

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

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FOR THE FISCAL YEAR ENDED  
**SEPTEMBER 30, 2017**





City of  
Corpus  
Christi

CITY OF CORPUS CHRISTI, TEXAS

## **Comprehensive Annual Financial Report**

For Fiscal Year Ended September 30, 2017

### *CITY COUNCIL*

#### *Mayor*

Joe McComb

#### *City Council Members*

Vacant, District 1

Ben Molina, District 2

Lucy Rubio, District 3

Greg Smith, District 4

Rudy Garza, Jr., District 5

Paulette M. Guajardo, At-Large

Michael T. Hunter, At-Large

Debbie Lindsey-Opel, At-Large

#### *City Manager*

Margie C. Rose

#### *Assistant City Managers*

Mark Van Vleck

Sylvia Carrillo

Samuel "Keith" Selman

#### *Director of Financial Services*

Constance P. Sanchez, CPA, CPM

#### *Assistant Director of Financial Services*

Alma I. Casas

#### *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  
Adriana Berlanga  
Margarita Cruz  
Adriane Ferraro  
Kim Galan-Flores  
Teddi Giggy  
Emily Gonzalez  
Jason Gooding, CPA  
Leslie Newman  
David Riggs  
Rayna Sherman  
Diana Silguero  
Judy Villalon, CPA*

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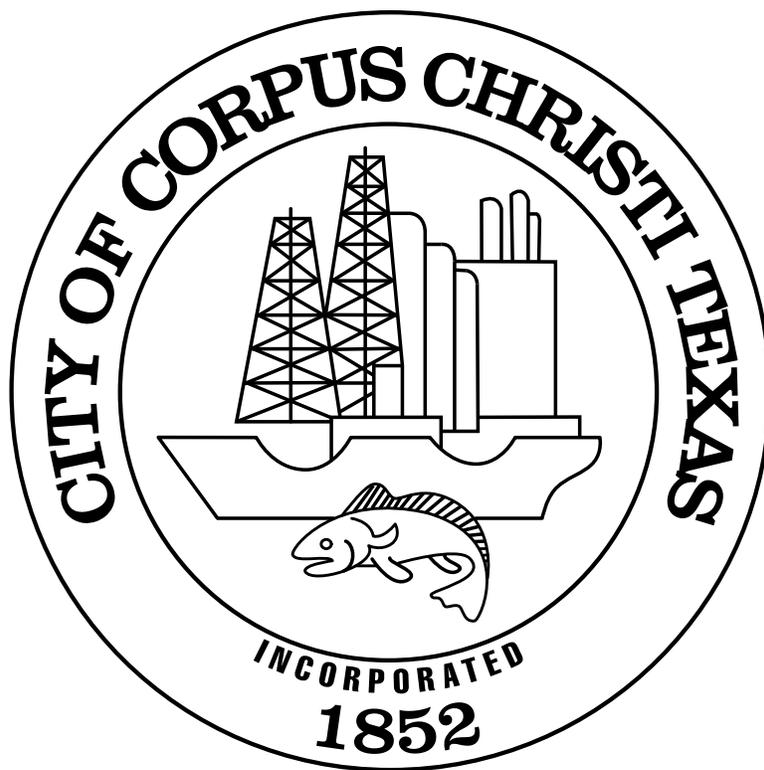
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*Introductory Section*





March 30, 2018

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

**FINANCIAL SERVICES**

PO BOX 9277  
Corpus Christi  
Texas 78469-9277  
Phone 361-826-3600  
Fax 361-826-3601  
[www.ctexas.com](http://www.ctexas.com)

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, 2017.

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, 2017. 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; 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 North Padre Island Development Corporation (which includes the Reinvestment Zone Number 2), and Reinvestment Zone Number 3. 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 with a population of 325,733 in 2016 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 3,500 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. During fiscal year 2017, CCAD began plans to modernize its Black Hawk program to enhance and extend the life of its fleet in an effort to do its part to restore Army readiness levels. Additionally, 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 2017 Fall semester credit enrollment was 11,506 students. In June 2017, Del Mar College announced a 31% increase in its graduation rate and a 38% increase in awarded credentials. 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 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. In June 2017, the university announced that it will offer Cengage Learning's Career Online High School through a partnership with Coastal Compass and Workforce Solutions of the Coastal Bend. The program provides a path to post-secondary education and vocational training for students who do not have a high school diploma. Texas A&M University-Corpus Christi is the first university in the Texas A&M University System to offer a program in a hybrid learning lab model.

Texas A&M University-Corpus Christi is one of only seven federal test sites for unmanned aircraft systems (UAS) in the nation. The College of Nursing and Science has been recognized by the White House on several occasions. Additionally, 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.

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. On August 25, 2017, Hurricane Harvey hit the region. The eye of the hurricane hit Aransas County and devastated the cities of Rockport, Port Aransas, and Aransas Pass. Nueces County was spared a direct hit, but all the cities in the region have assisted each other in the rebuilding process.

The land in the Corpus Christi region has strong mineral deposits and rich soil with the principle 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.

### ***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.

Vessel traffic flowing in and out of the Port continues to grow. More than 8,100 vessels sailed through the Port in 2016, carrying a total of 94.3 million tons of cargo. A total of 43 million tons made its way through the Port on 2,785 vessels from January to May 2017, as compared with 37.7 million tons during the same period last year. The increase can be attributed to several factors, including the recent expansion of the

Panama Canal and the repeal of a 40-year ban of crude exports. In fact on May 26, 2017, the Port was applauded for its successful navigation of an 1,100-foot supertanker, called the Euronav Anne, through its waters. This was the first time that a United States crude oil export facility received such a large vessel. The Port continues to set the benchmark for exporting United States produced crude oil. 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. An additional Port record was set in April 2017 when 930,000 barrels of crude oil was loaded on a vessel that sailed from Corpus Christi.

To continue the growth of the Port's cargo tonnage, the Port has a strategy on cargo diversification in three focus areas: (1) wind energy/project cargo; (2) dry bulk/general cargo; and (3) Latin American trade development. Corpus Christi, as the largest refining center in close proximity to Mexico, continues to see large investments in supporting the transportation of United States' energy to Mexican consumers. Howard Energy Partners, a full-service midstream company based in San Antonio, has emerged as a strong player in the energy sector and continues to demonstrate leadership in developing projects on both sides of the border. Maverik Terminals Corpus LLC, a subsidiary of Howard Energy Partners, plans to design, construct, and operate a rail terminal and a petroleum and petroleum products storage facility on 41 acres of land on the north side of the Corpus Christi Ship Channel in the Inner Harbor. The 30-year lease agreement was approved by the Port in July 2017.

The Port of Corpus Christi has many other initiatives underway as well. The Corpus Christi Ship Channel Improvement Project is underway for further deepening and widening of the Port's ship channels. The Project is estimated to cost \$327 million with the United States Army Corps of Engineers proportionate share to be \$225 million, and the Port's share to be \$102 million. In September 2017, the United States Army Corps of Engineers approved a Project Partnership Agreement with the Port to accelerate \$32 million in Port funds to expedite the initial construction phases of the Ship Channel Improvement Project. The project includes: (1) deepening the Corpus Christi Ship Channel from 45 to 52 feet; (2) adding 200-foot barge shelves across the Corpus Christi Bay; (3) widening the ship channel to 530 feet from Port Aransas to the Harbor Bridge; (4) extending the La Quinta Ship Channel approximately 1.4 miles at a depth of 39 feet; and (5) constructing ecosystem restoration feature to protect endangered species, wetlands, and sea grass. The Channel Improvement project was re-authorized in May 2014 by the Resources Reform and Development Act of 2014, and a Limited Reevaluation Report was completed in December 2015 to update project costs and benefits for the remaining elements of the authorized project. In December 2016, the Water Infrastructure Improvements Act for the Nation (WIIN) Act was signed into law and includes the Water Resources Act (WRDA) of 2016, that authorizes port, waterway, flood protection improvements, and other water resources infrastructure critical to the nation's economic growth, health and competitiveness. This was a major victory for the Port's Ship Channel Improvement Project.

The La Quinta Trade Gateway Terminal is a major component of the Port of Corpus Christi's long-term development plan, located on a 1,000-acre greenfield site on the north side of Corpus Christi Bay. The envisioned development includes a multi-purpose cargo dock and terminal facility with a capacity for a wide variety of general cargo such as military equipment, automobiles, project cargo, wind turbine components, steel pipe, and other bulk commodities. In mid-2013, the Port secured an anchor tenant on a major portion of the La Quinta property site with the signing of a lease agreement for 475 acres with Austrian steelmaker, voestalpine Texas Holding LLP. The initial construction of a voestalpine's \$740 million hot briquetted iron facility included a 1,000-foot long dry bulk dock along the La Quinta Channel and was completed and production started in October 2016. This plant will have an annual capacity of two million tons of hot briquetted iron.

Additionally, the Port has plans to construct a new rail yard that will become the mail rail exchange for the Port of Corpus Christi. The Port purchased approximately 36 acres of land at the western end of the Corpus Christi Harbor for this purpose. The project consists of two phases. The first phase was completed in 2015 at a cost of \$18.9 million and included a 9,800-foot long unit train siding and four additional 4,000-foot parallel tracks providing storage for 200 railcars. The second phase calls for extending four of the tracks under the first phase to full unit train sidings and constructing four additional unit train sidings for a total of eight sidings averaging 8,500 feet long. The total cost for the second phase is approximately \$28.0 million, is under construction and is expected to be completed in 2017.

The Port has seen \$50 billion in announced projects. Magellan with their splitter of natural gas products began operating in 2017. The OxyChem ethylene cracker, an investment of \$1.3 billion, has created 150 new jobs. The Austrian steel maker, voestalpine, has begun production on their iron ore plant which created 179 new jobs. Tianjin Pipe Corporation – America was the first international investment near the Ship Channel. This \$1.3 billion project represents the largest single investment by a Chinese company in a United States manufacturing facility. When fully operational, the project will employ up to 400 people producing 500,000 metric tons of seamless steel pipe. Phase One has been completed, and Phase Two should be complete by the end of 2018 with ramping up and commissioning in 2018. Chemours Company, a spin-off of DuPont's reorganization, is completing construction of a \$235 million facility that will produce a refrigerant product. Gulf Coast Growth Ventures, a joint venture between ExxonMobil and Saudi Arabian Basic Industries Corporation (SABIC), announced the selection of a site 8 miles north of Corpus Christi. They will invest \$9.4 billion and create over 600 jobs with an annual average wage of over \$82,000. Corpus Christi Liquefaction, LLC, a subsidiary of Cheniere Energy, is developing a \$13 billion liquefied natural gas export terminal at one of their existing sites in the Ship Channel. It is currently under construction and is scheduled to be operational by 2020.

### ***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). TxDOT estimates the project will cost approximately \$802.9 million, with an anticipated life of 170 years. It is a design-build project but not the traditional design-bid-build used by TxDOT. 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 and connecting roadway. The proposed replacement bridge estimates a rise of at least 205 feet above the current channel (an increase of at least an additional 67 feet when compared to the existing bridge), allowing larger vessels to pass through the channel and thus increasing the area's shipping traffic. In fact, when completed the Harbor Bridge will be the same height as the bridge over the Panama Canal – meaning ships that transit the Panama Canal will then be able to also enter the Port of Corpus Christi. The Harbor Bridge will be the longest cable-stay bridge in the United States and will be the tallest structure in South Texas. The base of the bridge will be the size of a basketball court, and the length of the main span will be equal to 5½ football fields. 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. State officials believe the Harbor Bridge Project will attract additional job opportunities to strengthen the area's economy and provide safety enhancements to travelers. During the peak of construction, it is anticipated that between 500-700 workers will be utilized.

On January 8, 2016, the Federal Highway Administration released a Record of Decision (ROD) regarding the proposed US 181 Harbor Bridge project from Beach Avenue to Morgan Avenue at the Crosstown Expressway in Nueces County, Texas. The ROD approved the selection of the recommended alternative for the Harbor Bridge, as identified in the project's Final Environmental Impact Statement (Final EIS), dated November 2014. This approval completed the environmental approval process for the project.

On February 16, 2016, TxDOT issued the first Notice to Proceed (NTP1) to the awarded Developer, Flat Iron/Dragados. NTP1 is described as a pre-design/planning phase. Subsequently, a groundbreaking ceremony took place in August 2016. Lane closures on the Harbor Bridge began in March 2017. The project is now in the final phase which includes the design and construction of the bridge. The six-lane structure with shoulders is scheduled to be completed by 2020.

## ***Tourism***

Corpus Christi continues to be a favorite vacation spot for visitors and is the eighth most popular tourist destination in Texas according to TripAdvisor.com. In 2017, Corpus Christi was named the 43rd top American destination for summer, based on seasonal hotel booking prices as well as the average cost of a one-week vacation. The number one reason visitors flock to the area has always been to enjoy miles of beaches along Mustang and Padre Islands, the longest natural barrier island fronting on the Gulf of Mexico. The opposite side of the barrier island provides a shoreline for Corpus Christi Bay, the Laguna Madre, and the various bays and bayous north of the Coastal Bend which are ideal for outdoor recreation.

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 Texas State Aquarium, the USS Lexington Museum, the Museum of Science and History, the Art Museum of South Texas, 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 Texas State Aquarium expanded its exhibits in 2017 by opening the Caribbean Journey exhibit. This was the largest expansion for the Aquarium in its 27-year history. The Caribbean Journey doubles the size of the Aquarium and provides homes to a new collection of sea and land creatures. It is expected that the expansion will increase the Aquarium's economic impact to the area by \$70 million; will support 887 local jobs, and will create 41 full-time jobs.

The South Texas Botanical Gardens & Nature Center is one of the Coastal Bend's major tourist destinations and leading nature tourism facilities. Strategically situated along Oso Creek on Corpus Christi's rapidly-growing south side, it is part of the city's growing Oso Creek Greenbelt system and is near the northern side of the world-famous King Ranch. The 182-acre venue showcases 11 uniquely-designed floral exhibits and gardens, including the 2,600 square-foot screened Butterfly House, an 1,800 square-foot Samuel Jones Orchid Conservatory, the Anderson Bromeliad Conservatory, the Rose Pavilion, Hummingbird Garden, Sensory Garden, Arid Garden, and new Tropical Garden and EarthKind Demonstration Trail Gardens. It is a key site on the Great Texas Coastal Birding Trail in Corpus Christi, which has been named "Birdiest City" in the United States by the Audubon Society for the tenth consecutive year with over 300 species seen annually. In 2017, the South Texas Botanical Gardens & Nature Center held its first annual Birdiest Festival in America.

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.

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. On June 3, 2017, Selena's husband, Chris Perez, was inducted into the South Texas Music Walk of Fame.

### ***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 2017 was down by 58.9% from 2016 and was down by 52.4% from 2008. The dollar value associated with those permits in 2017 was slightly lower (15.1%) than that dollar value from the prior year but exceeded the dollar value from ten years ago by 71.1%. 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>
2007-2008	5,118	\$343,865,608
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 <sup>(1)</sup>	\$445,240,284 <sup>(1)</sup>
2013-2014	2,732 <sup>(2)</sup>	\$535,411,665 <sup>(2)</sup>
2014-2015	4,909	\$589,543,493
2015-2016	5,918	\$692,742,990
2016-2017	2,435 <sup>(3)</sup>	\$588,349,171 <sup>(3)</sup>

- (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. 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.

### ***Employment***

The unemployment rate in Corpus Christi decreased 7.9% from the prior year from 6.3% in September 2016 to 5.9% in September 2017 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 jumped from 189,300 in September 2016 to 194,800 in September 2017. Corpus Christi’s region is still seeing major project development. Gulf Coast Region 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 plan 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 8.2% from \$37,700 in 2008 to \$40,800 in 2017.

***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” slightly increased as a percentage of total expenses for governmental activities over the last ten years, while “police and municipal court” has slightly decreased.

	Expenses as a Percent of Total Governmental Activities		
	<u>2008</u>	<u>2017</u>	<u>Net Change</u>
Police and Municipal Court	31.2%	27.4%	-1.0%
Fire and Ambulance	16.3%	18.5%	2.2%
Street	<u>10.7%</u>	<u>12.8%</u>	2.1%
	<u>58.2%</u>	<u>58.8%</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 2017 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 2017, 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 2016-2017 reflect an increase of this percentage from 18.6% to 19.4%. This amount equates to \$46,487,360 of the \$53,231,493 unassigned fund balance at September 30, 2017. The remaining balance in the unassigned fund balance at September 30, 2017, equates to \$6,744,133.

A new section was added to the financial budgetary policies for fiscal year 2017 to address liabilities for other post employment benefits. The policy was amended to reflect that the City will record liabilities for other post employment benefits, accrued compensated absences, and net pension liability according to guidance of GASB. The policy states that the liabilities will be funded on a pay-as-you-go-basis, and will not be included in the minimum fund balance of the affected funds.

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 2017, the City Council provided direction to the City Manager on continuing with the existing priority areas established at their 2016 City Council retreat held on March 22, 2016. These priorities/major initiatives for 2017 provide guidance and vision in fulfilling the City's mission and strategic plan. These priorities include: (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 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 2017, a loan from the Texas Water Development Board was secured to fund a study to identify potential locations for a desalination plant. Additionally, long-term planning for water conservation and reuse are also being discussed.

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 has been working 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 infill a 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 has been established and had its first meeting in March 2018. Collections for the Type B sales tax will begin on April 1, 2018.

The third priority for the City Council for roads and streets 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. In May 2017, the mayor created a residential streets committee with members from the United Corpus Christi Chamber of Commerce. The committee met from July 2017 through January 2018 and presented findings and recommendation to the City Council in February 2018. The recommendations added to the City's momentum regarding a residential street program. Last fiscal year, the City initiated a pilot program for the reconstruction of two residential streets, and these projects are nearing completion. Additionally, on November 8, 2016, voters approved a City Charter revision to establish a dedicated fund to be used solely for residential street reconstruction and to authorize the City Council to levy, assess and collect a property tax not to exceed six cents per one hundred dollars of assessed value for residential street reconstruction – to be gradually implemented at a rate of not more than two cents per one hundred dollars of assessed value per year. The voters also approved an \$11 million bond program for residential streets. This bond package allows the City to begin its initiative to repair residential streets and develop its processes and procedures in anticipation of expanding this program. Although the property tax rate was not increased in fiscal year 2018 to address residential streets, \$3.4 million was allocated from the General Fund as part

of the budget process and was transferred to the residential street fund. This amount equates to a two-cent increase on the property tax rate.

## AWARDS AND ACKNOWLEDGMENTS

### *Awards*

In July 2017, Corpus Christi was named 36 out of 150 “Best Managed” cities by Strategic Partners, Inc. Every city was graded on financial stability, education, health, safety, economy, infrastructure and pollution. Overall rankings were based on the quality of a city’s services compared to total budget per capita rankings. It was noted that the key factor related to the rankings was “leadership – having the right kind of leaders in place”. Corpus Christi was behind only El Paso (27th) and Arlington (28th) as far as Texas cities – and ranked higher than other Texas cities like Fort Worth (44th), Austin (61st), Houston (71st), San Antonio (88th), Dallas (89th), Garland (95th), and Lubbock (96th).

The Corpus Christi Museum of Science and History was recognized for its community engagement through social media and effort to make chemistry fun at the Texas Association of Museums conference in April 2017. The Museum received the bronze award for In-Museum Experiences after its use of technology in its Chemistry in Action interactive exhibit. It aims to make learning chemistry and using the periodic table fun and engaging.

In 2017, the Texas Comptroller of Public Accounts awarded the City of Corpus Christi the “Traditional Finances” Star award as part of its Transparency Stars program for exemplary efforts in creating financial transparency around public services and spending decisions. 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, 2016, continuing to confirm compliance with both Generally Accepted Accounting Principles (GAAP) and legal requirements. This was the thirty-fourth 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, 2015. The City has received twenty-six 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.

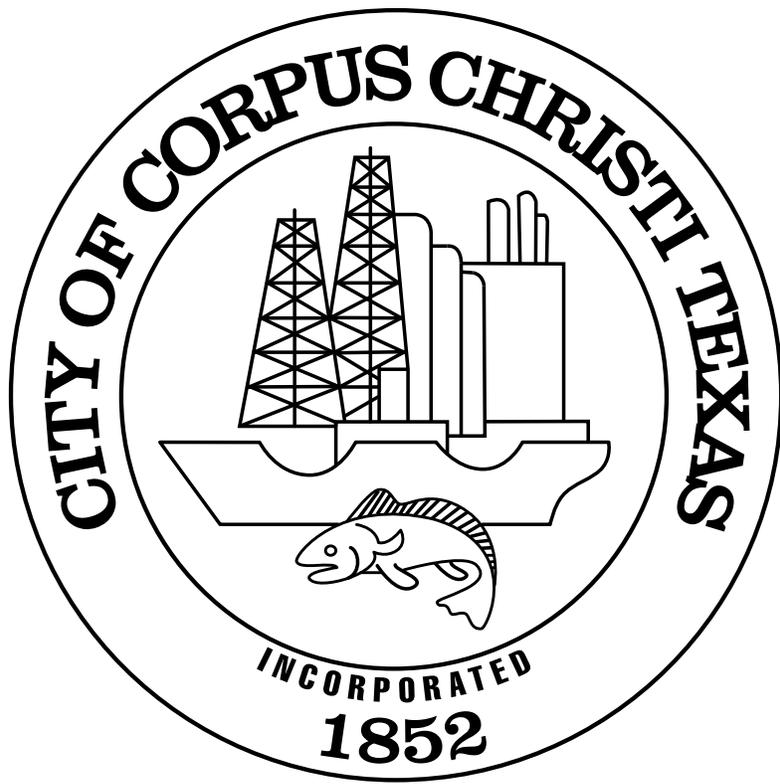
Respectfully submitted,

*Margie C. Rose*

Margie C. Rose  
City Manager

*Constance P. Sanchez*

Constance P. Sanchez, CPA, CPM  
Director of Financial Services





Government Finance Officers Association

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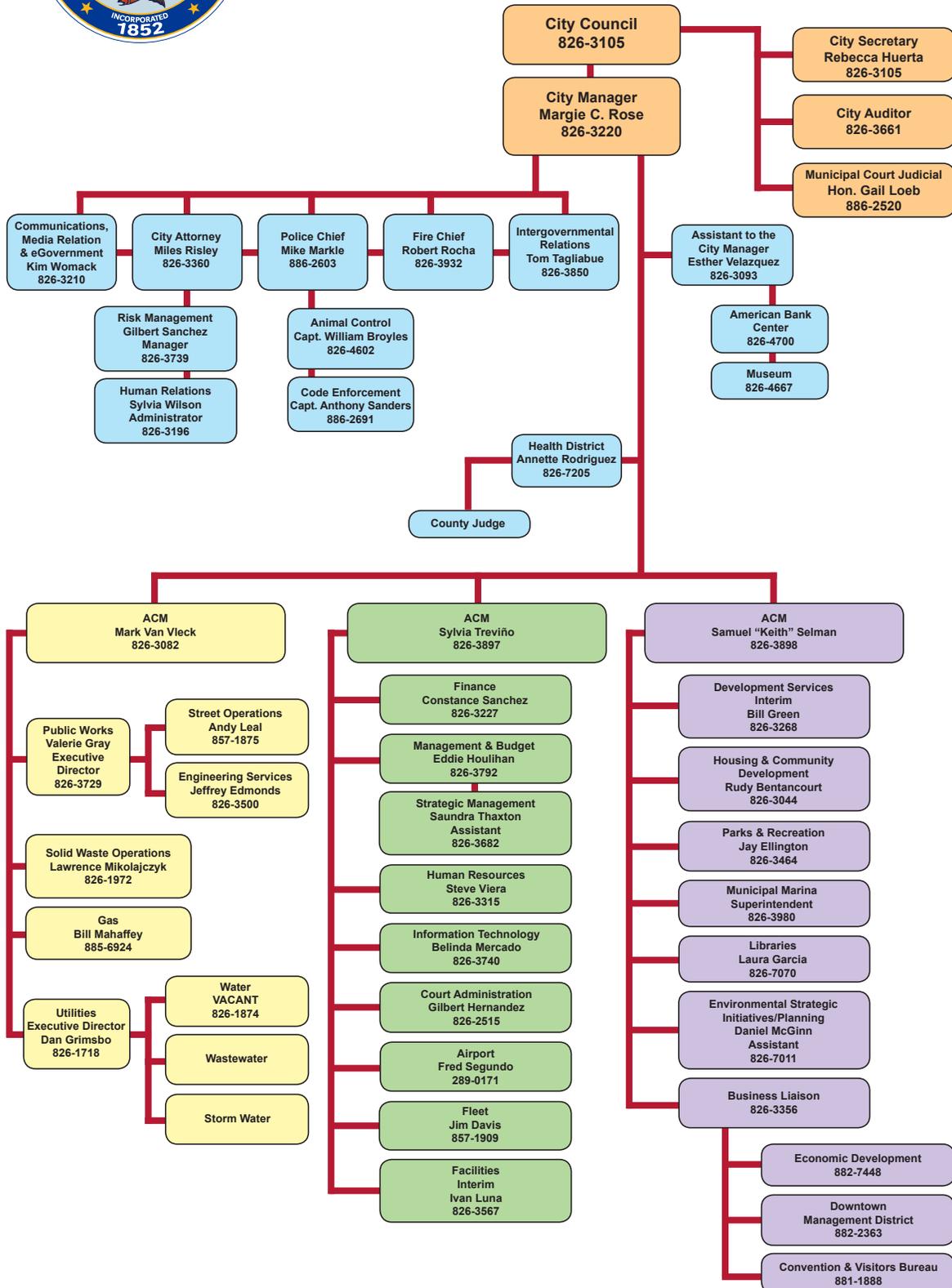
**September 30, 2016**

*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, 2017, 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 other aggregate information, which represent 24 percent, 29 percent and 10 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 report 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, 2017, 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.

### **Other Matters**

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Other Post-Employment Benefits Schedule of Funding Progress, Other Post-Employment Benefits Schedule of Annual Required Contributions, 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 and Schedule of Contributions—Fire Fighters' Retirement System, 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, Schedule of Expenditures of Federal/State Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and as required by the State of Texas Single Audit Circular, 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 Fund Financial Statements and Schedules and Schedule of Expenditures of Federal/State Awards 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. In our opinion, based on our audit the procedures performed as discussed above and the report of other auditors, the Combining and Individual Fund Financial Statements and Schedules and Schedule of Expenditures of Federal/State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

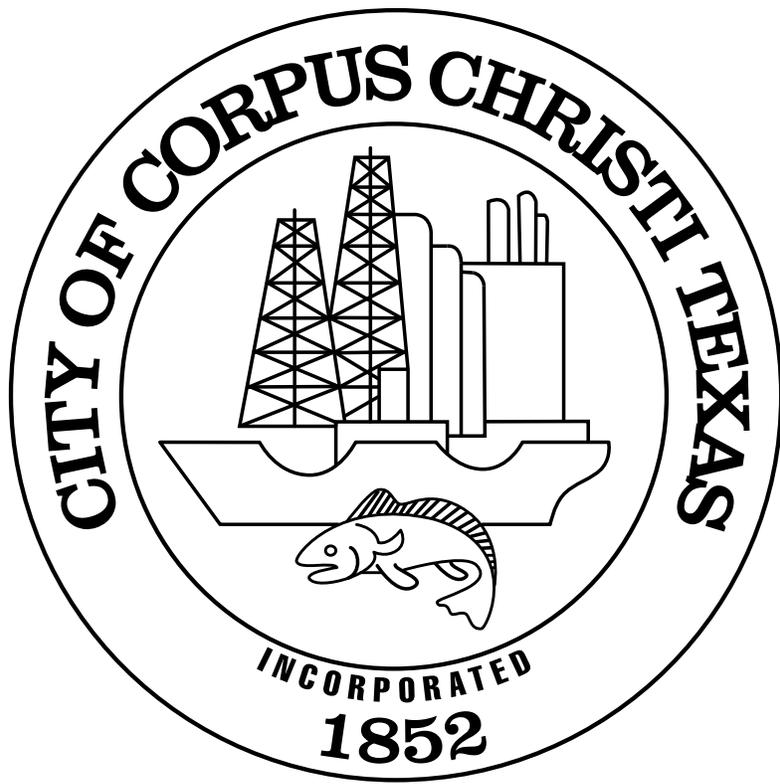
The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2018, 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  
March 30, 2018



## 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, 2017. 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 \$1.3 billion at September 30, 2017, an increase of \$87.2 million, or 7.09% compared to September 30, 2016 as revised.
- Total net program expenses were \$27.6 million more than the revised prior year's amount, reflecting net program expenses of \$176.8 million for fiscal year ended September 30, 2017 compared to the revised prior period amount of \$149.2 million.
- Total general revenue increased \$24.1 million from the revised prior year's amount of \$239.9 million to \$264.0 million for the fiscal year ended September 30, 2017, an increase of 10.1%.

#### Governmental Activities

- On a government-wide basis for governmental activities, the City had net program expenses of \$248.5 million for the fiscal ended September 30, 2017, compared to \$196.7 million for the revised prior year, representing a 26.37% increase. General revenues and transfers totaled \$268.9 million for the fiscal year ended September 30, 2017 compared to the revised prior year's amount of \$243.8 million, with an overall increase of 10.3% in net position for the fiscal year ended September 30, 2017. At September 30, 2017, the City's governmental activities had \$934.4 million in total liabilities compared to \$952.5 million at the revised prior period, a decrease of 1.9%.

#### Business-Type Activities

- On a government-wide basis for business-type activities, program revenue net of expenses was \$71.7 million for the fiscal year ended September 30, 2017 compared to \$47.4 million for the revised prior period, representing an increase of 51.1% from the revised prior year's balance. The revised net position increased by 7.4% from \$904.0 million as revised at September 30, 2016 to \$970.8 million as of September 30, 2017. At September 30, 2017, the business-type activities had \$1.0 billion in total liabilities compared to \$1.1 billion as revised at September 30, 2016.

#### Bond Issues

- During the fiscal year ended September 30, 2017, the City issued four series of bonds. \$7.4 million of general improvement refunding bonds for the purpose of refunding \$2.3 million general improvement bonds Series 2017, \$1.0 million of certificates of obligation, Series 2017, and \$4.1 million tax notes, Series 2015, to reduce its total debt service payment. \$51.2 million of utility system junior lien revenue refunding bonds, Series 2017 (TWDB DWSRF) to refund \$49.6 million of utility system junior lien and pledge of the net revenue of the City's utility system on a parity with certain currently outstanding utility system revenue obligations. \$27.7 million of utility system junior lien revenue bonds, Series 2017A to pay City's obligations styled utility systems revenue refunding bonds, Series 2005. \$2.5 million Tax and Limited Pledge Revenue Certificates of Obligation for the purpose of financing costs associated with making permanent public improvements to the City's solid waste system.

**General Fund**

- At September 30, 2017, unassigned fund balance for the General Fund was \$53.2 million of the General Fund expenditures. This compares to an unassigned fund balance of \$47.3 million or 12.5% .
- 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 2017 from 17.0% at September 30, 2016 to 18.6% at September 30, 2017 of the total General Fund appropriations or \$3.4 million, an 8.7% increase from the revised prior year.
- General Fund revenues for the fiscal year ended September 30, 2017 of \$217.6 million were 2.2% higher than the revised prior year revenues of \$212.9 million.
- General Fund expenditures for the fiscal ended September 30, 2017 of \$202.8 million were 8.0% lower than the revised prior year expenditures of \$205.4 million.

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

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

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

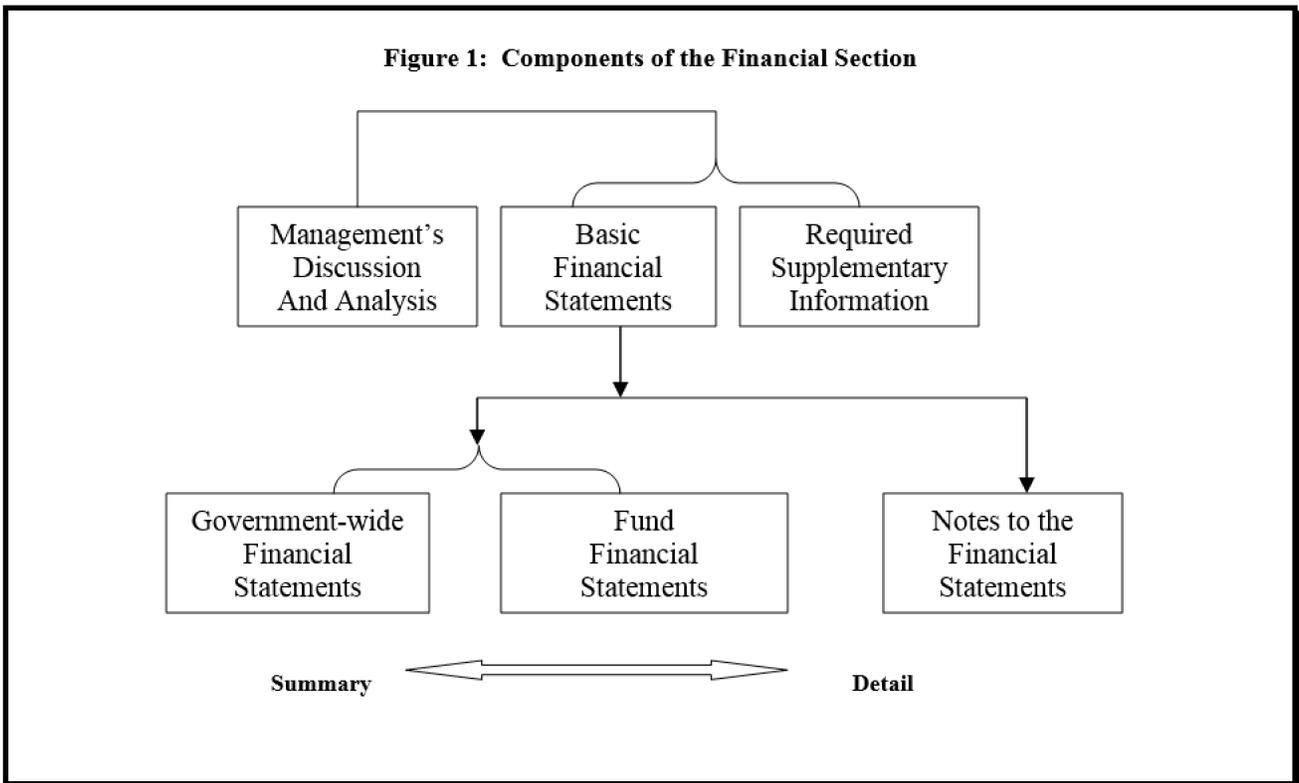


Figure 1 depicts how the required parts of this annual financial report are arranged and relate to one another. In addition to these required elements, a section with combining and individual fund financial statements and schedules that provides details about the non-major governmental funds and internal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

## OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

# City of Corpus Christi

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### Net Position

At September 30, 2017, the net position for the City of Corpus Christi totaled \$1.3 billion, \$87.0 million higher than the revised net position at September 30, 2016. The composition of the net position is \$345.4 million for governmental activities and \$970.8 million for business-type activities. The largest portion of the City's total net position, 88.8%, 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 \$167.2 million in restricted net position for specific purposes at September 30, 2017, which is a \$11.5 million increase from revised September 30, 2016. The City's unrestricted net position is a negative \$19.5 million at September 30, 2017. 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, 2017 and 2016\*  
(in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2017	2016*	2017	2016	2017	2016*
Capital assets, net of accumulated depreciation	\$ 724,914	\$ 692,005	\$ 1,644,110	\$ 1,564,387	\$ 2,369,024	\$ 2,256,392
Other assets	494,138	517,629	371,030	424,204	865,168	941,833
Total assets	1,219,052	1,209,634	2,015,140	1,988,591	3,234,192	3,198,225
Deferred outflows of resources	65,557	71,313	21,845	25,951	87,402	97,264
Long-term liabilities	866,372	896,005	1,029,690	1,088,416	1,896,062	1,984,421
Estimated long-term liability claims	10,185	9,406	-	-	10,185	9,406
Other liabilities	57,875	57,646	34,798	21,210	92,673	78,856
Total liabilities	934,432	952,514	1,064,488	1,109,626	1,998,920	2,062,140
Deferred inflows of resources	4,774	3,380	1,711	946	6,485	4,326
Net position						
Net investment in capital assets	333,582	304,107	834,865	777,596	1,168,447	1,081,703
Restricted	148,019	137,075	19,193	18,590	167,211	155,665
Unrestricted	(136,197)	(116,131)	116,729	107,785	(19,468)	(8,346)
Total net position	\$ 345,404	\$ 325,051	\$ 970,787	\$ 903,970	\$ 1,316,190	\$ 1,229,022

\*FY 2016 Governmental Beginning Balances revised

Of the business-type activities, the Utility System fund is the largest operation at the City with total assets of \$1.85 billion, comprising 91% of all business-type activities total assets for 2017, slightly increasing from 1.83 billion in revised 2016. The Utility System fund net position as of September 30, 2017 was \$840.7 million which is an increase of 7.7% over last year's \$781.2 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, 2017 and September 30, 2016.

Table 2  
Summary of Net Position  
As of September 30, 2017 and 2016\*  
(in 000's)

	Governmental Activities		Business-type Activities		Total	
	2017	2016*	2017	2016	2017	2016*
<b>Revenue</b>						
Program revenues						
Charges for services	\$ 80,865	\$ 91,565	\$ 264,907	\$ 243,585	\$ 345,772	\$ 335,150
Operating grants and contributions	16,995	11,532	1,271	1,310	18,266	12,842
Capital grants and contributions	4,197	11,479	28,834	11,580	33,031	23,059
<b>Total program revenues</b>	<b>102,057</b>	<b>114,576</b>	<b>295,012</b>	<b>256,474</b>	<b>397,068</b>	<b>371,051</b>
General revenue						
Property taxes	129,295	119,289	-	-	129,295	119,289
Sales taxes	81,821	81,618	-	-	81,821	81,618
Hotel occupancy taxes	18,506	17,636	-	-	18,506	17,636
Business fees	28,341	17,394	-	-	28,341	17,394
Unrestricted investment earnings	3,285	1,966	2,744	1,955	6,029	3,921
<b>Total general revenue</b>	<b>261,248</b>	<b>237,903</b>	<b>2,744</b>	<b>1,955</b>	<b>263,992</b>	<b>239,859</b>
<b>Total revenue</b>	<b>363,305</b>	<b>352,479</b>	<b>297,756</b>	<b>258,430</b>	<b>661,061</b>	<b>610,909</b>
<b>Expenses</b>						
General government	31,172	23,549	-	-	31,172	23,549
Police and municipal court	96,155	96,428	-	-	96,155	96,428
Fire and ambulance	64,977	58,265	-	-	64,977	58,265
Emergency management	658	631	-	-	658	631
Inspections	-	227	-	-	-	227
Streets	44,826	36,241	-	-	44,826	36,241
Health	5,443	6,446	-	-	5,443	6,446
Parks and recreation	21,845	22,460	-	-	21,845	22,460
Libraries	4,614	4,895	-	-	4,614	4,895
Museums	1,525	2,085	-	-	1,525	2,085
Community enrichment	5,238	6,113	-	-	5,238	6,113
Community development	11,769	9,393	-	-	11,769	9,393
Convention and visitor activities	17,565	15,460	-	-	17,565	15,460
Interest on long-term debt	18,194	17,315	-	-	18,194	17,315
Solid waste	26,582	11,721	-	-	26,582	11,721
Utilities	-	-	206,056	192,439	206,056	192,439
Airport	-	-	15,002	14,115	15,002	14,115
Golf centers	-	-	108	129	108	129
Marina	-	-	2,162	2,338	2,162	2,338
<b>Total expenses</b>	<b>350,563</b>	<b>311,229</b>	<b>223,328</b>	<b>209,020</b>	<b>573,891</b>	<b>520,250</b>
Excess revenues over expenses	12,742	41,251	74,428	49,409	87,170	90,659
Transfers in (out)	7,611	5,868	(7,611)	(5,868)	-	-
<b>Increase in net position</b>	<b>20,353</b>	<b>47,119</b>	<b>66,817</b>	<b>43,541</b>	<b>87,170</b>	<b>90,659</b>
Net position at beginning of year, revised	325,051	277,933	903,970	860,429	1,229,021	1,138,362
<b>Net position at end of year</b>	<b>\$ 345,404</b>	<b>\$ 325,051</b>	<b>\$ 970,787</b>	<b>\$ 903,970</b>	<b>\$ 1,316,190</b>	<b>\$ 1,229,022</b>

\*FY 2016 Governmental Beginning Balances revised

## Governmental Activities

As shown in Table 2, there was a \$20.4 million increase in net position for governmental activities for the fiscal year ended September 30, 2017 as compared to the revised prior period. For the fiscal year ended September 30, 2017, revenues totaled \$363.3 million compared to \$352.5 million, an increase of \$10.8 million or 3.1%. Business fees reflected the highest increase from prior year of \$11.0 million. The increase is due to the Street Fee now being classified as a Business fee, where it was not accounted as such in the past.

Expenses for governmental activities totaled \$350.6 million for the fiscal year ended September 30, 2017 compared to \$311.2 million for the revised period, a decrease of approximately \$38.5 million.

## Business-Type Activities

As shown in Table 2, there was a \$66.8 million increase in net position for business-type activities for the fiscal year ended September 30, 2017 as compared to the prior period, which is a 7.39% increase. For the fiscal year ended September 30, 2017, revenues for business-type activities increased by \$38.5 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 (92.1%) which consists of the gas, water, and wastewater systems. Charges for services for the utilities increased \$21.3 million from the prior period. Rate increases were implemented in January 2016. These rates are in effect for a two-year period. Water consumption of 31.8 billion gallons sold was a 2% decrease with respect to the prior year consumption of 32.4 billion gallons sold. The pass-through revenue related to natural gas was \$0.7 million higher than prior year due to offset of higher prices and lower consumption. Capital contributions increased from the prior period because the fiscal year 2017 included governmental contributions for airport reconstruction for airport area 3 and security fencing along with completed projects from developer contributions in water and storm water.

Expenses reported in the business-type activities increased by \$14.3 million from the revised prior period. The majority of expenses reported in the business-type activities were utilities (92.2%), reflecting \$206.0 million for the fiscal year ended September 30, 2017 compared to \$192.4 million for the revised prior period. Expenses for the utilities increased by \$13.6 million.

## FINANCIAL ANALYSIS OF THE CITY'S GOVERNMENTAL FUNDS

### Governmental Funds

- Total assets of the General Fund balance has increase by \$9.9 million for the fiscal year ended at September 30, 2017. Cash, cash equivalents and investments reflect \$62.8 million or 74.9% of total assets with net receivables reporting \$20.4 million, or 24.4% 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 \$5.5 million from the prior year, accrued liability increased by \$0.9 million attributed to accrued payroll, and retainage payable increased by \$3.2 million.
- General Fund revenues for the fiscal year ended September 30, 2017 reflect a \$5.1 million increase from prior period revenues due to rise in taxes and business fee revenue by \$5.8 million, and decrease in services revenue by \$1.0 million.
- The General Fund's unassigned fund balance increase by \$5.0 million from September 30, 2016.
- The Debt Service Fund's restricted fund balance decreased by \$828 thousand, reporting a balance of \$12.1 million at September 30, 2017.
- The Streets Capital Projects Fund decreased its fund balance by \$33.9 million for the fiscal year ended September 30, 2017. In 2017, the fund received \$2.2 million in certificate of obligation. The fund spent \$40.5 million on capital projects during fiscal year ended September 30, 2017. Total fund balance was \$125.4 million at September 30, 2017.

**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, 2017 was \$189.0 million, as compared to \$189.3 million at September 30, 2016. The Street Maintenance and Residential Street Fund received \$14 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, 2017 the City had invested about \$2.4 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 \$113 million, or 5% over September 30, 2016. The governmental activities increased by \$33 million from the prior year. This increase includes \$65 million in additions less \$30 million of depreciation expense and \$2.1 million for retirements. The majority of the decrease was caused by Hurricane Harvey including a 2 million impairment to Packery Channel. The business-type activities were increased by \$80 million. This increase included \$122 million in additions less \$42 million of depreciation expense. The majority of the increase was construction in progress associated with the Mary Rhodes Pipeline at \$8.7 million and other minor airport and utility improvements. This contributed to a total increase in capital assets of \$80 million, or 5% over September 30, 2016.

Table 3  
Capital Assets (per of depreciation) at September 30, 2017 and 2016  
(in 000's)

	Governmental Activities		Business-type Activities		Total		% Change
	2017	2016	2017	2016	2017	2016	
Land	\$ 68,606	\$ 68,606	\$ 28,700	\$ 28,589	\$ 97,306	\$ 97,195	0.11 %
Water rights	-	-	106,808	106,808	106,808	106,808	0.00 %
Buildings	131,694	137,061	47,323	48,103	179,017	185,164	(3.32)%
Improvements	138,001	141,219	293,397	199,417	431,398	340,636	26.64 %
Equipment	30,800	33,477	11,041	10,408	41,841	43,885	(4.66)%
Infrastructure	195,982	202,422	773,220	776,919	969,202	979,341	(1.04)%
Construction in progress	159,832	109,220	383,621	394,143	543,453	503,363	7.96 %
Total	\$ 724,915	\$ 692,005	\$ 1,644,110	\$ 1,564,387	\$ 2,369,025	\$ 2,256,392	25.69 %

**Long-term Liabilities**

Table 4 shows that total long-term liabilities decreased \$88 million during the 12 months ended September 30, 2017, from \$1.984 billion at September 30, 2016 to \$1.896 billion at September 30, 2017, or 6.0%. Governmental activities reported a net decrease in long-term liabilities of \$30 million or 3.3% which reflects the addition of \$9 million of debt, paying down \$47 million of debt, increase of \$2 million bond moved from Business-type to Governmental activities and decreasing other long-term liabilities by \$22 million due to accumulated compensated absences, landfill closure cost. Business-type activities reported a decrease in long-term liabilities of \$59 million or a 5.4% decrease from September 30, 2016 due to the addition of \$80 million of debt, paying down \$133 million of debt, \$6 million decrease due to adjust City's bond balance to Bureau of Reclamation, and decreasing other long-term liabilities of \$2 million due to accumulated compensated absences.

## City of Corpus Christi

Table 4  
Long-Term Liabilities at September 30, 2017 and 2016  
(in 000's)

	Governmental Activities		Business-type Activities		Total		% Change
	2017	2016	2017	2016	2017	2016	
General obligation bonds	\$ 398,318	\$ 419,810	\$ 17,102	\$ 17,545	\$ 415,420	\$ 437,355	(5.0)%
Certificates of obligation	32,610	32,253	9,775	10,837	42,385	43,090	(1.6)%
Revenue bonds	50,915	58,185	-	-	50,915	58,185	(12.5)%
Utility priority revenue bonds	-	-	179,190	227,555	179,190	227,555	(21.3)%
Utility junior lien revenue bonds	-	-	667,015	655,655	667,015	655,655	1.7 %
Discount on bonds payable	-	(19)	(44)	(60)	(44)	(79)	(44.3)%
Premium on bonds payable	27,047	32,157	55,844	66,218	82,891	98,375	(15.7)%
Capital leases	14,328	17,486	2,294	1,713	16,622	19,199	(13.4)%
Other notes	16,225	20,286	42,207	52,884	58,432	73,170	(20.1)%
<b>Total debts</b>	<b>539,443</b>	<b>580,158</b>	<b>973,383</b>	<b>1,032,347</b>	<b>1,512,826</b>	<b>1,612,505</b>	<b>(6.2)%</b>
Accumulated compensated absences	35,794	33,569	2,856	2,666	38,650	36,235	6.7 %
Landfill closure cost	17,120	12,274	-	-	17,120	12,274	39.5 %
Net pension liability	265,004	259,610	52,768	52,684	317,772	312,294	1.8 %
Net OPEB obligation	9,011	10,394	683	719	9,694	11,113	(12.8)%
<b>Total long-term liabilities</b>	<b>\$ 866,372</b>	<b>\$ 896,005</b>	<b>\$ 1,029,690</b>	<b>\$ 1,088,416</b>	<b>\$ 1,896,062</b>	<b>\$ 1,984,421</b>	<b>(4.5)%</b>

During the fiscal year, the City completed four 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 December 16, 2016, the City issued \$7,365,000 of Corpus Christi General Improvement Refunding Bonds, Series 2016A (TMPC) to refund: \$2,290,000 of General Improvement Bonds, Series 2007, \$1,005,000 of Certificates of Obligation, Series 2007, and \$3,955,000 Tax Notes, Series 2015 to reduce its total debt service payment. The interest rates range between 1.72% - 3.50%.

In May 2, 2017, the City issued \$51,215,000 of Utility System Junior Lien Revenue Refunding Bonds, Series 2017 (TWDB DWSRF) to refund: \$49,585,000 of Utility System Junior Lien Revenue Variable Rate Bonds, Series 2015B to pledge of the net revenue of the City's utility system on a parity with certain currently outstanding utility system revenue obligations. The interest rates range between 0.06% - 2.07%.

In July 17, 2017, the City issued \$27,670,000 of Utility System Junior Lien Revenue Bonds, Series 2017A to refund: \$27,520,000 of Utility System Revenue Refunding Bonds. The interest rate is at 1.17%.

In August 22, 2017, the City issued \$2.5 million Tax and Limited Pledge Revenue Certificates of Obligation for the purpose of financing costs associated with making permanent public improvements to the City's solid waste system. The interest rate is at 3.035%

The net pension liability increased from \$312.3 million at September 30, 2016 to \$317.8 million at September 30, 2017, a 1.8% increase due in part the City's funding its contribution to the Texas Municipal Retirement System (TMRS) at a rate lower than the annual required contribution as actuarially determined.

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; so the full TMRS rates of 21.84% for calendar year 2017 and 20.57% for 2016 are more than the actual contribution rates of 20.46 for calendar year 2017 and 18.46% for calendar year 2016. See "Schedule of Contributions for TMRS" in the Required Supplemental Information. It is the City Council and management's intent to increase the City's TMRS contribution rate by 2% each fiscal year beginning in 2017 until the fully funded rate is achieved. The financial/budgetary policies were amended by the City Council in March 2016 to reflect such a change. (See Note 9 Employee Retirement Benefits in the Notes to the Financial Statements.)

The net OPEB (other post-employment benefits) obligation decreased by \$1.4 million from September 30, 2016 to September 30, 2017, a 12.8% decrease. An actuarial valuation was obtained and determined that the total 12-month required contribution (ARC) for the City at September 30, 2017, was \$702 thousand. In an effort to reduce the City's liability, all City retirees who are Medicare-eligible are enrolled in a separate Medicare insurance plan and are not covered by the City's insurance. The unfunded actuarial accrued liability for the City at October 1, 2015, is \$10.9 million. (See Note 10 Post-Employment Health Care Benefits in the Notes to the Financial Statements.)

The landfill closure cost increase by \$4.8 million from September 30, 2016 to September 30, 2017 due mainly to a longer area of Cefe Valenzuela landfill in use. (See Note 13 Long-Term Obligations in the Notes to the Financial Statements.)

### **Bond Ratings**

In 2017, the City received one bond rating upgrade. Fitch Ratings (Fitch) upgraded the City's sales tax bonds to AA in 2017:

- The unenhanced bond ratings for general obligation bonds were assigned Aa2 from Moody's Investors Service, Inc. (Moody's), and AA from Fitch Ratings (Fitch).
- The unenhanced bond ratings for general obligation bonds were assigned Aa2 from Moody's Investors Service, Inc. (Moody's), AA from Fitch Ratings (Fitch), and AA from Standard & Poor (S&P).
- The City's unenhanced bond ratings for 2017 for the priority lien utility revenue bonds were assigned Aa3 from Moody's, AA- from S&P, and AA- from Fitch.
- The City's unenhanced bond ratings for the junior lien utility revenue bonds established in 2017 were A+ by S&P, A+ by Fitch, and by A1 by Moody's.
- The unenhanced bond ratings for the Corpus Christi Business and Job Development's sales tax revenue bonds for the arena and seawall were A1 from Moody's, A+ from S&P, and AA from Fitch.

### **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, 2017 was 20.0% of the total annual General Fund appropriations in 2017.

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 \$231.0 million was amended by the City Council during 2017 resulting in a net increase in revenue of \$212 thousand due to an increase of the transfers in. The originally adopted General Fund expenditure budget (including transfers out) of \$231.0 million was amended by the City Council during 2017 resulting in a net increase in expenditures of \$4.7 million. Major amendments included \$3.7 million of encumbrances carried forward into 2017; \$712 thousand transfer to Parks CIP Fund for TC Ayers Pool Repairs. (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, 2017 of \$232.5 million was \$1.3 million over the final budgeted amount.

General Fund actual budget basis expenditures for the year ended September 30, 2017 of \$228.1 million were \$7.5 million under the amended budget amount of \$235.7 million. Main contributing factors were Economic Development Incentives expenditures were under budget by \$1.0 million largely because the Schiltterbahn incentives, and a reduction in the transfer to Debt Service fund due to a delay in issuance of Certificates of Obligation. Police Department and Municipal Court were under-budget by \$965 thousands due to salary and operational savings of \$509 thousands in Police Training due to late start of Training Academy. Parks and recreation was under budget by \$2.4 million mainly due to salary and operational savings. General Government, which includes \$407 thousand in City Attorney, \$23 thousand ACM of Safety, Health and Neighborhoods, \$210.5 thousand in Public Information, \$202 thousand in Management & Budget, and \$623 thousand in Comprehensive Planning was under budget largely due to City's transitioning from Contraction out planning to internalize this function. Health was under budget by \$716 thousand due to salary and

operational savings.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

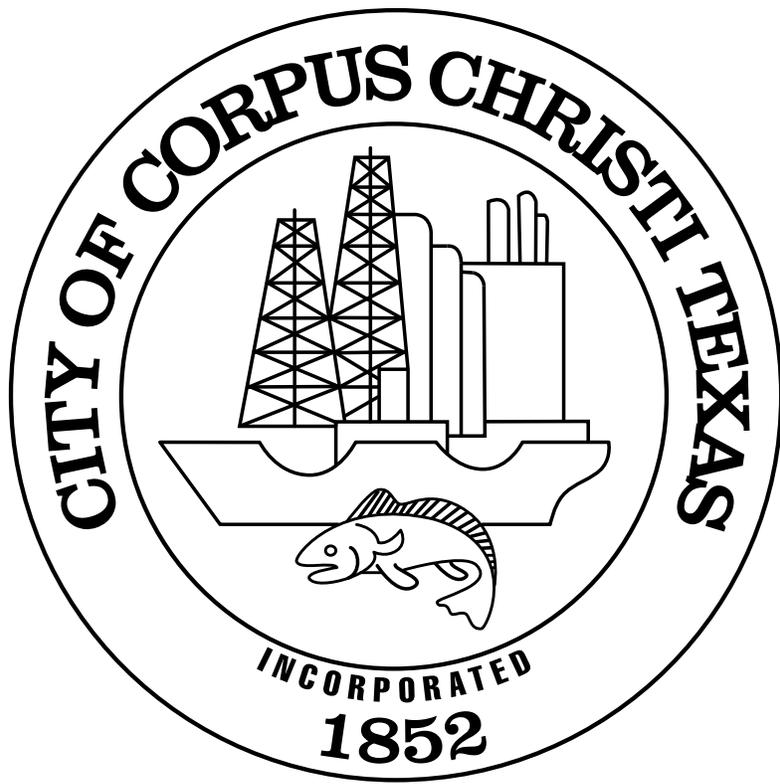
- The unemployment rate for Corpus Christi decreased to 5.0% in September 2017 from 5.9% in September 2016. In December 2017, the unemployment rate increased to 5.2%, which was above the 3.7% unemployment rate for the State of Texas and above the 3.9% national unemployment rate.
- For fiscal year 2017-2018, the Certified Net Assessed Taxable Value experienced an increase of 8.1% to \$18.3 billion. The adopted tax rate for fiscal year 2017-2018 is \$0.606264 per \$100 valuation. The Maintenance and Operations (M&O) rate is \$0.376806 per \$100 valuation, and the Debt Service rate is \$0.229458 per \$100 valuation.
- The City of Corpus Christi has appropriated total revenues and expenditures for fiscal year 2017-2018 of \$865.2 million and \$877.2 million, respectively. Included for the General Fund are revenues budgeted at \$233.5 which is a \$2.6 million increase over the adopted General Fund budget of \$230.9 million for fiscal year 2016-2017. Ad valorem tax revenue is budgeted at a 4.5% increase from the restated prior year which is estimated to generate an additional \$3 million. Sales tax revenue is budgeted at a 1.0% increase over the current year's estimate.
- Included for the General Fund are expenditures budgeted at \$237.2 million, which is a \$5.2 million decrease over the adopted General Fund budget of \$232 million for fiscal year 2016-2017.
- The Fiscal Year 2017-2018 Budget includes a 2% increase for our Texas Municipal Retirement System contribution rate. Our plan is to increase our contribution rate by 2% a year for Fiscal Year 2015-2016 through Fiscal Year 2019-2020 to reach our fully funded rate.
- The General Fund reflects a transfer of \$13.6 million to the Street Department for Street Maintenance. This equates to 6% of General Fund revenue (less any grant and Industrial District revenue). The 2017-2018 Budget also includes an additional \$1,000,000 General Fund transfer to the Street Department for the Residential/Local Street Fund.
- Two-year utility rate increases are 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 last change in rates was effective January 1, 2016. The rates in effect are 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](http://www.cctexas.com)*



**City of Corpus Christi**

**STATEMENT OF NET POSITION  
SEPTEMBER 30, 2017**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets</b>			
Cash, cash equivalents and investments (Note 5)	\$ 174,183,648	\$ 158,696,158	\$ 332,879,806
Receivables, net of allowance for uncollectibles (Note 7)	38,068,022	38,300,323	76,368,345
Internal balances	4,894,712	(4,894,712)	-
Inventories and other assets	1,818,791	785,411	2,604,202
Prepaid items	1,352,207	-	1,352,207
<b>Restricted assets</b>			
Cash, cash equivalents and investments (Note 5)	262,710,814	177,978,238	440,689,052
Receivables, net of allowance for uncollectibles (Note 7)	11,110,403	164,490	11,274,893
Land, construction in progress, and water supply rights (Note 8)	228,436,926	519,128,225	747,565,151
Other capital assets, net of accumulated depreciation (Note 8)	496,476,890	1,124,981,788	1,621,458,678
Total assets	<u>1,219,052,413</u>	<u>2,015,139,921</u>	<u>3,234,192,334</u>
<b>Deferred outflows of resources</b>			
Unamortized loss on refunded debt	10,109,269	10,113,678	20,222,947
Deferred outflows related to pension liability (Note 9)	55,447,687	11,731,765	67,179,452
Total deferred outflows of resources	<u>65,556,956</u>	<u>21,845,443</u>	<u>87,402,399</u>
<b>Liabilities</b>			
Accounts payable	24,369,716	21,716,505	46,086,221
Accrued liabilities	12,071,000	700,000	12,771,000
Accrued interest	1,677,119	8,438,240	10,115,359
Contractor interest and retainage payable	7,830,930	2,381	7,833,311
Deposits	1,321,817	3,370,703	4,692,520
Liability to claimants - escheat property	132,040	121,824	253,864
Due to other governmental agencies	583,411	-	583,411
Unearned revenue	2,236,911	448,360	2,685,271
Current portion of estimated claims liability (Note 11)	7,652,004	-	7,652,004
<b>Current portion of long-term liabilities (Note 13)</b>			
Long-term debt	41,881,448	46,500,517	88,381,965
Landfill closure cost	1,539,748	-	1,539,748
Accumulated unpaid compensated absences	14,518,349	2,362,229	16,880,578

**(Continued)**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Long-term liabilities, excluding current portion (Note 13)</b>			
Long-term debt	497,561,656	926,882,716	1,424,444,372
Estimated liability claims, excluding current portion (Note 11)	10,185,288	-	10,185,288
Landfill closure costs	15,580,636	-	15,580,636
Accumulated compensated absences	21,275,353	493,321	21,768,674
Net pension liability (Note 9)	265,004,106	52,767,698	317,771,804
Net OPEB obligation (Note 10)	9,010,793	683,041	9,693,834
Total liabilities	<u>934,432,325</u>	<u>1,064,487,535</u>	<u>1,998,919,860</u>
<b>Deferred inflows of resources</b>			
Unamortized gain on refunded debt	148,818	868,759	1,017,577
Deferred inflows related to pension liability (Note 9)	4,624,711	842,553	5,467,264
Total deferred inflows of resources	<u>4,773,529</u>	<u>1,711,312</u>	<u>6,484,841</u>
<b>Net position</b>			
Net investment in capital assets	333,581,715	834,864,905	1,168,446,620
Restricted for			
Vital statistics record retention	382,150	-	382,150
Passenger facility charges projects	-	2,753,356	2,753,356
Bond interest and redemption	11,617,288	9,825,842	21,443,130
Municipal and Juvenile Court	802,950	-	802,950
Fire contribution trust	5,585	-	5,585
PEG equipment and facilities	2,066,571	-	2,066,571
Tourism (HOT)	6,363,396	-	6,363,396
Traffic safety programs	589,741	-	589,741
State and federal grant programs	50,155	-	50,155
Parks and recreation	10,036,135	-	10,036,135
Infrastructure development	1,977,066	-	1,977,066
Loans	13,678,397	-	13,678,397
Business and job development	81,694,850	-	81,694,850
Tax increment zone improvements	14,708,729	-	14,708,729
Improvements to utility lines and facilities	-	6,511,254	6,511,254
Public health	3,719	96,826	100,545
Law enforcement	4,041,970	5,485	4,047,455
Unrestricted	(136,196,902)	116,728,849	(19,468,053)
Total net position	<u>\$ 345,403,515</u>	<u>\$ 970,786,517</u>	<u>\$ 1,316,190,032</u>

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

**City of Corpus Christi**

**STATEMENT OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2017**

	<b>Expenses</b>	<b>Charges for Services</b>
<b>Primary government</b>		
Governmental activities		
General government	\$ 31,172,661	\$ 3,421,152
Police and municipal court	96,154,942	15,081,173
Fire and ambulance	64,977,528	5,402,070
Solid waste	26,582,333	39,483,307
Emergency management	657,860	52,750
Streets	44,826,074	613,460
Health	5,442,601	1,390,653
Parks and recreation	21,845,564	6,896,486
Libraries	4,613,618	149,186
Museums	1,524,885	505,823
Community enrichment	5,237,619	2,555,256
Community development	11,769,594	78,490
Convention and visitor activities	17,565,255	5,235,316
Interest on long-term debt	18,194,069	-
Total governmental activities	350,564,603	80,865,122
Business-type activities		
Utilities		
Water	111,429,991	146,869,351
Gas	33,168,906	28,471,177
Wastewater	61,457,347	76,252,157
Airport	15,002,019	11,027,162
Golf centers	108,402	243,771
Marina	2,161,558	2,043,231
Total business-type activities	223,328,223	264,906,849
Total primary government	\$ 573,892,826	\$ 345,771,971

**City of Corpus Christi**

**Exhibit 1-B**

<b>Program Revenue</b>		<b>Net (Expenses) Revenues and Changes in Net Position</b>		
<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ -	\$ -	\$ (27,751,509)	\$ -	\$ (27,751,509)
2,296,009	-	(78,777,760)	-	(78,777,760)
5,550,686	-	(54,024,772)	-	(54,024,772)
-	-	12,900,974	-	12,900,974
250,780	-	(354,330)	-	(354,330)
-	3,202,147	(41,010,467)	-	(41,010,467)
2,629,284	-	(1,422,664)	-	(1,422,664)
2,170,467	162,306	(12,616,305)	-	(12,616,305)
952	-	(4,463,480)	-	(4,463,480)
-	-	(1,019,062)	-	(1,019,062)
270,444	732,471	(1,679,448)	-	(1,679,448)
3,826,415	-	(7,864,689)	-	(7,864,689)
-	100,000	(12,229,939)	-	(12,229,939)
-	-	(18,194,069)	-	(18,194,069)
<u>16,995,037</u>	<u>4,196,924</u>	<u>(248,507,520)</u>	<u>-</u>	<u>(248,507,520)</u>
702,257	13,164,568	-	49,306,185	49,306,185
56,536	31,853	-	(4,609,340)	(4,609,340)
510,048	2,476,850	-	17,781,708	17,781,708
1,799	13,160,607	-	9,187,549	9,187,549
-	-	-	135,369	135,369
-	-	-	(118,327)	(118,327)
<u>1,270,640</u>	<u>28,833,878</u>	<u>-</u>	<u>71,683,144</u>	<u>71,683,144</u>
<u>\$ 18,265,677</u>	<u>\$ 33,030,802</u>	<u>(248,507,520)</u>	<u>71,683,144</u>	<u>(176,824,376)</u>

**General revenues**

Taxes				
Property taxes, levied for general purposes	86,783,229	-	86,783,229	
Property taxes, levied for debt service	42,512,012	-	42,512,012	
Sales taxes	81,820,866	-	81,820,866	
Hotel occupancy taxes	18,505,845	-	18,505,845	
Business fees	28,341,495	-	28,341,495	
Unrestricted investment earnings	3,284,799	2,744,061	6,028,860	
Transfers	7,611,036	(7,611,036)	-	
<b>Total general revenue and transfers</b>	<u>268,859,282</u>	<u>(4,866,975)</u>	<u>263,992,307</u>	
<b>Change in net position</b>	<b>20,351,762</b>	<b>66,816,169</b>	<b>87,167,931</b>	
Net position, beginning of year, revised (Note 22)	<u>325,051,753</u>	<u>903,970,348</u>	<u>1,229,022,101</u>	
Net position, ending of year	<u>\$ 345,403,515</u>	<u>\$ 970,786,517</u>	<u>\$ 1,316,190,032</u>	

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

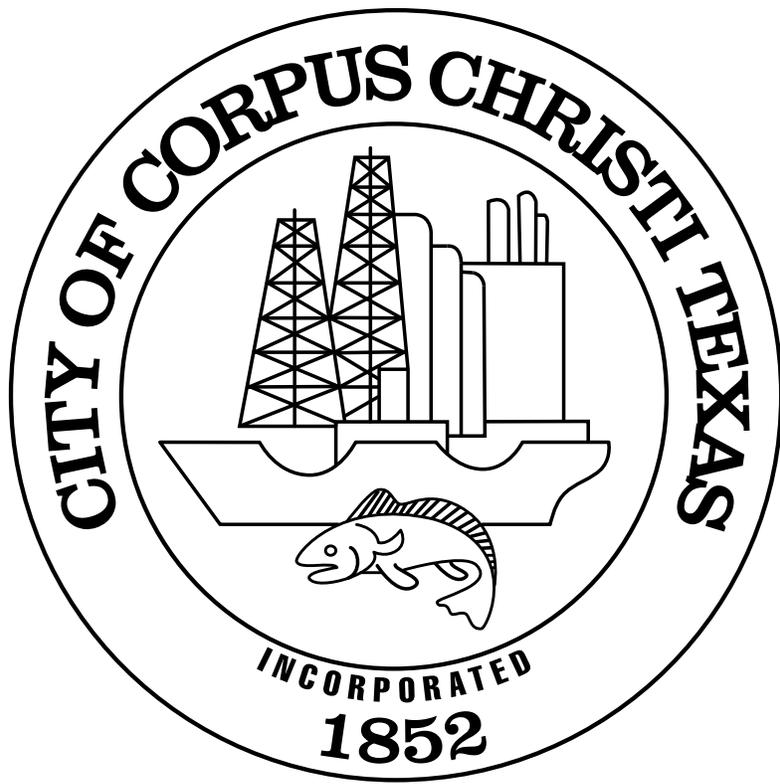
**City of Corpus Christi**

**GOVERNMENTAL FUNDS  
BALANCE SHEET  
SEPTEMBER 30, 2017**

	<b>General</b>	<b>Debt Service</b>	<b>Street Capital Projects</b>
<b>Assets</b>			
Cash, cash equivalents and investments (Note 5)	\$ 62,769,977	\$ 11,837,620	\$ 131,288,589
Receivables (Note 7)	20,439,515	1,456,787	2,874,602
Due from other funds	-	-	-
Inventories	-	-	-
Prepaid items	9,334	-	-
Advances to other funds (Note 15)	655,910	-	-
Total assets	\$ 83,874,736	\$ 13,294,407	\$ 134,163,191
<b>Liabilities</b>			
Accounts payable	\$ 3,908,876	\$ -	\$ 6,114,081
Accrued liabilities	11,702,309	-	-
Contractor interest and retainage payable	7,830,930	-	-
Deposits	373,556	-	353,400
Liability to claimants - escheat property	110,959	-	-
Due to other funds	295	-	-
Due to other governmental agencies	505,020	-	-
Unearned revenues	113	-	25,000
Total liabilities	24,432,058	-	6,492,481
<b>Deferred inflows of resources</b>			
Unavailable revenue-property taxes	1,979,036	1,205,655	-
Unavailable revenue - Contributions and donations	-	-	2,309,694
Unavailable revenue - Other	146,291	-	-
Total deferred inflows of resources	2,125,327	1,205,655	2,309,694
<b>Fund balances</b>			
Nonspendable	665,244	-	-
Restricted	553,012	12,088,752	120,943,888
Committed	-	-	4,216,104
Assigned	2,867,602	-	201,024
Unassigned	53,231,493	-	-
Total fund balances	57,317,351	12,088,752	125,361,016
Total liabilities, deferred inflows of resources, and fund balances	\$ 83,874,736	\$ 13,294,407	\$ 134,163,191

