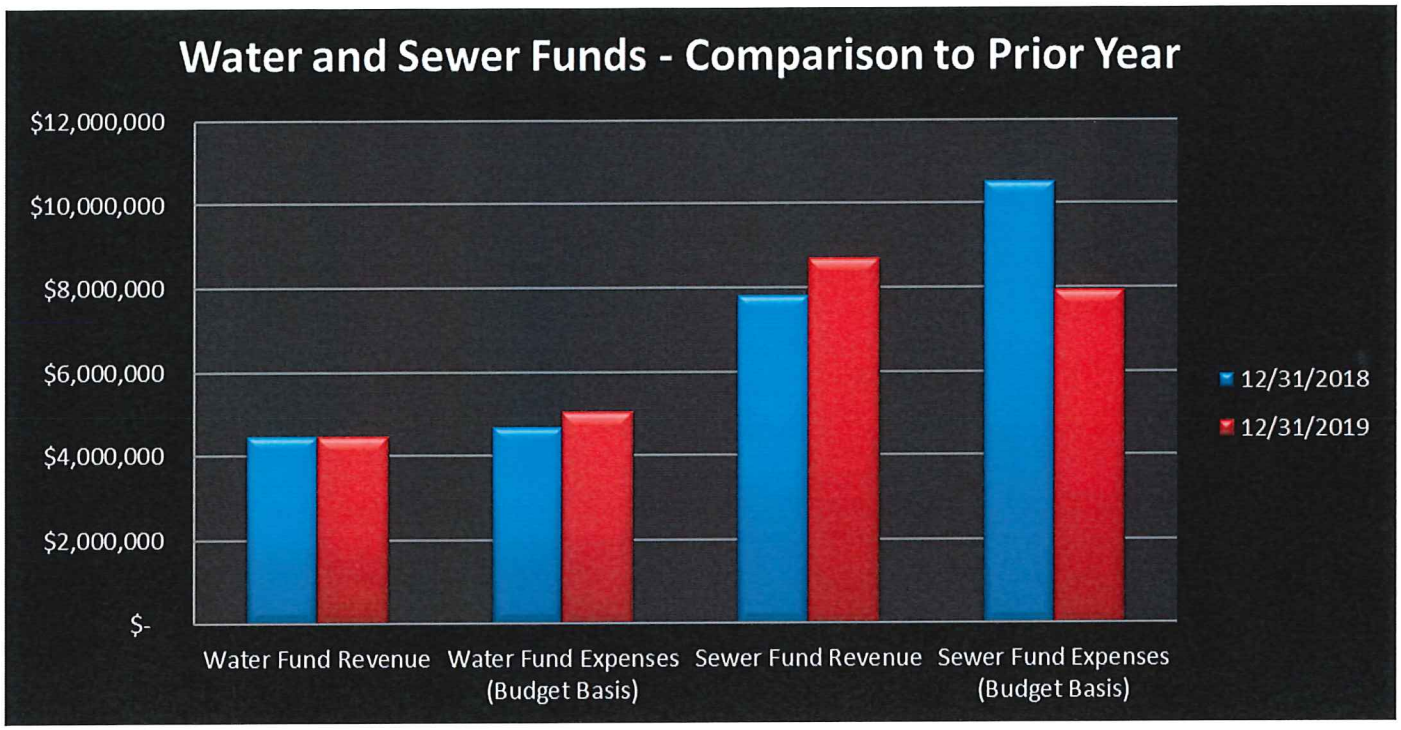


General Fund Expenditures: Total general fund expenditures are 51.10% of budget and 2.51% lower than the prior year.



Major and Local Streets Funds (Act 51): The Major Street revenue is at 47.56% of budget and is 7.43% lower than the same period one year ago. Local Street revenue is at 47.68% of budget and is 8.46% higher than last year. Major streets expenditures are 45.91% of budget and local streets expenditures are 43.22% of budget for the six months ended 12/31/19.

Enterprise Funds: Water fund revenues decreased less than 1% from the prior year. Revenues in the sewer fund have increased 11.14% from the prior year, primarily due to increased industrial charges (29.21% increase over the prior year). Expenses in the water fund include budgeted amounts for substantial capital projects at the Verona Pumping Station (Radon, Iron, and Manganese Removal Facility Improvements).



Not including capital/other grants which can be considered one-time revenues and expenditures, the Transit fund revenues have increased 5.88% and expenditures have increased 3.56% from the prior year. Federal operating revenue is typically received close to year end, having a major impact on the actual percent of budgeted revenues outside of capital/other grants (37.07%). Even with the implementation of a new collective bargaining agreement, total expenses less capital outlay is close to a six month 50% target at 50.63%. Management continues to closely monitor this fund and explore other revenue opportunities in hopes of preventing the fund from ending the year in a deficit position.

Other: Attached is the Investment Portfolio Condition Report as well as some commentary from the bank looking back as well as looking forward. The pooled fund at Comerica has market value of $63,501,227.22 at 12/31/19 and shows 3.11% investment performance for the calendar year and 0.40% for the quarter ended December 31, 2019.

CITY OF BATTLE CREEK, MICHIGAN
Statement of Revenue, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Six Months Ending December 31, 2019

	Original Budget	Current Adjusted Budget	Current Year Actual	% CY Actual of Current Adjusted Budget	Prior Year Actual	% CY Actual Over (Under) PY Actual
Revenue						
Taxes:						
City Income Tax	$ 16,940,309	$ 16,940,309	$ 7,264,359	42.88%	$ 7,346,029	-1.11%
Real Estate Taxes	$ 13,634,617	$ 13,634,617	$ 13,421,140	98.43%	$ 13,166,020	1.94%
Personal Property Taxes	$ 1,650,403	$ 1,650,403	$ 1,782,061	107.98%	$ 2,225,651	-19.93%
Administrative Fees	$ 693,553	$ 693,553	$ 692,373	99.83%	$ 676,013	2.42%
Other Taxes	$ 76,800	$ 76,800	$ 72,175	93.98%	$ 76,398	-5.53%
Total Taxes	$ 32,995,682	$ 32,995,682	$ 23,232,108	70.41%	$ 23,490,111	-1.10%
Licenses and Permits	$ 855,450	$ 855,450	$ 502,866	58.78%	$ 551,295	-8.78%
Intergovernmental:						
State Shared - Statutory	$ 1,522,801	$ 1,522,801	$ 756,225	49.66%	$ 862,424	-12.31%
State Shared - Constitutional	$ 4,684,458	$ 4,684,458	$ 2,416,588	51.59%	$ 2,708,342	-10.77%
Other	$ 633,000	$ 633,000	$ 865,317	136.70%	$ 912,633	-5.18%
Total Intergovernmental	$ 6,840,259	$ 6,840,259	$ 4,038,130	59.03%	$ 4,483,399	-9.93%
Charges for Services:						
Recreation	$ 2,376,474	$ 2,395,474	$ 1,035,765	62.01%	$ 1,070,746	-3.27%
Police Services	$ 1,410,524	$ 1,410,524	$ 981,127	69.56%	$ 848,148	15.68%
Other	$ 104,000	$ 104,000	$ 49,322	47.42%	$ 27,848	77.11%
Total Charges for Services	$ 3,890,998	$ 3,909,998	$ 2,066,214	52.84%	$ 1,946,741	6.14%
Fines and Forfeitures	$ 120,000	$ 120,000	$ 53,835	44.86%	$ 60,618	-11.19%
Investment Income	$ 251,000	$ 251,000	$ 87,980	35.05%	$ 200,416	-56.10%
Other:						
Rents and Leases	$ 37,129	$ 37,129	$ 37,801	101.81%	$ 47,191	-19.90%
Contributions and Donations	$ 24,300	$ 24,300	$ 3,845	15.82%	$ 2,228	72.57%
Miscellaneous	$ 97,900	$ 97,900	$ 130,856	133.66%	$ 57,827	126.29%
Administrative Reimbursements	$ 2,148,909	$ 2,148,909	$ 1,032,330	48.04%	$ 1,063,414	-2.92%
Total Other Revenue	$ 2,308,238	$ 2,308,238	$ 1,204,832	52.20%	$ 1,170,660	2.92%
Total Revenue	$ 47,261,627	$ 47,280,627	$ 31,185,965	65.96%	$ 31,903,240	-2.25%
Total Revenue Less Property Taxes	$ 31,976,607	$ 31,995,607	$ 15,982,765	49.95%	$ 16,511,569	-3.20%

