



# *City of Corpus Christi, Texas*

**Comprehensive Annual Financial Report  
For the Fiscal Year Ended July 31, 2009**





City of  
Corpus  
Christi

CITY OF CORPUS CHRISTI, TEXAS

## **Comprehensive Annual Financial Report**

For Fiscal Year Ended July 31, 2009

### *CITY COUNCIL*

#### *Mayor*

Joe Adame

#### *City Council Members*

Chris Adler

Brent Chesney

Larry Elizondo, Sr.

Kevin Kieschnick

Priscilla G. Leal

John E. Marez

Nelda Martinez

Mark Scott

#### *City Manager*

Ángel R. Escobar

#### *Assistant City Managers*

Oscar R. Martinez

Cindy O'Brien, CPA, Interim

Johnny Perales, Interim

Margie C. Rose

#### *Director of Financial Services*

Constance P. Sanchez, CPA, CPM, Interim

#### *Controller*

Anna S. Marquez, CPA

#### *Chief Accountant*

Martha A. Messer, CPA

*Prepared by the staff of the Financial Services Department*



City of  
Corpus  
Christi

*Rocky Barrera  
Martha Benavides  
J. Omar Briones  
James E. Bryson, III  
Alma Iris Casas  
Evelyn W. Desrosiers  
Priscilla Garza  
Emily Gonzalez  
Jerome J. Joslin  
Crystalina Perez  
Olga Plomarity, CPM  
Vanessa Ramirez  
Adelita S. Rowland  
Vanessa Wahl*

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For the Fiscal Year Ended July 31, 2009**

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City of  
Corpus  
Christi



# City of Corpus Christi

January 29, 2010

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

## FINANCIAL SERVICES

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Dear Honorable Mayor, Members of City Council, and Citizens of Corpus Christi:

State law requires that every general-purpose local government publish at the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended July 31, 2009.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Collier, Johnson & Woods, P.C., Certified Public Accountants, have issued an unqualified (“clean”) opinion on the City of Corpus Christi, Texas (City)’s financial statements for the year ended July 31, 2009. The independent auditor’s report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

## PROFILE OF THE GOVERNMENT

The City was incorporated in 1852. In 1909 the City was organized under a City Charter and operated as a general law city until 1926, at which time a home rule charter with a commission form of government was adopted. The Charter was amended in 1945 to adopt the present and nationally predominant Council-Manager form of government.

The City Council consists of the Mayor and eight Council Members elected for two-year terms. The Mayor and three Council Members are elected at large, and five Council Members are elected from single member districts. The City Council is



responsible for passing ordinances, adopting the budget, appointing committees, and appointing the City Manager, City Secretary, and Municipal Court Judges. The City Manager is the Chief Administrative and Executive Officer and is responsible for carrying out policies and ordinances of the City Council, overseeing day-to-day operations, presenting an annual budget, and appointing all other City employees, except for the City Secretary and the Municipal Court Judges.

The City provides a full range of services, including a combined utility system (System) consisting of the water, wastewater, stormwater, and gas systems; garbage collection and disposal services; police, fire protection, and emergency medical services; the construction and maintenance of streets and other infrastructure; and recreational and cultural activities.

The City is financially accountable for the Corpus Christi Community Improvement Corporation, the Corpus Christi Housing Finance Corporation, the Corpus Christi Industrial Development Corporation, the Corpus Christi Crime Control and Prevention District, the Corpus Christi Business and Job Development Corporation, the North Padre Island Development Corporation (which includes the Tax Increment Financing Zone Number 2), and the Corpus Christi Digital Community Development Corporation. These are shown as ‘blended component units’ within the City’s financial statements. The City of Corpus Christi has financial accountability for the legally separate Coastal Bend Health Facilities Development Corporation and the Corpus Christi Convention and Visitors Bureau, both of which are reported separately within the City’s financial statements. Additional information on these legally separate entities can be found in the notes to the financial statements.

The City Manager must submit a proposed budget to the City Council at least sixty days prior to the beginning of the fiscal year, and the City Council is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for the City’s financial planning and control. The budget is prepared by fund and department (e.g., general fund - police department). Department directors may transfer resources within a department as they see fit. Transfers between funds, however, need approval from the City Council.

## **ECONOMIC CONDITION**

### ***Local Economy***

The City of Corpus Christi is the eighth largest city in the State of Texas with a population of 297,447 based on the City’s 2009 estimate, which remained unchanged from the prior year. The geographic location of the city on the Gulf of Mexico and the Intercoastal Waterway gives it one of the most strategic locations in the Southwest and has been important to its economic development. The Corpus Christi region has a varied manufacturing and industrial base. Major industries with headquarters or divisions located within the City’s boundaries, or in close proximity, include industrial, petrochemical, construction, meat processing, fast food restaurant, convenience store, banking, and financial services.

The federal government also has a major presence within the area with a federal courthouse and the largest industrial employer in South Texas – the Corpus Christi Army Depot, which employs over 3,400 people. The Corpus Christi Army Depot is the first military facility in the world to be certified to the standard for aerospace industry “Maintenance and Repair Overhaul (MRO)” facilities and is one of only five organizations in the world to be certified to this coveted standard. In addition, two bases make up the South Texas military complex: Naval Air Station – Corpus Christi and Naval Air Station – Kingsville (jet aviation training). The region’s third base, Naval Station Ingleside (base for the Navy’s mine warfare fleet), was identified in 2005 for base closure with the actual closure of the entire base expected to be by April 30, 2010. The Port of Corpus Christi will receive about 576 acres from the Navy when the base closes. The Port has added 433 neighboring acres and selected the Texas A&M University System as the master developer to oversee the redevelopment of this area. The Texas A&M University System has been actively pursuing tenants for the property – with the acquisition of the first commercial company to be within 30 days which is expected to generate 600 jobs to the area.

The Corpus Christi’s trade area consists of five counties: Aransas, Jim Wells, Kleberg, Nueces and San Patricio. Each of these counties maintains a solid and diversified economic base which contributes material support to Corpus Christi due to its location as a regional trade center and international shipping point. The Corpus Christi economy provides a diversified product market including metal fabrication, chemical processing, farm and ranch equipment, oil field equipment, cement, food processing, electronic and petrochemical products, fishing and seafood products, and more.

The land in the Corpus Christi region has strong mineral deposits and rich soil with the principle crops being grain, sorghum, and cotton. The region also produces a large supply of livestock including beef and dairy cattle, hogs, and poultry. The oil and gas industry is a major factor in the growth and economic stability within the trade area. This industry provides a secondary market for petroleum by-products and chemicals.

### ***Port of Corpus Christi***

The trade area’s principal outlet for agricultural and petroleum products is the Port of Corpus Christi, which opened to world markets in 1926. It is located along the southeastern coast of Texas on the Gulf of Mexico approximately 150 miles north of the Mexican border. The Port’s channel stretches over 30 miles and links the Corpus Christi Bay with the Gulf of Mexico. It is currently ranked as the sixth largest port in the United States and handled a volume of 87.1 million tons of cargo during the 2008 calendar year. The Port has many initiatives underway, including the Joe Fulton International Trade Corridor and the La Quinta Gateway. The Joe Fulton International Trade Corridor encompasses an 11.5-mile road and rail project that connects two major highway components – US Highway 181 and Interstate Highway 37; thus establishing efficient intermodal links between highway, marine, and rail transportation systems. Construction began in 2004, and Phase I was completed in 2008. Phase II will rebuild a 2.5 mile section of substandard roadway and overlay 6.5 miles of Phase I work with asphalt. Funding to complete Phase II of this project is being provided from \$11.25 million of federal stimulus funds and \$3.75 million of the Port Authority’s unrestricted net assets over 2009 and 2010.

A second major initiative of the Port's long-term diversification plan is the La Quinta Gateway project. This 1,100-acre site will accommodate a modern, multi-modal facility providing seamless transfer of cargo, trailers, and containers between highway, rail, ferry, coastal and deep sea conveyances. The Port's primary objective is to develop a state-of-the-art container and break-bulk shipping terminal that because of its location and design, will strengthen the weak links in shippers' and ocean carriers' respective supply chains at a competitive price, and offer the latest in port security. In October 2009, the Port of Corpus Christi and the U.S. Army Corps of Engineers signed a Project Partnership Agreement to move forward with the construction of the La Quinta extension. Since 2006, the Port has been receiving regular shipments of wind turbines at the Southside General Cargo Terminal. These turbines move efficiently by either truck or rail down the new Fulton Corridor to project sites in the panhandle and West Texas. These initial shipments, which are destined for projects in the Texas Panhandle, have helped make Texas the number one state in the nation of wind power production. Additionally in 2008, Las Brisas Energy Center, LLC, selected the Northside of the Inner Harbor as the site for the development of a state-of-the-art electric generating facility. It is expected to create about 1,300 direct jobs and 2,600 indirect jobs during the construction phase. Project completion is expected by early 2013, creating from 80 to 100 direct and 150 to 175 indirect jobs once operating.

### ***Tourism***

Corpus Christi continues to be a favorite vacation spot for visitors and is the sixth most popular tourist destination in Texas according to *Texas Destinations 2007-2008* prepared for the Office of the Governor, Economic Development Tourism Division. According to this report, the number of visitors to Corpus Christi and the surrounding area was estimated at 6.88 million people in 2008, with the average expenditure per person per day to be \$104.80. The number one reason visitors flock to the area has always been to enjoy miles of beaches along Mustang and Padre Islands, the longest barrier island in nature fronting on the Gulf of Mexico. The opposite side of the barrier provides a shoreline for Corpus Christi Bay, Laguna Madre, and the various bays and bayous north of the Coastal Bend which are ideal for outdoor recreation.

Tourist facilities located within the City include: a multi-purpose arena at the American Bank Center, Whataburger Field which houses the Corpus Christi Hooks, a AA major league affiliate baseball team, the Texas State Aquarium, the USS Lexington Museum, the Museum of Science and History, the South Texas Art Museum, the Asian Cultures Museum, the Multicultural Center/Heritage Park complex, and the Concrete Street Amphitheater. The Corpus Christi area is also a renowned location for water sports, including windsurfing and kiteboarding, and serves as host to the annual U. S. Open Windsurfing Regatta, international power and sail boat races, and the Texas International Boat Show.

### ***Construction Permits***

The table below shows the number of permits and value of permits since fiscal year 1999-2000. With the downturn in the economy in 2008, new construction activity in Corpus Christi, as shown by the number of permits issued in each fiscal year, significantly decreased from the prior year:

<u>Year</u>	<u>Building Permits</u>	<u>Value</u>
1999-2000	5,845	\$ 152,987,779
2000-2001	4,761	149,264,763
2001-2002	5,207	154,763,863
2002-2003	7,854	333,016,517
2003-2004	7,111	295,984,882
2004-2005	5,781	387,122,472
2005-2006	5,989	450,750,242
2006-2007	5,699	503,027,247
2007-2008	5,118	343,865,608
2008-2009	4,022	286,139,536

***Employment***

The unemployment rate in Corpus Christi increased from 4.8% in July 2008 to 7.3% in July 2009 mainly due to the downturn in the national economy. Corpus Christi, however, was somewhat sheltered from the national downturn in that the national unemployment rate in July 2009 was 9.7%, as compared to Corpus Christi’s rate of 7.3%. Overall during the last ten years in Corpus Christi, the unemployment rate remained relatively stable – from 6.8% in 2000 to 7.3% in 2009. During this same ten-year time period, personal income rose from \$23,182 to \$35,004 or 66.2%.

***Major Expenditures***

As illustrated in Statistical Table 2 “Changes in Net Assets, during the past eight years (since GASB No. 34 was implemented and the new reporting model was adopted), the government’s expenses related to police and municipal court, fire and ambulance, streets, health, parks and recreation, museums, community enrichment, and convention and visitors activities have increased as a percentage of total expenses, as the following table shows:

	<u>% increase</u> <u>from 2002 to 2009</u>
Police and municipal court	49.51%
Fire and ambulance	39.24%
Streets	70.51%
Health	43.13%
Parks and recreation	36.58%
Museums	40.80%
Community enrichment	603.46%
Convention and visitor activities	111.95%

In the case of sworn personnel, as in previous years, much of the increase reflects a regional trend that has seen the salaries and benefits of police officers and firefighters growing at a much faster rate than those of other categories of public-sector employees. Additionally, the City Council has committed to implement improvements in public safety

services consistent with strategic plans for those services. In the case of streets, the City Council has committed to its citizens to develop a street plan to improve the conditions of its streets – both in improvements to existing streets and in routine maintenance. In the case of health, the cost can be attributed to the expansion of programs, such as Animal Control, and for costs attributed to the education and prevention of the H1N1 virus. In the case of parks and recreation, the growth can be attributed to increased costs associated with increased development of parks in subdivisions and expansion of programs such as Latchkey. In the case of museums, the increase can be attributed to the increase in the number of sponsored programs and events. In the case of community enrichment, the growth can be attributed to the enhancement of amenities at Packery Channel. For convention and visitors activities, the growth is due to the operating expenditures for the City's arena and convention center.

During this same eight-year period, charges for services, while continuing to increase in amount, have actually remained relatively stable as a percentage of total revenue. The reason for this is the relative increase in expenses related to services that are not supported by fees and charges (e.g., public safety); thus, as tax revenues have increased to support these services, so has the proportion of total revenue generated by taxes.

#### ***Long-term financing plan/relevant financing policies***

Unreserved, undesignated fund balance in the general fund (14.7% of total general fund expenditures) falls within the policy guidelines set by the City Council for budgetary and planning purposes. The City Council established a goal several years ago to build and maintain an unreserved fund balance in the general fund which totals at least ten percent (10%) of the total annual general fund appropriations, excluding anticipated reimbursements and inter-fund transfers, within five years. Through the prudent and fiscally responsible leadership of the City's management, this goal has been met, and the balances have exceeded the 10% goal for the past eight years.

During the fiscal year 2008-09 budget process, the City Council reaffirmed the financial policy noted above, providing policies for maintenance of the general fund unreserved, undesignated balance at an adequate level and providing policy direction on preparation of the fiscal year 2008-09 budget. Specifically, the resolution reaffirmed the maintenance of a reserve in the general fund unreserved fund balance which totals at least ten (10%) percent of total annual general fund appropriations. Amounts in excess of the 10% policy requirement may be recommended for one-time improvement expenditures, with a priority on infrastructure and equipment that will reduce the need for future debt.

The City Council recognized the need to provide public services which support the continued growth of the local economy and personal income growth to insure an adequate financial base for the future. Priority for funding in fiscal year 2008-09 was on improvements in public safety services consistent with strategic plans for those services and for infrastructure maintenance and repair. The City Council committed to making every effort to provide for such improvements without reducing current services in other areas.

The City Council also directed the City Manager to budget at least \$200,000 in fiscal year 2008-09 as an operating contingency as part of the general fund expenditures in order to further insulate the general fund's unreserved fund balance from unforeseen circumstances. A similar directive was made for operating contingencies in the enterprise and special revenue funds.

The remaining sections of the financial policy were consistent with the previous policy and included the need for a five-year financial plan for the general fund; the need to pursue revenue enhancements; quarterly financial reporting and monitoring; the use of nonrecurring revenue to fund one-time expenditures; the maintenance of strong debt management practices; the maintenance of an acceptable level of fund balance in the general obligation debt service fund; reaffirmation of debt retirement practices; and continuation of a ten-year capital improvement plan.

### ***Major Initiatives***

Fiscal year 2008-09 was a time of change for the City of Corpus Christi. A new mayor was elected in April 2009, as well as five of the nine City Council members. Additionally, a new City Manager was appointed during the fiscal year. The newly elected Mayor and City Council adopted eight new City Council goals to move the city forward. These goals include: (1) create a streamlined plan to attract business/upgrade tax abatements and other incentives; (2) Memorial Coliseum resolution; (3) improve Development Services' infrastructure; (4) support strong public safety, police, and fire; (5) Garwood Water Plan "Shovel-Ready" in three years; (6) continued road plan and dedicated revenue – not bonds; (7) expand pride of appearance in City/incorporate community pride with clean cities; and (8) green initiatives, outreach in solar, wind, energy partnerships and initiatives. Significant progress was made during fiscal year 2008-2009 in taking steps towards achieving those goals.

The City Council's first goal was to create a streamlined plan to attract business/upgrade tax abatements and other incentives. The strategy to accomplish this goal is the development of aggressive new economic development incentives and policies. On November 17, 2009, the Economic Development department presented a newly-revised incentive policy to the City Council that was approved that day. Additionally, a committee of community and business leaders was created to consider strategies and projects that would help the City to grow and prosper over a long period of time. The committee has had an initial meeting and came up with a list of suggestions to stimulate the economy. These ideas and suggestions involve both short-term and long-term solutions which would involve participation with other governmental entities, educational institutions, and local businesses within the City.

The City Council's second goal was to come to resolution regarding the Memorial Coliseum. The strategy to accomplish this goal was to issue a request for proposal (RFP) for redevelopment of the Memorial Coliseum and/or other City Council action. The Economic Development department issued a RFP and received five responses. Negotiations had been underway for the redevelopment of the Memorial Coliseum. The City Council's agreement was that if nothing was agreed upon by January 12, 2010, then

they would vote to demolish the Memorial Coliseum. At the January 12, 2010, an agreement had not been reached, and so it was the consensus of the City Council to begin the demolition process. However at that meeting, a citizen brought forth another redevelopment option that appears to be viable. Therefore, while the demolition process is proceeding, the City Council has asked the citizen to quantify his ideas and come back to the City Council with his plan.

The City Council's third goal was to improve Development Services' infrastructure. The strategies to accomplish this goal included to improve the business processes at Development Services to provide higher customer service levels; to expand staff training opportunities at Development Services; to create customer outreach efforts; and to update regulatory resources. Great strides have been made at Development Services during this fiscal year. In April 2009, Development Services had a grand "re-opening" of its doors to the public. Staff members were sent to customer service training to aide in the strategy of developing higher customer service levels. Additionally, a permanent assistant city manager was named for Development Services which allows for continuity for the department.

The City Council's fourth goal was to support strong public safety, police, and fire. Many strategies were developed to accomplish this goal with the main action taken being the appointment of a new police chief. Other strategies included utilization of new approaches to improve labor relations with police and fire unions; recruit and retain a high quality workforce for the Police Department; ensure capital assets meet department needs for the Police Department; deliver quality services to effectively control risks to life, property and environment for the Police Department; provide comprehensive training and professional development to ensure that personnel are fully prepared to effectively perform duties and responsibilities for the Police Department; promote innovation and technology in the Police Department; promote safety, employee health and fitness for the Police Department; provide comprehensive training and professional development for the Fire Department; ensure capital assets meet the needs of the Fire Department; deliver quality services to effectively control risks to life, property, and environment for the Fire Department; promote safety, employee health and fitness for the Fire Department; and promote innovation and technology for the Fire Department. Each of these initiatives are ongoing and are expected to be completed by the end of 2010.

The City Council's fifth goal was to develop the Garwood Water Plan to be "Shovel-Ready" in three years. The strategies to accomplish this goal include the completion of preliminary Phase A Plan, which includes water line route selection/acquisition; completion of design plans and construction specifications; preparation of a financial plan; and the creation and implementation of a public information campaign. On December 8, 2009, City staff made a presentation to the City Council with a project update regarding the Garwood Water Plan (also known as the Mary Rhodes Pipeline: Phase II). The plans are to make the project "shovel ready" by January 2012.

The City Council's sixth goal was to continue to develop a road plan through dedicated revenue (not including general obligation bonds). The strategies to accomplish this goal include an assessment of the City's existing street maintenance program report; an

assessment of the street maintenance program variables; identification of funding requirements; development of a funding plan; and City Council recommendation and plan implementation. The recommended plan is that funds available in the operating budget be used mostly for preventative maintenance work to keep streets in the good and satisfactory categories from deteriorating. The major work for streets in the fair and poor categories will be accomplished through bond programs and other discretionary funding if it becomes available. The City Council would like staff to identify other funding options to support street maintenance – other than the issuance of general obligation bonds. This goal is currently on-going.

The City Council's seventh goal is to expand the pride of appearance in the City and to incorporate community pride with Clean Cities. The strategies to accomplish this goal include filling the Clean City/Pride position and the establishment and implementation of a Clean City/Pride Program. The Pride/Clean City position has already been filled, and an Advisory Committee on Community Pride has already been created of local business leaders. Strategies include "friend-raising" and organizing quarterly city-wide efforts that promote clean ups, beautification projects, and awareness of city endeavors through many mediums with a stronger focus on social media, such as Facebook and Twitter. The first event, The Great Corpus Christi Clean Sweep, held in mid-November 2009 was a great success. Planning activities are already underway for the first two quarterly Pride events for 2010. While the aforementioned projects are led by the Pride board, the Clean City Committee is also working on the creation of a dynamic "Speaker's Bureau", who would provide presentations and appearances throughout the community on the imperative Recycle Bank program.

The City Council's eight and final goal dealt with green initiatives, outreach in solar, wind energy partnerships and initiatives. This goal dealt with the development of energy strategies towards implementation of sustainability and green initiatives within city operations to achieve conservation goals and educate the citizens of our community. The strategies developed to accomplish this goal included renewal energy development; energy and fuel conservation; vehicle purchases; and "Green City" program. The City Council approved the City of Corpus Christi Energy Management Program on June 23, 2009. Since that time, the City has worked diligently to develop a strategic plan to implement various City projects in coordination with the Energy Efficiency and Conservation Block Grant of \$2.4 million received from the United States Department of Energy. In addition, two request for proposals (RFP's) are being prepared for a landfill gas-to-energy project at the J. C. Elliott Landfill and a wind energy project at the Cefe Valenzuela Landfill. Partners for these two projects, depending upon the outcome of the RFP process, should be selected in the first quarter of 2010.

## **AWARDS AND ACKNOWLEDGMENTS**

### ***Awards***

In November 2009, the City was ranked first in the nation by the Center for Digital Governments among those with a population class of 250,000 and greater. The City ranked eighth the prior year, and so this achievement demonstrates how Corpus Christi places a high value on digital advancements for our citizens.

Additionally, the City placed fifth in the “Best of the Web Awards” sponsored by the Digital Government Achievement Awards. Best of the Web ranks the top United States state and local Web portals, recognizing advances in digital solutions and communication with citizens, government communities, and businesses.

In November 2009, the Police Department received its accreditation by the Commission for Accreditation of Law Enforcement Agencies (CALEA). This was a culmination of many months of preparation and is a significant achievement for the City of Corpus Christi.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Corpus Christi for its comprehensive annual financial report (CAFR) for the fiscal year ended July 31, 2008, continuing to confirm compliance with both Generally Accepted Accounting Principles (GAAP) and legal requirements. This was the twenty-sixth consecutive year that the City has received this prestigious award. A Certificate of Achievement is valid for a period of one year only. We believe that this CAFR continues to meet the Certificate of Achievement Program’s requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

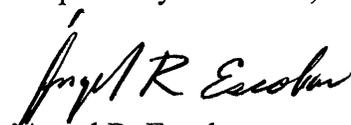
The City also received the GFOA’s Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning August 1, 2008. The City has received nineteen of these awards. In order to qualify for the Distinguished Budget Presentation Award, the government’s budget document was judged to be proficient as a policy document, a financial plan, an operations guide, and a communications device.

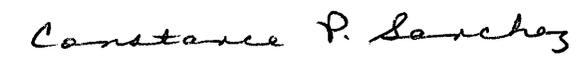
### ***Acknowledgments***

The preparation of this report is possible only because of the dedication of the staff members in the Department of Financial Services. Special thanks must be given to Interim Assistant City Manager of Administrative Services, Cindy O’Brien, for her continued guidance and support and to John Shepherd and Craig Mlady with Collier, Johnson, and Woods, P.C. who tirelessly and patiently worked with City staff in conducting the audit and producing the CAFR.

Credit must also be given to the Mayor and City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Corpus Christi and the prudent financial policies to which it subscribes.

Respectfully submitted,

  
Angel R. Escobar  
City Manager

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

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Corpus Christi  
Texas

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
July 31, 2008

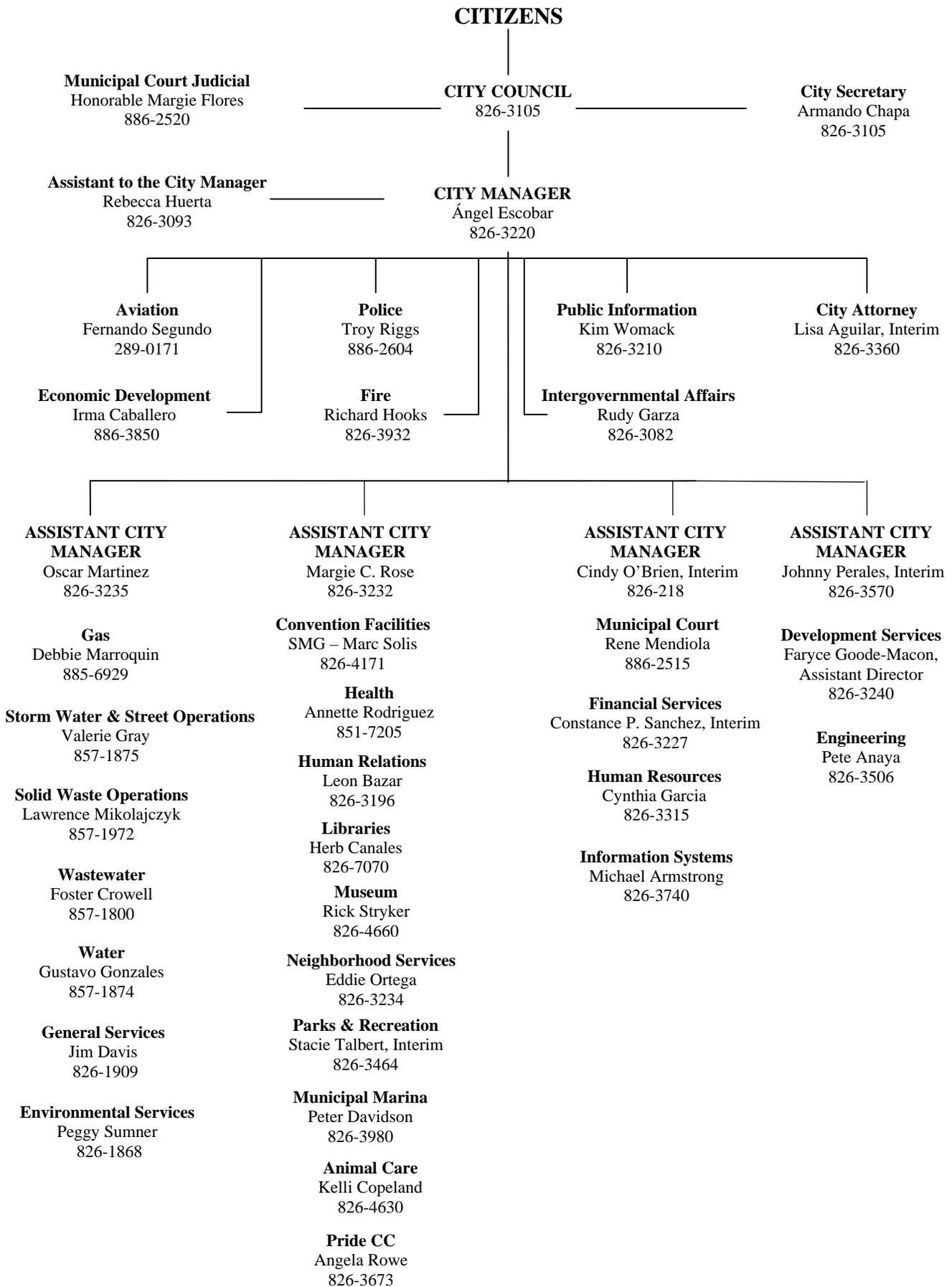
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

# City Organizational Chart



INDEPENDENT AUDITOR'S REPORT

January 29, 2010

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Corpus Christi, Texas as of and for the year ended July 31, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Corpus Christi Convention and Visitors Bureau whose assets were \$928,394 and revenues were \$3,491,769, the American Bank Center Convention Center Fund whose assets were \$704,523 and revenues were \$2,382,849, the American Bank Center Arena Operations Fund whose assets were \$875,234 and revenues were \$3,752,148 and the American Bank Center Food and Beverage Operation Fund whose assets were \$241,038 and revenues were \$2,005,347. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Corpus Christi Convention and Visitors Bureau and the American Bank Center Convention Center Fund, Arena Operations Fund and Food and Beverage Operation Fund, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Corpus Christi, Texas as of July 31, 2009 and the respective changes in financial position, cash flows, where applicable, and the respective budgetary comparison for the general fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2010 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and the other required supplementary information on pages 3 through 17 and 77 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Corpus Christi's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, capital assets used in the operation of governmental funds and the statistical tables 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 accompanying schedule of expenditures of federal/state awards, pages 337 through 347, is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and by the *State of Texas Single Audit Circular* issued by the Governor's Office of Budget and Planning and is also not a required part of the basic financial statements of the City. The combining and individual fund statements and schedules, capital assets used in the operation of governmental funds and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we express no opinion on them.

Collier, Johnson & Woods

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Corpus Christi's (City) annual financial report presents an overview, through management's discussion and analysis (MD&A), of the City's financial activities and performance during the fiscal year ended July 31, 2009. The MD&A should be read in conjunction with the transmittal letter found in the Introductory Section of this report and the accompanying financial statements and disclosure following this section.

### **FINANCIAL HIGHLIGHTS**

#### **Entity Wide**

- Total net assets of the City, excluding component units, were \$948.2 million at July 31, 2009, an increase of \$17.5 million, or 1.9% compared to July 31, 2008. Of these assets, 84.0% are invested in capital assets or restricted, with the remaining 16.0% unrestricted.
- Total net expenses over program revenue were \$17.3 million more than prior year, reflecting net expenses of \$147.3 million at July 31, 2009 compared to \$130.0 million at July 31, 2008.
- Total general revenue and transfers, excluding component units, were \$164.8 million at July 31, 2009, a decrease of \$3.3 million, or 2.0% less than the prior year.

#### **Governmental Activities**

- On a government-wide basis for governmental activities, the City had expenses net of program revenue of \$178.7 million at July 31, 2009, compared to \$158.9 million at July 31, 2008, representing an increase of 12.4% from prior year.
- General revenues and transfers totaled \$177.2 million at July 31, 2009, resulting in a decrease in net assets of \$1.5 million. This compares to July 31, 2008 totals of \$182.2 million in general revenues and transfers with an increase in net assets of \$23.3 million.
- Net assets decreased by 0.50%, from \$296.8 million at July 31, 2008 to \$295.4 million at July 31, 2009.
- During the fiscal year ended July 31, 2009, the City issued \$88.7 million of general improvement bonds as the first issuance of bonds for projects approved by the voters on November 11, 2008. At the end of fiscal year 2009, the City as a whole had \$370.4 million in outstanding ad valorem and sales tax supported bonds compared to \$297.4 million at July 31, 2008. The City has continued to maintain its unenhanced ratings of AA- by Fitch and Standard & Poor's, and A1 by Moody's for the General Improvement bonds.

#### **Business-Type Activities**

- On a government-wide basis for business-type activities, program revenue net of expenses was \$31.4 million for fiscal year ended July 31, 2009 compared to \$28.9 million for 2008.
- Net assets increased by 3.0%, from \$633.8 million at July 31, 2008 to \$652.8 million at July 31, 2009.
- During the fiscal year ended July 31, 2009, the City issued \$12 million of combination tax and solid waste revenue certificates of obligation and \$96.5 million of Utility System revenue improvement bonds. For the certificates of obligation, Standard & Poor's upgraded the City's rating to AA-, and the City maintained its ratings of AA- by Fitch and A1 by Moody's. For the Utility System revenue bonds, the City maintained its ratings of A+ by Standard & Poor's and A2 by Moody's but was downgraded by Fitch to A+ from AA-. At the end of fiscal year 2009, the City as a whole had \$605.4 million in outstanding revenue bonds and certificates of obligation compared to \$526.7 million at July 31, 2008.

#### **General Fund**

- At the end of the current fiscal year, unreserved, undesignated fund balance for the General Fund was \$27.2 million, or 14.7% of the General Fund expenditures. This compares to an unreserved, undesignated fund balance of \$27.1 million, or 15.1% of General Fund expenditures for fiscal year ended July 31, 2008.
- Revenues of \$181.1 million for fiscal year ended July 31, 2009 increased by 2.0% from prior year revenues of \$177.7 million.
- General Fund expenditures were \$184.8 million for the current year, compared to \$179.8 million for fiscal year ended July 31, 2008, or a 2.8% increase.

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

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

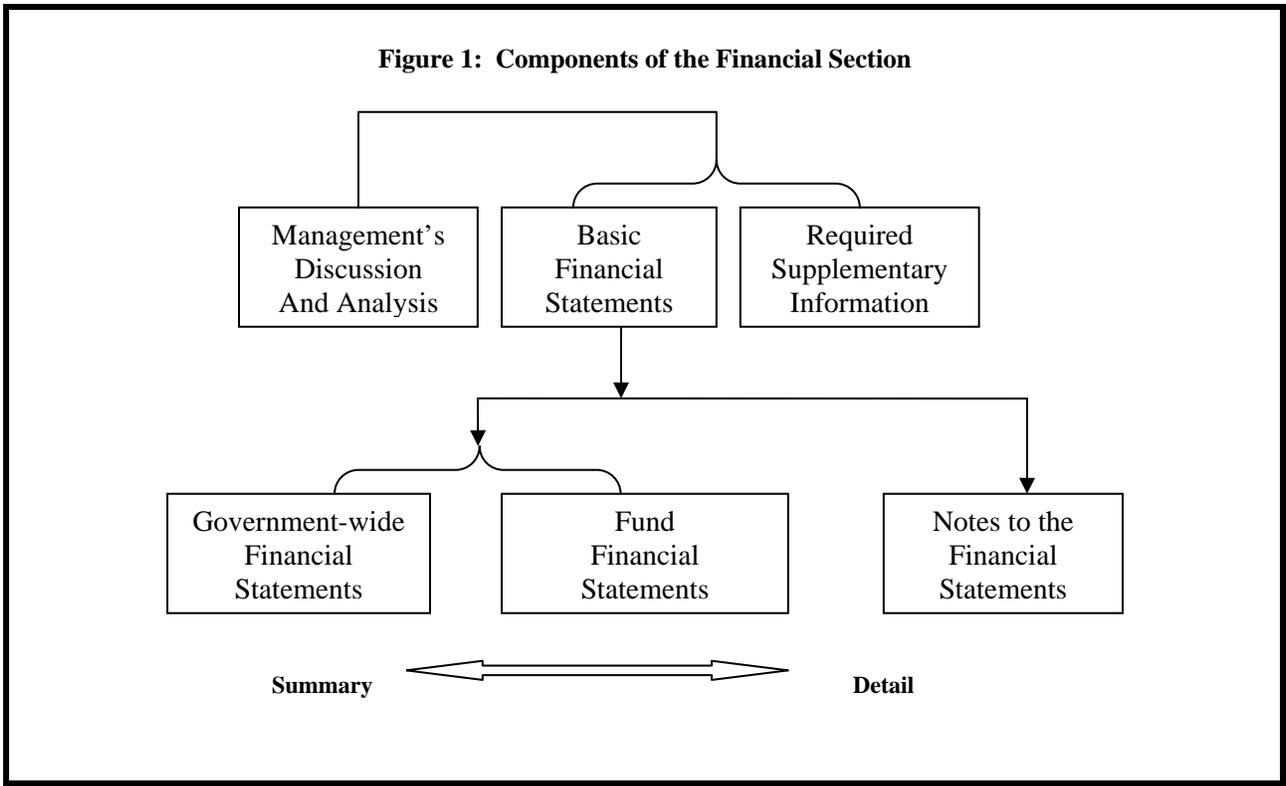


Figure 1 depicts how the required parts of this annual financial report are arranged and relate to one another. In addition to these required elements, a section with combining and individual fund financial statements and schedules that provides details about the non-major governmental funds and internal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

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

1. **Government-wide financial statements** provide both long-term and short-term information about the City’s overall financial condition. The *Statement of Net Assets* and the *Statement of Activities*, which are the government-wide statements, report information about the City as a whole, and about its activities, in a way that provides information helpful in determining whether the City’s financial condition has improved or deteriorated as a result of current year’s activities. These statements are presented for both *governmental activities* and *business-type activities*. All assets and liabilities are reported using the accrual basis of

accounting so the statements will provide readers with a broad overview of the City's finances, similar to statements used by most private-sector companies. Legally separate *component units* (Coastal Bend Health Facilities Corporation and Corpus Christi Convention and Visitors Bureau) are also shown in these statements.

**2. Fund financial statements** provide a detailed short-term view of the City's operations, focusing on the most significant funds in greater detail than the government-wide statements. The three types of funds reported are:

- Governmental funds – General Fund, Debt Service Fund, and other Non-major funds consisting of special revenue funds, capital project funds, the other debt service funds, focus on how cash and other financial assets that can readily be converted to cash flow in and out and the balances left at year-end that are available for spending. The governmental funds statements provide the short-term view that helps determine whether there are more or fewer financial resources to be spent in the near future to finance the City's programs. Because the focus of governmental funds does not encompass the additional long-term focus of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.
- Proprietary funds – Enterprise funds and Internal Service funds are used to report services for which the City charges their customers, either internal or external, a fee. These funds, like the government-wide statements, provide both long-term and short-term financial information, however, in more detail. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements, excluding Solid Waste Services, which is recorded in the General Fund. The City uses enterprise funds to account for its Utility System, Airport, Golf Courses, and Marina. Internal service funds are used to report activities that provide supplies and services for the City's various other programs and activities. The City uses internal service funds to account for Stores, Maintenance Services, Municipal Information Systems, Liability and Employee Benefits, Engineering Services, and the newly formed Corpus Christi Digital Communities Development Corporation. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.
- Fiduciary funds – The City is trustee, or fiduciary, for certain amounts held on behalf of others or, because of an arrangement, can be used only for the trust beneficiaries. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. A Deferred Compensation Plan and a Private Purpose Trust Fund are the City's two fiduciary activities and are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. These fiduciary activities are excluded from the City's government-wide financial statements because the City cannot use these assets to finance its operations.

**3. Notes to the financial statements** provide disclosures and additional information that are essential to the full understanding of the financial information presented in the government-wide and fund financial statements.

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

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Net Assets**

At July 31, 2009, the net assets for the City of Corpus Christi totaled \$948.2 million, \$17.6 million higher than the prior year. The composition of these net assets is \$295.4 million for governmental activities and \$652.8 million for business-type activities. The largest portion of the City’s net assets, 81.5%, are invested in capital assets (e.g., land, infrastructure, buildings, machinery and equipment, and construction in progress), less any related debt used to acquire those assets that is still outstanding. The City’s unrestricted net assets, \$151.5 million for 2009, are used to finance day-to-day operations. The City has sufficient funds to meet requirements for cash outlays in the next fiscal year as well as the financial capacity to meet its long-term obligations, without major reductions in fund balances or net assets.

Table 1 reflects a comparative summary of statement of net assets of the City of Corpus Christi.

Table 1  
Summary of Statement of Net Assets  
As of July 31, 2009 and 2008  
(in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Capital assets, net of accumulated depreciation	\$ 465,875	\$ 443,519	\$ 1,339,112	\$ 1,304,445	\$ 1,804,987	\$ 1,586,336
Other assets	324,617	279,433	143,322	93,993	467,939	535,054
Total assets	790,492	722,952	1,482,434	1,398,438	2,272,926	2,121,390
Long-term liabilities	446,361	377,916	809,011	737,008	1,255,372	1,110,085
Other liabilities	48,748	48,197	20,569	27,610	69,317	80,646
Total liabilities	495,109	426,113	829,580	764,618	1,324,689	1,190,731
Net assets						
Invested in capital assets, net of related debt	184,298	171,560	588,187	614,735	772,485	786,295
Restricted	8,706	7,162	15,548	17,162	24,254	24,324
Unrestricted	102,379	118,117	49,119	1,923	151,498	120,040
Total net assets	\$ 295,383	\$ 296,839	\$ 652,854	\$ 633,820	\$ 948,237	\$ 930,659

Of the business-type activities, the Utility System fund is the largest operation at the City with total assets of \$1.28 billion, comprising 86.5% of all business-type activities total assets for 2009. The Utility System fund net assets were \$558.9 million which is 85.6% of total business-type activities net assets for 2009, compared to 85.4% for 2008.

**Changes in Net Assets**

Table 2 reflects a comparative detail of changes in net assets of the City of Corpus Christi.

Table 2  
Changes in Net Assets  
For the Fiscal Years Ended July 31, 2009 and 2008  
(in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
<b>Revenue</b>						
Program revenues						
Charges for services	\$ 52,790	\$ 52,901	\$ 227,791	\$ 215,255	\$ 280,581	\$ 268,156
Operating grants and contributions	13,520	13,293	496	48	14,016	13,341
Capital grants and contributions	5,161	9,215	7,864	24,437	13,025	33,652
Total program revenues	<u>71,471</u>	<u>75,409</u>	<u>236,151</u>	<u>239,740</u>	<u>307,622</u>	<u>315,149</u>
General revenue						
Property taxes	81,689	77,310	--	--	81,689	77,310
Sales taxes	71,019	70,121	--	--	71,019	70,121
Hotel occupancy taxes	10,127	10,337	--	--	10,127	10,337
Investment earnings	2,825	6,210	1,474	4,134	4,299	10,344
Total general revenue	<u>165,660</u>	<u>163,978</u>	<u>1,474</u>	<u>4,134</u>	<u>167,134</u>	<u>168,112</u>
Total revenues	<u>237,131</u>	<u>239,387</u>	<u>237,625</u>	<u>243,874</u>	<u>474,756</u>	<u>483,261</u>
<b>Expenses</b>						
General government	22,073	20,659	--	--	22,073	20,659
Police and municipal court	78,932	73,019	--	--	78,932	73,019
Fire and ambulance	42,520	38,222	--	--	42,520	38,222
Emergency management	525	470	--	--	525	470
Inspections	2,171	1,699	--	--	2,171	1,699
Streets	25,814	25,060	--	--	25,814	25,060
Health	7,450	6,856	--	--	7,450	6,856
Parks and recreation	21,767	21,456	--	--	21,767	21,456
Libraries	5,613	4,994	--	--	5,613	4,994
Museums	1,843	1,887	--	--	1,843	1,887
Community enrichment	3,476	2,625	--	--	3,476	2,625
Community development	5,831	4,594	--	--	5,831	4,594
Convention and visitors activities	17,168	18,124	--	--	17,168	18,124
Interest on long-term debt	14,950	14,665	--	--	14,950	14,665
Solid waste	--	--	18,443	20,076	18,443	20,076
Utilities	--	--	172,375	175,425	172,375	175,425
Airport	--	--	12,229	11,556	12,229	11,556
Golf centers	--	--	2,134	1,949	2,134	1,949
Marina	--	--	1,864	1,807	1,864	1,807
Total expenses	<u>250,133</u>	<u>234,330</u>	<u>207,045</u>	<u>210,813</u>	<u>457,178</u>	<u>445,143</u>
Excess revenues over expenses	(13,002)	5,057	30,580	33,061	17,578	38,118
Transfers	11,546	18,204	(11,546)	(18,204)	--	--
Increase in net assets	(1,456)	23,261	19,034	14,857	17,578	38,118
Net assets at beginning of year	<u>296,839</u>	<u>273,578</u>	<u>633,820</u>	<u>618,963</u>	<u>930,659</u>	<u>892,541</u>
Net assets at end of year	<u>\$ 295,383</u>	<u>\$ 296,839</u>	<u>\$ 652,854</u>	<u>\$ 633,820</u>	<u>\$ 948,237</u>	<u>\$ 930,659</u>

**Governmental Activities**

As shown in Table 2, there was a \$1.5 million net decrease in net assets for governmental activities in 2009 as compared to a \$23.3 million net increase for 2008. For fiscal year ended July 31, 2009, revenues totaled \$237.0 million compared to \$239.4 million in the prior year, a decrease of \$2.4 million. The two largest sources of revenue were property taxes and sales taxes, which increased in total by \$5.28 million from the prior year. Property taxes increased from \$77.3 million in 2008 to \$81.7 million in 2009 due to a 5.36% increase in net assessed values from 2008 to 2009 while the overall property tax rate remained the same. However, the City began feeling the effects of the downturn in the economy during the fourth quarter of the fiscal year. Sales tax only increased by \$71 thousand from the prior year, which was \$947 thousand less than what was budgeted. Additionally, hotel occupancy taxes reflect a 2.0% decrease from the prior year – from \$10.3 million in 2008 to \$10.1 million in 2009. The third largest revenue source, charges for services, slightly decreased by \$110 thousand from \$52.9 million in 2008 to \$52.8 million in 2009. Included in this category are revenues from building permits, which also felt the effects of the downturn in the economy. The number of building permits decreased by 21.4% from the prior year - from 5,118 in 2008 to 4,022 in 2009, and total revenue associated with licenses and permits was approximately \$1.5 million less than what was budgeted in 2009. This decrease in revenue was offset, in part, by a \$726 thousand increase in emergency call revenue generated by increased call volume in 2009 and aggressive collection efforts; by \$200 thousand in increased street fees due to an aggressive program of street repairs; by \$300 thousand generated at the Animal Care facility due to fees associated with the implementation of a spay/neuter clinic, and by \$100 thousand in increased Latchkey revenue. Additionally, capital grants and contributions decreased by \$4.0 million from the prior year due to a variety of reasons. There was a \$1.4 million decrease in capital grants and contributions in the streets category due mainly to fewer subdivisions being completed in 2009 as compared to 2008. As a result, the City received few contributions from developers. Additionally, there were fewer projects funded by the Texas Department of Transportation in 2009 as compared to 2008. In the fire and ambulances category, the \$1.1 million decrease from 2008 to 2009 was due to the fact that the fire department had received a \$1.1 million grant from Homeland Security for the purchase of equipment in 2008 that it did not receive in 2009. The \$852 thousand decrease in the general government category was due to funding from the Community Development Block Grant (CDBG) being allocated to general government projects in 2008 which was not allocated to these types of projects in 2009. The \$777 thousand decrease in the libraries category of capital grants and contributions was due to fact that in 2008, two major contributions were made for improvements to two of the City's libraries.

Expenses for governmental activities totaled \$250.1 million in 2009 compared to \$234.3 million in 2008. The major variances between years included the following: general government – the \$1.4 million increase due to the increase in the retirement rate for Texas Municipal Retirement System (TMRS) in 2009 from 14.8% to 21.31% which included the net pension obligation in 2009 since the City chose to phase in the increased rate over an eight-year period; police and municipal court – \$5.9 million increase due to a 4% pay increase for police sworn personnel as well as the TMRS retirement rate increase; fire and ambulance – \$4.3 million increase due to a 4% pay increase per the contract with the Firefighter's Association and a planned increase in the City's contribution for firefighters' retirement; streets – \$755 thousand million increase due to the replacement of equipment; health – \$594 thousand increase in the animal control and immunization divisions and for an increase in professional services to pay for Local Health Authority services; libraries - \$619 thousand to fund books, supplies and staffing for a new

library and to help operate an expanded library; community enrichment - \$851 thousand for an increase in expenditures in the Hotel Occupancy Tax Fund for special events and an increase in expenditures related to Packery Channel; and community development – \$1.23 million due, in part, to more aggressive and expanded economic development programs specifically as they relate to affordable housing, major business incentives, and small business projects.

### **Business-type Activities**

As shown in Table 2, the net assets for business-type activities for 2009 increased \$19.0 million versus a net increase in net assets for 2008 of \$14.9 million. For 2009, revenues for business-type activities decreased by \$8.5 million from the prior year: \$235.3 million for 2009 compared to \$243.8 million for 2008, while expenses decreased by \$6.1 million: \$204.7 million for 2009 compared to \$210.8 million for 2008.

Revenues for the City's business-type activities are associated with operating activities accounted for in the enterprise funds, the largest activity being the Utilities (81.2%) which consists of the gas, water, and wastewater systems. Although charges for services increased by \$12.5 million for business-type activities from 2008 to 2009 and operating grants and contributions increased by \$400 thousand, capital grants and contributions decreased by \$16.5 million from 2008, as did unrestricted investment earnings which decreased by \$2.7 million due primarily to lower interest rates ranging from a high of 4.23% in January 2008 to a low of 0.36% in July 2009. The average interest rate in 2009 was 1.2% as compared to the average interest rate in 2008 of 2.85%. The increase in charges for services for the water activity of \$19.8 million can be attributed to high volume of water sold in 2009 due to it being a very dry year as compared to 2008. The increase in charges for services for the wastewater activity of \$3.4 million can be attributed to both a 5% increase in the wastewater rate, as well as in an increase in water consumption in 2009. It should be noted that the gas activity had a \$10.0 million decrease in charges for service due to a decrease in the pass-through cost associated with gas sold, as well as a 7% decrease in volume of gas sold. Additionally, the airport activity had a \$1.4 million decrease in charges for services caused by a 12.9% decrease in enplaned passengers as well as a loss of rental car space due to bankruptcy of one rental car company. There was also a \$5.3 million decrease in capital grants as a result of completion of two major runways and taxiway rehabilitation being completed in 2008.

The major expense reported in the business-type activities was Utilities (84.2%), reflecting \$172.4 million in 2009 compared to \$175.4 million in 2008. Contributing to this \$3.0 million decrease was primarily a \$2.3 million decrease in the pass-through cost associated with gas sold, as well as a 7% decrease in volume of gas sold. Solid waste also experienced a decrease in expenses of \$3.9 million from \$20.0 million in 2008 to \$16.1 million in 2009. This 19.5% decrease was due to a decreasing cost in fuel; a decrease in overtime due to operating efficiencies in the department; a decrease in lease purchase payments due to the payoff of leases in 2009; and a decrease in cost to the landfill contractor due to a decrease in tonnage at the JC Elliott Landfill.

## FINANCIAL ANALYSIS OF THE CITY'S GOVERNMENTAL FUNDS

### Governmental Funds

- Total assets of the General Fund decreased from the prior year, reporting \$43.1 million in 2009 compared to \$44.9 million in 2008. Cash, cash equivalents and investments reflect \$28.4 million or 65.8% of total assets with net receivables reporting \$14.3 million, or 33.1% of the total. The majority of the net receivables balance was in property taxes receivables, solid waste receivables, demolition liens, and intergovernmental receivables attributed to sales tax.
- Total liabilities of the General Fund slightly increased by 1%, from \$12.7 million in 2008 to \$12.8 million in 2009. This was attributable mainly to increases in the accounts payable and accrued liabilities categories, caused by the timing of vendor invoices received and an increase in the payroll accrual.
- General Fund revenues reflect a \$3.0 million decrease from the budget estimate but a \$2.9 million increase over 2008 actuals. Current ad valorem taxes increased by 5.6% or \$2.4 million from \$44.5 million in 2008 to \$46.9 million in 2009. This trend, however, is not expected to continue with only little growth expected in assessed valuations for the next few years. Sales tax revenue in 2009 already began to feel the effects of the downturn in the economy. Sales tax remained relatively flat from 2008 to 2009 with only a \$71 thousand increase from the prior year, which was \$947 thousand less than what was budgeted. This trend is expected to continue into the next fiscal year. The effect of the downturn in the economy can also be seen in the licenses and permits category with licenses and permits revenue reflecting a \$1.5 million decrease from the budget estimate but an increase of \$124 thousand over the prior year.
- The ambulance division continues to report an increase in emergency calls, generating \$893 thousand more than amounts budgeted and \$726 thousand more than prior year. The solid waste department has generated \$1.1 million in additional revenue over the prior year mainly to increased collections in refuse disposal charges. Overall, in 2009 the City's General Fund revenues maintained the levels from 2008 with slight growth from the prior year.
- The General Fund's unreserved, undesignated fund balance increased by 0.5% in 2009, reporting a balance of \$27.2 million, compared to \$27.1 million in 2008; while the General Fund's total fund balance decreased by \$1.8 million from 2008 to 2009 or 6.0%. The contributing factors to the overall decrease in total fund balance were intentional draw-downs of General Fund excess revenues over expenditures by the City Council for one-time expenditures as allowed by the City's financial policies, including \$1.55 million for street overlay projects and \$355 thousand for replacement of the health department's air handler and chiller.

- The Debt Service Fund's total fund balance decreased by \$6.4 million, reporting a balance of \$10.1 million in 2009. The fund balance was scheduled to be drawn down in 2009 by \$7.4 million for payment of seven-year tax notes issued in 2008. This decrease was offset by \$1 million in additional ad valorem tax collections, compared to the prior year.
- The ad valorem tax rate for fiscal year 2008-2009 remained the same at \$0.563846 per \$100/ valuation: distributed \$0.364671 for the General Fund and \$0.199175 for Debt Service.

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

Funds comprising the non-major governmental category are Special Revenue, Capital Projects funds and Debt Service funds from the Corpus Christi Business and Job Development Corporation and the North Padre Island Development Corporation. The combined fund balance for the non-major governmental funds for 2009 was \$212.1 million, as compared to \$157.2 million from 2008. This represents a \$54.9 million increase of 34.9%. In the Special Revenue funds, Corpus Christi Business and Job Development Corporation reported a relative stable amount of sales tax collections – only \$27 thousand more than the prior year, while interest earnings decreased by 48% or \$670 thousand due to falling interest rates in 2009. North Padre Island Development Corporation reported an increase in property tax collections and grants of \$1.3 million, reflecting growth in the Tax Increment Financing Zone – Packery Channel in 2009. The fund balance for the capital projects funds increased by \$48.9 million from 2008 to 2009 due to the issuance of \$88.7 million of general obligation bonds, \$2.7 million of premiums on the sale of the bonds, and \$12 million of certificates of obligation, offset by \$54.9 million of spend down on projects.

### **CAPITAL ASSET AND DEBT ADMINISTRATION**

As shown in Table 3 below, at the end of 2009 the City had invested over \$1.8 billion in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads and bridges, and its utility system and airport. This amount represented a net increase (after additions, deductions, and depreciation) of \$57.0 million, or 3.3% over last year. The governmental activities increased by \$22.3 million with the major increase of \$21.1 million in construction in progress for the remaining major street repairs for Bond 2004 projects beginning, as well as the major street repairs, public facilities improvements, and park and recreation improvements associated with Bond 2008 projects beginning. The business-type activities increased by \$34.7 million, with the majority of the increase in improvements (\$18.5 million) and infrastructure (\$29.7 million) associated with Utility System improvements. Construction in progress decreased by \$9.0 million from 2008 due to the completion of the utility work related to the Bond 2004 street repairs that were completed in 2009. (See Note 8 of the Financial Statements for more details on capital assets.)

Table 3  
Capital Assets (net of depreciation) at July 31, 2009 and 2008  
(in 000's)

	Governmental Activities		Business-Type Activities		Total		% Change 2008-2009
	2009	2008	2009	2008	2009	2008	
Land	\$ 55,931	\$ 56,088	\$ 35,384	\$ 33,512	\$ 91,315	\$ 89,600	1.9%
Water rights	--	--	155,517	160,270	155,517	160,270	-3.0%
Buildings	156,817	155,151	55,927	57,682	212,744	212,833	0.0%
Improvements	72,775	80,781	239,313	220,799	312,088	301,580	3.5%
Equipment	30,870	29,819	18,083	18,015	48,953	47,834	2.3%
Infrastructure	85,205	78,488	688,807	659,068	774,012	737,556	4.9%
Construction in progress	64,277	43,192	146,081	155,099	210,358	198,291	6.1%
Total	<u>\$ 465,875</u>	<u>\$ 443,519</u>	<u>\$ 1,339,112</u>	<u>\$ 1,304,445</u>	<u>\$ 1,804,987</u>	<u>\$ 1,747,964</u>	3.3%

### Long-term Liabilities

During the fiscal year, the City completed two bond issues to fund projects planned and approved during the last fiscal year and completed one refunding bond issue to fund Utility System capital improvements. A fourth bond issue for certificates of obligation was initiated in July 2009 but was not funded until August 2009. All the bond issues were for major initiatives that represent a significant long-term commitment to revitalization strategies that support expansion of tourism, as well as commercial and industrial growth, and improved quality of life for the citizens. With each issue, the City was able to take advantage of the historically low interest rates.

In late December 2008, the City issued \$12,000,000 in Combination Tax and Solid Waste Revenue Certificates of Obligation, to fund improvements to the City's Solid Waste System, including landfill site development and related drainage improvements for the new Cefe Valenzuela landfill. The interest rate on these bonds range from 3.00% to 5.25%.

In March 2009, the City issued \$96,490,000 in Utility System Revenue Improvement Bonds, Series 2009, to finance planned Utility System capital improvements. The interest rate on these bonds range from 2.50% to 5.25%.

In April 2009, the City issued \$88,725,000 in General Improvement Bonds, Series 2009, to fund the first series of bonds associated with the City's Bond 2008 projects. The voters authorized \$153,000,000 to be issued in connection with Bond 2008, and this first issue resulted in \$90,000,000 going towards these projects. The remaining \$63,000,000 in bonds is scheduled to be sold within the next two years. The interest rate on these bonds range from 2.00% to 5.00%.

In July 2009, the City Council approved the sale of \$8,460,000 in Combination Tax and Limited Pledge Certificates of Obligation, Series 2009 to finance permanent public improvements within the City for three projects. The interest rate on these bonds range from 2.00% to 5.00%. These certificates were not sold and funded until the following fiscal year, in August 2009, and so this issue is noted in the Notes to the Financial Statements but will be not be included in the financial statements until the next fiscal year.

Table 4 shows that total long-term liabilities increased \$141.6 million in 2009, from \$1.11 billion to \$1.255 billion, or 12.7%. As described in the preceding paragraphs, the increase can be attributable, in part, to three debt issues occurring in 2009. Governmental activities reported a net increase of \$68.4 million in long-term liabilities which reflects the new debt issue (\$88.7 million), an increase in capital leases of \$1.7 million, an increase in deferred amounts of \$2.0 million (as a result of the bond sale), increase in accumulated compensated absences (\$1.8 million) due to employees are staying longer with the City and not retiring. These longer-term employees earn compensated absence benefits at a higher rate than employees with less tenure. Other increases include an increase in the net other post employment benefits of \$5.2 million, and initial recording of a net pension obligation of \$2.9 due to the phased-in retirement rate for TMRS. These increases are offset by the pay-down of debt (\$16.6 million), capital leases (\$2 million), and deferred amounts (\$1.6 million).

Business-type activities reported an increase of \$72.0 million, which reflects the two new debt issues of \$12.0 million for certificates of obligation and \$96.5 million for the revenue bonds, an increase of \$415 thousand in capital leases; \$366 thousand increase in accumulated compensated absences; and \$1.0 million for the initial recording of a net pension obligation due to the phased-in retirement rate for TMRS. These increases are offset by the pay-down of debt (\$33.7 million), deferred amounts (\$1.6 million), and decrease in landfill closure costs of \$2.9 million. (See Note 14 Long-term Obligations in the Financial Statements).

GASB No. 45: Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions (OPEB) was implemented by the City in fiscal year 2007-2008. This is the second year of implementation. An actuarial valuation was obtained in accordance with this statement and determined that the total annual required contribution (ARC) for the City at July 31, 2009 is \$7,116,900. Contributions made by the City during the year equaled \$1,950,032 plus an interest factor of \$20,522 resulted in an increase to net OPEB obligation during 2009 of \$5,187,271 for a total net OPEB obligation of \$10,025,653 at July 31, 2009. Additionally, the actuarial accrued liability for the City at July 31, 2008 is \$67,986,606. (See Note 10 Post-Employment Health Care Benefits in the Financial Statements.)

In December 2007, the TMRS Board of Trustees voted to adopt a change in the actuarial cost method used to calculate liabilities and contribution rates for TMRS cities. For the City of Corpus Christi, these changes resulted in a higher required contribution and lower funded ratio. To assist in the transition, the Board approved an eight year phase-in period which will allow cities to increase their contributions gradually to their full rate. The phase-in rate for 2009 is 15.75%. This rate will increase to approximately 24% over the next eight years when it will then level off. The phase-in rate results in a net pension obligation for the City of \$3.9 million at July 31, 2009. (See Note 9 Employee Retirement Benefits.)

Table 4  
Long-Term Liabilities at July 31, 2009 and 2008  
(in 000's)

	Governmental Activities		Business-Type Activities		Total		% Change 2008-2009
	2009	2008	2009	2008	2009	2008	
General obligation bonds	\$ 231,525	\$ 152,030	\$ --	\$ --	\$ 231,525	\$ 152,030	52.3%
Certificates of obligation	28,746	30,886	58,484	47,524	87,230	78,410	11.2%
Revenue bonds	110,095	114,480	--	--	110,095	114,480	-3.8%
Utility revenue bonds	--	--	527,280	459,125	527,280	459,125	14.8%
Airport revenue bonds	--	--	19,595	20,095	19,595	20,095	-2.5%
Capital leases	10,766	9,103	5,006	4,591	15,772	13,694	15.2%
Other notes	7,510	25,510	164,625	168,572	172,135	194,082	-11.3%
Deferred amounts	8,565	6,573	5,435	7,044	14,000	13,617	2.8%
Total debt	<u>397,207</u>	<u>338,582</u>	<u>780,425</u>	<u>706,951</u>	<u>1,177,632</u>	<u>1,045,533</u>	12.6%
Accumulated compensated absences	36,249	34,496	4,154	3,788	40,403	38,284	5.5%
Landfill closure cost	--	--	23,402	26,269	23,402	26,269	-10.9%
Net pension obligation	2,879	--	1,030	--	3,909	--	--
Net OPEB obligation	10,026	4,838	--	--	10,026	4,838	107.2%
Total long-term liabilities	<u>\$ 446,361</u>	<u>\$ 377,916</u>	<u>\$ 809,011</u>	<u>\$ 737,008</u>	<u>\$ 1,255,372</u>	<u>\$ 1,114,924</u>	12.6%

### Bond Ratings

Beginning in October 2008, the investment market began declining. As a result of the economic changes, the rating agencies began reviewing the insurance companies that insure municipal bonds. Because of this, the insurance companies that previously insured the City's bonds had been downgraded from AAA to Aa2 by Moody's and AAA to AA by Fitch. These ratings were still higher than the City's un-enhanced bond ratings, and so the City obtained insurance on each of its three bond issuances in fiscal year 2008-2009 in order to secure a lower interest rate.

In September 2008, the City received bond ratings from Moody's Investors Service, Inc. (Moody's), Standard & Poor's Ratings Service (S&P), and Fitch Ratings (Fitch) for the Combination Tax and Solid Waste Revenue Certificates of Obligation discussed previously of Aa2, AAA, and AAA, respectively, based upon the simultaneous delivery of a municipal bond insurance policy, with un-enhanced revenue bond ratings of A1, AA-, and AA-, respectively. In September 2008, S&P upgraded the City's underlying general obligation rating from A+ to AA-. In May 2009, the rating agencies assigned Aa2, AAA, and AA enhanced rating to the General Improvement Bonds, with un-enhanced ratings of A1 from Moody's, AA- from S&P, and AA- from S&P. In March 2009, the rating agencies assigned Aa2, AAA, and AAA enhanced ratings to the City's Utility System Revenue Improvement Bonds, with un-enhanced ratings of A2 from Moody's, A+ from S&P and A+ Fitch. Fitch's rating on this issue represented a downgrade from AA- to A+ due to the City's dwindling debt capacity for utility revenue bonds.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

A primary goal for the General Fund operating budget is that current budgeted revenues will equal or exceed current budgeted expenditures. Only unforeseen or emergency circumstances will be considered justification for utilizing the fund balance or contingency funds during the annual budget process.

The following is a brief review of the budgetary changes from the original to the final amended budget approved by City Council. (See budget to actual comparison in Exhibit 3 of the Financial Statements.)

The General Fund revenue budget was increased during fiscal year 2008-2009 for a total of \$1.3 million. The four major amendments were as follows: \$800 thousand in estimated excess ad valorem tax revenues to be used for pay range adjustments; \$166 thousand from insurance proceeds reimbursing costs associated with power outage at the Police Department; \$147 thousand from estimated excess Latchkey revenues from the new site; and \$129 thousand transfer from the City Hall CIP Fund for the Community Visioning Project. The remaining amendments were mostly from contributions used to purchase library books and estimated excess revenues from Propertyroom.com and ball field rentals.

During fiscal year 2008-2009, City Council amended the General Fund expenditure budget for a total of \$6.9 million. The four major amendments were \$3.0 million for encumbrances approved to carry forward from the end of the prior fiscal year; \$1.55 million appropriated from unreserved fund balance for street overlay projects; \$800 thousand appropriated from estimated excess ad valorem tax revenues for pay range adjustments; and \$355 thousand appropriated from the unreserved fund balance for the replacement of the Health Department air handler and chiller. The remaining amendments were for Municipal Court building security, technology and judicial improvements, police expenditures related to power outage, new Latchkey sites, two Fire Department pumper trucks, and technology at the libraries. (See Note 6 of the Financial Statements for more details on the budget amendments).

### **Budgetary Variances**

Taxes and business fees were \$117 million, a \$1.7 million increase over prior year, and \$1.8 million under budget. This year sales tax was budgeted at a 3.7% growth over fiscal year 2007-2008 estimated collections. Sales tax collections (\$44.4 million) fell short of the original budget by \$947 thousand. Cable television franchise fees were under budget by \$577 thousand. Electric franchise fees were budgeted at two percent under the fiscal year 2007-2008 estimated collections; however, actual collections fell short, dipping below prior year actuals by \$183 thousand.

Licenses and permits reported a decrease of \$1.49 million under budget, with building permits, mechanical permits, site plan fees, and plumbing permits, being the main categories reporting the decreases.

Charges for services reflect an overall increase of \$1.01 million over the original budget, with a combination of increases and decreases for the various categories. The major increase comes from ambulance services, which collected \$893 thousand more in emergency services than was budgeted due to increased calls and improved collections services. Another increase in

collections compared to original budget is solid waste operations, which reports a \$158 thousand increase mainly due to unanticipated residential customer growth. The police activity was down \$89 thousand overall, with the main contributor being alarm system permits and services. Health services reflected a \$112 thousand positive variance to the original budget due to vital statistics fees and food service permit fees.

The fines and forfeitures category reflects a \$910 thousand decrease in actual collections from what was budgeted. Many of the fines and fees reflect a shortfall with the majority coming from moving vehicle fines and failure to appear fines.

Overall, General Fund revenues came in \$3 million lower than what was budgeted.

General Fund actual expenditures were \$7.1 million under the amended budget with general government, fire, municipal court, streets, solid waste, health and libraries categories contributing to the savings. Main contributing factors to the savings were approximately \$963 thousand in general government from vacancy savings and “e-gov” transaction fee savings; \$216 thousand in the fire department due mainly to sworn personnel vacancies; \$242 thousand in municipal court due to the red light photo enforcement program not being fully implemented and vacancy savings; \$1.9 million in the street department for asphalt maintenance due to projects not completed in fiscal year 2008-2009; \$2.4 million in solid waste due to fuel reserve not being expended and savings on contracts related to ground and air monitoring, landfill compliance and maintenance; \$394 thousand in the health department due to building cooling equipment being charged to the Bond 2008 program, which was not voter approved at the time of budget preparation; \$204 thousand in library services due to vacancy savings and postponement of book purchases and \$235 thousand in other reserve funds not expended.

### **ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES**

- The unemployment rate for Corpus Christi increased from 4.8% in July 2008 to 7.3% in July 2009 due to the nation-wide downturn of the economy. In December 2009, the unemployment rose slightly to 7.8% but the local unemployment rate still falls short of both the 8% unemployment rate for the State of Texas and the 9.7% unemployment rate for the nation.
- For fiscal year 2009-2010, the Certified Net Assessed Taxable Value experienced an increase of 4.54% to \$14,440,609,740. The tax rate for fiscal year 2009-2010 was kept at the prior year’s tax rate of \$0.563846 per \$100 valuation. The Maintenance and Operations (M&O) rate remains at \$0.364671 per \$100 valuation while the Debt Service rate will remain at \$0.199175 per \$100 valuation.

- The City of Corpus Christi has appropriated total revenues and expenditures for fiscal year 2009-2010 of \$667,630,446, and \$672,691,238, respectively. Included for the General Fund are expenditures budgeted at \$196,468,076, which is a \$1.2 million decrease over the final budget for fiscal year 2008-2009. This decrease in the budgeted expenditures was planned due to the downturn in the economy during the second half of fiscal year 2008-2009 and the anticipation that the downturn may continue into fiscal year 2009-2010. Through December 2009, the fiscal year 2009-2010 sales tax revenue has been decreasing at a higher rate than what was budgeted. As a result, the City is in the process of making mid-year budget adjustments to adjust for the decrease in sales tax revenue.
- A 9% rate increase for Wastewater utility, a 2% rate increase for the Gas utility, and a 3.7% average rate increase for Water utility customers have been programmed for fiscal year 2009-2010 based upon capital budget discussions and directives from City Council. This will be the second year that the Water utility is utilizing a revised rate schedule, designed to charge customers for the cost of service received.

### **CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide the City Council, citizens, taxpayers, customers, bondholders, creditors, and other governmental sectors with a general overview of the City's financial condition and to demonstrate the City's accountability for the funds it receives.

