

Proposed Budget

FY 2018 - 2019

1





Mission Statement

2

- The mission of the City of Corpus Christi, Texas is to deliver municipal services which meet the vital health, safety, and general welfare needs of the 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 services, and straight forward communications. In this work, we will tolerate no mediocrity.



Guiding Fiscal Principles

3

1. Persist in fiscal control by:
 - a. Putting first things first – As directed by Council
 - b. Living within our means
2. Execute on core departmental mission
3. Treat all employees fairly
4. Maintain long term sustainability
5. Achieve continuous improvement



Presentation Outline

4

1. Contents of Proposed Budget Document
2. General Fund
3. Enterprise Funds
4. Special Revenue Funds
5. Internal Service Funds
6. Debt Service Funds



Proposed Budget Document

5

- A copy of the FY 2018-2019 Proposed City Operating Budget is available for review in:
 - ✦ The Office of the City Secretary
 - ✦ Any City Public Library
 - ✦ City's website



Proposed Budget Document cont.

6

The Proposed Budget Document is split into 7 major sections:

❖ Manager's Message containing:

- ❖ City Manager's Message
- ❖ Fund Structure & Organization Chart

❖ Budget Summaries containing:

- ❖ Summary of Revenues, Expenditures & Projected Balances
- ❖ Employee count
- ❖ Charts and Graphs

❖ General Fund Section containing:

- ❖ General Fund Financial Statement and 5 year Proforma
- ❖ Departmental Summaries for all General Fund departments

❖ Enterprise Funds Section containing:

- ❖ Financial Statements for all Enterprise Funds as well as 5 year Proformas for all major funds

❖ Internal Service Funds Section containing:

- ❖ Financial Statements and 5 year Proformas for all Internal Service Funds

❖ Special Rev. Funds Section containing:

- ❖ Financial Statements for all Special Revenue Funds as well as 5 year Proformas for all major funds

❖ Debt Service Funds Section containing:

- ❖ Debt Service Summary and Debt Schedule for all City Debt
- ❖ Financial Statements for all Debt Funds

City's website:

www.cctexas.com



Proposed Budget Overview

7

Revenues

	Actual Revenues 2016 - 2017	Original Budget 2017 - 2018	Amended Budget 2017 - 2018	Estimated Revenues 2017 - 2018	Proposed Budget 2018 - 2019
General Fund	\$230,311,979	\$239,473,863	\$243,543,700	\$245,853,546	\$253,419,204
Enterprise Funds	\$288,324,412	\$307,534,902	\$311,098,377	\$294,844,854	\$307,339,931
Internal Service Funds	\$ 94,574,145	\$106,904,932	\$106,904,932	\$100,234,248	\$104,171,029
Special Revenue Funds	\$121,412,075	\$111,545,097	\$111,794,647	\$116,606,675	\$115,150,436
Debt Service Funds	\$128,626,486	\$118,974,334	\$118,974,334	\$119,418,337	\$124,107,378
Total All-Funds	\$863,249,097	\$884,433,128	\$892,315,990	\$876,957,660	\$904,187,978



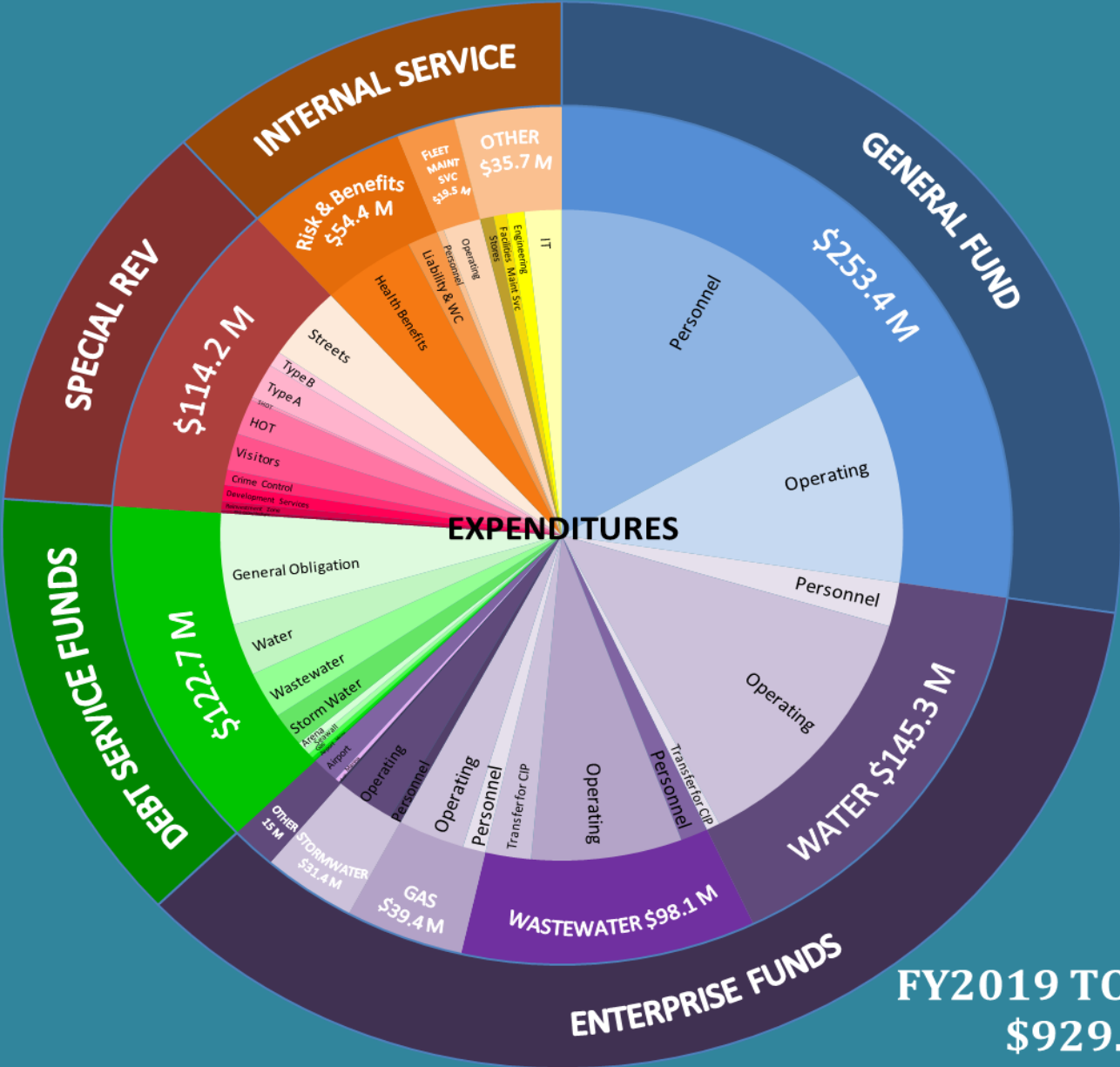
Proposed Budget Overview

8

Expenditures

	Actual Expenses 2016 - 2017	Original Budget 2017 - 2018	Amended Budget 2017 - 2018	Estimated Expenses 2017 - 2018	Proposed Budget 2018 - 2019
General Fund	\$225,899,112	\$239,473,862	\$258,787,089	\$250,220,324	\$253,419,204
Enterprise Funds	\$300,710,813	\$309,034,832	\$334,990,013	\$314,398,388	\$329,207,321
Internal Service Funds	\$ 99,019,066	\$114,241,624	\$117,232,684	\$106,656,635	\$109,587,912
Special Revenue Funds	\$101,011,647	\$ 96,767,689	\$129,340,778	\$118,594,849	\$114,139,089
Debt Service Funds	\$126,314,619	\$122,224,565	\$122,224,565	\$122,255,154	\$122,731,423
Total All-Funds	\$852,955,257	\$881,742,572	\$962,575,129	\$912,125,350	\$929,084,949

