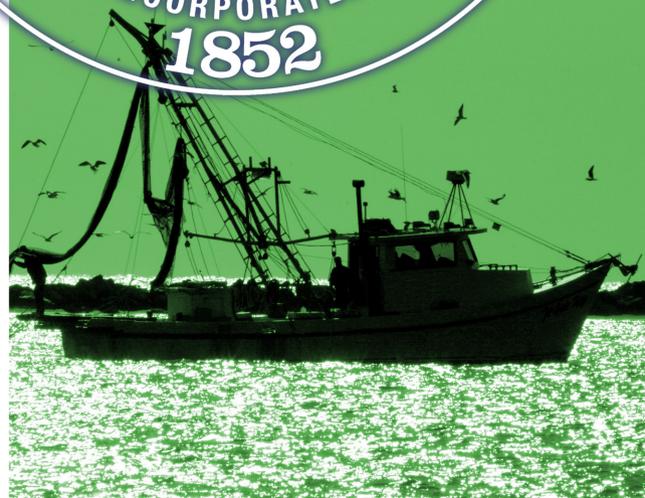
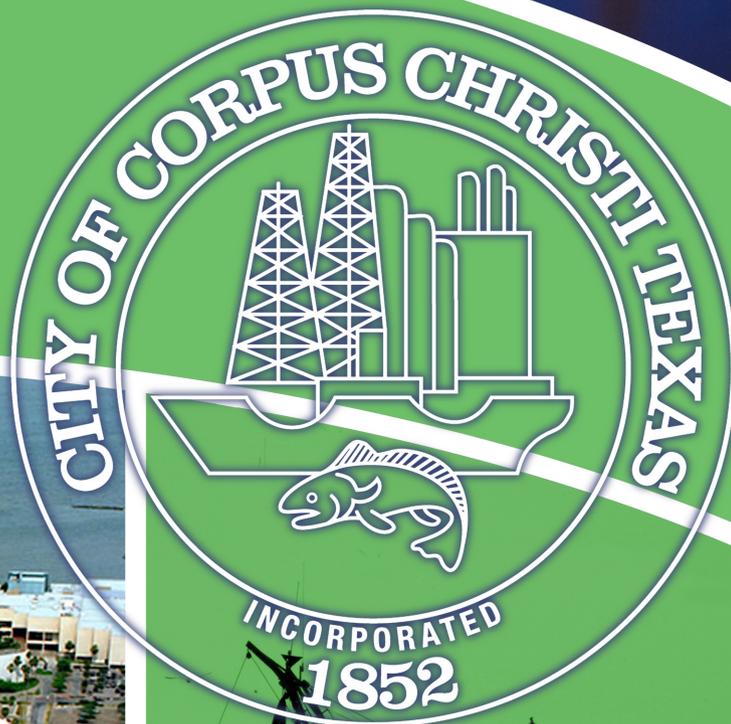


CITY OF CORPUS CHRISTI, TEXAS



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR
ENDED JULY 31, 2010



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City of
Corpus
Christi

CITY OF CORPUS CHRISTI, TEXAS

Comprehensive Annual Financial Report

For Fiscal Year Ended July 31, 2010

CITY COUNCIL

Mayor

Joe Adame

City Council Members

Chris Adler

Brent Chesney

Larry Elizondo, Sr.

Kevin Kieschnick

Priscilla G. Leal

John E. Marez

Nelda Martinez

Mark Scott

City Manager

Ángel R. Escobar

Assistant City Managers

Oscar R. Martinez

Cindy O'Brien, CPA, Interim

Johnny Perales

Margie C. Rose

Director of Financial Services

Constance P. Sanchez, CPA, CPM, Interim

Controller

Anna S. Marquez, CPA

Chief Accountant

Martha A. Messer, CPA

Prepared by the staff of the Financial Services Department



City of
Corpus
Christi

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Alma Iris Casas
Evelyn W. Desrosiers
Priscilla Garza
Jerome J. Joslin
Crystalina Perez
Olga Plomarity, CPM
Vanessa Riggs
Adelita S. Rowland
Aldilia Saldivar
Vanessa Wahl*

**Comprehensive Annual Financial Report
For the Fiscal Year Ended July 31, 2010**

TABLE OF CONTENTS

	<u>Exhibit Number</u>	<u>Page Number</u>
INTRODUCTORY SECTION		
Letter of Transmittal		i
GFOA Certificate of Achievement for Excellence in Financial Reporting		xiii
City Organizational Chart		xiv
 FINANCIAL SECTION		
Independent Auditor's Report		1
Management's Discussion and Analysis		3
Basic Financial Statements		
Government-wide Financial Statements		
Statement of Net Assets	1-A	18
Statement of Activities	1-B	20
Fund Financial Statements		
Governmental Funds		
Balance Sheet	2-A	22
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	2-B	25
Statement of Revenues, Expenditures, and Changes in Fund Balance	2-C	26
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	2-D	29
General Fund Statement of Revenues, Expenditures, and Changes In Fund Balance - Budget (GAAP Basis) and Actual	3	30
Proprietary Funds		
Statement of Net Assets	4-A	32
Reconciliation of the Proprietary Funds Statement of Net Assets to the Government-wide Statement of Net Assets	4-B	35
Statement of Revenues, Expenses, and Changes in Net Assets	4-C	36
Reconciliation of the Proprietary Funds Statement of Revenues, Expenses and Changes in Fund Balance to the Statement of Activities	4-D	37
Statement of Cash Flows	4-E	38
Fiduciary Funds		
Statement of Net Assets	5-A	40
Statement of Changes in Fiduciary Net Assets	5-B	41
Notes to the Financial Statements		
Note 1 - Summary of Significant Accounting Policies		43
Note 2 - Budget Policy and Budgetary Accounting		50
Note 3 - Sales Tax Revenue		51
Note 4 - Property Taxes		51

TABLE OF CONTENTS

	<u>Exhibit Number</u>	<u>Page Number</u>
Note 5 - Deposits and Investments		52
Note 6 - Budgetary Data		53
Note 7 - Receivables		54
Note 8 - Capital Assets		55
Note 9 - Employment Retirement Benefits		58
Note 10 - Post-Employment Health Care Benefits		62
Note 11 - Risk Management		64
Note 12 - Operating Leases		65
Note 13 - Commercial Paper		65
Note 14 - Long-term Obligations		66
Note 15 – Defeased Debt		75
Note 16 - Interfund Transfers, Receivables and Payables		76
Note 17 - Fund Deficits		77
Note 18 - Conduit Debt Obligations		77
Note 19 - Segment Information for Enterprise Funds		78
Required Supplementary Information		
Employment Retirement Benefits - Analysis of Funding Progress		79
Combining and Individual Fund Financial Statements and Schedules		
Governmental Funds		
General Fund		
Comparative Balance Sheets	6-A	81
Schedule of Revenues and Other Financing Sources (Budget Basis), Compared to Budget	6-B	82
Schedule of Expenditures (Budget Basis), Compared to Budget	6-C	96
Debt Service Fund		
Comparative Balance Sheets	7-A	105
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	7-B	106
Non-major Governmental Funds		
Combining Balance Sheet	8-A	110
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances	8-B	112
Special Revenue Funds		
Combining Balance Sheet	9-A	116
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	9-B	124

TABLE OF CONTENTS

	<u>Exhibit Number</u>	<u>Page Number</u>
Visitors Facilities Fund		
Comparative Balance Sheets	10-A	128
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	10-B	129
Hotel Occupancy Tax Fund		
Comparative Balance Sheets	11-A	130
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	11-B	131
Redlight Photo Enforcement Fund		
Comparative Balance Sheets	12-A	132
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	12-B	133
Federal/State Grants Fund		
Comparative Balance Sheets	13-A	134
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	13-B	135
Community Enrichment Fund		
Comparative Balance Sheets	14-A	136
Statement of Revenues, Expenditures, and Changes in Fund Balance	14-B	137
Infrastructure Fund		
Comparative Balance Sheets	15-A	138
Statement of Revenues, Expenditures, and Changes in Fund Balance	15-B	139
Local Emergency Planning Committee		
Comparative Balance Sheets	16-A	140
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	16-B	141
Corpus Christi Community Improvement Corporation		
Comparative Balance Sheets	17-A	142
Statement of Revenues, Expenditures, and Changes in Fund Balance	17-B	143
Corpus Christi Housing Finance Corporation		
Comparative Balance Sheets	18-A	144
Statement of Revenues, Expenditures, and Changes in Fund Balance	18-B	145
Corpus Christi Industrial Development Corporation		
Comparative Balance Sheets	19-A	146
Statement of Revenues, Expenditures, and Changes in Fund Balance	19-B	147

TABLE OF CONTENTS

	<u>Exhibit Number</u>	<u>Page Number</u>
Corpus Christi Crime Control and Prevention District		
Schedule of Net Assets	20-A	148
Schedule of Activities	20-B	149
Comparative Balance Sheets	20-C	150
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	20-D	151
Corpus Christi Business and Job Development Corporation		
Schedule of Net Assets	21-A	152
Schedule of Activities	21-B	153
Balance Sheets	21-C	154
Schedule of Revenues, Expenditures, and Changes in Fund Balance	21-D	156
Seawall Improvement Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	21-E	158
Arena Facility Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	21-F	159
Economic Development Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	21-G	160
Seawall Debt Service Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	21-H	161
Arena Debt Service Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	21-I	162
Economic Development Debt Service Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	21-J	163
North Padre Island Development Corporation		
Schedule of Net Assets	22-A	164
Schedule of Activities	22-B	165
Balance Sheets	22-C	166
Schedule of Revenues, Expenditures, and Changes in Fund Balance	22-D	167
General Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	22-E	169
Reinvestment Zone #3		
Comparative Balance Sheets	23-A	170
Statement of Revenues, Expenditures, and Changes in Fund Balance	23-B	171

TABLE OF CONTENTS

	<u>Exhibit Number</u>	<u>Page Number</u>
Capital Projects Funds		
Combining Balance Sheet	24-A	174
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	24-B	178
Proprietary Funds		
Enterprise Funds		
Utility System Fund		
Combining Schedule of Net Assets	25-A	184
Combining Schedule of Revenues, Expenses, and Changes in Net Assets	25-B	187
Combining Schedule of Cash Flows	25-C	188
Gas System		
Comparative Schedule of Net Assets	26-A	190
Comparative Schedule of Revenues, Expenses, and Changes in Net Assets	26-B	193
Comparative Schedule of Cash Flows	26-C	194
Water System		
Comparative Schedule of Net Assets	27-A	196
Comparative Schedule of Revenues, Expenses, and Changes in Net Assets	27-B	199
Comparative Schedule of Cash Flows	27-C	200
Wastewater System		
Comparative Schedule of Net Assets	28-A	202
Comparative Schedule of Revenues, Expenses, and Changes in Net Assets	28-B	205
Comparative Schedule of Cash Flows	28-C	206
Non-major Proprietary Funds		
Combining Statement of Net Assets	29-A	208
Combining Statement of Revenues, Expenses, and Changes in Net Assets	29-B	211
Combining Statement of Cash Flows	29-C	212
Airport Fund		
Comparative Statement of Net Assets	30-A	214
Comparative Statement of Revenue, Expenses, and Changes in Net Assets	30-B	217
Comparative Statement of Cash Flows	30-C	218
Golf Centers Fund		
Comparative Statement of Net Assets	31-A	221
Comparative Statement of Revenues, Expenses, and Changes in Net Assets	31-B	222
Comparative Statement of Cash Flows	31-C	223
Schedule of Operating Expenses by Function	31-D	224

TABLE OF CONTENTS

	<u>Exhibit Number</u>	<u>Page Number</u>
Marina Fund		
Comparative Statement of Net Assets	32-A	226
Comparative Statement of Revenues, Expenses, and Changes in Net Assets	32-B	228
Comparative Statement of Cash Flows	32-C	229
Internal Service Funds		
Combining Statement of Net Assets	33-A	232
Combining Statement of Revenues, Expenses, and Changes in Net Assets	33-B	234
Combining Statement of Cash Flows	33-C	236
Stores Fund		
Comparative Statement of Net Assets	34-A	241
Comparative Statement of Revenues, Expenses, and Changes in Net Assets	34-B	242
Comparative Statement of Cash Flows	34-C	243
Maintenance Service Fund		
Comparative Statement of Net Assets	35-A	244
Comparative Statement of Revenues, Expenses, and Changes in Net Assets	35-B	245
Comparative Statement of Cash Flows	35-C	246
Municipal Information Systems Fund		
Comparative Statement of Net Assets	36-A	249
Comparative Statement of Revenues, Expenses, and Changes in Net Assets	36-B	250
Comparative Statement of Cash Flows	36-C	251
Corpus Christi Digital Community Development Corporation		
Comparative Statement of Net Assets	37-A	253
Comparative Statement of Revenues, Expenses, and Changes in Net Assets	37-B	254
Comparative Statement of Cash Flows	37-C	255
Liability and Employee Benefits Fund		
Comparative Statement of Net Assets	38-A	257
Comparative Statement of Revenues, Expenses, and Changes in Net Assets	38-B	258
Comparative Statement of Cash Flows	38-C	259
Engineering Services Fund		
Comparative Statement of Net Assets	39-A	261
Comparative Statement of Revenues, Expenses, and Changes in Net Assets	39-B	262
Comparative Statement of Cash Flows	39-C	263

TABLE OF CONTENTS

	<u>Exhibit Number</u>	<u>Page Number</u>
Discretely Presented Component Units		
Combining Statement of Net Assets	40-A	266
Combining Statement of Activities	40-B	267
Coastal Bend Health Facilities Development Corporation		
Statement of Net Assets	41-A	268
Statement of Activities	41-B	269
Corpus Christi Convention and Visitors Bureau		
Statement of Net Assets	42-A	270
Statement of Activities	42-B	271
Capital Assets Used in the Operation of Governmental Funds		
Schedule by Source	43-A	273
Schedule by Function and Activity	43-B	274
Schedule of Changes by Function and Activity	43-C	280
 STATISTICAL SECTION		
Net Assets by Component	1	286
Changes in Net Assets	2	288
Governmental Activities Tax Revenues by Source	3	293
Fund Balances of Governmental Funds	4	294
Changes in Fund Balances of Governmental Funds	5	296
General Governmental Tax and Business Fees by Source	6	300
Assessed Value and Estimated Actual Value of Taxable Property	7	301
Property Tax Rates – Direct and Overlapping Governments	8	302
Principal Property Tax Payers	9	304
Property Tax Levies and Collections	10	305
Adopted Tax Rate	11	307
Ratios of Outstanding Debt by Type	12	308
Ratios of General Bonded Debt Outstanding	13	310
Direct and Overlapping Governmental Activities Debt	14	311
Legal Debt Margin Information	15	312
Pledged-Revenue Coverage	16	314
Demographic and Economic Statistics	17	315
Principal Employers	18	317
Full-time Equivalent City Government Employees by Function	19	318
Operating Indicators by Function	20	322
Capital Asset Statistics by Function	21	324
Miscellaneous Statistical Data	22	328
City Payroll Statistics	23	330
Retirement System Pension Data	24	331
Insurance and Surety Bonds in Force	25	332

	<u>Page Number</u>
SINGLE AUDIT SECTION	
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	335
Independent Auditor’s Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133	337
Schedule of Federal Findings and Questioned Costs	339
Independent Auditor’s Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major State Program and Internal Control over Compliance in Accordance with the State of Texas Single Audit Circular	341
Schedule of State Findings and Questioned Costs	343
Schedule of Federal/State Expenditures of Awards	345
Notes to Schedule of Federal/State Expenditures of Awards	355



City of
Corpus
Christi

January 28, 2011

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

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

FINANCIAL SERVICES

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Corpus Christi
Texas 78469-9277
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State law requires that every general-purpose local government publish at the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended July 31, 2010.

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

Collier, Johnson & Woods, P.C., Certified Public Accountants, have issued an unqualified (“clean”) opinion on the City of Corpus Christi, Texas (City)’s financial statements for the year ended July 31, 2010. The independent auditor’s report is located at the front of the financial section of this report.

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

PROFILE OF THE GOVERNMENT

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

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



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

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

The City is financially accountable for the Corpus Christi Community Improvement Corporation, the Corpus Christi Housing Finance Corporation, the Corpus Christi Industrial Development Corporation, the Corpus Christi Crime Control and Prevention District, the Corpus Christi Business and Job Development Corporation, the North Padre Island Development Corporation (which includes the Tax Increment Financing Zone Number 2), and the Corpus Christi Digital Community Development Corporation. These are shown as ‘blended component units’ within the City’s financial statements. The City of Corpus Christi has financial accountability for the legally separate Coastal Bend Health Facilities Development Corporation and the Corpus Christi Convention and Visitors Bureau, both of which are reported separately within the City’s financial statements. It should be noted that effective July 31, 2010, the Corpus Christi Digital Community Development Corporation was dissolved, and assets and liabilities of the Corporation were transferred to the City’s Municipal Information Systems fund. Additional information on these legally separate entities can be found in the notes to the financial statements.

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

ECONOMIC CONDITION

Local Economy

The City of Corpus Christi is the eighth largest city in the State of Texas with a population of approximately 300,000 based on the City’s 2010 estimate, an increase of approximately 1% from the prior year. The geographic location of the city on the Gulf of Mexico and the Intercoastal Waterway gives it one of the most strategic locations in the Southwest and has been important to its economic development. The Corpus Christi region has a varied manufacturing and industrial base. Major industries with headquarters or divisions located within the City’s boundaries, or in close proximity, include industrial, petrochemical, construction, meat processing, convenience store, banking, and financial services.

The federal government also has a major presence within the area with a federal courthouse and the largest industrial employer in South Texas – the Corpus Christi Army Depot, which employs over 5,900 people (including both employees of the Corpus Christi Army Depot and contract labor). The Corpus Christi Army Depot is the first military facility in the world to be certified to the standard for aerospace industry “Maintenance and Repair Overhaul (MRO)” facilities and is one of only five organizations in the world to be certified to this coveted standard. Additionally, in September 2010, the Corpus Christi Army Depot was awarded the Voluntary Protection Program (VPP) achievement which was the culmination of a five-year effort to improve safety conditions for the workforce at the depot.

Two bases make up the South Texas military complex: Naval Air Station – Corpus Christi and Naval Air Station – Kingsville (jet aviation training). The region’s third base, Naval Station Ingleside (base for the Navy’s mine warfare fleet), was officially closed on April 30, 2010. Since that time, the property reverted to the Port of Corpus Christi, and the Port of Corpus Christi has been trying to redevelop the 916-acre site of the former base, along with 433 adjacent acres. The Texas A&M University System has been involved in identifying potential tenants and interested buyers since April 2009 and continues to play a role in redevelopment of the Ingleside property. In addition, the Port continues to entertain offers from other interested buyers and tenants from a wide array of industries, including ship builders, marine service related industries, renewable technology companies, educational institutions and the State of Texas. Efforts to find a suitable tenant or tenants for the former Naval Station Ingleside property remain ongoing.

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

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

Port of Corpus Christi

The trade area’s principal outlet for agricultural and petroleum products is the Port of Corpus Christi, which opened to world markets in 1926. It is located along the southeastern coast of Texas on the Gulf of Mexico approximately 150 miles north of the Mexican border. The Port’s channel stretches over 30 miles and links the Corpus Christi Bay with the Gulf of Mexico. It is currently ranked as the seventh largest port in the United States and handled a volume of 76.5 million tons of cargo during the 2009 calendar year. The Port has many initiatives underway, including the Joe Fulton International Trade

Corridor and the La Quinta Gateway. The Joe Fulton International Trade Corridor encompasses an 11.5-mile road and rail project that connects two major highway components – US Highway 181 and Interstate Highway 37; thus establishing efficient intermodal links between highway, marine, and rail transportation systems. Construction began in 2004, and Phase I was completed in 2008. Phase II will rebuild a 2.5 mile section of substandard roadway and overlay 6.5 miles of Phase I work with asphalt. Funding to complete Phase II of this project is being provided from \$11.25 million of federal stimulus funds and \$3.75 million of the Port Authority's unrestricted net assets over 2009 and 2010. A second major initiative of the Port's long-term diversification plan is the La Quinta Gateway project and multi-purpose facility. In December 2009, the Port Authority approved a professional services agreement to design the initial phase of the multi-purpose facility. This 1,000-acre site will serve as a multi-purpose dock and terminal facility to handle a wide variety of general cargo including containers, military, wind turbines, steel pipe, and more. Completion of preliminary engineering for full build out and final design for the initial 800 foot to 1,000 foot dock will provide the necessary information to define costs and determine completion schedules. The goal is to complete the design and be ready to solicit bids for the first phase of construction by early 2011. Additionally, in December 2009, the US Army Corps of Engineers awarded the first construction contract associated with the extension for the La Quinta Channel. This contract for \$1.1 million will construct a 126-acre dredge material placement area for containment of sands and clay excavated to create the La Quinta Channel extension. This contract award is for the first of several construction projects required to complete the \$75 million plan to construct the La Quinta Channel Extension. Total improvements will cost approximately \$500 million. Funding for this project will come from federal assistance and revenue bonds, supported by a tariff increase. Since 2006, the Port has been receiving regular shipments of wind turbines at the Southside General Cargo Terminal. These turbines move efficiently by either truck or rail down the new Fulton Corridor to project sites in the panhandle and West Texas. These initial shipments, which are destined for projects in the Texas Panhandle, have helped make Texas the number one state in the nation of wind power production. Additionally in 2008, Las Brisas Energy Center, LLC, selected the Northside of the Inner Harbor as the site for the development of a state-of-the-art electric generating facility. If their permit application is approved, it is expected to create about 1,300 direct jobs and 2,600 indirect jobs during the construction phase. Project completion is expected by early 2014, creating from 80 to 100 direct and 150 to 175 indirect jobs once operating. Any delays in regulatory approval of their air permit application will delay this project completion accordingly. The Texas Commission on Environmental Quality (TCEQ) approved the air permit for Las Brisas on January 26, 2011. Although obtaining the air permit is a major step towards the building of the facility, there are two additional permits still pending: the wastewater permit and greenhouse gas permit.

Tourism

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

Construction Permits

The table below shows the number of permits and value of permits since fiscal year 2000-2001. With the downturn in the economy which began in 2008, new construction activity in Corpus Christi, as shown by the number of permits issued in each fiscal year, significantly decreased from fiscal year 2007-2008 to fiscal year 2008-2009. In fiscal year 2009-2010, the number of permits slightly increased (0.7%), but the value of the permits decreased by 9%:

<u>Year</u>	<u>Building Permits</u>	<u>Value</u>
2000-2001	4,761	\$ 149,264,763
2001-2002	5,207	154,763,863
2002-2003	7,854	333,016,517
2003-2004	7,111	295,984,882
2004-2005	5,781	387,122,472
2005-2006	5,989	450,750,242
2006-2007	5,699	503,027,247
2007-2008	5,118	343,865,608
2008-2009	4,022	286,139,536
2009-2010	4,052	260,412,022

Employment

The unemployment rate in Corpus Christi increased slightly from 7.3% in July 2009 to 7.7% in July 2010, according to the Texas Workforce Commission. Corpus Christi, however, was somewhat sheltered from the national downturn in that the national unemployment rate in July 2010 was 9.5%, as compared to Corpus Christi’s rate of 7.7%. Overall during the last ten years in Corpus Christi, the unemployment rate remained relatively stable (with a slight increase) – from 6.3% in 2001 to 7.7% in 2009. During this same ten-year time period, personal (per capita) income rose from \$24,141 to \$34,743 or 44%.

Major Expenditures

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

	<u>% increase</u> <u>from 2002 to 2010</u>
Police and municipal court	47.94%
Fire and ambulance	37.50%
Streets	35.88%
Health	32.61%
Parks and recreation	19.99%
Museums	37.94%
Community enrichment	583.42%
Community development	78.09%
Convention and visitor activities	110.50%

In the case of sworn personnel, as in previous years, much of the increase reflects a regional trend that has seen the salaries and benefits of police officers and firefighters growing at a much faster rate than those of other categories of public-sector employees. Additionally, the City Council has committed to implement improvements in public safety services consistent with strategic plans for those services. In the case of streets, the City Council has committed to its citizens to develop a street plan to improve the conditions of its streets – both in improvements to existing streets and in routine maintenance. In the case of health, the cost can be attributed to the expansion of programs, such as Animal Control, and for costs attributed to the education and prevention of the H1N1 virus. In the case of parks and recreation, the growth can be attributed to increased costs associated with increased development of parks in subdivisions and expansion of programs such as Latchkey. In the case of museums, the increase can be attributed to the increase in the number of sponsored programs and events. In the case of community enrichment, the growth can be attributed to the enhancement of amenities at Packery Channel. In the case of community development, the growth can be attributed to increased incentives offered by the Corpus Christi Business and Job Development Corporation to attract businesses to Corpus Christi. For convention and visitors activities, the growth is due to the operating expenditures for the City’s arena and convention center.

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

Long-term financing plan/relevant financing policies

Presentation of the unreserved, undesignated fund balance in the general fund has been expanded in the fiscal year 2009-10 financial statements. This year, a designation for major contingencies has been established in the unreserved fund balance in the general fund to comply with the financial policy guidelines set by the City Council for budgetary and planning purposes. The City Council established a goal several years ago to build and maintain an unreserved fund balance in the general fund which totals at least ten percent (10%) of the total annual general fund appropriations, excluding anticipated reimbursements and inter-fund transfers, within five years. Through the prudent and fiscally responsible leadership of the City's management, this goal has been met, and the balances have exceeded the 10% goal for the past ten years. This year, this amount has been designated separately as "designated for major contingencies" in the unreserved fund balance of the general fund, leaving an amount in unreserved, undesignated fund balance in excess of the 10% policy requirement which may be recommended for expenditure on one-time improvements, with a priority on infrastructure and equipment to reduce the need for future debt. In fiscal year 2009-2010, the designation for major contingencies represents 10.46% of total general fund expenditures, and the unreserved, undesignated fund balance represents 3.33 % of total general fund expenditures.

During the fiscal year 2009-10 budget process, the City Council reaffirmed the financial policy noted above, providing policies for maintenance of the general fund unreserved, undesignated balance at an adequate level and providing policy direction on preparation of the fiscal year 2009-10 budget. Specifically, the resolution reaffirmed the maintenance of a reserve in the general fund unreserved fund balance which totals at least ten (10%) percent of total annual general fund appropriations. Amounts in excess of the 10% policy requirement may be recommended for one-time improvement expenditures, with a priority on infrastructure and equipment that will reduce the need for future debt.

The City Council recognized the need to provide public services which support the continued growth of the local economy and personal income growth to insure an adequate financial base for the future. Priority for funding in fiscal year 2009-10 continued to be focused on improvements in public safety services consistent with strategic plans for those services and for infrastructure maintenance and repair. The City Council committed to making every effort to provide for such improvements without reducing current services in other areas.

The City Council also directed the City Manager to budget at least \$200,000 in fiscal year 2009-10 as an operating contingency as part of the general fund expenditures in order to further insulate the general fund's unreserved fund balance from unforeseen circumstances. A similar directive was made for operating contingencies in the enterprise and special revenue funds.

The remaining sections of the financial policy were consistent with the previous policy and included the need for a five-year financial plan for the general fund; the need to pursue revenue enhancements; quarterly financial reporting and monitoring; the use of nonrecurring revenue to fund one-time expenditures; the maintenance of strong debt

management practices; the maintenance of an acceptable level of fund balance in the general obligation debt service fund; reaffirmation of debt retirement practices; and continuation of a ten-year capital improvement plan.

Major Initiatives

During fiscal year 2009-10, the Mayor and City Council made tremendous progress on their goals established the previous year. These goals included: (1) the development of aggressive new economic development incentives and policies; (2) resolve Memorial Coliseum redevelopment through Requests for Proposals or other Council action; (3) improve Development Services' infrastructure; (4) support strong public safety, police, and fire; (5) Garwood Water Plan "Shovel-Ready" in three years; (6) the development of a street plan; (7) expand pride of appearance in City/incorporate community pride with clean cities; and (8) sustainability and renewable energy initiatives.

These eight goals established by the City Council in fiscal year 2009-10 continue to be integrated into those community goals established through the BoldFuture of the Coastal Bend initiative led by Del Mar College and Texas A&M University - Corpus Christi and financed in large part by the City of Corpus Christi. Tracking of the 89 community goals assigned to the City of Corpus Christi is ongoing, and City staff continues to look for opportunities to align assigned BoldFuture action items to established City Council goals.

The City Council's first goal was to develop aggressive, new economic development incentives and policies. The Economic Development department presented a newly-revised incentive policy to the City Council on November 17, 2009, that was approved that day. Since that time, this policy has attracted several new businesses to the area.

The City Council's second goal was to come to resolution regarding the Memorial Coliseum. The strategy to accomplish this goal was to issue a request for proposal (RFP) for redevelopment of the Memorial Coliseum and/or other City Council action. The Economic Development department issued a RFP and received five responses. Negotiations had been underway for the redevelopment of the Memorial Coliseum. The City Council's agreement was that if nothing was agreed upon by January 12, 2010, then they would vote to demolish the Memorial Coliseum. At the January 12, 2010 City Council meeting, an agreement had not been reached, and so it was the consensus of the City Council to begin the demolition process. The demolition of the Memorial Coliseum began in June 2010 and has been completed. Also in June 2010, the City Council passed a resolution endorsing an initiative called, "Destination Bayfront", to engage the public in a process to develop a citizen-driven master plan for the public space in the area around and including the former site of the Memorial Coliseum.

The City Council's third goal was to improve Development Services' infrastructure. The strategies to accomplish this goal included to improve the business processes at Development Services to provide higher customer service levels; to expand staff training opportunities at Development Services; to create customer outreach efforts; and to update regulatory resources. Great strides have been made at Development Services during this fiscal year. In April 2009, Development Services had a grand "re-opening" of its doors to

the public. Staff members were sent to customer service training to aid in the strategy of developing higher customer service levels. Additionally in the last fiscal year, a permanent assistant city manager was named for Development Services which allows for continuity for the department. Since that time, an electronic plan review process has been implemented and used successfully in new residential, new commercial, and signs applications. A full roll-out of this initiative is expected in early 2011. Monthly training on improving processes and work culture has been implemented at Development Services. Additionally, several staff are now certified “FEMA” (Federal Emergency Management Act) Flood Plain Managers. In an effort to create customer outreach, a “Homeowner’s Guide to Development” is in its final stages of completion. Finally, the City Council approved a Cottage Housing District ordinance and a Wind Energy ordinance during fiscal year 2009-10.

The City Council’s fourth goal was to support strong public safety, police, and fire. Many strategies were developed to accomplish this goal with the main action taken being the appointment of a new police chief, which occurred in October 2009. With over a year on the job, the new police chief has reorganized the Police Department which has resulted in more administrative positions eliminated in favor of putting police officers back on the street; formed 25 reorganization teams made of not only police officers but members of the community, as well; has engaged the community through various methods including the creation of a private non-profit group to donate to policing measures; and has provided a clear direction for the Police Department, utilizing a new mission statement based on three core objectives: reducing crime, reducing the fear of crime, and enhancing public safety.

Other strategies the City Council utilized to support strong public safety, police, and fire include utilization of new approaches to improve labor relations with police and fire unions; recruit and retain a high quality workforce for the Police Department; ensure capital assets meet department needs for the Police and Fire Departments; deliver quality services to effectively control risks to life, property and environment for the Police and Fire Departments; provide comprehensive training and professional development to ensure that personnel are fully prepared to effectively perform duties and responsibilities for the Police Department; promote safety, employee health and fitness for the Police and Fire Departments; provide comprehensive training and professional development for the Fire Department; and promote innovation and technology for the Police and Fire Departments. Each of these initiatives is ongoing and is expected to be completed by the end of 2010.

The City Council’s fifth goal was to develop the Garwood Water Plan to be “Shovel-Ready” in three years. The strategies to accomplish this goal include the completion of preliminary Phase A Plan, which includes water line route selection/acquisition; completion of design plans and construction specifications; preparation of a financial plan; and the creation and implementation of a public information campaign. On December 8, 2009, City staff made a presentation to the City Council with a project update regarding the Garwood Water Plan (also known as the Mary Rhodes Pipeline: Phase II). The plans are to make the project “shovel ready” by January 2012. During fiscal year 2009-2010, the City applied for and was granted \$8,000,000 from the Texas Water Development Board’s Infrastructure Fund Loan Program (Deferred) for planning, design and permitting of the Garwood Water Supply Project. The City then issued in April 2010, \$8,000,000 of City

of Corpus Christi, Texas Utility System Revenue Improvement Bonds, Series 2010 as a result of this process. Payments on this bond issue will be deferred for 10 years, as designed in the Water Infrastructure Fund Loan Program.

The City Council's sixth goal was to continue to develop a street plan through dedicated revenue (not including general obligation bonds). The strategies to accomplish this goal include an assessment of the City's existing street maintenance program report; an assessment of the street maintenance program variables; identification of funding requirements; development of a funding plan; and City Council recommendation and plan implementation. The recommended plan is that funds available in the operating budget be used mostly for preventative maintenance work to keep streets in the good and satisfactory categories from deteriorating. The major work for streets in the fair and poor categories will be accomplished through bond programs and other discretionary funding if it becomes available. The City Council would like staff to identify other funding options to support street maintenance – other than the issuance of general obligation bonds. During the fiscal year 2010-2011 budget process, \$2,000,000 was identified by staff and earmarked by the City Council for street maintenance. Additionally, a Street Maintenance Finance Ad Hoc Advisory Committee is in the process of being formulated and should be in place by late January 2011. This committee will assist in determining financing options for the street program.

The City Council's seventh goal is to expand the pride (PRIDE) of appearance in the City and to incorporate community pride with the Clean City Committee. An Advisory Committee on Community Pride has been established, comprised of local business and civic leaders. Strategies include "friend-raising" and organizing quarterly city-wide efforts that promote clean-ups, beautification projects, and awareness of city endeavors through many mediums with a stronger focus on social media, such as Facebook and Twitter. Other core areas of concentration for PRIDE include, recycling, shopping local, customer service and simply PRIDE in Corpus Christi (i.e., loving and appreciating the beauty of our City and all it encompasses). While the aforementioned projects are led by the Pride board, the Clean City Committee has established a "Speaker's Bureau", who provide presentations and appearances throughout the community on the RecycleBank program and other events, including Glass Recycling, Adopt a Beach, Texas Recycles Day and the 4th Annual E-Recycling Day.

The City Council's eight and final goal dealt with sustainability and renewable energy. This goal dealt with the development of energy strategies towards implementation of sustainability and green initiatives within city operations to achieve conservation goals and educate the citizens of our community. The strategies developed to accomplish this goal included renewable energy development; energy and fuel conservation; vehicle purchases; and "Green City" program. The City Council approved the City of Corpus Christi Energy Management Program on June 23, 2009. Since that time, the City has worked diligently to develop a strategic plan to implement various City projects in coordination with the Energy Efficiency and Conservation Block Grant of \$2.8 million received from the United States Department of Energy. This is on track and nine projects have been identified, funded, and are in the contracting phase. Approximately \$3,000,000 in Weatherization Assistance Program funding has been programmed out into the community and contracting is

underway. Development of Compressed Natural Gas (CNG) is progressing with the Gas Department receiving a \$400,000 grant. Construction of a new CNG fueling station at City Hall was completed in fiscal year 2009-10, and partnerships are being developed with other entities. In fiscal year 2009-2010, 3 CNG vehicles were purchased (2 garbage trucks and 1 sedan). The Gas Department plans to convert 4 vehicles to CNG in fiscal year 2010-11. A “Green City” program has been established with the Coastal Bend Green Living and Building Partnership Conference along with the creation of a “sustainability” page on the City of Corpus Christi website. In addition, the City has entered into a partnership with a statewide energy efficiency coalition known as TexasIsHot.org to provide educational information to city staff on energy efficiency issues. Finally, the City continues to explore renewable energy project opportunities for wind and landfill gas to energy projects within our solid waste department.

AWARDS AND ACKNOWLEDGMENTS

Awards

During fiscal year 2009-10, several City departments received awards or recognitions. In November 2009, the City was ranked fifth in the nation by the Center for Digital Governments among those with a population class of 250,000 and greater. We were also designated in 2010 as a “Citizen-Engaged Community” by the Public Technology Institute (PTI).

The City’s Corpus Christi Beach and McGee Beach on the bayfront were together selected as a winner of the 2010 Best Restored Beach Award by the American Shore and Beach Preservation Association. Corpus Christi was only one of four cities in the nation to receive this award in 2010.

Other city awards include the Public Information Office receiving two first place awards from the Texas Association of Municipal Information Officers and two 2010 Programming Awards from the Texas Association of Telecommunications Officers and Advisors; and the Wastewater Department receiving a Platinum Peak Performance Award from the National Association of Clean Water Agencies for outstanding achievement at the City’s Whitecap Wastewater Treatment Plant. This award recognized the Whitecap Plant for attaining 100-percent compliance with the National Pollutant Discharge Elimination System permits for 13 consecutive years.

In February 2010, the City was awarded the gold designation in the Texas Comptroller Leadership Circle program which recognizes local governments across Texas that meet a high standard for financial transparency online. Additionally, 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, 2009, continuing to confirm compliance with both Generally Accepted Accounting Principles (GAAP) and legal requirements. This was the twenty-seventh 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, 2009. The City has received twenty of these awards. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient as a policy document, a financial plan, an operations guide, and a communications device.

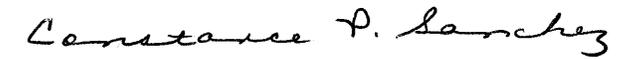
Acknowledgments

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

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

Respectfully submitted,


Angel R. Escobar
City Manager


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

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Corpus Christi
Texas

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

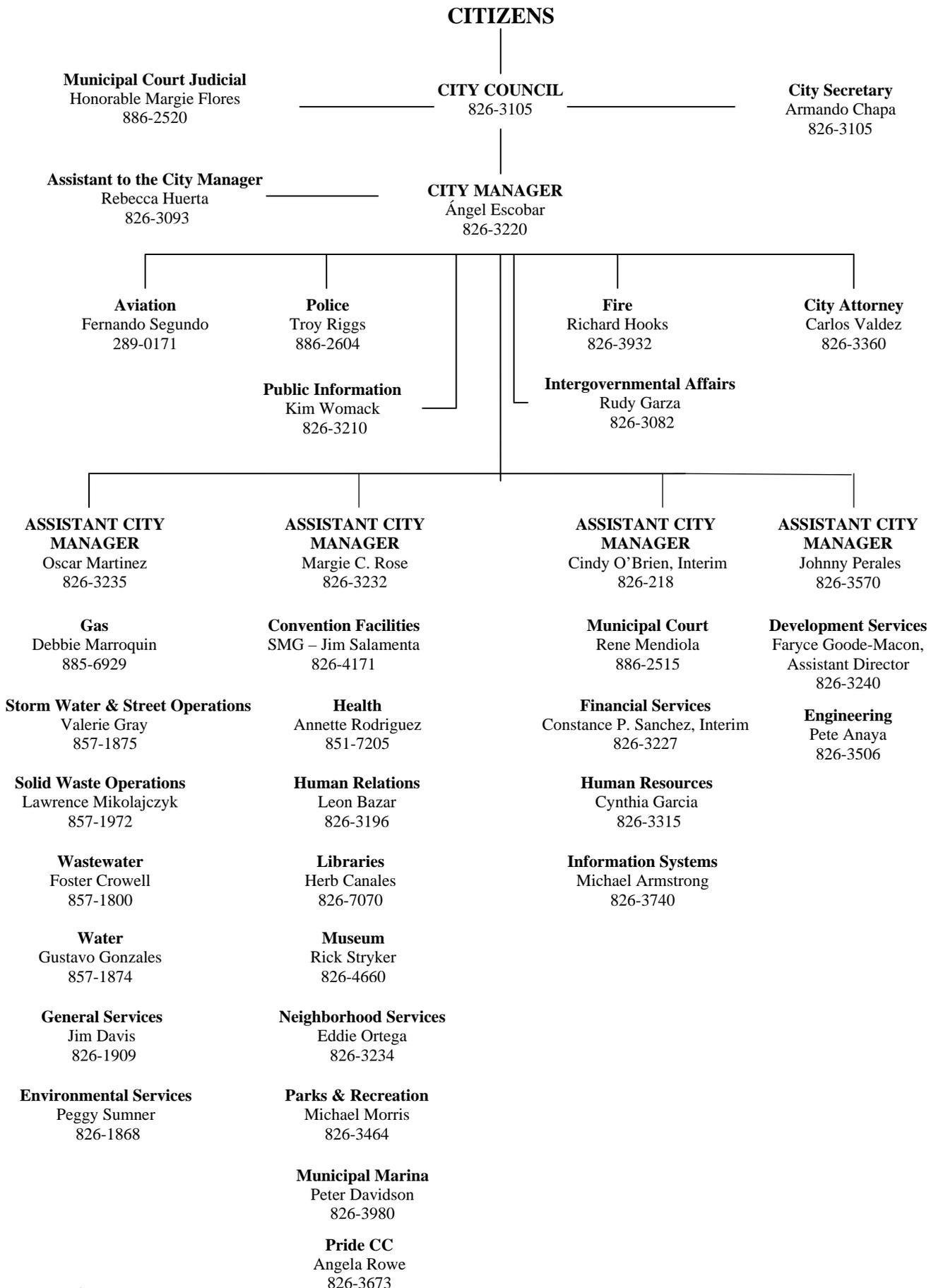
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

City Organizational Chart



INDEPENDENT AUDITOR'S REPORT

January 28, 2011

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, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Corpus Christi Convention and Visitors Bureau whose assets were \$947,433 and revenues were \$3,315,194, the American Bank Center Convention Center Fund whose assets were \$1,387,903 and revenues were \$2,221,930 and the American Bank Center Arena Operations Fund whose assets were \$1,993,895 and revenues were \$3,476,814. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Corpus Christi Convention and Visitors Bureau and the American Bank Center Convention Center Fund and Arena Operations 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, 2010 and the respective changes in financial position, cash flows, where applicable, and the respective budgetary comparison for the general fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2011 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and the other required supplementary information on pages 3 through 17 and 79 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Corpus Christi's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, capital assets used in the operation of governmental funds and the statistical tables listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal/state awards, pages 345 through 353, is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and by the *State of Texas Single Audit Circular* issued by the Governor's Office of Budget and Planning and is also not a required part of the basic financial statements of the City. The combining and individual fund statements and schedules, capital assets used in the operation of governmental funds and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we express no opinion on them.

Collier, Johnson & Woods

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Corpus Christi's (City) annual financial report presents an overview, through management's discussion and analysis (MD&A), of the City's financial activities and performance during the fiscal year ended July 31, 2010. The MD&A should be read in conjunction with the transmittal letter found in the Introductory Section of this report and the accompanying financial statements and disclosure following this section.

FINANCIAL HIGHLIGHTS

Entity Wide

- Total net assets of the City, excluding component units, were \$1.01 billion at July 31, 2010, an increase of \$11.4 million, or 1.2% compared to July 31, 2009, as restated. Of these assets, 96.4% are invested in capital assets or restricted, with the remaining 3.6% unrestricted.
- Total net expenses over program revenue were \$300 thousand more than prior year, reflecting net expenses of \$149.9 million at July 31, 2010 compared to \$149.6 million at July 31, 2009.
- Total general revenue and transfers, excluding component units, were \$161.3 million at July 31, 2010, a decrease of \$5.8 million, or 3.5% less than the prior year, caused mainly by a \$6.36 million decrease in sales tax.

Governmental Activities

- On a government-wide basis for governmental activities, the City had expenses net of program revenue of \$177.5 million at July 31, 2010, compared to \$178.7 million at July 31, 2009, representing a decrease of 0.7% from the prior year.
- General revenues and transfers totaled \$174.0 million at July 31, 2010, resulting in a decrease in net assets of \$3.5 million. This compares to July 31, 2009 totals of \$177.2 million in general revenues and transfers with a decrease in net assets of \$1.5 million.
- Net assets decreased by 1.2%, from \$295.4 million at July 31, 2009 to \$291.9 million at July 31, 2010.
- During the fiscal year ended July 31, 2010, the City issued \$13.7 million of general improvement bonds as the second issuance of bonds for projects approved by the voters on November 11, 2008. The City also issued two separate certificates of obligation. The first certificate of obligation was in the amount of \$8.5 million for street improvements and improvements to Bayfront Development Implementation Plan Phase I (Shoreline Realignment Phase I). The second certificate of obligation was in the amount of \$3.0 million for improvements to be made at the Convention Center and Selena Auditorium. At the end of fiscal year 2010, the City as a whole had \$374.7 million in outstanding ad valorem and sales tax supported bonds compared to \$370.4 million at July 31, 2009. The City has continued to maintain its unenhanced ratings of AA- by Standard & Poor's, but was globally increased by Fitch to AA (from AA-) and by Moody's to Aa2 (from A1).

Business-Type Activities

- On a government-wide basis for business-type activities, program revenue net of expenses was \$27.6 million for fiscal year ended July 31, 2010 compared to \$29.1 million for 2009.
- Net assets increased by 2.1% from \$700.7 million at July 31, 2009 (as restated) to \$715.7 million at July 31, 2010.
- During the fiscal year ended July 31, 2010, the City issued \$8 million of Utility System revenue improvement bonds for the planning, design and permitting of the Garwood Water Supply Project. This was part of the Texas Water Development Board's Infrastructure Fund Loan Program (Deferred). At the end of fiscal year 2010, the City as a whole had \$583.0 million in outstanding revenue bonds and certificates of obligation compared to \$605.4 million at July 31, 2009. The City maintained its ratings of A+ by Standard & Poor's but was globally increased by Fitch to AA- (from A+) and by Moody's to Aa3 (from A2).

