

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		
	2009	2018	Net Change
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 that 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.

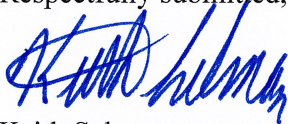
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Corpus Christi for its comprehensive annual financial report (CAFR) for fiscal year ended September 30, 2017, continuing to confirm compliance with both Generally 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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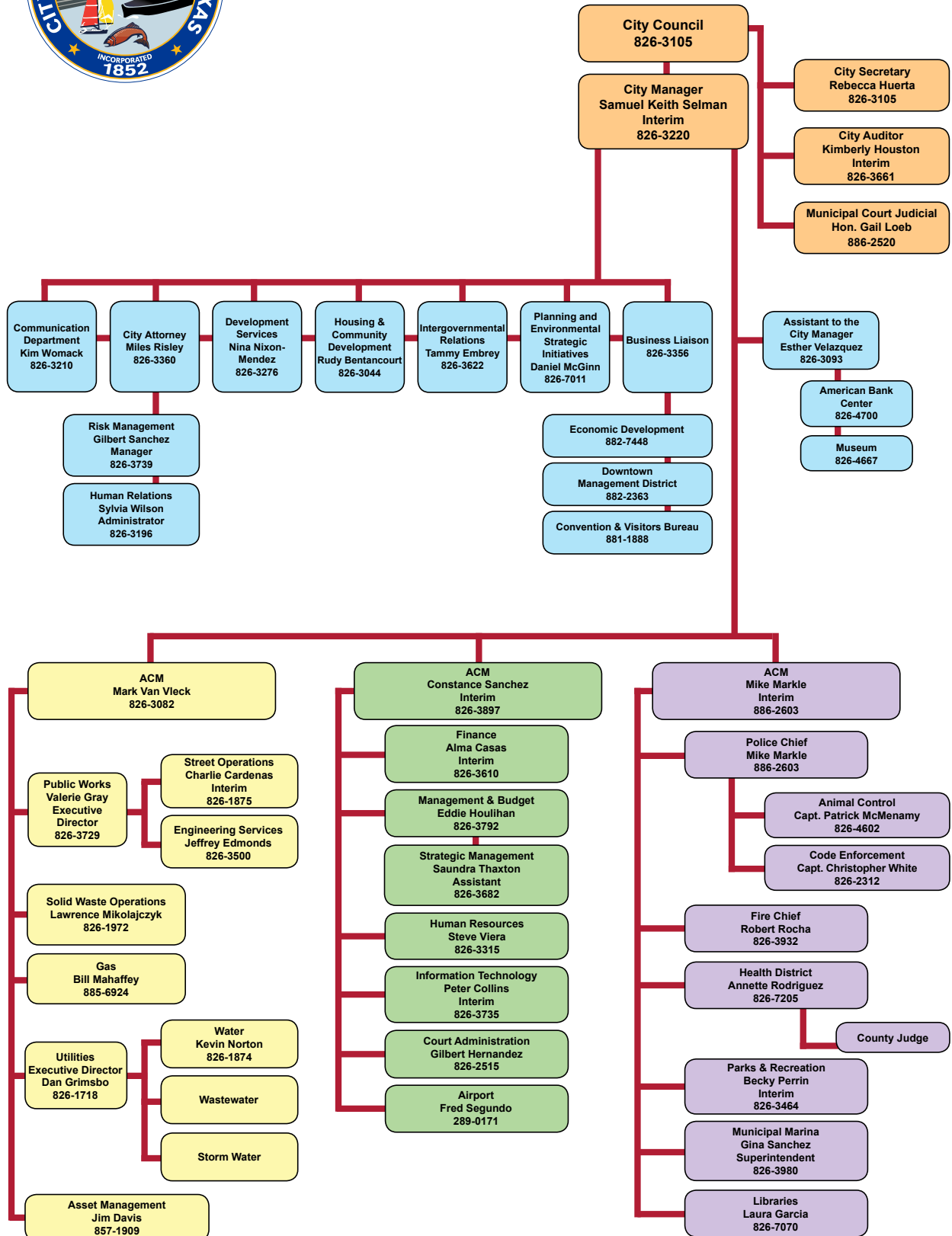
September 30, 2017

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.

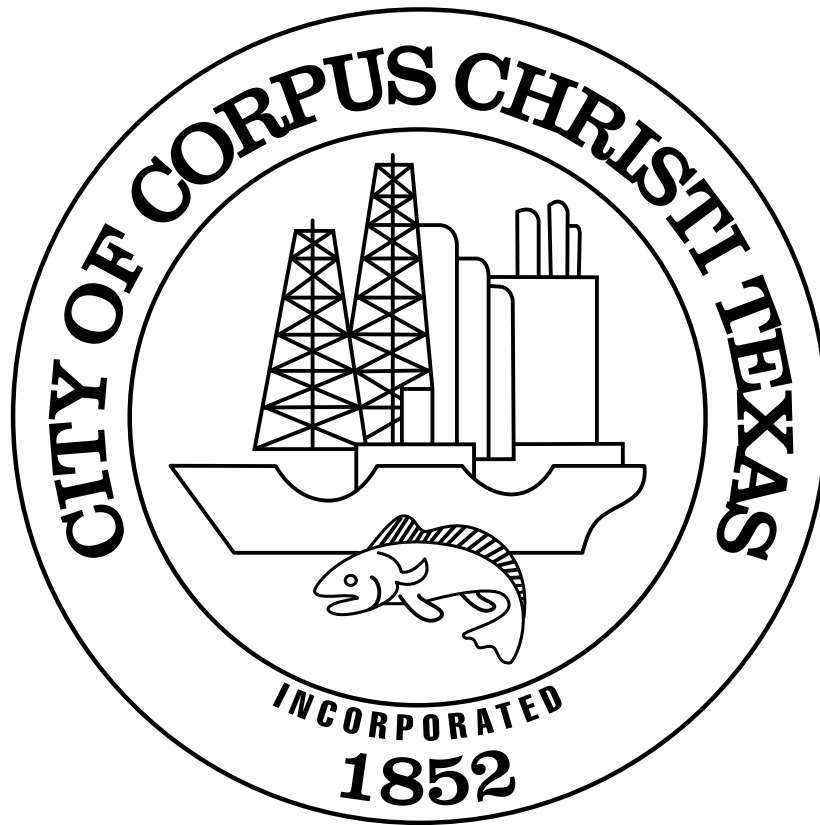
The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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.

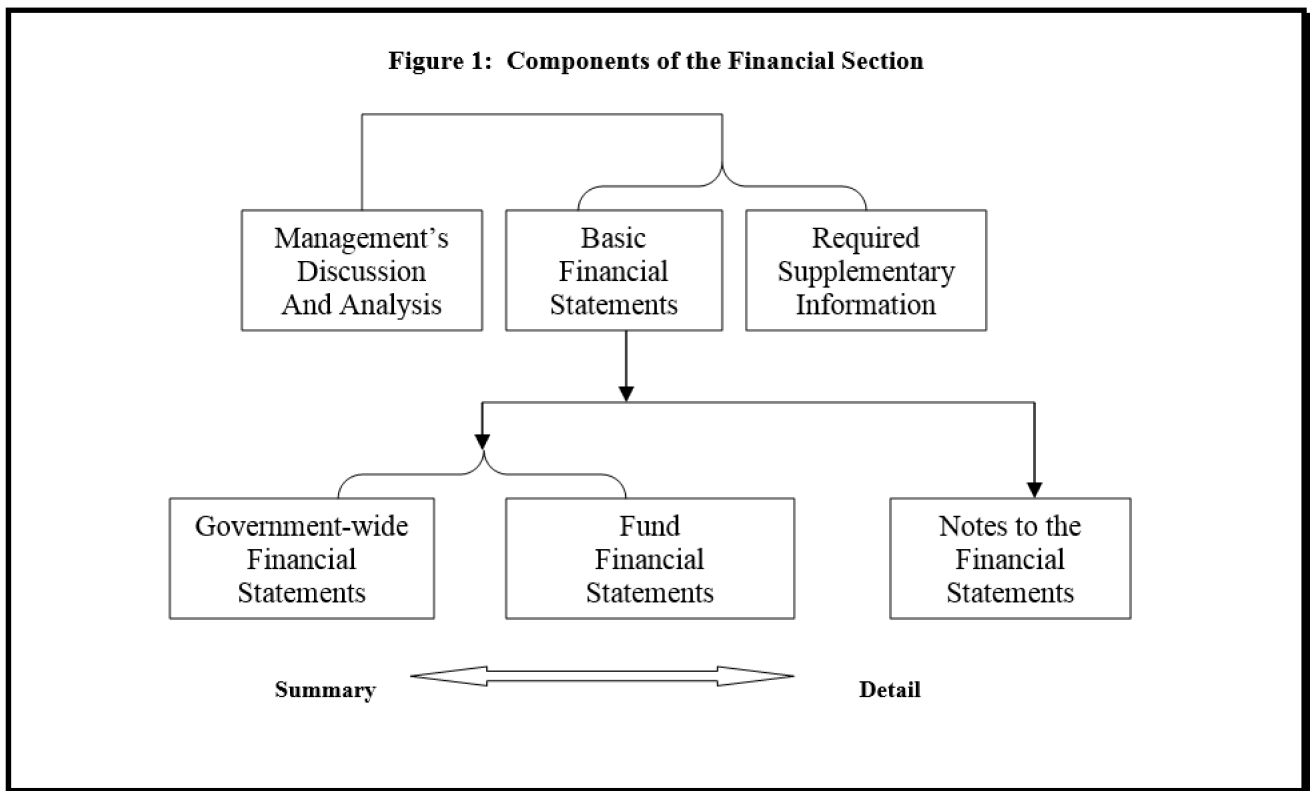


Figure 1 depicts how the required parts of this annual financial report are arranged and relate to one another. In addition to these required elements, a section with combining and individual fund financial statements and schedules that provides details about the non-major governmental funds and internal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

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	97,733	102,057	274,107	295,012	371,840	397,069
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	274,730	261,248	4,476	2,744	279,206	263,992
Total revenue	372,463	363,305	278,583	297,756	651,046	661,061
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	334,690	350,563	222,321	223,328	557,011	573,891
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	45,252	20,353	48,783	66,817	94,035	87,170
Net position at beginning of year, restated(Note 10)	345,290	325,051	971,084	903,970	1,316,374	1,229,021
Net position at end of year	\$ 390,542	\$ 345,404	\$ 1,019,867	\$ 970,787	\$ 1,410,409	\$ 1,316,191

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

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 Desalinization.

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.

