



AGENDA MEMORANDUM

Corpus Christi Business and Job Development Corporation Meeting March 17, 2014

DATE: March 06, 2014

TO: President and Honorable Board Members,
Corpus Christi Business and Job Development Corporation

THROUGH: Ronald L. Olson, City Manager

FROM: Eddie Houlihan, Assistant Director Office of Management and Budget
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Amendment of Fiscal Year 2013-2014 Operating Budget

CAPTION:

Motion approving the amendment of the Fiscal Year 2013-2014 Operating Budget adopted by City of Corpus Christi Ordinance No. 029915 to extend fiscal year 2013-2014 two months, by adjusting expenditures and revenues in the Seawall Improvement Fund, the Seawall Improvement Debt Service Fund, Arena Fund, Arena Debt Service Fund, Corpus Christi Business and Job Development Fund, and Corpus Christi Business and Job Development Debt Service Fund.

PURPOSE:

The purpose of this item is to approve the revision and two month extension of the Fiscal Year 2013-2014 Operating Budget for the Seawall Improvement Fund, the Seawall Improvement Debt Service Fund, Arena Fund, Arena Debt Service Fund, Corpus Christi Business and Job Development Fund, and Corpus Christi Business and Job Development Debt Service Fund.

BACKGROUND AND FINDINGS:

Ordinance Number 10274 dated November 23, 1939 set the City of Corpus Christi's fiscal year of August 1st through July 31st. The City Charter, Article IV. Administration, Section 2 (a) states that the City's fiscal year shall be set by ordinance but shall not be changed more often than every four years, except by two-thirds vote of the Council.

On January 21, 2014, City Council approved Ordinance Number 030066 changing the City's fiscal year from August 1st through July 31st to October 1st through September 30th.

ALTERNATIVES:

n/a

OTHER CONSIDERATIONS:

n/a

CONFORMITY TO CITY POLICY:

This item conforms to City policy.

EMERGENCY / NON-EMERGENCY:

n/a

DEPARTMENTAL CLEARANCES:

- Department of Financial Services
- Legal Department

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: 2013-2014	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		\$29,814,507		\$29,814,507
Encumbered / Expended Amount				
This item		10,984,466		10,984,466
BALANCE		\$40,798,973		\$40,798,973

Fund(s):

1120 (Seawall Improvement Fund), 1121 (Seawall Improvement Debt Service Fund)
 1130 (Arena Facilities Fund), 1131 (Arena Facilities Debt Service Fund)
 1140 (Business and Job Development Fund) and 1141 (Baseball Stadium Debt Service Fund)

Comments:

Revenues for the two month extension are projected to total \$8,979,695 as follows:

- 1120 (Seawall Improvement Fund) - \$1,233,528
- 1121 (Seawall Improvement Debt Service Fund) – \$554,809
- 1130 (Arena Facilities Fund) - \$1,228,884
- 1131 (Arena Facilities Debt Service Fund) – \$2,710,002
- 1140 (Business and Job Development Fund) - \$1,227,788
- 1141 (Baseball Stadium Debt Service Fund) - \$2,024,684

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

TYPE A BUDGET AMENDMENT SUMMARY

- Exhibit A - Seawall Improvement Fund 1120 Financial Statement
- Exhibit A-1 - Seawall Improvement Debt Service Fund 1121 Financial Statement
- Exhibit B - Arena Facilities Fund 1130 Financial Statement
- Exhibit B-1 - Arena Facilities Debt Service Fund 1131 Financial Statement
- Exhibit C - Business and Job Development Fund 1140 Financial Statement
- Exhibit C-1 - Business and Job Development Debt Service Fund 1141 Financial Statement

**CITY OF CORPUS CHRISTI
TYPE A BUDGET AMENDMENT
FISCAL YEAR 2013-2014 TWO MONTH EXTENSION**

Revenues by Fund	Amount
Seawall Improvement Fund (1120)	1,233,528
Seawall Improvement Debt Service Fund (1121)	554,809
Arena Facility Fund (1130)	1,228,884
Arena Facility Debt Service Fund (1131)	2,710,002
Business/Job Development (1140)	1,227,788
Business/Job Development Debt Service (1141)	2,024,684
Total Revenues	8,979,695