CITY OF BATTLE CREEK, MICHIGAN
Statement of Revenue, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Six Months Ending December 31, 2019

	Original Budget	Current Adjusted Budget	Current Year Actual	% CY Actual of Current Adjusted Budget	Prior Year Actual	% CY Actual Over (Under) PY Actual
Expenditures						
General Government:						
Administration:						
Mayor & Commission	$ 116,243	$ 116,243	$ 77,129	66.35%	$ 71,134	8.43%
City Clerk	$ 387,536	$ 387,536	$ 182,769	47.16%	$ 179,960	1.56%
City Manager	$ 916,693	$ 916,693	$ 467,248	50.97%	$ 509,333	-8.26%
Lobbyist	$ -	$ -	$ -	0.00%	$ 18,000	-100.00%
City Hall	$ 449,019	$ 449,019	$ 247,138	55.04%	$ 224,084	10.29%
Neighborhood Code Compliance	$ 298,385	$ 298,385	$ 150,396	50.40%	$ 183,320	-17.96%
Labor Relations	$ 269,581	$ 269,581	$ 154,503	57.31%	$ 109,618	40.95%
Human Resources	$ 357,684	$ 357,684	$ 166,753	46.62%	$ 178,843	-6.76%
Legal Department	$ 1,026,653	$ 1,026,653	$ 519,629	50.61%	$ 495,741	4.82%
Elections	$ 268,574	$ 268,574	$ 26,223	9.76%	$ 119,628	-78.08%
Civil Service	$ 72,771	$ 72,771	$ 20,583	28.29%	$ 20,615	-0.15%
Total Administration	$ 4,163,139	$ 4,163,139	$ 2,012,372	48.34%	$ 2,110,276	-4.64%
Community Development:						
City Planning	$ 508,669	$ 586,669	$ 298,115	50.81%	$ 235,661	26.50%
Demolitions	$ 139,700	$ 139,700	$ 47,333	33.88%	$ 55,485	-14.69%
Weed Control	$ 95,903	$ 95,903	$ 37,474	39.07%	$ 45,274	-17.23%
Land Management	$ 54,000	$ 54,000	$ 25,370	46.98%	$ 19,634	29.21%
Total Community Development	$ 798,272	$ 876,272	$ 408,292	46.59%	$ 356,054	14.67%
Revenue Services:						
Finance	$ 1,146,932	$ 1,146,932	$ 594,887	51.87%	$ 595,561	-0.11%
Assessing	$ 1,000,064	$ 1,000,064	$ 476,321	47.63%	$ 485,889	-1.97%
Purchasing	$ 336,224	$ 336,224	$ 169,326	50.36%	$ 165,935	2.04%
Treasurer's Office	$ 374,354	$ 374,354	$ 193,670	51.73%	$ 184,657	4.88%
Income Tax Division	$ 683,892	$ 683,892	$ 323,098	47.24%	$ 306,954	5.26%
Total Revenue Services	$ 3,541,466	$ 3,541,466	$ 1,757,303	49.62%	$ 1,738,996	1.05%
Total General Government	$ 8,502,877	$ 8,580,877	$ 4,177,967	48.69%	$ 4,205,327	-0.65%

CITY OF BATTLE CREEK, MICHIGAN
Statement of Revenue, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Six Months Ending December 31, 2019

	Original Budget	Current Adjusted Budget	Current Year Actual	% CY Actual of Current Adjusted Budget	Prior Year Actual	% CY Actual Over (Under) PY Actual
Expenditures (continued)						
Public Safety:						
Police Department:						
Administration	$ 1,142,174	$ 1,142,174	$ 566,562	49.60%	$ 570,492	-0.69%
Crime Lab	$ 1,027,064	$ 1,027,064	$ 490,368	47.74%	$ 535,487	-8.43%
Investigation	$ 1,757,695	$ 1,757,695	$ 858,844	48.86%	$ 811,028	5.90%
Fleet Management/Vehicle Inspection	$ 183,498	$ 183,498	$ 82,355	44.88%	$ 90,003	-8.50%
Special Investigative Unit	$ 1,153,511	$ 1,153,511	$ 639,524	55.44%	$ 592,455	7.94%
Fusion Center	$ 564,792	$ 564,792	$ 258,386	45.75%	$ 271,647	0.00%
Records Management System	$ 178,937	$ 178,937	$ 87,425	48.86%	$ 99,431	-12.07%
Management Services	$ 1,013,732	$ 1,013,732	$ 425,362	41.96%	$ 470,769	-9.65%
Animal Control	$ 461,141	$ 461,141	$ 206,774	44.84%	$ 201,607	2.56%
Patrol	$ 9,521,219	$ 9,521,219	$ 5,290,758	55.57%	$ 5,283,456	0.14%
Community Service	$ 481,572	$ 481,572	$ 193,191	40.12%	$ 243,560	-20.68%
Police Contracts	$ 647,632	$ 647,632	$ 383,285	59.18%	$ 337,370	13.61%
Officer Training	$ 244,506	$ 244,506	$ 140,289	57.38%	$ 143,031	-1.92%
Detention Center	$ 152,894	$ 152,894	$ 57,405	37.55%	$ 66,872	-14.16%
Total Police Department	$ 18,530,367	$ 18,530,367	$ 9,680,527	52.24%	$ 9,717,207	-0.38%
Fire Department:						
Administration	$ 1,301,622	$ 1,314,325	$ 698,959	53.18%	$ 715,773	-2.35%
Fire Fighting	$ 9,683,618	$ 9,670,915	$ 4,969,592	51.39%	$ 4,952,185	0.35%
Total Fire Department	$ 10,985,240	$ 10,985,240	$ 5,668,552	51.60%	$ 5,667,959	0.01%
Dispatch	$ 817,629	$ 817,629	$ 408,814	50.00%	$ 883,021	-53.70%
Emergency Services	$ 218,076	$ 218,076	$ 129,051	59.18%	$ 126,399	2.10%
Total Public Safety	$ 30,551,312	$ 30,551,312	$ 15,886,944	52.00%	$ 16,394,587	-3.10%
Public Works:						
Storm Cleanup/Extraordinary Event	$ -	$ -	$ 51,042	0.00%	$ 4,082	1150.54%
Parks Building & Maint	$ 432,201	$ 432,201	$ 338,977	78.43%	$ 261,407	29.67%
Willard Beach	$ 35,397	$ 35,397	$ 13,790	38.96%	$ 19,028	-27.53%
Linear Park Maint & Development	$ 66,565	$ 66,565	$ 31,187	46.85%	$ 40,598	-23.18%
Downtown Maintenance	$ 803,870	$ 803,870	$ 369,124	45.92%	$ 396,272	-6.85%
Engineering	$ 125,334	$ 125,334	$ 60,937	48.62%	$ 63,807	-4.50%
Retention Basin Rehabilitation	$ 54,664	$ 57,181	$ 33,991	59.44%	$ 18,129	87.49%
Street Lighting	$ 1,350,000	$ 1,350,000	$ 538,503	39.89%	$ 568,358	-5.25%
Outside Services	$ 72,323	$ 72,323	$ 24,627	34.05%	$ 26,620	-7.49%
Total Public Works	$ 2,940,354	$ 2,942,871	$ 1,462,178	49.69%	$ 1,398,302	4.57%