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

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

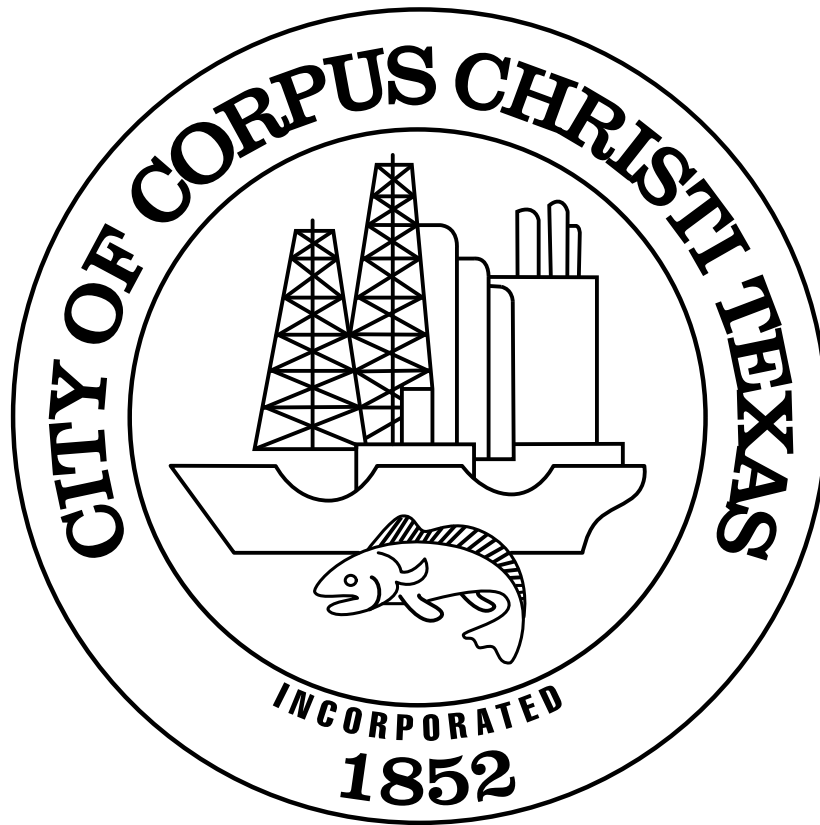
- The unemployment rate for Corpus Christi decreased to 4.4% in September 2018 from 5.2% in September 2017. In December 2018, the unemployment rate decreased to 4.3%, which was above the 3.7% unemployment rate for the State of Texas and above the 3.9% national unemployment rate.
- For fiscal year 2018-2019, 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	886,097,506	987,077,743	1,873,175,249
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	18,572,617	6,302,678	24,875,295
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	\$ 390,543,348	\$ 1,019,867,762	\$ 1,410,411,110

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**

	<u>Expenses</u>	<u>Charges for Services</u>
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	<u>334,689,525</u>	<u>84,046,258</u>
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	<u>222,321,650</u>	<u>254,012,982</u>
Total primary government	<u>\$ 557,011,175</u>	<u>\$ 338,059,240</u>

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

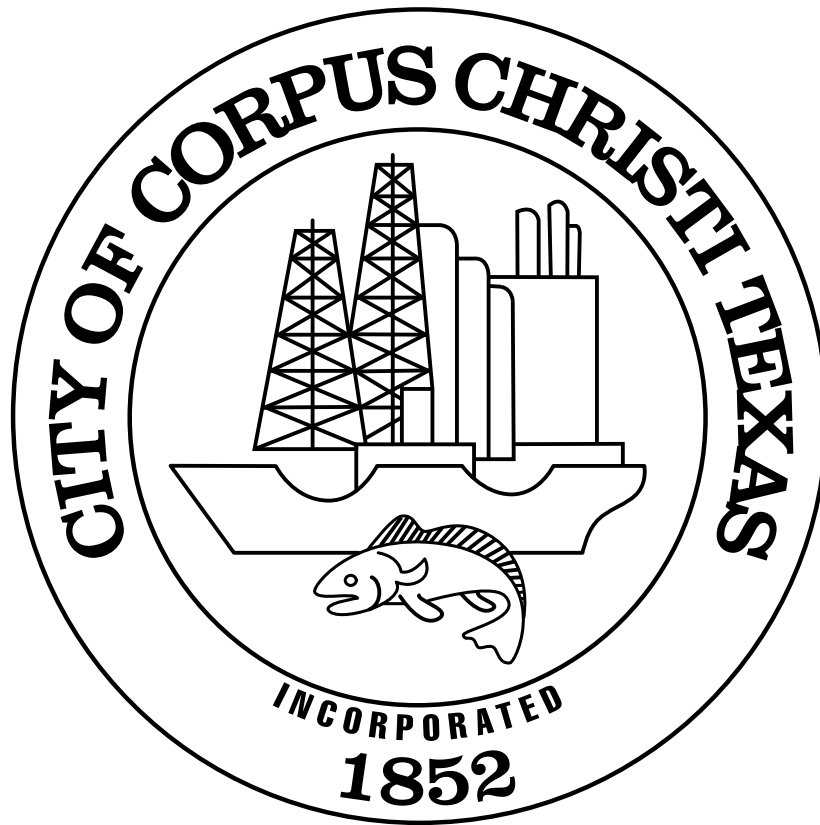
City of Corpus Christi

**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	<u>\$ 99,442,858</u>	<u>\$ 12,446,492</u>	<u>\$ 117,252,900</u>
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	<u>34,269,289</u>	<u>-</u>	<u>4,724,353</u>
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	<u>2,046,170</u>	<u>1,239,066</u>	<u>26,698</u>
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	<u>63,127,399</u>	<u>11,207,426</u>	<u>112,501,849</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 99,442,858</u>	<u>\$ 12,446,492</u>	<u>\$ 117,252,900</u>

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.

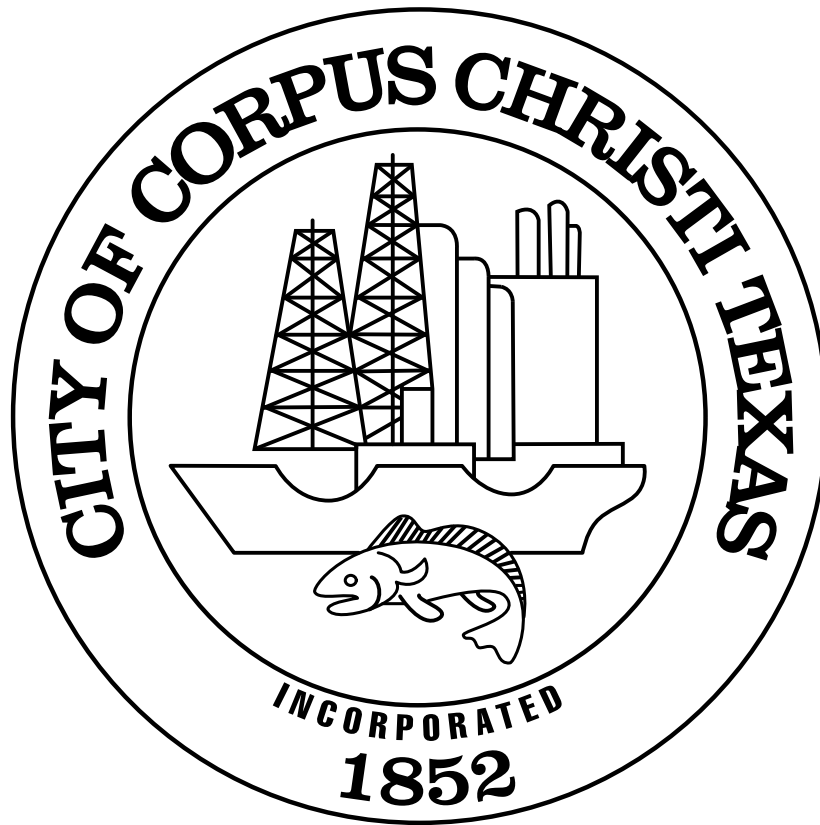
City of Corpus Christi

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

	<u>General</u>	<u>Debt Service</u>	<u>Street Capital Projects</u>
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	<u>230,844,796</u>	<u>44,366,718</u>	<u>2,817,677</u>
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	<u>216,326,794</u>	<u>48,484,048</u>	<u>48,180,404</u>
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)	<u>(8,707,954)</u>	<u>3,236,004</u>	<u>32,503,560</u>
Net change in fund balances	5,810,048	(881,326)	(12,859,167)
Fund balances, beginning of year	<u>57,317,351</u>	<u>12,088,752</u>	<u>125,361,016</u>
Fund balances, end of year	<u>\$ 63,127,399</u>	<u>\$ 11,207,426</u>	<u>\$ 112,501,849</u>

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

	Other Governmental Funds	Total Governmental Funds
\$	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. 5,977,358

Change in net position of governmental activities \$ 45,254,112

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**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
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	<u>49,384,749</u>	<u>57,317,351</u>	<u>57,317,351</u>	<u>-</u>
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.

<u>Actual Budget</u> <u>Basis</u>	<u>Variance with</u> <u>Final Budget</u>
\$ 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**

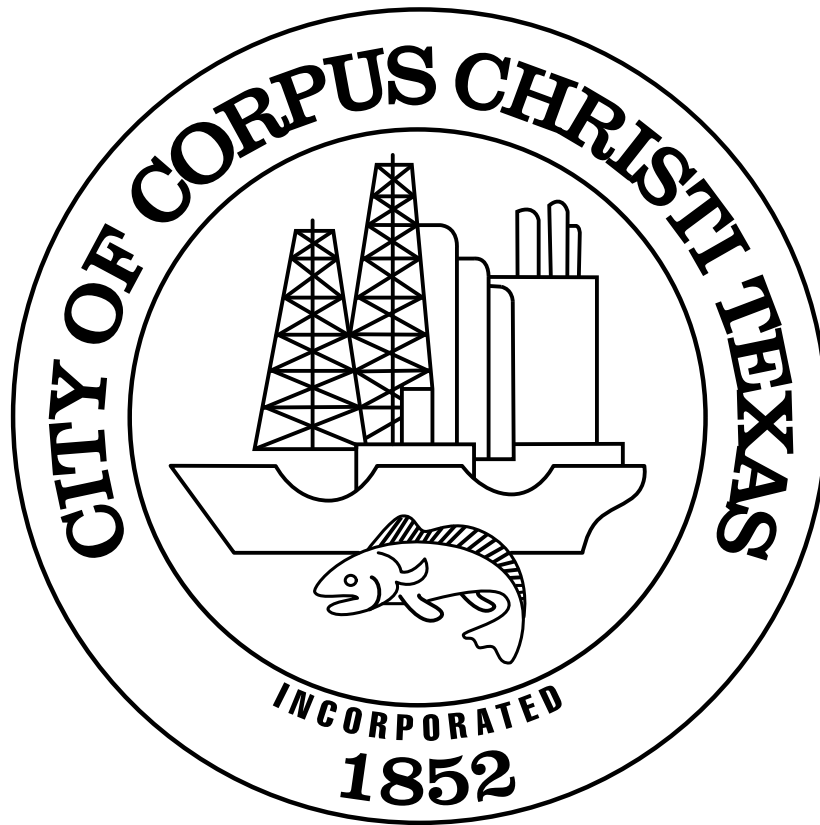
	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
Assets				
Current assets				
Cash, cash equivalents and investments (Note 5)	\$ 137,882,342	\$ 8,468,510	\$ 146,350,852	\$ 56,528,496
Receivables (Note 7)	32,034,891	4,190,499	36,225,390	88,047
Due from other funds	-	43,696	43,696	-
Inventories	810,707	20,587	831,294	1,525,718
Prepaid items	-	-	-	1,445,766
Total current assets	170,727,940	12,723,292	183,451,232	59,588,027
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	115,083,454	3,794,239	118,877,693	-
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	1,537,902,231	160,166,617	1,698,068,848	13,661,628
Total noncurrent assets	1,652,985,685	163,960,856	1,816,946,541	13,711,499
Total assets	1,823,713,625	176,684,148	2,000,397,773	73,299,526
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	13,028,901	1,032,207	14,061,108	4,294,938
(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	71,720,506	5,609,727	77,330,233	10,690,835
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	879,687,747	30,665,667	910,353,414	38,185,528
Total liabilities	951,408,253	36,275,394	987,683,647	48,876,363
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	5,622,280	680,399	6,302,679	2,819,970
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	\$ 879,711,993	\$ 140,760,562	1,020,472,555	\$ 25,898,131
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			\$ 1,019,867,763	

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	174,393,176	16,574,099	190,967,275	72,244,485
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)	(29,384,211)	1,943,294	(27,440,917)	908,807
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	9,735,649	8,950,452	18,686,101	7,900
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	(7,094,125)	(384,777)	(7,478,902)	(1,757,703)
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)	840,985,608	134,336,807	975,322,415	16,286,764
Net position, end of year	\$ 879,711,993	\$ 140,760,562		\$ 25,898,131
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds			3,634,010	
Change in net position of business-type activities			\$ 48,784,150	

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**

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
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)

	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.