General Fund

- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$25.9 million, or 13.8% of the General Fund expenditures. This compares to an unreserved fund balance of \$27.3 million, or 14.8% of General Fund expenditures for fiscal year ended July 31, 2009.
- Revenues and transfers in of \$186.9 million for fiscal year ended July 31, 2010 increased by 2.2% from prior year revenues and transfers in of \$182.8 million.
- General Fund expenditures were \$187.8 million for the current year, compared to \$184.8 million for fiscal year ended July 31, 2009, or a 1.6% increase.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

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

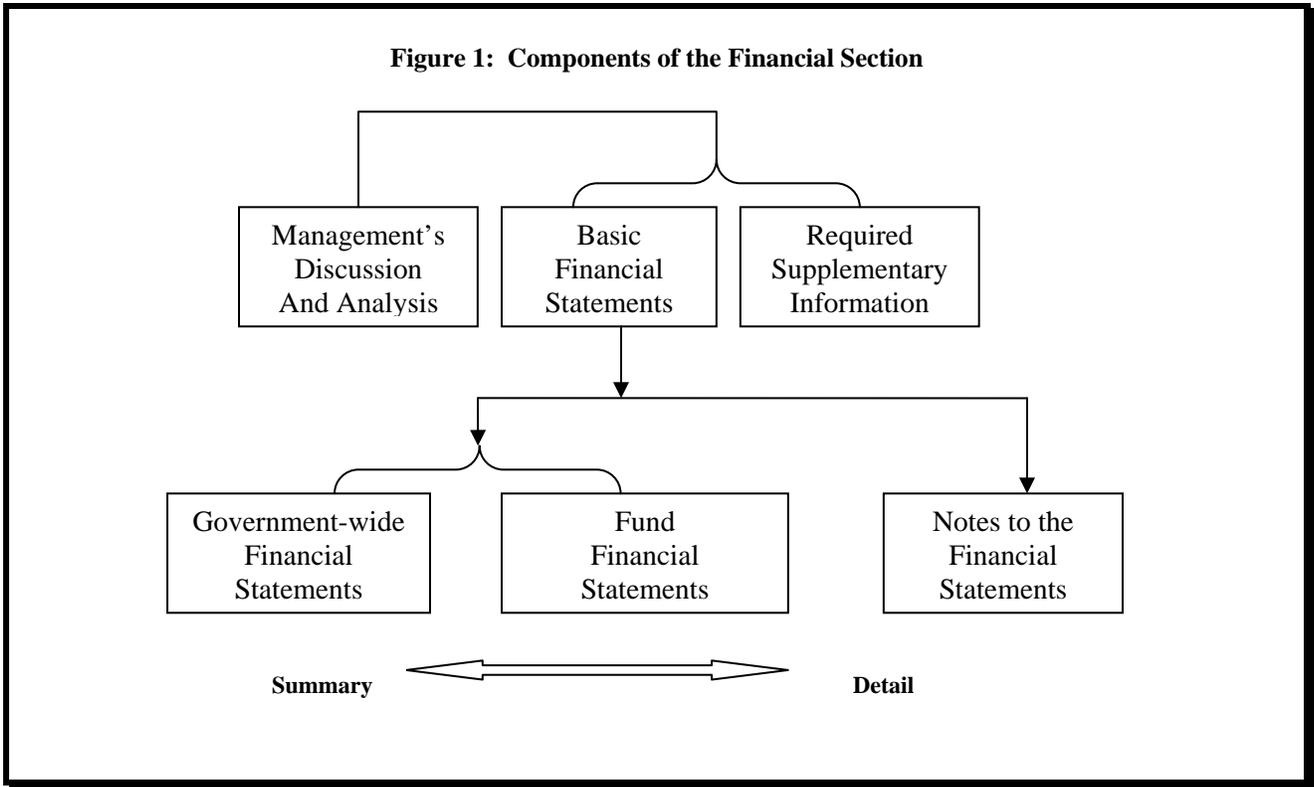


Figure 1 depicts how the required parts of this annual financial report are arranged and relate to one another. In addition to these required elements, a section with combining and individual fund financial statements and schedules that provides details about the non-major governmental funds and internal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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

statements used by most private-sector companies. Legally separate *component units* (Coastal Bend Health Facilities Corporation and Corpus Christi Convention and Visitors Bureau) are also shown in these statements.

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

- Governmental funds – General Fund, Debt Service Fund, and other Non-major funds consisting of special revenue funds, capital project funds, the other debt service funds, focus on how cash and other financial assets that can readily be converted to cash flow in and out and the balances left at year-end that are available for spending. The governmental funds statements provide the short-term view that helps determine whether there are more or fewer financial resources to be spent in the near future to finance the City's programs. Because the focus of governmental funds does not encompass the additional long-term focus of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.
- Proprietary funds – Enterprise funds and Internal Service funds are used to report services for which the City charges their customers, either internal or external, a fee. These funds, like the government-wide statements, provide both long-term and short-term financial information, however, in more detail. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements, excluding Solid Waste Services, which is recorded in the General Fund. The City uses enterprise funds to account for its Utility System, Airport, Golf Courses, and Marina. Internal service funds are used to report activities that provide supplies and services for the City's various other programs and activities. The City uses internal service funds to account for Stores, Maintenance Services, Municipal Information Systems, Liability and Employee Benefits, Engineering Services, and Corpus Christi Digital Community Development Corporation, which was dissolved as of July 31, 2010. 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, 2010, the net assets for the City of Corpus Christi totaled \$1.01 billion, \$11.4 million higher than the prior year after adjusting for the cumulative effect of the change in accounting principal. The composition of these net assets is \$291.9 million for governmental activities and \$715.7 million for business-type activities. The largest portion of the City’s net assets, 87.0%, are invested in capital assets (e.g., land, infrastructure, buildings, machinery and equipment, and construction in progress), less any related debt used to acquire those assets that is still outstanding. The City has \$95.1 million in restricted net assets for specific purposes in 2010, which is a \$6.7 million decrease from 2009. The City’s unrestricted net assets, \$36.1 million for 2010, 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, 2010 and 2009
(in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Capital assets, net of accumulated depreciation	\$ 492,549	\$ 465,875	\$ 1,408,723	\$ 1,339,112	\$ 1,901,272	\$ 1,804,987
Other assets	305,576	324,617	109,869	143,322	415,445	467,939
Total assets	798,125	790,492	1,518,592	1,482,434	2,316,717	2,272,926
Long-term liabilities	422,308	446,361	785,014	809,011	1,207,322	1,255,372
Other liabilities	83,961	48,748	17,874	20,569	101,835	69,317
Total liabilities	506,269	495,109	802,888	829,580	1,309,157	1,324,689
Net assets						
Invested in capital assets, net of related debt	190,985	184,298	685,455	588,187	876,440	772,485
Restricted	81,611	86,270	13,445	15,548	95,056	101,818
Unrestricted	19,260	24,815	16,804	49,119	36,064	73,934
Total net assets	\$ 291,856	\$ 295,383	\$ 715,704	\$ 652,854	\$ 1,007,560	\$ 948,237

Of the business-type activities, the Utility System fund is the largest operation at the City with total assets of \$1.32 billion, comprising 86.6% of all business-type activities total assets for 2010, as compared to 86.5% for 2009. The Utility System fund net assets were \$618.5 million which is 86.4% of total business-type activities net assets for 2010, compared to 85.6% for 2009.

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, 2010 and 2009
(in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenue						
Program revenues						
Charges for services	\$ 52,428	\$ 52,790	\$ 228,158	\$ 227,791	\$ 280,586	\$ 280,581
Operating grants and contributions	15,768	13,519	120	496	15,888	14,015
Capital grants and contributions	8,275	5,161	9,557	7,864	17,832	13,025
Total program revenues	<u>76,471</u>	<u>71,470</u>	<u>237,835</u>	<u>236,151</u>	<u>314,306</u>	<u>307,621</u>
General revenue						
Property taxes	84,651	81,689	--	--	84,651	81,689
Sales taxes	64,655	71,019	--	--	64,655	71,019
Hotel occupancy taxes	9,920	10,127	--	--	9,920	10,127
Investment earnings	1,284	2,825	826	1,474	2,110	4,299
Total general revenue	<u>160,510</u>	<u>165,660</u>	<u>826</u>	<u>1,474</u>	<u>161,336</u>	<u>167,134</u>
Total revenues	<u>236,981</u>	<u>237,130</u>	<u>238,661</u>	<u>237,625</u>	<u>475,642</u>	<u>474,755</u>
Expenses						
General government	19,481	22,073	--	--	19,481	22,073
Police and municipal court	81,172	78,932	--	--	81,172	78,932
Fire and ambulance	43,288	42,520	--	--	43,288	42,520
Emergency management	505	525	--	--	505	525
Inspections	1,665	2,171	--	--	1,665	2,171
Streets	25,675	25,814	--	--	25,675	25,814
Health	7,506	7,450	--	--	7,506	7,450
Parks and recreation	21,577	21,767	--	--	21,577	21,767
Libraries	5,298	5,613	--	--	5,298	5,613
Museums	1,853	1,843	--	--	1,853	1,843
Community enrichment	4,220	3,476	--	--	4,220	3,476
Community development	10,404	5,831	--	--	10,404	5,831
Convention and visitors activities	15,183	17,168	--	--	15,183	17,168
Interest on long-term debt	16,156	14,950	--	--	16,156	14,950
Solid waste	--	--	22,418	18,443	22,418	18,443
Utilities	--	--	172,481	172,375	172,481	172,375
Airport	--	--	11,407	12,229	11,407	12,229
Golf centers	--	--	2,051	2,134	2,051	2,134
Marina	--	--	1,862	1,864	1,862	1,864
Total expenses	<u>253,983</u>	<u>250,133</u>	<u>210,219</u>	<u>207,045</u>	<u>464,202</u>	<u>457,178</u>
Excess revenues over expenses	(17,002)	(13,003)	28,442	30,580	11,440	17,577
Transfers	13,476	11,546	(13,476)	(11,546)	--	--
Increase in net assets	<u>(3,526)</u>	<u>(1,457)</u>	<u>14,966</u>	<u>19,034</u>	<u>11,440</u>	<u>17,577</u>
Net assets at beginning of year as previously reported	295,382	296,839	652,854	633,820	948,236	930,659
Cumulative effect of a change in accounting principle	--	--	47,884	--	47,884	--
Net assets at beginning of year as restated	<u>295,382</u>	<u>296,839</u>	<u>700,738</u>	<u>633,820</u>	<u>996,120</u>	<u>930,659</u>
Net assets at end of year	<u>\$ 291,856</u>	<u>\$ 295,382</u>	<u>\$ 715,704</u>	<u>\$ 652,854</u>	<u>\$ 1,007,560</u>	<u>\$ 948,236</u>

Governmental Activities

As shown in Table 2, there was a \$3.5 million net decrease in net assets for governmental activities in 2010 as compared to a \$1.5 million net decrease for 2009. For fiscal year ended July 31, 2010, revenues totaled \$237.0 million compared to \$237.1 million in the prior year, a decrease of \$151 thousand. The two largest sources of revenue were property taxes and sales taxes, which decreased in total by \$3.4 million from the prior year. Property taxes increased from \$81.7 million in 2009 to \$84.7 million in 2010 due to a 5.33% increase in net assessed values from 2009 to 2010 while the overall property tax rate remained the same. However, the City felt the effects of the downturn in the economy fiscal year 2009-2010. Sales tax decreased by \$6.4 million from the prior year. In fact, the City Council approved a mid-year budget amendment in January 2010, which reduced sales tax revenue by \$6.6 million, and reduced various General Fund expenditures by the same amount. Additionally, hotel occupancy taxes reflect a 2.0% decrease from the prior year – from \$10.1 million in 2009 to \$9.9 million in 2010. The third largest revenue source, charges for services, slightly decreased by \$362 thousand from \$52.8 million in 2009 to \$52.4 million in 2010. Other variances included operating grants and contributions increasing by \$2.2 million from the prior year. The Justice Assistance Grants increased funding for police by \$1.0 million in 2010. Additionally, there was an increase in community development grants of approximately \$1.6 million due to a variety of reasons. There was an increase in \$1.0 million in funding from American Recovery and Reinvestment Act (ARRA) grants; an increase of \$500 thousand in Community Development Block Grant (CDBG) entitlement grants. Additionally, capital grants and contributions increased by \$3 million from the prior year due mainly to increases in police grants of approximately \$1.0 million, fire grants of \$500 thousand, street grants of \$1.0 million, and parks and recreation grants of \$600 thousand. In 2010, the City received additional funding from the governor's division of emergency management for public safety interoperable communications and for new port security programs. The increase in fire grants is attributable to increased funding in the Department of Homeland Security funding specifically for Metropolitan Medical Response programs and terrorism prevention. The increase in street grants represents increased funding from the Texas Department of Transportation on capital projects. The increase in parks and recreation grants is due to increased funding from the US Department of Commerce through the General Land Office for coastal management programs and from the Texas Parks and Wildlife for safe boating access.

Expenses for governmental activities totaled \$254.0 million in 2010 compared to \$250.1 million in 2009. The major variances between years included the following: general government – a \$2.6 million decrease due to mid-year budget reductions in expenditures in the general fund to offset the decrease in sales tax revenue received; police and municipal court – \$2.2 million increase due to a 4% pay increase for police sworn personnel as well as a Texas Municipal Retirement System (TMRS) retirement rate increase and an increase in the amount paid to retiring police officers in 2010; fire and ambulance – \$767 thousand increase due to a 5% pay increase per the contract with the Firefighter's Association and a planned increase in the City's contribution for firefighters' retirement; and community development – \$4.6 million due, in part, to more aggressive and expanded economic development programs specifically as they relate to affordable housing, major business incentives, and small business projects.

Business-type Activities

As shown in Table 2, the net assets for business-type activities for 2010 increased \$15.0 million versus a net increase in net assets for 2009 of \$19.0 million. For 2010, revenues for business-

type activities increased by \$1.0 million from the prior year: \$238.7 million for 2010 compared to \$237.6 million for 2009, and expenses increased by \$3.2 million: \$210.2 million for 2010 compared to \$207.0 million for 2009.

Revenues for the City's business-type activities are associated with operating activities accounted for in the enterprise funds, the largest activity being the Utilities (80.7%) which consists of the gas, water, and wastewater systems. Although revenue for the Utilities decreased by \$3.7 million from 2009 to 2010, program revenue overall for the business-type activities increased by \$1.7 million from the prior year. Charges for services increased by \$367 thousand for business-type activities from 2009 to 2010; capital grants and contributions increased by \$1.7 million; operating grants and contributions decreased by \$376 thousand from 2009, as did unrestricted investment earnings which decreased by \$648 thousand due primarily to lower interest rates. (0.57% in 2010 as compared to 0.89% in 2009). The increase in charges for services is attributable to three main factors. Solid Waste's refuse disposal income increased by approximately \$1.0 million due to an increase in refuse volume disposed at the landfill during 2010. Secondly, charges for service for the gas activity increased by \$3.4 million due to not only a 2% rate increase in 2010, but also to a 13% increase in volume sold. Additionally, charges for service for the wastewater activity increased by \$5.8 million due to a 9% rate increase in 2010. These increases, however, were offset by a decrease in charges for service for the water activity by \$10 million in 2010 due mainly to 2010 being a very wet year as compared to 2009 when the city had a dry year, resulting in a 7% decrease in water consumption from the prior year.

There was also a \$1.7 million increase in capital grants and contributions in 2010 as compared to 2009 which is comprised of several factors. The majority of the increase is due to a \$4 million increase in airport capital grants from United States Department of Transportation for terminal and taxiway improvements. This increase in capital grants and contributions was offset, however, by \$2.4 million decrease in water capital contributions and \$500 thousand decrease in wastewater capital contributions from developers. In 2010, a new contract with Nueces County Water Control and Improvement District #4 was executed resulting in a distribution of a \$2.4 million reserve for capital improvements by the City to the District so that their share of the City's water network costs will now be included in their water volume rate. The \$500 thousand decrease in wastewater capital contributions was due to a decrease in contributions from developers for utility improvements installed by the developers in areas of new development. With the slowing in the economy in 2010, contributions from developers decreased accordingly.

Expenses reported in the business-type activities increased by \$3.2 million from 2009 to 2010. The major expense reported in the business-type activities was Utilities (82.0%), reflecting \$172.5 million in 2010 compared to \$172.4 million in 2009. Although expenses for the Utilities remained relatively flat in total from 2009 to 2010, expenses for water decreased by \$3.7 million, while expenses for wastewater increased by \$3.3 million from 2009 to 2010. The variance in water is mainly attributable to the City's implementation of GASB No. 51 which changed the criteria for amortization of certain water rights. Water rights for Garwood and Choke Canyon are no longer being amortized since they have an indefinite useful life, and as a result of this change, the City's financial statements reflect a \$3.3 million decrease in "other charges" for 2010. It should be noted, however, that water rights for Lake Texana will continue to be amortized since there is a specific period of time on the term of these water rights (forty-two years). (See Note 14D of the Financial Statements for more details on the Lake Texana water rights.) Expenses for wastewater increased primarily because of an increase in expenses

incurred for emergency repairs and cleaning of wastewater pipes. Solid waste also experienced an increase in expenses of \$4.0 million from \$18.4 million in 2009 to \$22.4 million in 2010. This 21.6% increase was mainly due to the realization of more landfill closure costs for the Cefe Valenzuela landfill as more of the landfill was used in 2010 (45% in 2010 versus 29% in 2009).

FINANCIAL ANALYSIS OF THE CITY'S GOVERNMENTAL FUNDS

Governmental Funds

- Total assets of the General Fund increased from the prior year, reporting \$43.1 million in 2009 compared to \$44.3 million in 2010. Cash, cash equivalents and investments reflect \$27.7 million or 62.4% of total assets with net receivables reporting \$14.4 million, or 32.4% of the total. The majority of the net receivables balance was in property taxes receivables, solid waste receivables, demolition liens, and intergovernmental receivables attributed to sales tax. Some of these receivables are deferred in the fund.
- Total liabilities of the General Fund increased by 17.2%, from \$12.8 million in 2009 to \$15.0 million in 2010. This was attributable mainly to increases in the accounts payable and accrued liabilities categories, caused by the timing of vendor invoices received and an increase in the payroll accrual.
- General Fund revenues, including transfers, reflect a \$4.0 million increase from 2009 revenues. Current ad valorem taxes increased by 4.1% or \$1.9 million from \$46.9 million in 2009 to \$48.8 million in 2010. This trend, however, is not expected to continue with assessed valuations expected to be flat or even decrease for the next year or two. Sales tax revenue in 2010 continued to reflect the effects of the downturn in the economy. Sales tax revenue decreased 8.8% or \$3.9 million from \$44.4 million in 2009 to \$40.5 million in 2010. This trend is expected to level off in the next fiscal year, with a slight increase predicted. Solid waste generated \$1 million in additional revenue over the prior year mainly due to an increase in refuse volume disposed at the landfill during 2010. Business fees increased by \$1 million in 2010 due primarily to increased revenue in electric franchise fees and cable television franchise fees. Revenues for electric franchise fees increased in 2010 mainly due to the abnormally cold winter. Additionally in 2010, the City received a refund from the Nueces County Appraisal District (i.e., "District") in the amount of \$389,925 representing monies from the District's building fund, which was an accumulation of excess fund balance. Each of the taxing entities received their proportionate share of monies from the building fund based on their respective annual percentage used to allocate the District's annual budget.
- The General Fund's unreserved, undesignated fund balance is \$6.3 million for 2010, as compared to \$27.2 million in 2009. This variance is due to a change in reporting of the unreserved fund balance in 2010. In 2010, a designation for major contingencies was established in the unreserved fund balance in the General Fund to comply with the financial policy guidelines set by the City Council for budgetary and planning purposes. This designation is calculated to be at least ten percent (10%) of the total annual general fund appropriations, which for 2010 was \$19.6 million. Therefore, in order to compare the unreserved, undesignated fund balance of \$27.2 million in 2009 with 2010, the unreserved, undesignated fund balance of \$6.3 million for 2010 must be added to the

designation for major contingencies of \$19.6 million to arrive at a total of \$25.9 million. This comparison between 2009 and 2010 results in a \$1.3 million decrease in the General Fund's unreserved, undesignated fund balance. The contributing factors to the overall decrease were intentional draw-downs of general fund excess revenues over expenditures by City Council for one-time expenditures as allowed by the City's financial policies, including \$1.3 million for the purchase of police vehicles; \$903 thousand for the demolition of the Memorial Coliseum, and \$360 thousand for improvements to the Natatorium. Additionally in January 2010, a \$6.6 million budget amendment was passed by the City Council reducing sales tax revenue due to the economic slowdown. However, there was a slight improvement during the last 4 months of the fiscal year, which helped to increase the unreserved fund balance.

- The Debt Service Fund's total fund balance increased by \$1.8 million, reporting a balance of \$11.9 million in 2010. This increase was due to the fact that the ad valorem tax collections and transfers to the Debt Service Fund from the other funds were \$1.8 million greater than the debt service payments.
- The ad valorem tax rate for fiscal year 2009-2010 remained the same at \$0.563846 per \$100/ valuation: distributed \$0.364671 for the General Fund and \$0.199175 for Debt Service.

Non-major Governmental Funds

Funds comprising the non-major governmental category are Special Revenue, Capital Projects funds and a Debt Service fund from the Corpus Christi Business and Job Development Corporation. The combined fund balance for the non-major governmental funds for 2010 was \$195.5 million, as compared to \$212.1 million from 2009. This represents a \$16.6 million decrease or 7.8%. In the Special Revenue funds, the Corpus Christi Business and Job Development Corporation reported a decrease in the amount of sales tax collections – from \$16.7 million in 2009 to \$15.2 million in 2010 due to the downturn in the economy. Interest earnings also decreased by 45% or \$320 thousand due to interest rates continuing to fall in 2009. Additionally, expenditures increased in the Corpus Christi Business and Job Development Corporation by \$2.4 million due to more aggressive and expanded economic development programs specifically as they relate to affordable housing, major business incentives, and small business projects. The Crime Control and Prevention District also experienced a decrease in the amount of sales tax collections – from \$5.0 million in 2009 to \$4.5 million in 2010. The fund balance for the capital projects funds decreased by \$17.8 million from 2009 to 2010 due to the issuance of \$13.7 million of general obligation bonds, \$11.5 million of certificates of obligation, a transfer of \$1.1 million from the Corpus Christi Business and Job Development Corporation for a seawall project; and receipt of grants totaling \$2.5 million which were offset by \$47.7 million spent on projects.

CAPITAL ASSET AND DEBT ADMINISTRATION

As shown in Table 3 below, at the end of 2010 the City had invested over \$1.8 billion in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads and bridges, and its utility system and airport. This amount represented a net increase (after additions, deductions, and depreciation) of \$48.4 million, or 2.6% over last year after increasing water rights by \$46.3 million due to implementation of GASB No. 51. Additions to capital assets totaled \$118.1 million; net retirements totaled \$858 thousand, and total depreciation expense for 2010 was \$68.8 million. The governmental activities increased by \$26.6 million from the prior year. This increase included \$58.8 million in additions less \$31.3 million of depreciation expense and \$200 thousand for retirements in 2010. The majority of the increase, or \$35.3 million, was in infrastructure as the remaining major street repairs for Bond 2004 projects were completed, along with major street repairs associated with Bond 2008 projects being completed. Some of these additions were included in construction in progress in prior years. The business-type activities increased by \$21.7 million in 2010 after the accounting change adjustment effected by GASB No. 51. This increase included \$59.9 million in additions less \$37.5 million of depreciation expense and \$658 thousand in retirements. The majority of the increase in infrastructure was 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, 2010 and 2009
(in 000's)

	Governmental Activities		Business-Type Activities		Total		% Change 2009-2010
	2010	2009	2010	2009	2010	2009	
Land	\$ 56,728	\$ 55,931	\$ 35,465	\$ 35,385	\$ 92,193	\$ 91,316	1.0%
Water rights	--	--	201,859	203,400	201,859	203,400	-0.8%
Buildings	152,095	156,817	54,449	55,927	206,544	212,744	-2.9%
Improvements	67,600	72,775	240,535	239,313	308,135	312,088	-1.3%
Equipment	32,488	30,870	18,592	18,083	51,080	48,953	4.3%
Infrastructure	112,148	85,205	739,791	688,807	851,939	774,012	10.1%
Construction in progress	71,489	64,277	118,032	146,081	189,521	210,358	-9.9%
Total	\$ 492,548	\$ 465,875	\$ 1,408,723	\$ 1,386,996	\$ 1,901,271	\$ 1,852,871	2.6%

Long-term Liabilities

During the fiscal year, the City completed one bond issue to fund projects planned and approved during the last fiscal year, completed two issuances of certificates of obligations, and completed one bond issue through the Texas Water Development Board's Infrastructure Fund Loan Program to fund the Garwood Water Supply Project. A fifth issuance for certificates of obligation was initiated in July 2010 but was not funded until August 2010. All the bond issues were for major initiatives that represent a significant long-term commitment to revitalization strategies that support expansion of tourism, as well as commercial and industrial growth, and improved quality of life for the citizens. With each issue, the City was able to take advantage of the historically low interest rates.

In July 2009, the City Council approved the sale of \$8,460,000 in Combination Tax and Limited Pledge Certificates of Obligation, Series 2009 to finance permanent public improvements within

the City for three projects. The interest rate on these certificates of obligation ranges from 2.00% to 5.00%. Although these certificates were approved in the prior fiscal year, they were sold and funded in August 2009, and as a result, are included in this year's financial statements.

In June 2010, the City issued \$3,000,000 in Combination Tax and Limited Pledge Certificates of Obligation, Series 2010 to finance permanent public improvements to be made at the Convention Center and Selena Auditorium. The interest rate on these bonds ranges from 4.00% to 4.50%.

In June 2010, the City issued \$13,685,000 in General Improvement Bonds, Series 2010, to fund the second series of bonds associated with the City's Bond 2008 parks and recreation projects. The voters authorized \$153,000,000 to be issued in connection with Bond 2008. Last fiscal year, \$90,000,000 of general improvement bonds were issued, and with this issue of \$13,685,000, \$49,315,000 remains to be issued in connection with Bond 2008. The remaining \$49,315,000 in bonds is scheduled to be sold within the next two years. The interest rate on these bonds ranges from 2.75% to 4.25%.

In April 2010, the City issued \$8,000,000 in Utility System Revenue Bonds, Series 2010, to fund the planning, design, and permitting of the Garwood Water Supply Project. This was part of the Texas Water Development Board's Infrastructure Fund Loan Program (Deferred). The interest rate on these bonds ranges from 1.591% to 2.587% - with interest being deferred for ten years.

In July 2010, the City Council approved the sale of \$5,500,000 in Combination Tax and Limited Pledge Airport Revenue Certificates of Obligation, Taxable Series 2010 to finance the construction of a consolidated quick turn-around facility: a private facility outside the Airport terminal that will consolidate rental car maintenance and storage operations of the existing, privately-owned and operated rent-a-car operations. These certificates were not sold and funded until the following fiscal year, in August 2010, and so this issue is not included in the financial statements this year.

In July 2010, the City Council approved the sale of \$14,375,000 in Utility System Revenue Improvement Bonds, Series 2010A and \$60,625,000 in Utility System Revenue Improvement Bonds, Taxable Series 2010 (Direct Subsidy – Build America Bonds) to finance planned utility system capital improvements. These bonds were not sold and funded until the following fiscal year, in August 2010, and are not included in the financial statements this year.

Table 4 shows that total long-term liabilities decreased \$12.5 million in 2010, from \$1.254 billion to \$1.242 billion, or 1.0%. Governmental activities reported a net increase of \$11.5 million in long-term liabilities which reflects new debt of \$30.0 million, an increase in accumulated compensated absences of \$2.8 million due to employees staying longer with the City and delaying retirement. These longer-term employees earn compensated absence benefits at a higher rate than employees with less tenure. Other increases include an increase in the net pension obligation for the phased-in retirement rate for TMRS of \$4.4 million, and an increase of \$1.9 million in the net other post employment benefits. These increases are offset by the pay-down of debt \$27.5 million.

Business-type activities reported a decrease in long-term liabilities of \$24.0 million, which reflects new debt of \$11.0 million and pay-down of debt of \$37.0 million. The net pension

obligation for the phased-in retirement rate for TMRS increased by \$1.7 million and the net other post employment benefits increased by \$541 thousand.

GASB No. 45: Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions (OPEB) was implemented by the City in fiscal year 2007-2008. An actuarial valuation was obtained in accordance with this statement and determined that the total annual required contribution (ARC) for the City at July 31, 2010 was \$3,971,652, and the annual OPEB cost was \$4,013,929. Contributions made by the City during the year were \$1,554,884, resulting in an increase to net OPEB obligation during 2010 of \$2,459,045 for a total net OPEB obligation of \$12,484,698 at July 31, 2010. Additionally, the unfunded actuarial accrued liability for the City at July 31, 2010 is \$39,646,763. (See Note 10 Post-Employment Health Care Benefits in the Financial Statements.)

In December 2007, the TMRS Board of Trustees voted to adopt a change in the actuarial cost method used to calculate liabilities and contribution rates for TMRS cities. For the City of Corpus Christi, these changes resulted in a higher required contribution and lower funded ratio. To assist in the transition, the Board approved an eight year phase-in period which would allow cities to increase their contributions gradually to their full rate. The phase-in rate for 2010 is 16.77%. This rate will increase to approximately 24% over the next eight years when it will then level off. The phase-in rate results in a net pension obligation for the City of \$10.0 million at July 31, 2010. It should be noted that in calendar year 2011, the City Council approved an ordinance to change the “annually repeating” feature of the City’s plan regarding updated service credits and 70% consumer price index (CPI) increases for annuitants to “ad hoc” (one time only basis), thereby reducing the City’s full contribution rate for calendar year 2011 to 14.24%. (See Note 9 Employee Retirement Benefits.)

Table 4
Long-Term Liabilities at July 31, 2010 and 2009
(in 000's)

	Governmental Activities		Business-Type Activities		Total		% Change 2009-2010
	2010	2009	2010	2009	2010	2009	
General obligation bonds	\$ 232,020	\$ 231,525	\$ --	\$ --	\$ 232,020	\$ 231,525	0.2%
Certificates of obligation	37,256	28,746	57,184	58,484	94,440	87,230	8.3%
Revenue bonds	105,460	110,095	--	--	105,460	110,095	-4.2%
Utility revenue bonds	--	--	506,710	527,280	506,710	527,280	-3.9%
Airport revenue bonds	--	--	19,070	19,595	19,070	19,595	-2.7%
Capital leases	11,396	10,766	6,288	5,006	17,684	15,772	12.1%
Other notes	5,295	7,510	160,481	164,625	165,776	172,135	-3.7%
Deferred amounts	8,204	8,566	4,677	5,435	12,881	14,001	-8.0%
Total debt	<u>399,631</u>	<u>397,208</u>	<u>754,410</u>	<u>780,425</u>	<u>1,154,041</u>	<u>1,177,633</u>	-2.0%
Accumulated compensated absences	38,025	35,265	4,121	4,154	42,146	39,419	6.9%
Landfill closure cost	--	--	23,238	23,402	23,238	23,402	-0.7%
Net pension obligation	7,293	2,879	2,703	1,030	9,996	3,909	--
Net OPEB obligation	11,944	10,025	541	--	12,485	10,025	24.5%
Total long-term liabilities	<u>\$ 456,893</u>	<u>\$ 445,377</u>	<u>\$ 785,013</u>	<u>\$ 809,011</u>	<u>\$ 1,241,906</u>	<u>\$ 1,254,388</u>	-1.0%

Bond Ratings

The City’s unenhanced bond ratings for 2010 for general obligation bonds were Aa2 from Moody’s Investors Service, Inc. (Moody’s), AA- from Standard & Poor’s Ratings Service (S&P), and AA from Fitch Ratings (Fitch). The City’s unenhanced bond ratings for 2010 for

revenue bonds were Aa3 from Moody's Investors Service, Inc. (Moody's), A+ from Standard & Poor's Ratings Service (S&P), and AA- from Fitch Ratings (Fitch).

These rating reflect an upgrade that the City received during this fiscal year (April 2010) from Moody's as part of their recalibration process. For general obligation bonds, the City was upgraded from A1 to Aa2, and for revenue bonds, the City was upgraded from A2 to Aa3. Similarly, Fitch went through a similar recalibration process and upgraded the City's general obligation bonds from AA- to AA and upgraded the City's revenue bonds from A+ to AA-.

GENERAL FUND BUDGETARY HIGHLIGHTS

The financial policies of the City dictate that current budgeted revenues will equal or exceed current budgeted expenditures. It is the City's goal to maintain a reserve in the General Fund unreserved fund balance which totals at least 10% of the total annual General Fund appropriation. Only unforeseen or "one-time" expenditures are 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 originally adopted General Fund revenue budget of \$196.7 million was amended by the City Council during 2010 resulting in a net decrease in revenue of \$3.4 million. The major change was due to a mid-year budget amendment in January 2010 which decreased sales tax revenue by \$6.6 million. Other amendments adopted in 2010 increased the fund balance for various unbudgeted contributions and monies which were received and subsequently appropriated. The major items include a \$400 thousand refund from the Nueces County Appraisal District; \$575 thousand of anticipated revenues from the Corpus Christi Housing Finance Corporation for a loan made to finance the parking lot adjacent to the Ward Building; \$341 thousand of anticipated revenues for work that the Street Department would perform on bond fund projects; and \$132 thousand received for damages to City property.

During 2010, the City Council amended the General Fund expenditure budget of \$196.7 million for a total decrease of \$1.4 million. Major amendments included a mid-year budget amendment in January 2010 that decreased appropriations \$4.6 million including \$395 thousand to Development Services activities, \$677 thousand transfer to Maintenance Services Fund and \$3.5 million across all organizations in the General Fund; other major amendments were a \$1.3 million appropriation for capital equipment, and \$903 million appropriation for the demolition of the Memorial Coliseum, \$361 thousand for improvements to the Natatorium, and \$575 thousand for the parking lot adjacent to the Ward Building.

Budgetary Variances

Taxes and business fees were \$116 million, a \$1 million decrease from the prior year, and \$3.1 million over budget. Included in this classification is sales tax which was budgeted at 1.5% less than the prior year's estimated collections. However, it soon became apparent four months into the year that sales tax revenue was not performing as budgeted. As a result of this, a mid-year budget reduction of \$6.6 million was necessary. It should be noted that there was a slight improvement in collections during the last few months of 2010, and because of this, sales tax

collections (\$40.5 million) exceeded the amended budget by \$2.1 million. General property tax collections also exceeded the budget by \$976 thousand and were over prior year actual expenditures by \$2 million.

Charges for services reflect an overall decrease of \$346 thousand under the final budget, caused by a combination of increases and decreases from the various categories. The major variances resulted from police towing and storage charges falling short by \$176 thousand, and proceeds from auction falling short by \$133 thousand. Ambulance services reported a decrease of \$126 thousand in emergency services revenue. Solid Waste operations had an increase in collections compared to original budget of \$233 thousand mainly due to unanticipated residential customer growth. Health services reflected a \$189 thousand negative variance to the original budget due to vital statistics fees and reimbursement from Nueces County. Recreation services were down \$119 thousand mainly due to a decrease in latchkey program revenue.

The fines and forfeitures category reflects a \$447 thousand decrease in actual collections from what was budgeted. Many of the fines and fees reflect a shortfall with the majority coming from general fines, warrant fees and failure to appear fines.

Overall, General Fund revenues reported \$918 thousand over budget.

General Fund actual expenditures were \$3.5 million under the amended budget with police, municipal court, streets, solid waste, parks and recreation, libraries, and museum categories contributing to the savings. Main contributing factors to the savings were approximately \$437 thousand in general government from vacancy savings; \$158 thousand in the police and municipal court department due mainly to vacancy savings in municipal court administration; \$1 million in the street department for asphalt maintenance due to projects not completed in 2010; \$978 thousand in solid waste due to delay in purchase of recycling carts and savings from landfill expenditures; \$301 thousand in latchkey program; and \$584 thousand due to Memorial Coliseum demolition delays. In addition, uncollectible accounts exceeded budget by \$817 thousand.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- The unemployment rate for Corpus Christi slightly increased from 7.3% in July 2009 to 7.7% in July 2010. In November 2010, the projected unemployment rate rose to 8.4%, which was above the 8.2% projected unemployment rate for the State of Texas, but below the 9.8% national unemployment rate.
- For fiscal year 2010-2011, the Certified Net Assessed Taxable Value experienced a decrease of 3.74% to \$13,900,137,536. The adopted tax rate for fiscal year 2010-2011 of \$0.582269 per \$100 valuation is higher than the prior year's tax rate of \$0.563846 per \$100 valuation. This rate, however, is still below the effective tax rate for 2011 of \$0.591301 per \$100 valuation. The Maintenance and Operations (M&O) rate increased slightly in 2011 from \$0.364671 to \$0.385131 per \$100 valuation; while the Debt Service rate decreased from \$0.199175 to \$0.197138 per \$100 valuation.

- The City of Corpus Christi has appropriated total revenues and expenditures for fiscal year 2010-2011 of \$672,948,278, and \$668,482,786, respectively. Included for the General Fund are expenditures budgeted at \$198,266,324, which is a \$3.5 million increase over the final budget for fiscal year 2009-2010. This increase in the budgeted expenditures was due to \$2.2 million for fire sworn personnel increases, an additional \$800 thousand for fire sworn personnel retirements, and \$500 thousand for election costs. Through December 2010, the fiscal year 2010-2011 sales tax revenue has been 7.1% over the prior year, but only 1% over what was budgeted.
- A 9.7% rate increase for Wastewater utility customers and a 3.7% average rate increase for Water utility customers has been programmed for fiscal year 2010-2011 based upon capital budget discussions and directives from City Council. No rate increase was programmed for Gas utility customers. This will be the third year that the Water utility is utilizing a revised rate schedule, designed to charge customers for the cost of service received.

CITY'S FINANCIAL MANAGEMENT

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

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

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

(361) 826-3613
(361) 826-3601 (fax)

or visit our web site at: **www.cctexas.com**

STATEMENT OF NET ASSETS
JULY 31, 2010

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and cash equivalents (Note 5)	\$ 21,548,014	\$ 10,139,586	\$ 31,687,600	\$ 564,152
Investments (Note 5)	73,463,750	20,025,597	93,489,347	--
Receivables, net of allowance for uncollectibles (Note 7)	21,708,893	29,833,236	51,542,129	93,777
Internal balances	206,858	(206,858)	--	--
Inventories	1,533,778	427,570	1,961,348	7,245
Prepaid items	2,341,914	--	2,341,914	28,473
Restricted assets				
Cash and cash equivalents (Note 5)	65,749,533	23,813,583	89,563,116	--
Investments (Note 5)	93,214,013	17,293,061	110,507,074	--
Receivables, net of allowance for uncollectibles (Note 7)	20,630,590	242,289	20,872,879	--
Prepaid items	83,340	--	83,340	--
Bond issue costs	4,836,279	8,301,223	13,137,502	--
Other property	259,371	--	259,371	--
Land and construction in progress (Note 8)	128,216,857	153,498,055	281,714,912	--
Other capital assets, net of accumulated depreciation and amortization (Note 8)	364,331,561	1,255,225,443	1,619,557,004	257,500
Total assets	<u>798,124,751</u>	<u>1,518,592,785</u>	<u>2,316,717,536</u>	<u>951,147</u>
LIABILITIES				
Accounts payable	13,485,774	10,909,884	24,395,658	283,363
Accrued expenses	7,927,497	1,547,963	9,475,460	120
Accrued interest	5,576,958	2,685,121	8,262,079	--
Contractor interest and retainage payable	1,705,619	1,968,623	3,674,242	--
Deposits	1,298,601	549,602	1,848,203	--
Liability to claimants - escheat property	105,163	113,135	218,298	--
Due to other governmental agencies	420,063	--	420,063	--
Unearned revenue	4,856,714	100,671	4,957,385	--
Current portion of estimated claims liability (Note 11)	8,508,363	--	8,508,363	--
Current portion of long-term liabilities (Note 14)				
Long-term debt	25,025,123	34,961,001	59,986,124	20,000
Landfill closure cost	--	2,774,296	2,774,296	--
Accumulated unpaid compensated absences	9,608,811	2,230,835	11,839,646	--

(Continued)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Estimated liability claims, excluding current portion (Note 11)	5,491,334	--	5,491,334	--
Long-term liabilities, excluding current portion (Note 14)				
Long-term debt	374,605,432	719,449,993	1,094,055,425	--
Landfill closure cost	--	20,463,368	20,463,368	--
Accumulated unpaid compensated absences	28,416,368	1,890,628	30,306,996	--
Net pension obligation (Note 9)	7,293,233	2,702,520	9,995,753	--
Net OPEB obligation (Note 10)	11,944,002	540,696	12,484,698	--
Total liabilities	<u>506,269,055</u>	<u>802,888,336</u>	<u>1,309,157,391</u>	<u>303,483</u>
NET ASSETS				
Invested in capital assets, net of related debt	190,984,493	685,455,079	876,439,572	257,500
Restricted for				
Law enforcement officers' standards and education	--	4,160	4,160	--
Passenger facility charges projects	--	3,300,531	3,300,531	--
Bond interest and redemption	5,323,045	3,299,487	8,622,532	--
Construction of capital assets	4,344,400	1,559,786	5,904,186	--
Traffic safety programs	55,527	--	55,527	--
State and federal grant programs	952,138	--	952,138	--
Community enrichment	1,874,018	--	1,874,018	--
Infrastructure development	1,594,436	--	1,594,436	--
Emergency planning and training	51,703	--	51,703	--
Housing finance	18,307,133	--	18,307,133	--
Crime control and prevention	1,883,857	--	1,883,857	--
Business and job development	38,815,493	--	38,815,493	--
Tax increment zone improvements	8,409,097	--	8,409,097	--
Improvements to utility lines and facilities	--	3,784,303	3,784,303	--
Abatement of public health hazards	--	95,258	95,258	--
Reserves required by bond covenants	--	1,401,883	1,401,883	--
Unrestricted	<u>19,260,356</u>	<u>16,803,962</u>	<u>36,064,318</u>	<u>390,164</u>
Total net assets	<u>\$ 291,855,696</u>	<u>\$ 715,704,449</u>	<u>\$ 1,007,560,145</u>	<u>\$ 647,664</u>

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

**STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2010**

	Expenses	Charges for Services
Primary government		
Governmental activities		
General government	\$ 19,480,668	\$ 20,566,739
Police and municipal court	81,171,817	13,239,195
Fire and ambulance	43,287,584	6,782,180
Emergency management	505,319	--
Inspections	1,664,676	--
Streets	25,674,747	1,495,424
Health	7,505,758	1,913,109
Parks and recreation	21,577,152	3,730,875
Libraries	5,298,406	180,802
Museums	1,853,104	310,922
Community enrichment	4,220,179	--
Community development	10,403,520	299,304
Convention and visitor activities	15,183,072	3,909,023
Interest on long-term debt	16,156,130	--
Total governmental activities	<u>253,982,132</u>	<u>52,427,573</u>
Business-type activities		
Solid Waste	22,418,231	32,011,959
Utilities		
Water	93,937,152	96,571,762
Gas	31,748,907	36,520,847
Wastewater	46,795,236	51,048,604
Airport	11,406,735	8,594,836
Golf centers	2,051,107	1,838,093
Marina	1,861,705	1,572,406
Total business-type activities	<u>210,219,073</u>	<u>228,158,507</u>
Total primary government	<u>\$ 464,201,205</u>	<u>\$ 280,586,080</u>
Component units		
Convention and visitor activities	<u>3,366,169</u>	<u>262,828</u>

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
\$ 2,061,807	\$ 306,469	\$ 3,454,347	\$ --	\$ 3,454,347	
3,402,627	1,119,678	(63,410,317)	--	(63,410,317)	
409,726	689,550	(35,406,128)	--	(35,406,128)	
33,717	72,250	(399,352)	--	(399,352)	
--	--	(1,664,676)	--	(1,664,676)	
196,525	2,501,936	(21,480,862)	--	(21,480,862)	
1,852,054	264,990	(3,475,605)	--	(3,475,605)	
2,969,260	810,393	(14,066,624)	--	(14,066,624)	
646,248	11,735	(4,459,621)	--	(4,459,621)	
14,292	--	(1,527,890)	--	(1,527,890)	
1,909,961	291,996	(2,018,222)	--	(2,018,222)	
2,271,998	1,571,972	(6,260,246)	--	(6,260,246)	
--	--	(11,274,049)	--	(11,274,049)	
--	633,903	(15,522,227)	--	(15,522,227)	
15,768,215	8,274,872	(177,511,472)	--	(177,511,472)	
32,980	--	--	9,626,708	9,626,708	
50,965	962,233	--	3,647,808	3,647,808	
841	--	--	4,772,781	4,772,781	
2,335	977,954	--	5,233,657	5,233,657	
33,314	7,616,935	--	4,838,350	4,838,350	
--	--	--	(213,014)	(213,014)	
--	--	--	(289,299)	(289,299)	
120,435	9,557,122	--	27,616,991	27,616,991	
\$ 15,888,650	\$ 17,831,994	(177,511,472)	27,616,991	(149,894,481)	
80,000	--				\$ (3,023,341)
General revenue					
Taxes					
Property taxes, levied for general purposes		57,291,695	--	57,291,695	--
Property taxes, levied for debt service		27,358,566	--	27,358,566	--
Sales taxes		64,654,960	--	64,654,960	--
Hotel occupancy taxes		9,919,560	--	9,919,560	--
Unrestricted investment earnings		1,283,513	825,924	2,109,437	2,374
Payment from primary government		--	--	--	2,970,000
Transfers		13,476,398	(13,476,398)	--	--
Total general revenue and transfers		173,984,692	(12,650,474)	161,334,218	2,972,374
Changes in net assets		(3,526,780)	14,966,517	11,439,737	(50,967)
Net assets at beginning of year, as previously reported		295,382,476	652,854,349	948,236,825	698,631
Cumulative effect of a change in accounting principle (Note 1-J)		--	47,883,583	47,883,583	--
Net assets at beginning of year, as restated		295,382,476	700,737,932	996,120,408	698,631
Net assets at end of year		\$ 291,855,696	\$ 715,704,449	\$ 1,007,560,145	\$ 647,664