If you have any questions about this report or need additional information, contact:

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P. O. Box 9277  
Corpus Christi, TX 78469-9277

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(361) 826-3601 (fax)

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**STATEMENT OF NET ASSETS  
JULY 31, 2009**

	<b>Primary Government</b>			<b>Component Units</b>
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	
<b>ASSETS</b>				
Cash and cash equivalents (Note 5)	\$ 56,555,689	\$ 10,091,787	\$ 66,647,476	\$ 404,548
Investments (Note 5)	96,101,048	51,468,462	147,569,510	--
Receivables, net of allowance for uncollectibles (Note 7)	38,355,891	30,620,864	68,976,755	182,435
Internal balances	270,000	(270,000)	--	--
Inventories	1,361,927	477,001	1,838,928	8,012
Prepaid items	2,638,301	1,328	2,639,629	71,552
Restricted assets				
Cash and cash equivalents (Note 5)	123,557,751	38,606,503	162,164,254	--
Investments (Note 5)	--	2,996,647	2,996,647	--
Receivables, net of allowance for uncollectibles (Note 7)	778,797	204,838	983,635	--
Bond issue costs	4,890,609	9,124,484	14,015,093	--
Other property	107,371	--	107,371	--
Land and construction in progress (Note 8)	120,208,598	181,465,465	301,674,063	--
Other capital assets, net of accumulated depreciation and amortization (Note 8)	345,665,973	1,157,646,702	1,503,312,675	265,553
Total assets	<u>790,491,955</u>	<u>1,482,434,081</u>	<u>2,272,926,036</u>	<u>932,100</u>
<b>LIABILITIES</b>				
Accounts payable	12,256,237	13,286,253	25,542,490	233,297
Accrued expenses	7,879,307	1,281,703	9,161,010	172
Accrued interest	6,520,636	2,675,920	9,196,556	--
Contractor interest and retainage payable	1,213,924	2,480,857	3,694,781	--
Deposits	1,190,773	581,628	1,772,401	--
Liability to claimants - escheat property	103,927	102,952	206,879	--
Due to other governmental agencies	324,148	--	324,148	--
Unearned revenue	4,381,557	112,925	4,494,482	--
Current portion of estimated claims liability (Note 11)	8,273,730	--	8,273,730	--
Current portion of long-term liabilities (Note 14)				
Long-term debt	25,251,090	35,959,335	61,210,425	--
Accumulated unpaid compensated absences	9,104,513	2,011,742	11,116,255	--
Landfill closure cost	--	4,232,523	4,232,523	--

(Continued)

Exhibit 1-A

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Liabilities (payable from restricted assets)				
Accrued arbitrage rebate liability	--	46,958	46,958	--
Estimated liability claims, excluding current portion (Note 11)	6,603,787	--	6,603,787	--
Long-term liabilities, excluding current portion (Note 14)				
Net pension obligation (Note 9)	2,879,185	1,030,134	3,909,319	--
Net OPEB obligation (Note 10)	10,025,653	--	10,025,653	--
Long-term debt	371,955,924	744,464,633	1,116,420,557	--
Accumulated unpaid compensated absences	27,145,088	2,142,415	29,287,503	--
Landfill closure cost	--	19,169,754	19,169,754	--
Total liabilities	<u>495,109,479</u>	<u>829,579,732</u>	<u>1,324,689,211</u>	<u>233,469</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	184,297,821	588,187,607	772,485,428	265,553
Restricted for				
Law enforcement officers' standards and education	--	3,213	3,213	--
Passenger facility charges projects	--	2,872,055	2,872,055	--
Bond interest and redemption	--	3,239,054	3,239,054	--
Construction of capital assets	8,706,284	4,436,819	13,143,103	--
Improvements to utility lines and facilities	--	3,502,668	3,502,668	--
Abatement of public health hazards	--	95,059	95,059	--
Reserves required by bond covenants	--	1,398,764	1,398,764	--
Unrestricted	<u>102,378,371</u>	<u>49,119,110</u>	<u>151,497,481</u>	<u>433,078</u>
Total net assets	<u>\$ 295,382,476</u>	<u>\$ 652,854,349</u>	<u>\$ 948,236,825</u>	<u>\$ 698,631</u>

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

**STATEMENT OF ACTIVITIES  
YEAR ENDED JULY 31, 2009**

	<u>Expenses</u>	<u>Charges for Services</u>
Primary government		
Governmental activities		
General government	\$ 22,072,622	\$ 19,995,923
Police and municipal court	78,931,771	13,350,098
Fire and ambulance	42,520,139	5,978,280
Emergency management	525,077	--
Inspections	2,171,232	--
Streets	25,814,362	1,327,780
Health	2,450,418	2,108,981
Parks and recreation	21,767,352	3,841,057
Libraries	5,612,844	181,291
Museums	1,842,929	322,630
Community enrichment	3,476,141	--
Community development	5,830,606	586,654
Convention and visitor activities	17,167,605	5,097,655
Interest on long-term debt	14,950,035	--
Total governmental activities	<u>250,133,133</u>	<u>52,790,349</u>
Business-type activities		
Solid Waste	18,442,528	30,979,626
Utilities		
Water	97,638,099	106,536,846
Gas	31,286,452	33,159,669
Wastewater	43,450,764	45,227,800
Airport	12,228,908	8,562,286
Golf centers	2,133,840	1,732,263
Marina	1,864,063	1,592,825
Total business-type activities	<u>207,044,654</u>	<u>227,791,315</u>
Total primary government	<u>\$ 457,177,787</u>	<u>\$ 280,581,664</u>
Component units		
Health	--	--
Convention and visitor activities	3,353,448	185,300
Total component units	<u>\$ 3,353,448</u>	<u>\$ 185,300</u>

Exhibit 1-B

Program Revenue		Net (expense) revenue and changes in net assets			
Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Units
\$ 2,354,173	\$ --	\$ 277,474	\$ --	\$ 277,474	
2,322,083	26,207	(63,233,383)	--	(63,233,383)	
673,092	99,806	(35,768,961)	--	(35,768,961)	
414,672	59,750	(50,655)	--	(50,655)	
--	--	(2,171,232)	--	(2,171,232)	
13,822	1,627,596	(22,845,164)	--	(22,845,164)	
1,843,823	109,245	(3,388,369)	--	(3,388,369)	
2,735,432	6,318	(15,184,545)	--	(15,184,545)	
643,622	109,814	(4,678,117)	--	(4,678,117)	
189,600	--	(1,330,699)	--	(1,330,699)	
1,627,266	139,931	(1,708,944)	--	(1,708,944)	
701,934	2,178,559	(2,363,459)	--	(2,363,459)	
--	--	(12,069,950)	--	(12,069,950)	
--	803,340	(14,146,695)	--	(14,146,695)	
<u>13,519,519</u>	<u>5,160,566</u>	<u>(178,662,699)</u>	<u>--</u>	<u>(178,662,699)</u>	
42,283	--	--	12,579,381	12,579,381	
451,572	2,806,832	--	12,157,151	12,157,151	
--	--	--	1,873,217	1,873,217	
--	1,638,167	--	3,415,203	3,415,203	
1,990	3,418,663	--	(245,969)	(245,969)	
--	260	--	(401,317)	(401,317)	
--	--	--	(271,238)	(271,238)	
<u>495,845</u>	<u>7,863,922</u>	<u>--</u>	<u>29,106,428</u>	<u>29,106,428</u>	
<u>\$ 14,015,364</u>	<u>\$ 13,024,488</u>	<u>(178,662,699)</u>	<u>29,106,428</u>	<u>(149,556,271)</u>	
--	--				\$ (3,168,148)
<u>\$ --</u>	<u>\$ --</u>				
General revenue					
Taxes					
Property taxes, levied for general purposes		55,410,412	--	55,410,412	--
Property taxes, levied for debt service		26,278,717	--	26,278,717	--
Sales taxes		71,018,975	--	71,018,975	--
Hotel occupancy taxes		10,127,333	--	10,127,333	--
Unrestricted investment earnings		2,825,071	1,474,070	4,299,141	4,844
Payment from primary government		--	--	--	3,301,660
Transfers		11,546,009	(11,546,009)	--	--
Total general revenue and transfers		<u>177,206,517</u>	<u>(10,071,939)</u>	<u>167,134,578</u>	<u>3,306,504</u>
Changes in net assets		(1,456,182)	19,034,489	17,578,307	138,356
Net assets at beginning of year		<u>296,838,658</u>	<u>633,819,860</u>	<u>930,658,518</u>	<u>560,275</u>
Net assets at end of year		<u>\$ 295,382,476</u>	<u>\$ 652,854,349</u>	<u>\$ 948,236,825</u>	<u>\$ 698,631</u>

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

**GOVERNMENTAL FUNDS  
BALANCE SHEET  
JULY 31, 2009**

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents (Note 5)	\$ 4,357,830	\$ 4,072,491	\$ 159,882,235	\$ 168,312,556
Investments (Note 5)	24,015,938	6,009,063	38,052,611	68,077,612
Receivables, net of allowance for uncollectibles (Note 7)	14,283,924	747,384	27,656,420	42,687,728
Due from other funds (Note 16)	270,000	--	7,586	277,586
Inventories	172,091	--	--	172,091
Prepaid items	8,237	--	582,484	590,721
Other assets	--	--	57,500	57,500
Total assets	<u>\$ 43,108,020</u>	<u>\$ 10,828,938</u>	<u>\$ 226,238,836</u>	<u>\$ 280,175,794</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 3,345,488	\$ --	\$ 7,474,942	\$ 10,820,430
Accrued liabilities	6,825,734	--	526,480	7,352,214
Contractor interest and retainage payable	--	--	1,382,017	1,382,017
Deposits	346,777	--	939,646	1,286,423
Liability to claimants - escheat property	78,700	--	--	78,700
Due to other funds (Note 16)	12,167	--	--	12,167
Due to other governmental agencies	324,148	--	--	324,148
Deferred revenues	1,910,953	694,637	3,784,848	6,390,438
Total liabilities	<u>12,843,967</u>	<u>694,637</u>	<u>14,107,933</u>	<u>27,646,537</u>

(Continued)

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund balances				
Reserved for encumbrances	1,980,464	--	29,061,089	31,041,553
Reserved for loans	--	--	16,821,647	16,821,647
Reserved for inventory	172,091	--	--	172,091
Reserved for prepaid items	8,237	--	582,484	590,721
Reserved for Municipal Court building security	117,230	--	--	117,230
Reserved for Municipal Court technology	153,983	--	--	153,983
Reserved for Judicial/Court improvements	26,713	--	--	26,713
Reserved for Juvenile Court case manager	298,582	--	--	298,582
Reserved for government access equipment	11,959	--	--	11,959
Reserved for public access equipment and facility	10,500	--	--	10,500
Reserved for capital replacement - radio system	30,000	--	--	30,000
Reserved for debt service	--	677,376	6,796,266	7,473,642
Reserved for law enforcement	--	--	121,904	121,904
Reserved for firefighters training	4,000	--	--	4,000
Reserved for Fire Contributions Trust	4,244	--	--	4,244
Reserved for traffic safety programs	36,595	--	--	36,595
Reserved for vital statistics records retention	83,831	--	--	83,831
Reserved for Sister City programs	--	--	1,150	1,150
Reserved for park projects	--	--	1,867,198	1,867,198
Reserved for permanent art projects	--	--	168,794	168,794
Reserved for development projects	--	--	15,894	15,894
Reserved for Affordable Housing	--	--	1,126,546	1,126,546
Reserved for Stadium Capital Repair	--	--	36,870	36,870
Reserved for naming rights' capital projects	--	--	446,180	446,180
Reserved for CDBG projects	--	--	285,150	285,150
Unreserved				
Designated for subsequent year's expenditures in the general fund	100,008	--	--	100,008
Designated for subsequent year's expenditures in the debt service fund	--	500,620	--	500,620
Designated for subsequent year's expenditures in special revenue funds	--	--	610,880	610,880
Designated for specific projects in the capital projects fund	--	--	13,619,070	13,619,070
Undesignated				
General fund	27,225,616	--	--	27,225,616
Debt service funds	--	8,956,305	--	8,956,305
Special revenue funds	--	--	44,922,193	44,922,193
Capital project funds	--	--	95,628,056	95,628,056
Total fund balances	<u>30,264,053</u>	<u>10,134,301</u>	<u>212,130,903</u>	<u>252,529,257</u>
Total liabilities and fund balances	<u>\$ 43,108,020</u>	<u>\$ 10,828,938</u>	<u>\$ 226,238,836</u>	<u>\$ 280,175,794</u>

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



City of  
Corpus  
Christi

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
JULY 31, 2009**

**Total fund balance - total governmental funds** \$ 252,529,257

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds. The cost of assets in governmental activities is \$804,533,357 and the accumulated depreciation is \$363,953,623. The cost of assets in Solid Waste is \$92,929,740 and the accumulated depreciation is \$27,196,419 which are included in business-type activities. 506,313,055

Some other long-term assets are not available to pay for current period expenditures and are, therefore, deferred in the funds. A detail of these assets follows.

Governmental activities		
Bond issue cost	\$ 4,890,609	
Deferred taxes	1,966,453	
Deferred assessments and liens	50,801	
Solid Waste		
Bond issue cost	839,822	7,747,685

Internal service funds are used by management to charge the cost of certain activities, such as inventory of commonly used material and supplies, vehicular fleet and building maintenance, data processing, insurance and engineering. The assets and liabilities of the internal service funds are included in governmental activities in the government-wide statement of net assets. 42,629,133

Some liabilities are not due and payable in the current period and therefore are not reported in funds. A detail of these liabilities follows.

Governmental activities		
Accrued interest	\$ (6,520,636)	
Long-term debt	(390,271,620)	
Accumulated compensated absences	(34,445,011)	
Net pension obligation	(2,469,095)	
Solid Waste		
Accrued interest	(969,695)	
Accrued arbitrage liability	(12,885)	
Long-term debt	(54,262,263)	
Accumulated compensated absences	(819,743)	
Net pension obligation	(182,909)	
Landfill closure costs	(23,402,277)	(513,356,134)

Solid Waste is a business-type activity that is included in the general fund. Assets and liabilities relating to Solid Waste are included in business-type activities in the government-wide statement of net assets. (480,520)

**Net assets of governmental activities** \$ 295,382,476

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

**GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JULY 31, 2009**

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>				
Taxes and business fees	\$ 117,074,319	\$ 26,227,912	\$ 35,367,308	\$ 178,669,539
Licenses and permits	3,700,195	--	--	3,700,195
Grants	715,443	--	15,265,629	15,981,072
Charges for services	50,802,031	--	6,041,470	56,843,501
Fines and forfeitures	6,897,078	--	--	6,897,078
Contributions and donations	--	--	1,902,087	1,902,087
Special assessments	--	--	10,502	10,502
Earnings on investments	707,797	283,267	2,015,099	3,006,163
Interest on loans	--	--	73,369	73,369
Payments from Lexington Museum Association	--	285,022	--	285,022
Payments from Texas State Aquarium	--	518,318	--	518,318
Sale of City property	--	--	3,848	3,848
Claim settlement	--	--	572,280	572,280
Naming rights	--	--	175,000	175,000
Miscellaneous	1,275,286	--	211,053	1,486,339
Total revenues	<u>181,172,149</u>	<u>27,314,519</u>	<u>61,637,645</u>	<u>270,124,313</u>
<b>Expenditures</b>				
Current				
General government	17,726,201	--	4,110,499	21,836,700
Police and municipal court	65,963,978	--	7,360,370	73,324,348
Fire and ambulance	39,010,270	--	673,094	39,683,364
Emergency management	390,629	--	86,728	477,357
Inspections	1,890,472	--	--	1,890,472
Streets	15,937,459	--	14,159	15,951,618
Solid waste	16,985,429	--	42,283	17,027,712
Health	4,659,525	--	2,234,193	6,893,718
Parks and recreation	14,155,410	--	3,551,909	17,707,319
Libraries	4,241,277	--	612,450	4,853,727
Museums	1,439,783	--	--	1,439,783
Community enrichment	17,844	--	3,394,700	3,412,544
Community development	--	--	4,450,970	4,450,970
Convention and visitors activities	--	--	12,152,309	12,152,309
Other	--	--	32,963	32,963
Capital projects	--	--	57,193,877	57,193,877
Debt service				
Principal retirement	2,111,227	30,245,000	4,385,000	36,741,227
Interest	236,828	10,738,585	5,458,004	16,433,417
Bond issue cost	--	--	1,571,419	1,571,419
Paying agent fees	--	13,189	19,409	32,598
Interest on interfund borrowings	--	--	29,714	29,714
Total expenditures	<u>184,766,332</u>	<u>40,996,774</u>	<u>107,374,050</u>	<u>333,137,156</u>
Deficiency of revenues under expenditures	(3,594,183)	(13,682,255)	(45,736,405)	(63,012,843)

(Continued)

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Other financing sources (uses)</b>				
Capital leases	3,746,061	--	--	3,746,061
General obligation bonds issued	--	--	88,725,000	88,725,000
Certificate of obligation bonds issued	--	--	12,000,000	12,000,000
Premium on bonds sold	--	--	2,660,797	2,660,797
Discount on bonds issued	--	--	(124,206)	(124,206)
Transfers in (Note 16)	4,246,170	7,225,042	326,185	11,797,397
Transfers out (Note 16)	(6,343,795)	--	(2,878,513)	(9,222,308)
Total other financing sources	<u>1,648,436</u>	<u>7,225,042</u>	<u>100,709,263</u>	<u>109,582,741</u>
Net change in fund balance	(1,945,747)	(6,457,213)	54,972,858	46,569,898
Fund balances at beginning of year	<u>32,209,800</u>	<u>16,591,514</u>	<u>157,158,045</u>	<u>205,959,359</u>
Fund balances at end of year	<u>\$ 30,264,053</u>	<u>\$ 10,134,301</u>	<u>\$ 212,130,903</u>	<u>\$ 252,529,257</u>

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



City of  
Corpus  
Christi

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JULY 31, 2009**

**Net change in fund balances - total governmental funds** \$ 46,569,898

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of capital assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceed depreciation in the current period.

Governmental activities		
Capital outlays, net of retirements	\$	47,426,465
Depreciation		(24,539,723)
Solid Waste		
Capital outlays		15,694,224
Depreciation		(2,636,093)
		35,944,873

Delinquent property taxes and special assessments, net of allowance, are not reported as revenue in the governmental funds. These items decreased in the current fiscal year. 236,227

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which repayment exceeded proceeds.

Governmental activities		
Bond proceeds	\$	(91,385,797)
Capital leases		(1,921,015)
Bond issue cost		1,317,221
Principal retirement		34,719,035
Interest		(490,491)
Solid Waste		
Bond proceeds		(11,875,794)
Capital leases		(1,825,046)
Bond issue cost		254,198
Principal retirement		2,022,192
Interest		(290,811)
Arbitrage rebate		(2,440)
		(69,478,748)

Compensated absences reported in the statement of net assets did not require the use of current financial resources, and therefore are not expenditures in governmental funds. Compensated absences for governmental activities increased by \$1,671,161, and solid waste activities increased by \$126,843. (1,798,004)

Landfill closure costs reported in the statement of net assets did not require the use of current financial resources, and therefore are not expenditures in governmental funds. Landfill closure costs decreased in the current year. 2,865,593

Net pension obligation reported in the statement of net assets did not require the use of current financial resources, and therefore are not expenditures in governmental funds. Net pension obligation for governmental activities increased by \$2,469,095, and solid waste activities increased by \$182,909. (2,652,004)

Solid Waste is a business-type activity that is included in governmental funds. Net expense relating to Solid Waste are included in business-type activities in the government-wide statement of activities.

Operating income	\$	(12,579,380)
Net transfers		10,359,498
Investment earnings		(148,938)
		(2,368,820)

Internal service funds are used by management to charge the cost of certain activities, such as inventory of commonly used material and supplies, vehicular fleet and building maintenance, data processing, insurance and engineering to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities. (10,775,197)

**Change in net assets of governmental activities** \$ (1,456,182)

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

**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2009**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes and business fees	\$ 118,115,475	\$ 118,915,475	\$ 117,074,319	\$ --
Licenses and permits	5,187,802	5,187,802	3,700,195	--
Grants	408,000	408,000	715,443	--
Charges for services	49,578,144	49,792,049	50,802,031	--
Fines and forfeitures	7,806,870	7,806,871	6,897,078	--
Earnings on investments	958,082	958,082	707,797	--
Miscellaneous	942,172	1,131,796	1,275,286	--
Reimbursements	8,420,219	8,420,219	--	8,393,314
Total revenues	<u>191,416,764</u>	<u>192,620,294</u>	<u>181,172,149</u>	<u>8,393,314</u>
<b>Expenditures</b>				
Current				
General government	21,189,517	21,948,991	17,726,201	3,260,129
Police and municipal court	67,373,436	68,715,536	65,963,978	2,552,340
Fire and ambulance	38,574,127	38,956,386	39,010,270	(104,650)
Emergency management	426,267	403,162	390,629	--
Inspections	2,108,632	2,142,902	1,890,472	(13,881)
Streets	16,445,807	19,631,838	15,937,459	1,829,251
Solid waste	22,870,181	23,122,248	16,985,429	3,686,497
Health	4,656,320	5,060,857	4,659,525	7,217
Parks and recreation	15,687,900	15,872,678	14,155,410	1,055,709
Libraries	4,178,228	4,468,053	4,241,277	22,302
Museums	1,718,857	1,704,068	1,439,783	200,004
Community enrichment	17,943	17,943	17,844	--
Debt service				
Principal retirement	--	--	2,111,227	(2,111,227)
Interest	--	--	236,828	(236,828)
Total expenditures	<u>195,247,215</u>	<u>202,044,662</u>	<u>184,766,332</u>	<u>10,146,863</u>
Deficiency of revenues under expenditures	(3,830,451)	(9,424,368)	(3,594,183)	(1,753,549)
<b>Other financing sources (uses)</b>				
Capital leases	--	--	3,746,061	(3,746,061)
Transfers in	4,075,327	4,204,400	4,246,170	--
Transfers out	(752,504)	(844,212)	(6,343,795)	5,499,610
Total other financing sources	<u>3,322,823</u>	<u>3,360,188</u>	<u>1,648,436</u>	<u>1,753,549</u>
Net change in fund balance	(507,628)	(6,064,180)	(1,945,747)	--
Fund balance at beginning of year	--	32,209,800	32,209,800	--
Fund balance at end of year	<u>\$ (507,628)</u>	<u>\$ 26,145,620</u>	<u>\$ 30,264,053</u>	<u>\$ --</u>

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

Exhibit 3

Actual Budget Basis	Variance Final Budget Positive (Negative)
\$ 117,074,319	\$ (1,841,156)
3,700,195	(1,487,607)
715,443	307,443
50,802,031	1,009,982
6,897,078	(909,793)
707,797	(250,285)
1,275,286	143,490
8,393,314	(26,905)
<u>189,565,463</u>	<u>(3,054,831)</u>
20,986,330	962,661
68,516,318	199,218
38,905,620	50,766
390,629	12,533
1,876,591	266,311
17,766,710	1,865,128
20,671,926	2,450,322
4,666,742	394,115
15,211,119	661,559
4,263,579	204,474
1,639,787	64,281
17,844	99
--	--
--	--
<u>194,913,195</u>	<u>7,131,467</u>
(5,347,732)	4,076,636
--	--
4,246,170	41,770
(844,185)	27
<u>3,401,985</u>	<u>41,797</u>
(1,945,747)	4,118,433
32,209,800	--
<u>\$ 30,264,053</u>	<u>\$ 4,118,433</u>

**PROPRIETARY FUNDS  
STATEMENT OF NET ASSETS  
JULY 31, 2009**

	<b>Enterprise Funds</b>			<b>Internal Service Funds</b>
	<b>Utility System Fund</b>	<b>Other Enterprise Funds</b>	<b>Total</b>	
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents (Note 5)	\$ 4,326,812	\$ 3,876,180	\$ 8,202,992	\$ 21,926,481
Investments (Note 5)	48,470,000	2,998,462	51,468,462	28,023,436
Receivables, net of allowance for uncollectibles (Note 7)	26,259,222	409,826	26,669,048	398,776
Due from other funds (Note 16)	--	--	--	4,581
Inventories	452,998	24,003	477,001	1,189,836
Prepaid items	1,328	--	1,328	2,047,580
Restricted assets				
Cash and cash equivalents (Note 5)	26,297,568	4,072,133	30,369,701	--
Investments (Note 5)	2,996,647	--	2,996,647	--
Receivables, net of allowance for uncollectibles (Note 7)	2,938	201,900	204,838	--
Total restricted assets	<u>29,297,153</u>	<u>4,274,033</u>	<u>33,571,186</u>	<u>--</u>
 Total current assets	 <u>108,807,513</u>	 <u>11,582,504</u>	 <u>120,390,017</u>	 <u>53,590,690</u>
Noncurrent assets				
Other assets	--	--	--	49,871
Bond issue costs	7,762,842	521,820	8,284,662	--
Capital assets (Note 8)				
Land and construction in progress	139,824,617	22,667,319	162,491,936	67,458
Other capital assets, net of accumulated depreciation and amortization	1,025,884,335	85,002,575	1,110,886,910	25,227,379
Net capital assets	<u>1,165,708,952</u>	<u>107,669,894</u>	<u>1,273,378,846</u>	<u>25,294,837</u>
Total noncurrent assets	<u>1,173,471,794</u>	<u>108,191,714</u>	<u>1,281,663,508</u>	<u>25,344,708</u>
 Total assets	 <u>1,282,279,307</u>	 <u>119,774,218</u>	 <u>1,402,053,525</u>	 <u>78,935,398</u>

(Continued)

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	\$ 11,991,360	\$ 749,989	\$ 12,741,349	\$ 1,980,711
Accrued expenses	1,005,063	185,062	1,190,125	618,671
Accrued interest	1,151,854	554,371	1,706,225	--
Current portion of estimated liability claims (Note 11)	--	--	--	8,273,730
Contractor interest and retainage payable	2,240,642	72,122	2,312,764	--
Deposits	376,880	106,759	483,639	2,339
Liability to claimants - escheat property	102,952	--	102,952	25,227
Due to other funds (Note 16)	--	270,000	270,000	--
Unearned revenue	18,552	94,323	112,875	8,423
Current portion of long-term liabilities (Note 14)				
Long-term debt	32,871,617	806,282	33,677,899	1,808,038
Accumulated unpaid compensated absences	1,471,521	246,073	1,717,594	864,466
<b>Total current liabilities</b>	<b>51,230,441</b>	<b>3,084,981</b>	<b>54,315,422</b>	<b>13,581,605</b>
Noncurrent liabilities				
Estimated liability claims, net of current portion (Note 11)	--	--	--	6,603,787
Long-term liabilities, net of current portion (Note 14)				
Accrued arbitrage rebate liability	--	34,073	34,073	--
Long-term debt	670,039,832	22,826,324	692,866,156	4,745,006
Accumulated unpaid compensated absences	1,439,216	177,604	1,616,820	940,124
Net pension obligation (Note 9)	706,957	140,268	847,225	410,090
Net OPEB obligation (Note 10)	--	--	--	10,025,653
<b>Total noncurrent liabilities</b>	<b>672,186,005</b>	<b>23,178,269</b>	<b>695,364,274</b>	<b>22,724,660</b>
<b>Total liabilities</b>	<b>723,416,446</b>	<b>26,263,250</b>	<b>749,679,696</b>	<b>36,306,265</b>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	484,344,947	84,037,289	568,382,236	18,741,793
Restricted for				
Passenger facility charges projects	--	2,872,055	2,872,055	--
Bond interest and redemption	3,239,054	--	3,239,054	--
Construction of capital assets	4,151,980	--	4,151,980	--
Improvements to utility lines and facilities	3,502,668	--	3,502,668	--
Abatement of public health hazards	95,059	--	95,059	--
Reserves required by bond covenants	--	1,398,764	1,398,764	--
Law enforcement officers' standards and education	--	3,213	3,213	--
Unrestricted	63,529,153	5,199,647	68,728,800	23,887,340
<b>Total net assets</b>	<b>\$ 558,862,861</b>	<b>\$ 93,510,968</b>	<b>\$ 652,373,829</b>	<b>\$ 42,629,133</b>

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



City of  
Corpus  
Christi

Exhibit 4-B

**RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF NET ASSETS  
TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS  
JULY 31, 2009**

<b>Total net assets - total proprietary funds</b>	\$ 652,373,829
---	----------------

Amounts reported for business-type activities in the statement of net assets are different because:

Solid Waste is a business-type activity that is included in governmental funds. Assets and liabilities relating to Solid Waste are included in business-type activities in the government-wide statement of net assets.

	480,520
--	---------

<b>Net assets of business-type activities</b>	<u>\$ 652,854,349</u>
---	-----------------------

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

**PROPRIETARY FUNDS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2009**

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
<b>Operating revenues</b>				
Charges for services - net	\$ 186,914,380	\$ 10,463,343	\$ 197,377,723	\$ 64,224,896
<b>Operating expenses</b>				
Personal services	26,855,877	5,793,884	32,649,761	16,267,387
Materials and supplies	36,469,895	579,132	37,049,027	2,185,679
Contractual services	20,322,625	1,969,548	22,292,173	15,299,020
Other operating expenses	24,466,520	1,144,832	25,611,352	5,381,477
Uncollectible accounts	4,112,629	64,983	4,177,612	13,177
Depreciation	28,420,573	4,739,206	33,159,779	5,823,326
Self-insurance claims	--	--	--	27,193,195
Other post employment benefits (Note 10)	--	--	--	7,137,303
Total operating expenses	<u>140,648,119</u>	<u>14,291,585</u>	<u>154,939,704</u>	<u>79,300,564</u>
Operating income (loss)	46,266,261	(3,828,242)	42,438,019	(15,075,668)
<b>Nonoperating revenues (expenses)</b>				
Investment income	1,170,501	154,631	1,325,132	1,100,056
Interest expense and fiscal charges	(27,595,008)	(1,346,295)	(28,941,303)	(287,855)
Passenger facility charges	--	1,413,791	1,413,791	--
Recovery of prior years expenses	--	--	--	3,000
Net gain (loss) on disposal of assets	(172,290)	7,967	(164,323)	16,182
Recovery on damage claims	63,119	2,273	65,392	98,986
Developer deposits	785,877	--	785,877	--
Reimbursements to developers	(2,666,771)	--	(2,666,771)	--
Contributions from other governmental agencies	451,572	1,990	453,562	--
Total nonoperating revenues (expenses)	<u>(27,963,000)</u>	<u>234,357</u>	<u>(27,728,643)</u>	<u>930,369</u>
<b>Capital contributions</b>				
Contributions from other governmental agencies	--	3,418,663	3,418,663	29,251
Contributions from developers	4,444,999	--	4,444,999	--
Contributions (to) from others	--	9,905	9,905	(1,335)
Total capital contributions	<u>4,444,999</u>	<u>3,428,568</u>	<u>7,873,567</u>	<u>27,916</u>
Income before transfers	22,748,260	(165,317)	22,582,943	(14,117,383)
Transfers in	--	--	--	3,342,186
Transfers out	(5,064,531)	(852,743)	(5,917,274)	--
Total transfers	<u>(5,064,531)</u>	<u>(852,743)</u>	<u>(5,917,274)</u>	<u>3,342,186</u>
Net income	17,683,729	(1,018,060)	16,665,669	(10,775,197)
Net assets at beginning of year	<u>541,179,132</u>	<u>94,529,028</u>	<u>635,708,160</u>	<u>53,404,330</u>
Net assets at end of year	<u>\$ 558,862,861</u>	<u>\$ 93,510,968</u>	<u>\$ 652,373,829</u>	<u>\$ 42,629,133</u>

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

Exhibit 4-D

**RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF REVENUES,  
EXPENSES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JULY 31, 2009**

**Net change in fund balances - total proprietary funds** \$ 16,665,669

Amounts reported for governmental activities in the statement of activities are different because:

Solid Waste is a business-type activity that is included in governmental funds. The net revenues of the Solid Waste activity are reported in the business-type activities.

Operating income	\$	12,579,380	
Net transfers		(10,359,498)	
Investment earnings		148,938	
			2,368,820

**Change in net assets of business-type activities** \$ 19,034,489

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

**PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2009**

	<b>Enterprise Funds</b>			<b>Internal Service Funds</b>
	<b>Utility System Fund</b>	<b>Other Enterprise Funds</b>	<b>Total</b>	
<b>Cash flows from operating activities</b>				
Receipts from customers	\$ 182,113,071	\$ 10,304,692	\$ 192,417,763	\$ 9,351,610
Receipts from interfund services provided	126,166	--	126,166	66,611,060
Payments to suppliers	(57,672,849)	(2,445,514)	(60,118,363)	(29,062,088)
Payments to employees	(23,199,317)	(5,050,900)	(28,250,217)	(14,903,408)
Internal activity - payments to other funds	(25,915,789)	(1,826,782)	(27,742,571)	(6,420,189)
Claims paid	--	--	--	(28,892,669)
Net cash provided by (used for) operating activities	<u>75,451,282</u>	<u>981,496</u>	<u>76,432,778</u>	<u>(3,315,684)</u>
<b>Cash flows from noncapital financing activities</b>				
Changes in interfund borrowings	(4,130,400)	270,000	(3,860,400)	--
Interest on interfund borrowings	1,578	--	1,578	(21,476)
Contributions from other government agencies	15,335	1,990	17,325	--
Transfers out to other funds	(5,064,531)	(852,743)	(5,917,274)	--
Other non-operating revenues	--	--	--	101,986
Other non-operating expenses	--	(4,093)	(4,093)	--
Net cash provided by (used for) noncapital financing activities	<u>(9,178,018)</u>	<u>(584,846)</u>	<u>(9,762,864)</u>	<u>80,510</u>
<b>Cash flows from capital and related financing activities</b>				
Acquisition of capital assets	(54,179,650)	(4,059,076)	(58,238,726)	(2,980,723)
Proceeds from sale of capital assets	60,048	7,967	68,015	17,281
Developers deposits	785,877	--	785,877	--
Contributions from developers	225	--	225	--
Reimbursements to developers	(2,514,502)	--	(2,514,502)	--
Contributions from other governmental agencies	15,621	4,123,316	4,138,937	29,251
Passenger facility charge	--	1,414,263	1,414,263	--
Proceeds from issuance of revenue bonds	93,242,054	--	93,242,054	--
Transfers in from other funds for capital acquisition	--	--	--	3,342,186
Principal paid on long-term debt	(32,434,712)	(774,564)	(33,209,276)	(1,606,546)
Interest expense and fiscal charges	(27,374,905)	(1,289,913)	(28,664,818)	(265,511)
Recovery on damage claims	63,119	2,273	65,392	--
Net cash used for capital and related financing activities	<u>(22,336,825)</u>	<u>(575,734)</u>	<u>(22,912,559)</u>	<u>(1,464,062)</u>
<b>Cash flows from investing activities</b>				
Purchase of investment securities	(118,433,744)	(5,495,000)	(123,928,744)	(38,984,000)
Proceeds from sale and maturity of investment securities	86,980,000	7,500,000	94,480,000	58,000,000
Interest on investments	1,544,072	167,351	1,711,423	1,287,329
Net cash provided by (used for) investing activities	<u>(29,909,672)</u>	<u>2,172,351</u>	<u>(27,737,321)</u>	<u>20,303,329</u>
Net increase in cash and cash equivalents	14,026,767	1,993,267	16,020,034	15,604,093
Cash and cash equivalents at beginning of year, including restricted accounts	<u>16,597,613</u>	<u>5,955,046</u>	<u>22,552,659</u>	<u>6,322,388</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 30,624,380</u>	<u>\$ 7,948,313</u>	<u>\$ 38,572,693</u>	<u>\$ 21,926,481</u>

(Continued)

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>				
Operating income (loss)	\$ 46,266,261	\$ (3,828,242)	\$ 42,438,019	\$ (15,075,668)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation	28,420,573	4,739,206	33,159,779	5,823,326
Amortization of water rights	4,483,124	--	4,483,124	--
Amortization of fish and wildlife costs	270,042	--	270,042	--
Provision for uncollectible accounts	4,112,629	64,983	4,177,612	13,177
Changes in assets and liabilities				
Receivables	(4,663,041)	(122,244)	(4,785,285)	16,778
Due from other funds	--	--	--	943,360
Inventory	(55,519)	12,630	(42,889)	58,891
Prepaid items	(1,328)	--	(1,328)	(229,726)
Accounts payable	(4,637,680)	(16,534)	(4,654,214)	(880,228)
Accrued expenses	204,781	12,372	217,153	86,553
Unearned revenue	(450)	(30,885)	(31,335)	(2,661)
Accumulated unpaid compensated absences	226,913	12,758	239,671	82,625
Net pension obligation	706,957	140,268	847,225	410,089
Contractor interest and retainage payable	(10,587)	--	(10,587)	(588)
Customer deposits	129,878	8,537	138,415	(141)
Liability to claimants-escheat property	(1,271)	--	(1,271)	(62,042)
Estimated claims liability	--	--	--	313,300
Net OPEB obligation	--	--	--	5,187,271
Due to other governmental agencies	--	(11,353)	(11,353)	--
Net cash provided by (used for) operating activities	<u>\$ 75,451,282</u>	<u>\$ 981,496</u>	<u>\$ 76,432,778</u>	<u>\$ (3,315,684)</u>
<b>Noncash investing, capital and financing activities</b>				
Change in fair value of investments	\$ (1,158)	\$ 3,462	\$ 2,304	\$ 30,876
Contribution of capital assets	\$ 4,444,999	\$ 9,905	\$ 4,454,904	\$ (1,335)
Acquisition of capital assets under capital lease	\$ --	\$ --	\$ --	\$ 2,313,449

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

**FIDUCIARY FUNDS  
STATEMENT OF NET ASSETS  
JULY 31, 2009**

	<b>Deferred Compensation Plan</b>	<b>Private Purpose Trust Fund</b>
	<u>          </u>	<u>          </u>
<b>ASSETS</b>		
Cash and cash equivalents (Note 5)	\$           --	\$    279,275
Mutual funds		
Guaranteed Rate Accounts	21,648,554	--
Stocks	17,779,177	--
Bonds	1,577,157	--
Combined Stocks and Bonds	4,692,888	--
Money Markets	807,268	--
Participant loans	1,008,749	--
Total assets	<u>47,513,793</u>	<u>279,275</u>
 <b>LIABILITIES</b>	 <u>          </u>	 <u>          </u>
	--	--
 <b>NET ASSETS</b>		
Held in trust for deferred compensation benefits	47,513,793	--
Held in trust for individuals and organizations	<u>          </u>	<u>279,275</u>
Total net assets	<u>\$ 47,513,793</u>	<u>\$ 279,275</u>

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

**FIDUCIARY FUNDS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**YEAR ENDED JULY 31, 2009**

	<b>Deferred Compensation Plan</b>	<b>Private Purpose Trust Fund</b>
<b>Additions</b>		
Employee contributions	\$ 5,298,444	\$ --
Severance pay contribution	--	223,855
Other contributions	--	12,295
Earnings (loss) on investments	(4,595,667)	125
Total additions	702,777	236,275
<b>Deductions</b>		
Payment of benefits	3,955,998	--
Administrative fees	75,579	--
Disbursements for designated purposes	--	99,834
Total deductions	4,031,577	99,834
Net increase (decrease)	(3,328,800)	136,441
Net assets beginning of year	50,842,593	142,834
Net assets at end of year	\$ 47,513,793	\$ 279,275

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



City of  
Corpus  
Christi

## NOTES TO FINANCIAL STATEMENTS

### 1. Summary of Significant Accounting Policies

The City of Corpus Christi (the City) was incorporated in 1852 and operates as a Council-Manager form of government. The principal services accounted for as general governmental functions include public safety, health, streets, sanitation, parks and recreation, planning, zoning, and general administrative services.

The financial statements of the City have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. Pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989, are not applied in the preparation of the financial statements of the proprietary fund types in accordance with an election made by the City under GASB Statement No. 20. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of these Notes. The remainder of the Notes is organized to provide explanations, including required disclosures, on the City's financial activities for the fiscal year ended July 31, 2009.

#### A. Reporting Entity

In evaluating the City as a reporting entity, management has addressed all potential component units for which the City may be financially accountable and, as such, should be included within the City's financial statements. The City (primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization, or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The financial statements are formatted to allow the user to clearly distinguish between the primary government and its component units. Because of the closeness of their relationship with the primary government (the City), some component units are blended as though they are part of the primary government. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

#### Blended Component Units

The Corpus Christi Community Improvement Corporation was formed to provide financing for the rehabilitation of residential property in the City. The Corpus Christi Housing Finance Corporation and the Corpus Christi Industrial Development Corporation promote business development and issue housing revenue or industrial development bonds. The City manages the day-to-day operations of these corporations. The Mayor and Council Members are directors of the corporations.

The Corpus Christi Crime Control and Prevention District (District) is a public non-profit corporation created under State law to provide funding for public safety programs. Although the District is legally separate from the City, the District is reported as if it were part of the primary government because it is a financing mechanism for the City to provide public safety to the citizens of the City.

The Corpus Christi Business and Job Development Corporation (CCBJDC) is a public non-profit corporation created by State law to provide funding of voter approved capital improvement programs. The City Council appoints the Board and has financial accountability. Although it is legally separate from the City, CCBJDC is reported as if it were part of the primary government because its primary purpose is to issue revenue bonds to finance major capital improvements on behalf of the City.

North Padre Island Development Corporation (NPIDC) was created by the City pursuant to the Tax Increment Financing Act to facilitate development of the land within the boundaries of the tax increment zone, namely Packery Channel. NPIDC became effective on November 14, 2000, and will terminate on December 31, 2022. The receipt of post-2000 incremental property taxes from taxing units with property within the boundaries of the zone provides the funding for its projects. The Mayor and Council Members are a voting majority of the board, and the City manages its day-to-day operations.

Corpus Christi Digital Community Development Corporation (CCDCDC) is a U.S. public non-profit corporation founded in 2006. The Corporation was founded by the City of Corpus Christi (City) who identified the significant opportunities for government, public safety, economy, and quality of life that can be enabled through a digital community development corporation. CCDCDC primarily provides services to the City and is managed and operated by a board and employees formerly a part of the City’s Municipal Information Service Fund.

Except for CCDCDC which is included with Internal Service Funds in the proprietary fund statements, all other blended component units are included in the governmental fund statements as non-major governmental funds.

Complete financial statements for each of the individual blended component units may be obtained from the City’s Director of Financial Services at 1201 Leopard Street, Corpus Christi, Texas 78469-9277

**Discretely Presented Component Units**

The component unit column in the government-wide financial statements includes the financial data of the City’s other component units for which the City Council appoints the majority of the Board and has financial accountability.

The Coastal Bend Health Facilities Development Corporation (CBHFDC) is a public, non-profit corporation created by the City under State law to facilitate financing and development of health and health-related facilities. The CBHFDC is presented as a governmental fund type.

The Corpus Christi Convention and Visitors Bureau (Visitors Bureau) is a private Texas nonprofit corporation organized for the purpose of promoting convention and visitors’ activity in the Corpus Christi Bay area. The Visitors Bureau is presented as a governmental fund type.

	Coastal Bend Health Facilities Development Corporation	Corpus Christi Convention and Visitors Bureau
	<u>                    </u>	<u>                    </u>
Assets		
Current assets	\$ 3,706	\$ 662,841
Capital assets	--	265,553
Total assets	<u>3,706</u>	<u>928,394</u>
Current liabilities	<u>--</u>	<u>233,469</u>
Net assets		
Invested in capital assets	--	265,553
Unrestricted	<u>3,706</u>	<u>429,372</u>
Total net assets	<u>\$ 3,706</u>	<u>\$ 694,925</u>
Revenues	\$ 35	\$ 3,491,769
Expenses	<u>--</u>	<u>3,353,448</u>
Change in net assets	35	138,321
Net assets at beginning of year	<u>3,671</u>	<u>556,604</u>
Net assets at end of year	<u>\$ 3,706</u>	<u>\$ 694,925</u>

The component unit combining statements reflect these discretely presented units. Complete financial statements for each of the individual component units may be obtained at the entity's administrative offices:

Coastal Bend Health Facilities Development Corporation  
1201 Leopard  
Corpus Christi, TX 78401

Corpus Christi Convention and Visitors Bureau  
1201 North Shoreline  
Corpus Christi, Texas 78401

Governmental accounting standards require reasonable separation between the primary government (including its blended components units) and its discretely presented component units, both in the financial statements and in the related notes and required supplementary information. Because the discretely presented component units, although legally separate, have been and are operated as if each is part of the primary government, there are limited instances where special note reference or separation will be required. If no separate note reference or categorization is made, the user should assume that information presented is equally applicable to the City and the component units.

#### **B. Related Organizations and Jointly Governed Organizations**

Related organizations and jointly governed organizations provide services within the City that are administered by separate boards or commissions, but the City is not financially accountable, and such organizations are therefore not component units of the City, even though the City Council may appoint a voting majority of an organization's board members. Consequently, financial information for the Coastal Bend Council of Governments, the Regional Transit Authority, the Corpus Christi Housing Authority, the Corpus Christi Regional Economic Development Corporation, and the Port of Corpus Christi Authority are not included in these financial statements.

#### **C. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support or services. Accordingly, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. Both the government-wide and fund financial statements categorize activities as either governmental activities or business-type activities. In the government-wide statement of net assets, both the governmental and business-type activities columns are (1) presented on a consolidated basis by column, and (2) reflected on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide statement of activities reflects both the gross and net cost per functional category (police and municipal court, fire, streets, etc.) which are otherwise being supported by general government revenues (e.g., property taxes, sales taxes, certain intergovernmental revenues). The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function or a business-type activity. Program revenues include revenues from charges for services, franchise fees, fines and forfeitures, licenses and permits fees, and special assessments. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The government-wide statement focuses on the substantiality of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

The City's solid waste activity is included in governmental funds in the fund financial statements and as a business-type activity in the government-wide financial statements. This presentation is appropriate because the City does not have a pricing policy for solid waste designed to recover its cost.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds (excluded from the government-wide financial statements). Emphasis is on the major funds in either the governmental or business-type categories. Non-major funds (by category) or fund type are summarized into a single column.

**D. Measurement Focus, Basis of Accounting, and Financial Statement Preparation**

The governmental funds major fund statements in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to (1) demonstrate legal and covenant compliance, (2) demonstrate the source and use of liquid resources, and (3) demonstrate how the City's actual experience conforms to the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements governmental column, a reconciliation is presented on the page following each statement which briefly explains the adjustment necessary to transform the fund based financial statements into the governmental column of the government-wide presentation.

Proprietary funds statements are used to account for activities that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and payments relating to the government's business activities are accounted for through proprietary funds. The measurement focus is on determination of operating income, financial position, changes in net assets and cash flows. Operating revenues include charges for services. Operating expenses include costs of services as well as materials, contracts, personnel, and depreciation. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

Enterprise funds account for operations that are financed in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City's enterprise funds account for the operations of the City's utility system, airport, golf centers and marina.

Internal service funds of a government (which traditionally provide services primarily to other funds of the government) are presented in the summary form as part of the proprietary fund financial statements. The City's internal service funds account for printing and messenger services, maintaining an inventory of commonly used supplies, vehicle and building maintenance, data processing and process automation, wired and wireless internet, voice and video communication, risk management, and engineering services to other departments within the City on a cost-reimbursement basis. Since the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are consolidated into the governmental column when presented at the government-wide level in the Statement of Net Assets. The net activity of these services is offset against the appropriate functional activity in the Statement of Activities. This complies with the City's policy of eliminating internal activity from the government-wide statements.

The City's fiduciary funds are presented in the fund financial statements by type (pension and private-purpose). Since by definition these assets are being held for the benefit of a third party (e.g., other local governments, private parties, pension participants) and cannot be used to finance activities or obligations of the government, these funds are not incorporated into the government-wide statements. The City's fiduciary funds are used to account for the assets in the deferred compensation plans of the City held in trust for the exclusive benefit of the employees, as well as to account for the severance package for both the City Manager and City Secretary.

The focus is on the City as a whole and the fund financial statements, including the major individual funds of the governmental and business-type categories, as well as the fiduciary funds, and the component units. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. GASB 34 establishes criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a single column in the fund financial statements. The City reports the following major funds:

**The general fund** is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

**The debt service fund** is used to account for funds needed to make principal and interest payments on outstanding bonds when due. The City reports this fund as a major fund because of public interest and consistency between years.

**The utility system fund** is used to account for the operations of the City's combined utilities. The Utility System includes the City's water and storm water system, wastewater disposal system and gas distribution system.

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied. The government-wide financial statements and the proprietary, fiduciary and component unit financial statements are presented on an accrual basis of accounting. The governmental funds in the fund financial statements are presented on a modified accrual basis.

#### **Accrual**

Revenues are recognized when earned and expenses are recognized when incurred.

#### **Modified Accrual**

All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers property taxes available if they are collected within 60 days after year end. A 120 day availability period is used for revenue recognition for all other governmental fund revenues. Those revenues considered susceptible to accrual are property taxes, hotel occupancy taxes, special assessments, interest income, and charges for services. Sales taxes collected and held by the State at year end on behalf of the City are also recognized as revenues. Fines, permits, and parking meter revenues are not susceptible to accrual because they are not measurable until received in cash.

Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early the following year.

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions", the revenue provider recognizes liabilities and expenses and the revenue recipient recognizes receivables and revenue when the applicable eligibility requirements including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and as deferred revenue by the recipient.

**E. Cash and Cash Equivalents**

Cash balances of all City funds (except for the Deferred Compensation Plan) are pooled for investment purposes and each fund has equity in the pooled amount. Cash and cash equivalents include currency on hand, demand deposits with banks, amounts included in pooled cash and liquid investments with a maturity of three months or less when purchased. Cash and cash equivalents are included in both unrestricted as well as restricted assets.

**F. Investments**

The City can legally invest in certificates of deposit, repurchase agreements, obligations of the U.S. Government, and its Agencies or instrumentalities, and State obligations. The types of investments made by the Deferred Compensation Plan are not restricted and are carried at market value. The City's investments are stated at fair value, except for money market investments with a remaining maturity of one year or less when purchased and nonparticipating interest earning investment contracts, which are stated at cost. Net change in the fair value of investments is recognized and reported as investment income in the financial statements.

Interest earned from investments purchased with pooled cash is allocated to each fund based on the fund's participation in that investment. Aside from those clearly identified as belonging to a specific fund, any unrealized gain/loss resulting from valuation is allocated to each fund based on the fund's participation in that investment.

**G. Receivables**

Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the government-wide governmental and business-type activities columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances. Within the governmental fund financial statements, such amounts are equally offset by a fund balance reserve that indicates they do not constitute available expendable resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 120 days comprise the trade accounts receivable allowance for uncollectibles. The property tax receivable allowance is equal to 28% percent of outstanding property taxes at the end of the fiscal year.

Utility revenue is recorded when earned. Customers are billed monthly. The estimated value of services provided but unbilled has been included in the accompanying financial statements.

**H. Inventories and prepaid items**

Inventories are valued at cost, which approximates market, using either the first-in/first-out (FIFO) method or the average cost method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

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

**I. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**J. Capital Assets**

Capital assets purchased or acquired are carried at historical cost or estimated historical cost. City policy has set the capitalization threshold for reporting capital assets at \$5,000. Contributed assets are recorded at fair market value as of the date donated. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on capital assets is calculated on the straight-line basis over the following estimated useful lives:

<u>Assets</u>	<u>Life in Years</u>
Dams	100
Water rights	35-50
Water pipeline	50
Gas pipelines	57
Infrastructure	50
Utility plants	45
Runways and related improvements	25
Terminals and hangers	50
Buildings	40
Improvements other than buildings	20
Vehicles	4-6
Machinery and equipment	5-15
Office furniture	12

The City has a collection of art housed in the Corpus Christi Museum of Science and History. The collection is not capitalized because it meets all the following conditions.

- The collection is held for reasons other than financial gain.
- The collection is protected, kept unencumbered, cared for, and preserved.
- The collection is subject to City policy requiring that the proceeds from sales of collection items be used to acquire other items for collections.

Interest is capitalized on assets, other than infrastructure assets, acquired with tax-exempt debt. The amount of interest capitalized is the net interest expense incurred (interest expense less interest income) from the date of the borrowing until completion of the project.

**K. Restricted Assets**

Certain debt proceeds of the City’s enterprise funds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

All revenues received from passenger facility charges (PFC) are reported as restricted assets in the Airport Fund. In accordance with Federal Regulations, PFC funds can only be expended on projects approved by the Federal Aviation Administration. Current approved projects include runway pavement reconstruction, terminal improvements, and runway lighting. It is management's intention to use a portion of the PFC funds on approved projects on a pay-as-you-go basis with the remaining funds to be used to support approved airport revenue bond issues debt service.

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the City’s policy is to apply restricted net assets first.

**L. Accumulated Unpaid Compensated Absences**

It is the City’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. These benefits are accounted for using the termination payment method. All compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. Expenditures are recorded in the governmental funds as employees resign or retire. Compensated absence liabilities are normally paid from the funds reporting payroll and related expenditures including the general fund and special revenue funds.

**M. Long-term Obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, 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. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures in the governmental funds. Bond discounts and issuance costs are treated as period costs in the year issued. Bond issuance costs are shown in debt service expenditures.

**N. Pension Plans**

Pension costs are composed of normal cost and, where applicable, amortization of unfunded actuarial accrued liability and unfunded prior service costs. Note 9 provides further detail.

**O. Fund Equity**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**2. Budget Policy and Budgetary Accounting**

City Charter requires the City Manager to submit a proposed budget to the City Council at least sixty days prior to August 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. The budget and tax levy are legally enacted through the passage of ordinances.

Budgets are prepared for all governmental funds except the Federal/State grant fund, the capital projects funds, the community enrichment fund, the infrastructure fund, the Corpus Christi Community Improvement Corporation (CCCIC), the Corpus Christi Housing Finance Corporation (CCHFC) and the Corpus Christi Industrial Development Corporation (CCIDC). The Federal/State grant fund and the capital projects funds adopt project-length budgets. Budgets are not adopted for the community enrichment fund, the infrastructure fund, CCCIC, CCHFC and the CCIDC. The budgets are prepared on a basis consistent with generally accepted accounting principles, except that expenditures financed by capital leases are not included in the governmental fund budgets, principal and interest payments are included in the activity expenditures and reimbursements are accounted for as revenues rather than reductions of expenditures. The detail of these differences is included in the statement of revenues, expenditures and changes in fund balance – budget (GAAP basis) and actual in the column titled “Adjustments to Budget Basis.” All annual appropriations lapse at fiscal year end.

The appropriated budget is prepared by fund, department, and activity. The City Manager is authorized to transfer appropriations at the object of expenditure level and department levels within any fund. Any revisions that alter the total appropriations of any fund must be approved by the City Council. During the year, several supplemental appropriations were necessary. All budget amounts presented reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions to the annual budget during the year).

Encumbrance accounting is employed in governmental funds. Encumbrances represent commitments related to unperformed contracts for goods or services. Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation. Encumbrances outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities until the commitments are honored by inclusion in the subsequent year's budget.

### **3. Sales Tax Revenue**

The City has a 1% city sales tax, a 0.125% sales tax for crime control, a 0.125% sales tax for construction of a multipurpose arena, a 0.125% sales tax for improvements to the downtown seawall, and a 0.125% sales tax for economic development and the construction of a baseball stadium. Sales tax is collected monthly by the State of Texas and remitted to the City. The tax is collected by the merchants, remitted to the State, and then paid to the City by the 10th of the month following collection from the merchants. A two-month lag exists between collection by the merchant and payment to the City by the State.

In governmental funds, sales tax revenue is recognized in the period when the underlying exchange transaction has occurred and the resources are available.

### **4. Property Taxes**

Property taxes attach, as an enforceable lien, on property as of January 1. The City's property tax is levied each October 1 on the basis of assessed values at the date the enforceable lien attaches. Appraised values are established by the Nueces County Appraisal District, assessed at 100% of appraised value, approved by the Nueces County Appraisal Review Board, and certified by the Chief Appraiser. Responsibility for the billing and collection of the City's taxes is contracted to Nueces County as an efficiency measure.

Taxes are due on receipt of the tax bill and are delinquent if not paid before February of the year following the year in which imposed. Taxes become delinquent on February 1 at which time penalty and interest charges are applicable. Property tax revenues are recorded as revenues when they become available. On July 31, property tax receivables are fully deferred because collections received within the following sixty days are immaterial. As permitted by the Constitution of the State of Texas, home rule cities of over 5,000 population shall have a total tax allowable of \$2.50 and shall have a bond allowable of \$1.50 per \$100 valuations (unless City Charter provides less). On April 3, 1993, the citizens of Corpus Christi voted to amend the City Charter which contained a tax limitation of \$0.68 per \$100 of assessed value for all purposes including debt service. The amended charter provided for the tax rate to increase up to the State limit, \$1.50 per \$100 of assessed value, for voter approved debt after April 4, 1993. The State allowable is computed based on 90% collections.

The 2008-2009 tax rates were \$0.364671 for the general fund and \$0.199175 for debt service for a total of \$0.563846 per \$100 of assessed value. Therefore, the City's tax margin of \$0.116154 per \$100 of assessed value could raise up to \$16,200,571 additional taxes each year based on the assessed value of \$13,947,493,003. The City could raise up to \$153,451,392 in additional taxes for voter approved tax supported obligations, based on the assessed valuation of \$13,947,493,003 and a debt margin of \$1.100208 calculated on 90% collections.

**5. Deposits and Investments**

As of July 31, 2009, the carrying amount of the City’s cash and cash equivalents was \$229,091,005. In accordance with City policy, the total bank deposits were covered by Federal Depository Insurance (FDIC) or by collateral held by the City’s agent in the City’s name. The cash funds and short-term investments included in cash and cash equivalents are not subject to collateralization requirements. The discretely presented component units had total cash and cash equivalents of \$404,548 which were covered by FDIC or were secured by collateral held by the City’s or component unit’s agent in the name of the City or the component unit.

As of July 31, 2009, the City had the following investments:

<u>Investment Type</u>	<u>Carrring Value</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Federal agency coupon securities	\$ 135,112,413	\$ 135,134,528	1.545
Bank Certificate of Deposit	15,453,744	15,453,744	0.880
Local government investment pools-overnight	215,217,904	215,217,904	0.003
Money market funds	9,968,060	9,968,060	0.003
Total	<u>375,752,121</u>	<u>375,774,236</u>	
Short-term investments included in cash and cash equivalents	225,185,964	225,185,964	
Total	<u>\$ 150,566,157</u>	<u>\$ 150,588,272</u>	
Portfolio weighted average maturity			0.595

**Interest rate risk** – In accordance with the City’s investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than 365 days.

**Credit risk** - Texas statutes authorize the City to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a Federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which are unconditionally guaranteed, insured by, or backed by the full faith and credit of, this State or the United States or their respective agencies and instrumentalities; and (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state (rated as to investment quality by a nationally recognized investment rating firm not less than “A” or its equivalent).

Public funds investment pools in Texas (Pools) are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (PFIA), Chapter 2256 of the Texas Government Code. In addition to other provisions of the PFIA designed to promote liquidity and safety of principal, the (PFIA) requires Pools to: (1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; (2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and (3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares. All investments noted above have been rated AAA-m by Standard & Poor’s and AAA by Moody’s.

**Concentration of credit risk** – According to The City’s investment policy, the maximum amount that may be invested in any one public funds investment pool is five percent of the total current invested balance of the Public Funds Investment Pool. The maximum total amount that may be invested in any one overnight Public Funds Investment Pool is thirty percent of the Investment Portfolio. There is no limit on the percent of the total Investment Portfolio that may be invested in public funds pools overall.

**Custodial credit risk - deposits** – In the case of deposits, this is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City’s deposits, including blended component units, held at financial institutions at year end were entirely covered by federal depository insurance (FDIC) or were secured by collateral held by the City’s agent in the City’s name.

**Custodial credit risk – investments** - For an investment, this is the risk that, in the event of failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. This type of transaction is not addressed by the City’s investment policy, and therefore, is not an investment option for the City at this time.

## 6. Budgetary Data

General Fund budget amendments approved during the year included the following:

\$ 1,332,602 to revenues and other financing sources comprised of:

- \$16,000 from Friends of the Corpus Christi Public Libraries
- \$20,700 from estimated General Fund ball-field rentals
- \$129,073 from City Hall CIP fund
- \$800,000 from estimated ad valorem tax revenues
- \$146,623 from Latchkey afterschool & summer registration
- \$166,124 from Insurance proceeds
- \$2,500 from TRT Hotel Company rental income
- \$19,968 from Nueces County
- \$2,500 from Corpus Christi Beach Association
- \$5,000 from Pollution Prevention Partnership donation
- \$24,114 from General Fund revenues PropertyRoom.com

\$6,889,155 to expenditures and other financing uses comprised of:

- \$3,033,274 for encumbrances approved to carry forward from the end of the prior fiscal year,
- \$20,700 for Ball-field maintenance
- \$6,000 for Anita & W.T. Neyland Public Library computers
- \$5,000 for technology at Dr. Clotilde P Garcia Public Library
- \$1,550,000 for street overlay projects
- \$355,000 for Health Department air handler and chiller replacement
- \$800,000 for 2.5% COLA pay increases-plans 100, 400, 500(B), 600, 900 and 1000
- \$121,275 for Municipal Court deputy marshals, detector services, and temporary security services
- \$258,686 for Municipal Court technology improvements
- \$26,686 for Municipal Court overtime for warrant round up and temporary staff
- \$1,600 for equipment to assist the Repeat Offender Program
- \$166,124 for costs associated with power outage and generator failure at Police Department
- \$146,623for Latchkey new sites
- \$5,000 for purchase of computers at Northwest Branch Library
- \$129,073 for Community Visioning project-Bold Vision
- \$2,500 for professional services related to the McGee Beach concession
- \$184,732 for two fire pumper trucks
- \$5,000 for bike racks in the Downtown and Bayfront areas
- \$2,500 for sidewalks at Corpus Christi Beach Park
- \$19,968 for lifeguards
- \$24,114 for improvements to the Police property room, the Police building, and the lease of space for a supplemental Police property room
- \$25,300 for juvenile case manager salaries

Budget variances to expenditures and transfers include the following:

- Ambulance expenditures exceeded budget by \$164,933 due to higher payment of collection fees as a result of increased collections of revenue in addition to minor computer equipment and medical supplies
- Police Department’s excess expenditures of \$39,148 were attributed to overtime costs in anticipation of Hurricane Ike that were not reimbursed by FEMA as well as costs associated with fire/power outage
- Inspections exceeded budget by \$410,527 due to a temporary Building Official and other temporary staff

**7. Receivables**

	General	Debt Service	Utility System	Nonmajor and Other Funds	Total
<b>Unrestricted</b>					
Accounts	\$ 6,831,005	\$ --	\$ 30,224,208	\$ 4,489,828	\$ 41,545,041
Taxes	3,657,745	1,997,777	--	--	5,655,522
Accrued interest	118,139	35,779	122,448	176,031	452,397
Intergovernmental	5,278,848	16,968	1,488,794	7,146,562	13,931,172
Mortgages and loans	--	--	--	17,141,963	17,141,963
Property leases	30,250	--	4,088	--	34,338
Demolition liens	2,349,185	--	--	801,358	3,150,543
Special assessments	--	--	--	532,112	532,112
Notes	--	--	511,977	--	511,977
Employees	12,333	--	55	2,407	14,795
Miscellaneous	2,097,920	--	40,291	25,678	2,163,889
<b>Restricted</b>					
Accounts	--	--	--	201,900	201,900
Accrued interest	--	--	1,029	--	1,029
Intergovernmental	--	--	1,909	778,797	780,706
Gross receivables	<u>20,375,425</u>	<u>2,050,524</u>	<u>32,394,799</u>	<u>31,296,636</u>	<u>86,117,384</u>
Less allowance for uncollectible	<u>(6,091,501)</u>	<u>(1,303,140)</u>	<u>(6,132,639)</u>	<u>(2,629,714)</u>	<u>(16,156,994)</u>
Net total receivables	<u><u>\$ 14,283,924</u></u>	<u><u>\$ 747,384</u></u>	<u><u>\$ 26,262,160</u></u>	<u><u>\$ 28,666,922</u></u>	<u><u>\$ 69,960,390</u></u>

**8. Capital Assets**

A summary of changes in the capital assets follows. In these tables, business-type activities include enterprise funds and the Solid Waste activity.

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
<b>Governmental activities</b>				
Capital assets, not being depreciated				
Land	\$ 56,088,295	\$ (156,965)	\$ --	\$ 55,931,330
Construction in Progress	<u>43,192,119</u>	<u>21,085,149</u>	<u>--</u>	<u>64,277,268</u>
Total capital assets, not being depreciated	<u>99,280,414</u>	<u>20,928,184</u>	<u>--</u>	<u>120,208,598</u>
Capital assets, being depreciated				
Buildings	214,322,066	6,835,341	--	221,157,407
Improvements	173,730,928	1,456,684	9,645	175,177,967
Mach & Equip	142,969,666	8,414,641	3,834,043	147,550,264
Infrastructure	198,315,164	15,094,330	--	213,409,494
Total capital assets, being depreciated	<u>729,337,824</u>	<u>31,800,996</u>	<u>3,843,688</u>	<u>757,295,132</u>
Less accumulated depreciation for:				
Buildings	59,171,456	5,169,409	--	64,340,865
Improvements	92,950,128	9,453,581	--	102,403,709
Mach & Equip	113,150,726	7,362,052	3,832,707	116,680,071
Infrastructure	119,826,507	8,378,007	--	128,204,514
Total accumulated depreciation	<u>385,098,817</u>	<u>30,363,049</u>	<u>3,832,707</u>	<u>411,629,159</u>
Total capital assets, being depreciated, net	<u>344,239,007</u>	<u>1,437,947</u>	<u>10,981</u>	<u>345,665,973</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 443,519,421</u>	<u>\$ 22,366,131</u>	<u>\$ 10,981</u>	<u>\$ 465,874,571</u>

	Beginning Balance	Additions and Transfers	Retirements	Ending Balance
<b>Business-type activities</b>				
Capital assets, not being depreciated				
Land	\$ 33,511,713	\$ 1,879,988	\$ 7,213	\$ 35,384,488
Construction in progress	155,099,225	(9,013,630)	4,618	146,080,977
Total capital assets, not being depreciated	<u>188,610,938</u>	<u>(7,133,642)</u>	<u>11,831</u>	<u>181,465,465</u>
Capital assets, being depreciated				
Water rights	212,284,487	--	--	212,284,487
Buildings	85,108,168	--	--	85,108,168
Improvements	335,301,416	32,776,909	--	368,078,325
Machinery and equipment	44,044,052	3,975,884	286,799	47,733,137
Infrastructure	879,363,441	45,833,988	559,670	924,637,759
Total capital assets, being depreciated	<u>1,556,101,564</u>	<u>82,586,781</u>	<u>846,469</u>	<u>1,637,841,876</u>
Less: accumulated depreciation for				
Water rights	52,014,421	4,753,166	--	56,767,587
Buildings	27,426,140	1,755,453	--	29,181,593
Improvements	114,502,808	14,262,376	--	128,765,184
Machinery and equipment	26,028,737	3,907,919	286,800	29,649,856
Infrastructure	220,295,374	15,870,124	334,544	235,830,954
Total accumulated depreciation	<u>440,267,480</u>	<u>40,549,038</u>	<u>621,344</u>	<u>480,195,174</u>
Total capital assets, being depreciated, net	<u>1,115,834,084</u>	<u>42,037,743</u>	<u>225,125</u>	<u>1,157,646,702</u>
Business-type activities capital assets, net	<u>\$ 1,304,445,022</u>	<u>\$ 34,904,101</u>	<u>\$ 236,956</u>	<u>\$ 1,339,112,167</u>

In the schedule above, business-type activities include the enterprise funds' and Solid Waste's capital assets; such activity is detailed in Exhibit 2-D.

**Discretely presented component units**

Activity for the Convention and Visitors Bureau for the year ended July 31, 2009, was as follows:

	Beginning Balance	Additions and Transfers	Retirements	Ending Balance
Capital assets, being depreciated				
Buildings	\$ 235,023	\$ --	\$ --	\$ 235,023
Machinery and equipment	296,598	80,104	--	376,702
Total capital assets, being depreciated	<u>531,621</u>	<u>80,104</u>	<u>--</u>	<u>611,725</u>
Less accumulated depreciation for				
Buildings	108,527	11,155	--	119,682
Machinery and equipment	213,622	12,868	--	226,490
Total accumulated depreciation	<u>322,149</u>	<u>24,023</u>	<u>--</u>	<u>346,172</u>
Total capital assets, being depreciated, net	<u>209,472</u>	<u>56,081</u>	<u>--</u>	<u>265,553</u>
Convention and Visitor's Bureau capital assets, net	<u>\$ 209,472</u>	<u>\$ 56,081</u>	<u>\$ --</u>	<u>\$ 265,553</u>

Depreciation expense and amortization of water rights is charged to functions as follows:

Governmental activity		Business-type activity	
General government	\$ 899,144	Gas	\$ 1,931,969
Police	794,272	Water	21,155,115
Fire	1,171,473	Wastewater	10,086,655
Emergency management	380	Airport	3,867,987
Inspections	22,166	Golf centers	301,607
Streets	11,602,466	Marina	569,612
Health	261,049	Solid waste	2,636,093
Parks and recreation	3,018,838	Total	<u>\$ 40,549,038</u>
Libraries	371,855		
Museums	172,787		
Community enrichment	22,888		
Community development	1,353,580		
Convention and visitors facilities	4,848,825		
Internal service fund	5,823,326		
Total	<u>\$ 30,363,049</u>		

The City has entered or will enter into contracts for the construction or renovation of various facilities as follows:

	Project <u>Authorization</u>	Expenditures Through <u>07-31-09</u>	Additional Funds <u>Committed</u>	Required Future <u>Financing</u>
Airport	\$ 11,749,089	\$ 1,664,818	\$ 10,084,271	\$ --
Bayfront Development	15,830,164	9,062,735	6,767,429	--
Gas	83,497	68,465	15,032	--
Library	1,172,296	1,105,192	67,104	--
Museum	1,472,327	22,835	1,449,492	--
Packery Channel	818,372	719,622	98,750	--
Parks	15,167,110	5,661,291	9,505,819	--
Public Health and Safety	2,159,891	2,049,937	109,954	--
Sanitary Landfill	14,548,326	13,241,235	1,307,091	--
Stormwater	65,253,906	56,635,285	8,618,621	--
Street	70,810,087	48,777,330	22,032,757	--
Wastewater	53,429,968	40,605,957	12,824,011	--
Water	33,758,855	22,726,333	11,032,522	--
Total	<u>\$ 286,253,888</u>	<u>\$ 202,341,035</u>	<u>\$ 83,912,853</u>	<u>--</u>

**9. Employment Retirement Benefits**

**A. Retirement Systems**

The City participates in funding two retirement plans: (1) all City employees, except firefighters, are provided benefits through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), one of 821 administered by TMRS, an agent multiple-employer public employee retirement system and (2) all firefighters are covered by the Fire Fighters Retirement System of Corpus Christi, a single-employer defined benefit pension plan. An independent board of trustees administers each plan. The fiscal year of each pension fund ends December 31. The most recently available financial statements of the City employees' pension fund is for the year ended December 31, 2008 and for the fire fighters' pension fund is for the year ended December 31, 2008. Membership in the plans is as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>	<u>Total</u>
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	2,217	269	2,486
Current contributing employees	2,622	415	3,037
Total	<u>4,839</u>	<u>684</u>	<u>5,523</u>

Each plan provides service retirement, death, disability, and withdrawal benefits. State law governs benefit and contribution provisions. Amendments may be made by the Legislature of the State of Texas.

Financial reports that include financial statements and supplementary information for each plan are publicly available at the addresses shown below.

<u>Plan</u>	<u>Address</u>
Texas Municipal Retirement System	P.O. Box 149153 Austin, Texas 78714-9153
Fire Fighters Retirement System	American Bank Plaza 711 N. Carancahua, Suite 724 Corpus Christi, Texas 78475

Authority establishing contribution obligation	State Legislation	State Legislation
Frequency of contribution	Biweekly	Biweekly
Employee's contribution (percent of earnings)		
August 1, 2008 - December, 2008	6.00%	12.20%
January 1, 2009 - July 31, 2009	6.00%	12.20%
City's contribution (percent of earnings)		
January 1, 2008 - December 31, 2008	14.80%	15.39%
January 1, 2009 - July 31, 2009	15.75%	16.58%

While the contribution requirements are not actuarially determined, State law requires that a qualified actuary approve each plan of benefits adopted. The actuary of each plan has certified that the contribution commitment by the participants and the City provide an adequate financing arrangement. Contributions for fiscal year ended July 31, 2009, are as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>	<u>Total</u>
City	\$17,100,193	\$ 3,964,376	\$21,064,569
Employees	6,682,096	3,008,444	9,690,540
Total	<u>\$23,782,289</u>	<u>\$ 6,972,820</u>	<u>\$30,755,109</u>

**Annual Pension Cost and Net Pension Obligation**

In December 2007, the TMRS Board of Trustees voted to adopt a change in the actuarial cost method used to calculate liabilities and contribution rates for TMRS cities. Since its inception, TMRS had used the Unit Credit actuarial funding method. The change to Projected Unit Credit was made to provide a level rate of funding, improve the funding ratios of cities, and advance fund projected benefits by recognizing future increases in salary and annually repeating benefits. The Board also adopted a change in amortization from a 25 year “open” period to a 25 year “closed” period. Additionally, for cities experiencing a rate increase of more than 0.50%, the Board approved an increase in amortization period to a 30 year closed period. For the City of Corpus Christi, these changes will initially result in a higher required contribution and lower funded ratio. The funded ratio should show steady improvement over time. To assist in the transition, the Board approved an eight year phase-in period which will allow cities the opportunity to increase their contributions gradually to their full rate (required contribution rate). The minimum required contribution rate for calendar year 2009 based on the eight year phase-in provision is 15.75%, the full rate was calculated to be 21.31%. For calendar year 2010, the phase-in rate is calculated to be 16.77%, the full rate is calculated to be 22.40%.

For fiscal year ending July 31, 2009, the City’s contributions of \$21,064,569 was not equal to the City’s required contribution, resulting in a net pension obligation of \$3,909,319.

