

# **City of Corpus Christi, Texas**



## **Comprehensive Annual Financial Report**

**For the Fiscal Year Ended  
July 31, 2004**



## City of Corpus Christi, Texas



View of a miradore on the Corpus Christi bayfront at dusk.







City of  
Corpus  
Christi

the CITY OF CORPUS CHRISTI, TEXAS

**Comprehensive Annual Financial Report**  
For Fiscal Year Ended July 31, 2004

*CITY COUNCIL*

*Mayor*

Samuel L. Neal, Jr.

*City Manager*

George K. Noe

*City Council Members*

Brent Chesney

Javier Colmenero

Melody Cooper

Henry Garrett

Bill Kelly

Rex Kinnison

Jesse Noyola

Mark Scott

*Assistant City Managers*

Ron Massey

Oscar Martinez

Margie C. Rose

*Director of Financial Services*

Cindy O'Brien, CPA

*Assistant Director of Financial Services*

Constance P. Sanchez, CPA

*Chief Accountant*

Janie Baysinger

*Prepared by the staff of the Financial Services Department*



City of  
Corpus  
Christi

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Olga Plomarity  
Adelita S. Rowland  
Ann Simmons, CPA*

**Comprehensive Annual Financial Report  
For the Fiscal Year Ended July 31, 2004**

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City of  
Corpus  
Christi



# City of Corpus Christi

December 23, 2004

The Honorable Mayor Samuel L. Neal, Jr.,  
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:

The Comprehensive Annual Financial Report of the City of Corpus Christi, Texas (City) for the fiscal year ended July 31, 2004, is submitted herewith. As required by the TEX. LOCAL GOV'T CODE ANN. § 103.001 et seq., the report includes financial statements which have been audited by an independent firm of certified public accountants, Collier, Johnson & Woods, P.C. The financial statements are presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and are audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the presentation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The goal of the independent audit, conducted by Collier, Johnson & Woods, P.C., was to provide reasonable assurance that the financial statements of the City of Corpus Christi for fiscal year ended July 31, 2004, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that



there was a reasonable basis for rendering an unqualified opinion that the City of Corpus Christi's basic financial statements for the fiscal year ended July 31, 2004, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Corpus Christi's MD&A can be found immediately following the report of the independent auditor.

## **THE CITY AND ITS ORGANIZATION**

### **Population and Location**

Based upon the revised 2000 Census, Corpus Christi is now the eighth largest city in the State of Texas with a population of 290,163; this represents a 12.7% increase over the 1990 Census. The Corpus Christi Standard Metropolitan Statistical Area consists of Nueces and San Patricio counties, which had a population of 380,783 according to the 2000 Census. 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 as the home of the fifth largest port in the nation, major military installations, petrochemical industries and tourist attractions.

The total area of the City is approximately 504 square miles, of which approximately 150 square miles is land area and 354 square miles is water area. While the area covered by water contains no population and does not require normal City services, it does produce considerable revenues from gas and properties located therein. Annexation of certain areas obligates the City to provide services; however, the tax base is also increased by those areas. The City may expand its jurisdiction by annexing additional territory adjoining or lying adjacent to the City by ordinance pursuant to its regularly updated and statutorily required Annexation Plan.

### **Form of Government and City Services**

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 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 for appointing all other City employees.

The City is a full service municipality, providing a full range of services. The City's public safety services include police protection, fire protection, building inspection, and a specialized emergency management operation. Law enforcement is provided through the Police Department, which includes 448 police officers (395 of whom are funded by the General Fund; 50 of whom are separately funded by a Crime Control and Prevention District dedicated sales tax; and 3 of whom are funded by a state grant). The City's Fire Department includes a total of 395 fire fighters - 331 who operate the sixteen fire stations in the City and 64 who comprise emergency medical service who staff eight ambulances and five reserve ambulances.

The City has a combined utility system (System) consisting of the water, storm water, wastewater, and gas systems. The City's water system serves all residents of Corpus Christi, as well as several other municipalities, water districts, and industries within a seven county area with both raw water and drinking water. The City's water supply is drawn from the Nueces River Basin (Lake Corpus Christi and Choke Canyon Reservoirs), the Lavaca-Navidad River Basin (Lake Texana Reservoir), and the Colorado River Basin. The current water supply system is sufficient to serve the region through 2050.

Drinking water is produced at the O.N. Stevens Water Treatment plant which is currently rated at 167 million gallons per day production capacity. To ensure that the drinking water system is in compliance with State and Federal regulations, the City's Water Department maintains a certified water utilities laboratory to sample and test the City's drinking water. Drinking water is distributed within the City via a 1,500 mile transmission/distribution system. This system is comprised of pipes ranging from 4" to 60" in diameter. Four pump stations (Holly Road, Staples Street, Navigation Boulevard, and Padre Island) maintain system pressures in conjunction with four elevated storage tanks (Gollihar Street, Alameda Street, Morgan Street, and Flour Bluff Drive). Fire protection for the City is provided through 8,000 fire hydrants.

The City is exploring the feasibility of desalination – the process of turning seawater into drinking water. A desalination plant is possible once the cost falls below the cost of acquiring additional fresh water resources. In addition to exploring the desalination process, the City is currently implementing an Aquifer Storage and Recovery Project on Padre/Mustang Island.

The City's storm water collection system consists of approximately 100 miles of major open drainage ditches, 765 miles of minor roadside ditches, 18,300 inlets, three storm water pump stations, 23 storm drain flap gates, five storm surge protection levee gates, 600 miles of underground storm drainage pipe ranging from 12" to 72", 107 bridges, 1,800 miles of curb and gutter, 6,000 manholes, 2,500 acres of drainage and right-of way, as well as other drainage infrastructure. Additionally to protect the downtown area from flooding, the City operates two storm water pump stations, 23 storm drain gates, and five storm surge protection levee gates. Acknowledging the potential adverse impact that flooding has on life, property, and quality of life, as well as the need to maintain and improve water quality to protect environmental resources, the City Council approved funding \$35 million for Storm Water Capital Improvement projects in FY 2003-04, with the goal of spending a

total of \$55 million over the next five years. Additionally, the Storm Water Master Drainage Plan Project is underway to develop a new comprehensive master plan to set consistent design standards and replace several outdated drainage plans covering only portions of the City.

Wastewater collection and treatment is provided within the city limits to more than 76,000 residential, commercial, and industrial customers. The collection system consists of 1,243 miles of gravity mains, 58 miles of force mains, 15,000 manholes, and 93 lift stations. The City owns and operates six treatment plants with separate collection basins, with average aggregated daily flow at treatment plants of 29.5 million gallons per day, or 66.2% of aggregate permitted capacity.

Gas service is provided to approximately 55,000 residential, commercial, and industrial customers within a service territory of 180 square miles, extending 40 miles from the City's northwest community of Calallen and south to Padre Island. Gas loads range from 6 million cubic feet per day (MMCFD) in the summer to 46 MMCFD in the winter, with peaks nearing 80 MMCFD during sustained cold periods.

Contracts have been awarded and work is underway for the City to undertake a pilot program in Automated Meter Reading (AMR) for the Gas and Water utilities through the creation of a wireless broadband network. The pilot is scheduled to begin in the spring of 2005 and will be evaluated after several months. Successful implementation of AMR will provide better service to the City's customers and enhanced information to management, will enable individual metering at multi-family dwellings, and upgrade an aging meter infrastructure. Cost efficiencies are also anticipated.

The City also provides garbage collection and disposal. Garbage collection is primarily limited to residential service. The final phase of automated garbage collecting using specialized equipment was completed during FY 2003-04. One hundred percent (100%) of the City households are now using the new garbage carts. The City continues providing service to area residents, allowing for twice-a-week garbage pick-up with a savings of more than \$700,000 in personnel cost due to the new specialized equipment. The City owns and operates the J.C. Elliott Landfill as a regional waste disposal facility, also accepting waste from outside of the City and from commercial garbage haulers. The City has started the development of the planned Cefe Valenzuela landfill, for which land and State permitting has already been acquired. Other public works operations of the City include engineering services, street maintenance, street lighting, and traffic signalization/engineering.

Community enrichment and cultural services are also major programs of the City. The City owns and operates five libraries with over 446,830 volumes. The City also owns and maintains 189 parks containing over 1,408 developed acres. Extensive recreational facilities include 139 playgrounds, a marina with 558 marina slips, four public beaches, two public golf courses, ten swimming pools, 49 tennis courts, 11 baseball and softball diamonds, five recreational centers, two gymnasiums, two covered basketball courts, and eight senior citizen centers. To further enhance a high quality of life and support a vital

tourism industry, the City also owns a convention center/auditorium, coliseum, performing arts theater, science and history museum, multicultural/heritage park complex, and water garden. On January 1, 2004, the management of the convention center/auditorium was transitioned to a private company, SMG, who also manages the new arena which was completed in November 2004.

The City has an aggressive housing and community development program implemented and administered through funding from the federal Community Development Block Grant program, HOME program, Emergency Shelter Grant program, and its own Business and Job Development Corporation. The City also operates a business resource center charged with promoting the growth of small business by serving as a clearinghouse for information on upcoming contract opportunities and general business information. With regard to economic development, responsibility for industry recruitment and retention is contracted with the Corpus Christi Regional Economic Development Corporation (CCREDC). Its initiative assists in offering to residents and businesses of these areas, opportunities and resources to revitalize certain areas in the City. The Economic Development Office within the City's organization enhances support to the CCREDC and administers the City's renewal community programs and the Corpus Christi Business and Job Development Corporation's initiatives for jobs.

Public health, animal control/care, and vector control services are provided by the jointly operated City of Corpus Christi/Nueces County Health Department.

The City is financially accountable for the Corpus Christi Community Improvement Corporation, Corpus Christi Housing Finance Corporation, Corpus Christi Industrial Development Corporation, Corpus Christi Crime Control and Prevention District, the North Padre Island Development Corporation, and the Tax Increment Financing Zone Number 1. These are shown as 'blended 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 of Corpus Christi's financial statements. Additional information on these legally separate entities can be found in Note 1 of the financial statements.

### **Annual Budget Process**

The annual operating budget, three year short-range capital improvement plan (CIP), seven year long-range CIP, and multi-year financial modeling serve as the foundation for the City's system of financial planning and control. State laws and the City Charter require the preparation and filing of a balanced annual operating budget. Following a City Manager and department head meeting in January, departments are required to submit requests to the Office of Management & Budget by the third week of March for the development of the annual operating budget. Under the direction of the City Manager and the Assistant City Manager for Support Services, the Director of Management and Budget uses these requests to develop a proposed balanced operating budget for presentation to the City Council by the end of May. Following a month of budget discussions and deliberations with City Council, a public hearing is scheduled for the first week of July and

adoption of the budget Ordinance and supporting fee schedules occurs no later than July 31<sup>st</sup>. The operating budget is prepared by fund, function, department, and organizational unit or project levels.

Budgetary management is delegated to the department heads who may approve transfers of appropriations within their department. Budgetary control is performed by both department heads and the Office of Management and Budget. Transfer of appropriations between funds requires City Council approval.

The CIP process follows the operating budget cycle. During the months of August and September, a project team comprised of the Office of Management and Budget, Engineering Department and applicable department heads initiates a review of previously appropriated capital projects and construction in progress. Following this review, a newly prioritized three year fully funded short-range CIP and long-range CIP is developed and presented to the Planning Commission and City Council in October and November, respectively. Following the Planning Commission's study, public hearing, and adoption of recommendations, the CIP is presented to the City Council and an additional public hearing is scheduled during November or December. The adoption of the CIP by the City Council typically occurs by the end of December.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For governmental funds other than the general fund, with appropriated annual budgets, this comparison is presented in the combining and individual fund financial statements and schedules for governmental funds in this report. Unaudited budget to actual reports are prepared on a quarterly basis by the Office of Management and Budget and provided to City Council and management for review and use in monitoring revenues and expenditures.

## **FINANCIAL CONDITION**

### **Local Economy**

An understanding of the information presented in the financial statements is enhanced when it is reviewed within the context of the City's local economy. The following information is provided to highlight a broad range of economic forces which support the City's operations.

### **Major Revenues**

The City's major sources of revenue are property tax, sales tax and hotel occupancy taxes. The July 31, 2004 period showed growth in these revenues over the prior year of 5.08%, 5.47%, and 11.47% respectively. This illustrates the resilience of the local economy despite negative revenue trends for other state and local governments in the nation. Real property tax collections as a percent of levy collected has remained stable. Total collections as a percent of net current tax levy has slightly decreased from 99.1% to 98.9%. Outstanding delinquent taxes as a percent of net current tax levy increased from 9.2% to 11.0%.



The growth in real property estimated market value over the last fiscal year of 6.8% is the largest annual increase within the past ten years and will be even higher at 7.8% in fiscal year 2004-2005. A 3.9% average annual growth for this 10-year period further illustrates stable and steady local economic conditions. Sales tax has also grown over this same 10-year period, with sales tax per capita growing from \$114.71 to \$120.98.

#### Construction Permits

The table below shows the number of permits and value of permits since FY 1994-95. New construction activity in Corpus Christi, as shown by the value of permits issued in each fiscal year, has grown especially within the last two years by nearly doubling from FY 2001-02.

<u>Year</u>	<u>Building Permits</u>	<u>Value</u>
1994-1995	5,854	\$135,560,815
1995-1996	6,458	157,530,114
1996-1997	5,860	171,581,105
1997-1998	5,669	178,025,561
1998-1999	5,984	142,154,244
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	365,551,805

#### Employment

Although the local unemployment rate decreased from 7.1% to 6.7% over the last fiscal year, the number of jobs in the community also slightly decreased from 172,413 to 172,259. During this same period, personal income rose from \$30,097 to \$31,018, or 3.1%.

#### Diversification of Economy

The region has a varied manufacturing and industrial base that adds to the relative stability of employment. Major industries with headquarters or divisions located within the City's boundaries, or in close proximity, include industrial, 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 new federal courthouse and the largest industrial employer in south Texas - the Corpus Christi Army Depot, which contributes approximately \$130 million to the local economy. In addition, three bases make up the south Texas military complex: Naval Air Station - Corpus Christi, Naval Air Station - Kingsville (jet aviation training), and Naval Station Ingleside (base for the Navy's mine warfare fleet).

The Corpus Christi's trade area consists of five counties: Nueces, San Patricio, Aransas, Jim Wells and Kleberg. 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, rich soil and excellent climate, with the principle crops being grain, sorghum, and cotton. The region produces a large supply of livestock primarily including cattle, hogs, and poultry. The oil and gas industry is a major factor in the growth and stability within the trade area. This industry provides a secondary market for petroleum by-products and chemicals.

#### Transportation

A primary component of the City's transportation system is the 2,428-acre Corpus Christi International Airport, operated as a department of the City. Currently, the Airport is served by a total of 30 daily flights from four major domestic carriers that use the Airport's 7,500 and 6,080 foot lighted runways. In May 2004, the renovation and expansion of the Airport's news and gift shop was completed, and in December 2004 construction at the Hayden W. Head Terminal was finished with the completion of a new covered parking lot. Additionally in March 2004, City leaders accepted a prestigious award during the annual Federal Aviation Administration (FAA) Southwest Region Airports Division Partnership Conference in Fort Worth. The Corpus Christi International Airport is one of seven in the region and is the only one in Texas to be named a 2003 Airport of the Year. The FAA praised the Airport's safety and security initiatives as well as the formulation and implementation of their capital improvement program.

As a separate agency funded from a dedicated sales tax, intergovernmental sources and fees for service, the Regional Transportation Authority provides local passenger bus and para-transit services in addition to seasonal services. Seasonal services include a passenger water ferry operating in the downtown bay area which connects several tourist attractions.

The City is also served by a network of major highways. Interstate 37 originates in downtown Corpus Christi and provides a direct link to Interstates 10 and 35 in San Antonio. U.S. Highway 77 links Corpus Christi to both the Rio Grande Valley/Mexico to the south and Victoria (which then provides a direct connect to U.S. 59 and Houston). State Highway 44 and U.S. Highway 59 also link Corpus Christi to Laredo/Mexico. All highways are four-lane roads and are maintained at interstate or near interstate standards. Seventeen separate motor carriers serve the Corpus Christi region for truck transport of products to market. Rail service to and from Corpus Christi is provided by the Burlington Northern/Santa Fe Railway, Texas Mexican Railway and Union Pacific Railroad.

#### New Developments

Fiscal year 2003-04 was one of growth and advancement for the City. In addition to being named in the Top 10 Digital Cities in the nation in 2003 and 2004, the City began a pilot program for Automated Meter Reading (AMR) in the summer of 2004 by installing the hardware necessary for utilizing wireless technology. AMR has the potential to help public and private sectors improve efficiency and spur economic development. The wireless technology used is known as Wireless Fidelity, or WiFi, which uses radio transmissions to link users with the Internet. People in so-called "hotspots" are able to use

computers and personal digital assistants (PDA's) to connect to the Internet without wires. The program has the potential of being expanded city-wide for which the City and other government entities could find additional uses. Access for the general public and business is an option that the City is currently exploring. The City is breaking ground in this new area of technology and is not only one of a few cities nationwide creating WiFi networks, but is one of a few areas around the world creating these networks.

The City's Economic Development department focuses on finding additional opportunities for growth in the City. The City has received a Renewal Community Designation, one of 40 nationwide, allowing businesses in the area to be eligible to share a \$17 billion federal tax incentive package. Since then, more than \$48 million of private investment has been committed to the Renewal Community. Additionally, the City Council has committed to clean-up neighborhoods in the City in an effort to improve the appearance of the City. The Neighborhood Initiative Program has started by pouring City services into troubled areas and providing the resources to make people accountable for maintaining the appearance of where they live.

The City has also assigned a design team to work on a Bayfront Master Plan. In June 2004, the design team presented to the City Council their latest proposal concepts and options for developing the bayfront area. The design team will be hosting a series of community meetings to get feedback from the public as they move forward on the final bayfront design.

A Double-A affiliate of the Houston Astros, named the Corpus Christi Hooks, will be housed in the new baseball stadium which is expected to be completed by April 2005. The stadium will have a children's interactive zone, large LED video display board, swimming pool overlooking the outfield, club bar, and beer garden. Two local companies stepped forward during this fiscal year and entered into naming agreements for both the baseball stadium and the arena. The new baseball stadium will be called Whataburger Field, and the convention center, auditorium, and arena complexes have now been named the American Bank Center. Both facilities are anticipated to spur economic development for the area.

With the development of the WiFi project, the Bayfront Master Plan, minor league baseball stadium, new arena and expanded convention center, the City's central business district is expected to flourish and improve its current occupancy rate with a variety of tourist attractions, restaurants, retail stores and specialty shops, and commercial businesses.

### **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. Today, it is the sixth largest port in the United States and the 32<sup>nd</sup> in the world in terms of tonnage. In 2004, the Port handled a volume of 85.1 million tons of cargo. The Port's channel stretches over 30 miles across Corpus Christi Bay. Deeper channels have for decades allowed Corpus Christi to be a competitive port for bulk commodities requiring large, deep draft vessels. It is the

terminus of a network of oil and gas pipeline throughout southwest Texas and extending into West Texas. The Port operates one of the largest Foreign-Trade Zones (FTZ) in the United States. The FTZ includes an Industrial Park near the Airport, two full service public warehouses also near the Airport, all Port properties (7,000 acres) that are available for storage and/or industrial activity, three bulk fuel terminals, six refinery subzones, two metal fabrication subzones, and two minerals processing subzones.

### **Tourism**

Corpus Christi continues to be a favorite vacation spot for visitors, as reflected by its ranking as the sixth most popular tourist destination in Texas, according to Texas Destination Report. In 2000, nearly five million visitors spent more than \$670 million in the Corpus Christi area, averaging more than \$60 per person per day. Visitors stayed longer in Corpus Christi than in other areas of the state – an average of 2.3 days in Corpus Christi compared to 2.1 days in all of Texas. 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: the Texas State Aquarium, the USS Lexington Museum, the Museum of Science and History, the South Texas Art Museum, the Asian Cultures Museum and the Multicultural Center/Heritage Park complex. In addition is the 15,000 seat capacity Concrete Street Amphitheater that has hosted numerous outdoor concerts featuring state and nationally acclaimed entertainers. The new multi-purpose arena opened in November 2004, and a new AA major league affiliate baseball stadium is scheduled to open in the Port area in 2005. The Corpus Christi area is also a renowned location for water sports, serving as host to the annual U. S. Open Windsurfing Regatta and the annual international power boat races.

### **Financing of Major Capital Projects**

During the fiscal year, the City completed three bond issues to fund projects planned and approved during the past several fiscal years. These are 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 our residents.

The City Council has continued in its joint venture with the Corps of Engineers to dredge Packery Channel, which will reopen and insure convenient small water craft access to the Gulf of Mexico from Corpus Christi Bay and the Laguna Madre Intercoastal Waterway. In addition to a new channel, the project also includes the construction of two 1,400 foot jetties paralleling the channel. The City's portion of the \$30 million projected cost for this project is \$10.5 million, with the United States Government funding the remainder. The City's contribution is being financed by the issuance of tax increment contract revenue bonds, as well as a major grant from the Texas General Land Office. The City issued a second tranch of bonds in the amount of \$2.5 million in tax increment contract revenue bonds through the North Padre Island Development Corporation in November 2003, and a

third issue of \$4.1 million was issued in September 2004. During FY 2003-04 construction of the jetties commenced and dredging of Packery Channel was in progress. The project is scheduled to be complete by August 2005.

In April 2004, the City issued \$24,565,000 of sales tax revenue bonds through the Corpus Christi Business and Job Development Corporation for the construction of a baseball stadium with the capacity to hold over 8,000 baseball fans. The bonds will be repaid from a dedicated 1/8 of 1% local sales and use tax imposed on all retail sales within the City. The bonds were rated A3, A-, and A+ by Moody's, Standard & Poor's, and Fitch, respectively. The rating from Fitch was upgraded from the existing rating of A to an A+ rating.

A third bond issue occurred in June 2004 in the amount of \$6,845,000 of Combination Tax and Solid Waste Revenue Certificates of Obligation. These bonds were sold to make improvements to the City's landfill, including drainage improvements and site development for the new Cefe Valenzuela landfill. The bonds were rated A2, A+, AA- by Moody's, Standard & Poor's, and Fitch, respectively. The bonds will be repaid from a pledge of the revenues of the Solid Waste system.

In October 2003, the Nueces River Authority and the City issued Nueces River Authority Water Supply Revenue Refunding Bond (City of Corpus Christi Project), Series 2003, in the amount of \$4,475,000. This was a private placement bond issue which realized a 3.017% net present value benefit on the refunding of the Nueces River Authority Water Supply Revenue Bonds, Series 1979 and Series 1994.

### **Cash Management**

The Public Funds Investment Act (PFIA) requires quarterly reporting to the governing body by its investment officers and the City Council adopts the investment policy with any recommended amendments annually. In addition to PFIA requirements, the City's Investment Committee requires quarterly reporting on investment results.

At July 31, 2004, the composition of the combined portfolio consisted of 18.51% in short-term investments: 12.34% in approved pools, .20% in money market accounts, and 5.97% in Flex Repo. An additional 81.49% was invested in U.S. Government Agency securities. The City invested none of its portfolio in U.S. Treasury obligations as of July 31, 2004 due to less favorable spreads between treasuries and agencies. With historically low interest rates, the weighted average maturity of the portfolio was held to 94 days, with investments maturing within the next 90 days totaling \$124,525,055 or 42% of the portfolio, and none of the portfolio was invested beyond one year. All bank accounts were collateralized and the City had a total of \$1,179,581 in excess coverage at fiscal year end.

The yield on the total portfolio was 1.34%; for the capital improvements funds the yield was 1.35%; and for the operating funds the yield was 1.34%. The market value of the portfolio was \$293,338,303, while the carrying value was \$293,604,527, resulting in an unrealized loss of \$266,244. As the portfolio matures and is replaced by higher yielding securities, the market value will exceed the book value in three to six months. Increases in

fair value during the current year, however, do not necessarily represent trends that will continue; nor is it always possible to realize such amounts, especially in the case of temporary changes in the fair value of investments that the City intends to hold to maturity.

### **Risk Management**

The City maintains a Liability and Employee Benefits internal service fund to provide funding for its self-insured workers' compensation, general liability, and health benefits exposures. Contributions to the fund arise from employee contributions and contributions (transfers and allocations) from the general fund, special revenue funds, and other proprietary funds of the City. The City purchases commercial property coverage for its buildings, a policy for airport liability, and excess gas liability insurance. Excess insurance policies are also purchased to cover large health benefits and workers' compensation exposures. The City has a safety program that focuses on job specific safety training for all employees over the course of their careers. Particular emphasis is placed on those jobs or work units that experience claims and injuries at an increasing or unusual rate or for those inherently higher risk work units, such as public safety and public works functions. Additional information on the City's risk management activities can be found in Note 11 of the financial statements.

### **Pension Benefits**

The City participates in two retirement plans. Firefighters are provided benefits through the City's single employer defined benefit pension plan - the Fire Fighters Retirement System. It is administered by an independent board of trustees. Although state law requires that an actuarial analysis be prepared every three years, the System's Board engages an independent actuary every second year to calculate the amount of the annual contribution and review the scope of benefits to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis.

The latest actuarial valuations for both the Fire Fighters Retirement System and for the City employees were completed as of December 31, 2002. The funded ratio of actuarial accrued liability for the Fire Fighters Retirement System was 64.6%, and was 74.4% for the City employees' plan at the date of the last actuarial reports. 100% of the City's Annual Pension Cost (APC) was contributed for both plans. As a matter of policy, the City contributes 12% of firefighter salaries toward pension financing each year, while firefighters individually contribute 10%.

The City also provides pension benefits for its other employees, both uniformed police and all other civilian employees. These benefits are provided through a non-institutional, joint contributory, defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), one of 789 administered by TMRS, an agent multiple-employer public employee retirement system. Employees contributed 5% of their salary and the City contributed 11.96% of salaries in FY 2003-04.

The City also offers health benefits for retirees and their dependents. At the end of the current fiscal year, there were 522 retired employees taking advantage of these benefits, which are financed on a pay-as-you-go basis. Additional information on the City of

Corpus Christi's pension arrangements and post-employment benefits can be found in Note 10 of the financial statements and in the required supplementary information.

#### AWARDS


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, 2003, continuing to confirm compliance with both GAAP and legal requirements. This was the twenty-first 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, 2004. The City has received fifteen 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 City Manager, George K. Noe, and Assistant City Manager of Support Services, Oscar Martinez, for their continued guidance and support. 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,



Cindy O'Brien, CPA  
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, 2003

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.



*Nancy L. Ziehl*

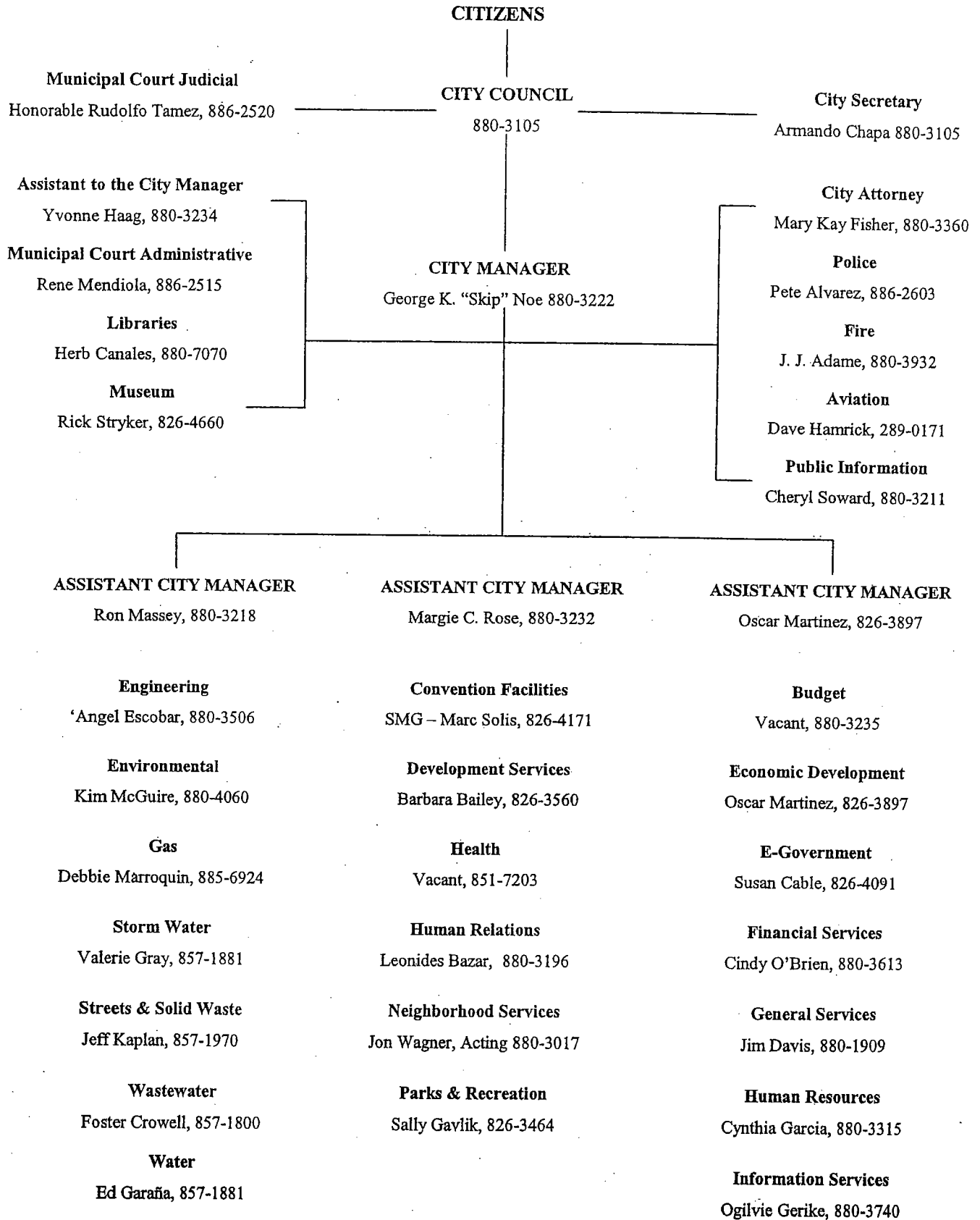
President

*Jeffrey R. Emmer*

Executive Director



# City Organizational Chart





City of  
Corpus  
Christi

INDEPENDENT AUDITOR'S REPORT

December 23, 2004

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, 2004, 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 Visitor's Bureau whose assets were \$497,317 and revenues were \$2,417,278, the American Bank Center Convention Center Fund whose assets were \$710,010 and revenues were \$617,148, or the American Bank Center Arena Fund whose assets were \$300,223 and no revenue. 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 Visitor's Bureau and the American Bank Center Convention Center Fund and Arena 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, 2004 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 December 23, 2004 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 13 and 70 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 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 awards, pages 325 through 330, is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* 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, 2004. 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 assets, excluding component units, were \$1.8 billion at July 31, 2004, increasing 2.8% over July 31, 2003.
- Total liabilities, excluding component units, were \$1.01 billion at July 31, 2004, an increase of 2.8% over July 31, 2003.
- Total net assets of the City, excluding component units, were \$789 million at July 31, 2004, an increase of \$22 million, or 2.9% compared to July 31, 2003. Of these assets, 74% are invested in capital assets or restricted with the remaining 26% unrestricted.
- Total net expenses over program revenue were \$107 million compared to \$115 million net expenses at July 31, 2003, or a 7% decrease.

#### **Governmental Activities**

- On a governmental-wide basis for governmental activities, the City had expenses net of program revenue of \$123.6 million at July 31, 2004 compared to \$126.7 million at July 31, 2003, representing a decrease of 2.5% from prior year.
- General revenues and transfers totaled \$136.9 million at July 31, 2004, resulting in an increase in net assets of \$13.3 million. This compares to July 31, 2003 totals of \$124.3 million in general revenues and transfers with a net asset decrease of \$2.4 million.
- Governmental activities' net assets increased by 7%, from \$190.8 million at July 31, 2003 to \$204.1 million at July 31, 2004.
- During the fiscal year ended July 31, 2004, the City issued \$6.8 million in Certificates of Obligation for improvements to the City's landfill, \$27.1 million in revenue bonds for development of Packery Channel and construction of a baseball stadium. At the end of fiscal year 2004, the City as a whole had \$288 million in outstanding ad valorem and sales tax supported bonds compared to \$273 million at July 31, 2003. The City was rated A+ by Standard & Poor's, AA- by Fitch, and A2 by Moody's for the last Certificate of Obligation sale.

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

- On a governmental-wide basis for business-type activities, program revenue net of expenses was \$16.7 million for fiscal year ended July 31, 2004 compared to \$11.5 million for 2003; a 45.3% increase.
- Net assets grew from \$576.2 million in 2003 to \$585.0 million as of July 31, 2004, or 1.5%.
- During the fiscal year ended July 31, 2004, the City refunded \$4.5 million in Nueces River Authority Water Supply Revenue Refunding bonds.

#### **General Fund**

- At the end of the current fiscal year, unreserved, undesignated fund balance for the General Fund was \$13.0 million, or 9.4% of the General Fund expenditures. This compares to an unreserved, undesignated fund balance of \$10.9 million, or 8.4% of expenditures for fiscal year ended July 31, 2003.
- Revenues of \$139.6 million for fiscal year ended July 31, 2004 increased by 8.8% from prior year revenues of \$128.3 million.
- General Fund expenditures were \$138.5 million for the current year, compared to \$130.5 million for fiscal year ended July 31, 2003, or a 6.1% increase.

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

This Comprehensive Annual Financial Report 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*.

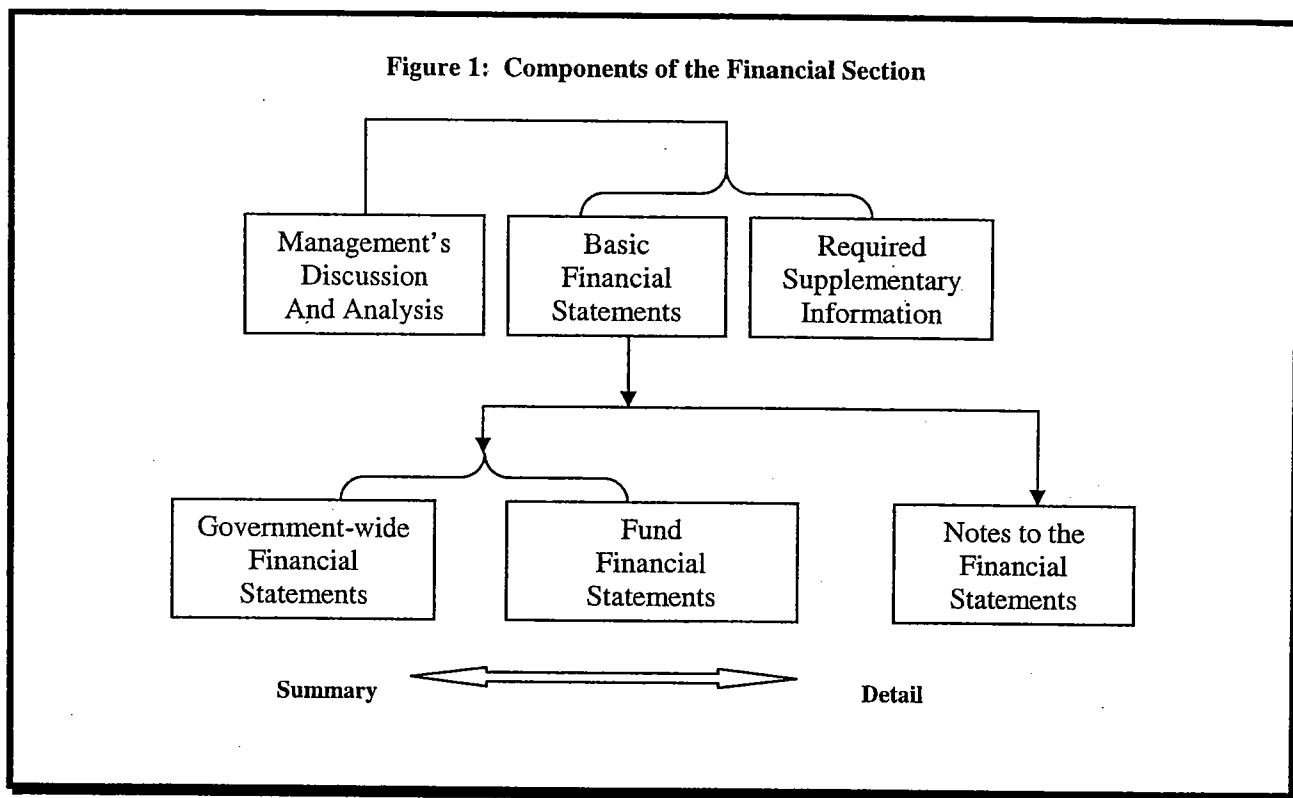


Figure 1 depicts how the required parts of this annual financial report are arranged and relate to one another. In addition to these required elements, a section with combining and individual fund financial statements and schedules that provides details about the non-major governmental funds and internal 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, Marina, and Ambulance services. 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, and Engineering Services. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.
- Fiduciary funds – The City is trustee, or fiduciary, for certain amounts held on behalf of others or, because of an arrangement, can be used only for the trust beneficiaries. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. 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, 2004 the net assets for the City of Corpus Christi totaled \$789 million, \$22 million higher than the prior year. The composition of these net assets is \$204 million for governmental activities and \$585 million for business-type activities. The largest portion of the City's net assets, 69%, are invested in capital assets (e.g., land, infrastructure, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City's unrestricted net assets, \$206.8 million for 2004, 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, 2004 and 2003**  
**(in 000's)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Capital assets, net of accumulated depreciation	\$ 370,441	\$ 314,804	\$ 879,363	\$ 807,105	\$1,249,804	\$1,121,909
Other assets	<u>217,086</u>	<u>244,529</u>	<u>330,063</u>	<u>380,871</u>	<u>547,149</u>	<u>625,400</u>
Total assets	<u>587,527</u>	<u>559,333</u>	<u>1,209,426</u>	<u>1,187,976</u>	<u>1,796,953</u>	<u>1,747,309</u>
Long term liabilities	334,390	321,004	578,455	595,776	912,845	916,780
Other liabilities	<u>49,061</u>	<u>47,549</u>	<u>45,993</u>	<u>15,958</u>	<u>95,054</u>	<u>63,507</u>
Total liabilities	<u>383,451</u>	<u>368,553</u>	<u>624,448</u>	<u>611,734</u>	<u>1,007,899</u>	<u>980,287</u>
Net assets						
Invested in capital assets, net of related debt	67,103	85,981	478,885	420,037	545,988	506,018
Restricted	--	--	36,202	79,888	36,202	79,888
Unrestricted	<u>136,973</u>	<u>104,799</u>	<u>69,891</u>	<u>76,317</u>	<u>206,864</u>	<u>181,116</u>
Total net assets	<u>\$ 204,076</u>	<u>\$ 190,780</u>	<u>\$ 584,978</u>	<u>\$ 576,242</u>	<u>\$ 789,054</u>	<u>\$ 767,022</u>

Of the business-type activities, the Utility System fund is the largest operation at the City with total assets of \$1.09 billion, comprising 90.5% of all business-type activities total assets for 2004. The Utility System fund net assets were \$517.3 million which is 88.4% of total net assets for 2004, compared to 89.4% for 2003.

**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, 2004 and 2003**  
**(in 000's)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2004	2003	2004	2003	2004	2003
<b>Revenue</b>						
Program revenues						
Charges for services	\$ 37,126	\$ 34,220	\$ 178,634	\$ 163,831	\$ 215,760	\$ 198,051
Operating grants and contributions	11,988	13,946	3,069	3,602	15,057	17,548
Capital grants and contributions	5,441	4,017	--	55	5,441	4,072
General revenues						
Property taxes	63,019	59,973	--	--	63,019	59,973
Sales and hotel occupancy taxes	61,383	55,288	--	--	61,383	55,288
Investment earnings	2,167	3,025	2,287	3,518	4,454	6,543
Total revenue	<u>181,124</u>	<u>170,469</u>	<u>183,990</u>	<u>171,006</u>	<u>365,114</u>	<u>341,475</u>
<b>Expenses</b>						
General government	20,532	19,233	--	--	20,532	19,233
Police	53,624	54,868	--	--	53,624	54,868
Fire	25,052	25,956	--	--	25,052	25,956
Emergency management	548	845	--	--	548	845
Inspections	1,795	1,680	--	--	1,795	1,680
Streets	19,668	18,895	--	--	19,668	18,895
Health	5,543	5,660	--	--	5,543	5,660
Parks and recreation	17,558	17,982	--	--	17,558	17,982
Libraries	4,993	5,337	--	--	4,993	5,337
Museums	1,473	1,343	--	--	1,473	1,343
Community enrichment	589	617	--	--	589	617
Community development	4,368	5,842	--	--	4,368	5,842
Convention and visitor activities	7,377	7,213	--	--	7,377	7,213
Interest on long-term debt	15,005	13,390	--	--	15,005	13,390
Solid waste	--	--	11,724	12,533	11,724	12,533
Utilities	--	--	134,458	125,650	134,458	125,650
Airport	--	--	10,272	8,959	10,272	8,959
Ambulance	--	--	5,478	5,527	5,478	5,527
Golf centers	--	--	1,817	2,061	1,817	2,061
Marina	--	--	1,208	1,237	1,208	1,237
Total expenses	<u>178,125</u>	<u>178,861</u>	<u>164,957</u>	<u>155,967</u>	<u>343,082</u>	<u>334,828</u>
Increase (decrease) in net assets before transfers	2,999	(8,392)	19,033	15,039	22,032	6,647
Transfers	<u>10,297</u>	<u>6,010</u>	<u>(10,297)</u>	<u>(6,010)</u>	--	--
Increase (decrease) in net assets	13,296	(2,382)	8,736	9,029	22,032	6,647
Net assets at beginning of year	<u>190,780</u>	<u>193,162</u>	<u>576,242</u>	<u>567,213</u>	<u>767,022</u>	<u>760,375</u>
Net assets at end of year	<u>\$ 204,076</u>	<u>\$ 190,780</u>	<u>\$ 584,978</u>	<u>\$ 576,242</u>	<u>\$ 789,054</u>	<u>\$ 767,022</u>

**Governmental Activities**

As shown in Table 2, the increase in net assets for governmental activities for 2004 was \$13.3 million versus a net decrease in net assets for 2003 of \$2.4 million. This is a \$15.7 million variance between the two fiscal years. The majority of the variance is in revenues, with an increase of \$10.6 million, or 6.2% more than the prior year. For fiscal year ended July 31, 2004, revenues totaled \$181.1 million compared to \$170.5 million in the prior year. The two largest sources of revenue were property taxes and sales and hotel occupancy taxes, which reflected \$63.0 million and \$61.4 million, respectively, for 2004, compared to \$60.0 million and \$55.3 million, respectively, for 2003. The third largest revenue source for 2004, \$37.1 million, was

charges for services, which includes \$15.9 million in franchise and business fees in the General Fund.

Expenses for governmental activities totaled \$178.1 million compared to \$178.9 million in 2003. While some expense categories were slightly higher than last year, others were slightly lower, none reporting significant variances except interest on long-term debt, increasing \$1.6 million from the prior year. It is important to note that when the Internal Service funds were allocated to the government-wide statements, the expenses of the governmental activities were reduced by \$3.1 million, reflecting a significant decrease in liability and employee benefits claims compared to the prior year. The activities receiving a major portion of the reduction include police (\$1.3 million), fire (\$711 thousand), and park and recreation (\$461 thousand). Excluding these reductions, the noted departments continued to remain consistent with prior year expense totals.

### **Business-type Activities**

As shown in Table 2, the increase in net assets for business-type activities for 2004 was \$8.7 million versus a net increase in net assets for 2003 of \$9.0 million, reflecting a \$293 thousand variance between the two years. Business-type activities generated revenues of \$184.0 million for 2004 compared to \$171.0 million for 2003. Charges for services were the primary source for these revenues, totaling \$178.6 million in 2004 and \$163.8 million in 2003. Revenues of the City's business-type activities are associated with operating activities accounted for in the enterprise funds, the largest activity being the Utilities. Operating revenues for the Utility System fund were \$132.4 million with net income reported at \$2.2 million, compared to \$3.9 million in 2003. This reduction in income compared to the prior year is attributed to the continuation of wet weather into 2004 combined with mild winter months. Both the gas and water departments reported net losses after operating transfers in 2004 of \$274 thousand, and \$2.3 million, respectively. Net revenues from business-type activities totaled \$16.7 million, with Solid Waste generating \$9.8 million, or 58.6% of the total.

Expenses for business-type activities totaled \$165 million compared to \$156 million for 2003, a 5.8% increase. The major expense reported in the business-type activities was Utilities (81.5%), reflecting \$134 million in 2004 compared to \$126 million in 2003. Contributing factors to the 6.3% increase in expenses from prior year are greater depreciation expense in both the water and wastewater departments due to the capitalization of completed capital projects and additional expenses directed toward the storm water department. The second largest activity was solid waste, accounting for 7.1% of the total expenses. As with the governmental activities, when the Internal Service funds were allocated to the government-wide statements, the expenses of the business-type activities were reduced by \$1.8 million, reflecting a significant decrease in liability and employee benefits claims compared to the prior year. The activities receiving a major portion of the reduction include solid waste (\$478 thousand), utilities (\$863 thousand), and airport (\$229 thousand).

## **FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

### **Governmental Funds**

- Total assets of the General Fund remained consistent with prior year, reporting \$26.7 million in 2004 compared to \$27.0 million in 2003. Cash, cash equivalents and

investments reflect \$12.3 million, or 46.2% of total assets with net receivables reporting \$11.6 million, or 43.3% of the total. The majority of the net receivables balance was in demolition liens and intergovernmental receivables attributed to sales tax.

- Total liabilities of the General Fund decreased from \$14.1 million in 2003 to \$11 million in 2004, attributable mainly to the decrease in due to other funds created in 2003 by a health insurance adjustment made at the end of the year, and the timing of the last pay period of the year.
- General Fund revenues reflect a \$3.3 million increase over the budget estimate and a \$6.7 million increase over 2003. General property taxes and sales taxes contribute to \$1.2 million of the increase over the budget estimate with solid waste adding another \$1.2 million. The City experienced an overall growth of 6.19% in net assessed property values for 2004 which resulted in an increase in property tax revenue for both the current year as well as compared to prior year revenues. Sales tax revenues have also rebound from prior year collections, and are anticipated to continue growth at a moderate pace. Total fines and forfeitures also increased by \$711 thousand, attributed to the increased collection efforts for the failure to appear fines.
- The General Fund's unreserved undesignated fund balance increased by 18.8% in 2004, reporting a balance of \$13.01 million, compared to \$10.94 million in 2003. The contributing factor to the increase, as mentioned previously, is the increased property tax collections which generated the majority of the gain.
- The Debt Service Fund's total fund balance decreased slightly from \$11.9 million in 2003 to \$11.3 million in 2004. This decrease is mainly attributable to a budgeted drawdown in fund balance.
- The FY2003-04 ad valorem tax rate was \$0.466554 for the General Fund and \$0.177621 for Debt Service for a total of \$0.644175 per \$100 of assessed value. The tax rate was the same for FY2002-03 however the prior year distribution between the General Fund and Debt Service was \$0.460031, and \$0.184144, respectively.

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

Funds comprising the non-major governmental category are Special Revenue and Capital Projects funds and Debt Service funds from the Corpus Christi Business and Job Development Corporation and the North Padre Island Development Corporation. Total assets for the combined funds were \$152.4 million in 2004 compared to \$182.9 million in 2003. The major decrease in assets is reflected in the Capital Projects funds where major cash outflow for convention center improvements, street improvements, seawall improvements and construction of the new arena have been considerable in 2004. Total liabilities were \$14.9 million compared to \$7.1 million in 2003, reporting increases in payables and due to other funds in the Special Revenue funds, as well as, increases in accounts payable and contractor interest and retainage payable in the Capital Projects funds. The total fund balances of \$137.4 million are less than the \$175.7 million in 2003 and reflect a direct correlation to the decrease in assets for this year.

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

As shown in Table 3, at the end of 2004, the City had invested \$1.2 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 \$127.9 million, or 11.4% over last year. The major increases in the governmental activities were \$38.9 million to construction in progress and \$16.1 million in infrastructure. The business activities increased by \$72.2 million; the majority of the increase associated with Utility System improvements. (See Note 8 of the Financial Statements for more details on capital assets.)

**Table 3**  
**Capital Assets (net of depreciation) at July 31, 2004 and 2003**  
(in 000's)

	<u>Governmental Activities</u>		<u>Business Activities</u>		<u>Total</u>		<u>% Change</u> 2004-2003
	2004	2003	2004	2003	2004	2003	
Land	\$ 49,122	\$ 48,747	\$ 24,452	\$ 23,872	\$ 73,574	\$ 72,619	1.3
Buildings	64,243	57,930	59,319	55,968	123,562	113,898	8.5
Improvements	40,743	44,163	155,328	108,112	196,071	152,275	28.8
Equipment	23,569	26,254	20,460	11,915	44,029	38,169	15.4
Infrastructure	63,404	47,281	478,646	411,526	542,050	458,807	18.1
Construction in progress	<u>129,360</u>	<u>90,429</u>	<u>141,158</u>	<u>195,712</u>	<u>270,518</u>	<u>286,141</u>	(5.5)
Total	<u>\$370,441</u>	<u>\$314,804</u>	<u>\$879,363</u>	<u>\$ 807,105</u>	<u>\$1,249,804</u>	<u>\$1,121,909</u>	11.4

### Long-term Liabilities

Table 4 shows that total long-term liabilities decreased \$4 million in 2004, from \$917 million to \$913 million, or 0.4%. Revenue bonds totaling over \$24.5 million were issued to fund a new baseball stadium in addition to \$2.5 million in tax increment contract revenue bonds issued as the second series of funding for the Packery Channel development. Business type activities reported a \$16.4 million reduction in debt, due to annual debt service payments. Total debt outstanding at fiscal year end was \$865.4 million, slightly down from \$867.8 million the prior year. Compensated absences decreased 1.8% due to continued employee retirements and landfill closure cost decreased 5.5% due to nearing final closure at the J.C. Elliott Landfill. (See Note 14 Long-term Obligations in the Financial Statements).

**Table 4**  
**Long-Term Liabilities at July 31, 2004 and 2003**  
(in 000's)

	<u>Governmental Activities</u>		<u>Business Activities</u>		<u>Total</u>		<u>% Change</u> 2004-2003
	2004	2003	2004	2003	2004	2003	
General Obligation Bonds	\$100,489	\$109,222	\$ --	\$ --	\$100,489	\$109,222	(8.0)
Certificates of Obligation	57,110	52,675	--	--	57,110	52,675	8.4
Revenue Bonds	120,910	95,645	--	--	120,910	95,645	26.4
Utility Revenue Bonds	--	--	353,755	370,195	353,755	370,195	(4.4)
Airport Revenue Bonds	--	--	21,875	22,270	21,875	22,270	(1.8)
Capital Leases	7,379	8,716	5,120	3,421	12,499	12,137	3.0
Other Notes	6,001	6,425	176,221	177,908	182,222	184,333	(1.1)
Deferred Amounts	<u>14,630</u>	<u>19,800</u>	<u>1,920</u>	<u>1,571</u>	<u>16,550</u>	<u>21,371</u>	(22.6)
Total Debt	<u>306,519</u>	<u>292,483</u>	<u>558,891</u>	<u>575,365</u>	<u>865,410</u>	<u>867,848</u>	(0.3)
Compensated Absences	27,871	28,521	4,434	4,363	32,305	32,884	(1.8)
Landfill Closure Cost	--	--	<u>15,545</u>	<u>16,443</u>	<u>15,545</u>	<u>16,443</u>	(5.5)
Total Long-term Liabilities	<u>\$334,390</u>	<u>\$321,004</u>	<u>\$578,870</u>	<u>\$596,171</u>	<u>\$ 913,260</u>	<u>\$917,175</u>	(0.4)

### **Bond Ratings**

The City received bond ratings from Moody's Investors Service, Inc. (Moody's), Standard & Poor's Ratings Service (S&P), and Fitch Ratings (Fitch) on the Combination Tax and Solid Waste Revenue certificates of obligation of "Aaa", "AAA", and "AAA", respectively, based upon the simultaneous delivery of a municipal bond insurance policy, with unenhanced general obligation bond ratings of "A2", "A+", and "AA-", respectively. For the Corpus Christi Business and Job Development Corporation Sales Tax Revenue bonds issued for construction of a baseball stadium the City received insured bond ratings of "Aaa", "AAA", and "AAA" from Moody's, S&P, and Fitch, respectively, with the unenhanced ratings being "A3", "A-", and "A+", respectively.

### **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 only increase to the General Fund revenue budget was a \$24,500 contribution from the Corpus Christi Public Library Foundation, to be used for an automated library system.

During the fiscal year 2004, City Council amended the General Fund budget eight times. (See Note 6 of the Financial Statements for more details on the budget amendments).

The adopted budget for FY2003-04 sets both general fund revenues and expenditures at \$146.6 million, which is consistent with the budget amounts for 2003, varying only \$24 thousand. Property taxes were budgeted using the certified growth from the appraisal district of 6.19%. Final property tax revenues, including delinquent collections and penalties and interest, topped the estimates by over \$629 thousand. This is a 7.3% increase over prior year collections, with the growth factor being the main contributing factor for the increase.

General Fund taxes and business fees were \$99 million, a \$5 million increase over prior year, and \$891 thousand over budget. Last year, sales tax revenue reported collections of \$1.4 million under budget, due to the general economic downturn that the State, as well as the City, had faced that year, as well as a state audit adjustment. This year sales tax was budgeted at a flat level comparable to the 2003 estimated collections. As an indication of an upward trend, in 2004, collections exceeded the budget by \$621 thousand. Telecommunication fees are \$508 thousand below budget and \$331 thousand less than prior year. The impact of deregulation has essentially eliminated the franchise agreement between a single local service provider and shifted to a per access line fee basis, as compared to the gross revenue inside the city limits basis.

Charges for services reflect an overall increase of \$1 million over budget, with the major increase coming from refuse disposal charges. New customers, as well as several large

construction projects, increased revenues in this category by \$1.1 million. The Park and Recreation Latchkey Program experienced a \$263 thousand decline from budget due to a decrease in referrals and attendance. Under fines and forfeitures, the failure to appear (FTA) fines revenue reported a \$686 thousand increase over budget, being the main contributor to the overall increase of \$711 thousand in the category. With the introduction of electronic signatures and scanning at the front windows of Municipal Court, four staff members have been shifted to issue these warrants on a monthly basis opposed to annually, generating the additional revenue.

Overall, General Fund revenues were \$3.4 million higher than the estimate.

General Fund expenditures for the FY2003-04 budget, as previously stated, were budgeted at \$146.6 million; \$24 thousand lower than the prior year budget. In order to implement year two of the five year employee compensation plan, control costs and address funding constraints forecasted within three to five years, a total of \$1.3 million in total proposed expenditures were eliminated during the FY2003-04 budget process without materially impacting service levels. This was achieved, mostly through the elimination of non-essential vacant positions and/or streamlining of operations.

General Fund actual expenditures were \$1.1 million under the budget estimate with general government, public safety, and community enrichment being the categories contributing to the savings. Main contributing factors to the savings were cost saving measures taken City-wide, and reserves for compensation pay not fully utilized. Departmental expenditures were closely monitored throughout the year in order to stay within the amended budget amounts.

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

- The City's investment in construction of a new arena and baseball stadium, as well as renovation of the convention center, should highlight the City, not only state wide, but also nationally. As these projects are completed during the next fiscal year, the City's largest industry – tourism, will continue to grow and have a favorable bearing on the City's economic climate.
- The unemployment rate for Corpus Christi decreased from 7.1% in 2003 to 6.7% in 2004.
- The Certified Net Assessed Taxable Value increased by 7.7% for FY2004-05, to \$9,639,561,772. Because of this growth, the City Council approved a one cent ad valorem tax decrease, changing the tax rate from \$0.644175 per \$100 valuation to \$0.634175 per \$100 valuation. The Maintenance and Operations rate will be \$0.460000 and the Debt Service rate will be \$0.174175. Even with the tax rate decrease, ad valorem tax revenue estimates for FY2004-05 are anticipated to be \$2.5 million greater than collections for FY2003-04.
- The City of Corpus Christi has appropriated in total, revenues and expenditures for FY2004-05 of \$483,654,940, and \$485,950,096, respectively. The General Fund presents a balanced budget with both revenues and expenditures budgeted at \$155,972,864. This is a \$9.3 million increase over the original budget for FY2003-04, with the major items making up the difference being: salary adjustments for year three of the employee compensation plan, funding for police and fire sworn personnel adjustments, health benefit increases, a 1% increase in the City's share of participation in

the Texas Municipal Retirement System, a new detention center, and Juvenile Court restoration funding.

- A 5% rate increase for all utilities has been programmed into the utility funds for FY2004-05 based upon capital budget discussions and directives from City Council. These rate increases will generate an additional \$1,892,788, \$1,600,367, and \$609,973 in revenue for Water, Wastewater and Gas Funds, respectively.

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

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

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

The City of Corpus Christi  
Director of Financial Services  
P. O. Box 9277  
Corpus Christi, TX 78469-9277

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361.880.3601 (fax)

*or visit our web site at:* **[www.cctexas.com](http://www.cctexas.com)**

the City of Corpus Christi, Texas

STATEMENT OF NET ASSETS  
JULY 31, 2004

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and cash equivalents (Note 5)	\$ 37,284,445	\$ 7,966,375	\$ 45,250,820	\$ 381,419
Investments (Note 5)	131,798,703	67,063,890	198,862,593	--
Receivables, net of allowance for uncollectibles (Note 7)	37,466,290	22,673,288	60,139,578	30,179
Due from other funds (Note 16)	5,711,825	61,148	5,772,973	--
Current portion of advance to other fund (Note 16)	(30,000)	30,000	--	--
Inventories	1,355,657	382,491	1,738,148	12,861
Prepaid items	442,155	--	442,155	18,312
Restricted assets				
Cash and cash equivalents (Note 5)	--	9,334,441	9,334,441	--
Investments (Note 5)	--	38,254,597	38,254,597	--
Receivables, net of allowance for uncollectibles (Note 7)	--	757,419	757,419	--
Due from other funds (Note 16)	--	55	55	--
Deposits	450	2,300	2,750	--
Water supply rights	--	178,062,269	178,062,269	--
Advances to other funds (Note 16)	(124,600)	124,600	--	--
Bond issue costs	3,181,242	5,349,945	8,531,187	--
Land and construction in progress (Note 8)	178,481,833	165,610,053	344,091,886	--
Other capital assets, net of accumulated depreciation (Note 8)	191,959,164	713,753,434	905,712,598	210,047
Other	--	--	--	11,605
Total assets	<u>587,527,164</u>	<u>1,209,426,305</u>	<u>1,796,953,469</u>	<u>664,423</u>
<b>LIABILITIES</b>				
Accounts payable	13,014,804	4,295,907	17,310,711	119,432
Accrued expenses	2,674,997	790,634	3,465,631	1,070
Accrued interest	5,472,793	380,256	5,853,049	32,129
Contractor interest and retainage payable	3,504,728	114,342	3,619,070	--
Deposits	868,765	402,237	1,271,002	--
Liability to claimants - escheat property	782,533	97,810	880,343	--
Due to other funds (Note 16)	2,464,497	1,232,852	3,697,349	--
Due to other governmental agencies	1,156,988	371	1,157,359	--
Deferred revenue	2,847,304	46,151	2,893,455	--
Commercial paper (Note 13)	--	25,000,000	25,000,000	--
Current portion of estimated claims liability (Note 11)	8,020,510	--	8,020,510	--
Current portion of long-term liabilities (Note 14)				
Long-term debt	24,540,181	21,304,999	45,845,180	--
Accumulated unpaid compensated absences	6,365,286	2,056,342	8,421,628	--
Landfill closure cost	--	1,486,410	1,486,410	--

(Continued)



the City of Corpus Christi, Texas

Exhibit 1-A

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Liabilities (payable from restricted assets)				
Accounts payable	--	6,308,495	6,308,495	--
Accrued expenses	--	536,434	536,434	--
Accrued interest	--	482,581	482,581	--
Contractor interest and retainage payable	--	3,786,937	3,786,937	--
Accrued arbitrage rebate liability	--	8,368	8,368	--
Deferred revenue	--	19,492	19,492	--
Due to other funds (Note 16)	--	2,075,679	2,075,679	--
Current portion of long-term liabilities (Note 14)	--	415,000	415,000	--
Estimated liability claims, excluding current portion (Note 11)	8,247,700	--	8,247,700	--
Long-term liabilities, excluding current portion (Note 14)				
Long-term debt	281,978,681	537,170,877	819,149,558	--
Accumulated unpaid compensated absences	21,506,261	2,377,576	23,883,837	--
Landfill closure cost	--	14,058,697	14,058,697	--
Other	4,722	--	4,722	--
Total liabilities	<u>383,450,750</u>	<u>624,448,447</u>	<u>1,007,899,197</u>	<u>152,631</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	67,103,377	478,884,825	545,988,202	210,047
Restricted for				
Law enforcement officers' standards and education	--	4,268	4,268	--
Passenger facility charges projects	--	2,224,172	2,224,172	--
Bond interest and redemption	--	2,047,887	2,047,887	--
Construction of capital assets	--	21,722,891	21,722,891	--
Improvements to utility lines and facilities	--	8,801,196	8,801,196	--
Abatement of public health hazards	--	87,920	87,920	--
Required capital reserve	--	250,000	250,000	--
Required operating reserve	--	1,063,448	1,063,448	--
Unrestricted	136,973,037	69,891,251	206,864,288	301,745
Total net assets	<u>\$ 204,076,414</u>	<u>\$ 584,977,858</u>	<u>\$ 789,054,272</u>	<u>\$ 511,792</u>

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

the City of Corpus Christi, Texas

STATEMENT OF ACTIVITIES  
YEAR ENDED JULY 31, 2004

	Expenses	Charges for Services
Primary government		
Governmental activities		
General government		
Police	\$ 20,531,590	\$ 19,443,016
Fire	53,624,255	9,710,936
Emergency management	25,051,687	140,365
Inspections	548,443	--
Streets	1,795,333	--
Health	19,667,552	1,462,457
Parks and recreation	5,542,871	1,627,059
Libraries	17,557,686	2,591,252
Museums	4,992,771	186,893
Community enrichment	1,473,214	242,188
Community development	589,503	--
Convention and visitor activities	4,367,786	217,658
Interest on long-term debt	7,377,505	1,504,578
Total governmental activities	15,004,915	--
	<u>178,125,111</u>	<u>37,126,402</u>
Business-type activities		
Solid Waste	11,723,823	21,469,832
Utilities		
Water	74,419,004	74,937,669
Gas	29,157,534	30,639,162
Wastewater	30,881,821	36,177,877
Airport	10,271,494	9,120,533
Ambulance	5,478,375	3,323,456
Golf centers	1,817,627	1,713,712
Marina	1,208,005	1,251,637
Total business-type activities	<u>164,957,683</u>	<u>178,633,878</u>
Total primary government	<u>\$ 343,082,794</u>	<u>\$ 215,760,280</u>
Component units - Convention and visitor activities	<u>\$ 2,432,688</u>	<u>\$ 39,264</u>

the City of Corpus Christi, Texas

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
\$ 780,019	\$ 235,846	\$ (72,709)	\$ --	\$ (72,709)	
1,838,772	393,254	(41,681,293)	--	(41,681,293)	
464,089	41,524	(24,405,709)	--	(24,405,709)	
249,810	--	(298,633)	--	(298,633)	
--	940,524	(854,809)	--	(854,809)	
873,430	61,961	(17,269,704)	--	(17,269,704)	
1,093,499	154,824	(2,667,489)	--	(2,667,489)	
2,967,712	33,386	(11,965,336)	--	(11,965,336)	
868,162	--	(3,937,716)	--	(3,937,716)	
--	--	(1,231,026)	--	(1,231,026)	
618,504	154,283	183,284	--	183,284	
2,233,479	2,612,383	695,734	--	695,734	
--	--	(5,872,927)	--	(5,872,927)	
--	813,066	(14,191,849)	--	(14,191,849)	
<u>11,987,476</u>	<u>5,441,051</u>	<u>(123,570,182)</u>	<u>--</u>	<u>(123,570,182)</u>	
65,517	--	--	9,811,526	9,811,526	
155,701	--	--	674,366	674,366	
--	--	--	1,481,628	1,481,628	
19,856	--	--	5,315,912	5,315,912	
2,804,020	--	--	1,653,059	1,653,059	
2,290	--	--	(2,152,629)	(2,152,629)	
--	--	--	(103,915)	(103,915)	
22,052	--	--	65,684	65,684	
<u>3,069,436</u>	<u>--</u>	<u>--</u>	<u>16,745,631</u>	<u>16,745,631</u>	
<u>\$ 15,056,912</u>	<u>\$ 5,441,051</u>	<u>(123,570,182)</u>	<u>16,745,631</u>	<u>(106,824,551)</u>	
<u>\$ --</u>	<u>\$ --</u>				(2,393,424)
General revenue					
Taxes					
Property taxes, levied for general purposes		46,191,431	--	46,191,431	--
Property taxes, levied for debt service		16,827,513	--	16,827,513	--
Sales and hotel occupancy taxes		61,382,884	--	61,382,884	--
Unrestricted investment earnings		2,167,309	2,287,106	4,454,415	3,057
Payment from primary government		--	--	--	2,375,117
Transfers		10,296,957	(10,296,957)	--	--
Total general revenue and transfers		<u>136,866,094</u>	<u>(8,009,851)</u>	<u>128,856,243</u>	<u>2,378,174</u>
Changes in net assets		13,295,912	8,735,780	22,031,692	(15,250)
Net assets at beginning of year		<u>190,780,502</u>	<u>576,242,078</u>	<u>767,022,580</u>	<u>527,042</u>
Net assets at end of year		<u>\$ 204,076,414</u>	<u>\$ 584,977,858</u>	<u>\$ 789,054,272</u>	<u>\$ 511,792</u>

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

the City of Corpus Christi, Texas

GOVERNMENTAL FUNDS  
BALANCE SHEET  
JULY 31, 2004

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents (Note 5)	\$ 2,821,651	\$ 1,322,139	\$ 30,496,991	\$ 34,640,781
Investments (Note 5)	9,506,267	9,809,783	92,059,820	111,375,870
Receivables, net of allowance for uncollectibles (Note 7)	11,568,333	465,272	27,202,128	39,235,733
Due from other funds (Note 16)	2,642,683	--	2,635,327	5,278,010
Inventories	150,587	--	--	150,587
Deposits	450	--	--	450
	<u>26,689,971</u>	<u>11,597,194</u>	<u>152,394,266</u>	<u>190,681,431</u>
Total assets	<u>\$ 26,689,971</u>	<u>\$ 11,597,194</u>	<u>\$ 152,394,266</u>	<u>\$ 190,681,431</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 5,558,568	\$ 2,791	\$ 6,423,581	\$ 11,984,940
Accrued liabilities	1,763,226	--	598,178	2,361,404
Contractor interest and retainage payable	--	--	3,504,728	3,504,728
Deposits	593,133	--	495,354	1,088,487
Liability to claimants - escheat property	628,633	--	--	628,633
Due to other funds (Note 16)	296,509	--	1,519,969	1,816,478
Due to other governmental agencies	916,813	--	240,175	1,156,988
Advance from other funds (Note 16)	154,600	--	--	154,600
Deferred revenues	1,051,824	342,603	2,162,994	3,557,421
Other	4,722	--	--	4,722
Total liabilities	<u>10,968,028</u>	<u>345,394</u>	<u>14,944,979</u>	<u>26,258,401</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 2-A

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Fund balances</b>				
Reserved for encumbrances	1,388,616	--	54,203,210	55,591,826
Reserved for loans	--	--	18,252,062	18,252,062
Reserved for inventory	150,587	--	--	150,587
Reserved for Municipal Court building security	251,487	--	--	251,487
Reserved for Municipal Court technology	301,508	--	--	301,508
Reserved for government access equipment	11,959	--	--	11,959
Reserved for public access equipment and facility	3,500	--	--	3,500
Reserved for 9-1-1 wireless system	107,106	--	--	107,106
Reserved for capital replacement - radio system	30,000	--	--	30,000
Reserved for Judicial/Court improvements	105,599	--	--	105,599
Reserved for debt service	--	4,107,728	2,016,143	6,123,871
Reserved for Senior Community Services	--	--	36,308	36,308
Reserved for Home Program	--	--	511,167	511,167
Reserved for Convention Center expansion	--	--	915,358	915,358
Reserved for law enforcement	--	--	1,004,913	1,004,913
Reserved for firefighters training	4,000	--	--	4,000
Reserved for library projects	--	--	953	953
Reserved for Sister City programs	--	--	993	993
Reserved for park projects	--	--	933,597	933,597
Reserved for permanent art projects	--	--	108,481	108,481
Reserved for infrastructure	--	--	521,553	521,553
Reserved for local emergency response planning	--	--	18,943	18,943
<b>Unreserved</b>				
Designated for specific debt in the debt service fund	--	1,350,885	--	1,350,885
Designated for subsequent year's expenditures in special revenue funds	--	1,133,896	608,516	1,742,412
Designated for specific projects in the capital projects fund	--	--	23,809,014	23,809,014
Designated for negotiated pay	360,000	--	--	360,000
<b>Undesignated</b>				
General fund	13,007,581	--	--	13,007,581
Debt service funds	--	4,659,291	--	4,659,291
Special revenue funds	--	--	16,366,165	16,366,165
Capital project funds	--	--	18,141,911	18,141,911
<b>Total fund balances</b>	<u>15,721,943</u>	<u>11,251,800</u>	<u>137,449,287</u>	<u>164,423,030</u>
<b>Total liabilities and fund balances</b>	<u>\$ 26,689,971</u>	<u>\$ 11,597,194</u>	<u>\$ 152,394,266</u>	<u>\$ 190,681,431</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, 2004**

**Total fund balance - total governmental funds** \$ 164,423,030

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 the assets is \$629,599,735 and the accumulated depreciation is \$264,696,478. Solid Waste net assets of \$13,366,833 are included in business-type activities. 364,903,257

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.

