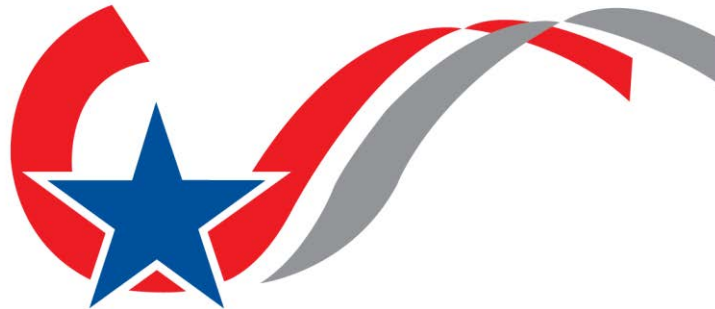


COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

City of College Station, Texas





CITY OF COLLEGE STATION
Home of Texas A&M University®

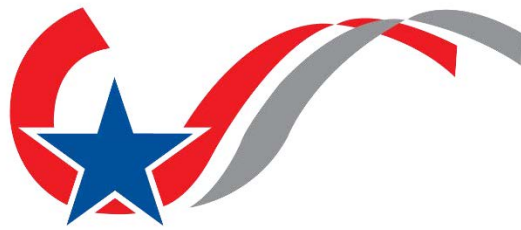
Mission Statement

On behalf of the citizens of College Station, home of Texas A&M University, we will promote and advance the community's quality of life.

www.cstx.gov

CITY OF COLLEGE STATION, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT



CITY OF COLLEGE STATION
Home of Texas A&M University®

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2018

Prepared by:

**City of College Station Fiscal Services Department
Jeff Kersten, Assistant City Manager, CFO
Mary Ellen Leonard, CPA, Director of Fiscal Services
Accounting Operations & Financial Reporting Division**

CITY OF COLLEGE STATION, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018 Table of Contents

	Page	
INTRODUCTORY SECTION		
Letter of Transmittal.....	1	
City Organization	7	
Principal City Officials	8	
GFOA Certificate of Achievement for Excellence in Financial Reporting.....	9	
FINANCIAL SECTION		
Independent Auditors' Report	10	
Management's Discussion and Analysis (Unaudited)	13	
Basic Financial Statements:		
Government - Wide Financial Statements:		
Statement of Net Position	36	
Statement of Activities	37	
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	38	
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	39	
Statement of Revenues, Expenditures and Changes in Fund Balances	40	
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	41	
Proprietary Funds:		
Statement of Net Position	42	
Statement of Revenues, Expenses, and Changes in Net Position	43	
Statement of Cash Flows	44	
Fiduciary Funds:		
Statement of Net Position	45	
Statement of Changes in Net Position	46	
Notes to the Financial Statements	47	
Required Supplementary Information:		
Texas Municipal Retirement System Schedule of City's Changes in Net Pension Liability and Related Ratios		107
Texas Municipal Retirement System City's Schedule of Contributions		108

CITY OF COLLEGE STATION, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018
Table of Contents-continued

	Page
City of College Station Employees Other Post-Employment Benefits Plan Schedule of Changes in Other Post-Employment Benefits and Related Ratios.....	109
City of College Station Employees Other Post-Employment Benefits Plan Schedule of Contributions	110
City of College Station Employees Other Post-Employment Benefits Plan Schedule of Investment Returns.....	111
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – General Fund (reported as part of the General Fund(s))	112
 Supplementary Information:	
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet – General Fund(s)	114
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – General Fund(s)	115
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:	
General Fund(s):	
General Fund	116
Economic Development Fund	117
Spring Creek Local Governmental Corporation Fund.....	118
Efficiency Time Payment Fund	119
Combining Balance Sheet – Nonmajor Governmental Funds.....	123
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds.....	126
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Special Revenue Funds:	
Court Technology Fee Fund.....	129
Court Security Fee Fund	130
Juvenile Case Manager Fee Fund	131
Police Seizure Fund.....	132
Memorial Cemetery Fund	133
Memorial Cemetery Endowment Fund.....	134
Texas Avenue Cemetery Endowment Fund	135
Hotel Tax Fund.....	136
Community Development Fund	137
Wolf Pen Creek Tax Increment Financing District Fund.....	138
Parks Escrow Fund.....	139
Sidewalk Zones Fund	140

CITY OF COLLEGE STATION, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018
Table of Contents-continued

	Page
Drainage Utility Fund.....	141
Truancy Prevention Fee Fund.....	142
West Medical District Tax Incremental Reinvestment Zone No. 18 Fund	143
East Medical District Tax Incremental Reinvestment Zone No. 19 Fund	144
Public, Educational and Governmental Access Channel Fee Fund	145
R. E. Meyer Estate Restricted Gift Fund	146
Roadway Maintenance Fee Fund	147
Fun For All Playground Fund.	148
System-Wide Water Impact Fee Fund.....	149
System-Wide Wastewater Impact Fee Fund	150
System-Wide Roadway Impact Fee Fund	151
Debt Service Fund.....	152
Capital Projects Funds:	
Parks and Recreation Projects Fund.....	153
General Government Projects Fund.....	154
Streets Projects Fund.....	155
Nonmajor Enterprise Funds:	
Combining Statement of Net Position.....	157
Combining Statement of Revenues, Expenses, and Changes in Net Position.....	158
Combining Statement of Cash Flows.....	159
Internal Service Funds:	
Combining Statement of Net Position.....	161
Combining Statement of Revenues, Expenses, and Changes in Net Position.....	162
Combining Statement of Cash Flows.....	163

STATISTICAL SECTION (Unaudited):

FINANCIAL TRENDS

Net Position by Component Last Ten Fiscal Years	165
Changes in Net Position Last Ten Fiscal Years.....	166
Program Revenues by Function/Program Last Ten Fiscal Years	168
Fund Balances, Governmental Funds Last Ten Fiscal Years	169
Changes in Fund Balances, Governmental Funds Last Ten Fiscal Years.....	170

REVENUE CAPACITY

Tax Revenue by Source, Governmental Funds Last Ten Fiscal Years.....	172
Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years	173
Direct and Overlapping Property Tax Rates Last Ten Fiscal Years	174

CITY OF COLLEGE STATION, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018 Table of Contents-continued

	Page
Principal Property Taxpayers Current Year and Nine Years Ago.....	175
Property Tax Levies and Collections Last Ten Fiscal Years	176
Taxable Sales by Category Last Ten Calendar Years.....	177
Direct and Overlapping Sales Tax Rates Last Ten Fiscal Years	178
Sales Tax Revenue Payers by Industry Calendar Years 2008 and 2017	179
DEBT CAPACITY	
Outstanding Debt by Type Last Ten Fiscal Years	180
Ratios of Net General Bonded Debt Outstanding Last Ten Fiscal Years	181
Direct and Overlapping Governmental Activities Debt As of September 30, 2018	182
Legal Debt Margin Information	183
Pledged-Revenue Coverage Last Ten Fiscal Years.....	184
DEMOGRAPHIC AND ECONOMIC INFORMATION	
Demographic and Economic Statistics Last Ten Calendar Years.....	185
Principal Area Employers Last Calendar Year and Nine Years Prior.....	186
Full-Time-Equivalent City Government Employees by Function/Program Last Ten Fiscal Years	187
Operating Indicators by Function/Program Last Ten Fiscal Years.....	188
Capital Asset Statistics by Function/Program Last Ten Fiscal Years.....	190



CITY OF COLLEGE STATION
Home of Texas A&M University®



February 19, 2019

Honorable Mayor, Members of the City Council, and
Citizens of the City of College Station, Texas

We are pleased to submit the Comprehensive Annual Financial Report for the City of College Station, Texas (the "City") for the fiscal year ended September 30, 2018.

This report is published to provide to the City Council, City staff, our citizens, our bondholders and other interested parties detailed information concerning the financial condition and activities of the City government. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

To the best of our knowledge and belief, the data is accurate in all material aspects, and is organized in a manner designed to fairly present the financial position and results of operations of the City as measured by the financial activity of its various funds. We also believe that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

BKD, LLP, the City's Certified Public Accountants and independent auditors, has issued an unmodified ("clean") opinion on the city's financial statements for the year ended September 30, 2018. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A), which compliments this letter, immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements.

CITY PROFILE

Location

The City of College Station, incorporated in 1938, is located in Brazos County in East Central Texas, approximately 140 miles north of the Gulf of Mexico, approximately 90 miles northwest of Houston, approximately 165 miles south of Dallas and approximately 100 miles east of Austin, in the Brazos Valley. The City has a land area of 51.16 square miles and estimated population of 117,774 as of December 2017. The City has the power, by state statute, to extend its corporate limits by annexation, which it has done periodically.

Structure

The City of College Station is a home rule city operating under the Council-Manager form of government. The City Council is composed of a mayor and six council members, elected at large, who enact local laws, determine policies and adopt the annual budget. The City Manager is appointed by the City Council and is responsible for the daily management of the City. The Basic Financial Statements of the City include all government activities, organizations and functions for which the City is financially responsible as defined by the Governmental Accounting Standards Board. Based on these criteria, the City has incorporated the financial activities of two component units into this report. For additional information on the reporting entity, refer to Note 1 to the basic financial statements.

Services Provided

The City provides its citizens those services that have proven to be necessary and meaningful and which the City can provide at the least cost. Major services provided under general government and enterprise functions are: police and fire protection, emergency medical service, electric services, water and wastewater services, sanitation services, parks and recreation facilities and services, library services, street and drainage improvements and general administrative services. Internal services of the City, accounted for on a cost reimbursement basis are: fleet services, equipment replacement, utility customer service, risk management, employee health, workers' compensation and unemployment coverage.

Accounting System and Budgetary Control

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenues recorded when available and measurable, and expenditures recorded when the services or goods are received and the liabilities incurred. Accounting records for the City's utilities and other proprietary activities are maintained on a full accrual basis with revenues recorded when earned and expenses recorded as goods or services are received and the liabilities incurred.

In developing and maintaining the accounting system, consideration is given to the adequacy of the internal control structure. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal accounting control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The City charter provides that the City Council shall adopt the annual budget prepared by City Management as revised by the City Council. This budget is reviewed and revised by the City Council and is formally adopted by the passage of a budget ordinance. The City Manager is authorized to transfer budgeted amounts between line items and departments within all funds other than the General Fund. The City Council must authorize transfers between General Fund departments and all increases in total spending in any fund.

Budgetary control over spending is at the department level within the City's General Fund and at the individual fund appropriation in all other funds. The City's departments have direct access to review budgets as often as necessary. Quarterly closing reports are prepared and reviewed by management showing revenues, expenditures, and balance sheets. Summarized financial reports and budget reports are prepared on a quarterly basis.

FACTORS AFFECTING FINANCIAL CONDITION

Economic conditions remain mostly positive in College Station. Property values have continued to increase, with new construction continuing at a strong pace. Growth continues in College Station. In the northern part of the City, development and redevelopment continues along the University Drive Corridor with the construction of mixed use developments including continued development at Century Square. This development along University Drive had several retail establishments open during fiscal year 2018. On the other side of Texas Avenue the new Embassy Suites hotel opened late in fiscal year 2017 and added significant property value to the tax base this fiscal year. Multi-family construction continues to take place around the city as well. Sales tax revenues were at the budgeted amount as the fiscal year 2018 plan was revised to include growing rates, but at a slower pace. Retail development continues in other areas of the City, especially in the Tower Point and Caprock developments in south College Station with new restaurants and other businesses opening and others under construction to serve the ever-growing residential populations in that area of the City.

Texas A&M University continues to see growth and development. Enrollment continues to increase at Texas A&M University, although at a slower pace than prior years with a 1.3% increase in College Station enrollment reported for fall 2018. However, construction of new buildings and facilities on campus continues to accommodate the rapid growth from previous years.

The growth over the last several years continues to strain city services, such as public safety, the transportation system, the utility services and other core services. In

particular, unless measures are taken to address it, the strain on utilities, particularly wastewater, could impact the ability to accommodate future growth in the coming years.

The FY 2018 budget set the strategic policy direction for the City and provided the funding to implement that direction for the year. The budget allowed the staff to continue to meet the needs of our citizens and visitors as the City continued to experience a sustained period of growth. This showed itself through continued growth in higher education, through a robust visitor and tourism economy, and all of the ancillary things this growth brings. While growth continues, there is also a need to maintain and improve existing infrastructure throughout the City.

As the City continues to grow, we must respond to that growth in a sustainable and measured manner. We must be prudent with the limited available resources in an effort to maximize the services provided to citizens and visitors of College Station.

LONG-TERM FINANCIAL PLANNING

Long-Term Financial Planning Process

- **Operations and Maintenance:** Each year the City prepares a balanced budget, with the involvement of the City Council, City Managers, Management Team, finance staff and other employees. Planning meetings are held throughout the year long process, during which discussions regarding the future of the City's financial health are a high priority. Financial forecasts are developed for the coming year, and next five years for each major fund. These forecasts take historical trends, changes in policy, and economic conditions (now and projected) into consideration as applicable. The City also sets aside funds for major purchases in future years (Equipment Replacement Fund) and monitors the fund balances of every fund during the year to ensure adherence to the City's reserve policy.
- **Capital Improvement Program:** A major component of the budgeting process every year is the Capital Improvement Program (CIP). Approximately one third of the City's budget is expended on capital projects annually. Extensive planning takes place throughout the year involving every department in the City with input from the City Council and appointed citizen committees and boards (Planning and Zoning Board, Parks Board, Citizen's Advisory Committee). The focus of this planning is ongoing funding of current CIP projects, and how the City will fund currently unfunded CIP projects in the future. During this process attention is given to the impact the projects will have on future operations & maintenance costs.

OTHER INFORMATION

Independent Audit

Section 37 of the City's Charter requires that not less than thirty (30) days prior to the end of each fiscal year, the City Council shall designate a qualified public accountant or accountants who, as of the end of the fiscal year, shall make an independent audit of accounts and other evidences of financial transactions of the city government and shall submit the report to the City Council. Such accountants shall have no personal interest, direct or indirect, in the fiscal affairs of the city government. They shall not maintain any account or record of the city business, but, within specifications approved by the City Council, shall post-audit the books and documents kept by the Finance Department and any separate or subordinate accounts kept by any other office, department or agency of the city government.

The City of College Station has engaged BKD, LLP, formerly Baird, Kurtz & Dobson, headquartered in Springfield, Missouri to perform the audit, and their opinion has been included in this report. It should be noted that the auditors included all funds in their audit, performed their audit in accordance with both U.S. generally accepted auditing standards (GAAS) and governmental auditing standards (GAS), and concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of College Station's financial statements for the fiscal year ended September 30, 2018 are fairly presented in conformity with U.S. generally accepted accounting principles and governmental auditing standards. The independent auditors' report is presented as the first component of the financial section of this report.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of College Station for its Comprehensive Annual Financial Report for the Fiscal Year ended September 30, 2017. This was the thirty-fourth year the City has received this prestigious award. In order to be awarded, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements. The September 30, 2018 report will be submitted to the GFOA to determine eligibility for another certificate.

Responsibility for Financial Reporting

The City's Senior Management, including the City Manager, Deputy City Manager and Assistant City Manager, accept the responsibility for the accuracy, integrity, consistency, and reliability of the financial statements. They also acknowledge their responsibility for assuring the continuous monitoring of the City's system of internal controls for compliance in order to prevent misappropriation of assets and fraudulent financial

reporting. Additionally, they confirm their commitment to fostering a strong ethical climate and communicating those standards to employees through personnel rules, administrative regulations, and City law.

Acknowledgement


The preparation of this report could not have been accomplished without the efforts and dedicated services of the Finance Department. Appreciation is also expressed to City employees throughout the organization, especially those employees instrumental in the successful completion of this report. Acknowledgement is also given to BKD, LLP.

Appreciation is extended to the Mayor and City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and prudent manner.

Respectfully submitted,



Bryan C. Woods
City Manager

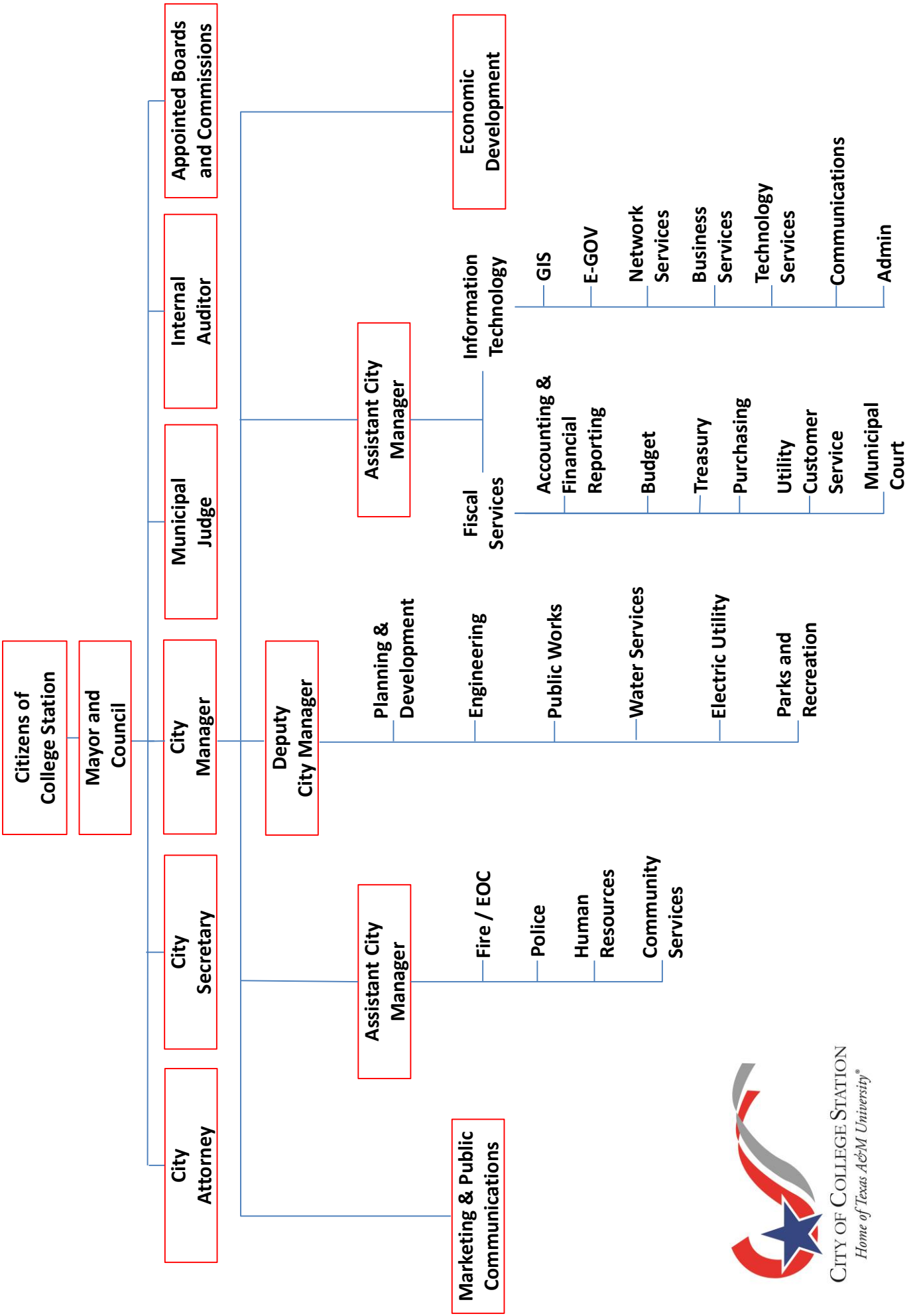


Jeff Kersten
Assistant City Manager / CFO



Jeff Capps
Deputy City Manager

CITY ORGANIZATION



**City of College Station, Texas
September 30, 2018**

Principal City Officials

Elected Officials

Mayor Karl Mooney
City Council Place 1.....Bob Brick
City Council Place 2..... Jerome Rektorik
City Council Place 3..... Linda Harvell
City Council Place 4..... Barry Moore
City Council Place 5.....John Nichols
City Council Place 6/Mayor Pro Tem.....James Benham

City Administration

City Manager vacant
Deputy City Manager..... vacant
Assistant City Manager, CFO Jeff Kersten
Assistant City Manager/Interim City Manager..... Jeff Capps
Director of Planning and Development Services..... vacant
Director of Fiscal Services..... Mary Ellen Leonard
Director of Marketing & Public Communications Jay Socol
Director of Water Services Gary Mechler
Director of Electric Utility Timothy Crabb
Chief of Police..... Scott McCollum
Fire Chief.....Jonathan McMahan
Director of Public Works..... Donald Harmon
Director of Parks and Recreation David Schmitz
Chief Information Officer Sindhu Menon
Director of Human Resources Alison Pond
Director of Community Services..... Debbie Eller
Director of Economic Development..... Natalie Ruiz
City Attorney.....Carla Robinson
City Secretary..... Tanya Smith
Internal Auditor Ty Elliott



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of College Station
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morill

Executive Director/CEO



CITY OF COLLEGE STATION
Home of Texas A&M University®

Independent Auditor's Report

The Mayor and City Council
City of College Station, Texas

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Brazos Valley Solid Waste Management Agency, Inc. (BVSWMA), a joint venture between the City of College Station and City of Bryan, which statements reflect total net position of \$34,522,485 of which 50% (\$17,261,241) is recorded in the City's statement of net position and represents 3.20% of the business type activities total assets and 13.5% of the aggregate remaining funds total assets. We did not audit the financial statements of Experience BCS, the discretely presented component unit of the City. The financial statements of Experience BCS and BVSWMA were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included as equity in joint venture and the discretely presented component unit, are based solely on the reports of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 entity'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 entity'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.

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, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of College Station, Texas, as of September 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in *Notes 1* and *2* to the financial statements, in 2018 the City adopted Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinions are not modified with respect to this matter.

The 2017 financial statements, before they were restated for the matters discussed in *Note 2*, were audited by other auditors, and their report thereon, dated February 19, 2018, expressed unmodified opinions. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension and other postemployment benefit information, and the schedule of revenues, expenditures and changes in fund balance budget and actual – general fund as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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 of College Station's basic financial statements. The introductory section, combining and individual fund statements and schedules and 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 statements and schedules are the responsibility of management, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

BKD, LLP

Houston, Texas
March 6, 2019



CITY OF COLLEGE STATION
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This section of the City of College Station's (the "City") Comprehensive Annual Financial Report presents a narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent Fiscal year by \$628,666,223 (net position). Of this amount, \$136,080,528 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position, after restatement, increased by \$59,060,718 during the fiscal year.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$161,628,994, a decrease of (\$6,635,486) when compared to the prior year, as restated. This decrease is due primarily to the planned cash outlay of contributions for capital projects including the construction of a new police station, transportation and parks capital projects.
- The September 30, 2017 Net Position was restated for multiple reasons. The Governmental Net Position was restated for the required implementation of GASB 75 related to Other Post Retirement Benefits (OPEB). In addition, Net Position and governmental funds Fund Balance were revised for an adjustment to accrued Sales Tax and a correction to Community Development Loans. The net impact of these restatements was an increase in Net Position of \$170,207 for the Governmental Activities and \$2,706,262 for governmental fund balances. The Proprietary Fund Balances were also restated as a result of implementation of GASB 75. The resulting change to the previously reported Net Position was a decrease to Net Position of (\$1,971,678).
- The implementation for GASB 75, which required the use of a different actuarial method, changes to the OPEB plan structure implemented by the City, and the implementation of an



OPEB Trust to pre-fund these expenses, gained the City a benefit of \$4,855,026 that is reflected as a reduction of salaries and benefit costs for each department in the September 30, 2018 Government Wide Financial Statements - Statement of Activities.

- The City of College Station was the only participant in West Medical District TIRZ No. 18 and no additional development opportunities were available in the area. Therefore, City Council voted to dissolve this TIRZ on May 24, 2018 and the remaining balance of \$914,724 was transferred to the General Fund Capital Projects Fund.
- Approximately 14.9 percent of the combined governmental funds ending fund balance, or \$24,033,874, is available for spending at the City's discretion (unassigned fund balance).
- The City's total amount of outstanding debt is \$322,495,000, which is a net increase of \$13,830,000 over last year. This increase is primarily due to the issuance of \$18,230,000 of new debt for streets, parks and the design of a new city hall, as well as the issuance of \$19,150,000 for capital projects related primarily to water and wastewater infrastructure projects. Additional details on the debt issuance can be found in the Note 14 to the financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

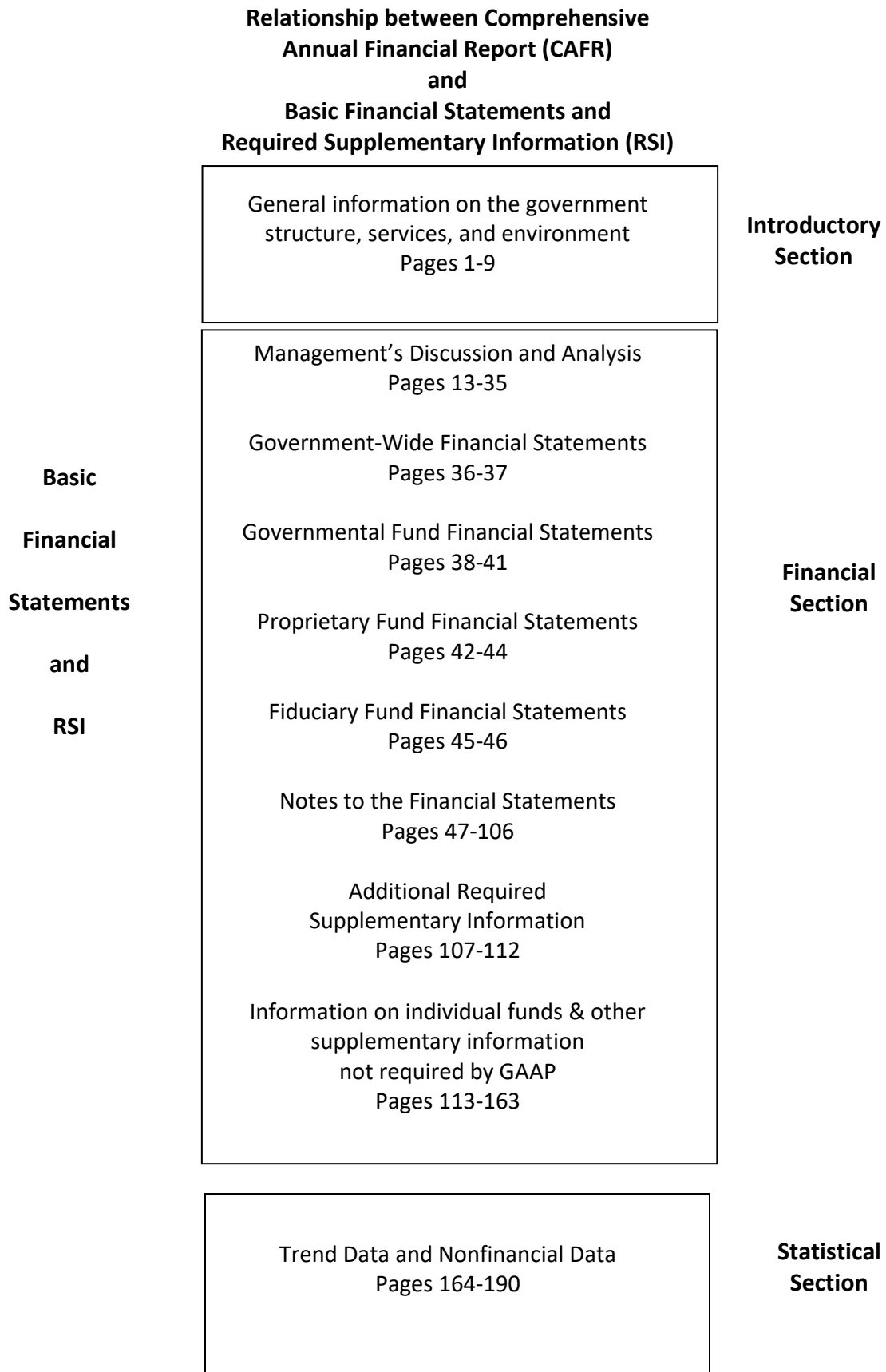
This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components:

- (1) **Government-wide** financial statements
- (2) **Fund** financial statements
- (3) **Notes** to the financial statements

This report also contains other **supplementary information** in addition to the basic financial statements themselves.



The following diagram illustrates the relationship between the different components of this report:



GOVERNMENT-WIDE FINANCIAL STATEMENTS

The **government-wide financial statements** are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The **statement of net position** presents information on all of the City's assets and liabilities, and deferred inflows/outflows of resources with the differences reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether or not the financial position of the City is improving or declining.

The **statement of activities** presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes and expenses pertaining to earned but unused vacation.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, fiscal services, police, information technology, planning and development, fire, streets, drainage, traffic, parks and recreation, and citizen and neighborhood resources. The business-type activities of the City include electric, water, wastewater, sanitation, and the Northgate parking garage. The government-wide financial statements can be found on pages 34-35.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into **governmental** funds and **proprietary** funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in determining what financial resources are available in the near future to finance the City's programs.

Because the focus of governmental funds is narrower than that of 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. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. 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.



The City maintains several individual governmental funds organized according to their type (special revenue, debt service and capital projects). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, General Government Projects Fund and Streets Projects Fund, all of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The governmental fund financial statements can be found on pages 36-39.

The City adopts an annual appropriated budget for its General Fund, Debt Service Fund, Special Revenue Funds, and Capital Projects Funds. A budgetary comparison statement has been

provided for the General Fund, Debt Service Fund, Special Revenue Funds and Capital Projects Funds to demonstrate each fund's compliance with its budget.

Proprietary Funds

Proprietary funds are generally used to account for services for which the City charges customers—either outside customers or internal units or departments of the City. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The City maintains the following two types of proprietary funds:

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 the operations of the electric, water, wastewater, sanitation, and parking activities of the City. The Electric, Water, and Wastewater funds are considered to be major funds of the City, while the remaining funds (Sanitation and Northgate Parking Garage) are presented in aggregate as nonmajor enterprise funds. Individual fund data for the nonmajor enterprise funds can be found in the form of combining statements elsewhere in this report.

Internal service funds are used to report activities that provide supplies and services for certain City programs and activities. The City uses internal service funds to account for fleet maintenance and utility customer services. It also uses internal service funds to account for equipment replacement, employee benefits, and unemployment, workers' compensation, and property and casualty insurance. All of these services benefit both the governmental activities and the business-type activities and have been split between governmental activities and business type activities in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The proprietary fund financial statements can be found on pages 40-43.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 46-104.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information, found on pages 107-110, concerning the City's progress in

funding its obligation to provide pension benefits and other postemployment benefits to its employees and the General Fund budget to actual comparison.

Combining Statements

The combining statements referred to earlier in connection with the nonmajor governmental funds, the nonmajor enterprise funds, and the internal service funds are found on pages 111-158.

Statistical Section

The statistical section containing unaudited financial trend data, revenue capacity, debt capacity, and demographic and economic information, is included on pages 159-184.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as a useful indicator of a government's financial position. For the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$628,666,223 at the close of the most recent fiscal year. The largest portion of the City's net position (70.5 percent) reflects its investment of \$435,603,738 in capital assets (e.g., land, buildings, and equipment) less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities.

Net Position:	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Assets						
Current and other assets	\$ 202,826,249	\$ 196,526,619	\$ 146,330,630	\$ 128,503,744	\$ 349,156,879	\$ 325,030,363
Capital assets	314,033,397	284,218,940	387,188,442	362,397,093	701,221,839	646,616,033
Total assets	516,859,646	480,745,559	533,519,072	490,900,837	1,050,378,718	971,646,396
Deferred outflows of resources						
Pensions	6,799,715	14,275,665	1,785,848	3,784,951	8,585,563	18,060,616
OPEB	1,038,570	-	285,053	-	1,323,623	-
Refunding	1,338,244	1,577,561	2,130,003	2,206,318	3,468,247	3,783,879
Total deferred outflow of resources	9,176,529	15,853,226	4,200,904	5,991,269	13,377,433	21,844,495

Management's Discussion and Analysis
 For the Fiscal Year Ended September 30, 2018
 (Unaudited)



Liabilities						
Long-term liabilities	205,228,366	216,794,183	155,324,119	151,158,559	360,552,485	367,952,742
Other liabilities	35,136,082	27,876,000	29,492,346	27,551,455	64,628,428	55,427,455
Total liabilities	240,364,448	244,670,183	184,816,465	178,710,014	425,180,913	423,380,197
Deferred inflows of resources						
Pension	5,418,100	402,342	1,402,674	102,847	6,820,774	505,189
OPEB	2,423,159	-	665,082	-	3,088,241	-
Total deferred inflows of resources	7,841,259	402,342	2,067,756	102,847	9,909,015	505,189
Net Position						
Net Investment in capital assets	200,134,327	185,722,689	235,469,411	228,519,124	435,603,738	414,241,813
Restricted	39,720,716	39,533,053	17,261,241	1,581,501	56,981,957	41,114,554
Unrestricted	37,975,425	26,270,518	98,105,103	87,978,620	136,080,528	114,249,138
Total net position	\$ 277,830,468	\$ 251,526,260	\$ 350,835,755	\$ 318,079,245	\$ 628,666,223	\$ 569,605,505

An additional portion of the City's net position, \$56,981,957 (9.1 percent) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net assets, \$136,080,528 (21.6 percent) may be used to meet the government's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the City was able to report positive balances in all three categories of net position, both for the government as a whole, as well as for the business-type activities. The same situation held true for the prior fiscal year. The City's net position increased by \$59,060,718 as a result of fiscal year 2018 operations, as compared to the increase of \$45,067,247 for fiscal year 2017 operations. The prior period adjustment to the net position at the beginning of the year reflected below relates to the required implementation of GASB 75 - Other Post Retirement Benefits, and corrections to accrued Sales Tax and Community Development Loans. See Note 1 under New Accounting Pronouncements, in the accompanying financial statements for further discussion of GASB 75 and Note 2 for the details related to the restatements of the accrued Sales Tax and Community Development Loan.



Management's Discussion and Analysis
 For the Fiscal Year Ended September 30, 2018
 (Unaudited)



The following table provides a summary of the City's operations for the year ended September 30, 2018 and highlights key elements of the change in the City's net position:

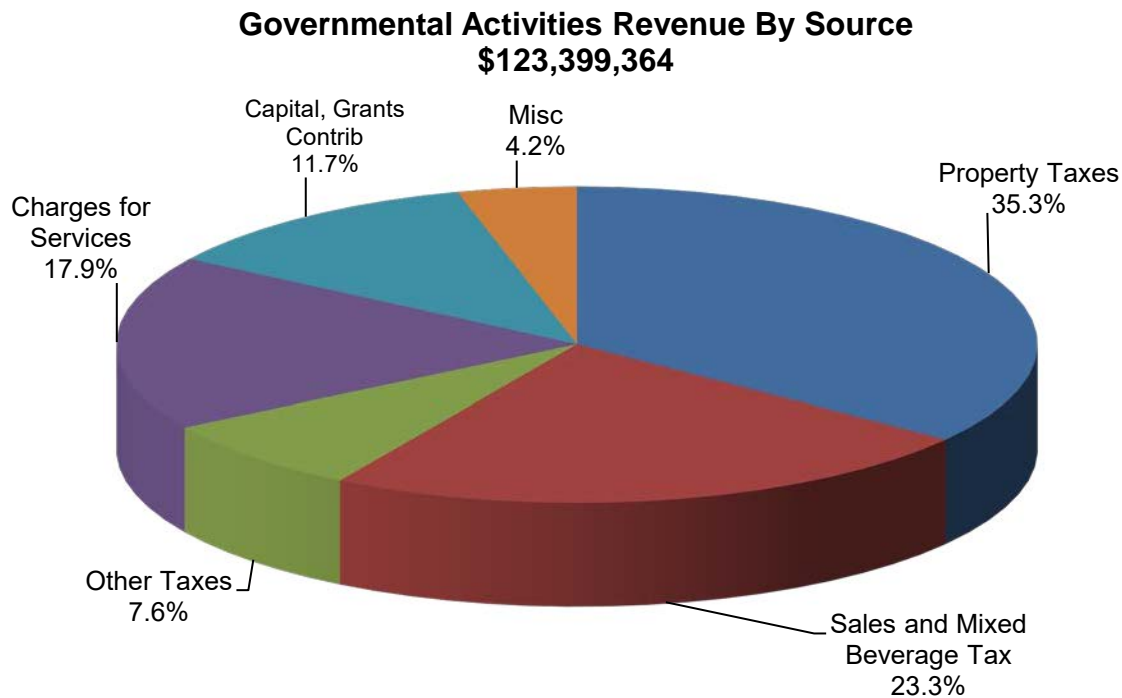
Changes in Net Position	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues						
Charges for services	\$ 22,090,286	\$ 16,446,405	\$ 151,079,241	\$ 145,519,567	\$173,169,527	\$ 161,965,972
Operating contributions	2,692,063	2,949,829	1,542,900	1,032,027	4,234,963	3,981,856
Capital contributions	14,456,341	13,481,280	10,062,900	8,559,043	24,519,241	22,040,323
Property taxes	43,492,512	37,476,196	-	-	43,492,512	37,476,196
Sales and mixed beverage taxes	28,799,040	28,561,762	-	-	28,799,040	28,561,762
Other taxes	9,392,804	8,854,726	-	-	9,392,804	8,854,726
Gain on sale of capital assets	-	46,469	-	-	-	46,469
Interest and investment income	2,476,318	1,204,827	1,444,135	855,367	3,920,453	2,060,194
Total revenues	123,399,364	109,021,494	164,129,176	155,966,004	287,528,540	264,987,498
Expenses						
Police	21,571,950	22,370,803	-	-	21,571,950	22,370,803
Fire	19,367,032	17,980,949	-	-	19,367,032	17,980,949
Public works	24,452,406	19,858,859	-	-	24,452,406	19,858,859
Parks & recreation	11,727,549	10,774,101	-	-	11,727,549	10,774,101
Library	1,118,522	1,182,331	-	-	1,118,522	1,182,331
Planning & development	3,517,911	3,967,606	-	-	3,517,911	3,967,606
Information technology	5,027,435	5,027,015	-	-	5,027,435	5,027,015
Fiscal services	3,795,099	4,246,886	-	-	3,795,099	4,246,886
General government	15,155,670	17,018,777	-	-	15,155,670	17,018,777
Interest on long term debt	6,075,924	4,318,990	-	-	6,075,924	4,318,990
Unallocated depreciation	-	1,390,156	-	-	-	1,390,156
Electric utility	-	-	78,029,786	75,878,632	78,029,786	75,878,632
Water utility	-	-	14,041,059	13,652,580	14,041,059	13,652,580
Wastewater utility	-	-	13,170,661	12,281,262	13,170,661	12,281,262
Sanitation services	-	-	8,554,011	9,006,946	8,554,011	9,006,946
Parking operations	-	-	1,061,336	964,358	1,061,336	964,358
Total expenses	111,809,498	108,136,473	114,856,853	111,783,778	226,666,351	219,920,251
Incr (Decr) in net position before transfers	11,589,866	885,021	49,272,323	44,182,226	60,862,189	45,067,247
Transfers net	14,544,135	12,754,258	(14,544,135)	(12,754,258)	-	-
Increase in net position	26,134,001	13,639,279	34,728,188	31,427,968	60,862,189	45,067,247
Net position at beginning of year	251,526,260	237,886,981	318,079,245	286,651,277	569,605,505	524,538,258
Prior period adjustment	170,207	-	(1,971,678)	-	(1,801,471)	-
Net position at end of year	\$ 277,830,468	\$ 251,526,260	\$ 350,835,755	\$ 318,079,245	\$ 628,666,223	\$ 569,605,505

Governmental Activities: Governmental activities increased the City of College Station's net position by \$26,134,001. Key elements of this net increase are as follows:

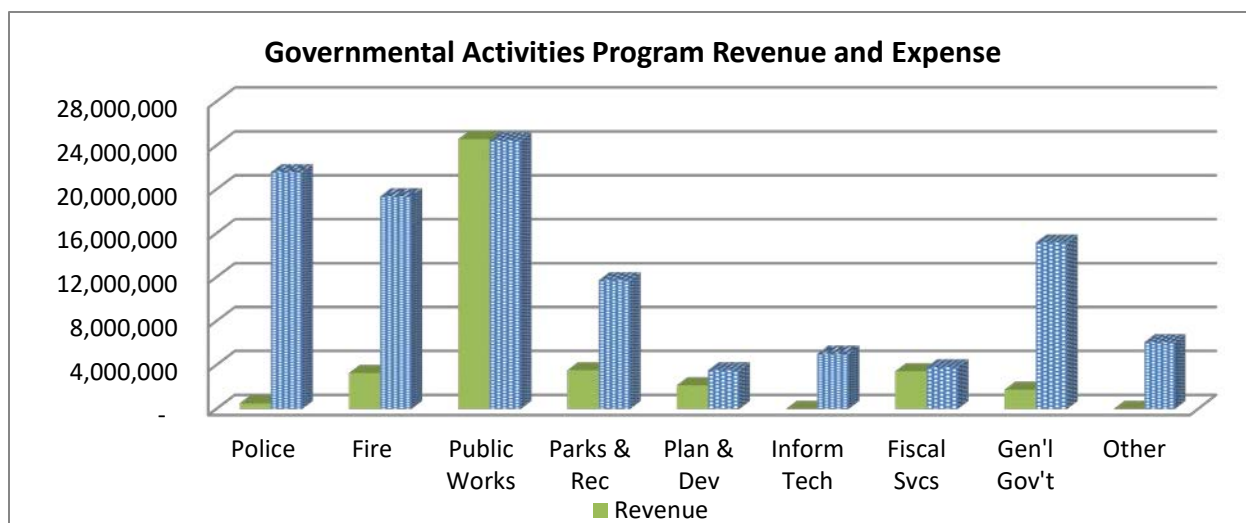
- Total governmental revenues increased by 13.2% over the prior year.
- Property tax revenues increased by 16.05% over the prior year as a result of increases in the property value and an increase in the ad valorem tax rate.
- Sales tax receipts increased 0.83%, which was below the budgeted rate.
- Investment income earned increased 105.5% as a result of higher interest rates, a more proactive investing plan instituted in fiscal year 2017, and higher investment balances than anticipated due to slower than planned spending on capital investments.
- All other governmental activity revenues increased 15.94% over prior year as a result of planned additional capital grants and contributions increase to fund significant planned capital projects like a new police station.
- Total governmental expenditures increased 3.40% over the prior year, in part as a result of an increase in salaries and benefits expense and an addition of 10 new public service personnel.



The chart below illustrates the City's governmental activities revenues by source:



This chart depicts governmental activity program revenues relative to program expenses:

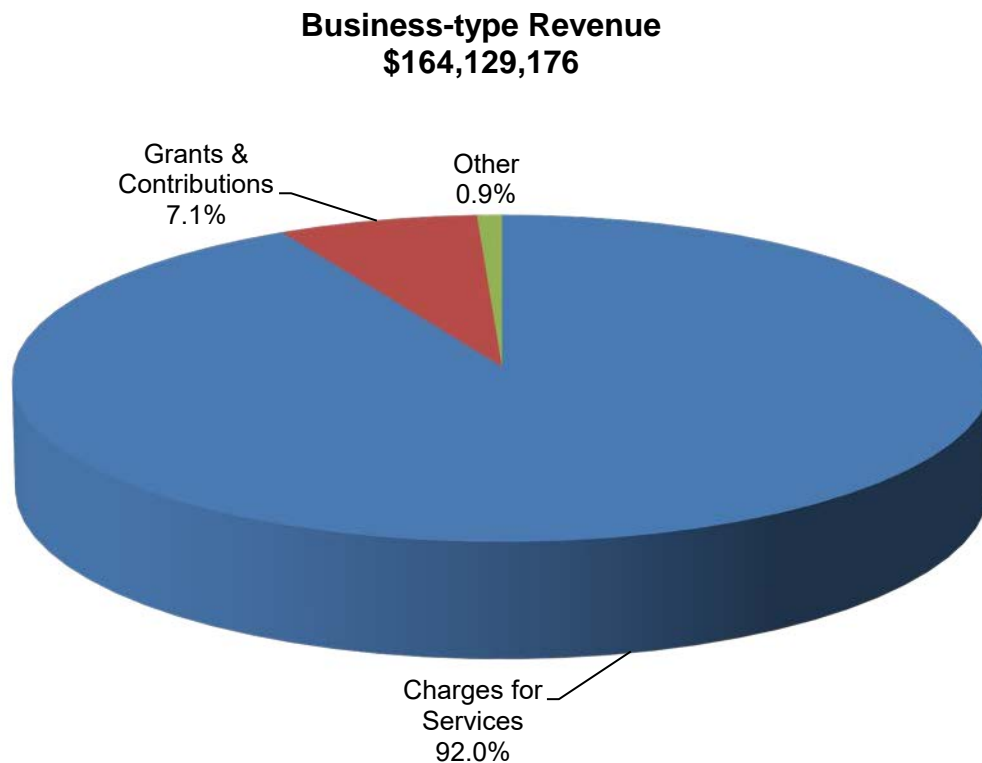


Business-type Activities: Business-type activities increased the City of College Station's net position in fiscal year 2018 by \$34,728,188 as opposed to a \$31,427,968 increase for fiscal year 2017. Key elements of this increase are as follows:

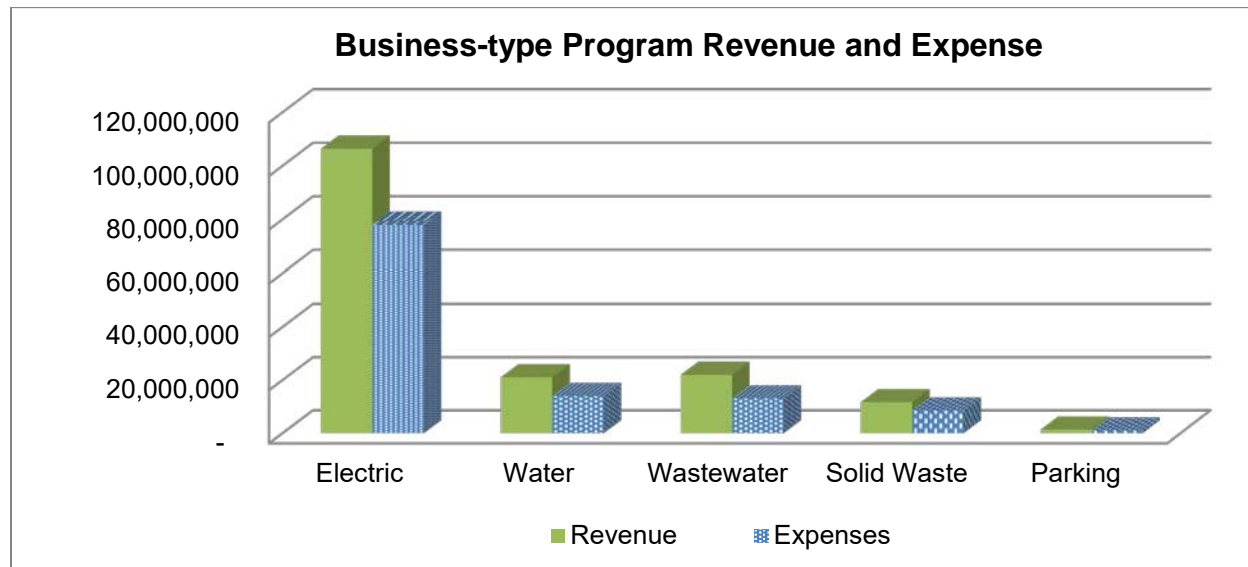
- Increases in the population and therefore number of meters resulted in an increase in revenue generated from the Electric Utility.

