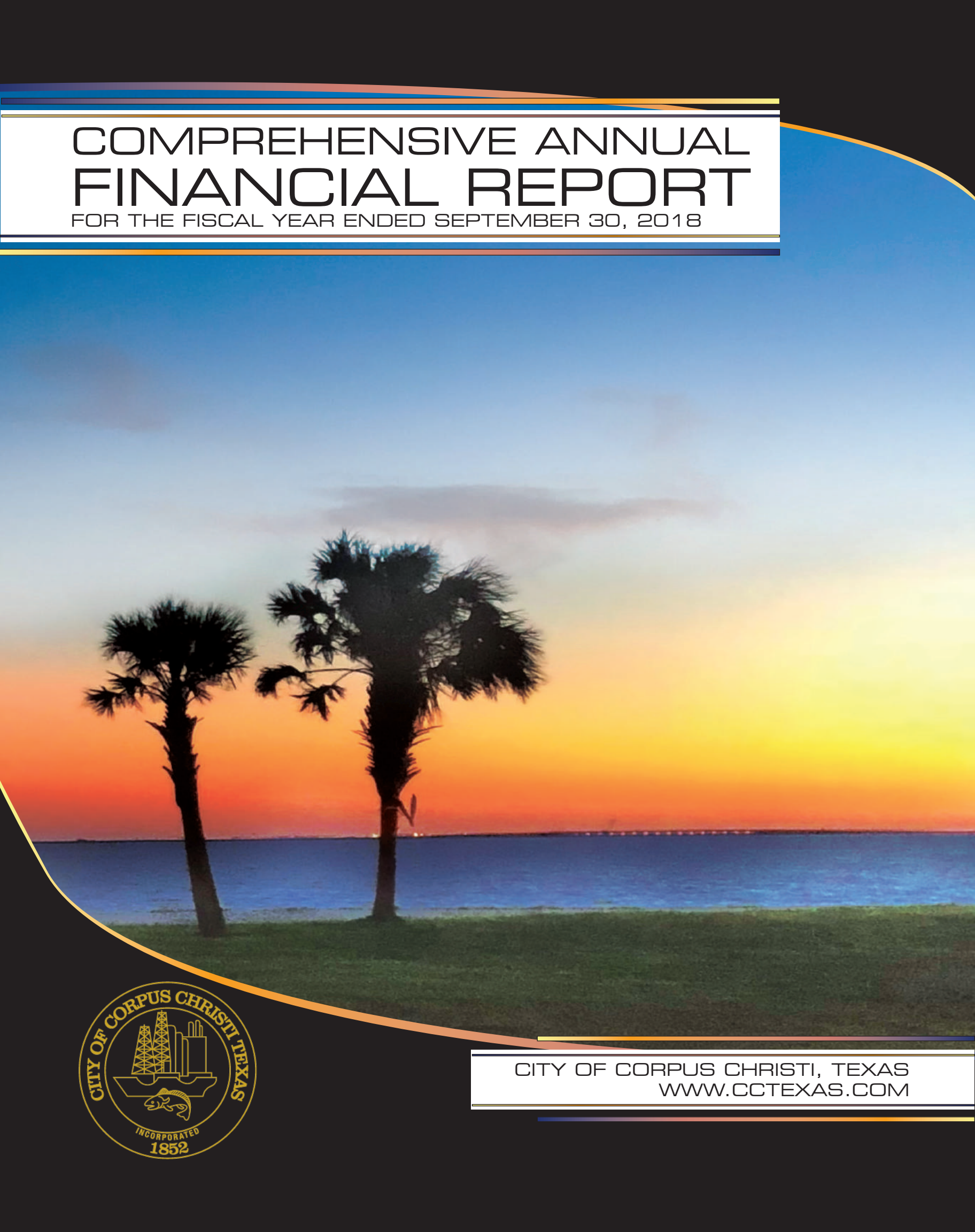


COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018



CITY OF CORPUS CHRISTI, TEXAS
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City of
Corpus
Christi

CITY OF CORPUS CHRISTI, TEXAS

Comprehensive Annual Financial Report

For Fiscal Year Ended September 30, 2018

CITY COUNCIL

Mayor

Joe McComb

City Council Members

Everett Roy, District 1

Ben Molina, District 2

Roland Barrera, District 3

Greg Smith, District 4

Gil Hernandez, District 5

Rudy Garza, Jr., At-Large

Paulette Guajardo, At-Large

Michael T. Hunter, At-Large

City Manager

Samuel “Keith” Selman, Interim

Assistant City Managers

Chief Mike Markle, Interim

Constance P. Sanchez, CPA, CPM, Interim

Mark Van Vleck

Director of Financial Services

Alma I. Casas, Interim

Controller

Judy Sandroussi

Chief Accountant

Martha A. Messer, CPA

Prepared by the staff of the Financial Services Department



City of
Corpus
Christi

*Rocky Barrera
Eva Barton
Adriane Ferraro
Teddi Giggy
Vicky Glenn, CPA
Emily Gonzalez
Jason Gooding, CPA
David Riggs
Tina Samford
Rayna Sherman
Diana Silguero
Judy Villalon, CPA*

City of Corpus Christi, Texas

For the Year Ended September 30, 2018

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Introductory Section



April 16, 2019

The Honorable Mayor Joe McComb, Members of the City Council, and Citizens of the City of Corpus Christi

FINANCIAL SERVICES

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Dear Honorable Mayor, Members of City Council, and Citizens of Corpus Christi:

Section 103.003 of the Local Government Code requires that municipalities have its records and accounts audited annually and that an annual financial statement be prepared based on the audit. This report is published to fulfill that requirement for the fiscal year ended September 30, 2018.

City management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

RSM US LLP Certified Public Accountants have issued an unmodified (“clean”) opinion on the financial statement for the City of Corpus Christi, Texas (City) for the fiscal year ended September 30, 2018. The independent auditor’s report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

The City was incorporated in 1852. In 1909, the City was organized under a City Charter and operated as a general law city until 1926, at which time a home rule charter with a commission form of government was adopted. The Charter was amended in 1945 to adopt the present and nationally predominant Council-Manager form of government.

The City Council consists of the Mayor and eight Council Members elected for two-year terms. The Mayor and three Council Members are elected at large, and five Council Members are elected from single member districts. The City Council is responsible for passing ordinances, adopting the budget, appointing committees, and appointing the City Manager, City Secretary, City Auditor, and Municipal Court Judges. The City Manager is the Chief Administrative and Executive Officer and is responsible for carrying out policies and ordinances of the City Council, overseeing day-to-day operations, presenting an annual budget, and hiring all other City employees.

The City provides a full range of services, including a combined utility system (System) consisting of the water, wastewater, storm water, and gas systems; garbage collection and disposal services; police, fire protection, and emergency medical services; the construction and maintenance of streets and other infrastructure; an airport, a marina, and recreational and cultural activities.

The City is financially accountable for the Corpus Christi Community Improvement Corporation, the Corpus Christi Housing Finance Corporation, the Corpus Christi Industrial Development Corporation, the Coastal Bend Health Facilities Development Corporation, the Corpus Christi Crime Control and Prevention District, the Corpus Christi Business and Job Development Corporation, the Type B Corporation, and the North Padre Island Development Corporation (which includes the Reinvestment Zone Number 2). These are shown as ‘blended component units’ within the City’s financial statements.

The City Manager must submit a proposed budget to the City Council at least 60 days prior to the beginning of the fiscal year (October 1st), and the City Council is required to adopt a final budget by no later than the close of the fiscal year (September 30th). This annual budget serves as the foundation for the City’s financial planning and control. The budget is prepared by fund and department (e.g., general fund - police department). Department directors may transfer resources within a department as they see fit. Transfers between funds, however, need approval from the City Council.

ECONOMIC CONDITION

Local Economy

The City of Corpus Christi is the eighth largest city in the State of Texas and the largest city on the Texas gulf coast with a population of 325,605 in 2018 as per the United States Census Bureau. The geographic location of the city on the Gulf of Mexico and the Gulf Intercoastal Waterway gives it one of the most strategic locations in the Southwest and has been important to its economic development. The Corpus Christi region has a varied manufacturing and industrial base. Major industries with headquarters or divisions located within the City’s boundaries, or in close proximity, include industrial, petrochemical, construction, banking, and financial services.

The federal government also has a major presence within the area with a federal courthouse and the largest industrial employer in South Texas – the Corpus Christi Army Depot, which employs close to 3,900 employees. The Corpus Christi Army Depot (CCAD) is a United States Department of Defense’s Center of Industrial and Technical Excellence for rotary wing aircraft. CCAD is currently the largest facility of its type in the world and serves as a depot training base for active duty Army, National Guard, Reserve, and international personnel. The depot performs overhaul, repair, modification, recapitalization, retrofit, testing, and modernization of helicopters, engines, and components for all services and international sales of rotary wing aircraft. On July 20, 2018, Colonel Gail Atkins was installed as the commander at CCAD. Colonel Atkins is the first woman commander for the Army depot. She brings with her years of experience from the Pentagon, Fort Knox, and more. CCAD is a critical asset to the Army’s Organic Industrial Base because it has a unique set of capabilities in helicopter and component support essential for all

branches of the Department of Defense, Department of Homeland Security, Customs and Border Patrol, and foreign nations.

Two bases make up the South Texas military complex: Naval Air Station (NAS) Corpus Christi (primary and multi-engine training) and Naval Air Station Kingsville (jet aviation training). NAS Corpus Christi has over 1,500 Navy personnel and civilian employees and trains 900 students a year. NAS Kingsville is the largest employer in Kingsville, Texas. They train 400 students per year who go on to their fleet assignments. Many of the naval instructors live in Corpus Christi.

Corpus Christi is the home to two prominent institutions of higher education: Del Mar College and Texas A&M University-Corpus Christi. Del Mar College is a public community college in Corpus Christi founded in 1935. It currently has two campuses: East Campus and West Campus that represent 45 buildings and over 900 classrooms. In November 2016, voters approved a \$139 million bond proposition that would fund the opening of a third campus on the city's south side. College administration anticipates opening the new campus in 2020. Del Mar College provides access to quality education, workforce preparation, and lifelong learning for student and community access. It is accredited by the Southern Association of Colleges and Schools Commission on Colleges to award certificates and associate degrees. The 2018 Fall semester credit enrollment was 12,250 students. They have added a Process Automation pilot plan for students that will enable Del Mar to graduate needed process technicians. They have also refurbished a hangar at the Corpus Christi International Airport where they have now doubled their enrollment in aviation related studies. Additionally, the Texas Higher Education Coordinating Board reported that more high school graduates from the Coastal Bend region select Del Mar College than any other college or university in the state. Del Mar College adds over \$716 million to the Coastal Bend economy every year through public and private partnerships.

Texas A&M University-Corpus Christi is a State university in Corpus Christi originally founded in 1947. In 1989, the university joined the Texas A&M System and has since grown to five colleges. The university now has more than 12,000 students from across the nation and 50 countries. It has approximately 1,400 employees and has a student/teacher ratio of 20:1. It is located on Ward Island in the Oso Bay and has become known as the "Island University". In fact, it is the only university in the nation located on its own island. Texas A&M University-Corpus Christi is accredited by the Southern Association of Colleges and Schools Commission on Colleges to award baccalaureate, masters, and doctoral degrees. It offers more than 80 of the most popular degree programs in the State of Texas yet continues to grow and expand its programs.

Texas A&M University-Corpus Christi is one of only six Federal Aviation Administration (FAA) facilities around the nation that will conduct testing to help the FAA incorporate unmanned aircraft systems (UAS) into the national airspace. The University opened an engineering program in 2010. They estimated having 500 students enrolled by now. In the 2018 Fall Semester, there were approximately 900 students enrolled in their engineering programs. In addition, the College of Nursing and Science has been recognized by the White House on several occasions. Also, the Harte Research Institute, leader of the Texas One Gulf Center of

Excellence, is dedicated to advancing the long-term sustainable use and conservation of the Gulf of Mexico.

It is predicted that the Coastal Bend will create 15,000 craft jobs in the next 10 years. Another asset that is helping to educate our workforce is the Craft Training Center. The Craft Training Center of the Coastal Bend (CTCCB) began as a trust of the Associated Builders and Contractors Texas Coastal Bend Chapter in 1987, and the organization was titled ABC Merit Shop Training program, Inc. The CTCCB was designated a 501(c)(3) non-profit educational organization by the Internal Revenue Service on January 19, 1989. On May 6, 1994, the Craft Training Center of the Coastal Bend was accredited as a training center by the NCCER (National Center for Construction Education and Research). The CTCCB is also the administrator for the Associated Builders and Contractors Electrical and Plumbing Registered Apprenticeship programs, registered with the U.S. Department of Labor, Bureau of Apprenticeship and Training. All instructional delivery and documentation of training occurs through the Craft Training Center of the Coastal Bend. Students must complete four years of classroom instruction (164 hours per year) and 8,000 hours of on-the-job learning. At the completion of these requirements, the apprentices are eligible to sit for the Texas Licensure Examination for Journeyman in their respective craft. One major funding source is man-hour contributions from local industry partners: Flint Hills Resources, Valero Refining Co., CITGO Refining & Chemicals Co. LP, LyondellBasell, Repcon, Inc., Brand and Chemours. Contributions from these industrial partners enable the CTCCB to keep tuition and fees low to provide its students a quality education at an affordable cost. CTCCB's ultimate goal is to provide students a chance to learn a craft and become a member of a skilled workforce. Craft recently doubled their size to accommodate more students. Their student population is comprised of adults that are learning a new trade and adults that are attaining a certification, such as rolling welding. Industry partners send their employees there to keep up their qualifications, and independent school districts send their students there to be qualified upon graduation.

Corpus Christi's trade area consists of five counties: Aransas, Jim Wells, Kleberg, Nueces and San Patricio. Each of these counties maintains a solid and diversified economic base which contributes material support to Corpus Christi due to its location as a regional trade center and international shipping point. The Corpus Christi economy provides a diversified product market including metal fabrication, chemical processing, farm and ranch equipment, oil field equipment, cement, food processing, electronic and petrochemical products, fishing and seafood products, and more.

The land in the Corpus Christi region has strong mineral deposits and rich soil with the principal crops being grain/sorghum and cotton. The region also produces a large supply of livestock including beef and dairy cattle, hogs, and poultry. The oil and gas industry which had been a major factor in the growth and economic stability within the trade area began to subside in 2015. However, due to the discovery of the Eagle Ford Shale, the oil and gas industry has been on the rise. Global crude oil prices have risen just slightly from \$51.85 a barrel in August of 2017 to \$65.51 in August of 2018. The Eagle Ford Shale oil and gas formation is employing many of the City's residents. While the downturn negatively affected a number of jobs in the region, the drilling has started up again. The United States' decision to allow export of crude oil and refined products has been a boon for our Port. We have had almost a billion dollars in infrastructure

spent to export oil. The Port of Corpus Christi now exports more than 55% of all oil exports in the United States. This is through companies such as NuStar Energy, a major player in the energy field, who invested \$425 million to acquire pipelines, storage facilities, and other oil and gas transportation infrastructure in relation to the Shale and the Permian Basin. Six major pipelines have been completed or are now under construction to bring more oil products to our region. This results in infrastructure spending and new jobs to handle the products. Last year the largest oil tanker to enter the Gulf of Mexico docked at the Port of Corpus Christi.

Additionally, construction has begun on a new groundbreaking pipeline. Work on a pipeline that will transport natural gas liquids from the Permian Basin to Corpus Christi is proceeding on schedule, with the first phase officially complete. Epic Y Grade Pipeline LP's first phase has been completed and began accepting NGL (Natural Gas Liquid) products in March 2018. Epic began construction on the 650-mile pipeline back in December of 2017, after signing an agreement with BP Energy Company to anchor the line to the producers' NGL reserves in the Permian and Eagle Ford Basins to the Gulf Coast. The line will stretch to a fractionation complex in Corpus Christi to accommodate the expected volume – the Epic pipeline will have a capacity of 350,000 barrels per day when completed. The NGL pipeline is running side-by-side with a previously announced 700-mile Epic crude oil pipeline. That will carry an estimated 550,000 barrels per day of initial capacity from the Permian and Eagle Ford Basins to refining and export markets in and around the globe. In addition, Cheniere has begun commissioning of their \$11 billion liquefied natural gas facility and should have tier first delivery in the first quarter of 2019. They have requested an air permit for another train and will be adding another 50 full-time jobs.

Gulf Coast Growth Ventures, a joint venture by ExxonMobil and Saudi Arabian Basic Industries Corporation (SABIC) announced the site selection of their \$9.48 billion ethylene cracker plants 8 miles north of the City. The facility will create 636 full-time jobs with an annual average wage of \$90,000.

The Coastal Bend's petrochemical industry is a major contributor to the economy of the City of Corpus Christi. It is estimated that this industry has invested approximately \$10 billion in the construction, maintenance and expansion of their local facilities. In addition to this major capital investment, the petrochemical industry also makes more than \$1.5 billion in annual purchases of local goods and services and is directly and indirectly responsible for providing an estimated 50,000 jobs. More than 90 percent of the tonnage that moves through the Port of Corpus Christi is a result of this industry.

Companies that are directly or indirectly involved in this industry include Air Liquide, Bay Ltd., Celanese-Bishop Plant, CITGO Refining and Chemicals, Chemours, Flint Hills Refining Company, Gulf Marine Fabricators, H&S Constructors, Kiewit Offshore Services, LyondellBasell Industries, Magellan Midstream Partners, MarkWest Javelina, OxyChem, Repcon, Gravity Midstream, and Valero Refining Company. These companies alone provide almost 10,000 full-time permanent jobs to the local economy.

Texas continues to be a force in wind energy, despite a downturn in investment and tariffs on the materials used to make the equipment. The U.S. Department of Energy's Energy Information

Administration this month released its projections for 2019. It said a total of 10.9 GW of wind capacity is expected to come online nationally in 2019, most of it near the end of the year. Three states – Texas, Iowa, and Illinois – will be home to more than half of the wind capacity additions for the year. To be clear, Texas is still deeply oil country; the state has produced 1.17 billion barrels of crude from January 2018 to October 2018, compared with 1.26 billion barrels during all of 2017, according to the Texas Railroad Commission, which oversees the industry in the state. There are nearly 13,000 wind turbines operating in Texas for electricity. Yet, there are still another 80,000 wind turbines spinning in the state that are used for pumping water and other purposes. Eight of the world’s 10 largest wind farms are in the United States. Five of them are in Texas.

Port of Corpus Christi

The trade area’s principal outlet for agricultural and petroleum products is the Port of Corpus Christi, which opened to world markets in 1926. It is located along the southeastern coast of Texas on the Gulf of Mexico approximately 150 miles north of the Mexican border. The Port’s channel stretches over 30 miles and links the Corpus Christi Bay with the Gulf of Mexico. It is one of the deepest ports along the Gulf of Mexico coast with a channel depth of 45 feet and ranked as the fourth largest port in the United States in terms of tonnage and the nation’s largest exporter of crude oil.

The Port of Corpus Christi set a new tonnage record of 79.3 million tons in the first nine months of 2018. This surpasses the previous record of 77.9 million tons set in the first nine months of 2015, while also eclipsing the same period in 2017 by four million tons, an increase of 5% year-over-year. The volume growth in 2018 was driven by increases of crude oil (+11%), other petroleum products (+8%), and breakbulk shipments (+3%). The Port was the first to send an export load of crude oil following the lift of the 40-year ban on crude oil exports at the end of 2015.

The U.S. Army Corps of Engineers (USACE) announced in November of 2018, its Fiscal Year 2019 Work Plan, which includes an additional \$59 million in funding for the Corpus Christi Ship Channel Improvement Project (CIP). This funding brings the total federal appropriations for the CIP to \$95 million. The estimated CIP cost is \$360 million, of which the federal government is responsible for \$230 million, while the Port of Corpus Christi has transferred \$78 million of its own funds to the USACE, bring the total CIP funding level to \$173 million. The Fiscal Year 2019 President’s Budget already included \$13 million of funding for the CIP, which was appropriated by Congress in September of 2018. The U.S. Army Corps of Engineers (USACE) awarded a \$92 million construction contract to Great Lakes Dredge & Dock Company, LLC, to deepen and widen the Corpus Christi Ship Channel (CCSC) from the Gulf of Mexico to Harbor Island, as part of the Channel Improvement Project (CIP). This contract will increase the depth from -47 feet Mean Lower Low Water (MLLW) to -54 ft MLLW from the jetties at the entrance of the ship channel to Harbor Island and will extend the Corpus Christi Ship Channel (CCSC) into the Gulf of Mexico to -56 feet MLLW.

For the second consecutive year, the Port of Corpus Christi’s Ship Channel Improvement Project (CIP) was included in the President’s Budget for U.S. Army Corps of Engineers (USACE)

Coastal Navigation Construction that was released by the White House in March of 2019. The Port of Corpus Christi is the only Texas port included in the President's proposed budget. The proposed budget includes \$53,313,000 in funding for the Port of Corpus Christi's CIP in the U.S. Army Corps of Engineers (USACE) Civil Works budget. The CIP received \$13 million in the 2019 federal budget, \$23 million in the 2019 USACE Work Plan, and \$59 million in the USACE 2020 Work Plan, in addition to the \$132 million the Port of Corpus Christi has contributed to the CIP project. Completion of the ship channel will allow the Port to increase export volumes of U.S. oil and natural gas, bolstering domestic energy production and supporting the nation's allies abroad. The Port of Corpus Christi exported \$10.8 billion of crude oil to U.S. trading partners in 2018, contributing to the offset of the United States trade deficit.

In October of 2018, the Port of Corpus Christi entered into an agreement with the global asset management firm, The Carlyle Group, to develop a major crude oil export terminal on Harbor Island near Port Aransas. The facility would be capable of fully loading Very Large Crude Carriers (VLCC), capable of holding up to 2 million barrels of crude. The project would make the terminal the first onshore location in the United States capable of fully loading VLCCs, a boon for the Port of Corpus Christi as the nation's leading exporter of crude oil. Under the terms of the 30-year agreement, Carlyle will lead construction and ongoing operations of the proposed terminal on an exclusive basis. The company will also arrange for private funding to dredge a portion of the Corpus Christi Ship Channel to 75 feet in order to accommodate VLCCs heading to Harbor Island. The terminal's construction would not require any capital outlay from taxpayers, and the port will receive significant regular rental payments from The Carlyle Group, volume-based tariff income, land grants and other proceeds to help it fund various aspects of the port's operations. The terminal is expected to be operational in late 2020. The project would create thousands of direct and indirect jobs, along with billions in incremental economic activity for Texas and the United States. Port leaders have also said the project, in combination with the ongoing deepening and widening of the Corpus Christi Ship Channel to 54 feet in some areas, could help the U.S. lower its trade deficit since the port focuses on exports.

In November of 2018, the United States Secretary of Commerce, Wilbur Ross, made a trip to the Coastal Bend. He attended the opening celebration for the Corpus Christi Liquefaction, LLC, a subsidiary of Cheniere, facility with national, state, local leaders, and commercial partners. Cheniere Energy, Inc. celebrated the grand opening of its multi-billion dollar liquefied natural gas facility in Gregory, putting the Coastal Bend and state of Texas in play in the global LNG market. The project had been several years in the making, capping what has been a coordinated effort between entities in Nueces and San Patricio counties to make it a reality. Governor Greg Abbott and U.S. Secretary of Commerce, Wilbur Ross, joined hundreds in attending the grand opening celebration. Corpus Christi Liquefaction is a massive \$15 billion investment from Cheniere that has been in the works for over a decade and is the first greenfield liquefaction plant built in the lower 48 states. A massive 960-foot vessel was docked by the facility, for testing purposes. However, the facility was cooling down and would not be shipping product at that time. This vessel is an example of the ships that will be traveling in and out of the port once LNG exports begin in earnest from Corpus Christi Liquefaction. It will be the first time that LNG has been exported from not just the Port of Corpus Christi, but the state of Texas. The cargo will then be shipped to markets in Poland, China, Spain, and Switzerland, to name a few. The trains are facilities that operate independently to produce liquefied natural gas, and are being

built by San Francisco-based Bechtel Corp. Each will be capable of producing 4.5 million tons annually at full capacity, company officials have said. The Corpus Christi Liquefaction project will result in the creation of more than 430 permanent jobs when fully operational, and more than 4,000 jobs during peak construction. It is projected to have a \$5 billion economic impact in the Coastal Bend during a nine-year construction period, and \$17 billion for the state during that same time period.

Harbor Bridge Expansion

The construction of the new US 181 Harbor Bridge is the culmination of years of research, dedication, collaboration and public participation involving a number of local entities under the leadership and direction of the Texas Department of Transportation (TxDOT). The project is now in the final phase which includes the design and construction of the bridge. The Harbor Bridge Project construction progress is moving full steam ahead. Construction in all areas of the Harbor Bridge Project are active and steady. All areas within the project boundaries have construction underway.

The project includes replacement of the existing Harbor Bridge and reconstruction of portions of US 181, I-37 and the Crosstown Expressway. The project will include the development, design, construction and maintenance of a total of 6.44 miles of bridge connecting roadway. The bridge will include six-lane sections of US 181, three lanes in each direction with a median barrier, shoulders, and a bicycle and pedestrian shared-use path. Additionally, the project includes the reconstruction of approximately 1.6 miles of I-37, reconstruction of approximately one mile of the Crosstown Expressway and demolition of the existing Harbor Bridge.

Here are some interesting facts regarding the new Harbor Bridge. Once the new Harbor Bridge is complete:

- It will be the tallest structure in South Texas.
- It will be the longest cable-stayed bridge in the United States.
- The base of each bridge tower will be the size of a basketball court.
- The length of the main span will be the length of 5 ½ football fields.
- The new bridge is expected to last 170 years.

Tourism

Planetware.com came up with the 12 Top Tourist Attractions in Corpus Christi. According to Planetware.com, the city of Corpus Christi, on an inlet to the north of Brownsville, has grown in popularity over the years and is now one of the most visited tourist destinations in Texas. Much of the attraction is due to its beautiful coastal setting with many miles of beaches, its important conservation areas, and rich flora and fauna. The area was settled after Spanish explorer Alonso Alvarez de Piñeda arrived in 1519, the man responsible for giving the pretty tropical bay its Latin name of Corpus Christi (translated literally as the “Body of Christ”). Some of the attractions are listed below.

Padre Island National Seashore – Padre Island, to the south of Corpus Christi, is the longest undeveloped barrier island in the world and stretches some 70 miles from end-to-end. It encompasses 130,000 acres of beach, dunes, and grassland habitats. It is located along the

Central Flyway – a major migratory bird route – it’s a birder’s paradise, home to 350 different species. Nearly half of all North American migratory bird species can be spotted here at certain times throughout the year. It is also a haven for marine life such as sea turtles, including endangered species reintroduced to the area.

The USS Lexington is another attraction. Commissioned in 1943 and a major player in the Pacific theater of WWII, the massive aircraft carrier USS Lexington should be part of any visit to Corpus Christi. Now a naval museum, “The Blue Ghost” was so named for her dark blue camouflage and Japanese claims to have sunk her only to have her appear in action elsewhere.

The Texas State Aquarium continues to be a fan favorite with its information and fun displays relating to the rich aquatic life of the Gulf of Mexico. Of particular interest is the Living Shores exhibit with displays relating to the Laguna Madre (a body of water in the hear of Corpus Christi) that includes seahorse and crab exhibits, along with one of the largest touch pools in Texas.

Another attraction is the South Texas Botanical Gardens and Nature Center. Consisting of a first-rate Orchid House and a fine hibiscus garden, the South Texas Botanical Gardens and Nature Center is a pleasant way to enjoy nature’s colorful floral bounty. Set amid 180 acres, it is also popular for its nature trails where one will see numerous species of trees and shrubs, along with native grasses, herbs, cacti, and wildlife such as deer and coyotes.

The Art Museum of South Texas, one of the newer cultural attractions in Corpus Christi, is housed in a modern facility on the city’s waterfront. It offers a broad range of exhibitions and educational programs focusing on the region’s multicultural heritage, the facility hosts numerous lectures and workshops, along with theatrical and musical performances.

Another museum is the Corpus Christi Museum of Science and History. This museum features a variety of exhibits relating to the cultural and natural history of South Texas. Specific attractions worth seeing include shipwreck cargo, a children’s area, and local reptile displays.

No one can forget the Selena Museum. Selena Quintanilla-Perez is a beloved figure in Corpus Christi, both a source of pride and sorrow. This best-selling Latina singer was famous during her lifetime for her success as the Queen of Tejano music, but her life was cut short at the age of 23. A local artist memorialized her in a life-size bronze statue that stands on the seawall, appropriately titled Mirador de la Flor (Overlook of the Flower). Fans still visit the memorial.

Located on Padre Island in Padre Balli Park, Bob Hall Pier extends 1,240 feet into the deep waters of the Gulf of Mexico. For a small fee, one can stroll and take in the view and fresh ocean air or join the multitude of fishermen. Because of its extreme length, those fishing off the pier are able to catch deep-water fish without setting foot in a boat.

Other tourist facilities located within the City include: a multi-purpose arena, convention center and theater at the American Bank Center, Whataburger Field, Hurricane Alley Waterpark, the Multicultural Center/Heritage Park complex, the Congressman Solomon Ortiz International Center, and Concrete Street Amphitheater. These attractions are located in Corpus Christi’s SEA

District (Sports, Entertainment, and Arts District). This family-friendly area includes many of the City's popular attractions. Day passes can be purchased where residents and visitors are able to play and eat at multiple businesses in the SEA District.

The Corpus Christi area is also a renowned location for water sports and serves as host to numerous regattas. The Corpus Christi Marina is the largest municipal marina in Texas with the deepest water. It has 581 boat slips that are 70% occupied. Approximately 200 vessels visit the marina annually. During summer months, approximately 25 visitors a week pass through requesting information regarding attractions, sights and waterfront excitement. Marina Office Staff act as Ambassadors to visitors on behalf of the City of Corpus Christi. Various events revolve around the Marina; parades, rallies, seafood sales, restaurants, boat tours, world class sailing regattas and other events combine to create an extremely busy waterfront area year-round. This year, the Youth Sailing World Championships were held in Corpus Christi Bay. There were 287 boats, 382 competitors, 102 coaches and team leaders from 66 countries and 110 races over six days. Competitors ranged in age from 12 to 19 years old and their nation must be a member of the World Sailing Association.

Corpus Christi has professional and collegiate sports to offer residents and visitors. The city is home to the Corpus Christi IceRays of the North American Hockey League and the Corpus Christi Hooks, the AA minor league baseball club for the Houston Astros which plays in the Texas League. The Texas A&M-Corpus Christi Islanders participate in year-round NCAA Division I collegiate athletics and compete in 14 men's and women's sports as a member of the Southland Conference. The IceRays made franchise history in 2017 by winning its first playoff series as a junior team. Additionally, in 2017, the Houston Astros won the World Series for the first time in its history. The Corpus Christi Hooks was the foundation on which the World Series championship team was built – with at least ten of the Houston Astros playing for the Corpus Christi Hooks before going to the major league team.

The City also boasts other successful sporting events including the Beach to Bay relay marathon and "Conquer the Coast", a 65-mile bicycle ride that features a route through the area's coastal communities. Corpus Christi draws visitors through its multiple festivals including Buccaneer Days, the Jazz Festival, *Dia de los Muertos*, Harbor Lights, the Mayor's 4th of July Big Bang Celebration, and the monthly Art Walk located in the City's Marina Arts District. Additionally, Corpus Christi is the home of "*Fiesta de la Flor*" – a festival honoring the slain singing star, Selena Quintanilla Perez, which began in 2015.

Construction Permits

The table below shows the number of building permits and the value of those permits for the last ten fiscal years. It should be noted that prior to 2016-2017, the number and dollar value of trade permit remodel applications (mechanical, plumbing, and electrical) were reported. For 2016-2017, however, the number and dollar value of permits related to addition and remodeling for residential and commercial customers include remodel permits only and not trade permit remodel applications that had been included in prior years.

The number of building permits issued in 2018 was up by 13.1% from 2017 and was down by 31.4% from 2009. The dollar value associated with those permits in 2018 was slightly lower

(2.31%) than the dollar value from the prior year but exceeded the dollar value from ten years ago by 100.85%. The decrease in the number of building permits from prior years can be attributed to numerous factors including an environment of rising interest rates, the tightening of land availability, and higher construction labor and material costs. Higher construction labor costs are due, in part, to a limitation of the local skilled labor force needed to keep up with demand – causing developers to use out-of-town labor at much higher costs. This increase in development costs has a direct relationship to the reduction in permit activity, as some projects are not as economically viable under these circumstances.

| <u>Year</u> | <u>Building Permits</u> | <u>Value</u> |
|-------------|-------------------------|------------------------------|
| 2008-2009 | 4,022 | \$286,139,536 |
| 2009-2010 | 4,052 | \$260,412,022 |
| 2010-2011 | 5,447 | \$376,894,414 |
| 2011-2012 | 5,728 | \$376,144,270 |
| 2012-2013 | 2,437 ⁽¹⁾ | \$445,240,284 ⁽¹⁾ |
| 2013-2014 | 2,732 ⁽²⁾ | \$535,411,665 ⁽²⁾ |
| 2014-2015 | 4,909 | \$589,543,493 |
| 2015-2016 | 5,918 | \$692,742,990 |
| 2016-2017 | 2,435 ⁽³⁾ | \$588,349,171 ⁽³⁾ |
| 2017-2018 | 2,756 | \$574,721,710 |

⁽¹⁾ Prior to 2012-2013, permits included miscellaneous construction in addition to buildings, including roofing, tenant refinishing, repairs, driveways, and site work.

⁽²⁾ The 2013-2014 information contains 14 months of data (August 2013 through September 2014).

⁽³⁾ Prior to 2016-2017, the number and dollar value of trade permit remodel applications (mechanical, plumbing, and electrical) were reported. Beginning with 2016-2017, the number and dollar value of permits related to addition and remodeling for residential and commercial customers include remodel permits only and not trade permit remodel applications that had been included in prior years.

Employment

The unemployment rate in Corpus Christi decreased 20% from the prior year from 6.0% in September 2017 to 4.8% in September 2018 according to the Texas Workforce Commission. While the slowdown in the Eagle Ford Shale (oil and gas industry) is still influencing the community, the number of jobs available increased from 194,800 in September 2017 to 195,713 in the September 2018. Corpus Christi’s region is still seeing major project development. Gulf Coast Growth Ventures, a joint venture between ExxonMobil and Saudi Arabian Basic Industries, announced a \$9.4 billion ethylene cracker plant. This facility will produce plastic used in products from water bottles to polyester. The plant will employ over 600 employees with an average annual salary of \$90,000. The project should generate 11,000 jobs during construction and inject more than \$50 billion into the local economy during the first six years of operation. Other projects are starting construction as well - such as the relocation of the Harbor Bridge. Over the last ten years, personal (per capita) income in the area increased 19.6% from \$35,004 in 2009 to \$41,873 in 2018.

Major Expenses

The government's expenses relating to "police and municipal court", "fire and ambulance", and "streets" comprise 58.2% of total expenses for governmental activities as reflected in Exhibit 1-B of the Comprehensive Annual Financial Report (CAFR). Statistical Table 2 "Changes in Net Position" shows expenses by activity for the last ten years. As evidenced by the table below, the government's expenses relating to these activities have remained relatively constant. Expenses for "fire and ambulance" and "streets" slight increased as a percentage of total expenses for governmental activities over the last ten years, while "police and municipal court" has slightly decreased.

| | Expenses as a Percent of Total Governmental Activities | | |
|----------------------------|---|--------------|-------------------|
| | <u>2009</u> | <u>2018</u> | <u>Net Change</u> |
| Police and Municipal Court | 31.6% | 27.8% | -3.7% |
| Fire and Ambulance | 17.0% | 17.3% | 0.3% |
| Street | 10.3% | 10.9% | 0.5% |
| | <u>58.9%</u> | <u>56.0%</u> | |

During this same 10-year period, charges for services, while continuing to increase in amount, have remained relatively stable as a percentage of total revenue.

Long-term financing plan/relevant financing policies

During the fiscal year 2018 budget process, the City Council approved financial budgetary policies as an essential guide to direct the City's financial planning. The City Council reaffirmed the policy to set aside adequate financial resources in the fund balance of the general fund to ensure that current and future services or operations would not be severely impacted by any economic slowdowns, emergencies, national disasters, or other unforeseen circumstances. The wording was revised in fiscal year 2018, however, to meet the Governmental Accounting Standards Board (GASB) guidelines on defining committed and assigned assets.

Section 3 of the financial budgetary policies outline the City Council's goal of building and maintaining a reserve in the general fund's fund balance from at least 17% of total annual general fund appropriations to 25%. The general fund's financial statements for fiscal year 2017-2018 reflect an increase of this percentage from 19.4% to 22.7%, bringing the unassigned fund balance to \$57,409,927 at September 30, 2018.

The remaining sections of the financial policies were consistent with the previous policy and included funding levels from the general fund for street maintenance; funding levels from the general fund for residential/local street capital improvement projects; utilization of a multi-year budget model; quarterly financial reporting and monitoring; the use of nonrecurring revenue to fund one-time expenditures; adherence to the City's Debt Management Policy; continuation of a

10-year capital improvement plan; and utilization of zero-based budgeting type of process for completion of the operating budget.

Major Initiatives

The City of Corpus Christi has adopted a mission statement which has become an integral part in the development of a strategic plan to guide the City. The mission of the City of Corpus Christi is to deliver municipal services which meet the vital health, safety, and general welfare needs of its residents and which sustain and improve their quality of life. As we work to achieve this mission, we will employ fiscal discipline, continuous improvement, first-rate customer service, and straightforward communication. In this work, we will tolerate no mediocrity.

In 2018, the City Council provided direction to the City Manager on continuing with the existing priority areas established at their 2017 City Council retreat held on January 27, 2017. These priorities/major initiatives for 2017 continue to provide guidance and vision in fulfilling the City's mission and strategic plan. These priorities remain: (1) water; (2) economic development; and (3) streets and roads.

The first City Council priority deals with developing a long-term water policy. Strategies for this priority include ensuring superior water quality; developing a comprehensive water plan for future supply and use; establishing comprehensive emergency plans for use in water emergencies; and ensuring excellence in water department staffing. In order to ensure superior water quality, steps were taken in fiscal year 2017 to prevent contamination for both industrial and citizens in the form of a backflow prevention program. The program began and has continued with the testing of industrial customers and will expand to citizens in future fiscal years. In addressing a comprehensive water plan for future supply and use, discussions have begun involving evaluating other sources of water such as desalination, brackish water, effluent, and water storage. In fiscal year 2018, a loan from the Texas Water Development Board was secured to fund a study to identify potential locations for a desalination plant. The study is currently being conducted.

The second City Council priority deals with several facets of economic development including taking the lead to convene key stakeholders and groups to develop a comprehensive economic development plan for the City of Corpus Christi; establishing and implementing a plan to grow anchor businesses and attractions; reviewing and improving the Development Services Department; reviewing ordinances and policies regarding infill housing development; and enhancing public safety. The City continues to work on a targeted economic development policy to recruit desired business niches, develop area-specific plans using tailored incentives, incentivize downtown growth, and address affordable housing/homelessness issues - while expanding diversity of business and retaining and growing existing businesses. Additional strategies include aligning the policies of the Corpus Christi Regional Economic Development Corporation (CCREDC) with those of the Corpus Christi Business and Job Development Corporation (Type A Board); and creating policy guidelines to create an infill housing incentive program. Three status reports on the economic development initiatives were presented to the City Council in 2017. Strategies to address expanding local businesses included completion of a study conducted by the CCREDC to address diversifying the City's business base; the updating

of Type A guidelines; and the renewal of the City's contract with the CCREDC. On November 8, 2016, the voters approved replacing the Type A sales tax with a Type B sales tax to be effective for 20 years with the use of the proceeds for economic development, affordable housing, and streets. The Type B was established and had its first meeting in March 2018. Collections for the Type B sales tax began on April 1, 2018.

The third priority for the City Council is for roads and streets and involves implementing an approved residential street funding strategy; reviewing and revising overall street and road improvement strategy; reviewing internal operations, including staffing and cost of operations; improving project monitoring practices, processes, and accountabilities; increasing contractor diversification and opportunity; improving timeliness of bond project completion; and stoplight synchronization. Residential streets continue to be a priority for City Council. Two residential pilot projects, Rogerson and Ralston, were completed. The construction of these two pilot projects provided valuable lessons learned that will be utilized moving forward with the residential street rebuild efforts. Voters also approved an \$11 million-dollar program in 2016. This bond package allowed the City to begin its initiative to repair residential streets and develop its processes and procedures in anticipation of expanding this program. This program is currently underway and will rehabilitate approximately 41 residential streets in the City's network. Last fiscal year, \$3.4 million dollars was allocated from the General Fund as part of the budget process and was transferred to the residential street fund. Design is complete for approximately seven streets that will be reconstructed, with construction beginning in 2019. The Citywide Street Preventative Maintenance Program (SPMP) is funded in part by the Street Maintenance Fee (SMF). The SPMP is in year five and is continuing to extend the life of streets of all classifications – arterials, collectors and residential, by applying maintenance treatments.

AWARDS AND ACKNOWLEDGMENTS

Awards

SmartAsset, a personal finance technology company headquartered in New York, named Corpus Christi as the third-best place to raise a family. The data states than an average home in Corpus Christi costs only 21% of the average household income. The study suggests that jobs in the area are “fairly plentiful” with the unemployment rate sitting at 5.9%. To rank the best cities to raise a family, the company analyzed data on 91 of the largest 100 cities in the country.

Wallethub has ranked Corpus Christi the second-best city for driving. The personal finance website ranked the 100 most-populated cities in America to drive in and found Corpus Christi to be the second-best, behind Raleigh, North Carolina and ahead of Orlando, Florida. The ranking was made by comparing the cost of ownership and maintenance, traffic and infrastructure, safety and access to vehicles and maintenance from the cities. The website looked at weather, average gas prices, cost of cars, and more. The website also had Corpus Christi in a tie for second place with Wichita, Kansas, for fewest annual hours spent in congestion per auto consumer.

Trips to Discover, a travel discovery website, made a list of “9 Best Coastal Cities to Visit in Texas.” Corpus Christi, Port Aransas, and Rockport made the list. The website named Corpus Christi as the largest beach town in Texas, with sandy beaches and various in-town attractions.

Sarah Fe Muñoz, Interim Assistant Director of Street Operations, was named Young Engineer of the Year by the Nueces Chapter of the Texas Society of Professional Engineers (TSPE). Muñoz is a licensed professional engineer. She started with the City in 2013 and is currently the City's representative for state and federally funded projects, including the Harbor Bridge Replacement project.

The City of Corpus Christi Parks and Recreation Department joined the ranks of elite park and recreation agencies across the county by earning accreditation through the Commission for Accreditation for Park and Recreation Agencies (CAPRA) and the National Recreation and Park Association (NRPA). This distinguished accomplishment was awarded during the 2017 NRPA Annual Conference in New Orleans. CAPRA accreditation is the only national accreditation for park and recreation agencies and is a measure of an agency's overall quality of operation, management and service to the community. This mark of distinction indicates that an agency has met rigorous standards related to the management and administration of lands, facilities, resources, programs, safety and services. As part of the accreditation process, the Corpus Christi Parks and Recreation Department had to demonstrate compliance with 151 recognized standards and document all policies and procedures. Often the process helps identify efficiencies and heighten areas of accountability, all of which translate into higher quality service and operation to benefit the community. Corpus Christi is only one of 14 cities in the state of Texas to earn this distinction and is one of only 165 in the nation.

In 2018, the Texas Comptroller of Public Accounts awarded the City of Corpus Christi the "Public Pensions" Star award as part of its Transparency Stars program for exemplary efforts in creating financial transparency around public services and spending decisions. The previous year, the City of Corpus Christi was awarded the "Traditional Finances" award. The Transparency Stars program recognizes local governments across Texas that are striving to meet a high standard for financial transparency online. These efforts provide citizens with clear, consistent information about public spending in user-friendly formats.

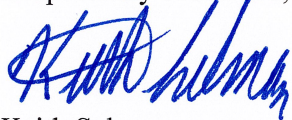
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Corpus Christi for its comprehensive annual financial report (CAFR) for fiscal year ended September 30, 2017, continuing to confirm compliance with both Generally Accepted Accounting Principles (GAAP) and legal requirements. This was the thirty-fifth consecutive year that the City has received this prestigious award. A Certificate of Achievement is valid for a period of one year only. We believe that this CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning October 1, 2017. The City has received twenty-seven of these awards. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient as a policy document, a financial plan, an operations guide, and a communications device.

Acknowledgments

The preparation of this report is possible only because of the dedication of the staff members in the Department of Financial Services and from the cooperation of all other City departments. Credit must also be given to the Mayor and City Council for their unfailing support in maintaining the highest standards of professionalism in the management of the City of Corpus Christi and in the prudent financial policies to which it subscribes.

Respectfully submitted,



Keith Selman
Interim City Manager



Alma I. Casas
Interim Director of Financial Services



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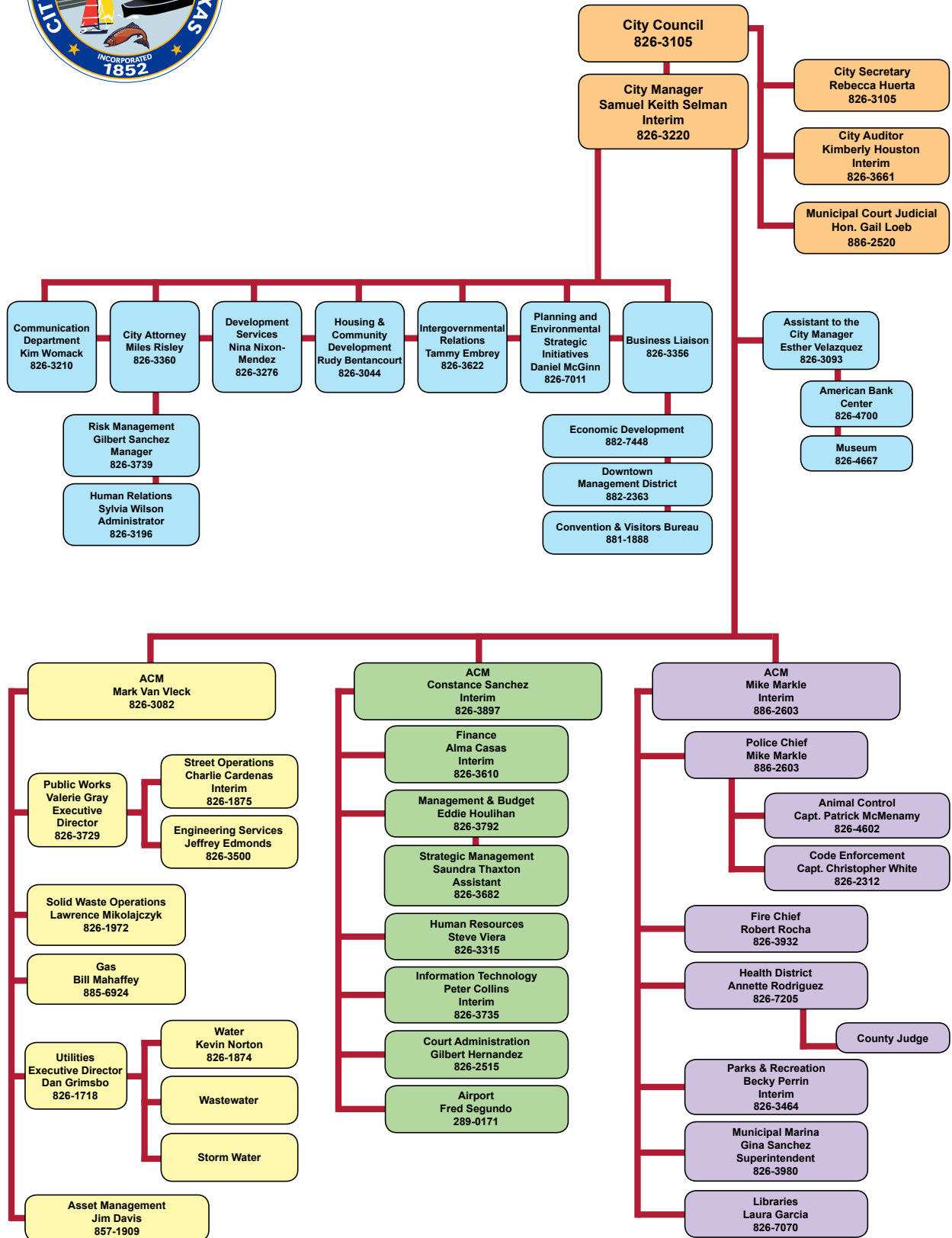
September 30, 2017

Christopher P. Morill

Executive Director/CEO



City of Corpus Christi Organizational Chart



Financial Section



RSM US LLP

Independent Auditor's Report

To the Honorable Mayor and Members of the City Council
City of Corpus Christi, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Corpus Christi, Texas (the City), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Corpus Christi Fire Fighters Retirement System, American Bank Center Convention Center Fund and the American Bank Center Arena Operations Fund, included in the aggregate remaining fund information, which represent 25 percent, 29 percent and 14 percent, respectively, of the assets and deferred outflows, net position/fund balances and revenues/additions of the aggregate remaining fund information. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for those funds, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Corpus Christi Fire Fighters Retirement System, American Bank Center Convention Center Fund and the American Bank Center Arena Operations Fund were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of September 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the general fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 10, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective October 1, 2017. The adoption of GASB Statement No. 75 decreased the City's previously reported net position for the City's governmental activities, business-type activities, major enterprise funds and aggregate remaining fund information. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in the Net Pension Liabilities and Related Ratios—Texas Municipal Retirement System, Schedule of Changes in the Net Pension Liabilities and Related Ratios—Fire Fighters' Retirement System, Schedule of Contributions—Texas Municipal Retirement System, Schedule of Contributions—Fire Fighters' Retirement System and Schedule of Changes in the City's Total OPEB Liability and Related Ratios, as listed in the table of contents, as well as the notes to required supplementary information, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Combining and Individual Fund Financial Statements and Schedules, Capital Assets Used in the Operation of Governmental Funds Schedules, and other information, such as the Introductory Section and the Statistical Section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and Capital Assets Used in the Operation of Governmental Funds Schedules are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as discussed above and the reports of other auditors, the combining and individual nonmajor fund financial statements and Schedules and Capital Assets Used in the Operation of Governmental Funds Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

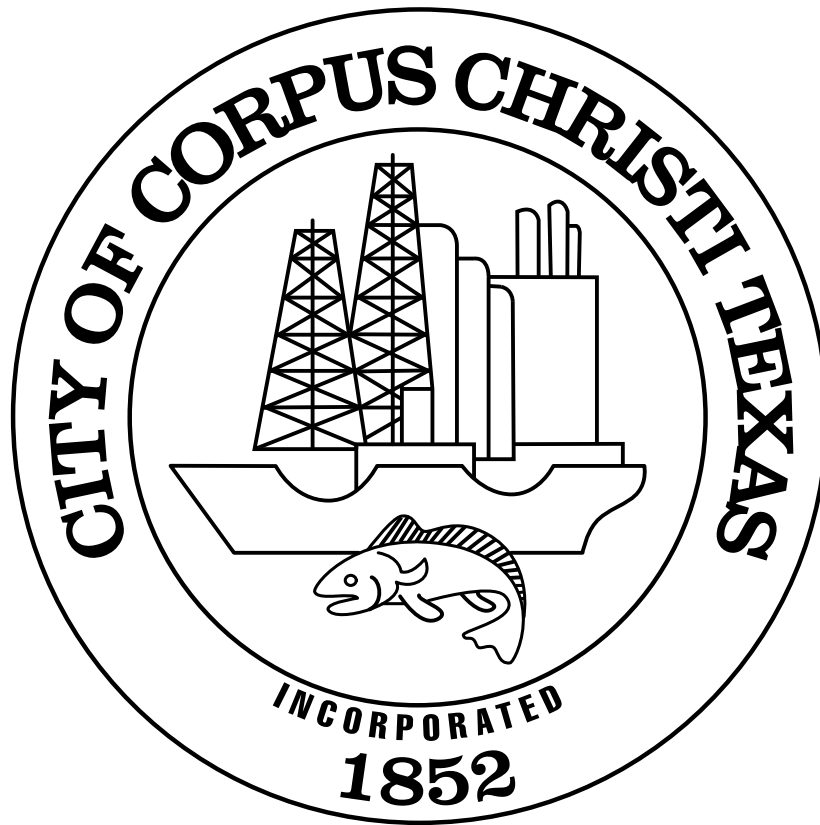
The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 16, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

RSM US LLP

San Antonio, Texas
April 16, 2019



MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Corpus Christi's (City) annual financial report presents an overview, through management's discussion and analysis (MD&A), of the City's financial activities and performance during the fiscal year ended September 30, 2018. The MD&A should be read in conjunction with the transmittal letter found in the Introductory Section of this report and the accompanying financial statements and disclosure following this section.

FINANCIAL HIGHLIGHTS

Entity Wide

- Total net position of the City was \$1.4 billion at September 30, 2018, an increase of \$94.2 million, or 7.2% compared to September 30, 2017.
- Total net program expenses were \$8.4 million more than the prior year's amount, reflecting net program expenses of \$185.2 million for fiscal year ended September 30, 2018, compared to the prior period amount of \$176.8 million.
- Total general revenue increased \$15.2 million from the prior year's amount of \$264.0 million to \$279.2 million for the fiscal year ended September 30, 2018, an increase of 5.8%.

Governmental Activities

- On a government-wide basis for governmental activities, the City had net program expenses of \$237.0 million for the fiscal ended September 30, 2018, compared to \$248.5 million for the prior year, representing a 4.6% decrease. General revenues and transfers totaled \$282.2 million for the fiscal year ended September 30, 2018, compared to the prior year's amount of \$268.9 million, with an overall increase of 13.1% in net position for the fiscal year ended September 30, 2018. At September 30, 2018, the City's governmental activities had \$886.1 million in total liabilities compared to \$936.5 million at the prior period, a decrease of 5.4%.

Business-Type Activities

- On a government-wide basis for business-type activities, program revenue net of expenses was \$51.8 million for the fiscal year ended September 30, 2018, compared to \$71.7 million for the prior period, representing a decrease of 27.8% from the prior year's balance. The net position increased by 5.1% from \$970.8 million at September 30, 2017, to \$1,019.9 million as of September 30, 2018. At September 30, 2018, the business-type activities had \$1.0 billion in total liabilities compared to \$1.1 billion at September 30, 2017.

Bond Issues

- During the fiscal year ended September 30, 2018, the City issued five series of bonds. \$16.4 million of general improvement bonds, \$14.3 million of combination tax and limited pledge revenue certificates of obligation, \$7.5 million of combination tax and limited pledge revenue taxable certificates of obligation, \$2.8 million of utility system junior lien revenue improvement bonds (TWDB SWIRFT), and \$34.8 million of utility system subordinated lien revenue refunding bonds for the purpose of refunding the series 1985 Bureau of Reclamation notes of \$42.2 million. As part of the refunding process, the Bureau credited the City for mineral rights revenue accrued since the inception of the note and applied it as a reduction of principal.

General Fund

- At September 30, 2018, unassigned fund balance for the General Fund was \$57.4 million of the General Fund expenditures. This compares to an unassigned fund balance of \$53.2 million or 7.9% increase from the prior year.
- The financial policies state that the City must maintain a reserve for major contingencies of at least 10% and up to 25% of the total General Fund appropriations. The reserve increased in 2018 from 19.0% at September 30, 2017, to 25% at September 30, 2018, of the total General Fund appropriations or \$14 million, a 6% increase from the prior year.
- General Fund revenues for the fiscal year ended September 30, 2018, of \$230.8 million were 6.1% higher than the prior year revenues of \$217.6 million. The increase is mainly due to an increase of \$0.02 on property tax valuation per \$100 for residential streets, and sales tax from economic growth and post hurricane activity.
- General Fund expenditures for the fiscal ended September 30, 2018, of \$216.3 million were 6.2% higher than the prior year expenditures of \$202.8 million.

**USING THE FINANCIAL SECTION OF THIS
COMPREHENSIVE ANNUAL FINANCIAL REPORT**

This Comprehensive Annual Financial Report (CAFR) has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) for local governments as prescribed by the Government Accounting Standards Board (GASB).

The CAFR consists of four sections: introductory, financial, statistical, and single audit. As illustrated in the following chart, Figure 1, the financial section of this report has three components: management’s discussion and analysis (this section), the basic financial statements, and required supplementary information.

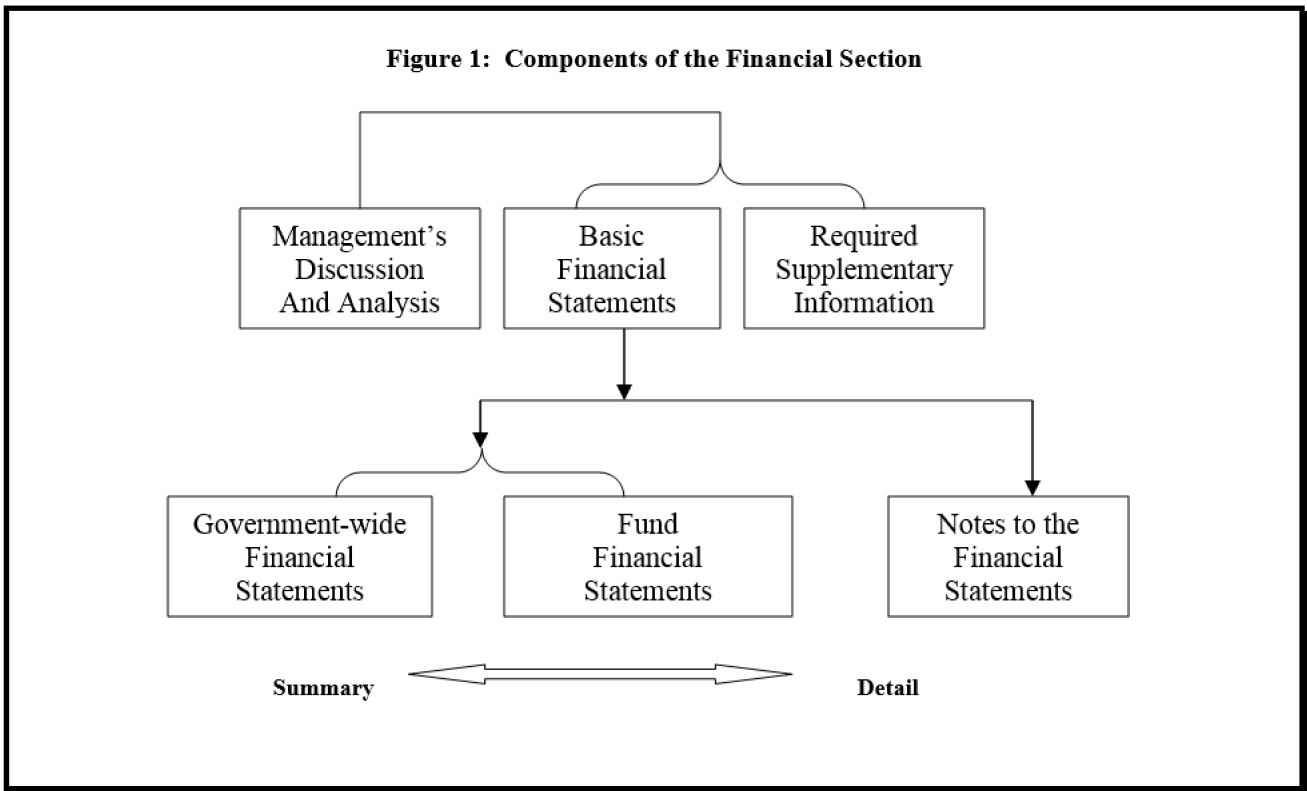


Figure 1 depicts how the required parts of this annual financial report are arranged and relate to one another. In addition to these required elements, a section with combining and individual fund financial statements and schedules that provides details about the non-major governmental funds and internal service funds is included.

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements of the City of Corpus Christi are comprised of three elements:

1. **Government-wide financial statements** provide both long-term and short-term information about the City's overall financial condition. The *Statement of Net Position* and the *Statement of Activities*, which are the government-wide statements, report information about the City as a whole, and about its activities, in a way that provides information helpful in determining whether the City's financial condition has improved or deteriorated as a result of current year's activities. These statements are presented for both *governmental activities* and *business-type activities*. All assets, liabilities, deferred inflows, and deferred outflows are reported using the accrual basis of accounting so the statements will provide readers with a broad overview of the City's finances, similar to statements used by most private-sector companies. Because of the closeness of their relationship with the primary government (the City), some component units are blended as though they are part of the primary government. The City has no discretely presented component units.
2. **Fund financial statements** provide a detailed short-term view of the City's operations, focusing on the most significant funds in greater detail than the government-wide statements. The three types of funds reported are:
 - **Governmental funds** – General Fund, Debt Service Fund, Streets Capital Projects Fund, and other non-major funds consisting of special revenue funds, capital project funds, the other debt service funds, focus on how cash and other financial assets that can readily be converted to cash flow in and out and the balances left at year-end that are available for spending. The governmental funds statements provide the short-term view that helps determine whether there are more or fewer financial resources to be spent in the near future to finance the City's programs. Because the focus of governmental funds does not encompass the additional long-term focus of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.
 - **Proprietary funds** – Enterprise funds and Internal Service funds are used to report services for which the City charges their customers, either internal or external, a fee. These funds, like the government-wide statements, provide both long-term and short-term financial information, however, in more detail. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its Utility System, Airport, Golf Courses, and Marina. Internal service funds are used to report activities that provide supplies and services for the City's various other programs and activities. The City uses internal service funds to account for Stores, Fleet Maintenance Services, Facilities Maintenance Service, Information Technology, Liability and Employee Benefits, and Engineering Services. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.
 - **Fiduciary funds** – The City is trustee, or fiduciary, for certain amounts held on behalf of others or, because of an arrangement, can be used only for the trust beneficiaries. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The Fireman's Retirement System and a Private Purpose Trust Fund are the City's two fiduciary activities and are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. These fiduciary activities are excluded from the City's government-wide financial statements because the City cannot use these assets to finance its operations.
3. **Notes to the financial statements** provide disclosures and additional information that are essential to the full understanding of the financial information presented in the government-wide and fund financial statements.

Following the notes to the financial statements is required supplementary information (RSI) that further explains and supports the information in the financial statements.

City of Corpus Christi

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

At September 30, 2018, the net position for the City of Corpus Christi totaled \$1.4 billion, \$94.2 million higher than the net position at September 30, 2017. The composition of the net position is \$390.5 million for governmental activities and \$1,019.9 million for business-type activities. The largest portion of the City's total net position, 87.0%, is net investment in capital assets (e.g., land, infrastructure, buildings, machinery and equipment, and construction in progress); less any related debt used to acquire those assets that are still outstanding. The City has \$183.7 million in restricted net position for specific purposes at September 30, 2018, which is a \$16.5 million increased from September 30, 2017. The City's unrestricted net position is a negative \$1.1 million at September 30, 2018. It should be noted that the City has sufficient funds to meet requirements for cash outlays in the next fiscal year.

Table 1 reflects a comparative summary of statement of net position for the City of Corpus Christi.

Table 1
Summary of Net Position
As of September 30, 2018 and 2017
(in 000's)

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|-------------------------|------------|--------------------------|--------------|--------------|--------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Capital assets, net of accumulated depreciation | \$ 754,285 | \$ 724,914 | \$ 1,698,068 | \$ 1,644,110 | \$ 2,452,353 | \$ 2,369,024 |
| Other assets | 506,296 | 494,139 | 301,117 | 371,028 | 807,413 | 865,167 |
| Total assets | 1,260,581 | 1,219,053 | 1,999,185 | 2,015,138 | 3,259,766 | 3,234,191 |
| Deferred outflows of resources | 34,633 | 65,557 | 14,061 | 21,845 | 48,694 | 87,402 |
| Long-term liabilities | 817,708 | 868,454 | 958,703 | 1,029,495 | 1,776,411 | 1,897,949 |
| Estimated long-term liability claims | 10,165 | 10,185 | - | - | 10,165 | 10,185 |
| Other liabilities | 58,225 | 57,875 | 28,376 | 34,798 | 86,601 | 92,673 |
| Total liabilities | 886,098 | 936,514 | 987,079 | 1,064,293 | 1,873,177 | 2,000,807 |
| Deferred inflows of resources | 18,573 | 4,774 | 6,303 | 1,711 | 24,876 | 6,485 |
| Net position | | | | | | |
| Net investment in capital assets | 348,436 | 333,582 | 879,285 | 834,865 | 1,227,721 | 1,168,447 |
| Restricted | 159,951 | 148,019 | 23,790 | 19,193 | 183,741 | 167,212 |
| Unrestricted (deficit) | (117,843) | (136,197) | 116,793 | 116,729 | (1,050) | (19,468) |
| Total net position | \$ 390,544 | \$ 345,404 | \$ 1,019,868 | \$ 970,787 | \$ 1,410,412 | \$ 1,316,191 |

Of the business-type activities, the Utility System fund is the largest operation at the City with total assets of \$1.82 billion, comprising 91% of all business-type activities total assets for 2018, slightly decreasing from \$1.83 billion in 2017. The Utility System fund net position as of September 30, 2018, was \$879.7 million which is an increase of 4.6% over last year's \$841.0 million net position.

City of Corpus Christi

Changes in Net Position

Table 2 reflects a comparative detail of changes in net position for the City of Corpus Christi for the fiscal year ended September 30, 2018, and September 30, 2017.

Table 2
Summary of Net Position
As of September 30, 2018 and 2017
(in 000's)

| | Governmental Activities | | Business-type Activities | | Total | |
|--|-------------------------|-------------------|--------------------------|-------------------|---------------------|---------------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Revenue | | | | | | |
| Program revenues | | | | | | |
| Charges for services | \$ 84,047 | \$ 80,865 | \$ 254,012 | \$ 264,906 | \$ 338,059 | \$ 345,771 |
| Operating grants and contributions | 11,224 | 16,995 | 1,410 | 1,271 | 12,634 | 18,266 |
| Capital grants and contributions | 2,462 | 4,197 | 18,685 | 28,835 | 21,147 | 33,032 |
| Total program revenues | <u>97,733</u> | <u>102,057</u> | <u>274,107</u> | <u>295,012</u> | <u>371,840</u> | <u>397,069</u> |
| General revenue | | | | | | |
| Property taxes | 130,914 | 129,295 | - | - | 130,914 | 129,295 |
| Sales taxes | 89,709 | 81,821 | - | - | 89,709 | 81,821 |
| Hotel occupancy taxes | 19,239 | 18,506 | - | - | 19,239 | 18,506 |
| Franchise fees | 28,597 | 28,341 | - | - | 28,597 | 28,341 |
| Unrestricted investment earnings | 6,271 | 3,285 | 4,476 | 2,744 | 10,747 | 6,029 |
| Total general revenue | <u>274,730</u> | <u>261,248</u> | <u>4,476</u> | <u>2,744</u> | <u>279,206</u> | <u>263,992</u> |
| Total revenue | <u>372,463</u> | <u>363,305</u> | <u>278,583</u> | <u>297,756</u> | <u>651,046</u> | <u>661,061</u> |
| Expenses | | | | | | |
| General government | 25,125 | 31,172 | - | - | 25,125 | 31,172 |
| Police and municipal court | 92,323 | 96,155 | - | - | 92,323 | 96,155 |
| Fire and ambulance | 57,350 | 64,977 | - | - | 57,350 | 64,977 |
| Emergency management | 609 | 658 | - | - | 609 | 658 |
| Streets | 36,064 | 44,826 | - | - | 36,064 | 44,826 |
| Solid waste | 35,463 | 26,582 | - | - | 35,463 | 26,582 |
| Health | 4,673 | 5,443 | - | - | 4,673 | 5,443 |
| Parks and recreation | 20,852 | 21,845 | - | - | 20,852 | 21,845 |
| Libraries | 4,084 | 4,614 | - | - | 4,084 | 4,614 |
| Museums | 1,535 | 1,525 | - | - | 1,535 | 1,525 |
| Community enrichment | 5,612 | 5,238 | - | - | 5,612 | 5,238 |
| Community development | 13,260 | 11,769 | - | - | 13,260 | 11,769 |
| Convention and visitor activities | 20,113 | 17,565 | - | - | 20,113 | 17,565 |
| Interest on long-term debt | 17,627 | 18,194 | - | - | 17,627 | 18,194 |
| Utilities | - | - | 204,845 | 206,056 | 204,845 | 206,056 |
| Airport | - | - | 15,454 | 15,002 | 15,454 | 15,002 |
| Golf centers | - | - | 159 | 108 | 159 | 108 |
| Marina | - | - | 1,863 | 2,162 | 1,863 | 2,162 |
| Total expenses | <u>334,690</u> | <u>350,563</u> | <u>222,321</u> | <u>223,328</u> | <u>557,011</u> | <u>573,891</u> |
| Excess revenues over expenses | 37,773 | 12,742 | 56,262 | 74,428 | 94,035 | 87,170 |
| Transfers in (out) | 7,479 | 7,611 | (7,479) | (7,611) | - | - |
| Increase in net position | <u>45,252</u> | <u>20,353</u> | <u>48,783</u> | <u>66,817</u> | <u>94,035</u> | <u>87,170</u> |
| Net position at beginning of year, restated(Note 10) | <u>345,290</u> | <u>325,051</u> | <u>971,084</u> | <u>903,970</u> | <u>1,316,374</u> | <u>1,229,021</u> |
| Net position at end of year | <u>\$ 390,542</u> | <u>\$ 345,404</u> | <u>\$ 1,019,867</u> | <u>\$ 970,787</u> | <u>\$ 1,410,409</u> | <u>\$ 1,316,191</u> |

Governmental Activities

As shown in Table 2, there was a \$45.1 million increase in net position for governmental activities for the fiscal year ended September 30, 2018 as compared to the prior period. For the fiscal year ended September 30, 2018, revenues totaled \$372.5 million compared to \$363.3 million, increase of \$9.2 million or 2.5%. Sales tax reflected the highest increase from prior year of \$7.9 million. The increase is due to growth of economic activities and post hurricane Harvey activity.

Expenses for governmental activities totaled \$334.7 million for the fiscal year ended September 30, 2018 compared to \$350.6 million for the prior year, a decrease of approximately \$15.9 million. The main reasons for the decreases were a reduction in operational costs.

The beginning net position for governmental activities decreased by \$0.1 million due to the prior period adjustment for a change in accounting for Other Post Employment Benefits. See Footnote 10.

Business-Type Activities

As shown in Table 2, there was a \$48.8 million increase in net position for business-type activities for the fiscal year ended September 30, 2018 as compared to the prior period, which is a 5.06% increase. For the fiscal year ended September 30, 2018, revenues for business-type activities decreased by \$19.2 million. The main reason for the decrease is a reduction in awards from Airport federal grants and developer contributions of \$10 million.

Revenues for the City's business-type activities are associated with operating activities accounted for in the enterprise funds, the largest activity being the utilities 92% which consists of the gas, water, and wastewater systems. Charges for services for the utilities decreased \$8.5 million from the prior period. Rate increases were implemented in January 2018. These rates are in effect for a two-year period. Water consumption of 33.6 billion gallons sold was a 2% increase with respect to the prior year consumption of 32.8 billion gallons sold. The pass-through revenue related to natural gas was \$0.7 million higher than prior year due to higher prices partially offset by lower consumption. Capital contributions decreased from the prior period because fiscal year 2018 had a reduction in major projects.

Expenses reported in the business-type activities decrease by \$1.0 million from the prior period. The majority of expenses reported in the business-type activities were utilities 92.1%, reflecting \$204.8 million for the fiscal year ended September 30, 2018 compared to \$206.1 million for the prior period. Expenses for the utilities decreased by \$1.2 million.

The beginning net position for business-type activities increased by \$0.3 million due to the prior period adjustment for a change in accounting for Other Post Employment Benefits. See Footnote 10.

FINANCIAL ANALYSIS OF THE CITY'S GOVERNMENTAL FUNDS

Governmental Funds

- Total assets of the General Fund balance has increased by \$15.6 million for the fiscal year ended September 30, 2018. Cash, cash equivalents and investments reflect \$75.8 million or 76.2% of total assets with net receivables reporting \$23.1 million, or 23.2% of the total. The majority of the net receivables balance was in property taxes receivables, demolition liens, and intergovernmental receivables attributed to sales tax. Some of these receivables are unavailable and recorded as deferred inflows of resources.
- Total liabilities of the General Fund increased by \$9.8 million from the prior year, accrued liability decreased by \$0.2 million attributed to accrued payroll, and retainage payable increased by \$3.3 million.
- General Fund revenues for the fiscal year ended September 30, 2018 reflect a \$13.0 million increase from prior period revenues due to rise in taxes and business fee revenue by \$5.5 million, increase in revenue by \$2.1 million from the Texas Ambulance Supplemental Payment Program (TASPP), and increase in services revenue by \$3.4 million.
- The General Fund's unassigned fund balance increase by \$4.2 million from September 30, 2017.
- The Debt Service Fund's restricted fund balance decreased by \$881 thousand, reporting a balance of \$11.2 million at September 30, 2018.
- The Streets Capital Projects Fund decreased its fund balance by \$12.9 million for the fiscal year ended September 30, 2018. In 2018, the fund received \$2.2 million in proceeds from certificates of obligation. The fund spent \$42.6

City of Corpus Christi

million on capital projects during fiscal year ended September 30, 2018. Total fund balance was \$112.5 million at September 30, 2018.

Non-major Governmental Funds

Funds comprising the non-major governmental category are special revenue, capital projects funds and debt service funds from the Corpus Christi Business and Job Development Corporation. The combined fund balance for all non-major governmental funds at September 30, 2018 was \$207.9 million, as compared to \$189.0 million at September 30, 2017. The Street Maintenance Fund received \$14.3 million and Residential Street Fund received \$3.9 million in revenues being allocated for street maintenance and repair.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As shown in Table 3, at September 30, 2018 the City had invested about \$2.5 billion in a broad range of capital assets, including Police and Fire equipment, buildings, park facilities, roads and bridges, and its Utility System and Airport. This amount represented a net increase of \$83.3 million, or 3.5% over September 30, 2017. The governmental activities increased by \$29.4 million from the prior year. This increase included \$191 million in increases less \$162 million of decreases. Major projects included the Cefe Landfill and Yorktown to Staples Road. The business-type activities were increased by \$54.0 million. This increase included \$414 million in increases and \$361 million of decreases. Major projects included the O.N. Stevens Service Building and Oso Water Reclamation Plant Ammonia Upgrade. (See Note 8 Capital Assets in the Notes to the Financial Statements.)

Table 3
Capital Assets (net of depreciation) at September 30, 2018 and 2017
(in 000's)

| | Governmental Activities | | Business-type Activities | | Total | | % Change |
|--------------------------|-------------------------|-------------------|--------------------------|---------------------|---------------------|---------------------|----------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | |
| Land | \$ 68,458 | \$ 68,606 | \$ 39,134 | \$ 28,700 | \$ 107,592 | \$ 97,306 | 10.57 % |
| Water rights | - | - | 106,808 | 106,808 | 106,808 | 106,808 | 0.00 % |
| Buildings | 125,825 | 131,694 | 47,477 | 47,323 | 173,302 | 179,017 | (3.19)% |
| Improvements | 167,584 | 138,001 | 343,337 | 293,397 | 510,921 | 431,398 | 18.43 % |
| Equipment | 29,560 | 30,800 | 13,092 | 11,041 | 42,652 | 41,841 | 1.94 % |
| Infrastructure | 305,762 | 195,982 | 1,026,696 | 773,220 | 1,332,458 | 969,202 | 37.48 % |
| Construction in progress | 57,096 | 159,832 | 121,526 | 383,621 | 178,622 | 543,453 | (67.13)% |
| Total | <u>\$ 754,285</u> | <u>\$ 724,915</u> | <u>\$ 1,698,070</u> | <u>\$ 1,644,110</u> | <u>\$ 2,452,355</u> | <u>\$ 2,369,025</u> | <u>(1.90)%</u> |

Long-term Liabilities

Table 4 shows that total long-term liabilities decreased \$121.5 million during the 12 months ended September 30, 2018, from \$1.90 billion at September 30, 2017 to \$1.78 billion at September 30, 2018, or 6.4%. Governmental activities reported a net decrease in long-term liabilities of \$50.7 million or 5.8% which reflects the addition of \$38 million of new debt, paying down \$38 million debt, and decrease other long-term liabilities of \$11 million of accumulated compensated absences, \$45 million due to net pension investments earnings, \$2 million net OPEB liability and \$5 million landfill closure cost. Business-type activities reported a decrease in long-term liabilities of \$70.8 million or a 6.9% decrease from September 30, 2017 due to the addition of \$38 million of debt, paying down \$97 million of debt, and decrease other long-term liabilities of \$12 million due mainly to net pension investments earnings.

City of Corpus Christi

Table 4
Long-Term Liabilities at September 30, 2018 and 2017
(in 000's)

| | Governmental Activities | | Business-type Activities | | Total | | % Change |
|--|-------------------------|-------------------|--------------------------|---------------------|---------------------|---------------------|---------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | |
| General obligation bonds | \$ 388,153 | \$ 398,318 | \$ 15,862 | \$ 17,102 | \$ 404,015 | \$ 415,420 | (2.7)% |
| Certificates of obligation | 52,350 | 32,610 | 9,350 | 9,775 | 61,700 | 42,385 | 45.6 % |
| Revenue bonds | 45,495 | 50,915 | - | - | 45,495 | 50,915 | (10.6)% |
| Utility priority revenue bonds | - | - | 169,695 | 179,190 | 169,695 | 179,190 | (5.3)% |
| Utility junior lien revenue bonds | - | - | 637,675 | 667,015 | 637,675 | 667,015 | (4.4)% |
| Subordinate Lien bonds | - | - | 31,830 | - | 31,830 | - | - % |
| Discount on bonds payable | (22) | - | (37) | (44) | (59) | (44) | 34.1 % |
| Premium on bonds payable | 26,289 | 27,047 | 47,574 | 55,844 | 73,863 | 82,891 | (10.9)% |
| Capital leases | 9,586 | 14,328 | 2,708 | 2,294 | 12,294 | 16,622 | (26.0)% |
| Other notes | 13,994 | 16,225 | - | 42,207 | 13,994 | 58,432 | (76.1)% |
| Total debts | 535,845 | 539,443 | 914,657 | 973,383 | 1,450,502 | 1,512,826 | (4.1)% |
| Accumulated compensated absences | 39,865 | 35,794 | 3,118 | 2,856 | 42,983 | 38,650 | 11.2 % |
| Landfill closure cost | 12,269 | 17,120 | - | - | 12,269 | 17,120 | (28.3)% |
| Net pension liability | 220,537 | 265,004 | 40,521 | 52,768 | 261,058 | 317,772 | (17.8)% |
| Total OPEB liability, restated (Note 10) | 9,192 | 11,093 | 407 | 488 | 9,599 | 11,581 | (17.1)% |
| Total long-term liabilities | \$ 817,708 | \$ 868,454 | \$ 958,703 | \$ 1,029,495 | \$ 1,776,411 | \$ 1,897,949 | (6.4)% |

During the fiscal year, the City completed five bond issuances to fund permanent capital assets, the City's solid waste system; and to refund existing City General Obligation Improvement Bonds and Utility System Revenue Improvement and Refunding bonds for savings.

In November 21, 2017, the City issued \$2,750,000 of Utility System Junior Lien Revenue Improvements Bonds, Series 2017 (TWDB SWIRFT), for the purposes of acquiring, purchasing, constructing, improving, repairing, extending, equipping, and renovating the System with respect to Seawater Desalination.

In March 1, 2018, the City issued \$34,835,000 of Utility System Subordinated Lien Revenue Refunding Bonds, Series 2018 for the purpose of refunding for Series 1985 Bureau of Reclamation of \$42,207,146. As part of the refunding process, the Bureau credited the City for mineral rights revenue accrued since the inception of the note and applied it as a reduction of principal. The interest rates range between 1.73% - 3.40%.