CITY OF BATTLE CREEK, MICHIGAN
Statement of Revenue, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Six Months Ending December 31, 2019

	Original Budget	Current Adjusted Budget	Current Year Actual	% CY Actual of Current Adjusted Budget	Prior Year Actual	% CY Actual Over (Under) PY Actual
Expenditures (Continued)						
Recreation:						
Administration	$ 442,416	$ 442,416	$ 199,461	45.08%	$ 277,601	-28.15%
Special Projects/Capital Repairs	$ -	$ -	$ -	0.00%	$ 8,170	-100.00%
Sports	$ 869,039	$ 869,039	$ 379,525	43.67%	$ 388,525	-2.32%
Binder Park Golf Course	$ 1,214,826	$ 1,233,826	$ 570,197	46.21%	$ 536,531	6.27%
Youth Center & Water Park	$ 1,193,217	$ 1,193,217	$ 615,836	51.61%	$ 663,246	-7.15%
Total Recreation	$ 3,719,498	$ 3,738,498	$ 1,765,019	47.21%	$ 1,874,074	-5.82%
Unallocated:						
Intermodal Facility	$ -	$ -	$ -	0.00%	$ 51,840	-100.00%
Other	$ 919,898	$ 919,898	$ 588,768	64.00%	$ 571,145	3.09%
Total Unallocated	$ 919,898	$ 919,898	$ 588,768	64.00%	$ 622,985	-5.49%
Total Expenditures	$ 46,633,939	$ 46,733,456	$ 23,880,876	51.10%	$ 24,495,275	-2.51%
Revenue Over Expenditures	$ 627,688	$ 547,171	$ 7,305,088		$ 7,407,965	
Other Financing Sources (Uses):						
Operating Transfers Out:						
Major & Local Streets	$ -	$ -	$ -	0.00%	$ -	0.00%
Major & Local Street Construction	$ -	$ -	$ -	0.00%	$ -	#DIV/0!
2013 Capital Improvement Bonds	$ (727,170)	$ (727,170)	$ (135,824)	18.68%	$ (142,878)	-4.94%
2016 Capital Improvement Bonds	$ (1,057,000)	$ (1,057,000)	$ (734,800)	69.52%	$ (550,736)	33.42%
Transit Subsidy	$ (638,230)	$ (638,230)	$ (319,115)	50.00%	$ (469,115)	-31.98%
Other	$ (91,660)	$ (91,660)	$ (74,481)	81.26%	$ (170,993)	-56.44%
Transfers From Component Units	$ 1,777,030	$ 1,778,606	$ 889,303	50.00%	$ 612,547	45.18%
Sale of Fixed Assets	$ -	$ -	$ 8,151	0.00%	$ -	0.00%
Transfer from Other	$ 109,342	$ 109,342	$ 54,671	0.00%	$ -	0.00%
Total Other Financing Sources (Uses)	$ (627,688)	$ (626,112)	$ (312,095)	49.85%	$ (721,175)	-56.72%
Revenue and Other Sources Over (Under) Expenditures and Other Uses	$ -	$ (78,941)	$ 6,992,993		$ 6,686,790	
Fund Balance, Beginning of Year	$ 6,522,130	$ 6,522,130	$ 6,522,130			
Fund Balance (Deficit), End of Period	$ 6,522,130	$ 6,443,189	$ 13,515,123			

CITY OF BATTLE CREEK, MICHIGAN
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Special Revenue Funds
For the Six Months Ending December 31, 2019

	Major Street and Trunkline Maintenance Fund				
	Current Adjusted Budget	Current Year Actual	% CY Actual of Current Adjusted Budget	Prior Year Actual	% CY Actual Over (Under) PY Actual
Revenue					
Intergovernmental Revenue	$ 6,895,000	$ 3,273,905	47.48%	$ 3,519,779	-6.99%
Interest	$ 2,500	$ 19,225	0.00%	$ 20,968	-8.31%
Rents and Leases	$ 18,000	$ (4,032)	-22.40%	$ 11,807	-134.15%
Loan Collection (Distribution) and Other	$ 500	$ 328	65.52%	$ 1,011	-67.58%
Total Revenue	$ 6,916,000	$ 3,289,426	47.56%	$ 3,553,564	-7.43%
Expenditures					
Highways and Streets	$ 4,863,950	$ 2,233,028	45.91%	$ 1,851,726	20.59%
Total Expenditures	$ 4,863,950	$ 2,233,028	45.91%	$ 1,851,726	20.59%
Revenue Over (Under) Expenditures	$ 2,052,050	$ 1,056,398		$ 1,701,838	
Other Financing Sources (Uses)					
Operating Transfers In:					
Major Street, General Fund and Other	$ -	$ -	0.00%	$ -	0.00%
Operating Transfers Out:					
Local Streets Fund	$ (2,000,000)	$ (1,000,000)	50.00%	$ (1,000,000)	0.00%
Major Street Const. Fund	$ (500,000)	$ (250,000)	50.00%	$ (250,000)	0.00%
Auto Parking Fund	$ (9,000)	$ (4,500)	50.00%	$ (4,500)	0.00%
Other	$ -	$ -	0.00%	$ -	0.00%
Total Other Financing Sources (Uses)	$ (2,509,000)	$ (1,254,500)	50.00%	$ (1,254,500)	0.00%
Revenue and Other Sources Over (Under) Expenditures and Other Uses	$ (456,950)	$ (198,102)		$ 447,338	
Fund Balance, Beginning of Year	$ 3,039,672	$ 3,039,672			
Fund Balance (Deficit), End of Period	$ 2,582,722	$ 2,841,570			

CITY OF BATTLE CREEK, MICHIGAN
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Special Revenue Funds
For the Six Months Ending December 31, 2019

	Local Street Fund				
	Current Adjusted Budget	Current Year Actual	% CY Actual of Current Adjusted Budget	Prior Year Actual	% CY Actual Over (Under) PY Actual
Revenue					
Intergovernmental Revenue	$ 1,735,000	$ 818,801	47.19%	$ 770,362	6.29%
Interest	$ -	$ 8,381	0.00%	$ (7,587)	-210.46%
Loan Collection (Distribution) and Other	$ 500	$ 223	44.52%	$ 115	94.22%
Total Revenue	$ 1,735,500	$ 827,404	47.68%	$ 762,890	8.46%
Expenditures					
Highways and Streets	$ 3,735,928	$ 1,614,600	43.22%	$ 1,662,927	-2.91%
Total Expenditures	$ 3,735,928	$ 1,614,600	43.22%	$ 1,662,927	-2.91%
Revenue Over (Under) Expenditures	$ (2,000,428)	$ (787,196)		$ (900,037)	
Other Financing Sources (Uses)					
Operating Transfers In:					
Major Street, General Fund and Other	$ 2,000,000	$ 1,000,000	50.00%	$ 1,000,000	0.00%
Total Other Financing Sources (Uses)	$ 2,000,000	$ 1,000,000	50.00%	$ 1,000,000	0.00%
Revenue and Other Sources Over (Under) Expenditures and Other Uses	$ (428)	$ 212,804		$ 99,963	
Fund Balance, Beginning of Year	$ 422,401	$ 422,401			
Fund Balance (Deficit), End of Period	$ 421,973	$ 635,205			