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

<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 180,292,232	\$ 386,188,418
24,260,908	49,031,812
295	295
299,364	299,364
201,825	211,159
-	655,910
<u>\$ 205,054,624</u>	<u>\$ 436,386,958</u>
\$ 12,839,094	\$ 22,862,051
271,966	11,974,275
-	7,830,930
591,473	1,318,429
-	110,959
-	295
78,391	583,411
2,210,331	2,235,444
<u>15,991,255</u>	<u>46,915,794</u>
-	3,184,691
20,000	2,329,694
-	146,291
<u>20,000</u>	<u>5,660,676</u>
501,187	1,166,431
153,012,130	286,597,782
25,292,251	29,508,355
10,237,801	13,306,427
-	53,231,493
<u>189,043,369</u>	<u>383,810,488</u>
<u>\$ 205,054,624</u>	<u>\$ 436,386,958</u>



**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2017**

<b>Total fund balance - governmental funds</b>	<b>\$</b>	<b>383,810,488</b>
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 \$1,186,977,257 and the accumulated depreciation is \$475,076,188.		
		711,901,069
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	\$ 2,329,694	
Unavailable - Property Taxes	3,184,691	
Unavailable - Other	146,291	5,660,676
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.		
		16,401,042
Internal service funds allocated to business-type activities		
		4,238,802
Deferred inflows and outflows are not reported in the funds.		
Unamortized loss on refunded debt	\$ 10,109,269	
Deferred outflows related to pension liability	50,374,461	
Deferred inflows related to pension liability	(4,265,509)	
Unamortized gain on refunded debt	(148,818)	56,069,403
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	\$ (1,677,119)	
Long-term debt	(537,549,257)	
Accumulated compensated absences	(33,961,845)	
Net pension liability	(242,369,363)	
Landfill closure costs	(17,120,381)	(832,677,965)
<b>Net position of governmental activities</b>	<b>\$</b>	<b><u>345,403,515</u></b>

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, 2017**

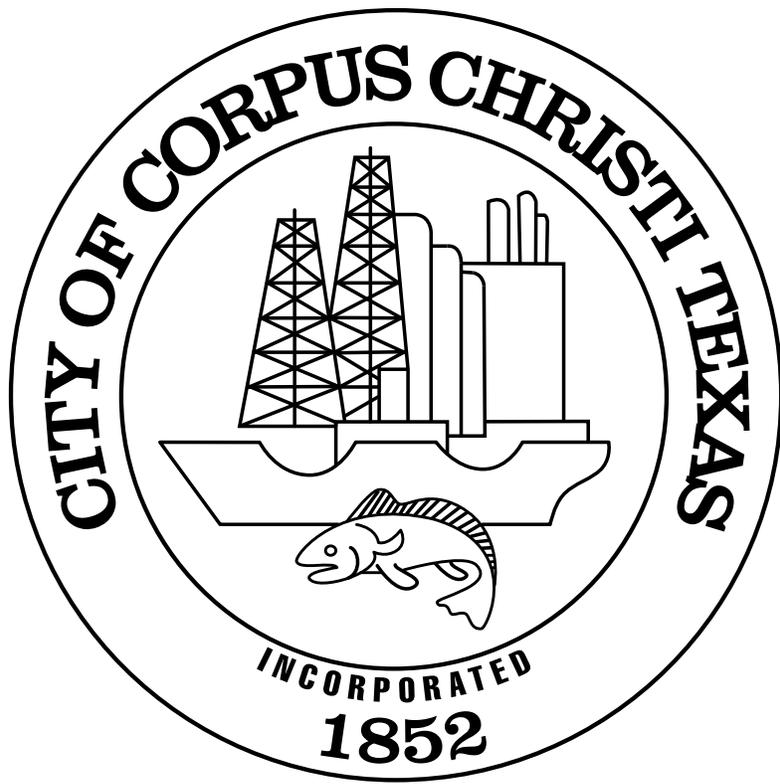
	<b>General</b>	<b>Debt Service</b>	<b>Street Capital Projects</b>
<b>Revenues</b>			
Taxes and business fees	\$ 152,732,621	\$ 42,350,760	\$ -
Licenses and permits	2,211,041	-	-
Intergovernmental	-	-	-
Grants	373,871	-	-
Charges for services	56,145,071	-	-
Fines and forfeitures	4,942,327	-	-
Contributions and donations	-	-	2,684,622
Special assessments	-	-	83,788
Earnings on investments	547,321	153,428	1,013,062
Interest on loans	-	-	-
Miscellaneous	666,559	-	81,000
Total revenues	217,618,811	42,504,188	3,862,472
<b>Expenditures</b>			
Current			
General government	16,617,621	-	1,578,988
Police and municipal court	77,607,232	-	-
Fire and ambulance	53,396,517	-	-
Emergency management	511,325	-	-
Streets	4,535,644	-	-
Solid waste	20,992,432	-	-
Health	2,834,390	-	-
Parks and recreation	13,504,035	-	-
Libraries	4,045,116	-	-
Museums	1,456,071	-	-
Community enrichment	-	-	-
Community development	-	-	-
Convention and visitors activities	-	-	-
Capital projects	2,679,143	-	38,969,159
Debt service			
Principal retirement	4,329,442	29,991,781	-
Interest	272,538	18,221,757	-
Bond issue cost	-	39,483	-
Paying agent fees	-	12,660	-
Total expenditures	202,781,506	48,265,681	40,548,147
Excess (deficiency) of revenues over (under) expenditures	14,837,305	(5,761,493)	(36,685,675)
<b>Other financing sources (uses)</b>			
Capital leases	2,221,124	-	-
Sale of City property	298,316	-	-
Certificate of obligation bonds issued	-	-	2,190,449
Refunding bonds issued	-	4,362,231	-
Premium on refunding bonds issued	-	47,804	-
Payment to escrow agent for refunded bonds	-	(4,362,428)	-
Transfers in (Note 15)	7,155,675	4,885,605	590,758
Transfers out (Note 15)	(20,099,553)	-	-
Total other financing sources (uses)	(10,424,438)	4,933,212	2,781,207
Net change in fund balances	4,412,867	(828,281)	(33,904,468)
Fund balances, beginning of year	52,904,484	12,917,033	159,265,484
Fund balances, end of year	\$ 57,317,351	\$ 12,088,752	\$ 125,361,016

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

City of Corpus Christi

Exhibit 2-C

	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$	51,679,031	\$ 246,762,412
	5,599,516	7,810,557
	3,468,552	3,468,552
	15,561,208	15,935,079
	17,272,699	73,417,770
	1,233,733	6,176,060
	1,370,907	4,055,529
	-	83,788
	1,154,169	2,867,980
	47,815	47,815
	681,891	1,429,450
	<u>98,069,521</u>	<u>362,054,992</u>
	5,797,683	23,994,292
	10,183,633	87,790,865
	5,552,352	58,948,869
	217,292	728,617
	33,354,776	37,890,420
	-	20,992,432
	2,024,349	4,858,739
	4,302,543	17,806,578
	952	4,046,068
	-	1,456,071
	2,839,997	2,839,997
	6,718,621	6,718,621
	15,194,337	15,194,337
	19,830,226	61,478,528
	8,017,139	42,338,362
	2,605,998	21,100,293
	61,900	101,383
	7,694	20,354
	<u>116,709,492</u>	<u>408,304,826</u>
	(18,639,971)	(46,249,834)
	176,604	2,397,728
	2,624,261	2,922,577
	2,500,000	4,690,449
	-	4,362,231
	-	47,804
	-	(4,362,428)
	16,366,371	28,998,409
	<u>(3,272,206)</u>	<u>(23,371,759)</u>
	<u>18,395,030</u>	<u>15,685,011</u>
	(244,941)	(30,564,823)
	<u>189,288,310</u>	<u>414,375,311</u>
\$	<u>189,043,369</u>	<u>\$ 383,810,488</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, 2017**

<b>Net change in fund balances - governmental funds</b>	<b>\$(30,564,823)</b>
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 exceed depreciation in the current period:	
Capital outlays	\$ 61,478,528
Depreciation	(26,541,017)
Assets retired	(2,150,261)
	32,787,250
Revenue in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	(2,276,374)
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 exceeded repayment.	
Bond proceeds	\$ (4,690,449)
Refunding bonds issued	(4,362,231)
Payment to escrow agent for refunded bonds	4,362,428
Capital leases	(2,397,728)
Principal retirement	42,338,360
Interest	3,040,199
	38,290,579
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.	425,214
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 decreased in the current fiscal year.	(2,080,413)
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.	(4,845,946)
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.	(9,747,841)
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.	(1,635,884)
<b>Change in net position of governmental activities</b>	<b><u><u>\$ 20,351,762</u></u></b>

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, 2017**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes and business fees	\$ 153,783,647	\$ 153,783,647	\$ 152,732,621	\$ -
Licenses and permits	1,916,692	1,916,692	2,211,041	-
Grants	370,046	442,046	373,871	-
Charges for services	57,423,523	57,484,523	56,145,071	-
Fines and forfeitures	4,159,876	4,159,876	4,942,327	-
Earnings on investments	122,400	122,400	547,321	-
Miscellaneous	882,710	961,356	666,559	-
Reimbursements	5,440,160	5,440,160	-	5,416,526
Total revenues	<u>224,099,054</u>	<u>224,310,700</u>	<u>217,618,811</u>	<u>5,416,526</u>
<b>Expenditures</b>				
Current				
General government	24,841,390	23,842,059	16,617,620	1,440,636
Police and municipal court	79,529,058	80,510,336	77,951,389	1,571,933
Fire and ambulance	53,617,380	54,833,288	54,076,923	607,285
Emergency management	459,235	459,235	511,325	-
Streets	3,928,289	4,183,113	4,535,644	-
Solid waste	26,160,690	27,308,857	22,392,296	4,223,346
Health	3,454,845	3,558,509	2,834,390	66,705
Parks and recreation	18,045,849	18,743,155	13,758,751	2,441,659
Libraries	4,129,262	4,256,405	4,045,116	-
Museums	1,058,696	1,353,045	1,456,071	-
Debt service				
Principal retirement	-	-	4,329,442	(4,329,442)
Interest	-	-	272,538	(272,538)
Total expenditures	<u>215,224,694</u>	<u>219,048,002</u>	<u>202,781,505</u>	<u>5,749,584</u>
Excess (deficiency) of revenues over (under) expenditures	8,874,360	5,262,698	14,837,306	(333,058)
<b>Other financing sources (uses)</b>				
Capital leases	-	-	2,221,124	(2,221,124)
Sale of City property	-	-	298,316	-
Transfers in (Note 15)	6,887,611	6,887,611	7,155,675	-
Transfers out (Note 15)	(15,761,971)	(16,626,791)	(20,099,553)	2,554,182
Total other financing sources (uses)	<u>(8,874,360)</u>	<u>(9,739,180)</u>	<u>(10,424,438)</u>	<u>333,058</u>
Net change in fund balance	-	(4,476,482)	4,412,868	-
Fund balance, beginning of year	<u>42,935,521</u>	<u>52,904,483</u>	<u>52,904,483</u>	<u>-</u>
Fund balance, end of year	<u>\$ 42,935,521</u>	<u>\$ 48,428,001</u>	<u>\$ 57,317,351</u>	<u>\$ -</u>

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

**Actual Budget Basis      Variance with Final Budget**

\$ 152,732,621	\$ (1,051,026)
2,211,041	294,349
373,871	(68,175)
56,145,071	(1,339,452)
4,942,327	782,451
547,321	424,921
666,559	(294,797)
5,416,526	(23,634)
<u>223,035,337</u>	<u>(1,275,363)</u>

18,058,256	5,783,803
79,523,322	987,014
54,684,208	149,080
511,325	(52,090)
4,535,644	(352,531)
26,615,642	693,215
2,901,095	657,414
16,200,410	2,542,745
4,045,116	211,289
1,456,071	(103,026)

-	-
-	-
<u>208,531,089</u>	<u>10,516,913</u>

14,504,248	9,241,550
------------	-----------

-	-
298,316	298,316
7,155,675	268,064
<u>(17,545,371)</u>	<u>(918,580)</u>
<u>(10,091,380)</u>	<u>(352,200)</u>

4,412,868	8,889,350
52,904,483	-
<u>\$ 57,317,351</u>	<u>\$ 8,889,350</u>

**PROPRIETARY FUND  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2017**

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
<b>Assets</b>				
Current assets				
Cash, cash equivalents and investments (Note 5)	\$ 155,779,985	\$ 2,916,174	\$ 158,696,159	\$ 50,706,045
Receivables (Note 7)	29,301,846	8,998,478	38,300,324	146,616
Inventories	757,650	27,760	785,410	1,469,556
Prepaid items	-	-	-	1,141,049
Restricted assets				
Cash and cash equivalents (Note 5)	-	4,303	4,303	-
Total current assets	<u>185,839,481</u>	<u>11,946,715</u>	<u>197,786,196</u>	<u>53,463,266</u>
Noncurrent assets				
Restricted assets				
Cash, cash equivalents and investments (Note 5)	174,098,047	3,875,887	177,973,934	-
Receivables, net of allowance for uncollectibles (Note 7)	-	164,490	164,490	-
Total noncurrent restricted assets	<u>174,098,047</u>	<u>4,040,377</u>	<u>178,138,424</u>	<u>-</u>
Other assets				
Capital assets (Note 8)	-	-	-	49,871
Land, construction in progress, and water supply rights				
Capital assets, being depreciated	500,144,369	18,983,856	519,128,225	922,438
Net capital assets	<u>987,168,592</u>	<u>137,813,195</u>	<u>1,124,981,787</u>	<u>12,090,310</u>
Total noncurrent assets	<u>1,661,411,008</u>	<u>160,837,428</u>	<u>1,822,248,436</u>	<u>13,062,619</u>
Total assets	<u>1,847,250,489</u>	<u>172,784,143</u>	<u>2,020,034,632</u>	<u>66,525,885</u>
<b>Deferred outflows of resources:</b>				
Unamortized loss on refunded debt	9,708,067	405,611	10,113,678	-
Deferred outflows related to pension liability (Note 9)	10,225,361	1,506,404	11,731,765	5,089,085
Total deferred outflows of resources	<u>19,933,428</u>	<u>1,912,015</u>	<u>21,845,443</u>	<u>5,089,085</u>

(Continued)

**City of Corpus Christi**

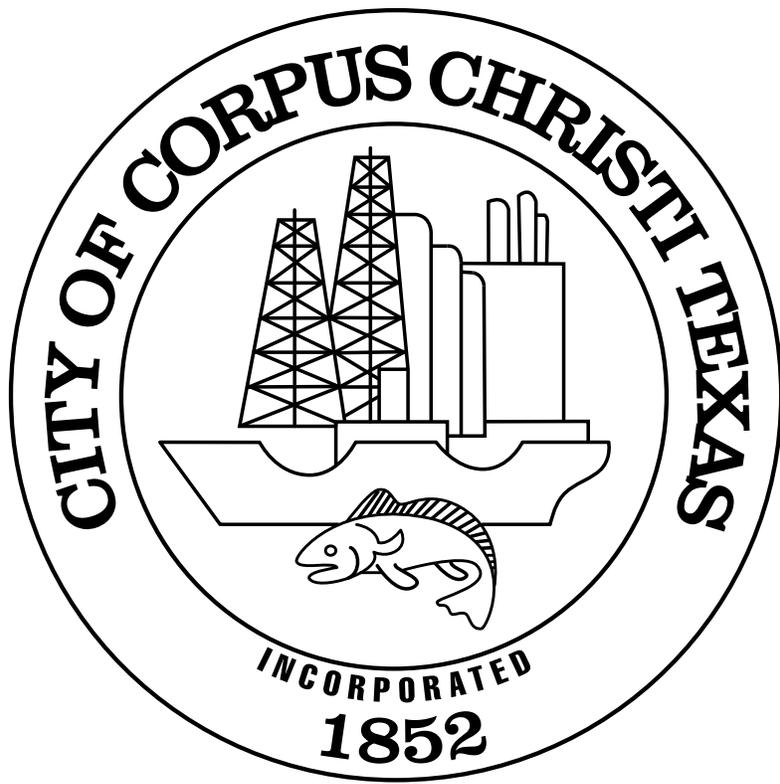
**Exhibit 4-A  
(Continued)**

**STATEMENT OF NET POSITION**

**SEPTEMBER 30, 2017**

	<b>Enterprise Funds</b>			<b>Internal Service Funds</b>
	<b>Utility System Fund</b>	<b>Other Enterprise Funds</b>	<b>Total</b>	
<b>Liabilities</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 18,528,849	\$ 3,187,655	\$ 21,716,504	\$ 1,507,674
Accrued liabilities	700,000	-	700,000	96,725
Accrued interest	8,348,942	89,298	8,438,240	-
Current portion of estimated liability claims (Note 11)	-	-	-	7,652,004
Contractor interest and retainage payable	2,381	-	2,381	-
Deposits	2,659,628	191,075	2,850,703	3,388
Liability to claimants - escheat property	121,824	-	121,824	21,081
Advance from other funds	-	93,701	93,701	-
Unearned revenues	16,204	432,156	448,360	1,467
Current portion of long-term liabilities (Note 13)				
Long-term debt	44,755,517	1,745,000	46,500,517	755,686
Accumulated unpaid compensated absences	2,041,064	321,165	2,362,229	1,146,097
Total current liabilities	<u>77,174,409</u>	<u>6,060,050</u>	<u>83,234,459</u>	<u>11,184,122</u>
<b>Noncurrent liabilities</b>				
Liabilities payable from restricted assets				
Deposits	520,000	-	520,000	-
Estimated liability claims, net of current portion (Note )	-	-	-	10,185,288
Long-term liabilities, net of current portion (Note 13)				
Advances from other funds (Note 15)	-	562,210	562,210	-
Long-term debt	899,984,684	26,898,032	926,882,716	1,138,161
Accumulated unpaid compensated absences	430,353	62,968	493,321	685,760
Net pension liability (Note 9)	46,154,374	6,613,323	52,767,697	22,634,743
Net OPEB obligation (Note 10)	582,716	100,325	683,041	9,010,793
Total noncurrent liabilities	<u>947,672,127</u>	<u>34,236,858</u>	<u>981,908,985</u>	<u>43,654,745</u>
Total liabilities	<u>1,024,846,536</u>	<u>40,296,908</u>	<u>1,065,143,444</u>	<u>54,838,867</u>
<b>Deferred inflows of resources</b>				
Deferred inflows related to pension liability (Note 9)	726,068	116,484	842,552	375,060
Unamortized gain on refunded debt (Note )	868,760	-	868,760	-
Total deferred inflows of resources	<u>1,594,828</u>	<u>116,484</u>	<u>1,711,312</u>	<u>375,060</u>
<b>Net position</b>				
Net investment in capital assets	705,081,553	129,783,351	834,864,904	11,118,899
Restricted for				
Passenger facility charges projects	-	2,753,356	2,753,356	-
Bond interest and redemption	9,825,843	-	9,825,843	-
Improvements to utility lines and facilities	6,511,253	-	6,511,253	-
Abatement of public health hazards	96,826	-	96,826	-
Law enforcement	-	5,485	5,485	-
Unrestricted	119,227,078	1,740,574	120,967,652	5,282,144
Total net position	<u>\$ 840,742,553</u>	<u>\$ 134,282,766</u>	<u>975,025,319</u>	<u>\$ 16,401,043</u>
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time			<u>(4,238,802)</u>	
Net position of business-type activities			<u>\$ 970,786,517</u>	

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



STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
 PROPRIETARY FUNDS  
 SEPTEMBER 30, 2017

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
<b>Operating revenues</b>				
Charges for services	\$ 241,055,927	\$ 10,569,507	\$ 251,625,434	\$ 74,055,210
<b>Operating expenses</b>				
Personnel services	38,931,729	5,623,089	44,554,818	19,657,209
Materials, supplies and contractual services	70,994,420	2,603,968	73,598,388	18,717,848
Other operating expenses	22,659,844	987,603	23,647,447	3,003,528
Uncollectible accounts	1,720,916	56,718	1,777,634	3,478
Depreciation	36,395,878	6,393,648	42,789,526	3,710,760
Self-insurance claims	-	-	-	34,707,072
Other post employment benefits (Note 10)	-	-	-	638,618
Total operating expenses	<u>170,702,787</u>	<u>15,665,026</u>	<u>186,367,813</u>	<u>80,438,513</u>
Operating income (loss)	70,353,140	(5,095,519)	65,257,621	(6,383,303)
<b>Nonoperating revenues (expenses)</b>				
Investment income	2,657,671	86,393	2,744,064	347,694
Interest expense and fiscal charges	(28,224,004)	(985,585)	(29,209,589)	(72,880)
Bond issue costs	(1,477,063)	-	(1,477,063)	-
Passenger facility charges	-	1,312,008	1,312,008	-
Customer facility charges	-	900,973	900,973	-
Net gain (loss) on disposal of city property	254,130	14,818	268,948	154,819
Mineral rights	5,975,465	16,316	5,991,781	-
Recovery of damage claims	3,229	95,734	98,963	390,576
Developer deposits	1,190,127	-	1,190,127	-
Reimbursement to developers	(812,321)	-	(812,321)	-
Contributions from other governmental agencies	1,268,841	1,799	1,270,640	-
Total nonoperating revenues (expenses)	<u>(19,163,925)</u>	<u>1,442,456</u>	<u>(17,721,469)</u>	<u>820,209</u>
Changes in net position before capital contributions and transfers	51,189,215	(3,653,063)	47,536,152	(5,563,094)
<b>Capital contributions</b>				
Contributions from other governmental agencies	1,568,074	12,798,125	14,366,199	-
Contributions from developers	14,073,344	-	14,073,344	-
Contributions from others	31,853	362,482	394,335	-
Total capital contributions	<u>15,673,271</u>	<u>13,160,607</u>	<u>28,833,878</u>	<u>-</u>
<b>Transfers in (out)</b>				
Transfers in (Note 15)	-	54,266	54,266	2,823,274
Transfers out (Note 15)	(7,274,430)	(390,872)	(7,665,302)	(838,888)
Total transfers	<u>(7,274,430)</u>	<u>(336,606)</u>	<u>(7,611,036)</u>	<u>1,984,386</u>
Change in net position	59,588,056	9,170,938	68,758,994	(3,578,708)
Net position, beginning of year	<u>781,154,497</u>	<u>125,111,828</u>		<u>19,979,751</u>
Net position, end of year	<u>\$ 840,742,553</u>	<u>\$ 134,282,766</u>		<u>\$ 16,401,043</u>
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds			<u>(1,942,825)</u>	
Change in net position of business-type activities			<u>\$ 66,816,169</u>	

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

**PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
YEAR ENDED SEPTEMBER 30, 2017**

	<u>Enterprise Funds</u>			<u>Internal Service Funds</u>
	<u>Utility System Fund</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	
<b>Cash from operating activities:</b>				
Receipts from customers	\$ 237,993,073	\$ 10,760,042	\$ 248,753,115	\$ 10,203,292
Receipts from interfund services provided	935,011	-	935,011	74,555,471
Payments to suppliers	(62,970,203)	(2,881,123)	(65,851,326)	(27,904,583)
Payments to employees	(33,663,383)	(4,877,530)	(38,540,913)	(17,116,356)
Internal activity - payments (to) from other funds	(29,681,500)	(1,402,055)	(31,083,555)	(5,135,650)
Claims paid	-	-	-	(36,954,792)
Other receipts	-	-	-	390,576
Net cash provided (used) by operating activities	<u>112,612,998</u>	<u>1,599,334</u>	<u>114,212,332</u>	<u>(1,962,042)</u>
<b>Cash from noncapital financing activities:</b>				
Payment on advance from other funds	-	(83,696)	(83,696)	-
Contributions from other governmental agencies	604,172	1,799	605,971	-
Transfers in from other funds	-	54,266	54,266	196,014
Transfers out to other funds	(7,274,504)	(390,872)	(7,665,376)	(934,902)
Mineral rights	-	16,316	16,316	-
Net cash used by noncapital financing activities	<u>(6,670,332)</u>	<u>(402,187)</u>	<u>(7,072,519)</u>	<u>(738,888)</u>
<b>Cash from capital and related financing activities:</b>				
Acquisition of capital assets	(78,844,861)	(11,580,842)	(90,425,703)	(3,619,117)
Proceeds from sale/disposal of city property	346,556	14,818	361,374	171,136
Developers deposits	1,190,127	-	1,190,127	-
Capital contributions	-	373,271	373,271	-
Reimbursements to developers	(1,043,449)	-	(1,043,449)	-
Contributions from other governmental agencies	2,566,650	4,026,459	6,593,109	-
Passenger facility charges	-	1,216,557	1,216,557	-
Customer facility charges	-	885,222	885,222	-
Transfers in from other funds for capital acquisition	-	-	-	2,723,274
Principal paid on long-term debt	(43,805,278)	(1,690,000)	(45,495,278)	(707,889)
Interest expense and fiscal charges	(42,692,986)	(1,098,225)	(43,791,211)	(72,880)
Recovery on damage claims	3,229	95,734	98,963	-
Bond issue costs	(137,160)	-	(137,160)	-
Net cash used by capital and related financing activities	<u>(162,417,172)</u>	<u>(7,757,006)</u>	<u>(170,174,178)</u>	<u>(1,505,476)</u>
<b>Cash from investing activities:</b>				
Interest on investments	<u>2,657,840</u>	<u>86,393</u>	<u>2,744,233</u>	<u>347,694</u>
Net decrease in cash, cash equivalents and investments	(53,816,666)	(6,473,466)	(60,290,132)	(3,858,712)
Cash, cash equivalents and investments at beginning of year, including restricted accounts	<u>383,694,698</u>	<u>13,269,830</u>	<u>396,964,528</u>	<u>54,564,757</u>
Cash, cash equivalents and investments at end of year, including restricted accounts	<u>329,878,032</u>	<u>6,796,364</u>	<u>336,674,396</u>	<u>50,706,045</u>

(Continued)

City of Corpus Christi

Exhibit 4-C  
(Continued)

PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
YEAR ENDED SEPTEMBER 30, 2017

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities</b>				
Operating income (loss)	70,353,140	(5,095,519)	65,257,621	(6,383,303)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	36,395,878	6,393,648	42,789,526	3,710,760
Provision for uncollectible accounts	1,720,917	56,718	1,777,635	3,478
Recovery of damage claims	-	-	-	390,576
Changes in assets, liabilities, and deferred outflows and inflows				
Receivables	(2,925,435)	(177,043)	(3,102,478)	(26,937)
Inventory	141,060	3,157	144,217	25,976
Prepaid items	-	-	-	(12,242)
Deferred outflows of resources	1,693,961	240,014	1,933,975	745,308
Accounts payable	3,593,988	165,408	3,759,396	504,607
Accrued expenses	700,000	-	700,000	90,723
Deposits	797,594	39,383	836,977	-
Unearned revenue	-	(24,330)	(24,330)	365
Accumulated unpaid compensated absences	187,892	2,149	190,041	144,266
Net pension liability	72,610	10,786	83,396	37,508
Net OPEB obligation	(33,571)	(2,405)	(35,976)	(1,383,141)
Liability to claimants - escheat property	(1)	-	(1)	235
Estimated claims liability	-	-	-	233,709
Deferred inflows of resources	(85,034)	(12,632)	(97,666)	(43,930)
Net cash provided (used) by operating activities:	<u>112,612,999</u>	<u>1,599,334</u>	<u>114,212,333</u>	<u>(1,962,042)</u>
<b>Noncash investing, capital and financing activities</b>				
Contribution of capital assets	(5,432,620)	-	(5,432,620)	-
Reimbursements to developers accrued but not paid	(151,381)	-	(151,381)	-
Acquisition of capital assets under capital lease	910,928	-	910,928	229,013
Acquisition of capital assets accrued but not paid	5,794,899	2,954,599	8,749,498	-
Bond refunding	94,727,337	-	94,727,337	-
Bond issue costs	1,294,784	-	1,294,784	-
Change in accrued non-operating revenue receivables	923,609	(8,676,185)	(7,752,576)	-
Mineral rights	(5,975,464)	-	(5,975,464)	-
Capitalized interest cost	7,948,845	87,331	8,036,176	-
Transfer to realign bonds at refunding	\$ (6)	\$ -	\$ (6)	\$ -

**FIDUCIARY FUNDS  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2017**

	<b>Firefighters' Retirement System (1)</b>	<b>Private Purpose Trust Fund</b>
<b>Assets</b>		
Current assets		
Cash and cash equivalents (Note 5)	\$ 1,132,176	\$ 26,288
Investments (Note 5)		
Common and preferred stocks	47,691,966	-
US Government securities	31,497,394	-
Mutual funds	21,497,367	-
Mutual funds - real estate	16,512,871	-
Corporate bonds and notes	15,045,825	-
Total investments	132,245,423	-
Receivables		
Contributions	474,147	-
Interest	275,943	-
Other	3,108	-
Net receivables	753,198	-
Capital assets		
Furniture and equipment, net of accumulated depreciation	2,503	-
Total assets	134,133,300	26,288
<b>Liabilities</b>		
Accounts payable	\$ 122,493	\$ -
Benefits payable	109,176	-
Total liabilities	231,669	-
<b>Net position</b>		
Held in trust for pension benefits	133,901,631	-
Held in trust for individuals and organizations	-	26,288
Total net position	\$ 133,901,631	\$ 26,288

(1) Firefighters' Retirement System financial statements are as of December 31, 2016

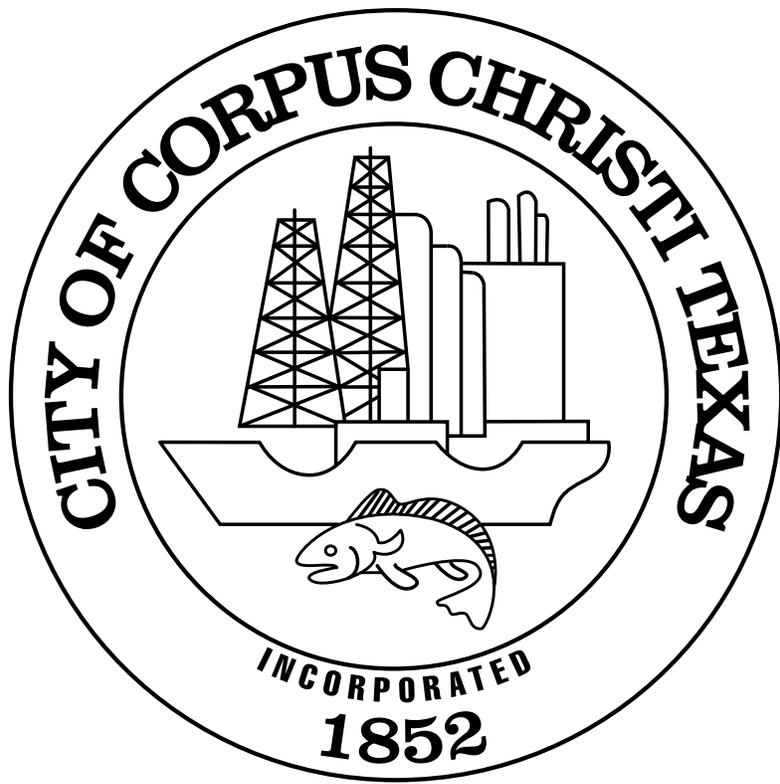
The notes to the financial statements are an integral part of this statement.

**FIDUCIARY FUNDS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**YEAR ENDED SEPTEMBER 30, 2017**

	<b>Firefighters' Retirement System (1)</b>	<b>Private Purpose Trust Fund</b>
<b>Additions</b>		
Contributions:		
Employer contributions	\$ 6,562,993	\$ -
Employee contributions	4,137,400	-
Other contributions	-	1,230
Total contributions:	10,700,393	1,230
Investment income		
Interest	1,392,209	191
Dividends	1,362,432	-
Net realized and unrealized gains (losses) on investments	5,203,094	-
Total investment income	7,957,735	191
Less: investment expenses	(456,800)	-
Total additions	18,201,328	1,421
<b>Deductions</b>		
Benefits	13,939,684	-
Administrative expenses	257,440	-
Refund of contributions	116,376	-
Total deductions	14,313,500	-
Net increase (decrease)	3,887,828	1,421
Net position, beginning of year	130,013,803	24,867
Net position, end of year	\$ 133,901,631	\$ 26,288

(1) Firefighters' Retirement System financial statements are as of December 31, 2016.

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 if it were part of the primary government because its primary purpose is to issue revenue bonds to finance major capital improvements on behalf of the City.

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, 2016, 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 City’s investments managed through overnight local government investment pools are recorded at either net asset value (which is based on amortized cost) or at amortized cost. The City reports money market investments at amortized cost. Debt securities are reported at amortized cost if they have an original maturity of less than 365 days at the time of purchase. Amortization of premium or accretion of discount is recorded over the term of the investments. The City values its investments in debt securities with an original maturity of greater than 365 days at the time of purchase at fair value based on interest rate curves and credit spreads applied to the terms of the debt security (maturity and coupon interest rate) and considering the counterparty credit rating. 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 at the date of purchase 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 funds, 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. Interest incurred during the construction phase of capital assets of enterprise funds are included as part of the capitalized value of the assets constructed. Interest capitalized was netted with interest expense on bonds. City policy has set the capitalization threshold for reporting capital assets at \$5,000. Contributed assets are recorded at acquisition value as of the acquisition date. 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 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. It includes City contributions to the retirement systems contributed subsequent to the measurement date of the net pension liabilities, and changes of assumptions and differences between projected and actual investment earnings which are amortized over subsequent accounting periods (Footnote 9).

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 includes the difference between expected and actual experience and differences between projected and actual investment earnings which are amortized over subsequent accounting periods (Footnote 9).

### **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 revenues received from 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-asyou-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, TX**

**Fund Balance Summary**

A summary of the nature and purpose of governmental fund balances at September 30, 2017, is as follows:

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Street Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Nonspendable</b>					
Inventory	\$ -	\$ -	\$ -	\$ 299,364	\$ 299,364
Prepaid items	9,334	-	-	201,824	211,158
Advances to other funds	655,910	-	-	-	655,910
<b>Total nonspendable</b>	<b>665,244</b>	<b>-</b>	<b>-</b>	<b>501,188</b>	<b>1,166,432</b>
<b>Restricted</b>					
Vital statistic record retention	382,150	-	-	-	382,150
Municipal and Juvenile Court					
Municipal Court building security	-	-	-	152,296	152,296
Municipal Court technology	-	-	-	220,492	220,492
Judicial Court improvements	82,580	-	-	78,069	160,649
Juvenile Court case manager	-	-	-	269,513	269,513
Fire contribution trust	5,585	-	-	-	5,585
PEG equipment and facilities	31,727	-	-	2,034,845	2,066,572
Tourism (HOT)	-	-	-	6,363,396	6,363,396
Traffic safety programs	-	-	-	589,741	589,741
Law enforcement	50,970	-	-	3,991,000	4,041,970
Fire and ambulance	-	-	-	50,127	50,127
CDBG projects	-	-	-	466,626	466,626
Health	-	-	-	3,719	3,719
Libraries	-	-	-	28	28
Parks and recreation	-	-	-	10,036,135	10,036,135
Infrastructure	-	-	-	1,441,665	1,441,665
Loans and Housing	-	-	-	13,678,397	13,678,397
Industrial development	-	-	-	68,775	68,775
Business and job development					
Sewall improvement	-	-	-	44,449,666	44,449,666
Arena facility	-	-	-	23,615,243	23,615,243
Economic development	-	-	-	13,587,005	13,587,005
Tax increment zone improvements					
North Padre Island development	-	-	-	11,082,668	11,082,668
Downtown development	-	-	-	3,626,061	3,626,061
Debt service	-	12,088,752	-	-	12,088,752
Capital projects	-	-	120,943,888	17,206,664	138,150,552
<b>Total restricted</b>	<b>553,012</b>	<b>12,088,752</b>	<b>120,943,888</b>	<b>153,012,131</b>	<b>286,597,783</b>
<b>Committed</b>					
Parking improvements	-	-	-	259,138	259,138
Streets	-	-	-	21,603,593	21,603,593
Health	-	-	-	1,156,020	1,156,020
Sister city programs	-	-	-	9	9
Park projects	-	-	-	1,073,548	1,073,548
Local emergency planning committee	-	-	-	82,231	82,231
Capital projects	-	-	4,216,104	1,117,712	5,333,816
<b>Total committed</b>	<b>-</b>	<b>-</b>	<b>4,216,104</b>	<b>25,292,251</b>	<b>29,508,355</b>
<b>Assigned</b>					
City Manager severance	168,547	-	-	-	168,547
Visitors facilities	-	-	-	4,501,931	4,501,931
Development services	-	-	-	5,735,870	5,735,870
Subsequent year's expenditures	2,695,362	-	-	-	2,695,362
Arts and Cultural Commission	3,694	-	-	-	3,694
Capital projects	-	-	201,024	-	201,024
<b>Total assigned</b>	<b>2,867,603</b>	<b>-</b>	<b>201,024</b>	<b>10,237,801</b>	<b>13,306,428</b>
<b>Unassigned</b>					
	53,231,493	-	-	-	53,231,493
<b>Total fund balances</b>	<b>\$ 57,317,352</b>	<b>\$ 12,088,752</b>	<b>\$ 125,361,016</b>	<b>\$ 189,043,371</b>	<b>\$ 383,810,491</b>

**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 \$42,963,519 and is classified as unassigned resources.

**P. New Accounting Pronouncements**

**Pronouncements which have been implemented**

Statement No. 77, "Tax Abatement Disclosures" – This statement requires governments that enter into tax abatement agreements to provide certain disclosures regarding these commitments. The City has implemented GASB 77 in this annual report and added additional disclosures in the notes to the financial statements.

Statement No. 80, "Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14" – This statement will enhance the comparability of financial statements among governments. The City has implemented GASB 80 in this annual report, however it had no impact on the financial statements.

Statement No. 82, "Pension Issues" – This statement will improve financial reporting by enhancing the consistency in the application of financial reporting requirements to certain pension issues. The City has implemented GASB 82 in this annual report, however it had no impact on the financial statements.

**Pronouncements which will be implemented in future reporting periods**

The following pronouncements will become effective in future reporting periods. City management has not determined their impact, though the impact of Statement No. 75 is expected to be significant.

Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" – This statement changes the focus of accounting of 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. This statement will become effective for the City in fiscal year 2018.

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. 85, "Omnibus 2017". This statement will enhance consistency in the application of accounting and financial reporting requirements. This statement will become effective for the City in fiscal year 2018.

Statement No. 86, "Certain Debt Extinguishment Issues". This statement will increase 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. This statement will become effective for the City in fiscal year 2018.

Statement No. 87, "Leases". This statement increases the usefulness of governments' 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.

## **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, reimbursements are accounted for as revenues rather than reductions of expenditures, and the transfer to the Debt Service Fund for landfill-related debt is budgeted as a Solid Waste departmental expense. 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.

## City of Corpus Christi, TX

The 2016-2017 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 \$218,910,795 in additional taxes for voter approved tax supported obligations, based on the assessed valuation of \$20,382,453,858 and a debt margin of \$1.074016 calculated on 98% 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 \$32,346,699 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, 2017, the City had the following cash, cash equivalents and investments:

<u>Type</u>		<u>Weighted Average Maturity (Years)</u>	<u>Fair Value Hierarchy</u>	<u>Credit Rating (S &amp; P)</u>
<b>Investments measured at fair value:</b>				
Federal Agency Coupon Securities	\$ 440,348,977	0.902	Level 2	AAA
Federal Agency Coupon Securities	39,983,894	1.130	Level 2	No rating
<b>Investments measured at amortized cost:</b>				
Federal Agency Coupon Securities	28,559,972	0.463		AAA
Federal Agency Coupon Securities	10,056,250	0.551		No rating
Federal Agency Discount Notes	14,938,800	0.397		No rating
U.S. Treasury	10,017,922	0.167		No rating
TexPool Local Government Investment Pool - Overnight	90,518,023			AAA-m
Money market funds	8,804,110			AAA-m
<b>Investments measured at net asset value (NAV)</b>				
TexStar Local Government Investment Pool - Overnight	<u>97,416,274</u>			AAA-m
<b>Total Investments</b>	<u>740,644,222</u>			
Portfolio weighted average maturity		0.862		
<b>Cash and Cash Equivalents</b>				
Deposits in Bank *	\$ 32,346,699			
Cash Funds	604,225			
<b>Total Cash and Cash Equivalents</b>	<u>32,950,924</u>			
<b>Total Cash, Cash Equivalents, and Investments</b>	<u>\$ 773,595,146</u>			

\* Includes the Private Purpose Trust Fund amount of \$26,288.

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

<u>Investments measured at net asset value (NAV)</u>	<u>Net Asset Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
TexStar Local Government Investment Pool - Overnight	<u>\$ 97,416,274</u>	N/A	Daily	N/A
<b>Total investments measured at NAV</b>	<u>\$ 97,416,274</u>			

## City of Corpus Christi, TX

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**Fair Value Hierarchy** - 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.

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.

**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:

<u>Issuer</u>	<u>Percent of Total Investments</u>
Federal Farm Credit Bank	9.45%
Federal Home Loan Bank	17.04%
Federal Home Loan Mortgage Corporation	38.23%
Federal Agriculture Mortgage Corporation	6.75%

**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, including blended component units, 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.

**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 registered and 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, 2016, the System had the following cash, short-term and long-term investments:

<u>Type</u>		<u>Fair Value Hierarchy</u>
<b>Investments measured at fair value:</b>		
Common and preferred stocks	\$ 47,691,966	Level 1
U.S. Treasuries	12,923,058	Level 1
Federal Agency Securities	18,574,336	Level 2
Corporate bonds and notes	<u>15,045,825</u>	Level 2
Total investments measured at fair value	<u>94,235,185</u>	
<b>Investments measured at net asset value (NAV):</b>		
Mutual funds	21,497,367	
Limited partnership - Real estate	<u>16,512,871</u>	
	<u>38,010,238</u>	
Cash and short-term investments	<u>1,132,176</u>	
Total cash and investments	<u>\$ 133,377,599</u>	

For the year ended December 31, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 5.85%. 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, 2016.

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.

## City of Corpus Christi, TX

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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** – As noted in the above schedule, none of the asset classes exceed their maximum percentage of asset allocation. The System is well diversified, with no one issue exceeding 5%. 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 can only be liquidated quarterly.

**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 interest rate risk as of December 31, 2016, amount to \$46,543,219 and have weighted average duration of 4.87 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 interest rate risk are shown in the following table for the year ending December 31, 2016. The investment policy is silent on the subject of duration.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percentage of Total</u>	<u>Duration (Years)</u>
Corporate bonds	\$ 15,045,828	32.33 %	0.66
Treasury	19,503,886	41.90 %	5.10
Mortgage-backed securities	11,993,505	25.77 %	0.57
Total interest rate sensitive bonds	<u>46,543,219</u>	100.00 %	1.27

**Credit risk** – Using Standard and Poor’s rating system for fixed income securities as of December 31, 2016, 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.

<u>S&amp;P Rating</u>	<u>Fair Value</u>	<u>Percentage of Total</u>
AA	\$ 33,619,841	72.24 %
A	6,935,904	14.90 %
BBB	5,987,474	12.86 %
Total credit sensitive bonds	<u>\$ 46,543,219</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, 2016, 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 System's investment policy does not address custodial credit risk.

The System has \$63 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:  
\$211,645 to revenue and other financing sources comprised of:

- \$78,645 revenue from DCP Sand Hills Pipeline for a revocable easement purchase
- \$72,000 reimbursements for sexual assault examinations
- \$61,000 revenue due to the creation of an impound vehicle administration fee

\$4,688,127 to expenditures and other financing sources comprised of:

- \$3,678,232 for encumbrances approved to carry forward from the end of the prior fiscal year
- \$73,616 second half of reimbursement due from Nueces County for overbilling of election services transferred to Residential and Local Streets Fund
- \$78,645 for a revocable easement purchase
- \$12,076 for repairs to Violet radio transmitter site
- \$712,558 for TC Ayers Pool repairs
- \$72,000 for sexual assault exams
- \$61,000 from increased revenues associated with the creation of an impound vehicle administration fee

Budget variances to expenditures and transfers include the following:

- General Government is under-budget by \$5,783,803 which includes \$407,463 in City Attorney, \$23,059 Americans with Disabilities Act Compliance, \$99,710 Assistant City Manager of Safety, Health and Neighborhoods, \$124,941 Assistant City Manager of General Government and Operations Support, \$210,524 Public Information, \$202,339 Management & Budget, and \$128,732 Human Resources due to salary and operational savings. Comprehensive Planning is underbudget by \$753,386 because the City is in a transition from contracting out to internalizing this function. Economic Development Incentives expenditures were \$1,019,537 lower than budgeted largely because the Schiltterbahn incentives came in below budget.
- Police Department and Municipal Court were under-budget by \$987,014 due to salary and operational savings of \$48,587 in Municipal Court Administration and City Marshals, and \$508,981 in Police Training due to late start of Training Academy.
- Health is under-budget by \$657,414 due to salary and operational savings.
- Parks and recreation is under-budget by \$2,542,745 due to salary and operational savings and a delay in the beach building project, and closures at four pools during the year due to construction.

**City of Corpus Christi, TX**

**7. Receivables**

	Street Capital				Nonmajor and Other Funds	Total
	General	Debt Service	Projects	Utility System		
Unrestricted						
Accounts	\$ 7,672,447	\$ -	\$ -	\$ 31,561,746	\$ 13,315,423	\$ 52,549,616
Taxes	3,824,506	2,327,190	-	-	2,170,119	8,321,815
Intergovernmental	10,151,564	-	2,769,274	618,968	7,296,195	20,836,001
Property leases	6,864	-	-	1,439	-	8,303
Demolition Liens	1,392,764	-	-	-	801,843	2,194,607
Special assessments	-	-	741,465	-	4,682	746,147
Employees	40,898	-	-	11,794	1,705	54,397
Miscellaneous	2,152,091	-	-	25,789	153,422	2,331,302
Restricted						
Mortgages and loans	-	-	-	-	13,444,256	13,444,256
Accounts	-	-	-	-	164,490	164,490
Gross receivables	25,241,134	2,327,190	3,510,739	32,219,736	37,352,135	100,650,934
Less allowance for uncollectible	(4,801,619)	(870,403)	(636,137)	(2,917,890)	(3,781,643)	(13,007,692)
Net total receivables	<u>\$ 20,439,515</u>	<u>\$ 1,456,787</u>	<u>\$ 2,874,602</u>	<u>\$ 29,301,846</u>	<u>\$ 33,570,492</u>	<u>\$ 87,643,242</u>

**8. Capital Assets**

A summary of changes in the capital assets follows. The Corpus Christi Museum of Science and History which has a net book value of \$2,552,638 is under repair due to water damage and is temporarily idle.

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities</b>				
Capital assets, not being depreciated				
Land	\$ 68,605,935	\$ -	\$ 636	\$ 68,605,299
Construction in progress	109,220,161	65,129,034	14,517,569	159,831,626
Total capital assets, not being depreciated	<u>177,826,096</u>	<u>65,129,034</u>	<u>14,518,205</u>	<u>228,436,925</u>
Capital assets, being depreciated				
Buildings	237,818,801	1,085	98,108	237,721,778
Improvements	263,426,892	5,069,533	190,486	268,305,939
Machinery & Equipment	120,693,098	7,837,533	10,444,629	118,086,002
Infrastructure	380,796,051	1,816,392	2,720,122	379,892,321
Total capital assets, being depreciated	<u>1,002,734,842</u>	<u>14,724,543</u>	<u>13,453,345</u>	<u>1,004,006,040</u>
Less accumulated depreciation for:				
Buildings	100,757,330	5,365,634	95,190	106,027,774
Improvements	122,207,914	8,287,294	190,486	130,304,722
Machinery & Equipment	87,216,146	10,439,755	10,369,897	87,286,004
Infrastructure	178,374,035	6,159,095	622,480	183,910,650
Total accumulated depreciation	<u>488,555,425</u>	<u>30,251,778</u>	<u>11,278,053</u>	<u>507,529,150</u>
Total capital assets, being depreciated, net	<u>514,179,417</u>	<u>(15,527,235)</u>	<u>2,175,292</u>	<u>496,476,890</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 692,005,513</u>	<u>\$ 49,601,799</u>	<u>\$ 16,693,497</u>	<u>\$ 724,913,815</u>

**City of Corpus Christi, TX**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>End Balance</u>
<b>Business-type activities</b>				
Capital assets, not being depreciated				
Land	\$ 28,588,668	\$ 111,600	\$ -	\$ 28,700,268
Water rights	106,807,672	-	-	106,807,672
Construction in progress	394,142,622	107,114,772	117,637,111	383,620,283
Total capital assets, not being depreciated	<u>529,538,962</u>	<u>107,226,372</u>	<u>117,637,111</u>	<u>519,128,223</u>
Capital assets, being depreciated				
Buildings	84,190,734	1,321,956	339,003	85,173,687
Improvements	389,384,984	111,648,640	16,505	501,017,119
Machinery and equipment	37,117,607	3,046,371	280,501	39,883,477
Infrastructure	1,125,367,201	16,999,550	63,427	1,142,303,324
Total capital assets, being depreciated	<u>1,636,060,526</u>	<u>133,016,517</u>	<u>699,436</u>	<u>1,768,377,607</u>
Less: accumulated depreciation for				
Buildings	36,087,337	2,017,841	254,717	37,850,461
Improvements	189,968,333	17,667,988	16,505	207,619,816
Machinery and equipment	26,709,323	2,413,850	280,501	28,842,672
Infrastructure	348,448,395	20,689,847	55,374	369,082,868
Total accumulated depreciation	<u>601,213,388</u>	<u>42,789,526</u>	<u>607,097</u>	<u>643,395,817</u>
Total capital assets, being depreciated, net	<u>1,034,847,138</u>	<u>90,226,991</u>	<u>92,339</u>	<u>1,124,981,790</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 1,564,386,100</u>	<u>\$ 197,453,363</u>	<u>\$ 117,729,450</u>	<u>\$ 1,644,110,013</u>

The City records capitalized interest in the enterprise funds related to construction of various capital improvement projects. For fiscal year 2017, these amounts were \$7,948,846 in the Utility System and \$87,331 in the Airport Fund.

Depreciation expense is charged to functions as follows:

<u>Governmental activity</u>		<u>Business-type activity</u>	
General government	\$ 1,114,201	Gas	\$ 2,706,981
Police	1,497,162	Water	20,551,851
Fire	1,121,912	Wastewater	13,137,046
Emergency management	-	Airport	5,685,123
Inspections	6,638	Golf Centers	86,621
Streets	6,743,762	Marina	621,904
Solid waste	4,577,813	Total	<u>\$ 42,789,526</u>
Health	275,636		
Parks and recreation	2,975,356		
Libraries	389,189		
Museums	223,855		
Community enrichment	3,461,818		
Community development	2,860,901		
Convention and visitors facilities	1,292,774		
Internal service fund	3,710,761		
Total	<u>\$ 30,251,778</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 872 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](http://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 increase 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**

	<b>City Employees</b>	<b>Fire Fighters</b>	<b>Total</b>
Retirees and beneficiaries currently receiving benefits	2,111	316	2,427
Inactive employees entitled to but not yet receiving benefits	981	6	987
Current contributing employees	2,358	428	2,786
<b>Total</b>	<b>5,450</b>	<b>750</b>	<b>6,200</b>

**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, 2017, of \$24,936,078 did not equal the required contributions of \$26,945,354.

**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, 2017, were \$6,617,114 which equaled the required contributions.

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

	<b>Texas Municipal Retirement System</b>	<b>Fire Fighters Retirement System</b>
Authority establishing contribution obligation	State Legislation	State Legislation
Frequency of contribution	Biweekly	Biweekly
Employee's contribution (percentage of earnings)		
October 1, 2016 - September 30, 2017	6.00%	13.10%
City's Contribution (percent of earnings)		
October 1, 2016 - December 25, 2016	18.46%	20.78%
December 26, 2016 - September 30, 2017	20.46%	20.78%
City's contribution October 1, 2016 - September 30, 2017	\$24,934,574	\$6,612,497

**D. Net Pension Liabilities**

The City’s net pension liability for TMRS and FFRS was measured as of December 31, 2016, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability were determined by actuarial valuations as of that date.

**Actuarial Assumptions**

The Total Pension Liabilities in the December 31, 2016, actuarial valuations were determined using the following actuarial assumptions:

	<u>City Employees</u>	<u>Fire Fighters</u>
Inflation Rate	2.50%	3.50%
Overall payroll growth	3.50%	3.50%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation	7.75%, net of pension plan 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, 2016, 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 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). At its meeting on July 30, 2015, the TMRS Board approved a new portfolio target allocation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Domestic equity	17.5%	4.55%
International equity	17.5%	6.35%
Core fixed income	10.0%	1.00%
Non-core fixed income	20.0%	4.15%
Real return	10.0%	4.15%
Real estate	10.0%	4.75%
Absolute return	10.0%	4.00%
Private equity	5.0%	7.75%
Total	<u>100.0%</u>	

## City of Corpus Christi, TX

**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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
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%
	<hr/>	
Total	<u>100.0%</u>	

### 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:

	<u>1% Decrease in the Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in the Discount Rate</u>
City's net pension liability (TMRS)	(5.75%) \$338,090,540	(6.75%) \$224,536,296	(7.75%) \$130,553,135
City's net pension liability (FFRS)	(6.75%) \$117,428,508	(7.75%) \$93,235,507	(8.75%) \$72,596,826
Total net pension liability	<u>\$451,519,048</u>	<u>\$317,771,804</u>	<u>\$201,400,714</u>

## City of Corpus Christi, TX

### 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](http://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

	<b>Total Pension Liability (a)</b>	<b>Increase (Decrease) Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a)-(b)</b>
<b>TMRS</b>			
Balance at 12/31/2015	\$ 846,449,136	\$ 622,259,283	\$ 224,189,853
Change for the year:			
Service cost	17,524,520	-	17,524,520
Interest	56,249,573	-	56,249,573
Difference between expected and actual experience	(2,023,528)	-	(2,023,528)
Contributions-employer	-	22,543,700	(22,543,700)
Contributions-employee	-	7,328,000	(7,328,000)
Net investment income	-	42,032,952	(42,032,952)
Benefit payments, including refunds of employee contributions	(43,768,778)	(43,768,778)	-
Administrative expense	-	(474,941)	474,941
Other changes	-	(25,589)	25,589
Net changes	<u>27,981,787</u>	<u>27,635,344</u>	<u>346,443</u>
Balance at 12/31/2016	<u>\$ 874,430,923</u>	<u>\$ 649,894,627</u>	<u>\$ 224,536,296</u>

	<b>Total Pension Liability (a)</b>	<b>Increase (Decrease) Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
<b>FFRS</b>			
Balance at 12/31/2015	\$ 218,118,406	\$ 130,013,803	\$ 88,104,603
Changes for the year:			
Service cost	4,480,514	-	4,480,514
Interest	17,030,100	-	17,030,100
Difference between expected and actual experience	(2,017,698)	-	(2,017,698)
Contributions-employer	-	6,562,993	(6,562,993)
Contributions-employee	-	4,137,400	(4,137,400)
Net investment income	-	7,500,935	(7,500,935)
Benefit payments, including refunds of employee contributions	(14,056,060)	(14,056,060)	-
Administrative expense	-	(257,440)	257,440
Assumption changes	3,581,876	-	3,581,876
Net changes	<u>9,018,732</u>	<u>3,887,828</u>	<u>5,130,904</u>
Balance at 12/31/2016	<u>\$ 227,137,138</u>	<u>\$ 133,901,631</u>	<u>\$ 93,235,507</u>

## City of Corpus Christi, TX

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

For the year ended September 30, 2017, the city recognized pension expense of \$43,957,509.

<b>Components of Pension Expense</b>	<b>TMRS</b>	<b>FFRS</b>	<b>Total</b>
Service cost	\$ 17,524,520	\$ 4,480,514	\$ 22,005,034
Interest	56,249,573	17,030,100	73,279,673
Employee contributions	(7,328,000)	(4,137,400)	(11,465,400)
Projected earnings on plan investments	(42,002,502)	(10,128,373)	(52,130,875)
Amortization of deferred outflows (inflows) - Liabilities	(2,163,874)	222,543	(1,941,331)
Amortization of prior year deferred outflows (inflows) - Assets	10,318,121	3,131,317	13,449,438
Administrative expense	474,941	257,440	732,381
Other changes in Fiduciary Net Position	25,589	-	25,589
Total pension expense	<u>\$ 33,098,368</u>	<u>\$ 10,856,141</u>	<u>\$ 43,954,509</u>

At September 30, 2017, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>TMRS</b>		<b>FFRS</b>		<b>Total</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ (3,687,222)	\$ -	\$ (1,780,042)	\$ -	\$ (5,467,264)
Changes of assumptions	521,539	-	3,358,633	-	3,880,172	-
Differences between projected and actual investment earnings	29,358,045	-	9,309,136	-	38,667,181	-
Contributions subsequent to the measurement date	19,632,956	-	4,999,144	-	24,632,100	-
Total	<u>\$ 49,512,540</u>	<u>\$ (3,687,222)</u>	<u>\$ 17,666,913</u>	<u>\$ (1,780,042)</u>	<u>\$ 67,179,453</u>	<u>\$ (5,467,264)</u>

The amount contributed by the City to the Systems subsequent to the measurement date of the net pension liability, December 31, 2016, through September 30, 2017, 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, 2018. These amounts are \$19,632,956 (TMRS) and \$4,999,144 (FFRS) for a total of \$24,632,100. Deferred outflows resulting from the difference between projected and actual earnings on pension plan investments will be recognized as an increase to 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:

<b>Year ended Sept. 30:</b>	<b>TMRS</b>	<b>FFRS</b>	<b>Total</b>
2018	\$ 8,265,506	\$ 3,353,860	\$ 11,619,366
2019	9,635,251	3,353,858	12,989,109
2020	8,297,695	2,743,560	11,041,255
2021	(6,090)	748,030	741,940
2022	-	222,543	222,543
Thereafter	-	465,876	465,876
Total	<u>\$ 26,192,362</u>	<u>\$ 10,887,727</u>	<u>\$ 37,080,089</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 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**

GASB Statement No. 45: *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (OPEB), establishes accounting standards for postretirement benefits. The standard does not require funding of OPEB expense, but any difference between the annual required contribution (ARC) and the amount funded during the year is required to be recorded in the employer’s financial statement as an increase (or decrease) in the net OPEB obligation. The City is required to obtain an actuarial valuation at least once every two years in accordance with GASB 45 standards. The City’s latest valuation is dated as of October 1, 2015, and discloses the following:

**Plan Description and Funding Policy**

Employees who retire from the City of , and eligible dependents and survivors, are eligible to continue to participate in the City's health insurance programs at the “blended” employee group rate which is determined annually by the City and approved by the City Council. Retirees have 31 days to elect to enroll in the City's self-funded, single-employer health insurance plan (Citicare, Citicare Public Safety, and Citicare-Fire) in which they were participating at the time of retirement unless otherwise stated in a plan document or collective bargaining agreement. In an effort to reduce the City's liability, retirees who are Medicare-eligible have been enrolled in a separate Medicare insurance plan and are no longer covered by the City's group insurance plan. As of October 1, 2015, a total of 200 eligible retirees and dependents were participating in the City's group health program detailed as follows:

Citicare and Citicare Premium	40
Citicare Public Safety	77
Citicare Fire	83
Pending election	-
Total	200

The plan is funded on a pay-as-you-go basis and incurred \$4,365,641 in claims and other costs in the fiscal year ended September 30, 2017. The funds to pay these claims and other costs are derived in part from retiree premiums, which do not fully cover the costs. The plan is not accounted for as a trust fund because an irrevocable trust has not been established to fund the plan. The plan does not issue a separate financial report.

**Annual OPEB Cost and Net OPEB Obligation**

The City’s annual other post-employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The City’s annual OPEB cost for each plan for the current year is as follows:

	<b>Citicare</b>	<b>Citicare Public Safety</b>	<b>Citicare Fire</b>	<b>Total</b>
Annual required contribution	\$ 217,077	\$ 308,363	\$ 176,387	\$ 701,827
Interest on net OPEB obligation	284,925	72,801	75,679	433,405
ARC adjustment	(326,480)	(83,418)	(86,716)	(496,614)
Annual OPEB cost	175,522	297,746	165,350	638,618
Contributions made (pay-as-you-go basis)	284,052	710,363	1,063,320	2,057,735
Decrease in net OPEB obligation	(108,530)	(412,617)	(897,970)	(1,419,117)
Net OPEB obligation - beginning of year	7,305,775	1,866,695	1,940,481	11,112,951
Net OPEB obligation - end of year	\$ 7,197,245	\$ 1,454,078	\$ 1,042,511	\$ 9,693,834

## City of Corpus Christi, TX

Three year trend information is as follows:

	<u>Citicare</u>	<u>Citicare Public Safety</u>	<u>Citicare Fire</u>	<u>Total</u>
City's Annual OPEB Cost (APC)				
2015	\$ 310,751	\$ 285,869	\$ 210,783	\$ 807,403
2016	\$ 173,898	\$ 307,565	\$ 165,398	\$ 646,861
2017	\$ 175,522	\$ 297,746	\$ 165,350	\$ 638,618
Percentage of APC contributed				
2015	26.1%	99.1%	306.9%	N/A
2016	15.3%	83.0%	624.4%	N/A
2017	161.8%	238.6%	643.1%	N/A
Net OPEB Obligation				
2015	\$ 7,158,417	\$ 1,814,418	\$ 2,807,906	\$ 11,780,741
2016	\$ 7,305,775	\$ 1,866,695	\$ 1,940,481	\$ 11,112,951
2017	\$ 7,197,245	\$ 1,454,078	\$ 1,042,511	\$ 9,693,834

### Funded Status and Funding Progress

The funded status of the plan as of the last valuation date of October 1, 2016, was as follows:

	<u>Citicare</u>	<u>Citicare Public Safety</u>	<u>Citicare Fire</u>	<u>Total</u>
Actuarial accrued liability	\$ 2,283,060	\$ 5,499,833	\$ 3,144,261	\$ 10,927,154
Actuarial value of plan assets	-	-	-	-
Unfunded actuarial accrued liability	<u>\$ 2,283,060</u>	<u>\$ 5,499,833</u>	<u>\$ 3,144,261</u>	<u>\$ 10,927,154</u>
Funded ratio	0 %	0 %	0 %	0 %
Covered payroll	\$ 67,782,272	\$ 30,528,376	\$ 18,725,546	\$ 117,036,194
Unfunded actuarial accrued liability as a percentage of covered payroll	3.4 %	18.0 %	16.8 %	9.3 %

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the status of the plan and the annual required contributions of the City are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

### Plan Changes

The total GASB 45 actuarial accrued liability for Citicare, Public Safety and Fire decreased from approximately \$11.8 million as of August 1, 2013, to approximately \$10.9 million as of October 1, 2016. The reduction is due to a combination of changes in assumptions and differences between prior assumptions and actual experience. The primary differences causing a reduction in the liability include an 18% reduction in number of retirees and beneficiaries participating in the plan, updates to the per capita claims cost assumptions, and the effect of un-blending the Citicare active and retiree premiums. These reductions were slightly offset by the updated health care cost trend assumptions.

**Actuarial Methods and Assumptions**

Projections of benefits are based on the substantive plan and include the type of benefits in force at the valuation date and the pattern of sharing benefits between the City and the plan members at that point. Actuarial calculations reflect a long term perspective and employ methods and assumptions that are designed to reduce the short term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions used for this valuation are as follows:

Measurement Date	October 1, 2016
Actuarial Cost Method	Entry Age
Amortization Period	30 years, Open
Amortization Method	Level Percent of Payroll
Discount Rate	3.90%
CPI	2.50%
Healthcare Cost Trend Rate	8.75% in fiscal 2017, trending to 5.5% in fiscal 2017, and an ultimate trend rate of 4.0% in 2073
Payroll Growth Rate	2% annually

**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 and a \$150 million limit on named storm, \$75 million in airport liability, \$10 million of gas utility liability insurance, \$10 million aggregate of excess general liability insurance and statutory excess workers' compensation coverage. 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 \$17,837,292 at September 30, 2017, of which \$7,652,004 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 2016 and 2017 were:

<b>Fiscal Year</b>	<b>Beginning of Fiscal Year Liability</b>	<b>Current Year Claims and Changes in Estimates</b>	<b>Claim Payments</b>	<b>Balance at Fiscal Year End</b>
2015-2016	\$ 14,742,402	\$ 36,812,660	\$ (33,951,479)	\$ 17,603,583
2016-2017	\$ 17,603,583	\$ 34,707,072	\$ (34,473,363)	\$ 17,837,292

**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 \$8,353,127, 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 which has been accrued in the 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 2030. Minimum rentals to be paid on these leases are:

<b>Fiscal Year Ending September 30,</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
2018	\$ 623,206	\$ 840,118
2019	461,558	581,208
2020	365,738	150,131
2021	273,593	12,938
2022	208,921	13,174
Thereafter	854,878	46,081
Total minimum future rentals	<u>\$ 2,787,894</u>	<u>\$ 1,643,650</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:

<b>Fiscal Year Ending September 30,</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
2018	\$ 185,240	\$ 2,624,997
2019	185,240	1,695,744
2020	115,240	1,542,866
2021	115,240	1,544,099
2022	115,240	1,514,430
Thereafter	1,436,519	8,926,226
Total minimum future rentals	<u>\$ 2,152,719</u>	<u>\$ 17,848,362</u>

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

## City of Corpus Christi, TX

### 13. Long-term obligations

The following is a summary of long-term obligation transactions of the City for the year ended September 30, 2017:

	Revised Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities</b>					
Long-term debt					
General obligation bonds	\$ 419,810,000	\$ 6,594,621	\$ (28,086,780)	\$ 398,317,841	\$ 26,519,918
Certificates of obligation	32,252,569	2,500,000	(2,142,569)	32,610,000	2,065,000
Revenue bonds	58,185,000	-	(7,270,000)	50,915,000	5,420,000
Discount on bonds payable	(18,675)	-	18,656	(19)	-
Premium on bonds payable	32,157,245	47,804	(5,157,608)	27,047,441	-
Capital leases	17,485,569	2,626,741	(5,784,469)	14,327,841	5,431,530
Other notes payable	20,286,020	-	(4,061,020)	16,225,000	2,445,000
Total long-term debt	<u>580,157,728</u>	<u>11,769,166</u>	<u>(52,483,790)</u>	<u>539,443,104</u>	<u>41,881,448</u>
Landfill closure cost	12,274,437	5,056,012	(210,065)	17,120,384	1,539,748
Accumulated compensated absences	33,569,024	16,743,027	(14,518,349)	35,793,702	14,518,349
Net Pension Liability	259,610,156	52,932,800	(47,538,850)	265,004,106	-
Net OPEB obligation	10,393,934	604,985	(1,988,126)	9,010,793	-
Governmental activities Long-term liabilities	<u>\$ 896,005,279</u>	<u>\$ 87,105,990</u>	<u>\$ (116,739,180)</u>	<u>\$ 866,372,089</u>	<u>\$ 57,939,545</u>
<b>Business-type activities</b>					
Long-term debt					
General obligation	\$ 17,545,000	\$ 770,379	\$ (1,213,220)	\$ 17,102,159	\$ 1,240,082
Certificates of obligation	10,837,430	-	(1,062,430)	9,775,000	425,000
Priority Revenue bonds	227,555,000	-	(48,365,000)	179,190,000	9,495,000
Junior Lien Revenue bonds	655,655,000	78,885,000	(67,525,000)	667,015,000	32,090,000
Discount on bonds payable	(60,459)	-	16,205	(44,254)	-
Premium on bonds payable	66,218,404	32,907	(10,406,890)	55,844,421	-
Capital leases	1,712,830	1,225,528	(644,597)	2,293,761	720,293
Utility notes payable	52,883,589	-	(10,676,443)	42,207,146	2,530,142
Total long-term debt	<u>1,032,346,794</u>	<u>80,913,814</u>	<u>(139,877,375)</u>	<u>973,383,233</u>	<u>46,500,517</u>
Accumulated compensated absences	2,665,508	2,552,271	(2,362,229)	2,855,550	2,362,229
Net Pension Liability	52,684,302	10,369,383	(10,285,988)	52,767,697	-
Net OPEB Obligation	719,017	33,633	(69,609)	683,041	-
Business-type activities Long-term liabilities	<u>\$ 1,088,415,621</u>	<u>\$ 93,869,101</u>	<u>\$ (152,595,201)</u>	<u>\$ 1,029,689,521</u>	<u>\$ 48,862,746</u>

In the governmental funds, the OPEB obligation will be liquidated by the General Fund (79%), Special Revenue funds (11%), and Internal Service funds (10%) based on the allocation of the cost of self-insurance for health benefits. General Fund will typically liquidate 72% and Special Revenue and Internal Service funds will liquidate 14% of the pension liability.