	City Employees	Fire Fighters	Total
Annual required contribution	\$ 21,009,512	\$ 3,964,376	\$ 24,973,888
Interest on net pension obligation	--	--	--
Annual pension cost	21,009,512	3,964,376	24,973,888
Contributions made	17,100,193	3,964,376	21,064,569
Increase in net pension obligation	3,909,319	--	3,909,319
Net pension obligation - beginning of year	--	--	--
Net pension obligation - end of year	<u>\$ 3,909,319</u>	<u>\$ --</u>	<u>\$ 3,909,319</u>

Three-year trend information is as follows:

	<b>City Employees</b>	<b>Fire Fighters</b>	<b>Total (Memorandum Only)</b>
City's Annual Pension Cost (APC)			
2007	\$14,035,058	\$3,040,260	\$17,075,318
2008	\$14,035,058	\$3,040,260	\$17,075,318
2009	\$21,009,512	\$3,964,376	\$24,973,888
Percentage of APC contributed			
2007	100%	100%	N/A
2008	100%	100%	N/A
2009	81.4%	100%	N/A
Net Pension Obligation			
2007	\$ --	\$ --	\$ --
2008	\$ --	\$ --	\$ --
2009	\$ 3,909,319	\$ --	\$ 3,909,319

**Funded Status and Funding Progress**

The funded status of the plan for the last valuation date was as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>
Valuation date	12/31/2008	12/31/2008
Actuarial accrued liability	\$ 442,055,152	\$ 162,568,260
Actuarial value of plan assets	<u>234,890,896</u>	<u>92,218,756</u>
Unfunded actuarial accrued liability	<u>\$ 207,164,256</u>	<u>\$ 70,349,504</u>
Funded ratio	53.1%	56.7%
Covered payroll	\$ 108,555,179	\$ 24,268,094
Unfunded actuarial accrued liability as a percentage of covered payroll	190.8%	289.9%

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

**Actuarial Methods and Assumptions**

The latest actuarial valuation for City employees was completed as of December 31, 2008, and for Fire Fighters was completed as of December 31, 2008. The actuarial cost method and significant assumptions underlying the actuarial calculations are as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>
Actuarial Cost Method	Projected Unit Credit	Entry Age
Asset Valuation Basis	Amortization Cost	Market Value
Inflation Rate	3.0%	4%
Projected Annual Salary Increases	N/A	4%
Post Retirement Benefit Increase	N/A	N/A
Assumed Rate of Return on Investments	7%	8%
Amortization Method	Level percent of payroll, closed	Level percent of payroll, open
Remaining Amortization Period	29 years	26 years

**B. Deferred Compensation Plan**

The City follows GASB 32, Accounting and Financial Reporting for Internal Revenue Code, Section 457, Deferred Compensation Plans. The City maintains the responsibility for reviewing and approving emergency withdrawals from the Plans. The assets of the Plans are reported in a pension trust fund.

**10. Post-Employment Health Care Benefits**

GASB Statement No. 45: *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (OPEB), established new accounting standards for postretirement benefits. The new standard does not require funding of OPEB expense, but any difference between the annual required contribution (ARC) and the amount funded during the year is required to be recorded in the employer’s financial statement as an increase (or decrease) in the net OPEB obligation. The effective date for implementation of GASB 45 by the City of Corpus Christi is August 1, 2007. Accordingly, the City did obtain an actuarial valuation in accordance with GASB 45 standards as of August 1, 2007, and discloses the following:

**Plan Description and Funding Policy**

Employees who retire from the City of Corpus Christi, and eligible dependents and survivors, are eligible to continue to participate in the City's health insurance programs at the “blended” employee group rate which is determined annually by the City of Corpus Christi and approved by the City Council. Retirees have 31 days to elect to enroll in the City's self-funded health insurance plan (Citicare, Citicare Public Safety, and Citicare-Fire) in which they were participating at the time of retirement unless otherwise stated in a plan document or collective bargaining agreement. As of July 31, 2009, a total of 565 eligible retirees and dependents were participating in the City's group health program detailed as follows:

Citicare	301
Citicare Public Safety	146
Citicare Fire	114
Pending election	4
Total	565

The City provides no funding for any portion of the premiums after retirement. However, the City recognizes that there is an “implicit subsidy” arising as a result of the blended rate premium since retiree health care costs, on average, are higher than active employee healthcare costs. The plan is not accounted for as a trust fund as an irrevocable trust has not been established to fund the plan. The plan does not issue a separate financial report.

**Annual OPEB Cost and Net OPEB Obligation**

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

	Citicare	Citicare Public Safety	Citicare Fire	Total
	Citicare	Public Safety	Fire	Total
Annual required contribution	\$ 3,416,585	\$ 1,655,616	\$ 2,044,699	\$ 7,116,900
Interest on net OPEB obligation	111,619	47,106	59,001	217,726
ARC adjustment	(101,159)	(42,691)	(53,473)	(197,323)
Annual OPEB cost	3,427,045	1,660,031	2,050,227	7,137,303
Contributions made (pay-as-you-go basis)	771,440	554,505	624,087	1,950,032
Increase in net OPEB obligation	2,655,605	1,105,526	1,426,140	5,187,271
Net OPEB obligation - beginning of year	2,480,424	1,046,791	1,311,167	4,838,382
Net OPEB obligation - end of year	\$ 5,136,029	\$ 2,152,317	\$ 2,737,307	\$ 10,025,653

Two year trend information is as follows:

	<u>Citicare</u>	<u>Citicare Public Safety</u>	<u>Citicare Fire</u>	<u>Total (Memorandum Only)</u>
City's Annual Required Contribution (ARC)				
2008	\$3,109,043	\$1,502,603	\$1,853,004	\$6,464,650
2009	\$3,416,585	\$1,655,616	\$2,044,699	\$7,116,900
Percentage of ARC contributed				
2008	20.2%	30.3%	29.2%	N/A
2009	22.6%	33.5%	30.5%	N/A
Net OPEB Obligation				
2008	\$ 2,480,424	\$ 1,046,791	\$ 1,311,167	\$ 4,838,382
2009	\$ 5,136,029	\$ 2,152,317	\$ 2,737,307	\$ 10,025,653

**Funded Status and Funding Progress**

The funded status of the plan as of the last valuation date of July 31, 2008, was as follows:

	<u>Citicare</u>	<u>Citicare Public Safety</u>	<u>Citicare Fire</u>	<u>Total</u>
Actuarial accrued liability	\$ 29,091,554	\$ 17,463,290	\$ 21,431,762	\$ 67,986,606
Actuarial value of plan assets	--	--	--	--
Unfunded actuarial accrued liability	<u>\$ 29,091,554</u>	<u>\$ 17,463,290</u>	<u>\$ 21,431,762</u>	<u>\$ 67,986,606</u>
Funded ratio				0%
Covered payroll				\$ 130,398,414
Unfunded actuarial accrued liability as a percentage of covered payroll				52.1%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the status of the plan and the annual required contributions of the City are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Since this is the first year of implementation no prior year information is available.

**Actuarial Methods and Assumptions**

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

Measurement Date	August 1, 2007
Actuarial Cost Method	Projected Unit Credit (PUC)
Amortization Period	30 years
Amortization Method	Level Percent of Payroll
Discount rate	4.50%
CPI	2.50%
Healthcare Cost Trend Rate	10% initial rate, 5% ultimate rate, 6 year grade in period
Payroll Growth Rate	3% annually

**11. Risk Management**

The City operates a risk management program for worker’s compensation, life and health insurance, and liability claims.

**A. Insurance**

The City self-funds worker’s compensation, general/auto liabilities and health benefits. Purchased coverage includes: Commercial property insurance of \$250 million limits on City buildings, \$75 million in airport liability, \$10 million of excess gas utility liability insurance and \$10 million of excess liability insurance. The City purchases excess insurance which covers worker’s compensation claims that exceed \$350,000 per accident and general/auto liability claims, public officials, employment and law enforcement in excess of \$500,000 per claim. Primary flood coverage provides up to \$500,000 on specified buildings within flood zones A & B. All funds of the City participate in the program and make payments to the Liability and Employee Benefits Fund based on estimates needed to pay prior claims, current year claims and claims incurred but not reported. In addition, the City of Corpus Christi provides comprehensive health coverage to employees, dependents and retirees. Coverage becomes effective the first day of employment and the plan provides a lifetime maximum limit of \$2 million.

The estimated claims liability of \$14,877,517 at July 31, 2009, of which \$8,273,730 is due within one year, is based on requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The City purchases annuity contracts from commercial insurers to satisfy certain liabilities under worker’s compensations claims; accordingly, no liability is reported for those claims. Changes in the fund claims liability amounts for fiscal years 2008 and 2009 were:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End
2007-2008	\$ 14,518,703	\$ 25,177,741	\$ (25,132,227)	\$ 14,564,217
2008-2009	14,564,217	27,193,195	(26,879,895)	14,877,517

**B. Contingent Liabilities**

The City is a defendant in various tort claims and lawsuits involving general liability, automobile liability, civil rights actions, employment and various contractual matters. In the opinion of the City’s management and counsel, the outcome of the pending litigation will not have a material effect on the City’s financial position or operation.

**12. Operating Leases**

**A. Property Leased From Others**

The City leases various office space sites and equipment under operating leases. Most of the leases are cancelable and extended on a monthly basis.

**B. Property Leased To Others**

The City is the lessor of airport floor space, real property, and parking spaces under operating leases expiring through the fiscal year 2027. The arena operating leases expire through the fiscal year 2012. Minimum rentals to be received from future leases are:

<u>Fiscal Year Ending July 31,</u>	<u>Enterprise Funds</u>	<u>Special Revenue Funds</u>
2010	2,924,045	249,984
2011	2,726,279	159,984
2012	2,454,525	50,000
2013	2,428,423	--
2014	2,407,427	--
2015-2027	<u>252,880</u>	<u>--</u>
Total minimum future rentals	<u>\$ 13,193,579</u>	<u>\$ 459,968</u>

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

**13. Commercial Paper**

On March 1, 2003, the City Council approved a \$75,000,000 commercial paper program for a term of seven years to provide interim funding of Utility System capital projects. As of July 31, 2009, there was no commercial paper outstanding. The commercial paper is supported by a letter of credit with WestLB AG (formerly known as Westdeutsche Landesbank Girozentrale).

**14. Long-term obligations**

The following is a summary of long-term obligation transactions of the City for the year ended July 31, 2009:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Long-term debt					
General obligation bonds	\$ 152,030,000	\$ 88,725,000	\$ (9,230,000)	\$ 231,525,000	\$ 13,190,000
Certificates of obligation	30,885,695	--	(2,140,000)	28,745,695	2,215,000
Revenue bonds	114,480,000	--	(4,385,000)	110,095,000	4,635,000
Discount on bonds payable	(30,620)	--	2,734	(27,886)	--
Premium on bonds payable	9,335,554	2,660,797	(1,005,920)	10,990,431	--
Deferred gain on refunding	(2,731,442)	--	333,783	(2,397,659)	--
Capital leases	9,102,549	4,234,465	(2,570,581)	10,766,433	2,996,090
Other notes payable	25,510,000	--	(18,000,000)	7,510,000	2,215,000
Total long-term debt	<u>338,581,736</u>	<u>95,620,262</u>	<u>(36,994,984)</u>	<u>397,207,014</u>	<u>25,251,090</u>
Accumulated compensated absences	34,495,815	10,858,299	(9,104,513)	36,249,601	9,104,513
Net pension obligation	--	2,879,185	--	2,879,185	--
Net OPEB obligation	4,838,382	5,187,271	--	10,025,653	--
Governmental activities Long-term liabilities	<u>\$ 377,915,933</u>	<u>\$ 114,545,017</u>	<u>\$ (46,099,497)</u>	<u>\$ 446,361,453</u>	<u>\$ 34,355,603</u>
Business-type activities					
Long-term debt					
Certificates of obligation	\$ 47,524,305	\$ 12,000,000	\$ (1,040,000)	\$ 58,484,305	\$ 1,300,000
Revenue bonds	479,220,000	96,490,000	(28,835,000)	546,875,000	29,095,000
Discount on bonds payable	(769,884)	(919,424)	93,546	(1,595,762)	--
Premium on bonds payable	20,532,476	--	(2,281,468)	18,251,008	--
Deferred gain on refunding	(12,717,164)	--	1,495,102	(11,222,062)	--
Capital leases	4,591,194	1,825,046	(1,409,796)	5,006,444	1,420,395
Utility notes payable	168,571,708	--	(3,946,673)	164,625,035	4,143,940
Total long-term debt	<u>706,952,635</u>	<u>109,395,622</u>	<u>(35,924,289)</u>	<u>780,423,968</u>	<u>35,959,335</u>
Landfill closure cost	26,267,870	--	(2,865,593)	23,402,277	4,232,523
Accumulated compensated absences	3,787,640	2,378,257	(2,011,740)	4,154,157	2,011,742
Net pension obligation	--	1,030,134	--	1,030,134	--
Business-type activities Long-term liabilities	<u>\$ 737,008,145</u>	<u>\$ 112,804,013</u>	<u>\$ (40,801,622)</u>	<u>\$ 809,010,536</u>	<u>\$ 42,203,600</u>

In the schedule above, business-type activities include the enterprise funds' and Solid Waste's long-term obligations; such activity is detailed in Exhibit 2-D.

**A. Bonds**

Bonds payable at July 31, 2009, are comprised of the following:

**Governmental activities**

**General Obligation Bonds**

\$39,150,000 2001 General Improvement Refunding Bonds due in annual installments of \$370,000 to \$3,850,000 through March 1, 2018, including \$10,000,000 in March 1, 2021 term bonds with annual mandatory redemptions of \$1,245,000 to \$1,375,000 from March 1, 2019 through March 1, 2021, interest at 4.50% to 5.375%	\$21,320,000
\$11,340,000 2001-A General Improvement Refunding Bonds due in annual installments of \$3,130,000 on March 1, 2008 and \$120,000 to \$135,000 March 1, 2009 through March 1, 2012, interest at 5.00%	380,000
\$22,575,000 2003 General Improvement Refunding Bonds due in annual installments of \$725,000 to \$3,760,000 through March 1, 2015, except 2011-2012 in which no payments are due, interest at 3.25% to 5.00%	3,135,000
\$25,640,000 2004 General Improvement Refunding Bonds due in annual installments of \$165,000 to \$8,900,000 through March 1, 2012, interest at 5.00%	3,390,000
\$86,485,000 2005 General Improvement and Refunding bonds due in annual installments of \$680,000 to \$6,775,000 through March 1, 2025, interest at 3.25% to 5.25%	80,700,000
\$3,830,000 2007 Texas Military Value Revolving Loan Program Bonds due in annual installments of \$160,000 to \$310,000 through September 1, 2026, interest at 3.75% to 4.00%	3,830,000
\$31,145,000 2007-A General Improvement due in annual installments of \$1,100,000 to \$2,350,000 through March 1, 2027, interest at 4.375% to 5.00%	30,045,000
\$88,725,000 2009 General Improvement Bonds due in annual installments of \$3,115,000 to \$6,495,000 through July 31, 2029, interest at 2.00% to 5.00%	<u>88,725,000</u>
Total General Improvement Bonds	<u>231,525,000</u>

**Certificates of Obligation**

\$4,400,000 1996 Combination Tax and Texas State Aquarium Revenue Certificates of Obligation due in annual installments of \$225,000 to \$250,000 through March 1, 2010, interest at 4.85% to 5.15%	250,000
\$13,870,000 2000 Combination Tax and Revenue Certificates of Obligation due in annual installments of \$595,000 to \$715,000 through March 1, 2011, interest at 4.5% to 4.85%	1,395,000
\$31,545,000 2002 Combination Tax and Municipal Hotel Occupancy Tax Revenue Certificates of Obligation due in annual installments of \$1,150,000 to \$2,430,000 through September 1, 2022, including \$3,600,000 in September 1, 2017 term certificates with annual mandatory redemptions of \$1,750,000 and \$1,850,000 September 1, 2016 and September 1, 2017, interest at 3.1% to 5.50%	24,685,000

34.58% of \$6,985,000 2007 Certificate of Obligation, Texas Military Preparedness Commission, due in annual installments of \$290,000 to \$565,000 from September 1, 2010 through September 1, 2026, interest at 4.00% to 4.375% 2,415,695

Total Certificates of Obligation 28,745,695

**Revenue Bonds**

\$43,960,000 2001 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Bonds due in annual installments of \$1,095,000 to \$2,915,000 through March 1, 2024, including \$5,165,000 in March 1, 2022 term bonds with annual mandatory redemptions of \$2,520,000 and \$2,645,000 March 1, 2021 and March 1, 2022, and \$6,285,000 in March 1, 2026 term bonds with annual mandatory redemptions of \$3,065,000 and \$3,220,000 March 1, 2025 and March 1, 2026, interest at 4.00% to 5.375% 37,620,000

\$49,185,000 2002 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Refunding and Improvement Bonds due in annual installments of \$1,185,000 to \$3,645,000 through September 1, 2022, including \$10,425,000 in September 1, 2025 term bonds with annual mandatory redemptions of \$3,305,000 to \$3,645,000 from September 1, 2023 through September 1, 2025, interest at 3.25% to 5.50% 42,275,000

\$24,565,000 2004 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Bonds due in annual installments of \$1,500,000 to \$2,230,000 through September 1, 2017, interest at 2.00% to 5.00% 16,920,000

\$13,445,000 2008 North Padre Island Development Corporation Tax Increment Contract Revenue Refunding Bonds due in annual installments of \$165,000 to \$1,605,000 through September 15, 2022, interest at 4.50% 13,280,000

Total Revenue Bonds 110,095,000

**Total Governmental Activities** \$370,365,695

**Business-type activities**

**Certificates of Obligation**

\$6,845,000 2004 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$250,000 to \$510,000 through March 1, 2019, including \$2,320,000 in March 1, 2024 term bonds with annual mandatory redemptions of \$420,000 to \$510,000 from March 1, 2020 through March 1, 2024, interest at 3.00% to 5.12% \$5,630,000

\$14,520,000 2005 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$250,000 to \$485,000 through September 1, 2024, including \$2,825,000 in September 1, 2029 term bonds with annual mandatory redemptions of \$510,000 to \$625,000 from September 1, 2025 through September 1, 2029, and \$5,355,000 in September 1, 2036 term bonds with annual mandatory redemptions of \$655,000 to \$885,000 from September 1, 2030 through September 1, 2036, interest at 3.00% to 5.00% 14,010,000

\$4,500,000 2005 Combination Tax and Revenue Marina Certificates of Obligation due in annual installments of \$155,000 to \$325,000 through September 1, 2025, interest at 3.00% to 4.375% 4,020,000

\$18,605,000 2006 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$350,000 to \$660,000 from March 1, 2009 through March 1, 2024, including \$3,800,000 in March 1, 2029 term bonds with mandatory redemptions of \$690,000 to \$830,000 from March 1, 2025 through March 1, 2029, and \$7,040,000 in March 1, 2036 term bonds with mandatory redemptions of \$870,000 to \$1,150,000 from March 1, 2030 through March 1, 2036, interest at 4.00% to 4.82%	18,255,000
65.42% of \$6,985,000 2007 Certificate of Obligation, Texas Military Preparedness Commission, due in annual installments of \$290,000 to \$565,000 from September 1, 2010 through September 1, 2026, interest at 4.00% to 4.375%	4,569,305
\$12,000,000 2008 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$220,000 to \$765,000 from March 1, 2010 through March 1, 2038, interest at 3.00% to 5.25%	<u>12,000,000</u>
Total Certificates of Obligation - Business Type Activities	<u>58,484,305</u>

**Revenue Bonds**

\$47,740,000 1999 Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$725,000 to \$3,505,000 through July 15, 2017, including \$5,810,000 in July 15, 2019 term bonds with annual mandatory redemptions of \$2,835,000 and \$2,978,000 July 15, 2018 and July 15, 2019, interest at 4.25% to 5.25%	4,995,000
\$15,750,000 1999-A Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$700,000 to \$1,100,000 due July 15, 2019, interest at 3.25% to 4.10%	9,345,000
\$34,740,000 2000 Utility System Revenue Refunding Bonds due in annual installments of \$4,295,000 to \$6,045,000 through July 15, 2010, interest at 5.50%	6,045,000
\$42,520,000 2000-A Utility System Revenue Refunding Bonds due in annual installments of \$1,675,000 to \$2,060,000 through July 15, 2011, interest at 4.80% to 5.75%	4,025,000
\$13,010,000 2000-A General Airport Revenue Bonds due in annual installments of \$455,000 to \$885,000 through February 15, 2020 including \$2,375,000 in February 15, 2023 term bonds with annual mandatory redemptions of \$450,000 to \$990,000 from February 15, 2021 to February 15, 2023, interest at 4.90% to 5.625%	9,955,000
\$9,640,000 2000-B General Airport Revenue Bonds February 15, 2030 term bonds with annual mandatory redemptions of \$590,000 to \$1,505,000 from February 15, 2023 through February 15, 2030, interest at 5.375%	9,640,000
\$92,330,000 2002 Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$3,455,000 to \$6,960,000 through July 15, 2022, interest at 3.50% to 5.25%	39,780,000
\$28,870,000 2003 Utility System Revenue Refunding Bonds due in annual installments of \$1,975,000 to \$4,815,000 through July 15, 2015, interest at 2.50% to 5.00%	20,935,000
\$50,000,000 2004 Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$1,810,000 to \$3,830,000 through July 15, 2024, interest at 3.00% to 5.25%	41,445,000
\$70,390,000 2005 Utility Revenue Refunding Bonds due in annual installments of \$2,200,000 to \$10,965,000 through July 15, 2020, interest at 3.00% to 5.25%	70,185,000

\$94,575,000 2005 Nueces River Authority Water Supply Facilities Revenue Refunding Bonds due in annual installments of \$100,000 to \$7,545,000 through March 1, 2027, interest at 3.00% to 5.25%	92,485,000
\$5,160,000 2005 Lavaca-Navidad River Authority Water Supply Facilities Revenue Refunding bonds due in annual installments of \$20,000 to \$715,000 through July 15, 2017, interest at 3.25% to 4.00%	4,995,000
\$68,325,000 2005A Utility Revenue Refunding Bonds due in annual installments of \$2,340,000 to \$5,205,000 through July 15, 2025, interest at 3.00% to 5.00%	59,395,000
\$84,415,000 2006 Utility Revenue Refunding Bonds due in annual installments of \$1,625,000 to \$7,165,000 through July 15, 2026, interest at 4.00% to 5.00%	77,160,000
\$96,490,000 2009 Utility System Revenue Improvement Bonds due in annual installments of \$1,730,000 to \$6,135,000 through July 15, 2039, interest at 2.50% to 5.25%	<u>96,490,000</u>
Total Revenue Bonds - Business Type Activities	<u>546,875,000</u>
<b>Total Business-type Activities</b>	<b><u>\$605,359,305</u></b>

In fiscal year 2009, the City issued \$8,460,000 in Certificates of Obligation dated July 15, 2009, due in installments of \$280,000 to \$735,000 through March 1, 2029, interest at 2.00% to 5.00%. Although the bonds were dated July 15, 2009, the certificates were not sold and funded until the following fiscal year on August 20, 2009, and therefore not reflected in the annual requirements set forth below.

The annual requirements to amortize all bonded debt outstanding as of July 31, 2009, are as follows:

Fiscal Year Ending July 31	Governmental Activities			
	General Obligation Bonds		Certificates of Obligation	
	Principal	Interest	Principal	Interest
2010	13,190,000	10,180,001	2,215,000	1,387,499
2011	12,360,000	10,119,369	2,145,294	1,294,225
2012	12,040,000	9,577,169	1,483,752	1,203,926
2013	12,260,000	9,085,369	1,543,940	1,144,090
2014	12,775,000	8,544,344	1,607,398	1,081,218
2015-2019	64,700,000	34,036,950	9,421,534	4,023,226
2020-2024	62,260,000	18,772,494	9,768,516	1,186,999
2025-2029	41,940,000	5,389,763	560,261	37,524
Total	<u>\$ 231,525,000</u>	<u>\$ 105,705,459</u>	<u>\$ 28,745,695</u>	<u>\$ 11,358,707</u>

Fiscal Year Ending July 31	Governmental Activities	
	Revenue Bonds	
	Principal	Interest
2010	4,635,000	5,302,180
2011	5,295,000	5,119,189
2012	5,680,000	4,898,749
2013	5,960,000	4,634,849
2014	6,310,000	4,340,836
2015-2019	34,765,000	16,503,181
2020-2024	34,045,000	7,922,387
2025-2026	13,405,000	835,500
Total	<u>\$ 110,095,000</u>	<u>\$ 49,556,871</u>

Fiscal Year Ending July 31	Business-Type Activities		Business-Type Activities	
	Certificates of Obligation		Revenue Bonds	
	Principal	Interest	Principal	Interest
2010	1,300,000	2,675,202	29,095,000	26,796,150
2011	1,534,706	2,624,920	27,245,000	25,473,113
2012	1,586,248	2,568,508	28,410,000	24,309,515
2013	1,651,060	2,508,476	29,750,000	22,998,140
2014	1,707,602	2,444,941	31,150,000	21,617,880
2015-2019	9,703,466	11,104,288	153,515,000	86,115,560
2020-2024	12,031,484	8,788,686	135,685,000	48,282,969
2025-2029	10,334,739	6,051,926	61,440,000	20,371,073
2030-2034	11,035,000	3,564,706	22,880,000	11,037,419
2035-2039	7,600,000	754,150	27,705,000	4,623,306
Total	<u>58,484,305</u>	<u>43,085,803</u>	<u>\$ 546,875,000</u>	<u>\$ 291,625,125</u>

\$10,134,301 is available in the Debt Service Fund to service general obligation bonds. There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.

The City also may be contingently liable for rebates to the Federal government associated with interest earned on proceeds of tax exempt bonds issued. Based on regulations of the Tax Reform Act of 1986, the rebate would not be made until five years from the bond issuance date and may be liquidated through lower interest earnings in future years. For the fiscal year ended July 31, 2009, the City has recorded arbitrage liability of \$46,958 in the business-type activities.

**B. Capital Leases**

The City has entered into lease agreements as lessee for the acquisition of the following assets: various trucks and heavy equipment for the Solid Waste Department, Health Department, Street Department, and Fire Department; a building and improvements for the Emergency Operations Center and Development Services Department; golf carts for the Park and Recreation Department; and computer and connectivity equipment for several City departments. These lease agreements qualify as capital leases for accounting purposes, and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The following is a schedule of assets leased under capital leases as of July 31, 2009:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Land	\$ 66,359	\$ --
Building	1,260,821	--
Machinery and equipment	8,483,001	7,770,674
Less accumulated depreciation	<u>(2,502,370)</u>	<u>(3,044,263)</u>
Total	<u>\$ 7,307,811</u>	<u>\$ 4,726,411</u>

The following is a schedule of the future minimum lease payments under these capital leases and the present value of the net minimum lease payments at July 31, 2009:

<u>Fiscal Year Ending July 31</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2010	\$ 3,396,676	\$ 1,571,260
2011	2,610,045	1,453,069
2012	2,188,222	1,307,321
2013	1,925,762	748,397
2014	741,699	261,305
2015-2019	945,031	--
2020-2021	<u>277,806</u>	<u>--</u>
Total minimum lease payments	12,085,241	5,341,352
Less amount representing interest	<u>1,318,808</u>	<u>334,908</u>
Present value of minimum lease payments	<u>\$ 10,766,433</u>	<u>\$ 5,006,444</u>

**C. Other Notes Payable**

Other notes payable as of July 31, 2009, are as follows:

4.5% State Infrastructure Loan, payable in annual principal installments of \$750,000 to \$2,000,00 plus semi-annual interest through January 4, 2010.	\$ 1,250,000
3.52% 2008 Tax Notes - Frost Bank due in annual installments of \$965,000 to \$16,000,000 through March 1, 2015	<u>6,260,000</u>
Total	<u>\$ 7,510,000</u>

The annual requirements to amortize the notes outstanding as of July 31, 2009, are as follows:

Fiscal Year Ending July 31,	Governmental Activities	
	Principal	Interest
2010	2,215,000	276,602
2011	995,000	186,384
2012	1,025,000	151,360
2013	1,060,000	115,280
2014	1,090,000	77,968
2015	1,125,000	39,600
Total	<u>\$ 7,510,000</u>	<u>\$ 847,194</u>

**D. Utility System Notes Payable**

The Utility System notes payable of \$164,625,035 consists of \$64,459,043 related to an agreement with the Bureau of Reclamation for water rights and recreational facilities at Choke Canyon Dam and \$98,488,392 which represents the present value of an agreement with the Lavaca Navidad River Authority for water rights from Lake Texana and contract payable of \$1,677,600 to Natural Energy and Trade, LP.

**Choke Canyon Dam**

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

The dam site will remain the property of the Bureau although the City and Authority have the right, in perpetuity, to impound 80% and 20% respectively, of the water in the Project's reservoir. Pursuant to a separate agreement between the City and the Authority, the City, in exchange for certain services, will pay the Authority \$100,000 per calendar year plus additional sums for water used as specified in the agreement. The Bureau also constructed recreation and fish and wildlife facilities. At July 31, 2009, the City's share of the liability of the reservoir and related facilities, excluding interest, totaled \$64,459,043 and is payable over a 34 year period at an interest rate of 5.116%.

All costs are recorded as Water Supply Rights and Choke Canyon construction and related facilities in the Utility System. Annual payment of principal and interest for the cost of water supply rights and related facilities is as follows:

Fiscal Year Ending July 31,	Principal	Interest
2010	1,697,439	3,297,724
2011	1,784,280	3,210,883
2012	1,875,563	3,119,600
2013	1,971,518	3,023,645
2014	2,072,380	2,922,783
2015-2019	12,064,976	12,910,839
2020-2024	15,483,553	9,492,262
2025-2029	19,084,584	5,105,044
2030-2034	2,198,344	1,941,326
2035-2039	2,821,237	1,318,433
2040-2044	3,405,169	519,042
Total	<u>\$64,459,043</u>	<u>\$46,861,581</u>

The City is responsible for the care, operation, and maintenance of the Project which must be carried out in compliance with the applicable government requirements.

**Lake Texana Water Rights**

The City entered into an agreement with the Lavaca Navidad River Authority to acquire the rights to purchase water from Lake Texana for a period of forty-two years. The purchase price is based on a formula which includes a percentage of the operating and maintenance expenses of Lake Texana and a percentage of the principal and interest on the bonds associated with the construction of the reservoir. The City has recorded on its books a liability in the amount of \$98,488,392 for the present value of the payments associated with the contract.

The following is a schedule of the future minimum payments under the agreement and the present value of the net minimum payments computed using a 3.5% discount rate as of July 31, 2009:

<u>Fiscal Year Ending July 31,</u>	<u>Principal</u>	<u>Interest</u>
2010	1,570,501	3,447,094
2011	1,690,550	3,392,126
2012	1,816,213	3,332,957
2013	1,947,717	3,269,389
2014	2,085,298	3,201,219
2015-2019	12,720,540	14,807,077
2020-2024	17,223,736	12,279,512
2025-2029	22,811,851	8,890,885
2030-2034	29,715,684	4,435,775
2035	6,906,302	241,722
Total	<u>\$ 98,488,392</u>	<u>\$ 57,297,756</u>

**Pipeline Acquisition Contract Payable**

The City entered into a contract with National Energy and Trade, LP for acquisition of natural gas pipeline. The following is a schedule of future minimum payments under the agreement:

<u>Fiscal Year Ending July 31,</u>	<u>Payment Amount</u>
2010	876,000
2011	801,600
Total	<u>\$ 1,677,600</u>

**E. Closure and Post-closure Care Costs**

State and Federal laws and regulations require the City to place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an accrued liability has been recognized based on the future closure and post-closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The amount of the liability is based on what it would cost to have all such closure and post-closure care performed in the current year, and is assigned to periods based on cumulative landfill use. The estimated liability for landfill closure and post-closure costs recorded in the business-type activities at July 31, 2009, is \$23,402,277 for both the J.C. Elliott Landfill and the Cefe Valenzuela Landfill. The City ceased accepting waste for disposal at the JC Elliott Landfill on November 10, 2007, and began full-time waste operations at Cefe Valenzuela Landfill. As of July 31, 2009, Cefe Valenzuela Landfill was at 1.05% filled capacity. The estimated remaining total current cost of the landfill closure and post-closure care of \$29,869,093 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of July 31, 2009. The current portion of this amount is \$4,232,523, of which the majority is related to the costs for the final cap for J.C. Elliott Landfill. The actual costs of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

**15. Advance Refundings and Defeasances**

In prior years, the City refinanced other bond issues through the issuance of refunding bonds. The proceeds from the refunding bonds have been deposited in irrevocable trusts which, together with interest earnings on those deposits, will provide amounts sufficient for future redemption or payment of principal and interest of the issues refunded. The trust account assets and the liabilities for the defeased bonds are not included in the City’s financial statements. On July 31, 2009, \$83,920,000 of bonds outstanding were considered defeased.

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

Interfund transfers for the year ended July 31, 2009, are as follows:

	Transfers Out				Total
	General	Non-major Governmental	Utility System Fund	Non-major Proprietary	
<u>Transfers In:</u>					
General	\$ --	\$ 389,218	\$ 3,232,393	\$ 624,559	\$ 4,246,170
Debt service	4,330,610	2,489,296	176,951	228,184	7,225,041
Non-major government	326,185	--	--	--	326,185
Internal Service	1,687,000	--	1,655,187	--	3,342,187
<b>Total</b>	<b>6,343,795</b>	<b>2,878,514</b>	<b>5,064,531</b>	<b>852,743</b>	<b>15,139,583</b>

During the year various interfund transfers were made to finance expenditures and service debt. The \$6,343,795 General Fund transfers out includes transfers of \$4,330,610 for payment of debt service, \$1,169,000 for capital equipment, \$518,000 for future capital replacement, and \$326,185 to the Federal/State Grants Fund as matching grants.

The General Fund received transfers in of \$4,246,170 of which \$3,939,499 was for administrative service charges, \$171,559 and \$6,039 was indirect cost reimbursements from the Federal/State Grants Fund and the Corpus Christi Improvement Corp., respectively, and \$129,073 was transferred from Capital Projects Funds for the “Bold Futures” community visioning project

The Debt Service Fund received transfers in of \$7,225,041 from the various funds (including the General Fund) for payment of debt service principal and interest and to establish debt service reserves.

Transfers were made from the Utility System Fund to the Maintenance Service Fund consisting of \$1,407,700 for acquisition of capital equipment and \$247,487 for future capital replacement.

In the government-wide financial statements, the solid waste activity, which is part of the General Fund, is presented as a business-type activity. The \$2,324,277 net income of the solid waste activity is accounted for as a transfer from governmental activities in the statement of activities.

There are no interfund advances outstanding at July 31, 2009.

Interfund receivables and payables at July 31, 2009, are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Governmental funds		
General fund	\$ 270,000	\$ 12,167
Other non-major governmental funds	<u>7,586</u>	<u>--</u>
Total governmental	<u>277,586</u>	<u>12,167</u>
Enterprise funds		
Other non-major enterprise funds	<u>--</u>	<u>270,000</u>
Internal service funds	<u>4,581</u>	<u>--</u>
Total	<u>\$ 282,167</u>	<u>\$ 282,167</u>

The change in the interfund receivables and payables between the current and prior year may not agree to the “Change in assets and liabilities section” of the “Reconciliation of operating income (loss) to net cash provided by operating activities” in the Statement of Cash Flows due to non-operating activity.

**17. Fund Deficits**

At fiscal year end, two funds had an accumulated deficit: the Visitors Facilities Fund and the Hotel Occupancy Tax Fund. The Visitors Facilities Fund had an accumulated deficit of \$1,752,391, which represents a decrease in the deficit by \$954,894 from fiscal year 2007-2008. This was the fourth full year of operations subsequent to the renovations to the Convention Center and the construction of a new Arena. The fiscal year 2008-2009 budget addressed a portion of the deficit, and accordingly the fiscal year 2009-2010 budget further addresses a plan for lowering the overall accumulated deficit in the Visitors Facilities Fund. The Hotel Occupancy Tax Fund had an accumulated deficit of \$63,031 due to a decrease in hotel occupancy tax revenues in fiscal year 2008-2009 which exceeded the budgeted expenditures and planned draw down of the fiscal year 2007-2008 ending fund balance.

**18. Conduit Debt Obligations**

The Corpus Christi Housing Finance Corporation (CCHFC), Corpus Christi Industrial Development Corporation (CCIDC), and the Coastal Bend Health Facilities Development Corporation are public non-profit corporations created by the City under State law to facilitate financing of authorized projects. These entities issued bonds to unrelated commercial entities. As of July 31, 2009, there were nine series of bonds outstanding with an aggregate principal amount payable of \$169,976,308. The bonds are not liabilities of the City or the respective corporations and are solely payable from revenues of the various commercial entities.

**19. Segment Information for Enterprise Funds**

The City issued revenue bonds to finance certain improvements to its utility system, airport and marina. Because the utility system fund is a segment and is reported as a major fund in the fund financial statements, segment disclosures herein are not reported. The airport and marina activities are accounted for as other enterprise fund in the fund financial statements. Segment information of airport funds and marina funds as of and for the year ended July 31, 2009, is as follows:

	Airport Fund	Marina Fund
Current assets, excluding restricted assets	\$ 6,979,169	\$ 288,781
Restricted assets	4,274,033	--
Capital assets	97,505,381	9,017,584
Other assets	461,119	60,701
Total assets	<u>109,219,702</u>	<u>9,367,066</u>
Current liabilities	2,021,546	525,624
Long-term liabilities	18,883,409	3,921,740
Total liabilities	<u>20,904,955</u>	<u>4,447,364</u>
Net assets		
Invested in capital assets, net of related debt	78,322,474	4,997,636
Restricted	4,274,032	--
Unrestricted	5,718,241	(77,934)
Net assets	<u>\$ 88,314,747</u>	<u>\$ 4,919,702</u>
Operating revenue	\$ 7,142,103	\$ 1,592,825
Depreciation	(3,867,987)	(569,612)
Other operating expenses	(6,743,531)	(1,063,693)
Operating loss	(3,469,415)	(40,480)
Nonoperating income (expense)	402,906	(169,467)
Capital contributions	3,418,663	--
Transfers	(439,051)	(182,789)
Net income (loss)	(86,897)	(392,736)
Net assets beginning of year	88,401,644	5,312,438
Net assets end of year	<u>\$ 88,314,747</u>	<u>\$ 4,919,702</u>
Net cash flow provided by (used for)		
Operating activities	\$ 438,401	\$ 521,954
Noncapital financing activities	(473,229)	(182,789)
Capital and related financing activities	(45,754)	(302,191)
Investment activities	2,172,313	38
Beginning cash and cash equivalents	5,684,593	129,614
Ending cash and cash equivalents	<u>\$ 7,776,324</u>	<u>\$ 166,626</u>

**REQUIRED SUPPLEMENTARY INFORMATION  
EMPLOYMENT RETIREMENT BENEFITS – ANALYSIS OF FUNDING PROGRESS  
FOR YEAR ENDED JULY 31, 2009**

Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Percentage of Unfunded Actuarial Accrued Liability to Covered Payroll Ratio
<b>Texas Municipal Retirement System</b>						
12/31/2006	\$ 236,329,255	\$ 360,090,781	65.6%	\$ 123,761,526	\$ 96,443,164	128.3%
12/31/2007	234,960,197	433,507,405	54.2%	198,547,208	100,314,248	197.9%
12/31/2008	234,890,896	442,055,152	53.1%	207,164,256	140,997,733	146.9%
<b>Fire Fighters Retirement System</b>						
12/31/2004	\$ 87,250,141	\$ 126,998,434	68.7%	\$ 39,748,293	\$ 22,338,760	177.9%
12/31/2006	92,448,683	134,669,650	68.6%	42,220,967	21,946,798	192.4%
12/31/2008	92,218,756	162,568,260	56.7%	70,349,504	24,268,094	289.9%
<b>Other Post Employment Benefits Plan</b>						
8/1/2007	\$ --	\$ 67,986,606	0.0%	\$ 67,986,606	\$ 133,145,260	51.1%



City of  
Corpus  
Christi

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

***Governmental Funds***

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

Exhibit 6-A

**GENERAL FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 4,357,830	\$ 8,063,522
Investments	24,015,938	17,471,079
Receivables		
Accounts	6,831,005	6,061,705
Property leases	30,250	350
Taxes	3,657,745	3,390,221
Accrued interest	118,139	165,756
Demolition liens	2,349,185	2,462,258
Employees	12,333	11,477
Intergovernmental	5,278,848	5,095,175
Miscellaneous	2,097,920	3,472,432
Allowance for uncollectibles	(6,091,501)	(5,914,580)
Net receivables	<u>14,283,924</u>	<u>14,744,794</u>
Due from other funds	270,000	4,165,000
Inventories	172,091	246,989
Prepaid items	8,237	183,341
Total assets	<u><u>\$ 43,108,020</u></u>	<u><u>\$ 44,874,725</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 3,345,488	\$ 3,723,985
Accrued liabilities	6,825,734	6,140,853
Deposits	346,777	496,419
Liability to claimants - escheat property	78,700	178,986
Due to other funds	12,167	104,805
Due to other governmental agencies	324,148	549,059
Advance from other funds	--	34,600
Deferred revenues		
Taxes	1,271,816	1,083,025
Other	639,137	353,193
Net deferred revenues	<u>1,910,953</u>	<u>1,436,218</u>
Total liabilities	<u>12,843,967</u>	<u>12,664,925</u>
Fund balance		
Reserved for encumbrances	1,980,464	3,305,581
Reserved for inventory	172,091	246,989
Reserved for prepaid items	8,237	183,341
Reserved for Municipal Court building security	117,230	121,440
Reserved for Municipal Court technology	153,983	258,906
Reserved for Judicial/Court improvements	26,713	26,686
Reserved for Juvenile Court case manager	298,582	227,112
Reserved for government access equipment	11,959	11,959
Reserved for public access equipment and facility	10,500	7,000
Reserved for capital replacement - radio system	30,000	30,000
Reserved for firefighters training	4,000	4,000
Reserved for Fire Contributions Trust	4,244	188,456
Reserved for traffic safety programs	36,595	3,266
Reserved for vital statistics records retention	83,831	23,555
Unreserved		
Designated for subsequent year's expenditures	100,008	481,627
Undesignated	<u>27,225,616</u>	<u>27,089,882</u>
Total fund balance	<u>30,264,053</u>	<u>32,209,800</u>
Total liabilities and fund balance	<u><u>\$ 43,108,020</u></u>	<u><u>\$ 44,874,725</u></u>

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Taxes				
General property taxes				
Ad valorem taxes - current	\$ 46,263,850	\$ 47,063,850	\$ 46,860,764	\$ --
Ad valorem taxes - delinquent	1,172,109	1,172,109	1,168,412	--
Penalties and interest	859,572	859,572	1,103,759	--
Industrial District - in lieu of taxes	6,053,371	6,053,371	6,002,640	--
Special Inventory Tax Escrow Refund	100,000	100,000	14,570	--
Housing Authority - in lieu of taxes	20,713	20,713	19,169	--
Total general property taxes	<u>54,469,615</u>	<u>55,269,615</u>	<u>55,169,314</u>	<u>--</u>
City sales tax	<u>45,363,549</u>	<u>45,363,549</u>	<u>44,416,163</u>	<u>--</u>
Liquor drink tax	<u>1,071,900</u>	<u>1,071,900</u>	<u>1,039,306</u>	<u>--</u>
Bingo tax	<u>300,000</u>	<u>300,000</u>	<u>323,531</u>	<u>--</u>
Business fees				
Electric franchise	9,257,596	9,257,596	8,988,030	--
Electric franchise - Nueces Co-op	223,819	223,819	260,154	--
Telecommunications fees	4,464,688	4,464,688	4,485,384	--
CATV franchise	2,914,308	2,914,308	2,337,720	--
Taxicab franchise	48,800	48,800	53,517	--
AT&T right of way lease fee	1,200	1,200	1,200	--
Total business fees	<u>16,910,411</u>	<u>16,910,411</u>	<u>16,126,005</u>	<u>--</u>
Total taxes and business fees	<u>118,115,475</u>	<u>118,915,475</u>	<u>117,074,319</u>	<u>--</u>
Licenses and permits				
Amusement licenses	17,800	17,800	14,029	--
Technology fee	49,499	49,499	56,136	--
Pipeline - license fee	38,164	38,164	38,164	--
Pipeline license agreement	450,000	450,000	448,650	--
Beer and liquor licenses	94,798	94,798	108,270	--
Electricians licenses and exam fees	39,355	39,355	35,491	--
Auto wrecker permits	16,000	16,000	16,921	--
Taxi driver permits	2,450	2,450	4,250	--
Dance hall permits	50	50	--	--
House mover licenses	665	665	399	--
Forfeited house mover deposits	--	--	--	--
Other business licenses	21,700	21,700	21,280	--
Tax incentive application fees	--	--	5,000	--
Building permits	1,335,617	1,335,617	885,911	--
Electrical permits	731,207	731,207	516,167	--
Plumbing permits	581,575	581,575	360,953	--
Mechanical permits	604,720	604,720	363,184	--
Certificate of occupancy fees	36,228	36,228	68,533	--
Use privilege	--	--	1,702	--
Plan review fees	156,912	156,912	197,067	--
Occupational registration fees	78,388	78,388	45,967	--
Backflow prevention fees	111,975	111,975	125,130	--
Driveway permit fees	7,050	7,050	5,225	--
Occupancy of public R-O-W	36,000	36,000	38,380	--
Street easement closure fees	18,421	18,421	7,568	--

(Continued)

**Exhibit 6-B**

<b>2009 Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>	<b>2008 Actual Budget Basis</b>
\$ 46,860,764	\$ (203,086)	\$ 44,456,051
1,168,412	(3,697)	1,144,068
1,103,759	244,187	964,990
6,002,640	(50,731)	5,653,371
14,570	(85,430)	93,025
19,169	(1,544)	15,573
<u>55,169,314</u>	<u>(100,301)</u>	<u>52,327,078</u>
<u>44,416,163</u>	<u>(947,386)</u>	<u>44,345,165</u>
<u>1,039,306</u>	<u>(32,594)</u>	<u>1,009,960</u>
<u>323,531</u>	<u>23,531</u>	<u>286,432</u>
8,988,030	(269,566)	9,225,397
260,154	36,335	205,877
4,485,384	20,696	4,504,062
2,337,720	(576,588)	3,337,179
53,517	4,717	48,795
1,200	--	1,200
<u>16,126,005</u>	<u>(784,406)</u>	<u>17,322,510</u>
<u>117,074,319</u>	<u>(1,841,156)</u>	<u>115,291,145</u>
14,029	(3,771)	15,888
56,136	6,637	54,437
38,164	--	38,164
448,650	(1,350)	453,000
108,270	13,472	95,403
35,491	(3,864)	37,348
16,921	921	15,895
4,250	1,800	8,620
--	(50)	--
399	(266)	665
--	--	6,500
21,280	(420)	23,530
5,000	5,000	--
885,911	(449,706)	932,724
516,167	(215,040)	474,743
360,953	(220,622)	351,388
363,184	(241,536)	341,368
68,533	32,305	44,811
1,702	1,702	--
197,067	40,155	154,918
45,967	(32,421)	17,208
125,130	13,155	36,321
5,225	(1,825)	5,395
38,380	2,380	55,161
7,568	(10,853)	19,921

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Licenses and permits (continued)				
Landscape fees	5,254	5,254	8,144	--
Research and survey fees	6,403	6,403	6,439	--
Deferrment agreement fees	--	--	747	--
Construction document fees	1,721	1,721	1,571	--
Accessibility review & inspection fees	82,350	82,350	20,603	--
Site plan fees	306,804	306,804	72,411	--
Vacant building inspection fees	8,000	8,000	800	--
Billboard fees	12,200	12,200	12,044	--
House moving route permits	2,245	2,245	305	--
Oversized load permits	237,338	237,338	101,621	--
Street blockage permits	--	--	5,564	--
Energy code permits	93,113	93,113	103,749	--
Banner permits	400	400	525	--
Special event permits	3,400	3,400	1,295	--
Total licenses and permits	<u>5,187,802</u>	<u>5,187,802</u>	<u>3,700,195</u>	<u>--</u>
Grants				
Equal Employment Opportunity Commission	71,200	71,200	65,950	--
Federal Emergency Management Assistance	60,000	60,000	414,672	--
Disaster Relief - Hurricane Katrina	--	--	--	--
Sexual Assault Exam	80,000	80,000	114,142	--
HUD Fair Housing Assessment	121,800	121,800	47,400	--
General Land Office - beach cleaning	75,000	75,000	73,279	--
Total grants	<u>408,000</u>	<u>408,000</u>	<u>715,443</u>	<u>--</u>
Charges for services				
General governmental services				
Zoning fees	81,362	81,362	96,125	--
Platting fees	61,581	61,581	35,462	--
Board of Adjustment appeal fees	9,438	9,438	3,756	--
Attorney fees - demolition liens	19,300	19,300	29,159	--
CC Citizen University fees	900	900	--	--
Sale of City publications	400	400	846	--
Blueprint sales and GIS sales	19,266	19,266	987	--
Candidate filing fees	1,800	1,800	2,150	--
Nonprofit registration fees	1,130	1,130	700	--
Dog track admission fees	--	--	538	--
Total general governmental services	<u>195,177</u>	<u>195,177</u>	<u>169,723</u>	<u>--</u>
Police				
Police towing and storage charges	910,285	910,285	951,082	--
Police impound certified mail recovery	67,080	67,080	58,034	--
Police accident reports	65,000	65,000	80,125	--
Proceeds from auction	633,000	633,000	600,121	--
Proceeds from auction - online	--	24,114	26,048	--
Parking meter collections	167,432	167,432	160,572	--
Police open record request	3,000	3,000	2,664	--
Police subpoenas	1,827	1,827	385	--
Fingerprinting fees	5,084	5,084	5,277	--
Customs/FBI	124,426	124,426	162,218	--

(Continued)

**Exhibit 6-B  
(Continued)**

<b>2009 Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>	<b>2008 Actual Budget Basis</b>
8,144	2,890	8,693
6,439	36	6,872
747	747	--
1,571	(150)	1,117
20,603	(61,747)	21,751
72,411	(234,393)	23,186
800	(7,200)	--
12,044	(156)	12,661
305	(1,940)	2,472
101,621	(135,717)	217,096
5,564	5,564	10,171
103,749	10,636	85,790
525	125	375
1,295	(2,105)	2,657
<u>3,700,195</u>	<u>(1,487,607)</u>	<u>3,576,249</u>
65,950	(5,250)	66,200
414,672	354,672	57,036
--	--	508
114,142	34,142	80,981
47,400	(74,400)	123,700
73,279	(1,721)	74,702
<u>715,443</u>	<u>307,443</u>	<u>403,127</u>
96,125	14,763	79,922
35,462	(26,119)	72,220
3,756	(5,682)	16,494
29,159	9,859	26,449
--	(900)	630
846	446	359
987	(18,279)	19,350
2,150	350	--
700	(430)	1,290
538	538	4,564
<u>169,723</u>	<u>(25,454)</u>	<u>221,278</u>
951,082	40,797	911,086
58,034	(9,046)	64,379
80,125	15,125	87,157
600,121	(32,879)	571,325
26,048	1,934	--
160,572	(6,860)	163,878
2,664	(336)	3,931
385	(1,442)	208
5,277	193	4,777
162,218	37,792	126,582

**GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET  
YEAR ENDED JULY 31, 2009  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Police (continued)				
Office of Justice Award	--	--	4,970	--
Police Security Services	56,500	56,500	16,395	--
DWI Videotaping	675	675	1,511	--
Alarm system permits and services	592,450	592,450	430,560	--
800 MHz radio	186,825	186,825	191,339	--
9-1-1 wireless service fees	1,207,012	1,207,012	1,251,897	--
9-1-1 wireline service fees	1,400,000	1,400,000	1,395,015	--
Police C.A.D. calls	80	80	312	--
Restitution	--	--	3,501	--
CCISD-Crossing guards	7,670	7,670	7,670	--
CCISD-DARE	--	--	--	--
School crossing guard program	71,070	71,070	93,106	--
Nueces county - Metrocom	987,836	987,836	979,210	--
Council of Governments - Metrocom	--	--	--	--
Kingsville Police Dept - CAD/RMS	15,000	15,000	15,000	--
Total police	6,502,252	6,526,366	6,437,012	--
Fire				
Fire prevention permits	217,000	217,000	199,513	--
Hazmat response calls	2,000	2,000	4,698	--
Fire department trust donations	5,000	5,000	4,280	--
Emergency management alert system fees	15,376	15,376	--	--
Pipeline reporting administrative fees	31,000	31,000	38,300	--
Total fire	270,376	270,376	246,791	--
Ambulance				
Emergency calls	4,800,000	4,800,000	5,693,132	--
Interlocal Agreement - Port Aransas	10,000	10,000	10,000	--
Nueces Co OCL charges	30,000	30,000	24,682	--
Ambulance permits	1,800	1,800	3,675	--
Total Ambulance	4,841,800	4,841,800	5,731,489	--
Streets				
RTA - street services contribution	1,089,612	1,089,612	1,158,556	--
Speed humps	2,000	2,000	5,295	--
Special events - support services	--	--	11,465	--
State of Texas - expressway lighting	229,680	229,680	184,992	--
Subdivision street lighting participation	110,000	110,000	12,646	--
Total streets	1,431,292	1,431,292	1,372,954	--
Solid waste services				
Residential refuse collection fees	14,153,558	14,153,558	14,447,597	--
Commercial and industrial refuse collection fees	1,700,442	1,700,442	1,709,915	--
Municipal solid waste system service charge (MSWSSC)	3,315,000	3,315,000	3,436,495	--
Refuse disposal charges	11,198,073	11,198,073	10,947,888	--
Refuse collection permits	20,000	20,000	19,455	--
Special debris pickup	304,800	304,800	314,248	--
Brush fees	20,000	20,000	40,619	--
Recycling	60,000	60,000	30,474	--
Recycling containers	50,000	50,000	32,930	--
Unsecured load charge	36	36	5	--
Total solid waste services	30,821,909	30,821,909	30,979,626	--

(Continued)

**Exhibit 6-B  
(Continued)**

<b>2009 Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>	<b>2008 Actual Budget Basis</b>
4,970	4,970	--
16,395	(40,105)	24,866
1,511	836	859
430,560	(161,890)	437,680
191,339	4,514	145,778
1,251,897	44,885	1,156,759
1,395,015	(4,985)	1,486,608
312	232	128
3,501	3,501	2,905
7,670	--	7,670
--	--	78,500
93,106	22,036	79,299
979,210	(8,626)	1,076,591
--	--	39,338
15,000	--	--
<u>6,437,012</u>	<u>(89,354)</u>	<u>6,470,304</u>
199,513	(17,487)	213,701
4,698	2,698	2,050
4,280	(720)	199,255
--	(15,376)	15,376
<u>38,300</u>	<u>7,300</u>	<u>36,400</u>
<u>246,791</u>	<u>(23,585)</u>	<u>466,782</u>
5,693,132	893,132	4,949,010
10,000	--	10,000
24,682	(5,318)	41,747
<u>3,675</u>	<u>1,875</u>	<u>4,525</u>
<u>5,731,489</u>	<u>889,689</u>	<u>5,005,282</u>
1,158,556	68,944	1,104,254
5,295	3,295	4,500
11,465	11,465	--
184,992	(44,688)	179,652
<u>12,646</u>	<u>(97,354)</u>	<u>116,631</u>
<u>1,372,954</u>	<u>(58,338)</u>	<u>1,405,037</u>
14,447,597	294,039	13,342,605
1,709,915	9,473	1,637,874
3,436,495	121,495	3,363,150
10,947,888	(250,185)	11,109,592
19,455	(545)	21,018
314,248	9,448	225,978
40,619	20,619	31,568
30,474	(29,526)	65,768
32,930	(17,070)	45,599
5	(31)	10
<u>30,979,626</u>	<u>157,717</u>	<u>29,843,162</u>

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
<b>Health services</b>				
Food service permits	622,634	622,634	663,297	--
Vital statistics fees	540,000	540,000	585,209	--
Vital records office sales	3,600	3,600	8,899	--
Vital records retention fee	--	--	2,053	--
Nueces County - health administration	90,000	90,000	129,796	--
Swimming pool inspection fees	50,000	50,000	37,500	--
Private sewage inspection fees	--	--	--	--
Pound fee and handling charges	60,000	60,000	49,433	--
Pet licenses	75,000	75,000	79,514	--
Pest control services	13,000	13,000	15,170	--
Adopt a kennel fees	375	375	--	--
Microchipping fee	300	300	95	--
Spay and Nueter fees	53,475	53,475	58,529	--
Adoption fees	17,525	17,525	8,736	--
Lab shipping fees	1,000	1,000	1,142	--
Child care facilities fees	8,000	8,000	7,815	--
Total health services	<u>1,534,909</u>	<u>1,534,909</u>	<u>1,647,188</u>	<u>--</u>
<b>Recreation services</b>				
Swimming pools	207,600	207,600	259,785	--
Swimming instruction fees	115,500	115,500	129,158	--
H.E. Butt tennis center	39,500	39,500	50,012	--
Al Kruse tennis center	22,149	22,149	22,542	--
Athletic events	105,000	105,000	122,493	--
Athletic instruction fees	45,000	45,000	40,966	--
Facilities rentals	88,769	111,969	89,731	--
Latchkey program	2,235,586	2,382,209	2,328,354	--
Buc days/Bayfest	64,000	64,000	60,281	--
Summer program registration fees	27,200	27,200	17,995	--
Beach parking permits	480,000	480,000	518,141	--
Heritage Park revenues	7,100	7,100	9,976	--
Recreation instruction fees	45,025	45,025	38,720	--
Skatepark Concessions	--	--	1,725	--
Other recreation services	5,100	5,100	5,700	--
Nueces County Parks & Recreation reimbursement	--	19,968	17,748	--
Total recreation services	<u>3,487,529</u>	<u>3,677,320</u>	<u>3,713,327</u>	<u>--</u>
<b>Libraries</b>				
Fines	137,086	137,086	123,330	--
Lost book charges	19,675	19,675	20,011	--
Copy machine sales	36,678	36,678	32,351	--
Other library revenue	815	815	5,599	--
Total libraries	<u>194,254</u>	<u>194,254</u>	<u>181,291</u>	<u>--</u>
<b>Museums</b>				
Admissions	113,882	113,882	118,099	--
Special program fees	6,000	6,000	12,000	--
McGregor reproduction fees	5,105	5,105	8,019	--

(Continued)

**Exhibit 6-B  
(Continued)**

<b>2009 Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>	<b>2008 Actual Budget Basis</b>
663,297	40,663	636,352
585,209	45,209	606,912
8,899	5,299	1,404
2,053	2,053	--
129,796	39,796	79,735
37,500	(12,500)	40,312
--	--	7,850
49,433	(10,567)	105,951
79,514	4,514	87,713
15,170	2,170	12,336
--	(375)	495
95	(205)	320
58,529	5,054	--
8,736	(8,789)	--
1,142	142	1,269
7,815	(185)	9,500
<u>1,647,188</u>	<u>112,279</u>	<u>1,590,149</u>
259,785	52,185	254,236
129,158	13,658	136,994
50,012	10,512	45,847
22,542	393	23,056
122,493	17,493	132,072
40,966	(4,034)	35,206
89,731	(22,238)	99,687
2,328,354	(53,855)	2,286,655
60,281	(3,719)	56,587
17,995	(9,205)	19,383
518,141	38,141	461,480
9,976	2,876	6,725
38,720	(6,305)	43,195
1,725	1,725	3,722
5,700	600	6,421
17,748	(2,220)	11,622
<u>3,713,327</u>	<u>36,007</u>	<u>3,622,888</u>
123,330	(13,756)	130,766
20,011	336	19,588
32,351	(4,327)	32,329
5,599	4,784	13,608
<u>181,291</u>	<u>(12,963)</u>	<u>196,291</u>
118,099	4,217	118,809
12,000	6,000	18,800
8,019	2,914	7,134

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Museums (continued)				
Facility rental	17,625	17,625	23,775	--
Education group programs	1,068	1,068	1,664	--
School District - museum educational program	21,000	21,000	22,000	--
Parties and recitals	5,795	5,795	5,270	--
Columbus ships				
Admissions	127,471	127,471	130,203	--
Facility rental	700	700	1,600	--
Total museums	<u>298,646</u>	<u>298,646</u>	<u>322,630</u>	--
Total charges for services	<u>49,578,144</u>	<u>49,792,049</u>	<u>50,802,031</u>	--
Fines and forfeitures				
Moving vehicle fines	3,068,165	3,068,166	2,644,733	--
Parking fines	155,488	155,488	249,057	--
General fines	836,028	836,028	821,420	--
Photo redlight enforcement	1,208,152	1,208,152	1,062,048	--
Officers fees	228,101	228,101	189,208	--
Uniform Traffic Act fines	97,995	97,995	77,352	--
Warrant fees	334,670	334,670	235,186	--
Municipal Court				
State fee discount	259,702	259,702	252,413	--
Time Pay Fee - Court	28,490	28,490	26,713	--
Time Pay Fee - City	114,343	114,343	106,852	--
Technology Fee	182,562	182,562	153,762	--
Building security	135,296	135,296	117,064	--
Miscellaneous revenue	--	--	1,830	--
Juvenile case mgr fee	95,765	95,765	96,769	--
Juvenile expungement fee	--	--	273	--
Failure to appear fines	894,267	894,267	694,367	--
Animal control fines	10,599	10,599	9,014	--
Special parking enforcement	1,485	1,485	436	--
Teen Court city fee	2,432	2,432	1,351	--
Other court fines	153,330	153,330	157,230	--
Total fines and forfeitures	<u>7,806,870</u>	<u>7,806,871</u>	<u>6,897,078</u>	--
Earnings on investments	<u>958,082</u>	<u>958,082</u>	<u>707,797</u>	--
Miscellaneous				
Rental of general property	133,683	133,683	151,299	--
Recovery on damage claims	30,000	30,000	89,914	--
Recovery of prior year expenditures	--	--	9,150	--
Recovery of charged off accounts	--	--	180	--
Contributions and donations	61,778	85,278	142,891	--
Time Warner-Public Access Equipment	3,500	3,500	3,500	--
Automated teller machines	1,200	1,200	1,200	--
Late fees on returned check	--	--	1,530	--
Engineering Services-other governments	--	--	329	--
RTA bus advertising revenues	15,000	15,000	22,084	--

(Continued)

**Exhibit 6-B  
(Continued)**

<b>2009 Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>	<b>2008 Actual Budget Basis</b>
23,775	6,150	18,925
1,664	596	1,899
22,000	1,000	22,175
5,270	(525)	5,505
130,203	2,732	139,419
1,600	900	2,100
<u>322,630</u>	<u>23,984</u>	<u>334,766</u>
<u>50,802,031</u>	<u>1,009,982</u>	<u>49,155,939</u>
2,644,733	(423,433)	2,773,374
249,057	93,569	167,961
821,420	(14,608)	815,397
1,062,048	(146,104)	734,843
189,208	(38,893)	195,111
77,352	(20,643)	84,003
235,186	(99,484)	289,241
252,413	(7,289)	264,527
26,713	(1,777)	26,683
106,852	(7,491)	105,181
153,762	(28,800)	157,664
117,064	(18,232)	120,750
1,830	1,830	118
96,769	1,004	91,732
273	273	276
694,367	(199,900)	845,869
9,014	(1,585)	6,277
436	(1,049)	360
1,351	(1,081)	2,827
157,230	3,900	142,976
<u>6,897,078</u>	<u>(909,793)</u>	<u>6,825,170</u>
<u>707,797</u>	<u>(250,285)</u>	<u>1,532,486</u>
151,299	17,616	162,638
89,914	59,914	125,407
9,150	9,150	--
180	180	--
142,891	57,613	113,152
3,500	--	3,500
1,200	--	1,200
1,530	1,530	--
329	329	--
22,084	7,084	28,931

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Miscellaneous (continued)				
Graffiti control	--	--	465	--
Sale of city property	75,000	75,000	11,197	--
Copy sales	4,450	4,450	8,779	--
Convenience fees	243,390	243,390	180,858	--
Returned check fees	4,100	4,100	3,707	--
Administrative processing fee	17,000	17,000	16,796	--
Demolition and weed liens	125,000	125,000	152,471	--
Purchase discounts	145,000	145,000	140,691	--
Vending machine sales	4,100	4,100	4,521	--
City Hall food service commission	4,446	4,446	1,518	--
Forfeited plan deposits	24,000	24,000	15,325	--
Claim settlements	--	166,124	166,124	--
Miscellaneous	50,525	50,525	150,757	--
Total miscellaneous revenue	<u>942,172</u>	<u>1,131,796</u>	<u>1,275,286</u>	<u>--</u>
Reimbursements				
Interdepartmental	5,216,561	5,216,561	--	5,207,344
Traffic engineering cost recovery	12,000	12,000	--	7,330
Capital budget cost recovery	177,308	177,308	--	177,307
Finance cost recovery - CIP	709,676	709,676	--	709,675
Engineering svcs - interdepartmental	--	--	--	124,344
Street recovery fees	988,000	988,000	--	880,877
Interdepartmental services - street	745,460	745,460	--	715,223
Fire hydrant maintenance	327,472	327,472	--	327,472
800 MHz radio - interdepartmental	243,742	243,742	--	243,742
Total reimbursements revenue	<u>8,420,219</u>	<u>8,420,219</u>	<u>--</u>	<u>8,393,314</u>
Total revenues	<u>191,416,764</u>	<u>192,620,294</u>	<u>181,172,149</u>	<u>8,393,314</u>
Other financing sources				
Capital leases	--	--	3,746,061	(3,746,061)
Total other financing sources	<u>--</u>	<u>--</u>	<u>3,746,061</u>	<u>(3,746,061)</u>
Transfers in				
Administrative charges				
Federal grants	123,946	123,946	171,559	--
CCCIC	11,882	11,882	6,039	--
Visitor facility	82,547	82,547	82,547	--
Gas division	710,990	710,990	710,990	--
Wastewater division	856,592	856,592	856,592	--
Water division	1,664,810	1,664,811	1,664,811	--
Airport	240,870	240,870	240,870	--
Golf	219,924	219,923	219,923	--
Marina	163,766	163,766	163,766	--

(Continued)

**Exhibit 6-B  
(Continued)**

<b>2009 Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>	<b>2008 Actual Budget Basis</b>
465	465	--
11,197	(63,803)	91,431
8,779	4,329	5,054
180,858	(62,532)	--
3,707	(393)	4,379
16,796	(204)	17,189
152,471	27,471	152,453
140,691	(4,309)	130,667
4,521	421	4,348
1,518	(2,928)	2,042
15,325	(8,675)	18,615
166,124	--	--
150,757	100,232	42,345
<u>1,275,286</u>	<u>143,490</u>	<u>903,351</u>
5,207,344	(9,217)	5,008,374
7,330	(4,670)	3,842
177,307	(1)	191,199
709,675	(1)	737,257
124,344	124,344	45,376
880,877	(107,123)	827,857
715,223	(30,237)	657,055
327,472	--	327,472
243,742	--	242,159
<u>8,393,314</u>	<u>(26,905)</u>	<u>8,040,591</u>
<u>189,565,463</u>	<u>(3,054,831)</u>	<u>185,728,058</u>
<u>--</u>	<u>--</u>	<u>--</u>
<u>--</u>	<u>--</u>	<u>--</u>
171,559	47,613	138,030
6,039	(5,843)	12,281
82,547	--	257,500
710,990	--	803,485
856,592	--	897,213
1,664,811	--	1,953,582
240,870	--	341,534
219,923	--	206,000
163,766	--	186,273

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Transfers in				
Other (continued)				
Stores division	--	--	--	--
City hall CIP	--	129,073	129,073	--
Total transfers in	<u>4,075,327</u>	<u>4,204,400</u>	<u>4,246,170</u>	<u>--</u>
Transfers out				
Debt service fund	--	--	(4,330,610)	4,330,610
Federal grants	(234,504)	(326,212)	(326,185)	--
Transfers for capital outlay	--	--	(1,169,000)	1,169,000
Transfers for capital replacement	(518,000)	(518,000)	(518,000)	--
Visitor's Facility fund	--	--	--	--
Total transfers out	<u>(752,504)</u>	<u>(844,212)</u>	<u>(6,343,795)</u>	<u>5,499,610</u>
Total other sources	<u>3,322,823</u>	<u>3,360,188</u>	<u>1,648,436</u>	<u>1,753,549</u>
 Total revenues and other sources	 <u>\$ 194,739,587</u>	 <u>\$ 195,980,482</u>	 <u>\$ 182,820,585</u>	 <u>\$ 10,146,863</u>

**Exhibit 6-B  
(Continued)**

<b>2009 Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>	<b>2008 Actual Budget Basis</b>
--	--	32,868
129,073	--	153,210
<u>4,246,170</u>	<u>41,770</u>	<u>4,981,976</u>
--	--	--
(326,185)	27	(169,675)
--	--	--
(518,000)	--	--
--	--	(500,588)
<u>(844,185)</u>	<u>27</u>	<u>(670,263)</u>
<u>3,401,985</u>	<u>41,797</u>	<u>4,311,713</u>
<u>\$ 192,967,448</u>	<u>\$ (3,013,034)</u>	<u>\$ 190,039,771</u>

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Actual GAAP Expenditures</u>				
	<u>Personal Services</u>	<u>Materials &amp; Supplies</u>	<u>Contractual Services</u>	<u>Other Charges</u>	<u>Capital Outlays</u>
General government					
Control					
City Council and City Secretary	\$ 644,074	\$ 37,106	\$ 462,200	\$ 110,191	\$ --
City Manager	709,846	6,029	12,846	31,078	--
Group Managers	759,664	13,047	244,951	74,073	--
Management and budget office	498,983	4,888	14,409	52,016	--
Communications/quality management	281,212	28,491	68,567	148,236	--
Capital budgeting	72,131	1,561	2,037	8,544	--
Total general government - control	<u>2,965,910</u>	<u>91,122</u>	<u>805,010</u>	<u>424,138</u>	<u>--</u>
Staff agencies					
Director of finance	265,597	404	5,465	35,691	--
Accounting	1,443,988	15,809	308,650	279,866	--
Nueces County Tax Appraisal District	--	--	1,157,113	--	--
Central cashiering	510,275	28,971	25,637	303,629	--
Cash management	215,466	4,509	35,946	107,446	--
Legal	1,819,121	56,085	73,542	184,752	--
Economic development	--	--	196,596	--	--
Economic development incentives	--	--	--	33,337	--
Vision 2000	--	--	132,330	--	--
Downtown Management District	--	--	145,000	--	--
Development services admin	178,836	172,412	154,478	575,324	--
Development process management	692,557	2,497	57,066	55,958	--
Planning	823,969	1,153	164,305	171,408	14,712
Code enforcement	705,863	71,967	300,937	447,634	--
Neighborhood initiative program	388,740	4,144	6,538	57,829	--
Human resources	981,601	20,682	119,552	173,135	--
Incentive program	--	5,501	9,036	--	--
Student Intern Program	26,745	--	--	--	--
Training	145,110	413	84,186	6,604	--
ADA Compliance	40,259	792	34,491	320	--
Human relations	344,567	10,298	24,089	63,131	--
Total staff agencies	<u>8,582,694</u>	<u>395,637</u>	<u>3,034,957</u>	<u>2,496,064</u>	<u>14,712</u>
Engineering services					
Engineering support services	--	--	35,398	293,415	--
Special services	427,875	4,909	167,443	10,956	--
Total engineering services	<u>427,875</u>	<u>4,909</u>	<u>202,841</u>	<u>304,371</u>	<u>--</u>
Other expenditures					
Uncollectible accounts	--	--	--	663,767	--
Hurricane Ike-2008	--	105,571	68,808	1,577	--
Major memberships	--	--	79,140	--	--
Salary savings	--	--	--	--	--
Reserve for comp/merit pay	--	--	--	--	--
Purchasing/messenger service allocation	--	--	--	317,196	--
Refuge of last resort	--	31	--	--	--
Reserve appropriations	--	--	--	--	--
Reserve for accrued pay	--	--	--	--	--
Total other expenditures	<u>--</u>	<u>105,602</u>	<u>147,948</u>	<u>982,540</u>	<u>--</u>
Total general government	<u>11,976,479</u>	<u>597,270</u>	<u>4,190,756</u>	<u>4,207,113</u>	<u>14,712</u>