- In addition to the population increase, the Water Fund increased rates by 6% in fourth quarter 2018, resulting in an increase in revenue for that fund.
- An increase in customers and fourth quarter 2018 rate increase resulted in an increase in revenue for the Solid Waste Fund.
- A Wastewater rate increase of 8% in fiscal year 2017 helped support the projected Wastewater Capital Improvement plan and ongoing operations and maintenance resulting in this fund operating at a break-even level for fiscal 2018.
- Capital infrastructure from various developments throughout the City contributed \$10,062,900 to the revenue generated by the proprietary funds.

Revenues for the City's business-type activities are presented in the following chart:



This chart depicts business-type activity program revenues relative to program expenses:



FINANCIAL ANALYSIS OF THE CITY’S FUNDS

As noted previously, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City’s governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year. The major governmental funds reported by the City include the General Fund, Debt Service Fund, General Government Projects Fund, and Streets Projects Fund. Other governmental funds of the City are reported as nonmajor funds.

At the end of fiscal year 2018, the City’s governmental funds reported combined ending fund balances of \$161,628,994. Approximately 14.9 percent, totaling \$24,033,874 of this total amount, constitutes unassigned fund balance and is available for spending at the City’s discretion.

The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed as follows:

Nonspendable	\$ 628,518
Restricted	115,535,066

Committed	19,303,359
Assigned	2,128,177

A detailed breakdown of the fund balance by fund can be found in Note 17, Components of Fund Balances.

Revenues for governmental functions totaled \$108,525,709 in the fiscal year ended September 30, 2018, an increase of 10.2 percent or \$10,067,787 from the fiscal year ended September 30, 2017. One component of the increase is an 11.41 percent increase in the total taxable assessed property valuations coupled with an increase of 2.5 cents per \$100 in valuation in the associated tax rate, to pay for the new Police Station. In January 2017, \$408,568,903 in taxable new market value was added to the tax rolls and there was an increase in existing property values of \$377,518,213. The total taxable assessed valuation of \$7,906,085,439 for the City was assessed at a \$0.4975 per one hundred dollars in valuation for fiscal year 2018, which is a rate 2.5 cents higher than the rate for fiscal year 2017. Finally, there was an increase in service fee rates and the creation of a roadway maintenance fee in 2017 that contributed to the increase in governmental revenues.



Expenditures for governmental functions totaling \$147,959,195 increased by \$15,372,632 or 11.6 percent. Salaries and benefits and equipment purchased for the fiscal year ended September 30, 2018 were significant contributions to the increase. An additional \$3,738,109 of the increase in expenditures relates to an increase in principal retirement and interest costs on debt service.

Other financing sources and uses (net) totaling \$32,798,000 account for the transfer into the general fund from business like activities as well as the issuance of debt and related costs. Debt issuance and refunding related to the general fund decreased by \$49,285,314 in fiscal 2018 over that of fiscal 2017 as the City issued less debt in 2018. Fiscal year 2017 includes the issuance of debt for the payment of construction of a new police station as well as several major transportation projects. Overall, for fiscal year 2018, expenditures and financing sources for governmental functions exceeded revenues by (\$6,635,486) as the City utilized prior year’s resources on planned capital expenditures.

The General Fund is the chief operating fund and primary governmental fund of the City of College Station. At the end of the current fiscal year, the unassigned fund balance was \$24,033,874, while the total fund balance was \$26,790,569. The City’s fiscal and budgetary policies require that the General Fund’s fund balance be at least equal to 15 percent of budgeted

expenditures, a percentage equal to 55 days of expenditures. The total fund balance is approximately 32.6 percent of fiscal year 2018 actual expenditures and exceeds the minimum requirement set by policy.

As a measure of a fund's liquidity, it is useful to compare both unassigned and total fund balance to total fund actual expenditures. Unassigned fund balance represents 29.3 percent of total



general fund expenditures, while total fund balance represents 32.6 percent of total general fund expenditures. The total fund balance for the general fund continues to meet and exceed the Fiscal and Budgetary Policy.

The General Fund's fund balance ended the fiscal year with an increase of \$4,276,046. This was the result of lower expenditures than budgeted and a sales tax prior period adjustment explained in Note 2.

The Debt Service Fund ended the fiscal year with a fund balance of \$5,272,810. This entire amount is reserved for the payment of debt service. The net increase in the debt service fund balance during the current fiscal year was \$211,373.

The General Government Projects Fund ended the fiscal year with a balance of \$40,236,419, all of which is legally restricted based on the covenants from various bond issuances as of September 30, 2018. The General Government Projects Fund is separately shown in the accompanying financial statements for 2018, as it is considered a major fund requiring separate disclosure. The net increase in fund balance during the current fiscal year was \$573,758. This net increase was in part due to bond proceeds received from the current fiscal year debt issuance.

The Streets Projects Fund ended the fiscal year with a balance of \$39,193,275, all of which is legally restricted based on the covenants from various bond issuances as of September 30, 2018. The net decrease in fund balance during the current fiscal year was (\$10,382,052). This decrease was attributable to more being expended on appropriated capital projects, including Lakeway Drive, than long term debt being issued for future street capital projects.

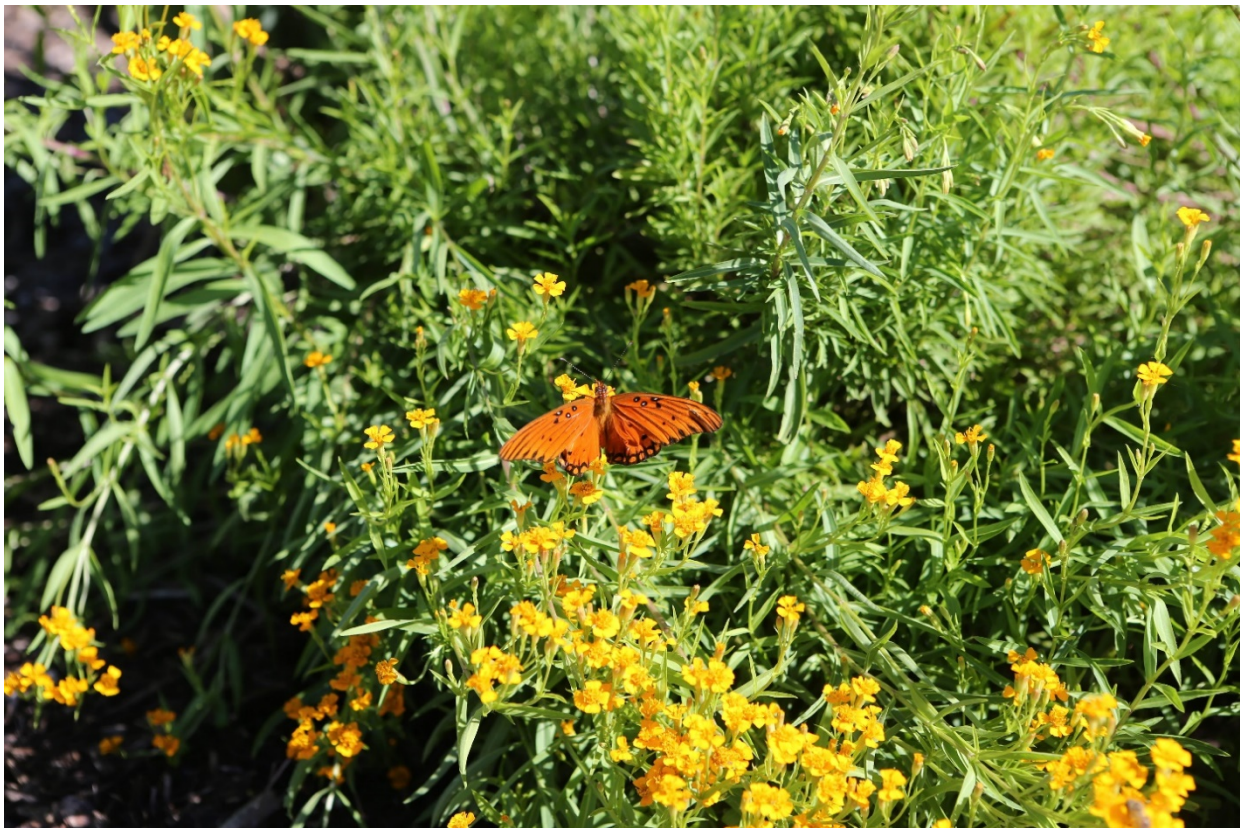
The Other Governmental Funds ended the fiscal year with a balance of \$50,135,921, of which \$30,832,562 is legally restricted and \$19,303,359 has been committed for specific purposes by City Council. The remainder of the fund balance is in a nonspendable form as it is held by the City in inventory. The balances' in the Nonmajor Governmental funds increase of \$1,391,651 was attributable to an issuance of debt for parks capitals projects that was not spent in Fiscal year 2018.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements but in more detail.

At the end of the current fiscal year, the City's proprietary funds reported combined ending net position of \$345,184,301. Of this amount, 26.8 percent, totaling \$92,453,649 constitutes unrestricted net position. The remainder of net position for the proprietary funds is composed of an amount invested in capital assets of \$235,469,411 and \$17,261,241 of restricted net position.

Operating revenues for proprietary activities totaled \$149,608,146 for the fiscal year, which is an increase of 3.8 percent, or \$5,472,224, from the previous fiscal year as a result of an increase in the service fees charged for water and solid waste in the fourth quarter of fiscal year 2018. The increase in population for the service areas also contributed to the increase in revenue as more services were provided. Operating expenses decreased (\$211,887) or (0.20) percent for the same period. Operating income was \$43,888,114 for fiscal year 2018 as compared to \$38,204,003 for fiscal year 2017 with the increase attributable to the revenue increase discussed above. Overall, the Proprietary Funds had an overall increase of \$32,756,510 in net position for fiscal year 2018 after the effect of the restatement.





Electric Fund

At the end of the fiscal year, the unrestricted net position for the Electric Fund totaled \$54,588,261. The City's policy with regard to its enterprise funds is to maintain at least 15 percent of annual operating expenses in working capital, a percentage equal to 55 days of expenses. At September 30, 2018, Electric Fund working capital equaled approximately 76.2 percent of annual operating expenses, as compared to 53.6 percent at September 30, 2017.

There were no rate changes for the electric utility instituted in fiscal year 2018. Therefore, the entire increase in revenue of \$3,545,270 relates to increases in customers. Purchased power and salary and benefits expenses were slightly lower than last year despite the service growth. These factors contributed to an overall increase in net position of \$21,148,440 prior to adoption of GASB 75 for fiscal year 2018 as compared to

\$19,622,392 for fiscal year 2017.

Water Fund

Unrestricted net position for the Water Fund at September 30, 2018 totaled \$11,526,800. At September 30, 2018, Water Fund working capital equaled approximately 88.2 percent of annual operating expense, as compared to 141.2 percent at September 30, 2017. The Water Fund operating revenues increased by 6.1 percent or \$936,073 during fiscal year 2018 as a result of an increase in rates of 6% in the fourth quarter as well as the population growth within the City. Operating expenses of \$11,162,261 decreased 1.74 percent or (\$197,454) over fiscal year 2017, due to a decrease in salaries and benefits as well as purchased professional services. This resulted in operating income of \$5,117,212 for fiscal year 2018 as compared to \$3,983,685 for fiscal year 2017. The operating income, when combined with the net nonoperating expenses, net capital

contributions and transfers, resulted in an increase in net position of \$4,518,729 in the Water Fund during fiscal year 2018 prior to the adoption of GASB 75.

Wastewater Fund

The Wastewater Fund's unrestricted net position at the end of fiscal year 2018 totaled \$24,607,343. At September 30, 2018, Wastewater Fund working capital equaled approximately 199.9 percent of annual operating expenses, as compared to 171.2 percent at September 30, 2017. This net position will be utilized in the future for a planned wastewater treatment plant on the south side of College Station.

Operating revenues in Wastewater Fund were \$17,497,893 or a \$455,253 or 2.67 percent increase over the previous fiscal year of \$17,042,640. There were no rate changes for the wastewater utility instituted in fiscal year 2018. Therefore, the entire increase in revenue relates to increases in volume. Operating expenses increased from \$10,934,129 to \$11,030,646, or 0.88 percent, as a result of an increase in depreciation. The operating income, when combined with the net nonoperating expenses, net capital contributions and transfers, resulted in an increase in net position of \$6,811,537 in the Wastewater Fund during the fiscal year prior to adoption of GASB 75.

Fiduciary Fund

Established in September 2017, the Other Post Employment Benefit Trust Fund reports resources that are held in trust for the members and beneficiaries of the City's other postemployment benefit plan. With the establishment of the trust, the City can pre-fund (make annual payments in advance of the obligation) and allocate funds for the express purpose of funding future OPEB costs. The investment returns can be used to reduce the ARC and can result in lower long-term costs of the plan. These assets are excluded from the government-wide financial statements as they cannot be used to support the government's own programs.

BUDGETARY HIGHLIGHTS

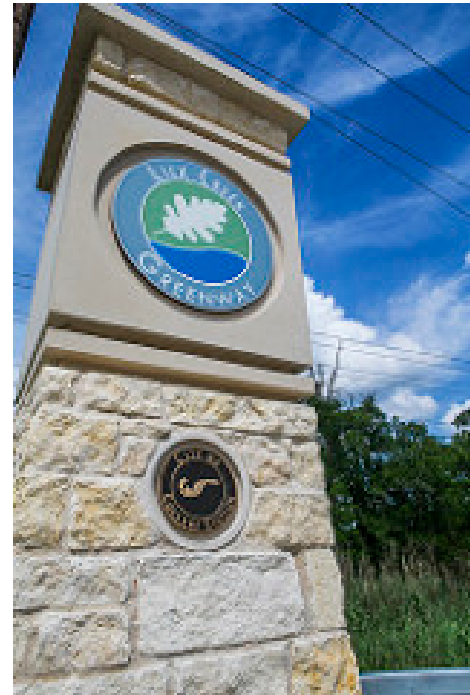
The final amended budget for fiscal year 2018 totaled \$376,747,538, as amended for all funds. In the General Fund, the final amended budget showed a decrease in fund balance of (\$5,060,072) on a budget basis. The actual change in fund balance (GAAP Basis) was an increase of \$864,400. The following are some of the key factors in the change in fund balance:

- Revenues were higher than the estimate by \$1,978,459.
- Expenditures were under budget by \$4,013,810 due to savings from salaries and benefits.

Strategic planning is a driving force in the preparation of the City's budget. The City Council has identified the following areas of strategic priority:

- Good Governance
- Financially Sustainable City
- Providing Core Services and Infrastructure
- Neighborhood Integrity
- Diverse Growing Economy
- Improving Mobility
- Sustainable City

Budget resources were included in fiscal year 2018 to address these priorities.



CAPITAL ASSETS

The City of College Station’s investment in capital assets for its governmental and business-type activities as of September 30, 2018 amounted to \$701,221,839 (net of accumulated depreciation), which is a net increase of \$54,605,806 for the fiscal year. This investment in capital assets includes land, utility systems, building and building improvements, improvements other than buildings, machinery and equipment, infrastructure, and construction in progress, as detailed below:

	Governmental Activities	Business-Type Activities	Total
Land	\$ 34,257,196	\$ 690,750	\$ 34,947,946
Utility systems	-	333,473,880	333,473,880
Buildings and other improvements	25,292,735	3,867,237	29,159,972
Improvements other than buildings	21,796,192	-	21,796,192
Machinery and equipment	15,919,573	2,709,514	18,629,087
Infrastructure	166,213,484	-	166,213,484
Construction in progress	50,554,217	46,447,061	97,001,278
	<u>\$ 314,033,397</u>	<u>\$ 387,188,442</u>	<u>\$ 701,221,839</u>

Major capital projects completed by the City during the 2018 fiscal year included the following:

- Lick Creek Nature Center
- Texas Ave Planter Box Replacement
- Northgate Street Meter Upgrade
- Raintree-Sidewalks
- Central Park-Softball Lighting
- Pebble Creek-Lighting
- Barracks Park-Variou improvements



- Castlegate-New Fencing, Exercise Pod and Tennis Court Lights
- Gabbard Park-New fence & repairs to pier and bridge
- Bachmann Park-Lighting upgrade
- Aggie Field of Honor-New sidewalk
- Drainage improvements Dominik/Stallings
- Extended Electric Infrastructure at Jones Crossing
- Electric Distribution Feeder directly to Bio Corridor

Additional information on the City’s capital assets can be found in Note 9 to the financial statements.

DEBT ADMINISTRATION

At the end of the 2018 fiscal year, the City of College Station had total debt outstanding of \$322,495,000. All of this amount is comprised of debt backed by the full faith and credit of the City. Certificates of Obligation that fund business-type activities in the Electric, Water, Wastewater, and Northgate Parking Garage Funds are also backed by the surplus of revenue derived from each enterprise fund’s revenue source.

2018 Year-End Outstanding Debt Payable

	Governmental Activities	Business-Type Activities	Total
General Obligation Bonds	\$ 89,925,000	\$ 55,240,000	\$ 145,165,000
Certificates of Obligation	85,495,000	91,835,000	177,330,000
	<u>\$ 175,420,000</u>	<u>\$ 147,075,000</u>	<u>\$ 322,495,000</u>

The City’s total debt increased by \$13,830,000 during the current fiscal year. The change in total debt was a result of the following:

- Issuance of \$18,230,000 in Certificates of Obligation for Governmental Activities.
- Issuance of \$19,150,000 in Certificates of Obligation for Business Type Activities.
- Maturity of (\$23,550,000) in General Obligation bonds and Certificates of Obligation.

The City’s General Obligation and Certificates of Obligation have an underlying rating of AA+ by Standard & Poor’s (“S&P”) and Aa1 by Moody’s Investors Service (“Moody’s”).



Additional information on the City's long-term debt can be found in Note 14 to the financial statements.

PENSIONS AND RETIREE HEALTHCARE

The City accounts for its pension obligation under Governmental Accounting Standard Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions". Valuations are important as the reporting valuation provides a rigorous standard measure that can be used to compare the City's pension liabilities to other governments from around the nation. The funding valuation is important as the actuarial methods used, including strategies for repaying any unfunded actuarial accrued liabilities, combined with the City's history of making those contributions, provides insights regarding the City's commitment to and the effectiveness of its funding strategy.

Information contained in the financial statements themselves, including the first schedule of Required Supplementary Information (RSI), Schedule of Changes in Net Pension Liability and Related Ratios, is based on the reporting valuation. The second schedule in the RSI, Schedule of Contributions, is based on the funding valuation. On a reporting basis, the City's financial statements reflect a Net Pension Liability as of September 30, 2018 of \$27,095,915, which is 50.31 percent of the City's annual covered payroll of \$53,860,040, as compared to a Net Pension

Liability as of September 30, 2017 of \$41,650,063, which was 82.32 percent of the City's annual covered payroll.

As required by state laws, in addition to the pension benefits described in Note 22, the City makes available certain postretirement benefits to employees who meet TMRS retirement qualifications, retire from City employment, and enroll in the plan before the effective date of their retirement. The Other Post-Employment Benefits (OPEB) Plan offers medical, dental, vision, drug, and life insurance benefits to retired employees and their eligible dependents and is more fully explained in Note 23. As required, the City adopted GASB Statements No. 75 for its accounting for the retiree healthcare obligation. As a result of this implementation, a prior period adjustment was recognized to decrease beginning net position by (\$4,855,024). The financial statements reflect a net post-employment benefits liability of \$6,293,976 and \$17,822,125 as of September 30, 2018 and 2017, respectively. This decrease in the OPEB obligation of (\$11,528,149) is a result of changes in eligibility, actuarial assumptions and prefunding of the Trust.

The City continued to fund its retiree healthcare obligation in fiscal year 2018 into an irrevocable trust. A total of \$2,646,668 has been prefunded into the trust as of September 30, 2018. More information related to the OPEB Trust can be found in Note 24 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Economic conditions remain mostly positive in College Station. Property values have continued to increase, with new construction continuing at a strong pace. Growth continues in College Station. In the northern part of the City, development and redevelopment continues along the University Drive Corridor with the construction of mixed use developments including continued development at Century Square. This development along University Drive had several retail establishments open during fiscal year 2018. On the other side of Texas Avenue the new Embassy Suites hotel opened late in fiscal year 2017 and added significant property value to the tax base this fiscal year. Multi-family construction continues to take place around the city as well. Sales tax revenues were at the budgeted amount as the fiscal year 2018 plan was revised to include growing rates, but at a slower pace.

Retail development continues in other areas of the City, especially in the Tower Point and Caprock developments in south College Station with new restaurants and other businesses opening and others under construction to serve the ever-growing residential populations in that area of the City. Construction is also underway on a Mercedes Benz, BMW and other luxury car dealership, adding to the ad valorem tax base in FY19. The City's third HEB grocery store opened in August 2018, further attesting to the growth in the area's population.

Texas A&M University continues to see growth and development. Enrollment continues to increase at Texas A&M University, although at a slower pace than prior years with a 1.3% increase

in College Station enrollment reported for fall 2018. However, construction of new buildings and facilities on campus continues to accommodate the rapid growth from previous years.

The City's investment in athletic facilities such as Veterans Park continue to attract significant events including the TAAF Games of Texas for the summers of 2018 and 2019 and the Texas State 7v7 Championships. Construction of two synthetic fields are underway at Veterans Park with construction of two additional fields planned for summer of 2019. The FY19 approved budget includes the appropriation for development of baseball/softball facilities at Southeast Park to further diversify the City's athletic facilities for citizen's use and to attract additional events.

While the continued growth of the City is positive, the rapid pace strains city services, such as public safety, transportation and utility systems and other core services.

TAX RATE AND UTILITY RATES

The fiscal year 2019 budget was prepared using a tax rate of 50.5841 cents per \$100 assessed valuation. This is 0.8341 cents higher than the fiscal year 2018 tax rate. The increase was to offset the initial offering of a homestead exemption to qualifying residents. The 2019 debt service portion of the tax rate is 22.0339 cents, and the operations and maintenance portion of the tax rate is 28.5502 cents.

The 2019 budget includes an increase in Wastewater rates of 5.0 percent to fund Capital projects.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City of College Station's financial position for all who have an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

City of College Station
Finance Department
ATTN: Director of Fiscal Services
PO Box 9960
College Station, Texas 77840-9960
Or visit our website at <http://www.cstx.gov/cafr>





CITY OF COLLEGE STATION
Home of Texas A&M University®

CITY OF COLLEGE STATION, TEXAS

Statement of Net Position
September 30, 2018

	Governmental Activities	Business-type Activities	Total	Component Unit
Assets				
Cash and cash equivalents	\$ 85,628,463	\$ 73,376,752	\$ 159,005,215	\$ 680,671
Equity in investments	28,037,188	11,598,902	39,636,090	-
Receivable (net of allow for uncollectible)	9,171,875	19,566,866	28,738,741	167,097
Investment interest receivable	139,949	70,854	210,803	-
Inventories	5,489,471	4,516,816	10,006,287	-
Internal balance	(5,651,454)	5,651,454	-	-
Prepays	587,962	36,052	624,014	78,363
Restricted assets				-
Cash and cash equivalents	77,451,704	8,573,745	86,025,449	-
Equity in investments	-	2,722,948	2,722,948	-
Equity in joint venture	-	17,261,241	17,261,241	-
Loan receivable	1,971,091	2,955,000	4,926,091	-
Capital assets (net of accum depreciation)				-
Land and construction in progress	84,811,413	47,137,811	131,949,224	-
Other capital assets (net accum depreciation)	229,221,984	340,050,631	569,272,615	331,336
Intangible assets (net accum amortization)	-	-	-	22,042
Total assets	516,859,646	533,519,072	1,050,378,718	1,279,509
Deferred outflows of resources				
Pension	6,799,715	1,785,848	8,585,563	-
OPEB	1,038,570	285,053	1,323,623	-
Deferred charge on refunding	1,338,244	2,130,003	3,468,247	-
Total deferred outflows of resources	9,176,529	4,200,904	13,377,433	-
Liabilities and fund balances				
Accounts payable	9,598,259	10,861,534	20,459,793	184,692
Accrued liabilities	2,652,951	904,478	3,557,429	43,612
Interfund payable	95,331	-	95,331	-
Retainage payable	989,763	1,169,811	2,159,574	-
Customer construction advances	1,496,379	-	1,496,379	-
Claims payable	3,483,498	-	3,483,498	-
Unearned revenue	813,477	132,534	946,011	53,923
Accrued interest payable	925,277	802,525	1,727,802	-
Refundable deposits	77,043	2,758,926	2,835,969	-
Compensated absences - current	253,165	59,042	312,207	-
Capital lease - current	-	-	-	11,634
Current portion of long-term debt	14,750,939	12,803,496	27,554,435	-
Bonds and certificate of obligation payable	175,743,869	147,630,404	323,374,273	-
Compensated absences - long-term	3,071,908	716,413	3,788,321	-
Capital lease - long-term	-	-	-	23,467
Net other post employment benefits (OPEB) liability	4,938,503	1,355,473	6,293,976	-
Net pension liability	21,474,086	5,621,829	27,095,915	-
Total liabilities	240,364,448	184,816,465	425,180,913	317,328
Deferred inflows of resources				
Pension	5,418,100	1,402,674	6,820,774	-
OPEB	2,423,159	665,082	3,088,241	-
Total deferred inflows of resources	7,841,259	2,067,756	9,909,015	-
Net position				
Net investment in capital assets	200,134,327	235,469,411	435,603,738	-
Restricted for:				
Debt service	5,272,810	-	5,272,810	-
Public safety	856,368	-	856,368	-
Community development	2,324,659	-	2,324,659	-
Tourism	12,277,170	-	12,277,170	-
Capital projects	15,376,226	-	15,376,226	-
Other purposes	3,613,483	17,261,241	20,874,724	1,723
Unrestricted	37,975,425	98,105,103	136,080,528	960,458
Total net position	\$ 277,830,468	\$ 350,835,755	\$ 628,666,223	\$ 962,181

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

CITY OF COLLEGE STATION, TEXAS
Statement of Activities
For the Year Ended September 30, 2018

	Net (Expense) Revenue and Changes in Net Position						
	Primary Government			Primary Government			
	Expenses	Charges for Services	Program Revenues Operating, Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government							
Governmental Activities							
Police	\$ 21,571,950	\$ 361,803	\$ 146,082	\$ -	\$ (21,064,065)	\$ -	\$ (21,064,065)
Fire	19,367,032	2,467,765	804,630	-	(16,094,637)	-	(16,094,637)
Public works	28,452,406	11,435,461	464,767	12,676,590	124,412	-	124,412
Parks and recreation	11,727,549	1,742,638	9,140	1,779,751	(8,196,020)	-	(8,196,020)
Library	1,118,522	-	-	-	(1,118,522)	-	(1,118,522)
Planning and development services	3,517,911	-	-	-	(1,360,639)	-	(1,360,639)
Information technology	5,027,435	2,157,272	-	-	(5,027,435)	-	(5,027,435)
Fiscal services	3,795,099	3,435,452	-	-	(359,647)	-	(359,647)
General government	15,155,670	489,895	1,267,444	-	(13,398,331)	-	(13,398,331)
Interest on long-term debt	6,075,924	-	-	-	(6,075,924)	-	(6,075,924)
Total governmental activities	111,809,498	22,090,286	2,692,063	14,456,341	(72,570,808)	-	(72,570,808)
Business-type activities							
Electric Fund	78,029,786	105,341,740	-	1,097,232	-	28,409,186	28,409,186
Water Fund	14,041,059	16,843,347	-	4,251,724	-	7,054,012	7,054,012
Wastewater Fund	13,170,661	17,882,386	-	4,165,114	-	8,876,839	8,876,839
Sanitation Fund	8,554,011	9,632,481	1,542,900	548,830	-	3,170,200	3,170,200
Northgate Parking Fund	1,061,336	1,379,287	-	-	-	317,951	317,951
Total business-type activities	114,856,853	151,079,241	1,542,900	10,062,900	(72,570,808)	47,828,188	47,828,188
Total primary government	226,666,351	173,169,527	4,234,963	24,519,241	\$ (72,570,808)	\$ 47,828,188	\$ (24,742,620)
Component Unit activities							
Brazos Valley Convention and Visitors Bureau	\$ 2,214,418	\$ -	\$ 2,254,289	\$ -	\$ 39,871	\$ -	\$ 39,871
Total component unit activities	2,214,418	-	2,254,289	-	39,871	-	39,871
General revenues							
Property taxes					43,492,512	-	43,492,512
Sales taxes					28,799,040	-	28,799,040
Other taxes					9,392,804	-	9,392,804
Unrestricted investment earnings					2,476,318	1,444,135	3,920,453
Transfers					14,544,135	(14,544,135)	-
Total general revenues, special items, and transfers					98,704,809	(13,100,000)	85,604,809
Change in net position					26,134,001	34,728,188	60,862,189
Net position - beginning					251,526,260	318,079,245	569,605,505
Prior period adjustment					170,207	(1,801,471)	(1,631,264)
Net position - ending					277,830,468	350,835,755	628,666,223

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

CITY OF COLLEGE STATION, TEXAS

Balance Sheet
Governmental Funds
September 30, 2018

	General	Debt Service	General Government Projects	Streets Projects	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 21,315,690	\$ 4,492,295	\$ 35,675,870	\$ 37,299,201	\$ 39,691,243	\$ 138,474,299
Equity in investments	3,683,863	776,637	6,167,716	6,293,625	6,861,902	23,783,743
Receivable (net of allow for uncollectible)	7,413,536	173,210	-	360,213	896,336	8,843,295
Investments interest receivable	18,187	3,878	30,804	32,085	33,765	118,719
Inventories	44,764	-	-	-	5,326,560	5,371,324
Prepaid costs	583,754	-	-	-	1,708	585,462
Loan receivable	95,331	-	-	-	1,960,079	2,055,410
Total assets	\$ 33,155,125	\$ 5,446,020	\$ 41,874,390	\$ 43,985,124	\$ 54,771,593	\$ 179,232,252
Liabilities						
Accounts payable	\$ 1,306,762	\$ -	\$ 1,566,242	\$ 3,872,690	\$ 2,410,237	\$ 9,155,931
Accrued liabilities	2,494,811	-	-	-	54,111	2,548,922
Interfund payable	95,331	-	-	-	-	95,331
Retainage payable	11,815	-	71,729	744,643	161,576	989,763
Customer construction advances	1,496,379	-	-	-	-	1,496,379
Refundable deposits	77,043	-	-	-	-	77,043
Total liabilities	5,482,141	-	1,637,971	4,617,333	2,625,924	14,363,369
Deferred inflows of resources						
Unavailable revenue-loans receivable	-	-	-	-	1,960,079	1,960,079
Unavailable revenue-property taxes	216,179	173,210	-	-	-	389,389
Unavailable revenue-other	666,236	-	-	174,516	49,669	890,421
Total deferred inflow of resources	882,415	173,210	-	174,516	2,009,748	3,239,889
Fund balances						
Nonspendable	628,518	-	-	-	-	628,518
Restricted	-	5,272,810	40,236,419	39,193,275	30,832,562	115,535,066
Committed	-	-	-	-	19,303,359	19,303,359
Assigned	2,128,177	-	-	-	-	2,128,177
Unassigned	24,033,874	-	-	-	-	24,033,874
Total fund balances	26,790,569	5,272,810	40,236,419	39,193,275	50,135,921	161,628,994
Total liabilities, deferred inflows of resources, and fund balances	\$ 33,155,125	\$ 5,446,020	\$ 41,874,390	\$ 43,985,124	\$ 54,771,593	\$ 179,232,252

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

CITY OF COLLEGE STATION, TEXAS
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
September 30, 2018

Total fund balance per balance sheet:		\$ 161,628,994
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources, therefore are not reported in the governmental funds balance sheet		303,233,717
Deferred outflows of resources not reported in governmental funds:		
Pension contributions after measurement date	4,360,142	
Difference in projected and actual earnings - pension	1,310,831	
Difference in expected and actual experience - pension	1,128,742	
OPEB contributions after measurement date	1,038,570	
Deferred charges on debt refundings	1,338,244	
		9,176,529
Deferred inflows of resources not reported in the governmental funds:		
Difference in expected and actual experience - pension	5,204,782	
Difference in projected and actual earnings - pension	213,318	
Difference in projected and actual earnings - OPEB	1,252	
Difference in expected and actual experience - OPEB	478,157	
Difference in assumption changes - OPEB	1,943,750	
		(7,841,259)
Long-term liabilities are not due and payable in the current period, therefore are not reported in the governmental funds balance sheet.		
Due within one year	\$ (14,992,510)	
Due in more than one year	(203,785,308)	(218,777,818)
Interest payable on long-term debt does not require current financial resources and is not reported in the governmental funds balance sheet.		
		(925,277)
Allowance for potentially forgiven loans receivable		
		(84,319)
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds		
		2,426,412
Internal service funds are used by management to charge the costs of certain activities, such as insurance, fleet maintenance, and equipment replacement to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities of the government-wide statements of net position (net of the amount allocated to business-type activities).		
Assets	40,129,450	
Liabilities	(5,484,507)	
Net amount allocated to business-type activities	(5,651,454)	28,993,489
Net position of governmental activities		\$ 277,830,468

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

CITY OF COLLEGE STATION, TEXAS
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended September 30, 2018

	General	Debt Service	General Government Projects	Streets Projects	Other Governmental Funds	Total Governmental Funds
Revenues						
Ad valorem taxes	\$ 24,073,003	\$ 19,089,647	\$ -	\$ -	\$ 248,885	\$ 43,411,535
Sales taxes	28,799,040	-	-	-	-	28,799,040
Other taxes	3,457,485	-	-	-	5,935,319	9,392,804
Licenses and permits	1,772,959	-	-	-	-	1,772,959
Intergovernmental	910,169	-	-	464,767	1,309,766	2,684,702
Charges for services	3,940,837	-	-	-	7,360,945	11,301,782
Fines, forfeits, and penalties	3,211,536	-	-	-	168,137	3,379,673
Investment income	449,880	126,466	604,689	699,318	595,965	2,476,318
Rents and royalties	219,538	-	-	-	-	219,538
Contributions	7,361	-	-	-	1,816,331	1,823,692
Other	642,547	-	-	152,800	2,468,319	3,263,666
Total revenues	<u>67,484,355</u>	<u>19,216,113</u>	<u>604,689</u>	<u>1,316,885</u>	<u>19,903,667</u>	<u>108,525,709</u>
Expenditures						
Police	22,631,648	-	-	-	20,888	22,652,536
Fire	19,624,919	-	-	-	-	19,624,919
Public works	9,575,300	-	-	694	5,321,442	14,897,436
Parks and recreation	9,129,079	-	-	-	881,600	10,010,679
Library	1,118,522	-	-	-	-	1,118,522
Planning and development services	3,740,969	-	-	-	114,175	3,855,144
Information technology	4,488,885	-	-	-	-	4,488,885
Fiscal services	3,954,488	-	-	-	200,443	4,154,931
General government	6,165,016	-	20,531	-	3,884,725	10,070,272
Contributions	1,380,580	-	-	-	3,526,538	4,907,118
Capital outlay	319,406	-	4,464,298	21,617,209	6,078,826	32,479,739
Debt service						
Principal retirement	-	12,435,000	-	-	-	12,435,000
Interest on long-term debt	-	7,024,474	-	-	-	7,024,474
Debt issuance costs	-	9,719	37,177	129,434	63,210	239,540
Total expenditures	<u>82,128,812</u>	<u>19,469,193</u>	<u>4,522,006</u>	<u>21,747,337</u>	<u>20,091,847</u>	<u>147,959,195</u>
Excess (deficit) of revenues over (under) expenditures	<u>(14,644,457)</u>	<u>(253,080)</u>	<u>(3,917,317)</u>	<u>(20,430,452)</u>	<u>(188,180)</u>	<u>(39,433,486)</u>
Other financing sources (uses)						
Issuance of bonds	-	-	2,950,000	10,275,000	5,005,000	18,230,000
Premium on bonds issued	-	-	141,532	481,018	268,644	891,194
Transfers in	19,245,943	464,453	1,592,914	-	-	21,303,310
Transfers out	(3,031,702)	-	(193,371)	(707,618)	(3,693,813)	(7,626,504)
Total other financing source (uses)	<u>16,214,241</u>	<u>464,453</u>	<u>4,491,075</u>	<u>10,048,400</u>	<u>1,579,831</u>	<u>32,798,000</u>
Net change in fund balances	1,569,784	211,373	573,758	(10,382,052)	1,391,651	(6,635,486)
Fund balances - beginning	22,514,523	5,061,437	39,662,661	49,575,327	48,744,270	165,558,218
Prior period adjustment	2,706,262	-	-	-	-	2,706,262
Fund balances - ending	<u>\$ 26,790,569</u>	<u>\$ 5,272,810</u>	<u>\$ 40,236,419</u>	<u>\$ 39,193,275</u>	<u>\$ 50,135,921</u>	<u>\$ 161,628,994</u>

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

CITY OF COLLEGE STATION, TEXAS
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ended September 30, 2018

Net change in fund balance - total governmental funds \$ (6,635,486)

Amounts reported for governmental activities in the statement of activities differ as a result of the following:

Governmental funds report capital outlays as expenditures. However, in the government-wide statement of activities the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period. 32,479,739

Governmental funds do not recognize contributed capital assets. However, in the statement of activities the fair market value of those assets are recognized as revenue, then allocated over their estimated useful lives and reported as depreciation expense. 12,640,010

Depreciation expense on capital assets is reported in the statement of activities but does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds. (15,558,900)

In the governmental fund financial statements the proceeds from sale of assets are shown as an increase in financial resources. In the government-wide financial statements, the gain or loss is calculated and reported. (22,578)

Governmental funds do not recognize the total amount of expense recognized in the government-wide statement of activities related to the sale of redevelopment home properties. (22,242)

Some property tax and loan revenues will not be collected for several months after the City's fiscal year end. These are not considered "available" revenues in the governmental funds until received. 2,232,614

Amortization of deferred charges as the result of debt refundings and bond premiums or discounts are reported in the government-wide statement of activities but does not require the use of current financial resources. Therefore, amortization of revenue or expense is not reported as revenue or expenditure in governmental funds. 948,550

The issuance of long-term debt (i.e., bonds, certificates of obligation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Certificates of Obligation issued	\$ (18,230,000)	
Bond principal retirement	<u>12,435,000</u>	(5,795,000)

Long-term estimated liabilities are recognized as expenses in the Statement of Activities but are recognized when current financial resources are used in the government funds. Changes in these long term liabilities are as follows:

Compensated absences	(249,741)	
Net pension liability	(937,762)	
Net Other post employment benefits liability	5,801,001	4,613,498

Bond premiums are recognized as an other financing source in the governmental funds, but are combined with bond liabilities on the statement of net position. Premiums are amortized over the life of the bonds. (891,194)

Internal service funds are used by management to charge the costs of certain activities, such as insurance, fleet maintenance, and equipment replacement to individual funds. The net revenue of the internal service funds is reported with governmental activities net of the amount allocated to business-type activities.