CITY OF BATTLE CREEK, MICHIGAN
Statement of Revenue, Expenditures and Changes in Working Capital
Budget Basis
Sanitary Sewer and Wastewater Plant Fund
For the Six Months Ending December 31, 2019

	Current Adjusted Budget	Current Year Actual	% CY Actual of Current Adjusted Budget	Prior Year Actual	% CY Actual Over (Under) PY Actual
Revenues					
Charges for Services:					
Residential	$ 6,375,000	$ 2,452,831	38.48%	$ 2,385,532	2.82%
Commercial	$ 3,716,000	$ 1,459,840	39.29%	$ 1,439,767	1.39%
Industrial	$ 6,260,000	$ 3,383,699	54.05%	$ 2,618,770	29.21%
Pennfield	$ 656,000	$ 309,550	47.19%	$ 275,076	12.53%
Emmett	$ 1,239,000	$ 577,591	46.62%	$ 521,466	10.76%
Springfield	$ 657,000	$ 190,893	29.06%	$ 247,013	-22.72%
Bedford	$ 252,000	$ 96,480	38.29%	$ 83,638	15.35%
East Leroy	$ 13,000	$ 6,345	48.81%	$ 5,793	9.52%
Sewer Service	$ 25,000	$ 13,502	54.01%	$ (3,870)	448.88%
Interest Income	$ 20,500	$ 69,546	339.25%	$ 107,836	-35.51%
Sale of Capital Assets	$ -	$ -	0.00%	$ -	0.00%
Miscellaneous	$ 185,000	$ 123,018	66.50%	$ 131,667	-6.57%
Total Revenue	$ 19,398,500	$ 8,683,294	44.76%	$ 7,812,687	11.14%
Expenses					
Utility Administration	$ 786,333	$ 383,606	48.78%	$ 379,537	1.07%
Collection	$ 3,144,366	$ 1,520,570	48.36%	$ 1,576,449	-3.54%
Operations	$ 5,974,801	$ 2,873,140	48.09%	$ 2,695,803	6.58%
Maintenance	$ 2,804,371	$ 1,454,798	51.88%	$ 1,171,529	24.18%
Laboratory Services	$ 683,619	$ 314,312	45.98%	$ 301,114	4.38%
Sanitary Sewer Program	$ 3,388,351	$ 228,992	6.76%	$ 160,920	42.30%
Meter Replacement	$ 100,000	$ 29,761	29.76%	$ 78,759	-62.21%
Solids Handling Rehab	$ 994,707	$ 93,599	9.41%	$ 301,941	-69.00%
WWTP Rehabilitation	$ 497,592	$ 48,475	9.74%	$ 2,896,646	-98.33%
Other Projects	$ 1,000	$ -	0.00%	$ -	N/A
Debt Service	$ 2,040,773	$ 891,166	43.67%	$ 883,613	0.85%
Operating Transfers Out	$ 100,000	$ 50,000	50.00%	$ 70,960	-29.54%
Capital Outlay	$ 51,550	$ 22,626	43.89%	$ 10,077	124.55%
Total Expenses	$ 20,567,463	$ 7,911,045	38.46%	$ 10,527,348	-24.85%
Revenue Over (Under) Expenses	$ (1,168,963)	$ 772,249		$ (2,714,661)	
Working Capital, Beginning of Year	$ 6,605,905	$ 6,605,905			
Working Capital, End of Period	$ 5,436,942	$ 7,378,154			

CITY OF BATTLE CREEK, MICHIGAN
Statement of Revenue, Expenditures and Changes in Working Capital
Budget Basis
Water Fund
For the Six Months Ending December 31, 2019

	Current Adjusted Budget	Current Year Actual	% CY Actual of Current Adjusted Budget	Prior Year Actual	% CY Actual Over (Under) PY Actual
Revenues					
Charges for Services:					
Residential	$ 3,600,000	$ 1,700,156	47.23%	$ 1,720,910	-1.21%
Commercial	$ 2,100,000	$ 988,063	47.05%	$ 979,885	0.83%
Industrial	$ 1,575,000	$ 820,701	52.11%	$ 753,819	8.87%
Pennfield	$ 50,000	$ 24,975	49.95%	$ 24,499	1.94%
Emmett	$ 650,000	$ 331,571	51.01%	$ 346,871	-4.41%
Springfield	$ 225,000	$ 56,849	25.27%	$ 92,967	-38.85%
Bedford	$ 97,000	$ 41,675	42.96%	$ 42,364	-1.62%
East Leroy	$ 10,800	$ 5,850	54.17%	$ 5,514	6.10%
Water Service	$ 280,000	$ 139,154	49.70%	$ 126,265	10.21%
Interest Income	$ 28,000	$ 77,340	276.21%	$ 97,627	-20.78%
Miscellaneous	$ 594,500	$ 252,009	42.39%	$ 261,522	-3.64%
Total Revenue	$ 9,210,300	$ 4,438,343	48.19%	$ 4,452,242	-0.31%
Expenses					
Utility Administration	$ 1,761,720	$ 847,158	48.09%	$ 865,943	-2.17%
Billing and Collections	$ 205,089	$ 114,105	55.64%	$ 148,537	-23.18%
Field Services	$ 2,223,309	$ 1,095,504	49.27%	$ 1,016,042	7.82%
Meter Shop	$ 286,261	$ 174,400	60.92%	$ 146,934	18.69%
Verona Pumping station	$ 1,812,456	$ 724,808	39.99%	$ 817,065	-11.29%
Wellhead Protection	$ 44,633	$ 24,789	55.54%	$ 17,056	45.34%
Watermain Program	$ 2,685,451	$ 1,142,262	42.54%	$ 1,232,915	-7.35%
Other Projects	$ 4,926,006	$ 851,759	17.29%	$ 368,160	131.36%
Operating Transfers Out	$ 72,000	$ 36,000	50.00%	$ 36,000	0.00%
Capital Outlay	$ 28,870	$ 559	1.93%	$ 7,233	-92.28%
Total Expenses	$ 14,045,795	$ 5,011,344	35.68%	$ 4,655,885	7.63%
Revenue Over (Under) Expenses	$ (4,835,495)	$ (573,001)		$ (203,643)	
Working Capital, Beginning of Year	$ 9,662,574	$ 9,662,574			
Working Capital, End of Period	$ 4,827,079	$ 9,089,573			

CITY OF BATTLE CREEK, MICHIGAN
Statement of Revenue, Expenditures and Changes in Working Capital
Budget Basis
Battle Creek Transit System
For the Six Months Ending December 31, 2019