(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2009 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2008 Actual Budget Basis
				Original	Final		
\$ --	\$ 1,253,571	\$ --	\$ 1,253,571	\$ 1,316,411	\$ 1,324,962	\$ 71,391	\$ 875,236
--	759,799	--	759,799	547,166	778,129	18,330	512,626
(148,224)	943,511	148,224	1,091,735	1,003,337	1,185,716	93,981	680,803
(182,808)	387,488	182,808	570,296	559,211	576,968	6,672	638,107
(204,245)	322,261	204,245	526,506	754,314	774,475	247,969	307,484
(177,307)	(93,034)	177,307	84,273	87,120	88,199	3,926	107,123
(712,584)	3,573,596	712,584	4,286,180	4,267,559	4,728,449	442,269	3,121,379
(334,035)	(26,878)	334,035	307,157	420,130	415,637	108,480	427,395
(1,207,136)	841,177	1,207,136	2,048,313	2,170,767	2,139,215	90,902	2,190,786
--	1,157,113	--	1,157,113	1,137,000	1,148,692	(8,421)	1,060,368
(429,640)	438,872	429,640	868,512	919,304	903,226	34,714	918,720
(250,760)	112,607	250,760	363,367	387,540	393,659	30,292	374,692
(106,623)	2,026,877	106,623	2,133,500	2,119,960	2,228,751	95,251	2,299,603
--	196,596	--	196,596	196,596	196,596	--	182,763
--	33,337	--	33,337	--	--	(33,337)	--
--	132,330	--	132,330	--	132,330	--	--
(64,473)	80,527	64,473	145,000	145,000	145,000	--	110,000
--	1,081,050	--	1,081,050	1,128,060	1,176,404	95,354	1,171,988
--	808,078	--	808,078	903,304	920,389	112,311	563,330
--	1,175,547	--	1,175,547	1,352,726	1,386,746	211,199	1,251,995
--	1,526,401	--	1,526,401	1,674,497	1,629,952	103,551	1,305,941
--	457,251	--	457,251	450,555	477,676	20,425	471,904
--	1,294,970	--	1,294,970	1,261,140	1,303,952	8,982	1,319,684
--	14,537	--	14,537	21,002	21,002	6,465	27,590
--	26,745	--	26,745	26,868	26,869	124	--
--	236,313	--	236,313	247,944	246,462	10,149	232,563
--	75,862	--	75,862	85,991	81,946	6,084	61,914
--	442,085	--	442,085	414,539	442,121	36	470,233
(2,392,667)	12,131,397	2,392,667	14,524,064	15,062,923	15,416,625	892,561	14,441,469
--	328,813	--	328,813	328,813	328,813	--	341,574
(105,984)	505,199	105,984	611,183	559,947	559,947	(51,236)	574,743
(105,984)	834,012	105,984	939,996	888,760	888,760	(51,236)	916,317
--	663,767	--	663,767	268,991	268,991	(394,776)	533,339
--	175,956	--	175,956	--	--	(175,956)	--
(48,894)	30,246	48,894	79,140	78,412	78,412	(728)	84,085
--	--	--	--	(1,500,000)	--	--	--
--	--	--	--	428,000	--	--	--
--	317,196	--	317,196	317,196	317,196	--	280,548
--	31	--	31	15,000	15,000	14,969	18,738
--	--	--	--	362,676	235,558	235,558	--
--	--	--	--	1,000,000	--	--	--
(48,894)	1,187,196	48,894	1,236,090	970,275	915,157	(320,933)	916,710
(3,260,129)	17,726,201	3,260,129	20,986,330	21,189,517	21,948,991	962,661	19,395,875

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<b>Actual GAAP Expenditures</b>				
	<b>Personal Services</b>	<b>Materials &amp; Supplies</b>	<b>Contractual Services</b>	<b>Other Charges</b>	<b>Capital Outlays</b>
Police and municipal court					
Police					
Administration	1,918,209	122,108	399,808	782,659	--
Police training	1,309,427	116,624	7,091	120,569	--
Criminal investigation	5,274,018	173,878	5,721	345,281	--
Special services	2,401,951	109,909	18,346	253,828	--
Uniformed division	28,346,239	459,657	598,122	4,954,446	--
Forensics services division	1,163,545	56,434	22,176	82,319	--
School crossing guards	672,076	8,697	--	121,464	--
Parking control	170,090	2,343	25,839	32,731	--
MetroCom	3,842,281	14,687	693,827	128,280	--
Police computer support	84,561	2,345	667,091	1,968	--
9-1-1 call delivery wireline	62,293	10,504	306,981	10,614	--
9-1-1 call delivery wireless	--	54,975	178,928	--	--
Building maintenance and operations	365,368	184,046	988,345	50,694	--
Vehicle pound operation	283,941	4,811	667,821	33,674	--
Central information	1,235,614	44,584	21,954	101,713	--
Criminal intelligence unit	576,406	28,954	12,289	108,110	--
Civil offenses	67,828	7,562	656,372	4,280	--
Beach safety	114,190	--	--	--	--
Police Special Events Overtime	265,558	--	--	--	--
Total police	<u>48,153,595</u>	<u>1,402,118</u>	<u>5,270,711</u>	<u>7,132,630</u>	<u>--</u>
Municipal court					
Administration	1,321,056	96,937	231,018	704,629	--
Judicial	394,653	4,314	16,657	18,088	--
Environmental court	166,274	--	430	8,304	--
Municipal juvenile court	176,848	1,775	43,520	14,566	--
Detention facility	1,202,073	9,897	72,187	61,189	--
City marshals	580,952	12,632	80,622	45,348	--
Total municipal court	<u>3,841,856</u>	<u>125,555</u>	<u>444,434</u>	<u>852,124</u>	<u>--</u>
Total police and municipal court	<u>51,995,451</u>	<u>1,527,673</u>	<u>5,715,145</u>	<u>7,984,754</u>	<u>--</u>
Fire and Ambulance					
Administration and training	998,674	21,730	105,197	277,116	--
Fire academy training	987,724	99,538	50,430	25,751	--
Communications	79,221	17,931	139,769	64,421	--
Apparatus and shop	213,642	250,232	243,755	13,157	--
Stations	27,855,201	621,113	875,966	1,374,215	1,235,382
Fire prevention	1,099,680	22,126	30,585	166,432	--
Life guarding and first response	258,861	21,011	35,828	47,476	26,015
Fire support services	109,037	32,376	(182)	8,290	--
Fire department special services	183,489	8,017	43	7,848	--
City ambulance operations	540,728	411,318	775,186	54,675	202,858
Total fire and ambulance	<u>32,326,257</u>	<u>1,505,392</u>	<u>2,256,577</u>	<u>2,039,381</u>	<u>1,464,255</u>

(Continued)

City of Corpus Christi, Texas

Exhibit 6-C  
(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2009	Budget		Variance Final Budget Positive (Negative)	2008
			Actual Budget Basis	Original	Final		Actual Budget Basis
--	3,222,784	--	3,222,784	2,864,779	3,189,197	(33,587)	2,831,512
--	1,553,711	--	1,553,711	1,418,799	1,561,771	8,060	1,602,935
--	5,798,898	--	5,798,898	5,678,300	5,802,949	4,051	5,737,494
--	2,784,034	--	2,784,034	2,988,713	2,804,634	20,600	2,849,408
--	34,358,464	1,110,000	35,468,464	34,769,269	35,215,764	(252,700)	34,141,278
--	1,324,474	40,001	1,364,475	1,360,600	1,372,070	7,595	1,338,058
--	802,237	--	802,237	807,601	804,301	2,064	720,196
--	231,003	19,000	250,003	246,475	252,142	2,139	220,818
(253,608)	4,425,467	253,608	4,679,075	4,450,956	4,599,413	(79,662)	4,484,923
(937,020)	(181,055)	937,020	755,965	746,695	774,096	18,131	736,787
--	390,392	--	390,392	421,972	421,453	31,061	461,339
--	233,903	--	233,903	456,219	381,219	147,316	540,528
--	1,588,453	124,294	1,712,747	1,477,871	1,728,767	16,020	1,424,799
--	990,247	--	990,247	896,493	992,668	2,421	962,560
--	1,403,865	--	1,403,865	1,478,297	1,408,447	4,582	1,441,152
--	725,759	--	725,759	980,948	741,407	15,648	760,229
--	736,042	--	736,042	938,447	903,747	167,705	540,977
(68,417)	45,773	68,417	114,190	157,857	157,857	43,667	120,989
--	265,558	--	265,558	255,642	265,558	--	45,154
(1,259,045)	60,700,009	2,552,340	63,252,349	62,415,933	63,377,460	125,111	60,961,136
--	2,353,640	--	2,353,640	2,217,794	2,421,439	67,799	2,320,505
--	433,712	--	433,712	422,947	433,238	(474)	474,324
--	175,008	--	175,008	182,197	183,218	8,210	157,546
--	236,709	--	236,709	219,583	233,041	(3,668)	237,972
--	1,345,346	--	1,345,346	1,279,664	1,345,265	(81)	1,441,949
--	719,554	--	719,554	635,318	721,875	2,321	815,326
--	5,263,969	--	5,263,969	4,957,503	5,338,076	74,107	5,447,622
(1,259,045)	65,963,978	2,552,340	68,516,318	67,373,436	68,715,536	199,218	66,408,758
--	1,402,717	--	1,402,717	1,446,460	1,411,149	8,432	1,386,896
--	1,163,443	--	1,163,443	1,097,892	1,174,508	11,065	1,141,708
--	301,342	--	301,342	295,618	303,443	2,101	293,906
--	720,786	--	720,786	762,652	790,410	69,624	771,586
(327,472)	31,634,405	(270,838)	31,363,567	30,884,272	31,466,768	103,201	29,686,227
--	1,318,823	--	1,318,823	1,333,389	1,325,839	7,016	1,230,986
(254,120)	135,071	254,120	389,191	377,132	389,542	351	405,036
--	149,521	--	149,521	167,879	154,237	4,716	142,095
--	199,397	--	199,397	237,590	208,590	9,193	207,462
--	1,984,765	(87,932)	1,896,833	1,971,243	1,731,900	(164,933)	2,484,338
(581,592)	39,010,270	(104,650)	38,905,620	38,574,127	38,956,386	50,766	37,750,240

**GENERAL FUND  
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET  
YEAR ENDED JULY 31, 2009  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
Emergency management					
Emergency management	123,969	35,554	50,197	142,881	--
Pipeline transportation	35,568	--	--	2,460	--
Total emergency management	<u>159,537</u>	<u>35,554</u>	<u>50,197</u>	<u>145,341</u>	<u>--</u>
Inspections	<u>1,020,726</u>	<u>7,363</u>	<u>554,626</u>	<u>293,876</u>	<u>83,720</u>
Streets					
Office and yard	647,260	35,855	91,599	296,538	--
Asphalt rework and construction	489,162	1,247,828	152,980	171,780	1,475,913
Utility cut repairs	241,271	183,851	3,280	39,744	--
Asphalt maintenance	2,294,528	1,654,384	1,231,521	624,107	472,927
Traffic signals	499,320	411,429	115,285	125,343	--
Traffic engineering	453,779	21,328	14,800	70,883	--
Traffic Safety - SB 1119	--	59,259	--	--	--
Street lighting	--	--	3,555,599	7,176	--
Residential traffic management	--	--	52,133	--	--
Signs and markings	524,347	322,220	167,055	135,431	--
Total streets	<u>5,149,667</u>	<u>3,936,154</u>	<u>5,384,252</u>	<u>1,471,002</u>	<u>1,948,840</u>
Solid Waste					
Solid waste office	508,092	30,929	256,005	244,339	--
J.C. Elliot Transfer Station	339,024	155,243	59,395	94,332	98,615
Refuse collection	3,493,951	907,830	175,123	631,317	1,631,829
Refuse disposal	398,997	104,779	3,091,329	203,158	--
Brush collection	1,543,109	300,781	21,951	268,644	418,049
Recycling collection	840,330	98,533	9,547	91,433	33,190
Graffiti clean-up project	120,455	15,276	2,059	3,648	--
Elliot Closure/Postclosure exp	--	--	95,371	--	--
Cefe Valenzuela landfill operation	206,338	13,875	418,787	69,798	--
Total solid waste	<u>7,450,296</u>	<u>1,627,246</u>	<u>4,129,567</u>	<u>1,606,669</u>	<u>2,181,683</u>
Health					
Administration and special programs	538,156	14,970	62,685	178,987	--
T.B. Clinic - Health Department	66,176	59	2,752	11,483	--
Immunization and venereal disease	59,205	4,622	16,262	9,536	--
Vital statistics	98,990	13,925	24,938	10,550	--
Nursing	493,470	7,422	25,161	24,210	--
Environmental health	221,180	6,474	21,234	30,611	--
STD clinic	92,215	1,027	2,509	6,734	--
Vector control	300,994	33,857	7,506	104,764	--
Laboratory	121,045	1,301	1,842	7,404	--
Low cost spay neuter clinic	79,758	39,145	36,202	--	--
Mental health	--	--	54,000	--	--
Animal control	745,508	95,628	164,638	274,607	93,691
Health office building	46,137	21,566	309,581	74,808	--
Total health	<u>2,862,834</u>	<u>239,996</u>	<u>729,310</u>	<u>733,694</u>	<u>93,691</u>

(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2009 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2008 Actual Budget Basis
				Original	Final		
--	352,601	--	352,601	388,791	365,133	12,532	334,512
--	38,028	--	38,028	37,476	38,029	1	39,299
--	390,629	--	390,629	426,267	403,162	12,533	373,811
(69,839)	1,890,472	(13,881)	1,876,591	2,108,632	2,142,902	266,311	1,864,994
(715,223)	356,029	715,223	1,071,252	1,098,682	1,100,346	29,094	994,167
--	3,537,663	9,611	3,547,274	2,143,343	3,685,960	138,686	1,901,647
(880,877)	(412,731)	880,877	468,146	468,079	472,521	4,375	454,379
(205,296)	6,072,171	42,818	6,114,989	5,739,331	7,242,936	1,127,947	6,151,264
(949)	1,150,428	5,974	1,156,402	1,332,450	1,313,652	157,250	1,363,538
(131,673)	429,117	131,673	560,790	611,121	633,947	73,157	539,720
--	59,259	--	59,259	--	60,000	741	--
--	3,562,775	--	3,562,775	3,743,382	3,743,382	180,607	3,076,712
--	52,133	--	52,133	54,000	54,000	1,867	26,947
(18,438)	1,130,615	43,075	1,173,690	1,255,419	1,325,094	151,404	1,054,350
(1,952,456)	15,937,459	1,829,251	17,766,710	16,445,807	19,631,838	1,865,128	15,562,724
--	1,039,365	--	1,039,365	956,041	1,077,269	37,904	1,049,766
--	746,609	246,979	993,588	1,172,622	1,056,874	63,286	859,376
(10,032)	6,830,018	(621,092)	6,208,926	6,776,262	6,773,192	564,266	7,563,085
--	3,798,263	4,330,610	8,128,873	9,376,049	9,294,158	1,165,285	8,795,077
--	2,552,534	(270,000)	2,282,534	2,406,831	2,424,290	141,756	2,468,525
--	1,073,033	--	1,073,033	1,114,503	1,169,852	96,819	1,050,913
--	141,438	--	141,438	159,407	145,040	3,602	86,602
--	95,371	--	95,371	--	204,400	109,029	--
--	708,798	--	708,798	908,466	977,173	268,375	790,333
(10,032)	16,985,429	3,686,497	20,671,926	22,870,181	23,122,248	2,450,322	22,663,677
--	794,798	--	794,798	821,098	801,050	6,252	721,152
--	80,470	--	80,470	71,338	80,495	25	57,571
--	89,625	--	89,625	91,898	90,664	1,039	75,644
--	148,403	--	148,403	187,265	163,864	15,461	177,390
--	550,263	--	550,263	541,295	552,432	2,169	575,258
--	279,499	--	279,499	373,629	295,066	15,567	295,885
--	102,485	--	102,485	95,166	103,608	1,123	90,690
--	447,121	7,217	454,338	445,052	450,699	(3,639)	458,300
--	131,592	--	131,592	139,942	135,216	3,624	127,383
--	155,105	--	155,105	139,000	154,445	(660)	--
--	54,000	--	54,000	54,000	54,000	--	54,000
--	1,374,072	--	1,374,072	1,332,570	1,398,180	24,108	1,305,864
--	452,092	--	452,092	364,067	781,138	329,046	503,655
--	4,659,525	7,217	4,666,742	4,656,320	5,060,857	394,115	4,442,792

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Actual GAAP Expenditures</u>				
	<u>Personal Services</u>	<u>Materials &amp; Supplies</u>	<u>Contractual Services</u>	<u>Other Charges</u>	<u>Capital Outlays</u>
Parks and recreation					
Director of parks and recreation	593,104	13,605	51,000	133,703	13,634
Park operation	3,222,731	592,894	173,637	1,322,880	9,645
Program services admin	669,862	33,890	134,191	195,201	--
Senior community services	266,709	321,209	484,294	123,011	--
Athletics	481,518	35,725	191,998	118,979	--
Aquatics	602,980	109,926	164,496	138,201	--
Multicultural center	210,924	24,887	85,074	28,694	--
Latchkey program	1,578,127	111,803	86,930	256,430	22,017
Arts subgranting	--	584	60,411	--	--
Beach maintenance/safety	--	6,550	--	--	--
Beach parking permits	45,929	6,759	84,222	20,661	22,298
Beach maintenance and operations	305,884	90,040	318,145	88,882	32,884
Tennis center operations	--	11,192	185,354	4	--
Assessment center	151,948	1,001	1,067	23,256	--
Corpus Christi Independent School District	--	--	3,489	--	--
Coliseum	--	--	2,117	--	--
Volunteer center	--	--	8,450	--	--
Tourist district	666,146	69,216	49,502	109,359	12,098
Summer programs operations	46,618	6,632	9,498	9,828	--
Natatorium	--	--	161,694	--	--
Total parks and recreation	<u>8,842,480</u>	<u>1,435,913</u>	<u>2,255,569</u>	<u>2,569,089</u>	<u>112,576</u>
Libraries					
Central	1,305,671	660,125	368,699	231,492	--
Anita & W.T. Neyland Branch	308,115	14,710	64,010	52,595	--
Greenwood Branch	254,465	4,371	58,328	45,683	--
Northwest Branch	248,435	11,148	39,688	41,517	--
Janet F. Harte Branch	199,623	5,280	59,731	43,207	--
Dr. Clotilde P. Garcia Branch	168,626	10,933	29,140	15,685	--
Total libraries	<u>2,484,935</u>	<u>706,567</u>	<u>619,596</u>	<u>430,179</u>	<u>--</u>
Museums					
Museum of Science and History	853,327	17,879	339,372	284,101	35,643
Columbus ships	88,578	5,197	5,542	10,148	--
Total museums	<u>941,905</u>	<u>23,076</u>	<u>344,914</u>	<u>294,249</u>	<u>35,643</u>
Community enrichment					
Sister City program	--	4,666	1,280	11,898	--
Debt service					
Principal retired	--	--	--	2,111,227	--
Interest	--	--	--	236,828	--
Total debt service	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,348,055</u>	<u>--</u>
Total expenditures	<u>\$ 125,210,567</u>	<u>\$ 11,646,870</u>	<u>\$ 26,231,789</u>	<u>\$ 24,135,300</u>	<u>\$ 5,935,120</u>

City of Corpus Christi, Texas

Exhibit 6-C  
(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2009 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2008 Actual Budget Basis
				Original	Final		
--	805,046	--	805,046	876,171	851,721	46,675	1,017,452
(270,595)	5,051,192	285,298	5,336,490	5,485,587	5,438,356	101,866	5,703,438
--	1,033,144	--	1,033,144	1,114,492	1,103,204	70,060	1,153,273
--	1,195,223	--	1,195,223	1,118,919	1,119,150	(76,073)	946,790
--	828,220	--	828,220	862,067	833,857	5,637	1,058,534
--	1,015,603	--	1,015,603	983,671	1,019,614	4,011	1,041,868
(134,774)	214,805	134,774	349,579	386,582	368,709	19,130	321,530
--	2,055,307	(19,211)	2,036,096	2,240,143	2,328,675	292,579	1,945,529
--	60,995	--	60,995	61,871	61,871	876	38,763
(9,774)	(3,224)	9,774	6,550	4,396	6,663	113	19,074
(107,512)	72,357	107,512	179,869	114,213	180,097	228	130,407
(537,562)	298,273	537,562	835,835	829,566	877,711	41,876	845,869
--	196,550	--	196,550	199,107	199,107	2,557	233,652
--	177,272	--	177,272	166,759	202,312	25,040	191,604
--	3,489	--	3,489	50,000	48,994	45,505	2,500
--	2,117	--	2,117	10,900	21,583	19,466	111,195
--	8,450	--	8,450	8,450	14,594	6,144	8,450
--	906,321	--	906,321	943,649	954,906	48,585	906,175
--	72,576	--	72,576	81,357	79,658	7,082	138,043
--	161,694	--	161,694	150,000	161,896	202	130,352
(1,060,217)	14,155,410	1,055,709	15,211,119	15,687,900	15,872,678	661,559	15,944,498
--	2,565,987	22,302	2,588,289	2,423,867	2,705,967	117,678	2,586,721
--	439,430	--	439,430	449,278	454,117	14,687	447,788
--	362,847	--	362,847	379,048	380,610	17,763	390,219
--	340,788	--	340,788	348,923	349,888	9,100	342,987
--	307,841	--	307,841	303,107	309,202	1,361	341,465
--	224,384	--	224,384	274,005	268,269	43,885	31,810
--	4,241,277	22,302	4,263,579	4,178,228	4,468,053	204,474	4,140,990
(200,004)	1,330,318	200,004	1,530,322	1,582,939	1,569,766	39,444	1,587,822
--	109,465	--	109,465	135,918	134,302	24,837	102,439
(200,004)	1,439,783	200,004	1,639,787	1,718,857	1,704,068	64,281	1,690,261
--	17,844	--	17,844	17,943	17,943	99	17,955
--	2,111,227	(2,111,227)	--	--	--	--	--
--	236,828	(236,828)	--	--	--	--	--
--	2,348,055	(2,348,055)	--	--	--	--	--
\$ (8,393,314)	\$ 184,766,332	\$ 10,146,863	\$ 194,913,195	\$ 195,247,215	\$ 202,044,662	\$ 7,131,467	\$ 190,256,575



City of  
Corpus  
Christi

***Debt Service Fund*** – Also known as the *Interest and Sinking Fund*. Was established to account for funds needed to make principal and interest payments on outstanding bonds when due.

Exhibit 7-A

**DEBT SERVICE FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2009 AND 2008**

<b>ASSETS</b>	<u>2009</u>	<u>2008</u>
Cash and cash equivalents	\$ 4,072,491	\$ 1,509,366
Investments	6,009,063	14,994,312
Receivables		
Taxes	1,997,777	1,851,661
Accrued interest	35,779	70,476
Intergovernmental	16,968	17,653
Allowance for uncollectibles	(1,303,140)	(1,260,138)
Net receivables	<u>747,384</u>	<u>679,652</u>
Total assets	<u>\$ 10,828,938</u>	<u>\$ 17,183,330</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ --	\$ 293
Deferred revenues		
Taxes	<u>694,637</u>	<u>591,523</u>
Total liabilities	694,637	591,816
Fund balance		
Reserved for debt service	677,376	784,825
Unreserved		
Designated for subsequent year's expenditures	500,620	7,400,483
Undesignated	<u>8,956,305</u>	<u>8,406,206</u>
Net unreserved	9,456,925	15,806,689
Total fund balance	<u>10,134,301</u>	<u>16,591,514</u>
Total liabilities and fund balance	<u>\$ 10,828,938</u>	<u>\$ 17,183,330</u>

**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Budget</u>		<u>2009 Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Ad valorem taxes	\$ 25,903,038	\$ 25,903,038	\$ 26,227,912	\$ 324,874
Earnings on investments	230,935	230,935	283,267	52,332
Payments from Lexington Museum Association	285,022	285,022	285,022	--
Payments from Texas State Aquarium	518,318	518,318	518,318	--
Total revenues	<u>26,937,313</u>	<u>26,937,313</u>	<u>27,314,519</u>	<u>377,206</u>
<b>Expenditures</b>				
Debt service				
Principal retirement	30,245,000	30,245,000	30,245,000	--
Interest	11,140,513	11,264,815	10,738,585	526,230
Bond issue cost	--	--	--	--
Paying agent fees	12,000	13,189	13,189	--
Total expenditures	<u>41,397,513</u>	<u>41,523,004</u>	<u>40,996,774</u>	<u>526,230</u>
Deficiency of revenues under expenditures	(14,460,200)	(14,585,691)	(13,682,255)	903,436
<b>Other financing sources</b>				
Transfers in from				
General fund	4,165,235	4,165,235	4,330,610	165,375
Marina fund	19,023	19,023	19,023	--
Utility system fund	176,952	176,952	176,952	--
Airport fund	198,181	198,181	198,181	--
Golf centers fund	11,030	11,030	10,980	(50)
Hotel occupancy tax fund	2,489,296	2,489,296	2,489,296	--
Visitors facilities fund	--	--	--	--
Stores fund	--	--	--	--
Maintenance service fund	--	--	--	--
Municipal information systems fund	--	--	--	--
Liability and employee benefits fund	--	--	--	--
Total other financing sources	<u>7,059,717</u>	<u>7,059,717</u>	<u>7,225,042</u>	<u>165,325</u>
Net change in fund balance	(7,400,483)	(7,525,974)	(6,457,213)	1,068,761
Fund balance at beginning of year	<u>15,577,965</u>	<u>16,591,514</u>	<u>16,591,514</u>	<u>--</u>
Fund balance at end of year	<u>\$ 8,177,482</u>	<u>\$ 9,065,540</u>	<u>\$ 10,134,301</u>	<u>\$ 1,068,761</u>

**Exhibit 7-B**

<b>2008</b>
<b>Actual</b>
\$ 24,884,901
534,075
248,868
<u>508,685</u>
26,176,529
17,840,000
11,371,053
9,500
<u>10,857</u>
<u>29,231,410</u>
(3,054,881)
4,185,390
76,910
998,216
423,206
64,763
1,886,648
15,026
14,523
147,051
196,869
<u>15,522</u>
<u>8,024,124</u>
4,969,243
<u>11,622,271</u>
<u><u>\$ 16,591,514</u></u>



City of  
Corpus  
Christi

***Non-major Governmental Funds***



City of  
Corpus  
Christi

**NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2009**

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds		Eliminations
			Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 15,367,471	\$ 141,222,128	\$ 3,292,636	\$ --	\$ --
Investments	36,050,396	--	2,002,215	--	--
Receivables, net of allowance for uncollectibles	25,575,269	2,079,736	1,415	--	--
Due from other funds	7,586	--	--	--	--
Prepaid items	582,484	--	--	--	--
Other assets	57,500	--	--	--	--
Total assets	<u>\$ 77,640,706</u>	<u>\$ 143,301,864</u>	<u>\$ 5,296,266</u>	<u>\$ --</u>	<u>\$ --</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 2,636,001	\$ 4,838,941	\$ --	\$ --	\$ --
Accrued liabilities	526,480	--	--	--	--
Contractor interest and retainage payable	--	1,382,017	--	--	--
Deposits	619,704	319,942	--	--	--
Deferred revenues	3,406,440	378,408	--	--	--
Total liabilities	<u>7,188,625</u>	<u>6,919,308</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund balances					
Reserved for encumbrances	1,925,659	27,135,430	--	--	--
Reserved for loans	16,821,647	--	--	--	--
Reserved for prepaid items	582,484	--	--	--	--
Reserved for debt service	1,500,000	--	5,296,266	--	--
Reserved for law enforcement	121,904	--	--	--	--
Reserved for Sister City programs	1,150	--	--	--	--
Reserved for park projects	1,867,198	--	--	--	--
Reserved for permanent art projects	168,794	--	--	--	--
Reserved for development projects	15,894	--	--	--	--
Reserved for Affordable Housing	1,126,546	--	--	--	--
Reserved for Stadium Capital Repair	36,870	--	--	--	--
Reserved for naming rights capital projects	446,180	--	--	--	--
Reserved for CDBG projects	285,150	--	--	--	--
Unreserved					
Designated for subsequent year's expenditures	610,880	--	--	--	--
Designated for specific projects	--	13,619,070	--	--	--
Undesignated					
Special revenue funds	44,922,193	--	--	--	--
Capital project funds	--	95,628,056	--	--	--
Total fund balances	<u>70,452,081</u>	<u>136,382,556</u>	<u>5,296,266</u>	<u>--</u>	<u>--</u>
Total liabilities and fund balances	<u>\$ 77,640,706</u>	<u>\$ 143,301,864</u>	<u>\$ 5,296,266</u>	<u>\$ --</u>	<u>\$ --</u>

**Exhibit 8-A**

**Total**

\$	159,882,235
	38,052,611
	27,656,420
	7,586
	582,484
	57,500
<u>\$</u>	<u>226,238,836</u>

\$	7,474,942
	526,480
	1,382,017
	939,646
	3,784,848
	<u>14,107,933</u>

	29,061,089
	16,821,647
	582,484
	6,796,266
	121,904
	1,150
	1,867,198
	168,794
	15,894
	1,126,546
	36,870
	446,180
	285,150

	610,880
	13,619,070

	44,922,193
	95,628,056
	<u>212,130,903</u>

<u>\$</u>	<u>226,238,836</u>
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**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**YEAR ENDED JULY 31, 2009**

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds		Eliminations
			Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation	
<b>Revenues</b>					
Taxes and business fees	\$ 35,367,308	\$ --	\$ --	\$ --	\$ --
Grants	14,739,420	526,209	--	--	--
Charges for services	6,041,470	--	--	--	--
Contributions and donations	337,231	1,564,856	--	--	--
Special assessments	--	10,502	--	--	--
Earnings on investments	846,804	1,157,190	11,105	--	--
Interest on loans	73,369	--	--	--	--
Sale of city property	3,848	--	--	--	--
Claim settlement	--	572,280	--	--	--
Naming rights	175,000	--	--	--	--
Miscellaneous	211,053	--	--	--	--
Total revenues	57,795,503	3,831,037	11,105	--	--
<b>Expenditures</b>					
Current					
General government	2,452,682	1,657,817	--	--	--
Police and municipal court	7,360,370	--	--	--	--
Fire and ambulance	673,094	--	--	--	--
Emergency management	86,728	--	--	--	--
Streets	14,159	--	--	--	--
Solid waste	42,283	--	--	--	--
Health	2,234,193	--	--	--	--
Parks and recreation	3,551,909	--	--	--	--
Libraries	612,450	--	--	--	--
Community enrichment	3,394,700	--	--	--	--
Community development	4,450,970	--	--	--	--
Convention and visitors activities	12,152,309	--	--	--	--
Other	32,963	--	--	--	--
Capital projects	2,374,942	54,818,935	--	--	--
Debt service					
Principal retirement	165,000	--	4,220,000	--	--
Interest	602,993	--	4,855,011	--	--
Bond issuance cost	--	1,571,419	--	--	--
Paying agent fees	16,770	--	2,639	--	--
Interest on interfund borrowings	29,714	--	--	--	--
Total expenditures	40,248,229	58,048,171	9,077,650	--	--
Excess (deficiency) of revenues over (under) expenditures	17,547,274	(54,217,134)	(9,066,545)	--	--
<b>Other financing sources (uses)</b>					
Proceeds from general obligation bonds	--	88,725,000	--	--	--
Proceeds from certificate of obligation bonds	--	12,000,000	--	--	--
Premium on bonds sold	--	2,660,797	--	--	--
Discount on bonds issued	--	(124,206)	--	--	--
Transfers in	326,185	--	13,783,111	--	(13,783,111)
Transfers out	(16,532,551)	(129,073)	--	--	13,783,111
Total other financing sources (uses)	(16,206,366)	103,132,518	13,783,111	--	--
Net change in fund balances	1,340,908	48,915,384	4,716,566	--	--
Fund balances at beginning of year	69,111,173	87,467,172	579,700	--	--
Fund balances at end of year	\$ 70,452,081	\$ 136,382,556	\$ 5,296,266	\$ --	\$ --

**Exhibit 8-B**

<u>Total</u>	
\$	35,367,308
	15,265,629
	6,041,470
	1,902,087
	10,502
	2,015,099
	73,369
	3,848
	572,280
	175,000
	<u>211,053</u>
	61,637,645
	4,110,499
	7,360,370
	673,094
	86,728
	14,159
	42,283
	2,234,193
	3,551,909
	612,450
	3,394,700
	4,450,970
	12,152,309
	32,963
	57,193,877
	4,385,000
	5,458,004
	1,571,419
	19,409
	29,714
	<u>107,374,050</u>
	(45,736,405)
	88,725,000
	12,000,000
	2,660,797
	(124,206)
	326,185
	<u>(2,878,513)</u>
	<u>100,709,263</u>
	54,972,858
	<u>157,158,045</u>
\$	<u><u>212,130,903</u></u>



City of  
Corpus  
Christi

## ***Special Revenue Funds***

***Special Revenue Funds*** are used to account for resources allocated to specific purposes. A special revenue fund continues in existence as long as governmental resources are allocated to its specific purpose.

***Visitors Facilities Fund*** – This fund records revenues and expenditures related to the Convention Center, Arena, and other tourist-related activities.

***Hotel Occupancy Tax Fund*** – This fund accounts for revenues and expenditures of the hotel/motel occupancy taxes.

***Federal/State Grants Fund*** – This fund was established to account for grant programs.

***Community Enrichment Fund*** – This fund was established to record revenues and expenditures for community enrichment programs and activities not in the General Fund.

***Infrastructure Fund*** – This fund was established to record revenues and expenditures related to developers' participation in the enhancement of streets and roads in neighborhood subdivisions.

***Local Emergency Planning Committee*** – This fund was established by Interlocal Agreement between the County of Nueces, City of Corpus Christi, and the Port of Corpus Christi Authority for the purposes of implementing the federally mandated plan and required training under the Community Right-To-Know Act.

***Corpus Christi Community Improvement Corporation*** – This fund accounts for revenues and expenditures of the Corpus Christi Community Improvement Corporation.

***Corpus Christi Housing Finance Corporation*** – This fund accounts for revenues and expenditures of the Corpus Christi Housing Finance Corporation.

***Corpus Christi Industrial Development Corporation*** – This fund accounts for revenues and expenditures of the Corpus Christi Industrial Development Corporation.

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

***Corpus Christi Business and Job Development Corporation*** – This fund is a public non-profit corporation created under State law to provide funding of voter approved capital improvement programs.

***North Padre Island Development Corporation*** - This fund accounts for the facilitation of development of land within the boundaries of the Tax Increment Zone No. 2. The fund is utilized for Packery Channel development and improvement projects within the Zone.



City of  
Corpus  
Christi

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2009  
WITH COMPARATIVE TOTALS FOR JULY 31, 2008**

	<u>Visitors Facilities</u>	<u>Hotel Occupancy Tax</u>	<u>Federal/ State Grants</u>	<u>Community Enrichment</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,213,607	\$ 85,513	\$ --	\$ 7,000
Investments	--	--	--	--
Receivables				
Accounts	1,945,349	1,587,738	72,886	--
Taxes	--	--	--	--
Accrued interest	--	--	--	--
Mortgages and loans	--	--	--	--
Demolition liens	--	--	801,358	--
Special assessments	--	--	8,099	--
Employees	--	--	2,340	--
Intergovernmental	--	--	4,226,669	--
Miscellaneous	--	--	4,000	--
Allowance for uncollectibles	(1,363,556)	(1,105)	(760,995)	--
Net receivables	<u>581,793</u>	<u>1,586,633</u>	<u>4,354,357</u>	<u>--</u>
Due from other funds	--	--	42,115	2,051,820
Prepaid Items	462,436	--	--	--
Other assets	<u>--</u>	<u>--</u>	<u>57,500</u>	<u>--</u>
 Total assets	 <u>\$ 2,257,836</u>	 <u>\$ 1,672,146</u>	 <u>\$ 4,453,972</u>	 <u>\$ 2,058,820</u>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 1,152,450	\$ 180,000	\$ 672,009	\$ 5,784
Accrued liabilities	206,777	--	317,555	--
Contractor interest and retainage payable	--	--	--	--
Deposits	1,150	--	343,854	--
Due to other funds	1,800,984	1,555,177	201,154	--
Deferred revenues				
Demolition liens and other	--	--	50,146	--
Paving assessments	--	--	655	--
Asset seizure and forfeiture	--	--	34,311	--
Grants	--	--	2,411,259	--
Texas Commission on Environmental Quality	--	--	46,203	--
Other	848,866	--	--	--
Total deferred revenues	<u>848,866</u>	<u>--</u>	<u>2,542,574</u>	<u>--</u>
Notes payable	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total liabilities	<u>4,010,227</u>	<u>1,735,177</u>	<u>4,077,146</u>	<u>5,784</u>

(Continued)

Exhibit 9-A

<u>Infrastructure</u>	<u>Local Emergency Planning Committee</u>	<u>Corpus Christi Community Improvement Corporation</u>	<u>Corpus Christi Housing Finance Corporation</u>	<u>Corpus Christi Industrial Development Corporation</u>	<u>Corpus Christi Crime Control and Prevention District</u>
\$ --	\$ 81,959	\$ 1,696,626	\$ 533,659	\$ 68,470	\$ 85,473
--	--	--	--	--	2,005,313
--	--	--	--	--	42
--	--	--	--	--	--
--	--	--	--	--	2,863
--	--	17,141,963	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	262,774	--	--	441,979
--	--	--	--	--	--
--	--	(320,316)	--	--	--
--	--	17,084,421	--	--	444,884
1,304,341	--	208,740	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
<u>\$ 1,304,341</u>	<u>\$ 81,959</u>	<u>\$ 18,989,787</u>	<u>\$ 533,659</u>	<u>\$ 68,470</u>	<u>\$ 2,535,670</u>

\$ --	\$ 4,713	\$ 15,038	\$ 525	\$ --	\$ 163,361
--	2,148	--	--	--	--
--	--	--	--	--	--
--	--	274,700	--	--	--
--	--	42,115	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	15,000	--	--	--	--
--	15,000	--	--	--	--
--	--	--	--	--	--
--	21,861	331,853	525	--	163,361

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2009  
WITH COMPARATIVE TOTALS FOR JULY 31, 2008**

	<u>Visitors Facilities</u>	<u>Hotel Occupancy Tax</u>	<u>Federal/ State Grants</u>	<u>Community Enrichment</u>
Fund balances				
Reserved for encumbrances	--	--	1,264,182	--
Reserved for loans	--	--	--	--
Reserved for prepaid items	462,436	--	--	--
Reserved for debt service	--	--	--	--
Reserved for Senior Community Services	--	--	19,532	--
Reserved for law enforcement	--	--	121,904	--
Reserved for Sister City programs	--	--	--	1,150
Reserved for park projects	--	--	--	1,867,198
Reserved for permanent art projects	--	--	--	168,794
Reserved for cultural service projects	--	--	--	15,894
Reserved for infrastructure	--	--	--	--
Reserved for local emergency response planning	--	--	--	--
Reserved for Affordable Housing	--	--	--	--
Reserved for Stadium Capital Repair	--	--	--	--
Reserved for naming rights capital projects	446,180	--	--	--
Reserved for CDBG projects	--	--	285,150	--
Unreserved				
Designated for subsequent year's expenditures	--	--	--	--
Designated for specific projects	--	--	--	--
Designated for incentive program	--	--	--	--
Undesignated (deficit)	(2,661,007)	(63,031)	(1,313,942)	--
Total fund balances (deficits)	<u>(1,752,391)</u>	<u>(63,031)</u>	<u>376,826</u>	<u>2,053,036</u>
Total liabilities and fund balances (deficits)	<u>\$ 2,257,836</u>	<u>\$ 1,672,146</u>	<u>\$ 4,453,972</u>	<u>\$ 2,058,820</u>

(Continued)

Exhibit 9-A  
(Continued)

<u>Infrastructure</u>	<u>Local Emergency Planning Committee</u>	<u>Corpus Christi Community Improvement Corporation</u>	<u>Corpus Christi Housing Finance Corporation</u>	<u>Corpus Christi Industrial Development Corporation</u>	<u>Corpus Christi Crime Control and Prevention District</u>
--	849	--	--	--	--
--	--	16,821,647	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	21,217	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
1,304,341	38,032	1,836,287	533,134	68,470	2,372,309
<u>1,304,341</u>	<u>60,098</u>	<u>18,657,934</u>	<u>533,134</u>	<u>68,470</u>	<u>2,372,309</u>
<u>\$ 1,304,341</u>	<u>\$ 81,959</u>	<u>\$ 18,989,787</u>	<u>\$ 533,659</u>	<u>\$ 68,470</u>	<u>\$ 2,535,670</u>

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
31-Jul-09  
WITH COMPARATIVE TOTALS FOR JULY 31, 2008**

<b>ASSETS</b>	<b>Corpus Christi Business and Job Development Corporation</b>	<b>North Padre Island Development Corporation</b>	<b>Eliminations</b>	<b>2009 Total</b>
Cash and cash equivalents	\$ 4,457,441	\$ 7,137,723	\$ --	\$ 15,367,471
Investments	34,045,083	--	--	36,050,396
Receivables				
Accounts	--	--	--	3,606,015
Taxes	--	--	--	--
Accrued interest	85,162	--	--	88,025
Mortgages and loans	--	--	--	17,141,963
Demolition liens	--	--	--	801,358
Special assessments	--	--	--	8,099
Employees	--	--	--	2,340
Intergovernmental	1,437,597	422	--	6,369,441
Miscellaneous	--	--	--	4,000
Allowance for uncollectibles	--	--	--	(2,445,972)
Net receivables	<u>1,522,759</u>	<u>422</u>	<u>--</u>	<u>25,575,269</u>
Due from other funds	--	--	(3,599,430)	7,586
Prepaid Items	120,048	--	--	582,484
Other assets	--	--	--	57,500
Total assets	<u>\$ 40,145,331</u>	<u>\$ 7,138,145</u>	<u>\$ (3,599,430)</u>	<u>\$ 77,640,706</u>

**LIABILITIES AND FUND BALANCES**

Liabilities				
Accounts payable	\$ 161,068	\$ 281,053	\$ --	\$ 2,636,001
Accrued liabilities	--	--	--	526,480
Contractor interest and retainage payable	--	--	--	--
Deposits	--	--	--	619,704
Due to other funds	--	--	(3,599,430)	--
Deferred revenues				
Demolition liens and other	--	--	--	50,146
Paving assessments	--	--	--	655
Asset seizure and forfeitures	--	--	--	34,311
Grants	--	--	--	2,411,259
Texas Commission on Environmental Quality	--	--	--	46,203
Other	--	--	--	863,866
Total deferred revenues	<u>--</u>	<u>--</u>	<u>--</u>	<u>3,406,440</u>
Notes payable	--	--	--	--
Total liabilities	<u>161,068</u>	<u>281,053</u>	<u>(3,599,430)</u>	<u>7,188,625</u>

(Continued)

**Exhibit 9-A  
(Continued)**

<b>2008</b>	
<b>Actual</b>	
\$	13,562,346
	36,420,250
	3,558,378
	51
	122,139
	17,692,792
	771,995
	8,395
	2,340
	8,121,266
	--
	(2,397,419)
	<u>27,879,937</u>
	100,224
	399,514
	--
<u>\$</u>	<u>78,362,271</u>

\$	2,456,547
	669,041
	66,767
	626,885
	943,360
	105,767
	711
	45,943
	3,142,149
	83,382
	<u>1,110,546</u>
	<u>4,488,498</u>
	<u>9,251,098</u>

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2009  
WITH COMPARATIVE TOTALS FOR JULY 31, 2008**

	<b>Corpus Christi Business and Job Development Corporation</b>	<b>North Padre Island Development Corporation</b>	<b>Eliminations</b>	<b>2009 Total</b>
Fund balances				
Reserved for encumbrances	378,145	282,483	--	1,925,659
Reserved for loans	--	--	--	16,821,647
Reserved for prepaid items	120,048	--	--	582,484
Reserved for debt service	--	1,500,000	--	1,500,000
Reserved for Senior Community Services	--	--	--	19,532
Reserved for law enforcement	--	--	--	121,904
Reserved for Sister City programs	--	--	--	1,150
Reserved for park projects	--	--	--	1,867,198
Reserved for permanent art projects	--	--	--	168,794
Reserved for development projects	--	--	--	15,894
Reserved for infrastructure	--	--	--	--
Reserved for local emergency response planning	--	--	--	--
Reserved for Affordable Housing	1,126,546	--	--	1,126,546
Reserved for Stadium Capital Repair	36,870	--	--	36,870
Reserved for naming rights capital projects	--	--	--	446,180
Reserved for CDBG projects	--	--	--	285,150
Unreserved				
Designated for subsequent year's expenditures	589,663	--	--	610,880
Designated for specific projects	--	--	--	--
Designated for incentive program	--	--	--	--
Undesignated (deficit)	37,732,991	5,074,609	--	44,922,193
Total fund balances (deficits)	<u>39,984,263</u>	<u>6,857,092</u>	<u>--</u>	<u>70,452,081</u>
Total liabilities and fund balances (deficits)	<u>\$ 40,145,331</u>	<u>\$ 7,138,145</u>	<u>\$ (3,599,430)</u>	<u>\$ 77,640,706</u>

**Exhibit 9-A**  
**(Continued)**

**2008**  
**Actual**

---

1,850,251  
17,397,383  
399,514  
1,500,000  
19,532  
158,874  
1,134  
1,903,254  
156,535  
--  
1,314,572  
61,913  
1,137,456  
36,448  
516,000  
--  
2,445,645  
--  
33,000  
40,179,662  

---

69,111,173  

---

  
\$ 78,362,271

**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Visitors Facilities</u>	<u>Hotel Occupancy Tax</u>	<u>Federal/ State Grants</u>	<u>Community Enrichment</u>
<b>Revenues</b>				
Taxes and business fees	\$ --	\$ 10,127,333	\$ --	\$ --
Grants	--	--	13,075,556	--
Charges for services	4,922,655	--	874,672	--
Deposits	--	--	--	--
Contributions and donations	--	--	--	63,235
Earnings on investments	--	(37)	2,253	28,748
Interest on loans	--	--	--	--
Sale of City property	--	--	--	--
Naming rights	175,000	--	--	--
Miscellaneous	--	--	205,521	--
Total revenues	<u>5,097,655</u>	<u>10,127,296</u>	<u>14,158,002</u>	<u>91,983</u>
<b>Expenditures</b>				
Current				
General government	--	--	2,344,008	--
Police and municipal court	--	--	2,470,065	--
Fire and ambulance	--	--	673,094	--
Emergency management	--	--	--	--
Streets	--	--	14,159	--
Solid waste	--	--	42,283	--
Health	--	--	2,234,193	--
Parks and recreation	--	977,385	2,545,703	28,821
Libraries	--	--	612,450	--
Community enrichment	--	920,784	2,070,504	--
Community development	--	--	719,047	--
Convention and visitors activities	4,811,049	7,151,660	189,600	--
Other	--	--	--	--
Capital projects	105,000	--	282,401	125,809
Debt service				
Principal retirement	--	--	--	--
Interest	--	--	--	--
Bond issuance cost	--	--	--	--
Paying agent fees	--	--	--	--
Interest on interfund borrowings	25,593	4,121	--	--
Total expenditures	<u>4,941,642</u>	<u>9,053,950</u>	<u>14,197,507</u>	<u>154,630</u>
Excess (deficiency) of revenues over (under) expenditures	156,013	1,073,346	(39,505)	(62,647)
<b>Other financing sources (uses)</b>				
Proceeds from sale of refunding bonds	--	--	--	--
Payment to escrow agent for refunded bonds	--	--	--	--
Transfers in	881,428	--	330,508	10,097
Transfers out	(82,547)	(2,499,393)	(171,559)	--
Total other financing sources (uses)	<u>798,881</u>	<u>(2,499,393)</u>	<u>158,949</u>	<u>10,097</u>
Net change in fund balance	954,894	(1,426,047)	119,444	(52,550)
Fund balances (deficits) at beginning of year	<u>(2,707,285)</u>	<u>1,363,016</u>	<u>257,382</u>	<u>2,105,586</u>
Fund balances (deficits) at end of year	<u>\$ (1,752,391)</u>	<u>\$ (63,031)</u>	<u>\$ 376,826</u>	<u>\$ 2,053,036</u>

(Continued)

Exhibit 9-B

<u>Infrastructure</u>	<u>Local Emergency Planning Committee</u>	<u>Corpus Christi Community Improvement Corporation</u>	<u>Corpus Christi Housing Finance Corporation</u>	<u>Corpus Christi Industrial Development Corporation</u>	<u>Corpus Christi Crime Control and Prevention District</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 4,982,021
--	--	1,663,864	--	--	--
--	--	70,608	157,527	--	16,008
--	--	--	--	--	--
214,246	59,750	--	--	--	--
14,526	796	9,117	3,753	598	47,081
--	--	73,369	--	--	--
--	--	--	--	--	3,848
--	--	--	--	--	--
--	--	2,725	--	--	--
<u>228,772</u>	<u>60,546</u>	<u>1,819,683</u>	<u>161,280</u>	<u>598</u>	<u>5,048,958</u>
--	--	--	--	--	--
--	--	--	--	--	4,890,305
--	--	--	--	--	--
--	86,728	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	2,245,474	31,441	--	--
--	--	--	--	--	--
--	--	32,963	--	--	--
239,003	--	--	--	--	181,252
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
<u>239,003</u>	<u>86,728</u>	<u>2,278,437</u>	<u>31,441</u>	<u>--</u>	<u>5,071,557</u>
(10,231)	(26,182)	(458,754)	129,839	598	(22,599)
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	(10,361)	--	--	--
--	--	(10,361)	--	--	--
(10,231)	(26,182)	(469,115)	129,839	598	(22,599)
<u>1,314,572</u>	<u>86,280</u>	<u>19,127,049</u>	<u>403,295</u>	<u>67,872</u>	<u>2,394,908</u>
<u>\$ 1,304,341</u>	<u>\$ 60,098</u>	<u>\$ 18,657,934</u>	<u>\$ 533,134</u>	<u>\$ 68,470</u>	<u>\$ 2,372,309</u>

**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<b>Corpus Christi Business and Job Development Corporation</b>	<b>North Padre Island Development Corporation</b>	<b>Eliminations</b>	<b>2009 Total</b>
<b>Revenues</b>				
Taxes and business fees	\$ 16,656,060	\$ 3,601,894	\$ --	\$ 35,367,308
Grants	--	--	--	14,739,420
Charges for services	--	--	--	6,041,470
Deposits	--	--	--	--
Contributions and donations	--	--	--	337,231
Earnings on investments	715,444	24,525	--	846,804
Interest on loans	--	--	--	73,369
Sale of City property	--	--	--	3,848
Naming rights	--	--	--	175,000
Miscellaneous	2,807	--	--	211,053
Total revenue	<u>17,374,311</u>	<u>3,626,419</u>	<u>--</u>	<u>57,795,503</u>
<b>Expenditures</b>				
Current				
General government	108,674	--	--	2,452,682
Police and municipal court	--	--	--	7,360,370
Fire and ambulance	--	--	--	673,094
Emergency management	--	--	--	86,728
Streets	--	--	--	14,159
Solid waste	--	--	--	42,283
Health	--	--	--	2,234,193
Parks and recreation	--	--	--	3,551,909
Libraries	--	--	--	612,450
Community enrichment	--	403,412	--	3,394,700
Community development	1,455,008	--	--	4,450,970
Convention and visitors activities	--	--	--	12,152,309
Other	--	--	--	32,963
Capital projects	721,855	719,622	--	2,374,942
Debt service				
Principal retirement	--	165,000	--	165,000
Interest	--	602,993	--	602,993
Bond issuance costs	--	--	--	--
Paying agent fees	--	16,770	--	16,770
Interest on interfund borrowings	--	--	--	29,714
Total expenditures	<u>2,285,537</u>	<u>1,907,797</u>	<u>--</u>	<u>40,248,229</u>
Excess (deficiency) of revenues over (under) expenditures	15,088,774	1,718,622	--	17,547,274
<b>Other financing sources (uses)</b>				
Refunding bonds issued	--	--	--	--
Payment to escrow agent for refunded bonds	--	--	--	--
Transfers in	--	--	(895,848)	326,185
Transfers out	(14,664,539)	--	895,848	(16,532,551)
Total other financing sources (uses)	<u>(14,664,539)</u>	<u>--</u>	<u>--</u>	<u>(16,206,366)</u>
Net change in fund balances	424,235	1,718,622	--	1,340,908
Fund balances (deficits) at beginning of year	<u>39,560,028</u>	<u>5,138,470</u>	<u>--</u>	<u>69,111,173</u>
Fund balances (deficits) at end of year	<u>\$ 39,984,263</u>	<u>\$ 6,857,092</u>	<u>\$ --</u>	<u>\$ 70,452,081</u>

**Exhibit 9-B**  
**(Continued)**

<b>2008</b>
<b>Actual</b>
\$ 34,816,291
16,926,780
6,036,604
191,724
1,164,166
1,739,533
233,846
12,353
175,000
191,292
<hr/> 61,487,589
2,849,696
7,236,815
572,851
81,378
8,332
29,339
2,163,831
4,017,570
587,668
2,616,560
3,253,807
13,193,524
--
4,467,297
--
888,200
622,079
19,697
--
<hr/> 42,608,644
18,878,945
13,445,000
(12,822,371)
670,263
(11,292,383)
<hr/> (9,999,491)
8,879,454
60,231,719
<hr/>
\$ 69,111,173
<hr/>

Exhibit 10-A

**VISITORS FACILITIES FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2009 AND 2008**

<b>ASSETS</b>	<u><b>2009</b></u>	<u><b>2008</b></u>
Cash and cash equivalents	\$ 1,213,607	\$ 804,953
Receivables		
Accounts	1,945,349	1,898,934
Allowance for uncollectibles	<u>(1,363,556)</u>	<u>(1,387,652)</u>
Net receivables	581,793	511,282
Prepaid Items	<u>462,436</u>	<u>399,514</u>
Total assets	<u><u>\$ 2,257,836</u></u>	<u><u>\$ 1,715,749</u></u>
 <b>LIABILITIES AND FUND BALANCE</b> 		
Liabilities		
Accounts payable	\$ 1,152,450	\$ 1,041,375
Accrued liabilities	206,777	414,530
Deposits	1,150	650
Due to other funds	1,800,984	1,855,933
Deferred revenues		
Other	<u>848,866</u>	<u>1,110,546</u>
Total liabilities	4,010,227	4,423,034
Fund balance		
Reserved for encumbrances	--	160,921
Reserved for prepaid items	462,436	399,514
Reserved for naming rights capital projects	446,180	516,000
Unreserved		
Undesignated (deficit)	<u>(2,661,007)</u>	<u>(3,783,720)</u>
Total fund deficit	<u>(1,752,391)</u>	<u>(2,707,285)</u>
Total liabilities and fund deficit	<u><u>\$ 2,257,836</u></u>	<u><u>\$ 1,715,749</u></u>

**VISITORS FACILITIES FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Budget</u>		<u>2009 Actual</u>	<u>Variance</u>	<u>2008 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
<b>Revenues</b>					
Arena	\$ 4,130,930	\$ 4,130,930	\$ 2,808,360	\$ (1,322,570)	\$ 3,263,385
Convention center services	5,919,695	5,919,695	2,038,685	(3,881,010)	1,907,164
Multicultural center rentals	38,970	40,153	40,153	--	34,582
Pavillion rentals	12,570	12,515	12,515	--	12,672
Heritage park maintenance contract	25,356	22,942	22,942	--	22,754
Total charges for services	<u>10,127,521</u>	<u>10,126,235</u>	<u>4,922,655</u>	<u>(5,203,580)</u>	<u>5,240,557</u>
Naming rights for American Bank Center	175,000	175,000	175,000	--	175,000
Total revenues	<u>10,302,521</u>	<u>10,301,235</u>	<u>5,097,655</u>	<u>(5,203,580)</u>	<u>5,415,557</u>
<b>Expenditures</b>					
Current					
Arena	4,987,136	5,096,094	3,464,070	1,632,024	4,415,962
Auditorium/convention center	4,372,932	4,372,932	539,826	3,833,106	1,422,266
Bayfront Arts and Science Park	492,968	500,361	498,022	2,339	514,571
Harbor Playhouse	--	--	23,645	(23,645)	24,760
Water garden	158,707	313,277	233,412	79,865	441,299
Cultural facility maintenance	76,896	71,896	52,074	19,822	91,064
Capital projects	--	--	105,000	(105,000)	8,550
Interest on interfund borrowings	100,000	100,000	25,593	74,407	53,194
Total expenditures	<u>10,188,639</u>	<u>10,454,560</u>	<u>4,941,642</u>	<u>5,512,918</u>	<u>6,971,666</u>
Deficiency of revenues under expenditures	113,882	(153,325)	156,013	309,338	(1,556,109)
<b>Other financing sources (uses)</b>					
Transfers in	776,428	881,428	881,428	--	1,294,523
Transfers out	(82,547)	(82,547)	(82,547)	--	(272,526)
Total other financing sources	<u>693,881</u>	<u>798,881</u>	<u>798,881</u>	<u>--</u>	<u>1,021,997</u>
Net change in fund balance	807,763	645,556	954,894	309,338	(534,112)
Fund deficit beginning of year	<u>(2,106,826)</u>	<u>(2,707,285)</u>	<u>(2,707,285)</u>	<u>--</u>	<u>(2,173,173)</u>
Fund deficit end of year	<u>\$ (1,299,063)</u>	<u>\$ (2,061,729)</u>	<u>\$ (1,752,391)</u>	<u>\$ 309,338</u>	<u>\$ (2,707,285)</u>

**HOTEL OCCUPANCY TAX FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 85,513	\$ 4,328
Receivables		
Accounts	1,587,738	1,620,932
Allowance for uncollectibles	(1,105)	(38,106)
Net receivables	<u>1,586,633</u>	<u>1,582,826</u>
Total assets	<u>\$ 1,672,146</u>	<u>\$ 1,587,154</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 180,000	\$ 301
Due to other funds	1,555,177	223,837
Total liabilities	<u>1,735,177</u>	<u>224,138</u>
Fund balance		
Unreserved		
Designated for subsequent year's expenditures	--	1,066,227
Designated for incentive program	--	33,000
Undesignated	<u>(63,031)</u>	<u>263,789</u>
Total fund balance	<u>(63,031)</u>	<u>1,363,016</u>
Total liabilities and fund balance	<u>\$ 1,672,146</u>	<u>\$ 1,587,154</u>

**HOTEL OCCUPANCY TAX FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Budget</u>		<u>2009 Actual</u>	<u>Variance</u>	<u>2008 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
<b>Revenues</b>					
Hotel occupancy tax	\$ 8,120,242	\$ 8,120,242	\$ 7,877,067	\$ (243,175)	\$ 8,035,670
Hotel occupancy tax-Convention expansion	2,317,666	2,317,666	2,250,266	(67,400)	2,301,672
Total hotel occupancy taxes	10,437,908	10,437,908	10,127,333	(310,575)	10,337,342
Earnings on investments	--	--	(37)	(37)	--
Total revenues	10,437,908	10,437,908	10,127,296	(310,612)	10,337,342
<b>Expenditures</b>					
Current					
Beach cleaning	1,055,520	1,055,520	977,385	78,135	1,054,464
Special Events	200,004	200,004	200,004	--	--
Art Museum of South Texas	340,600	340,600	340,600	--	340,600
Multicultural services support	142,152	142,152	134,774	7,378	114,132
Jazz festival	10,000	10,000	10,000	--	10,000
Arts grants and projects	73,433	73,433	63,336	10,097	86,791
Harbor Playhouse	45,070	45,070	45,070	--	45,070
Center for Hispanic Arts	15,000	15,000	15,000	--	15,000
Asian Cultures Museum	30,000	30,000	30,000	--	30,000
Arts Community Center	30,000	30,000	30,000	--	30,000
Botanical Gardens	20,000	20,000	20,000	--	20,000
Instituto de Cultura Hispanica	20,000	20,000	20,000	--	20,000
Corpus Christi Symphony	12,000	12,000	12,000	--	12,000
Convention and visitors activities					
Convention center/auditorium	3,850,000	3,850,000	3,850,000	--	3,424,750
Convention and Visitors Bureau-convention promotion	3,138,060	3,138,060	3,301,660	(163,600)	2,795,486
Interest on interfund borrowings	--	--	4,121	(4,121)	10,172
Total expenditures	8,981,839	8,981,839	9,053,950	(72,111)	8,008,465
Excess of revenues over expenditures	1,456,069	1,456,069	1,073,346	(382,723)	2,328,877
<b>Other financing sources (uses)</b>					
Transfers out	(2,489,296)	(2,489,296)	(2,499,393)	(10,097)	(1,891,357)
Net change in fund balance	(1,033,227)	(1,033,227)	(1,426,047)	(392,820)	437,520
Fund balance at beginning of year	1,201,112	1,363,016	1,363,016	--	925,496
Fund balance at end of year	<u>\$ 167,885</u>	<u>\$ 329,789</u>	<u>\$ (63,031)</u>	<u>\$ (392,820)</u>	<u>\$ 1,363,016</u>

Exhibit 12-A

**FEDERAL/STATE GRANTS FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2009 AND 2008**

<b>ASSETS</b>	<b>2009</b>	<b>2008</b>
Cash and cash equivalents	\$ --	\$ 511,358
Receivables		
Accounts	72,886	18,672
Demolition liens	801,358	771,995
Special assessments	8,099	8,395
Employees	2,340	2,340
Intergovernmental	4,226,669	5,818,199
Miscellaneous	4,000	--
Allowance for uncollectibles	(760,995)	(676,252)
Net receivables	4,354,357	5,943,349
Due from other funds	42,115	--
Other Assets	57,500	--
Total assets	<u>\$ 4,453,972</u>	<u>\$ 6,454,707</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 672,009	\$ 1,158,128
Accrued liabilities	317,555	252,640
Contractor interest and retainage payable	--	66,767
Deposits	343,854	398,478
Due to other funds	201,154	943,360
Deferred revenues		
Demolition liens and other	50,146	105,767
Paving assessments	655	711
Asset seizure and forfeitures	34,311	45,943
Grants	2,411,259	3,142,149
Texas Commission on Environmental Quality	46,203	83,382
Total deferred revenues	2,542,574	3,377,952
Notes payable	--	--
Total liabilities	<u>4,077,146</u>	<u>6,197,325</u>
Fund balance		
Reserved for encumbrances	1,264,182	608,973
Reserved for senior community services	19,532	19,532
Reserved for law enforcement		
State forfeitures	57,856	71,519
Federal forfeitures	50,959	59,821
Officers' standards and education	13,089	27,534
Airport Law enforcement officers' standards and education	--	--
Total reserved for law enforcement	121,904	158,874
Reserved for latchkey programs	--	(529,997)
Reserved for CDBG projects	285,150	--
Unreserved (deficit)		
Undesignated (deficit)	(1,313,942)	--
Total fund balance	<u>376,826</u>	<u>257,382</u>
Total liabilities and fund balances	<u>\$ 4,453,972</u>	<u>\$ 6,454,707</u>

**FEDERAL/STATE GRANTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
FROM INCEPTION AND FOR THE YEAR ENDED JULY 31, 2009**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
<b>Revenues</b>				
Grants				
State of Texas	\$ 19,052,971	\$ 11,439,480	\$ 5,974,415	\$ 17,413,895
Federal Government	20,878,486	10,529,244	5,272,799	15,802,043
Coastal Bend Council of Governments	866,350	8,846	849,674	858,520
Drug forfeitures				
State	641,390	334,038	276,390	610,428
Federal	578,849	103,719	363,849	467,568
Local grants and contributions	781,319	380,156	338,429	718,585
Total grants	<u>42,799,365</u>	<u>22,795,483</u>	<u>13,075,556</u>	<u>35,871,039</u>
Charges for services	1,198,721	267,949	874,672	1,142,621
Earnings on investments	182,401	180,148	2,253	182,401
Miscellaneous	<u>324,709</u>	<u>119,188</u>	<u>205,521</u>	<u>324,709</u>
Total revenue	44,505,196	23,362,768	14,158,002	37,520,770
<b>Expenditures</b>				
Current				
General government	4,128,961	1,256,521	2,344,008	3,600,529
Police and municipal court	4,981,506	1,491,330	2,470,065	3,961,395
Fire and ambulance	5,357,696	3,021,949	673,094	3,695,043
Streets	8,227,116	7,146,982	14,159	7,161,141
Solid waste	64,260	2,997	42,283	45,280
Health	4,201,302	1,572,959	2,234,193	3,807,152
Parks and recreation	6,046,042	2,576,918	2,545,703	5,122,621
Libraries	1,452,965	813,796	612,450	1,426,246
Community enrichment	6,648,458	3,336,940	2,070,504	5,407,444
Community development	1,373,875	393,649	719,047	1,112,696
Museum	189,600	--	189,600	189,600
Capital projects	2,233,662	1,803,182	282,401	2,085,583
Total expenditures	<u>44,905,443</u>	<u>23,417,223</u>	<u>14,197,507</u>	<u>37,614,730</u>
Deficiency of revenues under expenditures	(400,247)	(54,455)	(39,505)	(93,960)
<b>Other financing sources (uses)</b>				
Transfers in				
Corpus Christi Community Improvement Corporation	9,359	5,036	4,323	9,359
General fund	<u>777,447</u>	<u>451,262</u>	<u>326,185</u>	<u>777,447</u>
Total transfers in	786,806	456,298	330,508	786,806
Transfers out				
General fund	<u>(386,559)</u>	<u>(144,461)</u>	<u>(171,559)</u>	<u>(316,020)</u>
Total transfers out	<u>(386,559)</u>	<u>(144,461)</u>	<u>(171,559)</u>	<u>(316,020)</u>
Total other financing sources	<u>400,247</u>	<u>311,837</u>	<u>158,949</u>	<u>470,786</u>
Net change in fund balance	<u>\$ --</u>	<u>\$ 257,382</u>	119,444	<u>\$ 376,826</u>
Fund balance at beginning of year			<u>257,382</u>	
Fund balance at end of year			<u>\$ 376,826</u>	

Exhibit 13-A

**COMMUNITY ENRICHMENT FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 7,000	\$ --
Investments	--	1,000,000
Receivables		
Accrued interest	--	13,361
Due from other funds	2,051,820	1,117,761
Total assets	<u>\$ 2,058,820</u>	<u>\$ 2,131,122</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 5,784	\$ 25,536
Fund balance		
Reserved for encumbrances	--	44,663
Reserved for sister city programs	1,150	1,134
Reserved for park projects	1,867,198	1,903,254
Reserved for permanent art projects	168,794	156,535
Reserved for development projects	15,894	--
Total fund balance	<u>2,053,036</u>	<u>2,105,586</u>
 Total liabilities and fund balance	 <u>\$ 2,058,820</u>	 <u>\$ 2,131,122</u>

Exhibit 13-B

**COMMUNITY ENRICHMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Revenues</b>		
Contributions and donations	\$ 63,235	\$ 373,755
Earnings on investments	28,748	70,403
Total revenues	<u>91,983</u>	<u>444,158</u>
<b>Expenditures</b>		
Current		
Parks and recreation	28,821	100,620
Capital projects	125,809	334,965
Total expenditures	<u>154,630</u>	<u>435,585</u>
Excess of revenues over expenditures	(62,647)	8,573
<b>Other financing sources</b>		
Transfers in	<u>10,097</u>	<u>4,709</u>
Net change in fund balance	(52,550)	13,282
Fund balance at beginning of year	<u>2,105,586</u>	<u>2,092,304</u>
Fund balance at end of year	<u><u>\$ 2,053,036</u></u>	<u><u>\$ 2,105,586</u></u>

**INFRASTRUCTURE FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2009 AND 2008**

<b>ASSETS</b>	<u>2009</u>	<u>2008</u>
Cash and cash equivalents	\$ --	\$ 355,063
Due from other funds	1,304,341	962,009
Total assets	<u>\$ 1,304,341</u>	<u>\$ 1,317,072</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Deposits	\$ --	\$ 2,500
Fund balance		
Unreserved		
Undesignated	<u>1,304,341</u>	<u>1,314,572</u>
Total liabilities and fund balance	<u>\$ 1,304,341</u>	<u>\$ 1,317,072</u>

Exhibit 14-B

**INFRASTRUCTURE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Revenues</b>		
Deposits	\$       --	\$  191,724
Contributions and donations	214,246	660,886
Earnings on investments	14,526	19,962
Total revenues	<u>228,772</u>	<u>872,572</u>
 <b>Expenditures</b>		
Current		
Capital projects	<u>239,003</u>	<u>760,087</u>
Net change in fund balance	(10,231)	112,485
Fund balance at beginning of year	<u>1,314,572</u>	<u>1,202,087</u>
Fund balance at end of year	<u><u>\$ 1,304,341</u></u>	<u><u>\$ 1,314,572</u></u>

Exhibit 15-A

**LOCAL EMERGENCY PLANNING COMMITTEE  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 81,959	\$ 95,714
Total assets	<u>\$ 81,959</u>	<u>\$ 95,714</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 4,713	\$ 7,563
Accrued liabilities	2,148	1,871
Deferred revenues		
Other	15,000	--
Total liabilities	<u>21,861</u>	<u>9,434</u>
Fund balance		
Reserved for encumbrances	849	--
Unreserved		
Designated for subsequent year's expenditures	21,217	24,367
Undesignated	38,032	61,913
Total fund balance	<u>60,098</u>	<u>86,280</u>
Total liabilities and fund balance	<u>\$ 81,959</u>	<u>\$ 95,714</u>

**LOCAL EMERGENCY PLANNING COMMITTEE**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	Budget		2009 Actual	Variance Final Budget Positive (Negative)	2008 Actual
	Original	Final			
<b>Revenues</b>					
Contributions and donations	\$ 70,000	\$ 70,000	\$ 59,750	\$ (10,250)	\$ 129,525
Earnings on investments	828	828	796	(32)	2,537
Total revenues	70,828	70,828	60,546	(10,282)	132,062
<b>Expenditures</b>					
Current					
Emergency management	95,195	94,452	86,728	7,724	81,378
Other	--	743	--	743	--
Total expenditures	95,195	95,195	86,728	8,467	81,378
Net change in fund balance	(24,367)	(24,367)	(26,182)	(1,815)	50,684
Fund balance at beginning of year	--	86,280	86,280	--	35,596
Fund balance at end of year	\$ (24,367)	\$ 61,913	\$ 60,098	\$ (1,815)	\$ 86,280

**CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,696,626	\$ 1,669,481
Receivables		
Mortgages and loans	17,141,963	17,692,792
Intergovernmental	262,774	213,562
Allowance for uncollectibles	<u>(320,316)</u>	<u>(295,409)</u>
Net receivables	17,084,421	17,610,945
Due from other funds	<u>208,740</u>	<u>100,224</u>
Total assets	<u><u>\$ 18,989,787</u></u>	<u><u>\$ 19,380,650</u></u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 15,038	\$ 25,844
Deposits	274,700	225,257
Due to other funds	<u>42,115</u>	<u>2,500</u>
Total liabilities	331,853	253,601
Fund balance		
Reserved for loans	16,821,647	17,397,383
Unreserved		
Undesignated	<u>1,836,287</u>	<u>1,729,666</u>
Total fund balance	<u><u>18,657,934</u></u>	<u><u>19,127,049</u></u>
 Total liabilities and fund balance	 <u><u>\$ 18,989,787</u></u>	 <u><u>\$ 19,380,650</u></u>

Exhibit 16-B

**CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Revenues</b>		
Federal Government	\$ 1,663,864	\$ 1,408,347
Charges for services	70,608	99,576
Earnings on investments	9,117	35,793
Interest on loans	73,369	233,846
Miscellaneous	2,725	2,802
Total revenues	<u>1,819,683</u>	<u>1,780,364</u>
<b>Expenditures</b>		
Current		
Community development		
Grants	622,297	588,329
Warranty costs	6,327	--
Administration costs	105,696	161,584
Forgiven and uncollectible loans	1,511,154	1,100,569
Other	32,963	--
Total expenditures	<u>2,278,437</u>	<u>1,850,482</u>
Excess (deficiency) of revenues over (under) expenditures	(458,754)	(70,118)
<b>Other financing uses</b>		
Transfers out	(10,361)	(17,317)
Total other financing uses	<u>(10,361)</u>	<u>(17,317)</u>
Net change in fund balance	(469,115)	(87,435)
Fund balance at beginning of year	<u>19,127,049</u>	<u>19,214,484</u>
Fund balance at end of year	<u>\$ 18,657,934</u>	<u>\$ 19,127,049</u>

Exhibit 17-A

**CORPUS CHRISTI HOUSING FINANCE CORPORATION  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 533,659	\$ 403,970
Total assets	<u>\$ 533,659</u>	<u>\$ 403,970</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 525	\$ 675
Total liabilities	<u>525</u>	<u>675</u>
Fund balance		
Unreserved		
Undesignated	<u>533,134</u>	<u>403,295</u>
Total liabilities and fund balance	<u>\$ 533,659</u>	<u>\$ 403,970</u>