Bond issue cost	3,181,242	
Taxes receivable	705,460	3,886,702

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. 20,059,489

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	(5,472,793)	
Long-term debt	(301,967,818)	
Accumulated compensated absences	(26,484,716)	
Solid Waste		
Long-term debt	(4,671,985)	
Accumulated compensated absences	(653,701)	
Landfill closure costs	(15,545,107)	(354,796,120)

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.

5,600,056

**Net assets of governmental activities** **\$ 204,076,414**

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

the City of Corpus Christi, Texas

GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JULY 31, 2004

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Taxes and business fees	\$ 99,022,494	\$ 15,653,243	26,298,614	\$ 140,974,351
Licenses and permits	2,396,870	--	--	2,396,870
Grants	573,810	--	14,378,425	14,952,235
Charges for services	31,324,167	--	3,207,474	34,531,641
Fines and forfeitures	5,189,598	--	--	5,189,598
Deposits	--	--	103,674	103,674
Contributions and donations	--	--	907,170	907,170
Special assessments	--	--	274,427	274,427
Earnings on investments	248,091	129,671	1,789,547	2,167,309
Interest on loans	--	--	93,839	93,839
Payments from Lexington Museum Association	--	181,125	--	181,125
Payments from Corpus Christi Convention and Visitors Bureau	--	241,786	--	241,786
Payments from Texas State Aquarium	--	377,255	--	377,255
Payments from other agencies	--	12,900	--	12,900
Sale of city property	--	--	6,035	6,035
Claim settlement	--	--	3,000,000	3,000,000
Miscellaneous	882,187	--	284,233	1,166,420
Total revenues	139,637,217	16,595,980	50,343,438	206,576,635
<b>Expenditures</b>				
<b>Current</b>				
General government	12,990,324	--	3,230,998	16,221,322
Public safety	76,432,539	--	6,353,173	82,785,712
Streets	11,020,465	--	1,086,564	12,107,029
Solid waste	14,774,569	--	65,517	14,840,086
Health	3,839,648	--	1,696,486	5,536,134
Community enrichment	15,811,535	--	11,078,239	26,889,774
Convention and visitors activities	--	--	6,164,876	6,164,876
Other	977,279	--	22,095	999,374
Capital projects	--	--	82,358,053	82,358,053
<b>Debt service</b>				
Principal retirement	2,442,688	18,640,000	1,893,239	22,975,927
Interest	252,417	7,708,594	4,699,235	12,660,246
Paying agent fees	--	11,614	300	11,914
Bond issue cost	--	--	1,006,357	1,006,357
Total expenditures	138,541,464	26,360,208	119,655,132	284,556,804
Excess (deficiency) of revenues over (under) expenditures	1,095,753	(9,764,228)	(69,311,694)	(77,980,169)

(Continued)



	General	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Other financing sources (uses)</b>				
Capital leases	3,083,773	--	--	3,083,773
Revenue bonds issued	--	--	27,065,000	27,065,000
Certificate of obligation bonds issued	--	--	6,901,632	6,901,632
Premium on bonds sold	--	--	751,185	751,185
Discount on sale of bonds	--	--	(56,632)	(56,632)
Transfers in (Note 16)	5,573,152	9,109,013	1,035,712	15,717,877
Transfers out (Note 16)	(6,966,180)	--	(4,645,659)	(11,611,839)
<b>Total other financing sources (uses)</b>	<u>1,690,745</u>	<u>9,109,013</u>	<u>31,051,238</u>	<u>41,850,996</u>
Net change in fund balance	2,786,498	(655,215)	(38,260,456)	(36,129,173)
Fund balances at beginning of year	<u>12,935,445</u>	<u>11,907,015</u>	<u>175,709,743</u>	<u>200,552,203</u>
Fund balances at end of year	<u>\$ 15,721,943</u>	<u>\$ 11,251,800</u>	<u>\$ 137,449,287</u>	<u>\$ 164,423,030</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, 2004**

<b>Net change in fund balances - total governmental funds</b>	<b>\$ (36,129,173)</b>
 Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of capital assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$85,724,448) and adjustment to construction in progress (\$3,445,604) exceeded depreciation (\$18,224,063) in the current period.	64,054,781
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(638,391)
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 proceeds exceeded repayment.	(16,095,430)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	1,682,404
Solid Waste is a business-type activity that is included in the general fund. Net revenues relating to Solid Waste are included in business-type activities in the government-wide statement of activities.	(6,522,992)
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.	<u>6,944,713</u>
 <b>Change in net assets of governmental activities</b>	 <b><u>\$ 13,295,912</u></b>

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

the City of Corpus Christi, Texas

**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2004**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
<b>Revenues</b>				
Taxes and business fees	\$ 98,120,326	\$ 98,120,326	\$ 99,022,494	\$ (10,782)
Licenses and permits	2,039,634	2,039,634	2,396,870	--
Grants	300,700	300,700	573,810	--
Charges for services	29,210,722	29,210,722	31,324,167	(1,067,361)
Fines and forfeitures	4,478,913	4,478,913	5,189,598	--
Earnings on investments	180,015	180,015	248,091	--
Miscellaneous	441,912	466,412	882,187	(106,712)
Reimbursements	8,610,763	8,610,763	--	8,274,745
Total revenues	<u>143,382,985</u>	<u>143,407,485</u>	<u>139,637,217</u>	<u>7,089,890</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	15,803,867	16,709,040	12,990,324	3,103,041
Public safety	77,399,446	80,409,851	76,432,539	3,137,248
Streets	12,114,252	12,586,173	11,020,465	1,833,871
Solid Waste	14,456,097	14,786,112	14,774,569	589,634
Health	3,698,607	3,858,360	3,839,648	37,437
Community enrichment	17,151,294	17,690,060	15,811,535	1,483,681
Other	4,860,627	1,153,536	977,279	43,710
Debt service				
Principal retirement	--	--	2,442,688	(2,442,688)
Interest	--	--	252,417	--
Total expenditures	<u>145,484,190</u>	<u>147,193,132</u>	<u>138,541,464</u>	<u>7,533,517</u>
Excess (deficiency) of revenues over (under) expenditures	(2,101,205)	(3,785,647)	1,095,753	(443,627)
<b>Other financing sources (uses)</b>				
Capital leases	--	--	3,083,773	(3,083,773)
Notes payable	--	--	--	--
Transfers in	5,537,262	5,537,262	5,573,152	--
Transfers out	(3,425,677)	(3,438,780)	(6,966,180)	3,527,400
Total other financing sources	<u>2,111,585</u>	<u>2,098,482</u>	<u>1,690,745</u>	<u>443,627</u>
Net change in fund balance	10,380	(1,687,165)	2,786,498	--
Fund balance at beginning of year	<u>13,356,803</u>	<u>12,935,445</u>	<u>12,935,445</u>	<u>--</u>
Fund balance at end of year	<u>\$ 13,367,183</u>	<u>\$ 11,248,280</u>	<u>\$ 15,721,943</u>	<u>\$ --</u>

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

the City of Corpus Christi, Texas

Exhibit 3

Actual Budget Basis	Variance Final Budget Positive (Negative)
\$ 99,011,712	\$ 891,386
2,396,870	357,236
573,810	273,110
30,256,806	1,046,084
5,189,598	710,685
248,091	68,076
775,475	309,063
8,274,745	(336,018)
<u>146,727,107</u>	<u>3,319,622</u>
16,093,365	615,675
79,569,787	840,064
12,854,336	(268,163)
15,364,203	(578,091)
3,877,085	(18,725)
17,295,216	394,844
1,020,989	132,547
--	--
--	--
<u>146,074,981</u>	<u>1,118,151</u>
652,126	4,437,773
--	--
--	--
5,573,152	35,890
(3,438,780)	--
<u>2,134,372</u>	<u>35,890</u>
2,786,498	4,473,663
12,935,445	--
<u>\$ 15,721,943</u>	<u>\$ 4,473,663</u>

the City of Corpus Christi, Texas

PROPRIETARY FUNDS  
STATEMENT OF NET ASSETS  
JULY 31, 2004

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents (Note 5)	\$ 5,715,046	\$ 2,204,410	\$ 7,919,456	\$ 2,690,583
Investments (Note 5)	63,128,765	3,935,125	67,063,890	20,422,833
Receivables, net of allowance for uncollectibles (Note 7)	19,420,928	733,303	20,154,231	749,614
Due from other funds (Note 16)	45,000	16,148	61,148	433,815
Current portion of advance to other funds (Note 16)	30,000	--	30,000	--
Inventories	325,833	52,724	378,557	1,209,004
Prepaid items	--	--	--	442,155
Restricted assets to pay restricted current liabilities	11,005,986	2,627,000	13,632,986	--
Total current assets	99,671,558	9,568,710	109,240,268	25,948,004
<b>Restricted assets</b>				
Cash and cash equivalents (Note 5)	5,777,076	3,557,365	9,334,441	--
Investments (Note 5)	33,721,300	4,533,297	38,254,597	--
Receivables, net of allowance for uncollectibles (Note 7)	445,170	312,249	757,419	--
Due from other funds	--	55	55	--
Restricted assets to pay restricted current liabilities	(11,005,986)	(2,627,000)	(13,632,986)	--
Total noncurrent restricted assets	28,937,560	5,775,966	34,713,526	--
Deposits	2,300	--	2,300	--
Water supply rights	178,062,269	--	178,062,269	--
Advances to other funds (Note 16)	124,600	--	124,600	--
Bond issue costs	4,698,668	651,277	5,349,945	--
<b>Capital assets (Note 8)</b>				
Land and construction in progress	151,305,459	11,507,475	162,812,934	1,689,103
Other capital assets, net of accumulated depreciation	631,246,954	71,936,766	703,183,720	17,215,470
Total assets	1,094,049,368	99,440,194	1,193,489,562	44,852,577

(Continued)

the City of Corpus Christi, Texas

Exhibit 4-A

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	3,785,231	325,429	4,110,660	1,215,111
Accrued expenses	424,105	163,438	587,543	516,684
Accrued interest	380,256	--	380,256	--
Current portion of estimated liability claims (Note 11)	--	--	--	8,020,510
Contractor interest and retainage payable	95,217	19,125	114,342	--
Deposits	129,363	52,189	181,552	963
Liability to claimants - escheat property	97,810	--	97,810	153,900
Due to other funds (Note 16)	1,007,355	173,171	1,180,526	700,345
Due to other governmental agencies	--	371	371	--
Deferred revenue	1,100	40,394	41,494	--
Commercial paper (Note 13)	25,000,000	--	25,000,000	--
Current portion of long-term liabilities (Note 14)				
Long-term debt	19,609,542	144,337	19,753,879	1,133,330
Accumulated unpaid compensated absences	1,259,368	524,667	1,784,035	571,729
<b>Liabilities payable from restricted assets</b>				
Accounts payable	5,261,858	1,046,637	6,308,495	--
Accrued expenses	--	536,434	536,434	--
Accrued interest	482,581	--	482,581	--
Contractor interest and retainage payable	3,171,655	615,282	3,786,937	--
Accrued arbitrage rebate liability	8,368	--	8,368	--
Deferred revenue	6,464	13,028	19,492	--
Due to other funds	2,075,060	619	2,075,679	--
Current portion of long-term debt (Note 14)	--	415,000	415,000	--
<b>Total liabilities payable from restricted assets</b>	<b>11,005,986</b>	<b>2,627,000</b>	<b>13,632,986</b>	<b>--</b>
<b>Total current liabilities</b>	<b>62,795,333</b>	<b>4,070,121</b>	<b>66,865,454</b>	<b>12,312,572</b>
Estimated liability claims, net of current portion (Note 11)	--	--	--	8,247,700
<b>Long-term liabilities, net of current portion (Note 14)</b>				
Long-term debt	512,835,611	21,214,401	534,050,012	3,417,714
Accumulated unpaid compensated absences	1,156,052	840,130	1,996,182	815,102
<b>Total liabilities</b>	<b>513,991,663</b>	<b>22,054,531</b>	<b>536,046,194</b>	<b>4,232,816</b>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	407,868,195	62,321,780	470,189,975	14,353,529
Restricted for				
Passenger facility charges projects	--	2,224,172	2,224,172	--
Bond interest and redemption	2,046,714	1,173	2,047,887	--
Construction of capital assets	19,074,986	2,647,905	21,722,891	--
Improvements to utility lines and facilities	8,801,196	--	8,801,196	--
Abatement of public health hazards	87,920	--	87,920	--
Required capital reserve	--	250,000	250,000	--
Required operating reserve	--	1,063,448	1,063,448	--
Law enforcement officers' standards and education	--	4,268	4,268	--
Unrestricted	79,383,361	4,802,796	84,186,157	5,705,960
<b>Total net assets</b>	<b>\$ 517,262,372</b>	<b>\$ 73,315,542</b>	<b>\$ 590,577,914</b>	<b>\$ 20,059,489</b>

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



City of  
Corpus  
Christi



**RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF NET ASSETS  
TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS  
JULY 31, 2004**

<b>Total net assets - total proprietary funds</b>	\$ 590,577,914
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 the general fund. Assets and liabilities relating to Solid Waste are include in business-type activities in the government-wide statement of net assets.	
	<u>(5,600,056)</u>
<b>Net assets of business-type activities</b>	<u>\$ 584,977,858</u>

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

the City of Corpus Christi, Texas

Exhibit 4-C

**PROPRIETARY FUNDS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2004**

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
<b>Operating revenues</b>				
Charges for services - net	\$ 132,353,796	\$ 13,843,901	\$ 146,197,697	\$ 51,567,997
<b>Operating expenses</b>				
Personal services	22,004,986	9,220,494	31,225,480	11,473,932
Materials and supplies	32,794,346	928,499	33,722,845	1,741,366
Contractual services	16,848,539	2,790,456	19,638,995	9,567,415
Other operating expenses	18,561,171	1,251,025	19,812,196	1,699,355
Uncollectible accounts	1,440,959	9,211	1,450,170	--
Depreciation	19,494,011	3,832,193	23,326,204	4,089,789
Self-insurance claims	--	--	--	18,322,753
Total operating expenses	<u>111,144,012</u>	<u>18,031,878</u>	<u>129,175,890</u>	<u>46,894,610</u>
Operating income (loss)	21,209,784	(4,187,977)	17,021,807	4,673,387
<b>Nonoperating revenues (expenses)</b>				
Investment income	2,080,325	206,781	2,287,106	280,767
Interest expense and fiscal charges	(24,177,796)	(1,232,501)	(25,410,297)	(239,813)
Passenger facility charges	--	1,561,016	1,561,016	--
Net gain on sale of assets	9,292	3,409	12,701	69,162
Recovery on damage claims	69,304	1,012	70,316	159,684
Developer deposits	1,308,033	--	1,308,033	--
Contributions from developers	8,313,309	--	8,313,309	--
Reimbursements to developers	(299,026)	--	(299,026)	--
Contributions from other governmental agencies	175,557	2,805,987	2,981,544	--
Net contribution of assets from other funds	451,468	22,375	473,843	--
Miscellaneous	--	--	--	--
Total nonoperating revenues (expenses)	<u>(12,069,534)</u>	<u>3,368,079</u>	<u>(8,701,455)</u>	<u>269,800</u>
Income (loss) before transfers	9,140,250	(819,898)	8,320,352	4,943,187
Transfers in	--	2,390,000	2,390,000	2,384,300
Transfers out	(6,946,247)	(1,551,317)	(8,497,564)	(382,774)
Total transfers	<u>(6,946,247)</u>	<u>838,683</u>	<u>(6,107,564)</u>	<u>2,001,526</u>
Net income	2,194,003	18,785	2,212,788	6,944,713
Net assets at beginning of year	<u>515,068,369</u>	<u>73,296,757</u>	<u>588,365,126</u>	<u>13,114,776</u>
Net assets at end of year	<u>\$ 517,262,372</u>	<u>\$ 73,315,542</u>	<u>\$ 590,577,914</u>	<u>\$ 20,059,489</u>

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

**RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF REVENUES,  
EXPENSES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JULY 31, 2004**

Net change in fund balances - total proprietary funds	\$ 2,212,788
Amounts reported for governmental activities in the statement of activities are different because:	
Solid Waste is a business-type activity that is included in the general fund. The net revenues of the Solid Waste activity are reported in the business-type activities.	<u>6,522,992</u>
Change in net assets of business-type activities	<u>\$ 8,735,780</u>

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

the City of Corpus Christi, Texas

**PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2004**

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
<b>Cash flows from operating activities</b>				
Receipts from customers	\$ 128,433,719	\$ 13,534,784	\$ 141,968,503	\$ 7,926,346
Receipts from interfund services provided	180,000	--	180,000	54,304,469
Payments to suppliers	(50,380,849)	(3,581,461)	(53,962,310)	(20,980,541)
Payments to employees	(16,790,429)	(8,726,287)	(25,516,716)	(9,147,064)
Internal activity - payments (to) from other funds	(17,119,560)	(2,373,665)	(19,493,225)	(2,658,992)
Claims paid	--	--	--	(20,237,256)
Net cash provided by (used for) operating activities	44,322,881	(1,146,629)	43,176,252	9,206,962
<b>Cash flows from noncapital financing activities</b>				
Advances to other funds	--	--	--	(31,079)
Payment of advance to other funds	104,600	--	104,600	--
Interest on advance to other funds	12,596	--	12,596	(52,196)
Contributions from other government agencies	28,992	11,164	40,156	--
Transfers in from other funds	374,891	2,427,286	2,802,177	2,446,939
Transfers out to other funds	(6,946,247)	(1,551,317)	(8,497,564)	(1,942,867)
Recovery on damage claims	12,304	--	12,304	159,684
Other non-operating expenses	--	1,012	1,012	--
Net cash provided by (used for) noncapital financing activities	(6,412,864)	888,145	(5,524,719)	580,481
<b>Cash flows from capital and related financing activities</b>				
Acquisition of capital assets	(64,836,522)	(9,538,745)	(74,375,267)	(2,301,071)
Proceeds from sale of capital assets	9,292	3,409	12,701	69,162
Developers deposits	1,308,245	--	1,308,245	--
Contributions from developers	27,400	--	27,400	--
Reimbursements to developers	(205,910)	--	(205,910)	--
Contributions from other governmental agencies	12,889	2,919,297	2,932,186	--
Passenger Facility Charge	--	1,499,390	1,499,390	--
Proceeds from issuance of commercial paper	25,000,000	--	25,000,000	--
Original issue discount and issue cost	(750)	--	(750)	--
Principal paid on bonds and notes payable	(18,311,668)	(395,000)	(18,706,668)	--
Interest and fiscal charges	(22,712,842)	(1,199,200)	(23,912,042)	(187,616)
Capital lease payments	--	(114,323)	(114,323)	(1,574,255)
Recovery on damage claims	57,000	--	57,000	--
Net cash used for capital and related financing activities	(79,652,866)	(6,825,172)	(86,478,038)	(3,993,780)
<b>Cash flows from investing activities</b>				
Purchase of investment securities	(219,422,550)	(17,903,547)	(237,326,097)	(28,922,833)
Proceeds from sale and maturity of investment securities	229,683,696	20,616,486	250,300,182	20,348,728
Interest on investments	2,693,650	244,288	2,937,938	192,393
Net cash provided by (used for) investing activities	12,954,796	2,957,227	15,912,023	(8,381,712)
Net increase (decrease) in cash and cash equivalents	(28,788,053)	(4,126,429)	(32,914,482)	(2,588,049)
Cash and cash equivalents at beginning of year, including restricted accounts	40,280,175	9,888,204	50,168,379	5,278,632
Cash and cash equivalents at end of year, including restricted accounts	\$ 11,492,122	\$ 5,761,775	\$ 17,253,897	\$ 2,690,583

(Continued)

the City of Corpus Christi, Texas

Exhibit 4-E

	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)	\$ 21,209,784	\$ (4,187,977)	\$ 17,021,807	\$ 4,673,387
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation	19,494,011	3,832,193	23,326,204	4,089,789
Amortization of water rights	3,623,277	--	3,623,277	--
Amortization of fish and wildlife costs	270,042	--	270,042	--
Change in estimated claims liability	--	--	--	(2,052,651)
Provision for uncollectible accounts	1,440,959	9,211	1,450,170	--
Changes in assets and liabilities				
Receivables	(3,011,556)	(201,319)	(3,212,875)	491,928
Due from other funds	72,032	1,381	73,413	2,715,474
Inventory	(71,753)	(7,549)	(79,302)	(102,514)
Prepaid items	--	--	--	(129,723)
Accounts payable	(251,114)	154,979	(96,135)	151,445
Accrued expenses	(543,373)	(343,567)	(886,940)	(743,121)
Deferred revenue	(3,100)	3,211	111	--
Accumulated unpaid compensated absences	343,201	(311,417)	31,784	174,011
Deposits	(42,618)	(7,726)	(50,344)	(639)
Liability to claimants-escheat property	4,697	--	4,697	(23,397)
Due to other funds	(268,600)	(87,893)	(356,493)	(37,027)
Due to other governmental agencies	--	371	371	--
Changes in restricted assets and liabilities				
Due from other funds	--	2	2	--
Accounts payable	78,631	--	78,631	--
Accrued interest payable	--	(529)	(529)	--
Due to other funds	1,978,361	--	1,978,361	--
Net cash provided by (used for) operating activities	\$ 44,322,881	\$ (1,146,629)	\$ 43,176,252	\$ 9,206,962
<b>Noncash investing, capital and financing activities</b>				
Contribution of capital assets from general fund	\$ 451,468	\$ --	\$ 451,468	\$ --
Contribution of capital assets from developers	\$ 8,285,908	\$ --	\$ 8,285,908	\$ --
Change in fair value of investments	\$ (10,292)	\$ --	\$ (10,292)	\$ --
Acquisition of capital assets under capital lease	\$ --	\$ 434,289	\$ 434,289	\$ 974,770
Bond refunding	\$ 4,380,927	\$ --	\$ 4,380,927	\$ --

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

**FIDUCIARY FUNDS  
STATEMENT OF NET ASSETS  
JULY 31, 2004**

	<u>Deferred Compensation Plan</u>	<u>Private Purpose Trust Fund</u>
<b>ASSETS</b>		
Cash and cash equivalents (Note 5)	\$ --	\$ 179,619
Investments (Note 5)	30,582,503	--
Receivables	--	730
Total assets	<u>30,582,503</u>	<u>180,349</u>
<b>LIABILITIES</b>		
Accounts payable	--	1,768
Total liabilities	<u>--</u>	<u>1,768</u>
<b>NET ASSETS</b>		
Held in trust for deferred compensation benefits	30,582,503	--
Held in trust for individuals and organizations	--	178,581
Total net assets	<u>\$ 30,582,503</u>	<u>\$ 178,581</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, 2004**

	Deferred Compensation Plan	Private Purpose Trust Fund
<b>Additions</b>		
Employee contributions	\$ 5,063,909	\$ --
Earnings on investments	2,126,202	399
Total additions	7,190,111	399
<b>Deductions</b>		
Payment of benefits	\$ 3,011,797	\$ --
Administrative fees	81,564	--
Disbursements for designated purposes	--	9,725
Total deductions	3,093,361	9,725
Net increase (decrease)	4,096,750	(9,326)
Net assets beginning of year	26,485,753	187,907
Net assets at end of year	\$ 30,582,503	\$ 178,581

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



City of  
Corpus  
Christi



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**NOTES TO FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies**

The City of Corpus Christi (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 when a Home Rule Charter with a commission form of government was adopted. The charter was amended in 1945, and the present Council-Manager form of government was adopted. 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, 2004.

**A. Reporting Entity**

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

The financial statements are formatted to allow the user to clearly distinguish between the primary government and its component units. Because of the closeness of their relationship with the primary government (the City), some component units are blended as though they are part of the primary government. 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, Corpus Christi Industrial Development Corporation, and the Corpus Christi Health Facilities 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.

**Discretely Presented Component Units**

	<b><u>Coastal Bend Health Facilities Development Corporation</u></b>	<b><u>Corpus Christi Convention and Visitors Bureau</u></b>
Assets		
Current assets	\$ 14,475	\$ 428,296
Capital assets	--	210,047
Other assets	--	11,605
Total assets	<u>14,475</u>	<u>649,948</u>
Current liabilities	<u>--</u>	<u>152,631</u>
Net assets		
Invested in capital assets	--	210,047
Unrestricted	14,475	287,270
Total net assets	<u>\$ 14,475</u>	<u>\$ 497,317</u>
Revenues	\$ 160	\$ 2,417,278
Expenses	--	2,432,688
Change in net assets	160	(15,410)
Net assets at beginning of year	14,315	512,727
Net assets at end of year	<u>\$ 14,475</u>	<u>\$ 497,317</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, and the Corpus Christi Regional Economic Development Corporation are not included in these financial statements.

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.

Tax Increment Zone No. 1 (Zone No. 1) was established during 1984 to provide funds for development and improvement projects within the zone's boundaries. The receipt of post-1984 incremental property taxes from taxing units within the boundaries of the zone provides the funding for its projects. The Mayor and Council Members are a voting majority of the board. The City, in addition to managing the day-to-day operations of Zone No. 1, is directly responsible for the repayment of debt issued by Zone No. 1 to the extent of the taxes attributable to it. Zone No. 1 was dissolved effective March 1, 2004, after the last debt payment was made.

North Padre Island Development Corporation (NPID) 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. NPID 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.

The blended component units are included in the government fund statements as non major government 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. For presentation purposes, the Visitors Bureau's financial statements have been adjusted to eliminate liabilities included in the City's financial statements.

### C. Basic Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. While the previous model emphasized fund types (the total of all funds of a particular type), in the new reporting model the focus is on either the City as a whole or major individual funds (within the fund financial statements). 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, fire, streets, etc.) which are otherwise being supported by general government revenues (e.g., property, 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 service assessments. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by government or business-type activity) are normally covered by general revenue (e.g., property, sales taxes, intergovernmental revenues, interest income). Historically, the previous model did not summarize or present net cost by function or activity.

This government-wide statement focuses more 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 the general fund 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.

The fund financial statements are, in substance, very similar to the financial statements presented in the previous model. Emphasis here 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.

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 nonoperating revenues and expenses.

Enterprise funds accounts 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 fund accounts for the operations of the City's utility system, airport, ambulance services, 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 services, risk management, and engineering services to other departments within the City on a cost-reimbursement basis. Since the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are consolidated into the governmental column when presented at the government-wide level. The costs of these services are reflected in the appropriate functional activity.

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 of the current model 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.

#### **D. Basis of Presentation**

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 nonmajor 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 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.

GASB 34 eliminates the presentation of account groups, but provides for these records to be maintained and incorporates the information into the governmental column in the government-wide statement of net assets.

#### **E. Basis of Accounting**

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 susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers property taxes available if they are collected within 60 days after year end. A one year 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.

### **F. 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.

### **G. 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 investments clearly identified as belonging to a specific fund, any unrealized gain/loss resulting from the valuation is allocated to each fund based on the fund's participation in that investment.

### **H. 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 spendable 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 77% 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.

**I. Inventories**

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.

**J. Use of Estimates**

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

**K. 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 cost 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 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.

**L. 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. 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 a pay-as-you-go capital improvement program and the remaining funds to support future airport revenue bond issues.

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.

**M. 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.

**N. 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.

**O. Pension Plans**

It is the policy of the City to fund pension costs annually. Pension costs are composed of normal cost and, where applicable, amortization of unfunded actuarial accrued liability and unfunded prior service costs.

**P. 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.



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## **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, capital project funds, the Corpus Christi Community Improvement Corporation (CCCIC), the Corpus Christi Housing Finance Corporation (CCHFC), the Corpus Christi Industrial Development Corporation (CCIDC), and the Corpus Christi Health Facilities Development Corporation (CCHFDC). The Federal/State grant fund and the capital projects funds adopt project-length budgets. Budgets were not adopted for the CCCIC, CCHFC, CCIDC, and the CCHFDC. 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% sale tax for construction of a multipurpose arena, a 0.125% sales tax for improvements to the downtown seawall, and 0.125% sales tax for economic development and the construction of a new baseball stadium. Sales tax is collected monthly by the State of Texas and remitted to the City. The tax is collected by the merchants and is remitted to the State. The tax is 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 has been transferred 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 2003-2004 tax rates were \$0.4665540 for the general fund and \$0.1776210 for debt service for a total of \$0.6441750 per \$100 of assessed value. Therefore, the City's tax margin of \$0.035825 per \$100 of assessed value could raise up to \$3,205,584 additional taxes each year based on the assessed value of \$8,947,896,398. The City could raise up to \$102,100,956 in additional taxes for voter approved tax supported obligations, based on the assessed valuation of \$8,947,896,398 and a debt margin of \$1.141061 calculated on 90% collections.

## 5. Cash and Investments

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).

**Cash** - 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. The discretely presented component units had total cash and cash equivalents of \$381,419 which were covered by federal depository insurance (FDIC) or were secured by collateral held by the City's or component unit's agent in the City's or component unit's name.

**Investments** - The City's investments are categorized below to give an indication of the level of risk (Category 1 - lowest level of risk to Category 3 - highest level of risk), assumed by the City on July 31, 2004. Category 1 includes investments that are insured or registered or for which the securities are held by the City's agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counter party's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by a trust department or agent, but not in the City's name. The City does not have any investments in Category 2 or 3.

the City of Corpus Christi, Texas

<u>City Funds</u>	<u>Category</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
U.S. Agency Securities	1	\$ 237,117,190	\$ 238,813,248
Flex Repo	1	17,594,180	17,594,180
Local Government Investment Pools	Pooled	36,349,436	36,349,436
Money Market Funds	Pooled	581,439	581,439
Total City Funds		291,642,245	293,338,303
Short-term investments included in cash and cash equivalents		(54,525,055)	(54,525,055)
Equity in total investments		\$ 237,117,190	\$ 238,813,248

**Discretely Presented Component Units**

Local Government Investment Pools	Pooled	\$ 14,475	\$ 14,475
Short-term investments included in cash and cash equivalents		(14,475)	(14,475)
Equity in total investments		\$ --	\$ --

The City reports certain investments at fair value in the balance sheet and recognizes the corresponding change in the fair value of investments in the year in which the change occurred. Fair value fluctuates with interest rates and increasing rates may cause fair value to decline below original cost. City management believes the liquidity of the portfolio is more than adequate to meet cash flow requirements and it is unlikely the City will need to sell any investments prior to maturity and below the original cost.

The calculation of realized gains and losses is independent of a calculation of the net change in the fair value of investments. The realized gains and losses on investments that had been held in more than one fiscal year and sold in the current year were included as a change in the fair value of investments reported in the prior year and the current year.

**Local governmental investment pools** – Public funds investment pool 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 principle, 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.

The City's investments in Pools are reported at share value since they are 2a7-like. A 2a7-like pool is one that is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

**Investments held by Deferred Compensation Plan**

The Deferred Compensation Plan's investments are administered by the International City Management Association Retirement Corporation (ICMA), Nationwide Retirement Solution, and VALIC Retirement Services Company. Investments consist of various stocks, bonds, mutual funds, money markets and guaranteed rate accounts. The stocks and bonds are held for ICMA by its agent, the M&T Bank, and the mutual funds are held for Nationwide Retirement Solutions, by its agent, Nationwide Insurance Co., and VALIC's mutual funds are held by its agent, State Street Bank and Trust. These investments are not subject to credit risk classifications.

the City of Corpus Christi, Texas

The following is a summary of investments held by the deferred compensation plan for the year ended July 31, 2004:

Guaranteed Rate Accounts	\$ 10,914,587
Mutual Funds	5,996,312
Stocks	12,208,278
Combined Stocks and Bonds	813,473
Bonds	566,769
Money Markets	83,084
Total Deferred Compensation Plan	<u>\$ 30,582,503</u>

**6. Budgetary Data**

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

\$24,500 to revenues from the Corpus Christi Public Library Foundation.

\$1,722,045 to expenditures comprised of:

- \$1,009,002 in encumbrances approved to carry forward from the end of the prior fiscal year,
- \$325,473 from Reserve for Municipal Court Technology Fee for hardware and software upgrades,
- \$72,000 from Reserve for 911 Wireless Service,
- \$35,000 from anticipated additional 911 Wireless Services revenue for consulting services related to the replacement of the Police Department computer system,
- \$35,000 from Reserve for 911 Wireless Service for operational expenses,
- \$130,625 from Reserve for Government Access Equipment and Facilities for audio video systems,
- \$20,747 from miscellaneous revenue for a Fire Department vehicle,
- \$69,698 from a donation transferred to the Corpus Christi Museum of Science and History Foundation per benefactor request, and
- \$24,500 from the Corpus Christi Public Library Foundation for automated library system.

Budget variances to expenditures and transfers include the following:

Street Services expenditures were over budget by \$268,163 due to electric costs. Estimating street lighting electric costs subsequent to deregulation and the associated change in providers proved to be a difficult task since historical data was not available for budget projections.

Solid Waste Services expenditures were over budget by \$578,091 primarily due to temporary personnel costs. Temporary personnel budget overruns were a direct result of delays in the implementation of the automated side-loader trucks. Manufacturer modifications to the new trucks were necessary requiring the continuation of usage of the rear-loader trucks, which require three personnel versus one for the side-loader trucks.

Health Services expenditures were over budget by \$18,725 primarily due to personnel costs, related to the Health Director's salary.

the City of Corpus Christi, Texas

7. Receivables

	General	Debt Service	Utility System	Other Funds	Total
Unrestricted					
Accounts	\$ 6,360,011	\$ --	\$ 19,616,432	\$ 3,383,179	\$ 29,359,622
Taxes	3,599,882	1,370,413	--	--	4,970,295
Accrued interest	88,380	95,149	566,181	1,036,604	1,786,314
Intergovernmental	4,905,430	10,324	2,008,909	5,720,179	12,644,842
Mortgages and loans	--	--	--	18,085,848	18,085,848
Property leases	74,581	--	13,773	2,503	90,857
Demolition liens	2,995,900	--	--	136,400	3,132,300
Special assessments	--	--	--	700,236	700,236
Employees	4,798	--	12,683	--	17,481
Miscellaneous	274,487	17,196	16,432	201,462	509,577
Restricted					
Accounts	--	--	--	258,572	258,572
Accrued interest	--	--	329,365	38,646	368,011
Intergovernmental	--	--	115,805	37,083	152,888
Gross receivables	<u>18,303,469</u>	<u>1,493,082</u>	<u>22,679,580</u>	<u>29,600,712</u>	<u>72,076,843</u>
Less allowance for uncollectible	<u>(6,735,136)</u>	<u>(1,027,810)</u>	<u>(2,813,482)</u>	<u>(603,418)</u>	<u>(11,179,846)</u>
Net total receivables	<u>\$ 11,568,333</u>	<u>\$ 465,272</u>	<u>\$ 19,866,098</u>	<u>\$ 28,997,294</u>	<u>\$ 60,896,997</u>

**8. Capital Assets**

A summary of changes in the capital assets follows:

	<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	\$ 48,747,143	\$ 374,577	\$ --	\$ 49,121,720
Construction in progress	90,429,415	42,376,302	3,445,604	129,360,113
Total capital assets, not being depreciated	<u>139,176,558</u>	<u>42,750,879</u>	<u>3,445,604</u>	<u>178,481,833</u>
Capital assets, being depreciated				
Buildings	95,817,574	8,624,409	--	104,441,983
Improvements	103,375,713	1,807,559	--	105,183,272
Machinery and equipment	113,914,523	4,854,438	1,289,756	117,479,205
Infrastructure	129,596,874	22,849,954	--	152,446,828
Total capital assets, being depreciated	<u>442,704,684</u>	<u>38,136,360</u>	<u>1,289,756</u>	<u>479,551,288</u>
Less accumulated depreciation for				
Buildings	37,887,961	2,311,013	--	40,198,974
Improvements	59,212,255	5,228,345	--	64,440,600
Machinery and equipment	87,660,793	7,538,513	1,289,756	93,909,550
Infrastructure	82,315,888	6,727,112	--	89,043,000
Total accumulated depreciation	<u>267,076,897</u>	<u>21,804,983</u>	<u>1,289,756</u>	<u>287,592,124</u>
Total capital assets, being depreciated, net	<u>175,627,787</u>	<u>16,331,377</u>	<u>--</u>	<u>191,959,164</u>
Governmental activities capital assets, net	<u>\$ 314,804,345</u>	<u>\$ 59,082,256</u>	<u>\$ 3,445,604</u>	<u>\$ 370,440,997</u>

the City of Corpus Christi, Texas

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
<b>Business-type activities</b>				
Capital assets, not being depreciated				
Land	\$ 23,872,080	\$ 579,759	\$ --	\$ 24,451,839
Construction in progress	195,711,460	(54,553,246)	--	141,158,214
Total capital assets, not being depreciated	<u>219,583,540</u>	<u>(53,973,487)</u>	<u>--</u>	<u>165,610,053</u>
Capital assets, being depreciated				
Buildings	76,074,215	5,606,684	--	81,680,899
Improvements	169,770,092	53,593,635	--	223,363,727
Machinery and equipment	33,248,758	11,444,244	400,607	44,292,395
Infrastructure	564,735,306	79,882,452	9,292	644,608,466
Total capital assets, being depreciated	<u>843,828,371</u>	<u>150,527,015</u>	<u>409,899</u>	<u>993,945,487</u>
Less: accumulated depreciation for				
Buildings	20,106,031	2,255,908	--	22,361,939
Improvements	61,658,002	6,377,241	--	68,035,243
Machinery and equipment	21,333,588	2,899,649	400,607	23,832,630
Infrastructure	153,208,973	12,762,560	9,292	165,962,241
Total accumulated depreciation	<u>256,306,594</u>	<u>24,295,358</u>	<u>409,899</u>	<u>280,192,053</u>
Total capital assets, being depreciated, net	<u>587,521,777</u>	<u>126,231,657</u>	<u>--</u>	<u>713,753,434</u>
Business-type activities capital assets, net	<u>\$ 807,105,317</u>	<u>\$ 72,258,170</u>	<u>\$ --</u>	<u>\$ 879,363,487</u>

**Discretely presented component units**

Activity for the Convention and Visitors Bureau for the year ended July 31, 2004, was as follows:

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Capital assets, being depreciated				
Buildings	\$ 223,498	\$ 1,125	\$ --	\$ 224,623
Machinery and equipment	182,257	32,830	--	215,087
Total capital assets, being depreciated	<u>405,755</u>	<u>33,955</u>	<u>--</u>	<u>439,710</u>
Less accumulated depreciation for				
Buildings	54,848	10,520	--	65,368
Machinery and equipment	147,578	16,717	--	164,295
Total accumulated depreciation	<u>202,426</u>	<u>27,237</u>	<u>--</u>	<u>229,663</u>
Total capital assets, being depreciated, net	<u>203,329</u>	<u>6,718</u>	<u>--</u>	<u>210,047</u>
Convention and Visitor's Bureau capital assets, net	<u>\$ 203,329</u>	<u>\$ 6,718</u>	<u>\$ --</u>	<u>\$ 210,047</u>

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<b>Governmental activity</b>		<b>Business-type activity</b>	
General government	\$ 2,103,942	Gas	\$ 1,113,075
Police	505,975	Water	12,121,257
Fire	576,692	Wastewater	6,259,679
Emergency management	4,532	Airport	3,207,038
Inspections	5,737	Ambulance	148,868
Streets	7,847,075	Golf centers	164,264
Health	154,157	Marina	312,023
Parks and recreations	2,632,482	Solid waste	969,154
Libraries	215,845	Total	\$ 24,295,358
Museums	154,243		
Community enrichment	3,391		
Community development	1,298,715		
Convention and visitor	1,752,121		
Internal service fund	4,089,789		
Total	\$ 21,344,696		

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

	<u>Project Authorization</u>	<u>Expenditures Through 07-31-04</u>	<u>Additional Funds Committed</u>	<u>Required Future Financing</u>
Arena	\$ 51,159,236	\$ 39,823,274	\$ 11,335,962	\$ --
Baseball Stadium	24,505,924	5,428,234	19,077,690	--
City Hall	469,296	294,468	174,828	--
Computer System	487,508	458,647	28,861	--
Convention Facility	34,668,193	27,369,797	7,298,396	--
Library	299,403	53,751	245,652	--
Packery Channel	4,850,340	4,129,272	721,068	--
Parks	660,888	590,704	70,184	--
Police Building	37,001	7,033	29,968	--
Public Health and Safety	5,764,013	4,494,427	1,269,586	--
Sanitary Landfill	10,848,493	10,759,570	88,923	--
Seawall	43,698,026	17,941,816	25,756,210	--
Street	23,353,858	12,870,282	10,483,576	--
Total	\$ 200,802,179	\$ 124,221,275	\$ 76,580,904	\$ --

**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-institutional, joint contributory, defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS); one of 789 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 pension funds are for the year ended December 31, 2002. Membership in the plans at December 31, 2002 is as follows:



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	<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	1,164	257	1,421
Current employees	2,589	371	2,960
Total	<u>3,753</u>	<u>628</u>	<u>4,381</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 78414-9153
Fire Fighters Retirement System	American Bank Plaza 711 N. Carancahua, Suite 724 Corpus Christi, Texas 78475

	<u>Texas Municipal Retirement System</u>	<u>Fire Fighters Retirement System</u>
Authority establishing contribution obligation	State Legislation	State Legislation
Frequency of contribution	Biweekly	Biweekly
Employee's contribution (percent of earnings)	5.00%	10%
City's contribution (percent of earnings)		
Calendar year 2003	11.75%	12%
Calendar year 2004	11.96%	12%

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, 2004 are as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>	<u>Total</u>
City	\$11,386,987	\$ 2,673,855	\$ 14,060,842
Employees	4,866,285	2,165,095	7,031,380
Total	<u>\$ 16,253,272</u>	<u>\$ 4,838,950</u>	<u>\$ 21,092,222</u>

**Annual Pension Cost and Net Pension Obligation**

The City's annual pension cost of \$14,060,842 for fiscal year ended July 31, 2004, was equal to the City's required and actual contributions. Three-year trend information is as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>	<u>Total</u>
City's Annual Pension Cost (APC)			
2002	\$ 9,826,227	\$ 2,300,477	\$ 12,126,704
2003	10,241,750	2,423,671	12,665,421
2004	11,386,987	2,673,855	14,060,842
Percentage of APC contributed			
2002	100%	100%	N/A
2003	100%	100%	N/A
2004	100%	100%	N/A
Net Pension Obligation			
2002	\$ -	\$ -	\$ -
2003	\$ -	\$ -	\$ -
2004	\$ -	\$ -	\$ -

The latest actuarial valuations for City employees was completed as of December 31, 2002, and for Fire Fighters was completed as of December 31, 2002. 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	Unit Credit	Entry Age
Asset Valuation Basis	Carrying Value	Market Value
Inflation Rate	N/A	4%
Projected Annual Salary Increases	N/A	4%
Post Retirement Benefit Increase	N/A	N/A
Assumed Rate of Return on Investments	8%	8%
Amortization Method	Level percent of payroll, open	Level percent of departmental average pay, open
Remaining Amortization Period	25 years	39 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**

Employees who retire from the City of Corpus Christi are eligible to continue to participate in the City's life and health insurance programs. The City provides no funding for any portion of the premiums after retirement. As of July 31, 2004 a total of 522 retirees were eligible to participate in the City's group health program. Retirees may enroll in any of the City's self-funded health insurance plans (Citicare, Citicare Public Safety, and Citicare-Fire).

**11. Risk Management**

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

**A. Insurance**

The City is self-insured due to the high cost of commercial liability, workers' compensation, and health insurance. Commercial property insurance for \$80 million on City buildings, \$75 million in airport liability, \$10 million of excess gas utility liability insurance, and an excess insurance policy which covers workers' compensation claims in excess of \$350,000 per accident up to \$1 million are maintained. A 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, the City maintains aggregate coverage of its group health expenses at 125% of projected claims. Settlements have not exceeded insurance coverage during the past three fiscal years.

All funds of the City participate in the program and make payments to the Liability and Employee Benefits Fund based on estimates of amounts needed to pay prior and current year claims. The claims liability of \$16,268,210 at July 31, 2004 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 workers' compensations claims; accordingly, no liability is reported for those claims. Changes in the fund claims liability amounts for fiscal years 2003 and 2004 were:

	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year End</u>
<b>Fiscal Year</b>				
2002-2003	\$ 16,750,185	\$ 25,813,891	\$ (24,243,215)	\$ 18,320,861
2003-2004	18,320,861	18,322,753	(20,375,404)	16,268,210

**B. Contingent Liabilities**

The City is a defendant in various tort claims and lawsuits involving general liability, automobile liability, civil rights actions, 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 under operating leases expiring through the fiscal year 2021 and the Memorial Coliseum under an operating lease expiring in fiscal year 2005. Minimum rentals to be received from non-cancelable leases are:

<u>Fiscal Year Ending July 31,</u>	<u>Enterprise Funds</u>	<u>Special Revenue Funds</u>
2005	\$ 2,099,801	\$ 73,310
2006	2,101,043	--
2007	2,154,992	--
2008	1,246,859	--
2009	686,579	--
2010-2021	2,054,934	--
Total minimum future rentals	<u>\$ 10,344,208</u>	<u>\$ 73,310</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. On April 1, 2004, the City sold \$25,000,000 in commercial paper with a maturity of September 9, 2004, interest rate of 1.00%. As of July 31, 2004, \$25,000,000 remained outstanding. The City issued Utility System Revenue Refunding and Improvement Bonds to payoff the commercial paper on September 9, 2004.

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**14. Long-term obligations**

The following is a summary of long-term obligation transactions of the City for the year ended July 31, 2004:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities</b>					
Long-term debt					
General obligation bonds	\$ 109,222,449	\$ --	\$ (8,733,310)	\$ 100,489,139	\$ 7,754,693
Certificates of obligation	52,675,000	6,845,000	(2,410,000)	57,110,000	2,720,000
Revenue bonds	95,645,000	27,065,000	(1,800,000)	120,910,000	3,525,000
Original issue discount	15,803,617	--	(5,924,668)	9,878,949	7,922,283
Premium on bonds	4,790,475	751,185	(133,323)	5,408,337	--
Deferred gain on refunding	(794,491)	--	136,764	(657,727)	--
Capital leases	8,716,166	1,316,734	(2,654,140)	7,378,760	2,173,271
Other notes payable	6,424,643	--	(423,239)	6,001,404	444,934
Total long-term debt	<u>292,482,859</u>	<u>35,977,919</u>	<u>(21,941,916)</u>	<u>306,518,862</u>	<u>24,540,181</u>
Accumulated compensated absences	<u>28,520,894</u>	<u>5,716,665</u>	<u>(6,366,012)</u>	<u>27,871,547</u>	<u>6,365,286</u>
Governmental activity					
Long-term liabilities	<u>\$ 321,003,753</u>	<u>\$ 41,694,584</u>	<u>\$ (28,307,928)</u>	<u>\$ 334,390,409</u>	<u>\$ 30,905,467</u>
<b>Business-type activities</b>					
Long-term debt					
Revenue Bonds payable	\$ 392,465,000	\$ 4,475,000	\$ (21,310,000)	\$ 375,630,000	\$ 17,940,000
Original issue discount	(3,699,517)	--	216,821	(3,482,696)	--
Premium on bonds payable	9,603,887	--	(376,428)	9,227,459	--
Deferred gain on refunding	(4,332,919)	(90,928)	599,351	(3,824,496)	--
Capital leases	3,420,504	3,176,096	(1,477,124)	5,119,476	1,695,457
Utility notes payable	177,907,801	--	(1,686,668)	176,221,133	2,084,542
Total long-term debt	<u>575,364,756</u>	<u>7,560,168</u>	<u>(24,034,048)</u>	<u>558,890,876</u>	<u>21,719,999</u>
Landfill Closure Cost	16,442,793	588,724	(1,486,410)	15,545,107	1,486,410
Accumulated compensated absences	<u>4,363,495</u>	<u>2,126,764</u>	<u>(2,056,341)</u>	<u>4,433,918</u>	<u>2,056,342</u>
Business-type activities					
Long-term liabilities	<u>\$ 596,171,044</u>	<u>\$ 10,275,656</u>	<u>\$ (27,576,799)</u>	<u>\$ 578,869,901</u>	<u>\$ 25,262,751</u>

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**A. Bonds**

Bonds payable at July 31, 2004 are comprised of the following:

**Governmental activities**

**General Obligation Bonds**

\$40,200,485 1987 General Improvement and Refunding Bonds and Capital Appreciation Bonds due in annual installments of \$669,446 to \$2,739,693 through November 1, 2005, interest at 8.35% to 8.40%.	\$ 3,409,139
\$32,095,000 1995 General Improvement Refunding Bonds due in annual installments of \$45,000 to \$8,860,000 through March 1, 2012, interest at 4.80% to 5.50%.	27,165,000
\$905,000 1995-A General Improvement Refunding Bonds due in annual installments of \$10,000 to \$125,000 through March 1, 2012, except 2006 when no payments are due, interest at 4.80% to 5.50%.	680,000
\$9,385,000 1995-B General Improvement Bonds due in an annual installment of \$450,000 through March 1, 2005, interest at 4.75%.	450,000
\$39,150,000 2001 General Improvement Refunding Bonds due in annual installments of \$160,000 to \$3,850,000 through March 1, 2018, including \$10,000,000 in term bonds due March 1, 2021, interest at 4.50% to 5.375%.	39,150,000
\$11,340,000 2001-A General Improvement Refunding Bonds due in annual installments of \$3,130,000 to \$4,400,000 through March 1, 2008, including \$3,310,000 in term bonds due March 1, 2006, and \$500,000 in term bonds due March 1, 2012, interest at 5.00%.	11,340,000
\$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 2.00% to 5.00%.	<u>18,295,000</u>
Total General Obligation Bonds	100,489,139
Accumulated accretion of original issue discount (original issue discount of \$10,380,862 less \$501,913 unaccredited discount).	<u>9,878,949</u>
Total General Obligation Bonds and Accumulated Accretion	<u>\$110,368,088</u>

**Certificates of Obligation**

\$1,200,000 1993 Combination Tax and Revenue Certificates of Obligation due in annual installments of \$50,000 to \$110,000 through December 1, 2009, interest at 5.5%.	\$ 460,000
\$11,035,000 1995 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$525,000 to \$850,000 through March 1, 2015, interest at 4.75% to 5.20%.	5,280,000
\$4,400,000 1996 Combination Tax and Texas State Aquarium Revenue Certificates of Obligation due in annual installments of \$200,000 to \$250,000 through March 1, 2010, interest at 4.65% to 5.15%.	1,350,000

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\$13,870,000 2000 Combination Tax and Revenue Certificates of Obligation due in annual installments of \$545,000 to \$865,000 through March 1, 2015, including \$2,895,000 and \$2,210,000 in term bonds due March 1, 2018 and 2020, interest at 4.45% to 5.75%.	12,700,000
\$31,545,000 2002 Combination Tax and Municipal Hotel Occupancy Tax Revenue Certificates of Obligation due in annual installments of \$1,090,000 to \$2,430,000 through September 1, 2022, including \$3,600,000 in term certificates due September 1, 2017, interest at 2.85% to 5.50%.	30,475,000
\$6,845,000 2004 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$205,000 to \$400,000 through March 1, 2019, including \$2,320,000 in term bonds due March 1, 2024, interest at 2.00% to 5.00%.	<u>6,845,000</u>
Total Certificates of Obligation	<u>\$ 57,110,000</u>

**Revenue Bonds**

\$2,500,000 2003 North Padre Island Development Corporation Tax Increment Contract Revenue Bonds due in annual installments of \$100,000 to \$400,000 from September 15, 2013, through September 15, 2023, interest at 7.50%.	\$ 2,500,000
\$43,960,000 2001 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Bonds due in annual installments of \$930,000 to \$2,915,000 through March 1, 2024, including term bonds of \$5,165,000 due March 1, 2022, and \$6,285,000 due March 1, 2026, interest at 4.00% to 5.375%.	43,115,000
\$49,185,000 2002 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Refunding and Improvement Bonds due in annual installments of \$1,020,000 to \$3,145,000 through September 1, 2022, including term bonds of \$10,425,000 due September 1, 2025, interest at 2.25% to 5.50%.	48,230,000
\$24,565,000 2004 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Bonds due in annual installments of \$1,575,000 to \$2,230,000 through September 1, 2017, interest at 2.00% to 5.00%.	24,565,000
\$2,500,000 2003-A North Padre Island Development Corporation Tax Increment Contract Revenue Bonds due in annual installments of \$100,000 to \$400,000 September 15, 2013 through September 15, 2023, interest at 7.25%.	<u>2,500,000</u>
Total Revenue Bonds	<u>120,910,000</u>
<b>Total Governmental Activities</b>	<u><b>\$288,388,088</b></u>

**Business-type activities**

**Revenue Bonds**

\$14,730,000 1995 Utility System Revenue Bonds due in one annual installment of \$675,000 on July 15, 2005, interest at 5.25%.	\$ 675,000
\$27,640,000 1995-A Utility System Revenue Bonds due in annual installments of \$1,290,000 to \$1,360,000 through July 15, 2006, interest at 4.30% to 4.45%.	2,650,000

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\$118,195,000 1997 Nueces River Authority Water Supply Facilities Revenue Bonds due in annual installments of \$2,410,000 to \$7,745,000 through March 1, 2027, interest at 5.125% to 6.00%.	105,770,000
\$8,970,000 1997-A Lavaca-Navidad River Authority Water Supply Facilities Revenue Bonds due in annual installments of \$390,000 to \$495,000 through July 15, 2010, including \$4,305,000 in term bonds due July 15, 2017, interest at 4.70% to 5.50%.	6,950,000
\$47,740,000 1999 Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$2,075,000 to \$3,505,000 through July 15, 2017, including \$5,810,000 in term bonds due July 15, 2019 interest at 4.25% to 5.25%.	40,925,000
\$15,750,000 1999-A Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$650,000 to \$1,100,000 due July 15, 2019, interest at 3.05% to 4.10%.	12,850,000
\$34,740,000 Series 2000 Utility System Revenue Refunding Bonds due in annual installments of \$3,870,000 to \$6,045,000 through July 15, 2010, interest at 5.50%.	27,590,000
\$42,520,000 2000-A Utility System Revenue Refunding Bonds due in annual installments of \$1,530,000 to \$3,450,000 through July 15, 2020, interest at 4.60% to 6.00%.	37,345,000
\$13,010,000 2000-A General Airport Revenue Bonds due in annual installments of \$415,000 to \$885,000 through February 15, 2020 including \$2,375,000 in term bonds due February 15, 2023, interest at 4.75% to 5.625%.	12,235,000
\$9,640,000 2000-B General Airport Revenue Bonds due on in annual installments of \$590,000 to \$1,050,000, starting 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 \$3,255,000 to \$6,960,000 through July 15, 2022, interest at 3.00% to 5.25%.	85,670,000
\$28,870,000 2003 Utility System Revenue Refunding Bonds due in annual installments of \$540,000 to \$4,815,000 through July 15, 2015, interest at 2.00% to 5.00%.	28,870,000
\$4,475,000 2003 Nueces River Authority Water Supply Revenue Refunding Bonds due in annual installments of \$840,000 to \$945,000 through April 1, 2009, interest at 2.85%.	<u>4,460,000</u>
Total Revenue Bonds - Business Type Activities	<u>\$375,630,000</u>



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The annual requirements to amortize all bonded debt outstanding as of July 31, 2004 are as follows:

Fiscal Year Ending July 31	Governmental Activities			
	General Obligation Bonds		Certificates of Obligation	
	Principal	Interest	Principal	Interest
2005	\$ 7,754,693	\$ 12,986,570	\$ 2,720,000	\$ 2,600,103
2006	13,889,446	6,868,439	2,750,000	2,600,202
2007	16,775,000	3,993,584	2,870,000	2,495,214
2008	12,740,000	3,147,814	2,980,000	2,371,648
2009	4,790,000	2,501,878	3,080,000	2,241,489
2010-2014	22,170,000	8,760,229	13,980,000	9,528,463
2015-2019	15,540,000	4,066,238	16,295,000	5,698,725
2020-2024	6,830,000	516,500	12,435,000	1,399,365
Total	<u>\$ 100,489,139</u>	<u>\$ 42,841,252</u>	<u>\$ 57,110,000</u>	<u>\$ 28,935,209</u>

Fiscal Year Ending July 31	Governmental Activities		Business-Type Activities	
	Revenue Bonds		Revenue Bonds	
	Principal	Interest	Principal	Interest
2005	\$ 3,525,000	\$ 5,588,582	\$ 17,940,000	\$ 19,008,775
2006	3,575,000	5,583,599	18,785,000	18,182,868
2007	3,780,000	5,473,374	19,615,000	17,346,780
2008	3,995,000	5,352,861	20,550,000	16,425,730
2009	4,220,000	5,223,761	21,510,000	15,495,028
2010-2014	25,440,000	23,385,303	96,920,000	62,979,384
2015-2019	31,925,000	16,042,156	92,310,000	38,530,454
2020-2024	31,045,000	7,814,762	58,005,000	16,358,469
2025-2029	13,405,000	835,500	28,490,000	3,789,036
2030	--	--	1,505,000	80,894
Total	<u>\$ 120,910,000</u>	<u>\$ 75,299,898</u>	<u>\$ 375,630,000</u>	<u>\$ 208,197,418</u>

\$1,014,000 was retained by the Trustee out of the proceeds of the Nueces River Authority Water Supply Revenue Bonds to pay the maximum amount of principal and interest of all outstanding bonds in any fiscal year.