In June 14, 2018, the City issued \$16,355,000 of General Improvement Bonds, Series 2018 for the purpose of making permanent public improvements within the City. The interest rate is 5.0%.

In June 14, 2018, the City issued \$14,315,000 of Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2018A, for the purposes of constructing, renovating, equipping, enlarging, and improving City streets. The interest rates range between 2.40% - 4.13%.

In June 14, 2018, the City issued \$7,490,000 of Combination Tax and Limited Pledge Revenue Certificates of Obligation, Taxable series 2018B, for the purpose of constructing improvements to the City's solid waste facilities. The interest rates range between 2.19% - 2.90%.

The net pension liability decreased from \$317.8 million at September 30, 2017 to \$261.1 million at September 30, 2018, a 17.8% decrease due largely to an increase in investment income.

In calendar year 2011, the City Council approved an ordinance to change the "annually repeating" feature of the City's plan regarding updated service credits and 70% consumer price index (CPI) increases for annuitants to "ad hoc" (one time only basis) - thereby reducing the City's full contribution rate for subsequent years. However, these provisions are considered to be substantively automatic due to contract provisions with the Corpus Christi Police Officers' Association. The full TMRS rate of 21.45% is less than the actual contribution rate of 22.46% for calendar year 2018; and the TMRS rate of 21.84% is more than the actual contribution rate of 20.46% for calendar year 2017. See "Schedule of Contributions for TMRS" in the Required Supplemental Information.

City of Corpus Christi

The City adopted GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" during FY2018. The Statement replaces the requirements of GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. The net OPEB obligation recorded in accordance with GASB Statement No. 45 was removed and the total OPEB liability was recorded in accordance with GASB Statement No. 75. The new beginning total OPEB liability was \$1.9 million higher compared to the previously reported net OPEB obligation. An actuarial valuation determined that during the fiscal year, the total OPEB liability decreased by \$1.9 million, from \$11.5 million from September 30, 2017 to \$9.6 million as of September 30, 2018, a 17.0% decrease. (See Note 10 Post-Employment Health Care Benefits in the Notes to the Financial Statements.)

The landfill closure cost decreased by \$4.9 million from September 30, 2017 to September 30, 2018 due mainly to a change in operations in which the amount of cell space planned to be opened in the next five years was reduced. (See Note 13 Long-Term Obligations in the Notes to the Financial Statements.)

Bond Ratings

In 2018, the City received one bond rating upgrade. Fitch Ratings (Fitch) upgraded the City's sales tax bonds to AA in 2018:

- The unenhanced bond ratings for general obligation bonds were assigned Aa2 by Moody's Investors Service, Inc. (Moody's), and AA by Fitch Ratings (Fitch).
- The unenhanced bond ratings for general obligation bonds were assigned Aa2 by Moody's Investors Service, Inc. (Moody's), AA by Fitch Ratings (Fitch), and AA by S&P Global (S&P).
- The City's unenhanced bond ratings for 2018 for the priority lien utility revenue bonds were assigned Aa3 by Moody's, AA- by Fitch, and AA- by S&P.
- The City's unenhanced bond ratings for the junior lien utility revenue bonds established in 2018 were assigned A1 by Moody's, A+ by Fitch, and A+ by S&P.
- The unenhanced bond ratings for the Corpus Christi Business and Job Development's sales tax revenue bonds for the arena and seawall were A1 by Moody's, AA by Fitch, and A+ by S&P.

GENERAL FUND BUDGETARY HIGHLIGHTS

The financial policies of the City dictate that current budgeted revenues will equal or exceed current budgeted expenditures. The financial policy is to maintain the reserve for major contingencies of least 10% and up to 25% of the total annual General Fund appropriations. The reserve at September 30, 2018 was 22.0% of the total annual General Fund appropriations in 2018.

Exhibit 3 of the Financial Statements reflects the budget to actual budget basis comparisons for the General Fund. The originally adopted General Fund revenue budget (including transfers in) of \$239.5 million was amended by the City Council during 2018 resulting in a net increase in revenue of \$4.2 million majority due to an increase in grants. The originally adopted General Fund expenditure budget (including transfers out) of \$239.5 million was amended by the City Council during 2018 resulting in a net increase in expenditures of \$19.6 million. Major amendments included \$16 million of projects related to Hurricane Harvey, \$3 million of encumbrances carried forward from 2017. (See Note 6 Budgetary Data in the Financial Statements for more detail of budget changes.)

Budgetary Variances

General Fund actual budget basis revenue for the year ended September 30, 2018 of \$245.5 million was \$1.9 million over the final budgeted amount.

General Fund actual budget basis expenditures for the year ended September 30, 2018 of \$239.7 million were \$19 million under the amended budget amount of \$259.1 million. Main contributing factors were \$16 million in increased funds for Hurricane Harvey appropriations that were not utilized during the year. Economic Development Incentives expenditures were under budget by \$772 thousand due to timing of economic development incentive. Solid waste was below budget by \$2.2 million due to encumbrances with payments expected in the first quarter of the next fiscal year. Police Department and Municipal Court were under-budget by \$2.2 million due to salary and operational savings of \$629 thousand in Police Training and \$1 million in unspent hurricane appropriations. Parks and Recreation was under budget by \$2.5 million and Libraries by \$3 million mainly due to unspent hurricane appropriations. General Government was under budget \$4.9 million mainly due to salary and operational savings, which includes \$520 thousand in General

City of Corpus Christi

Government control, \$261 thousand of Financial Services, \$169 thousand of City Attorney, \$63 thousand in Management & Budget, and \$128 thousand in Human Resources, as well as \$526 thousand of unspent hurricane appropriations. Comprehensive Planning was \$866 thousand below budgeted amounts due to the timing of contract payments associated with area development plans; expenses are encumbered and expected to be paid next fiscal year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- The unemployment rate for Corpus Christi decreased to 4.4% in September 2018 from 5.2% in September 2017. In December 2018, the unemployment rate decreased to 4.3%, which was above the 3.7% unemployment rate for the State of Texas and above the 3.9% national unemployment rate.
- For fiscal year 2018-2019, the Certified Net Assessed Taxable Value experienced an increase of 8.1% to \$18.3 billion. The adopted tax rate for fiscal year 2018-2019 is \$0.626264 per \$100 valuation. The Maintenance and Operations (M&O) rate is \$0.406806 per \$100 valuation, and the Debt Service rate is \$0.219458 per \$100 valuation.
- The City of Corpus Christi has appropriated total revenues and expenditures for fiscal year 2018-2019 of \$904.7 million and \$977.3 million, respectively. Included for the General Fund are revenues budgeted at \$253.6 which is a \$14.1 million increase over the adopted General Fund budget of \$239.5 million for fiscal year 2017-2018. Ad valorem tax revenue is budgeted at a 11.6% increase from the prior year which is estimated to generate an additional \$8.1 million. The increase is mainly due to an increase of \$0.02 per \$100 valuation on property tax for residential streets. Sales tax revenue is budgeted at a 1.8% decrease over the current year's estimate.
- Included for the General Fund are expenditures budgeted at \$263 million, which is a \$23.5 million increase over the adopted General Fund budget of \$239.5 million for fiscal year 2017-2018.
- The Fiscal Year 2018-2019 Budget includes a 2% increase for our Texas Municipal Retirement System contribution rate, reaching the fully funded rate based on the increased employee contribution rate of 7% which took effect in January, 2019.
- The General Fund reflects a transfer of \$14.3 million to the Street Department for Street Maintenance. This equates to 6% of General Fund revenue (less any grant and Industrial District revenue). The 2018-2019 Budget also includes an additional \$3.9 million General Fund transfer to the Street Department for the Residential/Local Street Fund.
- Two-year utility rate increases were programmed in the fiscal year 2018 budget as follows: 4.6% average water rate increase for residential customers; 4% wastewater rate decrease for customers using less than 15,000 gallons and a slight increase in rate for customers using more. The rates are in effect for a two-year period.

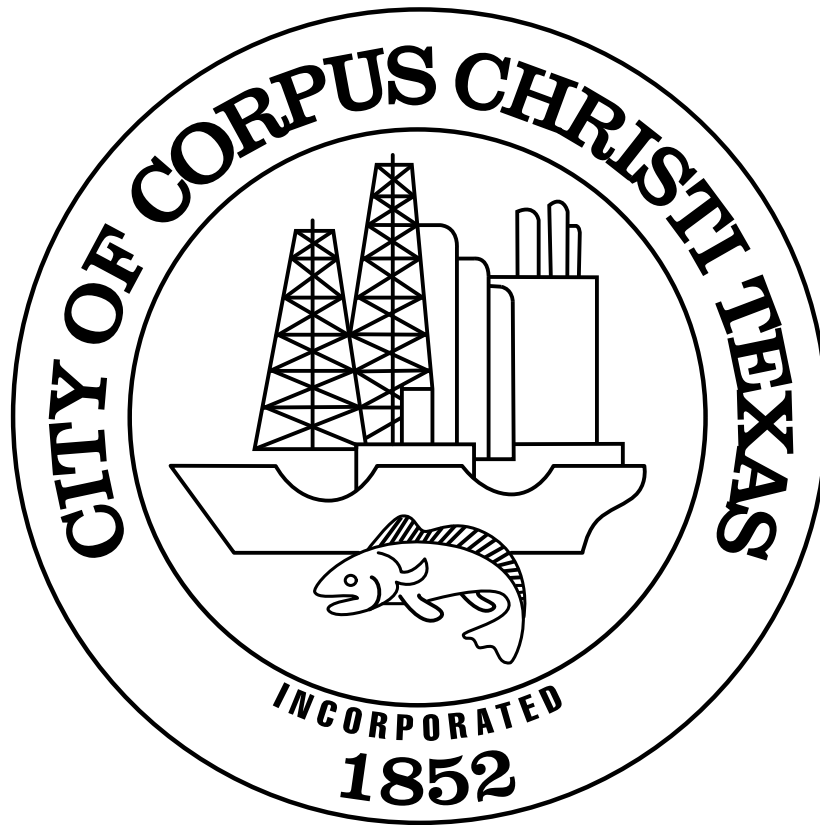
CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide the City Council, citizens, taxpayers, customers, bondholders, creditors, and other governmental sectors with a general overview of the City's financial condition and to demonstrate the City's accountability for the funds it receives.

If you have any questions about this report or need additional information, contact:

The City of Corpus Christi
Director of Financial Services
P. O. Box 9277
Corpus Christi, TX 78469-9277
(361) 826-3613
(361) 826-3601 (fax)

or visit our web site at: www.cctexas.com



City of Corpus Christi

**STATEMENT OF NET POSITION
SEPTEMBER 30, 2018**

| | Primary Government | | |
|--|------------------------------------|-------------------------------------|----------------------|
| | Governmental Activities | Business-Type Activities | Total |
| Assets | | | |
| Cash, cash equivalents and investments (Note 5) | \$ 191,445,610 | \$ 146,350,851 | \$ 337,796,461 |
| Receivables, net of allowance for uncollectibles (Note 7) | 38,575,413 | 36,225,390 | 74,800,803 |
| Internal balances | 1,167,001 | (1,167,001) | - |
| Inventories and other assets | 2,056,439 | 831,294 | 2,887,733 |
| Prepaid items | 1,658,965 | - | 1,658,965 |
| Total current assets | <u>234,903,428</u> | <u>182,240,534</u> | <u>417,143,962</u> |
| Restricted assets | | | |
| Cash, cash equivalents and investments (Note 5) | 262,877,785 | 118,698,391 | 381,576,176 |
| Receivables, net of allowance for uncollectibles (Note 7) | 8,515,144 | 179,302 | 8,694,446 |
| Land, construction in progress, and water supply rights (Note 8) | 125,554,748 | 267,467,471 | 393,022,219 |
| Other capital assets, net of accumulated depreciation (Note 8) | 628,730,290 | 1,430,601,376 | 2,059,331,666 |
| Total assets | <u>1,260,581,395</u> | <u>1,999,187,074</u> | <u>3,259,768,469</u> |
| Deferred outflows of resources | | | |
| Unamortized loss on refunded debt | 8,097,512 | 8,549,313 | 16,646,825 |
| Deferred outflows related to pension and OPEB liabilities (Note 9 & Note 10) | 26,534,564 | 5,511,796 | 32,046,360 |
| Total deferred outflows of resources | <u>34,632,076</u> | <u>14,061,109</u> | <u>48,693,185</u> |
| Liabilities | | | |
| Accounts payable | 17,571,813 | 15,503,982 | 33,075,795 |
| Accrued liabilities | 12,288,590 | 700,000 | 12,988,590 |
| Accrued interest | 2,112,824 | 7,892,526 | 10,005,350 |
| Contractor interest and retainage payable | 11,099,288 | 2,381 | 11,101,669 |
| Deposits | 1,054,640 | 3,765,227 | 4,819,867 |
| Liability to claimants - escheat property | 128,017 | 122,722 | 250,739 |
| Due to other governmental agencies | 563,857 | - | 563,857 |
| Unearned revenue | 6,674,650 | 388,677 | 7,063,327 |
| Current portion of long-term liabilities (Note 13) | | | |
| Current portion of estimated claims liability | 6,729,693 | - | 6,729,693 |
| Long-term debt | 42,397,004 | 46,847,880 | 89,244,884 |
| Landfill closure cost | 122,712 | - | 122,712 |
| Accumulated unpaid compensated absences | 15,838,240 | 2,509,442 | 18,347,682 |
| Total current liabilities | <u>116,581,328</u> | <u>77,732,837</u> | <u>194,314,165</u> |

(Continued)

| | Primary Government | | |
|---|------------------------------------|-------------------------------------|-------------------------|
| | Governmental Activities | Business-Type Activities | Total |
| Long-term liabilities, excluding current portion (Note 13) | | | |
| Long-term debt | 493,448,214 | 867,808,463 | 1,361,256,677 |
| Estimated liability claims, excluding current portion (Note 11) | 10,165,000 | - | 10,165,000 |
| Landfill closure costs | 12,146,665 | - | 12,146,665 |
| Accumulated compensated absences | 24,026,774 | 608,843 | 24,635,617 |
| Net pension liability (Note 9) | 220,537,084 | 40,520,741 | 261,057,825 |
| Total OPEB liability (Note 10) | 9,192,441 | 406,859 | 9,599,300 |
| Total liabilities | <u>886,097,506</u> | <u>987,077,743</u> | <u>1,873,175,249</u> |
| Deferred inflows of resources | | | |
| Unamortized gain on refunded debt | 112,045 | 690,837 | 802,882 |
| Deferred inflows related to pension and OPEB liabilities (Note 9 & Note 10) | 18,460,572 | 5,611,841 | 24,072,413 |
| Total deferred inflows of resources | <u>18,572,617</u> | <u>6,302,678</u> | <u>24,875,295</u> |
| Net position | | | |
| Net investment in capital assets | 348,435,724 | 879,284,801 | 1,227,720,525 |
| Restricted for | | | |
| Vital statistics record retention | 168,946 | - | 168,946 |
| Passenger facility charges projects | - | 2,950,686 | 2,950,686 |
| Bond interest and redemption | 10,424,345 | 13,212,978 | 23,637,323 |
| Municipal and Juvenile Court | 971,800 | - | 971,800 |
| Fire contribution trust | 5,585 | - | 5,585 |
| PEG equipment and facilities | 2,695,450 | - | 2,695,450 |
| Tourism (HOT) | 4,723,667 | - | 4,723,667 |
| Traffic safety programs | 19,411 | - | 19,411 |
| State and federal grant programs | 483,612 | - | 483,612 |
| Parks and recreation | 11,839,055 | - | 11,839,055 |
| Infrastructure development | 1,797,877 | - | 1,797,877 |
| Loans | 10,971,663 | - | 10,971,663 |
| Business and job development | 93,594,555 | - | 93,594,555 |
| Tax increment zone improvements | 17,312,794 | - | 17,312,794 |
| Improvements to utility lines and facilities | - | 7,528,257 | 7,528,257 |
| Public health | 245,008 | 98,157 | 343,165 |
| Law enforcement | 4,696,445 | - | 4,696,445 |
| Unrestricted (deficit) | (117,842,589) | 116,792,883 | (1,049,706) |
| Total net position | <u>\$ 390,543,348</u> | <u>\$ 1,019,867,762</u> | <u>\$ 1,410,411,110</u> |

The notes to the financial statements are an integral part of this statement.

City of Corpus Christi

**STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2018**

| | Expenses | Charges for Services |
|-----------------------------------|-----------------|-----------------------------|
| Primary government | | |
| Governmental activities | | |
| General government | \$ 25,125,116 | \$ 4,656,538 |
| Police and municipal court | 92,322,971 | 15,301,426 |
| Fire and ambulance | 57,349,691 | 8,714,229 |
| Solid waste | 35,462,978 | 41,153,922 |
| Emergency management | 608,640 | 51,125 |
| Streets | 36,063,973 | 532,564 |
| Health | 4,672,971 | 1,540,581 |
| Parks and recreation | 20,851,689 | 6,777,567 |
| Libraries | 4,083,909 | 148,054 |
| Museums | 1,534,853 | 573,449 |
| Community enrichment | 5,612,051 | 153,171 |
| Community development | 13,260,313 | 183,983 |
| Convention and visitor activities | 20,112,951 | 4,259,649 |
| Interest on long-term debt | 17,627,419 | - |
| Total governmental activities | 334,689,525 | 84,046,258 |
| Business-type activities | | |
| Utilities | | |
| Water | 110,714,835 | 136,897,217 |
| Gas | 32,368,491 | 30,552,407 |
| Wastewater | 61,762,305 | 70,761,853 |
| Airport | 15,453,974 | 12,801,642 |
| Golf centers | 159,001 | 227,472 |
| Marina | 1,863,044 | 2,772,391 |
| Total business-type activities | 222,321,650 | 254,012,982 |
| Total primary government | \$ 557,011,175 | \$ 338,059,240 |

City of Corpus Christi

Exhibit 1-B

| Program Revenue | | Net (Expenses) Revenues and Changes in Net Position | | |
|---|---|--|---------------------------------|----------------------|
| Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-type Activities | Total |
| \$ 128,336 | \$ - | \$ (20,340,242) | \$ - | \$ (20,340,242) |
| 2,144,405 | - | (74,877,140) | - | (74,877,140) |
| 681,294 | - | (47,954,168) | - | (47,954,168) |
| - | 3,050 | 5,693,994 | - | 5,693,994 |
| 290,766 | - | (266,749) | - | (266,749) |
| - | 1,543,259 | (33,988,150) | - | (33,988,150) |
| 1,742,683 | - | (1,389,707) | - | (1,389,707) |
| 2,062,064 | 218,486 | (11,793,572) | - | (11,793,572) |
| 314,986 | - | (3,620,869) | - | (3,620,869) |
| - | - | (961,404) | - | (961,404) |
| 85,549 | 497,735 | (4,875,596) | - | (4,875,596) |
| 3,774,465 | - | (9,301,865) | - | (9,301,865) |
| - | 200,000 | (15,653,302) | - | (15,653,302) |
| - | - | (17,627,419) | - | (17,627,419) |
| <u>11,224,548</u> | <u>2,462,530</u> | <u>(236,956,189)</u> | <u>-</u> | <u>(236,956,189)</u> |
| 746,708 | 5,984,944 | - | 32,914,034 | 32,914,034 |
| 56,694 | 209,251 | - | (1,550,139) | (1,550,139) |
| 604,292 | 3,541,454 | - | 13,145,294 | 13,145,294 |
| 1,785 | 8,950,452 | - | 6,299,905 | 6,299,905 |
| - | - | - | 68,471 | 68,471 |
| - | - | - | 909,347 | 909,347 |
| <u>1,409,479</u> | <u>18,686,101</u> | <u>-</u> | <u>51,786,912</u> | <u>51,786,912</u> |
| <u>\$ 12,634,027</u> | <u>\$ 21,148,631</u> | <u>(236,956,189)</u> | <u>51,786,912</u> | <u>(185,169,277)</u> |

General revenues

| | | | | |
|---|-----------------------|-------------------------|-------------------------|--|
| Taxes | | | | |
| Property taxes, levied for general purposes | 86,794,367 | - | 86,794,367 | |
| Property taxes, levied for debt service | 44,120,037 | - | 44,120,037 | |
| Sales taxes | 89,709,269 | - | 89,709,269 | |
| Hotel occupancy taxes | 19,239,033 | - | 19,239,033 | |
| Franchise fees | 28,597,251 | - | 28,597,251 | |
| Unrestricted investment earnings | 6,271,444 | 4,476,137 | 10,747,581 | |
| Transfers | 7,478,900 | (7,478,900) | - | |
| Total general revenue and transfers | <u>282,210,301</u> | <u>(3,002,763)</u> | <u>279,207,538</u> | |
| Change in net position | 45,254,112 | 48,784,149 | 94,038,261 | |
| Net position at beginning of year, restated | <u>345,289,236</u> | <u>971,083,613</u> | <u>1,316,372,849</u> | |
| Net position, end of year | <u>\$ 390,543,348</u> | <u>\$ 1,019,867,762</u> | <u>\$ 1,410,411,110</u> | |

The notes to the financial statements are an integral part of this statement

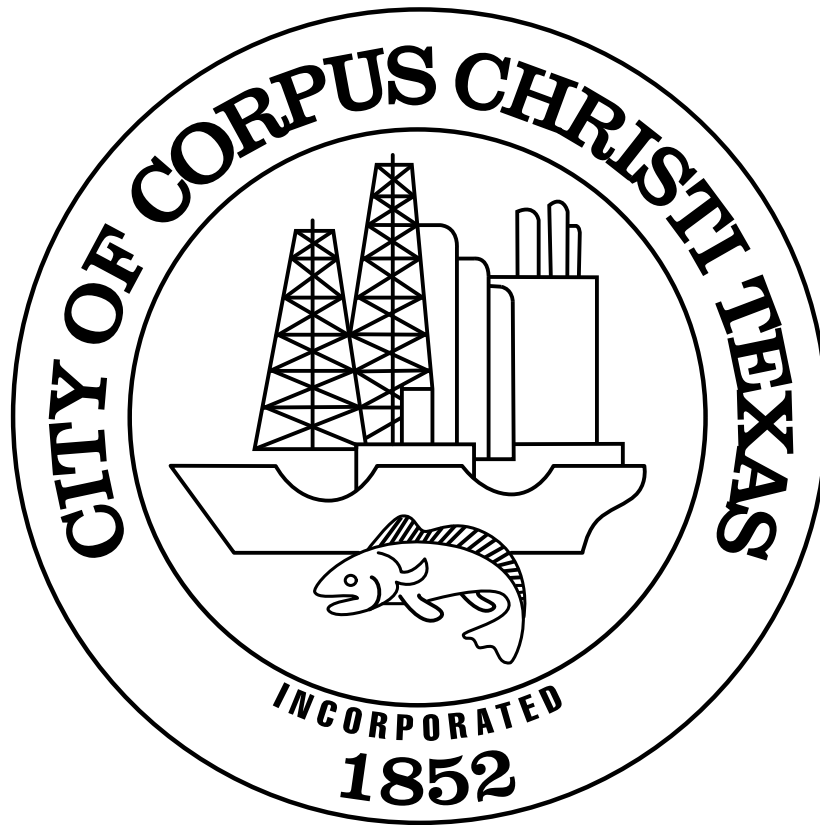
City of Corpus Christi

**GOVERNMENTAL FUNDS
BALANCE SHEET
SEPTEMBER 30, 2018**

| | General | Debt Service | Street Capital Projects |
|---|----------------|---------------------|------------------------------------|
| Assets | | | |
| Cash, cash equivalents and investments (Note 5) | \$ 75,787,442 | \$ 11,003,158 | \$ 117,214,074 |
| Receivables, net of allowances for uncollectibles (Note 7) | 23,083,455 | 1,443,334 | 38,826 |
| Due from other funds | - | - | - |
| Inventories | - | - | - |
| Prepaid items | 9,752 | - | - |
| Advances to other funds (Note 15) | 562,209 | - | - |
| Total assets | \$ 99,442,858 | \$ 12,446,492 | \$ 117,252,900 |
| Liabilities | | | |
| Accounts payable | \$ 5,544,988 | \$ - | \$ 4,270,490 |
| Accrued liabilities | 12,025,156 | - | - |
| Contractor interest and retainage payable | 11,099,288 | - | - |
| Deposits | 163,798 | - | 353,400 |
| Liability to claimants - escheat property | 106,936 | - | - |
| Due to other funds | - | - | - |
| Due to other governmental agencies | 560,145 | - | - |
| Unearned revenues | 4,768,978 | - | 100,463 |
| Total liabilities | 34,269,289 | - | 4,724,353 |
| Deferred inflows of resources | | | |
| Unavailable revenue - property taxes | 2,034,740 | 1,239,066 | - |
| Unavailable revenue - Contributions and donations | - | - | - |
| Unavailable revenue - Other | 11,430 | - | 26,698 |
| Total deferred inflows of resources | 2,046,170 | 1,239,066 | 26,698 |
| Fund balances | | | |
| Nonspendable | 571,960 | - | - |
| Restricted | 376,930 | 11,207,426 | 105,497,584 |
| Committed | - | - | 5,832,473 |
| Assigned | 4,768,582 | - | 1,171,792 |
| Unassigned | 57,409,927 | - | - |
| Total fund balances | 63,127,399 | 11,207,426 | 112,501,849 |
| Total liabilities, deferred inflows of resources, and fund balances | \$ 99,442,858 | \$ 12,446,492 | \$ 117,252,900 |

The notes to the financial statements are an integral part of this statement.

| Other Governmental Funds | Total Governmental Funds |
|---|---|
| \$ 193,790,226 | \$ 397,794,900 |
| 22,436,895 | 47,002,510 |
| 477,070 | 477,070 |
| 480,851 | 480,851 |
| 203,447 | 213,199 |
| - | 562,209 |
| <u>\$ 217,388,489</u> | <u>\$ 446,530,739</u> |
| | |
| \$ 5,668,117 | \$ 15,483,595 |
| 87,812 | 12,112,968 |
| - | 11,099,288 |
| 533,919 | 1,051,117 |
| - | 106,936 |
| 477,070 | 477,070 |
| 3,712 | 563,857 |
| 1,763,127 | 6,632,568 |
| <u>8,533,757</u> | <u>47,527,399</u> |
| | |
| - | 3,273,806 |
| 936,702 | 936,702 |
| - | 38,128 |
| <u>936,702</u> | <u>4,248,636</u> |
| | |
| 684,298 | 1,256,258 |
| 164,800,835 | 281,882,775 |
| 31,922,455 | 37,754,928 |
| 10,735,863 | 16,676,237 |
| (225,421) | 57,184,506 |
| <u>207,918,030</u> | <u>394,754,704</u> |
| <u>\$ 217,388,489</u> | <u>\$ 446,530,739</u> |



**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2018**

| | | |
|--|----------------|-----------------------|
| Total fund balance - governmental funds | | \$ 394,754,704 |
| Amounts reported for governmental activities in the statement of net position are different because: | | |
| Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds. The cost of assets in governmental activities excluding Internal service funds is \$1,234,870,400 and the accumulated depreciation is \$494,246,989. | | 740,623,411 |
| Some other long-term assets are not available to pay for current period expenditures and are, therefore, recorded as deferred inflows in the funds. A detail of these assets follows: | | |
| Unavailable - Contributions and Donations | \$ 936,702 | |
| Unavailable - Property Taxes | 3,273,806 | |
| Unavailable - Other | 38,128 | 4,248,636 |
| Internal service funds are used by management to charge the cost of certain activities, such as inventory of commonly used material and supplies, vehicular fleet and building maintenance, data processing, insurance and engineering. The assets and liabilities of the internal service funds are included in governmental activities in the government-wide statement of net position. | | 25,898,131 |
| Internal service funds allocated to business-type activities | | 604,792 |
| Deferred inflows and outflows are not reported in the funds. | | |
| Unamortized loss on refunded debt | \$ 8,097,512 | |
| Deferred outflows related to pension liability | 22,239,626 | |
| Deferred inflows related to pension liability | (15,640,601) | |
| Unamortized gain on refunded debt | (112,045) | 14,584,492 |
| Some liabilities are not due and payable in the current period and therefore are not reported in funds. A detail of these liabilities follows. | | |
| Accrued interest | \$ (2,112,819) | |
| Long-term debt | (534,707,056) | |
| Accumulated compensated absences | (37,973,396) | |
| Net pension liability | (203,108,170) | |
| Landfill closure costs | (12,269,377) | (790,170,818) |
| Net position of governmental activities | | \$ 390,543,348 |

The notes to the financial statements are an integral part of this statement.

City of Corpus Christi

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2018**

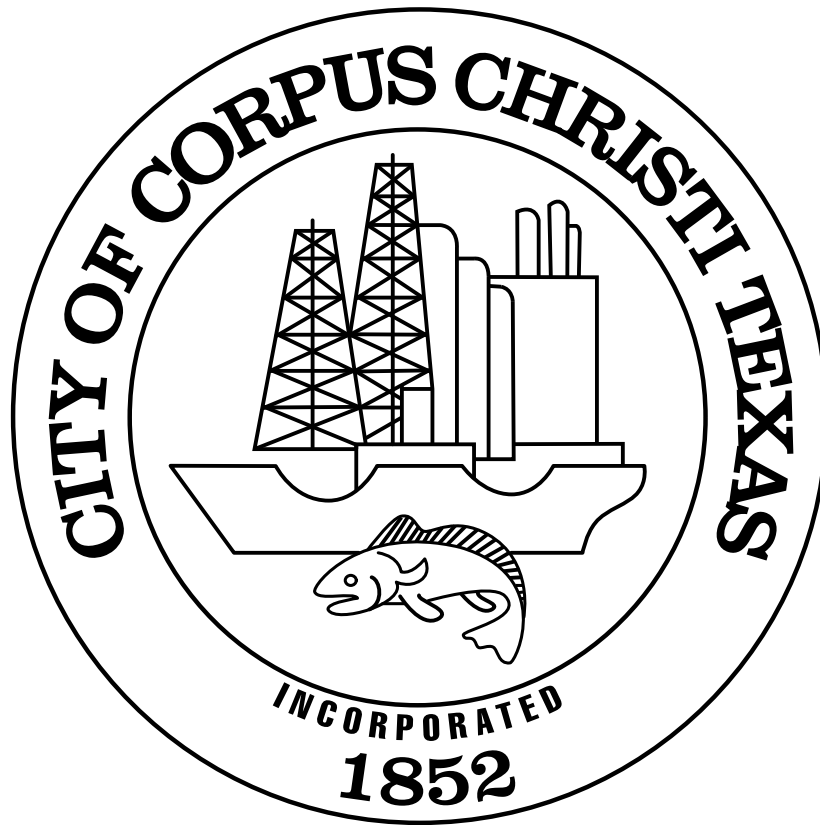
| | General | Debt Service | Street Capital Projects |
|---|----------------|---------------------|------------------------------------|
| Revenues | | | |
| Taxes and franchise fees | \$ 158,220,961 | \$ 44,086,627 | \$ - |
| Licenses and permits | 2,043,632 | - | - |
| Intergovernmental | - | - | - |
| Grants | 3,300,513 | - | - |
| Charges for services | 59,361,480 | - | - |
| Fines and forfeitures | 5,520,515 | - | - |
| Contributions and donations | - | - | 1,059,925 |
| Special assessments | - | - | 73,056 |
| Earnings on investments | 1,062,093 | 280,091 | 1,666,134 |
| Interest on loans | - | - | - |
| Miscellaneous | 1,335,602 | - | 18,562 |
| Total revenues | 230,844,796 | 44,366,718 | 2,817,677 |
| Expenditures | | | |
| Current | | | |
| General government | 17,486,218 | - | 5,199,454 |
| Police and municipal court | 82,626,196 | - | - |
| Fire and ambulance | 53,734,497 | - | - |
| Emergency management | 569,127 | - | - |
| Streets | 3,192,777 | - | - |
| Solid waste | 30,606,002 | - | - |
| Health | 2,965,889 | - | - |
| Parks and recreation | 13,593,923 | - | - |
| Libraries | 4,123,274 | - | - |
| Museums | 1,478,778 | - | - |
| Community enrichment | - | - | - |
| Community development | - | - | - |
| Convention and visitors activities | - | - | - |
| Capital outlay | 1,627,840 | - | 42,603,748 |
| Debt service | | | |
| Principal retirement | 4,107,021 | 31,029,918 | - |
| Interest | 215,252 | 17,441,032 | - |
| Bond issue cost | - | - | 377,202 |
| Paying agent fees | - | 13,098 | - |
| Total expenditures | 216,326,794 | 48,484,048 | 48,180,404 |
| Excess (deficiency) of revenues over expenditures | 14,518,002 | (4,117,330) | (45,362,727) |
| Other financing sources (uses) | | | |
| Capital leases | 724,100 | - | - |
| Sale of City property | 322 | - | - |
| Bonds and notes issued | - | - | 28,852,222 |
| Premium on bonds issued | - | - | 3,651,338 |
| Transfers in (Note 15) | 9,491,625 | 3,236,004 | - |
| Transfers out (Note 15) | (18,924,001) | - | - |
| Total other financing sources (uses) | (8,707,954) | 3,236,004 | 32,503,560 |
| Net change in fund balances | 5,810,048 | (881,326) | (12,859,167) |
| Fund balances, beginning of year | 57,317,351 | 12,088,752 | 125,361,016 |
| Fund balances, end of year | \$ 63,127,399 | \$ 11,207,426 | \$ 112,501,849 |

The notes to the financial statements are an integral part of this statement.

City of Corpus Christi

Exhibit 2-C

| | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|----|---|---|
| \$ | 55,231,864 | \$ 257,539,452 |
| | 6,478,777 | 8,522,409 |
| | 2,746,738 | 2,746,738 |
| | 9,417,253 | 12,717,766 |
| | 16,495,383 | 75,856,863 |
| | 441,826 | 5,962,341 |
| | 1,010,233 | 2,070,158 |
| | - | 73,056 |
| | 2,549,805 | 5,558,123 |
| | 48,448 | 48,448 |
| | 350,166 | 1,704,330 |
| | <u>94,770,493</u> | <u>372,799,684</u> |
| | 5,777,562 | 28,463,234 |
| | 9,598,712 | 92,224,908 |
| | 561,693 | 54,296,190 |
| | 248,758 | 817,885 |
| | 26,326,398 | 29,519,175 |
| | - | 30,606,002 |
| | 1,656,855 | 4,622,744 |
| | 4,568,230 | 18,162,153 |
| | 4,180 | 4,127,454 |
| | - | 1,478,778 |
| | 2,830,372 | 2,830,372 |
| | 9,420,539 | 9,420,539 |
| | 15,664,900 | 15,664,900 |
| | 16,402,047 | 60,633,635 |
| | 6,069,201 | 41,206,140 |
| | 2,272,558 | 19,928,842 |
| | 144,307 | 521,509 |
| | 7,194 | 20,292 |
| | <u>101,553,506</u> | <u>414,544,752</u> |
| | (6,783,013) | (41,745,068) |
| | - | 724,100 |
| | 313,229 | 313,551 |
| | 9,567,778 | 38,420,000 |
| | 343,692 | 3,995,030 |
| | 36,676,154 | 49,403,783 |
| | <u>(21,243,179)</u> | <u>(40,167,180)</u> |
| | <u>25,657,674</u> | <u>52,689,284</u> |
| | 18,874,661 | 10,944,216 |
| | <u>189,043,369</u> | <u>383,810,488</u> |
| \$ | <u>207,918,030</u> | \$ <u>394,754,704</u> |



**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED SEPTEMBER 30, 2018**

| | | |
|--|----------------|-----------------------------|
| Net change in fund balances - governmental funds | | \$ 10,944,216 |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of capital assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays and other capital asset activity exceeded depreciation in the current period: | | |
| Capital outlays | \$ 61,029,367 | |
| Depreciation | (29,199,561) | |
| Loss on disposal of assets | (3,157,684) | |
| Contributions of capital assets | 50,203 | 28,722,325 |
| Revenue in the statement of activities that do not provide current financial resources are not reported as revenue in the funds. | | (1,501,135) |
| Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which proceeds and various long-term debt activity exceeded repayment. | | |
| Bond and notes proceeds | \$(38,420,000) | |
| Bond premium | (3,995,030) | |
| Capital leases | (724,100) | |
| Principal retirement | 41,206,141 | |
| Change in accrued interest and amortization of premium, discount and refunding deferral | 2,364,500 | 431,511 |
| Delinquent property taxes and special assessments, net of allowance, are not reported as revenue in the governmental funds. These items increased in the current fiscal year. | | 89,115 |
| Compensated absences reported in the statement of net position did not require the use of current financial resources, and therefore are not expenditures in governmental funds. Compensated absences for governmental funds increased in the current fiscal year. | | (4,011,550) |
| Landfill closure costs reported in the statement of net position did not require the use of current financial resources, and therefore are not expenditures in governmental funds. Landfill closure costs decreased in the current year. | | 4,851,007 |
| Net pension liability and related deferred outflows and inflows reported in the statement of net position did not require the use of current financial resources, and therefore are not an expenditure in the governmental funds. Net pension liability and related deferred outflows and inflows for governmental funds increased in the current fiscal year. | | (248,735) |
| Internal service funds are used by management to charge the cost of certain activities, such as inventory of commonly used material and supplies, vehicular fleet and building maintenance, data processing, insurance and engineering to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities, net of amount allocated to business-type activities. | | <u>5,977,358</u> |
| Change in net position of governmental activities | | <u>\$ 45,254,112</u> |

The notes to the financial statements are an integral part of this statement.

City of Corpus Christi

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Budget</u> | | <u>Actual GAAP Basis</u> | <u>Adjustments Budget Basis</u> |
|---|----------------------|----------------------|------------------------------|-------------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Taxes and franchise fees | \$ 156,368,430 | \$ 156,368,430 | \$ 158,220,961 | \$ - |
| Licenses and permits | 1,899,818 | 1,899,818 | 2,043,632 | - |
| Grants | 400,980 | 4,470,817 | 3,300,513 | - |
| Charges for services | 59,289,615 | 59,289,615 | 59,361,480 | - |
| Fines and forfeitures | 5,472,515 | 5,472,515 | 5,520,515 | - |
| Earnings on investments | 377,000 | 377,000 | 1,062,093 | - |
| Miscellaneous | 784,110 | 876,547 | 1,335,602 | - |
| Reimbursements | 5,382,776 | 5,382,776 | - | 5,406,776 |
| Total revenues | <u>229,975,244</u> | <u>234,137,518</u> | <u>230,844,796</u> | <u>5,406,776</u> |
| Expenditures | | | | |
| Current | | | | |
| General government | 22,596,322 | 23,734,086 | 17,486,218 | 1,302,309 |
| Police and municipal court | 84,465,103 | 85,551,952 | 82,626,196 | 905,621 |
| Fire and ambulance | 55,314,802 | 56,342,754 | 53,734,497 | 1,270,298 |
| Emergency management | 473,222 | 885,722 | 569,127 | - |
| Streets | 3,928,289 | 4,036,001 | 3,192,777 | - |
| Solid waste | 26,077,781 | 35,786,962 | 30,606,002 | 2,857,260 |
| Health | 3,373,941 | 3,786,636 | 2,965,889 | 66,705 |
| Parks and recreation | 17,706,274 | 18,831,346 | 13,593,923 | 2,602,756 |
| Libraries | 4,109,140 | 7,134,605 | 4,123,274 | - |
| Museums | 1,351,265 | 2,452,895 | 1,478,778 | - |
| Capital outlay | 1,173,011 | 1,687,392 | 1,627,840 | - |
| Debt service | | | | |
| Principal retirement | - | - | 4,107,021 | (4,107,021) |
| Interest | - | - | 215,252 | (215,252) |
| Total expenditures | <u>220,569,150</u> | <u>240,230,351</u> | <u>216,326,794</u> | <u>4,682,676</u> |
| Excess (deficiency) of revenues over expenditures | 9,406,094 | (6,092,833) | 14,518,002 | 724,100 |
| Other financing sources (uses) | | | | |
| Capital leases | - | - | 724,100 | (724,100) |
| Sale of City property | - | - | 322 | - |
| Transfers in (Note 15) | 9,498,619 | 9,498,619 | 9,491,625 | - |
| Transfers out (Note 15) | (18,904,713) | (18,904,713) | (18,924,001) | - |
| Total other financing sources (uses) | <u>(9,406,094)</u> | <u>(9,406,094)</u> | <u>(8,707,954)</u> | <u>(724,100)</u> |
| Net change in fund balance | - | (15,498,927) | 5,810,048 | - |
| Fund balance, beginning of year | 49,384,749 | 57,317,351 | 57,317,351 | - |
| Fund balance, end of year | <u>\$ 49,384,749</u> | <u>\$ 41,818,424</u> | <u>\$ 63,127,399</u> | <u>\$ -</u> |

The notes to the financial statements are an integral part of this statement.

**Actual Budget Variance with
Basis Final Budget**

| | |
|--------------------|------------------|
| \$ 158,220,961 | \$ 1,852,531 |
| 2,043,632 | 143,814 |
| 3,300,513 | (1,170,304) |
| 59,361,480 | 71,865 |
| 5,520,515 | 48,000 |
| 1,062,093 | 685,093 |
| 1,335,602 | 459,055 |
| 5,406,776 | 24,000 |
| <u>236,251,572</u> | <u>2,114,054</u> |

| | |
|------------|-----------|
| 18,788,527 | 4,945,559 |
| 83,531,817 | 2,020,135 |
| 55,004,795 | 1,337,959 |
| 569,127 | 316,595 |
| 3,192,777 | 843,224 |
| 33,463,262 | 2,323,700 |
| 3,032,594 | 754,042 |
| 16,196,679 | 2,634,667 |
| 4,123,274 | 3,011,331 |
| 1,478,778 | 974,117 |
| 1,627,840 | 59,552 |

| | |
|--------------------|-------------------|
| - | - |
| - | - |
| <u>221,009,470</u> | <u>19,220,881</u> |
| 15,242,102 | 21,334,935 |

| | |
|----------------------|----------------------|
| - | - |
| 322 | 322 |
| 9,491,625 | (6,994) |
| <u>(18,924,001)</u> | <u>(19,288)</u> |
| <u>(9,432,054)</u> | <u>(25,960)</u> |
| 5,810,048 | 21,308,975 |
| 57,317,351 | - |
| <u>\$ 63,127,399</u> | <u>\$ 21,308,975</u> |

City of Corpus Christi

**PROPRIETARY FUND
STATEMENT OF NET POSITION
SEPTEMBER 30, 2018**

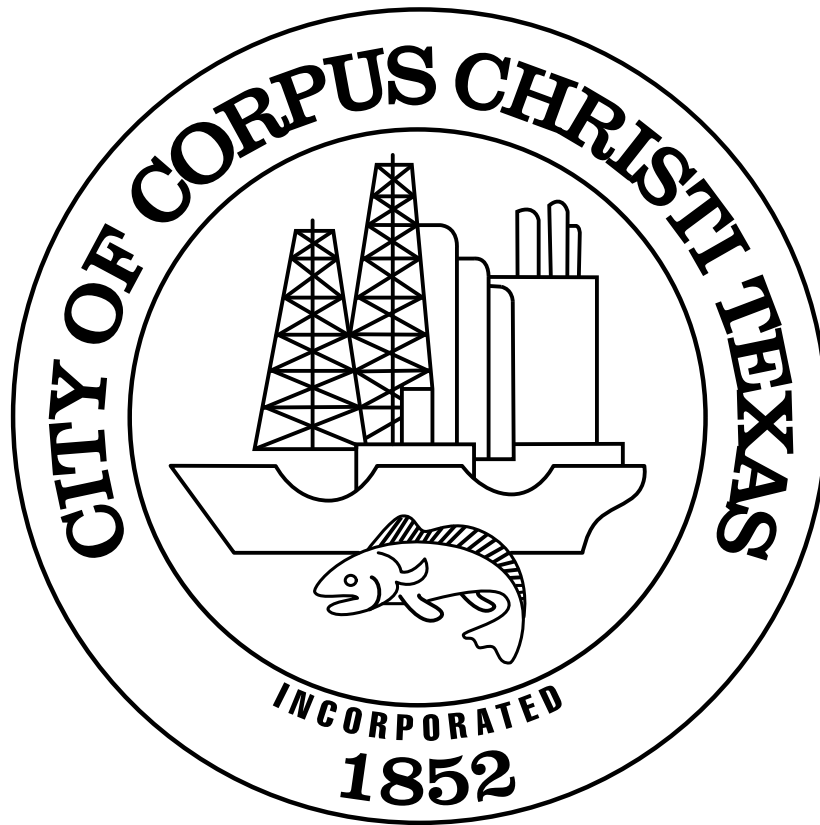
| | Enterprise Funds | | | Internal Service Funds |
|---|------------------------------------|-----------------------------------|----------------------|---------------------------------------|
| | Utility System Fund | Other Enterprise Funds | Total | |
| Assets | | | | |
| Current assets | | | | |
| Cash, cash equivalents and investments (Note 5) | \$ 137,882,342 | \$ 8,468,510 | \$ 146,350,852 | \$ 56,528,496 |
| Receivables (Note 7) | 32,034,891 | 4,190,499 | 36,225,390 | 88,047 |
| Due from other funds | - | 43,696 | 43,696 | - |
| Inventories | 810,707 | 20,587 | 831,294 | 1,525,718 |
| Prepaid items | - | - | - | 1,445,766 |
| Total current assets | <u>170,727,940</u> | <u>12,723,292</u> | <u>183,451,232</u> | <u>59,588,027</u> |
| Noncurrent assets | | | | |
| Restricted assets | | | | |
| Cash, cash equivalents and investments (Note 5) | 115,083,454 | 3,614,937 | 118,698,391 | - |
| Receivables, net of allowance for uncollectibles (Note 7) | - | 179,302 | 179,302 | - |
| Total noncurrent restricted assets | <u>115,083,454</u> | <u>3,794,239</u> | <u>118,877,693</u> | <u>-</u> |
| Other assets | - | - | - | 49,871 |
| Capital assets (Note 8) | | | | |
| Land, construction in progress, and water supply rights | 253,674,355 | 13,793,116 | 267,467,471 | 564,323 |
| Capital assets, being depreciated | 1,284,227,876 | 146,373,501 | 1,430,601,377 | 13,097,305 |
| Net capital assets | <u>1,537,902,231</u> | <u>160,166,617</u> | <u>1,698,068,848</u> | <u>13,661,628</u> |
| Total noncurrent assets | <u>1,652,985,685</u> | <u>163,960,856</u> | <u>1,816,946,541</u> | <u>13,711,499</u> |
| Total assets | <u>1,823,713,625</u> | <u>176,684,148</u> | <u>2,000,397,773</u> | <u>73,299,526</u> |
| Deferred outflows of resources: | | | | |
| Unamortized loss on refunded debt | 8,199,061 | 350,252 | 8,549,313 | - |
| Deferred outflows related to pension & OPEB liability (Note 9 & Note 10) | 4,829,840 | 681,955 | 5,511,795 | 4,294,938 |
| Total deferred outflows of resources | <u>13,028,901</u> | <u>1,032,207</u> | <u>14,061,108</u> | <u>4,294,938</u> |
| (Continued) | | | | |

City of Corpus Christi

Exhibit 4-A

| | Enterprise Funds | | | Internal Service Funds |
|---|----------------------------|-------------------------------|-------------------------|-------------------------------|
| | Utility System Fund | Other Enterprise Funds | Total | |
| Liabilities | | | | |
| Current liabilities | | | | |
| Accounts payable | \$ 12,710,214 | \$ 2,793,768 | \$ 15,503,982 | \$ 2,143,983 |
| Accrued liabilities | 700,000 | - | 700,000 | 120,000 |
| Accrued interest | 7,808,516 | 84,010 | 7,892,526 | - |
| Current portion of estimated liability claims (Note 11) | - | - | - | 6,729,693 |
| Contractor interest and retainage payable | 2,381 | - | 2,381 | - |
| Deposits | 3,055,019 | 170,208 | 3,225,227 | 3,388 |
| Liability to claimants - escheat property | 122,722 | - | 122,722 | 21,081 |
| Due to other funds | - | 43,696 | 43,696 | - |
| Advance from other funds | - | 93,701 | 93,701 | - |
| Unearned revenues | 147,978 | 240,699 | 388,677 | 42,082 |
| Current portion of long-term liabilities (Note 13) | | | | |
| Long-term debt | 45,037,879 | 1,810,000 | 46,847,879 | 516,837 |
| Accumulated unpaid compensated absences | 2,135,797 | 373,645 | 2,509,442 | 1,113,771 |
| Total current liabilities | <u>71,720,506</u> | <u>5,609,727</u> | <u>77,330,233</u> | <u>10,690,835</u> |
| Noncurrent liabilities | | | | |
| Liabilities payable from restricted assets | | | | |
| Deposits | 540,000 | - | 540,000 | - |
| Estimated liability claims, net of current portion (Note 11) | - | - | - | 10,165,000 |
| Long-term liabilities, net of current portion (Note 13) | | | | |
| Advances from other funds (Note 15) | - | 468,509 | 468,509 | - |
| Long-term debt | 842,780,101 | 25,028,362 | 867,808,463 | 621,326 |
| Accumulated unpaid compensated absences | 578,382 | 30,461 | 608,843 | 777,847 |
| Net pension liability (Note 9) | 35,431,196 | 5,089,544 | 40,520,740 | 17,428,914 |
| Total OPEB liability (Note 10) | 358,068 | 48,791 | 406,859 | 9,192,441 |
| Total noncurrent liabilities | <u>879,687,747</u> | <u>30,665,667</u> | <u>910,353,414</u> | <u>38,185,528</u> |
| Total liabilities | <u>951,408,253</u> | <u>36,275,394</u> | <u>987,683,647</u> | <u>48,876,363</u> |
| Deferred inflows of resources | | | | |
| Deferred inflows related to pension & OPEB liability (Note 9 & Note 10) | 4,931,442 | 680,399 | 5,611,841 | 2,819,970 |
| Unamortized gain on refunded debt | 690,838 | - | 690,838 | - |
| Total deferred inflows of resources | <u>5,622,280</u> | <u>680,399</u> | <u>6,302,679</u> | <u>2,819,970</u> |
| Net position | | | | |
| Net investment in capital assets | 744,842,566 | 134,442,235 | 879,284,801 | 12,523,465 |
| Restricted for | | | | |
| Passenger facility charges projects | - | 2,950,686 | 2,950,686 | - |
| Bond interest and redemption | 13,212,979 | - | 13,212,979 | - |
| Improvements to utility lines and facilities | 7,528,258 | - | 7,528,258 | - |
| Abatement of public health hazards | 98,157 | - | 98,157 | - |
| Unrestricted | 114,030,033 | 3,367,641 | 117,397,674 | 13,374,666 |
| Total net position | <u>\$ 879,711,993</u> | <u>\$ 140,760,562</u> | <u>1,020,472,555</u> | <u>\$ 25,898,131</u> |
| Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time | | | (604,792) | |
| Net position of business-type activities | | | <u>\$ 1,019,867,763</u> | |

The notes to the financial statements are an integral part of this statement.



PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
SEPTEMBER 30, 2018

| | Enterprise Funds | | | Internal Service Funds |
|--|------------------------------------|---------------------------------------|----------------------|---------------------------------------|
| | Utility System Fund | Other Enterprise Funds | Total | |
| Operating revenues | | | | |
| Charges for services, net of allowances of \$2,412,293 | \$ 239,862,248 | \$ 12,488,885 | \$ 252,351,133 | \$ 82,696,848 |
| Operating expenses | | | | |
| Personnel services | 39,586,817 | 5,531,378 | 45,118,195 | 19,394,354 |
| Materials, supplies and contractual services | 70,443,860 | 2,975,648 | 73,419,508 | 17,083,852 |
| Other operating expenses | 22,392,251 | 950,077 | 23,342,328 | 3,512,249 |
| Depreciation | 41,970,248 | 7,116,996 | 49,087,244 | 3,965,259 |
| Self-insurance claims | - | - | - | 27,792,715 |
| Other post employment benefits (Note 10) | - | - | - | 496,056 |
| Total operating expenses | <u>174,393,176</u> | <u>16,574,099</u> | <u>190,967,275</u> | <u>72,244,485</u> |
| Operating income (loss) | 65,469,072 | (4,085,214) | 61,383,858 | 10,452,363 |
| Nonoperating revenues (expenses) | | | | |
| Investment income | 4,285,087 | 191,050 | 4,476,137 | 713,320 |
| Interest expense and fiscal charges | (32,577,158) | (1,053,209) | (33,630,367) | (55,883) |
| Bond issue costs | (251,977) | - | (251,977) | - |
| Passenger facility charges | - | 1,288,068 | 1,288,068 | - |
| Customer facility charges | - | 1,035,608 | 1,035,608 | - |
| Net gain (loss) on disposal of city property | (4,282,251) | (2,008) | (4,284,259) | (50,609) |
| Mineral rights | 1,107,602 | 60,957 | 1,168,559 | - |
| Recovery of damage claims | 3,820 | 421,043 | 424,863 | 292,176 |
| Developer fees | 1,495,657 | - | 1,495,657 | - |
| Reimbursement to developers | (572,685) | - | (572,685) | - |
| Contributions from other governmental agencies | 1,407,694 | 1,785 | 1,409,479 | 9,803 |
| Total nonoperating revenues (expenses) | <u>(29,384,211)</u> | <u>1,943,294</u> | <u>(27,440,917)</u> | <u>908,807</u> |
| Changes in net position before capital contributions and transfers | 36,084,861 | (2,141,920) | 33,942,941 | 11,361,170 |
| Capital contributions | | | | |
| Contributions from other governmental agencies | 403,325 | 8,747,520 | 9,150,845 | - |
| Contributions from developers | 9,332,324 | - | 9,332,324 | - |
| Contributions from others | - | 202,932 | 202,932 | 7,900 |
| Total capital contributions | <u>9,735,649</u> | <u>8,950,452</u> | <u>18,686,101</u> | <u>7,900</u> |
| Transfers in (out) | | | | |
| Transfers in (Note 15) | 664,731 | 47,275 | 712,006 | 2,417,666 |
| Transfers out (Note 15) | (7,758,856) | (432,052) | (8,190,908) | (4,175,369) |
| Total transfers | <u>(7,094,125)</u> | <u>(384,777)</u> | <u>(7,478,902)</u> | <u>(1,757,703)</u> |
| Change in net position | 38,726,385 | 6,423,755 | 45,150,140 | 9,611,367 |
| Net position at beginning of year, restated (Note 10) | <u>840,985,608</u> | <u>134,336,807</u> | <u>975,322,415</u> | <u>16,286,764</u> |
| Net position, end of year | <u>\$ 879,711,993</u> | <u>\$ 140,760,562</u> | | <u>\$ 25,898,131</u> |
| Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds | | | <u>3,634,010</u> | |
| Change in net position of business-type activities | | | <u>\$ 48,784,150</u> | |

The notes to the financial statements are an integral part of this statement.

City of Corpus Christi

**PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Enterprise Funds</u> | | | <u>Internal Service Funds</u> |
|--|--------------------------------|---------------------------------------|-----------------------|---------------------------------------|
| | <u>Utility System Fund</u> | <u>Other Enterprise Funds</u> | <u>Total</u> | |
| Cash from operating activities: | | | | |
| Receipts from customers | \$ 236,449,247 | \$ 11,796,608 | \$ 248,245,855 | \$ 11,374,545 |
| Receipts from interfund services provided | 903,981 | - | 903,981 | 83,109,655 |
| Payments to suppliers | (64,752,167) | (3,389,660) | (68,141,827) | (26,614,189) |
| Payments to employees | (35,554,957) | (4,945,028) | (40,499,985) | (17,350,646) |
| Internal activity - payments (to) from other funds | (32,480,478) | (1,686,410) | (34,166,888) | (6,386,617) |
| Claims paid | - | - | - | (32,173,470) |
| Other receipts | - | - | - | 324,087 |
| Net cash provided by operating activities | <u>104,565,626</u> | <u>1,775,510</u> | <u>106,341,136</u> | <u>12,283,365</u> |
| Cash from noncapital financing activities: | | | | |
| Payment on advance from other funds | - | (93,701) | (93,701) | - |
| Contributions from other governmental agencies | 343,030 | 1,785 | 344,815 | 51,885 |
| Transfers in from other funds | 664,732 | 47,276 | 712,008 | 283,126 |
| Transfers out to other funds | (7,758,857) | (432,052) | (8,190,909) | (4,175,369) |
| Mineral rights | 121,075 | 60,957 | 182,032 | - |
| Interest on advance from other fund | - | (22,957) | (22,957) | - |
| Net cash used by noncapital financing activities | <u>(6,630,020)</u> | <u>(438,692)</u> | <u>(7,068,712)</u> | <u>(3,840,358)</u> |
| Cash from capital and related financing activities: | | | | |
| Acquisition of capital assets | (92,881,044) | (10,894,744) | (103,775,788) | (4,666,898) |
| Proceeds from sale/disposal of city property | 15,376 | 20,252 | 35,628 | 2,150 |
| Developers deposits | 1,495,658 | - | 1,495,658 | - |
| Capital contributions | - | 22,940 | 22,940 | - |
| Reimbursements to developers | (572,754) | - | (572,754) | - |
| Contributions from other governmental agencies | 891,381 | 14,699,578 | 15,590,959 | 7,900 |
| Passenger facility charges | - | 1,273,256 | 1,273,256 | - |
| Customer facility charges | - | 1,001,739 | 1,001,739 | - |
| Transfers in from other funds for capital acquisition | - | - | - | 2,134,541 |
| Proceeds from issuance of revenue bonds | 6,137,136 | - | 6,137,136 | - |
| Principal paid on long-term debt | (56,382,945) | (1,739,678) | (58,122,623) | (755,686) |
| Interest expense and fiscal charges | (37,816,994) | (1,045,172) | (38,862,166) | (55,883) |
| Recovery on damage claims | 3,820 | 421,043 | 424,863 | - |
| Bond issue costs | (22,942) | - | (22,942) | - |
| Net cash provided (used) by capital and related financing activities | <u>(179,133,308)</u> | <u>3,759,214</u> | <u>(175,374,094)</u> | <u>(3,333,876)</u> |
| Cash from investing activities: | | | | |
| Interest on investments | <u>4,285,466</u> | <u>191,050</u> | <u>4,476,516</u> | <u>713,320</u> |
| Net increase (decrease) in cash, cash equivalents and investments | (76,912,236) | 5,287,082 | (71,625,154) | 5,822,451 |
| Cash, cash equivalents and investments at beginning of year, including restricted accounts | <u>329,878,032</u> | <u>6,796,365</u> | <u>336,674,397</u> | <u>50,706,045</u> |
| Cash, cash equivalents and investments at end of year, including restricted accounts | <u>\$ 252,965,796</u> | <u>\$ 12,083,447</u> | <u>\$ 265,049,243</u> | <u>\$ 56,528,496</u> |

(Continued)

City of Corpus Christi

Exhibit 4-C

| | Enterprise Funds | | | Internal Service Funds |
|--|-----------------------|------------------------|-----------------------|------------------------|
| | Utility System Fund | Other Enterprise Funds | Total | |
| Reconciliation of operating income (loss) to net cash provided by operating activities | | | | |
| Operating income (loss) | \$ 65,469,072 | \$ (4,085,214) | \$ 61,383,858 | \$ 10,452,362 |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities: | | | | |
| Depreciation | 41,970,248 | 7,116,996 | 49,087,244 | 3,965,259 |
| Provision for uncollectible accounts | 2,378,021 | 28,108 | 2,406,129 | 6,012 |
| Recovery of damage claims | - | - | - | 292,176 |
| Changes in assets, liabilities, and deferred outflows and inflows | | | | |
| Receivables | (5,599,765) | (1,129,889) | (6,729,654) | 52,557 |
| Inventory | (53,056) | (1,257) | (54,313) | (56,161) |
| Prepaid items | - | - | - | (304,717) |
| Deferred outflows of resources | 1,628,345 | 255,540 | 1,883,885 | (1,015,312) |
| Accounts payable | 846,308 | (7,965) | 838,343 | 636,311 |
| Accrued expenses | - | - | - | 23,275 |
| Deposits | 415,012 | (20,866) | 394,146 | - |
| Unearned revenue | - | (11,466) | (11,466) | (1,467) |
| Accumulated unpaid compensated absences | 242,763 | 19,973 | 262,736 | 59,761 |
| Net pension liability | (10,723,178) | (1,523,779) | (12,246,957) | (5,205,830) |
| Total OPEB liability | 18,407 | 2,507 | 20,914 | 67,369 |
| Liability to claimants - escheat property | 897 | - | 897 | - |
| Estimated claims liability | - | - | - | (942,599) |
| Deferred inflows of resources | 7,972,550 | 1,132,822 | 9,105,372 | 4,254,369 |
| Net cash provided by operating activities: | <u>\$ 104,565,624</u> | <u>\$ 1,775,510</u> | <u>\$ 106,341,134</u> | <u>\$ 12,283,365</u> |
| Noncash investing, capital and financing activities | | | | |
| Contribution of capital assets | \$ 7,938,954 | \$ 385,921 | \$ 8,324,875 | \$ - |
| Acquisition of capital assets under capital lease | 1,337,012 | - | 1,337,012 | - |
| Acquisition of capital assets accrued but not paid | 10,788,242 | - | 10,788,242 | - |
| Bond refunding | 34,835,000 | - | 34,835,000 | - |
| Bond issue costs | 229,035 | - | 229,035 | - |
| Change in accrued non-operating revenue | | | | |
| receivables | 923,609 | 5,894,947 | 6,818,556 | - |
| Mineral rights | 986,527 | - | 986,527 | - |

**FIDUCIARY FUNDS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2018**

| | Firefighters' Retirement System (1) | Private Purpose Trust Fund |
|--|--|---------------------------------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents (Note 5) | \$ 1,407,631 | \$ 26,146 |
| Investments (Note 5) | | |
| Common and preferred stocks | 55,012,780 | - |
| US Government securities | 31,695,333 | - |
| Mutual funds | 26,426,253 | - |
| Mutual funds - real estate | 17,529,349 | - |
| Corporate bonds and notes | 16,308,579 | - |
| Total investments | <u>146,972,294</u> | <u>-</u> |
| Receivables | | |
| Contributions | 426,068 | - |
| Interest | 296,236 | - |
| Other | 3,370 | - |
| Total receivables | <u>725,674</u> | <u>-</u> |
| Capital assets | | |
| Furniture and equipment, net of accumulated depreciation | <u>1,455</u> | <u>-</u> |
| Total assets | <u>149,107,054</u> | <u>26,146</u> |
| Liabilities | | |
| Accounts payable | \$ 176,081 | \$ - |
| Benefits payable | <u>198,151</u> | <u>-</u> |
| Total liabilities | <u>374,232</u> | <u>-</u> |
| Net position | | |
| Restricted for pensions | 148,732,822 | - |
| Held in trust for individuals and organizations | <u>-</u> | <u>26,146</u> |
| Total net position | <u>\$ 148,732,822</u> | <u>\$ 26,146</u> |

(1) Firefighters' Retirement System financial statements are as of December 31, 2017.

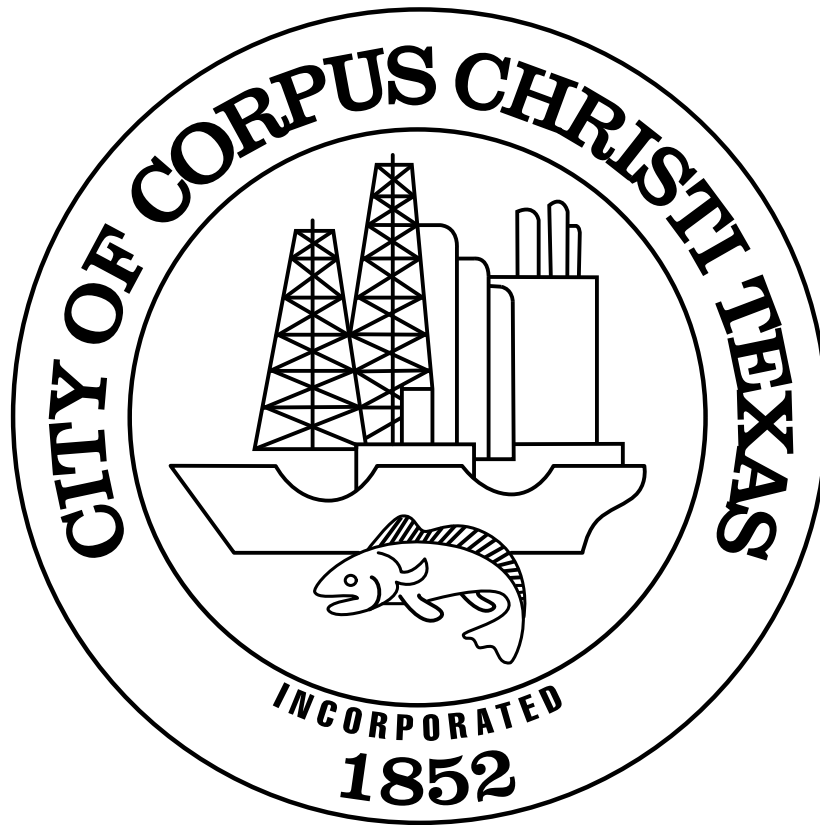
The notes to the financial statements are an integral part of this statement.

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED SEPTEMBER 30, 2018

| | Firefighters' Retirement System (1) | Private Purpose Trust Fund |
|---|--|---------------------------------------|
| Additions | | |
| Contributions: | | |
| Employer contributions | \$ 6,562,646 | \$ - |
| Employee contributions | 4,137,182 | - |
| Total contributions: | 10,699,828 | - |
| Investment income | | |
| Interest | 1,305,669 | 358 |
| Dividends | 1,521,161 | - |
| Net realized and unrealized gains (losses) on investments | 16,260,350 | - |
| Total investment income | 19,087,180 | 358 |
| Less: investment expenses | (505,903) | - |
| Total additions | 29,281,105 | 358 |
| Deductions | | |
| Benefits | 13,970,369 | - |
| Administrative expenses | 269,405 | - |
| Refund of contributions | 210,140 | - |
| Disbursements for designated purposes | - | 500 |
| Total deductions | 14,449,914 | 500 |
| Net increase (decrease) | 14,831,191 | (142) |
| Net position, beginning of year | 133,901,631 | 26,288 |
| Net position, end of year | \$ 148,732,822 | \$ 26,146 |

(1) Firefighters' Retirement System financial statements are as of December 31, 2017.

The notes to the financial statements are an integral part of this statement.



NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The City of Corpus Christi (the City) was incorporated in 1852 and operates as a Council-Manager form of government. The principal services accounted for as general governmental functions include public safety, health, streets, sanitation, parks and recreation, planning, zoning, and general administrative services.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America (GAAP) applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB). The more significant accounting policies of the City are described below.

A. Reporting Entity

In evaluating the City as a reporting entity, management has addressed all potential component units for which the City may be financially accountable and, as such, should be included within the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization, or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The financial statements are formatted to allow the user to clearly distinguish between the primary government and its component units. Because of the closeness of their relationship with the primary government (the City), some component units are blended as though they are part of the primary government. The City has no discretely presented component units.

Blended Component Units

The Corpus Christi Community Improvement Corporation was formed to provide financing for the rehabilitation of residential property in the City. The Corpus Christi Housing Finance Corporation and the Corpus Christi Industrial Development Corporation promote business development and issue housing revenue or industrial development bonds. The City manages the day-to-day operations of these corporations. The Mayor and Council Members are directors of the corporations.

The Corpus Christi Crime Control and Prevention District (District) is used to account for the accumulation and use of one-half cent sales tax proceeds dedicated for public safety programs within the City. The District has been included as a blended component unit because 1) the District's governing body is substantively the same as the governing body of the City; 2) there is a benefit relationship between the City and the District; and 3) the City has operational responsibility for the District.

The Corpus Christi Business and Job Development Corporation (CCBJDC) is a public non-profit corporation created by State law to provide funding of voter approved capital improvement programs. The City Council appoints the Board and has financial accountability. Although it is legally separate from the City, CCBJDC is reported as a part of the primary government because its primary purpose is to issue revenue bonds to finance major capital improvements on behalf of the City.

The Corpus Christi B Corporation (CCBC) is a public non-profit corporation created by state law to provide funding of economic development, affordable housing, and street construction and maintenance. Although it is legally separate from the City, CCBC is reported as a part of the primary government because 1) the District's governing body is substantively the same as the governing body of the City; and 2) the City has operational responsibility for the activities of the Corporation.

North Padre Island Development Corporation (NPIDC) was created by the City pursuant to the Tax Increment Financing Act to facilitate development of the land within the boundaries of the tax increment zone, namely Packery Channel. NPIDC became effective on November 14, 2000, and will terminate on December 31, 2022. The receipt of post-2000 incremental property taxes from taxing units with property within the boundaries of the zone provides the funding for its projects. The Mayor and Council Members are a voting majority of the board, and the City manages its day-to-day operations.

Complete financial statements for each of the individual blended component units may be obtained from the City's Director of Financial Services at 1201 Leopard Street, Corpus Christi, Texas 78401.

B. Related Organizations and Jointly Governed Organizations

Related organizations and jointly governed organizations provide services within the City that are administered by separate boards or commissions, but the City is not financially accountable, and such organizations are therefore not component units of the City, even though the City Council may appoint a voting majority of an organization's board members. Consequently, financial information for the Coastal Bend Council of Governments, the Regional Transit Authority, the Corpus Christi Housing Authority, the Corpus Christi Regional Economic Development Corporation, the Corpus Christi Convention and Visitor's Bureau, and the Port of Corpus Christi Authority are not included in these financial statements.

C. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support or services.

Both the government-wide and fund financial statements categorize activities as either governmental activities or business-type activities. In the government-wide statement of net position, both the governmental and business-type activities columns are (1) presented on a consolidated basis by column, and (2) reflected on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide statement of activities reflects both the gross and net cost per functional category (police and municipal court, fire, streets, etc.) which are otherwise being supported by general government revenues (e.g., property taxes, sales taxes, certain intergovernmental revenues). The statement of activities reduces gross expenses (including depreciation) by related program revenues which include charges for services and operating and capital grants. The program revenues must be directly associated with the function or a business-type activity. Program revenues include revenues from charges for services such as utility rates and user fees, as well as fines and forfeitures, licenses and permits fees, and special assessments. The operating grants include operating-specific and discretionary grants while the capital grants column reflects capital-specific grants.

The government-wide statement focuses on the substantiality of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds (excluded from the government-wide financial statements). Emphasis is on the major funds in either the governmental or business-type categories. Non-major funds (by category) or fund type are summarized into a single column.

D. Measurement Focus, Basis of Accounting, and Financial Statement Preparation

The governmental fund financial statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to (1) demonstrate legal and covenant compliance, (2) demonstrate the source and use of liquid resources, and (3) demonstrate how the City's actual experience conforms to the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements governmental activities column, a reconciliation is presented on the page following each statement which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation.

Proprietary funds statements are used to account for activities that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and payments relating to the government's business activities are accounted for through proprietary funds. The measurement focus is on economic resources and accrual basis of accounting. The financial statements presentation includes the determination of operating income, financial position, changes in net position and cash flows. Operating revenues include charges for services. Operating expenses include costs of services as well as materials, contracts, personnel, and depreciation. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

Enterprise funds account for operations that are financed in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City's enterprise funds account for the operations of the City's utility system, airport, golf centers and marina.

Internal service funds of a government which provide services primarily to other funds of the government are presented in summary form as part of the proprietary fund financial statements. The City's internal service funds account for printing and messenger services, maintaining an inventory of commonly used supplies, vehicle and building maintenance, technology services, risk management, and engineering services to other departments within the City on a cost-reimbursement basis. Since the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are consolidated into the governmental column when presented at the government-wide level in the Statement of Net Position, net an amount allocated to business-type activities. The net activity of these services is offset against the appropriate functional activity in the Statement of Activities. This complies with the City's policy of eliminating internal activity from the government-wide statements.

The City's fiduciary funds are presented in the fund financial statements by type (pension and private-purpose). Since by definition these assets are being held for the benefit of a third party (e.g., other local governments, private parties, pension participants) and cannot be used to finance activities or obligations of the government, these funds are not incorporated into the government-wide statements. The City's fiduciary funds are used to account for the assets in the Firefighter's Retirement System held in trust for the exclusive benefit of employees, the financial statements of which are reported as of December 31, 2017, and a fund established to provide cash awards to selected Police Academy graduates.

The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The criteria used to determine if a governmental or enterprise fund should be reported as a major fund are as follows: the total assets plus deferred outflows, liabilities plus deferred inflows, revenues or expenditures/expenses of that governmental or enterprise fund are at least 10% of the corresponding element total for all funds of that category or type (that is, total governmental or total enterprise funds), and the same element that met the 10% criterion above in the governmental or enterprise fund is at least 5% of the corresponding element total for all governmental and enterprise funds combined. The non-major funds are combined in a single column in the fund financial statements. The City reports the following major funds:

The general fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

The debt service fund is used to account for funds needed to make principal and interest payments on outstanding bonds when due. The City reports this fund as a major fund because of public interest and consistency between years.

The streets capital projects fund is used to account for capital improvements to streets funded mainly through long-term debt and participation of other governmental entities.

The utility system fund is used to account for the operations of the City's combined utilities. The Utility System includes the City's water and storm water system, wastewater disposal system and gas distribution system.

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied. The government-wide financial statements and the proprietary, and fiduciary financial statements are presented on an accrual basis of accounting. The governmental funds in the fund financial statements are presented on a modified accrual basis.

Accrual

Revenues are recognized using the economic resources measurement focus. Revenues are recorded when earned and expenses are recognized when incurred, regardless of the timing of related cash flows.

Modified Accrual

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers revenues as available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, except for interest payable accrued at the debt issuance date for which cash is received with the debt proceeds, as well as expenditures related to compensated absences, are recorded only when payment is due and will be payable shortly after year-end. General capital assets acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisition of assets under capital leases are reported as other financing sources. The pension, OPEB and Landfill liabilities are not recorded, as current financial resources will not be used to liquidate them.

The revenues susceptible to accrual are property taxes, franchise fees, sales taxes, licenses, charges for service, interest income and intergovernmental revenues. Grants are recorded as revenues when a qualifying expenditure has been incurred and all eligibility requirements are met including time requirements, and the amount is available (within 60 days of fiscal year end). All other governmental fund revenues are considered to be measurable and available only when cash is received.

E. Cash, Cash Equivalents and Investments

The City’s investment practices are governed by state statutes and by the City’s own Investment Policy. City cash is required to be deposited in Federal Deposit Insurance Corporation (FDIC) insured banks located within the State of Texas. A pooled cash and investment strategy is utilized for all City funds except for the Firefighter’s Retirement System. The City utilizes one central depository bank. Investments are pooled with principal and interest income distributed to each respective fund on a pro rata basis. Cash, Cash Equivalents and Investments are included in both unrestricted as well as restricted assets. The Statement of Cash Flows includes activity of pooled cash and investments.

The City’s investments managed through overnight local government investment pools are recorded at amortized cost in accordance with GASB Statement No 79, *Certain External Investment Pools and Pool Participants*. The City reports money market investments at amortized cost and net asset value (NAV). Amortization of premium or accretion of discount is recorded over the term of the investments. The City values its investments in U.S. Government Securities within the fair value hierarchy established by GASB Statement No. 72, *Fair Value Measurement and Application*. Net change in the fair value of investments is recognized and reported as investment income in the financial statements. The City considers all investments with an original maturity of approximately 90 days or less to be cash equivalents. The City’s Investment Policy authorizes investments in: repurchase agreements, public funds investment pool, collateralized and brokered certificates of deposit, money market mutual fund, guaranteed investment contracts, Texas Term Investment Pool and obligations of the United States or its agencies and instrumentalities, excluding mortgage backed securities.

F. Receivables

Amounts reported in the fund financial statements as Interfund receivables and payables are eliminated in the government-wide governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances. Within the governmental fund financial statements, long-term advances and long-term receivables are reflected as unspendable fund balance indicating they do not constitute available expendable resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles. The allowance for uncollectibles is management’s best estimate of the amount of credit losses based on account delinquencies and historical write-off expense.

Utility revenue is recorded when earned. Customers are billed monthly. The estimated value of services provided but unbilled has been included in the financial statements.

G. Inventories and prepaid items

Inventories are valued at cost, which approximates market, using either the first-in/first-out (FIFO) method or the average cost method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

H. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

I. Capital Assets

Capital assets purchased or acquired are carried at historical cost or estimated historical cost. City policy has set the capitalization threshold for reporting capital assets at \$5,000. Contributed assets are recorded at acquisition value as of the date donated. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on capital assets is calculated on the straight-line basis over the following estimated useful lives:

| <u>Assets</u> | <u>Life in Years</u> |
|-----------------------------------|----------------------|
| Dams | 100 |
| Water pipelines | 40-50 |
| Gas pipelines | 40-57 |
| Infrastructure | 40-50 |
| Utility plants | 40-45 |
| Runways and related improvements | 25 |
| Terminals and hangers | 40-50 |
| Buildings | 15-40 |
| Improvements other than buildings | 5-20 |
| Vehicles | 4-10 |
| Machinery and equipment | 4-15 |
| Office furniture | 12 |

The City has a collection of art housed in the Corpus Christi Museum of Science and History. The collection is not capitalized because it meets all of the following conditions.

- The collection is held for reasons other than financial gain.
- The collection is protected, kept unencumbered, cared for, and preserved.
- The collection is subject to City policy requiring that the proceeds from sales of collection items be used to acquire other items for collections.

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. One is the deferred charge on refunding reported in the government-wide statements of net position. A deferred outflow on refunding results when the carrying value of refunded debt was lower than its reacquisition price. This difference is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other deferred outflow is related to the net pension liability and total OPEB liability. It includes City contributions to the retirement systems and post-employment benefits contributed subsequent to the measurement date of the liabilities, and changes of assumptions and differences between projected and actual investment earnings which are amortized over subsequent accounting periods (Footnote 9 and 10).

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category. One is the deferred inflow on refunding reported in the government-wide statements of net position. A deferred outflow on refunding results when the carrying value of refunded debt was higher than its reacquisition price. This difference is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other deferred outflow is related to the net pension liability and total OPEB liability and includes the difference between expected and actual experience, differences between projected and actual investment earnings, and changes in assumptions which are amortized over subsequent accounting periods (Footnote 9 and 10).

K. Restricted Assets

Certain debt proceeds of the City's enterprise funds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. Developer funds are also classified as restricted.

All cash and accounts receivable associated with passenger facility charges (PFC) are reported as restricted assets in the Airport Fund. In accordance with Federal Regulations, PFC funds can only be expended on projects approved by the Federal Aviation Administration. Current approved projects include runway pavement reconstruction, terminal improvements, and runway lighting. It is management's intention to use a portion of the PFC funds on approved projects on a pay-as-you-go basis with the remaining funds to be used to support approved airport revenue bond issues debt service.

When an expense is incurred for purposes for which both restricted and unrestricted assets are available, the City's policy is to apply restricted assets first.

L. Accumulated Unpaid Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. These benefits are accounted for using the termination payment method. All compensated absences are accrued when earned in the government-wide and proprietary fund financial statements. Expenditures are recorded in the governmental funds as employees resign or retire. Compensated absence liabilities are normally paid from the funds reporting payroll and related expenditures including the general fund and special revenue funds.

M. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Gains or losses on proprietary fund refundings and on the government-wide financial statements are reported as deferred inflows or outflows and are amortized over the term of the lesser of the new bonds or the refunded bonds using the effective interest method. Bond issuance costs are recognized as expenditures/expenses when incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Bond issuance costs are shown in debt service expenditures.

N. Pension Plans

The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and the Fire Fighters Retirement System (FFRS) and additions to/deductions from TMRS's and FFRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS and FFRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

O. Fund Equity

In the government-wide financial statements and proprietary fund financial statements, net position is classified in the following categories:

Net Investment in Capital Assets

This category represents the net carrying value of all capital assets, reduced by the outstanding balances of long-term debt that are attributable to the acquisition, construction or improvement of these assets, net of unspent bond proceeds.