Exhibit 17-B

**CORPUS CHRISTI HOUSING FINANCE CORPORATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Revenues</b>		
Charges for services	\$ 157,527	\$ 68,422
Earnings on investments	3,753	12,482
Total revenues	<u>161,280</u>	<u>80,904</u>
<b>Expenditures</b>		
Current		
Community development	<u>31,441</u>	<u>31,640</u>
Excess of revenues over expenditures	<u>129,839</u>	<u>49,264</u>
Net change in fund balance	129,839	49,264
Fund balance at beginning of year	<u>403,295</u>	<u>354,031</u>
Fund balance at end of year	<u><u>\$ 533,134</u></u>	<u><u>\$ 403,295</u></u>

Exhibit 18-A

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 68,470	\$ 67,872
Total assets	<u>\$ 68,470</u>	<u>\$ 67,872</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities	\$ --	\$ --
Fund balance		
Unreserved		
Undesignated	<u>68,470</u>	<u>67,872</u>
Total liabilities and fund balance	<u>\$ 68,470</u>	<u>\$ 67,872</u>

Exhibit 18-B

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JULY 31, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>Revenues</b>		
Earnings on investments	\$ 598	\$ 2,404
Net change in fund balance	598	2,404
Fund balance at beginning of year	67,872	65,468
Fund balance at end of year	\$ 68,470	\$ 67,872

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
SCHEDULE OF NET ASSETS  
JULY 31, 2009**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Net Assets</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 85,473	\$ --	\$ 85,473
Investments	2,005,313	--	2,005,313
Receivables			
Accounts	42	--	42
Accrued interest	2,863	--	2,863
Intergovernmental	441,979	--	441,979
Net receivables	444,884	--	444,884
Total assets	<u>\$ 2,535,670</u>	<u>--</u>	<u>2,535,670</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 163,361	--	163,361
Accumulated unpaid compensated absences			
Due within one year	--	217,039	217,039
Due in more than one year	--	244,496	244,496
Total liabilities	<u>163,361</u>	<u>461,535</u>	<u>624,896</u>
<b>FUND BALANCE</b>			
Unreserved			
Undesignated	2,372,309	(2,372,309)	--
Total fund balance	<u>2,372,309</u>	<u>(2,372,309)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 2,535,670</u>		
<b>NET ASSETS</b>			
Restricted for			
Crime control and prevention		1,910,774	1,910,774
Total net assets		<u>\$ 1,910,774</u>	<u>\$ 1,910,774</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
SCHEDULE OF ACTIVITIES  
YEAR ENDED JULY 31, 2009**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Activities</b>
<b>Expenditures/expenses</b>			
Public safety	\$ 4,890,305	\$ 44,533	\$ 4,934,838
Capital projects	181,252	(181,252)	--
Total expenditures/expenses	<u>5,071,557</u>	<u>(136,719)</u>	<u>4,934,838</u>
<b>General revenue</b>			
Sales tax	4,982,021	--	4,982,021
Juvenile drug testing	16,008	--	16,008
Earnings on investments	47,081	--	47,081
Sale of City property	3,848	--	3,848
<b>Other financing sources (uses)</b>			
Transfers out	--	(181,252)	(181,252)
Total general revenue and other financing uses	<u>5,048,958</u>	<u>(181,252)</u>	<u>4,867,706</u>
Excess of revenues over expenditures and other financing uses	(22,599)	22,599	--
Change in net assets	--	(67,132)	(67,132)
Fund balance/net assets beginning of year	<u>2,394,908</u>	<u>(417,002)</u>	<u>1,977,906</u>
Fund balance/net assets end of year	<u>\$ 2,372,309</u>	<u>\$ (461,535)</u>	<u>\$ 1,910,774</u>

Exhibit 19-C

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 85,473	\$ 1,040,895
Investments	2,005,313	1,000,000
Receivables		
Accounts	42	156
Accrued interest	2,863	6,611
Intergovernmental	441,979	484,233
Net receivables	<u>444,884</u>	<u>491,000</u>
Total assets	<u>\$ 2,535,670</u>	<u>\$ 2,531,895</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 163,361	\$ 136,987
Fund balance		
Unreserved		
Designated for subsequent year's expenditures	--	189,722
Undesignated	<u>2,372,309</u>	<u>2,205,186</u>
Total fund balance	<u>2,372,309</u>	<u>2,394,908</u>
Total liabilities and fund balance	<u>\$ 2,535,670</u>	<u>\$ 2,531,895</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Budget</u>		<u>2009 Actual</u>	<u>Variance</u>	<u>2008 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
<b>Revenues</b>					
Sales tax	\$ 4,952,730	\$ 4,952,730	\$ 4,982,021	\$ 29,291	\$ 4,997,916
Juvenile drug testing	16,000	16,000	16,008	8	13,894
Earnings on investments	62,320	62,320	47,081	(15,239)	82,183
Sale of City property	--	--	3,848	3,848	12,353
Total revenue	<u>5,031,050</u>	<u>5,031,050</u>	<u>5,048,958</u>	<u>17,908</u>	<u>5,106,346</u>
<b>Expenditures</b>					
Current					
Police officers	4,225,677	4,345,626	4,135,646	209,980	4,117,070
Pawn shop detail	164,407	166,207	130,859	35,348	158,354
Juvenile Curfew & Truancy Assessment Center	385,956	385,956	323,133	62,823	356,934
Citizens advisory council	10,500	10,500	3,491	7,009	9,902
Public safety vehicles and equipment	--	13,000	9,534	3,466	--
Juvenile City marshals	180,536	199,600	178,140	21,460	158,420
Graffiti Eradication Program	108,536	121,044	109,502	11,542	53,727
Capital projects	145,160	199,588	181,252	18,336	128,087
Total expenditures	<u>5,220,772</u>	<u>5,441,521</u>	<u>5,071,557</u>	<u>369,964</u>	<u>4,982,494</u>
Net change in fund balance	(189,722)	(410,471)	(22,599)	387,872	123,852
Fund balance at beginning of year	<u>2,244,724</u>	<u>2,394,908</u>	<u>2,394,908</u>	<u>--</u>	<u>2,271,056</u>
Fund balance at end of year	<u>\$ 2,055,002</u>	<u>\$ 1,984,437</u>	<u>\$ 2,372,309</u>	<u>\$ 387,872</u>	<u>\$ 2,394,908</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION**  
**SCHEDULE OF NET ASSETS**  
**JULY 31, 2009**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Net Assets</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 8,263,493	\$ --	\$ 8,263,493
Investments	36,047,298	--	36,047,298
Receivables			
Accrued interest	86,577	--	86,577
Intergovernmental	1,437,597	--	1,437,597
Net receivables	1,524,174	--	1,524,174
Prepaid Items	120,048	--	120,048
Bond issuance cost	--	768,407	768,407
Total assets	<u>\$ 45,955,013</u>	<u>768,407</u>	<u>46,723,420</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 161,068	--	161,068
Accrued interest	--	1,983,468	1,983,468
Long-term debt			
Due within one year	--	3,995,000	3,995,000
Due in more than one year	--	95,339,356	95,339,356
Total liabilities	<u>161,068</u>	<u>101,317,824</u>	<u>101,478,892</u>
<b>FUND BALANCE</b>			
Reserved for encumbrances	378,145	(378,145)	--
Reserved for prepaid items	120,048	(120,048)	--
Reserved for debt service	5,296,266	(5,296,266)	--
Reserved for Affordable Housing	1,126,546	(1,126,546)	--
Reserved for Stadium Capital Repair	36,870	(36,870)	--
Unreserved			
Designated for subsequent years' expenditures	589,663	(589,663)	--
Undesignated	38,246,407	(38,246,407)	--
Total fund balance	<u>45,793,945</u>	<u>(45,793,945)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 45,955,013</u>		
<b>NET ASSETS (LIABILITIES)</b>			
Restricted for			
Bond interest and redemption		5,296,266	5,296,266
Unrestricted		<u>(60,051,738)</u>	<u>(60,051,738)</u>
Total net liabilities		<u>\$ (54,755,472)</u>	<u>\$ (54,755,472)</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
SCHEDULE OF ACTIVITIES  
YEAR ENDED JULY 31, 2009**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Activities</b>
<b>Expenditures/expenses</b>			
General government	\$ 108,674	\$ --	\$ 108,674
Community development	1,455,008	--	1,455,008
Capital projects	739,925	(739,925)	--
Debt service			
Principal retirement	4,220,000	(4,220,000)	--
Interest	4,855,011	(156,926)	4,698,085
Paying agent fees	2,639	(2,639)	--
Total expenditures/expenses	<u>11,381,257</u>	<u>(5,119,490)</u>	<u>6,261,767</u>
<b>General revenues</b>			
Sales tax	16,656,060	--	16,656,060
Earnings on investments	726,549	--	726,549
Claim settlement	3,618	--	3,618
Miscellaneous	2,807	--	2,807
<b>Other financing uses</b>			
Transfers out	(881,428)	(739,925)	(1,621,353)
Total general revenues and other financing uses	<u>16,507,606</u>	<u>(739,925)</u>	<u>15,767,681</u>
Excess of revenues over expenditures and other financing uses	5,126,349	(5,126,349)	--
Change in net assets	--	9,505,914	9,505,914
Fund balance/net liabilities beginning of year	<u>40,667,596</u>	<u>(104,928,982)</u>	<u>(64,261,386)</u>
Fund balance/net liabilities end of year	<u>\$ 45,793,945</u>	<u>\$ (100,549,417)</u>	<u>\$ (54,755,472)</u>
	--		--

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION**  
**BALANCE SHEETS**  
**JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR JULY 31, 2008**

ASSETS	Special Revenue		
	Seawall Improvement	Arena Facility	Economic Development
Cash and cash equivalents	\$ 1,046,925	\$ 1,700,563	\$ 1,709,953
Investments	16,025,965	8,014,715	10,004,403
Receivables			
Accounts	--	--	--
Accrued interest	65,093	10,265	9,804
Intergovernmental	479,199	479,199	479,199
Net receivables	544,292	489,464	489,003
Due from other funds	--	--	--
Prepaid items	--	--	120,048
Total assets	\$ 17,617,182	\$ 10,204,742	\$ 12,323,407
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 33,400	\$ --	\$ 127,668
Fund balances			
Reserved for encumbrances	378,145	--	--
Reserved for prepaid items	--	--	120,048
Reserved for debt service	--	--	--
Reserved for Affordable Housing	--	--	1,126,546
Reserved for Stadium Capital Repair	--	--	36,870
Unreserved			
Designated for subsequent years' expenditures	--	--	589,663
Designated for specific projects	--	--	--
Undesignated	17,205,637	10,204,742	10,322,612
Total fund balance	17,583,782	10,204,742	12,195,739
Total liabilities and fund balances	\$ 17,617,182	\$ 10,204,742	\$ 12,323,407

Exhibit 20-C

Debt Service			Capital Projects		2009 Total	2008 Total
Seawall	Arena	Economic Development	Seawall	Arena		
\$ 366,424	\$ 1,176,451	\$ 1,749,761	\$ 508,464	\$ 4,952	\$ 8,263,493	\$ 4,572,218
997,840	1,004,375	--	--	--	36,047,298	34,420,250
--	--	--	--	--	--	19,684
115	1,300	--	--	--	86,577	93,892
--	--	--	--	--	1,437,597	1,605,272
115	1,300	--	--	--	1,524,174	1,718,848
--	--	--	--	--	--	2,500
--	--	--	--	--	120,048	--
<u>\$ 1,364,379</u>	<u>\$ 2,182,126</u>	<u>\$ 1,749,761</u>	<u>\$ 508,464</u>	<u>\$ 4,952</u>	<u>\$ 45,955,013</u>	<u>\$ 40,713,816</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 161,068	\$ 46,220
--	--	--	--	--	378,145	723,428
--	--	--	--	--	120,048	--
1,364,379	2,182,126	1,749,761	--	--	5,296,266	579,700
--	--	--	--	--	1,126,546	1,137,456
--	--	--	--	--	36,870	36,448
--	--	--	--	--	589,663	1,355,051
--	--	--	--	--	--	63
--	--	--	508,464	4,952	38,246,407	36,835,450
<u>1,364,379</u>	<u>2,182,126</u>	<u>1,749,761</u>	<u>508,464</u>	<u>4,952</u>	<u>45,793,945</u>	<u>40,667,596</u>
<u>\$ 1,364,379</u>	<u>\$ 2,182,126</u>	<u>\$ 1,749,761</u>	<u>\$ 508,464</u>	<u>\$ 4,952</u>	<u>\$ 45,955,013</u>	<u>\$ 40,713,816</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<b>Special Revenue</b>		
	<b>Seawall Improvement</b>	<b>Arena Facility</b>	<b>Economic Development</b>
<b>Revenues</b>			
Sales tax	\$ 5,552,020	5,552,020	\$ 5,552,020
Earnings (loss) on investments	339,507	166,394	209,543
Claim settlement	--	--	--
Miscellaneous	--	--	2,807
Total revenue	<u>5,891,527</u>	<u>5,718,414</u>	<u>5,764,370</u>
<b>Expenditures</b>			
Current			
General government	\$ 39,172	\$ 15,000	\$ 54,502
Community development	--	--	1,455,008
Capital projects	721,855	--	--
Debt service			
Principal retirement	--	--	--
Interest	--	--	--
Paying agent fees	--	--	--
Total expenditures	<u>761,027</u>	<u>15,000</u>	<u>1,509,510</u>
Excess (deficiency) of revenues over (under) expenditures	5,130,500	5,703,414	4,254,860
<b>Other financing sources (uses)</b>			
Transfers in	--	--	--
Transfers out	(4,252,481)	(6,377,208)	(4,034,850)
Total other financing sources (uses)	<u>(4,252,481)</u>	<u>(6,377,208)</u>	<u>(4,034,850)</u>
Net change in fund balances	878,019	(673,794)	220,010
Fund balances at beginning of year	<u>16,705,763</u>	<u>10,878,536</u>	<u>11,975,729</u>
Fund balances at end of year	<u>\$ 17,583,782</u>	<u>\$ 10,204,742</u>	<u>\$ 12,195,739</u>

Exhibit 20-D

Debt Service			Capital Project		2009	2008
Seawall	Arena	Economic Development	Seawall	Arena	Total	Total
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 16,656,060	\$ 16,629,438
4,932	6,361	(188)	--	--	726,549	1,396,339
--	--	--	3,618	--	3,618	--
--	--	--	--	--	2,807	--
<u>4,932</u>	<u>6,361</u>	<u>(188)</u>	<u>3,618</u>	<u>--</u>	<u>17,389,034</u>	<u>18,025,777</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 108,674	\$ 201,363
--	--	--	--	--	1,455,008	730,955
--	--	--	18,070	--	739,925	425,417
1,275,000	1,375,000	1,570,000	--	--	4,220,000	3,995,000
1,971,981	2,164,180	718,850	--	--	4,855,011	4,984,112
1,139	1,500	--	--	--	2,639	3,440
<u>3,248,120</u>	<u>3,540,680</u>	<u>2,288,850</u>	<u>18,070</u>	<u>--</u>	<u>11,381,257</u>	<u>10,340,287</u>
(3,243,188)	(3,534,319)	(2,289,038)	(14,452)	--	6,007,777	7,685,490
4,252,481	5,495,780	4,034,850	--	--	13,783,111	8,982,898
--	--	--	--	--	(14,664,539)	(9,776,833)
<u>4,252,481</u>	<u>5,495,780</u>	<u>4,034,850</u>	<u>--</u>	<u>--</u>	<u>(881,428)</u>	<u>(793,935)</u>
1,009,293	1,961,461	1,745,812	(14,452)	--	5,126,349	6,891,555
355,086	220,665	3,949	522,916	4,952	40,667,596	33,776,041
<u>\$ 1,364,379</u>	<u>\$ 2,182,126</u>	<u>\$ 1,749,761</u>	<u>\$ 508,464</u>	<u>\$ 4,952</u>	<u>\$ 45,793,945</u>	<u>\$ 40,667,596</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
SEAWALL IMPROVEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JULY 31, 2009  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	Budget		2009 Actual	Variance	2008 Actual
	Original	Final		Final Budget Positive (Negative)	
<b>Revenues</b>					
Sales tax	\$ 5,670,444	\$ 5,670,444	\$ 5,552,020	\$ (118,424)	\$ 5,543,146
Earnings on investments	256,765	256,765	339,507	82,742	614,686
Total revenue	5,927,209	5,927,209	5,891,527	(35,682)	6,157,832
<b>Expenditures</b>					
Current					
General government	15,000	48,400	39,172	9,228	4,440
Capital projects	--	1,100,000	721,855	378,145	--
Total expenditures	15,000	1,148,400	761,027	387,373	4,440
Excess of revenues over expenditures	5,912,209	4,778,809	5,130,500	351,691	6,153,392
<b>Other financing sources</b>					
Transfers out	(4,252,481)	(4,252,481)	(4,252,481)	--	(3,205,881)
Net change in fund balance	1,659,728	526,328	878,019	351,691	2,947,511
Fund balance at beginning of year	16,573,955	16,705,763	16,705,763	--	13,758,252
Fund balance at end of year	\$ 18,233,683	\$ 17,232,091	\$ 17,583,782	\$ 351,691	\$ 16,705,763

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
ARENA FACILITY FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JULY 31, 2009  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Budget</u>		<u>2009 Actual</u>	<u>Variance Final Budget Positive (Negative)</u>	<u>2008 Actual</u>
	<u>Original</u>	<u>Final</u>			
<b>Revenues</b>					
Sales tax	\$ 5,670,444	\$ 5,670,444	\$ 5,552,020	\$ (118,424)	\$ 5,543,146
Earnings on investments	172,550	172,550	166,394	(6,156)	355,790
Total revenue	<u>5,842,994</u>	<u>5,842,994</u>	<u>5,718,414</u>	<u>(124,580)</u>	<u>5,898,936</u>
<b>Expenditures</b>					
Current					
General government	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>--</u>	<u>9,469</u>
Excess of revenues over expenditures	5,827,994	5,827,994	5,703,414	(124,580)	5,889,467
<b>Other financing sources</b>					
Transfers out	<u>(6,272,208)</u>	<u>(6,377,208)</u>	<u>(6,377,208)</u>	<u>--</u>	<u>(4,284,477)</u>
Net change in fund balance	(444,214)	(549,214)	(673,794)	(124,580)	1,604,990
Fund balance at beginning of year	<u>10,789,284</u>	<u>10,878,536</u>	<u>10,878,536</u>	<u>--</u>	<u>9,273,546</u>
Fund balance at end of year	<u>\$ 10,345,070</u>	<u>\$ 10,329,322</u>	<u>\$ 10,204,742</u>	<u>\$ (124,580)</u>	<u>\$ 10,878,536</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
ECONOMIC DEVELOPMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JULY 31, 2009  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	Budget		2009 Actual	Variance	2008 Actual
	Original	Final		Final Budget Positive (Negative)	
<b>Revenues</b>					
Sales tax	\$ 5,670,444	\$ 5,670,444	\$ 5,552,020	\$ (118,424)	\$ 5,543,146
Earnings on investments	164,350	164,350	209,543	45,193	381,904
Miscellaneous	--	--	2,807	2,807	--
Total revenue	5,834,794	5,834,794	5,764,370	(70,424)	5,925,050
<b>Expenditures</b>					
Current					
General government	176,523	176,523	54,502	122,021	175,667
Community development	2,534,258	3,206,825	1,455,008	1,751,817	730,955
Capital projects	--	--	--	--	250,000
Total expenditures	2,710,781	3,383,348	1,509,510	1,873,838	1,156,622
Excess of revenues over expenditures	3,124,013	2,451,446	4,254,860	1,803,414	4,768,428
<b>Other financing sources</b>					
Transfers out	(4,034,850)	(4,034,850)	(4,034,850)	--	(2,286,475)
Net change in fund balance	(910,837)	(1,583,404)	220,010	1,803,414	2,481,953
Fund balance at beginning of year	10,726,128	11,975,729	11,975,729	--	9,493,776
Fund balance at end of year	\$ 9,815,291	\$ 10,392,325	\$ 12,195,739	\$ 1,803,414	\$ 11,975,729

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION**  
**SEAWALL DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Budget</u>		<u>2009 Actual</u>	<u>Variance</u>	<u>2008 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
<b>Revenues</b>					
Earnings on investments	\$ 16,964	\$ 16,964	\$ 4,932	\$ (12,032)	\$ 18,963
Total revenue	16,964	16,964	4,932	(12,032)	18,963
<b>Expenditures</b>					
Debt service					
Principal retirement	1,275,000	1,275,000	1,275,000	--	1,185,000
Interest	1,971,981	1,971,981	1,971,981	--	2,019,381
Paying agent fees	1,500	1,500	1,139	361	1,140
Total expenditures	3,248,481	3,248,481	3,248,120	361	3,205,521
Deficiency of revenues under expenditures	(3,231,517)	(3,231,517)	(3,243,188)	(11,671)	(3,186,558)
<b>Other financing sources</b>					
Transfers in	4,252,481	4,252,481	4,252,481	--	3,205,881
Net change in fund balance	1,020,964	1,020,964	1,009,293	(11,671)	19,323
Fund balance at beginning of year	356,735	355,086	355,086	--	335,763
Fund balance at end of year	<u>\$ 1,377,699</u>	<u>\$ 1,376,050</u>	<u>\$ 1,364,379</u>	<u>\$ (11,671)</u>	<u>\$ 355,086</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION**  
**ARENA DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Budget</u>		<u>2009 Actual</u>	<u>Variance</u>	<u>2008 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
<b>Revenues</b>					
Earnings on investments	\$ 7,993	\$ 7,993	\$ 6,361	\$ (1,632)	\$ 10,885
<b>Expenditures</b>					
Debt service					
Principal retirement	1,375,000	1,375,000	1,375,000	--	1,280,000
Interest	2,164,180	2,164,180	2,164,180	--	2,209,043
Paying agent fees	1,600	1,600	1,500	100	1,200
Total expenditures	<u>3,540,780</u>	<u>3,540,780</u>	<u>3,540,680</u>	<u>100</u>	<u>3,490,243</u>
Deficiency of revenues under expenditures	(3,532,787)	(3,532,787)	(3,534,319)	(1,532)	(3,479,358)
<b>Other financing sources</b>					
Transfers in	<u>5,495,780</u>	<u>5,495,780</u>	<u>5,495,780</u>	<u>--</u>	<u>3,490,542</u>
Net change in fund balance	1,962,993	1,962,993	1,961,461	(1,532)	11,184
Fund balance at beginning of year	<u>221,868</u>	<u>220,665</u>	<u>220,665</u>	<u>--</u>	<u>209,481</u>
Fund balance at end of year	<u>\$ 2,184,861</u>	<u>\$ 2,183,658</u>	<u>\$ 2,182,126</u>	<u>\$ (1,532)</u>	<u>\$ 220,665</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION**  
**ECONOMIC DEVELOPMENT DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	Budget		2009 Actual	Variance Final Budget Positive (Negative)	2008 Actual
	Original	Final			
<b>Revenues</b>					
Earnings (loss) on investments	\$ --	\$ --	\$ (188)	\$ (188)	\$ 927
<b>Expenditures</b>					
Debt service					
Principal retirement	1,570,000	1,570,000	1,570,000	--	1,530,000
Interest	718,850	718,850	718,850	--	755,688
Paying agent fees	1,000	1,000	--	1,000	1,100
Total expenditures	<u>2,289,850</u>	<u>2,289,850</u>	<u>2,288,850</u>	<u>1,000</u>	<u>2,286,788</u>
Deficiency of revenues under expenditures	(2,289,850)	(2,289,850)	(2,289,038)	812	(2,285,861)
<b>Other financing sources</b>					
Transfers in	<u>4,034,850</u>	<u>4,034,850</u>	<u>4,034,850</u>	<u>--</u>	<u>2,286,475</u>
Net change in fund balance	1,745,000	1,745,000	1,745,812	812	614
Fund balance at beginning of year	<u>3,949</u>	<u>3,949</u>	<u>3,949</u>	<u>--</u>	<u>3,335</u>
Fund balance at end of year	<u>\$ 1,748,949</u>	<u>\$ 1,748,949</u>	<u>\$ 1,749,761</u>	<u>\$ 812</u>	<u>\$ 3,949</u>

Exhibit 21-A

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
SCHEDULE OF NET ASSETS  
JULY 31, 2009**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Net Assets</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 7,213,496	\$ --	\$ 7,213,496
Receivables			
Intergovernmental	422	--	422
Bond issuance cost	--	1,377,390	1,377,390
Total assets	<u>\$ 7,213,918</u>	<u>\$ 1,377,390</u>	<u>\$ 8,591,308</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 328,593	--	\$ 328,593
Accrued interest	--	74,700	74,700
Long-term debt			
Due within one year	--	175,000	175,000
Due in more than one year	--	12,379,845	12,379,845
Total liabilities	<u>328,593</u>	<u>12,629,545</u>	<u>12,958,138</u>
<b>FUND BALANCE</b>			
Reserved for encumbrances	294,669	(294,669)	--
Reserved for debt service	1,500,000	(1,500,000)	--
Unreserved			
Undesignated	5,090,656	(5,090,656)	--
Total fund balance	<u>6,885,325</u>	<u>(6,885,325)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 7,213,918</u>		
<b>NET ASSETS (LIABILITIES)</b>			
Unrestricted		<u>(4,366,830)</u>	<u>(4,366,830)</u>
Total net liabilities		<u>\$ (4,366,830)</u>	<u>\$ (4,366,830)</u>

Exhibit 21-B

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
SCHEDULE OF ACTIVITIES  
YEAR ENDED JULY 31, 2009**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Activities</u>
<b>Expenditures/expenses</b>			
General government	\$ 14,695	\$ --	\$ 14,695
Community enrichment	403,412	--	403,412
Capital projects	1,366,986	(1,366,986)	--
Debt service			
Principal retirement	165,000	(165,000)	--
Interest	602,993	84,959	687,952
Bond issuance cost	--	163,934	163,934
Paying agent fees	16,770	--	16,770
Total expenditures/expenses	<u>2,569,856</u>	<u>(1,283,093)</u>	<u>1,286,763</u>
 <b>General revenues</b>			
Property tax	3,601,894	--	3,601,894
Grants	507,347	--	507,347
Earnings on investments	32,048	--	32,048
Contributions and donations	7,348	--	7,348
 <b>Other financing sources (uses)</b>			
Transfers out	--	(1,366,986)	(1,366,986)
Total general revenues and other financing sources (uses)	<u>4,148,637</u>	<u>(1,366,986)</u>	<u>2,781,651</u>
Excess of revenues over expenditures and transfers out	1,578,781	(1,578,781)	--
Change in net assets	--	1,494,888	1,494,888
 Fund balance/net liabilities beginning of year	<u>5,306,544</u>	<u>(11,168,262)</u>	<u>(5,861,718)</u>
 Fund balance/net liabilities end of year	<u>\$ 6,885,325</u>	<u>\$ (11,252,155)</u>	<u>\$ (4,366,830)</u>

Exhibit 21-C

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION**  
**BALANCE SHEETS**  
**JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR JULY 31, 2008**

	<u>General</u>	<u>Capital Projects</u>	<u>2009 Total</u>	<u>2008 Total</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 7,137,723	\$ 75,773	\$ 7,213,496	\$ 5,315,441
Receivables				
Accrued interest	--	--	--	10,712
Intergovernmental	422	--	422	51
Net receivables	422	--	422	10,763
Total assets	<u>\$ 7,138,145</u>	<u>\$ 75,773</u>	<u>\$ 7,213,918</u>	<u>\$ 5,326,204</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 281,053	\$ 47,540	\$ 328,593	\$ 19,660
Fund balances				
Reserved for encumbrances	282,483	12,186	294,669	1,028,764
Reserved for debt service	1,500,000	--	1,500,000	1,500,000
Unreserved				
Undesignated	5,074,609	16,047	5,090,656	2,777,780
Total fund balance	<u>6,857,092</u>	<u>28,233</u>	<u>6,885,325</u>	<u>5,306,544</u>
Total liabilities and fund balances	<u>\$ 7,138,145</u>	<u>\$ 75,773</u>	<u>\$ 7,213,918</u>	<u>\$ 5,326,204</u>

Exhibit 21-D

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>General</u>	<u>Capital Projects</u>	<u>2009 Total</u>	<u>2008 Total</u>
<b>Revenues</b>				
Taxes and business fees	\$ 3,601,894	\$ --	\$ 3,601,894	\$ 2,851,595
Grants	--	507,347	507,347	--
Contributions and donations	--	7,348	7,348	--
Earnings on investments	24,525	7,523	32,048	197,472
Total revenue	<u>3,626,419</u>	<u>522,218</u>	<u>4,148,637</u>	<u>3,049,067</u>
<b>Expenditures</b>				
Current				
General government	--	14,695	14,695	36,477
Community enrichment	403,412	--	403,412	--
Capital projects	719,622	647,364	1,366,986	338,838
Debt service				
Principal retirement	165,000	--	165,000	--
Interest	602,993	--	602,993	888,200
Bond issuance cost	--	--	--	622,079
Paying agent fees	16,770	--	16,770	19,697
Total expenditures	<u>1,907,797</u>	<u>662,059</u>	<u>2,569,856</u>	<u>1,905,291</u>
Excess of revenues over expenditures	1,718,622	(139,841)	1,578,781	1,143,776
<b>Other financing sources (uses)</b>				
Refunding bonds issued	--	--	--	13,445,000
Payment to escrow agent for refunded bonds	--	--	--	(12,822,371)
Total other financing sources	<u>--</u>	<u>--</u>	<u>--</u>	<u>622,629</u>
Net change in fund balances	1,718,622	(139,841)	1,578,781	1,766,405
Fund balances at beginning of year	<u>5,138,470</u>	<u>168,074</u>	<u>5,306,544</u>	<u>3,540,139</u>
Fund balances at end of year	<u>\$ 6,857,092</u>	<u>\$ 28,233</u>	<u>\$ 6,885,325</u>	<u>\$ 5,306,544</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JULY 31, 2009  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Budget</u>		<u>2009 Actual</u>	<u>Variance</u>	<u>2008 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
<b>Revenues</b>					
Taxes and business fees	\$ 3,207,501	\$ 3,207,501	\$ 3,601,894	\$ 394,393	\$ 2,851,595
Earnings on investments	56,101	56,101	24,525	(31,576)	143,028
Total revenues	<u>3,263,602</u>	<u>3,263,602</u>	<u>3,626,419</u>	<u>362,817</u>	<u>2,994,623</u>
<b>Expenditures</b>					
Current					
General government	--	--	--	--	22,220
Community enrichment	381,768	800,726	403,412	397,314	--
Capital projects	--	818,372	719,622	98,750	386,728
Debt service					
Principal retirement	165,000	165,000	165,000	--	--
Interest	602,993	602,993	602,993	--	888,200
Bond issuance costs	--	--	--	--	622,079
Paying agent fees	20,450	20,450	16,770	3,680	19,697
Total expenditures	<u>1,170,211</u>	<u>2,407,541</u>	<u>1,907,797</u>	<u>499,744</u>	<u>1,938,924</u>
Excess of revenues over expenditures	2,093,391	856,061	1,718,622	862,561	1,055,699
<b>Other financing sources (uses)</b>					
Proceeds from sale of refunding bonds	--	--	--	--	13,445,000
Payment to escrow agent for refunded bonds	--	--	--	--	(12,822,371)
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>622,629</u>
Net change in fund balance	2,093,391	856,061	1,718,622	862,561	1,678,328
Fund balance at beginning of year	<u>5,024,197</u>	<u>5,138,470</u>	<u>5,138,470</u>	<u>--</u>	<u>3,460,142</u>
Fund balance at end of year	<u>\$ 7,117,588</u>	<u>\$ 5,994,531</u>	<u>\$ 6,857,092</u>	<u>\$ 862,561</u>	<u>\$ 5,138,470</u>

## ***Capital Projects Funds***

***Bayfront Arts/Science Bond Fund*** – This fund was established for recording the construction of additions to the Museum, construction of the Columbus Fleet Shipyard and Seaport and other improvements at the Bayfront Arts & Science Park.

***City Hall Bond Fund*** – This fund was established for recording the purchase of a site, and constructing and equipping a new City Hall.

***Convention Facility Bond Fund*** – This fund was established for recording the construction of a community convention facility.

***Library Bond Fund*** – This fund was established for recording the construction of improvements to the Corpus Christi Public Library System.

***Park Bond Fund*** – This fund was established for recording improvements and expansion of park and recreational facilities.

***Police Building Bond Fund*** – This fund was established for recording the construction of improvements for the Police Department.

***Public Health and Safety Bond Fund*** – This fund was established for recording the construction of improvements related to health and safety projects.

***Landfill Bond Fund*** – This fund was established for recording the construction of improvements to the landfill.

***Street Bond Fund*** – This fund was established for recording the improvements and widening of streets.

***Corpus Christi Business and Job Development Corporation – Arena Bond Fund*** – This fund was established for recording the construction of the arena.

***Corpus Christi Business and Job Development Corporation – Seawall Bond Fund*** – This fund was established for recording the construction of improvements to the seawall.

***North Padre Island Development Corporation Bond Fund*** – This fund was established for recording the construction of Packery Channel.



City of  
Corpus  
Christi

**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2009  
WITH COMPARATIVE TOTALS FOR JULY 31, 2008**

	<b>Bayfront Arts/Science</b>	<b>City Hall</b>	<b>Convention Facility</b>	<b>Library</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 22,966,224	\$ 17,563	\$ 1,487	\$ 1,725,124
Investments	--	--	--	--
Receivables				
Accrued interest	--	--	--	--
Special assessments	--	--	--	--
Intergovernmental	--	--	--	--
Net receivables	--	--	--	--
Total assets	\$ 22,966,224	\$ 17,563	\$ 1,487	\$ 1,725,124
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 1,242,943	\$ --	\$ --	\$ --
Contractor interest and retainage payable	334,054	--	--	--
Deposits	--	--	--	--
Deferred revenues				
Paving assessments	--	--	--	--
Grants	--	--	--	--
Total liabilities	1,576,997	--	--	--
 <b>Fund balances</b>				
Reserved for encumbrances	4,204,505	--	--	4,348
Unreserved				
Designated for specific projects	2,572,924	--	--	34,821
Undesignated (deficit)	14,611,798	17,563	1,487	1,685,955
Total fund balances	21,389,227	17,563	1,487	1,725,124
Total liabilities and fund balances	\$ 22,966,224	\$ 17,563	\$ 1,487	\$ 1,725,124

(Continued)

Exhibit 22-A

<u>Park</u>	<u>Police</u>	<u>Public Health &amp; Safety</u>	<u>Fire</u>	<u>Landfill</u>	<u>Street</u>
\$ 15,690,478	\$ 3,344,226	\$ 1,033,334	\$ 6,251,786	\$ 10,144,291	\$ 79,458,426
--	--	--	--	--	--
--	--	--	--	--	2
--	--	--	--	--	524,013
--	--	--	--	--	1,555,721
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,079,736</u>
<u>\$ 15,690,478</u>	<u>\$ 3,344,226</u>	<u>\$ 1,033,334</u>	<u>\$ 6,251,786</u>	<u>\$ 10,144,291</u>	<u>\$ 81,538,162</u>
\$ 391,435	\$ 23,103	\$ 27,345	\$ --	\$ 544,904	\$ 2,561,671
66,046	--	56,994	--	168,093	756,830
--	--	--	--	--	319,942
--	--	--	--	--	378,408
--	--	--	--	--	--
<u>457,481</u>	<u>23,103</u>	<u>84,339</u>	<u>--</u>	<u>712,997</u>	<u>4,016,851</u>
2,243,955	240,337	47,706	--	2,005,721	18,376,672
6,630,854	29,968	60,320	--	156,318	4,133,865
6,358,188	3,050,818	840,969	6,251,786	7,269,255	55,010,774
<u>15,232,997</u>	<u>3,321,123</u>	<u>948,995</u>	<u>6,251,786</u>	<u>9,431,294</u>	<u>77,521,311</u>
<u>\$ 15,690,478</u>	<u>\$ 3,344,226</u>	<u>\$ 1,033,334</u>	<u>\$ 6,251,786</u>	<u>\$ 10,144,291</u>	<u>\$ 81,538,162</u>

**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2009  
WITH COMPARATIVE TOTALS FOR JULY 31, 2008**

	<b>Corpus Christi Business and Job Development Corporation</b>		<b>North Padre Island Development Corporation</b>	<b>Eliminations</b>
	<b>Seawall</b>	<b>Arena</b>		
<b>ASSETS</b>				
Cash and cash equivalents	\$ 508,464	\$ 4,952	\$ 75,773	\$ --
Investments	--	--	--	--
Receivables				
Accrued interest	--	--	--	--
Special assessments	--	--	--	--
Intergovernmental	--	--	--	--
Net receivables	--	--	--	--
 Total assets	 <u>\$ 508,464</u>	 <u>\$ 4,952</u>	 <u>\$ 75,773</u>	 <u>\$ --</u>
 <b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ --	\$ --	\$ 47,540	\$ --
Contractor interest and retainage payable	--	--	--	--
Deposits	--	--	--	--
Deferred revenues				
Paving assessments	--	--	--	--
Grants	--	--	--	--
Total liabilities	--	--	47,540	--
Fund balances				
Reserved for encumbrances	--	--	12,186	--
Unreserved				
Designated for specific projects	--	--	--	--
Undesignated (deficit)	508,464	4,952	16,047	--
Total fund balances	<u>508,464</u>	<u>4,952</u>	<u>28,233</u>	<u>--</u>
 Total liabilities and fund balances	 <u>\$ 508,464</u>	 <u>\$ 4,952</u>	 <u>\$ 75,773</u>	 <u>\$ --</u>

**Exhibit 22-A  
(Continued)**

<u>2009</u> <u>Total</u>	<u>2008</u> <u>Total</u>
\$ 141,222,128	\$ 12,448,058
--	79,874,595
2	273,257
524,013	510,557
1,555,721	187,733
<u>2,079,736</u>	<u>971,547</u>
\$ 143,301,864	\$ 93,294,200
\$ 4,838,941	\$ 4,176,785
1,382,017	886,385
319,942	306,367
378,408	355,659
--	101,832
<u>6,919,308</u>	<u>5,827,028</u>
27,135,430	25,519,790
13,619,070	25,249,693
95,628,056	36,697,689
<u>136,382,556</u>	<u>87,467,172</u>
\$ 143,301,864	\$ 93,294,200

**CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Bayfront Arts/Science</u>	<u>City Hall</u>	<u>Convention Facility</u>	<u>Library</u>
<b>Revenues</b>				
Grants	\$ --	\$ --	\$ --	\$ --
Contributions and donations	--	--	--	109,814
Special assessments	--	--	--	--
Interest on special assessments	--	--	--	--
Attorneys fees on special assessments	--	--	--	--
Earnings on investments	244,638	461	--	19,779
Claim settlement	--	--	--	--
Total revenues	<u>244,638</u>	<u>461</u>	<u>--</u>	<u>129,593</u>
<b>Expenditures</b>				
Current				
General government	67,228	--	--	90,325
Capital projects	7,066,517	--	1,265	1,516,513
Debt service				
Bond issuance cost	211,353	--	--	23,770
Total expenditures	<u>7,345,098</u>	<u>--</u>	<u>1,265</u>	<u>1,630,608</u>
Excess (deficiency) of revenues over (under) expenditures	(7,100,460)	461	(1,265)	(1,501,015)
<b>Other financing sources (uses)</b>				
Proceeds from general obligation bonds	14,245,292	--	--	1,577,333
Proceeds from certificate of obligation bonds	--	--	--	--
Revenue bonds issued	--	--	--	--
Tax Notes issued	--	--	--	--
Premium on bonds issued	427,206	--	--	47,303
Discount on bonds issued	--	--	--	--
Transfers out to				
General Fund	--	(129,073)	--	--
Debt Service Fund	--	--	--	--
Total other financing sources (uses)	<u>14,672,498</u>	<u>(129,073)</u>	<u>--</u>	<u>1,624,636</u>
Net change in fund balances	7,572,038	(128,612)	(1,265)	123,621
Fund balances at beginning of year	<u>13,817,189</u>	<u>146,175</u>	<u>2,752</u>	<u>1,601,503</u>
Fund balances at end of year	<u>\$ 21,389,227</u>	<u>\$ 17,563</u>	<u>\$ 1,487</u>	<u>\$ 1,725,124</u>

(Continued)

Exhibit 22-B

<u>Park</u>	<u>Police</u>	<u>Public Health &amp; Safety</u>	<u>Fire</u>	<u>Landfill</u>	<u>Street</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 18,862
53,206	--	--	--	--	1,394,488
--	--	--	--	--	--
--	--	--	--	--	10,211
--	--	--	--	--	291
174,129	2,180	17,564	4,126	151,378	535,412
--	--	--	--	40,162	528,500
<u>227,335</u>	<u>2,180</u>	<u>17,564</u>	<u>4,126</u>	<u>191,540</u>	<u>2,487,764</u>
107,260	637	41,233	445	120,719	1,215,275
3,436,393	57,871	1,703,826	5,280	13,512,544	26,853,292
110,254	49,619	17,085	92,851	254,198	812,289
<u>3,653,907</u>	<u>108,127</u>	<u>1,762,144</u>	<u>98,576</u>	<u>13,887,461</u>	<u>28,880,856</u>
(3,426,572)	(105,947)	(1,744,580)	(94,450)	(13,695,921)	(26,393,092)
7,788,084	3,292,683	1,133,708	6,161,458	--	54,526,442
--	--	--	--	12,000,000	--
--	--	--	--	--	--
--	--	--	--	--	--
233,559	98,745	33,999	184,778	--	1,635,207
--	--	--	--	(124,206)	--
--	--	--	--	--	--
--	--	--	--	--	--
<u>8,021,643</u>	<u>3,391,428</u>	<u>1,167,707</u>	<u>6,346,236</u>	<u>11,875,794</u>	<u>56,161,649</u>
4,595,071	3,285,481	(576,873)	6,251,786	(1,820,127)	29,768,557
10,637,926	35,642	1,525,868	--	11,251,421	47,752,754
<u>\$ 15,232,997</u>	<u>\$ 3,321,123</u>	<u>\$ 948,995</u>	<u>\$ 6,251,786</u>	<u>\$ 9,431,294</u>	<u>\$ 77,521,311</u>

**CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JULY 31, 2009**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

	<u>Corpus Christi Business and Job Development Corporation</u>		<u>North Padre Island Development Corporation</u>	<u>Eliminations</u>
	<u>Seawall</u>	<u>Arena</u>		
<b>Revenues</b>				
Grants	\$ --	\$ --	\$ 507,347	\$ --
Contributions and donations	--	--	7,348	--
Special assessments	--	--	--	--
Interest on special assessments	--	--	--	--
Attorneys fees on special assessments	--	--	--	--
Earnings on investments	--	--	7,523	--
Claim settlement	3,618	--	--	--
<b>Total revenues</b>	<u>3,618</u>	<u>--</u>	<u>522,218</u>	<u>--</u>
<b>Expenditures</b>				
Current				
General government	--	--	14,695	--
Capital projects	18,070	--	647,364	--
Debt service				
Bond issuance cost	--	--	--	--
<b>Total expenditures</b>	<u>18,070</u>	<u>--</u>	<u>662,059</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(14,452)	--	(139,841)	--
<b>Other financing sources (uses)</b>				
Proceeds from general obligation bonds	--	--	--	--
Proceeds from certificate of obligation bonds	--	--	--	--
Revenue bonds issued	--	--	--	--
Tax Notes issued	--	--	--	--
Premium on bonds issued	--	--	--	--
Discount on bonds issued	--	--	--	--
Transfers out to				
General Fund	--	--	--	--
Debt Service Fund	--	--	--	--
<b>Total other financing sources (uses)</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(14,452)	--	(139,841)	--
Fund balances at beginning of year	<u>522,916</u>	<u>4,952</u>	<u>168,074</u>	<u>--</u>
Fund balances at end of year	<u>\$ 508,464</u>	<u>\$ 4,952</u>	<u>\$ 28,233</u>	<u>\$ --</u>

**Exhibit 22-B  
(Continued)**

<u>2009</u> <u>Total</u>	<u>2008</u> <u>Total</u>
\$ 526,209	\$ 886,279
1,564,856	2,215,846
--	74,379
10,211	364,070
291	3,874
1,157,190	2,550,079
572,280	--
3,831,037	6,094,527
1,657,817	2,325,129
54,818,935	31,345,165
1,571,419	99,324
58,048,171	33,769,618
(54,217,134)	(27,675,091)
88,725,000	--
12,000,000	--
--	--
--	22,260,000
2,660,797	--
(124,206)	--
(129,073)	--
--	(153,210)
103,132,518	22,106,790
48,915,384	(5,568,301)
87,467,172	93,035,473
\$ 136,382,556	\$ 87,467,172



City of  
Corpus  
Christi

*Proprietary Funds*

## ***Enterprise Funds***

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

### ***Major Fund***

***Utility System Fund*** – This fund was established to account for sales of water, natural gas, and wastewater treatment by the City to residential, commercial, and industrial customers and to surrounding communities.

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

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

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

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



City of  
Corpus  
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**UTILITY SYSTEM FUND  
COMBINING SCHEDULE OF NET ASSETS  
JULY 31, 2009**

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>ASSETS</b>					
Current assets					
Cash and cash equivalents	\$ 923,773	\$ --	\$ 3,403,039	\$ --	\$ 4,326,812
Investments	2,000,000	38,024,069	8,445,931	--	48,470,000
Receivables					
Accounts	3,982,202	18,542,273	7,699,733	--	30,224,208
Accrued interest	3,417	111,603	7,428	--	122,448
Property leases	--	3,688	400	--	4,088
Notes	307,977	82,948	121,052	--	511,977
Employees	--	55	--	--	55
Intergovernmental	--	1,488,794	--	--	1,488,794
Miscellaneous	10,469	29,822	--	--	40,291
Allowance for uncollectibles	(1,212,945)	(3,555,820)	(1,363,874)	--	(6,132,639)
Net receivables	3,091,120	16,703,363	6,464,739	--	26,259,222
Due from other funds	--	--	2,360,945	(2,360,945)	--
Inventories	--	452,998	--	--	452,998
Prepaid items	--	--	1,328	--	1,328
Restricted assets					
Cash and cash equivalents	891,492	19,641,437	5,764,639	--	26,297,568
Investments	--	1,995,680	1,000,967	--	2,996,647
Receivables					
Accrued interest	--	230	799	--	1,029
Intergovernmental	--	1,909	--	--	1,909
Net receivables	--	2,139	799	--	2,938
Total restricted assets	891,492	21,639,256	6,766,405	--	29,297,153
Total current assets	6,906,385	76,819,686	27,442,387	(2,360,945)	108,807,513
Noncurrent assets					
Bond issue costs	152,584	5,638,864	1,971,394	--	7,762,842
Capital assets					
Land	688,623	17,317,967	4,951,993	--	22,958,583
Water supply rights	--	212,284,487	--	--	212,284,487
Buildings	1,732,754	33,356,489	1,911,257	--	37,000,500
Improvements other than buildings	7,151,034	84,080,439	146,206,101	--	237,437,574
Machinery and equipment	2,509,063	12,576,481	7,924,515	--	23,010,059
Infrastructure	69,633,064	588,708,439	249,130,967	--	907,472,470
Total capital assets in service	81,714,538	948,324,302	410,124,833	--	1,440,163,673
Less accumulated depreciation and amortization	(28,531,382)	(248,866,509)	(113,922,864)	--	(391,320,755)
Net capital assets in service	53,183,156	699,457,793	296,201,969	--	1,048,842,918
Construction in progress	51,100	84,129,138	32,685,796	--	116,866,034
Net capital assets	53,234,256	783,586,931	328,887,765	--	1,165,708,952
Total noncurrent assets	53,386,840	789,225,795	330,859,159	--	1,173,471,794
Total assets	60,293,225	866,045,481	358,301,546	(2,360,945)	1,282,279,307

(Continued)

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>LIABILITIES</b>					
Current liabilities					
Accounts payable	\$ 1,411,459	\$ 7,582,726	\$ 2,997,175	\$ --	\$ 11,991,360
Accrued expenses	219,172	523,099	262,792	--	1,005,063
Accrued interest	14,865	857,137	279,852	--	1,151,854
Contractor interest and retainage payable	--	1,444,862	795,780	--	2,240,642
Deposits	126,587	238,949	11,344	--	376,880
Liability to claimants - escheat property	--	102,952	--	--	102,952
Due to other funds	--	2,360,945	--	(2,360,945)	--
Unearned revenue	--	--	18,552	--	18,552
Current portion of long-term liabilities					
Long-term debt	1,000,232	22,651,087	9,220,298	--	32,871,617
Accumulated unpaid compensated absences	353,069	761,034	357,418	--	1,471,521
Total current liabilities	<u>3,125,384</u>	<u>36,522,791</u>	<u>13,943,211</u>	<u>(2,360,945)</u>	<u>51,230,441</u>
Noncurrent liabilities					
Long-term liabilities, net of current portion					
Long-term debt	8,107,132	533,016,575	128,916,125	--	670,039,832
Accumulated unpaid compensated absences	462,508	355,344	621,364	--	1,439,216
Net pension obligation	150,004	366,262	190,691	--	706,957
Total noncurrent liabilities	<u>8,719,644</u>	<u>533,738,181</u>	<u>129,728,180</u>	<u>--</u>	<u>672,186,005</u>
Total liabilities	<u>11,845,028</u>	<u>570,260,972</u>	<u>143,671,391</u>	<u>(2,360,945)</u>	<u>723,416,446</u>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	45,018,384	244,410,181	194,916,382	--	484,344,947
Restricted for					
Bond interest and redemption	147,622	2,123,739	967,693	--	3,239,054
Construction of capital assets	--	2,944,747	1,207,233	--	4,151,980
Improvements to utility lines and facilities	--	2,203,596	1,299,072	--	3,502,668
Abatement of public health hazards	--	--	95,059	--	95,059
Unrestricted	3,282,191	44,102,246	16,144,716	--	63,529,153
Total net assets	<u>\$ 48,448,197</u>	<u>\$ 295,784,509</u>	<u>\$ 214,630,155</u>	<u>\$ --</u>	<u>\$ 558,862,861</u>



City of  
Corpus  
Christi

**UTILITY SYSTEM FUND**  
**COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2009**

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>Operating revenues</b>					
Charges for services - net	\$ 33,367,529	\$ 107,136,268	\$ 47,111,334	\$ (700,751)	\$ 186,914,380
<b>Operating expenses</b>					
Personal services	5,180,430	13,015,582	8,659,865	--	26,855,877
Materials and supplies	18,450,477	14,953,466	3,065,952	--	36,469,895
Contractual services	916,983	12,645,733	6,759,909	--	20,322,625
Other operating expenses	3,019,119	15,174,179	6,973,973	(700,751)	24,466,520
Uncollectible accounts	879,743	2,325,089	907,797	--	4,112,629
Depreciation	1,931,969	16,401,949	10,086,655	--	28,420,573
Total operating expenses	<u>30,378,721</u>	<u>74,515,998</u>	<u>36,454,151</u>	<u>(700,751)</u>	<u>140,648,119</u>
Operating income	2,988,808	32,620,270	10,657,183	--	46,266,261
<b>Nonoperating revenues (expenses)</b>					
Investment income	11,865	864,349	294,287	--	1,170,501
Interest expense and fiscal charges	(221,008)	(21,028,839)	(6,345,161)	--	(27,595,008)
Net gain (loss) on disposal of assets	(80,948)	(84,139)	(7,203)	--	(172,290)
Recovery on damage claims	--	63,119	--	--	63,119
Developer deposits	--	374,959	410,918	--	785,877
Reimbursements to developers	--	(379,522)	(2,287,249)	--	(2,666,771)
Contributions from other governmental agencies	--	451,572	--	--	451,572
Total nonoperating expenses	<u>(290,091)</u>	<u>(19,738,501)</u>	<u>(7,934,408)</u>	<u>--</u>	<u>(27,963,000)</u>
<b>Capital contributions</b>					
Contributions from developers	--	2,806,832	1,638,167	--	4,444,999
Income before transfers	<u>2,698,717</u>	<u>15,688,601</u>	<u>4,360,942</u>	<u>--</u>	<u>22,748,260</u>
Transfers in	--	--	1,300,000	(1,300,000)	--
Transfers out	(1,197,166)	(3,506,272)	(1,661,093)	1,300,000	(5,064,531)
Total transfers	<u>(1,197,166)</u>	<u>(3,506,272)</u>	<u>(361,093)</u>	<u>--</u>	<u>(5,064,531)</u>
Net income	1,501,551	12,182,329	3,999,849	--	17,683,729
Net assets at beginning of year	<u>46,946,646</u>	<u>283,602,180</u>	<u>210,630,306</u>	<u>--</u>	<u>541,179,132</u>
Net assets at end of year	<u>\$ 48,448,197</u>	<u>\$ 295,784,509</u>	<u>\$ 214,630,155</u>	<u>\$ --</u>	<u>\$ 558,862,861</u>

**UTILITY SYSTEM FUND  
COMBINING SCHEDULE OF CASH FLOWS  
YEAR ENDED JULY 31, 2009**

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>Cash flows from operating activities</b>					
Receipts from customers	\$ 36,029,519	\$ 100,421,767	\$ 45,661,785	\$ --	\$ 182,113,071
Receipts from interfund services provided	130,839	373,341	28,533	(406,547)	126,166
Payments to suppliers	(19,311,055)	(29,533,621)	(8,828,173)	--	(57,672,849)
Payments to employees	(4,380,758)	(11,375,930)	(7,442,629)	--	(23,199,317)
Internal activity - payments to other funds	(4,175,324)	(13,367,672)	(8,779,340)	406,547	(25,915,789)
Net cash provided by operating activities	<u>8,293,221</u>	<u>46,517,885</u>	<u>20,640,176</u>	<u>--</u>	<u>75,451,282</u>
<b>Cash flows from noncapital financing activities</b>					
Changes in interfund borrowings	(2,130,400)	360,945	(2,360,945)	--	(4,130,400)
Interest on interfund borrowings	1,578	--	--	--	1,578
Contributions from other governmental agencies	--	15,335	--	--	15,335
Transfers in from other funds	--	--	1,300,000	(1,300,000)	--
Transfers out to other funds	(1,197,166)	(3,506,272)	(1,661,093)	1,300,000	(5,064,531)
Net cash used for noncapital financing activities	<u>(3,325,988)</u>	<u>(3,129,992)</u>	<u>(2,722,038)</u>	<u>--</u>	<u>(9,178,018)</u>
<b>Cash flows from capital and related financing activities</b>					
Acquisition of capital assets	(4,342,976)	(28,740,855)	(21,095,819)	--	(54,179,650)
Proceeds from sale of capital assets	5,273	54,765	10	--	60,048
Developers deposits	--	374,959	410,918	--	785,877
Contributions from developers	--	--	225	--	225
Reimbursements to developers	--	(501,867)	(2,012,635)	--	(2,514,502)
Contributions from other governmental agencies	--	15,621	--	--	15,621
Proceeds from issuance of revenue bonds	4,249,564	61,135,691	27,856,799	--	93,242,054
Principal paid on long-term debt	(995,813)	(21,973,125)	(9,465,774)	--	(32,434,712)
Interest expense and fiscal charges	(216,025)	(21,259,222)	(5,899,658)	--	(27,374,905)
Recovery on damage claims	--	63,119	--	--	63,119
Net cash used for capital and related financing activities	<u>(1,299,977)</u>	<u>(10,830,914)</u>	<u>(10,205,934)</u>	<u>--</u>	<u>(22,336,825)</u>
<b>Cash flows from investing activities</b>					
Purchase of investment securities	(2,000,000)	(82,980,000)	(33,453,744)	--	(118,433,744)
Proceeds from sale and maturity of investment securities	--	59,480,000	27,500,000	--	86,980,000
Interest on investments	6,871	1,079,841	457,360	--	1,544,072
Net cash provided by investing activities	<u>(1,993,129)</u>	<u>(22,420,159)</u>	<u>(5,496,384)</u>	<u>--</u>	<u>(29,909,672)</u>
Net increase in cash and cash equivalents	1,674,127	10,136,820	2,215,820	--	14,026,767
Cash and cash equivalents at beginning of year, including restricted accounts	<u>141,138</u>	<u>9,504,617</u>	<u>6,951,858</u>	<u>--</u>	<u>16,597,613</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 1,815,265</u>	<u>\$ 19,641,437</u>	<u>\$ 9,167,678</u>	<u>\$ --</u>	<u>\$ 30,624,380</u>

(Continued)

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>					
Operating income	\$ 2,988,808	\$ 32,620,270	\$ 10,657,183	\$ --	\$ 46,266,261
Adjustments to reconcile operating income to net cash provided by operating activities					
Depreciation	1,931,969	16,401,949	10,086,655	--	28,420,573
Amortization of water rights	--	4,483,124	--	--	4,483,124
Amortization of fish and wildlife costs	--	270,042	--	--	270,042
Provision for uncollectible accounts	879,743	2,325,089	907,797	--	4,112,629
Changes in assets and liabilities					
Receivables	2,790,094	(6,035,234)	(1,417,901)	--	(4,663,041)
Inventory	--	(55,519)	--	--	(55,519)
Prepaid items	--	--	(1,328)	--	(1,328)
Accounts payable	(592,270)	(4,070,976)	25,566	--	(4,637,680)
Accrued expenses	49,859	102,276	52,646	--	204,781
Unearned revenue	--	--	(450)	--	(450)
Accumulated unpaid compensated absences	92,278	(7,348)	141,983	--	226,913
Net pension obligation	150,004	366,262	190,691	--	706,957
Contractor interest and retainage payable	--	(10,587)	--	--	(10,587)
Customer deposits	2,736	129,808	(2,666)	--	129,878
Liability to claimants - escheat property	--	(1,271)	--	--	(1,271)
Net cash provided by operating activities	<u>\$ 8,293,221</u>	<u>\$ 46,517,885</u>	<u>\$ 20,640,176</u>	<u>\$ --</u>	<u>\$ 75,451,282</u>
<b>Noncash investing, capital and financing activities</b>					
Change in fair value of investments	\$ --	\$ 5,687	\$ (6,845)	\$ --	\$ (1,158)
Contribution of capital assets	\$ --	\$ 2,806,832	\$ 1,638,167	\$ --	\$ 4,444,999

**GAS SYSTEM  
COMPARATIVE SCHEDULE OF NET ASSETS  
JULY 31, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 923,773	\$ 141,138
Investments	2,000,000	--
Receivables		
Accounts	3,982,202	6,763,092
Accrued interest	3,417	--
Notes	307,977	--
Intergovernmental	--	10,980
Miscellaneous	10,469	1,200
Allowance for uncollectibles	(1,212,945)	(1,152,609)
Net receivables	3,091,120	5,622,663
Current portion of advance to other funds	--	34,600
Restricted assets:		
Cash and cash equivalents	891,492	--
Total restricted assets	891,492	--
Total current assets	6,906,385	5,798,401
Noncurrent assets		
Notes receivable	--	1,134,875
Bond issue costs	152,584	47,097
Capital assets		
Land	688,623	688,623
Buildings	1,732,754	1,732,754
Improvements other than buildings	7,151,034	5,580,913
Machinery and equipment	2,509,063	2,409,689
Infrastructure	69,633,064	64,454,280
Total capital assets in service	81,714,538	74,866,259
Less accumulated depreciation	(28,531,382)	(26,656,977)
Net capital assets in service	53,183,156	48,209,282
Construction in progress	51,100	2,790,977
Net capital assets	53,234,256	51,000,259
Total noncurrent assets	53,386,840	52,182,231
Total assets	60,293,225	57,980,632

(Continued)

Exhibit 24-A

	<u>2009</u>	<u>2008</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	1,411,459	2,030,017
Accrued expenses	219,172	169,312
Accrued interest	14,865	6,057
Contractor interest and retainage payable	--	64,362
Deposits	126,587	123,851
Due to other funds	--	2,165,000
Long-term debt	1,000,232	995,813
Accumulated unpaid compensated absences	353,069	302,335
Total current liabilities	<u>3,125,384</u>	<u>5,856,747</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	8,107,132	4,756,275
Accumulated unpaid compensated absences	462,508	420,964
Net pension obligation	150,004	--
Total noncurrent liabilities	<u>8,719,644</u>	<u>5,177,239</u>
Total liabilities	<u>11,845,028</u>	<u>11,033,986</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	45,018,384	45,248,170
Restricted for		
Bond interest and redemption	147,622	--
Unrestricted	<u>3,282,191</u>	<u>1,698,476</u>
Total net assets	<u>\$ 48,448,197</u>	<u>\$ 46,946,646</u>



City of  
Corpus  
Christi

Exhibit 24-B

**GAS SYSTEM**  
**COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Operating revenues</b>		
Charges for services - net	\$ 33,367,529	\$ 43,218,322
<b>Operating expenses</b>		
Personal services	5,180,430	4,923,325
Materials and supplies	18,450,477	26,559,111
Contractual services	916,983	1,015,416
Other operating expenses	3,019,119	3,185,092
Uncollectible accounts	879,743	470,625
Depreciation	1,931,969	1,676,626
Total operating expenses	<u>30,378,721</u>	<u>37,830,195</u>
Operating income	2,988,808	5,388,127
<b>Nonoperating revenues (expenses)</b>		
Investment income	11,865	42,601
Interest expense and fiscal charges	(221,008)	(155,093)
Net loss on disposal of assets	(80,948)	(56,743)
Recovery on damage claims	--	4,913
Total nonoperating expenses	<u>(290,091)</u>	<u>(164,322)</u>
<b>Capital contributions</b>		
Contributions from others	<u>--</u>	<u>98,092</u>
Income before transfers	<u>2,698,717</u>	<u>5,321,897</u>
Transfers in	--	18,360
Transfers out	(1,197,166)	(1,322,586)
Total transfers	<u>(1,197,166)</u>	<u>(1,304,226)</u>
Net income	1,501,551	4,017,671
Net assets at beginning of year	<u>46,946,646</u>	<u>42,928,975</u>
Net assets at end of year	<u>\$ 48,448,197</u>	<u>\$ 46,946,646</u>

**GAS SYSTEM  
COMPARATIVE SCHEDULE OF CASH FLOWS  
YEAR ENDED JULY 31, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 36,029,519	\$ 40,202,890
Receipts from interfund services provided	130,839	131,457
Payments to suppliers	(19,311,055)	(26,822,425)
Payments to employees	(4,380,758)	(4,259,300)
Internal activity - payments to other funds	(4,175,324)	(4,767,861)
Net cash provided by operating activities	8,293,221	4,484,761
<b>Cash flows from noncapital financing activities</b>		
Changes in interfund borrowings	(2,130,400)	1,745,000
Interest on interfund borrowings	1,578	2,946
Transfers in from other funds	--	18,360
Transfers out to other funds	(1,197,166)	(1,322,586)
Net cash provided by (used for) noncapital financing activities	(3,325,988)	443,720
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(4,342,976)	(9,065,504)
Proceeds from sale of capital assets	5,273	635,625
Proceeds from issuance of revenue bonds	4,249,564	--
Proceeds from issuance of notes payable	--	4,382,400
Principal paid on long-term debt	(995,813)	(1,943,907)
Interest expense and fiscal charges	(216,025)	(161,984)
Recovery on damage claims	--	4,913
Net cash used for capital and related financing activities	(1,299,977)	(6,148,457)
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(2,000,000)	--
Interest on investments	6,871	53,494
Net cash provided (used for) by investing activities	(1,993,129)	53,494
Net increase (decrease) in cash and cash equivalents	1,674,127	(1,166,482)
Cash and cash equivalents at beginning of year, including restricted accounts	141,138	1,307,620
Cash and cash equivalents at end of year, including restricted accounts	\$ 1,815,265	\$ 141,138

(Continued)

Exhibit 24-C

	<u>2009</u>	<u>2008</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ 2,988,808	\$ 5,388,127
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	1,931,969	1,676,626
Provision for uncollectible accounts	879,743	470,625
Change in assets and liabilities		
Receivables	2,790,094	(2,903,909)
Accounts payable	(592,270)	12,531
Accrued expenses	49,859	43,315
Accumulated unpaid compensated absences	92,278	24,955
Net pension obligation	150,004	--
Customer deposits	2,736	19,934
Due to other funds	--	(247,443)
	<u>          </u>	<u>          </u>
Net cash provided by operating activities	<u>\$ 8,293,221</u>	<u>\$ 4,484,761</u>
<b>Noncash investing, capital and financing activities</b>		
Contribution of capital assets	\$ --	\$ 98,092

**WATER SYSTEM  
COMPARATIVE SCHEDULE OF NET ASSETS  
JULY 31, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ --	\$ 3,224,059
Investments	38,024,069	7,812,076
Receivables		
Accounts	18,542,273	13,287,840
Accrued interest	111,603	312,398
Property leases	3,688	--
Notes	82,948	--
Employees	55	55
Intergovernmental	1,488,794	1,027,990
Miscellaneous	29,822	1,520
Allowance for uncollectibles	(3,555,820)	(2,155,282)
Net receivables	16,703,363	12,474,521
Inventories	452,998	397,479
Restricted assets		
Cash and cash equivalents	19,641,437	6,280,558
Investments	1,995,680	8,701,987
Receivables		
Accrued interest	230	20,300
Intergovernmental	1,909	--
Net receivables	2,139	20,300
Total restricted assets	21,639,256	15,002,845
Total current assets	76,819,686	38,910,980
Noncurrent assets		
Notes receivable	--	301,108
Bond issue costs	5,638,864	4,607,045
Capital assets		
Land	17,317,967	17,156,879
Water supply rights	212,284,487	212,284,487
Buildings	33,356,489	33,356,489
Improvements other than buildings	84,080,439	83,617,924
Machinery and equipment	12,576,481	12,329,417
Infrastructure	588,708,439	557,681,522
Total capital assets in service	948,324,302	916,426,718
Less accumulated depreciation and amortization	(248,866,509)	(228,167,236)
Net capital assets in service	699,457,793	688,259,482
Construction in progress	84,129,138	85,520,752
Net capital assets	783,586,931	773,780,234
Total noncurrent assets	789,225,795	778,688,387
Total assets	866,045,481	817,599,367

(Continued)

Exhibit 25-A

	<u>2009</u>	<u>2008</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	7,582,726	11,638,197
Accrued expenses	523,099	420,822
Accrued interest	857,137	767,343
Contractor interest and retainage payable	1,444,862	2,038,224
Deposits	238,949	108,828
Liability to claimants - escheat property	102,952	104,224
Due to other funds	2,360,945	2,000,000
Unearned revenue	--	403
Current portion of long-term liabilities		
Long-term debt	22,651,087	22,463,463
Accumulated unpaid compensated absences	761,034	703,714
Total current liabilities	<u>36,522,791</u>	<u>40,245,218</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	533,016,575	493,331,958
Accumulated unpaid compensated absences	355,344	420,011
Net pension obligation	366,262	--
Total noncurrent liabilities	<u>533,738,181</u>	<u>493,751,969</u>
Total liabilities	<u>570,260,972</u>	<u>533,997,187</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	244,410,181	264,018,328
Restricted for		
Bond interest and redemption	2,123,739	977,301
Construction of capital assets	2,944,747	4,510,576
Improvements to utility lines and facilities	2,203,596	3,481,453
Unrestricted	<u>44,102,246</u>	<u>10,614,522</u>
Total net assets	<u>\$ 295,784,509</u>	<u>\$ 283,602,180</u>



City of  
Corpus  
Christi

Exhibit 25-B

**WATER SYSTEM**  
**COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Operating revenues</b>		
Charges for services - net	\$ 107,136,268	\$ 87,357,168
<b>Operating expenses</b>		
Personal services	13,015,582	11,099,517
Materials and supplies	14,953,466	13,221,553
Contractual services	12,645,733	16,420,802
Other operating expenses	15,174,179	15,072,937
Uncollectible accounts	2,325,089	1,214,284
Depreciation	16,401,949	15,921,378
Total operating expenses	<u>74,515,998</u>	<u>72,950,471</u>
Operating income	32,620,270	14,406,697
<b>Nonoperating revenues (expenses)</b>		
Investment income	864,349	3,027,386
Interest expense and fiscal charges	(21,028,839)	(21,480,093)
Net loss on disposal of assets	(84,139)	(60,349)
Recovery on damage claims	63,119	1,850
Developer deposits	374,959	740,441
Reimbursement to developers	(379,522)	(907,893)
Contribution from other governmental agencies	451,572	16,441
Total nonoperating expenses	<u>(19,738,501)</u>	<u>(18,662,217)</u>
<b>Capital contributions</b>		
Contributions from other governmental agencies	--	20,505
Contributions from developers	2,806,832	5,375,964
Total capital contributions	<u>2,806,832</u>	<u>5,396,469</u>
Income before transfers	<u>15,688,601</u>	<u>1,140,949</u>
Transfers in	--	66,432
Transfers out	(3,506,272)	(3,883,212)
Total transfers	<u>(3,506,272)</u>	<u>(3,816,780)</u>
Net income	12,182,329	(2,675,831)
Net assets at beginning of year	<u>283,602,180</u>	<u>286,278,011</u>
Net assets at end of year	<u>\$ 295,784,509</u>	<u>\$ 283,602,180</u>

**WATER SYSTEM  
COMPARATIVE SCHEDULE OF CASH FLOWS  
YEAR ENDED JULY 31, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 100,421,767	\$ 82,681,247
Receipts from interfund services provided	373,341	323,022
Payments to suppliers	(29,533,621)	(25,695,411)
Payments to employees	(11,375,930)	(9,846,553)
Internal activity - payments to other funds	(13,367,672)	(13,815,817)
Net cash provided by operating activities	46,517,885	33,646,488
<b>Cash flows from noncapital financing activities</b>		
Changes in interfund borrowings	360,945	2,450,000
Contributions from other governmental agencies	15,335	14,378
Transfers in from other funds	--	67,296
Transfers out to other funds	(3,506,272)	(3,883,212)
Net cash used for noncapital financing activities	(3,129,992)	(1,351,538)
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(28,740,855)	(44,845,703)
Proceeds from sale of capital assets	54,765	1,044,468
Developer deposits	374,959	740,441
Contributions from developers	--	85,569
Reimbursements to developers	(501,867)	(818,975)
Contributions from other governmental agencies	15,621	20,505
Proceeds from issuance of revenue bonds	61,135,691	--
Principal paid on long-term debt	(21,973,125)	(21,369,761)
Interest expense and fiscal charges	(21,259,222)	(21,228,054)
Recovery on damage claims	63,119	1,850
Net cash used for capital and related financing activities	(10,830,914)	(86,369,660)
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(82,980,000)	(68,002,250)
Proceeds from sale and maturity of investment securities	59,480,000	110,499,899
Interest on investments	1,079,841	3,461,283
Net cash provided (used for) by investing activities	(22,420,159)	45,958,932
Net increase (decrease) in cash and cash equivalents	10,136,820	(8,115,778)
Cash and cash equivalents at beginning of year, including restricted accounts	9,504,617	17,620,395
Cash and cash equivalents at end of year, including restricted accounts	\$ 19,641,437	\$ 9,504,617

(Continued)

Exhibit 25-C

	<u>2009</u>	<u>2008</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ 32,620,270	\$ 14,406,697
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	16,401,949	15,921,378
Amortization of water rights	4,483,124	4,375,761
Amortization of fish and wildlife costs	270,042	270,042
Provision for uncollectible accounts	2,325,089	1,214,284
Change in assets and liabilities		
Receivables	(6,035,234)	(3,544,894)
Due from other funds	--	429,577
Inventory	(55,519)	(46,112)
Accounts payable	(4,070,976)	1,056,512
Accrued expenses	102,276	72,938
Accumulated unpaid compensated absences	(7,348)	(117,608)
Net pension obligation	366,262	--
Contractor interest and retainage payable	(10,587)	8,829
Customer deposits	129,808	71
Liability to claimants - escheat property	(1,271)	1,112
Due to other funds	--	(402,099)
	<u>\$ 46,517,885</u>	<u>\$ 33,646,488</u>
<b>Noncash investing, capital and financing activities</b>		
Change in fair value of investments	\$ 5,687	\$ 16,544
Contribution of capital assets	\$ 2,806,832	\$ 5,290,395
Acquisition of capital assets under capital lease	\$ --	\$ 661,367