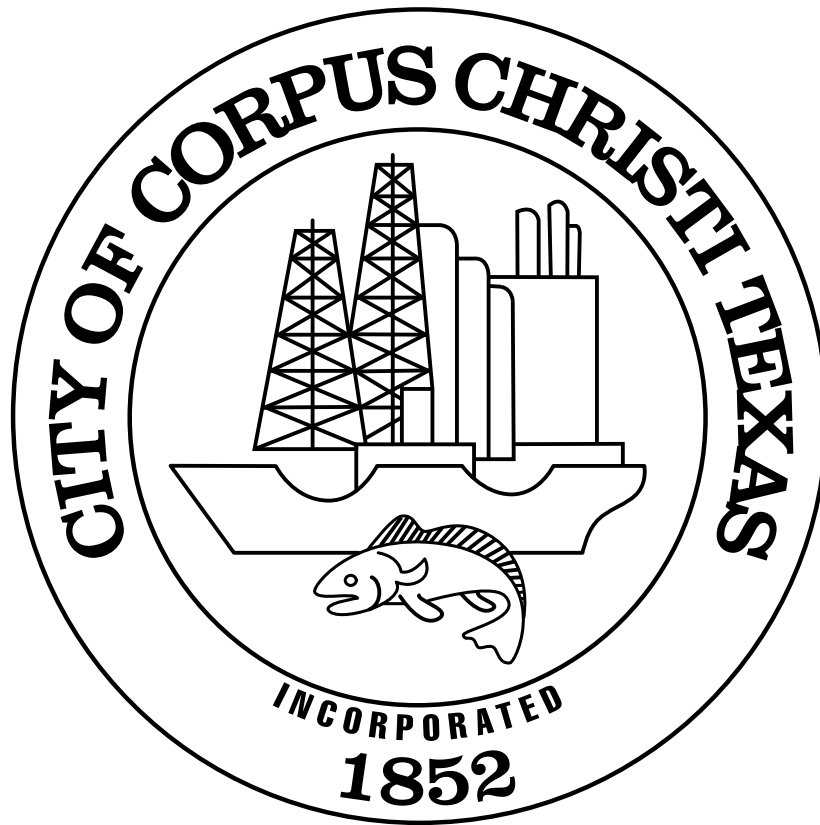
The notes to the financial statements are an integral part of this statement.

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:	<u>10,699,828</u>	<u>-</u>
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	<u>19,087,180</u>	<u>358</u>
Less: investment expenses	<u>(505,903)</u>	<u>-</u>
Total additions	<u>29,281,105</u>	<u>358</u>
Deductions		
Benefits	13,970,369	-
Administrative expenses	269,405	-
Refund of contributions	210,140	-
Disbursements for designated purposes	-	500
Total deductions	<u>14,449,914</u>	<u>500</u>
Net increase (decrease)	14,831,191	(142)
Net position, beginning of year	<u>133,901,631</u>	<u>26,288</u>
Net position, end of year	<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.



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	571,961	-	-	684,298	1,256,259
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	376,930	11,207,426	105,497,584	164,800,833	281,882,773
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	-	-	5,832,473	31,922,459	37,754,932
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	4,768,582	-	1,171,792	10,735,863	16,676,237
Unassigned	57,409,927	-	-	(225,421)	57,184,506
Total fund balances	\$ 63,127,400	\$ 11,207,426	\$ 112,501,849	\$ 207,918,032	\$ 394,754,707

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.

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>		Weighted Average Maturity (Years)	Fair Value Measurement	Credit Rating (S & P)
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	141,967,261			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	605,105			
Total Cash and Cash Equivalents	<u>17,247,684</u>			
Total Cash, Cash Equivalents, and Investments	<u><u>\$ 719,398,782</u></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.

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

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><u>\$ 148,379,925</u></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

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

	General	Debt Service	Street Capital Projects	Utility System	Nonmajor and Other Funds	Total
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.

	Beginning Balance	Increases	Decreases	Ending Balance
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><u>\$ 1,644,110,013</u></u>	<u><u>\$ 414,646,356</u></u>	<u><u>\$ 360,687,522</u></u>	<u><u>\$ 1,698,068,847</u></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><u>\$ 49,087,244</u></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	<u>3,965,259</u>		
Total	<u><u>\$ 33,164,820</u></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.

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:

	City Employees	Fire Fighters
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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
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	100.0%	

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

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	28,924,430	78,737,908	(49,813,478)
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	7,930,691	14,831,191	(6,900,500)
Balance at 12/31/2017	<u>\$ 235,067,829</u>	<u>\$ 148,732,822</u>	<u>\$ 86,335,007</u>

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	23,657	-	23,657
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	21,914,607	-	4,950,765	-	26,865,372	-
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	-	274,510	274,510
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:

	Government-wide		Fund Level	
	Governmental Activities	Business-type Activities	Enterprise Funds	Internal Service Funds
Net position Sept. 30, 2017, as previously reported	\$ 345,403,515	\$ 970,786,517	\$ 975,025,319	\$ 16,401,043
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	1,967,851	101,884	101,884	1,967,851
Prior period adjustment	(114,279)	297,096	297,096	(114,279)
Net position Sept. 30, 2017, as restated	\$ 345,289,236	\$ 971,083,613	\$ 975,322,415	\$ 16,286,764

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 overages 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.

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:

	Discount Rate			Healthcare Cost Trend Rates		
	1% Decrease (2.64%)	Current Rate (3.64%)	1% Increase (4.64%)	1% Decrease (7.5% decreasing to 3.0%)	Current Rates (8.5% decreasing to 4.0%)	1% Increase (9.5% decreasing to 5.0%)
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>

Schedule of Changes in the Total OPEB Liability and Related Ratios

	Citicare	Citicare Fire	Public Safety	Total
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	(284,052)	(1,063,320)	(710,363)	(2,057,735)
Net change in total OPEB liability	(226,883)	(1,046,602)	(707,967)	(1,981,452)
Total OPEB liability - beginning	1,366,848	5,390,822	4,823,082	11,580,752
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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
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	(67,963)
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.

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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.

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

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\$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>

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

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\$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>

Fiscal Year	Business-Type Activities	
	Subordinate Lien Revenue	
	Bonds	
	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:

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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	214,000
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

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					
	General	Non-major Governmental	Utility System	Non-major Proprietary	Internal Service	Total
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

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:

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	<u>\$ 28,453,470</u>	<u>\$ 115,345,086</u>	<u>\$ 143,798,556</u>

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	<u>9,766</u>
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><u>\$ 817,028,432</u></u>	<u><u>\$ 846,449,136</u></u>	<u><u>\$ 874,430,923</u></u>	<u><u>\$ 903,355,353</u></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	(43,536,263)	(43,036,410)	(43,768,778)	(43,887,249)
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><u>\$ 637,287,989</u></u>	<u><u>\$ 622,259,283</u></u>	<u><u>\$ 649,894,627</u></u>	<u><u>\$ 728,632,535</u></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.

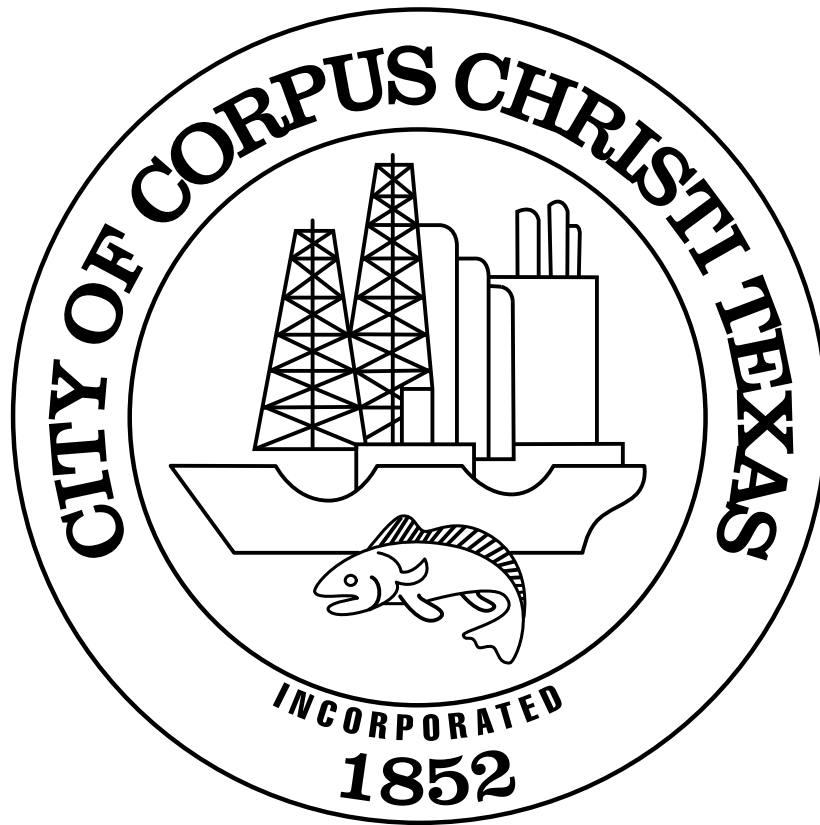
(2) Determined from the total pension liability as of December 31, 2014, but based on the actuarial assumptions for the December 31, 2012, actuarial valuation, using the roll back procedure allowed for the initial year of implementing GASB 68.

(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

	2009	2010	2011	2012
Actuarially determined contribution	21,009,512	24,362,494	25,218,616	22,769,666
Contributions in relation to actuarially determined contribution	17,100,193	18,330,551	16,832,574	15,541,644
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

2013	2014*	2015	2016	2017	2018
22,665,524	27,872,623	24,928,854	26,260,333	26,945,354	27,380,286
16,101,720	20,302,711	19,083,912	22,672,210	24,934,574	27,870,657
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

**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	<u>\$ 99,442,858</u>

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	<u>34,269,289</u>

Deferred inflows of resources

Unavailable revenue - property taxes	2,034,740
Unavailable revenue - Other	11,430
Total deferred inflows of resources	<u>2,046,170</u>

Fund balance

Nonspendable	571,960
Restricted	376,930
Assigned	4,768,582
Unassigned	57,409,927
Total fund balance	<u>63,127,399</u>

Total liabilities, deferred inflows of resources and fund balance	<u>\$ 99,442,858</u>
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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)

Actual Budget Basis	Variance with Final Budget
\$ 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)
<u>(166,754)</u>	<u>(61,405)</u>
<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	<u>229,975,244</u>	<u>234,137,519</u>	<u>230,844,795</u>	<u>5,406,776</u>
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)	<u>(8,106,094)</u>	<u>(8,106,094)</u>	<u>(8,707,954)</u>	<u>575,900</u>
Total revenues and other sources	<u>\$ 221,869,150</u>	<u>\$ 226,031,425</u>	<u>\$ 222,136,841</u>	<u>\$ 5,982,676</u>

<u>Actual Budget Basis</u>	<u>Variance with 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	1,008,011	1,938,120	891,394	-
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	818,938	854,066	803,350	-
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	484,374	394,218	339,266	-
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	691,475	676,709	746,761	-
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	985,469	1,058,942	357,072	639,155
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	815,401	785,082	714,938	-
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	4,547,036	4,575,123	3,674,878	639,155
(Continued)				

<u>Actual</u> <u>Budget Basis</u>	<u>Variance with</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 Budget Basis</u>	<u>Variance with Final Budget</u>
\$ 2,209,169	\$ 49,189
82,164	109,781
293,513	9,858
<u>2,584,846</u>	<u>168,828</u>
164,320	(1,238)
12,102	(5,378)
27,072	5,261
<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 Budget Basis</u>	<u>Variance with 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	1,664,836	1,670,678	1,526,385	-
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	1,314,445	1,305,498	1,306,004	-
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	3,454,905	3,249,265	2,783,520	68,215
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	2,024,929	1,933,397	1,640,786	47,261
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	2,017,709	1,994,584	1,743,425	-
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	1,186,659	1,171,609	1,204,061	-
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	1,643,142	1,625,659	1,672,510	-
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	585,769	595,425	601,371	-
Total police and municipal court	85,980,312	87,344,273	82,834,685	2,205,620

(Continued)

<u>Actual Budget Basis</u>	<u>Variance with 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	<u>3,315,202</u>	<u>3,431,948</u>	<u>3,210,871</u>	<u>-</u>
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	<u>2,722,989</u>	<u>2,718,376</u>	<u>2,282,709</u>	<u>-</u>
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	<u>45,879,129</u>	<u>46,794,432</u>	<u>44,671,510</u>	<u>1,035,886</u>
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	<u>421,915</u>	<u>464,685</u>	<u>383,281</u>	<u>-</u>
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	<u>1,876,817</u>	<u>1,921,763</u>	<u>1,421,185</u>	<u>234,411</u>
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	<u>473,222</u>	<u>885,722</u>	<u>569,127</u>	<u>-</u>
Prevention	<u>1,788,750</u>	<u>1,790,190</u>	<u>1,835,742</u>	<u>-</u>
Total fire and ambulance	<u>56,478,024</u>	<u>58,007,116</u>	<u>54,374,425</u>	<u>1,270,297</u>
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>
1,835,742	(45,552)
<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	Adjustments
	Original	Final	Basis	Budget Basis
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	2,423,500	2,233,364	2,009,814	6,258
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	2,981,853	3,111,781	3,291,442	(282,541)
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	13,140,233	21,705,078	18,229,677	3,117,854
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	7,002,770	7,759,664	7,324,854	15,689
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	286,425	227,833	187,470	-
Total solid waste	26,077,781	35,786,962	31,330,101	2,857,260
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	1,569,149	1,887,376	1,467,532	66,705
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	181,159	432,812	180,468	-