Change in net position	2,687,607	
Net amount allocated to business activities	(542,617)	

Change in net position of governmental activities \$ 26,134,001

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

CITY OF COLLEGE STATION, TEXAS
Statement of Net Position
Proprietary Funds
September 30, 2018

	Business-type Activities					Governmental Activities
	Electric	Water	Wastewater	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Assets						
Current assets						
Cash and cash equivalents	\$ 40,721,866	\$ 8,885,176	\$ 21,644,889	\$ 2,124,821	\$ 73,376,752	\$ 24,605,868
Equity in investments	6,326,154	1,017,663	3,888,345	366,740	11,598,902	4,253,445
Restricted assets						
Cash and cash equivalents	5,370,396	2,928,152	275,197	-	8,573,745	-
Equity in investments	1,645,917	1,077,031	-	-	2,722,948	-
Receivable (net of allow for uncollectible)	14,088,110	2,198,796	2,020,688	1,259,272	19,566,866	328,580
Loan Receivable	-	-	-	230,000	230,000	-
Investments interest receivable	39,792	10,236	18,995	1,831	70,854	21,230
Inventories	3,910,228	546,632	30,629	29,327	4,516,816	118,147
Prepaid costs	22,010	6,167	6,167	1,708	36,052	2,500
Total current assets	72,124,473	16,669,853	27,884,910	4,013,699	120,692,935	29,329,770
Noncurrent assets						
Equity in joint venture	-	-	-	17,261,241	17,261,241	-
Loan receivable	-	-	-	2,725,000	2,725,000	-
Capital assets						
Utility plant	222,867,320	200,384,764	156,465,789	-	579,717,873	-
Buildings	-	-	-	6,349,242	6,349,242	786,525
Machinery and equipment	-	-	-	7,122,744	7,122,744	26,028,488
Less accumulated depreciation	(106,344,533)	(71,407,868)	(68,491,592)	(6,895,235)	(253,139,228)	(16,015,333)
Construction in progress	17,181,902	11,489,375	17,775,318	466	46,447,061	-
Land	-	-	-	690,750	690,750	-
Total capital assets	133,704,689	140,466,271	105,749,515	7,267,967	387,188,442	10,799,680
Total noncurrent assets	133,704,689	140,466,271	105,749,515	27,254,208	407,174,683	10,799,680
Total assets	205,829,162	157,136,124	133,634,425	31,267,907	527,867,618	40,129,450
Deferred outflows of resources						
Deferred charge on refunding	873,444	740,500	187,293	328,766	2,130,003	-
Pension	854,200	317,622	308,198	305,828	1,785,848	307,361
OPEB	104,800	51,700	68,469	60,084	285,053	60,088
Total deferred outflows of resources	1,832,444	1,109,822	563,960	694,678	4,200,904	367,449
Total assets and deferred outflows of resources	207,661,606	158,245,946	134,198,385	31,962,585	532,068,522	40,496,899
Liabilities						
Current liabilities						
Accounts payable	7,947,320	1,046,811	1,522,451	344,952	10,861,534	442,328
Accrued liabilities	506,735	114,226	110,444	173,073	904,478	104,029
Unearned revenue	-	-	-	132,534	132,534	-
Compensated absences	26,151	10,772	12,826	9,293	59,042	11,594
Retainage payable	141,498	590,455	437,858	-	1,169,811	-
Claims payable	-	-	-	-	-	3,483,498
Accrued interest payable	285,933	262,553	236,111	17,928	802,525	-
Refundable deposits	2,490,543	249,083	19,300	-	2,758,926	-
Certificates of obligation	2,435,213	1,801,105	1,505,216	230,000	5,971,534	-
General obligation bonds	1,850,385	2,748,251	1,988,918	244,408	6,831,962	-
Total current liabilities	15,683,778	6,823,256	5,833,124	1,152,188	29,492,346	4,041,449
Noncurrent liabilities						
Certificates of obligation	32,260,337	27,033,560	32,348,820	490,000	92,132,717	-
General obligation bonds	20,839,480	21,892,876	10,005,801	2,759,530	55,497,687	-
Compensated absences	317,314	130,705	155,632	112,762	716,413	140,679
Post employment benefits	498,336	245,845	325,579	285,713	1,355,473	285,712
Net pension liability	2,663,863	1,004,434	959,914	993,618	5,621,829	1,016,667
Total noncurrent liabilities	56,579,330	50,307,420	43,795,746	4,641,623	155,324,119	1,443,058
Total liabilities	72,263,108	57,130,676	49,628,870	5,793,811	184,816,465	5,484,507
Deferred inflows of resources						
Pension	680,956	238,319	270,915	212,484	1,402,674	202,440
OPEB	244,516	120,627	159,751	140,188	665,082	140,191
Total deferred inflows of resources	925,472	358,946	430,666	352,672	2,067,756	342,631
Total liabilities and deferred inflows of resources	73,188,580	57,489,622	50,059,536	6,146,483	186,884,221	5,827,138
Net Position						
Net investment in capital assets	79,884,765	89,229,524	59,531,506	6,823,616	235,469,411	10,799,680
Restricted for						
BVSWMA Investment	-	-	-	17,261,241	17,261,241	-
Unrestricted	54,588,261	11,526,800	24,607,343	1,731,245	92,453,649	23,870,081
Total net position	\$ 134,473,026	\$ 100,756,324	\$ 84,138,849	\$ 25,816,102	345,184,301	\$ 34,669,761
Adjustment to reflect the consolidation of internal services fund activities related to enterprise funds					5,651,454	
Net position of business-type activities					\$ 350,835,755	

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

CITY OF COLLEGE STATION, TEXAS
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2018

	Business-type Activities					Governmental Activities
	Electric	Water	Wastewater	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating revenues						
Charges for services	\$ 102,511,712	\$ 16,119,429	\$ 17,482,702	\$ 10,616,137	\$ 146,729,980	\$ 11,894,699
Fines, forfeits, and penalties	-	-	-	300,551	300,551	-
Premiums	-	-	-	-	-	14,371,014
Rents and royalties	-	4,269	-	-	4,269	-
Other	2,349,369	155,775	15,191	53,011	2,573,346	482,261
Total operating revenue	<u>104,861,081</u>	<u>16,279,473</u>	<u>17,497,893</u>	<u>10,969,699</u>	<u>149,608,146</u>	<u>26,747,974</u>
Operating expenses						
Electric operations	66,041,602	-	-	-	66,041,602	-
Salaries and benefits	-	2,751,019	2,624,323	2,541,961	7,917,303	2,886,753
Supplies	-	698,490	627,508	452,644	1,778,642	1,203,916
Maintenance	-	133,656	211,296	760,891	1,105,843	49,225
Purchased professional services	-	388,023	129,610	1,097,445	1,615,078	756,977
Purchased property services	-	1,435,614	1,156,421	1,406,641	3,998,676	53,963
Other purchased services	-	319,964	476,820	1,916,163	2,712,947	1,043,414
Claims	-	-	-	-	-	11,380,948
Administration fees	-	-	-	-	-	221,723
Contributions	-	-	-	-	-	1,595,143
Premiums	-	-	-	-	-	1,597,448
Depreciation	7,513,022	5,219,455	5,728,788	1,176,424	19,637,689	2,763,309
Other	541,807	216,040	75,880	78,525	912,252	1,015,496
Total operating expenses	<u>74,096,431</u>	<u>11,162,261</u>	<u>11,030,646</u>	<u>9,430,694</u>	<u>105,720,032</u>	<u>24,568,315</u>
Operating income	<u>30,764,650</u>	<u>5,117,212</u>	<u>6,467,247</u>	<u>1,539,005</u>	<u>43,888,114</u>	<u>2,179,659</u>
Nonoperating revenues (expenses)						
Investment income	692,373	231,966	338,212	181,584	1,444,135	427,036
Gain (loss) on disposal of assets	(261,738)	(189,866)	(600,201)	-	(1,051,805)	140,181
Earnings in joint venture	-	-	-	1,542,900	1,542,900	-
Interest payments	(2,205,963)	(2,168,794)	(1,555,232)	(203,903)	(6,133,892)	-
Debt issuance cost	(80,059)	(42,606)	(118,755)	-	(241,420)	-
Other, net	(1,004,224)	58,851	387,204	(223,057)	(781,226)	(926,598)
Total nonoperating revenues (expenses)	<u>(2,859,611)</u>	<u>(2,110,449)</u>	<u>(1,548,772)</u>	<u>1,297,524</u>	<u>(5,221,308)</u>	<u>(359,381)</u>
Income before capital contributions and transfers	<u>27,905,039</u>	<u>3,006,763</u>	<u>4,918,475</u>	<u>2,836,529</u>	<u>38,666,806</u>	<u>1,820,278</u>
Capital contributions and transfers						
Capital contributions	1,097,232	4,251,724	4,165,114	548,830	10,062,900	-
Transfers in	1,793,420	1,554	-	-	1,794,974	928,674
Transfers out	(9,647,251)	(2,741,312)	(2,272,052)	(1,678,494)	(16,339,109)	(61,345)
Total capital contributions and transfers	<u>(6,756,599)</u>	<u>1,511,966</u>	<u>1,893,062</u>	<u>(1,129,664)</u>	<u>(4,481,235)</u>	<u>867,329</u>
Change in net position	21,148,440	4,518,729	6,811,537	1,706,865	34,185,571	2,687,607
Net position - beginning	114,493,282	96,466,765	77,585,932	24,424,429		32,260,709
Prior period adjustment	(1,168,696)	(229,170)	(258,620)	(315,192)	(1,971,678)	(278,555)
Net position - ending	<u>\$ 134,473,026</u>	<u>\$ 100,756,324</u>	<u>\$ 84,138,849</u>	<u>\$ 25,816,102</u>		<u>\$ 34,669,761</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					542,617	
Change in net position of business-type activities					<u>\$ 32,756,510</u>	

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

CITY OF COLLEGE STATION, TEXAS
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended September 30, 2018

	Business-type Activities - Enterprise Funds					Governmental
	Electric	Water	Wastewater	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash flows from operating activities:						
Cash received from customers	\$ 103,712,433	\$ 15,955,362	\$ 17,359,487	\$ 10,801,913	\$ 147,829,195	\$ 26,480,224
Cash payments to suppliers for goods and services	(60,281,908)	(2,106,396)	(2,143,118)	(5,428,324)	(69,959,746)	(15,125,962)
Cash payments to employees for services	(8,336,884)	(3,412,547)	(3,380,318)	(3,150,227)	(18,279,976)	(3,493,371)
Customer deposits received (returned)	(369,311)	(49,243)	3,330	-	(415,224)	-
Cash paid for miscellaneous services	(541,807)	(216,040)	(75,880)	(78,525)	(912,252)	(2,834,667)
Cash received for miscellaneous revenues	1,499,146	-	-	-	1,499,146	-
Net cash provided (used) by operating activities	35,681,669	10,171,136	11,763,501	2,144,837	59,761,143	5,026,224
Cash flows from noncapital financing activities:						
Cash (paid) for received from miscellaneous non operating services	(1,004,224)	4,318	387,204	(223,055)	(835,757)	146,974
Transfers in from other funds	1,793,420	1,554	-	-	1,794,974	928,674
Transfers out to other funds	(9,647,250)	(2,741,312)	(2,272,052)	(1,678,494)	(16,339,108)	(61,345)
Net cash provided (used) by noncapital financing activities	(8,858,054)	(2,735,440)	(1,884,848)	(1,901,549)	(15,379,891)	1,014,303
Cash flows from capital and related financing activities:						
Acquisition and construction of capital assets	(13,647,207)	(15,002,937)	(16,140,251)	(687,429)	(45,477,824)	(2,393,053)
Capital grants and contributions	1,097,232	4,251,724	4,165,114	548,830	10,062,900	-
Proceeds from sale of assets	8,697	14,931	27,886	-	51,514	207,697
BVSWMA loan payments received	-	-	-	445,000	445,000	-
Bond Issuance Costs	(80,059)	(42,606)	(118,755)	-	(241,420)	-
Proceeds received from the issuance of certificates of obligation	6,381,157	3,612,981	10,119,792	-	20,113,930	-
Principal paid on certificates of obligation and general obligation bonds	(3,705,000)	(3,955,000)	(3,030,000)	(425,000)	(11,115,000)	-
Interest paid on certificates of obligation and general obligation bonds	(2,205,963)	(2,168,794)	(1,555,231)	(203,903)	(6,133,891)	-
Net cash provided (used) by capital and related financing activities	(12,151,143)	(13,289,701)	(6,531,445)	(322,502)	(32,294,791)	(2,185,356)
Cash flows from investing activities:						
Purchase of investments	(4,251,833)	(452,371)	(1,738,310)	(133,047)	(6,575,561)	(2,825,495)
Proceeds from sale and maturities of investment securities	429,243	450,698	221,678	22,043	1,123,662	247,985
Investment income	664,120	227,551	325,812	180,464	1,397,947	413,453
Net cash provided (used) by investing activities	(3,158,470)	225,878	(1,190,820)	69,460	(4,053,952)	(2,164,057)
Net increase (decrease) in cash and cash equivalents	11,514,002	(5,628,127)	2,156,388	(9,754)	8,032,509	1,691,114
Cash and cash equivalents, Oct. 1	34,578,260	17,441,455	19,763,698	2,134,575	73,917,988	22,914,754
Cash and cash equivalents, Sept. 30	\$ 46,092,262	\$ 11,813,328	\$ 21,920,086	\$ 2,124,821	\$ 81,950,497	\$ 24,605,868
Reconciliation of operating income to net cash provided by operating activities:						
Operating income	\$ 30,764,649	\$ 5,117,212	\$ 6,467,247	\$ 1,539,005	\$ 43,888,113	\$ 2,179,659
Adjustment to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation	7,513,022	5,219,455	5,728,788	1,176,424	19,637,689	2,763,309
Amortization of Bond Premium (Discount)	(434,117)	(507,869)	(345,955)	(34,408)	(1,322,349)	-
Bad debt expense	475,426	33,781	74,700	38,637	622,544	-
Inventory loss	65,904	2,086	(702)	8,262	75,550	-
<i>(Increases) decreases in assets and deferred outflows:</i>						
Change in accounts receivable	(1,416,615)	(357,892)	(189,801)	(216,183)	(2,180,491)	(267,750)
Change in inventory	(989,859)	(130,828)	3,274	(19,913)	(1,137,326)	5,650
Change in prepaids	(22,010)	(6,167)	(6,167)	(1,708)	(36,052)	-
Change in deferred outflow on pensions	310,170	116,981	115,873	106,729	649,753	103,384
Change in deferred outflow on OPEB	(104,800)	(51,700)	(68,469)	(60,084)	(285,053)	(60,088)
Change in deferred charge on refunding	116,578	111,631	38,900	(179,592)	87,517	-
<i>Increases (decreases) in liabilities and deferred inflows:</i>						
Change in accounts payable	473,538	669,823	137,849	119,646	1,400,856	(595,709)
Change in retainage payable	19,447	322,905	157,169	-	499,521	-
Change in unearned revenues / claims payable	-	-	-	20,769	20,769	1,230,129
Change in refundable deposits	(369,311)	(49,243)	3,330	-	(415,224)	-
Change in accrued liabilities	(19,379)	10,273	13,405	20,292	24,591	10,323
Change in accrued vacation	(1,537)	12,444	2,245	(6,863)	6,289	16,428
Change in accrued interest payable	12,846	(15,681)	39,857	(5,024)	31,998	-
Change in OPEB	(761,030)	(375,442)	(497,207)	(436,323)	(2,070,002)	(436,322)
Change in net pension liability	(1,478,412)	(538,148)	(533,053)	(490,994)	(3,040,607)	(475,602)
Change in deferred inflow on pensions	1,282,643	466,888	462,467	425,977	2,637,975	412,622
Change in deferred inflow on OPEB	244,516	120,627	159,751	140,188	665,082	140,191
Total adjustments	4,917,020	5,053,924	5,296,254	605,832	15,873,030	2,846,565
Net cash provided (used) by operating activities	\$ 35,681,669	\$ 10,171,136	\$ 11,763,501	\$ 2,144,837	\$ 59,761,143	\$ 5,026,224
Noncash investing, capital and financing activities:						
For the fiscal year ended September 30, 2018, the City of College Station's Enterprise funds received \$8,676,165 of noncash capital contributions from developers and assets with a net value of \$837,905 from the Governmental Activities.						
Reconciliation of total cash and cash equivalents:						
Current assets - cash and cash equivalents	\$ 40,721,866	\$ 8,885,176	\$ 21,644,889	\$ 2,124,821	73,376,752	\$ 24,605,868
Restricted assets - cash and cash equivalents	5,370,396	2,928,152	275,197	-	8,573,745	-
Total cash and cash equivalents	\$ 46,092,262	\$ 11,813,328	\$ 21,920,086	\$ 2,124,821	\$ 81,950,497	\$ 24,605,868

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

CITY OF COLLEGE STATION, TEXAS
Statement of Net Position
Fiduciary Funds
Other Post Employment Benefit (OPEB) Trust
December 31, 2017

Assets	
Investments	\$ 1,521,285
Total Assets	<u>1,521,285</u>
Liabilities	
Payables	<u>-</u>
Total liabilities	<u>-</u>
Net position restricted for postemployment benefits other than pensions	<u>\$ 1,521,285</u>

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

CITY OF COLLEGE STATION, TEXAS
Statement of Changes in Net Position
Fiduciary Funds
Other Post Employment Benefit (OPEB) Trust
For the Measurement Period Ended December 31, 2017

Additions	
Employer contributions	\$ 2,081,852
Investment earnings	
Net increase in fair value of investments	-
Interest and dividends	266
Net investment income	<u>28,112</u>
Total additions	<u>2,110,230</u>
Deductions	
Benefit payments	588,043
Administrative expenses	<u>902</u>
Total deductions	<u>588,945</u>
Net position restricted for postemployment benefits other than pensions	
Net Position - Beginning	1,474,075
Prior Period Adjustment	<u>(1,474,075)</u>
Net Position - 12/31/2017	<u>\$ 1,521,285</u>

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



CITY OF COLLEGE STATION
Home of Texas A&M University®

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City of College Station, Texas ("City") was incorporated in 1938 as a municipal corporation incorporated under the provisions of H.B. 901 of the Texas Legislature. The City operates under a Council-Manager form of government and provides such services as authorized by its charter to advance the welfare, health, comfort, safety and convenience of the City and its inhabitants.

The accompanying financial statements present the City and its component unit, which is an entity for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations and are appropriately presented as funds of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the City. Based on these criteria, the financial information of the following entities has been blended or discretely presented within the financial statements.

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 American Institute of Certified Public Accountants in the publication entitled *State and Local Governments-Audit and Accounting Guide*, and by the Financial Accounting Standards Board (when applicable).

Blended Component Units

On February 2, 2017, the City Council approved the formation of a public non-profit corporation to assist with economic development efforts and oversee the implementation of the Spring Creek Corporate Campus. The Spring Creek Local Government Corporation (Spring Creek LGC) promotes, develops, and encourages employment and economic development to be anchored by the City of College Station's next business park. The corporation is governed by a Board of Directors appointed by the City Council, with the initial board consisting of five Directors. The Mayor serves as President and the remaining directors are City officers or residents who have special expertise that would be beneficial to the corporation. A total of three City Council members are on the Board of Directors of Spring Creek LGC. The corporation has the power to acquire, own, and dispose of real estate subject to the approval of the City Council. Since the elected officials of the City are financially accountable for Spring Creek LGC, and the primary purpose of the entity is to provide a service to the City, Spring Creek LGC is considered a blended component unit. Spring Creek LGC is located in the Supplementary Information Section as part of the General Fund(s) Statements.

Discretely Presented Component Units

The Brazos Valley Convention & Visitors Bureau d/b/a Experience Bryan College Station, is a non-profit corporation originally formed to market events within the Bryan-College Station area. The primary purpose of the entity is to provide a service to the Cities of both Bryan and College Station by marketing tourist events. This 18 board members included elected officials, hoteliers, and business owners, representatives from Texas A&M University, the local media, and tourist attractions. On August 29, 2017, Experience BCS adopted a new set of bylaws that restructured the makeup of the board, cutting its size from eighteen members to nine members. Under the new bylaws, six of the nine Experience BCS's board of directors are appointed by and serve at the discretion of the College Station City Council. The members of the new board were ratified by Experience BCS at its board meeting on October 30, 2017. The City of College Station, along with the City of Bryan, now also directs and approves the marketing work plan of the entity based on changes to the annual funding agreement. The new annual funding agreement was executed November 8, 2017.

Based on the control and funding changes at Experience BCS that occurred in October and November 2017, as well as the City's existing financial accountability for the entity, Experience BCS and its financial statements is disclosed as a discretely presented component unit. As a discretely presented component unit, Experience BCS will be separately presented in both the Statement of Net Position and Statement of Activities and complete financial statement information will be made publicly available from the Experience BCS entity.

Fiduciary Fund

The Other Post Employment Benefit (OPEB) Trust Fund reports resources that are held in trust for the members and beneficiaries of the City's other postemployment benefit plan. These assets are excluded from the government-wide financial statements as they cannot be used to support the government's own programs.

Cooperative Efforts

In January 2010, the City of College Station entered into an Interlocal Cooperation Agreement with the City of Bryan to create a local government corporation under Subchapter D of Chapter 431, Texas Transportation Code, to be known as the Brazos Valley Solid Waste Management Agency, Inc. (BVSWMA, Inc.). The purpose of this Corporation is to finance, construct, own, manage, and operate the existing and future municipal solid waste landfill facilities on behalf of the two cities. The City's one-half undivided interest in BVSWMA, Inc. is reported in the Sanitation Fund (see Note 21).

Government-Wide and Fund Financial Statements

The government-wide financial statements (e.g., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the City. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to the general rule are payments-in-lieu-of taxes, payments for use of rights-of-way, and other charges between the

City's electric, water, and wastewater functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Interfund services provided and used are not eliminated in the process of consolidation for government-wide financial statements. 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.

The Statement of Activities demonstrates the degree to which the direct expenses for a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

In fund financial statements (the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances; the Proprietary Funds Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and Statement of Cash Flows; and the Fiduciary Fund Statement of Net Position and Statement of Changes in Net Position), the City segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate financial statements are presented for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds are aggregated and presented in a single column in the appropriate governmental fund and proprietary fund statements.

Governmental funds are those funds through which most governmental functions are typically financed. The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

The *Debt Service Fund* accounts for the financial resources that are restricted, committed, or assigned to expenditure for the payment of principal and interest on long-term debt paid primarily from taxes levied by the City. Financial resources that are being accumulated from principal and interest in future years are also reported in the Debt Service Fund.

The *General Government Projects Fund* accounts for the cost of new building construction, building improvements, technology, and equipment made with funds provided by proceeds from the sale of general obligation bonds, certificates of obligation, and other funding sources.

The *Streets Projects Fund* accounts for the costs of new street construction, street and transportation improvements, and traffic signalization made with funds provided primarily by proceeds from the sale of general obligation bonds and sale of certificates of obligation and by investing those proceeds.

Proprietary funds include enterprise and internal service funds and are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are a determination of net income, financial position, and cash flow. All assets and liabilities are included in the Statement of Net Position.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges for customer services including electric, water, wastewater, and solid waste fees, while internal service funds' revenues are for equipment purchase transactions, utility customer service, and risk management charges. Operating expenses for enterprise funds and internal service funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. At fiscal year-end, the City accrues estimated unbilled revenues (excluding fuel expense) for electric, water, and wastewater customers.

The City reports the following major proprietary funds:

The *Electric Fund* accounts for the activities necessary to provide electric services to the residents of the City within the City's service territory. These activities include administration, distribution system operations and maintenance, transmission system operations and maintenance, new construction, and financing and related debt services. Billing and collection services are accounted for as an internal service fund.

The *Water Fund* accounts for the activities necessary to provide water services to the residents of the City within the City's service territory. These activities include administrative services, water production and distribution system operation and maintenance, new construction, and financing and related debt services. Billing and collection services are accounted for as an internal service fund.

The *Wastewater Fund* accounts for the activities necessary to provide wastewater services to the residents of the City. These activities include administrative services, wastewater system operation and maintenance, new construction, and financing and related debt services. Billing and collection services are accounted for as an internal service fund.

The City reports the following other fund types:

Internal Service Funds account for activities related to the administration of health insurance provided to City employees; the City's risk management activities, including general liability, unemployment and workers' compensation claims and associated administrative expenses on a cost reimbursement basis; utility billing and collection activities related to the City's electric, water, and wastewater utilities and residential and commercial garbage collections; activities related to the management of

the City's vehicles and heavy equipment, including preventative maintenance and vehicle repair; and activities related to the purchase and replacement of vehicles and large motorized equipment, telephone and radio systems, and technological infrastructure equipment not budgeted in other funds.

Fiduciary Fund accounts for assets held in trust for the members and beneficiaries of the City's other postemployment benefit plan. These assets are excluded from the government-wide financial statements as they cannot be used to support the government's own programs.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

Measurement Focus and Basis of Accounting

Measurement focus refers to the type of information a given fund presents. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements.

The government-wide financial statements and fund financial statements for proprietary funds and fiduciary fund are reported using the economic resources measurement focus and the accrual basis of accounting. All assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The operating statements present increases (revenues) and decreases (expenses) in net position. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are measurable when the amount of the transaction can be determined. Revenues are available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

The City considers tax revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. A one hundred twenty (120) day availability period is used for recognition of all other governmental fund revenues. Expenditures are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to vacation, claims, and judgments are recorded only when payment is due.

Property taxes are recognized as revenues in the year for which they are levied. Revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for services, investment income, and intergovernmental revenues. Sales taxes collected and held by the State at year end on behalf of the City are also recognized as revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All other revenue items are considered to be measurable and available when cash is received by the City.

Assets, Liabilities, and Net Position or Equity

Cash and Cash Equivalents

Cash and cash equivalents are short-term, highly liquid investments that are (a) readily convertible to known amounts of cash and (b) so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Therefore, for purposes of the statement of cash flows, cash and cash equivalents (including restricted assets) includes demand accounts, investment pools, money market mutual funds, certificates of deposit, and agency securities notes with original maturities of three months or less when purchased.

The City uses a pooling method to account for cash and cash equivalents. All cash, except for petty cash accounts, is deposited with the City's depository bank in a pooled, interest bearing account or it is invested. Equity in cash and cash equivalents and interest income from pooled cash are allocated to the participating funds on a monthly basis. The amount of the allocation is determined by calculating a ratio of each fund's equity in the pool to the total pool.

Investments

Investments are made in accordance with the City's Investment Policy, which was adopted by the City Council in October 2017 for the fiscal year ending September 30, 2018. This policy is applicable to all City funds and permits investment in obligations of the U.S. Government or its agencies, repurchase agreements, commercial paper, certificates of deposit, public funds investment pools, and money market mutual funds. This policy states that the City Manager shall designate the City's Investment Officer, with whom responsibility and authority for investment transactions resides.

The investments purchased under the provisions of the Investment Policy are managed to maintain liquidity for meeting the City's needs for cash and to limit potential market risks in periods of rising interest rates that depress the market value of securities. As a guideline, maturity of securities should not exceed five years for cash management purposes, with an optimum weighted average maturity of less than two years. Investments in securities with a maturity of more than two years are considered prudent for funds maintained for capital construction and debt service funds, if necessary to meet projected disbursement schedules.

As a general guideline, the City's cash management portfolio is designed with the objective of meeting, over the course of full market cycles, the average return on three-month U.S. Treasury bills, or the average rate of federal funds, whichever is higher. These indices are considered benchmarks for riskless investment transactions and therefore comprise a standard for the portfolio's rate of return. The investment program seeks to augment rates of return above this level. In a diversified portfolio, measured losses are inevitable and must be considered within the context of the overall portfolio. The objective of investment in construction funds should at least match inflation increases in construction costs.

State statutes authorize the City to invest in fully insured time deposits, direct debt securities of the United States or its agencies, and fully collateralized repurchase agreements. The repurchase agreements must be purchased pursuant to a master repurchase agreement, which specifies that the transaction be held in a safekeeping account subject to the control and custody of the City.

Investments in security repurchase agreements may be made only with the City's depository bank, with state or national banks domiciled in the state of Texas, or with securities dealers reporting to the Federal Reserve Bank of New York ("Primary Dealers"). All securities are purchased delivery versus payment and are held in the City's name in a safekeeping account at The Bank of New York.

The City uses a pooling method to account for investments. Investments of all funds may consist of Agency securities, money market mutual funds, certificates of deposit, and investments in public funds investment pools. Equity in investments and interest income from the investment pool is allocated to the participating funds on a monthly basis and is determined by calculating a ratio of each fund's equity in the investment pool to the total pool.

Investments are stated at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, GASB Statement No. 72, *Fair Value Measurement and Application*, GASB Statement No. 59, *Financial Instruments Omnibus*, and GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. Additional information related to investments can be found in Note 7.

The City of College Station also has an irrevocable trust relating to its OPEB obligations. The investment strategy for this trust will be dictated by the City's Investment Committee. This trust does not fall under the Texas Public Funds Investment Act.

Inventories

Inventories include stock and parts that are on hand and will be utilized in conducting business within the next year. All inventories are valued at cost, using the average cost method. Inventories owned by the Enterprise and Internal Service Funds are accounted for using the consumption method (an expense is recorded when the inventory item is used).

Inventories also include cemetery plots, which are in the governmental funds. City ordinance stipulates the percentage of cemetery plot sales to be allocated to the operational fund. These assets held for resale are in the non-major governmental Cemetery funds and are accounted for using the purchase method.

Prepays

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

Interfund Transactions and Receivables and Payables

Short-term amounts owed between funds are classified as “Interfund receivable and Interfund payable”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

Transactions between Funds

Authorized transfers are treated as interfund transfers and are included in the results of both governmental and proprietary funds.

The City allocates to the proprietary funds a percentage of administrative costs paid through the general fund, internal service funds, and other governmental funds.

Restricted Assets

Proceeds of general obligation bonds and certificates of obligations are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. In addition, customer utility deposits are classified as restricted assets because the deposit remains the property of the customer and is not available for operations.

Investment in Joint Venture

The Proprietary Funds’ investment in joint venture is recorded using the equity method of accounting. Required disclosures concerning the joint venture are presented in Note 21.

Capital Assets

Capital assets include property, plant, equipment, and infrastructure assets reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Assets are recorded at historical cost or estimated historical cost if purchased or constructed. To the extent the construction is performed by the City, the cost includes payroll and related costs and certain general and administrative expenses. Interest is not capitalized during construction of capital assets. Donated capital assets are recorded at estimated acquisition cost on the date of donation. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Assets owned by the electric utility are capitalized in accordance with Federal Energy Regulatory Commission (FERC) guidelines. The costs of normal maintenance and repairs for electric, water, and wastewater utilities that do not add to the value of the assets or materially extend the asset’s useful life are not capitalized. Interest is not capitalized in these accounts because interest is recovered concurrently in the proprietary fund rate structure.

Depreciation of all assets is recorded and calculated using the straight-line method over the following estimated useful lives:

Electric system	1-50 Years
Water system	2-50 Years
Wastewater system	2-50 Years
Infrastructure	10-50 Years
Buildings and building improvements	5-50 Years
Land improvements	10-45 Years
Machinery and equipment	5-20 Years
Motor vehicles	3-12 Years
Furniture, fixtures and office equipment	5-20 Years

Compensated Absences

The City accrues vacation when the liability is incurred. Accumulated vacation is accrued when earned in the government-wide and proprietary fund financial statements. No liability has been recorded in the governmental fund financial statements. For the governmental activities, accrued vacation is generally liquidated by the general fund.

Employees are credited with vacation at rates of ten (10) to twenty (20) days per year, depending upon length of service. Carryover of unused vacation time from one year to the next is allowed for a maximum of three years. Classified employees in the police department earn vacation at the rate of 15 days (120 hours) per full year until the employee reaches 18 years of employment, at which time the rate of accrual becomes the same rate as that for other City employees. Classified employees in the fire department earn vacation at the rate of 7 shifts (168 hours) per full year until the employee reaches 18 years of employment, at which time the rate of accrual becomes a maximum of 9 shifts (216 hours) per year. Upon termination, all employees are paid for any accrued vacation not taken, up to the three year maximum.

Employees who have met the overtime eligibility requirements in accordance with the Fair Labor Standards Act may choose to receive compensatory time off in lieu of overtime pay. The accrual of compensatory time is made at a rate of one and one-half times the number of eligible overtime hours and is limited to sixty (60) hours, unless otherwise specified by the employee's department. After accruing sixty (60) hours of compensatory time off, an employee will receive overtime pay for excess hours in the designated work week. Upon termination, non-exempt employees are paid for all accrued compensatory time, up to the sixty (60) hours maximum.

Employees are credited with sick leave at the rate of one day per month. There is no maximum to the number of sick days that each employee can accumulate. The City does not pay employees for unused accumulated sick leave; therefore, no liability has been recorded in the financial statements related to sick leave as unused leave is not paid at termination.

City of College Station
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Changes in compensated absences for the year ending September 30, 2018 were as follows:

Activity Type	Beginning Balance	Earned	Paid	Total Ending Balance
Governmental	\$ 3,058,903	\$ 1,884,051	\$ (1,617,881)	\$ 3,325,073
Business-Type	769,166	438,835	(432,546)	775,455
Total	\$ 3,828,069	\$ 2,322,886	\$ (2,050,427)	\$ 4,100,528

Activity Type	Amount Due Within One Year	Amount Due Greater Than One Year
Governmental	\$ 253,165	\$ 3,071,908
Business-Type	59,042	716,413
Total	\$ 312,207	\$ 3,788,321

Long-Term Obligations

In the accompanying 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 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 and deferred amounts on refunding.

In the Schedule of Revenue, Expenditures and Changes in Fund Balance and supplementary information schedules, bond premiums and discounts, as well as bond issuance costs are recognized during the period issued. The face amount of debt issued and premiums received on debt issuances are reported as other financing sources. Discounts on debt issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures.

Bond Issuance Expenses

According to the financial reporting requirements of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, bond issuance expenses are to be expensed as incurred. Issuance expenses are reported on the Statement of Activities on the Government-Wide Financial Statements for Governmental Activities in interest on long-term debt expense and on the Statement of Revenues, Expenditures, and Changes in Fund Balances in debt issuance costs. These amounts totaled \$239,540 for the fiscal year ended September 30, 2018. Issuance expenses for Business-Type Activities are reported on the Statement of Revenues, Expenses and Changes in Net Position in interest expense and totaled \$241,420 for the fiscal year ended September 30, 2018.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the Fiduciary Net

Position of the Texas Municipal Retirement System (TMRS), and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. 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. Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report on the internet at www.tmr.com.

Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan and additions to/deductions from City's fiduciary net position have been determined on the same basis as they are reported by the City. For this purpose, the City recognizes benefit payments when due and payable in accordance with the benefit terms. The OPEB Plan's investments are measured at the equivalent of Net Assets Value (NAV).

Fund Equity

In the fund financial statements, governmental funds report fund balance in classifications as follows:

Nonspendable Fund Balance includes amounts that cannot be spent because they are not in spendable form. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It also includes the long-term amount of loans receivable as well as property acquired for resale.

Restricted Fund Balance is reported when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance includes amounts that can only be used for specific purposes pursuant to limitations imposed by the government's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the government that can, by approval of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the approval of another resolution) to remove or revise the limitation.

Assigned Fund Balance includes amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The governing body, the City Council, may assign fund balance. Assignments, unlike commitments, are not permanent and a formal action is not required for the removal of an assignment. Finally, assignments may not result in a deficit in Unassigned Fund Balance.

Unassigned Fund Balance is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds nor been restricted, committed, or assigned to specific purposes within the General Fund. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When fund balances are available for use and the usage requirements met, the City reduces the committed amounts first, followed by the assigned amounts and then the unassigned amount lastly. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

Net Position

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from these estimates.

New Accounting Pronouncements

For the fiscal year ended September 30, 2018, the City adopted the following pronouncements:

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The statements result from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter period equity, and creating additional transparency. Statement number 75 replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits*

Other Than Pensions, as amended, and Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, establishes new accounting and financial reporting requirements for OPEB plans and is explained in more detail in Note 23 of these financial statements. This new guidance is effective for fiscal years beginning after June 15, 2017. The adoption of this statement required the City to restate its net position.

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. Split-interest agreements are a type of giving agreement used by donors to provide resources to two or more beneficiaries, including governments. Split-interest agreements can be created through trusts—or other legally enforceable agreements with characteristics that are equivalent to split-interest agreements—in which a donor transfers resources to an intermediary to hold and administer for the benefit of a government and at least one other beneficiary. Examples of these types of agreements include charitable lead trusts, charitable remainder trusts, and life-interests in real estate. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively. As applicable, the City implemented this guidance in FY 2018.

GASB Statement No. 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. As applicable, the City implemented this guidance in FY 2018.

GASB Statement No. 86, *Certain Debt Extinguishment Issues*. Statement No. 7, *Advance Refundings Resulting in Defeasance of Debt*, requires that debt be considered defeased in substance when the debtor irrevocably places cash or other monetary assets acquired with refunding debt proceeds in a trust to be used solely for satisfying scheduled payments of both principal and interest of the defeased debt. The trust also is required to meet certain conditions for the transaction to qualify as an in-substance defeasance. This Statement establishes essentially the same requirements for when a government places cash and other monetary assets acquired with only existing resources in an irrevocable trust to extinguish the debt. However, in financial statements using the economic resources measurement focus, governments should recognize any difference between the reacquisition price (the amount required to be placed in the trust) and the net carrying amount of the debt defeased in substance using only existing resources, as a separately identified gain or loss in the period of the defeasance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. As applicable, the City implemented this guidance in FY 2018.

The following guidance statements issued by GASB are each effective for FY 2019 or beyond and are expected to be applicable to the City. The impact of these standards on the City's net position is unknown at this time:

GASB Statement No. 83, *Certain Asset Retirement Obligations*. This statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this statement. This statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. This statement requires that recognition occur when the liability is both incurred and reasonably estimable. The determination of when the liability is incurred should be based on the occurrence of external laws, regulations, contracts, or court judgments, together with the occurrence of an internal event that obligates a government to perform asset retirement activities. Laws and regulations may require governments to take specific actions to retire certain tangible capital assets at the end of the useful lives of those capital assets, such as decommissioning nuclear reactors and dismantling and removing sewage treatment plants. Other obligations to retire tangible capital assets may arise from contracts or court judgments. Internal obligating events include the occurrence of contamination, placing into operation a tangible capital asset that is required to be retired, abandoning a tangible capital asset before it is placed into operation, or acquiring a tangible capital asset that has an existing ARO. The requirements of this statement are effective for reporting periods beginning after June 15, 2018. Therefore, if applicable, the City will implement this guidance in FY 2019.

GASB Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Therefore, if applicable, the City will implement this guidance in FY 2020.

GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement requires 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. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. This is a significant change in accounting principles and may impact the net position of the City. The requirements of this Statement are effective for reporting periods

beginning after December 15, 2019. Therefore, as applicable, the City will implement this guidance in FY 2021.

GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements.* The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Therefore, if applicable, the City will implement this guidance in FY 2019.

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the end of a Construction Period* The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019 and the requirements of this Statement should be applied prospectively. As applicable, the City will implement this guidance in FY 2020.

GASB Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No.14 and No. 61.* The primary objectives of this Statement are to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government’s holding of the equity interest meets the definition of

an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit.

This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. The requirements should be applied retroactively, except for certain cases and may require restatement. As applicable, the City will implement this guidance in FY 2019.

Budgetary Basis of Accounting

The City prepares its annual budget on a basis which differs from GAAP, known as budget basis. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual - General Fund is presented in accordance with the City’s method (budget basis) in order to provide a meaningful comparison of actual results with the budget. The differences between budget basis and GAAP basis is that reimbursements and transfers of indirect costs are shown as transfers out and that interfund loan transactions are treated as transfers for budget basis. Consistent with the purchases method, assets held for resale are treated as expenditures for budget purposes.

Budgetary Control

Formal budgetary integration is legally enacted and employed as a management control device during the year for all funds.

Annual budgets are adopted on a consistent basis and are required by City Charter to be balanced for all funds. Additional controls exist for the capital projects funds and these expenditures are controlled through bond indenture provisions. Capital Projects funds are appropriated budgets based on the life of a project and not on an annual basis.

Encumbrance accounting is employed in governmental funds. Encumbrances (purchase orders and contracts) outstanding at fiscal year-end are reported as assigned fund balances and do not constitute

expenditures or liabilities because the amounts will be re-appropriated and honored in the subsequent year. Other unexpended appropriations including salary expense lapse at fiscal year-end.

The City Charter establishes the City's fiscal year as the twelve-month period beginning October 1. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- City departments submit to the City Manager a budget of estimated expenditures for the coming fiscal year. In addition, the Finance department proposes an estimate of revenues and submits to the City Manager.
- Finance analyzes and compiles requests, and as required by the City Charter, balances the budget.
- A balanced proposed budget is then presented with comparative and supporting data to the Mayor and City Council for review.
- Public hearings are properly advertised and conducted for taxpayer comments.
- Prior to September 1, the City Manager submits to the City Council a proposed operating budget of estimated expenditures and revenues.
- Prior to September 27, the budget is legally enacted through the passage of an ordinance adopting the budget and authorizing expenditures.

The City budgets each year for contingencies which may arise. The City Council has authorized the City Manager to make budget transfers of any unexpended or unencumbered appropriation balance within each of the various departments in the General Fund and within any other fund of the City and to authorize transfers of Contingent Appropriations within a fund up to an amount equal to expenditures that are \$100,000 or less. All other transfers must be approved by City Council.

Management may not amend the annual approved budget without seeking the approval of the City Council. In accordance with the City Charter, the budget may be amended after: (1) The City Manager certifies that there are available revenues in excess of those estimated in the budget, (2) City Council holds a public hearing on the supplemental appropriation, and (3) City Council approves the supplemental appropriation.

2. ADJUSTMENTS TO FUND BALANCES AND NET POSITION

During fiscal year 2018, certain accounting changes and adjustments were made that required the restatement of fund balances or net position. The restatements are presented below.

Government-Wide Net Position:

	Governmental Activities	Business-Type Activities	Total
Net Position			
September 30, 2017	\$ 251,526,260	\$318,079,245	\$569,605,505
GASB #75 implementation	(2,883,346)	(1,971,678)	(4,855,024)
Community Development Loans	347,291	-	347,291
Sales Tax Revenue	2,706,262	-	2,706,262
Total Restatement	170,207	(1,971,678)	(1,801,471)
Net Position			
September 30, 2017 as Restated	\$ 251,696,467	\$316,107,567	\$567,804,034

Restated Fund Balances:

	General Fund	Enterprise Fund	Internal Service Funds	Total
Fund Balance/ Net Position				
September 30, 2017	\$ 22,514,523	\$312,970,408	\$32,260,709	\$367,745,640
GASB #75 implementation	-	(1,971,678)	(278,555)	(2,250,233)
Sales Tax Revenue	2,706,262	-	-	2,706,262
Total Restatement	2,706,262	(1,971,678)	(278,555)	456,029
Fund Balance/Net Position				
September 30, 2017 as Restated	\$ 25,220,785	\$310,998,730	\$31,982,154	\$368,201,669

The restatement of (\$2,883,346) in Governmental Activities and (\$1,971,678) in the Business-type Activities is due to the implementation of GASB 75. The restatement reduced beginning net position for the Electric Fund by \$1,168,696, the Water Fund by \$229,170, the Wastewater Fund \$258,620 and the Other Enterprise Funds by \$315,192. Pursuant to the requirements in GASB 75, a restatement was required to properly report the beginning net OPEB liability and the beginning Deferred Outflow for contributions made after the measurement date. See Note 1 for further information.

The restatement of \$347,291 in Governmental Activities is for corrections in the prior period of recognition of revenue on the Community Development Loans. The restatement results in an increase in the Change in Net Position of the Governmental Activities for the immediate prior year.

The restatement of \$2,706,262 in Governmental Activities and General fund to recognize Sales Tax Revenue received from the State Comptroller in November 2017 that was for sales that occurred in September 2017. The restatement results in an increase of \$2,706,262 in the Change in Net Position and Change in Fund Balance of the Governmental Activities and General fund, respectively, for the immediate prior year.

The restatement of \$1,474,075 in the Fiduciary Fund is to correct prior year balance as previously reported for the City's OPEB Trust Fund to report the fund as of the OPEB plan year-end and not the City's year-end.

The restatement results in a decrease in the Change in Net Position for the fiduciary fund for the immediate prior year.

3. MINIMUM FUND BALANCE POLICY AND OPERATING RESERVE POLICIES

The City has set financial guidelines regarding the retention of General Fund reserves (fund balance) to ensure that adequate funds are available to cover daily operating expenditures and in anticipation of economic downturns or natural disasters.

The unobligated or unassigned fund balance in the General Fund and the working capital (current assets less current liabilities) in the Enterprise Funds should be at least 15% of the annual budgeted expenditures. This percentage is the equivalent of 55 days' expenditure. An additional amount of 3.0% should be maintained for extraordinary items or contingencies in the General Fund. Cash and investments alone should be equivalent to 30 days' operating expenditures for both fund types.

4. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Budget appropriations are adopted at the fund level for all funds except the General Fund. In the General Fund, budget appropriations are adopted at the department level.

Appropriations lapse at the end of the budget year if they have not been expended or lawfully encumbered.

The Council approved three budget amendments during fiscal year 2018 to increase appropriations. These budget amendments included the following:

	<u>Total</u>
Encumbrance Roll	\$ 2,595,965
General Fund	232,182
Parkland Dedication Funds	544,500
Streets and Park CIP Fund	852,800
Fun For All Playground	1,000,000
Internal Service Funds	1,395,885
Wolf Pen Creek TIRZ	1,077,759
Special Revenue Funds	1,423,500
Electric Fund	97,900
HOT Fund	1,826,923
Total	<u>\$ 11,047,414</u>

Excess of Expenditures over Appropriations

Expenditures in excess of appropriations for each fund are prohibited by the City Charter. However, certain funds may end up exceeding budgeted appropriations as a result of unforeseen economic events. The funds in which there were amounts of any excesses of expenditures over appropriations during fiscal year 2018 are as follows:

	<u>Total</u>
Workers' Compensation Insurance Fund	\$ 250,346
Fleet Maintenance Fund	40,086
Wolf Pen Creek Tax Increment Financing District Fund	200,147
Memorial Cemetery Fund	2,767
Texas Avenue Cemetery Endowment Fund	3,250
Drainage Fund	<u>137,868</u>
Total	<u>\$ 634,464</u>

5. ENCUMBRANCES

Encumbrance accounting is employed in governmental funds. Purchase orders, contracts, and other commitments for expenditures are recorded in order to reserve a portion of the applicable appropriation. Encumbrances lapse at the end of the fiscal year and may be re-encumbered the following year. The following encumbrance amounts were re-encumbered by fund on September 30, 2018 for fiscal year 2019:

	<u>Amount</u>
General Fund	\$ 270,024
Economic Development	250,000
Equipment Replacement Fund	1,735,592
Hotel Tax Fund	111,381
Memorial Endowment Cemetery	80,217
Northgate Parking Garage Fund	87,500
Water Fund	<u>61,251</u>
Total Encumbrances	<u>\$ 2,595,965</u>

6. CASH AND CASH EQUIVALENTS

Deposits

State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. All deposits of the City that exceed the federal depository insurance coverage level of \$250,000 per account

are covered by collateral held by the Federal Reserve Bank in the City's name under a joint safekeeping agreement with Branch Banking and Trust Company (BB&T). The market value of the collateral held at the Federal Reserve Bank in the City's name at fiscal year-end was \$268,286,650. At September 30, 2018, the carrying amount of the City's deposits was \$226,947,362, and the respective bank balances totaled \$228,369,099. The City's cash on hand totaled \$245,030,664.

	Fair Value	Weighted Average Maturity (days)
Petty Cash	\$ 13,340	1
Bank Depository Accounts	3,578,263	1
Bank Depository Money Market Account	223,369,099	1
Local Government Investment Pools	18,069,962	31
Total Cash and cash equivalents	<u>\$ 245,030,664</u>	

Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City of College Station's City Council has approved a depository services contract which governs its depository relationship. This contract requires that deposits not covered by depository insurance be collateralized at 105%. The City's depository bank collateralizes the City's funds at 110%.

Restricted Cash, Cash Equivalents and Investments

Below is a reconciliation of the various restricted cash, cash equivalents, and investments reported as of September 30, 2018:

	Governmental Funds	Electric Fund	Water Fund	Wastewater Fund	Total
Customer Deposit Payables	-	2,435,880	249,083	19,300	2,704,263
Capital Debt Proceeds	77,451,704	4,580,433	3,756,100	255,897	8,592,430
	<u>\$ 77,451,704</u>	<u>\$ 7,016,313</u>	<u>\$ 4,005,183</u>	<u>\$ 275,197</u>	<u>\$ 11,296,693</u>

7. INVESTMENTS

Investment Policy

Cash and investments are accounted for within the pooled cash fund of the City. The City's investment program is guided by State statutes, by various City ordinances, and by the City's investment policy, which amplifies those guidelines and prescribes how the City will operate its investment program in accordance with applicable laws and regulations.

The City's policy, which was adopted by the City Council on October 12, 2017, for the fiscal year ending September 30, 2018, sets forth (1) the basic principles governing the investment of City funds; (2) the objectives of the City's investment program; and (3) the authority, responsibilities, limitations, documentation and requirements to be used in the administration and operation of the City's investment program.

The City is authorized to invest in the following:

- Direct obligations of the United States or its agencies and instrumentalities;
- Debentures or discount notes issued by, guaranteed by, or for which the credit of any Federal Agencies and Instrumentalities is pledged for payment;
- Direct obligations of the State of Texas or its agencies;
- Bonds or other obligations, the principal and interest of which is guaranteed by the full faith and credit of the United States;
- Certificates of deposit issued by state and national banks within the state of Texas that are secured by obligations qualified as acceptable collateral;
- Bankers' Acceptances eligible for discounting with the Federal Reserve maturing within 90 days;
- Fully collateralized repurchase agreements having a defined termination date of 90 days or less, secured by qualified obligations, pledged with a third party, and placed through a primary government securities dealer as defined by the Federal Reserve, or a bank domiciled in Texas;
- Money-market mutual funds that are SEC registered no-load funds with dollar-weighted average portfolio maturity of 90 days or less;
- Local government investment pools rated no lower than AAA or AAA-m from at least one nationally recognized rating agency;
- Hedging contracts and related security insurance agreements in relation to fuel oil, natural gas, coal, nuclear fuel, and electric energy to protect against loss due to price fluctuations;
- Reverse repurchase agreements are allowed only if the term does not exceed 90 days after delivery, and money received is used to acquire additional authorized investments with a maturity date not to exceed the expiration date stated in the agreement.