**WASTEWATER SYSTEM  
COMPARATIVE SCHEDULE OF NET ASSETS  
JULY 31, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 3,403,039	\$ 3,192,762
Investments	8,445,931	2,500,000
Receivables		
Accounts	7,699,733	6,660,779
Accrued interest	7,428	161,290
Property leases	400	--
Notes	121,052	--
Allowance for uncollectibles	(1,363,874)	(1,159,605)
Net receivables	6,464,739	5,662,464
Due from other funds	2,360,945	--
Prepaid items	1,328	--
Restricted assets		
Cash and cash equivalents	5,764,639	3,759,096
Investments	1,000,967	1,000,000
Accrued interest	799	3,165
Total restricted assets	6,766,405	4,762,261
Total current assets	27,442,387	16,117,487
Noncurrent assets		
Notes receivable	--	446,032
Bond issue costs	1,971,394	1,455,152
Capital assets		
Land	4,951,993	4,456,215
Buildings	1,911,257	1,911,257
Improvements other than buildings	146,206,101	137,122,865
Machinery and equipment	7,924,515	7,651,843
Infrastructure	249,130,967	240,062,350
Total capital assets in service	410,124,833	391,204,530
Less accumulated depreciation	(113,922,864)	(103,932,046)
Net capital assets in service	296,201,969	287,272,484
Construction in progress	32,685,796	30,712,791
Net capital assets	328,887,765	317,985,275
Total noncurrent assets	330,859,159	319,886,459
Total assets	358,301,546	336,003,946

(Continued)

Exhibit 26-A

	<u>2009</u>	<u>2008</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	\$ 2,997,175	\$ 4,469,131
Accrued expenses	262,792	214,541
Accrued interest	279,852	239,219
Contractor interest and retainage payable	795,780	760,378
Deposits	11,344	14,010
Unearned revenue	18,552	14,381
Current portion of long-term liabilities		
Long-term debt	9,220,298	8,975,436
Accumulated unpaid compensated absences	357,418	342,659
Total current liabilities	<u>13,943,211</u>	<u>15,029,755</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	128,916,125	109,849,745
Accumulated unpaid compensated absences	621,364	494,140
Net pension obligation	190,691	--
Total noncurrent liabilities	<u>129,728,180</u>	<u>110,343,885</u>
Total liabilities		
	<u>143,671,391</u>	<u>125,373,640</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	194,916,382	201,020,578
Restricted for		
Bond interest and redemption	967,693	--
Construction of capital assets	1,207,233	2,260,831
Improvements to utility lines and facilities	1,299,072	546,972
Abatement of public health hazards	95,059	93,973
Unrestricted	16,144,716	6,707,952
Total net assets		
	<u>\$ 214,630,155</u>	<u>\$ 210,630,306</u>



City of  
Corpus  
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Exhibit 26-B

**WASTEWATER SYSTEM**  
**COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Operating revenues</b>		
Charges for services - net	\$ 47,111,334	\$ 43,817,922
<b>Operating expenses</b>		
Personal services	8,659,865	7,654,163
Materials and supplies	3,065,952	3,137,949
Contractual services	6,759,909	8,116,997
Other operating expenses	6,973,973	7,377,906
Uncollectible accounts	907,797	598,466
Depreciation	10,086,655	9,473,187
Total operating expenses	<u>36,454,151</u>	<u>36,358,668</u>
Operating income	10,657,183	7,459,254
<b>Nonoperating revenues (expenses)</b>		
Investment income	294,287	2,000,179
Interest expense and fiscal charges	(6,345,161)	(5,864,531)
Net gain (loss) on disposal of assets	(7,203)	111,368
Developer deposits	410,918	1,031,922
Reimbursement to developers	(2,287,249)	(3,176,598)
Total nonoperating expenses	<u>(7,934,408)</u>	<u>(5,897,660)</u>
<b>Capital contributions</b>		
Contributions from developers	<u>1,638,167</u>	<u>5,344,865</u>
Income before transfers	<u>4,360,942</u>	<u>6,906,459</u>
Transfers in	1,300,000	29,418
Transfers out	(1,661,093)	(1,771,898)
Total transfers	<u>(361,093)</u>	<u>(1,742,480)</u>
Net income	3,999,849	5,163,979
Net assets at beginning of year	<u>210,630,306</u>	<u>205,466,327</u>
Net assets at end of year	<u>\$ 214,630,155</u>	<u>\$ 210,630,306</u>

**WASTEWATER SYSTEM  
COMPARATIVE SCHEDULE OF CASH FLOWS  
YEAR ENDED JULY 31, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 45,661,785	\$ 42,466,441
Receipts from interfund services provided	28,533	38,887
Payments to suppliers	(8,828,173)	(9,863,686)
Payments to employees	(7,442,629)	(6,633,461)
Internal activity - payments to other funds	(8,779,340)	(9,219,323)
Net cash provided by operating activities	20,640,176	16,788,858
<b>Cash flows from noncapital financing activities</b>		
Changes in interfund borrowings	(2,360,945)	--
Transfers in from other funds	1,300,000	24,720
Transfers out to other funds	(1,661,093)	(1,771,898)
Net cash used for noncapital financing activities	(2,722,038)	(1,747,178)
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(21,095,819)	(19,439,920)
Proceeds from sale of capital assets	10	111,368
Developer deposits	410,918	1,031,921
Contributions from developers	225	9,158
Reimbursements to developers	(2,012,635)	(3,070,351)
Proceeds from issuance of revenue bonds	27,856,799	--
Principal paid on long-term debt	(9,465,774)	(8,594,043)
Interest expense and fiscal charges	(5,899,658)	(5,894,985)
Net cash used for capital and related financing activities	(10,205,934)	(35,846,852)
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(33,453,744)	(42,499,999)
Proceeds from sale and maturity of investment securities	27,500,000	58,497,997
Interest on investments	457,360	2,186,096
Net cash provided by (used for) investing activities	(5,496,384)	18,184,094
Net increase (decrease) in cash and cash equivalents	2,215,820	(2,621,078)
Cash and cash equivalents at beginning of year, including restricted accounts	6,951,858	9,572,936
Cash and cash equivalents at end of year, including restricted accounts	\$ 9,167,678	\$ 6,951,858

(Continued)

Exhibit 26-C

	<u>2009</u>	<u>2008</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ 10,657,183	\$ 7,459,254
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	10,086,655	9,473,187
Provision for uncollectible accounts	907,797	598,466
Change in assets and liabilities		
Receivables	(1,417,901)	(1,309,888)
Due from other funds	--	62,583
Prepaid items	(1,328)	--
Accounts payable	25,566	522,001
Accrued expenses	52,646	55,490
Unearned revenue	(450)	--
Accumulated unpaid compensated absences	141,983	24,769
Net pension obligation	190,691	--
Customer deposits	(2,666)	(2,706)
Due to other funds	--	(94,298)
	<u>\$ 20,640,176</u>	<u>\$ 16,788,858</u>
<b>Noncash investing, capital and financing activities</b>		
Change in fair value of investments	\$ (6,845)	\$ 1,343
Transfer of capital assets from other funds	\$ --	\$ 4,698
Contribution of capital assets	\$ 1,638,167	\$ 5,325,500

**NON-MAJOR PROPRIETARY FUNDS  
COMBINING STATEMENT OF NET ASSETS  
JULY 31, 2009**

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	\$ 3,704,191	\$ 5,363	\$ 166,626	\$ 3,876,180
Investments	2,998,462	--	--	2,998,462
Receivables, net of allowance for uncollectibles	272,430	15,241	122,155	409,826
Inventories	4,086	19,917	--	24,003
Restricted assets				
Cash and cash equivalents	4,072,133	--	--	4,072,133
Receivables, net of allowance for uncollectibles	201,900	--	--	201,900
Total restricted assets	<u>4,274,033</u>	<u>--</u>	<u>--</u>	<u>4,274,033</u>
Total current assets	<u>11,253,202</u>	<u>40,521</u>	<u>288,781</u>	<u>11,582,504</u>
Noncurrent assets				
Bond issue costs	461,119	--	60,701	521,820
Capital assets				
Land	4,770,351	94,337	9,000	4,873,688
Buildings	46,132,895	711,295	1,034,523	47,878,713
Improvements other than buildings	69,990,786	2,529,531	20,695,506	93,215,823
Machinery and equipment	4,306,532	1,054,572	170,709	5,531,813
Infrastructure	--	--	54,226	54,226
Total capital assets in service	<u>125,200,564</u>	<u>4,389,735</u>	<u>21,963,964</u>	<u>151,554,263</u>
Less accumulated depreciation	<u>(45,488,814)</u>	<u>(3,242,806)</u>	<u>(12,946,380)</u>	<u>(61,678,000)</u>
Net capital assets in service	<u>79,711,750</u>	<u>1,146,929</u>	<u>9,017,584</u>	<u>89,876,263</u>
Construction in progress	17,793,631	--	--	17,793,631
Net capital assets	<u>97,505,381</u>	<u>1,146,929</u>	<u>9,017,584</u>	<u>107,669,894</u>
Total noncurrent assets	<u>97,966,500</u>	<u>1,146,929</u>	<u>9,078,285</u>	<u>108,191,714</u>
Total assets	<u>109,219,702</u>	<u>1,187,450</u>	<u>9,367,066</u>	<u>119,774,218</u>

(Continued)

Exhibit 27-A

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	616,414	84,623	48,952	749,989
Accrued expenses	127,802	37,100	20,160	185,062
Accrued interest	485,692	--	68,679	554,371
Contractor interest and retainage payable	72,122	--	--	72,122
Deposits	2,920	3,489	100,350	106,759
Due to other funds	--	270,000	--	270,000
Unearned revenue	--	2,207	92,116	94,323
Current portion of long-term liabilities				
Long-term debt	525,000	111,282	170,000	806,282
Accumulated unpaid compensated absences	191,596	29,110	25,367	246,073
Total current liabilities	<u>2,021,546</u>	<u>537,811</u>	<u>525,624</u>	<u>3,084,981</u>
Noncurrent liabilities				
Long-term liabilities, net of current portion				
Accrued arbitrage rebate liability	--	--	34,073	34,073
Long-term debt	18,657,907	318,470	3,849,947	22,826,324
Accumulated unpaid compensated absences	121,494	33,084	23,026	177,604
Net pension obligation	104,008	21,566	14,694	140,268
Total noncurrent liabilities	<u>18,883,409</u>	<u>373,120</u>	<u>3,921,740</u>	<u>23,178,269</u>
Total liabilities	<u>20,904,955</u>	<u>910,931</u>	<u>4,447,364</u>	<u>26,263,250</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	78,322,474	717,179	4,997,636	84,037,289
Restricted for				
Passenger facility charges projects	2,872,055	--	--	2,872,055
Reserves required by bond covenants	1,398,764	--	--	1,398,764
Law enforcement officers' standards and education	3,213	--	--	3,213
Unrestricted	5,718,241	(440,660)	(77,934)	5,199,647
Total net assets	<u>\$ 88,314,747</u>	<u>\$ 276,519</u>	<u>\$ 4,919,702</u>	<u>\$ 93,510,968</u>



City of  
Corpus  
Christi

Exhibit 27-B

**NON-MAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2009**

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
<b>Operating revenues</b>				
Charges for services - net	\$ 7,142,103	\$ 1,728,415	\$ 1,592,825	\$ 10,463,343
<b>Operating expenses</b>				
Personal services	4,244,021	927,474	622,389	5,793,884
Materials and supplies	317,177	209,762	52,193	579,132
Contractual services	1,330,483	402,875	236,190	1,969,548
Other operating expenses	838,971	162,490	143,371	1,144,832
Uncollectible accounts	46,597	8,836	9,550	64,983
Depreciation	3,867,987	301,607	569,612	4,739,206
Total operating expenses	<u>10,645,236</u>	<u>2,013,044</u>	<u>1,633,305</u>	<u>14,291,585</u>
Operating loss	(3,503,133)	(284,629)	(40,480)	(3,828,242)
<b>Nonoperating revenues (expenses)</b>				
Investment income	151,181	--	3,450	154,631
Interest expense and fiscal charges	(1,136,730)	(36,648)	(172,917)	(1,346,295)
Passenger facility charges	1,413,791	--	--	1,413,791
Net gain on disposal of assets	4,119	3,848	--	7,967
Recovery on damage claims	2,273	--	--	2,273
Contributions from other governmental agencies	1,990	--	--	1,990
Total nonoperating revenues (expenses)	<u>436,624</u>	<u>(32,800)</u>	<u>(169,467)</u>	<u>234,357</u>
<b>Capital contributions</b>				
Contributions from other governmental agencies	3,418,663	--	--	3,418,663
Contributions from others	--	9,905	--	9,905
Total capital contributions	<u>3,418,663</u>	<u>9,905</u>	<u>--</u>	<u>3,428,568</u>
Income (loss) before transfers	352,154	(307,524)	(209,947)	(165,317)
Transfers out	(439,051)	(230,903)	(182,789)	(852,743)
Total transfers	<u>(439,051)</u>	<u>(230,903)</u>	<u>(182,789)</u>	<u>(852,743)</u>
Net loss	(86,897)	(538,427)	(392,736)	(1,018,060)
Net assets at beginning of year	<u>88,401,644</u>	<u>814,946</u>	<u>5,312,438</u>	<u>94,529,028</u>
Net assets at end of year	<u>\$ 88,314,747</u>	<u>\$ 276,519</u>	<u>\$ 4,919,702</u>	<u>\$ 93,510,968</u>

**NON-MAJOR PROPRIETARY FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2009**

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Totals</u>
<b>Cash flows from operating activities</b>				
Receipts from customers	\$ 7,087,870	\$ 1,688,243	\$ 1,528,579	\$ 10,304,692
Payments to suppliers	(1,611,887)	(583,644)	(249,983)	(2,445,514)
Payments to employees	(3,747,034)	(775,902)	(527,964)	(5,050,900)
Internal activity - payments to other funds	(1,322,623)	(275,481)	(228,678)	(1,826,782)
Net cash provided by operating activities	<u>406,326</u>	<u>53,216</u>	<u>521,954</u>	<u>981,496</u>
<b>Cash flows from noncapital financing activities</b>				
Changes in interfund borrowings	--	270,000	--	270,000
Contributions from other governmental agencies	1,990	--	--	1,990
Transfers out to other funds	(439,051)	(230,903)	(182,789)	(852,743)
Other non-operating expenses	(4,093)	--	--	(4,093)
Net cash provided by (used for) noncapital financing activities	<u>(441,154)</u>	<u>39,097</u>	<u>(182,789)</u>	<u>(584,846)</u>
<b>Cash flows from capital and related financing activities</b>				
Acquisition of capital assets	(3,971,932)	(87,144)	--	(4,059,076)
Proceeds from sale of capital assets	4,119	3,848	--	7,967
Contributions from other governmental agencies	4,092,050	--	31,266	4,123,316
Passenger facility charge	1,414,263	--	--	1,414,263
Principal paid on long-term debt	(501,719)	(107,845)	(165,000)	(774,564)
Interest expense and fiscal charges	(1,084,808)	(36,648)	(168,457)	(1,289,913)
Recovery on damage claims	2,273	--	--	2,273
Net cash used for capital and related financing activities	<u>(45,754)</u>	<u>(227,789)</u>	<u>(302,191)</u>	<u>(575,734)</u>
<b>Cash flows from investing activities</b>				
Purchase of investment securities	(5,495,000)	--	--	(5,495,000)
Proceeds from sale and maturity of investment securities	7,500,000	--	--	7,500,000
Interest on investments	167,313	--	38	167,351
Net cash provided by investing activities	<u>2,172,313</u>	<u>--</u>	<u>38</u>	<u>2,172,351</u>
Net increase (decrease) in cash and cash equivalents	2,091,731	(135,476)	37,012	1,993,267
Cash and cash equivalents at beginning of year, including restricted accounts	<u>5,684,593</u>	<u>140,839</u>	<u>129,614</u>	<u>5,955,046</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 7,776,324</u>	<u>\$ 5,363</u>	<u>\$ 166,626</u>	<u>\$ 7,948,313</u>

(Continued)

Exhibit 27-C

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Totals</u>
<b>Reconciliation of operating loss to net cash provided by operating activities</b>				
Operating loss	\$ (3,503,133)	\$ (284,629)	\$ (40,480)	\$ (3,828,242)
Adjustments to reconcile operating loss to net cash provided by operating activities				
Depreciation	3,867,987	301,607	569,612	4,739,206
Provision for uncollectible accounts	46,597	8,836	9,550	64,983
Change in assets and liabilities				
Receivables	(54,233)	(14,352)	(53,659)	(122,244)
Inventory	1,906	10,724	--	12,630
Accounts payable	(56,347)	12,392	27,421	(16,534)
Accrued expenses	(1,543)	11,434	2,481	12,372
Unearned revenue	--	(15,612)	(15,273)	(30,885)
Accumulated unpaid compensated absences	(1,622)	11,458	2,922	12,758
Net pension obligation	104,008	21,566	14,694	140,268
Customer deposits	2,706	1,145	4,686	8,537
Due to other governmental agencies	--	(11,353)	--	(11,353)
	<u>\$ 406,326</u>	<u>\$ 53,216</u>	<u>\$ 521,954</u>	<u>\$ 981,496</u>
<b>Net cash provided by operating activities</b>				
<b>Noncash investing, capital and financing activities</b>				
Contribution of capital assets	\$ --	\$ 9,905	\$ --	\$ 9,905

**AIRPORT FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 3,704,191	\$ 3,186,716
Investments	2,998,462	4,000,000
Receivables		
Accounts	314,529	253,873
Accrued interest	7,128	13,361
Employees	--	476
Intergovernmental	5,134	678,521
Miscellaneous	6,437	51,571
Allowance for uncollectibles	(60,798)	(53,389)
Net receivables	272,430	944,413
Inventories	4,086	5,992
Restricted assets		
Cash and cash equivalents	4,072,133	2,497,877
Investments	--	1,000,000
Receivables		
Accounts	201,900	202,372
Accrued interest	--	13,361
Net receivables	201,900	215,733
Total restricted assets	4,274,033	3,713,610
Total current assets	11,253,202	11,850,731
Noncurrent assets		
Bond issue costs	461,119	495,987
Capital assets		
Land	4,770,351	3,554,942
Buildings	46,132,895	46,132,895
Improvements other than buildings	69,990,786	69,990,786
Machinery and equipment	4,306,532	4,306,532
Total capital assets in service	125,200,564	123,985,155
Less accumulated depreciation	(45,488,814)	(41,620,828)
Net capital assets in service	79,711,750	82,364,327
Construction in progress	17,793,631	15,701,057
Net capital assets	97,505,381	98,065,384
Total noncurrent assets	97,966,500	98,561,371
Total assets	109,219,702	110,412,102

(Continued)

Exhibit 28-A

	<u>2009</u>	<u>2008</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	616,414	1,027,773
Accrued expenses	127,802	129,345
Accrued interest	485,692	497,151
Contractor interest and retainage payable	72,122	381,059
Deposits	2,920	214
Current portion of long-term liabilities		
Long-term debt	525,000	501,719
Accumulated unpaid compensated absences	191,596	191,644
Total current liabilities	<u>2,021,546</u>	<u>2,728,905</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	18,657,907	19,158,486
Accumulated unpaid compensated absences	121,494	123,067
Net pension obligation	104,008	--
Total noncurrent liabilities	<u>18,883,409</u>	<u>19,281,553</u>
Total liabilities	<u>20,904,955</u>	<u>22,010,458</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	78,322,474	78,405,179
Restricted for		
Passenger facility charges projects	2,872,055	2,335,074
Required capital reserve	250,000	250,000
Required operating reserve	1,148,764	1,123,333
Law enforcement officers' standards and education	3,213	5,203
Unrestricted	5,718,241	6,282,855
Total net assets	<u>\$ 88,314,747</u>	<u>\$ 88,401,644</u>



City of  
Corpus  
Christi

Exhibit 28-B

**AIRPORT FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Operating revenues</b>		
Charges for services - net	\$ 7,142,103	\$ 8,201,557
<b>Operating expenses</b>		
Personal services	4,244,021	3,963,942
Materials and supplies	317,177	339,536
Contractual services	1,330,483	1,203,189
Other operating expenses	838,971	955,155
Uncollectible accounts	46,597	(2,688)
Depreciation	3,867,987	3,905,018
Total operating expenses	<u>10,645,236</u>	<u>10,364,152</u>
Operating loss	(3,503,133)	(2,162,595)
<b>Nonoperating revenues (expenses)</b>		
Investment income	151,181	387,912
Interest expense and fiscal charges	(1,136,730)	(1,160,214)
Passenger facility charges	1,413,791	1,697,905
Net gain on disposal of assets	4,119	48,631
Recovery on damage claims	2,273	836
Contributions from other governmental agencies	1,990	1,748
Total nonoperating revenues	<u>436,624</u>	<u>976,818</u>
<b>Capital contributions</b>		
Contribution from other governmental agencies	<u>3,418,663</u>	<u>8,670,087</u>
Income before transfers	352,154	7,484,310
Transfers in	--	3,012
Transfers out	(439,051)	(764,739)
Total transfers	<u>(439,051)</u>	<u>(761,727)</u>
Net income (loss)	(86,897)	6,722,583
Net assets at beginning of year	<u>88,401,644</u>	<u>81,679,061</u>
Net assets at end of year	<u>\$ 88,314,747</u>	<u>\$ 88,401,644</u>

**AIRPORT FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 7,087,870	\$ 8,232,383
Payments to suppliers	(1,611,887)	(1,459,732)
Payments to employees	(3,747,034)	(3,512,260)
Internal activity - payments to other funds	(1,322,623)	(1,420,094)
Net cash provided by operating activities	406,326	1,840,297
<b>Cash flows from noncapital financing activities</b>		
Contributions from other governmental agencies	1,990	1,748
Transfers in from other funds	--	3,012
Transfers out to other funds	(439,051)	(764,739)
Other non-operating expenses	(4,093)	(20,323)
Net cash used for noncapital financing activities	(441,154)	(780,302)
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(3,971,932)	(12,354,013)
Proceeds from sale of capital assets	4,119	48,631
Contributions from other governmental agencies	4,092,050	8,024,717
Passenger facility charge	1,414,263	1,732,044
Principal paid on long-term debt	(501,719)	(480,071)
Interest expense and fiscal charges	(1,084,808)	(1,087,758)
Recovery on damage claims	2,273	836
Net cash used for capital and related financing activities	(45,754)	(4,115,614)
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(5,495,000)	(7,000,000)
Proceeds from sale and maturity of investment securities	7,500,000	10,499,799
Interest on investments	167,313	371,583
Net cash provided by investing activities	2,172,313	3,871,382
Net increase in cash and cash equivalents	2,091,731	815,763
Cash and cash equivalents at beginning of year, including restricted accounts	5,684,593	4,868,830
Cash and cash equivalents at end of year, including restricted accounts	\$ 7,776,324	\$ 5,684,593

(Continued)

Exhibit 28-C

	<u>2009</u>	<u>2008</u>
<b>Reconciliation of operating loss to net cash provided by operating activities</b>		
Operating loss	\$ (3,503,133)	\$ (2,162,595)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	3,867,987	3,905,018
Provision for (recovery of) uncollectible accounts	46,597	(2,688)
Change in assets and liabilities		
Receivables	(54,233)	30,827
Inventory	1,906	(2,059)
Prepaid items	--	940
Accounts payable	(56,347)	28,458
Accrued expenses	(1,543)	38,476
Accumulated unpaid compensated absences	(1,622)	4,078
Net pension obligation	104,008	--
Deposits	2,706	--
Due to other funds	--	160
Due to other governmental agencies	--	(318)
	<u>\$ 406,326</u>	<u>\$ 1,840,297</u>
<b>Noncash investing, capital and financing activities</b>		
Change in fair value of investments	\$ 3,462	\$ 805



City of  
Corpus  
Christi

Exhibit 29-A

**GOLF CENTERS FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 5,363	\$ 140,839
Receivables		
Accounts	--	1,365
Miscellaneous	15,241	8,360
Net receivables	<u>15,241</u>	<u>9,725</u>
Inventories	<u>19,917</u>	<u>30,641</u>
Total current assets	<u>40,521</u>	<u>181,205</u>
Noncurrent assets		
Capital assets		
Land	94,337	94,337
Buildings	711,295	711,295
Improvements other than buildings	2,529,531	2,529,531
Machinery and equipment	<u>1,054,572</u>	<u>957,522</u>
Total capital assets in service	4,389,735	4,292,685
Less accumulated depreciation	<u>(3,242,806)</u>	<u>(2,941,198)</u>
Net capital assets	<u>1,146,929</u>	<u>1,351,487</u>
Total noncurrent assets	<u>1,146,929</u>	<u>1,351,487</u>
 Total assets	 <u>1,187,450</u>	 <u>1,532,692</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	84,623	72,231
Accrued expenses	37,100	25,666
Deposits	3,489	2,344
Due to other funds	270,000	--
Due to other governmental agencies	--	11,353
Unearned revenue	2,207	17,819
Current portion of long-term liabilities		
Long-term debt	111,282	107,846
Accumulated unpaid compensated absences	<u>29,110</u>	<u>23,188</u>
Total current liabilities	537,811	260,447
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	318,470	429,751
Accumulated unpaid compensated absences	33,084	27,548
Net pension obligation	<u>21,566</u>	<u>--</u>
Total noncurrent liabilities	<u>373,120</u>	<u>457,299</u>
 Total liabilities	 <u>910,931</u>	 <u>717,746</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	717,179	813,890
Unrestricted	<u>(440,660)</u>	<u>1,056</u>
 Total net assets	 <u>\$ 276,519</u>	 <u>\$ 814,946</u>

Exhibit 29-B

**GOLF CENTERS FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>Operating revenues</b>		
Charges for services - net	\$ 1,728,415	\$ 1,774,423
<b>Operating expenses</b>		
Personal services	927,474	689,168
Materials and supplies	209,762	264,941
Contractual services	402,875	495,550
Other operating expenses	162,490	179,659
Uncollectible accounts	8,836	5,500
Depreciation	301,607	270,262
Total operating expenses	2,013,044	1,905,080
Operating loss	(284,629)	(130,657)
<b>Nonoperating revenues (expenses)</b>		
Investment income	--	4,436
Interest expense and fiscal charges	(36,648)	(28,296)
Net gain on disposal of assets	3,848	169,328
Total nonoperating revenues (expenses)	(32,800)	145,468
<b>Capital contributions</b>		
Contributions from others	9,905	--
Total capital contributions	9,905	--
Income (loss) before transfers	(307,524)	14,811
Transfers out	(230,903)	(270,763)
Total transfers	(230,903)	(270,763)
Net loss	(538,427)	(255,952)
Net assets at beginning of year	814,946	1,070,898
Net assets at end of year	\$ 276,519	\$ 814,946

**GOLF CENTERS FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2009 AND 2008**

	2009	2008
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 1,688,243	\$ 1,800,804
Payments to suppliers	(583,644)	(774,262)
Payments to employees	(775,902)	(598,631)
Internal activity - payments to other funds	(275,481)	(267,131)
Net cash provided by operating activities	53,216	160,780
<b>Cash flows from noncapital financing activities</b>		
Changes in interfund borrowings	270,000	--
Transfers out to other funds	(230,903)	(270,763)
Net cash provided by (used for) noncapital financing activities	39,097	(270,763)
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(87,144)	(125,184)
Proceeds from sale/disposal of capital assets	3,848	169,328
Principal paid on long-term debt	(107,845)	(118,841)
Interest expense and fiscal charges	(36,648)	(28,296)
Net cash used for capital and related financing activity	(227,789)	(102,993)
<b>Cash flows from investing activities</b>		
Interest on investments	--	4,436
Net decrease in cash and cash equivalents	(135,476)	(208,540)
Cash and cash equivalents at beginning of year	140,839	349,379
Cash and cash equivalents at end of year	\$ 5,363	\$ 140,839
<b>Reconciliation of operating loss to net cash provided by operating activities</b>		
Operating loss	\$ (284,629)	\$ (130,657)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	301,607	270,262
Provision for uncollectible accounts	8,836	5,500
Change in assets and liabilities		
Receivables	(14,352)	(48)
Inventory	10,724	4,693
Accounts payable	12,392	(24,103)
Accrued expenses	11,434	7,690
Unearned revenue	(15,612)	12,942
Accumulated unpaid compensated absences	11,458	1,142
Net pension obligation	21,566	--
Customer deposits	1,145	2,134
Due to other funds	--	(128)
Due to other governmental agencies	(11,353)	11,353
Net cash provided by operating activities	\$ 53,216	\$ 160,780
<b>Noncash investing, capital and financing activities</b>		
Contribution of capital assets	\$ 9,905	\$ --
Acquisition of capital assets under capital lease	\$ --	\$ 570,808

**GOLF CENTERS FUND  
 SCHEDULE OF OPERATING EXPENSES BY FUNCTION  
 YEAR ENDED JULY 31, 2009  
 WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2008**

<u><b>FUNCTION</b></u>	<b>2009</b>			
	<u><b>PERSONAL SERVICES</b></u>	<u><b>MATERIALS &amp; SUPPLIES</b></u>	<u><b>CONTRACTUAL SERVICES</b></u>	<u><b>OTHER OPERATING EXPENSES</b></u>
Gabe Lozano Sr. Golf Center operations	\$ 521,134	\$ 103,098	\$ 241,566	\$ 108,592
Oso Golf Center operations	406,340	106,664	161,309	53,898
Total operating expenses	<u>\$ 927,474</u>	<u>\$ 209,762</u>	<u>\$ 402,875</u>	<u>\$ 162,490</u>

Exhibit 29-D

<u>UNCOLLECTIBLE ACCOUNTS</u>	<u>DEPRECIATION</u>	<u>2009 TOTAL</u>	<u>2008 TOTAL</u>
\$ (2,619)	\$ 199,390	\$ 1,171,161	\$ 1,084,148
11,455	102,217	841,883	820,932
<u>\$ 8,836</u>	<u>\$ 301,607</u>	<u>\$ 2,013,044</u>	<u>\$ 1,905,080</u>

**MARINA FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 166,626	\$ 129,614
Receivables		
Accounts	189,140	135,481
Intergovernmental	--	23,454
Allowance for uncollectibles	(66,985)	(57,434)
Net receivables	122,155	101,501
Total current assets	288,781	231,115
Noncurrent assets		
Bond issue costs	60,701	67,219
Capital assets		
Land	9,000	9,000
Buildings	1,034,523	1,034,523
Improvements other than buildings	20,695,506	20,690,888
Machinery and equipment	170,709	182,810
Infrastructure	54,226	54,226
Total capital assets in service	21,963,964	21,971,447
Less accumulated depreciation	(12,946,380)	(12,388,869)
Net capital assets in service	9,017,584	9,582,578
Construction in progress	--	4,618
Net capital assets	9,017,584	9,587,196
Total noncurrent assets	9,078,285	9,654,415
Total assets	9,367,066	9,885,530

(Continued)

Exhibit 30-A

	<u>2009</u>	<u>2008</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	48,952	21,531
Accrued expenses	20,160	17,679
Accrued interest	68,679	70,742
Deposits	100,350	95,664
Unearned revenue	92,116	99,577
Current portion of long-term liabilities		
Long-term debt	170,000	165,000
Accumulated unpaid compensated absences	25,367	24,591
Total current liabilities	<u>525,624</u>	<u>494,784</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Accrued arbitrage rebate liability	34,073	37,486
Long-term debt	3,849,947	4,019,942
Accumulated unpaid compensated absences	23,026	20,880
Net pension obligation	14,694	--
Total noncurrent liabilities	<u>3,921,740</u>	<u>4,078,308</u>
Total liabilities	<u>4,447,364</u>	<u>4,573,092</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	4,997,636	5,402,254
Unrestricted	(77,934)	(89,816)
Total net assets	<u>\$ 4,919,702</u>	<u>\$ 5,312,438</u>

Exhibit 30-B

**MARINA FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Operating revenues</b>		
Slip rentals	\$ 1,133,289	\$ 1,021,558
Bayfront revenue	214,881	212,610
Boat haul-outs	29,918	27,270
Transient fees	62,399	59,301
Resale of electricity	34,648	34,916
Raw seafood sales permits	1,423	1,600
Miscellaneous	116,267	78,635
Total operating revenue	<u>1,592,825</u>	<u>1,435,890</u>
<b>Operating expenses</b>		
Personal services	622,389	612,046
Materials and supplies	52,193	69,448
Contractual services	236,190	185,600
Other operating expenses	143,371	172,622
Uncollectible accounts	9,550	2,440
Depreciation	569,612	571,956
Total operating expenses	<u>1,633,305</u>	<u>1,614,112</u>
Operating loss	(40,480)	(178,222)
<b>Nonoperating revenues (expenses)</b>		
Investment income	3,450	10,189
Interest expense and fiscal charges	(172,917)	(179,498)
Net gain on disposal of assets	--	713
Contributions from other governmental agencies	--	140
Total nonoperating expenses	<u>(169,467)</u>	<u>(168,456)</u>
Loss before transfers	(209,947)	(346,678)
Transfers out	(182,789)	(263,184)
Total transfers	<u>(182,789)</u>	<u>(263,184)</u>
Net loss	(392,736)	(609,862)
Net assets at beginning of year	<u>5,312,438</u>	<u>5,922,300</u>
Net assets at end of year	<u>\$ 4,919,702</u>	<u>\$ 5,312,438</u>

**MARINA FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 1,528,579	\$ 1,505,889
Payments to suppliers	(249,983)	(243,828)
Payments to employees	(527,964)	(523,791)
Internal activity - payments to other funds	(228,678)	(197,769)
Net cash provided by operating activities	<u>521,954</u>	<u>540,501</u>
<b>Cash flows from noncapital financing activities</b>		
Changes in interfund borrowings	--	(500,172)
Transfers out to other funds	(182,789)	(263,184)
Net cash used for noncapital financing activities	<u>(182,789)</u>	<u>(763,356)</u>
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	--	(317,206)
Proceeds from sale of capital assets	--	713
Contributions from other governmental agencies	31,266	510,070
Principal paid on long-term debt	(165,000)	(160,000)
Interest expense and fiscal charges	(168,457)	(172,781)
Net cash used for capital and related financing activities	<u>(302,191)</u>	<u>(139,204)</u>
<b>Cash flows from investing activities</b>		
Interest on investments	<u>38</u>	<u>8,625</u>
Net increase (decrease) in cash and cash equivalents	37,012	(353,434)
Cash and cash equivalents at beginning of year, including restricted accounts	<u>129,614</u>	<u>483,048</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 166,626</u>	<u>\$ 129,614</u>
<b>Reconciliation of operating loss to net cash provided by operating activities</b>		
Operating loss	\$ (40,480)	\$ (178,222)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	569,612	571,956
Provision for uncollectible accounts	9,550	2,440
Change in assets and liabilities		
Receivables	(53,659)	(1,012)
Due from other funds	--	49,848
Accounts payable	27,421	15,295
Accrued expenses	2,481	5,285
Unearned revenue	(15,273)	57,250
Accumulated unpaid compensated absences	2,922	6,061
Net pension obligation	14,694	--
Contractor interest and retainage payable	--	(2,162)
Customer deposits	<u>4,686</u>	<u>13,762</u>
Net cash provided by operating activities	<u>\$ 521,954</u>	<u>\$ 540,501</u>



City of  
Corpus  
Christi

## ***Internal Service Funds***

***Internal Service Funds*** were established to finance and account for services, materials, and supplies furnished to the various departments of the City and, on a limited basis, to other local governmental agencies. These services are provided on a cost reimbursement basis.

***Stores Fund*** – This fund was established to maintain an inventory of commonly used materials and supplies and to provide printing at a reasonable cost.

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

***Municipal Information Systems Fund*** – This fund was originally established to provide data processing services to city departments and now further supports departments citywide through the automation of processes and the provision of wired and wireless data, voice and video communications.

***Corpus Christi Digital Community Development Corporation Fund*** – This fund is a public non-profit corporation created under State law to increase government efficiency in delivering services, improve safety and security, increase economic opportunity for businesses, and enable easier access to information for everyone in the community.

***Liability and Employee Benefits Fund*** – This fund accumulates funds for the payment of liability and workers' compensation claims and various premiums for insurance coverage. This fund also accounts for the employee health insurance plans offered by the City.

***Engineering Services Fund*** – This fund provides complete engineering services to City departments.



City of  
Corpus  
Christi

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET ASSETS  
JULY 31, 2009**

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Corpus Christi Digital Community Development Corporation</u>
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	--	3,534,697	52,474	354,965
Investments	--	1,000,937	1,000,937	--
Receivables, net of allowance for uncollectibles	128	2,261	5,138	--
Due from other funds	--	--	--	--
Inventories	837,278	352,558	--	--
Prepaid items	--	--	--	--
Total current assets	<u>837,406</u>	<u>4,890,453</u>	<u>1,058,549</u>	<u>354,965</u>
Noncurrent assets				
Other assets	--	--	--	--
Capital assets				
Land	--	66,359	--	--
Buildings	366,639	6,155,308	--	--
Improvements other than buildings	13,852	484,068	5,674,450	42,024
Machinery and equipment	208,564	45,003,129	13,062,430	1,708,858
Total capital assets in service	<u>589,055</u>	<u>51,708,864</u>	<u>18,736,880</u>	<u>1,750,882</u>
Less accumulated depreciation	(386,757)	(39,710,351)	(6,985,245)	(448,716)
Net capital assets	<u>202,298</u>	<u>11,998,513</u>	<u>11,751,635</u>	<u>1,302,166</u>
Total noncurrent assets	<u>202,298</u>	<u>11,998,513</u>	<u>11,751,635</u>	<u>1,302,166</u>
Total assets	<u>1,039,704</u>	<u>16,888,966</u>	<u>12,810,184</u>	<u>1,657,131</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	74,767	687,031	239,925	337,930
Accrued expenses	30,353	127,433	251,868	--
Current portion of estimated liability claims	--	--	--	--
Deposits	--	2,339	--	--
Liability to claimants - escheat property	--	--	--	--
Due to other funds	515,657	--	--	--
Unearned revenue	--	--	--	--
Current portion of long-term liabilities				
Long-term debt	--	63,146	1,426,497	318,395
Accumulated unpaid compensated absences	47,527	188,373	432,773	--
Total current liabilities	<u>668,304</u>	<u>1,068,322</u>	<u>2,351,063</u>	<u>656,325</u>
Noncurrent liabilities				
Estimated liability claims, net of current portion	--	--	--	--
Long-term liabilities, net of current portion				
Long-term debt	--	1,176,201	2,754,329	814,476
Accumulated unpaid compensated absences	19,894	168,104	366,841	--
Net pension obligation	21,458	94,191	181,956	--
Net OPEB obligation	--	--	--	--
Total noncurrent liabilities	<u>41,352</u>	<u>1,438,496</u>	<u>3,303,126</u>	<u>814,476</u>
Total liabilities	<u>709,656</u>	<u>2,506,818</u>	<u>5,654,189</u>	<u>1,470,801</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	202,298	10,759,166	7,570,809	169,295
Unrestricted	127,750	3,622,982	(414,814)	17,035
Net assets	<u>330,048</u>	<u>14,382,148</u>	<u>7,155,995</u>	<u>186,330</u>

Exhibit 31-A

<b>Liability and Employee Benefits</b>	<b>Engineering Services</b>	<b>Eliminations</b>	<b>Total</b>
16,334,126	1,650,219	--	21,926,481
26,021,562	--	--	28,023,436
391,249	--	--	398,776
520,238	--	(515,657)	4,581
--	--	--	1,189,836
2,047,580	--	--	2,047,580
<u>45,314,755</u>	<u>1,650,219</u>	<u>(515,657)</u>	<u>53,590,690</u>
49,871	--	--	49,871
--	1,099	--	67,458
--	--	--	6,521,947
--	--	--	6,214,394
--	183,592	--	60,166,573
--	184,691	--	72,970,372
--	(144,466)	--	(47,675,535)
--	40,225	--	25,294,837
<u>49,871</u>	<u>40,225</u>	<u>--</u>	<u>25,344,708</u>
<u>45,364,626</u>	<u>1,690,444</u>	<u>(515,657)</u>	<u>78,935,398</u>
498,287	142,771	--	1,980,711
77,589	131,428	--	618,671
8,273,730	--	--	8,273,730
--	--	--	2,339
25,227	--	--	25,227
--	--	(515,657)	--
8,423	--	--	8,423
--	--	--	1,808,038
43,787	152,006	--	864,466
<u>8,927,043</u>	<u>426,205</u>	<u>(515,657)</u>	<u>13,581,605</u>
6,603,787	--	--	6,603,787
--	--	--	4,745,006
13,256	372,029	--	940,124
22,055	90,430	--	410,090
10,025,653	--	--	10,025,653
<u>16,664,751</u>	<u>462,459</u>	<u>--</u>	<u>22,724,660</u>
<u>25,591,794</u>	<u>888,664</u>	<u>(515,657)</u>	<u>36,306,265</u>
--	40,225	--	18,741,793
<u>19,772,832</u>	<u>761,555</u>	<u>--</u>	<u>23,887,340</u>
<u>19,772,832</u>	<u>801,780</u>	<u>--</u>	<u>42,629,133</u>

**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2009**

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Corpus Christi Digital Community Development Corporation</u>
<b>Operating revenues</b>				
Charges for services - net	\$ 1,444,980	\$ 7,245,569	\$ 15,090,915	\$ 2,985,835
<b>Operating expenses</b>				
Personal services	889,741	3,877,418	7,288,406	--
Materials and supplies	100,195	1,040,527	304,731	506,949
Contractual services	253,897	2,352,930	4,036,572	1,883,340
Other operating expenses	177,156	546,943	3,556,479	378,525
Self-insurance claims	--	--	--	--
Other post employment benefits	--	--	--	--
Uncollectible accounts	69	--	--	--
Depreciation	10,514	3,026,269	2,471,145	298,892
Total operating expenses	<u>1,431,572</u>	<u>10,844,087</u>	<u>17,657,333</u>	<u>3,067,706</u>
Operating income (loss)	13,408	(3,598,518)	(2,566,418)	(81,871)
<b>Nonoperating revenues (expenses)</b>				
Investment income	--	87,048	35,239	3,232
Interest expense and fiscal charges	(7,533)	(82,904)	(160,320)	(22,287)
Recovery of prior years expenses	--	--	--	--
Net gain on disposal of assets	520	15,662	--	--
Recovery of damage claims	--	97,663	1,080	--
Total nonoperating revenues (expenses)	<u>(7,013)</u>	<u>117,469</u>	<u>(124,001)</u>	<u>(19,055)</u>
<b>Capital contributions</b>				
Contributions from other governmental agencies	--	--	--	29,251
Contributions (to) from others	--	(1,335)	--	--
Total capital contributions	<u>--</u>	<u>(1,335)</u>	<u>--</u>	<u>29,251</u>
Income (loss) before transfers	6,395	(3,482,384)	(2,690,419)	(71,675)
Transfers in	--	3,342,186	--	--
Net transfers	<u>--</u>	<u>3,342,186</u>	<u>--</u>	<u>--</u>
Net income (loss)	6,395	(140,198)	(2,690,419)	(71,675)
Net assets at beginning of year	<u>323,653</u>	<u>14,522,346</u>	<u>9,846,414</u>	<u>258,005</u>
Net assets at end of year	<u>\$ 330,048</u>	<u>\$ 14,382,148</u>	<u>\$ 7,155,995</u>	<u>\$ 186,330</u>

Exhibit 31-B

<b>Liability and Employee Benefits</b>	<b>Engineering Services</b>	<b>Eliminations</b>	<b>Totals</b>
\$ 33,125,226	\$ 4,332,371	\$ --	\$ 64,224,896
880,977	3,330,845	--	16,267,387
146,261	87,016	--	2,185,679
6,142,064	630,217	--	15,299,020
180,251	542,123	--	5,381,477
27,193,195	--	--	27,193,195
7,137,303	--	--	7,137,303
13,108	--	--	13,177
--	16,506	--	5,823,326
<u>41,693,159</u>	<u>4,606,707</u>	<u>--</u>	<u>79,300,564</u>
(8,567,933)	(274,336)	--	(15,075,668)
973,669	868	--	1,100,056
(14,589)	(222)	--	(287,855)
3,000	--	--	3,000
--	--	--	16,182
243	--	--	98,986
<u>962,323</u>	<u>646</u>	<u>--</u>	<u>930,369</u>
--	--	--	29,251
--	--	--	(1,335)
--	--	--	27,916
(7,605,610)	(273,690)	--	(14,117,383)
--	--	--	3,342,186
--	--	--	3,342,186
(7,605,610)	(273,690)	--	(10,775,197)
<u>27,378,442</u>	<u>1,075,470</u>	<u>--</u>	<u>53,404,330</u>
<u>\$ 19,772,832</u>	<u>\$ 801,780</u>	<u>\$ --</u>	<u>\$ 42,629,133</u>

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2009**

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Corpus Christi Digital Community Development Corporation</u>
<b>Cash flows from operating activities</b>				
Receipts from customers	\$ --	\$ 20,254	\$ --	\$ --
Receipts from interfund services provided	4,392,619	15,052,627	15,090,915	2,985,835
Payments to suppliers	(3,275,386)	(12,176,938)	(4,078,226)	(2,219,967)
Payments to employees	(815,012)	(3,863,001)	(6,524,442)	--
Internal activity - payments to other funds	(207,232)	(547,354)	(4,350,872)	(390,444)
Claims paid	--	--	--	--
Net cash provided by (used for) operating activities	<u>94,989</u>	<u>(1,514,412)</u>	<u>137,375</u>	<u>375,424</u>
<b>Cash flows from noncapital financing activities</b>				
Changes in interfund borrowings	(37,974)	--	--	--
Interest on interfund borrowings	(7,533)	--	--	--
Other non-operating revenues	--	97,663	1,080	--
Net cash provided by (used for) noncapital financing activities	<u>(45,507)</u>	<u>97,663</u>	<u>1,080</u>	<u>--</u>
<b>Cash flows from capital and related financing activities</b>				
Acquisition of capital assets	(50,002)	(2,850,553)	(17,469)	(62,699)
Proceeds from sale/disposal of capital assets	520	15,662	--	--
Contribution from other governmental agencies	--	--	--	29,251
Transfer in from other funds for capital acquisition	--	3,342,186	--	--
Principal paid on long-term debt	--	(57,372)	(1,384,656)	(164,518)
Interest expense and fiscal charges	--	(82,904)	(160,320)	(22,287)
Net cash provided by (used for) capital and related financing activity	<u>(49,482)</u>	<u>367,019</u>	<u>(1,562,445)</u>	<u>(220,253)</u>
<b>Cash flows from investing activities</b>				
Purchase of investment securities	--	(2,000,000)	(1,000,000)	--
Proceeds from sale and maturity of investment securities	--	4,000,000	2,000,000	--
Interest on investments	--	107,514	47,642	3,232
Net cash provided by (used for) investing activities	<u>--</u>	<u>2,107,514</u>	<u>1,047,642</u>	<u>3,232</u>
Net increase in cash and cash equivalents	--	1,057,784	(376,348)	158,403
Cash and cash equivalents at beginning of year	<u>--</u>	<u>2,476,913</u>	<u>428,822</u>	<u>196,562</u>
Cash and cash equivalents at end of year	<u>\$ --</u>	<u>\$ 3,534,697</u>	<u>\$ 52,474</u>	<u>\$ 354,965</u>

(Continued)

Exhibit 31-C

<b>Liability and Employee Benefits</b>	<b>Engineering Services</b>	<b>Eliminations</b>	<b>Total</b>
\$ 9,293,129	\$ 38,227	\$ --	\$ 9,351,610
23,851,560	5,237,504	--	66,611,060
(6,668,325)	(643,246)	--	(29,062,088)
(790,183)	(2,910,770)	--	(14,903,408)
(164,153)	(760,134)	--	(6,420,189)
(28,892,669)	--	--	(28,892,669)
(3,370,641)	961,581	--	(3,315,684)
37,974	--	--	--
(14,589)	646	--	(21,476)
3,243	--	--	101,986
26,628	646	--	80,510
--	--	--	(2,980,723)
--	1,099	--	17,281
--	--	--	29,251
--	--	--	3,342,186
--	--	--	(1,606,546)
--	--	--	(265,511)
--	1,099	--	(1,464,062)
(35,984,000)	--	--	(38,984,000)
52,000,000	--	--	58,000,000
1,128,941	--	--	1,287,329
17,144,941	--	--	20,303,329
13,800,928	963,326	--	15,604,093
2,533,198	686,893	--	6,322,388
<u>\$ 16,334,126</u>	<u>\$ 1,650,219</u>	<u>\$ --</u>	<u>\$ 21,926,481</u>

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2009**

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Corpus Christi Digital Community Development Corporation</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities</b>				
Operating income (loss)	\$ 13,408	\$ (3,598,518)	\$ (2,566,418)	\$ (81,871)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation	10,514	3,026,269	2,471,145	298,892
Provision for uncollectible accounts	69	--	--	--
Changes in assets and liabilities				
Receivables	(27)	(872)	(3,749)	--
Due from other funds	--	--	--	--
Inventory	45,969	12,922	--	--
Prepaid items	--	--	--	--
Accounts payable	(49,672)	(969,041)	(29,146)	158,403
Accrued expenses	18,999	(13,053)	28,987	--
Estimated claims liability	--	--	--	--
Contractor interest and retainage payable	--	(588)	--	--
Deposits	--	(141)	--	--
Liability to claimants-escheat property	--	--	--	--
Unearned revenue	--	--	--	--
Accumulated unpaid compensated absences	34,271	(65,581)	54,601	--
Net pension obligation	21,458	94,191	181,955	--
Net OPEB obligation	--	--	--	--
	<u>\$ 94,989</u>	<u>\$ (1,514,412)</u>	<u>\$ 137,375</u>	<u>\$ 375,424</u>
<b>Noncash investing, capital and financing activities</b>				
Change in fair value of investments	\$ --	\$ (8,125)	\$ 937	\$ --
Acquisition of capital assets under capital lease	\$ --	\$ --	\$ 1,168,407	\$ 1,145,042
Contribution of capital assets	\$ --	\$ (1,335)	\$ --	\$ --

Exhibit 31-C  
(Continued)

<u>Liability and Employee Benefits</u>	<u>Engineering Services</u>	<u>Eliminations</u>	<u>Total</u>
\$ (8,567,933)	\$ (274,336)	\$ --	\$ (15,075,668)
--	16,506	--	5,823,326
13,108	--	--	13,177
21,426	--	--	16,778
--	943,360	--	943,360
--	--	--	58,891
(229,726)	--	--	(229,726)
(74,724)	83,952	--	(880,228)
7,684	43,936	--	86,553
313,300	--	--	313,300
--	--	--	(588)
--	--	--	(141)
(62,042)	--	--	(62,042)
(2,661)	--	--	(2,661)
1,601	57,733	--	82,625
22,055	90,430	--	410,089
<u>5,187,271</u>	<u>--</u>	<u>--</u>	<u>5,187,271</u>
<u>\$ (3,370,641)</u>	<u>\$ 961,581</u>	<u>\$ --</u>	<u>\$ (3,315,684)</u>
\$ 38,064	\$ --	\$ --	\$ 30,876
\$ --	\$ --	\$ --	\$ 2,313,449
\$ --	\$ --	\$ --	\$ (1,335)



City of  
Corpus  
Christi

Exhibit 32-A

**STORES FUND**  
**COMPARATIVE STATEMENT OF NET ASSETS**  
**JULY 31, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>ASSETS</b>		
Current assets		
Employees	\$ --	\$ 101
Intergovernmental	197	69
Allowance for uncollectibles	(69)	--
Net receivables	128	170
Inventories	837,278	883,245
Total current assets	837,406	883,415
Noncurrent assets		
Capital assets		
Buildings	366,639	316,637
Improvements other than buildings	13,852	13,852
Machinery and equipment	208,564	208,564
Total capital assets in service	589,055	539,053
Less accumulated depreciation	(386,757)	(376,242)
Net capital assets in service	202,298	162,811
Total noncurrent assets	202,298	162,811
Total assets	1,039,704	1,046,226
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	74,767	124,438
Accrued expenses	30,353	11,354
Due to other funds	515,657	553,632
Current portion of accumulated unpaid compensated absences	47,527	14,676
Total current liabilities	668,304	704,100
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Accumulated unpaid compensated absences	19,894	18,473
Net pension obligation	21,458	--
Total noncurrent liabilities	41,352	18,473
Total liabilities	709,656	722,573
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	202,298	162,811
Unrestricted	127,750	160,842
Total net assets	\$ 330,048	\$ 323,653

Exhibit 32-B

**STORES FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Operating revenues</b>		
Sale of materials and supplies	\$ 4,346,678	\$ 3,153,200
Less cost of sales	<u>(2,901,698)</u>	<u>(2,625,619)</u>
Gross operating income	1,444,980	527,581
<b>Operating expenses</b>		
Personal services	889,741	334,796
Materials and supplies	100,195	94,736
Contractual services	253,897	217,810
Other operating expenses	177,156	90,240
Uncollectible accounts	69	--
Depreciation	10,514	9,889
Total operating expenses	<u>1,431,572</u>	<u>747,471</u>
Operating income (loss)	13,408	(219,890)
<b>Nonoperating revenues (expenses)</b>		
Interest expense and fiscal charges	(7,533)	(15,994)
Net gain on disposal of assets	520	560
Total nonoperating expenses	<u>(7,013)</u>	<u>(15,434)</u>
Income (loss) before transfers	6,395	(235,324)
Transfers out	--	(164,523)
Net transfers	<u>--</u>	<u>(164,523)</u>
Net income (loss)	6,395	(399,847)
Net assets at beginning of year	<u>323,653</u>	<u>723,500</u>
Net assets at end of year	<u>\$ 330,048</u>	<u>\$ 323,653</u>

Exhibit 32-C

**STORES FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>Cash flows from operating activities</b>		
Receipts from interfund services provided	\$ 4,392,619	\$ 3,264,959
Payments to suppliers	(3,275,386)	(2,875,138)
Payments to employees	(815,012)	(289,378)
Internal activity - payments to other funds	(207,232)	(118,268)
Net cash provided by (used for) operating activities	94,989	(17,825)
<b>Cash flows from noncapital financing activities</b>		
Changes in interfund borrowings	(37,974)	197,783
Interest on interfund borrowings	(7,533)	(15,995)
Transfers out to other funds	--	(164,523)
Net cash provided by (used for) noncapital financing activities	(45,507)	17,265
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(50,002)	--
Proceeds from sale/disposal of capital assets	520	560
Net cash provided by (used for) capital and related financing activity	(49,482)	560
Cash and cash equivalents at beginning of year	--	--
Cash and cash equivalents at end of year	\$ --	\$ --
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities</b>		
Operating income (loss)	\$ 13,408	\$ (219,890)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities		
Depreciation	10,514	9,889
Provision for uncollectible accounts	69	--
Changes in assets and liabilities		
Receivables	(27)	(101)
Due from other funds	--	7,662
Inventory	45,969	111,759
Accounts payable	(49,672)	65,029
Accrued expenses	18,999	4,326
Accumulated unpaid compensated absences	34,271	3,501
Net pension obligation	21,458	--
Net cash provided by (used for) operating activities	\$ 94,989	\$ (17,825)

Exhibit 33-A

**MAINTENANCE SERVICE FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 3,534,697	\$ 2,476,913
Investments	1,000,937	3,009,063
Receivables		
Accounts	872	--
Accrued interest	1,389	13,729
Net receivables	<u>2,261</u>	<u>13,729</u>
Inventories	352,558	365,480
Total current assets	<u>4,890,453</u>	<u>5,865,185</u>
Noncurrent assets		
Capital assets		
Land	66,359	66,359
Buildings	6,155,308	5,856,603
Improvements other than buildings	484,068	449,632
Machinery and equipment	45,003,129	42,487,052
Total capital assets in service	<u>51,708,864</u>	<u>48,859,646</u>
Less accumulated depreciation	(39,710,351)	(36,684,082)
Net capital assets	<u>11,998,513</u>	<u>12,175,564</u>
Total noncurrent assets	<u>11,998,513</u>	<u>12,175,564</u>
Total assets	<u>16,888,966</u>	<u>18,040,749</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	687,031	1,656,072
Accrued expenses	127,433	140,486
Contractor interest and retainage payable	--	588
Deposits	2,339	2,480
Current portion of long-term liabilities		
Long-term debt	63,146	57,372
Accumulated unpaid compensated absences	<u>188,373</u>	<u>223,925</u>
Total current liabilities	<u>1,068,322</u>	<u>2,080,923</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	1,176,201	1,239,348
Accumulated unpaid compensated absences	168,104	198,132
Net pension obligation	94,191	--
Total noncurrent liabilities	<u>1,438,496</u>	<u>1,437,480</u>
Total liabilities	<u>2,506,818</u>	<u>3,518,403</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	10,759,166	10,878,844
Unrestricted	<u>3,622,982</u>	<u>3,643,502</u>
Total net assets	<u>\$ 14,382,148</u>	<u>\$ 14,522,346</u>

Exhibit 33-B

**MAINTENANCE SERVICE FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Operating revenues</b>		
Sale of materials and services	\$ 15,073,754	\$ 18,461,266
Less cost of materials sold and outside repairs	(7,828,185)	(9,162,415)
Gross operating income	<u>7,245,569</u>	<u>9,298,851</u>
<b>Operating expenses</b>		
Personal services	3,877,418	4,448,392
Materials and supplies	1,040,527	1,569,233
Contractual services	2,352,930	1,775,288
Other operating expenses	546,943	608,147
Depreciation	3,026,269	3,154,705
Total operating expenses	<u>10,844,087</u>	<u>11,555,765</u>
Operating loss	(3,598,518)	(2,256,914)
<b>Nonoperating revenues (expenses)</b>		
Investment income	87,048	175,255
Interest expense and fiscal charges	(82,904)	(84,624)
Net gain on disposal of assets	15,662	378,397
Recovery on damage claims	97,663	121,465
Total nonoperating revenues	<u>117,469</u>	<u>590,493</u>
<b>Capital contributions</b>		
Contributions (to) from others	(1,335)	--
Total capital contributions	<u>(1,335)</u>	<u>--</u>
Loss before transfers	(3,482,384)	(1,666,421)
Transfers in	3,342,186	3,147,808
Transfers out	--	(151,748)
Net transfers	<u>3,342,186</u>	<u>2,996,060</u>
Net income (loss)	(140,198)	1,329,639
Net assets at beginning of year	<u>14,522,346</u>	<u>13,192,707</u>
Net assets at end of year	<u>\$ 14,382,148</u>	<u>\$ 14,522,346</u>

**MAINTENANCE SERVICES FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 20,254	\$ 21,744
Receipts from interfund services provided	15,052,627	18,933,492
Payments to suppliers	(12,176,938)	(11,436,562)
Payments to employees	(3,863,001)	(4,392,158)
Internal activity - payments to other funds	(547,354)	(615,410)
Net cash provided by (used for) operating activities	(1,514,412)	2,511,106
<b>Cash flows from noncapital financing activities</b>		
Transfers in from other funds	--	4,608
Transfers out to other funds	--	(151,748)
Other non-operating revenues	97,663	121,465
Net cash provided by (used for) noncapital financing activities	97,663	(25,675)
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(2,850,553)	(3,335,392)
Proceeds from sale/disposal of capital assets	15,662	378,398
Transfer in from other funds for capital acquisition	3,342,186	3,143,200
Principal paid on long term debt	(57,372)	(96,028)
Interest expense and fiscal charges	(82,904)	(84,625)
Net cash provided by (used for) capital and related financing activities	367,019	5,553
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(2,000,000)	(6,000,000)
Proceeds from sale and maturity of investment securities	4,000,000	5,500,000
Interest on investments	107,514	156,838
Net cash provided by (used for) investing activities	2,107,514	(343,162)
Net increase in cash and cash equivalents	1,057,784	2,147,822
Cash and cash equivalents at beginning of year	2,476,913	329,091
Cash and cash equivalents at end of year	\$ 3,534,697	\$ 2,476,913

(Continued)

Exhibit 33-C

	<u>2009</u>	<u>2008</u>
<b>Reconciliation of operating loss to net cash provided by operating activities</b>		
Operating loss	\$ (3,598,518)	\$ (2,256,914)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities		
Depreciation	3,026,269	3,154,705
Changes in assets and liabilities		
Receivables	(872)	1,066
Due from other funds	--	492,910
Inventory	12,922	(103,182)
Accounts payable	(969,041)	1,174,663
Accrued expenses	(13,053)	34,409
Accumulated unpaid compensated absences	(65,581)	22,424
Net pension obligation	94,191	--
Contractor interest and retainage payable	(588)	(2,082)
Deposits	(141)	(131)
Due to other funds	--	(6,762)
Net cash provided by (used for) operating activities	<u>\$ (1,514,412)</u>	<u>\$ 2,511,106</u>
<b>Noncash investing, capital and financing activities</b>		
Change in fair value of investments	\$ (8,125)	\$ 9,063
Contribution of capital assets	\$ (1,335)	\$ --



City of  
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Exhibit 34-A

**MUNICIPAL INFORMATION SYSTEMS FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 52,474	\$ 428,822
Investments	1,000,937	2,000,000
Receivables		
Accounts	3,749	--
Accrued interest	1,389	14,729
Net receivables	<u>5,138</u>	<u>14,729</u>
Total current assets	<u>1,058,549</u>	<u>2,443,551</u>
Noncurrent assets		
Capital assets		
Improvements other than buildings	5,674,450	5,674,450
Machinery and equipment	13,062,430	15,709,262
Total capital assets in service	<u>18,736,880</u>	<u>21,383,712</u>
Less accumulated depreciation	(6,985,245)	(8,346,808)
Net capital assets	<u>11,751,635</u>	<u>13,036,904</u>
Total noncurrent assets	<u>11,751,635</u>	<u>13,036,904</u>
Total assets	<u>12,810,184</u>	<u>15,480,455</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	239,925	269,071
Accrued expenses	251,868	222,881
Current portion of long-term liabilities		
Long-term debt	1,426,497	1,221,422
Accumulated unpaid compensated absences	432,773	390,117
Total current liabilities	<u>2,351,063</u>	<u>2,103,491</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	2,754,329	3,175,653
Accumulated unpaid compensated absences	366,841	354,897
Net pension obligation	181,956	--
Total noncurrent liabilities	<u>3,303,126</u>	<u>3,530,550</u>
Total liabilities	<u>5,654,189</u>	<u>5,634,041</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	7,570,809	8,639,829
Unrestricted	<u>(414,814)</u>	<u>1,206,585</u>
Total net assets	<u>\$ 7,155,995</u>	<u>\$ 9,846,414</u>

Exhibit 34-B

**MUNICIPAL INFORMATION SYSTEMS FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Operating revenues</b>		
Charges for services - net	\$ 15,090,915	\$ 15,774,278
<b>Operating expenses</b>		
Personal services	7,288,406	6,914,266
Materials and supplies	304,731	1,165,570
Contractual services	4,036,572	2,781,731
Other operating expenses	3,556,479	3,068,950
Depreciation	2,471,145	1,763,264
Total operating expenses	<u>17,657,333</u>	<u>15,693,781</u>
Operating income (loss)	(2,566,418)	80,497
<b>Nonoperating revenues (expenses)</b>		
Investment income	35,239	175,189
Interest expense and fiscal charges	(160,320)	(74,929)
Recovery of damage claims	1,080	--
Total nonoperating revenues	<u>(124,001)</u>	<u>100,260</u>
<b>Capital contributions</b>		
Contributions from others	--	4,907,450
Total capital contributions	<u>--</u>	<u>4,907,450</u>
Income (loss) before transfers	(2,690,419)	5,088,207
Transfers out	--	(234,846)
Net transfers	<u>--</u>	<u>(234,846)</u>
Net income (loss)	(2,690,419)	4,853,361
Net assets at beginning of year	<u>9,846,414</u>	<u>4,993,053</u>
Net assets at end of year	<u>\$ 7,155,995</u>	<u>\$ 9,846,414</u>

Exhibit 34-C

**MUNICIPAL INFORMATION SYSTEMS FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ --	\$ 93,328
Receipts from interfund services provided	15,090,915	15,680,950
Payments to suppliers	(4,078,226)	(3,666,506)
Payments to employees	(6,524,442)	(6,530,399)
Internal activity - payments to other funds	(4,350,872)	(3,629,528)
Net cash provided by operating activities	<u>137,375</u>	<u>1,947,845</u>
<b>Cash flows from noncapital financing activities</b>		
Transfers out to other funds	--	(196,869)
Other non-operating revenues	1,080	--
Net cash provided by (used for) noncapital financing activities	<u>1,080</u>	<u>(196,869)</u>
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(17,469)	(1,752,795)
Principal paid on long term debt	(1,384,656)	(1,605,607)
Interest expense and fiscal charges	(160,320)	(64,692)
Net cash used for capital and related financing activities	<u>(1,562,445)</u>	<u>(3,423,094)</u>
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(1,000,000)	(8,000,000)
Proceeds from sale and maturity of investment securities	2,000,000	9,500,000
Interest on investments	47,642	212,108
Net cash provided by investing activities	<u>1,047,642</u>	<u>1,712,108</u>
Net increase (decrease) in cash and cash equivalents	(376,348)	39,990
Cash and cash equivalents at beginning of year	<u>428,822</u>	<u>388,832</u>
Cash and cash equivalents at end of year	<u>\$ 52,474</u>	<u>\$ 428,822</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>		
Operating income (loss)	\$ (2,566,418)	\$ 70,260
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	2,471,145	1,763,264
Changes in assets and liabilities		
Receivables	(3,749)	2,695
Due from other funds	--	36,605
Accounts payable	(29,146)	7,600
Accrued expenses	28,987	69,905
Accumulated unpaid compensated absences	54,601	(2,484)
Net pension obligation	181,955	--
Net cash provided by operating activities	<u>\$ 137,375</u>	<u>\$ 1,947,845</u>
<b>Noncash investing, capital and financing activities</b>		
Change in fair value of investments	\$ 937	\$ --
Acquisition of capital assets under capital lease	\$ 1,168,407	\$ --
Transfer of capital lease from (to) other fund	\$ -	\$ (37,976)
Contribution of capital assets	\$ -	\$ 4,907,450



City of  
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Exhibit 35-A

**CORPUS CHRISTI DIGITAL COMMUNITY DEVELOPMENT CORPORATION**  
**COMPARATIVE STATEMENT OF NET ASSETS**  
**JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 354,965	\$ 196,562
Noncurrent assets		
Capital assets		
Improvements other than buildings	42,024	--
Machinery and equipment	1,708,858	543,142
Total capital assets in service	<u>1,750,882</u>	<u>543,142</u>
Less accumulated depreciation	<u>(448,716)</u>	<u>(149,825)</u>
Net capital assets	<u>1,302,166</u>	<u>393,317</u>
Total noncurrent assets	<u>1,302,166</u>	<u>393,317</u>
 Total assets	 <u>1,657,131</u>	 <u>589,879</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	337,930	179,527
Current portion of long-term liabilities		
Long-term debt	<u>318,395</u>	<u>63,718</u>
Total current liabilities	<u>656,325</u>	<u>243,245</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	<u>814,476</u>	<u>88,629</u>
 Total liabilities	 <u>1,470,801</u>	 <u>331,874</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	169,295	240,970
Unrestricted	<u>17,035</u>	<u>17,035</u>
 Total net assets	 <u>\$ 186,330</u>	 <u>\$ 258,005</u>

Exhibit 35-B

**CORPUS CHRISTI DIGITAL COMMUNITY DEVELOPMENT CORPORATION**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2009**

	<u>2009</u>	<u>2008</u>
<b>Operating revenues</b>		
Charges for services - net	\$ 2,985,835	\$ 2,646,540
<b>Operating expenses</b>		
Personal services	--	83,520
Materials and supplies	506,949	362,775
Contractual services	1,883,340	1,446,881
Other operating expenses	378,525	533,692
Depreciation	298,892	84,444
Total operating expenses	<u>3,067,706</u>	<u>2,511,312</u>
Operating income (loss)	(81,871)	135,228
<b>Nonoperating revenues (expenses)</b>		
Investment income	3,232	374
Interest expense and fiscal charges	(22,287)	(19,793)
Net gain on disposal of assets	--	1,539
Total nonoperating expenses	<u>(19,055)</u>	<u>(17,880)</u>
<b>Capital contributions</b>		
Contributions from other governmental agencies	<u>29,251</u>	--
Income (loss) before transfers	(71,675)	117,348
Transfers in	--	37,976
Net transfers	<u>--</u>	<u>37,976</u>
Net income (loss)	(71,675)	155,324
Net assets at beginning of year	<u>258,005</u>	<u>102,681</u>
Net assets at end of year	<u>\$ 186,330</u>	<u>\$ 258,005</u>

Exhibit 35-C

**CORPUS CHRISTI DIGITAL COMMUNITY DEVELOPMENT CORPORATION**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JULY 31, 2009**

	<u>2009</u>	<u>2008</u>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ --	\$ 233,277
Receipts from interfund services provided	2,985,835	2,432,914
Payments to suppliers	(2,219,967)	(1,700,830)
Internal activity - payments to other funds	(390,444)	(610,365)
Net cash provided by operating activities	<u>375,424</u>	<u>354,996</u>
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(62,699)	(140,548)
Proceeds from sale/disposal of capital assets	--	1,539
Contributions from other governmental agencies	29,251	--
Principal paid on long term debt	(164,518)	(63,316)
Interest and fiscal charges	(22,287)	(19,793)
Net cash used for capital and related financing activities	<u>(220,253)</u>	<u>(222,118)</u>
<b>Cash flows from investing activities</b>		
Interest on investments	<u>3,232</u>	<u>6,084</u>
Net increase in cash and cash equivalents	158,403	138,962
Cash and cash equivalents at beginning of year	<u>196,562</u>	<u>57,600</u>
Cash and cash equivalents at end of year	<u>\$ 354,965</u>	<u>\$ 196,562</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>		
Operating income (loss)	\$ (81,871)	\$ 135,228
Adjustments to reconcile operating income (loss) to net cash provided by operating activities		
Depreciation	298,892	84,444
Changes in assets and liabilities		
Receivables	--	19,650
Due from other funds	--	50,000
Accounts payable	<u>158,403</u>	<u>65,674</u>
Net cash provided by operating activities	<u>\$ 375,424</u>	<u>\$ 354,996</u>
<b>Noncash investing, capital and financing activities</b>		
Acquisition of capital assets under capital lease	\$ 1,145,042	\$ 87,350
Transfer of capital lease from (to) other fund	\$ --	\$ 37,976



City of  
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Exhibit 36-A

**LIABILITY AND EMPLOYEE BENEFITS FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 16,334,126	\$ 2,533,198
Investments	26,021,562	41,999,498
Receivables		
Accounts	370,389	391,721
Accrued interest	76,683	270,019
Employees	67	160
Allowance for uncollectibles	(55,890)	(42,782)
Net receivables	391,249	619,118
Due from other funds	520,238	558,213
Prepaid items	2,047,580	1,817,854
Total current assets	45,314,755	47,527,881
Noncurrent assets		
Other assets	49,871	49,871
Total noncurrent assets	49,871	49,871
Total assets	45,364,626	47,577,752
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	498,287	573,011
Accrued expenses	77,589	69,904
Current portion of estimated liability claims	6,416,730	5,493,772
Estimated health insurance claims payable	1,857,000	1,753,000
Liability to claimants-escheat property	25,227	87,269
Unearned revenue	8,423	11,085
Current portion of accumulated unpaid compensated absences	43,787	48,527
Total current liabilities	8,927,043	8,036,568
Noncurrent liabilities		
Estimated liability claims	6,603,787	7,317,445
Accumulated unpaid compensated absences, net of current portion	13,256	6,915
Net pension obligation	22,055	--
Net OPEB obligation	10,025,653	4,838,382
Total noncurrent liabilities	16,664,751	12,162,742
Total liabilities	25,591,794	20,199,310
<b>NET ASSETS</b>		
Unrestricted	19,772,832	27,378,442
Total net assets	\$ 19,772,832	\$ 27,378,442

Exhibit 36-B

**LIABILITY AND EMPLOYEE BENEFITS FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Operating revenues</b>		
Charges for services		
Liability insurance	\$ 7,175,063	\$ 8,600,935
Life insurance	93,286	93,134
Health insurance	24,567,968	24,697,136
Disability insurance	149,340	148,780
Administration	1,139,569	1,147,236
Total operating revenues	<u>33,125,226</u>	<u>34,687,221</u>
<b>Operating expenses</b>		
Personal services	880,977	861,029
Materials and supplies	146,261	139,997
Contractual services	2,012,923	2,006,354
Insurance premiums	4,129,141	3,847,847
Other operating expenses	180,251	177,113
Group health claims	21,612,669	19,268,349
General liability claims	2,711,270	1,084,264
Workers' compensation claims	2,690,657	3,078,800
Unemployment compensation claims	178,599	120,060
Other post employment benefits	7,137,303	6,464,650
Uncollectible accounts	13,108	11,580
Total operating expenses	<u>41,693,159</u>	<u>37,060,043</u>
Operating loss	(8,567,933)	(2,372,822)
<b>Nonoperating revenues (expenses)</b>		
Investment income	973,669	1,891,612
Interest expense and fiscal charges	(14,589)	(6,283)
Recovery of prior years expenses	3,000	--
Recovery of prior year revenues	--	100
Recovery of damage claims	243	1,250
Total nonoperating revenues	<u>962,323</u>	<u>1,886,679</u>
Loss before transfers	(7,605,610)	(486,143)
Transfers out	--	(15,522)
Net transfers	<u>--</u>	<u>(15,522)</u>
Net loss	(7,605,610)	(501,665)
Net assets at beginning of year	<u>27,378,442</u>	<u>27,880,107</u>
Net assets at end of year	<u>\$ 19,772,832</u>	<u>\$ 27,378,442</u>

Exhibit 36-C

**LIABILITY AND EMPLOYEE BENEFITS FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 9,293,129	\$ 9,226,364
Receipts from interfund services provided	23,851,560	25,423,684
Payments to suppliers	(6,668,325)	(6,446,498)
Payments to employees	(790,183)	(787,974)
Internal activity - payments to other funds	(164,153)	(98,419)
Claims paid	(28,892,669)	(25,156,632)
Net cash provided by (used for) operating activities	<u>(3,370,641)</u>	<u>2,160,525</u>
<b>Cash flows from noncapital financing activities</b>		
Changes in interfund borrowings	37,974	(197,783)
Interest on interfund borrowings	(14,589)	(1,317)
Transfers out to other funds	--	(15,522)
Other non-operating revenue	3,243	1,350
Other non-operating expenses	--	(4,966)
Net cash provided by (used for) noncapital financing activities	<u>26,628</u>	<u>(218,238)</u>
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(35,984,000)	(79,949,698)
Proceeds from sale and maturity of investment securities	52,000,000	78,449,497
Interest on investments	1,128,941	2,065,196
Net cash provided by investing activities	<u>17,144,941</u>	<u>564,995</u>
Net increase in cash and cash equivalents	13,800,928	2,507,282
Cash and cash equivalents at beginning of year	<u>2,533,198</u>	<u>25,916</u>
Cash and cash equivalents at end of year	<u>\$ 16,334,126</u>	<u>\$ 2,533,198</u>
<b>Reconciliation of operating loss to net cash provided by (used for) operating activities</b>		
Operating loss	\$ (8,567,933)	\$ (2,372,822)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities		
Provision for uncollectible accounts	13,108	11,580
Changes in assets and liabilities		
Receivables	21,426	(39,039)
Due from other funds	--	8,229
Prepaid items	(229,726)	(560,233)
Accounts payable	(74,724)	227,821
Accrued expenses	7,684	10,297
Estimated claims liability	313,300	45,514
Liability to claimants-escheat property	(62,042)	(24,405)
Unearned revenue	(2,661)	1,867
Accumulated unpaid compensated absences	1,601	13,334
Net pension obligation	22,055	--
Net OPEB obligation	<u>5,187,271</u>	<u>4,838,382</u>
Net cash provided by (used for) operating activities	<u>\$ (3,370,641)</u>	<u>\$ 2,160,525</u>
<b>Noncash investing, capital and financing activities</b>		
Change in fair value of investments	\$ 38,064	\$ 3,254



City of  
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Exhibit 37-A

**ENGINEERING SERVICES FUND**  
**COMPARATIVE STATEMENT OF NET ASSETS**  
**JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 1,650,219	\$ 686,893
Due from other funds	--	943,360
Total current assets	<u>1,650,219</u>	<u>1,630,253</u>
Noncurrent assets		
Capital assets		
Land	1,099	2,199
Machinery and equipment	<u>183,592</u>	<u>183,592</u>
Total capital assets in service	184,691	185,791
Less accumulated depreciation	<u>(144,466)</u>	<u>(127,961)</u>
Net capital assets	<u>40,225</u>	<u>57,830</u>
Total noncurrent assets	<u>40,225</u>	<u>57,830</u>
 Total assets	 <u>1,690,444</u>	 <u>1,688,083</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	142,771	58,820
Accrued expenses	131,428	87,491
Current portion of accumulated unpaid compensated absences	<u>152,006</u>	<u>144,607</u>
Total current liabilities	<u>426,205</u>	<u>290,918</u>
Noncurrent liabilities		
Accumulated unpaid compensated absences, net of current portion	372,029	321,695
Net pension obligation	<u>90,430</u>	<u>--</u>
Total noncurrent liabilities	<u>462,459</u>	<u>321,695</u>
 Total liabilities	 <u>888,664</u>	 <u>612,613</u>
<b>NET ASSETS</b>		
Invested in capital assets	40,225	57,830
Unrestricted	<u>761,555</u>	<u>1,017,640</u>
 Total net assets	 <u>\$ 801,780</u>	 <u>\$ 1,075,470</u>

Exhibit 37-B

**ENGINEERING SERVICES FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Operating revenues</b>		
Charges for services - net	\$ 4,332,371	\$ 3,750,155
<b>Operating expenses</b>		
Personal services	3,330,845	2,772,009
Materials and supplies	87,016	129,941
Contractual services	630,217	409,559
Other operating expenses	542,123	607,788
Depreciation	16,506	25,018
Total operating expenses	<u>4,606,707</u>	<u>3,944,315</u>
Operating loss	(274,336)	(194,160)
<b>Nonoperating revenues</b>		
Investment income	868	33,474
Interest expense and fiscal charges	(222)	--
Total nonoperating revenues	<u>646</u>	<u>33,474</u>
Net loss	(273,690)	(160,686)
Net assets at beginning of year	<u>1,075,470</u>	<u>1,236,156</u>
Net assets at end of year	<u>\$ 801,780</u>	<u>\$ 1,075,470</u>

Exhibit 37-C

**ENGINEERING SERVICES FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 38,227	\$ -
Receipts from interfund services provided	5,237,504	3,750,765
Payments to suppliers	(643,246)	(957,887)
Payments to employees	(2,910,770)	(2,055,683)
Internal activity - payments to other funds	(760,134)	(890,658)
Net cash provided by (used for) operating activities	<u>961,581</u>	<u>(153,463)</u>
<b>Cash flows from noncapital financing activities</b>		
Changes in interfund borrowings	--	(943,360)
Interest on interfund borrowings	646	876
Net cash provided by (used for) noncapital financing activities	<u>646</u>	<u>(942,484)</u>
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	--	(21,802)
Proceeds from sale/disposal of capital assets	1,099	--
Net cash provided by (used for) capital and related financing activity	<u>1,099</u>	<u>(21,802)</u>
<b>Cash flows from investing activities</b>		
Proceeds from sale and maturity of investment securities	--	1,500,000
Interest on investments	--	34,030
Net cash provided by investing activities	<u>--</u>	<u>1,534,030</u>
Net increase in cash and cash equivalents	963,326	416,281
Cash and cash equivalents at beginning of year	<u>686,893</u>	<u>270,612</u>
Cash and cash equivalents at end of year	<u>\$ 1,650,219</u>	<u>\$ 686,893</u>
<b>Reconciliation of operating loss to net cash provided by (used for) operating activities</b>		
Operating loss	\$ (274,336)	\$ (194,160)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities		
Depreciation	16,506	25,018
Changes in assets and liabilities		
Due from other funds	943,360	610
Accounts payable	83,952	14,669
Accrued expenses	43,936	20,344
Due to other funds	--	(10,112)
Accumulated unpaid compensated absences	57,733	(9,832)
Net pension obligation	90,430	--
Net cash provided by (used for) operating activities	<u>\$ 961,581</u>	<u>\$ (153,463)</u>



City of  
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Christi

## ***Component Units***

***The Coastal Bend Health Facilities Development Corporation*** is a public non-profit corporation created by State law to facilitate financing and development of health and health-related facilities.