(Continued)

<u>Actual Budget Basis</u>	<u>Variance with 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	Adjustments
	Original	Final	Basis	Budget Basis
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	152,508	140,200	132,223	-
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	144,094	139,284	139,241	-
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	265,399	246,300	192,360	-
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	204,279	147,132	130,180	-
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	525,462	525,210	505,506	-
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	277,893	254,399	246,122	-
Mental health				
Materials, supplies & contractual services	54,000	54,000	54,000	-
Total health	3,373,943	3,826,713	3,047,632	66,705
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	1,434,582	1,373,709	1,422,733	-

(Continued)

<u>Actual Budget Basis</u>	<u>Variance with 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	5,196,028	5,654,755	4,343,819	371,265
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	670,081	718,571	629,924	-
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	1,412,680	1,366,661	1,309,474	-
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	2,029,187	2,284,852	(138,995)	1,900,000
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	1,292,881	1,979,331	1,652,989	-
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	663,780	597,709	552,349	-
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	294,295	329,933	266,002	-

(Continued)

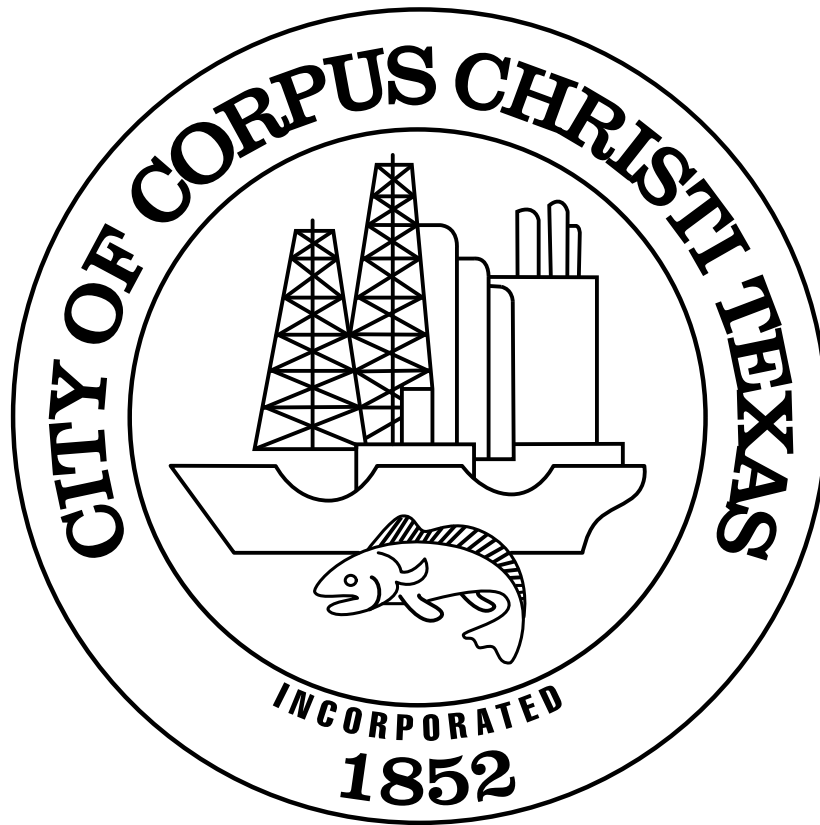
<u>Actual</u> <u>Budget Basis</u>	<u>Variance with</u> <u>Final Budget</u>
\$ 2,345,498	\$ 21,741
1,066,994	912,578
1,218,892	1,252
83,700	4,100
-	-
<u>4,715,084</u>	<u>939,671</u>
250,682	6,430
155,159	212,235
93,065	1,000
131,018	(131,018)
<u>629,924</u>	<u>88,647</u>
675,015	5,390
240,028	51,158
394,431	639
<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
165,729	3,584
<u>1,652,989</u>	<u>326,342</u>
255,217	17,031
181,423	26,941
115,709	1,388
<u>552,349</u>	<u>45,360</u>
36,635	(572)
172,375	63,587
56,992	916
<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**

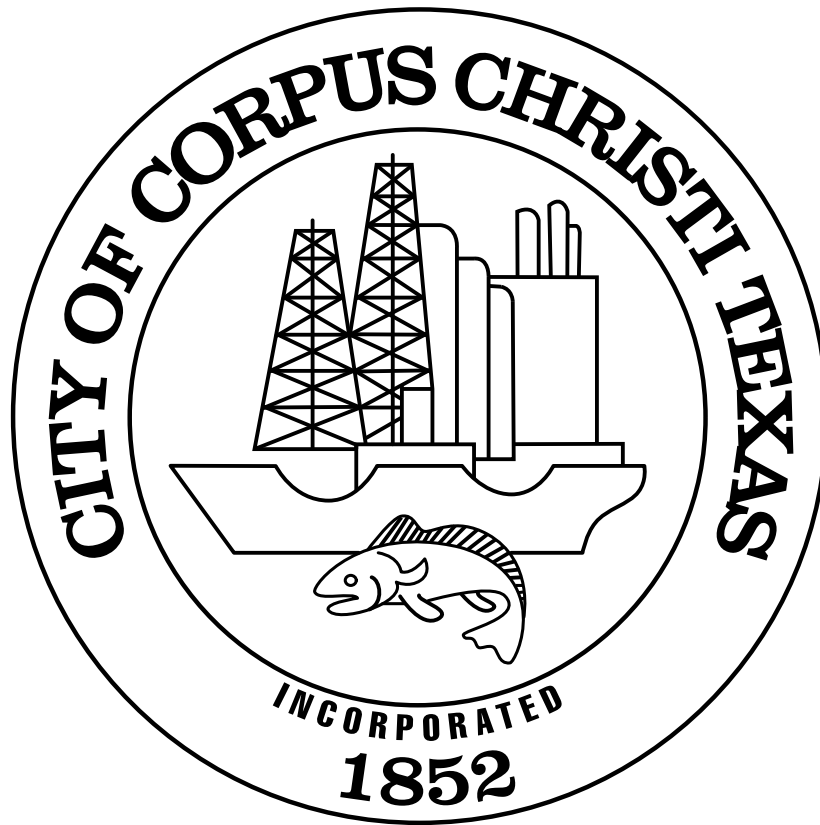
	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Recreation, learning and multicultural centers				
Personnel services	\$ 617,776	\$ 575,760	\$ 566,727	\$ -
Materials, supplies & contractual services	339,195	376,138	268,961	-
Other charges	95,043	95,054	93,532	-
Reimbursements	-	-	(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>Budget Basis</u>	<u>Variance with</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>
16,739,390	2,468,312
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><u>\$ 12,446,492</u></u>

Liabilities

Deferred inflows of resources

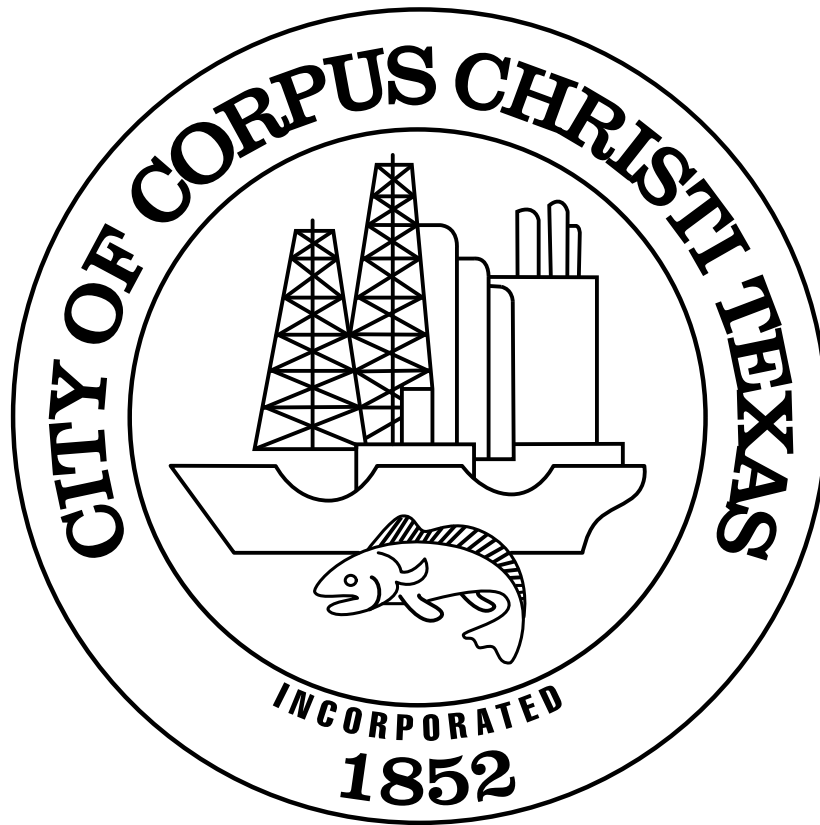
Unavailable revenue - property taxes	<u>\$ 1,239,066</u>
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Fund balance

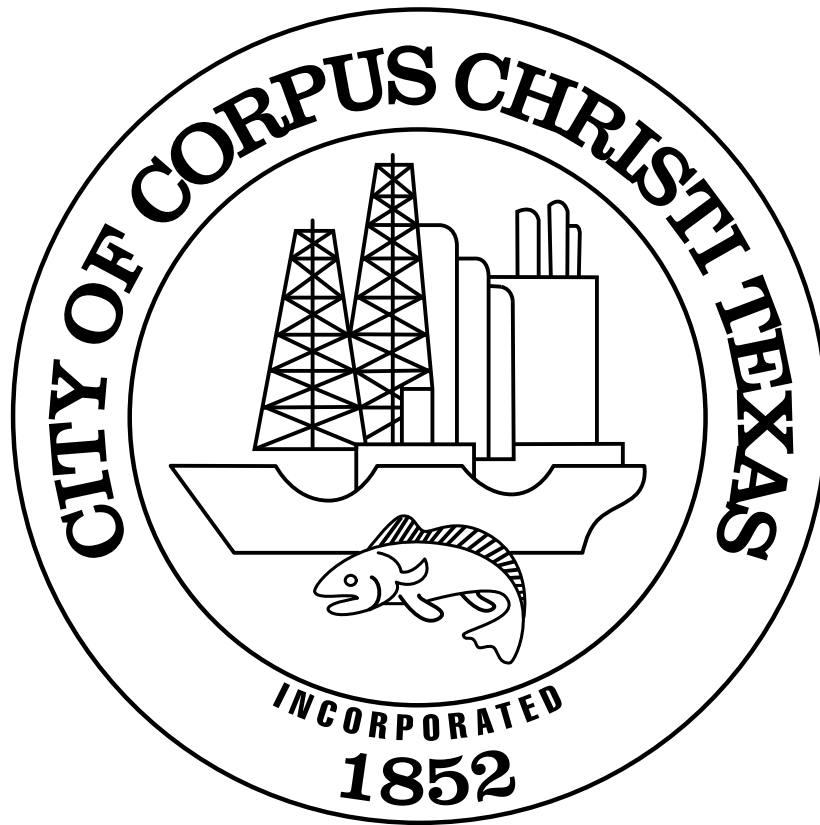
Restricted	<u>11,207,426</u>
Total liabilities and fund balance	<u><u>\$ 12,446,492</u></u>