The City's investment policy prohibits the substitution of collateral on repurchase agreements without prior approval of the City Council. For additional information, see the City of College Station Investment Policy at www.cstx.gov.

The City's investments at September 30, 2018 as are follows:

	Fair Value	Weighted Average Maturity (days)
US Agencies	\$ 42,359,038	792

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 Quoted prices in active markets for identical assets
- Level 2 Observable inputs other than Level 1 prices; such as quoted prices for similar assets, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets.
- Level 3 Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a 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. There have been no changes in the methodologies used between September 30, 2018 and 2017.

U.S. Government Agency Securities and U.S. Treasury Bonds and Notes: Classified in Level 2 of the fair value hierarchy and valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. U.S. Government Agency securities held by the City are rated AA+ by Standard and Poor's.

Investment Pools: The City is a voluntary participant in four external investment pools with fair value measured as follows:

Investment Pool	Measurement	Credit Risk
Texpool	Amortized Cost	AAAm
Texpool Prime	Amortized Cost	AAAm
TexSTAR	Net Asset Value	AAAm
LOGIC	Net Asset Value	AAAm

The investments in government pools are measured at net asset value or amortized cost and are exempt from reporting in the fair value hierarchy.

The City is a voluntary participant in the above four external investment pools. The pools are 2a7-like pools, which are not registered with the Securities and Exchange Commission (SEC) as an investment company, but have a policy that they will, and do, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Furthermore, the pools in which the City participates seek to maintain a constant \$1 objective per share of unit. Accordingly, the City's position in these pools is substantially the same as the fair value of the shares in each of the pools. The Comptroller maintains oversight of the services provided to the TexPool Portfolios. In addition, the TexPool Advisory Board advises on the Investment Policies for the TexPool Portfolios. The TexPool Advisory Board members serve at the will of the Comptroller.

Credit concentration: With the exception of U.S. Treasury securities, authorized pools and the City's depository accounts, the City's Investment Policy limits the investment in a single security type or with a single financial institution to 30%. It also limits the overall investment in Federal Agency securities to 70% and Certificates of Deposit to 40%.

Credit risk: In compliance with the City's Investment Policy and the Texas Public Funds Investment Act, the City manages credit risk through portfolio diversification by limiting investments to avoid over concentration in securities from a specific issuer; limiting investments in securities with high credit risk; and investing in securities with varying maturities. At September 30, 2018, the City had no single investment category that exceeded 10% of investable funds. The City's investment in Texpool accounted for 4.5% of investable funds while its investment in the Federal Home Loan Mortgage Corporation accounted for 5.1%, Federal Farm Credit Bank accounted for 4.5%, and Federal Home Loan Bank accounted for 3.5% of investable funds.

Custodian credit risk – investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment portfolio requires that all security transactions be conducted on a Delivery-vs.-Payment basis and that all securities be held by a third party custodian and evidenced by safekeeping receipts.

Interest rate risk: In accordance with the City's Investment Policy, interest rate risk is managed by limiting the weighted average maturity of the investment portfolio to two years (approximately 720 days) or less and by limiting the maximum maturity of any security purchased to five years or less.

Foreign Currency Risk: By virtue of the City's Investment Policy and the Texas Public Funds Investment Act, the City is not exposed to foreign currency risk because the City is not authorized to maintain deposits or investments denominated in a foreign currency.

OPEB Trust Fund Investments: The City has contracted with Public Agency Retirement Services (PARS) for trust administration, and the District's OPEB Plan investments are held in the PARS PostRetirement Health Care Plan Trust by its trustee and custodian Union Bank (the "Trustee"). PARS provides its participants a range of investment strategies, and the City has selected the PARS Balanced HighMark Diversified Portfolio Index PLUS. The goal of the Plan's investment program is to generate adequate long-term returns that, when combined with contributions, will result in sufficient assets to pay present and future

obligations to the Plan. The Balanced Portfolio's goal is for growth of principal and income. The Plan's underlying investments are allocated between equity, fixed income securities, and cash. As of December 31, 2017, investments were carried at fair value of \$1,521,285 and were registered with and managed by the Trustee. The OPEB Plan's investments are measured at the equivalent of Net Asset Value (NAV). The OPEB Plan has no unfunded commitments and may redeem investments at anytime to pay for OPEB benefits.

8. RECEIVABLES

Receivables as of year-end for the City's individual major funds, non-major, and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

Governmental Activities	General	Debt Service	Street Projects	Nonmajor	Internal Service Funds	Total
Taxes:						
Property	\$ 216,179	\$ 173,210	\$ -	\$ -	\$ -	\$ 389,389
Beverage	170,410	-	-	-	-	170,410
Sales	4,973,166	-	-	-	-	4,973,166
Subtotal taxes	5,359,755	173,210	-	-	-	5,532,965
Grants	-	-	-	116,198	-	116,198
Charges for services	2,144,690	-	360,213	788,406	515,013	3,808,322
Miscellaneous	7,634,276	-	-	49,305	-	7,683,581
Total gross governmental	15,138,721	173,210	360,213	953,909	515,013	17,141,066
Less: Allowance for uncollectible accounts	(7,725,185)	-	-	(57,573)	(186,433)	(7,969,191)
Net total receivables	\$ 7,413,536	\$ 173,210	\$ 360,213	\$ 896,336	\$ 328,580	\$ 9,171,875
Business-type activities						
	Electric	Water	Wastewater	Nonmajor	Internal Service Funds	Total
Charges for services	\$15,403,347	\$2,303,234	\$2,224,256	\$1,363,633	\$ -	\$21,294,470
Less: Allowance for uncollectible accounts	(1,315,237)	(104,438)	(203,568)	(104,361)	-	(1,727,604)
Net total receivables	\$14,088,110	\$2,198,796	\$2,020,688	\$1,259,272	\$ -	\$19,566,866

City of College Station
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Loans Receivable in the non-major governmental funds are made up of the following: a \$738,405, 40-year loan of HOME Investment Partnership (HOME) funds for Santour Court, an affordable, single-family residential development; \$975,218 in HOME down-payment assistance loans for eligible HOME participants whose loans are made with Federal funds from the Department of Housing and Urban Development (HUD); \$521,612 in HOME funds for Terrace Pines Apartment Homes, a tenant based rental assistance program that offers security deposit assistance to eligible elderly citizens; and three Community Development Housing Reconstruction Program Lien Notes held by the City which total to \$246,456. The allowance for uncollectible accounts for these loans total to \$(521,612), resulting in a net amount of \$1,960,079.

Loans Receivable in the non-major business-type funds represent BVSWMA, Inc.'s obligation to reimburse 2009 College Station Certificate of Obligation debt issued and used to construct the Twin Oaks Landfill. The annual principal and interest receivable amounts are as follows:

<u>Year Ended Sept 30,</u>	<u>Due from Related Party</u>	
	<u>Principal</u>	<u>Interest</u>
2019	\$ 230,000	\$ 122,963
2020	240,000	113,850
2021	250,000	104,050
2022	230,000	93,300
2023	240,000	81,550
2024-2028	1,440,000	207,350
2029	325,000	4,875
	<u>\$ 2,955,000</u>	<u>\$ 727,938</u>

9. CAPITAL ASSETS

Governmental Activities

Capital asset activity for the year ended September 30, 2018 was as follows:

Governmental Activities	Balance	Increases	Decreases	Adjustment	Balance
<i>Capital assets, not being depreciated</i>					
Land	\$ 33,583,975	\$ 673,221	\$ -	\$ -	\$ 34,257,196
Construction in progress	24,132,282	32,444,801	(6,022,866)	-	50,554,217
<i>Total capital assets, not being depreciated</i>	57,716,257	33,118,022	(6,022,866)	-	84,811,413
<i>Capital assets, being depreciated</i>					
Buildings and building improvements	39,933,336	2,744,072	(13,261)	-	42,664,147
Improvements other than buildings	46,205,468	2,289,436	(56,641)	127,946	48,566,209
Machinery and equipment	47,291,325	2,962,895	(4,462,199)	(127,946)	45,664,075
Infrastructure	328,672,109	13,137,576	-	-	341,809,685
<i>Total capital assets, being depreciated</i>	462,102,238	21,133,979	(4,532,101)	-	478,704,116
<i>Less accumulated depreciation for:</i>					
Buildings and building improvements	16,212,617	1,167,169	(8,374)	-	17,371,412
Improvements other than buildings	24,504,128	2,273,930	(38,949)	30,908	26,770,017
Machinery and equipment	29,722,945	4,444,774	(4,392,309)	(30,908)	29,744,502
Infrastructure	165,159,865	10,436,336	-	-	175,596,201
<i>Total accumulated depreciation</i>	235,599,555	18,322,209	(4,439,632)	-	249,482,132
Total capital assets being depreciated, net	226,502,683	2,811,770	(92,469)	-	229,221,984
Total governmental type activities capital assets, net	\$284,218,940	\$35,929,792	\$ (6,115,335)	\$ -	\$314,033,397

City of College Station
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Business-Type Activities

Capital asset activity for the year ended September 30, 2018 was as follows:

Business-Type Activities	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
<i>Capital assets, not being depreciated</i>					
Land	\$ 690,750	\$ -	\$ -	\$ -	\$ 690,750
Construction in progress	30,240,705	34,825,833	(18,619,477)	-	46,447,061
<i>Total capital assets, not being depreciated</i>	30,931,455	34,825,833	(18,619,477)	-	47,137,811
<i>Capital assets, being depreciated</i>					
Electric system	212,747,068	11,110,988	(990,736)	-	222,867,320
Water system	194,374,311	6,430,655	(420,202)	-	200,384,764
Wastewater system	146,652,675	11,098,439	(1,285,325)	-	156,465,789
Buildings and building improvements	6,349,242	-	-	-	6,349,242
Machinery and equipment	6,825,402	719,715	(422,373)	-	7,122,744
<i>Total capital assets, being depreciated</i>	566,948,698	29,359,797	(3,118,636)	-	593,189,859
<i>Less accumulated depreciation for:</i>					
Electric system	99,551,071	7,513,022	(719,560)	-	106,344,533
Water system	66,403,444	5,219,455	(215,031)	-	71,407,868
Wastewater system	63,420,113	5,728,788	(657,309)	-	68,491,592
Buildings and building improvements	2,298,279	183,726	-	-	2,482,005
Machinery and equipment	3,810,153	992,698	(389,621)	-	4,413,230
<i>Total accumulated depreciation</i>	235,483,060	19,637,689	(1,981,521)	-	253,139,228
Total capital assets being depreciated, net	331,465,638	9,722,108	(1,137,115)	-	340,050,631
Total Business type activities capital assets, net	\$362,397,093	\$44,547,941	\$(19,756,592)	\$ -	\$387,188,442

Governmental Activities Depreciation

Depreciation expense for the fiscal year ended September 30, 2018 was as follows:

Police	\$ 532,590
Fire	871,526
Public Works	10,249,430
Parks and Recreation	2,395,850
Planning and Development Services	36,034
Information Technology	848,482
Fiscal Services	28,389
General Government	596,599
Capital Assets held by Internal Service Funds	<u>2,763,309</u>
Governmental Activities Depreciation Expense	<u>\$ 18,322,209</u>

Business-Type Activities Depreciation

Depreciation expense for the fiscal year ended September 30, 2018 was as follows:

Electric	\$ 7,513,022
Water	5,219,455
Wastewater	5,728,788
Sanitation	967,300
Northgate Parking Garage	<u>209,124</u>
Business-Type Depreciation Expense	<u>\$19,637,689</u>

10. INTERFUND TRANSFERS

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

	Transfers In	Transfers Out	Governmental Activities, net	Business-type Activities, net
<i>Governmental Activities:</i>				
General Fund	\$19,245,943	\$ (3,031,702)	\$ 16,214,241	\$ -
Debt Service Fund	464,453	-	464,453	-
General Government Projects	1,592,914	(193,371)	1,399,543	-
Streets Projects	-	(707,618)	(707,618)	-
Other Nonmajor Governmental Funds	-	(3,693,813)	(3,693,813)	-
Internal Service Funds	928,674	(61,345)	867,329	-
<i>Business-type Activities:</i>				
Electric	1,793,420	(9,647,251)	-	(7,853,831)
Water	1,554	(2,741,312)	-	(2,739,758)
Wastewater	-	(2,272,052)	-	(2,272,052)
Other Nonmajor Enterprise Funds	-	(1,678,494)	-	(1,678,494)
	<u>\$ 24,026,958</u>	<u>\$(24,026,958)</u>	<u>\$ 14,544,135</u>	<u>\$(14,544,135)</u>

Interfund transfers are used for the following purposes:

- move revenues from the funds with collection authorization to the debt service fund as debt service principal and interest payments become due,
- move revenues from enterprise funds to the general fund to record the utility transfer in lieu of franchise fees,
- move revenues from enterprise funds to the general fund for economic development activity,
- move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations.

11. INTERFUND BALANCES

The interfund receivable and payables at September 30, 2018, result from the General Fund loan to Spring Creek LGC for the purpose of covering expenditures.

Fund	Receivable	Payable	Total
General Fund	\$ 95,331	\$ -	\$ 95,331
Spring Creek LGC	-	(95,331)	(95,331)
TOTAL	\$ 95,331	\$ (95,331)	\$ -

12. DEFERRED INFLOWS OF RESOURCES AND UNEARNED REVENUE – OTHER THAN PENSIONS AND OPEB

Deferred inflows of resources represents acquisition of net position that applies to a future reporting period and will not be recognized as revenue until the inflow occurs. For the period ended September 30, 2018, the City reported \$3,239,889 in Governmental Funds. These deferred inflows of resources and unearned revenues as of September 30, 2018 are as follows:

	Deferred Inflows of Resources	Unearned Revenue	Total
Delinquent property taxes receivable	\$ 389,389	\$ -	\$ 389,389
Loans receivable	1,960,079	-	1,960,079
Cemetery plot loans receivable	49,304	-	49,304
Street funds	174,516	-	174,516
Other - general funds	666,601	-	666,601
TOTAL	\$ 3,239,889	\$ -	\$ 3,239,889

13. DEFERRED OUTFLOWS OF RESOURCES – OTHER THAN PENSIONS AND OPEB

In addition to deferred inflows of resources, the financial statements will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represents a consumption of net position that applies to future periods and so will not be recognized as an expense until the outflow occurs. For the period ended September 30, 2018, the City reported \$1,338,244 of deferred outflows in the Governmental Funds and \$2,130,003 of deferred outflows for Business-type activities. These deferred outflows of resources are related to charges on debt refunding, are amortized over the life of the refunded debt, and are reported on the government wide Statement of Net Position.

14. LONG-TERM DEBT

A summary of long-term debt transactions, including current portion, for the year ended September 30, 2018 follows:

	Beginning Balance	Incurred/ Issued	Matured/ Retired	Ending Balance	Amount Due Within One Year
Governmental activities:					
General obligation bonds	\$ 97,355,000	\$ -	\$ 7,430,000	\$ 89,925,000	\$ 6,855,000
Certificates of obligation	72,270,000	18,230,000	5,005,000	85,495,000	6,705,000
Premium/discount	15,341,136	880,054	1,146,382	15,074,808	1,190,939
Governmental activity Long term debt	<u>\$184,966,136</u>	<u>\$ 19,110,054</u>	<u>\$ 13,581,382</u>	<u>\$ 190,494,808</u>	<u>\$ 14,750,939</u>
Business type activities:					
General obligation bonds	\$ 61,565,000	\$ -	\$ 6,325,000	\$ 55,240,000	\$ 5,860,000
Certificates of obligation	77,475,000	19,150,000	4,790,000	91,835,000	5,585,000
Premium/discount	13,717,318	951,881	1,310,299	13,358,900	1,358,496
Business type activity Long term debt	<u>\$152,757,318</u>	<u>\$ 20,101,881</u>	<u>\$ 12,425,299</u>	<u>\$160,433,900</u>	<u>\$ 12,803,496</u>

Internal service funds predominantly serve the government funds. All internal service funds, except for the utility customer service funds, are included as part of the above totals for governmental activities.

City of College Station
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Long-term debt at September 30, 2018 includes the following individual issues (not including unamortized premiums or discounts):

General Obligation Bonds: - Governmental Activities:

	Interest Rate (%)	Issue Date	Maturity Date	Original Issue	Net Retirement	Outstanding
2008 Issue	4.0-5.0	09/01/08	2/15/28	\$ 9,455,000	\$ 8,610,000	\$ 845,000
2009 Issue	2.0-4.0	07/15/09	2/15/21	3,335,000	2,845,000	490,000
2009 Issue – Refunding	2.0-4.0	11/15/09	2/15/20	4,265,000	3,785,000	480,000
2010 Issue	2.0-3.5	08/15/10	2/15/30	19,635,000	6,125,000	13,510,000
2010 Issue – Refunding	3.0-5.0	11/15/10	2/15/22	11,245,000	8,160,000	3,085,000
2011 Issue	.25-1.6	09/15/11	2/15/18	1,960,000	1,960,000	-
2012 Issue & Refunding	2.0-5.0	06/01/12	2/15/32	11,515,000	4,720,000	6,795,000
2013 Issue & Refunding	2.0-5.0	08/15/13	2/15/33	14,505,000	4,085,000	10,420,000
2014 Issue & Refunding	2.0-5.0	09/01/14	2/15/34	21,230,000	3,920,000	17,310,000
2016 Issue & Refunding	2.0-5.0	07/01/16	2/15/36	22,180,000	3,020,000	19,160,000
2017 Issue & Refunding	2.0-5.0	06/01/17	2/15/37	18,320,000	490,000	17,830,000
				<u>\$ 137,645,000</u>	<u>\$ 47,720,000</u>	<u>\$ 89,925,000</u>

General Obligation Bonds – Business-type Activities:

	Interest Rate (%)	Issue Date	Maturity Date	Original Issue	Net Retirement	Outstanding
2009 Issue – Refunding	2.0-4.0	11/15/09	2/15/20	\$ 3,830,000	\$ 3,400,000	\$ 430,000
2010 Issue – Refunding	3.0-5.0	11/15/10	2/15/22	25,905,000	16,175,000	9,730,000
2012 Issue – Refunding	2.0-5.0	06/01/12	2/15/24	9,570,000	4,850,000	4,720,000
2013 Issue – Refunding	2.0-5.0	08/15/13	2/15/25	6,255,000	2,635,000	3,620,000
2014 Issue – Refunding	2.0-5.0	09/01/14	2/15/26	14,635,000	6,545,000	8,090,000
2016 Issue – Refunding	2.0-5.0	07/01/16	2/15/28	18,710,000	1,540,000	17,170,000
2017 Issue – Refunding	2.0-5.0	06/01/17	2/15/29	11,480,000	-	11,480,000
				<u>90,385,000</u>	<u>35,145,000</u>	<u>55,240,000</u>

Total General Obligation Bonds \$ 228,030,000 \$ 82,865,000 \$ 145,165,000

Certificates of Obligation – Governmental Activities:

	Interest Rate (%)	Issue Date	Maturity Date	Original Issue	Net Retirement	Outstanding
2008 Issue	3.25-5.0	09/01/08	2/15/20	\$ 10,515,000	\$ 9,580,000	\$ 935,000
2009 Issue	3.0-5.0	07/15/09	2/15/29	3,260,000	3,160,000	100,000
2014 Issue	2.0-5.0	09/01/14	2/15/34	10,665,000	2,935,000	7,730,000
2016 Issue	2.0-5.0	07/01/16	2/15/36	18,470,000	2,505,000	15,965,000
2017 Issue	2.0-5.0	06/01/17	2/15/37	45,585,000	3,050,000	42,535,000
2018 Issue	2.0-5.0	06/01/18	2/15/38	18,230,000	-	18,230,000
				<u>\$ 106,725,000</u>	<u>\$ 21,230,000</u>	<u>\$ 85,495,000</u>

City of College Station
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Certificates of Obligation – Business-type Activities:

	Interest Rate (%)	Issue Date	Maturity Date	Original Issue	Net Retirement	Outstanding
2008 Issue	3.25-5.0	09/01/08	2/15/20	\$ 15,925,000	\$ 14,325,000	\$ 1,600,000
2009 Issue	3.0-5.0	07/15/09	2/15/29	28,055,000	24,485,000	3,570,000
2010 Issue	2.0-3.5	08/15/10	2/15/30	2,850,000	855,000	1,995,000
2011 Issue	2.0-3.6	09/15/11	2/15/31	7,935,000	2,055,000	5,880,000
2012 Issue	2.0-5.0	06/01/12	2/15/32	16,415,000	3,760,000	12,655,000
2013 Issue	2.0-5.0	08/15/13	2/15/33	10,230,000	1,895,000	8,335,000
2014 Issue	2.0-5.0	09/01/14	2/15/34	23,340,000	3,205,000	20,135,000
2016 Issue	2.0-5.0	07/01/16	2/15/36	7,250,000	565,000	6,685,000
2017 Issue	2.0-5.0	06/01/17	2/15/37	12,140,000	310,000	11,830,000
2018 Issue	2.0-5.0	06/01/18	2/15/38	19,150,000	-	19,150,000
				<u>143,290,000</u>	<u>51,455,000</u>	<u>91,835,000</u>

Total General Obligation Bonds \$ 250,015,000 \$ 72,685,000 \$ 177,330,000

Total Outstanding Bonds \$ 322,495,000

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

Governmental Activities

Year Ended September 30,	General Obligation		Certificates of Obligation	
	Principal	Interest	Principal	Interest
2019	\$ 6,855,000	\$ 3,396,795	\$ 6,705,000	\$ 3,570,524
2020	7,175,000	3,095,048	4,445,000	3,183,969
2021	6,670,000	2,817,906	4,170,000	2,983,019
2022	6,565,000	2,553,531	4,350,000	2,776,306
2023	6,895,000	2,253,781	4,550,000	2,553,806
2024-2028	31,190,000	6,830,219	20,810,000	9,527,781
2029-2033	17,780,000	2,415,463	21,445,000	5,065,040
2034-2038	6,795,000	356,710	19,020,000	1,269,861
	<u>\$ 89,925,000</u>	<u>\$ 23,719,453</u>	<u>\$ 85,495,000</u>	<u>\$ 30,930,306</u>

Business-Type Activities

Year Ended September 30,	General Obligation		Certificates of Obligation	
	Principal	Interest	Principal	Interest
2019	\$ 5,860,000	\$ 2,310,906	\$ 5,585,000	\$ 3,744,000
2020	6,170,000	2,041,556	5,965,000	3,392,878
2021	6,915,000	1,756,406	5,370,000	3,170,151
2022	6,375,000	1,467,356	4,305,000	2,969,339
2023	5,665,000	1,183,481	4,520,000	2,774,569
2024-2028	22,565,000	2,175,341	25,535,000	10,745,382
2029-2033	1,690,000	25,275	27,995,000	5,041,706
2034-2038	-	-	12,560,000	880,455
	<u>\$ 55,240,000</u>	<u>\$ 10,960,321</u>	<u>\$ 91,835,000</u>	<u>\$ 32,718,480</u>

The City intends to retire all of its general long-term liabilities, plus interest, from the collection of ad valorem taxes. Proprietary fund type long-term debt issued for Northgate Parking Garage, Electric, Water, and Wastewater projects will be repaid, plus interest, from the operating revenues of their respective funds.

General Obligation Bonds and Certificates of Obligation

The City issues General Obligation Bonds and Certificates of Obligation to provide funds for the acquisition and construction of major capital facilities. These types of bonds have been issued by the City for both governmental activities as well as business-type activities. These bonds are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenue.

General Obligation Bonds are direct obligations, for which the City has pledged the full faith and credit of the City. These bonds generally are issued as 20-year serial bonds with varying amounts of principal maturing each year.

The City is required by bond covenants to create from ad valorem tax revenues a sinking fund sufficient to pay the current interest and principal installments as they become due. In addition to the sinking fund, there are a number of limitations and restrictions contained in the various general obligation bonds and certificate indentures. The City is in compliance with the significant limitations and restrictions at September 30, 2018.

In 2009, the City issued \$31,315,000 in Certificates of Obligation. \$2,600,000 of the proceeds were used to purchase land for a convention center site. Council no longer intends to build a convention center, therefore, causing a change in use to the property. In order to maintain the tax-exempt status of the 2009 Certificates of Obligation, Council approved to defease the convention center bonds on November 21, 2011. On December 1, 2011 the bonds were defeased. \$2,728,149 was placed in an escrow account with Bank of New York to cover the principal and interest amount of the bonds until their call date of February 15, 2019. Also, in 2009, the City issued \$5,145,000 in Certificates of Obligation to pay for a portion of the construction of a new municipal landfill. BVSWMA, Inc. has pledged to repay the \$5,145,000 plus interest to the City of College Station. A portion of the Certificates of Obligation were refunded in 2017 and as of September 30, 2018, BVSWMA, Inc. owed the City \$2,955,000.

Arbitrage Compliance

Arbitrage provisions of the Internal Revenue Tax Act of 1986 require the City to rebate to the federal government excess arbitrage earnings from bond proceeds. As of September 30, 2018, the City did not have an arbitrage rebate liability.

Defeasance

In prior years, the City issued refunding bonds to defease certain outstanding bonds for the purpose of consolidation and to achieve debt service savings. The City has placed the proceeds from the refunding

issues in irrevocable escrow accounts with a trust agent to ensure payment of debt service on the refunded bonds.

Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City’s financial statements. Although defeased, the refunded debt from these earlier issues will not be retired until the call dates have come due or until maturity if they are not callable issues. On September 30, 2018, the City’s escrow balance for bonds defeased on December 1, 2011 was \$1,552,165 and defeased bond principal of \$1,425,000 is callable February 15, 2019. On September 30, 2018, the City’s escrow balance for bonds defeased on June 1, 2017 was \$14,832,828 and defeased bond principal of \$14,660,000 is callable February 15, 2019.

15. BONDS AVAILABLE FOR SALE

Authorized general obligation bonds available for future issue are as follows:

	Year Authorized	Unissued Amount
Public Buildings	1984	\$ 700,000 ¹
Street Improvements	1984	500,000 ¹
Municipal Complex Improvements	2003	3,655,000
Parks and Recreation	2008	645,000
Total		<u>\$ 5,500,000</u>

1. Contains projects which may have been completed or abandoned; therefore, these bonds are not likely to ever be issued.

16. OPERATING LEASES

During fiscal-year 2016, the City of College Station entered into a three-year operating lease for office space with an optional one-year renewal. The lease was amended in 2018 to expire in February of 2021. Rent cost totaled \$118,804 for fiscal year 2018. The following is a schedule, by year, of the future minimum rental payments under the office space lease:

<u>Year Ended September 30</u>	
2019	\$ 122,352
2020	\$ 126,013
2021	\$ 53,147
Thereafter	\$ -

17. COMPONENTS OF FUND EQUITY

The City's classification of governmental fund balances is as follows at September 30, 2018:

	General	Debt Service	General Government Projects	Street Projects	Special Revenue	Total
Nonspendable:						
Inventories	\$ 44,764	-	-	-	-	\$ 44,764
Prepays	583,754	-	-	-	-	583,754
Restricted:						
Community and Neighborhood Parks	-	-	-	-	7,167,276	7,167,276
Community Development	-	-	-	-	687,305	687,305
Court Security Fee	-	-	-	-	32,074	32,074
Court Technology Fee	-	-	-	-	465,633	465,633
Debt Service General	-	5,272,810	-	-	-	5,272,810
Government Capital Projects	-	-	40,236,419	39,193,275	-	79,429,694
Hotel Occupancy Tax	-	-	-	-	12,277,170	12,277,170
Juvenile Case Manager	-	-	-	-	166,010	166,010
Parks and Recreation Capital Projects	-	-	-	-	6,230,960	6,230,960
Police Seizure	-	-	-	-	128,083	128,083
Wolf Pen Creek TIF	-	-	-	-	11,968	11,968
Truancy Prevention	-	-	-	-	64,568	64,568
East Medical District TIRZ No. 19	-	-	-	-	18,222	18,222
PEG Access Channel	-	-	-	-	734,658	734,658

City of College Station
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

	General	Debt Service	General Government Projects	Street Projects	Special Revenue	Total
Meyer Estate Gift	-	-	-	-	153,642	153,642
City-Wide Water Impact Fee Fund	-	-	-	-	26,767	26,767
City Wide Wastewater Impact Fee Fund	-	-	-	-	1,443,642	1,443,642
City Wide Transportation Impact Fee Fund	-	-	-	-	264,840	264,840
Fun For All Playground	-	-	-	-	959,744	959,744
Committed:						
Texas Avenue Cemetery Endowment	-	-	-	-	1,946,323	1,946,323
Memorial Cemetery	-	-	-	-	5,189,453	5,189,453
Memorial Cemetery Endowment	-	-	-	-	2,896,103	2,896,103
Drainage Infrastructure Improvements	-	-	-	-	1,716,249	1,716,249
Parks Infrastructure Improvements	-	-	-	-	6,766,028	6,766,028
Roadway Maintenance Fund	-	-	-	-	789,203	789,203
Assigned:						
Other Purposes	2,128,177	-	-	-	-	2,128,177
Unassigned:						
	24,033,874	-	-	-	-	24,033,874
TOTAL	\$ 26,790,569	\$ 5,572,810	\$ 40,236,419	\$ 39,193,275	\$ 50,135,921	\$161,628,994

The City's classification of business-type net position balances is as follows at September 30, 2018:

	Electric	Water	Wastewater	Other Enterprise	Total
Net Investment in Capital Assets:					
Capital Assets	\$ 133,704,689	\$ 140,466,271	\$ 105,749,515	\$ 7,267,967	\$ 387,188,442
Deferred charge on refunding	(873,444)	(740,500)	(187,293)	(11,177)	(1,812,414)
Debt Retainage Payable, related to Capital Assets	(57,385,415)	(53,475,792)	(45,848,755)	(433,174)	(157,143,136)
Unspent Proceeds	(141,498)	(590,455)	(437,858)	-	(1,169,811)
Total Net Investment in Capital Assets	4,580,433	3,570,000	255,897	-	8,406,330
Restricted	-	-	-	17,261,241	17,261,241
Unrestricted	79,884,765	89,229,524	59,531,506	6,823,616	235,469,411
TOTAL	\$ 134,473,026	\$ 100,756,324	\$ 84,138,849	\$ 25,816,102	\$ 345,184,301

18. REVENUE RECOGNITION

Property Taxes

Property tax is levied each October 1 on the assessed (appraised) value listed as of the prior January 1 for all real and business personal property located in the City. Taxable assessed value represents the appraisal value less applicable exemptions authorized by the City Council.

Taxpayers have two options for paying property taxes: the full payment option or the split payment option.

- Taxpayers electing the full payment option have from October 1 of the tax year to January 31 of the following year to pay the full amount of taxes without penalty or interest. Tax liens are automatic and become enforceable as of January 1 of each year. Taxes become delinquent on February 1 and any unpaid balance will accrue penalty and interest.
- Taxpayers electing the split payment option have from October 1 to November 30 of the tax year to pay half of the tax amount. The remaining half may be paid without penalty or interest any time on or before June 30 of the following year. Taxes become delinquent on July 1.

The tax rate to finance general governmental services including debt service was 49.7500 cents per \$100 of assessed valuation for the year ended September 30, 2018. Under current state statutes, the City's ability to increase the levy for property taxation is subject to a maximum rate of \$2.50 per \$100 valuation.

Taxpayers who were 65 years of age or older on January 1, and have filed an application for exemption, may pay the taxes on their homestead in four equal installments. Quarterly payments are due January 31, March 31, May 31, and July 31.

The Brazos Central Appraisal District ("Appraisal District") is responsible for the recording and appraisal of property for all taxing units in Brazos County. The Appraisal District is required to assess property at 100 percent of its appraised value. Real property must be reappraised at least every three years. The City may, at its own expense, require annual reviews by the Appraisal District through various appeals and, if necessary, legal action. Under this system, if the rate, excluding tax rates for bonds and other contractual obligations adjusted for new improvements, exceeds the rate for the previous year by more than eight (8) percent, qualified voters of the City may petition for an election to determine whether to limit the tax rate to no more than eight (8) percent above the tax rate of the previous year.

Brazos County bills and collects the property taxes for the City.

Tax Increment Financing Zones

Tax increment financing is a statutory tool as allowed by Chapter 311 of the Texas Tax Code available to municipalities to publicly finance needed improvements to infrastructure and buildings within a designated area known as a reinvestment zone. The cost of improvements to the reinvestment zone is repaid by the future tax revenues of each taxing unit that levies taxes against the property. Each taxing unit can choose to dedicate all, a portion of, or none of the tax revenue gained as a result of improvements within the reinvestment zone.

A reinvestment zone can be initiated by petition of the affected property owners or a municipality can initiate a reinvestment zone without the need for a petition. Once a city has begun the process of establishing a tax increment financing reinvestment zone, other taxing units, (the county or school district) are allowed to consider participating in the tax increment financing agreement. These zones are commonly referred to as either a tax increment financing (TIF) zone or a tax increment reinvestment zone (TIRZ).

Once established, a base value for the property located within the zone is determined. At the date of creation the appraised value is normally accepted as the base value. As the property within the zone develops, the County collects taxes based on the appreciated appraised values at the ad valorem tax rate established annually. Once the taxes have been paid each year the County remits the amount of taxes attributable to the increase in the appraised values (captured value) to the local government unit managing the funds. Funds are then restricted to be used in the designated area on approved projects. Project plans normally include the creation of infrastructure such as roads, street improvements, light systems, sewer systems, landscaping, parks, etc. A TIF can be terminated either on the date designated in the ordinance creating the zone, or the date on which all project costs, tax increment bonds, and

interest on the bonds have been paid. A TIRZ may also be terminated by a subsequent ordinance providing for an earlier or later termination date.

As of September 30, 2018, the City had one expired, one dissolved and one active Tax Increment Reinvestment Zones (TIRZ):

Wolf Pen Creek TIF (TIRZ No. 1)

Established in 1989, the Wolf Pen Creek (WPC) TIF Fund accounts for ad valorem tax and other revenues that are accrued to the WPC TIF District. The fund also accounts for expenditures on projects that take place in the WPC District. The TIRZ received ad valorem taxes from the City of College Station, College Station Independent School District and Brazos County on the incremental increase in assessed valuation (captured value) over the base year. The TIRZ expired on December 31, 2009; therefore, no ad valorem revenue was received in FY18. Funds were repaid to CSISD during fiscal year 2018 when the school district determined that they could utilize the funds locally. The remaining fund balance totals \$11,968 and represents allocated interest on the funds due to the City of College Station. The fund balance will be liquidated to the City's general fund by September 30, 2019.

West Medical District TIRZ No. 18

Established in December 2012, the West Medical District TIRZ #18 encompasses the area near the State Highway 6/Rock Prairie Road Bridge and includes both The Med Hospital and the Baylor Scott & White Hospital. To realize the vision and economic development opportunities included in the October 2012 College Station Medical District Master Plan, significant barriers to development must be overcome. These barriers include, but are not limited to, lack of basic infrastructure (potable water, fire flow, sanitary sewer, etc.) to serve development in the area and lack of transportation capacity (vehicular, pedestrian, etc.) to meet the mobility needs present in the area. Development projects in this area include Rock Prairie Road (East and West), Normand Drive Extension, and other public works projects.

As the City of College Station is the only participant in this TIRZ and no additional development opportunities were available in the area, this TIRZ was dissolved on May 24, 2018 and the remaining balance of \$914,724 was transferred to the General Government Projects Fund.

East Medical District TIRZ No. 19

Established in December 2012, the East Medical District TIRZ #19 encompasses the area east of the State Highway 6/Rock Prairie Road Bridge and includes most of the undeveloped properties within the District. To realize the vision and economic development opportunities included in the October 2012 College Station Medical District Master Plan, significant barriers to development must be overcome. These barriers include, but are not limited to, lack of basic infrastructure (potable water, fire flow, sanitary sewer, etc.) to serve development in the area and lack of transportation capacity (vehicular, pedestrian, etc.) to meet the mobility needs present in the area. Development projects in

City of College Station
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

this area include Rock Prairie Road (East), Barron Road, Lakeway Drive, potable water, fire flow water supply, greenway trails, sanitary sewer service, and other public works projects.

It is projected that new development in this portion of the District will meet or exceed \$283 million over a twenty year period. This development activity would yield an increment of approximately \$30.8 million in tax proceeds. These proceeds would be used to fund the required improvement projects, either through reimbursement to private developers, repayment of issued debt, on a “pay as you go” basis, or a combination of these options. The City of College Station is the only participant in this TIRZ at this time.

The following schedule is a ten year history of relevant data with regard to these TIRZ:

Zone/ Fiscal Year	Base Value	Net Taxable Value	Captured Value	Tax Rate Per \$100 Valuation	Captured Tax Revenue
West Medical District TIRZ No 18					
2018 (closed 5/24/2018)	\$ 155,965,264	\$ 203,490,330	\$ 47,525,066	\$ 0.497500	\$ 236,437
2017	155,965,264	203,142,083	48,176,819	0.472500	218,201
2016	155,965,264	196,089,330	40,124,066	0.452500	181,735
2015	155,965,264	198,414,950	42,449,686	0.452500	191,936
2014	152,561,604	169,852,535	17,290,931	0.425958	75,131
2013	155,965,264	155,965,264	-	-	-
East Medical District TIRZ No 19					
2018	\$ 3,105,476	\$ 5,607,537	\$ 2,502,061	\$ 0.497500	\$ 12,448
2017	3,105,476	3,723,760	618,284	0.472500	2,798
2016	3,105,476	3,287,180	181,704	0.452500	822
2015	3,105,476	3,327,550	222,074	0.452500	1,005
2014	3,105,476	3,348,890	243,414	0.425958	1,037
2013	3,105,476	3,105,476	-	-	-

System Wide Impact Fees

The City records impact fees received in excess of the cost of physical connection to the Water and Wastewater system as revenues. Corresponding cash is recorded as a restricted asset for future expansion of the Water and Wastewater systems.

The City also records transportation impact fees received as revenues. Roadway *impact fees* help pay for infrastructure extensions and improvements that are needed as the result of new development. *Road impact fee* calculations consider the anticipated burden a development will place upon existing *roadways*, and are based on location and type of development. Corresponding cash is recorded as a restricted asset for future expansion of the transportation systems.

Roadway Maintenance Fees

An ordinance authorizing a user fee related to the transportation system to be paid by all residents and businesses in College Station was approved by the College Station City Council on November 16, 2016. Effective January 1, 2017, this fee is restricted to be used for preventative maintenance, to fix potholes, and to properly maintain streets throughout College Station. The City conducts a pavement management assessment to prioritize roadway maintenance projects to be funded with this fee.

19. TAX ABATEMENTS

The City is authorized under Chapter 380 of the Texas Local Government Code to provide economic development incentives to support the expansion of local business activity. The terms of each agreement are limited by the underlying agreements approved by the City Council. The City may recapture the abated taxes in case the party subject to the agreement is in default.

For the fiscal year ended September 30, 2018, the City abated property taxes of \$29,880 and provided cash incentives totaling \$23,212. The following tax abatements and incentive agreements each exceeded 10% of the total amount abated:

- Strategic Behavioral Health - an annual tax abatement based on a reduction in assessed value ranging from 100% to 20% over the term of the agreement on improvements to property valuation beginning 2012 for an eight year period. Strategic Behavioral Health agrees to continuously own the premises for a period of at least 8 years, beginning with the first year of abatement. Total amount abated for the fiscal year ended September 30, 2018 was \$29,880.
- Kalon, Inc. – an annual cash incentive beginning 2014 for a seven year period not to exceed \$1,093,549. Kalon agrees to employ no fewer than a total of 100 FTE's with a total Gross Payroll no less than \$6,000,000. Total amount paid for the fiscal year ended September 30, 2018 was \$0.
- Science Park - an annual cash incentive equal to the incremental taxable value for each year beginning 2015 for a ten year period not to exceed \$1,000,000. Science Park agrees to aggressively pursue new commercial and industrial tenants and to add value to the property and create new jobs. Total amount paid for the fiscal year ended September 30, 2018 was \$23,212.
- ViaSat, Inc. - an annual cash incentive based on a percentage of city ad valorem taxes paid beginning 2016 for an eight year period not to exceed \$450,000. ViaSat agrees to employ a minimum total of 280 FTE's to have and maintain for a total of 5 years. Total amount paid for the fiscal year ended September 30, 2018 was \$0.

20. RISK MANAGEMENT

The City of College Station is partially self-insured for property & casualty and general liability, workers' compensation, and unemployment compensation risks. In January 2004, the City became self-funded for employee and dependent health care costs. All risk management activities are accounted for in separate

Internal Service Funds. Actuarially-based charges are made to each of these funds using relevant bases to allow the City to reflect the cost of claims more accurately against the various funds and to minimize potential risks.

Self-Insured Retention

The self-insured retention for fiscal year 2018 was \$500,000 per claim for workers' compensation and general, auto and employer liability; and \$650,000 for fire and police liability. Settlements have not exceeded self-insured retention in each of the past three fiscal years. The City experienced no losses above the self-insured retention in fiscal year 2018.

Employee Benefits

The Employee Benefits health plan was administered by Blue Cross Blue Shield of Texas from October 2017 to December 2017 and transitioned to Cigna in January 2018. This fund is funded biweekly from employee contributions and City operating funds. The City's stop loss insurance policy limits the City's liability to \$200,000 per individual per year. The liability for outstanding losses includes \$1,689,249 for claims incurred but not reported as of September 30, 2018.

Property & Casualty

The City self-insures for liability coverage lines. Licensed adjusters employed by the City process liability claims utilizing the services of a third party administrator. To protect the City from catastrophic loss over the self-insured retention amount, the City carries excess liability coverage through Allied World Insurance Company and Colony Insurance Company. Excess liability premiums are funded by calculated contributions from the City's operating funds.

For fiscal year 2018, City real and personal property and equipment was insured by Affiliated FM Insurance Company. Premiums are funded annually from contributions from the City's operating funds. The City carried a property insurance policy with a deductible between two percent of the Total Insured Value per property per occurrence, depending on type of loss and location of property. Direct and indirect losses have been paid out of the Property Casualty fund with losses exceeding the City's deductible for a hail damage event that occurred City-wide on March 18, 2018. The settlement for that claim event is pending.

Workers' Compensation

The City self-insures for Workers' Compensation coverage. Licensed adjusters employed by the City process claims utilizing the services of a third party administrator. To protect the City, from catastrophic loss over the self-insured retention amount, an excess Workers' Compensation policy is carried through Colony Insurance Company. Excess workers' compensation policy premiums are funded by calculated contributions from the City's operating funds as well as biweekly contributions via payroll based on risk codes established by the Texas Department of Insurance.

Unemployment

As a reimbursing employer, the City uses the Unemployment Insurance Fund to pay qualified claims filed under the Texas Unemployment Compensation Act. Biweekly contributions to fund this activity are based on a percentage of payroll determined annually during the budget process. In fiscal year 2018, the Unemployment Insurance Fund did not receive contributions as a percentage of payroll due to the adequate working capital balance at the end of the prior year.

Liability Recognition

Liabilities in the insurance funds are reported to the carrier when a covered loss can be reasonably estimated to approach one-half of the City’s self-insured retention and recorded in the financial statements when it is a probable liability and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims incurred but not reported. Based on the most recent actuarial study, the City has recorded a potential liability of \$1,075,078 in the property and casualty fund and a potential liability of \$719,171 in the Workers’ Compensation fund.

Changes in the balances of claims liabilities for the self-insurance funds accounted for as Internal Service Funds for fiscal years 2018 and 2017 are as follows:

	2018	2017
Unpaid claims, October 1	\$ 2,253,369	\$ 2,394,706
Incurred claims (including IBNR’s)	12,611,077	8,313,925
Claims paid	(11,380,948)	(8,455,262)
Unpaid claims, September 30	<u>\$ 3,483,498</u>	<u>\$ 2,253,369</u>
Amounts due in one year	\$ 3,483,498	\$ 2,253,369

21. BRAZOS VALLEY SOLID WASTE MANAGEMENT AGENCY, Inc. (BVSWMA, Inc.)

In February 2010, the City Councils for the City of Bryan and the City of College Station approved Articles of Incorporation for BVSWMA, Inc., a Local Government Corporation under the provisions of Subchapter D of Chapter 431, Texas Transportation Code; and Chapter 394, Texas Local Government Code. Subsequent to the end of the fiscal year ended September 30, 2010, BVSWMA transferred all of its assets to BVSWMA, Inc. College Station reports BVSWMA, Inc. as a joint venture with the City of Bryan and recognizes 50% ownership in BVSWMA, Inc. in the City’s financial statements.

The powers of BVSWMA, Inc. are vested in a seven member Board of Directors, with each City Council appointing three members and the seventh member to be selected by an approval process set forth in the Articles of Incorporation. The bylaws for BVSWMA, Inc. establish powers that include the issuance of debt, acquisition of land and equipment, the hiring of a general manager and staff to maintain and operate the facilities, and the establishment of tipping fees. BVSWMA, Inc. revenues are derived from tipping fees paid by landfill customers that include the Cities of Bryan and College Station, other unaffiliated businesses and the general public.

City of College Station
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

A primary government is obligated in some manner for the debt of an organization if it is legally obligated to assume all or part of the debt in the event of default. Per Article XIV, paragraph 14.03, of the Articles of Incorporation of BVSWMA, Inc., upon dissolution of the corporation the assets of the Corporation shall be distributed equally between the Cities and any remaining liabilities of the corporation shall be shared equally between the Cities.