Restricted

The restricted component of net position represents restricted assets reduced by liabilities related to those assets. This category represents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted

This category is the “residual” component of net position. It consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the governmental fund financial statements, the components of fund balances reflect policies and procedures established by actions of the City Council and its designated officials.

The *nonspendable* fund balance includes the portion of net resources that cannot be spent because of their form or because they must be maintained intact. Resources not in spendable form include inventories and prepaid items, long-term advances, long-term receivables, and nonfinancial assets held for resale.

Some resources are spendable but are legally or contractually required to be maintained intact. Such resources include the principal of an endowment.

The *restricted* fund balance includes net resources that can be spent only for the specific purposes stipulated by constitution, external resource providers (creditors, grantors, contributors), laws and regulations of other governments, or through enabling legislation.

The enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources from external resource providers; those resources can be used only for the specific purposes stipulated in the legislation. The City revenue generated through enabling legislation includes Hotel Occupancy taxes, Municipal and Juvenile Court fees, Vital Records fees, Redlight Photo Enforcement fines, and taxes from Crime Control District, CCBJDC, and tax increment zones.

The *committed* fund balance includes spendable net resources that can only be used for specific purposes pursuant to constraints imposed by Council ordinance or resolution no later than the close of the fiscal year. Those constraints remain binding unless removed or changed in the same manner employed to previously commit those resources.

The *assigned* fund balance includes amounts that are constrained by the City’s intent to be used for specific purposes but are neither restricted nor committed. The City Council, the City Manager, or her designee has the authority to assign amounts for a specific purpose as per City Charter, Article I, Section 3 which states, “...the (City) Council...shall enact local legislation, determine policies, appoint the city manager, and which council and city manager shall execute the laws and administer the government of the city.” Constraints imposed on the use of assigned amounts can be removed with no formal Council action. The residual fund balance that is not Restricted or Committed in governmental funds except the General Fund is assigned.

The *unassigned* fund balance represents the spendable net resources that have not been restricted, committed, or assigned to specific purposes. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Residual deficit amounts of other governmental funds would also be reported as unassigned.

Spending Prioritization in Using Available Resources

When both restricted resources and other resources (i.e., committed, assigned, and unassigned) can be used for the same purpose, the City budget considers restricted resources to be spent first.

When committed, assigned, and unassigned resources can be used for the same purpose, the flow assumption in the City budget is to spend in the sequence of committed resources first, assigned second, and unassigned last.

City of Corpus Christi, Texas

Fund Balance Summary

A summary of the nature and purpose of governmental fund balances at September 30, 2018, is as follows:

| | General Fund | Debt Service Fund | Street Capital Projects Fund | Non-Major Governmental Funds | Total Governmental Funds |
|------------------------------------|----------------------|----------------------|------------------------------|------------------------------|--------------------------|
| Nonspendable | | | | | |
| Inventory | \$ - | \$ - | \$ - | \$ 480,851 | \$ 480,851 |
| Prepaid items | 9,752 | - | - | 203,447 | 213,199 |
| Advances to other funds | 562,209 | - | - | - | 562,209 |
| Total nonspendable | <u>571,961</u> | <u>-</u> | <u>-</u> | <u>684,298</u> | <u>1,256,259</u> |
| Restricted | | | | | |
| Vital statistic record retention | 168,946 | - | - | - | 168,946 |
| Municipal and Juvenile Court | | | | | |
| Municipal Court building security | - | - | - | 148,721 | 148,721 |
| Municipal Court technology | - | - | - | 314,209 | 314,209 |
| Judicial Court improvements | 100,209 | - | - | 110,580 | 210,789 |
| Juvenile Court case manager | - | - | - | 298,082 | 298,082 |
| Fire contribution trust | 5,585 | - | - | - | 5,585 |
| PEG equipment and facilities | - | - | - | 2,695,450 | 2,695,450 |
| Tourism (HOT) | - | - | - | 4,723,667 | 4,723,667 |
| Traffic safety programs | - | - | - | 19,411 | 19,411 |
| Law enforcement | 36,530 | - | - | 4,292,457 | 4,328,987 |
| Fire and ambulance | - | - | - | 80,205 | 80,205 |
| CDBG projects | - | - | - | 228,115 | 228,115 |
| Health | 65,660 | - | - | 3,719 | 69,379 |
| Libraries | - | - | - | 310,834 | 310,834 |
| Solid waste | - | - | - | 3,050 | 3,050 |
| Parks and recreation | - | - | - | 11,683,988 | 11,683,988 |
| Infrastructure | - | - | - | 1,463,487 | 1,463,487 |
| Loans and Housing | - | - | - | 10,971,663 | 10,971,663 |
| Industrial development | - | - | - | 68,775 | 68,775 |
| Business and job development | | | | | |
| Sewall improvement | - | - | - | 48,216,303 | 48,216,303 |
| Arena facility | - | - | - | 25,898,426 | 25,898,426 |
| Economic development | - | - | - | 19,443,246 | 19,443,246 |
| Tax increment zone improvements | | | | | |
| North Padre Island development | - | - | - | 13,144,666 | 13,144,666 |
| Downtown development | - | - | - | 4,168,128 | 4,168,128 |
| Debt service | - | 11,207,426 | - | - | 11,207,426 |
| Capital projects | - | - | 105,497,584 | 16,513,651 | 122,011,235 |
| Total restricted | <u>376,930</u> | <u>11,207,426</u> | <u>105,497,584</u> | <u>164,800,833</u> | <u>281,882,773</u> |
| Committed | | | | | |
| Parking improvements | - | - | - | 365,065 | 365,065 |
| Streets | - | - | - | 28,043,930 | 28,043,930 |
| Health | - | - | - | 1,155,936 | 1,155,936 |
| Sister city programs | - | - | - | 10 | 10 |
| Park projects | - | - | - | 1,294,151 | 1,294,151 |
| Local emergency planning committee | - | - | - | 66,298 | 66,298 |
| Capital projects | - | - | 5,832,473 | 997,069 | 6,829,542 |
| Total committed | <u>-</u> | <u>-</u> | <u>5,832,473</u> | <u>31,922,459</u> | <u>37,754,932</u> |
| Assigned | | | | | |
| Visitors facilities | - | - | - | 3,151,191 | 3,151,191 |
| Development services | - | - | - | 7,584,672 | 7,584,672 |
| Subsequent year's expenditures | 4,763,494 | - | - | - | 4,763,494 |
| Arts and Cultural Commission | 5,088 | - | - | - | 5,088 |
| Capital projects | - | - | 1,171,792 | - | 1,171,792 |
| Total assigned | <u>4,768,582</u> | <u>-</u> | <u>1,171,792</u> | <u>10,735,863</u> | <u>16,676,237</u> |
| Unassigned | | | | | |
| | <u>57,409,927</u> | <u>-</u> | <u>-</u> | <u>(225,421)</u> | <u>57,184,506</u> |
| Total fund balances | <u>\$ 63,127,400</u> | <u>\$ 11,207,426</u> | <u>\$ 112,501,849</u> | <u>\$ 207,918,032</u> | <u>\$ 394,754,707</u> |

General Fund Balance Requirements Caused by Council Actions or Management's Intended Use

The *General Fund Reserve for Major Contingencies* is established by the City Council to be maintained at a minimum of 10% and up to 25% of General Fund annual appropriations to provide funding for any unforeseen circumstances that may arise such as an economic slowdown, emergencies, or natural disasters. It is not intended for normal unanticipated

expenditures. It has a balance of \$57,409,927 and is classified as unassigned fund balance.

P. New Accounting Pronouncements

Pronouncements which have been implemented:

Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" – This statement changes the focus of accounting for postemployment benefits other than pension from whether they are responsibly funding the benefits over time to a point-in-time liability that is reflected on the employer's financial statements for any actuarially unfunded portion of benefits earned to date. The City has implemented GASB 75 in this annual report and added additional disclosures in required supplementary information and the notes to the financial statements. The restatement to beginning net position is noted in Note 10 and reflected on the statements.

Statement No. 81, "Irrevocable Split-Interest Agreements". This statement pertains to a type of a giving agreement used by donors to provide resources to two or more beneficiaries, including governments. The City has implemented GASB 81 in this annual report, however it had no impact on the financial statements.

Statement No. 85, "Omnibus 2017". This statement enhances consistency in the application of accounting and financial reporting requirements. The City has implemented GASB 85 in this annual report.

Statement No. 86, "Certain Debt Extinguishment Issues". This statement increases consistency in accounting and financial reporting for debt extinguishments by establishing uniform guidance for derecognizing debt that is defeased in substance, regardless of how cash and other monetary assets placed in a irrevocable trust for the purpose of extinguishing that debt were acquired. The City has implemented GASB 86 in this annual report, however it had no impact on the financial statements.

Statement No. 89, "Accounting for Interest Cost Incurred Before the End of a Construction Period". This statement enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and simplifies accounting for interest cost incurred before the end of a construction period. The City has implemented GASB 89 in this annual report.

The following pronouncements will become effective in future reporting periods. City management has not determined their impact:

Statement No. 83, "Certain Asset Retirement Obligations". This statement will enhance comparability of financial statements among governments by establishing uniform criteria for governments to recognize and measure certain ARO's, including obligations that may not have been previously reported. This statement will become effective for the City in fiscal year 2019.

Statement No. 84, "Fiduciary Activities". This statement will enhance consistency and comparability by establishing specific criteria for identifying activities that should be reported as fiduciary activities and clarifying whether and how business-type activities should report their fiduciary activities. This statement will become effective for the City in fiscal year 2020.

Statement No. 87, "Leases". This statement increases the usefulness of a government's financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. This statement will become effective for the City in fiscal year 2021.

Statement No. 88, "Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements". This statement will improve the information that is disclosed in notes to financial statements related to debt by requiring additional essential information. The statement will become effective for the City in fiscal year 2019.

Statement No. 90, "Majority Equity Interests". This statement improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of information presented for certain component units. This statement will become effective for the City in fiscal year 2020.

2. Budget Policy and Budgetary Accounting

City Charter requires the City Manager to submit a proposed budget to the City Council at least sixty days prior to October 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. The budget and tax levy are legally enacted through the passage of ordinances.

Budgets are prepared for all governmental funds except the Federal/State grant fund, the capital projects funds, the community enrichment fund, the infrastructure fund, the Corpus Christi Community Improvement Corporation (CCCIC),

the Corpus Christi Housing Finance Corporation (CCHFC), the Coastal Bend Health Facilities Development Corporation (CBHFDC), the Coastal Bend Cultural and Educational Facilities Finance Corporation (CBCEFFC), and the Corpus Christi Industrial Development Corporation (CCIDC). The Federal/State grant fund and the capital projects funds adopt project-length budgets. The budgets are prepared on a basis consistent with generally accepted accounting principles, except that expenditures financed by capital leases are not included in the governmental fund budgets, principal and interest payments are included in the activity expenditures and reimbursements are accounted for as revenues rather than reductions of expenditures. The detail of these differences is included in the statement of revenues, expenditures and changes in fund balance – budget and actual in the column titled “Adjustments to Budget Basis.” All annual appropriations lapse at fiscal year end.

The appropriated budget is prepared by fund, department, and activity. The City Manager is authorized to transfer appropriations at the object of expenditure level and department levels within any fund. Any revisions that alter the total appropriations of any fund must be approved by the City Council. During the year, several supplemental appropriations were necessary. All budget amounts presented reflect the original budget and the amended budget which has been adjusted for legally authorized revisions to the annual budget during the year.

Encumbrance accounting is employed in governmental funds. Encumbrances represent commitments related to unperformed contracts for goods or services. Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation. Encumbrances outstanding at year end are reported as assigned fund balances and do not constitute expenditures or liabilities until the commitments are honored by inclusion in the subsequent year's budget.

3. Sales Tax Revenue

The City has a 1% city sales tax, a 0.125% sales tax for crime control, a 0.125% sales tax for construction of a multipurpose arena, a 0.125% sales tax for improvements to the downtown seawall, and a 0.125% sales tax for economic development and the construction of a baseball stadium. Sales tax is collected monthly by the State of Texas and remitted to the City. The tax is collected by the merchants, remitted to the State, and then paid to the City by the 10th of the month following collection from the merchants. A two-month lag exists between collection by the merchant and payment to the City by the State.

In governmental funds, sales tax revenue is recognized in the period when the underlying exchange transaction has occurred and the resources are available.

4. Property Taxes

Property taxes are levied and due upon receipt on October 1, based on the value of the previous January 1, and attach as an enforceable lien on property as of January 1 of the subsequent year. Appraised values are established by the Nueces County Appraisal District, assessed at 100% of appraised value, approved by the Nueces County Appraisal Review Board, and certified by the Chief Appraiser. Responsibility for the billing and collection of the City's taxes is contracted to Nueces County as an efficiency measure.

Taxes are due on receipt of the tax bill and are delinquent if not paid before February of the year following the year in which imposed. Taxes become delinquent on February 1 at which time penalty and interest charges are applicable. Property tax revenues are recorded as revenues when they become available. As permitted by the Constitution of the State of Texas, home rule cities of over 5,000 population shall have a total tax allowable of \$2.50 and shall have a bond allowable of \$1.50 per \$100 valuations (unless City Charter provides less). On April 3, 1993, the citizens of Corpus Christi voted to amend the City Charter which contained a tax limitation of \$0.68 per \$100 of assessed value for all purposes including debt service. The amended charter provided for the tax rate to increase up to the State limit, \$1.50 per \$100 of assessed value, for voter approved debt after April 4, 1993. The State total tax and bond allowable is computed based on 90% collections.

The 2017-2018 tax rates were \$0.376806 for the general fund and \$0.229458 for debt service for a total of \$0.606264 per \$100 of assessed value. Therefore, the City's tax margin of \$0.0737360 per \$100 of assessed value could raise up to \$15,029,206 in additional taxes each year based on the assessed value of \$20,382,453,858. The City could raise up to \$217,529,089 in additional taxes for voter approved tax supported obligations, based on the assessed valuation of \$20,382,453,858 and a debt margin of \$1.067237 calculated on 100% collections.

City of Corpus Christi, Texas

5. Cash, Cash Equivalents, and Investments

Information regarding the City and the Firefighters Retirement System is provided separately below.

City

In accordance with City policy, the total bank deposits of \$16,642,579 were covered by Federal Depository Insurance (FDIC) or by collateral held by the City's agent in the City's name. The cash funds and short-term investments included in cash and cash equivalents are not subject to collateralization requirements.

As of September 30, 2018, the City had the following cash, cash equivalents and investments:

| <u>Type</u> | | <u>Weighted Average Maturity (Years)</u> | <u>Fair Value Measurement</u> | <u>Credit Rating (S & P)</u> |
|---|-----------------------|--|-----------------------------------|--------------------------------------|
| Investments measured at fair value: | | | | |
| Federal Agency Coupon Securities | \$ 209,450,532 | 0.547 | Level 2 | AAA |
| Federal Agency Coupon Securities | 70,197,330 | 0.356 | Level 2 | No rating |
| Investments measured at amortized cost: | | | | |
| Federal Agency Coupon Securities | 39,892,578 | 0.519 | | AAA |
| Federal Agency Coupon Securities | 45,215,246 | 0.670 | | No rating |
| Federal Agency Discount Notes | 19,682,067 | 0.661 | | No rating |
| U.S. Treasury | 19,924,100 | 0.184 | | No rating |
| TexPool Local Government Investment Pool - Overnight | 153,101,430 | | | AAA-m |
| Money market funds | 2,720,554 | | | AAA-m |
| Investments measured at net asset value (NAV) | | | | |
| TexStar Local Government Investment Pool - Overnight | <u>141,967,261</u> | | | AAA-m |
| Total Investments | <u>702,151,098</u> | | | |
| Portfolio weighted average maturity | | 0.512 | | |
| Cash and Cash Equivalents | | | | |
| Deposits in Bank * | \$ 16,642,579 | | | |
| Cash Funds | <u>605,105</u> | | | |
| Total Cash and Cash Equivalents | <u>17,247,684</u> | | | |
| Total Cash, Cash Equivalents, and Investments | <u>\$ 719,398,782</u> | | | |

* Includes the Private Purpose Trust Fund amount of \$26,146.

The valuation method for investments measured at the NAV per share (or its equivalent) is presented on the following table.

| <u>Investments measured at net asset value (NAV)</u> | <u>Net Asset Value</u> | <u>Unfunded Commitments</u> | <u>Redemption Frequency</u> | <u>Redemption Notice Period</u> |
|---|----------------------------|---------------------------------|---------------------------------|---|
| TexStar Local Government Investment Pool - Overnight | <u>\$ 141,967,261</u> | N/A | Daily | N/A |
| Total investments measured at NAV | <u>\$ 141,967,261</u> | | | |

City of Corpus Christi, Texas

Fair Value Measurements - The City categorizes its investments measured at fair value within the hierarchy established by generally accepted accounting principles. Investments valued at fair value are categorized based on inputs to valuation techniques as follows:

Level 1 input – Quoted prices for identical assets or liabilities in an active market that an entity has the ability to access.

Level 2 input – Quoted prices for similar assets or liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 input – Inputs that are unobservable for the asset or liability which are typically based upon the City’s own assumptions as there is little, if any, related market activity.

Hierarchy – The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

Inputs – If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Debt securities classified in Level 2 of the fair value hierarchy are valued using a computerized pricing service utilizing a yield-based matrix system to arrive at an estimated market value. The City does not have any Level 1 or Level 3 investments.

Interest rate risk – In accordance with the City’s investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than 365 days. The TexPool local government investment pool and the TexStar local government investment pool had a weighted average maturity of 28 days and 43 days, respectively, as of September 30, 2018.

Credit risk – Texas statutes authorize the City to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a Federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which are unconditionally guaranteed, insured by, or backed by the full faith and credit of, this State or the United States or their respective agencies and instrumentalities; and (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state (rated as to investment quality by a nationally recognized investment rating firm not less than “A” or its equivalent).

Public funds investment pools in Texas (Pools) are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (PFIA), Chapter 2256 of the Texas Government Code. In addition to other provisions of the PFIA designed to promote liquidity and safety of principal, the (PFIA) requires Pools to: (1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; (2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and (3) maintain the fair value of its underlying investment portfolio within one half of one percent of the value of its shares. Investments noted above have been rated AAA-m by Standard & Poor’s or AAA by Moody’s.

Concentration of credit risk – According to the City’s investment policy, the maximum amount that may be invested in any one public funds investment pool is five percent of the total current invested balance of the Public Funds Investment Pool. The maximum total amount that may be invested in any one overnight Public Funds Investment Pool is thirty percent of the Investment Portfolio. There is no limit on the percent of the total Investment Portfolio that may be invested in public funds pools overall.

The concentration of the City’s Investment in debt securities are as follows:

| Issuer | Percent of Total Investments |
|--|-------------------------------------|
| Federal Farm Credit Bank Discount Note | 1.40% |
| Federal Farm Credit Bank | 2.79% |
| Federal National Mortgage Association | 2.80% |
| Federal Home Loan Bank | 14.06% |
| Federal Agriculture Mortgage Corporation | 16.22% |
| Federal Home Loan Mortgage Corporation | 16.93% |

Custodial credit risk - deposits – In the case of deposits, this is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City's deposits held at financial institutions at year end were entirely covered by federal depository insurance (FDIC) or were secured by collateral held by the City's agent in the City's name. The City's blended component unit, Corpus Christi Community Improvement Corporation (CCCIC), was undercollateralized by \$101,803. Collateral for CCCIC deposits were increased subsequent to the end of the fiscal year. The City's blended component unit, Corpus Christi Housing Finance Corporation deposits held at financial institutions at year end were entirely covered by FDIC.

Custodial credit risk – investments - For an investment, this is the risk that, in the event of failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All investments are held in the City’s name.

Corpus Christi Firefighters’ Retirement System

The Board of Trustees has established that the System shall keep a sufficient amount of cash on hand to make payments as they become due under the System. If the Board determines that the cash fund of the System contains amounts in excess of the amount needed to make necessary payments as they become due, the Board of Trustees may invest any portion of the excess.

In making investments for the retirement system, the Board of Trustees shall exercise proper judgment and care, taking into account the circumstances prevailing at the time of the investment. The Board of Trustees may not invest in the stock or bonds of one corporation more than five percent of the book value of the assets of a fund. In addition, the System may not own more than five percent of the voting stock of one corporation.

As of December 31, 2017, the System had the following cash, short-term and long-term investments:

| <u>Type</u> | | <u>Fair Value Hierarchy</u> |
|---|-----------------------|-----------------------------|
| Investments measured at fair value: | | |
| Common and preferred stocks | \$ 55,012,780 | Level 1 |
| U.S. Treasuries & Agencies - not mortgage-backed | 24,644,450 | Level 1 |
| U.S. Agency Securities - mortgage backed | 7,050,883 | Level 2 |
| Corporate bonds and notes | <u>16,308,579</u> | Level 2 |
| Total investments measured at fair value | <u>103,016,692</u> | |
| Investments measured at net asset value (NAV): | | |
| Mutual funds | 26,426,253 | |
| Limited partnership - Real estate | <u>17,529,349</u> | |
| | <u>43,955,602</u> | |
| Cash and short-term investments | <u>1,407,631</u> | |
| Total cash and investments | <u>\$ 148,379,925</u> | |

For the year ended December 31, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 14.07%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The investment policy of the plan contains limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. There were no individual investments that represent 5% or more of the fiduciary net position at December 31, 2017.

The difference between the fair value table above and the investment allocation table below is due to operating cash and prepaids held by the investment managers.

Fair Value Hierarchy – The System categorizes its investments measured at fair value within the hierarchy established by generally accepted accounting principles. Investments valued at fair value are categorized based on inputs to valuation techniques as follows:

Level 1 input – Inputs representing unadjusted quoted prices in active markets for identical assets or liabilities that the

City of Corpus Christi, Texas

reporting entity has the ability to access at the measurement date.

Level 2 input – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (for example interest rates, volatilities, credit risks and default rates) or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 input – Significant observable inputs that reflect an entity’s own assumptions that market participants would use in pricing the assets or liabilities.

The asset or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Because of the complexity of the portfolio, the System’s Board of Trustees relies on its consultant to provide the necessary guidance to accomplish the System’s objectives. The Board also understands that return objectives can be achieved while assuming “market” volatility. The Board is willing to forgo potential return in strong markets in return for protection against a severe decline during weak periods.

Concentration of credit risk – None of the asset classes exceed their maximum percentage of asset allocation. The System is well diversified, with no individual investment manager holding in excess of 10% of its portfolio in any single corporation and any individual fixed income manager holding more than 5% of its portfolio in any single issuer. With the exception of the limited partnership - real estate, the portfolio can be liquidated within one to two days if so desired. Limited partnership - real estate may have an extended liquidation period.

Interest rate risk – Only the fixed income securities of the Plan are subject to interest rate risk due to the possibility that prevailing interest rates could change before the securities reach maturity. Securities that are subject to direct interest rate risk as of December 31, 2017, amount to \$48,003,912 and have weighted average duration of 0.97 years. Duration is defined as the change in the value of a fixed income security that will result from a 1% change in interest rates.

Duration is stated in years. For example, 5-year duration means the bond will decrease in value by 5% if interest rates rise 1% and increase in value by 5% if interest rates fall 1%. Securities that are subject to direct interest rate risk are shown in the following table for the year ending December 31, 2017. The Investment Policy Statement limits the structure of the investment manager's portfolio's duration to +/- 25% of the appropriation benchmark duration.

| Investment Type | Fair Value | Percentage of Total | Duration (Years) |
|--|-------------------|---------------------|------------------|
| Corporate bonds | \$ 16,308,579 | 33.97 % | 0.08 |
| U.S. Treasuries & Agencies - not mortgage-backed | 24,644,450 | 51.34 % | 4.13 |
| U.S. Agency Securities - mortgage backed | 7,050,883 | 14.69 % | 0.62 |
| Total interest rate sensitive bonds | <u>48,003,912</u> | 100.00 % | 0.97 |

Credit risk – Using Standard and Poor’s rating system for fixed income securities as of December 31, 2017, the System’s bonds were rate as noted below. The Investment Policy Statement requires corporate fixed income securities to be at least investment grade at the time of purchase, with additional actions required if any security is downgraded below investment grade after purchase.

| S&P Rating | Fair Value | Percentage of Total |
|------------------------------|----------------------|---------------------|
| AA | \$ 34,097,406 | 71.03 % |
| A | 11,194,923 | 23.32 % |
| BBB | 2,711,583 | 5.65 % |
| Total credit sensitive bonds | <u>\$ 48,003,912</u> | 100.00 % |

Foreign currency risk – Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. As of December 31, 2017, the System did not have direct exposure to foreign currency risk through its investments. The Investment Policy Statement is silent on the subject of foreign currency risk.

Custodial credit risk – Custodial risk for investments is the risk that, in the event of the failure of the counterparty, the System would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Investment Policy Statement is silent on the subject of custodial credit risk.

The System has \$71 million in investments that are held by the investment's counterparty, not in the name of the System. The System's remaining investments are either held in the name of the System or are registered in the name of the System and are not exposed to custodial credit risk.

6. Budgetary Data

General Fund Budget amendments approved during the year included the following:
\$4,162,275 to revenue and other financing sources comprised of:

- \$4,069,840 reimbursement from FEMA for Hurricane Harvey Debris Clean-up
- \$92,435 insurance reimbursement for Police Vehicles

\$19,661,201 to expenditures and other financing sources comprised of:

- \$3,084,380 for encumbrances approved to carry forward from the end of the prior fiscal year
- \$16,075,860 for projects related to Hurricane Harvey damages
- \$144,083 for purchase and installation of playground equipment
- \$14,440 for repairs to the Radio Tower Site Transmission Lines
- \$250,000 appropriated from the reserved for Vital Statistics Record Retention Committed Fund Balance for document imaging of vital records for the Corpus Christi - NCPHD
- \$92,438 insurance reimbursements for police vehicles

Budget variances to expenditures and transfers include the following:

- General Government was under-budget by \$4,945,561 mainly due to salary and operational savings, which includes \$519,772 of General Government Control, \$261,090 of Financial Services, \$168,828 of City Attorney, \$210,524 Public Information, \$62,715 Management & Budget, \$127,605 Human Resources, and unspent hurricane appropriations of \$526,954 in General Government control. Economic Development Incentives expenditures were \$771,719 lower than the budgeted amounts due to the timing of economic development incentive. Comprehensive Planning was \$865,698 below budgeted amounts due to the timing of contract payments associated with area development plans; expenses are encumbered and expected to be paid next fiscal year.
- Police Department and Municipal Court were under-budget by \$2,020,135 due to unspent hurricane appropriations of \$1,027,033 in Police, and to salary and operational savings of \$628,991 in Police training.
- Solid Waste was below budgeted amounts by \$2,323,700 due to encumbrances with payments expected in the first quarter of FY19
- Parks and recreation was under-budget by \$2,634,667 and Libraries by \$3,011,331 mainly due to unspent hurricane appropriations.

City of Corpus Christi, Texas

7. Receivables

| | <u>General</u> | <u>Debt Service</u> | <u>Street Capital Projects</u> | <u>Utility System</u> | <u>Nonmajor and Other Funds</u> | <u>Total</u> |
|----------------------------------|----------------------|---------------------|--|-----------------------|-------------------------------------|----------------------|
| Unrestricted | | | | | | |
| Accounts | \$ 8,325,761 | \$ - | \$ - | \$ 34,652,548 | \$ 4,497,127 | \$ 47,475,436 |
| Taxes | 3,967,992 | 2,416,330 | - | - | 1,805,701 | 8,190,023 |
| Intergovernmental | 13,604,185 | - | 12,128 | 339,521 | 12,314,249 | 26,270,083 |
| Property leases | 5,237 | - | - | 7,245 | - | 12,482 |
| Demolition Liens | 637,978 | - | - | - | 939,469 | 1,577,447 |
| Special assessments | - | - | 673,528 | - | 3,493 | 677,021 |
| Employees | 40,400 | - | - | 11,794 | 2,089 | 54,283 |
| Miscellaneous | 1,036,480 | - | - | 54,483 | 253,396 | 1,344,359 |
| Restricted | | | | | | |
| Mortgages and loans | - | - | - | - | 10,862,166 | 10,862,166 |
| Accounts | - | - | - | - | 179,302 | 179,302 |
| Gross receivables | 27,618,033 | 2,416,330 | 685,656 | 35,065,591 | 30,856,992 | 96,642,602 |
| Less allowance for uncollectible | (4,534,578) | (972,996) | (646,831) | (3,030,701) | (3,962,250) | (13,147,356) |
| Net total receivables | <u>\$ 23,083,455</u> | <u>\$ 1,443,334</u> | <u>\$ 38,825</u> | <u>\$ 32,034,890</u> | <u>\$ 26,894,742</u> | <u>\$ 83,495,246</u> |

8. Capital Assets

A summary of changes in the capital assets follows.

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|--|------------------------------|-----------------------|-----------------------|-----------------------|
| Governmental activities | | | | |
| Capital assets, not being depreciated | | | | |
| Land | \$ 68,605,299 | \$ 16,797 | \$ 163,841 | \$ 68,458,255 |
| Construction in progress | 159,831,626 | 55,835,817 | 158,570,950 | 57,096,493 |
| Total capital assets, not being depreciated | <u>228,436,925</u> | <u>55,852,614</u> | <u>158,734,791</u> | <u>125,554,748</u> |
| Capital assets, being depreciated | | | | |
| Buildings | 237,721,778 | 1,701,201 | 3,121,121 | 236,301,858 |
| Improvements | 268,305,939 | 39,313,892 | 885,123 | 306,734,708 |
| Machinery & Equipment | 118,086,002 | 9,394,092 | 10,294,016 | 117,186,078 |
| Infrastructure | 379,892,321 | 118,048,158 | 35,224 | 497,905,255 |
| Total capital assets, being depreciated | <u>1,004,006,040</u> | <u>168,457,343</u> | <u>14,335,484</u> | <u>1,158,127,899</u> |
| Less accumulated depreciation for: | | | | |
| Buildings | 106,027,774 | 5,330,482 | 880,717 | 110,477,539 |
| Improvements | 130,304,722 | 9,198,192 | 352,341 | 139,150,573 |
| Machinery & Equipment | 87,286,004 | 10,398,183 | 10,057,886 | 87,626,301 |
| Infrastructure | 183,910,650 | 8,237,963 | 5,417 | 192,143,196 |
| Total accumulated depreciation | <u>507,529,150</u> | <u>33,164,820</u> | <u>11,296,361</u> | <u>529,397,609</u> |
| Total capital assets, being depreciated, net | <u>496,476,890</u> | <u>135,292,523</u> | <u>3,039,123</u> | <u>628,730,290</u> |
| Governmental activities capital assets, net | <u>\$ 724,913,815</u> | <u>\$ 191,145,137</u> | <u>\$ 161,773,914</u> | <u>\$ 754,285,038</u> |

City of Corpus Christi, Texas

| | Beginning Balance | Increases | Decreases | End Balance |
|---|------------------------------|-----------------------|-----------------------|-------------------------|
| Business-type activities | | | | |
| Capital assets, not being depreciated | | | | |
| Land | \$ 28,700,268 | \$ 10,433,333 | \$ - | \$ 39,133,601 |
| Water rights | 106,807,672 | - | - | 106,807,672 |
| Construction in progress | 383,620,283 | 94,273,548 | 356,367,633 | 121,526,198 |
| Total capital assets, not being depreciated | <u>519,128,223</u> | <u>104,706,881</u> | <u>356,367,633</u> | <u>267,467,471</u> |
| Capital assets, being depreciated | | | | |
| Buildings | 85,173,687 | 2,199,066 | 477,133 | 86,895,620 |
| Improvements | 501,017,119 | 70,233,320 | 2,481,869 | 568,768,570 |
| Machinery and equipment | 39,883,477 | 5,614,869 | 3,379,872 | 42,118,474 |
| Infrastructure | 1,142,303,324 | 280,979,464 | 3,673,017 | 1,419,609,771 |
| Total capital assets, being depreciated | <u>1,768,377,607</u> | <u>359,026,719</u> | <u>10,011,891</u> | <u>2,117,392,435</u> |
| Less: accumulated depreciation for | | | | |
| Buildings | 37,850,461 | 2,042,027 | 473,995 | 39,418,493 |
| Improvements | 207,619,816 | 19,680,196 | 1,868,430 | 225,431,582 |
| Machinery and equipment | 28,842,672 | 2,678,436 | 2,494,388 | 29,026,720 |
| Infrastructure | 369,082,868 | 24,686,585 | 855,189 | 392,914,264 |
| Total accumulated depreciation | <u>643,395,817</u> | <u>49,087,244</u> | <u>5,692,002</u> | <u>686,791,059</u> |
| Total capital assets, being depreciated, net | <u>1,124,981,790</u> | <u>309,939,475</u> | <u>4,319,889</u> | <u>1,430,601,376</u> |
| Business-type activities capital assets, net | <u>\$ 1,644,110,013</u> | <u>\$ 414,646,356</u> | <u>\$ 360,687,522</u> | <u>\$ 1,698,068,847</u> |

Depreciation expense is charged to functions as follows:

| Governmental activity | | Business-type activity | |
|------------------------------------|----------------------|-------------------------------|----------------------|
| General government | \$ 1,087,094 | Gas | \$ 2,272,494 |
| Police and Municipal court | 1,314,712 | Water | 23,914,320 |
| Fire and Ambulance | 1,222,537 | Wastewater | 15,783,434 |
| Streets | 8,617,362 | Airport | 6,444,600 |
| Solid waste | 4,510,086 | Golf Centers | 78,710 |
| Health | 288,190 | Marina | 593,686 |
| Parks and recreation | 3,304,497 | Total | <u>\$ 49,087,244</u> |
| Libraries | 382,946 | | |
| Museums | 279,105 | | |
| Community enrichment | 3,972,183 | | |
| Community development | 2,868,782 | | |
| Convention and visitors facilities | 1,352,067 | | |
| Internal service fund | 3,965,259 | | |
| Total | <u>\$ 33,164,820</u> | | |

9. Employment Retirement Benefits

A. Plan Descriptions

The City participates in funding two retirement plans as follows: (1) all City employees except firefighters participate in the Texas Municipal Retirement System (TMRS) and (2) firefighters participate in the Corpus Christi Fire Fighters Retirement System (FFRS).

The City participates as one of 883 plans in the nontraditional, joint contributory, hybrid defined benefit plan administered by TMRS. TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmr.com.

The City contributes to the FFRS for firefighters in the Corpus Christi Fire Department. FFRS is a single employer, contributory, defined benefit plan. The benefit provisions are authorized by the Texas Local Fire Fighters' Retirement Act (TLFFRA). TLFFRA provides the authority and procedure to amend benefit provisions. The plan is administered by the Board of Trustees of the Corpus Christi Fire Fighters' Retirement System. The City does not have access to nor can it utilize assets within the retirement plan trust. FFRS issues a stand-alone report pursuant to GASB Statement No. 67, which may be obtained by writing the Corpus Christi Fire Fighters' Retirement System at 711 N. Carancahua, Suite 724, Corpus Christi, Texas 78475.

B. Benefits Provided

TMRS provides retirement benefits to all City employees except firefighters. Benefit provisions are adopted by the governing body of the city within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

The City grants a monetary credit referred to as Updated Service Credit. This monetary credit is determined by hypothetically re-computing the member's account balance by assuming that the current member deposit rate of the employing city has always been in effect. The computation also assumes that the member's salary has always been the member's average salary using a salary calculation based on the 36-month period ending a year before the effective date of calculation. This hypothetical account balance is increased by 3% each year (not the actual interest credited to the member's account in previous years), and increased by the city match currently in effect. The resulting sum is then compared to the member's actual account balance increased by the actual city match and actual interest credited. If the hypothetical calculation exceeds the actual calculation, the member is granted a monetary credit (or Updated Service Credit) equal to the difference between the hypothetical calculation and the actual calculation times the percentage adopted. The City increases the annuities of its retirees, effective January 1 of a calendar year, at a rate equal to 70% of the increase in the Consumer Price index – all Urban Consumers (CPI-U) between the December preceding the member's retirement date and the December one year before the effective date of the increase, minus any previously granted increases. Members can retire at age 60 and above with 5 or more years of service or with 20 years of service regardless of age. Members are vested after 5 years.

The FFRS provides benefits to firefighters in the Corpus Christi Fire Department. The benefits are fully vested after 20 years of credited service. Firefighters may retire at age 54 with 20 years of service. A partially vested benefit is provided for firefighters who terminate employment with at least 10 but less than 20 years of service. If a terminated firefighter has a partially vested benefit, he may retire starting on the date he would have both completed 20 years of service if he had remained a Corpus Christi firefighter and attained age 54. The present plan effective January 1, 2016, provides a monthly normal service retirement benefit, payable in a Joint and 100% to Spouse form of annuity, equal to the greater of (1) 52% of Highest 60-Month Average Pay plus \$150.00 per month for each year of service in excess of 20 years and (2) \$137.00 per month for each year of service.

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A retiring firefighter who is eligible for service retirement with certain minimum combinations of age and service has the option to elect the Retroactive Deferred Retirement Option Plan (RETRO DROP) which will provide a lump sum benefit and a reduced monthly benefit. The reduced monthly benefit is based on the service and Highest 60-Month Average Pay as if he had terminated employment on his selected RETRO DROP benefit calculation date, which is no earlier than the later of the date he meets the RETRO DROP eligibility requirements and the date preceding the date he actually retires by the maximum period (36 or 48 months, depending upon age). Upon retirement, the member will receive, in addition to his monthly retirement benefit, a lump sum equal to the sum of (1) the amount of monthly contributions the member has made to the System after the RETRO DROP benefit calculation date plus (2) the total of the monthly retirement benefits the member would have received between the RETRO DROP benefit calculation date and the date he retired under the plan. There are no account balances. The lump sum is calculated at the time of retirement and distributed as soon as administratively possible.

There is no provision for automatic postretirement benefit increases. The System has the authority to provide, and has periodically in the past provided, ad hoc postretirement benefit increases.

Membership in the Plans

| | City Employees | Fire Fighters | Total |
|---|---------------------------|--------------------------|--------------|
| Retirees and beneficiaries currently receiving benefits | 2,174 | 316 | 2,490 |
| Inactive employees entitled to but not yet receiving benefits | 1,086 | 6 | 1,092 |
| Current contributing employees | 2,321 | 428 | 2,749 |
| Total | 5,581 | 750 | 6,331 |

C. Contributions

TMRS - Contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Corpus Christi were required to contribute 6% of their annual gross earnings during the fiscal year. The City's contributions to TMRS for the year ended September 30, 2018, of \$27,870,657 exceeded the required contributions of \$27,380,286.

FFRS - The contribution provisions of the System are authorized by TLFFRA. TLFFRA provides the authority and procedure to change the amount of contributions determined as a percentage of pay by each firefighter and a percentage of payroll by the city.

Firefighters for the City of Corpus Christi were required to contribute 13.1% of their annual gross earnings during the fiscal year. The City's contributions to FFRS for the year ended September 30, 2018, were \$6,514,268 which equaled the required contributions.

Contribution rates for employees and for the City during the fiscal year were as follows:

| | Texas Municipal Retirement System | Fire Fighters Retirement System |
|--|--|--|
| Authority establishing contribution obligation | State Legislation | State Legislation |
| Frequency of contribution | Biweekly | Biweekly |
| Employee's contribution (percentage of earnings) | | |
| October 1, 2017 - September 30, 2018 | 6.00% | 13.10% |
| City's Contribution (percent of earnings) | | |
| October 1, 2017 - December 24, 2017 | 20.46% | 20.78% |
| December 25, 2017 - September 30, 2018 | 22.46% | 20.78% |
| City's contribution October 1, 2017 - September 30, 2018 | \$27,870,657 | \$6,514,268 |

D. Net Pension Liabilities

The City's net pension liability for TMRS was measured as of December 31, 2017. FFRS most recent actuarial study was dated December 31, 2016, and this was rolled forward to the measurement date of December 31, 2017. Total Pension Liabilities used to calculate the Net Pension Liabilities were determined by actuarial valuations as of those measurement dates.

Actuarial Assumptions

The Total Pension Liabilities in the December 31, 2017, actuarial valuation (TMRS) and December 31, 2016, actuarial valuation (FFRS) were determined using the following actuarial assumptions:

| | <u>City Employees</u> | <u>Fire Fighters</u> |
|---------------------------|---|---|
| Inflation Rate | 2.50% | 3.50% |
| Overall payroll growth | 2.30% | 3.50% |
| Investment rate of return | 6.75, net of investment expense, including inflation | 7.75% net of investment expense, including inflation |

TMRS - salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used, male rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

Actuarial assumptions used in the December 31, 2017, valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period January 1, 2010 through December, 31, 2014. They were adopted in 2015 and first used in the December 2015 actuarial valuation. The post-retirement mortality assumption for healthy annuitants and Annuity Purchase Rate are based on the Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. In conjunction with these changes first used in the December 31, 2013 valuation, TMRS adopted the Entry Age Normal (EAN) actuarial cost method and a one-time change to the amortization policy. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, the actuary focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return (Arithmetic)</u> |
|-----------------------|--------------------------|--|
| Domestic equity | 17.5% | 4.55% |
| International equity | 17.5% | 6.35% |
| Core fixed income | 10.0% | 1.00% |
| Non-core fixed income | 20.0% | 3.90% |
| Real return | 10.0% | 3.80% |
| Real estate | 10.0% | 4.50% |
| Absolute return | 10.0% | 3.75% |
| Private equity | 5.0% | 7.50% |
| Total | <u>100.0%</u> | |

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FFRS – Mortality rates were based on the gender-distinct RP2000 Combined Healthy Mortality Table for males and for females projected to 2024 by scale AA.

The long-term expected rate of return on pension plan investments is reviewed for each biennial actuarial valuation and was determined using a building-block method in which expected future net real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These components are combined to produce the long-term expected rate of return by weighting the expected future net real rates of return by the target asset allocation percentage (currently resulting in 4.30%) and by adding expected inflation (3.5%). In addition, the final 7.75% assumption was selected by “rounding down” and thereby reflects a reduction of 0.05% for adverse deviation. The target allocation and expected arithmetic net real rates of return for each major asset class are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return (Arithmetic) |
|-------------------------|--------------------------|--|
| Equities | | |
| Large cap domestic | 25.0% | 5.84% |
| Small/mid cap domestic | 10.0% | 6.00% |
| International developed | 12.5% | 6.12% |
| Emerging markets | 6.0% | 7.62% |
| Real estate | 10.0% | 3.90% |
| Fixed income | 36.5% | 1.72% |
| Cash | 0.0% | 0.40% |
| Total | 100.0% | |

Discount Rate

TMRS - The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in the statute. Based on that assumption, the pension plan’s Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

FFRS - The discount rate used to measure the total pension liability was 7.75%. No projection of cash flows was used to determine the discount rate because the December 31, 2016 actuarial valuation showed that expected contributions would pay the normal cost and amortize the unfunded actuarial accrued liability (UAAL) in 23 years. Because of the 23-year amortization period of the UAAL, the pension plan’s fiduciary net position is expected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments of 7.75% was applied to all periods of projected benefit payments as the discount rate to determine the total pension liability.

Sensitivity of the net pension liabilities to changes in the discount rate

The following presents the net pension liabilities of the City, calculated using the discount rates used in the actuarial valuation, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

| | 1% Decrease in the Discount Rate | Discount Rate | 1% Increase in the Discount Rate |
|-------------------------------------|---|----------------------|---|
| City's net pension liability (TMRS) | \$ 291,120,928 | \$ 174,722,818 | \$ 78,305,559 |
| City's net pension liability (FFRS) | \$ 111,209,746 | \$ 86,335,007 | \$ 65,115,424 |
| Total net pension liability | \$402,330,674 | \$261,057,825 | \$143,420,983 |

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Pension Plans Fiduciary Net Positions

TMRS – Detailed information about the TMRS pension plans’ Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

FFRS - FFRS issues a stand-alone report pursuant to GASB Statement No. 67, which may be obtained by writing the Corpus Christi Fire Fighters’ Retirement System at 711 N. Carancahua, Suite 724, Corpus Christi, Texas 78475. See that report for all information about the plan fiduciary net position.

Changes in the Net Pension Liabilities

| | Total Pension Liability (a) | Increase (Decrease) Plan Fiduciary Net Position (b) | Net Pension Liability (a)-(b) |
|--|--|--|--|
| TMRS | | | |
| Balance at 12/31/2016 | \$ 874,430,923 | \$ 649,894,627 | \$ 224,536,296 |
| Change for the year: | | | |
| Service cost | 17,896,145 | - | 17,896,145 |
| Interest | 58,146,888 | - | 58,146,888 |
| Difference between expected and actual experience | (3,231,354) | - | (3,231,354) |
| Contributions-employer | - | 25,583,072 | (25,583,072) |
| Contributions-employee | - | 7,504,525 | (7,504,525) |
| Net investment income | - | 90,028,015 | (90,028,015) |
| Benefit payments, including refunds of employee contributions | (43,887,249) | (43,887,249) | - |
| Administrative expense | - | (466,798) | 466,798 |
| Other changes | - | (23,657) | 23,657 |
| Net changes | <u>28,924,430</u> | <u>78,737,908</u> | <u>(49,813,478)</u> |
| Balance at 12/31/2017 | <u>\$ 903,355,353</u> | <u>\$ 728,632,535</u> | <u>\$ 174,722,818</u> |

| | Total Pension Liability (a) | Increase (Decrease) Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
|--|--|--|--|
| FFRS | | | |
| Balance at 12/31/2016 | \$ 227,137,138 | \$ 133,901,631 | \$ 93,235,507 |
| Changes for the year: | | | |
| Service cost | 4,693,797 | - | 4,693,797 |
| Interest | 17,417,403 | - | 17,417,403 |
| Contributions-employer | - | 6,562,646 | (6,562,646) |
| Contributions-employee | - | 4,137,182 | (4,137,182) |
| Net investment income | - | 18,581,277 | (18,581,277) |
| Benefit payments, including refunds of employee contributions | (14,180,509) | (14,180,509) | - |
| Administrative expense | - | (269,405) | 269,405 |
| Net changes | <u>7,930,691</u> | <u>14,831,191</u> | <u>(6,900,500)</u> |
| Balance at 12/31/2017 | <u>\$ 235,067,829</u> | <u>\$ 148,732,822</u> | <u>\$ 86,335,007</u> |

City of Corpus Christi, Texas

E. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2018, the city recognized pension expense of \$33,046,238.

| Components of Pension Expense | TMRS | FFRS | Total |
|---|----------------------|---------------------|----------------------|
| Service cost | \$ 17,896,145 | \$ 4,693,797 | \$ 22,589,942 |
| Interest | 58,146,888 | 17,417,403 | 75,564,291 |
| Employee contributions | (7,504,525) | (4,137,182) | (11,641,707) |
| Projected earnings on plan investments | (43,867,887) | (10,232,061) | (54,099,948) |
| Amortization of deferred outflows (inflows) - Liabilities | (2,896,311) | 222,543 | (2,673,768) |
| Amortization of prior year deferred outflows (inflows) - Assets | 1,086,096 | 1,461,473 | 2,547,569 |
| Administrative expense | 466,797 | 269,405 | 736,202 |
| Other changes in Fiduciary Net Position | <u>23,657</u> | <u>-</u> | <u>23,657</u> |
| Total pension expense | <u>\$ 23,350,860</u> | <u>\$ 9,695,378</u> | <u>\$ 33,046,238</u> |

At September 30, 2018, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | TMRS | | FFRS | | Total | |
|--|---------------------------------------|--------------------------------------|---------------------------------------|--------------------------------------|---------------------------------------|--------------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ - | \$ (3,732,521) | \$ - | \$ (1,542,386) | \$ - | \$ (5,274,907) |
| Changes of assumptions | 231,795 | - | 2,898,433 | - | 3,130,228 | - |
| Differences between projected and actual investment earnings | - | (17,888,178) | - | (501,553) | - | (18,389,731) |
| Contributions subsequent to the measurement date | <u>21,914,607</u> | <u>-</u> | <u>4,950,765</u> | <u>-</u> | <u>26,865,372</u> | <u>-</u> |
| Total | <u>\$ 22,146,402</u> | <u>\$ (21,620,699)</u> | <u>\$ 7,849,198</u> | <u>\$ (2,043,939)</u> | <u>\$ 29,995,600</u> | <u>\$ (23,664,638)</u> |

The amount contributed by the City to the Systems subsequent to the measurement date of the net pension liability, December 31, 2017, through September 30, 2018, is a deferred outflow of resources that will be recognized as a reduction in the net pension liability in the fiscal year ending September 30, 2019. These amounts are \$21,914,607 (TMRS) and \$4,950,765 (FFRS) for a total of \$26,865,372. Deferred outflows resulting from the difference between projected and actual earnings on pension plan investments will be recognized as an increase of pension expense over the next five years. Other deferred inflows and outflows except for contributions subsequent to the measurement date will be recognized in pension expense using the average expected remaining service lives of all plan members. Investment differences and other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ended Sept. 30: | TMRS | FFRS | Total |
|-----------------------------|------------------------|-------------------|------------------------|
| 2019 | \$ (440,470) | \$ 1,684,015 | \$ 1,243,545 |
| 2020 | (1,778,026) | 1,073,718 | (704,308) |
| 2021 | (9,938,381) | (921,812) | (10,860,193) |
| 2022 | (9,232,027) | (1,447,300) | (10,679,327) |
| 2023 | - | 191,363 | 191,363 |
| Thereafter | <u>-</u> | <u>274,510</u> | <u>274,510</u> |
| Total | <u>\$ (21,388,904)</u> | <u>\$ 854,494</u> | <u>\$ (20,534,410)</u> |

F. Deferred Compensation Plan

The City has a deferred compensation plan for its employees, created in accordance with Internal Revenue Code, Section 457. Participation in the plan is open to all regular employees and is voluntary. The City does not contribute to, own or administer the amount deferred by employees and, therefore, the liability and corresponding investments are not reflected in the basic statements.

10. Post-Employment Health Care Benefits

As a result of the adoption of GASB Statement No. 75, the beginning net position of the governmental and business-type activities and the Enterprise and Internal Service Funds were restated. The Statement replaces the requirements of GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. The net OPEB obligation recorded in accordance with GASB Statement No. 45 was removed and the total OPEB liability was recorded in accordance with GASB Statement No. 75. The effect on the beginning net position is as follows:

| | <u>Government-wide</u> | | <u>Fund Level</u> | |
|--|------------------------------------|-------------------------------------|-----------------------------|-----------------------------------|
| | <u>Governmental Activities</u> | <u>Business-type Activities</u> | <u>Enterprise Funds</u> | <u>Internal Service Funds</u> |
| Net position Sept. 30, 2017, as previously reported | \$ <u>345,403,515</u> | \$ <u>970,786,517</u> | \$ <u>975,025,319</u> | \$ <u>16,401,043</u> |
| Recording of total OPEB liability as of Sept 30, 2017 | (11,092,923) | (487,829) | (487,829) | (11,092,923) |
| Elimination of net OPEB obligation as of Sept. 30, 2017 | 9,010,793 | 683,041 | 683,041 | 9,010,793 |
| Deferral for contributions made after the measurement date | <u>1,967,851</u> | <u>101,884</u> | <u>101,884</u> | <u>1,967,851</u> |
| Prior period adjustment | <u>(114,279)</u> | <u>297,096</u> | <u>297,096</u> | <u>(114,279)</u> |
| Net position Sept. 30, 2017, as restated | <u>\$ 345,289,236</u> | <u>\$ 971,083,613</u> | <u>\$ 975,322,415</u> | <u>\$ 16,286,764</u> |

A. Plan Description

The City's Retiree Health Care Plan (Plan) is a single-employer defined benefit postemployment health care plan that covers eligible retired employees of the City. The Plan, which is administered by the City, allows employees who retire and meet retirement eligibility requirements under one of the City's retirement plans as described in footnote 9(B) to continue medical coverage as participant in the City's plan. No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75, and the City is not required to contribute.

B. Benefits Provided:

The City maintains three self-insured plans, allowing employees who retire and meet retirement eligibility requirements to continue medical coverage as a participant in one of the City-sponsored plans. The benefits provided are the same as those provided for active employees. Spouses and dependents of eligible retirees are also eligible for medical coverage. All employees of the City are eligible to receive postemployment health care benefits. Coverage under one of the City's three plans for retirees and their spouses and dependents is provided until age 65. At age 65, coverage under the City's plans is terminated, but retirees have the option to move onto a fully-insured Medicare Advantage plan administered by a third party.

City of Corpus Christi, Texas

Employees covered by benefit terms. At September 30, 2017, the following employees were covered by the benefit terms:

| | |
|---|---------------------|
| Inactive Plan Members, Dependent Spouses, or Beneficiaries Currently Receiving Benefits | 174 |
| Inactive Plan Members Entitled to But Not Yet Receiving Benefits | - |
| Active Plan Members | <u>2,658</u> |
| Total | <u><u>2,832</u></u> |

C. Total OPEB Liability

Actuarial Assumptions:

The total OPEB liability of \$9,599,300 was measured as of September 30, 2017, and was determined by an actuary using the following assumptions:

| | |
|--|---------------------------|
| Inflation rate | 2.50 % |
| Salary increase rate | 2.00 % |
| Discount rate | 3.64 % |
| Health care trend rates | 8.50% decreasing to 4.00% |
| Years to ultimate health care trend rate | 55 |
| Retiree's share of benefit-related costs | 100.00 % |

Mortality rates were based on the RP-2014 Blue Collar Mortality Tables, for Employees and Annuitants, for Males or Females, as appropriate, with adjustments for mortality improvements using improvement scale MP-2014 projected to 2030. An experience study has not been conducted. One is scheduled to take place prior to the end of fiscal year 2019.

Discount Rate:

Given the City's decision not to fund the program, all future benefit payments were discounted using a high quality municipal bond rate of 3.64%. The high quality municipal bond rate was based on the week closest but not later than the measurement date of the Bond Buyer 20-Bond Index as published by the Federal Reserve. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp's AA.

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liabilities of the City, as well as what the City's total OPEB liabilities would be if they were calculated using a discount rate or healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current rates:

| | <u>Discount Rate</u> | | | <u>Healthcare Cost Trend Rates</u> | | |
|-----------------------------|----------------------|---------------------|---------------------|------------------------------------|----------------------------------|----------------------------------|
| | <u>1% Decrease</u> | <u>Current Rate</u> | <u>1% Increase</u> | <u>1% Decrease</u> | <u>Current Rates</u> | <u>1% Increase</u> |
| | <u>(2.64%)</u> | <u>(3.64%)</u> | <u>(4.64%)</u> | <u>(7.5% decreasing to 3.0%)</u> | <u>(8.5% decreasing to 4.0%)</u> | <u>(9.5% decreasing to 5.0%)</u> |
| Total OPEB liability | | | | | | |
| Citicare | \$ 1,239,640 | \$ 1,139,965 | \$ 1,050,765 | \$ 1,034,809 | \$ 1,139,965 | \$ 1,262,508 |
| Citicare Fire | 4,724,067 | 4,344,220 | 4,004,293 | 3,943,489 | 4,344,220 | 4,811,211 |
| Public Safety | 4,474,930 | 4,115,115 | 3,793,115 | 3,735,517 | 4,115,115 | 4,557,477 |
| Total OPEB liability | <u>\$ 10,438,637</u> | <u>\$ 9,599,300</u> | <u>\$ 8,848,173</u> | <u>\$ 8,713,815</u> | <u>\$ 9,599,300</u> | <u>\$ 10,631,196</u> |

City of Corpus Christi, Texas

Schedule of Changes in the Total OPEB Liability and Related Ratios

| | <u>Citicare</u> | <u>Citicare Fire</u> | <u>Public Safety</u> | <u>Total</u> |
|------------------------------------|---------------------|----------------------|----------------------|---------------------|
| Reporting period ending | 9/30/2018 | 9/30/2018 | 9/30/2018 | 9/30/2018 |
| Measurement date | 9/30/2017 | 9/30/2017 | 9/30/2017 | 9/30/2017 |
| Service cost | \$ 72,148 | \$ 73,234 | \$ 76,715 | \$ 222,097 |
| Interest | 39,720 | 151,054 | 139,147 | 329,921 |
| Changes of assumptions | (54,699) | (207,570) | (213,466) | (475,735) |
| Actual benefit payments | <u>(284,052)</u> | <u>(1,063,320)</u> | <u>(710,363)</u> | <u>(2,057,735)</u> |
| Net change in total OPEB liability | (226,883) | (1,046,602) | (707,967) | (1,981,452) |
| Total OPEB liability - beginning | <u>1,366,848</u> | <u>5,390,822</u> | <u>4,823,082</u> | <u>11,580,752</u> |
| Total OPEB liability - ending | <u>\$ 1,139,965</u> | <u>\$ 4,344,220</u> | <u>\$ 4,115,115</u> | <u>\$ 9,599,300</u> |

Changes of assumptions reflects a change in the discount rate from 3.06% at the beginning of the reporting period to 3.64% at the end of the reporting period (ending September 30, 2018).

D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2018, the City will recognize OPEB expense of \$496,056.

On September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Changes in assumptions | \$ - | \$ (407,773) |
| Employer contributions subsequent to the measurement date | 2,050,759 | - |
| Total | <u>\$ 2,050,759</u> | <u>\$ (407,773)</u> |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB, except for contributions subsequent to the measurement date, will be recognized in OPEB expense over the average expected service lives of plan participants as follows:

| | |
|---------------------------------|---------------------|
| Year ended September 30: | |
| 2019 | \$ (67,962) |
| 2020 | (67,962) |
| 2021 | (67,962) |
| 2022 | (67,962) |
| 2023 | (67,962) |
| Thereafter | <u>(67,963)</u> |
| Total | <u>\$ (407,773)</u> |

11. Risk Management

The City operates a risk management program for workers’ compensation claims, liability claims and property insurance. In addition, the City operates an employee benefits program which includes life and health insurance.

A. Insurance

The City self-funds workers’ compensation, general/auto liabilities and health benefits. Purchased insurance coverage includes: Commercial property insurance with a \$250 million limit on all perils, \$50 million limit on flood and earthquake, and a \$150 million limit on named storm; \$75 million in airport liability; \$10 million of gas utility liability insurance in excess of \$250,000 deductible; \$10 million aggregate of excess general liability insurance and statutory excess workers’ compensation coverage above the \$500,000 self-insurance retention per liability and workers' compensation claim. Primary flood coverage provides up to \$500,000 on specified buildings. All funds of the City participate in the program and make payments to the Liability and Employee Benefits Fund based on an annual actuarial analysis. In addition, the City of Corpus Christi provides comprehensive health coverage to employees, dependents and retirees. Coverage becomes effective the first day of employment and the plan has no lifetime limit.

The estimated claims liability of \$16,894,693 at September 30, 2018, of which \$6,729,693 is due within one year, is based on requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund claims liability amounts for fiscal years 2017 and 2018 were:

| Fiscal Year | Beginning of Fiscal Year Liability | Current Year Claims and Changes in Estimates | Claim Payments | Balance at Fiscal Year End |
|--------------------|---|---|---------------------------|---------------------------------------|
| 2016-2017 | \$ 17,603,583 | \$ 34,707,072 | \$ (34,473,363) | \$ 17,837,292 |
| 2017-2018 | \$ 17,837,292 | \$ 27,792,715 | \$ (28,735,314) | \$ 16,894,693 |

B. Contingent Liabilities

The City is a defendant in various claims and lawsuits involving automobile liability, civil rights liability, contractual issues, and other matters. The City intends to vigorously contest any and all cases while recognizing that sound business judgment may dictate settlement. The City is self-insured for these contingent liabilities. The estimated liability of \$8,395,000, which includes an estimate of incurred but not reported claims, is accrued in the Enterprise and Internal Service Funds. The City estimates that the claims reserves are adequate to cover losses for which it may be liable. The City believes any unknown claims or changes to the claims would not have a material impact on the City’s basic financial statements. The City has purchased excess liability insurance for worker's compensation and liability claims exceeding \$500,000. The City is generally limited in liability for governmental functions under the Texas Tort Claims Act to money damages in a maximum amount of \$250,000 per person and \$500,000 per single occurrence for bodily injury or death.

The following is a lawsuit in which it is probable the City has a liability for which \$700,000 has been accrued in the Utility System Fund financial statements.

United States vs. City of Corpus Christi (threatened litigation). Department of Justice Environmental Protection Administration and City working on a consent decree regarding Administrative Orders on six sewer sheds for overflows. A settlement is being negotiated for improvements to City’s sewer system. The latest settlement proposals would give the City approximately 15 years to construct extensive improvements and repairs to City sewer system. Improvement, repairs, and penalties will be paid by increased wastewater rates. Penalty amounts that are probable are between \$700,000 and \$2,000,000, which would not be payable until a consent decree is signed by the judge.

12. Operating Leases

A. Property Leased From Others

The City leases various office, parking, and rooftop space, and equipment under operating leases expiring through fiscal year 2026. Minimum rentals to be paid on these leases are:

| Fiscal Year Ending September 30, | Governmental Activities | Business-Type Activities |
|---|------------------------------------|-------------------------------------|
| 2019 | \$ 1,164,668 | \$ 91,123 |
| 2020 | 677,022 | 58,365 |
| 2021 | 433,174 | 31,077 |
| 2022 | 309,976 | 17,904 |
| 2023 | 232,405 | 13,417 |
| Thereafter | 644,384 | 32,664 |
| Total minimum future rentals | <u>\$ 3,461,629</u> | <u>\$ 244,550</u> |

B. Property Leased To Others

The City is the lessor of airport space, real property, water tower space for cell phone antennae, and parking spaces under operating leases expiring through fiscal year 2056. Minimum rentals to be received from future leases are:

| Fiscal Year Ending September 30, | Governmental Activities | Business-Type Activities |
|---|------------------------------------|-------------------------------------|
| 2019 | \$ 824,569 | \$ 3,165,101 |
| 2020 | 293,475 | 2,954,918 |
| 2021 | 289,091 | 2,946,642 |
| 2022 | 290,108 | 2,692,340 |
| 2023 | 198,289 | 877,401 |
| Thereafter | 1,371,090 | 13,236,919 |
| Total minimum future rentals | <u>\$ 3,266,622</u> | <u>\$ 25,873,321</u> |

Minimum future rentals do not include contingent rentals that may be received if the lessee meets certain performance clauses under the leases.

City of Corpus Christi, Texas

13. Long-term obligations

The following is a summary of long-term obligation transactions of the City for the year ended September 30, 2018:

| | Restated Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|--|---|----------------------|-------------------------|-----------------------|--------------------------------|
| Governmental activities | | | | | |
| Long-term debt | | | | | |
| General obligation bonds | \$ 398,317,841 | \$ 16,355,000 | \$ (26,519,918) | \$ 388,152,923 | \$ 27,772,826 |
| Certificates of obligation | 32,610,000 | 21,805,000 | (2,065,000) | 52,350,000 | 2,025,000 |
| Revenue bonds | 50,915,000 | - | (5,420,000) | 45,495,000 | 5,775,000 |
| Discount on bonds payable | (16,910) | - | (5,307) | (22,217) | - |
| Premium on bonds payable | 27,064,332 | 3,995,030 | (4,769,883) | 26,289,479 | - |
| Capital leases | 14,327,841 | 724,100 | (5,465,909) | 9,586,032 | 4,283,178 |
| Other notes payable | 16,225,000 | 260,000 | (2,491,000) | 13,994,000 | 2,541,000 |
| Total long-term debt | 539,443,104 | 43,139,130 | (46,737,017) | 535,845,217 | 42,397,004 |
| Landfill closure cost | 17,120,384 | 43,454 | (4,894,461) | 12,269,377 | 122,712 |
| Accumulated compensated absences | 35,793,702 | 19,909,551 | (15,838,240) | 39,865,013 | 15,838,240 |
| Net Pension Liability | 265,004,106 | 3,422,650 | (47,889,672) | 220,537,084 | - |
| Total OPEB liability | 11,092,923 | 103,939 | (2,004,421) | 9,192,441 | - |
| Governmental activities Long-term liabilities | <u>\$ 868,454,219</u> | <u>\$ 66,618,724</u> | <u>\$ (117,363,811)</u> | <u>\$ 817,709,132</u> | <u>\$ 58,357,956</u> |
| Business-type activities | | | | | |
| Long-term debt | | | | | |
| General obligation | \$ 17,102,159 | \$ - | \$ (1,240,082) | \$ 15,862,077 | \$ 1,277,174 |
| Certificates of obligation | 9,775,000 | - | (425,000) | 9,350,000 | 450,000 |
| Priority Revenue bonds | 179,190,000 | - | (9,495,000) | 169,695,000 | 7,605,000 |
| Junior Lien Revenue bonds | 667,015,000 | 2,750,000 | (32,090,000) | 637,675,000 | 34,095,000 |
| Subordinate Lien Revenue bonds | - | 34,835,000 | (3,005,000) | 31,830,000 | 2,555,000 |
| Discount on bonds payable | (44,254) | - | 6,879 | (37,375) | - |
| Premium on bonds payable | 55,844,421 | - | (8,270,690) | 47,573,731 | - |
| Capital leases | 2,293,761 | 1,337,012 | (922,863) | 2,707,910 | 865,705 |
| Utility notes payable | 42,207,146 | - | (42,207,146) | - | - |
| Total long-term debt | 973,383,233 | 38,922,012 | (97,648,902) | 914,656,343 | 46,847,879 |
| Accumulated compensated absences | 2,855,550 | 2,772,177 | (2,509,442) | 3,118,285 | 2,509,442 |
| Net Pension Liability | 52,767,697 | - | (12,246,956) | 40,520,741 | - |
| Total OPEB liability | 487,829 | - | (80,970) | 406,859 | - |
| Business-type activities Long-term liabilities | <u>\$ 1,029,494,309</u> | <u>\$ 41,694,189</u> | <u>\$ (112,486,270)</u> | <u>\$ 958,702,228</u> | <u>\$ 49,357,321</u> |

In the governmental funds, the total OPEB liability will be liquidated by the General Fund (78%), Special Revenue funds (12%), and Internal Service funds (10%) based on the allocation of the cost of self-insurance for health benefits. General Fund will typically liquidate 73%, Special Revenue funds 13%, and Internal Service funds 14% of the net pension liability.

The beginning balance of OPEB was restated by \$1,886,918. See FN 10.

City of Corpus Christi, Texas

A. Bonds

Bonds payable at September 30, 2018, are comprised of the following:

Governmental activities

General Obligation Bonds

| | |
|---|-----------------------|
| \$13,685,000 - 2010 General Improvement Bonds due in annual installments of \$485,000 to \$950,000 beginning March 1, 2011 through July 31, 2030, interest at 2.75% to 4.25% | \$ 9,250,000 |
| \$44,695,000 - 2012 General Improvement Bonds due in annual installments of \$500,000 to \$3,610,000 beginning March 1, 2013 through March 1, 2032, interest at 2.00% to 5.00% | 38,790,000 |
| 91.36% of \$29,855,000 - 2012C General Improvement Refunding bonds due in annual installments of \$2,145,000 to \$3,530,000 beginning March 1, 2014 through March 1, 2023, interest at 2.00% to 5.00% | 12,595,000 |
| \$107,660,000 - 2012D General Improvement Refunding bonds, payable as \$88,200,000 March 1, 2028 serial bond, \$8,075,000 March 1, 2032 term bond, and \$11,385,000 March 1, 2038 term bond due in annual installments of \$545,000 to \$9,415,000 beginning March 1, 2014 through March 1, 2038, interest at .29% to 4.04% | 78,340,000 |
| \$82,025,000 - 2013 General Improvement Bonds due in annual installments of \$1,500,000 to \$6,360,000 beginning March 1, 2014 through March 1, 2033, interest at 2.00% to 5.00% | 69,820,000 |
| \$61,015,000 - 2015 General Improvement Refunding Bonds due in annual installments of \$1,405,000 to \$7,850,000 beginning March 1, 2020 through March 1, 2029, interest at 4.00% to 5.00% | 61,015,000 |
| \$90,520,000 - 2015 General Improvement Bonds due in annual installments of \$2,090,000 to \$6,775,000 beginning March 1, 2016 through March 1, 2035, interest at 2.00% to 5.00% | 82,155,000 |
| \$16,130,000 - 2016 General Improvement Refunding Bonds due in annual installments of \$45,000 to \$5,745,000 beginning March 1, 2017 through March 1, 2029, interest at 2.00% to 4.00% | 14,465,000 |
| 89.7% of \$7,365,000 - 2016A General Improvement Refunding (TMPC) due in annual installments of \$670,000 to \$805,000 beginning September 1, 2017 through September 1, 2026, interest at 1.72% to 3.50% | 5,367,923 |
| \$16,355,000 - 2018 General Improvement Bonds due in annual installments \$620,000 to \$1,395,000 beginning March 1, 2022 through March 1, 2038, interest at 5.00% | <u>16,355,000</u> |
| Total general obligation bonds | <u>\$ 388,152,923</u> |

Certificates of obligation

| | |
|--|------------|
| \$8,460,000 - 2009 Combination Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments of \$280,000 to \$580,000 beginning March 1, 2010 through March 1, 2019, interest at 2.00% to 5.00% | \$ 380,000 |
| \$3,000,000 - 2010 Combination Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments of \$100,000 to \$210,000 beginning March 1, 2011 through March 1, 2030, interest at 3.00% to 4.50% | 2,055,000 |
| \$10,020,000 - 2015 Combination Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments of \$385,000 to \$700,000 beginning March 1, 2016 through March 1, 2035, interest at 0.35% to 4.49% | 8,835,000 |
| \$2,000,000 - 2016 Combination Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments of \$80,000 to \$135,000 beginning September 1, 2016 through September 1, 2035, interest at 2.00% to 5.00% | 1,745,000 |

City of Corpus Christi, Texas

| | |
|---|----------------------------------|
| \$16,430,000 - 2016A combination Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments of \$585,000 to \$1,160,000 beginning March 1, 2017 through March 1, 2036, interest at 2.00% to 4.00% | 15,245,000 |
| \$2,500,000 - 2017 Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments of \$215,000 to \$285,000 beginning March 1, 2018 through March 1, 2027, interest at 3.04% | 2,285,000 |
| \$14,315,000 - 2018A Combination Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments \$550,000 to \$1,195,000 beginning March 1, 2022 through March 1, 2038, interest at 4.00% to 5.00% | 14,315,000 |
| \$7,490,000 - 2018B Combination Tax and Limited Pledge Revenue Certificates of Obligation, Taxable payable as \$4,120,000 March 1, 2031 serial bond, \$850,000 March 1, 2033 term bond, and \$2,520,000 March 1, 2038 term bond, due in annual installments of \$195,000 to \$555,000 beginning March 1, 2019 through March 1, 2038, interest at 2.42% to 4.95% | <u>7,490,000</u> |
| Total Certificates of Obligation | <u>\$ 52,350,000</u> |
| Revenue bonds | |
| \$13,445,000 - 2008 North Padre Island Development Corporation Tax Increment Contract Revenue Refunding Bonds due in annual installments of \$165,000 to \$1,605,000 beginning September 15, 2008 through September 15, 2022, interest at 4.50% | \$ 5,800,000 |
| \$29,075,000 - 2012 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Refunding Bonds due in annual installments of \$1,720,000 to \$2,810,000 beginning March 1, 2014 through March 1, 2026, interest at 3.00% to 5.00% | 19,755,000 |
| \$30,555,000 - 2014 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Refunding Bonds due in annual installments of \$1,800,000 to \$3,290,000 beginning September 1, 2014 through September 1, 2025, interest at 2.00% to 5.00% | <u>19,940,000</u> |
| Total revenue bonds | <u>\$ 45,495,000</u> |
| Total governmental activities | <u><u>\$ 485,997,923</u></u> |
| Business-type activities | |
| General obligation bonds | |
| \$8,340,000 - 2012A General Improvement Airport Refunding Bonds due in annual installments of \$350,000 to \$915,000 beginning March 1, 2013 through March 1, 2023, interest at 2.00% to 3.25% | \$ 3,845,000 |
| \$9,880,000 - 2012B General Improvement Airport Refunding Bonds due in annual installments of \$45,000 to \$1,385,000 beginning March 1, 2014 through March 1, 2030, interest at 2.00% to 4.00% | 9,640,000 |
| 8.64% of \$29,855,000 - 2012C General Improvement Refunding bonds due in annual installments of \$2,145,000 to \$3,530,000 beginning March 1, 2014 through March 1, 2023, interest at 2.00% to 5.00% | 1,750,000 |
| 10.3% of \$7,365,000 - 2016A General Improvement Refunding (TMPC) due in annual installments of \$670,000 to \$805,000 beginning September 1, 2017 through September 1, 2026, interest at 1.72% to 3.50% | <u>627,077</u> |
| Total general obligation bonds | <u>\$ 15,862,077</u> |

City of Corpus Christi, Texas

Certificates of obligation

\$5,500,000 - 2010 Combination Tax and Limited Pledge Airport Revenue Certificates of Obligation, payable as \$3,475,000 March 1, 2025 serial bond, \$2,025,000 March 1, 2030 term bond, due in annual installments of \$175,000 to \$460,000 beginning March 1, 2012 through March 1, 2030, interest at 5.00% to 6.25% \$ 4,065,000

\$5,990,000 - 2012 Combination Tax and Surplus Airport Revenue Certificates of Obligation, payable as \$4,550,000 March 1, 2033 serial bond, \$685,000 March 1, 2035 term bond, and \$755,000 March 1, 2037 term bond, due in annual installments of \$165,000 to \$385,000 beginning March 1, 2015 through March 1, 2037, interest at 3.00% to 5.00% 5,285,000

Total certificates of obligation \$ 9,350,000

Priority revenue bonds

\$8,000,000 - 2010 Utility System Revenue Bonds due in annual installments of \$730,000 to \$885,000 beginning July 15, 2020 and ending July 15, 2029, interest at 1.59% to 2.59% \$ 8,000,000

\$14,375,000 - 2010A Utility System Revenue Improvement Bonds due in annual installments of \$1,435,000 to \$1,835,000 beginning July 15, 2011 through July 15, 2019, interest at 3.00% to 4.00% 1,835,000

\$60,625,000 - 2010 Utility System Revenue Improvement Bonds, Taxable (Direct Subsidy – Build America Bonds) payable as \$12,730,000 July 15, 2025 term bond, \$12,940,000 July 15, 2030 term bond, and \$34,955,000 July 15, 2040 term bond due in mandatory redemptions of \$1,945,000 to \$4,155,000, beginning July 15, 2020 through July 15, 2040, interest at 5.43% to 6.24% 60,625,000

\$52,500,000 - 2012 Utility System Revenue Bonds payable as \$26,530,000 July 15, 2032 serial bond and \$25,970,000 July 15, 2042 term bond, due in annual installments of \$240,000 to \$3,080,000 beginning July 15, 2013 through July 15, 2042, interest at 2.00% to 5.00% 47,395,000

\$2,600,000 - 2015 Marina System Revenue Bonds, Taxable due in annual installments of \$140,000 to \$210,000 beginning March 1, 2016 through March 1, 2030, interest at 3.00% 2,165,000

\$62,785,000 - 2015 Nueces River Authority Water Supply Facilities Revenue Refunding Bonds due in annual installments of \$4,220,000 to \$6,520,000 beginning July 15, 2016 through July 15, 2027, interest at 3.00% to 5.00% 49,675,000

Total priority revenue bonds \$ 169,695,000

Junior lien revenue bonds

\$155,660,000 - 2012A Utility System Junior Lien Revenue and Refunding Bonds due in annual installments of \$1,655,000 to \$15,355,000 beginning July 15, 2013 through July 15, 2042, interest at 2.00% to 5.00% \$ 111,950,000

\$69,085,000 - 2012B Utility System Junior Lien Revenue Improvement Bonds payable as \$35,860,000 July 15, 2032 serial bond, \$14,840,000 July 15, 2037 term bond, and \$18,385,000 July 15, 2042 term bond, due in annual installments of \$1,240,000 to \$3,935,000 beginning July 15, 2013 through July 15, 2042, interest at 2.00% to 5.00% 60,405,000

\$97,930,000 - 2013 Utility System Junior Lien Revenue Improvement Bonds payable as \$37,870,000 July 15, 2031 serial bond, \$7,775,000 July 15, 2033 term bond, \$22,970,000 July 15, 2038 term bond, and \$29,315,000 July 1, 2043 term bond, due in annual installments of \$1,000,000 to \$6,450,000 beginning July 15, 2014 through July 15, 2043, interest at 3.00% to 5.00% 93,930,000

\$93,600,000 - 2015A Utility System Junior Lien Revenue Improvement Bonds payable as \$47,280,000 July 15, 2035 serial bond, \$20,350,000 July 15, 2040 term bond, and \$25,970,000 July 15, 2045 term bond due in annual installments of \$1,515,000 to \$5,715,000 beginning July 15, 2016 through July 15, 2045, interest at 3.00% to 5.00% 88,910,000

City of Corpus Christi, Texas

| | |
|--|------------------------------|
| \$101,385,000 - 2015C Utility System Junior Lien Revenue Improvement Bonds payable as \$51,190,000 July 15, 2035 serial bond, \$22,270,000 July 15, 2040 term bond, and \$27,925,000 July 15, 2045 term bond, due in annual installments of \$1,465,000 to \$6,045,000 beginning July 15, 2016 through July 15, 2045, interest at 3.00% to 5.00% | 96,490,000 |
| \$46,990,000 - 2015D Utility System Junior Lien Revenue Refunding Bonds due in annual installments of \$3,470,000 to \$6,370,000 beginning July 15, 2017 through July 15, 2026, interest at 3.00% to 5.00% | 37,395,000 |
| \$80,415,000 - 2016 Utility System Junior Lien Revenue Refunding Bonds due in annual installments of \$355,000 to \$5,355,000 beginning July 15, 2017 through July 15, 2039, interest at 2.00 to 5.00% | 79,665,000 |
| \$2,750,000 - 2017 Utility Junior Lien Revenue Improvement one payment due on July 15, 2025 | 2,750,000 |
| \$51,215,000 - 2017 Utility System Junior Lien Revenue Refunding Bonds due in annual installments of \$845,000 to \$2,200,000 beginning July 15, 2017 through July 15, 2045, interest at 0.06% to 2.07% | 47,625,000 |
| \$27,670,000 - 2017A Utility System Junior Lien Revenue Bonds due in annual installments of \$9,115,000 to \$9,335,000 beginning July 5, 2018 ending July 15, 2020, interest at 1.17% | <u>18,555,000</u> |
| Total junior lien revenue bonds | <u>\$ 637,675,000</u> |
| Subordinate lien revenue bonds | |
| \$34,835,000 - 2018 Utility System Subordinated Lien Revenue Refunding Bonds due in annual installments of \$2,555,000 to 3,255,000 beginning July 15, 2018 through July 15, 2029, interest at 1.73% to 3.40% | <u>31,830,000</u> |
| Total subordinate lien revenue bonds | <u>31,830,000</u> |
| Total business-type activities | <u><u>\$ 864,412,077</u></u> |

The annual requirements to amortize all bonded debt outstanding as of September 30, 2018, are as follows:

| Fiscal Year | Governmental Activities | | | |
|-------------|--------------------------|-----------------------|----------------------------|----------------------|
| | General Obligation Bonds | | Certificates of Obligation | |
| | Principal | Interest | Principal | Interest |
| 2019 | \$ 27,772,826 | \$ 16,118,916 | \$ 2,025,000 | \$ 2,308,930 |
| 2020 | 28,725,211 | 15,018,677 | 1,760,000 | 2,040,257 |
| 2021 | 28,573,642 | 14,003,650 | 1,815,000 | 1,985,398 |
| 2022 | 26,612,073 | 12,937,493 | 2,425,000 | 1,916,459 |
| 2023 | 27,721,027 | 11,800,540 | 2,515,000 | 1,829,456 |
| 2024-2028 | 125,598,144 | 41,563,135 | 13,815,000 | 7,581,451 |
| 2029-2033 | 94,445,000 | 16,669,824 | 15,025,000 | 4,568,164 |
| 2034-2038 | 28,705,000 | 2,232,863 | 12,970,000 | 1,244,711 |
| Total | <u>\$ 388,152,923</u> | <u>\$ 130,345,098</u> | <u>\$ 52,350,000</u> | <u>\$ 23,474,826</u> |

City of Corpus Christi, Texas

| Fiscal Year | Governmental Activities | |
|-------------|-------------------------|---------------------|
| | Revenue Bonds | |
| | Principal | Interest |
| 2019 | \$ 5,775,000 | \$ 2,011,244 |
| 2020 | 6,165,000 | 1,726,069 |
| 2021 | 6,560,000 | 1,422,069 |
| 2022 | 6,865,000 | 1,098,969 |
| 2023 | 5,525,000 | 773,469 |
| 2024-2028 | 14,605,000 | 872,691 |
| Total | <u>\$ 45,495,000</u> | <u>\$ 7,904,511</u> |

| Fiscal Year | Business-Type Activities | | Business-Type Activities | |
|-------------|--------------------------|---------------------|----------------------------|---------------------|
| | General Obligation Bonds | | Certificates of Obligation | |
| | Principal | Interest | Principal | Interest |
| 2019 | \$ 1,277,174 | \$ 501,079 | \$ 450,000 | \$ 426,125 |
| 2020 | 1,319,789 | 458,934 | 465,000 | 405,275 |
| 2021 | 1,366,358 | 416,322 | 490,000 | 383,156 |
| 2022 | 1,412,927 | 369,834 | 515,000 | 359,163 |
| 2023 | 1,453,973 | 319,778 | 535,000 | 334,850 |
| 2024-2028 | 6,321,856 | 1,000,164 | 3,070,000 | 1,266,606 |
| 2029-2033 | 2,710,000 | 96,616 | 2,385,000 | 518,988 |
| 2034-2038 | - | - | 1,440,000 | 125,525 |
| Total | <u>\$ 15,862,077</u> | <u>\$ 3,162,727</u> | <u>\$ 9,350,000</u> | <u>\$ 3,819,688</u> |

| Fiscal Year | Business-Type Activities | | Business-Type Activities | |
|-------------|--------------------------|----------------------|---------------------------|-----------------------|
| | Priority Revenue Bonds | | Junior Lien Revenue Bonds | |
| | Principal | Interest | Principal | Interest |
| 2019 | \$ 7,605,000 | \$ 8,389,239 | \$ 34,095,000 | \$ 27,854,722 |
| 2020 | 8,725,000 | 8,206,106 | 31,035,000 | 26,691,983 |
| 2021 | 9,105,000 | 7,789,403 | 30,480,000 | 25,640,901 |
| 2022 | 9,495,000 | 7,352,334 | 31,920,000 | 24,204,841 |
| 2023 | 9,915,000 | 6,894,636 | 26,140,000 | 22,678,076 |
| 2024-2028 | 49,475,000 | 26,789,093 | 110,510,000 | 95,650,628 |
| 2029-2033 | 25,685,000 | 17,075,562 | 100,210,000 | 73,163,297 |
| 2034-2038 | 29,925,000 | 9,777,212 | 123,760,000 | 49,621,305 |
| 2039-2043 | 19,765,000 | 1,952,889 | 122,165,000 | 21,127,245 |
| 2044 | - | - | 27,360,000 | 1,717,142 |
| Total | <u>\$ 169,695,000</u> | <u>\$ 94,226,474</u> | <u>\$ 637,675,000</u> | <u>\$ 368,350,140</u> |

City of Corpus Christi, Texas

| Business-Type Activities | | |
|---------------------------------|----------------------|---------------------|
| Subordinate Lien Revenue | | |
| Bonds | | |
| Fiscal Year | Principal | Interest |
| 2019 | \$ 2,555,000 | \$ 800,962 |
| 2020 | 2,620,000 | 752,417 |
| 2021 | 2,685,000 | 700,803 |
| 2022 | 2,750,000 | 646,298 |
| 2023 | 2,815,000 | 587,998 |
| 2024-2028 | 15,150,000 | 1,894,000 |
| 2029 | 3,255,000 | 110,670 |
| Total | <u>\$ 31,830,000</u> | <u>\$ 5,493,148</u> |

\$11,207,426 is available in the Debt Service Fund to service general obligation bonds. There are a number of limitations and restrictions contained in the various bond indentures. The City believes they are in compliance with all significant limitations and restrictions.