DEBT SERVICE FUND
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	\$ 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	<u>3,236,004</u>	<u>3,236,004</u>	<u>3,236,004</u>	<u>-</u>
Net change in fund balance	(1,414,355)	(1,414,355)	(881,326)	533,029
Fund balance, beginning of year	<u>12,018,310</u>	<u>12,088,752</u>	<u>12,088,752</u>	<u>-</u>
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

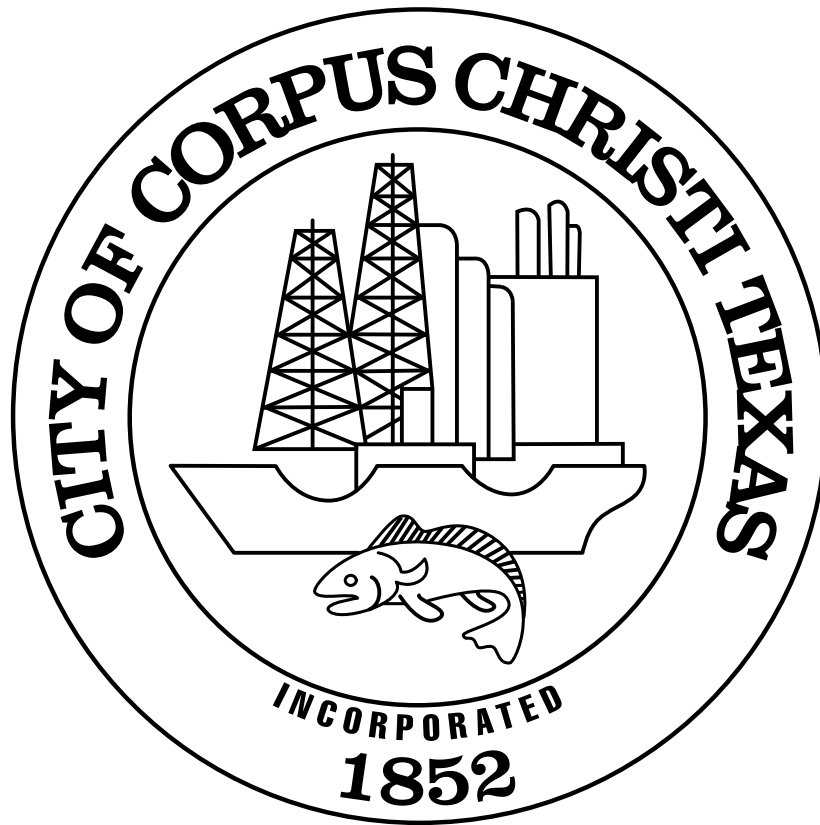


NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2018

	<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.

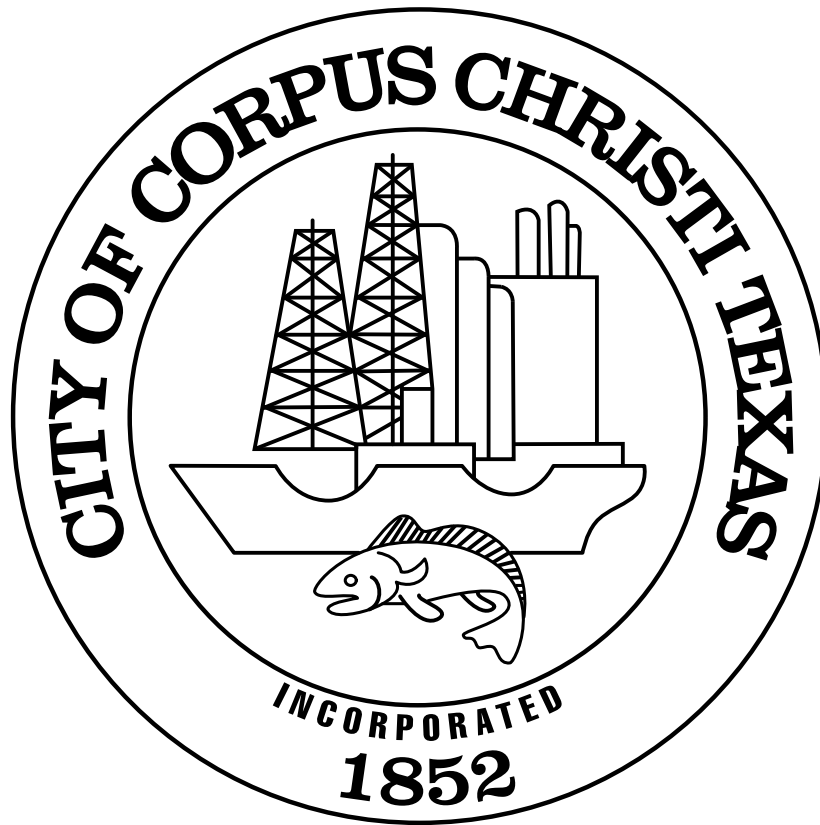
Crime Control and Prevention District – This fund is a public non-profit corporation created under State law to provide for funding of public safety programs.

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	472,915	1,775,475	1,186,678	177,912	3,322
Due from other funds	477,070	-	-	-	-
Inventories	119,983	-	-	-	-
Prepaid items	166,867	-	-	-	-
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	1,172,666	-	-	-	-
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	82,231	1,156,019	13,473,780	204,615	68,775	3,719
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
<u>3,622,624</u>	<u>69,555,132</u>	<u>-</u>	<u>9,250,715</u>	<u>3,626,062</u>	<u>156,747,319</u>
\$ 4,329,302	\$ 78,346,719	\$ 3,691,046	\$ 11,975,490	\$ 4,168,128	\$ 177,681,344

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

	<u>Budget</u>			Variance with
	Original	Final	Actual	Final Budget
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	5,359,992	5,359,992	4,259,650	(1,100,342)
Contributions and donations	-	-	200,000	200,000
Earnings on investments	-	-	43,908	43,908
Total revenues	5,359,992	5,359,992	4,503,558	(856,434)
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	100,000	594,999	1,045,759	(450,760)
Total expenditures	8,485,146	9,205,668	7,485,559	1,720,109
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	(1,591,007)	(1,591,007)	(1,591,007)	-
Total other financing sources (uses)	1,644,193	1,893,743	1,666,094	(227,649)
Net change in fund balance	(1,480,961)	(1,951,933)	(1,315,907)	(2,804,192)
Fund balance, beginning of year	154,954	4,753,948	4,753,948	-
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	15,673,112	15,673,112	15,816,962	143,850
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	13,570,349	18,144,722	15,262,443	2,882,279
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	\$ 3,705,841	\$ 1,765,684	\$ 4,723,667	\$ 2,957,983

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>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
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	82,000	1,087,422	1,079,836	7,586
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>	<u>-</u>
Fund balance, end of year	<u>\$ 6,492,278</u>	<u>\$ 6,101,821</u>	<u>\$ 6,859,556</u>	<u>\$ 757,735</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**

	Budget		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**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
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	5,026,531	5,026,531	6,430,467	-
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	6,398,346	6,398,346	6,796,510	1,011,516
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	6,252,284	7,339,087	4,638,035	1,011,516
Excess (deficiency) of revenues over expenditures	146,062	(940,741)	2,158,475	-
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)	(328,925)	(328,925)	(309,674)	-
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	\$ 3,554,826	\$ 4,466,205	\$ 7,584,672	\$ -

**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>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues				
Fines and forfeitures	\$ -	\$ -	\$ 113	\$ 113
Earnings on investments	-	-	4,793	4,793
Total revenues	-	-	4,906	4,906
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	712,124	875,223	581,642	293,581
Excess (deficiency) of revenues over expenditures	(712,124)	(875,223)	(576,736)	298,487
Other financing sources (uses)				
Transfers in	6,407	6,407	6,407	-
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

	Budget		Actual	Variance with Final Budget
	Original	Final		
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	<u>110,000</u>	<u>110,000</u>	<u>9,999</u>	<u>100,001</u>
Net change in fund balance	-	-	105,928	105,928
Fund balance, beginning of year	<u>95,663</u>	<u>259,137</u>	<u>259,137</u>	<u>-</u>
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**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
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 Basis	Variance with 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)
(2,304,068)	(4,739,016)
<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
15,070,268	-
<u>15,075,394</u>	<u>5,126</u>
5,243,311	18,761,654
17,684,965	-
<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

	Budget		Actual	Variance with Final Budget
	Original	Final		
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	<u>270,643</u>	<u>3,102,151</u>	<u>2,078,419</u>	<u>(1,023,732)</u>
Excess (deficiency) of revenues over expenditures	329,551	(2,501,957)	(1,548,337)	953,620
Other financing sources (uses)				
Transfers in	<u>2,900,000</u>	<u>2,900,000</u>	<u>2,900,000</u>	<u>-</u>
Net change in fund balance	3,229,551	398,043	1,351,663	953,620
Fund balances beginning of year	<u>2,098,411</u>	<u>4,124,858</u>	<u>4,124,858</u>	<u>-</u>
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>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
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	<u>227,282</u>	<u>228,763</u>	<u>143,669</u>	<u>85,094</u>
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	<u>707</u>	<u>707</u>	<u>707</u>	<u>-</u>
Net change in fund balance	(130,563)	(202,635)	151,221	353,856
Fund balance, beginning of year	<u>655,606</u>	<u>720,371</u>	<u>720,371</u>	<u>-</u>
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

	Budget		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

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Earnings on investments	\$ -	\$ -	\$ 16,120	\$ 16,120
Total revenues	-	-	16,120	16,120
Expenditures				
Current				
Health	-	4,179	(7,822)	12,001
Capital outlay	-	24,025	24,025	-
Total expenditures	-	28,204	16,203	12,001
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	\$ -	\$ 1,127,815	\$ 1,155,936	\$ 28,121

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT
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	\$ 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>

**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	<u>\$ 39,673,029</u>	<u>\$ 22,890,778</u>	<u>\$ 15,830,442</u>
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	<u>39,673,029</u>	<u>22,884,908</u>	<u>15,788,781</u>
Total liabilities and fund balances	<u>\$ 39,673,029</u>	<u>\$ 22,890,778</u>	<u>\$ 15,830,442</u>

City of Corpus Christi

Exhibit 24-A

Debt Service			Capital Projects		
Seawall	Arena	Economic Development	Seawall	Arena	Total
\$ 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	(6,940,462)	(6,487,510)	(27,542)
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		Total
Seawall	Arena	Economic Development	Seawall	Arena	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 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>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<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	<u>15,000</u>	<u>15,000</u>	<u>837</u>	<u>14,163</u>
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	<u>(6,940,462)</u>	<u>(6,940,462)</u>	<u>(6,940,462)</u>	<u>-</u>
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	<u>39,383,981</u>	<u>37,306,712</u>	<u>37,306,712</u>	<u>-</u>
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**

	Budget		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	<u>215,000</u>	<u>278,932</u>	<u>116,036</u>	<u>162,896</u>
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	<u>(6,487,510)</u>	<u>(6,737,060)</u>	<u>(6,487,510)</u>	<u>249,550</u>
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	<u>20,476,471</u>	<u>20,561,204</u>	<u>20,561,204</u>	<u>-</u>
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>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
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	<u>1,847,649</u>	<u>12,183,191</u>	<u>1,587,634</u>	<u>10,595,557</u>
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	<u>(27,542)</u>	<u>(27,542)</u>	<u>(27,542)</u>	<u>-</u>
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	<u>11,650,419</u>	<u>11,687,215</u>	<u>11,687,215</u>	<u>-</u>
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>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
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>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</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	<u>2,935,240</u>	<u>2,954,627</u>	<u>2,954,627</u>	<u>-</u>
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>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</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	<u>\$ 11,979,203</u>	<u>\$ 1,187,362</u>	<u>\$ 13,166,565</u>
Liabilities			
Accounts payable	\$ -	\$ 18,186	\$ 18,186
Due to other governmental agencies	3,713	-	3,713
Total liabilities	<u>3,713</u>	<u>18,186</u>	<u>21,899</u>
Fund balances			
Restricted	11,975,490	1,169,176	13,144,666
Total fund balances	<u>11,975,490</u>	<u>1,169,176</u>	<u>13,144,666</u>
Total liabilities and fund balances	<u>\$ 11,979,203</u>	<u>\$ 1,187,362</u>	<u>\$ 13,166,565</u>

**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**

	Budget		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>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
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	<u>2,204,699</u>	<u>2,482,608</u>	<u>710,366</u>	<u>1,772,242</u>
Excess (deficiency) of revenues over (under) expenditures	(883,726)	(1,161,635)	557,367	1,719,002
Other financing sources (uses)				
Transfers out	<u>(15,301)</u>	<u>(15,301)</u>	<u>(15,301)</u>	<u>-</u>
Net change in fund balance	(899,027)	(1,176,936)	542,066	1,719,002
Fund balance, beginning of year	<u>3,330,008</u>	<u>3,626,062</u>	<u>3,626,062</u>	<u>-</u>
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.