The beginning balance of Landfill Closure and Post-closure Costs was revised by \$13,700,902. The City used a more up-to-date professional report. This change resulted in a decrease to the part of the liability that related to the Elliott Landfill.

**A. Bonds**

Bonds payable at September 30, 2017, are comprised of the following:

**Governmental activities**

**General Obligation Bonds**

\$88,725,000 2009 General Improvement Bonds due in annual installments of \$3,370,000 to \$6,495,000 through July 31, 2018, interest at 3.00% to 5.00%	\$ 3,915,000
\$13,685,000 2010 General Improvement Bonds due in annual installments of \$525,000 to \$950,000 through July 31, 2030, interest at 2.75% to 4.25%	9,850,000
\$44,695,000 2012 General Improvement Bonds due in annual installments of \$500,000 to \$3,610,000 through March 1, 2032, interest at 2.00% to 5.00%	40,780,000
91.36% of \$29,855,000 2012C General Improvement Refunding bonds due in annual installments of \$2,250,000 to \$3,530,000 through March 1, 2023, interest at 2.00% to 5.00%	15,290,000
\$107,660,000 2012D General Improvement Refunding bonds due in annual installments of \$545,000 to \$9,415,000 through March 1, 2038, interest at .29% to 4.03%	87,060,000
\$82,025,000 2013 General Improvement Bonds due in annual installments of \$1,500,000 to \$6,360,000 through March 1, 2033, interest at 2.00% to 5.00%	73,000,000
\$90,520,000 2015 General Improvement Bonds due in annual installments of \$2,090,000 to \$6,775,000 through March 1, 2035, interest at 2.00% to 5.00%	85,355,000
\$61,015,000 2015 General Improvement Refunding Bonds due in annual installments of \$1,405,000 to \$6,075,000 through March 1, 2029, interest at 4.00% to 5.00%	61,015,000
\$16,130,000 2016 General Improvement Refunding Bonds due in annual installments of \$45,000 to \$5,745,000 through March 1, 2029, interest at 2.00% to 4.00%	16,085,000
\$6,594,621 2016A General Improvement Refunding (TMPC) due in annual installments of \$599,918 to \$720,79 through September 1, 2026, interest at 1.72% to 3.50%	<u>5,967,841</u>
Total general obligation bonds	<u>\$ 398,317,841</u>

**Certificates of obligation**

\$8,460,000 2009 Combination Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments of \$300,000 to \$580,000 through July 31, 2019, interest at 4.00% to 5.00%	\$ 745,000
\$12,000,000 2008 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$245,000 to \$285,000 through March 1, 2018, interest at 3.50% to 4.00%	285,000
\$3,000,000 2010 Combination Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments of \$110,000 to \$210,000 through July 31, 2030, interest at 3.00% to 4.50%	2,185,000
\$10,020,000 2015 Combination Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments of \$410,000 to \$700,000 through March 1, 2035, interest at 0.35% to 4.49%	9,225,000
\$2,000,000 2016 Combination Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments of \$80,000 to \$135,000 through September 1, 2035, interest at 2.00% to 5.00%	1,825,000
\$16,430,000 2016A combination Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments of \$585,000 to \$1,160,000 through March 1, 2036, interest at 2.00% to 4.00%	15,845,000

## City of Corpus Christi, TX

\$2,500,000 2017 Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments of \$215,000 to \$285,000 through March 1, 2027, interest at 3.035%	<u>2,500,000</u>
Total Certificates of Obligation	<u>\$ 32,610,000</u>
<b>Revenue bonds</b>	
\$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 through September 15, 2022, interest at 4.50%	\$ 6,870,000
\$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 through March 1, 2026, interest at 3.00% to 5.00%	21,770,000
\$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 through September 1, 2025, interest at 2.00% to 5.00%	<u>22,275,000</u>
Total revenue bonds	<u>\$ 50,915,000</u>
<b>Total governmental activities</b>	<u>\$ 481,842,841</u>

### Business-type activities

The annual requirements to amortize all bonded debt outstanding as of September 30, 2017, are as follows:

<b>General obligation bonds</b>	
\$8,340,000 2012A General Improvement Airport Refunding Bonds due in annual installments of \$350,000 to \$915,000 beginning March 1, 2015 and ending March 15, 2023, interest at 2.00% to 3.25%	\$ 4,655,000
\$9,880,000 2012B General Improvement Airport Refunding Bonds due in annual installments of \$45,000 to \$1,385,000 beginning March 1, 2014 and ending March 1, 2030, interest at 2.00% to 4.00%	9,690,000
8.64% of \$29,855,000 2012C General Improvement Refunding bonds due in annual installments of \$310,000 to \$380,000 through March 1, 2023, interest at 2.00% to 5.00%	2,060,000
\$770,379 2016A General Improvement Refunding (TMPC) due in annual installments of \$24,321 to \$84,000 through September 1, 2026, interest at 1.72% to 3.50%	<u>697,159</u>
Total general obligation bonds	<u>\$ 17,102,159</u>
<b>Certificates of obligation</b>	
\$5,500,000 2010 Combination Tax and Limited Pledge Airport Revenue Certificates of Obligation due in annual installments of \$195,000 to \$455,000 through March 1, 2024, and \$2,025,000 term bond due March 1, 2030, interest at 5.00% to 6.25%	\$ 4,300,000
\$5,990,000 2012 Combination Tax and Surplus Airport Revenue Certificates of Obligation due in annual installments of \$165,000 to \$385,000 through March 1, 2037, interest at 3.12% to 5.00%	<u>5,475,000</u>
Total certificates of obligation	<u>\$ 9,775,000</u>
<b>Priority revenue bonds</b>	
\$96,490,000 2009 Utility System Revenue Improvement Bonds due in annual installments of \$1,730,000 to \$6,135,000 through July 15, 2018, interest at 2.50% to 5.25%	\$ 2,190,000

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\$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 1.591% to 2.587%	8,000,000
\$14,375,000 2010A Utility System Revenue Improvement Bonds due in annual installments of \$1,440,000 to \$1,835,000 through July 15, 2019, interest at 3.00% to 4.00%	3,600,000
\$60,625,000 Taxable Series 2010 Utility System Revenue Improvement Bonds (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 July 15, 2020 through July 15, 2040, interest at 5.43% to 6.243%	60,625,000
\$52,500,000 2012 Utility System Revenue Bonds due in annual installments of \$910,000 to \$3,080,000 beginning July 15, 2015 and ending July 15, 2042, interest at 2.00% to 5.00%	48,440,000
\$2,600,000 2015 Marina System Revenue Bonds, Taxable due in annual installments of \$140,000 to \$210,000 beginning March 1, 2016 ending March 1, 2030, interest at 3.00%	2,315,000
\$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 through July 15, 2027, interest at 3.00% to 5.00%	<u>54,020,000</u>
Total priority revenue bonds	<u>\$ 179,190,000</u>
<b>Junior lien revenue bonds</b>	
\$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 and ending July 15, 2042, interest at 2.00% to 5.00%	\$ 119,930,000
\$69,085,000 2012B Utility System Junior Lien Revenue Improvement Bonds due in annual installments of \$1,240,000 to \$3,935,000 beginning July 15, 2013 and ending July 15, 2042, interest at 2.00% to 5.00%	61,785,000
\$97,930,000 2013 Utility System Junior Lien Revenue Improvement Bonds due in annual installments of \$1,000,000 to \$6,450,000 beginning July 15, 2014 ending July 15, 2043, interest at 3.00% to 5.00%	94,930,000
\$93,600,000 2015A Utility System Junior Lien Revenue Improvement Bonds due in annual installments of \$1,515,000 to \$5,715,000 beginning July 15, 2016 ending July 15, 2045, interest at 3.00% to 5.00%	90,520,000
\$101,385,000 2015C Utility System Junior Lien Revenue Improvement Bonds due in annual installments of \$1,465,000 to \$6,045,000 beginning July 15, 2016 ending July 15, 2045, interest at 3.00% to 5.00%	98,230,000
\$46,990,000 2015D Utility System Junior Lien Revenue Refunding Bonds due in annual installments of \$3,470,000 to \$5,110,000 beginning July 15, 2017 ending July 15, 2026, interest at 3.00% to 5.00%	43,520,000
\$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 ending July 15, 2039, interest at 2.00 to 5.00%	80,060,000
\$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 ending July 15, 2045, interest at 0.06% to 2.07%	50,370,000

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\$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>27,670,000</u>
Total junior lien revenue bonds	<u>\$ 667,015,000</u>
<b>Total business-type activities</b>	<u><u>\$ 873,082,159</u></u>

The annual requirements to amortize all bonded debt outstanding as of September 30, 2017, are as follows:

<u>Fiscal Year</u>	<b>Governmental Activities</b>			
	<b>General Obligation Bonds</b>		<b>Certificates of Obligation</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2018	\$ 26,519,918	\$ 15,956,927	\$ 2,065,000	\$ 1,166,662
2019	27,772,826	15,126,259	1,830,000	1,108,276
2020	28,725,211	14,200,927	1,490,000	1,057,684
2021	28,573,642	13,185,900	1,540,000	1,010,632
2022	25,992,073	12,135,243	1,590,000	964,023
2023-2027	126,744,171	43,800,015	8,775,000	3,971,564
2028-2032	96,895,000	18,547,101	8,545,000	2,310,940
2033-2037	36,550,000	2,788,364	6,775,000	535,537
2038-2039	545,000	11,006	-	-
Total	<u>\$ 398,317,841</u>	<u>\$ 135,751,742</u>	<u>\$ 32,610,000</u>	<u>\$ 12,125,318</u>

<u>Fiscal Year</u>	<b>Governmental Activities</b>	
	<b>Revenue Bonds</b>	
	<b>Principal</b>	<b>Interest</b>
2018	\$ 5,420,000	\$ 2,245,469
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
2023-2027	20,130,000	1,646,159
Total	<u>\$ 50,915,000</u>	<u>\$ 10,149,979</u>

<u>Fiscal Year</u>	<b>Business-Type Activities</b>		<b>Business-Type Activities</b>	
	<b>General Obligation Bonds</b>		<b>Certificates of Obligation</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2018	\$ 1,240,082	\$ 541,806	\$ 425,000	\$ 447,000
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
2023-2027	6,485,829	1,199,236	2,930,000	1,410,419
2028-2032	4,000,000	217,322	2,740,000	639,575
2033-2037	-	-	1,760,000	195,975
Total	<u>\$ 17,102,159</u>	<u>\$ 3,704,533</u>	<u>\$ 9,775,000</u>	<u>\$ 4,266,688</u>

## City of Corpus Christi, TX

Fiscal Year	Business-Type Activities		Business-Type Activities	
	Priority Revenue Bonds		Junior Lien Revenue Bonds	
	Principal	Interest	Principal	Interest
2018	\$ 9,495,000	\$ 8,778,064	\$ 32,090,000	\$ 28,858,596
2019	7,605,000	8,389,239	34,095,000	27,854,722
2020	8,725,000	8,205,650	31,035,000	26,691,983
2021	9,105,000	7,789,441	30,480,000	25,640,901
2022	9,495,000	7,352,375	31,920,000	24,204,841
2023-2027	54,050,000	29,443,325	116,400,000	101,158,048
2028-2032	25,715,000	18,465,199	95,975,000	77,397,354
2033-2037	28,770,000	11,310,444	118,525,000	54,845,096
2038-2042	26,230,000	3,270,800	129,820,000	26,848,834
2043	-	-	46,675,000	3,708,361
Total	<u>\$ 179,190,000</u>	<u>\$ 103,004,537</u>	<u>\$ 667,015,000</u>	<u>\$ 397,208,736</u>

\$12,088,752 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, 2017, the City has no arbitrage liability.

The City issued \$7,365,000 of Corpus Christi General Improvement Refunding Bonds, Series 2016A (TMPC), dated December 16, 2016 to refund: \$2,290,000 of General Improvement Bonds, Series 2007, and \$1,005,000 of Certificates of Obligation, Series 2007, and \$3,955,000 Tax Notes Series 2015. The City will reduce its total debt service payments over the next nine years by approximately \$684,078 and obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$684,078. The reacquisition price exceeded the net carrying amount of the old debt by \$219,140. This amount is recorded as a deferred outflow and amortized over the life of the refunded debt.

The City issued \$51,215,000 of Utility System Junior Lien Revenue Refunding Bonds, Series 2017 (TWDB, DWSRF), dated May 2, 2017 to refund: \$49,585,000 of Utility System Junior Lien Revenue Variable Rate Bonds, Series 2015B. The City will reduce its total debt service payments over the next 27 years by approximately \$201,146 and obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$227,659. The reacquisition price exceeded the net carrying amount of the old debt by \$800,602. This amount is recorded as a deferred outflow and amortized over the life of the refunded debt.

The City issued \$27,670,000 of Utility System Junior Lien Revenue Bonds, Series 2017A, dated July 17, 2017 to refund: \$27,520,000 of Utility System Revenue Refunding Bonds, Series 2005. The City will reduce its total debt service payments over the next two years by approximately \$2,089,333 and obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$2,089,333. The reacquisition price exceeded the net carrying amount of the old debt by \$143,965. This amount is recorded as a deferred outflow and amortized over the life of the refunded debt.

## City of Corpus Christi, TX

### 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, 2017.

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
Land	\$ 66,359	\$ -
Building	1,260,821	-
Machinery and equipment	32,425,999	4,079,989
Less accumulated depreciation	(17,286,450)	(1,615,922)
Total	\$ 16,466,729	\$ 2,464,067

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, 2017:

<b>Fiscal Year</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
2018	\$ 5,724,731	\$ 768,992
2019	4,323,381	641,320
2020	2,840,806	507,228
2021	1,742,339	342,295
2022	283,831	143,979
Total minimum lease payments	14,915,088	2,403,814
Less amount representing interest	587,247	110,053
Present value of minimum lease payments	\$ 14,327,841	\$ 2,293,761

### C. Other Notes Payable, Governmental Activities

Other notes payable of the Governmental activities as of September 30, 2017, are as follows:

\$7,390,000 2012 Public Property Finance Contractual Obligation - Compass Bank due in installments of \$550,000 to \$685,000 through March 1, 2024, interest at 2.17%	\$ 4,525,000
\$8,000,000 2014 Tax Notes - American National Bank due in annual installments of \$1,075,000 to \$1,215,000 through March 1, 2021, interest at 1.54%	4,710,000
\$9,000,000 2014 Public Property Finance Contractual Obligation - Frost Bank due in installments of \$655,000 to \$870,000 through March 1, 2026, interest at 2.44%	<u>6,990,000</u>
Total	<u>\$ 16,225,000</u>

## City of Corpus Christi, TX

The annual requirements to amortize the notes outstanding as of September 30, 2017, are as follows:

Fiscal Year	<b>Governmental Activities</b>	
	<b>Principal</b>	<b>Interest</b>
2018	\$ 2,445,000	\$ 317,407
2019	2,495,000	269,172
2020	2,555,000	219,854
2021	2,610,000	169,391
2022	1,435,000	127,272
2023-2027	4,685,000	195,120
Total	<u>\$ 16,225,000</u>	<u>\$ 1,298,216</u>

### D. Utility System Notes Payable

The Utility System notes payable of \$42,207,146 related to an agreement with the Bureau of Reclamation for water rights and recreational facilities at Choke Canyon Dam. In March, 2018 this note was refunded with junior lien revenue bonds purchased by the Texas Water Development Board as part of their DFund program. 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 \$5,975,646 has been recorded in FY2017 and is reported as nonoperating revenue in the Utility fund.

### Choke Canyon Dam

The U.S. Department of the Interior, through the Bureau of Reclamation (the Bureau), constructed a 700,000 acre feet dam on the Frio River, known as the Choke Canyon Dam (the Project). The City and the Nueces River Authority (the Authority) are local sponsors of the Project and entered into an agreement with the Bureau to provide a portion of the funds necessary to construct the dam (cost of water supply rights).

The dam site will remain the property of the Bureau although the City and Authority have the right, in perpetuity, to impound 80% and 20% respectively, of the water in the Project's reservoir. Pursuant to a separate agreement between the City and the Authority, the City, in exchange for certain services, will pay the Authority \$100,000 per calendar year plus additional sums for water used as specified in the agreement. The Bureau also constructed recreation and fish and wildlife facilities. At September 30, 2017, the City's share of the liability of the reservoir and related facilities, excluding interest, totaled \$42,207,146 and is payable over a 30 year period at an interest rate of 5.116%.

All costs are recorded as Water Supply Rights and Choke Canyon construction and related facilities in the Utility System. The City is responsible for the care, operation, and maintenance of the Project which must be carried out in compliance with the applicable government requirements.

The annual requirements to amortize the notes outstanding as of September 30, 2017, are as follows:

Fiscal Year	<b>Business-Type Activities</b>	
	<b>Principal</b>	<b>Interest</b>
2018	\$ 2,530,142	\$ 2,465,021
2019	2,179,748	2,335,581
2020	2,298,939	2,199,515
2021	2,560,446	2,056,492
2022	2,705,925	1,906,147
2023-2027	15,753,344	6,992,196
2028-2032	7,896,035	2,674,027
2033-2037	2,236,648	1,586,369
2038-2042	2,870,396	862,899
2043-2045	1,175,523	98,462
Total	<u>\$ 42,207,146</u>	<u>\$ 23,176,709</u>

**E. 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, 2017, 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 business-type activities at September, 30, 2017, is \$17,120,383 for both the J.C. Elliott Landfill and the Cefe Valenzuela Landfill. The liability decrease is due to updates to the engineering estimate. The current portion of this amount is \$1,539,748, the majority of which is related to the costs for gas and water monitoring, site inspection and record-keeping for J.C. Elliott Landfill and Cefe. The closure and post-closure costs that have not been recognized in these financial statements is \$7,992,521. 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, 2017, Cefe Valenzuela Landfill was at 64.54% filled capacity for developed cells and 5.61% filled capacity for the entire permitted site, with an estimated remaining life of 138.7 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, 2017, \$430,660,000 of bonds outstanding were considered legally defeased.

**15. Interfund Transfers, Receivables and Payables**

Interfund transfers for the year ended September 30, 2017, are as follows:

	<b>Transfers Out</b>						<b>Total</b>
	<b>General</b>	<b>Debt Service</b>	<b>Non-major Governmental</b>	<b>Utility System</b>	<b>Non-major Proprietary</b>	<b>Internal Service</b>	
<b>Transfers In:</b>							
General	\$ -	\$ -	\$ 909,807	\$ 5,349,937	\$ 341,836	\$ 554,095	\$ 7,155,675
Debt service	2,289,476	-	2,316,566	-	49,036	230,527	4,885,605
Streets capital projects	-	-	-	590,758	-	-	590,758
Non-major government	15,861,371	-	-	505,000	-	-	16,366,371
Non-major proprietary	-	-	-	-	-	54,266	54,266
Internal service	1,948,707	-	45,833	828,734	-	-	2,823,274
<b>Total</b>	<b>\$ 20,099,554</b>	<b>\$ -</b>	<b>\$ 3,272,206</b>	<b>\$ 7,274,429</b>	<b>\$ 390,872</b>	<b>\$ 838,888</b>	<b>\$ 31,875,949</b>

During the year, various interfund transfers were made to finance expenditures and service debt. The \$20,099,554 General Fund transfer out includes transfer of \$2,289,476 for payment of debt service, \$1,039,000 for capital equipment, \$909,706 for future capital replacement, \$185,000 to subsidize the arena/convention center operations, \$14,648,512 to streets, \$712,558 to parks for the TC Ayers pool, \$136,655 to the Federal/State Grants Fund as matching grants, \$100,000 to development services and \$78,647 to police capital program for the vehicle impound and garage station.

The General Fund received transfers in of \$7,155,675 of which \$6,222,517 was for administrative service charges and \$123,914 was indirect cost reimbursements from the Federal/State Grants Fund. \$255,149 was the return of local cash match from excess revenues in the park grant fund. \$554,095 was for the transfer of 5 employees from Risk funds to General Fund.

The Debt Service Fund received transfers in of \$4,885,605 from the various funds (including the General Fund) for payment of debt service principal and interest and to establish debt service reserves.

Streets Capital Projects Fund received \$590,798 from Utility System to realign bond proceeds.

Transfers were made from the Utility System Fund to the Maintenance Service Fund of \$828,734 for future capital replacement.

The Utility System Fund also transferred \$5,349,937 to General Fund for administrative service charges and \$505,000 for street maintenance.

The Golf fund received transfers in of \$54,266 from the internal service fund for the repair of a building damaged by a fire.

The Internal Service Funds transferred in \$1,948,707 from the General Fund, \$45,833 from Non-Major Government Funds, and \$728,734 from Utility System Fund for fleet maintenance, and \$100,000 from Utility system for salary reimbursement.

Interfund advances outstanding at September 30, 2017, are as follows:

<b>To</b>	<b>From</b>	<b>Amount</b>
Golf Fund	General Fund	\$ 655,911

The General Fund advanced the Golf Fund money to cover its negative unassigned fund balance 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.

There were no Interfund receivables and payables at September 30, 2017.

**16. Fund Deficits**

At fiscal year end, the Golf Centers Fund had an accumulated deficit of \$28,699. The City entered into a management contract with a private firm to operate the golf centers beginning February 1, 2011. Revenues from the lease payments are expected to reduce the deficit.

As a result of the implementation of GASB 68, beginning in Fiscal Year 2014-2015, three Internal Service Funds have a negative net position: Stores, Engineering and Information Technology. The full Net Pension 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, 2017, there were four series of bonds outstanding with an aggregate principal amount payable of \$57,258,892. The bonds are not liabilities of the City or the respective corporations and are solely payable from revenues of the various commercial entities.

**City of Corpus Christi, TX**

**18. Commitments**

The City has entered or will enter into contracts in the amount of \$18,177,874 for the construction or renovation of various facilities as follows:

	<u>Project Authorization</u>	<u>Expenditures Through 09/30/2017</u>	<u>Funds Committed 09/30/2017</u>	<u>Additional Project Authorization to be Committed</u>
Airport	\$ 46,503,638	\$ 33,264,856	\$ 1,445,426	\$ 11,793,356
Arena	247,013	148,994	-	98,019
Bayfront Development	13,956,734	13,220,238	-	736,496
City Buildings and Facilities	11,181,211	10,166,667	204,877	809,666
Convention Facility	271,524	271,524	-	-
Library	39,150	39,150	-	-
Packery Channel	2,111,006	1,493,836	9,715	607,455
Park	24,167,981	14,302,518	30,350	9,835,113
Police Building	828,265	205,159	-	623,106
Fire	2,147,942	2,046,767	-	101,175
Public Health & Safety	1,672,382	1,551,277	-	121,105
Sanitary Landfill	12,187,000	9,041,086	2,063	3,143,852
Seawall	10,996,130	3,456,128	707,942	6,832,060
Street	249,600,012	121,393,433	2,040,224	126,166,354
Water	319,368,026	271,421,227	8,774,286	39,172,513
Storm Water	80,489,179	53,086,032	1,444,695	25,958,452
Wastewater	237,503,532	185,523,639	3,201,438	48,778,455
Gas	9,527,836	8,310,823	316,858	900,154
	<u>\$ 1,022,798,561</u>	<u>\$ 728,943,354</u>	<u>\$ 18,177,874</u>	<u>\$ 275,677,331</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 will be 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:

<u>Fiscal Year</u>	<u>Fixed</u>	<u>Variable</u>	<u>Total</u>
2018	\$ 1,921,525	\$ 3,561,086	\$ 5,482,611
2019	1,922,713	3,638,362	5,561,075
2020	1,921,596	3,717,315	5,638,911
2021	1,924,329	3,797,980	5,722,309
2022	9,610,285	20,262,494	29,872,779
2023-2027	9,608,496	22,558,479	32,166,975
2028-2032	7,684,373	19,873,759	27,558,132
Total	<u>\$ 34,593,317</u>	<u>\$ 77,409,475</u>	<u>\$ 112,002,792</u>

The assigned fund balance in the General Fund includes \$2,695,361 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 \$523,342 at September 30, 2017.

**20. Segment Information for Enterprise Funds**

The City has pledged future utility revenues, net of specified operating expense, to repay \$122,855,000 of priority revenue bonds and \$667,015,000 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 \$1,336,259,798. Principal and interest paid for the current year and total net revenues were \$71,259,140 and \$102,377,822, 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 \$2,315,000 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 32% of net revenues. The total principal and interest remaining to be paid on the bonds is \$3,048,750. Principal and interest paid for the current year and total net revenues were \$216,625 and \$680,942, respectively. The marina activity is accounted for in other enterprise funds in the fund financial statements.

Segment information of the marina fund as of and for the year ended September 30, 2017, is as follows:

	<b>Marina Fund</b>
Current assets, excluding restricted assets	\$ 1,115,836
Capital assets	7,959,129
Total assets	9,074,965
Deferred outflows of resources	225,572
Current liabilities	728,935
Long-term liabilities	5,000,918
Total liabilities	\$ 5,729,853
Deferred inflows of resources	15,570
Net position	
Investment in capital assets, net of related debt	3,460,481
Unrestricted	94,633
Net position	\$ 3,555,114
Operating revenue	\$ 2,039,742
Depreciation	(621,904)
Other operating expenses	(1,358,802)
Operating loss	59,036
Nonoperating expense	(112,133)
Change in net position before transfers	(53,097)
Transfers	(61,264)
Change in net position	(114,361)
Net position beginning of year	3,669,475
Net position end of year	\$ 3,555,114
Net cash flow provided by	
Operating activities	\$ 741,370
Noncapital financing activities	(61,264)
Capital and related financing activities	(589,614)
Investment activities	6,775
Beginning cash, cash equivalents and investments	1,011,387
Ending cash, cash equivalents and investments	\$ 1,108,654

**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, 2017, the City abated taxes totaling \$1,462,577 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, 2017, 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. 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, 2017, the estimated value of property in the City that was subject to tax abatement was \$50,797,434 and the amount of taxes abated was \$9,078,303.

**22. Other Information**

**Prior Period Revision**

Subsequent to the issuance of the September 30, 2016, basic financial statements, the City engaged a specialist to update the engineering costs associated with the liability the City recorded for its landfill closure and post-closure liability. As a result of the report, management has revised the beginning net position for the change in liability. The liability should have decreased over a number of years due to changes in costs and inflation factors. The impact on the 2016 statement of activities change in net position for governmental activities was not specifically determinable, but is not believed to have been significant. This revision resulted in a decrease to the liability and an increase in net position for Elliott Landfill as follows:

	<b>Governmental Activities</b>
Net position, as originally reported	\$ 311,350,851
Revision	13,700,902
Net position, as revised	\$ 325,051,753

**Subsequent Events**

In March 1, 2018 the City issued \$34,835,000 of City of Corpus Christi, Texas Utility System Subordinate Lien Revenue Refunding Bonds, Series 2018, for the purpose of refunding the Series 1985 Bureau of Reclamation, Note Payable of \$42,207,146. The City will reduce its total debt service payments over the next 11 years, and obtain an economic gain of approximately \$4,813,325. The interest rates for these bonds range between 1.73% to 3.40%. The reacquisition price was less than the net carrying amount of the old debt by \$1,117,774.

**City of Corpus Christi, TX**

**REQUIRED SUPPLEMENTARY INFORMATION  
OTHER POST EMPLOYMENT BENEFITS PLANS - ANALYSIS OF FUNDING PROGRESS  
YEAR ENDED SEPTEMBER 30, 2017**

<b>Valuation Date</b>	<b>(1) Actuarial Value of Assets</b>	<b>(2) Actuarial Accrued Liability</b>	<b>(3) Funded Ratio (1) / (2)</b>	<b>(4) Unfunded Actuarial Accrued Liability (2) - (1)</b>	<b>(5) Annual Covered Payroll</b>	<b>(6) Percentage of Unfunded Actuarial Accrued Liability to Covered Payroll Ratio</b>
<b>Other Post Employment Benefits Plan - Citicare</b>						
8/1/2011	-	1,224,232	0.0%	1,224,232	61,862,815	2.0%
8/1/2013	-	3,800,918	0.0%	3,800,918	60,938,657	6.2%
10/1/2015	-	2,283,060	0.0%	2,283,060	67,782,272	3.4%
<b>Other Post Employment Benefits Plan - Public Safety</b>						
8/1/2011	-	5,139,857	0.0%	5,139,857	26,515,429	19.4%
8/1/2013	-	4,461,663	0.0%	4,461,663	28,355,830	15.7%
10/1/2015	-	5,499,833	0.0%	5,499,833	30,528,376	18.0%
<b>Other Post Employment Benefits Plan - Fire</b>						
8/1/2011	-	6,351,600	0.0%	6,351,600	20,862,937	30.4%
8/1/2013	-	3,558,944	0.0%	3,558,944	23,486,591	15.2%
10/1/2015	-	3,144,261	0.0%	3,144,261	18,725,546	16.8%

**OTHER POST EMPLOYMENT BENEFITS PLANS ANNUAL REQUIRED CONTRIBUTIONS**

	<b>(1) Annual Required Contribution (ARC)</b>	<b>(2) Actual Contribution</b>	<b>Percentage of ARC Contributed (2) / (1)</b>
<b>Citicare</b>			
8/1/2011	94,755	(79,992)	-84.4 %
8/1/2013	350,161	117,308	33.5 %
10/1/2015	214,613	26,540	12.4 %
<b>Public Safety</b>			
8/1/2011	295,160	445,823	151.0 %
8/1/2013	296,175	437,319	147.7 %
10/1/2015	317,886	255,289	80.3 %
<b>Fire</b>			
8/1/2011	355,425	358,718	100.9 %
8/1/2013	229,235	(142,356)	-62.1 %
10/1/2015	181,369	1,032,823	569.5 %

**City of Corpus Christi, TX**

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

(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, TX**

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

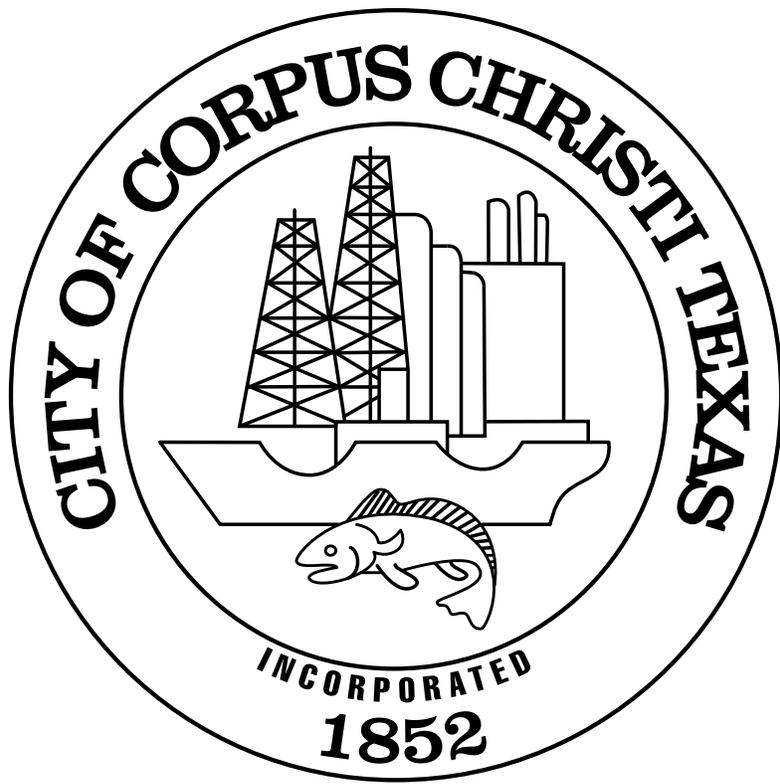
	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Total Pension Liabilities</b>			
Service cost	\$ 4,144,217	\$ 4,318,568	\$ 4,480,514
Interest	15,650,548	16,375,781	17,030,100
Changes of benefit terms	-	2,725,939	-
Difference between expected and actual experience	-	-	(2,017,698)
Changes of assumptions	313,566	-	3,581,876
Benefit payments	<u>(11,612,717)</u>	<u>(11,091,486)</u>	<u>(14,056,060)</u>
<b>Net Change in Total Pension Liabilities</b>	8,495,614	12,328,802	9,018,732
<b>Total Pension Liabilities - Beginning</b>	<u>197,293,990</u> (2)	<u>205,789,604</u> (3)	<u>218,118,406</u>
<b>Total Pension Liabilities - Ending (a)</b>	<u>\$ 205,789,604</u>	<u>\$ 218,118,406</u>	<u>\$ 227,137,138</u>
<b>Plan Fiduciary Net Positions</b>			
Contributions - Employer	\$ 6,007,048	\$ 6,361,276	\$ 6,562,993
Contributions - Employee	3,526,756	3,896,613	4,137,400
Net investment income	6,949,478	312,710	7,500,935
Benefit payments	(11,612,717)	(11,091,486)	(14,056,060)
Administrative expense	<u>(215,379)</u>	<u>(279,729)</u>	<u>(257,440)</u>
<b>Net Change in Plan Fiduciary Net Positions</b>	\$ 4,655,186	\$ (800,616)	\$ 3,887,828
<b>Plan Fiduciary Net Positions - Beginning</b>	<u>126,159,233</u>	<u>130,814,419</u>	<u>130,013,803</u>
<b>Plan Fiduciary Net Positions - Ending (b)</b>	<u>\$ 130,814,419</u>	<u>\$ 130,013,803</u>	<u>\$ 133,901,631</u>
<b>Net Pension Liabilities - Ending (a) - (b)</b>	\$ 74,975,185	\$ 88,104,603	\$ 93,235,507
<b>Plan Fiduciary Net Positions as a Percentage of Total Pension Liabilities</b>	64 %	60 %	59 %
<b>Covered Employee Payroll</b>	29,484,531	30,612,492	31,583,219
<b>Net Pension Liabilities as a Percentage of Covered Employee Payroll</b>	254 %	288 %	295 %

- (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, TX

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Actuarially determined contribution	\$ 15,448,938	\$ 21,009,512	\$ 24,362,494	\$ 25,218,616
Contributions in relation to actuarially determined contribution	<u>15,448,938</u>	<u>17,100,193</u>	<u>18,330,551</u>	<u>16,832,574</u>
Contribution deficiency	-	3,909,319	6,031,943	8,386,042
Covered employee payroll	100,314,248	108,555,179	114,395,501	110,562,068
Contributions as a percentage of covered employee payroll	15.40 %	15.75 %	16.02 %	15.22 %

#### 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 2017:

<b>Actuarial cost method</b>	Entry Age Normal
<b>Amortization method</b>	Level percentage of payroll, closed
<b>Remaining amortization period</b>	29 years
<b>Asset valuation method</b>	10 year smoothed; 15% soft corridor
<b>Inflation</b>	2.5%
<b>Salary increases</b>	3.5% to 10.5% including inflation
<b>Investment rate of return</b>	6.75%
<b>Retirement age</b>	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
<b>Mortality</b>	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
<b>Updated service credits and Cost of Living Adjustments</b>	For calendar year 2012-2017, 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, TX

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<u>2012</u>	<u>2013</u>	<u>2014*</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 22,769,666	\$ 22,665,524	\$ 27,872,623	\$ 24,928,854	\$ 26,260,333	\$ 26,945,354
<u>15,541,644</u>	<u>16,101,720</u>	<u>20,302,711</u>	<u>19,083,912</u>	<u>22,672,210</u>	<u>24,934,574</u>
7,228,022	6,563,804	7,569,912	5,844,942	3,588,123	2,010,780
108,260,052	107,828,105	135,847,965	117,949,385	126,809,960	125,052,275
14.36 %	14.93 %	14.95 %	16.18 %	17.88 %	19.94 %

**City of Corpus Christi, TX**

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

	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Required contributions	\$ 3,541,183	\$ 3,964,376	\$ 4,440,572	\$ 5,158,128
Contributions in relation to required contributions	3,541,183	3,964,376	4,440,572	5,158,128
Contribution deficiency	-	-	-	-
Covered employee payroll	N/A	24,268,094	N/A	27,723,869
Contributions as a percentage of covered employee payroll	- %	16.34 %	- %	18.61 %

**Notes to Schedule:**

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

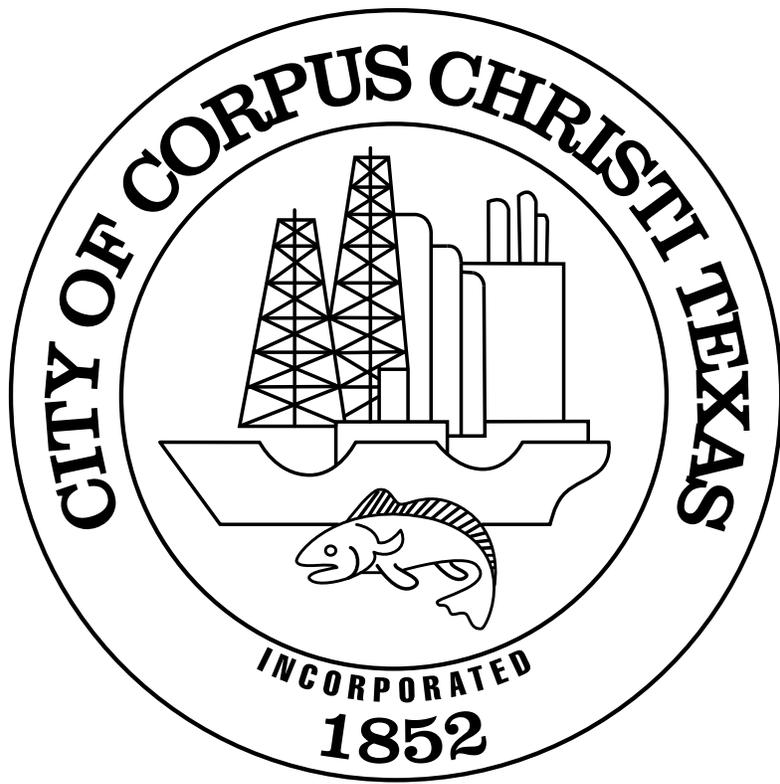
Methods and assumptions used to determine contribution rate for 2017:

<b>Actuarial cost method</b>	Entry Age Actuarial Cost
<b>Amortization method</b>	Level percentage of payroll
<b>Remaining amortization period</b>	23.1 years
<b>Asset valuation method</b>	5 year smoothed; 20% corridor
<b>Inflation</b>	3.5%
<b>Salary increases</b>	3.5% plus 1.82% annually for promotion and other increases
<b>Investment rate of return</b>	7.75%
<b>Retirement age</b>	58.1 years
<b>Mortality</b>	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, TX**

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<b>2012</b>	<b>2013</b>	<b>2014*</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
\$ 5,254,970	\$ 5,640,851	\$ 7,009,621	\$ 6,266,444	\$ 6,698,003	\$ 6,612,497
5,254,970	5,640,851	7,009,621	6,266,444	6,698,003	6,612,497
-	-	-	-	-	-
N/A	29,459,098	N/A	30,156,126	32,232,931	31,823,086
- %	19.15 %	- %	20.78 %	20.78 %	20.78 %



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



***Governmental Funds***

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

***General Fund***



**City of Corpus Christi**

**Exhibit 6-A**

**GENERAL FUND  
BALANCE SHEET  
SEPTEMBER 30, 2017**

**Assets**

Cash, cash equivalents and investments	\$ 62,769,977
Receivables	
Accounts	6,275,287
Property leases	6,864
Taxes	3,821,611
Demolition liens	2,792,819
Employees	40,898
Intergovernmental	10,151,564
Miscellaneous	2,152,091
Allowance for uncollectibles	<u>(4,801,619)</u>
Net receivables	20,439,515
Prepaid items	9,334
Advances to other funds	<u>655,910</u>
Total assets	<u><u>\$ 83,874,736</u></u>

**Liabilities**

Accounts payable	\$ 3,908,876
Accrued liabilities	11,702,309
Contractor interest and retainage payable	7,830,930
Deposits	373,556
Liability to claimants - escheat property	110,959
Due to other funds	295
Due to other governmental agencies	505,020
Unearned revenues	
Other	<u>113</u>
Total liabilities	<u><u>24,432,058</u></u>

**Deferred inflows of resources**

Unavailable revenue-property taxes	1,979,036
Unavailable revenue - Other	<u>146,291</u>
Total deferred inflows of resources	<u><u>2,125,327</u></u>

**Fund balance**

Nonspendable	665,244
Restricted	553,012
Assigned	2,867,602
Unassigned	<u>53,231,493</u>
Total fund balance	<u><u>57,317,351</u></u>

Total liabilities, deferred inflows of resources and fund balance	<u><u>\$ 83,874,736</u></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, 2017**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
<b>Taxes</b>				
General property taxes				
Ad valorem - current	\$ 67,845,000	\$ 67,845,000	\$ 67,769,013	\$ -
Ad valorem - delinquent	953,203	953,203	1,039,983	-
Penalties and interest	789,999	789,999	800,417	-
Industrial District in lieu of taxes	9,100,000	9,100,000	10,978,766	-
Other payments in lieu of taxes	126,500	126,500	24,533	-
Special inventory tax escrow refund	65,000	65,000	27,765	-
Total general property taxes	78,879,702	78,879,702	80,640,477	-
City sales tax	55,400,000	55,400,000	53,417,460	-
Liquor drink tax	1,472,118	1,472,118	1,389,961	-
Bingo tax	387,083	387,083	391,208	-
Business fees				
Electric franchise	10,192,560	10,192,560	10,024,998	-
Telecommunication fees	3,648,884	3,648,884	3,403,091	-
Cable TV	3,750,000	3,750,000	3,367,190	-
Other business fees	53,300	53,300	98,236	-
Total business fees	17,644,744	17,644,744	16,893,515	-
Total taxes and business fees	153,783,647	153,783,647	152,732,621	-
Licenses and permits				
Beach parking	850,000	850,000	1,187,726	-
Fire prevention	175,000	175,000	235,969	-
Food service	675,000	675,000	577,889	-
Other licenses and permits	216,692	216,692	209,458	-
Total licenses and permits	1,916,692	1,916,692	2,211,042	-
Grants	370,046	442,046	373,871	-
Charges for services				
General governmental services	70,336	70,336	74,320	-
Police				
Towing and impound	1,635,000	1,696,000	1,501,179	-
Auction proceeds	939,400	939,400	852,095	-
Reports and fingerprinting	82,600	82,600	111,980	-
Parking meter collections	291,000	291,000	198,514	-
Alarm systems and police security	630,000	630,000	605,429	-
Emergency calls	2,957,620	2,957,620	2,737,910	-
Radio system	186,788	186,788	199,653	-
Nueces County Metrocom	1,212,000	1,212,000	1,147,351	-
Crossing guards	77,891	77,891	84,823	-
Animal control	87,100	87,100	98,041	-
Other	145,000	145,000	120,531	-
Total police	8,244,399	8,305,399	7,657,506	-
Fire	60,800	60,800	67,751	-
Ambulance	6,124,000	6,124,000	4,733,976	-
Streets and bridge lighting	228,575	228,575	120,016	-

**(Continued)**

<u>Actual Budget Basis</u>	<u>Variance with Final Budget</u>
\$ 67,769,013	\$ (75,987)
1,039,983	86,780
800,417	10,418
10,978,766	1,878,766
24,533	(101,967)
27,765	(37,235)
<u>80,640,477</u>	<u>1,760,775</u>
53,417,460	(1,982,540)
1,389,961	(82,157)
391,208	4,125
10,024,998	(167,562)
3,403,091	(245,793)
3,367,190	(382,810)
98,236	44,936
<u>16,893,515</u>	<u>(751,229)</u>
<u>152,732,621</u>	<u>(1,051,026)</u>
1,187,726	337,726
235,969	60,969
577,889	(97,111)
209,458	(7,234)
<u>2,211,042</u>	<u>294,350</u>
373,871	(68,175)
74,320	3,984
1,501,179	(194,821)
852,095	(87,305)
111,980	29,380
198,514	(92,486)
605,429	(24,571)
2,737,910	(219,710)
199,653	12,865
1,147,351	(64,649)
84,823	6,932
98,041	10,941
120,531	(24,469)
<u>7,657,506</u>	<u>(647,893)</u>
67,751	6,951
4,733,976	(1,390,024)
120,016	(108,559)

**City of Corpus Christi**

**GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Solid waste services				
Residential refuse collection	\$ 17,012,400	\$ 17,012,400	\$ 17,280,541	\$ -
Commercial and industrial collection	1,820,000	1,820,000	1,832,104	-
Municipal solid waste system service charge	3,701,034	3,701,034	3,657,581	-
Disposal	11,912,335	11,912,335	12,742,918	-
Debris and brush	503,000	503,000	310,448	-
Recycling	2,834,500	2,834,500	2,986,621	-
Total solid waste services	<u>37,783,269</u>	<u>37,783,269</u>	<u>38,810,213</u>	<u>-</u>
Health				
Vital records	427,000	427,000	443,807	-
Clinic, vaccine and laboratory charges	183,500	183,500	133,023	-
Nueces County health administration	181,000	181,000	161,432	-
Inspections	62,000	62,000	73,861	-
Total health	<u>853,500</u>	<u>853,500</u>	<u>812,123</u>	<u>-</u>
Recreation				
Aquatics	240,336	240,336	146,386	-
Tennis centers	36,434	36,434	41,458	-
Athletics	181,380	181,380	168,037	-
Rentals	104,042	104,042	103,512	-
Latchkey	2,618,043	2,618,043	2,525,273	-
Other	158,579	158,579	96,859	-
Total recreation	<u>3,338,814</u>	<u>3,338,814</u>	<u>3,081,525</u>	<u>-</u>
Libraries	149,923	149,923	124,668	-
Museum of Science and History				
Admissions	256,142	256,142	235,000	-
Gift shop	97,402	97,402	86,489	-
Programs	115,854	115,854	222,182	-
Other	122,009	122,009	119,305	-
Total museum of science and history	<u>591,407</u>	<u>591,407</u>	<u>662,976</u>	<u>-</u>
Total charges for services	<u>57,445,023</u>	<u>57,506,023</u>	<u>56,145,074</u>	<u>-</u>
Fines and forfeitures				
Traffic fines	951,721	951,721	1,417,256	-
Parking fines	340,426	340,426	244,043	-
General fines	1,568,925	1,568,925	2,206,995	-
Municipal Court fees and fines	1,128,088	1,128,088	877,321	-
Demolition and weed liens	161,613	161,613	174,792	-
Animal control fines	9,103	9,103	21,920	-
Total fines and forfeitures	<u>4,159,876</u>	<u>4,159,876</u>	<u>4,942,327</u>	<u>-</u>
Earnings on investments	122,400	122,400	547,321	-
Miscellaneous				
Rental of general property	316,000	316,000	133,997	-
Contributions and donations	18,130	18,130	27,942	-
Naming rights for convention center	185,000	185,000	185,000	-
Streets and easements	-	78,646	78,646	-
Other	338,480	338,480	235,565	-
Restitution	3,600	3,600	5,410	-
Total miscellaneous	<u>861,210</u>	<u>939,856</u>	<u>666,560</u>	<u>-</u>

**(Continued)**

<b>Actual Budget Basis</b>	<b>Variance with Final Budget</b>
\$ 17,280,541	\$ 268,141
1,832,104	12,104
3,657,581	(43,453)
12,742,918	830,583
310,448	(192,552)
2,986,621	152,121
<u>38,810,213</u>	<u>1,026,944</u>
443,807	16,807
133,023	(50,477)
161,432	(19,568)
73,861	11,861
<u>812,123</u>	<u>(41,377)</u>
146,386	(93,950)
41,458	5,024
168,037	(13,343)
103,512	(530)
2,525,273	(92,770)
96,859	(61,720)
<u>3,081,525</u>	<u>(257,289)</u>
124,668	(25,255)
235,000	(21,142)
86,489	(10,913)
222,182	106,328
119,305	(2,704)
<u>662,976</u>	<u>71,569</u>
<u>56,145,074</u>	<u>(1,360,949)</u>
1,417,256	465,535
244,043	(96,383)
2,206,995	638,070
877,321	(250,767)
174,792	13,179
21,920	12,817
<u>4,942,327</u>	<u>782,451</u>
547,321	424,921
133,997	(182,003)
27,942	9,812
185,000	-
78,646	-
235,565	(102,915)
5,410	1,810
<u>666,560</u>	<u>(273,296)</u>

**City of Corpus Christi**

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**GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Reimbursements	\$ 5,440,160	\$ 5,440,160	\$ -	\$ 5,416,526
Total revenues	<u>224,099,054</u>	<u>224,310,700</u>	<u>217,618,816</u>	<u>5,416,526</u>
Other financing sources (uses)				
Capital leases	-	-	2,221,124	(2,221,124)
Sale of City property	-	-	298,316	-
Transfers in	6,887,611	6,887,611	7,155,675	-
Transfers out	(15,761,971)	(16,626,791)	(20,099,553)	2,554,182
Total other financing sources (uses)	<u>(8,874,360)</u>	<u>(9,739,180)</u>	<u>(10,424,438)</u>	<u>333,058</u>
Total revenues and other sources	<u>\$ 215,224,694</u>	<u>\$ 214,571,520</u>	<u>\$ 207,194,378</u>	<u>\$ 5,749,584</u>

<u>Actual Budget</u> <u>Basis</u>	<u>Variance with</u> <u>Final Budget</u>
\$ 5,416,526	\$ (23,634)
<u>223,035,342</u>	<u>(1,275,358)</u>
-	-
298,316	298,316
7,155,675	268,064
<u>(17,545,371)</u>	<u>(918,580)</u>
<u>(10,091,380)</u>	<u>(352,200)</u>
<u>\$ 212,943,962</u>	<u>\$ (1,627,558)</u>

**City of Corpus Christi**

**GENERAL FUND  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2017**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
<b>General government</b>				
Control				
City council and city secretary				
Personnel services	\$ 714,892	\$ 698,961	\$ 653,393	\$ -
Materials, supplies & contractual services	85,197	474,039	426,120	-
Other charges	143,250	141,783	125,383	-
Total city council and city secretary	<u>943,339</u>	<u>1,314,783</u>	<u>1,204,896</u>	<u>-</u>
Group managers				
Personnel services	623,605	609,605	399,794	-
Materials, supplies & contractual services	90,739	179,745	167,272	-
Other charges	101,927	101,927	87,837	-
Total group managers	<u>816,271</u>	<u>891,277</u>	<u>654,903</u>	<u>-</u>
City auditor				
Personnel services	379,027	379,027	365,538	-
Materials, supplies & contractual services	18,263	17,063	16,132	-
Other charges	51,976	53,626	53,570	-
Total city auditor	<u>449,266</u>	<u>449,716</u>	<u>435,240</u>	<u>-</u>
City manager				
Personnel services	617,101	617,101	556,449	-
Materials, supplies & contractual services	14,173	17,872	15,320	-
Other charges	84,415	84,415	78,695	-
Total city manager	<u>715,689</u>	<u>719,388</u>	<u>650,464</u>	<u>-</u>
Office of management and budget				
Personnel services	809,173	801,326	689,965	-
Materials, supplies & contractual services	98,746	157,628	53,125	-
Other charges	97,876	97,876	97,876	-
Reimbursements	-	-	(720,318)	720,318
Total office of management and budget	<u>1,005,795</u>	<u>1,056,830</u>	<u>120,648</u>	<u>720,318</u>
Public information				
Personnel services	631,832	631,832	480,818	-
Materials, supplies & contractual services	199,608	200,894	141,087	-
Other charges	63,681	64,681	64,978	-
Total public information	<u>895,121</u>	<u>897,407</u>	<u>686,883</u>	<u>-</u>
Staff agencies				
Financial services				
Personnel services	3,063,438	3,132,432	3,033,634	-
Materials, supplies & contractual services	603,450	674,779	604,639	-
Other charges	561,367	561,767	544,577	-
Reimbursements	-	-	(720,318)	720,318
Total financial services	<u>4,228,255</u>	<u>4,368,978</u>	<u>3,462,532</u>	<u>720,318</u>

(Continued)

<u>Actual</u> <u>Budget Basis</u>	<u>Variance with</u> <u>Final Budget</u>
\$ 653,393	\$ 45,568
426,120	47,919
125,383	16,400
<u>1,204,896</u>	<u>109,887</u>
399,794	209,811
167,272	12,473
87,837	14,090
<u>654,903</u>	<u>236,374</u>
365,538	13,489
16,132	931
53,570	56
<u>435,240</u>	<u>14,476</u>
556,449	60,652
15,320	2,552
78,695	5,720
<u>650,464</u>	<u>68,924</u>
689,965	111,361
53,125	104,503
97,876	-
-	-
<u>840,966</u>	<u>215,864</u>
480,818	151,014
141,087	59,807
64,978	(297)
<u>686,883</u>	<u>210,524</u>
3,033,634	98,798
604,639	70,140
544,577	17,190
-	-
<u>4,182,850</u>	<u>186,128</u>

**City of Corpus Christi**

**GENERAL FUND  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2017**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
City attorney				
Personnel services	\$ 2,456,197	\$ 2,463,149	\$ 2,171,283	\$ -
Materials, supplies & contractual services	143,289	181,654	82,941	-
Other charges	287,837	287,837	270,953	-
Total city attorney	2,887,323	2,932,640	2,525,177	-
Housing and community development				
Personnel services	173,444	173,444	95,577	-
Materials, supplies & contractual services	6,724	6,724	6,409	-
Other charges	32,861	32,861	28,320	-
Total housing and community development	213,029	213,029	130,306	-
Planning				
Personnel services	1,040	150,507	79,846	-
Materials, supplies & contractual services	711,809	862,039	195,465	-
Other charges	26,956	43,456	27,306	-
Total planning	739,805	1,056,002	302,617	-
Human resources				
Personnel services	1,346,666	1,346,666	1,246,541	-
Materials, supplies & contractual services	417,881	426,685	362,303	-
Other charges	219,369	219,369	214,406	-
Total human resources	1,983,916	1,992,720	1,823,250	-
Human relations				
Personnel services	366,767	366,767	346,623	-
Materials, supplies & contractual services	72,190	74,226	51,395	-
Other charges	74,214	75,488	71,951	-
Total human relations	513,171	516,481	469,969	-
Other expenditures				
Uncollectible accounts	337,350	337,350	140,578	-
Reserve appropriations	3,842,255	2,041,390	-	-
Major memberships	100,000	100,000	93,089	-
NCAD/Nueces County Administration	1,488,211	1,553,211	1,538,018	-
Downtown Mgmt District	300,000	333,243	330,985	-
CC Regional Economic Development Corporation	295,620	295,620	295,610	-
Economic development incentives	2,700,000	2,385,020	1,365,483	-
Purchasing/messenger service allocation	386,976	386,976	386,976	-
Total other expenditures	9,450,412	7,432,810	4,150,739	-
Total general government	24,841,392	23,842,061	16,617,624	1,440,636

(Continued)

<u>Actual</u> <u>Budget Basis</u>	<u>Variance with</u> <u>Final Budget</u>
\$ 2,171,283	\$ 291,866
82,941	98,713
<u>270,953</u>	<u>16,884</u>
<u>2,525,177</u>	<u>407,463</u>
95,577	77,867
6,409	315
<u>28,320</u>	<u>4,541</u>
<u>130,306</u>	<u>82,723</u>
79,846	70,661
195,465	666,574
<u>27,306</u>	<u>16,150</u>
<u>302,617</u>	<u>753,385</u>
1,246,541	100,125
362,303	64,382
<u>214,406</u>	<u>4,963</u>
<u>1,823,250</u>	<u>169,470</u>
346,623	20,144
51,395	22,831
<u>71,951</u>	<u>3,537</u>
<u>469,969</u>	<u>46,512</u>
140,578	196,772
-	2,041,390
93,089	6,911
1,538,018	15,193
330,985	2,258
295,610	10
1,365,483	1,019,537
<u>386,976</u>	<u>-</u>
<u>4,150,739</u>	<u>3,282,071</u>
<u>18,058,260</u>	<u>5,783,801</u>

**City of Corpus Christi**

**GENERAL FUND  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2017**

	<b>Budget</b>		<b>Actual GAAP Basis</b>	<b>Adjustments Budget Basis</b>
	<b>Original</b>	<b>Final</b>		
Police and municipal court				
Administration and support services				
Personnel services	\$ 3,336,550	\$ 3,336,550	\$ 3,198,030	\$ -
Materials, supplies & contractual services	2,139,074	2,274,734	2,263,261	-
Other charges	678,049	668,549	668,502	-
Capital outlays	-	95,000	95,000	-
Reimbursements	-	-	(784,016)	784,016
Total administration and support services	<u>6,153,673</u>	<u>6,374,833</u>	<u>5,440,777</u>	<u>784,016</u>
Training				
Personnel services	1,663,981	1,613,898	1,148,001	-
Materials, supplies & contractual services	181,802	246,644	202,260	-
Other charges	247,304	249,304	250,604	-
Total training	<u>2,093,087</u>	<u>2,109,846</u>	<u>1,600,865</u>	<u>-</u>
Investigations and forensics				
Personnel services	10,699,683	10,699,683	10,902,133	-
Materials, supplies & contractual services	556,006	500,762	467,640	-
Other charges	1,188,600	1,198,285	1,205,508	-
Total investigations and forensics	<u>12,444,289</u>	<u>12,398,730</u>	<u>12,575,281</u>	<u>-</u>
Uniformed division				
Personnel services	30,237,665	30,442,265	31,061,042	-
Materials, supplies & contractual services	1,017,205	954,847	993,343	-
Other charges	6,316,094	6,316,094	5,403,717	909,706
Total uniformed division	<u>37,570,964</u>	<u>37,713,206</u>	<u>37,458,102</u>	<u>909,706</u>
Emergency calls and dispatch				
Personnel services	4,514,029	4,514,029	4,378,453	-
Materials, supplies & contractual services	1,043,536	1,049,238	1,001,690	-
Other charges	225,117	225,117	209,665	-
Total emergency calls and dispatch	<u>5,782,682</u>	<u>5,788,384</u>	<u>5,589,808</u>	<u>-</u>
Special police operations				
Personnel services	675,141	675,141	592,585	-
Materials, supplies & contractual services	357,681	348,799	305,407	-
Other charges	88,816	88,816	86,279	-
Total special police operations	<u>1,121,638</u>	<u>1,112,756</u>	<u>984,271</u>	<u>-</u>
Vehicle impound operations				
Personnel services	394,107	394,107	382,570	-
Materials, supplies & contractual services	939,083	1,223,207	1,284,507	-
Other charges	77,639	77,639	82,448	-
Total vehicle impound operations	<u>1,410,829</u>	<u>1,694,953</u>	<u>1,749,525</u>	<u>-</u>

(Continued)

<u>Actual</u> <u>Budget Basis</u>	<u>Variance with</u> <u>Final Budget</u>
\$ 3,198,030	\$ 138,520
2,263,261	11,473
668,502	47
95,000	-
-	-
<u>6,224,793</u>	<u>150,040</u>
1,148,001	465,897
202,260	44,384
250,604	(1,300)
<u>1,600,865</u>	<u>508,981</u>
10,902,133	(202,450)
467,640	33,122
1,205,508	(7,223)
<u>12,575,281</u>	<u>(176,551)</u>
31,061,042	(618,777)
993,343	(38,496)
6,313,423	2,671
<u>38,367,808</u>	<u>(654,602)</u>
4,378,453	135,576
1,001,690	47,548
209,665	15,452
<u>5,589,808</u>	<u>198,576</u>
592,585	82,556
305,407	43,392
86,279	2,537
<u>984,271</u>	<u>128,485</u>
382,570	11,537
1,284,507	(61,300)
82,448	(4,809)
<u>1,749,525</u>	<u>(54,572)</u>

**City of Corpus Christi**

**GENERAL FUND  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2017**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Central information				
Personnel services	\$ 1,478,940	\$ 1,478,940	\$ 1,244,312	\$ -
Materials, supplies & contractual services	51,430	51,194	40,518	-
Other charges	143,792	143,792	144,701	-
Total central information	1,674,162	1,673,926	1,429,531	-
Criminal intelligence unit				
Personnel services	1,088,427	1,088,427	1,132,433	-
Materials, supplies & contractual services	61,069	53,801	43,178	-
Other charges	87,354	85,354	84,036	-
Total criminal intelligence unit	1,236,850	1,227,582	1,259,647	-
Animal control				
Personnel services	1,596,912	1,641,912	1,516,480	-
Materials, supplies & contractual services	881,859	862,446	495,869	68,215
Other charges	500,279	500,279	499,731	-
Total animal control	2,979,050	3,004,637	2,512,080	68,215
Code enforcement				
Personnel services	1,124,185	1,124,185	1,028,281	-
Materials, supplies & contractual services	411,955	429,392	401,242	31,508
Other charges	380,076	380,076	367,648	-
Capital outlays	53,208	80,819	249,157	(221,511)
Total code enforcement	1,969,424	2,014,472	2,046,328	(190,003)
Municipal court				
Administration				
Personnel services	1,543,985	1,424,285	1,364,170	-
Materials, supplies & contractual services	73,452	338,327	363,972	-
Other charges	170,413	232,476	234,639	-
Total administration	1,787,850	1,995,088	1,962,781	-
Juvenile court				
Personnel services	1,042,868	1,032,868	1,024,627	-
Materials, supplies & contractual services	45,511	53,420	27,207	-
Other charges	69,921	73,621	72,153	-
Total juvenile court	1,158,300	1,159,909	1,123,987	-
Detention facility				
Personnel services	1,336,594	1,390,594	1,422,968	-
Materials, supplies & contractual services	133,132	153,001	114,145	-
Other charges	106,790	108,290	107,442	-
Total detention facility	1,576,516	1,651,885	1,644,555	-
City marshalls				
Personnel services	379,376	345,076	345,774	-
Materials, supplies & contractual services	118,296	172,984	162,898	-
Other charges	72,070	72,070	65,178	-
Total city marshalls	569,742	590,130	573,850	-
Total police and municipal court	79,529,056	80,510,337	77,951,388	1,571,934

(Continued)

<u>Actual</u> <u>Budget Basis</u>	<u>Variance with</u> <u>Final Budget</u>
\$ 1,244,312	\$ 234,628
40,518	10,676
<u>144,701</u>	<u>(909)</u>
<u>1,429,531</u>	<u>244,395</u>
1,132,433	(44,006)
43,178	10,623
<u>84,036</u>	<u>1,318</u>
<u>1,259,647</u>	<u>(32,065)</u>
1,516,480	125,432
564,084	298,362
<u>499,731</u>	<u>548</u>
<u>2,580,295</u>	<u>424,342</u>
1,028,281	95,904
432,750	(3,358)
367,648	12,428
<u>27,646</u>	<u>53,173</u>
<u>1,856,325</u>	<u>158,147</u>
1,364,170	60,115
363,972	(25,645)
<u>234,639</u>	<u>(2,163)</u>
<u>1,962,781</u>	<u>32,307</u>
1,024,627	8,241
27,207	26,213
<u>72,153</u>	<u>1,468</u>
<u>1,123,987</u>	<u>35,922</u>
1,422,968	(32,374)
114,145	38,856
<u>107,442</u>	<u>848</u>
<u>1,644,555</u>	<u>7,330</u>
345,774	(698)
162,898	10,086
<u>65,178</u>	<u>6,892</u>
<u>573,850</u>	<u>16,280</u>
<u>79,523,322</u>	<u>987,015</u>

**City of Corpus Christi**

**GENERAL FUND  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Fire and ambulance				
Administration and support services				
Personnel services	\$ 1,868,208	\$ 1,907,826	\$ 1,940,955	\$ -
Materials, supplies & contractual services	1,022,545	917,253	807,848	-
Other charges	367,927	370,564	364,402	-
Total administration and support services	<u>3,258,680</u>	<u>3,195,643</u>	<u>3,113,205</u>	<u>-</u>
Training				
Personnel services	3,187,024	3,450,450	3,209,129	-
Materials, supplies & contractual services	392,336	331,960	292,222	-
Other charges	123,840	144,906	144,381	-
Total training	<u>3,703,200</u>	<u>3,927,316</u>	<u>3,645,732</u>	<u>-</u>
Stations				
Personnel services	36,783,637	38,034,009	38,679,273	-
Materials, supplies & contractual services	2,623,810	2,531,878	1,723,699	637,337
Other charges	3,236,102	3,069,434	3,017,850	-
Capital outlays	-	50,406	680,406	(630,000)
Reimbursements	-	-	(327,472)	327,472
Total stations	<u>42,643,549</u>	<u>43,685,727</u>	<u>43,773,756</u>	<u>334,809</u>
Life guarding and first response				
Personnel services	266,076	266,076	167,692	-
Materials, supplies & contractual services	41,200	38,655	37,677	-
Other charges	77,388	77,388	75,388	-
Capital outlays	42,748	70,848	-	-
Total life guarding and first response	<u>427,412</u>	<u>452,967</u>	<u>280,757</u>	<u>-</u>
Ambulance and operations				
Personnel services	177,700	177,700	166,282	-
Materials, supplies & contractual services	1,610,224	1,510,546	1,213,011	272,476
Other charges	80,362	80,437	80,427	-
Total ambulance and operations	<u>1,868,286</u>	<u>1,768,683</u>	<u>1,459,720</u>	<u>272,476</u>
Emergency management				
Personnel services	248,230	256,583	251,489	-
Materials, supplies & contractual services	95,184	85,702	142,389	-
Other charges	115,821	116,950	117,446	-
Total emergency management	<u>459,235</u>	<u>459,235</u>	<u>511,324</u>	<u>-</u>
Prevention	<u>1,716,254</u>	<u>1,802,954</u>	<u>1,803,754</u>	<u>-</u>
Total fire and ambulance	<u>54,076,616</u>	<u>55,292,525</u>	<u>54,588,248</u>	<u>607,285</u>
Streets				
Streets and bridge lighting				
Materials, supplies & contractual services	3,928,289	4,183,113	4,535,644	-

(Continued)

<u>Actual</u> <u>Budget Basis</u>	<u>Variance with</u> <u>Final Budget</u>
\$ 1,940,955	\$ (33,129)
807,848	109,405
<u>364,402</u>	<u>6,162</u>
<u>3,113,205</u>	<u>82,438</u>
3,209,129	241,321
292,222	39,738
<u>144,381</u>	<u>525</u>
<u>3,645,732</u>	<u>281,584</u>
38,679,273	(645,264)
2,361,036	170,842
3,017,850	51,584
50,406	-
-	-
<u>44,108,565</u>	<u>(422,838)</u>
167,692	98,384
37,677	978
75,388	2,000
-	70,848
<u>280,757</u>	<u>172,210</u>
166,282	11,418
1,485,487	25,059
<u>80,427</u>	<u>10</u>
<u>1,732,196</u>	<u>36,487</u>
251,489	5,094
142,389	(56,687)
<u>117,446</u>	<u>(496)</u>
<u>511,324</u>	<u>(52,089)</u>
<u>1,803,754</u>	<u>(800)</u>
<u>55,195,533</u>	<u>96,992</u>
<u>4,535,644</u>	<u>(352,531)</u>