Expenditures by Fund	Amount
Seawall Improvement Fund (1120)	557,310
Seawall Improvement Debt Service Fund (1121)	554,809
Arena Facility Fund (1130)	2,827,824
Arena Facility Debt Service Fund (1131)	2,709,867
Business/Job Development (1140)	2,310,123
Business/Job Development Debt Service (1141)	2,024,533
Total Expenditures	10,984,466

NET INCOME	(2,004,771)
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EXHIBIT A
SEAWALL IMPROVEMENT FUND (1120)
REVENUE DETAIL

ACCOUNT DESCRIPTION	ACTUALS 2012-2013	BUDGET 2013-2014	2 Month Extension 2013-2014	AMENDED 2013-2014
Unreserved	19,599,510			22,791,589
Reserved for Encumbrances	0			0
Reserved for Commitments	4,000,000			0
BEGINNING BALANCE	<u>23,599,510</u>			<u>22,791,589</u>
OPERATING REVENUE				
Seawall sales tax	6,881,107	7,336,875	1,223,960	8,560,835
TOTAL OPERATING REVENUE	<u>6,881,107</u>	<u>7,336,875</u>	<u>1,223,960</u>	<u>8,560,835</u>
NON-OPERATING REVENUE				
Interest Income				
Interest on investments	77,945	96,000	9,568	105,568
Net Inc/Dec in FV of Investmen	(30,011)	0	0	0
Total Interest Income	<u>47,934</u>	<u>96,000</u>	<u>9,568</u>	<u>105,568</u>
TOTAL NON-OPERATING	<u>47,934</u>	<u>96,000</u>	<u>9,568</u>	<u>105,568</u>
TOTAL REVENUE	<u>6,929,041</u>	<u>7,432,875</u>	<u>1,233,528</u>	<u>8,666,403</u>
TOTAL FUNDS AVAILABLE	<u>30,528,551</u>	<u>7,432,875</u>	<u>1,233,528</u>	<u>31,457,992</u>

Note: Funding source for Seawall Improvement Fund is 1/8 cent voter approved sales tax.
Sales tax is to be collected no longer than 25 years from April 1, 2001.

EXHIBIT A
SEAWALL IMPROVEMENT FUND (1120)
EXPENDITURE DETAIL BY ORGANIZATION

ORGANIZATION NAME	ACTUALS 2012-2013	BUDGET 2013-2014	2 Month Extension 2013-2014	AMENDED 2013-2014
Departmental Expenditures				
Seawall Administration	1,650	15,000	2,500	17,500
Total Departmental Expenditures	<u>1,650</u>	<u>15,000</u>	<u>2,500</u>	<u>17,500</u>
Non-Departmental Expenditures				
Transfer to Debt Service	3,385,313	2,900,419	554,810	3,455,229
Transfer to Seawall CIP Fd	4,350,000	0	0	0
Total Non-Departmental Expenditures	<u>7,735,313</u>	<u>2,900,419</u>	<u>554,810</u>	<u>3,455,229</u>
TOTAL SEAWALL IMPROVEMENT FUND (1120)	<u><u>7,736,963</u></u>	<u><u>2,915,419</u></u>	<u><u>557,310</u></u>	<u><u>3,472,729</u></u>
RESERVED FOR ENCUMBRANCES	0			0
RESERVED FOR COMMITMENTS	0			0
UNRESERVED	<u>22,791,589</u>			<u>27,985,263</u>
CLOSING BALANCE	<u><u>22,791,589</u></u>			<u><u>27,985,263</u></u>