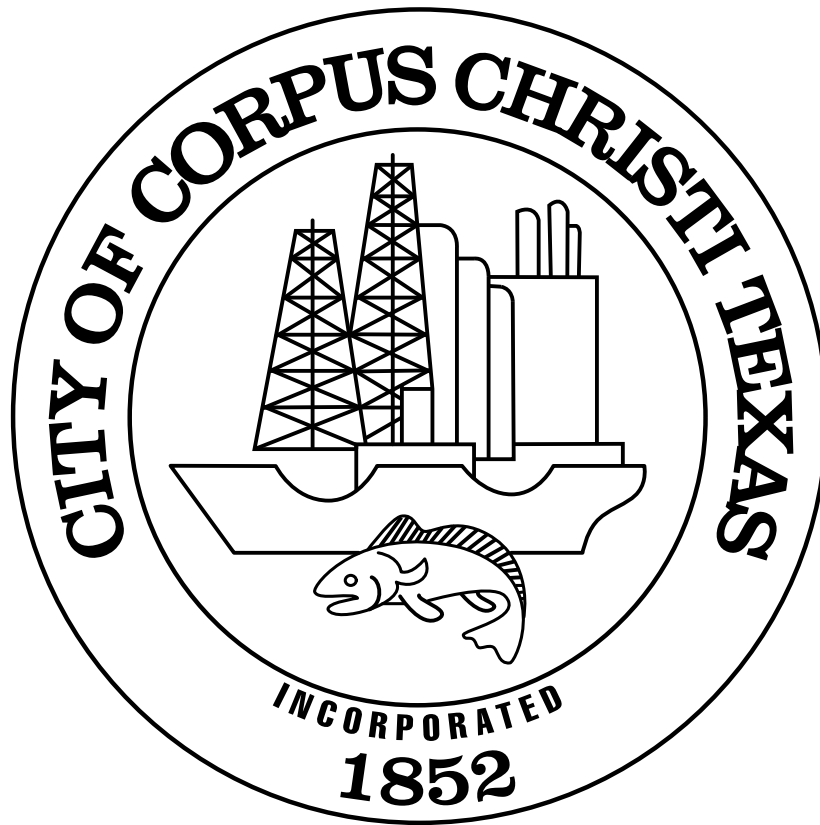
Fire Bond Fund – This fund was established for recording construction and improvements to City fire stations.

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 125,361,016

Fund balances, end of year \$ 112,501,849

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	\$ 5,554	\$ 34,967	\$ -
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

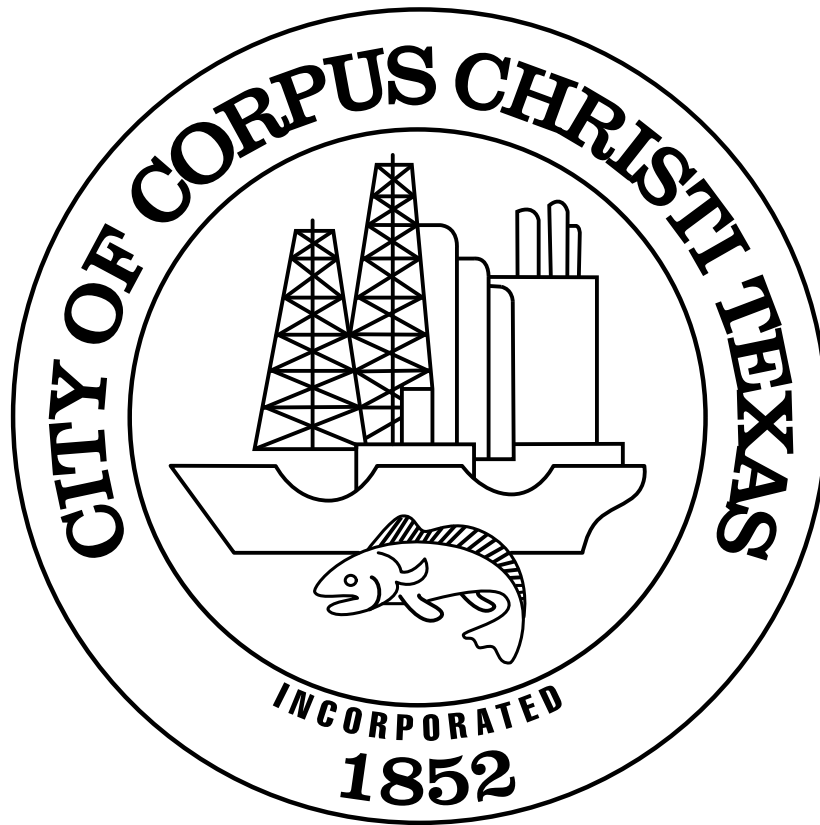
<u>Library</u>	<u>Parks</u>	<u>Police</u>	<u>Public Health and Safety</u>	<u>Fire</u>	<u>Landfill</u>
\$ 81,139	\$ 8,208,064	\$ 394,510	\$ 26,791	\$ 22,999	\$ 5,615,694
-	111,527	-	-	-	-
<u>\$ 81,139</u>	<u>\$ 8,319,591</u>	<u>\$ 394,510</u>	<u>\$ 26,791</u>	<u>\$ 22,999</u>	<u>\$ 5,615,694</u>
\$ -	\$ 441,134	\$ 351,532	\$ -	\$ 8,533	\$ 414,039
-	441,134	351,532	-	8,533	414,039
-	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**

	Corpus Christi Business and Job Development Corporation		North Padre Island Development Corporation	Total
	Seawall	Arena		
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	<u>24,690</u>	<u>31,229</u>	<u>377</u>	<u>1,100</u>
Expenditures				
Current				
General government	6,851	43,028	-	-
Capital outlay	370,224	253,437	-	-
Debt service				
Bond issue cost	-	24,591	-	-
Total expenditures	<u>377,075</u>	<u>321,056</u>	<u>-</u>	<u>-</u>
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)	<u>-</u>	<u>2,026,146</u>	<u>-</u>	<u>-</u>
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	<u>\$ 666,841</u>	<u>\$ 3,682,135</u>	<u>\$ 27,785</u>	<u>\$ 81,139</u>

(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	\$ -	\$ -	\$ -	\$ -
137,612	8,076	1,919	2,756	66,476
<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>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	7,625,324
(2,846,438)	(593,935)	(110,837)	(192,443)	1,544,587
10,613,368	636,913	137,628	206,909	3,657,068
<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	79,209	619	21,074	502,097
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	1,282,844	-	683,850	12,833,014
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)	2,587,068	(98,575)	-	12,139,963
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	\$ 7,170,609	\$ 1,455	\$ 1,169,176	\$ 25,851,960

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.

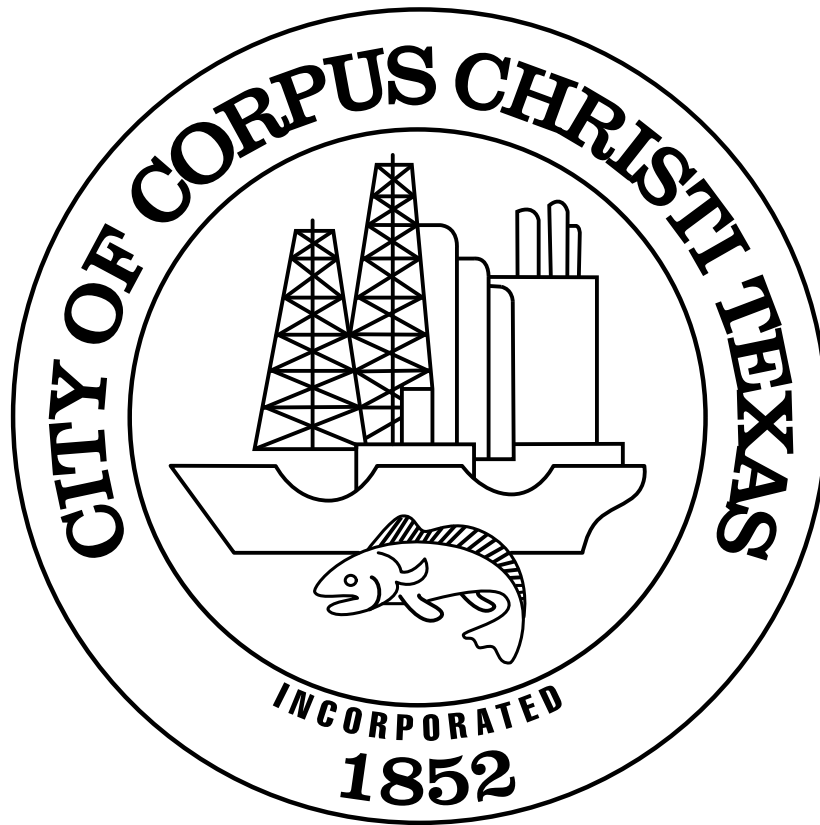
Non-major Funds

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



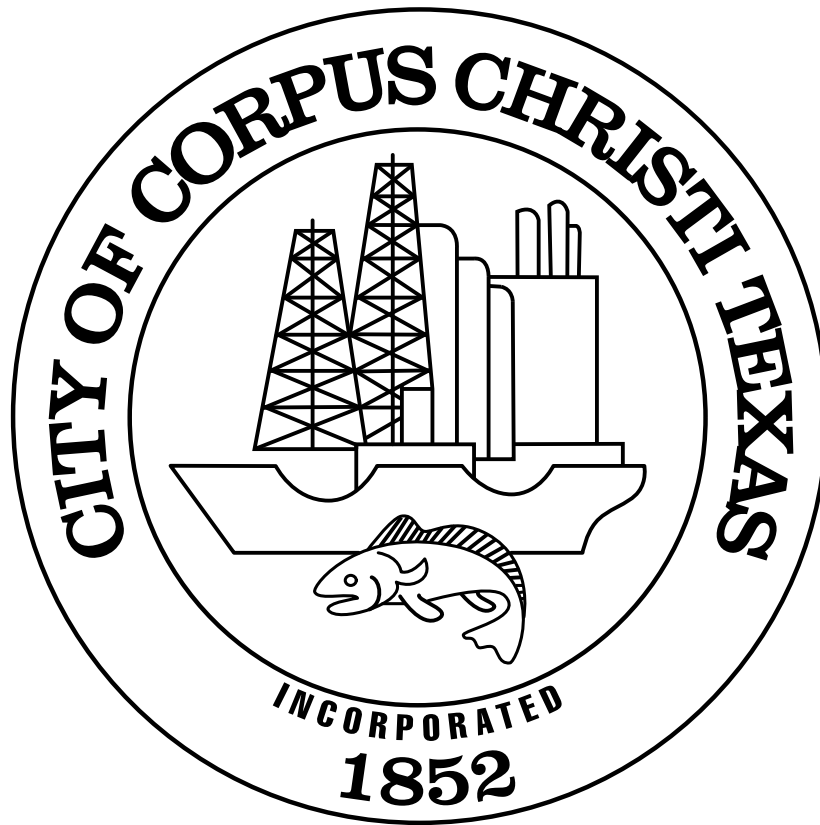
City of Corpus Christi

**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	<u>1,541,426</u>	<u>214,205,670</u>	<u>37,927,259</u>	<u>253,674,355</u>
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	<u>82,257,754</u>	<u>982,037,187</u>	<u>354,633,957</u>	<u>1,418,928,898</u>
Other capital assets being depreciated	98,046,479	1,154,772,255	631,900,400	1,884,719,134
Less accumulated depreciation	<u>(48,496,606)</u>	<u>(350,506,913)</u>	<u>(201,487,739)</u>	<u>(600,491,258)</u>
Other capital assets, net of accumulated depreciation	<u>49,549,873</u>	<u>804,265,342</u>	<u>430,412,661</u>	<u>1,284,227,876</u>
Net capital assets	<u>51,091,299</u>	<u>1,018,471,012</u>	<u>468,339,920</u>	<u>1,537,902,231</u>
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	<u>1,014,004</u>	<u>2,592,994</u>	<u>1,222,842</u>	<u>4,829,840</u>
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)				