**City of Corpus Christi**

**GENERAL FUND  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2017**

	<b>Budget</b>		<b>Actual GAAP Basis</b>	<b>Adjustments Budget Basis</b>
	<b>Original</b>	<b>Final</b>		
<b>Solid Waste</b>				
Administration and support services				
Personnel services	\$ 1,050,068	\$ 1,050,068	\$ 1,028,850	\$ -
Materials, supplies & contractual services	660,998	611,071	509,846	6,714
Other charges	185,999	192,999	193,631	-
Total administration and support services	<u>1,897,065</u>	<u>1,854,138</u>	<u>1,732,327</u>	<u>6,714</u>
JC Elliott Transfer Station				
Personnel services	951,993	1,238,993	1,250,138	-
Materials, supplies & contractual services	1,649,681	1,317,414	670,642	521,303
Other charges	421,170	421,170	299,088	122,452
Capital outlays	-	57,000	851,236	(794,486)
Total JC Elliott Transfer Station	<u>3,022,844</u>	<u>3,034,577</u>	<u>3,071,104</u>	<u>(150,731)</u>
Elliot closure/post-closure care				
Materials, supplies & contractual services	<u>243,000</u>	<u>479,595</u>	<u>121,596</u>	<u>-</u>
Refuse and brush collection and disposal				
Personnel services	5,739,499	5,739,499	6,190,034	-
Materials, supplies & contractual services	5,576,204	6,451,204	2,964,472	2,864,469
Other charges	1,372,472	1,372,472	1,095,672	279,389
Capital outlays	-	-	534,737	(534,737)
Reimbursements	-	-	(500,000)	500,000
Total refuse and brush collection and disposal	<u>12,688,175</u>	<u>13,563,175</u>	<u>10,284,915</u>	<u>3,109,121</u>
Cefe Valenzuela landfill operations				
Personnel services	800,855	800,855	735,743	-
Materials, supplies & contractual services	5,551,282	5,604,526	5,788,328	15,606
Other charges	1,683,343	1,683,343	431,650	1,242,635
Capital outlays	-	13,892	13,891	-
Total cefe valenzuela landfill operations	<u>8,035,480</u>	<u>8,102,616</u>	<u>6,969,612</u>	<u>1,258,241</u>
Graffiti clean-up				
Personnel services	213,725	213,725	183,269	-
Materials, supplies & contractual services	41,368	41,999	10,437	-
Other charges	19,034	19,034	19,034	-
Total graffiti clean-up	<u>274,127</u>	<u>274,758</u>	<u>212,740</u>	<u>-</u>
Total solid waste	<u>26,160,691</u>	<u>27,308,859</u>	<u>22,392,294</u>	<u>4,223,345</u>
<b>Health</b>				
Administration and support services				
Personnel services	893,376	893,376	760,998	-
Materials, supplies & contractual services	397,870	491,020	252,772	66,705
Other charges	350,593	357,174	356,440	-
Capital outlays	1,856	3,712	-	-
Total health	<u>1,643,695</u>	<u>1,745,282</u>	<u>1,370,210</u>	<u>66,705</u>
Vital statistics				
Personnel services	118,155	118,155	116,358	-
Materials, supplies & contractual services	25,831	26,216	20,878	-
Other charges	16,265	15,880	15,722	-
Total vital statistics	<u>160,251</u>	<u>160,251</u>	<u>152,958</u>	<u>-</u>

(Continued)

City of Corpus Christi

Exhibit 6-C

<u>Actual</u> <u>Budget Basis</u>	<u>Variance with</u> <u>Final Budget</u>
\$ 1,028,850	\$ 21,218
516,560	94,511
<u>193,631</u>	<u>(632)</u>
<u>1,739,041</u>	<u>115,097</u>
1,250,138	(11,145)
1,191,945	125,469
421,540	(370)
<u>56,750</u>	<u>250</u>
<u>2,920,373</u>	<u>114,204</u>
<u>121,596</u>	<u>357,999</u>
6,190,034	(450,535)
5,828,941	622,263
1,375,061	(2,589)
-	-
<u>-</u>	<u>-</u>
<u>13,394,036</u>	<u>169,139</u>
735,743	65,112
5,803,934	(199,408)
1,674,285	9,058
<u>13,891</u>	<u>1</u>
<u>8,227,853</u>	<u>(125,237)</u>
183,269	30,456
10,437	31,562
19,034	-
<u>212,740</u>	<u>62,018</u>
<u>26,615,639</u>	<u>693,220</u>
760,998	132,378
319,477	171,543
356,440	734
-	3,712
<u>1,436,915</u>	<u>308,367</u>
116,358	1,797
20,878	5,338
<u>15,722</u>	<u>158</u>
<u>152,958</u>	<u>7,293</u>

**City of Corpus Christi**

**GENERAL FUND  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2017**

	<b>Budget</b>		<b>Actual GAAP Basis</b>	<b>Adjustments Budget Basis</b>
	<b>Original</b>	<b>Final</b>		
Tuberculosis clinic				
Personnel services	\$ 66,190	\$ 66,190	\$ 66,108	\$ -
Materials, supplies & contractual services	69,264	69,264	33,543	-
Other charges	5,158	5,158	4,658	-
Total tuberculosis clinic	<u>140,612</u>	<u>140,612</u>	<u>104,309</u>	<u>-</u>
STD clinic				
Personnel services	121,023	121,023	115,688	-
Materials, supplies & contractual services	3,679	3,679	878	-
Other charges	14,985	14,985	14,845	-
Total std clinic	<u>139,687</u>	<u>139,687</u>	<u>131,411</u>	<u>-</u>
Immunizations				
Personnel services	197,225	197,225	73,819	-
Materials, supplies & contractual services	166,609	158,068	128,152	-
Other charges	21,090	31,090	28,644	-
Total immunizations	<u>384,924</u>	<u>386,383</u>	<u>230,615</u>	<u>-</u>
Nursing				
Personnel services	132,532	132,532	45,511	-
Materials, supplies & contractual services	52,621	34,289	16,494	-
Other charges	24,286	29,336	27,625	-
Total nursing	<u>209,439</u>	<u>196,157</u>	<u>89,630</u>	<u>-</u>
Environmental health				
Personnel services	393,447	393,447	361,562	-
Materials, supplies & contractual services	37,206	55,098	45,165	-
Other charges	53,660	49,284	49,283	-
Total environmental health	<u>484,313</u>	<u>497,829</u>	<u>456,010</u>	<u>-</u>
Laboratory				
Personnel services	194,166	194,166	196,814	-
Materials, supplies & contractual services	28,157	29,191	28,619	-
Other charges	15,601	14,951	15,314	-
Total laboratory	<u>237,924</u>	<u>238,308</u>	<u>240,747</u>	<u>-</u>
Mental health				
Materials, supplies & contractual services	<u>54,000</u>	<u>54,000</u>	<u>58,500</u>	<u>-</u>
Total health	<u>3,454,845</u>	<u>3,558,509</u>	<u>2,834,390</u>	<u>66,705</u>
Parks and recreation				
Administration and support services				
Personnel services	1,202,427	1,202,427	1,086,092	-
Materials, supplies & contractual services	102,341	114,234	108,568	-
Other charges	336,876	341,876	340,799	-
Total administration and support services	<u>1,641,644</u>	<u>1,658,537</u>	<u>1,535,459</u>	<u>-</u>

(Continued)

<u>Actual Budget Basis</u>	<u>Variance with Final Budget</u>
\$ 66,108	\$ 82
33,543	35,721
4,658	500
<u>104,309</u>	<u>36,303</u>
115,688	5,335
878	2,801
14,845	140
<u>131,411</u>	<u>8,276</u>
73,819	123,406
128,152	29,916
28,644	2,446
<u>230,615</u>	<u>155,768</u>
45,511	87,021
16,494	17,795
27,625	1,711
<u>89,630</u>	<u>106,527</u>
361,562	31,885
45,165	9,933
49,283	1
<u>456,010</u>	<u>41,819</u>
196,814	(2,648)
28,619	572
15,314	(363)
<u>240,747</u>	<u>(2,439)</u>
<u>58,500</u>	<u>(4,500)</u>
<u>2,901,095</u>	<u>657,414</u>
1,086,092	116,335
108,568	5,666
340,799	1,077
<u>1,535,459</u>	<u>123,078</u>

**City of Corpus Christi**

**GENERAL FUND  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2017**

	<b>Budget</b>		<b>Actual GAAP Basis</b>	<b>Adjustments Budget Basis</b>
	<b>Original</b>	<b>Final</b>		
Park operations				
Personnel Services	\$ 2,520,903	\$ 2,377,441	\$ 2,338,379	\$ -
Materials, supplies & contractual services	1,250,013	1,581,051	1,116,667	116,925
Other charges	1,128,179	1,132,601	1,132,256	-
Capital outlays	75,000	148,319	109,027	-
Reimbursements	-	-	(264,000)	264,000
Total park operations	<u>4,974,095</u>	<u>5,239,412</u>	<u>4,432,329</u>	<u>380,925</u>
Park construction				
Personnel services	290,266	278,076	233,409	-
Materials, supplies & contractual services	235,933	260,074	235,417	-
Other charges	92,656	92,656	92,352	-
Capital outlays	45,000	108,756	36,660	-
Total park construction	<u>663,855</u>	<u>739,562</u>	<u>597,838</u>	<u>-</u>
Senior community services				
Personnel services	715,204	715,204	655,282	-
Materials, supplies & contractual services	281,873	291,752	269,191	-
Other charges	386,594	389,647	389,196	-
Total senior community services	<u>1,383,671</u>	<u>1,396,603</u>	<u>1,313,669</u>	<u>-</u>
Beach maintenance and operations				
Personnel services	876,547	876,547	809,508	-
Materials, supplies & contractual services	704,118	963,284	551,182	-
Other charges	206,386	206,386	207,693	-
Capital outlays	344,590	148,057	16,881	-
Reimbursements	-	-	(1,825,088)	1,825,088
Total beach maintenance and operations	<u>2,131,641</u>	<u>2,194,274</u>	<u>(239,824)</u>	<u>1,825,088</u>
Aquatics				
Personnel services	562,797	562,797	367,974	-
Materials, supplies & contractual services	549,792	654,234	479,359	-
Other charges	174,993	178,143	178,249	-
Total aquatics	<u>1,287,582</u>	<u>1,395,174</u>	<u>1,025,582</u>	<u>-</u>
Athletics				
Personnel services	315,386	295,940	272,305	-
Materials, supplies & contractual services	216,376	209,775	195,820	-
Other charges	115,569	115,569	114,088	-
Total athletics	<u>647,331</u>	<u>621,284</u>	<u>582,213</u>	<u>-</u>
Tennis centers				
Personnel services	31,963	31,963	33,135	-
Materials, supplies & contractual services	199,893	200,959	188,010	-
Other charges	53,844	53,844	53,844	-
Total tennis centers	<u>285,700</u>	<u>286,766</u>	<u>274,989</u>	<u>-</u>

**(Continued)**

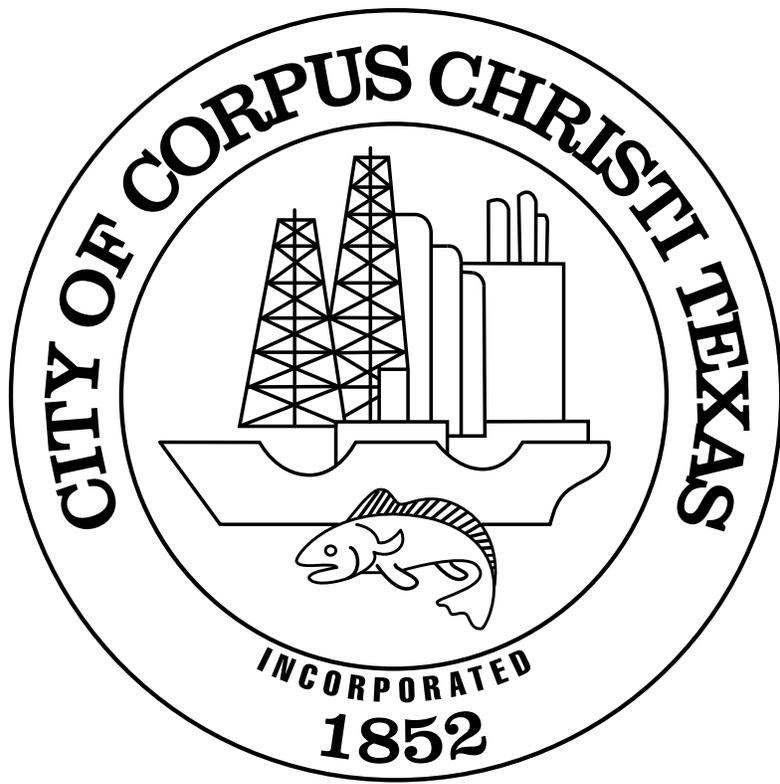
<u>Actual</u> <u>Budget Basis</u>	<u>Variance with</u> <u>Final Budget</u>
\$ 2,338,379	\$ 39,062
1,233,592	347,459
1,132,256	345
109,027	39,292
-	-
<u>4,813,254</u>	<u>426,158</u>
233,409	44,667
235,417	24,657
92,352	304
36,660	72,096
<u>597,838</u>	<u>141,724</u>
655,282	59,922
269,191	22,561
389,196	451
<u>1,313,669</u>	<u>82,934</u>
809,508	67,039
551,182	412,102
207,693	(1,307)
16,881	131,176
-	-
<u>1,585,264</u>	<u>609,010</u>
367,974	194,823
479,359	174,875
178,249	(106)
<u>1,025,582</u>	<u>369,592</u>
272,305	23,635
195,820	13,955
114,088	1,481
<u>582,213</u>	<u>39,071</u>
33,135	(1,172)
188,010	12,949
53,844	-
<u>274,989</u>	<u>11,777</u>

**City of Corpus Christi**

**GENERAL FUND  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2017**

	<b>Budget</b>		<b>Actual GAAP Basis</b>	<b>Adjustments Budget Basis</b>
	<b>Original</b>	<b>Final</b>		
Recreation, learning and multicultural centers				
Personnel services	\$ 574,922	\$ 564,952	\$ 509,004	\$ -
Materials, supplies & contractual services	371,855	386,878	318,735	-
Other charges	69,051	69,451	68,719	-
Capital outlays	-	35,974	35,974	-
Reimbursements	-	-	(275,316)	275,316
Total recreation, learning and multicultural centers	<u>1,015,828</u>	<u>1,057,255</u>	<u>657,116</u>	<u>275,316</u>
Tourist amenities and public art				
Personnel services	524,039	518,706	485,426	-
Materials, supplies & contractual services	457,968	581,939	372,925	-
Other charges	171,248	171,248	170,853	-
Capital outlays	64,000	79,784	15,784	-
Total tourist amenities and public art	<u>1,217,255</u>	<u>1,351,677</u>	<u>1,044,988</u>	<u>-</u>
Latchkey program				
Personnel services	2,185,396	2,025,070	1,879,627	-
Materials, supplies & contractual services	310,423	476,113	300,516	720
Other charges	301,428	301,428	313,859	-
Capital outlays	-	-	40,390	(40,390)
Total latchkey program	<u>2,797,247</u>	<u>2,802,611</u>	<u>2,534,392</u>	<u>(39,670)</u>
Total parks and recreation	<u>18,045,849</u>	<u>18,743,155</u>	<u>13,758,751</u>	<u>2,441,659</u>
Libraries				
Personnel services	2,267,937	2,267,937	2,064,720	-
Materials, supplies & contractual services	1,148,904	1,276,047	1,265,565	-
Other charges	712,421	712,421	714,831	-
Total libraries	<u>4,129,262</u>	<u>4,256,405</u>	<u>4,045,116</u>	<u>-</u>
Museum of Science and History				
Materials, supplies & contractual services	-	253,443	442,927	-
Other charges	1,058,695	1,099,602	1,013,143	-
Total museum of science and history	<u>1,058,695</u>	<u>1,353,045</u>	<u>1,456,070</u>	<u>-</u>
Debt service				
Principal retired	-	-	4,329,442	(4,329,442)
Interest	-	-	272,538	(272,538)
Total debt service	<u>-</u>	<u>-</u>	<u>4,601,980</u>	<u>(4,601,980)</u>
Total expenditures	<u>\$ 215,224,695</u>	<u>\$ 219,048,009</u>	<u>\$ 202,781,505</u>	<u>\$ 5,749,584</u>

<u>Actual</u> <u>Budget Basis</u>	<u>Variance with</u> <u>Final Budget</u>
\$ 509,004	\$ 55,948
318,735	68,143
68,719	732
35,974	-
-	-
<u>932,432</u>	<u>124,823</u>
485,426	33,280
372,925	209,014
170,853	395
15,784	64,000
<u>1,044,988</u>	<u>306,689</u>
1,879,627	145,443
301,236	174,877
313,859	(12,431)
-	-
<u>2,494,722</u>	<u>307,889</u>
<u>16,200,410</u>	<u>2,542,745</u>
2,064,720	203,217
1,265,565	10,482
714,831	(2,410)
<u>4,045,116</u>	<u>211,289</u>
442,927	(189,484)
<u>1,013,143</u>	<u>86,459</u>
1,456,070	(103,025)
-	-
-	-
-	-
<u>\$ 208,531,089</u>	<u>\$ 10,516,920</u>

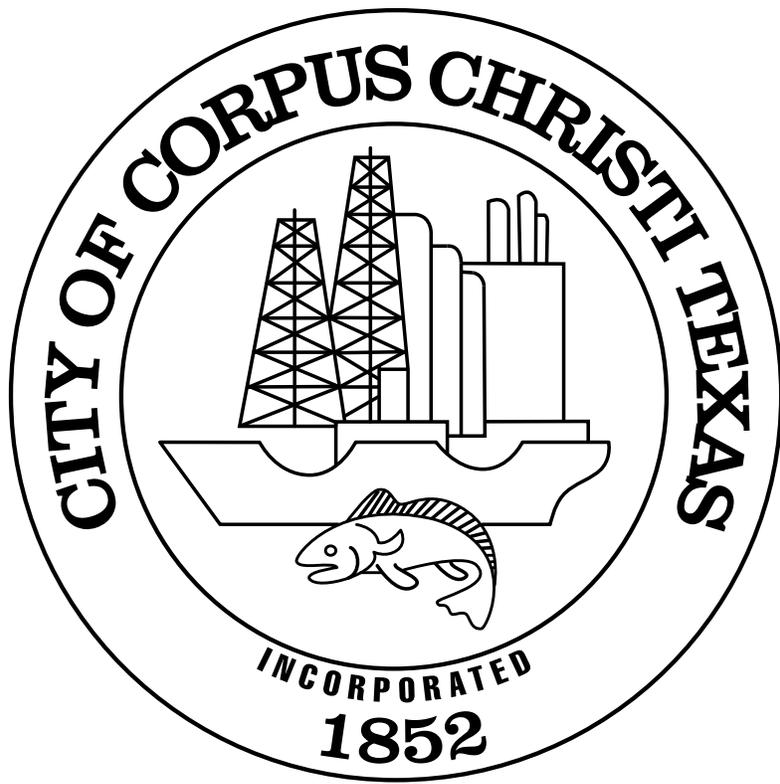


*Debt Service Fund*



***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, 2017**

**Assets**

Cash, cash equivalents and investments	\$ 11,837,620
Receivables	
Taxes	2,327,190
Allowance for uncollectibles	<u>(870,403)</u>
Net receivables	<u>1,456,787</u>
Total assets	<u>\$ 13,294,407</u>

**Liabilities**

**Deferred inflows of resources**

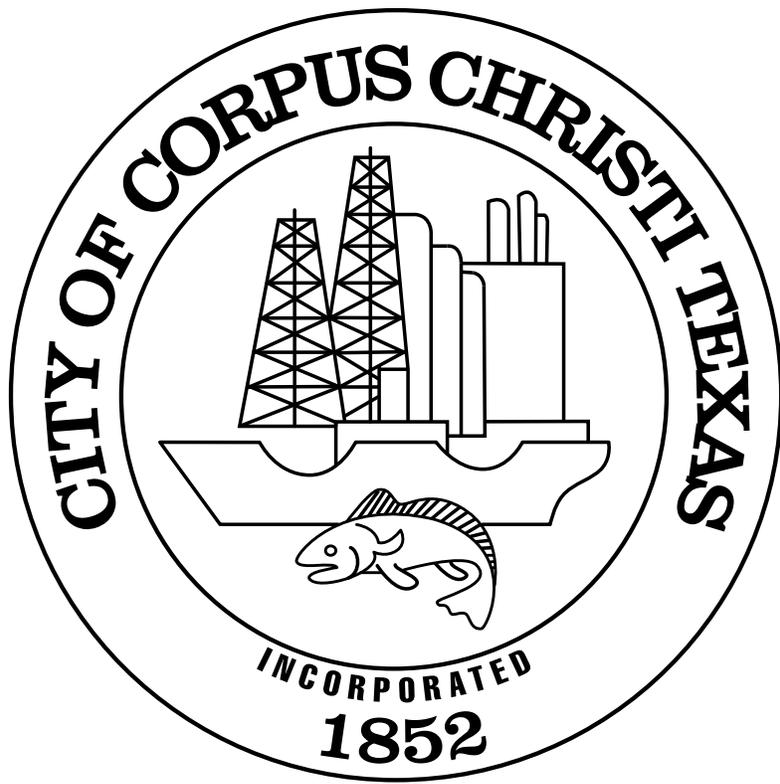
Unavailable revenue-property taxes	<u>\$ 1,205,655</u>
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**Fund balance**

Restricted	<u>12,088,752</u>
Total liabilities and fund balance	<u>\$ 13,294,407</u>

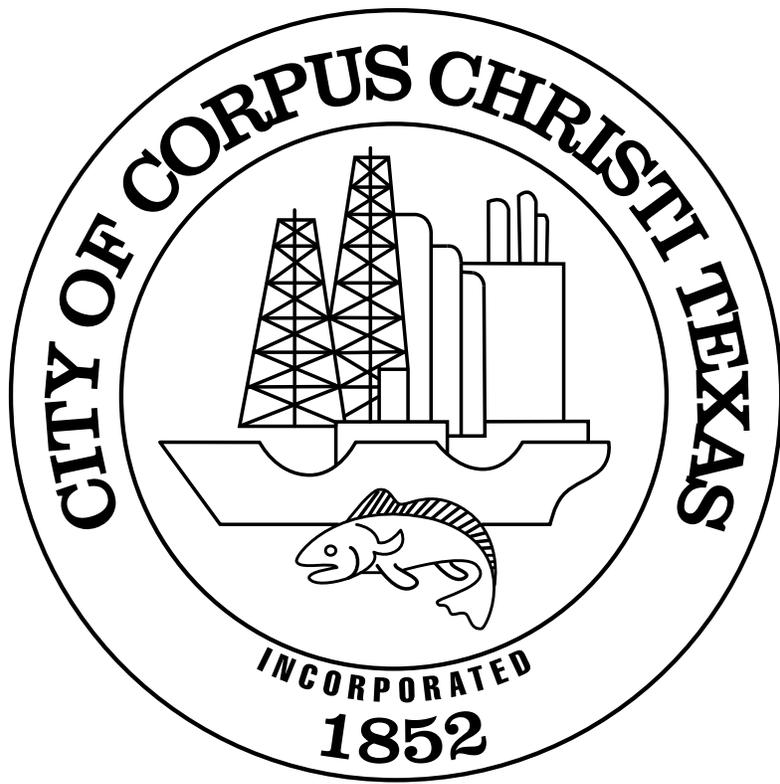
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**COMPARED TO BUDGET**  
**YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes and business fees	\$ 42,136,000	\$ 42,136,000	\$ 42,350,760	\$ 214,760
Earnings on investments	42,000	42,000	153,428	111,428
Total revenues	<u>42,178,000</u>	<u>42,178,000</u>	<u>42,504,188</u>	<u>326,188</u>
<b>Expenditures</b>				
Debt service				
Principal retirement	29,569,889	29,569,889	29,991,780	(421,891)
Interest	18,400,071	18,400,071	18,221,757	178,314
Bond issue cost	-	-	39,483	(39,483)
Paying agent fees	45,000	45,000	12,660	32,340
Total expenditures	<u>48,014,960</u>	<u>48,014,960</u>	<u>48,265,680</u>	<u>(250,720)</u>
Deficiency of revenues over (under) expenditures	(5,836,960)	(5,836,960)	(5,761,492)	75,468
<b>Other financing sources (uses)</b>				
Payment to escrow agent for refunded bonds	-	-	(4,362,428)	(4,362,428)
Refunding bonds issued	-	-	4,362,231	4,362,231
Premium on refunding bonds issued	-	-	47,804	47,804
Transfers in	4,885,605	4,885,605	4,885,605	-
Total other financing sources (uses)	<u>4,885,605</u>	<u>4,885,605</u>	<u>4,933,212</u>	<u>47,607</u>
Net change in fund balance	(951,355)	(951,355)	(828,280)	123,075
Fund balance, beginning of year	5,626,144	12,917,032	12,917,032	-
Fund balance, end of year	<u>\$ 4,674,789</u>	<u>\$ 11,965,677</u>	<u>\$ 12,088,752</u>	<u>\$ 123,075</u>



***Non-major Governmental Funds***





City of Corpus Christi

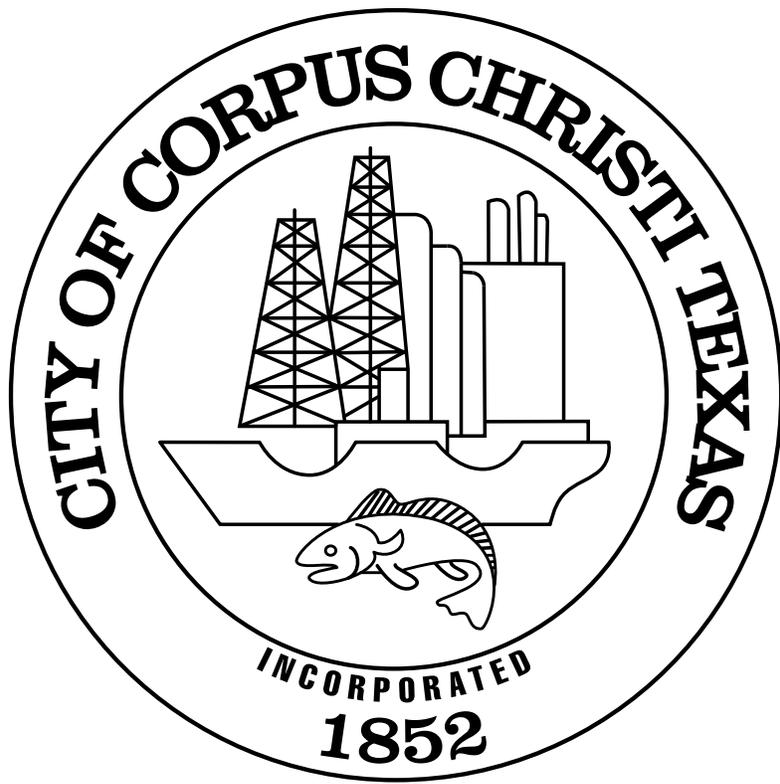
Exhibit 8-A

NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2017

	Special Revenue Funds	Non-Major Capital Projects Funds	Debt Service Fund Corpus Christi Business and Job Devel Corporation	Total
<b>Assets</b>				
Cash, cash equivalents and investments	\$ 142,066,886	\$ 31,972,216	\$ 6,253,130	\$ 180,292,232
Receivables, net of allowance for uncollectibles	24,240,908	20,000	-	24,260,908
Due from other funds	295	-	-	295
Inventories	299,364	-	-	299,364
Prepaid items	201,825	-	-	201,825
Total assets	<u>\$ 166,809,278</u>	<u>\$ 31,992,216</u>	<u>\$ 6,253,130</u>	<u>\$ 205,054,624</u>
<b>Liabilities</b>				
Accounts payable	6,909,792	5,929,302	-	12,839,094
Accrued liabilities	271,966	-	-	271,966
Deposits	591,473	-	-	591,473
Due to other governmental agencies	78,391	-	-	78,391
Unearned revenues				
Demolition liens and other	29,538	-	-	29,538
Asset seizure and forfeitures	54,819	-	-	54,819
Grants	409,916	-	-	409,916
Other	1,716,058	-	-	1,716,058
Total unearned revenues	<u>2,210,331</u>	<u>-</u>	<u>-</u>	<u>2,210,331</u>
Total liabilities	<u>10,061,953</u>	<u>5,929,302</u>	<u>-</u>	<u>15,991,255</u>
<b>Deferred inflows of resources</b>				
Unavailable revenue - Contributions and donations	-	20,000	-	20,000
<b>Fund balances</b>				
Nonspendable	501,187	-	-	501,187
Restricted	121,833,797	24,925,203	6,253,130	153,012,130
Committed	24,174,540	1,117,711	-	25,292,251
Assigned	10,237,801	-	-	10,237,801
Total fund balances	<u>156,747,325</u>	<u>26,042,914</u>	<u>6,253,130</u>	<u>189,043,369</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 166,809,278</u>	<u>\$ 31,992,216</u>	<u>\$ 6,253,130</u>	<u>\$ 205,054,624</u>

**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**YEAR ENDED SEPTEMBER 30, 2017**

	Special Revenue Funds	Non-Major Capital Projects Funds	Debt Service Fund Corpus Christi Business and Job Devel Corporation	Eliminations	Total
<b>Revenues</b>					
Taxes and business fees	\$ 51,679,031	\$ -	\$ -	-	\$ 51,679,031
Licenses and permits	5,599,516	-	-	-	5,599,516
Intergovernmental	3,468,552	-	-	-	3,468,552
Grants	15,561,208	-	-	-	15,561,208
Charges for services	17,272,699	-	-	-	17,272,699
Fines and forfeitures	1,233,733	-	-	-	1,233,733
Contributions and donations	1,138,601	232,306	-	-	1,370,907
Earnings on investments	871,801	226,712	55,656	-	1,154,169
Interest on loans	47,815	-	-	-	47,815
Miscellaneous	651,947	29,944	-	-	681,891
Total revenues	<u>97,524,903</u>	<u>488,962</u>	<u>55,656</u>	<u>-</u>	<u>98,069,521</u>
<b>Expenditures</b>					
<b>Current</b>					
General government	4,860,693	936,990	-	-	5,797,683
Police and municipal court	10,183,633	-	-	-	10,183,633
Fire and ambulance	5,552,352	-	-	-	5,552,352
Emergency management	217,292	-	-	-	217,292
Streets	33,354,776	-	-	-	33,354,776
Health	2,024,349	-	-	-	2,024,349
Parks and recreation	4,302,543	-	-	-	4,302,543
Libraries	952	-	-	-	952
Community enrichment	2,839,997	-	-	-	2,839,997
Community development	6,718,621	-	-	-	6,718,621
Convention and visitors activities	15,194,337	-	-	-	15,194,337
Capital projects	3,926,005	15,904,221	-	-	19,830,226
<b>Debt service</b>					
Principal retirement	1,737,139	-	6,280,000	-	8,017,139
Interest	395,879	-	2,210,119	-	2,605,998
Bond issue cost	-	61,900	-	-	61,900
Paying agent fees	5,694	-	2,000	-	7,694
Total expenditures	<u>91,314,262</u>	<u>16,903,111</u>	<u>8,492,119</u>	<u>-</u>	<u>116,709,492</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,210,641</u>	<u>(16,414,149)</u>	<u>(8,436,463)</u>	<u>-</u>	<u>(18,639,971)</u>
<b>Other financing sources (uses)</b>					
Capital leases	176,604	-	-	-	176,604
Sale of City property	2,624,261	-	-	-	2,624,261
Certificate of obligation bonds issued	-	2,500,000	-	-	2,500,000
Transfers in	15,575,167	5,462,030	8,496,119	(13,166,945)	16,366,371
Transfers out	(1,357,369)	(15,081,782)	-	13,166,945	(3,272,206)
Total other financing sources (uses)	<u>17,018,663</u>	<u>(7,119,752)</u>	<u>8,496,119</u>	<u>-</u>	<u>18,395,030</u>
Net change in fund balances	23,229,304	(23,533,901)	59,656	-	(244,941)
Fund balances, beginning of year	133,518,021	49,576,815	6,193,474	-	189,288,310
Fund balances, end of year	<u>\$ 156,747,325</u>	<u>\$ 26,042,914</u>	<u>\$ 6,253,130</u>	<u>\$ -</u>	<u>\$ 189,043,369</u>



***Special Revenue Funds***



## ***Special Revenue Funds***

***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.

***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 designated 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.

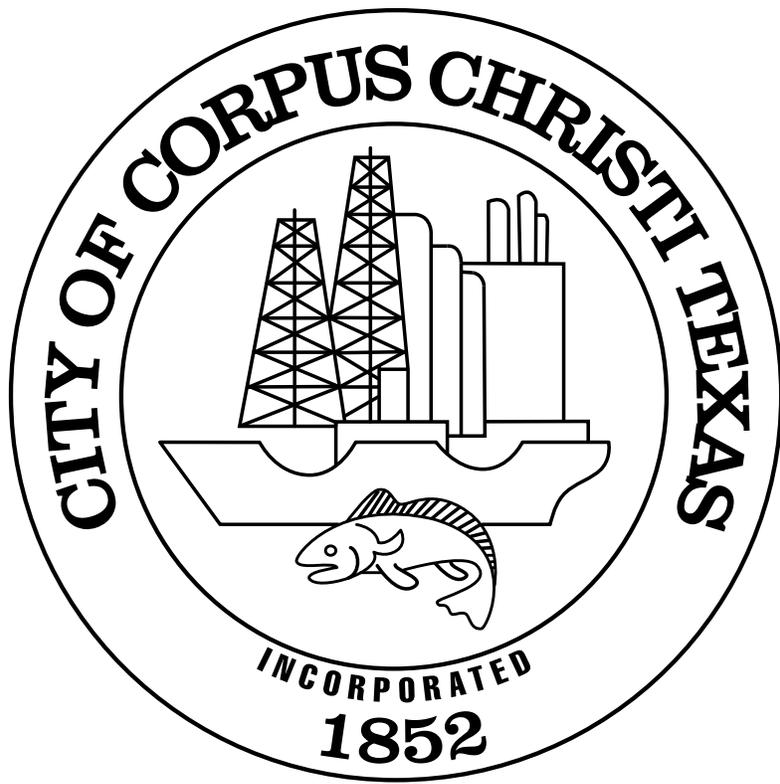
***Crime Control and Prevention District*** – This fund is a public non-profit corporation created under State law to provide for funding of public safety programs.

***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.

***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, 2017**

	<b>Visitors Facilities</b>	<b>Hotel Occupancy Fund</b>	<b>State Hotel Occupancy Tax for Beaches Fund</b>	<b>Public Education and Governmental Cable TV Fund</b>	<b>Development Services</b>
<b>Assets</b>					
Cash, cash equivalents and investments	\$ 5,335,541	\$ 4,852,097	\$ 4,080,784	\$ 1,871,343	\$ 5,808,838
Receivables					
Accounts	2,195,200	2,139,093	-	163,502	5,034
Taxes	-	-	-	-	-
Mortgages and loans	-	-	-	-	-
Demolition liens	-	-	-	-	-
Special assessments	-	-	-	-	-
Intergovernmental	-	-	1,252,027	-	-
Miscellaneous	-	40,705	-	-	-
Allowance for uncollectibles	(421,081)	-	-	-	-
Net receivables	<u>1,774,119</u>	<u>2,179,798</u>	<u>1,252,027</u>	<u>163,502</u>	<u>5,034</u>
Due from other funds	-	-	-	-	-
Inventories	93,130	-	-	-	-
Prepaid items	<u>158,890</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 7,361,680</u>	<u>\$ 7,031,895</u>	<u>\$ 5,332,811</u>	<u>\$ 2,034,845</u>	<u>\$ 5,813,872</u>
<b>Liabilities</b>					
Accounts payable	\$ 953,184	\$ 668,499	\$ -	\$ -	\$ 66,281
Accrued liabilities	271,966	-	-	-	-
Deposits	675	-	-	-	11,721
Due to other governmental agencies	-	-	-	-	-
Unearned revenues					
Demolition liens and other	-	-	-	-	-
Asset seizure and forfeitures	-	-	-	-	-
Grants	-	-	-	-	-
Other	1,381,906	-	-	-	-
Total unearned revenues	<u>1,381,906</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>2,607,731</u>	<u>668,499</u>	<u>-</u>	<u>-</u>	<u>78,002</u>
<b>Fund balances</b>					
Nonspendable	252,018	-	-	-	-
Restricted	-	6,363,396	5,332,811	2,034,845	-
Committed	-	-	-	-	-
Assigned	4,501,931	-	-	-	5,735,870
Total fund balances	<u>4,753,949</u>	<u>6,363,396</u>	<u>5,332,811</u>	<u>2,034,845</u>	<u>5,735,870</u>
Total liabilities and fund balances	<u>\$ 7,361,680</u>	<u>\$ 7,031,895</u>	<u>\$ 5,332,811</u>	<u>\$ 2,034,845</u>	<u>\$ 5,813,872</u>

**City of Corpus Christi**

**Exhibit 9-A**

<b>Redlight Photo Enforcement Fund</b>	<b>Parking Improvement Fund</b>	<b>Streets Maintenance Fund</b>	<b>Residential/ Local Streets</b>	<b>Federal/State Grants Fund</b>	<b>Municipal Court Fees Fund</b>	<b>Community Enrichment Fund</b>	<b>Infrastructure Fund</b>
\$ 806,346	\$ 259,138	\$ 20,115,541	\$ 4,324,204	\$ 486,532	\$ 722,113	\$ 5,912,840	\$ 1,550,901
-	-	1,409,979	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	801,843	-	-	-
-	-	-	-	4,682	-	-	-
-	-	-	-	1,415,698	-	-	-
-	-	-	-	36,545	-	-	-
-	-	(108,989)	-	(777,381)	-	-	-
-	-	1,300,990	-	1,481,387	-	-	-
-	-	-	-	295	-	-	-
-	-	206,234	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 806,346</u>	<u>\$ 259,138</u>	<u>\$ 21,622,765</u>	<u>\$ 4,324,204</u>	<u>\$ 1,968,214</u>	<u>\$ 722,113</u>	<u>\$ 5,912,840</u>	<u>\$ 1,550,901</u>
\$ 138,214	\$ -	\$ 3,937,796	\$ 199,346	\$ 333,993	\$ 1,743	\$ 133,462	\$ -
-	-	-	-	-	-	-	-
78,391	-	-	-	257,287	-	-	109,236
-	-	-	-	-	-	-	-
-	-	-	-	29,538	-	-	-
-	-	-	-	54,819	-	-	-
-	-	-	-	409,916	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	494,273	-	-	-
<u>216,605</u>	<u>-</u>	<u>3,937,796</u>	<u>199,346</u>	<u>1,085,553</u>	<u>1,743</u>	<u>133,462</u>	<u>109,236</u>
-	-	206,234	-	-	-	-	-
589,741	-	-	-	882,661	720,370	4,705,820	1,441,665
-	259,138	17,478,735	4,124,858	-	-	1,073,558	-
-	-	-	-	-	-	-	-
<u>589,741</u>	<u>259,138</u>	<u>17,684,969</u>	<u>4,124,858</u>	<u>882,661</u>	<u>720,370</u>	<u>5,779,378</u>	<u>1,441,665</u>
<u>\$ 806,346</u>	<u>\$ 259,138</u>	<u>\$ 21,622,765</u>	<u>\$ 4,324,204</u>	<u>\$ 1,968,214</u>	<u>\$ 722,113</u>	<u>\$ 5,912,840</u>	<u>\$ 1,550,901</u>

**City of Corpus Christi**

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2017**

	<b>Local Emergency Planning Committee</b>	<b>Health Medicaid Waiver Fund</b>	<b>Corpus Christi Community Improvement Corporation</b>	<b>Corpus Christi Housing Finance Corporation</b>	<b>Corpus Christi Industrial Development Corporation</b>
<b>Assets</b>					
Cash, cash equivalents and investments	\$ 82,231	\$ 1,177,300	\$ 2,575,933	\$ 204,615	\$ 68,775
Receivables					
Accounts	-	-	-	334,152	-
Taxes	-	-	-	-	-
Mortgages and loans	-	-	13,444,256	-	-
Demolition liens	-	-	-	-	-
Special assessments	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Allowance for uncollectibles	-	-	(2,333,853)	-	-
Net receivables	-	-	11,110,403	334,152	-
Due from other funds	-	-	-	-	-
Inventories	-	-	-	-	-
Prepaid items	-	-	-	-	-
Total assets	<u>\$ 82,231</u>	<u>\$ 1,177,300</u>	<u>\$ 13,686,336</u>	<u>\$ 538,767</u>	<u>\$ 68,775</u>
<b>Liabilities</b>					
Accounts payable	\$ -	\$ 21,280	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-
Deposits	-	-	212,554	-	-
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>-</u>	<u>21,280</u>	<u>212,554</u>	<u>334,152</u>	<u>-</u>
<b>Fund balances</b>					
Nonspendable	-	-	-	-	-
Restricted	-	-	13,473,782	204,615	68,775
Committed	82,231	1,156,020	-	-	-
Assigned	-	-	-	-	-
Total fund balances	<u>82,231</u>	<u>1,156,020</u>	<u>13,473,782</u>	<u>204,615</u>	<u>68,775</u>
Total liabilities and fund balances	<u>\$ 82,231</u>	<u>\$ 1,177,300</u>	<u>\$ 13,686,336</u>	<u>\$ 538,767</u>	<u>\$ 68,775</u>

**City of Corpus Christi**

**Exhibit 9-A**

<b>Coastal Bend Health Facilities Development Corporation</b>	<b>Corpus Christi Crime Control and Prevention District</b>	<b>Corpus Christi Business and Job Development Corporation</b>	<b>North Padre Island Development Corporation</b>	<b>Reinvestment Zone #3</b>	<b>Eliminations</b>	<b>Total</b>
\$ 3,719	\$ 2,474,588	\$ 66,466,095	\$ 9,222,943	\$ 3,664,469	\$ -	\$ 142,066,886
-	-	-	-	-	-	6,246,960
-	-	-	27,773	3,253	-	31,026
-	-	-	-	-	-	13,444,256
-	-	-	-	-	-	801,843
-	-	-	-	-	-	4,682
-	1,148,036	3,460,434	-	-	-	7,276,195
-	-	-	-	-	-	77,250
-	-	-	-	-	-	(3,641,304)
-	1,148,036	3,460,434	27,773	3,253	-	24,240,908
-	-	-	-	-	-	295
-	-	-	-	-	-	299,364
-	-	42,935	-	-	-	201,825
<u>\$ 3,719</u>	<u>\$ 3,622,624</u>	<u>\$ 69,969,464</u>	<u>\$ 9,250,716</u>	<u>\$ 3,667,722</u>	<u>\$ -</u>	<u>\$ 166,809,278</u>
\$ -	\$ -	\$ 414,333	\$ -	\$ 41,661	\$ -	\$ 6,909,792
-	-	-	-	-	-	271,966
-	-	-	-	-	-	591,473
-	-	-	-	-	-	78,391
-	-	-	-	-	-	29,538
-	-	-	-	-	-	54,819
-	-	-	-	-	-	409,916
-	-	-	-	-	-	1,716,058
-	-	-	-	-	-	2,210,331
-	-	414,333	-	41,661	-	10,061,953
-	-	42,935	-	-	-	501,187
3,719	3,622,624	69,512,196	9,250,716	3,626,061	-	121,833,797
-	-	-	-	-	-	24,174,540
-	-	-	-	-	-	10,237,801
<u>3,719</u>	<u>3,622,624</u>	<u>69,555,131</u>	<u>9,250,716</u>	<u>3,626,061</u>	<u>-</u>	<u>156,747,325</u>
<u>\$ 3,719</u>	<u>\$ 3,622,624</u>	<u>\$ 69,969,464</u>	<u>\$ 9,250,716</u>	<u>\$ 3,667,722</u>	<u>\$ -</u>	<u>\$ 166,809,278</u>

**City of Corpus Christi**

**SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED SEPTEMBER 30, 2017**

	<u>Visitors Facilities</u>	<u>Hotel Occupancy Fund</u>	<u>State Hotel Occupancy Tax for Beaches Fund</u>	<u>Public Education and Governmenta l Cable TV Fund</u>	<u>Development Services</u>	<u>Redlight Photo Enforcement Fund</u>
<b>Revenues</b>						
Taxes and business fees	\$ -	\$ 15,315,213	\$ 3,190,633	\$ 672,160	\$ -	\$ -
Licenses and permits	-	-	-	-	5,523,326	-
Intergovernmental	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Charges for services	5,235,197	-	-	-	162,712	-
Fines and forfeitures	-	-	-	-	-	872,306
Contributions and donations	100,000	-	-	-	-	-
Earnings on investments	14,835	26,291	19,815	10,464	31,312	6,857
Interest on loans	-	-	-	-	-	-
Miscellaneous	-	127,350	-	-	148,745	-
Total revenues	<u>5,350,032</u>	<u>15,468,854</u>	<u>3,210,448</u>	<u>682,624</u>	<u>5,866,095</u>	<u>879,163</u>
<b>Expenditures</b>						
Current						
General government	-	-	-	102,436	4,669,831	-
Police and municipal court	-	-	-	-	-	917,421
Fire and ambulance	-	-	-	-	-	-
Emergency management	-	-	-	-	-	-
Streets	-	-	-	-	-	-
Health	-	-	-	-	-	-
Parks and recreation	-	1,825,087	494,017	-	-	-
Libraries	-	-	-	-	-	-
Community enrichment	931,854	1,104,930	-	-	-	-
Community development	-	97,094	-	-	-	-
Convention and visitors activities	5,253,942	9,940,395	-	-	-	-
Capital projects	57,900	602,533	92,256	87,318	-	99,400
Debt service						
Principal retirement	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Paying agent fees	-	-	-	-	-	-
Total expenditures	<u>6,243,696</u>	<u>13,570,039</u>	<u>586,273</u>	<u>189,754</u>	<u>4,669,831</u>	<u>1,016,821</u>
Excess (deficiency) of revenues over (under) expenditures	(893,664)	1,898,815	2,624,175	492,870	1,196,264	(137,658)
<b>Other financing sources (uses)</b>						
Capital leases	-	-	-	-	-	-
Sale of City property	-	-	-	-	-	-
Transfers in	2,641,421	-	-	-	100,000	-
Transfers out	(297,619)	(2,246,800)	-	-	(366,130)	-
Total other financing sources (uses)	<u>2,343,802</u>	<u>(2,246,800)</u>	<u>-</u>	<u>-</u>	<u>(266,130)</u>	<u>-</u>
Net change in fund balances	1,450,138	(347,985)	2,624,175	492,870	930,134	(137,658)
Fund balances, beginning of year	<u>3,303,811</u>	<u>6,711,381</u>	<u>2,708,636</u>	<u>1,541,975</u>	<u>4,805,736</u>	<u>727,399</u>
Fund balances, end of year	<u>\$ 4,753,949</u>	<u>\$ 6,363,396</u>	<u>\$ 5,332,811</u>	<u>\$ 2,034,845</u>	<u>\$ 5,735,870</u>	<u>\$ 589,741</u>

**City of Corpus Christi**

**Exhibit 9-B**

<b>Parking Improvement Fund</b>	<b>Streets Maintenance Fund</b>	<b>Residential/ Local Streets</b>	<b>Federal/State Grants Fund</b>	<b>Municipal Court Fees Fund</b>	<b>Community Enrichment Fund</b>	<b>Infrastructure Fund</b>
\$ -	\$ 609,933	\$ 609,933	\$ -	\$ -	\$ -	\$ -
-	76,190	-	-	-	-	-
-	2,849,325	-	-	-	-	-
-	-	-	14,697,794	-	-	-
126,890	11,447,980	-	220,277	-	-	-
-	-	-	-	361,427	-	-
-	-	-	-	-	732,471	55,350
1,072	154,400	23,108	4,897	4,642	27,591	18,145
-	-	-	-	-	-	-
-	17,504	-	93,322	-	-	-
<u>127,962</u>	<u>15,155,332</u>	<u>633,041</u>	<u>15,016,290</u>	<u>366,069</u>	<u>760,062</u>	<u>73,495</u>
-	-	-	-	-	-	-
-	-	-	1,684,473	285,510	-	-
-	-	-	5,552,352	-	-	-
-	-	-	-	-	-	-
138	32,856,689	497,949	-	-	-	-
-	-	-	1,764,992	-	-	-
-	-	-	1,983,439	-	-	-
-	-	-	952	-	-	-
-	-	-	717,093	-	86,120	-
-	-	-	2,688,050	-	-	-
-	-	-	-	-	-	-
-	1,056,415	-	168,038	-	853,144	337,802
-	747,139	-	-	-	-	-
-	42,179	-	-	-	-	-
-	-	-	-	-	-	-
<u>138</u>	<u>34,702,422</u>	<u>497,949</u>	<u>14,559,389</u>	<u>285,510</u>	<u>939,264</u>	<u>337,802</u>
127,824	(19,547,090)	135,092	456,901	80,559	(179,202)	(264,307)
-	176,604	-	-	-	-	-
-	64,797	-	-	-	2,555,256	-
-	13,818,200	1,335,312	136,655	-	114,300	-
-	-	-	(639,063)	-	-	-
<u>-</u>	<u>14,059,601</u>	<u>1,335,312</u>	<u>(502,408)</u>	<u>-</u>	<u>2,669,556</u>	<u>-</u>
127,824	(5,487,489)	1,470,404	(45,507)	80,559	2,490,354	(264,307)
131,314	23,172,458	2,654,454	928,168	639,811	3,289,024	1,705,972
<u>\$ 259,138</u>	<u>\$ 17,684,969</u>	<u>\$ 4,124,858</u>	<u>\$ 882,661</u>	<u>\$ 720,370</u>	<u>\$ 5,779,378</u>	<u>\$ 1,441,665</u>

**City of Corpus Christi**

**SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED SEPTEMBER 30, 2017**

	<b>Local Emergency Planning Committee</b>	<b>Health Medicaid Waiver Fund</b>	<b>Corpus Christi Community Improvement Corporation</b>	<b>Corpus Christi Housing Finance Corporation</b>	<b>Corpus Christi Industrial Development Corporation</b>	<b>Coastal Bend Health Facilities Development Corporation</b>
<b>Revenues</b>						
Taxes and business fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	619,227	-	-	-	-
Grants	-	-	863,414	-	-	-
Charges for services	-	-	-	78,483	-	-
Fines and forfeitures	-	-	-	-	-	-
Contributions and donations	250,780	-	-	-	-	-
Earnings on investments	956	13,360	9,248	106	-	-
Interest on loans	-	-	47,815	-	-	-
Miscellaneous	-	-	265,026	-	-	-
Total revenues	<u>251,736</u>	<u>632,587</u>	<u>1,185,503</u>	<u>78,589</u>	-	-
<b>Expenditures</b>						
Current						
General government	-	-	-	-	-	-
Police and municipal court	-	-	-	-	-	-
Fire and ambulance	-	-	-	-	-	-
Emergency management	217,292	-	-	-	-	-
Streets	-	-	-	-	-	-
Health	-	259,357	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Libraries	-	-	-	-	-	-
Community enrichment	-	-	-	-	-	-
Community development	-	-	1,289,340	1,304	-	-
Convention and visitors activities	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Principal retirement	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Paying agent fees	-	-	-	-	-	-
Total expenditures	<u>217,292</u>	<u>259,357</u>	<u>1,289,340</u>	<u>1,304</u>	-	-
Excess (deficiency) of revenues over (under) expenditures	34,444	373,230	(103,837)	77,285	-	-
<b>Other financing sources (uses)</b>						
Capital leases	-	-	-	-	-	-
Sale of City property	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	34,444	373,230	(103,837)	77,285	-	-
Fund balances, beginning of year	<u>47,787</u>	<u>782,790</u>	<u>13,577,619</u>	<u>127,330</u>	<u>68,775</u>	<u>3,719</u>
Fund balances, end of year	<u>\$ 82,231</u>	<u>\$ 1,156,020</u>	<u>\$ 13,473,782</u>	<u>\$ 204,615</u>	<u>\$ 68,775</u>	<u>\$ 3,719</u>

**City of Corpus Christi**

**Exhibit 9-B  
(Continued)**

<b>Corpus Christi Crime Control and Prevention District</b>	<b>Corpus Christi Business and Job Development Corporation</b>	<b>North Padre Island Development Corporation</b>	<b>Reinvestment Zone #3</b>	<b>Eliminations</b>	<b>Total</b>
\$ 6,590,693	\$ 20,031,543	\$ 3,628,510	\$ 1,030,413	\$ -	\$ 51,679,031
-	-	-	-	-	5,599,516
-	-	-	-	-	3,468,552
-	-	-	-	-	15,561,208
1,160	-	-	-	-	17,272,699
-	-	-	-	-	1,233,733
-	-	-	-	-	1,138,601
22,714	434,861	23,406	23,721	-	871,801
-	-	-	-	-	47,815
-	-	-	-	-	651,947
<u>6,614,567</u>	<u>20,466,404</u>	<u>3,651,916</u>	<u>1,054,134</u>	-	<u>97,524,903</u>
13,539	74,887	-	-	-	4,860,693
7,296,229	-	-	-	-	10,183,633
-	-	-	-	-	5,552,352
-	-	-	-	-	217,292
-	-	-	-	-	33,354,776
-	-	-	-	-	2,024,349
-	-	-	-	-	4,302,543
-	-	-	-	-	952
-	-	-	-	-	2,839,997
-	2,092,465	32,780	517,588	-	6,718,621
-	-	-	-	-	15,194,337
571,199	-	-	-	-	3,926,005
-	-	990,000	-	-	1,737,139
-	-	353,700	-	-	395,879
-	-	5,694	-	-	5,694
<u>7,880,967</u>	<u>2,167,352</u>	<u>1,382,174</u>	<u>517,588</u>	-	<u>91,314,262</u>
(1,266,400)	18,299,052	2,269,742	536,546	-	6,210,641
-	-	-	-	-	176,604
4,208	-	-	-	-	2,624,261
-	15,081,782	-	-	(17,652,503)	15,575,167
-	(15,445,993)	(11,649)	(2,618)	17,652,503	(1,357,369)
<u>4,208</u>	<u>(364,211)</u>	<u>(11,649)</u>	<u>(2,618)</u>	-	<u>17,018,663</u>
(1,262,192)	17,934,841	2,258,093	533,928	-	23,229,304
4,884,816	51,620,290	6,992,623	3,092,133	-	133,518,021
<u>\$ 3,622,624</u>	<u>\$ 69,555,131</u>	<u>\$ 9,250,716</u>	<u>\$ 3,626,061</u>	<u>\$ -</u>	<u>\$ 156,747,325</u>

**VISITORS FACILITIES  
BALANCE SHEET  
SEPTEMBER 30, 2017**

<b>Assets</b>	
Cash, cash equivalents and investments	\$ 5,335,541
Receivables	
Accounts	2,195,200
Allowance for uncollectibles	<u>(421,081)</u>
Net receivables	1,774,119
Inventories	93,130
Prepaid items	<u>158,890</u>
Total assets	<u>\$ 7,361,680</u>
<b>Liabilities</b>	
Accounts payable	\$ 953,184
Accrued liabilities	271,966
Deposits	675
Unearned revenues	
Other	<u>1,381,906</u>
Total liabilities	<u>2,607,731</u>
<b>Fund balance</b>	
Nonspendable	252,018
Assigned	<u>4,501,931</u>
Total fund balance	<u>4,753,949</u>
Total liabilities and fund balance	<u>\$ 7,361,680</u>

**VISITORS FACILITIES**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-**  
**COMPARED TO BUDGET**  
**YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for services				
Arena	\$ 2,768,507	\$ 2,768,507	\$ 2,570,583	\$ (197,924)
Convention center	2,506,187	2,506,187	2,564,343	58,156
Bayfront rentals, events & contract	108,100	108,100	100,271	(7,829)
Total charges for services	<u>5,382,794</u>	<u>5,382,794</u>	<u>5,235,197</u>	<u>(147,597)</u>
Contributions and donations	-	-	100,000	100,000
Earnings on investments	-	-	14,835	14,835
Total revenues	<u>5,382,794</u>	<u>5,382,794</u>	<u>5,350,032</u>	<u>(32,762)</u>
<b>Expenditures</b>				
Current				
Community enrichment				
Arts, cultural and tourist amenities	1,049,191	1,106,415	931,853	174,562
Convention and visitors activities				
Arena	5,611,611	5,883,111	3,588,462	2,294,649
Convention center/Auditorium	1,461,646	1,461,646	1,665,481	(203,835)
Capital projects	<u>100,000</u>	<u>195,000</u>	<u>57,900</u>	<u>137,100</u>
Total expenditures	<u>8,222,448</u>	<u>8,646,172</u>	<u>6,243,696</u>	<u>2,402,476</u>
Excess (deficiency) of revenues over (under) expenditures	(2,839,654)	(3,263,378)	(893,664)	(2,435,238)
<b>Other financing sources (uses)</b>				
Transfers in	2,641,421	2,641,421	2,641,421	-
Transfers out	<u>(297,619)</u>	<u>(297,619)</u>	<u>(297,619)</u>	<u>-</u>
Total other financing sources (uses)	<u>2,343,802</u>	<u>2,343,802</u>	<u>2,343,802</u>	<u>-</u>
Net change in fund balance	(495,852)	(919,576)	1,450,138	(2,435,238)
Fund balance, beginning of year	<u>650,806</u>	<u>3,303,811</u>	<u>3,303,811</u>	<u>-</u>
Fund balance, end of year	<u>\$ 154,954</u>	<u>\$ 2,384,235</u>	<u>\$ 4,753,949</u>	<u>\$ (2,435,238)</u>

**HOTEL OCCUPANCY FUND  
BALANCE SHEET  
SEPTEMBER 30, 2017**

**Assets**

Cash, cash equivalents and investments	\$ 4,852,097
Receivables	
Accounts	2,139,093
Miscellaneous	40,705
Net receivables	<u>2,179,798</u>
Total assets	<u>\$ 7,031,895</u>

**Liabilities**

Accounts payable	\$ 668,499
------------------	------------

**Fund balance**

Restricted	<u>6,363,396</u>
Total liabilities and fund balance	<u>\$ 7,031,895</u>

**HOTEL OCCUPANCY FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**COMPARED TO BUDGET**  
**YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Hotel occupancy tax	\$ 12,007,000	\$ 12,007,000	\$ 11,912,161	\$ (94,839)
Hotel occupancy tax - Convention expansion	3,496,368	3,496,368	3,403,051	(93,317)
Total hotel occupancy taxes	<u>15,503,368</u>	<u>15,503,368</u>	<u>15,315,212</u>	<u>(188,156)</u>
Miscellaneous	-	-	127,350	127,350
Earnings on investments	7,300	7,300	26,291	18,991
Total revenues	<u>15,510,668</u>	<u>15,510,668</u>	<u>15,468,853</u>	<u>(41,815)</u>
<b>Expenditures</b>				
Current				
Parks and recreation				
Beach maintenance and operations	1,900,000	1,900,000	1,825,088	74,912
Community enrichment				
Arts, cultural and tourist amenities	1,752,316	1,784,377	1,104,930	679,447
Baseball stadium	175,000	175,000	-	175,000
Convention and visitors activities				
Convention center/Auditorium	7,580,511	6,915,755	4,714,304	2,201,451
Convention and Visitors Bureau	5,226,091	5,226,091	5,226,091	-
Reserve appropriation	-	6,000	-	6,000
Community development	-	97,094	97,094	-
Capital projects	-	1,364,851	602,531	762,320
Total expenditures	<u>16,633,918</u>	<u>17,469,168</u>	<u>13,570,038</u>	<u>3,899,130</u>
Excess of revenues over expenditures	(1,123,250)	(1,958,500)	1,898,815	(3,857,315)
<b>Other financing sources (uses)</b>				
Transfers out	(2,132,500)	(2,132,500)	(2,246,800)	(114,300)
Net change in fund balance	(3,255,750)	(4,091,000)	(347,985)	3,743,015
Fund balance, beginning of year	6,984,928	6,711,381	6,711,381	-
Fund balance, end of year	<u>\$ 3,729,178</u>	<u>\$ 2,620,381</u>	<u>\$ 6,363,396</u>	<u>\$ 3,743,015</u>

**STATE HOTEL OCCUPANCY TAX FOR BEACHES FUND  
BALANCE SHEET  
SEPTEMBER 30, 2017**

**Assets**

Cash, cash equivalents and investments	\$ 4,080,784
Receivables	
Intergovernmental	<u>1,252,027</u>
Total assets	<u>\$ 5,332,811</u>

**Liabilities**

Total liabilities	-
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**Fund balance**

Restricted	<u>5,332,811</u>
Total liabilities and fund balance	<u>\$ 5,332,811</u>

**STATE HOTEL OCCUPANCY TAX FOR BEACHES FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Hotel occupancy tax	\$ 2,900,000	\$ 2,900,000	\$ 3,190,633	\$ 290,633
Earnings on investments	-	-	19,815	19,815
Total revenues	<u>2,900,000</u>	<u>2,900,000</u>	<u>3,210,448</u>	<u>310,448</u>
<b>Expenditures</b>				
Current				
Parks and recreation				
Beach maintenance and operations	877,683	936,592	494,017	442,575
Reserve appropriation	1,919,317	1,919,317	-	1,919,317
Capital projects	<u>103,000</u>	<u>195,742</u>	<u>92,256</u>	<u>103,486</u>
Total expenditures	<u>2,900,000</u>	<u>3,051,651</u>	<u>586,273</u>	<u>2,465,378</u>
Excess of revenues over expenditures	-	(151,651)	2,624,175	2,775,826
Net change in fund balance	-	(151,651)	2,624,175	2,775,826
Fund balance, beginning of year	<u>2,026,748</u>	<u>2,708,636</u>	<u>2,708,636</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,026,748</u>	<u>\$ 2,556,985</u>	<u>\$ 5,332,811</u>	<u>\$ 2,775,826</u>

**PUBLIC EDUCATION AND GOVERNMENTAL CABLE TV FUND  
BALANCE SHEET  
SEPTEMBER 30, 2017**

<b>Assets</b>	
Cash, cash equivalents and investments	\$ 1,871,343
Receivables	
Accounts	<u>163,502</u>
Total assets	<u><u>\$ 2,034,845</u></u>
<b>Liabilities</b>	
Total liabilities	\$ -
<b>Fund balance</b>	
Restricted	<u>2,034,845</u>
Total liabilities and fund balance	<u><u>\$ 2,034,845</u></u>

**PUBLIC EDUCATION AND GOVERNMENTAL CABLE TV FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes and business fees	\$ 650,000	\$ 650,000	\$ 672,160	\$ 22,160
Earnings on investments	-	-	10,464	10,464
Total revenues	<u>650,000</u>	<u>650,000</u>	<u>682,624</u>	<u>32,624</u>
<b>Expenditures</b>				
Current				
General government	115,000	120,194	102,436	17,758
Capital projects	450,000	487,154	87,318	399,836
Total expenditures	<u>565,000</u>	<u>607,348</u>	<u>189,754</u>	<u>417,594</u>
Excess of revenues over expenditures	85,000	42,652	492,870	450,218
Net change in fund balance	85,000	42,652	492,870	450,218
Fund balance, beginning of year	<u>1,557,589</u>	<u>1,541,975</u>	<u>1,541,975</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,642,589</u>	<u>\$ 1,584,627</u>	<u>\$ 2,034,845</u>	<u>\$ 450,218</u>

**DEVELOPMENT SERVICES  
BALANCE SHEET  
SEPTEMBER 30, 2017**

**Assets**

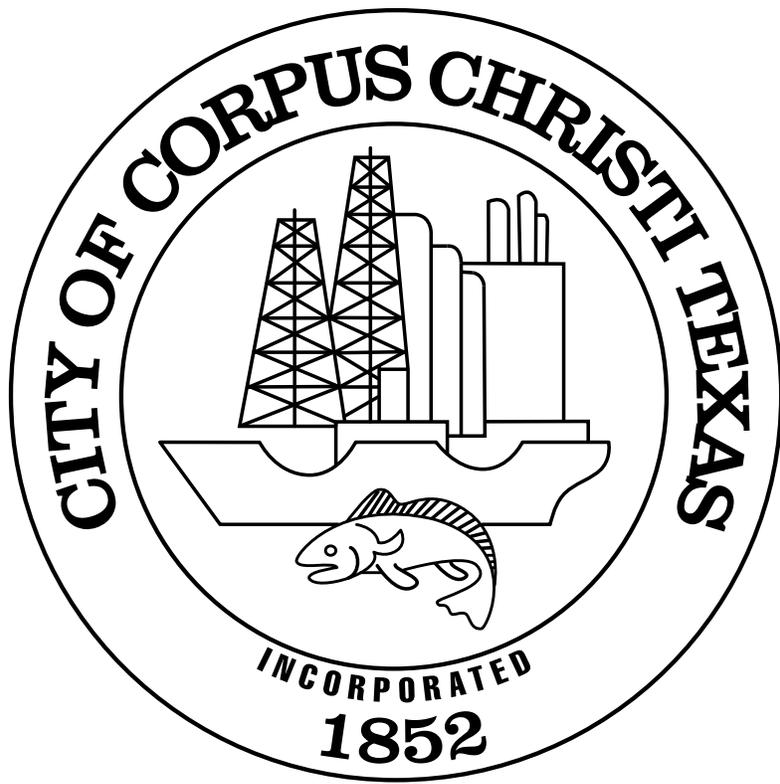
Cash, cash equivalents and investments	\$ 5,808,838
Receivables	<u>5,034</u>
Total assets	<u>\$ 5,813,872</u>

**Liabilities**

Accounts payable	\$ 66,281
Deposits	<u>11,721</u>
Total liabilities	78,002

**Fund balance**

Assigned	<u>5,735,870</u>
Total liabilities and fund balance	<u>\$ 5,813,872</u>



**City of Corpus Christi**

**DEVELOPMENT SERVICES  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Licenses and permits				
Building	\$ 3,100,000	\$ 3,100,000	\$ 799,915	\$ -
Electrical	162,000	162,000	55,396	-
Plumbing	270,000	270,000	1,337,188	-
Mechanical	162,500	162,500	58,549	-
Plan review	1,100,000	1,100,000	2,977,802	-
Backflow prevention	158,800	158,800	97,195	-
Streets and easements	12,500	12,500	23,520	-
Beer and liquor licenses	114,000	114,000	122,305	-
Other	91,316	91,316	51,456	-
Total licenses and permits	<u>5,171,116</u>	<u>5,171,116</u>	<u>5,523,326</u>	<u>-</u>
Charges for services				
General governmental services	153,100	153,100	162,712	-
Earnings on investments	9,600	9,600	31,312	-
Reimbursements	955,225	955,225	-	955,223
Miscellaneous	-	-	148,745	-
Total revenues	<u>6,289,041</u>	<u>6,289,041</u>	<u>5,866,095</u>	<u>955,223</u>
<b>Expenditures</b>				
Current				
General government				
Administration	1,510,376	2,552,074	1,777,817	26,062
Special Services	1,922,369	2,211,830	1,088,061	579,816
Inspections	2,511,721	2,553,244	1,803,953	349,345
Total expenditures	<u>5,944,466</u>	<u>7,317,148</u>	<u>4,669,831</u>	<u>955,223</u>
Excess (deficiency) of revenues over (under) expenditures	<u>344,575</u>	<u>(1,028,107)</u>	<u>1,196,264</u>	<u>-</u>
<b>Other financing sources (uses)</b>				
Transfers in	100,000	100,000	100,000	-
Transfers out	(370,297)	(370,297)	(366,130)	-
Total other financing sources (uses)	<u>(270,297)</u>	<u>(270,297)</u>	<u>(266,130)</u>	<u>-</u>
Net change in fund balance	74,278	(1,298,404)	930,134	-
Fund balance, beginning of year	3,318,332	4,805,736	4,805,736	-
Fund balance, end of year	<u>\$ 3,392,610</u>	<u>\$ 3,507,332</u>	<u>\$ 5,735,870</u>	<u>\$ -</u>

**Actual Budget Variance with  
Basis Final Budget**

\$ 799,915	\$ (2,300,085)
55,396	(106,604)
1,337,188	1,067,188
58,549	(103,951)
2,977,802	1,877,802
97,195	(61,605)
23,520	11,020
122,305	8,305
51,456	(39,860)
<u>5,523,326</u>	<u>352,210</u>
162,712	9,612
31,312	21,712
955,223	(2)
148,745	148,745
<u>6,821,318</u>	<u>532,277</u>
1,803,879	748,195
1,667,877	543,953
2,153,298	399,946
<u>5,625,054</u>	<u>1,692,094</u>
<u>1,196,264</u>	<u>2,224,371</u>
100,000	-
(366,130)	4,167
<u>(266,130)</u>	<u>4,167</u>
930,134	2,228,538
4,805,736	-
<u>\$ 5,735,870</u>	<u>\$ 2,228,538</u>

**REDLIGHT PHOTO ENFORCEMENT FUND  
BALANCE SHEET  
SEPTEMBER 30, 2017**

**Assets**

Cash, cash equivalents and investments	\$ 806,346
Total assets	<u>\$ 806,346</u>

**Liabilities**

Accounts payable	\$ 138,214
Due to other governmental agencies	<u>78,391</u>
Total liabilities	216,605