EXHIBIT A-1
SEAWALL IMPROVEMENT DEBT SERVICE FUND (1121)
REVENUE DETAIL

ACCOUNT DESCRIPTION	ACTUALS 2012-2013	BUDGET 2013-2014	2 Month Extension 2013-2014	AMENDED 2013-2014
Unreserved	0			1,334,890
Reserved for Encumbrances	0			0
Reserved for Commitments	1,385,391			0
BEGINNING BALANCE	<u>1,385,391</u>	<u>0</u>	<u>0</u>	<u>1,334,890</u>
OPERATING REVENUE				
TOTAL OPERATING REVENUE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NON-OPERATING REVENUE				
Interest Income				
Interest on investments	1,130	312	0	312
Accrued interest - bond SD	101,475	0	0	0
Proceeds of sale of bonds	29,075,000	0	0	0
Bond Premium	2,539,477	0	0	0
Total Interest Income	<u>31,717,082</u>	<u>312</u>	<u>0</u>	<u>312</u>
TOTAL NON-OPERATING REVENUE	<u>31,717,082</u>	<u>312</u>	<u>0</u>	<u>312</u>
TOTAL REVENUE	<u>31,717,082</u>	<u>312</u>	<u>0</u>	<u>312</u>
INTERFUND CONTRIBUTIONS				
Transfer for debt - Seawall Fd	3,385,313	2,900,419	554,809	3,455,228
TOTAL INTERFUND CONTRIBUTIONS	<u>3,385,313</u>	<u>2,900,419</u>	<u>554,809</u>	<u>3,455,228</u>
TOTAL REVENUE & INTERFUND CONTRIB	<u>35,102,395</u>	<u>2,900,731</u>	<u>554,809</u>	<u>3,455,540</u>
TOTAL FUNDS AVAILABLE	<u>36,487,786</u>	<u>2,900,731</u>	<u>554,809</u>	<u>4,790,429</u>

EXHIBIT A-1
SEAWALL IMPROVEMENT DS (1121)
EXPENDITURE DETAIL BY ORGANIZATION

ORGANIZATION NAME	ACTUALS 2012-2013	BUDGET 2013-2014	2 Month Extension 2013-2014	AMENDED 2013-2014
Departmental Expenditures				
Total Departmental Expenditures	0	0	0	0
Non-Departmental Expenditures				
Principal retired	0	1,720,000	0	1,720,000
Interest	1,503,659	1,178,419	554,809	1,733,228
Paying agent fees	0	2,000	0	2,000
Transfer to escrow agent	33,262,105	0	0	0
Bond issuance costs	387,132	0	0	0
Total Non-Departmental Expenditures	35,152,896	2,900,419	554,809	3,455,228
TOTAL SEAWALL IMPROVEMENT DS (1121)	35,152,896	2,900,419	554,809	3,455,228
RESERVED FOR ENCUMBRANCES	0			
RESERVED FOR COMMITMENTS	0			
UNRESERVED	1,334,890			1,335,202
CLOSING BALANCE	1,334,890			1,335,202

EXHIBIT B
ARENA FACILITY FUND (1130)
REVENUE DETAIL

ACCOUNT DESCRIPTION	ACTUALS 2012-2013	BUDGET 2013-2014	2 Month Extension 2013-2014	AMENDED 2013-2014
Unreserved	13,172,045			14,917,212
Reserved for Encumbrances	0			0
Reserved for Commitments	0			0
BEGINNING BALANCE	<u>13,172,045</u>			<u>14,917,212</u>
 OPERATING REVENUE				
Arena sales tax	6,881,107	7,336,875	1,223,960	8,560,835
TOTAL OPERATING REVENUE	<u>6,881,107</u>	<u>7,336,875</u>	<u>1,223,960</u>	<u>8,560,835</u>
 NON-OPERATING REVENUE				
Interest Income				
Interest on investments	29,313	28,356	4,924	33,280
Net Inc/Dec in FV of Investmen	950	0	0	0
Total Interest Income	<u>30,263</u>	<u>28,356</u>	<u>4,924</u>	<u>33,280</u>
TOTAL NON-OPERATING REVENUE	<u>30,263</u>	<u>28,356</u>	<u>4,924</u>	<u>33,280</u>
TOTAL REVENUE	<u>6,911,370</u>	<u>7,365,231</u>	<u>1,228,884</u>	<u>8,594,115</u>
TOTAL FUNDS AVAILABLE	<u>20,083,415</u>	<u>7,365,231</u>	<u>1,228,884</u>	<u>23,511,327</u>

Note: Funding source for Arena Facility Fund is 1/8 cent voter approved sales tax.
Sales tax is to be collected no longer than 25 years from April 1, 2001.

EXHIBIT B
ARENA FACILITY FUND (1130)
EXPENDITURE DETAIL BY ORGANIZATION

ORGANIZATION NAME	ACTUALS 2012-2013	BUDGET 2013-2014	2 Month Extension 2013-2014	AMENDED 2013-2014
Departmental Expenditures				
Arena Administration	1,650	15,000	2,500	17,500
Arena Maintenance & Repairs	75,989	150,000	0	150,000
Total Departmental Expenditures	77,638	165,000	2,500	167,500
Non-Departmental Expenditures				
Transfer to Debt Service	3,743,299	3,743,161	2,709,867	6,453,028
Operating Transfer Out	100,000	0	0	0
Transfer to Visitor Facilities	1,245,266	699,010	115,457	814,467
Total Non-Departmental Expenditures	5,088,565	4,442,171	2,825,324	7,267,495
 TOTAL ARENA FACILITY FUND (1130)	 5,166,203	 4,607,171	 2,827,824	 7,434,995
 RESERVED FOR ENCUMBRANCES	 0			 0
RESERVED FOR COMMITMENTS	0			0
UNRESERVED	14,917,212			16,076,331
 CLOSING BALANCE	 14,917,212			 16,076,331