In 2010, the City issued \$5,145,000 in Certificates of Obligation, Series 2010, to finance the construction of the Twin Oaks Landfill site. BVSWMA, Inc. has agreed to pay the City an amount equal to the future debt service requirements of these certificates of obligation. At September 30, 2018, the City reported a receivable in the amount of \$2,955,000, of which \$230,000 is due and payable to the City within one year.

BVSWMA, Inc. owns two landfill sites:

- The initial landfill site known as Rock Prairie Landfill, located in College Station, was closed in 2011 as it reached operating capacity. Certain maintenance and monitoring functions will be performed at the site for thirty years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stopped accepting waste, BVSWMA, Inc. reports a portion of these closure and post closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.
- The Twin Oaks Landfill, located in Grimes County, was opened in 2011 and has an expected capacity of over 50 years.

A summary of BVSWMA’s audited annual financial statements for September 30, 2018 and 2017 and the years then ended are as follows:

	2018	2017
Current assets and other assets	\$ 15,591,168	\$ 13,066,289
Capital assets	31,445,828	31,628,653
Total assets	<u>47,036,996</u>	<u>44,694,942</u>
Current liabilities	1,012,084	1,528,640
Noncurrent liabilities	11,326,399	11,518,819
Total liabilities	<u>12,338,483</u>	<u>13,047,459</u>
Deferred gain on refunding	176,028	210,797
Total deferred inflows of resources	<u>176,028</u>	<u>210,797</u>
Net investment in capital assets	24,879,800	24,557,854
Unrestricted	9,642,685	6,878,832
Total net position	<u>\$ 34,522,485</u>	<u>\$ 31,436,686</u>

City of College Station
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Revenues		
Landfill charges	\$ 10,470,981	\$ 9,434,698
Compost facility revenue	294,501	366,063
Miscellaneous revenue	33,991	26,146
Total revenues	<u>10,799,473</u>	<u>9,826,907</u>
Operating expenses	(7,647,151)	(7,513,953)
Interest expense	(255,067)	(281,527)
Other non-operating revenues	188,544	32,627
Change in net position	<u>3,085,799</u>	<u>2,064,054</u>
Net position, beginning of year	31,436,686	29,372,632
Net position, end of year	<u>\$ 34,522,485</u>	<u>\$ 31,436,686</u>

The City's undivided 50% share of BVSWMA, Inc.'s net position for fiscal year 2018 was \$17,261,241 and is reflected in the Sanitation Fund. A copy of BVSWMA, Inc.'s financial statements may be obtained from the City's Fiscal Services Department.

22. PENSION PLAN

Plan Description

The City accounts for pension cost under GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The City of College Station participates as one of over 880 plans in the multi-employer, nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (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.tMrs.com. All eligible employees of the city are required to participate in TMRS.

TMRS provides retirement, disability, and death benefits. 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 actuarially equivalent payment 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.

Plan provisions for the City were as follows:

Employee deposit rate	7.00%
Matching ratio (City to Employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	20 years at any age; 5 years at age 60 and above
Updated service credit	75% repeating transfers
Annuity increase (to retirees)	50% of CPI repeating

Employees covered by benefit terms at the December 31, 2017 valuation and measurement date are as follows:

Inactive employees or beneficiaries currently receiving benefits	445
Inactive employees entitled to but not yet receiving benefits	520
Active employees	905
Total Covered Employees	<u>1,870</u>

Contributions

The 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 College Station were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of College Station were 13% and 13% in calendar years 2018 and 2017, respectively. The City's contributions to TMRS for fiscal year 2018 were \$7,501,446 and were greater than the required contributions of \$7,483,465.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2017, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The Total Pension Liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions:

City of College Station
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Inflation	2.5% per year
Overall payroll growth	3.00%
Investment rate of return	6.75%, net of pension plan investment expense including inflation

Salary increases were based on service-related tables. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Mortality Table 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 Disabled Retiree Mortality Table is used, with slight adjustments.

Actuarial assumptions used in the December 31, 2017 valuation were based on the results of actuarial experience studies. Assumptions are reviewed annually.

The long-term expected rate of return on pension plan investments is 6.75%. The pension plan’s policy with regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. 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. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.5%	4.55%
International Equity	17.5%	6.35%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed	20.0%	3.90%
Real Return	10.0%	3.80%
Real Estate	10.0%	4.50%
Absolute Return	10.0%	3.75%
Private Equity	5.0%	7.50%
Total	100.0%	

Discount Rate

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 contributions will remain at the current 7.0% and

City of College Station
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

employer contributions will be made at the rates specified in 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 plan members. 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.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at 12/31/2016	\$ 267,674,838	\$ 226,024,775	\$ 41,650,063
Changes for the year:			
Service cost	8,418,324	-	8,418,324
Interest	17,986,722	-	17,986,722
Differences between expected and actual	1,192,275	-	1,192,275
Changes of assumptions	-	-	-
Contributions—employer	-	7,223,267	(7,223,267)
Contributions—employee	-	3,773,603	(3,773,603)
Net investment income	-	31,325,172	(31,325,172)
Benefit payments, including refunds of employee contributions	(10,828,101)	(10,828,101)	-
Administrative expense	-	(162,346)	162,346
Other changes	-	(8,228)	8,228
Net changes	16,769,220	31,323,367	(14,554,147)
Balances at 12/31/2017	\$ 284,444,058	\$ 257,348,143	\$ 27,095,915

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
City's Net Pension Liability (Asset)	\$69,618,084	\$27,095,915	(\$7,527,694)

Pension Plan Fiduciary Net Position

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

Pension Expense

For the year ended September 30, 2018, the City recognized pension expense of \$8,761,018.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actuarial assumptions and actual experience	\$ 1,657,969	\$ 266,287
Changes of assumptions	1,434,725	-
Differences between projected earnings and actual earnings	-	6,554,487
Contributions subsequent to the measurement date	5,492,869	-
Total	<u>\$ 8,585,563</u>	<u>\$ 6,820,774</u>

Deferred outflows of resources, of \$5,492,869 related to pensions resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability for the measurement year ending December 31, 2018 and recognized in the City’s financial statements as of September 30, 2019.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense in the following years indicated below:

Fiscal Year Ending September 30	Net deferred outflows (inflows) of resources
2019	\$ 1,215,672
2020	885,422
2021	(2,857,280)
2022	(2,971,894)
Thereafter	-
Total	<u>\$ (3,728,080)</u>

23. OTHER POST EMPLOYMENT BENEFITS

Plan Description

Plan administration: As required by state laws, in addition to the pension benefits described in Note 22, the City makes available certain postretirement benefits to employees who meet TMRS retirement qualifications, retire from City employment, and enroll in the plan before the effective date of their retirement. The City’s OPEB Plan is a single employer defined benefit plan, defined by City policy. The OPEB Plan does not issue a separate report that includes financial statements and required supplementary information for the OPEB Plan.

Plan membership. At September 30, 2018 membership consisted of the following:

	Medical and/or Dental Benefits	Life Insurance Benefits
Retirees and Retiree Spouses	82	180
Actives Employees	887	887
	969	1,067

Benefits provided: The City’s defined benefit Other Post-Employment Benefits (OPEB) Plan offers medical, dental, vision, drug, and life insurance benefits to retired employees and their eligible dependents. The OPEB Plan is a single employer defined benefit OPEB plan administered by the City. The benefit levels offered to retired employees and eligible dependents are the same as those afforded to active employees as the City’s group health insurance plan covers both active and retired members. All medical, dental, vision and drug care benefits are provided through the City’s self-insured health plan. As long as monthly premium payments are made, the healthcare plan provides coverage until age 65 for retired employees and eligible dependents enrolled in the City’s OPEB Plan. The life insurance offered through the OPEB Plan provides a \$10,000, fully insured death benefit coverage upon retirement, which ceases upon attainment of age 65. The Life insurance benefit for eligible retirees is paid entirely by the City.

Contributions: Benefit provisions, as well as retiree premium contributions, are established by City management. The City determines the employer and participant contribution rates annually, based on recommendations of City staff and the City’s benefit consultant. For the year ended September 30, 2018, the City’s average contribution rate was 2.6 percent of covered-employee payroll.

Investments

Investment policy: The goal of the Plan’s investment program is to generate adequate long-term returns that, when combined with contributions, will result in sufficient assets to pay the present and future obligations of the Plan. The Plan has a Balanced Risk Tolerance with a Strategic Asset Allocation of the following:

City of College Station
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Allocation Range</u>
Cash	5.0%	0 - 20%
Fixed Income	35.0%	30% - 50%
Equity	<u>60.0%</u>	50% - 70%
Total	100.0%	

Concentrations: Assets of the OPEB plan are held in Trust by PARS which is fully discussed in Note 24 to these financial statements.

Rate of return: For the year ended December 31, 2017, the annual money-weighted rate of return on investments, net of investment expense, was 1.88 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Receivables

The OPEB plan has no receivables from long-term contracts with the City for contributions at September 30, 2018.

Allocated Insurance Contracts

The OPEB plan has no allocated insurance contracts excluded from OPEB plan assets at September 30, 2018.

Reserves

The OPEB plan has no reserves recorded at September 30, 2018.

Net OPEB Liability

The components of the net OPEB liability of the City at September 30, 2018 based on the December 31, 2017 measurement and actuarial valuation date, were as follows:

Total OPEB liability - ending	\$7,815,261
Plan fiduciary net position - ending	<u>(1,521,285)</u>
Net OPEB liability - ending	<u>\$6,293,976</u>

Plan fiduciary net position as a percentage of total of total OPEB liability	19.47%
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Changes in the Net OPEB Liability

For the year ended September 30, 2018, the City recognized reduction in the OPEB liability of \$11,528,149. Effective January 1, 2018, the City has made the following changes to the benefits offered under its Other Post Employment Benefit Plan. To be eligible for premium pricing for medical, dental, vision, and drug benefits at the time of retirement, employees must:

- Meet TMRS retirement qualifications,
- Be 55 years of age or older,
- Have five (5) years of employment at the City of College Station,
- Be enrolled in the plan before the effective date of their retirement.

In addition, certain actuarial changes were made when enacting GASB 75 that affected the Net OPEB Liability. Those changes included:

- The Entry Age Normal Actuarial Cost Method must be used to attribute the actuarial present value of benefits to service periods in determining the OPEB Liability. This differed from the Projected Unit Credit Cost Method previously used by the City.
- Discount Rate changes were allowed under GASB 75. Those changes included that for the unfunded portion of the plan, the discount rate is based on yields of 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. For the funded portion, however, the City could continue to use an assumption similar to the current discount rate.
- Instead of recording expense equal to the Annual Required Contribution (ARC), GASB No. 75 required expensing the change in Net OPEB Liability from one period to the next. Some sources of this change are expensed immediately, while others are amortized over a period of approximately ten to twenty years depending on plan demographics.

City of College Station
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Components of the change in the Net OPEB Liability is as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances as of December 31, 2016	\$ 17,822,125	\$ -	\$ 17,822,125
Changes for the year:			
Service cost	941,652	-	941,652
Interest	698,156	-	698,156
Changes of benefit terms	(7,476,535)	-	(7,476,535)
Differences between expected and actual experience	(707,212)	-	(707,212)
Changes of assumptions or other inputs	(2,874,882)	-	(2,874,882)
Contributions—employer	-	2,081,852	(2,081,852)
Net investment income	-	28,378	(28,378)
Administrative expenses		(902)	902
Benefit payments, including refunds of employee contributions	(588,043)	(588,043)	-
Net changes	(10,006,864)	1,521,285	(11,528,149)
Balances as of December 31, 2017	\$ 7,815,261	\$ 1,521,285	\$ 6,293,976

Actuarial assumptions. The total OPEB liability for the year ended September 30, 2018 as measured as of December 31, 2017 was determined by an actuarial valuation as of that date using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

City of College Station
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Inflation	3.0%
Salary increases	4% to 11% including inflation
Discount rate	7.00% (3.78% in prior year before establishment of Trust)
Healthcare cost trend rates	8.0% in FY19 declining by 0.5% per year to rate of 4.75% in FYE 2026 and beyond

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB. The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study for the period December 31, 2010 to December 31, 2014.

The long-term expected rate of return on OPEB 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 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. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation are summarized in the following table:

Asset Class	Target Allocation	Expected Real Rate of Return	Weighted Average
Cash	5.0%	0.75%	0.04%
Fixed Income	35.0%	3.56%	1.25%
Equity	60.0%	5.75%	3.45%
Total	100.0%	N/A	4.74%

Discount rate. The discount rate used to measure the total OPEB liability was 7.0 percent. The discount rate used to determine the total OPEB Liability as of the beginning of the measurement year prior to the establishment of the OPEB trust was 3.78%. The weighted average of the Expected Real Rate of Return is added to the Expected Long-Term Inflation assumption and reduced by expected investment expenses (4.74% + 3.00% - 0.75% = 6.99%). This result is then rounded to the nearest 25 basis points to obtain the Expected Long-Term Rate of Return of 7.00%.

The projected cash flows into the plan are equal to projected benefit payments out of the plan plus prefunding contributions that have been approved by the City Council. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates.

The assumed rate of general inflation has been updated since the valuation used for the September 30, 2017 liability to reflect the actuary's best expectation of future plan experience.

The long-term expected rate of return for the plan is 7.0 percent. The plan operates on a pay as you go basis and accumulates assets in trust in addition to the pay as you go amount.

Based on the discount rate assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current discount rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net OPEB liability	\$6,841,856	\$6,293,976	\$5,798,335

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7.0 percent decreasing to 3.75 percent) or 1-percentage-point higher (9.0 percent decreasing to 5.75 percent) than the current healthcare cost trend rates:

	1% Decrease (7.00% decreasing to 3.75%)	Current Healthcare Cost Trend Rates (8.00% decreasing to 4.75%)	1% Increase (9.00% decreasing to 5.75%)
Net OPEB liability	\$5,535,091	\$6,293,976	\$7,184,860

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

For the fiscal year ended September 30, 2018, the City recognized OPEB expense/(income) of \$(6,358,056). At September 30, 2018, the City reported changes to deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between actuarial assumptions and actual experience	\$ -	\$ 609,396
Changes of assumptions	-	2,477,250
Differences between projected and actual Contribution subsequent to the measurement date	-	1,595
	<u>1,323,623</u>	<u>-</u>
Total	<u>\$ 1,323,623</u>	<u>\$ 3,088,241</u>

Deferred outflows of resources, of \$1,323,623 related to OPEB resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability for the measurement year ending December 31, 2018 and recognized in the City's financial statements as of September 30, 2019. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending September 30	<u>Deferred inflows of resources</u>
2019	(495,847)
2020	(495,847)
2021	(495,847)
2022	(495,846)
2023	(495,448)
Thereafter	(609,406)
Total	<u>\$ 3,088,241</u>

24. OPEB TRUST

On September 11, 2017, the City Council approved a resolution adopting the Public Agencies Retirement Services (PARS) Post-Retirement Health Care Plan Trust and on September 25, 2017, the City Council passed resolution 2017-0564 appropriating the funds. Effective September 27, 2017, the City entered into a section 115 Irrevocable Exclusive Benefit agent multiple-employer trust to fund its Other Postemployment Benefits Obligation. Trust and Investment Management Services are provided by Public Agency Retirement Services (PARS) and is administered by the City. The investment manager that executes investment transactions is Highmark Capital Management, Inc. and the custodian of the trust's funds is US Bank.

With the establishment of the trust, the City can pre-fund (make annual payments in advance of the obligation) and allocate funds for the express purpose of funding future OPEB costs. The investment returns can be used to reduce the actuarial contributions and can result in lower long-term costs of the plan. As of September 30, 2018 the trust's balance was \$2,646,668.

25. DEFERRED COMPENSATION PLAN

The City offers its employees two deferred compensation plans created in accordance with Internal Revenue Code ("IRC") 457. The plans, as amended, are available to all employees and permits them to defer a portion of their salary until future years. Participation in either plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or emergency.

All amounts of compensation deferred under the plans (until paid or made available to the employee or other beneficiary) were placed in trusts for the exclusive benefit of the participants and the beneficiaries. This action is in accordance with changes made to IRC Section 457. The City does not have any fiduciary responsibility or administrative duties relating to the deferred compensation plan other than remitting employees' contribution to the trustees. Accordingly, the City has not presented the assets and liabilities of the Plans in these basic financial statements.

26. COMMITMENTS AND CONTINGENCIES

Litigation

The City is a party to legal proceedings, many of which occur in the normal course of operations. It is not possible at the present time to estimate the ultimate outcome or liability, if any, of the City with respect to the various proceedings. Management believes any unfavorable outcomes would not be material.

Contingencies

The City participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

Construction Commitments

The City accounts for construction contracts as costs are incurred and has contractual commitments of \$41,952,954 in the Capital Projects Funds, \$3,028,547 in the Water Fund, \$6,361,388 in the Wastewater Fund, and \$6,116,641 in the Electric Fund related to construction projects. These commitments will be funded primarily from long-term debt.

Financial Hedging

According to the Public Funds Investment Act, a municipality that owns a municipal electric utility that is engaged in the distribution and sale of electric energy or natural gas to the public may enter into a

hedging contract and related security and insurance agreements in relation to fuel oil, natural gas, coal, nuclear fuel, and electric energy to protect against loss due to price fluctuations.

In fiscal year 2014, the City signed a contract with the City of Garland under which the City of Garland will serve as the qualified scheduling entity that will formulate and discuss the hedging strategies and options available to the City to manage its power supply portfolio and price.

Congestion Revenue Rights (CRRs) function as a mitigation against the cost of resolving congestion in the Electric Reliability Council of Texas (ERCOT) market. The City participates in the CRRs auctions to procure CRRs for use in normal operations of delivery of electricity to its customers. These purchases are recorded as a prepaid purchased power expense in the Electric Fund.

The City has not yet engaged in any hedging activity.

Tax Abatements

As mentioned in Note 19, the City is authorized under Chapter 380 of the Texas Local Government Code to provide economic development incentives to support the expansion of local business activity. The terms of each agreement are limited by the underlying agreements approved by the City Council. The City may recapture the abated taxes in case the party subject to the agreement is in default and typically requires that certain economic conditions be met before any abatement is received from the City.

For the fiscal year ended September 30, 2018, the City had the following commitments under economic development incentive agreements:

- Strategic Behavioral Health – Annual tax abatement based on improvements to property valuation beginning 2015 for an eight year period. A total of \$6,005,946 remains committed under this agreement.
- Kalon, Inc. – Annual cash incentive beginning 2014 for a seven year period not to exceed \$1,093,549. A total of \$984,195 remains committed under this agreement.
- Science Park – Annual cash incentive equal to 50% of the incremental taxable value for the year with a total amount to be paid out not to exceed \$1,000,000. A total of \$1,000,000 remains committed under this agreement.
- ViaSat, Inc. – Annual cash incentive based on taxes assessed and collected by the City and then shared with the City of Bryan pursuant to a Joint Agreement with a total amount to be paid out not to exceed \$450,000 over a six year period. A total of \$450,000 remains committed under this agreement.
- CTX Land Investments, LLC – (Dartmouth Extension) – Upon completion of construction of Phase 1 of the Dartmouth Extension project, cash incentive equal to 25% of the cost of construction up to a maximum of \$250,000. A total of \$250,000 remains committed under this agreement. In addition, upon completion of Phase 1 of construction, any third party developer of designated land will be

entitled to a dollar for dollar credit up to the maximum amount paid for roadway impact fees. A total of \$0 is committed under this agreement.

- College Station Town Center, LP – Contract Payments calculated as a tax abatement based on completion of specified capital projects and improvements to property valuation beginning 2017 for a twenty year period. The amount of the tax abated is limited by and tied to the completion of the specified capital projects.

27. SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date of the auditors' report, March 6, 2019, which is the date the financial statements were available to be issued.

CITY OF COLLEGE STATION, TEXAS
Required Supplementary Information
Texas Municipal Retirement System
Schedule of City's Changes in Net Pension Liability and Related Ratios
Last Four Fiscal Years, Ended December 31
(Unaudited)

	2014	2015	2016	2017
Total pension liability:				
Service cost	\$ 6,408,154	\$ 7,447,204	\$ 7,927,963	\$ 8,418,324
Interest	15,448,489	16,281,185	16,959,936	17,986,722
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(1,163,171)	969,442	520,233	1,192,275
Change in assumptions	-	3,565,506	-	-
Benefit payments, including refunds of employee contributions	(9,022,396)	(9,612,289)	(10,055,239)	(10,828,101)
Net change in total pension liability	11,671,076	18,651,048	15,352,893	16,769,220
Total pension liability - beginning	221,999,821	233,670,897	252,321,945	267,674,838
Total pension liability - ending (a)	<u>\$ 233,670,897</u>	<u>\$ 252,321,945</u>	<u>\$ 267,674,838</u>	<u>\$ 284,444,058</u>
Plan fiduciary net position:				
Contributions - employer	\$ 5,916,175	\$ 6,435,064	\$ 6,465,626	\$ 7,223,267
Contributions - employee	3,060,843	3,420,245	3,542,203	3,773,603
Net investment income	11,457,666	312,181	14,322,932	31,325,172
Benefit payments, including refunds of employee contributions	(9,022,396)	(9,612,289)	(10,055,239)	(10,828,101)
Administrative expense	(119,620)	(190,146)	(161,748)	(162,346)
Other	(9,835)	(9,391)	(8,715)	(8,228)
Net change in plan fiduciary net position	11,282,833	355,664	14,105,059	31,323,367
Plan fiduciary net position - beginning	200,281,220	211,564,053	211,919,716	226,024,775
Plan fiduciary net position - ending (b)	211,564,053	211,919,716	226,024,775	257,348,143
Net pension liability - ending (a) - (b)	<u>\$ 22,106,844</u>	<u>\$ 40,402,229</u>	<u>\$ 41,650,063</u>	<u>\$ 27,095,915</u>
Plan fiduciary net position as a percentage of total pension liability	90.54%	83.99%	84.44%	90.47%
Covered payroll	\$ 43,726,328	\$ 48,579,284	\$ 50,593,256	53,860,040
Net pension liability as a percentage of covered employee payroll	50.56%	83.17%	82.32%	50.31%

Note: This schedule is intended to present information for ten years. However, previous years' information is not available.

CITY OF COLLEGE STATION, TEXAS

Required Supplementary Information
Texas Municipal Retirement System
Schedule of City's Contributions
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	(1) Actuarially determined contribution	(2) Contribution in relation to the actuarially determined contribution	(3) Contribution excess (deficiency) (2) - (1)	(4) Covered payroll	(5) Actuarially determined contributions as a percentage of covered payroll (1)/(4)	(6) Contributions as a percentage of covered employee payroll (2)/(4)
2015	\$ 5,881,274	\$ 6,068,368	\$ 187,094	\$ 45,654,271	12.88%	13.29%
2016	6,447,330	6,447,328	(2)	49,982,796	12.90%	12.90%
2017	6,969,939	7,018,244	48,305	53,016,848	13.15%	13.24%
2018	7,483,465	7,501,446	17,981	53,860,040	13.89%	13.93%

Notes to Schedule

Valuation date: Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Method and assumptions used to determine contribution rates:

Actuarial cost method	Entry age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	28 years
Asset valuation method	10-years smoothed market; 15% soft corridor
Inflation	2.50%
Salary increases	3.50% to 10.5% including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010 - 2014.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and females rates multiplied by 103% and projected on a fully generational basis with scale BB.
Other information:	There were no benefit changes during the year.

The data in this schedule is based on the City's fiscal year-end, not the valuation/measurement date as provided in other schedules of this report.

CITY OF COLLEGE STATION, TEXAS
 Required Supplementary Information
 City of College Station Employees Other Post-Employment Benefits Plan
 Schedule of Changes in Other Post-Employment Benefits and Related Ratios
 Fiscal Year, Ended December 31
 Last 10 Fiscal Years
 (Unaudited)

	2017
Total OPEB liability:	
Service cost	\$ 941,652
Interest	698,156
Changes of benefit terms	(7,476,535)
Differences between expected and actual experience	(707,212)
Change in assumptions	(2,874,882)
Benefit payments	(588,043)
Net change in total OPEB liability	(10,006,864)
Total OPEB liability - beginning	17,822,125
Total OPEB liability - ending (a)	\$ 7,815,261
 Plan fiduciary net position:	
Contributions - employer	2,081,852
Net investment income	28,378
Administrative expense	(902)
Benefit payments	(588,043)
Net change in plan fiduciary net position	1,521,285
Plan fiduciary net position - beginning	-
Plan fiduciary net position - ending (b)	1,521,285
Net OPEB liability - ending 1 - 2	\$ 6,293,976
Plan fiduciary net position as a percentage of total OPEB liability	19.47%
Covered payroll	\$ 54,714,253
Net pension OPEB as a percentage of covered employee payroll	11.50%

Note: This schedule is intended to present information for ten years. However, previous years' information is not available.

The following assumptions have been changed since the previous valuation:

- a. The assumed rate of general inflation has been updated since the previous valuation to reflect the actuary's best expectation of future plan experience.
- b. Assumptions for Per Capita Health Benefit Costs, Health Benefit Cost and Retiree Contribution trends and the Expense Trend rate have been updated since the previous valuation to reflect the recent experience and its effect on our short-term expectations.
- c. The Administrative and Stop-Loss Expense assumptions, for expenses which are directly related to the payment of benefits, were updated to reflect current expense levels.
- d. The discount rate was changed as a result of requirements by GASB No. 75.
- e. The actuarial funding method has been changed to Entry Age as a result of the requirements of GASB No. 75.

Benefit revisions have been adopted since the prior valuation. The benefit changes for future retirees include the addition of age 55 and 5 years of City of College Station Service requirement to be eligible for OPEB provided by the City.

CITY OF COLLEGE STATION, TEXAS
 Required Supplementary Information
 City of College Station Employees Other Post-Employment Benefits Plan
 Schedule of Contributions
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year	(1) Actuarially determined contribution	(2) Contribution in relation to the actuarially determined contribution	(3) Contribution excess (deficiency) (2) - (1)	(4) Covered payroll	(6) Contributions as a percentage of covered payroll (2)/(4)
2018	\$ 516,572	\$ 1,489,139	\$ 972,567	\$ 57,246,277	2.60%

Notes to Schedule

Valuation date: December 31, 2017
 Actuarially determined contribution rates are calculated as of
 Measurement date: December 31, 2017

Method and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, open
Remaining amortization period	30 years
Asset valuation method	Market value
Inflation	3.00%
Healthcare cost trend rates	8.00% for FY19 decreasing 0.50% per year to an ultimate rate of 4.75% for FY26 and later years
Salary increases	4.00% to 11.00% including inflation
Discount rate	7.00%
Aggregate payroll growth	3.50%
Retirement age	Experience-based tables of rates that are specific to the class of employee
Mortality	<p>i. Active Participants: RP2000 Combined Mortality Table for healthy lives with Blue Collar Adjustment with male rates multiplied by 54.5% and females rates multiplied by 51.5%. These rates are projected on a fully generational basis by scale BB.</p> <p>ii. Retirees and Retiree Spouses: RP-2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103%. These rates are projected on a fully generataional basis by scale BB.</p> <p>iii. Disabled Retirees: RP-2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and females rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied. These rates are projected on a fully generational basis by scale BB.</p>

The data in this schedule is based on the City's fiscal year-end, not the valuation/measurement date as provided in other schedules of this report.

Note: This schedule is intended to present information for ten years. However, previous years' information is not available.

CITY OF COLLEGE STATION, TEXAS
 Required Supplementary Information
 City of College Station Employees Other Post-Employment Benefits Plan
 Schedule of Investment Returns
 Year Ended December 31
 Last 10 Years*
 (Unaudited)

Year	Annual Money-Weighted Rate of Return
2017	1.88%

The information in this schedule has been determined as of the measurement date (December 31) of the City's net OPEB liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision, only periods for which such information is available are presented.

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
General Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Ad valorem taxes	\$ 23,976,222	\$ 23,976,222	\$ 24,073,003	\$ -	\$ 24,073,003	\$ 96,781
Sales taxes	28,526,512	28,526,512	28,799,040	-	28,799,040	272,528
Other taxes	3,067,573	3,067,573	3,457,485	-	3,457,485	389,912
Licenses and permits	1,870,750	1,870,750	1,772,959	-	1,772,959	(97,791)
Intergovernmental	415,720	629,366	910,169	-	910,169	280,803
Charges for services	3,590,631	3,590,631	3,940,837	-	3,940,837	350,206
Fines, forfeits, and penalties	3,049,650	3,049,650	3,206,835	-	3,206,835	157,185
Investment income	200,000	200,000	423,608	28,725	452,333	252,333
Rents and royalties	174,500	174,500	219,538	-	219,538	45,038
Contributions	-	-	7,361	-	7,361	7,361
Other	394,350	418,444	642,547	-	642,547	224,103
Total revenues	65,265,908	65,503,648	67,453,382	28,725	67,482,107	1,978,459
Expenditures						
Police	23,026,482	23,142,565	22,631,648	-	22,631,648	(510,917)
Fire	18,975,543	19,147,255	19,624,919	-	19,624,919	477,664
Public works	10,069,849	10,260,643	9,575,300	-	9,575,300	(685,343)
Parks and recreation	9,612,989	9,816,446	9,033,748	-	9,033,748	(782,698)
Library	1,122,463	1,122,463	1,118,522	-	1,118,522	(3,941)
Planning and development services	4,290,509	4,318,684	3,740,969	-	3,740,969	(577,715)
Information technology	5,392,172	5,392,172	4,488,885	-	4,488,885	(903,287)
Fiscal services	4,042,380	4,056,885	3,947,830	-	3,947,830	(109,055)
General government	6,903,947	7,104,800	6,066,416	-	6,066,416	(1,038,384)
Contributions	1,363,624	1,363,624	1,380,580	-	1,380,580	16,956
Other	150,000	52,471	-	-	-	(52,471)
Capital outlay	162,709	164,025	319,406	-	319,406	155,381
Total expenditures	85,112,667	85,942,033	81,928,223	-	81,928,223	(4,013,810)
Excess (deficit) of revenues over (under) expenditures	(19,846,759)	(20,438,385)	(14,474,841)	28,725	(14,446,116)	5,992,269
Other financing sources (uses)						
Transfers in	18,585,855	18,585,855	18,370,943	(366,811)	18,004,132	(581,723)
Transfers out	(3,031,702)	(3,031,702)	(3,031,702)	-	(3,031,702)	-
Contingency	(303,000)	(175,840)	-	-	-	175,840
Total other financing sources (uses)	15,251,153	15,378,313	15,339,241	(366,811)	14,972,430	(405,883)
Net change in fund balances	(4,595,606)	(5,060,072)	864,400	(338,086)	526,314	5,586,386
Fund balances - beginning	21,159,564	21,159,564	21,159,564	-	21,159,564	-
Prior period adjustment	-	-	2,706,262	-	-	-
Fund balances - ending	\$ 16,563,958	\$ 16,099,492	\$ 24,730,226	\$ (338,086)	\$ 21,685,878	\$ 5,586,386

Note:

The City prepares its annual budget on a budget basis which differs from a GAAP basis. The budget and all transactions are presented in accordance with the budget basis in the Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund to provide a relevant comparison of actual results with the budget. See the sections titled Budgetary Basis of Accounting and Budgetary Control in Note 1, for further explanation of budget information.

COMBINING FINANCIAL STATEMENTS
General Fund(s)

General Fund - the City's primary operating fund, which accounts for all financial resources of the general government, except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

The General Fund Type has historically incorporated several funds, which have been reported collectively as the General Fund in the City's Comprehensive Annual Financial Report.

For the fiscal year ending September 30, 2018, the General Funds include:

Economic Development Fund – accounts for funds used for business attraction and retention. Monies for this purpose are transferred to the Economic Development Fund from the General Fund.

Spring Creek Local Government Corporation Fund – accounts for the revenue and expenditure associated with the Spring Creek Corporate Campus.

Unclaimed Property Fund – accounts for checks issued but not cashed. After the abandonment period of 1 year for payroll checks over \$100 and 3 years for accounts payable checks over \$100, these funds are sent to the State Comptroller.

Efficiency Time Payment Fund – accounts for unrestricted revenue collected by the Municipal Court pursuant to Texas Local Government Code, Section 133.103.

CITY OF COLLEGE STATION, TEXAS

Combining Balance Sheet

General Fund(s)

September 30, 2018

	General Fund	Economic Development	Spring Creek Local Government Corporation	Unclaimed Property	Efficiency Time Payment	Total General Fund(s)
Assets						
Cash and cash equivalents	\$ 19,225,098	\$ 1,786,186	\$ 12,878	\$ 241,121	\$ 50,407	\$ 21,315,690
Equity in investments	3,322,438	308,799	2,226	41,685	8,715	3,683,863
Receivable (net of allow for uncollectible)	7,413,536	-	-	-	-	7,413,536
Investments interest receivable	16,590	1,542	11	-	44	18,187
Inventories	44,764	-	-	-	-	44,764
Prepaid costs	583,754	-	-	-	-	583,754
Loan receivable	95,331	-	-	-	-	95,331
Total assets	\$ 30,701,511	\$ 2,096,527	\$ 15,115	\$ 282,806	\$ 59,166	\$ 33,155,125
Liabilities						
Accounts payable	\$ 1,291,628	\$ -	\$ 15,134	\$ -	\$ -	\$ 1,306,762
Accrued liabilities	2,212,005	-	-	282,806	-	2,494,811
Interfund Payable	-	-	95,331	-	-	95,331
Retainage payable	11,815	-	-	-	-	11,815
Customer construction advances	1,496,379	-	-	-	-	1,496,379
Refundable deposits	77,043	-	-	-	-	77,043
Total liabilities	5,088,870	-	110,465	282,806	-	5,482,141
Deferred inflows of resources						
Unavailable revenue-property taxes	216,179	-	-	-	-	216,179
Unavailable revenue-other	666,236	-	-	-	-	666,236
Total deferred inflow of resources	882,415	-	-	-	-	882,415
Fund Balances						
Nonspendable	628,518	-	-	-	-	628,518
Assigned	2,128,177	-	-	-	-	2,128,177
Unassigned	21,973,531	2,096,527	(95,350)	-	59,166	24,033,874
Total fund balances (deficit)	24,730,226	2,096,527	(95,350)	-	59,166	26,790,569
Total liabilities, deferred inflows of resources, and fund balances	\$ 30,701,511	\$ 2,096,527	\$ 15,115	\$ 282,806	\$ 59,166	\$ 33,155,125

CITY OF COLLEGE STATION, TEXAS
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
General Fund(s)
For the Fiscal Year Ended September 30, 2018

	General	Economic Development	Spring Creek Local Government Corporation	Unclaimed Property	Efficiency Time Payment	Total General Fund(s)
Revenues						
Ad valorem taxes	\$ 24,073,003	\$ -	\$ -	\$ -	\$ -	\$ 24,073,003
Sales taxes	28,799,040	-	-	-	-	28,799,040
Other taxes	3,457,485	-	-	-	-	3,457,485
Licenses and permits	1,772,959	-	-	-	-	1,772,959
Intergovernmental	910,169	-	-	-	-	910,169
Charges for services	3,940,837	-	-	-	-	3,940,837
Fines, forfeits, and penalties	3,206,835	-	-	-	4,701	3,211,536
Investment income (loss)	423,608	25,414	(19)	-	877	449,880
Rents and royalties	219,538	-	-	-	-	219,538
Contributions (Revenue)	7,361	-	-	-	-	7,361
Other	642,547	-	-	-	-	642,547
Total revenues	<u>67,453,382</u>	<u>25,414</u>	<u>(19)</u>	<u>-</u>	<u>5,578</u>	<u>67,484,355</u>
Expenditures						
Police	22,631,648	-	-	-	-	22,631,648
Fire	19,624,919	-	-	-	-	19,624,919
Public works	9,575,300	-	-	-	-	9,575,300
Parks and recreation	9,033,748	-	95,331	-	-	9,129,079
Library	1,118,522	-	-	-	-	1,118,522
Planning and development services	3,740,969	-	-	-	-	3,740,969
Information technology	4,488,885	-	-	-	-	4,488,885
Fiscal services	3,947,830	-	-	-	6,658	3,954,488
General government	6,066,416	98,600	-	-	-	6,165,016
Contributions	1,380,580	-	-	-	-	1,380,580
Capital outlay	319,406	-	-	-	-	319,406
Total expenditures	<u>81,928,223</u>	<u>98,600</u>	<u>95,331</u>	<u>-</u>	<u>6,658</u>	<u>82,128,812</u>
Excess (deficit) of revenues over (under) expenditures	<u>(14,474,841)</u>	<u>(73,186)</u>	<u>(95,350)</u>	<u>-</u>	<u>(1,080)</u>	<u>(14,644,457)</u>
Other financing sources (uses)						
Transfers in	18,370,943	875,000	-	-	-	19,245,943
Transfers out	<u>(3,031,702)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,031,702)</u>
Total other financing sources (uses)	<u>15,339,241</u>	<u>875,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,214,241</u>
Net change in fund balances	<u>864,400</u>	<u>801,814</u>	<u>(95,350)</u>	<u>-</u>	<u>(1,080)</u>	<u>1,569,784</u>
Fund balances - beginning	21,159,564	1,294,713	-	-	60,246	22,514,523
Prior period adjustment	2,706,262	-	-	-	-	2,706,262
Fund balances (deficit) - ending	<u>\$ 24,730,226</u>	<u>\$ 2,096,527</u>	<u>\$ (95,350)</u>	<u>\$ -</u>	<u>\$ 59,166</u>	<u>\$ 26,790,569</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
General Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Ad valorem taxes	\$ 23,976,222	\$ 23,976,222	\$ 24,073,003	\$ -	\$ 24,073,003	\$ 96,781
Sales taxes	28,526,512	28,526,512	28,799,040	-	28,799,040	272,528
Other taxes	3,067,573	3,067,573	3,457,485	-	3,457,485	389,912
Licenses and permits	1,870,750	1,870,750	1,772,959	-	1,772,959	(97,791)
Intergovernmental	415,720	629,366	910,169	-	910,169	280,803
Charges for services	3,590,631	3,590,631	3,940,837	-	3,940,837	350,206
Fines, forfeits, and penalties	3,049,650	3,049,650	3,206,835	-	3,206,835	157,185
Investment income	200,000	200,000	423,608	28,725	452,333	252,333
Rents and royalties	174,500	174,500	219,538	-	219,538	45,038
Contributions	-	-	7,361	-	7,361	7,361
Other	394,350	418,444	642,547	-	642,547	224,103
Total revenues	65,265,908	65,503,648	67,453,382	28,725	67,482,107	1,978,459
Expenditures						
Police	23,026,482	23,142,565	22,631,648	-	22,631,648	(510,917)
Fire	18,975,543	19,147,255	19,624,919	-	19,624,919	477,664
Public works	10,069,849	10,260,643	9,575,300	-	9,575,300	(685,343)
Parks and recreation	9,612,989	9,816,446	9,033,748	-	9,033,748	(782,698)
Library	1,122,463	1,122,463	1,118,522	-	1,118,522	(3,941)
Planning and development services	4,290,509	4,318,684	3,740,969	-	3,740,969	(577,715)
Information technology	5,392,172	5,392,172	4,488,885	-	4,488,885	(903,287)
Fiscal services	4,042,380	4,056,885	3,947,830	-	3,947,830	(109,055)
General government	6,903,947	7,104,800	6,066,416	-	6,066,416	(1,038,384)
Contributions	1,363,624	1,363,624	1,380,580	-	1,380,580	16,956
Other	150,000	52,471	-	-	-	(52,471)
Capital outlay	162,709	164,025	319,406	-	319,406	155,381
Total expenditures	85,112,667	85,942,033	81,928,223	-	81,928,223	(4,013,810)
Excess (deficit) of revenues over (under) expenditures	(19,846,759)	(20,438,385)	(14,474,841)	28,725	(14,446,116)	5,992,269
Other financing sources (uses)						
Transfers in	18,585,855	18,585,855	18,370,943	(366,811)	18,004,132	(581,723)
Transfers out	(3,031,702)	(3,031,702)	(3,031,702)	-	(3,031,702)	-
Contingency	(303,000)	(175,840)	-	-	-	175,840
Total other financing sources (uses)	15,251,153	15,378,313	15,339,241	(366,811)	14,972,430	(405,883)
Net change in fund balances	(4,595,606)	(5,060,072)	864,400	(338,086)	526,314	5,586,386
Fund balances - beginning	21,159,564	21,159,564	21,159,564	-	21,159,564	-
Prior period adjustment	-	-	2,706,262	-	-	-
Fund balances - ending	\$ 16,563,958	\$ 16,099,492	\$ 24,730,226	\$ (338,086)	\$ 21,685,878	\$ 5,586,386

Note:

The City prepares its annual budget on a budget basis which differs from a GAAP basis. The budget and all transactions are presented in accordance with the budget basis in the Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund to provide a relevant comparison of actual results with the budget. See the sections titled Budgetary Basis of Accounting and Budgetary Control in Note 1, for further explanation of budget information.

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Economic Development Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Investment income	\$ 7,940	\$ 7,940	\$ 25,414	\$ 2,669	\$ 28,083	\$ 20,143
Total revenues	<u>7,940</u>	<u>7,940</u>	<u>25,414</u>	<u>2,669</u>	<u>28,083</u>	<u>20,143</u>
Expenditures						
General government	1,008,168	1,028,468	98,600	-	98,600	(929,868)
Other	20,000	20,000	-	-	-	(20,000)
Total expenditures	<u>1,028,168</u>	<u>1,048,468</u>	<u>98,600</u>	<u>-</u>	<u>98,600</u>	<u>(949,868)</u>
Excess (deficit) of revenues over (under) expenditures	<u>(1,020,228)</u>	<u>(1,040,528)</u>	<u>(73,186)</u>	<u>2,669</u>	<u>(70,517)</u>	<u>970,011</u>
Other financing sources (uses)						
Transfers in	875,000	875,000	875,000	-	875,000	-
Total other financing sources (uses)	<u>875,000</u>	<u>875,000</u>	<u>875,000</u>	<u>-</u>	<u>875,000</u>	<u>-</u>
Net change in fund balances	(145,228)	(165,528)	801,814	2,669	804,483	970,011
Fund balances - beginning	1,294,713	1,294,713	1,294,713	-	1,294,713	-
Fund balances - ending	<u>\$ 1,149,485</u>	<u>\$ 1,129,185</u>	<u>\$ 2,096,527</u>	<u>\$ 2,669</u>	<u>\$ 2,099,196</u>	<u>\$ 970,011</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Spring Creek Local Government Corporation Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Investment income (loss)	\$ -	\$ -	\$ (19)	\$ 19	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>(19)</u>	<u>19</u>	<u>-</u>	<u>-</u>
Expenditures						
Parks and recreation	-	229,700	95,331	-	95,331	(134,369)
Total expenditures	<u>-</u>	<u>229,700</u>	<u>95,331</u>	<u>-</u>	<u>95,331</u>	<u>(134,369)</u>
Excess (deficit) of revenues over (under) expenditures	<u>-</u>	<u>(229,700)</u>	<u>(95,350)</u>	<u>19</u>	<u>(95,331)</u>	<u>134,369</u>
Other financing sources (uses)						
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	(229,700)	(95,350)	19	(95,331)	134,369
Fund balances - beginning	-	-	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ (229,700)</u>	<u>\$ (95,350)</u>	<u>\$ 19</u>	<u>\$ (95,331)</u>	<u>\$ 134,369</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Efficiency Time Payment Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Fines, forfeits, and penalties	\$ 5,805	\$ 5,805	\$ 4,701	\$ -	\$ 4,701	\$ (1,104)
Investment income	485	485	877	76	953	468
Total revenues	<u>6,290</u>	<u>6,290</u>	<u>5,578</u>	<u>76</u>	<u>5,654</u>	<u>(636)</u>
Expenditures						
Fiscal services	8,660	8,660	6,658	-	6,658	(2,002)
Total expenditures	<u>8,660</u>	<u>8,660</u>	<u>6,658</u>	<u>-</u>	<u>6,658</u>	<u>(2,002)</u>
Excess (deficit) of revenues over (under) expenditures	<u>(2,370)</u>	<u>(2,370)</u>	<u>(1,080)</u>	<u>76</u>	<u>(1,004)</u>	<u>1,366</u>
Other financing sources (uses)						
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(2,370)	(2,370)	(1,080)	76	(1,004)	1,366
Fund balances - beginning	60,246	60,246	60,246	-	60,246	-
Fund balances - ending	<u>\$ 57,876</u>	<u>\$ 57,876</u>	<u>\$ 59,166</u>	<u>\$ 76</u>	<u>\$ 59,242</u>	<u>\$ 1,366</u>



CITY OF COLLEGE STATION
Home of Texas A&M University®

COMBINING FINANCIAL STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditures for particular purposes other than debt service or capital projects.

Court Technology Fee Fund – account for funds collected by municipal court to be used to finance the purchase of or to maintain technological enhancements for a municipal court.

Court Security Fee Fund – account for funds collected by municipal court used to finance security personnel for a municipal court or to finance items when used for the purpose of providing security services.

Juvenile Case Manager Fee Fund – account for funds collected by municipal court used to finance the salary and benefits of a juvenile case manager.

Police Seizure Fund – account for funds obtained through forfeiture provisions under federal laws; seized money from delivery of controlled substance in accordance with Public Health Laws. These monies are to be used for training and other law enforcement activities.

Memorial Cemetery Fund – account for sales of plots (and options of plots) in the Aggie Field of Honor & Municipal Cemetery.

Memorial Cemetery Endowment Fund – account for principal trust amounts received and related interest income for the College Station Memorial Cemetery.

Texas Avenue Cemetery Endowment Fund – to account for principal trust amounts received and related interest income for the College Station Cemetery.