The interest subsidy on Build America Bonds (Revenue bonds Taxable Series 2010) is deposited directly with the paying agent and shows as a contribution from other governmental agencies in the financial statements.

The City also may be contingently liable for rebates to the Federal government associated with interest earned on proceeds of tax exempt bonds issued. Based on regulations of the Tax Reform Act of 1986, the rebate would not be made until five years from the bond issuance date and may be liquidated through lower interest earnings in future years. For the fiscal year ended September 30, 2018, the City has no arbitrage liability.

The City issued \$34,835,000 of Utility System Subordinated Lien Revenue Refunding Bonds, Series 2018, dated March 1, 2018 for the purpose of refunding the Series 1985 Bureau of Reclamation of \$42,207,146. As part of the refunding process, the Bureau credited the City for mineral rights revenue accrued since the inception of the note and applied it as a reduction of principal. This reduction of \$9,362,782 is reported as nonoperating revenue in the Utility fund. \$5,975,646 was recorded in FY2017 and \$3,387,136 has been record on FY2018. The City will reduce its total debt service payments over the next 11 years, and obtain an economic gain of approximately \$4,813,325.

B. Capital Leases

The City has entered into lease agreements as lessee for the acquisition of the following assets: various trucks and heavy equipment for the Solid Waste Department, Health Department, Street Department, Fire Department, and Utilities; building and improvements for the Emergency Operations Center and Development Services Department; containers for the Solid Waste Department; and computer and connectivity equipment for several City departments. These lease agreements qualify as capital leases for accounting purposes, and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The following is a schedule of assets leased under capital leases as of September 30, 2018.

| | Governmental Activities | Business-Type Activities |
|-------------------------------|------------------------------------|-------------------------------------|
| Land | \$ 66,359 | \$ - |
| Building | 1,260,821 | - |
| Machinery and equipment | 33,150,099 | 5,417,001 |
| Less accumulated depreciation | (22,717,404) | (2,380,871) |
| Total | <u>\$ 11,759,875</u> | <u>\$ 3,036,130</u> |

The following is a schedule of the future minimum lease payments under these capital leases and the present value of the net minimum lease payments at September 30, 2018:

City of Corpus Christi, Texas

| Fiscal Year | Governmental Activities | Business-Type Activities |
|---|----------------------------|-----------------------------|
| 2019 | \$ 4,481,497 | \$ 928,882 |
| 2020 | 2,998,922 | 794,791 |
| 2021 | 1,900,456 | 629,858 |
| 2022 | 441,947 | 431,541 |
| 2023 | 118,587 | 58,158 |
| Total minimum lease payments | 9,941,409 | 2,843,230 |
| Less amount representing interest | 355,377 | 135,320 |
| Present value of minimum lease payments | <u>\$ 9,586,032</u> | <u>\$ 2,707,910</u> |

C. Other Notes Payable, Governmental Activities

Other notes payable of the Governmental activities as of September 30, 2018, are as follows:

| | |
|--|----------------------|
| \$7,390,000 - 2012 Public Property Finance Contractual Obligation (Compass Bank), due in installments of \$550,000 to \$685,000 beginning March 1, 2013 through March 1, 2024, interest at 2.17% | \$ 3,915,000 |
| \$8,000,000 - 2014 Tax Notes (American National Bank) due in annual installments of \$1,075,000 to \$1,215,000 beginning March 1, 2015 through March 1, 2021, interest at 1.54% | 3,570,000 |
| \$9,000,000 - 2014 Public Property Finance Contractual Obligation (Frost Bank) due in installments of \$655,000 to \$870,000 beginning March 1, 2015 through March 1, 2026, interest at 2.44% | 6,295,000 |
| \$260,000 - Axon Tasers for Police Dept., no interest, installments of \$46,000 to \$56,000 through September, 2022 | <u>214,000</u> |
| Total | <u>\$ 13,994,000</u> |

The annual requirements to amortize the notes outstanding as of September 30, 2018, are as follows:

| Fiscal Year | Governmental Activities | |
|-------------|-------------------------|-------------------|
| | Principal | Interest |
| 2019 | \$ 2,541,000 | \$ 269,172 |
| 2020 | 2,611,000 | 219,854 |
| 2021 | 2,666,000 | 169,391 |
| 2022 | 1,491,000 | 127,272 |
| 2023 | 1,465,000 | 93,687 |
| 2024-2028 | 3,220,000 | 101,433 |
| Total | <u>\$ 13,994,000</u> | <u>\$ 980,809</u> |

D. Closure and Post-closure Care Costs

State and Federal laws and regulations require the City to place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfills, an accrued liability has been recognized based on the future closure and post-closure care costs that will be incurred near or after the date the landfills no longer accept waste. The estimated remaining total current cost of the landfill closure and post-closure care is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfills were acquired as of September, 30, 2018, and is assigned to periods based on cumulative landfill use. The City ceased accepting waste for disposal at the J.C. Elliott Landfill on November 10, 2007, and began full-time waste operations at Cefe Valenzuela Landfill. The

City of Corpus Christi, Texas

estimated liability for landfill closure and post-closure costs recorded in the governmental activities at September, 30, 2018, is \$12,269,377 for both the J.C. Elliott Landfill and the Cefe Valenzuela Landfill. The liability decrease is due to a change in operations in which the amount of cell space planned to be opened in the next five years was reduced. The current portion of this amount is \$122,712 the majority of which is related to the costs for gas and water monitoring, site inspection and record-keeping for J.C. Elliott Landfill. The closure and post-closure costs that have not been recognized in these financial statements is \$11,360,942. The actual costs of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. As of September 30, 2018, Cefe Valenzuela Landfill was at 46.34% filled capacity for developed cells and 6.19% filled capacity for the entire permitted site, with an estimated remaining years at current performance of 176.8 years.

14. Advance Refundings and Defeasances

In prior years, the City refinanced other bond issues through the issuance of refunding bonds. The proceeds from the refunding bonds have been deposited in irrevocable trusts which, together with interest earnings on those deposits, will provide amounts sufficient for future redemption or payment of principal and interest of the issues refunded. The trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On September 30, 2018, \$399,965,000 of bonds outstanding were considered legally defeased.

15. Interfund Transfers, Receivables and Payables

Interfund transfers for the year ended September 30, 2018, are as follows:

| | Transfers Out | | | | | Total |
|-----------------------|----------------------|------------------------|---------------------|-----------------------|---------------------|----------------------|
| | General | Non-major Governmental | Utility System | Non-major Proprietary | Internal Service | |
| Transfers In: | | | | | | |
| General | \$ - | \$ 698,203 | \$ 5,574,315 | \$ 382,881 | \$ 2,836,226 | \$ 9,491,625 |
| Debt service | 645,000 | 2,310,672 | - | 49,171 | 231,161 | 3,236,004 |
| Non-major government | 16,895,652 | 18,184,304 | 1,300,000 | - | 296,198 | 36,676,154 |
| Utility system | 61,575 | - | - | - | 603,156 | 664,731 |
| Non-major proprietary | - | - | - | - | 47,275 | 47,275 |
| Internal service | 1,321,774 | 50,000 | 884,541 | - | 161,351 | 2,417,666 |
| Total | <u>\$ 18,924,001</u> | <u>\$ 21,243,179</u> | <u>\$ 7,758,856</u> | <u>\$ 432,052</u> | <u>\$ 4,175,367</u> | <u>\$ 52,533,455</u> |

During the year, various interfund transfers were made to finance expenditures and service debt. The General Fund receives transfers for administrative service charges from enterprise and special revenue funds, and transfers out to pay for grant matches, operating subsidies, and reimbursements for services performed. Transfers are made between other funds to fund debt service payments and for other restricted purposes. The Corpus Christi Business and Job Development Corporation Fund transferred \$3,032,568 to the Visitors Facilities Fund to fund capital improvements to the Arena, and the Visitors Facilities Fund transferred back \$1,222,916 of prior years' unused contributions. Various funds make transfers to Internal Service funds to finance capital outlay. In FY2018, transfers were made from Internal Service funds to other funds that had paid for services on a cost-reimbursement basis to return excess amounts previously contributed.

All transfers are in accordance with budgetary authorizations.

Interfund receivables and payables outstanding at September 30, 2018, are as follows:

| Receivable fund | Payable fund | Amount |
|--------------------------|--------------------------|---------------------|
| General Fund | Golf Fund | \$ 562,210 |
| Marina Fund | Golf Fund | 43,696 |
| Visitors Facilities Fund | Hotel Occupancy Tax Fund | 477,070 |
| | | <u>\$ 1,082,976</u> |

The General Fund advanced the Golf Fund money to cover its negative net position and to allow the private management company to invest in improvements to the courses. The improvements are expected to drive an increase in

City of Corpus Christi, Texas

revenues which will be used to pay off the advance over seven years.

Other interfund balances are the result of timing differences between the dates that interfund goods and services were provided or reimbursable expenditures occurred and when payments between funds were made.

16. Fund Deficits

As a result of the implementation of GASB 68 and GASB 75, three Internal Service Funds have a negative net position: Stores, Engineering and Information Technology. The full net Pension liability and total OPEB liability must now be recorded, but the City's policy is to fund long-term liabilities on a pay-as-you-go basis. Therefore these Internal Service Funds will likely continue to carry negative net positions in future fiscal years.

17. Conduit Debt Obligations

The Corpus Christi Housing Finance Corporation (CCHFC) and the Coastal Bend Health Facilities Development Corporation are public non-profit corporations created by the City under State law to facilitate financing of authorized projects. These entities issued bonds to unrelated commercial entities. As of September 30, 2018, there were four series of bonds outstanding with an aggregate principal amount payable of \$55,171,640. The bonds are not liabilities of the City or the respective corporations and are solely payable from revenues of the various commercial entities.

18. Commitments

The City has entered or will enter into contracts in the amount of \$135,811,930 for the construction or renovation of various facilities as follows:

| | Project Authorization | Expenditures Through 09/30/2018 | Funds Committed 09/30/2018 | Additional Project Authorization to be Committed |
|-------------------------------|----------------------------------|--|---|---|
| Airport | \$ 23,888,330 | \$ 10,500,732 | \$ 7,830,500 | \$ 5,557,098 |
| City Buildings and Facilities | 2,598,337 | 2,004,058 | 28,062 | 566,217 |
| Packery Channel | 2,339,100 | 1,592,716 | 385,095 | 361,289 |
| Park | 13,881,068 | 6,428,060 | 1,631,112 | 5,821,896 |
| Police Building | 792,633 | 786,082 | 6,551 | - |
| Fire | 75,533 | 72,289 | - | 3,244 |
| Public Health & Safety | 345,350 | 330,021 | - | 15,329 |
| Sanitary Landfill | 3,495,800 | 1,562,388 | 597,454 | 1,335,958 |
| Seawall | 1,433,950 | 483,937 | 807,026 | 142,987 |
| Street | 137,540,763 | 58,897,388 | 48,099,937 | 30,543,438 |
| Water | 88,747,752 | 57,521,923 | 23,486,156 | 7,739,673 |
| Storm Water | 44,417,940 | 29,427,290 | 14,290,405 | 700,245 |
| Wastewater | 76,334,563 | 33,265,205 | 37,881,877 | 5,187,481 |
| Gas | 2,054,050 | 710,260 | 767,755 | 576,035 |
| | <u>\$ 397,945,169</u> | <u>\$ 203,582,349</u> | <u>\$ 135,811,930</u> | <u>\$ 58,550,890</u> |

The City entered into an agreement with the Lavaca Navidad River Authority to acquire the rights to purchase water from Lake Texana for a period of forty-two years. The annual payments are based on a formula which includes a percentage of the operating and maintenance expenses of Lake Texana and a percentage of the principal and interest on the bonds associated with the construction of the reservoir. The percentage is based on the portion of Lake Texana's firm yield which is allocated to the City. From the inception of the agreement through January 10, 2018, the City was allocated 41,840 acre feet out of a total firm yield of 74,500 acre feet. As of January 11, 2018, the City's allocation of water was reduced from 41,840 acre feet to 36,440 acre feet, thus reducing the portion of costs paid by the City from 56.16% to 48.91%. The minimum annual payments based on the City's current allocation of Lake Texana water on this unconditional purchase obligation are as follows:

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| Fiscal Year | Fixed | Variable | Total |
|--------------------|----------------------|-----------------------|-----------------------|
| 2019 | \$ 1,674,467 | \$ 6,289,781 | \$ 7,964,248 |
| 2020 | 1,673,494 | 6,345,189 | 8,018,683 |
| 2021 | 1,675,875 | 6,401,799 | 8,077,674 |
| 2022 | 1,673,409 | 6,459,637 | 8,133,046 |
| 2023 | 1,673,769 | 6,518,731 | 8,192,500 |
| 2024-2028 | 8,369,486 | 33,525,928 | 41,895,414 |
| 2029-2033 | 8,369,132 | 35,207,911 | 43,577,043 |
| 2034-2035 | 3,343,838 | 14,596,110 | 17,939,948 |
| Total | \$ 28,453,470 | \$ 115,345,086 | \$ 143,798,556 |

The assigned fund balance in the General Fund includes \$4,763,494 encumbered commitments related to unperformed contracts for goods or services.

19. Agreement for City Golf Courses

The City has an agreement with Foresight Corpus Christi Golf, LLC (Foresight), under which Foresight will operate and collect user fees from the Gabe Lozano, Sr. Golf Course and the Oso Beach Golf Course. Foresight pays the City 50% of net cash flows from operations annually. The City uses the funds received to fund the City’s operational, debt service, and capital improvement costs related to the golf courses. The City reports the golf courses and related equipment as a capital asset with a carrying amount of \$631,366 at September 30, 2018.

20. Segment Information for Enterprise Funds

The City has pledged future utility revenues, net of specified operating expenses, to repay \$117,855,000 of priority revenue bonds and \$637,675,000 of junior lien revenue bonds. Proceeds of the bonds provided financing for the construction of improvements to its utility system or were used to refund previously issued bonds. The bonds are payable solely from utility net revenues and are payable through 2045. The City’s policy is to establish and maintain rates and charges for facilities and services provided by the utility system that will produce revenues sufficient to pay in each fiscal year the operating and debt service expenses of the system and to cover average annual debt service requirements at 1.25 times for priority revenue bonds and 1.15 times for junior lien revenue bonds. Annual principal and interest payments on the bonds are expected to require approximately 72% of net revenues. The total principal and interest remaining to be paid on the bonds is \$1,204,498,338. Principal and interest paid for the current year and total net revenues were \$72,001,911 and \$100,146,848, respectively. Because the utility system fund is a segment and reported as a major fund in the fund financial statements, segment disclosures herein are not reported.

The City has pledged future revenues of the City Marina, net of specified operating expense, to repay \$2,165,000 of priority revenue bonds. Proceeds of the bonds provided financing for improvements to the Marina. The bonds are payable solely from Marina net revenues and are payable through 2030. Annual principal and interest payments on the bonds are expected to require approximately 20% of net revenues. The total principal and interest remaining to be paid on the bonds is \$2,578,025. Principal and interest paid for the current year and total net revenues were \$217,200 and \$1,488,927, respectively. The marina activity is accounted for in other enterprise funds in the fund financial statements.

City of Corpus Christi, Texas

Segment information of the marina fund as of and for the year ended September 30, 2018, is as follows:

| | Marina Fund |
|---|---------------------|
| Current assets, excluding restricted assets | \$ 1,878,211 |
| Capital assets | <u>7,366,974</u> |
| Total assets | <u>9,245,185</u> |
| Deferred outflows of resources | 116,473 |
| Current liabilities | 739,120 |
| Long-term liabilities | <u>4,219,363</u> |
| Total liabilities | <u>\$ 4,958,483</u> |
| Deferred inflows of resources | 115,811 |
| Net position | |
| Investment in capital assets, net of related debt | 3,365,316 |
| Unrestricted | <u>922,048</u> |
| Net position | <u>\$ 4,287,364</u> |
| Operating revenue | \$ 2,349,886 |
| Depreciation | (593,686) |
| Other operating expenses | <u>(1,298,645)</u> |
| Operating loss | 457,555 |
| Nonoperating expense | <u>326,684</u> |
| Change in net position before transfers | 784,239 |
| Transfers | <u>(61,755)</u> |
| Change in net position | 722,484 |
| Net position beginning of year | 3,555,114 |
| Prior period adjustment | 9,766 |
| Adjusted net position beginning of year | <u>3,564,880</u> |
| Net position end of year | <u>\$ 4,287,364</u> |
| Net cash flow provided by | |
| Operating activities | \$ 943,633 |
| Noncapital financing activities | (61,755) |
| Capital and related financing activities | (189,888) |
| Investment activities | 16,643 |
| Beginning cash, cash equivalents and investments | <u>1,094,034</u> |
| Ending cash, cash equivalents and investments | <u>\$ 1,802,667</u> |

21. Tax Abatements

Governmental Accounting Standards Board Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

A. Chapter 380 Economic Development Incentive Agreements

The City provides tax abatements in accordance with Article III, Section 52-z of the Texas Constitution and Chapter 380 of the Texas Local Government Code (Chapter 380) under which the City has the authority to make loans or grants of public funds for the purposes of promoting local economic development and stimulating business and commercial activity with the City and its extraterritorial jurisdiction. Taxes abated under Chapter 380 by the City include sales taxes, property taxes, Hotel Occupancy taxes, and construction sales taxes and are on a reimbursement basis in which the entity pays the taxes in full, and the City reimburses the agreed upon amount. The recipients of Chapter 380 abatements make commitments as to the size of the project development in dollars and number and average salary of jobs created or retained. Most agreements provide for a maximum reimbursement amount over the term of the agreement.

- Sales tax abatements are based on the incremental increase in sales taxes generated after the economic development project, and range from 70-100% of the increase.
- Property tax abatements are based on a percentage of property taxes paid and range from 25-100%. In some of the agreements, the percentage abated gradually decreases over the term of the agreement.
- Hotel Occupancy taxes (HOT) are abated in one 380 agreement. The portion of HOT designated for tourism (7%) may be reimbursed to the Developer for uses that comply with the Texas Tax Code related to HOT. The Developer must provide an Approved Spending Plan annually to be eligible.

For the fiscal year ended September 30, 2018, the City abated taxes totaling \$1,259,199 under this program.

B. Tax Increment Financing Zone #3

The City has created tax increment financing zones under the authority of the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code. These are also referred to as reinvestment zones. The assessed value of property in a reinvestment zone at the time of the creation of the zone constitutes the base value as to all political subdivisions exercising taxing power within the reinvestment zone. Tax receipts from all political subdivisions participating in the reinvestment zone received as a result of increased assessed values over the base value (the tax increment) are placed in the tax increment fund and may be used to pay for certain project costs that benefit the zone, along with incidental, financing and administrative costs. A Project Plan must be adopted in accordance with Chapter 311 setting out the plan for the development or redevelopment of the zone.

Reinvestment Zone #3 consists of approximately 856 acres encompassing most of Downtown Corpus Christi. The purpose of the Zone is to encourage the development and redevelopment of Downtown. The primary functions of the Zone are to support private sector development and investment, to plan and construct public improvements including enhanced streets, parking, sidewalks and public spaces, and to provide revitalization focused programs and services. The Zone has several programs under which the costs of private development may be supported on a reimbursement basis, including project specific development agreements which reimburse a portion of the net property tax increment on residential projects. Project specific development agreements may be entered into with developers of projects that meet the criteria outlined in the adopted Project and Financing Plan of the Zone. The criteria include a minimum of 5000 square feet or creation of 25 or more new residential units. The agreement may reimburse up to 75% of net new tax increment for up to 10 years with a cap based on project cost. Additional tax reimbursement may be approved if necessary to close a financing gap if a review finds it is justified. Projects are eligible for tax reimbursement after the project or specified improvements are complete and the project has been granted a certificate of occupancy and the subject taxes have been paid.

The Zone has entered into several tax increment reimbursement agreements, but as of September 30, 2018, no projects have reached the point in development where they qualify for reimbursement.

C. Property Tax Abatements

State law authorizes subdivisions of the State of Texas to grant tax abatements to any person, organization or corporation in order to stimulate economic development within the State under Chapter 312 of the Texas Tax Code. Consequently, the City Council has adopted a resolution establishing criteria whereby the City will, on a case-by-case basis, give consideration to providing tax abatement to any qualifying applicant. Generally, the period of abatement is for up to two years during the period of construction and for five years thereafter with a maximum period not to exceed seven years. The percentage of tax abated shall be determined based upon permanent jobs provided by the project as follows: 0% on 49 or less; 50% on 50 to 99; 75% on 100 to 199; 100% on over 200. Notwithstanding the resolution adopted by the City Council, or the criteria attendant thereto, it is not implied or suggested that the City is under any obligation to provide tax abatement to any applicant. The abatements are provided as a reduction of taxable assessed value of the property, and the recipient receives a tax bill that is already net of the abated amount.

As of January 1, 2018, the estimated value of property in the City that was subject to tax abatement was \$58,740,463 and the amount of taxes abated was \$182,336.

City of Corpus Christi, Texas

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITIES AND RELATED RATIOS (1)
TEXAS MUNICIPAL RETIREMENT SYSTEM**

| | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| Total Pension Liabilities | | | | |
| Service cost | \$ 14,552,695 | \$ 16,900,733 | \$ 17,524,520 | \$ 17,896,145 |
| Interest | 54,768,864 | 56,277,242 | 56,249,573 | 58,146,888 |
| Difference between expected and actual experience | (5,660,997) | (1,821,888) | (2,023,528) | (3,231,354) |
| Changes of assumptions | - | 1,101,027 | - | - |
| Benefit payments | <u>(43,536,263)</u> | <u>(43,036,410)</u> | <u>(43,768,778)</u> | <u>(43,887,249)</u> |
| Net Change in Total Pension Liabilities | 20,124,299 | 29,420,704 | 27,981,787 | 28,924,430 |
| Total Pension Liabilities - Beginning | <u>796,904,133</u> | <u>817,028,432</u> | <u>846,449,136</u> | <u>874,430,923</u> |
| Total Pension Liabilities - Ending (a) | <u>\$ 817,028,432</u> | <u>\$ 846,449,136</u> | <u>\$ 874,430,923</u> | <u>\$ 903,355,353</u> |
| Plan Fiduciary Net Positions | | | | |
| Contributions - Employer | \$ 17,786,102 | \$ 20,275,926 | \$ 22,543,700 | \$ 25,583,072 |
| Contributions - Employee | 6,905,864 | 7,392,596 | 7,328,000 | 7,504,525 |
| Net investment income | 35,519,832 | 940,244 | 42,032,952 | 90,028,015 |
| Benefit payments | <u>(43,536,263)</u> | <u>(43,036,410)</u> | <u>(43,768,778)</u> | <u>(43,887,249)</u> |
| Administrative expense | (370,905) | (572,772) | (474,941) | (466,798) |
| Other | <u>(30,495)</u> | <u>(28,290)</u> | <u>(25,589)</u> | <u>(23,657)</u> |
| Net Change in Plan Fiduciary Net Positions | \$ 16,274,135 | \$ (15,028,706) | \$ 27,635,344 | \$ 78,737,908 |
| Plan Fiduciary Net Positions - Beginning | <u>621,013,854</u> | <u>637,287,989</u> | <u>622,259,283</u> | <u>649,894,627</u> |
| Plan Fiduciary Net Positions - Ending (b) | <u>\$ 637,287,989</u> | <u>\$ 622,259,283</u> | <u>\$ 649,894,627</u> | <u>\$ 728,632,535</u> |
| Net Pension Liabilities - Ending (a) - (b) | \$ 179,740,443 | \$ 224,189,853 | \$ 224,536,296 | \$ 174,722,818 |
| Plan Fiduciary Net Positions as a Percentage of Total Pension Liabilities | 78 % | 74 % | 74 % | 81 % |
| Covered Payroll | 115,045,985 | 123,183,185 | 122,122,090 | 125,060,410 |
| Net Pension Liabilities as a Percentage of Covered Payroll | 156 % | 182 % | 184 % | 140 % |

(1) Measurement date is December 31, nine months prior to the fiscal year end. This schedule is presented to fulfill the requirement to show information for 10 years. However, until a full 10-year trend is compiled, only available information is shown. Amounts recognized in the fiscal year represent changes between the current and prior measurement dates.

Notes to Schedule:

Changes of assumptions: In 2016, amounts reported as changes of assumptions were caused by a reduction in the investment return assumption from 7.00% to 6.75%, and a reduction in the inflation assumption from 3.00% to 2.50%.

City of Corpus Christi, Texas

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITIES AND RELATED RATIOS (1)
FIRE FIGHTERS' RETIREMENT SYSTEM**

| | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> |
|--|------------------------|------------------------|----------------------|----------------------|
| Total Pension Liabilities | | | | |
| Service cost | \$ 4,144,217 | \$ 4,318,568 | \$ 4,480,514 | \$ 4,693,797 |
| Interest | 15,650,548 | 16,375,781 | 17,030,100 | 17,417,403 |
| Changes of benefit terms | - | 2,725,939 | - | - |
| Difference between expected and actual experience | - | - | (2,017,698) | - |
| Changes of assumptions | 313,566 | - | 3,581,876 | - |
| Benefit payments | <u>(11,612,717)</u> | <u>(11,091,486)</u> | <u>(14,056,060)</u> | <u>(14,180,509)</u> |
| Net Change in Total Pension Liabilities | 8,495,614 | 12,328,802 | 9,018,732 | 7,930,691 |
| Total Pension Liabilities - Beginning | <u>197,293,990</u> (2) | <u>205,789,604</u> (3) | <u>218,118,406</u> | <u>227,137,138</u> |
| Total Pension Liabilities - Ending (a) | <u>\$205,789,604</u> | <u>\$218,118,406</u> | <u>\$227,137,138</u> | <u>\$235,067,829</u> |
| Plan Fiduciary Net Positions | | | | |
| Contributions - Employer | \$ 6,007,048 | \$ 6,361,276 | \$ 6,562,993 | \$ 6,562,646 |
| Contributions - Employee | 3,526,756 | 3,896,613 | 4,137,400 | 4,137,182 |
| Net investment income | 6,949,478 | 312,710 | 7,500,935 | 18,581,277 |
| Benefit payments | (11,612,717) | (11,091,486) | (14,056,060) | (14,180,509) |
| Administrative expense | <u>(215,379)</u> | <u>(279,729)</u> | <u>(257,440)</u> | <u>(269,405)</u> |
| Net Change in Plan Fiduciary Net Positions | \$ 4,655,186 | \$ (800,616) | \$ 3,887,828 | \$ 14,831,191 |
| Plan Fiduciary Net Positions - Beginning | <u>126,159,233</u> | <u>130,814,419</u> | <u>130,013,803</u> | <u>133,901,631</u> |
| Plan Fiduciary Net Positions - Ending (b) | <u>\$130,814,419</u> | <u>\$130,013,803</u> | <u>\$133,901,631</u> | <u>\$148,732,822</u> |
| Net Pension Liabilities - Ending (a) - (b) | \$ 74,975,185 | \$ 88,104,603 | \$ 93,235,507 | \$ 86,335,007 |
| Plan Fiduciary Net Positions as a Percentage of Total Pension Liabilities | 64 % | 60 % | 59 % | 63 % |
| Covered Payroll | 28,907,834 | 30,612,492 | 31,583,219 | 31,581,550 |
| Net Pension Liabilities as a Percentage of Covered Payroll | 259 % | 288 % | 295 % | 273 % |

(1) Measurement date is December 31, nine months prior to the fiscal year end. This schedule is presented to fulfill the requirement to show information for 10 years. However, until a full 10-year trend is compiled, only available information is shown. Amounts recognized in the fiscal year represent changes between the current and prior measurement dates.

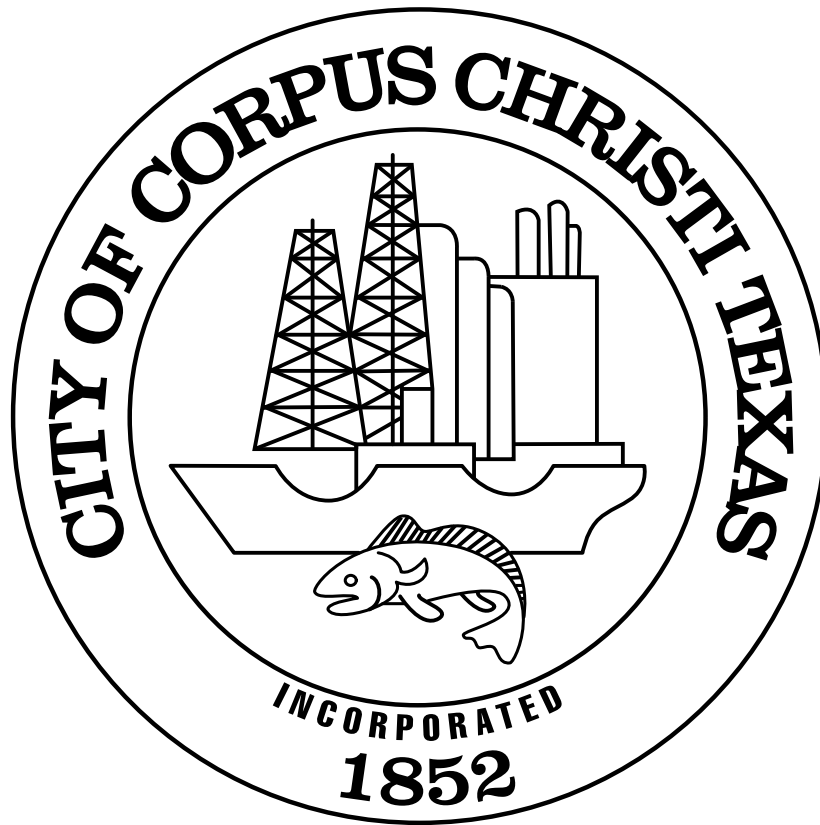
(2) Determined from the total pension liability as of December 31, 2014, but based on the actuarial assumptions for the December 31, 2012, actuarial valuation, using the roll back procedure allowed for the initial year of implementing GASB 68.

(3) Determined from the beginning of year total pension liability based on a special study based on the December 31, 2014, actuarial valuation, using the roll forward procedure allowed by GASB 68.

Notes to Schedule:

Benefit changes: In 2016, benefit terms were modified due to an ad hoc benefit increase for pensioners and an increase in the benefit formula for actives.

Changes of assumptions: In 2015, amounts reported as changes of assumptions were the net effect of changes in economic assumptions and demographic assumptions. In 2017, amounts reported as changes of assumptions were primarily from a reduction in the investment return assumption.



City of Corpus Christi, Texas

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
TEXAS MUNICIPAL RETIREMENT SYSTEM**

| | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> |
|--|-------------------|-------------------|-------------------|-------------------|
| Actuarially determined contribution | 21,009,512 | 24,362,494 | 25,218,616 | 22,769,666 |
| Contributions in relation to actuarially determined contribution | <u>17,100,193</u> | <u>18,330,551</u> | <u>16,832,574</u> | <u>15,541,644</u> |
| Contribution deficiency (excess) | 3,909,319 | 6,031,943 | 8,386,042 | 7,228,022 |
| Covered payroll | 108,555,179 | 114,395,501 | 110,562,068 | 108,260,052 |
| Contributions as a percentage of covered payroll | 15.75 | 16.02 | 15.22 | 14.36 |

Notes to Schedule

Valuation date:

Actuarial determined contribution rates are calculated as of December 31 and become effective in January, 12 months and a day later.

Methods and assumptions used to determine contribution rate for 2018:

| | |
|--|---|
| Actuarial cost method | Entry Age Normal |
| Amortization method | Level percentage of payroll, closed |
| Remaining amortization period | 28 years |
| Asset valuation method | 10 year smoothed; 15% soft corridor |
| Inflation | 2.5% |
| Salary increases | 3.5% to 10.5% including inflation |
| Investment rate of return | 6.75% |
| Retirement age | Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2014 |
| Mortality | RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB |
| Updated service credits and Cost of Living Adjustments | For calendar year 2012-2018, the City adopted an ordinance to change the "annually repeating" feature of the City's plans regarding updated service credits and 70% CPI increase to annuitants to "ad hoc" (one time only basis). However, these changes are considered to be substantitvely automatic so the full rate contribution has been calculated assuming that they will occur. |

* FY2014 was a 14 month year

City of Corpus Christi, Texas

| <u>2013</u> | <u>2014*</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 22,665,524 | 27,872,623 | 24,928,854 | 26,260,333 | 26,945,354 | 27,380,286 |
| <u>16,101,720</u> | <u>20,302,711</u> | <u>19,083,912</u> | <u>22,672,210</u> | <u>24,934,574</u> | <u>27,870,657</u> |
| 6,563,804 | 7,569,912 | 5,844,942 | 3,588,123 | 2,010,780 | (490,371) |
| 107,828,105 | 135,847,965 | 117,949,385 | 126,809,960 | 125,052,275 | 127,027,433 |
| 14.93 | 14.95 | 16.18 | 17.88 | 19.94 | 21.94 |

City of Corpus Christi, Texas

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
FIRE FIGHTERS' RETIREMENT SYSTEM**

| | 2009 | 2010 | 2011 | 2012 |
|---|-------------|-------------|-------------|-------------|
| Required contributions | 3,964,376 | 4,440,572 | 5,158,128 | 5,254,970 |
| Contributions in relation to required contributions | 3,964,376 | 4,440,572 | 5,158,128 | 5,254,970 |
| Contribution deficiency | - | - | - | - |
| Covered payroll | 24,268,094 | N/A | 27,723,869 | N/A |
| Contributions as a percentage of covered payroll | 16.34 | - | 18.61 | - |

Notes to Schedule:

Contribution rates are contractually determined and certified as an adequate contribution arrangement by an actuary.

Methods and assumptions used to determine contribution rate for 2018:

| | |
|--------------------------------------|---|
| Actuarial cost method | Entry Age Actuarial Cost |
| Amortization method | Level percentage of payroll |
| Remaining amortization period | 23.1 years |
| Asset valuation method | 5 year smoothed; 20% corridor |
| Inflation | 3.5% |
| Salary increases | 3.5% plus 1.82% annually for promotion and other increases |
| Investment rate of return | 7.75% |
| Retirement age | 58.1 years |
| Mortality | RP2000 Combined Mortality Table for males and for females projected to 2024 by scale AA |
| | * FY2014 was a 14 month year |

City of Corpus Christi, Texas

| 2013 | 2014* | 2015 | 2016 | 2017 | 2018 |
|-------------|--------------|-------------|-------------|-------------|-------------|
| 5,640,851 | 7,009,621 | 6,266,444 | 6,698,003 | 6,612,497 | 6,514,268 |
| 5,640,851 | 7,009,621 | 6,266,444 | 6,698,003 | 6,612,497 | 6,514,268 |
| - | - | - | - | - | - |
| 29,459,098 | N/A | 30,156,126 | 32,232,931 | 31,823,086 | 31,349,756 |
| 19.15 | - | 20.78 | 20.78 | 20.78 | 20.78 |

City of Corpus Christi, Texas

SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS

| | |
|--|-----------------------|
| Reporting period, fiscal year | 2018 |
| Measurement Date | 9/30/2017 |
| Total OPEB liability | |
| Service cost | \$ 222,097 |
| Interest | 329,921 |
| Changes of assumptions | (475,735) |
| Actual benefit payments | <u>(2,057,735)</u> |
| Net change in total OPEB liability | (1,981,452) |
| Total OPEB liability - beginning | <u>11,580,752</u> (2) |
| Total OPEB liability - ending | <u>\$ 9,599,300</u> |
| Covered payroll | 136,565,062 |
| Total OPEB liability as a percentage of covered payroll | 7.03 % |

Notes to Schedule:

Changes of assumptions

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

| | |
|------|-------|
| 2018 | 3.64% |
| 2017 | 3.06% |

This schedule is presented to fulfill the requirement to show information for 10 years. However, until a full 10-year trend is compiled, only available information is shown.

***Combining and Individual Fund
Financial Statements and Schedules***

Governmental Funds

General Fund - Used to account for resources traditionally associated with government and which are not required to be accounted for in another fund.

General Fund

City of Corpus Christi

Exhibit 6-A

**GENERAL FUND
BALANCE SHEET
SEPTEMBER 30, 2018**

Assets

| | |
|--|---------------|
| Cash, cash equivalents and investments | \$ 75,787,442 |
| Receivables | |
| Accounts | 8,325,761 |
| Property leases | 5,237 |
| Taxes | 3,967,992 |
| Demolition liens | 637,978 |
| Employees | 40,400 |
| Intergovernmental | 13,604,185 |
| Miscellaneous | 1,036,480 |
| Allowance for uncollectibles | (4,534,578) |
| Net receivables | 23,083,455 |
| Prepaid items | 9,752 |
| Advances to other funds | 562,209 |
| Total assets | \$ 99,442,858 |

Liabilities

| | |
|---|--------------|
| Accounts payable | \$ 5,544,988 |
| Accrued liabilities | 12,025,156 |
| Contractor interest and retainage payable | 11,099,288 |
| Deposits | 163,798 |
| Liability to claimants - escheat property | 106,936 |
| Due to other governmental agencies | 560,145 |
| Unearned revenues | |
| Other | 4,768,978 |
| Total liabilities | 34,269,289 |

Deferred inflows of resources

| | |
|--------------------------------------|-----------|
| Unavailable revenue - property taxes | 2,034,740 |
| Unavailable revenue - Other | 11,430 |
| Total deferred inflows of resources | 2,046,170 |

Fund balance

| | |
|--------------------|------------|
| Nonspendable | 571,960 |
| Restricted | 376,930 |
| Assigned | 4,768,582 |
| Unassigned | 57,409,927 |
| Total fund balance | 63,127,399 |

| | |
|---|---------------|
| Total liabilities, deferred inflows of resources and fund balance | \$ 99,442,858 |
|---|---------------|

City of Corpus Christi

**GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

| | Budget | | Actual GAAP Basis | Adjustments Budget Basis |
|--|---------------|---------------|----------------------|-----------------------------|
| | Original | Final | | |
| Taxes | | | | |
| General property taxes | | | | |
| Ad valorem - current | \$ 70,351,865 | \$ 70,351,865 | \$ 70,497,061 | \$ - |
| Ad valorem - delinquent | 950,001 | 950,001 | 1,354,970 | - |
| Penalties and interest | 700,000 | 700,000 | 775,378 | - |
| Industrial District in lieu of taxes | 11,000,000 | 11,000,000 | 8,025,297 | - |
| Other payments in lieu of taxes | 26,000 | 26,000 | - | - |
| Special inventory tax escrow refund | 55,000 | 55,000 | 43,256 | - |
| Total general property taxes | 83,082,866 | 83,082,866 | 80,695,962 | - |
| City sales tax | 53,934,000 | 53,934,000 | 58,595,982 | - |
| Liquor drink tax | 1,491,240 | 1,491,240 | 1,561,023 | - |
| Bingo tax | 405,959 | 405,959 | 300,985 | - |
| Business fees | | | | |
| Electric franchise | 10,252,181 | 10,252,181 | 10,285,041 | - |
| Telecommunication fees | 3,648,884 | 3,648,884 | 3,243,733 | - |
| Cable TV | 3,500,000 | 3,500,000 | 3,495,013 | - |
| Other business fees | 53,300 | 53,300 | 43,223 | - |
| Total business fees | 17,454,365 | 17,454,365 | 17,067,010 | - |
| Total taxes and business fees | 156,368,430 | 156,368,430 | 158,220,962 | - |
| Licenses and permits | | | | |
| Beach parking | 855,000 | 855,000 | 984,073 | - |
| Fire prevention | 175,000 | 175,000 | 311,905 | - |
| Food service | 675,000 | 675,000 | 565,204 | - |
| Other licenses and permits | 194,818 | 194,818 | 182,639 | - |
| Total licenses and permits | 1,899,818 | 1,899,818 | 2,043,821 | - |
| Grants and intergovernmental contributions | 400,980 | 4,470,817 | 3,300,738 | - |
| Charges for services | | | | |
| General governmental services | 61,024 | 61,024 | 56,380 | - |
| Police | | | | |
| Towing and impound | 1,841,000 | 1,841,000 | 1,462,379 | - |
| Auction proceeds | 939,400 | 939,400 | 1,005,381 | - |
| Reports and fingerprinting | 82,600 | 82,600 | 108,129 | - |
| Parking meter collections | 291,000 | 291,000 | 187,779 | - |
| Alarm systems and police security | 630,000 | 630,000 | 608,705 | - |
| Emergency calls | 2,957,620 | 2,957,620 | 2,730,953 | - |
| Radio system | 216,824 | 216,824 | 203,619 | - |
| Nueces County Metrocom | 1,212,000 | 1,212,000 | 1,231,014 | - |
| Crossing guards | 61,647 | 61,647 | 95,739 | - |
| Animal control | 84,700 | 84,700 | 102,062 | - |
| Other | 146,600 | 146,600 | 134,021 | - |
| Total police | 8,463,391 | 8,463,391 | 7,869,781 | - |
| Fire | 55,800 | 55,800 | 56,523 | - |
| Ambulance | 6,000,000 | 6,000,000 | 5,915,638 | - |
| Streets and bridge lighting | 156,990 | 156,990 | 160,678 | - |

(Continued)

| <u>Actual Budget Basis</u> | <u>Variance with Final Budget</u> |
|----------------------------|-----------------------------------|
| \$ 70,497,061 | \$ 145,196 |
| 1,354,970 | 404,969 |
| 775,378 | 75,378 |
| 8,025,297 | (2,974,703) |
| - | (26,000) |
| 43,256 | (11,744) |
| <u>80,695,962</u> | <u>(2,386,904)</u> |
| 58,595,982 | 4,661,982 |
| 1,561,023 | 69,783 |
| 300,985 | (104,974) |
| 10,285,041 | 32,860 |
| 3,243,733 | (405,151) |
| 3,495,013 | (4,987) |
| 43,223 | (10,077) |
| <u>17,067,010</u> | <u>(387,355)</u> |
| <u>158,220,962</u> | <u>1,852,532</u> |
| 984,073 | 129,073 |
| 311,905 | 136,905 |
| 565,204 | (109,796) |
| 182,639 | (12,179) |
| <u>2,043,821</u> | <u>144,003</u> |
| 3,300,738 | (1,170,079) |
| 56,380 | (4,644) |
| 1,462,379 | (378,621) |
| 1,005,381 | 65,981 |
| 108,129 | 25,529 |
| 187,779 | (103,221) |
| 608,705 | (21,295) |
| 2,730,953 | (226,667) |
| 203,619 | (13,205) |
| 1,231,014 | 19,014 |
| 95,739 | 34,092 |
| 102,062 | 17,362 |
| 134,021 | (12,579) |
| <u>7,869,781</u> | <u>(593,610)</u> |
| 56,523 | 723 |
| 5,915,638 | (84,362) |
| 160,678 | 3,688 |

City of Corpus Christi

**GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

| | Budget | | Actual GAAP Basis | Adjustments Budget Basis |
|---|---------------|---------------|----------------------|-----------------------------|
| | Original | Final | | |
| Solid waste services | | | | |
| Residential refuse collection | \$ 17,182,524 | \$ 17,182,524 | \$ 18,084,918 | \$ - |
| Commercial and industrial collection | 1,838,200 | 1,838,200 | 1,505,308 | - |
| Municipal solid waste system service charge | 3,738,044 | 3,738,044 | 3,751,260 | - |
| Disposal | 12,707,429 | 12,707,429 | 14,157,346 | - |
| Debris and brush | 319,160 | 319,160 | 245,245 | - |
| Recycling | 3,434,845 | 3,434,845 | 2,864,258 | - |
| Total solid waste services | 39,220,202 | 39,220,202 | 40,608,335 | - |
| Health | | | | |
| Vital records | 432,000 | 432,000 | 442,596 | - |
| Clinic, vaccine and laboratory charges | 132,500 | 132,500 | 137,971 | - |
| Nueces County health administration | 473,804 | 473,804 | 327,673 | - |
| Inspections | 62,000 | 62,000 | 71,883 | - |
| Total health | 1,100,304 | 1,100,304 | 980,123 | - |
| Recreation | | | | |
| Aquatics | 287,026 | 287,026 | 155,200 | - |
| Tennis centers | 42,150 | 42,150 | 38,525 | - |
| Athletics | 177,093 | 177,093 | 143,478 | - |
| Rentals | 87,982 | 87,982 | 103,337 | - |
| Latchkey | 2,809,195 | 2,809,195 | 2,824,226 | - |
| Other | 101,075 | 101,075 | 160,128 | - |
| Total recreation | 3,504,521 | 3,504,521 | 3,424,894 | - |
| Libraries | 120,312 | 120,312 | 128,677 | - |
| Museum of Science and History | | | | |
| Admissions | 281,686 | 281,686 | 171,994 | - |
| Gift shop | 114,254 | 114,254 | 15,130 | - |
| Programs | 327,580 | 327,580 | 140,589 | - |
| Other | (105,349) | (105,349) | (166,754) | - |
| Total museum of science and history | 618,171 | 618,171 | 160,959 | - |
| Total charges for services | 59,300,715 | 59,300,715 | 59,361,988 | - |
| Fines and forfeitures | | | | |
| Traffic fines | 1,462,479 | 1,462,479 | 1,862,260 | - |
| Parking fines | 441,089 | 441,089 | 358,507 | - |
| General fines | 2,395,689 | 2,395,689 | 2,319,491 | - |
| Municipal Court fees and fines | 974,951 | 974,951 | 851,345 | - |
| Demolition and weed liens | 174,000 | 174,000 | 102,950 | - |
| Animal control fines | 24,308 | 24,308 | 25,962 | - |
| Total fines and forfeitures | 5,472,516 | 5,472,516 | 5,520,515 | - |
| Earnings on investments | 377,000 | 377,000 | 1,062,093 | - |
| Miscellaneous | | | | |
| Rental of general property | 190,000 | 190,000 | 243,581 | - |
| Contributions and donations | 24,000 | 24,000 | 23,122 | - |
| Naming rights for convention center | 185,000 | 185,000 | 206,901 | - |
| Streets and easements | - | - | (189) | - |
| Other | 374,009 | 466,447 | 861,263 | - |
| Total miscellaneous | 773,009 | 865,447 | 1,334,678 | - |

(Continued)

| Actual Budget Basis | Variance with Final Budget |
|----------------------------|-----------------------------------|
| \$ 18,084,918 | \$ 902,394 |
| 1,505,308 | (332,892) |
| 3,751,260 | 13,216 |
| 14,157,346 | 1,449,917 |
| 245,245 | (73,915) |
| 2,864,258 | (570,587) |
| <u>40,608,335</u> | <u>1,388,133</u> |
| 442,596 | 10,596 |
| 137,971 | 5,471 |
| 327,673 | (146,131) |
| 71,883 | 9,883 |
| <u>980,123</u> | <u>(120,181)</u> |
| 155,200 | (131,826) |
| 38,525 | (3,625) |
| 143,478 | (33,615) |
| 103,337 | 15,355 |
| 2,824,226 | 15,031 |
| 160,128 | 59,053 |
| <u>3,424,894</u> | <u>(79,627)</u> |
| 128,677 | 8,365 |
| 171,994 | (109,692) |
| 15,130 | (99,124) |
| 140,589 | (186,991) |
| (166,754) | (61,405) |
| <u>160,959</u> | <u>(457,212)</u> |
| <u>59,361,988</u> | <u>61,273</u> |
| 1,862,260 | 399,781 |
| 358,507 | (82,582) |
| 2,319,491 | (76,198) |
| 851,345 | (123,606) |
| 102,950 | (71,050) |
| 25,962 | 1,654 |
| <u>5,520,515</u> | <u>47,999</u> |
| 1,062,093 | 685,093 |
| 243,581 | 53,581 |
| 23,122 | (878) |
| 206,901 | 21,901 |
| (189) | (189) |
| 861,263 | 394,816 |
| <u>1,334,678</u> | <u>469,231</u> |

City of Corpus Christi

**GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

| | Budget | | Actual GAAP Basis | Adjustments Budget Basis |
|--------------------------------------|-----------------|----------------|------------------------------|-------------------------------------|
| | Original | Final | | |
| Reimbursements | \$ 5,382,776 | \$ 5,382,776 | \$ - | \$ 5,406,776 |
| Total revenues | 229,975,244 | 234,137,519 | 230,844,795 | 5,406,776 |
| Other financing sources (uses) | | | | |
| Capital leases | - | - | 724,100 | (724,100) |
| Sale of City property | - | - | 322 | - |
| Transfers in | 9,498,619 | 9,498,619 | 9,491,625 | - |
| Transfers out | (17,604,713) | (17,604,713) | (18,924,001) | 1,300,000 |
| Total other financing sources (uses) | (8,106,094) | (8,106,094) | (8,707,954) | 575,900 |
| Total revenues and other sources | \$ 221,869,150 | \$ 226,031,425 | \$ 222,136,841 | \$ 5,982,676 |

| <u>Actual Budget</u> <u>Basis</u> | <u>Variance with</u> <u>Final Budget</u> |
|--------------------------------------|---|
| \$ 5,406,776 | \$ 24,000 |
| <u>236,251,571</u> | <u>2,114,052</u> |
| - | - |
| 322 | 322 |
| 9,491,625 | (6,994) |
| <u>(17,624,001)</u> | <u>(19,288)</u> |
| <u>(8,132,054)</u> | <u>(25,960)</u> |
| <u>\$ 228,119,517</u> | <u>\$ 2,088,092</u> |

City of Corpus Christi

**GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | Budget | | Actual GAAP Basis | Adjustments Budget Basis |
|--|------------------|------------------|----------------------|-----------------------------|
| | Original | Final | | |
| General government | | | | |
| Control | | | | |
| City council and city secretary | | | | |
| Personnel services | \$ 765,700 | \$ 729,705 | \$ 713,513 | \$ - |
| Materials, supplies & contractual services | 84,662 | 1,052,616 | 48,800 | - |
| Other charges | 157,649 | 155,799 | 129,081 | - |
| Total city council and city secretary | <u>1,008,011</u> | <u>1,938,120</u> | <u>891,394</u> | <u>-</u> |
| Group managers | | | | |
| Personnel services | 623,479 | 578,481 | 553,660 | - |
| Materials, supplies & contractual services | 90,604 | 172,834 | 166,446 | - |
| Other charges | 104,855 | 102,751 | 83,244 | - |
| Total group managers | <u>818,938</u> | <u>854,066</u> | <u>803,350</u> | <u>-</u> |
| City auditor | | | | |
| Personnel services | 411,542 | 308,386 | 260,021 | - |
| Materials, supplies & contractual services | 18,715 | 31,715 | 25,984 | - |
| Other charges | 54,117 | 54,117 | 53,261 | - |
| Total city auditor | <u>484,374</u> | <u>394,218</u> | <u>339,266</u> | <u>-</u> |
| City manager | | | | |
| Personnel services | 589,673 | 572,622 | 652,369 | - |
| Materials, supplies & contractual services | 14,173 | 16,458 | 12,560 | - |
| Other charges | 87,629 | 87,629 | 81,832 | - |
| Total city manager | <u>691,475</u> | <u>676,709</u> | <u>746,761</u> | <u>-</u> |
| Office of management and budget | | | | |
| Personnel services | 824,348 | 811,560 | 811,569 | - |
| Materials, supplies & contractual services | 56,667 | 142,928 | 79,699 | - |
| Other charges | 104,454 | 104,454 | 104,959 | - |
| Reimbursements | - | - | (639,155) | 639,155 |
| Total office of management and budget | <u>985,469</u> | <u>1,058,942</u> | <u>357,072</u> | <u>639,155</u> |
| Public information | | | | |
| Personnel services | 545,784 | 510,579 | 499,717 | - |
| Materials, supplies & contractual services | 199,608 | 192,294 | 134,636 | - |
| Other charges | 70,009 | 82,209 | 80,585 | - |
| Total public information | <u>815,401</u> | <u>785,082</u> | <u>714,938</u> | <u>-</u> |
| Staff agencies | | | | |
| Financial services | | | | |
| Personnel services | 3,319,355 | 3,221,738 | 3,186,239 | - |
| Materials, supplies & contractual services | 613,463 | 738,048 | 531,023 | - |
| Other charges | 614,218 | 615,337 | 596,771 | - |
| Reimbursements | - | - | (639,155) | 639,155 |
| Total financial services | <u>4,547,036</u> | <u>4,575,123</u> | <u>3,674,878</u> | <u>639,155</u> |

(Continued)

| <u>Actual</u> | <u>Variance with</u> |
|---------------------|----------------------|
| <u>Budget Basis</u> | <u>Final Budget</u> |
| \$ 713,513 | \$ 16,192 |
| 48,800 | 1,003,816 |
| 129,081 | 26,718 |
| <u>891,394</u> | <u>1,046,726</u> |
| 553,660 | 24,821 |
| 166,446 | 6,388 |
| 83,244 | 19,507 |
| <u>803,350</u> | <u>50,716</u> |
| 260,021 | 48,365 |
| 25,984 | 5,731 |
| 53,261 | 856 |
| <u>339,266</u> | <u>54,952</u> |
| 652,369 | (79,747) |
| 12,560 | 3,898 |
| 81,832 | 5,797 |
| <u>746,761</u> | <u>(70,052)</u> |
| 811,569 | (9) |
| 79,699 | 63,229 |
| 104,959 | (505) |
| - | - |
| <u>996,227</u> | <u>62,715</u> |
| 499,717 | 10,862 |
| 134,636 | 57,658 |
| 80,585 | 1,624 |
| <u>714,938</u> | <u>70,144</u> |
| 3,186,239 | 35,499 |
| 531,023 | 207,025 |
| 596,771 | 18,566 |
| - | - |
| <u>4,314,033</u> | <u>261,090</u> |

City of Corpus Christi

**GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | Budget | | Actual GAAP Basis | Adjustments Budget Basis |
|--|-------------------|-------------------|------------------------------|-------------------------------------|
| | Original | Final | | |
| City attorney | | | | |
| Personnel services | \$ 2,327,068 | \$ 2,258,358 | \$ 2,209,169 | \$ - |
| Materials, supplies & contractual services | 143,289 | 191,945 | 82,164 | - |
| Other charges | 303,371 | 303,371 | 293,513 | - |
| Total city attorney | <u>2,773,728</u> | <u>2,753,674</u> | <u>2,584,846</u> | <u>-</u> |
| Housing and community development | | | | |
| Personnel services | 183,860 | 163,082 | 164,320 | - |
| Materials, supplies & contractual services | 6,724 | 6,724 | 12,102 | - |
| Other charges | 32,333 | 32,333 | 27,072 | - |
| Total housing and community development | <u>222,917</u> | <u>202,139</u> | <u>203,494</u> | <u>-</u> |
| Planning | | | | |
| Personnel services | 308,598 | 239,293 | 207,283 | - |
| Materials, supplies & contractual services | 347,865 | 892,621 | 65,998 | - |
| Other charges | 49,671 | 55,034 | 47,969 | - |
| Total planning | <u>706,134</u> | <u>1,186,948</u> | <u>321,250</u> | <u>-</u> |
| Human resources | | | | |
| Personnel services | 1,411,730 | 1,358,396 | 1,338,506 | - |
| Materials, supplies & contractual services | 394,858 | 401,086 | 300,175 | - |
| Other charges | 239,338 | 239,338 | 232,534 | - |
| Reimbursements | - | - | (24,000) | 24,000 |
| Total human resources | <u>2,045,926</u> | <u>1,998,820</u> | <u>1,847,215</u> | <u>24,000</u> |
| Human relations | | | | |
| Personnel services | 394,192 | 377,524 | 372,235 | - |
| Materials, supplies & contractual services | 72,190 | 74,007 | 45,375 | - |
| Other charges | 86,428 | 87,620 | 78,899 | - |
| Total human relations | <u>552,810</u> | <u>539,151</u> | <u>496,509</u> | <u>-</u> |
| Other expenditures | | | | |
| Uncollectible accounts | 250,000 | 250,000 | 895,226 | - |
| Reserve appropriations | 2,182,785 | 2,107,497 | - | - |
| Major memberships | 100,000 | 100,000 | 88,165 | - |
| NCAD/Nueces County Administration | 1,600,000 | 1,600,000 | 1,582,609 | - |
| Downtown Mgmt District | 300,000 | 302,258 | 300,000 | - |
| CC Regional Economic Development Corporation | 171,000 | 171,000 | 170,620 | - |
| Economic development incentives | 2,000,000 | 1,900,020 | 1,128,301 | - |
| Purchasing/messenger service allocation | 340,320 | 340,320 | 340,320 | - |
| Total other expenditures | <u>6,944,105</u> | <u>6,771,095</u> | <u>4,505,241</u> | <u>-</u> |
| Total general government | <u>22,596,324</u> | <u>23,734,087</u> | <u>17,486,214</u> | <u>1,302,310</u> |

(Continued)

| <u>Actual</u> <u>Budget Basis</u> | <u>Variance with</u> <u>Final Budget</u> |
|--------------------------------------|---|
| \$ 2,209,169 | \$ 49,189 |
| 82,164 | 109,781 |
| <u>293,513</u> | <u>9,858</u> |
| <u>2,584,846</u> | <u>168,828</u> |
| 164,320 | (1,238) |
| 12,102 | (5,378) |
| <u>27,072</u> | <u>5,261</u> |
| <u>203,494</u> | <u>(1,355)</u> |
| 207,283 | 32,010 |
| 65,998 | 826,623 |
| 47,969 | 7,065 |
| <u>321,250</u> | <u>865,698</u> |
| 1,338,506 | 19,890 |
| 300,175 | 100,911 |
| 232,534 | 6,804 |
| - | - |
| <u>1,871,215</u> | <u>127,605</u> |
| 372,235 | 5,289 |
| 45,375 | 28,632 |
| 78,899 | 8,721 |
| <u>496,509</u> | <u>42,642</u> |
| 895,226 | (645,226) |
| - | 2,107,497 |
| 88,165 | 11,835 |
| 1,582,609 | 17,391 |
| 300,000 | 2,258 |
| 170,620 | 380 |
| 1,128,301 | 771,719 |
| 340,320 | - |
| <u>4,505,241</u> | <u>2,265,854</u> |
| <u>18,788,524</u> | <u>4,945,563</u> |

City of Corpus Christi

**GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | Budget | | Actual GAAP Basis | Adjustments Budget Basis |
|--|-------------------|-------------------|------------------------------|-------------------------------------|
| | Original | Final | | |
| Police and municipal court | | | | |
| Administration and support services | | | | |
| Personnel services | \$ 3,558,017 | \$ 3,670,122 | \$ 3,726,460 | \$ - |
| Materials, supplies & contractual services | 2,171,791 | 3,202,057 | 2,120,662 | - |
| Other charges | 932,414 | 926,414 | 924,438 | - |
| Reimbursements | - | - | (790,144) | 790,144 |
| Total administration and support services | <u>6,662,222</u> | <u>7,798,593</u> | <u>5,981,416</u> | <u>790,144</u> |
| Training | | | | |
| Personnel services | 2,295,537 | 2,142,539 | 1,657,874 | - |
| Materials, supplies & contractual services | 305,334 | 329,086 | 322,344 | - |
| Other charges | 295,752 | 267,752 | 266,050 | - |
| Capital outlays | 162,000 | 344,370 | 208,488 | - |
| Total training | <u>3,058,623</u> | <u>3,083,747</u> | <u>2,454,756</u> | <u>-</u> |
| Investigations and forensics | | | | |
| Personnel services | 11,624,527 | 11,827,215 | 11,759,382 | - |
| Materials, supplies & contractual services | 556,006 | 534,545 | 523,365 | - |
| Other charges | 1,223,104 | 1,223,104 | 1,221,177 | - |
| Reimbursements | - | - | (1,671) | - |
| Total investigations and forensics | <u>13,403,637</u> | <u>13,584,864</u> | <u>13,502,253</u> | <u>-</u> |
| Uniformed division | | | | |
| Personnel services | 32,770,106 | 32,829,219 | 33,271,288 | - |
| Materials, supplies & contractual services | 1,078,667 | 1,121,012 | 1,185,168 | - |
| Other charges | 6,382,827 | 6,389,086 | 5,088,828 | 1,300,000 |
| Capital outlays | - | 92,438 | - | - |
| Total uniformed division | <u>40,231,600</u> | <u>40,431,755</u> | <u>39,545,284</u> | <u>1,300,000</u> |
| Emergency calls and dispatch | | | | |
| Personnel services | 4,756,662 | 4,756,662 | 4,871,187 | - |
| Materials, supplies & contractual services | 1,051,880 | 1,059,840 | 1,016,128 | - |
| Other charges | 247,747 | 242,747 | 241,340 | - |
| Total emergency calls and dispatch | <u>6,056,289</u> | <u>6,059,249</u> | <u>6,128,655</u> | <u>-</u> |
| Special police operations | | | | |
| Personnel services | 684,196 | 684,196 | 552,780 | - |
| Materials, supplies & contractual services | 201,745 | 247,376 | 279,478 | - |
| Other charges | 68,439 | 65,180 | 58,857 | - |
| Total special police operations | <u>954,380</u> | <u>996,752</u> | <u>891,115</u> | <u>-</u> |
| Vehicle impound operations | | | | |
| Personnel services | 571,186 | 571,186 | 544,989 | - |
| Materials, supplies & contractual services | 1,051,068 | 1,172,407 | 1,204,015 | - |
| Other charges | 98,913 | 99,605 | 104,140 | - |
| Total vehicle impound operations | <u>1,721,167</u> | <u>1,843,198</u> | <u>1,853,144</u> | <u>-</u> |

(Continued)

| <u>Actual</u> | <u>Variance with</u> |
|---------------------|----------------------|
| <u>Budget Basis</u> | <u>Final Budget</u> |
| \$ 3,726,460 | \$ (56,338) |
| 2,120,662 | 1,081,395 |
| 924,438 | 1,976 |
| - | - |
| <u>6,771,560</u> | <u>1,027,033</u> |
| 1,657,874 | 484,665 |
| 322,344 | 6,742 |
| 266,050 | 1,702 |
| 208,488 | 135,882 |
| <u>2,454,756</u> | <u>628,991</u> |
| 11,759,382 | 67,833 |
| 523,365 | 11,180 |
| 1,221,177 | 1,927 |
| (1,671) | 1,671 |
| <u>13,502,253</u> | <u>82,611</u> |
| 33,271,288 | (442,069) |
| 1,185,168 | (64,156) |
| 6,388,828 | 258 |
| - | 92,438 |
| <u>40,845,284</u> | <u>(413,529)</u> |
| 4,871,187 | (114,525) |
| 1,016,128 | 43,712 |
| 241,340 | 1,407 |
| <u>6,128,655</u> | <u>(69,406)</u> |
| 552,780 | 131,416 |
| 279,478 | (32,102) |
| 58,857 | 6,323 |
| <u>891,115</u> | <u>105,637</u> |
| 544,989 | 26,197 |
| 1,204,015 | (31,608) |
| 104,140 | (4,535) |
| <u>1,853,144</u> | <u>(9,946)</u> |

City of Corpus Christi

**GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | Budget | | Actual GAAP Basis | Adjustments Budget Basis |
|--|-------------------|-------------------|------------------------------|-------------------------------------|
| | Original | Final | | |
| Central information | | | | |
| Personnel services | \$ 1,457,921 | \$ 1,457,921 | \$ 1,313,498 | \$ - |
| Materials, supplies & contractual services | 51,430 | 55,303 | 55,525 | - |
| Other charges | 155,485 | 157,454 | 157,362 | - |
| Total central information | <u>1,664,836</u> | <u>1,670,678</u> | <u>1,526,385</u> | <u>-</u> |
| Criminal intelligence unit | | | | |
| Personnel services | 1,163,217 | 1,163,217 | 1,177,802 | - |
| Materials, supplies & contractual services | 61,069 | 52,122 | 40,944 | - |
| Other charges | 90,159 | 90,159 | 87,258 | - |
| Total criminal intelligence unit | <u>1,314,445</u> | <u>1,305,498</u> | <u>1,306,004</u> | <u>-</u> |
| Animal control | | | | |
| Personnel services | 1,921,529 | 1,691,591 | 1,660,695 | - |
| Materials, supplies & contractual services | 831,111 | 854,966 | 573,446 | 68,215 |
| Other charges | 552,265 | 552,708 | 549,379 | - |
| Capital outlays | 150,000 | 150,000 | - | - |
| Total animal control | <u>3,454,905</u> | <u>3,249,265</u> | <u>2,783,520</u> | <u>68,215</u> |
| Code enforcement | | | | |
| Personnel services | 1,187,296 | 1,086,894 | 1,029,703 | - |
| Materials, supplies & contractual services | 411,955 | 418,520 | 241,952 | 47,261 |
| Other charges | 372,470 | 372,470 | 369,131 | - |
| Capital outlays | 53,208 | 55,513 | - | - |
| Total code enforcement | <u>2,024,929</u> | <u>1,933,397</u> | <u>1,640,786</u> | <u>47,261</u> |
| Municipal court | | | | |
| Administration | | | | |
| Personnel services | 1,566,112 | 1,428,074 | 1,403,012 | - |
| Materials, supplies & contractual services | 214,894 | 326,247 | 93,480 | - |
| Other charges | 236,703 | 240,263 | 246,933 | - |
| Total administration | <u>2,017,709</u> | <u>1,994,584</u> | <u>1,743,425</u> | <u>-</u> |
| Juvenile court | | | | |
| Personnel services | 1,066,593 | 1,035,156 | 1,102,389 | - |
| Materials, supplies & contractual services | 45,511 | 60,474 | 24,197 | - |
| Other charges | 74,555 | 75,979 | 77,475 | - |
| Total juvenile court | <u>1,186,659</u> | <u>1,171,609</u> | <u>1,204,061</u> | <u>-</u> |
| Detention facility | | | | |
| Personnel services | 1,399,158 | 1,356,917 | 1,435,995 | - |
| Materials, supplies & contractual services | 126,048 | 150,806 | 118,579 | - |
| Other charges | 117,936 | 117,936 | 117,936 | - |
| Total detention facility | <u>1,643,142</u> | <u>1,625,659</u> | <u>1,672,510</u> | <u>-</u> |
| City marshalls | | | | |
| Personnel services | 365,363 | 365,363 | 385,829 | - |
| Materials, supplies & contractual services | 147,500 | 157,156 | 147,360 | - |
| Other charges | 72,906 | 72,906 | 68,182 | - |
| Total city marshalls | <u>585,769</u> | <u>595,425</u> | <u>601,371</u> | <u>-</u> |
| Total police and municipal court | <u>85,980,312</u> | <u>87,344,273</u> | <u>82,834,685</u> | <u>2,205,620</u> |

(Continued)

| <u>Actual</u> <u>Budget Basis</u> | <u>Variance with</u> <u>Final Budget</u> |
|--------------------------------------|---|
| \$ 1,313,498 | \$ 144,423 |
| 55,525 | (222) |
| 157,362 | 92 |
| <u>1,526,385</u> | <u>144,293</u> |
| 1,177,802 | (14,585) |
| 40,944 | 11,178 |
| 87,258 | 2,901 |
| <u>1,306,004</u> | <u>(506)</u> |
| 1,660,695 | 30,896 |
| 641,661 | 213,305 |
| 549,379 | 3,329 |
| - | 150,000 |
| <u>2,851,735</u> | <u>397,530</u> |
| 1,029,703 | 57,191 |
| 289,213 | 129,307 |
| 369,131 | 3,339 |
| - | 55,513 |
| <u>1,688,047</u> | <u>245,350</u> |
| 1,403,012 | 25,062 |
| 93,480 | 232,767 |
| 246,933 | (6,670) |
| <u>1,743,425</u> | <u>251,159</u> |
| 1,102,389 | (67,233) |
| 24,197 | 36,277 |
| 77,475 | (1,496) |
| <u>1,204,061</u> | <u>(32,452)</u> |
| 1,435,995 | (79,078) |
| 118,579 | 32,227 |
| 117,936 | - |
| <u>1,672,510</u> | <u>(46,851)</u> |
| 385,829 | (20,466) |
| 147,360 | 9,796 |
| 68,182 | 4,724 |
| <u>601,371</u> | <u>(5,946)</u> |
| <u>85,040,305</u> | <u>2,303,968</u> |

City of Corpus Christi

GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018

| | Budget | | Actual GAAP Basis | Adjustments Budget Basis |
|--|--------------|--------------|----------------------|-----------------------------|
| | Original | Final | | |
| Fire and ambulance | | | | |
| Administration and support services | | | | |
| Personnel services | \$ 1,915,132 | \$ 1,915,132 | \$ 1,904,444 | \$ - |
| Materials, supplies & contractual services | 1,022,545 | 1,142,023 | 934,765 | - |
| Other charges | 377,525 | 374,793 | 371,662 | - |
| Total administration and support services | 3,315,202 | 3,431,948 | 3,210,871 | - |
| Training | | | | |
| Personnel services | 2,208,289 | 2,208,289 | 1,963,629 | - |
| Materials, supplies & contractual services | 283,491 | 307,138 | 165,005 | - |
| Other charges | 231,209 | 202,949 | 154,075 | - |
| Total training | 2,722,989 | 2,718,376 | 2,282,709 | - |
| Stations | | | | |
| Personnel services | 39,324,700 | 40,348,922 | 40,230,917 | - |
| Materials, supplies & contractual services | 2,537,678 | 2,474,446 | 1,622,869 | 708,414 |
| Other charges | 3,366,751 | 3,303,224 | 3,145,196 | - |
| Capital outlays | 650,000 | 667,840 | - | - |
| Reimbursements | - | - | (327,472) | 327,472 |
| Total stations | 45,879,129 | 46,794,432 | 44,671,510 | 1,035,886 |
| Life guarding and first response | | | | |
| Personnel services | 261,046 | 229,046 | 193,478 | - |
| Materials, supplies & contractual services | 44,200 | 48,170 | 44,334 | - |
| Other charges | 76,669 | 76,669 | 74,669 | - |
| Capital outlays | 40,000 | 110,800 | 70,800 | - |
| Total life guarding and first response | 421,915 | 464,685 | 383,281 | - |
| Ambulance and operations | | | | |
| Personnel services | 182,933 | 182,933 | 178,720 | - |
| Materials, supplies & contractual services | 1,610,224 | 1,651,734 | 1,158,789 | 234,411 |
| Other charges | 83,660 | 87,096 | 83,676 | - |
| Total ambulance and operations | 1,876,817 | 1,921,763 | 1,421,185 | 234,411 |
| Emergency management | | | | |
| Personnel services | 259,252 | 259,252 | 201,388 | - |
| Materials, supplies & contractual services | 95,176 | 506,676 | 247,211 | - |
| Other charges | 118,794 | 119,794 | 120,528 | - |
| Total emergency management | 473,222 | 885,722 | 569,127 | - |
| Prevention | 1,788,750 | 1,790,190 | 1,835,742 | - |
| Total fire and ambulance | 56,478,024 | 58,007,116 | 54,374,425 | 1,270,297 |
| Streets | | | | |
| Streets and bridge lighting | | | | |
| Materials, supplies & contractual services | 3,928,289 | 4,036,001 | 3,192,777 | - |

(Continued)

| <u>Actual</u> <u>Budget Basis</u> | <u>Variance with</u> <u>Final Budget</u> |
|--------------------------------------|---|
| \$ 1,904,444 | \$ 10,688 |
| 934,765 | 207,258 |
| 371,662 | 3,131 |
| <u>3,210,871</u> | <u>221,077</u> |
| 1,963,629 | 244,660 |
| 165,005 | 142,133 |
| 154,075 | 48,874 |
| <u>2,282,709</u> | <u>435,667</u> |
| 40,230,917 | 118,005 |
| 2,331,283 | 143,163 |
| 3,145,196 | 158,028 |
| - | 667,840 |
| - | - |
| <u>45,707,396</u> | <u>1,087,036</u> |
| 193,478 | 35,568 |
| 44,334 | 3,836 |
| 74,669 | 2,000 |
| 70,800 | 40,000 |
| <u>383,281</u> | <u>81,404</u> |
| 178,720 | 4,213 |
| 1,393,200 | 258,534 |
| 83,676 | 3,420 |
| <u>1,655,596</u> | <u>266,167</u> |
| 201,388 | 57,864 |
| 247,211 | 259,465 |
| 120,528 | (734) |
| <u>569,127</u> | <u>316,595</u> |
| <u>1,835,742</u> | <u>(45,552)</u> |
| <u>55,644,722</u> | <u>2,362,394</u> |
| <u>3,192,777</u> | <u>843,224</u> |

City of Corpus Christi

**GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | Budget | | Actual GAAP Basis | Adjustments Budget Basis |
|--|-------------------|-------------------|------------------------------|-------------------------------------|
| | Original | Final | | |
| Solid Waste | | | | |
| Administration and support services | | | | |
| Personnel services | \$ 1,475,221 | \$ 1,232,746 | \$ 1,114,798 | \$ - |
| Materials, supplies & contractual services | 690,779 | 740,518 | 636,198 | 6,258 |
| Other charges | 257,500 | 260,100 | 258,818 | - |
| Total administration and support services | <u>2,423,500</u> | <u>2,233,364</u> | <u>2,009,814</u> | <u>6,258</u> |
| JC Elliott Transfer Station | | | | |
| Personnel services | 1,099,770 | 1,190,121 | 1,370,974 | - |
| Materials, supplies & contractual services | 1,512,004 | 1,551,581 | 826,289 | 441,559 |
| Other charges | 370,079 | 370,079 | 370,079 | - |
| Capital outlays | - | - | 724,100 | (724,100) |
| Total JC Elliott Transfer Station | <u>2,981,853</u> | <u>3,111,781</u> | <u>3,291,442</u> | <u>(282,541)</u> |
| Elliot closure/post-closure care | | | | |
| Materials, supplies & contractual services | 243,000 | 749,242 | 286,844 | - |
| Refuse and brush collection and disposal | | | | |
| Personnel services | 6,148,267 | 6,004,719 | 6,438,833 | - |
| Materials, supplies & contractual services | 5,738,555 | 14,446,035 | 11,028,403 | 2,617,854 |
| Other charges | 1,253,411 | 1,254,324 | 1,262,441 | - |
| Reimbursements | - | - | (500,000) | 500,000 |
| Total refuse and brush collection and disposal | <u>13,140,233</u> | <u>21,705,078</u> | <u>18,229,677</u> | <u>3,117,854</u> |
| Cefe Valenzuela landfill operations | | | | |
| Personnel services | 791,522 | 787,984 | 829,675 | - |
| Materials, supplies & contractual services | 5,775,412 | 6,532,421 | 6,062,761 | 15,689 |
| Other charges | 435,836 | 439,259 | 432,418 | - |
| Total cefe valenzuela landfill operations | <u>7,002,770</u> | <u>7,759,664</u> | <u>7,324,854</u> | <u>15,689</u> |
| Graffiti clean-up | | | | |
| Personnel services | 224,568 | 165,976 | 157,829 | - |
| Materials, supplies & contractual services | 41,368 | 41,368 | 9,152 | - |
| Other charges | 20,489 | 20,489 | 20,489 | - |
| Total graffiti clean-up | <u>286,425</u> | <u>227,833</u> | <u>187,470</u> | <u>-</u> |
| Total solid waste | <u>26,077,781</u> | <u>35,786,962</u> | <u>31,330,101</u> | <u>2,857,260</u> |
| Health | | | | |
| Administration and support services | | | | |
| Personnel services | 858,779 | 821,389 | 813,206 | - |
| Materials, supplies & contractual services | 376,902 | 691,909 | 247,850 | 66,705 |
| Other charges | 333,468 | 347,222 | 339,809 | - |
| Capital outlays | - | 26,856 | 66,667 | - |
| Total health | <u>1,569,149</u> | <u>1,887,376</u> | <u>1,467,532</u> | <u>66,705</u> |
| Vital statistics | | | | |
| Personnel services | 137,819 | 136,138 | 139,408 | - |
| Materials, supplies & contractual services | 25,825 | 279,189 | 23,665 | - |
| Other charges | 17,515 | 17,485 | 17,395 | - |
| Total vital statistics | <u>181,159</u> | <u>432,812</u> | <u>180,468</u> | <u>-</u> |