FY2019 PROPOSED BUDGET





Employee Summary

10

	2016 – 2017 FTEs	2017 – 2018 FTEs	2018 – 2019 FTEs
General Fund	1762.71	1748.74	1746.73
Enterprise Funds	737.40	742.40	747.40
Internal Service Funds	298.00	290.00	283.00
Special Revenue Funds	310.80	290.20	290.20
Total Operating FTEs	3108.91	3071.34	3067.33
Grant FTEs	91.00	91.00	93.00
Total City FTEs	3199.91	3162.34	3160.33

General Fund Summary

FY 2018 - 2019

11

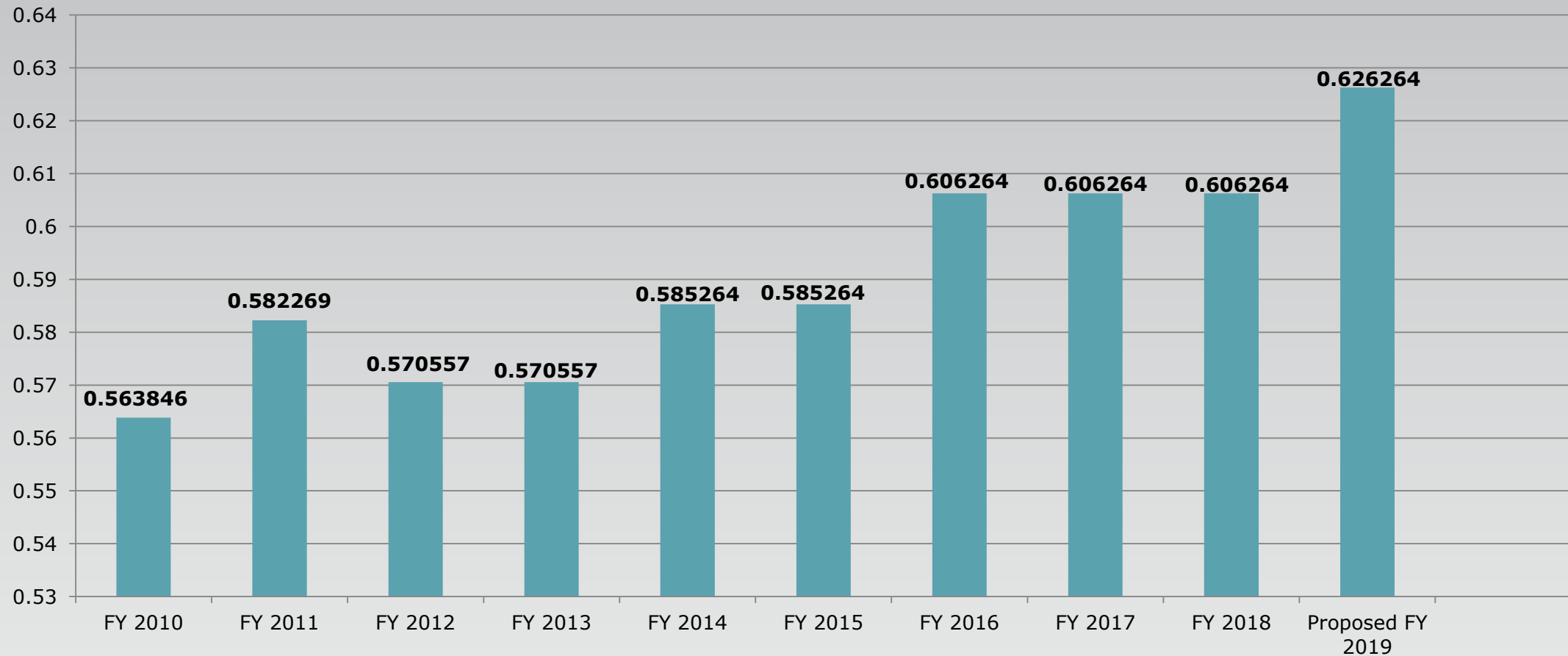




10-Year Property Tax Rates

12

Adopted Tax Rate per \$100 Valuation

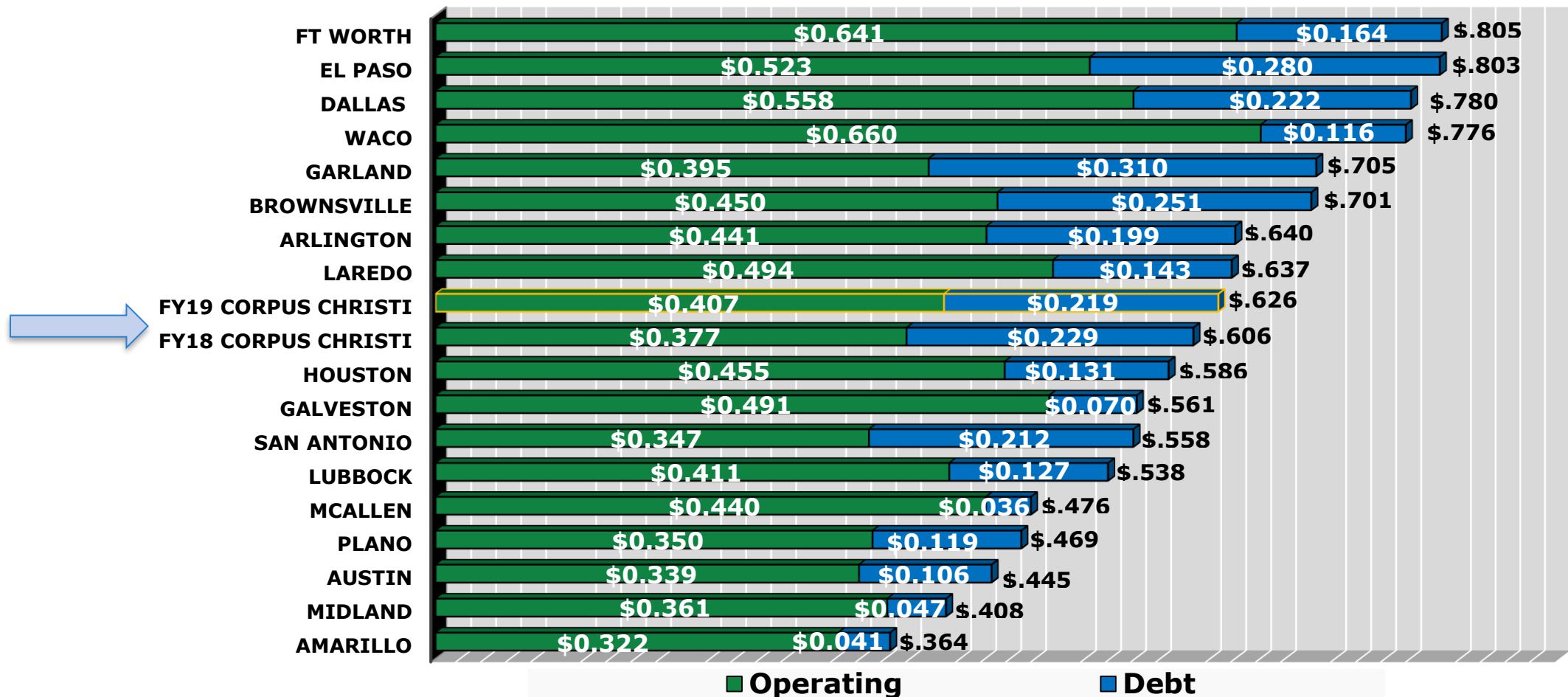




Comparison to Other Cities

13

FY 2018 Operating and Debt Service Rates per \$100 Valuation





General Fund Revenues

14

Revenue Classification	Actual Revenues 2016 - 2017	Original Budget 2017 - 2018	Amended Budget 2017 - 2018	Estimated Revenues 2017 - 2018	Proposed Budget 2018 - 2019
Property Taxes	\$ 69,609,413	\$ 72,001,866	\$ 72,001,866	\$ 71,989,294	\$ 80,325,653
Sales Tax and Other Taxes	66,229,694	66,912,199	66,912,199	68,247,798	67,347,359
Franchise Fees	16,893,515	17,454,365	17,454,365	16,787,072	17,049,004
Services and Sales	51,572,392	54,420,197	54,420,197	53,446,789	55,308,616
Permits and Licenses	2,780,852	2,455,118	2,455,118	2,492,382	2,650,457
Fines and Fees	7,283,267	7,809,116	7,809,116	7,260,638	7,681,776
Administrative Charges	6,347,162	6,662,393	6,662,393	6,669,897	6,718,649
Interest and Investments	547,321	377,000	377,000	607,679	650,000
Intergovernmental Services	1,728,374	2,146,774	6,216,611	8,838,196	4,148,329
Miscellaneous Revenue	1,759,863	1,684,260	1,684,260	1,933,234	1,864,190