Hotel Tax Fund – account for the receipt and expenditure of funds received by the City from the assessment of hotel and motel occupancy tax. Usage of funds is restricted to the construction and maintenance of convention and civic facilities and to the promotion of tourism and arts within the City.

Community Development Fund – account for funds granted to the City by the Federal Department of Housing and Urban Development for use on various community improvement projects.

Wolf Pen Creek Tax Increment Financing District Fund – account for the receipt and expenditure of funds received by the City from the creation of a tax increment financing district for the Wolf Pen Creek area.

Parks Escrow Fund – account for the receipt and expenditure of funds received by the City from residential land developers, who dedicate land, or money in lieu of land, for use in the development of community and neighborhood parks in residential areas.

Sidewalk Zones – account for the receipt and expenditure of funds received by the City from residential land developers, who dedicate land, or money in lieu of land, for use in the development of community and neighborhood sidewalks.

Drainage Utility Fund – to account for the cost of drainage maintenance and drainage improvements made with funds provided by a drainage utility fee and proceeds from the sale of general obligation bonds.

Truancy Prevention Fund – accounts for funds collected by municipal court used to fund truancy prevention and intervention services.

West Medical District Tax Increment Reinvestment Zone No. 18 Fund – account for the receipt and expenditure of funds received by the City from the creation of a tax increment financing district for the West Medical District.

East Medical District Tax Increment Reinvestment Zone No. 19 Fund – account for the receipt and expenditure of funds received by the City from the creation of a tax increment financing district for the East Medical District.

Public, Educational and Government Access Channel Fee Fund – account for fees collected to fund educational and governmental broadcasting on the local access channel.

R.E. Meyer Estate Restricted Gift Fund – account for gift bequest to be used for programs designed to benefit senior citizens.

Roadway Maintenance Fee Fund – account for funds which will help fix potholes and properly maintain streets throughout College Station.

Fun For All Playground Fund – account for receipt and expenditure of funds for the construction of the inclusive playground located at Central Park.

System-Wide Water Impact Fee Fund – account for fees collected to fund existing and future capital improvement water projects that serve or will serve new developments within the City’s service area in lieu of water utility rate increases.

System-Wide Wastewater Impact Fee Fund – account for fees collected to fund existing and future capital improvement wastewater projects that serve or will serve new developments within the City’s service area in lieu of water utility rate increases.

System-Wide Roadway Impact Fee Fund – account for fees collected to fund existing and future capital improvement roadway projects that serve or will serve new developments within the City.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the acquisition and construction of major capital improvements other than those financed by proprietary funds and trust funds.

Parks and Recreation Projects Fund – to account for the costs of new parks and improvements to existing parks made with funds provided from the sale of general obligation bonds, certificates of obligation and by investing those proceeds.



CITY OF COLLEGE STATION
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CITY OF COLLEGE STATION, TEXAS
 Combining Balance Sheet
 Nonmajor Governmental Funds
 September 30, 2018

	Special Revenue									
	Court Technology Fee	Court Security Fee	Juvenile Case Manager Fee	Police Seizure	Memorial Cemetery	Memorial Cemetery Endowment	Texas Avenue Cemetery Endowment	Hotel Tax	Community Development	
Assets										
Cash and cash equivalents	\$ 396,707	\$ 28,746	\$ 145,253	\$ 111,722	\$ 1,380,820	\$ 1,058,934	\$ 1,659,177	\$ 17,281,021	\$	\$ 576,729
Equity in investments	68,584	4,970	25,112	19,315	238,719	183,071	286,842	2,987,578		99,706
Receivable (net of allow for uncollectible)	-	-	-	-	32,953	16,231	121	-	-	116,198
Investments interest receivable	342	25	125	96	1,192	914	1,432	14,918		-
Inventories	-	-	-	-	3,568,722	1,757,729	109	-		-
Prepaid Costs	-	-	-	-	-	-	-	-		-
Loans receivable	-	-	-	-	-	-	-	-		1,960,079
Total assets	\$ 465,633	\$ 33,741	\$ 170,490	\$ 131,133	\$ 5,222,406	\$ 3,016,879	\$ 1,947,681	\$ 20,283,517	\$	\$ 2,752,712
Liabilities										
Accounts payable	\$ -	\$ -	\$ -	\$ 3,050	\$ -	\$ 97,353	\$ 1,238	\$ 1,167,044	\$	\$ 84,322
Accrued liabilities	-	1,667	4,480	-	-	-	-	-		11,038
Retainage payable	-	-	-	-	-	7,192	-	73,275		9,968
Total liabilities	-	1,667	4,480	3,050	-	104,545	1,238	1,240,319	-	105,328
Deferred inflows of resources										
Unavailable revenue-loans receivable	-	-	-	-	-	-	-	-		1,960,079
Unavailable revenue-other	-	-	-	-	32,953	16,231	120	-		-
Total deferred inflow of resources	-	-	-	-	32,953	16,231	120	-	-	1,960,079
Fund balances										
Restricted	465,633	32,074	166,010	128,083	-	-	-	12,277,170		687,305
Committed	-	-	-	-	5,189,453	2,896,103	1,946,323	6,766,028		-
Total fund balances	465,633	32,074	166,010	128,083	5,189,453	2,896,103	1,946,323	19,043,198	-	687,305
Total liabilities, deferred inflows of resources, and fund balances	\$ 465,633	\$ 33,741	\$ 170,490	\$ 131,133	\$ 5,222,406	\$ 3,016,879	\$ 1,947,681	\$ 20,283,517	\$	\$ 2,752,712

CITY OF COLLEGE STATION, TEXAS
 Combining Balance Sheet - *continued*
 Nonmajor Governmental Funds
 September 30, 2018

	Wolf Pen Creek Tax Increment Financing District	Parks Escrow	Sidewalk Zones	Drainage Utility	Truancy Prevention Fee	West Medical District Tax Increment Reinvestment Zone No. .18	East Medical District Tax Increment Reinvestment Zone No. .19	Public, Educational and Governmental Access Channel Fee
Assets								
Cash and cash equivalents	\$ 180,717	\$ 6,098,111	\$ 87,484	\$ 1,298,360	\$ 55,011	\$ -	\$ 15,525	\$ 625,909
Equity in investments	31,242	1,054,254	15,124	224,463	9,510	-	2,684	108,208
Receivable (net of allow for uncollectible)	-	-	-	261,837	-	-	-	-
Investments interest receivable	156	5,264	76	1,121	47	-	13	541
Inventories	-	-	-	-	-	-	-	-
Prepaid Costs	-	-	-	1,708	-	-	-	-
Loans receivable	-	-	-	-	-	-	-	-
Total assets	\$ 212,115	\$ 7,157,629	\$ 102,684	\$ 1,787,489	\$ 64,568	\$ -	\$ 18,222	\$ 734,658
Liabilities								
Accounts payable	\$ 200,147	\$ 63,423	\$ -	\$ 34,314	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	36,926	-	-	-	-
Retainage payable	-	29,614	-	-	-	-	-	-
Total liabilities	200,147	93,037	-	71,240	-	-	-	-
Deferred inflows of resources								
Unavailable revenue-loans receivable	-	-	-	-	-	-	-	-
Unavailable revenue-other	-	-	-	-	-	-	-	-
Total deferred inflow of resources	-	-	-	-	-	-	-	-
Fund balances								
Restricted	11,968	7,064,592	102,684	-	64,568	-	18,222	734,658
Committed	-	-	-	1,716,249	-	-	-	-
Total fund balances	11,968	7,064,592	102,684	1,716,249	64,568	-	18,222	734,658
Total liabilities, deferred inflows of resources, and fund balances	\$ 212,115	\$ 7,157,629	\$ 102,684	\$ 1,787,489	\$ 64,568	\$ -	\$ 18,222	\$ 734,658

CITY OF COLLEGE STATION, TEXAS
 Combining Balance Sheet - continued
 Nonmajor Governmental Funds
 September 30, 2018

	Special Revenue							Capital Projects	
	R.E. Meyer Estate Restricted Gift	Roadway Maintenance Fee	Fun For All Playground	System-Wide Water Impact Fee	System-Wide Wastewater Impact Fee	System-Wide Roadway Impact Fee	Parks and Recreation Projects	Total Other Governmental Funds	
Assets									
Cash and cash equivalents	\$ 130,899	\$ 632,944	\$ 850,607	\$ 22,805	\$ 1,229,945	\$ 225,637	\$ 5,598,180	\$ 39,691,243	
Equity in investments	22,630	109,425	147,055	3,942	217,635	39,008	967,825	6,861,902	
Receivable (net of allow for uncollectible)	-	468,996	-	-	-	-	-	896,336	
Investments interest receivable	113	546	734	20	1,062	195	4,833	33,765	
Inventories	-	-	-	-	-	-	-	5,326,560	
Prepaid Costs	-	-	-	-	-	-	-	1,708	
Loans receivable	-	-	-	-	-	-	-	1,960,079	
Total assets	\$ 153,642	\$ 1,211,911	\$ 998,396	\$ 26,767	\$ 1,443,642	\$ 264,840	\$ 6,570,838	\$ 54,771,593	
Liabilities									
Accounts payable	\$ -	\$ 422,708	\$ 36,719	\$ -	\$ -	\$ -	\$ 299,919	\$ 2,410,237	
Accrued liabilities	-	-	-	-	-	-	-	54,111	
Retainage payable	-	-	1,933	-	-	-	39,594	161,576	
Total liabilities	-	422,708	38,652	-	-	-	339,513	2,625,924	
Deferred inflows of resources									
Unavailable revenue-loans receivable	-	-	-	-	-	-	-	1,960,079	
Unavailable revenue-other	-	-	-	-	-	-	365	49,669	
Total deferred inflow of resources	-	-	-	-	-	-	365	2,009,748	
Fund balances									
Restricted	153,642	-	959,744	26,767	1,443,642	264,840	6,230,960	30,832,562	
Committed	-	789,203	-	-	-	-	-	19,303,359	
Total fund balances	153,642	789,203	959,744	26,767	1,443,642	264,840	6,230,960	50,135,921	
Total liabilities, deferred inflows of resources, and fund balances	\$ 153,642	\$ 1,211,911	\$ 998,396	\$ 26,767	\$ 1,443,642	\$ 264,840	\$ 6,570,838	\$ 54,771,593	

CITY OF COLLEGE STATION, TEXAS
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Fiscal Year Ended September 30, 2018

	Special Revenue									
	Court Technology Fee	Court Security Fee	Juvenile Case Manager Fee	Police Seizure	Memorial Cemetery	Memorial Cemetery Endowment	Texas Avenue Cemetery Endowment	Hotel Tax	Community Development	
Revenues										
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	5,737,743	-	-
Intergovernmental	-	-	-	42,405	-	-	-	-	-	1,267,361
Charges for services	-	-	-	-	352,579	176,004	9,605	-	-	-
Fines, forfeits, and penalties	52,197	39,145	65,241	-	-	-	-	-	-	-
Investment income	6,877	509	2,908	1,859	23,273	17,385	28,952	301,212	-	-
Contributions	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	210	10,436	-	26,537
Total revenues	59,074	39,654	68,149	44,264	375,852	193,389	38,767	6,049,391	1,293,898	
Expenditures										
Police	-	-	-	20,888	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	230,365	197,661	3,279	447,378	-	-
Planning and development services	-	-	-	-	-	-	-	-	-	-
Fiscal services	42,217	37,029	121,033	-	-	-	-	-	-	-
General government	-	-	-	-	-	-	-	-	418	2,446,868
Contributions	-	-	-	-	-	-	-	3,526,538	-	-
Capital outlay	19,217	-	-	-	-	-	-	1,527,894	-	164,233
Debt issuance cost	-	-	-	-	-	-	-	-	-	-
Total expenditures	61,434	37,029	121,033	20,888	230,365	315,003	3,279	5,502,228	2,611,101	
Excess (deficit) of revenues over (under) expenditures	(2,360)	2,625	(52,884)	23,376	145,487	(121,614)	35,488	547,163	(1,317,203)	
Other financing sources (uses)										
Issuance of bonds	-	-	-	-	-	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(264,453)	-	-	(494,605)	-	(7,784)
Total other financing source (uses)	-	-	-	-	(264,453)	-	-	(494,605)	(7,784)	
Net change in fund balances	(2,360)	2,625	(52,884)	23,376	(118,966)	(121,614)	35,488	52,558	(1,324,987)	
Fund balances - beginning	467,993	29,449	218,894	104,707	5,308,419	3,017,717	1,910,835	18,990,640	2,012,292	
Fund balances - ending	465,633	32,074	166,010	128,083	5,189,453	2,896,103	1,946,323	19,043,198	667,305	

CITY OF COLLEGE STATION, TEXAS
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances-continued
 Nonmajor Governmental Funds
 For the Fiscal Year Ended September 30, 2018

	Wolf Pen Creek Tax Incremental Financing District	Parks Escrow	Sidewalk Zones	Drainage Utility	Truancy Prevention Fee	West Medical District Tax Increment Reinvestment Zone No. 18	East Medical District Tax Increment Reinvestment Zone No. 19	Public, Educational and Governmental Access Channel Fee
Revenues								
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 236,437	\$ 12,448	\$ -
Sales taxes	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	197,576
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	2,323,471	-	-	-	-
Fines, forfeits, and penalties	-	-	-	-	11,554	-	-	-
Investment income	11,968	50,785	1,680	25,011	870	5,280	70	10,250
Contributions	-	779,751	36,580	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total revenues	11,968	830,536	38,260	2,348,482	12,424	241,717	12,518	207,826
Expenditures								
Police	-	-	-	-	-	-	-	-
Public works	-	-	-	1,292,884	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-
Planning and development services	-	-	-	114,175	-	-	-	-
Fiscal services	-	-	-	-	164	-	-	61,794
General government	1,277,906	-	-	97,739	-	-	-	-
Capital outlay	-	-	-	472,742	-	-	-	19,984
Debt issuance cost	-	1,226,986	32,124	-	-	-	-	-
Total expenditures	1,277,906	1,226,986	32,124	1,977,540	164	-	-	81,778
Excess (deficit) of revenues over (under) expenditures	(1,265,938)	(396,450)	6,136	370,942	12,260	241,717	12,518	126,048
Other financing sources (uses)								
Issuance of bonds	-	-	-	-	-	-	-	-
Premiums on bonds issued	-	-	-	-	-	-	-	-
Transfers out	-	(41,229)	-	(527,575)	-	(914,724)	-	-
Total other financing source (uses)	-	(41,229)	-	(527,575)	-	(914,724)	-	-
Net change in fund balances	(1,265,938)	(437,679)	6,136	(156,633)	12,260	(673,007)	12,518	126,048
Fund balances - beginning	1,277,906	7,502,271	96,548	1,872,882	52,308	673,007	5,704	608,610
Fund balances - ending	\$ 11,968	\$ 7,064,592	\$ 102,684	\$ 1,716,249	\$ 64,568	\$ -	\$ 18,222	\$ 734,658

CITY OF COLLEGE STATION, TEXAS
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - continued
 Nonmajor Governmental Funds
 For the Fiscal Year Ended September 30, 2018

	Special Revenue							Total Other Governmental Funds	
	R.E. Meyer Estate Restricted Gift	Roadway Maintenance Fee	Fun For All Playground	Water Impact Fee	System-Wide Impact Fee	System-Wide Wastewater Impact Fee	System-Wide Roadway Impact Fee		Parks and Recreation Projects
Revenues									
Ad valorem taxes	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	248,885
Sales taxes	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-	5,935,319
Intergovernmental	-	-	-	-	-	-	-	-	1,309,766
Charges for services	-	4,375,386	-	-	-	-	-	123,900	7,360,945
Fines, forfeits, and penalties	-	-	-	-	-	-	-	-	168,137
Investment income	6,591	23,508	(1,271)	1,519	1,737	12,216	1,737	62,776	595,965
Contributions	-	222,683	1,000,000	-	-	-	-	-	1,816,331
Other	-	222,683	339,325	-	339,325	1,606,025	263,103	-	2,468,319
Total revenues	6,591	4,621,577	998,729	340,844	340,844	1,618,241	264,840	186,676	19,903,667
Expenditures									
Police	-	-	-	-	-	-	-	-	20,888
Public works	-	4,028,558	-	-	-	-	-	-	5,321,442
Parks and recreation	-	-	-	-	-	-	-	2,917	881,600
Planning and development services	-	-	-	-	-	-	-	-	114,175
Fiscal services	-	-	-	-	-	-	-	-	200,443
General government	-	-	-	-	-	-	-	-	3,884,725
Contributions	-	-	-	-	-	-	-	-	3,526,538
Capital outlay	-	-	38,985	-	-	-	-	2,459,319	6,078,826
Debt issuance cost	-	-	-	-	-	-	-	63,210	63,210
Total expenditures	-	4,028,558	38,985	-	-	-	-	2,525,446	20,091,847
Excess (deficit) of revenues over (under) expenditures	6,591	593,019	959,744	340,844	340,844	1,618,241	264,840	(2,338,770)	(188,180)
Other financing sources (uses)									
Issuance of bonds	-	-	-	-	-	-	-	5,005,000	5,005,000
Premium on bonds issued	-	-	-	-	-	-	-	268,644	268,644
Transfers out	(573,190)	(134,457)	-	(359,152)	-	(330,075)	-	(46,569)	(3,693,813)
Total other financing source (uses)	(573,190)	(134,457)	-	(359,152)	-	(330,075)	-	5,227,075	1,579,831
Net change in fund balances	(566,599)	458,562	959,744	(18,308)	(18,308)	1,288,166	264,840	2,888,305	1,391,651
Fund balances - beginning	720,241	330,641	-	45,075	45,075	155,476	-	3,342,655	48,744,270
Fund balances - ending	153,642	789,203	959,744	26,767	26,767	1,443,642	264,840	6,230,960	50,135,921

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Court Technology Fee Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Fines, forfeits, and penalties	\$ 73,318	\$ 73,318	\$ 52,197	\$ -	\$ 52,197	\$ (21,121)
Investment income	3,622	3,622	6,877	593	7,470	3,848
Total revenues	<u>76,940</u>	<u>76,940</u>	<u>59,074</u>	<u>593</u>	<u>59,667</u>	<u>(17,273)</u>
Expenditures						
Fiscal services	81,619	81,619	42,217	-	42,217	(39,402)
Capital outlay	-	25,000	19,217	-	19,217	(5,783)
Total expenditures	<u>81,619</u>	<u>106,619</u>	<u>61,434</u>	<u>-</u>	<u>61,434</u>	<u>(45,185)</u>
Excess (deficit) of revenues over (under) expenditures	<u>(4,679)</u>	<u>(29,679)</u>	<u>(2,360)</u>	<u>593</u>	<u>(1,767)</u>	<u>27,912</u>
Other financing sources (uses)						
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(4,679)	(29,679)	(2,360)	593	(1,767)	27,912
Fund balances - beginning	467,993	467,993	467,993	-	467,993	-
Fund balances - ending	<u>\$ 463,314</u>	<u>\$ 438,314</u>	<u>\$ 465,633</u>	<u>\$ 593</u>	<u>\$ 466,226</u>	<u>\$ 27,912</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Court Security Fee Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Fines, forfeits, and penalties	\$ 64,366	\$ 64,366	\$ 39,145	\$ -	\$ 39,145	\$ (25,221)
Investment income	181	181	509	43	552	371
Total revenues	<u>64,547</u>	<u>64,547</u>	<u>39,654</u>	<u>43</u>	<u>39,697</u>	<u>(24,850)</u>
Expenditures						
Fiscal services	40,711	40,711	37,029	-	37,029	(3,682)
Total expenditures	<u>40,711</u>	<u>40,711</u>	<u>37,029</u>	<u>-</u>	<u>37,029</u>	<u>(3,682)</u>
Excess (deficit) of revenues over (under) expenditures	<u>23,836</u>	<u>23,836</u>	<u>2,625</u>	<u>43</u>	<u>2,668</u>	<u>(21,168)</u>
Other financing sources (uses)						
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	23,836	23,836	2,625	43	2,668	(21,168)
Fund balances - beginning	<u>29,449</u>	<u>29,449</u>	<u>29,449</u>	<u>-</u>	<u>29,449</u>	<u>-</u>
Fund balances - ending	<u>\$ 53,285</u>	<u>\$ 53,285</u>	<u>\$ 32,074</u>	<u>\$ 43</u>	<u>\$ 32,117</u>	<u>\$ (21,168)</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Juvenile Case Manager Fee Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Fines, forfeits, and penalties	\$ 105,890	\$ 105,890	\$ 65,241	\$ -	\$ 65,241	\$ (40,649)
Investment income	1,891	1,891	2,908	217	3,125	1,234
Total revenues	<u>107,781</u>	<u>107,781</u>	<u>68,149</u>	<u>217</u>	<u>68,366</u>	<u>(39,415)</u>
Expenditures						
Fiscal services	125,218	125,218	121,033	-	121,033	(4,185)
Total expenditures	<u>125,218</u>	<u>125,218</u>	<u>121,033</u>	<u>-</u>	<u>121,033</u>	<u>(4,185)</u>
Excess (deficit) of revenues over (under) expenditures	<u>(17,437)</u>	<u>(17,437)</u>	<u>(52,884)</u>	<u>217</u>	<u>(52,667)</u>	<u>(35,230)</u>
Other financing sources (uses)						
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(17,437)	(17,437)	(52,884)	217	(52,667)	(35,230)
Fund balances - beginning	218,894	218,894	218,894	-	218,894	-
Fund balances - ending	<u>\$ 201,457</u>	<u>\$ 201,457</u>	<u>\$ 166,010</u>	<u>\$ 217</u>	<u>\$ 166,227</u>	<u>\$ (35,230)</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Police Seizure Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Intergovernmental	\$ 25,000	\$ 25,000	\$ 42,405	\$ -	\$ 42,405	\$ 17,405
Investment income	686	686	1,859	167	2,026	1,340
Total revenues	<u>25,686</u>	<u>25,686</u>	<u>44,264</u>	<u>167</u>	<u>44,431</u>	<u>18,745</u>
Expenditures						
Police	30,000	30,000	20,888	-	20,888	(9,112)
Total expenditures	<u>30,000</u>	<u>30,000</u>	<u>20,888</u>	<u>-</u>	<u>20,888</u>	<u>(9,112)</u>
Excess (deficit) of revenues over (under) expenditures	<u>(4,314)</u>	<u>(4,314)</u>	<u>23,376</u>	<u>167</u>	<u>23,543</u>	<u>27,857</u>
Other financing sources (uses)						
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(4,314)</u>	<u>(4,314)</u>	<u>23,376</u>	<u>167</u>	<u>23,543</u>	<u>27,857</u>
Fund balances - beginning	<u>104,707</u>	<u>104,707</u>	<u>104,707</u>	<u>-</u>	<u>104,707</u>	<u>-</u>
Fund balances - ending	<u>\$ 100,393</u>	<u>\$ 100,393</u>	<u>\$ 128,083</u>	<u>\$ 167</u>	<u>\$ 128,250</u>	<u>\$ 27,857</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Memorial Cemetery Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Charges for services	\$ 266,352	\$ 266,352	\$ 352,579	\$ -	\$ 352,579	\$ 86,227
Investment income	11,000	11,000	23,273	2,064	25,337	14,337
Total revenues	<u>277,352</u>	<u>277,352</u>	<u>375,852</u>	<u>2,064</u>	<u>377,916</u>	<u>100,564</u>
Expenditures						
Parks and recreation	-	-	230,365	(227,598)	2,767	2,767
Total expenditures	<u>-</u>	<u>-</u>	<u>230,365</u>	<u>(227,598)</u>	<u>2,767</u>	<u>2,767</u>
Excess (deficit) of revenues over (under) expenditures	<u>277,352</u>	<u>277,352</u>	<u>145,487</u>	<u>229,662</u>	<u>375,149</u>	<u>97,797</u>
Other financing sources (uses)						
Transfers out	(264,453)	(264,453)	(264,453)	-	(264,453)	-
Total other financing sources (uses)	<u>(264,453)</u>	<u>(264,453)</u>	<u>(264,453)</u>	<u>-</u>	<u>(264,453)</u>	<u>-</u>
Net change in fund balances	12,899	12,899	(118,966)	229,662	110,696	97,797
Fund balances - beginning	<u>5,308,419</u>	<u>5,308,419</u>	<u>5,308,419</u>	<u>-</u>	<u>5,308,419</u>	<u>-</u>
Fund balances - ending	<u>\$ 5,321,318</u>	<u>\$ 5,321,318</u>	<u>\$ 5,189,453</u>	<u>\$ 229,662</u>	<u>\$ 5,419,115</u>	<u>\$ 97,797</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Memorial Cemetery Endowment Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Charges for services	\$ 131,188	\$ 131,188	\$ 176,004	\$ -	\$ 176,004	\$ 44,816
Investment income	8,000	8,000	17,385	1,583	18,968	10,968
Total revenues	<u>139,188</u>	<u>139,188</u>	<u>193,389</u>	<u>1,583</u>	<u>194,972</u>	<u>55,784</u>
Expenditures						
Parks and recreation	15,000	24,000	197,661	(112,101)	85,560	61,560
Capital outlay	40,000	193,717	117,342	-	117,342	(76,375)
Total expenditures	<u>55,000</u>	<u>217,717</u>	<u>315,003</u>	<u>(112,101)</u>	<u>202,902</u>	<u>(14,815)</u>
Excess (deficit) of revenues over (under) expenditures	<u>84,188</u>	<u>(78,529)</u>	<u>(121,614)</u>	<u>113,684</u>	<u>(7,930)</u>	<u>70,599</u>
Other financing sources (uses)						
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	84,188	(78,529)	(121,614)	113,684	(7,930)	70,599
Fund balances - beginning	<u>3,017,717</u>	<u>3,017,717</u>	<u>3,017,717</u>	<u>-</u>	<u>3,017,717</u>	<u>-</u>
Fund balances - ending	<u>\$ 3,101,905</u>	<u>\$ 2,939,188</u>	<u>\$ 2,896,103</u>	<u>\$ 113,684</u>	<u>\$ 3,009,787</u>	<u>\$ 70,599</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Texas Avenue Cemetery Endowment Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Charges for services	\$ 5,000	\$ 5,000	\$ 9,605	\$ -	\$ 9,605	\$ 4,605
Investment income	16,000	16,000	28,952	2,480	31,432	15,432
Other	-	-	210	-	210	210
Total revenues	<u>21,000</u>	<u>21,000</u>	<u>38,767</u>	<u>2,480</u>	<u>41,247</u>	<u>20,247</u>
Expenditures						
Parks and recreation	-	-	3,279	(29)	3,250	3,250
Total expenditures	<u>-</u>	<u>-</u>	<u>3,279</u>	<u>(29)</u>	<u>3,250</u>	<u>3,250</u>
Excess (deficit) of revenues over (under) expenditures	<u>21,000</u>	<u>21,000</u>	<u>35,488</u>	<u>2,509</u>	<u>37,997</u>	<u>16,997</u>
Other financing sources (uses)						
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	21,000	21,000	35,488	2,509	37,997	16,997
Fund balances - beginning	<u>1,910,835</u>	<u>1,910,835</u>	<u>1,910,835</u>	<u>-</u>	<u>1,910,835</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,931,835</u>	<u>\$ 1,931,835</u>	<u>\$ 1,946,323</u>	<u>\$ 2,509</u>	<u>\$ 1,948,832</u>	<u>\$ 16,997</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Hotel Tax Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Other taxes	\$ 5,125,000	\$ 5,125,000	\$ 5,737,743	\$ -	\$ 5,737,743	\$ 612,743
Investment income	140,000	140,000	301,212	25,829	327,041	187,041
Other	10,000	10,000	10,436	-	10,436	436
Total revenues	<u>5,275,000</u>	<u>5,275,000</u>	<u>6,049,391</u>	<u>25,829</u>	<u>6,075,220</u>	<u>800,220</u>
Expenditures						
Parks and recreation	336,850	336,850	447,378	-	447,378	110,528
General government	285,000	85,000	418	-	418	(84,582)
Contributions	3,792,235	3,986,658	3,526,538	-	3,526,538	(460,120)
Capital outlay	2,574,479	4,318,360	1,527,894	-	1,527,894	(2,790,466)
Total expenditures	<u>6,988,564</u>	<u>8,726,868</u>	<u>5,502,228</u>	<u>-</u>	<u>5,502,228</u>	<u>(3,224,640)</u>
Excess (deficit) of revenues over (under) expenditures	<u>(1,713,564)</u>	<u>(3,451,868)</u>	<u>547,163</u>	<u>25,829</u>	<u>572,992</u>	<u>4,024,860</u>
Other financing sources (uses)						
Transfers out	<u>(721,336)</u>	<u>(721,336)</u>	<u>(494,605)</u>	<u>14,244</u>	<u>(480,361)</u>	<u>240,975</u>
Total other financing sources (uses)	<u>(721,336)</u>	<u>(721,336)</u>	<u>(494,605)</u>	<u>14,244</u>	<u>(480,361)</u>	<u>240,975</u>
Net change in fund balances	(2,434,900)	(4,173,204)	52,558	40,073	92,631	4,265,835
Fund balances - beginning	18,990,640	18,990,640	18,990,640	-	18,990,640	-
Fund balances - ending	<u>\$ 16,555,740</u>	<u>\$ 14,817,436</u>	<u>\$ 19,043,198</u>	<u>\$ 40,073</u>	<u>\$ 19,083,271</u>	<u>\$ 4,265,835</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Community Development Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Intergovernmental	\$ 2,632,620	\$ 2,632,620	\$ 1,267,361	\$ 61,475	\$ 1,328,836	\$ (1,303,784)
Other	-	-	26,537	295	26,832	26,832
Total revenues	<u>2,632,620</u>	<u>2,632,620</u>	<u>1,293,898</u>	<u>61,770</u>	<u>1,355,668</u>	<u>(1,276,952)</u>
Expenditures						
General government	1,825,862	1,825,862	2,446,868	(1,316,986)	1,129,882	(695,980)
Capital outlay	806,758	806,758	164,233	-	164,233	(642,525)
Total expenditures	<u>2,632,620</u>	<u>2,632,620</u>	<u>2,611,101</u>	<u>(1,316,986)</u>	<u>1,294,115</u>	<u>(1,338,505)</u>
Excess (deficit) of revenues over (under) expenditures	-	-	(1,317,203)	1,378,756	61,553	61,553
Other financing sources (uses)						
Transfers out	-	-	(7,784)	-	(7,784)	(7,784)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(7,784)</u>	<u>-</u>	<u>(7,784)</u>	<u>(7,784)</u>
Net change in fund balances	-	-	(1,324,987)	1,378,756	53,769	53,769
Fund balances - beginning	2,012,292	2,012,292	2,012,292	-	2,012,292	-
Fund balances - ending	<u>\$ 2,012,292</u>	<u>\$ 2,012,292</u>	<u>\$ 687,305</u>	<u>\$ 1,378,756</u>	<u>\$ 2,066,061</u>	<u>\$ 53,769</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Wolf Pen Creek Tax Increment Financing District Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Investment income	\$ 9,500	\$ 9,500	\$ 11,968	\$ 270	\$ 12,238	\$ 2,738
Total revenues	<u>9,500</u>	<u>9,500</u>	<u>11,968</u>	<u>270</u>	<u>12,238</u>	<u>2,738</u>
Expenditures						
General government	-	1,077,759	1,277,906	-	1,277,906	200,147
Total expenditures	<u>-</u>	<u>1,077,759</u>	<u>1,277,906</u>	<u>-</u>	<u>1,277,906</u>	<u>200,147</u>
Excess (deficit) of revenues over (under) expenditures	<u>9,500</u>	<u>(1,068,259)</u>	<u>(1,265,938)</u>	<u>270</u>	<u>(1,265,668)</u>	<u>(197,409)</u>
Other financing sources (uses)						
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	9,500	(1,068,259)	(1,265,938)	270	(1,265,668)	(197,409)
Fund balances - beginning	1,277,906	1,277,906	1,277,906	-	1,277,906	-
Fund balances - ending	<u>\$ 1,287,406</u>	<u>\$ 209,647</u>	<u>\$ 11,968</u>	<u>\$ 270</u>	<u>\$ 12,238</u>	<u>\$ (197,409)</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Parks Escrow Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Investment income	\$ 10,000	\$ 10,000	\$ 50,785	\$ 9,115	\$ 59,900	\$ 49,900
Contributions	400,000	400,000	779,751	-	779,751	379,751
Total revenues	<u>410,000</u>	<u>410,000</u>	<u>830,536</u>	<u>9,115</u>	<u>839,651</u>	<u>429,651</u>
Expenditures						
Capital outlay	5,493,225	6,037,725	1,226,986	-	1,226,986	(4,810,739)
Total expenditures	<u>5,493,225</u>	<u>6,037,725</u>	<u>1,226,986</u>	<u>-</u>	<u>1,226,986</u>	<u>(4,810,739)</u>
Excess (deficit) of revenues over (under) expenditures	<u>(5,083,225)</u>	<u>(5,627,725)</u>	<u>(396,450)</u>	<u>9,115</u>	<u>(387,335)</u>	<u>5,240,390</u>
Other financing sources (uses)						
Transfers out	(34,489)	(34,489)	(41,229)	6,740	(34,489)	-
Total other financing sources (uses)	<u>(34,489)</u>	<u>(34,489)</u>	<u>(41,229)</u>	<u>6,740</u>	<u>(34,489)</u>	<u>-</u>
Net change in fund balances	(5,117,714)	(5,662,214)	(437,679)	15,855	(421,824)	5,240,390
Fund balances - beginning	7,502,271	7,502,271	7,502,271	-	7,502,271	-
Fund balances - ending	<u>\$ 2,384,557</u>	<u>\$ 1,840,057</u>	<u>\$ 7,064,592</u>	<u>\$ 15,855</u>	<u>\$ 7,080,447</u>	<u>\$ 5,240,390</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Sidewalk Zones Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Investment income	\$ 1,000	\$ 1,000	\$ 1,680	\$ 131	\$ 1,811	\$ 811
Contributions	-	-	36,580	-	36,580	36,580
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>38,260</u>	<u>131</u>	<u>38,391</u>	<u>37,391</u>
Expenditures						
Capital outlay	92,300	92,300	32,124	-	32,124	(60,176)
Total expenditures	<u>92,300</u>	<u>92,300</u>	<u>32,124</u>	<u>-</u>	<u>32,124</u>	<u>(60,176)</u>
Excess (deficit) of revenues over (under) expenditures	<u>(91,300)</u>	<u>(91,300)</u>	<u>6,136</u>	<u>131</u>	<u>6,267</u>	<u>97,567</u>
Other financing sources (uses)						
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(91,300)</u>	<u>(91,300)</u>	<u>6,136</u>	<u>131</u>	<u>6,267</u>	<u>97,567</u>
Fund balances - beginning	96,548	96,548	96,548	-	96,548	-
Fund balances - ending	<u>\$ 5,248</u>	<u>\$ 5,248</u>	<u>\$ 102,684</u>	<u>\$ 131</u>	<u>\$ 102,815</u>	<u>\$ 97,567</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Drainage Utility Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Charges for services	\$ 2,295,700	\$ 2,295,700	\$ 2,323,471	\$ -	\$ 2,323,471	\$ 27,771
Investment income	15,000	15,000	25,011	1,940	26,951	11,951
Total revenues	<u>2,310,700</u>	<u>2,310,700</u>	<u>2,348,482</u>	<u>1,940</u>	<u>2,350,422</u>	<u>39,722</u>
Expenditures						
Public works	1,412,597	1,412,597	1,292,884	-	1,292,884	(119,713)
Planning and development services	129,336	129,336	114,175	-	114,175	(15,161)
General government	87,284	87,284	97,739	(10,455)	87,284	-
Capital outlay	200,000	200,000	472,742	-	472,742	272,742
Total expenditures	<u>1,829,217</u>	<u>1,829,217</u>	<u>1,977,540</u>	<u>(10,455)</u>	<u>1,967,085</u>	<u>137,868</u>
Excess (deficit) of revenues over (under) expenditures	<u>481,483</u>	<u>481,483</u>	<u>370,942</u>	<u>12,395</u>	<u>383,337</u>	<u>(98,146)</u>
Other financing sources (uses)						
Transfers out	(517,470)	(517,470)	(527,575)	10,105	(517,470)	-
Total other financing sources (uses)	<u>(517,470)</u>	<u>(517,470)</u>	<u>(527,575)</u>	<u>10,105</u>	<u>(517,470)</u>	<u>-</u>
Net change in fund balances	(35,987)	(35,987)	(156,633)	22,500	(134,133)	(98,146)
Fund balances - beginning	1,872,882	1,872,882	1,872,882	-	1,872,882	-
Fund balances - ending	<u>\$ 1,836,895</u>	<u>\$ 1,836,895</u>	<u>\$ 1,716,249</u>	<u>\$ 22,500</u>	<u>\$ 1,738,749</u>	<u>\$ (98,146)</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Truancy Prevention Fee Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Fines, forfeits, and penalties	\$ 17,552	\$ 17,552	\$ 11,554	\$ -	\$ 11,554	\$ (5,998)
Investment income	445	445	870	82	952	507
Total revenues	<u>17,997</u>	<u>17,997</u>	<u>12,424</u>	<u>82</u>	<u>12,506</u>	<u>(5,491)</u>
Expenditures						
Fiscal services	6,000	6,000	164	-	164	(5,836)
Total expenditures	<u>6,000</u>	<u>6,000</u>	<u>164</u>	<u>-</u>	<u>164</u>	<u>(5,836)</u>
Excess (deficit) of revenues over (under) expenditures	<u>11,997</u>	<u>11,997</u>	<u>12,260</u>	<u>82</u>	<u>12,342</u>	<u>345</u>
Other financing sources (uses)						
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	11,997	11,997	12,260	82	12,342	345
Fund balances - beginning	52,308	52,308	52,308	-	52,308	-
Fund balances - ending	<u>\$ 64,305</u>	<u>\$ 64,305</u>	<u>\$ 64,568</u>	<u>\$ 82</u>	<u>\$ 64,650</u>	<u>\$ 345</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
West Medical District Tax Increment Reinvestment Zone No. 18 Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Ad valorem taxes	\$ 261,877	\$ 261,877	\$ 236,437	\$ -	\$ 236,437	\$ (25,440)
Investment income	3,336	3,336	5,280	1,165	6,445	3,109
Total revenues	<u>265,213</u>	<u>265,213</u>	<u>241,717</u>	<u>1,165</u>	<u>242,882</u>	<u>(22,331)</u>
Expenditures						
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficit) of revenues over (under) expenditures	<u>265,213</u>	<u>265,213</u>	<u>241,717</u>	<u>1,165</u>	<u>242,882</u>	<u>(22,331)</u>
Other financing sources (uses)						
Transfers out	-	(916,000)	(914,724)	-	(914,724)	1,276
Total other financing sources (uses)	<u>-</u>	<u>(916,000)</u>	<u>(914,724)</u>	<u>-</u>	<u>(914,724)</u>	<u>1,276</u>
Net change in fund balances	265,213	(650,787)	(673,007)	1,165	(671,842)	(21,055)
Fund balances - beginning	673,007	673,007	673,007	-	673,007	-
Fund balances - ending	<u>\$ 938,220</u>	<u>\$ 22,220</u>	<u>\$ -</u>	<u>\$ 1,165</u>	<u>\$ 1,165</u>	<u>\$ (21,055)</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
East Medical District Tax Increment Reinvestment Zone No. 19 Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Ad valorem taxes	\$ 12,448	\$ 12,448	\$ 12,448	\$ -	\$ 12,448	\$ -
Investment income	21	21	70	24	94	73
Total revenues	<u>12,469</u>	<u>12,469</u>	<u>12,518</u>	<u>24</u>	<u>12,542</u>	<u>73</u>
Expenditures						
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficit) of revenues over (under) expenditures	<u>12,469</u>	<u>12,469</u>	<u>12,518</u>	<u>24</u>	<u>12,542</u>	<u>73</u>
Other financing sources (uses)						
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	12,469	12,469	12,518	24	12,542	73
Fund balances - beginning	5,704	5,704	5,704	-	5,704	-
Fund balances - ending	<u>\$ 18,173</u>	<u>\$ 18,173</u>	<u>\$ 18,222</u>	<u>\$ 24</u>	<u>\$ 18,246</u>	<u>\$ 73</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Public, Educational and Governmental Access Channel Fee Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Other taxes	\$ 204,020	\$ 204,020	\$ 197,576	\$ -	\$ 197,576	\$ (6,444)
Investment income	4,322	4,322	10,250	935	11,185	6,863
Total revenues	<u>208,342</u>	<u>208,342</u>	<u>207,826</u>	<u>935</u>	<u>208,761</u>	<u>419</u>
Expenditures						
General government	65,640	65,640	61,794	-	61,794	(3,846)
Capital outlay	61,500	61,500	19,984	-	19,984	(41,516)
Total expenditures	<u>127,140</u>	<u>127,140</u>	<u>81,778</u>	<u>-</u>	<u>81,778</u>	<u>(45,362)</u>
Excess (deficit) of revenues over (under) expenditures	<u>81,202</u>	<u>81,202</u>	<u>126,048</u>	<u>935</u>	<u>126,983</u>	<u>45,781</u>
Other financing sources (uses)						
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	81,202	81,202	126,048	935	126,983	45,781
Fund balances - beginning	608,610	608,610	608,610	-	608,610	-
Fund balances - ending	<u>\$ 689,812</u>	<u>\$ 689,812</u>	<u>\$ 734,658</u>	<u>\$ 935</u>	<u>\$ 735,593</u>	<u>\$ 45,781</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
R.E. Meyer Estate Restricted Gift Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Investment income	\$ 500	\$ 500	\$ 6,591	\$ 196	\$ 6,787	\$ 6,287
Total revenues	<u>500</u>	<u>500</u>	<u>6,591</u>	<u>196</u>	<u>6,787</u>	<u>6,287</u>
Expenditures						
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficit) of revenues over (under) expenditures	500	500	6,591	196	6,787	6,287
Other financing sources (uses)						
Transfers out	(573,190)	(573,190)	(573,190)	-	(573,190)	-
Total other financing sources (uses)	<u>(573,190)</u>	<u>(573,190)</u>	<u>(573,190)</u>	<u>-</u>	<u>(573,190)</u>	<u>-</u>
Net change in fund balances	(572,690)	(572,690)	(566,599)	196	(566,403)	6,287
Fund balances - beginning	<u>720,241</u>	<u>720,241</u>	<u>720,241</u>	<u>-</u>	<u>720,241</u>	<u>-</u>
Fund balances - ending	<u>\$ 147,551</u>	<u>\$ 147,551</u>	<u>\$ 153,642</u>	<u>\$ 196</u>	<u>\$ 153,838</u>	<u>\$ 6,287</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Roadway Maintenance Fee Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Charges for services	\$ 4,216,000	\$ 4,216,000	\$ 4,375,386	\$ -	\$ 4,375,386	\$ 159,386
Investment income	1,000	1,000	23,508	946	24,454	23,454
Other	-	-	222,683	-	222,683	222,683
Total revenues	<u>4,217,000</u>	<u>4,217,000</u>	<u>4,621,577</u>	<u>946</u>	<u>4,622,523</u>	<u>405,523</u>
Expenditures						
Public works	4,083,128	4,083,128	4,028,558	(16,099)	4,012,459	(70,669)
Total expenditures	<u>4,083,128</u>	<u>4,083,128</u>	<u>4,028,558</u>	<u>(16,099)</u>	<u>4,012,459</u>	<u>(70,669)</u>
Excess (deficit) of revenues over (under) expenditures	<u>133,872</u>	<u>133,872</u>	<u>593,019</u>	<u>17,045</u>	<u>610,064</u>	<u>476,192</u>
Other financing sources (uses)						
Transfers out	(134,457)	(134,457)	(134,457)	-	(134,457)	-
Total other financing sources (uses)	<u>(134,457)</u>	<u>(134,457)</u>	<u>(134,457)</u>	<u>-</u>	<u>(134,457)</u>	<u>-</u>
Net change in fund balances	(585)	(585)	458,562	17,045	475,607	476,192
Fund balances - beginning	330,641	330,641	330,641	-	330,641	-
Fund balances - ending	<u>\$ 330,056</u>	<u>\$ 330,056</u>	<u>\$ 789,203</u>	<u>\$ 17,045</u>	<u>\$ 806,248</u>	<u>\$ 476,192</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Fun For All Playground Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Investment income	\$ -	\$ -	\$ (1,271)	\$ 1,271	\$ -	\$ -
Contributions	-	1,000,000	1,000,000	-	1,000,000	-
Total revenues	-	1,000,000	998,729	1,271	1,000,000	-
Expenditures						
Capital outlay	-	1,000,000	38,985	-	38,985	(961,015)
Total expenditures	-	1,000,000	38,985	-	38,985	(961,015)
Excess (deficit) of revenues over (under) expenditures	-	-	959,744	1,271	961,015	961,015
Other financing sources (uses)						
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	-	-	959,744	1,271	961,015	961,015
Fund balances - beginning	-	-	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ 959,744	\$ 1,271	\$ 961,015	\$ 961,015

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
System-Wide Water Impact Fee Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Investment income	\$ 1,000	\$ 1,000	\$ 1,519	\$ 34	\$ 1,553	\$ 553
Other	377,417	377,417	339,325	-	339,325	(38,092)
Total revenues	<u>378,417</u>	<u>378,417</u>	<u>340,844</u>	<u>34</u>	<u>340,878</u>	<u>(37,539)</u>
Expenditures						
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficit) of revenues over (under) expenditures	<u>378,417</u>	<u>378,417</u>	<u>340,844</u>	<u>34</u>	<u>340,878</u>	<u>(37,539)</u>
Other financing sources (uses)						
Transfers out	(359,152)	(359,152)	(359,152)	-	(359,152)	-
Total other financing sources (uses)	<u>(359,152)</u>	<u>(359,152)</u>	<u>(359,152)</u>	<u>-</u>	<u>(359,152)</u>	<u>-</u>
Net change in fund balances	19,265	19,265	(18,308)	34	(18,274)	(37,539)
Fund balances - beginning	45,075	45,075	45,075	-	45,075	-
Fund balances - ending	<u>\$ 64,340</u>	<u>\$ 64,340</u>	<u>\$ 26,767</u>	<u>\$ 34</u>	<u>\$ 26,801</u>	<u>\$ (37,539)</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
System-Wide Wastewater Impact Fee Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Investment income	\$ 10,000	\$ 10,000	\$ 12,216	\$ 1,838	\$ 14,054	\$ 4,054
Other	2,264,500	2,264,500	1,606,025	-	1,606,025	(658,475)
Total revenues	<u>2,274,500</u>	<u>2,274,500</u>	<u>1,618,241</u>	<u>1,838</u>	<u>1,620,079</u>	<u>(654,421)</u>
Expenditures						
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficit) of revenues over (under) expenditures	<u>2,274,500</u>	<u>2,274,500</u>	<u>1,618,241</u>	<u>1,838</u>	<u>1,620,079</u>	<u>(654,421)</u>
Other financing sources (uses)						
Transfers out	(330,075)	(330,075)	(330,075)	-	(330,075)	-
Total other financing sources (uses)	<u>(330,075)</u>	<u>(330,075)</u>	<u>(330,075)</u>	<u>-</u>	<u>(330,075)</u>	<u>-</u>
Net change in fund balances	1,944,425	1,944,425	1,288,166	1,838	1,290,004	(654,421)
Fund balances - beginning	155,476	155,476	155,476	-	155,476	-
Fund balances - ending	<u>\$ 2,099,901</u>	<u>\$ 2,099,901</u>	<u>\$ 1,443,642</u>	<u>\$ 1,838</u>	<u>\$ 1,445,480</u>	<u>\$ (654,421)</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
System-Wide Roadway Impact Fee Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Investment income	\$ 1,000	\$ 1,000	\$ 1,737	\$ 337	\$ 2,074	\$ 1,074
Other	416,667	416,667	263,103	-	263,103	(153,564)
Total revenues	<u>417,667</u>	<u>417,667</u>	<u>264,840</u>	<u>337</u>	<u>265,177</u>	<u>(152,490)</u>
Expenditures	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficit) of revenues over (under) expenditures	<u>417,667</u>	<u>417,667</u>	<u>264,840</u>	<u>337</u>	<u>265,177</u>	<u>(152,490)</u>
Other financing sources (uses)	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	417,667	417,667	264,840	337	265,177	(152,490)
Fund balances - beginning	-	-	-	-	-	-
Fund balances - ending	<u>\$ 417,667</u>	<u>\$ 417,667</u>	<u>\$ 264,840</u>	<u>\$ 337</u>	<u>\$ 265,177</u>	<u>\$ (152,490)</u>

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Debt Service Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Ad valorem taxes	\$ 18,985,125	\$ 18,985,125	\$ 19,089,647	\$ -	\$ 19,089,647	\$ 104,522
Investment income	50,000	50,000	126,466	6,714	133,180	83,180
Total revenues	19,035,125	19,035,125	19,216,113	6,714	19,222,827	187,702
Expenditures						
Principal retirement	14,694,893	14,694,893	12,435,000	-	12,435,000	(2,259,893)
Interest on long-term debt	4,765,708	4,765,708	7,024,474	-	7,024,474	2,258,766
Debt issuance costs	150,000	150,000	9,719	-	9,719	(140,281)
Total expenditures	19,610,601	19,610,601	19,469,193	-	19,469,193	(141,408)
Excess (deficit) of revenues over (under) expenditures	(575,476)	(575,476)	(253,080)	6,714	(246,366)	329,110
Other financing sources (uses)						
Transfers in	464,453	464,453	464,453	-	464,453	-
Total other financing sources (uses)	464,453	464,453	464,453	-	464,453	-
Net change in fund balances	(111,023)	(111,023)	211,373	6,714	218,087	329,110
Fund balances - beginning	5,061,437	5,061,437	5,061,437	-	5,061,437	-
Fund balances - ending	\$ 4,950,414	\$ 4,950,414	\$ 5,272,810	\$ 6,714	\$ 5,279,524	\$ 329,110

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Parks and Recreation Projects Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Charges for services	\$ 96,000	\$ 96,000	\$ 123,900	\$ -	\$ 123,900	\$ 27,900
Investment income	25,000	25,000	62,776	8,368	71,144	46,144
Other	23,675	23,675	-	-	-	(23,675)
Total revenues	<u>144,675</u>	<u>144,675</u>	<u>186,676</u>	<u>8,368</u>	<u>195,044</u>	<u>50,369</u>
Expenditures						
Parks and recreation	-	-	2,917	-	2,917	2,917
Capital outlay	3,726,500	4,126,500	2,459,319	-	2,459,319	(1,667,181)
Debt issuance costs	23,675	23,675	63,210	-	63,210	39,535
Total expenditures	<u>3,750,175</u>	<u>4,150,175</u>	<u>2,525,446</u>	<u>-</u>	<u>2,525,446</u>	<u>(1,624,729)</u>
Excess (deficit) of revenues over (under) expenditures	<u>(3,605,500)</u>	<u>(4,005,500)</u>	<u>(2,338,770)</u>	<u>8,368</u>	<u>(2,330,402)</u>	<u>1,675,098</u>
Other financing sources (uses)						
Issuance of bonds	4,735,000	5,135,000	5,005,000	-	5,005,000	(130,000)
Premiums on bonds issued	-	-	268,644	-	268,644	268,644
Transfers out	(34,490)	(34,490)	(46,569)	12,079	(34,490)	-
Total other financing sources (uses)	<u>4,700,510</u>	<u>5,100,510</u>	<u>5,227,075</u>	<u>12,079</u>	<u>5,239,154</u>	<u>138,644</u>
Net change in fund balances	1,095,010	1,095,010	2,888,305	20,447	2,908,752	1,813,742
Fund balances - beginning	3,342,655	3,342,655	3,342,655	-	3,342,655	-
Fund balances - ending	<u>\$ 4,437,665</u>	<u>\$ 4,437,665</u>	<u>\$ 6,230,960</u>	<u>\$ 20,447</u>	<u>\$ 6,251,407</u>	<u>\$ 1,813,742</u>

*Capital Investment Projects Budgets are Life to Date.