EXHIBIT B-1
ARENA FACILITY DEBT SERVICE FUND (1131)
REVENUE DETAIL

ACCOUNT DESCRIPTION	ACTUALS 2012-2013	BUDGET 2013-2014	2 Month Extension 2013-2014	AMENDED 2013-2014
Unreserved				
Reserved for Encumbrances				
Reserved for Commitments	2,191,619			2,218,742
BEGINNING BALANCE	<u>2,191,619</u>	0	0	<u>2,218,742</u>
NON-OPERATING REVENUE				
Interest Income				
Interest on investments	1,182	2,280	136	2,416
Claim settlements	25,241	0	0	0
Total Interest Income	<u>26,423</u>	2,280	136	0
Other Revenue				
Total Other Revenue	<u>0</u>	0	0	0
TOTAL NON-OPERATING REVENUE	<u>26,423</u>	2,280	136	0
INTERFUND CONTRIBUTIONS				
Transfer fr Arena Facility Fd	3,743,299	3,743,161	2,709,866	6,453,027
TOTAL INTERFUND CONTRIBUTIONS	<u>3,743,299</u>	3,743,161	2,709,866	6,453,027
TOTAL REVENUE & INTERFUND CONTRIB	<u>3,769,722</u>	3,745,441	2,710,002	6,453,027
TOTAL FUNDS AVAILABLE	<u>5,961,341</u>	3,745,441	2,710,002	<u>8,671,769</u>

EXHIBIT B-1
ARENA FACILITY DS FUND (1131)
EXPENDITURE DETAIL BY ORGANIZATION

ORGANIZATION NAME	ACTUALS 2012-2013	BUDGET 2013-2014	2 Month Extension 2013-2014	AMENDED 2013-2014
Departmental Expenditures				
Total Departmental Expenditures	0	0	0	0
Non-Departmental Expenditures				
Principal retired	1,855,000	1,955,000	1,800,000	3,755,000
Interest	1,887,299	1,787,161	909,867	2,697,028
Paying agent fees	300	1,000	0	1,000
Total Non-Departmental Expenditures	3,742,599	3,743,161	2,709,867	6,453,028
TOTAL ARENA FACILITY DS FUND (1131)	3,742,599	3,743,161	2,709,867	6,453,028
RESERVED FOR ENCUMBRANCES				
RESERVED FOR COMMITMENTS	2,218,742			2,218,741
UNRESERVED	0			0
CLOSING BALANCE	2,218,742			2,218,741

EXHIBIT C
BUSINESS & JOB DEVELOPMENT FUND (1140)
REVENUE DETAIL

ACCOUNT DESCRIPTION	ACTUALS 2012-2013	BUDGET 2013-2014	2 Month Extension 2013-2014	AMENDED 2013-2014
Unreserved	1,011,770			(4,656,797)
Reserved for Encumbrances	0			0
Reserved for Commitments	11,433,296			15,671,437
BEGINNING BALANCE	<u>12,445,066</u>			<u>11,014,640</u>
 OPERATING REVENUE				
Economic Development Sales Tax	6,881,107	7,336,875	1,223,960	8,560,835
TOTAL OPERATING REVENUE	<u>6,881,107</u>	<u>7,336,875</u>	<u>1,223,960</u>	<u>8,560,835</u>
 NON-OPERATING REVENUE				
Interest Income				
Interest on investments	24,398	20,376	3,828	24,204
Net Inc/Dec in FV of Investmen	4,975	0	0	0
Total Interest Income	<u>29,373</u>	<u>20,376</u>	<u>3,828</u>	<u>24,204</u>
TOTAL NON-OPERATING REVENUE	<u>29,373</u>	<u>20,376</u>	<u>3,828</u>	<u>24,204</u>
TOTAL REVENUE	<u>6,910,480</u>	<u>7,357,251</u>	<u>1,227,788</u>	<u>8,585,039</u>
TOTAL FUNDS AVAILABLE	<u>19,355,546</u>	<u>7,357,251</u>	<u>1,227,788</u>	<u>19,599,679</u>

Note: Funding source for Business & Job Development Fund is 1/8 cent voter approved sales tax.
Sales tax is to be collected no longer than 15 years from April 1, 2003.