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

	<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	83,446	179,437	95,185	358,068
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	<u>137,905</u>	<u>2,506,463</u>	<u>1,641,098</u>	<u>-</u>	<u>4,285,466</u>
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

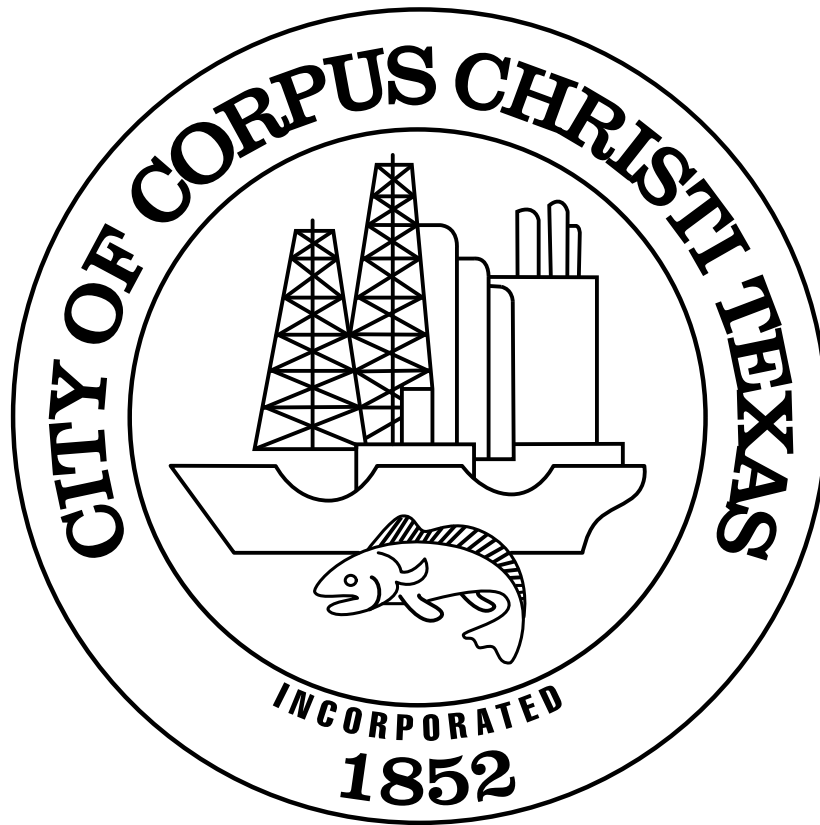
**COMBINING STATEMENT OF NET POSITION
NON-MAJOR PROPRIETARY FUNDS
SEPTEMBER 30, 2018**

	<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	(71,137)	-	(49,232)	(120,369)
Net receivables	4,152,944	5,707	31,848	4,190,499
Due from other funds	-	-	43,696	43,696
Inventories	20,587	-	-	20,587
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	179,302	-	-	179,302
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	8,663,655	-	-	8,663,655
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	636,174	-	44,701	680,875
Other capital assets being depreciated	225,168,850	3,787,979	17,509,589	246,466,418
Less accumulated depreciation	(73,000,573)	(3,156,613)	(10,142,615)	(86,299,801)
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	577,089	-	104,866	681,955
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

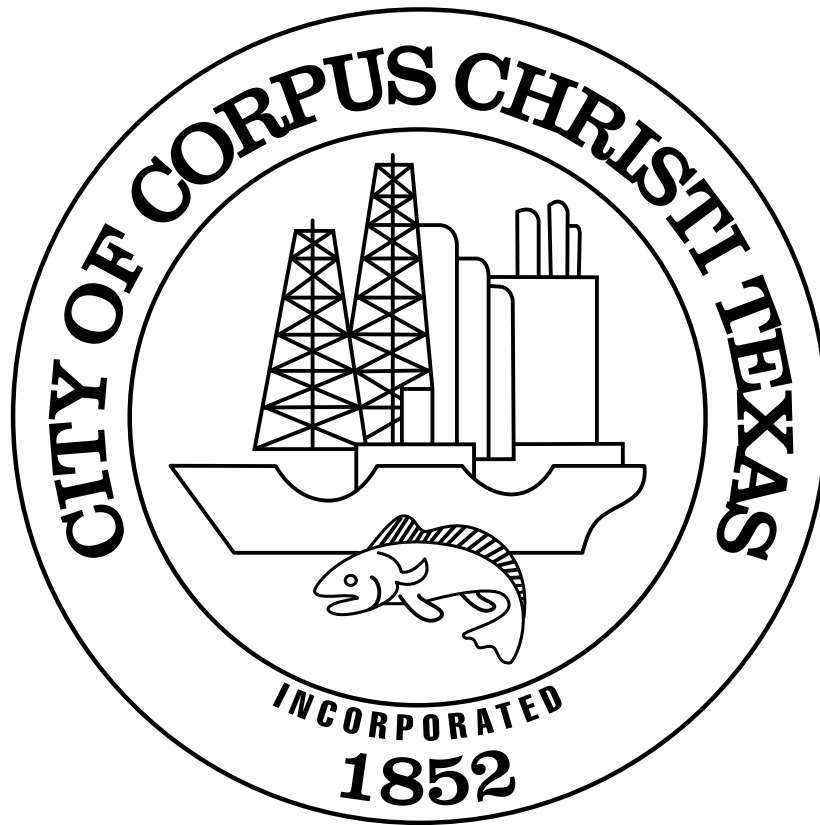
	<u>Airport Fund</u>	<u>Golf Fund</u>	<u>Marina Fund</u>	<u>Total</u>
Operating revenues				
Charges for services, net of allowances of \$28,109	\$ 9,908,389	\$ 230,610	\$ 2,349,886	\$ 12,488,885
Operating expenses				
Personnel services	4,759,790	1,518	770,070	5,531,378
Materials, supplies and contractual 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)				

	<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.

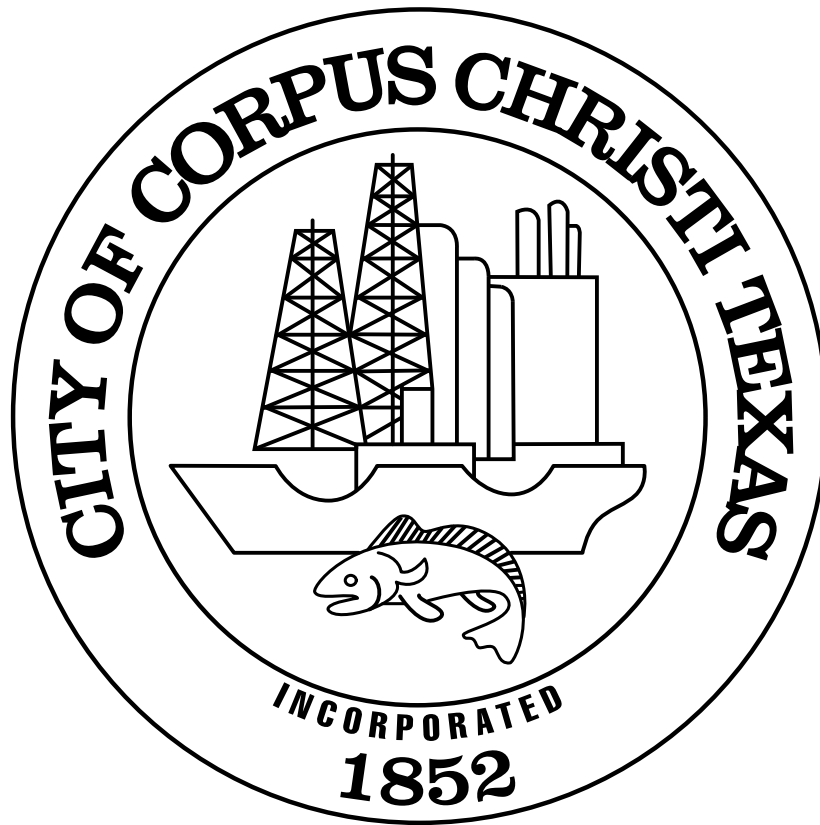
Fleet Maintenance Service Fund – This fund provides fleet purchasing and maintenance services to City departments.

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**

	Stores	Fleet Maintenance Services	Facilities Maintenance Service
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**

	Stores	Fleet Maintenance Services	Facilities Maintenance Service
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>
820,979	587,361	611,268	2,819,970
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**

	Stores	Fleet Maintenance Services	Facilities Maintenance Service
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	(64,370)	20,089,100	3,391,169
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	(283,409)	(2,800,589)	303,526	189,065
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)
<u>-</u>	<u>(5,570)</u>	<u>(55,883)</u>
<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

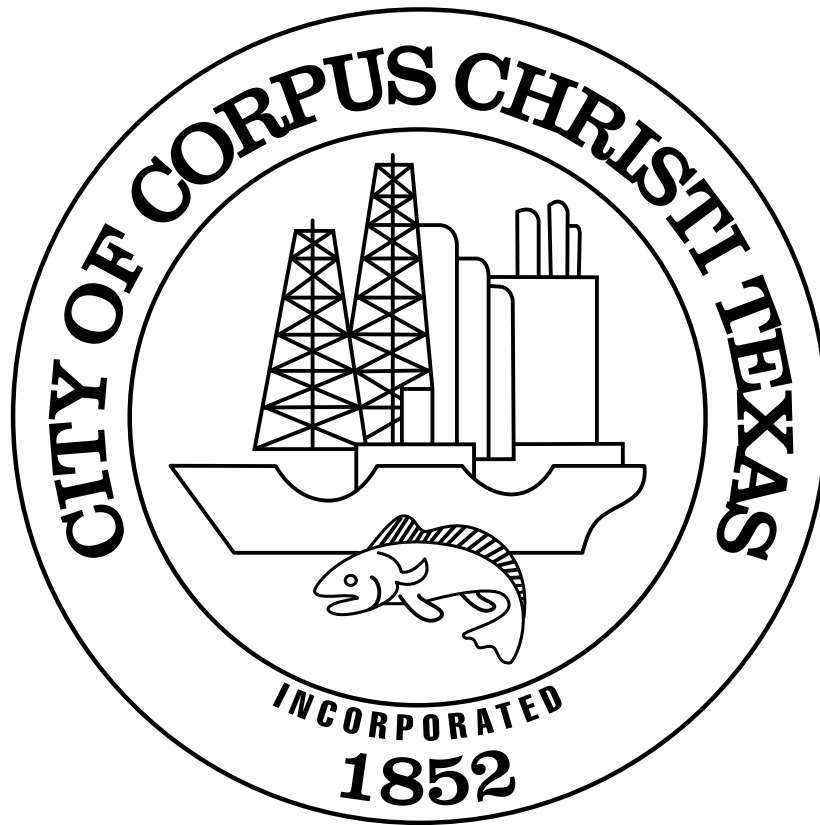
**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2018**

	Stores	Fleet Maintenance Services	Facilities Maintenance Service	Information Technology
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
	<u>1,234,870,399</u>
Total governmental funds capital assets	\$ <u>1,234,870,399</u>
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
	<u>1,234,870,399</u>
Total investment in governmental funds capital assets by source	\$ <u>1,234,870,399</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

**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	623,221	38,500	22,726	638,995
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	45,760,359	175,520	22,726	45,913,153
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	23,684,073	3,997,925	523,789	27,158,209
Municipal court	1,077,742	-	-	1,077,742
Total police and municipal court	24,761,815	3,997,925	523,789	28,235,951
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	374,902,666	106,476,874	35,224	481,344,316
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	128,786,177	13,102,455	466,989	141,421,643
Libraries	18,079,375	35,701	-	18,115,076
Corpus Christi museums	7,446,001	4,482,160	-	11,928,161