Interfund Charges	5,560,126	7,550,575	7,550,573	7,580,567	9,675,171
Revenue Total	\$ 230,311,979	\$ 239,473,863	\$ 243,543,700	\$ 245,853,546	\$ 253,419,204

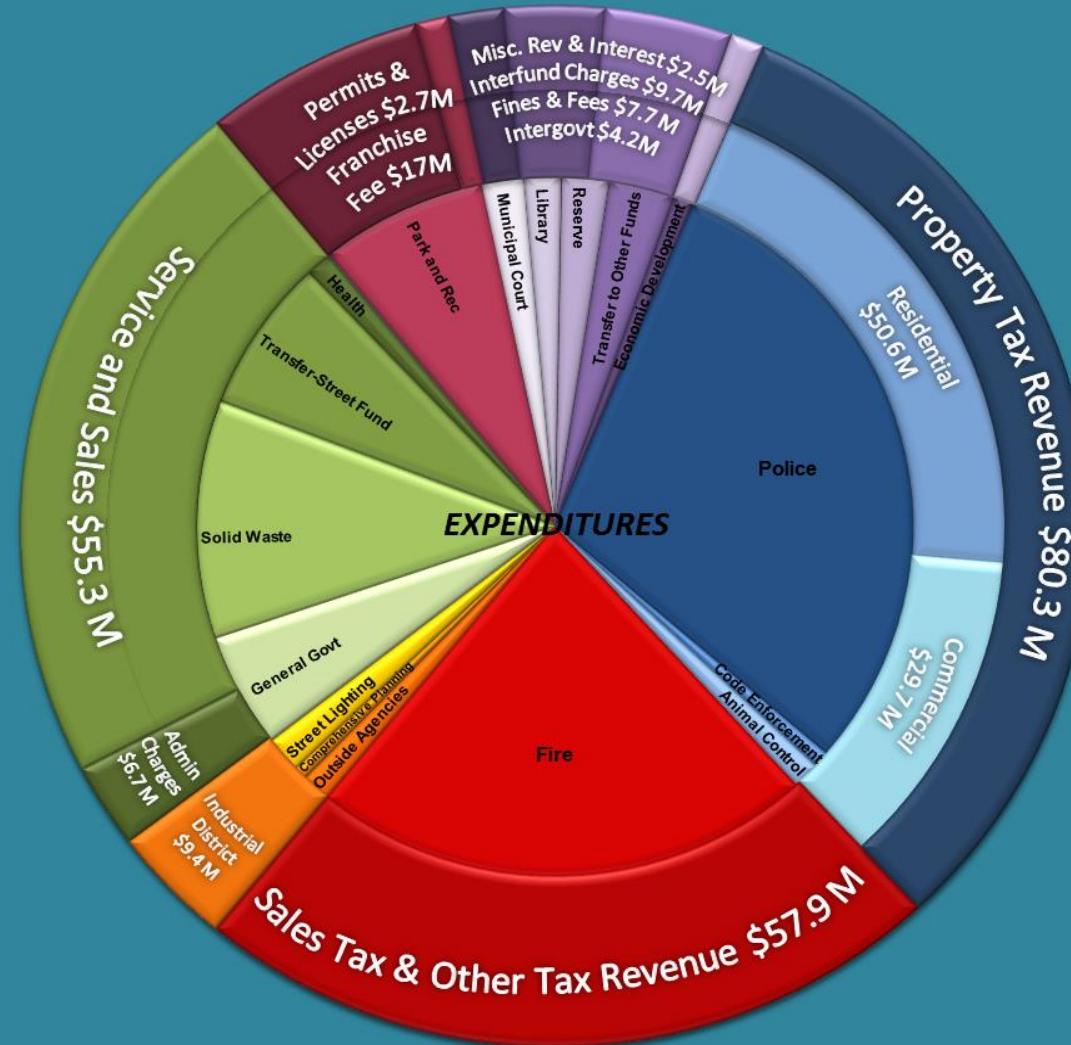


General Fund Expenditures

15

Department Name	Actual Expenses 2016 - 2017	Original Budget 2017 - 2018	Amended Budget 2017 - 2018	Estimated Expenses 2017 - 2018	Proposed Budget 2018 - 2019
General Government	\$18,779,494	\$20,156,446	\$19,993, 613	\$19,573,146	\$19,511,397
Fire	54,840,320	56,056,108	57,130,235	57,991,602	57,313,941
Police	69,776,278	75,129,198	75,655,941	74,522,031	76,139,825
Animal Ctrl / Code Enf.	4,436,619	5,479,834	5,182,663	5,081,309	5,281,322
Health	2,841,728	3,319,941	3,298,508	3,257,289	3,184,579
Library	4,044,690	4,109,140	4,026,701	3,994,127	4,225,097
Parks and Recreation	16,601,550	18,558,142	19,191,189	18,416,278	18,727,974
Solid Waste	26,164,065	26,077,781	27,683,706	27,587,798	27,863,497
Community Development	432,923	990,626	1,434,662	1,373,025	899,519
Non-operating Expenses	27,981,445	29,596,646	45,189,871	38,423,719	40,272,053
Expenditure Total	\$225,899,112	\$239,473,862	\$258,787,089	\$250,220,324	\$253,419,204

**GENERAL FUND AVAILABLE RESOURCES
DISTRIBUTED OVER MAJOR SPENDING AREAS
(\$ in Millions)**



FY 2019 TOTAL GENERAL FUND BUDGET: \$253.4 Million



Projected Change in General Fund Balance

17

• Beginning Balance 10/1/17	<u>\$57,317,351</u>
• Estimated Beginning Balance 10/1/18	<u>\$52,950,574</u>
• Projected Changes	<u>\$0</u>
• Projected Ending Balance 9/30/19 (20.9%)	<u>\$52,950,574</u>
• Minimum Fund Balance (17%)	<u>\$43,081,265</u>
• Goal (25%)	<u>\$63,354,801</u>