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

**GOVERNMENTAL FUNDS
BALANCE SHEET
JULY 31, 2010**

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents (Note 5)	\$ 1,613,328	\$ 1,870,302	\$ 78,780,441	\$ 82,264,071
Investments (Note 5)	26,041,479	10,027,133	101,556,888	137,625,500
Receivables, net of allowance for uncollectibles (Note 7)	14,381,144	764,044	30,602,774	45,747,962
Due from other funds (Note 16)	1,930,602	--	111,428	2,042,030
Inventories	154,033	--	21,814	175,847
Prepaid items	207,474	--	410,571	618,045
Advances to other funds (Note 16)	--	--	575,623	575,623
Other assets	--	--	209,500	209,500
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 44,328,060</u>	<u>\$ 12,661,479</u>	<u>\$ 212,269,039</u>	<u>\$ 269,258,578</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 4,415,654	\$ 9,533	\$ 6,935,156	\$ 11,360,343
Accrued liabilities	7,201,946	--	511,386	7,713,332
Contractor interest and retainage payable	--	--	1,875,847	1,875,847
Deposits	486,003	--	1,021,293	1,507,296
Liability to claimants - escheat property	82,147	--	--	82,147
Due to other funds (Note 16)	111,428	--	1,930,602	2,042,030
Due to other governmental agencies	241,265	--	178,798	420,063
Advance from other funds (Note 16)	575,623	--	--	575,623
Deferred revenues	1,865,549	728,427	4,341,102	6,935,078
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>14,979,615</u>	<u>737,960</u>	<u>16,794,184</u>	<u>32,511,759</u>

(Continued)

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund balances				
Reserved for encumbrances	2,310,763	--	30,141,739	32,452,502
Reserved for loans	--	--	15,714,421	15,714,421
Reserved for inventory	154,033	--	21,814	175,847
Reserved for prepaid items	207,474	--	410,571	618,045
Reserved for Municipal Court building security	117,532	--	--	117,532
Reserved for Municipal Court technology	154,979	--	--	154,979
Reserved for Judicial/Court improvements	18,854	--	--	18,854
Reserved for Juvenile Court case manager	267,916	--	--	267,916
Reserved for government access equipment	11,959	--	--	11,959
Reserved for public access equipment and facility	12,768	--	--	12,768
Reserved for capital replacement - radio system	30,000	--	--	30,000
Reserved for debt service	--	651,577	6,823,045	7,474,622
Reserved for Senior Community Services	--	--	19,533	19,533
Reserved for law enforcement	--	--	437,611	437,611
Reserved for firefighters training	4,000	--	--	4,000
Reserved for Fire Contributions Trust	6,638	--	--	6,638
Reserved for vital statistics records retention	122,367	--	--	122,367
Reserved for Sister City programs	--	--	1,154	1,154
Reserved for park projects	--	--	1,586,555	1,586,555
Reserved for permanent art projects	--	--	160,301	160,301
Reserved for development projects	--	--	123,187	123,187
Reserved for traffic safety programs	--	--	47,362	47,362
Reserved for maintenance	--	--	431,352	431,352
Reserved for Affordable Housing	--	--	417,872	417,872
Reserved for Stadium Capital Repair	--	--	36,948	36,948
Reserved for marketing/co-promotion	--	--	412,500	412,500
Reserved for naming rights' capital projects	--	--	340,662	340,662
Reserved for CDBG projects	--	--	353,242	353,242
Unreserved				
Designated for subsequent year's expenditures in the general fund	17,747	--	--	17,747
Designated for subsequent year's expenditures in special revenue funds	--	--	1,260,845	1,260,845
Designated for specific projects in the capital projects fund	--	--	10,834,157	10,834,157
Designated for major contingencies	19,646,808	--	--	19,646,808
Undesignated				
General fund	6,264,607	--	--	6,264,607
Debt service funds	--	11,271,942	--	11,271,942
Special revenue funds	--	--	43,596,760	43,596,760
Capital project funds	--	--	82,303,224	82,303,224
Total fund balances	<u>29,348,445</u>	<u>11,923,519</u>	<u>195,474,855</u>	<u>236,746,819</u>
 Total liabilities and fund balances	<u>\$ 44,328,060</u>	<u>\$ 12,661,479</u>	<u>\$ 212,269,039</u>	<u>\$ 269,258,578</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, 2010**

Total fund balance - total governmental funds \$ 236,746,819

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds. The cost of assets in governmental activities is \$857,486,402 and the accumulated depreciation is \$388,930,240. The cost of assets in Solid Waste is \$96,105,109 and the accumulated depreciation is \$30,209,224 which are included in business-type activities. 534,452,047

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

Governmental activities		
Bond issue cost	\$ 4,836,279	
Deferred taxes	2,062,109	
Deferred assessments and liens	74,395	
Solid Waste		
Bond issue cost	787,217	7,760,000

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. 32,582,220

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	\$ (5,576,958)	
Long-term debt	(393,172,458)	
Accumulated compensated absences	(36,226,593)	
Net pension obligation	(6,255,400)	
Solid Waste		
Accrued interest	(952,914)	
Long-term debt	(53,381,556)	
Accumulated compensated absences	(803,060)	
Net pension obligation	(478,804)	
Landfill closure costs	(23,237,664)	(520,085,407)

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. 400,017

Net assets of governmental activities \$ 291,855,696

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

City of Corpus Christi, Texas

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2010**

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues				
Taxes and business fees	\$ 115,988,341	\$ 27,345,690	\$ 32,952,691	\$ 176,286,722
Licenses and permits	3,288,415	--	--	3,288,415
Grants	356,181	--	22,304,835	22,661,016
Charges for services	52,553,384	--	4,392,271	56,945,655
Fines and forfeitures	5,652,401	--	1,113,900	6,766,301
Contributions and donations	--	--	871,524	871,524
Special assessments	--	--	76,876	76,876
Earnings on investments	335,931	89,492	887,391	1,312,814
Interest on loans	--	--	81,458	81,458
Payments from Lexington Museum Association	--	272,796	--	272,796
Payments from Texas State Aquarium	--	361,107	--	361,107
Sale of City property	--	--	7,553	7,553
Miscellaneous	1,685,716	--	192,985	1,878,701
Total revenues	<u>179,860,369</u>	<u>28,069,085</u>	<u>62,881,484</u>	<u>270,810,938</u>
Expenditures				
Current				
General government	17,324,130	--	2,943,110	20,267,240
Police and municipal court	67,574,274	--	9,324,288	76,898,562
Fire and ambulance	40,415,593	--	414,584	40,830,177
Emergency management	381,965	--	83,374	465,339
Inspections	1,395,326	--	--	1,395,326
Streets	14,601,145	--	196,751	14,797,896
Solid waste	18,160,649	--	32,980	18,193,629
Health	4,807,657	--	2,169,891	6,977,548
Parks and recreation	14,624,530	--	3,462,804	18,087,334
Libraries	3,939,006	--	605,575	4,544,581
Museums	1,484,725	--	--	1,484,725
Community enrichment	17,959	--	4,197,705	4,215,664
Community development	--	--	9,015,831	9,015,831
Convention and visitors activities	--	--	10,257,006	10,257,006
Other	--	--	21,729	21,729
Capital projects	--	--	50,406,384	50,406,384
Debt service				
Principal retirement	2,763,223	19,485,000	4,635,000	26,883,223
Interest	292,268	14,313,227	5,302,180	19,907,675
Bond issue cost	--	--	422,041	422,041
Paying agent fees	--	18,940	9,770	28,710
Interest on interfund borrowings	--	--	6,543	6,543
Total expenditures	<u>187,782,450</u>	<u>33,817,167</u>	<u>103,507,546</u>	<u>325,107,163</u>
Deficiency of revenues under expenditures	(7,922,081)	(5,748,082)	(40,626,062)	(54,296,225)

(Continued)

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Other financing sources (uses)				
Capital leases	4,110,898	--	--	4,110,898
General obligation bonds issued	--	--	13,685,000	13,685,000
Certificate of obligation bonds issued	--	--	11,460,000	11,460,000
Premium on bonds sold	--	--	491,894	491,894
Transfers in (Note 16)	9,989,823	7,537,300	1,172,849	18,699,972
Transfers out (Note 16)	(7,094,248)	--	(2,839,729)	(9,933,977)
Total other financing sources	<u>7,006,473</u>	<u>7,537,300</u>	<u>23,970,014</u>	<u>38,513,787</u>
Net change in fund balance	(915,608)	1,789,218	(16,656,048)	(15,782,438)
Fund balances at beginning of year	<u>30,264,053</u>	<u>10,134,301</u>	<u>212,130,903</u>	<u>252,529,257</u>
Fund balances at end of year	<u>\$ 29,348,445</u>	<u>\$ 11,923,519</u>	<u>\$ 195,474,855</u>	<u>\$ 236,746,819</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, 2010**

Net change in fund balances - total governmental funds (15,782,438)

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

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

Governmental activities		
Capital outlays, net of retirements	\$	53,055,157
Depreciation		(25,078,729)
Solid Waste		
Capital outlays		3,175,369
Depreciation		(3,012,805)
		28,138,992

Delinquent property taxes and special assessments, net of allowance, are not reported as revenue in the governmental funds. These items decreased in the current fiscal year. 119,250

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

Governmental activities		
Bond proceeds	\$	(25,636,894)
Capital leases		(2,246,671)
Bond issue cost		422,041
Principal retirement		25,753,223
Interest		1,231,727
Solid Waste		
Capital leases		(1,864,227)
Principal retirement		1,130,000
Interest		44,192
Arbitrage rebate		12,885
		(1,153,724)

Compensated absences reported in the statement of net assets did not require the use of current financial resources, and therefore are not expenditures in governmental funds. Compensated absences for governmental activities increased by \$1,781,581, and solid waste activities decreased by \$16,682. (1,764,899)

Landfill closure costs reported in the statement of net assets did not require the use of current financial resources, and therefore are not expenditures in governmental funds. Landfill closure costs decreased in the current year. 164,614

Net pension obligation reported in the statement of net assets did not require the use of current financial resources, and therefore are not expenditures in governmental funds. Net pension obligation for governmental activities increased by \$3,786,304, and solid waste activities increased by \$295,895. (4,082,199)

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

Operating income	\$	(9,626,708)	
Net transfers		10,543,511	
Investment earnings		(36,266)	880,537

Internal service funds are used by management to charge the cost of certain activities, such as inventory of commonly used material and supplies, vehicular fleet and building maintenance, data processing, insurance and engineering to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities. (10,046,913)

Change in net assets of governmental activities (3,526,780)

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

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2010

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes and business fees	\$ 118,830,977	\$ 112,820,977	\$ 115,988,341	\$ --
Licenses and permits	3,308,444	3,308,444	3,288,415	--
Grants	373,200	394,800	356,181	--
Charges for services	52,651,216	52,899,925	52,553,384	--
Fines and forfeitures	6,099,434	6,099,434	5,652,401	--
Earnings on investments	357,775	357,775	335,931	--
Miscellaneous	927,581	1,551,547	1,685,716	--
Reimbursements	8,703,756	8,721,530	--	8,265,994
Total revenues	<u>191,252,383</u>	<u>186,154,432</u>	<u>179,860,369</u>	<u>8,265,994</u>
Expenditures				
Current				
General government	21,707,031	20,261,589	17,324,130	3,117,541
Police and municipal court	67,795,560	68,904,736	67,574,274	1,172,042
Fire and ambulance	40,746,824	40,931,670	40,415,593	619,084
Emergency management	461,906	404,688	381,965	--
Inspections	1,915,904	1,850,079	1,395,326	346,823
Streets	16,339,554	16,944,916	14,601,145	1,281,671
Solid waste	23,211,906	23,285,197	18,160,649	4,145,889
Health	4,828,920	4,807,500	4,807,657	7,217
Parks and recreation	15,799,457	16,854,390	14,624,530	991,637
Libraries	4,143,428	4,135,735	3,939,006	5,576
Museums	1,741,129	1,734,292	1,484,725	200,004
Community enrichment	18,000	18,000	17,959	--
Debt service				
Principal retirement	--	--	2,763,223	(2,763,223)
Interest	--	--	292,268	(292,268)
Total expenditures	<u>198,709,619</u>	<u>200,132,792</u>	<u>187,782,450</u>	<u>8,831,993</u>
Deficiency of revenues under expenditures	(7,457,236)	(13,978,360)	(7,922,081)	(565,999)
Other financing sources (uses)				
Capital leases	--	--	4,110,898	(4,110,898)
Transfers in	9,103,182	10,906,576	9,989,823	--
Transfers out	(1,507,958)	(2,280,374)	(7,094,248)	4,676,897
Total other financing sources	<u>7,595,224</u>	<u>8,626,202</u>	<u>7,006,473</u>	<u>565,999</u>
Net change in fund balance	137,988	(5,352,158)	(915,608)	--
Fund balance at beginning of year	--	30,264,053	30,264,053	--
Fund balance at end of year	<u>\$ 137,988</u>	<u>\$ 24,911,895</u>	<u>\$ 29,348,445</u>	<u>\$ --</u>

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

Exhibit 3

Actual Budget Basis	Variance Final Budget Positive (Negative)
\$ 115,988,341	\$ 3,167,364
3,288,415	(20,029)
356,181	(38,619)
52,553,384	(346,541)
5,652,401	(447,033)
335,931	(21,844)
1,685,716	134,169
8,265,994	(455,536)
<u>188,126,363</u>	<u>1,971,931</u>
20,441,671	(180,082)
68,746,316	158,420
41,034,677	(103,007)
381,965	22,723
1,742,149	107,930
15,882,816	1,062,100
22,306,538	978,659
4,814,874	(7,374)
15,616,167	1,238,223
3,944,582	191,153
1,684,729	49,563
17,959	41
--	--
--	--
<u>196,614,443</u>	<u>3,518,349</u>
(8,488,080)	5,490,280
--	--
9,989,823	(916,753)
(2,417,351)	(136,977)
<u>7,572,472</u>	<u>(1,053,730)</u>
(915,608)	4,436,550
30,264,053	--
<u>\$ 29,348,445</u>	<u>\$ 4,436,550</u>

**PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
JULY 31, 2010**

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
ASSETS				
Current assets				
Cash and cash equivalents (Note 5)	\$ 4,591,705	\$ 4,357,305	\$ 8,949,010	\$ 7,483,138
Investments (Note 5)	18,025,339	2,000,258	20,025,597	35,052,835
Receivables, net of allowance for uncollectibles (Note 7)	24,781,497	797,612	25,579,109	852,682
Due from other funds (Note 16)	--	--	--	473,154
Inventories	404,381	23,189	427,570	1,357,931
Prepaid items	--	--	--	1,807,209
Restricted assets				
Cash and cash equivalents (Note 5)	18,075,847	4,478,650	22,554,497	--
Investments (Note 5)	11,292,489	--	11,292,489	--
Receivables, net of allowance for uncollectibles (Note 7)	7,331	227,924	235,255	--
Total restricted assets	<u>29,375,667</u>	<u>4,706,574</u>	<u>34,082,241</u>	<u>--</u>
Total current assets	<u>77,178,589</u>	<u>11,884,938</u>	<u>89,063,527</u>	<u>47,026,949</u>
Noncurrent assets				
Other assets	--	--	--	49,871
Bond issue costs	7,031,425	482,581	7,514,006	--
Capital assets (Note 8)				
Land and construction in progress	104,726,264	31,200,275	135,926,539	67,458
Other capital assets, net of accumulated depreciation and amortization	1,126,293,298	80,607,776	1,206,901,074	23,924,798
Net capital assets	<u>1,231,019,562</u>	<u>111,808,051</u>	<u>1,342,827,613</u>	<u>23,992,256</u>
Total noncurrent assets	<u>1,238,050,987</u>	<u>112,290,632</u>	<u>1,350,341,619</u>	<u>24,042,127</u>
Total assets	<u>1,315,229,576</u>	<u>124,175,570</u>	<u>1,439,405,146</u>	<u>71,069,076</u>

(Continued)

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
LIABILITIES				
Current liabilities				
Accounts payable	\$ 9,482,484	\$ 1,105,122	\$ 10,587,606	\$ 2,447,709
Accrued expenses	968,639	185,496	1,154,135	607,993
Accrued interest	1,192,345	539,862	1,732,207	--
Current portion of estimated liability claims (Note 11)	--	--	--	8,508,363
Contractor interest and retainage payable	1,386,737	411,658	1,798,395	--
Deposits	218,454	120,498	338,952	1,955
Liability to claimants - escheat property	113,135	--	113,135	23,016
Due to other funds (Note 16)	--	473,154	473,154	--
Unearned revenue	7,915	92,706	100,621	58,190
Current portion of long-term liabilities (Note 14)				
Long-term debt	31,523,265	839,827	32,363,092	1,687,005
Accumulated unpaid compensated absences	1,682,796	244,583	1,927,379	940,250
Total current liabilities	<u>46,575,770</u>	<u>4,012,906</u>	<u>50,588,676</u>	<u>14,274,481</u>
Noncurrent liabilities				
Estimated liability claims, net of current portion (Note 11)	--	--	--	5,491,334
Long-term liabilities, net of current portion (Note 14)				
Long-term debt	646,656,996	22,009,350	668,666,346	4,771,092
Accumulated unpaid compensated absences	1,238,716	152,308	1,391,024	858,336
Net pension obligation (Note 9)	1,863,969	359,747	2,223,716	1,037,833
Net OPEB obligation (Note 10)	358,136	72,782	430,918	12,053,780
Total noncurrent liabilities	<u>650,117,817</u>	<u>22,594,187</u>	<u>672,712,004</u>	<u>24,212,375</u>
Total liabilities	<u>696,693,587</u>	<u>26,607,093</u>	<u>723,300,680</u>	<u>38,486,856</u>
NET ASSETS				
Invested in capital assets, net of related debt	577,021,526	88,958,873	665,980,399	17,534,159
Restricted for				
Passenger facility charges projects	--	3,300,531	3,300,531	--
Bond interest and redemption	3,299,487	--	3,299,487	--
Construction of capital assets	1,253,446	--	1,253,446	--
Improvements to utility lines and facilities	3,784,303	--	3,784,303	--
Abatement of public health hazards	95,258	--	95,258	--
Reserves required by bond covenants	--	1,401,883	1,401,883	--
Law enforcement officers' standards and education	--	4,160	4,160	--
Unrestricted	<u>33,081,969</u>	<u>3,903,030</u>	<u>36,984,999</u>	<u>15,048,061</u>
Total net assets	<u>\$ 618,535,989</u>	<u>\$ 97,568,477</u>	<u>\$ 716,104,466</u>	<u>\$ 32,582,220</u>

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



City of
Corpus
Christi

Exhibit 4-B

**RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF NET ASSETS
TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS
JULY 31, 2010**

Total net assets - total proprietary funds \$ 716,104,466

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

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

(400,017)

Net assets of business-type activities \$ 715,704,449

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

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2010

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
Operating revenues				
Charges for services - net	\$ 183,585,543	\$ 10,601,185	\$ 194,186,728	\$ 69,914,851
Operating expenses				
Personal services	29,123,836	5,978,220	35,102,056	16,349,847
Materials and supplies	37,268,174	541,267	37,809,441	1,954,003
Contractual services	23,386,440	1,757,589	25,144,029	15,097,554
Other operating expenses	20,908,338	1,291,064	22,199,402	5,055,000
Uncollectible accounts	2,645,453	47,864	2,693,317	7,774
Depreciation	28,419,212	4,570,266	32,989,478	6,262,640
Self-insurance claims	--	--	--	26,374,288
Other post employment benefits (Note 10)	--	--	--	4,013,931
Total operating expenses	<u>141,751,453</u>	<u>14,186,270</u>	<u>155,937,723</u>	<u>75,115,037</u>
Operating income (loss)	41,834,090	(3,585,085)	38,249,005	(5,200,186)
Nonoperating revenues (expenses)				
Investment income	747,327	42,331	789,658	386,425
Interest expense and fiscal charges	(29,524,251)	(1,305,507)	(30,829,758)	(337,732)
Passenger facility charges	--	1,350,006	1,350,006	--
Customer facility charges	--	50,480	50,480	--
Net gain (loss) on disposal of assets	(554,305)	3,664	(550,641)	134,661
Recovery on damage claims	141,610	--	141,610	67,527
Developer deposits	809,629	--	809,629	--
Reimbursements to developers	(555,368)	--	(555,368)	--
Contributions from other governmental agencies	54,141	33,314	87,455	12,317
Total nonoperating revenues (expenses)	<u>(28,881,217)</u>	<u>174,288</u>	<u>(28,706,929)</u>	<u>263,198</u>
Capital contributions				
Contributions from other governmental agencies	947,359	7,616,935	8,564,294	--
Contributions from developers	3,414,551	--	3,414,551	--
Contributions (to) from others	--	--	--	403,926
Return of capital contribution from other governmental agency	(2,421,723)	--	(2,421,723)	--
Total capital contributions	<u>1,940,187</u>	<u>7,616,935</u>	<u>9,557,122</u>	<u>403,926</u>
Income (loss) before transfers	14,893,060	4,206,138	19,099,198	(4,533,062)
Transfers in	2,447,957	695,486	3,143,443	4,081,508
Transfers out	(5,551,472)	(844,115)	(6,395,587)	(9,595,359)
Total transfers	<u>(3,103,515)</u>	<u>(148,629)</u>	<u>(3,252,144)</u>	<u>(5,513,851)</u>
Net income (loss)	<u>11,789,545</u>	<u>4,057,509</u>	<u>15,847,054</u>	<u>(10,046,913)</u>
Net assets at beginning of year, as previously reported	558,862,861	93,510,968	652,373,829	42,629,133
Cumulative effect of a change in an accounting principle (Note 1-J)	47,883,583	--	47,883,583	--
Net assets at beginning of year, as restated	<u>606,746,444</u>	<u>93,510,968</u>	<u>700,257,412</u>	<u>42,629,133</u>
Net assets at end of year	<u>\$ 618,535,989</u>	<u>\$ 97,568,477</u>	<u>\$ 716,104,466</u>	<u>\$ 32,582,220</u>

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

Exhibit 4-D

**RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2010**

Net change in fund balances - total proprietary funds \$ 15,847,054

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

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

Operating income	\$	9,626,708	
Net transfers		(10,543,511)	
Investment earnings		36,266	(880,537)

Change in net assets of business-type activities \$ 14,966,517

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

**PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2010**

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
Cash flows from operating activities				
Receipts from customers	\$ 182,894,744	\$ 10,477,790	\$ 193,372,534	\$ 9,823,849
Receipts from interfund services provided	(16,880)	--	(16,880)	69,377,621
Payments to suppliers	(55,918,739)	(2,197,759)	(58,116,498)	(26,402,655)
Payments to employees	(24,686,141)	(5,066,071)	(29,752,212)	(14,093,090)
Internal activity - payments to other funds	(25,971,857)	(1,959,296)	(27,931,153)	(5,933,622)
Claims paid	--	--	--	(29,409,775)
Other receipts	197,619	33,314	230,933	79,844
Net cash provided by operating activities	<u>76,498,746</u>	<u>1,287,978</u>	<u>77,786,724</u>	<u>3,442,172</u>
Cash flows from noncapital financing activities				
Changes in interfund borrowings	--	203,154	203,154	(473,078)
Interest on interfund borrowings	--	--	--	(14,358)
Transfers in from other funds	2,447,957	695,486	3,143,443	--
Transfers out to other funds	(5,551,471)	(844,115)	(6,395,586)	(9,595,359)
Net cash provided by (used for) noncapital financing activities	<u>(3,103,514)</u>	<u>54,525</u>	<u>(3,048,989)</u>	<u>(10,082,795)</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets	(47,290,439)	(8,031,937)	(55,322,376)	(3,083,174)
Proceeds from sale of capital assets	103,338	3,663	107,001	289,204
Developers deposits	809,629	--	809,629	--
Reimbursements to developers	(939,658)	--	(939,658)	--
Contributions from other governmental agencies	50,538	7,238,440	7,288,978	--
Reimbursements to other governmental agencies	(2,421,723)	--	(2,421,723)	--
Passenger facility charge	--	1,323,982	1,323,982	--
Customer facility charges	--	41,321	41,321	--
Proceeds from issuance of revenue bonds	7,921,619	--	7,921,619	--
Transfers in from other funds for capital acquisition	--	--	--	4,081,508
Principal paid on long-term debt	(33,024,349)	(806,283)	(33,830,632)	(2,126,375)
Interest expense and fiscal charges	(29,464,165)	(1,257,581)	(30,721,746)	(323,011)
Net cash used for capital and related financing activities	<u>(104,255,210)</u>	<u>(1,488,395)</u>	<u>(105,743,605)</u>	<u>(1,161,848)</u>
Cash flows from investing activities				
Purchase of investment securities	(67,301,606)	(4,000,000)	(71,301,606)	(79,000,000)
Proceeds from sale and maturity of investment securities	89,453,744	4,995,000	94,448,744	71,984,000
Interest on investments	751,012	38,534	789,546	375,128
Net cash provided by (used for) investing activities	<u>22,903,150</u>	<u>1,033,534</u>	<u>23,936,684</u>	<u>(6,640,872)</u>
Net increase (decrease) in cash and cash equivalents	<u>(7,956,828)</u>	<u>887,642</u>	<u>(7,069,186)</u>	<u>(14,443,343)</u>
Cash and cash equivalents at beginning of year, including restricted accounts	<u>30,624,380</u>	<u>7,948,313</u>	<u>38,572,693</u>	<u>21,926,481</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 22,667,552</u>	<u>\$ 8,835,955</u>	<u>\$ 31,503,507</u>	<u>\$ 7,483,138</u>

(Continued)

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
Reconciliation of operating income (loss) to net cash provided by operating activities				
Operating income (loss)	\$ 41,834,090	\$ (3,585,085)	\$ 38,249,005	\$ (5,200,186)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	28,419,212	4,570,266	32,989,478	6,262,640
Amortization of water rights	1,540,274	--	1,540,274	--
Provision for uncollectible accounts	2,645,453	47,864	2,693,317	7,774
Contributions from other governmental agencies	56,008	33,314	89,322	12,317
Recovery of damage claims	141,611	--	141,611	67,527
Changes in assets and liabilities				
Receivables	(284,110)	(130,519)	(414,629)	(60,219)
Due from other funds	--	--	--	4,505
Inventory	48,616	813	49,429	(168,097)
Prepaid items	1,328	--	1,328	240,371
Accounts payable	785,415	73,292	858,707	466,998
Accrued expenses	(36,423)	434	(35,989)	(10,677)
Customer deposits	(165,691)	13,740	(151,951)	(383)
Unearned revenue	--	(1,617)	(1,617)	49,768
Accumulated unpaid compensated absences	10,774	(26,785)	(16,011)	(6,005)
Net pension obligation	1,157,013	219,479	1,376,492	627,743
Net OPEB obligation	358,136	72,782	430,918	2,028,127
Contractor interest and retainage payable	(23,142)	--	(23,142)	--
Liability to claimants-escheat property	10,182	--	10,182	(2,211)
Estimated claims liability	--	--	--	(877,820)
Net cash provided by operating activities	<u>\$ 76,498,746</u>	<u>\$ 1,287,978</u>	<u>\$ 77,786,724</u>	<u>\$ 3,442,172</u>
Noncash investing, capital and financing activities				
Change in fair value of investments	\$ 3,319	\$ (3,204)	\$ 115	\$ 13,397
Contribution of capital assets	\$ 3,414,551	\$ --	\$ 3,414,551	\$ --
Acquisition of capital assets under capital lease	\$ 1,080,363	\$ --	\$ 1,080,363	\$ 2,031,427

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

**FIDUCIARY FUNDS
STATEMENT OF NET ASSETS
JULY 31, 2010**

	Deferred Compensation Plan	Private Purpose Trust Fund
ASSETS		
Cash and cash equivalents (Note 5)	\$ --	\$ 285,407
Mutual funds		
Guaranteed Rate Accounts	22,655,363	--
Stocks	19,625,992	--
Bonds	1,751,425	--
Combined Stocks and Bonds	6,833,398	--
Money Markets	429,329	--
Receivables		
Participant loans	1,372,790	--
Miscellaneous	--	2,958
Net receivables	1,372,790	2,958
Total assets	52,668,297	288,365
LIABILITIES	--	--
NET ASSETS		
Held in trust for deferred compensation benefits	52,668,297	--
Held in trust for individuals and organizations	--	288,365
Total net assets	\$ 52,668,297	\$ 288,365

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, 2010**

	Deferred Compensation Plan	Private Purpose Trust Fund
Additions		
Employee contributions	\$ 4,891,468	\$ --
Other contributions	--	9,059
Earnings on investments	4,547,580	31
Total additions	9,439,048	9,090
Deductions		
Payment of benefits	4,228,652	--
Administrative fees	55,892	--
Total deductions	4,284,544	--
Net increase	5,154,504	9,090
Net assets at beginning of year	47,513,793	279,275
Net assets at end of year	\$ 52,668,297	\$ 288,365

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



City of
Corpus
Christi

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

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

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

The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of these Notes. The remainder of the Notes is organized to provide explanations, including required disclosures, on the City's financial activities for the fiscal year ended July 31, 2010.

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 and the Corpus Christi Industrial Development Corporation promote business development and issue housing revenue or industrial development bonds. The City manages the day-to-day operations of these corporations. The Mayor and Council Members are directors of the corporations.

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

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

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

Corpus Christi Digital Community Development Corporation (CCDCDC) is a U.S. public non-profit corporation founded in 2006. The Corporation was founded by the City of Corpus Christi (City) who identified the significant opportunities for government, public safety, economy, and quality of life that can be enabled through a digital community development corporation. CCDCDC primarily provides services to the City and is managed and operated by a board and employees formerly a part of the City's Municipal Information Service Fund. As of July 31, 2010, this corporation was dissolved and assets and liabilities of the Corporation were transferred to the City's Municipal Information Systems fund.

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

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

Discretely Presented Component Units

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

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

The Corpus Christi Convention and Visitors Bureau (Visitors Bureau) is a private Texas nonprofit corporation organized for the purpose of promoting convention and visitors' activity in the Corpus Christi Bay area. The Visitors Bureau is presented as a governmental fund type. For presentation purposes, the Visitors Bureau's financial statements have been adjusted to eliminate liabilities included in the City's financial statements.

	Health Facilities Development Corporation	Convention and Visitors Bureau
	<u> </u>	<u> </u>
Assets		
Current assets	\$ 3,714	\$ 689,933
Capital assets	--	257,500
Total assets	<u>3,714</u>	<u>947,433</u>
Current liabilities	<u>--</u>	<u>303,483</u>
Net assets		
Invested in capital assets	--	257,500
Unrestricted	3,714	386,450
Total net assets	<u>\$ 3,714</u>	<u>\$ 643,950</u>
Revenues	\$ 8	\$ 3,315,194
Expenses	<u>--</u>	<u>3,366,169</u>
Change in net assets	8	(50,975)
Net assets at beginning of year	3,706	694,925
Net assets at end of year	<u>\$ 3,714</u>	<u>\$ 643,950</u>

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

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

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

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

B. Related Organizations and Jointly Governed Organizations

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

Corpus Christi – Nueces County Public Health District is jointly operated under a cooperative agreement between the City of Corpus Christi and Nueces County as authorized under Chapter 121 of the Texas Health and Safety Code. The City's portion of the expenditures of the public health district is recorded in the City's general fund with grant funded expenditures recorded in the federal/state grants fund.

C. Government-wide and Fund Financial Statements

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Accrual

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

Modified Accrual

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

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

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

E. Cash and Cash Equivalents

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

F. Investments

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

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

G. Receivables

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

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 120 days comprise the trade accounts receivable allowance for uncollectibles. The property tax receivable allowance is calculated on a ten-year average collection rate.

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

H. Inventories and prepaid items

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

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

I. Use of Estimates

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

J. Capital Assets

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

Capital assets such as land and intangible assets such as water rights with an indefinite useful are not depreciated or amortized. Other capital assets, including water rights that do have a finite useful life, are depreciated using the straight-line basis over the following estimated useful lives:

<u>Assets</u>	<u>Life in Years</u>
Dams	100
Water rights	42
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

In fiscal year 2010, the City implemented GASB No. 51, “Accounting and Financial Reporting for Intangible Assets.” Prior to this, the City was amortizing certain water rights in the Combined Utility System Fund. Under GASB 51, the City determined that some of these rights have an indefinite useful life and now should not be amortized. We have restated beginning net assets by \$47,883,583 to reflect the cumulative effect of this change.

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

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

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

K. Restricted Assets

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

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

Certain assets of governmental funds are reclassified as restricted for presentation on the government-wide statement of net assets due to the restriction on the use of these funds for a particular purpose.

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

L. Accumulated Unpaid Compensated Absences

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

M. Long-term Obligations

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

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

N. Pension Plans

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.

O. Fund Equity

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

2. Budget Policy and Budgetary Accounting

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

Budgets are prepared for all governmental funds except the Federal/State grant fund, the capital projects funds, the community enrichment fund, the infrastructure fund, the Corpus Christi Community Improvement Corporation (CCCIC), the Corpus Christi Housing Finance Corporation (CCHFC), the Corpus Christi Industrial Development Corporation (CCIDC) and Reinvestment Zone #3. The Federal/State grant fund and the capital projects funds adopt project-length budgets. Budgets are not adopted for the community enrichment fund, the infrastructure fund, CCCIC, CCHFC, CCIDC, and Reinvestment Zone #3. The budgets are prepared on a basis consistent with generally accepted accounting principles, except that expenditures financed by capital leases are not included in the governmental fund budgets, principal and interest payments are included in the activity expenditures and reimbursements are accounted for as revenues rather than reductions of expenditures. The detail of these differences is included in the statement of revenues, expenditures and changes in fund balance – budget (GAAP basis) and actual in the column titled “Adjustments to Budget Basis.” All annual appropriations lapse at fiscal year end.

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

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

3. Sales Tax Revenue

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

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

4. Property Taxes

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

Taxes are due on receipt of the tax bill and are delinquent if not paid before February of the year following the year in which imposed. Taxes become delinquent on February 1 at which time penalty and interest charges are applicable. Property tax revenues are recorded as revenues when they become available. On July 31, property tax receivables are fully deferred because collections received within the following sixty days are immaterial. As permitted by the Constitution of the State of Texas, home rule cities of over 5,000 population shall have a total tax rate allowable of \$2.50 and shall have a bond tax rate 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 tax rate is computed based on 90% collections.

The 2009-2010 tax rates were \$0.364671 for the general fund and \$0.199175 for debt service for a total of \$0.563846 per \$100 of assessed value. Therefore, the City's tax margin of \$0.116154 per \$100 of assessed value could raise up to \$16,773,346 in additional taxes each year based on the assessed value of \$14,440,609,740. The City could raise up to \$159,865,983 in additional taxes for voter approved tax supported obligations, based on the assessed valuation of \$14,440,609,740 and a debt margin of \$1.107058 calculated on 90% collections.

5. Deposits and Investments

As of July 31, 2010, the carrying amount of the City's cash and cash equivalents was \$121,536,123. In accordance with City policy, the total bank deposits were covered by Federal Depository Insurance (FDIC) or by collateral held by the City's agent in the City's name. The cash funds and short-term investments included in cash and cash equivalents are not subject to collateralization requirements. The discretely presented component units had total cash and cash equivalents of \$564,152 which were covered by FDIC or were secured by collateral held by the City's or component unit's agent in the name of the City or the component unit.

As of July 31, 2010, the City had the following investments:

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Federal Agency Coupon Securities	\$ 199,019,171	\$ 199,044,210	0.960
Treasury Securities	4,977,250	4,993,040	0.680
Local government investment pools-overnight	108,056,948	108,056,948	0.003
Money market funds	8,654,739	8,654,739	0.003
Total	<u>320,708,108</u>	<u>320,748,937</u>	
Short-term investments included in cash and cash equivalents	116,711,687	116,711,687	
Total	<u>\$ 203,996,421</u>	<u>\$ 204,037,250</u>	
Portfolio weighted average maturity			0.620

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

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

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

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

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

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

6. Budgetary Data

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

(\$3,294,557) reduction of revenues and other financing sources comprised of:

- (\$6,600,000) from Sales Tax revenue
- \$590,000 from Industrial District revenue
- \$575,000 from Corpus Christi Housing Finance
- \$532,648 from MIS Fund transfer
- \$400,000 from Tax Appraisal District refund
- \$340,944 from Street Capital Improvement fund
- \$209,592 from Group Health Fund transfer
- \$165,000 from estimated West Oso Latchkey program revenues
- \$145,210 from General Liability Fund transfer
- \$132,138 from Insurance proceeds
- \$90,795 from Proceeds of Auction revenue
- \$60,144 from US Marshals Service reimbursement
- \$17,775 from Citgo contributions
- \$17,700 from HUD Interim Agreement reimbursement
- \$16,885 from unclaimed money held in Police Property Room
- \$6,680 from Department of Justice reimbursement
- \$3,900 from Human Relations reimbursement
- \$1,032 from Target Stores contribution

\$2,195,589 addition to expenditures and other financing uses comprised of:

- (\$3,800,003) for various departments’ budget savings
- \$1,977,799 for encumbrances approved to carry forward from the end of the prior fiscal year
- \$1,450,180 for Police Department vehicles
- \$903,000 for Coliseum demolitions
- (\$677,764) for Transfer to Maintenance Services Fund
- \$575,000 for Ward parking lot improvements
- \$477,044 for Municipal Court Building security
- \$360,683 for Natatorium improvements
- \$340,944 for Street Department capital improvements
- (\$166,000) for Utility funds for ACM Development Services
- \$165,000 for West Oso Latchkey program
- \$135,867 for equipment related to broadcast government access TV
- \$132,138 for Narcotics Department camera equipment replacement
- \$112,845 for Firefighter’s Retirement System
- \$78,370 for Restructuring, Outsourcing, & Privatization Services
- \$60,144 for USMS Gulf Coast Violent Offender and Fugitive Task Force
- \$17,774 for Landscaping Improvements on median at IH-37 & Chaparral
- \$16,885 for Police Property Room upgrades
- \$15,144 for Volunteer Center
- \$11,595 for Residential Traffic Engineering
- \$6,680 for Police Department bullet proof vests
- \$1,232 for Time Warner’s cable public access equipment
- \$1,032 for equipment to assist the Repeat Offenders Program

Budget variances to expenditures and transfers include the following:

- The Police Department’s Criminal Investigation & Uniformed Division exceeded budget by \$249,156 and \$193,205 respectively due to personnel, drag-up, and operational costs.
- The Fire Stations Department exceed budget by \$150,436 due to drag-up costs for retiring employees.
- Brush Collection exceeded budget by \$91,601 due to overtime, benefits and fuel for the unbudgeted debris removal initiative program.
- Economic Development Incentives exceeded budget by \$81,354 due to the 380 Trademark Agreement for La Palmera.

7. Receivables

	<u>General</u>	<u>Debt Service</u>	<u>Utility System</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Unrestricted					
Accounts	\$ 6,870,367	\$ --	\$ 28,206,901	\$ 3,840,687	\$ 38,917,955
Taxes	3,723,564	2,033,726	--	--	5,757,290
Accrued interest	77,543	13,260	109,205	173,147	373,155
Intergovernmental	6,206,069	22,357	2,363,276	11,107,051	19,698,753
Mortgages and loans	--	--	--	16,149,967	16,149,967
Property leases	2,050	--	5,047	--	7,097
Demolition liens	3,916,817	--	--	802,718	4,719,535
Special assessments	--	--	--	475,574	475,574
Employees	13,734	--	55	2,971	16,760
Miscellaneous	1,835,890	--	42,549	107,570	1,986,009
Restricted					
Accounts	--	--	--	227,924	227,924
Accrued interest	--	--	7,331	--	7,331
Intergovernmental	--	--	--	1,261,773	1,261,773
Gross receivables	<u>22,646,034</u>	<u>2,069,343</u>	<u>30,734,364</u>	<u>34,149,382</u>	<u>89,599,123</u>
Less allowance for uncollectible accounts	<u>(8,264,890)</u>	<u>(1,305,299)</u>	<u>(5,945,536)</u>	<u>(1,668,390)</u>	<u>(17,184,115)</u>
Net total receivables	<u>\$ 14,381,144</u>	<u>\$ 764,044</u>	<u>\$ 24,788,828</u>	<u>\$ 32,480,992</u>	<u>\$ 72,415,008</u>

8. Capital Assets

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

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 55,931,330	\$ 796,736	\$ --	\$ 56,728,066
Construction in Progress	64,277,268	7,211,523	--	71,488,791
Total capital assets, not being depreciated	<u>120,208,598</u>	<u>8,008,259</u>	<u>--</u>	<u>128,216,857</u>
Capital assets, being depreciated				
Buildings	221,157,407	557,695	--	221,715,102
Improvements	175,177,967	4,417,230	--	179,595,197
Machinery and Equipment	147,550,264	9,949,440	3,130,950	154,368,754
Infrastructure	213,409,494	35,282,910	--	248,692,404
Total capital assets, being depreciated	<u>757,295,132</u>	<u>50,207,275</u>	<u>3,130,950</u>	<u>804,371,457</u>
Less accumulated depreciation for:				
Buildings	64,340,865	5,279,132	--	69,619,997
Improvements	102,403,709	9,590,805	--	111,994,514
Machinery and Equipment	116,680,071	8,131,496	2,930,631	121,880,936
Infrastructure	128,204,514	8,339,935	--	136,544,449
Total accumulated depreciation	<u>411,629,159</u>	<u>31,341,368</u>	<u>2,930,631</u>	<u>440,039,896</u>
Total capital assets, being depreciated, net	<u>345,665,973</u>	<u>18,865,907</u>	<u>200,319</u>	<u>364,331,561</u>
Governmental activities capital assets, net	<u>\$ 465,874,571</u>	<u>\$ 26,874,166</u>	<u>\$ 200,319</u>	<u>\$ 492,548,418</u>

City of Corpus Christi, Texas

The beginning balance of the business-type activities capital assets has been restated to reflect the cumulative effect of a change in accounting as a result of implementing GASB 51 (Note 1J).

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Business-type activities				
Capital assets, not being depreciated				
Land	\$ 35,384,488	\$ 81,129	\$ --	\$ 35,465,617
Construction in progress	146,080,977	(28,048,539)	--	118,032,438
Total capital assets, not being depreciated	<u>181,465,465</u>	<u>(27,967,410)</u>	<u>--</u>	<u>153,498,055</u>
Capital assets, being depreciated				
Water rights	212,284,487	--	--	212,284,487
Buildings	85,108,168	289,645	--	85,397,813
Improvements	368,078,325	15,763,516	--	383,841,841
Machinery and equipment	47,733,137	4,725,037	190,629	52,267,545
Infrastructure	924,637,759	67,117,159	1,892,358	989,862,560
Total capital assets, being depreciated	<u>1,637,841,876</u>	<u>87,895,357</u>	<u>2,082,987</u>	<u>1,723,654,246</u>
Less: accumulated depreciation for				
Water rights	8,884,004	1,540,274	--	10,424,278
Buildings	29,181,593	1,767,884	--	30,949,477
Improvements	128,765,184	14,542,074	--	143,307,258
Machinery and equipment	29,649,856	4,216,133	190,630	33,675,359
Infrastructure	235,830,954	15,476,191	1,234,714	250,072,431
Total accumulated depreciation	<u>432,311,591</u>	<u>37,542,556</u>	<u>1,425,344</u>	<u>468,428,803</u>
Total capital assets, being depreciated, net	<u>1,205,530,285</u>	<u>50,352,801</u>	<u>657,643</u>	<u>1,255,225,443</u>
Business-type activities capital assets, net	<u>\$ 1,386,995,750</u>	<u>\$ 22,385,391</u>	<u>\$ 657,643</u>	<u>\$ 1,408,723,498</u>

Discretely presented component units

Activity for the Convention and Visitors Bureau for the year ended July 31, 2010, was as follows:

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Capital assets, being depreciated				
Buildings	\$ 235,023	\$ 5,925	\$ --	\$ 240,948
Machinery and equipment	376,702	17,932	--	394,634
Total capital assets, being depreciated	<u>611,725</u>	<u>23,857</u>	<u>--</u>	<u>635,582</u>
Less accumulated depreciation for				
Buildings	119,682	11,254	--	130,936
Machinery and equipment	226,490	20,656	--	247,146
Total accumulated depreciation	<u>346,172</u>	<u>31,910</u>	<u>--</u>	<u>378,082</u>
Total capital assets, being depreciated, net	<u>265,553</u>	<u>(8,053)</u>	<u>--</u>	<u>257,500</u>
Convention and Visitor's Bureau capital assets, net	<u>\$ 265,553</u>	<u>\$ (8,053)</u>	<u>\$ --</u>	<u>\$ 257,500</u>

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

<u>Governmental activity</u>		<u>Business-type activity</u>	
General government	\$ 905,155	Gas	\$ 2,177,773
Police	665,063	Water	17,072,239
Fire	1,444,178	Wastewater	10,709,473
Emergency management	380	Airport	3,747,832
Inspections	44,164	Golf centers	254,080
Streets	11,682,870	Marina	568,354
Health	291,573	Solid waste	3,012,805
Parks and recreation	3,168,975	Total	<u>\$ 37,542,556</u>
Libraries	415,715		
Museums	175,363		
Community enrichment	3,630		
Community development	1,363,892		
Convention and visitors facilities	4,917,770		
Internal service fund	6,262,640		
Total	<u>\$ 31,341,368</u>		

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 07-31-10</u>	<u>Additional Funds Committed</u>	<u>Required Future Financing</u>
Airport	\$ 30,438,297	\$ 27,896,049	\$ 2,542,248	\$ --
Bayfront Development	21,271,080	20,018,031	1,253,049	--
Convention Facility	275,578	152,949	122,629	--
Gas	219,500	132,403	87,097	--
Fire Department	1,682,707	1,064,811	617,896	--
Library	137,731	129,262	8,469	--
Museum	1,448,014	1,170,785	277,229	--
Parks	18,598,938	12,643,513	5,955,425	--
Police Building	2,874,858	676,222	2,198,636	--
Public Health and Safety	3,444,617	3,121,458	323,159	--
Sanitary Landfill	9,417,710	8,633,531	784,179	--
Seawall	350,987	133	350,854	--
Stormwater	37,023,143	27,299,776	9,723,367	--
Street	62,916,925	38,743,718	24,173,207	--
Wastewater	41,706,086	29,724,211	11,981,875	--
Water	28,582,203	17,539,105	11,043,098	--
Total	<u>\$ 260,388,374</u>	<u>\$ 188,945,957</u>	<u>\$ 71,442,417</u>	<u>\$ --</u>

9. Employment Retirement Benefits

A. Retirement Systems

The City participates in funding two retirement plans: (1) all City employees, except firefighters, are provided benefits through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), one of 837 administered by TMRS, an agent multiple-employer public employee retirement system and (2) all firefighters are covered by the Fire Fighters Retirement System of Corpus Christi, a single-employer defined benefit pension plan. An independent board of trustees administers each plan. The fiscal year of each pension fund ends December 31. The most recently available financial statements of the City employees' pension fund is for the year ended December 31, 2009 and for the fire fighters' pension fund is for the year ended December 31, 2008. Membership in the plans is as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>	<u>Total</u>
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	2,298	269	2,567
Current contributing employees	2,649	415	3,064
Total	<u>4,947</u>	<u>684</u>	<u>5,631</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.