EXHIBIT C
BUSINESS & JOB DEVELOPMENT FUND (1140)
EXPENDITURE DETAIL BY ORGANIZATION

ORGANIZATION NAME	ACTUALS 2012-2013	BUDGET 2013-2014	2 Month Extension 2013-2014	AMENDED 2013-2014
Departmental Expenditures				
Baseball Stadium	103,745	293,102	19,686	312,788
Affordable Housing	791,710	1,157,489	83,333	1,240,822
Major Business Incentive Prjct *	4,576,146	7,929,188	0	7,929,188
Small Business Projects	580,932	1,676,458	179,870	1,856,328
BJD - Administration	2,473	15,000	2,500	17,500
Total Departmental Expenditures	6,055,005	11,071,237	285,389	11,356,626
Non-Departmental Expenditures				
Transfer to Debt Service	2,285,900	2,288,550	2,024,734	4,313,284
Total Non-Departmental Expenditures	2,285,900	2,288,550	2,024,734	4,313,284
TOTAL BUSINESS/JOB DEVELOPMENT(1140)	8,340,905	13,359,787	2,310,123	15,669,910
RESERVED FOR ENCUMBRANCES	0			0
RESERVED FOR COMMITMENTS	15,671,437			6,825,731
UNRESERVED	(4,656,797)			(2,895,962)
CLOSING BALANCE	11,014,640			3,929,769

* As of December 31, 2013, \$6,346,500 has been committed and is to be paid in FY2015-2018.

EXHIBIT C-1
BASEBALL STADIUM DEBT SERVICE FUND (1141)
REVENUE DETAIL

ACCOUNT DESCRIPTION	ACTUALS 2012-2013	BUDGET 2013-2014	2 Month Extension 2013-2014	AMENDED 2013-2014
Unreserved	0			1,758,301
Reserved for Encumbrances	0			0
Reserved for Commitments	1,757,209			0
BEGINNING BALANCE	<u>1,757,209</u>	0	0	<u>1,758,301</u>
NON-OPERATING REVENUE				
Interest Income				
Interest on investments	992	2,004	150	2,154
Total Interest Income	<u>992</u>	<u>2,004</u>	<u>150</u>	<u>2,154</u>
Other Revenue				
Total Other Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL NON-OPERATING REVENUE	<u>992</u>	<u>2,004</u>	<u>150</u>	<u>2,154</u>
INTERFUND CONTRIBUTIONS				
Transfer for debt-Stadium Fund	2,285,900	2,288,550	2,024,534	4,313,084
TOTAL INTERFUND CONTRIBUTIONS	<u>2,285,900</u>	<u>2,288,550</u>	<u>2,024,534</u>	<u>4,313,084</u>
TOTAL REVENUE & INTERFUND CONTRIB	<u>2,286,892</u>	<u>2,290,554</u>	<u>2,024,684</u>	<u>4,315,238</u>
TOTAL FUNDS AVAILABLE	<u>4,044,101</u>	<u>2,290,554</u>	<u>2,024,684</u>	<u>6,073,539</u>

EXHIBIT C-1
BASEBALL STADIUM FUND (1141)
EXPENDITURE DETAIL BY ORGANIZATION

ORGANIZATION NAME	ACTUALS 2012-2013	BUDGET 2013-2014	2 Month Extension 2013-2014	AMENDED 2013-2014
Departmental Expenditures				
Total Departmental Expenditures	0	0	0	0
Non-Departmental Expenditures				
Principal retired	1,780,000	1,855,000	1,825,000	3,680,000
Interest	505,500	432,800	199,233	632,033
Paying agent fees	300	750	300	1,050
Total Non-Departmental Expenditures	2,285,800	2,288,550	2,024,533	4,313,083
TOTAL STREETS FUND (1041)	2,285,800	2,288,550	2,024,533	4,313,083
RESERVED FOR ENCUMBRANCES				
RESERVED FOR COMMITMENTS				
UNRESERVED	1,758,301			1,760,456
CLOSING BALANCE	1,758,301			1,760,456