	Original Original	Current Adjusted Budget	Current Year Actual	% CY Actual of Current Adjusted Budget	Prior Year Actual	% CY Actual Over (Under) PY Actual
Revenues						
Charges for Services:						
Fares	$ 204,000	$ 204,000	$ 100,158	49.10%	$ 100,282	-0.12%
Tokens	$ 11,000	$ 11,000	$ 6,994	63.58%	$ 5,098	37.21%
Passes	$ 119,000	$ 119,000	$ 53,783	45.20%	$ 59,794	-10.05%
Advertising	$ 32,000	$ 32,000	$ 1,988	6.21%	$ 3,212	-38.12%
Intergovernmental Subsidies:						
Federal Operating	$ 1,362,313	$ 1,362,313	$ -	0.00%	$ -	0.00%
State Operating	$ 1,567,111	$ 1,567,111	$ 716,940	45.75%	$ 732,798	-2.16%
State Operating	$ -	$ -	$ 258,664	0.00%	$ -	0.00%
Capital/Other Grants	$ -	$ 1,416,960	$ 34,639	2.44%	$ 943,940	-96.33%
General Fund Subsidies	$ 638,230	$ 638,230	$ 319,115	50.00%	$ 469,115	-31.98%
Miscellaneous	$ 500	$ 500	$ 663	132.52%	$ 7,078	-90.64%
Total Revenue	$ 3,934,154	$ 5,351,114	$ 1,492,942	27.90%	$ 2,321,317	-35.69%
Total Revenue less Capital/Other Grants	$ 3,934,154	$ 3,934,154	$ 1,458,304	37.07%	$ 1,377,377	5.88%
Expenses						
Operations	$ 3,035,784	$ 3,312,760	$ 1,643,148	49.60%	$ 1,593,226	3.13%
Maintenance	$ 721,270	$ 716,502	$ 387,037	54.02%	$ 367,306	5.37%
Administration	$ 527,988	$ 553,840	$ 290,071	52.37%	$ 280,053	3.58%
Capital Outlay	$ -	$ 1,124,526	$ 8,034	0.71%	$ 883,031	-99.09%
Total Expenses	$ 4,285,042	$ 5,707,628	$ 2,328,289	40.79%	$ 3,123,616	-25.46%
Total Expenses less Capital Outlay	$ 4,285,042	$ 4,583,102	$ 2,320,255	50.63%	$ 2,240,584	3.56%
Revenue Over (Under) Expenses	$ (350,888)	$ (356,514)	$ (835,347)		$ (802,299)	
Working Capital, Beginning of Year	$ 177,073	$ 177,073	$ 177,073			
Working Capital, End of Period	$ (173,815)	$ (179,441)	$ (658,274)			

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Wealth Management

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City of Battle Creek

Investment Portfolio Condition
as of December 31, 2019

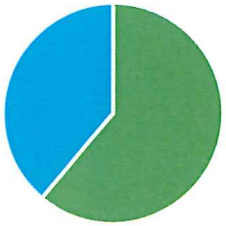
Market Value: $ 63,501,227.22

Income Earned

4th Qtr:	$	245,446
YTD:	$	950,959
1 Year:	$	909,487

Asset Allocation:

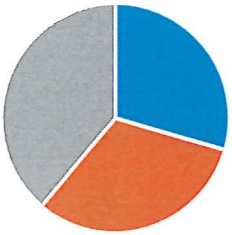
61.17% Fixed Income
38.83% Money Market



Fixed Income Money Market

Portfolio Composition:

29.53% U.S. Agency
31.63% U.S. Treasury
38.83% Money Market



U.S. Agency U.S. Treasury Money Market

Performance:

	3 Months	YTD	1 Year	3 Years	5 Years	Since 4/1/04
Pooled Fund	**0.40%**	**3.11%**	**3.11%**	**1.64%**	**1.42%**	**2.46%**
Bonds	**0.47%**	**3.63%**	**3.63%**	**1.98%**	**1.75%**	**2.15%**
Benchmark Returns						
BofA ML 1-3 US Treasury/Agency Index	***0.51%***	***3.55%***	***3.55%***	***1.86%***	***1.40%***	***2.10%***
Bloomberg Barclays Intermediate US Govt. Index	***0.01%***	***5.20%***	***5.20%***	***2.57%***	***1.99%***	***3.03%***

Fixed Income Characteristics:

Avg. Modified Duration:	**1.57**
Avg. Yield to Maturity:	**1.50%**
Avg. Moody Rating:	**Aaa**

Economic Review

December 31, 2019

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Economic and Treasury Market Review

	1/07/19	1/07/20:	Change (bps):
3 Month:	2.40	1.52	-88
6 Month:	2.50	1.55	-95
1 Year:	2.58	1.52	-106
2 Year:	2.54	1.54	-100
3 Year:	2.52	1.56	-96
5 Year:	2.54	1.61	-93
10 Year:	2.70	1.81	-89
30 Year:	2.99	2.29	-70
2 vs. 30 spread:	+45 bps	+75 bps	+29 bps

Treasuries

- Treasury yields have been trending higher since Sept. / Oct. as recession fears have abated and investor sentiment has improved
- Risk-on trades favoring equities and selling bonds are back in vogue
- The yield curve has reverted back to having a positive slope after being inverted for most of last year; the 2-yr. vs. 10-yr. curve inverted last August for the first time since early '07
- However, the yield gap between treasuries and foreign bonds remains wide; negative yields are entrenched in Japan and Europe

GDP Growth

- 3rd Qtr. GDP was recently revised ↑ from +1.9% to +2.1%
- Consumer spending (which represents over 70% of GDP) grew at a 3.2% pace, this compares to +4.6% in the 2nd Qtr.
- Business investment was awful and remained a drag on growth
- Early street estimates for 4th Qtr. GDP are below +2.0%

Employment

- November's unemployment rate fell .1% to 3.5%; a 50 yr. low
- November's nonfarm payrolls increased 266k, while private payrolls rose 254k; both numbers were stronger than street estimates
- November's avg. hourly earnings rose +.2%; the Y-O-Y rate remained at 3.1%
- The outlook for employment remains favorable as available jobs are plentiful

Fed Policy

- The Fed remained on hold at the December 11th FOMC meeting; they had previously cut the fed funds rate by ¼ pt. at each of the three previous meetings
- Fed Chairman Powell said the current level of interest rates are appropriate; he also cited incomes are rising, the consumer is spending, confidence is strong and inflation remains muted
- Despite fed funds futures indicating otherwise, the Fed does not anticipate an interest rate cut in 2020; their Dot Plot now indicates one rate hike in 2021
- Undeterred by never ending criticism from the White House, the Fed continues to closely monitor global economic conditions, inflation readings, and policy related headwinds from trade disputes

Inflation

- Nov's Core CPI rose .2% and Y-O-Y core rose 2.3%, '18 core inflation rose 2.2%
- Nov's Core PPI fell .2% and Y-O-Y core rose 1.3%, '18 core inflation rose 2.7%
- Nov's Core PCE rose .1% and Y-O-Y core rose 1.6%, '18 core inflation rose 1.9%
- The Fed recently said some core and headline inflation indicators remain under 2.0%, but they anticipate these levels to gradually trend back to their policy target

Commodities and the Dollar

- Oil is trading at $62 a barrel; up from $52 in early October
- Gold is trading at $1,573 an ounce; up from $1,237 a year ago
- Copper is trading at $2.79 a pound; up from $2.51 in early September
- The U.S. Dollar remains strong against a basket of major foreign currencies

Sources: Bloomberg, CNBC, The Financial Times, and The Wall Street Journal

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Economic Highlights*

- The US economy's growth continued to slow modestly in the quarter.
  - The Bureau of Economic Analysis reported its third estimate of third quarter 2019 gross domestic product (GDP) of 2.1%, in line with the prior estimate, and slightly higher than the second quarter's 2.0% reading.
  - Consumers are currently serving as the engine for growth, and home sales and residential construction were also positive factors with the decline in mortgage rates.
  - Business investment remains sluggish due to trade uncertainty and geopolitical risks.