City of Corpus Christi, Texas

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

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

Authority establishing contribution obligation	State Legislation	State Legislation
Frequency of contribution	Biweekly	Biweekly
Employee's contribution (percent of earnings)		
August 1, 2009 - December, 2009	6.00%	12.20%
January 1, 2010 - July 31, 2010	6.00%	12.20%
City's contribution (percent of earnings)		
January 1, 2009 - December 31, 2009	15.75%	15.39%
January 1, 2010 - July 31, 2010	16.77%	16.58%

While the contribution requirements are not actuarially determined, State law requires that a qualified actuary approve each plan of benefits adopted. The actuary of each plan has certified that the contribution commitment by the participants and the City provide an adequate financing arrangement. Contributions for fiscal year ended July 31, 2010, are as follows:

	<u>City</u> <u>Employees</u>	<u>Fire</u> <u>Fighters</u>	<u>Total</u>
City	\$18,330,551	\$ 4,440,572	\$22,771,123
Employees	6,736,651	3,214,846	9,951,497
Total	<u>\$25,067,202</u>	<u>\$ 7,655,418</u>	<u>\$32,722,620</u>

Annual Pension Cost and Net Pension Obligation

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

For calendar year 2011, the City adopted an ordinance to change the “annually repeating” feature of the City’s plan regarding updated service credits and 70% CPI increases to annuitants to “ad hoc” (one time only basis), thereby reducing the City’s full contribution rate for calendar year 2011 to 14.24%.

For fiscal year ending July 31, 2010, the City’s contributions of \$22,771,124 were not equal to the City’s required contribution, resulting in an increase of the net pension obligation of \$6,086,434.

	City Employees	Fire Fighters	Total
Annual required contribution (ARC)	\$ 24,362,494	\$ 4,440,572	\$ 28,803,066
Interest on net pension obligation	293,199	--	293,199
Adjustment to the ARC	(238,708)	--	(238,708)
Annual pension cost	24,416,985	4,440,572	28,857,557
Contributions made	18,330,551	4,440,572	22,771,123
Increase in net pension obligation	6,086,434	--	6,086,434
Net pension obligation - beginning of year	3,909,319	--	3,909,319
Net pension obligation - end of year	\$ 9,995,753	\$ --	\$ 9,995,753

Three year trend information is as follows:

	City Employees	Fire Fighters	Total
City's Annual Pension Cost (APC)			
2008	\$ 14,035,058	\$ 3,040,260	\$ 17,075,318
2009	\$ 21,009,512	\$ 3,964,376	\$ 24,973,888
2010	\$ 24,416,985	\$ 4,440,572	\$ 28,857,557
Percentage of APC contributed			
2008	100%	100%	N/A
2009	81.4%	100%	N/A
2010	75.1%	100%	N/A
Net Pension Obligation			
2008	\$ --	\$ --	\$ --
2009	\$ 3,909,319	\$ --	\$ 3,909,319
2010	\$ 9,995,753	\$ --	\$ 9,995,753

Funded Status and Funding Progress

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

	<u>City Employees</u>	<u>Fire Fighters</u>
Valuation date	12/31/2009	12/31/2008
Actuarial accrued liability	\$ 465,122,135	\$ 162,568,260
Actuarial value of plan assets	<u>246,315,526</u>	<u>92,218,756</u>
Unfunded actuarial accrued liability	<u>\$ 218,806,609</u>	<u>\$ 70,349,504</u>
Funded ratio	53.0%	56.7%
Covered payroll	\$ 114,395,501	\$ 24,268,094
Unfunded actuarial accrued liability as a percentage of covered payroll	191.3%	289.9%

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

Actuarial Methods and Assumptions

The latest actuarial valuation for City employees was completed as of December 31, 2009, and for Fire Fighters was completed as of December 31, 2008. The actuarial cost method and significant assumptions underlying the actuarial calculations are as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>
Actuarial Cost Method	Projected Unit Credit	Entry Age
Asset Valuation Basis	Amortization Cost	Market Value
Inflation Rate	3%	4%
Projected Annual Salary Increases	N/A	4%
Post Retirement Benefit Increase	N/A	N/A
Assumed Rate of Return on Investments	7%	8%
Amortization Method	Level percent of payroll, closed	Level percent of payroll, open
Remaining Amortization Period	28 years	25 years

B. Deferred Compensation Plan

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

10. Post-Employment Health Care Benefits

GASB Statement No. 45: *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (OPEB) does not require funding of OPEB expense, but any difference between the annual required contribution (ARC) and the amount funded during the year is required to be recorded in the employer’s financial statement as an increase (or decrease) in the net OPEB obligation. The City is required to obtain an actuarial valuation at least once every two years in accordance with GASB 45 standards. The City latest valuation is dated as of August 1, 2009, and discloses the following:

Plan Description and City’s Funding Policy

Employees who retire from the City of Corpus Christi, and eligible dependents and survivors, are eligible to continue to participate in the City's health insurance programs at the “blended” employee group rate which is determined annually by the City of Corpus Christi and approved by the City Council. Retirees have 31 days to elect to enroll in the City's self-funded, single-employer health insurance plan (Citicare, Citicare Public Safety, and Citicare-Fire) in which they were participating at the time of retirement unless otherwise stated in a plan document or collective bargaining agreement. In an effort to reduce the City's liability, as of March 2010, civilian retirees that are Medicare-eligible have been enrolled in a separate Medicare insurance plan and are no longer covered by the City's group insurance plan. For fiscal year beginning August 1, 2010, retirees under Citicare Public Safety that are Medicare eligible will also be enrolled in a separate Medicare Insurance Plan. As of July 31, 2010, a total of 558 eligible retirees and dependents were participating in the City's group health program detailed as follows:

Citicare	204
Citicare Public Safety	201
Citicare Fire	151
Pending election	2
Total	<u>558</u>

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

Annual OPEB Cost and Net OPEB Obligation

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

	Citicare	Citicare Public Safety	Citicare Fire	Total
Annual required contribution (ARC)	\$ 1,960,046	\$ 987,678	\$ 1,023,928	\$ 3,971,652
Interest on net OPEB obligation	231,121	96,854	123,179	451,154
ARC adjustment	(209,463)	(87,778)	(111,636)	(408,877)
Annual OPEB cost	1,981,704	996,754	1,035,471	4,013,929
Contributions made (pay-as-you-go basis)	704,363	443,157	407,364	1,554,884
Increase in net OPEB obligation	1,277,341	553,597	628,107	2,459,045
Net OPEB obligation - beginning of year	5,136,029	2,152,317	2,737,307	10,025,653
Net OPEB obligation - end of year	<u>\$ 6,413,370</u>	<u>\$ 2,705,914</u>	<u>\$ 3,365,414</u>	<u>\$ 12,484,698</u>

City of Corpus Christi, Texas

Three year trend information is as follows:

	Citicare	Citicare Public Safety	Citicare Fire	Total
City's Annual OPEB Cost (APC)				
2008	\$3,109,043	\$1,502,603	\$1,853,004	\$6,464,650
2009	\$3,427,045	\$1,660,031	\$2,050,229	\$7,137,305
2010	\$1,981,704	\$996,754	\$1,035,471	\$4,013,929
Percentage of APC contributed				
2008	20.2%	30.3%	29.2%	N/A
2009	22.5%	33.4%	30.4%	N/A
2010	35.5%	44.5%	39.3%	N/A
Net OPEB Obligation				
2008	\$ 2,480,424	\$ 1,046,791	\$ 1,311,167	\$ 4,838,382
2009	\$ 5,136,029	\$ 2,152,317	\$ 2,737,307	\$ 10,025,653
2010	\$ 6,413,370	\$ 2,705,914	\$ 3,365,414	\$ 12,484,698

Funded Status and Funding Progress

The funded status of the plan as of the last valuation date of July 31, 2010, was as follows:

	Citicare	Citicare Public Safety	Citicare Fire	Total
Actuarial accrued liability	\$ 12,524,728	\$ 13,584,349	\$ 13,537,686	\$ 39,646,763
Actuarial value of plan assets	--	--	--	--
Unfunded actuarial accrued liability	\$ 12,524,728	\$ 13,584,349	\$ 13,537,686	\$ 39,646,763
Funded ratio	0%	0%	0%	0%
Covered payroll	\$ 75,985,799	\$ 33,462,005	\$ 24,597,155	\$ 134,044,958
Unfunded actuarial accrued liability as a percentage of covered payroll	16.5%	40.6%	55.0%	29.6%

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

Changes since 2007

The total GASB 45 actuarial accrued liability for Citicare, Public Safety and Fire decreased from approximately \$68 million as of August 1, 2007 to approximately \$40 million as of August 1, 2009. The majority of the decrease is attributable to revisions to the actuarial assumptions in order to more accurately reflect the anticipated experience to the plan in the future. These included changes to the mortality, retirement, participation, persistency, claims cost and health care cost trend rate assumptions. The major cause of these changes was a reduction in plan benefits under Citicare and eliminating participation after age 65.

Actuarial Methods and Assumptions

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

Measurement Date	August 1, 2009
Actuarial Cost Method	Projected Unit Credit (PUC)
Amortization Period	30 years, Open
Amortization Method	Level Percent of Payroll
Discount rate	4.50%
CPI	2.50%
Healthcare Cost Trend Rate	10% initial rate, 4.5% ultimate rate, 19 year grade in period
Payroll Growth Rate	3% annually

11. Risk Management

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

A. Insurance

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

The estimated claims liability of \$13,999,697 at July 31, 2010, of which \$8,508,363 is due within one year, is based on requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The City purchases annuity contracts from commercial insurers to satisfy certain liabilities under worker’s compensations claims; accordingly, no liability is reported for those claims. Changes in the fund claims liability amounts for fiscal years 2009 and 2010 were:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End
Fiscal Year				
2008-2009	\$ 14,564,217	\$ 27,193,195	\$ (26,879,895)	\$ 14,877,517
2009-2010	14,877,517	26,374,288	(27,252,108)	13,999,697

B. Contingent Liabilities

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

12. Operating Leases

A. Property Leased From Others

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

B. Property Leased To Others

The City is the lessor of airport floor space, real property, and parking spaces under operating leases expiring through the fiscal year 2026. The arena operating leases expire through the fiscal year 2012. Minimum rentals to be received from future leases are:

<u>Fiscal Year Ending July 31,</u>	<u>Enterprise Funds</u>	<u>Special Revenue Funds</u>
2011	2,756,828	110,325
2012	2,485,073	102,500
2013	2,428,423	--
2014	2,407,427	--
2015	19,162	--
2016-2026	333,718	
Total minimum future rentals	<u>\$ 10,430,631</u>	<u>\$ 212,825</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. In 2005, the program was renewed for five additional years until 2015. As of July 31, 2010, there was no commercial paper outstanding. The commercial paper is supported by a letter of credit with WestLB AG (formerly known as Westdeutsche Landesbank Girozentrale).

14. Long-term obligations

The following is a summary of long-term obligation transactions of the City for the year ended July 31, 2010:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
Long-term debt					
General obligation bonds	\$ 231,525,000	\$ 13,685,000	\$ (13,190,000)	\$ 232,020,000	\$ 12,995,000
Certificates of obligation	28,745,695	11,460,000	(2,950,000)	37,255,695	2,565,294
Revenue bonds	110,095,000	--	(4,635,000)	105,460,000	5,295,000
Discount on bonds payable	(27,887)	--	2,735	(25,152)	--
Premium on bonds payable	10,990,430	491,894	(1,140,124)	10,342,200	--
Deferred gain on refunding	(2,397,659)	--	284,586	(2,113,073)	--
Capital leases	10,766,432	4,239,483	(3,610,030)	11,395,885	3,174,829
Other notes payable	7,510,000	--	(2,215,000)	5,295,000	995,000
Total long-term debt	<u>397,207,011</u>	<u>29,876,377</u>	<u>(27,452,833)</u>	<u>399,630,555</u>	<u>25,025,123</u>
Accumulated compensated absences	35,264,754	12,369,235	(9,608,810)	38,025,179	9,608,811
Net pension obligation	2,879,184	4,414,049	--	7,293,233	--
Net OPEB obligation	<u>10,025,653</u>	<u>3,473,235</u>	<u>(1,554,886)</u>	<u>11,944,002</u>	<u>--</u>
Governmental activities Long-term liabilities	<u>\$ 445,376,602</u>	<u>\$ 50,132,896</u>	<u>\$ (38,616,529)</u>	<u>\$ 456,892,969</u>	<u>\$ 34,633,934</u>
Business-type activities					
Long-term debt					
Certificates of obligation	\$ 58,484,305	\$ --	\$ (1,300,000)	\$ 57,184,305	\$ 1,534,706
Revenue bonds	546,875,000	8,000,000	(29,095,000)	525,780,000	27,245,050
Discount on bonds payable	(1,595,762)	--	89,908	(1,505,854)	--
Premium on bonds payable	18,251,008	--	(2,214,634)	16,036,374	--
Deferred gain on refunding	(11,222,062)	--	1,368,745	(9,853,317)	--
Capital leases	5,006,444	2,983,206	(1,701,259)	6,288,391	1,904,815
Utility notes payable	<u>164,625,035</u>	<u>--</u>	<u>(4,143,940)</u>	<u>160,481,095</u>	<u>4,276,430</u>
Total long-term debt	780,423,968	10,983,206	(36,996,180)	754,410,994	34,961,001
Landfill closure cost	23,402,278	--	(164,614)	23,237,664	2,774,296
Accumulated compensated absences	4,154,155	2,198,142	(2,230,834)	4,121,463	2,230,835
Net pension obligation	1,030,134	1,672,386	--	2,702,520	--
Net OPEB Obligation	<u>--</u>	<u>540,696</u>	<u>--</u>	<u>540,696</u>	<u>--</u>
Business-type activities Long-term liabilities	<u>\$ 809,010,535</u>	<u>\$ 15,394,430</u>	<u>\$ (39,391,628)</u>	<u>\$ 785,013,337</u>	<u>\$ 39,966,132</u>

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

A. Bonds

Bonds payable at July 31, 2010, are comprised of the following:

Governmental activities

General Obligation Bonds

\$39,150,000 2001 General Improvement Refunding Bonds due in annual installments of \$370,000 to \$3,850,000 through March 1, 2018, including \$10,000,000 in March 1, 2021 term bonds with annual mandatory redemptions of \$1,245,000 to \$1,375,000 from March 1, 2019 through March 1, 2021, interest at 4.50% to 5.375%	\$18,110,000
\$11,340,000 2001-A General Improvement Refunding Bonds due in annual installments of \$3,130,000 on March 1, 2008 and \$120,000 to \$135,000 March 1, 2009 through March 1, 2012, interest at 5.00%	260,000
\$22,575,000 2003 General Improvement Refunding Bonds due in annual installments of \$725,000 to \$3,760,000 through March 1, 2015, except 2011-2012 in which no payments are due, interest at 3.25% to 5.00%	2,230,000
\$25,640,000 2004 General Improvement Refunding Bonds due in annual installments of \$165,000 to \$8,900,000 through March 1, 2012, interest at 5.00%	1,825,000
\$86,485,000 2005 General Improvement and Refunding bonds due in annual installments of \$680,000 to \$6,775,000 through March 1, 2025, interest at 3.25% to 5.25%	78,370,000
\$3,830,000 2007 Texas Military Value Revolving Loan Program Bonds due in annual installments of \$160,000 to \$310,000 through September 1, 2026, interest at 3.75% to 4.00%	3,830,000
\$31,145,000 2007-A General Improvement due in annual installments of \$1,100,000 to \$2,350,000 through March 1, 2027, interest at 4.375% to 5.00%	28,895,000
\$88,725,000 2009 General Improvement Bonds due in annual installments of \$3,115,000 to \$6,495,000 through July 31, 2029, interest at 2.00% to 5.00%	84,815,000
\$13,685,000 2010 General Improvement Bonds due in annual installments of \$485,000 to \$950,000 through July 31, 2030, interest at 2.75% to 4.25%	<u>13,685,000</u>
Total General Improvement Bonds	<u>232,020,000</u>

Certificates of Obligation

\$13,870,000 2000 Combination Tax and Revenue Certificates of Obligation due in annual installments of \$595,000 to \$715,000 through March 1, 2011, interest at 4.5% to 4.85%	715,000
\$31,545,000 2002 Combination Tax and Municipal Hotel Occupancy Tax Revenue Certificates of Obligation due in annual installments of \$1,150,000 to \$2,430,000 through September 1, 2022, including \$3,600,000 in September 1, 2017 term certificates with annual mandatory redemptions of \$1,750,000 and \$1,850,000 September 1, 2016 and September 1, 2017, interest at 3.1% to 5.50%	23,400,000
34.58% of \$6,985,000 2007 Certificate of Obligation, Texas Military Preparedness Commission, due in annual installments of \$290,000 to \$565,000 from September 1, 2010 through September 1, 2026, interest at 4.00% to 4.375%	2,415,695

City of Corpus Christi, Texas

\$8,460,000 2009 Combination Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments of \$280,000 to \$735,000 through July 31, 2029, interest at 2.00% to 5.00%	7,725,000
\$3,000,000 2010 Combination Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments of \$100,000 to \$210,000 through July 31, 2030, interest at 4.00% to 4.50%	<u>3,000,000</u>
Total Certificates of Obligation	<u>37,255,695</u>

Revenue Bonds

\$43,960,000 2001 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Bonds due in annual installments of \$1,095,000 to \$2,915,000 through March 1, 2024, including \$5,165,000 in March 1, 2022 term bonds with annual mandatory redemptions of \$2,520,000 and \$2,645,000 March 1, 2021 and March 1, 2022, and \$6,285,000 in March 1, 2026 term bonds with annual mandatory redemptions of \$3,065,000 and \$3,220,000 March 1, 2025 and March 1, 2026, interest at 4.00% to 5.375%	36,245,000
\$49,185,000 2002 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Refunding and Improvement Bonds due in annual installments of \$1,185,000 to \$3,645,000 through September 1, 2022, including \$10,425,000 in September 1, 2025 term bonds with annual mandatory redemptions of \$3,305,000 to \$3,645,000 from September 1, 2023 through September 1, 2025, interest at 3.25% to 5.50%	40,800,000
\$24,565,000 2004 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Bonds due in annual installments of \$1,500,000 to \$2,230,000 through September 1, 2017, interest at 2.00% to 5.00%	15,310,000
\$13,445,000 2008 North Padre Island Development Corporation Tax Increment Contract Revenue Refunding Bonds due in annual installments of \$165,000 to \$1,605,000 through September 15, 2022, interest at 4.50%	<u>13,105,000</u>
Total Revenue Bonds	<u>105,460,000</u>
Total Governmental Activities	<u>\$374,735,695</u>

Business-type activities

Certificates of Obligation

\$6,845,000 2004 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$250,000 to \$510,000 through March 1, 2019, including \$2,320,000 in March 1, 2024 term bonds with annual mandatory redemptions of \$420,000 to \$510,000 from March 1, 2020 through March 1, 2024, interest at 3.00% to 5.12%	\$5,355,000
\$14,520,000 2005 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$250,000 to \$485,000 through September 1, 2024, including \$2,825,000 in September 1, 2029 term bonds with annual mandatory redemptions of \$510,000 to \$625,000 from September 1, 2025 through September 1, 2029, and \$5,355,000 in September 1, 2036 term bonds with annual mandatory redemptions of \$655,000 to \$885,000 from September 1, 2030 through September 1, 2036, interest at 3.00% to 5.00%	13,740,000

City of Corpus Christi, Texas

\$4,500,000 2005 Combination Tax and Revenue Marina Certificates of Obligation due in annual installments of \$155,000 to \$325,000 through September 1, 2025, interest at 3.00% to 4.375%	3,850,000
\$18,605,000 2006 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$350,000 to \$660,000 from March 1, 2009 through March 1, 2024, including \$3,800,000 in March 1, 2029 term bonds with mandatory redemptions of \$690,000 to \$830,000 from March 1, 2025 through March 1, 2029, and \$7,040,000 in March 1, 2036 term bonds with mandatory redemptions of \$870,000 to \$1,150,000 from March 1, 2030 through March 1, 2036, interest at 4.00% to 4.82%	17,890,000
65.42% of \$6,985,000 2007 Certificate of Obligation, Texas Military Preparedness Commission, due in annual installments of \$290,000 to \$565,000 from September 1, 2010 through September 1, 2026, interest at 4.00% to 4.375%	4,569,305
\$12,000,000 2008 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$220,000 to \$765,000 from March 1, 2009 through March 1, 2038, interest at 3.00% to 5.25%	<u>11,780,000</u>
Total Certificates of Obligation - Business Type Activities	<u>57,184,305</u>

Revenue Bonds

\$47,740,000 1999 Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$725,000 to \$3,505,000 through July 15, 2017, including \$5,810,000 in July 15, 2019 term bonds with annual mandatory redemptions of \$2,835,000 and \$2,978,000 July 15, 2018 and July 15, 2019, interest at 4.25% to 5.25%	1,490,000
\$15,750,000 1999-A Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$700,000 to \$1,100,000 due July 15, 2019, interest at 3.25% to 4.10%	8,560,000
\$42,520,000 2000-A Utility System Revenue Refunding Bonds due in annual installments of \$1,675,000 to \$2,060,000 through July 15, 2011, interest at 4.80% to 5.75%	2,060,000
\$13,010,000 2000-A General Airport Revenue Bonds due in annual installments of \$455,000 to \$885,000 through February 15, 2020 including \$2,375,000 in February 15, 2023 term bonds with annual mandatory redemptions of \$450,000 to \$990,000 from February 15, 2021 to February 15, 2023, interest at 4.90% to 5.625%	9,430,000
\$9,640,000 2000-B General Airport Revenue Bonds February 15, 2030 term bonds with annual mandatory redemptions of \$590,000 to \$1,505,000 from February 15, 2023 through February 15, 2030, interest at 5.375%	9,640,000
\$92,330,000 2002 Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$3,455,000 to \$6,960,000 through July 15, 2022, interest at 3.50% to 5.25%	35,925,000
\$28,870,000 2003 Utility System Revenue Refunding Bonds due in annual installments of \$1,975,000 to \$4,815,000 through July 15, 2015, interest at 2.50% to 5.00%	19,760,000
\$50,000,000 2004 Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$1,810,000 to \$3,830,000 through July 15, 2024, interest at 3.00% to 5.25%	39,485,000
\$70,390,000 2005 Utility Revenue Refunding Bonds due in annual installments of \$2,200,000 to \$10,965,000 through July 15, 2020, interest at 3.00% to 5.25%	70,185,000

City of Corpus Christi, Texas

\$94,575,000 2005 Nueces River Authority Water Supply Facilities Revenue Refunding Bonds due in annual installments of \$100,000 to \$7,545,000 through March 1, 2027, interest at 3.00% to 5.25%	89,220,000
\$5,160,000 2005 Lavaca-Navidad River Authority Water Supply Facilities Revenue Refunding bonds due in annual installments of \$20,000 to \$715,000 through July 15, 2017, interest at 3.25% to 4.00%	4,450,000
\$68,325,000 2005A Utility Revenue Refunding Bonds due in annual installments of \$2,340,000 to \$5,205,000 through July 15, 2025, interest at 3.00% to 5.00%	56,810,000
\$84,415,000 2006 Utility Revenue Refunding Bonds due in annual installments of \$1,625,000 to \$7,165,000 through July 15, 2026, interest at 4.00% to 5.00%	74,275,000
\$96,490,000 2009 Utility System Revenue Improvement Bonds due in annual installments of \$1,730,000 to \$6,135,000 through July 15, 2039, interest at 2.50% to 5.25%	96,490,000
\$8,000,000 2010 Utility System Revenue Bonds due in annual installments of \$730,000 to \$885,000 beginning July 15, 2020 and ending July 15, 2029, interest at 1.591% to 2.587%	<u>8,000,000</u>
Total Revenue Bonds - Business Type Activities	<u>525,780,000</u>
Total Business-type Activities	<u>\$582,964,305</u>

In fiscal year 2010, the City issued \$14,375,000 in Utility System Revenue Improvement Bonds, Series 2010A and \$60,625,000 in Utility System Revenue Improvement Bonds, Taxable Series 2010 (Direct Subsidy – Build America Bonds) dated July 1, 2010, due in installments of \$1,440,000 to \$1,835,000 and \$1,945,000 to \$4,155,000 beginning July 31, 2011 through July 31, 2019, and July 31, 2020 through July 31, 2040, interest at 3.00% to 4.00% and 5.430% to 6.243%. The City also issued \$5,500,000 in Combination Tax and Limited Pledge Airport Revenue Certificates of Obligation, Taxable Series 2010 dated July 1, 2010 due in installments of \$175,000 to \$455,000 beginning July 31, 2012 and ending July 31, 2030, interest at 5.000% to 6.250%. Although the bonds were dated July 1, 2010 the bonds and certificates were not sold and funded until the following fiscal year on August 17, 2010, and therefore not reflected in the annual requirements set forth below.

City of Corpus Christi, Texas

The annual requirements to amortize all bonded debt outstanding as of July 31, 2010, are as follows:

Fiscal Year Ending July 31	Governmental Activities			
	General Obligation Bonds		Certificates of Obligation	
	Principal	Interest	Principal	Interest
2011	\$ 12,995,000	\$ 10,473,002	\$ 2,565,293	\$ 1,707,186
2012	12,525,000	10,082,219	1,868,752	1,644,846
2013	12,760,000	9,571,019	1,938,940	1,573,885
2014	13,300,000	9,009,994	2,017,398	1,499,563
2015	14,100,000	8,436,994	2,117,586	1,401,779
2016-2020	68,405,000	33,044,844	12,414,201	5,178,000
2021-2025	64,135,000	17,036,759	10,801,371	1,819,557
2026-2030	33,800,000	3,959,847	3,532,154	395,662
Total	\$ 232,020,000	\$ 101,614,678	\$ 37,255,695	\$ 15,220,478

Fiscal Year Ending July 31	Governmental Activities Revenue Bonds	
	Principal	Interest
	2011	\$ 5,295,000
2012	5,680,000	4,898,749
2013	5,960,000	4,634,849
2014	6,310,000	4,340,836
2015	6,675,000	4,024,905
2016-2020	34,430,000	14,732,466
2021-2025	34,245,000	6,251,572
2026	6,865,000	252,125
Total	\$ 105,460,000	\$ 44,254,691

Fiscal Year Ending July 31	Business-Type Activities Certificates of Obligation		Business-Type Activities Revenue Bonds	
	Principal	Interest	Principal	Interest
	2011	\$ 1,534,706	\$ 2,624,919	\$ 27,245,050
2012	1,586,249	2,568,508	28,409,950	24,364,378
2013	1,651,060	2,508,476	29,750,000	23,055,890
2014	1,707,602	2,444,941	31,150,000	21,678,649
2015	1,782,414	2,375,912	30,935,000	20,255,979
2016-2020	10,120,799	10,694,737	153,320,000	78,335,399
2021-2025	12,043,629	8,234,647	131,425,000	42,220,253
2026-2030	10,117,846	5,563,492	48,315,000	17,495,501
2031-2035	11,590,000	3,009,319	22,500,000	9,828,431
2036-2040	5,050,000	385,650	22,730,000	3,134,163
Total	\$ 57,184,305	\$ 40,410,601	\$ 525,780,000	\$ 265,893,860

\$11,923,519 is available in the Debt Service Fund to service general obligation bonds. There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.

The City also may be contingently liable for rebates to the Federal government associated with interest earned on proceeds of tax exempt bonds issued. Based on regulations of the Tax Reform Act of 1986, the rebate would not be made until five years from the bond issuance date and may be liquidated through lower interest earnings in future years. For the fiscal year ended July 31, 2010, the City has no arbitrage liability.

B. Capital Leases

The City has entered into lease agreements as lessee for the acquisition of the following assets: various trucks and heavy equipment for the Solid Waste Department, Health Department, Street Department, and Fire Department; a building and improvements for the Emergency Operations Center and Development Services Department; golf carts for the Park and Recreation Department; and computer and connectivity equipment for several City departments. These lease agreements qualify as capital leases for accounting purposes, and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The following is a schedule of assets leased under capital leases as of July 31, 2010.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Land	\$ 66,359	\$ --
Building	1,260,821	--
Machinery and equipment	14,428,791	7,809,088
Less accumulated depreciation	<u>(4,246,280)</u>	<u>(3,354,543)</u>
Total	<u>\$ 11,509,691</u>	<u>\$ 4,454,545</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, 2010:

<u>Fiscal Year Ending July 31</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2011	\$ 3,579,829	\$ 2,091,372
2012	3,158,006	1,945,624
2013	2,814,564	1,387,576
2014	1,525,318	910,121
2015	511,450	357,885
2016-2020	867,495	--
2021	126,276	--
Total minimum lease payments	<u>12,582,938</u>	<u>6,692,578</u>
Less amount representing interest	<u>1,187,053</u>	<u>404,187</u>
Present value of minimum lease payments	<u>\$ 11,395,885</u>	<u>\$ 6,288,391</u>

C. Other Notes Payable

Other notes payable as of July 31, 2010, are as follows:

3.52% 2008 Tax Notes - Frost Bank due in annual installments of \$965,000 to \$16,000,000 through March 1, 2015 \$ 5,295,000

The annual requirements to amortize the notes outstanding as of July 31, 2010, are as follows:

<u>Fiscal Year Ending July 31,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2011	\$ 995,000	\$ 186,384
2012	1,025,000	151,360
2013	1,060,000	115,280
2014	1,090,000	77,968
2015	1,125,000	39,600
Total	<u>\$ 5,295,000</u>	<u>\$ 570,592</u>

D. Utility System Notes Payable

The Utility System notes payable of \$160,481,095 consists of \$62,761,604 related to an agreement with the Bureau of Reclamation for water rights and recreational facilities at Choke Canyon Dam and \$96,917,891 which represents the present value of an agreement with the Lavaca Navidad River Authority for water rights from Lake Texana and contract payable of \$801,600 to Natural Energy and Trade, LP.

Choke Canyon Dam

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

The dam site will remain the property of the Bureau although the City and Authority have the right, in perpetuity, to impound 80% and 20% respectively, of the water in the Project's reservoir. Pursuant to a separate agreement between the City and the Authority, the City, in exchange for certain services, will pay the Authority \$100,000 per calendar year plus additional sums for water used as specified in the agreement. The Bureau also constructed recreation and fish and wildlife facilities. At July 31, 2010, the City's share of the liability of the reservoir and related facilities, excluding interest, totaled \$62,761,605 and is payable over a 33 year period at an interest rate of 5.116%.

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

Fiscal Year Ending July 31,	Principal	Interest
2011	\$ 1,784,280	\$ 3,210,883
2012	1,875,563	3,119,600
2013	1,971,518	3,023,645
2014	2,072,380	2,922,783
2015	2,178,403	2,816,760
2016-2020	12,682,221	12,293,594
2021-2025	16,275,691	8,700,124
2026-2030	15,893,722	4,128,677
2031-2035	2,310,811	1,828,859
2036-2040	2,965,572	1,174,098
2041-2044	2,751,443	344,834
Total	<u>\$ 62,761,604</u>	<u>\$ 43,563,857</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 \$96,917,891 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, 2010:

Fiscal Year Ending July 31,	Principal	Interest
2011	\$ 1,690,550	\$ 3,392,126
2012	1,816,213	3,332,957
2013	1,947,717	3,269,389
2014	2,085,298	3,201,219
2015	2,229,199	3,128,234
2016-2020	13,544,106	14,361,858
2021-2025	18,247,782	11,676,681
2026-2030	24,079,211	8,092,471
2031-2035	31,277,815	3,395,727
Total	<u>\$ 96,917,891</u>	<u>\$ 53,850,662</u>

Pipeline Acquisition Contract Payable

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

<u>Fiscal Year Ending July 31,</u>	<u>Payment Amount</u>
2011	<u>\$ 801,600</u>

E. Closure and Post-closure Care Costs

State and Federal laws and regulations require the City to place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an accrued liability has been recognized based on the future closure and post-closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The amount of the liability is based on what it would cost to have all such closure and post-closure care performed in the current year, and is assigned to periods based on cumulative landfill use. The estimated liability for landfill closure and post-closure costs recorded in the business-type activities at July 31, 2010, is \$23,237,664 for both the J.C. Elliott Landfill and the Cefe Valenzuela Landfill. The current portion of this amount is \$2,774,296 of which the majority is related to the costs for the final cap and monitoring for J.C. Elliott Landfill. The City ceased accepting waste for disposal at the JC Elliott Landfill on November 10, 2007, and began full-time waste operations at Cefe Valenzuela Landfill. As of July 31, 2010, Cefe Valenzuela Landfill was at 45.16% filled capacity for developed cells and 1.62% filled capacity for the entire permitted site. The closure and post-closure costs related to the developed cells that have not been recognized in these financial statements is \$5,021,546. The estimated remaining life of developed cells is approximately 3 years and the estimated remaining life of the entire permitted site is approximately 175 years. The actual costs of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

15. Advance Refundings and Defeasances

In prior years, the City refinanced other bond issues through the issuance of refunding bonds. The proceeds from the refunding bonds have been deposited in irrevocable trusts which, together with interest earnings on those deposits, will provide amounts sufficient for future redemption or payment of principal and interest of the issues refunded. The trust account assets and the liabilities for the defeased bonds are not included in the City's financial statements. On July 31, 2010, \$58,980,000 of bonds outstanding were considered defeased.

16. Interfund Transfers, Receivables and Payables

Interfund transfers for the year ended July 31, 2010, are as follows:

	Transfers Out					Total
	General	Non-major Governmental	Utility System Fund	Non-major Proprietary	Internal Service	
Transfers In:						
General	\$ --	\$ 347,256	\$ 2,812,500	\$ 609,829	\$ 6,220,238	\$ 9,989,823
Debt service	4,676,897	2,492,473	133,644	234,286	--	7,537,300
Non-major government	941,171	--	--	--	231,678	1,172,849
Utility system	--	--	--	--	2,447,957	2,447,957
Non-major proprietary	--	--	--	--	695,486	695,486
Internal Service	1,476,180	--	2,605,328	--	--	4,081,508
Total	7,094,248	2,839,729	5,551,472	844,115	9,595,359	25,924,923

During the year various interfund transfers were made to finance expenditures and service debt. The \$7,094,359 General Fund transfers out includes transfers of \$4,676,897 for payment of debt service, \$1,450,180 for capital equipment, \$26,000 for future capital replacement, \$393,192 to Hotel Occupancy Fund, and \$228,267 to the Federal/State Grants Fund as matching grants.

The General Fund received transfers in of \$9,989,823 of which \$3,592,441 was for administrative service charges, and \$165,168 and \$11,976 was indirect cost reimbursements from the Federal/State Grants Fund and the Corpus Christi Improvement Corp., respectively.

The Debt Service Fund received transfers in of \$7,537,300 from the various funds (including the General Fund) for payment of debt service principal and interest and to establish debt service reserves.

Transfers were made from the Utility System Fund to the Maintenance Service Fund consisting of \$2,202,336 for acquisition of capital equipment and \$402,992 for future capital replacement.

The Internal Service funds transferred out \$6,010,646 to General Fund, \$166,258 to Non-major Governmental funds, \$2,342,214 to Utility System Fund, and \$672,863 to Non-major Proprietary funds in rebates of fund balances, and \$60,858 to Visitors Facility Fund for a major repair expenditure. In addition, non-public safety City employees' health premiums were increased as of February 1, 2010. Transfer out to record the reduction in Group Health allocations caused by the employee premium increase were made of \$209,592 to General Fund, \$4,562 to Non-major Governmental funds, \$105,743 to Utility System Fund, and \$22,623 to Non-major Proprietary funds.

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 \$10,594,666 accumulated fund balance of the solid waste activity is accounted for as a transfer to governmental activities in the statement of activities.

Interfund advances outstanding at July 31, 2010, are as follows:

To	From	Amount
General Fund	Corpus Christi Housing Finance Corp.	<u>\$ 575,623</u>

The interfund advance was made for the purpose of financing the Schatzel Street downtown parking lot construction.

Interfund receivables and payables at July 31, 2010, are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Governmental funds		
General fund	\$ 1,930,602	\$ 111,428
Other non-major governmental funds	111,428	1,930,602
Total governmental	<u>2,042,030</u>	<u>2,042,030</u>
Enterprise funds		
Other non-major enterprise funds	--	473,154
Internal service funds	<u>473,154</u>	<u>--</u>
Total	<u>\$ 2,515,184</u>	<u>\$ 2,515,184</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, three funds had an accumulated deficit: the Visitors Facilities Fund, the Hotel Occupancy Tax Fund and the Golf Centers Fund. The Visitors Facilities Fund had an accumulated deficit of \$110,550, which represents a decrease in the deficit by \$1,641,841 from fiscal year 2008-2009. This was the fifth full year of operations subsequent to the renovations to the Convention Center and the construction of a new Arena. The fiscal year 2010-2011 budget continues to address a plan for further lowering the overall accumulated deficit in the Visitors Facilities Fund. The Hotel Occupancy Tax Fund had an accumulated deficit of \$262,607 due to a decrease in hotel occupancy tax revenues in fiscal year 2009-2010 which exceeded the budgeted expenditures and planned draw down of the expected fiscal year 2008-2009 ending fund balance. The fiscal year 2010-2011 with lower debt service costs and a decrease in funding to outside organizations should bring this fund back into a positive position. The Golf Centers Fund had an accumulated deficit of \$120,391. In February 2011, a third-party has been contracted to lease both Golf Courses. The projections for this privatization effort are expected to bring this fund back into a positive position.

18. Conduit Debt Obligations

The Corpus Christi Housing Finance Corporation (CCHFC), Corpus Christi Industrial Development Corporation (CCIDC), and the Coastal Bend Health Facilities Development Corporation are public non-profit corporations created by the City under State law to facilitate financing of authorized projects. These entities issued bonds to unrelated commercial entities. As of July 31, 2010, there were nine series of bonds outstanding with an aggregate principal amount payable of \$166,174,972. The bonds are not liabilities of the City or the respective corporations and are solely payable from revenues of the various commercial entities.

19. Segment Information for Enterprise Funds

The City issued revenue bonds to finance certain improvements to its utility system, airport and marina. Because the utility system fund is a segment and is reported as a major fund in the fund financial statements, segment disclosures herein are not reported. The airport and marina activities are accounted for as other enterprise fund in the fund financial statements. Segment information of airport funds and marina funds as of and for the year ended July 31, 2010, is as follows:

	Airport Fund	Marina Fund
Current assets, excluding restricted assets	\$ 6,798,331	\$ 344,416
Restricted assets	4,706,574	--
Capital assets	102,445,336	8,469,865
Other assets	428,165	54,416
Total assets	<u>114,378,406</u>	<u>8,868,697</u>
Current liabilities	2,682,380	556,314
Long-term liabilities	18,563,465	3,756,076
Total liabilities	<u>21,245,845</u>	<u>4,312,390</u>
Net assets		
Invested in capital assets, net of related debt	83,764,580	4,619,912
Restricted	4,706,574	--
Unrestricted	4,661,407	(63,605)
Net assets	<u>\$ 93,132,561</u>	<u>\$ 4,556,307</u>
Operating revenue	\$ 7,192,719	\$ 1,571,013
Depreciation	(3,747,832)	(568,354)
Other operating expenses	(6,716,290)	(1,127,281)
Operating loss	<u>(3,271,403)</u>	<u>(124,622)</u>
Nonoperating income (expense)	361,927	(152,453)
Capital contributions	7,616,935	--
Transfers	110,355	(86,320)
Net income (loss)	<u>4,817,814</u>	<u>(363,395)</u>
Net assets beginning of year	88,314,747	4,919,702
Net assets end of year	<u>\$ 93,132,561</u>	<u>\$ 4,556,307</u>
Net cash flow provided by (used for)		
Operating activities	\$ 655,692	\$ 521,670
Noncapital financing activities	110,355	(86,320)
Capital and related financing activities	(990,729)	(351,197)
Investment activities	1,033,534	--
Beginning cash and cash equivalents	7,776,324	166,626
Ending cash and cash equivalents	<u>\$ 8,585,176</u>	<u>\$ 250,779</u>

**REQUIRED SUPPLEMENTARY INFORMATION
EMPLOYMENT RETIREMENT BENEFITS – ANALYSIS OF FUNDING PROGRESS
FOR YEAR ENDED JULY 31, 2010**

Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Percentage of Unfunded Actuarial Accrued Liability to Covered Payroll (4) / (5)
Texas Municipal Retirement System						
12/31/2007	234,960,197	433,507,405	54.2%	198,547,208	100,314,248	197.9%
12/31/2008	234,890,896	442,055,152	53.1%	207,164,256	108,555,179	190.8%
12/31/2009	246,315,526	465,122,135	52.96%	218,806,609	114,395,501	191.3%
Fire Fighters Retirement System						
12/31/2004	\$ 87,250,141	\$ 126,998,434	68.7%	\$ 39,748,293	\$ 22,338,760	177.9%
12/31/2006	92,448,683	134,669,650	68.6%	42,220,967	21,946,798	192.4%
12/31/2008	92,218,756	162,568,260	56.7%	70,349,504	24,268,094	289.9%
Other Post Employment Benefits Plan - Citicare						
8/1/2007	\$ --	\$ 29,091,554	0.0%	\$ 29,091,554	\$ 133,145,260	21.8%
8/1/2009	\$ --	\$ 12,524,728	0.0%	\$ 12,524,728	\$ 74,872,277	16.7%
Other Post Employment Benefits Plan – Public Safety						
8/1/2007	\$ --	\$ 17,463,290	0.0%	\$ 17,463,290	\$ 133,145,260	13.1%
8/1/2009	\$ --	\$ 13,584,349	0.0%	\$ 13,584,349	\$ 32,947,021	41.2%
Other Post Employment Benefits Plan – Fire						
8/1/2007	\$ --	\$ 21,431,762	0.0%	\$ 21,431,762	\$ 133,145,260	16.1%
8/1/2009	\$ --	\$ 13,537,686	0.0%	\$ 13,537,686	\$ 23,847,834	56.8%



City of
Corpus
Christi

**GENERAL FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and cash equivalents	\$ 1,613,328	\$ 4,357,830
Investments	26,041,479	24,015,938
Receivables		
Accounts	6,870,367	6,831,005
Property leases	2,050	30,250
Taxes	3,723,564	3,657,745
Accrued interest	77,543	118,139
Demolition liens	3,916,817	2,349,185
Employees	13,734	12,333
Intergovernmental	6,206,069	5,278,848
Miscellaneous	1,835,890	2,097,920
Allowance for uncollectibles	(8,264,890)	(6,091,501)
Net receivables	<u>14,381,144</u>	<u>14,283,924</u>
Due from other funds	1,930,602	270,000
Inventories	154,033	172,091
Prepaid items	207,474	8,237
Total assets	<u><u>\$ 44,328,060</u></u>	<u><u>\$ 43,108,020</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 4,415,654	\$ 3,345,488
Accrued liabilities	7,201,946	6,825,734
Deposits	486,003	346,777
Liability to claimants - escheat property	82,147	78,700
Due to other funds	111,428	12,167
Due to other governmental agencies	241,265	324,148
Advance from other funds	575,623	--
Deferred revenues		
Taxes	1,333,682	1,271,816
Other	531,867	639,137
Net deferred revenues	<u>1,865,549</u>	<u>1,910,953</u>
Total liabilities	14,979,615	12,843,967
Fund balance		
Reserved for encumbrances	2,310,763	1,980,464
Reserved for inventory	154,033	172,091
Reserved for prepaid items	207,474	8,237
Reserved for Municipal Court building security	117,532	117,230
Reserved for Municipal Court technology	154,979	153,983
Reserved for Judicial/Court improvements	18,854	26,713
Reserved for Juvenile Court case manager	267,916	298,582
Reserved for government access equipment	11,959	11,959
Reserved for public access equipment and facility	12,768	10,500
Reserved for capital replacement - radio system	30,000	30,000
Reserved for firefighters training	4,000	4,000
Reserved for Fire Contributions Trust	6,638	4,244
Reserved for vital statistics records retention	122,367	83,831
Reserved for traffic safety programs	--	36,595
Unreserved		
Designated for subsequent year's expenditures	17,747	100,008
Designated for major contingencies	19,646,808	--
Undesignated	<u>6,264,607</u>	<u>27,225,616</u>
Total fund balance	<u><u>29,348,445</u></u>	<u><u>30,264,053</u></u>
Total liabilities and fund balance	<u><u>\$ 44,328,060</u></u>	<u><u>\$ 43,108,020</u></u>

City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Taxes				
General property taxes				
Ad valorem taxes - current	\$ 48,065,776	\$ 48,065,776	\$ 48,782,442	\$ --
Ad valorem taxes - delinquent	1,100,000	1,100,000	1,284,990	--
Penalties and interest	913,673	913,673	1,010,364	--
Industrial District - in lieu of taxes	5,520,453	6,110,453	6,104,418	--
Special Inventory Tax Escrow Refund	20,000	20,000	10,269	--
Housing Authority - in lieu of taxes	22,554	22,554	16,432	--
Total general property taxes	<u>55,642,456</u>	<u>56,232,456</u>	<u>57,208,915</u>	<u>--</u>
City sales tax	<u>44,901,986</u>	<u>38,301,986</u>	<u>40,460,050</u>	<u>--</u>
Liquor drink tax	<u>1,140,416</u>	<u>1,140,416</u>	<u>999,627</u>	<u>--</u>
Bingo tax	<u>316,000</u>	<u>316,000</u>	<u>212,552</u>	<u>--</u>
Business fees				
Electric franchise	9,051,624	9,051,624	9,376,353	--
Electric franchise - Nueces Co-op	254,091	254,091	362,368	--
Telecommunications fees	4,517,204	4,517,204	4,360,082	--
CATV franchise	2,958,000	2,958,000	2,955,924	--
Taxicab franchise	48,000	48,000	51,270	--
AT&T right of way lease fee	1,200	1,200	1,200	--
Total business fees	<u>16,830,119</u>	<u>16,830,119</u>	<u>17,107,197</u>	<u>--</u>
Total taxes and business fees	<u>118,830,977</u>	<u>112,820,977</u>	<u>115,988,341</u>	<u>--</u>
Licenses and permits				
Amusement licenses	18,000	18,000	13,346	--
Technology fee	36,700	36,700	56,328	--
Pipeline - license fee	38,164	38,164	38,164	--
Pipeline license agreement	--	--	1,500	--
Beer and liquor licenses	96,300	96,300	113,840	--
Electricians licenses and exam fees	31,000	31,000	39,044	--
Auto wrecker permits	17,000	17,000	18,236	--
Taxi driver permits	7,650	7,650	4,710	--
House mover licenses	400	400	266	--
Forfeited house mover deposits	--	--	7,000	--
Other business licenses	23,780	23,780	22,836	--
Tax incentive application fees	--	--	--	--
Building permits	876,900	876,900	889,724	--
Electrical permits	508,800	508,800	602,473	--
Plumbing permits	390,500	390,500	399,795	--
Mechanical permits	389,800	389,800	370,386	--
Certificate of occupancy fees	35,500	35,500	83,297	--
Use privilege	--	--	--	--
Plan review fees	219,900	219,900	175,536	--
Occupational registration fees	50,500	50,500	32,385	--
Backflow prevention fees & device filing fee	90,700	90,700	138,105	--
Driveway permit fees	5,600	5,600	5,800	--
Occupancy of public R-O-W	12,000	12,000	18,405	--
Street easement closure fees	11,450	11,450	1,495	--