**Fund balance**

Restricted	<u>589,741</u>
Total liabilities and fund balance	<u>\$ 806,346</u>

**REDLIGHT PHOTO ENFORCEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and forfeitures	\$ 2,000,000	\$ 2,000,000	\$ 872,306	\$ (1,127,694)
Earnings on investments	-	-	6,857	6,857
Total revenues	<u>2,000,000</u>	<u>2,000,000</u>	<u>879,163</u>	<u>(1,120,837)</u>
<b>Expenditures</b>				
Current				
Police and municipal court	1,947,267	1,793,109	917,421	875,688
Capital projects	-	195,578	99,400	96,178
Total expenditures	<u>1,947,267</u>	<u>1,988,687</u>	<u>1,016,821</u>	<u>971,866</u>
Excess (deficiency) of revenues over (under) expenditures	<u>52,733</u>	<u>11,313</u>	<u>(137,658)</u>	<u>(148,971)</u>
Net change in fund balance	52,733	11,313	(137,658)	(148,971)
Fund balance, beginning of year	<u>636,003</u>	<u>727,399</u>	<u>727,399</u>	<u>-</u>
Fund balance, end of year	<u>\$ 688,736</u>	<u>\$ 738,712</u>	<u>\$ 589,741</u>	<u>\$ (148,971)</u>

**PARKING IMPROVEMENT FUND  
BALANCE SHEET  
SEPTEMBER 30, 2017**

**Assets**

Cash, cash equivalents and investments  
Total assets

\$ 259,138  
\$ 259,138

**Liabilities**

Total liabilities

-

**Fund balance**

Committed  
Total fund balance  
Total liabilities and fund balance

259,138  
259,138  
\$ 259,138

**PARKING IMPROVEMENT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**COMPARED TO BUDGET**  
**YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for services	\$ 110,000	\$ 110,000	\$ 126,890	\$ 16,890
Earnings on investments	-	-	1,072	1,072
Total revenues	<u>110,000</u>	<u>110,000</u>	<u>127,962</u>	<u>17,962</u>
<b>Expenditures</b>				
Streets	200,568	200,568	138	200,430
Excess of revenues over expenditures	(90,568)	(90,568)	127,824	218,392
Net change in fund balance	(90,568)	(90,568)	127,824	218,392
Fund balance, beginning of year	186,231	131,314	131,314	-
Fund balance, end of year	<u>\$ 95,663</u>	<u>\$ 40,746</u>	<u>\$ 259,138</u>	<u>\$ 218,392</u>

City of Corpus Christi, TX

Exhibit 17 -A

**STREETS MAINTENANCE FUND  
BALANCE SHEET  
SEPTEMBER 30, 2017**

**Assets**

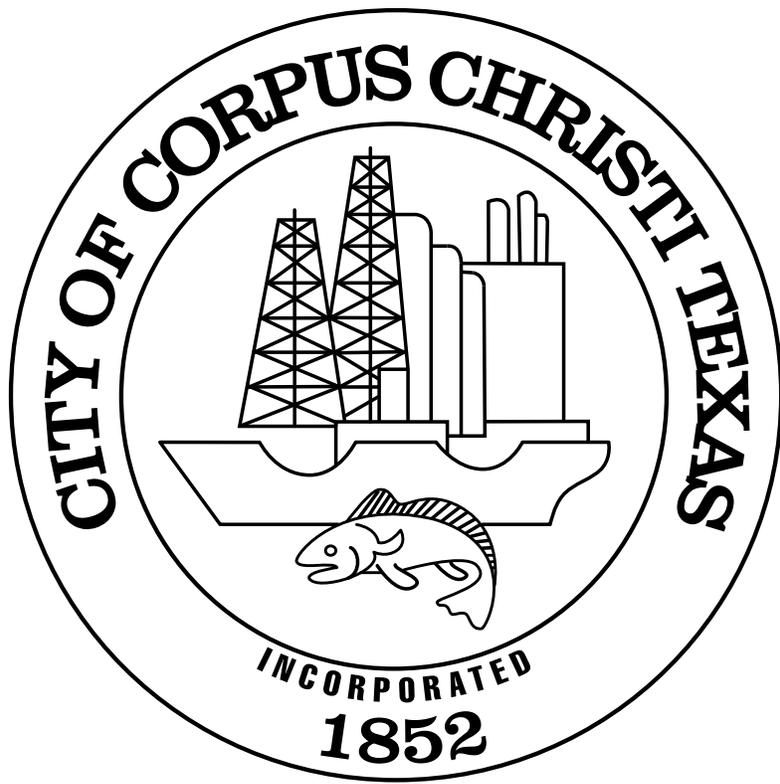
Cash, cash equivalents and investments	\$ 20,115,541
Receivables	
Accounts	1,409,979
Allowance for uncollectibles	<u>(108,989)</u>
Net receivables	1,300,990
Inventories	<u>206,234</u>
Total assets	<u>\$ 21,622,765</u>

**Liabilities**

Accounts payable	\$ 3,937,796
------------------	--------------

**Fund balance**

Nonspendable	206,234
Committed	<u>17,478,735</u>
Total fund balance	<u>17,684,969</u>
Total liabilities and fund balance	<u>\$ 21,622,765</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, 2017**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Industrial District - in lieu of taxes	\$ 455,000	\$ 455,000	\$ 609,933	\$ -
Streets and easements	44,400	44,400	76,190	-
Intergovernmental	2,844,838	2,844,838	2,849,325	-
Charges for services	11,073,768	11,073,768	11,447,980	-
Earnings on investments	29,160	29,160	154,400	-
Miscellaneous	3,000	3,000	17,504	-
Reimbursements	1,980,677	1,980,677	-	(1,293,897)
Total revenues	<u>16,430,843</u>	<u>16,430,843</u>	<u>15,155,332</u>	<u>(1,293,897)</u>
<b>Expenditures</b>				
Current				
Streets				
Administration and support services	1,673,150	1,547,800	1,601,735	-
Traffic operations	3,093,113	4,279,321	2,190,781	(241,336)
Street operations	27,152,876	46,315,296	28,975,556	(263,243)
Uncollectible accounts	50,953	50,953	88,617	-
Capital projects	100,000	817,739	1,056,415	(176,604)
Debt service				
Principal retirement	-	-	747,139	(747,139)
Interest	-	-	42,179	(42,179)
Total expenditures	<u>32,070,092</u>	<u>53,011,109</u>	<u>34,702,422</u>	<u>(1,470,501)</u>
Excess (deficiency) of revenues over (under) expenditures	(15,639,249)	(36,580,266)	(19,547,090)	176,604
<b>Other financing sources (uses)</b>				
Capital leases	-	-	176,604	(176,604)
Sale of City property	-	-	64,797	-
Transfers in	15,174,895	15,174,895	13,818,200	-
Total other financing sources (uses)	<u>15,174,895</u>	<u>15,174,895</u>	<u>14,059,601</u>	<u>(176,604)</u>
Net change in fund balance	(464,354)	(21,405,371)	(5,487,489)	-
Fund balance, beginning of year	1,015,070	23,172,458	23,172,458	-
Fund balance, end of year	<u>\$ 550,716</u>	<u>\$ 1,767,087</u>	<u>\$ 17,684,969</u>	<u>\$ -</u>

<u>Actual Budget Basis</u>	<u>Variance with Final Budget</u>
\$ 609,933	\$ 154,933
76,190	31,790
2,849,325	4,487
11,447,980	374,212
154,400	125,240
17,504	14,504
<u>(1,293,897)</u>	<u>(3,274,574)</u>
<u>13,861,435</u>	<u>(2,569,408)</u>
1,601,735	(53,935)
1,949,445	2,329,876
28,712,313	17,602,983
88,617	(37,664)
879,811	(62,072)
-	-
<u>-</u>	<u>-</u>
<u>33,231,921</u>	<u>19,779,188</u>
(19,370,486)	17,209,780
-	-
64,797	64,797
<u>13,818,200</u>	<u>(1,356,695)</u>
<u>13,882,997</u>	<u>(1,291,898)</u>
(5,487,489)	15,917,882
<u>23,172,458</u>	<u>-</u>
<u>\$ 17,684,969</u>	<u>\$ 15,917,882</u>

**RESIDENTIAL/LOCAL STREETS  
BALANCE SHEET  
SEPTEMBER 30, 2017**

<b>Assets</b>	
Cash, cash equivalents and investments	\$ 4,324,204
Total assets	<u>\$ 4,324,204</u>
<b>Liabilities</b>	
Accounts payable	\$ 199,346
<b>Fund balance</b>	
Committed	<u>4,124,858</u>
Total liabilities and fund balance	<u>\$ 4,324,204</u>

**RESIDENTIAL/LOCAL STREETS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**COMPARED TO BUDGET**  
**YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Industrial District - in lieu of taxes	\$ 455,000	\$ 455,000	\$ 609,933	\$ 154,933
Earnings on investments	-	-	23,108	23,108
Total revenues	<u>455,000</u>	<u>455,000</u>	<u>633,041</u>	<u>178,041</u>
<b>Expenditures</b>				
Current				
Streets	-	3,500,000	497,949	(3,002,051)
Excess of revenues over expenditures	455,000	(3,045,000)	135,092	3,180,092
<b>Other financing sources (uses)</b>				
Transfers in	1,261,695	1,335,312	1,335,312	-
Net change in fund balance	1,716,695	(1,709,688)	1,470,404	3,180,092
Fund balances beginning of year	2,550,000	2,654,454	2,654,454	-
Fund balances end of year	<u>\$ 4,266,695</u>	<u>\$ 944,766</u>	<u>\$ 4,124,858</u>	<u>\$ 3,180,092</u>

**City of Corpus Christi, TX**

**Exhibit 19-A**

**FEDERAL/STATE GRANTS FUND  
BALANCE SHEET  
SEPTEMBER 30, 2017**

<b>Assets</b>	
Cash, cash equivalents and investments	\$ 486,532
Receivables	
Demolition liens	801,843
Special assessments	4,682
Intergovernmental	1,415,698
Miscellaneous	36,545
Allowance for uncollectibles	<u>(777,381)</u>
Net receivables	1,481,387
Due from other funds	<u>295</u>
Total assets	<u><u>\$ 1,968,214</u></u>
<b>Liabilities</b>	
Accounts payable	\$ 333,993
Deposits	257,287
Unearned revenues	
Demolition liens and other	29,538
Asset seizure and forfeitures	54,819
Grants	409,916
Total unearned revenues	<u>494,273</u>
Total liabilities	<u><u>1,085,553</u></u>
<b>Fund balance</b>	
Restricted	<u>882,661</u>
Total liabilities and fund balance	<u><u>\$ 1,968,214</u></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, 2017**

	<b>Project</b>			
	<b>Authorization</b>	<b>Prior Years</b>	<b>Current Year</b>	<b>Total to Date</b>
<b>Revenues</b>				
Grants	\$ 23,412,396	\$ 131,097,656	\$ 14,697,794	\$ 145,795,450
Charges for services	220,277	5,140,607	220,277	5,360,884
Earnings on investments	4,897	188,681	4,897	193,578
Miscellaneous	93,322	1,279,394	93,322	1,372,716
Total revenues	<u>23,730,892</u>	<u>137,706,338</u>	<u>15,016,290</u>	<u>152,722,628</u>
<b>Expenditures</b>				
Current				
Police and municipal court	3,269,164	22,446,782	1,684,473	24,131,255
Fire and ambulance	5,854,666	11,260,121	5,552,352	16,812,473
Emergency management	-	69,534	-	69,534
Streets	-	7,560,375	-	7,560,375
Health	1,587,112	16,327,723	1,764,992	18,092,715
Parks and recreation	3,662,737	19,612,267	1,983,439	21,595,706
Libraries	951	3,043,501	952	3,044,453
Museums	-	266,127	-	266,127
Community enrichment	527,293	21,625,894	717,093	22,342,987
Community development	8,044,026	20,651,346	2,688,050	23,339,396
Capital projects	168,038	13,447,552	168,038	13,615,590
Total expenditures	<u>23,113,987</u>	<u>136,311,222</u>	<u>14,559,389</u>	<u>150,870,611</u>
Excess (deficiency) of revenues over (under) expenditures	616,905	1,395,116	456,901	1,852,017
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	2,107,716	136,655	2,244,371
Transfers out	<u>(616,905)</u>	<u>(2,524,310)</u>	<u>(639,063)</u>	<u>(3,163,373)</u>
Total other financing sources (uses)	<u>(616,905)</u>	<u>(416,594)</u>	<u>(502,408)</u>	<u>(919,002)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 978,522</u>	<u>\$ (45,507)</u>	<u>\$ 933,015</u>
Fund balance, beginning of year			<u>928,168</u>	
Fund balance, end of year			<u>\$ 882,661</u>	

**MUNICIPAL COURT FEES FUND  
BALANCE SHEET  
SEPTEMBER 30, 2017**

<b>Assets</b>	
Cash, cash equivalents and investments	\$ 722,113
Total assets	<u>\$ 722,113</u>
<b>Liabilities</b>	
Accounts payable	\$ 1,743
<b>Fund balance</b>	
Restricted	<u>720,370</u>
Total liabilities and fund balance	<u>\$ 722,113</u>

**MUNICIPAL COURT FEES FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**COMPARED TO BUDGET**  
**YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Municipal Court building security	\$ 70,745	\$ 70,745	\$ 85,735	\$ 14,990
Municipal Court technology	98,773	98,773	113,864	15,091
Juvenile Court case managers	118,758	118,758	161,829	43,071
Earnings on investments	-	-	4,642	4,642
Total revenues	<u>288,276</u>	<u>288,276</u>	<u>366,070</u>	<u>77,794</u>
<b>Expenditures</b>				
Current				
Municipal Court building security	94,000	100,002	33,338	66,664
Municipal Court technology	105,440	118,425	70,941	47,484
Juvenile Court case managers	206,604	207,604	181,232	26,372
Total expenditures	<u>406,044</u>	<u>426,031</u>	<u>285,511</u>	<u>140,520</u>
Excess (deficiency) of revenues over (under) expenditures	(117,768)	(137,755)	80,559	218,314
Net change in fund balance	(117,768)	(137,755)	80,559	218,314
Fund balance, beginning of year	446,906	639,811	639,811	-
Fund balance, end of year	<u>\$ 329,138</u>	<u>\$ 502,056</u>	<u>\$ 720,370</u>	<u>\$ 218,314</u>

**COMMUNITY ENRICHMENT FUND  
BALANCE SHEET  
SEPTEMBER 30, 2017**

**Assets**

Cash, cash equivalents and investments	\$ 5,912,840
Total assets	<u>\$ 5,912,840</u>

**Liabilities**

Accounts payable	\$ 133,462
------------------	------------

**Fund balance**

Restricted	4,705,820
Committed	<u>1,073,558</u>
Total fund balance	<u>5,779,378</u>
Total liabilities and fund balance	<u>\$ 5,912,840</u>

**COMMUNITY ENRICHMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED SEPTEMBER 30, 2017**

<b>Revenues</b>	
Contributions and donations	\$ 732,471
Earnings on investments	27,591
Total revenues	<u>760,062</u>
<b>Expenditures</b>	
Current	
Community enrichment	86,120
Capital projects	853,144
Total expenditures	<u>939,264</u>
Excess (deficiency) of revenues over (under) expenditures	(179,202)
<b>Other financing sources (uses)</b>	
Sale of City property	2,555,256
Transfers in	114,300
Total other financing sources (uses)	<u>2,669,556</u>
Net change in fund balances	2,490,354
Fund balance, beginning of year	<u>3,289,024</u>
Fund balance, end of year	<u>\$ 5,779,378</u>

**INFRASTRUCTURE FUND  
BALANCE SHEET  
SEPTEMBER 30, 2017**

<b>Assets</b>	
Cash, cash equivalents and investments	\$ 1,550,901
Total assets	<u>\$ 1,550,901</u>
<b>Liabilities</b>	
Deposits	\$ 109,236
<b>Fund balance</b>	
Restricted	<u>1,441,665</u>
Total liabilities and fund balance	<u>\$ 1,550,901</u>

**INFRASTRUCTURE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**YEAR ENDED SEPTEMBER 30, 2017**

**Revenues**

Contributions and donations	\$	55,350
Earnings on investments		18,145
Total revenues		<u>73,495</u>

**Expenditures**

Capital projects		<u>337,802</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(264,307)</u>
Net change in fund balances		(264,307)
Fund balance, beginning of year		<u>1,705,972</u>
Fund balance, end of year	\$	<u><u>1,441,665</u></u>

**LOCAL EMERGENCY PLANNING COMMITTEE  
BALANCE SHEET  
SEPTEMBER 30, 2017**

<b>Assets</b>	
Cash, cash equivalents and investments	\$ 82,231
Total assets	<u>\$ 82,231</u>
<b>Liabilities</b>	
Total liabilities	\$ -
<b>Fund balance</b>	
Committed	<u>82,231</u>
Total liabilities and fund balance	<u>\$ 82,231</u>

**LOCAL EMERGENCY PLANNING COMMITTEE  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Contributions and donations	\$ 268,400	\$ 268,400	\$ 250,780	\$ (17,620)
Earnings on investments	-	-	956	956
Total revenues	<u>268,400</u>	<u>268,400</u>	<u>251,736</u>	<u>(16,664)</u>
<b>Expenditures</b>				
Current				
Emergency management	<u>276,955</u>	<u>276,955</u>	<u>217,292</u>	<u>59,663</u>
Excess (deficiency) of revenues over (under) expenditures	(8,555)	(8,555)	34,444	42,999
Net change in fund balance	(8,555)	(8,555)	34,444	42,999
Fund balance, beginning of year	<u>24,131</u>	<u>47,787</u>	<u>47,787</u>	<u>-</u>
Fund balance, end of year	<u>\$ 15,576</u>	<u>\$ 39,232</u>	<u>\$ 82,231</u>	<u>\$ 42,999</u>

**HEALTH MEDICAID WAIVER FUND  
BALANCE SHEET  
SEPTEMBER 30, 2017**

**Assets**

Cash, cash equivalents and investments  
Total assets

\$ 1,177,300  
\$ 1,177,300

**Liabilities**

Accounts payable

\$ 21,280

**Fund balance**

Committed  
Total liabilities and fund balance

1,156,020  
\$ 1,177,300

**HEALTH MEDICAID WAIVER FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 629,698	\$ 629,698	\$ 619,227	\$ (10,471)
Earnings on investments	-	-	13,360	13,360
Total revenues	<u>629,698</u>	<u>629,698</u>	<u>632,587</u>	<u>2,889</u>
<b>Expenditures</b>				
Current				
Health	749,004	736,412	259,357	477,055
Capital projects	-	24,025	-	24,025
Total expenditures	<u>749,004</u>	<u>760,437</u>	<u>259,357</u>	<u>501,080</u>
Excess (deficiency) of revenues over (under) expenditures	(119,306)	(130,739)	373,230	503,969
Net change in fund balance	(119,306)	(130,739)	373,230	503,969
Fund balance beginning of year	119,306	782,790	782,790	-
Fund balance end of year	<u>\$ -</u>	<u>\$ 652,051</u>	<u>\$ 1,156,020</u>	<u>\$ 503,969</u>

**CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION  
BALANCE SHEET  
SEPTEMBER 30, 2017**

<b>Assets</b>	
Cash, cash equivalents and investments	\$ 2,575,933
Receivables	
Mortgages and loans	13,444,256
Allowance for uncollectibles	<u>(2,333,853)</u>
Net receivables	<u>11,110,403</u>
Total assets	<u><u>\$ 13,686,336</u></u>
<b>Liabilities</b>	
Deposits	\$ 212,554
<b>Fund balance</b>	
Restricted	<u>13,473,782</u>
Total liabilities and fund balance	<u><u>\$ 13,686,336</u></u>

**CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED SEPTEMBER 30, 2017**

**Revenues**

Grants	\$	863,414
Earnings on investments		9,248
Interest on loans		47,815
Miscellaneous		265,026
Total revenues		1,185,503

**Expenditures**

Current		
Community development		1,289,340
Excess (deficiency) of revenues over (under) expenditures		(103,837)
Net change in fund balances		(103,837)
Fund balance, beginning of year		13,577,619
Fund balance, end of year	\$	13,473,782

**CORPUS CHRISTI HOUSING FINANCE CORPORATION  
SCHEDULE OF NET POSITION  
SEPTEMBER 30, 2017**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Net Position</b>
<b>Assets</b>			
Cash, cash equivalents and investments	\$ 204,615	\$ -	\$ 204,615
Receivables			
Accounts	334,152	-	334,152
Capital assets, being depreciated	-	767,937	767,937
	<u>\$ 538,767</u>	<u>\$ 767,937</u>	<u>\$ 1,306,704</u>
Total assets			
<b>Liabilities</b>			
Unearned revenues			
Other	\$ 334,152	-	334,152
	<u>\$ 334,152</u>	<u>-</u>	<u>334,152</u>
<b>Fund balance</b>			
Restricted	204,615	(204,615)	-
Total liabilities and fund balance	<u>\$ 538,767</u>	<u>-</u>	<u>-</u>
<b>Net position</b>			
Net investment in capital assets		767,937	767,937
Unrestricted		204,615	204,615
Total net position		<u>\$ 972,552</u>	<u>\$ 972,552</u>

**CORPUS CHRISTI HOUSING FINANCE CORPORATION  
SCHEDULE OF ACTIVITIES  
SEPTEMBER 30, 2017**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Activities</b>
<b>Expenditures/expenses</b>			
Community development	\$ 1,304	\$ 27,508	\$ 28,812
<b>General revenues</b>			
Charges for services	78,483	-	78,483
Earnings on investments	106	-	106
Total general revenues	<u>78,589</u>	<u>-</u>	<u>78,589</u>
Excess of revenues and other financing sources over expenditures and other uses	77,285	(77,285)	-
Change in fund balance/net position	77,285	(27,508)	49,777
Fund balance/net position, beginning of year	<u>127,330</u>	<u>795,445</u>	<u>922,775</u>
Fund balance/net position, end of year	<u>\$ 204,615</u>	<u>\$ 767,937</u>	<u>\$ 972,552</u>

City of Corpus Christi

Exhibit 26-C

**CORPUS CHRISTI HOUSING FINANCE CORPORATION  
BALANCE SHEET  
SEPTEMBER 30, 2017**

**Assets**

Cash, cash equivalents and investments	\$ 204,615
Receivables	
Accounts	<u>334,152</u>
Total assets	<u><u>\$ 538,767</u></u>

**Liabilities**

Unearned revenues	
Other	\$ 334,152

**Fund balance**

Restricted	<u>204,615</u>
Total liabilities and fund balance	<u><u>\$ 538,767</u></u>

**CORPUS CHRISTI HOUSING FINANCE CORPORATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED SEPTEMBER 30, 2017**

**Revenues**

Charges for services	\$	78,483
Earnings on investments		106
Total revenues		<u>78,589</u>

**Expenditures**

Current		
Community development		<u>1,304</u>
Excess (deficiency) of revenues over (under) expenditures		77,285
Net change in fund balances		77,285
Fund balance, beginning of year		<u>127,330</u>
Fund balance, end of year	\$	<u><u>204,615</u></u>

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION  
BALANCE SHEET  
SEPTEMBER 30, 2017**

**Assets**

Cash, cash equivalents and investments  
Total assets

\$ 68,775  
\$ 68,775

**Liabilities**

Total liabilities

\$ -

**Fund balance**

Restricted  
Total liabilities and fund balance

68,775  
\$ 68,775

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**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**YEAR ENDED SEPTEMBER 30, 2017**

**Revenues**

Net change in fund balances	\$	-
Fund balance, beginning of year		<u>68,775</u>
Fund balance, end of year	\$	<u><u>68,775</u></u>

COASTAL BEND HEALTH FACILITIES DEVELOPMENT CORPORATION  
 BALANCE SHEET  
 SEPTEMBER 30, 2017

**Assets**

Cash, cash equivalents and investments	\$ 3,719
Total assets	<u>\$ 3,719</u>

**Liabilities**

Total liabilities	\$ -
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**Fund balance**

Restricted	3,719
Total fund balance	<u>3,719</u>
Total liabilities and fund balance	<u>\$ 3,719</u>

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**COASTAL BEND HEALTH FACILITIES DEVELOPMENT CORPORATION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**YEAR ENDED SEPTEMBER 30, 2017**

**Revenues**

Net change in fund balances	\$	-
Fund balance, beginning of year		<u>3,719</u>
Fund balance, end of year	\$	<u><u>3,719</u></u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
SCHEDULE OF NET POSITION  
SEPTEMBER 30, 2017**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Net Position</b>
<b>Assets</b>			
Cash, cash equivalents and investments	\$ 2,474,588	\$ -	\$ 2,474,588
Receivables			
Intergovernmental	1,148,036	-	1,148,036
Total assets	\$ 3,622,624	\$ -	\$ 3,622,624
<b>Deferred outflows of resources</b>			
Deferred outflows related to pension liability		1,606,938	1,606,938
<b>Liabilities</b>			
Accumulated unpaid compensated absences			
Due within one year		448,861	448,861
Due in more than one year		551,246	551,246
Net pension liability		7,247,454	7,247,454
Net OPEB obligation		129,896	129,896
Total liabilities	-	8,377,457	8,377,457
<b>Deferred inflows of resources</b>			
Deferred inflows related to pension liability	-	120,652	120,652
<b>Fund balance</b>			
Restricted	3,622,624	(3,622,624)	-
Total liabilities and fund balance	\$ 3,622,624		
<b>Net Position</b>			
Restricted for			
Crime control and preventions		(3,268,547)	(3,268,547)
Total net position		\$ (3,268,547)	\$ (3,268,547)

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
SCHEDULE OF ACTIVITIES  
SEPTEMBER 30, 2017**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Net Position</b>
<b>Expenditures/expenses</b>			
General government	\$ 13,539	\$ -	\$ 13,539
Police and municipal court	7,296,229	505,642	7,801,871
Capital projects	571,199	(571,199)	-
Total expenditures/expenses	<u>7,880,967</u>	<u>(65,557)</u>	<u>7,815,410</u>
<b>General revenues</b>			
Sales tax	6,590,693	-	6,590,693
Charges for services	1,160	-	1,160
Earnings on investments	22,714	-	22,714
Sale of City property	4,208	-	4,208
<b>Other financing sources (uses)</b>			
Transfers out	-	(571,199)	(571,199)
Total general revenues and other financing sources (uses)	<u>6,618,775</u>	<u>(571,199)</u>	<u>6,047,576</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	(1,262,192)	1,262,192	-
Change in fund balance/net position	-	(1,767,834)	(1,767,834)
Fund balance/net position beginning of year, restated (Footnote 22)	<u>4,884,816</u>	<u>(6,385,529)</u>	<u>(1,500,713)</u>
Fund balance/net position, end of year	<u>\$ 3,622,624</u>	<u>\$ (6,891,171)</u>	<u>\$ (3,268,547)</u>

City of Corpus Christi

Exhibit 29-C

CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
BALANCE SHEET  
SEPTEMBER 30, 2017

**Assets**

Cash, cash equivalents and investments	\$ 2,474,588
Receivables	
Intergovernmental	<u>1,148,036</u>
Total assets	<u>\$ 3,622,624</u>

**Liabilities**

**Fund balance**

Restricted	\$ 3,622,624
------------	--------------

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2017**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes and business fees	\$ 6,900,000	\$ 6,900,000	\$ 6,590,693	\$ (309,307)
Charges for services	8,000	8,000	1,160	(6,840)
Earnings on investments	8,700	8,700	22,714	14,014
Total revenues	6,916,700	6,916,700	6,614,567	(302,133)
<b>Expenditures</b>				
Current				
General government	120,000	18,153	13,539	4,614
Police and municipal court	7,252,629	7,765,731	7,296,229	469,502
Reserve appropriation	150,000	-	-	-
Capital projects	156,000	706,555	571,199	135,356
Total expenditures	7,678,629	8,490,439	7,880,967	609,472
Excess (deficiency) of revenues over (under) expenditures	(761,929)	(1,573,739)	(1,266,400)	307,339
<b>Other financing sources (uses)</b>				
Sale of City property	-	-	4,208	4,208
Net change in fund balance	(761,929)	(1,573,739)	(1,262,192)	311,547
Fund balance, beginning of year	4,502,316	4,884,816	4,884,816	-
Fund balance, end of year	\$ 3,740,387	\$ 3,311,077	\$ 3,622,624	\$ 311,547

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
SCHEDULE OF NET POSITION  
SEPTEMBER 30, 2017**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Net Position</b>
<b>Assets</b>			
Cash, cash equivalents and investments	\$ 78,985,427	\$ -	\$ 78,985,427
Receivables			
Intergovernmental	3,460,434	-	3,460,434
Prepaid items	42,935	-	42,935
Total assets	\$ 82,488,796	\$ -	\$ 82,488,796
<b>Liabilities</b>			
Accounts payable	\$ 793,948	\$ -	\$ 793,948
Accrued interest	-	164,718	164,718
Long-term debt			
Due within one year	-	4,350,000	4,350,000
Due in more than one year	-	41,684,440	41,684,440
Total liabilities	793,948	46,199,158	46,993,106
<b>Fund balance</b>			
Nonspendable	42,935	(42,935)	-
	81,651,913	(81,651,913)	-
Total fund balance	81,694,848	(81,694,848)	-
Total liabilities and fund balance	\$ 82,488,796		
<b>Net position</b>			
Restricted for			
Business and job development		35,495,690	35,495,690
Total net position		\$ 35,495,690	\$ 35,495,690

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
SCHEDULE OF ACTIVITIES  
SEPTEMBER 30, 2017**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Net Position</b>
<b>Expenditures/expenses</b>			
General government	\$ 108,857	\$ -	\$ 108,857
Community development	2,092,465	-	2,092,465
Capital projects	714,329	(714,329)	-
Debt service			
Principal retirement	6,280,000	(6,280,000)	-
Interest	2,210,119	(799,627)	1,410,492
Paying agent fees	2,000	-	2,000
Total expenditures/expenses	<u>11,407,770</u>	<u>(7,793,956)</u>	<u>3,613,814</u>
<b>General revenues</b>			
Taxes and business fees	20,031,543	-	20,031,543
Earnings on investments	513,281	-	513,281
Total general revenues	<u>20,544,824</u>	<u>-</u>	<u>20,544,824</u>
<b>Other financing sources (uses)</b>			
Transfers in	14,821,782	-	14,821,782
Transfers out	<u>(17,360,830)</u>	<u>(714,329)</u>	<u>(18,075,159)</u>
Total general revenues and other financing sources (uses)	<u>18,005,776</u>	<u>(714,329)</u>	<u>17,291,447</u>
Excess of revenues and other financing sources over expenditures and other uses	6,598,006	(6,598,006)	-
Change in fund balance/net position	-	13,677,633	13,677,633
Fund balance/net position beginning of year, restated (Footnote )	<u>75,096,844</u>	<u>(53,278,787)</u>	<u>21,818,057</u>
Fund balance/net position, end of year	<u>\$ 81,694,850</u>	<u>\$ (46,199,160)</u>	<u>\$ 35,495,690</u>

**City of Corpus Christi, TX**

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
BALANCE SHEET  
SEPTEMBER 30, 2017**

	<b>Special Revenue</b>		
	<b>Seawall Improvement</b>	<b>Arena Facility</b>	<b>Economic Development</b>
<b>Assets</b>			
Cash, cash equivalents and investments	\$ 36,153,234	\$ 19,445,637	\$ 10,867,224
Receivables			
Intergovernmental	1,153,478	1,153,478	1,153,478
Prepaid items	-	-	42,935
Total assets	\$ 37,306,712	\$ 20,599,115	\$ 12,063,637
<b>Liabilities</b>			
Accounts payable	\$ -	\$ 37,911	\$ 376,422
<b>Fund balances</b>			
Nonspendable	-	-	42,935
Restricted	37,306,712	20,561,204	11,644,280
Total fund balances	37,306,712	20,561,204	11,687,215
Total liabilities and fund balances	\$ 37,306,712	\$ 20,599,115	\$ 12,063,637

**City of Corpus Christi**

**Exhibit 30-C**

<b>Debt Service</b>			<b>Capital Projects</b>		
<b>Seawall</b>	<b>Arena</b>	<b>Economic Development</b>	<b>Seawall</b>	<b>Arena</b>	<b>Total</b>
\$ 1,355,778	\$ 2,954,627	\$ 1,942,725	\$ 6,166,791	\$ 99,411	\$ 78,985,427
-	-	-	-	-	3,460,434
-	-	-	-	-	42,935
<u>\$ 1,355,778</u>	<u>\$ 2,954,627</u>	<u>\$ 1,942,725</u>	<u>\$ 6,166,791</u>	<u>\$ 99,411</u>	<u>\$ 82,488,796</u>
\$ -	\$ -	\$ -	\$ 379,615	\$ -	\$ 793,948
-	-	-	-	-	42,935
<u>1,355,778</u>	<u>2,954,627</u>	<u>1,942,725</u>	<u>5,787,176</u>	<u>99,411</u>	<u>81,651,913</u>
<u>1,355,778</u>	<u>2,954,627</u>	<u>1,942,725</u>	<u>5,787,176</u>	<u>99,411</u>	<u>81,694,848</u>
<u>\$ 1,355,778</u>	<u>\$ 2,954,627</u>	<u>\$ 1,942,725</u>	<u>\$ 6,166,791</u>	<u>\$ 99,411</u>	<u>\$ 82,488,796</u>

**City of Corpus Christi, TX**

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
YEAR ENDED SEPTEMBER 30, 2017**

	<b>Special Revenue</b>		
	<b>Seawall Improvement</b>	<b>Arena Facility</b>	<b>Economic Development</b>
<b>Revenues</b>			
Taxes and business fees	\$ 6,677,181	\$ 6,677,181	\$ 6,677,181
Earnings on investments	246,134	125,944	62,783
Total revenues	6,923,315	6,803,125	6,739,964
<b>Expenditures</b>			
Current			
General government	-	-	74,886
Community development	3,718	161,660	1,927,088
Capital projects	-	-	-
Debt service			
Principal retirement	-	-	-
Interest	-	-	-
Paying agent fees	-	-	-
Total expenditures	3,718	161,660	2,001,974
Excess (deficiency) of revenues over (under) expenditures	6,919,597	6,641,465	4,737,990
<b>Other financing sources (uses)</b>			
Transfers in	15,081,782	-	-
Transfers out	(7,301,209)	(5,908,726)	(2,236,058)
Total other financing sources (uses)	7,780,573	(5,908,726)	(2,236,058)
Net change in fund balances	14,700,170	732,739	2,501,932
Fund balances, beginning of year	22,606,542	19,828,465	9,185,283
Fund balances, end of year	\$ 37,306,712	\$ 20,561,204	\$ 11,687,215

**City of Corpus Christi**

**Exhibit 30-D**

<b>Debt Service</b>			<b>Capital Projects</b>			<b>Total</b>
<b>Seawall</b>	<b>Arena</b>	<b>Economic Development</b>	<b>Seawall</b>	<b>Arena</b>	<b>Eliminations</b>	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,031,543
7,882	28,052	19,722	22,108	656	-	513,281
<u>7,882</u>	<u>28,052</u>	<u>19,722</u>	<u>22,108</u>	<u>656</u>	<u>-</u>	<u>20,544,824</u>
-	-	-	33,971	-	-	108,857
-	-	-	-	-	-	2,092,466
-	-	-	714,329	-	-	714,329
1,935,000	2,245,000	2,100,000	-	-	-	6,280,000
924,919	1,180,200	105,000	-	-	-	2,210,119
1,000	500	500	-	-	-	2,000
<u>2,860,919</u>	<u>3,425,700</u>	<u>2,205,500</u>	<u>748,300</u>	<u>-</u>	<u>-</u>	<u>11,407,771</u>
(2,853,037)	(3,397,648)	(2,185,778)	(726,192)	656	-	9,137,053
2,861,919	3,427,200	2,207,000	4,410,826	-	(13,166,945)	14,821,782
-	-	-	(15,081,782)	-	13,166,945	(17,360,830)
<u>2,861,919</u>	<u>3,427,200</u>	<u>2,207,000</u>	<u>(10,670,956)</u>	<u>-</u>	<u>-</u>	<u>(2,539,048)</u>
8,882	29,552	21,222	(11,397,148)	656	-	6,598,005
1,346,896	2,925,075	1,921,503	17,184,324	98,755	-	75,096,843
<u>\$ 1,355,778</u>	<u>\$ 2,954,627</u>	<u>\$ 1,942,725</u>	<u>\$ 5,787,176</u>	<u>\$ 99,411</u>	<u>\$ -</u>	<u>\$ 81,694,848</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, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Sales tax	\$ 6,925,000	\$ 6,925,000	\$ 6,677,181	\$ (247,819)
Earnings on investments	33,600	33,600	246,134	212,534
Total revenues	<u>6,958,600</u>	<u>6,958,600</u>	<u>6,923,315</u>	<u>(35,285)</u>
<b>Expenditures</b>				
Current				
Community development	15,000	15,000	3,718	11,282
Excess of revenues over expenditures	6,943,600	6,943,600	6,919,597	(24,003)
<b>Other financing sources (uses)</b>				
Transfers in	15,081,782	15,081,782	15,081,782	-
Transfers out	(6,290,383)	(7,301,209)	(7,301,209)	-
Total other financing sources (uses)	<u>8,791,399</u>	<u>7,780,573</u>	<u>7,780,573</u>	<u>-</u>
Net change in fund balance	15,734,999	14,724,173	14,700,170	(24,003)
Fund balance, beginning of year	22,343,571	22,606,542	22,606,542	-
Fund balance, end of year	<u>\$ 38,078,570</u>	<u>\$ 37,330,715</u>	<u>\$ 37,306,712</u>	<u>\$ (24,003)</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, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Sales tax	\$ 6,925,000	\$ 6,925,000	\$ 6,677,181	\$ (247,819)
Earnings on investments	31,800	31,800	125,944	94,144
Total revenues	<u>6,956,800</u>	<u>6,956,800</u>	<u>6,803,125</u>	<u>(153,675)</u>
<b>Expenditures</b>				
Current				
Community development	215,000	215,000	161,660	53,340
Excess of revenues over expenditures	6,741,800	6,741,800	6,641,465	(100,335)
<b>Other financing sources (uses)</b>				
Transfers out	(5,908,726)	(5,908,726)	(5,908,726)	-
Net change in fund balance	833,074	833,074	732,739	(100,335)
Fund balance, beginning of year	19,516,030	19,828,465	19,828,465	-
Fund balance, end of year	<u>\$ 20,349,104</u>	<u>\$ 20,661,539</u>	<u>\$ 20,561,204</u>	<u>\$ (100,335)</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, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Sales tax	\$ 6,925,000	\$ 6,925,000	\$ 6,677,181	\$ (247,819)
Earnings on investments	12,120	12,120	62,783	50,663
Total revenues	<u>6,937,120</u>	<u>6,937,120</u>	<u>6,739,964</u>	<u>(197,156)</u>
<b>Expenditures</b>				
Current				
General government	89,619	89,619	74,886	14,733
Community development	1,697,944	11,230,580	1,927,088	9,303,492
Total expenditures	<u>1,787,563</u>	<u>11,320,199</u>	<u>2,001,974</u>	<u>9,318,225</u>
Excess (deficiency) of revenues over (under) expenditures	5,149,557	(4,383,079)	4,737,990	9,121,069
<b>Other financing sources (uses)</b>				
Transfers out	(2,236,058)	(2,236,058)	(2,236,058)	-
Net change in fund balance	2,913,499	(6,619,137)	2,501,932	9,121,069
Fund balance, beginning of year	3,451,735	9,185,283	9,185,283	-
Fund balance, end of year	<u>\$ 6,365,234</u>	<u>\$ 2,566,146</u>	<u>\$ 11,687,215</u>	<u>\$ 9,121,069</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, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Earnings on investments	\$ -	\$ -	\$ 7,882	\$ 7,882
<b>Expenditures</b>				
Debt service				
Principal retirement	1,935,000	1,935,000	1,935,000	-
Interest	924,919	924,919	924,919	-
Paying agent fees	2,000	2,000	1,000	1,000
Total expenditures	<u>2,861,919</u>	<u>2,861,919</u>	<u>2,860,919</u>	<u>1,000</u>
Excess (deficiency) of revenues over (under) expenditures	(2,861,919)	(2,861,919)	(2,853,037)	8,882
<b>Other financing sources (uses)</b>				
Transfers in	<u>2,861,919</u>	<u>2,861,919</u>	<u>2,861,919</u>	<u>-</u>
Net change in fund balance	-	-	8,882	8,882
Fund balance, beginning of year	<u>1,343,441</u>	<u>1,346,896</u>	<u>1,346,896</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,343,441</u>	<u>\$ 1,346,896</u>	<u>\$ 1,355,778</u>	<u>\$ 8,882</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, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Earnings on investments	\$ -	\$ -	\$ 28,052	\$ 28,052
<b>Expenditures</b>				
Debt service				
Principal retirement	2,245,000	2,245,000	2,245,000	-
Interest	1,180,200	1,180,200	1,180,200	-
Paying agent fees	2,000	2,000	500	1,500
Total expenditures	<u>3,427,200</u>	<u>3,427,200</u>	<u>3,425,700</u>	<u>1,500</u>
Excess (deficiency) of revenues over (under) expenditures	(3,427,200)	(3,427,200)	(3,397,648)	29,552
<b>Other financing sources (uses)</b>				
Transfers in	<u>3,427,200</u>	<u>3,427,200</u>	<u>3,427,200</u>	<u>-</u>
Net change in fund balance	-	-	29,552	29,552
Fund balance, beginning of year	<u>2,916,846</u>	<u>2,925,075</u>	<u>2,925,075</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,916,846</u>	<u>\$ 2,925,075</u>	<u>\$ 2,954,627</u>	<u>\$ 29,552</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, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Earnings on investments	\$ -	\$ -	\$ 19,722	\$ 19,722
<b>Expenditures</b>				
Debt service				
Principal retirement	2,100,000	2,100,000	2,100,000	-
Interest	105,000	105,000	105,000	-
Paying agent fees	2,000	2,000	500	1,500
Total expenditures	<u>2,207,000</u>	<u>2,207,000</u>	<u>2,205,500</u>	<u>1,500</u>
Excess (deficiency) of revenues over (under) expenditures	(2,207,000)	(2,207,000)	(2,185,778)	21,222
<b>Other financing sources (uses)</b>				
Transfers in	<u>2,207,000</u>	<u>2,207,000</u>	<u>2,207,000</u>	<u>-</u>
Net change in fund balance	-	-	21,222	21,222
Fund balance, beginning of year	<u>1,911,785</u>	<u>1,921,503</u>	<u>1,921,503</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,911,785</u>	<u>\$ 1,921,503</u>	<u>\$ 1,942,725</u>	<u>\$ 21,222</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
SCHEDULE OF NET POSITION  
SEPTEMBER 30, 2017**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Net Position</b>
<b>Assets</b>			
Cash, cash equivalents and investments	\$ 11,054,895	\$ -	\$ 11,054,895
Receivables			
Taxes	27,773	-	27,773
Total assets	\$ 11,082,668	\$ -	\$ 11,082,668
<b>Deferred outflows of resources</b>			
Unamortized loss on refunded debt	-	100,499	100,499
<b>Liabilities</b>			
Accrued interest	-	13,740	13,740
Long-term debt			
Current portion long-term debt	-	1,070,000	1,070,000
Long-term debt	-	5,800,000	5,800,000
Total liabilities	-	6,883,740	6,883,740
<b>Fund balances</b>			
North Padre Island development			
Restricted for-North Padre dev Beg Fund Bal	9,000,812	-	9,000,812
Restricted for-North Padre dev Net Income	2,081,856	-	2,081,856
	11,082,668	(11,082,668)	-
Total fund balances	11,082,668	(11,082,668)	-
Total liabilities and fund balance	\$ 11,082,668		
<b>Net position</b>			
Restricted for			
North Padre Island development		4,299,427	4,299,427
Total net position		\$ 4,299,427	\$ 4,299,427

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
SCHEDULE OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2017**

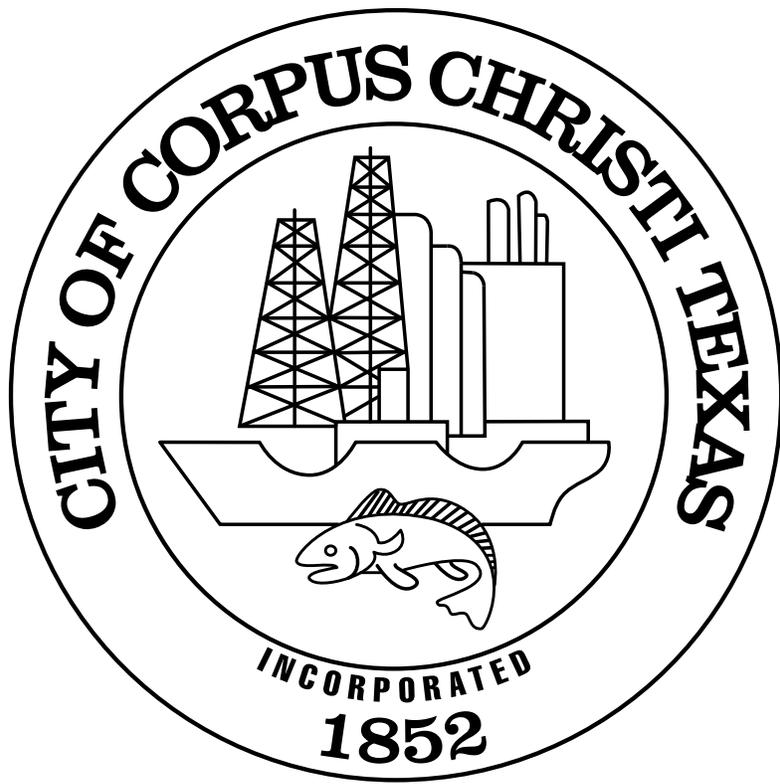
	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Net Position</b>
<b>Expenditures/expenses</b>			
General government	\$ 30,972	\$ -	\$ 30,972
Community development	32,781	-	32,781
Capital projects	158,386	(158,386)	-
Debt service			
Principal retirement	990,000	(990,000)	-
Interest	353,700	37,596	391,296
Paying agent fees	5,694	-	5,694
Total expenditures/expenses	1,571,533	(1,110,790)	460,743
<b>General revenues</b>			
Taxes and business fees	3,628,510	-	3,628,510
Earnings on investments	36,528	-	36,528
<b>Other financing sources (uses)</b>			
Transfers out	(11,649)	(158,386)	(170,035)
Total general revenues and other financing sources (uses)	3,653,389	(158,386)	3,495,003
Excess of revenues and other financing sources over expenditures and other uses	2,081,856	(2,081,856)	-
Change in net position	-	3,034,260	3,034,260
Fund balance/net position, beginning of year	9,000,812	(7,735,645)	1,265,167
Fund balance/net position, end of year	\$ 11,082,668	\$ (6,783,241)	\$ 4,299,427

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
BALANCE SHEET  
SEPTEMBER 30, 2017**

	<b>General</b>	<b>Capital Projects</b>	<b>Eliminations</b>	<b>Total</b>
<b>Assets</b>				
Cash, cash equivalents and investments	\$ 9,222,943	\$ 1,831,952	\$ -	\$ 11,054,895
Receivables				
Taxes	27,773	-	-	27,773
Total assets	\$ 9,250,716	\$ 1,831,952	\$ -	\$ 11,082,668
<b>Liabilities</b>				
Total liabilities	-	-	-	-
<b>Fund balances</b>				
Restricted	9,250,716	1,831,952	-	11,082,668
Total fund balances	9,250,716	1,831,952	-	11,082,668
Total liabilities and fund balances	\$ 9,250,716	\$ 1,831,952	\$ -	\$ 11,082,668

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED SEPTEMBER 30, 2017**

	<u>General</u>	<u>Capital Projects</u>	<u>Eliminations</u>	<u>Total</u>
<b>Revenues</b>				
Taxes and business fees	\$ 3,628,510	\$ -	\$ -	\$ 3,628,510
Earnings on investments	23,406	13,122	-	36,528
Total revenues	<u>3,651,916</u>	<u>13,122</u>	<u>-</u>	<u>3,665,038</u>
<b>Expenditures</b>				
Current				
General government	-	30,972	-	30,972
Community development	32,780	-	-	32,780
Capital projects	-	158,386	-	158,386
Debt service				
Principal retirement	990,000	-	-	990,000
Interest	353,700	-	-	353,700
Paying agent fees	5,694	-	-	5,694
Total expenditures	<u>1,382,174</u>	<u>189,358</u>	<u>-</u>	<u>1,571,532</u>
Excess (deficiency) of revenues over (under) expenditures	2,269,742	(176,236)	-	2,093,506
<b>Other financing sources (uses)</b>				
Transfers out	(11,649)	-	-	(11,649)
Net change in fund balances	2,258,093	(176,236)	-	2,081,857
Fund balances, beginning of year	6,992,623	2,008,188	-	9,000,811
Fund balances, end of year	<u>\$ 9,250,716</u>	<u>\$ 1,831,952</u>	<u>\$ -</u>	<u>\$ 11,082,668</u>



**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes and business fees	\$ 3,177,563	\$ 3,177,563	\$ 3,628,510	\$ 450,947
Earnings on investments	-	-	23,406	23,406
Total revenues	<u>3,177,563</u>	<u>3,177,563</u>	<u>3,651,916</u>	<u>474,353</u>
<b>Expenditures</b>				
Current				
Community development	98,812	107,245	32,780	74,465
Debt service				
Principal retirement	990,000	990,000	990,000	-
Interest	353,700	353,700	353,700	-
Paying agent fees	6,000	6,000	5,694	306
Total expenditures	<u>1,448,512</u>	<u>1,456,945</u>	<u>1,382,174</u>	<u>74,771</u>
Excess of revenues over expenditures	1,729,051	1,720,618	2,269,742	549,124
<b>Other financing sources (uses)</b>				
Transfers out	<u>(11,649)</u>	<u>(11,649)</u>	<u>(11,649)</u>	<u>-</u>
Net change in fund balance	1,717,402	1,708,969	2,258,093	549,124
Fund balance, beginning of year	6,562,431	6,992,623	6,992,623	-
Fund balance, end of year	<u>\$ 8,279,833</u>	<u>\$ 8,701,592</u>	<u>\$ 9,250,716</u>	<u>\$ 549,124</u>

**REINVESTMENT ZONE #3  
BALANCE SHEET  
SEPTEMBER 30, 2017**

**Assets**

Cash, cash equivalents and investments	\$ 3,664,469
Receivables	
Taxes	3,253
Total assets	<u>\$ 3,667,722</u>

**Liabilities**

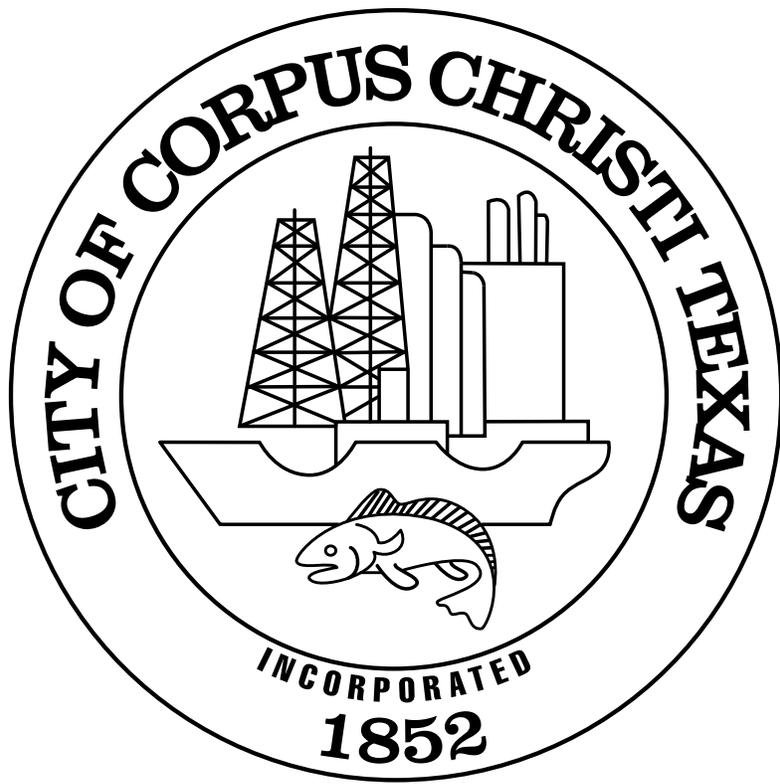
Accounts payable	\$ 41,661
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**Fund balance**

Restricted	3,626,061
Total liabilities and fund balance	<u>\$ 3,667,722</u>

**REINVESTMENT ZONE #3**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**COMPARED TO BUDGET**  
**YEAR ENDED SEPTEMBER 30, 2017**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes and business fees	\$ 1,140,785	\$ 1,140,785	\$ 1,030,413	\$ (110,372)
Earnings on investments	-	-	23,721	23,721
Total revenues	<u>1,140,785</u>	<u>1,140,785</u>	<u>1,054,134</u>	<u>(86,651)</u>
<b>Expenditures</b>				
Current				
Community development	1,805,000	1,924,323	517,588	1,406,735
Excess of revenues over expenditures	(664,215)	(783,538)	536,546	1,320,084
<b>Other financing sources (uses)</b>				
Transfers out	(2,618)	(2,618)	(2,618)	-
Net change in fund balance	(666,833)	(786,156)	533,928	1,320,084
Fund balance, beginning of year	2,953,576	3,092,133	3,092,133	-
Fund balance, end of year	<u>\$ 2,286,743</u>	<u>\$ 2,305,977</u>	<u>\$ 3,626,061</u>	<u>\$ 1,320,084</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, construction of the Fleet Shipyard and Seaport 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 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.

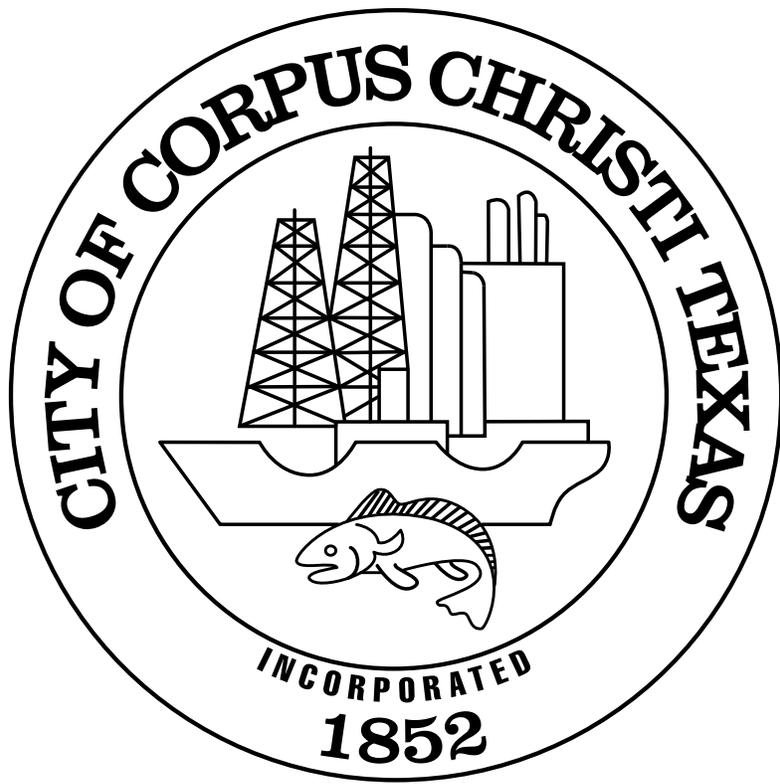
***Fire Bond Fund*** – This fund was established for recording construction and improvements to City fire stations.

***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, 2017**

<b>Assets</b>	
Cash, cash equivalents and investments	\$ 131,288,589
Receivables	
Special assessments	741,465
Intergovernmental	2,769,274
Allowance for uncollectibles	<u>(636,137)</u>
Net receivables	<u>2,874,602</u>
Total assets	<u><u>\$ 134,163,191</u></u>
<b>Liabilities</b>	
Accounts payable	\$ 6,114,081
Deposits	353,400
Grants	<u>25,000</u>
Total liabilities	<u>6,492,481</u>
<b>Deferred inflows of resources</b>	
Unavailable revenue - Contributions and donations	2,309,694
<b>Fund balance</b>	
Restricted	120,943,888
Committed	4,216,104
Assigned	<u>201,024</u>
Total fund balance	<u>125,361,016</u>
Total liabilities, deferred inflows of resources, and fund balance	<u><u>\$ 134,163,191</u></u>

**STREET CAPITAL PROJECTS FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED SEPTEMBER 30, 2017**

<b>Revenues</b>	
Contributions and donations	\$ 2,684,622
Special assessments	83,788
Earnings on investments	1,013,062
Property rentals	<u>81,000</u>
Total revenues	<u>3,862,472</u>
<b>Expenditures</b>	
Current	
General government	1,578,988
Capital projects	<u>38,969,159</u>
Total expenditures	<u>40,548,147</u>
Excess (deficiency) of revenues over (under) expenditures	(36,685,675)
<b>Other financing sources (uses)</b>	
Certificate of obligation bonds issued	2,190,449
Transfers in	<u>590,758</u>
Total other financing sources (uses)	<u>2,781,207</u>
Net change in fund balances	(33,904,468)
Fund balances, beginning of year	<u>159,265,484</u>
Fund balances, end of year	<u><u>\$ 125,361,016</u></u>

**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2017**

	<u>Bayfront Arts and Science</u>	<u>City Buildings and Facilities</u>	<u>Convention Facility</u>
<b>Assets</b>			
Cash, cash equivalents and investments	\$ 5,783,299	\$ 1,954,762	\$ 27,408
Receivables			
Intergovernmental	-	-	-
Total assets	<u>\$ 5,783,299</u>	<u>\$ 1,954,762</u>	<u>\$ 27,408</u>
<b>Liabilities</b>			
Accounts payable	\$ 4,764,073	\$ 8,946	\$ -
Unearned revenues			
Total liabilities	<u>4,764,073</u>	<u>8,946</u>	<u>-</u>
<b>Deferred inflows of resources</b>			
Unavailable revenue - Contributions and donations	-	-	-
<b>Fund balances</b>			
Restricted	813,869	1,782,136	21,894
Committed	<u>205,357</u>	<u>163,680</u>	<u>5,514</u>
Total fund balances	<u>1,019,226</u>	<u>1,945,816</u>	<u>27,408</u>
Total liabilities, deferred inflows of resources, and deferred inflows of resources	<u>\$ 5,783,299</u>	<u>\$ 1,954,762</u>	<u>\$ 27,408</u>

**City of Corpus Christi**

**Exhibit 34-A**

<u>Library</u>	<u>Parks</u>	<u>Police</u>	<u>Public Health and Safety</u>	<u>Fire</u>	<u>Landfill</u>
\$ 80,039	\$ 10,824,280	\$ 636,913	\$ 137,628	\$ 521,356	\$ 3,908,377
-	20,000	-	-	-	-
<u>\$ 80,039</u>	<u>\$ 10,844,280</u>	<u>\$ 636,913</u>	<u>\$ 137,628</u>	<u>\$ 521,356</u>	<u>\$ 3,908,377</u>
\$ -	\$ 210,912	\$ -	\$ -	\$ 314,447	\$ 251,309
-	210,912	-	-	314,447	251,309
-	20,000	-	-	-	-
69,319	10,082,433	550,240	134,856	175,932	3,575,985
<u>10,720</u>	<u>530,935</u>	<u>86,673</u>	<u>2,772</u>	<u>30,977</u>	<u>81,083</u>
<u>80,039</u>	<u>10,613,368</u>	<u>636,913</u>	<u>137,628</u>	<u>206,909</u>	<u>3,657,068</u>
<u>\$ 80,039</u>	<u>\$ 10,844,280</u>	<u>\$ 636,913</u>	<u>\$ 137,628</u>	<u>\$ 521,356</u>	<u>\$ 3,908,377</u>

**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2017**

	<b>Corpus Christi Business and Job Development Corporation</b>		<b>North Padre Island Development Corporation</b>
	<b>Seawall</b>	<b>Arena</b>	
<b>Assets</b>			
Cash, cash equivalents and investments	\$ 6,166,791	\$ 99,411	\$ 1,831,952
Receivables			
Intergovernmental	-	-	-
Total assets	<u>\$ 6,166,791</u>	<u>\$ 99,411</u>	<u>\$ 1,831,952</u>
<b>Liabilities</b>			
Accounts payable	\$ 379,615	\$ -	\$ -
Unearned revenues			
Total liabilities	<u>379,615</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources</b>			
Unavailable revenue - Contributions and donations	-	-	-
<b>Fund balances</b>			
Restricted	5,787,176	99,411	1,831,952
Committed	-	-	-
Total fund balances	<u>5,787,176</u>	<u>99,411</u>	<u>1,831,952</u>
Total liabilities, deferred inflows of resources, and deferred inflows of resources	<u>\$ 6,166,791</u>	<u>\$ 99,411</u>	<u>\$ 1,831,952</u>

<u>Eliminations</u>	<u>Total</u>
\$ -	\$ 31,972,216
-	20,000
<u>\$ -</u>	<u>\$ 31,992,216</u>
\$ -	\$ 5,929,302
-	5,929,302
-	20,000
-	24,925,203
-	1,117,711
<u>-</u>	<u>26,042,914</u>
<u>\$ -</u>	<u>\$ 31,992,216</u>

**City of Corpus Christi**

**CAPITAL PROJECTS FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
YEAR ENDED SEPTEMBER 30, 2017**

	<u>Bayfront Arts and Science</u>	<u>City Buildings and Facilities</u>	<u>Convention Facility</u>	<u>Library</u>
<b>Revenues</b>				
Contributions and donations	\$ -	\$ -	\$ -	\$ -
Earnings on investments	38,379	17,546	181	529
Miscellaneous	-	-	-	-
Total revenues	<u>38,379</u>	<u>17,546</u>	<u>181</u>	<u>529</u>
<b>Expenditures</b>				
Current				
General government	14,871	531,885	-	-
Capital projects	4,798,775	838,849	-	-
Debt service				
Bond issue cost	-	-	-	-
Total expenditures	<u>4,813,646</u>	<u>1,370,734</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	(4,775,267)	(1,353,188)	181	529
<b>Other financing sources (uses)</b>				
Certificate of obligation bonds issued	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(4,775,267)	(1,353,188)	181	529
Fund balances, beginning of year	<u>5,794,493</u>	<u>3,299,004</u>	<u>27,227</u>	<u>79,510</u>
Fund balances, end of year	<u>\$ 1,019,226</u>	<u>\$ 1,945,816</u>	<u>\$ 27,408</u>	<u>\$ 80,039</u>

**City of Corpus Christi**

**Exhibit 34-B**

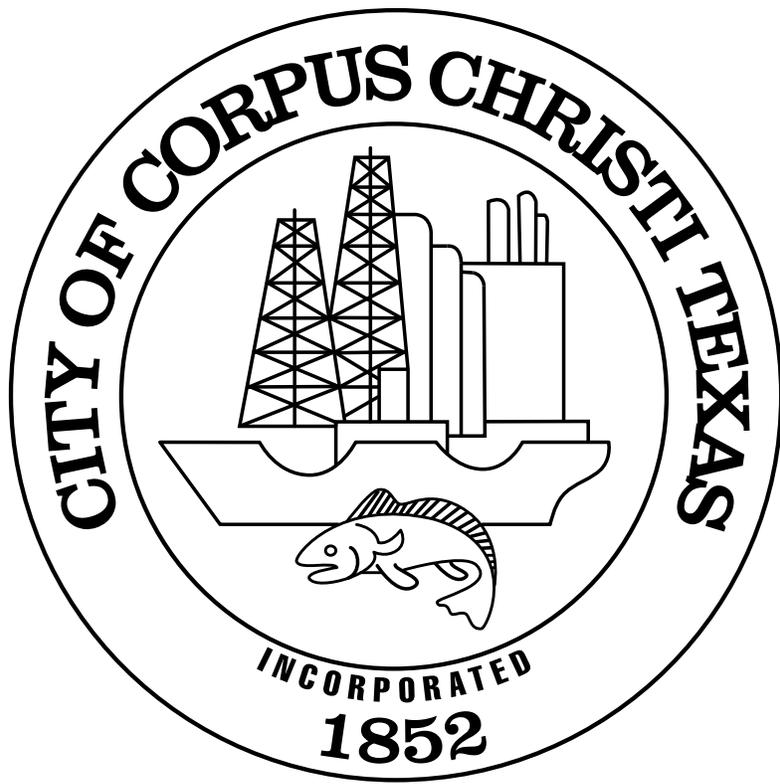
<u>Parks</u>	<u>Police</u>	<u>Public Health and Safety</u>	<u>Fire</u>	<u>Landfill</u>
\$ 232,306	\$ -	\$ -	\$ -	\$ -
98,643	3,756	912	11,053	19,827
29,944	-	-	-	-
<u>360,893</u>	<u>3,756</u>	<u>912</u>	<u>11,053</u>	<u>19,827</u>
197,913	4,562	11,015	16,230	95,570
5,715,822	3,907	-	1,692,348	1,981,805
-	-	-	-	61,900
<u>5,913,735</u>	<u>8,469</u>	<u>11,015</u>	<u>1,708,578</u>	<u>2,139,275</u>
(5,552,842)	(4,713)	(10,103)	(1,697,525)	(2,119,448)
-	-	-	-	2,500,000
712,558	78,646	260,000	-	-
-	-	-	-	-
<u>712,558</u>	<u>78,646</u>	<u>260,000</u>	<u>-</u>	<u>2,500,000</u>
(4,840,284)	73,933	249,897	(1,697,525)	380,552
15,453,652	562,980	(112,269)	1,904,434	3,276,516
<u>\$ 10,613,368</u>	<u>\$ 636,913</u>	<u>\$ 137,628</u>	<u>\$ 206,909</u>	<u>\$ 3,657,068</u>

**City of Corpus Christi**

**CAPITAL PROJECTS FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
YEAR ENDED SEPTEMBER 30, 2017**

	<b>Corpus Christi Business and Job Development Corporation</b>		<b>North Padre Island Development Corporation</b>
	<b>Seawall</b>	<b>Arena</b>	
<b>Revenues</b>			
Contributions and donations	\$ -	\$ -	\$ -
Earnings on investments	22,108	656	13,122
Miscellaneous	-	-	-
Total revenues	<u>22,108</u>	<u>656</u>	<u>13,122</u>
<b>Expenditures</b>			
Current			
General government	33,972	-	30,972
Capital projects	714,329	-	158,386
Debt service			
Bond issue cost	-	-	-
Total expenditures	<u>748,301</u>	<u>-</u>	<u>189,358</u>
Excess (deficiency) of revenues over (under) expenditures	(726,193)	656	(176,236)
<b>Other financing sources (uses)</b>			
Certificate of obligation bonds issued	-	-	-
Transfers in	4,410,826	-	-
Transfers out	<u>(15,081,782)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(10,670,956)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(11,397,149)	656	(176,236)
Fund balances, beginning of year	<u>17,184,325</u>	<u>98,755</u>	<u>2,008,188</u>
Fund balances, end of year	<u>\$ 5,787,176</u>	<u>\$ 99,411</u>	<u>\$ 1,831,952</u>

<u>Eliminations</u>	<u>Total</u>
\$ -	\$ 232,306
-	226,712
-	29,944
<u>-</u>	<u>488,962</u>
-	936,990
-	15,904,221
-	61,900
<u>-</u>	<u>16,903,111</u>
-	(16,414,149)
-	2,500,000
-	5,462,030
-	(15,081,782)
<u>-</u>	<u>(7,119,752)</u>
-	(23,533,901)
-	49,576,815
<u>\$ -</u>	<u>\$ 26,042,914</u>



***Proprietary Funds***

## ***Enterprise Funds***

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

### ***Major Funds***

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

### ***Non-major Funds***

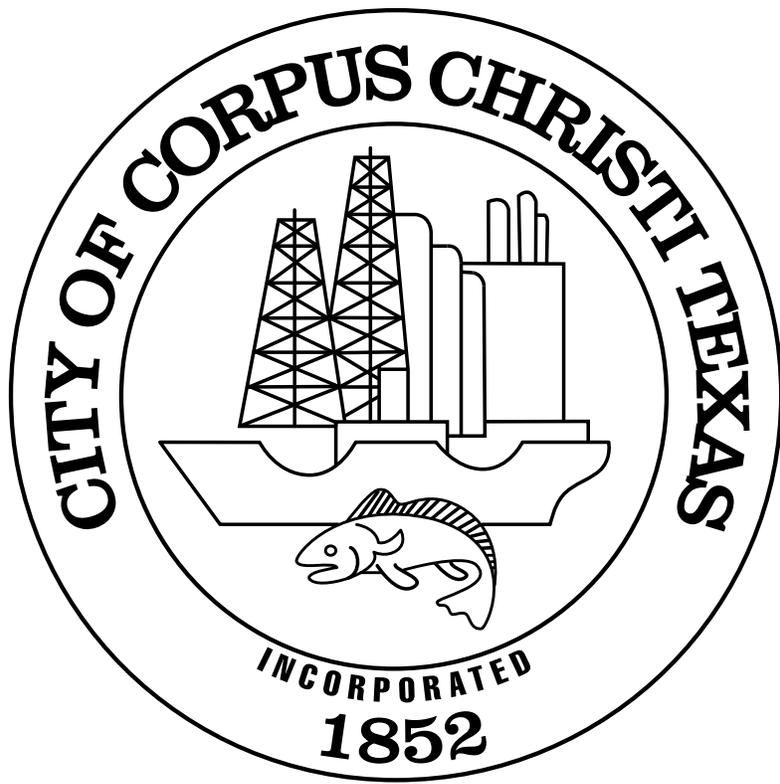
*Airport Fund – This fund was established to account for operations of the Corpus Christi International Airport.*