\$11,251,800 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. An arbitrage liability of \$8,368 has been recorded 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 vehicles, trucks and heavy equipment for the Solid Waste Department, Health Department, Street Department, Fire Department, and Park and Recreation Department; a building and improvements for the Emergency Operations Center and Development Services 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, 2004.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Land	\$ 66,359	\$ --
Building	1,260,821	--
Machinery and equipment	10,608,852	8,498,585
Less accumulated depreciation	(2,225,374)	(2,168,331)
Total	<u>\$ 9,710,658</u>	<u>\$ 6,330,254</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, 2004:

<u>Fiscal Year Ending July 31</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2005	\$ 2,419,306	\$ 1,830,348
2006	1,622,506	1,512,665
2007	1,331,100	1,004,029
2008	1,129,314	682,715
2009	375,469	349,991
2010-2014	748,019	17,699
2015-2019	757,653	--
2020-2021	277,806	--
Total minimum lease payments	<u>8,661,173</u>	<u>5,397,447</u>
Less amount representing interest	<u>(1,282,413)</u>	<u>(277,971)</u>
Present value of minimum lease payments	<u>\$ 7,378,760</u>	<u>\$ 5,119,476</u>

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

**C. Other Notes Payable**

Other notes payable as of July 31, 2004 are as follows:

Bank of America note, payable in quarterly installments of \$20,902, including, 7% interest through April 3, 2006.	\$ 133,496
Bank of America note, payable in monthly installments of \$2,710, including 6.25% interest, through September 1, 2006.	47,908
State Infrastructure Loan, payable in annual installments of 4.5% interest only through January 4, 2007, with annual principal payments from 2008 through 2010.	4,000,000
Corpus Christi Tax Notes Series 2003, due in annual installments of \$330,000 to \$385,000, through March 1, 2009, interest at 3.68%.	1,820,000
Total Notes Payable	<u>\$ 6,001,404</u>

The annual requirements to amortize the notes outstanding as of July 31, 2004 are as follows:

<u>Fiscal Year Ending July 31</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2005	\$ 444,934	\$ 256,689
2006	436,470	237,043
2007	360,000	221,216
2008	1,125,000	207,968
2009	2,385,000	160,418
2010 - 2013	1,250,000	56,250
Total	<u>\$ 6,001,404</u>	<u>\$ 1,139,584</u>

**D. Utility System Notes Payable**

The Utility System notes payable of \$176,221,133 consists of \$71,499,351 related to an agreement with the Bureau of Reclamation for water rights and recreational facilities at Choke Canyon Dam and \$104,721,782 which represents the present value of an agreement with the Lavaca Navidad River Authority for water rights from Lake Texana.

**Choke Canyon Dam**

The U.S. Department of the Interior, through the Bureau of Reclamation (the Bureau), constructed a 700,000 acre foot 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, 2004 the City's share of the liability of the reservoir and related facilities including interest, totaled \$135,996,639 and is payable over a 40 year period at an interest rate of 5.116%.

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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:

<u>Fiscal Year Ending July 31</u>	<u>Principal</u>	<u>Interest</u>
2005	\$ 1,037,458	\$ 3,657,905
2006	1,390,332	3,604,831
2007	1,461,462	3,533,701
2008	1,536,231	3,458,932
2009	1,614,825	3,380,338
2010-2014	9,401,180	15,574,635
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>\$ 71,499,351</u>	<u>\$ 64,497,288</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 \$104,721,782 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, 2004:

<u>Fiscal Year Ending July 31</u>	<u>Principal</u>	<u>Interest</u>
2005	\$ 1,047,084	\$ 3,665,262
2006	1,142,189	3,628,614
2007	1,241,891	3,588,638
2008	1,346,378	3,545,172
2009	1,455,848	3,498,048
2010-2014	9,110,279	16,642,785
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>\$ 104,721,782</u>	<u>\$ 75,223,490</u>

**E. Closure and Postclosure 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 postclosure 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 postclosure care performed in the current year, and is assigned to periods based on cumulative landfill use. The estimated liability for landfill closure and postclosure costs recorded in the business-type activities at July 31, 2004 is \$15,545,107 based on the use of 89.7 percent of the estimated capacity of the landfill. The remaining estimated life expectancy of the landfill is 2 years on July 31, 2004. The estimated remaining total current cost of the landfill closure and postclosure care of \$17,330,108 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, 2004. However, the actual costs of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. The change in the estimated liability included \$1,486,410 of expenditures from landfill operations and site monitoring, and a \$588,724 increase due to change in remaining capacity.

**15. Advance Refunding**

On October 22, 2003, \$4,475,000 in Nueces River Authority (NRA) Water Supply Revenue Refunding Bonds, Series 2003, were issued. The cash flows required to service the old debt amounted to \$5,061,473 and the cash flow to service the new debt will amount to \$4,919,927. The refunding resulted in savings of \$141,546 and a net present value savings of \$129,439

In prior years, the City defeased certain general obligation and other bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liabilities for the defeased bonds are not included in the City's financial statements. On July 31, 2004, \$48,545,781 of bonds outstanding are considered defeased.

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

Interfund transfers for the year ended July 31, 2004 are as follows:

Transfers In	Transfers Out					Total
	General	Non-major Governmental	Utility System Fund	Non-major Proprietary	Internal Service	
General	\$ -	\$ 620,089	\$ 4,325,029	\$ 628,034	\$ -	\$ 5,573,152
Debt service	2,499,468	4,025,570	1,297,918	903,283	382,774	9,109,013
Non-major government	1,035,712	-	-	-	-	1,035,712
Utility system	-	-	-	-	-	-
Non-major proprietary	2,390,000	-	-	-	-	2,390,000
Internal Service	1,041,000	-	1,323,300	20,000	-	2,384,300
<b>Total</b>	<b>\$ 6,966,180</b>	<b>\$ 4,645,659</b>	<b>\$ 6,946,247</b>	<b>\$ 1,551,317</b>	<b>\$ 382,774</b>	<b>\$ 20,492,177</b>

During the year various interfund transfers were made to finance expenditures, subsidize operating losses and service debt. The \$6,966,180 General Fund transfer out includes transfers of \$2,499,468 for payment of debt service, \$2,390,000 to the Ambulance Fund, \$1,041,000 for capital equipment and improvements, and \$1,035,712 to the Federal/State Grants Fund as matching grants.

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The General Fund received transfers in of \$5,573,152 for administrative service charges.

The Debt Service Fund received transfers in of \$9,109,013 from the various funds (including the General Fund) for payment of debt service principal and to establish debt service reserves.

Additional transfers were made between the various other funds consisting of \$1,323,300 from the Utility System Fund and \$20,000 from the Marina Revenue Fund to the Maintenance Service Fund for capital outlay.

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 \$6,695,263 net revenue of the solid waste activity is accounted for as a transfer to governmental activities in the statement of activities.

Interfund advances for the year ended July 31, 2004 are as follows:

<u>To</u>	<u>From</u>	<u>Amount</u>
General Fund	Utility System Fund	\$ 154,600
		<u>\$ 154,600</u>

Interfund receivables and payables at July 31, 2004 are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Governmental funds		
General fund	\$ 2,642,683	\$ 296,509
Other non-major governmental funds	2,635,327	1,519,969
Total governmental	<u>5,278,010</u>	<u>1,816,478</u>
Enterprise funds		
Utility system fund	45,000	3,082,415
Other non-major enterprise funds	16,203	173,790
Total enterprise funds	<u>61,203</u>	<u>3,256,205</u>
Internal service funds	433,815	700,345
Total	<u>\$ 5,773,028</u>	<u>\$ 5,773,028</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, the Ambulance Fund and Engineering Fund had accumulated deficits of \$920,462 and \$158,071, respectively. Various factors contributed to these deficits. Among them were continued problems in enforcing joint governmental funding of ambulance services and an increase in accumulated compensated absences for the Ambulance Fund, and the City's paying of costs related to the Packery Channel project by the Engineering Fund which will be subsequently reimbursed to the City by the Corp of Engineers in future years.

**18. Conduit Debt Obligations**

The Corpus Christi Housing Finance Corporation (CCHFC), Corpus Christi Industrial Development Corporation (CCIDC), Corpus Christi Health Facilities Development Corporation (CCHFDC) and the Coastal Bend Health Facilities Development Corporation are public non-profit corporations created by the City under State law to facilitate financing of

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authorized projects. These entities issued bonds to unrelated commercial entities. As of July 31, 2004, there were 38 series of bonds outstanding. The aggregate principal amount payable for the four series issued after July 31, 1996, was \$188,795,000. The aggregate principal amount outstanding for the 35 series issued prior to August 1, 1996, could not be determined; however, their original issues amount totaled \$609,766,283. 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 and airport. 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 activities are accounted as an enterprise fund in the fund financial statements. Segment information of airport funds as of and for the year ended July 31, 2004, is as follows:

	<u>Airport Fund</u>
Current assets	\$ 8,296,932
Restricted noncurrent assets	5,775,966
Capital assets	76,844,318
Other assets	651,277
Total assets	<u>91,568,493</u>
Current liabilities	3,003,061
Long-term liabilities	20,988,663
Total liabilities	<u>23,991,724</u>
Net assets	
Invested in capital assets, net of related debt	56,169,348
Restricted	6,190,966
Unrestricted	5,216,455
Net assets	<u>\$ 67,576,769</u>
Operating revenue	\$ 7,555,096
Depreciation	(3,207,038)
Other operating expenses	(6,072,804)
Operating loss	<u>(1,724,746)</u>
Nonoperating income	3,340,803
Transfers out	(889,727)
Net income	<u>726,330</u>
Net assets beginning of year	66,850,439
Net assets end of year	<u>\$ 67,576,769</u>
Net cash flow provided by (used for)	
Operating activities	\$ 1,285,852
Noncapital financing activities	(886,603)
Capital and related financing activities	(6,141,126)
Investment activities	3,446,020
Beginning cash and cash equivalents	7,657,274
Ending cash and cash equivalents	<u>\$ 5,361,417</u>

**REQUIRED SUPPLEMENTARY INFORMATION  
EMPLOYMENT RETIREMENT BENEFITS – ANALYSIS OF FUNDING PROGRESS  
FOR YEAR ENDED JULY 31, 2004**

Valuation Date <u>December 31</u>	(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>						
2001	229,017,517	302,375,453	75.7%	73,357,936	78,939,568	92.9%
2002	232,869,362	313,123,386	74.4%	80,254,024	80,833,356	99.3%
2003	236,961,675	325,271,796	72.9%	88,310,121	87,564,798	100.9%
<b>Fire Fighters Retirement System</b>						
1998	74,362,231	89,181,865	83.4%	14,819,634	16,457,406	90.0%
2000	84,953,930	110,659,956	76.8%	25,706,026	16,856,529	152.5%
2002	78,135,835	120,879,630	64.6%	42,743,795	20,272,430	210.8%



***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.

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Exhibit 6-A

GENERAL FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2004 AND 2003

ASSETS	2004	2003
Cash and cash equivalents	\$ 2,821,651	\$ 5,243,443
Investments	9,506,267	8,625,400
Receivables		
Accounts	6,360,011	6,032,224
Taxes	3,599,882	3,560,328
Accrued interest	88,380	53,498
Demolition liens	2,995,900	2,847,628
Property leases	74,581	76,140
Employees	4,798	302
Intergovernmental	4,905,430	3,894,231
Miscellaneous	274,487	106,958
Allowance for uncollectibles	(6,735,136)	(6,220,717)
Net receivables	11,568,333	10,350,592
Due from other funds	2,642,683	2,572,404
Inventories	150,587	210,964
Deposits	450	450
Prepaid items	--	3,517
Other	--	--
Total assets	<u>\$ 26,689,971</u>	<u>\$ 27,006,770</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 5,558,568	\$ 2,384,630
Accrued liabilities	1,763,226	6,664,474
Deposits	593,133	641,653
Liability to claimants - escheat property	628,633	612,100
Due to other funds	296,509	2,309,944
Due to other governmental agencies	916,813	156,132
Advance from other funds	154,600	184,600
Deferred revenues		
Taxes	899,928	854,479
Other	151,896	259,990
Other	4,722	3,323
Total liabilities	10,968,028	14,071,325
Fund balance		
Reserved for encumbrances	1,388,616	788,839
Reserved for inventory	150,587	210,964
Reserved for prepaid items	--	3,517
Reserved for Municipal Court building security	251,487	292,270
Reserved for Municipal Court technology	301,508	328,953
Reserved for government access equipment	11,959	142,584
Reserved for public access equipment and facility	3,500	3,500
Reserved for 9-1-1 wireless system	107,106	107,106
Reserved for capital replacement - radio system	30,000	30,000
Reserved for firefighters training	4,000	--
Reserved for Judicial/Court improvements	105,599	84,444
Unreserved		
Designated for negotiated pay	360,000	--
Undesignated	13,007,581	10,943,268
Total fund balance	<u>15,721,943</u>	<u>12,935,445</u>
Total liabilities and fund balance	<u>\$ 26,689,971</u>	<u>\$ 27,006,770</u>

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**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
<b>Taxes</b>				
<b>General property taxes</b>				
Ad valorem taxes - current	\$ 39,588,708	\$ 39,588,708	\$ 40,168,533	\$ (6,661)
Ad valorem taxes - delinquent	1,025,000	1,025,000	1,123,068	(2,392)
Penalties and interest	750,000	750,000	775,357	(1,729)
Industrial District - in lieu of taxes	5,971,917	5,971,917	5,913,767	--
Housing Authority - in lieu of taxes	19,167	19,167	13,861	--
Total general property taxes	<u>47,354,792</u>	<u>47,354,792</u>	<u>47,994,586</u>	<u>(10,782)</u>
City sales tax	<u>33,499,355</u>	<u>33,499,355</u>	<u>34,120,633</u>	<u>--</u>
Liquor drink tax	<u>721,000</u>	<u>721,000</u>	<u>748,784</u>	<u>--</u>
Bingo tax	<u>125,860</u>	<u>125,860</u>	<u>214,853</u>	<u>--</u>
<b>Business fees</b>				
Electric franchise	8,980,870	8,980,870	8,705,598	--
Electric franchise - Nueces Co-op	125,174	125,174	126,743	--
Telecommunications fees	5,374,727	5,374,727	4,866,986	--
CATV franchise	1,896,148	1,896,148	2,204,771	--
Taxicab franchise	32,400	32,400	39,540	--
Other business fees	10,000	10,000	--	--
Total business fees	<u>16,419,319</u>	<u>16,419,319</u>	<u>15,943,638</u>	<u>--</u>
Total taxes and business fees	<u>98,120,326</u>	<u>98,120,326</u>	<u>99,022,494</u>	<u>(10,782)</u>
<b>Licenses and permits</b>				
Amusement licenses	27,400	27,400	20,281	--
Technology fee	27,731	27,731	15,857	--
Beer and liquor licenses	95,880	95,880	86,725	--
Electricians licenses and exam fees	96,776	96,776	74,906	--
Occupational licenses & renewals	3,443	3,443	--	--
Auto wrecker permits	19,207	19,207	10,564	--
House mover licenses	918	918	--	--
Forfeited house mover deposits	5,643	5,643	--	--
Other business licenses	8,345	8,345	13	--
Building permits	690,725	690,725	911,402	--
Electrical permits	278,970	278,970	351,947	--
Plumbing permits	212,500	212,500	291,395	--
Mechanical permits	228,200	228,200	310,686	--
Certificate of occupancy fees	13,627	13,627	28,263	--
Plan review fees	99,198	99,198	103,969	--
Oil well drilling fees	80,850	80,850	--	--
Mechanical registration fees	13,144	13,144	254	--
Driveway permit fees	8,060	8,060	8,074	--
Occupancy of public R-O-W	33,800	33,800	8,619	--
Revocable easement fees	--	--	76,209	--
Street easement closure fees	21,068	21,068	18,812	--
Landscape fees	10,373	10,373	5,669	--
Research and survey fees	7,075	7,075	9,809	--
Construction document fees	3,300	3,300	796	--
Billboard fees	14,400	14,400	142	--
House moving route permits	2,970	2,970	3,250	--
Oversized load permits	4,640	4,640	1,520	--
Street blockage permits	440	440	720	--
Energy code permit	29,151	29,151	55,988	--
Banner permits	400	400	400	--

(Continued)

the City of Corpus Christi, Texas

Exhibit 6-B

2004 Actual Budget Basis	Variance Final Budget Positive (Negative)	2003 Actual Budget Basis
\$ 40,161,872	\$ 573,164	\$ 36,884,018
1,120,676	95,676	1,161,142
773,628	23,628	841,376
5,913,767	(58,150)	5,797,952
13,861	(5,306)	19,167
<u>47,983,804</u>	<u>629,012</u>	<u>44,703,655</u>
<u>34,120,633</u>	<u>621,278</u>	<u>32,351,154</u>
<u>748,784</u>	<u>27,784</u>	<u>712,103</u>
<u>214,853</u>	<u>88,993</u>	<u>147,556</u>
8,705,598	(275,272)	9,023,360
126,743	1,569	--
4,866,986	(507,741)	5,197,762
2,204,771	308,623	1,872,920
39,540	7,140	22,220
--	(10,000)	3,220
<u>15,943,638</u>	<u>(475,681)</u>	<u>16,119,482</u>
<u>99,011,712</u>	<u>891,386</u>	<u>94,033,950</u>
20,281	(7,119)	15,960
15,857	(11,874)	--
86,725	(9,155)	91,661
74,906	(21,870)	77,978
--	(3,443)	3,376
10,564	(8,643)	14,696
--	(918)	289
--	(5,643)	2,500
13	(8,332)	6,070
911,402	220,677	713,292
351,947	72,977	257,594
291,395	78,895	216,800
310,686	82,486	235,754
28,263	14,636	22,842
103,969	4,771	90,401
--	(80,850)	104,685
254	(12,890)	3,362
8,074	14	7,060
8,619	(25,181)	8,586
76,209	76,209	--
18,812	(2,256)	4,115
5,669	(4,704)	3,194
9,809	2,734	9,038
796	(2,504)	906
142	(14,258)	16,410
3,250	280	2,805
1,520	(3,120)	5,346
720	280	560
55,988	26,837	--
400	--	400

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**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
<b>Licenses and permits (continued)</b>				
Special event permits	1,400	1,400	600	--
Total licenses and permits	<u>2,039,634</u>	<u>2,039,634</u>	<u>2,396,870</u>	<u>--</u>
<b>Grants</b>				
Equal Employment Opportunity Commission	67,700	67,700	46,000	--
Federal Emergency Management Assistance	35,000	35,000	92,869	--
Sexual Assault Exam	--	--	290,867	--
HUD Fair Housing Assessment	115,000	115,000	115,000	--
General Land Office - beach cleaning	83,000	83,000	29,074	--
Total grants	<u>300,700</u>	<u>300,700</u>	<u>573,810</u>	<u>--</u>
<b>Charges for services</b>				
General governmental services				
Zoning fees	33,084	33,084	70,995	--
Platting fees	57,760	57,760	118,453	--
Board of Adjustment appeal fees	8,199	8,199	8,205	--
Attorney fees - demolition liens	11,500	11,500	11,697	--
Legal fees - miscellaneous	--	--	--	--
Sale of City publications	1,200	1,200	2,551	--
Blueprint sales and GIS sales	394	394	528	--
Candidate filing fees	--	--	--	--
Nonprofit registration fees	2,500	2,500	2,120	--
Dog track admission fees	10,752	10,752	5,773	--
Total general governmental services	<u>125,389</u>	<u>125,389</u>	<u>220,322</u>	<u>--</u>
<b>Police</b>				
Police towing and storage charges	780,000	780,000	677,926	--
Police impound certified mail recovery	17,400	17,400	19,217	--
Police accident reports	85,290	85,290	90,092	--
Proceeds from auction	362,184	362,184	403,766	--
Parking meter collections	225,000	225,000	158,470	--
Police open record request	11,528	11,528	18,741	--
Police subpoenas	600	600	2,712	--
Fingerprinting fees	5,124	5,124	5,264	--
Police Security Services	--	--	112,397	(112,397)
DWI Video Taping	--	--	3,419	(3,419)
Alarm system permits and services	191,780	191,780	260,603	--
800 MHz radio	200,461	200,461	157,559	--
9-1-1 wireless service fees	733,866	733,866	819,497	--
9-1-1 wireline service fees	800,879	800,879	878,038	--
Police C.A.D. calls	442	442	536	--
Restitution	--	--	2,203	--
CCISD-DARE	--	--	162,036	(162,036)
School crossing guard program	73,793	73,793	82,951	(5,113)
Nueces county - Metrocom	--	--	665,911	(665,911)
Child safety fees	--	--	--	--
Total police	<u>3,488,347</u>	<u>3,488,347</u>	<u>4,521,338</u>	<u>(948,876)</u>
<b>Fire</b>				
Fire prevention permits	81,200	81,200	92,463	--
Fire service - outside city limits	--	--	--	--
Emergency management alert system fees	--	--	15,902	--
Fire department trust donations	--	--	--	--
Pipeline reporting administrative fees	36,000	36,000	32,000	--
Total fire	<u>117,200</u>	<u>117,200</u>	<u>140,365</u>	<u>--</u>

(Continued)



the City of Corpus Christi, Texas

Exhibit 6-B  
(Continued)

2004 Actual Budget Basis	Variance Final Budget Positive (Negative)	2003 Actual Budget Basis
600	(800)	1,960
<u>2,396,870</u>	<u>357,236</u>	<u>1,917,640</u>
46,000	(21,700)	79,900
92,869	57,869	37,637
290,867	290,867	--
115,000	--	115,000
29,074	(53,926)	7,406
<u>573,810</u>	<u>273,110</u>	<u>239,943</u>
70,995	37,911	54,426
118,453	60,693	82,487
8,205	6	1,500
11,697	197	14,437
--	--	399
2,551	1,351	7,586
528	134	436
--	--	2,100
2,120	(380)	1,228
5,773	(4,979)	8,040
<u>220,322</u>	<u>94,933</u>	<u>172,639</u>
677,926	(102,074)	617,189
19,217	1,817	18,030
90,092	4,802	85,595
403,766	41,582	372,799
158,470	(66,530)	153,396
18,741	7,213	20,707
2,712	2,112	433
5,264	140	5,128
--	--	--
--	--	--
260,603	68,823	156,082
157,559	(42,902)	169,678
819,497	85,631	743,178
878,038	77,159	499,740
536	94	458
2,203	2,203	95
--	--	--
77,838	4,045	64,316
--	--	--
--	--	1,367
<u>3,572,462</u>	<u>84,115</u>	<u>2,908,191</u>
92,463	11,263	83,968
--	--	468
15,902	15,902	--
--	--	3,050
32,000	(4,000)	21,200
<u>140,365</u>	<u>23,165</u>	<u>108,686</u>

the City of Corpus Christi, Texas

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
<b>Streets</b>				
RTA - street services contribution	1,002,300	1,002,300	1,006,771	--
Speed humps	--	--	9,981	(9,981)
State of Texas - expressway lighting	100,000	100,000	97,147	--
Subdivision street lighting participation	25,000	25,000	83,635	--
Total streets	1,127,300	1,127,300	1,197,534	(9,981)
<b>Solid waste services</b>				
Residential refuse collection fees	10,282,608	10,282,608	10,174,714	--
Commercial and industrial refuse collection fees	1,039,333	1,039,333	1,156,987	--
Municipal solid waste system service charge (MSWSSC)	1,594,194	1,594,194	1,653,689	--
Refuse disposal charges	7,055,390	7,055,390	8,185,917	--
Disposal charges - landfill project	--	--	--	--
Refuse collection permits	19,000	19,000	21,545	--
Special debris pickup	165,000	165,000	210,527	--
Brush fees	45,000	45,000	27,909	--
Recycling	3,000	3,000	3,529	--
Recycling containers	--	--	33,804	(33,804)
Unsecured load charge	500	500	170	--
Inactive consumption fees	100	100	--	--
Recovery of charged off accounts	300	300	1,041	--
Total solid waste services	20,204,425	20,204,425	21,469,832	(33,804)
<b>Health services</b>				
Food service permits	339,081	339,081	295,916	--
Seafood safety	44,586	44,586	9,578	--
Immunization fees	4,230	4,230	4,230	--
Vital statistics fees	315,223	315,223	263,274	--
Laboratory services	67,699	67,699	57,574	--
Nueces County - health administration	45,000	45,000	113,566	--
Nueces County Hospital District	--	--	--	--
Swimming pool inspection fees	21,250	21,250	17,510	--
Private sewage inspection fees	4,800	4,800	11,148	--
Pound fee and handling charges	52,440	52,440	64,107	--
Pet licenses	87,660	87,660	84,863	--
Commercial animal permits	--	--	782	--
General nursing fees	6,550	6,550	3,329	--
Animal trap fees	1,200	1,200	--	--
Pest control services	14,280	14,280	7,370	--
Lab shipping fees	780	780	816	--
Sexually transmitted disease clinic fees	15,831	15,831	13,729	--
Family planning fees	--	--	2,713	--
Child care facilities fees	8,015	8,015	8,079	--
Total health services	1,028,625	1,028,625	958,584	--
<b>Recreation services</b>				
Swimming pools	196,659	196,659	177,059	--
Swimming instruction fees	69,000	69,000	81,437	--
H.E. Butt tennis center	35,000	35,000	34,214	--
Al Kruse tennis center	23,800	23,800	27,194	--
Athletic events	106,200	106,200	95,122	--
Athletic instruction fees	33,000	33,000	33,097	--
Athletic rentals	9,162	9,162	14,911	--
Latchkey program	1,904,793	1,904,793	1,641,906	--
Latchkey instruction fees	2,500	2,500	11,371	--
Buc days/Bayfest	--	--	13,646	(13,646)
Summer program registration fees	16,000	16,000	9,597	--

(Continued)

the City of Corpus Christi, Texas

Exhibit 6-B  
(Continued)

2004 Actual Budget Basis	Variance Final Budget Positive (Negative)	2003 Actual Budget Basis
1,006,771	4,471	1,004,541
--	--	--
97,147	(2,853)	61,414
83,635	58,635	96,025
<u>1,187,553</u>	<u>60,253</u>	<u>1,161,980</u>
10,174,714	(107,894)	10,010,141
1,156,987	117,654	791,673
1,653,689	59,495	1,282,303
8,185,917	1,130,527	6,983,226
--	--	58,969
21,545	2,545	20,800
210,527	45,527	201,808
27,909	(17,091)	39,380
3,529	529	5,613
--	--	--
170	(330)	330
--	(100)	50
1,041	741	50
<u>21,436,028</u>	<u>1,231,603</u>	<u>19,394,343</u>
295,916	(43,165)	301,350
9,578	(35,008)	10,949
4,230	--	5,671
263,274	(51,949)	278,991
57,574	(10,125)	61,827
113,566	68,566	44,904
--	--	12,927
17,510	(3,740)	14,548
11,148	6,348	8,942
64,107	11,667	46,125
84,863	(2,797)	82,227
782	782	1,934
3,329	(3,221)	3,823
--	(1,200)	532
7,370	(6,910)	13,053
816	36	1,050
13,729	(2,102)	5,896
2,713	2,713	--
8,079	64	1,842
<u>958,584</u>	<u>(70,041)</u>	<u>896,591</u>
177,059	(19,600)	170,488
81,437	12,437	65,052
34,214	(786)	37,767
27,194	3,394	23,960
95,122	(11,078)	91,703
33,097	97	34,449
14,911	5,749	9,561
1,641,906	(262,887)	1,601,149
11,371	8,871	10,781
--	--	--
9,597	(6,403)	--

the City of Corpus Christi, Texas

GENERAL FUND  
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET  
 YEAR ENDED JULY 31, 2004  
 WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
<b>Recreation services (continued)</b>				
Beach parking permits	108,976	108,976	53,185	--
Heritage Park revenues	2,240	2,240	3,661	--
Heritage Park maintenance contract	23,196	23,196	18,421	--
Multicultural center rentals	31,000	31,000	34,843	--
Pavilion rentals	9,500	9,500	12,344	--
Cultural service rentals	7,970	7,970	10,118	--
Recreation instruction fees	37,500	37,500	64,146	--
Recreation center rentals	10,700	10,700	10,036	--
Other recreation services	3,200	3,200	40,803	(35,643)
Total recreation services	2,630,396	2,630,396	2,387,111	(49,289)
<b>Libraries</b>				
Fines	106,500	106,500	93,081	--
Lost book charges	14,500	14,500	12,326	--
Copy machine sales	36,500	36,500	40,051	--
Other library revenue	19,138	19,138	41,435	(25,411)
Total libraries	176,638	176,638	186,893	(25,411)
<b>Museums</b>				
Admissions	124,305	124,305	93,492	--
Special program fees	--	--	5,990	--
McGregor reproduction fees	3,420	3,420	3,293	--
Facility rental	18,414	18,414	15,283	--
Education group programs	1,188	1,188	1,445	--
School District - museum educational program	13,000	13,000	13,050	--
Parties and recitals	3,385	3,385	3,686	--
Classes and workshops	5,185	5,185	--	--
Columbus ships				
Admissions	134,705	134,705	102,299	--
Facility rental	8,800	8,800	3,650	--
Total museums	312,402	312,402	242,188	--
Total charges for services	29,210,722	29,210,722	31,324,167	(1,067,361)
<b>Fines and forfeitures</b>				
Moving vehicle fines	2,548,020	2,548,020	2,183,041	--
Parking fines	134,572	134,572	162,229	--
General fines	735,144	735,144	820,987	--
Officers fees	195,879	195,879	190,514	--
Uniform Traffic Act fines	86,496	86,496	78,945	--
Warrant fees	47,661	47,661	283,083	--
<b>Municipal Court</b>				
State fee discount	177,683	177,683	181,672	--
Time Pay Fee - Court	21,696	21,696	21,155	--
Time Pay Fee - City	83,142	83,142	84,619	--
Technology Fee	136,245	136,245	146,796	--
Building security	112,895	112,895	115,843	--
Failure to appear fines	68,851	68,851	755,116	--
Animal control fines	4,831	4,831	9,158	--
Special parking enforcement	554	554	2,160	--
Teen Court administration fee	--	--	1,635	--
Bond forfeiture	--	--	86	--
Other court fines	125,244	125,244	152,559	--
Total fines and forfeitures	4,478,913	4,478,913	5,189,598	--

(Continued)

the City of Corpus Christi, Texas

Exhibit 6-B  
(Continued)

2004 Actual Budget Basis	Variance Final Budget Positive (Negative)	2003 Actual Budget Basis
53,185	(55,791)	68,762
3,661	1,421	4,472
18,421	(4,775)	--
34,843	3,843	--
12,344	2,844	10,019
10,118	2,148	12,517
64,146	26,646	57,177
10,036	(664)	10,583
5,160	1,960	5,481
<u>2,337,822</u>	<u>(292,574)</u>	<u>2,213,921</u>
93,081	(13,419)	101,667
12,326	(2,174)	13,372
40,051	3,551	36,900
16,024	(3,114)	17,634
<u>161,482</u>	<u>(15,156)</u>	<u>169,573</u>
93,492	(30,813)	95,610
5,990	5,990	10,010
3,293	(127)	3,306
15,283	(3,131)	15,695
1,445	257	961
13,050	50	13,000
3,686	301	3,725
--	(5,185)	--
102,299	(32,406)	92,983
3,650	(5,150)	3,800
<u>242,188</u>	<u>(70,214)</u>	<u>239,090</u>
<u>30,256,806</u>	<u>1,046,084</u>	<u>27,265,014</u>
2,183,041	(364,979)	2,179,252
162,229	27,657	110,560
820,987	85,843	661,839
190,514	(5,365)	167,013
78,945	(7,551)	69,812
283,083	235,422	81,985
181,672	3,989	171,688
21,155	(541)	16,769
84,619	1,477	67,075
146,796	10,551	121,173
115,843	2,948	101,514
755,116	686,265	40,565
9,158	4,327	3,763
2,160	1,606	190
1,635	1,635	275
86	86	--
152,559	27,315	129,091
<u>5,189,598</u>	<u>710,685</u>	<u>3,922,564</u>

the City of Corpus Christi, Texas

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Earnings on investments	180,015	180,015	248,091	--
Miscellaneous				
Rents				
Rental of general property	130,889	130,889	134,369	--
Oil and gas leases	1,140	1,140	1,994	--
Recovery on damage claims	7,000	7,000	11,345	--
Recovery of prior year expenditures	30,000	30,000	--	--
Recovery of prior year revenues	--	--	--	--
Contributions and donations	--	24,500	242,094	(67,094)
Time Warner-Public Access Equipment	--	--	7,000	--
Automated teller machines	1,200	1,200	1,200	--
Engineering Services-other governments	--	--	4,477	--
Engineering Services-CIP projects	--	--	39,618	(39,618)
Engineering Services-interdept	--	--	7,262	--
RTA bus advertising revenues	--	--	13,767	--
Sale of city property	1,500	1,500	741	--
Sale of fixed assets	--	--	11,022	--
Copy sales	2,500	2,500	2,722	--
All-America sales	--	--	4,475	--
Returned check fees	6,000	6,000	7,770	--
Accounts receivable finance charges	1,500	1,500	9	--
Demolition and weed liens	69,483	69,483	73,804	--
Purchase discounts	8,700	8,700	14,244	--
Vending machine sales	7,000	7,000	5,977	--
Forfeited plan deposits	15,000	15,000	41,630	--
Human relations training conference	10,000	10,000	4,476	--
Claim settlements	--	--	66,344	--
Cell phone reimbursement	--	--	--	--
Miscellaneous	150,000	150,000	185,847	--
Total miscellaneous revenue	441,912	466,412	882,187	(106,712)
Reimbursements				
Other government units	1,218,879	1,218,879	--	998,462
Bond funds	955,673	955,673	--	961,738
Interdepartmental	4,657,638	4,657,638	--	4,173,080
Street recovery fees	657,444	657,444	--	699,857
Interdepartmental services - street	479,886	479,886	--	797,982
Fire hydrant maintenance	320,000	320,000	--	320,000
800 MHz radio - interdepartmental	107,076	107,076	--	107,580
Miscellaneous	214,167	214,167	--	216,046
Total reimbursements revenue	8,610,763	8,610,763	--	8,274,745
Total revenues	143,382,985	143,407,485	139,637,217	7,089,890
Other financing sources (uses)				
Capital leases	--	--	3,083,773	(3,083,773)
Notes payable	--	--	--	--
Total other financing sources	--	--	3,083,773	(3,083,773)

(Continued)

the City of Corpus Christi, Texas

Exhibit 6-B  
(Continued)

2004 Actual Budget Basis	Variance Final Budget Positive (Negative)	2003 Actual Budget Basis
248,091	68,076	319,439
134,369	3,480	130,227
1,994	854	1,333
11,345	4,345	5,874
--	(30,000)	198,852
--	--	73,962
175,000	150,500	16,230
7,000	7,000	3,500
1,200	--	1,400
4,477	4,477	5,264
--	--	--
7,262	7,262	--
13,767	13,767	15,122
741	(759)	20,061
11,022	11,022	--
2,722	222	2,376
4,475	4,475	--
7,770	1,770	5,330
9	(1,491)	--
73,804	4,321	144,595
14,244	5,544	392
5,977	(1,023)	6,583
41,630	26,630	31,950
4,476	(5,524)	9,800
66,344	66,344	18,020
--	--	570
185,847	35,847	24,777
775,475	309,063	716,218
998,462	(220,417)	881,667
961,738	6,065	614,986
4,173,080	(484,558)	7,694,384
699,857	42,413	606,139
797,982	318,096	474,954
320,000	--	250,000
107,580	504	106,128
216,046	1,879	277,419
8,274,745	(336,018)	10,905,677
146,727,107	3,319,622	139,320,445
--	--	--
--	--	2,150,000
--	--	2,150,000

the City of Corpus Christi, Texas

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
<b>Transfers in</b>				
Administrative charges				
Federal grants	205,187	205,187	235,624	--
Visitor facility	379,012	379,012	379,012	--
Gas division	1,115,052	1,115,052	1,115,052	--
Wastewater division	1,135,064	1,135,064	1,135,064	--
Water division	2,074,913	2,074,913	2,074,913	--
Airport	184,567	184,567	184,567	--
Ambulance	297,603	297,603	297,603	--
Golf	101,506	101,506	101,506	--
Marina	44,358	44,358	44,358	--
Other				
Street CIP	--	--	5,453	--
Maintenance service	--	--	--	--
Total transfers in	<u>5,537,262</u>	<u>5,537,262</u>	<u>5,573,152</u>	<u>--</u>
<b>Transfers out</b>				
Debt service fund	(13,068)	(13,068)	(2,499,468)	2,486,400
Federal grants	(1,022,609)	(1,035,712)	(1,035,712)	--
Maintenance service fund	--	--	(1,041,000)	1,041,000
Ambulance fund	(2,390,000)	(2,390,000)	(2,390,000)	--
Total transfers out	<u>(3,425,677)</u>	<u>(3,438,780)</u>	<u>(6,966,180)</u>	<u>3,527,400</u>
Total other sources	<u>2,111,585</u>	<u>2,098,482</u>	<u>1,690,745</u>	<u>443,627</u>
Total revenues and other sources	<u>\$ 145,494,570</u>	<u>\$ 145,505,967</u>	<u>\$ 141,327,962</u>	<u>\$ 7,533,517</u>



the City of Corpus Christi, Texas

Exhibit 6-B  
(Continued)

2004 Actual Budget Basis	Variance Final Budget Positive (Negative)	2003 Actual Budget Basis
235,624	30,437	243,978
379,012	--	371,580
1,115,052	--	1,093,188
1,135,064	--	1,112,808
2,074,913	--	2,034,228
184,567	--	180,948
297,603	--	291,768
101,506	--	99,516
44,358	--	43,488
5,453	5,453	11,004
--	--	1,078,648
<u>5,573,152</u>	<u>35,890</u>	<u>6,561,154</u>
(13,068)	--	--
(1,035,712)	--	(974,209)
--	--	(2,330,224)
<u>(2,390,000)</u>	<u>--</u>	<u>(2,577,008)</u>
<u>(3,438,780)</u>	<u>--</u>	<u>(5,881,441)</u>
<u>2,134,372</u>	<u>35,890</u>	<u>2,829,713</u>
<u>\$ 148,861,479</u>	<u>\$ 3,355,512</u>	<u>\$ 142,150,158</u>

the City of Corpus Christi, Texas

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
<b>General government</b>					
<b>Control</b>					
City Council and City Secretary	\$ 551,435	\$ 113,994	\$ 109,216	\$ 168,695	\$ 25,809
City Manager	359,554	4,457	22,366	59,703	--
Group Managers	450,532	4,928	36,386	51,395	--
Management and budget office	391,964	12,101	28,648	93,222	--
Grants and revenue section	--	--	--	--	--
Operations Performance Review	--	--	--	--	--
Communications/quality management	185,846	1,783	96,715	32,803	--
Cable public education government access	--	--	15,458	--	--
Capital budgeting	127,222	721	14,612	14,520	--
Total general government - control	<u>2,066,553</u>	<u>137,984</u>	<u>323,401</u>	<u>420,338</u>	<u>25,809</u>
<b>Staff agencies</b>					
Director of finance	274,743	813	47,970	135,521	--
Accounting	1,424,595	47,001	387,264	414,367	--
Utility business office	--	--	--	--	--
Customer service	--	--	--	--	--
Field services	--	--	--	--	--
Mortgage servicing program	--	--	--	--	--
Mortgage-credit certification program	--	--	--	--	--
Nueces County Tax Appraisal District	--	--	806,405	--	--
Central cashiering	449,012	25,373	68,062	464,869	--
Cash management	214,413	6,897	2,778	182,572	--
Legal	1,500,913	103,899	205,140	254,521	--
Economic development	--	--	208,487	--	--
Downtown Management District	--	--	80,073	--	--
Development Services Admin	55,311	763	13,830	4,300	--
Planning	966,389	35,299	57,795	547,222	--
Code enforcement	597,415	50,309	393,390	275,077	27,694
Human resources	924,163	22,501	60,642	299,986	--
Incentive program	--	--	20,796	--	--
ADA Compliance	--	11,714	29,840	1,749	--
Human relations	313,692	9,601	11,501	68,233	--
Total staff agencies	<u>6,720,646</u>	<u>314,170</u>	<u>2,393,973</u>	<u>2,648,417</u>	<u>27,694</u>
<b>Engineering services</b>					
Engineering support services	--	--	47,486	271,212	--
Special services	270,115	7,824	31,383	23,436	--
Total engineering services	<u>270,115</u>	<u>7,824</u>	<u>78,869</u>	<u>294,648</u>	<u>--</u>
Total general government	<u>9,057,314</u>	<u>459,978</u>	<u>2,796,243</u>	<u>3,363,403</u>	<u>53,503</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 6-C

Reimbursements	Total Expenditures	Adjustments Budget Basis	2004 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2003 Actual Budget Basis
				Original	Final		
\$ --	\$ 969,149	\$ 6,120	\$ 975,269	\$ 815,888	\$ 963,505	\$ (11,764)	\$ 1,072,125
--	446,080	2,712	448,792	433,754	449,532	740	803,438
(152,873)	390,368	153,941	544,309	555,247	629,598	85,289	423,179
(68,934)	457,001	77,262	534,263	600,731	632,953	98,690	617,604
--	--	--	--	--	--	--	108,270
--	--	--	--	100,000	100,000	100,000	--
(50,000)	267,147	51,356	318,503	271,080	328,422	9,919	330,637
--	15,458	--	15,458	--	15,458	--	36,921
(157,075)	--	158,419	158,419	160,628	165,390	6,971	157,722
(428,882)	2,545,203	449,810	2,995,013	2,937,328	3,284,858	289,845	3,549,896
(389,948)	69,099	391,796	460,895	445,122	476,339	15,444	555,519
(1,047,888)	1,225,339	1,104,888	2,330,227	2,274,032	2,333,528	3,301	2,097,023
--	--	--	--	--	--	--	445,043
--	--	--	--	--	--	--	1,307,701
--	--	--	--	--	--	--	1,967,737
--	--	--	--	--	--	--	2,004
--	--	--	--	--	--	--	4,985
--	806,405	--	806,405	846,927	846,927	40,522	751,204
(220,553)	786,763	221,897	1,008,660	909,706	928,513	(80,147)	746,930
(331,533)	75,127	332,025	407,152	404,473	411,767	4,615	335,842
(77,906)	1,986,567	85,118	2,071,685	1,922,546	2,122,026	50,341	1,924,088
--	208,487	--	208,487	208,487	208,487	--	202,975
(44,841)	35,232	44,841	80,073	80,073	80,073	--	80,073
--	74,204	--	74,204	85,631	89,347	15,143	--
(153,770)	1,452,935	153,770	1,606,705	1,537,288	1,592,852	(13,853)	1,146,817
(44,796)	1,299,089	288,368	1,587,457	1,665,356	1,690,340	102,883	945,277
--	1,307,292	27,660	1,334,952	1,375,368	1,455,641	120,689	1,342,438
--	20,796	--	20,796	23,005	23,005	2,209	23,357
--	43,303	--	43,303	126,635	126,635	83,332	--
--	403,027	2,868	405,895	372,704	398,529	(7,366)	360,841
(2,311,235)	9,793,665	2,653,231	12,446,896	12,277,353	12,784,009	337,113	14,239,854
--	318,698	--	318,698	296,608	329,448	10,750	415,419
--	332,758	--	332,758	292,578	310,725	(22,033)	287,103
--	651,456	--	651,456	589,186	640,173	(11,283)	702,522
(2,740,117)	12,990,324	3,103,041	16,093,365	15,803,867	16,709,040	615,675	18,492,272

the City of Corpus Christi, Texas

GENERAL FUND  
 SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET  
 YEAR ENDED JULY 31, 2004  
 WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
<b>Public safety</b>					
<b>Police</b>					
Administration	1,193,165	49,113	422,261	427,422	10,844
Police training	769,179	40,640	8,022	55,240	--
Criminal investigation	3,682,740	101,801	1,227	375,302	--
Special services	1,876,575	77,389	8,305	195,504	--
Uniformed division	21,468,941	320,303	457,858	2,501,847	--
School crossing guards	468,516	4,124	28	127,260	--
Parking control	145,226	2,587	23,437	37,016	--
MetroCom	2,870,082	11,141	107,288	194,280	--
Police computer support	121,551	20,487	675,962	962,736	--
9-1-1 call delivery wireline	43,935	2,534	284,589	8,307	--
9-1-1 call delivery wireless	--	36,730	61,987	--	--
Building maintenance and operations	467,048	46,850	599,134	70,926	--
Vehicle pound operation	195,313	4,278	566,015	36,817	--
Community services	704,699	20,971	952	117,333	--
Central information	1,061,176	21,555	30,634	151,553	--
Identification	1,188,300	46,736	18,265	137,124	--
Criminal intelligence unit	610,944	22,945	5,789	74,067	--
Police Canine Unit Trust	--	--	--	--	--
Beach safety	119,894	--	--	--	--
<b>Total police</b>	<b>36,987,284</b>	<b>830,184</b>	<b>3,271,753</b>	<b>5,472,734</b>	<b>10,844</b>
<b>Fire</b>					
Administration and training	484,995	13,944	34,426	332,667	--
Fire Academy training	1,218,606	32,762	8,978	42,180	20,147
Communications	63,246	22,148	136,939	61,584	--
Oil and gas	--	--	--	--	--
Apparatus and shop	163,362	21,776	279,806	12,713	--
Stations	18,821,471	588,934	520,485	1,177,679	45,454
Fire safety/Haz-Mat	308,630	11,995	6,984	29,483	--
Fire prevention	1,160,436	29,860	9,705	199,709	--
Fire Department Contributions	--	--	--	--	--
Life guarding and first response	184,021	16,496	11,843	26,532	--
<b>Total fire</b>	<b>22,404,767</b>	<b>737,915</b>	<b>1,009,166</b>	<b>1,882,547</b>	<b>65,601</b>
<b>Municipal court</b>					
Administration	1,147,432	125,347	111,570	769,825	30,190
Judicial	308,035	4,239	17,110	23,281	--
Environmental Court	91,096	--	27,263	--	--
Detention Facility	--	--	1,514	--	--
Building security	--	--	16,440	--	--
Information systems	--	--	--	--	--
City marshals	311,882	9,232	22,074	32,901	--
<b>Total municipal court</b>	<b>1,858,445</b>	<b>138,818</b>	<b>195,971</b>	<b>826,007</b>	<b>30,190</b>
<b>Emergency management</b>					
Emergency management	118,473	13,231	66,214	145,945	--
FY03-Storm #1	--	--	--	--	--
FY03-Storm #2	--	371	--	--	--
Pipeline transportation	30,797	287	4,256	3,660	--
<b>Total emergency management</b>	<b>149,270</b>	<b>13,889</b>	<b>70,470</b>	<b>149,605</b>	<b>--</b>

(Continued)

the City of Corpus Christi, Texas

Exhibit 6-C  
(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2004 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2003 Actual Budget Basis
				Original	Final		
--	2,102,805	6,432	2,109,237	2,089,622	2,188,738	79,501	1,948,406
--	873,081	2,640	875,721	840,974	856,867	(18,854)	764,945
--	4,161,070	17,712	4,178,782	4,031,354	4,100,058	(78,724)	4,095,529
--	2,157,773	8,004	2,165,777	2,044,676	2,079,247	(86,530)	2,430,494
(107,580)	24,641,369	1,013,416	25,654,785	25,201,344	25,794,370	139,585	25,015,982
--	599,928	4,932	604,860	606,756	636,457	31,597	535,208
--	208,266	912	209,178	202,800	207,831	(1,347)	209,835
(196,600)	2,986,191	208,888	3,195,079	2,973,740	3,132,954	(62,125)	3,137,034
(271,824)	1,508,912	281,348	1,790,260	1,772,008	1,783,667	(6,593)	1,398,259
--	339,365	--	339,365	353,412	549,681	210,316	338,051
--	98,717	--	98,717	292,906	515,306	416,589	242,154
--	1,183,958	3,492	1,187,450	1,186,811	1,252,211	64,761	1,109,111
--	802,423	1,608	804,031	711,729	718,844	(85,187)	765,295
--	843,955	5,532	849,487	814,692	831,604	(17,883)	861,095
--	1,264,918	6,516	1,271,434	1,209,113	1,253,053	(18,381)	1,219,997
--	1,390,425	5,916	1,396,341	1,319,385	1,359,752	(36,589)	1,362,684
--	713,745	2,520	716,265	699,370	711,191	(5,074)	669,722
--	--	--	--	--	--	--	632
(119,894)	--	119,894	119,894	120,839	120,839	945	114,287
(695,898)	45,876,901	1,689,762	47,566,663	46,471,531	48,092,670	526,007	46,218,720
--	866,032	1,584	867,616	856,527	873,636	6,020	660,348
--	1,322,673	2,292	1,324,965	1,240,643	1,406,738	81,773	1,069,874
--	283,917	576	284,493	263,436	263,436	(21,057)	276,227
--	--	--	--	--	--	--	111,465
--	477,657	792	478,449	393,922	399,697	(78,752)	459,331
(525,008)	20,629,015	1,068,494	21,697,509	21,178,094	21,779,074	81,565	20,549,159
--	357,092	1,104	358,196	360,154	360,154	1,958	479,881
--	1,399,710	3,024	1,402,734	1,183,127	1,284,672	(118,062)	1,219,550
--	--	--	--	1,250	1,250	1,250	--
(238,892)	--	251,772	251,772	249,714	262,954	11,182	223,239
(763,900)	25,336,096	1,329,638	26,665,734	25,726,867	26,631,611	(34,123)	25,049,074
--	2,184,364	8,172	2,192,536	1,974,609	2,330,070	137,534	1,442,889
--	352,665	1,476	354,141	338,133	350,188	(3,953)	321,380
--	118,359	--	118,359	165,000	118,707	348	--
--	1,514	--	1,514	--	64,172	62,658	--
--	16,440	--	16,440	25,337	25,337	8,897	22,201
--	--	--	--	--	--	--	513,283
--	376,089	--	376,089	332,771	343,757	(32,332)	323,387
--	3,049,431	9,648	3,059,079	2,835,850	3,232,231	173,152	2,623,140
--	343,863	804	344,667	426,214	438,568	93,901	337,647
--	--	--	--	--	27,946	27,946	161,554
--	371	--	371	--	--	(371)	10,831
--	39,000	--	39,000	40,822	41,640	2,640	29,823
--	383,234	804	384,038	467,036	508,154	124,116	539,855

the City of Corpus Christi, Texas

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
Inspections	1,152,396	21,404	93,191	627,282	--
Total public safety	62,552,162	1,742,210	4,640,551	8,958,175	106,635
<b>Streets</b>					
Office and yard	651,251	49,667	75,304	203,377	--
Asphalt rework and construction	444,348	266,114	5,722	204,156	--
Utility cut repairs	229,592	137,913	2,988	53,652	--
Asphalt maintenance	1,991,078	1,638,232	26,335	670,404	145,287
Traffic signals	591,707	656,438	115,061	118,682	21,504
Traffic engineering	280,891	14,425	19,951	96,761	--
Beach street signage	--	10,024	--	--	--
Street lighting	--	--	2,772,616	7,116	--
Residential traffic management	--	--	76,335	228	--
Signs and markings	347,283	284,992	39,365	131,007	175,173
Total streets	4,536,150	3,057,805	3,133,677	1,485,383	341,964
<b>Solid Waste</b>					
Solid Waste office	670,220	43,799	257,561	215,264	--
Refuse collection	3,022,068	469,192	716,343	620,460	2,748,138
Refuse disposal	1,119,552	504,615	1,028,907	324,389	--
Brush collection	1,368,063	164,560	137,367	303,960	--
Recycling collection	701,173	72,738	137,165	122,184	--
Cash for trash	1,523	572	985	23,771	--
Landfill regulation compliance	--	--	--	--	--
Total solid waste	6,882,599	1,255,476	2,278,328	1,610,028	2,748,138
<b>Health</b>					
Administration and special programs	442,802	7,998	30,254	177,222	--
Immunization and venereal disease	26,758	5,430	412	3,720	--
Vital statistics	96,811	11,135	9,881	11,662	--
Nursing	519,145	33,989	29,408	55,814	--
Environmental health	231,564	4,559	23,742	26,848	--
STD clinic	71,724	728	853	13,226	--
Vector control	285,999	32,204	17,372	101,820	--
Laboratory	120,748	797	2,654	11,915	--
Mental health	--	--	49,500	--	--
Animal control	714,627	97,708	103,310	141,543	--
Health office building	33,296	15,050	194,544	80,876	--
Total health	2,543,474	209,598	461,930	624,646	--

(Continued)

the City of Corpus Christi, Texas

Exhibit 6-C  
(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2004	Budget		Variance Final Budget Positive (Negative)	2003
			Actual Budget Basis	Original	Final		Actual Budget Basis
(107,396)	1,786,877	107,396	1,894,273	1,898,162	1,945,185	50,912	1,702,417
(1,567,194)	76,432,539	3,137,248	79,569,787	77,399,446	80,409,851	840,064	76,133,206
--	979,599	4,668	984,267	974,356	1,008,662	24,395	1,015,138
--	920,340	50,889	971,229	1,100,408	1,117,421	146,192	1,130,856
--	424,145	2,292	426,437	366,581	374,759	(51,678)	424,454
(1,497,840)	2,973,496	1,725,799	4,699,295	4,543,131	4,632,751	(66,544)	4,609,257
--	1,503,392	169,260	1,672,652	1,497,088	1,756,897	84,245	1,206,617
--	412,028	2,520	414,548	464,968	480,750	66,202	588,068
(10,024)	--	10,024	10,024	13,525	13,525	3,501	--
--	2,779,732	--	2,779,732	2,227,872	2,255,672	(524,060)	2,214,983
--	76,563	--	76,563	80,228	80,228	3,665	68,773
(26,650)	951,170	(131,581)	819,589	846,095	865,508	45,919	886,933
(1,534,514)	11,020,465	1,833,871	12,854,336	12,114,252	12,586,173	(268,163)	12,145,079
--	1,186,844	8,076	1,194,920	1,148,353	1,172,067	(22,853)	1,210,667
--	7,576,201	(1,426,756)	6,149,445	5,371,648	5,564,790	(584,655)	6,980,873
--	2,977,463	2,008,314	4,985,777	5,039,146	5,091,442	105,665	4,937,397
--	1,973,950	--	1,973,950	1,834,845	1,872,086	(101,864)	1,766,767
--	1,033,260	--	1,033,260	982,105	1,003,867	(29,393)	939,578
--	26,851	--	26,851	80,000	80,000	53,149	94,198
--	--	--	--	--	1,860	1,860	26,569
--	14,774,569	589,634	15,364,203	14,456,097	14,786,112	(578,091)	15,956,049
--	658,276	16,193	674,469	530,507	562,045	(112,424)	463,458
--	36,320	324	36,644	33,063	45,961	9,317	31,754
--	129,489	672	130,161	130,688	134,276	4,115	124,586
--	638,356	3,048	641,404	643,410	663,949	22,545	595,008
--	286,713	1,608	288,321	313,253	323,138	34,817	296,840
--	86,531	312	86,843	119,534	123,259	36,416	65,965
--	437,395	8,668	446,063	467,189	458,435	12,372	683,550
--	136,114	636	136,750	129,980	134,366	(2,384)	130,751
--	49,500	--	49,500	54,000	54,000	4,500	58,500
--	1,057,188	4,908	1,062,096	995,699	1,076,422	14,326	1,017,786
--	323,766	1,068	324,834	281,284	282,509	(42,325)	276,250
--	3,839,648	37,437	3,877,085	3,698,607	3,858,360	(18,725)	3,744,448

the City of Corpus Christi, Texas

GENERAL FUND  
 SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET  
 YEAR ENDED JULY 31, 2004  
 WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
Community enrichment					
Parks and recreation					
Director of parks and recreation	449,808	16,702	36,625	302,899	--
Park operation	3,250,760	473,943	202,864	1,412,357	116,155
Bayfront Science Park	226,086	37,848	14,090	45,972	--
Recreation centers	625,641	43,142	123,062	132,052	--
Athletics	290,265	26,689	140,684	49,182	--
Aquatics	609,996	120,536	109,404	141,749	--
Special programs	75,522	20,458	14,791	15,180	--
Multicultural Center	227,492	25,932	47,687	36,124	--
Latchkey program	1,279,771	113,029	60,117	302,472	--
Arts subgranting	--	108	15,235	--	--
Beach parking permits	6,069	2,651	27,821	4,442	--
Beach Maintenance	234,440	50,245	156,011	72,000	--
Tennis center operations	--	5,630	134,202	16,802	--
Corpus Christi Independent School District	--	--	4,400	--	--
Volunteer center	--	--	8,450	--	--
Graffiti clean-up project	--	2,899	--	--	--
City youth sports	--	--	--	--	--
Natatorium	--	--	148,782	36	--
Total parks and recreation	7,275,850	939,812	1,244,225	2,531,267	116,155
Libraries					
Central	1,155,333	409,004	305,747	407,658	--
Parkdale Branch	272,693	5,386	38,216	59,687	--
Greenwood Branch	243,361	4,859	43,107	45,470	--
Northwest Branch	208,265	4,981	22,824	45,384	--
Janet F. Harte Branch	157,526	3,666	52,848	31,128	--
Total libraries	2,037,178	427,896	462,742	589,327	--
Museums					
Museum of Science and History	822,159	40,606	160,147	234,179	--
Columbus ships	90,463	3,260	7,332	16,452	--
Total museums	912,622	43,866	167,479	250,631	--
Sister City program	--	554	946	15,340	--
Total community enrichment	10,225,650	1,412,128	1,875,392	3,386,565	116,155

(Continued)



the City of Corpus Christi, Texas

Exhibit 6-C  
(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2004	Budget		Variance Final Budget Positive (Negative)	2003
			Actual Budget Basis	Original	Final		Actual Budget Basis
(19,300)	786,734	31,312	818,046	853,723	854,241	36,195	880,125
(264,000)	5,192,079	321,360	5,513,439	5,501,228	5,538,982	25,543	5,275,774
(323,996)	--	325,472	325,472	340,809	349,066	23,594	302,378
--	923,897	3,864	927,761	887,454	910,006	(17,755)	847,831
--	506,820	1,788	508,608	502,707	512,735	4,127	485,398
--	981,685	4,920	986,605	894,712	918,590	(68,015)	892,185
--	125,951	588	126,539	124,509	127,733	1,194	96,124
(84,363)	252,872	88,772	341,644	322,535	331,386	(10,258)	323,352
--	1,755,389	14,275	1,769,664	1,927,479	1,987,764	218,100	1,618,820
--	15,343	--	15,343	40,000	40,000	24,657	25,295
--	40,983	4,991	45,974	61,009	61,009	15,035	46,641
(512,696)	--	552,584	552,584	666,214	694,440	141,856	414,195
--	156,634	240	156,874	142,808	142,808	(14,066)	140,998
--	4,400	--	4,400	16,000	16,000	11,600	18,881
--	8,450	--	8,450	8,450	8,450	--	8,450
--	2,899	--	2,899	3,000	3,000	101	3,596
--	--	--	--	--	--	--	776
--	148,818	--	148,818	46,944	148,782	(36)	132,331
(1,204,355)	10,902,954	1,350,166	12,253,120	12,339,581	12,644,992	391,872	11,513,150
--	2,277,742	15,183	2,292,925	2,248,443	2,337,851	44,926	2,002,349
--	375,982	1,836	377,818	377,690	388,659	10,841	345,744
--	336,797	1,200	337,997	325,535	334,683	(3,314)	319,339
--	281,454	1,224	282,678	279,883	288,190	5,512	261,051
--	245,168	264	245,432	260,259	271,350	25,918	251,720
--	3,517,143	19,707	3,536,850	3,491,810	3,620,733	83,883	3,180,203
--	1,257,091	113,808	1,370,899	1,176,700	1,276,995	(93,904)	1,071,905
--	117,507	--	117,507	126,994	131,131	13,624	118,918
--	1,374,598	113,808	1,488,406	1,303,694	1,408,126	(80,280)	1,190,823
--	16,840	--	16,840	16,209	16,209	(631)	17,481
(1,204,355)	15,811,535	1,483,681	17,295,216	17,151,294	17,690,060	394,844	15,901,657

the City of Corpus Christi, Texas

GENERAL FUND  
 SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET  
 YEAR ENDED JULY 31, 2004  
 WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
Other expenditures					
Uncollectible accounts	--	--	--	577,714	--
Interest	--	--	--	--	--
Re-engineering effort (CMMS)	--	--	94,406	--	--
Major memberships	--	--	95,049	--	--
Reserve for comp/merit pay	--	--	--	--	--
Purchasing/messenger service allocation	--	--	--	245,424	--
Refuge of last resort	6,660	60	1,676	--	--
Reserve appropriations	--	--	--	--	--
Reserve for accrued pay	--	--	--	--	--
Total other expenditures	<u>6,660</u>	<u>60</u>	<u>191,131</u>	<u>823,138</u>	<u>--</u>
Debt service					
Principal retired	--	--	--	2,442,688	--
Interest	--	--	--	252,417	--
Total debt service	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,695,105</u>	<u>--</u>
Total expenditures	<u>\$ 95,804,009</u>	<u>\$ 8,137,255</u>	<u>\$ 15,377,252</u>	<u>\$ 22,946,443</u>	<u>\$ 3,366,395</u>

the City of Corpus Christi, Texas

Exhibit 6-C  
(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2004 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2003 Actual Budget Basis
				Original	Final		
--	577,714	--	577,714	--	--	(577,714)	430,406
--	--	--	--	--	--	--	837
--	94,406	--	94,406	180,000	180,000	85,594	--
(43,710)	51,339	43,710	95,049	88,710	101,173	6,124	84,023
--	--	--	--	2,906,937	576,939	576,939	--
--	245,424	--	245,424	245,424	245,424	--	--
--	8,396	--	8,396	--	--	(8,396)	14,924
--	--	--	--	439,556	50,000	50,000	--
--	--	--	--	1,000,000	--	--	--
(43,710)	977,279	43,710	1,020,989	4,860,627	1,153,536	132,547	530,190
--	2,442,688	(2,442,688)	--	--	--	--	--
--	252,417	(252,417)	--	--	--	--	--
--	2,695,105	(2,695,105)	--	--	--	--	--
<u>\$ (7,089,890)</u>	<u>\$ 138,541,464</u>	<u>\$ 7,533,517</u>	<u>\$ 146,074,981</u>	<u>\$ 145,484,190</u>	<u>\$ 147,193,132</u>	<u>\$ 1,118,151</u>	<u>\$ 142,902,901</u>



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.