(Continued)

City of Corpus Christi, Texas

Exhibit 6-B

2010 Actual Budget Basis	Variance Final Budget Positive (Negative)	2009 Actual Budget Basis
\$ 48,782,442	\$ 716,666	\$ 46,860,764
1,284,990	184,990	1,168,412
1,010,364	96,691	1,103,759
6,104,418	(6,035)	6,002,640
10,269	(9,731)	14,570
16,432	(6,122)	19,169
<u>57,208,915</u>	<u>976,459</u>	<u>55,169,314</u>
<u>40,460,050</u>	<u>2,158,064</u>	<u>44,416,163</u>
<u>999,627</u>	<u>(140,789)</u>	<u>1,039,306</u>
<u>212,552</u>	<u>(103,448)</u>	<u>323,531</u>
9,376,353	324,729	8,988,030
362,368	108,277	260,154
4,360,082	(157,122)	4,485,384
2,955,924	(2,076)	2,337,720
51,270	3,270	53,517
1,200	--	1,200
<u>17,107,197</u>	<u>277,078</u>	<u>16,126,005</u>
<u>115,988,341</u>	<u>3,167,364</u>	<u>117,074,319</u>
13,346	(4,654)	14,029
56,328	19,628	56,136
38,164	--	38,164
1,500	1,500	448,650
113,840	17,540	108,270
39,044	8,044	35,491
18,236	1,236	16,921
4,710	(2,940)	4,250
266	(134)	399
7,000	7,000	--
22,836	(944)	21,280
--	--	5,000
889,724	12,824	885,911
602,473	93,673	516,167
399,795	9,295	360,953
370,386	(19,414)	363,184
83,297	47,797	68,533
--	--	1,702
175,536	(44,364)	197,067
32,385	(18,115)	45,967
138,105	47,405	125,130
5,800	200	5,225
18,405	6,405	38,380
1,495	(9,955)	7,568

City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Licenses and permits (continued)				
Landscape fees	6,100	6,100	7,334	--
Research and survey fees	4,000	4,000	4,690	--
Deferral agreement fees	--	--	1,087	--
Construction document fees	3,300	3,300	1,078	--
Accessibility review & inspection fees	33,700	33,700	36,045	--
Site plan fees	140,400	140,400	61,889	--
Vacant building inspection fees	4,300	4,300	1,800	--
Billboard fees	12,200	12,200	--	--
House moving route permits	200	200	62	--
Oversized load permits	155,900	155,900	40,321	--
Street blockage permits	--	--	4,712	--
Energy code permits	83,400	83,400	94,778	--
Banner permits	400	400	748	--
Special event permits	3,900	3,900	1,200	--
Total licenses and permits	<u>3,308,444</u>	<u>3,308,444</u>	<u>3,288,415</u>	<u>--</u>
Grants				
Equal Employment Opportunity Commission	55,400	59,300	51,085	--
Federal Emergency Management Assistance	60,000	60,000	33,717	--
Sexual Assault Exam	80,000	80,000	94,682	--
Fair Housing Assessment	102,800	120,500	100,086	--
General Land Office - beach cleaning	75,000	75,000	76,611	--
Total grants	<u>373,200</u>	<u>394,800</u>	<u>356,181</u>	<u>--</u>
Charges for services				
General governmental services				
Zoning fees	82,600	82,600	77,994	--
Platting fees	37,320	37,320	48,602	--
Board of Adjustment appeal fees	4,100	4,100	1,486	--
Attorney fees - demolition & paving liens	19,296	19,296	37,067	--
Sale of City publications	350	350	741	--
Blueprint sales and GIS sales	80	80	137	--
Candidate filing fees	--	--	--	--
Nonprofit registration fees	1,128	1,128	1,167	--
Dog track admission fees	--	--	3,933	--
Total general governmental services	<u>144,874</u>	<u>144,874</u>	<u>171,127</u>	<u>--</u>
Police				
Police towing and storage charges	1,032,000	1,032,000	855,676	--
Police impound certified mail recovery	62,400	62,400	60,234	--
Police accident reports	76,638	76,638	76,917	--
Proceeds from auction	656,000	672,885	539,585	--
Proceeds from auction - online	20,000	20,000	18,001	--
Parking meter collections	170,000	170,000	153,538	--
Police open record request	3,813	3,813	2,739	--
Police subpoenas	750	750	472	--
Fingerprinting fees	5,076	5,076	4,383	--
Customs/FBI	158,701	225,525	219,837	--

(Continued)

City of Corpus Christi, Texas

**Exhibit 6-B
(Continued)**

2010 Actual Budget Basis	Variance Final Budget Positive (Negative)	2009 Actual Budget Basis
7,334	1,234	8,144
4,690	690	6,439
1,087	1,087	747
1,078	(2,222)	1,571
36,045	2,345	20,603
61,889	(78,511)	72,411
1,800	(2,500)	800
--	(12,200)	12,044
62	(138)	305
40,321	(115,579)	101,621
4,712	4,712	5,564
94,778	11,378	103,749
748	348	525
1,200	(2,700)	1,295
<u>3,288,415</u>	<u>(20,029)</u>	<u>3,700,195</u>
51,085	(8,215)	65,950
33,717	(26,283)	414,672
94,682	14,682	114,142
100,086	(20,414)	47,400
76,611	1,611	73,279
<u>356,181</u>	<u>(38,619)</u>	<u>715,443</u>
77,994	(4,606)	96,125
48,602	11,282	35,462
1,486	(2,614)	3,756
37,067	17,771	29,159
741	391	846
137	57	987
--	--	2,150
1,167	39	700
3,933	3,933	538
<u>171,127</u>	<u>26,253</u>	<u>169,723</u>
855,676	(176,324)	951,082
60,234	(2,166)	58,034
76,917	279	80,125
539,585	(133,300)	600,121
18,001	(1,999)	26,048
153,538	(16,462)	160,572
2,739	(1,074)	2,664
472	(278)	385
4,383	(693)	5,277
219,837	(5,688)	162,218

City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Police (continued)				
Office of Justice Award	--	--	--	--
Police Security Services	25,861	25,861	2,977	--
DWI Videotaping	675	675	1,682	--
Alarm system permits and services	440,000	440,000	414,798	--
800 MHz radio	186,825	186,825	203,966	--
9-1-1 wireless service fees	1,264,000	1,264,000	1,274,115	--
9-1-1 wireline service fees	1,398,174	1,398,174	1,494,773	--
Police C.A.D. calls	200	200	323	--
Restitution	9,000	9,000	5,981	--
CCISD-Crossing guards	7,670	7,670	10,227	--
School crossing guard program	83,506	83,506	111,616	--
Nueces county - Metrocom	1,066,255	1,066,255	991,858	--
Kingsville Police Dept - CAD/RMS	15,000	15,000	15,000	--
Total police	<u>6,682,544</u>	<u>6,766,253</u>	<u>6,458,698</u>	<u>--</u>
Fire				
Fire prevention permits	180,000	180,000	215,516	--
Hazmat response calls	--	--	8,082	--
Fire department trust donations	2,500	2,500	3,615	--
Emergency management alert system fees	14,000	14,000	14,833	--
Pipeline reporting administrative fees	33,000	33,000	35,200	--
Total fire	<u>229,500</u>	<u>229,500</u>	<u>277,246</u>	<u>--</u>
Ambulance				
Emergency calls	6,600,000	6,600,000	6,473,827	--
Interlocal Agreement - Port Aransas	10,000	10,000	10,000	--
Nueces Co OCL charges	7,000	7,000	17,457	--
Ambulance permits	2,000	2,000	3,650	--
Total Ambulance	<u>6,619,000</u>	<u>6,619,000</u>	<u>6,504,934</u>	<u>--</u>
Streets				
RTA - street services contribution	1,089,612	1,089,612	1,140,436	--
Speed humps	6,000	6,000	1,500	--
Special events - support services	--	--	4,185	--
State of Texas - expressway lighting	204,000	204,000	217,394	--
Subdivision street lighting participation	50,000	50,000	31,439	--
Total streets	<u>1,349,612</u>	<u>1,349,612</u>	<u>1,394,954</u>	<u>--</u>
Solid waste services				
Residential refuse collection fees	14,540,000	14,540,000	14,606,323	--
Commercial and industrial refuse collection fees	1,710,000	1,710,000	1,711,440	--
Municipal solid waste system service charge (MSWSSC)	3,414,700	3,414,700	3,457,218	--
Refuse disposal charges	11,677,400	11,677,400	11,816,148	--
Refuse collection permits	19,000	19,000	16,049	--
Special debris pickup	322,500	322,500	295,199	--
Brush fees	25,000	25,000	26,953	--
Recycling	30,000	30,000	43,530	--
Recycling containers	40,000	40,000	23,034	--
Unsecured load charge	25	25	--	--
Recovery of charged off accounts	--	--	16,065	--
Total solid waste services	<u>31,778,625</u>	<u>31,778,625</u>	<u>32,011,959</u>	<u>--</u>

(Continued)

City of Corpus Christi, Texas

**Exhibit 6-B
(Continued)**

2010 Actual Budget Basis	Variance Final Budget Positive (Negative)	2009 Actual Budget Basis
--	--	4,970
2,977	(22,884)	16,395
1,682	1,007	1,511
414,798	(25,202)	430,560
203,966	17,141	191,339
1,274,115	10,115	1,251,897
1,494,773	96,599	1,395,015
323	123	312
5,981	(3,019)	3,501
10,227	2,557	7,670
111,616	28,110	93,106
991,858	(74,397)	979,210
15,000	--	15,000
<u>6,458,698</u>	<u>(307,555)</u>	<u>6,437,012</u>
215,516	35,516	199,513
8,082	8,082	4,698
3,615	1,115	4,280
14,833	833	--
35,200	2,200	38,300
<u>277,246</u>	<u>47,746</u>	<u>246,791</u>
6,473,827	(126,173)	5,693,132
10,000	--	10,000
17,457	10,457	24,682
3,650	1,650	3,675
<u>6,504,934</u>	<u>(114,066)</u>	<u>5,731,489</u>
1,140,436	50,824	1,158,556
1,500	(4,500)	5,295
4,185	4,185	11,465
217,394	13,394	184,992
31,439	(18,561)	12,646
<u>1,394,954</u>	<u>45,342</u>	<u>1,372,954</u>
14,606,323	66,323	14,447,597
1,711,440	1,440	1,709,915
3,457,218	42,518	3,436,495
11,816,148	138,748	10,947,888
16,049	(2,951)	19,455
295,199	(27,301)	314,248
26,953	1,953	40,619
43,530	13,530	30,474
23,034	(16,966)	32,930
--	(25)	5
16,065	16,065	--
<u>32,011,959</u>	<u>233,334</u>	<u>30,979,626</u>

City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Health services				
Food service permits	658,847	658,847	651,714	--
Vital statistics fees	623,072	623,072	485,208	--
Vital records office sales	7,000	7,000	9,258	--
Vital records retention fee	--	--	19,578	--
Nueces County - health administration	172,454	172,454	98,908	--
Swimming pool inspection fees	40,000	40,000	33,530	--
Pound fee and handling charges	46,000	46,000	40,035	--
Pet licenses	70,000	70,000	70,754	--
Classes workshops	--	--	875	--
Animal trap fees	--	--	95	--
Pest control services	13,000	13,000	14,604	--
Adopt a kennel fees	375	375	462	--
Microchipping fee	300	300	1,435	--
Spay and Nueter fees	51,000	51,000	68,394	--
Adoption fees	9,050	9,050	7,986	--
Lab shipping fees	1,000	1,000	278	--
Child care facilities fees	9,650	9,650	8,753	--
Total health services	<u>1,701,748</u>	<u>1,701,748</u>	<u>1,511,867</u>	<u>--</u>
Recreation services				
Swimming pools	207,600	207,600	184,421	--
Swimming instruction fees	115,000	115,000	86,666	--
H.E. Butt tennis center	45,000	45,000	44,908	--
Al Kruse tennis center	21,800	21,800	20,740	--
Athletic events	110,000	110,000	95,079	--
Athletic instruction fees	35,000	35,000	38,283	--
Facilities rentals	111,082	111,082	88,077	--
Latchkey program	2,430,910	2,595,910	2,418,140	--
Buc days/Bayfest	58,318	58,318	32,689	--
Summer program registration fees	--	--	245	--
Beach parking permits	500,000	500,000	659,582	--
Heritage Park revenues	7,000	7,000	6,194	--
Recreation instruction fees	44,071	44,071	39,603	--
Skatepark Concessions	--	--	1,740	--
Other recreation services	--	--	7,340	--
Nueces County Parks & Recreation reimbursement	--	--	7,168	--
Total recreation services	<u>3,685,781</u>	<u>3,850,781</u>	<u>3,730,875</u>	<u>--</u>
Libraries				
Fines	122,921	122,921	121,286	--
Lost book charges	21,911	21,911	16,047	--
Copy machine sales	33,009	33,009	36,656	--
Other library revenue	4,368	4,368	6,813	--
Total libraries	<u>182,209</u>	<u>182,209</u>	<u>180,802</u>	<u>--</u>
Museums				
Admissions	104,553	104,553	115,528	--
Special program fees	6,000	6,000	12,000	--
McGregor reproduction fees	3,131	3,131	5,870	--

(Continued)

City of Corpus Christi, Texas

**Exhibit 6-B
(Continued)**

2010 Actual Budget Basis	Variance Final Budget Positive (Negative)	2009 Actual Budget Basis
651,714	(7,133)	663,297
485,208	(137,864)	585,209
9,258	2,258	8,899
19,578	19,578	2,053
98,908	(73,546)	129,796
33,530	(6,470)	37,500
40,035	(5,965)	49,433
70,754	754	79,514
875	875	--
95	95	--
14,604	1,604	15,170
462	87	--
1,435	1,135	95
68,394	17,394	58,529
7,986	(1,064)	8,736
278	(722)	1,142
8,753	(897)	7,815
<u>1,511,867</u>	<u>(189,881)</u>	<u>1,647,188</u>
184,421	(23,179)	259,785
86,666	(28,334)	129,158
44,908	(92)	50,012
20,740	(1,060)	22,542
95,079	(14,921)	122,493
38,283	3,283	40,966
88,077	(23,005)	89,731
2,418,140	(177,770)	2,328,354
32,689	(25,629)	60,281
245	245	17,995
659,582	159,582	518,141
6,194	(806)	9,976
39,603	(4,468)	38,720
1,740	1,740	1,725
7,340	7,340	5,700
7,168	7,168	17,748
<u>3,730,875</u>	<u>(119,906)</u>	<u>3,713,327</u>
121,286	(1,635)	123,330
16,047	(5,864)	20,011
36,656	3,647	32,351
6,813	2,445	5,599
<u>180,802</u>	<u>(1,407)</u>	<u>181,291</u>
115,528	10,975	118,099
12,000	6,000	12,000
5,870	2,739	8,019

City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Museums (continued)				
Facility rental	17,425	17,425	20,174	--
Education group programs	771	771	926	--
School District - museum educational program	22,000	22,000	22,000	--
Parties and recitals	4,816	4,816	6,005	--
Columbus ships				
Admissions	117,927	117,927	127,760	--
Facility rental	700	700	659	--
Total museums	<u>277,323</u>	<u>277,323</u>	<u>310,922</u>	<u>--</u>
Total charges for services	<u>52,651,216</u>	<u>52,899,925</u>	<u>52,553,384</u>	<u>--</u>
Fines and forfeitures				
Moving vehicle fines	2,548,434	2,548,434	2,686,591	--
Parking fines	346,365	346,365	324,253	--
General fines	791,615	791,615	651,971	--
Photo redlight enforcement	--	--	--	--
Officers fees	196,710	196,710	191,219	--
Uniform Traffic Act fines	81,750	81,750	81,478	--
Warrant fees	325,133	325,133	212,097	--
Municipal Court				
State fee discount	215,545	215,545	259,112	--
Time Pay Fee - Court	23,671	23,671	18,854	--
Time Pay Fee - City	94,946	94,946	75,417	--
Technology Fee	158,556	158,556	154,759	--
Building security	118,317	118,317	117,366	--
Miscellaneous revenue	100	100	19,713	--
Juvenile case mgr fee	142,449	142,449	148,839	--
Juvenile expungement fee	--	--	270	--
Failure to appear fines	863,159	863,159	538,939	--
Animal control fines	24,766	24,766	6,876	--
Special parking enforcement	531	531	1,185	--
Teen Court city fee	2,374	2,374	1,640	--
Other court fines	165,013	165,013	161,822	--
Total fines and forfeitures	<u>6,099,434</u>	<u>6,099,434</u>	<u>5,652,401</u>	<u>--</u>
Earnings on investments	<u>357,775</u>	<u>357,775</u>	<u>335,931</u>	<u>--</u>
Miscellaneous				
Rental of general property	146,438	146,438	166,706	--
Recovery on damage claims	60,000	192,138	142,696	--
Recovery of prior year expenditures	--	400,000	394,579	--
Recovery of charged off accounts	--	--	--	--
Contributions and donations	67,252	67,252	70,987	--
Time Warner-Public Access Equipment	3,500	3,500	3,500	--
Automated teller machines	1,200	1,200	1,200	--
Late fees on returned check	--	--	1,644	--
Engineering Services-other governments	--	--	--	--
RTA bus advertising revenues	18,500	18,500	16,714	--

(Continued)

City of Corpus Christi, Texas

**Exhibit 6-B
(Continued)**

2010 Actual Budget Basis	Variance Final Budget Positive (Negative)	2009 Actual Budget Basis
20,174	2,749	23,775
926	155	1,664
22,000	--	22,000
6,005	1,189	5,270
127,760	9,833	130,203
659	(41)	1,600
<u>310,922</u>	<u>33,599</u>	<u>322,630</u>
<u>52,553,384</u>	<u>(346,541)</u>	<u>50,802,031</u>
2,686,591	138,157	2,644,733
324,253	(22,112)	249,057
651,971	(139,644)	821,420
--	--	1,062,048
191,219	(5,491)	189,208
81,478	(272)	77,352
212,097	(113,036)	235,186
259,112	43,567	252,413
18,854	(4,817)	26,713
75,417	(19,529)	106,852
154,759	(3,797)	153,762
117,366	(951)	117,064
19,713	19,613	1,830
148,839	6,390	96,769
270	270	273
538,939	(324,220)	694,367
6,876	(17,890)	9,014
1,185	654	436
1,640	(734)	1,351
161,822	(3,191)	157,230
<u>5,652,401</u>	<u>(447,033)</u>	<u>6,897,078</u>
<u>335,931</u>	<u>(21,844)</u>	<u>707,797</u>
166,706	20,268	151,299
142,696	(49,442)	89,914
394,579	(5,421)	9,150
--	--	180
70,987	3,735	142,891
3,500	--	3,500
1,200	--	1,200
1,644	1,644	1,530
--	--	329
16,714	(1,786)	22,084

City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Miscellaneous (continued)				
Graffiti control	--	--	2,582	--
Sale of city property	--	90,796	98,735	--
Sale of fixed assets	--	--	6,100	--
Copy sales	5,117	5,117	6,391	--
Convenience fees	127,873	127,873	172,012	--
Returned check fees	4,104	4,104	2,935	--
Administrative processing fee	17,004	17,004	17,186	--
Demolition and weed liens	85,600	85,600	127,428	--
Purchase discounts	162,561	162,561	154,211	--
Vending machine sales	4,104	4,104	4,541	--
City Hall food service commission	1,884	1,884	1,046	--
Forfeited plan deposits	6,000	6,000	24,755	--
Naming rights for convention center	175,000	175,000	175,000	--
Miscellaneous	41,444	42,476	94,768	--
Total miscellaneous revenue	<u>927,581</u>	<u>1,551,547</u>	<u>1,685,716</u>	<u>--</u>
Reimbursements				
Interdepartmental	5,238,314	5,238,314	--	4,830,053
Traffic engineering cost recovery	6,000	6,000	--	8,308
Capital budget cost recovery	242,634	242,634	--	242,625
Finance cost recovery - CIP	869,524	869,524	--	869,537
Engineering svcs - interdepartmental	149,514	149,514	--	90,608
Street recovery fees	775,265	775,265	--	783,968
Interdepartmental services - street	640,573	640,573	--	654,179
Park and recreation cost recovery	208,172	225,946	--	212,956
Fire hydrant maintenance	327,472	327,472	--	327,472
800 MHz radio - interdepartmental	246,288	246,288	--	246,288
Total reimbursements revenue	<u>8,703,756</u>	<u>8,721,530</u>	<u>--</u>	<u>8,265,994</u>
Total revenues	<u>191,252,383</u>	<u>186,154,432</u>	<u>179,860,369</u>	<u>8,265,994</u>
Other financing sources				
Capital leases	--	--	4,110,898	(4,110,898)
Total other financing sources	<u>--</u>	<u>--</u>	<u>4,110,898</u>	<u>(4,110,898)</u>
Transfers in				
Administrative charges				
Federal grants	172,153	172,153	165,168	--
CCCIC	5,800	5,800	11,976	--
Visitor facility	170,112	170,112	170,112	--
Gas division	536,452	536,452	536,452	--
Wastewater division	749,945	749,945	749,945	--
Water division	1,526,103	1,526,103	1,526,103	--
Airport	229,630	229,630	229,630	--
Golf	259,876	259,876	259,876	--
Marina	120,323	120,323	120,323	--

(Continued)

City of Corpus Christi, Texas

**Exhibit 6-B
(Continued)**

2010 Actual Budget Basis	Variance Final Budget Positive (Negative)	2009 Actual Budget Basis
2,582	2,582	465
98,735	7,939	11,197
6,100	6,100	--
6,391	1,274	8,779
172,012	44,139	180,858
2,935	(1,169)	3,707
17,186	182	16,796
127,428	41,828	152,471
154,211	(8,350)	140,691
4,541	437	4,521
1,046	(838)	1,518
24,755	18,755	15,325
175,000	--	--
94,768	52,292	150,757
<u>1,685,716</u>	<u>134,169</u>	<u>1,275,286</u>
4,830,053	(408,261)	5,207,344
8,308	2,308	7,330
242,625	(9)	177,307
869,537	13	709,675
90,608	(58,906)	124,344
783,968	8,703	880,877
654,179	13,606	715,223
212,956	(12,990)	--
327,472	--	327,472
246,288	--	243,742
<u>8,265,994</u>	<u>(455,536)</u>	<u>8,393,314</u>
<u>188,126,363</u>	<u>1,971,931</u>	<u>189,565,463</u>
--	--	--
<u>--</u>	<u>--</u>	<u>--</u>
165,168	(6,985)	171,559
11,976	6,176	6,039
170,112	--	82,547
536,452	--	710,990
749,945	--	856,592
1,526,103	--	1,664,811
229,630	--	240,870
259,876	--	219,923
120,323	--	163,766

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Transfers in				
Other (continued)				
Liability and employee benefits	5,332,788	5,687,590	5,687,590	--
Municipal information systems	--	532,648	532,648	--
City hall CIP	--	--	--	--
Street CIP	--	340,944	--	--
Other governmental funds	--	575,000	--	--
Total transfers in	<u>9,103,182</u>	<u>10,906,576</u>	<u>9,989,823</u>	<u>--</u>
Transfers out				
Debt service fund	--	--	(4,676,897)	4,676,897
Federal grants	(236,012)	(236,012)	(228,267)	--
Transfers for capital outlay	(677,764)	(1,450,180)	(1,450,180)	--
Transfers for capital replacement	--	--	--	--
Redlight Photo Enforcement	--	--	(144,722)	--
Maintenance Svc	(26,000)	(26,000)	(26,000)	--
Hotel Occupancy Fund	(393,182)	(393,182)	(393,182)	--
Visitor's Facility fund	(175,000)	(175,000)	(175,000)	--
Total transfers out	<u>(1,507,958)</u>	<u>(2,280,374)</u>	<u>(7,094,248)</u>	<u>4,676,897</u>
Total other sources	<u>7,595,224</u>	<u>8,626,202</u>	<u>7,006,473</u>	<u>565,999</u>
 Total revenues and other sources	 <u>\$ 198,847,607</u>	 <u>\$ 194,780,634</u>	 <u>\$ 186,866,842</u>	 <u>\$ 8,831,993</u>

**Exhibit 6-B
(Continued)**

2010 Actual Budget Basis	Variance Final Budget Positive (Negative)	2009 Actual Budget Basis
5,687,590	--	--
532,648	--	--
--	--	129,073
--	(340,944)	--
--	(575,000)	--
<u>9,989,823</u>	<u>(916,753)</u>	<u>4,246,170</u>
--	--	--
(228,267)	7,745	(326,185)
(1,450,180)	--	--
--	--	(518,000)
(144,722)	(144,722)	--
(26,000)	--	--
(393,182)	--	--
(175,000)	--	--
<u>(2,417,351)</u>	<u>(136,977)</u>	<u>(844,185)</u>
<u>7,572,472</u>	<u>(1,053,730)</u>	<u>3,401,985</u>
<u>\$ 195,698,835</u>	<u>\$ 918,201</u>	<u>\$ 192,967,448</u>

City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	<u>Actual GAAP Expenditures</u>				
	<u>Personal Services</u>	<u>Materials & Supplies</u>	<u>Contractual Services</u>	<u>Other Charges</u>	<u>Capital Outlays</u>
General government					
Control					
City Council and City Secretary	\$ 614,824	\$ 11,962	\$ 40,685	\$ 106,070	\$ --
City Manager	384,650	3,305	30,474	40,658	--
Group Managers	670,583	8,692	222,413	53,834	--
Management and budget office	499,315	1,519	45,804	55,020	--
Performance Operations	--	--	78,370	--	--
Communications/quality management	242,132	9,092	27,855	41,139	120,213
Cable public education government access	--	1,232	--	--	--
Capital budgeting	161,463	227	1,392	5,834	--
Total general government - control	<u>2,572,967</u>	<u>36,029</u>	<u>446,993</u>	<u>302,555</u>	<u>120,213</u>
Staff agencies					
Director of finance	246,627	221	4,132	36,540	--
Accounting	1,390,264	9,895	271,204	321,895	--
Nueces County Tax Appraisal District	--	--	1,102,152	14,492	--
Central cashiering	495,047	7,987	30,226	311,415	--
Cash management	212,820	2,808	7,458	103,557	--
Legal	1,852,889	33,834	37,401	195,173	--
Economic development	--	--	232,679	--	--
Economic development incentives	--	--	--	117,354	--
Vision 2000	--	--	--	--	--
Clean city initiatives	42,577	254	13,034	--	--
Downtown Management District	--	--	145,000	--	--
Development services admin	167,681	30,098	144,126	599,545	--
Development process management	769,476	52	12,327	71,101	--
Planning	896,441	3,439	123,054	204,044	--
Code enforcement	768,924	57,267	238,947	468,345	64,356
Neighborhood initiative program	271,190	1,511	3,418	54,424	--
Human resources	896,202	10,724	38,709	154,213	--
Incentive program	--	8,135	15,060	--	--
Student Intern Program	--	--	--	--	--
Training	129,006	113	81,010	11,460	--
ADA Compliance	46,092	6,606	16,526	--	--
Human relations & fair housing	343,067	3,836	22,350	63,941	--
Total staff agencies	<u>8,528,303</u>	<u>176,780</u>	<u>2,538,813</u>	<u>2,727,499</u>	<u>64,356</u>
Engineering services					
Engineering support services	--	--	37,244	280,536	--
Special services	353,716	485	160,193	15,995	--
Total engineering services	<u>353,716</u>	<u>485</u>	<u>197,437</u>	<u>296,531</u>	<u>--</u>
Other expenditures					
Uncollectible accounts	--	--	--	1,179,249	--
Hurricane Ike-2009	--	--	--	--	--
Major memberships	--	--	63,901	--	--
Schatzel St. parking lot	--	--	--	623	525,009
Purchasing/messenger service allocation	--	--	--	310,212	--
Refuge of last resort	--	--	--	--	--
Reserve appropriations	--	--	--	--	--
Reserve for accrued pay	--	--	--	--	--
Total other expenditures	<u>--</u>	<u>--</u>	<u>63,901</u>	<u>1,490,084</u>	<u>525,009</u>
Total general government	<u>11,454,986</u>	<u>213,294</u>	<u>3,247,144</u>	<u>4,816,669</u>	<u>709,578</u>

(Continued)

City of Corpus Christi, Texas

Exhibit 6-C

Reimbursements	Total Expenditures	Adjustments Budget Basis	2010 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2009 Actual Budget Basis
				Original	Final		
\$ --	\$ 773,541	\$ --	\$ 773,541	\$ 832,765	\$ 781,955	\$ 8,414	\$ 1,253,571
--	459,087	--	459,087	658,426	469,513	10,426	759,799
--	955,522	--	955,522	991,684	971,907	16,385	1,091,735
(215,436)	386,222	215,436	601,658	565,609	619,208	17,550	570,296
--	78,370	--	78,370	--	78,370	--	--
(134,112)	306,319	134,112	440,431	333,545	509,263	68,832	526,506
--	1,232	--	1,232	--	1,232	--	--
(242,625)	(73,709)	242,625	168,916	171,666	171,666	2,750	84,273
(592,173)	2,886,584	592,173	3,478,757	3,553,695	3,603,114	124,357	4,286,180
(232,190)	55,330	232,190	287,520	364,504	323,849	36,329	307,157
(1,032,585)	960,673	1,032,585	1,993,258	2,130,544	2,086,716	93,458	2,048,313
--	1,116,644	--	1,116,644	1,176,800	1,176,800	60,156	1,157,113
(437,190)	407,485	437,190	844,675	889,620	877,629	32,954	868,512
(189,318)	137,325	189,318	326,643	348,259	335,488	8,845	363,367
(110,532)	2,008,765	110,532	2,119,297	2,170,889	2,242,984	123,687	2,133,500
(209,472)	23,207	209,472	232,679	232,679	232,679	--	196,596
--	117,354	--	117,354	36,000	36,000	(81,354)	33,337
--	--	--	--	--	--	--	132,330
--	55,865	--	55,865	--	55,200	(665)	--
(68,688)	76,312	68,688	145,000	145,000	145,000	--	145,000
--	941,450	--	941,450	1,188,944	947,354	5,904	1,081,050
(23,628)	829,328	23,628	852,956	815,877	860,817	7,861	808,078
(54,017)	1,172,961	54,017	1,226,978	1,470,531	1,315,166	88,188	1,175,547
--	1,597,839	--	1,597,839	1,576,507	1,594,423	(3,416)	1,526,401
--	330,543	--	330,543	475,159	361,565	31,022	457,251
--	1,099,848	--	1,099,848	1,248,605	1,149,132	49,284	1,294,970
--	23,195	--	23,195	18,158	20,641	(2,554)	14,537
--	--	--	--	--	--	--	26,745
--	221,589	--	221,589	224,678	211,978	(9,611)	236,313
--	69,224	--	69,224	70,618	72,704	3,480	75,862
--	433,194	--	433,194	420,614	427,393	(5,801)	442,085
(2,357,620)	11,678,131	2,357,620	14,035,751	15,003,986	14,473,518	437,767	14,524,064
--	317,780	--	317,780	317,784	317,784	4	328,813
(118,764)	411,625	118,764	530,389	524,379	549,379	18,990	611,183
(118,764)	729,405	118,764	848,169	842,163	867,163	18,994	939,996
--	1,179,249	--	1,179,249	362,060	362,060	(817,189)	663,767
--	--	--	--	--	--	--	175,956
(48,984)	14,917	48,984	63,901	69,279	69,279	5,378	79,140
--	525,632	--	525,632	--	575,000	49,368	--
--	310,212	--	310,212	310,212	310,212	--	317,196
--	--	--	--	--	--	--	31
--	--	--	--	565,636	1,243	1,243	--
--	--	--	--	1,000,000	--	--	--
(48,984)	2,030,010	48,984	2,078,994	2,307,187	1,317,794	(761,200)	1,236,090
(3,117,541)	17,324,130	3,117,541	20,441,671	21,707,031	20,261,589	(180,082)	20,986,330

City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
Police and municipal court					
Police					
Administration	1,970,726	57,012	252,294	806,650	--
Police training	1,060,029	91,562	8,482	101,423	--
Criminal investigation	5,578,796	181,347	3,805	453,347	--
Special services	2,699,723	118,198	138,925	315,780	--
Uniformed division	28,702,273	409,681	548,453	6,473,668	--
Forensics services division	1,159,240	49,685	22,624	106,039	--
School crossing guards	540,389	5,591	--	153,948	--
Parking control	166,492	2,658	7,554	40,068	--
MetroCom	3,956,829	16,949	693,050	157,727	--
Police computer support	85,379	650	618,012	2,459	--
9-1-1 call delivery wireline	65,558	2,307	304,432	2,460	--
9-1-1 call delivery wireless	--	8,909	139,113	2,803	461,304
Building maintenance and operations	250,001	61,437	1,000,722	59,868	--
Vehicle pound operation	275,550	4,958	618,901	37,910	--
Central information	1,344,310	58,892	28,708	126,546	--
Criminal intelligence unit	772,836	40,825	16,819	114,834	--
Civil offenses	--	--	--	--	--
Beach safety	154,384	--	--	--	--
Police Special Events Overtime	45,680	--	--	--	--
Total police	<u>48,828,195</u>	<u>1,110,661</u>	<u>4,401,894</u>	<u>8,955,530</u>	<u>461,304</u>
Municipal court					
Administration	1,425,348	78,056	237,422	600,153	--
Judicial	852,492	6,072	14,843	31,965	--
Environmental court	--	--	--	--	--
Municipal juvenile court	13,912	--	--	21,708	--
Detention facility	1,024,773	21,574	73,054	77,952	--
City marshals	464,073	8,773	85,091	55,056	--
Total municipal court	<u>3,780,598</u>	<u>114,475</u>	<u>410,410</u>	<u>786,834</u>	<u>--</u>
Total police and municipal court	<u>52,608,793</u>	<u>1,225,136</u>	<u>4,812,304</u>	<u>9,742,364</u>	<u>461,304</u>
Fire and Ambulance					
Administration and training	1,191,017	19,297	47,927	331,868	--
Fire academy training	950,587	61,949	53,003	26,324	--
Communications	76,942	17,122	150,866	66,456	--
Apparatus and shop	218,610	238,533	186,026	16,572	--
Stations	29,495,708	626,586	831,218	1,885,174	425,000
Fire prevention	1,106,183	18,681	29,732	186,317	--
Life guarding and first response	244,621	17,706	24,833	25,584	49,500
Fire support services	101,342	24,140	248	9,695	--
Fire department special services	191,442	7,450	--	7,684	--
City ambulance operations	529,563	386,133	770,271	52,918	241,000
Total fire and ambulance	<u>34,106,015</u>	<u>1,417,597</u>	<u>2,094,124</u>	<u>2,608,592</u>	<u>715,500</u>

(Continued)

City of Corpus Christi, Texas

Exhibit 6-C
(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2010	Budget		Variance Final Budget Positive (Negative)	2009
			Actual Budget Basis	Original	Final		Actual Budget Basis
--	3,086,682	--	3,086,682	3,022,615	3,167,019	80,337	3,222,784
--	1,261,496	--	1,261,496	1,598,283	1,322,283	60,787	1,553,711
--	6,217,295	--	6,217,295	5,885,607	5,968,139	(249,156)	5,798,898
--	3,272,626	--	3,272,626	3,242,185	3,399,822	127,196	2,784,034
--	36,134,075	--	36,134,075	35,052,808	35,940,870	(193,205)	35,468,464
--	1,337,588	--	1,337,588	1,400,209	1,395,209	57,621	1,364,475
--	699,928	--	699,928	804,981	781,197	81,269	802,237
--	216,772	--	216,772	239,980	229,980	13,208	250,003
(253,608)	4,570,947	253,608	4,824,555	4,746,613	4,746,613	(77,942)	4,679,075
(939,202)	(232,702)	939,202	706,500	734,418	726,418	19,918	755,965
--	374,757	--	374,757	424,724	403,324	28,567	390,392
--	612,129	(227,879)	384,250	453,431	497,431	113,181	233,903
--	1,372,028	124,294	1,496,322	1,379,038	1,418,295	(78,027)	1,712,747
--	937,319	--	937,319	902,747	887,747	(49,572)	990,247
--	1,558,456	--	1,558,456	1,639,539	1,651,425	92,969	1,403,865
--	945,314	--	945,314	1,149,395	981,895	36,581	725,759
--	--	--	--	--	--	--	736,042
(82,817)	71,567	82,817	154,384	159,391	159,391	5,007	114,190
--	45,680	--	45,680	217,175	45,257	(423)	265,558
(1,275,627)	62,481,957	1,172,042	63,653,999	63,053,139	63,722,315	68,316	63,252,349
--	2,340,979	--	2,340,979	2,089,764	2,443,853	102,874	2,353,640
--	905,372	--	905,372	853,559	910,289	4,917	433,712
--	--	--	--	--	--	--	175,008
--	35,620	--	35,620	55,877	34,488	(1,132)	236,709
--	1,197,353	--	1,197,353	1,137,548	1,148,957	(48,396)	1,345,346
--	612,993	--	612,993	605,673	644,834	31,841	719,554
--	5,092,317	--	5,092,317	4,742,421	5,182,421	90,104	5,263,969
(1,275,627)	67,574,274	1,172,042	68,746,316	67,795,560	68,904,736	158,420	68,516,318
--	1,590,109	--	1,590,109	1,440,792	1,531,837	(58,272)	1,402,717
--	1,091,863	--	1,091,863	1,160,300	1,135,828	43,965	1,163,443
--	311,386	--	311,386	297,091	306,139	(5,247)	301,342
--	659,741	--	659,741	698,766	664,588	4,847	720,786
(327,472)	32,936,214	513,936	33,450,150	33,287,301	33,299,714	(150,436)	31,363,567
--	1,340,913	--	1,340,913	1,394,138	1,373,886	32,973	1,318,823
(198,763)	163,481	198,763	362,244	397,159	383,659	21,415	389,191
--	135,425	--	135,425	155,741	154,541	19,116	149,521
--	206,576	--	206,576	227,171	215,771	9,195	199,397
--	1,979,885	(93,615)	1,886,270	1,688,365	1,865,707	(20,563)	1,896,833
(526,235)	40,415,593	619,084	41,034,677	40,746,824	40,931,670	(103,007)	38,905,620

City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	<u>Actual GAAP Expenditures</u>				
	<u>Personal Services</u>	<u>Materials & Supplies</u>	<u>Contractual Services</u>	<u>Other Charges</u>	<u>Capital Outlays</u>
Emergency management					
Emergency management	157,998	35,515	21,164	167,288	--
Pipeline transportation	--	--	--	--	--
Total emergency management	<u>157,998</u>	<u>35,515</u>	<u>21,164</u>	<u>167,288</u>	<u>--</u>
Inspections	<u>1,324,495</u>	<u>30,463</u>	<u>62,551</u>	<u>295,445</u>	<u>--</u>
Streets					
Office and yard	661,618	36,520	117,864	359,865	--
Asphalt rework and construction	570,773	731,669	122,074	180,636	218,419
Utility cut repairs	180,527	139,136	3,027	40,512	46,735
Asphalt maintenance	2,406,914	2,093,045	249,159	758,915	992,785
Traffic signals	546,349	375,063	126,175	146,459	--
Traffic engineering	411,288	4,421	22,323	79,024	--
Traffic Safety - SB 1119	--	--	--	--	--
Street lighting	--	--	3,457,503	7,848	--
Residential traffic management	--	986	34,806	--	--
Signs and markings	518,861	257,805	226,211	144,242	--
Total streets	<u>5,296,330</u>	<u>3,638,645</u>	<u>4,359,142</u>	<u>1,717,501</u>	<u>1,257,939</u>
Solid Waste					
Solid waste office	475,679	14,791	215,200	374,429	--
J.C. Elliot Transfer Station	734,507	199,121	169,404	139,884	--
Refuse collection	3,442,618	982,739	164,504	640,776	1,638,762
Refuse disposal	38,232	80,873	148,967	233,355	--
Brush collection	1,767,842	336,165	29,376	299,028	265,162
Recycling collection	855,124	89,608	10,535	111,664	21,240
Graffiti clean-up project	180,437	13,696	1,689	4,572	--
Elliot Closure/Postclosure exp	--	--	71,859	--	--
Cefe Valenzuela landfill operation	214,269	24,447	4,011,751	85,176	66,450
Total solid waste	<u>7,708,708</u>	<u>1,741,440</u>	<u>4,823,285</u>	<u>1,888,884</u>	<u>1,991,614</u>
Health					
Administration and special programs	523,476	33,193	73,178	193,566	--
T.B. Clinic - Health Department	63,443	--	1,128	35,217	--
Immunization and venereal disease	58,671	2,893	13,772	11,184	--
Vital statistics	94,054	5,802	25,835	15,771	--
Nursing	459,479	2,459	66,223	33,916	--
Environmental health	385,628	8,598	16,297	30,440	--
STD clinic	98,093	2,255	1,256	7,728	--
Vector control	256,253	38,832	5,163	119,940	--
Laboratory	125,742	1,448	14,669	10,514	--
Low cost spay neuter clinic	95,655	20,270	48,124	--	--
Mental health	--	--	54,000	--	--
Animal control	707,195	97,076	191,606	362,878	--
Health office building	43,530	25,889	254,024	71,294	--
Total health	<u>2,911,219</u>	<u>238,715</u>	<u>765,275</u>	<u>892,448</u>	<u>--</u>

(Continued)

City of Corpus Christi, Texas

Exhibit 6-C
(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2010 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2009 Actual Budget Basis
				Original	Final		
--	381,965	--	381,965	461,906	404,688	22,723	352,601
--	--	--	--	--	--	--	38,028
--	381,965	--	381,965	461,906	404,688	22,723	390,629
(317,628)	1,395,326	346,823	1,742,149	1,915,904	1,850,079	107,930	1,876,591
(654,179)	521,688	654,179	1,175,867	1,201,498	1,186,593	10,726	1,071,252
--	1,823,571	(151,720)	1,671,851	1,828,418	1,870,326	198,475	3,547,274
(783,968)	(374,031)	741,470	367,439	452,605	386,275	18,836	468,146
(116,742)	6,384,076	(79,286)	6,304,790	6,066,746	6,674,445	369,655	6,114,989
--	1,194,046	3,505	1,197,551	1,312,475	1,219,420	21,869	1,156,402
(98,917)	418,139	98,917	517,056	577,099	500,305	(16,751)	560,790
--	--	--	--	--	--	--	59,259
--	3,465,351	--	3,465,351	3,740,443	3,825,673	360,322	3,562,775
--	35,792	--	35,792	25,000	36,595	803	52,133
(14,606)	1,132,513	14,606	1,147,119	1,135,270	1,245,284	98,165	1,173,690
(1,668,412)	14,601,145	1,281,671	15,882,816	16,339,554	16,944,916	1,062,100	17,766,710
--	1,080,099	--	1,080,099	1,181,846	1,151,030	70,931	1,039,365
--	1,242,916	354,572	1,597,488	1,737,315	1,632,475	34,987	993,588
6,718	6,876,117	(884,450)	5,991,667	6,553,787	6,384,718	393,051	6,208,926
--	501,427	4,676,898	5,178,325	5,197,334	5,315,076	136,751	8,128,873
--	2,697,573	(1,131)	2,696,442	2,607,454	2,604,841	(91,601)	2,282,534
--	1,088,171	--	1,088,171	1,016,569	1,087,027	(1,144)	1,073,033
--	200,394	--	200,394	243,690	243,690	43,296	141,438
--	71,859	--	71,859	182,500	182,765	110,906	95,371
--	4,402,093	--	4,402,093	4,491,411	4,683,575	281,482	708,798
6,718	18,160,649	4,145,889	22,306,538	23,211,906	23,285,197	978,659	20,671,926
--	823,413	--	823,413	899,335	824,694	1,281	794,798
--	99,788	--	99,788	70,391	99,703	(85)	80,470
--	86,520	--	86,520	78,454	93,855	7,335	89,625
--	141,462	--	141,462	162,044	140,074	(1,388)	148,403
--	562,077	--	562,077	553,751	542,043	(20,034)	550,263
--	440,963	--	440,963	342,949	437,663	(3,300)	279,499
--	109,332	--	109,332	113,039	113,039	3,707	102,485
--	420,188	--	420,188	439,876	434,063	13,875	454,338
--	152,373	--	152,373	155,992	155,739	3,366	131,592
--	164,049	--	164,049	171,216	154,872	(9,177)	155,105
--	54,000	--	54,000	54,000	54,000	--	54,000
--	1,358,755	7,217	1,365,972	1,438,232	1,402,396	36,424	1,374,072
--	394,737	--	394,737	349,641	355,359	(39,378)	452,092
--	4,807,657	7,217	4,814,874	4,828,920	4,807,500	(7,374)	4,666,742