- The Trump administration's trade war with China and other trading partners remains the primary drag on growth, although economists believe the FOMC's interest rate reductions in 2019 should begin to offset some of the negative impacts of tariffs. Analysts also expect President Trump to soften his trade stance heading into an election year.

- The Federal Open Market Committee (FOMC) modified its interest rate policy by lowering the federal funds rate target once during the quarter, to a range of 1.50% to 1.75%. Economists currently expect the FOMC to maintain the fed funds rate at current levels through 2020.

*Excerpted from the attached 4th Quarter Market Analysis

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Economic Highlights*

- The employment situation surged in the latest month, with an average of approximately 205,000 jobs added each month of the quarter.

- The unemployment rate dipped to 3.5%.

- The global economic environment continued to lose momentum, driven by ongoing trade uncertainty and developed markets economies experiencing the slowdown phase of the business cycle.
  - Eurozone economic growth was resilient, with consumers again serving as the primary positive driver.
  - Employment in the region remains robust, but further gains may be difficult to attain at this point in the cycle.
  - China's economy continues to suffer, with both imports and exports declining. Exports to the US alone plunged 20% in recent months due to increased tariffs.

*Excerpted from the attached 4th Quarter Market Analysis

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Economic Highlights*

- Fixed income securities' prices and yields were impacted by several important factors during the quarter. The combination of these factors resulted in a more normal yield curve shape, with generally higher yields.
  - An acceleration in job growth
  - Expectations for an easing in the trade tensions with China
  - Boris Johnson's decisive re-election as UK Prime Minister is expected to bring greater clarity to the Brexit situation that has cast a cloud over the region for more than three years
  - The FOMC lowered interest rates once during the quarter, bringing the target federal funds rate range to 1.50%-1.75%.
  - Economists expect yields to closely track the economy going forward, as the FOMC committee members anticipate no additional rate reductions (or increases) in 2020.

- After battling through the adverse seasonal headwinds at the beginning of the quarter, equity markets provided consistent and steady gains throughout the quarter.
  - September and October are often difficult months for stocks, and 2019 was not an exception, as broad-based indices declined roughly 3.5% in the first week of October.
  - However, as economic data remained solid, and as the trade situation continued to thaw, markets recovered and established new all-time highs.
  - Within that context, the S&P 500 Index finished the quarter with a gain of +9.1%. For the year, the S&P 500 delivered a total return of +31.5%.

Excerpted from the attached 4th Quarter Market Analysis

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Disclosure

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U.S. Economic Outlook January 2020

Comerica Bank

■ Robert A. Dye, Ph.D. ■ Daniel Sanabria @Comerica_Econ

Economic Outlook: C
Balance of Risk: ⬇

2020: The Year Ahead

The path of the U.S. economy through 2020 will be shaped by monetary policy, hiring and business investment. Through the first half of 2020, Federal Reserve monetary policy will be very predictable. At the end of 2019, Fed Chairman Jay Powell and other Fed officials reinforced the idea that the Fed is in "pause" mode. The pause came after a series of three 25 basis point interest rate cuts through the middle of 2019. The last time the Fed followed a similar pattern was in the 1990s, when the pause lasted for about two and a half years, allowing for one small adjustment. Now we see in the most recent dot plot from December, that most Fed officials expect to keep the fed funds rate unchanged through 2020. Jay Powell has set a moderately high bar for any future policy changes. According to Powell, the Fed will maintain the current level of the fed funds rate until their outlook "materially" changes. The Fed's dot plot for 2021 shows that the majority of Fed officials believe that their next move will be to increase the fed funds rate once in 2021.

We can generalize the forces on the Fed to say that they face two different challenges over the next few years. On the one hand, they face the challenge of cooler U.S. economic performance (likely accompanied by some financial market volatility). On the other hand, they face the challenge of controlling inflation, which is still below the 2 percent target. The Fed's dot plot for 2021, consistent with one fed funds rate hike, implies that the Fed believes that economic performance will be reasonably good, and that inflation pressures will increase.

However, looking at the fed funds futures market, the majority of interest rate speculators assume the opposite. The futures market shows that most speculators believe that the Fed will decrease the fed funds rate by at least 25 basis points by the end of 2020. This implies that most speculators believe downside economic risk is the dominant factor.

We agree with that assessment of risks. We are maintaining our forecast of one 25 basis point cut to the fed funds rate this year, coming at the June 9/10 Federal Open Market Committee meeting. We believe that downside risk factors from both within the U.S. and internationally, will keep the U.S economy subdued this year. The FOMC meetings in June and July will give the Fed the opportunity to make an adjustment to the fed funds rate before the heart of the election campaign season later this fall. Barring a strong event, the Fed will likely leave policy unchanged at their September 15/16 meeting. The FOMC meeting over November 4/5 comes immediately after election day on Tuesday November 3. Any Fed action on November 5 will be interpreted through a political lens, which they would like to avoid.

We also expect hiring to cool gradually through 2020. This is fundamentally important to the U.S. economy because, through 2019, the consumer sector was the strength of the economy. Job creation is the foundation of consumer sector strength. The Bureau of Labor Statistics has already warned that employment data historical revisions, which they will publish on February 7, will show a net downward adjustment of about a half a million workers through 2018 and into early 2019. The adjustment is expected to show that job creation stepped down through 2018 and into 2019. We expect that trend to continue through 2020. To monitor the potential for cooler hiring, we will be following three key indicators, unemployment insurance claims, the hiring rate and layoff announcements.

Business investment was weak in 2019. Trade policy disruption, recession risk, the GM/UAW strike, reduced oil drilling and weaker international conditions were negative factors last year. Over the year ending in 2019Q3, real business fixed investment increased by only 1.4 percent. The good news is that trade policy risk appears to be reduced in 2020. Partially because of that, recession risk is also reduced in 2020. GM's labor issues are resolved, but Boeing's issues are getting worse. The decline in the drilling rig count through 2019 appears to be levelling out. Europe is still weak, but China looks firmer in early 2020. We look for real BFI to improve modestly this year, expanding by 3.0 percent for the year ending in 2020Q4. This is still a somewhat subdued growth rate, consistent with ongoing downside risk factors.