(Continued)

| <u>Actual</u> <u>Budget Basis</u> | <u>Variance with</u> <u>Final Budget</u> |
|--------------------------------------|---|
| \$ 1,114,798 | \$ 117,948 |
| 642,456 | 98,062 |
| 258,818 | 1,282 |
| <u>2,016,072</u> | <u>217,292</u> |
| 1,370,974 | (180,853) |
| 1,267,848 | 283,733 |
| 370,079 | - |
| - | - |
| <u>3,008,901</u> | <u>102,880</u> |
| 286,844 | 462,398 |
| 6,438,833 | (434,114) |
| 13,646,257 | 799,778 |
| 1,262,441 | (8,117) |
| - | - |
| <u>21,347,531</u> | <u>357,547</u> |
| 829,675 | (41,691) |
| 6,078,450 | 453,971 |
| 432,418 | 6,841 |
| <u>7,340,543</u> | <u>419,121</u> |
| 157,829 | 8,147 |
| 9,152 | 32,216 |
| 20,489 | - |
| <u>187,470</u> | <u>40,363</u> |
| <u>34,187,361</u> | <u>1,599,601</u> |
| 813,206 | 8,183 |
| 314,555 | 377,354 |
| 339,809 | 7,413 |
| 66,667 | (39,811) |
| <u>1,534,237</u> | <u>353,139</u> |
| 139,408 | (3,270) |
| 23,665 | 255,524 |
| 17,395 | 90 |
| <u>180,468</u> | <u>252,344</u> |

City of Corpus Christi

**GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | Budget | | Actual GAAP Basis | Adjustments Budget Basis |
|--|------------------|------------------|------------------------------|-------------------------------------|
| | Original | Final | | |
| Tuberculosis clinic | | | | |
| Personnel services | \$ 74,889 | \$ 74,305 | \$ 74,484 | \$ - |
| Materials, supplies & contractual services | 69,257 | 48,206 | 40,057 | - |
| Other charges | 8,362 | 7,880 | 7,873 | - |
| Capital Outlays | - | 9,809 | 9,809 | - |
| Total tuberculosis clinic | <u>152,508</u> | <u>140,200</u> | <u>132,223</u> | <u>-</u> |
| STD clinic | | | | |
| Personnel services | 130,369 | 126,257 | 126,202 | - |
| Materials, supplies & contractual services | 1,581 | 1,043 | 1,055 | - |
| Other charges | 12,144 | 11,984 | 11,984 | - |
| Total std clinic | <u>144,094</u> | <u>139,284</u> | <u>139,241</u> | <u>-</u> |
| Immunizations | | | | |
| Personnel services | 84,761 | 79,428 | 68,188 | - |
| Materials, supplies & contractual services | 155,960 | 144,425 | 101,831 | - |
| Other charges | 24,678 | 22,447 | 22,341 | - |
| Total immunizations | <u>265,399</u> | <u>246,300</u> | <u>192,360</u> | <u>-</u> |
| Nursing | | | | |
| Personnel services | 139,403 | 95,650 | 78,649 | - |
| Materials, supplies & contractual services | 48,221 | 40,827 | 41,476 | - |
| Other charges | 16,655 | 10,655 | 10,055 | - |
| Total nursing | <u>204,279</u> | <u>147,132</u> | <u>130,180</u> | <u>-</u> |
| Environmental health | | | | |
| Personnel services | 400,244 | 386,475 | 381,951 | - |
| Materials, supplies & contractual services | 40,060 | 54,312 | 39,140 | - |
| Other charges | 85,158 | 84,423 | 84,415 | - |
| Total environmental health | <u>525,462</u> | <u>525,210</u> | <u>505,506</u> | <u>-</u> |
| Laboratory | | | | |
| Personnel services | 232,143 | 204,127 | 196,490 | - |
| Materials, supplies & contractual services | 28,157 | 28,401 | 27,768 | - |
| Other charges | 17,593 | 16,605 | 16,598 | - |
| Capital outlays | - | 5,266 | 5,266 | - |
| Total laboratory | <u>277,893</u> | <u>254,399</u> | <u>246,122</u> | <u>-</u> |
| Mental health | | | | |
| Materials, supplies & contractual services | 54,000 | 54,000 | 54,000 | - |
| Total health | <u>3,373,943</u> | <u>3,826,713</u> | <u>3,047,632</u> | <u>66,705</u> |
| Parks and recreation | | | | |
| Administration and support services | | | | |
| Personnel services | 986,098 | 885,197 | 902,137 | - |
| Materials, supplies & contractual services | 103,341 | 143,244 | 188,125 | - |
| Other charges | 345,143 | 345,268 | 332,471 | - |
| Total administration and support services | <u>1,434,582</u> | <u>1,373,709</u> | <u>1,422,733</u> | <u>-</u> |

(Continued)

| <u>Actual</u> <u>Budget Basis</u> | <u>Variance with</u> <u>Final Budget</u> |
|--------------------------------------|---|
| \$ 74,484 | \$ (179) |
| 40,057 | 8,149 |
| 7,873 | 7 |
| 9,809 | - |
| <u>132,223</u> | <u>7,977</u> |
| 126,202 | 55 |
| 1,055 | (12) |
| 11,984 | - |
| <u>139,241</u> | <u>43</u> |
| 68,188 | 11,240 |
| 101,831 | 42,594 |
| 22,341 | 106 |
| <u>192,360</u> | <u>53,940</u> |
| 78,649 | 17,001 |
| 41,476 | (649) |
| 10,055 | 600 |
| <u>130,180</u> | <u>16,952</u> |
| 381,951 | 4,524 |
| 39,140 | 15,172 |
| 84,415 | 8 |
| <u>505,506</u> | <u>19,704</u> |
| 196,490 | 7,637 |
| 27,768 | 633 |
| 16,598 | 7 |
| 5,266 | - |
| <u>246,122</u> | <u>8,277</u> |
| 54,000 | - |
| <u>3,114,337</u> | <u>712,376</u> |
| 902,137 | (16,940) |
| 188,125 | (44,881) |
| 332,471 | 12,797 |
| <u>1,422,733</u> | <u>(49,024)</u> |

City of Corpus Christi

**GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | Budget | | Actual GAAP Basis | Adjustments Budget Basis |
|--|------------------|------------------|------------------------------|-------------------------------------|
| | Original | Final | | |
| Park operations | | | | |
| Personnel Services | \$ 2,620,573 | \$ 2,367,239 | \$ 2,345,498 | \$ - |
| Materials, supplies & contractual services | 1,267,511 | 1,979,572 | 959,729 | 107,265 |
| Other charges | 1,220,144 | 1,220,144 | 1,218,892 | - |
| Capital outlays | 87,800 | 87,800 | 83,700 | - |
| Reimbursements | - | - | (264,000) | 264,000 |
| Total park operations | <u>5,196,028</u> | <u>5,654,755</u> | <u>4,343,819</u> | <u>371,265</u> |
| Park construction | | | | |
| Personnel services | 283,392 | 257,112 | 250,682 | - |
| Materials, supplies & contractual services | 292,624 | 367,394 | 155,159 | - |
| Other charges | 94,065 | 94,065 | 93,065 | - |
| Capital outlays | - | - | 131,018 | - |
| Total park construction | <u>670,081</u> | <u>718,571</u> | <u>629,924</u> | <u>-</u> |
| Senior community services | | | | |
| Personnel services | 752,480 | 680,405 | 675,015 | - |
| Materials, supplies & contractual services | 267,028 | 291,186 | 240,028 | - |
| Other charges | 393,172 | 395,070 | 394,431 | - |
| Total senior community services | <u>1,412,680</u> | <u>1,366,661</u> | <u>1,309,474</u> | <u>-</u> |
| Beach maintenance and operations | | | | |
| Personnel services | 878,581 | 764,291 | 773,421 | - |
| Materials, supplies & contractual services | 673,632 | 964,484 | 395,229 | - |
| Other charges | 296,971 | 298,982 | 295,824 | - |
| Capital outlays | 180,003 | 257,095 | 296,531 | - |
| Reimbursements | - | - | (1,900,000) | 1,900,000 |
| Total beach maintenance and operations | <u>2,029,187</u> | <u>2,284,852</u> | <u>(138,995)</u> | <u>1,900,000</u> |
| Aquatics | | | | |
| Personnel services | 580,560 | 580,560 | 402,099 | - |
| Materials, supplies & contractual services | 543,292 | 1,229,458 | 1,085,161 | - |
| Other charges | 169,029 | 169,313 | 165,729 | - |
| Total aquatics | <u>1,292,881</u> | <u>1,979,331</u> | <u>1,652,989</u> | <u>-</u> |
| Athletics | | | | |
| Personnel services | 329,907 | 272,248 | 255,217 | - |
| Materials, supplies & contractual services | 216,776 | 208,364 | 181,423 | - |
| Other charges | 117,097 | 117,097 | 115,709 | - |
| Total athletics | <u>663,780</u> | <u>597,709</u> | <u>552,349</u> | <u>-</u> |
| Tennis centers | | | | |
| Personnel services | 36,494 | 36,063 | 36,635 | - |
| Materials, supplies & contractual services | 199,893 | 235,962 | 172,375 | - |
| Other charges | 57,908 | 57,908 | 56,992 | - |
| Total tennis centers | <u>294,295</u> | <u>329,933</u> | <u>266,002</u> | <u>-</u> |

(Continued)

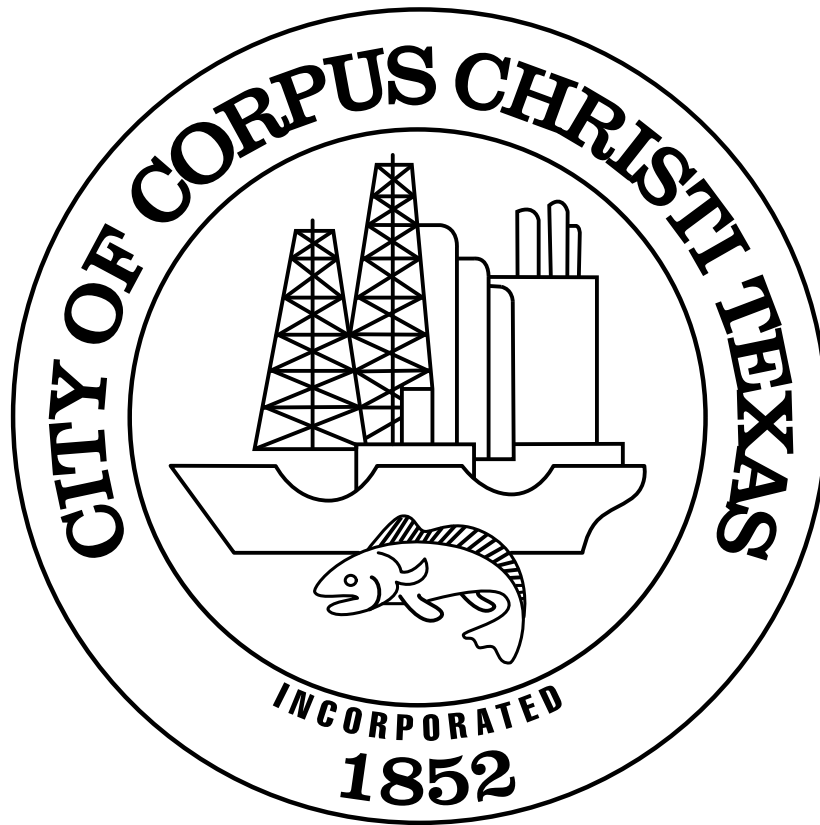
| <u>Actual</u> <u>Budget Basis</u> | <u>Variance with</u> <u>Final Budget</u> |
|--------------------------------------|---|
| \$ 2,345,498 | \$ 21,741 |
| 1,066,994 | 912,578 |
| 1,218,892 | 1,252 |
| 83,700 | 4,100 |
| - | - |
| <u>4,715,084</u> | <u>939,671</u> |
| 250,682 | 6,430 |
| 155,159 | 212,235 |
| 93,065 | 1,000 |
| <u>131,018</u> | <u>(131,018)</u> |
| <u>629,924</u> | <u>88,647</u> |
| 675,015 | 5,390 |
| 240,028 | 51,158 |
| <u>394,431</u> | <u>639</u> |
| <u>1,309,474</u> | <u>57,187</u> |
| 773,421 | (9,130) |
| 395,229 | 569,255 |
| 295,824 | 3,158 |
| 296,531 | (39,436) |
| - | - |
| <u>1,761,005</u> | <u>523,847</u> |
| 402,099 | 178,461 |
| 1,085,161 | 144,297 |
| <u>165,729</u> | <u>3,584</u> |
| <u>1,652,989</u> | <u>326,342</u> |
| 255,217 | 17,031 |
| 181,423 | 26,941 |
| <u>115,709</u> | <u>1,388</u> |
| <u>552,349</u> | <u>45,360</u> |
| 36,635 | (572) |
| 172,375 | 63,587 |
| <u>56,992</u> | <u>916</u> |
| <u>266,002</u> | <u>63,931</u> |

City of Corpus Christi

**GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

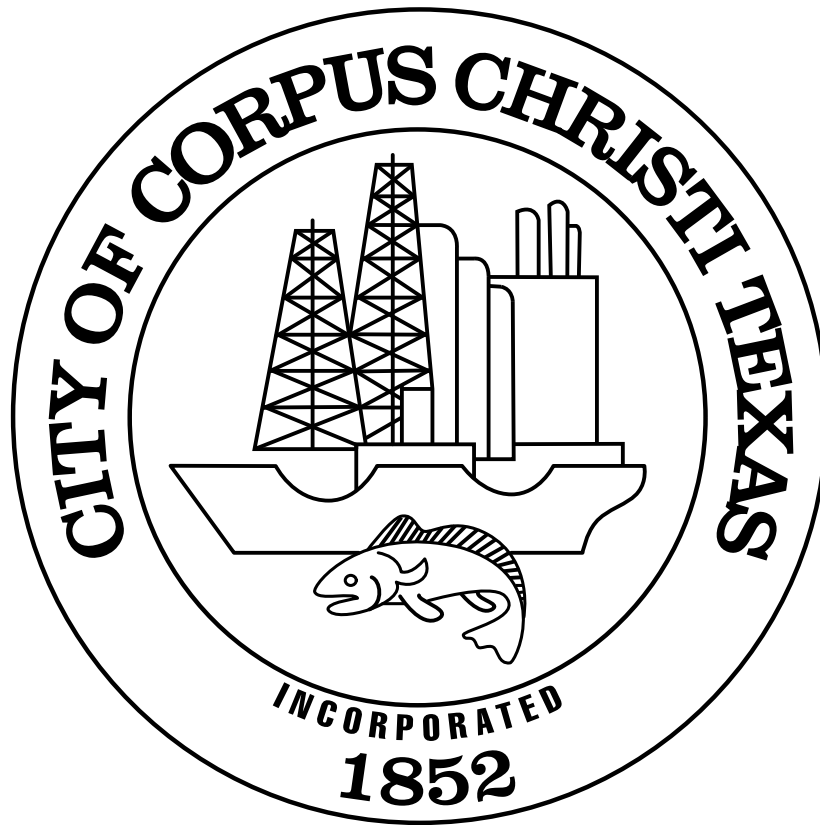
| | Budget | | Actual GAAP Basis | Adjustments Budget Basis |
|--|-----------------------|-----------------------|------------------------------|-------------------------------------|
| | Original | Final | | |
| Recreation, learning and multicultural centers | | | | |
| Personnel services | \$ 617,776 | \$ 575,760 | \$ 566,727 | \$ - |
| Materials, supplies & contractual services | 339,195 | 376,138 | 268,961 | - |
| Other charges | 95,043 | 95,054 | 93,532 | - |
| Reimbursements | - | - | (322,850) | 322,850 |
| Total recreation, learning and multicultural centers | <u>1,052,014</u> | <u>1,046,952</u> | <u>606,370</u> | <u>322,850</u> |
| Tourist amenities and public art | | | | |
| Personnel services | 569,949 | 443,367 | 447,568 | - |
| Materials, supplies & contractual services | 433,138 | 454,191 | 346,529 | - |
| Other charges | 186,761 | 186,761 | 186,261 | - |
| Capital outlays | - | 31,462 | 31,462 | - |
| Total tourist amenities and public art | <u>1,189,848</u> | <u>1,115,781</u> | <u>1,011,820</u> | <u>-</u> |
| Latchkey program | | | | |
| Personnel services | 2,266,507 | 2,011,507 | 1,782,487 | - |
| Materials, supplies & contractual services | 263,130 | 515,839 | 486,845 | 8,641 |
| Other charges | 209,063 | 212,102 | 210,817 | - |
| Total latchkey program | <u>2,738,700</u> | <u>2,739,448</u> | <u>2,480,149</u> | <u>8,641</u> |
| Total parks and recreation | <u>17,974,076</u> | <u>19,207,702</u> | <u>14,136,634</u> | <u>2,602,756</u> |
| Libraries | | | | |
| Personnel services | 2,323,661 | 2,174,511 | 2,196,857 | - |
| Materials, supplies & contractual services | 1,049,408 | 4,223,432 | 1,195,000 | - |
| Other charges | 736,071 | 736,661 | 731,417 | - |
| Total libraries | <u>4,109,140</u> | <u>7,134,604</u> | <u>4,123,274</u> | <u>-</u> |
| Museum of Science and History | | | | |
| Materials, supplies & contractual services | 250,000 | 1,351,630 | 395,060 | (202,925) |
| Other charges | 1,101,265 | 1,101,265 | 1,083,718 | - |
| Reimbursements | - | - | - | 202,925 |
| Total museum of science and history | <u>1,351,265</u> | <u>2,452,895</u> | <u>1,478,778</u> | <u>-</u> |
| Debt service | | | | |
| Principal retired | - | - | 4,107,021 | (4,107,021) |
| Interest | - | - | 215,252 | (215,252) |
| Total debt service | <u>-</u> | <u>-</u> | <u>4,322,273</u> | <u>(4,322,273)</u> |
| Total expenditures | <u>\$ 221,869,154</u> | <u>\$ 241,530,353</u> | <u>\$ 216,326,793</u> | <u>\$ 5,982,675</u> |

| <u>Actual</u> | <u>Variance with</u> |
|-----------------------|----------------------|
| <u>Budget Basis</u> | <u>Final Budget</u> |
| \$ 566,727 | \$ 9,033 |
| 268,961 | 107,177 |
| 93,532 | 1,522 |
| <u>-</u> | <u>-</u> |
| 929,220 | 117,732 |
| 447,568 | (4,201) |
| 346,529 | 107,662 |
| 186,261 | 500 |
| 31,462 | - |
| <u>1,011,820</u> | <u>103,961</u> |
| 1,782,487 | 229,020 |
| 495,486 | 20,353 |
| 210,817 | 1,285 |
| <u>2,488,790</u> | <u>250,658</u> |
| <u>16,739,390</u> | <u>2,468,312</u> |
| 2,196,857 | (22,346) |
| 1,195,000 | 3,028,432 |
| 731,417 | 5,244 |
| <u>4,123,274</u> | <u>3,011,330</u> |
| 192,135 | 1,159,495 |
| 1,083,718 | 17,547 |
| 202,925 | (202,925) |
| <u>1,478,778</u> | <u>974,117</u> |
| - | - |
| <u>-</u> | <u>-</u> |
| - | - |
| <u>-</u> | <u>-</u> |
| <u>\$ 222,309,468</u> | <u>\$ 19,220,885</u> |



Debt Service Fund

Debt Service Fund – Also known as the *Interest and Sinking Fund*. Was established to account for funds needed to make principal and interest payments on outstanding bonds when due.



City of Corpus Christi

Exhibit 7-A

**DEBT SERVICE FUND
BALANCE SHEET
SEPTEMBER 30, 2018**

Assets

| | |
|--|----------------------|
| Cash, cash equivalents and investments | \$ 11,003,158 |
| Receivables | |
| Taxes | 2,416,330 |
| Allowance for uncollectibles | <u>(972,996)</u> |
| Net receivables | <u>1,443,334</u> |
| Total assets | <u>\$ 12,446,492</u> |

Liabilities

Deferred inflows of resources

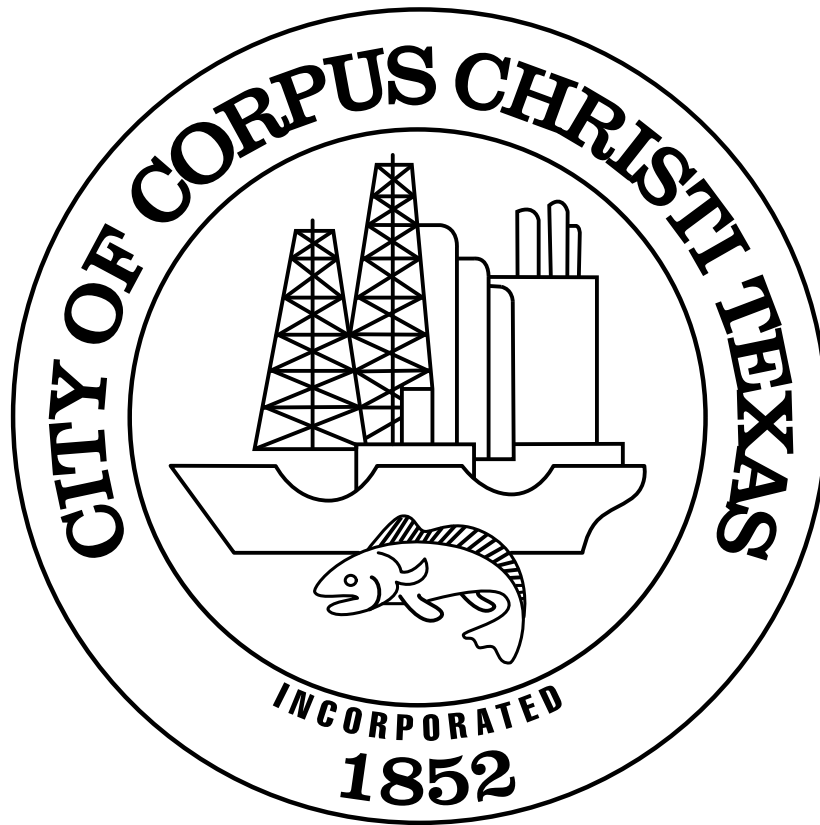
| | |
|--------------------------------------|---------------------|
| Unavailable revenue - property taxes | <u>\$ 1,239,066</u> |
|--------------------------------------|---------------------|

Fund balance

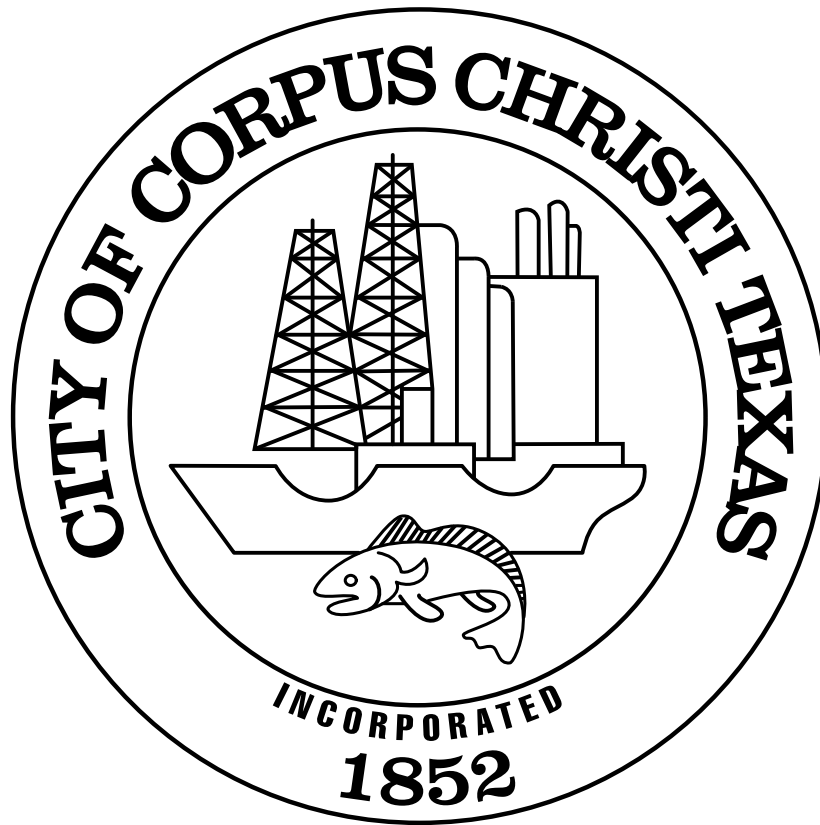
| | |
|------------------------------------|----------------------|
| Restricted | <u>11,207,426</u> |
| Total liabilities and fund balance | <u>\$ 12,446,492</u> |

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018

| | <u>Budget</u> | | <u>Actual</u> | <u>Variance with Final Budget</u> |
|--|----------------------|----------------------|----------------------|---------------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Taxes and franchise fees | \$ 43,692,441 | \$ 43,692,441 | \$ 44,086,627 | \$ 394,186 |
| Earnings on investments | 62,400 | 62,400 | 280,091 | 217,691 |
| Total revenues | <u>43,754,841</u> | <u>43,754,841</u> | <u>44,366,718</u> | <u>611,877</u> |
| Expenditures | | | | |
| Debt service | | | | |
| Principal retirement | 30,914,918 | 31,029,928 | 31,029,918 | 10 |
| Interest | 17,445,282 | 17,330,272 | 17,441,032 | (110,760) |
| Paying agent fees | 45,000 | 45,000 | 13,098 | 31,902 |
| Total expenditures | <u>48,405,200</u> | <u>48,405,200</u> | <u>48,484,048</u> | <u>(78,848)</u> |
| Deficiency of revenues over (under) expenditures | (4,650,359) | (4,650,359) | (4,117,330) | 533,029 |
| Other financing sources (uses) | | | | |
| Transfers in | 3,236,004 | 3,236,004 | 3,236,004 | - |
| Net change in fund balance | (1,414,355) | (1,414,355) | (881,326) | 533,029 |
| Fund balance, beginning of year | 12,018,310 | 12,088,752 | 12,088,752 | - |
| Fund balance, end of year | <u>\$ 10,603,955</u> | <u>\$ 10,674,397</u> | <u>\$ 11,207,426</u> | <u>\$ 533,029</u> |



Non-major Governmental Funds



City of Corpus Christi

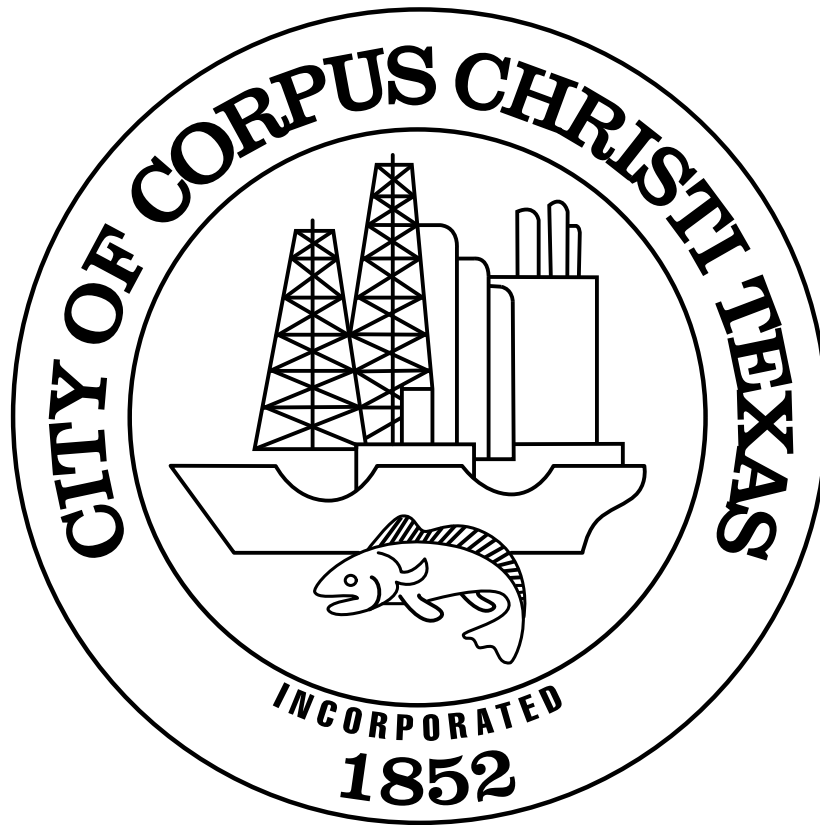
Exhibit 8-A

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2018

| | <u>Debt Service Fund</u> | | | |
|---|--------------------------|--------------------------|--------------------------|-----------------------|
| | <u>Corpus Christi</u> | | | |
| | <u>Special</u> | <u>Non-Major Capital</u> | <u>Business and Job</u> | |
| | <u>Revenue Funds</u> | <u>Projects Funds</u> | <u>Devel Corporation</u> | <u>Total</u> |
| Assets | | | | |
| Cash, cash equivalents and investments | \$ 162,269,772 | \$ 27,135,727 | \$ 4,384,727 | \$ 193,790,226 |
| Receivables, net of allowance for uncollectibles | 22,325,368 | 111,527 | - | 22,436,895 |
| Due from other funds | 477,070 | - | - | 477,070 |
| Inventories | 480,851 | - | - | 480,851 |
| Prepaid items | 203,447 | - | - | 203,447 |
| Total assets | <u>\$ 185,756,508</u> | <u>\$ 27,247,254</u> | <u>\$ 4,384,727</u> | <u>\$ 217,388,489</u> |
| Liabilities | | | | |
| Accounts payable | 4,384,350 | 1,283,767 | - | 5,668,117 |
| Accrued liabilities | 87,812 | - | - | 87,812 |
| Deposits | 533,919 | - | - | 533,919 |
| Due to other funds | 477,070 | - | - | 477,070 |
| Due to other governmental agencies | 3,712 | - | - | 3,712 |
| Unearned revenues | | | | |
| Demolition liens and other | 102,649 | - | - | 102,649 |
| Asset seizure and forfeitures | 63,659 | - | - | 63,659 |
| Grants | 90,001 | - | - | 90,001 |
| Other | 1,506,818 | - | - | 1,506,818 |
| Total unearned revenues | <u>1,763,127</u> | <u>-</u> | <u>-</u> | <u>1,763,127</u> |
| Total liabilities | <u>7,249,990</u> | <u>1,283,767</u> | <u>-</u> | <u>8,533,757</u> |
| Deferred inflows of resources | | | | |
| Unavailable revenue - Contributions and donations | 825,175 | 111,527 | - | 936,702 |
| Fund balances | | | | |
| Nonspendable | 684,298 | - | - | 684,298 |
| Restricted | 135,561,215 | 24,854,893 | 4,384,727 | 164,800,835 |
| Committed | 30,925,388 | 997,067 | - | 31,922,455 |
| Assigned | 10,735,863 | - | - | 10,735,863 |
| Unassigned | (225,421) | - | - | (225,421) |
| Total fund balances | <u>177,681,343</u> | <u>25,851,960</u> | <u>4,384,727</u> | <u>207,918,030</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 185,756,508</u> | <u>\$ 27,247,254</u> | <u>\$ 4,384,727</u> | <u>\$ 217,388,489</u> |

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2018

| | Special Revenue Funds | Non-Major Capital Projects Funds | Debt Service Fund Corpus Christi Business and Job Devel Corporation | Total |
|---|--------------------------|--|--|-----------------------|
| Revenues | | | | |
| Taxes and franchise fees | \$ 55,231,864 | \$ - | \$ - | \$ 55,231,864 |
| Licenses and permits | 6,478,777 | - | - | 6,478,777 |
| Intergovernmental | 2,746,738 | - | - | 2,746,738 |
| Grants | 9,417,253 | - | - | 9,417,253 |
| Charges for services | 16,495,383 | - | - | 16,495,383 |
| Fines and forfeitures | 441,826 | - | - | 441,826 |
| Contributions and donations | 883,273 | 126,960 | - | 1,010,233 |
| Earnings on investments | 2,086,723 | 375,137 | 87,945 | 2,549,805 |
| Interest on loans | 48,448 | - | - | 48,448 |
| Miscellaneous | 350,166 | - | - | 350,166 |
| Total revenues | <u>94,180,451</u> | <u>502,097</u> | <u>87,945</u> | <u>94,770,493</u> |
| Expenditures | | | | |
| Current | | | | |
| General government | 4,690,018 | 1,087,538 | - | 5,777,556 |
| Police and municipal court | 9,598,712 | - | - | 9,598,712 |
| Fire and ambulance | 561,693 | - | - | 561,693 |
| Emergency management | 248,758 | - | - | 248,758 |
| Streets | 26,326,398 | - | - | 26,326,398 |
| Health | 1,656,855 | - | - | 1,656,855 |
| Parks and recreation | 4,568,230 | - | - | 4,568,230 |
| Libraries | 4,180 | - | - | 4,180 |
| Community enrichment | 2,830,372 | - | - | 2,830,372 |
| Community development | 9,420,539 | - | - | 9,420,539 |
| Convention and visitors activities | 15,664,900 | - | - | 15,664,900 |
| Capital outlay | 4,800,878 | 11,601,169 | - | 16,402,047 |
| Debt service | | | | |
| Principal retirement | 1,719,201 | - | 4,350,000 | 6,069,201 |
| Interest | 336,239 | - | 1,936,319 | 2,272,558 |
| Bond issue cost | - | 144,307 | - | 144,307 |
| Paying agent fees | 5,694 | - | 1,500 | 7,194 |
| Total expenditures | <u>82,432,667</u> | <u>12,833,014</u> | <u>6,287,819</u> | <u>101,553,500</u> |
| Excess (deficiency) of revenues over expenditures | <u>11,747,784</u> | <u>(12,330,917)</u> | <u>(6,199,874)</u> | <u>(6,783,007)</u> |
| Other financing sources (uses) | | | | |
| Sale of City property | 313,229 | - | - | 313,229 |
| Premium on bonds issued | - | 343,692 | - | 343,692 |
| Bonds and notes issued | 260,000 | 9,307,778 | - | 9,567,778 |
| Transfers in | 26,335,835 | 4,050,000 | 6,290,319 | 36,676,154 |
| Transfers out | (17,722,824) | (1,561,507) | (1,958,848) | (21,243,179) |
| Total other financing sources (uses) | <u>9,186,240</u> | <u>12,139,963</u> | <u>4,331,471</u> | <u>25,657,674</u> |
| Net change in fund balances | 20,934,024 | (190,954) | (1,868,403) | 18,874,667 |
| Fund balances, beginning of year | 156,747,319 | 26,042,914 | 6,253,130 | 189,043,363 |
| Fund balances, end of year | <u>\$ 177,681,343</u> | <u>\$ 25,851,960</u> | <u>\$ 4,384,727</u> | <u>\$ 207,918,030</u> |



Special Revenue Funds

Special Revenue Funds

Special Revenue Funds are used to account for resources restricted or committed to specific purposes, and continues in existence as long as governmental resources are restricted or committed to its specific purpose.

Visitors Facilities Fund – This fund records revenues and expenditures related to the Convention Center, Arena, and other tourist-related activities.

Hotel Occupancy Tax Fund – This fund accounts for revenues and expenditures of the hotel/motel occupancy taxes.

State Hotel Occupancy Tax for Beaches Fund – This fund accounts for revenues and expenditures of the portion of state hotel/motel occupancy taxes allocated to the City for the purpose of cleaning, maintenance and erosion control of public beaches and bay shores.

Public Education and Governmental Cable TV Fund (PEG) – This fund accounts for cable franchise revenues and PEG facilities and equipment expenditures. The fund is a result of the cable franchise converting from a local franchise to state franchise in 2012. The funds are restricted by both state and federal law for PEG facilities and equipment.

Development Services Fund – This fund records revenues and expenditures related to the administration of building and development codes and facilitation of development of the City.

Red Light Photo Enforcement Fund – This fund records revenues and expenditures related to red light camera violations.

Parking Improvement Fund – This fund records a portion of Parking Meter revenue committed to be used for parking improvements. Special Revenue Funds are used to account for resources allocated to specific purposes. A special revenue fund continues in existence as long as governmental resources are allocated to its specific purpose.

Street Maintenance Fund – This fund records Street Maintenance Fees and other Streets revenue committed for use to manage, maintain, and develop the street system.

Residential/Local Street Fund – This fund records revenues committed to reconstruction of residential and local streets and related expenses.

Federal/State Grants Fund – This fund accounts for grant programs.

Municipal Court Fees Fund – This fund records revenues and expenditures related to fees restricted for Municipal Court Building Security, Technology, and Juvenile Case Managers.

Community Enrichment Fund – This fund records revenues and expenditures for community enrichment programs and activities not in the General Fund.

Infrastructure Fund – This fund records revenues and expenditures related to developers' participation in the enhancement of streets and roads in neighborhood subdivisions.

Local Emergency Planning Committee – This fund was established by Interlocal Agreement between the County of Nueces, City of Corpus Christi, and the Port of Corpus Christi Authority for the purposes of implementing the federally mandated plan and required training under the Community Right-To-Know Act.

Health Medicaid Waiver Fund – This fund accounts for revenues passed from the Federal government through the State to fund educational and self-management health programs in order to prevent chronic diseases, with the overall goal of reducing medical costs. It is administered by the City Health Department.

Corpus Christi Community Improvement Corporation – This fund accounts for revenues and expenditures of the Corpus Christi Community Improvement Corporation.

Corpus Christi Housing Finance Corporation – This fund accounts for revenues and expenditures of the Corpus Christi Housing Finance Corporation.

Corpus Christi Industrial Development Corporation – This fund accounts for revenues and expenditures of the Corpus Christi Industrial Development Corporation.

Coastal Bend Health Facilities Development Corporation – This fund accounts for revenues and expenditures of the Corpus Christi Health Facilities Development Corporation which is a public non-profit corporation created by State law to facilitate financing and development of health and health-related facilities.

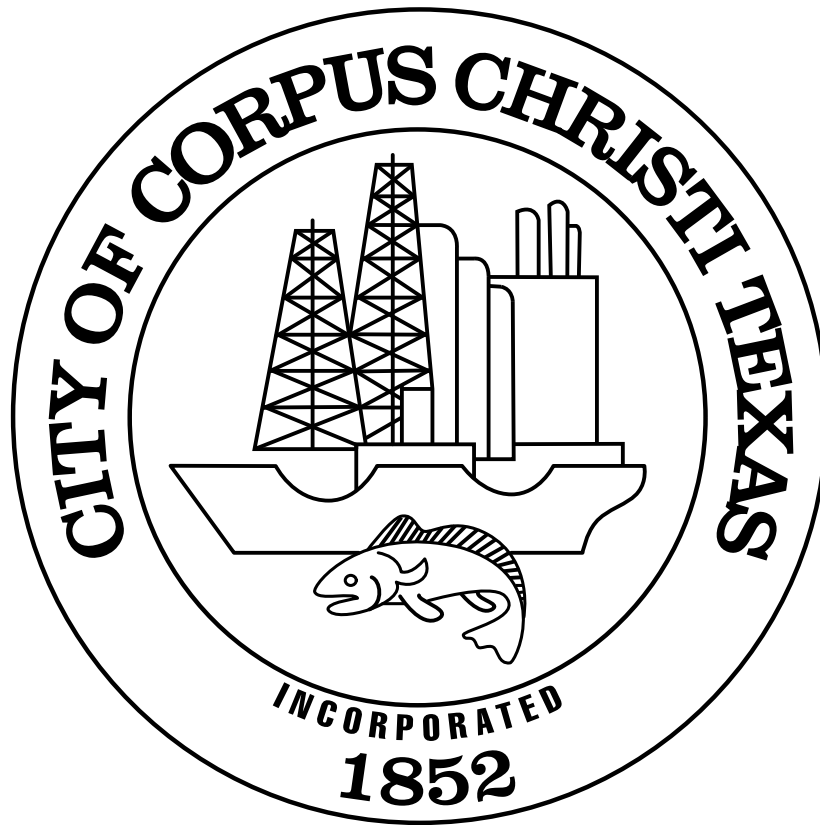
Crime Control and Prevention District – This fund is a public non-profit corporation created under State law to provide for funding of public safety programs.

Corpus Christi Business and Job Development Corporation – This fund is a public non-profit corporation created under Section 4A of the Development Corporation Act of the State of Texas, to provide funding of voter approved capital improvement programs for the seawall, the arena, and the baseball stadium; for the promotion and development of new and expanded business enterprises; and for assisting qualified citizens with affordable housing.

Corpus Christi B Corporation – This fund is a public non-profit corporation created under Section B of the Development Corporation Act of the State of Texas to provide funding of economic development, affordable housing, and street construction and maintenance.

North Padre Island Development Corporation – This fund accounts for the facilitation of development of land within the boundaries of the Tax Increment Zone No. 2. The fund is utilized for Packery Channel development and improvement projects within the Zone.

Reinvestment Zone # 3, City of Corpus Christi, Texas – This fund accounts for the facilitation of development of land within the boundaries of the Tax Increment Zone No. 3. The fund is utilized for downtown development and improvement projects within the Zone.



City of Corpus Christi

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2018**

| | Visitors Facilities | Hotel Occupancy Tax Fund | State Hotel Occupancy Tax for Beaches Fund | Public Education and Governmental Cable TV Fund | Development Services |
|---|--------------------------------|---|---|--|---------------------------------|
| Assets | | | | | |
| Cash, cash equivalents and investments | \$ 4,458,682 | \$ 3,679,782 | \$ 5,739,717 | \$ 2,517,748 | \$ 7,725,930 |
| Receivables | | | | | |
| Accounts | 799,942 | - | - | 177,912 | 3,322 |
| Taxes | - | 1,775,475 | - | - | - |
| Mortgages and loans | - | - | - | - | - |
| Demolition liens | - | - | - | - | - |
| Special assessments | - | - | - | - | - |
| Intergovernmental | - | - | 1,186,678 | - | - |
| Miscellaneous | - | - | - | - | - |
| Allowance for uncollectibles | (327,027) | - | - | - | - |
| Net receivables | <u>472,915</u> | <u>1,775,475</u> | <u>1,186,678</u> | <u>177,912</u> | <u>3,322</u> |
| Due from other funds | 477,070 | - | - | - | - |
| Inventories | 119,983 | - | - | - | - |
| Prepaid items | <u>166,867</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total assets | <u>\$ 5,695,517</u> | <u>\$ 5,455,257</u> | <u>\$ 6,926,395</u> | <u>\$ 2,695,660</u> | <u>\$ 7,729,252</u> |
| Liabilities | | | | | |
| Accounts payable | \$ 974,798 | \$ 254,520 | \$ 66,839 | \$ 210 | \$ 108,300 |
| Accrued liabilities | 87,812 | - | - | - | - |
| Deposits | 22,200 | - | - | - | 36,280 |
| Due to other funds | - | 477,070 | - | - | - |
| Due to other governmental agencies | - | - | - | - | - |
| Unearned revenues | | | | | |
| Demolition liens and other | - | - | - | - | - |
| Asset seizure and forfeitures | - | - | - | - | - |
| Grants | - | - | - | - | - |
| Other | 1,172,666 | - | - | - | - |
| Total unearned revenues | <u>1,172,666</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities | <u>2,257,476</u> | <u>731,590</u> | <u>66,839</u> | <u>210</u> | <u>144,580</u> |
| Deferred inflows of resources | | | | | |
| Unavailable revenue - Contributions and donations | - | - | - | - | - |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balances | | | | | |
| Nonspendable | 286,850 | - | - | - | - |
| Restricted | - | 4,723,667 | 6,859,556 | 2,695,450 | - |
| Committed | - | - | - | - | - |
| Assigned | 3,151,191 | - | - | - | 7,584,672 |
| Unassigned | - | - | - | - | - |
| Total fund balances | <u>3,438,041</u> | <u>4,723,667</u> | <u>6,859,556</u> | <u>2,695,450</u> | <u>7,584,672</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 5,695,517</u> | <u>\$ 5,455,257</u> | <u>\$ 6,926,395</u> | <u>\$ 2,695,660</u> | <u>\$ 7,729,252</u> |

(Continued)

City of Corpus Christi

Exhibit 9-A

| Redlight Photo Enforcement Fund | Parking Improvement Fund | Streets Maintenance Fund | Residential/ Local Streets | Federal/State Grants Fund | Municipal Court Fees Fund | Community Enrichment Fund | Infrastructure Fund |
|--|---|---|---------------------------------------|--------------------------------------|--|--|--------------------------------|
| \$ 19,411 | \$ 365,065 | \$ 21,484,935 | \$ 5,782,460 | \$ 381,839 | \$ 874,836 | \$ 6,245,145 | \$ 1,508,717 |
| - | - | 1,579,054 | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | 402 | - | - | - |
| - | - | - | - | 939,469 | - | - | - |
| - | - | - | - | 3,493 | - | - | - |
| - | - | 1,449,498 | - | 1,740,215 | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | (151,012) | - | (841,621) | - | - | - |
| - | - | 2,877,540 | - | 1,841,958 | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | 360,868 | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| <u>\$ 19,411</u> | <u>\$ 365,065</u> | <u>\$ 24,723,343</u> | <u>\$ 5,782,460</u> | <u>\$ 2,223,797</u> | <u>\$ 874,836</u> | <u>\$ 6,245,145</u> | <u>\$ 1,508,717</u> |
| \$ - | \$ - | \$ 1,795,067 | \$ 305,939 | \$ 603,779 | \$ 3,245 | \$ 126,553 | \$ - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | 178,596 | - | - | 45,230 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | (1) | - | - |
| - | - | - | - | 102,649 | - | - | - |
| - | - | - | - | 63,659 | - | - | - |
| - | - | - | - | 90,001 | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | 256,309 | - | - | - |
| - | - | 1,795,067 | 305,939 | 1,038,684 | 3,244 | 126,553 | 45,230 |
| - | - | - | - | 825,175 | - | - | - |
| - | - | - | - | 825,175 | - | - | - |
| - | - | 360,868 | - | - | - | - | - |
| 19,411 | - | - | - | 585,359 | 871,592 | 4,824,432 | 1,463,487 |
| - | 365,065 | 22,567,408 | 5,476,521 | - | - | 1,294,160 | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | (225,421) | - | - | - |
| <u>19,411</u> | <u>365,065</u> | <u>22,928,276</u> | <u>5,476,521</u> | <u>359,938</u> | <u>871,592</u> | <u>6,118,592</u> | <u>1,463,487</u> |
| <u>\$ 19,411</u> | <u>\$ 365,065</u> | <u>\$ 24,723,343</u> | <u>\$ 5,782,460</u> | <u>\$ 2,223,797</u> | <u>\$ 874,836</u> | <u>\$ 6,245,145</u> | <u>\$ 1,508,717</u> |

City of Corpus Christi

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2018**

| | Local Emergency Planning Committee | Health Medicaid Waiver Fund | Corpus Christi Community Improvement Corporation | Corpus Christi Housing Finance Corporation | Corpus Christi Industrial Development Corporation |
|---|---|--|---|---|--|
| Assets | | | | | |
| Cash, cash equivalents and investments | \$ 68,257 | \$ 1,155,936 | \$ 2,339,335 | \$ 368,307 | \$ 68,775 |
| Receivables | | | | | |
| Accounts | - | - | - | 335,152 | - |
| Taxes | - | - | - | - | - |
| Mortgages and loans | - | - | 10,861,764 | - | - |
| Demolition liens | - | - | - | - | - |
| Special assessments | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - |
| Allowance for uncollectibles | - | - | (2,347,022) | - | - |
| Net receivables | - | - | 8,514,742 | 335,152 | - |
| Due from other funds | - | - | - | - | - |
| Inventories | - | - | - | - | - |
| Prepaid items | - | - | - | - | - |
| Total assets | <u>\$ 68,257</u> | <u>\$ 1,155,936</u> | <u>\$ 10,854,077</u> | <u>\$ 703,459</u> | <u>\$ 68,775</u> |
| Liabilities | | | | | |
| Accounts payable | \$ 1,959 | \$ - | \$ - | \$ 108 | \$ - |
| Accrued liabilities | - | - | - | - | - |
| Deposits | - | - | 251,613 | - | - |
| Due to other funds | - | - | - | - | - |
| Due to other governmental agencies | - | - | - | - | - |
| Unearned revenues | | | | | |
| Demolition liens and other | - | - | - | - | - |
| Asset seizure and forfeitures | - | - | - | - | - |
| Grants | - | - | - | - | - |
| Other | - | - | - | 334,152 | - |
| Total unearned revenues | - | - | - | 334,152 | - |
| Total liabilities | <u>1,959</u> | <u>-</u> | <u>251,613</u> | <u>334,260</u> | <u>-</u> |
| Deferred inflows of resources | | | | | |
| Unavailable revenue - Contributions and donations | - | - | - | - | - |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balances | | | | | |
| Nonspendable | - | - | - | - | - |
| Restricted | - | - | 10,602,464 | 369,199 | 68,775 |
| Committed | 66,298 | 1,155,936 | - | - | - |
| Assigned | - | - | - | - | - |
| Unassigned | - | - | - | - | - |
| Total fund balances | <u>66,298</u> | <u>1,155,936</u> | <u>10,602,464</u> | <u>369,199</u> | <u>68,775</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 68,257</u> | <u>\$ 1,155,936</u> | <u>\$ 10,854,077</u> | <u>\$ 703,459</u> | <u>\$ 68,775</u> |

City of Corpus Christi

**Exhibit 9-A
(Continued)**

| Coastal Bend Health Facilities Development Corporation | Corpus Christi Crime Control and Prevention District | Corpus Christi Business and Job Development Corporation | Corpus Christi B Corporation | North Padre Island Development Corporation | Reinvestment Zone #3 | Total |
|---|---|--|-------------------------------------|---|-----------------------------|-----------------------|
| \$ 3,719 | \$ 3,075,376 | \$ 75,794,412 | \$ 2,409,416 | \$ 11,958,893 | \$ 4,243,079 | \$ 162,269,772 |
| - | - | - | - | - | - | 2,895,382 |
| - | - | - | - | 20,310 | 9,916 | 1,805,701 |
| - | - | - | - | - | - | 10,862,166 |
| - | - | - | - | - | - | 939,469 |
| - | - | - | - | - | - | 3,493 |
| - | 1,264,561 | 2,563,258 | 1,281,629 | - | - | 9,485,839 |
| - | - | 175,200 | - | - | - | 175,200 |
| - | - | (175,200) | - | - | - | (3,841,882) |
| - | 1,264,561 | 2,563,258 | 1,281,629 | 20,310 | 9,916 | 22,325,368 |
| - | - | - | - | - | - | 477,070 |
| - | - | - | - | - | - | 480,851 |
| - | - | 36,580 | - | - | - | 203,447 |
| <u>\$ 3,719</u> | <u>\$ 4,339,937</u> | <u>\$ 78,394,250</u> | <u>\$ 3,691,045</u> | <u>\$ 11,979,203</u> | <u>\$ 4,252,995</u> | <u>\$ 185,756,508</u> |
| \$ - | \$ 10,635 | \$ 47,531 | \$ - | \$ - | \$ 84,867 | \$ 4,384,350 |
| - | - | - | - | - | - | 87,812 |
| - | - | - | - | - | - | 533,919 |
| - | - | - | - | - | - | 477,070 |
| - | - | - | - | 3,713 | - | 3,712 |
| - | - | - | - | - | - | 102,649 |
| - | - | - | - | - | - | 63,659 |
| - | - | - | - | - | - | 90,001 |
| - | - | - | - | - | - | 1,506,818 |
| - | - | - | - | - | - | 1,763,127 |
| - | 10,635 | 47,531 | - | 3,713 | 84,867 | 7,249,990 |
| - | - | - | - | - | - | 825,175 |
| - | - | - | - | - | - | 825,175 |
| - | - | 36,580 | - | - | - | 684,298 |
| 3,719 | 4,329,302 | 78,310,139 | 3,691,045 | 11,975,490 | 4,168,128 | 135,561,215 |
| - | - | - | - | - | - | 30,925,388 |
| - | - | - | - | - | - | 10,735,863 |
| - | - | - | - | - | - | (225,421) |
| <u>3,719</u> | <u>4,329,302</u> | <u>78,346,719</u> | <u>3,691,045</u> | <u>11,975,490</u> | <u>4,168,128</u> | <u>177,681,343</u> |
| <u>\$ 3,719</u> | <u>\$ 4,339,937</u> | <u>\$ 78,394,250</u> | <u>\$ 3,691,045</u> | <u>\$ 11,979,203</u> | <u>\$ 4,252,995</u> | <u>\$ 185,756,508</u> |

City of Corpus Christi

**SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2018**

| | Visitors Facilities | Hotel Occupancy Tax Fund | State Hotel Occupancy Tax for Beaches Fund | Public Education and Governmenta l Cable TV Fund | Development Services | Redlight Photo Enforcement Fund |
|---|--------------------------------|---|---|---|---------------------------------|--|
| Revenues | | | | | | |
| Taxes and franchise fees | \$ - | \$ 15,765,881 | \$ 3,473,151 | \$ 698,850 | \$ - | \$ - |
| Licenses and permits | - | - | - | - | 6,430,467 | - |
| Intergovernmental | - | - | - | - | - | - |
| Grants | - | - | - | - | - | - |
| Charges for services | 4,259,649 | - | - | - | 252,625 | - |
| Fines and forfeitures | - | - | - | - | - | 113 |
| Contributions and donations | 200,000 | - | - | - | - | - |
| Earnings on investments | 43,908 | 51,081 | 70,872 | 29,500 | 97,471 | 4,793 |
| Interest on loans | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | 15,947 | - |
| Total revenues | <u>4,503,557</u> | <u>15,816,962</u> | <u>3,544,023</u> | <u>728,350</u> | <u>6,796,510</u> | <u>4,906</u> |
| Expenditures | | | | | | |
| Current | | | | | | |
| General government | - | - | - | 21,287 | 4,599,535 | - |
| Police and municipal court | - | - | - | - | - | 246,058 |
| Fire and ambulance | - | - | - | - | - | - |
| Emergency management | - | - | - | - | - | - |
| Streets | - | - | - | - | - | - |
| Health | - | - | - | - | - | - |
| Parks and recreation | - | 1,899,999 | 937,443 | - | - | - |
| Libraries | - | - | - | - | - | - |
| Community enrichment | 788,197 | 1,530,465 | - | - | - | - |
| Community development | - | 130,898 | - | - | - | - |
| Convention and visitors activities | 5,651,603 | 10,013,297 | - | - | - | - |
| Capital outlay | 1,045,759 | 1,687,785 | 1,079,836 | 78,186 | 38,500 | 335,584 |
| Debt service | | | | | | |
| Principal retirement | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - |
| Paying agent fees | - | - | - | - | - | - |
| Total expenditures | <u>7,485,559</u> | <u>15,262,444</u> | <u>2,017,279</u> | <u>99,473</u> | <u>4,638,035</u> | <u>581,642</u> |
| Excess (deficiency) of revenues over expenditures | (2,982,002) | 554,518 | 1,526,744 | 628,877 | 2,158,475 | (576,736) |
| Other financing sources (uses) | | | | | | |
| Sale of City property | - | - | - | - | - | - |
| Bonds and notes issued | - | - | - | - | - | - |
| Transfers in | 3,257,101 | - | - | 31,727 | 66,230 | 6,407 |
| Transfers out | (1,591,007) | (2,194,246) | - | - | (375,904) | - |
| Total other financing sources (uses) | <u>1,666,094</u> | <u>(2,194,246)</u> | <u>-</u> | <u>31,727</u> | <u>(309,674)</u> | <u>6,407</u> |
| Net change in fund balances | (1,315,908) | (1,639,728) | 1,526,744 | 660,604 | 1,848,801 | (570,329) |
| Fund balances, beginning of year | <u>4,753,949</u> | <u>6,363,395</u> | <u>5,332,812</u> | <u>2,034,846</u> | <u>5,735,871</u> | <u>589,740</u> |
| Fund balances, end of year | <u>\$ 3,438,041</u> | <u>\$ 4,723,667</u> | <u>\$ 6,859,556</u> | <u>\$ 2,695,450</u> | <u>\$ 7,584,672</u> | <u>\$ 19,411</u> |

(Continued)

City of Corpus Christi

Exhibit 9-B

| Parking Improvement Fund | Streets Maintenance Fund | Residential/ Local Streets | Federal/State Grants Fund | Municipal Court Fees Fund | Community Enrichment Fund | Infrastructure Fund |
|---|---|---------------------------------------|--------------------------------------|--|--|--------------------------------|
| \$ - | \$ 445,839 | \$ 445,839 | \$ - | \$ - | \$ - | \$ - |
| - | 48,310 | - | - | - | - | - |
| - | 2,746,738 | - | - | - | - | - |
| - | - | - | 8,851,266 | - | - | - |
| 111,910 | 11,601,351 | - | 252,797 | - | - | - |
| - | - | - | - | 441,713 | - | - |
| - | - | - | - | - | 497,735 | - |
| 4,017 | 272,667 | 84,243 | 16,500 | 10,807 | 80,691 | 21,823 |
| - | - | - | - | - | - | - |
| - | 13,132 | - | 299,596 | - | - | - |
| <u>115,927</u> | <u>15,128,037</u> | <u>530,082</u> | <u>9,420,159</u> | <u>452,520</u> | <u>578,426</u> | <u>21,823</u> |
| - | - | - | - | - | - | - |
| - | - | - | 2,440,997 | 302,006 | - | - |
| - | - | - | 561,693 | - | - | - |
| - | - | - | 56,266 | - | - | - |
| 9,999 | 24,237,980 | 2,078,419 | - | - | - | - |
| - | - | - | 1,664,677 | - | - | - |
| - | - | - | 1,730,788 | - | - | - |
| - | - | - | 4,180 | - | - | - |
| - | - | - | 470,533 | - | 41,177 | - |
| - | - | - | 3,339,551 | - | - | - |
| - | - | - | - | - | - | - |
| - | 91,850 | - | - | - | 419,352 | 1 |
| - | 603,201 | - | 46,000 | - | - | - |
| - | 27,089 | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>9,999</u> | <u>24,960,120</u> | <u>2,078,419</u> | <u>10,314,685</u> | <u>302,006</u> | <u>460,529</u> | <u>1</u> |
| 105,928 | (9,832,083) | (1,548,337) | (894,526) | 150,514 | 117,897 | 21,822 |
| - | 5,126 | - | - | - | 153,171 | - |
| - | - | - | 260,000 | - | - | - |
| - | 15,070,268 | 2,900,000 | 189,810 | 707 | 68,146 | - |
| - | - | - | (78,006) | - | - | - |
| - | <u>15,075,394</u> | <u>2,900,000</u> | <u>371,804</u> | <u>707</u> | <u>221,317</u> | <u>-</u> |
| 105,928 | 5,243,311 | 1,351,663 | (522,722) | 151,221 | 339,214 | 21,822 |
| 259,137 | 17,684,965 | 4,124,858 | 882,660 | 720,371 | 5,779,378 | 1,441,665 |
| <u>\$ 365,065</u> | <u>\$ 22,928,276</u> | <u>\$ 5,476,521</u> | <u>\$ 359,938</u> | <u>\$ 871,592</u> | <u>\$ 6,118,592</u> | <u>\$ 1,463,487</u> |

City of Corpus Christi

**SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2018**

| | Local Emergency Planning Committee | Health Medicaid Waiver Fund | Corpus Christi Community Improvement Corporation | Corpus Christi Housing Finance Corporation | Corpus Christi Industrial Development Corporation | Coastal Bend Health Facilities Development Corporation |
|---|---|--|---|---|--|---|
| Revenues | | | | | | |
| Taxes and franchise fees | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - | - |
| Grants | - | - | 565,987 | - | - | - |
| Charges for services | - | - | - | 17,051 | - | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Contributions and donations | 173,538 | - | - | - | - | - |
| Earnings on investments | 1,610 | 16,120 | 26,890 | 388 | - | - |
| Interest on loans | - | - | 48,448 | - | - | - |
| Miscellaneous | - | - | 21,491 | - | - | - |
| Total revenues | <u>175,148</u> | <u>16,120</u> | <u>662,816</u> | <u>17,439</u> | <u>-</u> | <u>-</u> |
| Expenditures | | | | | | |
| Current | | | | | | |
| General government | - | - | - | - | - | - |
| Police and municipal court | - | - | - | - | - | - |
| Fire and ambulance | - | - | - | - | - | - |
| Emergency management | 192,492 | - | - | - | - | - |
| Streets | - | - | - | - | - | - |
| Health | - | (7,822) | - | - | - | - |
| Parks and recreation | - | - | - | - | - | - |
| Libraries | - | - | - | - | - | - |
| Community enrichment | - | - | - | - | - | - |
| Community development | - | - | 3,534,132 | 1,085 | - | - |
| Convention and visitors activities | - | - | - | - | - | - |
| Capital outlay | - | 24,025 | - | - | - | - |
| Debt service | | | | | | |
| Principal retirement | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - |
| Paying agent fees | - | - | - | - | - | - |
| Total expenditures | <u>192,492</u> | <u>16,203</u> | <u>3,534,132</u> | <u>1,085</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | (17,344) | (83) | (2,871,316) | 16,354 | - | - |
| Other financing sources (uses) | | | | | | |
| Sale of City property | - | - | - | 148,230 | - | - |
| Bonds and notes issued | - | - | - | - | - | - |
| Transfers in | 1,411 | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>1,411</u> | <u>-</u> | <u>-</u> | <u>148,230</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | (15,933) | (83) | (2,871,316) | 164,584 | - | - |
| Fund balances, beginning of year | <u>82,231</u> | <u>1,156,019</u> | <u>13,473,780</u> | <u>204,615</u> | <u>68,775</u> | <u>3,719</u> |
| Fund balances, end of year | <u>\$ 66,298</u> | <u>\$ 1,155,936</u> | <u>\$ 10,602,464</u> | <u>\$ 369,199</u> | <u>\$ 68,775</u> | <u>\$ 3,719</u> |

City of Corpus Christi

**Exhibit 9-B
(Continued)**

| Corpus Christi Crime Control and Prevention District | Corpus Christi Business and Job Development Corporation | Corpus Christi B Corporation | North Padre Island Development Corporation | Reinvestment Zone #3 | Total |
|---|--|---|---|---------------------------------|-----------------------|
| \$ 7,277,814 | \$ 18,284,504 | \$ 3,688,962 | \$ 3,951,171 | \$ 1,199,853 | \$ 55,231,864 |
| - | - | - | - | - | 6,478,777 |
| - | - | - | - | - | 2,746,738 |
| - | - | - | - | - | 9,417,253 |
| - | - | - | - | - | 16,495,383 |
| - | - | - | - | - | 441,826 |
| - | - | - | - | 12,000 | 883,273 |
| 38,515 | 986,302 | 2,109 | 170,536 | 55,880 | 2,086,723 |
| - | - | - | - | - | 48,448 |
| - | - | - | - | - | 350,166 |
| <u>7,316,329</u> | <u>19,270,806</u> | <u>3,691,071</u> | <u>4,121,707</u> | <u>1,267,733</u> | <u>94,180,451</u> |
| - | 69,170 | 25 | - | - | 4,690,017 |
| 6,609,651 | - | - | - | - | 9,598,712 |
| - | - | - | - | - | 561,693 |
| - | - | - | - | - | 248,758 |
| - | - | - | - | - | 26,326,398 |
| - | - | - | - | - | 1,656,855 |
| - | - | - | - | - | 4,568,230 |
| - | - | - | - | - | 4,180 |
| - | - | - | - | - | 2,830,372 |
| - | 1,704,508 | - | (1) | 710,366 | 9,420,539 |
| - | - | - | - | - | 15,664,900 |
| - | - | - | - | - | 4,800,878 |
| - | - | - | 1,070,000 | - | 1,719,201 |
| - | - | - | 309,150 | - | 336,239 |
| - | - | - | 5,694 | - | 5,694 |
| <u>6,609,651</u> | <u>1,773,678</u> | <u>25</u> | <u>1,384,843</u> | <u>710,366</u> | <u>82,432,666</u> |
| 706,678 | 17,497,128 | 3,691,046 | 2,736,864 | 557,367 | 11,747,785 |
| - | 6,702 | - | - | - | 313,229 |
| - | - | - | - | - | 260,000 |
| - | 4,743,271 | - | 757 | - | 26,335,835 |
| - | (13,455,514) | - | (12,846) | (15,301) | (17,722,824) |
| - | (8,705,541) | - | (12,089) | (15,301) | 9,186,240 |
| 706,678 | 8,791,587 | 3,691,046 | 2,724,775 | 542,066 | 20,934,025 |
| 3,622,624 | 69,555,132 | - | 9,250,715 | 3,626,062 | 156,747,319 |
| <u>\$ 4,329,302</u> | <u>\$ 78,346,719</u> | <u>\$ 3,691,046</u> | <u>\$ 11,975,490</u> | <u>\$ 4,168,128</u> | <u>\$ 177,681,344</u> |

VISITORS FACILITIES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018

| | <u>Budget</u> | | Actual | Variance with Final Budget |
|---|-----------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Charges for services | | | | |
| Arena | \$ 2,839,206 | \$ 2,839,206 | \$ 1,719,978 | \$ (1,119,228) |
| Convention center | 2,405,936 | 2,405,936 | 2,448,675 | 42,739 |
| Bayfront rentals, events & contract | 114,850 | 114,850 | 90,997 | (23,853) |
| Total charges for services | <u>5,359,992</u> | <u>5,359,992</u> | <u>4,259,650</u> | <u>(1,100,342)</u> |
| Contributions and donations | - | - | 200,000 | 200,000 |
| Earnings on investments | - | - | 43,908 | 43,908 |
| Total revenues | <u>5,359,992</u> | <u>5,359,992</u> | <u>4,503,558</u> | <u>(856,434)</u> |
| Expenditures | | | | |
| Current | | | | |
| Community enrichment | | | | |
| Arts, cultural and tourist amenities | 1,087,693 | 1,111,123 | 788,197 | 322,926 |
| Convention and visitors activities | | | | |
| Arena | 5,802,271 | 5,804,364 | 4,377,543 | 1,426,821 |
| Convention center/Auditorium | 1,495,182 | 1,695,182 | 1,274,060 | 421,122 |
| Capital outlay | <u>100,000</u> | <u>594,999</u> | <u>1,045,759</u> | <u>(450,760)</u> |
| Total expenditures | <u>8,485,146</u> | <u>9,205,668</u> | <u>7,485,559</u> | <u>1,720,109</u> |
| Excess (deficiency) of revenues over expenditures | (3,125,154) | (3,845,676) | (2,982,001) | (2,576,543) |
| Other financing sources (uses) | | | | |
| Transfers in | 3,235,200 | 3,484,750 | 3,257,101 | (227,649) |
| Transfers out | <u>(1,591,007)</u> | <u>(1,591,007)</u> | <u>(1,591,007)</u> | <u>-</u> |
| Total other financing sources (uses) | <u>1,644,193</u> | <u>1,893,743</u> | <u>1,666,094</u> | <u>(227,649)</u> |
| Net change in fund balance | (1,480,961) | (1,951,933) | (1,315,907) | (2,804,192) |
| Fund balance, beginning of year | <u>154,954</u> | <u>4,753,948</u> | <u>4,753,948</u> | <u>-</u> |
| Fund balance, end of year | <u>\$ (1,326,007)</u> | <u>\$ 2,802,015</u> | <u>\$ 3,438,041</u> | <u>\$ (2,804,192)</u> |

**HOTEL OCCUPANCY TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Budget</u> | | <u>Actual</u> | <u>Variance with Final Budget</u> |
|---|---------------------|---------------------|---------------------|---------------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Hotel occupancy tax | \$ 12,128,100 | \$ 12,128,100 | \$ 12,262,912 | \$ 134,812 |
| Hotel occupancy tax - Convention expansion | 3,531,812 | 3,531,812 | 3,502,969 | (28,843) |
| Total hotel occupancy taxes | 15,659,912 | 15,659,912 | 15,765,881 | 105,969 |
| Earnings on investments | 13,200 | 13,200 | 51,081 | 37,881 |
| Total revenues | <u>15,673,112</u> | <u>15,673,112</u> | <u>15,816,962</u> | <u>143,850</u> |
| Expenditures | | | | |
| Current | | | | |
| Parks and recreation | | | | |
| Beach maintenance and operations | 1,900,000 | 1,900,000 | 1,900,000 | - |
| Community enrichment | | | | |
| Arts, cultural and tourist amenities | 1,498,350 | 1,768,683 | 1,180,465 | 588,218 |
| Baseball stadium | 175,000 | 350,000 | 350,000 | - |
| Convention and visitors activities | | | | |
| Convention center/Auditorium | 4,895,000 | 6,309,653 | 4,674,338 | 1,635,315 |
| Convention and Visitors Bureau | 5,001,999 | 5,338,959 | 5,338,959 | - |
| Community development | 100,000 | 100,000 | 130,898 | (30,898) |
| Capital outlay | - | 2,377,427 | 1,687,783 | 689,644 |
| Total expenditures | <u>13,570,349</u> | <u>18,144,722</u> | <u>15,262,443</u> | <u>2,882,279</u> |
| Excess (deficiency) of revenues over expenditures | 2,102,763 | (2,471,610) | 554,519 | (3,026,129) |
| Other financing sources (uses) | | | | |
| Transfers out | (2,126,100) | (2,126,100) | (2,194,246) | (68,146) |
| Net change in fund balance | (23,337) | (4,597,710) | (1,639,727) | 2,957,983 |
| Fund balance, beginning of year | 3,729,178 | 6,363,394 | 6,363,394 | - |
| Fund balance, end of year | <u>\$ 3,705,841</u> | <u>\$ 1,765,684</u> | <u>\$ 4,723,667</u> | <u>\$ 2,957,983</u> |

**STATE HOTEL OCCUPANCY TAX FOR BEACHES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Budget</u> | | Actual | Variance with Final Budget |
|----------------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Hotel occupancy tax | \$ 3,100,000 | \$ 3,100,000 | \$ 3,473,151 | \$ 373,151 |
| Earnings on investments | - | - | 70,872 | 70,872 |
| Total revenues | <u>3,100,000</u> | <u>3,100,000</u> | <u>3,544,023</u> | <u>444,023</u> |
| Expenditures | | | | |
| Current | | | | |
| Parks and recreation | | | | |
| Beach maintenance and operations | 1,066,406 | 1,243,569 | 937,443 | 306,126 |
| Capital outlay | <u>82,000</u> | <u>1,087,422</u> | <u>1,079,836</u> | <u>7,586</u> |
| Total expenditures | <u>1,148,406</u> | <u>2,330,991</u> | <u>2,017,279</u> | <u>313,712</u> |
| Net change in fund balance | 1,951,594 | 769,009 | 1,526,744 | 757,735 |
| Fund balance, beginning of year | <u>4,540,684</u> | <u>5,332,812</u> | <u>5,332,812</u> | - |
| Fund balance, end of year | <u><u>\$ 6,492,278</u></u> | <u><u>\$ 6,101,821</u></u> | <u><u>\$ 6,859,556</u></u> | <u><u>\$ 757,735</u></u> |

**PUBLIC EDUCATION AND GOVERNMENTAL CABLE TV FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Budget</u> | | Actual | Variance with Final Budget |
|---------------------------------------|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Franchise fees | \$ 650,000 | \$ 650,000 | \$ 698,850 | \$ 48,850 |
| Earnings on investments | - | - | 29,500 | 29,500 |
| Total revenues | <u>650,000</u> | <u>650,000</u> | <u>728,350</u> | <u>78,350</u> |
| Expenditures | | | | |
| Current | | | | |
| General government | 115,000 | 115,000 | 21,287 | 93,713 |
| Capital outlay | 450,000 | 453,465 | 78,186 | 375,279 |
| Total expenditures | <u>565,000</u> | <u>568,465</u> | <u>99,473</u> | <u>468,992</u> |
| Excess of revenues over expenditures | 85,000 | 81,535 | 628,877 | 547,342 |
| Other financing sources (uses) | | | | |
| Transfers in | 31,727 | 31,727 | 31,727 | - |
| Net change in fund balance | 116,727 | 113,262 | 660,604 | 547,342 |
| Fund balance, beginning of year | <u>1,642,589</u> | <u>2,034,846</u> | <u>2,034,846</u> | <u>-</u> |
| Fund balance, end of year | <u>\$ 1,759,316</u> | <u>\$ 2,148,108</u> | <u>\$ 2,695,450</u> | <u>\$ 547,342</u> |

City of Corpus Christi

**DEVELOPMENT SERVICES
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Budget</u> | | <u>Actual GAAP Basis</u> | <u>Adjustments Budget Basis</u> |
|---|---------------------|---------------------|------------------------------|-------------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Licenses and permits | | | | |
| Building | \$ 610,000 | \$ 3,000,000 | \$ 3,763,210 | \$ - |
| Electrical | 26,000 | 176,000 | 187,395 | - |
| Plumbing | 1,850,000 | 190,000 | 338,384 | - |
| Mechanical | 24,000 | 144,000 | 188,968 | - |
| Plan review | 2,210,000 | 1,210,000 | 1,521,446 | - |
| Backflow prevention | 133,800 | 133,800 | 68,574 | - |
| Streets and easements | 19,500 | 19,500 | 51,581 | - |
| Beer and liquor licenses | 107,000 | 107,000 | 268,570 | - |
| Other | 46,231 | 46,231 | 42,339 | - |
| Total licenses and permits | <u>5,026,531</u> | <u>5,026,531</u> | <u>6,430,467</u> | <u>-</u> |
| Charges for services | | | | |
| General governmental services | 154,700 | 154,700 | 252,625 | - |
| Earnings on investments | 15,600 | 15,600 | 97,471 | - |
| Reimbursements | 1,011,515 | 1,011,515 | - | 1,011,516 |
| Miscellaneous | 190,000 | 190,000 | 15,947 | - |
| Total revenues | <u>6,398,346</u> | <u>6,398,346</u> | <u>6,796,510</u> | <u>1,011,516</u> |
| Expenditures | | | | |
| Current | | | | |
| General government | | | | |
| Administration | 1,618,177 | 2,599,154 | 1,562,094 | - |
| Special Services | 1,962,280 | 2,003,852 | 1,009,989 | 662,750 |
| Inspections | 2,651,629 | 2,715,883 | 2,027,452 | 348,766 |
| Capital outlay | 20,198 | 20,198 | 38,500 | - |
| Total expenditures | <u>6,252,284</u> | <u>7,339,087</u> | <u>4,638,035</u> | <u>1,011,516</u> |
| Excess (deficiency) of revenues over expenditures | <u>146,062</u> | <u>(940,741)</u> | <u>2,158,475</u> | <u>-</u> |
| Other financing sources (uses) | | | | |
| Transfers in | 46,979 | 46,979 | 66,230 | - |
| Transfers out | (375,904) | (375,904) | (375,904) | - |
| Total other financing sources (uses) | <u>(328,925)</u> | <u>(328,925)</u> | <u>(309,674)</u> | <u>-</u> |
| Net change in fund balance | (182,863) | (1,269,666) | 1,848,801 | - |
| Fund balance, beginning of year | 3,737,689 | 5,735,871 | 5,735,871 | - |
| Fund balance, end of year | <u>\$ 3,554,826</u> | <u>\$ 4,466,205</u> | <u>\$ 7,584,672</u> | <u>\$ -</u> |

**Actual Budget Variance with
Basis Final Budget**

| | |
|---------------------|---------------------|
| \$ 3,763,210 | \$ 763,210 |
| 187,395 | 11,395 |
| 338,384 | 148,384 |
| 188,968 | 44,968 |
| 1,521,446 | 311,446 |
| 68,574 | (65,226) |
| 51,581 | 32,081 |
| 268,570 | 161,570 |
| 42,339 | (3,892) |
| <u>6,430,467</u> | <u>1,403,936</u> |
| 252,625 | 97,925 |
| 97,471 | 81,871 |
| 1,011,516 | 1 |
| 15,947 | (174,053) |
| <u>7,808,026</u> | <u>1,409,680</u> |
| 1,562,094 | 1,037,060 |
| 1,672,739 | 331,113 |
| 2,376,218 | 339,665 |
| 38,500 | (18,302) |
| <u>5,649,551</u> | <u>1,689,536</u> |
| <u>2,158,475</u> | <u>3,099,216</u> |
| 66,230 | 19,251 |
| (375,904) | - |
| <u>(309,674)</u> | <u>19,251</u> |
| 1,848,801 | 3,118,467 |
| 5,735,871 | - |
| <u>\$ 7,584,672</u> | <u>\$ 3,118,467</u> |

REDLIGHT PHOTO ENFORCEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018

| | <u>Budget</u> | | Actual | Variance with Final Budget |
|---|------------------|---------------------|------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Fines and forfeitures | \$ - | \$ - | \$ 113 | \$ 113 |
| Earnings on investments | - | - | 4,793 | 4,793 |
| Total revenues | <u>-</u> | <u>-</u> | <u>4,906</u> | <u>4,906</u> |
| Expenditures | | | | |
| Current | | | | |
| Police and municipal court | 398,684 | 259,270 | 246,058 | 13,212 |
| Reserve appropriation | - | 280,369 | - | 280,369 |
| Capital outlay | 313,440 | 335,584 | 335,584 | - |
| Total expenditures | <u>712,124</u> | <u>875,223</u> | <u>581,642</u> | <u>293,581</u> |
| Excess (deficiency) of revenues over expenditures | <u>(712,124)</u> | <u>(875,223)</u> | <u>(576,736)</u> | <u>298,487</u> |
| Other financing sources (uses) | | | | |
| Transfers in | <u>6,407</u> | <u>6,407</u> | <u>6,407</u> | <u>-</u> |
| Net change in fund balance | (705,717) | (868,816) | (570,329) | 298,487 |
| Fund balance, beginning of year | 713,224 | 589,740 | 589,740 | - |
| Fund balance, end of year | <u>\$ 7,507</u> | <u>\$ (279,076)</u> | <u>\$ 19,411</u> | <u>\$ 298,487</u> |

**PARKING IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Budget</u> | | Actual | Variance with Final Budget |
|---------------------------------|------------------|-------------------|-------------------|-------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Charges for services | \$ 110,000 | \$ 110,000 | \$ 111,910 | \$ 1,910 |
| Earnings on investments | - | - | 4,017 | 4,017 |
| Total revenues | <u>110,000</u> | <u>110,000</u> | <u>115,927</u> | <u>5,927</u> |
| Expenditures | | | | |
| Streets | 110,000 | 110,000 | 9,999 | 100,001 |
| Net change in fund balance | - | - | 105,928 | 105,928 |
| Fund balance, beginning of year | 95,663 | 259,137 | 259,137 | - |
| Fund balance, end of year | <u>\$ 95,663</u> | <u>\$ 259,137</u> | <u>\$ 365,065</u> | <u>\$ 105,928</u> |