City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	<u>Actual GAAP Expenditures</u>				
	<u>Personal Services</u>	<u>Materials & Supplies</u>	<u>Contractual Services</u>	<u>Other Charges</u>	<u>Capital Outlays</u>
Parks and recreation					
Director of parks and recreation	625,538	6,356	69,288	123,938	--
Park operation	2,701,633	537,705	140,438	1,409,690	219,692
Park construction	306,574	--	--	2,016	--
Program services admin	193,745	1,919	6,980	272,765	--
Senior community services	433,574	276,111	405,361	77,176	--
Athletics	398,894	27,644	179,691	171,887	--
Aquatics	500,332	124,978	156,496	209,461	--
Recreation centers	377,326	18,485	116,183	106	--
Multicultural center	133,769	15,498	71,367	27,118	--
Latchkey program	1,676,889	92,602	63,749	439,675	--
Arts subgranting	--	2,360	34,452	--	--
Beach maintenance/safety	--	4,227	--	--	--
Beach parking permits	39,363	2,070	58,320	16,853	--
Beach maintenance and operations	275,038	86,972	288,532	93,188	152,990
Tennis center operations	--	8,755	185,061	37,610	--
Assessment center	16,476	--	--	31,872	--
Corpus Christi Independent School District	--	--	7,355	--	--
Coliseum	--	--	331,469	--	--
Volunteer center	--	--	23,594	--	--
Tourist district	622,018	130,963	84,166	140,700	--
Summer programs operations	--	--	--	--	--
Natatorium	--	--	144,059	--	360,683
Total parks and recreation	<u>8,301,169</u>	<u>1,336,645</u>	<u>2,366,561</u>	<u>3,054,055</u>	<u>733,365</u>
Libraries					
Central	1,191,239	434,989	316,049	274,476	--
Anita & W.T. Neyland Branch	261,889	5,797	59,742	64,312	--
Greenwood Branch	271,181	4,457	48,532	54,743	--
Northwest Branch	237,340	4,884	45,287	48,931	--
Janet F. Harte Branch	199,737	6,077	55,174	60,611	--
Dr. Clotilde P. Garcia Branch	211,220	4,740	55,625	21,974	--
Total libraries	<u>2,372,606</u>	<u>460,944</u>	<u>580,409</u>	<u>525,047</u>	<u>--</u>
Museums					
Museum of Science and History	887,733	15,735	308,577	335,013	617
Columbus ships	112,173	6,145	5,656	13,080	--
Total museums	<u>999,906</u>	<u>21,880</u>	<u>314,233</u>	<u>348,093</u>	<u>617</u>
Community enrichment					
Sister City program	--	--	751	17,208	--
Debt service					
Principal retired	--	--	--	2,763,223	--
Interest	--	--	--	292,268	--
Total debt service	<u>--</u>	<u>--</u>	<u>--</u>	<u>3,055,491</u>	<u>--</u>
Total expenditures	<u>\$ 127,242,225</u>	<u>\$ 10,360,274</u>	<u>\$ 23,446,943</u>	<u>\$ 29,129,085</u>	<u>\$ 5,869,917</u>

City of Corpus Christi, Texas

Exhibit 6-C
(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2010 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2009 Actual Budget Basis
				Original	Final		
(1,000)	824,120	1,000	825,120	837,736	904,779	79,659	805,046
(264,000)	4,745,158	120,545	4,865,703	5,108,175	4,930,198	64,495	5,336,490
(194,182)	114,408	194,182	308,590	348,970	348,970	40,380	--
--	475,409	--	475,409	509,267	485,777	10,368	1,033,144
--	1,192,222	--	1,192,222	1,144,899	1,141,999	(50,223)	1,195,223
--	778,116	--	778,116	776,190	766,483	(11,633)	828,220
--	991,267	--	991,267	1,029,666	969,857	(21,410)	1,015,603
--	512,100	--	512,100	701,160	571,566	59,466	--
(143,712)	104,040	143,712	247,752	309,479	291,510	43,758	349,579
--	2,272,915	4,811	2,277,726	2,422,781	2,579,286	301,560	2,036,096
--	36,812	--	36,812	40,000	40,000	3,188	60,995
(8,282)	(4,055)	8,282	4,227	4,390	4,390	163	6,550
(66,254)	50,352	66,254	116,606	127,868	127,868	11,262	179,869
(472,061)	424,659	435,077	859,736	817,045	886,078	26,342	835,835
--	231,426	--	231,426	236,703	236,703	5,277	196,550
--	48,348	--	48,348	56,948	48,348	--	177,272
--	7,355	--	7,355	50,000	50,000	42,645	3,489
--	331,469	--	331,469	12,500	916,268	584,799	2,117
--	23,594	--	23,594	8,450	23,594	--	8,450
(17,774)	960,073	17,774	977,847	1,106,695	1,025,498	47,651	906,321
--	--	--	--	--	--	--	72,576
--	504,742	--	504,742	150,535	505,218	476	161,694
<u>(1,167,265)</u>	<u>14,624,530</u>	<u>991,637</u>	<u>15,616,167</u>	<u>15,799,457</u>	<u>16,854,390</u>	<u>1,238,223</u>	<u>15,211,119</u>
--	2,216,753	5,576	2,222,329	2,320,393	2,323,896	101,567	2,588,289
--	391,740	--	391,740	438,312	432,918	41,178	439,430
--	378,913	--	378,913	398,544	395,660	16,747	362,847
--	336,442	--	336,442	362,773	359,734	23,292	340,788
--	321,599	--	321,599	324,064	326,331	4,732	307,841
--	293,559	--	293,559	299,342	297,196	3,637	224,384
--	<u>3,939,006</u>	<u>5,576</u>	<u>3,944,582</u>	<u>4,143,428</u>	<u>4,135,735</u>	<u>191,153</u>	<u>4,263,579</u>
(200,004)	1,347,671	200,004	1,547,675	1,599,187	1,574,066	26,391	1,530,322
--	137,054	--	137,054	141,942	160,226	23,172	109,465
<u>(200,004)</u>	<u>1,484,725</u>	<u>200,004</u>	<u>1,684,729</u>	<u>1,741,129</u>	<u>1,734,292</u>	<u>49,563</u>	<u>1,639,787</u>
--	17,959	--	17,959	18,000	18,000	41	17,844
--	2,763,223	(2,763,223)	--	--	--	--	--
--	292,268	(292,268)	--	--	--	--	--
--	<u>3,055,491</u>	<u>(3,055,491)</u>	--	--	--	--	--
<u>\$ (8,265,994)</u>	<u>\$ 187,782,450</u>	<u>\$ 8,831,993</u>	<u>\$ 196,614,443</u>	<u>\$ 198,709,619</u>	<u>\$ 200,132,792</u>	<u>\$ 3,518,349</u>	<u>\$ 194,913,195</u>



City of
Corpus
Christi

**DEBT SERVICE FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2010 AND 2009**

ASSETS	<u>2010</u>	<u>2009</u>
Cash and cash equivalents	\$ 1,870,302	\$ 4,072,491
Investments	10,027,133	6,009,063
Receivables		
Taxes	2,033,726	1,997,777
Accrued interest	13,260	35,779
Intergovernmental	22,357	16,968
Allowance for uncollectibles	(1,305,299)	(1,303,140)
Net receivables	<u>764,044</u>	<u>747,384</u>
Total assets	<u>\$ 12,661,479</u>	<u>\$ 10,828,938</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 9,533	\$ --
Deferred revenues		
Taxes	<u>728,427</u>	<u>694,637</u>
Total liabilities	<u>737,960</u>	<u>694,637</u>
Fund balance		
Reserved for debt service	651,577	677,376
Unreserved		
Designated for subsequent year's expenditures	--	500,620
Undesignated	<u>11,271,942</u>	<u>8,956,305</u>
Net unreserved	<u>11,271,942</u>	<u>9,456,925</u>
Total fund balance	<u>11,923,519</u>	<u>10,134,301</u>
Total liabilities and fund balance	<u>\$ 12,661,479</u>	<u>\$ 10,828,938</u>

City of Corpus Christi, Texas

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	<u>Budget</u>		<u>2010 Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>
Revenues				
Ad valorem taxes	\$ 26,853,252	\$ 26,853,252	\$ 27,345,690	\$ 492,438
Earnings on investments	131,952	131,952	89,492	(42,460)
Payments from Lexington Museum Association	272,796	272,796	272,796	--
Payments from Texas State Aquarium	361,107	361,107	361,107	--
Total revenues	<u>27,619,107</u>	<u>27,619,107</u>	<u>28,069,085</u>	<u>449,978</u>
Expenditures				
Debt service				
Principal retirement	21,155,000	21,155,000	19,485,000	1,670,000
Interest	14,486,327	14,485,303	14,313,227	172,076
Paying agent fees	15,000	16,024	18,940	(2,916)
Total expenditures	<u>35,656,327</u>	<u>35,656,327</u>	<u>33,817,167</u>	<u>1,839,160</u>
Deficiency of revenues under expenditures	(8,037,220)	(8,037,220)	(5,748,082)	2,289,138
Other financing sources				
Transfers in from				
General fund	4,676,897	4,676,897	4,676,897	--
Marina fund	18,917	18,917	18,917	--
Utility system fund	133,644	133,644	133,644	--
Airport fund	204,450	204,450	204,450	--
Golf centers fund	10,919	10,919	10,919	--
Hotel occupancy tax fund	2,491,773	2,491,773	2,492,473	700
Total other financing sources	<u>7,536,600</u>	<u>7,536,600</u>	<u>7,537,300</u>	<u>700</u>
Net change in fund balance	(500,620)	(500,620)	1,789,218	2,289,838
Fund balance at beginning of year	<u>9,314,110</u>	<u>10,134,301</u>	<u>10,134,301</u>	<u>--</u>
Fund balance at end of year	<u>\$ 8,813,490</u>	<u>\$ 9,633,681</u>	<u>\$ 11,923,519</u>	<u>\$ 2,289,838</u>

Exhibit 7-B

2009
Actual
\$ 26,227,912
283,267
285,022
518,318
<u>27,314,519</u>
30,245,000
10,738,585
13,189
<u>40,996,774</u>
(13,682,255)
4,330,610
19,023
176,952
198,181
10,980
2,489,296
<u>7,225,042</u>
(6,457,213)
<u>16,591,514</u>
<u><u>\$ 10,134,301</u></u>



City of
Corpus
Christi



City of
Corpus
Christi

City of Corpus Christi, Texas

**NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JULY 31, 2010**

ASSETS	Special	Capital	Debt Service Fund	Eliminations
	Revenue Funds	Projects Funds	Corpus Christi Business and Job Development Corporation	
Cash and cash equivalents	\$ 20,053,460	\$ 53,403,936	\$ 5,323,045	\$ --
Investments	33,070,379	68,486,509	--	--
Receivables, net of allowance for uncollectibles	26,686,049	3,916,725	--	--
Due from other funds	111,428	--	--	--
Inventories	21,814	--	--	--
Prepaid items	410,571	--	--	--
Advances to other funds	575,623	--	--	--
Other assets	209,500	--	--	--
Total assets	\$ 81,138,824	\$ 125,807,170	\$ 5,323,045	\$ --
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 2,794,647	\$ 4,140,509	\$ --	\$ --
Accrued liabilities	511,386	--	--	--
Contractor interest and retainage payable	4,511	1,871,336	--	--
Deposits	653,563	367,730	--	--
Due to other funds	1,930,602	--	--	--
Due to other governmental agencies	178,798	--	--	--
Deferred revenues	3,495,072	846,030	--	--
Total liabilities	9,568,579	7,225,605	--	--
Fund balances				
Reserved for encumbrances	4,697,555	25,444,184	--	--
Reserved for loans	15,714,421	--	--	--
Reserved for inventory	21,814	--	--	--
Reserved for prepaid items	410,571	--	--	--
Reserved for debt service	1,500,000	--	5,323,045	--
Reserved for Senior Community Services	19,533	--	--	--
Reserved for law enforcement	437,611	--	--	--
Reserved for Sister City programs	1,154	--	--	--
Reserved for park projects	1,586,555	--	--	--
Reserved for permanent art projects	160,301	--	--	--
Reserved for development projects	123,187	--	--	--
Reserved for traffic safety programs	47,362	--	--	--
Reserved for maintenance	431,352	--	--	--
Reserved for Affordable Housing	417,872	--	--	--
Reserved for Stadium Capital Repair	36,948	--	--	--
Reserved for marketing/co-promotion	412,500	--	--	--
Reserved for naming rights capital projects	340,662	--	--	--
Reserved for CDBG projects	353,242	--	--	--
Unreserved				
Designated for subsequent year's expenditures	1,260,845	--	--	--
Designated for specific projects	--	10,834,157	--	--
Undesignated				
Special revenue funds	43,596,760	--	--	--
Capital project funds	--	82,303,224	--	--
Total fund balances	71,570,245	118,581,565	5,323,045	--
Total liabilities and fund balances	\$ 81,138,824	\$ 125,807,170	\$ 5,323,045	\$ --

Exhibit 8-A

<u>Total</u>	
\$	78,780,441
	101,556,888
	30,602,774
	111,428
	21,814
	410,571
	575,623
	209,500
	<u>212,269,039</u>
\$	<u><u>212,269,039</u></u>

\$	6,935,156
	511,386
	1,875,847
	1,021,293
	1,930,602
	178,798
	4,341,102
	<u>16,794,184</u>

	30,141,739
	15,714,421
	21,814
	410,571
	6,823,045
	19,533
	437,611
	1,154
	1,586,555
	160,301
	123,187
	47,362
	431,352
	417,872
	36,948
	412,500
	340,662
	353,242

	1,260,845
	10,834,157

	43,596,760
	82,303,224
	<u>195,474,855</u>
\$	<u><u>212,269,039</u></u>

City of Corpus Christi, Texas

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2010

	Special Revenue Funds	Capital Projects Funds	Debt Service Fund Corpus Christi Business and Job Development Corporation	Eliminations
Revenues				
Taxes and business fees	\$ 32,952,691	\$ --	\$ --	\$ --
Grants	19,786,108	2,518,727	--	--
Charges for services	4,392,271	--	--	--
Fines and forfeitures	1,113,900	--	--	--
Contributions and donations	868,863	2,661	--	--
Special assessments	--	76,876	--	--
Earnings on investments	420,812	440,760	25,819	--
Interest on loans	81,458	--	--	--
Sale of city property	7,553	--	--	--
Miscellaneous	190,914	2,071	--	--
Total revenues	<u>59,814,570</u>	<u>3,041,095</u>	<u>25,819</u>	<u>--</u>
Expenditures				
Current				
General government	2,106,811	836,299	--	--
Police and municipal court	9,324,288	--	--	--
Fire and ambulance	414,584	--	--	--
Emergency management	83,374	--	--	--
Streets	196,751	--	--	--
Solid waste	32,980	--	--	--
Health	2,169,891	--	--	--
Parks and recreation	3,462,804	--	--	--
Libraries	605,575	--	--	--
Community enrichment	4,197,705	--	--	--
Community development	9,015,831	--	--	--
Convention and visitors activities	10,257,006	--	--	--
Other	21,729	--	--	--
Capital projects	4,085,744	46,320,640	--	--
Debt service				
Principal retirement	175,000	--	4,460,000	--
Interest	593,663	--	4,708,517	--
Bond issuance cost	--	422,041	--	--
Paying agent fees	6,630	--	3,140	--
Interest on interfund borrowings	6,543	--	--	--
Total expenditures	<u>46,756,909</u>	<u>47,578,980</u>	<u>9,171,657</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	13,057,661	(44,537,885)	(9,145,838)	--
Other financing sources (uses)				
Proceeds from general obligation bonds	--	13,685,000	--	--
Proceeds from certificate of obligation bonds	--	11,460,000	--	--
Premium on bonds sold	--	491,894	--	--
Transfers in	1,172,849	1,100,000	9,172,617	(10,272,617)
Transfers out	(13,112,346)	--	--	10,272,617
Total other financing sources (uses)	<u>(11,939,497)</u>	<u>26,736,894</u>	<u>9,172,617</u>	<u>--</u>
Net change in fund balances	1,118,164	(17,800,991)	26,779	--
Fund balances at beginning of year	<u>70,452,081</u>	<u>136,382,556</u>	<u>5,296,266</u>	<u>--</u>
Fund balances at end of year	<u>\$ 71,570,245</u>	<u>\$ 118,581,565</u>	<u>\$ 5,323,045</u>	<u>\$ --</u>

Exhibit 8-B

<u>Total</u>	
\$	32,952,691
	22,304,835
	4,392,271
	1,113,900
	871,524
	76,876
	887,391
	81,458
	7,553
	192,985
	<u>62,881,484</u>
	2,943,110
	9,324,288
	414,584
	83,374
	196,751
	32,980
	2,169,891
	3,462,804
	605,575
	4,197,705
	9,015,831
	10,257,006
	21,729
	50,406,384
	4,635,000
	5,302,180
	422,041
	9,770
	6,543
	<u>103,507,546</u>
	(40,626,062)
	13,685,000
	11,460,000
	491,894
	1,172,849
	<u>(2,839,729)</u>
	<u>23,970,014</u>
	(16,656,048)
	<u>212,130,903</u>
\$	<u><u>195,474,855</u></u>



City of
Corpus
Christi



City of
Corpus
Christi

City of Corpus Christi, Texas

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JULY 31, 2010
WITH COMPARATIVE TOTALS FOR JULY 31, 2009**

	<u>Visitors Facilities</u>	<u>Hotel Occupancy Tax</u>	<u>Redlight Photo Enforcement</u>	<u>Federal/ State Grants</u>
ASSETS				
Cash and cash equivalents	\$ 846,996	\$ --	\$ 297,940	\$ 316,526
Investments	--	--	--	--
Receivables				
Accounts	803,220	1,622,052	4,885	22,514
Accrued interest	--	--	--	--
Mortgages and loans	--	--	--	--
Demolition liens	--	--	--	802,718
Special assessments	--	--	--	7,536
Employees	--	--	--	2,340
Intergovernmental	--	--	--	6,015,726
Miscellaneous	--	--	--	16,125
Allowance for uncollectibles	(290,900)	(796)	--	(738,199)
Net receivables	<u>512,320</u>	<u>1,621,256</u>	<u>4,885</u>	<u>6,128,760</u>
Due from other funds	--	--	--	411,236
Inventories	21,814	--	--	--
Prepaid Items	327,231	--	--	--
Advances to other funds	--	--	--	--
Other assets	--	--	--	209,500
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 1,708,361</u>	<u>\$ 1,621,256</u>	<u>\$ 302,825</u>	<u>\$ 7,066,022</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 815,441	\$ 2,835	\$ 64,066	\$ 1,716,400
Accrued liabilities	139,337	--	4,434	204,753
Contractor interest and retainage payable	--	--	--	4,511
Deposits	450	--	--	348,589
Due to other funds	--	1,881,028	--	1,265,242
Due to other governmental agencies	--	--	178,798	--
Deferred revenues				
Demolition liens and other	--	--	--	74,395
Paving assessments	--	--	--	--
Asset seizure and forfeiture	--	--	--	32,630
Grants	--	--	--	2,422,928
Texas Commission on Environmental Quality	--	--	--	44,436
Other	863,683	--	--	--
Total deferred revenues	<u>863,683</u>	<u> </u>	<u> </u>	<u>2,574,389</u>
Total liabilities	<u>1,818,911</u>	<u>1,883,863</u>	<u>247,298</u>	<u>6,113,884</u>

(Continued)

City of Corpus Christi, Texas

Exhibit 9-A

<u>Community Enrichment</u>	<u>Infrastructure</u>	<u>Local Emergency Planning Committee</u>	<u>Corpus Christi Community Improvement Corporation</u>	<u>Corpus Christi Housing Finance Corporation</u>	<u>Corpus Christi Industrial Development Corporation</u>
\$ 862,814	\$ 591,747	\$ 110,983	\$ 345,399	\$ 42,088	\$ 68,579
1,000,000	1,000,000	--	--	--	--
--	--	--	475,000	--	--
2,689	2,689	--	--	--	--
--	--	--	16,149,967	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	549,748	--	--
9,865	--	--	--	--	--
--	--	--	(435,546)	--	--
<u>12,554</u>	<u>2,689</u>	<u>--</u>	<u>16,739,169</u>	<u>--</u>	<u>--</u>
--	--	--	1,376,670	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	575,623	--
--	--	--	--	--	--
<u>\$ 1,875,368</u>	<u>\$ 1,594,436</u>	<u>\$ 110,983</u>	<u>\$ 18,461,238</u>	<u>\$ 617,711</u>	<u>\$ 68,579</u>
\$ 1,350	\$ --	\$ 116	\$ 6,282	\$ 200	\$ --
--	--	2,164	--	--	--
--	--	--	--	--	--
--	--	--	304,524	--	--
--	--	--	448,690	12,120	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	57,000	--	--	--
--	--	57,000	--	--	--
<u>1,350</u>	<u>--</u>	<u>59,280</u>	<u>759,496</u>	<u>12,320</u>	<u>--</u>

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JULY 31, 2010
WITH COMPARATIVE TOTALS FOR JULY 31, 2009**

	<u>Visitors Facilities</u>	<u>Hotel Occupancy Tax</u>	<u>Redlight Photo Enforcement</u>	<u>Federal/ State Grants</u>
Fund balances				
Reserved for encumbrances	26,501	--	--	2,085,723
Reserved for loans	--	--	--	--
Reserved for inventory	21,814	--	--	--
Reserved for prepaid items	327,231	--	--	--
Reserved for debt service	--	--	--	--
Reserved for Senior Community Services	--	--	--	19,533
Reserved for law enforcement	--	--	--	437,611
Reserved for Sister City programs	--	--	--	--
Reserved for park projects	--	--	--	--
Reserved for permanent art projects	--	--	--	--
Reserved for development projects	--	--	--	--
Reserved for traffic safety programs	--	--	47,362	--
Reserved for maintenance	431,352	--	--	--
Reserved for Affordable Housing	--	--	--	--
Reserved for Stadium Capital Repair	--	--	--	--
Reserved for marketing/co-promotion	412,500	--	--	--
Reserved for naming rights capital projects	340,662	--	--	--
Reserved for CDBG projects	--	--	--	353,242
Unreserved				
Designated for subsequent year's expenditures	--	--	--	--
Undesignated (deficit)	(1,670,610)	(262,607)	8,165	(1,943,971)
Total fund balances (deficits)	<u>(110,550)</u>	<u>(262,607)</u>	<u>55,527</u>	<u>952,138</u>
Total liabilities and fund balances (deficits)	<u>\$ 1,708,361</u>	<u>\$ 1,621,256</u>	<u>\$ 302,825</u>	<u>\$ 7,066,022</u>

(Continued)

City of Corpus Christi, Texas

Exhibit 9-A
(Continued)

<u>Community Enrichment</u>	<u>Infrastructure</u>	<u>Local Emergency Planning Committee</u>	<u>Corpus Christi Community Improvement Corporation</u>	<u>Corpus Christi Housing Finance Corporation</u>	<u>Corpus Christi Industrial Development Corporation</u>
2,821	--	--	--	--	--
--	--	--	15,714,421	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
1,154	--	--	--	--	--
1,586,555	--	--	--	--	--
160,301	--	--	--	--	--
123,187	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	35,111	--	--	--
--	1,594,436	16,592	1,987,321	605,391	68,579
<u>1,874,018</u>	<u>1,594,436</u>	<u>51,703</u>	<u>17,701,742</u>	<u>605,391</u>	<u>68,579</u>
<u>\$ 1,875,368</u>	<u>\$ 1,594,436</u>	<u>\$ 110,983</u>	<u>\$ 18,461,238</u>	<u>\$ 617,711</u>	<u>\$ 68,579</u>

City of Corpus Christi, Texas

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JULY 31, 2010
WITH COMPARATIVE TOTALS FOR JULY 31, 2009**

	<u>Corpus Christi Crime Control and Prevention District</u>	<u>Corpus Christi Business and Job Development Corporation</u>	<u>North Padre Island Development Corporation</u>	<u>Reinvestment Zone #3</u>
ASSETS				
Cash and cash equivalents	\$ 1,734,996	\$ 6,383,292	\$ 8,401,700	\$ 50,400
Investments	--	31,070,379	--	--
Receivables				
Accounts	--	--	--	--
Accrued interest	--	15,780	--	--
Mortgages and loans	--	--	--	--
Demolition liens	--	--	--	--
Special assessments	--	--	--	--
Employees	--	--	--	--
Intergovernmental	344,762	1,301,823	2,051	--
Miscellaneous	--	--	--	--
Allowance for uncollectibles	--	--	--	--
Net receivables	<u>344,762</u>	<u>1,317,603</u>	<u>2,051</u>	<u>--</u>
Due from other funds	--	--	--	--
Inventories	--	--	--	--
Prepaid Items	--	83,340	--	--
Advances to other funds	--	--	--	--
Other assets	--	--	--	--
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 2,079,758</u>	<u>\$ 38,854,614</u>	<u>\$ 8,403,751</u>	<u>\$ 50,400</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 35,203	\$ 107,700	\$ 45,054	\$ --
Accrued liabilities	160,698	--	--	--
Contractor interest and retainage payable	--	--	--	--
Deposits	--	--	--	--
Due to other funds	--	--	--	--
Due to other governmental agencies	--	--	--	--
Deferred revenues				
Demolition liens and other	--	--	--	--
Paving assessments	--	--	--	--
Asset seizure and forfeitures	--	--	--	--
Grants	--	--	--	--
Texas Commission on Environmental Quality	--	--	--	--
Other	--	--	--	--
Total deferred revenues	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total liabilities	<u>195,901</u>	<u>107,700</u>	<u>45,054</u>	<u>--</u>

(Continued)

City of Corpus Christi, Texas

**Exhibit 9-A
(Continued)**

<u>Eliminations</u>	<u>2010 Total</u>	<u>2009 Actual</u>
\$ --	\$ 20,053,460	\$ 15,367,471
--	33,070,379	36,050,396
--	2,927,671	3,606,015
--	21,158	88,025
--	16,149,967	17,141,963
--	802,718	801,358
--	7,536	8,099
--	2,340	2,340
--	8,214,110	6,369,441
--	25,990	4,000
--	(1,465,441)	(2,445,972)
--	<u>26,686,049</u>	<u>25,575,269</u>
(1,676,478)	111,428	7,586
--	21,814	--
--	410,571	582,484
--	575,623	--
--	<u>209,500</u>	<u>57,500</u>
<u>\$ (1,676,478)</u>	<u>\$ 81,138,824</u>	<u>\$ 77,640,706</u>
\$ --	\$ 2,794,647	\$ 2,636,001
--	511,386	526,480
--	4,511	--
--	653,563	619,704
(1,676,478)	1,930,602	--
--	178,798	--
--	74,395	50,146
--	--	655
--	32,630	34,311
--	2,422,928	2,411,259
--	44,436	46,203
--	920,683	863,866
--	<u>3,495,072</u>	<u>3,406,440</u>
(1,676,478)	<u>9,568,579</u>	<u>7,188,625</u>

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JULY 31, 2010
WITH COMPARATIVE TOTALS FOR JULY 31, 2009**

	<u>Corpus Christi Crime Control and Prevention District</u>	<u>Corpus Christi Business and Job Development Corporation</u>	<u>North Padre Island Development Corporation</u>	<u>Reinvestment Zone #3</u>
Fund balances				
Reserved for encumbrances	3,550	2,232,253	346,707	--
Reserved for loans	--	--	--	--
Reserved for inventory	--	--	--	--
Reserved for prepaid items	--	83,340	--	--
Reserved for debt service	--	--	1,500,000	--
Reserved for Senior Community Services	--	--	--	--
Reserved for law enforcement	--	--	--	--
Reserved for Sister City programs	--	--	--	--
Reserved for park projects	--	--	--	--
Reserved for permanent art projects	--	--	--	--
Reserved for development projects	--	--	--	--
Reserved for traffic safety programs	--	--	--	--
Reserved for maintenance	--	--	--	--
Reserved for Affordable Housing	--	417,872	--	--
Reserved for Stadium Capital Repair	--	36,948	--	--
Reserved for marketing/co-promotion	--	--	--	--
Reserved for naming rights capital projects	--	--	--	--
Reserved for CDBG projects	--	--	--	--
Unreserved				
Designated for subsequent year's expenditures	160,208	--	1,065,526	--
Undesignated (deficit)	1,720,099	35,976,501	5,446,464	50,400
Total fund balances (deficits)	<u>1,883,857</u>	<u>38,746,914</u>	<u>8,358,697</u>	<u>50,400</u>
Total liabilities and fund balances (deficits)	<u>\$ 2,079,758</u>	<u>\$ 38,854,614</u>	<u>\$ 8,403,751</u>	<u>\$ 50,400</u>

**Exhibit 9-A
(Continued)**

<u>Eliminations</u>	<u>2010 Total</u>	<u>2009 Actual</u>
--	4,697,555	1,925,659
--	15,714,421	16,821,647
--	21,814	--
--	410,571	582,484
--	1,500,000	1,500,000
--	19,533	19,532
--	437,611	121,904
--	1,154	1,150
--	1,586,555	1,867,198
--	160,301	168,794
--	123,187	15,894
--	47,362	--
--	431,352	--
--	417,872	1,126,546
--	36,948	36,870
--	412,500	--
--	340,662	446,180
--	353,242	285,150
--	1,260,845	610,880
--	43,596,760	44,922,193
--	<u>71,570,245</u>	<u>70,452,081</u>
<u>\$ (1,676,478)</u>	<u>\$ 81,138,824</u>	<u>\$ 77,640,706</u>

SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	<u>Visitors Facilities</u>	<u>Hotel Occupancy Tax</u>	<u>Redlight Photo Enforcement</u>	<u>Federal/ State Grants</u>
Revenues				
Taxes and business fees	\$ --	\$ 9,919,560	\$ --	\$ --
Grants	--	--	--	18,544,418
Charges for services	3,808,764	--	--	469,334
Fines and forfeitures	--	--	1,113,900	--
Contributions and donations	100,000	--	--	--
Earnings on investments	--	(4)	246	611
Interest on loans	--	--	--	--
Sale of City property	--	--	--	--
Naming rights	--	--	--	--
Miscellaneous	259	--	--	152,407
Total revenues	<u>3,909,023</u>	<u>9,919,556</u>	<u>1,114,146</u>	<u>19,166,770</u>
Expenditures				
Current				
General government	--	--	--	1,914,645
Police and municipal court	--	--	1,193,771	3,141,943
Fire and ambulance	--	--	--	414,584
Emergency management	--	--	--	--
Streets	--	--	9,616	187,135
Solid waste	--	--	--	32,980
Health	--	--	--	2,169,891
Parks and recreation	--	828,178	--	2,624,496
Libraries	--	--	--	605,575
Community enrichment	--	957,412	--	2,294,392
Community development	--	--	--	2,155,218
Convention and visitors activities	4,012,714	6,230,000	--	14,292
Other	--	--	--	--
Capital projects	133,560	--	--	3,103,176
Debt service				
Principal retirement	--	--	--	--
Interest	--	--	--	--
Paying agent fees	--	--	--	--
Interest on interfund borrowings	2,767	3,776	--	--
Total expenditures	<u>4,149,041</u>	<u>8,019,366</u>	<u>1,203,387</u>	<u>18,658,327</u>
Excess (deficiency) of revenues over (under) expenditures	(240,018)	1,900,190	(89,241)	508,443
Other financing sources (uses)				
Transfers in	2,051,971	393,182	144,768	232,037
Transfers out	(170,112)	(2,492,948)	--	(165,168)
Total other financing sources (uses)	<u>1,881,859</u>	<u>(2,099,766)</u>	<u>144,768</u>	<u>66,869</u>
Net change in fund balance	1,641,841	(199,576)	55,527	575,312
Fund balances (deficits) at beginning of year	<u>(1,752,391)</u>	<u>(63,031)</u>	<u>--</u>	<u>376,826</u>
Fund balances (deficits) at end of year	<u>\$ (110,550)</u>	<u>\$ (262,607)</u>	<u>\$ 55,527</u>	<u>\$ 952,138</u>

(Continued)

City of Corpus Christi, Texas

Exhibit 9-B

<u>Community Enrichment</u>	<u>Infrastructure</u>	<u>Local Emergency Planning Committee</u>	<u>Corpus Christi Community Improvement Corporation</u>	<u>Corpus Christi Housing Finance Corporation</u>	<u>Corpus Christi Industrial Development Corporation</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	1,241,690	--	--
--	--	--	--	99,977	--
--	--	--	--	--	--
291,725	396,257	72,250	8,631	--	--
7,143	5,720	128	1,111	632	109
--	--	--	80,835	623	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	32,943	--	--
<u>298,868</u>	<u>401,977</u>	<u>72,378</u>	<u>1,365,210</u>	<u>101,232</u>	<u>109</u>
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	83,374	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
10,130	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	2,283,927	28,975	--
--	--	--	--	--	--
--	--	--	21,729	--	--
468,231	111,882	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
<u>478,361</u>	<u>111,882</u>	<u>83,374</u>	<u>2,305,656</u>	<u>28,975</u>	<u>--</u>
(179,493)	290,095	(10,996)	(940,446)	72,257	109
475	--	2,601	--	--	--
--	--	--	(15,746)	--	--
<u>475</u>	<u>--</u>	<u>2,601</u>	<u>(15,746)</u>	<u>--</u>	<u>--</u>
(179,018)	290,095	(8,395)	(956,192)	72,257	109
<u>2,053,036</u>	<u>1,304,341</u>	<u>60,098</u>	<u>18,657,934</u>	<u>533,134</u>	<u>68,470</u>
<u>\$ 1,874,018</u>	<u>\$ 1,594,436</u>	<u>\$ 51,703</u>	<u>\$ 17,701,742</u>	<u>\$ 605,391</u>	<u>\$ 68,579</u>

City of Corpus Christi, Texas

SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	Corpus Christi Crime Control and Prevention District	Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation	Reinvestment Zone #3
Revenues				
Taxes and business fees	\$ 4,452,614	\$ 15,172,518	\$ 3,357,599	\$ 50,400
Grants	--	--	--	--
Charges for services	14,196	--	--	--
Fines and forfeitures	--	--	--	--
Contributions and donations	--	--	--	--
Earnings on investments	10,142	394,945	29	--
Interest on loans	--	--	--	--
Sale of City property	7,553	--	--	--
Naming rights	--	--	--	--
Miscellaneous	--	5,305	--	--
Total revenue	<u>4,484,505</u>	<u>15,572,768</u>	<u>3,357,628</u>	<u>50,400</u>
Expenditures				
Current				
General government	--	192,166	--	--
Police and municipal court	4,988,574	--	--	--
Fire and ambulance	--	--	--	--
Emergency management	--	--	--	--
Streets	--	--	--	--
Solid waste	--	--	--	--
Health	--	--	--	--
Parks and recreation	--	--	--	--
Libraries	--	--	--	--
Community enrichment	--	--	945,901	--
Community development	--	4,547,711	--	--
Convention and visitors activities	--	--	--	--
Other	--	--	--	--
Capital projects	126,810	7,256	134,829	--
Debt service				
Principal retirement	--	--	175,000	--
Interest	--	--	593,663	--
Paying agent fees	--	--	6,630	--
Interest on interfund borrowings	--	--	--	--
Total expenditures	<u>5,115,384</u>	<u>4,747,133</u>	<u>1,856,023</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(630,879)	10,825,635	1,501,605	50,400
Other financing sources (uses)				
Transfers in	142,427	--	--	--
Transfers out	--	(12,062,984)	--	--
Total other financing sources (uses)	<u>142,427</u>	<u>(12,062,984)</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(488,452)	(1,237,349)	1,501,605	50,400
Fund balances (deficits) at beginning of year	<u>2,372,309</u>	<u>39,984,263</u>	<u>6,857,092</u>	<u>--</u>
Fund balances (deficits) at end of year	<u>\$ 1,883,857</u>	<u>\$ 38,746,914</u>	<u>\$ 8,358,697</u>	<u>\$ 50,400</u>

City of Corpus Christi, Texas

**Exhibit 9-B
(Continued)**

Eliminations	2010 Total	2009 Actual
\$ --	\$ 32,952,691	\$ 35,367,308
--	19,786,108	14,739,420
--	4,392,271	6,041,470
--	1,113,900	--
--	868,863	337,231
--	420,812	846,804
--	81,458	73,369
--	7,553	3,848
--	--	175,000
--	190,914	211,053
--	<u>59,814,570</u>	<u>57,795,503</u>
--	2,106,811	2,452,682
--	9,324,288	7,360,370
--	414,584	673,094
--	83,374	86,728
--	196,751	14,159
--	32,980	42,283
--	2,169,891	2,234,193
--	3,462,804	3,551,909
--	605,575	612,450
--	4,197,705	3,394,700
--	9,015,831	4,450,970
--	10,257,006	12,152,309
--	21,729	32,963
--	4,085,744	2,374,942
--	175,000	165,000
--	593,663	602,993
--	6,630	16,770
--	6,543	29,714
--	<u>46,756,909</u>	<u>40,248,229</u>
--	13,057,661	17,547,274
(1,794,612)	1,172,849	326,185
<u>1,794,612</u>	<u>(13,112,346)</u>	<u>(16,532,551)</u>
--	<u>(11,939,497)</u>	<u>(16,206,366)</u>
--	1,118,164	1,340,908
--	<u>70,452,081</u>	<u>69,111,173</u>
<u>\$ --</u>	<u>\$ 71,570,245</u>	<u>\$ 70,452,081</u>

**VISITORS FACILITIES FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2010 AND 2009**

ASSETS	<u>2010</u>	<u>2009</u>
Cash and cash equivalents	\$ 846,996	\$ 1,213,607
Receivables		
Accounts	803,220	1,945,349
Allowance for uncollectibles	(290,900)	(1,363,556)
Net receivables	<u>512,320</u>	<u>581,793</u>
Inventories	21,814	--
Prepaid Items	<u>327,231</u>	<u>462,436</u>
 Total assets	 <u><u>\$ 1,708,361</u></u>	 <u><u>\$ 2,257,836</u></u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 815,441	\$ 1,152,450
Accrued liabilities	139,337	206,777
Deposits	450	1,150
Due to other funds	--	1,800,984
Deferred revenues		
Other	863,683	848,866
Total liabilities	<u>1,818,911</u>	<u>4,010,227</u>
Fund balance		
Reserved for encumbrances	26,501	--
Reserved for inventory	21,814	--
Reserved for prepaid items	327,231	462,436
Reserved for maintenance	431,352	--
Reserved for marketing/co-promotion	412,500	--
Reserved for naming rights capital projects	340,662	446,180
Unreserved		
Undesignated (deficit)	(1,670,610)	(2,661,007)
Total fund deficit	<u>(110,550)</u>	<u>(1,752,391)</u>
 Total liabilities and fund deficit	 <u><u>\$ 1,708,361</u></u>	 <u><u>\$ 2,257,836</u></u>

VISITORS FACILITIES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	<u>Budget</u>		<u>2010 Actual</u>	<u>Variance</u>	<u>2009 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Revenues					
Arena	\$ 3,480,224	\$ 3,480,224	\$ 2,036,381	\$ (1,443,843)	\$ 2,808,360
Convention center services	5,136,014	5,136,014	1,712,570	(3,423,444)	2,038,685
Multicultural center rentals	36,000	36,000	26,003	(9,997)	40,153
Pavillion rentals	12,000	12,000	12,690	690	12,515
Heritage park maintenance contract	27,000	27,000	21,120	(5,880)	22,942
Total charges for services	<u>8,691,238</u>	<u>8,691,238</u>	<u>3,808,764</u>	<u>(4,882,474)</u>	<u>4,922,655</u>
Contributions and donations	--	--	100,000	100,000	--
Naming rights for American Bank Center	--	--	--	--	175,000
Miscellaneous	--	--	259	259	--
Total revenues	<u>8,691,238</u>	<u>8,691,238</u>	<u>3,909,023</u>	<u>(4,782,215)</u>	<u>5,097,655</u>
Expenditures					
Current					
Arena	4,357,837	4,457,837	2,583,075	1,874,762	3,464,070
Arena maintenance/improvements	500,000	500,000	35,089	464,911	--
Arena marketing/co-promotion	500,000	500,000	87,500	412,500	--
Auditorium/convention center	4,150,349	4,211,207	630,563	3,580,644	539,826
Bayfront Arts and Science Park	672,511	672,511	615,385	57,126	498,022
Harbor Playhouse	--	--	--	--	23,645
Water garden	--	--	--	--	233,412
Cultural facility maintenance	75,000	75,000	31,755	43,245	52,074
Uncollectible accounts	200,000	200,000	29,347	170,653	--
Capital projects	--	--	133,560	(133,560)	105,000
Interest on interfund borrowings	50,000	50,000	2,767	47,233	25,593
Total expenditures	<u>10,505,697</u>	<u>10,666,555</u>	<u>4,149,041</u>	<u>6,517,514</u>	<u>4,941,642</u>
Deficiency of revenues under expenditures	(1,814,459)	(1,975,317)	(240,018)	1,735,299	156,013
Other financing sources (uses)					
Transfers in	1,988,506	2,051,971	2,051,971	--	881,428
Transfers out	(170,112)	(170,112)	(170,112)	--	(82,547)
Total other financing sources	<u>1,818,394</u>	<u>1,881,859</u>	<u>1,881,859</u>	<u>--</u>	<u>798,881</u>
Net change in fund balance	3,935	(93,458)	1,641,841	1,735,299	954,894
Fund deficit beginning of year	<u>(2,185,106)</u>	<u>(1,752,391)</u>	<u>(1,752,391)</u>	<u>--</u>	<u>(2,707,285)</u>
Fund deficit end of year	<u>\$ (2,181,171)</u>	<u>\$ (1,845,849)</u>	<u>\$ (110,550)</u>	<u>\$ 1,735,299</u>	<u>\$ (1,752,391)</u>

**HOTEL OCCUPANCY TAX FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2010 AND 2009**

ASSETS	<u>2010</u>	<u>2009</u>
Cash and cash equivalents	\$ --	\$ 85,513
Receivables		
Accounts	1,622,052	1,587,738
Allowance for uncollectibles	(796)	(1,105)
Net receivables	<u>1,621,256</u>	<u>1,586,633</u>
 Total assets	 <u>\$ 1,621,256</u>	 <u>\$ 1,672,146</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 2,835	\$ 180,000
Due to other funds	1,881,028	1,555,177
Total liabilities	<u>1,883,863</u>	<u>1,735,177</u>
Fund balance		
Unreserved		
Undesignated	(262,607)	(63,031)
Total fund balance	<u>(262,607)</u>	<u>(63,031)</u>
 Total liabilities and fund balance	 <u>\$ 1,621,256</u>	 <u>\$ 1,672,146</u>

HOTEL OCCUPANCY TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	<u>Budget</u>		<u>2010 Actual</u>	<u>Variance</u>	<u>2009 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Revenues					
Hotel occupancy tax	\$ 8,059,736	\$ 8,059,736	\$ 7,719,075	\$ (340,661)	\$ 7,877,067
Hotel occupancy tax-Convention expansion	2,305,274	2,305,274	2,200,485	(104,789)	2,250,266
Total hotel occupancy taxes	10,365,010	10,365,010	9,919,560	(445,450)	10,127,333
Earnings on investments	--	--	(4)	(4)	(37)
Total revenues	10,365,010	10,365,010	9,919,556	(445,454)	10,127,296
Expenditures					
Current					
Parks and recreation					
Beach cleaning	1,081,248	1,081,248	828,178	253,070	977,385
Community enrichment					
Special Events	200,004	200,004	200,004	--	200,004
Art Museum of South Texas	340,600	340,600	340,600	--	340,600
Multicultural services support	143,712	143,712	143,712	--	134,774
Jazz festival	10,000	10,000	10,000	--	10,000
Arts grants and projects	91,500	91,500	91,026	474	63,336
Harbor Playhouse	45,070	45,070	45,070	--	45,070
Center for Hispanic Arts	15,000	15,000	15,000	--	15,000
Asian Cultures Museum	30,000	30,000	30,000	--	30,000
Arts Community Center	30,000	30,000	30,000	--	30,000
Botanical Gardens	20,000	20,000	20,000	--	20,000
Instituto de Cultura Hispanica	20,000	20,000	20,000	--	20,000
Corpus Christi Symphony	12,000	12,000	12,000	--	12,000
Convention and visitors activities					
Convention center/auditorium	3,200,000	3,200,000	3,200,000	--	3,850,000
Convention and Visitors Bureau-convention promotion	3,200,000	3,200,000	3,030,000	170,000	3,301,660
Interest on interfund borrowings	15,000	15,000	3,776	11,224	4,121
Total expenditures	8,454,134	8,454,134	8,019,366	434,768	9,053,950
Excess of revenues over expenditures	1,910,876	1,910,876	1,900,190	(10,686)	1,073,346
Other financing sources (uses)					
Transfers in	393,182	393,182	393,182	--	--
Transfers out	(2,492,473)	(2,492,473)	(2,492,948)	(475)	(2,499,393)
Total other financing (uses)	(2,099,291)	(2,099,291)	(2,099,766)	(475)	(2,499,393)
Net change in fund balance	(188,415)	(188,415)	(199,576)	(11,161)	(1,426,047)
Fund balance at beginning of year	188,415	(63,031)	(63,031)	--	1,363,016
Fund balance at end of year	\$ --	\$ (251,446)	\$ (262,607)	\$ (11,161)	\$ (63,031)

**REDLIGHT PHOTO ENFORCEMENT
COMPARATIVE BALANCE SHEETS
JULY 31, 2010**

ASSETS	<u>2010</u>
Cash and cash equivalents	\$ 297,940
Receivables	
Accounts	<u>4,885</u>
Total assets	<u><u>\$ 302,825</u></u>
 LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	\$ 64,066
Accrued liabilities	4,434
Due to other governmental agencies	<u>178,798</u>
Total liabilities	247,298
Fund balance	
Reserved for traffic safety programs	47,362
Unreserved	
Undesignated	<u>8,165</u>
Total fund balance	<u>55,527</u>
Total liabilities and fund balance	<u><u>\$ 302,825</u></u>