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

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

*Enterprise Funds*





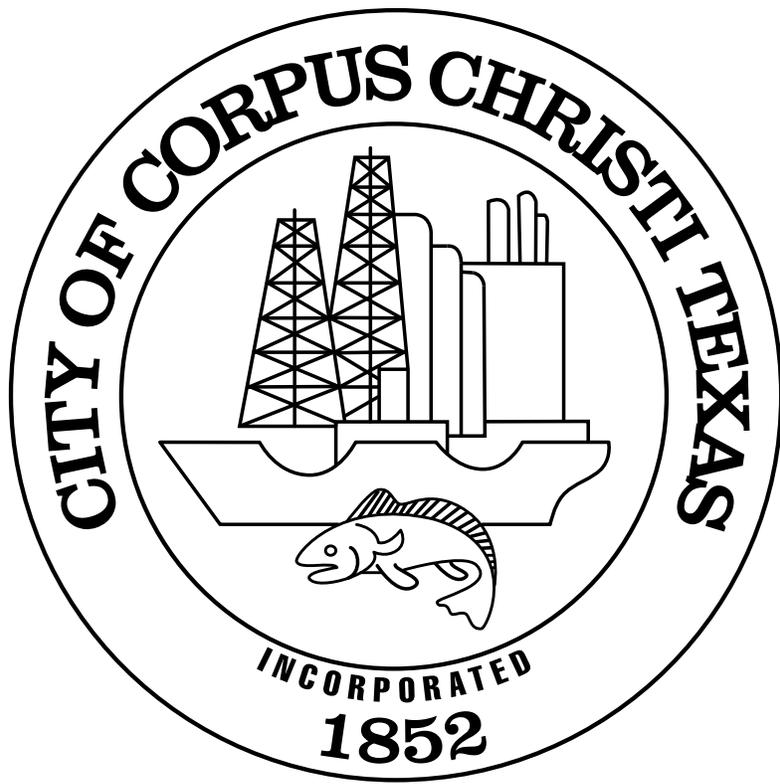
**City of Corpus Christi**

**UTILITY SYSTEM FUND  
COMBINING STATEMENT OF NET POSITION  
SEPTEMBER 30, 2016**

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>Assets</b>					
<b>Current assets</b>					
Cash, cash equivalents and investments	\$ 7,158,407	\$ 84,939,311	\$ 63,682,267	\$ -	\$ 155,779,985
Receivables					
Accounts	2,977,921	18,496,936	10,084,396	-	31,559,253
Property leases	-	160	1,279	-	1,439
Employees	-	55	11,739	-	11,794
Intergovernmental	-	618,968	-	-	618,968
Miscellaneous	-	3,165	25,117	-	28,282
Allowance for uncollectibles	(459,779)	(1,593,405)	(864,706)	-	(2,917,890)
Net Receivables	2,518,142	17,525,879	9,257,825	-	29,301,846
Inventories	-	757,650	-	-	757,650
Total current assets	<u>9,676,549</u>	<u>103,222,840</u>	<u>72,940,092</u>	<u>-</u>	<u>185,839,481</u>
<b>Noncurrent assets</b>					
<b>Restricted assets</b>					
Cash, cash equivalents and investments	4,602,185	110,256,622	59,239,240	-	174,098,047
<b>Capital assets</b>					
Land	697,462	17,684,563	5,213,512	-	23,595,537
Water supply rights	-	106,807,672	-	-	106,807,672
Construction in progress	7,456,514	284,507,277	77,777,369	-	369,741,160
Capital assets not being depreciated	8,153,976	408,999,512	82,990,881	-	500,144,369
Buildings	1,767,352	33,435,011	2,419,824	-	37,622,187
Improvements other than buildings	9,470,778	98,024,827	229,554,909	-	337,050,514
Machinery and equipment	2,920,281	17,180,118	13,619,828	-	33,720,227
Infrastructure	77,343,727	758,915,758	305,561,845	-	1,141,821,330
Other capital assets being depreciated	99,656,114	1,316,555,226	634,147,287	-	2,050,358,627
Less accumulated depreciation	(46,572,053)	(330,602,372)	(185,871,241)	-	(563,045,666)
Other capital assets, net of accumulated depreciation	36,776,109	167,953,830	282,294,284	-	487,024,223
Net capital assets	53,084,061	985,952,854	448,276,046	-	1,487,312,961
Total noncurrent assets	<u>57,686,246</u>	<u>1,096,209,476</u>	<u>507,515,286</u>	<u>-</u>	<u>1,661,411,008</u>
Total assets	<u>67,362,795</u>	<u>1,199,432,316</u>	<u>580,455,378</u>	<u>-</u>	<u>1,847,250,489</u>
<b>Deferred Outflows Of Resources</b>					
Unamortized loss on refunded debt	335,483	6,709,701	2,662,883	-	9,708,067
Deferred outflows related to pension liability	2,348,999	5,223,670	2,652,692	-	10,225,361
Total deferred outflows of resources	<u>2,684,482</u>	<u>11,933,371</u>	<u>5,315,575</u>	<u>-</u>	<u>19,933,428</u>

(Continued)

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Accounts payable	\$ 1,242,247	\$ 11,120,640	\$ 6,165,962	\$ -	\$ 18,528,849
Accrued liabilities	-	-	700,000	-	700,000
Accrued interest	186,591	5,770,944	2,391,407	-	8,348,942
Contractor interest and retainage payable	-	-	2,381	-	2,381
Deposits	1,021,654	1,637,622	352	-	2,659,628
Liability to claimants - escheat property	-	121,824	-	-	121,824
Unearned revenues	-	-	16,204	-	16,204
<b>Current portion of long-term liabilities</b>					
Long-term debt	812,982	33,389,751	10,552,784	-	44,755,517
Accumulated unpaid compensated absences	498,932	1,043,827	498,305	-	2,041,064
Total current liabilities	<u>3,762,406</u>	<u>53,084,608</u>	<u>20,327,395</u>	<u>-</u>	<u>77,174,409</u>
<b>Noncurrent liabilities</b>					
<b>Liabilities payable from restricted assets</b>					
Deposits	520,000	-	-	-	520,000
<b>Long-term liabilities, net of current portion</b>					
Long-term debt	19,253,397	636,601,603	244,129,684	-	899,984,684
Accumulated unpaid compensated absences	232,032	198,321	-	-	430,353
Net pension liability	10,841,228	22,159,670	13,153,476	-	46,154,374
Net OPEB obligation	131,790	289,789	161,137	-	582,716
Total noncurrent liabilities	<u>30,978,447</u>	<u>659,249,383</u>	<u>257,444,297</u>	<u>-</u>	<u>947,672,127</u>
Total liabilities	<u>34,740,853</u>	<u>712,333,991</u>	<u>277,771,692</u>	<u>-</u>	<u>1,024,846,536</u>
<b>Deferred inflow of resources</b>					
Deferred inflows related to pension liability	177,874	354,465	193,729	-	726,068
Unamortized gain on refunded debt	-	840,541	28,219	-	868,760
Total deferred inflow of resources	<u>177,874</u>	<u>1,195,006</u>	<u>221,948</u>	<u>-</u>	<u>1,594,828</u>
<b>Net position</b>					
Net investment in capital assets	36,957,815	420,505,263	247,618,475	-	705,081,553
<b>Restricted for</b>					
Bond interest and redemption	417,229	6,043,994	3,364,620	-	9,825,843
Improvements to utility lines and facilities	-	3,204,782	3,306,471	-	6,511,253
Abatement of public health hazards	-	-	96,826	-	96,826
Unrestricted	<u>(2,246,494)</u>	<u>68,082,651</u>	<u>53,390,921</u>	<u>-</u>	<u>119,227,078</u>
Total net position	<u>\$ 35,128,550</u>	<u>\$ 497,836,690</u>	<u>\$ 307,777,313</u>	<u>\$ -</u>	<u>\$ 840,742,553</u>



**UTILITY SYSTEM FUND**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**YEAR ENDED SEPTEMBER 30, 2017**

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>Operating revenues</b>					
Charges for services	\$ 28,390,279	\$ 139,579,488	\$ 74,870,530	\$ (1,784,370)	\$ 241,055,927
<b>Operating expenses</b>					
Personnel services	8,992,071	19,627,318	10,312,340	-	38,931,729
Materials, supplies and contractual services	16,655,226	35,271,371	19,067,823	-	70,994,420
Other operating expenses	3,389,039	11,717,524	9,337,651	(1,784,370)	22,659,844
Uncollectible accounts	311,010	772,991	636,915	-	1,720,916
Depreciation	2,706,981	20,551,851	13,137,046	-	36,395,878
Total operating expenses	<u>32,054,327</u>	<u>87,941,055</u>	<u>52,491,775</u>	<u>(1,784,370)</u>	<u>170,702,787</u>
Operating income (loss)	(3,664,048)	51,638,433	22,378,755	-	70,353,140
<b>Non-operating revenues (expenses)</b>					
Investment income	85,349	1,692,821	879,501	-	2,657,671
Interest expense and fiscal charges	(685,696)	(19,783,339)	(7,754,969)	-	(28,224,004)
Bond issue costs	-	(1,441,198)	(35,865)	-	(1,477,063)
Net gain (loss) on disposal of city property	58,770	47,375	147,985	-	254,130
Mineral rights	-	5,975,465	-	-	5,975,465
Recovery of damage claims	-	3,229	-	-	3,229
Developer deposits	-	446,487	743,640	-	1,190,127
Reimbursement to developers	-	(612,498)	(199,823)	-	(812,321)
Contributions from other governmental agencies	56,536	702,257	510,048	-	1,268,841
Total non-operating revenues (expenses)	<u>(485,041)</u>	<u>(12,969,401)</u>	<u>(5,709,483)</u>	<u>-</u>	<u>(19,163,925)</u>
Change in net position before capital contributions and transfers	(4,149,089)	38,669,032	16,669,272	-	51,189,215
<b>Capital contributions</b>					
Contributions from other governmental agencies	-	1,568,074	-	-	1,568,074
Contributions from developers	-	11,596,494	2,476,850	-	14,073,344
Contributions from others	31,853	-	-	-	31,853
Total capital contributions	<u>31,853</u>	<u>13,164,568</u>	<u>2,476,850</u>	<u>-</u>	<u>15,673,271</u>
<b>Transfers in (out)</b>					
Transfers in	-	3	74	(77)	-
Transfers out	(802,896)	(4,764,561)	(1,707,050)	77	(7,274,430)
Total transfers	<u>(802,896)</u>	<u>(4,764,558)</u>	<u>(1,706,976)</u>	<u>-</u>	<u>(7,274,430)</u>
Change in net position	(4,920,132)	47,069,042	17,439,146	-	59,588,056
Net position, beginning of year	40,048,682	450,767,648	290,338,167	-	781,154,497
Net position, end of year	<u>\$ 35,128,550</u>	<u>\$ 497,836,690</u>	<u>\$ 307,777,313</u>	<u>\$ -</u>	<u>\$ 840,742,553</u>

**City of Corpus Christi, TX**

**UTILITY SYSTEMS FUND  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>Cash flows from operating activities</b>					
Receipts from customers	\$ 28,764,659	\$ 135,727,263	\$ 73,501,151	\$ -	\$ 237,993,073
Receipts from interfund services provided	196,748	2,510,260	12,373	(1,784,370)	935,011
Payments to suppliers	(15,082,695)	(31,901,473)	(15,986,035)	-	(62,970,203)
Payments to employees	(7,658,710)	(17,105,873)	(8,898,800)	-	(33,663,383)
Internal activity - payments to other funds	(4,912,614)	(15,747,197)	(10,806,059)	1,784,370	(29,681,500)
Net cash provided by operating activities	<u>1,307,388</u>	<u>73,482,980</u>	<u>37,822,630</u>	<u>-</u>	<u>112,612,998</u>
<b>Cash flows from noncapital financing activities</b>					
Contributions from other governmental agencies	-	94,124	510,048	-	604,172
Transfers out to other funds	(802,896)	(4,764,562)	(1,707,046)	-	(7,274,504)
Net cash provided (used for) noncapital financing activities	<u>(802,896)</u>	<u>(4,670,438)</u>	<u>(1,196,998)</u>	<u>-</u>	<u>(6,670,332)</u>
<b>Cash flows from capital and related financing activities</b>					
Acquisition of capital assets	(356,618)	(56,841,629)	(21,646,614)	-	(78,844,861)
Proceeds from sale/disposal of city property	66,910	130,697	148,949	-	346,556
Developer deposits	-	446,487	743,640	-	1,190,127
Reimbursements to developers	-	(692,246)	(351,203)	-	(1,043,449)
Contributions from other governmental agencies	31,853	2,534,797	-	-	2,566,650
Principal paid on long-term debt	(739,912)	(33,204,854)	(9,860,512)	-	(43,805,278)
Interest expense and fiscal charges	(857,939)	(29,646,944)	(12,188,103)	-	(42,692,986)
Recovery on damage claims	-	3,229	-	-	3,229
Bond issue costs	-	(106,414)	(30,746)	-	(137,160)
Net cash provided by (used for) capital and related financing activities	<u>(1,855,706)</u>	<u>(117,376,877)</u>	<u>(43,184,589)</u>	<u>-</u>	<u>(162,417,172)</u>
<b>Cash from investing activities</b>					
Interest on investments	<u>85,349</u>	<u>1,692,990</u>	<u>879,501</u>	<u>-</u>	<u>2,657,840</u>
Net (decrease) in cash, cash equivalents and investments	(1,265,865)	(46,871,345)	(5,679,456)	-	(53,816,666)
Cash, cash equivalents and investments at beginning of year, including restricted accounts	<u>13,026,457</u>	<u>242,067,278</u>	<u>128,600,963</u>	<u>-</u>	<u>383,694,698</u>
Cash, cash equivalents and investments at end 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>

(Continued)

City of Corpus Christi, TX

Exhibit 35-C

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>					
Operating income (loss)	\$ (3,664,048)	\$ 51,638,433	\$ 22,378,755	\$ -	\$ 70,353,140
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities					
Depreciation	2,706,981	20,551,851	13,137,046	-	36,395,878
Provision for uncollectible accounts	311,010	772,991	636,916	-	1,720,917
Changes in assets, liabilities, and deferred outflows and inflows					
Receivables	(68,945)	(1,502,716)	(1,353,774)	-	(2,925,435)
Inventory	-	141,060	-	-	141,060
Deferred outflows of resources	405,939	834,200	453,822	-	1,693,961
Accounts payable	941,230	764,763	1,887,995	-	3,593,988
Accrued expenses	-	-	700,000	-	700,000
Deposits	640,073	160,752	(3,231)	-	797,594
Accumulated unpaid compensated absences	45,816	144,450	(2,374)	-	187,892
Net pension liability	15,912	38,537	18,161	-	72,610
Net OPEB obligation	(7,946)	(16,209)	(9,416)	-	(33,571)
Liability to claimants - escheat property	-	(1)	-	-	(1)
Deferred inflows of resources	(18,634)	(45,131)	(21,269)	-	(85,034)
Net cash provided by operating activities	<u>\$ 1,307,388</u>	<u>\$ 73,482,980</u>	<u>\$ 37,822,631</u>	<u>\$ -</u>	<u>\$ 112,612,999</u>
<b>Noncash investing, capital and financing activities</b>					
Contribution of capital assets	\$ -	\$ (7,909,470)	\$ 2,476,850	\$ -	\$ (5,432,620)
Reimbursements to developers accrued but not paid	\$ -	\$ -	\$ (151,381)	\$ -	\$ (151,381)
Acquisition of capital assets under capital lease	\$ -	\$ 690,478	\$ 220,450	\$ -	\$ 910,928
Acquisition of capital assets accrued but not paid	\$ 64,563	\$ 4,948,205	\$ 782,131	\$ -	\$ 5,794,899
Bond refunding	\$ -	\$ 75,819,378	\$ 18,907,959	\$ -	\$ 94,727,337
Bond issue costs	\$ -	\$ 1,325,530	\$ (30,746)	\$ -	\$ 1,294,784
Change in accrued non-operating revenue receivables	\$ -	\$ 923,609	\$ -	\$ -	\$ 923,609
Mineral rights	\$ -	\$ (5,975,464)	\$ -	\$ -	\$ (5,975,464)
Capitalized interest cost	\$ 135,732	\$ 5,215,774	\$ 2,597,339	\$ -	\$ 7,948,845
Transfer to realign bonds at refunding	\$ -	\$ (76)	\$ 70	\$ -	\$ (6)
Contribution from General Fund	\$ -	\$ 590,758	\$ -	\$ -	\$ 590,758

**City of Corpus Christi**

**COMBINING STATEMENT OF NET POSITION  
NON-MAJOR PROPRIETARY FUNDS  
SEPTEMBER 30, 2017**

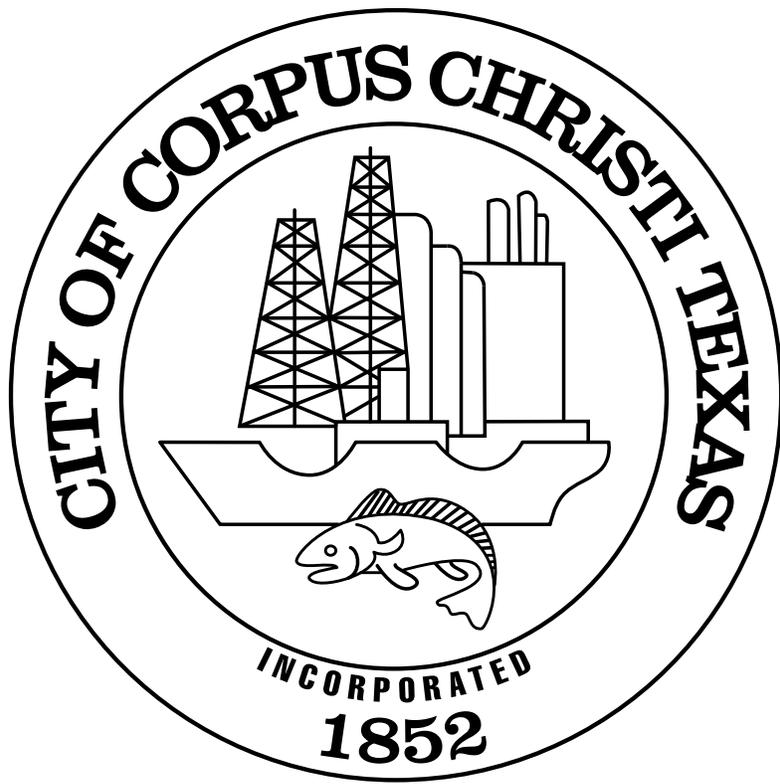
	<u>Airport Fund</u>	<u>Golf Fund</u>	<u>Marina Fund</u>	<u>Total</u>
<b>Assets</b>				
<b>Current assets</b>				
Cash, cash equivalents and investments	\$ 1,725,917	\$ 96,223	\$ 1,094,034	\$ 2,916,174
Receivables				
Accounts	380,249	7,903	81,698	469,850
Intergovernmental	8,668,942	-	-	8,668,942
Miscellaneous	-	-	25	25
Allowance for uncollectibles	<u>(80,418)</u>	<u>-</u>	<u>(59,921)</u>	<u>(140,339)</u>
Net receivables	8,968,773	7,903	21,802	8,998,478
Inventories	27,760	-	-	27,760
Restricted assets				
Cash and cash equivalents	<u>4,303</u>	<u>-</u>	<u>-</u>	<u>4,303</u>
Total current assets	<u>10,726,753</u>	<u>104,126</u>	<u>1,115,836</u>	<u>11,946,715</u>
<b>Noncurrent assets</b>				
<b>Restricted assets</b>				
Cash, cash equivalents and investments	3,875,887	-	-	3,875,887
Receivables, net of allowance for uncollectibles	<u>164,490</u>	<u>-</u>	<u>-</u>	<u>164,490</u>
Total noncurrent restricted assets	<u>4,040,377</u>	<u>-</u>	<u>-</u>	<u>4,040,377</u>
<b>Capital assets</b>				
Land	5,001,394	94,337	9,000	5,104,731
Construction in progress	<u>13,806,737</u>	<u>72,388</u>	<u>-</u>	<u>13,879,125</u>
Capital assets not being depreciated	18,808,131	166,725	9,000	18,983,856
Buildings	45,867,449	702,753	981,298	47,551,500
Improvements other than buildings	145,109,748	2,672,674	16,184,180	163,966,602
Machinery and equipment	5,109,371	652,487	401,392	6,163,250
Infrastructure	<u>437,293</u>	<u>-</u>	<u>44,701</u>	<u>481,994</u>
Other capital assets being depreciated	215,331,992	4,194,639	17,620,571	237,147,202
Less accumulated depreciation	<u>(67,017,412)</u>	<u>(3,671,297)</u>	<u>(9,661,442)</u>	<u>(80,350,151)</u>
Other capital assets	<u>129,506,449</u>	<u>356,617</u>	<u>7,950,129</u>	<u>137,813,195</u>
Net capital assets	<u>148,314,580</u>	<u>523,342</u>	<u>7,959,129</u>	<u>156,797,051</u>
Total noncurrent assets	<u>152,354,957</u>	<u>523,342</u>	<u>7,959,129</u>	<u>160,837,428</u>
Total assets	<u>163,081,710</u>	<u>627,468</u>	<u>9,074,965</u>	<u>172,784,143</u>
<b>Deferred outflows of resources</b>				
Unamortized loss on refunded debt	388,272	-	17,339	405,611
Deferred outflows related to pension liability	<u>1,298,171</u>	<u>-</u>	<u>208,233</u>	<u>1,506,404</u>
Total deferred outflows of resources	<u>1,686,443</u>	<u>-</u>	<u>225,572</u>	<u>1,912,015</u>

(Continued)

**City of Corpus Christi**

**Exhibit 36-A**

	<u>Airport Fund</u>	<u>Golf Fund</u>	<u>Marina Fund</u>	<u>Total</u>
<b>Liabilities</b>				
Current liabilities				
Accounts payable	\$ 3,172,272	\$ 256	\$ 15,127	\$ 3,187,655
Accrued interest	76,023	-	13,275	89,298
Deposits	24,555	-	166,520	191,075
Unearned revenues	397,607	-	34,549	432,156
Current portion of long-term liabilities				
Advances from other funds	-	93,701	-	93,701
Long-term debt	1,285,000	-	460,000	1,745,000
Accumulated unpaid compensated absences	281,701	-	39,464	321,165
Total current liabilities	<u>5,237,158</u>	<u>93,957</u>	<u>728,935</u>	<u>6,060,050</u>
Noncurrent liabilities				
Long-term liabilities, net of current portion				
Advances from other funds	-	562,210	-	562,210
Long-term debt	22,842,044	-	4,055,988	26,898,032
Accumulated unpaid compensated absences	28,625	-	34,343	62,968
Net pension liability	5,719,856	-	893,467	6,613,323
Net OPEB obligation	83,205	-	17,120	100,325
Total noncurrent liabilities	<u>28,673,730</u>	<u>562,210</u>	<u>5,000,918</u>	<u>34,236,858</u>
Total liabilities	<u>33,910,888</u>	<u>656,167</u>	<u>5,729,853</u>	<u>40,296,908</u>
<b>Deferred inflows of resources</b>				
Deferred inflows related to pension liability	<u>100,914</u>	<u>-</u>	<u>15,570</u>	<u>116,484</u>
<b>Net position</b>				
Net investment in capital assets	125,799,529	523,341	3,460,481	129,783,351
Restricted for				
Passenger facility charges projects	2,753,356	-	-	2,753,356
Law enforcement	5,485	-	-	5,485
Unrestricted	2,197,981	(552,040)	94,633	1,740,574
Total net position	<u>\$ 130,756,351</u>	<u>\$ (28,699)</u>	<u>\$ 3,555,114</u>	<u>\$ 134,282,766</u>



**NON-MAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**YEAR ENDED SEPTEMBER 30, 2017**

	<u>Airport Fund</u>	<u>Golf Fund</u>	<u>Marina Fund</u>	<u>Total</u>
<b>Operating revenues</b>				
Charges for services	\$ 8,381,728	\$ 148,037	\$ 2,039,742	\$ 10,569,507
<b>Operating expenses</b>				
Personnel services	4,818,929	-	804,160	5,623,089
Materials, supplies and contractual services	2,300,430	5,809	297,729	2,603,968
Other operating expenses	741,004	10,800	235,799	987,603
Uncollectible accounts	35,604	-	21,114	56,718
Depreciation	5,685,123	86,621	621,904	6,393,648
Total operating expenses	<u>13,581,090</u>	<u>103,230</u>	<u>1,980,706</u>	<u>15,665,026</u>
Operating income (loss)	(5,199,362)	44,807	59,036	(5,095,519)
<b>Non-operating revenues (expenses)</b>				
Investment income	78,575	1,043	6,775	86,393
Interest expense and fiscal charges	(863,537)	-	(122,048)	(985,585)
Passenger facility charges	1,312,008	-	-	1,312,008
Customer facility charges	900,973	-	-	900,973
Net gain (loss) on disposal of city property	11,678	-	3,140	14,818
Mineral rights	16,316	-	-	16,316
Recovery of damage claims	-	95,734	-	95,734
Contributions from other governmental agencies	1,799	-	-	1,799
Total non-operating revenues (expenses)	<u>1,457,812</u>	<u>96,777</u>	<u>(112,133)</u>	<u>1,442,456</u>
Change in net position before capital contributions and transfers	(3,741,550)	141,584	(53,097)	(3,653,063)
<b>Capital contributions</b>				
Contributions from other governmental agencies	12,798,125	-	-	12,798,125
Contributions from others	362,482	-	-	362,482
Total capital contributions	<u>13,160,607</u>	<u>-</u>	<u>-</u>	<u>13,160,607</u>
<b>Transfers in (out)</b>				
Transfers in	-	54,266	-	54,266
Transfers out	(324,232)	(5,376)	(61,264)	(390,872)
Total transfers	<u>(324,232)</u>	<u>48,890</u>	<u>(61,264)</u>	<u>(336,606)</u>
Change in net position	9,094,825	190,474	(114,361)	9,170,938
Net position, beginning of year	<u>121,661,526</u>	<u>(219,173)</u>	<u>3,669,475</u>	<u>125,111,828</u>
Net position, end of year	<u>\$ 130,756,351</u>	<u>\$ (28,699)</u>	<u>\$ 3,555,114</u>	<u>\$ 134,282,766</u>

**City of Corpus Christi**

**NON-MAJOR PROPRIETARY FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED SEPTEMBER 30, 2017**

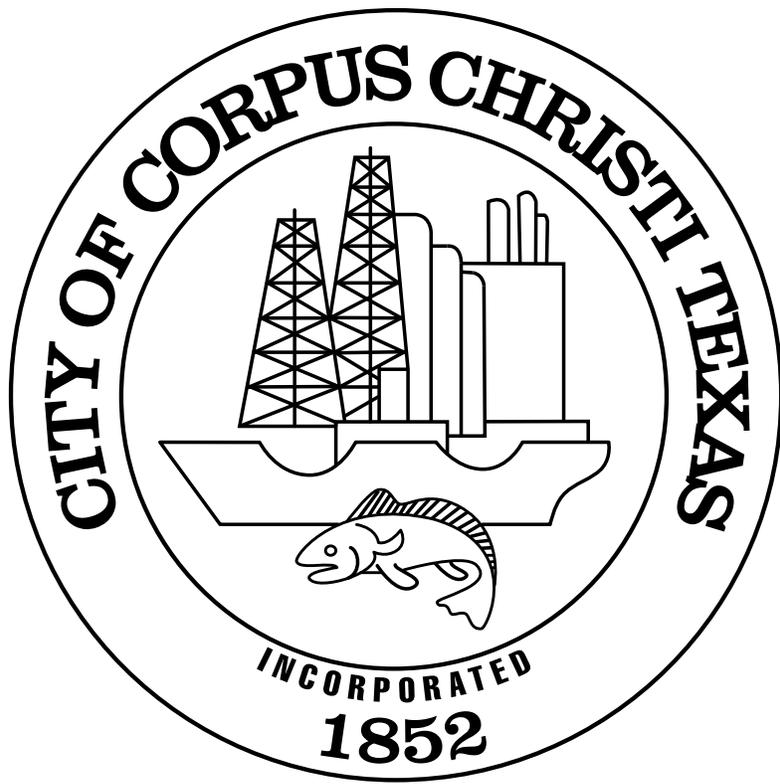
	<u>Airport Fund</u>	<u>Golf Fund</u>	<u>Marina Fund</u>	<u>Total</u>
<b>Cash flows from operating activities</b>				
Receipts from customers	\$ 8,594,942	\$ 147,209	\$ 2,017,891	\$ 10,760,042
Payments to suppliers	(2,579,361)	(5,554)	(296,208)	(2,881,123)
Payments to employees	(4,213,067)	-	(664,463)	(4,877,530)
Internal activity - payments (to) from other funds	(1,075,406)	(10,800)	(315,849)	(1,402,055)
Net cash provided by operating activities	<u>727,108</u>	<u>130,855</u>	<u>741,371</u>	<u>1,599,334</u>
<b>Cash flows from noncapital financing activities</b>				
Payment on advance from other funds	-	(83,696)	-	(83,696)
Contributions from other governmental agencies	1,799	-	-	1,799
Transfers in from other funds	-	54,266	-	54,266
Transfers out to other funds	(324,232)	(5,376)	(61,264)	(390,872)
Mineral rights	16,316	-	-	16,316
Net cash (used for) noncapital financing activities	<u>(306,117)</u>	<u>(34,806)</u>	<u>(61,264)</u>	<u>(402,187)</u>
<b>Cash flows from capital and related financing activities</b>				
Acquisition of capital assets	(11,484,239)	(96,603)	-	(11,580,842)
Proceeds from sale/disposal of city property	11,678	-	3,140	14,818
Capital contributions	373,271	-	-	373,271
Contributions from other governmental agencies	4,026,459	-	-	4,026,459
Passenger facility charges	1,216,557	-	-	1,216,557
Customer facility charges	885,222	-	-	885,222
Principal paid on long-term debt	(1,250,000)	-	(440,000)	(1,690,000)
Interest expense and fiscal charges	(930,850)	-	(167,375)	(1,098,225)
Recovery on damage claims	-	95,734	-	95,734
Net cash (used for) capital and related financing activities	<u>(7,151,902)</u>	<u>(869)</u>	<u>(604,235)</u>	<u>(7,757,006)</u>
<b>Cash from investing activities</b>				
Interest on investments	<u>78,575</u>	<u>1,043</u>	<u>6,775</u>	<u>86,393</u>
Net increase (decrease) in cash, cash equivalents and investments	(6,652,336)	96,223	82,647	(6,473,466)
Cash, cash equivalents and investments at beginning of year, including restricted accounts	<u>12,258,443</u>	<u>-</u>	<u>1,011,387</u>	<u>13,269,830</u>
Cash, cash equivalents and investments at end of year, including restricted accounts	<u>\$ 5,606,107</u>	<u>\$ 96,223</u>	<u>\$ 1,094,034</u>	<u>\$ 6,796,364</u>

(Continued)

**City of Corpus Christi**

**Exhibit 36-C**

	<u>Airport Fund</u>	<u>Golf Fund</u>	<u>Marina Fund</u>	<u>Total</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>				
Operating income (loss)	\$ (5,199,362)	\$ 44,807	\$ 59,036	\$ (5,095,519)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	5,685,123	86,621	621,904	6,393,648
Provision for uncollectible accounts	35,604	-	21,114	56,718
Changes in assets, liabilities, and deferred outflows and inflows				
Receivables	(152,011)	(828)	(24,204)	(177,043)
Inventory	3,157	-	-	3,157
Deferred outflows of resources	204,454	-	35,560	240,014
Accounts payable	150,306	255	14,847	165,408
Deposits	12,700	-	26,683	39,383
Unearned revenue	-	-	(24,330)	(24,330)
Accumulated unpaid compensated absences	(7,502)	-	9,651	2,149
Net pension liability	9,360	-	1,426	10,786
Net OPEB obligation	(3,759)	-	1,354	(2,405)
Deferred inflows of resources	(10,962)	-	(1,670)	(12,632)
Net cash provided (used) by operating activities:	<u>\$ 727,108</u>	<u>\$ 130,855</u>	<u>\$ 741,371</u>	<u>\$ 1,599,334</u>
<b>Noncash investing, capital and financing activities</b>				
Acquisition of capital assets accrued but not paid	\$ 2,954,599	\$ -	\$ -	\$ 2,954,599
Change in accrued non-operating revenue receivables	\$ (8,676,185)	\$ -	\$ -	\$ (8,676,185)
Capitalized interest cost	\$ 87,331	\$ -	\$ -	\$ 87,331



*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.

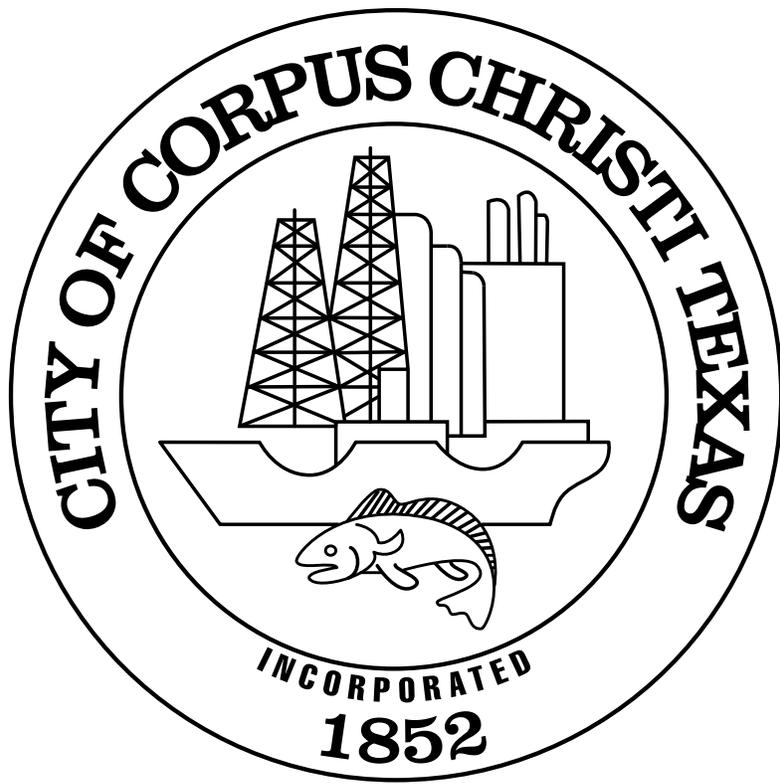
***Facilities Maintenance Service Fund*** – This fund was established to provide building maintenance services to City departments.

***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, 2017**

	<b>Stores</b>	<b>Fleet Maintenance Services</b>	<b>Facilities Maintenance Service</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash, cash equivalents and investments	\$ 365,553	\$ 14,369,989	\$ 2,541,774
Receivables			
Accounts	-	-	1,291
Employees	-	-	-
Allowance for uncollectibles	-	-	-
Net Receivables	-	-	1,291
Inventories	752,312	717,244	-
Prepaid items	-	-	-
Total current assets	<u>1,117,865</u>	<u>15,087,233</u>	<u>2,543,065</u>
<b>Noncurrent assets</b>			
Other assets	-	-	-
Capital assets			
Land	-	-	66,359
Construction in progress	-	-	775,398
Capital assets not being depreciated	-	-	841,757
Buildings	50,002	41,360	5,440,139
Improvements other than buildings	-	381,400	500,614
Machinery and equipment	109,000	26,719,167	523,575
Other capital assets being depreciated	159,002	27,141,927	7,306,085
Less accumulated depreciation	<u>(75,946)</u>	<u>(17,940,053)</u>	<u>(4,747,918)</u>
Other capital assets, net of accumulated depreciation	<u>83,056</u>	<u>9,201,874</u>	<u>1,716,410</u>
Net capital assets	<u>83,056</u>	<u>9,201,874</u>	<u>2,558,167</u>
Total noncurrent assets	<u>83,056</u>	<u>9,201,874</u>	<u>2,558,167</u>
Total assets	<u>1,200,921</u>	<u>24,289,107</u>	<u>5,101,232</u>
<b>Deferred outflows of resources</b>			
Deferred outflows related to pension liability	<u>255,739</u>	<u>870,979</u>	<u>464,937</u>

(Continued)

**City of Corpus Christi**

**Exhibit 37-A**

<b>Information Technology</b>	<b>Liability and Employee Benefits</b>	<b>Engineering Services</b>	<b>Eliminations</b>	<b>Total</b>
\$ 4,320,679	\$ 27,780,642	\$ 1,327,408	\$ -	\$ 50,706,045
-	229,558	-	-	230,849
159	1,545	-	-	1,704
(159)	(85,778)	-	-	(85,937)
-	145,325	-	-	146,616
-	-	-	-	1,469,556
-	1,141,049	-	-	1,141,049
4,320,679	29,067,016	1,327,408	-	53,463,266
-	49,871	-	-	49,871
-	-	1,100	-	67,459
65,581	-	14,000	-	854,979
65,581	-	15,100	-	922,438
-	-	-	-	5,531,501
5,704,942	-	23,617	-	6,610,573
4,423,183	-	626,273	-	32,401,198
10,193,706	-	664,990	-	45,465,710
(9,351,073)	-	(337,972)	-	(32,452,962)
777,052	-	311,918	-	12,090,310
842,633	-	327,018	-	13,012,748
842,633	49,871	327,018	-	13,062,619
5,163,312	29,116,887	1,654,426	-	66,525,885
2,020,499	324,128	1,152,803	-	5,089,085

**City of Corpus Christi**

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET POSITION  
SEPTEMBER 30, 2017**

	<u>Stores</u>	<u>Fleet Maintenance Services</u>	<u>Facilities Maintenance Service</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable	\$ 36,469	\$ 517,072	\$ 174,831
Accrued liabilities	-	-	-
Deposits	-	3,388	-
Liability to claimants - escheat property	-	-	-
Unearned revenues	-	-	-
Current portion of long-term liabilities			
Long-term debt	6,541	93,565	140,375
Current portion of estimated liability claims	-	-	-
Accumulated unpaid compensated absences	35,508	116,108	116,092
Total current liabilities	<u>78,518</u>	<u>730,133</u>	<u>431,298</u>
<b>Noncurrent liabilities</b>			
Long-term liabilities, net of current portion			
Long-term debt	20,444	235,049	407,179
Estimated liability claims, net of current portion	-	-	-
Accumulated unpaid compensated absences	-	190,149	20,850
Net pension liability	1,391,396	3,822,805	1,268,681
Net OPEB obligation	18,462	57,120	23,900
Total noncurrent liabilities	<u>1,430,302</u>	<u>4,305,123</u>	<u>1,720,610</u>
Total (continued)	<u>1,508,820</u>	<u>5,035,256</u>	<u>2,151,908</u>
<b>Deferred inflows of resources</b>			
Deferred inflows related to pension liability	<u>20,832</u>	<u>62,247</u>	<u>31,528</u>
<b>Net position</b>			
Net investment in capital assets	56,070	8,873,260	2,010,613
Unrestricted	(129,062)	11,189,323	1,372,120
Total net position	<u>\$ (72,992)</u>	<u>\$ 20,062,583</u>	<u>\$ 3,382,733</u>

**City of Corpus Christi**

**Exhibit 37-A**

<b>Information Technology</b>	<b>Liability and Employee Benefits</b>	<b>Engineering Services</b>	<b>Eliminations</b>	<b>Total</b>
\$ 518,215	\$ 204,011	\$ 57,076	\$ -	\$ 1,507,674
-	96,725	-	-	96,725
-	-	-	-	3,388
-	21,081	-	-	21,081
-	1,467	-	-	1,467
419,974	-	95,231	-	755,686
-	7,652,004	-	-	7,652,004
543,749	47,980	286,660	-	1,146,097
<u>1,481,938</u>	<u>8,023,268</u>	<u>438,967</u>	<u>-</u>	<u>11,184,122</u>
277,678	-	197,811	-	1,138,161
-	10,185,288	-	-	10,185,288
382,668	38,289	53,804	-	685,760
8,705,248	1,719,877	5,726,736	-	22,634,743
103,758	8,753,265	54,288	-	9,010,793
<u>9,469,352</u>	<u>20,696,719</u>	<u>6,032,639</u>	<u>-</u>	<u>43,654,745</u>
<u>10,951,290</u>	<u>28,719,987</u>	<u>6,471,606</u>	<u>-</u>	<u>54,838,867</u>
145,587	25,716	89,150	-	375,060
144,981	-	33,975	-	11,118,899
(4,058,047)	695,312	(3,787,502)	-	5,282,144
<u>\$ (3,913,066)</u>	<u>\$ 695,312</u>	<u>\$ (3,753,527)</u>	<u>\$ -</u>	<u>\$ 16,401,043</u>

**City of Corpus Christi, TX**

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
YEAR ENDED SEPTEMBER 30, 2017**

	<u>Stores</u>	<u>Fleet Maintenance Services</u>	<u>Facilities Maintenance Service</u>
<b>Operating revenues</b>			
Charges for services	\$ 2,129,484	\$ 5,045,380	\$ 4,658,134
<b>Operating expenses</b>			
Personnel services	993,229	3,616,992	1,794,919
Materials, supplies and contractual services	574,541	1,344,817	1,742,442
Other operating expenses	296,396	485,762	362,022
Uncollectible accounts	-	-	-
Depreciation	4,124	2,976,611	191,399
Self-insurance claims	-	-	-
Other post employment benefits	-	-	-
Total operating expenses	<u>1,868,290</u>	<u>8,424,182</u>	<u>4,090,782</u>
Operating income (loss)	261,194	(3,378,802)	567,352
<b>Non-operating revenues (expenses)</b>			
Investment income	(34)	98,707	17,264
Interest expense and fiscal charges	(2,692)	(8,567)	(37,667)
Net gain (loss) on disposal of city property	-	146,107	-
Recovery of damage claims	-	300,725	-
Total non-operating revenues (expenses)	<u>(2,726)</u>	<u>536,972</u>	<u>(20,403)</u>
Change in net position before capital contributions and transfers	258,468	(2,841,830)	546,949
<b>Transfers in (out)</b>			
Transfers in	-	2,723,274	-
Transfers out	-	-	(230,527)
Total transfers	<u>-</u>	<u>2,723,274</u>	<u>(230,527)</u>
Change in net position	258,468	(118,556)	316,422
Net position, beginning of year	<u>(331,460)</u>	<u>20,181,139</u>	<u>3,066,311</u>
Net position, end of year	<u>\$ (72,992)</u>	<u>\$ 20,062,583</u>	<u>\$ 3,382,733</u>

**City of Corpus Christi**

**Exhibit 37-B**

<b>Information Technology</b>	<b>Liability and Employee Benefits</b>	<b>Engineering Services</b>	<b>Eliminations</b>	<b>Total</b>
\$ 15,581,432	\$ 40,659,219	\$ 5,981,561	\$ -	\$ 74,055,210
7,632,937	1,250,411	4,368,721	-	19,657,209
6,607,091	7,812,945	636,012	-	18,717,848
892,573	174,336	792,439	-	3,003,528
-	3,478	-	-	3,478
412,514	-	126,112	-	3,710,760
-	34,707,072	-	-	34,707,072
-	638,618	-	-	638,618
<u>15,545,115</u>	<u>44,586,860</u>	<u>5,923,284</u>	<u>-</u>	<u>80,438,513</u>
36,317	(3,927,641)	58,277	-	(6,383,303)
27,410	203,286	1,061	-	347,694
(16,268)	-	(7,686)	-	(72,880)
-	-	8,712	-	154,819
-	89,851	-	-	390,576
<u>11,142</u>	<u>293,137</u>	<u>2,087</u>	<u>-</u>	<u>820,209</u>
47,459	(3,634,504)	60,364	-	(5,563,094)
-	-	100,000	-	2,823,274
-	(608,361)	-	-	(838,888)
-	(608,361)	100,000	-	1,984,386
<u>47,459</u>	<u>(4,242,865)</u>	<u>160,364</u>	<u>-</u>	<u>(3,578,708)</u>
<u>(3,960,525)</u>	<u>4,938,177</u>	<u>(3,913,891)</u>	<u>-</u>	<u>19,979,751</u>
<u>\$ (3,913,066)</u>	<u>\$ 695,312</u>	<u>\$ (3,753,527)</u>	<u>\$ -</u>	<u>\$ 16,401,043</u>

**City of Corpus Christi**

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED SEPTEMBER 30, 2017**

	<u>Stores</u>	<u>Fleet Maintenance Services</u>	<u>Facilities Maintenance Service</u>	<u>Information Technology</u>
<b>Cash flows from operating activities</b>				
Receipts from customers	\$ -	\$ 12,127	\$ 13,780	\$ -
Receipts from interfund services provided	5,128,776	12,749,620	4,644,548	15,581,432
Payments to suppliers	(3,564,468)	(8,713,989)	(1,488,382)	(6,540,016)
Payments to employees	(829,797)	(3,155,832)	(1,556,346)	(6,716,498)
Internal activity - payments (to) from other funds	(402,201)	(836,917)	(789,349)	(1,576,463)
Claims paid	-	-	-	-
Other receipts	-	300,725	-	-
Net cash provided by (used for) operating activities	<u>332,310</u>	<u>355,734</u>	<u>824,251</u>	<u>748,455</u>
<b>Cash flows from noncapital financing activities</b>				
Transfers in from other funds	-	-	-	-
Transfers out to other funds	-	-	(230,527)	-
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>-</u>	<u>(230,527)</u>	<u>-</u>
<b>Cash flows from capital and related financing activities</b>				
Acquisition of capital assets	-	(2,942,533)	(647,680)	-
Proceeds from sale/disposal of city property	-	171,136	-	-
Transfers in from other funds for capital acquisition	-	2,723,274	-	-
Principal paid on long-term debt	(7,578)	(91,472)	(132,244)	(383,480)
Interest expense and fiscal charges	(2,692)	(8,567)	(37,667)	(16,268)
Net cash provided (used) by capital and related financing activities	<u>(10,270)</u>	<u>(148,162)</u>	<u>(817,591)</u>	<u>(399,748)</u>
<b>Cash flows from investing activities</b>				
Interest on investments	(34)	98,707	17,264	27,410
Net increase (decrease) in cash and cash equivalents	322,006	306,279	(206,603)	376,117
Cash, cash equivalents and investments at beginning of year	<u>43,547</u>	<u>14,063,710</u>	<u>2,748,377</u>	<u>3,944,562</u>
Cash, cash equivalents and investments at end of year	<u>\$ 365,553</u>	<u>\$ 14,369,989</u>	<u>\$ 2,541,774</u>	<u>\$ 4,320,679</u>

(Continued)

<b>Liability and Employee Benefits</b>	<b>Engineering Services</b>	<b>Elimination</b>	<b>Total</b>
\$ 10,176,185	\$ 1,200	\$ -	\$ 10,203,292
30,470,734	5,980,361	-	74,555,471
(7,023,511)	(574,217)	-	(27,904,583)
(1,055,765)	(3,802,118)	-	(17,116,356)
(346,473)	(1,184,247)	-	(5,135,650)
(36,954,792)	-	-	(36,954,792)
89,851	-	-	390,576
<u>(4,643,771)</u>	<u>420,979</u>	<u>-</u>	<u>(1,962,042)</u>
96,014	100,000	-	196,014
<u>(704,375)</u>	<u>-</u>	<u>-</u>	<u>(934,902)</u>
<u>(608,361)</u>	<u>100,000</u>	<u>-</u>	<u>(738,888)</u>
-	(28,904)	-	(3,619,117)
-	-	-	171,136
-	-	-	2,723,274
-	(93,115)	-	(707,889)
-	(7,686)	-	(72,880)
<u>-</u>	<u>(129,705)</u>	<u>-</u>	<u>(1,505,476)</u>
<u>203,286</u>	<u>1,061</u>	<u>-</u>	<u>347,694</u>
(5,048,846)	392,335	-	(3,858,712)
<u>32,829,488</u>	<u>935,073</u>	<u>-</u>	<u>54,564,757</u>
<u>\$ 27,780,642</u>	<u>\$ 1,327,408</u>	<u>-</u>	<u>\$ 50,706,045</u>

**City of Corpus Christi**

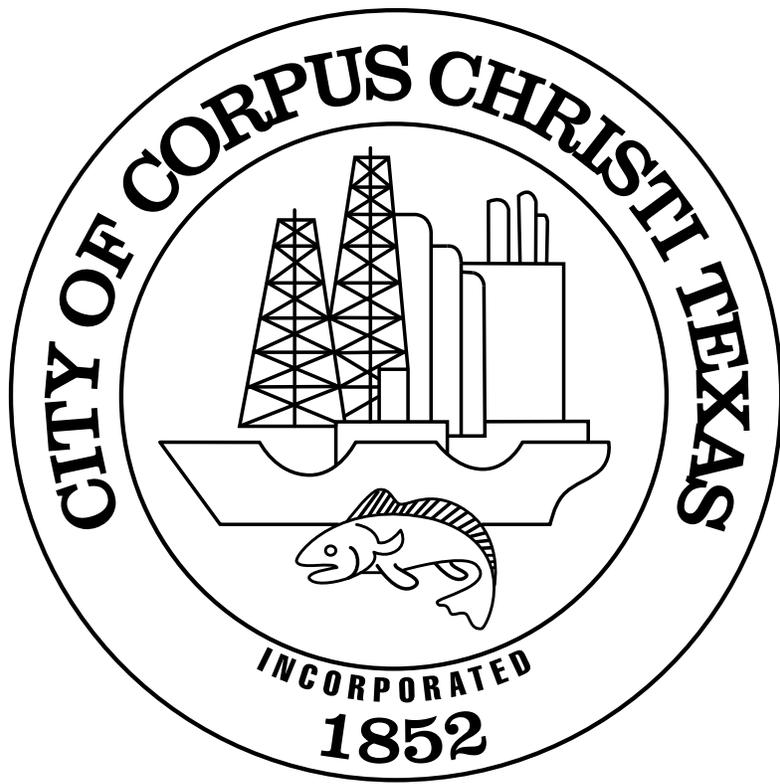
**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED SEPTEMBER 30, 2017**

	<u>Stores</u>	<u>Fleet Maintenance Services</u>	<u>Facilities Maintenance Service</u>	<u>Information Technology</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities</b>				
Operating income (loss)	\$ 261,194	\$ (3,378,802)	\$ 567,352	\$ 36,317
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation	4,124	2,976,611	191,399	412,514
Provision for uncollectible accounts	-	-	-	-
Changes in assets, liabilities, and deferred outflows and inflows				
Recovery of damage claims	-	300,725	-	-
Receivables	-	-	194	-
Inventory	7,604	18,372	-	-
Prepaid items	-	-	-	-
Deferred outflows of resources	48,262	104,903	69,530	317,045
Accounts payable	341	298,374	(14,577)	(14,407)
Accrued expenses	-	-	-	-
Unearned revenue	-	-	-	-
Accumulated unpaid compensated absences	12,022	39,652	12,388	5,102
Net pension liability	1,664	6,795	3,387	14,792
Net OPEB obligation	(952)	(2,938)	(1,456)	(5,582)
Liability to claimants - escheat property	-	-	-	-
Estimated claims liability	-	-	-	-
Deferred inflows of resources	(1,949)	(7,958)	(3,966)	(17,326)
Net cash provided (used) by operating activities:	<u>\$ 332,310</u>	<u>\$ 355,734</u>	<u>\$ 824,251</u>	<u>\$ 748,455</u>
<b>Noncash investing, capital and financing activities</b>				
Acquisition of capital assets under capital lease	\$ 34,563	\$ -	\$ -	\$ 194,450

**City of Corpus Christi**

**Exhibit 37-C**

<b>Liability and Employee Benefits</b>	<b>Engineering Services</b>	<b>Elimination</b>	<b>Total</b>
\$ (3,927,641)	\$ 58,277	\$ -	\$ (6,383,303)
-	126,112	-	3,710,760
3,478	-	-	3,478
89,851	-	-	390,576
(27,131)	-	-	(26,937)
-	-	-	25,976
(12,242)	-	-	(12,242)
39,997	165,571	-	745,308
198,660	36,216	-	504,607
90,723	-	-	90,723
365	-	-	365
35,540	39,562	-	144,266
2,566	8,304	-	37,508
(1,368,876)	(3,337)	-	(1,383,141)
235	-	-	235
233,709	-	-	233,709
(3,005)	(9,726)	-	(43,930)
<u>\$ (4,643,771)</u>	<u>\$ 420,979</u>	<u>\$ -</u>	<u>\$ (1,962,042)</u>
\$ -	\$ -	\$ -	\$ 229,013



## ***Capital Assets***



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



**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
SCHEDULE BY SOURCE\*  
SEPTEMBER 30, 2017**

Governmental funds capital assets	
Land	\$ 68,537,840
Buildings	232,190,277
Improvements other than buildings	261,695,364
Machinery and equipment	85,684,806
Infrastructure	379,892,321
Construction in progress	<u>158,976,649</u>
Total governmental funds capital assets	<u>\$ 1,186,977,257</u>
Investment in governmental funds capital assets by source	
Capital projects funds	\$ 965,983,207
General and special revenue funds	68,016,479
Donations	17,214,313
Developers contributions	27,617,804
Federal revenue sharing	82,959,393
Tax increment zone	20,140,958
Claim settlements	<u>5,045,103</u>
Total investment in governmental funds capital assets by source	<u>\$ 1,186,977,257</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, 2017**

	<b>Totals</b>	<b>Land</b>	<b>Buildings</b>	<b>Improvements Other than Buildings</b>	<b>Machinery and Equipment</b>	<b>Infrastructure</b>
Staff agencies						
Finance	\$ 76,396	\$ -	\$ -	\$ -	\$ 76,396	\$ -
Meter reading	294,211	-	-	-	294,211	-
Planning	252,614	-	136,698	-	115,916	-
Total staff agencies	623,221	-	136,698	-	486,523	-
City Hall and Emergency Management Facility	22,822,241	3,732,487	17,723,896	18,504	1,347,354	-
Municipal service center	2,185,997	204,024	662,316	331,662	987,995	-
Miscellaneous	20,128,900	200,383	7,361,532	10,435,881	2,131,104	-
Total general government	45,760,359	4,136,894	25,884,442	10,786,047	4,952,976	-
Police and municipal court						
Police						
Police	19,509,061	2,325,928	8,132,038	2,838,210	6,209,024	3,861
Animal control	3,827,260	-	3,432,801	-	394,459	-
Code enforcement	347,752	-	-	-	347,752	-
Total police	23,684,073	2,325,928	11,564,839	2,838,210	6,951,235	3,861
Municipal court	1,077,742	-	26,410	928,833	122,499	-
Total police and municipal court	24,761,815	2,325,928	11,591,249	3,767,043	7,073,734	3,861
Fire	28,535,525	1,666,238	7,858,162	5,212,718	13,798,407	-
Ambulance	2,168,878	-	-	-	2,168,878	-
Emergency management	25,014	-	-	-	25,014	-
Building inspections	102,843	-	-	-	102,843	-
Streets						
Streets, sidewalks, curbs and gutters	355,843,738	15,580,929	-	4,604,399	-	335,658,410
Street maintenance and construction	9,359,619	266,937	123,522	-	8,969,160	-
Street signs and markings	2,376,723	-	-	1,101,787	1,274,936	-
Harbor Bridge and approaches	7,322,587	64,110	-	7,258,477	-	-
Total streets	374,902,667	15,911,976	123,522	12,964,663	10,244,096	335,658,410
Solid waste	118,822,294	8,233,422	377,257	57,400,872	35,699,680	17,111,063
Health	6,724,924	61,909	4,547,312	1,363,428	752,275	-
Parks, recreation and education						
Parks and recreation	120,524,637	18,850,127	3,480,566	81,462,602	2,741,621	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	128,786,176	20,491,651	6,861,076	84,702,107	2,741,621	13,989,721
Libraries	18,079,375	772,364	17,049,483	172,837	84,691	-
Corpus Christi museums	7,446,001	-	6,488,324	487,563	470,114	-
Community enrichment						
Cultural and convention facilities						
Multipurpose arena	48,865,914	2,829,110	43,209,435	2,600,369	227,000	-
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	64,401,747	798,244	52,722,805	3,828,642	7,052,056	-
Water Garden	1,499,927	-	-	1,499,927	-	-
Bayfront Science Park	27,182,810	3,651,328	2,468,913	20,935,353	127,216	-
Texas State Aquarium	20,844,296	2,047,044	11,024,033	7,773,219	-	-
Total cultural and convention facilities	199,421,182	11,162,489	143,743,783	37,055,666	7,459,244	-
Public art	93,328	-	-	93,328	-	-
Total community enrichment	199,514,510	11,162,489	143,743,783	37,148,994	7,459,244	-

(Continued)

**City of Corpus Christi**

**Exhibit 38-B**

	<b>Totals</b>	<b>Land</b>	<b>Buildings</b>	<b>Improvements Other than Buildings</b>	<b>Machinery and Equipment</b>	<b>Infrastructure</b>
Community development						
Neighborhood improvement	23,595	-	-	-	23,595	-
Community Development Block Grant	7,323,070	800,221	5,821,579	677,484	23,786	-
CC Housing Finance Corporation	958,246	163,841	419,382	375,023	-	-
Corpus Christi Community Improvement Corp.	1,473,294	59,497	1,413,797	-	-	-
Total community development	<u>9,778,205</u>	<u>1,023,559</u>	<u>7,654,758</u>	<u>1,052,507</u>	<u>47,381</u>	<u>-</u>
Other general capital assets						
Packery Channel	13,491,455	-	-	298,337	63,852	13,129,266
Seawall	46,338,248	-	-	46,338,248	-	-
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>2,751,410</u>	<u>10,909</u>	<u>46,636,585</u>	<u>63,852</u>	<u>13,129,266</u>
Total capital assets in service	<u>1,028,000,608</u>	<u>68,537,840</u>	<u>232,190,277</u>	<u>261,695,364</u>	<u>85,684,806</u>	<u>379,892,321</u>
Less: accumulated depreciation	<u>475,076,188</u>	<u>-</u>	<u>101,766,595</u>	<u>124,272,094</u>	<u>65,126,849</u>	<u>183,910,650</u>
Net capital assets in service	<u>552,924,420</u>	<u>68,537,840</u>	<u>130,423,682</u>	<u>137,423,270</u>	<u>20,557,957</u>	<u>195,981,671</u>
Construction in progress	<u>158,976,649</u>	<u>-</u>	<u>1,998,265</u>	<u>46,375,724</u>	<u>-</u>	<u>110,602,660</u>
Total general capital assets	<u>\$ 711,901,069</u>	<u>\$ 68,537,840</u>	<u>\$ 132,421,947</u>	<u>\$ 183,798,994</u>	<u>\$ 20,557,957</u>	<u>\$ 306,584,331</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, 2017**

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Staff agencies				
Finance	\$ 137,904	\$ -	\$ 61,508	\$ 76,396
Meter reading	294,211	-	-	294,211
Planning	252,614	-	-	252,614
Total staff agencies	<u>684,729</u>	<u>-</u>	<u>61,508</u>	<u>623,221</u>
City Hall and Emergency Management Facility	22,822,241	-	-	22,822,241
Municipal service center	2,185,197	800	-	2,185,997
Miscellaneous	20,070,951	57,949	-	20,128,900
Total general government	<u>45,763,118</u>	<u>58,749</u>	<u>61,508</u>	<u>45,760,359</u>
Police and municipal court				
Police				
Police	20,354,956	399,103	1,244,998	19,509,061
Animal control	3,848,674	-	21,414	3,827,260
Code enforcement	98,630	249,122	-	347,752
Total police	<u>24,302,260</u>	<u>648,225</u>	<u>1,266,412</u>	<u>23,684,073</u>
Municipal court	1,077,742	-	-	1,077,742
Total police and municipal court	<u>25,380,002</u>	<u>648,225</u>	<u>1,266,412</u>	<u>24,761,815</u>
Fire	28,915,541	680,406	1,060,421	28,535,526
Ambulance	2,168,878	-	-	2,168,878
Emergency management	25,014	-	-	25,014
Building inspections	146,626	-	43,783	102,843
Streets				
Streets, sidewalks, curbs and gutters	354,031,207	1,812,531	-	355,843,738
Street maintenance and construction	9,456,042	537,250	633,674	9,359,618
Street signs and markings	791,200	1,585,523	-	2,376,723
Harbor Bridge and approaches	7,322,587	-	-	7,322,587
Total streets	<u>371,601,036</u>	<u>3,935,304</u>	<u>633,674</u>	<u>374,902,666</u>
Solid waste	121,471,440	1,399,864	4,049,009	118,822,295
Health	6,848,758	143,310	267,144	6,724,924
Parks, recreation and education				
Parks and recreation	116,336,071	4,317,379	128,812	120,524,638
Miradores and Selena Memorial	1,965,000	-	-	1,965,000
Senior services	4,785,729	-	-	4,785,729
Upper level college facilities	1,510,810	-	-	1,510,810
Total parks, recreation and education	<u>124,597,610</u>	<u>4,317,379</u>	<u>128,812</u>	<u>128,786,177</u>
Libraries	18,225,672	8,832	155,129	18,079,375
Corpus Christi museums	7,446,001	-	-	7,446,001

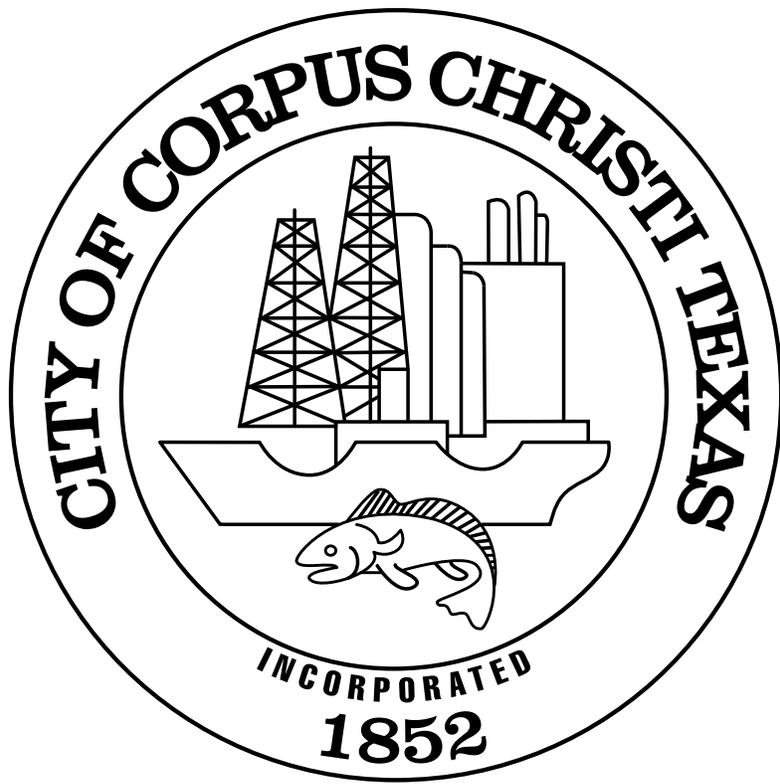
(Continued)

**City of Corpus Christi**

**Exhibit 38-C**

	<b>Beginning Balance</b>	<b>Additions and Transfers</b>	<b>Retirements</b>	<b>Ending Balance</b>
Community enrichment				
Cultural and convention facilities				
Multipurpose arena	48,829,792	36,122	-	48,865,914
Auditorium	7,304,198	-	-	7,304,198
Baseball stadium	28,441,771	-	-	28,441,771
Harbor Playhouse	880,519	-	-	880,519
Convention center	64,174,385	227,362	-	64,401,747
Water Garden	1,499,927	-	-	1,499,927
Bayfront Science Park	27,201,555	-	18,745	27,182,810
Texas State Aquarium	20,844,296	-	-	20,844,296
Total cultural and convention facilities	<u>199,176,443</u>	<u>263,484</u>	<u>18,745</u>	<u>199,421,182</u>
Public art	93,328	-	-	93,328
Total community enrichment	<u>199,269,771</u>	<u>263,484</u>	<u>18,745</u>	<u>199,514,510</u>
Community development				
Neighborhood improvement	23,595	-	-	23,595
Community Development Block Grant	7,299,284	23,786	-	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>9,754,419</u>	<u>23,786</u>	<u>-</u>	<u>9,778,205</u>
Other general capital assets				
Packery Channel	16,211,577	-	2,720,122	13,491,455
Seawall	46,338,248	-	-	46,338,248
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>65,312,144</u>	<u>-</u>	<u>2,720,122</u>	<u>62,592,022</u>
Total capital assets in service	<u>1,026,926,030</u>	<u>11,479,339</u>	<u>10,404,759</u>	<u>1,028,000,610</u>
Less: accumulated depreciation	456,789,671	26,541,017	8,254,499	475,076,189
Net capital assets in service	<u>570,136,359</u>	<u>(15,061,678)</u>	<u>2,150,260</u>	<u>552,924,421</u>
Construction in progress	108,977,460	49,999,188	-	158,976,648
Total general capital assets	<u>\$ 679,113,819</u>	<u>\$ 34,937,510</u>	<u>\$ 2,150,260</u>	<u>\$ 711,901,069</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.

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

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

## City of Corpus Christi

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

	Fiscal Year			
	2008	2009	2010	2011
Governmental Activities				
Net investment in capital assets	\$ 171,559,799	\$ 184,297,821	\$ 190,984,493	\$ 209,725,506
Restricted	7,161,689	8,706,284	81,610,847	79,572,803
Unrestricted	118,117,170	102,378,371	19,260,356	29,215,682
Total governmental activities net position	<u>\$ 296,838,658</u>	<u>\$ 295,382,476</u>	<u>\$ 291,855,696</u>	<u>\$ 318,513,991</u>
Business-type Activities				
Net investment in capital assets	\$ 614,734,623	\$ 588,187,607	\$ 685,455,079	\$ 682,070,387
Restricted	17,162,129	15,547,632	13,445,408	14,731,997
Unrestricted	1,923,108	49,119,110	16,803,962	30,148,172
Total business-type activities net position	<u>\$ 633,819,860</u>	<u>\$ 652,854,349</u>	<u>\$ 715,704,449</u>	<u>\$ 726,950,556</u>
Primary Government				
Net investment in capital assets	\$ 786,294,422	\$ 772,485,428	\$ 876,439,572	\$ 891,795,893
Restricted	24,323,818	24,253,916	95,056,255	94,304,800
Unrestricted	120,040,278	151,497,481	36,064,318	59,363,854
Total primary government net position	<u>\$ 930,658,518</u>	<u>\$ 948,236,825</u>	<u>\$ 1,007,560,145</u>	<u>\$ 1,045,464,547</u>

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

\*\* Beginning with FY2016, 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, FY2016 balances are restated.