Enterprise Funds Summary

FY 2018 - 2019

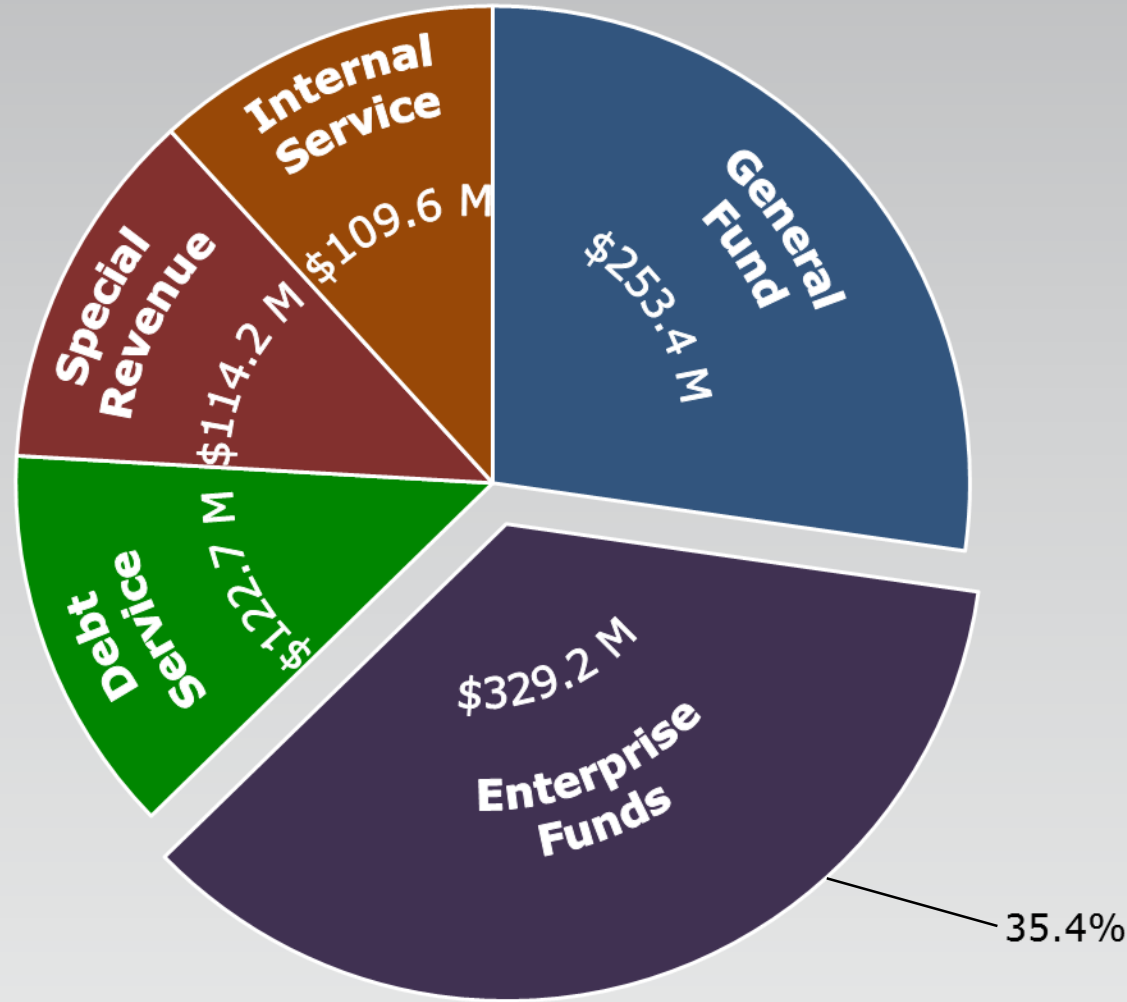
18





City – Wide Chart

19





Enterprise FTE Employees

20

Fund	FY 2016-17	FY2017-18	FY2018-19
Water	250.4	254.4	260.4
Gas	153.0	152.0	149.0
Wastewater	156.0	158.0	159.0
Storm Water	81.0	81.0	82.0
Airport	82.0	82.0	82.0
Marina	15.0	15.0	15.0
Enterprise Funds Total	737.4	742.4	747.4



Enterprise Fund Rev/Exp

21

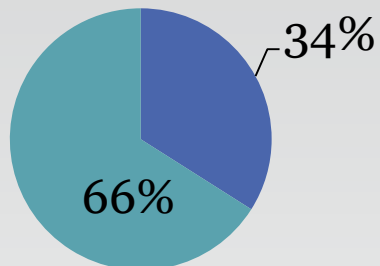
Fund	Proposed Revenues 2018 - 2019	Proposed Expenditures 2018 - 2019	Net Budget
Water	\$ 143,914,522	\$ 144,837,218	\$ (922,696)
Gas	39,379,330	39,374,616	4,714
Wastewater	78,042,655	98,072,177	(20,029,522)
Storm Water	28,925,451	31,371,931	(2,446,480)
Airport	9,621,673	9,432,585	189,088
Marina	2,244,000	2,109,105	134,895
Backflow Prevention	500,000	500,000	0
Raw Water Supply	1,925,228	4,500	1,920,728
Choke Canyon	106,400	152,613	(46,213)



Enterprise Fund Rev/Exp (cont.)

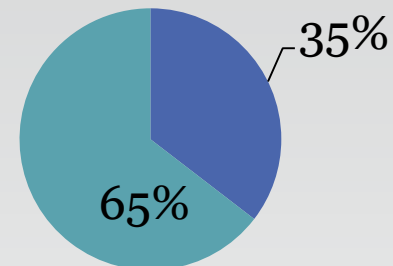
22

Fund	Proposed Revenues 2018 - 2019	Proposed Expenditures 2018 - 2019	Net Budget
Airport Passenger Facility	\$ 1,214,752	\$ 1,127,310	87,442
Airport Customer Facility	1,247,000	1,356,565	(109,565)
Golf Center	127,920	668,701	(540,781)
Golf Capital Reserve	91,000	200,000	(109,000)
TOTAL	\$ 307,339,931	\$ 329,207,321	\$ (21,867,390)



Enterprise Rev

■ Enterprise - \$307,339,931
■ All Funds - \$904,187,978



Enterprise Exp

■ Enterprise - \$329,207,321
■ All Funds - \$929,084,949



Enterprise Fund Balances

23

Fund	Estimated Beginning Fund Balance at 10/01/18	Net Budget	Projected Ending Fund Balance at 9/30/19
Water	\$ 30,971,911	\$ (922,696)	\$ 30,049,214
Backflow Prevention	0	0	0
Raw Water Supply	12,302,877	1,920,728	14,223,605
Choke Canyon	1,956,059	(46,213)	1,909,846
Gas	7,510,237	4,714	7,514,951
Wastewater	40,942,123	(20,029,522)	20,912,601
Storm Water	6,326,764	(2,446,479)	3,880,285
Airport	4,590,408	189,088	4,779,497
Airport Passenger Facility	2,902,210	87,442	2,989,652



Enterprise Fund Balances (cont.)

24

Fund	Estimated Beginning Fund Balance at 10/01/18	Net Budget	Projected Ending Fund Balance at 9/30/19
Airport Customer Facility	\$ 880,606	\$ (109,565)	\$ 771,041
Golf Center	(232,299)	(540,781)	(773,080)
Golf Capital Reserve	170,387	(109,000)	61,387
Marina	721,037	134,895	855,932
TOTAL	\$109,042,320	\$(21,867,390)	\$87,174,930



Projected Change in Enterprise Fund Balance

25

• Estimated Beginning Balance 10/1/18	<u>\$109,042,320</u>
• Projected Changes	<u>\$(21,867,390)</u>
• Projected Ending Balance 9/30/19	<u>\$87,174,930</u>
• Target Fund Balance @ 25%	<u>\$57,885,179</u>
• CIP Restricted	<u>\$23,179,964</u>
• Total Target + Restricted	<u>\$81,065,143</u>