U.S. Economic Outlook, Summary

a = actual f = forecast	2Q'19a	3Q'19a	4Q'19f	1Q'20f	2Q'20f	3Q'20f	4Q'20f	1Q'21f	2018a	2019f	2020f
Real GDP *(Percent Change Annualized)*	2.0	2.1	1.6	2.0	2.3	2.5	2.1	2.1	2.9	2.3	2.1
CPI *(Percent Change Year-over-Year)*	1.8	1.8	2.0	2.5	2.2	2.3	2.1	2.0	2.4	1.8	2.3
Payroll Jobs *(Average Monthly Diff., Ths.)*	145.8	171.9	190.9	158.2	278.9	-23.0	111.4	86.2	221.0	174.4	131.4
Unemployment Rate *(Percent)*	3.6	3.6	3.5	3.4	3.4	3.5	3.5	3.5	3.9	3.7	3.4
Federal Funds Rate *(Effective)*	2.40	2.19	1.64	1.63	1.59	1.38	1.38	1.38	1.83	2.16	1.49
10-Yr. Treasury Rate	2.33	1.80	1.79	1.87	1.94	1.82	1.88	1.94	2.91	2.14	1.88

Risk of Recession Outlook

Probability of Recession (in the next)	6 months	12 months	24 months	36 months
December 2019	18%	35%	45%	55%

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U.S. Economic Outlook January 2020

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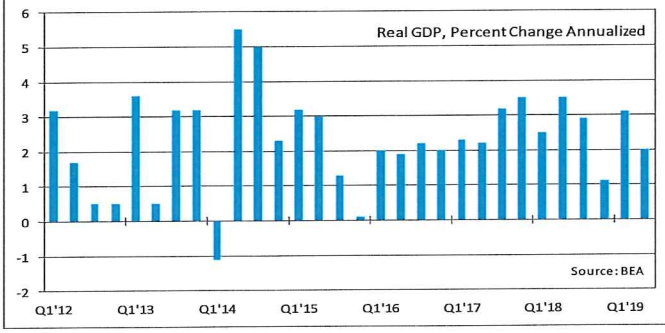
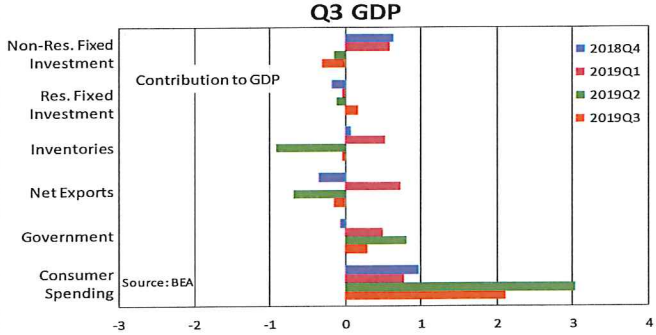
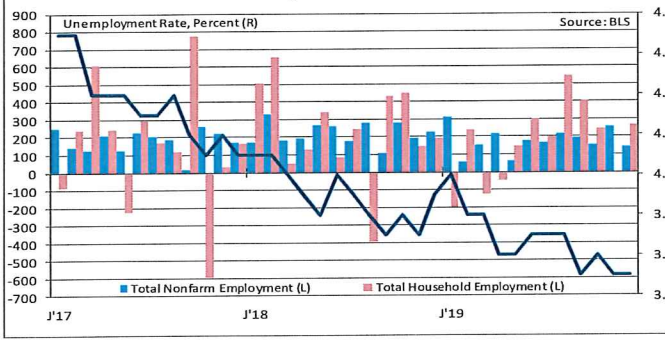
Q3 Real GDP Growth at 2.0%



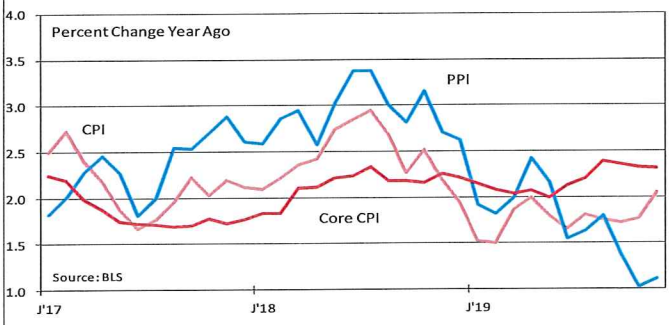
Consumer Spending Was a Key Support for Q3 GDP



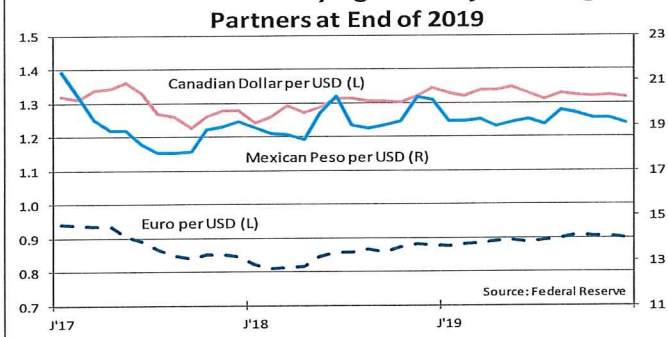
U.S. Adds 145,000 Jobs in December



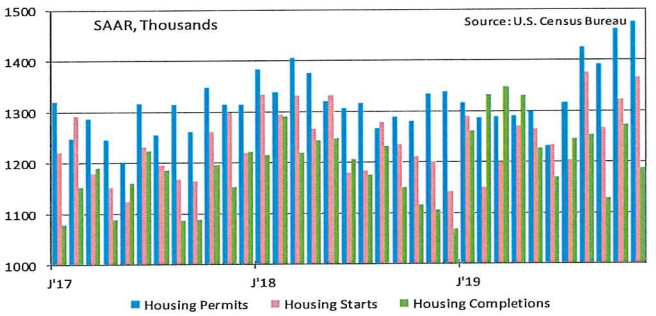
Core Consumer Inflation Stabilizes



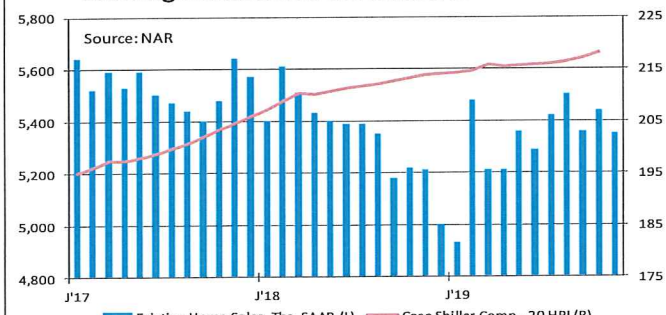
Dollar Holds Steady Against Major Trading Partners at End of 2019



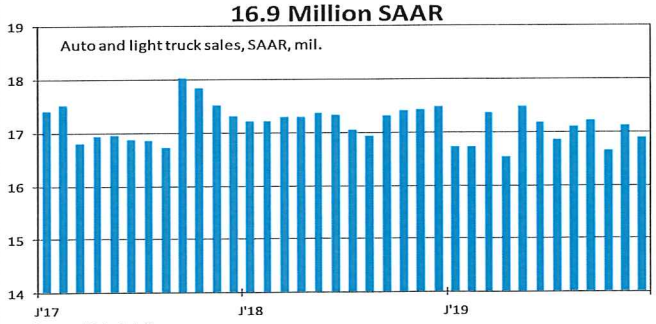
Res. Construction Improved in 2019H2



Existing Home Sales Moderate in November



December Auto Sales Ease to a 16.9 Million SAAR



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U.S. Economic Outlook January 2020