City of Corpus Christi

**STREETS MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Budget</u> | | <u>Actual GAAP Basis</u> | <u>Adjustments Budget Basis</u> |
|--|---------------------|---------------------|------------------------------|-------------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Industrial District - in lieu of taxes | \$ 600,194 | \$ 600,194 | \$ 445,839 | \$ - |
| Streets and easements | 58,804 | 58,804 | 48,310 | - |
| Intergovernmental | 2,747,327 | 2,747,327 | 2,746,738 | - |
| Charges for services | 11,336,904 | 11,336,904 | 11,601,351 | - |
| Earnings on investments | 76,800 | 76,800 | 272,667 | - |
| Miscellaneous | 26,100 | 26,100 | 13,132 | - |
| Reimbursements | 2,434,948 | 2,434,948 | - | (2,304,068) |
| Total revenues | <u>17,281,077</u> | <u>17,281,077</u> | <u>15,128,037</u> | <u>(2,304,068)</u> |
| Expenditures | | | | |
| Current | | | | |
| Streets | | | | |
| Administration and support services | 1,525,804 | 1,559,022 | 1,385,415 | - |
| Traffic operations | 3,931,314 | 4,187,392 | 2,658,672 | (800,133) |
| Street operations | 26,275,972 | 39,765,112 | 19,979,555 | (873,645) |
| Uncollectible accounts | 71,812 | 71,812 | 214,338 | - |
| Capital outlay | 280,000 | 286,350 | 91,850 | - |
| Debt service | | | | |
| Principal retirement | - | - | 603,201 | (603,201) |
| Interest | - | - | 27,089 | (27,089) |
| Total expenditures | <u>32,084,902</u> | <u>45,869,688</u> | <u>24,960,120</u> | <u>(2,304,068)</u> |
| Excess (deficiency) of revenues over expenditures | (14,803,825) | (28,588,611) | (9,832,083) | - |
| Other financing sources (uses) | | | | |
| Sale of City property | - | - | 5,126 | - |
| Transfers in | 15,070,268 | 15,070,268 | 15,070,268 | - |
| Total other financing sources (uses) | <u>15,070,268</u> | <u>15,070,268</u> | <u>15,075,394</u> | <u>-</u> |
| Net change in fund balance | 266,443 | (13,518,343) | 5,243,311 | - |
| Fund balance, beginning of year | 1,118,171 | 17,684,965 | 17,684,965 | - |
| Fund balance, end of year | <u>\$ 1,384,614</u> | <u>\$ 4,166,622</u> | <u>\$ 22,928,276</u> | <u>\$ -</u> |

**Actual Budget Variance with
Basis Final Budget**

| | |
|--------------------|--------------------|
| \$ 445,839 | \$ (154,355) |
| 48,310 | (10,494) |
| 2,746,738 | (589) |
| 11,601,351 | 264,447 |
| 272,667 | 195,867 |
| 13,132 | (12,968) |
| <u>(2,304,068)</u> | <u>(4,739,016)</u> |
| <u>12,823,969</u> | <u>(4,457,108)</u> |

| | |
|------------|------------|
| 1,385,415 | 173,607 |
| 1,858,539 | 2,328,853 |
| 19,105,910 | 20,659,202 |
| 214,338 | (142,526) |
| 91,850 | 194,500 |

| | |
|-------------------|-------------------|
| - | - |
| - | - |
| <u>22,656,052</u> | <u>23,213,636</u> |

| | |
|-------------|------------|
| (9,832,083) | 18,756,528 |
|-------------|------------|

| | |
|-------------------|--------------|
| 5,126 | 5,126 |
| <u>15,070,268</u> | - |
| <u>15,075,394</u> | <u>5,126</u> |

| | |
|----------------------|----------------------|
| 5,243,311 | 18,761,654 |
| <u>17,684,965</u> | - |
| <u>\$ 22,928,276</u> | <u>\$ 18,761,654</u> |

RESIDENTIAL/LOCAL STREETS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018

| | <u>Budget</u> | | Actual | Variance with Final Budget |
|---|---------------------|---------------------|---------------------|-------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Industrial District - in lieu of taxes | \$ 600,194 | \$ 600,194 | \$ 445,839 | \$ (154,355) |
| Earnings on investments | - | - | 84,243 | 84,243 |
| Total revenues | <u>600,194</u> | <u>600,194</u> | <u>530,082</u> | <u>(70,112)</u> |
| Expenditures | | | | |
| Current | | | | |
| Streets | 270,643 | 3,102,151 | 2,078,419 | (1,023,732) |
| Excess (deficiency) of revenues over expenditures | 329,551 | (2,501,957) | (1,548,337) | 953,620 |
| Other financing sources (uses) | | | | |
| Transfers in | 2,900,000 | 2,900,000 | 2,900,000 | - |
| Net change in fund balance | 3,229,551 | 398,043 | 1,351,663 | 953,620 |
| Fund balances beginning of year | 2,098,411 | 4,124,858 | 4,124,858 | - |
| Fund balances end of year | <u>\$ 5,327,962</u> | <u>\$ 4,522,901</u> | <u>\$ 5,476,521</u> | <u>\$ 953,620</u> |

**FEDERAL/STATE GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
COMPARED TO BUDGET
FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2018**

| | Project | | | |
|---|----------------------|--------------------|---------------------|----------------------|
| | Authorization | Prior Years | Current Year | Total to Date |
| Revenues | | | | |
| Grants | \$ 24,528,121 | \$ 142,434,378 | \$ 8,851,265 | \$ 151,285,643 |
| Charges for services | 252,797 | 5,360,884 | 252,797 | 5,613,681 |
| Earnings on investments | 16,500 | 193,578 | 16,500 | 210,078 |
| Miscellaneous | 299,596 | 4,733,788 | 299,596 | 5,033,384 |
| Total revenues | <u>25,097,014</u> | <u>152,722,628</u> | <u>9,420,158</u> | <u>162,142,786</u> |
| Expenditures | | | | |
| Current | | | | |
| Police and municipal court | 5,928,425 | 24,131,256 | 2,440,999 | 26,572,255 |
| Fire and ambulance | 914,075 | 16,812,473 | 561,693 | 17,374,166 |
| Emergency management | 56,266 | 69,534 | 56,266 | 125,800 |
| Streets | - | 7,560,375 | - | 7,560,375 |
| Health | 2,744,499 | 18,092,715 | 1,664,677 | 19,757,392 |
| Parks and recreation | 3,673,455 | 21,595,706 | 1,730,788 | 23,326,494 |
| Libraries | - | 3,044,452 | 4,180 | 3,048,632 |
| Museums | - | 266,127 | - | 266,127 |
| Community enrichment | 527,293 | 22,342,987 | 470,533 | 22,813,520 |
| Community development | 10,522,046 | 23,339,396 | 3,339,549 | 26,678,945 |
| Capital outlay | - | 13,615,590 | - | 13,615,590 |
| Principal retirement | - | - | 46,000 | 46,000 |
| Total expenditures | <u>24,366,059</u> | <u>150,870,611</u> | <u>10,314,685</u> | <u>161,185,296</u> |
| Excess (deficiency) of revenues over expenditures | 730,955 | 1,852,017 | (894,527) | 957,490 |
| Other Financing Sources (Uses) | | | | |
| Bonds and notes issued | - | - | 260,000 | 260,000 |
| Transfers in | 189,810 | 2,244,371 | 189,810 | 2,434,181 |
| Transfers out | (920,765) | (3,163,373) | (78,006) | (3,241,379) |
| Total other financing sources (uses) | <u>(730,955)</u> | <u>(919,002)</u> | <u>371,804</u> | <u>(547,198)</u> |
| Net change in fund balances | <u>\$ -</u> | <u>\$ 933,015</u> | <u>\$ (522,723)</u> | <u>\$ 410,292</u> |
| Fund balance, beginning of year | | | 882,661 | |
| Fund balance, end of year | | | <u>\$ 359,938</u> | |

MUNICIPAL COURT FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018

| | <u>Budget</u> | | Actual | Variance with Final Budget |
|---|-------------------|-------------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Fees | | | | |
| Municipal Court building security | \$ 80,000 | \$ 80,000 | \$ 104,255 | \$ 24,255 |
| Municipal Court technology | 100,000 | 100,000 | 138,624 | 38,624 |
| Juvenile Court case managers | 128,500 | 128,500 | 198,834 | 70,334 |
| Earnings on investments | - | - | 10,807 | 10,807 |
| Total revenues | <u>308,500</u> | <u>308,500</u> | <u>452,520</u> | <u>144,020</u> |
| Expenditures | | | | |
| Current | | | | |
| Municipal Court building security | 94,000 | 127,348 | 109,867 | 17,481 |
| Municipal Court technology | 118,488 | 155,731 | 48,470 | 107,261 |
| Juvenile Court case managers | 227,282 | 228,763 | 143,669 | 85,094 |
| Total expenditures | <u>439,770</u> | <u>511,842</u> | <u>302,006</u> | <u>209,836</u> |
| Excess (deficiency) of revenues over expenditures | (131,270) | (203,342) | 150,514 | 353,856 |
| Other financing sources (uses) | | | | |
| Transfers in | 707 | 707 | 707 | - |
| Net change in fund balance | (130,563) | (202,635) | 151,221 | 353,856 |
| Fund balance, beginning of year | 655,606 | 720,371 | 720,371 | - |
| Fund balance, end of year | <u>\$ 525,043</u> | <u>\$ 517,736</u> | <u>\$ 871,592</u> | <u>\$ 353,856</u> |

**LOCAL EMERGENCY PLANNING COMMITTEE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Budget</u> | | Actual | Variance with Final Budget |
|---|------------------|------------------|------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Contributions and donations | \$ 268,400 | \$ 268,400 | \$ 173,538 | \$ (94,862) |
| Earnings on investments | - | - | 1,610 | 1,610 |
| Total revenues | <u>268,400</u> | <u>268,400</u> | <u>175,148</u> | <u>(93,252)</u> |
| Expenditures | | | | |
| Current | | | | |
| Emergency management | <u>269,250</u> | <u>269,325</u> | <u>192,492</u> | <u>76,833</u> |
| Excess (deficiency) of revenues over expenditures | (850) | (925) | (17,344) | (16,419) |
| Other financing sources (uses) | | | | |
| Transfers in | <u>1,412</u> | <u>1,412</u> | <u>1,411</u> | <u>(1)</u> |
| Net change in fund balance | 562 | 487 | (15,933) | (16,420) |
| Fund balance, beginning of year | <u>50,411</u> | <u>82,231</u> | <u>82,231</u> | <u>-</u> |
| Fund balance, end of year | <u>\$ 50,973</u> | <u>\$ 82,718</u> | <u>\$ 66,298</u> | <u>\$ (16,420)</u> |

**HEALTH MEDICAID WAIVER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Budget</u> | | Actual | Variance with Final Budget |
|--------------------------------|-----------------|---------------------|---------------------|-------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Earnings on investments | \$ - | \$ - | \$ 16,120 | \$ 16,120 |
| Total revenues | <u>-</u> | <u>-</u> | <u>16,120</u> | <u>16,120</u> |
| Expenditures | | | | |
| Current | | | | |
| Health | - | 4,179 | (7,822) | 12,001 |
| Capital outlay | - | 24,025 | 24,025 | - |
| Total expenditures | <u>-</u> | <u>28,204</u> | <u>16,203</u> | <u>12,001</u> |
| Net change in fund balance | - | (28,204) | (83) | 28,121 |
| Fund balance beginning of year | - | 1,156,019 | 1,156,019 | - |
| Fund balance end of year | <u>\$ -</u> | <u>\$ 1,127,815</u> | <u>\$ 1,155,936</u> | <u>\$ 28,121</u> |

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Budget</u> | | <u>Actual</u> | <u>Variance with Final Budget</u> |
|---------------------------------|---------------------|---------------------|---------------------|---------------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Taxes and franchise fees | \$ 6,628,501 | \$ 6,628,501 | \$ 7,277,814 | \$ 649,313 |
| Earnings on investments | - | - | 38,515 | 38,515 |
| Total revenues | <u>6,628,501</u> | <u>6,628,501</u> | <u>7,316,329</u> | <u>687,828</u> |
| Expenditures | | | | |
| Current | | | | |
| Police and municipal court | 6,497,827 | 6,616,308 | 6,609,651 | 6,657 |
| Capital outlay | - | 60,098 | - | 60,098 |
| Total expenditures | <u>6,497,827</u> | <u>6,676,406</u> | <u>6,609,651</u> | <u>66,755</u> |
| Net change in fund balance | 130,674 | (47,905) | 706,678 | 754,583 |
| Fund balance, beginning of year | <u>3,740,387</u> | <u>3,622,624</u> | <u>3,622,624</u> | <u>-</u> |
| Fund balance, end of year | <u>\$ 3,871,061</u> | <u>\$ 3,574,719</u> | <u>\$ 4,329,302</u> | <u>\$ 754,583</u> |

City of Corpus Christi, Texas

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
BALANCE SHEET
SEPTEMBER 30, 2018**

| | Special Revenue | | |
|--|--------------------------------|---------------------------|---------------------------------|
| | Seawall Improvement | Arena Facility | Economic Development |
| Assets | | | |
| Cash, cash equivalents and investments | \$ 38,391,400 | \$ 21,609,149 | \$ 15,793,862 |
| Receivables | | | |
| Intergovernmental | 1,281,629 | 1,281,629 | - |
| Miscellaneous | - | - | 175,200 |
| Allowance for uncollectibles | - | - | (175,200) |
| Net receivables | 1,281,629 | 1,281,629 | - |
| Prepaid items | - | - | 36,580 |
| Total assets | \$ 39,673,029 | \$ 22,890,778 | \$ 15,830,442 |
| Liabilities | | | |
| Accounts payable | \$ - | \$ 5,870 | \$ 41,661 |
| Fund balances | | | |
| Nonspendable | - | - | 36,580 |
| Restricted | 39,673,029 | 22,884,908 | 15,752,201 |
| Total fund balances | 39,673,029 | 22,884,908 | 15,788,781 |
| Total liabilities and fund balances | \$ 39,673,029 | \$ 22,890,778 | \$ 15,830,442 |

City of Corpus Christi

Exhibit 24-A

| Debt Service | | | Capital Projects | | | Total |
|---------------------|---------------------|-----------------------------|-------------------------|-----------------|----------------------|--------------|
| Seawall | Arena | Economic Development | Seawall | Arena | | |
| \$ 1,372,665 | \$ 3,012,062 | \$ - | \$ 7,180,431 | \$ 1,455 | \$ 87,361,024 | |
| - | - | - | - | - | 2,563,258 | |
| - | - | - | - | - | 175,200 | |
| - | - | - | - | - | (175,200) | |
| - | - | - | - | - | 2,563,258 | |
| - | - | - | - | - | 36,580 | |
| <u>\$ 1,372,665</u> | <u>\$ 3,012,062</u> | <u>\$ -</u> | <u>\$ 7,180,431</u> | <u>\$ 1,455</u> | <u>\$ 89,960,862</u> | |
| \$ - | \$ - | \$ - | \$ 9,822 | \$ - | \$ 57,353 | |
| - | - | - | - | - | 36,580 | |
| <u>1,372,665</u> | <u>3,012,062</u> | <u>-</u> | <u>7,170,609</u> | <u>1,455</u> | <u>89,866,929</u> | |
| <u>1,372,665</u> | <u>3,012,062</u> | <u>-</u> | <u>7,170,609</u> | <u>1,455</u> | <u>89,903,509</u> | |
| <u>\$ 1,372,665</u> | <u>\$ 3,012,062</u> | <u>\$ -</u> | <u>\$ 7,180,431</u> | <u>\$ 1,455</u> | <u>\$ 89,960,862</u> | |

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2018**

| | Special Revenue | | |
|---|--------------------------------|---------------------------|---------------------------------|
| | Seawall Improvement | Arena Facility | Economic Development |
| Revenues | | | |
| Taxes and franchise fees | \$ 7,324,488 | \$ 7,324,488 | \$ 3,635,527 |
| Earnings on investments | 520,196 | 281,271 | 184,835 |
| Total revenues | <u>7,844,684</u> | <u>7,605,759</u> | <u>3,820,362</u> |
| Current | | | |
| General government | - | - | 69,170 |
| Community development | 837 | 116,037 | 1,587,634 |
| Capital outlay | - | - | - |
| Debt service | | | |
| Principal retirement | - | - | - |
| Interest | - | - | - |
| Paying agent fees | - | - | - |
| Total expenditures | <u>837</u> | <u>116,037</u> | <u>1,656,804</u> |
| Excess (deficiency) of revenues over expenditures | 7,843,847 | 7,489,722 | 2,163,558 |
| Other financing sources (uses) | | | |
| Sale of City property | - | - | 6,702 |
| Transfers in | 1,462,932 | 1,321,491 | 1,958,848 |
| Transfers out | <u>(6,940,462)</u> | <u>(6,487,510)</u> | <u>(27,542)</u> |
| Total other financing sources (uses) | <u>(5,477,530)</u> | <u>(5,166,019)</u> | <u>1,938,008</u> |
| Net change in fund balances | 2,366,317 | 2,323,703 | 4,101,566 |
| Fund balances, beginning of year | 37,306,712 | 20,561,205 | 11,687,215 |
| Fund balances, end of year | <u>\$ 39,673,029</u> | <u>\$ 22,884,908</u> | <u>\$ 15,788,781</u> |

City of Corpus Christi

Exhibit 24-B

| Debt Service | | | Capital Projects | | |
|---------------------|---------------------|-----------------------------|-------------------------|-----------------|----------------------|
| Seawall | Arena | Economic Development | Seawall | Arena | Total |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ 18,284,503 |
| 15,887 | 55,935 | 16,123 | 79,209 | 618 | 1,154,074 |
| <u>15,887</u> | <u>55,935</u> | <u>16,123</u> | <u>79,209</u> | <u>618</u> | <u>19,438,577</u> |
| - | - | - | 38,646 | - | 107,816 |
| - | - | - | - | - | 1,704,508 |
| - | - | - | 1,244,198 | (1) | 1,244,197 |
| 2,015,000 | 2,335,000 | - | - | - | 4,350,000 |
| 845,919 | 1,090,400 | - | - | - | 1,936,319 |
| 1,000 | 500 | - | - | - | 1,500 |
| <u>2,861,919</u> | <u>3,425,900</u> | <u>-</u> | <u>1,282,844</u> | <u>(1)</u> | <u>9,344,340</u> |
| (2,846,032) | (3,369,965) | 16,123 | (1,203,635) | 619 | 10,094,237 |
| - | - | - | - | - | 6,702 |
| 2,862,919 | 3,427,400 | - | 4,050,000 | - | 15,083,590 |
| - | - | (1,958,848) | (1,462,932) | (98,575) | (16,975,869) |
| <u>2,862,919</u> | <u>3,427,400</u> | <u>(1,958,848)</u> | <u>2,587,068</u> | <u>(98,575)</u> | <u>(1,885,577)</u> |
| 16,887 | 57,435 | (1,942,725) | 1,383,433 | (97,956) | 8,208,660 |
| 1,355,778 | 2,954,627 | 1,942,725 | 5,787,176 | 99,411 | 81,694,849 |
| <u>\$ 1,372,665</u> | <u>\$ 3,012,062</u> | <u>\$ -</u> | <u>\$ 7,170,609</u> | <u>\$ 1,455</u> | <u>\$ 89,903,509</u> |

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
SEAWALL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Budget</u> | | Actual | Variance with Final Budget |
|---------------------------------------|----------------------|----------------------|----------------------|-------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Sales tax | \$ 6,741,750 | \$ 6,741,750 | \$ 7,324,488 | \$ 582,738 |
| Earnings on investments | 400,000 | 400,000 | 520,196 | 120,196 |
| Total revenues | <u>7,141,750</u> | <u>7,141,750</u> | <u>7,844,684</u> | <u>702,934</u> |
| Expenditures | | | | |
| Current | | | | |
| Community development | 15,000 | 15,000 | 837 | 14,163 |
| Excess of revenues over expenditures | 7,126,750 | 7,126,750 | 7,843,847 | 717,097 |
| Other financing sources (uses) | | | | |
| Transfers in | 1,462,932 | 1,462,932 | 1,462,932 | - |
| Transfers out | (6,940,462) | (6,940,462) | (6,940,462) | - |
| Total other financing sources (uses) | <u>(5,477,530)</u> | <u>(5,477,530)</u> | <u>(5,477,530)</u> | <u>-</u> |
| Net change in fund balance | 1,649,220 | 1,649,220 | 2,366,317 | 717,097 |
| Fund balance, beginning of year | 39,383,981 | 37,306,712 | 37,306,712 | - |
| Fund balance, end of year | <u>\$ 41,033,201</u> | <u>\$ 38,955,932</u> | <u>\$ 39,673,029</u> | <u>\$ 717,097</u> |

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
ARENA FACILITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Budget</u> | | Actual | Variance with Final Budget |
|---------------------------------------|----------------------|----------------------|----------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Sales tax | \$ 6,741,750 | \$ 6,741,750 | \$ 7,324,488 | \$ 582,738 |
| Earnings on investments | 200,000 | 200,000 | 281,271 | 81,271 |
| Total revenues | <u>6,941,750</u> | <u>6,941,750</u> | <u>7,605,759</u> | <u>664,009</u> |
| Expenditures | | | | |
| Current | | | | |
| Community development | 215,000 | 278,932 | 116,036 | 162,896 |
| Excess of revenues over expenditures | 6,726,750 | 6,662,818 | 7,489,723 | 826,905 |
| Other financing sources (uses) | | | | |
| Transfers in | 1,321,491 | 1,321,491 | 1,321,491 | - |
| Transfers out | (6,487,510) | (6,737,060) | (6,487,510) | 249,550 |
| Total other financing sources (uses) | <u>(5,166,019)</u> | <u>(5,415,569)</u> | <u>(5,166,019)</u> | <u>249,550</u> |
| Net change in fund balance | 1,560,731 | 1,247,249 | 2,323,704 | 1,076,455 |
| Fund balance, beginning of year | 20,476,471 | 20,561,204 | 20,561,204 | - |
| Fund balance, end of year | <u>\$ 22,037,202</u> | <u>\$ 21,808,453</u> | <u>\$ 22,884,908</u> | <u>\$ 1,076,455</u> |

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
ECONOMIC DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Budget</u> | | Actual | Variance with Final Budget |
|--|----------------------|---------------------|----------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Sales tax | \$ 3,399,377 | \$ 3,399,377 | \$ 3,635,527 | \$ 236,150 |
| Earnings on investments | 75,000 | 75,000 | 184,835 | 109,835 |
| Sale of City property | - | - | 6,702 | 6,702 |
| Total revenues | <u>3,474,377</u> | <u>3,474,377</u> | <u>3,827,064</u> | <u>352,687</u> |
| Expenditures | | | | |
| Current | | | | |
| General government | 216,857 | 216,857 | 69,170 | 147,687 |
| Community development | 1,847,649 | 12,183,191 | 1,587,634 | 10,595,557 |
| Total expenditures | <u>2,064,506</u> | <u>12,400,048</u> | <u>1,656,804</u> | <u>10,743,244</u> |
| Excess (deficiency) of revenues over expenditures | 1,409,871 | (8,925,671) | 2,170,260 | 11,095,931 |
| Other financing sources (uses) | | | | |
| Transfers in | 1,928,158 | 1,928,158 | 1,958,848 | 30,690 |
| Transfers out | (27,542) | (27,542) | (27,542) | - |
| Total other financing sources (uses) | <u>1,900,616</u> | <u>1,900,616</u> | <u>1,931,306</u> | <u>30,690</u> |
| Net change in fund balance | 3,310,487 | (7,025,055) | 4,101,566 | 11,126,621 |
| Fund balance, beginning of year | 11,650,419 | 11,687,215 | 11,687,215 | - |
| Fund balance, end of year | <u>\$ 14,960,906</u> | <u>\$ 4,662,160</u> | <u>\$ 15,788,781</u> | <u>\$ 11,126,621</u> |

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
SEAWALL DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Budget</u> | | Actual | Variance with Final Budget |
|--|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Earnings on investments | \$ - | \$ - | 15,887 | \$ 15,887 |
| Expenditures | | | | |
| Debt service | | | | |
| Principal retirement | 2,015,000 | 2,015,000 | 2,015,000 | - |
| Interest | 845,919 | 845,919 | 845,919 | - |
| Paying agent fees | 2,000 | 2,000 | 1,000 | 1,000 |
| Total expenditures | <u>2,862,919</u> | <u>2,862,919</u> | <u>2,861,919</u> | <u>1,000</u> |
| Excess (deficiency) of revenues over expenditures | (2,862,919) | (2,862,919) | (2,846,032) | 16,887 |
| Other financing sources (uses) | | | | |
| Transfers in | <u>2,862,919</u> | <u>2,862,919</u> | <u>2,862,919</u> | <u>-</u> |
| Net change in fund balance | - | - | 16,887 | 16,887 |
| Fund balance, beginning of year | <u>1,352,197</u> | <u>1,355,778</u> | <u>1,355,778</u> | <u>-</u> |
| Fund balance, end of year | <u>\$ 1,352,197</u> | <u>\$ 1,355,778</u> | <u>\$ 1,372,665</u> | <u>\$ 16,887</u> |

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
ARENA DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Budget</u> | | Actual | Variance with Final Budget |
|--|---------------------|---------------------|---------------------|-------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Earnings on investments | \$ - | \$ - | \$ 55,935 | \$ 55,935 |
| Expenditures | | | | |
| Debt service | | | | |
| Principal retirement | 2,335,000 | 2,335,000 | 2,335,000 | - |
| Interest | 1,090,400 | 1,090,400 | 1,090,400 | - |
| Paying agent fees | 2,000 | 2,000 | 500 | 1,500 |
| Total expenditures | <u>3,427,400</u> | <u>3,427,400</u> | <u>3,425,900</u> | <u>1,500</u> |
| Excess (deficiency) of revenues over expenditures | (3,427,400) | (3,427,400) | (3,369,965) | 57,435 |
| Other financing sources (uses) | | | | |
| Transfers in | <u>3,427,400</u> | <u>3,427,400</u> | <u>3,427,400</u> | <u>-</u> |
| Net change in fund balance | - | - | 57,435 | 57,435 |
| Fund balance, beginning of year | 2,935,240 | 2,954,627 | 2,954,627 | - |
| Fund balance, end of year | <u>\$ 2,935,240</u> | <u>\$ 2,954,627</u> | <u>\$ 3,012,062</u> | <u>\$ 57,435</u> |

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
ECONOMIC DEVELOPMENT DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Budget</u> | | <u>Actual</u> | <u>Variance with Final Budget</u> |
|--|-----------------|------------------|---------------|---------------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Earnings on investments | \$ - | \$ - | 16,123 | \$ 16,123 |
| Expenditures | | | | |
| Debt service | | | | |
| Excess (deficiency) of revenues over expenditures | - | - | 16,123 | 16,123 |
| Other financing sources (uses) | | | | |
| Transfers out | (1,928,158) | (1,928,158) | (1,958,848) | (30,690) |
| Net change in fund balance | (1,928,158) | (1,928,158) | (1,942,725) | (14,567) |
| Fund balance, beginning of year | 1,928,158 | 1,942,725 | 1,942,725 | - |
| Fund balance, end of year | <u>\$ -</u> | <u>\$ 14,567</u> | <u>\$ -</u> | <u>\$ (14,567)</u> |

**CORPUS CHRISTI B CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | Budget | | Actual | Variance with Final Budget |
|--------------------------------------|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Taxes and franchise fees | \$ 3,342,373 | \$ 3,342,373 | \$ 3,688,962 | \$ 346,589 |
| Earnings on investments | - | - | 2,109 | 2,109 |
| Total revenues | <u>3,342,373</u> | <u>3,342,373</u> | <u>3,691,071</u> | <u>348,698</u> |
| Expenditures | | | | |
| Current | | | | |
| General government | - | - | 25 | (25) |
| Excess of revenues over expenditures | 3,342,373 | 3,342,373 | 3,691,046 | 348,673 |
| Net change in fund balance | <u>3,342,373</u> | <u>3,342,373</u> | <u>3,691,046</u> | <u>348,673</u> |
| Fund balance, end of year | <u>\$ 3,342,373</u> | <u>\$ 3,342,373</u> | <u>\$ 3,691,046</u> | <u>\$ 348,673</u> |

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION
BALANCE SHEET
SEPTEMBER 30, 2018**

| | General | Capital Projects | Total |
|--|----------------|-----------------------------|---------------|
| Assets | | | |
| Cash, cash equivalents and investments | \$ 11,958,893 | \$ 1,187,362 | \$ 13,146,255 |
| Receivables | | | |
| Taxes | 20,310 | - | 20,310 |
| Total assets | \$ 11,979,203 | \$ 1,187,362 | \$ 13,166,565 |
| Liabilities | | | |
| Accounts payable | \$ - | \$ 18,186 | \$ 18,186 |
| Due to other governmental agencies | 3,713 | - | 3,713 |
| Total liabilities | 3,713 | 18,186 | 21,899 |
| Fund balances | | | |
| Restricted | 11,975,490 | 1,169,176 | 13,144,666 |
| Total fund balances | 11,975,490 | 1,169,176 | 13,144,666 |
| Total liabilities and fund balances | \$ 11,979,203 | \$ 1,187,362 | \$ 13,166,565 |

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2018**

| | General | Capital Projects | Total |
|---|----------------------|-----------------------------|----------------------|
| Revenues | | | |
| Taxes | \$ 3,951,171 | \$ - | \$ 3,951,171 |
| Earnings on investments | 170,536 | 21,074 | 191,610 |
| Total revenues | <u>4,121,707</u> | <u>21,074</u> | <u>4,142,781</u> |
| Expenditures | | | |
| Current | | | |
| General government | - | 656,637 | 656,637 |
| Capital outlay | - | 27,213 | 27,213 |
| Debt service | | | |
| Principal retirement | 1,070,000 | - | 1,070,000 |
| Interest | 309,150 | - | 309,150 |
| Paying agent fees | 5,694 | - | 5,694 |
| Total expenditures | <u>1,384,844</u> | <u>683,850</u> | <u>2,068,694</u> |
| Excess (deficiency) of revenues over expenditures | 2,736,863 | (662,776) | 2,074,087 |
| Other financing sources (uses) | | | |
| Transfers in | 757 | - | 757 |
| Transfers out | (12,846) | - | (12,846) |
| Total other financing sources (uses) | <u>(12,089)</u> | <u>-</u> | <u>(12,089)</u> |
| Net change in fund balances | 2,724,774 | (662,776) | 2,061,998 |
| Fund balances, beginning of year | 9,250,716 | 1,831,952 | 11,082,668 |
| Fund balances, end of year | <u>\$ 11,975,490</u> | <u>\$ 1,169,176</u> | <u>\$ 13,144,666</u> |

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Budget</u> | | Actual | Variance with Final Budget |
|---------------------------------------|----------------------|----------------------|----------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Taxes and franchise fees | \$ 4,038,755 | \$ 4,038,755 | \$ 3,951,171 | \$ (87,584) |
| Earnings on investments | - | - | 170,536 | 170,536 |
| Total revenues | <u>4,038,755</u> | <u>4,038,755</u> | <u>4,121,707</u> | <u>82,952</u> |
| Expenditures | | | | |
| Current | | | | |
| Debt service | | | | |
| Principal retirement | 1,070,000 | 1,070,000 | 1,070,000 | - |
| Interest | 309,150 | 309,150 | 309,150 | - |
| Paying agent fees | 6,000 | 6,000 | 5,694 | 306 |
| Total expenditures | <u>1,385,150</u> | <u>1,385,150</u> | <u>1,384,844</u> | <u>306</u> |
| Excess of revenues over expenditures | 2,653,605 | 2,653,605 | 2,736,863 | 83,258 |
| Other financing sources (uses) | | | | |
| Transfers in | 757 | 757 | 757 | - |
| Transfers out | (12,846) | (12,846) | (12,846) | - |
| Net change in fund balance | 2,641,516 | 2,641,516 | 2,724,774 | 83,258 |
| Fund balance, beginning of year | 9,370,989 | 9,250,716 | 9,250,716 | - |
| Fund balance, end of year | <u>\$ 12,012,505</u> | <u>\$ 11,892,232</u> | <u>\$ 11,975,490</u> | <u>\$ 83,258</u> |

**REINVESTMENT ZONE #3
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
COMPARED TO BUDGET
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Budget</u> | | Actual | Variance with Final Budget |
|---|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 1,300,973 | \$ 1,300,973 | \$ 1,199,853 | \$ (101,120) |
| Contributions and donations | - | - | 12,000 | 12,000 |
| Earnings on investments | 20,000 | 20,000 | 55,880 | 35,880 |
| Total revenues | <u>1,320,973</u> | <u>1,320,973</u> | <u>1,267,733</u> | <u>(53,240)</u> |
| Expenditures | | | | |
| Current | | | | |
| Community development | 2,204,699 | 2,482,608 | 710,366 | 1,772,242 |
| Excess (deficiency) of revenues over (under) expenditures | (883,726) | (1,161,635) | 557,367 | 1,719,002 |
| Other financing sources (uses) | | | | |
| Transfers out | (15,301) | (15,301) | (15,301) | - |
| Net change in fund balance | (899,027) | (1,176,936) | 542,066 | 1,719,002 |
| Fund balance, beginning of year | 3,330,008 | 3,626,062 | 3,626,062 | - |
| Fund balance, end of year | <u>\$ 2,430,981</u> | <u>\$ 2,449,126</u> | <u>\$ 4,168,128</u> | <u>\$ 1,719,002</u> |

Capital Projects Funds

Capital Projects Funds

Capital Projects Funds are used for construction projects, to purchase land, and to purchase equipment for various City facilities and projects. A capital projects fund continues in existence until the project is complete or the funds are exhausted.

Major Fund

Street Capital Projects Fund – This fund was established for recording the improvements and widening of streets.

Non-major Funds

Bayfront Arts/Science Fund – This fund was established for recording the construction of additions to the Museum and other improvements at the Bayfront Arts & Science Park.

City Buildings and Facilities Fund – This fund was established for recording the purchase of a site, and constructing and equipping a new City Hall, and for major maintenance and enhancements to general purpose City buildings and facilities.

Convention Facility Fund – This fund was established for recording the construction of and improvements to a community convention facility.

Library Fund – This fund was established for recording the construction of improvements to the Public Library System.

Park Fund – This fund was established for recording improvements and expansion of park and recreational facilities.

Police Building Fund – This fund was established for recording the construction of improvements for the Police Department.

Public Health and Safety Bond Fund – This fund was established for recording the construction of improvements related to health and safety projects.

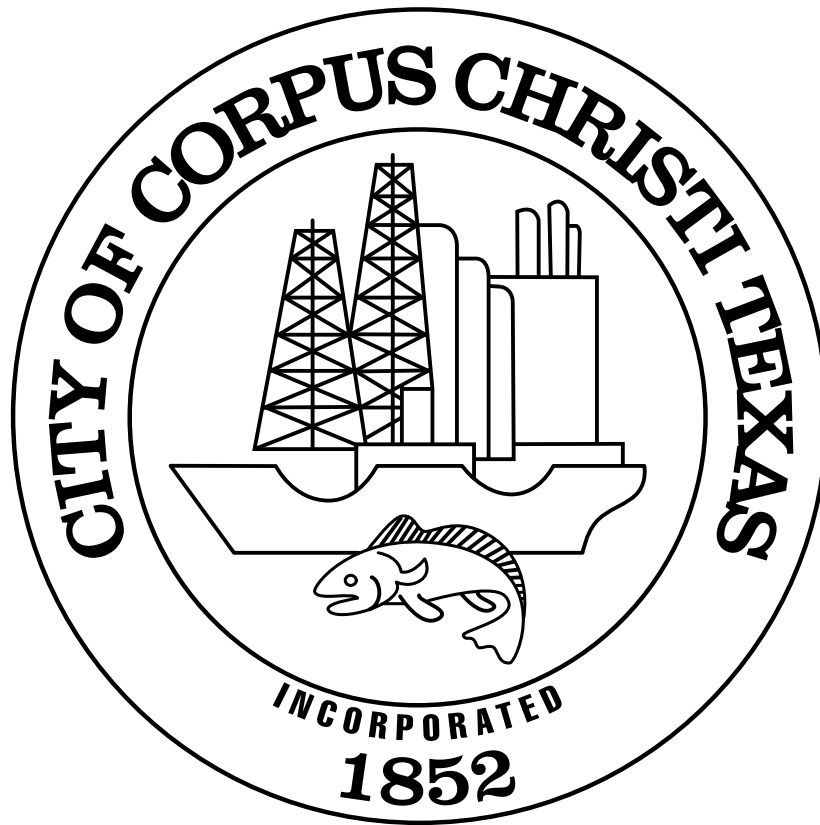
Fire Bond Fund – This fund was established for recording construction and improvements to City fire stations.

Landfill Bond Fund – This fund was established for recording the construction of improvements to the landfill.

Corpus Christi Business and Job Development Corporation – Arena Bond Fund – This fund was established for recording the construction and improvements of the arena.

Corpus Christi Business and Job Development Corporation – Seawall Fund – This fund was established for recording the construction of improvements to the seawall.

North Padre Island Development Corporation Fund – This fund was established for recording the construction of Packery Channel.



**STREET CAPITAL PROJECTS FUND
BALANCE SHEET
SEPTEMBER 30, 2018**

| | |
|--|-----------------------|
| Assets | |
| Cash, cash equivalents and investments | \$ 117,214,074 |
| Receivables | |
| Special assessments | 673,528 |
| Intergovernmental | 12,128 |
| Allowance for uncollectibles | (646,831) |
| Net receivables | <u>38,825</u> |
| Total assets | <u>\$ 117,252,899</u> |
| Liabilities | |
| Accounts payable | \$ 4,270,489 |
| Deposits | 353,400 |
| Unearned revenues | |
| Grants | <u>100,463</u> |
| Total liabilities | <u>4,724,352</u> |
| Deferred inflows of resources | |
| Unavailable revenue - Other | 26,698 |
| Fund balance | |
| Restricted | 105,497,584 |
| Committed | 5,832,473 |
| Assigned | <u>1,171,792</u> |
| Total fund balance | <u>112,501,849</u> |
| Total liabilities, deferred inflows of resources, and fund balance | <u>\$ 117,252,899</u> |

**STREET CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2018**

| | |
|---|-----------------------|
| Revenues | |
| Contributions and donations | \$ 1,059,925 |
| Special assessments | 73,056 |
| Earnings on investments | 1,666,134 |
| Miscellaneous | 8,562 |
| Property rentals | 10,000 |
| Total revenues | <u>2,817,677</u> |
| Expenditures | |
| Current | |
| General government | 5,199,454 |
| Capital outlay | 42,603,748 |
| Bond issue cost | 377,202 |
| Total expenditures | <u>48,180,404</u> |
| Excess (deficiency) of revenues over expenditures | (45,362,727) |
| Other financing sources (uses) | |
| Premium on bonds issued | 3,651,338 |
| Bonds and notes issued | 28,852,222 |
| Total other financing sources (uses) | <u>32,503,560</u> |
| Net change in fund balances | (12,859,167) |
| Fund balances, beginning of year | <u>125,361,016</u> |
| Fund balances, end of year | <u>\$ 112,501,849</u> |

City of Corpus Christi

**CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2018**

| | <u>Bayfront Arts and Science</u> | <u>City Buildings and Facilities</u> | <u>Convention Facility</u> |
|---|--------------------------------------|--|--------------------------------|
| Assets | | | |
| Cash, cash equivalents and investments | \$ 672,395 | \$ 3,717,102 | \$ 27,785 |
| Receivables | | | |
| Intergovernmental | - | - | - |
| Total assets | <u>\$ 672,395</u> | <u>\$ 3,717,102</u> | <u>\$ 27,785</u> |
| Liabilities | | | |
| Accounts payable | <u>\$ 5,554</u> | <u>\$ 34,967</u> | <u>\$ -</u> |
| Total liabilities | <u>5,554</u> | <u>34,967</u> | <u>-</u> |
| Deferred inflows of resources | | | |
| Unavailable revenue - Contributions and donations | - | - | - |
| Fund balances | | | |
| Restricted | 436,794 | 3,539,794 | 21,894 |
| Committed | <u>230,047</u> | <u>142,341</u> | <u>5,891</u> |
| Total fund balances | <u>666,841</u> | <u>3,682,135</u> | <u>27,785</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 672,395</u> | <u>\$ 3,717,102</u> | <u>\$ 27,785</u> |

(Continued)

City of Corpus Christi

Exhibit 29-A

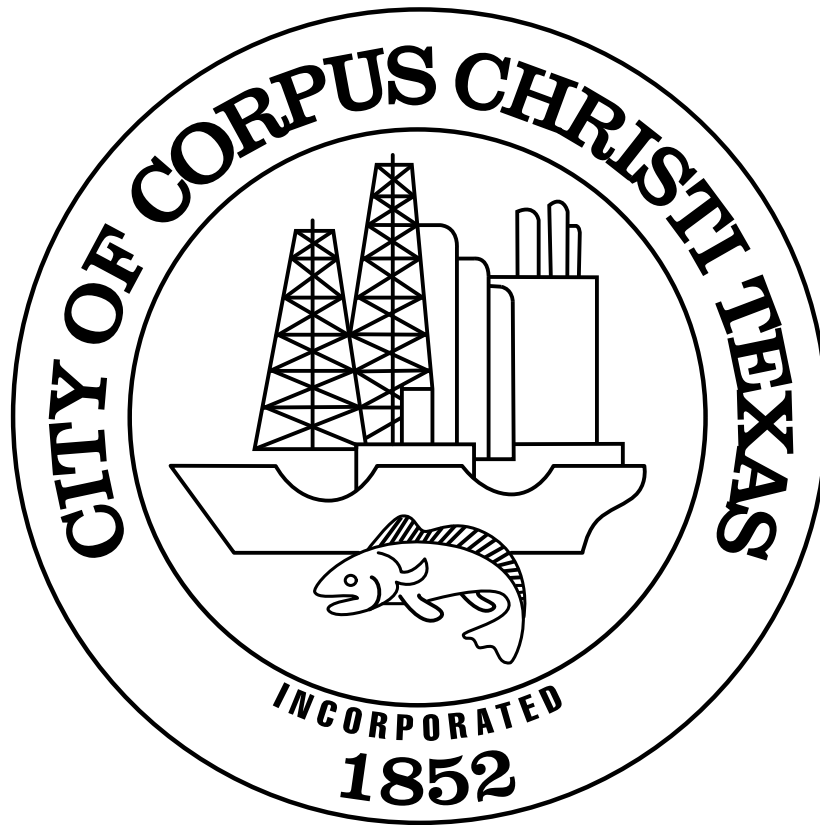
| <u>Library</u> | <u>Parks</u> | <u>Police</u> | <u>Public Health and Safety</u> | <u>Fire</u> | <u>Landfill</u> |
|------------------|---------------------|-------------------|-------------------------------------|------------------|---------------------|
| \$ 81,139 | \$ 8,208,064 | \$ 394,510 | \$ 26,791 | \$ 22,999 | \$ 5,615,694 |
| - | 111,527 | - | - | - | - |
| <u>\$ 81,139</u> | <u>\$ 8,319,591</u> | <u>\$ 394,510</u> | <u>\$ 26,791</u> | <u>\$ 22,999</u> | <u>\$ 5,615,694</u> |
| <u>\$ -</u> | <u>\$ 441,134</u> | <u>\$ 351,532</u> | <u>\$ -</u> | <u>\$ 8,533</u> | <u>\$ 414,039</u> |
| <u>-</u> | <u>441,134</u> | <u>351,532</u> | <u>-</u> | <u>8,533</u> | <u>414,039</u> |
| - | 111,527 | - | - | - | - |
| 69,319 | 7,336,753 | 22,648 | 22,102 | - | 5,064,349 |
| 11,820 | 430,177 | 20,330 | 4,689 | 14,466 | 137,306 |
| <u>81,139</u> | <u>7,766,930</u> | <u>42,978</u> | <u>26,791</u> | <u>14,466</u> | <u>5,201,655</u> |
| <u>\$ 81,139</u> | <u>\$ 8,319,591</u> | <u>\$ 394,510</u> | <u>\$ 26,791</u> | <u>\$ 22,999</u> | <u>\$ 5,615,694</u> |

City of Corpus Christi

**Exhibit 29-A
(Continued)**

**CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2018**

| | <u>Corpus Christi Business and Job Development Corporation</u> | | <u>North Padre Island Development Corporation</u> | <u>Total</u> |
|---|--|-----------------|---|----------------------|
| | <u>Seawall</u> | <u>Arena</u> | | |
| Assets | | | | |
| Cash, cash equivalents and investments | \$ 7,180,431 | \$ 1,455 | \$ 1,187,362 | \$ 27,135,727 |
| Receivables | | | | |
| Intergovernmental | - | - | - | 111,527 |
| Total assets | <u>\$ 7,180,431</u> | <u>\$ 1,455</u> | <u>\$ 1,187,362</u> | <u>\$ 27,247,254</u> |
| Liabilities | | | | |
| Accounts payable | \$ 9,822 | \$ - | \$ 18,186 | \$ 1,283,767 |
| Total liabilities | <u>9,822</u> | <u>-</u> | <u>18,186</u> | <u>1,283,767</u> |
| Deferred inflows of resources | | | | |
| Unavailable revenue - Contributions and donations | - | - | - | 111,527 |
| Fund balances | | | | |
| Restricted | 7,170,609 | 1,455 | 1,169,176 | 24,854,893 |
| Committed | - | - | - | 997,067 |
| Total fund balances | <u>7,170,609</u> | <u>1,455</u> | <u>1,169,176</u> | <u>25,851,960</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 7,180,431</u> | <u>\$ 1,455</u> | <u>\$ 1,187,362</u> | <u>\$ 27,247,254</u> |



City of Corpus Christi

**CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2018**

| | Bayfront Arts and Science | City Buildings and Facilities | Convention Facility | Library |
|--|--------------------------------------|--|--------------------------------|----------------|
| Revenues | | | | |
| Contributions and donations | \$ - | \$ - | \$ - | \$ - |
| Earnings on investments | 24,690 | 31,229 | 377 | 1,100 |
| Total revenues | 24,690 | 31,229 | 377 | 1,100 |
| Expenditures | | | | |
| Current | | | | |
| General government | 6,851 | 43,028 | - | - |
| Capital outlay | 370,224 | 253,437 | - | - |
| Debt service | | | | |
| Bond issue cost | - | 24,591 | - | - |
| Total expenditures | 377,075 | 321,056 | - | - |
| Excess (deficiency) of revenues over expenditures | (352,385) | (289,827) | 377 | 1,100 |
| Other financing sources (uses) | | | | |
| Bonds and notes issued | | | | |
| Certificate of obligation bonds issued | - | 1,817,778 | - | - |
| Premium on bonds issued | - | 208,368 | - | - |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | - | 2,026,146 | - | - |
| Net change in fund balances | (352,385) | 1,736,319 | 377 | 1,100 |
| Fund balances, beginning of year | 1,019,226 | 1,945,816 | 27,408 | 80,039 |
| Fund balances, end of year | \$ 666,841 | \$ 3,682,135 | \$ 27,785 | \$ 81,139 |

(Continued)

City of Corpus Christi

Exhibit 29-B

| <u>Parks</u> | <u>Police</u> | <u>Public Health and Safety</u> | <u>Fire</u> | <u>Landfill</u> |
|---------------------|------------------|-------------------------------------|------------------|---------------------|
| \$ 126,960 | \$ - | \$ - | \$ - | \$ - |
| <u>137,612</u> | <u>8,076</u> | <u>1,919</u> | <u>2,756</u> | <u>66,476</u> |
| <u>264,572</u> | <u>8,076</u> | <u>1,919</u> | <u>2,756</u> | <u>66,476</u> |
| 201,712 | 29,818 | 300 | 37,061 | 73,485 |
| 2,909,298 | 572,193 | 112,456 | 158,138 | 5,954,012 |
| - | - | - | - | 119,716 |
| <u>3,111,010</u> | <u>602,011</u> | <u>112,756</u> | <u>195,199</u> | <u>6,147,213</u> |
| (2,846,438) | (593,935) | (110,837) | (192,443) | (6,080,737) |
| - | - | - | - | 7,490,000 |
| - | - | - | - | 135,324 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | <u>7,625,324</u> |
| (2,846,438) | (593,935) | (110,837) | (192,443) | 1,544,587 |
| <u>10,613,368</u> | <u>636,913</u> | <u>137,628</u> | <u>206,909</u> | <u>3,657,068</u> |
| <u>\$ 7,766,930</u> | <u>\$ 42,978</u> | <u>\$ 26,791</u> | <u>\$ 14,466</u> | <u>\$ 5,201,655</u> |

CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2018

| | Corpus Christi Business and Job Development Corporation | | North Padre Island Development Corporation | Total |
|--|--|-----------------|---|----------------------|
| | Seawall | Arena | | |
| Revenues | | | | |
| Contributions and donations | \$ - | \$ - | \$ - | \$ 126,960 |
| Earnings on investments | 79,209 | 619 | 21,074 | 375,137 |
| Total revenues | <u>79,209</u> | <u>619</u> | <u>21,074</u> | <u>502,097</u> |
| Expenditures | | | | |
| Current | | | | |
| General government | 38,646 | - | 656,637 | 1,087,538 |
| Capital outlay | 1,244,198 | - | 27,213 | 11,601,169 |
| Debt service | | | | |
| Bond issue cost | - | - | - | 144,307 |
| Total expenditures | <u>1,282,844</u> | <u>-</u> | <u>683,850</u> | <u>12,833,014</u> |
| Excess (deficiency) of revenues over expenditures | (1,203,635) | 619 | (662,776) | (12,330,917) |
| Other financing sources (uses) | | | | |
| Bonds and notes issued | | | | |
| Certificate of obligation bonds issued | - | - | - | 9,307,778 |
| Premium on bonds issued | - | - | - | 343,692 |
| Transfers in | 4,050,000 | - | - | 4,050,000 |
| Transfers out | (1,462,932) | (98,575) | - | (1,561,507) |
| Total other financing sources (uses) | <u>2,587,068</u> | <u>(98,575)</u> | <u>-</u> | <u>12,139,963</u> |
| Net change in fund balances | 1,383,433 | (97,956) | (662,776) | (190,954) |
| Fund balances, beginning of year | 5,787,176 | 99,411 | 1,831,952 | 26,042,914 |
| Fund balances, end of year | <u>\$ 7,170,609</u> | <u>\$ 1,455</u> | <u>\$ 1,169,176</u> | <u>\$ 25,851,960</u> |

Proprietary Funds

Enterprise Funds

Enterprise Funds are used to account for City operations that are financed and/or operated in a manner similar to private business. Included in this category are Utility System, Airport, Golf Centers, and Marina Funds.

Major Funds

Utility System Fund – This fund was established to account for the City’s water system, waste water disposal system, gas system, and storm water sewer and drainage system.

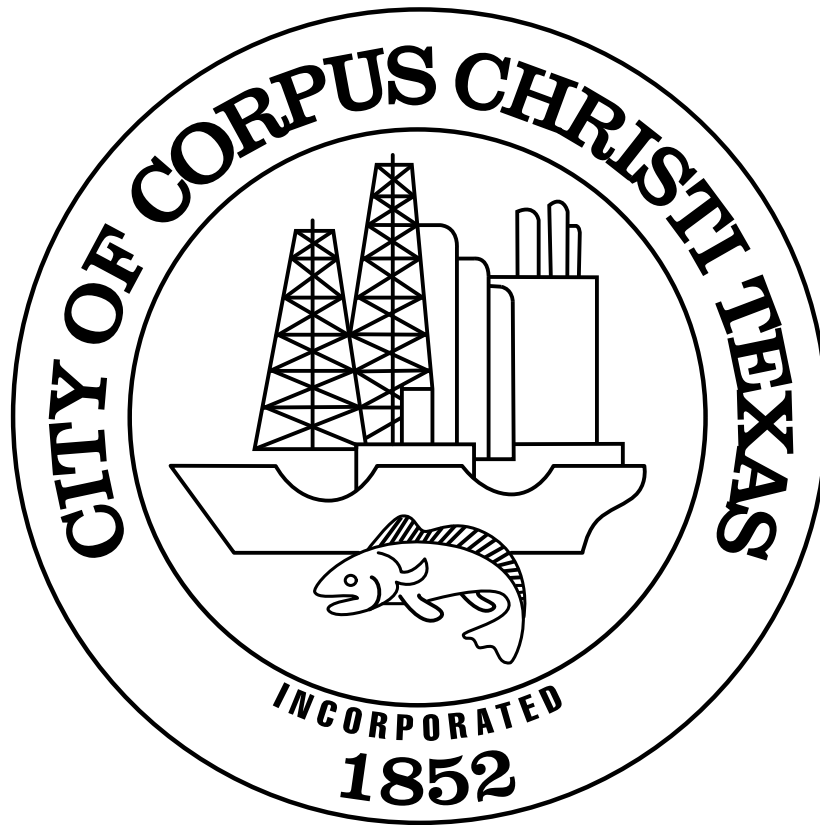
Non-major Funds

Airport Fund – This fund was established to account for operations of the Corpus Christi International Airport.

Golf Centers Fund – This fund was established to account for operations of the Gabe Lozano, Sr. and the Oso Golf Centers.

Marina Fund – This fund was established to account for operations of the Marina.

Enterprise Funds

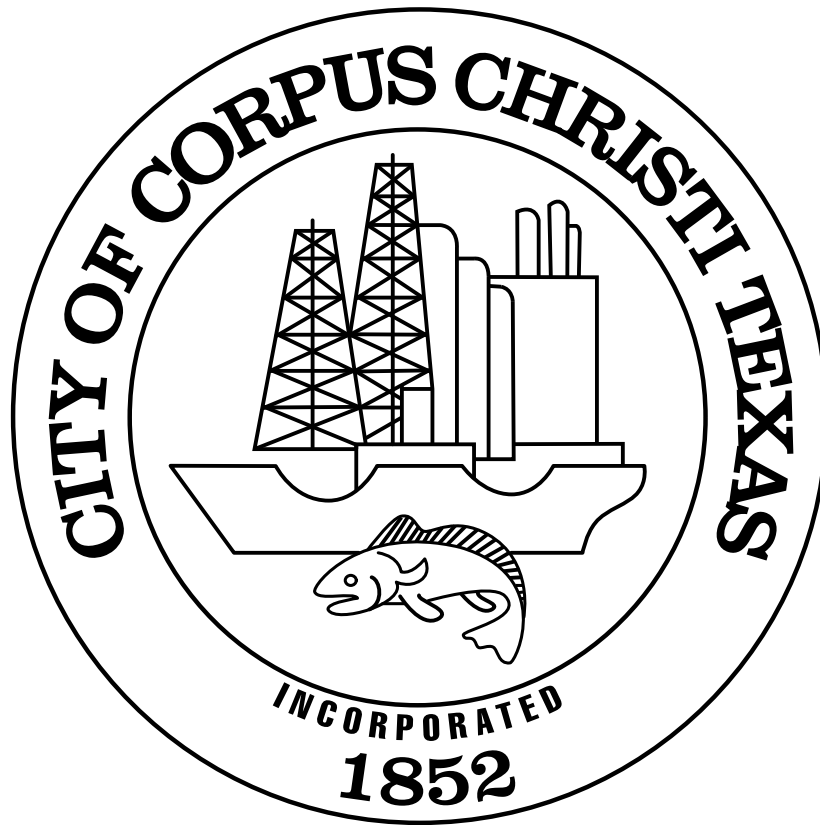


City of Corpus Christi

**UTILITY SYSTEM FUND
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2018**

| | <u>Gas</u> | <u>Water</u> | <u>Wastewater</u> | <u>Total</u> |
|---|-------------------|----------------------|--------------------|----------------------|
| Assets | | | | |
| Current assets | | | | |
| Cash, cash equivalents and investments | \$ 3,814,876 | \$ 76,205,271 | \$ 57,862,195 | \$ 137,882,342 |
| Receivables | | | | |
| Accounts | 5,068,390 | 19,383,035 | 10,201,123 | 34,652,548 |
| Property leases | - | 560 | 6,685 | 7,245 |
| Employees | - | 55 | 11,739 | 11,794 |
| Intergovernmental | 209,251 | 130,271 | - | 339,522 |
| Miscellaneous | - | 47,188 | 7,295 | 54,483 |
| Allowance for uncollectibles | (660,500) | (1,234,323) | (1,135,878) | (3,030,701) |
| Net Receivables | 4,617,141 | 18,326,786 | 9,090,964 | 32,034,891 |
| Inventories | - | 810,707 | - | 810,707 |
| Total current assets | <u>8,432,017</u> | <u>95,342,764</u> | <u>66,953,159</u> | <u>170,727,940</u> |
| Noncurrent assets | | | | |
| Restricted assets | | | | |
| Cash, cash equivalents and investments | 4,436,078 | 63,596,767 | 47,050,609 | 115,083,454 |
| Capital assets | | | | |
| Land | 726,206 | 27,824,871 | 5,453,063 | 34,004,140 |
| Water supply rights | - | 106,807,672 | - | 106,807,672 |
| Construction in progress | 815,220 | 79,573,127 | 32,474,196 | 112,862,543 |
| Capital assets not being depreciated | 1,541,426 | 214,205,670 | 37,927,259 | 253,674,355 |
| Buildings | 1,466,303 | 35,283,714 | 2,582,806 | 39,332,823 |
| Improvements other than buildings | 11,388,941 | 120,103,762 | 259,332,669 | 390,825,372 |
| Machinery and equipment | 2,933,481 | 17,347,592 | 15,350,968 | 35,632,041 |
| Infrastructure | 82,257,754 | 982,037,187 | 354,633,957 | 1,418,928,898 |
| Other capital assets being depreciated | 98,046,479 | 1,154,772,255 | 631,900,400 | 1,884,719,134 |
| Less accumulated depreciation | (48,496,606) | (350,506,913) | (201,487,739) | (600,491,258) |
| Other capital assets, net of accumulated depreciation | 49,549,873 | 804,265,342 | 430,412,661 | 1,284,227,876 |
| Net capital assets | 51,091,299 | 1,018,471,012 | 468,339,920 | 1,537,902,231 |
| Total noncurrent assets | <u>55,527,377</u> | <u>1,082,067,779</u> | <u>515,390,529</u> | <u>1,652,985,685</u> |
| Total assets | <u>63,959,394</u> | <u>1,177,410,543</u> | <u>582,343,688</u> | <u>1,823,713,625</u> |
| Deferred Outflows Of Resources | | | | |
| Unamortized loss on refunded debt | 292,396 | 5,639,458 | 2,267,207 | 8,199,061 |
| Deferred outflows related to pension & OPEB liability | 1,014,004 | 2,592,994 | 1,222,842 | 4,829,840 |
| Total deferred outflows of resources | <u>1,306,400</u> | <u>8,232,452</u> | <u>3,490,049</u> | <u>13,028,901</u> |
| (Continued) | | | | |

| | <u>Gas</u> | <u>Water</u> | <u>Wastewater</u> | <u>Total</u> |
|--|----------------------|-----------------------|-----------------------|-----------------------|
| Liabilities | | | | |
| Current liabilities | | | | |
| Accounts payable | \$ 1,296,977 | \$ 6,108,449 | \$ 5,304,788 | \$ 12,710,214 |
| Accrued liabilities | - | - | 700,000 | 700,000 |
| Accrued interest | 182,042 | 5,318,650 | 2,307,824 | 7,808,516 |
| Contractor interest and retainage payable | - | - | 2,381 | 2,381 |
| Deposits | 1,294,775 | 1,759,892 | 352 | 3,055,019 |
| Liability to claimants - escheat property | - | 122,722 | - | 122,722 |
| Unearned revenues | - | - | 147,978 | 147,978 |
| Current portion of long-term liabilities | | | | |
| Long-term debt | 823,003 | 33,157,081 | 11,057,795 | 45,037,879 |
| Accumulated unpaid compensated absences | 444,200 | 1,169,886 | 521,711 | 2,135,797 |
| Total current liabilities | <u>4,040,997</u> | <u>47,636,680</u> | <u>20,042,829</u> | <u>71,720,506</u> |
| Noncurrent liabilities | | | | |
| Liabilities payable from restricted assets | | | | |
| Deposits | 540,000 | - | - | 540,000 |
| Long-term liabilities, net of current portion | | | | |
| Long-term debt | 18,281,812 | 592,470,514 | 232,027,775 | 842,780,101 |
| Accumulated unpaid compensated absences | 269,653 | 236,709 | 72,020 | 578,382 |
| Net pension liability | 8,594,051 | 16,394,709 | 10,442,436 | 35,431,196 |
| Total OPEB liability | <u>83,446</u> | <u>179,437</u> | <u>95,185</u> | <u>358,068</u> |
| Total noncurrent liabilities | <u>27,768,962</u> | <u>609,281,369</u> | <u>242,637,416</u> | <u>879,687,747</u> |
| Total liabilities | <u>31,809,959</u> | <u>656,918,049</u> | <u>262,680,245</u> | <u>951,408,253</u> |
| Deferred inflow of resources | | | | |
| Deferred inflows related to pension & OPEB liability | 895,468 | 2,848,527 | 1,187,447 | 4,931,442 |
| Unamortized gain on refunded debt | - | 680,080 | 10,758 | 690,838 |
| Total deferred inflow of resources | <u>895,468</u> | <u>3,528,607</u> | <u>1,198,205</u> | <u>5,622,280</u> |
| Net position | | | | |
| Net investment in capital assets | 35,649,275 | 450,157,236 | 259,036,055 | 744,842,566 |
| Restricted for | | | | |
| Bond interest and redemption | 417,229 | 9,431,130 | 3,364,620 | 13,212,979 |
| Improvements to utility lines and facilities | - | 1,864,242 | 5,664,016 | 7,528,258 |
| Abatement of public health hazards | - | - | 98,157 | 98,157 |
| Unrestricted | <u>(3,506,137)</u> | <u>63,743,731</u> | <u>53,792,439</u> | <u>114,030,033</u> |
| Total net position | <u>\$ 32,560,367</u> | <u>\$ 525,196,339</u> | <u>\$ 321,955,287</u> | <u>\$ 879,711,993</u> |



UTILITY SYSTEM FUND
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2018

| | <u>Gas</u> | <u>Water</u> | <u>Wastewater</u> | <u>Eliminations</u> | <u>Total</u> |
|---|-------------------|---------------------|--------------------|---------------------|---------------------|
| Operating revenues | | | | | |
| Charges for services, net of allowances of \$2,378,022 | \$ 30,529,869 | \$ 141,126,356 | \$ 70,343,494 | \$ (2,137,471) | \$ 239,862,248 |
| Operating expenses | | | | | |
| Personnel services | 8,647,049 | 20,381,998 | 10,557,770 | - | 39,586,817 |
| Materials, supplies and contractual services | 17,670,473 | 35,706,231 | 17,067,156 | - | 70,443,860 |
| Other operating expenses | 3,479,492 | 11,962,084 | 9,088,146 | (2,137,471) | 22,392,251 |
| Depreciation | 2,272,494 | 23,914,320 | 15,783,434 | - | 41,970,248 |
| Total operating expenses | <u>32,069,508</u> | <u>91,964,633</u> | <u>52,496,506</u> | <u>(2,137,471)</u> | <u>174,393,176</u> |
| Operating income (loss) | (1,539,639) | 49,161,723 | 17,846,988 | - | 65,469,072 |
| Non-operating revenues (expenses) | | | | | |
| Investment income | 137,905 | 2,506,084 | 1,641,098 | - | 4,285,087 |
| Interest expense and fiscal charges | (788,278) | (21,933,628) | (9,855,252) | - | (32,577,158) |
| Bond issue costs | 286 | (257,646) | 5,383 | - | (251,977) |
| Net gain (loss) on disposal of city property | (914) | (4,028,369) | (252,968) | - | (4,282,251) |
| Mineral rights | - | 1,107,602 | - | - | 1,107,602 |
| Recovery of damage claims | - | 3,820 | - | - | 3,820 |
| Developer fees | - | 824,831 | 670,826 | - | 1,495,657 |
| Reimbursement to developers | - | (287,060) | (285,625) | - | (572,685) |
| Contributions from other governmental agencies | 56,694 | 746,708 | 604,292 | - | 1,407,694 |
| Total non-operating revenues (expenses) | <u>(594,307)</u> | <u>(21,317,658)</u> | <u>(7,472,246)</u> | <u>-</u> | <u>(29,384,211)</u> |
| Change in net position before capital contributions and transfers | (2,133,946) | 27,844,065 | 10,374,742 | - | 36,084,861 |
| Capital contributions | | | | | |
| Contributions from other governmental agencies | 209,251 | 194,074 | - | - | 403,325 |
| Contributions from developers | - | 5,790,870 | 3,541,454 | - | 9,332,324 |
| Total capital contributions | <u>209,251</u> | <u>5,984,944</u> | <u>3,541,454</u> | <u>-</u> | <u>9,735,649</u> |
| Transfers in (out) | | | | | |
| Transfers in | 120,662 | 413,827 | 2,046,526 | (1,916,284) | 664,731 |
| Transfers out | (816,781) | (7,002,768) | (1,855,591) | 1,916,284 | (7,758,856) |
| Total transfers | <u>(696,119)</u> | <u>(6,588,941)</u> | <u>190,935</u> | <u>-</u> | <u>(7,094,125)</u> |
| Change in net position | (2,620,814) | 27,240,068 | 14,107,131 | - | 38,726,385 |
| Net position at beginning of year, restated | <u>35,181,181</u> | <u>497,956,271</u> | <u>307,848,156</u> | <u>-</u> | <u>840,985,608</u> |
| Net position, end of year | \$ 32,560,367 | \$ 525,196,339 | \$ 321,955,287 | \$ - | \$ 879,711,993 |

City of Corpus Christi, TX

**UTILITY SYSTEMS FUND
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Gas</u> | <u>Water</u> | <u>Wastewater</u> | <u>Eliminations</u> | <u>Total</u> |
|--|---------------------|-----------------------|-----------------------|---------------------|-----------------------|
| Cash flows from operating activities | | | | | |
| Receipts from customers | \$ 28,246,836 | \$ 137,703,825 | \$ 70,498,586 | \$ - | \$ 236,449,247 |
| Receipts from interfund services provided | 477,153 | 2,552,530 | 11,769 | (2,137,471) | 903,981 |
| Payments to suppliers | (16,515,475) | (33,542,787) | (14,693,905) | - | (64,752,167) |
| Payments to employees | (7,611,422) | (18,528,657) | (9,414,878) | - | (35,554,957) |
| Internal activity - payments (to) from other funds | (5,708,738) | (17,267,222) | (11,641,989) | 2,137,471 | (32,480,478) |
| Net cash provided by operating activities | <u>(1,111,646)</u> | <u>70,917,689</u> | <u>34,759,583</u> | <u>-</u> | <u>104,565,626</u> |
| Cash flows from noncapital financing activities | | | | | |
| Contributions from other governmental agencies | - | 118,380 | 224,650 | - | 343,030 |
| Transfers in from other funds | 120,662 | 413,827 | 2,046,526 | (1,916,283) | 664,732 |
| Transfers out to other funds | (816,781) | (7,002,768) | (1,855,591) | 1,916,283 | (7,758,857) |
| Mineral rights | - | 121,075 | - | - | 121,075 |
| Net cash provided (used for) noncapital financing activities | <u>(696,119)</u> | <u>(6,349,486)</u> | <u>415,585</u> | <u>-</u> | <u>(6,630,020)</u> |
| Cash flows from capital and related financing activities | | | | | |
| Acquisition of capital assets | (395,848) | (59,175,966) | (33,309,230) | - | (92,881,044) |
| Proceeds from sale/disposal of city property | 1,143 | 12,759 | 1,474 | - | 15,376 |
| Developer deposits | - | 824,832 | 670,826 | - | 1,495,658 |
| Reimbursements to developers | - | (287,060) | (285,694) | - | (572,754) |
| Contributions from other governmental agencies | 209,251 | 682,130 | - | - | 891,381 |
| Proceeds from issuance of bonds | - | 6,137,136 | - | - | 6,137,136 |
| Principal paid on long-term debt | (812,982) | (44,829,031) | (10,740,932) | - | (56,382,945) |
| Interest expense and fiscal charges | (841,628) | (25,808,570) | (11,166,796) | - | (37,816,994) |
| Recovery on damage claims | - | 3,820 | - | - | 3,820 |
| Bond issue costs | 286 | (28,611) | 5,383 | - | (22,942) |
| Net cash provided by (used for) capital and related financing activities | <u>(1,839,778)</u> | <u>(122,468,561)</u> | <u>(54,824,969)</u> | <u>-</u> | <u>(179,133,308)</u> |
| Cash from investing activities | | | | | |
| Interest on investments | 137,905 | 2,506,463 | 1,641,098 | - | 4,285,466 |
| Net (decrease) in cash, cash equivalents and investments | (3,509,638) | (55,393,895) | (18,008,703) | - | (76,912,236) |
| Cash, cash equivalents and investments at beginning of year, including restricted accounts | <u>11,760,592</u> | <u>195,195,933</u> | <u>122,921,507</u> | <u>-</u> | <u>329,878,032</u> |
| Cash, cash equivalents and investments at end of year, including restricted accounts | <u>\$ 8,250,954</u> | <u>\$ 139,802,038</u> | <u>\$ 104,912,804</u> | <u>\$ -</u> | <u>\$ 252,965,796</u> |

(Continued)

City of Corpus Christi, TX

Exhibit 30-C

| | <u>Gas</u> | <u>Water</u> | <u>Wastewater</u> | <u>Eliminations</u> | <u>Total</u> |
|--|-----------------------|----------------------|----------------------|---------------------|-----------------------|
| Reconciliation of operating income (loss) to net cash provided by operating activities | | | | | |
| Operating income (loss) | \$ (1,539,639) | \$ 49,161,723 | \$ 17,846,988 | \$ - | \$ 65,469,072 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities | | | | | |
| Depreciation | 2,272,494 | 23,914,320 | 15,783,434 | - | 41,970,248 |
| Provision for uncollectible accounts | 768,745 | 7,972 | 1,601,304 | - | 2,378,021 |
| Changes in assets, liabilities, and deferred outflows and inflows | | | | | |
| Receivables | (2,867,744) | (1,297,578) | (1,434,443) | - | (5,599,765) |
| Inventory | - | (53,056) | - | - | (53,056) |
| Deferred outflows of resources | 381,496 | 839,100 | 407,749 | - | 1,628,345 |
| Accounts payable | 168,789 | (471,935) | 1,149,454 | - | 846,308 |
| Deposits | 293,120 | 121,892 | - | - | 415,012 |
| Accumulated unpaid compensated absences | (17,111) | 164,447 | 95,427 | - | 242,763 |
| Net pension liability | (2,247,177) | (5,764,961) | (2,711,040) | - | (10,723,178) |
| Net OPEB obligation | 4,287 | 9,229 | 4,891 | - | 18,407 |
| Liability to claimants - escheat property | - | 897 | - | - | 897 |
| Deferred inflows of resources | 1,671,093 | 4,285,639 | 2,015,818 | - | 7,972,550 |
| Net cash provided by operating activities | <u>\$ (1,111,647)</u> | <u>\$ 70,917,689</u> | <u>\$ 34,759,582</u> | <u>\$ -</u> | <u>\$ 104,565,624</u> |
| Noncash investing, capital and financing activities | | | | | |
| Contribution of capital assets | \$ - | \$ 4,397,500 | \$ 3,541,454 | \$ - | \$ 7,938,954 |
| Acquisition of capital assets under capital lease | - | 75,387 | 1,261,625 | - | 1,337,012 |
| Acquisition of capital assets accrued but not paid | 122,807 | 8,635,937 | 2,029,498 | - | 10,788,242 |
| Bond refunding | - | 34,835,000 | - | - | 34,835,000 |
| Bond issue costs | - | 229,035 | - | - | 229,035 |
| Change in accrued non-operating revenue receivables | - | 923,609 | - | - | 923,609 |
| Mineral rights | - | 986,527 | - | - | 986,527 |

City of Corpus Christi

**COMBINING STATEMENT OF NET POSITION
NON-MAJOR PROPRIETARY FUNDS
SEPTEMBER 30, 2018**

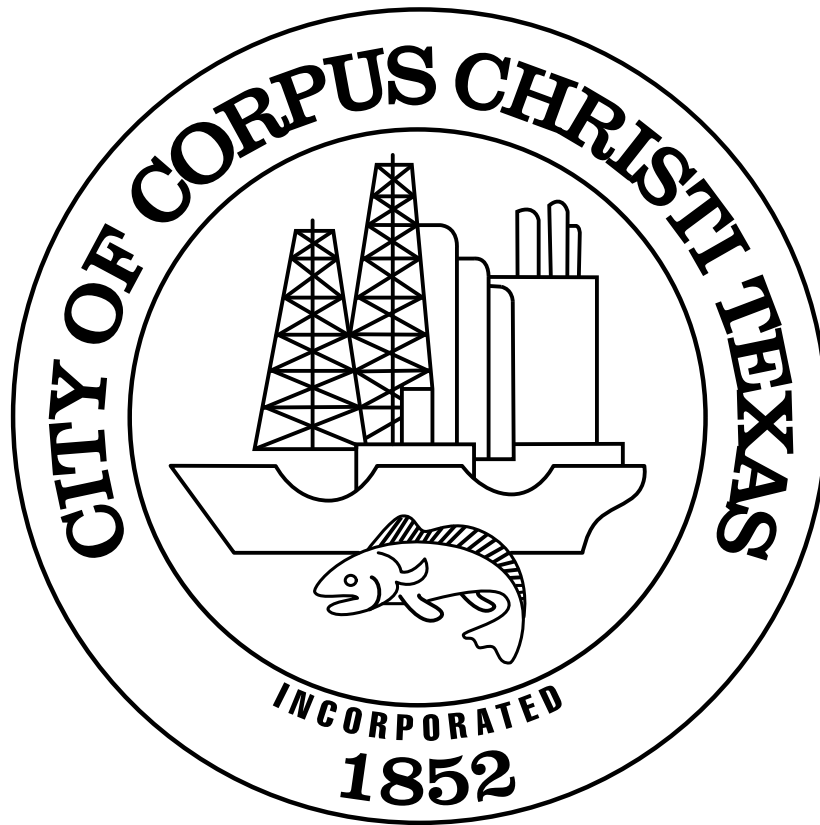
| | <u>Airport Fund</u> | <u>Golf Fund</u> | <u>Marina Fund</u> | <u>Total</u> |
|---|---------------------|--------------------|---------------------|---------------------|
| Assets | | | | |
| Current assets | | | | |
| Cash, cash equivalents and investments | \$ 6,665,843 | \$ - | \$ 1,802,667 | \$ 8,468,510 |
| Receivables | | | | |
| Accounts | 1,507,197 | 5,707 | 81,055 | 1,593,959 |
| Intergovernmental | 2,716,884 | - | - | 2,716,884 |
| Miscellaneous | - | - | 25 | 25 |
| Allowance for uncollectibles | <u>(71,137)</u> | <u>-</u> | <u>(49,232)</u> | <u>(120,369)</u> |
| Net receivables | 4,152,944 | 5,707 | 31,848 | 4,190,499 |
| Due from other funds | - | - | 43,696 | 43,696 |
| Inventories | <u>20,587</u> | <u>-</u> | <u>-</u> | <u>20,587</u> |
| Total current assets | <u>10,839,374</u> | <u>5,707</u> | <u>1,878,211</u> | <u>12,723,292</u> |
| Noncurrent assets | | | | |
| Restricted assets | | | | |
| Cash, cash equivalents and investments | 3,614,937 | - | - | 3,614,937 |
| Receivables, net of allowance for uncollectibles | <u>179,302</u> | <u>-</u> | <u>-</u> | <u>179,302</u> |
| Total noncurrent restricted assets | <u>3,794,239</u> | <u>-</u> | <u>-</u> | <u>3,794,239</u> |
| Capital assets | | | | |
| Land | 5,026,124 | 94,337 | 9,000 | 5,129,461 |
| Construction in progress | <u>8,663,655</u> | <u>-</u> | <u>-</u> | <u>8,663,655</u> |
| Capital assets not being depreciated | 13,689,779 | 94,337 | 9,000 | 13,793,116 |
| Buildings | 45,867,449 | 714,051 | 981,298 | 47,562,798 |
| Improvements other than buildings | 159,397,434 | 2,492,543 | 16,053,220 | 177,943,197 |
| Machinery and equipment | 5,578,014 | 487,048 | 421,370 | 6,486,432 |
| Infrastructure | <u>636,174</u> | <u>-</u> | <u>44,701</u> | <u>680,875</u> |
| Other capital assets being depreciated | 225,168,850 | 3,787,979 | 17,509,589 | 246,466,418 |
| Less accumulated depreciation | <u>(73,000,573)</u> | <u>(3,156,613)</u> | <u>(10,142,615)</u> | <u>(86,299,801)</u> |
| Other capital assets, net of accumulated depreciation | <u>138,478,498</u> | <u>537,029</u> | <u>7,357,974</u> | <u>146,373,501</u> |
| Net capital assets | <u>152,168,277</u> | <u>631,366</u> | <u>7,366,974</u> | <u>160,166,617</u> |
| Total noncurrent assets | <u>155,962,516</u> | <u>631,366</u> | <u>7,366,974</u> | <u>163,960,856</u> |
| Total assets | <u>166,801,890</u> | <u>637,073</u> | <u>9,245,185</u> | <u>176,684,148</u> |
| Deferred outflows of resources | | | | |
| Unamortized loss on refunded debt | 338,645 | - | 11,607 | 350,252 |
| Deferred outflows related to pension & OPEB liability | <u>577,089</u> | <u>-</u> | <u>104,866</u> | <u>681,955</u> |
| Total deferred outflows of resources | <u>915,734</u> | <u>-</u> | <u>116,473</u> | <u>1,032,207</u> |

(Continued)

City of Corpus Christi

Exhibit 31-A

| | <u>Airport Fund</u> | <u>Golf Fund</u> | <u>Marina Fund</u> | <u>Total</u> |
|--|----------------------|------------------|---------------------|----------------------|
| Liabilities | | | | |
| Current liabilities | | | | |
| Accounts payable | \$ 2,769,851 | \$ - | \$ 23,917 | \$ 2,793,768 |
| Accrued interest | 72,143 | - | 11,867 | 84,010 |
| Deposits | 9,680 | - | 160,528 | 170,208 |
| Due to other funds | - | 43,696 | - | 43,696 |
| Unearned revenues | 217,616 | - | 23,083 | 240,699 |
| Current portion of long-term liabilities | | | | |
| Advances from other funds | - | 93,701 | - | 93,701 |
| Long-term debt | 1,335,000 | - | 475,000 | 1,810,000 |
| Accumulated unpaid compensated absences | 328,920 | - | 44,725 | 373,645 |
| Total current liabilities | <u>4,733,210</u> | <u>137,397</u> | <u>739,120</u> | <u>5,609,727</u> |
| Noncurrent liabilities | | | | |
| Long-term liabilities, net of current portion | | | | |
| Advances from other funds | - | 468,509 | - | 468,509 |
| Long-term debt | 21,490,096 | - | 3,538,266 | 25,028,362 |
| Accumulated unpaid compensated absences | 13,512 | - | 16,949 | 30,461 |
| Net pension liability | 4,433,148 | - | 656,396 | 5,089,544 |
| Total OPEB liability | 41,039 | - | 7,752 | 48,791 |
| Total noncurrent liabilities | <u>25,977,795</u> | <u>468,509</u> | <u>4,219,363</u> | <u>30,665,667</u> |
| Total liabilities | <u>30,711,005</u> | <u>605,906</u> | <u>4,958,483</u> | <u>36,275,394</u> |
| Deferred inflows of resources | | | | |
| Deferred inflows related to pension & OPEB liability | <u>564,588</u> | <u>-</u> | <u>115,811</u> | <u>680,399</u> |
| Net position | | | | |
| Net investment in capital assets | 130,445,554 | 631,365 | 3,365,316 | 134,442,235 |
| Restricted for | | | | |
| Passenger facility charges projects | 2,950,686 | - | - | 2,950,686 |
| Unrestricted | 3,045,791 | (600,198) | 922,048 | 3,367,641 |
| Total net position | <u>\$136,442,031</u> | <u>\$ 31,167</u> | <u>\$ 4,287,364</u> | <u>\$140,760,562</u> |



NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2018

| | <u>Airport Fund</u> | <u>Golf Fund</u> | <u>Marina Fund</u> | <u>Total</u> |
|---|-----------------------|------------------|---------------------|-----------------------|
| Operating revenues | | | | |
| Charges for services, net of allowances of \$28,109 | \$ 9,908,389 | \$ 230,610 | \$ 2,349,886 | \$ 12,488,885 |
| Operating expenses | | | | |
| Personnel services | 4,759,790 | 1,518 | 770,070 | 5,531,378 |
| Materials, supplies and contractual services | 2,601,730 | 56,989 | 316,929 | 2,975,648 |
| Other operating expenses | 733,598 | 4,833 | 211,646 | 950,077 |
| Depreciation | 6,444,600 | 78,710 | 593,686 | 7,116,996 |
| Total operating expenses | <u>14,539,718</u> | <u>142,050</u> | <u>1,892,331</u> | <u>16,574,099</u> |
| Operating income (loss) | (4,631,329) | 88,560 | 457,555 | (4,085,214) |
| Non-operating revenues (expenses) | | | | |
| Investment income | 172,286 | 2,121 | 16,643 | 191,050 |
| Interest expense and fiscal charges | (917,800) | (22,957) | (112,452) | (1,053,209) |
| Passenger facility charges | 1,288,068 | - | - | 1,288,068 |
| Customer facility charges | 1,035,608 | - | - | 1,035,608 |
| Net gain (loss) on disposal of city property | (321) | (3,137) | 1,450 | (2,008) |
| Mineral rights | 60,957 | - | - | 60,957 |
| Recovery of damage claims | - | - | 421,043 | 421,043 |
| Contributions from other governmental agencies | 1,785 | - | - | 1,785 |
| Total non-operating revenues (expenses) | <u>1,640,583</u> | <u>(23,973)</u> | <u>326,684</u> | <u>1,943,294</u> |
| Change in net position before capital contributions and transfers | (2,990,746) | 64,587 | 784,239 | (2,141,920) |
| Capital contributions | | | | |
| Contributions from other governmental agencies | 8,747,520 | - | - | 8,747,520 |
| Contributions from others | 202,932 | - | - | 202,932 |
| Total capital contributions | <u>8,950,452</u> | <u>-</u> | <u>-</u> | <u>8,950,452</u> |
| Transfers in (out) | | | | |
| Transfers in | 36,032 | 93 | 11,150 | 47,275 |
| Transfers out | (354,333) | (4,814) | (72,905) | (432,052) |
| Total transfers | <u>(318,301)</u> | <u>(4,721)</u> | <u>(61,755)</u> | <u>(384,777)</u> |
| Change in net position | 5,641,405 | 59,866 | 722,484 | 6,423,755 |
| Net position at beginning of year, restated | <u>130,800,626</u> | <u>(28,699)</u> | <u>3,564,880</u> | <u>134,336,807</u> |
| Net position, end of year | <u>\$ 136,442,031</u> | <u>\$ 31,167</u> | <u>\$ 4,287,364</u> | <u>\$ 140,760,562</u> |

City of Corpus Christi

**NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2018**

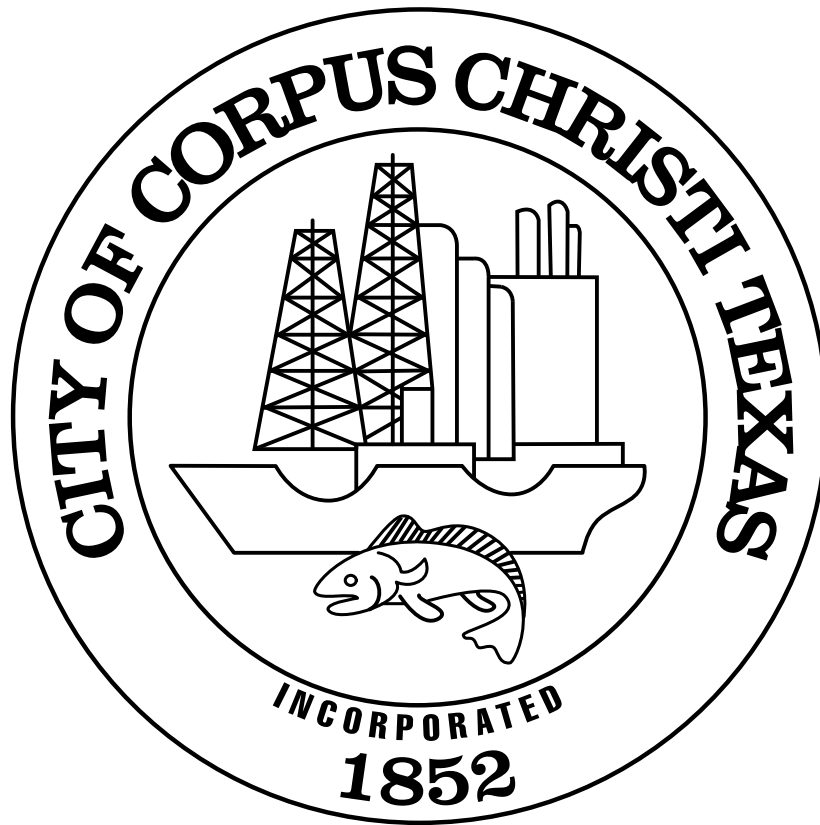
| | <u>Airport Fund</u> | <u>Golf Fund</u> | <u>Marina Fund</u> | <u>Total</u> |
|--|----------------------|------------------|---------------------|----------------------|
| Cash flows from operating activities | | | | |
| Receipts from customers | \$ 9,241,420 | \$ 232,806 | \$ 2,322,382 | \$ 11,796,608 |
| Payments to suppliers | (3,009,900) | (58,764) | (320,996) | (3,389,660) |
| Payments to employees | (4,234,676) | - | (710,352) | (4,945,028) |
| Internal activity - payments (to) from other funds | (1,377,874) | (4,831) | (303,705) | (1,686,410) |
| Net cash provided by operating activities | <u>618,970</u> | <u>169,211</u> | <u>987,329</u> | <u>1,775,510</u> |
| Cash flows from noncapital financing activities | | | | |
| Change in interfund borrowings | - | 43,696 | (43,696) | - |
| Payment on advance from other funds | - | (93,701) | - | (93,701) |
| Contributions from other governmental agencies | 1,785 | - | - | 1,785 |
| Transfers in from other funds | 36,033 | 93 | 11,150 | 47,276 |
| Transfers out to other funds | (354,333) | (4,814) | (72,905) | (432,052) |
| Mineral rights | 60,957 | - | - | 60,957 |
| Interest on advance from other fund | - | (22,957) | - | (22,957) |
| Net cash (used for) noncapital financing activities | <u>(255,558)</u> | <u>(77,683)</u> | <u>(105,451)</u> | <u>(438,692)</u> |
| Cash flows from capital and related financing activities | | | | |
| Acquisition of capital assets | (10,684,893) | (189,872) | (19,979) | (10,894,744) |
| Proceeds from sale/disposal of city property | 354 | - | 19,898 | 20,252 |
| Capital contributions | 22,940 | - | - | 22,940 |
| Contributions from other governmental agencies | 14,699,578 | - | - | 14,699,578 |
| Passenger facility charges | 1,273,256 | - | - | 1,273,256 |
| Customer facility charges | 1,001,739 | - | - | 1,001,739 |
| Principal paid on long-term debt | (1,279,678) | - | (460,000) | (1,739,678) |
| Interest expense and fiscal charges | (894,322) | - | (150,850) | (1,045,172) |
| Recovery on damage claims | - | - | 421,043 | 421,043 |
| Net cash (used for) capital and related financing activities | <u>4,138,974</u> | <u>(189,872)</u> | <u>(189,888)</u> | <u>3,759,214</u> |
| Cash from investing activities | | | | |
| Investment income | <u>172,286</u> | <u>2,121</u> | <u>16,643</u> | <u>191,050</u> |
| Net increase (decrease) in cash, cash equivalents and investments | 4,674,672 | (96,223) | 708,633 | 5,287,082 |
| Cash, cash equivalents and investments at beginning of year, including restricted accounts | <u>5,606,108</u> | <u>96,223</u> | <u>1,094,034</u> | <u>6,796,365</u> |
| Cash, cash equivalents and investments at end of year, including restricted accounts | <u>\$ 10,280,780</u> | <u>\$ -</u> | <u>\$ 1,802,667</u> | <u>\$ 12,083,447</u> |

(Continued)

City of Corpus Christi

Exhibit 31-C

| | <u>Airport Fund</u> | <u>Golf Fund</u> | <u>Marina Fund</u> | <u>Total</u> |
|---|---------------------|-------------------|--------------------|---------------------|
| Reconciliation of operating income (loss) to net cash provided by operating activities | | | | |
| Operating income (loss) | \$ (4,631,329) | \$ 88,560 | \$ 457,555 | \$ (4,085,214) |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities | | | | |
| Depreciation | 6,444,600 | 78,710 | 593,686 | 7,116,996 |
| Provision for uncollectible accounts | (9,281) | - | 37,389 | 28,108 |
| Changes in assets, liabilities, and deferred outflows and inflows | | | | |
| Receivables | (1,084,649) | 2,196 | (47,436) | (1,129,889) |
| Inventory | (1,257) | - | - | (1,257) |
| Deferred outflows of resources | 228,185 | - | 27,355 | 255,540 |
| Accounts payable | (16,501) | (255) | 8,791 | (7,965) |
| Deposits | (14,875) | - | (5,991) | (20,866) |
| Unearned revenue | - | - | (11,466) | (11,466) |
| Accumulated unpaid compensated absences | 32,106 | - | (12,133) | 19,973 |
| Net pension liability | (1,286,708) | - | (237,071) | (1,523,779) |
| Net OPEB obligation | 2,109 | - | 398 | 2,507 |
| Deferred inflows of resources | 956,570 | - | 176,252 | 1,132,822 |
| Net cash provided (used) by operating activities: | <u>\$ 618,970</u> | <u>\$ 169,211</u> | <u>\$ 987,329</u> | <u>\$ 1,775,510</u> |
| Noncash investing, capital and financing activities | | | | |
| Contribution of capital assets | \$ 385,921 | \$ - | \$ - | \$ 385,921 |
| Change in accrued non-operating revenue receivables | 5,894,947 | - | - | 5,894,947 |



Internal Service Funds

Internal Service Funds

Internal Service Funds finance and account for services, materials, and supplies furnished to the various departments of the City and, on a limited basis, to other local governmental agencies. These services are provided on a cost reimbursement basis.