Special Revenue Funds Summary

FY 2018 - 2019

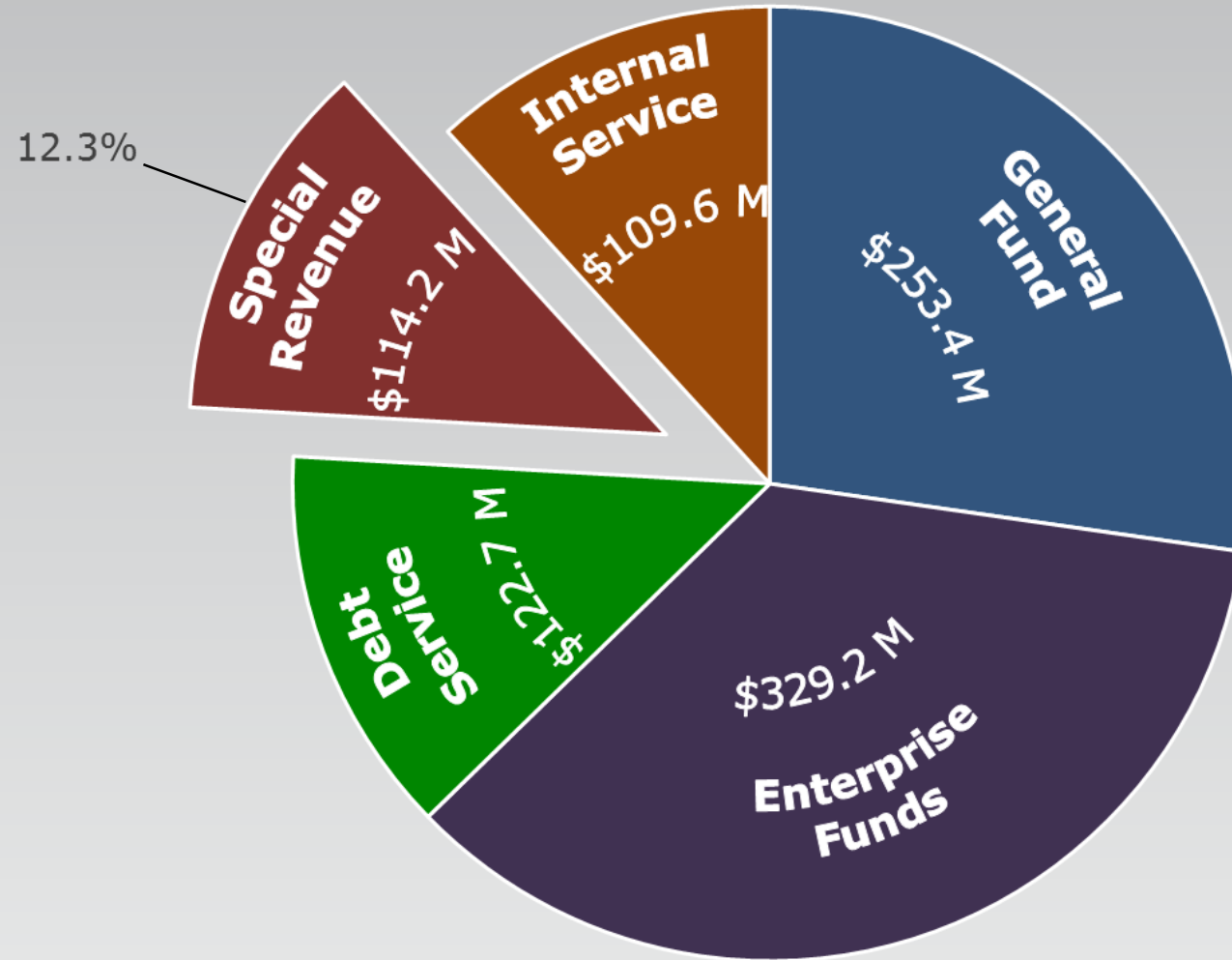
26





City – Wide Chart

27





Special Revenue FTE Employees

28

Fund	FY 2016-17	FY2017-18	FY2018-19
State Hotel Occupancy Tax	15.7	15.7	15.7
Juvenile Case Manager	3.0	3.0	2.0
Street	132.0	132.0	132.0
Redlight Photo Enforcement	3.0	0.0	0.0
Medicaid Waiver 1115	4.0	0.0	0.0
Development Services	60.5	62.5	63.5
Visitors Facilities	13.0	13.0	13.0
Local Emergency Planning	1.0	1.0	1.0
Crime Control	78.6	63.0	63.0
Special Revenue Funds Total	310.8	290.2	290.2



Special Revenue Fund Rev/Exp

29

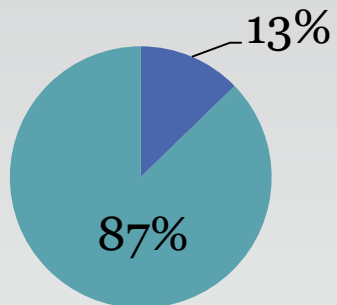
Fund	Proposed Revenues 2018 - 2019	Proposed Expenditures 2018 - 2019	Net Budget
Hotel Occupancy Tax	\$ 16,043,429	\$ 16,508,562	\$ (465,133)
Public, Education, and Government	625,000	565,000	60,000
State Hotel Occupancy Tax	3,354,529	1,430,983	1,923,546
Municipal Court Security	94,950	110,000	(15,050)
Municipal Court Technology	123,799	193,968	(70,169)
Juvenile Case Manager	142,343	139,677	2,666
Juvenile Case Manager Reserve	28,215	24,200	4,015
Parking Improvement	103,000	100,000	3,000
Street Maintenance	31,680,641	33,008,020	(1,327,379)
Residential Street Reconstruction	4,406,542	3,400,000	1,006,542
Redlight Photo Enforcement	0	6,238	(6,238)
Reinvestment Zone No. 2	4,280,988	2,120,929	2,160,059
Reinvestment Zone No. 3	1,409,018	1,831,602	(422,584)
Seawall Improvement	7,450,000	2,951,064	4,498,936



Special Revenue Fund Rev/Exp (Cont.)

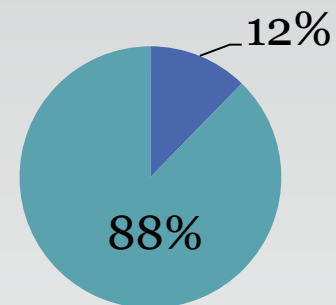
30

Fund	Proposed Revenues 2018 - 2019	Proposed Expenditures 2018 - 2019	Net Budget
Arena Facility	\$ 7,220,000	\$ 11,904,708	\$ (4,684,708)
Business and Job Development	100,000	1,366,611	(1,266,611)
Type B	7,003,000	7,073,643	(70,643)
Development Services	7,293,657	7,293,657	0
Visitor Facilities	16,551,725	16,873,325	(321,600)
Local Emergency Planning	218,400	216,908	1,492
Crime Control and Prevention	7,021,200	7,019,993	1,207
TOTAL	\$ 115,150,436	\$ 114,139,088	\$ 1,011,348



Special Revenue Rev

- Special Revenue - \$115,150,436
- All Funds - \$904,187,978



Special Revenue Exp

- Special Revenue - \$114,139,088
- All Funds - \$929,084,949



Special Revenue Fund Balances

31

Fund	Estimated Beginning Fund Balance at 10/01/18	Net Budget	Projected Ending Fund Balance at 9/30/19
Hotel Occupancy Tax	\$ 3,510,263	\$ (465,133)	\$ 3,045,129
Public, Education, and Government	2,130,933	60,000	2,190,933
State Hotel Occupancy Tax	6,823,856	1,923,546	8,747,402
Municipal Court Security	117,749	(15,050)	102,699
Municipal Court Technology	296,075	(70,169)	225,906
Juvenile Case Manager	278,097	2,666	280,763
Juvenile Case Manager Reserve	104,956	4,015	108,971
Parking Improvement	253,053	3,000	256,053
Street Maintenance	4,114,148	(1,327,379)	2,786,769
Residential Street Reconstruction	5,202,733	1,006,542	6,209,275
Redlight Photo Enforcement	6,238	(6,238)	0
Health Medicaid 1115 Waiver	1,134,113	0	1,134,113



Special Revenue Fund Balances (cont.)