the City of Corpus Christi, Texas

Exhibit 7-A

**DEBT SERVICE FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2004 AND 2003**

ASSETS	<u>2004</u>	<u>2003</u>
Cash and cash equivalents	\$ 1,322,139	\$ 2,218,794
Investments	9,809,783	9,591,291
Receivables		
Taxes	1,370,413	1,425,148
Accrued interest	95,149	118,816
Intergovernmental	10,324	7,978
Miscellaneous	17,196	10,800
Allowance for uncollectibles	<u>(1,027,810)</u>	<u>(1,083,113)</u>
Net receivables	<u>465,272</u>	<u>479,629</u>
 Total assets	 <u>\$ 11,597,194</u>	 <u>\$ 12,289,714</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 2,791	\$ 663
Due to other funds	--	40,000
Deferred revenues		
Taxes	<u>342,603</u>	<u>342,036</u>
Total liabilities	<u>345,394</u>	<u>382,699</u>
Fund balance		
Reserved for debt service	4,107,728	3,970,828
Unreserved		
Designated for subsequent year's expenditures	1,133,896	--
Designated for airport debt	560,456	560,455
Designated for stormwater debt	790,429	790,429
Designated for aquarium debt	--	112,891
Undesignated	<u>4,659,291</u>	<u>6,472,412</u>
Total fund balance	<u>11,251,800</u>	<u>11,907,015</u>
 Total liabilities and fund balance	 <u>\$ 11,597,194</u>	 <u>\$ 12,289,714</u>

the City of Corpus Christi, Texas

**DEBT SERVICE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Budget		2004 Actual	Variance Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Ad valorem taxes	\$ 15,516,997	\$ 15,516,997	\$ 15,653,243	\$ 136,246
Earnings on investments	89,146	89,146	129,671	40,525
Payments from Lexington Museum Association	181,125	181,125	181,125	--
Payments from Corpus Christi Convention and Visitor Bureau	241,786	241,786	241,786	--
Payments from Texas State Aquarium	240,531	240,531	377,255	136,724
Payments from other agencies	12,900	12,900	12,900	--
Total revenues	<u>16,282,485</u>	<u>16,282,485</u>	<u>16,595,980</u>	<u>313,495</u>
<b>Expenditures</b>				
Principal retirement	16,128,551	18,455,000	18,640,000	(185,000)
Interest	10,216,302	8,029,128	7,708,594	320,534
Paying agent fees	20,000	20,000	11,614	8,386
Bond issue cost	16,000	16,000	--	16,000
Total expenditures	<u>26,380,853</u>	<u>26,520,128</u>	<u>26,360,208</u>	<u>159,920</u>
Deficiency of revenues under expenditures	(10,098,368)	(10,237,643)	(9,764,228)	473,415
<b>Other financing sources (uses)</b>				
Proceeds from certificate of obligation bonds	--	--	--	--
Refunding bonds issued	--	--	--	--
Payment to escrow agent for refunded bonds	--	--	--	--
Transfers in from				
Tax Increment Zone No. 1	1,194,763	1,194,763	1,194,763	--
General fund	2,845,596	2,845,596	2,499,468	(346,128)
Marina fund	39,420	39,420	39,420	--
Utility system fund	1,813,020	1,813,020	1,297,918	(515,102)
Airport fund	705,155	705,155	705,160	5
Ambulance fund	12,855	12,855	12,855	--
Hotel occupancy tax fund	2,815,426	2,815,426	2,815,427	1
Golf centers fund	145,842	145,842	145,848	6
Visitors facilities fund	349,177	349,177	15,380	(333,797)
Stores fund	14,865	14,865	14,865	--
Maintenance service fund	150,515	150,515	150,515	--
Municipal information systems fund	22,694	22,694	201,506	178,812
Liability and employee benefits fund	15,888	15,888	15,888	--
Aquarium bond fund	--	--	--	--
Park bond fund	--	--	--	--
Public safety bond fund	--	--	--	--
Street bond fund	--	--	--	--
Bayfront arts and sciences bond fund	--	--	--	--
Storm sewer bond fund	--	--	--	--
Total other financing sources (uses)	<u>10,125,216</u>	<u>10,125,216</u>	<u>9,109,013</u>	<u>(1,016,203)</u>
Net change in fund balance	26,848	(112,427)	(655,215)	(542,788)
Fund balances at beginning of year	<u>10,807,020</u>	<u>11,907,015</u>	<u>11,907,015</u>	<u>--</u>
Fund balances at end of year	<u>\$ 10,833,868</u>	<u>\$ 11,794,588</u>	<u>\$ 11,251,800</u>	<u>\$ (542,788)</u>



the City of Corpus Christi, Texas

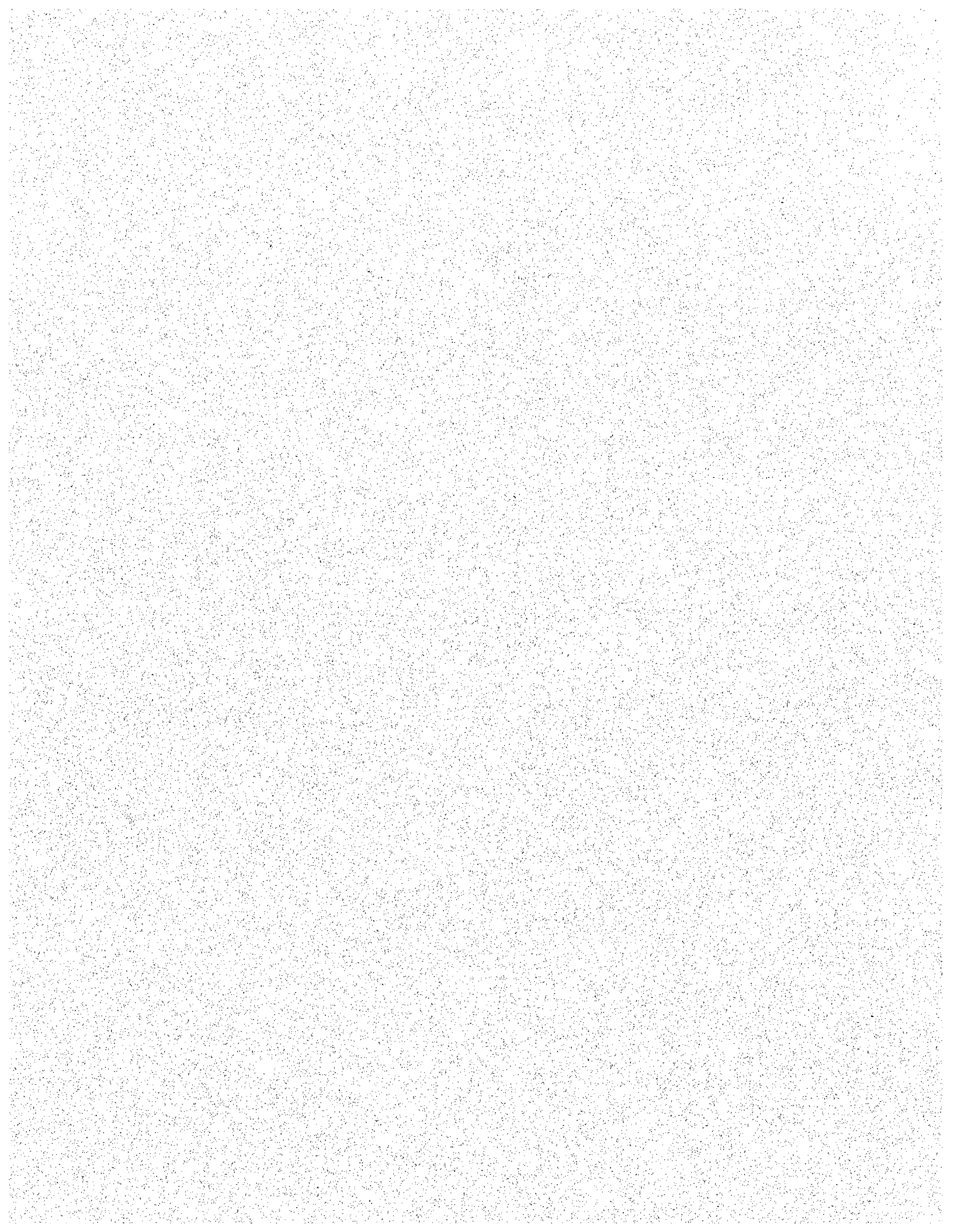
Exhibit 7-B

2003	
<u>Actual</u>	
\$	15,231,610
	522,139
	190,120
	249,223
	117,117
	12,900
	<u>16,323,109</u>
	16,700,000
	7,174,984
	8,410
	338,430
	<u>24,221,824</u>
	(7,898,715)
	—
	23,855,037
	(23,474,491)
	1,201,853
	2,600,042
	39,205
	1,290,229
	707,053
	12,910
	1,192,352
	148,968
	15,446
	14,929
	151,160
	22,791
	15,956
	495,008
	48,205
	19,803
	163,364
	2,894
	396
	<u>8,523,110</u>
	624,395
	<u>11,282,620</u>
\$	<u>11,907,015</u>



City of  
Corpus  
Christi

***Non-major Governmental Funds***





City of  
Corpus  
Christi

the City of Corpus Christi, Texas

NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2004

ASSETS	Special Revenue Funds	Capital Projects Funds	Debt Service Funds		Eliminations
			Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation	
Cash and cash equivalents	\$ 9,171,496	\$ 19,822,090	\$ 1,443,937	\$ 59,468	\$ --
Investments	14,265,357	77,294,463	500,000	--	--
Receivables, net of allowance for uncollectibles	24,843,004	2,355,178	3,946	--	--
Due from other funds	286,680	2,469,171	8,792	--	(129,316)
<b>Total assets</b>	<b>\$ 48,566,537</b>	<b>\$ 101,940,902</b>	<b>\$ 1,956,675</b>	<b>\$ 59,468</b>	<b>\$ (129,316)</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 2,134,958	\$ 4,288,623	\$ --	\$ --	\$ --
Accrued liabilities	598,178	--	--	--	--
Contractor interest and retainage payable	--	3,504,728	--	--	--
Deposits	292,108	203,246	--	--	--
Due to other funds	1,293,225	356,060	--	--	(129,316)
Due to other governmental agencies	240,175	--	--	--	--
Deferred revenues	1,404,751	758,243	--	--	--
<b>Total liabilities</b>	<b>5,963,395</b>	<b>9,110,900</b>	<b>--</b>	<b>--</b>	<b>(129,316)</b>
<b>Fund balances</b>					
Reserved for encumbrances	3,324,133	50,879,077	--	--	--
Reserved for loans	18,252,062	--	--	--	--
Reserved for debt service	--	--	1,956,675	59,468	--
Reserved for Senior Community Services	36,308	--	--	--	--
Reserved for Home Program	511,167	--	--	--	--
Reserved for Convention Center expansion	915,358	--	--	--	--
Reserved for law enforcement	1,004,913	--	--	--	--
Reserved for library projects	953	--	--	--	--
Reserved for Sister City programs	993	--	--	--	--
Reserved for park projects	933,597	--	--	--	--
Reserved for permanent art projects	108,481	--	--	--	--
Reserved for infrastructure	521,553	--	--	--	--
Reserved for local emergency response planning	18,943	--	--	--	--
<b>Unreserved</b>					
Designated for subsequent year's expenditures	608,516	--	--	--	--
Designated for specific projects	--	23,809,014	--	--	--
<b>Undesignated</b>					
Special revenue funds	16,366,165	--	--	--	--
Capital project funds	--	18,141,911	--	--	--
<b>Total fund balances</b>	<b>42,603,142</b>	<b>92,830,002</b>	<b>1,956,675</b>	<b>59,468</b>	<b>--</b>
<b>Total liabilities and fund balances</b>	<b>\$ 48,566,537</b>	<b>\$ 101,940,902</b>	<b>\$ 1,956,675</b>	<b>\$ 59,468</b>	<b>\$ (129,316)</b>

the City of Corpus Christi, Texas

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Exhibit 8-A

**Total**

---

\$ 30,496,991  
92,059,820  
27,202,128  
2,635,327

\$ 152,394,266

\$ 6,423,581  
598,178  
3,504,728  
495,354  
1,519,969  
240,175  
2,162,994  
14,944,979

54,203,210  
18,252,062  
2,016,143  
36,308  
511,167  
915,358  
1,004,913  
953  
993  
933,597  
108,481  
521,553  
18,943

608,516  
23,809,014

16,366,165  
18,141,911  
137,449,287

\$ 152,394,266

the City of Corpus Christi, Texas

**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**YEAR ENDED JULY 31, 2004**

	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	\$ 26,298,614	\$ --	\$ --	\$ --	\$ --
Grants	14,177,692	200,733	--	--	--
Charges for services	3,207,474	--	--	--	--
Deposits	103,674	--	--	--	--
Contributions and donations	247,520	659,650	--	--	--
Special assessments	--	274,427	--	--	--
Earnings on investments	218,795	1,535,092	34,803	857	--
Interest on loans	93,839	--	--	--	--
Sale of city property	6,035	--	--	--	--
Claim settlement	--	3,000,000	--	--	--
Miscellaneous	284,233	--	--	--	--
<b>Total revenues</b>	<b>44,637,876</b>	<b>5,669,902</b>	<b>34,803</b>	<b>857</b>	<b>--</b>
<b>Expenditures</b>					
<b>Current</b>					
General government	1,704,553	1,526,445	--	--	--
Public safety	6,353,173	--	--	--	--
Streets	1,086,564	--	--	--	--
Solid waste	65,517	--	--	--	--
Health	1,696,486	--	--	--	--
Community enrichment	11,078,239	--	--	--	--
Convention and visitors activities	6,164,876	--	--	--	--
Other	22,095	--	--	--	--
Capital projects	3,830,041	78,528,012	--	--	--
<b>Debt service</b>					
Principal retirement	93,239	--	1,800,000	--	--
Interest	16,759	--	4,518,414	164,062	--
Paying agent fees	--	--	300	--	--
Bond issuance cost	--	1,006,357	--	--	--
<b>Total expenditures</b>	<b>32,111,542</b>	<b>81,060,814</b>	<b>6,318,714</b>	<b>164,062</b>	<b>--</b>
Excess (deficiency) of revenues over (under) expenditures	12,526,334	(75,390,912)	(6,283,911)	(163,205)	--
<b>Other financing sources (uses)</b>					
Revenue bonds issued	250,000	26,815,000	--	--	--
Certificates of obligation bonds issued	--	6,901,632	--	--	--
Premium on bonds sold	--	751,185	--	--	--
Discount on sale of bonds	--	(56,632)	--	--	--
Transfers in	1,035,712	74,600	6,297,099	164,063	(6,535,762)
Transfers out	(11,175,968)	(5,453)	--	--	6,535,762
<b>Total other financing sources (uses)</b>	<b>(9,890,256)</b>	<b>34,480,332</b>	<b>6,297,099</b>	<b>164,063</b>	<b>--</b>
Net change in fund balances	2,636,078	(40,910,580)	13,188	858	--
Fund balances at beginning of year	39,967,064	133,740,582	1,943,487	58,610	--
Fund balances at end of year	\$ 42,603,142	\$ 92,830,002	\$ 1,956,675	\$ 59,468	\$ --



the City of Corpus Christi, Texas

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Exhibit 8-B

<u>Total</u>	
\$	26,298,614
	14,378,425
	3,207,474
	103,674
	907,170
	274,427
	1,789,547
	93,839
	6,035
	3,000,000
	284,233
	<u>50,343,438</u>
	3,230,998
	6,353,173
	1,086,564
	65,517
	1,696,486
	11,078,239
	6,164,876
	22,095
	82,358,053
	1,893,239
	4,699,235
	300
	1,006,357
	<u>119,655,132</u>
	(69,311,694)
	27,065,000
	6,901,632
	751,185
	(56,632)
	1,035,712
	(4,645,659)
	<u>31,051,238</u>
	(38,260,456)
	<u>175,709,743</u>
\$	<u><u>137,449,287</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, Coliseum, 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.

***Tax Increment Zone No. 1 Fund*** – This fund accounts for the receipt of real property taxes from the taxing units with property within the boundaries of the Zone. The fund is utilized for development and improvement projects within the Zone.

***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

the City of Corpus Christi, Texas

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2004  
WITH COMPARATIVE TOTALS FOR JULY 31, 2003**

ASSETS	Visitors Facilities	Hotel Occupancy Tax	Federal/ State Grants	Community Enrichment	Infrastructure
Cash and cash equivalents	\$ 536,392	\$ --	\$ 1,021,483	\$ 122,387	\$ 71,565
Investments	--	--	--	933,590	500,000
Receivables					
Accounts	132,912	1,642,610	5,503	--	--
Property leases	--	--	2,503	--	--
Taxes	--	--	--	--	--
Accrued interest	--	--	--	7,368	3,946
Mortgages and loans	--	--	--	--	--
Demolition liens	--	--	136,400	--	--
Special assessments	--	--	11,975	--	--
Intergovernmental	93	--	3,032,054	--	--
Miscellaneous	--	--	--	--	--
Allowance for uncollectibles	(19,984)	(425)	--	--	--
Net receivables	113,021	1,642,185	3,188,435	7,368	3,946
Due from other funds	109,285	--	20,846	1,566	--
Total assets	<u>\$ 758,698</u>	<u>\$ 1,642,185</u>	<u>\$ 4,230,764</u>	<u>\$ 1,064,911</u>	<u>\$ 575,511</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 181,604	\$ 5,000	\$ 1,298,581	\$ 16,274	\$ 53,939
Accrued liabilities	20,429	3,456	574,293	--	--
Contractor interest and retainage payable	--	--	--	--	--
Deposits	103,875	--	--	--	--
Due to other funds	446,545	553,984	73,272	--	19
Due to other governmental agencies	--	--	4,830	--	--
Deferred revenues					
Demolition liens and other	--	--	125,571	--	--
Paving assessments	--	--	12,262	--	--
U.S. Department of Justice	--	--	84,387	--	--
Asset seizure and forfeiture	--	--	44,592	--	--
Grants	--	--	673,969	--	--
Texas Commission on Environmental Quality	--	--	286,437	--	--
Rentals	--	--	--	--	--
Dues	--	--	--	--	--
Total liabilities	<u>752,453</u>	<u>562,440</u>	<u>3,178,194</u>	<u>16,274</u>	<u>53,958</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 9-A

<u>Tax Increment Zone No. 1</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>
\$ 427,449	\$ 41,217	\$ 1,646,760	\$ 317,161	\$ 52,283	\$ 1,340,656
--	--	--	--	--	400,000
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	3,912
--	--	18,085,848	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	1,000	--	--	374,661
--	--	26,555	--	--	--
--	--	--	--	--	--
--	--	18,113,403	--	--	378,573
--	--	125,007	--	--	55,000
<u>\$ 427,449</u>	<u>\$ 41,217</u>	<u>\$ 19,885,170</u>	<u>\$ 317,161</u>	<u>\$ 52,283</u>	<u>\$ 2,174,229</u>
--	\$ 260	\$ 342,344	375	\$ --	\$ 64,332
--	--	--	--	--	--
--	--	188,233	--	--	--
192,104	4,216	10,494	--	--	--
235,345	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	200	--	--	--	--
<u>427,449</u>	<u>4,676</u>	<u>541,071</u>	<u>375</u>	<u>--</u>	<u>64,332</u>

the City of Corpus Christi, Texas

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2004  
WITH COMPARATIVE TOTALS FOR JULY 31, 2003**

	<u>Visitors Facilities</u>	<u>Hotel Occupancy Tax</u>	<u>Federal/ State Grants</u>	<u>Community Enrichment</u>	<u>Infrastructure</u>
Fund balances					
Reserved for encumbrances	24,371	--	1,475,886	4,613	--
Reserved for loans	--	--	--	--	--
Reserved for Senior Community Services	--	--	36,308	--	--
Reserved for Home Program	--	--	--	--	--
Reserved for Convention Center expansion	--	915,358	--	--	--
Reserved for law enforcement	--	--	1,004,913	--	--
Reserved for library projects	--	--	--	953	--
Reserved for Sister City programs	--	--	--	993	--
Reserved for park projects	--	--	--	933,597	--
Reserved for permanent art projects	--	--	--	108,481	--
Reserved for cultural service projects	--	--	--	--	--
Reserved for latchkey programs	--	--	--	--	--
Reserved for infrastructure	--	--	--	--	521,553
Reserved for local emergency response planning	--	--	--	--	--
Reserved for advance to other funds	--	--	--	--	--
Unreserved					
Designated for subsequent year's expenditures	--	111,421	--	--	--
Undesignated (deficit)	(18,126)	52,966	(1,464,537)	--	--
Total fund balances	<u>6,245</u>	<u>1,079,745</u>	<u>1,052,570</u>	<u>1,048,637</u>	<u>521,553</u>
Total liabilities and fund balances	<u>\$ 758,698</u>	<u>\$ 1,642,185</u>	<u>\$ 4,230,764</u>	<u>\$ 1,064,911</u>	<u>\$ 575,511</u>

(Continued)



the City of Corpus Christi, Texas

Exhibit 9-A  
(Continued)

<u>Tax Increment Zone No. 1</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>
--	--	--	--	--	--
--	--	18,252,062	--	--	--
--	--	511,167	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	18,943	--	--	--	--
--	--	--	--	--	--
--	17,598	--	--	--	375,023
--	--	580,870	316,786	52,283	1,734,874
--	36,541	19,344,099	316,786	52,283	2,109,897
<u>\$ 427,449</u>	<u>\$ 41,217</u>	<u>\$ 19,885,170</u>	<u>\$ 317,161</u>	<u>\$ 52,283</u>	<u>\$ 2,174,229</u>

the City of Corpus Christi, Texas

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2004  
WITH COMPARATIVE TOTALS FOR JULY 31, 2003**

ASSETS	<u>Corpus Christi Business and Job Development Corporation</u>	<u>North Padre Island Development Corporation</u>	<u>Eliminations</u>	<u>2004 Total</u>	<u>2003 Total</u>
Cash and cash equivalents	\$ 3,123,985	\$ 470,158	\$ --	\$ 9,171,496	\$ 8,292,582
Investments	12,431,767	--	--	14,265,357	9,500,000
Receivables					
Accounts	10,833	--	--	1,791,858	1,345,627
Property leases	--	--	--	2,503	594
Taxes	--	298	--	298	302
Accrued interest	114,871	--	--	130,097	107,456
Mortgages and loans	--	--	--	18,085,848	18,109,021
Demolition liens	--	--	--	136,400	143,661
Special assessments	--	--	--	11,975	14,217
Intergovernmental	1,270,071	--	--	4,677,879	4,815,513
Miscellaneous	--	--	--	26,555	238,199
Allowance for uncollectibles	--	--	--	(20,409)	--
Net receivables	<u>1,395,775</u>	<u>298</u>	<u>--</u>	<u>24,843,004</u>	<u>24,774,590</u>
Due from other funds	<u>--</u>	<u>100,024</u>	<u>(125,048)</u>	<u>286,680</u>	<u>1,289,170</u>
Total assets	<u>\$ 16,951,527</u>	<u>\$ 570,480</u>	<u>\$ (125,048)</u>	<u>\$ 48,566,537</u>	<u>\$ 43,856,342</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	172,249	--	--	2,134,958	1,101,953
Accrued liabilities	--	--	--	598,178	873,149
Contractor interest and retainage payable	--	--	--	--	34,226
Deposits	--	--	--	292,108	533,421
Due to other funds	137,639	--	(125,048)	1,293,225	259,303
Due to other governmental agencies	--	--	--	240,175	4,830
Deferred revenues					
Demolition liens and other	--	--	--	125,571	211,354
Paving assessments	--	--	--	12,262	14,505
U.S. Department of Justice	--	--	--	84,387	221,616
Asset seizure and forfeitures	--	--	--	44,592	59,133
Grants	--	--	--	673,969	540,008
Texas Commission on Environmental Quality	--	--	--	286,437	35,580
Rentals	177,333	--	--	177,333	--
Dues	--	--	--	200	200
Total liabilities	<u>487,221</u>	<u>--</u>	<u>(125,048)</u>	<u>5,963,395</u>	<u>3,889,278</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 9-A  
(Continued)

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2004  
WITH COMPARATIVE TOTALS FOR JULY 31, 2003**

	<b>Corpus Christi Business and Job Development Corporation</b>	<b>North Padre Island Development Corporation</b>	<b>Eliminations</b>	<b>2004 Total</b>	<b>2003 Total</b>
<b>Fund balances</b>					
Reserved for encumbrances	1,818,204	1,059	--	3,324,133	1,290,137
Reserved for loans	--	--	--	18,252,062	18,365,311
Reserved for Senior Community Services	--	--	--	36,308	30,382
Reserved for Home Program	--	--	--	511,167	505,814
Reserved for Convention Center expansion	--	--	--	915,358	1,592,943
Reserved for law enforcement	--	--	--	1,004,913	1,019,575
Reserved for library projects	--	--	--	953	55,854
Reserved for Sister City programs	--	--	--	993	983
Reserved for park projects	--	--	--	933,597	771,451
Reserved for permanent art projects	--	--	--	108,481	106,106
Reserved for cultural service projects	--	--	--	--	--
Reserved for latchkey programs	--	--	--	--	6
Reserved for infrastructure	--	--	--	521,553	486,838
Reserved for local emergency response planning	--	--	--	18,943	21,815
Reserved for advance to other funds	--	--	--	--	--
<b>Unreserved</b>					
Designated for subsequent year's expenditures	104,474	--	--	608,516	664,769
Undesignated (deficit)	14,541,628	569,421	--	16,366,165	15,055,080
<b>Total fund balances</b>	<b>16,464,306</b>	<b>570,480</b>	<b>--</b>	<b>42,603,142</b>	<b>39,967,064</b>
<b>Total liabilities and fund balances</b>	<b>\$ 16,951,527</b>	<b>\$ 570,480</b>	<b>\$ (125,048)</b>	<b>\$ 48,566,537</b>	<b>\$ 43,856,342</b>

the City of Corpus Christi, Texas

**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Visitors Facilities	Hotel Occupancy Tax	Federal/ State Grants	Community Enrichment	Infrastructure
<b>Revenues</b>					
Taxes and business fees	\$ --	\$ 8,145,156	\$ --	\$ --	\$ --
Grants	--	--	12,483,676	--	--
Charges for services	1,493,141	--	1,590,514	--	--
Deposits	--	--	--	--	103,674
Contributions and donations	--	--	--	154,283	--
Earnings on investments	939	--	12,072	10,625	4,657
Interest on loans	--	--	--	--	--
Sale of City property	--	--	--	--	--
Recovery of prior year expenditures	--	--	--	--	--
Claim settlement	--	--	--	--	--
Miscellaneous	260	11,437	272,536	--	--
<b>Total revenues</b>	<b>1,494,340</b>	<b>8,156,593</b>	<b>14,358,798</b>	<b>164,908</b>	<b>108,331</b>
<b>Expenditures</b>					
<b>Current</b>					
General government	--	--	913,133	--	73,616
Public safety					
Police	--	--	1,688,050	--	--
Fire	--	--	489,634	--	--
Emergency management	--	--	69,640	--	--
Streets	--	--	1,086,564	--	--
Solid Waste	--	--	65,517	--	--
Health	--	--	1,696,486	--	--
Community enrichment					
Parks and recreation	--	932,167	3,897,107	27,974	--
Libraries	--	--	1,318,418	54,289	--
Enrichment	--	470,860	--	--	--
Development	--	--	1,907,069	--	--
Convention and visitors activities	1,618,722	4,546,154	--	--	--
Other	--	22,095	--	--	--
Capital projects	--	--	1,815,629	9,114	--
Debt service					
Principal retirement	--	--	--	--	--
Interest	--	--	--	--	--
<b>Total expenditures</b>	<b>1,618,722</b>	<b>5,971,276</b>	<b>14,947,247</b>	<b>91,377</b>	<b>73,616</b>
Excess (deficiency) of revenues over (under) expenditures	(124,382)	2,185,317	(588,449)	73,531	34,715
<b>Other financing sources (uses)</b>					
Proceeds from sale of revenue bonds	--	--	--	--	--
Transfers in	--	--	1,065,274	1,253	--
Transfers out	(468,992)	(2,816,680)	(447,790)	--	--
<b>Total other financing sources (uses)</b>	<b>(468,992)</b>	<b>(2,816,680)</b>	<b>617,484</b>	<b>1,253</b>	<b>--</b>
Net change in fund balance	(593,374)	(631,363)	29,035	74,784	34,715
Fund balances at beginning of year	599,619	1,711,108	1,023,535	973,853	486,838
Fund balances at end of year	<u>\$ 6,245</u>	<u>\$ 1,079,745</u>	<u>\$ 1,052,570</u>	<u>\$ 1,048,637</u>	<u>\$ 521,553</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 9-B

Tax Increment Zone No. 1	Local Emergency Planning Committee	Corpus Christi Community Improvement Corporation	Corpus Christi Housing Finance Corporation	Corpus Christi Industrial Development Corporation	Corpus Christi Crime Control and Prevention District
\$ 1,007,950	\$ --	\$ --	\$ --	\$ --	\$ 3,889,729
--	--	1,694,016	--	--	--
--	--	108,829	10,040	4,950	--
--	--	--	--	--	--
--	93,237	--	--	--	--
3,031	556	10,569	3,209	527	23,993
--	--	93,839	--	--	--
--	--	--	--	--	6,035
--	--	--	--	--	--
--	--	--	--	--	--
<u>1,010,981</u>	<u>93,793</u>	<u>1,907,253</u>	<u>13,249</u>	<u>5,477</u>	<u>3,919,757</u>
--	--	--	--	--	--
--	--	--	--	--	4,005,743
--	100,106	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	2,448,829	21,526	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	93,239	--	--	--
--	--	16,759	--	--	--
<u>--</u>	<u>100,106</u>	<u>2,558,827</u>	<u>21,526</u>	<u>--</u>	<u>4,005,743</u>
1,010,981	(6,313)	(651,574)	(8,277)	5,477	(85,986)
--	--	--	--	--	--
--	--	212,166	--	--	--
<u>(1,194,763)</u>	<u>--</u>	<u>(29,562)</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>(1,194,763)</u>	<u>--</u>	<u>182,604</u>	<u>--</u>	<u>--</u>	<u>--</u>
(183,782)	(6,313)	(468,970)	(8,277)	5,477	(85,986)
<u>183,782</u>	<u>42,854</u>	<u>19,813,069</u>	<u>325,063</u>	<u>46,806</u>	<u>2,195,883</u>
<u>\$ --</u>	<u>\$ 36,541</u>	<u>\$ 19,344,099</u>	<u>\$ 316,786</u>	<u>\$ 52,283</u>	<u>\$ 2,109,897</u>

the City of Corpus Christi, Texas

Exhibit 9-B  
(Continued)

**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation	Eliminations	2004 Total	2003 Total
<b>Revenues</b>					
Taxes and business fees	\$ 12,795,237	\$ 460,542	\$ --	\$ 26,298,614	\$ 22,358,135
Grants	--	--	--	14,177,692	15,364,473
Charges for services	--	--	--	3,207,474	3,003,129
Deposits	--	--	--	103,674	340,917
Contributions and donations	--	--	--	247,520	212,550
Earnings on investments	145,959	2,658	--	218,795	293,253
Interest on loans	--	--	--	93,839	103,108
Sale of City property	--	--	--	6,035	108,627
Recovery of prior year expenditures	--	--	--	--	32,558
Claim settlement	--	--	--	--	107,252
Miscellaneous	--	--	--	284,233	409,084
Total revenue	<u>12,941,196</u>	<u>463,200</u>	<u>--</u>	<u>44,637,876</u>	<u>42,333,086</u>
<b>Expenditures</b>					
<b>Current</b>					
General government	713,034	4,770	--	1,704,553	759,470
Public safety					
Police	--	--	--	5,693,793	5,896,527
Fire	--	--	--	489,634	331,261
Emergency management	--	--	--	169,746	337,978
Streets	--	--	--	1,086,564	520,975
Solid Waste	--	--	--	65,517	12,998
Health	--	--	--	1,696,486	1,645,282
Community enrichment					
Parks and recreation	--	--	--	4,857,248	4,842,691
Libraries	--	--	--	1,372,707	1,045,810
Enrichment	--	--	--	470,860	482,690
Development	--	--	--	4,377,424	5,785,391
Convention and visitors activities	--	--	--	6,164,876	5,836,428
Other	--	--	--	22,095	--
Capital projects	2,005,298	--	--	3,830,041	1,218,364
Debt service					
Principal retirement	--	--	--	93,239	89,002
Interest	--	--	--	16,759	41,895
Total expenditures	<u>2,718,332</u>	<u>4,770</u>	<u>--</u>	<u>32,111,542</u>	<u>28,846,762</u>
Excess (deficiency) of revenues over (under) expenditures	10,222,864	458,430	--	12,526,334	13,486,324
<b>Other financing sources (uses)</b>					
Proceeds from sale of revenue bonds	250,000	--	--	250,000	--
Transfers in	8,474	--	(251,455)	1,035,712	978,577
Transfers out	(6,305,573)	(164,063)	251,455	(11,175,968)	(9,749,453)
Total other financing sources (uses)	<u>(6,047,099)</u>	<u>(164,063)</u>	<u>--</u>	<u>(9,890,256)</u>	<u>(8,770,876)</u>
Net change in fund balances	4,175,765	294,367	--	2,636,078	4,715,448
Fund balances at beginning of year	<u>12,288,541</u>	<u>276,113</u>	<u>--</u>	<u>39,967,064</u>	<u>35,251,616</u>
Fund balances at end of year	<u>\$ 16,464,306</u>	<u>\$ 570,480</u>	<u>\$ --</u>	<u>\$ 42,603,142</u>	<u>\$ 39,967,064</u>



City of  
Corpus  
Christi

**VISITORS FACILITIES FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2004 AND 2003**

ASSETS	<u>2004</u>	<u>2003</u>
Cash and cash equivalents	\$ 536,392	\$ 739,626
Receivables		
Accounts	132,912	164,599
Intergovernmental	93	2,075
Allowance for uncollectibles	<u>(19,984)</u>	<u>(747)</u>
Net receivables	113,021	165,927
Due from other funds	<u>109,285</u>	<u>32,378</u>
Total assets	<u>\$ 758,698</u>	<u>\$ 937,931</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 181,604	\$ 106,569
Accrued liabilities	20,429	61,449
Deposits	103,875	137,085
Due to other funds	<u>446,545</u>	<u>33,209</u>
Total liabilities	752,453	338,312
Fund balance		
Reserved for encumbrances	24,371	16,330
Unreserved		
Designated for subsequent year's expenditures	-	324,334
Undesignated (deficit)	<u>(18,126)</u>	<u>258,955</u>
Total fund balance	6,245	599,619
Total liabilities and fund balance	<u>\$ 758,698</u>	<u>\$ 937,931</u>



**VISITORS FACILITIES FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Budget		2004 Actual	Variance	2003 Actual
	Original	Final		Final Budget Positive (Negative)	
<b>Revenues</b>					
Coliseum services	\$ 387,524	\$ 387,524	\$ 423,565	\$ 36,041	\$ 385,348
Auditorium services	140,000	140,000	111,170	(28,830)	174,743
Convention center services	700,000	700,000	627,112	(72,888)	801,058
Equipment rental- auditorium/convention center	200,000	200,000	192,660	(7,340)	180,404
Catering fees- auditorium/convention center	60,000	60,000	129,597	69,597	74,745
Multicultural center rentals	--	--	--	--	40,991
Heritage Park maintenance contract	--	--	--	--	26,194
Ice hockey cost recovery	36,000	36,000	9,037	(26,963)	56,346
Earnings on investments	9,666	9,666	939	(8,727)	11,870
Recovery of prior year expenditures	--	--	--	--	32,558
Claim settlement	--	--	--	--	107,252
Miscellaneous	--	--	260	260	600
Total revenues	<u>1,533,190</u>	<u>1,533,190</u>	<u>1,494,340</u>	<u>(38,850)</u>	<u>1,892,109</u>
<b>Expenditures</b>					
<b>Current</b>					
Convention and visitor activities	--	107,252	107,252	--	66,175
Auditorium/convention center	555,458	595,164	773,746	(178,582)	679,371
Coliseum	308,746	323,266	291,225	32,041	239,157
Water garden	110,021	122,126	119,497	2,629	90,162
Cultural facility maintenance	340,809	340,809	327,002	13,807	300,883
Reserve appropriation	50,000	--	--	--	--
<b>Debt service</b>					
Interest	78,778	78,778	--	78,778	--
Total expenditures	<u>1,443,812</u>	<u>1,567,395</u>	<u>1,618,722</u>	<u>(51,327)</u>	<u>1,375,748</u>
Excess (dficiency) of revenues over (under) expenditures	89,378	(34,205)	(124,382)	(90,177)	516,361
<b>Other financing sources (uses)</b>					
Transfers in	--	--	--	--	4,368
Transfers out	(413,712)	(413,712)	(468,992)	(55,280)	(467,026)
Total other financing sources (uses)	<u>(413,712)</u>	<u>(413,712)</u>	<u>(468,992)</u>	<u>(55,280)</u>	<u>(462,658)</u>
Net change in fund balance	(324,334)	(447,917)	(593,374)	(145,457)	53,703
Fund balance at beginning of year	<u>331,882</u>	<u>599,619</u>	<u>599,619</u>	<u>--</u>	<u>545,916</u>
Fund balance at end of year	<u>\$ 7,548</u>	<u>\$ 151,702</u>	<u>\$ 6,245</u>	<u>\$ (145,457)</u>	<u>\$ 599,619</u>

the City of Corpus Christi, Texas

Exhibit 11-A

**HOTEL OCCUPANCY TAX FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2004 AND 2003**

ASSETS	<u>2004</u>	<u>2003</u>
Cash and cash equivalents	\$ --	\$ 436,102
Receivables		
Accounts	1,642,610	1,158,286
Miscellaneous	--	1,844
Allowance for uncollectibles	(425)	--
Net receivables	<u>1,642,185</u>	<u>1,160,130</u>
Due from other funds	<u>--</u>	<u>146,781</u>
Total assets	<u>\$ 1,642,185</u>	<u>\$ 1,743,013</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 5,000	\$ 28,412
Accrued liabilities	3,456	--
Due to other funds	553,984	3,493
Total liabilities	<u>562,440</u>	<u>31,905</u>
Fund balance		
Reserved for encumbrances	--	100,000
Reserved for Convention Center expansion	915,358	1,592,943
Unreserved		
Designated for subsequent year's expenditures	111,421	18,165
Undesignated	52,966	--
Total fund balance	<u>1,079,745</u>	<u>1,711,108</u>
Total liabilities and fund balance	<u>\$ 1,642,185</u>	<u>\$ 1,743,013</u>

the City of Corpus Christi, Texas

Exhibit 11-B

**HOTEL OCCUPANCY TAX FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Budget		2004 Actual	Variance	2003 Actual
	Original	Final		Final Budget Positive (Negative)	
<b>Revenues</b>					
Hotel occupancy tax	\$ 6,379,928	\$ 6,379,928	\$ 6,341,111	\$ (38,817)	\$ 6,133,722
Hotel occupancy tax-Convention expansion	1,822,838	1,822,838	1,804,045	(18,793)	1,761,157
Earnings on investments	17,523	17,523	--	(17,523)	30,778
Miscellaneous	--	--	11,437	11,437	621
Total revenues	8,220,289	8,220,289	8,156,593	(63,696)	7,926,278
<b>Expenditures</b>					
<b>Current</b>					
Convention center/auditorium	2,171,037	2,171,037	2,171,037	--	2,186,101
Convention center expansion	--	--	--	--	285,144
Convention and Visitors Bureau-convention promotion	2,375,117	2,375,117	2,375,117	--	2,341,235
Art Museum of South Texas	200,000	200,000	200,000	--	200,000
Multicultural services support	84,363	84,363	84,363	--	80,346
Jazz festival	7,500	7,500	7,500	--	7,500
Arts grants and projects	91,500	91,500	90,247	1,253	88,007
Harbor Playhouse	31,750	31,750	31,750	--	31,521
Center for Hispanic Arts	15,000	15,000	15,000	--	15,000
Asian Cultures Museum	15,000	15,000	15,000	--	15,000
Arts Community Center	15,000	15,000	15,000	--	15,000
Corpus Christi Symphony	12,000	12,000	12,000	--	12,000
Beach cleaning	943,425	943,425	932,167	11,258	751,719
American Bowling Congress	50,000	150,000	--	150,000	--
Sesquicentennial celebration	--	--	--	--	18,316
Miscellaneous	--	--	22,095	(22,095)	--
Total expenditures	6,011,692	6,111,692	5,971,276	140,416	6,046,889
Excess of revenues over expenditures	2,208,597	2,108,597	2,185,317	76,720	1,879,389
<b>Other financing (uses)</b>					
Transfers out	(2,815,422)	(2,815,422)	(2,816,680)	(1,258)	(3,247,263)
Total other financing (uses)	(2,815,422)	(2,815,422)	(2,816,680)	(1,258)	(3,247,263)
Net change in fund balance	(606,825)	(706,825)	(631,363)	75,462	(1,367,874)
Fund balance at beginning of year	1,668,145	1,711,108	1,711,108	--	3,078,982
Fund balance at end of year	\$ 1,061,320	\$ 1,004,283	\$ 1,079,745	\$ 75,462	\$ 1,711,108



City of  
Corpus  
Christi

the City of Corpus Christi, Texas

FEDERAL/STATE GRANTS FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2004 AND 2003

Exhibit 12-A

ASSETS	2004	2003
Cash and cash equivalents	\$ 1,021,483	\$ 343,276
Receivables		
Accounts	5,503	23,489
Property leases	2,503	594
Demolition liens	136,400	143,661
Special assessments	11,975	14,217
Intergovernmental	3,032,054	3,071,123
Net receivables	3,188,435	3,253,084
Due from other funds	20,846	29,982
Total assets	\$ 4,230,764	\$ 3,626,342
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 1,298,581	\$ 641,047
Accrued liabilities	574,293	622,813
Contractor interest and retainage payable	--	34,226
Deposits	--	254,439
Due to other funds	73,272	41,778
Due to other governmental agencies	4,830	4,830
Deferred revenues		
Demolition liens and other	125,571	132,832
Paving assessments	12,262	14,505
U.S. Department of Justice	84,387	221,616
Asset seizure and forfeitures	44,592	59,133
Grants	673,969	540,008
Texas Commission on Environmental Quality	286,437	35,580
Total liabilities	3,178,194	2,602,807
Fund balance		
Reserved for encumbrances	1,475,886	1,112,090
Reserved for Senior Community Services	36,308	30,382
Reserved for law enforcement		
State forfeitures	233,566	368,821
Federal forfeitures	761,953	628,665
Officers' standards and education	9,394	22,089
Unreserved:		
Undesignated (deficit)	(1,464,537)	(1,138,512)
Total fund balance	1,052,570	1,023,535
Total liabilities and fund balances	\$ 4,230,764	\$ 3,626,342

the City of Corpus Christi, Texas

**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, 2004**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
<b>Revenues</b>				
Charges for services	\$ 12,283,193	\$ 11,877,158	\$ 1,590,514	\$ 13,467,672
State of Texas	44,869,732	38,097,523	5,575,513	43,673,036
Federal Government	94,420,297	77,851,756	5,435,089	83,286,845
Coastal Bend Council of Governments	9,552,544	5,584,923	947,355	6,532,278
Drug forfeitures				
State	421,990	318,621	103,369	421,990
Federal	926,584	540,886	385,698	926,584
Earnings on investments	40,607	28,535	12,072	40,607
Local grants and contributions	464,054	917,521	36,652	954,173
Miscellaneous	1,167,020	1,133,754	272,536	1,406,290
Total revenue	<u>164,146,021</u>	<u>136,350,677</u>	<u>14,358,798</u>	<u>150,709,475</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	3,711,031	2,046,751	913,133	2,959,884
Public safety				
Police	17,834,454	12,263,693	1,688,050	13,951,743
Fire	1,026,524	587,009	489,634	1,076,643
Emergency management	471,440	345,449	69,640	415,089
Streets	4,806,496	3,488,468	1,086,564	4,575,032
Solid Waste	255,469	534,830	65,517	600,347
Health	11,916,897	11,218,264	1,696,486	12,914,750
Community enrichment				
Parks and recreation	14,398,518	18,254,370	3,897,107	22,151,477
Libraries	4,215,564	5,812,951	1,318,418	7,131,369
Community development	70,440,602	52,554,302	1,907,069	54,461,371
Miscellaneous	162,010	179,614	--	179,614
Capital projects	31,910,519	29,002,238	1,815,629	30,817,867
Debt service				
Principal retirement	93,440	93,440	--	93,440
Interest	1,524	1,524	--	1,524
Total expenditures	<u>161,244,488</u>	<u>136,382,903</u>	<u>14,947,247</u>	<u>151,330,150</u>
Excess (deficiency) of revenues over (under) expenditures	2,901,533	(32,226)	(588,449)	(620,675)

(Continued)

the City of Corpus Christi, Texas

Exhibit 12-B

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Transfers in				
Corpus Christi Community Improvement Corporation	222,846	499,901	29,562	529,463
General fund	7,756,094	6,812,581	1,035,712	7,848,293
Utility system	10,000	95,000	--	95,000
Trust funds	--	869,267	--	869,267
Total transfers in	<u>7,988,940</u>	<u>8,276,749</u>	<u>1,065,274</u>	<u>9,342,023</u>
Transfers out				
Corpus Christi Community Improvement Corporation	(7,938,412)	(4,747,230)	(212,166)	(4,959,396)
Water	--	(23,339)	--	(23,339)
Airport	--	(3,514)	--	(3,514)
General fund	<u>(2,923,026)</u>	<u>(2,446,905)</u>	<u>(235,624)</u>	<u>(2,682,529)</u>
Total transfers out	<u>(10,861,438)</u>	<u>(7,220,988)</u>	<u>(447,790)</u>	<u>(7,668,778)</u>
Total other financing sources (uses)	<u>(2,872,498)</u>	<u>1,055,761</u>	<u>617,484</u>	<u>1,673,245</u>
Net change in fund balance	<u>\$ 29,035</u>	<u>\$ 1,023,535</u>	29,035	<u>\$ 1,052,570</u>
Fund balance at beginning of year			<u>1,023,535</u>	
Fund balance at end of year			<u>\$ 1,052,570</u>	

COMMUNITY ENRICHMENT FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2004 AND 2003

ASSETS	<u>2004</u>	<u>2003</u>
Cash and cash equivalents	\$ 122,387	\$ 469,223
Investments	933,590	500,000
Receivables		
Accrued interest	7,368	3,829
Net receivables	<u>7,368</u>	<u>3,829</u>
Due from other funds	<u>1,566</u>	<u>3,493</u>
Total assets	<u>\$ 1,064,911</u>	<u>\$ 976,545</u>
 <b>LIABILITIES AND FUND BALANCE</b> 		
Liabilities		
Accounts payable	\$ 16,274	\$ 2,692
Total liabilities	<u>16,274</u>	<u>2,692</u>
Fund balance		
Reserved for encumbrances	4,613	39,453
Reserved for library projects	953	55,854
Reserved for Sister City programs	993	983
Reserved for park projects	933,597	771,451
Reserved for permanent art projects	108,481	106,106
Reserved for latchkey programs	-	6
Total fund balance	<u>1,048,637</u>	<u>973,853</u>
Total liabilities and fund balance	<u>\$ 1,064,911</u>	<u>\$ 976,545</u>



**COMMUNITY ENRICHMENT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**YEAR ENDED JULY 31, 2004 AND 2003**

	Budget		2004	Variance	2003
	Original	Final		Final Budget Positive (Negative)	
<b>Revenues</b>					
Deposits	\$ --	\$ --	\$ --	\$ --	\$ 198,890
Contributions and donations	--	--	154,283	154,283	63,720
Earnings on investments	18,560	18,560	10,625	(7,935)	15,504
<b>Total revenues</b>	<u>18,560</u>	<u>18,560</u>	<u>164,908</u>	<u>146,348</u>	<u>278,114</u>
<b>Expenditures</b>					
Current					
Community enrichment					
Parks and recreation	93,225	93,225	27,974	65,251	75,089
Libraries	--	56,739	54,289	2,450	1,905
Capital projects	612,904	652,355	9,114	643,241	156,747
<b>Total expenditures</b>	<u>706,129</u>	<u>802,319</u>	<u>91,377</u>	<u>710,942</u>	<u>233,741</u>
Excess (deficiency) of revenues over (under) expenditures	(687,569)	(783,759)	73,531	857,290	44,373
<b>Other financing sources</b>					
Transfers in	--	1,253	1,253	--	3,493
<b>Total other financing sources</b>	<u>--</u>	<u>1,253</u>	<u>1,253</u>	<u>--</u>	<u>3,493</u>
Net change in fund balance	(687,569)	(782,506)	74,784	857,290	47,866
Fund balance at beginning of year	954,467	973,853	973,853	--	925,987
Fund balance at end of year	<u>\$ 266,898</u>	<u>\$ 191,347</u>	<u>\$ 1,048,637</u>	<u>\$ 857,290</u>	<u>\$ 973,853</u>

**INFRASTRUCTURE FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 71,565	\$ 498,277
Investments	500,000	--
Receivables		
Accrued interest	3,946	--
Net receivables	<u>3,946</u>	<u>-</u>
Total assets	<u>\$ 575,511</u>	<u>\$ 498,277</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 53,939	\$ 11,436
Due to other funds	19	3
Total liabilities	<u>53,958</u>	<u>11,439</u>
Fund balance		
Reserved for infrastructure	<u>521,553</u>	<u>486,838</u>
Total fund balance	<u>521,553</u>	<u>486,838</u>
Total liabilities and fund balance	<u>\$ 575,511</u>	<u>\$ 498,277</u>

the City of Corpus Christi, Texas

Exhibit 14-B

**INFRASTRUCTURE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**YEAR ENDED JULY 31, 2004 AND 2003**

	Budget		2004 Actual	Variance	2003 Actual
	Original	Final		Final Budget Positive (Negative)	
<b>Revenues</b>					
Deposits	\$ --	\$ --	\$ 103,674	\$ 103,674	\$ 142,027
Contributions and donations	--	--	--	--	51,095
Earnings on investments	6,760	6,760	4,657	(2,103)	5,138
Total revenues	<u>6,760</u>	<u>6,760</u>	<u>108,331</u>	<u>101,571</u>	<u>198,260</u>
<b>Expenditures</b>					
Current					
General government	2,396	76,012	73,616	2,396	50,301
Total expenditures	<u>2,396</u>	<u>76,012</u>	<u>73,616</u>	<u>2,396</u>	<u>50,301</u>
Net change in fund balance	4,364	(69,252)	34,715	103,967	147,959
Fund balance at beginning of year	<u>447,375</u>	<u>486,838</u>	<u>486,838</u>	<u>--</u>	<u>338,879</u>
Fund balance at end of year	<u>\$ 451,739</u>	<u>\$ 417,586</u>	<u>\$ 521,553</u>	<u>\$ 103,967</u>	<u>\$ 486,838</u>

the City of Corpus Christi, Texas

Exhibit 15-A

TAX INCREMENT ZONE NO. 1 FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2004 AND 2003

ASSETS	<u>2004</u>	<u>2003</u>
Cash and cash equivalents	\$ 427,449	\$ 183,480
Receivables		
Taxes	--	302
Net receivables	<u>--</u>	<u>302</u>
Total assets	<u>\$ 427,449</u>	<u>\$ 183,782</u>
 <b>LIABILITIES AND FUND BALANCE</b> 		
Liabilities		
Due to other funds	\$ 192,104	\$ --
Due to other governmental agencies	<u>235,345</u>	<u>--</u>
Total Liabilities	427,449	--
Fund balance		
Unreserved		
Designated for subsequent year's expenditures	<u>--</u>	<u>183,782</u>
Total fund balance	<u>--</u>	<u>183,782</u>
Total liabilities and fund balance	<u>\$ 427,449</u>	<u>\$ 183,782</u>

**TAX INCREMENT ZONE NO. 1 FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	<u>Budget</u>		<u>2004 Actual</u>	<u>Variance</u>	<u>2003 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
<b>Revenues</b>					
Taxes and business fees	\$ 1,213,950	\$ 1,213,950	\$ 1,007,950	\$ (206,000)	\$ 1,136,921
Earnings on investments	8,880	8,880	3,031	(5,849)	4,084
Total revenues	<u>1,222,830</u>	<u>1,222,830</u>	<u>1,010,981</u>	<u>(211,849)</u>	<u>1,141,005</u>
<b>Other financing sources (uses)</b>					
Transfers out	<u>(1,446,300)</u>	<u>(1,446,300)</u>	<u>(1,194,763)</u>	251,537	<u>(1,201,853)</u>
Total other financing sources (uses)	<u>(1,446,300)</u>	<u>(1,446,300)</u>	<u>(1,194,763)</u>	<u>251,537</u>	<u>(1,201,853)</u>
<b>Net change in fund balance</b>	(223,470)	(223,470)	(183,782)	39,688	(60,848)
<b>Fund balance at beginning of year</b>	<u>223,470</u>	<u>183,782</u>	<u>183,782</u>	--	<u>244,630</u>
<b>Fund balance at end of year</b>	<u>\$ --</u>	<u>\$ (39,688)</u>	<u>\$ --</u>	<u>\$ 39,688</u>	<u>\$ 183,782</u>

the City of Corpus Christi, Texas

Exhibit 16-A

LOCAL EMERGENCY PLANNING COMMITTEE  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2004 AND 2003

ASSETS	<u>2004</u>	<u>2003</u>
Cash and cash equivalents	\$ 41,217	\$ 47,691
Total assets	<u>\$ 41,217</u>	<u>\$ 47,691</u>
 <b>LIABILITIES AND FUND BALANCE</b>  		
<b>Liabilities</b>		
Accounts payable	\$ 260	\$ 123
Accrued liabilities	--	3,890
Due to other funds	4,216	624
Deferred revenues		
Dues	200	200
Total liabilities	<u>4,676</u>	<u>4,837</u>
<b>Fund balance</b>		
Reserved for local emergency response planning	18,943	21,815
Unreserved		
Designated for subsequent year's expenditures	17,598	21,039
Total fund balance	<u>36,541</u>	<u>42,854</u>
Total liabilities and fund balance	<u>\$ 41,217</u>	<u>\$ 47,691</u>

**LOCAL EMERGENCY PLANNING COMMITTEE**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2004 AND 2003**

	Budget		2004 Actual	Variance Final Budget Positive (Negative)	2003 Actual
	Original	Final			
<b>Revenues</b>					
Contributions and donations	\$ 92,200	\$ 92,200	\$ 93,237	\$ 1,037	\$ 97,735
Earnings on investments	1,529	1,529	556	(973)	982
<b>Total revenues</b>	<u>93,729</u>	<u>93,729</u>	<u>93,793</u>	<u>64</u>	<u>98,717</u>
<b>Expenditures</b>					
<b>Current</b>					
Public safety					
Emergency management	114,768	114,768	100,106	14,662	103,473
<b>Total expenditures</b>	<u>114,768</u>	<u>114,768</u>	<u>100,106</u>	<u>14,662</u>	<u>103,473</u>
<b>Net change in fund balance</b>	(21,039)	(21,039)	(6,313)	14,726	(4,756)
<b>Fund balance at beginning of year</b>	<u>42,000</u>	<u>42,854</u>	<u>42,854</u>	<u>--</u>	<u>47,610</u>
<b>Fund balance at end of year</b>	<u>\$ 20,961</u>	<u>\$ 21,815</u>	<u>\$ 36,541</u>	<u>\$ 14,726</u>	<u>\$ 42,854</u>

the City of Corpus Christi, Texas

Exhibit 17-A

CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2004 AND 2003

ASSETS	<u>2004</u>	<u>2003</u>
Cash and cash equivalents	\$ 1,646,760	\$ 1,786,676
Receivables		
Mortgages and loans	18,085,848	18,109,021
Intergovernmental	1,000	201,000
Miscellaneous	<u>26,555</u>	<u>236,355</u>
Net receivables	18,113,403	18,546,376
Due from other funds	<u>125,007</u>	<u>33,502</u>
Total assets	<u>\$ 19,885,170</u>	<u>\$ 20,366,554</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 342,344	\$ 304,859
Deposits	188,233	141,897
Due to other funds	10,494	28,207
Deferred revenues		
Demolition liens and other	--	78,522
Total liabilities	<u>541,071</u>	<u>553,485</u>
Fund balance		
Reserved for loans	18,252,062	18,365,311
Reserved for Home Program	511,167	505,814
Unreserved		
Undesignated	580,870	941,944
Total fund balance	<u>19,344,099</u>	<u>19,813,069</u>
Total liabilities and fund balance	<u>\$ 19,885,170</u>	<u>\$ 20,366,554</u>



**CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>Revenues</b>		
Charges for services	\$ 108,829	\$ 101,358
Federal Government	1,694,016	2,070,225
Earnings on investments	10,569	11,038
Interest on loans	93,839	103,108
Miscellaneous	--	60,231
Total revenues	<u>1,907,253</u>	<u>2,345,960</u>
<b>Expenditures</b>		
Current		
Grants	2,020,285	1,061,394
Warranty costs	3,450	2,864
Administration costs	175,571	186,334
Forgiven and uncollectible loans	249,523	218,129
Debt service		
Principal retirement	93,239	89,002
Interest	16,759	20,645
Total expenditures	<u>2,558,827</u>	<u>1,578,368</u>
Excess (deficiency) of revenues over (under) expenditures	(651,574)	767,592
<b>Other financing sources (uses)</b>		
Transfers in	212,166	399,562
Transfers out	<u>(29,562)</u>	<u>(43,657)</u>
Total other financing sources (uses)	<u>182,604</u>	<u>355,905</u>
Net change in fund balance	(468,970)	1,123,497
Fund balance at beginning of year	<u>19,813,069</u>	<u>18,689,572</u>
Fund balance at end of year	<u>\$ 19,344,099</u>	<u>\$ 19,813,069</u>

**CORPUS CHRISTI HOUSING FINANCE CORPORATION  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 317,161	\$ 371,732
Total assets	<u>\$ 317,161</u>	<u>\$ 371,732</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 375	\$ 250
Accrued liabilities	--	25
Due to other funds	--	46,394
Total liabilities	<u>375</u>	<u>46,669</u>
Fund balance		
Unreserved		
Undesignated	316,786	325,063
Total fund balance	<u>316,786</u>	<u>325,063</u>
Total liabilities and fund balance	<u>\$ 317,161</u>	<u>\$ 371,732</u>

**CORPUS CHRISTI HOUSING FINANCE CORPORATION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**YEAR ENDED JULY 31, 2004 AND 2003**

	2004	2003
<b>Revenues</b>		
Charges for services	\$ 10,040	\$ 8,270
Earnings on investments	3,209	4,129
Sale of City property	--	83,267
Total revenues	13,249	95,666
<b>Expenditures</b>		
Current		
Administration costs	21,526	21,273
Other	--	31,122
Total expenditures	21,526	52,395
Excess (deficiency) of revenues over (under) expenditures	(8,277)	43,271
<b>Other financing (uses)</b>		
Transfers out	--	(33,502)
Total other financing (uses)	--	(33,502)
Net change in fund balance	(8,277)	9,769
Fund balance at beginning of year	325,063	315,294
Fund balance at end of year	\$ 316,786	\$ 325,063

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2004 AND 2003**

<b>ASSETS</b>	<u>2004</u>	<u>2003</u>
Cash and cash equivalents	\$ 52,283	\$ 46,806
Total assets	<u>\$ 52,283</u>	<u>\$ 46,806</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities	\$ --	\$ --
Fund balance		
Unreserved		
Undesignated	<u>52,283</u>	<u>46,806</u>
Total fund balance	<u>52,283</u>	<u>46,806</u>
Total liabilities and fund balance	<u>\$ 52,283</u>	<u>\$ 46,806</u>

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>Revenues</b>		
Charges for services	\$ 4,950	\$ --
Earnings on investments	527	533
Total revenues	<u>5,477</u>	<u>533</u>
Net change in fund balance	5,477	533
Fund balance at beginning of year	<u>46,806</u>	<u>46,273</u>
Fund balance at end of year	<u>\$ 52,283</u>	<u>\$ 46,806</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
SCHEDULE OF NET ASSETS  
JULY 31, 2004**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Net Assets</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,340,656	\$ --	\$ 1,340,656
Investments	400,000	--	400,000
Receivables			
Accrued interest	3,912	--	3,912
Intergovernmental	374,661	--	374,661
Net receivables	<u>378,573</u>	<u>--</u>	<u>378,573</u>
Due from other funds	<u>55,000</u>	<u>--</u>	<u>55,000</u>
Total assets	<u>\$ 2,174,229</u>	<u>--</u>	<u>2,174,229</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 64,332	--	64,332
Accumulated unpaid compensated absences			
Due within one year	--	205,539	205,539
Due in more than one year	--	66,392	66,392
Total liabilities	<u>64,332</u>	<u>271,931</u>	<u>336,263</u>
<b>FUND BALANCE</b>			
Unreserved			
Designated for subsequent year's expenditures	375,023	(375,023)	--
Undesignated (deficit)	1,734,874	(1,734,874)	--
Total fund balance	<u>2,109,897</u>	<u>(2,109,897)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 2,174,229</u>		
<b>NET ASSETS</b>			
Restricted for			
Crime control and prevention		<u>1,837,966</u>	<u>1,837,966</u>
Total net assets		<u>\$ 1,837,966</u>	<u>\$ 1,837,966</u>

the City of Corpus Christi, Texas

Exhibit 20-B

CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
SCHEDULE OF ACTIVITIES  
YEAR ENDED JULY 31, 2004

	Governmental Funds	Adjustments	Schedule of Activities
<b>Expenditures/expenses</b>			
Public safety	\$ 4,005,743	\$ 9,146	\$ 4,014,889
Total expenditures/expenses	4,005,743	9,146	4,014,889
<b>General revenue</b>			
Sales tax	3,889,729	--	3,889,729
Earnings on investments	23,993	--	23,993
Sale of City property	6,035	--	6,035
Total general revenues	3,919,757	--	3,919,757
Deficiency of revenues under expenditures	(85,986)	85,986	--
Change in net assets	--	(95,132)	(95,132)
Fund balance/net assets beginning of year	2,195,883	(262,785)	1,933,098
Fund balance/net assets end of year	\$ 2,109,897	\$ (271,931)	\$ 1,837,966

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2004 AND 2003**

ASSETS	<u>2004</u>	<u>2003</u>
Cash and cash equivalents	\$ 1,340,656	\$ 1,168,167
Investments	400,000	1,000,000
Receivables		
Accrued interest	3,912	8,987
Intergovernmental	374,661	364,466
Net receivables	<u>378,573</u>	<u>373,453</u>
Due from other funds	<u>55,000</u>	<u>470</u>
Total assets	<u>\$ 2,174,229</u>	<u>\$ 2,542,090</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 64,332	\$ 4,598
Accrued liabilities	--	183,939
Due to other funds	--	157,670
Total liabilities	<u>64,332</u>	<u>346,207</u>
Fund balance		
Reserved for encumbrances	--	21,182
Unreserved		
Designated for subsequent year's expenditures	375,023	117,449
Undesignated	1,734,874	2,057,252
Total fund balance	<u>2,109,897</u>	<u>2,195,883</u>
Total liabilities and fund balance	<u>\$ 2,174,229</u>	<u>\$ 2,542,090</u>



the City of Corpus Christi, Texas

Exhibit 20-D

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JULY 31, 2004  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Budget		2004 Actual	Variance	2003 Actual
	Original	Final		Final Budget Positive (Negative)	
<b>Revenues</b>					
Sales tax	\$ 3,824,060	\$ 3,824,060	\$ 3,889,729	\$ 65,669	\$ 3,709,741
Earnings on investments	53,527	53,527	23,993	(29,534)	38,203
Sale of City property	--	--	6,035	6,035	25,360
Miscellaneous	--	--	--	--	1,156
Total revenue	<u>3,877,587</u>	<u>3,877,587</u>	<u>3,919,757</u>	<u>42,170</u>	<u>3,774,460</u>
<b>Expenditures</b>					
<b>Current</b>					
Police officers	3,264,106	3,243,313	3,327,100	(83,787)	3,188,424
Support personnel	80,593	80,388	69,547	10,841	251,033
Pawn shop detail	55,869	62,086	62,572	(486)	58,802
Prevention	--	--	--	--	41,105
MDT/AVL tech support	122,836	128,796	103,816	24,980	123,280
Juvenile Curfew & Truancy Assessment Center	305,898	320,243	304,862	15,381	295,122
Citizens advisory council	20,000	20,000	4,764	15,236	20,509
Bi-annual Crime Control District evaluation survey	16,033	--	--	--	--
Public safety vehicles and equipment	20,600	20,600	3,111	17,489	173,754
Police academy	--	--	--	--	77,157
Election cost	--	--	--	--	68,604
Juvenile City marshals	109,101	119,610	118,578	1,032	109,111
Lighting projects in high crime areas	--	21,182	11,393	9,789	5,710
	<u>3,995,036</u>	<u>4,016,218</u>	<u>4,005,743</u>	<u>10,475</u>	<u>4,412,611</u>
Net change in fund balance	(117,449)	(138,631)	(85,986)	52,645	(638,151)
Fund balance at beginning of year	<u>2,254,474</u>	<u>2,195,883</u>	<u>2,195,883</u>	--	<u>2,834,034</u>
Fund balance at end of year	<u>\$ 2,137,025</u>	<u>\$ 2,057,252</u>	<u>\$ 2,109,897</u>	<u>\$ 52,645</u>	<u>\$ 2,195,883</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION**  
**SCHEDULE OF NET ASSETS**  
**JULY 31, 2004**

	Governmental Funds	Adjustments	Schedule of Net Assets
<b>ASSETS</b>			
Cash and cash equivalents	\$ 12,708,965	\$ --	\$ 12,708,965
Investments	68,508,411	--	68,508,411
Receivables			
Accounts	10,833		10,833
Accrued interest	541,035	--	541,035
Intergovernmental	1,270,071	--	1,270,071
Net receivables	1,821,939	--	1,821,939
Due from other funds	188,011	--	188,011
Bond issuance cost	--	1,862,209	1,862,209
Total assets	<u>\$ 83,227,326</u>	<u>1,862,209</u>	<u>85,089,535</u>
<b>LIABILITIES</b>			
Accounts payable	3,185,823	--	3,185,823
Accrued interest	--	2,112,036	2,112,036
Contractor interest and retainage payable	2,092,154	--	2,092,154
Due to other funds	173,242	--	173,242
Deferred revenues			
Other	177,333		177,333
Long-term debt			
Due within one year	--	3,525,000	3,525,000
Due in more than one year	--	115,393,017	115,393,017
Total liabilities	<u>5,628,552</u>	<u>121,030,053</u>	<u>126,658,605</u>
<b>FUND BALANCE</b>			
Reserved for encumbrances	38,793,035	(38,793,035)	--
Unreserved			
Designated for subsequent years' expenditures	104,474	(104,474)	--
Designated for specific projects	19,196,117	(19,196,117)	--
Undesignated	19,505,148	(19,505,148)	--
Total fund balance	<u>77,598,774</u>	<u>(77,598,774)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 83,227,326</u>		
<b>NET ASSETS (LIABILITIES)</b>			
Restricted for			
Bond interest and redemption		1,956,675	1,956,675
Construction of capital assets		19,196,117	19,196,117
Unrestricted		(62,721,862)	(62,721,862)
Total net liabilities		<u>\$ (41,569,070)</u>	<u>\$ (41,569,070)</u>

the City of Corpus Christi, Texas

Exhibit 21-B

CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
SCHEDULE OF ACTIVITIES  
YEAR ENDED JULY 31, 2004