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
General Government Projects Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Investment income	\$ 235,000	\$ 235,000	\$ 604,689	\$ 52,171	\$ 656,860	\$ 421,860
Other	10,000	10,000	-	-	-	(10,000)
Total revenues	<u>245,000</u>	<u>245,000</u>	<u>604,689</u>	<u>52,171</u>	<u>656,860</u>	<u>411,860</u>
Expenditures						
General government	-	-	20,531	-	20,531	20,531
Capital outlay	3,763,190	4,463,190	4,464,298	-	4,464,298	1,108
Debt issuance costs	15,625	15,625	37,177	-	37,177	21,552
Total expenditures	<u>3,778,815</u>	<u>4,478,815</u>	<u>4,522,006</u>	<u>-</u>	<u>4,522,006</u>	<u>43,191</u>
Excess (deficit) of revenues over (under) expenditures	<u>(3,533,815)</u>	<u>(4,233,815)</u>	<u>(3,917,317)</u>	<u>52,171</u>	<u>(3,865,146)</u>	<u>368,669</u>
Other financing sources (uses)						
Issuance of bonds	3,125,000	3,825,000	2,950,000	-	2,950,000	(875,000)
Premiums on bonds issued	-	-	141,532	-	141,532	141,532
Transfers in	678,190	1,594,190	1,592,914	-	1,592,914	(1,276)
Transfers out	(113,667)	(113,667)	(193,371)	79,704	(113,667)	-
Total other financing sources (uses)	<u>3,689,523</u>	<u>5,305,523</u>	<u>4,491,075</u>	<u>79,704</u>	<u>4,570,779</u>	<u>(734,744)</u>
Net change in fund balances	155,708	1,071,708	573,758	131,875	705,633	(366,075)
Fund balances - beginning	<u>39,662,661</u>	<u>39,662,661</u>	<u>39,662,661</u>	<u>-</u>	<u>39,662,661</u>	<u>-</u>
Fund balances - ending	<u>\$ 39,818,369</u>	<u>\$ 40,734,369</u>	<u>\$ 40,236,419</u>	<u>\$ 131,875</u>	<u>\$ 40,368,294</u>	<u>\$ (366,075)</u>

*Capital Investment Projects Budgets are Life to Date.

CITY OF COLLEGE STATION, TEXAS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Streets Projects Fund
For the Fiscal Year Ended September 30, 2018

	Original Budget	Final Budget	Actual GAAP Basis	Adjustments Budget Basis	Actual Budget Basis	Variance with Final Budget Over (Under)
Revenues						
Intergovernmental	\$ -	\$ -	\$ 464,767	\$ -	\$ 464,767	\$ 464,767
Investment income	400,000	400,000	699,318	55,553	754,871	354,871
Other	176,888	329,688	152,800	-	152,800	(176,888)
Total revenues	<u>576,888</u>	<u>729,688</u>	<u>1,316,885</u>	<u>55,553</u>	<u>1,372,438</u>	<u>642,750</u>
Expenditures						
Public works	-	-	694	-	694	694
Capital outlay	15,497,500	15,650,300	21,617,209	-	21,617,209	5,966,909
Debt issuance costs	76,888	76,888	129,434	-	129,434	52,546
Total expenditures	<u>15,574,388</u>	<u>15,727,188</u>	<u>21,747,337</u>	<u>-</u>	<u>21,747,337</u>	<u>6,020,149</u>
Excess (deficit) of revenues over (under) expenditures	<u>(14,997,500)</u>	<u>(14,997,500)</u>	<u>(20,430,452)</u>	<u>55,553</u>	<u>(20,374,899)</u>	<u>(5,377,399)</u>
Other financing sources (uses)						
Issuance of bonds	15,377,500	15,377,500	10,275,000	-	10,275,000	(5,102,500)
Premium on bonds issued	-	-	481,018	-	481,018	481,018
Transfers out	(454,007)	(454,007)	(707,618)	253,611	(454,007)	-
Total other financing sources (uses)	<u>14,923,493</u>	<u>14,923,493</u>	<u>10,048,400</u>	<u>253,611</u>	<u>10,302,011</u>	<u>(4,621,482)</u>
Net change in fund balances	(74,007)	(74,007)	(10,382,052)	309,164	(10,072,888)	(9,998,881)
Fund balances - beginning	49,575,327	49,575,327	49,575,327	-	49,575,327	-
Fund balances - ending	<u>\$ 49,501,320</u>	<u>\$ 49,501,320</u>	<u>\$ 39,193,275</u>	<u>\$ 309,164</u>	<u>\$ 39,502,439</u>	<u>\$ (9,998,881)</u>

*Capital Investment Projects Budgets are Life to Date.



CITY OF COLLEGE STATION
Home of Texas A&M University®

COMBINING FINANCIAL STATEMENTS

NONMAJOR ENTERPRISE FUNDS

Solid Waste Fund - account for all solid waste collection and disposal activities by the City for both residential and commercial customers.

Northgate Parking Garage Fund - account for revenues and expenses related to the operation and maintenance of the Northgate parking garage and parking lot.

CITY OF COLLEGE STATION, TEXAS

Combining Statement of Net Position

Nonmajor Enterprise Funds

September 30, 2018

	<u>Solid Waste</u>	<u>Northgate Parking Garage</u>	<u>Total Nonmajor Enterprise Funds</u>
Assets			
Current assets			
Cash and cash equivalents	\$ 1,085,561	\$ 1,039,260	\$ 2,124,821
Equity in investments	187,674	179,066	366,740
Receivable (net of allow for uncollectible)	1,183,272	76,000	1,259,272
Loan receivable	230,000	-	230,000
Investments interest receivable	937	894	1,831
Inventories	29,327	-	29,327
Prepaid costs	1,708	-	1,708
Total current assets	<u>2,718,479</u>	<u>1,295,220</u>	<u>4,013,699</u>
Noncurrent assets			
Equity in joint venture	17,261,241	-	17,261,241
Loan receivable	2,725,000	-	2,725,000
Capital assets			
Buildings	-	6,349,242	6,349,242
Machinery and equipment	6,406,630	716,114	7,122,744
Less accumulated depreciation	(3,877,019)	(3,018,216)	(6,895,235)
Construction in progress	-	466	466
Land	-	690,750	690,750
Total capital assets	<u>2,529,611</u>	<u>4,738,356</u>	<u>7,267,967</u>
Total noncurrent assets	<u>22,515,852</u>	<u>4,738,356</u>	<u>27,254,208</u>
Total assets	<u>25,234,331</u>	<u>6,033,576</u>	<u>31,267,907</u>
Deferred outflows of resources			
Deferred charge on refunding	317,589	11,177	328,766
Pension	272,290	33,538	305,828
OPEB	51,701	8,383	60,084
Total deferred outflows of resources	<u>641,580</u>	<u>53,098</u>	<u>694,678</u>
Liabilities			
Current liabilities			
Accounts payable	275,298	69,654	344,952
Accrued liabilities	145,824	27,249	173,073
Unearned Revenue	-	132,534	132,534
Compensated absences	8,168	1,125	9,293
Accrued interest payable	15,909	2,019	17,928
Certificates of obligation	230,000	-	230,000
General obligation bonds	31,234	213,174	244,408
Total current liabilities	<u>706,433</u>	<u>445,755</u>	<u>1,152,188</u>
Noncurrent liabilities			
Certificates of obligation	490,000	-	490,000
General obligation bonds	2,539,530	220,000	2,759,530
Compensated absences	99,110	13,652	112,762
Post employment benefits	245,846	39,867	285,713
Net pension liability	895,057	98,561	993,618
Total noncurrent liabilities	<u>4,269,543</u>	<u>372,080</u>	<u>4,641,623</u>
Total liabilities	<u>4,975,976</u>	<u>817,835</u>	<u>5,793,811</u>
Deferred inflows of resources			
Pension	178,761	33,723	212,484
OPEB	120,627	19,561	140,188
Total deferred inflows of resources	<u>299,388</u>	<u>53,284</u>	<u>352,672</u>
Net position			
Net investment in capital assets	2,529,611	4,294,005	6,823,616
Restricted for			
BVSWMA Investment	17,261,241	-	17,261,241
Unrestricted	809,695	921,550	1,731,245
Total net position	<u>\$ 20,600,547</u>	<u>\$ 5,215,555</u>	<u>\$ 25,816,102</u>

CITY OF COLLEGE STATION, TEXAS
Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Enterprise Funds
For the Fiscal Year Ended September 30, 2018

	Solid Waste	Northgate Parking Garage	Total Nonmajor Enterprise Funds
Operating revenues			
Charges for services	\$ 9,548,331	\$ 1,067,806	\$ 10,616,137
Fines, forfeits, and penalties	-	300,551	300,551
Other	52,916	95	53,011
Total operating revenues	<u>9,601,247</u>	<u>1,368,452</u>	<u>10,969,699</u>
Operating expenses			
Salaries and benefits	2,181,304	360,657	2,541,961
Supplies	435,136	17,508	452,644
Maintenance	690,732	70,159	760,891
Purchased professional services	922,959	174,485	1,097,444
Purchased property services	1,363,579	43,063	1,406,642
Other purchased services	1,825,980	90,183	1,916,163
Depreciation	967,300	209,124	1,176,424
Other	78,525	-	78,525
Total operating expenses	<u>8,465,515</u>	<u>965,179</u>	<u>9,430,694</u>
Operating income	<u>1,135,732</u>	<u>403,273</u>	<u>1,539,005</u>
Nonoperating revenues (expenses)			
Investment income	161,977	19,607	181,584
Earnings in joint venture	1,542,900	-	1,542,900
Interest payments	(173,885)	(30,018)	(203,903)
Other, net	(159,959)	(63,098)	(223,057)
Total nonoperating revenues (expenses)	<u>1,371,033</u>	<u>(73,509)</u>	<u>1,297,524</u>
Income before contributions and transfers	<u>2,506,765</u>	<u>329,764</u>	<u>2,836,529</u>
Capital contributions and transfers			
Capital contributions	548,830	-	548,830
Transfers out	(1,406,477)	(272,017)	(1,678,494)
Total capital contributions and transfers	<u>(857,647)</u>	<u>(272,017)</u>	<u>(1,129,664)</u>
Change in net position	1,649,118	57,747	1,706,865
Net position - beginning	19,172,089	5,252,340	24,424,429
Prior period adjustment	(220,660)	(94,532)	(315,192)
Net position - ending	<u>\$ 20,600,547</u>	<u>\$ 5,215,555</u>	<u>\$ 25,816,102</u>

CITY OF COLLEGE STATION, TEXAS
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended September 30, 2018

	Solid Waste	Northgate Parking Garage	Total Nonmajor Enterprise Funds
Cash flows from operating activities:			
Cash received from customers	9,481,567	\$ 1,320,346	\$ 10,801,913
Cash payments to suppliers for goods and services	(5,076,525)	(351,799)	(5,428,324)
Cash payments to employees for services	(2,772,614)	(377,613)	(3,150,227)
Cash paid for miscellaneous services	(78,525)	-	(78,525)
Net cash provided (used) by operating activities	<u>1,553,903</u>	<u>590,934</u>	<u>2,144,837</u>
Cash flows from noncapital financing activities:			
Cash (paid) for received from miscellaneous non operating services	(159,957)	(63,098)	(223,055)
Transfers in from other funds	-	-	-
Transfers out to other funds	(1,406,477)	(272,017)	(1,678,494)
Net cash provided (used) by noncapital financing activities	<u>(1,566,434)</u>	<u>(335,115)</u>	<u>(1,901,549)</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(548,831)	(138,598)	(687,429)
Capital grants and contributions	548,830	-	548,830
BVSWMA loan payments received	445,000	-	445,000
Principal paid on certificates of obligation and general obligation bonds	(220,000)	(205,000)	(425,000)
Interest paid on certificates of obligation and general obligation bonds	(173,885)	(30,018)	(203,903)
Net cash provided (used) by capital and related financing activities	<u>51,114</u>	<u>(373,616)</u>	<u>(322,502)</u>
Cash flows from investing activities:			
Purchase of investments	(83,394)	(49,653)	(133,047)
Proceeds from sale and maturities of investment securities	10,718	11,325	22,043
Investment income	161,360	19,104	180,464
Net cash provided (used) by investing activities	<u>88,684</u>	<u>(19,224)</u>	<u>69,460</u>
Net increase (decrease) in cash and cash equivalents	127,267	(137,021)	(9,754)
Cash and cash equivalents, Oct. 1	958,294	1,176,281	2,134,575
Cash and cash equivalents, Sept. 30	<u>1,085,561</u>	<u>\$ 1,039,260</u>	<u>\$ 2,124,821</u>
Reconciliation of operating income to net cash			
Provided by operating activities:			
Operating income	<u>1,135,732</u>	<u>\$ 403,273</u>	<u>\$ 1,539,005</u>
Adjustment to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	967,300	209,124	1,176,424
Amortization of Bond Premium (Discount)	(31,234)	(3,174)	(34,408)
Bad debt expense	38,637	-	38,637
Inventory loss	8,262	-	8,262
<i>(Increases) decreases in assets and deferred outflows:</i>			
Change in accounts receivable	(147,308)	(68,875)	(216,183)
Change in inventory	(19,913)	-	(19,913)
Change in prepaids	(1,708)	-	(1,708)
Change in deferred outflow on pensions	92,905	13,824	106,729
Change in deferred outflow on OPEB	(51,701)	(8,383)	(60,084)
Change in deferred charge on refunding	(190,770)	11,178	(179,592)
<i>Increases (decreases) in liabilities and deferred inflows:</i>			
Change in accounts payable	65,060	54,586	119,646
Change in unearned revenues	-	20,769	20,769
Change in accrued liabilities	15,127	5,165	20,292
Change in accrued vacation	(10,951)	4,088	(6,863)
Change in accrued interest payable	(4,127)	(897)	(5,024)
Change in OPEB	(375,440)	(60,883)	(436,323)
Change in net pension liability	(427,393)	(63,601)	(490,994)
Change in deferred inflow on pensions	370,798	55,179	425,977
Change in deferred inflow on OPEB	120,627	19,561	140,188
Total adjustments	<u>418,171</u>	<u>187,661</u>	<u>605,832</u>
Net cash provided (used) by operating activities	<u>1,553,903</u>	<u>\$ 590,934</u>	<u>\$ 2,144,837</u>
Reconciliation of total cash and cash equivalents:			
Current assets - cash and cash equivalents	1,085,561	\$ 1,039,260	\$ 2,124,821
Restricted assets - cash and cash equivalents	-	-	-
Total cash and cash equivalents	<u>1,085,561</u>	<u>\$ 1,039,260</u>	<u>\$ 2,124,821</u>

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

COMBINING FINANCIAL STATEMENTS

INTERNAL SERVICE FUNDS

Employee Benefits Fund – to account for self-insurance activity related to administration of the City's health benefits plan.

Equipment Replacement Fund – to account for the purchase of City equipment such as vehicles and large motorized equipment, telephone and radio systems, and replacement assets for existing technological infrastructure equipment not budgeted in other funds.

Fleet Maintenance Fund – to account for all activities related to the management of the City's vehicles and heavy equipment, including preventive maintenance and vehicle repair activities.

Property and Casualty Fund – to account for insurance activity relating to all claims filed for liability cases (both injury and property) and property losses incurred for City property.

Unemployment Fund – to account for self-insurance activity on claims filed under unemployment compensation laws.

Utility Customer Service Fund – to account for the billing and collection activities relating to the City's electric, water, and sewer utilities and residential and commercial garbage collection.

Workers' Compensation Fund – to account for self-insurance activity relating to administration of the City's workers' compensation plan.

CITY OF COLLEGE STATION, TEXAS
Combining Statement of Net Position
Internal Service Funds
September 30, 2018

	Employee Benefits	Equipment Replacement	Fleet Maintenance	Property and Casualty	Unemployment	Utility Customer Service	Workers' Compensation	Total Internal Service Funds
Assets								
Current assets								
Cash and cash equivalents	\$ 7,509,532	\$ 12,132,654	\$ 226,847	\$ 1,765,898	\$ 318,878	\$ 188,733	\$ 2,463,326	\$ 24,605,868
Equity in investments	1,298,263	2,097,518	39,217	305,292	55,128	32,162	425,865	4,253,445
Receivable (net of allow for uncollectible)	-	-	-	270,278	-	58,302	-	328,580
Investments interest receivable	6,483	10,473	196	1,524	275	153	2,126	21,230
Inventories	-	-	118,147	-	-	-	-	118,147
Prepays	-	-	-	-	-	-	2,500	2,500
Total current assets	8,814,278	14,240,645	384,407	2,342,992	374,281	279,350	2,893,817	29,329,770
Noncurrent assets								
Buildings	-	-	786,525	-	-	-	-	786,525
Machinery and equipment	-	24,866,372	402,866	-	-	759,250	-	26,028,488
Less accumulated depreciation	-	(14,544,070)	(833,270)	-	-	(637,993)	-	(16,015,333)
Total noncurrent assets	-	10,322,302	356,121	-	-	121,257	-	10,799,680
Total assets	8,814,278	24,562,947	740,528	2,342,992	374,281	400,607	2,893,817	40,129,450
Deferred outflows of resources								
Pension	7,348	-	118,304	13,891	-	153,927	13,891	307,361
OPEB	1,398	-	22,358	2,096	-	32,140	2,096	60,088
Total deferred outflows of resources	8,746	-	140,662	15,987	-	186,067	15,987	367,449
Liabilities								
Current liabilities								
Accounts payable	129,254	68,270	38,883	152,591	5,095	46,094	2,141	442,328
Accrued liabilities	2,554	-	39,428	6,125	-	50,408	5,514	104,029
Compensated absences	71	-	6,243	1,435	-	3,845	-	11,594
Claims payable	1,689,249	-	-	1,075,078	-	-	719,171	3,483,498
Total current liabilities	1,821,128	68,270	84,554	1,235,229	5,095	100,347	726,826	4,041,449
Noncurrent liabilities								
Compensated absences	859	-	75,747	17,414	-	46,659	-	140,679
Post employment benefits	6,644	-	106,311	9,967	-	152,823	9,967	285,712
Net pension liability	23,633	-	391,639	40,095	-	521,207	40,093	1,016,667
Total noncurrent liabilities	31,136	-	573,697	67,476	-	720,689	50,060	1,443,058
Total liabilities	1,852,264	68,270	658,251	1,302,705	5,095	821,036	776,886	5,484,507
Deferred inflows of resources								
Pension	6,143	-	75,427	14,731	-	91,407	14,732	202,440
OPEB	3,261	-	52,164	4,890	-	74,986	4,890	140,191
Total deferred inflows of resources	9,404	-	127,591	19,621	-	166,393	19,622	342,631
Net position								
Net investment in capital assets	-	10,322,302	356,121	-	-	121,257	-	10,799,680
Unrestricted	6,961,356	14,172,375	(260,773)	1,036,653	369,186	(522,012)	2,113,296	23,870,081
Total net position	\$ 6,961,356	\$ 24,494,677	\$ 95,348	\$ 1,036,653	\$ 369,186	\$ (400,755)	\$ 2,113,296	\$ 34,669,761

CITY OF COLLEGE STATION, TEXAS
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Fiscal Year Ended September 30, 2018

	Employee Benefits	Equipment Replacement	Fleet Maintenance	Property and Casualty	Unemployment	Utility Customer Service	Workers' Compensation	Total Internal Service funds
Operating revenues								
Charges for services	\$ -	\$ 6,615,319	\$ 2,288,036	\$ -	\$ -	\$ 2,991,344	\$ -	\$ 11,894,699
Premiums	12,807,559	-	-	1,001,886	-	-	561,569	14,371,014
Other	-	-	-	322,737	-	159,524	-	482,261
Total operating revenues	12,807,559	6,615,319	2,288,036	1,324,623	-	3,150,868	561,569	26,747,974
Operating expenses								
Salaries and benefits	475,562	-	952,328	153,043	-	1,171,478	134,342	2,886,753
Supplies	-	-	1,164,697	-	-	39,219	-	1,203,916
Maintenance	-	-	30,564	-	-	18,661	-	49,225
Purchased professional services	149,028	-	1,903	15,382	-	579,664	11,000	756,977
Purchased property services	-	-	16,032	-	-	37,931	-	53,963
Other purchased services	497	-	56,092	9,000	-	977,825	-	1,043,414
Claims	9,639,778	-	-	1,149,981	20,570	-	570,619	11,380,948
Administration fees	51,915	-	-	142,033	-	-	27,775	221,723
Contributions	-	1,595,143	-	-	-	-	-	1,595,143
Premiums	1,087,251	-	-	351,910	-	-	158,287	1,597,448
Depreciation	-	2,701,587	37,471	-	-	24,251	-	2,763,309
Other	854,177	-	9,192	95,639	-	56,488	-	1,015,496
Total operating expenses	12,258,208	4,296,730	2,268,279	1,916,988	20,570	2,905,517	902,023	24,568,315
Operating income (loss)	549,351	2,318,589	19,757	(592,365)	(20,570)	245,351	(340,454)	2,179,659
Nonoperating revenues (expenses)								
Investment income	155,102	189,738	4,646	28,165	5,715	2,727	40,943	427,036
Gain (loss) on disposal of assets	-	137,756	2,425	-	-	-	-	140,181
Other, net	(1,066,817)	(55,921)	-	196,140	-	-	-	(926,598)
Total nonoperating revenues (expenses)	(911,715)	271,573	7,071	224,305	5,715	2,727	40,943	(359,381)
Income (loss) contributions and transfers	(362,364)	2,590,162	26,828	(368,060)	(14,855)	248,078	(299,511)	1,820,278
Capital contributions and transfers								
Transfers in	-	919,000	-	-	-	9,674	-	928,674
Transfers out	(61,345)	-	-	-	-	-	-	(61,345)
Total capital contributions and transfers	(61,345)	919,000	-	-	-	9,674	-	867,329
Change in net position	(423,709)	3,509,162	26,828	(368,060)	(14,855)	257,752	(299,511)	2,687,607
Net position - beginning	7,400,821	20,985,515	162,400	1,428,346	384,041	(536,853)	2,436,439	32,260,709
Prior period adjustment	(15,756)	-	(93,880)	(23,633)	-	(121,654)	(23,632)	(278,555)
Net position - ending	\$ 6,961,356	\$ 24,494,677	\$ 95,348	\$ 1,036,653	\$ 369,186	\$ (400,755)	\$ 2,113,296	\$ 34,669,761

CITY OF COLLEGE STATION, TEXAS
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended September 30, 2018

	Employee Benefits	Equipment Replacement	Fleet Maintenance	Property and Casualty	Unemployment	Utility Customer Service	Workers' Compensation	Total Internal Service Funds
Cash flows from operating activities:								
Cash received from customers	\$ 12,807,559	\$ 6,615,319	\$ 2,288,036	\$ 1,098,511	\$ -	3,109,230	\$ 561,569	\$ 26,480,224
Cash payments to suppliers for goods and services	(10,004,697)	(1,901,668)	(1,164,579)	(451,796)	(15,851)	(1,494,593)	(92,779)	(15,125,962)
Cash payments to employees for services	(481,710)	-	(1,192,581)	(168,481)	-	(1,497,993)	(152,605)	(3,493,371)
Cash paid for miscellaneous services	(1,993,343)	-	(9,192)	(589,582)	-	(56,488)	(186,062)	(2,834,667)
Net cash provided (used) by operating activities	<u>327,809</u>	<u>4,713,651</u>	<u>(78,316)</u>	<u>(111,348)</u>	<u>(15,851)</u>	<u>60,156</u>	<u>130,123</u>	<u>5,026,224</u>
Cash flows from noncapital financing activities:								
Cash (paid) or received from miscellaneous non operating services	6,755	(55,921)	-	196,140	-	-	-	146,974
Transfers in from other funds	-	919,000	-	-	-	9,674	-	928,674
Transfers out to other funds	(61,345)	-	-	-	-	-	-	(61,345)
Net cash provided (used) by noncapital financing activities	<u>(54,590)</u>	<u>863,079</u>	<u>-</u>	<u>196,140</u>	<u>-</u>	<u>9,674</u>	<u>-</u>	<u>1,014,303</u>
Cash flows from capital and related financing activities:								
Acquisition and construction of capital assets	-	(2,393,053)	-	-	-	-	-	(2,393,053)
Proceeds from sale of assets	-	205,272	2,425	-	-	-	-	207,697
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>(2,187,781)</u>	<u>2,425</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,185,356)</u>
Cash flows from investing activities:								
Purchase of investments	(1,440,450)	(1,070,201)	(5,735)	(113,621)	(17,362)	(18,237)	(159,890)	(2,825,495)
Proceeds from sale and maturities of investment securities	81,854	114,718	2,669	18,244	3,410	1,692	25,399	247,985
Investment income	151,437	182,441	4,551	27,225	5,555	2,617	39,627	413,453
Net cash provided (used) by investing activities	<u>(1,207,159)</u>	<u>(773,042)</u>	<u>1,485</u>	<u>(68,152)</u>	<u>(8,397)</u>	<u>(13,928)</u>	<u>(94,864)</u>	<u>(2,164,057)</u>
Net increase (decrease) in cash and cash equivalents	(933,940)	2,615,907	(74,406)	16,640	(24,248)	55,902	35,259	1,691,114
Cash and cash equivalents, Oct. 1	8,443,472	9,516,747	301,253	1,749,258	343,126	132,831	2,428,067	22,914,754
Cash and cash equivalents, Sept. 30	<u>\$ 7,509,532</u>	<u>\$ 12,132,654</u>	<u>\$ 226,847</u>	<u>\$ 1,765,898</u>	<u>\$ 318,878</u>	<u>188,733</u>	<u>\$ 2,463,326</u>	<u>\$ 24,605,868</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:								
Operating income (loss)	\$ 549,351	\$ 2,318,589	\$ 19,757	\$ (592,365)	\$ (20,570)	245,351	\$ (340,454)	\$ 2,179,659
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:								
Depreciation	-	2,701,587	37,471	-	-	24,251	-	2,763,309
<i>(Increases) decreases in assets and deferred outflows:</i>								
Change in accounts receivable	-	-	-	(226,112)	-	(41,638)	-	(267,750)
Change in inventory	-	-	5,650	-	-	-	-	5,650
Change in deferred outflow on pensions	2,600	-	39,796	5,920	-	49,148	5,920	103,384
Change in deferred outflow on OPEB	(1,398)	-	(22,358)	(2,096)	-	(32,140)	(2,096)	(60,088)
<i>Increases (decreases) in liabilities and deferred inflows:</i>								
Change in accounts payable	(308,019)	(306,525)	(35,494)	55,260	4,719	(7,791)	2,141	(595,709)
Change in claims payable	93,547	-	-	658,596	-	-	477,986	1,230,129
Change in accrued liabilities	231	-	2,123	616	-	6,790	563	10,323
Change in accrued vacation	(34)	-	9,171	2,770	-	4,521	-	16,428
Change in OPEB	(10,147)	-	(162,353)	(15,220)	-	(233,382)	(15,220)	(436,322)
Change in net pension liability	(11,955)	-	(183,075)	(27,237)	-	(226,098)	(27,237)	(475,602)
Change in deferred inflow on pensions	10,372	-	158,832	23,630	-	196,158	23,630	412,622
Change in deferred inflow on OPEB	3,261	-	52,164	4,890	-	74,986	4,890	140,191
Total adjustments	<u>(221,542)</u>	<u>2,395,062</u>	<u>(98,073)</u>	<u>481,017</u>	<u>4,719</u>	<u>(185,195)</u>	<u>470,577</u>	<u>2,846,565</u>
Net cash provided (used) by operating activities	<u>\$ 327,809</u>	<u>\$ 4,713,651</u>	<u>\$ (78,316)</u>	<u>\$ (111,348)</u>	<u>\$ (15,851)</u>	<u>60,156</u>	<u>\$ 130,123</u>	<u>\$ 5,026,224</u>

**STATISTICAL SECTION -
UNAUDITED**

This section of the City of College Station's 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 City's overall financial condition.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 54 in 2009; schedules presenting governmental fund balance reclassifications begin in that year.

CITY OF COLLEGE STATION, TEXAS

Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities										
Net investment in capital assets	\$ 143,530,290	\$ 153,397,767	\$ 145,546,799	\$ 149,875,513	\$ 153,214,549	\$ 125,012,201	\$ 167,101,930	\$ 176,171,787	\$ 185,722,689	\$ 200,134,327
Restricted	8,077,876	10,201,722	25,565,107	13,606,487	16,751,846	15,608,417	55,374,914	48,362,842	39,533,053	39,720,716
Unrestricted	37,712,097	37,359,741	27,695,418	39,065,396	40,964,678	76,502,627	7,685,763	13,352,352	26,270,518	37,975,425
Total governmental activities net position	\$ 189,320,263	\$ 200,959,230	\$ 198,807,324	\$ 202,547,396	\$ 210,931,073	\$ 217,123,245	\$ 230,162,607	\$ 237,886,981	\$ 251,526,260	\$ 277,830,468
Business-type activities										
Net investment in capital assets	\$ 147,627,129	\$ 161,365,075	\$ 175,059,669	\$ 179,123,899	\$ 189,315,182	\$ 165,180,775	\$ 200,468,509	\$ 209,331,986	\$ 228,519,124	\$ 235,469,411
Restricted	3,119,691	1,588,631	1,588,631	1,580,992	1,580,992	1,580,992	1,581,186	1,581,501	1,581,501	17,261,241
Unrestricted	47,397,414	38,818,705	35,213,377	38,597,823	36,847,830	61,775,551	47,781,620	75,737,790	87,978,620	98,105,103
Total business-type activities net position	\$ 198,144,234	\$ 201,772,411	\$ 211,861,677	\$ 219,302,714	\$ 227,744,004	\$ 228,537,318	\$ 249,831,315	\$ 286,651,277	\$ 318,079,245	\$ 350,835,755
Primary government										
Net investment in capital assets	\$ 291,157,419	\$ 314,762,842	\$ 320,606,468	\$ 328,999,412	\$ 342,529,731	\$ 290,192,976	\$ 367,570,439	\$ 385,503,773	\$ 414,241,813	\$ 435,603,738
Restricted	11,197,567	11,790,353	27,153,738	15,187,479	18,332,838	17,189,409	56,956,100	49,944,343	41,114,554	56,981,957
Unrestricted	85,109,511	76,178,446	62,908,795	77,663,219	77,812,508	138,278,178	55,467,383	89,090,142	114,249,138	136,080,528
Total primary government net position	\$ 387,464,497	\$ 402,731,641	\$ 410,669,001	\$ 421,850,110	\$ 438,675,077	\$ 445,660,563	\$ 479,993,922	\$ 524,538,258	\$ 569,605,505	\$ 628,666,223

Source: City of College Station

CITY OF COLLEGE STATION, TEXAS

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental activities:										
Police	\$ 13,945,079	\$ 16,063,347	\$ 15,082,452	\$ 16,696,975	\$ 16,831,233	\$ 17,768,774	\$ 18,601,237	\$ 20,858,704	\$ 22,370,803	\$ 21,571,950
Fire	11,778,585	13,301,029	11,749,054	13,706,222	13,748,434	14,245,690	15,095,073	17,663,825	17,980,949	19,367,032
Public works	16,804,436	17,026,827	20,629,662	13,717,564	15,371,773	21,348,088	18,793,401	21,028,954	19,858,859	24,452,406
Parks and recreation	10,136,521	11,202,863	10,146,043	9,638,581	8,983,919	9,197,308	9,884,737	11,161,966	10,774,101	11,727,549
Library	1,052,838	1,103,864	1,130,433	1,142,580	1,064,293	1,149,616	1,213,820	1,177,291	1,182,331	1,118,522
Planning and development services	2,823,296	2,952,177	3,364,877	4,912,517	4,334,608	5,012,992	3,225,321	3,440,211	3,967,606	3,517,911
Information technology	3,471,714	5,048,720	4,165,064	4,268,524	4,565,385	4,663,939	4,416,190	4,907,473	5,027,015	5,027,435
Fiscal services	3,821,996	4,127,990	3,384,388	3,313,726	3,263,269	3,419,923	3,594,382	4,146,833	4,246,886	3,795,099
General government	8,631,908	11,534,705	9,455,960	8,348,922	9,167,476	9,602,139	10,194,285	16,152,324	17,018,777	15,155,670
Capital projects	476,462	256,177	648,589	819,296	733,974	731,621	-	-	-	-
Interest on long-term debt	4,135,146	4,111,523	4,079,379	3,273,938	2,949,240	3,962,347	3,943,972	3,425,529	4,318,990	6,075,924
Unallocated depreciation	789,074	1,047,906	1,130,283	1,149,609	1,146,119	1,161,675	1,235,340	1,299,794	1,390,156	-
Total governmental activities expense	<u>77,867,055</u>	<u>87,777,128</u>	<u>84,966,184</u>	<u>80,988,454</u>	<u>82,159,723</u>	<u>92,264,062</u>	<u>90,197,758</u>	<u>105,262,904</u>	<u>108,136,473</u>	<u>111,809,498</u>
Business-type activities:										
Electric	77,441,351	88,685,699	93,277,853	87,221,859	88,438,115	98,269,576	79,828,415	73,880,232	75,878,632	78,029,786
Water	9,287,343	10,190,159	9,960,837	11,132,787	11,662,862	11,517,915	13,082,761	13,062,768	13,652,580	14,041,059
Wastewater	9,829,813	10,604,983	10,114,867	10,952,853	11,370,918	11,205,770	12,437,020	11,995,045	12,281,262	13,170,661
Sanitation	5,776,002	6,527,724	6,558,278	7,825,491	6,301,053	7,497,923	7,786,244	8,216,958	9,006,946	8,554,011
Northgate parking	909,167	1,019,393	944,125	924,532	1,053,839	1,051,901	953,681	946,635	964,358	1,061,336
Total business-type activities expense	<u>103,243,676</u>	<u>117,027,958</u>	<u>120,855,960</u>	<u>118,057,522</u>	<u>118,826,787</u>	<u>129,542,655</u>	<u>114,088,121</u>	<u>108,101,328</u>	<u>111,783,778</u>	<u>114,856,853</u>
Total primary government expense	<u>\$ 181,110,731</u>	<u>\$ 204,805,086</u>	<u>\$ 205,822,144</u>	<u>\$ 199,045,976</u>	<u>\$ 200,986,510</u>	<u>\$ 221,806,717</u>	<u>\$ 204,285,879</u>	<u>\$ 213,364,232</u>	<u>\$ 219,920,251</u>	<u>\$ 226,666,351</u>
Program revenues										
Governmental activities:										
Charges for services:										
Fines, forfeits and penalties	\$ 4,491,960	\$ 4,500,447	\$ 4,120,077	\$ 3,896,477	\$ 3,462,197	\$ 3,231,069	\$ 2,900,197	\$ 3,518,538	\$ 3,149,197	\$ 3,379,673
Licenses and permits	1,007,151	964,344	1,091,983	1,496,989	1,240,300	1,438,082	1,500,777	2,132,802	2,127,142	1,772,959
Public works	1,793,174	1,895,263	2,910,293	2,480,140	2,489,828	2,437,986	2,254,382	2,250,367	5,532,646	11,435,461
Parks and recreation	1,838,810	1,722,840	2,007,032	1,909,008	1,773,554	1,608,329	1,652,014	1,713,907	1,559,905	1,742,638
Other activities	4,494,627	3,378,603	2,516,446	2,506,187	2,903,460	3,532,847	5,832,527	3,260,482	4,077,515	3,759,555
Operating grants and contributions	1,896,623	1,694,228	1,875,849	2,766,187	1,753,970	3,234,317	2,995,401	2,943,080	2,949,829	2,692,063
Capital grants and contributions	2,644,629	19,587,921	3,964,442	4,216,095	7,016,449	7,404,520	3,542,528	14,549,415	13,481,280	14,456,341
Total governmental activities program revenues	<u>18,166,974</u>	<u>33,743,646</u>	<u>18,486,122</u>	<u>19,271,083</u>	<u>20,639,758</u>	<u>22,887,150</u>	<u>20,677,826</u>	<u>30,368,591</u>	<u>32,877,514</u>	<u>39,238,690</u>
Business-type activities:										
Charges for services:										
Electric sales	82,904,777	91,162,890	101,617,743	96,787,784	95,737,007	97,814,129	101,432,340	101,753,428	101,783,609	105,341,740
Water sales	17,312,431	12,745,173	17,253,787	15,274,883	15,775,334	13,848,402	15,069,720	15,503,526	15,936,976	16,843,347
Sewer service	11,655,528	11,522,025	13,099,783	13,697,575	14,566,975	14,575,907	13,864,099	15,547,324	17,319,645	17,882,386
Garbage collection fees	7,988,795	7,299,273	7,143,536	7,204,013	7,205,029	8,014,628	8,845,145	8,854,342	9,180,351	9,632,481
Parking garage fees	990,735	1,140,833	1,189,443	1,149,277	1,234,799	1,298,034	1,435,290	1,235,798	1,298,986	1,379,287
Operating grants and contributions	17,792	-	3,746	9,718	982	291,366	668,322	1,114,008	1,032,027	1,542,900
Capital grants and contributions	6,846,033	11,703,025	3,857,585	6,890,916	5,345,176	7,309,230	9,596,813	14,192,226	8,559,043	10,062,900
Total business-type activities program revenues	<u>127,716,091</u>	<u>135,573,219</u>	<u>144,165,623</u>	<u>141,014,123</u>	<u>139,865,302</u>	<u>143,151,696</u>	<u>150,911,729</u>	<u>158,200,652</u>	<u>155,110,637</u>	<u>162,685,041</u>
Total primary government program revenues	<u>\$ 145,883,065</u>	<u>\$ 169,316,865</u>	<u>\$ 162,651,745</u>	<u>\$ 160,285,206</u>	<u>\$ 160,505,060</u>	<u>\$ 166,038,846</u>	<u>\$ 171,589,555</u>	<u>\$ 188,569,243</u>	<u>\$ 187,988,151</u>	<u>\$ 201,923,731</u>

Source: City of College Station

CITY OF COLLEGE STATION, TEXAS

Changes in Net Position - *continued*

Last Ten Fiscal Years

(accrual basis of accounting)