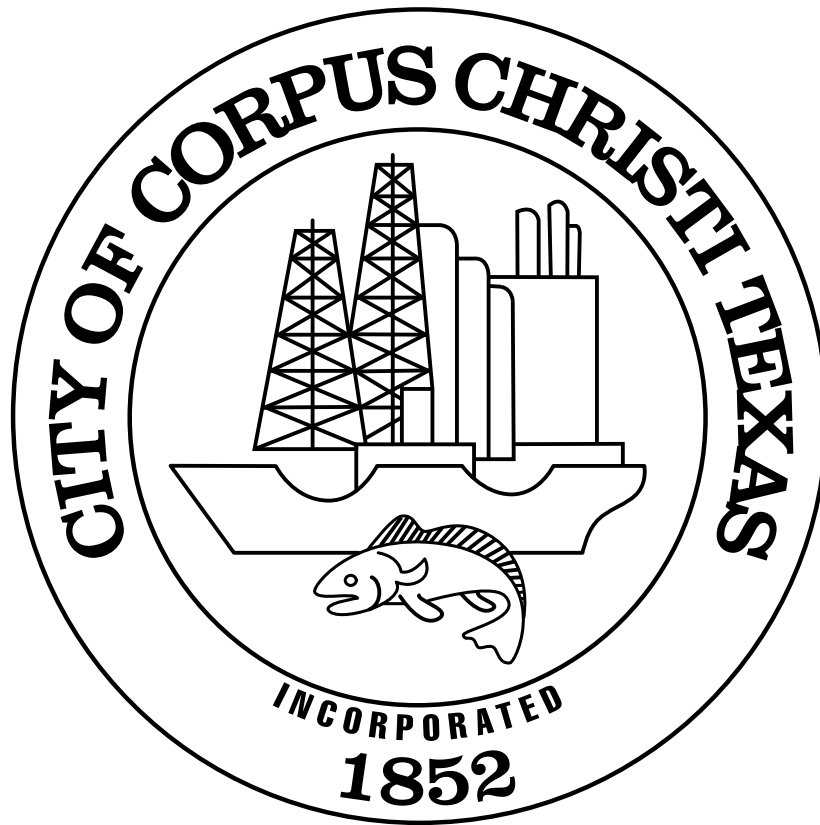
(Continued)

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	224
<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	236
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	
Debt Capacity	244
<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	252
<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	254
<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)
<u>\$ 382,605,838</u>	<u>\$ 405,040,842</u>	<u>\$ 285,697,675</u>	<u>\$ 325,051,851</u>	<u>\$ 617,797,320</u>	<u>\$ 390,543,347</u>
\$ 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
<u>\$ 801,424,445</u>	<u>\$ 834,379,913</u>	<u>\$ 844,043,749</u>	<u>\$ 903,970,348</u>	<u>\$ 970,786,518</u>	<u>\$ 1,019,867,762</u>
\$ 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)
<u>\$ 1,184,030,283</u>	<u>\$ 1,239,420,755</u>	<u>\$ 1,129,741,424</u>	<u>\$ 1,229,022,199</u>	<u>\$ 1,316,190,034</u>	<u>\$ 1,410,411,109</u>

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><u>\$ (149,556,271)</u></u>	<u><u>\$ (149,894,481)</u></u>	<u><u>\$ (129,015,601)</u></u>	<u><u>\$ (111,162,510)</u></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><u>\$ 167,134,578</u></u>	<u><u>\$ 161,334,218</u></u>	<u><u>\$ 166,920,003</u></u>	<u><u>\$ 176,740,944</u></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><u>\$ 17,578,307</u></u>	<u><u>\$ 11,439,737</u></u>	<u><u>\$ 37,904,402</u></u>	<u><u>\$ 65,578,434</u></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
272,494,945	335,596,288	301,299,734	256,474,302	295,011,367	274,108,562
<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
208,333,569	237,727,325	224,454,552	243,771,187	268,859,282	282,210,300
445,360	344,764	1,217,295	1,955,470	2,744,064	4,476,136
(20,228,912)	(19,035,295)	(14,953,233)	(5,867,890)	(7,611,037)	(7,478,900)
(19,783,552)	(18,690,531)	(13,735,938)	(3,912,420)	(4,866,973)	(3,002,764)
<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	<u>270,120,465</u>	<u>270,803,385</u>	<u>289,992,270</u>	<u>289,647,101</u>
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	<u>333,137,156</u>	<u>325,107,163</u>	<u>333,104,849</u>	<u>322,110,685</u>
Excess (deficiency) of revenue over expenditures	<u>(63,016,691)</u>	<u>(54,303,778)</u>	<u>(43,112,579)</u>	<u>(32,463,584)</u>

(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)	<u>109,582,741</u>	<u>38,513,787</u>	<u>13,422,584</u>	<u>60,376,513</u>
Net changes in fund balances	<u>\$ 46,566,050</u>	<u>\$ (15,789,991)</u>	<u>\$ (29,689,995)</u>	<u>\$ 27,912,929</u>
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>
\$ 75,552,255	\$ (8,935,808)	\$ 95,135,802	\$ 12,026,824	\$ (30,564,820)	\$ 10,944,218
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.

**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

**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

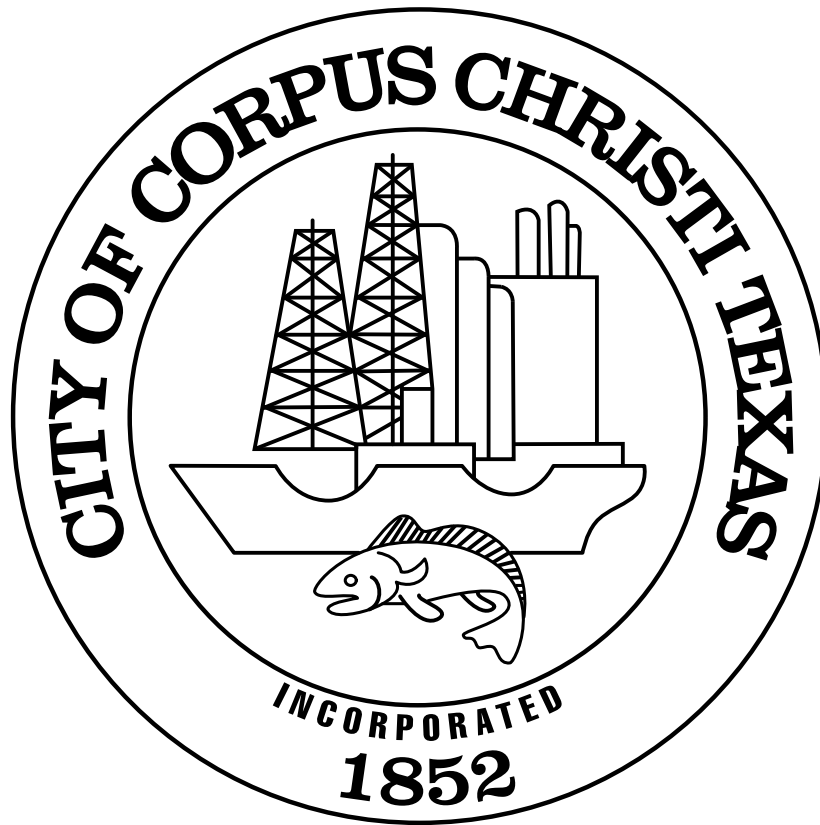
**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

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 Therafter	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.



**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	Priority Revenue Bonds	Capital Leases	Other Notes Payable		General Obligation Bonds	Certificates of Obligation
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	59,388,351
2013	359,454,849	11,817,334	89,258,322	5,826,454	9,055,000		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	17,017,275
2015	395,180,000	9,032,571	65,105,000	5,801,241	25,505,000		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	10,892,566
2017	421,503,314	34,437,490	52,949,459	14,327,841	16,225,000		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	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 Therafter	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**

	Net Direct Debt		Estimated % of Debt Applicable	Estimated Share of Overlapping Debt
	Amount	As of		
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><u>\$ 1,872,899,398</u></u>			<u><u>\$ 1,538,458,342</u></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.

**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	316,130,699	319,831,481	304,728,093	355,431,178
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.

Table 14

2013	2014	2015	2016	2017	2018
\$ 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

PLEDGED - 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		
	Principal	Interest	Coverage
\$ -	\$ -	\$ -	-
-	-	-	-
-	-	-	-
-	-	-	-
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

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	2,083.40	2,036.42	1,994.83	1,920.48
(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
1.00	1.00	-	-	-	2.00
1.00	-	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
3.00	5.00	5.50	5.50	5.50	4.75
6.00	6.00	6.00	6.00	6.00	6.00
-	-	-	2.00	2.00	7.00
21.90	20.70	1.00	1.00	1.00	2.00
-	-	-	-	-	-
-	-	-	-	-	-
7.00	-	-	-	-	-
-	-	21.00	22.00	22.00	22.00
51.00	51.00	51.00	51.00	51.00	47.00
8.00	9.00	9.00	9.00	9.00	7.00
428.00	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
-	-	29.00	32.00	37.00	33.00
6.00	6.00	6.75	6.00	6.00	-
17.00	17.00	18.00	18.00	18.00	17.00
4.00	4.00	4.00	4.00	4.00	4.00
1.00	1.00	1.00	1.00	1.00	1.00
52.35	52.35	53.35	53.35	53.35	50.63
57.00	62.00	63.00	63.00	63.00	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
-	-	-	-	-	4.00
601.20	605.70	588.36	588.00	563.32	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
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	-	-	-
718.80	719.40	726.40	738.40	737.40	742.40
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
267.00	271.00	292.00	299.00	298.00	290.00
-	-	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
136.60	142.60	293.60	297.10	310.80	290.20
2,873.17	2,873.25	3,094.13	3,120.27	3,108.91	3,071.33

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>503.6</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
	<u>22</u>

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

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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	Multiple layers (Itemized Below)	\$250,000,000 all other perils,\$150,000,000 Named Storm coverage,
Scheduled City Properties	Expires 5-4-2019	\$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	\$10,000,000 part of \$25,000,000 - Named Storm Primary Limit
	Expires 5-4-2019	Building & Personal Property Blanket Coverage
Property & Wind Coverage	ACE/Westchester	\$5,000,000 part of \$25,000,000 - Named Storm Primary Limit
Commercial City Properties	Expires 5-4-2019	Building & Personal Property Blanket Coverage
Property & Wind Coverage	AMRISC	\$2,500,000 part of \$25,000,000 - Named Storm Primary Limit
Commercial City Properties	Expires 5-4-2019	Building & Personal Property Blanket Coverage
Property & Wind Coverage	Lloyd's of London	\$7,500,000 part of \$25,000,000 - Named Storm Primary Limit
Commercial City Properties	Expires 5-4-2019	Buildings & Personal Property Blanket Coverage
Excess Coverage - First Layer		
Excess Property & Wind Coverage	Ironshore	\$5,000,000 part of \$25,000,000 Excess of \$25,000,000 Primary - Named Storm Limit
Commercial City Properties	Expires 5-4-2019	Buildings & Personal Property Blanket Coverage
Excess Property & Wind Coverage	RSUI Indemnity	\$5,000,000 part of \$25,000,000 Excess of \$25,000,000 Primary - 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 \$25,000,000 Excess of \$25,000,000 Primary - Named Storm Limit
Commercial City Properties	Expires 5-4-2019	Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage	Markel/Evanston	\$2,500,000 part of \$25,000,000 Excess of \$25,000,000 Primary - Named Storm Limit
Commercial City Properties	Expires 5-4-2019	Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage	Lloyd's of London	\$7,500,000 part of \$25,000,000 Excess of \$25,000,000 Primary - Named Storm Limit
Commercial City Properties	Expires 5-4-2019	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, September, October, November expiration dates</i>	\$1,250 deductible per building/ per contents (specified locations) - Preferred Risk Program
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 \$25,000,000 (\$75,000,000 max.)
	Expires 10-1-2019	
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

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 Solid Waste Transfer Trailers Specified Higher Valued Vehicles Specified Mobile Equipment	Texas Municipal League Expires 10-1-2019	Actual Cash Value - physical damage \$250 deductible \$500 deductible \$2500 deductible
12. Animal Mortality and Theft		
CCPD Canine	Texas Municipal League Expires 10-1-2019	As Scheduled