	Governmental Funds	Adjustments	Schedule of Activities
<b>Expenditures/expenses</b>			
General government	\$ 1,028,437	\$ --	\$ 1,028,437
Capital projects	45,344,614	(45,344,614)	--
Debt service			
Principal retirement	1,800,000	(1,800,000)	--
Interest	4,518,414	786,954	5,305,368
Paying agent fees	300	(300)	--
Bond issuance cost	543,340	(543,340)	--
Total expenditures/expenses	<u>53,235,105</u>	<u>(46,901,300)</u>	<u>6,333,805</u>
<b>General revenues</b>			
Sales tax	12,795,237	--	12,795,237
Earnings on investments	1,112,364	--	1,112,364
Revenue bonds issued	24,565,000	(24,565,000)	--
Premium from sale of revenue bonds	751,185	(751,185)	--
<b>Transfers out</b>	--	(45,344,614)	(45,344,614)
Total general revenues and transfers out	<u>39,223,786</u>	<u>(70,660,799)</u>	<u>(31,437,013)</u>
Deficiency of revenues under expenditures and transfers out	(14,011,319)	14,011,319	--
Change in net assets	--	(37,770,818)	(37,770,818)
Fund balance/net liabilities beginning of year	<u>91,610,093</u>	<u>(95,408,345)</u>	<u>(3,798,252)</u>
Fund balance/net liabilities end of year	<u>\$ 77,598,774</u>	<u>\$ (119,167,844)</u>	<u>\$ (41,569,070)</u>

the City of Corpus Christi, Texas

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION**  
**BALANCE SHEETS**  
**JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR JULY 31, 2003**

ASSETS	Special Revenue			
	Seawall Administration	Seawall Improvement	Arena Facility	Economic Development
Cash and cash equivalents	\$ --	\$ 143,291	\$ 2,229,312	\$ 751,382
Investments	--	5,171,403	5,061,444	2,198,920
Receivables				
Accounts	--	--	10,833	--
Accrued interest	--	49,484	46,894	18,493
Intergovernmental	--	423,357	423,357	423,357
Miscellaneous	--	--	--	--
Net receivables	--	472,841	481,084	441,850
Due from other funds	--	--	--	--
Total assets	<u>\$ --</u>	<u>\$ 5,787,535</u>	<u>\$ 7,771,840</u>	<u>\$ 3,392,152</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ --	\$ 1,000	\$ 46,350	\$ 124,899
Contractor interest and retainage payable	--	--	--	--
Due to other funds	--	12,861	118,285	6,493
Deferred revenues				
Rental	--	--	177,333	--
Total liabilities	--	13,861	341,968	131,392
Fund balances				
Reserved for encumbrances	--	--	970,632	847,572
Reserved for debt service	--	--	--	--
Unreserved				
Designated for subsequent year's expenditures	--	--	--	104,474
Designated for specific projects	--	--	--	--
Undesignated	--	5,773,674	6,459,240	2,308,714
Total fund balance	--	5,773,674	7,429,872	3,260,760
Total liabilities and fund balances	<u>\$ --</u>	<u>\$ 5,787,535</u>	<u>\$ 7,771,840</u>	<u>\$ 3,392,152</u>

the City of Corpus Christi, Texas

Exhibit 21-C

Debt Service		Capital Projects			2004	2003
Seawall	Arena	Seawall	Arena	Stadium	Total	Total
\$ 1,336,416	\$ 107,521	\$ 36,069	\$ 7,907,957	\$ 197,017	\$ 12,708,965	\$ 27,834,422
500,000	--	28,323,106	8,105,825	19,147,713	68,508,411	62,758,014
--	--	--	--	--	10,833	--
3,946	--	228,214	104,797	89,207	541,035	728,915
--	--	--	--	--	1,270,071	1,176,849
--	--	--	--	--	--	8,792
3,946	--	228,214	104,797	89,207	1,821,939	1,914,556
--	8,792	12,861	166,358	--	188,011	1,031,960
<u>\$ 1,840,362</u>	<u>\$ 116,313</u>	<u>\$ 28,600,250</u>	<u>\$ 16,284,937</u>	<u>\$ 19,433,937</u>	<u>\$ 83,227,326</u>	<u>\$ 93,538,952</u>
\$ --	\$ --	\$ 279,610	\$ 2,664,558	\$ 69,406	\$ 3,185,823	\$ 370,292
--	--	478,943	1,430,531	182,680	2,092,154	523,606
--	--	2,971	32,632	--	173,242	1,034,961
--	--	--	--	--	177,333	--
--	--	761,524	4,127,721	252,086	5,628,552	1,928,859
--	--	10,038,299	8,855,197	18,081,335	38,793,035	34,426,523
1,840,362	116,313	--	--	--	1,956,675	1,943,487
--	--	--	--	--	104,474	--
--	--	15,719,024	2,480,738	996,355	19,196,117	42,951,542
--	--	2,081,403	821,281	104,161	17,548,473	12,288,541
1,840,362	116,313	27,838,726	12,157,216	19,181,851	77,598,774	91,610,093
<u>\$ 1,840,362</u>	<u>\$ 116,313</u>	<u>\$ 28,600,250</u>	<u>\$ 16,284,937</u>	<u>\$ 19,433,937</u>	<u>\$ 83,227,326</u>	<u>\$ 93,538,952</u>

the City of Corpus Christi, Texas

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Special Revenue			
	Seawall Administration	Seawall Improvement	Arena Facility	Economic Development
<b>Revenues</b>				
Sales tax	\$ --	\$ 4,265,079	\$ 4,265,079	\$ 4,265,079
Earnings on investments	--	56,405	64,688	24,866
Total revenue	--	4,321,484	4,329,767	4,289,945
<b>Expenditures</b>				
Current				
General government	--	15,000	375,344	322,690
Capital projects	--	--	--	2,005,298
Debt service				
Principal retirement	--	--	--	--
Interest	--	--	--	--
Paying agent fees	--	--	--	--
Bond issuance cost	--	--	--	--
Total expenditures	--	15,000	375,344	2,327,988
Excess (deficiency) of revenues over (under) expenditures	--	4,306,484	3,954,423	1,961,957
<b>Other financing sources (uses)</b>				
Revenue bonds issued	--	--	--	250,000
Premium from sale of revenue bonds	--	--	--	--
Transfers in	--	8,474	--	--
Transfers out	(8,474)	(3,007,962)	(3,289,137)	--
Total other financing sources (uses)	(8,474)	(2,999,488)	(3,289,137)	250,000
Net change in fund balances	(8,474)	1,306,996	665,286	2,211,957
Fund balances at beginning of year	8,474	4,466,678	6,764,586	1,048,803
Fund balances at end of year	\$ --	\$ 5,773,674	\$ 7,429,872	\$ 3,260,760

the City of Corpus Christi, Texas

Exhibit 21-D

Debt Service		Capital Project			2004	2003
Seawall	Arena	Seawall	Arena	Stadium	Total	Total
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 12,795,237	\$ 9,335,555
21,894	12,909	467,376	376,986	87,240	1,112,364	1,272,745
21,894	12,909	467,376	376,986	87,240	13,907,601	10,608,300
--	--	141,490	173,673	240	1,028,437	223,963
--	--	11,847,151	26,064,171	5,427,994	45,344,614	13,381,275
845,000	955,000	--	--	--	1,800,000	--
2,178,806	2,339,608	--	--	--	4,518,414	2,697,305
--	300	--	--	--	300	1,440
--	--	--	--	543,340	543,340	1,007,797
3,023,806	3,294,908	11,988,641	26,237,844	5,971,574	53,235,105	17,311,780
(3,001,912)	(3,281,999)	(11,521,265)	(25,860,858)	(5,884,334)	(39,327,504)	(6,703,480)
--	--	--	--	24,315,000	24,565,000	44,185,000
--	--	--	--	751,185	751,185	1,399,226
3,007,962	3,289,137	--	--	--	6,305,573	5,415,217
--	--	--	--	--	(6,305,573)	(5,415,217)
3,007,962	3,289,137	--	--	25,066,185	25,316,185	45,584,226
6,050	7,138	(11,521,265)	(25,860,858)	19,181,851	(14,011,319)	38,880,746
1,834,312	109,175	39,359,991	38,018,074	--	91,610,093	52,729,347
\$ 1,840,362	\$ 116,313	\$ 27,838,726	\$ 12,157,216	\$ 19,181,851	\$ 77,598,774	\$ 91,610,093

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION**  
**SEAWALL ADMINISTRATION FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Budget		2004 Actual	Variance	2003 Actual
	Original	Final		Final Budget Positive (Negative)	
<b>Revenues</b>					
Earnings on investments	\$ --	\$ --	\$ --	\$ --	\$ 63
Total revenue	--	--	--	--	63
<b>Expenditures</b>					
Current					
General government	--	--	--	--	15,000
Total expenditures	--	--	--	--	15,000
Deficiency of revenues under expenditures	--	--	--	--	(14,937)
<b>Other financing sources (uses)</b>					
Transfers in	--	--	--	--	15,000
Transfers out	--	--	(8,474)	(8,474)	--
Total other financing sources (uses)	--	--	(8,474)	(8,474)	15,000
Net change in fund balance	--	--	(8,474)	(8,474)	63
Fund balance at beginning of year	--	--	8,474	8,474	8,411
Fund balance at end of year	\$ --	\$ --	\$ --	\$ --	\$ 8,474



the City of Corpus Christi, Texas

Exhibit 21-F

**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, 2004  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Budget		2004 Actual	Variance	2003 Actual
	Original	Final		Final Budget Positive (Negative)	
<b>Revenues</b>					
Sales tax	\$ 4,313,042	\$ 4,313,042	\$ 4,265,079	\$ (47,963)	\$ 4,143,410
Earnings on investments	92,923	92,923	56,405	(36,518)	78,151
Total revenue	<u>4,405,965</u>	<u>4,405,965</u>	<u>4,321,484</u>	<u>(84,481)</u>	<u>4,221,561</u>
<b>Expenditures</b>					
Current					
General government	15,000	15,000	15,000	--	--
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>--</u>	<u>--</u>
Excess of revenues over expenditures	4,390,965	4,390,965	4,306,484	(84,481)	4,221,561
<b>Other financing sources (uses)</b>					
Transfers in	--	--	8,474	8,474	--
Transfers out	(3,007,963)	(3,007,963)	(3,007,962)	1	(3,101,640)
Total other financing sources (uses)	<u>(3,007,963)</u>	<u>(3,007,963)</u>	<u>(2,999,488)</u>	<u>8,475</u>	<u>(3,101,640)</u>
Net change in fund balance	1,383,002	1,383,002	1,306,996	(76,006)	1,119,921
Fund balance at beginning of year	<u>5,437,442</u>	<u>4,466,678</u>	<u>4,466,678</u>	<u>--</u>	<u>3,346,757</u>
Fund balance at end of year	<u>\$ 6,820,444</u>	<u>\$ 5,849,680</u>	<u>\$ 5,773,674</u>	<u>\$ (76,006)</u>	<u>\$ 4,466,678</u>

**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, 2004  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	<u>Budget</u>		<u>2004 Actual</u>	<u>Variance</u>	<u>2003 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
<b>Revenues</b>					
Sales tax	\$ 4,313,042	\$ 4,313,042	\$ 4,265,079	\$ (47,963)	\$ 4,143,410
Earnings on investments	94,353	94,353	64,688	(29,665)	82,658
Total revenue	<u>4,407,395</u>	<u>4,407,395</u>	<u>4,329,767</u>	<u>(77,628)</u>	<u>4,226,068</u>
<b>Expenditures</b>					
Current					
General government	562,653	1,317,046	375,344	941,702	15,000
Debt service					
Interest	--	--	--	--	21,250
Total expenditures	<u>562,653</u>	<u>1,317,046</u>	<u>375,344</u>	<u>941,702</u>	<u>36,250</u>
Excess of revenues over expenditures	3,844,742	3,090,349	3,954,423	864,074	4,189,818
<b>Other financing (uses)</b>					
Transfers out	<u>(3,289,137)</u>	<u>(3,289,137)</u>	<u>(3,289,137)</u>	--	<u>(1,420,739)</u>
Total other financing (uses)	<u>(3,289,137)</u>	<u>(3,289,137)</u>	<u>(3,289,137)</u>	--	<u>(1,420,739)</u>
Net change in fund balance	555,605	(198,788)	665,286	864,074	2,769,079
Fund balance at beginning of year	<u>3,460,963</u>	<u>6,764,586</u>	<u>6,764,586</u>	--	<u>3,995,507</u>
Fund balance at end of year	<u>\$ 4,016,568</u>	<u>\$ 6,565,798</u>	<u>\$ 7,429,872</u>	<u>\$ 864,074</u>	<u>\$ 6,764,586</u>

the City of Corpus Christi, Texas

Exhibit 21-H

**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, 2004  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	<u>Budget</u>		<u>2004 Actual</u>	<u>Variance Final Budget Positive (Negative)</u>	<u>2003 Actual</u>
	<u>Original</u>	<u>Final</u>			
<b>Revenues</b>					
Sales tax	\$ 4,278,996	\$ 4,278,996	\$ 4,265,079	\$ (13,917)	\$ 1,048,735
Earnings on investments	3,000	3,000	24,866	21,866	68
Total revenue	<u>4,281,996</u>	<u>4,281,996</u>	<u>4,289,945</u>	<u>7,949</u>	<u>1,048,803</u>
<b>Expenditures</b>					
Current					
General government	2,031,000	1,571,000	322,690	1,248,310	--
Capital projects	--	2,560,000	2,005,298	554,702	--
Total expenditures	<u>2,031,000</u>	<u>4,131,000</u>	<u>2,327,988</u>	<u>1,803,012</u>	<u>--</u>
Excess of revenues over expenditures	2,250,996	150,996	1,961,957	1,810,961	1,048,803
<b>Other financing sources</b>					
Revenue bonds issued	--	--	250,000	250,000	--
Reserve appropriation	<u>(2,100,000)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total other financing sources	<u>(2,100,000)</u>	<u>--</u>	<u>250,000</u>	<u>250,000</u>	<u>--</u>
Net change in fund balance	150,996	150,996	2,211,957	2,060,961	1,048,803
Fund balance at beginning of year	<u>750,267</u>	<u>1,048,803</u>	<u>1,048,803</u>	<u>--</u>	<u>--</u>
Fund balance at end of year	<u>\$ 901,263</u>	<u>\$ 1,199,799</u>	<u>\$ 3,260,760</u>	<u>\$ 2,060,961</u>	<u>\$ 1,048,803</u>

**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, 2004  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Budget		2004 Actual	Variance	2003 Actual
	Original	Final		Final Budget Positive (Negative)	
<b>Revenues</b>					
Earnings on investments	\$ 28,172	\$ 28,172	\$ 21,894	\$ (6,278)	\$ 122
Total revenue	28,172	28,172	21,894	(6,278)	122
<b>Expenditures</b>					
Debt service					
Principal retirement	845,000	845,000	845,000	--	--
Interest	2,162,963	2,162,963	2,178,806	(15,843)	2,178,806
Paying agent fees	--	--	--	--	1,140
Total expenditures	3,007,963	3,007,963	3,023,806	(15,843)	2,179,946
Deficiency of revenues under expenditures	(2,979,791)	(2,979,791)	(3,001,912)	(22,121)	(2,179,824)
<b>Other financing sources</b>					
Transfers in	3,007,963	3,007,963	3,007,962	(1)	3,086,640
Total other financing sources	3,007,963	3,007,963	3,007,962	(1)	3,086,640
Net change in fund balance	28,172	28,172	6,050	(22,122)	906,816
Fund balance at beginning of year	2,027,129	1,834,312	1,834,312	--	927,496
Fund balance at end of year	\$ 2,055,301	\$ 1,862,484	\$ 1,840,362	\$ (22,122)	\$ 1,834,312

the City of Corpus Christi, Texas

Exhibit 21-J

**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, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Budget		2004 Actual	Variance Final Budget Positive (Negative)	2003 Actual
	Original	Final			
<b>Revenues</b>					
Earnings on investments	\$ --	\$ --	\$ 12,909	\$ 12,909	\$ --
Total revenue	--	--	12,909	12,909	--
<b>Expenditures</b>					
Debt service					
Principal retirement	955,000	955,000	955,000	--	--
Interest	2,334,137	2,334,137	2,339,608	(5,471)	497,249
Paying agent fees	--	--	300	(300)	300
Bond issuance cost	--	--	--	--	1,007,797
Total expenditures	<u>3,289,137</u>	<u>3,289,137</u>	<u>3,294,908</u>	<u>(5,771)</u>	<u>1,505,346</u>
Deficiency of revenues under expenditures	(3,289,137)	(3,289,137)	(3,281,999)	7,138	(1,505,346)
<b>Other financing sources (uses)</b>					
Revenue bonds issued	--	--	--	--	1,086,674
Transfers in	3,289,137	3,289,137	3,289,137	--	1,420,739
Transfers out	--	--	--	--	(892,892)
Total other financing sources (uses)	<u>3,289,137</u>	<u>3,289,137</u>	<u>3,289,137</u>	<u>--</u>	<u>1,614,521</u>
Net change in fund balance	--	--	7,138	7,138	109,175
Fund balance at beginning of year	--	109,175	109,175	--	--
Fund balance at end of year	<u>\$ --</u>	<u>\$ 109,175</u>	<u>\$ 116,313</u>	<u>\$ 7,138</u>	<u>\$ 109,175</u>

NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
 SCHEDULE OF NET ASSETS  
 JULY 31, 2004

	Governmental Funds	Adjustments	Schedule of Net Assets
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,102,027	\$ --	\$ 1,102,027
Receivables			
Taxes	298	--	298
Accrued interest	522	--	522
Intergovernmental	200,733	--	200,733
Net receivables	201,553	--	201,553
Due from other funds	100,024	--	100,024
Bond issuance cost	--	478,031	478,031
Total assets	<u>\$ 1,403,604</u>	<u>478,031</u>	<u>1,881,635</u>
<b>LIABILITIES</b>			
Accounts payable	25,712	--	25,712
Accrued interest	--	182,083	182,083
Due to other funds	283,108	--	283,108
Long-term debt			
Due in more than one year	--	5,000,000	5,000,000
Total liabilities	<u>308,820</u>	<u>5,182,083</u>	<u>5,490,903</u>
<b>FUND BALANCE</b>			
Reserved for encumbrances	495,047	(495,047)	--
Reserved for debt service	59,468	(59,468)	--
Unreserved			
Undesignated	540,269	(540,269)	--
Total fund balance	<u>1,094,784</u>	<u>(1,094,784)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 1,403,604</u>		
<b>NET ASSETS (LIABILITIES)</b>			
Restricted for			
Bond interest and redemption		59,468	59,468
Unrestricted		(3,668,736)	(3,668,736)
Total net liabilities		<u>\$ (3,609,268)</u>	<u>\$ (3,609,268)</u>

the City of Corpus Christi, Texas

Exhibit 22-B

NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
SCHEDULE OF ACTIVITIES  
YEAR ENDED JULY 31, 2004

	Governmental Funds	Adjustments	Schedule of Activities
<b>Expenditures/expenses</b>			
General government	\$ 53,401	\$ --	\$ 53,401
Capital projects	2,912,888	(2,912,888)	--
Debt service			
Interest	164,062	135,148	299,210
Bond issuance cost	245,957	(238,713)	7,244
Total expenditures/expenses	<u>3,376,308</u>	<u>(3,016,453)</u>	<u>359,855</u>
<b>General revenues</b>			
Sales tax	460,542	--	460,542
Grants	200,733	--	200,733
Earnings on investments	11,500	--	11,500
<b>Revenue bonds issued</b>	2,500,000	(2,500,000)	--
<b>Transfers out</b>	--	(2,912,888)	(2,912,888)
Total general revenues and transfers out	<u>3,172,775</u>	<u>(5,412,888)</u>	<u>(2,240,113)</u>
Excess of revenues and transfers in over expenditures and transfers out	(203,533)	203,533	--
Change in net assets	--	(2,599,968)	(2,599,968)
Fund balance/net liabilities beginning of year	<u>1,298,317</u>	<u>(2,307,617)</u>	<u>(1,009,300)</u>
Fund balance/net liabilities end of year	<u>\$ 1,094,784</u>	<u>\$ (4,704,052)</u>	<u>\$ (3,609,268)</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
BALANCE SHEETS  
JULY 31, 2004  
WITH COMPARATIVE TOTALS FOR JULY 31, 2003**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>2004 Total</u>	<u>2003 Total</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 470,158	\$ 59,468	\$ 572,401	\$ 1,102,027	\$ 1,308,883
Receivables					
Taxes	298	--	--	298	--
Accrued interest	--	--	522	522	774
Intergovernmental	--	--	200,733	200,733	--
Net receivables	298	--	201,255	201,553	774
Due from other funds	100,024	--	--	100,024	105,303
<b>Total assets</b>	<b>\$ 570,480</b>	<b>\$ 59,468</b>	<b>\$ 773,656</b>	<b>\$ 1,403,604</b>	<b>\$ 1,414,960</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ --	\$ --	\$ 25,712	\$ 25,712	\$ --
Due to other funds	--	--	283,108	283,108	116,643
<b>Total liabilities</b>	<b>--</b>	<b>--</b>	<b>308,820</b>	<b>308,820</b>	<b>116,643</b>
<b>Fund balances</b>					
Reserved for encumbrances	1,059	--	493,988	495,047	1,082
Reserved for debt service	--	59,468	--	59,468	58,610
<b>Unreserved</b>					
Designated for specific projects	--	--	--	--	958,315
Undesignated	569,421	--	(29,152)	540,269	280,310
<b>Total fund balance</b>	<b>570,480</b>	<b>59,468</b>	<b>464,836</b>	<b>1,094,784</b>	<b>1,298,317</b>
<b>Total liabilities and fund balances</b>	<b>\$ 570,480</b>	<b>\$ 59,468</b>	<b>\$ 773,656</b>	<b>\$ 1,403,604</b>	<b>\$ 1,414,960</b>



the City of Corpus Christi, Texas

Exhibit 22-D

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	General	Debt Service	Capital Projects	2004 Total	2003 Total
<b>Revenues</b>					
Taxes and business fees	\$ 460,542	\$ --	\$ --	\$ 460,542	\$ 281,039
Grants	--	--	200,733	200,733	--
Earnings on investments	2,658	857	7,985	11,500	4,639
Total revenue	<u>463,200</u>	<u>857</u>	<u>208,718</u>	<u>672,775</u>	<u>285,678</u>
<b>Expenditures</b>					
<b>Current</b>					
General government	4,770	--	48,631	53,401	6,595
Capital projects	--	--	2,912,888	2,912,888	1,293,632
Debt service					
Interest	--	164,062	--	164,062	--
Bond issuance cost	--	--	245,957	245,957	239,258
Total expenditures	<u>4,770</u>	<u>164,062</u>	<u>3,207,476</u>	<u>3,376,308</u>	<u>1,539,485</u>
Excess (deficiency) of revenues over (under) expenditures	458,430	(163,205)	(2,998,758)	(2,703,533)	(1,253,807)
<b>Other financing sources (uses)</b>					
Revenue bonds issued	--	--	2,500,000	2,500,000	2,500,000
Transfers in	--	164,063	--	164,063	58,594
Transfers out	(164,063)	--	--	(164,063)	(58,594)
Total other financing sources (uses)	<u>(164,063)</u>	<u>164,063</u>	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,500,000</u>
Net change in fund balances	294,367	858	(498,758)	(203,533)	1,246,193
Fund balances at beginning of year	<u>276,113</u>	<u>58,610</u>	<u>963,594</u>	<u>1,298,317</u>	<u>52,124</u>
Fund balances at end of year	<u>\$ 570,480</u>	<u>\$ 59,468</u>	<u>\$ 464,836</u>	<u>\$ 1,094,784</u>	<u>\$ 1,298,317</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, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Budget		2004 Actual	Variance Final Budget Positive (Negative)	2003 Actual
	Original	Final			
<b>Revenues</b>					
Taxes and business fees	\$ 467,701	\$ 467,701	\$ 460,542	\$ (7,159)	\$ 281,039
Earnings on investments	9,283	9,283	2,658	(6,625)	1,544
Total revenues	<u>476,984</u>	<u>476,984</u>	<u>463,200</u>	<u>(13,784)</u>	<u>282,583</u>
<b>Expenditures</b>					
Current					
General government	--	20,000	4,770	15,230	--
Capital projects	100,000	101,083	--	101,083	--
Total expenditures	<u>100,000</u>	<u>121,083</u>	<u>4,770</u>	<u>116,313</u>	<u>--</u>
Excess of revenues over expenditures	376,984	355,901	458,430	102,529	282,583
<b>Other financing (uses)</b>					
Transfers out	(164,063)	(164,063)	(164,063)	--	(58,594)
Total other financing (uses)	<u>(164,063)</u>	<u>(164,063)</u>	<u>(164,063)</u>	<u>--</u>	<u>(58,594)</u>
Net change in fund balance	212,921	191,838	294,367	102,529	223,989
Fund balance at beginning of year	<u>192,474</u>	<u>276,113</u>	<u>276,113</u>	<u>--</u>	<u>52,124</u>
Fund balance at end of year	<u>\$ 405,395</u>	<u>\$ 467,951</u>	<u>\$ 570,480</u>	<u>\$ 102,529</u>	<u>\$ 276,113</u>

the City of Corpus Christi, Texas

Exhibit 22-F

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JULY 31, 2004  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Budget		2004 Actual	Variance Final Budget Positive (Negative)	2003 Actual
	Original	Final			
<b>Revenues</b>					
Earnings on investments	\$ --	\$ --	\$ 857	\$ 857	\$ 16
Total revenues	<u>    --</u>	<u>    --</u>	<u>    857</u>	<u>    857</u>	<u>    16</u>
<b>Expenditures</b>					
Debt service					
Interest	164,063	164,063	164,062	1	--
Total expenditures	<u>164,063</u>	<u>164,063</u>	<u>164,062</u>	<u>    1</u>	<u>    --</u>
Excess (deficiency) of revenues over (under) expenditures	(164,063)	(164,063)	(163,205)	858	16
<b>Other financing sources</b>					
Transfers in	164,062	164,062	164,063	1	58,594
Total other financing sources	<u>164,062</u>	<u>164,062</u>	<u>164,063</u>	<u>    1</u>	<u>58,594</u>
Net change in fund balance	(1)	(1)	858	859	58,610
Fund balance at beginning of year	<u>    --</u>	<u>58,610</u>	<u>58,610</u>	<u>    --</u>	<u>    --</u>
Fund balance at end of year	<u>\$ (1)</u>	<u>\$ 58,609</u>	<u>\$ 59,468</u>	<u>\$ 859</u>	<u>\$ 58,610</u>



City of  
Corpus  
Christi

## **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.

**Computer System Bond Fund** – This fund was established for recording the acquisition and installation of computer systems.

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

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

**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.

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

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



City of  
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the City of Corpus Christi, Texas

**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2004  
WITH COMPARATIVE TOTALS FOR JULY 31, 2003**

ASSETS	<u>Bayfront Arts/Science</u>	<u>City Hall</u>	<u>Computer System</u>	<u>Convention Facility</u>
Cash and cash equivalents	\$ 144,202	\$ 579,365	\$ 37,212	\$ 9,132,518
Investments	--	5,200,000	--	300,000
Receivables				
Accrued interest	--	44,141	--	87,541
Special assessments	--	--	--	--
Intergovernmental	--	--	--	--
Miscellaneous	--	--	--	--
Net receivables	<u>--</u>	<u>44,141</u>	<u>--</u>	<u>87,541</u>
Due from other funds	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total assets	<u>\$ 144,202</u>	<u>\$ 5,823,506</u>	<u>\$ 37,212</u>	<u>\$ 9,520,059</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ --	\$ 63,893	\$ --	\$ 362,727
Contractor interest and retainage payable	--	4,958	--	1,195,549
Deposits	--	--	--	--
Due to other funds	--	--	8,350	1,904
Advance from other funds	--	--	--	--
Deferred revenues				
Paving assessments	--	--	--	--
Unearned Grant	--	--	--	--
Total liabilities	<u>--</u>	<u>68,851</u>	<u>8,350</u>	<u>1,560,180</u>
Fund balances				
Reserved for encumbrances	--	88,335	--	6,122,095
Unreserved				
Designated for specific projects	--	86,493	28,861	1,176,301
Undesignated	144,202	5,579,827	1	661,483
Total fund balances	<u>144,202</u>	<u>5,754,655</u>	<u>28,862</u>	<u>7,959,879</u>
Total liabilities and fund balances	<u>\$ 144,202</u>	<u>\$ 5,823,506</u>	<u>\$ 37,212</u>	<u>\$ 9,520,059</u>

(Continued)



the City of Corpus Christi, Texas

Exhibit 23-A

<u>Fire Department</u>	<u>Library</u>	<u>Park</u>	<u>Police Building</u>	<u>Public Health &amp; Safety</u>	<u>Landfill</u>	<u>Street</u>
\$ 2,103	\$ 185,677	\$ 457,403	\$ 35,642	\$ 490,670	\$ 43,854	\$ --
--	100,000	--	--	938,322	4,350,000	10,829,497
--	1,009	--	--	10,464	34,660	86,645
--	--	--	--	--	--	688,261
--	--	--	--	--	--	771,044
--	--	--	--	--	7,940	--
--	1,009	--	--	10,464	42,600	1,545,950
--	--	14,919	--	--	2,370,266	63,486
<u>\$ 2,103</u>	<u>\$ 286,686</u>	<u>\$ 472,322</u>	<u>\$ 35,642</u>	<u>\$ 1,439,456</u>	<u>\$ 6,806,720</u>	<u>\$ 12,438,933</u>
\$ --	\$ 27,521	\$ 69,665	\$ --	\$ 62,227	\$ 192,832	\$ 470,472
--	1,316	18	--	4,497	--	206,236
--	--	--	--	--	--	203,246
--	--	--	--	5,027	714	180,073
--	--	--	--	--	--	--
--	--	--	--	--	--	530,623
--	227,620	--	--	--	--	--
--	256,457	69,683	--	71,751	193,546	1,590,650
--	16,391	73,483	--	1,277,161	70,054	5,762,739
--	1,640	--	29,968	19,857	3,037	3,266,740
2,103	12,198	329,156	5,674	70,687	6,540,083	1,818,804
<u>2,103</u>	<u>30,229</u>	<u>402,639</u>	<u>35,642</u>	<u>1,367,705</u>	<u>6,613,174</u>	<u>10,848,283</u>
<u>\$ 2,103</u>	<u>\$ 286,686</u>	<u>\$ 472,322</u>	<u>\$ 35,642</u>	<u>\$ 1,439,456</u>	<u>\$ 6,806,720</u>	<u>\$ 12,438,933</u>

the City of Corpus Christi, Texas

**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2004  
WITH COMPARATIVE TOTALS FOR JULY 31, 2003**

ASSETS	Corpus Christi Business and Job Development Corporation			North Padre Island Development Corporation
	Seawall	Arena	Stadium	
Cash and cash equivalents	\$ 36,069	\$ 7,907,957	\$ 197,017	\$ 572,401
Investments	28,323,106	8,105,825	19,147,713	--
Receivables				
Accrued interest	228,214	104,797	89,207	522
Special assessments	--	--	--	--
Intergovernmental	--	--	--	200,733
Miscellaneous	--	--	--	--
Net receivables	228,214	104,797	89,207	201,255
Due from other funds	12,861	166,358	--	--
Total assets	\$ 28,600,250	\$ 16,284,937	\$ 19,433,937	\$ 773,656
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 279,610	\$ 2,664,558	\$ 69,406	\$ 25,712
Contractor interest and retainage payable	478,943	1,430,531	182,680	--
Deposits	--	--	--	--
Due to other funds	2,971	32,632	--	283,108
Advance from other funds	--	--	--	--
Deferred revenues				
Paving assessments	--	--	--	--
Unearned Grant	--	--	--	--
Total liabilities	761,524	4,127,721	252,086	308,820
Fund balances				
Reserved for encumbrances	10,038,299	8,855,197	18,081,335	493,988
Unreserved				
Designated for specific projects	15,719,024	2,480,738	996,355	--
Undesignated	2,081,403	821,281	104,161	(29,152)
Total fund balances	27,838,726	12,157,216	19,181,851	464,836
Total liabilities and fund balances	\$ 28,600,250	\$ 16,284,937	\$ 19,433,937	\$ 773,656

the City of Corpus Christi, Texas

Exhibit 23-A  
(Continued)

<u>Eliminations</u>	<u>2004 Total</u>	<u>2003 Total</u>
\$ --	\$ 19,822,090	\$ 57,308,145
--	77,294,463	77,442,653
--	687,200	995,422
--	688,261	850,797
--	971,777	628,351
--	7,940	--
--	<u>2,355,178</u>	<u>2,474,570</u>
(158,719)	<u>2,469,171</u>	<u>16,208</u>
<u>\$ (158,719)</u>	<u>\$ 101,940,902</u>	<u>\$ 137,241,576</u>
\$ --	\$ 4,288,623	\$ 1,081,612
--	3,504,728	1,007,495
--	203,246	195,256
(158,719)	356,060	248,042
--	--	74,600
--	530,623	809,568
--	227,620	84,421
(158,719)	<u>9,110,900</u>	<u>3,500,994</u>
--	50,879,077	66,730,847
--	23,809,014	60,756,885
--	18,141,911	6,252,850
--	<u>92,830,002</u>	<u>133,740,582</u>
<u>\$ (158,719)</u>	<u>\$ 101,940,902</u>	<u>\$ 137,241,576</u>

the City of Corpus Christi, Texas

**CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Bayfront Arts/Science	City Hall	Computer System	Convention Facility
<b>Revenues</b>				
Contributions and donations	\$ --	\$ --	\$ --	\$ --
Grants	--	--	--	--
Special assessments	--	--	--	--
Interest on special assessments	--	--	--	--
Attorneys fees on special assessments	--	--	--	--
Earnings on investments	428	59,019	1,155	292,940
Claim settlement	--	3,000,000	--	--
Total revenues	<u>428</u>	<u>3,059,019</u>	<u>1,155</u>	<u>292,940</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	561	1,602	119,122	646,816
Capital projects	--	274,921	99,647	19,279,047
Debt service				
Bond issuance cost	--	--	--	--
Total expenditures	<u>561</u>	<u>276,523</u>	<u>218,769</u>	<u>19,925,863</u>
Excess (deficiency) of revenues over (under) expenditures	(133)	2,782,496	(217,614)	(19,632,923)
<b>Other financing sources (uses)</b>				
Revenue bonds issued	--	--	--	--
Certificates of obligation bonds issued	--	--	--	--
Premium on bonds sold	--	--	--	--
Discount on sale of bonds	--	--	--	--
Transfer in from				
City Hall CIP fund	--	--	--	--
Hotel Occupancy Tax fund	--	--	--	--
Arena Facility Debt Service fund	--	--	--	--
Visitors Facility fund	--	--	--	74,600
Transfers out to				
Debt Service fund	--	--	--	--
Airport fund	--	--	--	--
Utility System fund	--	--	--	--
Public Health and Safety CIP fund	--	(46,500)	--	--
Library CIP fund	--	(49,940)	--	--
General fund	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>(96,440)</u>	<u>--</u>	<u>74,600</u>
Net change in fund balances	(133)	2,686,056	(217,614)	(19,558,323)
Fund balances at beginning of year	<u>144,335</u>	<u>3,068,599</u>	<u>246,476</u>	<u>27,518,202</u>
Fund balances at end of year	<u>\$ 144,202</u>	<u>\$ 5,754,655</u>	<u>\$ 28,862</u>	<u>\$ 7,959,879</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 23-B

<u>Fire Department</u>	<u>Library</u>	<u>Park</u>	<u>Police Building</u>	<u>Public Health &amp; Safety</u>	<u>Landfill</u>	<u>Street</u>
\$ --	\$ 33,359	\$ 70,081	\$ --	\$ --	\$ --	\$ 556,210
--	--	--	--	--	--	--
--	--	--	--	--	--	175,148
--	--	--	--	--	--	96,195
--	773	7,092	246	27,537	24,998	3,084
--	--	--	--	--	--	181,317
--	<u>34,132</u>	<u>77,173</u>	<u>246</u>	<u>27,537</u>	<u>24,998</u>	<u>1,011,954</u>
38	2,663	10,913	--	111,267	103,620	165,809
4,779	51,063	576,709	--	2,619,147	2,823,556	6,546,939
--	--	--	--	--	217,060	--
<u>4,817</u>	<u>53,726</u>	<u>587,622</u>	<u>--</u>	<u>2,730,414</u>	<u>3,144,236</u>	<u>6,712,748</u>
(4,817)	(19,594)	(510,449)	246	(2,702,877)	(3,119,238)	(5,700,794)
--	--	--	--	--	--	--
--	--	--	--	--	6,901,632	--
--	--	--	--	--	--	--
--	--	--	--	--	(56,632)	--
--	46,500	--	--	49,940	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	(5,453)
--	<u>46,500</u>	<u>--</u>	<u>--</u>	<u>49,940</u>	<u>6,845,000</u>	<u>(5,453)</u>
(4,817)	26,906	(510,449)	246	(2,652,937)	3,725,762	(5,706,247)
<u>6,920</u>	<u>3,323</u>	<u>913,088</u>	<u>35,396</u>	<u>4,020,642</u>	<u>2,887,412</u>	<u>16,554,530</u>
<u>\$ 2,103</u>	<u>\$ 30,229</u>	<u>\$ 402,639</u>	<u>\$ 35,642</u>	<u>\$ 1,367,705</u>	<u>\$ 6,613,174</u>	<u>\$ 10,848,283</u>

the City of Corpus Christi, Texas

**CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

	Corpus Christi Business and Job Development Corporation			North Padre Island Development Corporation
	Seawall	Arena	Stadium	
<b>Revenues</b>				
Contributions and donations	\$ --	\$ --	\$ --	\$ --
Grants	--	--	--	200,733
Special assessments	--	--	--	--
Interest on special assessments	--	--	--	--
Attorneys fees on special assessments	--	--	--	--
Earnings on investments	467,376	376,986	87,240	7,985
Claim settlement	--	--	--	--
<b>Total revenues</b>	<u>467,376</u>	<u>376,986</u>	<u>87,240</u>	<u>208,718</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	141,490	173,673	240	48,631
Capital projects	11,847,151	26,064,171	5,427,994	2,912,888
Debt service				
Bond issuance cost	--	--	543,340	245,957
<b>Total expenditures</b>	<u>11,988,641</u>	<u>26,237,844</u>	<u>5,971,574</u>	<u>3,207,476</u>
Excess (deficiency) of revenues over (under) expenditures	(11,521,265)	(25,860,858)	(5,884,334)	(2,998,758)
<b>Other financing sources (uses)</b>				
Revenue bonds issued	--	--	24,315,000	2,500,000
Certificates of obligation bonds issued	--	--	--	--
Premium on bonds sold	--	--	751,185	--
Discount on sale of bonds	--	--	--	--
Transfer in from				
City Hall CIP fund	--	--	--	--
Hotel Occupancy Tax fund	--	--	--	--
Arena Facility Debt Service fund	--	--	--	--
Visitors Facility fund	--	--	--	--
Transfers out to				
Debt Service fund	--	--	--	--
Airport fund	--	--	--	--
Utility System fund	--	--	--	--
Public Health & Safety CIP fund	--	--	--	--
Library CIP fund	--	--	--	--
General fund	--	--	--	--
<b>Total other financing sources (uses)</b>	<u>--</u>	<u>--</u>	<u>25,066,185</u>	<u>2,500,000</u>
Net change in fund balances	(11,521,265)	(25,860,858)	19,181,851	(498,758)
Fund balances at beginning of year	<u>39,359,991</u>	<u>38,018,074</u>	<u>--</u>	<u>963,594</u>
Fund balances at end of year	<u>\$ 27,838,726</u>	<u>\$ 12,157,216</u>	<u>\$ 19,181,851</u>	<u>\$ 464,836</u>

the City of Corpus Christi, Texas

Exhibit 23-B  
(Continued)

<u>Eliminations</u>	<u>2004 Total</u>	<u>2003 Total</u>
\$ --	\$ 659,650	\$ 380,051
--	200,733	--
--	175,148	106,193
--	96,195	112,362
--	3,084	7,213
--	1,535,092	1,890,012
--	3,000,000	1,064,313
--	<u>5,669,902</u>	<u>3,560,144</u>
--	1,526,445	760,100
--	78,528,012	29,690,492
--	1,006,357	763,954
--	<u>81,060,814</u>	<u>31,214,546</u>
--	(75,390,912)	(27,654,402)
--	26,815,000	77,143,326
--	6,901,632	--
--	751,185	2,564,673
--	(56,632)	(54,811)
(96,440)	--	--
--	--	2,051,418
--	--	892,892
--	74,600	80,000
--	--	(729,670)
--	--	(106,305)
--	--	(330,563)
46,500	--	--
49,940	--	--
--	(5,453)	(11,004)
--	<u>34,480,332</u>	<u>81,499,956</u>
--	(40,910,580)	53,845,554
--	<u>133,740,582</u>	<u>79,895,028</u>
<u>\$ --</u>	<u>\$ 92,830,002</u>	<u>\$ 133,740,582</u>



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, Ambulance, 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.

***Ambulance Fund*** – This fund was established to account for operations of emergency medical services.

***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  
Christi

the City of Corpus Christi, Texas

UTILITY SYSTEM FUND  
COMBINING STATEMENT OF NET ASSETS  
JULY 31, 2004

	Gas	Water	Wastewater	Eliminations	Total
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 42,330	\$ 4,615,937	\$ 1,056,779	\$ --	\$ 5,715,046
Investments	400,000	47,553,959	15,174,806	--	63,128,765
Receivables					
Accounts	4,098,807	10,509,399	5,008,226	--	19,616,432
Accrued interest	2,432	416,210	147,539	--	566,181
Property leases	--	6,773	7,000	--	13,773
Employees	--	--	12,683	--	12,683
Intergovernmental	--	2,008,909	--	--	2,008,909
Miscellaneous	10,144	6,202	86	--	16,432
Allowance for uncollectibles	(865,653)	(1,105,621)	(842,208)	--	(2,813,482)
Net receivables	3,245,730	11,841,872	4,333,326	--	19,420,928
Due from other funds	22,723	113,476	--	(91,199)	45,000
Current portion of advance to other funds	30,000	--	--	--	30,000
Inventories	--	325,833	--	--	325,833
Restricted assets to pay restricted current liabilities	--	7,933,166	3,072,820	--	11,005,986
Total current assets	3,740,783	72,384,243	23,637,731	(91,199)	99,671,558
<b>Restricted assets</b>					
Cash and cash equivalents	--	1,806,834	3,970,242	--	5,777,076
Investments	--	8,442,475	25,278,825	--	33,721,300
Receivables					
Accrued interest	--	82,530	246,835	--	329,365
Intergovernmental	--	115,805	--	--	115,805
Net receivables	--	198,335	246,835	--	445,170
Restricted assets to pay restricted current liabilities	--	(7,933,166)	(3,072,820)	--	(11,005,986)
Total noncurrent restricted assets	--	2,514,478	26,423,082	--	28,937,560
Deposits	--	2,300	--	--	2,300
Water supply rights, net of accumulated amortization	--	178,062,269	--	--	178,062,269
Advances to other funds	124,600	--	--	--	124,600
Bond issue costs	--	3,303,184	1,395,484	--	4,698,668
<b>Capital assets</b>					
Land	596,495	14,504,240	3,477,253	--	18,577,988
Buildings	1,253,802	34,285,392	1,802,639	--	37,341,833
Improvements other than buildings	96,109	58,346,797	98,961,108	--	157,404,014
Machinery and equipment	2,308,301	13,637,458	9,237,217	--	25,182,976
Infrastructure	54,122,385	408,357,532	165,327,157	--	627,807,074
Total capital assets in service	58,377,092	529,131,419	278,805,374	--	866,313,885
Less accumulated depreciation	(21,723,887)	(122,740,847)	(72,024,209)	--	(216,488,943)
Net capital assets in service	36,653,205	406,390,572	206,781,165	--	649,824,942
Construction in progress	2,138,543	90,134,656	40,454,272	--	132,727,471
Net capital assets	38,791,748	496,525,228	247,235,437	--	782,552,413
Total assets	42,657,131	752,791,702	298,691,734	(91,199)	1,094,049,368

(Continued)

the City of Corpus Christi, Texas

Exhibit 24-A

	Gas	Water	Wastewater	Eliminations	Total
<b>LIABILITIES</b>					
Current liabilities					
Accounts payable	\$ 1,544,716	\$ 1,662,585	\$ 577,930	\$ --	\$ 3,785,231
Accrued expenses	89,564	224,580	109,961	--	424,105
Accrued interest	--	348,830	31,426	--	380,256
Contractor interest and retainage payable	16,226	22,582	56,409	--	95,217
Deposits	50,543	78,027	793	--	129,363
Liability to claimants - escheat property	--	97,810	--	--	97,810
Due to other funds	914,901	145,539	38,114	(91,199)	1,007,355
Deferred revenue	--	--	1,100	--	1,100
Commercial paper	--	15,650,000	9,350,000	--	25,000,000
Current portion of long-term liabilities					
Long-term debt	--	13,383,903	6,225,639	--	19,609,542
Accumulated unpaid compensated absences	289,816	616,093	353,459	--	1,259,368
Liabilities payable from restricted assets					
Accounts payable	--	3,548,353	1,713,505	--	5,261,858
Accrued interest	--	308,019	174,562	--	482,581
Contractor interest and retainage payable	--	2,050,694	1,120,961	--	3,171,655
Accrued arbitrage rebate liability	--	--	8,368	--	8,368
Deferred revenue	--	6,464	--	--	6,464
Due to other funds	--	2,019,636	55,424	--	2,075,060
Total liabilities payable from restricted assets	--	7,933,166	3,072,820	--	11,005,986
Total current liabilities	2,905,766	40,163,115	19,817,651	(91,199)	62,795,333
Long-term liabilities, net of current portion					
Long-term debt	--	428,187,235	84,648,376	--	512,835,611
Accumulated unpaid compensated absences	303,576	464,650	387,826	--	1,156,052
Total liabilities	3,209,342	468,815,000	104,853,853	(91,199)	576,786,996
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt					
Restricted for	38,791,748	220,669,542	148,406,905	--	407,868,195
Bond interest and redemption	--	1,008,370	1,038,344	--	2,046,714
Construction of capital assets	--	--	19,074,986	--	19,074,986
Improvements to sewers and lines	--	2,579,363	6,221,833	--	8,801,196
Abatement of public health hazards	--	--	87,920	--	87,920
Unrestricted	656,041	59,719,427	19,007,893	--	79,383,361
Total net assets	\$ 39,447,789	\$ 283,976,702	\$ 193,837,881	\$ --	\$ 517,262,372



City of  
Corpus  
Christi

the City of Corpus Christi, Texas

Exhibit 24-B

UTILITY SYSTEM FUND  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
YEAR ENDED JULY 31, 2004

	Gas	Water	Wastewater	Eliminations	Total
<b>Operating revenues</b>					
Charges for services - net	\$ 30,627,086	\$ 68,709,704	\$ 33,193,541	\$ (176,535)	\$ 132,353,796
<b>Operating expenses</b>					
Personal services	4,520,519	10,708,299	6,776,168	--	22,004,986
Materials and supplies	19,472,791	10,688,481	2,633,074	--	32,794,346
Contractual services	1,403,989	10,044,927	5,399,623	--	16,848,539
Other operating expenses	2,516,429	11,631,281	4,589,996	(176,535)	18,561,171
Uncollectible accounts	374,670	628,885	437,404	--	1,440,959
Depreciation	1,113,075	12,121,257	6,259,679	--	19,494,011
Total operating expenses	<u>29,401,473</u>	<u>55,823,130</u>	<u>26,095,944</u>	<u>(176,535)</u>	<u>111,144,012</u>
Operating income	1,225,613	12,886,574	7,097,597	--	21,209,784
<b>Nonoperating revenues (expenses)</b>					
Investment income	20,478	1,187,511	872,336	--	2,080,325
Interest expense and fiscal charges	--	(18,975,154)	(5,202,642)	--	(24,177,796)
Net gain on sale of assets	1,472	7,820	--	--	9,292
Recovery on damage claims	10,604	58,700	--	--	69,304
Developer deposits	--	570,451	737,582	--	1,308,033
Contributions from developers	--	5,907,644	2,405,665	--	8,313,309
Reimbursements to developers	--	(140,115)	(158,911)	--	(299,026)
Contribution from other governmental agencies	--	155,701	19,856	--	175,557
Contribution of capital assets from general fund	--	451,468	--	--	451,468
Total nonoperating revenues (expenses)	<u>32,554</u>	<u>(10,775,974)</u>	<u>(1,326,114)</u>	<u>--</u>	<u>(12,069,534)</u>
Income before transfers	<u>1,258,167</u>	<u>2,110,600</u>	<u>5,771,483</u>	<u>--</u>	<u>9,140,250</u>
Transfers in	--	33,876	872,077	(905,953)	--
Transfers out	<u>(1,532,453)</u>	<u>(4,488,435)</u>	<u>(1,831,312)</u>	<u>905,953</u>	<u>(6,946,247)</u>
Total transfers	<u>(1,532,453)</u>	<u>(4,454,559)</u>	<u>(959,235)</u>	<u>--</u>	<u>(6,946,247)</u>
Net income (loss)	(274,286)	(2,343,959)	4,812,248	--	2,194,003
Net assets at beginning of year	<u>39,722,075</u>	<u>286,320,661</u>	<u>189,025,633</u>	<u>--</u>	<u>515,068,369</u>
Net assets at end of year	<u>\$ 39,447,789</u>	<u>\$ 283,976,702</u>	<u>\$ 193,837,881</u>	<u>\$ --</u>	<u>\$ 517,262,372</u>

the City of Corpus Christi, Texas

UTILITY SYSTEM FUND  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2004

	Gas	Water	Wastewater	Eliminations	Total
<b>Cash flows from operating activities</b>					
Receipts from customers	\$ 30,197,790	\$ 65,845,028	\$ 32,390,901	\$ --	\$ 128,433,719
Receipts from interfund services provided	37,226	258,371	60,938	(176,535)	180,000
Payments to suppliers	(21,201,350)	(20,756,296)	(8,423,203)	--	(50,380,849)
Payments to employees	(3,472,093)	(8,077,920)	(5,240,416)	--	(16,790,429)
Internal activity - payments (to) from other funds	(2,810,884)	(7,905,403)	(6,579,808)	176,535	(17,119,560)
Net cash provided by operating activities	2,750,689	29,363,780	12,208,412	--	44,322,881
<b>Cash flows from noncapital financing activities</b>					
Payment of advance to other funds	30,000	74,600	--	--	104,600
Interest on advance to other funds	8,418	4,178	--	--	12,596
Contributions from other government agencies	--	28,992	--	--	28,992
Transfers in from other funds	78,317	212,039	990,488	(905,953)	374,891
Transfers out to other funds	(1,532,453)	(4,488,435)	(1,831,312)	905,953	(6,946,247)
Recovery on damage claims	10,604	1,700	--	--	12,304
Net cash used for noncapital financing activities	(1,405,114)	(4,166,926)	(840,824)	--	(6,412,864)
<b>Cash flows from capital and related financing activities</b>					
Acquisition of capital assets	(4,237,015)	(38,339,979)	(22,259,528)	--	(64,836,522)
Proceeds from sale of capital assets	1,472	7,820	--	--	9,292
Developers deposits	--	570,663	737,582	--	1,308,245
Contributions from developers	--	--	27,400	--	27,400
Reimbursements to developers	--	(141,775)	(64,135)	--	(205,910)
Contributions from other government agencies	--	12,889	--	--	12,889
Proceeds from issuance of commercial paper	--	15,650,000	9,350,000	--	25,000,000
Original issue discount and issue cost	--	(750)	--	--	(750)
Principal paid on bonds and notes payable	--	(12,377,284)	(5,934,384)	--	(18,311,668)
Interest expense and fiscal charges	--	(18,005,095)	(4,707,747)	--	(22,712,842)
Recovery on damage claims	--	57,000	--	--	57,000
Net cash used for capital and related financing activities	(4,235,543)	(52,566,511)	(22,850,812)	--	(79,652,866)
<b>Cash flows from investing activities</b>					
Purchase of investment securities	(1,333,450)	(124,140,685)	(93,948,415)	--	(219,422,550)
Proceeds from sale and maturity of investment securities	2,257,400	140,741,489	86,684,807	--	229,683,696
Interest on investments	68,796	2,016,821	608,033	--	2,693,650
Net cash provided by (used for) investing activities	992,746	18,617,625	(6,655,575)	--	12,954,796
Net decrease in cash and cash equivalents	(1,897,222)	(8,752,032)	(18,138,799)	--	(28,788,053)
Cash and cash equivalents at beginning of year	1,939,552	15,174,803	23,165,820	--	40,280,175
Cash and cash equivalents at end of year	\$ 42,330	\$ 6,422,771	\$ 5,027,021	\$ --	\$ 11,492,122

(Continued)



the City of Corpus Christi, Texas

Exhibit 24-C

	<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	\$ 1,225,613	\$ 12,886,574	\$ 7,097,597	\$ --	\$ 21,209,784
<b>Adjustments to reconcile operating income to net cash provided by operating activities</b>					
Depreciation	1,113,075	12,121,257	6,259,679	--	19,494,011
Amortization of water rights	--	3,623,277	--	--	3,623,277
Amortization of fish and wildlife costs	--	270,042	--	--	270,042
Provision for uncollectible accounts	374,670	628,885	437,404	--	1,440,959
<b>Changes in assets and liabilities</b>					
Receivables	(530,535)	(1,516,400)	(964,621)	--	(3,011,556)
Due from other funds	42,794	(169,478)	107,517	91,199	72,032
Inventory	--	(71,753)	--	--	(71,753)
Accounts payable	(118,074)	116,152	(249,192)	--	(251,114)
Accrued expenses	(140,086)	(210,007)	(193,280)	--	(543,373)
Deferred revenue	--	--	(3,100)	--	(3,100)
Accumulated unpaid compensated absences	99,627	227,255	16,319	--	343,201
Deposits	(5,948)	(36,760)	90	--	(42,618)
Liability to claimants - escheat property	--	4,697	--	--	4,697
Due to other funds	689,553	(566,953)	(300,001)	(91,199)	(268,600)
<b>Changes in restricted assets and liabilities</b>					
Accounts payable	--	78,631	--	--	78,631
Due to other funds	--	1,978,361	--	--	1,978,361
<b>Net cash provided by operating activities</b>	<b>\$ 2,750,689</b>	<b>\$ 29,363,780</b>	<b>\$ 12,208,412</b>	<b>\$ --</b>	<b>\$ 44,322,881</b>
<b>Noncash investing, capital and financing activities</b>					
Contribution of capital assets from the general fund	\$ -	\$ 451,468	\$ -	\$ -	\$ 451,468
Contribution of capital assets from developers	\$ -	\$ 5,907,644	\$ 2,378,264	\$ -	\$ 8,285,908
Change in fair value of investments	\$ 713	\$ (9,698)	\$ (1,307)	\$ -	\$ (10,292)
Bond refunding	\$ -	\$ 4,380,927	\$ -	\$ -	\$ 4,380,927

the City of Corpus Christi, Texas

Exhibit 25-A

**GAS SYSTEM**  
**COMPARATIVE SCHEDULE OF NET ASSETS**  
**JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 42,330	\$ 1,939,552
Investments	400,000	1,324,664
Receivables		
Accounts	4,098,807	3,775,558
Accrued interest	2,432	58,455
Miscellaneous	10,144	270
Allowance for uncollectibles	(865,653)	(688,396)
Net receivables	<u>3,245,730</u>	<u>3,145,887</u>
Due from other funds	22,723	143,834
Current portion of advance to other fund	30,000	30,000
Total current assets	<u>3,740,783</u>	<u>6,583,937</u>
Advances to other funds	124,600	154,600
Capital assets		
Land	596,495	594,730
Buildings	1,253,802	691,109
Improvements other than buildings	96,109	96,109
Machinery and equipment	2,308,301	2,308,301
Infrastructure	<u>54,122,385</u>	<u>51,181,070</u>
Total capital assets in service	58,377,092	54,871,319
Less accumulated depreciation	(21,723,887)	(20,612,283)
Net capital assets in service	<u>36,653,205</u>	<u>34,259,036</u>
Construction in progress	<u>2,138,543</u>	<u>1,290,309</u>
Net capital assets	<u>38,791,748</u>	<u>35,549,345</u>
Total assets	<u>42,657,131</u>	<u>42,287,882</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	1,544,716	1,549,707
Accrued expenses	89,564	229,650
Contractor interest and retainage payable	16,226	10,845
Deposits	50,543	56,492
Due to other funds	914,901	225,348
Current portion of accumulated unpaid compensated absences	289,816	259,147
Total current liabilities	<u>2,905,766</u>	<u>2,331,189</u>
Accumulated unpaid compensated absences, net of current portion	303,576	234,618
Total liabilities	<u>3,209,342</u>	<u>2,565,807</u>
<b>NET ASSETS</b>		
Invested in capital assets	38,791,748	35,549,345
Unrestricted	<u>656,041</u>	<u>4,172,730</u>
Total net assets	<u>\$ 39,447,789</u>	<u>\$ 39,722,075</u>

the City of Corpus Christi, Texas

Exhibit 25-B

**GAS SYSTEM**  
**COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>Operating revenues</b>		
Charges for services - net	\$ 30,627,086	\$ 31,528,629
<b>Operating expenses</b>		
Personal services	4,520,519	3,741,566
Materials and supplies	19,472,791	20,738,154
Contractual services	1,403,989	1,010,042
Other operating expenses	2,516,429	2,730,436
Uncollectible accounts	374,670	576,051
Depreciation	1,113,075	1,103,505
Total operating expenses	<u>29,401,473</u>	<u>29,899,754</u>
Operating income	1,225,613	1,628,875
<b>Nonoperating revenues (expenses)</b>		
Investment income	20,478	69,393
Net gain on sale of assets	1,472	453
Recovery on damage claims	10,604	11,240
Total nonoperating revenues (expenses)	<u>32,554</u>	<u>81,086</u>
Income before transfers	<u>1,258,167</u>	<u>1,709,961</u>
Transfers in	--	78,317
Transfers out	<u>(1,532,453)</u>	<u>(1,298,945)</u>
Total transfers	<u>(1,532,453)</u>	<u>(1,220,628)</u>
Net income (loss)	(274,286)	489,333
Net assets at beginning of year	<u>39,722,075</u>	<u>39,232,742</u>
Net assets at end of year	<u>\$ 39,447,789</u>	<u>\$ 39,722,075</u>

the City of Corpus Christi, Texas

**GAS SYSTEM  
COMPARATIVE SCHEDULE OF CASH FLOWS  
YEAR ENDED JULY 31, 2004 AND 2003**

	2004	2003
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 30,197,790	\$ 29,859,265
Receipts from interfund services provided	37,226	17,104
Payments to suppliers	(21,201,350)	(20,372,931)
Payments to employees	(3,472,093)	(3,378,143)
Internal activity - payments (to) from other funds	(2,810,884)	(3,397,908)
Net cash provided by operating activities	2,750,689	2,727,387
<b>Cash flows from noncapital financing activities</b>		
Payment of advance to other funds	30,000	20,000
Interest on advance to other funds	8,418	9,330
Transfers in from other funds	78,317	--
Transfers out to other funds	(1,532,453)	(1,298,945)
Recovery on damage claims	10,604	11,240
Net cash used for noncapital financing activities	(1,405,114)	(1,258,375)
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(4,237,015)	(4,162,153)
Proceeds from sale of capital assets	1,472	453
Net cash used for capital and related financing activities	(4,235,543)	(4,161,700)
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(1,333,450)	(2,750,000)
Proceeds from sale and maturity of investment securities	2,257,400	5,001,489
Interest on investments	68,796	88,586
Net cash provided by investing activities	992,746	2,340,075
Net decrease in cash and cash equivalents	(1,897,222)	(352,613)
Cash and cash equivalents at beginning of year	1,939,552	2,292,165
Cash and cash equivalents at end of year	\$ 42,330	\$ 1,939,552

(Continued)

the City of Corpus Christi, Texas

Exhibit 25-C

	<u>2004</u>	<u>2003</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ 1,225,613	\$ 1,628,875
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	1,113,075	1,103,505
Provision for uncollectible accounts	374,670	576,051
Change in assets and liabilities		
Receivables	(530,535)	(1,642,041)
Due from other funds	42,794	(51,807)
Prepaid items	-	22,660
Accounts payable	(118,074)	1,469,059
Accrued expenses	(140,086)	(754,310)
Accumulated unpaid compensated absences	99,627	133,329
Deposits	(5,948)	22,882
Due to other funds	689,553	219,184
Net cash provided by operating activities	<u>\$ 2,750,689</u>	<u>\$ 2,727,387</u>
<b>Noncash investing, capital and financing activities</b>		
Change in fair value of investments	\$ 713	\$ (15,938)

the City of Corpus Christi, Texas

**WATER SYSTEM  
COMPARATIVE SCHEDULE OF NET ASSETS  
JULY 31, 2004 AND 2003**

	2004	2003
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 4,615,937	\$ 3,472,752
Investments	47,553,959	54,569,487
Receivables		
Accounts	10,509,399	9,080,987
Accrued interest	416,210	1,116,823
Property leases	6,773	33,600
Intergovernmental	2,008,909	2,405,639
Miscellaneous	6,202	206,403
Allowance for uncollectibles	(1,105,621)	(791,754)
Net receivables	11,841,872	12,051,698
Due from other funds	113,476	184,721
Current portion of advance to other fund	--	74,600
Inventories	325,833	254,081
Restricted assets to pay restricted current liabilities	7,933,166	2,824,346
Total current assets	72,384,243	73,431,685
Restricted assets		
Cash and cash equivalents	1,806,834	11,702,051
Investments	8,442,475	18,037,450
Receivables		
Accrued interest	82,530	205,708
Intergovernmental	115,805	2,820
Net receivables	198,335	208,528
Prepaid items	--	1,235
Restricted assets to pay restricted current liabilities	(7,933,166)	(2,824,346)
Total noncurrent restricted assets	2,514,478	27,124,918
Deposits	2,300	2,300
Water supply rights	178,062,269	181,955,588
Bond issue costs	3,303,184	3,967,733
Capital assets		
Land	14,504,240	14,112,789
Buildings	34,285,392	34,233,931
Improvements other than buildings	58,346,797	33,361,772
Machinery and equipment	13,637,458	8,564,393
Infrastructure	408,357,532	352,920,444
Total capital assets in service	529,131,419	443,193,329
Less accumulated depreciation	(122,740,847)	(110,627,410)
Net capital assets in service	406,390,572	332,565,919
Construction in progress	90,134,656	128,044,572
Net capital assets	496,525,228	460,610,491
Total assets	752,791,702	747,092,715

(Continued)

the City of Corpus Christi, Texas

Exhibit 26-A

	<u>2004</u>	<u>2003</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	\$ 1,662,585	\$ 1,653,250
Accrued expenses	224,580	444,255
Accrued interest	348,830	364,095
Contractor interest and retainage payable	22,582	31,886
Deposits	78,027	114,575
Liability to claimants - escheat property	97,810	93,114
Due to other funds	145,539	737,159
Commercial paper	15,650,000	--
Current portion of long-term liabilities		
Long-term debt	13,383,903	12,393,427
Accumulated unpaid compensated absences	616,093	483,214
Liabilities payable from restricted assets		
Accounts payable	3,548,353	1,064,418
Accrued interest	308,019	349,765
Contractor interest and retainage payable	2,050,694	1,400,238
Deferred revenue	6,464	9,925
Due to other funds	2,019,636	--
Total liabilities payable from restricted assets	<u>7,933,166</u>	<u>2,824,346</u>
Total current liabilities	<u>40,163,115</u>	<u>19,139,321</u>
Long-term liabilities, net of current portion		
Long-term debt	428,187,235	441,262,459
Accumulated unpaid compensated absences	464,650	370,274
Total liabilities	<u>468,815,000</u>	<u>460,772,054</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt		
Restricted for	220,669,542	192,877,926
Bond interest and redemption	1,008,370	1,530,073
Construction of capital assets	--	23,475,948
Improvements to utility lines and facilities	2,579,363	2,118,897
Unrestricted	<u>59,719,427</u>	<u>66,317,817</u>
Total net assets	<u>\$ 283,976,702</u>	<u>\$ 286,320,661</u>