**REDLIGHT PHOTO ENFORCEMENT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2010**

	<u>Budget</u>		<u>2010 Actual</u>	<u>Variance Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and forfeitures	\$ 1,133,001	\$ 1,133,001	\$ 1,113,900	(19,101)
Earnings on investments	500	500	246	(254)
Total revenues	<u>1,133,501</u>	<u>1,133,501</u>	<u>1,114,146</u>	<u>(19,355)</u>
Expenditures				
Current				
Police and municipal court	1,105,562	1,093,290	1,193,771	(100,481)
Streets	--	12,272	9,616	2,656
Total expenditures	<u>1,105,562</u>	<u>1,105,562</u>	<u>1,203,387</u>	<u>(97,825)</u>
Net change in fund balance	27,939	27,939	(89,241)	(117,180)
Other financing sources				
Transfers in	--	--	144,768	144,768
Excess of revenues and other financing sources over expenditures and other uses	27,939	27,939	55,527	27,588
Fund balance at beginning of year	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund balance at end of year	<u>\$ 27,939</u>	<u>\$ 27,939</u>	<u>\$ 55,527</u>	<u>\$ 27,588</u>

**FEDERAL/STATE GRANTS FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2010 AND 2009**

ASSETS	2010	2009
Cash and cash equivalents	\$ 316,526	\$ --
Receivables		
Accounts	22,514	72,886
Demolition liens	802,718	801,358
Special assessments	7,536	8,099
Employees	2,340	2,340
Intergovernmental	6,015,726	4,226,669
Miscellaneous	16,125	4,000
Allowance for uncollectibles	<u>(738,199)</u>	<u>(760,995)</u>
Net receivables	6,128,760	4,354,357
Due from other funds	411,236	42,115
Other Assets	<u>209,500</u>	<u>57,500</u>
 Total assets	 <u>\$ 7,066,022</u>	 <u>\$ 4,453,972</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 1,716,400	\$ 672,009
Accrued liabilities	204,753	317,555
Contractor interest and retainage payable	4,511	--
Deposits	348,589	343,854
Due to other funds	1,265,242	201,154
Deferred revenues		
Demolition liens and other	74,395	50,146
Paving assessments	--	655
Asset seizure and forfeitures	32,630	34,311
Grants	2,422,928	2,411,259
Texas Commission on Environmental Quality	44,436	46,203
Total deferred revenues	<u>2,574,389</u>	<u>2,542,574</u>
Notes payable	<u>--</u>	<u>--</u>
Total liabilities	6,113,884	4,077,146
Fund balance		
Reserved for encumbrances	2,085,723	1,264,182
Reserved for senior community services	19,533	19,532
Reserved for law enforcement		
State forfeitures	120,240	57,856
Federal forfeitures	297,904	50,959
Officers' standards and education	19,467	13,089
Total reserved for law enforcement	<u>437,611</u>	<u>121,904</u>
Reserved for latchkey programs	--	--
Reserved for CDBG projects	353,242	285,150
Unreserved (deficit)		
Undesignated (deficit)	<u>(1,943,971)</u>	<u>(1,313,942)</u>
Total fund balance	<u>952,138</u>	<u>376,826</u>
 Total liabilities and fund balances	 <u>\$ 7,066,022</u>	 <u>\$ 4,453,972</u>

FEDERAL/STATE GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JULY 31, 2010

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Revenues				
Grants				
State of Texas	\$ 21,125,339	\$ 17,413,895	\$ 7,464,004	\$ 24,877,899
Federal Government	25,344,894	15,802,043	9,255,047	25,057,090
Coastal Bend Council of Governments	1,022,216	858,520	758,191	1,616,711
Drug forfeitures				
State	2,031,039	610,428	242,336	852,764
Federal	2,700,000	467,568	477,873	945,441
Local grants and contributions	1,519,528	718,585	346,967	1,065,552
Total grants	<u>53,743,016</u>	<u>35,871,039</u>	<u>18,544,418</u>	<u>54,415,457</u>
Charges for services	1,024,873	1,142,621	469,334	1,611,955
Earnings on investments	611	182,401	611	183,012
Miscellaneous	198,525	324,709	152,407	477,116
Total revenue	<u>54,967,025</u>	<u>37,520,770</u>	<u>19,166,770</u>	<u>56,687,540</u>
Expenditures				
Current				
General government	9,309,640	3,600,529	1,914,645	5,515,174
Police and municipal court	13,692,263	3,961,395	3,141,943	7,103,338
Fire and ambulance	2,365,706	3,695,043	414,584	4,109,627
Streets	299,064	7,161,141	187,135	7,348,276
Solid waste	68,140	45,280	32,980	78,260
Health	4,311,707	3,807,152	2,169,891	5,977,043
Parks and recreation	5,787,574	5,122,621	2,624,496	7,747,117
Libraries	1,297,934	1,426,246	605,575	2,031,821
Community enrichment	7,225,125	5,407,444	2,294,392	7,701,836
Community development	4,856,017	1,112,696	2,155,218	3,267,914
Museum	30,000	189,600	14,292	203,892
Capital projects	5,790,724	2,085,583	3,103,176	5,188,759
Total expenditures	<u>55,033,894</u>	<u>37,614,730</u>	<u>18,658,327</u>	<u>56,273,057</u>
Excess (deficiency) of revenues over (under) expenditures	(66,869)	(93,960)	508,443	414,483
Other financing sources (uses)				
Transfers in				
Corpus Christi Community Improvement Corporation	3,770	9,359	3,770	13,129
General fund	228,267	777,447	228,267	1,005,714
Total transfers in	<u>232,037</u>	<u>786,806</u>	<u>232,037</u>	<u>1,018,843</u>
Transfers out				
General fund	(165,168)	(316,020)	(165,168)	(481,188)
Total transfers out	<u>(165,168)</u>	<u>(316,020)</u>	<u>(165,168)</u>	<u>(481,188)</u>
Total other financing sources	<u>66,869</u>	<u>470,786</u>	<u>66,869</u>	<u>537,655</u>
Net change in fund balance	<u>\$ 0</u>	<u>\$ 376,826</u>	575,312	<u>\$ 952,138</u>
Fund balance at beginning of year			<u>376,826</u>	
Fund balance at end of year			<u>\$ 952,138</u>	

**COMMUNITY ENRICHMENT FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and cash equivalents	\$ 862,814	\$ 7,000
Investments	1,000,000	--
Receivables		
Accrued interest	2,689	--
Miscellaneous	9,865	--
Net receivables	12,554	--
Due from other funds	--	2,051,820
	<u> </u>	<u> </u>
Total assets	<u>\$ 1,875,368</u>	<u>\$ 2,058,820</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 1,350	\$ 5,784
Fund balance		
Reserved for encumbrances	2,821	--
Reserved for sister city programs	1,154	1,150
Reserved for park projects	1,586,555	1,867,198
Reserved for permanent art projects	160,301	168,794
Reserved for development projects	123,187	15,894
Total fund balance	<u>1,874,018</u>	<u>2,053,036</u>
	<u> </u>	<u> </u>
Total liabilities and fund balance	<u>\$ 1,875,368</u>	<u>\$ 2,058,820</u>

**COMMUNITY ENRICHMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
Revenues		
Contributions and donations	\$ 291,725	\$ 63,235
Earnings on investments	7,143	28,748
Total revenues	<u>298,868</u>	<u>91,983</u>
Expenditures		
Current		
Parks and recreation	10,130	28,821
Capital projects	468,231	125,809
Total expenditures	<u>478,361</u>	<u>154,630</u>
Deficiency of revenues under expenditures	(179,493)	(62,647)
Other financing sources		
Transfers in	<u>475</u>	<u>10,097</u>
Net change in fund balance	(179,018)	(52,550)
Fund balance at beginning of year	<u>2,053,036</u>	<u>2,105,586</u>
Fund balance at end of year	<u>\$ 1,874,018</u>	<u>\$ 2,053,036</u>

**INFRASTRUCTURE FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and cash equivalents	\$ 591,747	\$ --
Investments	1,000,000	--
Accounts receivable		
Accrued interest	2,689	--
Net receivables	2,689	--
Due from other funds	--	1,304,341
	<u> </u>	<u> </u>
Total assets	<u>\$ 1,594,436</u>	<u>\$ 1,304,341</u>
 LIABILITIES AND FUND BALANCE		
Liabilities	\$ --	\$ --
Fund balance		
Unreserved		
Undesignated	1,594,436	1,304,341
	<u> </u>	<u> </u>
Total liabilities and fund balance	<u>\$ 1,594,436</u>	<u>\$ 1,304,341</u>

INFRASTRUCTURE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Revenues		
Contributions and donations	\$ 396,257	\$ 214,246
Earnings on investments	5,720	14,526
Total revenues	<u>401,977</u>	<u>228,772</u>
Expenditures		
Capital projects	<u>111,882</u>	<u>239,003</u>
Net change in fund balance	290,095	(10,231)
Fund balance at beginning of year	<u>1,304,341</u>	<u>1,314,572</u>
Fund balance at end of year	<u>\$ 1,594,436</u>	<u>\$ 1,304,341</u>

**LOCAL EMERGENCY PLANNING COMMITTEE
COMPARATIVE BALANCE SHEETS
JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and cash equivalents	\$ 110,983	\$ 81,959
Total assets	<u>\$ 110,983</u>	<u>\$ 81,959</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 116	\$ 4,713
Accrued liabilities	2,164	2,148
Deferred revenues		
Other	57,000	15,000
Total liabilities	<u>59,280</u>	<u>21,861</u>
Fund balance		
Reserved for encumbrances	--	849
Unreserved		
Designated for subsequent year's expenditures	35,111	21,217
Undesignated	16,592	38,032
Total fund balance	<u>51,703</u>	<u>60,098</u>
Total liabilities and fund balance	<u>\$ 110,983</u>	<u>\$ 81,959</u>

**LOCAL EMERGENCY PLANNING COMMITTEE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009**

	Budget		2010 Actual	Variance Final Budget Positive (Negative)	2009 Actual
	Original	Final			
Revenues					
Contributions and donations	\$ 70,000	\$ 70,000	\$ 72,250	\$ 2,250	\$ 59,750
Earnings on investments	517	517	128	(389)	796
Total revenues	70,517	70,517	72,378	1,861	60,546
Expenditures					
Current					
Emergency management	93,844	94,293	83,374	10,919	86,728
Net change in fund balance	(23,327)	(23,776)	(10,996)	12,780	(26,182)
Other financing sources					
Transfers in	2,110	2,601	2,601	--	--
Deficiency of revenues and other financing sources under expenditures and other uses	(21,217)	(21,175)	(8,395)	12,780	(26,182)
Fund balance at beginning of year	69,789	60,098	60,098	--	86,280
Fund balance at end of year	\$ 48,572	\$ 38,923	\$ 51,703	\$ 12,780	\$ 60,098

**CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION
COMPARATIVE BALANCE SHEETS
JULY 31, 2010 AND 2009**

ASSETS	<u>2010</u>	<u>2009</u>
Cash and cash equivalents	\$ 345,399	\$ 1,696,626
Receivables		
Accounts	475,000	--
Mortgages and loans	16,149,967	17,141,963
Intergovernmental	549,748	262,774
Allowance for uncollectibles	<u>(435,546)</u>	<u>(320,316)</u>
Net receivables	16,739,169	17,084,421
Due from other funds	<u>1,376,670</u>	<u>208,740</u>
 Total assets	 <u>\$ 18,461,238</u>	 <u>\$ 18,989,787</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 6,282	\$ 15,038
Deposits	304,524	274,700
Due to other funds	<u>448,690</u>	<u>42,115</u>
Total liabilities	759,496	331,853
Fund balance		
Reserved for loans	15,714,421	16,821,647
Unreserved		
Undesignated	<u>1,987,321</u>	<u>1,836,287</u>
Total fund balance	<u>17,701,742</u>	<u>18,657,934</u>
 Total liabilities and fund balance	 <u>\$ 18,461,238</u>	 <u>\$ 18,989,787</u>

CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2010 AND 2009

	2010	2009
Revenues		
Federal Government	\$ 1,241,690	\$ 1,663,864
Charges for services	--	70,608
Contributions and donations	8,631	--
Earnings on investments	1,111	9,117
Interest on loans	80,835	73,369
Miscellaneous	32,943	2,725
Total revenues	1,365,210	1,819,683
Expenditures		
Current		
Community development		
Grants	873,838	622,297
Warranty costs	7,675	6,327
Administration costs	212,134	105,696
Forgiven and uncollectible loans	1,190,280	1,511,154
Other	21,729	32,963
Total expenditures	2,305,656	2,278,437
Excess (deficiency) of revenues over (under) expenditures	(940,446)	(458,754)
Other financing uses		
Transfers out	(15,746)	(10,361)
Total other financing uses	(15,746)	(10,361)
Net change in fund balance	(956,192)	(469,115)
Fund balance at beginning of year	18,657,934	19,127,049
Fund balance at end of year	\$ 17,701,742	\$ 18,657,934

**CORPUS CHRISTI HOUSING FINANCE CORPORATION
COMPARATIVE BALANCE SHEETS
JULY 31, 2010 AND 2009**

ASSETS	<u>2010</u>	<u>2009</u>
Cash and cash equivalents	\$ 42,088	\$ 533,659
Advances to other funds	<u>575,623</u>	<u>--</u>
Total assets	<u>\$ 617,711</u>	<u>\$ 533,659</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 200	\$ 525
Due to other funds	<u>12,120</u>	<u>--</u>
Total liabilities	12,320	525
Fund balance		
Unreserved		
Undesignated	<u>605,391</u>	<u>533,134</u>
Total liabilities and fund balance	<u>\$ 617,711</u>	<u>\$ 533,659</u>

Exhibit 18-B

CORPUS CHRISTI HOUSING FINANCE CORPORATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Revenues		
Charges for services	\$ 99,977	\$ 157,527
Earnings on investments	632	3,753
Interest on loans	623	--
Total revenues	<u>101,232</u>	<u>161,280</u>
Expenditures		
Current		
Community development	<u>28,975</u>	<u>31,441</u>
Excess of revenues over expenditures	<u>72,257</u>	<u>129,839</u>
Net change in fund balance	72,257	129,839
Fund balance at beginning of year	<u>533,134</u>	<u>403,295</u>
Fund balance at end of year	<u><u>\$ 605,391</u></u>	<u><u>\$ 533,134</u></u>

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION
COMPARATIVE BALANCE SHEETS
JULY 31, 2010 AND 2009**

ASSETS	<u>2010</u>	<u>2009</u>
Cash and cash equivalents	\$ 68,579	\$ 68,470
Total assets	<u>\$ 68,579</u>	<u>\$ 68,470</u>
LIABILITIES AND FUND BALANCE		
Liabilities	\$ --	\$ --
Fund balance		
Unreserved		
Undesignated	<u>68,579</u>	<u>68,470</u>
Total liabilities and fund balance	<u>\$ 68,579</u>	<u>\$ 68,470</u>

Exhibit 19-B

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
Revenues		
Earnings on investments	\$ 109	\$ 598
Net change in fund balance	109	598
Fund balance at beginning of year	<u>68,470</u>	<u>67,872</u>
Fund balance at end of year	<u><u>\$ 68,579</u></u>	<u><u>\$ 68,470</u></u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT
SCHEDULE OF NET ASSETS
JULY 31, 2010**

	Governmental Funds	Adjustments	Schedule of Net Assets
ASSETS			
Cash and cash equivalents	\$ 1,734,996	\$ --	\$ 1,734,996
Receivables			
Intergovernmental	344,762	--	344,762
Total assets	<u>\$ 2,079,758</u>	<u>--</u>	<u>2,079,758</u>
LIABILITIES			
Accounts payable	\$ 35,203	--	35,203
Accrued liabilities	160,698	--	160,698
Accumulated unpaid compensated absences			
Due within one year	--	251,595	251,595
Due in more than one year	--	249,524	249,524
Total liabilities	<u>195,901</u>	<u>501,119</u>	<u>697,020</u>
FUND BALANCE			
Reserved for encumbrances	3,550	(3,550)	--
Unreserved			
Designated for subsequent year's expenditures	160,208	(160,208)	--
Undesignated	1,720,099	(1,720,099)	--
Total fund balance	<u>1,883,857</u>	<u>(1,883,857)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 2,079,758</u>		
NET ASSETS			
Restricted for			
Crime control and prevention		<u>1,382,738</u>	<u>1,382,738</u>
Total net assets		<u>\$ 1,382,738</u>	<u>\$ 1,382,738</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT
SCHEDULE OF ACTIVITIES
YEAR ENDED JULY 31, 2010**

	Governmental Funds	Adjustments	Schedule of Activities
Expenditures/expenses			
Public safety	\$ 4,988,574	\$ 39,584	\$ 5,028,158
Capital projects	126,810	(126,810)	--
Total expenditures/expenses	<u>5,115,384</u>	<u>(87,226)</u>	<u>5,028,158</u>
General revenue			
Sales tax	4,452,614	--	4,452,614
Juvenile drug testing	14,196	--	14,196
Earnings on investments	10,142	--	10,142
Sale of City property	7,553	--	7,553
Other financing sources (uses)			
Transfers in	142,427	--	142,427
Transfers out	--	(126,810)	(126,810)
Total general revenue and other financing sources (uses)	<u>4,626,932</u>	<u>(126,810)</u>	<u>4,500,122</u>
Excess (deficiency) of revenues over (under) expenditures and other financing uses	(488,452)	488,452	--
Change in net assets	--	(528,036)	(528,036)
Fund balance/net assets beginning of year	<u>2,372,309</u>	<u>(461,535)</u>	<u>1,910,774</u>
Fund balance/net assets end of year	<u>\$ 1,883,857</u>	<u>\$ (501,119)</u>	<u>\$ 1,382,738</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT
COMPARATIVE BALANCE SHEETS
JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and cash equivalents	\$ 1,734,996	\$ 85,473
Investments	--	2,005,313
Receivables		
Accounts	--	42
Accrued interest	--	2,863
Intergovernmental	344,762	441,979
Net receivables	<u>344,762</u>	<u>444,884</u>
 Total assets	 <u>\$ 2,079,758</u>	 <u>\$ 2,535,670</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 35,203	\$ 16,006
Accrued liabilities	160,698	147,355
Total liabilities	<u>195,901</u>	<u>163,361</u>
Fund balance		
Reserved for encumbrances	3,550	--
Unreserved		
Designated for subsequent year's expenditures	160,208	--
Undesignated	1,720,099	2,372,309
Total fund balance	<u>1,883,857</u>	<u>2,372,309</u>
 Total liabilities and fund balance	 <u>\$ 2,079,758</u>	 <u>\$ 2,535,670</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009**

	<u>Budget</u>		<u>2010 Actual</u>	<u>Variance</u>	<u>2009 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Revenues					
Sales tax	\$ 5,265,161	\$ 5,265,161	\$ 4,452,614	\$ (812,547)	\$ 4,982,021
Juvenile drug testing	16,000	16,000	14,196	(1,804)	16,008
Earnings on investments	23,779	23,779	10,142	(13,637)	47,081
Sale of City property	--	--	7,553	7,553	3,848
Total revenue	<u>5,304,940</u>	<u>5,304,940</u>	<u>4,484,505</u>	<u>(820,435)</u>	<u>5,048,958</u>
Expenditures					
Current					
Police officers	4,434,566	4,434,566	4,184,277	250,289	4,135,646
Pawn shop detail	147,927	147,927	146,804	1,123	130,859
Juvenile Curfew & Truancy Assessment Center	392,276	392,276	368,383	23,893	323,133
Citizens advisory council	10,500	10,500	9,311	1,189	3,491
Public safety vehicles and equipment	135,000	135,000	--	135,000	9,534
Juvenile City marshals	179,468	179,468	174,806	4,662	178,140
Graffiti Eradication Program	109,421	109,421	104,993	4,428	109,502
Capital projects	--	--	126,810	(126,810)	181,252
Total expenditures	<u>5,409,158</u>	<u>5,409,158</u>	<u>5,115,384</u>	<u>293,774</u>	<u>5,071,557</u>
Deficiency of revenues under expenditures	(104,218)	(104,218)	(630,879)	(1,114,209)	(22,599)
Other financing sources					
Transfers in	<u>136,962</u>	<u>--</u>	<u>142,427</u>	<u>--</u>	<u>--</u>
Net change in fund balance	32,744	(104,218)	(488,452)	(1,114,209)	(22,599)
Fund balance at beginning of year	<u>2,377,975</u>	<u>2,372,463</u>	<u>2,372,309</u>	<u>(154)</u>	<u>2,394,908</u>
Fund balance at end of year	<u>\$ 2,410,719</u>	<u>\$ 2,268,245</u>	<u>\$ 1,883,857</u>	<u>\$ (1,114,363)</u>	<u>\$ 2,372,309</u>

CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
SCHEDULE OF NET ASSETS
JULY 31, 2010

	Governmental Funds	Adjustments	Schedule of Net Assets
ASSETS			
Cash and cash equivalents	\$ 12,320,458	\$ --	\$ 12,320,458
Investments	32,070,379	--	32,070,379
Receivables			
Accrued interest	16,780	--	16,780
Intergovernmental	1,301,823	--	1,301,823
Net receivables	1,318,603	--	1,318,603
Prepaid Items	83,340	--	83,340
Bond issuance cost	--	698,070	698,070
	<u>45,792,780</u>	<u>698,070</u>	<u>46,490,850</u>
Total assets	<u>\$ 45,792,780</u>	<u>698,070</u>	<u>46,490,850</u>
LIABILITIES			
Accounts payable	\$ 107,700	--	107,700
Accrued interest	--	1,916,664	1,916,664
Long-term debt			
Due within one year	--	4,720,000	4,720,000
Due in more than one year	--	89,905,529	89,905,529
Total liabilities	<u>107,700</u>	<u>96,542,193</u>	<u>96,649,893</u>
FUND BALANCE			
Reserved for encumbrances	2,583,107	(2,583,107)	--
Reserved for prepaid items	83,340	(83,340)	--
Reserved for debt service	5,323,045	(5,323,045)	--
Reserved for Affordable Housing	417,872	(417,872)	--
Reserved for Stadium Capital Repair	36,948	(36,948)	--
Unreserved			
Undesignated	37,240,768	(37,240,768)	--
Total fund balance	<u>45,685,080</u>	<u>(45,685,080)</u>	<u>--</u>
	<u>\$ 45,792,780</u>		
Total liabilities and fund balance	<u>\$ 45,792,780</u>		
NET ASSETS (LIABILITIES)			
Restricted for			
Bond interest and redemption		5,323,045	5,323,045
Unrestricted		<u>(55,482,088)</u>	<u>(55,482,088)</u>
		<u>\$ (50,159,043)</u>	<u>\$ (50,159,043)</u>
Total net liabilities		<u>\$ (50,159,043)</u>	<u>\$ (50,159,043)</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
SCHEDULE OF ACTIVITIES
YEAR ENDED JULY 31, 2010**

	Governmental Funds	Adjustments	Schedule of Activities
Expenditures/expenses			
General government	\$ 192,299	\$ --	\$ 192,299
Community development	4,547,711	--	4,547,711
Capital projects	7,256	--	7,256
Debt service			
Principal retirement	4,460,000	(4,460,000)	--
Interest	4,708,517	(245,294)	4,463,223
Paying agent fees	3,140	--	3,140
Total expenditures/expenses	<u>13,918,923</u>	<u>(4,705,294)</u>	<u>9,213,629</u>
General revenues			
Sales tax	15,172,518	--	15,172,518
Earnings on investments	422,602	--	422,602
Miscellaneous	5,305	--	5,305
Other financing uses			
Transfers out	(1,790,367)	--	(1,790,367)
Total general revenues and other financing uses	<u>13,810,058</u>	<u>--</u>	<u>13,810,058</u>
Excess (deficiency) of revenues over (under) expenditures and other financing uses	(108,865)	108,865	--
Change in net assets	--	4,596,429	4,596,429
Fund balance/net liabilities beginning of year	<u>45,793,945</u>	<u>(100,549,417)</u>	<u>(54,755,472)</u>
Fund balance/net liabilities end of year	<u>\$ 45,685,080</u>	<u>\$ (95,844,123)</u>	<u>\$ (50,159,043)</u>

CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
BALANCE SHEETS
JULY 31, 2010
WITH COMPARATIVE TOTALS FOR JULY 31, 2009

ASSETS	Special Revenue		
	Seawall Improvement	Arena Facility	Economic Development
Cash and cash equivalents	\$ 1,941,943	\$ 3,488,464	\$ 952,885
Investments	16,023,437	6,008,505	9,038,437
Receivables			
Accrued interest	3,361	2,292	10,127
Intergovernmental	433,941	433,941	433,941
Net receivables	437,302	436,233	444,068
Prepaid items	--	--	83,340
Total assets	\$ 18,402,682	\$ 9,933,202	\$ 10,518,730
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ --	\$ --	\$ 107,700
Fund balances			
Reserved for encumbrances	--	--	2,232,253
Reserved for prepaid items	--	--	83,340
Reserved for debt service	--	--	--
Reserved for Affordable Housing	--	--	417,872
Reserved for Stadium Capital Repair	--	--	36,948
Unreserved			
Designated for subsequent years' expenditures	--	--	--
Undesignated	18,402,682	9,933,202	7,640,617
Total fund balance	18,402,682	9,933,202	10,411,030
Total liabilities and fund balances	\$ 18,402,682	\$ 9,933,202	\$ 10,518,730

City of Corpus Christi, Texas

Exhibit 21-C

Debt Service			Capital Projects		2010	2009
Seawall	Arena	Economic Development	Seawall	Arena	Total	Total
\$ 1,382,043	\$ 2,186,766	\$ 1,754,236	\$ 609,169	\$ 4,952	\$ 12,320,458	\$ 8,263,493
--	--	--	1,000,000	--	32,070,379	36,047,298
--	--	--	1,000	--	16,780	86,577
--	--	--	--	--	1,301,823	1,437,597
--	--	--	1,000	--	1,318,603	1,524,174
--	--	--	--	--	83,340	120,048
<u>\$ 1,382,043</u>	<u>\$ 2,186,766</u>	<u>\$ 1,754,236</u>	<u>\$ 1,610,169</u>	<u>\$ 4,952</u>	<u>\$ 45,792,780</u>	<u>\$ 45,955,013</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 107,700	\$ 161,068
--	--	--	350,854	--	2,583,107	378,145
--	--	--	--	--	83,340	120,048
1,382,043	2,186,766	1,754,236	--	--	5,323,045	5,296,266
--	--	--	--	--	417,872	1,126,546
--	--	--	--	--	36,948	36,870
--	--	--	--	--	--	589,663
--	--	--	1,259,315	4,952	37,240,768	38,246,407
<u>1,382,043</u>	<u>2,186,766</u>	<u>1,754,236</u>	<u>1,610,169</u>	<u>4,952</u>	<u>45,685,080</u>	<u>45,793,945</u>
<u>\$ 1,382,043</u>	<u>\$ 2,186,766</u>	<u>\$ 1,754,236</u>	<u>\$ 1,610,169</u>	<u>\$ 4,952</u>	<u>\$ 45,792,780</u>	<u>\$ 45,955,013</u>

CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	Special Revenue		
	Seawall Improvement	Arena Facility	Economic Development
Revenues			
Sales tax	\$ 5,057,506	5,057,506	\$ 5,057,506
Earnings on investments	169,467	77,954	147,524
Claim settlement	--	--	--
Miscellaneous	--	--	5,305
Total revenue	<u>5,226,973</u>	<u>5,135,460</u>	<u>5,210,335</u>
Expenditures			
Current			
General government	\$ 3,336	27,572	\$ 161,258
Community development	--	--	4,547,711
Capital projects	7,256	--	--
Debt service			
Principal retirement	--	--	--
Interest	--	--	--
Paying agent fees	--	--	--
Total expenditures	<u>10,592</u>	<u>27,572</u>	<u>4,708,969</u>
Excess (deficiency) of revenues over (under) expenditures	5,216,381	5,107,888	501,366
Other financing sources (uses)			
Transfers in	--	--	--
Transfers out	(4,397,481)	(5,379,428)	(2,286,075)
Total other financing sources (uses)	<u>(4,397,481)</u>	<u>(5,379,428)</u>	<u>(2,286,075)</u>
Net change in fund balances	818,900	(271,540)	(1,784,709)
Fund balances at beginning of year	<u>17,583,782</u>	<u>10,204,742</u>	<u>12,195,739</u>
Fund balances at end of year	<u>\$ 18,402,682</u>	<u>\$ 9,933,202</u>	<u>\$ 10,411,030</u>

City of Corpus Christi, Texas

Exhibit 21-D

Debt Service			Capital Project		2010	2009
Seawall	Arena	Economic Development	Seawall	Arena	Total	Total
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 15,172,518	\$ 16,656,060
18,004	4,040	3,775	1,838	--	422,602	726,549
--	--	--	--	--	--	3,618
--	--	--	--	--	5,305	2,807
18,004	4,040	3,775	1,838	--	15,600,425	17,389,034
\$ --	\$ --	\$ --	\$ 133	\$ --	\$ 192,299	\$ 108,674
--	--	--	--	--	4,547,711	1,455,008
--	--	--	--	--	7,256	739,925
1,375,000	1,475,000	1,610,000	--	--	4,460,000	4,220,000
1,920,981	2,112,461	675,075	--	--	4,708,517	4,855,011
1,840	1,000	300	--	--	3,140	2,639
3,297,821	3,588,461	2,285,375	133	--	13,918,923	11,381,257
(3,279,817)	(3,584,421)	(2,281,600)	1,705	--	1,681,502	6,007,777
3,297,481	3,589,061	2,286,075	1,100,000	--	10,272,617	13,783,111
--	--	--	--	--	(12,062,984)	(14,664,539)
3,297,481	3,589,061	2,286,075	1,100,000	--	(1,790,367)	(881,428)
17,664	4,640	4,475	1,101,705	--	(108,865)	5,126,349
1,364,379	2,182,126	1,749,761	508,464	4,952	45,793,945	40,667,596
\$ 1,382,043	\$ 2,186,766	\$ 1,754,236	\$ 1,610,169	\$ 4,952	\$ 45,685,080	\$ 45,793,945

**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, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009**

	Budget		2010 Actual	Variance	2009 Actual
	Original	Final		Final Budget Positive (Negative)	
Revenues					
Sales tax	\$ 5,612,748	\$ 5,612,748	\$ 5,057,506	\$ (555,242)	\$ 5,552,020
Earnings on investments	146,614	146,614	169,467	22,853	339,507
Total revenue	5,759,362	5,759,362	5,226,973	(532,389)	5,891,527
Expenditures					
Current					
General government	15,000	15,000	3,336	11,664	39,172
Capital projects	--	378,145	7,256	370,889	721,855
Total expenditures	15,000	393,145	10,592	382,553	761,027
Excess of revenues over expenditures	5,744,362	5,366,217	5,216,381	(149,836)	5,130,500
Other financing uses					
Transfers out	(3,297,481)	(4,397,481)	(4,397,481)	--	(4,252,481)
Net change in fund balance	2,446,881	968,736	818,900	(149,836)	878,019
Fund balance at beginning of year	17,330,985	17,583,782	17,583,782	--	16,705,763
Fund balance at end of year	\$ 19,777,866	\$ 18,552,518	\$ 18,402,682	\$ (149,836)	\$ 17,583,782

**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, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009**

	Budget		2010 Actual	Variance	2009 Actual
	Original	Final		Final Budget Positive (Negative)	
Revenues					
Sales tax	\$ 5,612,748	\$ 5,612,748	\$ 5,057,506	\$ (555,242)	\$ 5,552,020
Earnings on investments	95,226	95,226	77,954	(17,272)	166,394
Total revenue	<u>5,707,974</u>	<u>5,707,974</u>	5,135,460	(572,514)	5,718,414
Expenditures					
Current					
General government	<u>15,000</u>	<u>165,000</u>	<u>27,572</u>	<u>137,428</u>	<u>15,000</u>
Excess of revenues over expenditures	5,692,974	5,542,974	5,107,888	(435,086)	5,703,414
Other financing uses					
Transfers out	<u>(5,379,428)</u>	<u>(5,379,428)</u>	<u>(5,379,428)</u>	<u>--</u>	<u>(6,377,208)</u>
Net change in fund balance	313,546	163,546	(271,540)	(435,086)	(673,794)
Fund balance at beginning of year	<u>10,369,091</u>	<u>10,204,742</u>	<u>10,204,742</u>	<u>--</u>	<u>10,878,536</u>
Fund balance at end of year	<u><u>\$ 10,682,637</u></u>	<u><u>\$ 10,368,288</u></u>	<u><u>\$ 9,933,202</u></u>	<u><u>\$ (435,086)</u></u>	<u><u>\$ 10,204,742</u></u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
ECONOMIC DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009**

	Budget		2010 Actual	Variance Final Budget Positive (Negative)	2009 Actual
	Original	Final			
Revenues					
Sales tax	\$ 5,612,748	\$ 5,612,748	\$ 5,057,506	\$ (555,242)	\$ 5,552,020
Earnings on investments	96,812	96,812	147,524	50,712	209,543
Miscellaneous	--	--	5,305	5,305	2,807
Total revenue	5,709,560	5,709,560	5,210,335	(499,225)	5,764,370
Expenditures					
Current					
General government	171,627	171,627	161,258	10,369	54,502
Community development	3,841,521	7,133,046	4,547,711	2,585,335	1,455,008
Total expenditures	4,013,148	7,304,673	4,708,969	2,595,704	1,509,510
Excess (deficiency) of revenues over (under) expenditures	1,696,412	(1,595,113)	501,366	2,096,479	4,254,860
Other financing uses					
Transfers out	(2,286,075)	(2,286,075)	(2,286,075)	--	(4,034,850)
Net change in fund balance	(589,663)	(3,881,188)	(1,784,709)	2,096,479	220,010
Fund balance at beginning of year	11,788,368	12,195,739	12,195,739	--	11,975,729
Fund balance at end of year	\$ 11,198,705	\$ 8,314,551	\$ 10,411,030	\$ 2,096,479	\$ 12,195,739

**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, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009**

	<u>Budget</u>		<u>2010 Actual</u>	<u>Variance</u>	<u>2009 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Revenues					
Earnings on investments	\$ 7,845	\$ 7,845	\$ 18,004	\$ 10,159	\$ 4,932
Expenditures					
Debt service					
Principal retirement	1,375,000	1,375,000	1,375,000	--	1,275,000
Interest	1,920,981	1,920,981	1,920,981	--	1,971,981
Paying agent fees	1,500	1,500	1,840	(340)	1,139
Total expenditures	<u>3,297,481</u>	<u>3,297,481</u>	<u>3,297,821</u>	<u>(340)</u>	<u>3,248,120</u>
Deficiency of revenues under expenditures	(3,289,636)	(3,289,636)	(3,279,817)	9,819	(3,243,188)
Other financing sources					
Transfers in	<u>3,297,481</u>	<u>3,297,481</u>	<u>3,297,481</u>	<u>--</u>	<u>4,252,481</u>
Net change in fund balance	7,845	7,845	17,664	9,819	1,009,293
Fund balance at beginning of year	<u>1,366,740</u>	<u>1,364,379</u>	<u>1,364,379</u>	<u>--</u>	<u>355,086</u>
Fund balance at end of year	<u>\$ 1,374,585</u>	<u>\$ 1,372,224</u>	<u>\$ 1,382,043</u>	<u>\$ 9,819</u>	<u>\$ 1,364,379</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
ARENA DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009**

	Budget		2010 Actual	Variance Final Budget Positive (Negative)	2009 Actual
	Original	Final			
Revenues					
Earnings on investments	\$ 5,815	\$ 5,815	\$ 4,040	\$ (1,775)	\$ 6,361
Expenditures					
Debt service					
Principal retirement	1,475,000	1,475,000	1,475,000	--	1,375,000
Interest	2,112,461	2,112,461	2,112,461	--	2,164,180
Paying agent fees	1,600	1,600	1,000	600	1,500
Total expenditures	3,589,061	3,589,061	3,588,461	600	3,540,680
Deficiency of revenues under expenditures	(3,583,246)	(3,583,246)	(3,584,421)	(1,175)	(3,534,319)
Other financing sources					
Transfers in	3,589,061	3,589,061	3,589,061	--	5,495,780
Net change in fund balance	5,815	5,815	4,640	(1,175)	1,961,461
Fund balance at beginning of year	2,180,385	2,182,126	2,182,126	--	220,665
Fund balance at end of year	\$ 2,186,200	\$ 2,187,941	\$ 2,186,766	\$ (1,175)	\$ 2,182,126

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
ECONOMIC DEVELOPMENT DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009**

	<u>Budget</u>		<u>2010 Actual</u>	<u>Variance</u>	<u>2009 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Revenues					
Earnings (loss) on investments	\$ 591	\$ 591	\$ 3,775	\$ 3,184	\$ (188)
Expenditures					
Debt service					
Principal retirement	1,610,000	1,610,000	1,610,000	--	1,570,000
Interest	675,075	675,075	675,075	--	718,850
Paying agent fees	1,000	1,000	300	700	--
Total expenditures	<u>2,286,075</u>	<u>2,286,075</u>	<u>2,285,375</u>	<u>700</u>	<u>2,288,850</u>
Deficiency of revenues under expenditures	(2,285,484)	(2,285,484)	(2,281,600)	3,884	(2,289,038)
Other financing sources					
Transfers in	<u>2,286,075</u>	<u>2,286,075</u>	<u>2,286,075</u>	<u>--</u>	<u>4,034,850</u>
Net change in fund balance	591	591	4,475	3,884	1,745,812
Fund balance at beginning of year	<u>1,750,926</u>	<u>1,749,761</u>	<u>1,749,761</u>	<u>--</u>	<u>3,949</u>
Fund balance at end of year	<u>\$ 1,751,517</u>	<u>\$ 1,750,352</u>	<u>\$ 1,754,236</u>	<u>\$ 3,884</u>	<u>\$ 1,749,761</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION
SCHEDULE OF NET ASSETS
JULY 31, 2010**

	Governmental Funds	Adjustments	Schedule of Net Assets
ASSETS			
Cash and cash equivalents	\$ 8,401,700	\$ --	\$ 8,401,700
Receivables			
Intergovernmental	2,051	--	2,051
Bond issuance cost	--	1,175,727	1,175,727
	<u>8,403,751</u>	<u>1,175,727</u>	<u>9,579,478</u>
Total assets	<u>\$ 8,403,751</u>	<u>\$ 1,175,727</u>	<u>\$ 9,579,478</u>
LIABILITIES			
Accounts payable	\$ 45,054	--	\$ 45,054
Accrued interest	--	221,146	221,146
Long-term debt			
Due within one year	--	575,000	575,000
Due in more than one year	--	11,911,014	11,911,014
Total liabilities	<u>45,054</u>	<u>12,707,160</u>	<u>12,752,214</u>
FUND BALANCE			
Reserved for encumbrances	346,707	(346,707)	--
Reserved for debt service	1,500,000	(1,500,000)	--
Unreserved			
Designated for subsequent year expenditures	1,065,526	(1,065,526)	--
Undesignated	5,446,464	(5,446,464)	--
Total fund balance	<u>8,358,697</u>	<u>(8,358,697)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 8,403,751</u>		
NET ASSETS (LIABILITIES)			
Unrestricted		<u>(3,172,736)</u>	<u>(3,172,736)</u>
Total net liabilities		<u>\$ (3,172,736)</u>	<u>\$ (3,172,736)</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION
SCHEDULE OF ACTIVITIES
YEAR ENDED JULY 31, 2010**

	Governmental Funds	Adjustments	Schedule of Activities
Expenditures/expenses			
General government	\$ 2,768	\$ --	\$ 2,768
Community enrichment	945,901	--	945,901
Capital projects	145,599	(145,599)	--
Debt service			
Principal retirement	175,000	(175,000)	--
Interest	593,663	252,616	846,279
Bond issuance cost	--	201,662	201,662
Paying agent fees	6,630	--	6,630
Total expenditures/expenses	<u>1,869,561</u>	<u>133,679</u>	<u>2,003,240</u>
General revenues			
Property tax	3,357,599	--	3,357,599
Grants	(7,347)	--	(7,347)
Earnings on investments	29	--	29
Contributions and donations	(7,348)	--	(7,348)
Other financing uses			
Transfers out	--	(145,599)	(145,599)
Total general revenues and other financing uses	<u>3,342,933</u>	<u>(145,599)</u>	<u>3,197,334</u>
Excess of revenues over expenditures and transfers out	1,473,372	(1,473,372)	--
Change in net assets	--	1,194,094	1,194,094
Fund balance/net liabilities beginning of year	<u>6,885,325</u>	<u>(11,252,155)</u>	<u>(4,366,830)</u>
Fund balance/net liabilities end of year	<u>\$ 8,358,697</u>	<u>\$ (11,531,433)</u>	<u>\$ (3,172,736)</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION
BALANCE SHEETS
JULY 31, 2010
WITH COMPARATIVE TOTALS FOR JULY 31, 2009**

	<u>General</u>	<u>Capital Projects</u>	<u>2010 Total</u>	<u>2009 Total</u>
ASSETS				
Cash and cash equivalents	\$ 8,401,700	\$ --	\$ 8,401,700	\$ 7,213,496
Receivables				
Intergovernmental	2,051	--	2,051	422
Total assets	<u>\$ 8,403,751</u>	<u>\$ --</u>	<u>\$ 8,403,751</u>	<u>\$ 7,213,918</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 45,054	\$ --	\$ 45,054	\$ 328,593
Total liabilities	45,054	--	45,054	328,593
Fund balances				
Reserved for encumbrances	346,707	--	346,707	294,669
Reserved for debt service	1,500,000	--	1,500,000	1,500,000
Unreserved				
Designated for subsequent year's expenditures	1,065,526	--	1,065,526	--
Undesignated	5,446,464	--	5,446,464	5,090,656
Total fund balance	<u>8,358,697</u>	<u>--</u>	<u>8,358,697</u>	<u>6,885,325</u>
Total liabilities and fund balances	<u>\$ 8,403,751</u>	<u>\$ --</u>	<u>\$ 8,403,751</u>	<u>\$ 7,213,918</u>

NORTH PADRE ISLAND DEVELOPMENT CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	<u>General</u>	<u>Capital Projects</u>	<u>2010 Total</u>	<u>2009 Total</u>
Revenues				
Taxes and business fees	\$ 3,357,599	\$ --	\$ 3,357,599	\$ 3,601,894
Grants	--	(7,347)	(7,347)	507,347
Contributions and donations	--	(7,348)	(7,348)	7,348
Earnings on investments	29	--	29	32,048
Total revenue	<u>3,357,628</u>	<u>(14,695)</u>	<u>3,342,933</u>	<u>4,148,637</u>
Expenditures				
Current				
General government	--	2,768	2,768	14,695
Community enrichment	945,901	--	945,901	403,412
Capital projects	134,829	10,770	145,599	1,366,986
Debt service				
Principal retirement	175,000	--	175,000	165,000
Interest	593,663	--	593,663	602,993
Paying agent fees	6,630	--	6,630	16,770
Total expenditures	<u>1,856,023</u>	<u>13,538</u>	<u>1,869,561</u>	<u>2,569,856</u>
Net change in fund balances	1,501,605	(28,233)	1,473,372	1,578,781
Fund balances at beginning of year	<u>6,857,092</u>	<u>28,233</u>	<u>6,885,325</u>	<u>5,306,544</u>
Fund balances at end of year	<u>\$ 8,358,697</u>	<u>\$ --</u>	<u>\$ 8,358,697</u>	<u>\$ 6,885,325</u>



City of
Corpus
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**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, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009**

	<u>Budget</u>		<u>2010 Actual</u>	<u>Variance</u>	<u>2009 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Revenues					
Taxes and business fees	\$ 3,390,906	\$ 3,390,906	\$ 3,357,599	\$ (33,307)	\$ 3,601,894
Earnings on investments	38,080	38,080	29	(38,051)	24,525
Total revenues	<u>3,428,986</u>	<u>3,428,986</u>	<u>3,357,628</u>	<u>(71,358)</u>	<u>3,626,419</u>
Expenditures					
Current					
Community enrichment	387,132	1,391,853	945,901	445,952	403,412
Capital projects	1,500,000	1,103,279	134,829	968,450	719,622
Debt service					
Principal retirement	175,000	175,000	175,000	--	165,000
Interest	593,663	593,663	593,663	--	602,993
Paying agent fees	20,450	20,450	6,630	13,820	16,770
Total expenditures	<u>2,676,245</u>	<u>3,284,245</u>	<u>1,856,023</u>	<u>1,428,222</u>	<u>1,907,797</u>
Net change in fund balance	752,741	144,741	1,501,605	1,356,864	1,718,622
Fund balance at beginning of year	<u>6,344,635</u>	<u>6,857,092</u>	<u>6,857,092</u>	<u>--</u>	<u>5,138,470</u>
Fund balance at end of year	<u>\$ 7,097,376</u>	<u>\$ 7,001,833</u>	<u>\$ 8,358,697</u>	<u>\$ 1,356,864</u>	<u>\$ 6,857,092</u>

**REINVESTMENT ZONE #3
COMPARATIVE BALANCE SHEETS
JULY 31, 2010 AND 2009**

	<u>2010</u>
ASSETS	
Cash and cash equivalents	\$ 50,400
Total assets	<u>\$ 50,400</u>
LIABILITIES AND FUND BALANCE	
Fund balance	
Unreserved	
Undesignated	<u>50,400</u>
Total liabilities and fund balance	<u>\$ 50,400</u>

REINVESTMENT ZONE #3
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	2010 Actual
Revenues	
Taxes and business fees	\$ 50,400
Expenditures	
Total expenditures	--
Net change in fund balance	50,400
Fund balance at beginning of year	--
Fund balance at end of year	\$ 50,400



City of
Corpus
Christi



City of
Corpus
Christi

**CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JULY 31, 2010
WITH COMPARATIVE TOTALS FOR JULY 31, 2009**

ASSETS	Bayfront Arts/Science	City Hall	Convention Facility	Library
Cash and cash equivalents	\$ 6,172,170	\$ 17,563	\$ 2,847,299	\$ 1,161,988
Investments	10,500,677	--	--	500,000
Receivables				
Accrued interest	23,035	--	--	--
Special assessments	--	--	--	--
Intergovernmental	--	--	--	--
Miscellaneous	--	--	8,403	--
Net receivables	23,035	--	8,403	--
Total assets	<u>\$ 16,695,882</u>	<u>\$ 17,563</u>	<u>\$ 2,855,702</u>	<u>\$ 1,661,988</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 630,323	\$ --	\$ --	\$ 18,499
Contractor interest and retainage payable	549,676	--	--	--
Deposits	--	--	--	--
Deferred revenues				
Paving assessments	--	--	--	--
Grants	--	--	--	--
Total liabilities	<u>1,179,999</u>	<u>--</u>	<u>--</u>	<u>18,499</u>
Fund balances				
Reserved for encumbrances	1,649,288	--	--	191,293
Unreserved				
Designated for specific projects	735	--	122,629	198,579
Undesignated (deficit)	13,865,860	17,563	2,733,073	1,253,617
Total fund balances	<u>15,515,883</u>	<u>17,563</u>	<u>2,855,702</u>	<u>1,643,489</u>
Total liabilities and fund balances	<u>\$ 16,695,882</u>	<u>\$ 17,563</u>	<u>\$ 2,855,702</u>	<u>\$ 1,661,988</u>