32

Fund	Estimated Beginning Fund Balance at 10/01/18	Net Budget	Projected Ending Fund Balance at 9/30/19
Reinvestment Zone No. 2	\$ 11,957,165	\$ 2,160,059	\$ 14,117,224
Reinvestment Zone No. 3	3,627,054	(422,584)	3,204,470
Seawall Improvement	39,438,961	4,498,936	43,937,897
Arena Facility	22,238,295	(4,684,708)	17,553,587
Business and Job Development	14,954,675	(1,266,611)	13,688,064
Type B	3,491,769	(70,643)	3,421,126
Development Services	6,392,501	(0)	6,392,501
Visitor Facilities	2,615,687	(321,600)	2,294,087
Local Emergency Planning	39,964	1,492	41,456
Crime Control and Prevention	4,149,801	1,207	4,151,008
Special Revenue Total	\$132,878,086	\$ 1,011,348	\$133,889,433



Projected Change in Special Revenue Fund Balance

33

- | | |
|---------------------------------------|----------------------|
| • Estimated Beginning Balance 10/1/18 | <u>\$132,878,085</u> |
| • Projected Changes | <u>\$1,011,348</u> |
| • Projected Ending Balance 9/30/19 | <u>\$133,889,433</u> |

Internal Service Funds Summary

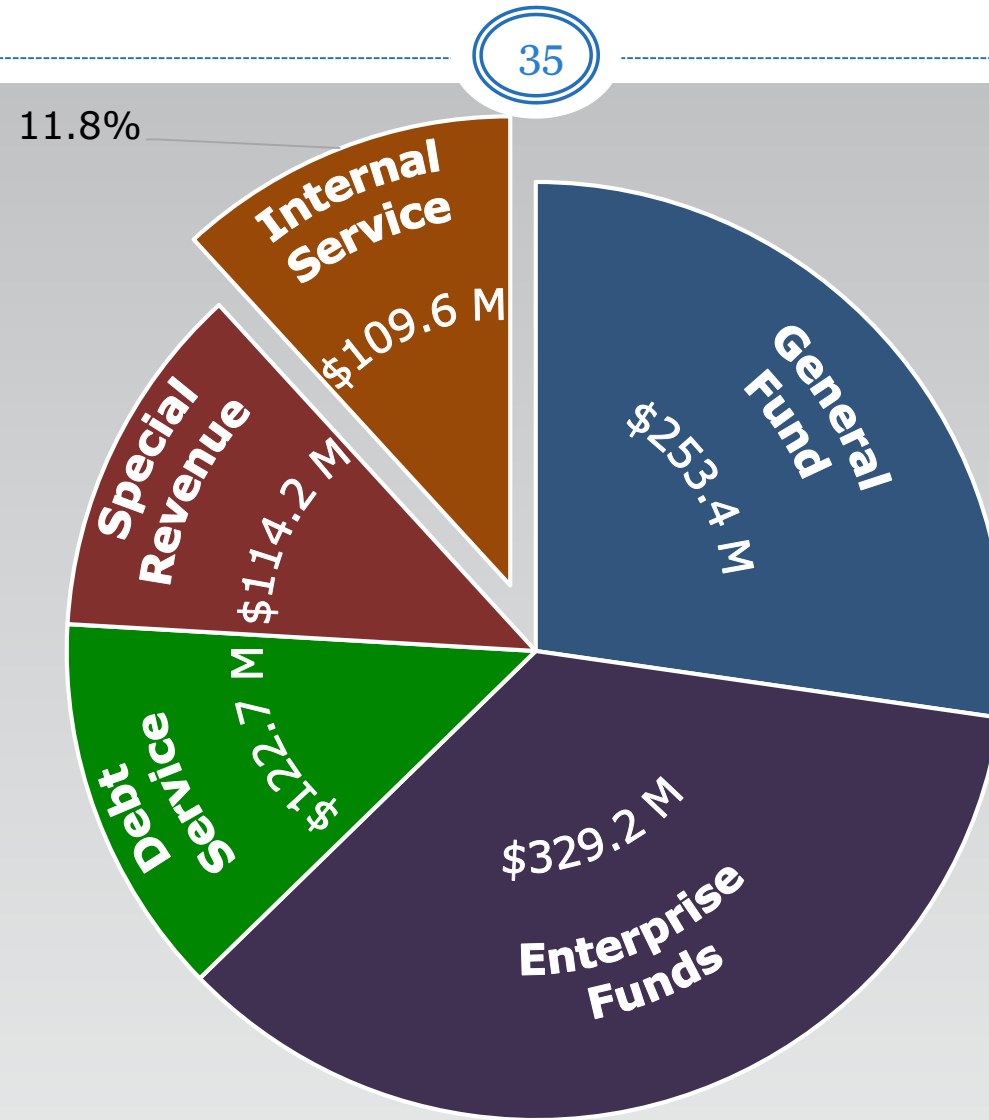
FY 2018 - 2019

34





City – Wide Chart





Internal Service FTE Employees

36

Fund	FY 2016-17	FY2017-18	FY2018-19
Stores	20.0	21.0	21.0
Asset Management – Fleet	59.0	59.0	59.0
Asset Management – Facilities	28.0	28.0	22.0
Information Technology	96.0	94.0	93.0
Engineering	76.0	67.0	67.0
Risk Management Administration	12.0	14.0	14.0
Health Benefits Administration	7.0	7.0	7.0
Internal Service Funds Total	298.0	290.0	283.0



Internal Service Fund Rev/Exp

37

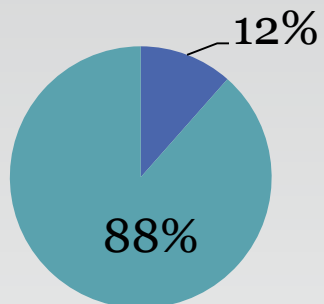
Fund	Proposed Revenues 2018 - 2019	Proposed Expenditures 2018 - 2019	Net Budget
Stores	\$ 5,282,372	\$ 5,751,505	\$ (469,133)
Asset Management - Fleet	18,195,996	19,546,332	(1,350,336)
Asset Management - Facilities	4,402,372	5,898,388	(1,496,016)
Information Technology	15,140,512	16,217,264	(1,076,752)
Engineering	7,832,641	7,829,161	3,480
Employee Health Benefits - Fire	10,211,166	10,506,713	(295,547)
Employee Health Benefits - Police	10,154,849	10,258,535	(103,686)
Employee Health Benefits - Citicare	19,475,565	19,410,565	65,000
Health Benefits Administration	587,129	593,825	(6,696)



Internal Service Fund Rev/Exp (cont.)

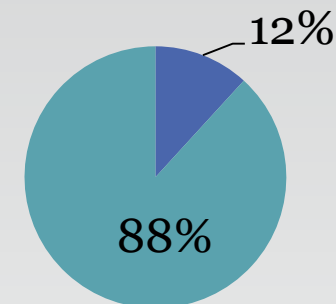
38

Fund	Proposed Revenues 2018 - 2019	Proposed Expenditures 2018 - 2019	Net Budget
Other Employee Benefits	1,840,793	1,820,793	20,000
General Liability	6,575,017	7,175,750	(600,733)
Workers' Compensation	3,517,849	3,446,948	70,901
Risk Management Administration	954,768	1,132,133	(177,365)
TOTAL	\$104,171,029	\$109,587,912	\$(5,416,883)



Internal Service Rev

- Internal Service - \$104,171,029
- All Funds - \$904,187,978



Internal Service Exp

- Internal Service - \$109,587,912
- All Funds - \$929,084,949



Internal Service Fund Balances

39

Fund	Estimated Beginning Fund Balance at 10/01/18	Net Budget	Projected Ending Fund Balance at 9/30/19
Stores	\$ 753,560	\$ (469,133)	\$ 284,427
Asset Management - Fleet	5,867,536	(1,350,336)	4,517,200
Asset Management - Facilities	1,810,455	(1,496,016)	314,439
Information Technology	1,982,082	(1,076,752)	905,330
Engineering	389,891	3,480	393,371
Employee Health Benefits - Fire	5,118,771	(295,547)	4,823,224
Employee Health Benefits - Police	3,131,325	(103,686)	3,027,639
Employee Health Benefits - Citicare	10,381,958	65,000	10,446,958
Health Benefits Administration	141,760	(6,696)	135,064



Internal Service Fund Balances (cont.)