City of  
Corpus  
Christi



the City of Corpus Christi, Texas

Exhibit 26-B

**WATER SYSTEM**  
**COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>Operating revenues</b>		
Charges for services - net	\$ 68,709,704	\$ 62,959,380
<b>Operating expenses</b>		
Personal services	10,708,299	9,233,728
Materials and supplies	10,688,481	9,504,813
Contractual services	10,044,927	8,922,248
Other operating expenses	11,631,281	11,037,813
Uncollectible accounts	628,885	107,417
Depreciation	12,121,257	9,239,213
Total operating expenses	<u>55,823,130</u>	<u>48,045,232</u>
Operating income	12,886,574	14,914,148
<b>Nonoperating revenues (expenses)</b>		
Investment income	1,187,511	2,112,152
Interest expense and fiscal charges	(18,975,154)	(18,479,874)
Net gain on sale of assets	7,820	6,289
Recovery on damage claims	58,700	15,182
Developer deposits	570,451	446,956
Contributions from developers	5,907,644	2,381,634
Reimbursement to developers	(140,115)	(77,635)
Contribution from other governmental agencies	155,701	171,403
Contribution of capital assets from general fund	451,468	580,984
Total nonoperating revenues (expenses)	<u>(10,775,974)</u>	<u>(12,842,909)</u>
Income before transfers	<u>2,110,600</u>	<u>2,071,239</u>
Transfers in	33,876	499,034
Transfers out	(4,488,435)	(3,490,647)
Total transfers	<u>(4,454,559)</u>	<u>(2,991,613)</u>
Net loss	(2,343,959)	(920,374)
Net assets at beginning of year	<u>286,320,661</u>	<u>287,241,035</u>
Net assets at end of year	<u>\$ 283,976,702</u>	<u>\$ 286,320,661</u>

the City of Corpus Christi, Texas

**WATER SYSTEM  
COMPARATIVE SCHEDULE OF CASH FLOWS  
YEAR ENDED JULY 31, 2004 AND 2003**

	2004	2003
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 65,845,028	\$ 59,817,235
Receipts from interfund services provided	258,371	267,759
Payments to suppliers	(20,756,296)	(17,697,620)
Payments to employees	(8,077,920)	(8,076,054)
Internal activity - payments to other funds	(7,905,403)	(9,325,530)
Net cash provided by operating activities	29,363,780	24,985,790
<b>Cash flows from noncapital financing activities</b>		
Payment of advance to other funds	74,600	80,000
Interest on advance to other funds	4,178	8,658
Contributions from other governmental agencies	28,992	326,536
Transfers in from other funds	212,039	320,871
Transfers out to other funds	(4,488,435)	(3,490,647)
Recovery on damage claims	1,700	15,182
Net cash used for noncapital financing activities	(4,166,926)	(2,739,400)
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(38,339,979)	(36,175,125)
Proceeds from sale of capital assets	7,820	6,289
Developer deposits	570,663	447,123
Reimbursements to developers	(141,775)	(24,232)
Contributions from other government agencies	12,889	12,684
Proceeds from issuance of revenue bonds	-	68,202,992
Proceeds from issuance of commercial paper	15,650,000	-
Original issue discount and issue cost	(750)	-
Principal paid on bonds and notes payable	(12,377,284)	(47,936,463)
Interest expense and fiscal charges	(18,005,095)	(18,015,253)
Recovery on damage claims	57,000	-
Net cash used for capital and related financing activities	(52,566,511)	(33,481,985)
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(124,140,685)	(128,224,071)
Proceeds from sale and maturity of investment securities	140,741,489	125,928,245
Interest on investments	2,016,821	3,170,888
Net cash provided by investing activities	18,617,625	875,062
Net decrease in cash and cash equivalents	(8,752,032)	(10,360,533)
Cash and cash equivalents at beginning of year, including restricted accounts	15,174,803	25,535,336
Cash and cash equivalents at end of year, including restricted accounts	\$ 6,422,771	\$ 15,174,803

(Continued)

the City of Corpus Christi, Texas

Exhibit 26-C

	<u>2004</u>	<u>2003</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ 12,886,574	\$ 14,914,148
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	12,121,257	9,239,213
Amortization of water rights	3,623,277	3,169,204
Amortization of fish and wildlife cost	270,042	270,030
Provision for uncollectible accounts	628,885	107,417
Change in assets and liabilities		
Receivables		
Due from other funds	(1,516,400)	(2,646,216)
Inventory	(169,478)	(33,154)
Prepaid items	(71,753)	(75,746)
Accounts payable	-	33,076
Accrued expenses	116,152	759,022
Accumulated unpaid compensated absences	(210,007)	(1,491,619)
Deposits	227,255	323,967
Liability to claimants - escheat property	(36,760)	(326,884)
Due to other funds	4,697	10,700
Change in restricted assets and liabilities	(566,953)	732,232
Due from other funds	-	400
Accounts payable	78,631	-
Due to other funds	1,978,361	-
Net cash provided by operating activities	<u>\$ 29,363,780</u>	<u>\$ 24,985,790</u>
<b>Noncash investing, capital and financing activities</b>		
Contribution of capital assets from general fund	\$ 451,468	\$ 580,984
Contribution of capital assets from developers	\$ 5,907,644	\$ 2,367,569
Change in fair value of investments	\$ (9,698)	\$ (399,435)
Bond refunding	\$ 4,380,927	\$ 7,221,578

**WASTEWATER SYSTEM  
COMPARATIVE SCHEDULE OF NET ASSETS  
JULY 31, 2004 AND 2003**

	2004	2003
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 1,056,779	\$ 1,974,424
Investments	15,174,806	10,696,169
Receivables		
Accounts	5,008,226	4,312,117
Accrued interest	147,539	195,210
Property leases	7,000	4,500
Employees	12,683	--
Miscellaneous	86	4,177
Allowance for uncollectibles	(842,208)	(662,223)
Net receivables	4,333,326	3,853,781
Due from other funds	--	163,368
Restricted assets to pay restricted current liabilities	3,072,820	1,613,140
Total current assets	23,637,731	18,300,882
<b>Restricted assets</b>		
Cash and cash equivalents	3,970,242	21,191,396
Investments	25,278,825	22,495,161
Receivables		
Accrued interest	246,835	181,586
Net receivables	246,835	181,586
Restricted assets to pay restricted current liabilities	(3,072,820)	(1,613,140)
Total noncurrent restricted assets	26,423,082	42,255,003
Bond issue costs	1,395,484	1,706,116
<b>Capital assets</b>		
Land	3,477,253	3,291,360
Buildings	1,802,639	1,696,711
Improvements other than buildings	98,961,108	80,795,503
Machinery and equipment	9,237,217	6,414,358
Infrastructure	165,327,157	149,603,190
Total capital assets in service	278,805,374	241,801,122
Less accumulated depreciation	(72,024,209)	(65,764,530)
Net capital assets in service	206,781,165	176,036,592
Construction in progress	40,454,272	51,064,481
Net capital assets	247,235,437	227,101,073
Total assets	298,691,734	289,363,074

(Continued)

the City of Corpus Christi, Texas

Exhibit 27-A

	<u>2004</u>	<u>2003</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	\$ 577,930	\$ 786,504
Accrued expenses	109,961	303,241
Accrued interest	31,426	--
Contractor interest and retainage payable	56,409	--
Deposits	793	703
Due to other funds	38,114	313,446
Deferred revenue	1,100	4,200
Commercial paper	9,350,000	--
Long-term debt	6,225,639	5,903,241
Accumulated unpaid compensated absences	353,459	327,622
Liabilities payable from restricted assets		
Accounts payable	1,713,505	709,076
Accrued interest	174,562	202,576
Contractor interest and retainage payable	1,120,961	425,232
Accrued arbitrage rebate liability	8,368	256,401
Due to other funds	55,424	--
Due to other governmental agencies	--	19,855
Total liabilities payable from restricted assets	<u>3,072,820</u>	<u>1,613,140</u>
Total current liabilities	<u>19,817,651</u>	<u>9,252,097</u>
Long-term liabilities, net of current portion		
Long-term debt	84,648,376	90,687,999
Accumulated unpaid compensated absences	387,826	397,345
Total liabilities	<u>104,853,853</u>	<u>100,337,441</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	148,406,905	132,215,950
Restricted for		
Bond interest and redemption	1,038,344	5,110,788
Construction of capital assets	19,074,986	31,493,331
Improvements to utility lines and facilities	6,221,833	5,563,916
Abatement of public health hazards	87,920	86,968
Unrestricted	<u>19,007,893</u>	<u>14,554,680</u>
Total net assets	<u>\$ 193,837,881</u>	<u>\$ 189,025,633</u>



City of  
Corpus  
Christi

the City of Corpus Christi, Texas

Exhibit 27-B

**WASTEWATER SYSTEM**  
**COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>Operating revenues</b>		
Charges for services - net	\$ 33,193,541	\$ 31,242,106
<b>Operating expenses</b>		
Personal services	6,776,168	6,169,671
Materials and supplies	2,633,074	2,403,952
Contractual services	5,399,623	4,951,149
Other operating expenses	4,589,996	4,512,814
Uncollectible accounts	437,404	604,292
Depreciation	6,259,679	4,784,495
Total operating expenses	<u>26,095,944</u>	<u>23,426,373</u>
Operating income	7,097,597	7,815,733
<b>Nonoperating revenues (expenses)</b>		
Investment income	872,336	1,157,287
Interest expense and fiscal charges	(5,202,642)	(4,827,797)
Developer deposits	737,582	529,673
Contributions from developers	2,405,665	1,268,990
Reimbursement to developers	(158,911)	(181,259)
Contribution from other governmental agencies	19,856	-
Total nonoperating expenses	<u>(1,326,114)</u>	<u>(2,053,106)</u>
Income before transfers	<u>5,771,483</u>	<u>5,762,627</u>
Transfers in	872,077	151,442
Transfers out	(1,831,312)	(1,537,361)
Total transfers	<u>(959,235)</u>	<u>(1,385,919)</u>
Net income	4,812,248	4,376,708
Net assets at beginning of year	<u>189,025,633</u>	<u>184,648,925</u>
Net assets at end of year	<u>\$ 193,837,881</u>	<u>\$ 189,025,633</u>

the City of Corpus Christi, Texas

**WASTEWATER SYSTEM  
COMPARATIVE SCHEDULE OF CASH FLOWS  
YEAR ENDED JULY 31, 2004 AND 2003**

	2004	2003
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 32,390,901	\$ 29,979,180
Receipts from interfund services provided	60,938	67,618
Payments to suppliers	(8,423,203)	(7,418,033)
Payments to employees	(5,240,416)	(4,292,623)
Internal activity - payments to other funds	(6,579,808)	(5,756,176)
Net cash provided by operating activities	12,208,412	12,579,966
<b>Cash flows from noncapital financing activities</b>		
Transfers in from other funds	990,488	33,026
Transfers out to other funds	(1,831,312)	(1,537,361)
Net cash used for noncapital financing activities	(840,824)	(1,504,335)
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(22,259,528)	(12,922,624)
Developer deposits	737,582	529,673
Contributions from developers	27,400	--
Reimbursements to developers	(64,135)	(127,225)
Proceeds from issuance of revenue bonds	--	27,156,950
Proceeds from issuance of commercial paper	9,350,000	--
Principal paid on bonds and notes payable	(5,934,384)	(11,471,595)
Interest expense and fiscal charges	(4,707,747)	(4,535,022)
Net cash used for capital and related financing activities	(22,850,812)	(1,369,843)
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(93,948,415)	(71,609,547)
Proceeds from sale and maturity of investment securities	86,684,807	77,926,104
Interest on investments	608,033	1,050,373
Net cash provided by (used for) investing activities	(6,655,575)	7,366,930
Net increase (decrease) in cash and cash equivalents	(18,138,799)	17,072,718
Cash and cash equivalents at beginning of year, including restricted accounts	23,165,820	6,093,102
Cash and cash equivalents at end of year, including restricted accounts	\$ 5,027,021	\$ 23,165,820

(Continued)



the City of Corpus Christi, Texas

Exhibit 27-C

	<u>2004</u>	<u>2003</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ 7,097,597	\$ 7,815,733
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	6,259,679	4,784,495
Provision for uncollectible accounts	437,404	604,292
Change in assets and liabilities		
Receivables	(964,621)	(1,183,800)
Due from other funds	107,517	(44,957)
Prepaid items	--	16,557
Accounts payable	(249,192)	(46,554)
Accrued expenses	(193,280)	59,452
Deferred revenue	(3,100)	4,200
Accumulated unpaid compensated absences	16,319	265,438
Deposits	90	111
Due to other funds	(300,001)	304,999
Net cash provided by operating activities	<u>\$ 12,208,412</u>	<u>\$ 12,579,966</u>
<b>Noncash investing, capital and financing activities</b>		
Contribution of capital assets from developers	\$ 2,378,264	\$ 1,268,990
Change in fair value of investments	\$ (1,307)	\$ (29,220)
Bond refunding	\$ --	\$ 23,706,688

the City of Corpus Christi, Texas

NON-MAJOR PROPRIETARY FUNDS  
COMBINING STATEMENT OF NET ASSETS  
JULY 31, 2004

	Airport Fund	Ambulance Fund	Golf Centers Fund	Marina Fund	Total
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 1,816,987	\$ 1,313	\$ 99,605	\$ 286,505	\$ 2,204,410
Investments	3,435,125	--	--	500,000	3,935,125
Receivables, net of allowance for uncollectibles	429,110	201,854	22,043	80,296	733,303
Due from other funds	1,645	5,192	--	9,311	16,148
Inventories	--	--	52,724	--	52,724
Restricted assets to pay restricted current liabilities	2,614,065	12,935	--	--	2,627,000
<b>Total current assets</b>	<b>8,296,932</b>	<b>221,294</b>	<b>174,372</b>	<b>876,112</b>	<b>9,568,710</b>
<b>Restricted assets</b>					
Cash and cash equivalents	3,544,430	12,935	--	--	3,557,365
Investments	4,533,297	--	--	--	4,533,297
Receivables, net of allowance for uncollectibles	312,249	--	--	--	312,249
Due from other funds	55	--	--	--	55
Restricted assets to pay restricted current liabilities	(2,614,065)	(12,935)	--	--	(2,627,000)
<b>Total noncurrent restricted assets</b>	<b>5,775,966</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>5,775,966</b>
<b>Bond issue costs</b>	<b>651,277</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>651,277</b>
<b>Capital assets</b>					
Land	3,554,942	--	94,337	9,000	3,658,279
Buildings	42,869,690	--	711,295	554,626	44,135,611
Improvements other than buildings	48,258,813	--	2,528,151	14,504,686	65,291,650
Machinery and equipment	4,240,645	2,292,826	665,296	182,001	7,380,768
Infrastructure	--	--	--	54,226	54,226
Property under capital lease	--	915,207	290,240	--	1,205,447
<b>Total capital assets in service</b>	<b>98,924,090</b>	<b>3,208,033</b>	<b>4,289,319</b>	<b>15,304,539</b>	<b>121,725,981</b>
Less accumulated depreciation	(29,906,916)	(2,853,825)	(2,726,039)	(10,644,156)	(46,130,936)
<b>Net capital assets in service</b>	<b>69,017,174</b>	<b>354,208</b>	<b>1,563,280</b>	<b>4,660,383</b>	<b>75,595,045</b>
Construction in progress	7,827,144	--	--	22,052	7,849,196
<b>Net capital assets</b>	<b>76,844,318</b>	<b>354,208</b>	<b>1,563,280</b>	<b>4,682,435</b>	<b>83,444,241</b>
<b>Total assets</b>	<b>91,568,493</b>	<b>575,502</b>	<b>1,737,652</b>	<b>5,558,547</b>	<b>99,440,194</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Accounts payable	96,456	69,116	154,781	5,076	325,429
Accrued expenses	61,342	77,043	15,252	9,801	163,438
Contractor interest and retainage payable	19,125	--	--	--	19,125
Deposits	275	--	--	51,914	52,189
Due to other funds	14,530	153,418	5,223	--	173,171
Due to other governmental agencies	--	--	371	--	371
Deferred revenue	--	--	40,394	--	40,394
<b>Current portion of long-term liabilities</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Long-term debt	--	88,172	56,165	--	144,337
Accumulated unpaid compensated absences	197,268	279,883	22,635	24,881	524,667

(Continued)

**NON-MAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF NET ASSETS**  
**JULY 31, 2004**

	Airport Fund	Ambulance Fund	Golf Centers Fund	Marina Fund	Total
<b>Liabilities payable from restricted assets</b>					
Accounts payable	\$ 1,046,637	\$ --	\$ --	\$ --	\$ 1,046,637
Accrued expenses	536,434	--	--	--	536,434
Accrued interest	--	--	--	--	--
Contractor interest and retainage payable	615,282	--	--	--	615,282
Due to other funds	619	--	--	--	619
Deferred revenue	93	12,935	--	--	13,028
Due to other government agencies	--	--	--	--	--
Current portion of long-term debt	415,000	--	--	--	415,000
Total liabilities payable from restricted assets	<u>2,614,065</u>	<u>12,935</u>	<u>--</u>	<u>--</u>	<u>2,627,000</u>
Total current liabilities	3,003,061	680,567	294,821	91,672	4,070,121
<b>Long-term liabilities, net of current portion</b>					
Long-term debt	20,911,247	101,265	201,889	--	21,214,401
Accumulated unpaid compensated absences	77,416	714,132	41,352	7,230	840,130
Total liabilities	<u>23,991,724</u>	<u>1,495,964</u>	<u>538,062</u>	<u>98,902</u>	<u>26,124,652</u>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	56,169,348	164,771	1,305,226	4,682,435	62,321,780
Restricted for					
Passenger facility charges projects	2,224,172	--	--	--	2,224,172
Bond interest and redemption	1,173	--	--	--	1,173
Construction of capital assets	2,647,905	--	--	--	2,647,905
Required capital reserve	250,000	--	--	--	250,000
Required operating reserve	1,063,448	--	--	--	1,063,448
Law enforcement officers' standards and education	4,268	--	--	--	4,268
Unrestricted	<u>5,216,455</u>	<u>(1,085,233)</u>	<u>(105,636)</u>	<u>777,210</u>	<u>4,802,796</u>
Total net assets (liabilities)	<u>\$ 67,576,769</u>	<u>\$ (920,462)</u>	<u>\$ 1,199,590</u>	<u>\$ 5,459,645</u>	<u>\$ 73,315,542</u>



City of  
Corpus  
Christi

the City of Corpus Christi, Texas

Exhibit 28-B

**NON-MAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2004**

	Airport Fund	Ambulance Fund	Golf Centers Fund	Marina Fund	Total
<b>Operating revenues</b>					
Charges for services - net	\$ 7,555,096	\$ 3,323,456	\$ 1,713,712	\$ 1,251,637	\$ 13,843,901
<b>Operating expenses</b>					
Personal services	3,690,901	4,005,297	920,067	604,229	9,220,494
Materials and supplies	257,187	357,648	255,829	57,835	928,499
Contractual services	1,508,336	669,057	441,523	171,540	2,790,456
Other operating expenses	616,380	452,682	98,780	83,183	1,251,025
Uncollectible accounts	--	--	--	9,211	9,211
Depreciation	3,207,038	148,868	164,264	312,023	3,832,193
Total operating expenses	<u>9,279,842</u>	<u>5,633,552</u>	<u>1,880,463</u>	<u>1,238,021</u>	<u>18,031,878</u>
Operating income (loss)	(1,724,746)	(2,310,096)	(166,751)	13,616	(4,187,977)
<b>Nonoperating revenues (expenses)</b>					
Investment income	191,628	3,470	5,068	6,615	206,781
Interest expense and fiscal charges	(1,220,282)	(8,426)	(3,793)	--	(1,232,501)
Passenger facility charges	1,561,016	--	--	--	1,561,016
Net gain on sale of assets	3,409	--	--	--	3,409
Recovery on damage claims	1,012	--	--	--	1,012
Contribution from other governmental agencies	2,781,645	2,290	--	22,052	2,805,987
Contributions and donations	22,375	--	--	--	22,375
Total nonoperating revenues	<u>3,340,803</u>	<u>(2,666)</u>	<u>1,275</u>	<u>28,667</u>	<u>3,368,079</u>
Income (loss) before transfers	1,616,057	(2,312,762)	(165,476)	42,283	(819,898)
Transfers in	--	2,390,000	--	--	2,390,000
Transfers out	(889,727)	(310,458)	(247,354)	(103,778)	(1,551,317)
Total transfers	<u>(889,727)</u>	<u>2,079,542</u>	<u>(247,354)</u>	<u>(103,778)</u>	<u>838,683</u>
Net income (loss)	726,330	(233,220)	(412,830)	(61,495)	18,785
Net assets (liabilities) at beginning of year	<u>66,850,439</u>	<u>(687,242)</u>	<u>1,612,420</u>	<u>5,521,140</u>	<u>73,296,757</u>
Net assets (liabilities) at end of year	<u>\$ 67,576,769</u>	<u>\$ (920,462)</u>	<u>\$ 1,199,590</u>	<u>\$ 5,459,645</u>	<u>\$ 73,315,542</u>

the City of Corpus Christi, Texas

**NON-MAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**YEAR ENDED JULY 31, 2004**

	<u>Airport Fund</u>	<u>Ambulance Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Totals</u>
<b>Cash flows from operating activities</b>					
Receipts from customers	\$ 7,442,130	\$ 3,185,722	\$ 1,701,776	\$ 1,205,156	\$ 13,534,784
Payments to suppliers	(1,365,217)	(1,224,740)	(723,338)	(268,166)	(3,581,461)
Payments to employees	(3,785,392)	(3,778,531)	(691,016)	(471,348)	(8,726,287)
Internal activity - payments to other funds	(1,005,669)	(908,298)	(247,562)	(212,136)	(2,373,665)
Net cash provided by (used for) operating activities	<u>1,285,852</u>	<u>(2,725,847)</u>	<u>39,860</u>	<u>253,506</u>	<u>(1,146,629)</u>
<b>Cash flows from noncapital financing activities</b>					
Contributions from other governmental agencies	2,112	9,052	--	--	11,164
Transfers in from other funds	--	2,390,000	29,174	8,112	2,427,286
Transfers out to other funds	(889,727)	(310,458)	(247,354)	(103,778)	(1,551,317)
Other non-operating revenues	1,012	--	--	--	1,012
Net cash provided by (used for) noncapital financing activities	<u>(886,603)</u>	<u>2,088,594</u>	<u>(218,180)</u>	<u>(95,666)</u>	<u>888,145</u>
<b>Cash flows from capital and related financing activities</b>					
Acquisition of capital assets	(8,981,241)	--	(533,242)	(24,262)	(9,538,745)
Proceeds from sale of capital assets	3,409	--	--	--	3,409
Passenger facility charge	1,499,390	--	--	--	1,499,390
Contributions from other governmental agencies	2,919,297	--	--	--	2,919,297
Principal paid on bonds and notes payable	(395,000)	--	--	--	(395,000)
Interest and fiscal charges	(1,186,981)	(8,426)	(3,793)	--	(1,199,200)
Capital lease payments	--	(82,137)	(32,186)	--	(114,323)
Net cash used for capital and related financing activities	<u>(6,141,126)</u>	<u>(90,563)</u>	<u>(569,221)</u>	<u>(24,262)</u>	<u>(6,825,172)</u>
<b>Cash flows from investing activities</b>					
Purchase of investment securities	(17,403,547)	--	--	(500,000)	(17,903,547)
Proceeds from sale and maturity of investment securities	20,616,486	--	--	--	20,616,486
Interest on investments	233,081	3,470	5,068	2,669	244,288
Net cash provided by (used for) investing activities	<u>3,446,020</u>	<u>3,470</u>	<u>5,068</u>	<u>(497,331)</u>	<u>2,957,227</u>
Net decrease in cash and cash equivalents	(2,295,857)	(724,346)	(742,473)	(363,753)	(4,126,429)
Cash and cash equivalents at beginning of year, including restricted accounts	<u>7,657,274</u>	<u>738,594</u>	<u>842,078</u>	<u>650,258</u>	<u>9,888,204</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 5,361,417</u>	<u>\$ 14,248</u>	<u>\$ 99,605</u>	<u>\$ 286,505</u>	<u>\$ 5,761,775</u>

(Continued)

**NON-MAJOR PROPRIETARY FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2004**

	<u>Airport Fund</u>	<u>Ambulance Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Totals</u>
<b>Reconciliation of operating loss to net cash provided by (used for) operating activities</b>					
Operating income (loss)	\$ (1,724,746)	\$ (2,310,096)	\$ (166,751)	\$ 13,616	\$ (4,187,977)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities					
Depreciation	3,207,038	148,868	164,264	312,023	3,832,193
Provision for uncollectible accounts	--	--	--	9,211	9,211
Change in assets and liabilities					
Receivables	(9,505)	(137,734)	(15,518)	(38,562)	(201,319)
Due from other funds	24	(1,338)	1,250	1,445	1,381
Inventory	--	--	(7,549)	--	(7,549)
Accounts payable	(6,156)	66,959	102,450	(8,274)	154,979
Accrued expenses	(121,561)	(168,691)	(29,434)	(23,881)	(343,567)
Deferred revenue	--	--	3,211	--	3,211
Accumulated unpaid compensated absences	27,069	(357,811)	9,448	9,877	(311,417)
Deposits	194	--	--	(7,920)	(7,726)
Due to other funds	(86,507)	34,525	(21,882)	(14,029)	(87,893)
Due to other governmental agencies	--	--	371	--	371
Change in restricted assets and liabilities					
Due from other funds	2	--	--	--	2
Accrued expenses	--	(529)	--	--	(529)
Net cash provided by (used for) operating activities	<u>\$ 1,285,852</u>	<u>\$ (2,725,847)</u>	<u>\$ 39,860</u>	<u>\$ 253,506</u>	<u>\$ (1,146,629)</u>
<b>Noncash investing, capital and financing activities</b>					
Acquisition of capital assets under capital lease	\$ --	\$ 144,049	\$ 290,240	\$ --	\$ 434,289

the City of Corpus Christi, Texas

**AIRPORT FUND**  
**COMPARATIVE STATEMENT OF NET ASSETS**  
**JULY 31, 2004 AND 2003**

	2004	2003
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 1,816,987	\$ 3,519,918
Investments	3,435,125	1,931,361
Receivables		
Accounts	577,601	654,907
Accrued interest	26,854	17,360
Miscellaneous	9,934	3,902
Allowance for uncollectibles	(185,279)	(266,058)
Net receivables	429,110	410,111
Due from other funds	1,645	1,669
Restricted assets to pay restricted current liabilities	2,614,065	3,320,538
Total current assets	8,296,932	9,183,597
Restricted assets		
Cash and cash equivalents	3,544,430	4,137,356
Investments	4,533,297	9,250,000
Receivables		
Accounts	258,572	196,946
Accrued interest	38,646	89,593
Intergovernmental	15,031	154,703
Net receivables	312,249	441,242
Due from other funds	55	57
Restricted assets to pay restricted current liabilities	(2,614,065)	(3,320,538)
Total noncurrent restricted assets	5,775,966	10,508,117
Bond issue cost	651,277	666,984
Capital assets		
Land	3,554,942	3,554,292
Buildings	42,869,690	37,983,089
Improvements other than buildings	48,258,813	38,430,422
Machinery and equipment	4,240,645	4,293,801
Total capital assets in service	98,924,090	84,261,604
Less accumulated depreciation	(29,906,916)	(27,100,485)
Net capital assets in service	69,017,174	57,161,119
Construction in progress	7,827,144	14,688,201
Net capital assets	76,844,318	71,849,320
Total assets	91,568,493	92,208,018

(Continued)



the City of Corpus Christi, Texas

Exhibit 29-A

	<u>2004</u>	<u>2003</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	\$ 96,456	\$ 204,374
Accrued expenses	61,342	182,902
Deposits	275	81
Contractor interest and retainage payable	19,125	--
Due to other funds	14,530	99,943
Current portion of accumulated unpaid compensated absences	197,268	181,274
Liabilities payable from restricted assets		
Accounts payable	1,046,637	1,105,706
Accrued expenses	536,434	544,942
Contractor interest and retainage payable	615,282	1,274,890
Due to other funds	619	--
Deferred revenue	93	--
Current portion of long-term debt	415,000	395,000
Total liabilities payable from restricted assets	<u>2,614,065</u>	<u>3,320,538</u>
Total current liabilities	3,003,061	3,989,112
Long-term liabilities, net of current portion		
Long-term debt	20,911,247	21,302,126
Accumulated unpaid compensated absences	77,416	66,341
Total liabilities	<u>23,991,724</u>	<u>25,357,579</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	56,169,348	50,819,178
Restricted for		
Passenger facility charges projects	2,224,172	2,382,943
Bond interest and redemption	1,173	10,746
Construction of capital assets	2,647,905	6,891,017
Required capital reserve	250,000	250,000
Required operating reserve	1,063,448	968,074
Law enforcement officers' standards and education	4,268	5,337
Unrestricted	<u>5,216,455</u>	<u>5,523,144</u>
Total net assets	<u>\$ 67,576,769</u>	<u>\$ 66,850,439</u>



City of  
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the City of Corpus Christi, Texas

Exhibit 29-B

**AIRPORT FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>Operating revenues</b>		
Charges for services - net	\$ 7,555,096	\$ 6,899,451
<b>Operating expenses</b>		
Personal services	3,690,901	3,606,680
Materials and supplies	257,187	177,124
Contractual services	1,508,336	1,495,419
Other operating expenses	616,380	494,800
Uncollectible accounts	--	193,696
Depreciation	3,207,038	2,388,405
Total operating expenses	<u>9,279,842</u>	<u>8,356,124</u>
Operating loss	(1,724,746)	(1,456,673)
<b>Nonoperating revenues (expenses)</b>		
Investment income	191,628	155,002
Interest expense and fiscal charges	(1,220,282)	(374,598)
Passenger facility charges	1,561,016	1,178,259
Passenger facility charges interest	--	37,511
Net gain on sale of assets	3,409	1,975
Recovery on damage claims	1,012	--
Contribution from other governmental agencies	2,781,645	3,405,366
Contributions and donations	22,375	--
Total nonoperating revenues (expenses)	<u>3,340,803</u>	<u>4,203,515</u>
Income before transfers	1,616,057	2,746,842
Transfers in	--	109,819
Transfers out	(889,727)	(888,001)
Total transfers	<u>(889,727)</u>	<u>(778,182)</u>
Net income	726,330	1,968,660
Net assets at beginning of year	<u>66,850,439</u>	<u>64,881,779</u>
Net assets at end of year	<u>\$ 67,576,769</u>	<u>\$ 66,850,439</u>

the City of Corpus Christi, Texas

**AIRPORT FUND**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**YEAR ENDED JULY 31, 2004 AND 2003**

	2004	2003
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 7,442,130	\$ 6,830,315
Payments to suppliers	(1,365,217)	(1,284,988)
Payments to employees	(3,785,392)	(3,560,093)
Internal activity - payments (to) from other funds	(1,005,669)	(676,873)
Net cash provided by operating activities	1,285,852	1,308,361
<b>Cash flows from noncapital financing activities</b>		
Contributions from other governmental agencies	2,112	534,202
Transfers in from other funds	--	109,818
Transfers out to other funds	(889,727)	(888,001)
Recovery of damage claims	1,012	--
Net cash used for noncapital financing activities	(886,603)	(243,981)
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(8,981,241)	(12,067,833)
Proceeds from sale of capital assets	3,409	307
Passenger facility charge	1,499,390	1,150,466
Contributions from other governmental agencies	2,919,297	4,358,291
Principal paid on bonds and notes payable	(395,000)	(380,000)
Interest and fiscal charges	(1,186,981)	(1,586,823)
Net cash used for capital and related financing activities	(6,141,126)	(8,525,592)
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(17,403,547)	(20,554,510)
Proceeds from sale and maturity of investment securities	20,616,486	26,201,714
Interest on investments	233,081	400,199
Net cash provided by investing activities	3,446,020	6,047,403
Net decrease in cash and cash equivalents	(2,295,857)	(1,413,809)
<b>Cash and cash equivalents at beginning of year, including restricted assets</b>	7,657,274	9,071,083
<b>Cash and cash equivalents at end of year, including restricted assets</b>	\$ 5,361,417	\$ 7,657,274

(Continued)

the City of Corpus Christi, Texas

Exhibit 29-C

	<u>2004</u>	<u>2003</u>
<b>Reconciliation of operating loss to net cash provided by operating activities</b>		
Operating loss	\$ (1,724,746)	\$ (1,456,673)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	3,207,038	2,388,405
Provision for uncollectible accounts	--	193,696
Changes in assets and liabilities		
Receivables	(9,505)	(33,449)
Due from other funds	24	9,342
Accounts payable	(6,156)	40,348
Accrued expenses	(121,561)	(2,666)
Accumulated unpaid compensated absences	27,069	49,253
Deposits	194	29
Due to other funds	(86,507)	120,076
Changes in restricted assets and liabilities		
Due from other funds	<u>2</u>	<u>--</u>
Net cash provided by operating activities	<u>\$ 1,285,852</u>	<u>\$ 1,308,361</u>



City of  
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the City of Corpus Christi, Texas

Exhibit 30-A

AMBULANCE FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2004 AND 2003

	2004	2003
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 1,313	\$ 731,892
Receivables		
Intergovernmental	66,258	64,120
Miscellaneous	135,596	--
Net receivables	201,854	64,120
Due from other funds	5,192	3,854
Restricted cash and cash equivalents	12,935	6,702
Total current assets	<u>221,294</u>	<u>806,568</u>
Capital assets		
Machinery and equipment	2,292,826	2,292,826
Property under capital lease	915,207	771,158
Total capital assets in service	<u>3,208,033</u>	<u>3,063,984</u>
Less accumulated depreciation	<u>(2,853,825)</u>	<u>(2,704,957)</u>
Net capital assets	<u>354,208</u>	<u>359,027</u>
Total assets	<u>575,502</u>	<u>1,165,595</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	69,116	2,157
Accrued expenses	77,043	245,734
Due to other funds	153,418	118,893
Current portion of long-term liabilities		
Long-term debt	88,172	57,045
Accumulated unpaid compensated absences	279,883	282,646
Liabilities payable from restricted assets		
Accrued expenses	--	529
Deferred revenue	12,935	6,173
Total liabilities payable from restricted assets	<u>12,935</u>	<u>6,702</u>
Total current liabilities	<u>680,567</u>	<u>713,177</u>
Long-term liabilities, net of current portion		
Long-term debt	101,265	70,480
Accumulated unpaid compensated absences	714,132	1,069,180
Total liabilities	<u>1,495,964</u>	<u>1,852,837</u>
<b>NET ASSETS (LIABILITIES)</b>		
Invested in capital assets, net of related debt	164,771	231,502
Unrestricted	<u>(1,085,233)</u>	<u>(918,744)</u>
Total net liabilities	<u>\$ (920,462)</u>	<u>\$ (687,242)</u>

the City of Corpus Christi, Texas

Exhibit 30-B

AMBULANCE FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
YEAR ENDED JULY 31, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
<b>Operating revenues</b>		
Charges for services - net	\$ 3,323,456	\$ 3,325,633
<b>Operating expenses</b>		
Ambulance		
Personal services	4,005,297	3,960,026
Materials and supplies	357,648	330,004
Contractual services	669,057	612,296
Other operating expenses	452,682	462,549
Depreciation	148,868	137,406
Total operating expenses	<u>5,633,552</u>	<u>5,502,281</u>
Operating loss	(2,310,096)	(2,176,648)
<b>Nonoperating revenues (expenses)</b>		
Investment income	3,470	6,662
Interest expense and fiscal charges	(8,426)	(9,059)
Net gain on sale of assets	-	3,854
Contribution from other governmental agencies	2,290	1,558
Total nonoperating revenues (expenses)	<u>(2,666)</u>	<u>3,015</u>
Loss before transfers	(2,312,762)	(2,173,633)
Transfers in	2,390,000	2,577,008
Transfers out	(310,458)	(304,678)
Total transfers	<u>2,079,542</u>	<u>2,272,330</u>
Net income (loss)	(233,220)	98,697
Net liabilities at beginning of year	(687,242)	(785,939)
Net liabilities at end of year	<u>\$ (920,462)</u>	<u>\$ (687,242)</u>



the City of Corpus Christi, Texas

AMBULANCE FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2004 AND 2003

Exhibit 30-C

	2004	2003
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 3,185,722	\$ 3,377,143
Payments to suppliers	(1,224,740)	(1,245,385)
Payments to employees	(3,778,531)	(3,157,724)
Internal activity - payments to other funds	(908,298)	(778,554)
Net cash used for operating activities	<u>(2,725,847)</u>	<u>(1,804,520)</u>
<b>Cash flows from noncapital financing activities</b>		
Contributions from other government agencies	9,052	6,753
Transfers in from other funds	2,390,000	2,577,008
Transfers out to other funds	(310,458)	(304,678)
Net cash provided by noncapital financing activities	<u>2,088,594</u>	<u>2,279,083</u>
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	-	(13,194)
Proceeds from sale of capital assets	-	3,854
Interest expense and fiscal charges	(8,426)	(9,059)
Capital lease payments	(82,137)	(108,921)
Net cash used for capital and related financing activities	<u>(90,563)</u>	<u>(127,320)</u>
<b>Cash flows from investing activities</b>		
Interest on investments	3,470	6,662
Net cash provided by investing activities	<u>3,470</u>	<u>6,662</u>
Net increase (decrease) in cash and cash equivalents	(724,346)	353,905
Cash and cash equivalents at beginning of year, including restricted accounts	<u>738,594</u>	<u>384,689</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 14,248</u>	<u>\$ 738,594</u>
<b>Reconciliation of operating loss to net cash used for operating activities</b>		
Operating loss	\$ (2,310,096)	\$ (2,176,648)
Adjustments to reconcile operating loss to net cash used for operating activities		
Depreciation	148,868	137,406
Changes in assets and liabilities		
Receivables	(137,734)	51,510
Due from other funds	(1,338)	(3,854)
Prepaid items	-	13,650
Accounts payable	66,959	(78,211)
Accrued expenses	(168,691)	74,082
Accumulated unpaid compensated absences	(357,811)	59,007
Due to other funds	34,525	118,009
Change in restricted assets and liabilities		
Accrued expenses	(529)	529
Net cash used for operating activities	<u>\$ (2,725,847)</u>	<u>\$ (1,804,520)</u>
<b>Noncash investing, capital and financing activities</b>		
Acquisition of fixed assets under capital lease	\$ 144,049	\$ -



City of  
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Exhibit 31-A

GOLF CENTERS FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 99,605	\$ 842,078
Receivables		
Accounts	9,880	6,525
Miscellaneous	12,163	--
Net receivables	<u>22,043</u>	<u>6,525</u>
Due from other funds	--	30,424
Inventories	52,724	45,175
Total current assets	<u>174,372</u>	<u>924,202</u>
Capital assets		
Land	94,337	94,337
Buildings	711,295	711,295
Improvements other than buildings	2,528,151	2,019,681
Machinery and equipment	665,296	640,524
Property under capital lease	290,240	--
Total capital assets in service	<u>4,289,319</u>	<u>3,465,837</u>
Less accumulated depreciation	(2,726,039)	(2,561,775)
Net capital assets	<u>1,563,280</u>	<u>904,062</u>
Total assets	<u>1,737,652</u>	<u>1,828,264</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	154,781	52,331
Accrued expenses	15,252	44,686
Due to other funds	5,223	27,105
Due to other governmental agencies	371	--
Deferred revenue	40,394	37,183
Current portion of long-term liabilities		
Long-term debt	56,165	--
Accumulated unpaid compensated absences	22,635	30,217
Total current liabilities	<u>294,821</u>	<u>191,522</u>
Long-term liabilities, net of current portion		
Long-term debt	201,889	--
Accumulated unpaid compensated absences	41,352	24,322
Total liabilities	<u>538,062</u>	<u>215,844</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	1,305,226	904,062
Unrestricted	(105,636)	708,358
Total net assets	<u>\$ 1,199,590</u>	<u>\$ 1,612,420</u>

the City of Corpus Christi, Texas

Exhibit 31-B

**GOLF CENTERS FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>Operating revenues</b>		
Charges for services - net	\$ 1,713,712	\$ 1,890,608
<b>Operating expenses</b>		
Personal services	920,067	843,892
Materials and supplies	255,829	243,916
Contractual services	441,523	514,868
Other operating expenses	98,780	210,874
Depreciation	164,264	170,719
Total operating expenses	<u>1,880,463</u>	<u>1,984,269</u>
Operating loss	(166,751)	(93,661)
<b>Nonoperating revenues (expenses)</b>		
Investment income	5,068	11,939
Interest expense and fiscal charges	(3,793)	-
Total nonoperating revenues (expenses)	<u>1,275</u>	<u>11,939</u>
Loss before transfers	(165,476)	(81,722)
Transfers in	-	29,174
Transfers out	(247,354)	(248,484)
Total transfers	<u>(247,354)</u>	<u>(219,310)</u>
Net loss	(412,830)	(301,032)
Net assets at beginning of year	<u>1,612,420</u>	<u>1,913,452</u>
Net assets at end of year	<u>\$ 1,199,590</u>	<u>\$ 1,612,420</u>

the City of Corpus Christi, Texas

Exhibit 31-C

GOLF CENTERS FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2004 AND 2003

	2004	2003
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 1,701,776	\$ 1,890,892
Payments to suppliers	(723,338)	(805,484)
Payments to employees	(691,016)	(593,825)
Internal activity - payments (to) from other funds	(247,562)	(313,057)
Net cash provided by operating activities	<u>39,860</u>	<u>178,526</u>
<b>Cash flows from noncapital financing activities</b>		
Transfers in from other funds	29,174	-
Transfers out to other funds	(247,354)	(248,484)
Net cash used for noncapital financing activities	<u>(218,180)</u>	<u>(248,484)</u>
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(533,242)	(8,327)
Interest expense and fiscal charges	(3,793)	-
Capital lease payments	(32,186)	-
Net cash used for capital and related financing activity	<u>(569,221)</u>	<u>(8,327)</u>
<b>Cash flows from investing activities</b>		
Proceeds from sale and maturity of investment securities	-	500,000
Interest on investments	5,068	19,803
Net cash provided by investing activities	<u>5,068</u>	<u>519,803</u>
Net increase (decrease) in cash and cash equivalents	(742,473)	441,518
Cash and cash equivalents at beginning of year	<u>842,078</u>	<u>400,560</u>
Cash and cash equivalents at end of year	<u>\$ 99,605</u>	<u>\$ 842,078</u>
<b>Reconciliation of operating loss to net cash provided by operating activities</b>		
Operating loss	\$ (166,751)	\$ (93,661)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	164,264	170,719
Change in assets and liabilities		
Receivables	(15,518)	(1,287)
Due from other funds	1,250	(1,250)
Inventory	(7,549)	11,731
Accounts payable	102,450	48,342
Accrued expenses	(29,434)	5,799
Deferred revenue	3,211	1,571
Accumulated unpaid compensated absences	9,448	9,457
Due to other funds	(21,882)	27,105
Due to other government agencies	371	-
Net cash provided by operating activities	<u>\$ 39,860</u>	<u>\$ 178,526</u>
<b>Noncash investing, capital and financing activities</b>		
Acquisition of capital assets under capital lease	\$ 290,240	\$ --

**GOLF CENTERS FUND**  
**SCHEDULE OF OPERATING EXPENSES BY FUNCTION**  
**YEAR ENDED JULY 31, 2004**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2003**

<u><b>FUNCTION</b></u>	<u>2004</u>			
	<u>PERSONAL SERVICES</u>	<u>MATERIALS &amp; SUPPLIES</u>	<u>CONTRACTUAL SERVICES</u>	<u>OTHER OPERATING EXPENSES</u>
Gabe Lozano Sr. Golf Center operations	\$ 544,192	\$ 167,291	\$ 272,609	\$ 56,902
Oso Golf Center operations	<u>375,875</u>	<u>88,538</u>	<u>168,914</u>	<u>41,878</u>
Total operating expenses	<u>\$ 920,067</u>	<u>\$ 255,829</u>	<u>\$ 441,523</u>	<u>\$ 98,780</u>

the City of Corpus Christi, Texas

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Exhibit 31-D

<u>DEPRECIATION</u>	<u>TOTAL</u>	<u>2003</u> <u>TOTAL</u>
\$ 120,494	\$ 1,161,488	\$ 1,156,910
43,770	718,975	827,359
<u>\$ 164,264</u>	<u>\$ 1,880,463</u>	<u>\$ 1,984,269</u>

the City of Corpus Christi, Texas

Exhibit 32-A

MARINA FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2004 AND 2003

	2004	2003
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 286,505	\$ 650,258
Investments	500,000	-
Receivables		
Accounts	93,022	54,460
Accrued interest	3,946	-
Intergovernmental	22,052	-
Allowance for uncollectibles	(38,724)	(29,513)
Net receivables	80,296	24,947
Due from other funds	9,311	18,868
Total current assets	876,112	694,073
Capital assets		
Land	9,000	9,000
Buildings	554,626	554,626
Improvements other than buildings	14,504,686	14,504,686
Machinery and equipment	182,001	182,001
Infrastructure	54,226	44,701
Total capital assets in service	15,304,539	15,295,014
Less accumulated depreciation	(10,644,156)	(10,332,133)
Net capital assets in service	4,660,383	4,962,881
Construction in progress	22,052	6,465
Net capital assets	4,682,435	4,969,346
Total assets	5,558,547	5,663,419
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	5,076	12,500
Accrued expenses	9,801	33,683
Deposits	51,914	59,833
Due to other funds	-	14,029
Current portion of accumulated unpaid compensated absences	24,881	22,234
Total current liabilities	91,672	142,279
Accumulated unpaid compensated absences, net of current portion	7,230	-
Total liabilities	98,902	142,279
<b>NET ASSETS</b>		
Invested in capital assets	4,682,435	4,969,346
Unrestricted	777,210	551,794
Total net assets	\$ 5,459,645	\$ 5,521,140



the City of Corpus Christi, Texas

Exhibit 32-B

**MARINA FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>Operating revenues</b>		
Slip rentals		
Bayfront revenue	\$ 932,704	\$ 795,018
Boat haul-outs	205,210	235,740
Transient fees	20,350	26,466
Resale of electricity	35,311	36,934
Raw seafood sales permits	18,864	16,175
Miscellaneous	4,800	5,043
Total operating revenue	<u>34,398</u>	<u>49,867</u>
	1,251,637	1,165,243
<b>Operating expenses</b>		
Marina		
Personal services	604,229	555,760
Materials and supplies	57,835	55,290
Contractual services	171,540	192,719
Other operating expenses	83,183	91,592
Uncollectible accounts	9,211	5,445
Depreciation	312,023	311,785
Total operating expenses	<u>1,238,021</u>	<u>1,212,591</u>
Operating income (loss)	13,616	(47,348)
<b>Nonoperating revenues</b>		
Investment income	6,615	5,415
Contribution from other governmental agencies	22,052	--
Total nonoperating revenues	<u>28,667</u>	<u>5,415</u>
Income (loss) before transfers	42,283	(41,933)
Transfers in	--	8,112
Transfers out	(103,778)	(82,693)
Total transfers	<u>(103,778)</u>	<u>(74,581)</u>
Net loss	(61,495)	(116,514)
Net assets at beginning of year	<u>5,521,140</u>	<u>5,637,654</u>
Net assets at end of year	<u>\$ 5,459,645</u>	<u>\$ 5,521,140</u>

**MARINA FUND**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**YEAR ENDED JULY 31, 2004 AND 2003**

	2004	2003
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 1,205,156	\$ 1,160,611
Payments to suppliers	(268,166)	(233,399)
Payments to employees	(471,348)	(435,094)
Internal activity - payments to other funds	(212,136)	(148,459)
Net cash provided by operating activities	253,506	343,659
<b>Cash flows from noncapital financing activities</b>		
Transfers in from other funds	8,112	-
Transfers out to other funds	(103,778)	(82,693)
Net cash used for noncapital financing activities	(95,666)	(82,693)
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(24,262)	-
Net cash used for capital and related financing activities	(24,262)	-
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(500,000)	-
Interest on investments	2,669	5,434
Net cash provided by (used for) investing activities	(497,331)	5,434
Net increase (decrease) in cash and cash equivalents	(363,753)	266,400
Cash and cash equivalents at beginning of year	650,258	383,858
Cash and cash equivalents at end of year	\$ 286,505	\$ 650,258
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>		
Operating income (loss)	\$ 13,616	\$ (47,348)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities		
Depreciation	312,023	311,785
Provision for uncollectible accounts	9,211	5,445
Changes in assets and liabilities		
Receivables	(38,562)	(4,632)
Due from other funds	1,445	58,453
Accounts payable	(8,274)	(4,778)
Accrued expenses	(23,881)	4,176
Accumulated unpaid compensated absences	9,877	4,953
Deposits	(7,920)	1,576
Due to other funds	(14,029)	14,029
Net cash provided by operating activities	\$ 253,506	\$ 343,659

## ***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.

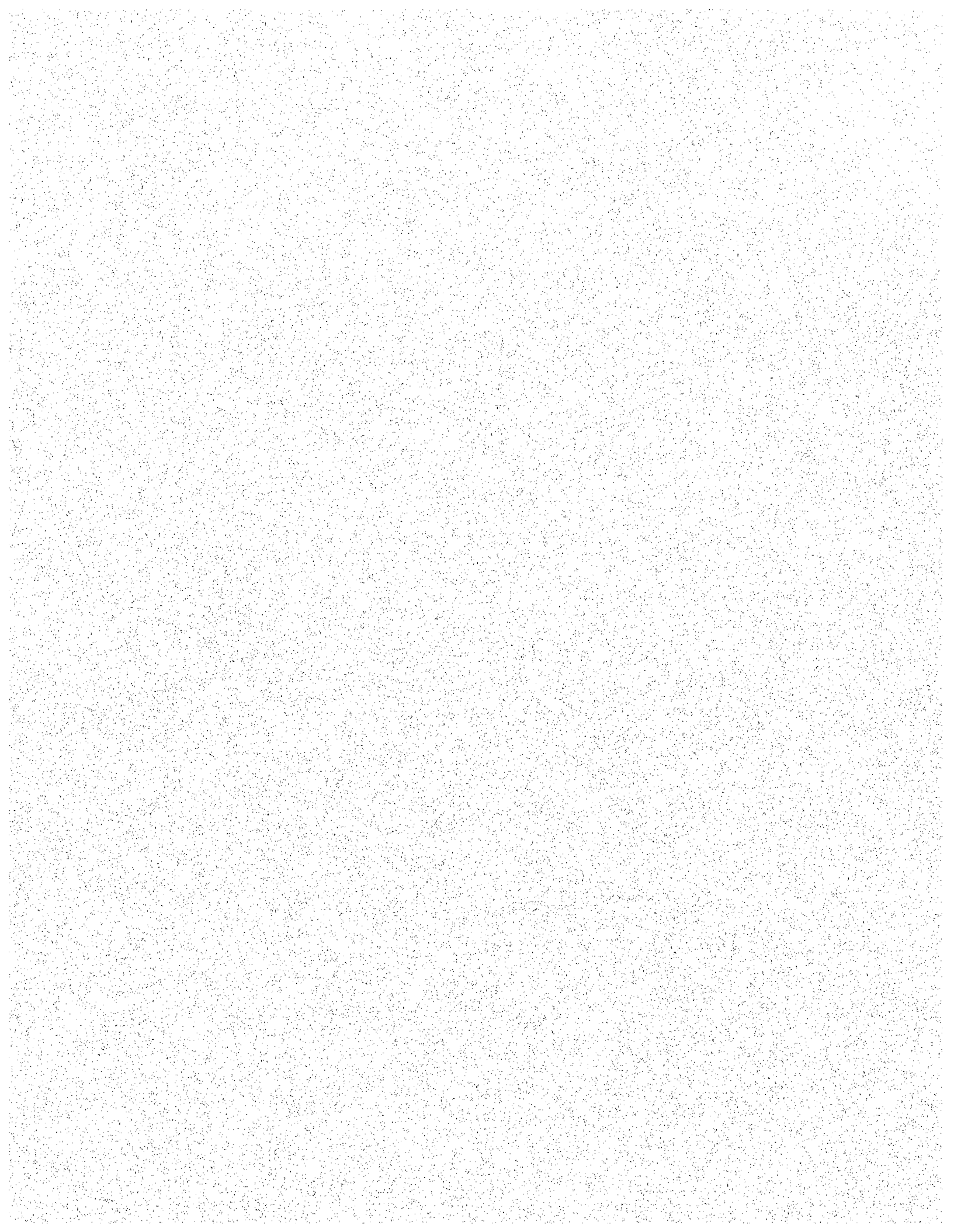
***Stores Fund*** – This fund was established to maintain an inventory of commonly used materials and supplies and to provide printing and messenger services at a reasonable cost.

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

***Municipal Information Systems Fund*** – This fund was established to provide data processing services and computer support to City departments.

***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  
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the City of Corpus Christi, Texas

INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET ASSETS  
JULY 31, 2004

	Stores	Maintenance Service	Municipal Information Systems	Liability and Employee Benefits
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	\$ --	\$ 881,994	\$ 1,629,791	\$ 178,798
Investments	--	2,025,683	--	18,397,150
Receivables, net of allowance	351	26,381	18,778	694,923
Due from other funds	--	--	2,260	28,418
Inventories	1,028,191	180,813	--	--
Prepaid items	--	--	--	442,155
Total current assets	1,028,542	3,114,871	1,650,829	19,741,444
Capital assets				
Buildings	316,637	2,204,134	--	--
Improvements other than buildings	13,852	147,561	--	--
Machinery and equipment	188,664	43,688,215	4,495,472	--
Property under capital lease	--	2,606,705	3,889,899	--
Total capital assets in service	519,153	48,646,615	8,385,371	--
Less accumulated depreciation	(330,462)	(35,202,410)	(4,900,019)	--
Net capital assets in service	188,691	13,444,205	3,485,352	--
Construction in progress	--	1,678,138	--	--
Net capital assets	188,691	15,122,343	3,485,352	--
Total assets	1,217,233	18,237,214	5,136,181	19,741,444
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	406,123	354,225	174,466	184,392
Accrued expenses	4,858	85,343	76,689	308,546
Current portion of estimated liability claims	--	--	--	8,020,510
Deposits	--	963	--	--
Liability to claimants - escheat property	--	--	--	153,900
Due to other funds	409,450	94,284	1,701	5,192
Current portion of long-term liabilities				
Long-term debt	--	203,618	929,712	--
Accumulated unpaid compensated absences	13,432	157,847	229,083	28,837
Total current liabilities	833,863	896,280	1,411,651	8,701,377
Estimated liability claims, net of current portion	--	--	--	8,247,700
Long-term liabilities, net of current portion				
Long-term debt	--	1,720,004	1,697,710	--
Accumulated unpaid compensated absences	25,987	198,342	381,598	--
Total liabilities	859,850	2,814,626	3,490,959	16,949,077
<b>NET ASSETS (LIABILITIES)</b>				
Invested in capital assets, net of related debt	188,691	13,198,721	857,930	--
Unrestricted	168,692	2,223,867	787,292	2,792,367
Net assets (liabilities)	\$ 357,383	\$ 15,422,588	\$ 1,645,222	\$ 2,792,367

the City of Corpus Christi, Texas

Exhibit 33-A

Engineering Services	Eliminations	Total
\$ --	\$ --	\$ 2,690,583
--	--	20,422,833
9,181	--	749,614
412,868	(9,731)	433,815
--	--	1,209,004
--	--	442,155
<u>422,049</u>	<u>(9,731)</u>	<u>25,948,004</u>
--	--	2,520,771
--	--	161,413
132,148	--	48,504,499
--	--	6,496,604
<u>132,148</u>	<u>--</u>	<u>57,683,287</u>
<u>(34,926)</u>	<u>--</u>	<u>(40,467,817)</u>
97,222	--	17,215,470
10,965	--	1,689,103
<u>108,187</u>	<u>--</u>	<u>18,904,573</u>
<u>530,236</u>	<u>(9,731)</u>	<u>44,852,577</u>
95,905	--	1,215,111
41,248	--	516,684
--	--	8,020,510
--	--	963
--	--	153,900
199,449	(9,731)	700,345
--	--	1,133,330
<u>142,530</u>	<u>--</u>	<u>571,729</u>
<u>479,132</u>	<u>(9,731)</u>	<u>12,312,572</u>
--	--	8,247,700
--	--	3,417,714
209,175	--	815,102
<u>688,307</u>	<u>(9,731)</u>	<u>24,793,088</u>
108,187	--	14,353,529
<u>(266,258)</u>	<u>--</u>	<u>5,705,960</u>
<u>\$ (158,071)</u>	<u>\$ --</u>	<u>\$ 20,059,489</u>

the City of Corpus Christi, Texas

**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2004**

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Liability and Employee Benefits</u>
<b>Operating revenues</b>				
Charges for services - net	\$ 767,458	\$ 7,980,668	\$ 9,251,304	\$ 30,243,178
<b>Operating expenses</b>				
Personal services	285,070	3,780,960	4,397,773	609,012
Materials and supplies	85,194	739,586	682,689	129,314
Contractual services	224,039	1,594,224	2,932,591	4,315,992
Other operating expenses	81,495	537,996	208,984	234,662
Uncollectible accounts	--	--	--	--
Depreciation	9,687	3,574,250	484,702	--
Self-insurance claims	--	--	--	18,322,753
Total operating expenses	<u>685,485</u>	<u>10,227,016</u>	<u>8,706,739</u>	<u>23,611,733</u>
Operating income (loss)	81,973	(2,246,348)	544,565	6,631,445
<b>Nonoperating revenues (expenses)</b>				
Investment income	--	46,746	19,615	214,406
Interest expense and fiscal charges	(16,059)	(124,707)	(64,524)	(12,280)
Net gain on sale of assets	260	68,902	--	--
Recovery of damage claims	--	79,228	--	80,456
Total nonoperating revenues (expenses)	<u>(15,799)</u>	<u>70,169</u>	<u>(44,909)</u>	<u>282,582</u>
Income (loss) before transfers	66,174	(2,176,179)	499,656	6,914,027
Transfers in	--	2,384,300	--	--
Transfers out	(14,865)	(150,515)	(201,506)	(15,888)
Net transfers	<u>(14,865)</u>	<u>2,233,785</u>	<u>(201,506)</u>	<u>(15,888)</u>
Net income (loss)	51,309	57,606	298,150	6,898,139
Net assets (liabilities) at beginning of year	<u>306,074</u>	<u>15,364,982</u>	<u>1,347,072</u>	<u>(4,105,772)</u>
Net assets (liabilities) at end of year	<u>\$ 357,383</u>	<u>\$ 15,422,588</u>	<u>\$ 1,645,222</u>	<u>\$ 2,792,367</u>



the City of Corpus Christi, Texas

Exhibit 33-B

<u>Engineering Services</u>	<u>Totals</u>
\$ 3,325,389	\$ 51,567,997
2,401,117	11,473,932
104,583	1,741,366
500,569	9,567,415
636,218	1,699,355
--	--
21,150	4,089,789
--	18,322,753
<u>3,663,637</u>	<u>46,894,610</u>
(338,248)	4,673,387
--	280,767
(22,243)	(239,813)
--	69,162
--	159,684
<u>(22,243)</u>	<u>269,800</u>
(360,491)	4,943,187
--	2,384,300
--	(382,774)
<u>--</u>	<u>2,001,526</u>
(360,491)	6,944,713
202,420	13,114,776
<u>\$ (158,071)</u>	<u>\$ 20,059,489</u>

the City of Corpus Christi, Texas

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2004**

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Liability and Employee Benefits</u>
<b>Cash flows from operating activities</b>				
Receipts from customers	\$ 262	\$ 167,785	\$ --	\$ 7,709,488
Receipts from interfund services provided	3,194,553	12,901,805	9,251,304	26,081,687
Payments to suppliers	(2,615,773)	(8,173,407)	(4,035,421)	(5,221,371)
Payments to employees	(272,627)	(2,990,921)	(3,477,481)	(522,663)
Internal activity - payments (to) from other funds	(281,524)	(874,794)	(628,722)	(173,323)
Claims paid	--	--	--	(20,237,256)
Net cash provided by (used for) operating activities	<u>24,891</u>	<u>1,030,468</u>	<u>1,109,680</u>	<u>7,636,562</u>
<b>Cash flows from noncapital financing activities</b>				
Advances to other funds	--	--	--	(31,079)
Interest paid on interfund borrowing	(16,058)	(1,615)	--	(12,280)
Transfers in from other funds	5,772	2,384,300	21,609	4,992
Transfers out to other funds	(14,865)	(1,710,608)	(201,506)	(15,888)
Recovery of damage claims	--	79,228	--	80,456
Net cash provided by (used for) noncapital financing activities	<u>(25,151)</u>	<u>751,305</u>	<u>(179,897)</u>	<u>26,201</u>
<b>Cash flows from capital and related financing activities</b>				
Acquisition of capital assets	--	(2,181,119)	(101,490)	--
Proceeds from sale of capital assets	260	68,902	--	--
Interest and fiscal charges	--	(123,092)	(64,524)	--
Capital lease payments	--	(772,472)	(801,783)	--
Net cash provided by (used for) capital and related financing activity	<u>260</u>	<u>(3,007,781)</u>	<u>(967,797)</u>	<u>--</u>
<b>Cash flows from investing activities</b>				
Purchase of investment securities	--	(3,025,683)	--	(25,897,150)
Proceeds from sale and maturity of investment securities	--	4,850,000	--	15,498,728
Interest on investments	--	52,258	19,615	120,520
Net cash provided by (used for) investing activities	<u>--</u>	<u>1,876,575</u>	<u>19,615</u>	<u>(10,277,902)</u>
Net increase (decrease) in cash and cash equivalents	--	650,567	(18,399)	(2,615,139)
Cash and cash equivalents at beginning of year	<u>--</u>	<u>231,427</u>	<u>1,648,190</u>	<u>2,793,937</u>
Cash and cash equivalents at end of year	<u>\$ --</u>	<u>\$ 881,994</u>	<u>\$ 1,629,791</u>	<u>\$ 178,798</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 33-C

<u>Engineering Services</u>	<u>Total</u>
\$ 48,811	\$ 7,926,346
2,875,120	54,304,469
(934,569)	(20,980,541)
(1,883,372)	(9,147,064)
(700,629)	(2,658,992)
-	(20,237,256)
(594,639)	9,206,962
-	(31,079)
(22,243)	(52,196)
30,266	2,446,939
-	(1,942,867)
-	159,684
8,023	580,481
(18,462)	(2,301,071)
-	69,162
-	(187,616)
-	(1,574,255)
(18,462)	(3,993,780)
-	(28,922,833)
-	20,348,728
-	192,393
-	(8,381,712)
(605,078)	(2,588,049)
605,078	5,278,632
\$ -	\$ 2,690,583

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2004**

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Liability and Employee Benefits</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities</b>				
Operating income (loss)	\$ 81,973	\$ (2,246,348)	\$ 544,565	\$ 6,631,445
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation	9,687	3,574,250	484,702	--
Change in estimated claims liability	--	--	--	(2,052,651)
Change in assets and liabilities				
Receivables	262	98,060	(18,778)	420,965
Due from other funds	520	--	--	3,116,483
Inventory	(79,018)	(23,496)	--	--
Prepaid items	--	--	--	(129,723)
Accounts payable	201,172	(196,917)	75,367	52,737
Accrued expenses	(21,618)	(151,754)	(97,260)	(402,804)
Accumulated unpaid compensated absences	7,097	(7,484)	162,583	(23,184)
Deposits	--	(110)	--	--
Liability to claimants-escheat property	--	--	(41,499)	18,102
Due to other funds	(175,184)	(15,733)	--	5,192
Net cash provided by (used for) operating activities	<u>\$ 24,891</u>	<u>\$ 1,030,468</u>	<u>\$ 1,109,680</u>	<u>\$ 7,636,562</u>
<b>Noncash investing, capital and financing activities</b>				
Acquisition of capital assets under capital lease	\$ --	\$ --	\$ 974,770	\$ --

the City of Corpus Christi, Texas

Exhibit 33-C  
(Continued)

<u>Engineering Services</u>	<u>Total</u>
\$ (338,248)	\$ 4,673,387
21,150	4,089,789
--	(2,052,651)
(8,581)	491,928
(401,529)	2,715,474
--	(102,514)
--	(129,723)
19,086	151,445
(69,685)	(743,121)
34,999	174,011
(529)	(639)
--	(23,397)
<u>148,698</u>	<u>(37,027)</u>
<u>\$ (594,639)</u>	<u>\$ 9,206,962</u>
\$ --	\$ 974,770