**City of Corpus Christi**

**Table 1**

	<b>2012</b>	<b>2013</b>	<b>2014*</b>	<b>2015</b>	<b>2016**</b>	<b>2017</b>
\$	222,519,201	\$ 240,668,349	\$ 271,711,769	\$ 268,379,713	\$ 317,807,762	\$ 333,581,715
	85,445,854	89,422,908	90,284,166	110,426,731	137,074,978	148,018,703
	<u>37,839,536</u>	<u>52,514,581</u>	<u>43,044,907</u>	<u>(93,108,769)</u>	<u>(129,830,889)</u>	<u>(136,196,902)</u>
\$	<u><u>345,804,591</u></u>	<u><u>382,605,838</u></u>	<u><u>405,040,842</u></u>	<u><u>285,697,675</u></u>	<u><u>325,051,851</u></u>	<u><u>345,403,516</u></u>
\$	693,363,853	\$ 704,595,166	\$ 793,058,216	\$ 768,459,800	\$ 777,595,643	\$ 834,864,905
	10,689,200	13,455,463	17,238,437	20,125,997	18,589,790	19,192,764
	<u>61,185,337</u>	<u>83,373,816</u>	<u>24,083,260</u>	<u>55,457,952</u>	<u>107,784,915</u>	<u>116,728,849</u>
\$	<u><u>765,238,390</u></u>	<u><u>801,424,445</u></u>	<u><u>834,379,913</u></u>	<u><u>844,043,749</u></u>	<u><u>903,970,348</u></u>	<u><u>970,786,518</u></u>
\$	915,883,054	\$ 945,263,515	\$ 1,064,769,985	\$ 1,036,839,513	\$ 1,095,403,405	\$ 1,168,446,620
	96,135,054	102,878,371	107,522,603	130,552,728	155,664,768	167,211,465
	<u>99,024,873</u>	<u>135,888,397</u>	<u>67,128,167</u>	<u>(37,650,817)</u>	<u>(22,045,974)</u>	<u>(19,468,053)</u>
\$	<u><u>1,111,042,981</u></u>	<u><u>1,184,030,283</u></u>	<u><u>1,239,420,755</u></u>	<u><u>1,129,741,424</u></u>	<u><u>1,229,022,199</u></u>	<u><u>1,316,190,032</u></u>

## City of Corpus Christi

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

	Fiscal Year			
	2008	2009	2010	2011
<b>Expenses</b>				
Primary government				
Governmental activities				
General government	\$ 20,658,739	\$ 22,072,622	\$ 19,480,668	\$ 16,589,746
Police and municipal court	73,018,660	78,931,771	81,171,817	81,930,129
Fire and ambulance	38,221,888	42,520,139	43,287,584	47,347,004
Solid waste	-	-	-	-
Emergency management	470,593	525,077	505,319	543,682
Inspections	1,699,251	2,171,232	1,664,676	1,636,669
Streets	25,060,354	25,814,362	25,674,747	21,451,848
Health	6,856,261	7,450,418	7,505,758	7,218,565
Parks and recreation	21,455,686	21,767,352	21,577,152	19,902,761
Libraries	4,993,605	5,612,844	5,298,406	4,785,207
Museums	1,886,531	1,842,929	1,853,104	1,900,026
Community enrichment	2,624,646	3,476,141	4,220,179	9,529,467
Community development	4,594,232	5,830,606	10,403,520	10,025,480
Convention and visitor activities	18,134,378	17,167,605	15,183,072	10,487,728
Interest on long-term debt	14,665,318	14,950,035	16,156,130	17,385,095
Total governmental activities	<u>234,340,142</u>	<u>250,133,133</u>	<u>253,982,132</u>	<u>250,733,407</u>
Business-type activities				
Solid waste	20,075,708	18,442,528	22,418,231	27,140,788
Utilities				
Water	94,885,353	97,638,099	93,937,152	96,818,500
Gas	38,128,913	31,286,452	31,748,907	30,224,910
Wastewater	42,411,241	43,450,764	46,795,236	47,063,049
Airport	11,555,900	12,228,908	11,406,735	11,729,049
Golf centers	1,948,903	2,133,840	2,051,107	1,168,875
Marina	1,806,755	1,864,063	1,861,705	1,793,695
Total business-type activities	<u>210,812,773</u>	<u>207,044,654</u>	<u>210,219,073</u>	<u>215,938,866</u>
Total primary government	<u>\$ 445,152,915</u>	<u>\$ 457,177,787</u>	<u>\$ 464,201,205</u>	<u>\$ 466,672,273</u>
<b>Program revenue</b>				
Governmental activities				
Charges for services				
General government	\$ 21,120,037	\$ 19,995,923	\$ 20,566,739	\$ 22,093,237
Public safety	18,582,177	19,328,378	20,021,375	19,349,804
Other activities	13,198,200	13,466,048	11,839,459	13,090,388
Operating grants and contributions	13,293,341	13,519,519	15,768,215	20,293,248
Capital grants and contributions	9,215,148	5,160,566	8,274,872	11,616,793
Total governmental activities program revenue	<u>75,408,903</u>	<u>71,470,434</u>	<u>76,470,660</u>	<u>86,443,470</u>

(Continued)

## City of Corpus Christi

Table 2

	2012	2013	2014*	2015	2016**	2017
\$	18,079,972	\$ 20,066,766	\$ 23,528,625	\$ 20,095,432	\$ 23,549,438	\$ 31,172,661
	80,496,720	80,194,663	106,771,633	91,069,002	96,427,880	96,154,942
	45,748,510	48,997,146	58,864,749	48,724,237	58,265,448	64,977,528
	-	-	-	-	11,721,366	26,582,333
	507,564	505,811	632,347	613,555	630,679	657,860
	1,752,448	1,995,533	2,182,793	2,379,102	226,501	-
	17,337,069	18,523,334	29,657,466	34,051,106	36,240,932	44,826,074
	6,813,120	6,835,120	6,661,113	5,940,977	6,446,306	5,442,601
	17,861,237	18,659,058	22,829,117	19,928,692	22,459,907	21,845,564
	4,222,687	3,731,475	4,779,930	4,575,572	4,894,637	4,613,618
	1,659,435	1,555,994	1,907,091	1,866,875	2,085,260	1,524,885
	4,273,802	2,742,906	7,589,196	5,851,215	6,112,618	5,237,619
	11,084,674	13,218,255	14,025,431	13,365,023	9,393,044	11,769,594
	16,057,354	18,022,411	19,365,234	16,228,430	15,459,948	17,565,255
	16,786,166	14,875,186	15,357,763	16,378,266	17,314,590	18,194,069
	<u>242,680,758</u>	<u>249,923,658</u>	<u>314,152,488</u>	<u>281,067,484</u>	<u>311,228,554</u>	<u>350,564,603</u>
	23,494,713	25,721,265	33,046,483	29,152,032	-	-
	99,262,996	102,157,760	117,294,046	107,235,791	106,291,296	111,429,991
	25,318,899	28,564,940	43,714,412	34,256,774	29,510,720	33,168,906
	46,664,152	48,937,097	63,649,026	56,892,815	56,636,897	61,457,347
	11,982,695	11,899,650	15,412,742	13,631,297	14,115,378	15,002,019
	293,633	241,504	198,341	214,575	128,614	108,402
	1,802,521	1,757,820	2,185,278	1,997,197	2,337,522	2,161,558
	<u>208,819,609</u>	<u>219,280,036</u>	<u>275,500,328</u>	<u>243,380,481</u>	<u>209,020,427</u>	<u>223,328,223</u>
\$	<u>451,500,367</u>	<u>\$ 469,203,694</u>	<u>\$ 589,652,816</u>	<u>\$ 524,447,965</u>	<u>\$ 520,248,981</u>	<u>\$ 573,892,826</u>
\$	21,614,922	\$ 24,054,154	\$ 27,323,898	\$ 25,920,218	\$ 9,095,175	\$ 3,421,152
	20,165,521	20,948,126	24,607,968	20,189,446	20,286,859	20,483,243
	12,388,359	15,605,078	29,498,080	27,444,915	62,183,070	56,960,727
	14,697,325	12,516,057	14,116,549	9,899,152	11,531,748	16,995,037
	4,841,413	7,645,930	8,509,542	7,911,826	11,479,193	4,196,924
	<u>73,707,540</u>	<u>80,769,345</u>	<u>104,056,037</u>	<u>91,365,557</u>	<u>114,576,045</u>	<u>102,057,083</u>

## City of Corpus Christi

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

	Fiscal Year			
	2008	2009	2010	2011
<b>Program revenue (continued)</b>				
Business-type activities				
Charges for services				
Solid waste	\$ 29,843,162	\$ 30,979,626	\$ 32,011,959	\$ 34,593,348
Utilities				
Water	87,131,217	106,536,846	96,571,762	108,948,434
Gas	43,166,492	33,159,669	36,520,847	31,828,023
Wastewater	41,784,614	45,227,800	51,048,604	54,884,681
Airport	9,948,929	8,562,286	8,594,836	9,503,417
Golf centers	1,943,751	1,732,263	1,838,093	1,060,795
Marina	1,436,603	1,592,825	1,572,406	1,464,629
Operating grants and contributions	47,668	495,845	120,435	1,193,227
Capital grants and contributions	24,436,963	7,863,922	9,557,122	7,736,648
Total business-type activities program revenue	<u>239,739,399</u>	<u>236,151,082</u>	<u>237,836,064</u>	<u>251,213,202</u>
Total primary government program revenues	<u>\$ 315,148,302</u>	<u>\$ 307,621,516</u>	<u>\$ 314,306,724</u>	<u>\$ 337,656,672</u>
<b>Net (expense)/revenue</b>				
Governmental activities	\$ (158,931,239)	\$ (178,662,699)	\$ (177,511,472)	\$ (164,289,937)
Business-type activities	28,926,626	29,106,428	27,616,991	35,274,336
<b>Total primary government net expense</b>	<u>\$ (130,004,613)</u>	<u>\$ (149,556,271)</u>	<u>\$ (149,894,481)</u>	<u>\$ (129,015,601)</u>
<b>General revenues and other changes in net position</b>				
Governmental activities:				
Taxes				
Property taxes, levied for general purposes	\$ 52,288,456	\$ 55,410,412	\$ 57,291,695	\$ 57,457,988
Property taxes, levied for debt service	25,021,687	26,278,717	27,358,566	27,192,025
Sales taxes	70,120,506	71,018,975	64,654,960	70,432,482
Hotel occupancy taxes	10,337,342	10,127,333	9,919,560	10,721,997
Business fees	-	-	-	-
Unrestricted investment earnings	6,220,124	2,825,071	1,283,513	682,991
Transfers	18,203,976	11,546,009	13,476,398	24,460,749
Total governmental activities	<u>182,192,091</u>	<u>177,206,517</u>	<u>173,984,692</u>	<u>190,948,232</u>
Business-type activities:				
Unrestricted investment earnings	4,133,827	1,474,070	825,924	432,520
Transfers	(18,203,976)	(11,546,009)	(13,476,398)	(24,460,749)
Total business-type activities	<u>(14,070,149)</u>	<u>(10,071,939)</u>	<u>(12,650,474)</u>	<u>(24,028,229)</u>
Total primary government	<u>\$ 168,121,942</u>	<u>\$ 167,134,578</u>	<u>\$ 161,334,218</u>	<u>\$ 166,920,003</u>
<b>Change in Net Position</b>				
Governmental activities	\$ 23,260,852	\$ (1,456,182)	\$ (3,526,780)	\$ 26,658,295
Business-type activities	14,856,477	19,034,489	14,966,517	11,246,107
Total primary government	<u>\$ 38,117,329</u>	<u>\$ 17,578,307</u>	<u>\$ 11,439,737</u>	<u>\$ 37,904,402</u>

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

\*\* Prior to FY2016, 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

Table 2

2012	2013	2014*	2015	2016**	2017
\$ 37,864,068	\$ 37,122,282	\$ 43,677,779	\$ 37,475,401	\$ -	\$ -
120,017,362	117,230,522	140,078,315	121,958,577	137,305,933	146,869,351
26,139,159	28,950,470	42,408,214	32,265,916	27,679,719	28,471,177
59,662,102	59,323,805	75,704,726	68,488,526	72,265,040	76,252,157
9,520,245	9,489,992	11,919,295	10,549,237	4,312,314	11,027,162
416,750	350,592	257,772	204,936	137,977	243,771
1,832,336	1,851,612	2,227,983	1,911,146	1,883,564	2,043,231
1,320,294	1,537,735	1,379,860	1,226,335	1,309,988	1,270,640
9,858,001	16,637,935	17,942,344	27,219,660	11,579,767	28,833,878
<u>266,630,317</u>	<u>272,494,945</u>	<u>335,596,288</u>	<u>301,299,734</u>	<u>256,474,302</u>	<u>295,011,367</u>
<u>\$ 340,337,857</u>	<u>\$ 353,264,290</u>	<u>\$ 439,652,325</u>	<u>\$ 392,665,291</u>	<u>\$ 371,050,347</u>	<u>\$ 397,068,450</u>
\$ (168,973,218)	\$ (169,154,313)	\$ (210,096,451)	\$ (189,701,927)	\$ (196,652,509)	\$ (248,507,520)
57,810,708	53,214,909	60,095,960	57,919,253	47,453,875	71,683,144
<u>\$ (111,162,510)</u>	<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>
\$ 58,201,084	\$ 60,506,596	\$ 64,808,014	\$ 69,730,902	\$ 78,863,952	\$ 86,783,229
25,906,607	26,605,837	31,855,785	34,255,712	40,425,079	42,512,012
79,403,692	86,163,292	103,372,472	89,126,468	81,618,057	81,820,866
12,051,548	13,174,824	17,066,868	15,110,411	17,636,317	18,505,845
-	-	-	-	17,394,372	28,341,495
848,062	1,208,748	1,244,127	1,277,826	1,965,520	3,284,799
19,852,825	20,674,272	19,380,059	14,953,233	5,867,890	7,611,036
<u>196,263,818</u>	<u>208,333,569</u>	<u>237,727,325</u>	<u>224,454,552</u>	<u>243,771,187</u>	<u>268,859,282</u>
329,951	445,360	344,764	1,217,295	1,955,470	2,744,064
<u>(19,852,825)</u>	<u>(20,228,912)</u>	<u>(19,035,295)</u>	<u>(14,953,233)</u>	<u>(5,867,890)</u>	<u>(7,611,037)</u>
<u>(19,522,874)</u>	<u>(19,783,552)</u>	<u>(18,690,531)</u>	<u>(13,735,938)</u>	<u>(3,912,420)</u>	<u>(4,866,973)</u>
<u>\$ 176,740,944</u>	<u>\$ 188,550,017</u>	<u>\$ 219,036,794</u>	<u>\$ 210,718,614</u>	<u>\$ 239,858,767</u>	<u>\$ 263,992,309</u>
\$ 27,290,600	\$ 39,179,256	\$ 27,630,874	\$ 34,752,625	\$ 47,118,678	\$ 20,351,762
38,287,834	33,431,357	41,405,429	44,183,315	43,541,455	66,816,169
<u>\$ 65,578,434</u>	<u>\$ 72,610,613</u>	<u>\$ 69,036,303</u>	<u>\$ 78,935,940</u>	<u>\$ 90,660,133</u>	<u>\$ 87,167,931</u>

**City of Corpus Christi**

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

	Fiscal Year			
	2008	2009	2010	2011
<b>General Fund</b>				
Reserved	\$ 4,638,291	\$ 2,938,429	-	-
Unreserved	27,571,509	27,325,624	-	-
	-	-	-	-
Nonspendable	-	-	\$ 361,507	\$ 1,491,399
Restricted	-	-	688,286	636,531
Committed	-	-	19,701,535	19,813,473
Assigned	-	-	17,747	5,845
Unassigned	-	-	8,579,370	8,617,684
Total general fund	<u>\$ 32,209,800</u>	<u>\$ 30,264,053</u>	<u>\$ 29,348,445</u>	<u>\$ 30,564,932</u>
<b>All other governmental funds</b>				
Reserved	57,031,756	58,028,080	-	-
Unreserved				
Debt service funds	11,712,600	9,456,925	-	-
Special revenue funds	43,057,821	45,533,073	-	-
Capital projects funds	61,947,382	109,247,126	-	-
	-	-	-	-
Nonspendable				
Special revenue funds	-	-	1,008,008	890,963
Restricted				
Debt service funds	-	-	5,974,622	5,956,307
Special revenue funds	-	-	71,202,025	74,267,207
Capital projects funds	-	-	105,026,981	70,969,215
Committed				
Debt service funds	-	-	11,271,942	13,812,320
Special revenue funds	-	-	677,007	390,454
Capital projects funds	-	-	10,109,487	8,413,784
Assigned				
Special revenue funds	-	-	98,347	214,601
Capital projects funds	-	-	3,445,097	1,855,964
Unassigned				
Special revenue funds	-	-	(1,415,142)	(269,136)
Capital projects funds	-	-	-	-
Total all other governmental funds	<u>\$ 173,749,559</u>	<u>\$ 222,265,204</u>	<u>\$ 207,398,374</u>	<u>\$ 176,501,679</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.

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

\*\* 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**

<b>2012</b>	<b>2013</b>	<b>2014*</b>	<b>2015</b>	<b>2016**</b>	<b>2017</b>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 1,400,017	\$ 1,302,980	\$ 1,614,482	\$ 1,272,561	\$ 1,000,171	\$ 665,244
249,433	298,854	363,996	389,177	440,185	553,012
28,764,934	40,537,505	37,808,621	39,564,995	62,929	-
6,806	11,480	658,480	10,120,144	4,079,385	2,867,602
7,551,298	11,441,898	11,538,642	174,624	47,321,813	53,231,493
<u>\$ 37,972,488</u>	<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>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	571,478	789,937	593,824	678,222	501,187
5,334,218	1,500,000	5,335,454	6,153,453	12,917,033	12,088,752
79,862,203	87,624,054	84,449,297	103,457,997	153,175,499	153,012,130
84,525,622	139,030,313	116,444,974	193,692,270	155,816,175	120,943,888
16,858,822	15,512,834	8,660,390	10,777,534	-	-
896,775	739,729	13,435,512	20,343,465	26,942,541	25,292,251
7,400,034	5,658,891	4,466,229	3,303,368	3,995,533	4,216,104
68,775	316,952	1,576,765	2,447,588	8,036,143	10,237,801
2,218,850	1,668,506	11,716,955	1,643,682	157,042	201,024
(555,032)	1,142,841	-	(9,890)	-	-
-	-	(314,479)	(196,948)	(247,359)	-
<u>\$ 196,610,267</u>	<u>\$ 253,765,598</u>	<u>\$ 246,561,034</u>	<u>\$ 342,206,343</u>	<u>\$ 361,470,829</u>	<u>\$ 326,493,137</u>

## City of Corpus Christi

### CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	Fiscal Year			
	2008	2009	2010	2011
<b>Revenues</b>				
Taxes and business fees	\$ 174,899,312	\$ 178,669,539	\$ 176,286,722	\$ 182,810,584
Licenses and permits	3,576,249	3,700,195	3,288,415	4,885,342
Intergovernmental	-	-	-	-
Grants	18,216,186	15,981,072	22,661,016	24,095,434
Charges for services	54,989,566	56,843,501	56,945,655	60,258,877
Fines and forfeitures	6,825,170	6,897,078	6,766,301	6,075,772
Deposits	191,724	-	-	-
Contributions and donations	3,380,012	1,902,087	871,524	7,133,489
Special assessments	442,323	10,502	76,876	683,087
Earnings on investments	6,386,948	3,006,163	1,312,814	698,992
Interest on loans	233,846	73,369	81,458	85,188
Payments from Lexington Museum				
Association	248,868	285,022	272,796	275,647
Payments from Texas State Aquarium	508,685	518,318	361,107	373,232
Claim settlement	-	572,280	-	325,395
Naming rights	175,000	175,000	175,000	-
Miscellaneous	1,390,645	1,486,339	1,703,701	2,291,231
Total revenues	<u>271,464,534</u>	<u>270,120,465</u>	<u>270,803,385</u>	<u>289,992,270</u>
<b>Expenditures</b>				
General government	21,306,706	21,836,700	20,267,240	17,606,974
Public safety	110,663,675	115,375,541	119,589,404	126,279,109
Streets	14,233,051	15,951,618	14,797,896	15,229,881
Solid waste	18,278,582	17,027,712	18,193,629	22,426,863
Health	6,592,800	6,893,718	6,977,548	6,722,783
Community enrichment	31,248,848	31,864,343	37,348,135	36,680,864
Convention and visitors activities	13,193,524	12,152,309	10,257,006	10,449,447
Other	-	32,963	21,729	-
Capital projects	35,812,462	57,193,877	50,406,384	51,119,929
Debt service				
Principal retirement	24,853,049	36,741,227	26,883,223	26,445,859
Interest	17,480,632	16,433,417	19,907,675	20,115,642
Paying agent fees	33,994	32,598	28,710	25,009
Bond issue cost	730,903	1,571,419	422,041	-
Refund of bond issue cost	-	-	-	-
Interest on interfund borrowings	-	29,714	6,543	2,489
Total expenditures	<u>294,428,226</u>	<u>333,137,156</u>	<u>325,107,163</u>	<u>333,104,849</u>
Excess (deficiency) of revenue over (under) expenditures	(22,963,692)	(63,016,691)	(54,303,778)	(43,112,579)

(Continued)

City of Corpus Christi

Table 4

	2012	2013	2014*	2015	2016	2017
\$	192,423,958	\$ 205,059,544	\$ 241,447,636	\$ 229,613,790	\$ 237,267,680	\$ 246,762,413
	4,790,610	5,697,321	6,119,404	7,653,287	8,322,958	7,810,557
	-	-	-	2,427,736	2,761,017	3,468,552
	16,542,865	14,743,346	17,758,224	13,043,094	11,496,493	15,935,079
	63,684,332	63,588,154	85,604,995	75,150,621	74,853,671	73,417,771
	6,602,755	7,037,629	8,739,406	6,330,735	6,547,847	6,176,060
	-	-	-	-	-	-
	2,413,204	4,657,640	4,319,251	1,833,351	2,282,999	4,055,530
	46,787	154,937	195,495	67,952	79,407	83,788
	713,791	1,186,389	1,245,152	1,288,658	1,965,379	2,867,982
	86,173	109,704	97,778	59,282	50,888	47,815
	267,750	-	-	-	-	-
	358,795	369,082	335,694	328,276	330,613	-
	-	25,241	-	-	-	-
	-	-	-	-	-	-
	1,716,081	1,682,319	1,734,789	2,657,325	2,910,571	1,429,451
	<u>289,647,101</u>	<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>
	19,146,965	21,235,824	23,789,840	20,900,904	25,148,653	23,994,292
	122,341,347	129,637,141	159,126,383	141,825,393	145,334,065	147,468,351
	13,173,204	14,964,156	22,088,359	27,361,691	28,644,769	37,890,424
	19,288,307	20,551,190	26,657,490	23,153,110	23,490,708	20,992,432
	6,362,130	6,554,474	6,106,257	5,569,931	6,133,351	4,858,739
	33,660,941	35,347,147	40,617,305	36,297,592	33,496,314	32,867,335
	11,046,785	11,650,650	16,821,790	14,625,022	14,091,247	15,194,337
	-	-	-	-	-	-
	51,039,961	45,303,572	41,280,111	27,257,727	43,943,071	61,478,528
	26,278,182	26,319,507	38,617,547	36,325,072	37,757,815	42,338,360
	19,178,232	19,789,403	28,954,177	18,284,677	21,587,061	21,100,293
	19,541	13,983	21,162	47,011	849,878	20,354
	574,317	2,362,185	704,331	789,195	358,539	101,383
	-	-	-	-	(883)	-
	773	102	-	-	-	-
	<u>322,110,685</u>	<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>
	(32,463,584)	(29,418,028)	(37,186,928)	(11,983,218)	(31,965,065)	(46,249,830)

**City of Corpus Christi**

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**

	Fiscal Year			
	2008	2009	2010	2011
<b>Other financing sources (uses)</b>				
Capital leases	\$ 2,623,408	\$ 3,746,061	\$ 4,110,898	\$ 5,655,103
Sale of City property	-	-	-	-
General obligation bonds issued	-	88,725,000	13,685,000	-
Certificate of obligation bonds issued	-	12,000,000	11,460,000	-
Tax notes issued	22,260,000	-	-	-
Refunding bonds issued	13,445,000	-	-	-
Premium on bonds issued	-	2,660,797	491,894	-
Premium on refunding bonds issued	-	(124,206)	-	-
Payment to escrow agent for refunded bonds	(12,822,371)	-	-	-
Transfers in	13,676,363	11,797,397	18,699,972	17,734,081
Transfers out	(8,136,348)	(9,222,308)	(9,933,977)	(9,966,600)
Total other financing sources (uses)	<u>31,046,052</u>	<u>109,582,741</u>	<u>38,513,787</u>	<u>13,422,584</u>
 Net changes in fund balances	 <u>\$ 8,082,360</u>	 <u>\$ 46,566,050</u>	 <u>\$ (15,789,991)</u>	 <u>\$ (29,689,995)</u>
 Debt services as a percentage of noncapital expenditures	 16.37 %	 19.27 %	 17.03 %	 16.51 %

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

**City of Corpus Christi**

**Table 4  
(Continued)**

	<b>2012</b>	<b>2013</b>	<b>2014*</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
\$	1,978,382	\$ 5,092,527	\$ 6,384,598	\$ 4,808,866	\$ 7,811,590	\$ 2,397,728
	-	-	-	-	-	2,922,577
	44,706,446	75,417,146	-	90,520,000	-	-
	-	-	-	-	28,450,000	4,690,449
	7,390,000	6,607,854	9,000,000	-	-	-
	-	164,010,000	38,395,000	2,137,681	77,145,000	4,362,231
	5,095,844	9,251,134	11,935,763	9,751,466	2,076,688	-
	-	6,607,854	-	-	11,898,979	47,804
	-	(170,325,943)	(41,763,200)	(2,137,681)	(88,191,024)	(4,362,428)
	13,102,987	16,377,480	31,066,578	29,593,646	33,668,844	28,998,409
	(11,897,146)	(8,067,769)	(26,767,619)	(27,554,958)	(28,868,188)	(23,371,760)
	<u>60,376,513</u>	<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>27,912,929</u>	<u>\$ 75,552,255</u>	<u>\$ (8,935,808)</u>	<u>\$ 95,135,802</u>	<u>\$ 12,026,824</u>	<u>\$ (30,564,820)</u>
	16.77 %	15.99 %	18.59 %	16.79 %	17.62 %	18.29 %

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

<b>Fiscal Year</b>	<b>Property tax</b>	<b>Sales tax</b>	<b>Hotel tax</b>	<b>Business fees</b>	<b>Other taxes</b>	<b>Total</b>
2008	\$ 79,970,549	\$ 65,972,519	\$ 10,337,342	\$ 17,322,510	\$ 1,296,392	\$ 174,899,312
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	80,039,696	15,315,213	16,893,515	1,781,169	242,899,620

\* The City changed its fiscal year from July 31 to September 30  
FY 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
2008	2007	\$ 14,084,066,107	\$ 1,447,200,791	\$ 2,420,434,047	\$ 13,110,832,851	0.563846	\$ 15,531,266,898	84.42 %
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 %

\* The City changed its fiscal year from July 31 to September 30

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 2008-2017

<b>Fiscal Year</b>	<b>Tax Year</b>	<b>City of Corpus Christi General Fund</b>	<b>City of Corpus Christi Debt Service</b>	<b>Total City of Corpus Christi</b>	<b>Calallen ISD</b>	<b>Corpus Christi ISD</b>	<b>Corpus Christi Junior College District</b>	<b>Flour Bluff ISD</b>	<b>London ISD</b>	<b>Nueces County</b>	<b>Nueces County Farm Roads and Flood Control</b>
2008	2007	0.364671	0.199175	0.563846	1.276500	1.176050	0.241782	1.069500	1.143800	0.351340	0.004338
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

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	0.144782	-	-	1.058300	1.254000	1.332200	1.340000	-	-
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

**City of Corpus Christi**

**Table 8**

**PRINCIPLE PROPERTY TAXPAYERS  
SEPTEMBER 30, 2017 AND JULY 31, 2008**

Name of Taxpayer	2017			2008		
	Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
American Electric Power Texas Central Co.	\$ 216,491,210	1	1.1092 %	\$ 121,280,080	1	0.9250 %
Barney M. Davis	132,801,870	2	0.6804 %			
Corpus Christi Retail Venture LP	94,576,372	3	0.4846 %			
H.E. Butt Grocery Company	91,707,212	4	0.4699 %	58,878,328	4	0.4491 %
Bay Area Healthcare	71,795,284	5	0.3679 %	50,004,843	7	0.3814 %
Markwest Javelina Pipeline Company	63,705,650	6	0.3264 %			
Magellan Processing Co.	60,000,000	7	0.3074 %			
Camden Property Trust	47,465,647	8	0.2432 %			
Wal-Mart Stores	40,883,661	9	0.2095 %	45,695,687	8	0.3485 %
Sendera Baypoint Partners LP	35,621,390	10	0.1825 %			
Markwest Energy Partners LP				70,753,370	2	0.5397 %
Padre Staples Mall, LP				64,972,156	3	0.4956 %
SABCO Operating Company				57,921,940	5	0.4418 %
Southwestern Bell Telephone				53,981,010	6	0.4117 %
Zohouri Development Mustang Island LLC				36,481,984	9	0.2783 %
TRT Development Company				36,542,518	10	0.2787 %
	<u>\$ 855,048,296</u>		<u>4.38 %</u>	<u>\$ 596,511,916</u>		<u>4.55 %</u>

Source: Nueces County Appraisal District

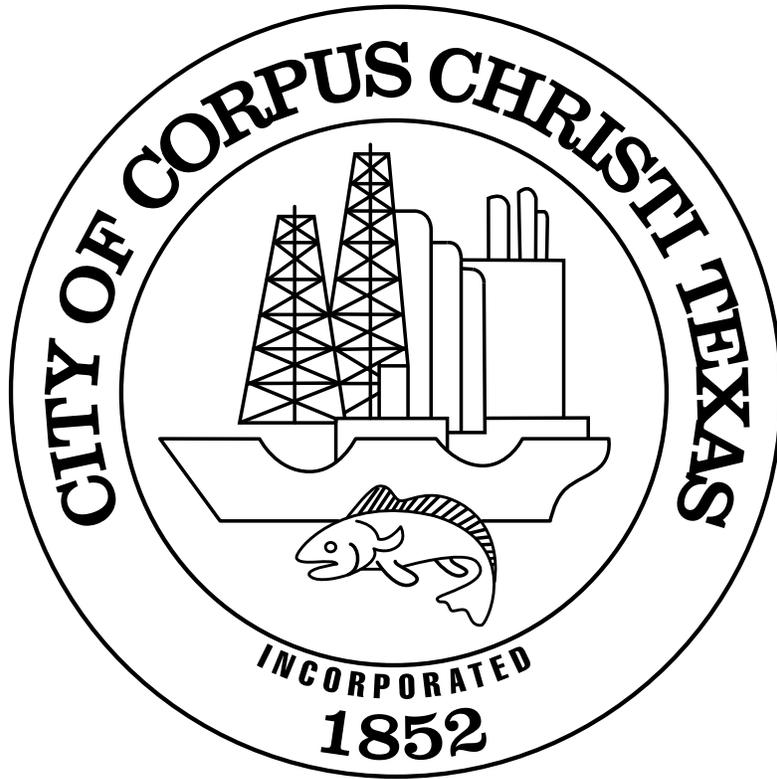
**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

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
2008	2007	\$ 72,029,119	\$ 70,048,380	97.25 %	\$ 1,794,820	\$ 71,843,200	99.74 %
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 %	-	111,584,718	97.90 %

**ADOPTED TAX RATE  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended July 31 through 2013, September 30 Thereafter</b>	<b>Tax Year</b>	<b>Total Assessed Valuation</b>	<b>Assessments Rate</b>	<b>Gross Tax Rate (1)</b>
2008	2007	\$ 13,110,832,851	100%	0.563846
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

(1) As permitted by the Constitution of the State of Texas, home rule cities of over 5,000 population shall have a total tax allowable of \$2.50 and shall have a bond allowable of \$1.50 per \$100 valuation (unless City Charter provides less). The State allowables are computed based on 90% collections. On April 3, 1993, the citizens of Corpus Christi voted to amend the City Charter which contained a tax limitation of \$0.68 per \$100 of assessed valuation for all purposes including debt service. The amended Charter provided for the tax rate to increase up to the State limit for voter approved debt after April 4, 1993.



## City of Corpus Christi

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### 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
2008	\$ 152,030,000	\$ 30,885,695	\$ 114,480,000	\$ 9,102,549	\$ 25,510,000
2009	231,525,000	28,745,695	110,095,000	10,766,432	7,510,000
2010	232,020,000	37,255,695	105,460,000	11,395,885	5,295,000
2011	219,025,000	34,690,401	100,165,000	9,939,798	4,300,000
2012	251,195,000	32,821,649	94,485,000	7,338,742	10,665,000
2013	359,454,849	11,817,334	89,258,322	5,826,454	9,055,000
2014	336,640,896	11,018,552	76,610,083	6,319,117	24,405,000
2015	395,180,000	9,032,571	65,105,000	5,801,241	25,505,000
2016	447,095,352	34,301,898	60,988,890	17,485,569	20,286,021
2017	421,503,314	34,437,490	52,949,459	14,327,841	16,225,000

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 17, 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

General Obligation Bonds	Certificates of Obligation	Business-Type Activities				Total Primary Government	Percentage of Personal Income	
		Priority Revenue Bonds	Junior Lien Revenue Bonds	Capital Leases	Utility Notes		Per Capita	
\$ -	\$ 47,524,305	\$ 479,220,000	\$ -	\$ 4,591,194	\$ 166,018,108	\$ 1,029,361,851	7.91 %	\$ 3,461
-	58,484,305	546,875,000	-	5,006,444	164,625,035	1,163,632,911	7.99 %	3,912
-	57,184,305	525,780,000	-	6,288,391	160,481,095	1,141,160,371	7.89 %	3,739
-	61,149,599	572,095,000	-	8,318,853	156,204,665	1,165,888,316	7.42 %	3,789
18,220,000	59,388,351	576,810,000	-	6,860,263	152,512,889	1,210,296,894	7.70 %	3,878
68,204,912	19,889,739	453,480,430	246,054,017	8,158,202	148,593,654	1,419,792,913	8.59 %	4,550
66,185,000	17,017,275	416,345,000	306,290,000	9,278,830	144,435,976	1,414,545,729	7.93 %	4,417
64,215,000	12,512,429	336,420,000	587,835,000	10,250,013	139,028,374	1,650,884,628	11.67 %	5,152
17,711,813	10,892,566	240,362,810	711,077,165	1,712,830	50,589,610	1,612,504,524	11.39 %	5,032
17,216,434	9,813,543	187,355,053	714,497,296	2,293,761	42,207,147	1,512,826,338	10.30 %	4,668

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended July 31 through 2013, September 30 Thereafter</b>	<b>General Obligations Bonds</b>	<b>Certificates of Obligation</b>	<b>Less Amounts Available in Debt Service Funds</b>	<b>Total</b>	<b>Percentage of Actual Taxable Value</b>	<b>Per Capita(1)</b>
2008	\$ 152,030,000	\$ 30,885,695	\$ 16,591,514	\$ 166,324,181	1.0709%	\$ 559.17
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

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, 2017**

	<u>Net Direct Debt</u>		<u>Estimated % of Debt Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
	<u>Amount</u>	<u>As of</u>		
<b>City</b>				
City of Corpus Christi, Texas - direct	\$ 539,443,104	9/30/2017	100.00 %	\$ 539,443,104
<b>County</b>				
Nueces County (excluding special districts)	119,582,535	9/30/2017	70.54 %	84,353,520
<b>School District</b>				
Calallen Independent School District	39,604,100	9/30/2017	56.68 %	22,447,604
Corpus Christi Independent School District	523,866,300	9/30/2017	88.30 %	462,573,943
Flour Bluff Independent School District	46,680,548	9/30/2017	99.60 %	46,493,826
London Independent School District	16,927,953	9/30/2017	56.11 %	9,498,274
Port Aransas Independent School District	9,666,363	9/30/2017	13.23 %	1,278,860
Robstown Independent School District	52,450,095	9/30/2017	0.48 %	251,760
Tuloso-Midway Independent School District	61,852,505	9/30/2017	35.52 %	21,970,010
West Oso Independent School District	23,640,540	9/30/2017	93.46 %	22,094,449
<b>Other</b>				
Corpus Christi Junior College District	130,830,145	9/30/2017	81.59 %	106,744,315
Nueces County Hospital District	-	9/30/2017	N/A	-
Total overlapping debt	<u>1,025,101,084</u>			<u>777,706,561</u>
Total direct and overlapping debt	<u>\$ 1,564,544,188</u>			<u>\$ 1,317,149,665</u>

NOTE B: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The percentage of overlapping debt applicable is estimated by the percentage of overlapping assessed value of each government that is within the boundaries of the City.

## City of Corpus Christi

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### LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

	Fiscal Year			
	2008	2009	2010	2011
Debt limit	\$ 1,553,126,690	\$ 1,622,011,635	\$ 1,712,352,047	\$ 1,736,227,525
Total net debt applicable to limit	239,358,486	316,130,699	319,831,481	304,728,093
Legal debt margin	<u>\$ 1,313,768,204</u>	<u>\$ 1,305,880,936</u>	<u>\$ 1,392,520,566</u>	<u>\$ 1,431,499,432</u>
Total net debt applicable to the limit as a percentage of debt limit	15.41 %	19.49 %	18.68 %	17.55 %

(1) Assessed value is based on the appraised value of property prior to any deductions for exemptions. The assessed value is derived from the certified valuations provided by the Nueces County Tax Appraisal District as of July 25, 2017.

Note: Beginning with fiscal year 2013, debt is reported net of related premiums and discounts.

**City of Corpus Christi**

**Table 14**

<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
\$ 1,789,689,744	\$ 1,920,227,729	\$ 2,072,955,370	\$ 2,239,723,568	\$ 2,390,145,118	\$ 2,555,795,951
<u>355,431,178</u>	<u>452,909,000</u>	<u>446,149,479</u>	<u>495,667,466</u>	<u>487,813,988</u>	<u>461,941,248</u>
<u>\$ 1,434,258,566</u>	<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>\$ 2,093,854,703</u>
19.86 %	23.59 %	21.52 %	22.13 %	20.41 %	18.07 %

**Legal Debt Margin Calculation for Fiscal Year 2017**

Assessed value <sup>1</sup>	\$ 25,557,959,507
Debt limit (10% of total assessed value)	<u>2,555,795,951</u>
Debt Applicable to Limit:	
Gross Bonded Debt	474,030,000
Net position in Debt Service Fund	<u>12,088,752</u>
Total net debt applicable to limit	<u>461,941,248</u>
Legal debt margin	<u>\$ 2,093,854,703</u>

**City of Corpus Christi**

**PLEGGED - 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
2008	\$ 174,023,636	\$ 121,130,851	\$ 52,892,785	\$ 22,715,000	\$ 18,133,573	1.29
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

\* 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	\$ 1,908,416	\$ 1,303,814	604,602	\$ -	\$ 48,967	12.35
2016	1,919,347	1,448,170	471,177	140,000	75,900	2.18
2017	2,039,742	1,358,800	680,942	145,000	71,625	3.14

Net Revenue Available for Junior Lien Debt Service	Junior Lien Bonds Annual Debt Service Requirements			Coverage
	Principal	Interest		
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
\$ 44,394,773	\$ 8,010,000	\$ 6,744,667		3.01
60,274,940	8,375,000	13,332,367		2.78
52,545,462	10,015,000	14,502,219		2.14
69,080,016	12,595,000	26,658,363		1.76
78,347,046	17,940,000	29,201,884		1.66

**City of Corpus Christi**

**Table 16**

**DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Personal Income (2)</b>	<b>Per Capita Personal Income (2)</b>	<b>Median Age (3)</b>	<b>School Enrollment Rate (4)</b>	<b>Unemployment Rate (5)</b>
2008	297,447	\$ 13,006,066,000	\$ 37,700	34.6	38,754	4.8
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	5.9

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, city civilian labor force
- (6) U. S. Census Bureau - 2010 Census

## City of Corpus Christi

Table 17

### PRINCIPLE EMPLOYERS SEPTEMBER 30, 2017 AND JULY 31, 2008

Employer	2017			2008		
	Number of Employees	Rank	Percentage of Total City Employment **	Number of Employees	Rank	Percentage of Total City Employment
Corpus Christi Independent School District	5,944	1	3.05 %	4,776	2	2.71 %
Naval Air Station Corpus Christi	4,500	2	2.31 %	1,630	9	0.93 %
H.E.B. Grocery Company	3,840	3	1.97 %	2,539	5	1.44 %
Christus Spohn Health System	3,397	4	1.75 %	4,260	3	2.42 %
Christus Spohn Health System	3,386	5	1.74 %	4,876	2	2.77 %
Corpus Christi Army Depot	3,105	6	1.60 %	3,434	4	1.95 %
Driscoll Children's Hospital	2,136	7	1.10 %	1,705	8	0.97 %
Corpus Christi Medical Center	1,885	8	0.97 %			
Bay Ltd.	1,700	9	0.87 %	2,500	6	1.42 %
Del Mar College	1,506	10	0.77 %			
Texas A&M Corpus Christi				1,994	7	1.13 %
Corpus Christi Medical Center				1,347	10	0.77 %
<b>Total</b>	<b>31,399</b>		<b>16.13 %</b>	<b>29,061</b>		<b>16.51 %</b>

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			
	2008	2009	2010	2011
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	2.00	1.00
ACM - General Government	-	-	-	-
City Attorney	26.00	26.00	26.00	25.00
City Manager	3.00	4.00	4.00	3.00
City Secretary	7.00	6.00	6.00	6.00
Comprehensive Planning	-	-	-	-
Housing & Community Development (formerly Neighborhood Services)	24.80	26.80	27.00	19.90
Economic development office	2.00	2.00	2.00	-
Education advisor	1.50	1.00	-	-
Engineering - Special Services	9.00	19.00	15.00	18.00
Code enforcement	-	-	-	-
Finance	57.00	53.00	50.00	46.00
Office of Management and Budget	9.00	8.00	8.00	8.00
Fire	414.00	432.00	432.00	429.00
Civilian	-	-	-	-
Sworn Firefighters	-	-	-	-
Health Services	71.50	71.50	68.00	66.00
Animal Care and Control Services	-	-	-	-
Human Relations	6.00	6.00	6.00	6.00
Human Resources	22.00	20.00	20.00	17.00
City Auditor	2.00	1.00	-	-
Intergovernmental Relations	-	1.00	1.00	1.00
Library Services	74.00	73.00	70.50	62.60
Municipal Court - Administration	46.00	48.00	45.00	42.00
Municipal Court - Judicial	35.94	34.08	30.08	30.90
Museum	22.80	22.70	21.70	21.70
Parks and recreation	300.07	299.32	279.64	263.23
Police	619.00	621.00	625.50	635.50
Civilian	-	-	-	-
Sworn Officers	-	-	-	-
Public Information (Communications)	3.00	5.00	4.00	4.00
Street and Solid Waste Services	305.00	298.00	290.00	286.00
Total	2,065.61	2,083.40	2,036.42	1,994.83

(Continued)

City of Corpus Christi

Table 18

Fiscal Year						
2012	2013	2014	2015	2016	2017	
2.00	2.00	2.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	-	-	-	-
1.00	1.00	-	2.00	2.00	2.00	2.00
-	-	-	1.00	1.00	1.00	1.00
23.00	21.00	21.00	27.00	25.00	25.00	25.00
3.00	3.00	5.00	5.50	5.50	5.50	5.50
6.00	6.00	6.00	6.00	6.00	6.00	6.00
-	-	-	-	2.00	2.00	2.00
19.90	21.90	20.70	1.00	1.00	1.00	1.00
-	-	-	-	-	-	-
-	-	-	-	-	-	-
23.00	7.00	-	-	-	-	-
-	-	-	21.00	22.00	22.00	22.00
51.00	51.00	51.00	51.00	51.00	51.00	51.00
8.00	8.00	9.00	9.00	9.00	9.00	9.00
429.00	428.00	429.00	429.00	429.00	429.00	429.00
-	-	-	-	-	-	15.00
-	-	-	-	-	-	414.00
61.00	33.00	34.00	34.50	31.50	31.50	31.50
-	-	-	29.00	32.00	37.00	37.00
6.00	6.00	6.00	6.75	6.00	6.00	6.00
16.00	17.00	17.00	18.00	18.00	18.00	18.00
3.00	4.00	4.00	4.00	4.00	4.00	4.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00
52.35	52.35	52.35	53.35	53.35	53.35	53.35
59.00	57.00	62.00	63.00	63.00	63.00	63.00
8.72	8.90	8.90	7.90	8.85	8.85	8.85
17.40	18.40	-	-	-	-	-
256.71	249.52	252.00	262.57	263.57	259.57	259.57
633.90	601.20	605.70	588.36	588.00	563.32	563.32
-	-	-	-	-	191.32	191.32
-	-	-	-	-	372.00	372.00
2.50	2.50	2.60	5.20	7.00	7.00	7.00
236.00	150.00	150.00	154.00	154.00	154.62	154.62
1,920.48	1,750.77	1,740.25	1,782.13	1,785.77	1,762.71	

## City of Corpus Christi

### FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

Function	Fiscal Year			
	2008	2009	2010	2011
<b>Enterprise Funds</b>				
Aviation	95.20	96.95	97.20	97.20
Golf Centers	29.50	29.50	29.50	29.50
Marina	14.00	14.00	15.00	15.00
Gas	134.80	134.80	135.80	137.00
Storm water	77.00	75.00	75.00	87.00
Wastewater	162.00	162.00	167.00	167.00
Water	157.00	163.00	166.00	167.00
ACM - Public Works	2.00	2.00	2.00	2.00
Utility Business Office	19.00	19.00	19.00	19.00
Utility Field Services	40.00	40.00	31.00	31.00
Office of environmental programs	2.00	5.00	5.00	5.00
Total	<u>732.50</u>	<u>741.25</u>	<u>742.50</u>	<u>756.70</u>
<b>Internal Service Funds</b>				
Engineering (formerly Capital Programs)	57.00	61.63	64.00	61.00
Risk Management - Administration	15.00	15.00	15.00	16.00
Employee Benefits - Administration	-	-	-	-
Fleet Maintenance Services	100.00	87.00	87.00	85.00
Facilities Maintenance Service	-	-	-	-
Municipal Information System	109.00	105.00	105.00	98.00
Stores	9.00	20.00	21.00	21.00
Total	<u>290.00</u>	<u>288.63</u>	<u>292.00</u>	<u>281.00</u>
<b>Special Revenue Funds</b>				
Street Services	-	-	-	-
State HOT Fund	-	-	-	-
Municipal Court - Case Manager Fund	-	-	-	-
Development Services	63.00	76.00	63.00	60.00
Visitor's Facilities Fund	11.00	10.00	10.00	10.00
Redlight Photo Enforcement	-	-	2.00	2.00
C.C. Crime Control District	65.60	65.60	65.60	65.60
Civilian	-	-	-	-
Sworn Officers	-	-	-	-
Health 1115 Waver	-	-	-	-
Local Emergency Planning Committee	1.00	1.00	1.00	1.00
Total	<u>140.60</u>	<u>152.60</u>	<u>141.60</u>	<u>138.60</u>
<b>Total operating budget FTE's</b>	<u>3,228.71</u>	<u>3,265.88</u>	<u>3,212.52</u>	<u>3,171.13</u>

Source: City of Corpus Christi Office of Management and Budget

**City of Corpus Christi**

**Table 18  
(Continued)**

<b>Fiscal Year</b>					
<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
91.40	91.40	82.00	82.00	83.00	82.00
-	-	-	-	-	-
15.00	15.00	15.00	15.00	15.00	15.00
135.00	135.00	152.00	153.00	153.00	153.00
87.00	87.00	87.00	85.00	82.00	81.00
168.00	168.00	168.00	160.00	165.00	156.00
161.00	165.40	193.40	200.40	206.40	216.40
2.00	2.00	2.00	2.00	2.00	2.00
20.00	20.00	20.00	21.00	32.00	32.00
30.00	30.00	-	-	-	-
5.00	5.00	-	8.00	-	-
<u>714.40</u>	<u>718.80</u>	<u>719.40</u>	<u>726.40</u>	<u>738.40</u>	<u>737.40</u>
58.00	57.00	59.00	75.00	76.00	76.00
20.00	20.00	20.00	19.00	19.00	12.00
-	-	-	-	-	7.00
77.00	77.00	79.00	59.00	59.00	59.00
-	-	-	23.00	29.00	28.00
94.00	93.00	93.00	96.00	96.00	96.00
20.00	20.00	20.00	20.00	20.00	20.00
<u>269.00</u>	<u>267.00</u>	<u>271.00</u>	<u>292.00</u>	<u>299.00</u>	<u>298.00</u>
-	-	-	132.00	132.00	132.00
-	-	-	-	-	15.70
-	-	-	3.00	3.00	3.00
60.00	59.00	62.00	63.00	62.50	60.50
10.00	11.00	11.00	13.00	13.00	13.00
2.00	2.00	2.00	2.00	3.00	3.00
64.60	63.60	66.60	79.60	78.60	78.60
-	-	-	-	-	15.60
-	-	-	-	-	63.00
-	-	-	-	4.00	4.00
1.00	1.00	1.00	1.00	1.00	1.00
<u>137.60</u>	<u>136.60</u>	<u>142.60</u>	<u>293.60</u>	<u>297.10</u>	<u>310.80</u>
<u>3,041.48</u>	<u>2,873.17</u>	<u>2,873.25</u>	<u>3,094.13</u>	<u>3,120.27</u>	<u>3,108.91</u>

# City of Corpus Christi

## OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

Function	Fiscal Year			
	2008	2009	2010	2011
<b>Police</b>				
Physical arrests	14,440	17,786	17,036	17,928
Parking violations	23,973 *	23,976 *	18,705 *	7,925 *
Traffic violations	53,355	51,778	51,082	41,216
Number of commissioned police officers	448	451	451	451
Number of employees - police officers and civilians	672	711	711	711
Officers per 1000 population	1.51	1.52	1.48	1.47
School crossing guards	91	91	91	91
<b>Fire</b>				
Number of calls answered	37,492	39,115	38,939	39,667
Inspections	4,641	5,342	5,272	4,116
Number of firefighters	394	403	414	398
Number of employees - firefighters and civilians	419	423	429	414
Employees per 1,000 population	1.32	1.35	1.36	1.29
State Fire Insurance Credit Rating	Class 3	Class 2	Class 2	Class 2
<b>Streets</b>				
Street resurfacing (square yards)	367,266	267,817	549,631	693,586
Potholes repaired	97,634	N/A	213,805	158,827
<b>Parks and recreation</b>				
Number of registered youth participants in Latchkey afterschool program	N/A	2,478	2,396	2,497
Number of meals served at Senior Centers	103,431	104,155	95,954	106,995
<b>Libraries</b>				
Number of volumes	405,225	431,098	484,442	661,332
Circulation	1,241,042	1,339,242	1,344,845	1,247,799
Library cards in force	150,712	150,712	153,222	201,863
Computer usage, sessions	-	-	-	-
Number of website hits	-	25,084,906	10,041,335	5,114,607
Number of in-house personal computer users	203,480	240,525	282,360	255,923
<b>Solid Waste</b>				
Refuse collected (tons/day)	386	378	382	378
Recyclables collected (tons/day)	13.0	12.3	11.7	31.7
<b>Water</b>				
New connections (UBO)	474	265	236	236
Water main breaks	2,022	1,706	1,507	1,584
Average daily consumption (thousands of gallons)	94,541	102,025	94,637	99,271
Average daily gallons treated & raw water sold	94,541,688	102,025,373	94,637,901	99,271,184
Average water treated (thousand of gallons)	65,860	68,888	63,197	67,592
Average daily consumption per capita (gallons)	119	128	118	125
Residential per capita consumption gallons/day	77	81	76	80
<b>Gas</b>				
Average daily consumption (mcf)	8,498	8,626	8,466	9,050
<b>Wastewater</b>				
Average daily sewage treatment (thousands of gallons)	28,808	26,867	29,691	28,152
<b>Airport</b>				
Number of airports	1	1	1	1
Number of acres	2,657	2,657	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

2012	2013	2014	2015	2016	2017
17,895	17,366	22,159	16,957	18,683	18,264
7,705	9,694	20,241	12,538	9,855	7,558
39,145	48,226	60,880	10,983	47,799	44,717
451	451	449	439	448	446
685.8	685.8	672.0	684	722	651
1.50	1.40	1.40	1.40	1.40	-
28	28	-	-	-	30
42,923	44,933	55,242	47,653	51,522	50,030
6,093	6,945	7,312	6,380	6,961	5,387
414	414	414	414	414	414
431	431	431	430	430	430
1.36	1.38	1.37	1.36	0.74	0.74
Class 2	Class 2	Class 2	Class 2	Class 2	Class 2
600,387	408,439	435,847	760,413	823,452	1,061,802
126,696	109,070	166,405	259,663	222,090	165,434
2,375	2,240	2,515	2,529	23,918	28,914
93,516	91,486	90,276	81,605	78,984	79,198
412,386	358,544	386,633	357,454	356,449	320,621
709	800,285	925,998	788,888	813,784	758,186
217,247	228,041	179,831	25,963	205,929	174,719
-	-	-	222,350	202,656	182,655
9,723,058	12,500,511	8,039,479	4,983,149	3,766,020	3,148,058
184,137	221,891	273,763	222,350	202,656	182,655
376	350	368	407	417	442
5.0	53	55	55	55	53
217	1,282	1,465	1,439	1,081	927
1,966	1,409	2,025	1,295	905	1,439
104,316	100,563	97,689	91,500	89,540	70,900
104,316,132	100,562,948	97,689,000	91,500,000	89,540,106	70,900,000
69,919	68,029	65,821	64,527	62,380	62,933
122	107	103	92	97	182
78	70	67	60	63	64
8,033	8,535	11,733	10,611	9,038	9,117
25,776	25,648	30,722	30,041	28,254	26,323
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			
	2008	2009	2010	2011
General Government				
Buildings: (City owned)				
Total square footage, approximate	2,883,975	2,883,975	2,883,975	2,883,975
Police				
Stations	4	5	5	5
Patrol units	295	354	244	244
Area of responsibility - land area (square miles)	150.48	150.48	150.48	150.48
Fire				
Fire stations	16	17	17	17
Fire apparatus	30	30	30	30
Number of fire hydrants	8,479	8,800	8,890	9,007
Other motorized vehicles	77	77	77	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)	1,123	1,139	1,172	1,178
Streetlights	16,767	16,874	17,053	17,166
Traffic signals	N/A	N/A	N/A	N/A
Libraries				
Number of libraries	5	6	6	6
Parks and recreation				
Parks acreage	1,418	1,418	1,420	1,420
Parks	190	191	194	196
Swimming pools	9	9	9	9
Tennis courts	37	37	37	37
Community centers	5	5	5	5
Park acreage partially developed	168	384	386	389
Playgrounds	131	139	143	140
Municipal beaches	4	4	4	4
Baseball diamonds	4	4	4	5
Softball diamonds	5	5	5	4
Senior centers	8	8	8	8
Gymnasiums	2	2	2	3
Covered basketball courts	3	4	4	5
Water				
Water mains (miles)	1,584	1,624	1,629	1,636
Fire hydrants	8,479	8,800	8,890	9,007
Maximum daily capacity (thousands of gallons)	97,850	96,220	95,450	92,670
Water connections - active	84,442	87,042	90,957	90,928
Storm water drainage ditches (miles)	610	602	552	501
Storm water underground pipe (miles)	606	632	675	630

Sources: Various City department

City of Corpus Christi

Table 20

2012	2013	2014	2015	2016	2017
3,740,189	3,474,290	2,453,733	2,270,914	2,328,831	2,328,831
5	5	5	5	5	4
244	244	244	244	244	162
150.48	150.48	150.48	150.48	150.00	154.60
17	17	17	17	17	18
30	30	30	29	22	29
10,451	10,451	10,879	10,790	10,809	10,730
88	88	90	84	11	84
N/A	N/A	N/A	N/A	89	89
N/A	N/A	N/A	N/A	63	61
1,181	1,183	1,201	1,221	1,221	1,201
17,315	17,191	17,264	16,115	16,046	16,051
242	243	245	246	247	247
6	6	6	6	6	6
1,690	1,690	1,690	1,690	1,688	2,118
196	196	196	196	195	191
9	6	6	6	6	6
37	37	37	37	37	2
5	5	5	5	5	5
389	389	389	389	389	210
140	140	140	133	127	144
4	4	4	4	4	2
5	2	2	2	2	67
4	4	4	4	4	70
8	8	8	8	8	8
3	3	3	3	3	2
5	5	5	5	5	2
1,654	1,677	1,687	1,693	1,701	1,725
10,451	10,451	10,879	10,718	10,809	10,730
130,500	93	87,800.00	161,000	161,000	161,000
93,927	93,123	104,065	97,970	98,640	87,763
501	501	580	666	666	642
630	630	600	634	637	635

**City of Corpus Christi**

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**CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

<b>Function</b>	<b>Fiscal Year</b>			
	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Gas				
Gas mains (miles)	1,337	1,349	1,354	1,399
Gas connections - active	53,688	54,162	55,467	60,430
Wastewater				
Sanitary sewers (miles)	1,265	1,269	1,271	1,282
Maximum daily treatment capacity (thousands of gallons)	44,700	44,700	44,700	44,700
Sewer connections	81,823	82,948	83,174	83,250
Lift stations	97	97	99	99
Airport				
Length of main runways	13,588	13,588	13,588	13,588
Scheduled airline arrivals and departures per year	16,306	17,056	16,560	17,130
Passengers enplaning and deplaning (including commercial helicopters)	861,641	750,080	706,133	688,051
Golf centers				
Municipal golf courses	2	2	2	2
Municipal golf links - acres	376	376	376	376
Marina				
Marina slips	590	590	626	626

**City of Corpus Christi**

**Table 20  
(Continued)**

<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
1,402	1,405	1,417	1,423	1,430	1,470
62,260	62,667	54,413	54,413	55,427	55,045
1,286	1,293	1,300	1,288	1,291	1,298
44,700	44,700	42,700	42,700	42,700	42,700
84,338	85,602	84,681	86,467	86,980	88,175
100	100	100	100	102	103
13,588	13,588	13,588	13,590	13,590	13,590
17,130	17,053	21,476	16,809	16,789	16,809
672,130	644,570	807,754	693,756	678,377	660,683
2	2	2	2	2	2
376	376	376	376	376	376
578	513	471	586	586	586

# City of Corpus Christi

## MISCELLANEOUS STATISTICAL DATA FISCAL YEAR ENDED SEPTEMBER 30, 2017

GOVERNMENT: (1)

Date of incorporation	1852
Charter:	
Revised	July 13, 1968
Revised	September 15, 1970
Revised	January 22, 1975
Revised	April 5, 1980
Revised	August 11, 1984
Revised	April 4, 1987
Revised	January 19, 1991
Revised	April 3, 1993
Revised	November 2, 2004
Revised	November 7, 2006
Revised	November 2, 2010
Revised	November 8, 2016
Form of government:	Council Manager Government
Fiscal year begins	October 1st
Number of City employees	3,105

GEOGRAPHICAL LOCATION: Southeastern Cost of Texas on the Gulf of Mexico  
approximately 150 miles north of the Mexican border.

Total primary government net position	Land (sq. miles)	174.6	
	Water (sq. miles)	<u>329.0</u>	
		<u><u>503.6</u></u>	

POPULATION:	<u>Year</u>	<u>Trade Area</u>	<u>Population</u>
	1950	293,661	108,287
	1960	382,423	167,690
	1970	359,523	204,525
	1980	400,500	232,134
	1990	(Census) 367,786	257,453
	2000	(Census) 403,242	277,454
	2008	485,885	297,447
	2009	415,376	297,447
	2010	(Census) 428,188	305,215
	2011	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

ELEVATION: (2) Sea level to 85 feet, average 35 feet

TEMPERATURE: (3) 84.88° F maximum average  
65.80° F minimum average  
75.34° F mean average

SEASONAL RAINFALL: (3)  
28.24 inches for fiscal year ended September 30, 2017

Source: (1) City Staff  
(2) Port of Corpus Christi  
(3) National Weather Service [www.ncdc.noaa.gov](http://www.ncdc.noaa.gov)

# City of Corpus Christi

**Table 21**

PORT OF CORPUS CHRISTI: (2)	
Tonnage handled through the Port during the calendar year 2016	94,292,335
Number of ships handled during the calendar year 2016	1,684
Number of barges handled during the calendar year 2016	4,682

Public Docks:	
Bulk liquid	13
Dry cargo	7
Bulk materials	2
	22
	22
Private Docks:	
Bulk liquid -	
Citgo	7 - Main Harbor
Equistar	1 - Main Harbor
Flint Hills	3 - Main Harbor
Flint Hills	1 - Ingleside
Nu Star	1 - Main Harbor
Trafigura	5 - Main Harbor
Valero	6 - Main Harbor
Occidental Energy (NSI)	6 - Ingleside
Koch Gathering	1 - Ingleside
Dry Cargo -	
Bay, Inc	1 - Main Harbor
Heldenfels	1 - Main Harbor
Texas Lehigh Cement	1 - Main Harbor
Fordyce	1 - Main Harbor
Tor Minerals International, Inc.	1 - Rincon
McDermott	1 - Harbor Island
Gulf Marine Fabricators	2 - Ingleside
Kiewit Offshore Services, Inc.	1 - La Quinta
EMAS AMC	1 - La Quinta
Occidental Chemical	3 - La Quinta
Signet Maritime	1 - Jewell Fulton
Bulk materials -	
ADM/Growmark	1 - Main Harbor
Interstate Grain	1 - Main Harbor
Vulcan Materials	1 - Main Harbor
Sherwin Alumina	1 - La Quinta
Voestalpine	1 - La Quinta
	50
	50

Source: (1) City Staff  
 (2) Port of Corpus Christi  
 (3) National Weather Service [www.nws.noaa.gov](http://www.nws.noaa.gov)

**City of Corpus Christi**

**Table 22**

**CITY PAYROLL STATISTICS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Salaries</b>	<b>Social Security &amp; Medicare</b>	<b>Texas Municipal Retirement System</b>	<b>Fire Fighters' Retirement System</b>	<b>Total Paid</b>	<b>Number of Employees Last Payday of Year</b>
2008	\$ 133,145,260	\$ 7,991,390	\$ 15,603,377	\$ 3,575,262	\$ 160,315,289	3,309
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

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, 2017**

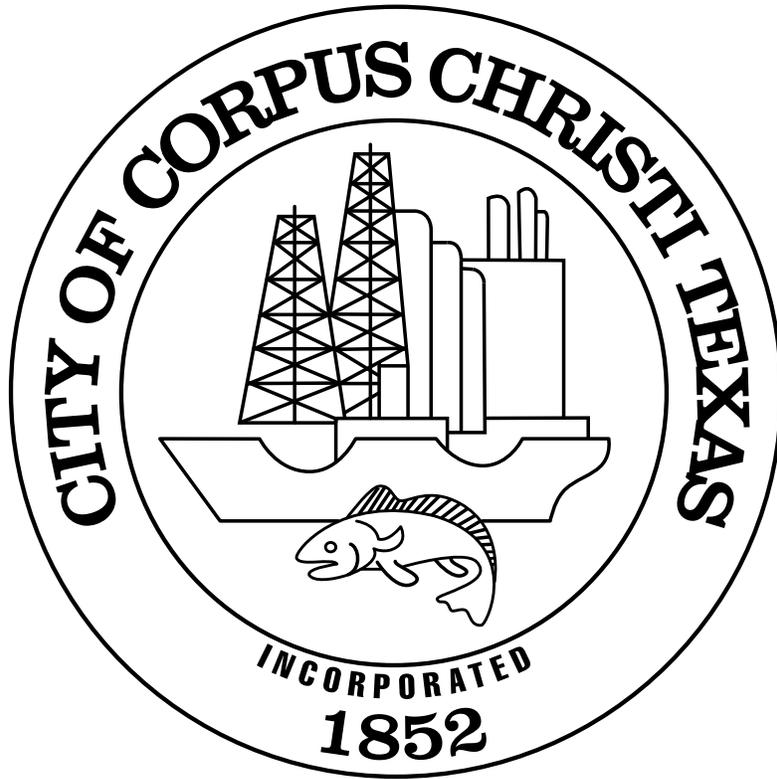
<b>Type of Insurance</b>	<b>Insurer and Expiration Date</b>	<b>Amount of Coverage</b>
<b>1. PROPERTY INSURANCE COVERAGES</b>		
Commercial Property & Wind Policy Scheduled City Properties	Multiple layers (Itemized Below) Expires 5-4-2018	\$250,000,000 all other perils,\$150,000,000 Named Storm coverage, \$50,000,000 Flood Building & Personal Property Blanket Coverage 2%, Named Storm, \$100,000 Minimum/ \$4,000,000 Maximum Deductible \$50,000 All other Wind/Hail Deductible \$50,000 Deductible All Other Perils \$100,000 Flood Deductible; Except \$500,000 Deductible for Zones A&V \$50,000 Earthquake Deductible \$10,000 Electronic Data Protection and Personal Items Deductible (Replacement Cost Coverage)
<b>NAMED STORM - WIND COVERAGE</b>		
<b>Primary Coverage</b>		
Property & Wind Coverage Commercial City Properties	LEXINGTON Expires 5-4-2018	\$10,000,000 part of \$25,000,000 - Named Storm Primary Limit Building & Personal Property Blanket Coverage
Property & Wind Coverage Commercial City Properties	ACE/Westchester Expires 5-4-2018	\$5,000,000 part of \$25,000,000 - Named Storm Primary Limit Building & Personal Property Blanket Coverage
Property & Wind Coverage Commercial City Properties	AMRISC Expires 5-4-2018	\$2,500,000 part of \$25,000,000 - Named Storm Primary Limit Building & Personal Property Blanket Coverage
Property & Wind Coverage Commercial City Properties	Lloyd's of London Expires 5-4-2018	\$7,500,000 part of \$25,000,000 - Named Storm Primary Limit \$25,000,000 Excess of \$25,000,000 Primary Buildings & Personal Property Blanket Coverage
<b>Excess Coverage - First Layer</b>		
Excess Property & Wind Coverage Commercial City Properties	Ironshore Expires 5-4-2018	\$5,000,000 part of \$25,000,000 Excess of \$25,000,000 Primary - Named Storm Limit Buildings & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	RSUI Indemnity Expires 5-4-2018	\$5,000,000 part of \$25,000,000 Excess of \$25,000,000 Primary - Named Storm Limit Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Colony Insurance Co. Expires 5-4-2018	\$5,000,000 part of \$25,000,000 Excess of \$25,000,000 Primary - Named Storm Limit Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Markel/Evanston Expires 5-4-2018	\$2,500,000 part of \$25,000,000 Excess of \$25,000,000 Primary - Named Storm Limit Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Lloyd's of London Expires 5-4-2018	\$7,500,000 part of \$25,000,000 Excess of \$25,000,000 Primary - Named Storm Limit Building & Personal Property Blanket Coverage
<b>Excess Coverage - Second Layer</b>		
Excess Property & Wind Coverage Commercial City Properties	Scottsdale Expires 5-4-2018	\$45,000,000 part of \$100,000,000 Excess of \$50,000,000 - Named Storm Limit 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

ALL FUNDS  
INSURANCE AND SURETY BONDS IN FORCE  
FISCAL YEAR ENDED SEPTEMBER 30, 2017

Type of Insurance	Insurer and Expiration Date	Amount of Coverage
Commercial City Properties	Expires 5-4-2018	Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	LIU (Liberty Surplus) Expires 5-4-2018	\$15,000,000 part of \$100,000,000 Excess of \$50,000,000 - Named Storm Limit Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Colony Insurance Co. Expires 5-4-2018	\$5,000,000 part of \$100,000,000 Excess of \$50,000,000 - Named Storm Limit Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Markel/Evanston Expires 5-4-2018	\$10,000,000 part of \$100,000,000 Excess of \$50,000,000 - Named Storm Limit Building & Personal Property Blanket Coverage
<b>ALL PERILS PROPERTY COVERAGE EXCLUDING NAMED STORM WIND</b>		
<b>Property Coverage</b> Commercial City Properties	One Beacon (Homeland Insurance Co.) Expires 5-4-2018	\$100,000,000 Excess of \$150,000,000 All other Perils excluding Named Storm Wind Building & Personal Property Blanket Coverage
<b>EQUIPMENT BREAKDOWN COVERAGE</b>		
<b>2. Boiler &amp; Machinery</b>		
<b>Coverage</b> Commercial City Properties	CNA (Continental Casualty) Expires 5-4-2018	\$100 Million Property Damage \$2,500 Property Damage per occurrence Deductible
<b>3. FLOOD COVERAGE</b>		
Primary Flood Specified City Buildings	National Flood Program/ Selective Insurance Expires - Various (see below) <i>February, March, June, July, August, September, October, November expiration dates</i>	Building &/or contents values up to maximum of \$500,000 per building &/or \$500,000 per contents per location \$2,000 deductible per building/ per contents (specified locations) - Standard Program \$1,250 deductible per building/ per contents (specified locations) - Preferred Risk Program
<b>4. Airport Liability</b>		
Primary Airport Liability Primary Aviation	Texas Municipal League Expires 11-4-2017	\$25,000,000 Limit of Liability \$5,000 per occurrence deductible and \$10,000 annual aggregate deductible
Excess Airport Liability Excess Aviation	ACE-Illinois Union Ins Co Expires 11-4-2017	\$50,000,000 Liability Limit in Excess of \$25,000,000 (\$75,000,000 max.)
<b>5. Employee Dishonesty / Crime Coverage</b>		
	Texas Municipal League Expires 11-4-2017	\$1,000,000 per occ. for Public Employee Dishonesty Forgery or Alteration, Theft, Disappearance and Destruction Computer Fraud; with \$10,000 Deductible;
<b>6. Excess General Liability, Public Officials</b>		
	Colony	\$5,000,000 each Accident of Occurrence Limit
<b>Employment &amp; Law Enforcement Liability</b>		
	Expires 10-1-2018	\$10,000,000 Aggregate Limit \$500,000 SIR
<b>7. Excess Workers' Compensation</b>		
	Colony Expires 10-1-2018	Workers Compensation Statutory \$650,000 SIR for Police, Fire, Gas Utility \$500,00 SIR for All Others
<b>8. Gas Utility Liability</b>		
	Texas Municipal League Expires 11-4-2017	\$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, 2017

Type of Insurance	Insurer and Expiration Date	Amount of Coverage
<b>LIABILITY INSURANCE COVERAGES</b>		
<b>9. General Liability</b>		
CCPD - Flint Hills Lease GL	Texas Municipal League Expires 11-4-2017	\$1,000,000 each occurrence \$1,000 deductible
<b>10. Special Events Policy</b>		
July 4th Celebration	Burlington Insurance Company Expires 7-4-2018	\$2,000,000 General Aggregate \$1,000,000 each Occurrence
<b>AUTO PHYSICAL DAMAGE COVERAGES</b>		
<b>11. Automobile Coverage</b>		
TB Clinic Van	Texas Municipal League Expires 11-4-2017	\$1,000,000 Bodily Injury & Property Damage \$25,000-Medical Payments Actual Cash Value - physical damage \$250 deductible
Fleet Catastrophic	Texas Municipal League Expires 11-4-2017	\$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 11-4-2017	Actual Cash Value - physical damage \$250 deductible \$500 deductible \$2500 deductible
<b>12. Animal Mortality and Theft</b>		
CCPD Canine	Texas Municipal League Expires 11-4-2017	As Scheduled



***Single Audit Section***





RSM US LLP

**Report on Internal Control Over Financial Reporting and on Compliance  
and Other Matters Based on an Audit of Financial Statements Performed  
in Accordance With Government Auditing Standards**

**Independent Auditor's Report**

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

We have audited, in accordance with the 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, the 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, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 30, 2018. Our report includes a reference to other auditors who audited the financial statements of the Corpus Christi Fire Fighters Retirement System, a fiduciary fund, American Bank Center Convention Center Fund and the American Bank Center Arena Operations Fund. The financial statements of the Corpus Christi Fire Fighters Retirement System, a fiduciary fund, American Bank Center Convention Center Fund and the American Bank Center Arena Operations Fund were not audited in accordance with *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be a material weakness and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be material weakness listed as item 2017-001.