***The Corpus Christi Convention and Visitors Bureau*** is a private Texas non-profit corporation organized for the purpose of promoting convention and visitors' activity in the Corpus Christi Bay area.



City of  
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Exhibit 38-A

**DISCRETELY PRESENTED COMPONENT UNITS**  
**COMBINING STATEMENT OF NET ASSETS**  
**JULY 31, 2009**

	<b>Coastal Bend Health Facilities Development Corporation</b>	<b>Corpus Christi Convention and Visitors Bureau</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 3,706	\$ 400,842	\$ 404,548
Receivables	--	182,435	182,435
Inventories	--	8,012	8,012
Prepaid items	--	71,552	71,552
Capital assets, net of accumulated depreciation	--	265,553	265,553
Total assets	<u>3,706</u>	<u>928,394</u>	<u>932,100</u>
<b>LIABILITIES</b>			
Accounts payable	--	233,297	233,297
Accrued liabilities	--	172	172
Total liabilities	<u>--</u>	<u>233,469</u>	<u>233,469</u>
<b>NET ASSETS</b>			
Invested in capital assets	--	265,553	265,553
Unrestricted	3,706	429,372	433,078
Total net assets	<u>\$ 3,706</u>	<u>\$ 694,925</u>	<u>\$ 698,631</u>

**DISCRETELY PRESENTED COMPONENT UNITS  
COMBINING STATEMENT OF ACTIVITIES  
YEAR ENDED JULY 31, 2009**

	<b>Coastal Bend Health Facilities Development Corporation</b>	<b>Corpus Christi Convention and Visitors Bureau</b>	<b>Total</b>
<b>Expenditures/expenses</b>			
Convention and visitor activities	\$ --	\$ 3,353,448	\$ 3,353,448
<b>Program revenue</b>			
Charges for services	--	185,300	185,300
Net program expense	--	(3,168,148)	(3,168,148)
<b>General revenue</b>			
Earnings on investments	35	4,809	4,844
Payments from the City of Corpus Christi	--	3,301,660	3,301,660
Total general revenues	35	3,306,469	3,306,504
Change in net assets	35	138,321	138,356
Net assets beginning of year	3,671	556,604	560,275
Net assets end of year	\$ 3,706	\$ 694,925	\$ 698,631

Exhibit 39-A

**COASTAL BEND HEALTH FACILITIES DEVELOPMENT CORPORATION**  
**STATEMENT OF NET ASSETS**  
**JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 3,706	\$ 3,671
<b>LIABILITIES</b>	<u>--</u>	<u>--</u>
<b>NET ASSETS</b>		
Unrestricted	<u>3,706</u>	<u>3,671</u>
Net assets	<u>\$ 3,706</u>	<u>\$ 3,671</u>

Exhibit 39-B

**COASTAL BEND HEALTH FACILITIES DEVELOPMENT CORPORATION  
STATEMENT OF ACTIVITIES  
YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Expenditures/expenses</b>		
Health	\$       --	\$       --
<b>General revenue</b>		
Earnings on investments	<u>          35</u>	<u>          --</u>
Change in net assets	35	--
Fund balance/net assets beginning of year	<u>          3,671</u>	<u>          3,671</u>
Fund balance/net assets end of year	<u><u>          \$ 3,706</u></u>	<u><u>          \$ 3,671</u></u>

Exhibit 40-A

**CORPUS CHRISTI CONVENTION AND VISITORS BUREAU  
STATEMENT OF NET ASSETS  
JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 400,842	\$ 462,978
Accounts receivable	182,435	5,754
Inventories	8,012	8,598
Prepaid items	71,552	99,654
Capital assets, net of accumulated depreciation	<u>265,553</u>	<u>209,471</u>
Total assets	<u>928,394</u>	<u>786,455</u>
<b>LIABILITIES</b>		
Accounts payable	233,297	229,668
Accrued liabilities	<u>172</u>	<u>183</u>
Total liabilities	<u>233,469</u>	<u>229,851</u>
<b>NET ASSETS</b>		
Invested in capital assets	265,553	209,471
Unrestricted	<u>429,372</u>	<u>347,133</u>
Total net assets	<u>\$ 694,925</u>	<u>\$ 556,604</u>

Exhibit 40-B

**CORPUS CHRISTI CONVENTION AND VISITORS BUREAU  
STATEMENT OF ACTIVITIES  
YEAR ENDED JULY 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Expenditures/expenses</b>		
Convention and visitor activities	\$ 3,353,448	\$ 2,815,790
<b>Program revenue</b>		
Charges for services	185,300	196,153
Net program expense	<u>(3,168,148)</u>	<u>(2,619,637)</u>
<b>General revenue</b>		
Earnings on investments	4,809	8,989
Payments from the City of Corpus Christi	3,301,660	2,795,486
Total general revenues	<u>3,306,469</u>	<u>2,804,475</u>
Change in net assets	138,321	184,838
Fund balance/net assets beginning of year	<u>556,604</u>	<u>371,766</u>
Fund balance/net assets end of year	<u><u>\$ 694,925</u></u>	<u><u>\$ 556,604</u></u>



City of  
Corpus  
Christi

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

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE BY SOURCE \*  
JULY 31, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
Governmental funds capital assets		
Land	\$ 63,416,088	\$ 63,571,454
Buildings	214,864,415	208,377,781
Improvements other than buildings	206,388,501	183,361,503
Machinery and equipment	106,574,955	100,044,293
Infrastructure	230,520,555	215,426,227
Construction in progress	75,698,581	63,561,149
Total governmental funds capital assets	\$ 897,463,095	\$ 834,342,407
Investment in governmental funds capital assets by source		
Capital projects funds	\$ 664,303,351	\$ 607,265,474
General and special revenue funds	71,230,992	66,381,670
Donations	17,214,313	17,212,978
Developers contributions	18,359,616	17,994,804
Federal revenue sharing	98,872,025	98,673,345
Tax increment zone	22,437,694	21,769,033
Claim settlements	5,045,103	5,045,103
Total investment in governmental funds capital assets by source	\$ 897,463,094	\$ 834,342,407

\* This schedule presents only the capital assets balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts and capital assets relating to solid waste activities are included. Generally, the capital assets of internal service funds are included as governmental activities and the Solid Waste capital assets are included as business-type activities in the statement of net assets.

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
SCHEDULE BY FUNCTION AND ACTIVITY \*  
JULY 31, 2009**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
<b>General Government</b>				
<b>Control</b>				
City Council and City Secretary	\$ 397,358	\$ --	\$ 14,000	\$ 4,319
City Manager	359,940	--	--	7,673
Management and budget	102,156	--	--	--
Information services	835,417	--	--	600
Total control	<u>1,694,871</u>	<u>--</u>	<u>14,000</u>	<u>12,592</u>
<b>Staff Agencies</b>				
Director of finance	54,522	--	--	--
Accounting	3,874,599	--	--	92,405
Federal grant accounting	5,317	--	--	--
Accounts receivable and meter reading	566,240	--	--	--
Central cashiering	192,096	--	--	--
Cash management	6,577	--	--	--
Utility billing office administration and customer service operation	2,118,616	--	--	--
Nueces County Tax Appraisal District	70,588	--	--	3,710
Purchasing	--	--	--	--
Purchasing	47,964	--	--	--
Messenger service	1,675	--	--	--
City Attorney	388,621	--	--	118
Business development	35,074	--	--	--
Planning	650,015	--	--	--
Human resources	2,986,711	--	--	--
Human relations	3,450	--	--	--
City Hall vehicle pool	--	--	--	--
City Hall vehicle pool	14,994	--	--	--
City Hall and Emergency Management Facility	22,875,444	3,732,487	17,705,759	89,844
Total staff agencies	<u>33,892,503</u>	<u>3,732,487</u>	<u>17,705,759</u>	<u>186,077</u>
Miscellaneous	2,496,644	200,383	37,170	1,515,500
Total general government	<u>38,084,018</u>	<u>3,932,870</u>	<u>17,756,929</u>	<u>1,714,169</u>
<b>Police and municipal court</b>				
<b>Police</b>				
Police	19,938,788	2,325,928	6,773,411	823,858
Crime Control District	833,197	--	--	--
Total police	<u>20,771,985</u>	<u>2,325,928</u>	<u>6,773,411</u>	<u>823,858</u>
Municipal Court	1,862,841	--	107,715	60,027
Total police and municipal court	<u>22,634,826</u>	<u>2,325,928</u>	<u>6,881,126</u>	<u>883,885</u>
<b>Fire</b>				
Fire	25,314,080	956,298	4,625,931	4,225,519
Fire academy	29,896	--	--	--
Fire prevention	140,443	--	--	--
Total fire	<u>25,484,419</u>	<u>956,298</u>	<u>4,625,931</u>	<u>4,225,519</u>
Ambulance	4,329,079	--	--	--
<b>Emergency management</b>				
Emergency management	119,665	--	--	7,592
Local Emergency Planning Committee	10,775	--	--	--
Total emergency management	<u>130,440</u>	<u>--</u>	<u>--</u>	<u>7,592</u>

(Continued)

Exhibit 41-B

<u>Machinery and Equipment</u>	<u>Infrastructure</u>
\$ 379,039	\$ --
352,267	--
102,156	--
834,817	--
<u>1,668,279</u>	<u>--</u>
54,522	--
3,782,194	--
5,317	--
566,240	--
192,096	--
6,577	--
2,118,616	--
66,878	--
47,964	--
1,675	--
388,503	--
35,074	--
650,015	--
2,986,711	--
3,450	--
14,994	--
1,347,354	--
<u>12,268,180</u>	<u>--</u>
743,591	--
<u>14,680,050</u>	<u>--</u>
10,015,591	--
833,197	--
<u>10,848,788</u>	<u>--</u>
1,695,099	--
<u>12,543,887</u>	<u>--</u>
15,506,332	--
29,896	--
140,443	--
<u>15,676,671</u>	<u>--</u>
<u>4,329,079</u>	<u>--</u>
112,073	--
10,775	--
<u>122,848</u>	<u>--</u>

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
SCHEDULE BY FUNCTION AND ACTIVITY \*  
JULY 31, 2008**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
<b>Inspections</b>				
Building inspection	318,252	--	--	--
Petroleum inspection	5,223	--	--	--
Total inspections	<u>323,475</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Streets</b>				
Director and engineering office	649,574	--	16,106	58,634
Streets, sidewalks, curbs and gutters	211,866,934	13,507,410	--	480,761
Street maintenance and construction	16,200,603	266,937	4,920	9,760,677
Street signs and markings	186,410	--	--	--
Street cleaning	70,868	--	--	--
Harbor Bridge and approaches	7,322,587	64,110	--	7,258,477
JFK Causeway	4,000,000	--	--	4,000,000
Seawall	45,808,864	--	--	45,808,864
Traffic engineering	4,549,287	--	14,999	286,135
Parking control	186,942	--	--	32,690
Total streets	<u>290,842,069</u>	<u>13,838,457</u>	<u>36,025</u>	<u>67,686,238</u>
<b>Solid Waste</b>				
Office	69,433	--	17,083	--
Refuse collections	13,896,837	--	133,224	107,934
Refuse disposal	67,542,158	7,552,217	78,648	37,316,994
Total solid waste	<u>81,508,428</u>	<u>7,552,217</u>	<u>228,955</u>	<u>37,424,928</u>
<b>Health</b>				
Health	5,051,803	61,909	3,230,825	299,781
Animal control	4,370,911	--	3,466,102	481,450
Total health	<u>9,422,714</u>	<u>61,909</u>	<u>6,696,927</u>	<u>781,231</u>
<b>Parks, recreation and education</b>				
Director of parks and recreation	53,342	--	--	--
Parks	68,363,421	16,403,644	1,544,412	42,760,170
Recreation	6,362,356	936,536	1,695,035	3,241,385
Miradores and Selena Memorial	1,965,000	--	--	1,965,000
Senior services	4,707,382	130,714	3,231,028	1,111,302
Upper level college facilities	1,529,971	1,510,810	--	19,161
Municipal service center	2,177,428	204,024	662,316	--
Total parks, recreation and education	<u>85,158,900</u>	<u>19,185,728</u>	<u>7,132,791</u>	<u>49,097,018</u>
<b>Libraries</b>				
Libraries	28,211,022	773,001	15,324,800	382,961
<b>Corpus Christi museums</b>				
Corpus Christi museums	6,502,515	--	4,724,292	1,282,349
<b>Community enrichment</b>				
<b>Cultural and convention facilities</b>				
Multipurpose arena	48,628,359	2,829,110	43,198,880	2,600,369
Coliseum	2,799,472	--	1,850,979	392,843
Auditorium	6,067,142	--	6,025,014	--
Baseball stadium	28,191,770	1,836,762	26,186,852	168,156
Harbor Playhouse	883,928	--	869,675	3,409
Convention center	63,604,322	798,244	52,566,698	2,783,450
Water Garden	1,508,263	--	--	1,499,926
Bayfront Science Park	10,563,996	3,647,642	2,468,913	4,279,696
Texas State Aquarium	20,844,296	2,047,044	11,024,033	7,773,219
Total cultural and convention facilities	<u>183,091,548</u>	<u>11,158,802</u>	<u>144,191,044</u>	<u>19,501,068</u>

(Continued)

**Exhibit 41-B  
(Continued)**

<b>Machinery and Equipment</b>	<b>Infrastructure</b>
318,252	--
<u>5,223</u>	<u>--</u>
<u>323,475</u>	<u>--</u>
574,834	--
652,834	197,225,929
6,168,069	--
186,410	--
70,868	--
--	--
--	--
--	--
4,248,153	--
154,252	--
<u>12,055,420</u>	<u>197,225,929</u>
52,350	--
13,655,679	--
<u>5,483,236</u>	<u>17,111,063</u>
<u>19,191,265</u>	<u>17,111,063</u>
1,459,288	--
<u>423,359</u>	<u>--</u>
<u>1,882,647</u>	<u>--</u>
53,342	--
2,725,840	4,929,355
489,400	--
--	--
234,338	--
--	--
1,311,088	--
<u>4,814,008</u>	<u>4,929,355</u>
11,730,260	--
495,874	--
--	--
555,650	--
42,128	--
--	--
10,844	--
7,455,930	--
8,337	--
167,745	--
--	--
<u>8,240,634</u>	<u>--</u>

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
SCHEDULE BY FUNCTION AND ACTIVITY \*  
JULY 31, 2008**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
Community enrichment (continued)				
Sister City	2,338	--	--	--
Bicentennial celebration	5,358	--	--	--
Public art	67,826	--	--	67,826
Total community enrichment	<u>183,167,070</u>	<u>11,158,802</u>	<u>144,191,044</u>	<u>19,568,894</u>
Community development				
Housing rehabilitation	31,827	19,750	--	--
Neighborhood improvement	198,511	--	--	4,255
Community renewal	12,633	--	--	--
Community Development Block Grant	30,213,437	800,221	5,821,579	23,329,462
Corpus Christi Community Improvement Corp.	1,473,294	59,497	1,413,797	--
Total community development	<u>31,929,702</u>	<u>879,468</u>	<u>7,235,376</u>	<u>23,333,717</u>
Other general capital assets:				
Packery Channel	11,254,208	--	--	--
Army Corp of Engineers office	10,909	--	10,909	--
State School sports complex	14,750	--	14,750	--
Workforce development	4,560	--	4,560	--
Naval Air Station safety zone	2,672,482	2,672,482	--	--
Transit facility	78,928	78,928	--	--
Total other general capital assets	<u>14,035,837</u>	<u>2,751,410</u>	<u>30,219</u>	<u>--</u>
Total capital assets in service	821,764,514	63,416,088	214,864,415	206,388,501
Less: accumulated depreciation	<u>391,150,040</u>	<u>--</u>	<u>61,546,843</u>	<u>102,425,882</u>
Net capital assets in service	<u>430,614,474</u>	<u>63,416,088</u>	<u>153,317,572</u>	<u>103,962,619</u>
Construction in progress	<u>75,698,581</u>	<u>567,648</u>	<u>2,111,053</u>	<u>25,197,691</u>
Total general capital assets	<u>\$ 506,313,055</u>	<u>\$ 63,983,736</u>	<u>\$ 155,428,625</u>	<u>\$ 129,160,310</u>

\* This schedule presents only the capital assets balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts and capital assets relating to solid waste activities are included. Generally, the capital assets of internal service funds are included as governmental activities and the Solid Waste capital assets are included as business-type activities in the statement of net assets.

**Exhibit 41-B  
(Continued)**

<b>Machinery and Equipment</b>	<b>Infrastructure</b>
2,338	--
5,358	--
<u>          --</u>	<u>          --</u>
<u>8,248,330</u>	<u>          --</u>
12,077	--
194,256	--
12,633	--
262,175	--
<u>          --</u>	<u>          --</u>
<u>481,141</u>	<u>          --</u>
--	11,254,208
--	--
--	--
--	--
--	--
<u>          --</u>	<u>11,254,208</u>
106,574,955	230,520,555
<u>87,178,852</u>	<u>139,998,463</u>
<u>19,396,103</u>	<u>90,522,092</u>
<u>28,172</u>	<u>47,794,017</u>
<u>\$ 19,424,275</u>	<u>\$ 138,316,109</u>

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
BY FUNCTION AND ACTIVITY \*  
YEAR ENDED JULY 31, 2009**

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
General government				
Control				
City Council and City Secretary	\$ 397,358	\$ --	\$ --	\$ 397,358
City Manager	359,940	--	--	359,940
Management and budget	102,156	--	--	102,156
Information services	835,417	--	--	835,417
Total control	<u>1,694,871</u>	<u>--</u>	<u>--</u>	<u>1,694,871</u>
Staff agencies				
Director of finance	54,522	--	--	54,522
Accounting	3,874,599	--	--	3,874,599
Federal grant accounting	5,317	--	--	5,317
Accounts receivable and meter reading	566,240	--	--	566,240
Central cashiering	192,096	--	--	192,096
Cash management	6,577	--	--	6,577
Utilities billing office administration and customer service operation	2,118,616	--	--	2,118,616
Nueces County Tax Appraisal District	70,588	--	--	70,588
Purchasing	47,964	--	--	47,964
Messenger service	1,675	--	--	1,675
City attorney	388,621	--	--	388,621
Business development	35,074	--	--	35,074
Planning	635,303	14,712	--	650,015
Human resources	2,986,712	--	--	2,986,712
Human relations	3,450	--	--	3,450
City Hall vehicle pool	14,994	--	--	14,994
City Hall and Emergency Management Facility	22,875,445	--	--	22,875,445
Total staff agencies	<u>33,877,793</u>	<u>14,712</u>	<u>--</u>	<u>33,892,505</u>
Miscellaneous	2,708,289	22,017	233,662	2,496,644
Total general government	<u>38,280,953</u>	<u>36,729</u>	<u>233,662</u>	<u>38,084,020</u>
Police and municipal court				
Police	19,910,111	28,677	--	19,938,788
Crime Control District	920,809	182,587	--	1,103,396
Total police	<u>20,830,920</u>	<u>211,264</u>	<u>--</u>	<u>21,042,184</u>
Municipal court	1,862,840	--	--	1,862,840
Total police and municipal court	<u>22,693,760</u>	<u>211,264</u>	<u>--</u>	<u>22,905,024</u>
Fire				
Fire	23,815,633	1,498,446	--	25,314,079
Fire academy	29,897	--	--	29,897
Fire prevention	140,443	--	--	140,443
Total fire	<u>23,985,973</u>	<u>1,498,446</u>	<u>--</u>	<u>25,484,419</u>
Ambulance	3,856,023	202,858	--	4,058,881

(Continued)

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
BY FUNCTION AND ACTIVITY \*  
FISCAL YEAR ENDED JULY 31, 2008**

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Emergency management				
Emergency management	119,665	--	--	119,665
Local emergency planning committee	10,775	--	--	10,775
Total emergency management	<u>130,440</u>	<u>--</u>	<u>--</u>	<u>130,440</u>
Inspections				
Building inspection	234,532	83,720	--	318,252
Petroleum inspection	5,223	--	--	5,223
Total inspections	<u>239,755</u>	<u>83,720</u>	<u>--</u>	<u>323,475</u>
Streets				
Director and engineering office	649,574	4,920	--	654,494
Streets, sidewalks, curbs and gutters	186,665,204	--	--	186,665,204
Street maintenance and construction	26,430,471	14,966,938	--	41,397,409
Street signs and markings	186,410	--	--	186,410
Street cleaning	70,868	--	--	70,868
Harbor Bridge and approaches	7,322,587	--	--	7,322,587
JFK Causeway	4,000,000	--	--	4,000,000
Seawall	45,613,756	5,605	--	45,619,361
Traffic engineering	4,738,790	--	--	4,738,790
Parking control	186,942	--	--	186,942
Total streets	<u>275,864,602</u>	<u>14,977,463</u>	<u>--</u>	<u>290,842,065</u>
Solid Waste				
Office	69,433	--	--	69,433
Refuse collections	10,911,811	2,985,026	--	13,896,837
Refuse disposal	45,885,239	21,656,919	--	67,542,158
Total solid waste	<u>56,866,483</u>	<u>24,641,945</u>	<u>--</u>	<u>81,508,428</u>
Health				
Health	4,955,512	96,291	--	5,051,803
Animal control	4,277,220	93,691	--	4,370,911
Total health	<u>9,232,732</u>	<u>189,982</u>	<u>--</u>	<u>9,422,714</u>
Parks, recreation and education				
Director of parks and recreation	53,342	--	--	53,342
Parks	67,102,691	1,270,375	9,645	68,363,421
Recreation	6,343,049	19,307	--	6,362,356
Miradores and Selena Memorial	1,965,000	--	--	1,965,000
Senior services	4,507,935	199,448	--	4,707,383
Upper level college facilities	1,529,971	--	--	1,529,971
Municipal service center	2,177,428	--	--	2,177,428
Total parks, recreation and education	<u>83,679,416</u>	<u>1,489,130</u>	<u>9,645</u>	<u>85,158,901</u>
Libraries	21,664,839	6,546,183	--	28,211,022
Corpus Christi museums	6,476,755	25,760	--	6,502,515

(Continued)



City of  
Corpus  
Christi

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
BY FUNCTION AND ACTIVITY \*  
FISCAL YEAR ENDED JULY 31, 2008**

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Community enrichment				
Cultural and convention facilities				
Multipurpose arena	53,445,999	9,843	--	53,455,842
Coliseum	2,799,472	--	--	2,799,472
Auditorium	6,067,142	--	--	6,067,142
Baseball stadium	28,191,771	--	--	28,191,771
Harbor Playhouse	883,928	--	--	883,928
Convention center	58,670,573	106,265	--	58,776,838
Water Garden	1,508,263	--	--	1,508,263
Bayfront Science Park	10,552,997	10,998	--	10,563,995
Texas State Aquarium	20,844,296	--	--	20,844,296
Total cultural and convention facilities	<u>182,964,441</u>	<u>127,106</u>	<u>--</u>	<u>183,091,547</u>
Sister City	2,338	--	--	2,338
Bicentennial celebration	5,358	--	--	5,358
Public art	67,826	--	--	67,826
Total community enrichment	<u>183,039,963</u>	<u>127,106</u>	<u>--</u>	<u>183,167,069</u>
Community development				
Housing rehabilitation	31,827	--	--	31,827
Neighborhood improvement	198,511	--	--	198,511
Community renewal	12,633	--	--	12,633
Community Development Block Grant	30,333,488	--	120,050	30,213,438
Corpus Christi Improvement Corp.	1,473,294	--	--	1,473,294
Total community development	<u>32,049,753</u>	<u>--</u>	<u>120,050</u>	<u>31,929,703</u>
Other general capital assets:				
Packery Channel	9,938,182	1,316,027	--	11,254,209
Army Corp of Engineers office	10,909	--	--	10,909
State School sports complex	14,750	--	--	14,750
Workforce development	4,560	--	--	4,560
Naval Air Station safety zone	2,672,482	--	--	2,672,482
Transit facility	78,928	--	--	78,928
Total other general capital assets	<u>12,719,811</u>	<u>1,316,027</u>	<u>--</u>	<u>14,035,838</u>
Total capital assets in service	<u>770,781,258</u>	<u>51,346,613</u>	<u>363,357</u>	<u>821,764,514</u>
Less: accumulated depreciation	363,974,225	27,175,815	--	391,150,040
Net capital assets in service	<u>406,807,033</u>	<u>24,170,798</u>	<u>363,357</u>	<u>430,614,474</u>
Construction in progress	63,561,149	58,044,784	45,907,352	75,698,581
Total general capital assets	<u>\$ 470,368,182</u>	<u>\$ 82,215,582</u>	<u>\$ 46,270,709</u>	<u>\$ 506,313,055</u>

\* This schedule presents only the capital assets balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts and capital assets relating to solid waste activities are included. Generally, the capital assets of internal service funds are included as governmental activities and the Solid Waste capital assets are included as business-type activities in the statement of net assets.



City of  
Corpus  
Christi

## *Statistical Section*

This part of the City of Corpus Christi, Texas' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
Financial Trends	278
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	
Revenue Capacity	292
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	
Debt Capacity	300
<i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	307
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	
Operating Information	310
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	

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

**CITY OF CORPUS CHRISTI, TEXAS**  
**NET ASSETS BY COMPONENT**  
**LAST EIGHT FISCAL YEARS**  
**(accrual basis of accounting)**

	<b>Fiscal Year</b>			
	<u><b>2002</b></u>	<u><b>2003</b></u>	<u><b>2004</b></u>	<u><b>2005</b></u>
Governmental activities				
Invested in capital assets, net of related debt	\$ 148,248,890	\$ 85,981,541	\$ 67,103,377	\$ 52,992,539
Restricted	--	--	--	--
Unrestricted	44,913,259	104,798,961	136,973,037	164,904,402
Total governmental activities net assets	<u>\$ 193,162,149</u>	<u>\$ 190,780,502</u>	<u>\$ 204,076,414</u>	<u>\$ 217,896,941</u>
Business-type activities				
Invested in capital assets, net of related debt	\$ 390,904,239	\$ 420,036,983	\$ 478,884,825	\$ 527,336,134
Restricted	78,639,564	79,888,038	36,201,782	41,045,812
Unrestricted	97,669,351	76,317,057	69,891,251	30,102,257
Total business-type activities net assets	<u>\$ 567,213,154</u>	<u>\$ 576,242,078</u>	<u>\$ 584,977,858</u>	<u>\$ 598,484,203</u>
Primary government				
Invested in capital assets, net of related debt	\$539,153,129	\$506,018,524	\$545,988,202	\$580,328,673
Restricted	78,639,564	79,888,038	36,201,782	41,045,812
Unrestricted	142,582,610	181,116,018	206,864,288	195,006,659
Total primary government net assets	<u>\$ 760,375,303</u>	<u>\$ 767,022,580</u>	<u>\$ 789,054,272</u>	<u>\$ 816,381,144</u>

Note: The data in this table is abstracted from Exhibit 1-A

Table 1

<b>Fiscal Year</b>			
<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>
\$ 95,591,014	\$ 160,007,194	\$ 171,559,799	\$ 184,297,821
--	5,085,156	7,161,689	8,706,284
144,449,151	108,485,456	118,117,170	102,378,371
<u>\$ 240,040,165</u>	<u>\$ 273,577,806</u>	<u>\$ 296,838,658</u>	<u>\$ 295,382,476</u>
\$ 505,475,536	\$ 557,699,068	\$ 614,734,623	\$ 588,187,607
28,524,868	20,698,409	17,162,129	15,547,632
85,278,867	40,565,906	1,923,108	49,119,110
<u>\$ 619,279,271</u>	<u>\$ 618,963,383</u>	<u>\$ 633,819,860</u>	<u>\$ 652,854,349</u>
\$601,066,550	\$ 717,706,262	\$ 786,294,422	\$ 772,485,428
28,524,868	25,783,565	24,323,818	24,253,916
229,728,018	149,051,362	120,040,278	151,497,481
<u>\$ 859,319,436</u>	<u>\$ 892,541,189</u>	<u>\$ 930,658,518</u>	<u>\$ 948,236,825</u>

**CITY OF CORPUS CHRISTI, TEXAS**  
**CHANGES IN NET ASSETS**  
**LAST EIGHT FISCAL YEARS**  
 (accrual basis of accounting)

	Fiscal Year			
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
<b>Expenses</b>				
Primary government				
Governmental activities				
General government	\$ 17,676,659	\$ 19,233,035	\$ 20,531,590	\$ 18,958,373
Police and municipal court	52,801,220	54,867,613	53,624,255	58,210,747
Fire and ambulance	30,538,482	31,482,882	30,530,062	32,947,348
Emergency management	448,349	844,952	548,443	390,319
Inspections	1,746,315	1,680,337	1,795,333	1,547,147
Streets	15,139,933	18,895,098	19,667,552	19,393,011
Health	5,205,759	5,659,932	5,542,871	6,382,815
Parks and recreation	15,937,495	17,982,043	17,557,686	18,385,625
Libraries	4,814,281	5,336,567	4,992,771	4,611,585
Museums	1,308,938	1,343,444	1,473,214	1,422,397
Community enrichment	494,149	617,513	589,503	925,890
Community development	6,014,092	5,841,595	4,367,786	5,621,030
Convention and visitor activities	8,015,530	7,212,965	7,377,505	13,894,739
Interest on long-term debt	12,870,489	13,389,707	15,004,915	13,193,892
Total governmental activities	<u>173,011,691</u>	<u>184,387,683</u>	<u>183,603,486</u>	<u>195,884,918</u>
Business-type activities				
Solid Waste	13,497,621	12,533,282	11,723,823	14,390,390
Utilities				
Water	62,457,605	67,117,405	74,419,004	83,950,395
Gas	19,360,646	30,105,373	29,157,534	33,417,878
Wastewater	25,250,795	28,426,726	30,881,821	33,308,073
Airport	7,129,046	8,959,181	10,271,494	11,161,666
Golf Centers	2,041,632	2,061,485	1,817,627	1,794,576
Marina	1,273,958	1,236,838	1,208,005	1,261,117
Total business-type activities	<u>131,011,303</u>	<u>150,440,290</u>	<u>159,479,308</u>	<u>179,284,095</u>
Total primary government	<u>\$ 304,022,994</u>	<u>\$ 334,827,973</u>	<u>\$ 343,082,794</u>	<u>\$ 375,169,013</u>
<b>Program revenue</b>				
Governmental activities				
Charges for services				
General government	\$ 1,825,616	\$ 18,925,978	\$ 19,443,016	\$ 21,245,892
Public safety	9,653,790	10,268,928	7,832,085	14,548,068
Other activities	8,142,229	8,354,158	13,174,757	12,407,743
Operating grants and contributions	12,662,355	13,946,396	11,987,476	13,713,334
Capital grants and contributions	10,494,751	4,016,522	5,441,051	5,495,781
Total governmental activities program revenues	<u>42,778,741</u>	<u>55,511,982</u>	<u>57,878,385</u>	<u>67,410,818</u>
(Continued)				

Table 2

		<u>Fiscal Year</u>					
		<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>		
\$	18,932,482	\$	20,909,738	\$	20,658,739	\$	22,072,622
	60,561,629		67,186,703		73,018,660		78,931,771
	33,180,982		37,478,787		38,221,888		42,520,139
	2,392,096		358,799		470,593		525,077
	1,805,234		1,721,108		1,699,251		2,171,232
	21,438,339		23,145,350		25,060,354		25,814,362
	6,416,746		6,126,090		6,856,261		7,450,418
	19,253,871		18,933,077		21,455,686		21,767,352
	4,596,041		4,593,979		4,993,605		5,612,844
	1,521,829		1,412,561		1,886,531		1,842,929
	1,500,961		1,784,029		2,624,646		3,476,141
	6,228,409		4,114,411		4,594,232		5,830,606
	18,437,872		18,615,167		18,134,378		17,167,605
	17,291,116		14,713,700		14,665,318		14,950,035
	<u>213,557,607</u>		<u>221,093,499</u>		<u>234,340,142</u>		<u>250,133,133</u>
	11,872,414		27,045,462		20,075,708		18,442,528
	87,305,836		86,542,198		94,885,353		97,638,099
	37,394,842		36,919,568		38,128,913		31,286,452
	38,851,313		39,548,014		42,411,241		43,450,764
	11,154,572		10,991,302		11,555,900		12,228,908
	1,795,616		1,780,434		1,948,903		2,133,840
	1,381,124		1,692,618		1,806,755		1,864,063
	<u>189,755,717</u>		<u>204,519,596</u>		<u>210,812,773</u>		<u>207,044,654</u>
\$	<u>403,313,324</u>	\$	<u>425,613,095</u>	\$	<u>445,152,915</u>	\$	<u>457,177,787</u>
\$	20,293,609	\$	20,328,447	\$	21,120,037	\$	19,995,923
	16,365,087		18,053,712		18,582,177		19,328,378
	16,315,719		16,564,997		13,198,200		13,466,048
	12,553,974		13,585,522		13,293,341		13,519,519
	6,788,244		5,742,472		9,215,148		5,160,566
	<u>72,316,633</u>		<u>74,275,150</u>		<u>75,408,903</u>		<u>71,470,434</u>

**CITY OF CORPUS CHRISTI, TEXAS**  
**CHANGES IN NET ASSETS**  
**LAST EIGHT FISCAL YEARS**  
(accrual basis of accounting)

	Fiscal Year			
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
<b>Program revenue (continued)</b>				
Business-type activities				
Charges for services				
Solid Waste	\$ 19,208,920	\$ 19,394,343	\$ 21,469,832	\$ 22,987,776
Utilities				
Water	60,880,266	65,534,811	74,937,669	82,332,283
Gas	22,184,588	31,540,322	30,639,162	33,835,399
Wastewater	30,927,823	32,859,510	36,177,877	39,458,482
Airport	6,859,874	8,117,196	9,120,533	9,752,728
Golf Centers	2,072,006	1,890,608	1,713,712	1,944,177
Marina	1,137,144	1,165,243	1,251,637	1,285,583
Operating grants and contributions	8,819,557	3,602,016	3,069,436	4,853,315
Capital grants and contributions	-	55,000	-	20,980
Total business-type activities program revenues	<u>152,090,178</u>	<u>164,159,049</u>	<u>178,379,858</u>	<u>196,470,723</u>
Total primary government program revenues	<u>\$ 194,868,919</u>	<u>\$ 219,671,031</u>	<u>\$ 236,258,243</u>	<u>\$ 263,881,541</u>
<b>Net (expense) revenue</b>				
Governmental activities	\$ (130,232,950)	\$ (128,875,701)	\$ (125,725,101)	\$ (128,474,100)
Business-type activities	21,078,875	13,718,759	18,900,550	17,186,628
<b>Total primary government net expenses</b>	<u>\$ (109,154,075)</u>	<u>\$ (115,156,942)</u>	<u>\$ (106,824,551)</u>	<u>\$ (111,287,472)</u>
<b>General revenues and other changes in net assets</b>				
Governmental activities				
Taxes				
Property taxes, levied for general purposes	\$ 42,265,643	\$ 44,750,554	\$ 46,191,431	\$ 51,358,047
Property taxes, levied for debt service	14,824,482	15,222,925	16,827,513	16,851,911
Sales taxes	37,885,688	47,393,030	53,237,728	56,303,645
Hotel occupancy taxes	7,420,400	7,894,879	8,145,156	8,320,624
Other taxes and business fees	26,029,495	-	-	-
Unrestricted investment earnings	3,364,910	3,024,981	2,167,309	2,932,063
Miscellaneous	1,424,665	-	-	-
Transfers	9,705,252	6,010,676	10,296,957	7,196,375
Total governmental activities	<u>142,920,535</u>	<u>124,297,045</u>	<u>136,866,094</u>	<u>142,962,665</u>
Business-type activities				
Unrestricted investment earnings	5,540,869	3,517,850	2,287,106	2,848,054
Transfers	(9,705,252)	(6,010,676)	(10,296,957)	(7,196,375)
Total business-type activities	<u>(4,164,383)</u>	<u>(2,492,826)</u>	<u>(8,009,851)</u>	<u>(4,348,321)</u>
Total primary government	<u>\$ 138,756,152</u>	<u>\$ 121,804,219</u>	<u>\$ 128,856,243</u>	<u>\$ 138,614,344</u>
<b>Changes in Net Assets</b>				
Governmental activities	\$ 12,687,585	\$ (4,578,656)	\$ 11,140,993	\$ 14,488,565
Business-type activities	16,914,492	11,225,933	10,890,699	12,838,307
Total primary government	<u>\$ 29,602,077</u>	<u>\$ 6,647,277</u>	<u>\$ 22,031,692</u>	<u>\$ 27,326,872</u>

Note: In 2005 and after, the ambulance activity was included in the general fund. Prior years have not been restated.

**Table 2  
(Continued)**

<b>Fiscal Year</b>			
<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$ 24,187,529	\$ 26,641,520	\$ 29,843,162	\$ 30,979,626
84,775,949	75,147,044	87,131,217	106,536,846
40,274,507	40,694,377	43,166,492	33,159,669
36,284,201	38,833,360	41,784,614	45,227,800
9,908,494	9,764,349	9,948,929	8,562,286
2,242,033	1,740,134	1,943,751	1,732,263
1,222,145	1,326,631	1,436,603	1,592,825
8,634,637	105,065	47,668	495,845
12,018,013	26,818,057	24,436,963	7,863,922
<u>219,547,508</u>	<u>221,070,537</u>	<u>239,739,399</u>	<u>236,151,082</u>
<u>\$ 291,864,141</u>	<u>\$ 295,345,687</u>	<u>\$ 315,148,302</u>	<u>\$ 307,621,516</u>
\$ (141,240,974)	\$ (146,818,349)	\$ (158,931,239)	\$ (178,662,699)
29,791,791	16,550,941	28,926,626	29,106,428
<u>\$ (111,449,183)</u>	<u>\$ (130,267,408)</u>	<u>\$ (130,004,613)</u>	<u>\$ (149,556,271)</u>
\$ 50,834,041	\$ 51,477,867	\$ 52,288,456	\$ 55,410,412
20,470,482	22,105,552	25,021,687	26,278,717
61,261,030	66,124,730	70,120,506	71,018,975
9,408,919	9,630,152	10,337,342	10,127,333
--	--	--	--
5,423,353	7,321,196	6,220,124	2,825,071
--	--	--	--
16,259,591	18,759,642	18,203,976	11,546,009
<u>163,657,416</u>	<u>175,419,139</u>	<u>182,192,091</u>	<u>177,206,517</u>
6,798,421	7,120,196	4,133,827	1,474,070
(16,259,591)	(18,759,642)	(18,203,976)	(11,546,009)
<u>(9,461,170)</u>	<u>(11,639,446)</u>	<u>(14,070,149)</u>	<u>(10,071,939)</u>
<u>\$ 154,196,246</u>	<u>\$ 163,779,693</u>	<u>\$ 168,121,942</u>	<u>\$ 167,134,578</u>
\$ 22,416,442	\$ 28,600,790	\$ 23,260,852	\$ (1,456,182)
20,330,621	4,911,495	14,856,477	19,034,489
<u>\$ 42,747,063</u>	<u>\$ 33,512,285</u>	<u>\$ 38,117,329</u>	<u>\$ 17,578,307</u>



City of  
Corpus  
Christi

**Table 3**

**CITY OF CORPUS CHRISTI, TEXAS  
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)**

<b>Year</b>	<b>Property tax</b>	<b>Sales tax</b>	<b>Hotel tax</b>	<b>Total</b>
2000	\$ 51,511,700	\$ 30,590,459	\$ 6,714,211	\$ 88,816,370
2001	52,555,675	32,051,919	6,471,438	91,079,032
2002	57,075,633	37,885,688	7,420,400	102,381,721
2003	59,973,478	47,393,030	7,894,879	115,261,387
2004	63,018,943	53,237,728	8,145,156	124,401,827
2005	68,209,958	56,303,645	8,320,624	132,834,227
2006	71,304,523	61,261,030	9,408,919	141,974,472
2007	73,583,419	66,124,730	9,630,152	149,338,301
2008	77,310,143	70,120,506	10,337,342	157,767,991
2009	81,689,129	71,018,975	10,127,333	162,835,437

**CITY OF CORPUS CHRISTI, TEXAS  
FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)**

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
General fund				
Reserved	\$ 1,398,054	\$ 2,209,702	\$ 2,743,442	\$ 1,992,177
Unreserved	<u>3,316,997</u>	<u>8,159,676</u>	<u>10,944,746</u>	<u>10,943,268</u>
Total general fund	<u>\$ 4,715,051</u>	<u>\$ 10,369,378</u>	<u>\$ 13,688,188</u>	<u>\$ 12,935,445</u>
All other governmental funds				
Reserved	\$ 25,467,572	\$ 36,518,759	\$ 41,729,212	\$ 96,950,987
Unreserved, reported in:				
Debt service funds	9,236,156	8,185,892	8,532,088	7,936,187
Special revenue funds	1,645,729	(288,470)	9,781,597	15,719,849
Capital projects funds	<u>6,849,024</u>	<u>34,621,301</u>	<u>67,313,163</u>	<u>67,009,735</u>
Total all other governmental funds	<u>\$ 43,198,481</u>	<u>\$ 79,037,482</u>	<u>\$ 127,356,060</u>	<u>\$ 187,616,758</u>

Note: In 2006 and 2005, the ambulance activity was included in the general fund. Prior years have not been restated.

**Table 4**

<b>Fiscal Year</b>					
<u><b>2004</b></u>	<u><b>2005</b></u>	<u><b>2006</b></u>	<u><b>2007</b></u>	<u><b>2008</b></u>	<u><b>2009</b></u>
\$ 2,354,362	\$ 2,003,587	\$ 2,477,879	\$ 4,054,101	\$ 4,638,291	\$ 2,938,429
13,367,581	18,437,527	24,534,599	28,372,503	27,571,509	27,325,624
<u>\$ 15,721,943</u>	<u>\$ 20,441,114</u>	<u>\$27,012,478</u>	<u>\$ 32,426,604</u>	<u>\$ 32,209,800</u>	<u>\$ 30,264,053</u>
\$ 82,631,409	\$ 48,296,146	\$46,933,550	\$ 60,621,159	\$ 57,031,756	\$ 58,028,080
7,144,072	4,777,336	5,834,111	6,846,970	11,712,600	9,456,925
16,974,681	21,145,467	26,358,642	30,461,934	43,057,821	45,533,073
41,950,925	89,208,498	67,191,943	67,507,979	61,947,382	109,247,126
<u>\$ 148,701,087</u>	<u>\$ 163,427,447</u>	<u>\$146,318,246</u>	<u>\$ 165,438,042</u>	<u>\$ 173,749,559</u>	<u>\$ 222,265,204</u>

**CITY OF CORPUS CHRISTI, TEXAS**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
(modified accrual basis of accounting)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
<b>Revenues</b>				
Taxes and business fees	\$ 105,663,860	\$ 110,813,865	\$ 128,411,216	\$ 131,623,695
Licenses and permits	1,991,569	1,701,743	1,680,236	1,917,640
Intergovernmental	1,553,963	1,321,649	-	-
Grants	16,600,920	19,888,008	18,309,359	15,489,416
Charges for services	26,730,334	25,635,388	29,342,087	30,268,143
Fines and forfeitures	3,238,230	4,011,734	4,318,635	3,922,564
Deposits	--	--	79,219	340,917
Contributions and donations	1,838,030	1,303,391	314,233	592,601
Special assessments	277,221	366,819	225,863	225,768
Earnings on investments	1,618,102	2,731,642	3,364,910	3,024,981
Interest on loans	118,486	107,291	108,825	103,108
Change in fair value of investments	120,006	36,331	--	--
Payments from Lexington Museum Association	284,650	276,585	268,390	190,120
Payments from Las Carabelas Foundation	269,200	--	--	--
Payments from Corpus Christi Convention and Visitors Bureau	--	202,151	219,320	249,223
Payments from Texas State Aquarium	504,008	495,507	497,478	117,117
Payments from other agencies	13,575	12,900	12,900	12,900
Thermal energy rebate	--	--	--	--
Sale of city property	--	--	111,923	108,627
Recovery of prior years expenditures	--	--	54,633	32,558
Claim settlement	--	816,676	3,451,221	1,171,565
Naming rights	--	--	--	--
Miscellaneous	4,037,336	3,759,598	1,851,001	1,125,302
Total revenues	<u>164,859,490</u>	<u>173,481,278</u>	<u>192,621,449</u>	<u>190,516,245</u>
<b>Expenditures</b>				
General government	18,499,525	16,680,997	12,968,280	13,753,127
Public safety	64,623,972	64,371,854	73,918,474	80,532,121
Streets	9,671,249	9,137,705	10,452,285	10,531,232
Solid waste	13,645,632	12,721,571	16,097,663	12,715,966
Health	4,895,092	4,460,371	4,874,857	5,329,227
Community enrichment	27,358,068	29,743,311	23,875,847	26,684,023
Convention and visitors activities	--	--	7,152,823	5,836,428
Other	2,102,189	2,706,043	3,706,216	750,414
Capital projects	16,265,090	20,610,405	26,205,474	30,908,856
Debt service				
Principal retirement	16,558,068	17,173,700	18,521,900	19,178,933
Interest	6,049,570	5,581,069	8,896,238	10,175,576
Paying agent fees	--	--	9,824	9,850
Bond issue cost	5,589	9,558	1,198,739	2,110,181
Refund of bond issue cost	--	--	--	--
Interest on interfund borrowings	--	--	--	--
Total expenditures	<u>179,674,044</u>	<u>183,196,584</u>	<u>207,878,620</u>	<u>218,515,934</u>
Excess (deficiency) of revenues over (under) expenditures	(14,814,554)	(9,715,306)	(15,257,171)	(27,999,689)

Table 5

Fiscal Year						
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$	140,974,351	\$ 148,183,043	\$ 158,452,760	\$ 165,980,510	\$ 174,899,312	\$ 178,669,539
	2,396,870	3,321,875	3,493,616	3,399,993	3,576,249	3,700,195
	-	-	-	--	--	--
	14,952,235	15,163,571	14,535,800	16,261,424	18,216,186	15,981,072
	34,531,641	41,306,241	50,520,423	53,669,631	54,989,566	56,843,501
	5,189,598	5,658,571	6,118,520	6,907,942	6,825,170	6,897,078
	103,674	605,095	1,093,803	270,716	191,724	--
	907,170	1,881,172	2,589,488	1,948,807	3,380,012	1,902,087
	274,427	154,380	118,526	74,235	442,323	10,502
	2,167,309	2,372,884	5,447,570	8,424,738	6,386,948	3,006,163
	93,839	254,651	31,771	374,210	233,846	73,369
	--	--	--	--	--	--
	181,125	283,800	352,849	347,173	248,868	285,022
	--	--	--	--	--	--
	241,786	252,841	272,234	--	--	--
	377,255	512,182	500,427	518,117	508,685	518,318
	12,900	11,425	7,425	--	--	--
	--	--	--	--	--	--
	6,035	6,413	3,230	4,940	12,353	3,848
	--	--	--	--	--	--
	3,000,000	--	--	--	--	572,280
	--	--	175,000.0	175,000	175,000	175,000
	1,166,420	1,689,941	979,929	1,186,020	1,390,645	1,486,339
	<u>206,576,635</u>	<u>221,658,085</u>	<u>244,693,371</u>	<u>259,543,456</u>	<u>271,476,887</u>	<u>270,124,313</u>
	16,221,322	18,096,800	18,961,633	20,707,495	21,306,706	21,836,700
	82,785,712	87,833,826	101,805,112	107,360,877	110,663,675	115,375,541
	12,107,029	10,989,960	13,056,076	13,502,624	14,233,051	15,951,618
	14,840,086	13,825,317	13,569,912	15,192,042	18,278,582	17,027,712
	5,536,134	6,417,300	6,452,124	5,980,026	6,592,800	6,893,718
	26,889,774	27,786,066	30,008,152	27,458,882	31,248,848	31,864,343
	6,164,876	10,887,455	13,794,220	13,782,313	13,193,524	12,152,309
	999,374	--	--	--	--	32,963
	82,358,053	70,456,764	46,907,032	33,406,955	35,812,462	57,193,877
	22,975,927	25,911,488	24,697,600	26,918,876	24,853,049	36,741,227
	12,660,246	12,954,911	15,746,138	16,657,960	17,480,632	16,433,417
	11,914	19,044	24,746	36,049	33,994	32,598
	1,006,357	2,132,781	589,508	650,025	730,903	1,571,419
	--	--	--	(9,660)	--	--
	--	21,147	80,169	148,160	--	29,714
	<u>284,556,804</u>	<u>287,332,859</u>	<u>285,692,422</u>	<u>281,792,624</u>	<u>294,428,226</u>	<u>333,137,156</u>
	(77,980,169)	(65,674,774)	(40,999,051)	(22,249,168)	(22,951,339)	(63,012,843)

**CITY OF CORPUS CHRISTI, TEXAS**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
(modified accrual basis of accounting)

	Fiscal Year			
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
<b>Other financing sources (uses)</b>				
Capital leases	\$ 3,076,314	\$ 2,087,995	\$ 4,448,062	\$ 1,735,104
Notes payable	--	--	9,000,000	2,150,000
General obligation bonds issued	--	--	--	--
Revenue bonds issued	--	--	44,641,271	80,739,862
Certificate of obligation bonds issued	--	9,229,090	--	--
Tax notes issued	--	--	--	--
Refunding bonds issued	--	26,376,000	11,683,849	23,855,037
Refund on bond issue costs	--	--	--	--
Proceeds of refunding bonds	--	18,296,494	--	--
Premium on bonds sold	--	--	--	--
Discount on bonds issued	--	--	--	--
Payment to escrow agent for refunded bonds	--	(8,593,000)	(11,458,676)	(23,474,491)
Transfers in	13,339,005	13,429,064	13,015,889	15,682,295
Transfers out	(7,887,925)	(9,617,009)	(8,744,499)	(13,180,863)
Total other financing sources (uses)	<u>8,527,394</u>	<u>51,208,634</u>	<u>62,585,896</u>	<u>87,506,944</u>
Net change in fund balances	<u>\$ (6,287,160)</u>	<u>\$ 41,493,328</u>	<u>\$ 47,328,725</u>	<u>\$ 59,507,255</u>
Debt service as a percentage of noncapital expenditures	13.84%	14.00%	15.76%	16.78%

Note: In 2005 and after, the ambulance activity was included in the general fund. Prior years have not been restated.

**Table 5**  
**(Continued)**

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$ 3,083,773	\$ 2,032,704	\$ 2,917,492	\$ 3,447,512	\$ 2,623,408	\$ 3,746,061
--	--	--	--	--	--
--	60,000,000	--	34,975,000	--	88,725,000
27,065,000	4,100,000	2,900,000	--	--	--
6,901,632	14,914,122	18,605,000	2,415,695	--	12,000,000
--	--	--	--	22,260,000	--
--	--	--	--	13,445,000	--
--	--	19,952	--	--	--
--	60,685,564	--	--	--	--
751,185	--	--	480,163	--	2,660,797
(56,632)	--	(272,896)	--	--	(124,206)
--	(59,387,098)	--	--	(12,822,371)	--
15,717,877	14,400,438	12,291,674	14,031,497	13,676,363	11,797,397
(11,611,839)	(11,625,425)	(6,464,810)	(8,276,245)	(8,136,348)	(9,222,308)
<u>41,850,996</u>	<u>85,120,305</u>	<u>29,996,412</u>	<u>47,073,622</u>	<u>31,046,052</u>	<u>109,582,741</u>
<u>\$ (36,129,173)</u>	<u>\$ 19,445,531</u>	<u>\$ (11,002,639)</u>	<u>\$ 24,824,454</u>	<u>\$ 8,094,713</u>	<u>\$ 46,569,898</u>
18.13%	18.92%	17.23%	17.88%	16.67%	19.86%

Table 6

**CITY OF CORPUS CHRISTI, TEXAS**  
**GENERAL GOVERNMENTAL TAX AND BUSINESS FEES BY SOURCE**  
**LAST TEN FISCAL YEARS**  
(modified accrual basis of accounting)

<b>Fiscal Year</b>	<b>Property tax</b>	<b>Sales tax</b>	<b>Hotel tax</b>	<b>Business fees</b>	<b>Other taxes</b>	<b>Total</b>
2000	\$ 51,511,700	\$ 30,590,459	\$ 6,714,211	\$ 15,150,930	\$ 1,696,560	\$ 105,663,860
2001	52,555,675	32,051,919	6,471,438	17,895,243	1,839,590	110,813,865
2002	57,075,633	32,674,742	7,420,400	17,221,953	802,386	115,195,114
2003	59,935,265	45,677,489	7,894,879	16,119,482	1,996,580	131,623,695
2004	63,647,829	51,266,141	8,145,156	15,943,638	1,971,587	140,974,351
2005	67,482,260	55,236,059	8,320,624	16,076,514	1,067,586	148,183,043
2006	71,213,224	60,092,032	9,408,919	16,569,587	1,168,998	158,452,760
2007	75,818,774	62,563,386	9,630,152	16,738,947	1,229,251	165,980,510
2008	79,970,549	65,972,519	10,337,342	17,322,510	1,296,392	174,899,312
2009	84,999,120	66,054,244	10,127,333	16,126,005	1,362,837	178,669,539

Table 7

**CITY OF CORPUS CHRISTI, TEXAS  
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended July 31</b>	<b>Tax Year</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Less: Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Assessed Value as a Percentage of Actual Value</b>
2000	1999	\$ 7,829,632,259	\$ 922,955,223	\$ 1,290,002,278	\$ 7,462,585,204	\$ 0.623726	\$ 8,752,587,482	85.26%
2001	2000	8,077,929,844	940,291,975	1,366,164,416	7,652,057,403	0.623726	9,018,221,819	84.85%
2002	2001	8,435,234,205	1,033,337,024	1,439,246,174	8,029,325,055	0.644175	9,468,571,229	84.80%
2003	2002	8,922,477,009	1,047,865,471	1,543,685,753	8,426,656,727	0.644175	9,970,342,480	84.52%
2004	2003	9,525,269,802	1,091,986,683	1,669,360,087	8,947,896,398	0.644175	10,617,256,485	84.28%
2005	2004	10,272,935,304	1,191,484,860	1,824,858,392	9,639,561,772	0.634175	11,464,420,164	84.08%
2006	2005	11,130,529,932	1,230,303,736	1,872,808,840	10,488,024,828	0.625799	12,360,833,668	84.84%
2007	2006	12,166,239,146	1,247,502,997	1,992,436,225	11,421,305,918	0.602372	13,413,742,143	85.15%
2008	2007	14,084,066,107	1,447,200,791	2,420,434,047	13,110,832,851	0.563846	15,531,266,898	84.42%
2009	2008	14,738,455,220	1,481,661,131	2,406,781,337	13,813,335,014	0.563846	16,220,116,351	85.16%

Exemptions include: residential homestead exemptions including exemptions granted to persons disabled and/or 65 years of age and older; exemptions granted to disabled and deceased veterans; productivity value loss; tax abatements; and House Bill 366 exemptions. Exemptions are granted to disabled veterans or their survivors based upon percent of disability with a minimum exemption of \$5,000 and a maximum exemption of \$12,000. Mobile homes, while classified as personal property, may be residential homesteads.

Source: Nueces County Appraisal District

**CITY OF CORPUS CHRISTI, TEXAS  
PROPERTY TAX RATES -  
DIRECT AND OVERLAPPING GOVERNMENTS  
PER \$100 VALUATION  
FISCAL YEARS 2000-2009**

<b>Fiscal Year</b>	<b>Tax Year</b>	<b>City of Corpus Christi General Fund</b>	<b>City of Corpus Christi Debt Service</b>	<b>Total City of Corpus Christi</b>	<b>Calallen ISD</b>	<b>Corpus Christi ISD</b>	<b>Corpus Christi Junior College District</b>	<b>Flour Bluff ISD</b>	<b>London ISD</b>	<b>Nueces County</b>
2000	1999	\$ 0.468133	\$ 0.155593	\$ 0.623726	\$ 1.485810	\$ 1.500000	\$ 0.220466	\$ 1.491920	\$ --	\$ 0.344622
2001	2000	0.463133	0.160593	0.623726	1.524170	1.570000	0.220466	1.526200	--	0.352742
2002	2001	0.457523	0.186652	0.644175	1.599830	1.570000	0.219880	1.526200	--	0.350242
2003	2002	0.460031	0.184144	0.644175	1.594900	1.590000	0.219880	1.526200	1.260000	0.360922
2004	2003	0.466554	0.177621	0.644175	1.599000	1.590000	0.235660	1.526200	1.255000	0.379693
2005	2004	0.460000	0.174175	0.634175	1.599000	1.620000	0.233800	1.526200	1.249000	0.424200
2006	2005	0.426624	0.199175	0.625799	1.599000	1.616000	0.228327	1.526197	1.390600	0.398929
2007	2006	0.403197	0.199175	0.602372	1.430000	1.486000	0.255723	1.386650	1.277300	0.365932
2008	2007	0.364671	0.199175	0.563846	1.276500	1.176050	0.241782	1.069500	1.143800	0.351340
2009	2008	0.364671	0.199175	0.563846	1.298500	1.237350	0.251391	1.069215	1.210400	0.350930

Note: Data presented is received from Nueces County Tax Assessor-Collector.

Table 8

Nueces County Farm Roads and Flood Control	Nueces County Emergency Services District 1	Nueces County Hospital District	Port of Corpus Christi Authority	Nueces County Water Control & Improv. District 4	Port Aransas ISD	Robstown ISD	Tuloso Midway ISD	West Oso ISD	Downtown Management District Land	Downtown Management District Improvements
\$ 0.002563	\$ 0.030000	\$ 0.228028	\$ 0.024797	\$ 0.066818	\$ 1.420295	\$ --	\$ 1.672050	\$ 1.480000	\$ --	\$ --
0.002738	0.030000	0.228028	0.023718	0.062498	1.449057	--	1.750050	1.540000	--	--
0.005238	0.060000	0.228028	0.002117	0.050000	1.462000	--	1.739700	1.540000	--	--
0.005396	0.060000	0.228028	--	--	1.536300	1.614000	1.727000	1.540000	--	--
0.005688	0.060000	0.228028	--	--	1.560458	1.614000	1.724700	1.570000	--	--
0.005500	0.060000	0.225000	--	--	1.557800	1.714000	1.724700	1.900000	--	--
0.005167	0.075000	0.174903	--	--	1.550000	1.714000	1.742200	1.780000	--	--
0.004746	0.075000	0.160715	--	--	1.394582	1.584000	1.612200	1.650000	--	--
0.004338	0.100000	0.144782	--	--	1.058300	1.254000	1.332200	1.340000	--	--
0.004329	0.100000	0.154687	--	--	1.058300	1.374000	1.332200	1.420000	0.300000	0.070000

Table 9

**CITY OF CORPUS CHRISTI, TEXAS  
PRINCIPAL PROPERTY TAXPAYERS  
JULY 31, 2009 AND JULY 31, 2000**

Name of Taxpayer	2009			2000		
	Assessed Valuation	Rank	Percentage Of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage Of Total Taxable Assessed Value
American Electric Power Texas Central Co.	\$ 125,117,330	1	0.009058	-		-
Corpus Christi Retail Venture LP	82,864,222	2	0.005999	-		-
Markwest Energy Partners LP	71,012,830	3	0.005141	-		-
H.E. Butt Grocery Company	70,957,510	4	0.005137	67,847,294	3	0.009092
Southwestern Bell Telephone Company	49,810,660	5	0.003606	80,608,929	2	0.010802
Bay Area Healthcare	48,378,566	6	0.003502	-		-
Wal-Mart Auto Center	45,507,083	7	0.003294	-		-
TRT Development Company	36,477,658	8	0.002641	33,075,087	7	0.004432
HD Development Properties LP	28,408,917	9	0.002057	-		-
Flint Hills Resources LP - West Plant	28,052,167	10	0.002031	-		-
Central Power & Light Company	-		-	174,605,853	1	0.023398
Coastal Javelina Company	-		-	55,727,081	4	0.007468
Columbia Bay Area Realty, Ltd.	-		-	51,830,372	5	0.006945
Wal-Mart Properties, Inc.	-		-	46,077,172	6	0.006174
South Padre Drive LP	-		-	30,682,562	8	0.004112
Camden Property Trust	-		-	27,429,328	9	0.003676
Koch Refining Company LP	-		-	25,712,164	10	0.003445
	<u>\$ 586,586,943</u>		<u>4.25%</u>	<u>\$ 593,595,842</u>		<u>7.95%</u>

Source: Nueces County Appraisal District

Table 10

**CITY OF CORPUS CHRISTI, TEXAS  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year Ended July 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy			Collections in Subsequent Years (1)	Total Collections to Date	
		Tax Levy	Amount	Percentage of Levy		Amount	Percentage of Levy
2000	1999	\$ 46,546,084	\$ 44,836,825	96.33%	\$ 1,256,701	\$ 46,093,526	99.03%
2001	2000	47,727,871	45,900,923	96.17%	1,200,467	47,101,390	98.69%
2002	2001	51,722,865	49,683,646	96.06%	1,509,804	51,193,450	98.98%
2003	2002	54,282,374	52,161,807	96.09%	1,631,724	53,793,531	99.10%
2004	2003	57,640,112	55,417,905	96.14%	1,575,879	56,993,784	98.88%
2005	2004	61,131,691	58,864,317	96.29%	1,829,112	60,693,429	99.28%
2006	2005	65,237,253	62,656,806	96.04%	1,684,900	64,341,706	98.63%
2007	2006	68,230,749	64,961,636	95.21%	1,704,973	66,666,609	97.71%
2008	2007	72,029,119	70,048,380	97.25%	1,756,979	71,805,359	99.69%
2009	2008	76,595,854	74,146,566	96.80%	1,828,812	75,975,378	99.19%

(1) Information required by GASB # 44 differs from information reported. Collections in subsequent years represent total delinquent amounts received during the fiscal year, regardless of the fiscal year of the tax levy. Data for delinquent tax collections by levy year is not available from the Nueces County Tax Assessor's Office.



City of  
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Table 11

**CITY OF CORPUS CHRISTI, TEXAS  
ADOPTED TAX RATE  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended July 31</b>	<b>Tax Year</b>	<b>Total Assessed Valuation</b>	<b>Assessments Rate</b>	<b>Gross Tax Rate (1)</b>
2000	1999	\$ 7,462,585,204	100%	0.623726
2001	2000	7,652,057,403	100%	0.623726
2002	2001	8,029,325,055	100%	0.644175
2003	2002	8,426,656,727	100%	0.644175
2004	2003	8,947,896,398	100%	0.644175
2005	2004	9,639,561,772	100%	0.634175
2006	2005	10,488,024,828	100%	0.625799
2007	2006	11,421,305,918	100%	0.602372
2008	2007	13,110,832,851	100%	0.563846
2009	2008	13,813,335,014	100%	0.563846

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

**CITY OF CORPUS CHRISTI, TEXAS  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

Fiscal Year Ended July 31	Governmental Activities					
	General Obligation Bonds	Certificates of Obligation	Revenue Bonds	Original Issue Discount	Capital Leases	Other Notes Payable
2000	\$ 84,876,424	\$ 29,075,000	\$ --		\$ 5,817,440	\$ 442,931
2001	114,965,327	34,715,000	--		6,234,140	363,503
2002	109,164,376	31,110,000	43,960,000	20,781	6,956,538	9,363,645
2003	109,222,449	52,675,000	95,645,000	15,803	8,716,166	6,424,643
2004	100,489,139	57,110,000	120,910,000	9,878	7,378,760	6,001,404
2005	162,079,446	34,990,000	121,485,000	2,181	5,923,899	4,796,465
2006	149,085,000	32,480,000	120,810,000	-	6,525,617	4,360,000
2007	166,575,000	32,925,695	117,030,000	-	11,054,031	4,000,000
2008	152,030,000	30,885,695	114,480,000	-	9,102,549	25,510,000
2009	231,525,000	28,745,695	110,095,000	-	10,766,432	7,510,000

Note: Details regarding the City's outstanding debt can be found in Note 14 of the Notes to the Financial Statements. See Table 17, the Schedule of Demographic and Economic Statistics for personal income and population data.