City of  
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Christi

the City of Corpus Christi, Texas

Exhibit 34-A

**STORES FUND**  
**COMPARATIVE STATEMENT OF NET ASSETS**  
**JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>ASSETS</b>		
Current assets		
Receivables		
Employees	\$ -	\$ 58
Intergovernmental	351	555
Net receivables	<u>351</u>	<u>613</u>
Due from other funds	--	6,292
Inventories	<u>1,028,191</u>	<u>949,173</u>
Total current assets	<u>1,028,542</u>	<u>956,078</u>
Capital assets		
Buildings	316,637	316,637
Improvements other than buildings	13,852	13,852
Machinery and equipment	<u>188,664</u>	<u>188,664</u>
Total capital assets in service	519,153	519,153
Less accumulated depreciation	<u>(330,462)</u>	<u>(320,774)</u>
Net capital assets	<u>188,691</u>	<u>198,379</u>
Total assets	<u>1,217,233</u>	<u>1,154,457</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	406,123	204,951
Accrued expenses	4,858	26,476
Due to other funds	409,450	584,634
Current portion of accumulated unpaid compensated absences	<u>13,432</u>	<u>7,670</u>
Total current liabilities	<u>833,863</u>	<u>823,731</u>
Accumulated unpaid compensated absences, net of current portion	<u>25,987</u>	<u>24,652</u>
Total liabilities	<u>859,850</u>	<u>848,383</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	188,691	198,379
Unrestricted	<u>168,692</u>	<u>107,695</u>
Total net assets	<u>\$ 357,383</u>	<u>\$ 306,074</u>

**STORES FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2004 AND 2003**

	2004	2003
<b>Operating revenues</b>		
Sale of materials and supplies	\$ 3,273,571	\$ 2,976,468
Less cost of sales	(2,506,113)	(2,209,770)
Gross operating income	767,458	766,698
<b>Operating expenses</b>		
Personal services	285,070	266,497
Materials and supplies	85,194	61,021
Contractual services	224,039	204,855
Other operating expenses	81,495	96,613
Depreciation	9,687	9,977
Total operating expenses	685,485	638,963
Operating income	81,973	127,735
<b>Nonoperating revenues (expenses)</b>		
Interest expense and fiscal charges	(16,059)	(7,318)
Net gain on sale of assets	260	-
Total nonoperating revenues (expenses)	(15,799)	(7,318)
Income before transfers	66,174	120,417
Transfers in	-	5,772
Transfers out	(14,865)	(14,929)
Net transfers	(14,865)	(9,157)
Net income	51,309	111,260
Net assets at beginning of year	306,074	194,814
Net assets at end of year	\$ 357,383	\$ 306,074



the City of Corpus Christi, Texas

Exhibit 34-C

**STORES FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 262	\$ 2,416
Receipts from interfund services provided	3,194,553	2,973,802
Payments to suppliers	(2,615,773)	(2,584,778)
Payments to employees	(272,627)	(169,189)
Internal activity - payments (to) from other funds	(281,524)	(200,004)
Net cash provided by operating activities	<u>24,891</u>	<u>22,247</u>
<b>Cash flows from noncapital financing activities</b>		
Interest paid on interfund borrowing	(16,058)	(7,318)
Transfers in from other funds	5,772	--
Transfers out to other funds	(14,865)	(14,929)
Net cash used for noncapital financing activities	<u>(25,151)</u>	<u>(22,247)</u>
<b>Cash flows from capital and related financing activities</b>		
Proceeds from sale of fixed assets	260	--
Net cash provided by capital and related financing activity	<u>260</u>	<u>--</u>
Net increase (decrease) in cash and cash equivalents	--	--
Cash and cash equivalents at beginning of year	--	--
Cash and cash equivalents at end of year	<u>\$ --</u>	<u>\$ --</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ 81,973	\$ 127,735
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	9,687	9,977
Change in assets and liabilities		
Receivables	262	(248)
Due from other funds	520	(519)
Inventory	(79,018)	(67,523)
Accounts payable	201,172	(24,302)
Accrued expenses	(21,618)	17,617
Accumulated unpaid compensated absences	7,097	21,892
Due to other funds	(175,184)	(62,382)
Net cash provided by operating activities	<u>\$ 24,891</u>	<u>\$ 22,247</u>

**MAINTENANCE SERVICE FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 881,994	\$ 231,427
Investments	2,025,683	3,850,000
Receivables		
Accounts	5,000	14,642
Accrued interest	17,610	23,122
Intergovernmental	4,007	96,742
Allowance for uncollectibles	(236)	(4,553)
Net receivables	<u>26,381</u>	<u>129,953</u>
Inventories	<u>180,813</u>	<u>157,317</u>
Total current assets	<u>3,114,871</u>	<u>4,368,697</u>
Capital assets		
Buildings	2,204,134	2,082,396
Improvements other than buildings	147,561	125,061
Machinery and equipment	43,688,215	42,908,580
Property under capital lease	2,606,705	2,606,705
Total capital assets in service	<u>48,646,615</u>	<u>47,722,742</u>
Less accumulated depreciation	<u>(35,202,410)</u>	<u>(32,225,813)</u>
Net capital assets in service	<u>13,444,205</u>	<u>15,496,929</u>
Construction in progress	1,678,138	1,018,545
Net capital assets	<u>15,122,343</u>	<u>16,515,474</u>
Total assets	<u>18,237,214</u>	<u>20,884,171</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	354,225	551,142
Accrued expenses	85,343	237,097
Deposits	963	1,073
Due to other funds	94,284	1,670,110
Current portion of long-term liabilities		
Long-term debt	203,618	771,561
Accumulated unpaid compensated absences	157,847	214,468
Total current liabilities	<u>896,280</u>	<u>3,445,451</u>
Long-term liabilities, net of current portion		
Long-term debt	1,720,004	1,924,533
Accumulated unpaid compensated absences	198,342	149,205
Total liabilities	<u>2,814,626</u>	<u>5,519,189</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	13,198,721	13,819,380
Unrestricted	<u>2,223,867</u>	<u>1,545,602</u>
Total net assets	<u>\$ 15,422,588</u>	<u>\$ 15,364,982</u>

the City of Corpus Christi, Texas

Exhibit 35-B

MAINTENANCE SERVICE FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
YEAR ENDED JULY 31, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
<b>Operating revenues</b>		
Sale of materials and services	\$ 13,356,651	\$ 11,423,030
Less cost of materials sold and outside repairs	<u>(5,375,983)</u>	<u>(4,965,679)</u>
Gross operating income	7,980,668	6,457,351
<b>Operating expenses</b>		
Personal services	3,780,960	3,785,415
Materials and supplies	739,586	693,588
Contractual services	1,594,224	1,511,632
Other operating expenses	537,996	535,729
Uncollectible accounts	--	4,553
Depreciation	<u>3,574,250</u>	<u>3,695,275</u>
Total operating expenses	<u>10,227,016</u>	<u>10,226,192</u>
Operating loss	(2,246,348)	(3,768,841)
<b>Nonoperating revenues (expenses)</b>		
Investment income	46,746	89,040
Interest expense and fiscal charges	(124,707)	(167,265)
Net gain on sale of assets	68,902	89,494
Recovery on damage claims	79,228	38,547
Net contribution of capital assets from general fund	--	203,525
Total nonoperating revenues	<u>70,169</u>	<u>253,341</u>
Loss before transfers	(2,176,179)	(3,515,500)
Transfers in	2,384,300	3,596,500
Transfers out	(150,515)	(1,711,252)
Net transfers	<u>2,233,785</u>	<u>1,885,248</u>
Net income (loss)	57,606	(1,630,252)
Net assets at beginning of year	<u>15,364,982</u>	<u>16,995,234</u>
Net assets at end of year	<u>\$ 15,422,588</u>	<u>\$ 15,364,982</u>

the City of Corpus Christi, Texas

**MAINTENANCE SERVICES FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 167,785	\$ 30,056
Receipts from interfund services provided	12,901,805	11,009,331
Payments to suppliers	(8,173,407)	(7,420,696)
Payments to employees	(2,990,921)	(2,746,836)
Internal activity - payments (to) from other funds	(874,794)	(727,917)
Net cash provided by operating activities	<u>1,030,468</u>	<u>143,938</u>
<b>Cash flows from noncapital financing activities</b>		
Interest paid on interfund borrowing	(1,615)	--
Transfers in from other funds	2,384,300	3,596,500
Transfers out to other funds	(1,710,608)	(151,160)
Recovery of damage claims	79,228	38,547
Net cash provided by noncapital financing activities	<u>751,305</u>	<u>3,483,887</u>
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(2,181,119)	(3,911,981)
Proceeds from sale of capital assets	68,902	123,518
Interest paid on capital leases	(123,092)	(167,265)
Capital lease payments	(772,472)	(217,510)
Net cash used for capital and related financing activities	<u>(3,007,781)</u>	<u>(4,173,238)</u>
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(3,025,683)	(5,275,000)
Proceeds from sale and maturity of investment securities	4,850,000	4,772,146
Interest on investments	52,258	104,466
Net cash provided by (used for) investing activities	<u>1,876,575</u>	<u>(398,388)</u>
Net increase (decrease) in cash and cash equivalents	650,567	(943,801)
Cash and cash equivalents at beginning of year	<u>231,427</u>	<u>1,175,228</u>
Cash and cash equivalents at end of year	<u>\$ 881,994</u>	<u>\$ 231,427</u>

(Continued)

	<u>2004</u>	<u>2003</u>
<b>Reconciliation of operating loss to net cash provided by operating activities</b>		
Operating loss	\$ (2,246,348)	\$ (3,768,840)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	3,574,250	3,695,275
Change in assets and liabilities		
Receivables	98,060	11,019
Inventory	(23,496)	(13,577)
Accounts payable	(196,917)	197,818
Accrued expenses	(151,754)	(169,101)
Accumulated unpaid compensated absences	(7,484)	90,096
Deposits	(110)	981
Due to other funds	(15,733)	100,267
	<u>\$ 1,030,468</u>	<u>\$ 143,938</u>
Net cash provided by operating activities		
<b>Noncash investing, capital and financing activities</b>		
Transfer of capital assets from general fund	\$ --	\$ 2,550,578
Transfer of long-term debt	\$ --	\$ (2,347,053)
Acquisition of capital assets under capital lease	\$ --	\$ 252,450



City of  
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**MUNICIPAL INFORMATION SYSTEMS FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 1,629,791	\$ 1,648,190
Receivables		
Accounts	18,778	--
Net receivables	<u>18,778</u>	<u>--</u>
Due from other funds	2,260	23,869
Total current assets	<u>1,650,829</u>	<u>1,672,059</u>
Capital assets		
Machinery and equipment	4,495,472	4,393,982
Property under capital lease	3,889,899	2,915,129
Total capital assets in service	<u>8,385,371</u>	<u>7,309,111</u>
Less accumulated depreciation	(4,900,019)	(4,415,317)
Net capital assets	<u>3,485,352</u>	<u>2,893,794</u>
Total assets	<u>5,136,181</u>	<u>4,565,853</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	174,466	99,099
Accrued expenses	76,689	173,949
Due to other funds	1,701	43,200
Current portion of long-term liabilities		
Long-term debt	929,712	761,539
Accumulated unpaid compensated absences	229,083	189,801
Total current liabilities	<u>1,411,651</u>	<u>1,267,588</u>
Long-term liabilities, net of current portion		
Long-term debt	1,697,710	1,692,896
Accumulated unpaid compensated absences	381,598	258,297
Total liabilities	<u>3,490,959</u>	<u>3,218,781</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	857,930	439,359
Unrestricted	<u>787,292</u>	<u>907,713</u>
Total net assets	<u>\$ 1,645,222</u>	<u>\$ 1,347,072</u>

**MUNICIPAL INFORMATION SYSTEMS FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2004 AND 2003**

	2004	2003
<b>Operating revenues</b>		
Charges for services - net	\$ 9,251,304	\$ 6,522,802
<b>Operating expenses</b>		
Personal services	4,397,773	3,323,229
Materials and supplies	682,689	327,788
Contractual services	2,932,591	2,156,857
Other operating expenses	208,984	142,949
Depreciation	484,702	332,903
Total operating expenses	8,706,739	6,283,726
Operating income	544,565	239,076
<b>Nonoperating revenues (expenses)</b>		
Investment income	19,615	21,243
Interest expense and fiscal charges	(64,524)	(41,605)
Total nonoperating revenues (expenses)	(44,909)	(20,362)
Income before transfers	499,656	218,714
Transfers in	-	23,869
Transfers out	(201,506)	(22,791)
Net transfers	(201,506)	1,078
Net income	298,150	219,792
Net assets at beginning of year	1,347,072	1,127,280
Net assets at end of year	\$ 1,645,222	\$ 1,347,072



the City of Corpus Christi, Texas

Exhibit 36-C

**MUNICIPAL INFORMATION SYSTEMS FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ -	\$ 2,232
Receipts from interfund services provided	9,251,304	6,522,802
Payments to suppliers	(4,035,421)	(2,974,447)
Payments to employees	(3,477,481)	(2,438,299)
Internal activity - payments (to) from other funds	(628,722)	39,649
Net cash provided by operating activities	<u>1,109,680</u>	<u>1,151,937</u>
<b>Cash flows from noncapital financing activities</b>		
Transfers in from other funds	21,609	--
Transfers out to other funds	(201,506)	(22,791)
Net cash used for noncapital financing activities	<u>(179,897)</u>	<u>(22,791)</u>
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(101,490)	(75,077)
Interest and fiscal charges	(64,524)	(41,605)
Capital lease payments	(801,783)	(392,837)
Net cash used for capital and related financing activities	<u>(967,797)</u>	<u>(509,519)</u>
<b>Cash flows from investing activities</b>		
Purchase of investment securities	--	(1,871,133)
Proceeds from sale and maturity of investment securities	--	2,721,133
Interest on investments	19,615	33,632
Net cash provided by investing activities	<u>19,615</u>	<u>883,632</u>
Net increase (decrease) in cash and cash equivalents	(18,399)	1,503,259
Cash and cash equivalents at beginning of year	<u>1,648,190</u>	<u>144,931</u>
Cash and cash equivalents at end of year	<u>\$ 1,629,791</u>	<u>\$ 1,648,190</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ 544,565	\$ 239,076
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	484,702	332,903
Change in assets and liabilities		
Receivables	(18,778)	2,232
Due from other funds	--	408,113
Accounts payable	75,367	(47,916)
Accrued expenses	(97,260)	43,934
Accumulated unpaid compensated absences	162,583	162,959
Due to other funds	(41,499)	10,636
Net cash provided by operating activities	<u>\$ 1,109,680</u>	<u>\$ 1,151,937</u>
<b>Noncash investing, capital and financing activities</b>		
Acquisition of capital assets under capital lease	\$ 974,770	\$ 1,855,021



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Exhibit 37-A

**LIABILITY AND EMPLOYEE BENEFITS FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2004 AND 2003**

	2004	2003
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 178,798	\$ 2,793,937
Investments	18,397,150	7,998,728
Receivables		
Accounts	886,742	1,052,492
Accrued interest	166,951	73,065
Employees	--	48
Allowance for uncollectibles	(358,770)	(103,603)
Net receivables	694,923	1,022,002
Due from other funds	28,418	3,118,814
Prepaid items	442,155	312,432
Total current assets	19,741,444	15,245,913
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	184,392	131,655
Accrued expenses	308,546	711,350
Current portion of estimated liability claims	6,601,467	7,026,337
Estimated health insurance claims payable	1,419,043	2,391,069
Liability to claimants-escheat property	153,900	135,798
Due to other funds	5,192	--
Current portion of accumulated unpaid compensated absences	28,837	37,296
Total current liabilities	8,701,377	10,433,505
Estimated liability claims, net of current portion	8,247,700	8,903,455
Accumulated unpaid compensated absences, net of current portion	--	14,725
Total liabilities	16,949,077	19,351,685
<b>NET ASSETS (LIABILITIES)</b>		
Unrestricted	2,792,367	(4,105,772)
Total net assets (liabilities)	\$ 2,792,367	\$ (4,105,772)

the City of Corpus Christi, Texas

Exhibit 37-B

**LIABILITY AND EMPLOYEE BENEFITS FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>Operating revenues</b>		
Charges for services		
Liability insurance	\$ 9,533,608	\$ 8,166,412
Life insurance	148,747	177,975
Health insurance	19,429,885	19,869,312
Disability insurance	96,746	135,562
Administration	1,034,078	1,445,712
Miscellaneous	114	1,623
Total operating revenues	<u>30,243,178</u>	<u>29,796,596</u>
<b>Operating expenses</b>		
Personal services	609,012	567,213
Materials and supplies	129,314	111,078
Contractual services	1,939,119	1,957,288
Other operating expenses	234,662	269,517
Insurance premiums	2,376,873	2,322,029
Group health claims	13,884,488	17,353,921
General liability claims	1,159,758	3,084,415
Workers' compensation claims	3,158,513	5,229,924
Unemployment compensation claims	119,994	145,631
Uncollectible accounts	--	103,603
Total operating expenses	<u>23,611,733</u>	<u>31,144,619</u>
Operating income (loss)	6,631,445	(1,348,023)
<b>Nonoperating revenues (expenses)</b>		
Investment income	214,406	216,375
Interest expense and fiscal charges	(12,280)	(22,107)
Recovery of damage claims	80,456	533
Total nonoperating revenues (expenses)	<u>282,582</u>	<u>194,801</u>
Income (loss) before transfers	6,914,027	(1,153,222)
Transfers in	--	4,992
Transfers out	(15,888)	(15,956)
Net transfers	<u>(15,888)</u>	<u>(10,964)</u>
Net income (loss)	6,898,139	(1,164,186)
Net liabilities at beginning of year	<u>(4,105,772)</u>	<u>(2,941,586)</u>
Net assets (liabilities) at end of year	<u>\$ 2,792,367</u>	<u>\$ (4,105,772)</u>

**LIABILITY AND EMPLOYEE BENEFITS FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 7,709,488	\$ 5,182,357
Receipts from interfund services provided	26,081,687	20,791,171
Payments to suppliers	(5,221,371)	(4,188,188)
Payments to employees	(522,663)	(426,336)
Internal activity - payments (to) from other funds	(173,323)	(222,137)
Claims paid	(20,237,256)	(24,252,058)
Net cash provided by (used for) operating activities	<u>7,636,562</u>	<u>(3,115,191)</u>
<b>Cash flows from noncapital financing activities</b>		
Advances to other funds	(31,079)	-
Interest paid on interfund borrowing	(12,280)	(22,107)
Transfers in from other funds	4,992	-
Transfers out to other funds	(15,888)	(15,956)
Recovery of damage claims	80,456	533
Net cash provided by (used for) noncapital financing activities	<u>26,201</u>	<u>(37,530)</u>
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(25,897,150)	(13,736,964)
Proceeds from sale and maturity of investment securities	15,498,728	18,163,136
Interest on investments	120,520	592,346
Net cash provided by (used for) investing activities	<u>(10,277,902)</u>	<u>5,018,518</u>
Net increase (decrease) in cash and cash equivalents	(2,615,139)	1,865,797
Cash and cash equivalents at beginning of year	<u>2,793,937</u>	<u>928,140</u>
Cash and cash equivalents at end of year	<u>\$ 178,798</u>	<u>\$ 2,793,937</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities</b>		
Operating income (loss)	\$ 6,631,445	\$ (1,348,023)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities		
Change in estimated claims liability	(2,052,651)	1,570,676
Change in assets and liabilities		
Receivables	420,965	(792,094)
Due from other funds	3,116,483	(3,113,821)
Prepaid items	(129,723)	113,255
Accounts payable	52,737	(209,897)
Accrued expenses	(402,804)	609,848
Accumulated unpaid compensated absences	(23,184)	19,673
Liability to claimants-escheat property	18,102	39,009
Due to other funds	5,192	(3,817)
Net cash provided by (used for) operating activities	<u>\$ 7,636,562</u>	<u>\$ (3,115,191)</u>



City of  
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the City of Corpus Christi, Texas

Exhibit 38-A

**ENGINEERING SERVICES FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ --	\$ 605,078
Receivables		
Miscellaneous	9,181	600
Due from other funds	412,868	41,605
Total current assets	<u>422,049</u>	<u>647,283</u>
Capital assets		
Machinery and equipment	132,148	124,651
Less accumulated depreciation	(34,926)	(13,776)
Net capital assets in service	<u>97,222</u>	<u>110,875</u>
Construction in progress	10,965	-
Net capital assets	<u>108,187</u>	<u>110,875</u>
Total assets	<u>530,236</u>	<u>758,158</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	95,905	76,819
Accrued expenses	41,248	110,933
Deposits	-	529
Due to other funds	199,449	50,751
Current portion of accumulated unpaid compensated absences	<u>142,530</u>	<u>127,275</u>
Total current liabilities	<u>479,132</u>	<u>366,307</u>
Accumulated unpaid compensated absences, net of current portion	<u>209,175</u>	<u>189,431</u>
Total liabilities	<u>688,307</u>	<u>555,738</u>
<b>NET ASSETS (LIABILITIES)</b>		
Invested in capital assets	108,187	110,875
Unrestricted	<u>(266,258)</u>	<u>91,545</u>
Total net assets (liabilities)	<u>\$ (158,071)</u>	<u>\$ 202,420</u>

the City of Corpus Christi, Texas

Exhibit 38-B

**ENGINEERING SERVICES FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>Operating revenues</b>		
Charges for services - net	\$ 3,325,389	\$ 3,292,790
<b>Operating expenses</b>		
Personal services	2,401,117	2,396,461
Materials and supplies	104,583	91,762
Contractual services	500,569	463,022
Other operating expenses	636,218	527,933
Depreciation	21,150	12,186
Total operating expenses	<u>3,663,637</u>	<u>3,491,364</u>
Operating loss	(338,248)	(198,574)
<b>Nonoperating revenues (expenses)</b>		
Interest expense and fiscal charges	<u>(22,243)</u>	<u>(4,004)</u>
Total nonoperating revenues (expenses)	<u>(22,243)</u>	<u>(4,004)</u>
Loss before transfers	(360,491)	(202,578)
Transfers in	<u>--</u>	<u>30,266</u>
Net transfers	<u>--</u>	<u>30,266</u>
Net loss	(360,491)	(172,312)
Net assets at beginning of year	<u>202,420</u>	<u>374,732</u>
Net assets (liabilities) at end of year	<u>\$ (158,071)</u>	<u>\$ 202,420</u>



the City of Corpus Christi, Texas

Exhibit 38-C

**ENGINEERING SERVICES FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 48,811	\$ 50,990
Receipts from interfund services provided	2,875,120	3,874,601
Payments to suppliers	(934,569)	(808,534)
Payments to employees	(1,883,372)	(1,762,185)
Internal activity - payments (to) from other funds	(700,629)	(735,226)
Net cash provided by (used for) operating activities	<u>(594,639)</u>	<u>619,646</u>
<b>Cash flows from noncapital financing activities</b>		
Interest paid on interfund borrowing	(22,243)	(4,004)
Transfers in from other funds	30,266	--
Net cash provided by (used) for noncapital financing activities	<u>8,023</u>	<u>(4,004)</u>
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(18,462)	(105,941)
Net cash used for capital and related financing activity	<u>(18,462)</u>	<u>(105,941)</u>
Net increase (decrease) in cash and cash equivalents	(605,078)	509,701
Cash and cash equivalents at beginning of year	<u>605,078</u>	<u>95,377</u>
Cash and cash equivalents at end of year	<u>\$ --</u>	<u>\$ 605,078</u>
<b>Reconciliation of operating loss to net cash provided by (used for) operating activities</b>		
Operating loss	\$ (338,248)	\$ (198,574)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities		
Depreciation	21,150	12,186
Change in assets and liabilities		
Receivables	(8,581)	(600)
Due from other funds	(401,529)	633,401
Accounts payable	19,086	31,869
Accrued expenses	(69,685)	11,465
Accumulated unpaid compensated absences	34,999	78,619
Deposits	(529)	529
Due to other funds	148,698	50,751
Net cash provided by (used for) operating activities	<u>\$ (594,639)</u>	<u>\$ 619,646</u>

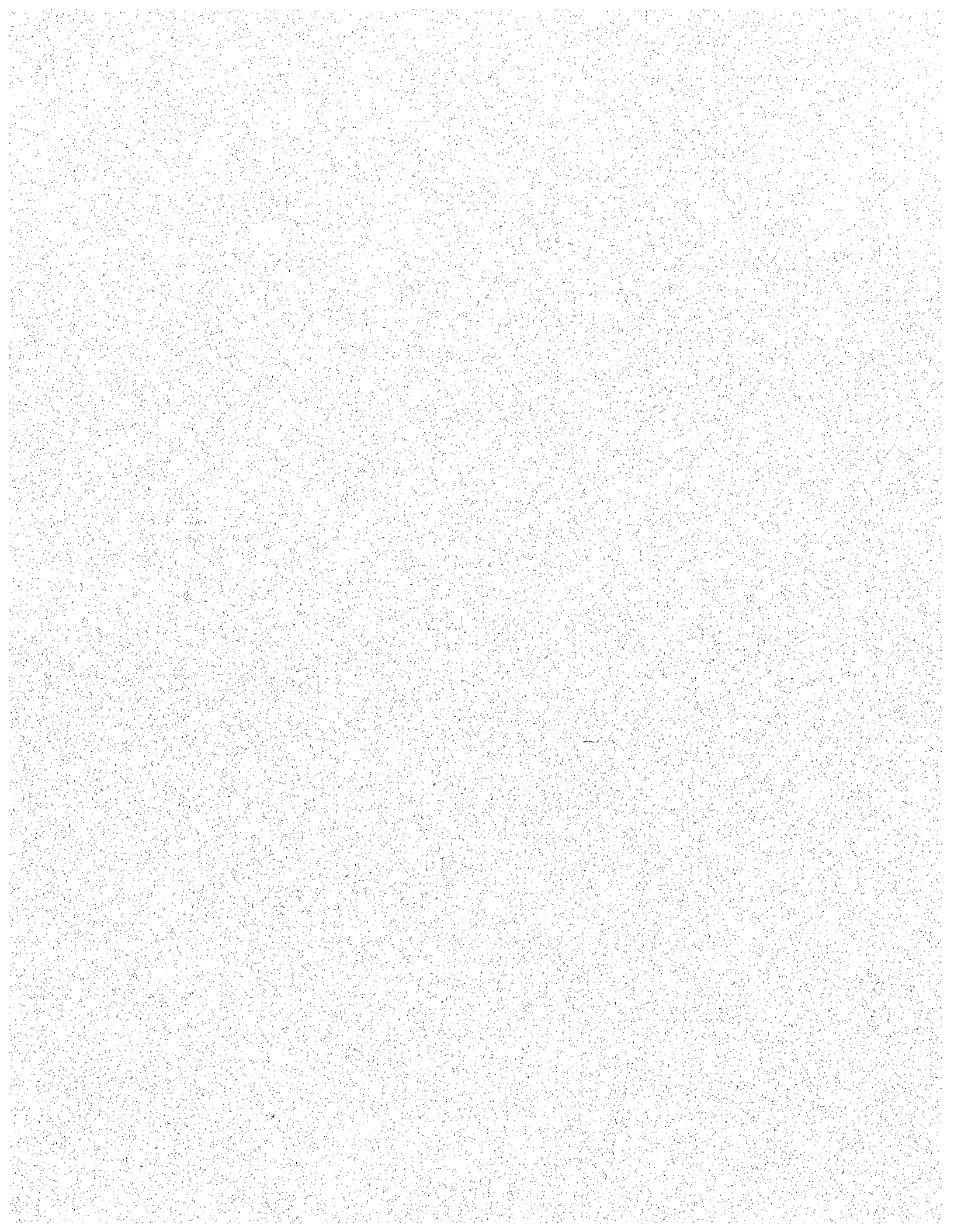


City of  
Corpus  
Christi

### ***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  
Corpus  
Christi

**DISCRETELY PRESENTED COMPONENT UNITS  
COMBINING STATEMENT OF NET ASSETS  
JULY 31, 2004**

	<b>Coastal Bend Health Facilities Corporation</b>	<b>Corpus Christi Convention and Visitors Bureau</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 14,475	\$ 366,944	\$ 381,419
Receivables	--	30,179	30,179
Inventories	--	12,861	12,861
Prepaid items	--	18,312	18,312
Capital assets, net of accumulated depreciation	--	210,047	210,047
Total capital assets	--	210,047	210,047
Other assets	--	11,605	11,605
Total assets	<u>14,475</u>	<u>649,948</u>	<u>664,423</u>
<b>LIABILITIES</b>			
Accounts payable	--	119,432	119,432
Accrued liabilities	--	1,070	1,070
Accrued interest	--	32,129	32,129
Total liabilities	<u>--</u>	<u>152,631</u>	<u>152,631</u>
<b>NET ASSETS</b>			
Invested in capital assets	--	210,047	210,047
Unrestricted	14,475	287,270	301,745
Total net assets	<u>\$ 14,475</u>	<u>\$ 497,317</u>	<u>\$ 511,792</u>

**DISCRETELY PRESENTED COMPONENT UNITS  
COMBINING STATEMENT OF ACTIVITIES  
YEAR ENDED JULY 31, 2004**

	Coastal Bend Health Facilities Corporation	Corpus Christi Convention and Visitors Bureau	Total
<b>Expenditures/expenses</b>			
Community enrichment	\$ --	\$ 2,432,688	\$ 2,432,688
Total expenditures/expenses	--	2,432,688	2,432,688
<b>Program revenue</b>			
Charges for services	--	39,264	39,264
Net program expense	--	(2,393,424)	(2,393,424)
<b>General revenue</b>			
Earnings on investments	160	2,897	3,057
Payments from the City of Corpus Christi	--	2,375,117	2,375,117
Total general revenues	160	2,378,014	2,378,174
Change in net assets	160	(15,410)	(15,250)
Net assets beginning of year	14,315	512,727	527,042
Net assets end of year	\$ 14,475	\$ 497,317	\$ 511,792

COASTAL BEND HEALTH FACILITIES DEVELOPMENT CORPORATION  
STATEMENT OF NET ASSETS  
JULY 31, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 14,475	\$ 14,315
Total assets	<u>14,475</u>	<u>14,315</u>
<b>NET ASSETS</b>		
Unrestricted	<u>14,475</u>	<u>14,315</u>
Net assets	<u>\$ 14,475</u>	<u>\$ 14,315</u>



COASTAL BEND HEALTH FACILITIES DEVELOPMENT CORPORATION  
STATEMENT OF ACTIVITIES  
YEAR ENDED JULY 31, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
<b>General revenue</b>		
Earnings on investments	\$ 160	\$ 207
Total general revenues	<u>160</u>	<u>207</u>
 Change in net assets	 160	 207
 Fund balance/net assets beginning of year	 <u>14,315</u>	 <u>14,108</u>
 Fund balance/net assets end of year	 <u>\$ 14,475</u>	 <u>\$ 14,315</u>

**CORPUS CHRISTI CONVENTION AND VISITORS BUREAU  
STATEMENT OF NET ASSETS  
JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 366,944	\$ 288,858
Receivables		
Accounts	30,179	64,671
Net receivables	<u>30,179</u>	<u>64,671</u>
Inventories	12,861	7,558
Prepaid items	18,312	43,782
Capital assets, net of accumulated depreciation	210,047	203,329
Total capital assets	<u>210,047</u>	<u>203,329</u>
Other assets	11,605	15,355
Total assets	<u>649,948</u>	<u>623,553</u>
<b>LIABILITIES</b>		
Accounts payable	119,432	67,648
Accrued liabilities	1,070	11,048
Accrued interest	32,129	32,130
Total liabilities	<u>152,631</u>	<u>110,826</u>
<b>NET ASSETS</b>		
Invested in capital assets	210,047	203,329
Unrestricted	<u>287,270</u>	<u>309,398</u>
Total net assets	<u>\$ 497,317</u>	<u>\$ 512,727</u>

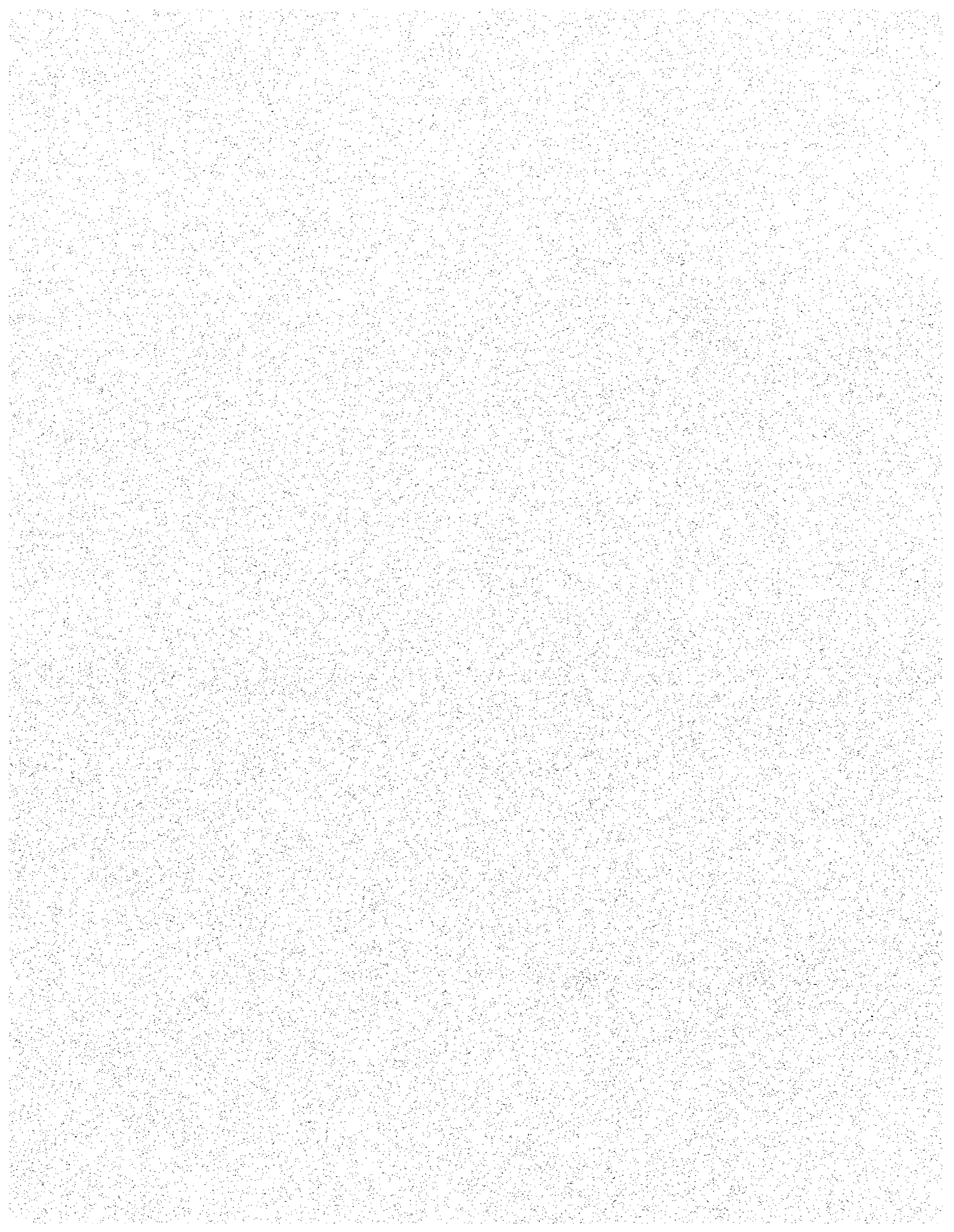
**CORPUS CHRISTI CONVENTION AND VISITORS BUREAU  
STATEMENT OF ACTIVITIES  
YEAR ENDED JULY 31, 2004 AND 2003**

	<u>2004</u>	<u>2003</u>
<b>Expenditures/expenses</b>		
Convention and visitor activities	\$ 2,432,688	\$ 2,383,287
Total expenditures/expenses	<u>2,432,688</u>	<u>2,383,287</u>
<b>Program revenue</b>		
Charges for services	39,264	28,462
Net program expense	<u>(2,393,424)</u>	<u>(2,354,825)</u>
<b>General revenue</b>		
Earnings on investments	2,897	3,118
Payments from the City of Corpus Christi	<u>2,375,117</u>	<u>2,341,235</u>
Total general revenues	<u>2,378,014</u>	<u>2,344,353</u>
Change in net assets	(15,410)	(10,472)
Fund balance/net assets beginning of year	<u>512,727</u>	<u>523,199</u>
Fund balance/net assets end of year	<u>\$ 497,317</u>	<u>\$ 512,727</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, 2004 AND 2003**

	<b>2004</b>	<b>2003</b>
Governmental funds capital assets		
Land	\$ 51,337,291	\$ 50,896,355
Buildings	100,863,845	92,361,175
Improvements other than buildings	105,689,924	103,798,720
Machinery and equipment	74,262,124	69,885,384
Infrastructure	169,193,993	140,582,774
Construction in progress	128,252,558	90,028,301
Total governmental funds capital assets	\$ 629,599,735	\$ 547,552,709
Investment in governmental funds capital assets by source		
Capital projects funds	\$ 450,913,419	\$ 375,658,467
General and special revenue funds	46,940,095	41,797,013
Donations	15,908,749	15,908,749
Developers contributions	11,063,373	11,063,373
Federal revenue sharing	92,128,764	90,479,772
Tax increment zone	11,782,961	11,782,961
Claim settlements	862,374	862,374
Total investment in governmental funds capital assets by source	\$ 629,599,735	\$ 547,552,709

\* This schedule presents only the capital assets balances related to governmental funds. Accordingly, the capital assets reported in internal service 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.

the City of Corpus Christi, Texas

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
SCHEDULE BY FUNCTION AND ACTIVITY \*  
JULY 31, 2004**

	<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	125,337	--	--	600
Total control	<u>984,791</u>	<u>--</u>	<u>14,000</u>	<u>12,592</u>
<b>Staff Agencies</b>				
Director of Finance	54,522	--	--	--
Accounting	3,785,670	--	--	3,085
Federal grant accounting	5,317	--	--	--
Accounts receivable and meter reading	566,240	--	--	--
Central cashiering	155,545	--	--	--
Cash management	6,577	--	--	--
Utility billing office administration and customer service operation	2,118,616	--	--	--
Nueces County Tax Appraisal District	70,588	--	--	3,710
Messenger service	1,675	--	--	--
City Attorney	388,621	--	--	118
Business development	35,074	--	--	--
Planning	606,862	--	--	--
Human resources	2,986,711	--	--	--
Human relations	3,450	--	--	--
City Hall and old Frost Building	18,559,794	3,732,487	13,500,503	71,340
Total staff agencies	<u>29,345,262</u>	<u>3,732,487</u>	<u>13,500,503</u>	<u>78,253</u>
Miscellaneous	2,424,652	200,383	37,170	1,515,500
Total general government	<u>32,754,705</u>	<u>3,932,870</u>	<u>13,551,673</u>	<u>1,606,345</u>
<b>Community development</b>				
Housing rehabilitation	31,827	19,750	--	--
Neighborhood improvement	73,735	--	--	4,255
Community renewal	12,633	--	--	--
Community Development Block Grant	29,648,615	780,321	5,821,579	22,784,540
Corpus Christi Community Improvement Corp.	1,214,939	24,900	1,190,039	--
Total community development	<u>30,981,749</u>	<u>824,971</u>	<u>7,011,618</u>	<u>22,788,795</u>
<b>Public safety</b>				
<b>Police</b>				
Police	18,200,398	2,323,344	6,762,875	254,358
Crime Control District	456,341	--	--	--
Total police	<u>18,656,739</u>	<u>2,323,344</u>	<u>6,762,875</u>	<u>254,358</u>

(Continued)



the City of Corpus Christi, Texas

Exhibit 42-B

<u>Machinery and Equipment</u>	<u>Infrastructure</u>
\$ 379,039	\$ --
352,267	--
102,156	--
124,737	--
<u>958,199</u>	<u>--</u>
54,522	--
3,782,585	--
5,317	--
566,240	--
155,545	--
6,577	--
2,118,616	--
66,878	--
1,675	--
388,503	--
35,074	--
606,862	--
2,986,711	--
3,450	--
1,255,464	--
<u>12,034,019</u>	<u>--</u>
671,599	--
<u>13,663,817</u>	<u>--</u>
12,077	--
69,480	--
12,633	--
262,175	--
--	--
<u>356,365</u>	<u>--</u>
8,859,821	--
456,341	--
<u>9,316,162</u>	<u>--</u>

the City of Corpus Christi, Texas

CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
SCHEDULE BY FUNCTION AND ACTIVITY \*  
JULY 31, 2004

	Totals	Land	Buildings	Improvements Other Than Buildings
<b>Fire</b>				
Fire	17,580,210	889,427	4,617,224	2,304,332
Fire academy	20,147	--	--	--
Fire prevention	113,651	--	--	--
Total fire	17,714,008	889,427	4,617,224	2,304,332
<b>Municipal Court</b>	1,816,313	--	107,715	60,027
<b>Emergency management</b>				
Emergency management	119,665	--	--	7,592
Local Emergency Planning Committee	10,775	--	--	--
Total Emergency Management	130,440	--	--	7,592
<b>Inspections</b>				
Building inspection	193,468	--	--	--
Petroleum inspection	5,223	--	--	--
Total inspections	198,691	--	--	--
Total public safety	38,516,191	3,212,771	11,487,814	2,626,309
<b>Streets</b>				
Director and Engineering Office	649,574	--	16,106	58,634
Streets, sidewalks, curbs and gutters	160,325,292	12,006,834	--	26,274
Street maintenance and construction	13,386,174	266,937	--	9,760,677
Street cleaning	70,868	--	--	--
Harbor Bridge and approaches	7,322,587	64,110	--	7,258,477
Traffic Engineering	4,518,026	--	14,999	285,834
Parking Control	186,942	--	--	32,690
Total streets	186,459,463	12,337,881	31,105	17,422,586
<b>Solid Waste</b>				
Office	40,981	--	17,083	--
Refuse collections	8,286,813	--	107,724	107,934
Refuse disposal	22,029,664	2,215,571	78,648	560,132
Total Solid Waste	30,357,458	2,215,571	203,455	668,066
<b>Health</b>				
Health	4,725,924	61,909	3,165,835	240,081
Animal Control	4,177,025	--	3,458,059	481,450
Total health	8,902,949	61,909	6,623,894	721,531
<b>Community enrichment</b>				
Cultural and convention facilities				
Coliseum	2,788,972	--	1,850,979	382,343
Auditorium	6,067,024	--	6,024,896	--
Harbor Playhouse	883,928	--	869,675	3,409

(Continued)

the City of Corpus Christi, Texas

Exhibit 42-B  
(Continued)

<u>Machinery and Equipment</u>	<u>Infrastructure</u>
9,769,227	--
20,147	--
113,651	--
<u>9,903,025</u>	<u>--</u>
1,648,571	--
112,073	--
10,775	--
<u>122,848</u>	<u>--</u>
193,468	--
5,223	--
<u>198,691</u>	<u>--</u>
<u>21,189,297</u>	<u>--</u>
574,834	--
652,834	147,639,350
3,358,560	--
70,868	--
--	--
4,217,193	--
154,252	--
<u>9,028,541</u>	<u>147,639,350</u>
23,898	--
8,071,155	--
2,428,148	16,747,165
<u>10,523,201</u>	<u>16,747,165</u>
1,258,099	--
237,516	--
<u>1,495,615</u>	<u>--</u>
555,650	--
42,128	--
10,844	--

the City of Corpus Christi, Texas

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
SCHEDULE BY FUNCTION AND ACTIVITY \*  
JULY 31, 2004**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
Cultural and convention facilities (continued)				
Convention Center	24,144,789	794,494	19,806,214	1,948,865
Water Garden	1,508,263	--	--	1,499,926
Bayfront Science Park	10,464,697	3,647,642	2,468,913	4,279,695
Texas State Aquarium	20,653,407	2,047,044	11,024,033	7,582,330
Total cultural and convention facilities	<u>66,511,080</u>	<u>6,489,180</u>	<u>42,044,710</u>	<u>15,696,568</u>
Parks, recreation and education				
Director of Parks and Recreation	55,927	--	--	--
Parks	61,031,123	15,956,743	1,530,989	36,991,305
Recreation	5,982,323	935,436	1,511,124	3,161,959
Miradores and Selena Memorial	1,965,000	--	--	1,965,000
Senior services	3,950,600	130,714	3,014,969	570,579
Upper level college facilities	1,529,971	1,510,810	--	19,161
Municipal Service Center	2,177,429	204,024	662,316	--
Total parks, recreation and education	<u>76,692,373</u>	<u>18,737,727</u>	<u>6,719,398</u>	<u>42,708,004</u>
Corpus Christi museums	6,292,106	--	4,724,292	1,097,700
Libraries	21,052,171	773,001	8,465,888	286,196
Sister City	2,338	--	--	--
Bicentennial celebration	5,358	--	--	--
Public art	67,826	--	--	67,826
Total community enrichment	<u>170,623,252</u>	<u>25,999,908</u>	<u>61,954,288</u>	<u>59,856,294</u>
Other general fixed assets:				
Naval Air Station safety zone	2,672,482	2,672,482	--	--
Transit facility	78,928	78,928	--	--
Total other general fixed assets	<u>2,751,410</u>	<u>2,751,410</u>	<u>--</u>	<u>--</u>
Total fixed assets in service	501,347,177	51,337,291	100,863,847	105,689,926
Less: accumulated depreciation	<u>264,696,478</u>	<u>--</u>	<u>39,294,511</u>	<u>64,714,255</u>
Total fixed assets in service	<u>236,650,699</u>	<u>51,337,291</u>	<u>61,569,336</u>	<u>40,975,671</u>
Construction in progress	<u>128,252,558</u>	<u>13,335,582</u>	<u>27,814,842</u>	<u>26,452,915</u>
Total general fixed assets	<u>\$ 364,903,257</u>	<u>\$ 64,672,873</u>	<u>\$ 89,384,178</u>	<u>\$ 67,428,586</u>

\* This schedule presents only the capital assets balances related to governmental funds. Accordingly, the capital assets reported in internal service 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.

the City of Corpus Christi, Texas

Exhibit 42-B  
(Continued)

<u>Machinery and Equipment</u>	<u>Infrastructure</u>
1,595,216	--
8,337	--
68,447	--
--	--
<u>2,280,622</u>	<u>--</u>
55,927	--
1,744,608	4,807,478
373,804	--
--	--
234,338	--
--	--
1,311,089	--
<u>3,719,766</u>	<u>4,807,478</u>
470,114	--
11,527,086	--
2,338	--
5,358	--
--	--
<u>18,005,284</u>	<u>4,807,478</u>
--	--
--	--
--	--
74,262,120	169,193,993
60,586,796	100,100,916
<u>13,675,324</u>	<u>69,093,077</u>
18,194,841	42,454,378
<u>\$ 31,870,165</u>	<u>\$ 111,547,455</u>

the City of Corpus Christi, Texas

SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
BY FUNCTION AND ACTIVITY \*  
YEAR ENDED JULY 31, 2004

	Beginning Balance	Additions and Transfers	Retirements	Ending Balance
General government				
Control				
City Council and City Secretary	\$ 371,549	\$ 25,809	\$ --	\$ 397,358
City Manager	359,940	--	--	359,940
Management and budget	102,156	--	--	102,156
Information services	125,728	(391)	--	125,337
Total control	<u>959,373</u>	<u>25,418</u>	<u>--</u>	<u>984,791</u>
Staff agencies				
Director of Finance	54,522	--	--	54,522
Accounting	3,770,996	14,674	--	3,785,670
Federal grant accounting	5,317	--	--	5,317
Accounts receivable and meter reading	562,285	3,955	--	566,240
Central cashiering	155,545	--	--	155,545
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
Messenger service	1,675	--	--	1,675
City attorney	388,621	--	--	388,621
Business development	35,074	--	--	35,074
Planning	606,862	--	--	606,862
Human resources	2,975,384	11,327	--	2,986,711
Human relations	3,450	--	--	3,450
City Hall and old Frost Building	18,559,794	--	--	18,559,794
Total staff agencies	<u>29,315,306</u>	<u>29,956</u>	<u>--</u>	<u>29,345,262</u>
Miscellaneous	2,424,652	--	--	2,424,652
Total general government	<u>32,699,331</u>	<u>55,374</u>	<u>--</u>	<u>32,754,705</u>
Community development				
Housing rehabilitation	31,827	--	--	31,827
Neighborhood improvement	73,735	--	--	73,735
Community renewal	12,633	--	--	12,633
Community Development block grant	29,648,615	--	--	29,648,615
Corpus Christi Improvement Corp.	1,214,939	--	--	1,214,939
Total community development	<u>30,981,749</u>	<u>--</u>	<u>--</u>	<u>30,981,749</u>
Public safety				
Police	17,946,360	403,341	149,299	18,200,402
Crime Control District	456,341	--	--	456,341
Total police	<u>18,402,701</u>	<u>403,341</u>	<u>149,299</u>	<u>18,656,743</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 42-C

SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
BY FUNCTION AND ACTIVITY \*  
FISCAL YEAR ENDED JULY 31, 2004

	Beginning Balance	Additions and Transfers	Retirements	Ending Balance
Fire	16,036,794	1,590,505	47,091	17,580,208
Fire academy	--	20,147	--	20,147
Fire prevention	113,651	--	--	113,651
Total fire	<u>16,150,445</u>	<u>1,610,652</u>	<u>47,091</u>	<u>17,714,006</u>
Municipal court	1,781,109	35,204	--	1,816,313
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	165,774	27,694	--	193,468
Petroleum inspection	5,223	--	--	5,223
Total inspections	<u>170,997</u>	<u>27,694</u>	<u>--</u>	<u>198,691</u>
Total public safety	<u>36,635,692</u>	<u>2,076,891</u>	<u>196,390</u>	<u>38,516,193</u>
Streets				
Director and engineering office	649,574	--	--	649,574
Streets, sidewalks, curbs and gutters	141,846,738	18,478,553	--	160,325,291
Street maintenance and construction	13,065,713	320,461	--	13,386,174
Street cleaning	70,868	--	--	70,868
Harbor Bridge and approaches	7,322,587	--	--	7,322,587
Traffic engineering	4,531,950	21,504	35,428	4,518,026
Parking control	186,942	--	--	186,942
Total streets	<u>167,674,372</u>	<u>18,820,518</u>	<u>35,428</u>	<u>186,459,462</u>
Solid Waste				
Office	40,981	--	--	40,981
Refuse collections	5,538,676	2,748,137	--	8,286,813
Refuse disposal	16,168,582	5,861,082	--	22,029,664
Total solid waste	<u>21,748,239</u>	<u>8,609,219</u>	<u>--</u>	<u>30,357,458</u>
Health				
Health	4,481,319	244,604	--	4,725,923
Animal control	749,361	3,427,664	--	4,177,025
Total health	<u>5,230,680</u>	<u>3,672,268</u>	<u>--</u>	<u>8,902,948</u>
Community enrichment				
Cultural and convention facilities				
Coliseum	2,365,631	423,341	--	2,788,972
Auditorium	6,067,024	--	--	6,067,024
Harbor Playhouse	883,928	--	--	883,928

(Continued)

the City of Corpus Christi, Texas

Exhibit 42-C  
(Continued)

SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
BY FUNCTION AND ACTIVITY \*  
FISCAL YEAR ENDED JULY 31, 2004

	Beginning Balance	Additions and Transfers	Retirements	Ending Balance
Cultural and convention facilities (continued)				
Convention Center	23,498,017	646,772	--	24,144,789
Water Garden	1,508,263	--	--	1,508,263
Bayfront Science Park	10,429,035	35,662	--	10,464,697
Texas State Aquarium	20,558,188	95,219	--	20,653,407
Total cultural and convention facilities	<u>65,310,086</u>	<u>1,200,994</u>	<u>--</u>	<u>66,511,080</u>
Parks, recreation and education				
Director of Parks and Recreation	55,927	--	--	55,927
Parks	55,903,844	5,127,280	--	61,031,124
Recreation	5,058,706	923,616	--	5,982,322
Miradores and Selena Memorial	1,965,000	--	--	1,965,000
Senior Services	2,716,579	1,234,021	--	3,950,600
Upper level college facilities	1,529,971	--	--	1,529,971
Municipal Service Center	2,171,962	5,467	--	2,177,429
Total parks, recreation and education	<u>69,401,989</u>	<u>7,290,384</u>	<u>--</u>	<u>76,692,373</u>
Corpus Christi museums	6,022,667	269,439	--	6,292,106
Libraries	18,992,671	2,059,500	--	21,052,171
Sister City	2,338	--	--	2,338
Bicentennial celebration	5,358	--	--	5,358
Public art	67,826	--	--	67,826
Total community enrichment	<u>159,802,935</u>	<u>10,820,317</u>	<u>--</u>	<u>170,623,252</u>
Other general fixed assets:				
Naval Air Station safety zone	2,672,482	--	--	2,672,482
Transit facility	78,928	--	--	78,928
Total other general fixed assets	<u>2,751,410</u>	<u>--</u>	<u>--</u>	<u>2,751,410</u>
Total fixed assets in service	<u>457,524,408</u>	<u>44,054,587</u>	<u>231,818</u>	<u>501,347,177</u>
Less: accumulated depreciation	<u>246,704,233</u>	<u>18,224,063</u>	<u>231,818</u>	<u>264,696,478</u>
Total fixed assets in service	<u>210,820,175</u>	<u>25,830,524</u>	<u>--</u>	<u>236,650,699</u>
Construction in progress	90,028,301	41,669,861	3,445,604	128,252,558
Total general fixed assets	<u>\$ 300,848,476</u>	<u>\$ 67,500,385</u>	<u>\$ 3,445,604</u>	<u>\$ 364,903,257</u>

\* This schedule presents only the capital assets balances related to governmental funds. Accordingly, the capital assets reported in internal service 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  
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the City of Corpus Christi, Texas

GENERAL GOVERNMENTAL EXPENDITURES FOR SELECTED FUNCTIONS  
FISCAL YEARS ENDED 1995 THROUGH 2004

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Streets</u>	<u>Solid Waste</u>	<u>Health</u>	<u>Capital Projects</u>
1994 - 1995	\$ 17,466,696	\$ 49,872,120	\$ 10,230,801	\$ 13,623,501	\$ 4,363,346	\$ 2,775,536
1995 - 1996	19,334,038	53,273,002	8,655,102	12,760,859	4,416,459	2,553,714
1996 - 1997	17,874,397	54,624,041	8,894,029	12,011,743	4,560,941	2,365,654
1997 - 1998	17,877,632	59,007,585	9,323,629	10,994,641	4,750,080	2,345,105
1998 - 1999	18,193,891	64,384,420	9,047,340	12,593,994	4,960,960	3,301,151
1999 - 2000	18,499,525	64,623,972	9,671,249	13,645,632	4,895,092	2,826,102
2000 - 2001	16,680,997	64,371,854	9,137,705	12,721,571	4,460,371	1,557,766
2001 - 2002	12,968,280	73,918,474	10,452,285	16,097,663	4,874,857	3,840,265
2002 - 2003	12,942,726	80,535,900	10,531,232	12,715,966	5,329,727	1,214,085
2003 - 2004	14,694,877	82,785,712	12,107,029	14,840,086	5,536,134	3,830,041

Note: The data in this table is abstracted from the financial statements of the General, Special Revenue and Debt Service Funds and is presented for historical comparative purposes and is not to be considered all inclusive.

the City of Corpus Christi, Texas

Table 1

<u>Community Enrichment</u>	<u>Debt Service</u>	<u>Miscellaneous</u>	<u>Total</u>
\$ 19,347,993	\$ 18,450,796	\$ 1,073,966	\$ 137,204,755
20,413,884	18,981,100	1,743,797	142,131,955
21,937,485	21,866,065	1,885,414	146,019,769
25,942,251	21,930,845	809,048	152,980,816
27,413,609	22,807,168	1,252,864	163,955,397
27,358,068	22,613,227	2,102,189	166,235,056
29,743,311	22,764,327	2,706,043	164,143,945
31,028,670	28,626,701	3,706,216	185,513,411
30,999,335	27,025,294	2,321,831	183,616,096
33,054,650	35,648,087	999,374	203,495,990

the City of Corpus Christi, Texas

**GENERAL REVENUES BY SOURCE**  
**FISCAL YEARS ENDED 1995 THROUGH 2004**

<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Sales Tax</u>	<u>Hotel Tax</u>	<u>Business Fees</u>	<u>Other Taxes</u>	<u>Licenses and Permits</u>
1994 - 1995	\$ 42,307,243	\$ 25,434,254	\$ 4,242,907	\$ 10,974,808	\$ 1,718,018	\$ 1,417,887
1995 - 1996	45,118,336	26,262,785	4,539,397	11,513,742	1,732,578	1,660,207
1996 - 1997	48,291,023	27,152,489	4,645,400	11,841,084	1,687,671	1,584,765
1997 - 1998	48,698,976	28,732,516	4,921,708	13,932,710	1,683,819	1,977,658
1998 - 1999	49,877,349	29,641,048	5,086,016	14,596,050	1,697,240	1,749,314
1999 - 2000	51,511,700	30,590,459	6,714,211	15,150,930	1,696,560	1,991,569
2000 - 2001	52,555,675	32,051,919	6,471,438	17,895,243	1,839,590	1,701,743
2001 - 2002	57,075,633	32,674,742	7,420,400	17,221,953	802,386	1,680,236
2002 - 2003	59,935,265	45,677,489	7,894,879	16,119,482	1,996,580	1,917,640
2003 - 2004	63,647,829	51,266,141	8,145,156	15,943,638	1,971,587	2,396,870

Note: The data in this table is abstracted from financial statements of the General, Special Revenue and Debt Service Funds and is presented for historical comparative purposes and is not to be considered all inclusive.

the City of Corpus Christi, Texas

Table 2

<u>Grants</u>	<u>Fines and Forfeitures</u>	<u>Charges For Services</u>	<u>Investment Income</u>	<u>Miscellaneous Revenues</u>	<u>Total</u>
\$ 9,232,427	\$ 1,894,966	\$ 22,661,710	\$ 1,447,285	\$ 2,810,827	\$ 124,142,332
10,168,925	2,081,359	24,753,655	1,405,873	4,040,577	133,277,434
11,572,015	2,138,761	25,163,103	1,436,688	3,611,391	139,124,390
11,818,855	3,057,726	26,967,670	1,035,950	4,069,405	146,896,993
15,423,484	2,836,311	27,430,528	1,031,049	5,694,327	155,062,716
14,304,154	3,238,230	26,730,334	1,194,716	6,634,096	159,756,959
15,689,285	4,011,734	25,635,388	1,456,841	6,068,290	165,377,146
22,100,690	4,318,635	50,363,420	1,210,885	2,422,752	197,291,732
15,489,416	3,922,564	30,268,143	1,237,939	2,496,566	186,955,963
14,751,502	5,189,598	34,531,641	726,056	2,336,715	200,906,733

the City of Corpus Christi, Texas

Table 3

**CITY PAYROLL STATISTICS  
FISCAL YEARS ENDED 1995 THROUGH 2004**

<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>
1994 - 1995	\$ 86,612,298	\$ 5,209,731	\$ 7,285,335	\$ 1,855,310	\$ 100,962,674	3,343
1995 - 1996	91,000,475	5,522,024	8,180,142	1,901,195	106,603,836	3,297
1996 - 1997	92,898,236	5,675,974	8,387,494	1,949,918	108,911,622	3,426
1997 - 1998	96,621,593	5,990,993	8,805,861	1,942,873	113,361,320	3,584
1998 - 1999	101,889,392	6,149,968	9,019,103	2,248,927	119,307,390	3,276
1999 - 2000	102,242,291	6,241,322	9,026,902	2,171,942	119,682,457	3,277
2000 - 2001	100,927,146	6,064,690	8,686,111	2,223,410	117,901,357	3,278
2001 - 2002	105,312,317	6,418,618	9,826,228	2,300,476	123,857,639	3,264
2002 - 2003	112,071,665	6,818,824	10,241,750	2,423,671	131,555,910	3,264
2003 - 2004	121,745,107	7,370,874	11,386,987	2,673,855	143,176,822	3,317

Note: The data in this Table is abstracted from payroll reports.

the City of Corpus Christi, Texas

Table 4

RETIREMENT SYSTEMS PENSION DATA  
FISCAL YEARS ENDED 1995 THROUGH 2004

TEXAS MUNICIPAL RETIREMENT SYSTEM PENSION DATA

<u>Fiscal Year</u>	<u>Unfunded Pension Plan Liability</u>	<u>Pension Plan Receipts</u>	<u>Pension Plan Assets</u>	<u>Pension Benefits Paid</u>	<u>Investment Income</u>
1994 - 1995	\$ 55,399,750	\$ 15,222,245	\$ 151,425,961	\$ 3,424,894	\$ 8,612,837
1995 - 1996	57,844,039	16,804,156	164,374,239	3,615,762	9,078,871
1996 - 1997	60,510,861	18,146,019	175,328,874	3,787,249	9,861,798
1997 - 1998	63,081,184	18,970,402	191,267,082	3,891,429	10,504,251
1998 - 1999	59,102,885	20,352,492	200,864,672	4,059,461	11,456,800
1999 - 2000	61,529,964	21,140,412	219,109,580	10,232,543	11,977,958
2000 - 2001	* 67,157,221	33,955,322	222,098,830	30,966,073	21,149,094
2001 - 2002	* 73,357,936	33,410,273	229,017,517	26,191,586	20,340,369
2002 - 2003	* 80,254,024	33,378,009	232,869,362	29,526,164	19,360,126
2003 - 2004	* 88,310,121	33,899,027	236,961,675	29,806,713	18,215,670

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

<u>Fiscal Year</u>	<u>Unfunded Pension Plan Liability</u>	<u>Pension Plan Receipts</u>	<u>Pension Plan Assets</u>	<u>Pension Benefits Paid</u>	<u>Investment Income</u>
1994-1995	\$ 10,432,058	\$ 9,246,732	\$ 43,791,149	\$ 2,928,270	\$ 6,237,212
1995-1996	8,768,672	6,642,949	46,882,982	3,105,798	3,421,819
1996-1997	15,029,541	8,722,969	51,892,094	3,332,039	5,531,382
1997-1998	*** --	17,493,220	73,798,717	3,618,248	13,982,286
1998-1999	* 14,819,634	8,230,065	74,362,231	4,076,113	4,666,502
1999-2000	*** --	11,496,409	84,101,910	4,800,634	7,741,256
2000-2001	** 25,706,026	5,223,641	84,953,930	5,612,741	1,248,239
2001-2002	*** --	2,843,990	80,023,270	5,918,829	(1,232,160)
2002-2003	42,743,795	(1,525,575)	78,135,835	7,214,298	(5,750,086)
2003-2004	*** --	18,168,197	81,278,306	7,412,898	13,706,022

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.

the City of Corpus Christi, Texas

**HOTEL-MOTEL OCCUPANCY TAX COLLECTION  
FISCAL YEARS ENDED 1995 THROUGH 2004**

	City Fiscal Year	Rate	1st Quarter Aug-Oct	2nd Quarter Nov-Jan
Tax collected during period	1994 - 1995	7%	\$ 1,066,169	\$ 626,420
Percent of total year			25.13%	14.76%
Percent over (under) prior year's period			7.27%	5.36%
Tax collected during period	1995 - 1996	7%	\$ 1,064,697	\$ 731,470
Percent of total year			23.46%	16.11%
Percent over (under) prior year's period			(.14)%	16.77%
Tax collected during period	1996 - 1997	7%	\$ 1,125,538	\$ 757,649
Percent of total year			24.23%	16.31%
Percent over (under) prior year's period			5.71%	3.57%
Tax collected during period	1997 - 1998	7%	\$ 1,161,643	\$ 780,628
Percent of total year			23.60%	15.86%
Percent over (under) prior year's period			3.21%	3.03%
Tax collected during period	1998 - 1999	7%	\$ 1,136,818	\$ 786,748
Percent of total year			22.35%	15.47%
Percent over (under) prior year's period			(2.14)%	0.78%
Tax collected during period	1999 - 2000	9%	\$ 1,550,756	\$ 1,018,592
Percent of total year			23.09%	15.17%
Percent over (under) prior year's period			36.41%	29.47%
Tax collected during period	2000 - 2001	9%	\$ 1,568,794	\$ 1,049,181
Percent of total year			24.24%	16.21%
Percent over (under) prior year's period			1.16%	3.00%
Tax collected during period	2001 - 2002	9%	\$ 1,587,542	\$ 1,048,888
Percent of total year			21.38%	14.12%
Percent over (under) prior year's period			1.20%	(.03)
Tax collected during period	2002 - 2003	9%	\$ 1,931,150	\$ 984,758
Percent of total year			25.72%	13.11%
Percent over (under) prior year's period			21.64%	-6.11%
Tax collected during period	2003 - 2004	9%	\$ 1,973,254	\$ 1,428,493
Percent of total year			23.57%	17.07%
Percent over (under) prior year's period			2.18%	45.06%