40

Fund	Estimated Beginning Fund Balance at 10/01/18	Net Budget	Projected Ending Fund Balance at 9/30/19
General Liability	\$ 7,759,774	\$ (600,733)	\$ 7,159,041
Workers' Compensation	5,281,835	70,901	5,352,736
Risk Management Administration	361,214	(177,365)	183,849
Other Employee Benefits	2,430,390	20,000	2,450,390
TOTAL	\$ 45,410,551	\$ (5,416,883)	\$ 39,993,668



Projected Change in Internal Service Fund Balance

41

- Estimated Beginning Balance 10/1/18 \$45,410,551
- Projected Changes \$(5,416,883)
- Projected Ending Balance 9/30/19 \$39,993,668
- Target \$27,984,878
 - Risk & Health Benefits- Varies
 - All Other- 3%
- Fleet Future Replacement Restricted \$3,921,245
- Total Target + Restricted \$31,906,123

Debt Service Funds Summary

FY 2018 - 2019

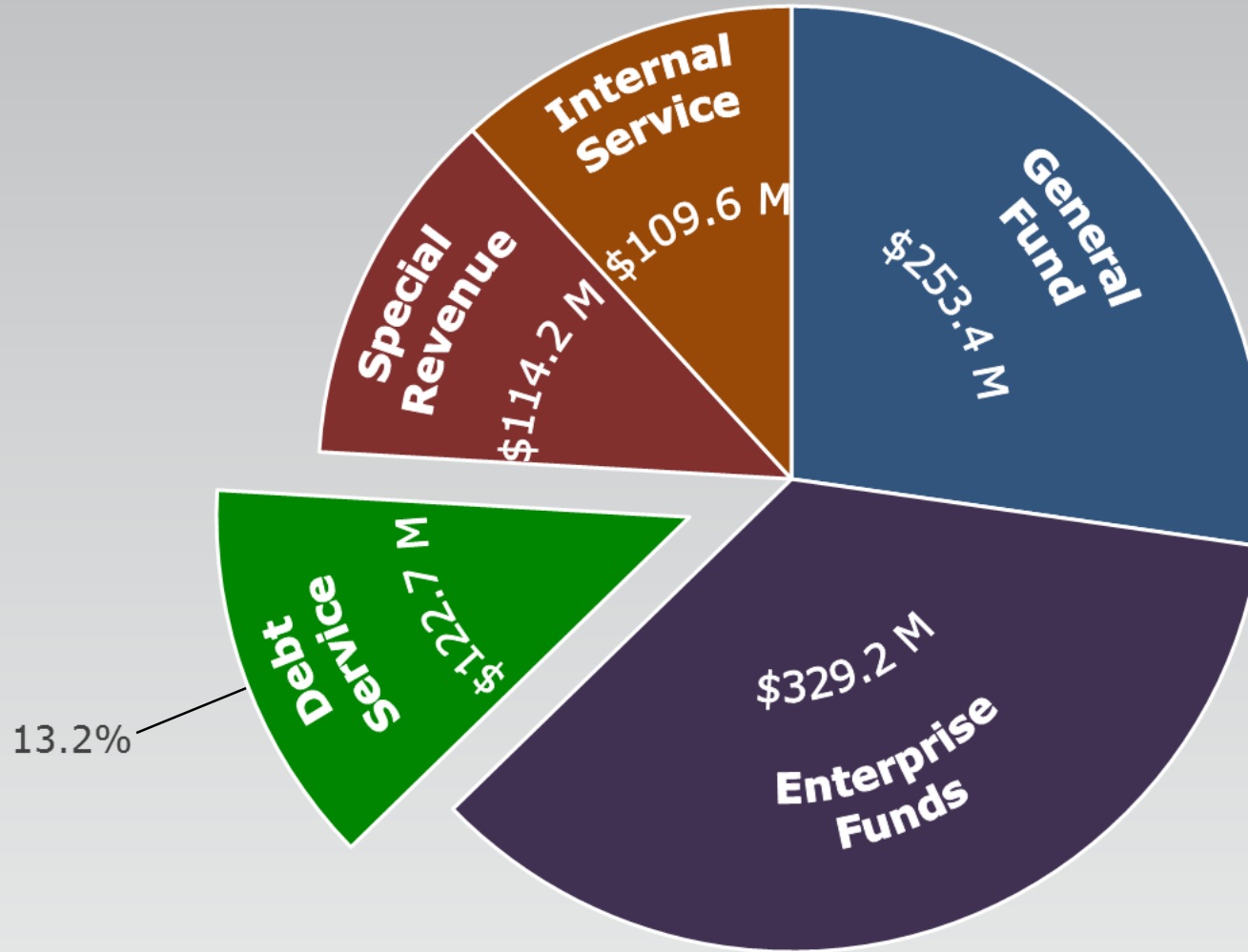
42





City – Wide Chart

43





Debt Service Fund Rev/Exp

44

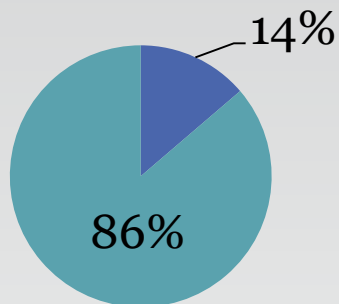
Fund	Proposed Revenues 2018 - 2019	Proposed Expenditures 2018 - 2019	Net Budget
Seawall Improvement Debt	\$ 2,862,244	\$ 2,850,244	\$ 12,000
Arena Facility Debt	3,474,000	3,439,000	35,000
Baseball Stadium Debt	0	0	0
General Obligation Debt	52,152,500	51,036,345	1,116,155
Water System Debt	23,986,092	23,894,293	91,799
Wastewater System Debt	21,755,060	21,684,260	70,800
Gas System Debt	1,401,057	1,401,057	0
Storm Water System	15,672,150	15,621,950	50,200



Debt Service Fund Rev/Exp (cont.)

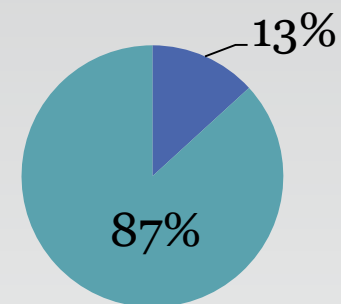
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Fund	Proposed Revenues 2018 - 2019	Proposed Expenditures 2018 - 2019	Net Budget
Airport 2012A Debt	944,344	944,344	0
Airport 2012B Debt	366,481	366,481	0
Airport Debt	400,100	400,100	0
Airport Customer Facility Debt	482,775	482,775	0
Marina Debt	610,575	610,575	0
TOTAL	\$ 124,107,378	\$ 122,731,424	\$ 1,375,954