Comerica Bank

	2Q'19a	3Q'19a	4Q'19f	1Q'20f	2Q'20f	3Q'20f	4Q'20f	1Q'21f	2018a	2019f	2020f
Output											
Nominal GDP *(Billions $)*	21340	21543	21736	21955	22187	22433	22659	22891	20580	21429	22308
Percent Change Annualized	***4.7***	***3.8***	***3.6***	***4.1***	***4.3***	***4.5***	***4.1***	***4.2***	***5.4***	***4.1***	***4.1***
Real GDP *(Chained 2012 Billions $)*	19022	19121	19198	19296	19405	19525	19625	19729	18638	19067	19463
Percent Change Annualized	***2.0***	***2.1***	***1.6***	***2.0***	***2.3***	***2.5***	***2.1***	***2.1***	***2.9***	***2.3***	***2.1***
Pers. Consumption Expenditures	13250	13353	13416	13484	13557	13626	13688	13760	12945	13281	13589
Percent Change Annualized	***4.6***	***3.1***	***1.9***	***2.0***	***2.2***	***2.0***	***1.8***	***2.1***	***3.0***	***2.6***	***2.3***
Nonresidential Fixed Investment	2759	2743	2761	2775	2795	2820	2844	2867	2692	2757	2809
Percent Change Annualized	***-1.0***	***-2.3***	***2.7***	***2.0***	***3.0***	***3.6***	***3.4***	***3.3***	***6.4***	***2.4***	***1.9***
Residential Investment	587	594	600	605	609	611	613	614	603	593	609
Percent Change Annualized	***-3.0***	***4.6***	***4.6***	***3.2***	***2.6***	***1.4***	***1.1***	***0.8***	***-1.5***	***-1.6***	***2.8***
Change in Private Inventories	69	69	40	34	36	48	49	49	48	74	42
Net Exports	-981	-990	-983	-978	-980	-982	-981	-987	-920	-974	-980
Government Expenditures	3297	3310	3321	3334	3346	3358	3370	3383	3224	3297	3352
Percent Change Annualized	***4.8***	***1.7***	***1.3***	***1.5***	***1.4***	***1.5***	***1.5***	***1.5***	***1.7***	***2.3***	***1.7***
Industrial Prod. Index *(2007=100)*	109.2	109.5	108.8	107.6	107.6	108.0	108.0	108.0	108.6	109.3	107.8
Percent Change Annualized	***-2.3***	***1.2***	***-2.6***	***-4.1***	***-0.2***	***1.4***	***0.1***	***-0.1***	***3.9***	***0.7***	***-1.4***
Capacity Utilization (Percent)	77.8	77.6	77.0	76.3	75.9	75.9	75.8	75.6	78.7	77.8	76.0
Prices											
CPI *(1982-84=100)*	255.1	256.3	257.9	259.5	260.8	262.1	263.3	264.7	251.1	255.7	261.4
Percent Change Annualized	***2.9***	***1.8***	***2.5***	***2.6***	***2.0***	***2.0***	***1.9***	***2.0***	***2.4***	***1.8***	***2.3***
PCE Price Index *(2012=100)*	109.5	109.9	110.4	111.0	111.5	112.1	112.6	113.2	108.1	109.7	111.8
Percent Change Annualized	***2.4***	***1.5***	***1.8***	***2.1***	***1.9***	***2.0***	***2.0***	***2.0***	***2.1***	***1.4***	***1.9***
GDP Price Index *(2012=100)*	112.2	112.7	113.2	113.8	114.4	115.0	115.5	116.1	110.4	112.4	114.7
Percent Change Annualized	***2.4***	***1.8***	***2.0***	***2.0***	***2.0***	***2.0***	***2.0***	***2.0***	***2.4***	***1.8***	***2.0***
PPI, Final Demand *(Nov. 2009=100)*	118.3	118.4	119.0	119.5	120.1	120.8	121.4	122.0	116.3	118.3	120.4
Percent Change Annualized	***3.6***	***0.2***	***2.0***	***1.8***	***2.1***	***2.1***	***2.0***	***2.0***	***2.3***	***2.2***	***1.5***
Crude Oil, WTI *($/barrel)*	59.9	56.4	56.7	60.0	60.0	58.0	58.0	58.0	65.0	56.9	59.0
Labor Markets											
Payroll Jobs *(Average Monthly Diff., Ths.)*	145.8	171.9	190.9	158.2	278.9	-23.0	111.4	86.2	221.0	174.4	131.4
Unemployment Rate *(Percent)*	3.6	3.6	3.5	3.4	3.4	3.5	3.5	3.5	3.9	3.7	3.4
Average Weekly Hours	34.4	34.4	34.3	34.4	34.3	34.2	34.2	34.2	34.5	34.4	34.3
Population *(Millions)*	328.2	328.8	329.4	330.0	330.6	331.2	331.8	332.4	326.9	328.5	330.9
Percent Change Annualized	***0.5***	***0.6***	***0.7***	***0.8***	***0.8***	***0.7***	***0.7***	***0.7***	***0.5***	***0.5***	***0.7***
Personal Income											
Average Hourly Earnings *($)*	27.83	28.07	28.27	28.46	28.66	28.89	29.13	29.38	27.10	27.95	28.78
Percent Change Annualized	***2.7***	***3.6***	***2.8***	***2.7***	***2.8***	***3.3***	***3.3***	***3.5***	***3.0***	***3.2***	***3.0***
Real Disp. Income *(2012 Billions $)*	14934	15043	15136	15223	15353	15418	15519	15614	14556	14998	15378
Percent Change Annualized	***1.5***	***2.9***	***2.5***	***2.3***	***3.5***	***1.7***	***2.7***	***2.5***	***4.0***	***3.0***	***2.5***
Personal Saving Rate *(Percent)*	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.7	8.0	7.9
Housing											
Housing Starts *(Ths., Ann. Rate)*	1256	1282	1338	1349	1353	1360	1361	1359	1250	1272	1356
Exst. SF Home Sales *(Ths., Ann Rate)*	4700	4840	4823	4832	4837	4830	4823	4818	4742	4752	4830
New SF Home Sales *(Ths., Ann Rate)*	661	699	715	718	720	722	723	723	615	686	721
Case/Shiller HPI *(Jan. 2000=100)*	208.7	210.2	212.3	214.3	216.3	218.3	220.4	222.5	202.6	209.6	217.3
Year/Year Percent Change	***3.4***	***3.2***	***3.2***	***3.4***	***3.7***	***3.9***	***3.8***	***3.8***	***5.8***	***3.4***	***3.7***
Consumer											
Household Economic Stress Index	2.0	2.2	2.4	2.4	2.0	1.8	1.8	1.7	0.5	2.0	2.0
Auto Sales *(Millions)*	17.1	17.1	16.9	16.7	16.6	16.4	16.2	16.1	17.3	17.0	16.5
Interest Rates (Percent)											
Federal Funds Rate *(Effective)*	2.40	2.19	1.64	1.63	1.59	1.38	1.38	1.38	1.83	2.16	1.49
Prime Rate	5.50	5.30	4.83	4.73	4.69	4.48	4.48	4.48	4.90	5.28	4.59
1-Month LIBOR	2.44	2.17	1.79	1.71	1.69	1.49	1.49	1.49	2.02	2.23	1.59
3-Month LIBOR	2.51	2.19	1.93	1.87	1.85	1.66	1.66	1.64	2.31	2.33	1.76
1-Yr. Treasury Rate	2.25	1.84	1.58	1.58	1.63	1.50	1.55	1.58	2.33	2.05	1.56
5-Yr. Treasury Rate	2.12	1.63	1.62	1.69	1.78	1.66	1.72	1.74	2.75	1.96	1.71
10-Yr. Treasury Rate	2.33	1.80	1.79	1.87	1.94	1.82	1.88	1.94	2.91	2.14	1.88
30-Yr. Fixed Rate Mortgage	4.01	3.66	3.70	3.67	3.66	3.48	3.48	3.50	4.54	3.93	3.57

a = actual ***f = forecast*** ***January 13, 2020***

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