Stores Fund – This fund maintains an inventory of commonly used materials and supplies and provides printing at a reasonable cost.

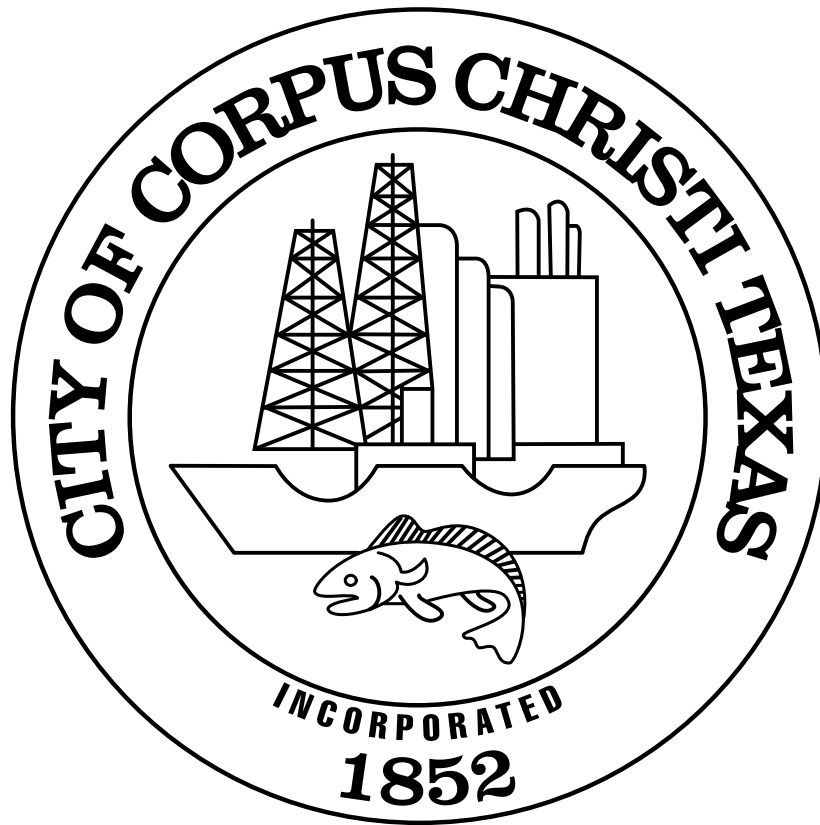
Fleet Maintenance Service Fund – This fund provides fleet purchasing and maintenance services to City departments.

Facilities Maintenance Service Fund – This fund was established to provide building maintenance services to City departments.

Information Technology Fund – This fund was established to provide technology services to City departments and assist departments citywide through the automation of processes that includes the support of IT infrastructure, end user devices, and software applications.

Liability and Employee Benefits Fund – This fund accumulates funds for the payment of liability and workers' compensation claims and various premiums for insurance coverage. This fund also accounts for the employee health insurance plans offered by the City.

Engineering Services Fund – This fund provides complete engineering services to City departments.



City of Corpus Christi

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2018**

| | <u>Stores</u> | <u>Fleet Maintenance Services</u> | <u>Facilities Maintenance Service</u> |
|---|-----------------|---|---|
| Assets | | | |
| Current assets | | | |
| Cash, cash equivalents and investments | \$ 82,145 | \$ 11,569,398 | \$ 2,845,300 |
| Receivables | | | |
| Accounts | - | - | 839 |
| Employees | - | - | - |
| Allowance for uncollectibles | - | - | - |
| Net Receivables | - | - | 839 |
| Inventories | 800,965 | 724,753 | - |
| Prepaid items | - | - | - |
| Total current assets | <u>883,110</u> | <u>12,294,151</u> | <u>2,846,139</u> |
| Noncurrent assets | | | |
| Other assets | - | - | - |
| Capital assets | | | |
| Land | - | - | 66,359 |
| Construction in progress | - | - | 482,864 |
| Capital assets not being depreciated | - | - | 549,223 |
| Buildings | 50,002 | 41,360 | 5,393,605 |
| Improvements other than buildings | - | 381,400 | 976,981 |
| Machinery and equipment | 109,000 | 29,992,450 | 459,530 |
| Other capital assets being depreciated | 159,002 | 30,415,210 | 7,379,339 |
| Less accumulated depreciation | <u>(85,818)</u> | <u>(19,986,015)</u> | <u>(4,841,394)</u> |
| Other capital assets, net of accumulated depreciation | <u>73,184</u> | <u>10,429,195</u> | <u>1,988,722</u> |
| Net capital assets | <u>73,184</u> | <u>10,429,195</u> | <u>2,537,945</u> |
| Total noncurrent assets | <u>73,184</u> | <u>10,429,195</u> | <u>2,537,945</u> |
| Total assets | <u>956,294</u> | <u>22,723,346</u> | <u>5,384,084</u> |
| Deferred outflows of resources | | | |
| Deferred outflows related to pension & OPEB liability | <u>129,844</u> | <u>443,967</u> | <u>167,299</u> |

(Continued)

City of Corpus Christi

Exhibit 32-A

| Information Technology | Liability and Employee Benefits | Engineering Services | Total |
|-----------------------------------|--|---------------------------------|---------------|
| \$ 4,509,745 | \$ 37,043,961 | \$ 477,947 | \$ 56,528,496 |
| - | 177,218 | - | 178,057 |
| 309 | 1,780 | - | 2,089 |
| (309) | (91,790) | - | (92,099) |
| - | 87,208 | - | 88,047 |
| - | - | - | 1,525,718 |
| - | 1,445,766 | - | 1,445,766 |
| 4,509,745 | 38,576,935 | 477,947 | 59,588,027 |
| - | 49,871 | - | 49,871 |
| - | - | 1,100 | 67,459 |
| - | - | 14,000 | 496,864 |
| - | - | 15,100 | 564,323 |
| - | - | - | 5,484,967 |
| 5,770,523 | - | 23,617 | 7,152,521 |
| 4,423,183 | - | 626,273 | 35,610,436 |
| 10,193,706 | - | 664,990 | 48,812,247 |
| (9,772,718) | - | (464,674) | (35,150,619) |
| 420,988 | - | 185,216 | 13,097,305 |
| 420,988 | - | 200,316 | 13,661,628 |
| 420,988 | 49,871 | 200,316 | 13,711,499 |
| 4,930,733 | 38,626,806 | 678,263 | 73,299,526 |
| 860,895 | 2,131,242 | 561,691 | 4,294,938 |

City of Corpus Christi

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2018**

| | <u>Stores</u> | <u>Fleet Maintenance Services</u> | <u>Facilities Maintenance Service</u> |
|--|---------------------|---|---|
| Liabilities | | | |
| Current liabilities | | | |
| Accounts payable | \$ 145,139 | \$ 603,111 | \$ 145,997 |
| Accrued liabilities | - | - | - |
| Deposits | - | 3,388 | - |
| Liability to claimants - escheat property | - | - | - |
| Unearned revenues | - | - | 42,082 |
| Current portion of long-term liabilities | | | |
| Long-term debt | 6,998 | 95,706 | 149,034 |
| Current portion of estimated liability claims | - | - | - |
| Accumulated unpaid compensated absences | 50,734 | 150,498 | 79,057 |
| Total current liabilities | <u>202,871</u> | <u>852,703</u> | <u>416,170</u> |
| Noncurrent liabilities | | | |
| Long-term liabilities, net of current portion | | | |
| Long-term debt | 13,446 | 139,344 | 258,146 |
| Estimated liability claims, net of current portion | - | - | - |
| Accumulated unpaid compensated absences | - | 194,116 | - |
| Net pension liability | 1,110,270 | 2,830,247 | 883,760 |
| Total OPEB liability | 10,373 | 32,261 | 16,301 |
| Total noncurrent liabilities | <u>1,134,089</u> | <u>3,195,968</u> | <u>1,158,207</u> |
| Total (continued) | <u>1,336,960</u> | <u>4,048,671</u> | <u>1,574,377</u> |
| Deferred inflows of resources | | | |
| Deferred inflows related to pension & OPEB liability | <u>130,399</u> | <u>538,230</u> | <u>131,733</u> |
| Net position | | | |
| Net investment in capital assets | 52,739 | 10,194,146 | 2,130,766 |
| Unrestricted | (433,960) | 8,386,266 | 1,714,507 |
| Total net position | <u>\$ (381,221)</u> | <u>\$ 18,580,412</u> | <u>\$ 3,845,273</u> |

City of Corpus Christi

**Exhibit 32-A
(Continued)**

| Information Technology | Liability and Employee Benefits | Engineering Services | Total |
|-----------------------------------|--|---------------------------------|----------------------|
| \$ 1,084,724 | \$ 151,104 | \$ 13,908 | \$ 2,143,983 |
| - | 120,000 | - | 120,000 |
| - | - | - | 3,388 |
| - | 21,081 | - | 21,081 |
| - | - | - | 42,082 |
| 167,703 | - | 97,396 | 516,837 |
| - | 6,729,693 | - | 6,729,693 |
| 487,927 | 67,288 | 278,267 | 1,113,771 |
| <u>1,740,354</u> | <u>7,089,166</u> | <u>389,571</u> | <u>10,690,835</u> |
| 109,975 | - | 100,415 | 621,326 |
| - | 10,165,000 | - | 10,165,000 |
| 462,071 | 13,697 | 107,963 | 777,847 |
| 6,774,533 | 1,349,827 | 4,480,277 | 17,428,914 |
| 60,418 | 9,036,609 | 36,479 | 9,192,441 |
| <u>7,406,997</u> | <u>20,565,133</u> | <u>4,725,134</u> | <u>38,185,528</u> |
| <u>9,147,351</u> | <u>27,654,299</u> | <u>5,114,705</u> | <u>48,876,363</u> |
| <u>820,979</u> | <u>587,361</u> | <u>611,268</u> | <u>2,819,970</u> |
| 143,310 | - | 2,504 | 12,523,465 |
| (4,320,012) | 12,516,388 | (4,488,523) | 13,374,666 |
| <u>\$ (4,176,702)</u> | <u>\$ 12,516,388</u> | <u>\$ (4,486,019)</u> | <u>\$ 25,898,131</u> |

City of Corpus Christi, Texas

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Stores</u> | <u>Fleet Maintenance Services</u> | <u>Facilities Maintenance Service</u> |
|---|---------------------|---|---|
| Operating revenues | | | |
| Charges for services, net of allowances of \$6,162 | \$ 2,228,510 | \$ 5,543,617 | \$ 4,798,481 |
| Operating expenses | | | |
| Personnel services | 1,126,253 | 3,770,486 | 1,542,208 |
| Materials, supplies and contractual services | 400,340 | 1,037,440 | 1,713,013 |
| Other operating expenses | 361,530 | 773,218 | 453,854 |
| Depreciation | 9,872 | 3,202,985 | 204,055 |
| Self-insurance claims | - | - | - |
| Other post employment benefits | - | - | - |
| Total operating expenses | <u>1,897,995</u> | <u>8,784,129</u> | <u>3,913,130</u> |
| Operating income (loss) | 330,515 | (3,240,512) | 885,351 |
| Non-operating revenues (expenses) | | | |
| Investment income | 815 | 191,521 | 34,764 |
| Interest expense and fiscal charges | (1,675) | (6,474) | (29,536) |
| Net gain (loss) on disposal of city property | - | (43,177) | (7,462) |
| Recovery of damage claims | - | 178,245 | - |
| Contributions from other governmental agencies | - | - | 9,803 |
| Total non-operating revenues (expenses) | <u>(860)</u> | <u>320,115</u> | <u>7,569</u> |
| Change in net position before capital contributions and transfers | 329,655 | (2,920,397) | 892,920 |
| Capital contributions | | | |
| Contributions from others | - | 7,900 | - |
| Total capital contributions | <u>-</u> | <u>7,900</u> | <u>-</u> |
| Transfers in (out) | | | |
| Transfers in | 59,745 | 2,160,775 | 36,730 |
| Transfers out | (706,251) | (756,966) | (475,546) |
| Total transfers | <u>(646,506)</u> | <u>1,403,809</u> | <u>(438,816)</u> |
| Change in net position | (316,851) | (1,508,688) | 454,104 |
| Net position at beginning of year, restated | <u>(64,370)</u> | <u>20,089,100</u> | <u>3,391,169</u> |
| Net position, end of year | <u>\$ (381,221)</u> | <u>\$ 18,580,412</u> | <u>\$ 3,845,273</u> |

City of Corpus Christi

Exhibit 32-B

| Information Technology | Liability and Employee Benefits | Engineering Services | Total |
|-------------------------------|--|-----------------------------|----------------------|
| \$ 15,877,626 | \$ 49,141,906 | \$ 5,106,708 | \$ 82,696,848 |
| 7,179,609 | 1,239,414 | 4,536,384 | 19,394,354 |
| 5,853,152 | 7,572,179 | 507,728 | 17,083,852 |
| 914,148 | 175,053 | 834,446 | 3,512,249 |
| 421,645 | - | 126,702 | 3,965,259 |
| - | 27,792,715 | - | 27,792,715 |
| - | 496,056 | - | 496,056 |
| <u>14,368,554</u> | <u>37,275,417</u> | <u>6,005,260</u> | <u>72,244,485</u> |
| 1,509,072 | 11,866,489 | (898,552) | 10,452,363 |
| 53,937 | 429,674 | 2,609 | 713,320 |
| (12,628) | - | (5,570) | (55,883) |
| 30 | - | - | (50,609) |
| - | 113,931 | - | 292,176 |
| - | - | - | 9,803 |
| <u>41,339</u> | <u>543,605</u> | <u>(2,961)</u> | <u>908,807</u> |
| 1,550,411 | 12,410,094 | (901,513) | 11,361,170 |
| - | - | - | 7,900 |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>7,900</u> |
| - | 11,080 | 149,336 | 2,417,666 |
| (1,860,493) | (376,113) | - | (4,175,369) |
| <u>(1,860,493)</u> | <u>(365,033)</u> | <u>149,336</u> | <u>(1,757,703)</u> |
| (310,082) | 12,045,061 | (752,177) | 9,611,367 |
| (3,866,620) | 471,327 | (3,733,842) | 16,286,764 |
| <u>\$ (4,176,702)</u> | <u>\$ 12,516,388</u> | <u>\$ (4,486,019)</u> | <u>\$ 25,898,131</u> |

City of Corpus Christi

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2018**

| | Stores | Fleet Maintenance Services | Facilities Maintenance Service | Information Technology |
|--|------------------|---|---|-----------------------------------|
| Cash flows from operating activities | | | | |
| Receipts from customers | \$ - | \$ 18,805 | \$ 9,901 | \$ - |
| Receipts from interfund services provided | 5,998,533 | 13,241,035 | 4,789,032 | 15,877,776 |
| Payments to suppliers | (4,109,065) | (8,651,768) | (1,682,966) | (5,225,484) |
| Payments to employees | (1,005,191) | (3,359,727) | (1,353,027) | (6,385,950) |
| Internal activity - payments (to) from other funds | (513,779) | (1,256,888) | (746,041) | (1,838,149) |
| Claims paid | - | - | - | - |
| Other receipts | - | 178,245 | - | - |
| Net cash provided by (used for) operating activities | <u>370,498</u> | <u>169,702</u> | <u>1,016,899</u> | <u>2,428,193</u> |
| Cash flows from noncapital financing activities | | | | |
| Contributions from other governmental agencies | - | - | 51,885 | - |
| Transfers in from other funds | 59,745 | 26,235 | 36,730 | - |
| Transfers out to other funds | <u>(706,251)</u> | <u>(756,966)</u> | <u>(475,546)</u> | <u>(1,860,493)</u> |
| Net cash provided by (used for) noncapital financing activities | <u>(646,506)</u> | <u>(730,731)</u> | <u>(386,931)</u> | <u>(1,860,493)</u> |
| Cash flows from capital and related financing activities | | | | |
| Acquisition of capital assets | - | (4,475,603) | (191,295) | - |
| Proceeds from sale/disposal of city property | - | 2,120 | - | 30 |
| Contributions from other governmental agencies | - | 7,900 | - | - |
| Transfers in from other funds for capital acquisition | - | 2,134,541 | - | - |
| Principal paid on long-term debt | (6,541) | (93,565) | (140,375) | (419,974) |
| Interest expense and fiscal charges | <u>(1,675)</u> | <u>(6,474)</u> | <u>(29,536)</u> | <u>(12,628)</u> |
| Net cash provided (used) by capital and related financing activities | <u>(8,216)</u> | <u>(2,431,081)</u> | <u>(361,206)</u> | <u>(432,572)</u> |
| Cash flows from investing activities | | | | |
| Investment income | <u>815</u> | <u>191,521</u> | <u>34,764</u> | <u>53,937</u> |
| Net increase (decrease) in cash and cash equivalents | <u>(283,409)</u> | <u>(2,800,589)</u> | <u>303,526</u> | <u>189,065</u> |
| Cash, cash equivalents and investments at beginning of year | <u>365,553</u> | <u>14,369,989</u> | <u>2,541,774</u> | <u>4,320,679</u> |
| Cash, cash equivalents and investments at end of year | <u>\$ 82,144</u> | <u>\$ 11,569,400</u> | <u>\$ 2,845,300</u> | <u>\$ 4,509,744</u> |

(Continued)

City of Corpus Christi

Exhibit 32-C

| Liability and Employee Benefits | Engineering Services | Total |
|--|---------------------------------|----------------------|
| \$ 11,345,839 | \$ - | \$ 11,374,545 |
| 38,096,572 | 5,106,707 | 83,109,655 |
| (6,425,120) | (519,786) | (26,614,189) |
| (1,149,856) | (4,096,895) | (17,350,646) |
| (641,129) | (1,390,631) | (6,386,617) |
| (32,173,470) | - | (32,173,470) |
| 145,842 | - | 324,087 |
| <u>9,198,678</u> | <u>(900,605)</u> | <u>12,283,365</u> |
| - | - | 51,885 |
| 11,080 | 149,336 | 283,126 |
| <u>(376,113)</u> | <u>-</u> | <u>(4,175,369)</u> |
| <u>(365,033)</u> | <u>149,336</u> | <u>(3,840,358)</u> |
| - | - | (4,666,898) |
| - | - | 2,150 |
| - | - | 7,900 |
| - | - | 2,134,541 |
| - | (95,231) | (755,686) |
| - | (5,570) | (55,883) |
| <u>-</u> | <u>(100,801)</u> | <u>(3,333,876)</u> |
| <u>429,674</u> | <u>2,609</u> | <u>713,320</u> |
| 9,263,319 | (849,461) | 5,822,451 |
| <u>27,780,642</u> | <u>1,327,408</u> | <u>50,706,045</u> |
| <u>\$ 37,043,961</u> | <u>\$ 477,947</u> | <u>\$ 56,528,496</u> |

City of Corpus Christi

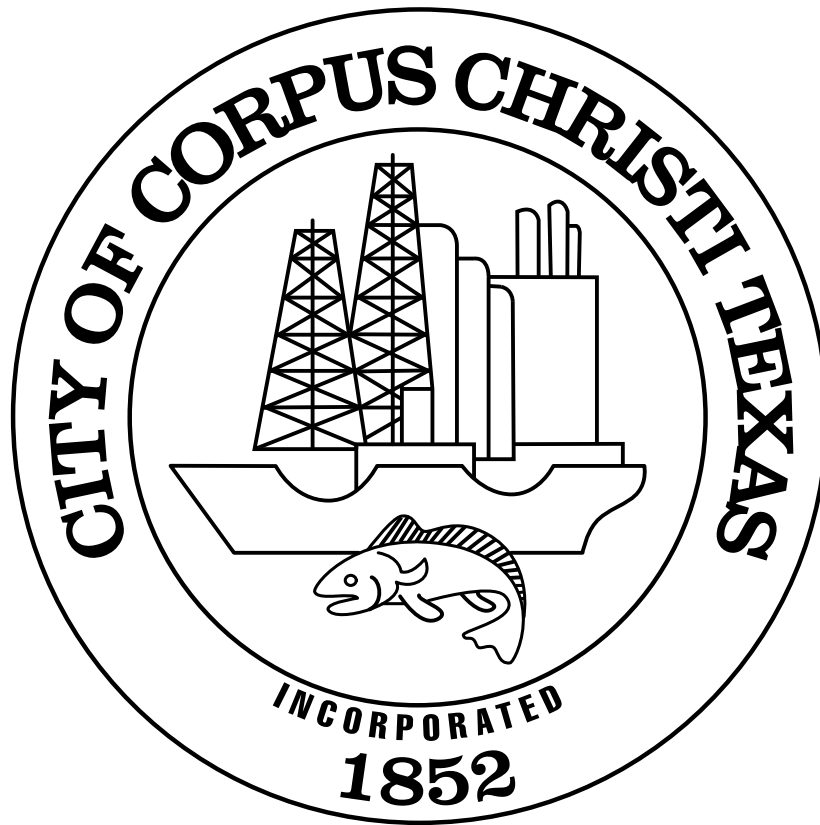
**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2018**

| | <u>Stores</u> | <u>Fleet Maintenance Services</u> | <u>Facilities Maintenance Service</u> | <u>Information Technology</u> |
|--|-------------------|---|---|-----------------------------------|
| Reconciliation of operating income (loss) to net cash provided by (used for) operating activities | | | | |
| Operating income (loss) | \$ 330,515 | \$ (3,240,512) | \$ 885,351 | \$ 1,509,072 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities | | | | |
| Depreciation | 9,872 | 3,202,985 | 204,055 | 421,645 |
| Provision for uncollectible accounts | - | - | - | - |
| Recovery of damage claims | - | 178,245 | - | - |
| Changes in assets, liabilities, and deferred outflows and inflows | | | | |
| Receivables | - | - | 452 | - |
| Inventory | (48,652) | (7,509) | - | - |
| Prepaid items | - | - | - | - |
| Deferred outflows of resources | 26,406 | 165,076 | 111,518 | 399,700 |
| Accounts payable | 108,669 | 86,041 | (28,834) | 566,509 |
| Accrued expenses | - | - | - | - |
| Unearned revenue | - | - | - | - |
| Accumulated unpaid compensated absences | 15,226 | 38,357 | (57,885) | 23,581 |
| Net pension liability | (281,126) | (992,558) | (384,921) | (1,930,716) |
| Net OPEB obligation | 533 | 1,658 | 837 | 3,106 |
| Estimated claims liability | - | - | - | - |
| Deferred inflows of resources | 209,055 | 737,919 | 286,326 | 1,435,296 |
| Net cash provided (used) by operating activities: | <u>\$ 370,498</u> | <u>\$ 169,702</u> | <u>\$ 1,016,899</u> | <u>\$ 2,428,193</u> |

City of Corpus Christi, Texas

**Exhibit 32-C
(Continued)**

| Liability and Employee Benefits | Engineering Services | Total |
|--|---------------------------------|----------------------|
| \$ 11,866,488 | \$ (898,552) | \$ 10,452,362 |
| - | 126,702 | 3,965,259 |
| 6,012 | - | 6,012 |
| 113,931 | - | 292,176 |
| 52,105 | - | 52,557 |
| - | - | (56,161) |
| (304,717) | - | (304,717) |
| (1,904,726) | 186,714 | (1,015,312) |
| (52,907) | (43,167) | 636,311 |
| 23,275 | - | 23,275 |
| (1,467) | - | (1,467) |
| (5,283) | 45,765 | 59,761 |
| (370,050) | (1,246,459) | (5,205,830) |
| 59,359 | 1,876 | 67,369 |
| (942,599) | - | (942,599) |
| 659,257 | 926,516 | 4,254,369 |
| <u>\$ 9,198,678</u> | <u>\$ (900,605)</u> | <u>\$ 12,283,365</u> |



Capital Assets

***Capital Assets Used in Operation
of Governmental Funds***

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
SCHEDULE BY SOURCE*
SEPTEMBER 30, 2018**

| | |
|---|------------------|
| Governmental funds capital assets | |
| Land | \$ 68,390,796 |
| Buildings | 230,816,890 |
| Improvements other than buildings | 299,582,187 |
| Machinery and equipment | 81,575,643 |
| Infrastructure | 497,905,254 |
| Construction in progress | 56,599,629 |
| | <hr/> |
| Total governmental funds capital assets | \$ 1,234,870,399 |
| | <hr/> <hr/> |
| Investment in governmental funds capital assets by source | |
| Capital projects funds | \$ 1,008,633,653 |
| General and special revenue funds | 72,438,228 |
| Donations | 17,264,516 |
| Developers contributions | 28,037,156 |
| Federal revenue sharing | 83,310,785 |
| Tax increment zone | 20,140,958 |
| Claim settlements | 5,045,103 |
| | <hr/> |
| Total investment in governmental funds capital assets by source | \$ 1,234,870,399 |
| | <hr/> <hr/> |

- * This schedule presents only the capital assets balances related to governmental funds. The capital assets reported in internal service funds are excluded from the above amounts but are included as governmental activities in the statement of net position.

City of Corpus Christi

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
SEPTEMBER 30, 2018**

| | Totals | Land | Buildings | Improvements Other than Buildings | Machinery and Equipment | Infrastructure |
|---|---------------|-------------|------------------|--|--|-----------------------|
| Staff agencies | | | | | | |
| Finance | \$ 76,396 | \$ - | \$ - | \$ - | \$ 76,396 | \$ - |
| Meter reading | 294,211 | - | - | - | 294,211 | - |
| Planning | 268,389 | - | 136,698 | - | 131,691 | - |
| Total staff agencies | 638,996 | - | 136,698 | - | 502,298 | - |
| City Hall and Emergency Management Facility | 22,824,428 | 3,732,487 | 17,723,896 | 20,691 | 1,347,354 | - |
| Municipal service center | 2,215,366 | 204,024 | 662,316 | 361,031 | 987,995 | - |
| Miscellaneous | 20,234,364 | 200,383 | 7,361,532 | 10,435,881 | 2,236,568 | - |
| Total general government | 45,913,154 | 4,136,894 | 25,884,442 | 10,817,603 | 5,074,215 | - |
| Police and municipal court | | | | | | |
| Police | | | | | | |
| Police | 22,983,197 | 2,325,928 | 8,587,192 | 4,788,146 | 7,278,070 | 3,861 |
| Animal control | 3,827,260 | - | 3,432,801 | - | 394,459 | - |
| Code enforcement | 347,752 | - | - | - | 347,752 | - |
| Total police | 27,158,209 | 2,325,928 | 12,019,993 | 4,788,146 | 8,020,281 | 3,861 |
| Municipal court | 1,077,742 | - | 26,410 | 928,833 | 122,499 | - |
| Total police and municipal court | 28,235,951 | 2,325,928 | 12,046,403 | 5,716,979 | 8,142,780 | 3,861 |
| Fire | 28,736,979 | 1,666,238 | 7,910,662 | 7,275,321 | 11,884,758 | - |
| Ambulance | 2,168,878 | - | - | - | 2,168,878 | - |
| Emergency management | 25,014 | - | - | - | 25,014 | - |
| Building inspections | 43,289 | - | - | - | 43,289 | - |
| Streets | | | | | | |
| Streets, sidewalks, curbs and gutters | 460,623,611 | 15,582,629 | - | 5,022,329 | - | 440,018,653 |
| Street maintenance and construction | 9,467,558 | 266,937 | 123,522 | - | 9,077,099 | - |
| Street signs and markings | 3,930,561 | - | - | 1,110,962 | 1,274,936 | 1,544,663 |
| Harbor Bridge and approaches | 7,322,587 | 64,110 | - | 7,258,477 | - | - |
| Total streets | 481,344,317 | 15,913,676 | 123,522 | 13,391,768 | 10,352,035 | 441,563,316 |
| Solid waste | 127,945,954 | 8,233,422 | 709,489 | 57,269,638 | 32,514,314 | 29,219,091 |
| Health | 7,427,505 | 61,909 | 4,693,916 | 1,880,305 | 791,375 | - |
| Parks, recreation and education | | | | | | |
| Parks and recreation | 133,160,103 | 18,850,127 | 4,195,033 | 92,453,527 | 3,671,695 | 13,989,721 |
| Miradores and Selena Memorial | 1,965,000 | - | - | 1,965,000 | - | - |
| Senior services | 4,785,729 | 130,714 | 3,380,510 | 1,274,505 | - | - |
| Upper level college facilities | 1,510,810 | 1,510,810 | - | - | - | - |
| Total parks, recreation and education | 141,421,642 | 20,491,651 | 7,575,543 | 95,693,032 | 3,671,695 | 13,989,721 |
| Libraries | 18,115,076 | 787,461 | 17,049,483 | 193,441 | 84,691 | - |
| Corpus Christi museums | 11,928,161 | - | 6,488,324 | 4,969,723 | 470,114 | - |
| Community enrichment | | | | | | |
| Cultural and convention facilities | | | | | | |
| Multipurpose arena | 47,333,031 | 2,829,110 | 40,747,706 | 2,624,812 | 1,131,403 | - |
| Auditorium | 7,304,198 | - | 7,262,070 | - | 42,128 | - |
| Baseball stadium | 28,441,771 | 1,836,763 | 26,186,852 | 418,156 | - | - |
| Harbor Playhouse | 880,519 | - | 869,675 | - | 10,844 | - |
| Convention center | 62,020,043 | 798,244 | 52,529,574 | 3,698,710 | 4,993,515 | - |
| Water Garden | 1,499,927 | - | - | 1,499,927 | - | - |
| Bayfront Science Park | 40,498,180 | 3,651,328 | 2,468,913 | 34,250,723 | 127,216 | - |
| Texas State Aquarium | 20,844,296 | 2,047,044 | 11,024,033 | 7,773,219 | - | - |
| Total cultural and convention facilities | 208,821,965 | 11,162,489 | 141,088,823 | 50,265,547 | 6,305,106 | - |
| Public art | 93,328 | - | - | 93,328 | - | - |
| Total community enrichment | 208,915,293 | 11,162,489 | 141,088,823 | 50,358,875 | 6,305,106 | - |

(Continued)

City of Corpus Christi

Exhibit 33-B

| | Totals | Land | Buildings | Improvements Other than Buildings | Machinery and Equipment | Infrastructure |
|--|-----------------------|----------------------|-----------------------|--|--|-----------------------|
| Community development | | | | | | |
| Neighborhood improvement | 23,595 | - | - | - | 23,595 | - |
| Community Development Block Grant | 7,323,070 | 800,221 | 5,821,579 | 677,484 | 23,786 | - |
| Corpus Christi Community Improvement Corp. | 1,473,294 | 59,497 | 1,413,797 | - | - | - |
| Total community development | <u>8,819,959</u> | <u>859,718</u> | <u>7,235,376</u> | <u>677,484</u> | <u>47,381</u> | <u>-</u> |
| Other general capital assets | | | | | | |
| Packery Channel | 14,037,438 | - | - | 908,172 | - | 13,129,266 |
| Seawall | 50,429,843 | - | - | 50,429,843 | - | - |
| Army Corp of Engineers office | 10,909 | - | 10,909 | - | - | - |
| Naval Air Station safety zone | 2,672,482 | 2,672,482 | - | - | - | - |
| Transit facility | 78,928 | 78,928 | - | - | - | - |
| Total other general capital assets | <u>67,229,600</u> | <u>2,751,410</u> | <u>10,909</u> | <u>51,338,015</u> | <u>-</u> | <u>13,129,266</u> |
| Total capital assets in service | <u>1,178,270,772</u> | <u>68,390,796</u> | <u>230,816,892</u> | <u>299,582,184</u> | <u>81,575,645</u> | <u>497,905,255</u> |
| Less: accumulated depreciation | <u>494,246,989</u> | <u>-</u> | <u>106,150,682</u> | <u>133,052,423</u> | <u>62,900,688</u> | <u>192,143,196</u> |
| Net capital assets in service | <u>684,023,783</u> | <u>68,390,796</u> | <u>124,666,210</u> | <u>166,529,761</u> | <u>18,674,957</u> | <u>305,762,059</u> |
| Construction in progress | <u>56,599,629</u> | <u>-</u> | <u>1,437,495</u> | <u>8,210,532</u> | <u>170,832</u> | <u>46,780,770</u> |
| Total general capital assets | <u>\$ 740,623,412</u> | <u>\$ 68,390,796</u> | <u>\$ 126,103,705</u> | <u>\$ 174,740,293</u> | <u>\$ 18,845,789</u> | <u>\$ 352,542,829</u> |

* This schedule presents only the capital assets balances related to governmental funds. The capital assets reported in internal service funds are excluded from the above amounts but are included as governmental activities in the statement of net position.

City of Corpus Christi

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED
IN THE OPERATIONS OF GOVERNMENTAL FUNDS
BY FUNCTION AND ACTIVITY*
YEAR ENDED SEPTEMBER 30, 2018**

| | Beginning Balance | Additions and Transfers | Retirements | Ending Balance |
|---|------------------------------|------------------------------------|--------------------|---------------------------|
| Staff agencies | | | | |
| Finance | \$ 76,396 | \$ - | \$ - | \$ 76,396 |
| Meter reading | 294,211 | - | - | 294,211 |
| Planning | 252,614 | 38,500 | 22,726 | 268,388 |
| Total staff agencies | <u>623,221</u> | <u>38,500</u> | <u>22,726</u> | <u>638,995</u> |
| City Hall and Emergency Management Facility | 22,822,241 | 2,187 | - | 22,824,428 |
| Municipal service center | 2,185,997 | 29,369 | - | 2,215,366 |
| Miscellaneous | 20,128,900 | 105,464 | - | 20,234,364 |
| Total general government | <u>45,760,359</u> | <u>175,520</u> | <u>22,726</u> | <u>45,913,153</u> |
| Police and municipal court | | | | |
| Police | | | | |
| Police | 19,509,061 | 3,997,925 | 523,789 | 22,983,197 |
| Animal control | 3,827,260 | - | - | 3,827,260 |
| Code enforcement | 347,752 | - | - | 347,752 |
| Total police | <u>23,684,073</u> | <u>3,997,925</u> | <u>523,789</u> | <u>27,158,209</u> |
| Municipal court | 1,077,742 | - | - | 1,077,742 |
| Total police and municipal court | <u>24,761,815</u> | <u>3,997,925</u> | <u>523,789</u> | <u>28,235,951</u> |
| Fire | 28,535,526 | 1,194,191 | 992,738 | 28,736,979 |
| Ambulance | 2,168,878 | - | - | 2,168,878 |
| Emergency management | 25,014 | - | - | 25,014 |
| Building inspections | 102,843 | (45,866) | 13,688 | 43,289 |
| Streets | | | | |
| Streets, sidewalks, curbs and gutters | 355,843,738 | 104,815,097 | 35,224 | 460,623,611 |
| Street maintenance and construction | 9,359,618 | 107,939 | - | 9,467,557 |
| Street signs and markings | 2,376,723 | 1,553,838 | - | 3,930,561 |
| Harbor Bridge and approaches | 7,322,587 | - | - | 7,322,587 |
| Total streets | <u>374,902,666</u> | <u>106,476,874</u> | <u>35,224</u> | <u>481,344,316</u> |
| Solid waste | 118,822,295 | 13,212,596 | 4,088,936 | 127,945,955 |
| Health | 6,724,924 | 702,581 | - | 7,427,505 |
| Parks, recreation and education | | | | |
| Parks and recreation | 120,524,638 | 13,102,455 | 466,989 | 133,160,104 |
| Miradores and Selena Memorial | 1,965,000 | - | - | 1,965,000 |
| Senior services | 4,785,729 | - | - | 4,785,729 |
| Upper level college facilities | 1,510,810 | - | - | 1,510,810 |
| Total parks, recreation and education | <u>128,786,177</u> | <u>13,102,455</u> | <u>466,989</u> | <u>141,421,643</u> |
| Libraries | 18,079,375 | 35,701 | - | 18,115,076 |
| Corpus Christi museums | 7,446,001 | 4,482,160 | - | 11,928,161 |

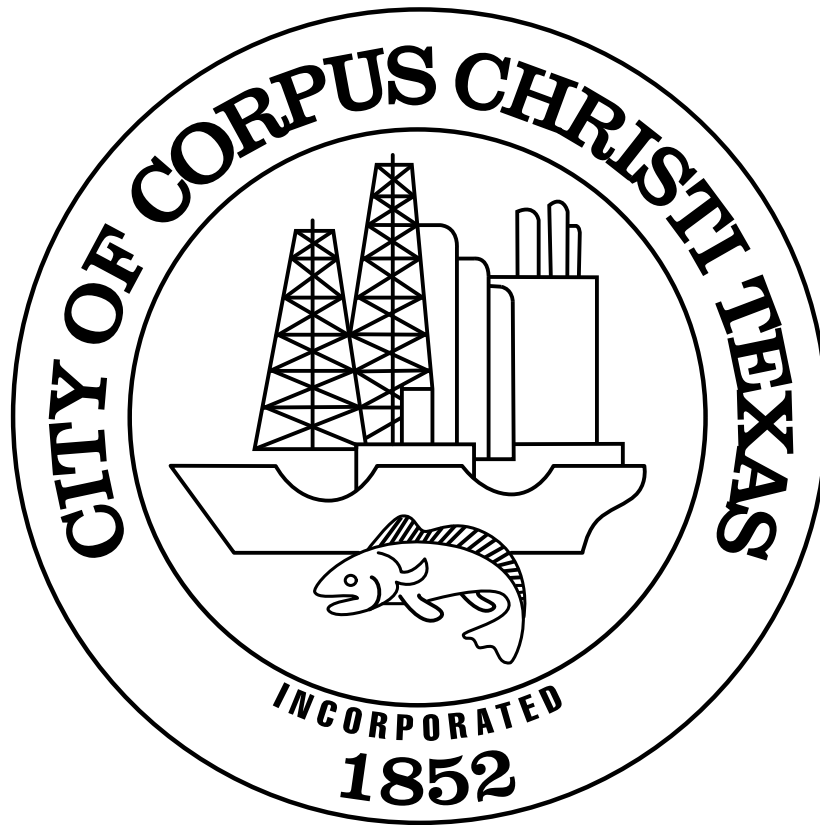
(Continued)

City of Corpus Christi

Exhibit 33-C

| | Beginning Balance | Additions and Transfers | Retirements | Ending Balance |
|--|------------------------------|------------------------------------|-----------------------|---------------------------|
| Community enrichment | | | | |
| Cultural and convention facilities | | | | |
| Multipurpose arena | 48,865,914 | 1,114,897 | 2,647,780 | 47,333,031 |
| Auditorium | 7,304,198 | - | - | 7,304,198 |
| Baseball stadium | 28,441,771 | - | - | 28,441,771 |
| Harbor Playhouse | 880,519 | - | - | 880,519 |
| Convention center | 64,401,747 | 982,945 | 3,364,648 | 62,020,044 |
| Water Garden | 1,499,927 | - | - | 1,499,927 |
| Bayfront Science Park | 27,182,810 | 13,323,180 | 7,810 | 40,498,180 |
| Texas State Aquarium | 20,844,296 | - | - | 20,844,296 |
| Total cultural and convention facilities | <u>199,421,182</u> | <u>15,421,022</u> | <u>6,020,238</u> | <u>208,821,966</u> |
| Public art | 93,328 | - | - | 93,328 |
| Total community enrichment | <u>199,514,510</u> | <u>15,421,022</u> | <u>6,020,238</u> | <u>208,915,294</u> |
| Community development | | | | |
| Neighborhood improvement | 23,595 | - | - | 23,595 |
| Community Development Block Grant | 7,323,070 | - | - | 7,323,070 |
| CC Housing Finance Corporation | 958,246 | - | 958,246 | - |
| Corpus Christi Community Improvement Corp. | 1,473,294 | - | - | 1,473,294 |
| Total community development | <u>9,778,205</u> | <u>-</u> | <u>958,246</u> | <u>8,819,959</u> |
| Other general capital assets | | | | |
| Packery Channel | 13,491,455 | 609,835 | 63,852 | 14,037,438 |
| Seawall | 46,338,248 | 4,091,595 | - | 50,429,843 |
| Army Corp of Engineers office | 10,909 | - | - | 10,909 |
| Naval Air Station safety zone | 2,672,482 | - | - | 2,672,482 |
| Transit facility | 78,928 | - | - | 78,928 |
| Total other general capital assets | <u>62,592,022</u> | <u>4,701,430</u> | <u>63,852</u> | <u>67,229,600</u> |
| Total capital assets in service | <u>1,028,000,610</u> | <u>163,456,589</u> | <u>13,186,426</u> | <u>1,178,270,773</u> |
| Less: accumulated depreciation | <u>475,076,189</u> | <u>29,199,561</u> | <u>10,028,760</u> | <u>494,246,990</u> |
| Net capital assets in service | <u>552,924,421</u> | <u>134,257,028</u> | <u>3,157,666</u> | <u>684,023,783</u> |
| Construction in progress | <u>158,976,648</u> | <u>55,644,522</u> | <u>158,021,540</u> | <u>56,599,630</u> |
| Total general capital assets | <u>\$ 711,901,069</u> | <u>\$ 189,901,550</u> | <u>\$ 161,179,206</u> | <u>\$ 740,623,413</u> |

* This schedule presents only the capital assets balances related to governmental funds. The capital assets reported in internal service funds are excluded from the above amounts but are included as governmental activities in the statement of net position.



Statistical Section

Statistical Section

This part of the City of Corpus Christi, Texas' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

| <u>Contents</u> | <u>Page</u> |
|--|--------------------|
| Financial Trends | 264 |
| <i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i> | |
| Revenue Capacity | 276 |
| <i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i> | |
| Debt Capacity | 284 |
| <i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i> | |
| Demographic and Economic Information | 292 |
| <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i> | |
| Operating Information | 294 |
| <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the service the government provides and the activities it performs.</i> | |

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant years.

City of Corpus Christi

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

| | Fiscal Year | | | |
|---|-----------------------|-------------------------|-------------------------|-------------------------|
| | 2009 | 2010 | 2011 | 2012 |
| Governmental Activities | | | | |
| Net investment in capital assets | \$ 184,297,821 | \$ 190,984,493 | \$ 209,725,506 | \$ 222,519,201 |
| Restricted | 8,706,284 | 81,610,847 | 79,572,803 | 85,445,854 |
| Unrestricted (deficit) | 102,378,371 | 19,260,356 | 29,215,682 | 37,839,536 |
| Total governmental activities net position | <u>\$ 295,382,476</u> | <u>\$ 291,855,696</u> | <u>\$ 318,513,991</u> | <u>\$ 345,804,591</u> |
| Business-type Activities | | | | |
| Net investment in capital assets | \$ 588,187,607 | \$ 685,455,079 | \$ 682,070,387 | \$ 693,363,853 |
| Restricted | 15,547,632 | 13,445,408 | 14,731,997 | 10,689,200 |
| Unrestricted | 49,119,110 | 16,803,962 | 30,148,172 | 61,185,337 |
| Total business-type activities net position | <u>\$ 652,854,349</u> | <u>\$ 715,704,449</u> | <u>\$ 726,950,556</u> | <u>\$ 765,238,390</u> |
| Primary Government | | | | |
| Net investment in capital assets | \$ 772,485,428 | \$ 876,439,572 | \$ 891,795,893 | \$ 915,883,054 |
| Restricted | 24,253,916 | 95,056,255 | 94,304,800 | 96,135,054 |
| Unrestricted (deficit) | 151,497,481 | 36,064,318 | 59,363,854 | 99,024,873 |
| Total primary government net position | <u>\$ 948,236,825</u> | <u>\$ 1,007,560,145</u> | <u>\$ 1,045,464,547</u> | <u>\$ 1,111,042,981</u> |

The City changed its fiscal year from July 31 to September 30. FY 2014 includes 14 months of operations.

Beginning with fiscal year 2016, net position of the General Obligation Debt Service Fund is classified as Restricted, and the Solid Waste activity is presented as a Governmental activity instead of a Business-type activity. Also, fiscal year 2016 balances are restated.

City of Corpus Christi

Table 1

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|-----------|----------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| \$ | 240,668,349 | \$ 271,711,769 | \$ 268,379,713 | \$ 317,807,762 | \$ 333,581,715 | \$ 348,435,724 |
| | 89,422,908 | 90,284,166 | 110,426,731 | 137,074,978 | 148,018,703 | 159,950,212 |
| | 52,514,581 | 43,044,907 | (93,108,769) | (129,830,889) | (136,196,902) | (117,842,589) |
| \$ | 382,605,838 | \$ 405,040,842 | \$ 285,697,675 | \$ 325,051,851 | \$ 617,797,320 | \$ 390,543,347 |
| | | | | | | |
| \$ | 704,595,166 | \$ 793,058,216 | \$ 768,459,800 | \$ 777,595,643 | \$ 834,864,905 | \$ 879,284,801 |
| | 13,455,463 | 17,238,437 | 20,125,997 | 18,589,790 | 19,192,764 | 23,790,078 |
| | 83,373,816 | 24,083,260 | 55,457,952 | 107,784,915 | 116,728,849 | 116,792,883 |
| \$ | 801,424,445 | \$ 834,379,913 | \$ 844,043,749 | \$ 903,970,348 | \$ 970,786,518 | \$ 1,019,867,762 |
| | | | | | | |
| \$ | 945,263,515 | \$ 1,064,769,985 | \$ 1,036,839,513 | \$ 1,095,403,405 | \$ 1,168,446,620 | \$ 1,227,720,525 |
| | 102,878,371 | 107,522,603 | 130,552,728 | 155,664,768 | 167,211,467 | 183,740,290 |
| | 135,888,397 | 67,128,167 | (37,650,817) | (22,045,974) | (19,468,053) | (1,049,706) |
| \$ | 1,184,030,283 | \$ 1,239,420,755 | \$ 1,129,741,424 | \$ 1,229,022,199 | \$ 1,316,190,034 | \$ 1,410,411,109 |

City of Corpus Christi

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

| | Fiscal Year | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2009 | 2010 | 2011 | 2012 |
| Expenses | | | | |
| Primary government | | | | |
| Governmental activities | | | | |
| General government | \$ 22,072,622 | \$ 19,480,668 | \$ 16,589,746 | \$ 18,079,972 |
| Police and municipal court | 78,931,771 | 81,171,817 | 81,930,129 | 80,496,720 |
| Fire and ambulance | 42,520,139 | 43,287,584 | 47,347,004 | 45,748,510 |
| Solid waste | - | - | - | - |
| Emergency management | 525,077 | 505,319 | 543,682 | 507,564 |
| Inspections | 2,171,232 | 1,664,676 | 1,636,669 | 1,752,448 |
| Streets | 25,814,362 | 25,674,747 | 21,451,848 | 17,337,069 |
| Health | 7,450,418 | 7,505,758 | 7,218,565 | 6,813,120 |
| Parks and recreation | 21,767,352 | 21,577,152 | 19,902,761 | 17,861,237 |
| Libraries | 5,612,844 | 5,298,406 | 4,785,207 | 4,222,687 |
| Museums | 1,842,929 | 1,853,104 | 1,900,026 | 1,659,435 |
| Community enrichment | 3,476,141 | 4,220,179 | 9,529,467 | 4,273,802 |
| Community development | 5,830,606 | 10,403,520 | 10,025,480 | 11,084,674 |
| Convention and visitor activities | 17,167,605 | 15,183,072 | 10,487,728 | 16,057,354 |
| Interest on long-term debt | 14,950,035 | 16,156,130 | 17,385,095 | 16,786,166 |
| Total governmental activities | <u>250,133,133</u> | <u>253,982,132</u> | <u>250,733,407</u> | <u>242,680,758</u> |
| Business-type activities | | | | |
| Solid waste | 18,442,528 | 22,418,231 | 27,140,788 | 23,494,713 |
| Utilities | | | | |
| Water | 97,638,099 | 93,937,152 | 96,818,500 | 99,262,996 |
| Gas | 31,286,452 | 31,748,907 | 30,224,910 | 25,318,899 |
| Wastewater | 43,450,764 | 46,795,236 | 47,063,049 | 46,664,152 |
| Airport | 12,228,908 | 11,406,735 | 11,729,049 | 11,982,695 |
| Golf centers | 2,133,840 | 2,051,107 | 1,168,875 | 293,633 |
| Marina | 1,864,063 | 1,861,705 | 1,793,695 | 1,802,521 |
| Total business-type activities | <u>207,044,654</u> | <u>210,219,073</u> | <u>215,938,866</u> | <u>208,819,609</u> |
| Total primary government | <u>\$ 457,177,787</u> | <u>\$ 464,201,205</u> | <u>\$ 466,672,273</u> | <u>\$ 451,500,367</u> |
| Program revenue | | | | |
| Governmental activities | | | | |
| Charges for services | | | | |
| General government | \$ 19,995,923 | \$ 20,566,739 | \$ 22,093,237 | \$ 21,614,922 |
| Public safety | 19,328,378 | 20,021,375 | 19,349,804 | 20,165,521 |
| Other activities | 13,466,048 | 11,839,459 | 13,090,388 | 12,388,359 |
| Operating grants and contributions | 13,519,519 | 15,768,215 | 20,293,248 | 14,697,325 |
| Capital grants and contributions | 5,160,566 | 8,274,872 | 11,616,793 | 4,841,413 |
| Total governmental activities program revenue | <u>71,470,434</u> | <u>76,470,660</u> | <u>86,443,470</u> | <u>73,707,540</u> |

(Continued)

City of Corpus Christi

Table 2

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|----|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| \$ | 20,066,766 | \$ 23,528,625 | \$ 20,095,432 | \$ 23,549,438 | \$ 31,172,661 | \$ 25,125,116 |
| | 80,194,663 | 106,771,633 | 91,069,002 | 96,427,880 | 96,154,942 | 92,322,971 |
| | 48,997,146 | 58,864,749 | 48,724,237 | 58,265,448 | 64,977,528 | 57,349,691 |
| | - | - | - | 11,721,366 | 26,582,333 | 35,462,978 |
| | 505,811 | 632,347 | 613,555 | 630,679 | 657,860 | 608,640 |
| | 1,995,533 | 2,182,793 | 2,379,102 | 226,501 | - | - |
| | 18,523,334 | 29,657,466 | 34,051,106 | 36,240,932 | 44,826,074 | 36,063,973 |
| | 6,835,120 | 6,661,113 | 5,940,977 | 6,446,306 | 5,442,601 | 4,672,971 |
| | 18,659,058 | 22,829,117 | 19,928,692 | 22,459,907 | 21,845,564 | 20,851,689 |
| | 3,731,475 | 4,779,930 | 4,575,572 | 4,894,637 | 4,613,618 | 4,083,909 |
| | 1,555,994 | 1,907,091 | 1,866,875 | 2,085,260 | 1,524,885 | 1,534,853 |
| | 2,742,906 | 7,589,196 | 5,851,215 | 6,112,618 | 5,237,619 | 5,612,051 |
| | 13,218,255 | 14,025,431 | 13,365,023 | 9,393,044 | 11,769,594 | 13,260,313 |
| | 18,022,411 | 19,365,234 | 16,228,430 | 15,459,948 | 17,565,255 | 20,112,951 |
| | 14,875,186 | 15,357,763 | 16,378,266 | 17,314,590 | 18,194,069 | 17,627,419 |
| | 249,923,658 | 314,152,488 | 281,067,484 | 311,228,554 | 350,564,603 | 334,689,525 |
| | 25,721,265 | 33,046,483 | 29,152,032 | - | - | - |
| | 102,157,760 | 117,294,046 | 107,235,791 | 106,291,296 | 111,429,991 | 110,714,835 |
| | 28,564,940 | 43,714,412 | 34,256,774 | 29,510,720 | 33,168,906 | 32,368,491 |
| | 48,937,097 | 63,649,026 | 56,892,815 | 56,636,897 | 61,457,347 | 61,762,305 |
| | 11,899,650 | 15,412,742 | 13,631,297 | 14,115,378 | 15,002,019 | 15,453,974 |
| | 241,504 | 198,341 | 214,575 | 128,614 | 108,402 | 159,001 |
| | 1,757,820 | 2,185,278 | 1,997,197 | 2,337,522 | 2,161,558 | 1,863,044 |
| | 219,280,036 | 275,500,328 | 243,380,481 | 209,020,427 | 223,328,223 | 222,321,650 |
| \$ | 469,203,694 | \$ 589,652,816 | \$ 524,447,965 | \$ 520,248,981 | \$ 573,892,826 | \$ 557,011,175 |
| \$ | 24,054,154 | \$ 27,323,898 | \$ 25,920,218 | \$ 9,095,175 | \$ 3,421,152 | \$ 4,656,538 |
| | 20,948,126 | 24,607,968 | 20,189,446 | 20,286,859 | 20,483,243 | 24,015,655 |
| | 15,605,078 | 29,498,080 | 27,444,915 | 62,183,070 | 56,960,727 | 55,374,065 |
| | 12,516,057 | 14,116,549 | 9,899,152 | 11,531,748 | 16,995,037 | 11,224,548 |
| | 7,645,930 | 8,509,542 | 7,911,826 | 11,479,193 | 4,196,924 | 2,462,530 |
| | 80,769,345 | 104,056,037 | 91,365,557 | 114,576,045 | 102,057,083 | 97,733,336 |

City of Corpus Christi

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

| | Fiscal Year | | | |
|---|------------------------|------------------------|------------------------|------------------------|
| | 2009 | 2010 | 2011 | 2012 |
| Program revenue (continued) | | | | |
| Business-type activities | | | | |
| Charges for services | | | | |
| Solid waste | \$ 30,979,626 | \$ 32,011,959 | \$ 34,593,348 | \$ 37,864,068 |
| Utilities | | | | |
| Water | 106,536,846 | 96,571,762 | 108,948,434 | 120,017,362 |
| Gas | 33,159,669 | 36,520,847 | 31,828,023 | 26,139,159 |
| Wastewater | 45,227,800 | 51,048,604 | 54,884,681 | 59,662,102 |
| Airport | 8,562,286 | 8,594,836 | 9,503,417 | 9,520,245 |
| Golf centers | 1,732,263 | 1,838,093 | 1,060,795 | 416,750 |
| Marina | 1,592,825 | 1,572,406 | 1,464,629 | 1,832,336 |
| Operating grants and contributions | 495,845 | 120,435 | 1,193,227 | 1,320,294 |
| Capital grants and contributions | 7,863,922 | 9,557,122 | 7,736,648 | 9,858,001 |
| Total business-type activities program revenue | <u>236,151,082</u> | <u>237,836,064</u> | <u>251,213,202</u> | <u>266,630,317</u> |
| Total primary government program revenues | <u>\$ 307,621,516</u> | <u>\$ 314,306,724</u> | <u>\$ 337,656,672</u> | <u>\$ 340,337,857</u> |
| Net (expense)/revenue | | | | |
| Governmental activities | \$(178,662,699) | \$(177,511,472) | \$(164,289,937) | \$(168,973,218) |
| Business-type activities | 29,106,428 | 27,616,991 | 35,274,336 | 57,810,708 |
| Total primary government net expense | <u>\$(149,556,271)</u> | <u>\$(149,894,481)</u> | <u>\$(129,015,601)</u> | <u>\$(111,162,510)</u> |
| General revenues and other changes in net position | | | | |
| Governmental activities: | | | | |
| Taxes | | | | |
| Property taxes, levied for general purposes | \$ 55,410,412 | \$ 57,291,695 | \$ 57,457,988 | \$ 58,201,084 |
| Property taxes, levied for debt service | 26,278,717 | 27,358,566 | 27,192,025 | 25,906,607 |
| Sales taxes | 71,018,975 | 64,654,960 | 70,432,482 | 79,403,692 |
| Hotel occupancy taxes | 10,127,333 | 9,919,560 | 10,721,997 | 12,051,548 |
| Franchise fees | - | - | - | - |
| Unrestricted investment earnings | 2,825,071 | 1,283,513 | 682,991 | 848,062 |
| Transfers | 11,546,009 | 13,476,398 | 24,460,749 | 19,852,825 |
| Total governmental activities | <u>177,206,517</u> | <u>173,984,692</u> | <u>190,948,232</u> | <u>196,263,818</u> |
| Business-type activities: | | | | |
| Unrestricted investment earnings | 1,474,070 | 825,924 | 432,520 | 329,951 |
| Transfers | (11,546,009) | (13,476,398) | (24,460,749) | (19,852,825) |
| Total business-type activities | <u>(10,071,939)</u> | <u>(12,650,474)</u> | <u>(24,028,229)</u> | <u>(19,522,874)</u> |
| Total primary government | <u>\$ 167,134,578</u> | <u>\$ 161,334,218</u> | <u>\$ 166,920,003</u> | <u>\$ 176,740,944</u> |
| Change in Net Position | | | | |
| Governmental activities | \$ (1,456,182) | \$ (3,526,780) | \$ 26,658,295 | \$ 27,290,600 |
| Business-type activities | 19,034,489 | 14,966,517 | 11,246,107 | 38,287,834 |
| Total primary government | <u>\$ 17,578,307</u> | <u>\$ 11,439,737</u> | <u>\$ 37,904,402</u> | <u>\$ 65,578,434</u> |

The City changed its fiscal year from July 31 to September 30. Fiscal year 2014 includes 14 months of operations. Prior to Fiscal year 2016, the Solid Waste activity was included with Business-type activities, and Business fees were included as General governmental charges for services.

City of Corpus Christi, Texas

**Table 2
(Continued)**

| 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| \$ 37,122,282 | \$ 43,677,779 | \$ 37,475,401 | \$ - | \$ - | \$ - |
| 117,230,522 | 140,078,315 | 121,958,577 | 137,305,933 | 146,869,351 | 136,897,217 |
| 28,950,470 | 42,408,214 | 32,265,916 | 27,679,719 | 28,471,177 | 30,552,407 |
| 59,323,805 | 75,704,726 | 68,488,526 | 72,265,040 | 76,252,157 | 70,761,853 |
| 9,489,992 | 11,919,295 | 10,549,237 | 4,312,314 | 11,027,162 | 12,801,642 |
| 350,592 | 257,772 | 204,936 | 137,977 | 243,771 | 227,472 |
| 1,851,612 | 2,227,983 | 1,911,146 | 1,883,564 | 2,043,231 | 2,772,391 |
| 1,537,735 | 1,379,860 | 1,226,335 | 1,309,988 | 1,270,640 | 1,409,479 |
| 16,637,935 | 17,942,344 | 27,219,660 | 11,579,767 | 28,833,878 | 18,686,101 |
| <u>272,494,945</u> | <u>335,596,288</u> | <u>301,299,734</u> | <u>256,474,302</u> | <u>295,011,367</u> | <u>274,108,562</u> |
| <u>\$ 353,264,290</u> | <u>\$ 439,652,325</u> | <u>\$ 392,665,291</u> | <u>\$ 371,050,347</u> | <u>\$ 397,068,450</u> | <u>\$ 371,841,898</u> |
| \$ (169,154,313) | \$ (210,096,451) | \$ (189,701,927) | \$ (196,652,509) | \$ (248,507,520) | \$ (236,956,189) |
| 53,214,909 | 60,095,960 | 57,919,253 | 47,453,875 | 71,683,144 | 51,786,912 |
| <u>\$ (115,939,404)</u> | <u>\$ (150,000,491)</u> | <u>\$ (131,782,674)</u> | <u>\$ (149,198,634)</u> | <u>\$ (176,824,376)</u> | <u>\$ (185,169,277)</u> |
| \$ 60,506,596 | \$ 64,808,014 | \$ 69,730,902 | \$ 78,863,952 | \$ 86,783,229 | \$ 86,794,367 |
| 26,605,837 | 31,855,785 | 34,255,712 | 40,425,079 | 42,512,012 | 44,120,037 |
| 86,163,292 | 103,372,472 | 89,126,468 | 81,618,057 | 81,820,866 | 89,709,269 |
| 13,174,824 | 17,066,868 | 15,110,411 | 17,636,317 | 18,505,845 | 19,239,033 |
| - | - | - | 17,394,372 | 28,341,495 | 28,597,251 |
| 1,208,748 | 1,244,127 | 1,277,826 | 1,965,520 | 3,284,799 | 6,271,443 |
| 20,674,272 | 19,380,059 | 14,953,233 | 5,867,890 | 7,611,036 | 7,478,900 |
| <u>208,333,569</u> | <u>237,727,325</u> | <u>224,454,552</u> | <u>243,771,187</u> | <u>268,859,282</u> | <u>282,210,300</u> |
| 445,360 | 344,764 | 1,217,295 | 1,955,470 | 2,744,064 | 4,476,136 |
| <u>(20,228,912)</u> | <u>(19,035,295)</u> | <u>(14,953,233)</u> | <u>(5,867,890)</u> | <u>(7,611,037)</u> | <u>(7,478,900)</u> |
| <u>(19,783,552)</u> | <u>(18,690,531)</u> | <u>(13,735,938)</u> | <u>(3,912,420)</u> | <u>(4,866,973)</u> | <u>(3,002,764)</u> |
| <u>\$ 188,550,017</u> | <u>\$ 219,036,794</u> | <u>\$ 210,718,614</u> | <u>\$ 239,858,767</u> | <u>\$ 263,992,309</u> | <u>\$ 279,207,536</u> |
| \$ 39,179,256 | \$ 27,630,874 | \$ 34,752,625 | \$ 47,118,678 | \$ 20,351,762 | \$ 45,254,111 |
| 33,431,357 | 41,405,429 | 44,183,315 | 43,541,455 | 66,816,171 | 48,784,148 |
| <u>\$ 72,610,613</u> | <u>\$ 69,036,303</u> | <u>\$ 78,935,940</u> | <u>\$ 90,660,133</u> | <u>\$ 87,167,933</u> | <u>\$ 94,038,259</u> |

City of Corpus Christi

**FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

| | Fiscal Year | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2009 | 2010 | 2011 | 2012 |
| General Fund | | | | |
| Reserved | \$ 2,938,429 | \$ - | \$ - | \$ - |
| Unreserved | 27,325,624 | - | - | - |
| | - | - | - | - |
| Nonspendable | - | 361,507 | 1,491,399 | 1,400,017 |
| Restricted | - | 688,286 | 636,531 | 249,433 |
| Committed | - | 19,701,535 | 19,813,473 | 28,764,934 |
| Assigned | - | 17,747 | 5,845 | 6,806 |
| Unassigned | - | 8,579,370 | 8,617,684 | 7,551,298 |
| Total general fund | <u>\$ 30,264,053</u> | <u>\$ 29,348,445</u> | <u>\$ 30,564,932</u> | <u>\$ 37,972,488</u> |
| All other governmental funds | | | | |
| Reserved | 58,028,080 | - | - | - |
| Unreserved | | | | |
| Debt service funds | 9,456,925 | - | - | - |
| Special revenue funds | 45,533,073 | - | - | - |
| Capital projects funds | 109,247,126 | - | - | - |
| | | | | |
| Nonspendable | | | | |
| Special revenue funds | - | 1,008,008 | 890,963 | - |
| Restricted | | | | |
| Debt service funds | - | 5,974,622 | 5,956,307 | 5,334,218 |
| Special revenue funds | - | 71,202,025 | 74,267,207 | 79,862,203 |
| Capital projects funds | - | 105,026,981 | 70,969,215 | 84,525,622 |
| Committed | | | | |
| Debt service funds | - | 11,271,942 | 13,812,320 | 16,858,822 |
| Special revenue funds | - | 677,007 | 390,454 | 896,775 |
| Capital projects funds | - | 10,109,487 | 8,413,784 | 7,400,034 |
| Assigned | | | | |
| Special revenue funds | - | 98,347 | 214,601 | 68,775 |
| Capital projects funds | - | 3,445,097 | 1,855,964 | 2,218,850 |
| Unassigned | | | | |
| Special revenue funds | - | (1,415,142) | (269,136) | (555,032) |
| Capital projects funds | - | - | - | - |
| Total all other governmental funds | <u>\$ 222,265,204</u> | <u>\$ 207,398,374</u> | <u>\$ 176,501,679</u> | <u>\$ 196,610,267</u> |

Notes:

The City implemented GASB Statement No. 54 " Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2011. Fiscal year 2010 amounts restated to conform to the new statement requirements.

Beginning with FY2016, General Fund Reserve for Major Commitments was reclassified from Committed to Unassigned, and the net position of the General Obligation Debt Service Fund was reclassified from Committed to Restricted.

City of Corpus Christi

Table 3

| 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 1,302,980 | 1,614,482 | 1,272,561 | 1,000,171 | 665,244 | 571,960 |
| 298,854 | 363,996 | 389,177 | 440,185 | 553,012 | 376,930 |
| 40,537,505 | 37,808,621 | 39,564,995 | 62,929 | - | - |
| 11,480 | 658,480 | 10,120,144 | 4,079,385 | 2,867,602 | 4,768,582 |
| 11,441,898 | 11,538,642 | 174,624 | 47,321,813 | 53,231,493 | 57,409,927 |
| <u>\$ 53,592,717</u> | <u>\$ 51,984,221</u> | <u>\$ 51,521,501</u> | <u>\$ 52,904,483</u> | <u>\$ 57,317,351</u> | <u>\$ 63,127,399</u> |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | 789,937 | 593,824 | 678,222 | 501,187 | 684,298 |
| 1,500,000 | 5,335,454 | 6,153,453 | 12,917,033 | 12,088,752 | 11,207,426 |
| 87,624,054 | 84,449,297 | 103,457,997 | 153,175,499 | 153,012,130 | 164,800,835 |
| 139,030,313 | 116,444,974 | 193,692,270 | 155,816,175 | 120,943,888 | 105,497,584 |
| 15,512,834 | 8,660,390 | 10,777,534 | - | - | - |
| 739,729 | 13,435,512 | 20,343,465 | 26,942,541 | 25,292,251 | 31,922,455 |
| 5,658,891 | 4,466,229 | 3,303,368 | 3,995,533 | 4,216,104 | 5,832,473 |
| 316,952 | 1,576,765 | 2,447,588 | 8,036,143 | 10,237,801 | 10,735,863 |
| 1,668,506 | 11,716,955 | 1,643,682 | 157,042 | 201,024 | 1,171,792 |
| 1,142,841 | - | (9,890) | - | - | (225,421) |
| - | (314,479) | (196,948) | (247,359) | - | - |
| <u>\$ 253,194,120</u> | <u>\$ 246,561,034</u> | <u>\$ 342,206,343</u> | <u>\$ 361,470,829</u> | <u>\$ 326,493,137</u> | <u>\$ 331,627,305</u> |

City of Corpus Christi

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

| | Fiscal Year | | | |
|--|----------------|----------------|----------------|----------------|
| | 2009 | 2010 | 2011 | 2012 |
| Revenues | | | | |
| Taxes and franchise fees | \$ 178,669,539 | \$ 176,286,722 | \$ 182,810,584 | \$ 192,423,958 |
| Licenses and permits | 3,700,195 | 3,288,415 | 4,885,342 | 4,790,610 |
| Intergovernmental | - | - | - | - |
| Grants | 15,981,072 | 22,661,016 | 24,095,434 | 16,542,865 |
| Charges for services | 56,843,501 | 56,945,655 | 60,258,877 | 63,684,332 |
| Fines and forfeitures | 6,897,078 | 6,766,301 | 6,075,772 | 6,602,755 |
| Contributions and donations | 1,902,087 | 871,524 | 7,133,489 | 2,413,204 |
| Special assessments | 10,502 | 76,876 | 683,087 | 46,787 |
| Earnings on investments | 3,006,163 | 1,312,814 | 698,992 | 713,791 |
| Interest on loans | 73,369 | 81,458 | 85,188 | 86,173 |
| Payments from Lexington Museum Association | 285,022 | 272,796 | 275,647 | 267,750 |
| Payments from Texas State Aquarium | 518,318 | 361,107 | 373,232 | 358,795 |
| Claim settlement | 572,280 | - | 325,395 | - |
| Naming rights | 175,000 | 175,000 | - | - |
| Miscellaneous | 1,486,339 | 1,703,701 | 2,291,231 | 1,716,081 |
| Total revenues | 270,120,465 | 270,803,385 | 289,992,270 | 289,647,101 |
| Expenditures | | | | |
| General government | 21,836,700 | 20,267,240 | 17,606,974 | 19,146,965 |
| Public safety | 115,375,541 | 119,589,404 | 126,279,109 | 122,341,347 |
| Streets | 15,951,618 | 14,797,896 | 15,229,881 | 13,173,204 |
| Solid waste | 17,027,712 | 18,193,629 | 22,426,863 | 19,288,307 |
| Health | 6,893,718 | 6,977,548 | 6,722,783 | 6,362,130 |
| Community enrichment | 31,864,343 | 37,348,135 | 36,680,864 | 33,660,941 |
| Convention and visitors activities | 12,152,309 | 10,257,006 | 10,449,447 | 11,046,785 |
| Other | 32,963 | 21,729 | - | - |
| Capital outlay | 57,193,877 | 50,406,384 | 51,119,929 | 51,039,961 |
| Debt service | | | | |
| Principal retirement | 36,741,227 | 26,883,223 | 26,445,859 | 26,278,182 |
| Interest | 16,433,417 | 19,907,675 | 20,115,642 | 19,178,232 |
| Paying agent fees | 32,598 | 28,710 | 25,009 | 19,541 |
| Bond issue cost | 1,571,419 | 422,041 | - | 574,317 |
| Refund of bond issue cost | - | - | - | - |
| Interest on interfund borrowings | 29,714 | 6,543 | 2,489 | 773 |
| Total expenditures | 333,137,156 | 325,107,163 | 333,104,849 | 322,110,685 |
| Excess (deficiency) of revenue over expenditures | (63,016,691) | (54,303,778) | (43,112,579) | (32,463,584) |

(Continued)

City of Corpus Christi

Table 4

| 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| \$ 205,059,544 | \$ 241,447,636 | \$ 229,613,790 | \$ 237,267,680 | \$ 246,762,413 | \$ 257,539,452 |
| 5,697,321 | 6,119,404 | 7,653,287 | 8,322,958 | 7,810,557 | 8,522,408 |
| - | - | 2,427,736 | 2,761,017 | 3,468,552 | 2,746,738 |
| 14,743,346 | 17,758,224 | 13,043,094 | 11,496,493 | 15,935,079 | 12,717,766 |
| 63,588,154 | 85,604,995 | 75,150,621 | 74,853,671 | 73,417,771 | 75,856,863 |
| 7,037,629 | 8,739,406 | 6,330,735 | 6,547,847 | 6,176,060 | 5,962,340 |
| 4,657,640 | 4,319,251 | 1,833,351 | 2,282,999 | 4,055,530 | 2,070,158 |
| 154,937 | 195,495 | 67,952 | 79,407 | 83,788 | 73,056 |
| 1,186,389 | 1,245,152 | 1,288,658 | 1,965,379 | 2,867,982 | 5,558,122 |
| 109,704 | 97,778 | 59,282 | 50,888 | 47,815 | 48,448 |
| - | - | - | - | - | - |
| 369,082 | 335,694 | 328,276 | 330,613 | - | - |
| 25,241 | - | - | - | - | - |
| - | - | - | - | - | - |
| 1,682,319 | 1,734,789 | 2,657,325 | 2,910,571 | 1,429,451 | 1,704,331 |
| <u>304,311,306</u> | <u>367,597,824</u> | <u>340,454,107</u> | <u>348,869,523</u> | <u>362,054,998</u> | <u>372,799,682</u> |
| 21,235,824 | 23,789,840 | 20,900,904 | 25,148,653 | 23,994,292 | 28,463,225 |
| 129,637,141 | 159,126,383 | 141,825,393 | 145,334,065 | 147,468,351 | 147,338,983 |
| 14,964,156 | 22,088,359 | 27,361,691 | 28,644,769 | 37,890,424 | 29,519,178 |
| 20,551,190 | 26,657,490 | 23,153,110 | 23,490,708 | 20,992,432 | 30,606,002 |
| 6,554,474 | 6,106,257 | 5,569,931 | 6,133,351 | 4,858,739 | 4,622,744 |
| 35,347,147 | 40,617,305 | 36,297,592 | 33,496,314 | 32,867,335 | 36,019,296 |
| 11,650,650 | 16,821,790 | 14,625,022 | 14,091,247 | 15,194,337 | 15,664,900 |
| - | - | - | - | - | - |
| 45,303,572 | 41,280,111 | 27,257,727 | 43,943,071 | 61,478,528 | 60,633,635 |
| 26,319,507 | 38,617,547 | 36,325,072 | 37,757,815 | 42,338,360 | 41,206,141 |
| 19,789,403 | 28,954,177 | 18,284,677 | 21,587,061 | 21,100,293 | 19,928,842 |
| 13,983 | 21,162 | 47,011 | 849,878 | 20,354 | 20,292 |
| 2,362,185 | 704,331 | 789,195 | 358,539 | 101,383 | 521,509 |
| - | - | - | (883) | - | - |
| 102 | - | - | - | - | - |
| <u>333,729,334</u> | <u>404,784,752</u> | <u>352,437,325</u> | <u>380,834,588</u> | <u>408,304,828</u> | <u>414,544,747</u> |
| (29,418,028) | (37,186,928) | (11,983,218) | (31,965,065) | (46,249,830) | (41,745,065) |

City of Corpus Christi

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

| | Fiscal Year | | | |
|--|-------------------|---------------------|---------------------|-------------------|
| | 2009 | 2010 | 2011 | 2012 |
| Other financing sources (uses) | | | | |
| Capital leases | \$ 3,746,061 | \$ 4,110,898 | \$ 5,655,103 | \$ 1,978,382 |
| Sale of City property | - | - | - | - |
| Bonds and notes issued | 100,725,000 | 25,145,000 | - | 52,096,446 |
| Refunding bonds issued | - | - | - | - |
| Premium on bonds issued | 2,660,797 | 491,894 | - | 5,095,844 |
| Premium on refunding bonds issued | (124,206) | - | - | - |
| Payment to escrow agent for refunded bonds | - | - | - | - |
| Transfers in | 11,797,397 | 18,699,972 | 17,734,081 | 13,102,987 |
| Transfers out | (9,222,308) | (9,933,977) | (9,966,600) | (11,897,146) |
| Total other financing sources (uses) | 109,582,741 | 38,513,787 | 13,422,584 | 60,376,513 |
| Net changes in fund balances | \$ 46,566,050 | \$ (15,789,991) | \$ (29,689,995) | \$ 27,912,929 |
| Debt services as a percentage of noncapital expenditures | 19.27 % | 17.03 % | 16.51 % | 16.77 % |

The City changed its fiscal year from July 31 to September 30. Fiscal year 2014 includes 14 months of operations.