(unaudited)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net (expense)/revenue										
Governmental activities	\$ (59,700,081)	\$ (54,033,482)	\$ (66,480,062)	\$ (61,717,371)	\$ (61,519,965)	\$ (69,376,912)	\$ (69,519,932)	\$ (74,894,314)	\$ (75,258,959)	\$ (72,570,808)
Business-type activities	24,472,415	18,545,261	23,309,663	22,956,601	21,038,515	13,609,041	36,823,608	50,099,324	43,326,859	47,828,188
Total primary government net expense	<u>\$ (35,227,666)</u>	<u>\$ (35,488,221)</u>	<u>\$ (43,170,399)</u>	<u>\$ (38,760,770)</u>	<u>\$ (40,481,450)</u>	<u>\$ (55,767,871)</u>	<u>\$ (32,696,324)</u>	<u>\$ (24,794,990)</u>	<u>\$ (31,932,100)</u>	<u>\$ (24,742,620)</u>
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes	\$ 22,769,699	\$ 24,745,344	\$ 24,333,373	\$ 24,978,388	\$ 26,451,943	\$ 27,349,234	\$ 30,936,581	\$ 32,706,952	\$ 37,476,196	\$ 43,492,512
Sales and mixed beverage taxes	19,873,213	19,751,004	20,717,598	21,878,057	23,506,772	25,141,825	27,302,178	27,813,236	29,207,865	28,799,040
Franchise taxes	2,217,618	2,210,902	2,153,827	2,171,277	2,090,091	2,407,344	2,653,641	3,330,088	3,056,286	3,655,061
Hotel taxes	3,574,649	3,387,041	3,558,042	3,643,887	4,393,867	5,127,808	5,336,661	5,277,314	5,152,337	5,737,743
Unrestricted investment earnings	1,413,431	265,424	368,868	283,648	252,308	195,863	379,537	576,209	1,204,827	2,476,318
Gain (Loss) on sale of capital assets	-	(24,596)	-	-	-	1,827,783	6,818,583	(75,177)	46,469	-
Transfers	12,778,642	15,337,330	13,562,095	12,502,186	12,039,798	12,935,733	13,037,208	13,639,821	12,754,258	14,544,135
Total governmental activities	<u>62,627,252</u>	<u>65,672,449</u>	<u>64,693,803</u>	<u>65,457,443</u>	<u>68,853,779</u>	<u>74,985,590</u>	<u>86,464,389</u>	<u>83,268,443</u>	<u>88,898,238</u>	<u>98,704,809</u>
Business-type activities:										
Unrestricted investment earnings	654,882	420,236	341,698	316,035	174,170	120,006	187,322	360,459	855,367	1,444,135
Transfers	(12,778,642)	(15,337,330)	(13,562,095)	(12,502,186)	(12,039,798)	(12,935,733)	(13,037,208)	(13,639,821)	(12,754,258)	(14,544,135)
Total business-type activities	<u>(12,123,760)</u>	<u>(14,917,094)</u>	<u>(13,220,397)</u>	<u>(12,186,151)</u>	<u>(11,865,628)</u>	<u>(12,815,727)</u>	<u>(12,849,886)</u>	<u>(13,279,362)</u>	<u>(11,898,891)</u>	<u>(13,100,000)</u>
Total primary government	<u>\$ 50,503,492</u>	<u>\$ 50,755,355</u>	<u>\$ 51,473,406</u>	<u>\$ 53,271,292</u>	<u>\$ 56,988,151</u>	<u>\$ 62,169,863</u>	<u>\$ 73,614,503</u>	<u>\$ 69,989,081</u>	<u>\$ 76,999,347</u>	<u>\$ 85,604,809</u>
Change in net position										
Governmental activities	\$ 2,927,171	\$ 11,638,967	\$ (1,786,259)	\$ 3,740,072	\$ 7,333,814	\$ 5,608,678	\$ 16,944,457	\$ 7,724,373	\$ 13,639,279	\$ 26,134,001
Business-type activities	12,348,655	3,628,167	10,089,266	10,770,450	9,172,887	793,314	23,973,722	36,819,962	31,427,968	34,728,188
Total primary government	<u>\$ 15,275,826</u>	<u>\$ 15,267,134</u>	<u>\$ 8,303,007</u>	<u>\$ 14,510,522</u>	<u>\$ 16,506,701</u>	<u>\$ 6,401,992</u>	<u>\$ 40,918,179</u>	<u>\$ 44,544,335</u>	<u>\$ 45,067,247</u>	<u>\$ 60,862,189</u>

Source: City of College Station

CITY OF COLLEGE STATION, TEXAS
 Program Revenues by Function/Program
 Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

Function/Program	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities:										
Police	\$ 5,004,712	\$ 5,161,486	\$ 4,596,713	\$ 4,174,931	\$ 3,650,964	\$ 3,498,374	\$ 663,419	\$ 994,565	\$ 981,168	\$ 507,885
Fire	3,551,620	2,199,375	1,952,851	1,936,311	1,948,961	1,777,507	2,259,979	2,720,224	2,836,228	3,272,395
Public works	4,445,595	15,313,779	5,796,384	5,609,036	8,711,394	8,578,862	4,798,615	15,064,553	16,179,433	24,576,818
Parks and recreation	2,117,227	3,816,773	3,330,986	3,196,969	2,576,020	2,934,766	3,103,886	3,628,318	4,402,398	3,531,529
Library	-	-	-	13,200	-	-	-	-	-	-
Planning and development services	1,051,943	1,075,342	1,296,213	1,650,017	1,493,021	1,730,441	1,885,563	2,579,587	2,554,194	2,157,272
Information technology	-	-	15,500	-	-	-	72	8,835	113	-
Fiscal services	38,377	100,495	215,626	542,689	666,103	1,028,531	2,956,304	3,572,710	3,226,884	3,435,452
General government	1,957,500	5,124,710	1,281,849	2,095,173	1,593,295	3,338,669	5,009,988	1,799,799	2,697,096	1,757,339
Capital improvement program	-	951,686	-	52,757	-	-	-	-	-	-
Subtotal governmental activities	18,166,974	33,743,646	18,486,122	19,271,083	20,639,758	22,887,150	20,677,826	30,368,591	32,877,514	39,238,690
Business-type activities:										
Electric	84,552,573	92,530,434	102,516,252	98,200,411	96,283,238	98,872,262	105,438,676	107,111,511	103,150,410	106,438,972
Water	19,065,662	17,118,922	18,710,635	16,905,503	19,167,542	15,854,663	17,157,749	20,205,838	19,567,653	21,095,071
Wastewater	15,100,534	15,208,551	14,584,557	15,844,190	15,946,613	17,072,780	15,871,321	19,112,180	20,033,058	22,047,500
Sanitation	8,006,587	9,574,489	7,147,282	8,914,742	7,233,110	10,053,957	10,985,994	10,535,325	11,060,530	11,724,211
Northgate parking	990,735	1,140,833	1,206,897	1,149,277	1,234,799	1,298,034	1,457,989	1,235,798	1,298,986	1,379,287
Subtotal business-type activities	127,716,091	135,573,229	144,165,623	141,014,123	139,865,302	143,151,696	150,911,729	158,200,652	155,110,637	162,685,041
Total primary government	\$ 145,883,065	\$ 169,316,875	\$ 162,651,745	\$ 160,285,206	\$ 160,505,060	\$ 166,038,846	\$ 171,589,555	\$ 188,569,243	\$ 187,988,151	\$ 201,923,731

CITY OF COLLEGE STATION, TEXAS
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(unaudited)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General fund										
Nonspendable	\$ 62,390	\$ 70,516	\$ 58,548	\$ -	\$ 59,426	\$ 64,594	\$ 63,679	\$ 71,318	\$ 334,307	\$ 628,518
Restricted	95,220	849,622	925,798	868,799	266,573	-	-	-	-	-
Assigned	1,663,400	1,794,416	537,586	436,979	972,632	1,457,390	2,433,744	2,171,129	1,647,732	2,128,177
Unassigned	7,557,419	11,101,327	12,871,125	15,186,915	14,626,901	18,722,265	19,925,641	16,890,755	20,532,484	24,033,874
Total general fund	\$ 9,378,429	\$ 13,815,881	\$ 14,393,057	\$ 16,492,693	\$ 15,925,532	\$ 20,244,249	\$ 22,423,064	\$ 19,133,202	\$ 22,514,523	\$ 26,790,569
All other governmental funds										
Nonspendable	\$ 859,654	\$ 8,235,642	\$ 7,890,137	\$ 6,943,250	\$ 6,667,812	\$ 6,485,508	\$ 6,244,189	\$ 5,989,904	\$ 5,666,288	\$ -
Restricted	39,375,368	54,421,910	27,404,127	35,688,123	39,327,653	58,993,882	55,139,903	45,521,097	123,531,962	115,535,066
Committed	2,627,403	2,764,227	3,149,243	3,618,354	4,008,439	4,130,069	14,792,873	14,050,264	13,845,445	19,303,359
Assigned	609,113	-	-	-	-	-	-	31,183,615	-	-
Unassigned	545,024	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 44,016,562	\$ 65,421,779	\$ 38,443,507	\$ 46,249,727	\$ 50,003,904	\$ 69,609,459	\$ 76,176,965	\$ 96,744,880	\$ 143,043,695	\$ 134,838,425

Note: The City implemented GASB Statement 54 in 2009; schedules presenting governmental fund balance reclassifications begin in that year.

Source: City of College Station

CITY OF COLLEGE STATION, TEXAS
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)
(unaudited)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Taxes	\$ 48,435,179	\$ 49,901,803	\$ 50,762,840	\$ 52,671,608	\$ 55,652,419	\$ 59,018,199	\$ 65,141,780	\$ 68,129,771	\$ 74,584,272	\$ 81,603,379
Licenses and permits	1,007,151	964,344	1,091,983	1,496,989	1,240,300	1,438,082	1,500,777	2,132,802	2,127,142	1,772,959
Intergovernmental	1,896,623	5,022,822	2,143,573	2,759,219	1,749,805	3,234,317	2,734,763	2,998,133	3,058,940	2,684,702
Charges for services	3,543,064	6,042,105	6,113,497	5,616,397	5,918,397	6,236,531	6,318,722	6,568,428	9,931,519	11,301,782
Fines, forfeits and penalties	4,491,960	4,500,447	4,120,077	3,896,477	3,462,197	3,231,069	2,900,196	3,518,538	3,149,197	3,379,673
Special assessments	1,793,174	-	-	-	-	-	-	-	-	-
Investment income	1,125,382	206,648	368,868	283,648	252,308	195,863	379,540	576,209	1,204,827	2,476,318
Rents and royalties	769,150	749,635	589,528	852,738	753,401	639,267	136,228	187,328	284,351	219,538
Contributions	26,997	605,953	825,532	1,244,973	799,048	1,263,644	1,445,953	1,953,045	2,875,254	1,823,692
Reimbursed expenditures	413,751	-	-	-	-	-	-	-	-	-
Other revenues	403,548	267,695	730,747	426,218	312,473	674,439	3,386,931	486,037	1,242,420	3,263,666
Total revenues	63,905,979	68,261,452	66,746,645	69,248,249	70,140,348	75,931,411	83,944,890	86,550,291	98,457,922	108,525,709
Expenditures										
Police	14,107,740	13,816,620	14,931,212	15,521,284	16,550,111	17,093,860	18,547,794	20,184,487	21,418,030	22,652,536
Fire	11,754,088	11,418,948	11,444,702	12,578,396	13,297,527	13,585,022	14,881,983	16,916,819	17,001,580	19,624,919
Public works	7,920,003	7,123,885	6,677,986	7,343,092	7,397,942	8,632,149	10,272,535	12,459,544	9,837,009	14,897,436
Parks and recreation	9,355,301	8,930,388	9,388,765	8,131,413	7,883,904	7,712,597	8,547,083	9,684,568	9,227,811	10,010,679
Library	1,119,771	1,080,030	1,061,581	1,072,551	994,476	1,078,851	1,138,568	1,098,326	1,097,876	1,118,522
Planning and development services	2,871,341	2,568,464	3,327,495	4,698,749	4,268,854	4,933,780	3,246,431	3,352,961	3,839,117	3,855,144
Information systems	3,299,105	3,887,102	3,902,082	3,844,107	4,271,209	4,214,958	4,112,987	4,491,009	4,600,556	4,488,885
Fiscal services	3,836,786	3,635,009	3,353,387	3,106,265	3,205,204	3,260,242	3,568,357	3,986,352	4,083,402	4,154,931
General government	5,435,355	7,401,157	6,438,313	4,102,550	3,825,760	5,108,448	5,916,111	6,748,354	10,734,954	10,070,272
Capital improvement projects	476,462	132,880	648,589	788,032	733,974	731,621	-	-	-	-
Contributions	2,489,562	2,256,558	2,063,489	2,435,820	2,800,159	3,281,991	3,611,760	4,047,885	4,713,975	4,907,118
Claims	-	1,600,000	-	-	-	-	-	-	-	-
Other expenditures	487,163	438,757	750,135	1,380,837	1,964,156	679,772	222,057	5,895	242,433	-
Capital outlay	31,931,401	9,765,151	11,501,926	14,341,717	8,802,719	12,636,334	9,654,509	13,783,130	29,828,915	32,479,739

CITY OF COLLEGE STATION, TEXAS
 Changes in Fund Balances, Governmental Funds - continued
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (unaudited)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt service										
Principal	7,935,000	8,050,000	8,085,412	8,120,000	8,245,000	8,650,000	9,110,000	8,660,000	10,680,000	12,435,400
Interest	4,114,356	4,133,633	3,698,324	3,696,245	3,747,520	3,707,799	4,220,656	3,769,711	4,627,678	7,024,074
Issuance costs	-	-	-	-	154,660	39,719	7,862	311,975	593,227	239,540
Fiscal charges	46,551	227,765	384,196	127,671	-	-	-	-	-	-
Intergovernmental	745,908	-	924,941	294,103	301,061	489,817	151,289	2,105,813	60,000	-
Total expenditures	107,925,893	86,476,347	88,582,535	91,582,832	88,444,236	95,836,960	97,209,982	111,606,829	132,586,563	147,959,195
Deficiency of revenues under expenditures	(44,019,914)	(18,214,895)	(21,835,890)	(22,334,583)	(18,303,888)	(19,905,549)	(13,265,092)	(25,056,538)	(34,128,641)	(39,433,486)
Other financing sources (uses)										
Proceeds from long-term debt	9,815,000	20,685,000	1,977,134	11,727,994	14,505,000	31,895,000	-	26,735,000	62,090,000	18,230,000
Proceeds from refunding bonds	-	4,265,000	11,250,000	-	-	-	-	13,915,000	1,815,000	-
Payment to bond escrow agent	-	(4,283,647)	(12,322,570)	-	-	-	-	(16,087,122)	(2,102,205)	-
Advance Refunding	-	-	-	(11,432,308)	(6,054,452)	(9,755,695)	-	-	-	-
Premium on bonds issued	-	75,183	1,172,234	1,132,812	951,174	3,624,222	-	4,329,506	6,603,713	891,194
Sale of capital assets	505,606	5,615	8,690	-	-	4,582,111	8,974,205	-	2,438,422	-
Transfers in	22,680,972	16,054,544	19,382,145	22,313,561	18,629,471	20,798,696	27,852,930	21,098,702	21,595,923	21,303,310
Transfers out	(8,494,139)	(673,081)	(7,783,625)	(9,385,160)	(6,540,298)	(7,314,513)	(14,815,722)	(7,656,495)	(8,632,076)	(7,626,504)
Total other financing sources	24,507,389	36,128,614	13,684,008	14,356,899	21,490,895	43,829,821	22,011,413	42,334,591	83,808,777	32,798,000
Net change in fund balances	\$ (19,512,525)	\$ 17,913,719	\$ (8,151,882)	\$ (7,977,684)	\$ 3,187,007	\$ 23,924,272	\$ 8,746,321	\$ 17,278,053	\$ 49,680,136	\$ (6,635,486)
Debt services as a percentage of noncapital expenditures	15.9%	15.9%	15.3%	15.3%	15.1%	14.9%	15.2%	12.7%	14.9%	16.9%

Source: City of College Station

CITY OF COLLEGE STATION, TEXAS
 Tax Revenue by Source, Governmental Funds
 Last Ten Fiscal Years
(modified accrual basis of accounting)
(unaudited)

<u>Fiscal Year</u>	<u>Property</u>	<u>Sales</u>	<u>Hotel</u>	<u>Franchise</u>	<u>Mixed Drink</u>	<u>Total</u>
2009	\$ 22,769,698	\$ 19,438,179	\$ 3,574,649	\$ 2,217,619	\$ 435,034	\$ 48,435,179
2010	24,523,184	19,328,578	3,416,713	2,210,902	422,426	49,901,803
2011	24,333,373	20,292,871	3,558,042	2,153,827	424,727	50,762,840
2012	24,978,388	21,498,319	3,643,887	2,171,277	379,737	52,671,608
2013	25,542,689	23,064,035	4,393,867	2,209,091	442,737	55,652,419
2014	26,341,222	24,565,649	5,127,808	2,407,344	576,176	59,018,199
2015	29,849,300	26,687,963	5,336,661	2,653,641	614,215	65,141,780
2016	32,358,889	27,163,480	5,277,314	2,680,332	649,756	68,129,771
2017	37,167,784	28,561,762	5,152,337	3,056,286	646,103	74,584,272
2018	43,411,535	28,799,040	5,737,743	2,918,519	736,542	81,603,379

Change						
2009-2018	90.7%	48.2%	60.5%	31.6%	69.3%	68.5%

Notes:

Property taxes include general fund, debt service fund, Northgate TIF (2009), Wolf Pen Creek TIF (2009-2010), and Medical District TIRZ (2013-2017).

Source:

City of College Station

CITY OF COLLEGE STATION, TEXAS
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
(unaudited)

Fiscal Year	Residential Property	Commercial and Industrial Property	Personal, Inventory and Other Property	Less Exemptions and Abatements	Less TIF (a) Captured Value	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2009	\$ 3,200,809,497	\$ 1,141,458,255	\$ 881,095,548	\$ 677,645,852	\$ 68,644,309	\$ 4,477,073,139	0.439400	\$ 4,477,073,139	100.00%
2010	3,606,901,737	1,191,974,529	927,276,877	701,998,930	78,082,864	4,946,071,349	0.439400	4,946,071,349	100.00%
2011	3,941,112,015	1,236,193,238	1,069,742,963	856,257,215	69,373,412	5,321,417,589	0.447543	5,321,417,589	100.00%
2012	4,087,540,319	1,209,126,533	1,029,151,665	870,386,056	-	5,455,432,461	0.437995	5,455,432,461	100.00%
2013	4,280,768,585	1,295,254,729	1,069,727,466	907,135,778	-	5,738,615,002	0.430687	5,738,615,002	100.00%
2014	4,466,234,632	1,321,942,044	1,185,964,447	1,029,828,136	-	5,944,312,987	0.425958	5,944,312,987	100.00%
2015	4,713,785,311	1,350,665,951	1,323,614,835	1,156,947,087	17,534,345	6,213,584,665	0.452500	6,213,584,665	100.00%
2016	5,408,910,135	1,539,037,597	939,669,648	1,233,016,546	42,671,760	6,611,929,074	0.452500	6,611,929,074	100.00%
2017	5,904,997,312	1,546,479,664	1,017,433,729	1,308,606,612	40,305,770	7,119,998,323	0.472500	7,119,998,323	100.00%
2018	7,008,645,868	1,715,267,579	713,721,785	1,482,754,690	48,795,103	7,906,085,439	0.497500	7,906,085,439	100.00%

Notes:
 Assessed value is 100% of the estimated actual value.

(a) Tax Increment Financing district (TIF)

Source:
 Brazos County Appraisal District

CITY OF COLLEGE STATION, TEXAS

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(rate per \$100 of assessed value)

(unaudited)

Fiscal Year	City Direct Rates				Overlapping Rates	
	Effective Tax Rate (used)	Basic Rate	General Obligation Debt Service	Total Direct Rate	College Station ISD	Brazos County
2009	No	0.193352	0.246048	0.439400	1.241050	0.465000
2010	No	0.209967	0.229433	0.439400	1.221100	0.480000
2011	Yes	0.227349	0.220194	0.447543	1.253413	0.480000
2012	Yes	0.236459	0.201536	0.437995	1.309933	0.485600
2013	Yes	0.235052	0.195635	0.430687	1.335033	0.485000
2014	Yes	0.232905	0.193053	0.425958	1.320000	0.487500
2015	No	0.259447	0.193053	0.452500	1.380000	0.485000
2016	No	0.259448	0.193052	0.452500	1.362900	0.485000
2017	No	0.277161	0.195339	0.472500	1.396000	0.485000
2018	No	0.277161	0.220339	0.497500	1.398000	0.485000

Notes:

Tax rates are established by each taxing jurisdiction on an annual basis for revenues to be collected in the following fiscal year. The City must publish its effective and rollback tax rates before adopting an actual tax rate. If the City adopts a rate that exceeds the rollback rate, voters may petition for an election to limit the rate to the rollback rate. If the City adopts a rate that exceeds its effective rate, additional public hearings and notices are required. Rates for debt service are set based on each year's requirements.

The date that taxes are due for all jurisdictions is October 1. Taxes for all jurisdictions become delinquent on February 1. The penalty is set by state law at 6% in February, and an additional 1% per month up to 12%. The interest is accrued at 1% per month.

The upper limit of the tax rate is set at \$2.50/\$100 of assessed value for each jurisdiction by State Statute. This limit is for both operations and debt service combined.

Source:

Brazos County Appraisal District

CITY OF COLLEGE STATION, TEXAS

Principal Property Taxpayers
 Current Year and Nine Years Ago
 (unaudited)

Taxpayer	2018			2009		
	Taxable	Rank	Percent of	Taxable	Rank	Percent of
	2018 Assessed		of Total City	2009 Assessed		of Total City
Value	Value	Assessed	Value	Assessed	Value	
CCP College Station I, LLC	\$ 74,768,400	1	0.95%			
College Station Hospital, LP	69,000,000	2	0.87%	\$ 61,308,070	1	1.37%
Post Oak Mall - College Station LLC	68,000,000	3	0.86%	55,651,375	2	1.24%
Woodridge College Station Phase II, LLC	56,954,300	4	0.72%			
SHP-The Callaway House, LP	55,510,436	5	0.70%			
Woodridge College Station Phase I, LLC	54,997,208	6	0.70%			
Midway Hospitality, LP	54,727,080	7	0.69%			
Culpepper Family, LP	52,322,094	8	0.66%			
SW Meadows Point, LP	52,241,125	9	0.66%			
TAM The Rise Property, LLC	49,686,952	10	0.63%			
Weinburg, Israel & David Alkossier				42,388,230	3	0.95%
Woodlands of College Station				38,790,529	4	0.87%
ACC Op (Callaway Villas) LP				36,846,840	5	0.82%
Commonwealth Austin LP				30,736,980	6	0.69%
Wal-Mart Stores East Inc.				30,628,460	7	0.68%
University Heights - CS Acquisitions LP Etal				28,803,300	8	0.64%
Verizon Communications, Inc.				28,789,920	9	0.64%
SCI Gateway at CS Fund LLC Etal				27,246,180	10	0.61%
Total	<u>\$ 588,207,595</u>		7.44%	<u>\$ 381,189,884</u>		8.51%

Source:

Brazos County Appraisal District

CITY OF COLLEGE STATION, TEXAS

Property Tax Levies and Collections

Last Ten Fiscal Years

(unaudited)

Fiscal Year Ended Sept 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	22,076,134	21,795,748	98.73%	\$ 271,290	\$ 22,067,038	99.96%
2010	23,623,086	23,435,105	99.20%	177,161	23,612,266	99.95%
2011	24,323,279	24,136,088	99.23%	172,093	24,308,181	99.94%
2012	24,979,685	24,762,625	99.13%	201,292	24,963,917	99.94%
2013	25,503,096	25,326,360	99.31%	158,767	25,485,127	99.93%
2014	26,407,915	26,213,476	99.26%	172,208	26,385,685	99.92%
2015	29,803,314	29,414,950	98.70%	358,486	29,773,436	99.90%
2016	32,065,351	31,727,823	98.95%	299,302	32,027,125	99.88%
2017	37,007,711	36,815,300	99.48%	81,673	36,896,973	99.70%
2018	43,300,209	42,824,284	98.90%	-	42,824,284	98.90%

Sources:

City of College Station and Brazos County Tax Office

CITY OF COLLEGE STATION, TEXAS

Taxable Sales by Category
Last Ten Calendar Years
(in thousands of dollars)
(unaudited)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Utilities	\$ 25,483	\$ 26,442	\$ 27,724	\$ 32,048	\$ 29,102	\$ 29,956	\$ 29,451	\$ 15,820	\$ 28,679	\$ 29,448
Construction	15,768	10,617	10,070	10,900	12,743	12,053	14,804	15,126	18,780	13,900
Manufacturing	16,391	12,221	9,620	6,823	7,433	7,941	9,013	11,962	12,212	14,854
Wholesale Trade	13,761	9,856	10,770	19,556	23,573	26,941	23,240	30,976	39,300	43,876
Retail Trade	693,673	653,561	678,041	699,715	738,897	777,632	829,563	844,066	831,603	822,526
Information	15,427	15,654	16,907	16,984	18,261	21,546	28,076	31,483	31,901	34,132
Finance and Insurance	752	706	840	1,043	1,044	1,336	1,702	2,238	2,105	2,025
Real Estate and Rental/Leasing	18,326	9,288	9,456	9,314	9,785	11,411	13,781	14,260	14,819	13,309
Professional, Scientific and Tech Services	26,234	25,694	13,142	12,901	12,716	14,518	13,942	15,320	16,953	13,942
Administrative, Support, Waste Mgmt, Remediation	18,362	17,610	16,831	17,381	19,645	21,080	23,538	24,743	25,516	26,083
Educational Services	27,645	35,351	34,952	37,434	43,135	43,173	40,762	41,409	40,650	50,184
Health Care and Social Assistance	2,888	2,301	2,049	1,920	2,116	3,103	3,933	3,467	2,774	2,766
Arts, Entertainment and Recreation	9,168	8,671	8,470	9,325	9,488	11,070	14,400	15,927	16,479	16,452
Accommodation and Food Services	205,967	204,731	208,597	217,445	238,186	256,716	293,803	312,834	315,274	326,208
Other Services	15,782	15,338	15,890	16,274	18,594	22,322	25,305	25,339	28,716	40,586
Total	\$ 1,105,627	\$ 1,048,041	\$ 1,063,359	\$ 1,109,063	\$ 1,184,718	\$ 1,260,798	\$ 1,365,313	\$ 1,404,970	\$ 1,425,761	\$ 1,450,291
City direct sales tax rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%

Notes: Taxable sales information is not available on a fiscal-year basis.

Source: Texas State Comptroller of Public Accounts

CITY OF COLLEGE STATION, TEXAS

Direct and Overlapping Sales Tax Rates

Last Ten Fiscal Years

(unaudited)

<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>Brazos County</u>	<u>State of Texas</u>
2009	1.50%	0.50%	6.25%
2010	1.50%	0.50%	6.25%
2011	1.50%	0.50%	6.25%
2012	1.50%	0.50%	6.25%
2013	1.50%	0.50%	6.25%
2014	1.50%	0.50%	6.25%
2015	1.50%	0.50%	6.25%
2016	1.50%	0.50%	6.25%
2017	1.50%	0.50%	6.25%
2018	1.50%	0.50%	6.25%

Source:

Texas State Comptroller of Public Accounts

CITY OF COLLEGE STATION, TEXAS

Sales Tax Revenue Payers by Industry
 Calendar Years 2008 and 2017
 (dollars are in thousands)
 (unaudited)

	Calendar Year 2008			Calendar Year 2017		
	Number of Outlets	Percentage of Total	Tax Liability	Number of Outlets	Percentage of Total	Tax Liability
Retail trade	1,207	55.98%	\$ 13,485	1,394	52.03%	\$ 17,231
Services	243	11.27%	625	301	11.24%	721
Wholesale trade	61	2.83%	224	76	2.84%	659
Utilities, transportation, communications	18	0.83%	3	19	0.71%	469
Manufacturing	70	3.25%	258	112	4.18%	223
Construction	97	4.50%	237	143	5.34%	209
Agriculture, forestry, and fishing	6	0.28%	2	12	0.45%	1
Finance, insurance, real estate	52	2.41%	281	69	2.58%	230
All other outlets	402	18.65%	1,091	553	20.64%	2,013
Total	2,156	100.00%	\$ 16,206	2,679	100.00%	\$ 21,756
						Percentage of Total
						79.20%
						3.31%
						3.03%
						2.16%
						1.03%
						0.96%
						0.00%
						1.06%
						9.25%
						100.00%

Notes:

Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

Tax liability information is not available on a fiscal-year basis.

Source:

Texas State Comptroller of Public Accounts at <https://mycpa.cpa.state.tx.us/allocation/qtrsalesreportbyresults>

CITY OF COLLEGE STATION, TEXAS
 Outstanding Debt by Type
 Last Ten Fiscal Years
(unaudited)

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita	
	General Obligation Bonds	Premiums on General Obligation Bonds	Certificates of Obligation	Premiums on Certificates of Obligation	Revenue Bonds	General Obligation Bonds	Premiums on General Obligation Bonds	Certificates of Obligation				Premiums on Certificates of Obligation
2009	59,145,000	-	38,575,000	-	93,755,000	-	-	52,285,000	-	243,760,000	14.04%	2,682
2010	75,020,000	-	35,675,000	-	87,745,000	3,830,000	-	53,940,000	-	256,210,000	15.08%	2,742
2011	78,055,000	-	26,085,000	-	54,495,000	28,655,000	-	54,990,000	-	242,240,000	15.20%	2,560
2012	75,695,000	-	21,415,000	-	45,060,000	36,280,000	-	63,085,000	-	241,535,000	12.77%	2,492
2013	79,710,000	3,043,121	17,160,000	-	34,765,000	39,230,000	3,777,922	71,025,000	845,571	249,556,613	14.39%	2,583
2014	89,050,000	3,949,973	21,805,000	1,468,916	14,920,000	49,900,000	5,099,362	91,310,000	4,301,539	281,804,790	13.35%	2,770
2015	81,855,000	3,533,635	19,890,000	1,391,281	13,395,000	44,670,000	4,537,503	87,305,000	4,068,926	260,646,344	10.88%	2,495
2016	88,380,000	6,592,456	30,080,000	3,035,934	-	57,115,000	7,002,044	82,185,000	4,548,153	278,938,587	11.15%	2,556
2017	97,355,000	7,274,385	72,270,000	8,066,751	-	61,565,000	8,061,609	77,475,000	5,655,709	337,723,455	11.72%	2,882
2018	89,925,000	6,555,914	85,495,000	8,518,894	-	55,240,000	7,089,648	91,835,000	6,269,252	350,928,708	12.48%	2,932

Notes:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

In 2009, the Parking Garage Fund began paying for the Parking Garage debt. In 2010, the Parking Garage Certificates of Obligation were refunded and became General Obligation Debt.

In 2017, the Landfill Obligation partially refunded the Certificates of Obligation portion and now consists of Certificates of Obligation as well as General Obligation Debt.

For the years 2009 to 2012, premiums on general obligation bonds and premiums on certificates of obligation were not broken out in the legacy system.

Sources:
 First Southwest
 City of College Station Planning and Development Services

CITY OF COLLEGE STATION, TEXAS
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
(unaudited)

<u>Fiscal Year</u>	<u>General Obligation Bonds *</u>	<u>Less Debt Service Cash Funds</u>	<u>Net Bonded Debt</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita</u>
2009	59,145,000	3,125,126	56,019,874	1.13%	611
2010	75,020,000	4,115,689	70,904,311	1.33%	759
2011	78,055,000	4,007,146	74,047,854	1.36%	782
2012	75,695,000	3,320,293	72,374,707	1.26%	750
2013	86,531,042	3,032,594	83,498,448	1.29%	794
2014	98,099,335	2,839,310	95,260,025	1.39%	847
2015	134,596,137	2,560,216	132,035,921	1.89%	1,187
2016	159,089,500	3,753,179	155,336,321	2.18%	1,423
2017	174,255,995	4,517,783	169,738,212	2.22%	1,448
2018	158,810,562	4,492,295	154,318,267	1.73%	1,289

Notes:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

* The amounts for General Obligation Bonds include principal and premiums for fiscal years 2013 to 2018. For prior periods the amount is only principal due to limited accessibility of data.

Source:

City of College Station

CITY OF COLLEGE STATION, TEXAS

Direct and Overlapping Governmental Activities Debt

As of September 30, 2018

(unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable ^a	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes:			
College Station I.S.D.	\$ 342,500,000	88.85%	\$ 304,311,250
Brazos County	79,135,000	49.18%	38,918,593
Bryan I.S.D.	213,345,000	2.55%	<u>5,440,298</u>
Other debt:			
College Station I.S.D.	-	0.00%	-
Brazos County	-	0.00%	-
Bryan I.S.D. capital lease	-	0.00%	<u>-</u>
Subtotal, overlapping debt			348,670,141
City direct debt			<u>190,494,808</u>
Total direct and overlapping debt			<u>\$ 539,164,949</u>

Notes:

Overlapping governments are those that coincide, at least in part, with the geographical boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of College Station. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt of each overlapping government.

^a For debt repaid with property taxes, the percentage of overlapping debt is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total assessed value.

Source:

Debt outstanding data provided by each governmental unit. Assessed value data used to estimate applicable percentages provided by the Brazos County Appraisal District.

CITY OF COLLEGE STATION, TEXAS

Legal Debt Margin Information

September 30, 2018

(unaudited)

The City has no general obligation legal debt limit other than a ceiling on the ad valorem tax rate as specified by the State of Texas. The prescribed maximum is \$2.50 per \$100.00 at 100% valuation.

CITY OF COLLEGE STATION, TEXAS
Pledged-Revenue Coverage
Last Ten Fiscal Years
(unaudited)

Utility Revenue Bonds, Certificates of Obligation, and General Obligation Refunding Bonds							
Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Average Debt Service Total	Annual Coverage	Maximum Debt Service Total	Annual Coverage
2009	108,367,552	80,848,570	27,518,982	9,834,136	2.80	13,870,272	1.98
2010	115,430,088	91,551,103	23,878,985	8,976,011	2.66	13,669,444	1.75
2011	127,985,835	96,938,864	31,046,971	8,675,457	3.58	13,635,526	2.28
2012	124,905,906	88,927,662	35,978,244	7,009,717	5.13	10,670,889	3.37
2013	125,581,359	90,519,871	35,061,488	9,111,927	3.85	15,372,461	2.28
2014	126,118,088	100,235,329	25,882,759	10,048,709	2.58	16,029,505	1.61
2015	131,021,388	82,116,301	48,905,087	9,733,931	5.02	16,195,604	3.02
2016	132,025,959	76,364,434	55,661,525	9,233,111	6.03	16,121,947	3.45
2017	133,701,997	78,765,869	54,936,128	8,778,260 *	6.26	16,314,728	3.37
2018	138,638,447	77,828,073	60,810,374	9,331,199	6.52	16,991,184	3.58

Notes:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Operating expenses do not include interest, depreciation, or amortization expense.

Maximum Debt Service Total includes Utility Revenue Bonds, Certificates of Obligation and GO Refunding Bonds that have been issued for Utility projects.

The coverage ratios presented in this schedule are formulas required by bond resolutions. The bond resolutions require that net revenues equal at least 1.4 times the average annual debt service on all revenue bonds and other indebtedness payable from those revenues. The bond resolutions also require that net revenues equal at least 1.25 times the maximum annual debt service on all revenue bonds and other indebtedness payable from those revenues.

* The Average Debt Service Total for 2017 was incorrectly calculated at \$21,063,278 but restated here correctly at \$8,778,260.

Source:

City of College Station

CITY OF COLLEGE STATION, TEXAS

Demographic and Economic Statistics

Last Ten Calendar Years

(unaudited)

<u>Calendar Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate %</u>
2008	90,897	\$ 1,699,361	\$ 18,695	4.1
2009	93,450	1,594,056	17,058	5.3
2010	94,642	1,891,621	19,987	5.9
2011	96,603	1,734,731	17,957	6.3
2012	97,534	1,945,242	19,944	5.9
2013	99,918	2,110,139	21,119	4.9
2014	102,117	2,270,453	22,234	3.1
2015	106,465	2,502,787	23,508	2.8
2016	109,895	2,880,812	26,214	3.2
2017	117,774	2,811,048	23,868	2.6

Sources:

City of College Station Planning Division (population)

U. S. Census Bureau, American Community Survey (personal income)

Texas Workforce Commission (unemployment rate)

CITY OF COLLEGE STATION, TEXAS

Principal Area Employers
Last Calendar Year and Nine Years Prior
(unaudited)

2018	2009
Employer	Employer
Blinn College	Brazos County
Bryan ISD	Bryan ISD
CHI St. Joseph's Regional Hospital	CHI St. Joseph's Regional Hospital
College Station ISD	City of Bryan
HEB Grocery	City of College Station
Reynolds & Reynolds	College Station ISD
Sanderson Farms	Reynolds & Reynolds
Texas A&M Health Science Center	Sanderson Farms
Texas A&M University	Texas A&M University
Wal-Mart/Sam's	Wal-Mart

Source:

Texas Workforce Commission, Labor Market/Career Information
Department, Research Valley Partnership

Notes:

Data includes principal employers in Brazos County.
Employers are listed in alphabetical order and do not reflect any ranking.
The Texas Workforce Commission ranking and number of employees data is
confidential.

CITY OF COLLEGE STATION, TEXAS
 Full-Time-Equivalent City Government Employees by Function/Program
 Last Ten Fiscal Years
(unaudited)

Function/Program	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police	176.0	169.0	180.5	182.5	192.5	196.5	206.5	206.5	213.5	220.5
Fire	121.0	118.0	120.5	139.0	139.0	140.0	152.0	152.0	157.0	160.0
Public Works	113.0	94.0	96.0	114.0	116.0	118.0	124.0	128.0	128.5	130.5
Parks and Recreation	133.0	133.0	119.0	117.0	111.5	105.5	106.5	107.0	106.8	109.8
Planning and Development Services	37.0	41.0	54.0	58.5	56.5	56.0	52.0	51.5	55.5	58.0
Information Services	32.0	30.5	30.0	30.5	29.5	30.5	30.5	31.5	31.5	31.5
Fiscal Services	70.5	70.0	66.5	69.8	68.8	69.8	72.8	76.8	70.3	71.3
General Government	79.5	75.0	61.5	37.5	36.5	37.5	47.0	49.5	53.5	56.5
Electric	65.0	64.0	63.5	67.5	69.5	70.5	74.5	74.5	76.5	80.5
Water / Sewer Services	76.5	70.5	74.0	77.0	77.0	78.0	84.5	84.5	86.5	87.0
BVSWMA	25.0	23.5	22.0	22.0	-	-	-	-	-	-
Capital Project	10.0	9.0	9.0	-	-	-	-	-	-	-
Total	938.5	897.5	896.5	915.3	896.8	902.3	950.3	961.8	979.6	1005.5

Source:
 City of College Station

Notes:
 Full-time-equivalent employees include full time, part time, and seasonal/temporary employees on staff as of September 30.

During the fiscal year ended September 30, 2012, management of BVSWMA, Inc. negotiated the end of the borrowed employee agreement with the City of College Station. A majority of the employees covered under the "Borrowed Employee Agreement" are now employees of BVSWMA, Inc.

CITY OF COLLEGE STATION, TEXAS
 Operating Indicators by Function/Program
 Last Ten Fiscal Years
(unaudited)

Function/Program	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
Open records requests	164	123	240	194	233	432	531	703	796	1,227
Economic development prospects	23	55	31	25	36	35	37	55	57	64
Code enforcement cases processed	6,248	5,268	4,701	5,011	4,517	7,941	9,600	7,383	12,169	11,115
Non-profit agencies/contracts monitored	9	10	8	7	8	7	7	4	7	6
Applicants receiving homebuyers assistance	4	6	3	15	8	4	4	2	2	7
Police										
DUI/DWI arrests	430	449	571	551	473	474	400	408	266	345
Citations processed	17,275	22,224	42,690	39,145	31,348	29,187	25,070	36,977	34,742	29,042
Uniform patrol calls handled	48,297	58,656	61,283	63,000	75,988	71,373	53,259	62,067	96,479	85,416
Average response time on high priority calls	6:18 mins	6:52 mins	6:41 mins	6:38 mins	4:31 mins	7:10 mins	7:46 mins	7:54 mins	7:54 mins	6:31 mins
Criminal investigation new cases assigned	2,590	2,098	2,582	2,089	2,158	1,894	2,196	1,942	1,756	1,635
Fire										
Fire incidents (fire, rescue, and hazmat)	2,008	2,301	1,813	1,751	2,608	2,974	2,489	2,640	2,834	267
Business safety inspections	760	1,364	1,151	907	889	1,345	563	233	422	1,170
EMS incidents	5,367	5,414	5,407	6,814	4,846	5,170	5,959	6,020	7,073	6,770
EMS unit responses	5,051	5,646	6,090	6,295	8,188	9,435	10,099	6,990	7,073	12,440
Public Works										
Street overlay lane miles	9	2	11	10	13	13	12	18	26	15
Potholes repaired	18,000	68,548	67,448	70,515	62,596	61,439	25,392	75,574	43,741	18,632
Curb miles swept	5,620	5,595	6,244	7,131	5,826	6,311	6,672	6,863	6,283	5,819
<i>Note: in FY10 number of potholes repaired went to number of square feet repaired.</i>										
Parks and Recreation										
Instructional participants	3,077	3,112	2,765	1,835	1,600	2,495	2,598	2,191	2,288	2,060
Pool customers	138,785	93,302	114,458	144,059	128,081	73,229	81,083	89,980	53,685	52,304

CITY OF COLLEGE STATION, TEXAS
 Operating Indicators by Function/Program - *continued*
 Last Ten Fiscal Years
(unaudited)

Function/Program	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Planning and Development Services										
Permits processed	5,819	5,972	6,026	5,600	3,991	4,446	7,766	5,797	7,863	2,465
Building inspections performed	12,938	12,379	11,583	12,100	12,945	13,859	16,069	19,860	23,609	16,900
Parking citations issued	9,686	6,763	4,488	6,530	6,868	7,320	7,515	9,899	7,877	8,060
Community enhancement cases	11,622	11,408	8,632	8,900	6,518	7,941	9,600	*		
Electric										
Number of connections	37,818	38,255	37,829	39,123	38,138	19,000	38,224	32,000	39,300	39,435
Average monthly consumption (KWH)	64,065,679	65,049,732	68,191,018	65,266,563	64,568,405	66,715,908	69,577,111	68,840,787	69,814,277	72,239,944
Water										
Number of units	37,344	37,596	37,565	39,338	40,767	24,847	41,540	41,709	43,199	44,995
Average monthly consumption (MGW)	345,170	301,399	408,327	356,791	380,558	343,360	339,840	352,253	382,020	383,830
Sewer										
Number of units	34,743	35,853	35,510	36,908	38,688	32,065	40,806	40,866	42,840	46,031
Average daily sewage treatment (thousands of gallons)	6,625	6,700	6,242	6,453	6,500	7,129	7,598	7,584	7,436	7,468
New services completed	604	377	301	376	319	555	623	590	461	412
Sanitation										
Number of users (units)	30,750	30,779	30,455	31,573	32,551	23,239	22,210	22,442	22,897	24,716
Residential tons collected	21,406	28,451	22,775	28,991	25,493	26,290	25,573	21,577	22,248	24,950
Residential tons recycled	1,064	1,053	1,173	1,124	1,010	982	4,809	1,999	2,690	2,659
Commercial tons collected	36,245	36,558	35,133	34,608	36,751	37,856	39,272	40,302	39,136	39,048
Parking garage										
Active contract customers	333	524	482	460	354	410	364	335	585	662
Hourly cash customers	104,342	85,210	83,048	80,127	81,624	80,555	80,012	77,511	73,196	74,537
Utility Customer Service										
Payments processed	461,557	467,262	436,936	476,999	498,703	495,659	502,752	531,138	506,308	521,190
Incoming calls	96,876	85,212	84,861	94,986	93,075	93,862	94,037	93,970	82,956	81,336
Meters read	694,270	708,672	719,749	732,631	744,298	758,306	776,279	795,871	815,105	834,712

Source: City of College Station various departments

Notes: *The City discontinued tracking Community Enhancement cases separately from Code Enforcement cases processed.

CITY OF COLLEGE STATION, TEXAS
 Capital Asset Statistics by Function/Program
 Last Ten Fiscal Years
(unaudited)

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police										
Patrol units	29	27	33	32	39	39	39	39	41	41
Jail capacity	17	17	17	17	17	17	17	17	17	17
Fire stations	4	4	4	5	6	6	6	6	6	6
<i>Note: The Fire Department operates an additional fire station located at the airport.</i>										
Public Works										
Streets (linear miles)	428	453	474	482	482	493	505	543	559	566
Sidewalks (miles)	119	130	138	150	156	162	181	184	202	220
Traffic signals	66	69	70	75	76	77	77	79	81	87
Storm sewers (miles)	80	83	83	89	89	95	104	106	108	111
<i>Note: Storm sewer mileage includes both underground pipes and valley gutters.</i>										
Parks and Recreation										
Acreage	1,306	1,327	1,327	1,327	1,328	1,412	1,448	1,448	1,449	1,429
Play units	54	56	57	57	56	61	64	63	63	69
Softball/baseball fields	35	36	36	36	36	41	41	43	22	41
Soccer fields	29	30	30	30	30	35	26	33	29	31
Jogging/walking trails	33	34	34	34	34	41	42	42	42	49
Community centers	3	3	3	3	2	2	2	2	3	3
Pools	3	3	3	3	3	3	3	3	3	3
Pavilions (rentable)	6	6	7	7	7	7	6	8	7	7
<i>Note: Some parks have multiple play units. Softball/baseball fields include practice fields.</i>										
Electric										
Peak demand (megawatts)	355	305	305	325	325	204	208	208	207	217
Number of substations	5	6	6	6	6	6	7	7	7	7
Distribution lines (miles)	432	440	444	438	458	458	471	471	490	506
Water										
Water mains (miles)	385	396	402	410	415	420	430	438	444	454
Fire hydrants	2,494	2,562	2,614	2,682	2,741	2,798	2,869	2,946	3,013	3,104
Number of wells	8	9	9	9	9	9	9	9	9	9
Water production capacity (thousands of gallons per day)	26,000	32,000	27,000	30,000	29,000	29,000	31,400	35,000	29,000	29,000
Sewer										
Sanitary sewer lines (miles)	305	313	319	324	324	324	338	348	350	363
Treatment capacity (thousands of gallons per day)	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,509	11,509	11,509
Sanitation										
Collection trucks	25	25	25	25	25	26	27	27	28	28
Residential collection containers	20,275	20,671	20,550	21,547	22,470	23,239	24,253	24,881	25,180	25,915
Commercial collection containers	1,644	1,669	1,694	1,719	1,744	1,894	1,916	1,916	1,916	1,994
Fleet number of vehicles	647	662	662	576	570	596	600	663	775	775

Source: City of College Station



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