

# The City of Saginaw Budget

Where does my money go, and how does it get there?

The city budget is a complicated and fluid document. It specifies how money from many sources makes its way through different funds to pay for many services, such as community public safety, water, sewer, and much more.

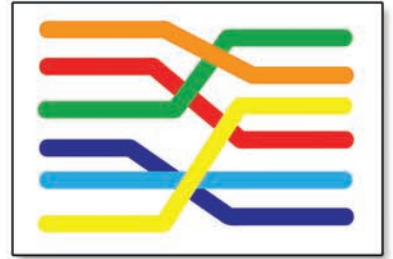
- FUND TYPES:**
- General Fund
  - Special Revenue Fund
  - Enterprise Fund
  - Internal Services Fund
  - Fiduciary Fund



A lot of people think of the budget as the total amount of money the city has to work with. Like a giant piggy bank.



VS.



That is the **wrong** idea.

The budget is more like a subway map. It's a document telling us how money moves from the source to the service.



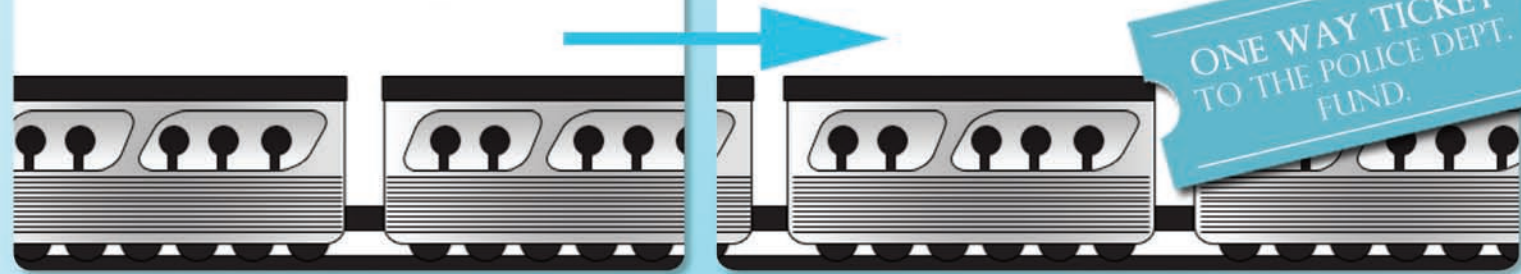
Think of your Tax Dollars as...

...a group of passengers on a subway train. Only they don't all go to the same place, they split up and ride different trains to different places.

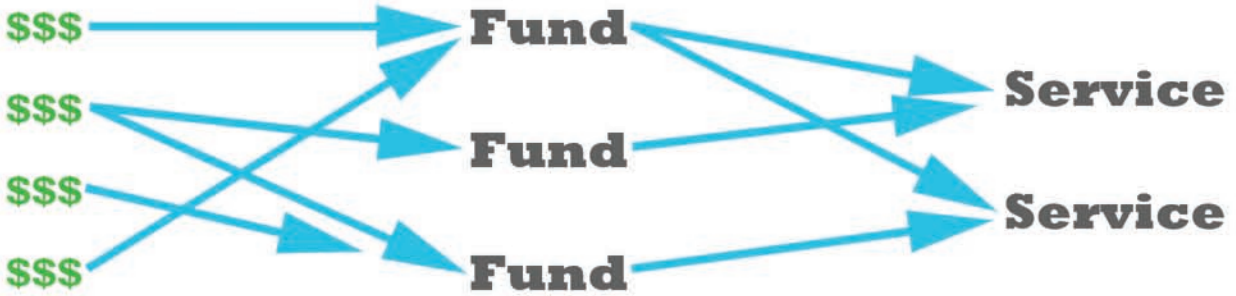
They get on a certain train, going to a single destination. For instance, some of your tax dollars go to fund the police department, others maybe go to parks.

Just like a real train, once it is on the track and moving, there is no turning around, and no switching tracks. The tickets that your passengers carry are one way, and can't be transferred.

Meaning the money that is headed for the water department, cannot be put towards the police department, and vice versa.

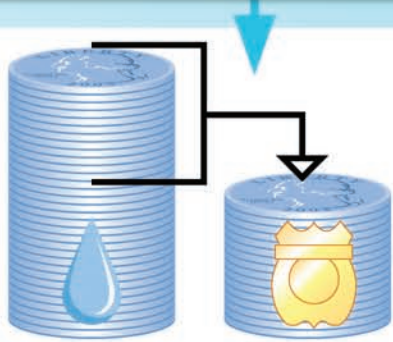


This is only part of the story. The City is funded by many sources, not just tax dollars. For instance, fees, grants, money from the state or federal government, and many others. Every dollar has a purpose, and a destination.



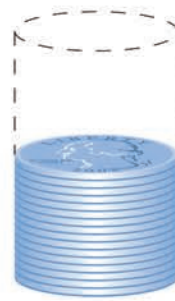
There are many sources of money, and there are several funds. The sources can only go to certain funds, and in turn those funds are divided up for different services. This complex relationship is what the budget is designed to explain.

"So what if the Water Department has a surplus? Couldn't the extra money just move over to public safety?"



No. This is called supplanting, and is illegal.

"If the General Fund money can be moved around, why don't we cut non-public safety funding and increase funding for Police and Fire?"



Well, keep in mind the money in the general fund already has a purpose, many of which are services that generate more revenue for the city, so underfunding these would only hurt the city overall. Also, many services are restricted to how much funding they can receive and from where.

That is the whole purpose of the budget, to help manage those relationships. There is such a thing as the General Fund, which money can be reallocated within the General Fund as needed, or even moved out to other funds. This is a one way street. With few exceptions, money can't be taken from other funds and put back into the General Fund.

## The Bottom Line

Maintaining a budget for a city like Saginaw is a very complicated task. Many decisions that may seem arbitrary or wrong to the observer, are often made due to restrictions and laws that guide the budgeting process.

Remember, the sources of money are varied, as are the funds. The services receive their funding according to a complex structure that must adhere to laws, rules and regulations. For more info on the budget, please see our videos, and the budget document itself available at [www.saginaw-mi.com](http://www.saginaw-mi.com)