**THE POWER OF BEING UNDERSTOOD**  
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A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies listed as items 2017-002, 2017-003, 2017-004, 2017-005, 2017-006, 2017-007 and 2017-008.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**City's Responses to the Findings**

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied to the audit of the financial statements and, accordingly, we express no opinion on them.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**RSM US LLP**

San Antonio, Texas  
March 30, 2018



RSM US LLP

**Report on Compliance for Each Major Federal Program  
and Report on Internal Control Over Compliance as  
Required by the Uniform Guidance**

**Independent Auditor's Report**

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

**Report on Compliance for Each Major Federal Program**

We have audited the City of Corpus Christi, Texas' (the City) compliance with the types of compliance requirements described in OMB Compliance Supplement that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2017. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2017.

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**Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance that is required to be reported in accordance with the Uniform Guidance and is described in the accompanying schedule of findings and questioned costs as item 2017-012. Our opinion on each major federal program is not modified with respect to this matter.

The City's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

**Report on Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2017-009, 2017-010 and 2017-011, which we consider to be significant deficiencies.

The City's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**RSM US LLP**

San Antonio, Texas  
March 30, 2018

# City of Corpus Christi

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## Schedule of Findings and Questioned Costs—Federal Grants Year Ended September 30, 2017

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### I – Summary of Auditor’s Results

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?     X     Yes            No

Significant deficiency(ies) identified that are not considered to be material weakness(es)?     X     Yes            None Reported

Noncompliance material to financial statements noted?            Yes     X     No

#### Federal Awards

Internal control over major programs:

Type of auditor’s report issued on compliance for major programs: Unmodified

Material weakness(es) identified?            Yes     X     No

Significant deficiency(ies) identified that are not considered to be material weakness(es)?     X     Yes            None Reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?     X     Yes            No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program</u>
20.205	Highway Planning and Construction
20.106	Airport Improvement Program
93.556	Promoting Safe and Stable Families

Dollar threshold used to distinguish between type A and type B programs:     \$859,456    

Auditee qualified as low-risk auditee?            Yes     X     No

**Schedule of Findings and Questioned Costs—Related to Financial Statements  
Year Ended September 30, 2017**

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**Section II—Findings Relating to the Financial Statement Audit as Reported in Accordance With  
Government Auditing Standards**

**(A) Internal Control Findings**

**Finding 2017-001—Accounts Payable Cut-off**

**Type of finding:** Material weakness

**Criteria:** Accounting principles generally accepted in the United States of America (U.S. GAAP) requires governments to accrue expenses at the end of the fiscal year for goods, services and other payments that are matured liabilities as of the balance sheet date.

**Condition:** During testing for proper recording of accounts payable, we found approximately \$8,700,000 in unrecorded accounts payable. These amounts were subsequently recorded by the City.

**Cause:** Part of the City's process to identify items that should have been accrued at the end of the fiscal year includes the preparation of a report from the City's accounting system that identifies invoices that the City has reviewed and identified as accounts payable. However, there was an error in the parameter of this report that generated a portion of the error. Additionally, other accruals were not detected during the City's normal review for accounts payable as of the end of the year.

**Effect:** Initially, the City had understated expenses/expenditures by approximately \$8,700,000. These errors were subsequently corrected and are reflected in the current-year financial statements.

**Recommendation:** The City should strengthen its process for recording accounts payable at the end of the fiscal year by communicating and training individuals responsible for entering payment information into the accounts payable system. Additionally, management of the City should increase the oversight of this process to ensure accounts payable are properly recorded as of fiscal year end.

**Views of responsible officials:** Management concurs with the finding. See corrective action plan.

**Finding 2017-002—Revenue Recognition for Certain Revenue Transactions**

**Type of finding:** Significant deficiency

**Criteria:** Voluntary nonexchange transactions should be recognized as revenue when all applicable eligibility requirements have been met and the resources are available, which is generally 60 days after the end of the fiscal year. Additionally certain "exchange-like" transactions, such as permits and similar fees, should be recognized when the exchange occurs.

**Condition:** During testing of grant revenue (voluntary nonexchange transaction), we noted \$685,667 of grant revenue was improperly recognized as revenue, since the related receivable was not collected within 60 days after the end of the fiscal year. An entry was required to decrease revenue and increase deferred inflow of resources—unavailable revenue in the Streets Capital Project Fund.

**Schedule of Findings and Questioned Costs—Related to Financial Statements (Continued)  
Year Ended September 30, 2017**

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Additionally, the City collects beach permits, which are shared with other local governments based on a revenue sharing agreement. Historically, the City has recorded these amounts as unearned revenue until the payments are made to the other governments; however, the City's portion should be recognized as revenue when the permit is issued and cash is collected and the portion collected on behalf of other governments should be recorded as an accrued liability. An entry was required to record additional revenue for beach permits in the amount of \$350,583 in the General Fund.

**Cause:** The City did not apply the appropriate revenue recognition criteria to the transactions listed above.

**Effect:** The City had a misstatement in the Streets Capital Project Fund of \$637,575 and the General Fund of \$350,593.

**Recommendation:** We recommend the City review all nonexchange transactions to ensure the resources are considered available before the revenue is recognized and to record the City's portion of beach fees when received.

**Views of responsible officials:** Management concurs with the finding. See corrective action plan.

**Finding 2017-003—Internal Control Over Certain Vendor Payments**

**Type of finding:** Significant deficiency

**Criteria:** Review and approval and expenditures is an integral part of the internal control activities of the City.

**Condition:** During our walk-through of the internal control activities of various types of expenditures, we noted certain vendor disbursements are not adequately reviewed to ensure the expenditure has been approved by the authorized individual. The City utilizes a process called "direct-pay" where the purchasing process is performed at the departmental level and does not utilize the City's purchasing department. Based on our observations and inquiries, the City does not have a standardized form to document approval of these type of purchases. Additionally, individuals processing "direct-pay" payments only review to ensure the invoice has been signed; however, they do not compare this signature to individuals authorized to approve the specific purchase.

**Cause:** The City does not have a formalized form documenting approval of "direct-pay" expenditures. Additionally, the City did not have a procedure in place to ensure signatures on "direct-pay" invoices are compared to listing of authorized approvers.

**Effect:** Although the City does have some mitigating controls, such as reviewing budget-to-actual expenditures and investigating variances, there is a risk that "direct-pay" expenditures were not authorized by the appropriate individuals.

**Recommendation:** We recommend the City strengthen its controls over "direct-pay" expenditures by developing a standardized form to document review, approval and other information for all "direct-pay" expenditures. Additionally, the City should compare the approver of this form to an authorized list of individuals designated to approve purchases.

**Views of responsible officials:** Management concurs with the finding. See corrective action plan.

**Schedule of Findings and Questioned Costs—Related to Financial Statements (Continued)  
Year Ended September 30, 2017**

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**Finding 2017-004—Schedule of Expenditures of Federal and State Awards**

**Type of finding:** Significant deficiency

**Criteria:** The City is required to prepare a schedule of expenditures of federal and state awards and report certain information regarding the City's federal and state grant programs.

**Condition:** During our testing of the schedule of expenditures of federal and state awards, we noted one program was listed solely as a state program; however, during testing, it was noted this program included both federal and state awards. Additionally, during our testing we noted \$565,583 in federal expenditures that were excluded from the schedule.

**Cause:** The City was not aware this program was funded by both federal and state sources. The City contacted the pass-through entity to determine the break-out between federal and state funding. Additionally, the City did not perform an adequate reconciliation of the schedule of expenditures to the City's general ledger.

**Effect:** Initially this program was reported solely as a state program in the amount of \$578,295; however, \$200,787 of this amount was reclassified to federal funds. Additionally, the schedule of expenditures of federal awards was understated by \$565,583.

**Recommendation:** We recommend the City strengthen its controls over federal and state programs to ensure expenditures are appropriately reported on schedule of expenditures of federal/state awards. When programs are split-funded, the City should follow-up with the funding agency to determine how to report the programs on the schedule of expenditures of federal/state awards.

**Views of responsible officials:** Management concurs with the finding. See corrective action plan.

**Finding 2017-005—Closure and Post-Closure Care Costs for City Landfills**

**Type of finding:** Significant deficiency

**Criteria:** Governments are required to accrue a liability for the closure and post-closure care costs for government owned landfills. Generally, these liabilities are based on engineering estimates as of the date of the financial statements and should be adjusted over time for factors such as inflation, changes in technology and changes in environmental requirements, among others. U.S. GAAP requires the estimates be reviewed and re-evaluated annually.

**Condition:** Based on a previous year finding, the City obtained an updated estimate of the post-closure liability for the City's closed landfill. As a result of the update, an adjustment was required to decrease the landfill liability by \$13,700,902. If the City had been re-evaluating this liability annually, this liability would have decreased incrementally over time.

**Cause:** In previous years, the City did not have an adequate process to re-evaluate this estimated liability. The City used information from an old engineering estimate in its annual calculation of this liability.

**Effect:** The City revised beginning net position and liabilities by \$13,700,902.

**Recommendation:** We recommend the City continue to re-evaluate its closure and post-closure liability on a periodic basis.

**Schedule of Findings and Questioned Costs—Related to Financial Statements (Continued)**  
**Year Ended September 30, 2017**

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**Views of responsible:** Management concurs with the finding. See corrective action plan.

**Finding 2017-006—Manual Journal Entries**

**Type of finding:** Significant deficiency

**Criteria:** Manual journal entries entered into the accounting system should only be made if reviewed and approved by the appropriate level of management.

**Condition:** During testing over journal entries we noted that, although the City has policies that require all manual journal entries to be approved by designated individuals and individuals cannot prepare and post their own journal entries, the accounting system is not designed to prevent this from occurring. While the City does have certain mitigating controls that could detect an unapproved journal entry, such as monthly reviews, reconciliations and established policies; it does not have a specific detective control to detect unapproved entries.

**Cause:** The City's accounting system does not have the capability to prevent an individual from posting an unapproved journal entry.

**Effect:** While we did not detect any violations of the City's policies regarding posting and approval of journal entries, an unapproved journal entry could have been posted and not detected by management, which could have resulted in an error.

**Recommendation:** We recommend the City investigate if there is a system configuration that could be installed to prevent unauthorized individuals from posting a journal entry to the accounting system. If a system configuration is unavailable, the City should formalize a detective control to monitor the system for unauthorized journal entries.

**Views of responsible:** Management concurs with the finding. See corrective action plan.

**Finding 2017-007—Allowance for Uncollectible Accounts**

**Type of finding:** Significant deficiency

**Criteria:** Accounts receivable balances should be reviewed to determine if the balance is collectible.

**Condition:** During testing of accounts receivable for the Streets Capital Projects Fund, we noted several balances that were not deemed collectible. The total amount determined not to be collectible is approximately \$2,180,000.

**Cause:** The City does not have a formal process in place to calculate an allowance for uncollectible accounts receivable related to the Streets Capital Projects Fund.

**Effect:** Accounts receivable and deferred inflows of resources were overstated in the governmental funds, and accounts receivable were overstated and bad-debt expense was understated by \$2,180,000 on the government-wide governmental activities financial statements.

**Schedule of Findings and Questioned Costs—Related to Financial Statements (Continued)**  
**Year Ended September 30, 2017**

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**Recommendation:** We recommend the City formalize policies and procedures to review accounts receivable at year-end to determine the need to record an allowance for uncollectible accounts in the Streets Capital Projects Fund.

**Views of responsible:** Management concurs with the finding. See corrective action plan.

**Finding 2017-008—Construction in Progress**

**Type of finding:** Significant deficiency

**Criteria:** Construction in progress projects should be reclassified to depreciable assets once substantially completed and placed into service.

**Condition:** During testing of construction in progress, we noted several projects were substantially completed in the Utility Fund; however, those projects were not reclassified to depreciable assets and depreciated as required by U.S. GAAP.

**Cause:** The City does not have an adequate process in place to identify projects that are substantially complete and placed into service.

**Effect:** Construction in progress in the amount of \$62,477,794 was reclassified from construction in progress to depreciable assets. An adjustment in the amount of \$780,357 was recorded to increase depreciation expense and accumulated depreciation in the Utility Fund.

**Recommendation:** We recommend the City develop a process to identify when projects are substantially completed and placed into service, so those projects can be capitalized to a depreciable asset and begin recording depreciation.

**Views of responsible:** Management concurs with the finding. See corrective action plan.

Schedule of Findings and Questioned Costs—Federal Grants  
Year Ended September 30, 2017

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Section III—Findings and Questioned Costs Related to Federal Awards

(A) Internal Control Findings

Finding 2017-009—Special Tests and Provisions—Wage Rate Requirements

U.S. Department of Transportation  
Highway Planning and Construction (CFDA No. 20.205)  
Federal Award Number: 0916-35-168/0916-35-197  
Federal Award Year: 2012 and 2016  
Type of Finding: Significant Deficiency

**Criteria:** All laborers and mechanics employed by contractors or subcontractors to work on construction contracts in excess of \$2,000 financed by federal assistance funds must be paid wages not less than those established for the locality of the project (prevailing wage rates) by the Department of Labor (DOL).

Nonfederal entities should monitor contractors and subcontractors to ensure they pay prevailing wage rates by reviewing certified payrolls for each week in which work was performed.

**Condition:** During our testing, we noted the City did not have controls in place to obtain the certified payrolls until July 2017, at which time the City retrospectively obtained certified payrolls from contractors and subcontractors.

**Cause:** The City was not aware of the requirement to obtain certified payrolls for this program until July 2017, at which time the City retrospectively obtained certified payrolls.

**Effect:** The City's contractors could have paid less than the prevailing rates without it being detected by the City.

**Questioned costs:** None

**Prevalence:** Certified payrolls prior to July 2017.

**Repeat finding:** Not a repeat finding.

**Recommendation:** We recommend the City continue to obtain and review certified payrolls for all contractors and subcontractors.

**Views of responsible officials:** Management concurs with the finding. See corrective action plan.

Finding 2017-0010—Reporting

U.S. Department of Transportation  
Airport Improvement Program (CFDA No. 20.106)  
Federal Award Number: 3-48-0051-49, 3-48-0051-50, 3-48-0051-51, 3-48-0051-52, 3-48-0051-53 and 3-48-0051-54  
Federal Award Year: 2012, 2013, 2014 and 2016  
Type of Finding: Significant Deficiency

**Criteria:** The City is required to complete various financial reports as part of the Airport Improvement Program. These reports should be reviewed and approved by someone other than the person preparing the reports to ensure the reports are properly prepared.

**Schedule of Findings and Questioned Costs—Federal Grants (Continued)**  
**Year Ended September 30, 2017**

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**Condition:** During our testing of financial reports submitted to the federal awarding agency, we noted the same person that prepared the report also submitted it to the federal awarding agency without another person reviewing or approving. Additionally, the City prepares an annual report submitted to the federal awarding agency; however, there was no documentation of review of this report.

**Cause:** The City's current process does not require these reports to be reviewed or approved by another individual.

**Effect:** Although we did not detect any errors to the reports tested, not having a review or approval of reports increases the risks that errors could occur and not be detected in a timely manner.

**Questioned costs:** None

**Prevalence:** The following reports did not have evidence of review and approval.

- FAA Form 5100-127, Operating and Financial Summary
- FAA Form 5100-126, Financial Government Payment Report

Repeat Finding: Not a repeat finding.

Recommendation: We recommend the City designate an individual who is familiar with the grant requirements to review and approve all financial reports and other reports submitted as part of this grant.

**Views of responsible officials:** Management concurs with the finding. See corrective action plan.

**Finding 2017-011—Subrecipient Monitoring**

**United States Department of Health and Human Services**  
**Federal Program: Promoting Safe and Stable Families**  
**CFDA Number: 93.556**  
**Federal Award Number: 24186672 and 24426873**  
**Federal Award Year: 2015, 2016 and 2017**  
**Type of Finding: Significant Deficiency**

**Criteria:** Pass-through entities must provide information regarding the subaward to each subrecipient as defined in paragraph 200.331 of the Uniform Guidance, which includes identification of the federal award number, CFDA number, amount of the subaward, audit requirements and other information. Additionally, the pass-through entity is required to evaluate each subrecipient's risk of noncompliance to determine the appropriate subrecipient monitoring procedures.

**Condition:** The City's agreements with subrecipients did not contain all the information required by paragraph 200.331 of the Uniform Guidance. Additionally, the City did not perform a formal risk assessment for each subrecipient. While the City did perform a site visit for one subrecipient during the year, the other three subrecipients did not receive any site visits; however, the City did review documentation supporting reimbursement request for activities allowed and unallowed. Also, the City did not obtain any subrecipient audits during the year. Subsequent receipt of these audit reports did not disclose and findings that would requirement additional follow-up by the City.

**Cause:** The City does not have formalized subrecipient monitoring polices or procedures for this grant.

**Schedule of Findings and Questioned Costs—Federal Grants (Continued)**  
**Year Ended September 30, 2017**

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**Effect:** The City did not adequately communicate grant information or monitor the activities of its subrecipients; therefore, the subrecipients could have noncompliance that would not have been detected by the City.

**Questioned Costs:** None

**Prevalence:** Five of five subrecipients tested.

**Repeat finding:** Not a repeat finding.

**Recommendation:** We recommend the City formalize its subrecipient monitoring process. This should include training specifically related to subrecipient monitoring requirements risk assessments, as well as developing a checklist for monitoring activities to document subrecipient monitoring activities.

**Views of responsible officials:** Management concurs with the finding. See corrective action plan.

**(B) Compliance Findings**

**Finding 2017-012—Subrecipient Monitoring**

**Federal Program: Promoting Safe and Stable Families**  
**CFDA Number: 93.556**  
**Federal Award Number: 24186672 and 24426873**  
**Federal Award Year: 2015, 2016 and 2017**  
**United States Department of Health and Human Services**  
**Type of Finding: Noncompliance**

See finding 2017-011 above.



RSM US LLP

**Report on Compliance for the Major State Program and  
Report on Internal Control Over Compliance as Required  
by the State of Texas Single Audit Circular**

**Independent Auditor's Report**

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

**Report on Compliance for Each Major State Program**

We have audited the City of Corpus Christi, Texas' (the City) compliance with the types of compliance requirements described in the State of Texas Single Audit Circular that could have a direct and material effect on the each of the City's major state programs for the year ended September 30, 2017. The City's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its state program.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance each of the City's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the State of Texas Single Audit Circular. Those standards and the State of Texas Single Audit Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the City's compliance.

**Opinion on Major State Program**

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended September 30, 2017.

**Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance that is required to be reported in accordance with the State of Texas Single Audit Circular and is described in the accompanying schedule of findings and questioned costs and corrective action plan as item 2017-014. Our opinion on each major state program is not modified with respect to this matter.

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The City's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

#### **Report on Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on its major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance on its major state program and to test and report on internal control over compliance in accordance with the State of Texas Single Audit Circular, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2017-013 that we consider to be a significant deficiency.

The City's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs and corrective action plan. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State of Texas Single Audit Circular. Accordingly, this report is not suitable for any other purpose.

*RSM US LLP*

San Antonio, Texas  
March 30, 2018

**Schedule of Findings and Questioned Costs—State Grants  
Year Ended September 30, 2017**

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**I – Summary of Auditor’s Results**

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?     X     Yes            No

Significant deficiency(ies) identified that are not considered to be material weakness(es)?     X     Yes            None Reported

Noncompliance material to financial statements noted?            Yes     X     No

State Awards

Internal control over major programs:

Type of auditor’s report issued on compliance for major programs: Unmodified

Material weakness(es) identified?            Yes     X     No

Significant deficiency(ies) identified that are not considered to be material weakness(es)?     X     Yes            None Reported

Any audit findings disclosed that are required to be reported in accordance with State of Texas Single Audit Circular?     X     Yes            No

Identification of major programs:

<u>Grant Numbers</u>	<u>Name of State Program</u>
608-17-1780200	Auto Theft Prevention Grant
608-18-1780200	Auto Theft Prevention Grant
24186672	Community Youth Development
24426873	Community Youth Development

Dollar threshold used to distinguish between type A and type B programs:     \$300,000    

Auditee qualified as low-risk auditee?            Yes     X     No

**Schedule of Findings and Questioned Costs—State Grants  
Year Ended September 30, 2017**

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**Section II—Findings Relating to the Financial Statement Audit as Reported in Accordance with  
Government Auditing Standards**

**(A) Internal Control Findings**

**Finding 2017-001—Accounts Payable Cut-off**

**Type of finding:** Material weakness

**Criteria:** Accounting principles generally accepted in the United States of America (U.S. GAAP) requires governments to accrue expenses at the end of the fiscal year for goods, services and other payments that are matured liabilities as of the balance sheet date.

**Condition:** During testing for proper recording of accounts payable, we found approximately \$8,700,000 in unrecorded accounts payable. These amounts were subsequently recorded by the City.

**Cause:** Part of the City's process to identify items that should have been accrued at the end of the fiscal year includes the preparation of a report from the City's accounting system that identifies invoices that the City has reviewed and identified as accounts payable. However, there was an error in the parameter of this report that generated a portion of the error. Additionally, other accruals were not detected during the City's normal review for accounts payable as of the end of the year.

**Effect:** Initially, the City had understated expenses/expenditures by approximately \$8,700,000. These errors were subsequently corrected and are reflected in the current-year financial statements.

**Recommendation:** The City should strengthen its process for recording accounts payable at the end of the fiscal year by communicating and training individuals responsible for entering payment information into the accounts payable system. Additionally, management of the City should increase the oversight of this process to ensure accounts payable are properly recorded as of fiscal year end.

**Views of responsible officials:** Management concurs with the finding. See corrective action plan.

**Finding 2017-002—Revenue Recognition for Certain Revenue Transactions**

**Type of finding:** Significant deficiency

**Criteria:** Voluntary nonexchange transactions should be recognized as revenue when all applicable eligibility requirements have been met and the resources are available, which is generally 60 days after the end of the fiscal year. Additionally certain "exchange-like" transactions, such as permits and similar fees, should be recognized when the exchange occurs.

**Condition:** During testing of grant revenue (voluntary nonexchange transaction), we noted \$685,667 of grant revenue was improperly recognized as revenue, since the related receivable was not collected within 60 days after the end of the fiscal year. An entry was required to decrease revenue and increase deferred inflow of resources—unavailable revenue in the Streets Capital Project Fund.

**Schedule of Findings and Questioned Costs—State Grants (Continued)**  
**Year Ended September 30, 2017**

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Additionally, the City collects beach permits, which are shared with other local governments based on a revenue sharing agreement. Historically, the City has recorded these amounts as unearned revenue until the payments are made to the other governments; however, the City's portion should be recognized as revenue when the permit is issued and cash is collected and the portion collected on behalf of other governments should be recorded as an accrued liability. An entry was required to record additional revenue for beach permits in the amount of \$350,583 in the General Fund.

**Cause:** The City did not apply the appropriate revenue recognition criteria to the transactions listed above.

**Effect:** The City had a misstatement in the Streets Capital Project Fund of \$637,575 and the General Fund of \$350,593.

**Recommendation:** We recommend the City review all nonexchange transactions to ensure the resources are considered available before the revenue is recognized and to record the City's portion of beach fees when received.

**Views of responsible officials:** Management concurs with the finding. See corrective action plan.

**Finding 2017-003—Internal Control Over Certain Vendor Payments**

**Type of finding:** Significant deficiency

**Criteria:** Review and approval and expenditures is an integral part of the internal control activities of the City.

**Condition:** During our walk-through of the internal control activities of various types of expenditures, we noted certain vendor disbursements are not adequately reviewed to ensure the expenditure has been approved by the authorized individual. The City utilizes a process called "direct-pay" where the purchasing process is performed at the departmental level and does not utilize the City's purchasing department. Based on our observations and inquiries, the City does not have a standardized form to document approval of these type of purchases. Additionally, individuals processing "direct-pay" payments only review to ensure the invoice has been signed; however, they do not compare this signature to individuals authorized to approve the specific purchase.

**Cause:** The City does not have a formalized form documenting approval of "direct-pay" expenditures. Additionally, the City did not have a procedure in place to ensure signatures on "direct-pay" invoices are compared to listing of authorized approvers.

**Effect:** Although the City does have some mitigating controls, such as reviewing budget-to-actual expenditures and investigating variances, there is a risk that "direct-pay" expenditures were not authorized by the appropriate individuals.

**Recommendation:** We recommend the City strengthen its controls over "direct-pay" expenditures by developing a standardized form to document review, approval and other information for all "direct-pay" expenditures. Additionally, the City should compare the approver of this form to an authorized list of individuals designated to approve purchases.

**Views of responsible officials:** Management concurs with the finding. See corrective action plan.

**Schedule of Findings and Questioned Costs—State Grants (Continued)  
Year Ended September 30, 2017**

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**Finding 2017-004—Schedule of Expenditures of Federal and State Awards**

**Type of finding:** Significant deficiency

**Criteria:** The City is required to prepare a schedule of expenditures of federal and state awards and report certain information regarding the City's federal and state grant programs.

**Condition:** During our testing of the schedule of expenditures of federal and state awards, we noted one program was listed solely as a state program; however, during testing, it was noted this program included both federal and state awards. Additionally, during our testing we noted \$680,000 in federal expenditures that were excluded from the schedule.

**Cause:** The City was not aware this program was funded by both federal and state sources. The City contacted the pass-through entity to determine the break-out between federal and state funding. Additionally, the City did not perform an adequate reconciliation of the schedule of expenditures to the City's general ledger.

**Effect:** Initially this program was reported solely as a state program in the amount of \$578,295; however, \$200,787 of this amount was reclassified to federal funds. Additionally, the schedule of expenditures of federal awards was understated by \$680,000.

**Recommendation:** We recommend the City strengthen its controls over federal and state programs to ensure expenditures are appropriately reported on schedule of expenditures of federal/state awards. When programs are split-funded, the City should follow-up with the funding agency to determine how to report the programs on the schedule of expenditures of federal/state awards.

**Views of responsible officials:** Management concurs with the finding. See corrective action plan.

**Finding 2017-005—Closure and Post-Closure Care Costs for City Landfills**

**Type of finding:** Significant Deficiency

**Criteria:** Governments are required to accrue a liability for the closure and post-closure care costs for government owned landfills. Generally, these liabilities are based on engineering estimates as of the date of the financial statements and should be adjusted over time for factors such as inflation, changes in technology and changes in environmental requirements, among others. U.S. GAAP requires the estimates be reviewed and re-evaluated annually.

**Condition:** Based on a previous year finding, the City obtained an updated estimate of the post-closure liability for the City's closed landfill. As a result of the update, an adjustment was required to decrease the landfill liability by \$13,700,902. If the City had been re-evaluating this liability annually, this liability would have decreased incrementally over time.

**Cause:** In previous years, the City did not have an adequate process to re-evaluate this estimated liability. The City used information from an old engineering estimate in its annual calculation of this liability.

**Effect:** The City revised beginning net position and liabilities by \$13,700,902.

**Schedule of Findings and Questioned Costs—State Grants (Continued)**  
**Year Ended September 30, 2017**

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**Recommendation:** We recommend the City continue to re-evaluate its closure and post-closure liability on a periodic basis.

**Views of responsible officials:** Management concurs with the finding. See corrective action plan.

**Finding 2017-006—Manual Journal Entries**

**Type of finding:** Significant deficiency

**Criteria:** Manual journal entries entered into the accounting system should only be made if reviewed and approved by the appropriate level of management.

**Condition:** During testing over journal entries we noted that, although the City has policies that require all manual journal entries to be approved by designated individuals and individuals cannot prepare and post their own journal entries, the accounting system is not designed to prevent this from occurring. While the City does have certain mitigating controls that could detect an unapproved journal entry, such as monthly reviews, reconciliations and established policies; it does not have a specific detective control to detect unapproved entries.

**Cause:** The City's accounting system does not have the capability to prevent an individual from posting an unapproved journal entry.

**Effect:** While we did not detect any violations of the City's policies regarding posting and approval of journal entries, an unapproved journal entry could have been posted and not detected by management, which could have resulted in an error.

**Recommendation:** We recommend the City investigate if there is a system configuration that could be installed to prevent unauthorized individuals from posting a journal entry to the accounting system. If a system configuration is unavailable, the City should formalize a detective control to monitor the system for unauthorized journal entries.

**Views of responsible officials:** Management concurs with the finding. See corrective action plan.

**Finding 2017-007—Allowance for Uncollectible Accounts**

**Type of finding:** Significant deficiency

**Criteria:** Accounts receivable balances should be reviewed to determine if the balance is collectible.

**Condition:** During testing of accounts receivable for the Streets Capital Projects Fund, we noted several balances that were not deemed collectible. The total amount determined not to be collectible is approximately \$2,180,000.

**Cause:** The City does not have a formal process in place to calculate an allowance for uncollectible accounts receivable related to the Streets Capital Projects Fund.

**Effect:** Accounts receivable and deferred inflows of resources were overstated in the governmental funds, and accounts receivable were overstated and bad-debt expense was understated by \$2,180,000 on the government-wide governmental activities financial statements.

**Schedule of Findings and Questioned Costs—State Grants (Continued)**  
**Year Ended September 30, 2017**

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**Recommendation:** We recommend the City formalize policies and procedures to review accounts receivable at year-end to determine the need to record an allowance for uncollectible accounts in the Streets Capital Projects Fund.

**Views of responsible officials:** Management concurs with the finding. See corrective action plan.

**Finding 2017-008—Construction in Progress**

**Type of finding:** Significant deficiency

**Criteria:** Construction in progress projects should be reclassified to depreciable assets once substantially completed and placed into service.

**Condition:** During testing of construction in progress, we noted several projects were substantially completed in the Utility Fund; however, those projects were not reclassified to depreciable assets and depreciated as required by U.S. GAAP.

**Cause:** The City does not have an adequate process in place to identify projects that are substantially complete and placed into service.

**Effect:** Construction in progress in the amount of \$62,477,794 was reclassified from construction in progress to depreciable assets. An adjustment in the amount of \$780,357 was recorded to increase depreciation expense and accumulated depreciation in the Utility Fund.

**Recommendation:** We recommend the City develop a process to identify when projects are substantially completed and placed into service, so those projects can be capitalized to a depreciable asset and begin recording depreciation.

**Views of responsible officials:** Management concurs with the finding. See corrective action plan.

**Schedule of Findings and Questioned Costs—State Grants (Continued)**  
**Year Ended September 30, 2017**

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**Section III—Findings and Questioned Costs Related to State Awards**

**(A) Internal Control Finding**

**Finding 2017-013—Matching**

**State Program: Auto Theft Prevention Grant**  
**State Award Number: 608-17-1780200/608-18-1780200**  
**State Award Year: 2017 and 2018**  
**Texas Department of Motor Vehicles**  
**Type of Finding: Noncompliance/Significant Deficiency**

**Criteria:** The City has certain in-kind matching requirements related to this grant.

**Condition:** The City uses the salary from an officer from the National Insurance Crime Bureau (NICB) as its in-kind match. The City reports 50% of the officers' salary as the City's in-kind match; however, this percentage match is an estimate and the City does not obtain data on actual time spent on the activities funded by this grant.

**Cause:** The City does not obtain actual time spent on this grant for the NICB officer.

**Effect:** The City may not be meeting its in-kind matching requirements, as required by this grant.

**Questioned costs:** None. Although the City does not obtain actual time spent for the NICB Officer, the officers' normal schedule includes at least two days dedicated to the City's auto-theft prevention activities and other time as needed throughout the week. Based on inquiries and observation, it appears the time spent on grant activities approximates the matching requirement.

**Prevalence:** Two of two quarterly reports to test matching.

**Repeat finding:** Not a repeat finding.

**Recommendation:** We recommend the City obtain documentation supporting the 50% of the in-kind matching requirement to support its allocation of the NICB Officer's time spent on activities supported by this grant.

**Views of responsible officials:** Management concurs with the finding. See corrective action plan.

**(B) Compliance Finding**

**Finding 2017-014—Matching**

**State Program: Auto Theft Prevention Grant**  
**State Award Number: 608-17-1780200/608-18-1780200**  
**State Award Year: 2017 and 2018**  
**Texas Department of Motor Vehicles**  
**Type of Finding: Noncompliance/Significant Deficiency**

See finding 2017-013 above.



## Summary Status of Prior Year Findings Related to Financial Statements Year-Ended September 30, 2017

### Prior Year Findings and Questioned Costs related to Financial Statements

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PO BOX 9277  
Corpus Christi  
Texas 78469-9277  
Phone 361-826-3600  
Fax 361-826-3601  
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#### **Finding 2016-001 - Accounts Payable Cut-off**

Type of Finding: Material Weakness

Condition: During testing for proper recording of accounts payable we found approximately \$12,900,000 in unrecorded accounts payable. These amounts were subsequently recorded by the City.

Recommendation: The City should strengthen their process for recording accounts payable at the end of the fiscal year by communicating and training individuals responsible for entering payment information into the accounts payable system. Additionally, management of the City should increase the oversight of this process to ensure accounts payable are properly recorded as of fiscal year end.

**Current Status:** The recommendation was adopted in fiscal year 2017.

#### **Finding 2016-002 - Schedule of Expenditures of Federal and State Awards**

Type of Finding: Material Weakness

Condition: During our testing of the initial schedule of expenditures of federal and state awards it was noted that a significant grant program was excluded from the schedule of expenditures of federal and state awards in the approximate amount of \$6.1 million. Additionally, the City does not adequately reconcile grant expenditures and grant revenues to schedule of expenditures of federal and state awards.

Recommendation: We recommend the City strengthen their monitoring and identification activities for federal and state programs that are required to be reported on the schedule of expenditures of federal and state awards.

**Current Status:** The recommendation was adopted in fiscal year 2017.

#### **Finding 2016-003 - Revenue Recognition**

Type of Finding: Material Weakness

Condition: During our testing of revenues we noted sales taxes, mixed beverage taxes, certain other business fees, and grant revenues were not recognized in accordance with GASB requirements. Generally, additional receivables were required to be recognized which resulted in a restatement to beginning fund balance. Beginning fund balance was increased by approximately \$8.6 million. Additionally, the City was recording certain grants on a cash basis, since the amount were not considered "available" to pay current liabilities and other grant revenue timing differences were noted.

Recommendation: We recommend the City establish procedures to ensure all non-exchange revenues are properly evaluated and accrued as revenue in accordance with GASB requirements.

**Current Status:** The recommendation was adopted into the 2016 Comprehensive Annual Financial Report.



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Corpus Christi  
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Fax 361-826-3601  
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### **Finding 2016-004 - Solid Waste Fund**

Type of Finding: Material Weakness

Condition: During the review of the financial statements we noted the solid waste activity does have some of the characteristics of an enterprise fund, but is not required to be reported as an enterprise. The City's solid waste activity is reported within the City's general fund. However, this activity was reported as a business-type activity on the government-wide financial statements, which is inconsistent with GASB requirements.

Recommendation: We recommended the City restate beginning net position to correct this error. Additionally, we recommend the City continue to evaluate the Solid Waste Activity and other similar activities to ensure they are properly reported on the financial statements.

**Current Status:** The recommendation was adopted into the 2016 Comprehensive Annual Financial Report.

### **Finding 2016-005 - Pension Plan Reporting**

Type of Finding: Material Weakness

Condition: In previous years the City excluded the FFRS plan from the City's financial statements which is required to be reported as a pension trust fund. Additionally, in previous years the City reported the assets of the 457 plan as assets of the City's trust fund, however these amounts are not held in trust by the City and should be excluded from the City's financial statements.

Recommendation: We recommended the City restate beginning net position to correct this error.

**Current Status:** The recommendation was adopted into the 2016 Comprehensive Annual Financial Report.

### **Finding 2016-006 - Capitalized Interest**

Condition: The City has not previously calculated or recorded capitalized interest for capital projects in its enterprise funds or business-type activities.

Recommendation: We recommend the City develop a formalized process to calculate capitalized interest on a periodic basis and allocate the capitalized interest to projects timely. This calculation should be performed on all construction projects within the City's enterprise funds.

**Current Status:** The recommendation was adopted into the 2016 Comprehensive Annual Financial Report.

### **Finding 2016-007 – Contributed Capital**

Type of Finding: Material Weakness

Condition: During testing of contributed capital we noted the following issues:

- Some of the contributed capital recorded in the current year was not completed as of the end of the fiscal year. Although these assets are expected to be completed in the future the City should only record contributed capital for those assets actually completed and placed into service.



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- When actual cost information is not available, the City uses various rates to estimate the cost of the contributed capital. Although these rates have been adjusted annually for inflation the City has not re-evaluated the original rates used in several years.

**Recommendation:** We recommend the City strengthen their process over recording contributed capital to include more communication between the City's various departments that oversee contributed capital and the City's Finance Department to ensure only completed and placed into service contributed capital is recorded in the City's general ledger. This process should be performed on a periodic basis. Additionally, the City should re-evaluate rates used by the City to estimate the costs of contributed capital when the actual cost is not available. The City should formalize their process for this re-evaluation to include a period of time and other relevant factors.

**Current Status:** The recommendation was adopted in fiscal year 2017.

### **Finding 2016-008 - Compensated Absences**

Type of Finding: Significant Deficiency

**Condition:** During testing of compensated absences we noted that accrued vacation was properly accrued however the City's method of estimating the required accrual for sick leave does not appear to be capturing the probability of sick leave compensation for all City employees.

**Recommendation:** We recommend the City review their process for recording accumulated compensated absences that is probable the employee will be compensated for at retirement and record those amounts on the financial statements.

**Current Status:** The recommendation was adopted in fiscal year 2017.

### **Finding 2016-009 - Depreciable Lives**

Type of Finding: Significant Deficiency

**Condition:** In prior years the City constructed temporary terminals at the City's airport during construction of other facilities. However, the City assigned a useful life of a permanent building structure. During the current year these temporary terminals were written-off resulting in a loss on disposal of approximately \$2.6 million.

**Recommendation:** We recommend the City establish a formal review of the useful lives of all capital assets at least annually to ensure the useful lives are appropriate and adjust the useful lives if needed.

**Current Status:** The recommendation was adopted in fiscal year 2017.

### **Finding 2016-010 - Closure and Post-closure Care Costs for City Landfills**

Type of Finding: Significant Deficiency

**Condition:** During our testing of the closure and post-closure liability we had the following observations –

- Although the City is adjusting the liability for the City owned landfill for inflation and payment of post closure costs the original estimated liability has not been re-evaluated recently to determine if the liability should be adjusted for the City owned landfill that has been closed.
- The original calculation of the percent of the liability recorded for the active City landfill contained an error and had to be decreased by \$4,100,000.



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Recommendation: We recommend the City develop a formal process to evaluate this liability to include the following:

- Establish a policy of periodic review of the closed landfill, to include periodic re-evaluation of the costs by an engineer if needed.
- Comparison of actual costs incurred related to closure or post-closure costs included in the estimated liability.
- Identification of changes related to actual closure or post-closure that was either included or excluded from the original estimated liability.
- Communication with other departments regarding the percentage available for use for the active landfill.
- Review of the overall calculation based on the results of the above items.

**Current Status:** The recommendation was adopted in fiscal year 2017.



## Summary Status of Prior Year Findings Related To Federal Grants Year-Ended September 30, 2017

### Prior Year Findings and Questioned Costs Related to Federal Awards

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Corpus Christi  
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#### **Finding 2016-011 – Subrecipient Monitoring**

**Federal Program: Hazard Mitigation Grant**  
**CFDA Number: 97.039**  
**Federal Award Number: DR-1791-346/DR-1791-347/DR-1791-348/DR-1791-349**  
**United States Department of Homeland Security**  
**Type of Finding: Noncompliance / Significant Deficiency**

Condition: While the City did perform some monitoring activities such as site visits, communications with subrecipients, and active communication with the State and the State hired consultant, the City did not perform certain subrecipient monitoring activities as follows:

- In the Memorandum of Understanding between the City and the subrecipient the City did not include the CFDA Number for this grant or specify the requirement to have a Single Audit (if applicable) and submit the results of the Single Audit to the City.
- The City did not obtain audit reports for their subrecipients and therefore did not issue management decisions for any of their subrecipients for this grant. We obtained these reports after the fact and determined there were no findings related to this grant for any of the City's subrecipients.
- Supporting documentation for expenditures was submitted to the City, however the supporting documentation was not compared to allowable cost information. This also included monitoring of the required matching amounts.

Recommendation: We recommend the City enhance their monitoring of subrecipients. This should include training specifically related to subrecipient monitoring requirements, risk assessments, as well as developing a checklist for monitoring activities to document subrecipient monitoring activities.

**Current Status:** The recommendation was adopted in fiscal year 2017.

#### **Finding 2016-012 – Subrecipient Monitoring**

**Federal Program: Community Development Block Grant**  
**CFDA Number: 14.218**  
**Federal Award Number: B13-MC48-502/ B14-MC48-502/ B15-MC48-502**  
**United States Department of Housing and Urban Development**  
**Type of Finding: Noncompliance / Significant Deficiency**

Condition: While the City did perform some monitoring activities such as site visits and review of other information provided by the subrecipients the City did not ensure the subrecipients had a single audit, obtained their audit report, or issued a management decision on the results of their audit. Based on review of two of the City's subrecipients audit reports subsequently obtained it was noted the subrecipients included an incorrect CFDA number on their schedule of expenditures of federal awards.

Recommendation: We recommend the City enhance their monitoring of subrecipients. This should include training specifically related to subrecipient monitoring requirements, risk assessments, as well as developing a checklist for monitoring activities to document subrecipient monitoring activities.

**Current Status:** The recommendation was adopted in fiscal year 2017.



**Finding 2016-013 – Allowable Costs**

**Federal Program: Community Development Block Grant**  
**CFDA Number: 14.218**  
**Federal Award Number: B14-MC48-502/B15-MC48-502**  
**United States Department of Housing and Urban Development**  
**Type of Finding: Noncompliance / Significant Deficiency**

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Condition: During testing of allowable costs charged to this program we noted two employees who were considered temporary employees and did not have supporting documentation such as timesheets or certifications to support their salaries charged to the program. Additionally, based on their job descriptions it appears these positions were administrative in nature and may not be allocable to the program. No other similar positions were noted during our testing.

Recommendation: We recommend the City review their current policies related to documentation maintained for employees charged to federal programs to ensure only allowable costs are charged to the program.

**Current Status:** The recommendation was adopted in fiscal year 2017.

**Finding 2016-014 – Cash Management**

**Federal Program: Community Development Block Grant**  
**CFDA Number: 14.218**  
**Federal Award Number: B13-MC48-502/B14-MC48-502/B15-MC48-502**  
**United States Department of Housing and Urban Development**  
**Type of Finding: Noncompliance / Significant Deficiency**

Condition: During our testing of drawdown requests we noted 9 out of the 29 items tested were requested for reimbursement before the payment of the invoice to the vendor.

Recommendation: We recommend the City establish a process to verify eligible grant expenses are paid before reimbursement is requested.

**Current Status:** The recommendation was adopted in fiscal year 2017.

**Finding 2016-015 – Allowable Costs**

**Federal Program: Aging Cluster**  
**CFDA Number: 93.044 / 93.045**  
**Federal Award Number: AA3-1148-4**  
**United States Department of Health and Human Services**  
**Type of Finding: Noncompliance / Significant Deficiency**

Condition: During testing of allowable costs charged to this program we noted employees did not maintain documentation indicating they worked solely on this program.

Recommendation: We recommend the City review their current policies related to documentation maintained for employees charged to federal programs to ensure federal compliance requirements are met.

**Current Status:** The recommendation was adopted in fiscal year 2017.



## Summary Status of Year Findings Related To State Grants Year-Ended September 30, 2017

### Prior Year Findings and Questioned Costs Related to State Awards

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#### **Finding 2016-016 – Allowable Costs**

**State Program: Auto Theft Prevention Grant**  
**State Award Number: 608-16-1780200 / 608-17-1780200**  
**Texas Department of Motor Vehicles**  
**Type of Finding: Noncompliance / Significant Deficiency**

Condition: During testing of salaries and wages of this grant it was noted that the City only prepares annual certifications for the employees who work solely on this grant instead of the required semi-annual certification.

Recommendation: We recommend the City adjust their current practice of preparing an annual certification of employees who work solely on this program to include preparing a semi-annual certification as required by the State of Texas Uniform Grant Management Standards.

**Current Status:** The recommendation was adopted in fiscal year 2017.

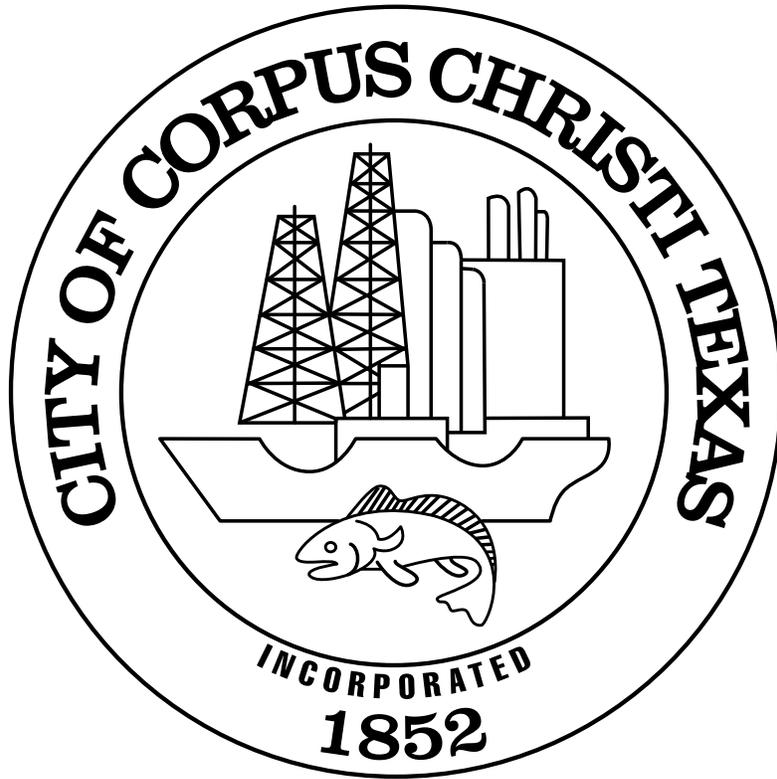
#### **Finding 2016-017 – Equipment and Real Property Management**

**State Program: Auto Theft Prevention Grant**  
**State Award Number: 608-16-1780200 / 608-17-1780200**  
**Texas Department of Motor Vehicles**  
**Type of Finding: Noncompliance / Significant Deficiency**

Condition: During testing it was noted the Auto Theft Prevention Department does not maintain a “Use Log” for their vehicles.

Recommendation: We recommend the City establish a “Use Log” to document vehicles purchased with grant funds are used exclusively for grant purposes. Additionally, the City should implement appropriate internal controls to ensure these logs are updated daily. These internal controls should include sign-off by the individual using the vehicle and should also include periodic supervisory review to ensure the logs include all required information and account for 100% of the usage.

**Current Status:** The recommendation was adopted in fiscal year 2017.



# City of Corpus Christi

## SCHEDULE OF EXPENDITURES OF FEDERAL/STATE AWARDS FISCAL YEAR ENDED SEPTEMBER 30, 2017

Federal Grantor/Pass-Through Grantor State Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Expenditure
<b>Federal Assistance:</b>				
<b>U.S. Department of Agriculture</b>				
<u>Passed through Texas Dept. of State Health Services</u>				
Women, Infants & Children	10.557	2016-048777		5,457
Women, Infants & Children		2017-049800-001		771,150
Total CFDA Number 10.557				776,607
Total Passed Through Texas Dept. of State Health Services				776,607
<u>Passed through Texas Dept. of Agriculture</u>				
Child and Adult Care Food Program	10.558	CE -ID 01507		99,701
Total CFDA Number 10.558				99,701
Summer Food Service Program for Children	10.559	CE -ID 01507		43,652
Total CFDA Number 10.559				43,652
Total Passed Through Texas Dept. of Agriculture				143,353
<b>Total U.S. Department of Agriculture</b>				919,960
<b>U.S. Department of Housing and Urban Development</b>				
<u>Direct Programs</u>				
CDBG Entitlement Cluster:				
Comm. Dev. Block Grant-Entitlement Grant 07-08	14.218			65,300
Comm. Dev. Block Grant-Entitlement Grant 12-13				87
Comm. Dev. Block Grant-Entitlement Grant 13-14				822
Comm. Dev. Block Grant-Entitlement Grant 14-15			33,695	73,742
Comm. Dev. Block Grant-Entitlement Grant 15-16			183,348	1,117,713
Comm. Dev. Block Grant-Entitlement Grant 16-17			116,130	1,235,416
Total CFDA Number 14.218			333,173	2,493,080
Emergency Solutions Grants Program 14-15	14.231		34,488	34,488
Emergency Solutions Grants Program 15-16			68,780	70,110
Emergency Solutions Grants Program 16-17			52,114	68,582
Total CFDA Number 14.231			155,382	173,180
Home Investment Partnerships Program 11-12	14.239		44,145	44,145
Home Investment Partnerships Program 14-15			352,461	353,293
Home Investment Partnerships Program 15-16			149,922	331,791
Home Investment Partnerships Program 16-17			130,272	134,185
Total CFDA Number 14.239			546,528	863,414
Fair Housing Assistance Program State and Local	14.401			4,916
Total CFDA Number 14.401				4,916
Total Direct Programs				3,534,590
<b>Total U.S. Department of HUD</b>				3,534,590
<b>U. S. Department of the Interior</b>				
<u>Passed through Texas Historical Commission</u>				
Downtown Historic Resources Survey	15.904	TX-16-023		12,000
Total CFDA Number 15.904				12,000
<b>Total U.S. Department of Interior</b>				12,000
<b>U.S. Department of Justice</b>				
JAG Program Cluster:				
<u>Direct Programs</u>				
Edward Byrne Memorial Justice Assistance Grant	16.738			24,315
Edward Byrne Memorial Justice Assistance Grant				12,767
Edward Byrne Memorial Justice Assistance Grant				78,866
Body Worn Camera Policy and Implementation Program				2,461
Total CFDA Number 16.738				118,409
Federal Confiscated Property				
Federal Account	16.XXX			449,033
Total CFDA Number 16.XXX				449,033

The accompanying Notes are an integral part of this Schedule.

# City of Corpus Christi

## SCHEDULE OF EXPENDITURES OF FEDERAL/STATE AWARDS FISCAL YEAR ENDED SEPTEMBER 30, 2017

Federal Grantor/Pass-Through Grantor State Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Expenditure
<u>Passed through Office of the Governor/Criminal Justice Division</u>				
Victims of Crime Act	16.575	2015-VA-GX-0009		78,365
Victims of Crime Act		2015-VA-GX-0009		74,413
Total CFDA Number 16.575				152,778
Violence Against Women Formula Grant Program	16.588	2016-WF-AX-0034		38,111
Violence Against Women Formula Grant Program		2016-WF-AX-0034		4,676
Total CFDA Number 16.588				42,787
Total Passed through Office of the Governor/Criminal Justice Division				195,565
<u>Passed through Office of the Attorney General</u>				
Recovery Act - Internet Crimes against Children Task Force Program	16.800	2015-MC-FX-K049		10,150
Total CFDA Number 16.800				10,150
Total U.S. Department of Justice				773,157
<b>U.S. Department of Transportation</b>				
<u>Direct Programs</u>				
Airport Improvement Programs	20.106			
Runway 17/35 Extension Dispmnt and Associated Taxiway				1,038,377
Runway 13/31 Ext Displacement and Connecting Taxiway				5,157,608
Rehabilitate Taxiways B, B1, B2, B3, B4 and B5 at CCIA				3,510
Rehabilitate Taxiways D, E, F and G; Construct Taxiways H and J				26,989
Reconstruct East GA Area 3-7				1,808,595
Replace Perimeter Security Fence				4,763,046
Total CFDA Number 20.106				12,798,125
<u>Passed through Texas Dept. of Transportation</u>				
Highway Planning and Construction				
Williams Dr. Ph 3 - Stp to Airline	20.205	0916-35-168		2,389,484
Padre Island Mobility & Access Management Study		0916-35-197		170,011
Total CFDA 20.205				2,559,495
Total Passed through Texas Dept. of Transportation				2,559,495
<u>Passed through State Dept. of Highways and Public Transportation</u>				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	2017-CorpusPD-S-1YG-0054		106,512
Total CFDA Number 20.600				106,512
National Priority Safety Programs	20.616	2017-CorpusPD-IDM-00038		3,873
Total CFDA Number 20.616				3,873
Total Highway Safety Cluster				110,385
Total Passed Through State Dept. of Hwys & Public Transp.				110,385
Total U.S. Department of Transportation				15,468,005
<b>Equal Employment Opportunity Commission</b>				
<u>Direct Programs</u>				
Employment Discrimination State & Local Fair	30.001			53,190
Total CFDA Number 30.002				53,190
Total Direct Programs				53,190
Total Equal Employment Opportunity Commission				53,190
<b>U.S. Department of Health and Human Services</b>				
<u>Passed through Texas Department of Aging &amp; Disability Svc passed through CBCOG-AAA</u>				
Aging Cluster:				
Special Programs for the Aging Title III, Part B				
Grants For Supportive Services and Senior Centers	93.044	AA3-1748-4		14,621
Grants For Supportive Services and Senior Centers		AA3-1748-4		14,621
Total CFDA Number 93.044				29,242
Special Programs for the Aging Title III, Part C Nutrition Svcs	93.045	AA3-1748-4		525,630
Special Programs for the Aging Title III, Part C Nutrition Svcs		AA3-1748-4		404,623
Total CFDA Number 93.045				930,253

The accompanying Notes are an integral part of this Schedule.

# City of Corpus Christi

## SCHEDULE OF EXPENDITURES OF FEDERAL/STATE AWARDS FISCAL YEAR ENDED SEPTEMBER 30, 2017

Federal Grantor/Pass-Through Grantor State Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Numbe	Passed Through to Subrecipients	Expenditure
Nutrition Services Incentive Program	93.053	AA3-1748-4		123,121
Total CFDA Number 93.053				123,121
Total Aging Cluster				1,082,616
Total Passed Through DADS				1,082,616
<u>Passed through Texas Department of State Health Svcs</u>				
CPS-Laboratory Response Network-PHEP	93.074	2016-001139-00		156,455
CPS-Laboratory Response Network-PHEP		537-18-0147-00001		32,668
CPS/LRN-EBOLA CPS - LRN Ebola Equipment Contracts		2016-004163-00		195,164
Total CFDA Number 93.074				384,287
Project Grants and Cooperative Agreements for	93.116			
Tuberculosis Control Programs		2016-002508-00		14,643
Tuberculosis Control Programs		2016-002508-01		30,730
Total CFDA Number 93.116				45,373
Immunization Grants	93.268	2016-000014-01		220,632
Immunization Grants		537-18-0077-00001		20,800
Total CFDA Number 93.268				241,432
Preventive Health and Health Services Block Grant	93.991	2016-000023-00		117,375
Regional Local Services System		537-18-0210-00001		17,095
Total CFDA Number 93.991				134,470
Total Passed Through Dept. of State Health Svcs				805,562
<u>Passed through Texas Department of Family &amp; Protective Services</u>				
Promoting Safe and Stable Families	93.556	24186672	112,960	147,763
Promoting Safe and Stable Families		24426873	35,873	53,024
Total CFDA Number 93.556			148,833	200,787
Total Passed Through Dept. of Family & Protective Services				200,787
<b>Total U.S. Department of Health &amp; Human Services</b>				<b>2,088,965</b>
<b>Corporation for National and Community Service</b>				
<u>Direct Programs</u>				
Retired and Senior Volunteer Program	94.002			33,579
Retired and Senior Volunteer Program				25,631
Retired and Senior Volunteer Program				28,349
Total CFDA Number 94.002				87,559
Senior Companion Program	94.016			5,756
Senior Companion Program				230,984
Senior Companion Program				93,076
Total CFDA Number 94.016				329,816
Total Direct Programs				417,375
<b>Total Corp. for National and Community Service</b>				<b>417,375</b>
<b>Executive Office of the President</b>				
<u>Direct Programs</u>				
High Intensity Drug Trafficking Areas Program	95.001			29,470
High Intensity Drug Trafficking Areas Program				139,667
High Intensity Drug Trafficking Areas Program				7,281
Total CFDA Number 95.001				176,418
Total Direct Programs				176,418
<b>Total Executive Office of the President</b>				<b>176,418</b>
<b>U.S. Department of Homeland Security</b>				
<u>Passed through Texas Department of Public Safety</u>				
Hazard Mitigation Grant				
Nueces County Del Mar College Community Safe Room	97.039	DR-1791-346	1,320,392	1,320,392
City of Corpus Christi Community Safe Room		DR-1791-347	1,018,011	1,018,011
Nueces County Tuloso High School Community Safe Room		DR-1791-348	3,082,630	3,082,630
Total CFDA Number 97.039			5,421,033	5,421,033

The accompanying Notes are an integral part of this Schedule.

# City of Corpus Christi

## SCHEDULE OF EXPENDITURES OF FEDERAL/STATE AWARDS FISCAL YEAR ENDED SEPTEMBER 30, 2017

Federal Grantor/Pass-Through Grantor State Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Expenditure
State Homeland Security Program	97.067	EMW-2015-SS-00080		110,788
Total CFDA Number 97.067				110,788
Total Passed through Texas Department of Public Safety				5,531,821
<u>Passed Through Texas Department of Public Safety</u>				
<u>Passed Through Nueces County</u>				
FY15 Operation Stonegarden Grant Program	97.067	EMW-2015-SS-00080		230,718
FY16 Operation Stonegarden Grant Program		EMW-2016-SS-00056		8,220
Total CFDA Number 97.067				238,938
Total Passed through TDPS and Nueces County				238,938
<b>Total U.S. Department of Homeland Security</b>				5,770,759
<b>Total Federal and Passed-through Assistance</b>			<b>\$ 6,604,949</b>	<b>\$ 29,214,419</b>
<b>State Assistance:</b>				
<b>Texas Attorney General's Office</b>				
<u>Direct Program</u>				
State Account		N/A		229,769
Total Direct Program				229,769
<b>Total Texas Attorney General's Office</b>				<b>229,769</b>
<b>Texas Commission on Environmental Quality</b>				
<u>Direct Programs</u>				
Rider 7 - Near Non-Attainment Area		582-16-60182		265,528
Total Direct Programs				265,528
<b>Texas Department of Agriculture</b>				
<u>Direct Programs</u>				
Texans Feeding Texans Program		HDM-16-1707		28,297
Texans Feeding Texans Program		HDM-17-1853		12,790
Total Direct Programs				41,087
<b>Total Texas Department of Agriculture</b>				<b>41,087</b>
<b>Texas Department of Family and Protective Services</b>				
<u>Direct Programs</u>				
Community Youth Development		24186672	132,605	172,762
Community Youth Development		24426873	49,538	73,100
Total Direct Programs			182,143	245,862
<b>Total Texas Department of Family &amp; Protective Services</b>				<b>245,862</b>
<b>Texas Department of Public Safety</b>				
<u>Direct Programs</u>				
Local Border Security		2016-BL-ST-0016		(243)
Total Direct Programs				(243)
<b>Total Texas Department of Public Safety</b>				<b>(243)</b>
<b>Texas Department of State Health Services</b>				
<u>Direct Programs</u>				
TB/PC		2016-001398-00		52,192
TB/PC		537-18-0032-00001		4,791
Texas Healthy Communities		2016-003808-00		7
Texas Healthy Communities		2016-003808-03		49,543
FLU-LAB Infectious Disease Control Unit		2016-001102-00		4,894
SUREB Infectious Disease Control Unit		2016-003838-00		88,208
SUREB Infectious Disease Control Unit		537-18-0289-00001		7,976
Total Direct Programs				207,611
<b>Total Texas Department of State Health Services</b>				<b>207,611</b>

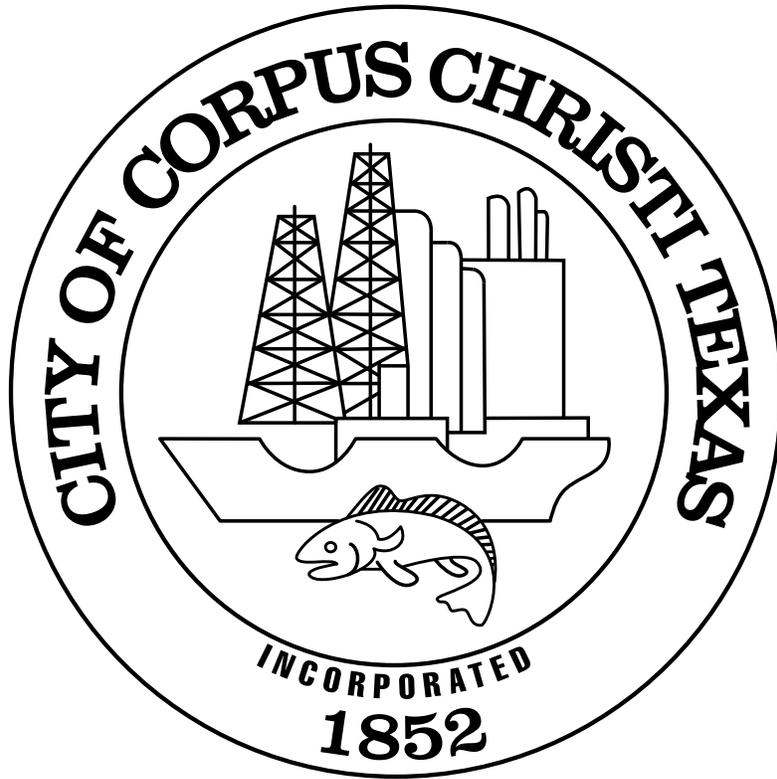
The accompanying Notes are an integral part of this Schedule.

# City of Corpus Christi

## SCHEDULE OF EXPENDITURES OF FEDERAL/STATE AWARDS FISCAL YEAR ENDED SEPTEMBER 30, 2017

Federal Grantor/Pass-Through Grantor State Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Expenditure
<b>Texas Department of Motor Vehicles</b>				
<u>Direct Programs</u>				
Corpus Christi Auto Theft Prevention Grant		608-17-1780200		342,691
Corpus Christi Auto Theft Prevention Grant		608-18-1780200		34,817
Total Direct Programs				<u>377,508</u>
<b>Total Texas Department of Motor Vehicles</b>				<u>377,508</u>
<b>Texas Water Development Board</b>				
<u>Direct Programs</u>				
Aquifer Storage and Recovery		201504075		34,296
Total Direct Programs				<u>34,296</u>
<b>Total Texas Water Development Board</b>				34,296
<b>Texas Parks and Wildlife</b>				
<u>Direct Programs</u>				
OSO Summer Guardians		52-000629		28,060
Total Direct Programs				<u>28,060</u>
<b>Total Texas Parks and Wildlife</b>				<u>28,060</u>
<b>Total State and Passed Through Assistance</b>			<u>\$ 182,143</u>	<u>\$ 1,429,478</u>

The accompanying Notes are an integral part of this Schedule.



**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL/STATE AWARDS  
FISCAL YEAR ENDED SEPTEMBER 30, 2017**

**1. Basis of Presentation**

The accompanying schedule of expenditures of federal/state awards (the "Schedule") includes the federal and state award activity of the City of Corpus Christi, Texas (the "City") under programs of the federal government and State of Texas for the year ended September 30, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the State of Texas Single Audit Circular. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

**2. Summary of Significant Accounting Policies**

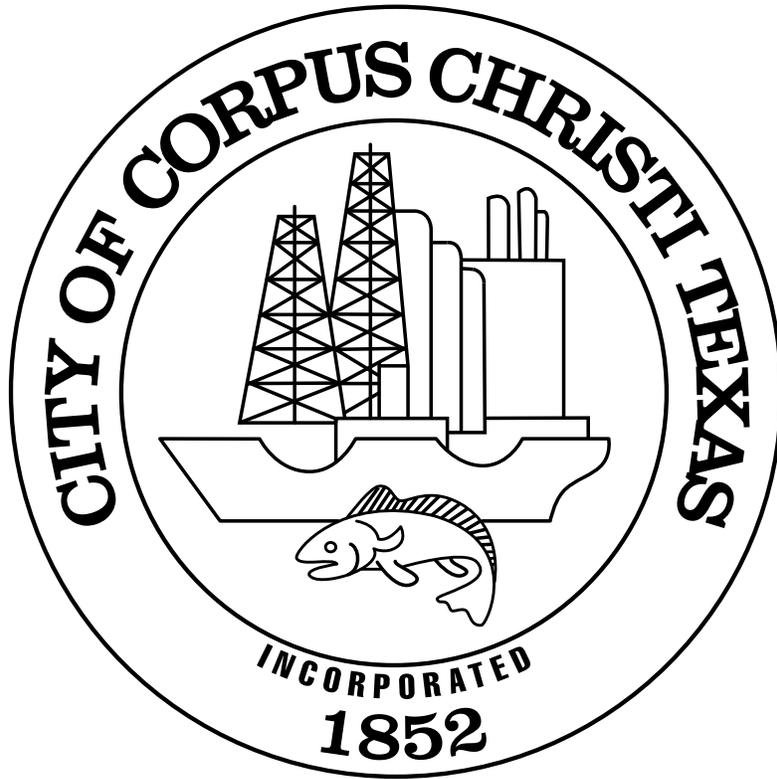
Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following, as applicable, the cost principles in Office of Management and Budget Circular A-87, Cost Principles for States, Local and Indian Tribal Governments, the cost principles contained in the Uniform Guidance, or State of Texas Single Audit Circular, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**3. Relationship to Federal Financial Reports**

Amounts reported in the Schedule of Federal/State Expenditures of Awards may not agree with the amounts reported in the related Federal/State financial reports filed with grantor agencies because of accruals which would be included in the next report filed with the agencies.

**4. Indirect Cost Rate**

The City has elected to not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.





A TRIBUTE TO THE CORPUS CHRISTI HARBOR BRIDGE