Debt Service Rev

- Debt Service - \$124,107,378
- All Funds - \$904,187,978



Debt Service Exp

- Debt Service - \$122,731,424
- All Funds - \$929,084,949



Projected Change in Fund Balance

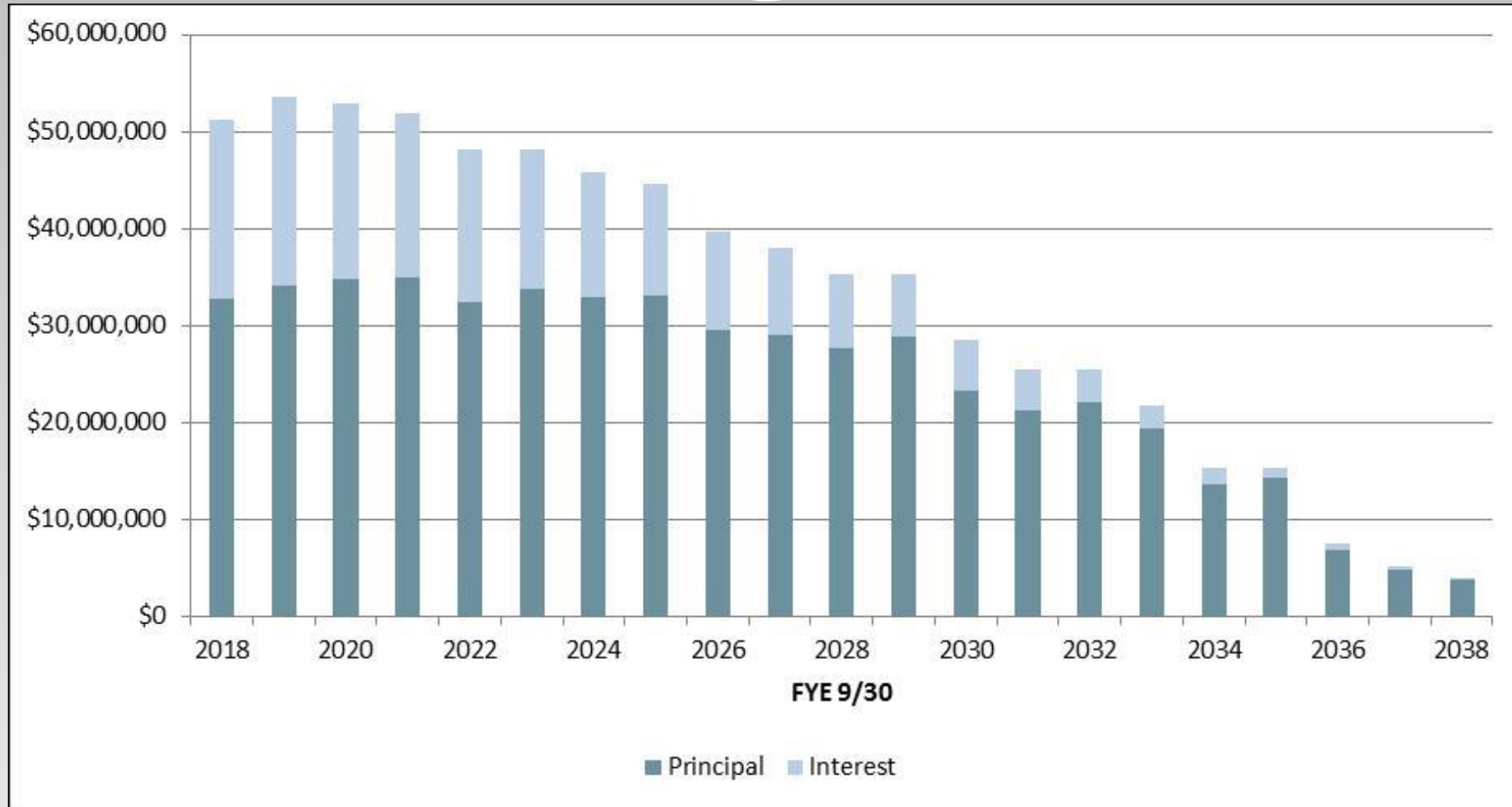
46

• Estimated Beginning Balance 10/1/18	\$32,713,623
• Projected Changes	<u>\$ 1,375,954</u>
• Projected Ending Balance 9/30/19	<u>\$34,089,577</u>
• Restricted for Debt	<u>\$34,089,577</u>



Outstanding General Obligation Debt

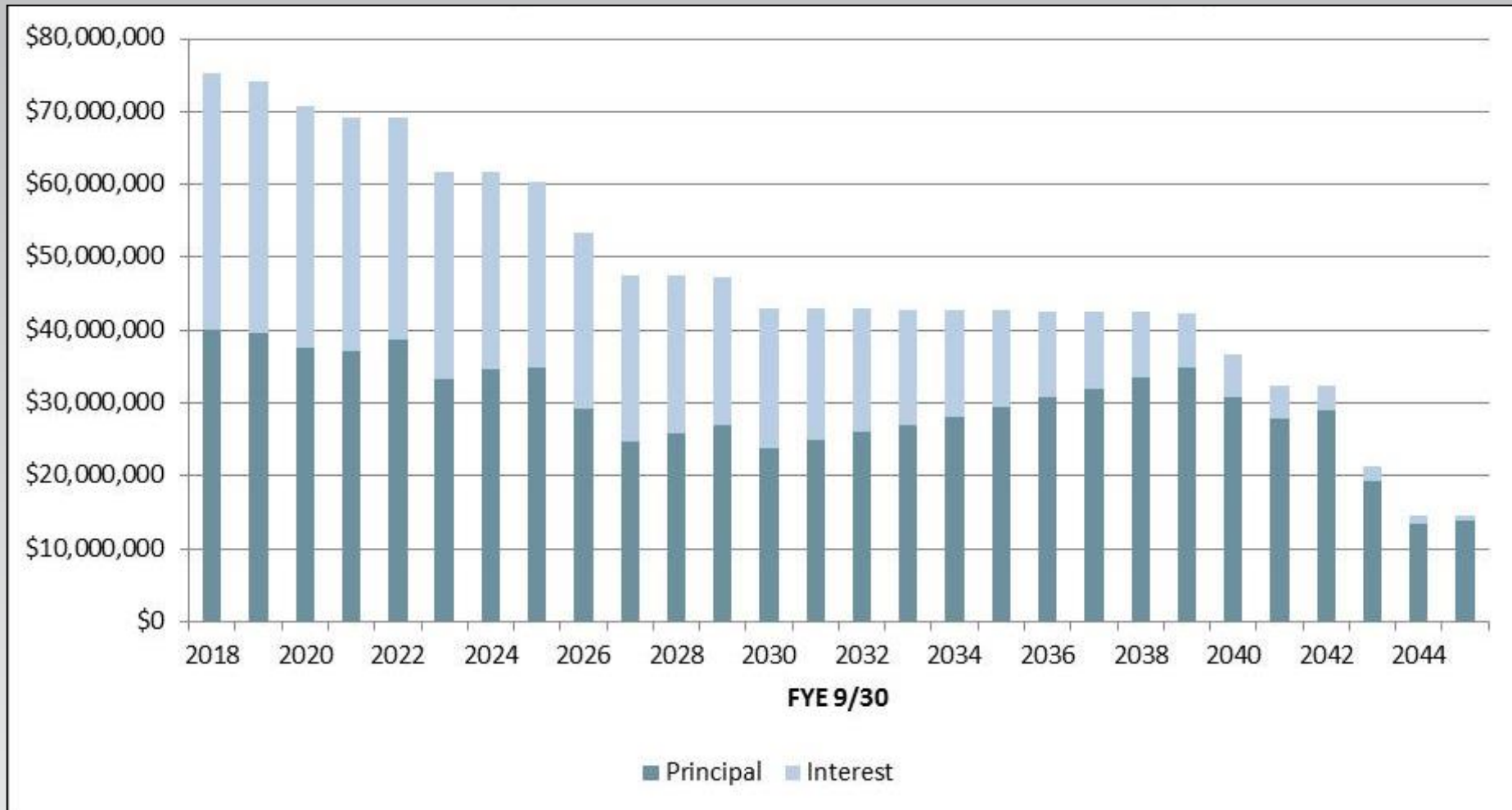
47





Outstanding Utility Revenue Debt

48





Proposed Bond Issuances Fiscal Year 2019

49

- General Obligation Bonds related to Bond 2018 (if approved by the voters)
- Utility Revenue Bonds



Questions