City of Corpus Christi

**Table 4
(Continued)**

| 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|----------------------|-----------------------|----------------------|----------------------|------------------------|----------------------|
| \$ 5,092,527 | \$ 6,384,598 | \$ 4,808,866 | \$ 7,811,590 | \$ 2,397,728 | \$ 724,100 |
| - | - | - | - | 2,922,577 | 313,550 |
| 82,025,000 | 9,000,000 | 90,520,000 | 28,450,000 | 4,690,449 | 38,420,000 |
| 164,010,000 | 38,395,000 | 2,137,681 | 77,145,000 | 4,362,231 | - |
| 9,251,134 | 11,935,763 | 9,751,466 | 2,076,688 | - | 3,995,030 |
| 6,607,854 | - | - | 11,898,979 | 47,804 | - |
| (170,325,943) | (41,763,200) | (2,137,681) | (88,191,024) | (4,362,428) | - |
| 16,377,480 | 31,066,578 | 29,593,646 | 33,668,844 | 28,998,409 | 39,063,464 |
| (8,067,769) | (26,767,619) | (27,554,958) | (28,868,188) | (23,371,760) | (29,826,861) |
| <u>104,970,283</u> | <u>28,251,120</u> | <u>107,119,020</u> | <u>43,991,889</u> | <u>15,685,010</u> | <u>52,689,283</u> |
| | | | | | |
| <u>\$ 75,552,255</u> | <u>\$ (8,935,808)</u> | <u>\$ 95,135,802</u> | <u>\$ 12,026,824</u> | <u>\$ (30,564,820)</u> | <u>\$ 10,944,218</u> |
| 15.99 % | 18.59 % | 16.79 % | 17.62 % | 18.29 % | 17.27 % |

**GENERAL GOVERNMENTAL TAX AND BUSINESS FEES BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

| Fiscal Year | Property tax | Sales tax | Hotel tax | Business fees | Other taxes | Total |
|--------------------|---------------------|------------------|------------------|----------------------|--------------------|----------------|
| 2009 | \$ 84,999,120 | \$ 66,054,244 | \$ 10,127,333 | \$ 16,126,005 | \$ 1,362,837 | \$ 178,669,539 |
| 2010 | 87,962,604 | 60,085,182 | 9,919,560 | 17,107,197 | 1,212,179 | 176,286,722 |
| 2011 | 87,446,501 | 66,308,868 | 10,721,997 | 17,013,187 | 1,320,031 | 182,810,584 |
| 2012 | 86,746,312 | 75,807,495 | 12,051,548 | 16,622,313 | 1,196,290 | 192,423,958 |
| 2013 | 90,126,035 | 82,407,563 | 13,174,824 | 18,108,421 | 1,242,702 | 205,059,545 |
| 2014 | 100,032,663 | 101,654,893 | 17,066,868 | 20,975,633 | 1,717,578 | 241,447,635 |
| 2015 | 107,344,374 | 87,375,977 | 15,110,411 | 18,032,537 | 1,750,491 | 229,613,790 |
| 2016 | 119,882,652 | 79,809,261 | 17,636,317 | 18,130,656 | 1,808,796 | 237,267,682 |
| 2017 | 128,870,027 | 81,820,866 | 18,505,845 | 28,341,495 | 1,781,169 | 259,319,402 |
| 2018 | 130,914,404 | 89,709,269 | 19,239,033 | 28,597,251 | 1,862,008 | 270,321,965 |

The City changed its fiscal year from July 31 to September 30.
Fiscal year 2014 includes 14 months of operations.

City of Corpus Christi

Table 6

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

| Fiscal Year | Tax Year | Real Property | Personal Property | Less: Exempt Property | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Assessed Value as a Percentage of Actual Value |
|--------------------|-----------------|----------------------|--------------------------|------------------------------|-------------------------------------|------------------------------|---------------------------------------|---|
| 2009 | 2008 | \$ 14,738,455,220 | \$ 1,481,661,131 | \$ 2,406,781,337 | \$ 13,813,335,014 | 0.563846 | \$ 16,220,116,351 | 85.16 % |
| 2010 | 2009 | 15,599,675,802 | 1,523,844,670 | 2,682,910,732 | 14,440,609,740 | 0.563846 | 17,123,520,472 | 84.33 % |
| 2011 | 2010 | 15,899,330,012 | 1,462,945,239 | 3,462,137,714 | 13,900,137,537 | 0.582269 | 17,362,275,250 | 80.06 % |
| 2012 | 2011 | 15,640,922,141 | 2,255,975,300 | 3,811,092,543 | 14,085,804,898 | 0.570557 | 17,896,897,441 | 78.71 % |
| 2013 | 2012 | 16,807,133,905 | 2,395,143,389 | 4,815,901,196 | 14,386,376,098 | 0.570557 | 19,202,277,294 | 74.92 % |
| 2014 | 2013 | 17,894,721,416 | 2,834,832,285 | 5,193,782,533 | 15,535,771,168 | 0.585264 | 20,729,553,701 | 74.95 % |
| 2015 | 2014 | 19,389,932,582 | 3,007,303,098 | 5,428,134,963 | 16,969,100,717 | 0.585264 | 22,397,235,680 | 75.76 % |
| 2016 | 2015 | 20,730,396,125 | 3,171,055,054 | 5,556,496,124 | 18,344,955,055 | 0.606264 | 23,901,451,179 | 76.75 % |
| 2017 | 2016 | 22,443,036,174 | 3,114,923,333 | 6,040,846,700 | 19,517,112,807 | 0.606264 | 25,557,959,507 | 76.36 % |
| 2018 | 2017 | 23,698,119,489 | 3,091,938,073 | 6,481,594,442 | 20,308,463,120 | 0.606264 | 26,790,057,562 | 75.81 % |

The City changed its fiscal year from July 31 to September 30. Fiscal year 2014 includes 14 months of operations.

Exemptions include: residential homestead exemptions including exemptions granted to persons disabled and/or 65 years of age and older; exemptions granted to disabled and deceased veterans; productivity value loss; tax abatements; and House Bill 366 exemptions. Exemptions are granted to disabled veterans or their survivors based upon percent of disability with a minimum exemption of \$5,000 and a maximum exemption of \$12,000. Mobile homes, while classified as personal property, may be residential homesteads.

Source: Nueces County Appraisal District

City of Corpus Christi

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS PER \$100 VALUATION FISCAL YEARS 2009-2018

| Fiscal Year | Tax Year | City of Corpus Christi General Fund | City of Corpus Christi Debt Service | Total City of Corpus Christi | Calallen ISD | Corpus Christi ISD | Corpus Christi Junior College District | Flour Bluff ISD | London ISD | Nueces County | Nueces County Farm Roads and Flood Control |
|--------------------|-----------------|--|--|-------------------------------------|---------------------|---------------------------|---|------------------------|-------------------|----------------------|---|
| 2009 | 2008 | 0.364671 | 0.199175 | 0.563846 | 1.298500 | 1.237350 | 0.251391 | 1.069215 | 1.210400 | 0.350930 | 0.004329 |
| 2010 | 2009 | 0.364671 | 0.199175 | 0.563846 | 1.298500 | 1.237350 | 0.251391 | 1.069215 | 1.210400 | 0.350930 | 0.004329 |
| 2011 | 2010 | 0.385131 | 0.197138 | 0.582269 | 1.298500 | 1.237350 | 0.258003 | 1.069778 | 1.249503 | 0.350930 | 0.004329 |
| 2012 | 2011 | 0.380339 | 0.190218 | 0.570557 | 1.328500 | 1.237350 | 0.258003 | 1.071743 | 1.262900 | 0.350999 | 0.004260 |
| 2013 | 2012 | 0.380339 | 0.190218 | 0.570557 | 1.358500 | 1.237350 | 0.258003 | 1.070935 | 1.237800 | 0.350999 | 0.004260 |
| 2014 | 2013 | 0.376806 | 0.208458 | 0.585264 | 1.358500 | 1.237350 | 0.250666 | 1.168499 | 1.251100 | 0.340999 | 0.004188 |
| 2015 | 2014 | 0.376806 | 0.208458 | 0.582640 | 1.358500 | 1.237350 | 0.248073 | 1.168499 | 1.395100 | 0.330945 | 0.004188 |
| 2016 | 2015 | 0.376806 | 0.229458 | 0.606264 | 1.375500 | 1.237350 | 0.248073 | 1.154350 | 1.355778 | 0.312928 | 0.003967 |
| 2017 | 2016 | 0.376806 | 0.229458 | 0.606264 | 1.375200 | 1.237350 | 0.246159 | 1.150000 | 1.357500 | 0.304092 | 0.003899 |
| 2018 | 2017 | 0.376806 | 0.229458 | 0.606264 | 1.375200 | 1.237350 | 0.259163 | 1.145000 | 1.349205 | 0.304092 | 0.003899 |

Note: Data presented is received from Nueces County Tax Assessor-Collector.

City of Corpus Christi

Table 7

| Nueces County Emergency Services District 1 | Nueces County Hospital District | Port of Corpus Christi Authority | Nueces County Water Control & Improv. District 4 | Port Aransas ISD | Robstown ISD | Tuloso Midway ISD | West Oso ISD | Downtown Management District Land | Downtown Mangement District Improvements |
|---|--|---|---|------------------------|-----------------|-------------------------|-----------------|---|---|
| 0.100000 | 0.154687 | - | - | 1.058300 | 1.374000 | 1.332200 | 1.420000 | 0.300000 | 0.070000 |
| 0.100000 | 0.154687 | - | - | 1.058300 | 1.374000 | 1.332200 | 1.420000 | 0.300000 | 0.070000 |
| 0.100000 | 0.162428 | - | - | 1.062300 | 1.523000 | 1.332200 | 1.420000 | 0.300000 | 0.070000 |
| 0.100000 | 0.162428 | - | - | 1.063300 | 1.650000 | 1.332200 | 1.420000 | 0.300000 | 0.070000 |
| 0.100000 | 0.162428 | - | - | 1.085550 | 1.610000 | 1.332200 | 1.370000 | 0.300000 | 0.070000 |
| 0.100000 | 0.148077 | - | - | 1.125550 | 1.630000 | 1.317410 | 1.347000 | 0.300000 | 0.070000 |
| 0.100000 | 0.137455 | - | - | 1.125550 | 1.645400 | 1.394500 | 1.450000 | 0.300000 | 0.070000 |
| 0.100000 | 0.129746 | - | - | 1.118050 | 1.650000 | 1.377400 | 1.450000 | 0.300000 | 0.070000 |
| 0.100000 | 0.126836 | - | - | 1.118000 | 1.650000 | 1.408900 | 1.450000 | 0.300000 | 0.070000 |
| 0.100000 | 0.121297 | - | - | 1.118000 | 1.665000 | 1.372200 | 1.450000 | 0.300000 | 0.070000 |

City of Corpus Christi

Table 8

**PRINCIPLE PROPERTY TAXPAYERS
SEPTEMBER 30, 2018 AND JULY 31, 2009**

| Name of Taxpayer | 2018 | | | 2009 | | |
|---|-----------------------|------|--|-----------------------|------|--|
| | Assessed Valuation | Rank | Percentage of Total Taxable Assessed Value | Assessed Valuation | Rank | Percentage of Total Taxable Assessed Value |
| American Electric Power Texas Central Co. | \$ 250,804,770 | 1 | 1.2350 % | \$ 125,117,330 | 1 | 0.9058 % |
| Barney M. Davis | 106,505,860 | 2 | 0.5244 | - | | |
| Corpus Christi Retail Venture LP | 96,736,271 | 3 | 0.4763 | 82,864,222 | 2 | 0.5999 |
| H.E. Butt Grocery Company | 88,136,157 | 4 | 0.4340 | 70,957,510 | 4 | 0.5137 |
| Corpus Christi Liquefaction LLC | 81,574,640 | 5 | 0.4017 | | | |
| Magellan Processing Co. | 80,600,000 | 6 | 0.3969 | | | |
| Bay Area Healthcare | 74,449,862 | 7 | 0.3666 | 48,378,566 | 6 | 0.3502 |
| Rainier Moore Plaza Acquisitions LLC | 67,280,730 | 8 | 0.3313 | | | |
| Markwest Javelina Pipeline Company | 65,756,280 | 9 | 0.3238 | | | |
| Camden Property Trust | 43,812,851 | 10 | 0.2157 | | | |
| Markwest Energy Partners LP | | | | 71,012,830 | 3 | 0.5141 |
| Southwestern Bell Telephone | | | | 49,810,660 | 5 | 0.3606 |
| Wal-Mart Auto Center | | | | 45,507,083 | 7 | 0.3294 |
| TRT Development Company | | | | 36,477,658 | 8 | 0.2641 |
| HD Development Properties LP | | | | 28,408,917 | 9 | 0.2057 |
| Flint Hills Resources LP | | | | 28,052,167 | 10 | 0.2031 |
| | <u>\$ 955,657,421</u> | | <u>4.71 %</u> | <u>\$ 586,586,943</u> | | <u>4.25 %</u> |

Source: Nueces County Appraisal District

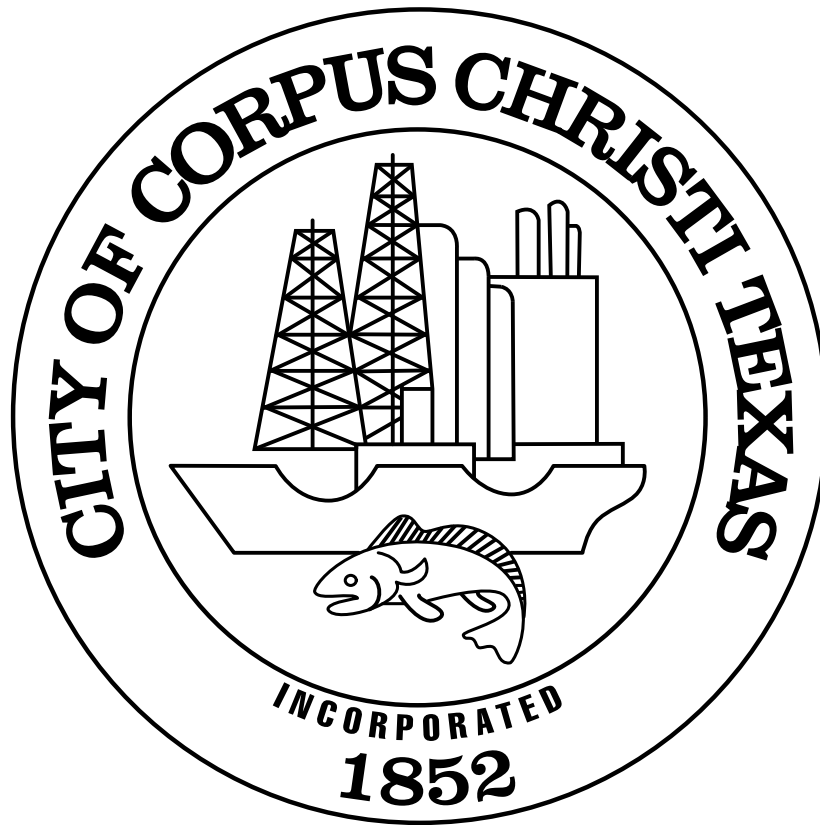
**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

| Fiscal Year Ended July 31 Through 2013, September 30 Thereafter | Tax Year | Tax Levy | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | |
|---|----------|---------------|---|-----------------------|--|---------------------------|-----------------------|
| | | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2009 | 2008 | \$ 76,595,854 | \$ 74,146,566 | 96.80 % | \$ 2,198,550 | \$ 76,345,116 | 99.67 % |
| 2010 | 2009 | 79,537,895 | 77,079,808 | 96.91 % | 2,202,138 | 79,281,946 | 99.68 % |
| 2011 | 2010 | 78,777,938 | 76,795,311 | 97.48 % | 1,761,248 | 78,556,559 | 99.72 % |
| 2012 | 2011 | 78,407,330 | 76,679,885 | 97.80 % | 1,679,176 | 78,359,061 | 99.94 % |
| 2013 | 2012 | 80,578,771 | 78,780,900 | 97.77 % | 1,742,588 | 80,523,488 | 99.93 % |
| 2014 | 2013 | 89,055,903 | 87,538,705 | 98.30 % | 797,470 | 88,336,175 | 99.19 % |
| 2015 | 2014 | 96,965,649 | 95,351,963 | 98.34 % | 829,064 | 96,181,027 | 99.19 % |
| 2016 | 2015 | 107,540,358 | 105,498,265 | 98.10 % | 962,984 | 106,461,249 | 99.00 % |
| 2017 | 2016 | 113,974,583 | 111,584,718 | 97.90 % | 1,243,694 | 112,828,412 | 98.99 % |
| 2018 | 2017 | 118,415,210 | 116,252,799 | 98.17 % | - | 116,252,799 | 98.17 % |

**ADOPTED TAX RATE
LAST TEN FISCAL YEARS**

| Fiscal Year Ended July 31 through 2013, September 30 Thereafter | Tax Year | Total Assessed Valuation | Assessments Rate | Gross Tax Rate (1) |
|--|-----------------|-------------------------------------|-------------------------|---------------------------|
| 2009 | 2008 | \$ 13,813,335,014 | 100% | 0.563846 |
| 2010 | 2009 | 14,440,609,740 | 100% | 0.563846 |
| 2011 | 2010 | 13,900,137,536 | 100% | 0.582269 |
| 2012 | 2011 | 14,085,804,898 | 100% | 0.570557 |
| 2013 | 2012 | 14,386,376,098 | 100% | 0.570557 |
| 2014 | 2013 | 15,535,771,168 | 100% | 0.585264 |
| 2015 | 2014 | 16,969,100,717 | 100% | 0.585264 |
| 2016 | 2015 | 18,344,955,055 | 100% | 0.606264 |
| 2017 | 2016 | 19,517,112,807 | 100% | 0.606264 |
| 2018 | 2017 | 20,308,463,120 | 100% | 0.606264 |

(1) As permitted by the Constitution of the State of Texas, home rule cities of over 5,000 population shall have a total tax allowable of \$2.50 and shall have a bond allowable of \$1.50 per \$100 valuation (unless City Charter provides less). The State allowables are computed based on 90% collections. On April 3, 1993, the citizens of Corpus Christi voted to amend the City Charter which contained a tax limitation of \$0.68 per \$100 of assessed valuation for all purposes including debt service. The amended Charter provided for the tax rate to increase up to the State limit for voter approved debt after April 4, 1993.



City of Corpus Christi

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

| Fiscal Year Ended July 31 through 2013, September 30 Thereafter | Governmental Activities | | | | | | General Obligation Bonds | Certificates of Obligation |
|---|--------------------------------|-------------------------------|---------------------------|----------------|------------------------|--------------------------------|--------------------------------|-------------------------------|
| | General Obligation Bonds | Certificates of Obligation | Priority Revenue Bonds | Capital Leases | Other Notes Payable | General Obligation Bonds | | |
| 2009 | \$ 231,525,000 | \$ 28,745,695 | \$ 110,095,000 | \$ 10,766,432 | \$ 7,510,000 | \$ - | \$ - | \$ 58,484,305 |
| 2010 | 232,020,000 | 37,255,695 | 105,460,000 | 11,395,885 | 5,295,000 | - | - | 57,184,305 |
| 2011 | 219,025,000 | 34,690,401 | 100,165,000 | 9,939,798 | 4,300,000 | - | - | 61,149,599 |
| 2012 | 251,195,000 | 32,821,649 | 94,485,000 | 7,338,742 | 10,665,000 | 18,220,000 | 18,220,000 | 59,388,351 |
| 2013 | 359,454,849 | 11,817,334 | 89,258,322 | 5,826,454 | 9,055,000 | 68,204,912 | 68,204,912 | 19,889,739 |
| 2014 | 336,640,896 | 11,018,552 | 76,610,083 | 6,319,117 | 24,405,000 | 66,185,000 | 66,185,000 | 17,017,275 |
| 2015 | 395,180,000 | 9,032,571 | 65,105,000 | 5,801,241 | 25,505,000 | 64,215,000 | 64,215,000 | 12,512,429 |
| 2016 | 447,095,352 | 34,301,898 | 60,988,890 | 17,485,569 | 20,286,021 | 17,711,813 | 17,711,813 | 10,892,566 |
| 2017 | 421,503,314 | 34,437,490 | 52,949,459 | 14,327,841 | 16,225,000 | 17,216,434 | 17,216,434 | 9,813,543 |
| 2018 | 409,662,745 | 55,690,014 | 46,934,643 | 9,586,032 | 13,780,000 | 15,965,703 | 15,965,703 | 9,373,879 |

Note: Details regarding the City's outstanding debt can be found in Note 13 of the Notes to the Financial Statements. Beginning fiscal year 2013, debt is reported net of related premiums and discounts. See Table 16, the Schedule of Demographic and Economic Statistics, for personal income and population data. Beginning fiscal year 2016, solid waste debt and leases are included in the Governmental Activities, and Utility notes payable was reduced from prior years due to a change in accounting policy in which reporting of the Lavaca Navidad River Authority purchase contract was changed from debt to an unconditional purchase obligation. The amount of this change in 2016 was \$85,778,799.

City of Corpus Christi

Table 11

| | Priority Revenue Bonds | Junior Lien Revenue Bonds | Subordinate Revenue Bonds | Capital Leases | Utility Notes | Total Primary Government | Percentage of Personal Income | Per Capita |
|----|-----------------------------------|--------------------------------------|--------------------------------------|-----------------------|----------------------|-------------------------------------|--|-----------------------|
| \$ | 546,875,000 | \$ - | \$ - | \$ 5,006,444 | \$ 164,625,035 | \$ 1,163,632,911 | 7.99 % | \$ 3,912 |
| | 525,780,000 | - | - | 6,288,391 | 160,481,095 | 1,141,160,371 | 7.89 % | 3,739 |
| | 572,095,000 | - | - | 8,318,853 | 156,204,665 | 1,165,888,316 | 7.42 % | 3,789 |
| | 576,810,000 | - | - | 6,860,263 | 152,512,889 | 1,210,296,894 | 7.32 % | 3,878 |
| | 453,480,430 | 246,054,017 | - | 8,158,202 | 148,593,654 | 1,419,792,913 | 7.96 % | 4,434 |
| | 416,345,000 | 306,290,000 | - | 9,278,830 | 144,435,976 | 1,414,545,729 | 10.00 % | 4,346 |
| | 336,420,000 | 587,835,000 | - | 10,250,013 | 139,028,374 | 1,650,884,628 | 11.24 % | 5,152 |
| | 240,362,810 | 711,077,165 | - | 1,712,830 | 50,589,610 | 1,612,504,524 | 10.46 % | 4,976 |
| | 187,355,053 | 714,497,296 | - | 2,293,761 | 42,207,147 | 1,512,826,338 | 10.26 % | 4,644 |
| | 176,302,544 | 678,513,681 | 31,830,000 | 2,707,910 | - | 1,450,347,151 | 9.59 % | 4,454 |

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

| Fiscal Year Ended July 31 through 2013, September 30 Thereafter | General Obligations Bonds | Certificates of Obligation | Less Amounts Available in Debt Service Funds | Total | Percentage of Actual Taxable Value | Per Capita(1) |
|--|--|---------------------------------------|---|----------------|---|----------------------|
| 2009 | \$ 231,525,000 | \$ 28,745,695 | \$ 10,134,301 | \$ 250,136,394 | 1.5421% | \$ 840.94 |
| 2010 | 232,020,000 | 37,255,695 | 11,923,519 | 257,352,176 | 1.5029% | 843.18 |
| 2011 | 219,025,000 | 34,690,401 | 14,436,907 | 239,278,494 | 1.3782% | 777.56 |
| 2012 | 269,415,000 | 92,210,000 | 16,858,822 | 344,766,178 | 1.9264% | 1,104.79 |
| 2013 | 427,659,761 | 31,707,073 | 15,512,834 | 443,854,000 | 2.3115% | 1,386.04 |
| 2014 | 402,825,896 | 28,035,827 | 8,660,390 | 422,201,333 | 2.0367% | 1,297.18 |
| 2015 | 459,395,000 | 21,545,000 | 10,777,534 | 470,162,466 | 2.0992% | 1,467.27 |
| 2016 | 464,807,165 | 45,194,464 | 12,917,032 | 497,084,597 | 2.0797% | 1,533.86 |
| 2017 | 438,719,748 | 44,251,033 | 12,088,752 | 470,882,029 | 1.8424% | 1,445.61 |
| 2018 | 425,628,448 | 65,063,893 | 11,207,426 | 479,484,915 | 1.7898% | 1,472.60 |

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statement. Beginning fiscal year 2013, debt is reported net of related premiums and discounts.

(1) See Table 17 - Schedule of Demographic and Economic Statistics for personal income and population data.

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
SEPTEMBER 30, 2018**

| | <u>Net Direct Debt</u> | | <u>Estimated % of Debt Applicable</u> | <u>Estimated Share of Overlapping Debt</u> |
|---|-------------------------|--------------|---|--|
| | <u>Amount</u> | <u>As of</u> | | |
| City | | | | |
| City of Corpus Christi, Texas - direct | \$ 535,845,217 | 9/30/2018 | 100.00 % | \$ 535,845,217 |
| County | | | | |
| Nueces County (excluding special districts) | 226,330,372 | 8/31/2018 | 69.32 % | 156,892,214 |
| School District | | | | |
| Calallen Independent School District | 72,854,420 | 8/31/2018 | 58.25 % | 42,437,700 |
| Corpus Christi Independent School District | 582,820,975 | 8/31/2018 | 87.48 % | 509,851,789 |
| Flour Bluff Independent School District | 45,608,931 | 8/31/2018 | 99.62 % | 45,435,617 |
| London Independent School District | 36,109,968 | 8/31/2018 | 35.57 % | 12,844,316 |
| Port Aransas Independent School District | 7,673,479 | 8/31/2018 | 10.43 % | 800,344 |
| Robstown Independent School District | 49,864,869 | 8/31/2018 | 1.38 % | 688,135 |
| Tuloso-Midway Independent School District | 59,050,000 | 8/31/2018 | 35.34 % | 20,868,270 |
| West Oso Independent School District | 32,645,305 | 8/31/2018 | 94.23 % | 30,761,671 |
| Other | | | | |
| Corpus Christi Junior College District | 224,095,862 | 9/30/2018 | 81.23 % | 182,033,069 |
| Nueces County Hospital District | - | | | - |
| Total overlapping debt | <u>1,337,054,181</u> | | | <u>1,002,613,125</u> |
| Total direct and overlapping debt | <u>\$ 1,872,899,398</u> | | | <u>\$ 1,538,458,342</u> |

NOTE B: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The percentage of overlapping debt applicable is estimated by the percentage of overlapping assessed value of each government that is within the boundaries of the City.

City of Corpus Christi

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

| | Fiscal Year | | | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | 2009 | 2010 | 2011 | 2012 |
| Debt limit | \$ 1,622,011,635 | \$ 1,712,352,047 | \$ 1,736,227,525 | \$ 1,789,689,744 |
| Total net debt applicable to limit | <u>316,130,699</u> | <u>319,831,481</u> | <u>304,728,093</u> | <u>355,431,178</u> |
| Legal debt margin | <u>\$ 1,305,880,936</u> | <u>\$ 1,392,520,566</u> | <u>\$ 1,431,499,432</u> | <u>\$ 1,434,258,566</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 19.49 % | 18.68 % | 17.55 % | 19.86 % |

(1) Assessed value is based on the appraised value of property prior to any deductions for exemptions. The assessed value is derived from the certified valuations provided by the Nueces County Tax Appraisal District as of July 25, 2017.

Note: Beginning with fiscal year 2013, debt is reported net of related premiums and discounts.

City of Corpus Christi

Table 14

| <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> |
|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| \$ 1,920,227,729 | \$ 2,072,955,370 | \$ 2,239,723,568 | \$ 2,390,145,118 | \$ 2,555,795,951 | \$ 2,679,005,756 |
| 452,909,000 | 446,149,479 | 495,667,466 | 487,813,988 | (461,941,248) | 468,287,574 |
| <u>\$ 1,467,318,729</u> | <u>\$ 1,626,805,891</u> | <u>\$ 1,744,056,102</u> | <u>\$ 1,902,331,130</u> | <u>\$ 3,017,737,199</u> | <u>\$ 2,210,718,182</u> |
| 23.59 % | 21.52 % | 22.13 % | 20.41 % | 18.07 % | 17.48 % |

Legal Debt Margin Calculation for Fiscal Year 2018

| | |
|--|-------------------------|
| Assessed value ¹ | \$ 26,790,057,562 |
| Debt limit (10% of total assessed value) | <u>2,679,005,756</u> |
| Debt Applicable to Limit: | |
| Gross Bonded Debt | 479,495,000 |
| Net position in Debt Service Fund | <u>11,207,426</u> |
| Total net debt applicable to limit | <u>468,287,574</u> |
| Legal debt margin | <u>\$ 2,210,718,182</u> |

City of Corpus Christi

**PLEGDED - REVENUE COVERAGE
LAST TEN FISCAL YEARS**

| Fiscal Year | Utility System Revenue Bonds | | | | | |
|-------------|------------------------------|--------------------------------------|--|---|---------------|----------|
| | Gross Revenue | Adjusted Operating Income Deductions | Net Revenue Available for Debt Service | Priority Revenue Bonds Annual Debt Service Requirements | | |
| | | | | Principal | Interest | Coverage |
| 2009 | \$ 188,422,621 | \$ 122,025,805 | \$ 66,396,816 | \$ 23,750,000 | \$ 18,890,476 | 1.56 |
| 2010 | 185,342,336 | 123,436,112 | 61,906,224 | 24,760,000 | 20,872,184 | 1.36 |
| 2011 | 203,523,352 | 131,598,133 | 71,925,219 | 24,135,000 | 22,448,605 | 1.54 |
| 2012 | 206,350,597 | 120,818,926 | 85,531,671 | 25,070,000 | 21,668,130 | 1.83 |
| 2013 | 206,635,317 | 122,958,943 | 83,676,374 | 21,120,000 | 18,161,601 | 2.13 |
| 2014 | 257,300,329 | 157,723,014 | 99,577,315 | 22,755,000 | 16,547,375 | 2.53 |
| 2015 | 222,130,769 | 133,070,062 | 89,060,707 | 19,665,000 | 16,850,245 | 2.44 |
| 2016 | 238,459,523 | 138,213,493 | 100,246,030 | 18,760,000 | 12,406,014 | 3.22 |
| 2017 | 250,961,134 | 148,583,312 | 102,377,822 | 15,765,000 | 8,265,776 | 4.26 |
| 2018 | 246,666,451 | 146,519,603 | 100,146,848 | 5,000,000 | 6,053,314 | 9.06 |

* The city changed its fiscal year from July 31 to September 30
FY 2014 includes 14 months of operations

| Fiscal Year | Marina System Revenue Bonds | | | | | |
|-------------|-----------------------------|--------------------------------------|---|---|-----------|----------|
| | Gross Revenue | Adjusted Operating Income Deductions | Net Revenues Available for Debt Service | Priority Revenue Bonds Annual Debt Service Requirements | | |
| | | | | Principal | Interest | Coverage |
| 2015 | \$ 1,885,502 | \$ 1,274,293 | 611,209 | \$ - | \$ 48,967 | 12.48 |
| 2016 | 1,876,001 | 1,400,472 | 475,529 | 140,000 | 75,900 | 2.20 |
| 2017 | 2,025,403 | 1,337,686 | 687,717 | 145,000 | 71,625 | 3.17 |
| 2018 | 2,787,572 | 1,298,645 | 1,488,927 | 150,000 | 67,200 | 6.86 |

| Net Revenue Available for Junior Lien Debt Service | Junior Lien Bonds Annual Debt Service Requirements | | | Coverage |
|---|---|------------|---|----------|
| | Principal | Interest | | |
| \$ - | \$ - | \$ - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 44,394,773 | 8,010,000 | 6,744,667 | | 3.01 |
| 60,274,940 | 8,375,000 | 13,332,367 | | 2.78 |
| 52,545,462 | 10,015,000 | 14,502,219 | | 2.14 |
| 69,080,016 | 12,595,000 | 26,658,363 | | 1.76 |
| 78,347,046 | 17,940,000 | 29,201,884 | | 1.66 |
| 89,093,534 | 32,090,000 | 28,858,597 | | 1.46 |

City of Corpus Christi

Table 16

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

| Fiscal Year | Population (1) | Personal Income (2) | Per Capita Personal Income (2) | Median Age (3) | School Enrollment Rate (4) | Unemployment Rate (5) |
|--------------------|-----------------------|----------------------------|---------------------------------------|-----------------------|-----------------------------------|------------------------------|
| 2009 | 297,447 | \$ 14,556,590,000 | \$ 35,004 | 34.6 | 38,460 | 7.3 |
| 2010 | 305,215 (6) | \$ 14,457,000,000 | \$ 34,743 | 34.3 | 38,196 | 7.7 |
| 2011 | 307,728 | \$ 15,719,000,000 | \$ 39,635 | 34.8 | 38,357 | 8.0 |
| 2012 | 312,065 | \$ 16,524,276,000 | \$ 38,609 | 34.6 | 39,106 | 6.6 |
| 2013 | 320,231 | \$ 17,832,307,000 | \$ 40,796 | 34.3 | 39,400 | 5.8 |
| 2014 | 325,477 | \$ 14,151,427,000 | \$ 44,765 | 34.4 | 39,414 | 4.9 |
| 2015 | 320,434 | \$ 14,683,147,000 | \$ 46,049 | 34.6 | 38,614 | 5.0 |
| 2016 | 324,074 | \$ 15,416,870,000 | \$ 42,859 | 34.8 | 38,226 | 6.3 |
| 2017 | 325,733 | \$ 14,743,237,000 | \$ 40,800 | 34.7 | 37,882 | 5.8 |
| 2018 | 325,605 | \$ 15,125,406,000 | \$ 41,873 | 34.9 | 37,323 | 4.8 |

Source:

- (1) City of Corpus Christi - adopted budget FY 2017-2018
- (2) Bureau of Economic Analysis
- (3) United States Census Bureau
- (4) Corpus Christi Independent School District
- (5) Texas Workforce Commission, Labor market Intelligence
- (6) U. S. Census Bureau - 2010 Census

City of Corpus Christi

Table 17

**PRINCIPLE EMPLOYERS
SEPTEMBER 30, 2018 AND JULY 31, 2009**

| Employer | 2018 | | | 2009 | | |
|--|----------------------------|-------------|---|----------------------------|-------------|--|
| | Number of Employees | Rank | Percentage of Total City Employment ** | Number of Employees | Rank | Percentage of Total City Employment |
| Naval Air Station Corpus Christi | 5,525 | 1 | 2.82 % | 1,630 | 9 | 0.89 % |
| Corpus Christi Independent School District | 5,178 | 2 | 2.64 % | 4,776 | 2 | 2.61 % |
| Christus Spohn Health System | 5,144 | 3 | 2.63 % | 4,260 | 3 | 2.33 % |
| H.E.B. Grocery Company | 5,000 | 4 | 2.55 % | 2,539 | 5 | 1.39 % |
| Corpus Christi Army Depot | 3,541 | 5 | 1.81 % | 4,876 | 1 | 2.66 % |
| City of Corpus Christi | 3,105 | 6 | 1.58 % | 3,434 | 4 | 1.88 % |
| Driscoll Children's Hospital | 2,136 | 7 | 1.09 % | 1,705 | 8 | 0.93 % |
| Bay Ltd. | 2,100 | 8 | 1.07 % | 2,500 | 6 | 1.37 % |
| Del Mar College | 1,542 | 9 | 0.79 % | | | % |
| Corpus Christi Medical Center | 1,300 | 10 | 0.66 % | 1,347 | 10 | 0.74 % |
| Texas A&M Corpus Christi | | | | 1,994 | 7 | 1.09 % |
| Total | 34,571 | | 17.64 % | 29,061 | | 15.89 % |

Source: Corpus Christi Regional Economic and Development Corporation (CCREDC) (2017 available data)

** Percent of Total City Employment for Total Nonfarm employment amounts as reported by CCREDC

City of Corpus Christi

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

| Function | Fiscal Year | | | |
|---|-----------------|-----------------|-----------------|-----------------|
| | 2009 | 2010 | 2011 | 2012 |
| General Fund | | | | |
| Mayor | 2.00 | 2.00 | 2.00 | 2.00 |
| ACM - Administrative Services | 1.00 | 1.00 | 1.00 | 1.00 |
| ACM - Safety, Health & Neighborhood | 2.00 | 2.00 | 1.00 | 1.00 |
| ACM - General Government | - | - | - | - |
| City Attorney | 26.00 | 26.00 | 25.00 | 23.00 |
| City Manager | 4.00 | 4.00 | 3.00 | 3.00 |
| City Secretary | 6.00 | 6.00 | 6.00 | 6.00 |
| Comprehensive Planning | - | - | - | - |
| Housing & Community Development (formerly Neighborhood Services) | 26.80 | 27.00 | 19.90 | 19.90 |
| Economic development office | 2.00 | 2.00 | - | - |
| Education advisor | 1.00 | - | - | - |
| Engineering - Special Services | 19.00 | 15.00 | 18.00 | 23.00 |
| Code enforcement | - | - | - | - |
| Finance | 53.00 | 50.00 | 46.00 | 51.00 |
| Office of Management and Budget | 8.00 | 8.00 | 8.00 | 8.00 |
| Fire | 432.00 | 432.00 | 429.00 | 429.00 |
| Civilian | - | - | - | - |
| Sworn Firefighters | - | - | - | - |
| Health Services | 71.50 | 68.00 | 66.00 | 61.00 |
| Animal Care and Control Services | - | - | - | - |
| Human Relations | 6.00 | 6.00 | 6.00 | 6.00 |
| Human Resources | 20.00 | 20.00 | 17.00 | 16.00 |
| City Auditor | 1.00 | - | - | 3.00 |
| Intergovernmental Relations | 1.00 | 1.00 | 1.00 | 1.00 |
| Library Services | 73.00 | 70.50 | 62.60 | 52.35 |
| Municipal Court - Administration | 48.00 | 45.00 | 42.00 | 59.00 |
| Municipal Court - Judicial | 34.08 | 30.08 | 30.90 | 8.72 |
| Museum | 22.70 | 21.70 | 21.70 | 17.40 |
| Parks and recreation | 299.32 | 279.64 | 263.23 | 256.71 |
| Planning | - | - | - | - |
| Police | 621.00 | 625.50 | 635.50 | 633.90 |
| Civilian | - | - | - | - |
| Sworn Officers | - | - | - | - |
| PublicInformation (Communications) | 5.00 | 4.00 | 4.00 | 2.50 |
| Street and Solid Waste Services | 298.00 | 290.00 | 286.00 | 236.00 |
| Total | <u>2,083.40</u> | <u>2,036.42</u> | <u>1,994.83</u> | <u>1,920.48</u> |
| (Continued) | | | | |

City of Corpus Christi

Table 18

| Fiscal Year | | | | | | |
|--------------------|-------------|-------------|-------------|-------------|-------------|--------|
| 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | |
| 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| 1.00 | 1.00 | - | - | - | - | 2.00 |
| 1.00 | - | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| - | - | 1.00 | 1.00 | 1.00 | - | - |
| 21.00 | 21.00 | 27.00 | 25.00 | 25.00 | 27.00 | 27.00 |
| 3.00 | 5.00 | 5.50 | 5.50 | 5.50 | 4.75 | 4.75 |
| 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 |
| - | - | - | 2.00 | 2.00 | 7.00 | 7.00 |
| 21.90 | 20.70 | 1.00 | 1.00 | 1.00 | 2.00 | 2.00 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 7.00 | - | - | - | - | - | - |
| - | - | 21.00 | 22.00 | 22.00 | 22.00 | 22.00 |
| 51.00 | 51.00 | 51.00 | 51.00 | 51.00 | 47.00 | 47.00 |
| 8.00 | 9.00 | 9.00 | 9.00 | 9.00 | 7.00 | 7.00 |
| 428.00 | 429.00 | 429.00 | 429.00 | 429.00 | 429.00 | 429.00 |
| - | - | - | - | 15.00 | - | - |
| - | - | - | - | 414.00 | - | - |
| 33.00 | 34.00 | 34.50 | 31.50 | 31.50 | 29.97 | 29.97 |
| - | - | 29.00 | 32.00 | 37.00 | 33.00 | 33.00 |
| 6.00 | 6.00 | 6.75 | 6.00 | 6.00 | - | - |
| 17.00 | 17.00 | 18.00 | 18.00 | 18.00 | 17.00 | 17.00 |
| 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 52.35 | 52.35 | 53.35 | 53.35 | 53.35 | 50.63 | 50.63 |
| 57.00 | 62.00 | 63.00 | 63.00 | 63.00 | 68.84 | 68.84 |
| 8.90 | 8.90 | 7.90 | 8.85 | 8.85 | - | - |
| 18.40 | - | - | - | - | - | - |
| 249.52 | 252.00 | 262.57 | 263.57 | 259.57 | 253.60 | 253.60 |
| - | - | - | - | - | 4.00 | 4.00 |
| 601.20 | 605.70 | 588.36 | 588.00 | 563.32 | 573.32 | 573.32 |
| - | - | - | - | 191.32 | - | - |
| - | - | - | - | 372.00 | - | - |
| 2.50 | 2.60 | 5.20 | 7.00 | 7.00 | - | - |
| 150.00 | 150.00 | 154.00 | 154.00 | 154.62 | 155.62 | 155.62 |
| 1,750.77 | 1,740.25 | 1,782.13 | 1,785.77 | 1,762.71 | 1,748.73 | |

City of Corpus Christi

**FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

| Function | Fiscal Year | | | |
|---|-----------------|-----------------|-----------------|-----------------|
| | 2009 | 2010 | 2011 | 2012 |
| Enterprise Funds | | | | |
| Aviation | 96.95 | 97.20 | 97.20 | 91.40 |
| Golf Centers | 29.50 | 29.50 | 29.50 | - |
| Marina | 14.00 | 15.00 | 15.00 | 15.00 |
| Gas | 134.80 | 135.80 | 137.00 | 135.00 |
| Storm water | 75.00 | 75.00 | 87.00 | 87.00 |
| Wastewater | 162.00 | 167.00 | 167.00 | 168.00 |
| Water | 163.00 | 166.00 | 167.00 | 161.00 |
| ACM - Public Works | 2.00 | 2.00 | 2.00 | 2.00 |
| Utility Business Office | 19.00 | 19.00 | 19.00 | 20.00 |
| Utility Field Services | 40.00 | 31.00 | 31.00 | 30.00 |
| Office of Environmental Programs | 5.00 | 5.00 | 5.00 | 5.00 |
| Total | 741.25 | 742.50 | 756.70 | 714.40 |
| Internal Service Funds | | | | |
| Engineering (formerly Capital Programs) | 61.63 | 64.00 | 61.00 | 58.00 |
| Risk Management - Administration | 15.00 | 15.00 | 16.00 | 20.00 |
| Employee Benefits - Administration | - | - | - | - |
| Fleet Maintenance Services | 87.00 | 87.00 | 85.00 | 77.00 |
| Facilities Maintenance Services | - | - | - | - |
| Municipal Information System | 105.00 | 105.00 | 98.00 | 94.00 |
| Stores | 20.00 | 21.00 | 21.00 | 20.00 |
| Total | 288.63 | 292.00 | 281.00 | 269.00 |
| Special Revenue Funds | | | | |
| Street Services | - | - | - | - |
| State HOT Fund | - | - | - | - |
| Municipal Court - Case Manager Fund | - | - | - | - |
| Development Services | 76.00 | 63.00 | 60.00 | 60.00 |
| Visitor's Facilities Fund | 10.00 | 10.00 | 10.00 | 10.00 |
| Redlight Photo Enforcement | - | 2.00 | 2.00 | 2.00 |
| C.C. Crime Control District | 65.60 | 65.60 | 65.60 | 64.60 |
| Civilian | - | - | - | - |
| Sworn Officers | - | - | - | - |
| Health 1115 Waiver | - | - | - | - |
| Local Emergency Planning Committee | 1.00 | 1.00 | 1.00 | 1.00 |
| Total | 152.60 | 141.60 | 138.60 | 137.60 |
| Total operating budget FTE's | 3,265.88 | 3,212.52 | 3,171.13 | 3,041.48 |

Source: City of Corpus Christi Office of Management and Budget

City of Corpus Christi

**Table 18
(Continued)**

| Fiscal Year | | | | | | |
|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|--|
| 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | |
| 91.40 | 82.00 | 82.00 | 83.00 | 82.00 | 82.00 | |
| - | - | - | - | - | - | |
| 15.00 | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 | |
| 135.00 | 152.00 | 153.00 | 153.00 | 153.00 | 152.00 | |
| 87.00 | 87.00 | 85.00 | 82.00 | 81.00 | 81.00 | |
| 168.00 | 168.00 | 160.00 | 165.00 | 156.00 | 158.00 | |
| 165.40 | 193.40 | 200.40 | 206.40 | 216.40 | 220.40 | |
| 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | |
| 20.00 | 20.00 | 21.00 | 32.00 | 32.00 | 32.00 | |
| 30.00 | - | - | - | - | - | |
| 5.00 | - | 8.00 | - | - | - | |
| <u>718.80</u> | <u>719.40</u> | <u>726.40</u> | <u>738.40</u> | <u>737.40</u> | <u>742.40</u> | |
| 57.00 | 59.00 | 75.00 | 76.00 | 76.00 | 67.00 | |
| 20.00 | 20.00 | 19.00 | 19.00 | 12.00 | 14.00 | |
| - | - | - | - | 7.00 | 7.00 | |
| 77.00 | 79.00 | 59.00 | 59.00 | 59.00 | 59.00 | |
| - | - | 23.00 | 29.00 | 28.00 | 28.00 | |
| 93.00 | 93.00 | 96.00 | 96.00 | 96.00 | 94.00 | |
| 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 21.00 | |
| <u>267.00</u> | <u>271.00</u> | <u>292.00</u> | <u>299.00</u> | <u>298.00</u> | <u>290.00</u> | |
| - | - | 132.00 | 132.00 | 132.00 | 132.00 | |
| - | - | - | - | 15.70 | 15.70 | |
| - | - | 3.00 | 3.00 | 3.00 | 3.00 | |
| 59.00 | 62.00 | 63.00 | 62.50 | 60.50 | 62.50 | |
| 11.00 | 11.00 | 13.00 | 13.00 | 13.00 | 13.00 | |
| 2.00 | 2.00 | 2.00 | 3.00 | 3.00 | - | |
| 63.60 | 66.60 | 79.60 | 78.60 | 78.60 | 63.00 | |
| - | - | - | - | 15.60 | - | |
| - | - | - | - | 63.00 | - | |
| - | - | - | 4.00 | 4.00 | - | |
| 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | |
| <u>136.60</u> | <u>142.60</u> | <u>293.60</u> | <u>297.10</u> | <u>310.80</u> | <u>290.20</u> | |
| <u>2,873.17</u> | <u>2,873.25</u> | <u>3,094.13</u> | <u>3,120.27</u> | <u>3,108.91</u> | <u>3,071.33</u> | |

City of Corpus Christi

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

| Function | Fiscal Year | | | |
|---|-------------|------------|------------|-------------|
| | 2009 | 2010 | 2011 | 2012 |
| Police | | | | |
| Physical arrests | 17,786 | 17,036 | 17,928 | 17,895 |
| Parking violations | 23,976 * | 18,705 * | 7,925 * | 7,705 |
| Traffic violations | 51,778 | 51,082 | 41,216 | 39,145 |
| Number of commissioned police officers | 451 | 451 | 451 | 451 |
| Number of employees - police officers and civilians | 711 | 711 | 711 | 686 |
| Officers per 1000 population | 1.52 | 1.48 | 1.47 | 1.50 |
| School crossing guards | 91 | 91 | 91 | 28 |
| Fire | | | | |
| Number of calls answered | 39,115 | 38,939 | 39,667 | 42,923 |
| Inspections | 5,342 | 5,272 | 4,116 | 6,093 |
| Number of firefighters | 403 | 414 | 398 | 414 |
| Number of employees - firefighters and civilians | 423 | 429 | 414 | 431 |
| Employees per 1,000 population | 1.35 | 1.36 | 1.29 | 1.36 |
| State Fire Insurance Credit Rating | Class 2 | Class 2 | Class 2 | Class 2 |
| Streets | | | | |
| Street resurfacing (square yards) | 267,817 | 549,631 | 693,586 | 600,387 |
| Potholes repaired | - | 213,805 | 158,827 | 126,696 |
| Parks and recreation | | | | |
| Number of registered youth participants in Latchkey afterschool program | 2,478 | 2,396 | 2,497 | 2,375 |
| Number of meals served at Senior Centers | 104,155 | 95,954 | 106,995 | 93,516 |
| Libraries | | | | |
| Number of volumes | 431,098 | 484,442 | 661,332 | 412,386 |
| Circulation | 1,339,242 | 1,344,845 | 1,247,799 | 709 |
| Library cards in force | 150,712 | 153,222 | 201,863 | 217,247 |
| Computer usage, sessions | - | - | - | - |
| Number of website hits | 25,084,906 | 10,041,335 | 5,114,607 | 9,723,058 |
| Number of in-house personal computer users | 240,525 | 282,360 | 255,923 | 184,137 |
| Solid Waste | | | | |
| Refuse collected (tons/day) | 378 | 382 | 378 | 376 |
| Recyclables collected (tons/day) | 12.3 | 11.7 | 31.7 | 5.0 |
| Water | | | | |
| New connections (UBO) | 265 | 236 | 236 | 217 |
| Water main breaks | 1,706 | 1,507 | 1,584 | 1,966 |
| Average daily consumption (thousands of gallons) | 102,025 | 94,637 | 99,271 | 104,316 |
| Average daily gallons treated & raw water sold | 102,025,373 | 94,637,901 | 99,271,184 | 104,316,132 |
| Average water treated (thousand of gallons) | 68,888 | 63,197 | 67,592 | 69,919 |
| Average daily consumption per capita (gallons) | 128 | 118 | 125 | 122 |
| Residential per capita consumption gallons/day | 81 | 76 | 80 | 78 |
| Gas | | | | |
| Average daily consumption (mcf) | 8,626 | 8,466 | 9,050 | 8,033 |
| Wastewater | | | | |
| Average daily sewage treatment (thousands of gallons) | 26,867 | 29,691 | 28,152 | 25,776 |
| Airport | | | | |
| Number of airports | 1 | 1 | 1 | 1 |
| Number of acres | 2,657 | 2,600 | 2,600 | 2,600 |

Sources: Various City departments

* Data presented is for the calendar year rather than the fiscal year.

** FY2014 includes 14 months of operations

City of Corpus Christi

Table 19

| 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|-------------|------------|------------|------------|------------|------------|
| 17,366 | 22,159 | 16,957 | 18,683 | 18,264 | 16,852 |
| 9,694 | 20,241 | 12,538 | 9,855 | 7,558 | 13,078 |
| 48,226 | 60,880 | 10,983 | 47,799 | 44,717 | 53,979 |
| 451 | 449 | 439 | 448 | 446 | 446 |
| 685.8 | 672.0 | 684.0 | 722 | 651 | 651 |
| 1.40 | 1.40 | 1.40 | 1.40 | - | 1.40 |
| 28 | - | - | - | 30 | 0 |
| 44,933 | 55,242 | 47,653 | 51,522 | 50,030 | 51,541 |
| 6,945 | 7,312 | 6,380 | 6,961 | 5,387 | 5,754 |
| 414 | 414 | 414 | 414 | 414 | 414 |
| 431 | 431 | 430 | 430 | 430 | 430 |
| 1.38 | 1.37 | 1.36 | 1.32 | 1.32 | 1.32 |
| Class 2 | Class 2 | Class 2 | Class 2 | Class 2 | Class 2 |
| 408,439 | 435,847 | 760,413 | 823,452 | 1,061,802 | 887,158 |
| 109,070 | 166,405 | 259,663 | 222,090 | 165,434 | 207,438 |
| 2,240 | 2,515 | 2,529 | 1,993 | 2,409 | 2,141 |
| 91,486 | 90,276 | 81,605 | 78,984 | 79,198 | 73,808 |
| 358,544 | 386,633 | 357,454 | 356,449 | 320,621 | 366,874 |
| 800,285 | 925,998 | 788,888 | 813,784 | 758,186 | 733,069 |
| 228,041 | 179,831 | 25,963 | 205,929 | 174,719 | 180,839 |
| - | - | 222,350 | 202,656 | 182,655 | 143,348 |
| 12,500,511 | 8,039,479 | 4,983,149 | 3,766,020 | 3,148,058 | 5,890,835 |
| 221,891 | 273,763 | 222,350 | 202,656 | 182,655 | 143,348 |
| 350 | 368 | 407 | 417 | 442 | 412 |
| 53.0 | 55 | 55 | 55 | 53 | 51 |
| 1,282 | 1,465 | 1,439 | 1,081 | 927 | 1,170 |
| 1,409 | 2,025 | 1,295 | 905 | 1,439 | 642 |
| 100,563 | 97,689 | 91,500 | 89,540 | 70,900 | 94,823 |
| 100,562,948 | 97,689,000 | 91,500,000 | 89,540,106 | 70,900,000 | 81,418,000 |
| 68,029 | 65,821 | 64,527 | 62,380 | 62,933 | 63,887 |
| 107 | 103 | 92 | 97 | 182 | 192 |
| 70 | 67 | 60 | 63 | 64 | 63 |
| 8,535 | 11,733 | 10,611 | 9,038 | 9,117 | 10,183 |
| 25,648 | 30,722 | 30,041 | 28,254 | 26,323 | 27,333 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 2,600 | 2,600 | 2,600 | 2,600 | 2,600 | 2,600 |

City of Corpus Christi

CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN FISCAL YEARS

| Function | Fiscal Year | | | |
|---|-------------|-----------|-----------|-----------|
| | 2009 | 2010 | 2011 | 2012 |
| General Government | | | | |
| Buildings: (City owned) | | | | |
| Total square footage, approximate | 2,883,975 | 2,883,975 | 2,883,975 | 3,740,189 |
| Police | | | | |
| Stations | 5 | 5 | 5 | 5 |
| Patrol units | 354 | 244 | 244 | 244 |
| Area of responsibility - land area (square miles) | 150.48 | 150.48 | 150.48 | 150.48 |
| Fire | | | | |
| Fire stations | 17 | 17 | 17 | 17 |
| Fire apparatus | 30 | 30 | 30 | 30 |
| Number of fire hydrants | 8,800 | 8,890 | 9,007 | 10,451 |
| Other motorized vehicles | 77 | 77 | 88 | 88 |
| Solid Waste | | | | |
| Collection Trucks | N/A | N/A | N/A | N/A |
| Other Motorized Vehicles | N/A | N/A | N/A | N/A |
| Streets | | | | |
| Streets (miles) | 1,139 | 1,172 | 1,178 | 1,181 |
| Streetlights | 16,874 | 17,053 | 17,166 | 17,315 |
| Traffic signals | N/A | N/A | N/A | 242 |
| Libraries | | | | |
| Number of libraries | 6 | 6 | 6 | 6 |
| Parks and recreation | | | | |
| Parks acreage | 1,418 | 1,420 | 1,420 | 1,690 |
| Parks | 191 | 194 | 196 | 196 |
| Swimming pools | 9 | 9 | 9 | 9 |
| Tennis courts | 37 | 37 | 37 | 37 |
| Community centers | 5 | 5 | 5 | 5 |
| Park acreage partially developed | 384 | 386 | 389 | 389 |
| Playgrounds | 139 | 143 | 140 | 140 |
| Municipal beaches | 4 | 4 | 4 | 4 |
| Baseball diamonds | 4 | 4 | 5 | 5 |
| Softball diamonds | 5 | 5 | 4 | 4 |
| Senior centers | 8 | 8 | 8 | 8 |
| Gymnasiums | 2 | 2 | 3 | 3 |
| Covered basketball courts | 4 | 4 | 5 | 5 |
| Water | | | | |
| Water mains (miles) | 1,624 | 1,629 | 1,636 | 1,654 |
| Fire hydrants | 8,800 | 8,890 | 9,007 | 10,451 |
| Maximum daily capacity (thousands of gallons) | 161,000 | 161,000 | 161,000 | 161,000 |
| Water connections - active | 87,042 | 90,957 | 90,928 | 93,927 |
| Storm water drainage ditches (miles) | 602 | 552 | 501 | 501 |
| Storm water underground pipe (miles) | 632 | 675 | 630 | 630 |

Sources: Various City departments

City of Corpus Christi

Table 20

| 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 3,474,290 | 2,453,733 | 2,270,914 | 2,328,831 | 2,328,831 | 2,328,831 |
| 5 | 5 | 5 | 5 | 4 | 4 |
| 244 | 244 | 244 | 244 | 162 | 255 |
| 150.48 | 150.48 | 150.48 | 150.00 | 154.60 | 174.60 |
| 17 | 17 | 17 | 17 | 18 | 18 |
| 30 | 30 | 29 | 22 | 29 | 32 |
| 10,451 | 10,879 | 10,790 | 10,809 | 10,730 | 11,927 |
| 88 | 90 | 84 | 11 | 84 | 85 |
| N/A | N/A | N/A | 89 | 89 | - |
| N/A | N/A | N/A | 63 | 61 | - |
| 1,183 | 1,201 | 1,221 | 1,221 | 1,201 | 1,205 |
| 17,191 | 17,264 | 16,115 | 16,046 | 16,051 | 16,051 |
| 243 | 245 | 246 | 247 | 247 | 247 |
| 6 | 6 | 6 | 6 | 6 | 6 |
| 1,690 | 1,690 | 1,690 | 1,688 | 2,118 | 1,785 |
| 196 | 196 | 196 | 195 | 191 | 189 |
| 6 | 6 | 6 | 6 | 6 | 6 |
| 37 | 37 | 37 | 37 | 2 | 4 |
| 5 | 5 | 5 | 5 | 5 | 4 |
| 389 | 389 | 389 | 389 | 210 | 210 |
| 140 | 140 | 133 | 127 | 144 | 126 |
| 4 | 4 | 4 | 4 | 2 | 3 |
| 2 | 2 | 2 | 2 | 67 | 32 |
| 4 | 4 | 4 | 4 | 70 | 10 |
| 8 | 8 | 8 | 8 | 8 | 8 |
| 3 | 3 | 3 | 3 | 2 | 2 |
| 5 | 5 | 5 | 5 | 2 | 5 |
| 1,677 | 1,687 | 1,693 | 1,701 | 1,725 | 1,738 |
| 10,451 | 10,879 | 10,718 | 10,809 | 10,730 | 11,927 |
| 161,000 | 161,000 | 161,000 | 161,000 | 161,000 | 161,000 |
| 93,123 | 104,065 | 97,970 | 98,640 | 87,763 | 88,411 |
| 501 | 580 | 666 | 666 | 642 | 642 |
| 630 | 600 | 634 | 637 | 635 | 639 |

City of Corpus Christi

CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN FISCAL YEARS

| Function | Fiscal Year | | | |
|---|-------------|---------|---------|---------|
| | 2009 | 2010 | 2011 | 2012 |
| Gas | | | | |
| Gas mains (miles) | 1,349 | 1,354 | 1,399 | 1,402 |
| Gas connections - active | 54,162 | 55,467 | 60,430 | 62,260 |
| Wastewater | | | | |
| Sanitary sewers (miles) | 1,269 | 1,271 | 1,282 | 1,286 |
| Maximum daily treatment capacity (thousands of gallons) | 44,700 | 44,700 | 44,700 | 44,700 |
| Sewer connections | 82,948 | 83,174 | 83,250 | 84,338 |
| Lift stations | 97 | 99 | 99 | 100 |
| Airport | | | | |
| Length of main runways | 13,588 | 13,588 | 13,588 | 13,588 |
| Scheduled airline arrivals and departures per year | 17,056 | 16,560 | 17,130 | 17,130 |
| Passengers enplaning and deplaning (including commercial helicopters) | 750,080 | 706,133 | 688,051 | 672,130 |
| Golf centers | | | | |
| Municipal golf courses | 2 | 2 | 2 | 2 |
| Municipal golf links - acres | 376 | 376 | 376 | 376 |
| Marina | | | | |
| Marina slips | 590 | 626 | 626 | 578 |

City of Corpus Christi

**Table 20
(Continued)**

| 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 1,405 | 1,417 | 1,423 | 1,430 | 1,470 | 1,479 |
| 62,667 | 54,413 | 54,413 | 55,427 | 55,045 | 61,024 |
| 1,293 | 1,300 | 1,288 | 1,291 | 1,298 | 1,305 |
| 44,700 | 42,700 | 42,700 | 42,700 | 42,700 | 42,700 |
| 85,602 | 84,681 | 86,467 | 86,980 | 88,175 | 88,411 |
| 100 | 100 | 100 | 102 | 103 | 103 |
| 13,588 | 13,588 | 13,590 | 13,590 | 13,590 | 13,590 |
| 17,053 | 21,476 | 16,809 | 16,789 | 16,809 | 10,700 |
| 644,570 | 807,754 | 693,756 | 678,377 | 660,683 | 687,074 |
| 2 | 2 | 2 | 2 | 2 | 2 |
| 376 | 376 | 376 | 376 | 376 | 376 |
| 513 | 471 | 586 | 586 | 586 | 560 |

City of Corpus Christi

MISCELLANEOUS STATISTICAL DATA FISCAL YEAR ENDED SEPTEMBER 30, 2018

GOVERNMENT: (1)

| | |
|--------------------------|----------------------------|
| Date of incorporation | 1852 |
| Charter: | |
| Revised | July 13, 1968 |
| Revised | September 15, 1970 |
| Revised | January 22, 1975 |
| Revised | April 5, 1980 |
| Revised | August 11, 1984 |
| Revised | April 4, 1987 |
| Revised | January 19, 1991 |
| Revised | April 3, 1993 |
| Revised | November 2, 2004 |
| Revised | November 7, 2006 |
| Revised | November 2, 2010 |
| Revised | November 8, 2016 |
| Form of government: | Council Manager Government |
| Fiscal year begins | October 1st |
| Number of City employees | 3,105 |

GEOGRAPHICAL LOCATION: Southeastern Cost of Texas on the Gulf of Mexico approximately 150 miles north of the Mexican border.

| | | |
|---------------------------------------|-------------------|---------------------|
| Total primary government net position | Land (sq. miles) | 174.6 |
| | Water (sq. miles) | <u>329.0</u> |
| | | <u><u>503.6</u></u> |

| POPULATION: | Year | Trade Area | Popluation |
|-------------|---------------|------------|------------|
| | 1960 | 382,423 | 167,690 |
| | 1970 | 359,523 | 204,525 |
| | 1980 | 400,500 | 232,134 |
| | 1990 | 367,786 | 257,453 |
| | 2000 (Census) | 403,242 | 277,454 |
| | 2008 (Census) | 485,885 | 297,447 |
| | 2009 | 415,376 | 297,447 |
| | 2010 | 428,188 | 305,215 |
| | 2011 (Census) | 426,073 | 313,422 |
| | 2012 | 433,583 | 312,065 |
| | 2013 | 437,109 | 320,231 |
| | 2014 | 448,108 | 325,477 |
| | 2015 | 449,323 | 320,434 |
| | 2016 | 453,633 | 324,074 |
| | 2017 | 457,971 | 325,733 |
| | 2018 | 462,424 | 325,605 |

ELEVATION: (2) Sea level to 85 feet, average 35 feet

TEMPERATURE: (3) 81.50° F maximum average
62.80° F minimum average
72.15° F mean average

SEASONAL RAINFALL: (3)
34.12 inches for fiscal year ended September 30, 2018

Source: (1) City Staff
(2) Port of Corpus Christi
(3) National Weather Service www.ncdc.noaa.gov

City of Corpus Christi

Table 21

| | |
|--|-------------|
| PORT OF CORPUS CHRISTI: (2) | |
| Tonnage handled through the Port during the calendar year 2017 | 102,391,848 |
| Number of ships handled during the calendar year 2017 | 1,840 |
| Number of barges handled during the calendar year 2017 | 4,642 |

| | |
|----------------------------------|-------------------|
| Public Docks: | |
| Bulk liquid | 13 |
| Dry cargo | 7 |
| Bulk materials | 2 |
| | 22 |
| | 22 |
| Private Docks: | |
| Bulk liquid - | |
| Citgo | 7 - Main Harbor |
| Equistar | 1 - Main Harbor |
| Flint Hills | 3 - Main Harbor |
| Flint Hills | 1 - Ingleside |
| Nu Star | 1 - Main Harbor |
| Trafigura | 5 - Main Harbor |
| Valero | 6 - Main Harbor |
| Occidental Energy (NSI) | 6 - Ingleside |
| Koch Gathering | 1 - Ingleside |
| Dry Cargo - | |
| Bay, Inc | 1 - Main Harbor |
| Heldenfels | 1 - Main Harbor |
| Texas Lehigh Cement | 1 - Main Harbor |
| Fordyce | 1 - Main Harbor |
| Tor Minerals International, Inc. | 1 - Rincon |
| McDermott | 1 - Harbor Island |
| Gulf Marine Fabricators | 2 - Ingleside |
| Kiewit Offshore Services, Inc. | 1 - La Quinta |
| EMAS AMC | 1 - La Quinta |
| Occidental Chemical | 3 - La Quinta |
| Signet Maritime | 1 - Jewell Fulton |
| Bulk materials - | |
| ADM/Growmark | 1 - Main Harbor |
| Interstate Grain | 1 - Main Harbor |
| Vulcan Materials | 1 - Main Harbor |
| Sherwin Alumina | 1 - La Quinta |
| Voestalpine | 2 - La Quinta |
| | 51 |
| | 51 |

Source: (1) City Staff
(2) Port of Corpus Christi
(3) National Weather Service www.nws.noaa.gov

**CITY PAYROLL STATISTICS
LAST TEN FISCAL YEARS**

| Fiscal Year | Salaries | Social Security & Medicare | Texas Municipal Retirement System | Fire Fighters' Retirement System | Total Paid | Number of Employees Last Payday of Year |
|--------------------|-----------------|---|--|---|-------------------|--|
| 2009 | \$ 140,069,626 | \$ 8,350,623 | \$ 16,549,804 | \$ 3,997,364 | \$ 168,967,417 | 3,406 |
| 2010 | 142,607,262 | 7,714,798 | 18,330,551 | 4,440,572 | 173,093,183 | 3,236 |
| 2011 | 147,878,682 | 8,485,205 | 16,832,574 | 5,158,128 | 178,354,589 | 3,091 |
| 2012 | 137,951,126 | 7,969,329 | 15,541,644 | 5,254,970 | 166,717,069 | 2,972 |
| 2013 | 142,076,954 | 8,240,414 | 16,101,720 | 5,640,851 | 172,059,939 | 2,959 |
| 2014* | 170,695,596 | 9,994,840 | 20,838,560 | 7,009,621 | 208,538,617 | 2,900 |
| 2015 | 148,105,511 | 8,680,222 | 19,073,912 | 6,266,444 | 182,126,089 | 2,943 |
| 2016 | 163,928,890 | 9,530,940 | 22,672,210 | 6,695,120 | 202,827,160 | 3,039 |
| 2017 | 165,717,689 | 9,427,308 | 24,934,574 | 6,612,497 | 206,692,068 | 3,105 |
| 2018 | 166,584,674 | 9,477,307 | 27,870,657 | 6,514,268 | 210,446,906 | 3,105 |

Note: The data in this Table is abstracted from payroll reports.

* Includes 14 months of operations

**ALL FUNDS
INSURANCE AND SURETY BONDS IN FORCE
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

| Type of Insurance | Insurer and Expiration Date | Amount of Coverage |
|--|--|--|
| 1. PROPERTY INSURANCE COVERAGES | | |
| Commercial Property & Wind Policy Scheduled City Properties | Multiple layers (Itemized Below) Expires 5-4-2019 | \$250,000,000 all other perils,\$150,000,000 Named Storm coverage, \$50,000,000 Flood Building & Personal Property Blanket Coverage 2%, Named Storm, \$100,000 Minimum/ \$4,000,000 Maximum Deductible \$50,000 All other Wind/Hail Deductible \$50,000 Deductible All Other Perils \$100,000 Flood Deductible; Except \$500,000 Deductible for Zones A&V \$50,000 Earthquake Deductible \$10,000 Electronic Data Protection and Personal Items Deductible (Replacement Cost Coverage) |
| NAMED STORM - WIND COVERAGE | | |
| Primary Coverage | | |
| Property & Wind Coverage Commercial City Properties | LEXINGTON Expires 5-4-2019 | \$10,000,000 part of \$25,000,000 - Named Storm Primary Limit Building & Personal Property Blanket Coverage |
| Property & Wind Coverage Commercial City Properties | ACE/Westchester Expires 5-4-2019 | \$5,000,000 part of \$25,000,000 - Named Storm Primary Limit Building & Personal Property Blanket Coverage |
| Property & Wind Coverage Commercial City Properties | AMRISC Expires 5-4-2019 | \$2,500,000 part of \$25,000,000 - Named Storm Primary Limit Building & Personal Property Blanket Coverage |
| Property & Wind Coverage Commercial City Properties | Lloyd's of London Expires 5-4-2019 | \$7,500,000 part of \$25,000,000 - Named Storm Primary Limit Buildings & Personal Property Blanket Coverage |
| Excess Coverage - First Layer | | |
| Excess Property & Wind Coverage Commercial City Properties | Ironshore Expires 5-4-2019 | \$5,000,000 part of \$25,000,000 Excess of \$25,000,000 Primary - Named Storm Limit Buildings & Personal Property Blanket Coverage |
| Excess Property & Wind Coverage Commercial City Properties | RSUI Indemnity Expires 5-4-2019 | \$5,000,000 part of \$25,000,000 Excess of \$25,000,000 Primary - Named Storm Limit Building & Personal Property Blanket Coverage |
| Excess Property & Wind Coverage Commercial City Properties | Colony Insurance Co. Expires 5-4-2019 | \$5,000,000 part of \$25,000,000 Excess of \$25,000,000 Primary - Named Storm Limit Building & Personal Property Blanket Coverage |
| Excess Property & Wind Coverage Commercial City Properties | Markel/Evanston Expires 5-4-2019 | \$2,500,000 part of \$25,000,000 Excess of \$25,000,000 Primary - Named Storm Limit Building & Personal Property Blanket Coverage |
| Excess Property & Wind Coverage Commercial City Properties | Lloyd's of London Expires 5-4-2019 | \$7,500,000 part of \$25,000,000 Excess of \$25,000,000 Primary - Named Storm Limit Building & Personal Property Blanket Coverage |
| Excess Coverage - Second Layer | | |
| Excess Property & Wind Coverage | Scottsdale | \$45,000,000 part of \$100,000,000 Excess of \$50,000,000 - Named Storm Limit |

**ALL FUNDS
INSURANCE AND SURETY BONDS IN FORCE
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

| Type of Insurance | Insurer and Expiration Date | Amount of Coverage |
|--|---|--|
| Commercial City Properties | Expires 5-4-2019 | Buildings & Personal Property Blanket Coverage |
| Excess Property & Wind Coverage | Everest Indemnity | \$25,000,000 part of \$100,000,000 Excess of \$50,000,000 - Named Storm Limit |
| Commercial City Properties | Expires 5-4-2019 | Building & Personal Property Blanket Coverage |
| Excess Property & Wind Coverage | LIU (Liberty Surplus) | \$15,000,000 part of \$100,000,000 Excess of \$50,000,000 - Named Storm Limit |
| Commercial City Properties | Expires 5-4-2019 | Building & Personal Property Blanket Coverage |
| Excess Property & Wind Coverage | Colony Insurance Co. | \$5,000,000 part of \$100,000,000 Excess of \$50,000,000 - Named Storm Limit |
| Commercial City Properties | Expires 5-4-2019 | Building & Personal Property Blanket Coverage |
| Excess Property & Wind Coverage | Markel/Evanston | \$10,000,000 part of \$100,000,000 Excess of \$50,000,000 - Named Storm Limit |
| Commercial City Properties | Expires 5-4-2019 | Building & Personal Property Blanket Coverage |
| ALL PERILS PROPERTY COVERAGE EXCLUDING NAMED STORM WIND | | |
| Property Coverage | One Beacon (Homeland Insurance Co.) | \$100,000,000 Excess of \$150,000,000 All other Perils excluding Named Storm Wind |
| Commercial City Properties | Expires 5-4-2019 | Building & Personal Property Blanket Coverage |
| EQUIPMENT BREAKDOWN COVERAGE | | |
| 2. Boiler & Machinery | | |
| Coverage | CNA (Continental Casualty) | \$100 Million Property Damage |
| Commercial City Properties | Expires 5-4-2019 | \$2,500 Property Damage per occurrence Deductible |
| 3. FLOOD COVERAGE | | |
| Primary Flood | National Flood Program/ | Building &/or contents values up to maximum of \$500,000 |
| Specified City Buildings | Selective Insurance | per building &/or \$500,000 per contents per location |
| | Expires - Various (see below) | \$2,000 deductible per building/ per contents (specified locations) - Standard Program |
| | <i>February, March, June, July, August,</i> | \$1,250 deductible per building/ per contents (specified locations) - Preferred Risk Program |
| | <i>September, October, November</i> | |
| | <i>expiration dates</i> | |
| 4. Airport Liability | | |
| Primary Airport Liability | | |
| Primary Aviation | Texas Municipal League | \$25,000,000 Limit of Liability |
| | Expires 10-1-2019 | \$5,000 per occurrence deductible and \$10,000 annual aggregate deductible |
| Excess Airport Liability | | |
| Excess Aviation | ACE-Illinois Union Ins Co | \$50,000,000 Liability Limit in Excess of |
| | Expires 10-1-2019 | \$25,000,000 (\$75,000,000 max.) |
| 5. Employee Dishonesty / Crime Coverage | | |
| | Texas Municipal League | \$1,000,000 per occ. for Public Employee Dishonesty |
| | Expires 10-1-2019 | Forgery or Alteration, Theft, Disappearance and Destruction Computer Fraud; with \$10,000 Deductible; |
| 6. Excess General Liability, Public Officials | | |
| | Colony | \$5,000,000 each Accident or Occurrence Limit |

**ALL FUNDS
INSURANCE AND SURETY BONDS IN FORCE
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

| Type of Insurance | Insurer and Expiration Date | Amount of Coverage |
|---|---|---|
| Employment & Law Enforcement Liability | Expires 10-1-2019 | \$10,000,000 Aggregate Limit \$500,000 SIR |
| 7. Excess Workers' Compensation | Colony Expires 10-1-2019 | Workers Compensation Statutory \$650,000 SIR for Police, Fire, Gas Utility \$500,00 SIR for All Others |
| 8. Gas Utility Liability | Texas Municipal League Expires 11-4-2018 | \$10,000,000 per occurrence \$250,000 Deductible \$2,000,000 for Pollution per occurrence \$250,000 Deductible |

City of Corpus Christi

**Table 23
(Continued)**

**ALL FUNDS
INSURANCE AND SURETY BONDS IN FORCE
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

| Type of Insurance | Insurer and Expiration Date | Amount of Coverage |
|--|--|---|
| LIABILITY INSURANCE COVERAGES | | |
| 9. General Liability | | |
| CCPD - Flint Hills Lease GL | Texas Municipal League Expires 10-1-2019 | \$1,000,000 each occurrence \$1,000 deductible |
| 10. Special Events Policy | | |
| July 4th Celebration | Burlington Insurance Company Annually Renewable | \$2,000,000 General Aggregate \$1,000,000 each Occurrence |
| AUTO PHYSICAL DAMAGE COVERAGES | | |
| 11. Automobile Coverage | | |
| TB Clinic Van | Texas Municipal League Expires 10-1-2019 | \$1,000,000 Bodily Injury & Property Damage \$25,000-Medical Payments Actual Cash Value - physical damage \$250 deductible |
| Fleet Catastrophic | Texas Municipal League Expires 10-1-2019 | \$15,000,000 Blanket Limit per Occurrence \$250,000 Deductible |
| Automobile Physical Damage CCPD Leased Vehicles | Texas Municipal League Expires 10-1-2019 | Actual Cash Value - physical damage \$250 deductible |
| Solid Waste Transfer Trailers Specified Higher Valued Vehicles | | \$500 deductible |
| Specified Mobile Equipment | | \$2500 deductible |
| 12. Animal Mortality and Theft | | |
| CCPD Canine | Texas Municipal League Expires 10-1-2019 | As Scheduled |