Table 12

Fiscal Year Ended July 31	Business-Type Activities					Total Primary Government	Percentage of Personal Income	Per Capita
	Certificates of Obligation	Revenue Bonds Payable	Original Issue Discount	Capital Leases	Utility Notes			
2000	\$ --	\$ 274,490,000		\$ 1,068,636	\$ 180,474,498	\$ 576,244,929	1.62%	0.05%
2001	--	328,640,000		978,072	179,962,651	665,858,693	1.46%	0.04%
2002	--	316,768,796	(3,796)	4,868,267	179,085,859	701,294,466	1.43%	0.04%
2003	--	392,468,699	(3,699)	3,420,504	177,907,801	846,492,366	1.23%	0.03%
2004	--	375,633,482	(3,482)	5,119,476	176,221,133	848,869,790	1.32%	0.03%
2005	25,660,000	407,805,891	(891)	4,529,354	174,136,591	941,407,936	1.25%	0.03%
2006	44,025,000	453,850,000	-	3,277,956	171,604,070	986,017,643	1.14%	0.03%
2007	48,189,305	506,795,000	-	3,699,994	168,900,717	1,059,169,742	1.12%	0.03%
2008	47,524,305	479,220,000	-	4,591,194	166,018,108	1,029,361,851	1.26%	0.03%
2009	58,484,305	546,875,000	-	5,006,444	164,625,035	1,163,632,911	1.25%	0.03%

Table 13

**CITY OF CORPUS CHRISTI, TEXAS  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended July 31</b>	<b>General Obligation Bonds</b>	<b>Certificates of Obligation</b>	<b>Less Amounts Available in Debt Service Funds</b>	<b>Total</b>	<b>Percentage of Actual Taxable Value of Property</b>	<b>Per Capita (1)</b>
1998	\$ 100,595,338	\$ 32,165,000	\$ 11,402,551	\$ 121,357,787	1.4844%	420.55
1999	93,584,259	30,775,000	12,878,565	111,480,694	1.3150%	376.73
2000	84,876,424	29,075,000	11,747,384	102,204,040	1.1677%	368.36
2001	114,965,327	34,715,000	12,079,370	137,600,957	1.5258%	491.03
2002	109,164,376	31,110,000	11,285,112	128,989,264	1.3623%	461.04
2003	109,222,449	52,675,000	12,005,625	149,891,824	1.5034%	521.74
2004	100,489,139	57,110,000	11,259,740	146,339,399	1.3783%	504.34
2005	162,079,446	34,990,000	10,328,565	186,740,881	1.6289%	637.08
2006	149,085,000	32,480,000	10,255,911	171,309,089	1.3859%	579.77
2007	166,575,000	32,925,695	11,622,271	187,878,424	1.4006%	635.60
2008	152,030,000	30,885,695	16,591,514	166,324,181	1.0709%	559.17
2009	231,525,000	28,745,695	10,134,301	250,136,394	1.5421%	840.94

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

(1) See Table 17 - Schedule of Demographic and Economic Statistics on page xxx for personal income and population data.

Table 14

**CITY OF CORPUS CHRISTI, TEXAS  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JULY 31, 2009**

<u>City</u>	<u>Net Direct Debt</u>		<u>Estimated % of Debt Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
	<u>Amount</u>	<u>As of</u>		
City of Corpus Christi, Texas - direct	\$ 218,981,267	7/31/2009	100.00%	\$ 218,981,267
<b>County</b>				
Nueces County (excluding special districts)	120,059,652	7/31/2009	37.05%	44,482,101
<b>School District</b>				
Calallen Independent School District	46,261,000	7/31/2009	39.77%	18,398,000
Corpus Christi Independent School District	224,760,254	7/31/2009	94.22%	211,769,111
Flour Bluff Independent School District	5,617,847	7/31/2009	85.45%	4,800,450
London Independent School District	10,501,260	7/31/2009	3.83%	402,198
Port Aransas Independent School District	8,732,649	7/31/2009	70.08%	6,119,840
Robstown Independent School District	37,819,126	7/31/2009	0.13%	49,165
Tuloso-Midway Independent School District	47,266,486	7/31/2009	50.16%	23,708,869
West Oso Independent School District	34,160,892	7/31/2009	32.16%	10,986,143
<b>Other</b>				
Corpus Christi Junior College District	95,810,728	7/31/2009	92.14%	88,280,005
Nueces County Hospital District	9,799,006	7/31/2009	37.05%	3,630,532
Total overlapping debt	640,788,900			412,626,414
Total direct and overlapping debt	\$ 859,770,167			\$ 631,607,680

NOTE A: It is estimated that \$113,826,787 is self supporting debt. To continue to maintain this debt as self-supporting, transfers will be made from Tourist and Convention, Airport Parking, Reinvestment Zone #2, Airport lease revenues, Marina, Golf Centers, Storm Water and Solid Waste in amounts sufficient to pay both principal and interest on the self-supporting debt.

NOTE B: Total direct debt shown for the City of Corpus Christi excludes self-supporting debt, and prorated share available for repayment in Debt Service Fund.

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

**CITY OF CORPUS CHRISTI, TEXAS  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Debt limit	\$ 875,258,748	\$ 901,822,182	\$ 946,857,123	\$ 997,034,248
Total net debt applicable to limit	<u>102,646,971</u>	<u>137,964,460</u>	<u>138,352,909</u>	<u>156,316,467</u>
Legal debt margin	<u>\$ 772,611,777</u>	<u>\$ 763,857,722</u>	<u>\$ 808,504,214</u>	<u>\$ 840,717,781</u>
Total net debt applicable to the limit as a percentage of debt limit	11.73%	15.30%	14.61%	15.68%

(1) Assessed value is based on the appraised value of property prior to any deductions for exemptions. The assessed value is derived from the certified valuations provided by the Nueces County Tax Appraisal District as of July 25, 2008.

Table 15

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$ 1,061,725,649	\$ 1,146,442,016	\$ 1,235,133,813	\$ 1,341,374,214	\$ 1,553,126,690	\$ 1,622,011,635
<u>152,340,803</u>	<u>217,197,346</u>	<u>219,694,089</u>	<u>240,067,729</u>	<u>239,358,486</u>	<u>316,130,699</u>
<u>\$ 909,384,846</u>	<u>\$ 929,244,670</u>	<u>\$ 1,007,939,724</u>	<u>\$ 1,101,306,485</u>	<u>\$ 1,313,768,204</u>	<u>\$ 1,305,880,936</u>
14.35%	18.95%	17.79%	17.90%	15.41%	19.49%

**LEGAL DEBT MARGIN CALCULATION FOR FISCAL YEAR 2009**

Assessed value (1)	\$ 16,220,116,351
Debt limit (10% of total assessed value)	1,622,011,635
Debt applicable to limit:	
Gross Bonded Debt	326,265,000
Less: Net assets in Debt Service Fund	<u>10,134,301</u>
Total net debt applicable to limit	<u>316,130,699</u>
Legal debt margin	<u>\$ 1,305,880,936</u>

Table 16

**CITY OF CORPUS CHRISTI, TEXAS  
PLEGDED - REVENUE COVERAGE  
LAST TEN FISCAL YEARS**

Fiscal Year	Utility System Revenue Bonds					
	Gross Revenue	Adjusted (1, 2) Operating Income Deductions	Net Revenue Available for Debt Service	Annual Debt Service Requirements		
				Principal	Interest	Coverage
2000	\$ 122,631,232	\$ 71,213,069	\$ 51,418,163	\$ 6,970,000	\$ 7,359,474	3.59
2001	138,403,272	93,263,739	45,139,533	8,020,000	9,231,516	2.62
2002	115,312,497	80,330,621	34,981,876	8,735,000	9,202,086	1.95
2003	128,063,246	90,540,742	37,522,504	12,990,000	11,849,862	1.51
2004	133,214,799	95,996,767	37,218,032	13,205,000	12,334,049	1.46
2005	149,924,365	114,931,084	34,993,281	15,505,000	13,715,886	1.20
2006	169,845,386	124,064,017	45,781,369	17,890,000	15,459,432	1.37
2007	167,638,283	120,023,039	47,615,244	21,030,000	18,213,273	1.21
2008	174,023,636	121,130,851	52,892,785	22,715,000	18,133,573	1.29
2009	188,422,621	116,946,960	71,475,661	23,750,000	18,890,476	1.68

(1) Beginning in fiscal year 2004-2005, storm water expenses are included.

Fiscal Year	Airport Revenue Bonds					
	Gross Revenue	Adjusted (2) Operating Income Deductions	Net Revenue Available for Debt Service	Annual Debt Service Requirements		
				Principal	Interest	Coverage
2001	\$ 9,064,132	\$ 4,819,174	\$ 4,244,958	\$ --	\$ 603,412	7.03
2002	6,907,698	5,392,659	1,515,039	--	1,206,824	1.26
2003	8,270,223	6,038,848	2,231,375	380,000	1,206,824	1.41
2004	9,308,752	6,257,371	3,051,381	395,000	1,188,964	1.93
2005	9,946,897	6,752,183	3,194,714	415,000	1,170,399	2.02
2006	10,166,925	7,514,851	2,652,074	435,000	1,150,686	1.67
2007	10,253,901	6,881,042	3,372,859	455,000	1,129,806	2.13
2008	10,288,210	6,777,331	3,510,879	475,000	1,107,966	2.22
2009	8,709,348	6,986,044	1,723,304	500,000	1,084,691	1.09

(2) This amount is direct operating expenses less debt service, depreciation, capital outlay and amortization expenditures.

Table 17

**CITY OF CORPUS CHRISTI, TEXAS  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Personal Income (2)</b>	<b>Per Capita Personal Income (2)</b>	<b>Median Age (1)</b>	<b>Education Level in Years of Formal Schooling (3)</b>	<b>School Enrollment Rate (4)</b>	<b>Unemployment Rate (5)</b>
2000	277,454	\$ 9,348,023	\$ 23,182	32.7	12.4	39,618	6.8
2001	280,228	9,706,189	24,141	33.2	--	39,138	6.3
2002	279,780	10,014,443	24,763	32.2	12.7	39,383	6.7
2003	287,290	10,438,622	25,696	33.6	--	39,268	7.1
2004	290,163	11,199,871	27,340	33.2	12.7	39,310	6.7
2005	293,122	11,802,000	28,539	34.2	--	38,978	5.4
2006	295,478	11,199,871	33,904	34.7	--	36,158	5.7
2007	295,594	11,816,184	35,750	34.6	--	38,796	4.7
2008	297,447	13,006,066	37,700	34.6	--	38,754	4.8
2009	297,447	14,556,590	35,004	34.6	--	38,460	7.3

Source:

- (1) City of Corpus Christi staff
- (2) Bureau of Economic Analysis
- (3) U. S. Census Bureau for population 25 years or older, some years not available
- (4) Corpus Christi Independent School District - budgeted daily enrollment
- (5) Texas Workforce Commission, city civilian labor force



City of  
Corpus  
Christi

Table 18

**CITY OF CORPUS CHRISTI, TEXAS  
PRINCIPAL EMPLOYERS  
JULY 31, 2009 AND JULY 31, 2000**

<b>Employer</b>	<b>2009</b>			<b>1999*</b>		
	<b>Number of Employees</b>	<b>Rank</b>	<b>Percent of Total City Employment</b>	<b>Number of Employees</b>	<b>Rank</b>	<b>Percent of Total City Employment</b>
Corpus Christi Army Depot	4,876	1	2.66%	--	--	--
Corpus Christi Independent School District	4,776	2	2.61%	--	--	--
Christus Spohn Health System	4,260	3	2.33%	--	--	--
City of Corpus Christi	3,434	4	1.88%	--	--	--
H.E.B. Grocery Company	2,539	5	1.39%	--	--	--
Bay, Ltd.	2,500	6	1.37%	--	--	--
Texas A&M - Corpus Christi	1,994	7	1.09%	--	--	--
Driscoll Children's Hospital	1,705	8	0.93%	--	--	--
Naval Air Station Corpus Christi	1,630	9	0.89%	--	--	--
Corpus Christi Medical Center	1,347	10	0.74%	--	--	--
Total			15.87%	--	--	--

Source: Corpus Christi Regional Economic and Development Corporation

\* Information for 1999 not available

**CITY OF CORPUS CHRISTI, TEXAS**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**

<b>Function</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
General Fund				
Mayor	2.00	2.00	2.00	2.00
City council	--	--	--	--
ACM - administrative services	2.00	2.00	2.00	2.00
ACM - development services	--	--	--	3.00
Capital budget	--	--	--	--
City attorney	25.00	21.00	21.00	23.00
City manager	6.00	5.00	5.00	5.00
City secretary	7.00	7.00	8.00	7.00
Communications and quality management	4.00	4.00	4.00	--
Community development	47.00	43.00	43.00	--
Neighborhood services	--	--	--	16.80
Economic development office	--	--	--	--
Education advisor	--	--	--	--
Engineering - special services	--	--	17.00	6.00
Engineering	11.00	17.00	--	10.00
Inspections	--	--	--	28.00
Financial services	142.00	139.00	145.00	139.00
Fire	325.60	325.80	332.80	352.80
Health	76.13	65.63	66.63	69.63
Human relations	6.00	4.00	5.00	5.00
Human resources	24.25	20.25	20.38	18.75
Internal audit	3.00	--	--	--
Intergovernmental relations	--	--	--	--
Libraries	70.50	66.50	67.50	67.50
Management and budget	9.50	8.00	8.00	10.00
Materials management	8.00	--	--	--
Municipal court - administration	54.00	48.00	51.00	51.00
Municipal court - judicial	5.50	4.00	4.00	4.50
Museum	23.80	21.30	25.80	26.30
Office of Intergovernmental Relations a				
Community Development	--	3.0	3.00	--
Parks and recreation	292.78	280.76	280.37	286.51
Planning	19.00	17.00	17.00	17.00
Police	682.50	605.50	614.50	616.50
Public information	--	--	--	2.00
Risk management	11.00	--	--	--
Street and solid waste services	395.00	378.00	374.00	338.00
Total	2,252.56	2,087.74	2,116.98	2,107.29

Table 19

2004	2005	2006	2007	2008	2009
2.00	2.00	2.00	2.00	2.00	2.00
--	--	--	--	--	--
1.00	1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00	2.00
--	--	--	--	--	--
25.00	25.00	26.00	26.00	26.00	26.00
3.00	3.00	3.00	3.00	3.00	4.00
7.00	7.00	7.00	7.00	7.00	6.00
--	--	--	--	--	--
--	--	--	--	--	--
23.00	23.40	18.80	20.80	24.80	26.80
2.00	2.00	1.00	1.00	2.00	2.00
--	--	--	--	1.50	1.00
--	9.00	8.00	9.00	9.00	19.00
9.00	--	--	--	--	--
--	--	--	--	--	-
56.00	56.00	56.00	57.00	57.00	53.00
356.00	356.00	424.00	412.00	414.00	432.00
68.63	68.00	69.50	70.50	71.50	71.50
6.00	7.00	6.00	6.00	6.00	6.00
19.75	19.75	20.75	20.75	22.00	20.00
--	--	--	--	2.00	1.00
--	--	--	--	--	1.00
67.50	67.50	67.50	67.50	74.00	73.00
9.00	9.00	8.00	9.00	9.00	8.00
--	--	--	--	--	--
44.00	44.00	35.00	37.00	46.00	48.00
7.50	21.00	43.30	42.96	35.94	34.08
25.60	24.10	22.50	22.80	22.80	22.70
--	--	--	--	--	--
283.21	332.18	305.97	317.23	300.07	299.32
--	--	--	--	--	--
613.50	613.50	601.50	601.50	619.00	621.00
3.00	3.00	3.00	3.00	3.00	5.00
--	--	--	--	--	--
310.00	315.00	292.00	303.00	305.00	298.00
1,943.69	2,010.43	2,023.82	2,042.04	2,065.61	2,083.40

**CITY OF CORPUS CHRISTI, TEXAS**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**

<u>Function</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
<b>Enterprise Funds</b>				
Aviation	87.00	89.00	91.75	93.75
Ambulance	61.00	61.0	61.00	68.00
Golf Centers	32.50	32.50	32.50	32.50
Marina	18.40	16.40	16.50	16.50
Gas	155.50	151.00	148.00	148.00
Storm Water	85.00	85.00	85.00	85.00
Wastewater	228.00	196.00	178.00	178.00
Water	239.00	202.50	179.50	180.00
ACM - Public Works	--	--	--	--
Utility Business Office	--	--	--	--
Utility Field Services	--	--	--	--
Engineering	68.10	--	--	--
Office of Environmental Programs	--	--	--	--
Total	<u>974.50</u>	<u>833.40</u>	<u>792.25</u>	<u>801.75</u>
<b>Internal Service Funds</b>				
Engineering	--	57.10	57.10	57.10
Liability and employee benefits fund	--	11.0	13.0	14.00
Maintenance service	91.00	97.00	96.00	99.00
Municipal information system	29.00	47.00	47.00	50.00
Stores	10.00	10.00	10.00	8.00
Total	<u>130.00</u>	<u>222.10</u>	<u>223.10</u>	<u>228.10</u>
<b>Special Revenue Funds</b>				
Development Services	2.00	--	--	--
Visitor's facilities fund	40.00	40.00	40.00	40.00
Crime Control	--	74.00	80.50	76.10
Local Emergency Planning Committee	1.00	1.00	1.00	1.00
Total	<u>43.00</u>	<u>115.00</u>	<u>121.50</u>	<u>117.10</u>
Total operating budget FTE's	<u><u>3,400.06</u></u>	<u><u>3,258.24</u></u>	<u><u>3,253.83</u></u>	<u><u>3,254.24</u></u>

Source: City of Corpus Christi Office of Management and Budget

**Table 19**  
**(Continued)**

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
95.75	96.75	93.75	98.95	95.20	96.95
68.00	68.00	--	--	--	--
30.50	30.50	22.00	29.50	29.50	29.50
16.50	16.50	16.50	14.00	14.00	14.00
148.80	148.80	148.80	147.80	134.80	134.80
85.00	-	-	-	77.00	75.00
177.00	177.00	177.00	173.00	162.00	162.00
180.00	175.00	255.00	255.00	157.00	163.00
--	2.00	2.00	2.00	2.00	2.00
27.00	74.00	19.00	18.00	19.00	19.00
45.00	--	44.00	45.00	40.00	40.00
--	--	--	--	--	--
--	-	3.00	3.00	2.00	5.00
<u>873.55</u>	<u>788.55</u>	<u>781.05</u>	<u>786.25</u>	<u>732.50</u>	<u>741.25</u>
57.10	57.10	57.10	57.10	57.00	61.63
13.00	14.00	14.00	15.00	15.00	15.00
97.00	99.00	99.00	100.00	100.00	87.00
71.00	75.00	93.00	100.00	109.00	105.00
8.00	8.00	8.00	9.00	9.00	20.00
<u>246.10</u>	<u>253.10</u>	<u>271.10</u>	<u>281.10</u>	<u>290.00</u>	<u>288.63</u>
54.00	54.00	57.00	58.00	63.00	76.00
35.0	11.00	1.00	1.00	11.00	10.00
65.10	62.10	65.60	64.60	65.60	65.60
1.00	1.00	1.00	1.00	1.00	1.00
<u>155.10</u>	<u>128.10</u>	<u>124.60</u>	<u>124.60</u>	<u>140.60</u>	<u>152.60</u>
<u>3,218.44</u>	<u>3,180.18</u>	<u>3,200.57</u>	<u>3,233.99</u>	<u>3,228.71</u>	<u>3,265.88</u>

**CITY OF CORPUS CHRISTI, TEXAS  
OPERATING INDICATORS BY FUNCTION  
LAST EIGHT YEARS**

<b>Function</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
<b>Police</b>				
Physical arrests	n/a	n/a	n/a	5,214
Parking violations	21,728 *	18,090 *	17,622 *	17,960 *
Traffic violations	n/a	n/a	n/a	64,449
Number of commissioned police officers	448	448	448	448
Number of employees - police officers and civilians	667	674	674	678
Officers per 1000 population	1.60	1.56	1.54	1.53
School crossing guards	83	83	83	83
<b>Fire</b>				
Number of calls answered	1,219	1,200	1,000	1,219
Inspections	3,659	3,000	3,500	3,659
Number of firefighters	379	394	395	383
Number of employees - firefighters and civilians	399	414	418	402
Employees per 1,000 population	1.35	1.37	1.36	1.31
State Fire Insurance Credit Rating	Class 4	Class 4	Class 4	Class 4
<b>Streets</b>				
Street resurfacing (miles)	--	--	--	--
Potholes repaired	51,622	50,000	60,000	75,024
<b>Parks and recreation</b>				
Athletic field permits issued	n/a	n/a	n/a	n/a
Community center admissions	n/a	n/a	n/a	n/a
<b>Libraries</b>				
Number of volumes	394,177	413,308	446,830	394,666
Circulation	1,155,516	1,096,084	1,149,994	1,155,516
Library cards in force	144,755	189,896	124,624	144,755
Computer usage, sessions	703,494	491,512	524,400	703,494
Number of website hits	--	--	--	--
Number of in-house personal computer users	--	--	--	--
<b>Solid Waste</b>				
Refuse collected (tons/day)	299	325	325	364
Recyclables collected (tons/day)	62	57	53	12
<b>Water</b>				
New connections	n/a	n/a	n/a	1,302
Water main breaks	n/a	n/a	n/a	2,400
Average daily consumption (thousands of gallons)	80,000	96,853	90,771	97,686
Average daily gallons treated & raw water sold	80,000,000	96,953,488	90,770,847	97,685,942
Average water treated (thousand of gallons)	n/a	n/a	n/a	n/a
Average daily consumption per capita (gallons)	120	120	122	123
Residential per capita consumption gallons/day	n/a	n/a	n/a	n/a
<b>Gas</b>				
Average daily consumption (mcf)	9,602	9,954	8,964	9,064
<b>Wastewater</b>				
Average daily sewage treatment (thousands of gallons)	28,403	n/a	n/a	n/a
<b>Airport</b>				
Number of airports	1	1	1	1
Number of acres	2,571	2,428	2,428	2,574

Sources: Various city departments

\* Note: Data presented is for the calendar year rather than the fiscal year.

\*\* Number includes the combined Fire Department and EMS calls. Previous years figures reflect only Fire Department calls.

Table 20

2006	2007	2008	2009
4,792	11,282	14,440	17,786
18,287 *	17,571	23,973	23,976
57,478	58,885 *	53,355	51,778
448	448	448	451
671	672	672	711
1.52	1.52	1.51	1.86
87	87	91	91
30,700 **	33,000	37,492	39,115
3,000	4,765	4,641	5,342
383	402	394	403
400	419	419	423
1.30	1.36	1.32	1.36
Class 4	Class 3	Class 3	Class 2
--	722,367 sq yds	367,266 sq yds	
75,000	83,177	97,634	
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
394,666	389,634	405,225	431,098
1,191,605	1,211,792	1,241,042	1,339,242
150,552	143,699	150,712	150,712
1,044,617	1,160,698	--	--
--	--	--	25,084,906
--	--	203,480	240,525
389	395	386	378
13	13	13	12.3
1,358	1,690	474	265
2,617	2,313	2,022	1,706
97,686	97,686	97,686	n/a
106,251,600	136,281,605	169,415,273	n/a
n/a	n/a	65,849	68,855
121	134	119	n/a
n/a	n/a	65	77
8,438	2,842	8,498	8,626
27,477,926	30,605,216	28,807,687	26,867,362
1	1	1	1
2,574	2,574	2,657	2,657

**CITY OF CORPUS CHRISTI, TEXAS  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST EIGHT YEARS**

<b>Function</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
General government				
Buildings: (City owned)				
Total square footage, approximate	2,185,079	2,185,079	2,850,000	2,864,000
Police				
Stations	4	4	4	4
Patrol units	298	298	301	301
Area of responsibility - land area (square miles)	147.10	150.48	150.48	150.48
Fire				
Fire stations	15	16	16	16
Sanitation				
Collection trucks	n/a	n/a	n/a	n/a
Fire apparatus	38	38	39	30
Other motorized vehicles	67	67	62	77
Number of fire hydrants	8,000	8,000	8,300	8,300
Streets				
Streets (miles)	1,094	1,095	1,097	1,103
Streetlights	14,298	14,455	14,670	16,308
Traffic signals	n/a	n/a	n/a	n/a
Libraries				
Number of libraries	5	5	5	5
Parks and recreation				
Parks acreage	1,408	1,580	1,408	1,408
Parks	189	190	189	189
Swimming pools	10	10	10	9
Tennis courts	43	49	49	49
Community centers	5	5	5	5
Park acreage partially developed	172	172	171	178
Playgrounds	139	139	139	139
Municipal beaches	4	4	4	4
Baseball diamonds	1	1	1	1
Softball diamonds	10	10	5	5
Senior centers	8	8	8	8
Gymnasiums	2	2	2	2
Covered basketball courts	2	2	2	1
Water				
Water mains (miles)	1,950	1,950	1,445	1,533
Fire hydrants	8,000	8,000	8,300	8,300
Maximum daily capacity (thousands of gallons)	112,000	110,000	110,000	109,000
Water connections - active	80,083	80,083	82,944	82,467
Storm water drainage ditches (miles)	607	607	607	607
Storm water underground pipe (miles)	597	597	597	597

Table 21

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
2,864,000	2,864,000	2,883,975	2,883,975
4	4	4	5
295	295	295	354
150.48	150.48	150.48	150.48
16	16	16	17
n/a			
30	30	30	30
77	77	77	77
8,400	8,400	8,479	8,800
1,103	1,119	1,123	1,139
16,308	16,662	16,767	16,874
n/a	n/a	n/a	n/a
5	5	5	6
1,418	1,415	1,418	1,418
189	190	190	191
9	9	9	9
37	37	37	37
5	5	5	5
171	171	168	384
128	129	131	139
4	4	4	4
1	1	4	4
5	5	5	5
8	8	8	8
2	2	2	2
3	3	3	4
1,533	1,553	1,584	1,624
8,400	8,400	8,479	8,800
104,880	97,750	97,850	96,220
83,785	85,959	84,442	87,042
607	607	610	602
597	597	606	632

**CITY OF CORPUS CHRISTI, TEXAS  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST EIGHT YEARS**

<b>Function</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
Gas				
Gas mains (miles)	1,251	1,262	1,279	1,288
Gas connections - active	n/a	54,413	55,789	53,461
Wastewater				
Sanitary sewers (miles)	1,262	1,268	1,292	1,220
Maximum daily treatment capacity (thousands of gallons)	44,700	44,700	44,700	44,700
Sewer connections	n/a	81,966	78,788	78,837
Lift stations	98	99	93	91
Airport				
Length of main runways	13,588	13,588	13,588	13,588
Scheduled airline arrivals and departures per year	17,844	16,640	20,228	19,704
Passengers enplaning and deplaning (including commercial helicopters)	777,530	758,846	789,830	854,606
Golf centers				
Municipal golf courses	2	2	2	2
Municipal golf links - acres	378	378	378	378
Marina				
Marina slips	580	580	558	451

**Table 21**  
**(Continued)**

<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
1,291	1,327	1,337	1,349
53,989	54,436	53,688	54,162
1,243	1,258	1,265	1,269
44,700	44,700	44,700	44,700
80,725	82,957	81,823	82,948
96	95	97	97
13,588	13,588	13,588	13,588
19,689	19,710	16,306	17,056
890,800	886,528	861,641	750,080
2	2	2	2
378	376	376	376
456	590	590	590

Table 22

MISCELLANEOUS STATISTICAL DATA  
FISCAL YEAR ENDED JULY 31, 2009

GOVERNMENT: (1)

Date of incorporation	1852
Charter:	
Revised	July 13, 1968
Revised	September 15, 1970
Revised	January 22, 1975
Revised	April 5, 1980
Revised	August 11, 1984
Revised	April 4, 1987
Revised	January 19, 1991
Revised	April 3, 1993
Revised	November 2, 2004
Form of government:	
Fiscal year begins	August 1st
Number of City employees	3,309

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

AREA OF CITY: (in square miles)	Land	150.5
	Water	<u>353.8</u>
		<u><u>504.3</u></u>

POPULATION:	<u>Year</u>	<u>Trade Area</u>	<u>Population</u>
	1950	293,661	108,053
	1960	382,423	167,690
	1970	359,523	204,525
	1980	400,500	232,134
	2000 (Census)	474,157	277,454
	2007	487,294	295,594
	2008	485,885	297,447
	2009	415,376	297,447

ELEVATION: Sea level to 85 feet

TEMPERATURE: 84.31° F maximum average  
62.80° F minimum average  
73.55° F mean average

SEASONAL RAINFALL  
13.19 inches for fiscal year ended 7-31-08

Source: (1) City Staff  
(2) Port of Corpus Christi

**Table 22  
(Continued)**

**MISCELLANEOUS STATISTICAL DATA  
FISCAL YEAR ENDED JULY 31, 2009**

PORT OF CORPUS CHRISTI: (2)

Tonnage handled through the Port during the year 2008	87,167,808
Number of ships handled during the year 2008	1,751
Number of barges handled during the year 2008	4,271

Public Docks:

Bulk liquid	11
Dry cargo	8
Bulk materials	2
Total	<u>21</u>

Private Docks:

Bulk Liquids -	
Citgo	6 - Main Harbor
Equistar	1 - Main Harbor
Flint Hills	3 - Main Harbor
Valero	3 - Main Harbor
Occidental Chemical	1 - La Quinta
Koch Gathering	1 - Ingleside

Dry Cargo -

Bay, Inc.	2 - Main Harbor
Heldenfels	1 - Main Harbor
Texas Leheigh Cement	1 - Main Harbor
Tor Minerals International, Inc.	1 - Rincon
McDermott	1 - Harbor Island
Gulf Marine Fabricators	1 - Ingleside
Kiewit Offshore Services, Inc.	1 - Ingleside
Texas Docks & Rail	2 - Harbor Island
Rincon A	1 - Rincon A

Dry Cargo -

ADM/Gromark	1 - Main Harbor
Interstate Grain	1 - Main Harbor
Sherwin Alumina	1 - La Quinta
Vulcan Materials	1 - Main Harbor
Total	<u>30</u>

Source:

- (1) City Staff
- (2) Port of Corpus Christi

Table 23

**CITY PAYROLL STATISTICS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Salaries</b>	<b>Social Security &amp; Medicare</b>	<b>Texas Municipal Retirement System</b>	<b>Fire Fighters' Retirement System Plan</b>	<b>Total Paid</b>	<b>Number Employees Last Payday of Year</b>
2000	\$ 102,242,291	\$ 6,241,322	\$ 9,026,902	\$ 2,171,942	\$ 119,682,457	3,277
2001	100,927,146	6,064,690	8,686,111	2,223,410	117,901,357	3,278
2002	105,312,317	6,418,618	9,826,228	2,300,476	123,857,639	3,264
2003	112,071,665	6,818,824	10,241,750	2,423,671	131,555,910	3,264
2004	121,745,107	7,370,874	11,386,987	2,673,855	143,176,822	3,317
2005	120,616,280	7,350,960	12,827,988	2,482,092	143,277,320	3,126
2006	124,601,361	5,903,267	13,853,273	2,795,774	147,153,675	3,183
2007	127,318,989	7,603,602	14,372,192	3,040,260	152,335,043	3,217
2008	133,145,260	7,991,390	15,603,377	3,575,262	160,315,289	3,309
2009	140,069,626	8,350,623	16,549,804	3,997,364	168,967,417	3,406

Note: The data in this Table is abstracted from payroll reports.

Table 24

**RETIREMENT SYSTEM PENSION DATA  
LAST TEN FISCAL YEARS**

**TEXAS MUNICIPAL RETIREMENT SYSTEM PENSION DATA**

<b>Fiscal Year</b>		<b>Unfunded Pension Plan Liability</b>	<b>Pension Plan Receipts</b>	<b>Pension Plan Assets</b>	<b>Pension Benefits Paid</b>	<b>Investment Income</b>
2000		\$ 61,529,964	\$ 21,140,412	\$ 219,109,580	\$ 10,232,543	\$ 11,977,958
2001	*	67,157,221	33,955,322	222,098,830	30,966,073	21,149,094
2002	*	73,357,936	33,410,273	229,017,517	26,191,586	20,340,369
2003	*	80,254,024	33,378,009	232,869,362	29,526,164	19,360,126
2004	*	88,310,121	33,899,027	236,961,675	29,806,713	18,215,670
2005	*	107,200,266	32,945,242	238,411,240	31,495,577	16,180,600
2006	*	114,519,596	32,767,434	235,856,593	35,322,082	13,915,946
2007	*	123,761,526	33,620,204	236,329,255	33,147,542	13,206,208
2008	*	198,547,208	32,602,880	234,960,197	33,971,939	11,536,275
2009	*	207,164,256	33,740,446	234,890,896	33,809,747	11,440,094

Note: Information is as of December 31 of the previous year which is the latest information available.

\* Reflects information from both the Municipal Accumulation Fund and Employee Savings Fund. Previously, only the Municipal Accumulation Fund was presented.

**FIRE FIGHTERS' RETIREMENT SYSTEM PENSION DATA**

<b>Fiscal Year</b>		<b>Unfunded Pension Plan Liability</b>	<b>Pension Plan Receipts</b>	<b>Pension Plan Assets</b>	<b>Pension Benefits Paid</b>	<b>Investment Income</b>
1997 - 1998	***	\$ --	\$ 17,493,220	\$ 73,798,717	\$ 3,618,248	\$ 13,982,286
1999	*	14,819,634	8,230,065	74,362,231	4,076,113	4,666,502
2000	***	--	11,496,409	84,101,910	4,800,634	7,741,256
2001	**	25,706,026	5,223,641	84,953,930	5,612,741	1,248,239
2002	***	--	2,843,990	80,023,270	5,918,829	(1,232,160)
2003		42,743,795	(1,525,575)	78,135,835	7,214,298	(5,750,086)
2004	***	--	18,168,197	81,278,306	7,412,898	13,706,022
2005		39,748,293	13,364,477	87,250,141	7,130,547	8,718,570
2006		--	4,949,285	89,401,693	7,399,360	1,704,474
2007		42,220,967	4,957,716	92,448,683	8,326,653	1,867,998
2008	***	--	5,723,279	101,440,018	8,789,387	1,904,806
2009	***	--	6,642,273	76,979,921	9,370,772	2,065,673

Note: The Fire Fighters' Retirement System is not subject to any control by the City Council as the governing body of the City of Corpus Christi. Information is as of December 31 of the previous year which is the latest information available.

\* Demographic assumptions were revised.

\*\* Reflects plan benefit provisions effective January 3, 2000.

\*\*\* No actuarial valuation performed for previous calendar year.

**ALL FUNDS  
INSURANCE AND SURETY BONDS IN FORCE  
FISCAL YEAR ENDED JULY 31, 2009**

Type of Insurance	Insurer and Expiration Date	Amount of Coverage
<b>1. Property Insurances</b>		
Commercial Property & Wind Policy Scheduled City Properties	Multiple layers (Itemized Below) Expires 5-4-2010	\$150m Including CAT plus \$100m Excluding CAT Building & Personal Property Blanket Coverage 1% Minimum \$250,000 for Named Storm Deductible \$250,000 all other Wind/Hail Deductible \$50,000 Deductible Other Perils \$100,000 Flood; Earthquake Deductible (Replacement cost coverage)
Property & Wind Coverage Commercial City Properties	ICAT Expires 5-4-2010	Primary 10 Million Layer - 75% Building & Personal Property Blanket Coverage
Property & Wind Coverage Commercial City Properties	AMRISC Expires 5-4-2010	Primary 10 Million Layer - 25% Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Arch Expires 5-4-2010	41.66% part of \$15 Million excess of \$10 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	AWAC Expires 5-4-2010	16.66% part of \$15 Million excess of \$10 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Essex Expires 5-4-2010	16.66% part of \$15 Million excess of \$10 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	AMRISC Expires 5-4-2010	25% of \$15 Million Excess of \$10 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	RSUI Expires 5-4-2010	25% part of \$25 Million Excess of \$25 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Aspen Expires 5-4-2010	10% part of \$25 Million Excess of \$25 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	SwissRe Expires 5-4-2010	20% part of \$25 Million Excess of \$25 Million Building & Personal Property Blanket Coverage

**ALL FUNDS  
INSURANCE AND SURETY BONDS IN FORCE  
FISCAL YEAR ENDED JULY 31, 2009**

<b>Type of Insurance</b>	<b>Insurer and Expiration Date</b>	<b>Amount of Coverage</b>
Excess Property & Wind Coverage Commercial City Properties	ACE Expires 5-4-2010	20% part of \$25 Million Excess of \$25 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	AMRISC Expires 5-4-2010	25% of \$25 Million Excess of \$25 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	AXIS Specialty Insurance Expires 5-4-2010	40% part of \$50 Million Excess of \$50 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Arch Specialty Company Expires 5-4-2010	20% part of \$50 Million Excess of \$50 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Aspen Insurance UK Limited Expires 5-4-2010	5% part of \$50 Million excess of \$50 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	ACE Expires 5-4-2010	10% part of \$50 Million excess of \$50 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	AMRISC Expires 5-4-2010	25% of \$50 Million Excess of \$50 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Max Speciality Expires 5-4-2010	35% part of \$50 Million excess of \$100,000,000 Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Lancashire Expires 5-4-2010	40% part of \$50 Million excess of \$100,000,000 Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	AMRISC Expires 5-4-2010	25% of \$50 Million Excess of \$100 Million Building & Personal Property Blanket Coverage
Excess Property Coverage Commercial City Properties	RSUI Indemnity Company Expires 5-4-2010	\$100 Million Excess of \$150 Million excluding CAT Building & Personal Property Blanket Coverage
Boiler & Machinery Coverage Commercial City Properties	Travelers Insurance Company Expires 5-4-2010	\$100 Million Property Damage \$2,500 Property Damage Deductible
<b>2. Flood Insurance</b> Primary Flood Specified City Buildings	National Flood Program/ Selective Insurance Expires 11-4-2009	Building &/or contents values up to maximum of \$500,000 per building &/or \$500,000 per contents per location (specified locations)

**ALL FUNDS  
INSURANCE AND SURETY BONDS IN FORCE  
FISCAL YEAR ENDED JULY 31, 2009**

<b>Type of Insurance</b>	<b>Insurer and Expiration Date</b>	<b>Amount of Coverage</b>
<b>3. Airport Liability</b>		
P Primary Aviation	Texas Municipal League Expires 11-4-2009	\$25,000,000 limit, \$5,000 each occurrence deductible and \$10,000 annual aggregate deductible.
E Excess Aviation	ACE-Illinois Union Ins Co Expires 11-4-2009	\$50,000,000 Liability Limit in Excess of \$25,000,000 (\$75,000,000 max.)
<b>4. Employee Dishonesty / Crime Coverage</b>		
	Ace-Westchester Fire Ins Co Expires 11-4-2009	\$1,000,000 per occ. for Employee Theft Faithful Performance; Forgery or Alteration Theft of Money & Securities Inside Premises Robbery or Safe Burglary Inside Premises Outside Premises; Computer Fraud; Funds Transfer Fraud; Money Orders Counterfeit Paper Currency with \$15,000 Deductible \$25,000 Credit Card Coverage with \$250 Deductible
<b>5. Excess General Liability, Public Officials, Employment &amp; Law Enforcement Liability &amp; Excess Workers Compensation</b>	Star Insurance Company Expires 6-1-2010	\$5 Million each Accident or Occurrence Limit \$10 Million Aggregate Limit Workers Compensation Statutory \$500,000 SIR for Liability other than WC \$350,000 SIR for Workers Compensation
<b>6. Gas Utility Excess Liability</b>	Texas Municipal League Expires 11-4-2009	\$10,000,000 limit per occurrence \$250,000-General Liability/Pollution Deductible
<b>7. General Liability</b>		
CCPD -- Flint Hills Lease GL	Texas Municipal League Expires 11-4-2009	\$1,000,000 each occurrence \$1,000 deductible
<b>8. Special Events Policy</b>		
Jt July 4th Celebration	Northfield Ins. Co. Expires 7-6-2009	\$2,000,000 General Aggregate \$1,000,000 each Occurrence \$500 Deductible
<b>9. Automobile Coverage</b>		
TB Clinic Van	Texas Municipal League Expires 11-4-2009	\$500,000 Bodily Injury & Property Damage \$25,000-Medical Payments Actual Cash Value - physical damage \$250 deductible
Fleet Catastrophic	Texas Municipal League Expires 11-4-2009	\$18,500,000 Blanket Limit per Occurrence \$250,000 Deductible
Automobile Physical Damage CCPD Leased Vehicles Solid Waste Transfer Trailers	Texas Municipal League Expires 11-4-2009	Actual Cash Value - physical damage \$250 deductible \$500 deductible

INDEPENDENT AUDITOR'S REPORT ON INTERNAL  
CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

January 29, 2010

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Corpus Christi, Texas as of and for the year ended July 31, 2009, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 29, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the State of Texas, *Single Audit Circular*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

We noted certain matters that we reported to management of the City of Corpus Christi in a separate letter dated January 29, 2010.

This report is intended solely for the information and use of the Honorable Mayor and Members of the City Council, management, federal and state awarding agencies and pass-through entities, and is not intended to be, and should not be used by anyone other than these specified parties.

*Collins, Johnson & Woods*

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133

January 29, 2010

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

Compliance

We have audited the compliance of the City of Corpus Christi, Texas with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended July 31, 2009. The City's federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City of Corpus Christi, Texas complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended July 31, 2009.

### Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Honorable Mayor and Members of the City Council, management, federal awarding agencies and pass-through entities, and is not intended to be, and should not be used by anyone other than these specified parties.

Collier, Johnson & Woods

CITY OF CORPUS CHRISTI, TEXAS

SCHEDULE OF FEDERAL FINDINGS AND QUESTIONED COSTS

YEAR ENDED JULY 31, 2009

**Summary of Audit Results**

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the City of Corpus Christi, Texas.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the "Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*".
3. No instances of noncompliance material to the financial statements of the City of Corpus Christi, Texas, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies or material weaknesses relating to the audit of the major federal award programs are reported in the "Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133".
5. The auditor's report on compliance for the major federal award programs for the City of Corpus Christi, Texas expresses an unqualified opinion on all major programs.
6. There are no audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The programs tested as major programs included:
  - U.S. Department of Agriculture:  
Summer Food Service Program for Children (CFDA 10.559)
  - U.S. Department of Housing and Urban Development:  
Home Investment Partnerships Program (CFDA 14.239)
  - U.S. Department of Transportation:  
Airport Improvement Program (CFDA 20.106)
  - Institute of Museum and Library Services:  
Museums for America (CFDA 45.301)
  - U.S. Department of Health and Human Services:  
Preventive Health and Health Services Block Grant (CFDA 93.991)
  - Corporation for National and Community Service:  
Senior Companion Program (CFDA 94.016)

U.S. Department of Homeland Security:

Disaster Grants – Public Assistance (Presidentially Declared Disasters) (CFDA 97.036)

8. The dollar threshold for distinguishing Type A and Type B programs was \$482,149.
9. The City of Corpus Christi, Texas qualifies as a low-risk auditee.

**Findings - Financial Statement Audit**

The audit disclosed no findings required to be reported.

**Findings and Questioned Costs – Major Federal Award Programs Audit**

The audit disclosed no findings required to be reported.

**Prior Year Findings and Questioned Costs – Major Federal Award Programs Audit**

The audit disclosed no findings required to be reported.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR STATE PROGRAM AND  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH THE STATE OF TEXAS SINGLE AUDIT CIRCULAR

January 29, 2010

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

Compliance

We have audited the compliance of the City of Corpus Christi, Texas with the types of compliance requirements described in *the State of Texas Single Audit Circular* that are applicable to each of its major State programs for the year ended July 31, 2009. The City's major State programs are identified in the summary of auditor's results section of the accompanying schedule of State findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major State programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State of Texas Single Audit Circular issued by the Governor's Office of Budget and Planning. Those standards and the Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major State programs for the year ended July 31, 2009.

### Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to State programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a State program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a State program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a State program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a State program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Honorable Mayor and Members of the City Council, management, State awarding agencies and pass-through entities, and is not intended to be, and should not be used by anyone other than these specified parties.

*Collins, Johnson & Woods*

CITY OF CORPUS CHRISTI, TEXAS

SCHEDULE OF STATE FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JULY 31, 2009

**Summary of Audit Results**

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the City of Corpus Christi, Texas.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the "Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*".
3. No instances of noncompliance material to the financial statements of the City of Corpus Christi, Texas, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies or material weaknesses relating to the audit of the major State award programs are reported in the "Independent Auditors Report on Compliance with Requirements Applicable to each Major State Program and Internal Control over Compliance in Accordance with the State of Texas Single Audit Circular."
5. The auditor's report on compliance for the major State award programs for the City of Corpus Christi, Texas expresses an unqualified opinion on all major programs.
6. There are no audit findings that are required to be reported in accordance with Section 510(a) of State of Texas Single Audit Circular.
7. The programs tested as major programs included:
  - Air Quality Planning Activities
  - Auto Theft Prevention Grant
8. The dollar threshold for distinguishing Type A and Type B programs was \$300,000.
9. The City of Corpus Christi, Texas qualifies as a low risk auditee.

**Findings - Financial Statement Audit**

The audit disclosed no findings required to be reported.

**Findings and Questioned Costs - Major State Award Programs Audit**

The audit disclosed no findings required to be reported.

**Prior Year Findings and Questioned Costs - Major State Award Programs Audit**

There were no findings reported in the prior year.

**SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2009**

<b>Federal Grantor/Pass-Through Grantor State Grantor/Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Grantor's Number</b>	<b>Program or Award Amount</b>	<b>Disbursements/ Expenditures</b>
<b>Federal Assistance</b>				
<b>U.S. Department of HUD</b>				
<u>Direct Programs</u>				
Comm. Dev.Block Grant-Entitlement Grant 01-02	14.218	B01-MC48-0502	\$ 6,281,519	\$ --
Comm. Dev.Block Grant-Entitlement Grant 02-03		B03-MC48-0502	4,950,000	15,058
Comm. Dev.Block Grant-Entitlement Grant 03-04		B04-MC48-0502	4,219,000	52,269
Comm. Dev.Block Grant-Entitlement Grant 04-05		B05-MC48-0502	4,105,000	61,413
Comm. Dev.Block Grant-Entitlement Grant 05-06		B06-MC48-0502	3,882,133	40,795
Comm. Dev.Block Grant-Entitlement Grant 06-07		B06-MC48-0502	3,489,407	199,158
Comm. Dev.Block Grant-Entitlement Grant 07-08		B07-MC48-0502	3,480,612	192,068
Comm. Dev.Block Grant-Entitlement Grant 08-09		B08-MC48-0502	3,354,513	2,377,908
Total CFDA Number 14.218			<u>33,762,184</u>	<u>2,938,669</u>
Emergency Shelter Grants Program 06-07	14.231	S07-MC48-0502	150,498	73,309
Emergency Shelter Grants Program 07-08		S08-MC48-0502	149,967	149,810
Total CFDA Number 14.231			<u>300,465</u>	<u>223,119</u>
Supportive Housing Program 07-08	14.235	74-6000-574	1,074,009	142,094
Supportive Housing Program 08-09		74-6000-574	1,009,759	929,724
Total CFDA Number 14.235			<u>2,083,768</u>	<u>1,071,818</u>
Home Investment Partnerships Program 04-05	14.239	M-04-MC-48-0502	1,848,127	241,604
Home Investment Partnerships Program 05-06		M-05-MC-48-0502	1,772,241	168,411
Home Investment Partnerships Program 06-07		M-06-MC-48-0502	1,772,241	864,974
Home Investment Partnerships Program 07-08		M-07-MC-48-0502	1,772,241	301,349
Home Investment Partnerships Program 08-09		M-08-MC-48-0502	1,614,427	301,088
Total CFDA Number 14.239			<u>8,779,277</u>	<u>1,877,426</u>
Fair Housing Assistance Program_State and Local	14.401	FF206K066008	123,700	47,400
Total CFDA Number 14.401			<u>123,700</u>	<u>47,400</u>
Total Direct Programs			<u>45,049,394</u>	<u>6,158,432</u>
<b>Total U.S. Department of HUD</b>			<u>45,049,394</u>	<u>6,158,432</u>
<b>Office of National Drug Control Policy</b>				
<u>Direct Programs</u>				
Texas Coastal Corridor	16.000	I7PHNP517Z	142,500	55,041
Texas Coastal Corridor		G09HN0006A	163,373	15,245
Texas Coastal Corridor		I8PHNP517Z	136,500	66,510
Total CFDA Number 16.000			<u>442,373</u>	<u>136,796</u>
Total Direct Programs			<u>442,373</u>	<u>136,796</u>
<b>Total Office of National Drug Control Policy</b>			<u>442,373</u>	<u>136,796</u>
<b>U.S. Department of Justice</b>				
<u>Direct Programs</u>				
Community Capacity Development Office Program	16.595	2007-WS-Q7-0056	200,000	18,687
Community Capacity Development Office Program		2007-WS-Q7-0258	175,000	115,167
Community Capacity Development Office Program		2008-WS-QX-0200	150,000	86,567
Total CFDA Number 16.595			<u>525,000</u>	<u>220,421</u>

(Continued)

**SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2009**

<b>Federal Grantor/Pass-Through Grantor State Grantor/Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Grantor's Number</b>	<b>Program or Award Amount</b>	<b>Disbursements/ Expenditures</b>
Community Prosecution & Project Safe Neighborhoods Total CFDA Number 16.609	16.609	321-20-B142	44,294 44,294	17,384 17,384
Community Oriented Policing Services CSPP Total CFDA Number 16.710	16.710	2008CSWX0020	484,856 484,856	98,913 98,913
Edward Byrne Memorial Justice Assistance Grant	16.738	2005DJBX0412	258,284	9,872
Edward Byrne Memorial Justice Assistance Grant		2006DJBX0221	159,671	2,313
Edward Byrne Memorial Justice Assistance Grant		2007DJBX1163	236,403	38,373
Edward Byrne Memorial Justice Assistance Grant		2008DJBX0642	73,850	73,743
Edward Byrne Memorial Justice Assistance Grant		DJ-07-A10-20898-01	728,208	208,667
Total CFDA Number 16.738			1,456,416	332,968
Total Direct Programs			2,510,566	669,686
<u>Passed through Office of the Governor CJD</u>				
Juvenile Accountability Incentive Block Grants Total CFDA Number 16.523	16.523	JB-08-J20-13299-10	10,874 10,874	5,816 5,816
Legal Assistance for Victims	16.524	WF-07-V30-15171-09	92,921	3,779
Legal Assistance for Victims		WF-08-V30-15171-10	100,964	91,252
Total CFDA Number 16.524			193,885	95,031
Victims of Crime Act Total CFDA Number 16.575	16.575	VA-08-V30-15223-09	89,001 89,001	66,234 66,234
Total Passed Through Office of the Governor CJD			293,761	167,081
<b>Total U.S. Department of Justice</b>			<b>2,804,327</b>	<b>836,767</b>
<b>U.S. Department of Transportation</b>				
<u>Direct Programs</u>				
Airport Improvement Programs	20.106			
Update Plan, Acquire ARFFVehicle, Runway 13/31		3-48-0051-36	8,218,378	--
Terminal Imp., Rehab Runway 13/31 Ph2; Drainage		3-48-0051-37	7,788,088	--
Terminal Imp., Rehab West GA Apron,Ph1;Air Carr		3-48-0051-38	9,356,300	(41)
Terminal Imp., Rehab West GA Apron,Ph2;Taxiway		3-48-0051-39	3,914,214	1,548,601
Terminal Imp., Rehab Taxiway, Ph2; Modify ARFF Bldg		3-48-0051-40	2,234,346	406,153
Terminal Imp., Improv Airport Drainage Area VI, Ph2		3-48-0051-41	2,500,000	218,004
Rehab Taxiway System		3-48-0051-42	2,800,000	758,445
Const.Maint.Equip Bldg		3-48-0051-43	778,503	67,973
Const. Maint Equip Bldg		3-48-0051-44	966,213	1,344
Taxiway B4 Widening Grant		3-48-0051-45	2,010,220	34,836
Total CFDA Number 20.106			40,566,262	3,035,315
Total Direct Programs			40,566,262	3,035,315

(Continued)

**SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2009**

<b>Federal Grantor/Pass-Through Grantor State Grantor/Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Grantor's Number</b>	<b>Program or Award Amount</b>	<b>Disbursements/ Expenditures</b>
<u>Passed through State Dept. of Highways and Public Transportation</u>				
State and Community Highway Safety	20.600	588EGF6131	139,694	25,515
State and Community Highway Safety		2009-CorpusPD-S-MYG-Yr1-0203	145,069	128,848
State and Community Highway Safety		2008-INC-CIOT-CorpusPD-00036	4,000	3,685
State and Community Highway Safety		2009CorpusPDCIOT0064	20,000	20,000
Total CFDA Number 20.600			<u>308,763</u>	<u>178,048</u>
Alcohol Traffic Safety and Drunk Driving Prevention	20.601	588EGF6010	15,000	2,655
Total CFDA Number 20.601			<u>15,000</u>	<u>2,655</u>
Interagency Hazardous Materials Public Sector	20.703	09-DEM-LEPC-10	13,040	12,986
Total CFDA Number 20.703			<u>13,040</u>	<u>12,986</u>
Recreational Trails Program	20.219	N/A	100,000	--
Total CFDA Number 20.219			<u>100,000</u>	<u>--</u>
Total Passed Through Programs			<u>436,803</u>	<u>193,689</u>
<b>Total Department of Transportation</b>			<u>41,003,065</u>	<u>3,229,004</u>
<b>Equal Employment Opportunity Commission</b>				
<u>Direct Programs</u>				
Employment Discrimination State & Local Fair	30.002	6FPSLP0087	79,900	65,950
Total CFDA Number 30.002			<u>79,900</u>	<u>65,950</u>
Total Direct Programs			<u>79,900</u>	<u>65,950</u>
<b>Total Equal Employment Opportunity Commission</b>			<u>79,900</u>	<u>65,950</u>
<b>Institute of Museum and Library Services</b>				
<u>Direct Programs</u>				
MFA-Engaging Communities	45.301	MA-04-08-0157-08	150,000	150,000
Total CFDA Number 45.301			<u>150,000</u>	<u>150,000</u>
Total Direct Programs			<u>150,000</u>	<u>150,000</u>
<u>Passed through Texas State Library &amp; Archives Commission</u>				
<u>Library Services:</u>				
Grants To States	45.310	470-08004	508,873	50,485
Grants To States		470-09005	394,978	330,479
Grants To States		476-08014	78,250	3,610
Grants To States		476-09010	79,000	72,587
Grants To States		771-08003	151,934	14,987
Grants To States		771-09018	148,694	118,561
Total CFDA Number 45.310			<u>1,361,729</u>	<u>590,709</u>
Total Passed Through Programs			<u>1,361,729</u>	<u>590,709</u>
<b>Total Institute of Museum and Library Services</b>			<u>1,511,729</u>	<u>740,709</u>
<b>National Endowment for the Arts</b>				
<u>Passed through Texas Commission of Arts</u>				
Promotion of the Arts_Partnership Agreement	45.025	08-29448	7,519	7,519
Promotion of the Arts_Partnership Agreement		09-30613	2,834	2,834
Total CFDA Number 45.025			<u>10,353</u>	<u>10,353</u>

(Continued)

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2009

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
<b>U.S. Department of Health and Human Services</b>				
<u>Passed through Texas Depart. of Aging &amp; Disability Svc</u>				
Special Programs for the Aging Title III, Part B Grants For Supportive Services and Senior Centers	93.044	AA3-0748-4	36,712	--
Special Programs for the Aging Title III, Part B Grants For Supportive Services and Senior Centers		AA3-0948-4	35,160	35,160
Total CFDA Number 93.044			71,872	35,160
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	AA3-0848-4	573,539	11,409
Special Programs for the Aging Title III, Part C Nutrition Services		AA3-0948-4	603,822	600,121
Total CFDA Number 93.045			1,177,361	611,530
National Family Caregiver Support	93.052	AA3-0748-4	26,494	(18)
National Family Caregiver Support		AA3-0848-4	26,494	(58)
Total CFDA Number 93.052			52,988	(76)
Nutrition Services Incentive Program	93.053	AA3-0948-4	155,400	155,400
Nutrition Services Incentive Program		PS-07-292-P-02	211,352	--
Nutrition Services Incentive Program		PS-08-292-P-02	257,311	34,391
Nutrition Services Incentive Program		PS-09-292-P-02	300,720	186,211
Total CFDA Number 93.053			924,783	376,002
Total Passed Through DADS			2,227,004	1,022,616
<u>Passed through Texas Department of State Health Svs</u>				
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	2008-025275	106,537	33,307
Project Grants and Cooperative Agreements for Tuberculosis Control Programs		2009-030581	102,276	51,912
Total CFDA Number 93.116			208,813	85,219
Immunization Grants	93.268	2009-028291	241,637	98,830
Total CFDA Number 93.268			241,637	98,830
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	0000329315	14,000	--
Centers for Disease Control and Prevention Investigations and Technical Assistance		0000310178	550,950	--
Centers for Disease Control and Prevention Investigations and Technical Assistance		2008-022961	200,351	12,732
Centers for Disease Control and Prevention Investigations and Technical Assistance		2008-028046	184,281	183,695
Total CFDA Number 93.283			949,582	196,427
National Bioterrorism Hospital Preparedness Program	93.889	2008-022961	50,000	3,183
National Bioterrorism Hospital Preparedness Program		2008-028046	46,070	45,924
Total CFDA Number 93.889			96,070	49,107

(Continued)

**SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2009**

<b>Federal Grantor/Pass-Through Grantor State Grantor/Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Grantor's Number</b>	<b>Program or Award Amount</b>	<b>Disbursements/ Expenditures</b>
Cooperative Agreements For State-Based Diabetes Control Programs and Evaluation of Suveillance Sys	93.988	2008-025332-001	80,000	74,222
Cooperative Agreements For State-Based Diabetes Control Programs and Evaluation of Suveillance Sys		2009-031077	80,000	22,059
Total CFDA Number 93.988			<u>160,000</u>	<u>96,281</u>
Preventive Health and Health Services Block Grant	93.991	2008-024505	202,923	17,399
Preventive Health and Health Services Block Grant		2009-028468	202,923	116,773
Total CFDA Number 93.991			<u>405,846</u>	<u>134,172</u>
Total Passed Through Dept. of State Health Svs			<u>2,061,948</u>	<u>660,036</u>
<u>Passed through Texas Dept of Family &amp; Protective Svs</u>				
Promoting Safe and Stable Families	93.556	23362174-FY08-AM03	380,250	27,259
Promoting Safe and Stable Families		23362174-FY09-AM04	500,000	340,721
Total CFDA Number 93.556			<u>880,250</u>	<u>367,980</u>
Total Passed Through Dept. of Protective & Regulatory Svc			<u>880,250</u>	<u>367,980</u>
<b>Total Department of Health &amp; Human Services</b>			<u>5,169,202</u>	<u>2,050,632</u>
<b>Corporation for National and Community Service</b>				
<u>Direct Programs</u>				
Retired and Senior Volunteer Program	94.002	07RZWTX002	20,987	20,795
Retired and Senior Volunteer Program		08SR086324	55,139	4,398
Retired and Senior Volunteer Program		08SRWTX019	55,139	41,658
Total CFDA Number 94.002			<u>131,265</u>	<u>66,851</u>
Senior Companion Program	94.016	08SCWTX001	270,943	216,470
Senior Companion Program		09SCWTX001	270,943	27,002
Senior Companion Program		07SZWTX001	5,381	5,381
Total CFDA Number 94.016			<u>547,267</u>	<u>248,853</u>
Total Direct Programs			<u>678,532</u>	<u>315,704</u>
<b>Total Corporation for National &amp; Community Service</b>			<u>678,532</u>	<u>315,704</u>
<b>Federal Emergency Management Agency</b>				
Disaster Grants-Public Assistance (Presidential Declared Disasters) Ike	97.036	N/A	342,710	342,710
Total CFDA Number 97.036			<u>342,710</u>	<u>342,710</u>
Emergency Management Performance Grants	97.042	09TX-EMPG-0581	71,962	71,962
Total CFDA Number 97.042			<u>71,962</u>	<u>71,962</u>
Total Passed Through Programs			<u>414,672</u>	<u>414,672</u>
<b>Total Federal Emergency Management Agency</b>			<u>414,672</u>	<u>414,672</u>
<b>U. S. Department of Homeland Security</b>				
<u>Direct Programs</u>				
Assistance to Firefighters Grant	97.044	EMW-2004-FP-01286	39,435	3,965
Assistance to Firefighters Grant		EMW-2002-FG-02921	27,216	4,172
Total CFDA Number 97.044			<u>66,651</u>	<u>8,137</u>
Citizen Corps	97.053	2006-GE-T6-0068	15,000	9,469
Total CFDA Number 97.053			<u>15,000</u>	<u>9,469</u>

(Continued)

**SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2009**

<b>Federal Grantor/Pass-Through Grantor State Grantor/Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Grantor's Number</b>	<b>Program or Award Amount</b>	<b>Disbursements/ Expenditures</b>
State Homeland Security Program	97.073	2005-GE-T5-4025	1,710,934	(412)
State Homeland Security Program		2006-GE-T6-0068	125,105	(97)
State Homeland Security Program		2007-GE-T7-0024	578,000	398,772
Total CFDA Number 97.073			<u>2,414,039</u>	<u>398,263</u>
Law Enforcement Terrorism Prevention Program	97.074	2006-GE-T6-0068	1,019,635	15,599
Law Enforcement Terrorism Prevention Program		2007-GE-T7-0024	550,000	155,594
Total CFDA Number 97.074			<u>1,569,635</u>	<u>171,193</u>
Metropolitan Medical Response System	97.071	282-00-0040	880,000	1,083
Metropolitan Medical Response System		N/A	227,592	404
Metropolitan Medical Response System		2006-GE-T6-0068	232,330	(20,832)
Metropolitan Medical Response System		2007-GE-T7-0024	258,145	188,621
Total CFDA Number 97.071			<u>1,598,067</u>	<u>169,276</u>
Total Direct Programs			<u>5,663,392</u>	<u>756,338</u>
<u>Passed through US Dept. of Justice Office of Justice Programs</u>				
Port Security Grant Program	97.056	2007-GB-T7-0037	474,200	--
Total CFDA Number 97.056			<u>474,200</u>	<u>--</u>
Total Passed Through US Dept of Justice (OJP)			<u>474,200</u>	<u>--</u>
<b>Total U. S. Department of Homeland Security</b>			<u>6,137,592</u>	<u>756,338</u>
<b>U.S. Department of Agriculture</b>				
<u>Passed through Texas Health &amp; Human Svs Commission</u>				
Special Supplemental Nutrition Program for Women, Infants & Children	10.557	2008-024669	673,200	285,949
Special Supplemental Nutrition Program for Women, Infants & Children		2009-030102	830,680	764,458
Total CFDA Number 10.557			<u>1,503,880</u>	<u>1,050,407</u>
Child and Adult Care Food Program	10.558	TX178-1009	206,451	108,065
Total CFDA Number 10.558			<u>206,451</u>	<u>108,065</u>
Summer Food Service Program for Children	10.559	TX178-1009	416,840	201
Summer Food Service Program for Children		TX178-1009	416,840	36,836
Summer Food Service Program for Children		TX178-1009	417,000	147,553
Total CFDA Number 10.559			<u>1,250,680</u>	<u>184,590</u>
Total Passed Through Texas Health & Human Svc			<u>2,961,011</u>	<u>1,343,062</u>
<u>Passed through Texas Forest Service</u>				
Cooperative Forestry Assistance	10.664	05-09-02	29,428	1,090
Total CFDA Number 10.664			<u>29,428</u>	<u>1,090</u>
Total Passed Through Texas Forest Service			<u>29,428</u>	<u>1,090</u>
<b>Total Department of Agriculture</b>			<u>2,990,439</u>	<u>1,344,152</u>

(Continued)

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2009

Federal Grantor/Pass-Through Grantor/ State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
<b>U.S. Department of Interior</b>				
<u>Passed Through Bureau of Reclamation</u>				
Site Security Impr. & enhancements at Choke Canyon	15.BCQ	0006FC601449	200,000	403
Total CFDA Number 15BCQ			200,000	403
Total Passed Bureau of Reclamation			200,000	403
<b>Total Department of Interior</b>			<b>200,000</b>	<b>403</b>
<b>U.S. Department of Energy</b>				
<u>Direct Programs</u>				
Energy Efficiency and Conservation Block Grant	81.128	EE000961	\$ 250,000	\$ 7,500
Total CFDA Number 81.128			\$ 250,000	\$ 7,500
Total Direct Programs			250,000	7,500
<b>Total U.S. Department of Energy</b>			<b>250,000</b>	<b>7,500</b>
<b>U.S. Environmental Protection Agency</b>				
<u>Direct Programs</u>				
CC Brownfields Assessment Hazardous Substances	66.818	2B-96699101-0	\$ 200,000	\$ 2,113
CC Brownfields Petroleum Assessment Community-Wide		2B-96698801-0	200,000	2,113
Total CFDA Number 66.818			400,000	4,226
Total Direct Programs			400,000	4,226
<b>Total U.S. Environmental Protection Agency</b>			<b>400,000</b>	<b>4,226</b>
<b>Total Federal and passed through Assistance</b>			<b>\$ 107,141,578</b>	<b>\$ 16,071,638</b>
<b>State Assistance:</b>				
<b>Governor's Division of Emergency Management</b>				
<b>Texas Department of Public Safety</b>				
<u>Direct Programs</u>				
Local Border Security Program FY08		LBSP-08-053	\$ 229,981	\$ 135,217
Total Direct Programs			229,981	135,217
<b>Total Governor's Div of Emergency Mgmt</b>			<b>229,981</b>	<b>135,217</b>
<b>Texas Department of State Health Services</b>				
<u>Direct Programs</u>				
Seafood & Aquatic Life		2009-028480	\$ 22,500	\$ 12,312
TB/PC		2008-023217	96,685	2,671
TB/PC		2009-023217	63,134	52,960
Immunization Grants		2009-028291	142,218	142,218
Infectious Disease Control		2009-030827	5,900	5,899
Total Direct Programs			330,437	216,060
<b>Total Department of Health</b>			<b>330,437</b>	<b>216,060</b>
<b>Texas Parks and Wildlife</b>				
<u>Direct Programs</u>				
Escape Outdoors		52-000429	30,000	827
Total Direct Programs			30,000	827
<b>Total Texas Parks and Wildlife</b>			<b>30,000</b>	<b>827</b>

(Continued)

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2009

Federal Grantor/Pass-Through Grantor/ State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
<b>Texas Commission on Environmental Quality</b>				
<u>Direct Programs</u>				
Air Quality Planning Activities		582-4-64576	884,600	500
Air Quality Planning Activities		582-6-70888	884,600	18,767
Air Quality Planning Activities		582-6-86230	884,600	400,337
Supplemental Environmental Project		N/A	10,574	10,574
Supplemental Environmental Project		N/A	26,595	26,595
Total Direct Programs			2,690,969	456,773
<u>Passed through Coastal Bend Council of Governments</u>				
Education		07-20-G11	15,000	--
Education		08-20-G03	25,000	12,725
Citizens' Collection Stations		06-20-G14	20,000	--
Education		09-20-G09	33,140	28,837
Household Hazardous Waste		08-20-G04	6,120	721
Total Passed Through CBCOG			99,260	42,283
<b>Total Texas Commission on Environmental Quality</b>			2,790,229	499,056
<b>Texas Department of Transportation</b>				
<u>Direct Programs</u>				
Transportation Enhancement Project		0916-35-112	316,400	110,120
Total Direct Programs			316,400	110,120
<u>Passed through Texas Automobile Theft Prevention</u>				
<u>Authority</u>				
Corpus Christi Auto Theft Prevention Grant		SA-T01-10045-08	445,182	44,491
Corpus Christi Auto Theft Prevention Grant		SA-T01-10045-09	492,682	462,511
Total Passed Through Texas ATPA			937,864	507,002
<b>Total Texas Department of Transportation</b>			1,254,264	617,122
<b>Texas Department of Protective &amp; Regulatory Services</b>				
<u>Direct Programs</u>				
Promoting Safe and Stable Families		23362174-FY08-AM03	126,750	9,086
Promoting Safe and Stable Families		23362174-FY09-AM04	126,750	113,573
Total Direct Programs			253,500	122,659
<b>Total Dept. of Protective &amp; Regulatory Svc</b>			253,500	122,659
<b>State Comptroller of Public Accounts</b>				
<u>State General Revenue</u>				
Law Enforcement Fire Prevention		N/A	2,018	--
Total SGR			2,018	--
<b>Total State Comptroller of Public Accounts</b>			2,018	--

(Continued)

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2009

Federal Grantor/Pass-Through Grantor/ State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
<b>Texas State Library &amp; Archives Commission</b>				
<u>State General Revenue</u>				
Lone Star Libraries Grant 07-08		442-08111	30,580	10,992
Lone Star Libraries Grant 08-09		442-09111	44,206	41,921
Total SGR			<u>74,786</u>	<u>52,913</u>
<b>Total State Library &amp; Archives Commission</b>			<u>74,786</u>	<u>52,913</u>
<b>Texas General Land Office</b>				
<u>Direct Programs</u>				
Beach Maintenance Reimbursement Fund		07-008-09	91,981	73,279
Total Direct Programs			<u>91,981</u>	<u>73,279</u>
<b>Total Texas General Land Office</b>			<u>91,981</u>	<u>73,279</u>
<b>Texas Criminal Justice Division</b>				
<u>Direct Programs</u>				
Sex Offender Investigative Unit		SF-08-A10-19326-01	65,914	5,687
Total Direct Programs			<u>65,914</u>	<u>5,687</u>
<b>Total Texas Criminal Justice Division</b>			<u>65,914</u>	<u>5,687</u>
<b>Total State Assistance</b>			<u>5,123,110</u>	<u>1,722,820</u>
<b>Total Federal, Pass Through &amp; State Financial Assistance</b>			<u>\$ 112,264,688</u>	<u>\$ 17,794,458</u>



City of  
Corpus  
Christi

**NOTES TO SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2009**

**1. General**

The accompanying Schedule of Federal/State Expenditures of Awards presents the activity of all Federal and State financial assistance programs of the City of Corpus Christi, Texas. The City's reporting entity is defined in Note 1 to the City's basic financial statements. All Federal financial assistance received directly from Federal agencies or passed through other governmental agencies is included on the Schedule.

**2. Basis of Accounting**

The accompanying Schedule of Federal/State Expenditures of Awards is presented using the modified accrual basis of accounting, which is described in Note 2 to the City's basic financial statements.

**3. Relationship to Basic Financial Statements**

A reconciliation of Federal and State Program expenditures as reported in the City's basic financial statement follows:

General Fund	\$ 601,301
Special Revenue Funds	
Federal/State Grants	12,280,013
Corpus Christi Community Improvement Corporation	1,877,426
Enterprise Funds	
Airport Fund	3,035,315
Marina Fund	403
Total expenditures	<u>\$ 17,794,458</u>

**4. Relationship to Federal Financial Reports**

Amounts reported in the Schedule of Federal/State Expenditures of Awards may not agree with the amounts reported in the related Federal/State financial reports filed with grantor agencies because of accruals which would be included in the next report filed with the agencies.

**5. Major Grant Programs**

These represent major Federal Financial Assistance Programs.

**6. Insurance in Effect**

The City self-funds worker's compensation, general/auto liabilities and health benefits. Purchased coverage includes: commercial property insurance of \$200 million limits on City buildings, \$75 million in airport liability and \$10 million of excess gas utility liability insurance. The City also purchases excess insurance which covers worker's compensation claims that exceed \$350,000 per accident. In addition, excess liability insurance is purchased for general/auto liability claims, public officials, employment and law enforcement in excess of \$500,000 per claim. Primary flood coverage provides up to \$500,000 on specified buildings within flood zones A & B. All funds of the City participate in the program and make payments to the Liability and Employee Benefits Fund based on estimates needed to pay prior claims, current year claims and claims incurred but not reported. A specific stop loss policy which covers health claims in excess of \$150,000 per individual with maximum lifetime coverage of \$1 million is kept in force. In addition, City maintains aggregate stop loss coverage of its group health expenses at 125% of projected claims.