Note: The data in this Table is abstracted from financial statements.



the City of Corpus Christi, Texas

Table 5

3rd Quarter Feb-Apr	Total 4th Quarter May-July	Fiscal Year
\$ 1,014,829 23.92% 1.97%	\$ 1,535,489 36.19% 7.59%	\$ 4,242,907 100.00% 5.79%
\$ 1,122,221 24.72% 10.58%	\$ 1,621,009 35.71% 5.57%	\$ 4,539,397 100.00% 6.99%
\$ 1,100,876 23.70% (1.90)%	\$ 1,661,337 35.76% 2.49%	\$ 4,645,400 100.00% 2.34%
\$ 1,180,221 23.98% 7.21%	\$ 1,799,216 36.56% 8.30%	\$ 4,921,708 100.00% 5.95%
\$ 1,230,168 24.19% 4.23%	\$ 1,932,282 37.99% 7.40%	\$ 5,086,016 100.00% 3.34%
\$ 1,550,096 23.09% 26.01%	\$ 2,594,767 38.65% 34.28%	\$ 6,714,211 100.00% 32.01%
\$ 1,552,967 24.00% 0.18%	\$ 2,300,496 35.55% (11.34)%	\$ 6,471,438 100.00% (3.62)%
\$ 1,923,033 25.89% 23.83%	\$ 2,867,664 38.61% 24.65%	\$ 7,427,127 100.00% 14.77%
\$ 1,638,180 21.82% -14.81%	\$ 2,954,880 39.35% 3.04%	\$ 7,508,968 100.00% 1.10%
\$ 1,637,060 19.56% -0.07%	\$ 3,331,637 39.80% 12.75%	\$ 8,370,444 100.00% 11.47%

the City of Corpus Christi, Texas

1% CITY SALES TAX  
COLLECTED AND REMITTED TO CITY BY STATE COMPTROLLER  
FISCAL YEARS ENDED 1995 THROUGH 2004

Tax Received in City City Fiscal Year	1st Quarter Aug-Oct	2nd Quarter Nov-Jan	3rd Quarter Feb-Apr	4th Quarter May-July
Net sales tax 1994-1995	\$ 6,501,925	\$ 6,772,348	\$ 5,958,778	\$ 6,201,203
Percent of total year	25.56%	26.63%	23.43%	24.38%
Percent over (under) prior year's period	1.73%	0.57%	3.94%	(1.59)
Net sales tax 1995-1996	\$ 6,353,522	\$ 6,659,245	\$ 6,430,287	\$ 6,819,731
Percent of total year	24.19%	25.36%	24.48%	25.97%
Percent over (under) prior year's period	(2.28)%	(1.67)%	7.91%	9.97%
Net sales tax 1996-1997	\$ 6,813,127	\$ 7,067,834	\$ 6,454,783	\$ 6,816,745
Percent of total year	25.09%	26.03%	23.77%	25.11%
Percent over (under) prior year's period	7.23%	6.14%	0.38%	(0.04)%
Net sales tax 1997-1998	\$ 7,101,826	\$ 7,625,748	\$ 7,003,360	\$ 7,001,582
Percent of total year	24.72%	26.54%	24.37%	24.37%
Percent over (under) prior year's period	4.24%	7.89%	8.50%	2.71%
Net sales tax 1998-1999	\$ 7,212,142	\$ 7,872,672	\$ 7,269,121	\$ 7,287,113
Percent of total year	24.33%	26.56%	24.52%	24.59%
Percent over (under) prior year's period	1.55%	3.24%	3.80%	4.08%
Net sales tax 1999-2000	\$ 7,341,160	\$ 7,538,794	\$ 8,243,342	\$ 7,467,163
Percent of total year	24.00%	24.64%	26.95%	24.41%
Percent over (under) prior year's period	1.78%	(4.24)%	13.40%	2.47%
Net sales tax 2000-2001	\$ 7,770,855	\$ 8,122,623	\$ 8,105,064	\$ 8,053,377
Percent of total year	24.24%	25.34%	25.29%	25.13%
Percent over (under) prior year's period	5.85%	7.74%	(1.68)%	7.85%
Net sales tax 2001-2002	\$ 8,243,622	\$ 8,247,477	\$ 7,831,677	\$ 8,351,966
Percent of total year	25.23%	25.24%	23.97%	25.56%
Percent over (under) prior year's period	6.08%	1.54%	(3.37)%	3.71%
Net sales tax 2002-2003	\$ 8,185,640	\$ 8,616,923	\$ 7,954,839	\$ 7,593,752
Percent of total year	25.30%	26.64%	24.59%	23.47%
Percent over (under) prior year's period	-0.70%	4.48%	1.57%	-9.08%
Net sales tax 2003-2004	\$ 8,386,322	\$ 8,843,342	\$ 8,295,952	\$ 8,595,017
Percent of total year	24.58%	25.92%	24.31%	25.19%
Percent over (under) prior year's period	2.45%	2.63%	4.29%	13.19%

(1) Equivalent tax rates based on 100% of net taxable assessed value for all years.

the City of Corpus Christi, Texas

Table 6

Total Fiscal Year	Equivalent (1) Tax Rate	Sales Tax As Percent of Tax Levy	Sales Tax Per Capital Last Census
\$ 25,434,254 100.00% 1.09%	\$ 0.4082	66.62%	\$ 98.79
\$ 26,262,785 100.00% 3.26%	\$ 0.4062	66.30%	\$ 102.01
\$ 27,152,489 100.00% 3.39%	\$ 0.4026	64.54%	\$ 105.47
\$ 28,732,516 100.00% 5.82%	\$ 0.4125	66.13%	\$ 111.60
\$ 29,641,048 100.00% 3.16%	\$ 0.4065	65.77%	\$ 115.13
\$ 30,590,459 100.00% 3.20%	\$ 0.4099	65.72%	\$ 118.82
\$ 32,051,919 100.00% 4.78%	\$ 0.4189	67.16%	\$ 124.50
\$ 32,674,742 100.00% 1.94%	\$ 0.4069	63.17%	\$ 117.77
\$ 32,351,154 100.00% -0.99%	\$ 0.3616	56.13%	\$ 114.71
\$ 34,120,633 100.00% 5.47%	\$ 0.3813	59.20%	\$ 120.98

the City of Corpus Christi, Texas

**PROPERTY TAX LEVIES AND COLLECTIONS  
FISCAL YEARS ENDED 1995 THROUGH 2004**

<u>Fiscal Year</u>	<u>January 1 Tax Year</u>	<u>Current Tax Levy</u>	<u>Less Discounts</u>	<u>Net Current Tax Levy</u>	<u>Current Tax Collections</u>
1994-1995	1994	\$ 38,176,740	\$ --	\$ 38,176,740	\$ 36,592,267
1995-1996	1995	39,611,069	--	39,611,069	38,258,807
1996-1997	1996	42,073,811	--	42,073,811	40,754,134
1997-1998	1997	43,448,123	--	43,448,123	41,928,010
1998-1999	1998	45,070,727	--	45,070,727	43,379,465
1999-2000	1999	46,546,084	--	46,546,084	44,836,825
2000-2001	2000	47,727,871	--	47,727,871	45,900,923
2001-2002	2001	51,722,865	--	51,722,865	49,683,646
2002-2003	2002	54,282,374	--	54,282,374	52,161,807
2003-2004	2003	57,640,112	--	57,640,112	55,417,905
2004-2005	2004	61,131,691			

Note: The data in this Table is abstracted from financial statements.

the City of Corpus Christi, Texas

Table 7

<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Total Collections As Percent of Net Current Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Outstanding Delinquent Taxes As Percent of Net Current Tax Levy</u>
95.8%	\$ 1,289,984	\$ 37,882,251	99.2%	\$ 5,937,746	15.6%
96.6%	1,410,646	39,669,453	100.1%	5,630,126	14.2%
96.9%	1,143,479	41,897,613	99.6%	5,647,272	13.4%
96.5%	1,251,909	43,179,919	99.4%	5,607,397	12.9%
96.2%	1,056,723	44,436,188	98.6%	4,864,403	10.8%
96.3%	1,256,701	46,093,526	99.0%	4,855,538	10.4%
96.2%	1,200,467	47,101,390	98.7%	4,973,081	10.4%
96.1%	1,509,804	51,193,450	99.0%	5,036,092	9.7%
96.1%	1,631,724	53,793,531	99.1%	4,985,476	9.2%
96.1%	1,575,879	56,993,784	98.9%	6,332,114	11.0%



City of  
Corpus  
Christi

Table 8

ADOPTED TAX RATE  
FISCAL YEARS ENDED 1995 THROUGH 2004

<u>Fiscal Year</u>	<u>Year</u>	<u>Total Assessed Valuation</u>	<u>Assessments Rate</u>	<u>Gross Tax Rate (1)</u>
1994-1995	1994	\$ 7,321,827,405	100%	0.6127260
1995-1996	1995	7,600,972,143	100%	0.6127260
1996-1997	1996	7,904,680,232	100%	0.6237260
1997-1998	1997	8,175,647,192	100%	0.6237260
1998-1999	1998	8,477,723,058	100%	0.6237260
1999-2000	1999	8,752,587,482	100%	0.6237260
2000-2001	2000	9,018,221,819	100%	0.6237260
2001-2002	2001	9,468,571,229	100%	0.6441750
2002-2003	2002	9,970,342,480	100%	0.6441750
2003-2004	2003	10,617,256,485	100%	0.6441750

(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.

the City of Corpus Christi, Texas

ASSESSED VALUE AND ESTIMATED MARKET  
VALUE OF ALL TAXABLE PROPERTY  
FISCAL YEARS ENDED 1995 THROUGH 2004

Fiscal Year	Assessed Value January 1	Tax Rate	Ratio Assessed Value To Market Value	Real Property		
				Net Taxable Assessed Value	Estimated Market Value	Percentage of Growth
1994-1995	1994	0.6127260	100%	\$ 5,490,304,236 (1)	\$ 6,578,813,100	1.4
1995-1996	1995	0.6127260	100%	\$ 5,618,522,495 (1)	6,751,274,958	2.6
1996-1997	1996	0.6237260	100%	5,901,861,186 (1)	7,057,072,731	4.5
1997-1998	1997	0.6237260	100%	6,100,991,061 (1)	7,295,181,367	3.4
1998-1999	1998	0.6237260	100%	6,355,721,067 (1)	7,591,733,133	4.1
1999-2000	1999	0.6237260	100%	6,549,804,068 (1)	7,829,632,259	3.1
2000-2001	2000	0.6237260	100%	6,722,202,669 (1)	8,077,929,844	3.2
2001-2002	2001	0.6441745	100%	7,019,540,276 (1)	8,435,234,205	4.4
2002-2003	2002	0.6441745	100%	7,425,008,625 (1)	8,922,477,009	5.8
2003-2004	2003	0.6441745	100%	7,926,634,055 (1)	9,525,269,802	6.8

(1) Amounts shown are net taxable assessed values after the following deductions: 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.



the City of Corpus Christi, Texas

Table 9

Personal Property			Total		
Net Taxable Assessed Value	Estimated Market Value	Percentage of Growth	Net Taxable Assessed Value	Estimated Market Value	Percentage of Growth
\$ 740,334,009 (1)	\$ 743,014,305	10.1	\$ 6,230,638,245 (1)	\$ 7,321,827,405	2.2
846,205,463 (1)	849,697,185	14.4	6,464,727,958 (1)	7,600,972,143	3.8
843,698,758 (1)	847,607,501	(0.2)	6,745,559,944 (1)	7,904,680,232	4.3
864,907,875 (1)	880,465,825	3.9	6,965,898,936 (1)	8,175,647,192	3.4
870,324,797 (1)	885,989,925	0.6	7,226,045,864 (1)	8,477,723,058	3.7
912,781,136 (1)	922,955,223	4.2	7,462,585,204 (1)	8,752,587,482	3.2
929,854,734 (1)	940,291,975	1.9	7,652,057,403 (1)	9,018,221,819	3.0
1,009,784,779 (1)	1,033,337,024	1.0	8,029,325,055 (1)	9,468,571,229	5.0
1,001,648,102 (1)	1,047,865,471	1.4	8,426,656,727 (1)	9,970,342,480	5.3
1,021,262,343 (1)	1,091,986,683	4.2	8,947,896,398 (1)	10,617,256,485	6.5

(Continued)

the City of Corpus Christi, Texas

ASSESSED VALUE AND ESTIMATED MARKET  
VALUE OF ALL TAXABLE PROPERTY  
FISCAL YEARS ENDED 1995 THROUGH 2004

Fiscal Year	Residential Homestead Exemptions - Over 65				Disabled Veterans	
	Assessed Value Exempt	Number of Exemptions	Assessed Value of Exemptions	Average Value	Assessed Value Exempt	Number of Exemptions
1994-1995	50,000	14,222	\$ 505,507,634	\$ 35,544	1,500-3,000	1,821
1995-1996	50,000	14,554	521,688,068	35,845	1,500-3,000	1,874
1996-1997	50,000	15,005	545,861,694	36,379	5,000-12,000	1,938
1997-1998	50,000	15,226	564,755,315	37,092	5,000-12,000	1,982
1998-1999	50,000	15,638	619,239,686	39,598	5,000-12,000	1,998
1999-2000	50,000	16,004	636,786,100	39,789	5,000-12,000	2,061
2000-2001	50,000	16,255	668,199,827	41,107	5,000-12,000	2,092
2001-2002	50,000	16,458	684,880,475	41,614	5,000-12,000	2,143
2002-2003	50,000	16,602	713,508,103	42,977	5,000-12,000	2,241
2003-2004	50,000	16,670	729,550,443	43,764	5,000-12,000	2,404

the City of Corpus Christi, Texas

Table 9  
(Continued)

Exemptions		Disability Exemption			
Assessed Value of Exemptions	Average Value	Assessed Value Exempt	Number of Exemptions	Assessed Value of Exemptions	Average Value
\$ 2,680,310	\$ 1,472	50,000	1,954	\$ 60,202,995	\$ 30,810
2,832,533	1,511	50,000	2,121	65,714,888	30,983
10,464,156	5,399	50,000	2,245	70,134,759	31,240
11,134,924	5,618	50,000	2,349	75,885,762	32,306
18,245,383	9,132	50,000	2,447	87,787,881	35,876
19,024,837	9,231	50,000	2,535	93,292,702	36,802
19,290,426	9,221	50,000	2,652	101,418,975	38,242
19,814,977	9,246	50,000	2,765	108,303,281	39,169
20,755,630	9,262	50,000	2,880	115,715,191	40,179
22,271,738	9,264	50,000	3,038	124,941,699	41,126

(Continued)

Table 9  
(Continued)

ASSESSED VALUE AND ESTIMATED MARKET  
VALUE OF ALL TAXABLE PROPERTY  
FISCAL YEARS ENDED 1995 THROUGH 2004

Residential Homestead Exemptions - Local Option

Fiscal Year	Assessed Value Exempt	Number of Exemptions	Assessed Value of Exemptions	Average Value
1994-1995	\$5,000 or 10% whichever is greater	48,727	\$ 337,611,117	\$ 6,929
1995-1996		49,166	351,659,331	7,152
1996-1997	"	49,832	366,398,420	7,353
1997-1998	"	50,526	380,325,533	7,527
1998-1999	"	51,455	343,729,290	6,680
1999-2000	"	52,513	366,149,406	6,973
2000-2001	"	54,333	392,740,809	7,228
2001-2002	"	55,189	414,770,371	7,515
2002-2003	"	56,051	434,924,406	7,759
2003-2004	"	56,560	467,542,416	8,266



City of  
Corpus  
Christi

the City of Corpus Christi, Texas

PROPERTY TAX RATES AND TAX LEVIES -  
DIRECT AND OVERLAPPING GOVERNMENTS  
FISCAL YEARS ENDED 1995 THROUGH 2004

Tax Rates

City Fiscal Year Ended July 31

Tax Roll year January 31 (2)

	1995 1994	1996 1995	1997 1996
Calallen Independent School District	\$ 1.49	\$ 1.52	\$ 1.57
City of Corpus Christi	0.612726	0.612726	0.62373
Corpus Christi Independent School District	1.438	1.428	1.458
Corpus Christi Junior College District	0.18566	0.196823	0.207811
Flour Bluff Independent School District	0.1397	1.379084	1.439471
Kleberg County	(1)	(1)	(1)
Riviera Independent School District	(1)	(1)	(1)
Laureles Independent School District, Kleberg County	(1)	(1)	(1)
London Independent School District	--	--	--
Nueces County	0.31175	0.328765	0.334585
Nueces County F-M Roads and Flood Control	0.01125	0.0025	0.002488
Nueces County Emergency Services District No. 1	0.023079	0.022535	0.022535
Nueces County Hospital District	0.239205	0.244699	0.2417
Nueces County (Port of Corpus Christi - Homeport)	0.029672	0.027949	0.02719
Nueces County Water Control and Improvement Dist. No. 4	0.07987	0.07464	0.07785
Port Aransas Independent School District	1.44	1.44	1.44
Robstown Independent School District	--	--	--
San Patricio County	(1)	(1)	(1)
Tuloso-Midway Independent School District	1.499	1.4999	1.56205
West Oso Independent School District	1.53	1.51	1.51

AMOUNT OF OVERLAPPING TAX LEVIES

(TOTAL TAX LEVY REDUCED TO SHOW ESTIMATED

AMOUNT INSIDE CITY LIMITS)

	\$ 6,244,921	\$ 6,461,794	\$ 6,531,283
Calallen Independent School District	\$ 6,244,921	\$ 6,461,794	\$ 6,531,283
City of Corpus Christi	38,169,913	39,605,505	42,061,663
Corpus Christi Independent School District	72,051,715	73,445,872	77,372,580
Corpus Christi Junior College District	14,472,574	15,764,073	17,047,326
Flour Bluff Independent School District	8,223,013	9,047,927	9,708,937
Kleberg County	(1)	(1)	(1)
Riviera Independent School District	(1)	(1)	(1)
Laureles Independent School District, Kleberg County	(1)	(1)	(1)
London Independent School District	--	--	--
Nueces County	19,256,290	20,693,658	21,473,542
Nueces County F-M Roads and Flood Control	686,152	155,415	157,709
Nueces County Emergency Services District No. 1	122,829	124,865	128,246
Nueces County Hospital District	14,769,172	15,397,076	15,508,746
Nueces County (Port of Corpus Christi - Homeport)	1,832,031	1,758,632	1,744,668
Nueces County Water Control and Improvement Dist. No. 4	1,322	1,294	1,344
Port Aransas Independent School District	23,444	23,666	23,037
Robstown Independent School District	--	--	--
San Patricio County	(1)	(1)	(1)
Tuloso-Midway Independent School District	4,804,998	4,890,434	5,054,469
West Oso Independent School District	2,798,187	2,840,095	3,056,758

(1) City annexed small area 8-12-70.

(2) Tax rate for each governmental entity is per \$100 of assessed valuation.

Note: Data presented is received from various government agencies.

the City of Corpus Christi, Texas

Table 10

1998 1997	1999 1998	2000 1999	2001 2000	2002 2001	2003 2002	2004 2003
\$ 1.57	\$ 1.57	\$ 1.48581	\$ 1.52417	\$ 1.59883	\$ 1.5949	\$ 1.599
0.623726	0.623726	0.623726	0.623726	0.644175	0.644175	0.644175
1.518	1.555	1.50	1.57	1.57	1.59	1.59
0.207811	0.207811	0.220466	0.220466	0.21988	0.21988	0.23566
1.439471	1.49672	1.49192	1.5262	1.5262	1.5262	1.5262
(1)	(1)	(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)	(1)	(1)
--	--	--	--	--	1.26	1.255
0.334585	0.334585	0.344622	0.352742	0.350242	0.360922	0.379693
0.002488	0.002488	0.002563	0.002738	0.005238	0.005396	0.005688
0.022535	0.022535	0.03	0.03	0.06	0.06	0.06
0.233159	0.228028	0.228028	0.228028	0.228028	0.228028	0.228028
0.027853	0.026593	0.024797	0.023718	0.002117	--	--
0.07931	0.0764	0.066818	0.062498	0.05	--	--
1.44	1.44	1.420295	1.449057	1.462	1.5363	1.560458
--	--	--	--	--	1.614	1.614
(1)	(1)	(1)	(1)	(1)	(1)	(1)
1.56205	1.59205	1.67205	1.75005	1.7397	1.7297	1.7247
1.51	1.51	1.48	1.54	1.54	1.54	1.57
\$ 6,344,659	\$ 6,359,817	\$ 5,969,881	\$ 6,396,356	\$ 6,818,054	\$ 5,793,711	\$ 6,002,819
43,448,137	45,070,680	46,546,084	47,727,791	51,722,905	54,282,391	57,640,112
79,346,269	83,424,298	82,817,183	88,042,465	92,059,252	100,041,113	105,191,174
17,432,875	17,816,682	19,371,210	19,686,469	20,606,772	21,426,561	24,457,001
9,641,723	10,353,220	10,919,291	11,486,999	12,439,720	12,923,373	13,657,640
(1)	(1)	(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)	(1)	(1)
--	--	--	--	--	35,035	38,803
21,979,253	22,402,628	23,508,801	24,518,153	25,904,426	15,303,952	16,930,893
161,435	164,727	172,887	190,311	383,171	226,317	250,982
130,875	139,833	196,331	192,362	404,119	240,717	256,923
15,312,180	15,264,116	15,548,347	15,843,567	16,859,013	9,664,984	10,163,932
1,829,193	1,780,126	1,690,812	1,647,946	156,518	--	--
1,404	1,402	1,398	1,396	1,288	--	--
23,207	23,948	26,610	35,538	35,538	7,037,024	7,943,229
--	--	--	--	--	2,850	2,811
(1)	(1)	(1)	(1)	(1)	(1)	(1)
5,029,990	5,222,426	5,380,788	5,323,351	5,524,594	5,675,733	8,937,324
2,850,878	2,948,097	3,041,967	3,464,402	3,841,059	1,538,383	1,573,510

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
FISCAL YEAR ENDED JULY 31, 2004**

Direct Debt:

General Improvement and Refunding Bonds (Note A)	\$ 110,368,087
Certificates of Obligation	57,110,000
Tax Increment contract revenue bonds	5,000,000
Tax Notes	1,820,000
Direct debt payable from taxes	174,298,087

Less: Applicable interest and sinking fund (Note C) 6,430,965

Self Supporting Tax Debt (Note B):

Airport portion general improvement and refunding bonds	\$ 1,903,491
Computer System Bonds	2,400,854
Golf Centers	211,458
Hotel Occupancy Tax Fund	30,475,000
Lexington Museum	1,905,000
Las Carabelas	2,213,472
Marina Revenue Fund	321,023
Reinvestment Zone #2	5,000,000
Solid Waste	22,870,520
Storm Sewer	3,269,185
Texas State Aquarium	3,792,487
Tourist and Convention Center portion general improvement and refunding bonds	385,794
Total self-supporting debt	74,748,284

Net direct debt (1.04% of January 1, 2003 net taxable assessed value; and \$320.92 per capita) (2004 Estimated population - 290,163) \$ 93,118,838

	Amount	As of	%	Net Debt
Overlapping net debt:			Overlapping	
Calallen Independent School District	\$ 4,519,837	7-31-04	40.50%	\$ 1,830,534
Corpus Christi Independent School District	85,098,266	7-31-04	93.38%	79,464,761
Corpus Christi Junior College District	65,688,558	7-31-04	92.14%	60,525,437
Flour Bluff Independent School District	6,864,544	7-31-04	85.45%	5,865,753
Nueces County (excluding special districts)	107,513,959	7-31-04	37.05%	39,833,922
Nueces County Hospital District	16,772,439	7-31-04	37.05%	6,214,189
Port Aransas Independent School District	10,159,898	7-31-04	70.20%	7,132,248
Robstown Independent School District	13,744,940	7-31-04	0.09%	12,370
Tuloso-Midway Independent School District	28,667,539	7-31-04	49.80%	14,276,434
West Oso Independent School District	3,725,904	7-31-04	32.25%	1,201,604

Total Net Overlapping Debt (2.42 % of January 1, 2003 assessed value; \$745.64 per capita) (2004 Estimated population - 290,163) 216,357,252

Total Net Direct and Overlapping Debt (3.46 % of January 1, 2003 taxable assessed value; \$1,066.56 per capita) (2004 Estimated population - 290,163) \$ 309,476,090



NOTE A: Direct debt includes \$9,878,948 in accreted interest on Capital Appreciation Bonds.

NOTE B: It is estimated that \$74,748,284 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 C: The computation of self-supporting debt is as follows:  
The Outstanding self-supporting tax debt of \$74,748,284 is 42.89% of the total outstanding tax debt.  
The total interest and redemption fund is \$11,259,740. After deducting 42.89% of \$11,965,625 or \$4,828,775 which applies to self-supporting debt, the balance of the interest and sinking applicable to tax supported debt is \$6,430,965.



City of  
Corpus  
Christi

**COMPUTATION OF LEGAL DEBT MARGIN  
FISCAL YEAR ENDED JULY 31, 2004**

Table 12

Ad Valorem Tax Limitations

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.

the City of Corpus Christi, Texas

**DIRECT AND OVERLAPPING DEBT  
FISCAL YEARS ENDED 1995 THROUGH 2004**

Fiscal Year	Assessed Value January 1	Net Taxable Assessed Valuation at 100%	(1) Estimated Population	Net Direct Debt	
				Net Debt	Percent Assessed Value
1994-1995	1994	\$ 6,230,638,245	270,124	\$ 102,207,690	1.64%
1995-1996	1995	6,464,727,958	279,528	114,729,842	1.77%
1996-1997	1996	6,745,559,944	284,836	111,010,894	1.65%
1997-1998	1997	6,965,898,936	288,570	114,887,419	1.65%
1998-1999	1998	7,226,045,864	295,920	105,838,105	1.46%
1999-2000	1999	7,462,585,204	277,454 (2)	97,989,397	1.31%
2000-2001	2000	7,652,057,403	280,228	122,080,849	1.60%
2001-2002	2001	8,029,325,055	279,780	109,147,865	1.36%
2002-2003	2002	8,426,656,727	287,290	102,970,247	1.22%
2003-2004	2003	8,947,896,398	290,163	93,118,838	1.04%

(1) Population estimated by City's Department of Planning and Urban Development

(2) 2000 Census

(3) Overlapping Percentage is computed on Geographic basis

the City of Corpus Christi, Texas

Table 13

Per Capita	Net Overlapping Debt			Net Direct and Overlapping Debt		
	Net Debt (3)	Percent Assessed Value	Per Capita	Net Debt	Percent Assessed Value	Per Capita
\$ 378	\$ 129,789,865	2.08%	\$ 480	\$ 231,997,555	3.72%	\$ 859
410	153,301,205	2.37%	548	268,031,047	4.15%	959
390	141,936,232	2.10%	498	252,947,126	3.75%	888
398	183,941,952	2.64%	637	298,829,371	4.29%	1,036
358	174,170,839	2.41%	589	280,008,944	3.87%	946
353	171,119,941	2.29%	617	269,109,338	3.61%	970
436	156,150,986	2.04%	557	278,231,835	3.64%	993
390	165,095,423	2.06%	590	274,243,288	3.42%	980
358	126,859,990	1.51%	442	229,830,237	2.73%	800
321	216,357,252	2.42%	746	309,476,090	3.46%	1,067

the City of Corpus Christi, Texas

**RATIO OF GENERAL BONDED DEBT TO  
ASSESSED VALUE AND NET BONDED DEBT PER CAPITA  
FISCAL YEARS ENDED 1995 THROUGH 2004**

<u>Fiscal Year</u>	<u>(1) Estimated Population</u>	<u>Net Taxable Assessed Valuation at 100%</u>	<u>Gross Bonded Debt</u>	<u>Less Debt Service Funds</u>	<u>Less Self Supporting Debt</u>	<u>Net Bonded Debt</u>
1993-1994	267,664	\$ 6,027,203,588	\$ 149,838,752	\$ 13,538,139	\$ 19,584,884	\$ 116,715,729
1994-1995	270,124	6,230,638,245	152,834,647	12,425,174	41,582,673	98,826,800
1995-1996	279,528	6,464,727,958	170,555,179	14,899,550	44,842,879	110,812,750
1996-1997	284,836	6,745,559,944	162,276,419	12,268,110	42,187,124	107,821,185
1997-1998	288,570	6,965,898,936	162,915,198	11,402,551	39,381,225	112,131,422
1998-1999	295,920	7,226,045,864	152,712,405	12,878,565	37,126,514	102,707,326
1999-2000	277,454 (2)	7,462,585,204	140,802,804	11,747,384	33,893,618	95,161,802
2000-2001	280,228	7,652,057,403	174,361,532	12,079,370	43,193,373	119,088,789
2001-2002	279,780	8,029,325,055	161,046,644	11,285,112	43,674,077	106,087,455
2002-2003	287,290	8,426,656,727	180,201,066	12,005,625	69,907,135	98,288,306
2003-2004	290,163	8,947,896,398	174,298,087	11,259,740	74,748,284	88,290,063

(1) Population estimated by City's Department of Planning and Urban Development

(2) 2000 Census

Table 14

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<b>Percent of Net Bonded Debt to Assessed Value</b>	<b>Net Bonded Debt Per Capita</b>
1.9365%	\$ 436.05
1.5861%	365.86
1.7141%	396.43
1.5984%	378.54
1.6097%	388.58
1.4213%	347.08
1.2752%	342.98
1.5563%	424.97
1.3212%	379.18
1.1664%	342.12
0.9867%	304.28



City of  
Corpus  
Christi



Table 15

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL  
BONDED DEBT TO TOTAL GENERAL EXPENDITURES  
FISCAL YEARS ENDED 1995 THROUGH 2004**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>Total General Expenditures (1)</b>	<b>% of Debt Service to General Expenditures</b>
1994-1995	9,940,000	7,360,262	17,300,262	137,133,715	12.62%
1995-1996	11,605,000	5,658,685	17,263,685	142,131,955	12.15%
1996-1997	12,710,000	6,857,292	19,567,292	145,594,538	13.44%
1997-1998	13,330,000	6,149,132	19,479,132	151,312,864	12.87%
1998-1999	13,965,000	6,240,909	20,205,909	163,995,397	12.32%
1999-2000	14,585,000	5,823,071	20,408,071	166,235,056	12.28%
2000-2001	15,145,000	5,294,775	20,439,775	164,143,945	12.45%
2001-2002	16,085,000	7,331,694	23,416,694	181,746,188	12.88%
2002-2003	16,700,000	7,521,824	24,221,824	187,607,078	12.91%
2003-2004	18,640,000	7,937,268	26,360,208	201,920,313	13.05%

(1) The following funds are included in general expenditures: Debt Service Fund, General Fund, and Governmental Funds.

the City of Corpus Christi, Texas

REVENUE BOND COVERAGE - UTILITY SYSTEM REVENUE BONDS  
FISCAL YEARS ENDED 1995 THROUGH 2004

Fiscal Year Ending July 31	Gross Revenue	Adjusted (1) Operating Income Deductions	Net Revenue Available for Debt Service	Average Annual Debt Service Requirements		
				Principal	Interest	Total
1994-1995	\$ 79,325,694	\$ 47,451,315	\$ 31,874,379	\$ 4,419,000	\$ 2,777,968	\$ 7,196,968
1995-1996	87,817,636	52,899,974	34,927,662	5,840,526	3,406,958	9,247,484
1996-1997	92,419,054	58,621,496	33,797,558	5,880,000	3,230,217	9,110,217
1997-1998	93,675,572	58,159,310	35,516,262	5,925,294	3,050,136	8,975,430
1998-1999	103,551,830	66,608,408	36,943,422	7,525,500	3,786,958	11,312,458
1999-2000	122,631,232	71,213,069	51,418,163	7,583,250	3,591,798	11,175,048
2000-2001	138,403,272	93,263,739	45,139,533	9,431,316	4,480,007	13,911,323
2001-2002	115,312,497	80,330,621	34,981,876	9,470,000	4,217,669	13,687,669
2002-2003	128,063,246	90,540,742	37,522,504	13,146,316	6,096,334	19,242,650
2003-2004	133,214,799	95,996,767	37,218,032	13,143,055	5,749,795	18,892,850

(1) This amount is direct operating expenses less debt service, depreciation, capital outlay and amortization expenditures.

REVENUE BOND COVERAGE - AIRPORT REVENUE BONDS  
FISCAL YEARS ENDED 2001 THROUGH 2004

Fiscal Year Ending July 31	Gross Revenue	Adjusted (1) Operating Income Deductions	Net Revenue Available for Debt Service	Average Annual Debt Service Requirements		
				Principal	Interest	Total
2000-2001	8,382,606	4,819,174	3,563,432	781,034	791,075	1,572,109
2001-2002	6,216,202	5,392,659	823,543	808,929	776,227	1,585,156
2002-2003	7,565,145	6,038,848	1,526,297	824,815	760,279	1,585,094
2003-2004	8,607,001	6,257,371	2,349,630	841,346	746,791	1,588,137

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Table 16

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Coverage

4.43

3.78

3.71

3.96

3.27

4.60

3.24

2.56

1.95

1.97

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Coverage

2.27

0.52

0.96

1.48



City of  
Corpus  
Christi

**SPECIAL ASSESSMENTS BILLINGS AND COLLECTIONS  
FISCAL YEARS ENDED 1995 THROUGH 2004**

Table 17

<u>Fiscal Year</u>	<u>Amount Billed</u>	<u>(1) Amount Collected</u>
1994-1995	\$ 774,604	\$ 479,826
1995-1996	480,437	594,888
1996-1997	38,230	519,949
1997-1998	268,522	367,287
1998-1999	163,345	442,271
1999-2000	1,096,093	349,536
2000-2001	356,664	489,194
2001-2002	69,806	227,309
2002-2003	20,443	103,452
2003-2004	154,625	43,808

(1) Amounts collected include prepayments and interest.



City of  
Corpus  
Christi

the City of Corpus Christi, Texas

Table 18

**20 LARGEST TAXPAYERS  
FISCAL YEAR ENDED JULY 31, 2004**

<u>Name of Taxpayer</u>	<u>Type of Business</u>	<u>2004 Assessed Valuation</u>
1. American Electric Power Texas Central Co.	Electric Utility	\$ 179,090,400
2. H.E. Butt Grocery Company	Retail Stores	65,291,306
3. Southwestern Bell Telephone Company	Telephone Company	65,062,416
4. Padre Staples Mall, LP	Commercial Properties	55,414,935
5. El Paso Javelina Company	Gas Production	42,713,510
6. Columbia Bay Area Realty, Ltd.	Hospital	42,496,689
7. Wal-Mart Properties, Inc.	Retail Stores	39,768,011
8. TRT Development Company	Commercial Properties	33,827,341
9. Time Warner Cable	Cable Company	28,357,452
10. Weingarten Realty Investors	Commercial Properties	26,530,627
11. Flint Hills Resources, LP	Petroleum Company	25,849,928
12. Sabco Operating Company	Petroleum Company	23,211,430
13. Camden Property Trust	Retirement Community	21,856,907
14. NH Texas Property, LP	Commercial Properties	20,724,621
15. Central Power & Light Company	Electric Utility	19,662,215
16. SV Corpus Shoreline	Petroleum Company	18,966,052
17. Pioneer Drilling Company, Ltd.	Petroleum Company	17,100,000
18. Walnut Ridge Corpus Christi	Apartments	16,976,506
19. Peoples Energy Prod Texas, LP	Petroleum Company	16,623,150
20. Spencer Associates, LLC	Apartments	16,561,422
		<u>\$ 776,084,918</u>

Percentage of total to 2003 net taxable assessed value

8.67%

Source: Nueces County Appraisal District

the City of Corpus Christi, Texas

PORT TONNAGE, BANK DEPOSITS, POSTAL RECEIPTS  
AND NEW CONSTRUCTION  
FISCAL YEARS ENDED 1995 THROUGH 2004

Fiscal Year	Port Tonnage	Bank Deposits	Postal Receipts	New Construction	
				Residential	Commercial
	(1)	(2)	(3)	(4)	(4)
1994-1995	77,646,733	\$ 1,840,518,092 *	\$ 25,672,753	\$ 87,446,939	\$ 48,113,876
1995-1996	78,039,303	2,025,846,027 *	25,938,380	109,869,305	47,660,809
1996-1997	81,327,915	2,229,545,670 *	26,575,764	92,537,680	79,043,426
1997-1998	83,276,973	2,279,221,451 *	27,091,556	129,084,484	48,941,077
1998-1999	89,528,133	2,351,582,000 *	21,419,580	80,713,465	61,440,779
1999-2000	84,524,970	2,351,582,000 *	12,627,099	87,434,561	65,553,218
2000-2001	89,424,491	2,362,338,000 *	12,363,942	83,398,850	65,865,913
2001-2002	87,035,957	2,495,515,000 *	12,083,259	104,397,142	50,366,721
2002-2003	80,958,923	2,790,674,000	10,795,275	118,160,428	214,856,089
2003-2004	85,131,124	3,219,898,000	10,579,024	173,281,420	122,703,462

Source:

- (1) Port of Corpus Christi
- (2) Corpus Christi Caller Times/Federal Deposit Insurance Corporation (FDIC)
- (3) U.S. Postal Service
- (4) City of Corpus Christi Building Inspections Division

Note:

\* Balance does not include Bank of America, Mercantile Bank, and International Bank of Commerce.  
FDIC does not require nor have these banks chosen to release deposit information on individual branches.



Table 19

<u>Total</u>
(4)
\$ 135,560,815
157,530,114
171,581,106
178,025,561
142,154,244
152,987,779
149,264,763
154,763,863
333,016,517
295,984,882

the City of Corpus Christi, Texas

ALL FUNDS  
INSURANCE AND SURETY BONDS IN FORCE  
FISCAL YEAR ENDED JULY 31, 2004

<u>Type of Insurance</u>	<u>Insurer and Policy Number</u>	<u>Amount of Coverage</u>
<b>1. Property</b>		
Commercial Property Policy	Texas Municipal League (8795) Expires 11-4-04	\$80,000,000 per occurrence with \$100,000 deductible; except for \$0 Excess Windstorm Deductible (Replacement Cost)
Windstorm, Hurricane, Hail Commercial City Properties	Texas Windstorm Ins Assn (#207709) Expires 11-4-04	\$109,756,236 per schedule \$75,000 deductible (Replacement Cost)
Non-commercial City Properties	Texas Windstorm Ins Assn (#31614600) Expires 8-9-04	\$167,603 per schedule 1% deductible (Replacement Cost)
Excess Windstorm Twelve specified buildings	AXA Corp. Various Policy #s Expires 11-4-04	\$20,849,284 Building & Contents \$2,192,000 deductible per building
Twelve specified building	Clarendon Insurance (#PCA 12341) Expires 11-4-04	\$25,000,000 excess layer per occurrence in excess of underlying specific limit per location per occurrence
Electronic Equipment Protection Policy	Texas Municipal League (8795) Expires 11-4-04	\$9,966,264 Blanket Loss Limit \$5,000 deductible
Outdoor Antennas	Texas Municipal League (8795) Expires 11-4-04	\$152,000 Basic Coverage \$5,000 deductible
Exhibition Floater Corpus Christi Museum	Texas Municipal League (8795) Expires 11-4-04	\$500,000 limit per exhibit \$1,000 deductible
Fine Arts Floater Central Library	Texas Municipal League (8795) Expires 11-4-04	\$159,000 special form \$500 deductible
Boiler and Machinery	Texas Municipal League (8795) Expires 11-4-04	\$20,000,000 limit per occurrence \$1,000 deductible
<b>2. Flood Insurance</b>		
Primary Flood Specified City Buildings	National Flood Program/ Fidelity National Insurance Co. (various) Expires 11-4-04	Bldg. - \$500,000 each building Contents - \$500,000 each building \$2000 deductible per occurrence per bldg. or per contents

the City of Corpus Christi, Texas

Table 20

ALL FUNDS  
INSURANCE AND SURETY BONDS IN FORCE  
FISCAL YEAR ENDED JULY 31, 2004

<u>Type of Insurance</u>	<u>Insurer and Policy Number</u>	<u>Amount of Coverage</u>
Excess Flood	Texas Municipal League (8795) Expires 11-4-04	\$10,000,000 annual aggregate \$25,000 deductible
3. <u>Employee's Dishonesty/Crime Policy</u>	Great American Insurance Co. (GVT-268-76-97) Expires 11-4-04	\$1,000,000 per employee per occurrence \$1,000 deductible
4. <u>Excess Worker's Compensation</u>	State National Insurance Co. MDB-02191-89 Expires 3-1-05	\$1,000,000 per accident or employee \$2,000,000 aggregate \$350,000 SIR
5. <u>Gas Utility Excess Liability</u>	Texas Municipal League (8795) Expires 11-4-04	\$10,000,000 limit per occurrence \$250,000-General Liability/Pollution deductible
6. <u>General Liability</u> Columbus Ships/Museum	Texas Municipal League (8795) Expires 11-4-04	\$500,000 each occurrence \$100,000 deductible
Special Events Policy July 4th Celebration	Natilus Ins. Co. NC 356449 Expires 7-4-04	\$1,000,000 bodily injury/property damage General Aggregate limit w/\$500 deductible per claim; \$5,000 medical expense limit
7. <u>Automobile Policy</u> TB Clinic Van	Texas Municipal League (8795) Expires 11-4-04	\$500,000 bodily injury/property damage \$25,000-General Liability/Pollution Actual Cash Value - physical damage \$250 deductible
8. <u>Airport</u> Primary Airpory Liability	Texas Municipal League (8795) Expires 11-4-04	\$20,000,000 limit, \$5,000 each occurrence deductible and \$10,000 annual aggregate deductible.
Excess Airport Liability	Underwriters at Lloyds Various Expires 11-4-04	\$55,000,000 liability limit in excess of \$20,000,000 (\$75,000,000 max.)

the City of Corpus Christi, Texas

**ECONOMIC AND DEMOGRAPHIC DATA  
FISCAL YEARS ENDED 1995 THROUGH 2004**

<u>Year</u>	<u>Population</u>	<u>Median Age of Population</u>	<u>Personal Income</u>	<u>Residential Housing Units</u>	<u>Local Unemployment Rate (%)</u>	<u>Number of Jobs in Community</u>
	(4)	(4)	(1)	(4)	(1)	(1)
1995	270,124	31.1	18,399	103,499	8.3	160,586
1996	279,528	31.1	21,695	103,936	8.6	166,350
1997	284,836	27.5	22,925	104,811	8.3	165,171
1998	288,570	32.5	25,354	106,925	7.5	166,984
1999	295,920	32.7	25,425	107,406	7.4	167,216
2000	277,454 (5)	33.2	25,384	107,831 (5)	6.8	167,067
2001	280,228	32.2	28,197	109,146	6.3	166,896
2002	279,780	33.6	29,410	110,927	6.7	166,873
2003	287,290	33.2	30,097	113,017	7.1	172,413
2004	290,163	34.2	31,018	115,810	6.7	172,259

Source: (1) State Department of Human Resources  
 (2) State Comptroller's Office  
 (3) Public Library  
 (4) City Staff  
 (5) Census

the City of Corpus Christi, Texas

Table 21

<u>Retail Sales</u>	<u>Number of Business Units</u>	<u>Gross Business Receipts</u>	<u>Number of Acres Devoted To Business</u>	<u>Consumer Price Index (All Urban Wage Earners)</u>	<u>Consumer Price Index (Conversion with 1982-84 as Base Years)</u>
(2)	(4)	(2)	(4)	(3)	(3)
\$ 3,171,045,925	5,491	\$ 8,187,335,461	8,888	449.0	148.2
3,198,861,325	5,596	8,495,955,065	8,709	461.7	152.2
3,332,910,826	5,606	9,554,562,473	8,829	473.6	156.4
3,551,913,969	5,669	10,461,617,789	9,271	482.6	158.8
3,531,294,912	5,666	9,060,803,047	9,325	491.5	161.4
3,598,011,938	5,666	10,456,923,308	9,325	484.5	166.5
3,662,099,668	5,782	15,996,908,404	9,508	572.3	172.1
3,893,547,107	5,975	14,137,841,207	9,508	521.3	174.5
3,928,015,383	6,003	12,793,081,345	14,082	530.2	178.4
4,079,137,341	6,085	14,306,933,772	13,490	542.1	182.2

the City of Corpus Christi, Texas

MISCELLANEOUS STATISTICAL DATA  
FISCAL YEAR ENDED JULY 31, 2004

GOVERNMENT: (1)

Date of incorporation	1852
Charter:	
Original charter	March 15, 1909
Revised	April 20, 1926
Revised	October 9, 1945
Revised	May 25, 1955
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
Form of government:	
Council-Manager	October 9, 1945
Fiscal year begins	August 1st
Number of City employees	3,317

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	353.8
		<u>504.3</u>

POPULATION:	Year	Primary Trade Area	Population
	1950	293,661	108,053
	1960	382,423	167,690
	1970	359,523 (A)	204,525
	1980	400,500	232,134
	1990	435,739	257,453
	1998	485,356	288,570
	1999	491,310	295,920
	2000 (Census)	474,155	277,454
	2001	478,896	280,228
	2002	483,686	279,780

(A) Primary Trade Area for 1970 limited to a five (5) county metropolitan area consisting of Aransas, Jim Wells, Kleberg, Nueces and San Patricio counties per Coastal Bend Council of Governments. Prior to 1970, the Primary Trade area included nine (9) counties.

ELEVATION: Sea level to 85 feet

TEMPERATURE: 80.86 maximum average  
63.24 minimum average  
71.33 mean average

the City of Corpus Christi, Texas

Table 22

SEASONAL RAINFALL

32.25 inches average  
40.89 inches for fiscal year ended 7-31-04

MUNICIPAL FACILITIES: (1)

Buildings: (City Owned)

Expenditures for fiscal year ended 7-31-04 \$ 2,148,740  
Total square footage, approximate 2,850,000

Airport:

Number of airports 1  
Number of acres 2,428  
Length of main runways 7,500 & 6,080  
Scheduled airline arrivals and departures per year 20,228  
Passengers enplaning and deplaning per year (including commercial helicopters) 719,830

Fire Protection: (Including Emergency Medical System)

Number of stations 16  
Fire apparatus 39  
Other motorized vehicles 62  
Number of fire hydrants 8,300  
Number of firemen 395  
Number of employees - firemen and civilians 418  
Employees per 1000 population (2000 Census) 1.51  
State Fire Insurance Credit Class 4 Rating

Libraries:

Number of libraries 5  
Number of volumes 446,830  
Circulation 1,149,994  
Library cards in force 124,624  
Computer usage, sessions 524,400

Parks and Recreation:

Number of parks 189  
Expenditures for fiscal year ended 7-31-04 \$ 6,316,568  
Park acreage developed 1,408  
Park acreage partially developed 171  
Playgrounds 139  
Municipal beaches 4  
Marina slips 558  
Municipal golf courses 2  
Municipal golf links - acres 378  
Swimming pools 10  
Tennis courts 49  
Baseball diamonds 25  
Softball diamonds 5  
Recreation centers 5  
Senior centers 8  
Gymnasiums 2  
Covered basketball courts 2

(Continued)

**MISCELLANEOUS STATISTICAL DATA  
FISCAL YEAR ENDED JULY 31, 2004**

**MUNICIPAL FACILITIES: (Continued)**

**Police Protection:**

Number of stations	4
Number of vehicles	301
Number of commissioned police officers	448
Number of employees - police officers and civilians	674
Officers per 1000 population (2000 Census)	2.43
School crossing guards	83
Area of responsibility - land area	150.48 Sq. Miles

**Public Works:**

Paved streets	1,097
Unpaved streets	13
Paved alleys	24
Unpaved alleys	9
Streets lights	14,670

**Utilities:**

**Municipal Gas System:**

Average daily consumption	8,964 MCF
Gas mains	1,279 Miles
Gas connections	55,789

**Municipal Wastewater System:**

Sanitary sewer mains	1,292 Miles
Sewer connections at July 31, 2004	78,788
Lift stations	93

**Municipal Water System:**

Average daily gallons treated & raw water sold	90,770,847
Average daily consumption per capita (2000 Census)	122 Gallons
Water pipe	1,445 Miles
Water connections	82,944
Storm water drainage ditches	865 Miles
Storm water underground pipe	1,000 Miles



the City of Corpus Christi, Texas

Table 22  
(Continued)

PORT OF CORPUS CHRISTI: (2)

Tonnage handled through the Port during the year 2003	85,131,124
Number of ships handled during the year 2003	1,979
Number of barges handled during the year 2003	4,787

Public Docks:

Bulk oil	11
Dry cargo	8
Bulk materials	2
Total	<u>21</u>

Private Docks

Dry Cargo -	ADM/Growmark	1 -	Main Harbor
	Bay, Inc.	2 -	Main Harbor
	Heldenfels	1 -	Main Harbor
	Interstate Grain	1 -	Main Harbor
	Cemex USA	1 -	Main Harbor
	Texas Leheigh Cement	1 -	Main Harbor
	Corpus Christi Equipment Co.	1 -	Rincon
	Tor Minerals International, Inc.	1 -	Rincon
	Sherwin Alumina Company	1 -	La Quinta
	McDermott	1 -	Harbor Island
	Corpus Christi Day Cruises	1 -	Harbor Island
	Gulf Marine Fabricators	1 -	Ingleside
	Kiewit Offshore Services, Inc.	1 -	Ingleside
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
	Channel Investments	1 -	Jewel Fulton
	Arco	1 -	Jewel Fulton
	Braswell	1 -	Jewel Fulton
	Total	<u>32</u>	

Source: (1) City Staff  
(2) Port of Corpus Christi



City of  
Corpus  
Christi

**Collier, Johnson  
& Woods**

A Professional  
Corporation

Certified Public Accountants  
555 N. Carancahua - Suite 1000  
Corpus Christi, Texas  
78478-0052  
(361) 884-9347  
FAX (361) 884-9422

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

December 23, 2004

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, 2004, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 23, 2004. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the City in a separate letter dated December 23, 2004.

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 one instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings and questioned costs as item 2004-1.

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.

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

December 23, 2004

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, 2004. 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 standard 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, 2004.

### 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 requirements that could have a direct and material effect on a major federal 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 in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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 FINDINGS AND QUESTIONED COSTS

YEAR ENDED JULY 31, 2004

**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 reportable conditions 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 reportable conditions 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 on Internal Control over Compliance Required by 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. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this schedule.
7. The programs tested as major programs included:
  - U.S. Department of Transportation:  
Airport Improvement Programs (CFDA – 20.106)
  - U.S. Department of Agriculture  
Women, Infants & Children (CFDA – 10.557)
  - U.S. Department of Justice  
Local Law Enforcement Block Grant (CFDA – 16.592)
  - U.S. Department of Education  
LSA (CFDA – 45.310)
  - U.S. Department of Health and Human Services  
Title III, Part C – Elderly Nutrition Services (CFDA – 93.045)
  - Office of Domestic Preparedness\  
Preparedness Equipment Support Program (CFDA – 97.004)
8. The dollar threshold for distinguishing Type A and Type B programs was \$429,592.
9. The City of Corpus Christi, Texas qualifies as a low-risk auditee.

**Financial Statement Findings**

NONE

**Federal Awards Findings and Questioned Costs**

<u>REF. #</u>	<u>PROGRAM</u>	<u>FINDING</u>	<u>QUESTIONED COSTS</u>
2004-1	General Compliance Requirements/ Civil Rights	The City has four pending civil rights violations cases of which the outcome cannot be determined. The City's management believes the outcome will be favorable. This is a repeat finding from the prior year.	Unknown
<u>REF. #</u>	<u>PROGRAM</u>	<u>STATEMENT OF CORRECTIVE ACTION TAKEN</u>	
2004-1	General Compliance Requirements/ Civil Rights	The City's prescribed policies and procedures comply with the general compliance requirements and, accordingly, the City believes the outcome of these claims will be favorable.	



CITY OF CORPUS CHRISTI, TEXAS  
SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JULY 31, 2004

NONE

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2004

Federal Grantor/Pass-Through Grantor	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
<b>Federal Assistance</b>				
<b>U.S. Department of HUD</b>				
Direct Programs				
Comm. Dev. Block Grant-Entitlement 98-99	14.218	B98-MC48-0502	\$ 5,188,694	\$ 7,148
Comm. Dev. Block Grant-Entitlement 99-00		B99-MC48-0502	4,929,000	22,223
Comm. Dev. Block Grant-Entitlement 00-01		B00-MC48-0502	6,093,562	149,912
Comm. Dev. Block Grant-Entitlement 01-02		B01-MC48-0502	6,281,519	637,585
Comm. Dev. Block Grant-Entitlement 02-03		B02-MC48-0502	5,201,842	787,623
Comm. Dev. Block Grant-Entitlement 03-04		B03-MC48-0502	5,201,842	2,738,081
			<u>32,896,459</u>	<u>4,342,572</u>
Emergency Shelter 02-03	14.231	S02-MC48-0502	175,000	101,651
Emergency Shelter 03-04		S03-MC48-0502	175,000	122,250
			<u>350,000</u>	<u>223,901</u>
Home Project 00-01	14.239	M-00-MC-48-0502	1,787,000	84,450
Home Project 01-02		M-01-MC-48-0502	1,992,000	18,336
Home Project 02-03		M-02-MC-48-0502	1,992,000	1,179,845
Home Project 03-04		M-03-MC-48-0502	1,938,716	287,931
			<u>7,709,716</u>	<u>1,570,562</u>
Total U.S. Department of HUD			<u>40,956,175</u>	<u>6,137,035</u>
<b>Office of National Drug Control Policy</b>				
Direct Program				
Texas Coastal Corridor 02	16.000	I2PHNP517	140,688	39,922
Texas Coastal Corridor 03		I3PHNP517	121,114	106,614
Total Office of National Drug Control Policy			<u>261,802</u>	<u>146,536</u>
<b>U.S. Department of Justice</b>				
Direct Programs				
Domestic Preparedness Equip. Support 01	16.007	2002-TE-CX-0028	280,000	12,604
Asset Forfeiture II 00-01	16.592	00A-2510000-YHDQR71	100,000	14,086
Local Law Enf Block Grant 02	#5	2002-LB-BX-2427	267,626	215,097
Local Law Enf Block Grant 03		2003-LB-BX-2505	198,581	108,067
			<u>566,207</u>	<u>337,250</u>
Weed and Seed Program, Site I 02-05	16.595	2002-WS-QX-0005	675,000	179,048
Weed and Seed Program, Site II 02-05		2003-WS-QX-0128	450,000	164,295
			<u>1,125,000</u>	<u>343,343</u>
Total U.S. Department of Justice			<u>1,971,207</u>	<u>693,197</u>

(Continued)

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2004

Federal Grantor/Pass-Through Grantor	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
U.S. Department of Transportation				
Direct Programs				
Airport Improvement Programs				
	20.106			
Term Apron II/Impr A/F Lighting control System	#5	3-48-0051-32	1,950,400	405,843
Terminal Imp., Ph2; Drainage, Ph3		3-48-0051-34	5,219,461	2,283,827
		3-48-0051-35	1,538,373	89,863
			<u>8,708,234</u>	<u>2,779,533</u>
Passed through State Dept. of Highways and Public Transportation				
State & Community Highway Safety				
	20.600			
Impaired Driving Mobilization Step 03-04		584XXF6123	74,913	40,869
Intersection Traffic Control Step 02-03		583XXF6024	46,058	8,702
DWI Step 02-03		583XXF6026	121,821	37,999
DWI Step 03-04		584XXF6047	48,401	41,001
			<u>291,193</u>	<u>128,571</u>
Click It or Ticket Step 2003	20.604	583XXF6125	79,990	36,647
Click It or Ticket Step 2004		584XXF6133	35,629	25,537
			<u>115,619</u>	<u>62,184</u>
Total Passed Through Programs			<u>406,812</u>	<u>190,755</u>
Total Department of Transportation			<u>9,115,046</u>	<u>2,970,288</u>
Equal Employment Opportunity Commission Direct Program				
Employment Discrimination-State & Local Anti-Discrimination Agency Contracts				
	30.002			
Human Relations Contract 02-03		3FPSLP0207	79,900	37,700
Human Relations Contract 03-04		3FPSLP0207	67,700	46,000
Total Equal Employment Opportunity Commission			<u>147,600</u>	<u>83,700</u>
U.S. Department of Education				
Passed through Texas State Library & Archives Commission				
Library Services:				
LSA 02-03	45.310	470-03004	753,411	80,278
LSA 03-04	#5	470-04004	635,691	557,163
TANG 02-03		476-03014	69,309	10,278
TANG 03-04		476-04014	78,900	67,489
ILL 02-03		771-03040	126,604	10,826
ILL 03-04		771-04040	127,226	124,153
Lone Star Libraries Grant 02-03		442-03107	16,353	2,990
Lone Star Libraries Grant 03-04		442-04107	14,771	14,691
Tex Treasures Grant		713-03047	9,000	209
Total Department of Education			<u>1,831,265</u>	<u>868,077</u>

(Continued)

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2004

Federal Grantor/Pass-Through Grantor	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
U.S. Environmental Protection Agency				
Vulnerability Assessment of Water System	66.476	HS-82988901	115,000	9,474
Total Environmental Protection Agency			<u>115,000</u>	<u>9,474</u>
Federal Emergency Management Agency				
Passed through Texas Department of Public Safety				
Facilities and Equipment Grant Program	83.522	0509H2	9,800	2,925
Federal Fire Act Grant	85.554	EMW-2002-FG-02921	27,216	5,482
Pre-Disaster Mitigation Grant Program	83.557	PDM02-005	125,000	45,612
Total Federal Emergency Management Agency			<u>162,016</u>	<u>54,019</u>
Corporation for National and Community Service				
Direct Programs				
Retired Senior Volunteer Program 03-04	94.002	02SRWTX033	52,803	2,705
Retired Senior Volunteer Program 04-05		02SRWTX033	54,915	50,312
			<u>107,718</u>	<u>53,017</u>
Senior Companion Program 03-04	94.016	01SCWTX002	271,525	237,142
Senior Companion Program 04-05		03SCWTX002	271,525	41,615
			<u>543,050</u>	<u>278,757</u>
Total Corporation for National & Community Service			<u>650,768</u>	<u>331,774</u>
Office for Domestic Preparedness				
Passed through Texas Engineering Extension Service				
Preparedness Equipment Support Program	97.004	N/A	383,952	383,952
Total Office for Domestic Preparedness	#5		<u>383,952</u>	<u>383,952</u>
U.S. Department of Health and Human Services				
Passed through Texas Department on Aging				
Special Programs for the Aging - Title IIIB, Part B - Grants For Supportive Services and Senior Centers				
Elderly Nutrition Services 02-03	93.044	AA3-0348-4	42,441	17,068
Elderly Nutrition Services 03-04		AA3-0448-4	41,852	35,340
			<u>84,293</u>	<u>52,408</u>
Special Programs For The Aging - Title III, Part C -				
Elderly Nutrition Services 02-03	93.045	AA3-0348-4	761,148	157,175
Elderly Nutrition Services 03-04	#5	AA3-0448-4	707,349	637,359
			<u>1,468,497</u>	<u>794,534</u>
Special Programs For The Aging - Title III, Part E - Area Agency on Aging 03-04	93.052	AA3-0448-4	26,129	26,129
			<u>26,129</u>	<u>26,129</u>

(Continued)

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2004

Federal Grantor/Pass-Through Grantor	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/Expenditures
Development of a Metropolitan Medical Response System	93.113	282-00-0040	400,000	63,891
Passed through Texas Department of Health				
Project Grants and Cooperative Agreements for TB Control				
TB/PC 2002	93.116	7460005741-03-01	87,979	982
TB/PC 2003		7460005741-04-01	87,979	83,584
TB/PC 2004		7460005741-05-01	87,979	5,665
			<u>263,937</u>	<u>90,231</u>
Immunization Grants				
Immunization/AP-LHS 02-03	93.268	7460005741-03-04	124,223	63,581
Immunization/AP-LHS 03-04		7460005741-03-04	165,630	46,866
			<u>289,853</u>	<u>110,447</u>
Preventive Health/Health Services Block Grant				
BRLHO/STD 02-03	93.991	7460005741-03-04	37,950	3,725
BRLHO/STD 03-04		7460005741-04-04	37,950	7,330
BRLHO/LAB 02-03		7460005741-03-04	40,025	15,794
BRLHO/LAB 03-04		7460005741-04-04	40,025	40,025
BRLHO/Envmt 02-03		7460005741-03-04	40,000	10,323
BRLHO/Envmt 03-04		7460005741-04-04	40,000	40,000
Lab Bioterrorism Preparedness		7460005741-03-07	136,104	91,476
Lab Bioterrorism Preparedness		7460005741-04-07	136,104	108,379
Vector Borne Diseases		7460005741-2003	150,000	10,329
			<u>658,158</u>	<u>327,381</u>
Passed through Texas Department of Human Services				
Social Services Block Grant				
Meals on Wheels 02-03	10.570	PS-08-292-P-02	257,076	56,667
Meals on Wheels 03-04		PS-08-292-P-02	239,355	164,428
			<u>496,431</u>	<u>221,095</u>
Total Department of Health and Human Services			<u>3,687,298</u>	<u>1,686,116</u>
U.S. Department of Agriculture				
Passed through Texas Dept. of Health				
Special Supplemental Food Program for				
Women, Infants & Children 02-03	10.557	74600057412003	631,000	149,840
Women, Infants & Children 03-04	#5	74600057412004	600,000	495,200
			<u>1,231,000</u>	<u>645,040</u>
Passed through Texas Department of Human Services				
After School Snack Program 02-03	10.558	TX178-1009	283,084	16,477
After School Snack Program 03-04		TX178-1009	206,451	100,617
			<u>489,535</u>	<u>117,094</u>

(Continued)

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2004

Federal Grantor/Pass-Through Grantor	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/Expenditures
Summer Food Program 02-03	10.559	TX178-1009	446,823	15,937
Summer Food Program 03-04		TX178-1009	416,840	263,457
			<u>863,663</u>	<u>279,394</u>
Total Department of Agriculture			<u>2,584,198</u>	<u>1,041,528</u>
U.S. Department of Interior				
Bureau of Reclamation				
Learning to be Water wise	15.BBR	02FG601635	47,194	6,166
Site Security Impr.and Enhancements at Choke Canyon	15.BBF	006FC601449	205,065	2,295
			<u>252,259</u>	<u>8,461</u>
Fishing and Wildlife Department				
Passed Through Boating Infrastructure Grant (BIG)				
Marina Restroom Facility	15.662	BIG-001	200,000	22,052
Total Department of Interior			<u>452,259</u>	<u>30,513</u>
Total Federal and passed through assistance			<u>\$ 62,318,586</u>	<u>\$ 14,436,209</u>

**NOTES TO SCHEDULE OF FEDERAL EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2004**

**1. General**

The accompanying Schedule of Federal Expenditures of Awards presents the activity of all Federal 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 and passed through other governmental agencies is included on the Schedule.

**2. Basis of Accounting**

The accompanying Schedule of Federal Expenditures of Awards is presented using the modified accrual basis of accounting, which is described in Note 2 to the City's general purpose financial statements.

**3. Relationship to Basic Financial Statements**

A reconciliation of Federal Program expenditures as reported in the City's general purpose financial statement follows:

General Fund	\$ 83,700
Special Revenue Funds	
Federal/State Grants	9,971,901
Corpus Christi Community Improvement	1,570,562
Enterprise Funds:	
Airport Fund	2,779,533
Water	8,461
Marina	22,052
	<u>\$ 14,436,209</u>

**4. Relationship to Federal Financial Reports**

Amounts reported in the Schedule of Federal Expenditures of Awards may not agree with the amounts reported in the related Federal 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's self-insured due to the high cost of commercial life, health, and liability insurance. Commercial property insurance for \$80 million on City buildings, \$75 million in airport liability; \$25 million of excess gas utility liability insurance, and an excess insurance policy which covers workers' compensation claims in excess of \$250,000 per accident up to \$10 million is maintained.