(Continued)

City of Corpus Christi, Texas

Exhibit 24-A

<u>Park</u>	<u>Police</u>	<u>Public Health & Safety</u>	<u>Fire</u>	<u>Landfill</u>	<u>Street</u>
\$ 17,222,576	\$ 728,050	\$ 1,025,958	\$ 6,088,975	\$ 2,472,800	\$ 15,052,436
3,500,000	2,000,000	--	--	6,000,572	44,985,260
6,288	3,317	--	--	7,035	71,897
--	--	--	--	--	468,038
977,480	--	--	--	--	2,350,232
--	--	--	--	--	--
<u>983,768</u>	<u>3,317</u>	<u>--</u>	<u>--</u>	<u>7,035</u>	<u>2,890,167</u>
<u>\$ 21,706,344</u>	<u>\$ 2,731,367</u>	<u>\$ 1,025,958</u>	<u>\$ 6,088,975</u>	<u>\$ 8,480,407</u>	<u>\$ 62,927,863</u>
\$ 1,019,180	\$ 19,189	\$ 24,250	\$ 774,479	\$ 55,982	\$ 1,598,607
346,525	21,730	--	12,050	170,228	771,127
--	--	--	--	--	367,730
--	--	--	--	--	318,899
<u>527,131</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>1,892,836</u>	<u>40,919</u>	<u>24,250</u>	<u>786,529</u>	<u>226,210</u>	<u>3,056,363</u>
5,362,335	382,419	98,404	27,886	1,425,370	15,956,335
881,561	1,794,488	194,317	590,010	77,949	6,973,889
13,569,612	513,541	708,987	4,684,550	6,750,878	36,941,276
<u>19,813,508</u>	<u>2,690,448</u>	<u>1,001,708</u>	<u>5,302,446</u>	<u>8,254,197</u>	<u>59,871,500</u>
<u>\$ 21,706,344</u>	<u>\$ 2,731,367</u>	<u>\$ 1,025,958</u>	<u>\$ 6,088,975</u>	<u>\$ 8,480,407</u>	<u>\$ 62,927,863</u>

**CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JULY 31, 2010
WITH COMPARATIVE TOTALS FOR JULY 31, 2009**

	<u>Corpus Christi Business and Job Development Corporation</u>		<u>North Padre Island Development Corporation</u>	<u>Eliminations</u>
	<u>Seawall</u>	<u>Arena</u>		
ASSETS				
Cash and cash equivalents	\$ 609,169	\$ 4,952	\$ --	\$ --
Investments	1,000,000	--	--	--
Receivables				
Accrued interest	1,000	--	--	--
Special assessments	--	--	--	--
Intergovernmental	--	--	--	--
Miscellaneous	--	--	--	--
Net receivables	<u>1,000</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total assets	<u>\$ 1,610,169</u>	<u>\$ 4,952</u>	<u>\$ --</u>	<u>\$ --</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ --	\$ --	\$ --	\$ --
Contractor interest and retainage payable	--	--	--	--
Deposits	--	--	--	--
Deferred revenues				
Paving assessments	--	--	--	--
Grants	--	--	--	--
Total liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund balances				
Reserved for encumbrances	350,854	--	--	--
Unreserved				
Designated for specific projects	--	--	--	--
Undesignated (deficit)	<u>1,259,315</u>	<u>4,952</u>	<u>--</u>	<u>--</u>
Total fund balances	<u>1,610,169</u>	<u>4,952</u>	<u>--</u>	<u>--</u>
Total liabilities and fund balances	<u>\$ 1,610,169</u>	<u>\$ 4,952</u>	<u>\$ --</u>	<u>\$ --</u>

**Exhibit 24-A
(Continued)**

2010 Total	2009 Total
\$ 53,403,936	\$ 141,222,128
68,486,509	--
112,572	2
468,038	524,013
3,327,712	1,555,721
8,403	--
<u>3,916,725</u>	<u>2,079,736</u>
<u>\$ 125,807,170</u>	<u>\$ 143,301,864</u>
\$ 4,140,509	\$ 4,838,941
1,871,336	1,382,017
367,730	319,942
318,899	378,408
527,131	--
<u>7,225,605</u>	<u>6,919,308</u>
25,444,184	27,135,430
10,834,157	13,619,070
82,303,224	95,628,056
<u>118,581,565</u>	<u>136,382,556</u>
<u>\$ 125,807,170</u>	<u>\$ 143,301,864</u>

CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	<u>Bayfront Arts/Science</u>	<u>City Hall</u>	<u>Convention Facility</u>	<u>Library</u>
Revenues				
Grants	\$ --	\$ --	\$ --	\$ --
Contributions and donations	--	--	--	10,009
Special assessments	--	--	--	--
Interest on special assessments	--	--	--	--
Attorneys fees on special assessments	--	--	--	--
Earnings on investments	85,809	--	181	3,964
Claim settlement	--	--	--	--
Miscellaneous	--	--	--	1,726
Total revenues	<u>85,809</u>	<u>--</u>	<u>181</u>	<u>15,699</u>
Expenditures				
Current				
General government	160,104	--	32	11,654
Capital projects	12,095,512	--	154,337	85,680
Debt service				
Bond issuance cost	110,174	--	78,506	--
Total expenditures	<u>12,365,790</u>	<u>--</u>	<u>232,875</u>	<u>97,334</u>
Excess (deficiency) of revenues over (under) expenditures	(12,279,981)	--	(232,694)	(81,635)
Other financing sources (uses)				
Proceeds from general obligation bonds	--	--	--	--
Proceeds from certificate of obligation bonds	6,262,410	--	3,000,000	--
Premium on bonds issued	144,227	--	86,909	--
Discount on bonds issued	--	--	--	--
Transfer in from				
Seawall Improvement fund	--	--	--	--
Street CIP fund	--	--	--	--
Public Health & Safety CIP fund	--	--	--	--
Transfers out to				
General Fund	--	--	--	--
Park CIP	--	--	--	--
Public Health & Safety CIP fund	--	--	--	--
Total other financing sources (uses)	<u>6,406,637</u>	<u>--</u>	<u>3,086,909</u>	<u>--</u>
Net change in fund balances	(5,873,344)	--	2,854,215	(81,635)
Fund balances at beginning of year	<u>21,389,227</u>	<u>17,563</u>	<u>1,487</u>	<u>1,725,124</u>
Fund balances at end of year	<u>\$ 15,515,883</u>	<u>\$ 17,563</u>	<u>\$ 2,855,702</u>	<u>\$ 1,643,489</u>

(Continued)

City of Corpus Christi, Texas

Exhibit 24-B

<u>Park</u>	<u>Police</u>	<u>Public Health & Safety</u>	<u>Fire</u>	<u>Landfill</u>	<u>Street</u>
\$ 450,349	\$ --	\$ --	\$ --	\$ --	\$ 2,075,725
--	--	--	--	--	--
--	--	--	--	--	42,064
--	--	--	--	--	33,206
--	--	--	--	--	1,606
36,481	8,769	1,785	18,541	23,382	260,010
--	--	--	--	--	--
--	--	345	--	--	--
<u>486,830</u>	<u>8,769</u>	<u>2,130</u>	<u>18,541</u>	<u>23,382</u>	<u>2,412,611</u>
181,895	17,184	5,150	7,517	23,411	426,451
9,429,652	622,260	(55,733)	960,364	1,183,755	21,834,043
194,699	--	--	--	--	38,662
<u>9,806,246</u>	<u>639,444</u>	<u>(50,583)</u>	<u>967,881</u>	<u>1,207,166</u>	<u>22,299,156</u>
(9,319,416)	(630,675)	52,713	(949,340)	(1,183,784)	(19,886,545)
13,685,000	--	--	--	--	--
--	--	--	--	--	2,197,590
210,146	--	--	--	--	50,612
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	11,468	--
4,781	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	(4,781)	--
--	--	--	--	--	(11,468)
<u>13,899,927</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>6,687</u>	<u>2,236,734</u>
4,580,511	(630,675)	52,713	(949,340)	(1,177,097)	(17,649,811)
<u>15,232,997</u>	<u>3,321,123</u>	<u>948,995</u>	<u>6,251,786</u>	<u>9,431,294</u>	<u>77,521,311</u>
<u>\$ 19,813,508</u>	<u>\$ 2,690,448</u>	<u>\$ 1,001,708</u>	<u>\$ 5,302,446</u>	<u>\$ 8,254,197</u>	<u>\$ 59,871,500</u>

CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009

	<u>Corpus Christi Business and Job Development Corporation</u>		<u>North Padre Island Development Corporation</u>	<u>Eliminations</u>
	<u>Seawall</u>	<u>Arena</u>		
Revenues				
Grants	\$ --	\$ --	\$ (7,347)	\$ --
Contributions and donations	--	--	(7,348)	--
Special assessments	--	--	--	--
Interest on special assessments	--	--	--	--
Attorneys fees on special assessments	--	--	--	--
Earnings on investments	1,838	--	--	--
Claim settlement	--	--	--	--
Miscellaneous	--	--	--	--
Total revenues	<u>1,838</u>	<u>--</u>	<u>(14,695)</u>	<u>--</u>
Expenditures				
Current				
General government	133	--	2,768	--
Capital projects	--	--	10,770	--
Debt service				
Bond issuance cost	--	--	--	--
Total expenditures	<u>133</u>	<u>--</u>	<u>13,538</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	1,705	--	(28,233)	--
Other financing sources (uses)				
Proceeds from general obligation bonds	--	--	--	--
Proceeds from certificate of obligation bonds	--	--	--	--
Premium on bonds issued	--	--	--	--
Discount on bonds issued	--	--	--	--
Transfer in from				
Seawall Improvement fund	1,100,000	--	--	--
Street CIP	--	--	--	(11,468)
Public Health & Safety CIP fund	--	--	--	(4,781)
Transfers out to				
General Fund	--	--	--	--
Park CIP	--	--	--	4,781
Public Health & Safety CIP fund	--	--	--	11,468
Total other financing sources (uses)	<u>1,100,000</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	1,101,705	--	(28,233)	--
Fund balances at beginning of year	<u>508,464</u>	<u>4,952</u>	<u>28,233</u>	<u>--</u>
Fund balances at end of year	<u>\$ 1,610,169</u>	<u>\$ 4,952</u>	<u>\$ --</u>	<u>\$ --</u>

**Exhibit 24-B
(Continued)**

<u>2010 Total</u>	<u>2009 Total</u>
\$ 2,518,727	\$ 526,209
2,661	1,564,856
42,064	--
33,206	10,211
1,606	291
440,760	1,157,190
--	572,280
2,071	--
3,041,095	3,831,037
836,299	1,657,817
46,320,640	54,818,935
422,041	1,571,419
47,578,980	58,048,171
(44,537,885)	(54,217,134)
13,685,000	88,725,000
11,460,000	12,000,000
491,894	2,660,797
--	(124,206)
1,100,000	--
--	--
--	--
--	(129,073)
--	--
--	--
26,736,894	103,132,518
(17,800,991)	48,915,384
136,382,556	87,467,172
\$ 118,581,565	\$ 136,382,556



City of
Corpus
Christi



City of
Corpus
Christi

**UTILITY SYSTEM FUND
COMBINING SCHEDULE OF NET ASSETS
JULY 31, 2010**

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
ASSETS					
Current assets					
Cash and cash equivalents	\$ 2,990,492	\$ 951,386	\$ 649,827	\$ --	\$ 4,591,705
Investments	1,000,258	15,017,002	2,008,079	--	18,025,339
Receivables					
Accounts	4,496,495	15,562,325	8,148,081	--	28,206,901
Accrued interest	1,233	77,199	30,773	--	109,205
Property leases	--	5,047	--	--	5,047
Employees	--	55	--	--	55
Intergovernmental	--	2,363,276	--	--	2,363,276
Miscellaneous	26,731	6,402	9,416	--	42,549
Allowance for uncollectibles	(1,201,954)	(3,446,658)	(1,296,924)	--	(5,945,536)
Net receivables	3,322,505	14,567,646	6,891,346	--	24,781,497
Inventories	--	404,381	--	--	404,381
Restricted assets					
Cash and cash equivalents	812,932	11,993,601	5,269,314	--	18,075,847
Investments	--	11,292,489	--	--	11,292,489
Receivables					
Accrued interest	--	7,331	--	--	7,331
Total restricted assets	812,932	23,293,421	5,269,314	--	29,375,667
Total current assets	8,126,187	54,233,836	14,818,566	--	77,178,589
Noncurrent assets					
Bond issue costs	142,873	5,137,496	1,751,056	--	7,031,425
Capital assets					
Land	688,623	17,347,169	5,003,920	--	23,039,712
Water supply rights	--	212,284,487	--	--	212,284,487
Buildings	1,732,754	33,356,489	2,083,421	--	37,172,664
Improvements other than buildings	9,258,232	88,239,035	153,118,055	--	250,615,322
Machinery and equipment	2,701,536	14,494,139	8,446,839	--	25,642,514
Infrastructure	71,647,967	640,238,329	260,810,975	--	972,697,271
Total capital assets in service	86,029,112	1,005,959,648	429,463,210	--	1,521,451,970
Less accumulated depreciation and amortization	(30,652,014)	(216,834,609)	(124,632,337)	--	(372,118,960)
Net capital assets in service	55,377,098	789,125,039	304,830,873	--	1,149,333,010
Construction in progress	127,100	49,505,203	32,054,249	--	81,686,552
Net capital assets	55,504,198	838,630,242	336,885,122	--	1,231,019,562
Total noncurrent assets	55,647,071	843,767,738	338,636,178	--	1,238,050,987
Total assets	63,773,258	898,001,574	353,454,744	--	1,315,229,576

(Continued)

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
LIABILITIES					
Current liabilities					
Accounts payable	\$ 1,320,715	\$ 5,689,139	\$ 2,472,630	\$ --	\$ 9,482,484
Accrued expenses	215,469	476,370	276,800	--	968,639
Accrued interest	14,665	873,237	304,443	--	1,192,345
Contractor interest and retainage payable	--	420,366	966,371	--	1,386,737
Deposits	64,178	139,159	15,117	--	218,454
Liability to claimants - escheat property	--	113,135	--	--	113,135
Unearned revenue	--	--	7,915	--	7,915
Current portion of long-term liabilities					
Long-term debt	1,009,428	22,319,734	8,194,103	--	31,523,265
Accumulated unpaid compensated absences	441,169	808,571	433,056	--	1,682,796
Total current liabilities	<u>3,065,624</u>	<u>30,839,711</u>	<u>12,670,435</u>	<u>--</u>	<u>46,575,770</u>
Noncurrent liabilities					
Long-term liabilities, net of current portion					
Long-term debt	7,088,883	519,202,106	120,366,007	--	646,656,996
Accumulated unpaid compensated absences	300,883	317,579	620,254	--	1,238,716
Net pension obligation	399,675	949,534	514,760	--	1,863,969
Net OPEB obligation	79,046	180,465	98,625	--	358,136
Total noncurrent liabilities	<u>7,868,487</u>	<u>520,649,684</u>	<u>121,599,646</u>	<u>--</u>	<u>650,117,817</u>
Total liabilities	<u>10,934,111</u>	<u>551,489,395</u>	<u>134,270,081</u>	<u>--</u>	<u>696,693,587</u>
NET ASSETS					
Invested in capital assets, net of related debt	48,218,140	317,481,962	211,321,424	--	577,021,526
Restricted for					
Bond interest and redemption	147,622	2,184,172	967,693	--	3,299,487
Construction of capital assets	678	236,104	1,016,664	--	1,253,446
Improvements to utility lines and facilities	--	2,623,325	1,160,978	--	3,784,303
Abatement of public health hazards	--	--	95,258	--	95,258
Unrestricted	4,472,707	23,986,616	4,622,646	--	33,081,969
Total net assets	<u>\$ 52,839,147</u>	<u>\$ 346,512,179</u>	<u>\$ 219,184,663</u>	<u>\$ --</u>	<u>\$ 618,535,989</u>



City of
Corpus
Christi

UTILITY SYSTEM FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2010

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
Operating revenues					
Charges for services - net	\$ 36,568,612	\$ 96,545,017	\$ 51,186,018	\$ (714,104)	\$ 183,585,543
Operating expenses					
Personal services	5,685,257	13,936,625	9,501,954	--	29,123,836
Materials and supplies	18,791,443	15,119,480	3,357,251	--	37,268,174
Contractual services	1,069,339	13,819,362	8,497,739	--	23,386,440
Other operating expenses	2,944,891	11,775,053	6,902,498	(714,104)	20,908,338
Uncollectible accounts	682,059	1,074,740	888,654	--	2,645,453
Depreciation	2,177,773	15,531,966	10,709,473	--	28,419,212
Total operating expenses	<u>31,350,762</u>	<u>71,257,226</u>	<u>39,857,569</u>	<u>(714,104)</u>	<u>141,751,453</u>
Operating income	5,217,850	25,287,791	11,328,449	--	41,834,090
Nonoperating revenues (expenses)					
Investment income	37,812	503,831	205,684	--	747,327
Interest expense and fiscal charges	(364,948)	(22,453,597)	(6,705,706)	--	(29,524,251)
Net gain (loss) on disposal of assets	(48,265)	(512,126)	6,086	--	(554,305)
Recovery on damage claims	500	141,110	--	--	141,610
Developer deposits	--	401,985	407,644	--	809,629
Reimbursements to developers	--	(4,224)	(551,144)	--	(555,368)
Contributions from other governmental agencies	841	50,965	2,335	--	54,141
Total nonoperating expenses	<u>(374,060)</u>	<u>(21,872,056)</u>	<u>(6,635,101)</u>	<u>--</u>	<u>(28,881,217)</u>
Capital contributions					
Contributions from other governmental agencies	--	947,359	--	--	947,359
Contributions from developers	--	2,436,597	977,954	--	3,414,551
Return of capital contribution from other governmental agency	--	(2,421,723)	--	--	(2,421,723)
Total capital contributions	<u>--</u>	<u>962,233</u>	<u>977,954</u>	<u>--</u>	<u>1,940,187</u>
Income before transfers	4,843,790	4,377,968	5,671,302	--	14,893,060
Transfers in	420,013	1,493,288	534,656	--	2,447,957
Transfers out	(872,853)	(3,027,169)	(1,651,450)	--	(5,551,472)
Total transfers	<u>(452,840)</u>	<u>(1,533,881)</u>	<u>(1,116,794)</u>	<u>--</u>	<u>(3,103,515)</u>
Net income (loss)	<u>4,390,950</u>	<u>2,844,087</u>	<u>4,554,508</u>	<u>--</u>	<u>11,789,545</u>
Net assets at beginning of year, as previously reported	48,448,197	295,784,509	214,630,155	--	558,862,861
Cumulative effect of a change in an accounting principle	--	47,883,583	--	--	47,883,583
Net assets at beginning of year, as restated	<u>48,448,197</u>	<u>343,668,092</u>	<u>214,630,155</u>	<u>--</u>	<u>606,746,444</u>
Net assets at end of year	<u>\$ 52,839,147</u>	<u>\$ 346,512,179</u>	<u>\$ 219,184,663</u>	<u>\$ --</u>	<u>\$ 618,535,989</u>

City of Corpus Christi, Texas

**UTILITY SYSTEM FUND
COMBINING SCHEDULE OF CASH FLOWS
YEAR ENDED JULY 31, 2010**

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
Cash flows from operating activities					
Receipts from customers	\$ 35,459,342	\$ 97,564,426	\$ 49,870,976	\$ --	\$ 182,894,744
Receipts from interfund services provided	131,232	243,633	19,695	(411,440)	(16,880)
Payments to suppliers	(18,841,550)	(26,780,738)	(10,296,451)	--	(55,918,739)
Payments to employees	(4,816,914)	(11,825,847)	(8,043,380)	--	(24,686,141)
Internal activity - payments to other funds	(4,232,122)	(13,268,729)	(8,882,446)	411,440	(25,971,857)
Other receipts	1,341	193,943	2,335	--	197,619
Net cash provided by operating activities	<u>7,701,329</u>	<u>46,126,688</u>	<u>22,670,729</u>	<u>--</u>	<u>76,498,746</u>
Cash flows from noncapital financing activities					
Changes in interfund borrowings	--	(2,360,945)	2,360,945	--	--
Transfers in from other funds	420,013	1,493,288	534,656	--	2,447,957
Transfers out to other funds	(872,853)	(3,027,168)	(1,651,450)	--	(5,551,471)
Net cash provided by (used for) noncapital financing activities	<u>(452,840)</u>	<u>(3,894,825)</u>	<u>1,244,151</u>	<u>--</u>	<u>(3,103,514)</u>
Cash flows from capital and related financing activities					
Acquisition of capital assets	(4,954,265)	(24,110,494)	(18,225,680)	--	(47,290,439)
Proceeds from sale of capital assets	18,825	78,427	6,086	--	103,338
Developers deposits	--	401,985	407,644	--	809,629
Reimbursements to developers	--	(4,219)	(935,439)	--	(939,658)
Contributions from other governmental agencies	--	50,538	--	--	50,538
Reimbursements to other governmental agencies	--	(2,421,723)	--	--	(2,421,723)
Proceeds from issuance of revenue bonds	(137)	7,922,652	(896)	--	7,921,619
Principal paid on long-term debt	(1,000,232)	(22,529,463)	(9,494,654)	--	(33,024,349)
Interest expense and fiscal charges	(364,258)	(22,557,472)	(6,542,435)	--	(29,464,165)
Net cash used for capital and related financing activities	<u>(6,300,067)</u>	<u>(63,169,769)</u>	<u>(34,785,374)</u>	<u>--</u>	<u>(104,255,210)</u>
Cash flows from investing activities					
Purchase of investment securities	(2,000,000)	(47,301,606)	(18,000,000)	--	(67,301,606)
Proceeds from sale and maturity of investment securities	3,000,000	61,000,000	25,453,744	--	89,453,744
Interest on investments	39,737	543,062	168,213	--	751,012
Net cash provided by investing activities	<u>1,039,737</u>	<u>14,241,456</u>	<u>7,621,957</u>	<u>--</u>	<u>22,903,150</u>
Net increase (decrease) in cash and cash equivalents	1,988,159	(6,696,450)	(3,248,537)	--	(7,956,828)
Cash and cash equivalents at beginning of year, including restricted accounts	<u>1,815,265</u>	<u>19,641,437</u>	<u>9,167,678</u>	<u>--</u>	<u>30,624,380</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 3,803,424</u>	<u>\$ 12,944,987</u>	<u>\$ 5,919,141</u>	<u>\$ --</u>	<u>\$ 22,667,552</u>

(Continued)

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
Reconciliation of operating income to net cash provided by operating activities					
Operating income	\$ 5,217,850	\$ 25,287,791	\$ 11,328,449	\$ --	\$ 41,834,090
Adjustments to reconcile operating income to net cash provided by operating activities					
Depreciation	2,177,773	15,531,966	10,709,473	--	28,419,212
Amortization of water rights	--	1,540,274	--	--	1,540,274
Provision for uncollectible accounts	682,059	1,074,740	888,654	--	2,645,453
Contributions from other governmental agencies	841	52,832	2,335	--	56,008
Recovery of damage claims	500	141,111	--	--	141,611
Changes in assets and liabilities					
Receivables	(915,629)	1,923,436	(1,291,917)	--	(284,110)
Inventory	--	48,616	--	--	48,616
Prepaid items	--	--	1,328	--	1,328
Accounts payable	348,854	(88,046)	524,607	--	785,415
Accrued expenses	(3,702)	(46,729)	14,008	--	(36,423)
Accumulated unpaid compensated absences	(73,525)	9,772	74,527	--	10,774
Net pension obligation	249,671	583,273	324,069	--	1,157,013
Net OPEB obligation	79,046	180,465	98,625	--	358,136
Contractor interest and retainage payable	--	(23,142)	--	--	(23,142)
Customer deposits	(62,409)	(99,853)	(3,429)	--	(165,691)
Liability to claimants - escheat property	--	10,182	--	--	10,182
Net cash provided by operating activities	<u>\$ 7,701,329</u>	<u>\$ 46,126,688</u>	<u>\$ 22,670,729</u>	<u>\$ --</u>	<u>\$ 76,498,746</u>
Noncash investing, capital and financing activities					
Change in fair value of investments	\$ 258	\$ (11,864)	\$ 14,925	\$ --	\$ 3,319
Contribution of capital assets	\$ --	\$ 2,436,597	\$ 977,954	\$ --	\$ 3,414,551
Acquisition of capital assets under capital lease	\$ --	\$ 1,080,363	\$ --	\$ --	\$ 1,080,363

**GAS SYSTEM
COMPARATIVE SCHEDULE OF NET ASSETS
JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,990,492	\$ 923,773
Investments	1,000,258	2,000,000
Receivables		
Accounts	4,496,495	3,982,202
Accrued interest	1,233	3,417
Notes	--	307,977
Miscellaneous	26,731	10,469
Allowance for uncollectibles	(1,201,954)	(1,212,945)
Net receivables	<u>3,322,505</u>	<u>3,091,120</u>
Restricted assets		
Cash and cash equivalents	812,932	891,492
Total current assets	<u>8,126,187</u>	<u>6,906,385</u>
Noncurrent assets		
Bond issue costs	142,873	152,584
Capital assets		
Land	688,623	688,623
Buildings	1,732,754	1,732,754
Improvements other than buildings	9,258,232	7,151,034
Machinery and equipment	2,701,536	2,509,063
Infrastructure	71,647,967	69,633,064
Total capital assets in service	<u>86,029,112</u>	<u>81,714,538</u>
Less accumulated depreciation	(30,652,014)	(28,531,382)
Net capital assets in service	<u>55,377,098</u>	<u>53,183,156</u>
Construction in progress	127,100	51,100
Net capital assets	<u>55,504,198</u>	<u>53,234,256</u>
Total noncurrent assets	<u>55,647,071</u>	<u>53,386,840</u>
Total assets	<u>63,773,258</u>	<u>60,293,225</u>

(Continued)

	<u>2010</u>	<u>2009</u>
LIABILITIES		
Current liabilities		
Accounts payable	1,320,715	1,411,459
Accrued expenses	215,469	219,172
Accrued interest	14,665	14,865
Deposits	64,178	126,587
Long-term debt	1,009,428	1,000,232
Accumulated unpaid compensated absences	441,169	353,069
Total current liabilities	<u>3,065,624</u>	<u>3,125,384</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	7,088,883	8,107,132
Accumulated unpaid compensated absences	300,883	462,508
Net pension obligation	399,675	150,004
Net OPEB obligation	79,046	--
Total noncurrent liabilities	<u>7,868,487</u>	<u>8,719,644</u>
Total liabilities	<u>10,934,111</u>	<u>11,845,028</u>
NET ASSETS		
Invested in capital assets, net of related debt	48,218,140	45,018,384
Restricted for		
Bond interest and redemption	147,622	147,622
Construction of capital assets	678	743,870
Unrestricted	<u>4,472,707</u>	<u>2,538,321</u>
Total net assets	<u>\$ 52,839,147</u>	<u>\$ 48,448,197</u>



City of
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Christi

GAS SYSTEM
COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Operating revenues		
Charges for services - net	\$ 36,568,612	\$ 33,367,529
Operating expenses		
Personal services	5,685,257	5,180,430
Materials and supplies	18,791,443	18,450,477
Contractual services	1,069,339	916,983
Other operating expenses	2,944,891	3,019,119
Uncollectible accounts	682,059	879,743
Depreciation	2,177,773	1,931,969
Total operating expenses	<u>31,350,762</u>	<u>30,378,721</u>
Operating income	5,217,850	2,988,808
Nonoperating revenues (expenses)		
Investment income	37,812	11,865
Interest expense and fiscal charges	(364,948)	(221,008)
Net loss on disposal of assets	(48,265)	(80,948)
Recovery on damage claims	500	--
Contribution from other governmental agencies	841	--
Total nonoperating expenses	<u>(374,060)</u>	<u>(290,091)</u>
Income before transfers	4,843,790	2,698,717
Transfers in	420,013	--
Transfers out	(872,853)	(1,197,166)
Total transfers	<u>(452,840)</u>	<u>(1,197,166)</u>
Net income	4,390,950	1,501,551
Net assets at beginning of year	<u>48,448,197</u>	<u>46,946,646</u>
Net assets at end of year	<u>\$ 52,839,147</u>	<u>\$ 48,448,197</u>

**GAS SYSTEM
COMPARATIVE SCHEDULE OF CASH FLOWS
YEAR ENDED JULY 31, 2010 AND 2009**

	2010	2009
Cash flows from operating activities		
Receipts from customers	\$ 35,459,342	\$ 36,029,519
Receipts from interfund services provided	131,232	130,839
Payments to suppliers	(18,841,550)	(19,311,055)
Payments to employees	(4,816,914)	(4,380,758)
Internal activity - payments to other funds	(4,232,122)	(4,175,324)
Other receipts	1,341	--
Net cash provided by operating activities	7,701,329	8,293,221
Cash flows from noncapital financing activities		
Changes in interfund borrowings	--	(2,130,400)
Interest on interfund borrowings	--	1,578
Transfers in from other funds	420,013	--
Transfers out to other funds	(872,853)	(1,197,166)
Net cash used for noncapital financing activities	(452,840)	(3,325,988)
Cash flows from capital and related financing activities		
Acquisition of capital assets	(4,954,265)	(4,342,976)
Proceeds from sale of capital assets	18,825	5,273
Proceeds from issuance of revenue bonds	(137)	4,249,564
Principal paid on long-term debt	(1,000,232)	(995,813)
Interest expense and fiscal charges	(364,258)	(216,025)
Net cash used for capital and related financing activities	(6,300,067)	(1,299,977)
Cash flows from investing activities		
Purchase of investment securities	(2,000,000)	(2,000,000)
Proceeds from sale and maturity of investment securities	3,000,000	--
Interest on investments	39,737	6,871
Net cash provided (used for) by investing activities	1,039,737	(1,993,129)
Net increase in cash and cash equivalents	1,988,159	1,674,127
Cash and cash equivalents at beginning of year, including restricted accounts	1,815,265	141,138
Cash and cash equivalents at end of year, including restricted accounts	\$ 3,803,424	\$ 1,815,265

(Continued)

	<u>2010</u>	<u>2009</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 5,217,850	\$ 2,988,808
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	2,177,773	1,931,969
Provision for uncollectible accounts	682,059	879,743
Contributions from other governmental agencies	841	--
Recovery of damage claims	500	--
Change in assets and liabilities		
Receivables	(915,629)	2,790,094
Accounts payable	348,854	(592,270)
Accrued expenses	(3,702)	49,859
Accumulated unpaid compensated absences	(73,525)	92,278
Net pension obligation	249,671	150,004
Net OPEB obligation	79,046	--
Customer deposits	(62,409)	2,736
	<u>\$ 7,701,329</u>	<u>\$ 8,293,221</u>
Net cash provided by operating activities		
	<u>\$ 7,701,329</u>	<u>\$ 8,293,221</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ 258	\$ --

**WATER SYSTEM
COMPARATIVE SCHEDULE OF NET ASSETS
JULY 31, 2010 AND 2009**

	2010	2009
ASSETS		
Current assets		
Cash and cash equivalents	\$ 951,386	\$ --
Investments	15,017,002	38,024,069
Receivables		
Accounts	15,562,325	18,542,273
Accrued interest	77,199	111,603
Property leases	5,047	3,688
Notes	--	82,948
Employees	55	55
Intergovernmental	2,363,276	1,488,794
Miscellaneous	6,402	29,822
Allowance for uncollectibles	(3,446,658)	(3,555,820)
Net receivables	14,567,646	16,703,363
Inventories	404,381	452,998
Restricted assets		
Cash and cash equivalents	11,993,601	19,641,437
Investments	11,292,489	1,995,680
Receivables		
Accrued interest	7,331	230
Intergovernmental	--	1,909
Net receivables	7,331	2,139
Total restricted assets	23,293,421	21,639,256
Total current assets	54,233,836	76,819,686
Noncurrent assets		
Bond issue costs	5,137,496	5,638,864
Capital assets		
Land	17,347,169	17,317,967
Water supply rights	212,284,487	212,284,487
Buildings	33,356,489	33,356,489
Improvements other than buildings	88,239,035	84,080,439
Machinery and equipment	14,494,139	12,576,481
Infrastructure	640,238,329	588,708,439
Total capital assets in service	1,005,959,648	948,324,302
Less accumulated depreciation and amortization	(216,834,609)	(248,866,509)
Net capital assets in service	789,125,039	699,457,793
Construction in progress	49,505,203	84,129,138
Net capital assets	838,630,242	783,586,931
Total noncurrent assets	843,767,738	789,225,795
Total assets	898,001,574	866,045,481

(Continued)

	<u>2010</u>	<u>2009</u>
LIABILITIES		
Current liabilities		
Accounts payable	5,689,139	7,582,726
Accrued expenses	476,370	523,099
Accrued interest	873,237	857,137
Contractor interest and retainage payable	420,366	1,444,862
Deposits	139,159	238,949
Liability to claimants - escheat property	113,135	102,952
Due to other funds	--	2,360,945
Current portion of long-term liabilities		
Long-term debt	22,319,734	22,651,087
Accumulated unpaid compensated absences	808,571	761,034
Total current liabilities	<u>30,839,711</u>	<u>36,522,791</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	519,202,106	533,016,575
Accumulated unpaid compensated absences	317,579	355,344
Net pension obligation	949,534	366,262
Net OPEB obligation	180,465	--
Total noncurrent liabilities	<u>520,649,684</u>	<u>533,738,181</u>
Total liabilities	<u>551,489,395</u>	<u>570,260,972</u>
NET ASSETS		
Invested in capital assets, net of related debt	317,481,962	244,410,181
Restricted for		
Bond interest and redemption	2,184,172	2,123,739
Construction of capital assets	236,104	17,311,921
Improvements to utility lines and facilities	2,623,325	2,203,596
Unrestricted	<u>23,986,616</u>	<u>29,735,072</u>
Total net assets	<u>\$ 346,512,179</u>	<u>\$ 295,784,509</u>



City of
Corpus
Christi

WATER SYSTEM
COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Operating revenues		
Charges for services - net	\$ 96,545,017	\$ 107,136,268
Operating expenses		
Personal services	13,936,625	13,015,582
Materials and supplies	15,119,480	14,953,466
Contractual services	13,819,362	12,645,733
Other operating expenses	11,775,053	15,174,179
Uncollectible accounts	1,074,740	2,325,089
Depreciation	15,531,966	16,401,949
Total operating expenses	<u>71,257,226</u>	<u>74,515,998</u>
Operating income	25,287,791	32,620,270
Nonoperating revenues (expenses)		
Investment income	503,831	864,349
Interest expense and fiscal charges	(22,453,597)	(21,028,839)
Net loss on disposal of assets	(512,126)	(84,139)
Recovery on damage claims	141,110	63,119
Developer deposits	401,985	374,959
Reimbursement to developers	(4,224)	(379,522)
Contribution from other governmental agencies	50,965	17,451
Total nonoperating expenses	<u>(21,872,056)</u>	<u>(20,172,622)</u>
Capital contributions		
Contributions from other governmental agencies	947,359	434,121
Contributions from developers	2,436,597	2,806,832
Return of capital contribution from other governmental agency	(2,421,723)	--
Total capital contributions	<u>962,233</u>	<u>3,240,953</u>
Income before transfers	4,377,968	15,688,601
Transfers in	1,493,288	--
Transfers out	(3,027,169)	(3,506,272)
Total transfers	<u>(1,533,881)</u>	<u>(3,506,272)</u>
Net income (loss)	<u>2,844,087</u>	<u>12,182,329</u>
Net assets at beginning of year, as previously reported	295,784,509	283,602,180
Cumulative effect of a change in an accounting principle	<u>47,883,583</u>	<u>--</u>
Net assets at beginning of year, as restated	<u>343,668,092</u>	<u>283,602,180</u>
Net assets at end of year	<u>\$ 346,512,179</u>	<u>\$ 295,784,509</u>

**WATER SYSTEM
COMPARATIVE SCHEDULE OF CASH FLOWS
YEAR ENDED JULY 31, 2010 AND 2009**

	2010	2009
Cash flows from operating activities		
Receipts from customers	\$ 97,564,426	\$ 100,421,767
Receipts from interfund services provided	243,633	373,341
Payments to suppliers	(26,780,738)	(29,533,621)
Payments to employees	(11,825,847)	(11,375,930)
Internal activity - payments to other funds	(13,268,729)	(13,367,672)
Other receipts	193,943	78,454
Net cash provided by operating activities	46,126,688	46,596,339
Cash flows from noncapital financing activities		
Changes in interfund borrowings	(2,360,945)	360,945
Transfers in from other funds	1,493,288	--
Transfers out to other funds	(3,027,168)	(3,506,272)
Net cash used for noncapital financing activities	(3,894,825)	(3,145,327)
Cash flows from capital and related financing activities		
Acquisition of capital assets	(24,110,494)	(28,740,855)
Proceeds from sale of capital assets	78,427	54,765
Developer deposits	401,985	374,959
Reimbursements to developers	(4,219)	(501,867)
Contributions from other governmental agencies	50,538	15,621
Reimbursements to other governmental agencies	(2,421,723)	--
Proceeds from issuance of revenue bonds	7,922,652	61,135,691
Principal paid on long-term debt	(22,529,463)	(21,973,125)
Interest expense and fiscal charges	(22,557,472)	(21,259,222)
Net cash used for capital and related financing activities	(63,169,769)	(10,894,033)
Cash flows from investing activities		
Purchase of investment securities	(47,301,606)	(82,980,000)
Proceeds from sale and maturity of investment securities	61,000,000	59,480,000
Interest on investments	543,062	1,079,841
Net cash provided by (used for) investing activities	14,241,456	(22,420,159)
Net increase (decrease) in cash and cash equivalents	(6,696,450)	10,136,820
Cash and cash equivalents at beginning of year, including restricted accounts	19,641,437	9,504,617
Cash and cash equivalents at end of year, including restricted accounts	\$ 12,944,987	\$ 19,641,437

(Continued)

	<u>2010</u>	<u>2009</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 25,287,791	\$ 32,620,270
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	15,531,966	16,401,949
Amortization of water rights	1,540,274	4,483,124
Amortization of fish and wildlife costs	--	270,042
Provision for uncollectible accounts	1,074,740	2,325,089
Contributions from other governmental agencies	52,832	15,335
Recovery of damage claims	141,111	63,119
Change in assets and liabilities		
Receivables	1,923,436	(6,035,234)
Inventory	48,616	(55,519)
Accounts payable	(88,046)	(4,070,976)
Accrued expenses	(46,729)	102,276
Accumulated unpaid compensated absences	9,772	(7,348)
Net pension obligation	583,273	366,262
Net OPEB obligation	180,465	--
Contractor interest and retainage payable	(23,142)	(10,587)
Customer deposits	(99,853)	129,808
Liability to claimants - escheat property	10,182	(1,271)
	<u>\$ 46,126,688</u>	<u>\$ 46,596,339</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ (11,864)	\$ 5,687
Contribution of capital assets	\$ 2,436,597	\$ 2,806,832
Acquisition of capital assets under capital lease	\$ 1,080,363	\$ --

**WASTEWATER SYSTEM
COMPARATIVE SCHEDULE OF NET ASSETS
JULY 31, 2010 AND 2009**

	2010	2009
ASSETS		
Current assets		
Cash and cash equivalents	\$ 649,827	\$ 3,403,039
Investments	2,008,079	8,445,931
Receivables		
Accounts	8,148,081	7,699,733
Accrued interest	30,773	7,428
Property leases	--	400
Notes	--	121,052
Miscellaneous	9,416	--
Allowance for uncollectibles	(1,296,924)	(1,363,874)
Net receivables	6,891,346	6,464,739
Due from other funds	--	2,360,945
Prepaid items	--	1,328
Restricted assets		
Cash and cash equivalents	5,269,314	5,764,639
Investments	--	1,000,967
Accrued interest	--	799
Total restricted assets	5,269,314	6,766,405
Total current assets	14,818,566	27,442,387
Noncurrent assets		
Bond issue costs	1,751,056	1,971,394
Capital assets		
Land	5,003,920	4,951,993
Buildings	2,083,421	1,911,257
Improvements other than buildings	153,118,055	146,206,101
Machinery and equipment	8,446,839	7,924,515
Infrastructure	260,810,975	249,130,967
Total capital assets in service	429,463,210	410,124,833
Less accumulated depreciation	(124,632,337)	(113,922,864)
Net capital assets in service	304,830,873	296,201,969
Construction in progress	32,054,249	32,685,796
Net capital assets	336,885,122	328,887,765
Total noncurrent assets	338,636,178	330,859,159
Total assets	353,454,744	358,301,546

(Continued)

Exhibit 28-A

	<u>2010</u>	<u>2009</u>
LIABILITIES		
Current liabilities		
Accounts payable	\$ 2,472,630	\$ 2,997,175
Accrued expenses	276,800	262,792
Accrued interest	304,443	279,852
Contractor interest and retainage payable	966,371	795,780
Deposits	15,117	11,344
Unearned revenue	7,915	18,552
Current portion of long-term liabilities		
Long-term debt	8,194,103	9,220,298
Accumulated unpaid compensated absences	433,056	357,418
Total current liabilities	<u>12,670,435</u>	<u>13,943,211</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	120,366,007	128,916,125
Accumulated unpaid compensated absences	620,254	621,364
Net pension obligation	514,760	190,691
Net OPEB obligation	98,625	--
Total noncurrent liabilities	<u>121,599,646</u>	<u>129,728,180</u>
Total liabilities	<u>134,270,081</u>	<u>143,671,391</u>
NET ASSETS		
Invested in capital assets, net of related debt	211,321,424	194,916,382
Restricted for		
Bond interest and redemption	967,693	967,693
Construction of capital assets	1,016,664	4,404,580
Improvements to utility lines and facilities	1,160,978	1,299,072
Abatement of public health hazards	95,258	95,059
Unrestricted	<u>4,622,646</u>	<u>12,947,369</u>
Total net assets	<u>\$ 219,184,663</u>	<u>\$ 214,630,155</u>



City of
Corpus
Christi

**WASTEWATER SYSTEM
COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
Operating revenues		
Charges for services - net	\$ 51,186,018	\$ 47,111,334
Operating expenses		
Personal services	9,501,954	8,659,865
Materials and supplies	3,357,251	3,065,952
Contractual services	8,497,739	6,759,909
Other operating expenses	6,902,498	6,973,973
Uncollectible accounts	888,654	907,797
Depreciation	10,709,473	10,086,655
Total operating expenses	<u>39,857,569</u>	<u>36,454,151</u>
Operating income	11,328,449	10,657,183
Nonoperating revenues (expenses)		
Investment income	205,684	294,287
Interest expense and fiscal charges	(6,705,706)	(6,345,161)
Net gain (loss) on disposal of assets	6,086	(7,203)
Developer deposits	407,644	410,918
Reimbursement to developers	(551,144)	(2,287,249)
Contribution from other governmental agencies	2,335	--
Total nonoperating expenses	<u>(6,635,101)</u>	<u>(7,934,408)</u>
Capital contributions		
Contributions from developers	<u>977,954</u>	<u>1,638,167</u>
Income before transfers	5,671,302	4,360,942
Transfers in	534,656	1,300,000
Transfers out	(1,651,450)	(1,661,093)
Total transfers	<u>(1,116,794)</u>	<u>(361,093)</u>
Net income	4,554,508	3,999,849
Net assets at beginning of year	<u>214,630,155</u>	<u>210,630,306</u>
Net assets at end of year	<u>\$ 219,184,663</u>	<u>\$ 214,630,155</u>

**WASTEWATER SYSTEM
COMPARATIVE SCHEDULE OF CASH FLOWS
YEAR ENDED JULY 31, 2010 AND 2009**

	2010	2009
Cash flows from operating activities		
Receipts from customers	\$ 49,870,976	\$ 45,661,785
Receipts from interfund services provided	19,695	28,533
Payments to suppliers	(10,296,451)	(8,828,173)
Payments to employees	(8,043,380)	(7,442,629)
Internal activity - payments to other funds	(8,882,446)	(8,779,340)
Other receipts	2,335	--
Net cash provided by operating activities	22,670,729	20,640,176
Cash flows from noncapital financing activities		
Changes in interfund borrowings	2,360,945	(2,360,945)
Transfers in from other funds	534,656	1,300,000
Transfers out to other funds	(1,651,450)	(1,661,093)
Net cash provided by (used for) noncapital financing activities	1,244,151	(2,722,038)
Cash flows from capital and related financing activities		
Acquisition of capital assets	(18,225,680)	(21,095,819)
Proceeds from sale of capital assets	6,086	10
Developer deposits	407,644	410,918
Contributions from developers	--	225
Reimbursements to developers	(935,439)	(2,012,635)
Proceeds from issuance of revenue bonds	(896)	27,856,799
Principal paid on long-term debt	(9,494,654)	(9,465,774)
Interest expense and fiscal charges	(6,542,435)	(5,899,658)
Net cash used for capital and related financing activities	(34,785,374)	(10,205,934)
Cash flows from investing activities		
Purchase of investment securities	(18,000,000)	(33,453,744)
Proceeds from sale and maturity of investment securities	25,453,744	27,500,000
Interest on investments	168,213	457,360
Net cash provided by (used for) investing activities	7,621,957	(5,496,384)
Net increase (decrease) in cash and cash equivalents	(3,248,537)	2,215,820
Cash and cash equivalents at beginning of year, including restricted accounts	9,167,678	6,951,858
Cash and cash equivalents at end of year, including restricted accounts	\$ 5,919,141	\$ 9,167,678

(Continued)

Exhibit 28-C

	<u>2010</u>	<u>2009</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 11,328,449	\$ 10,657,183
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	10,709,473	10,086,655
Provision for uncollectible accounts	888,654	907,797
Contributions from other governmental agencies	2,335	--
Change in assets and liabilities		
Receivables	(1,291,917)	(1,417,901)
Prepaid items	1,328	(1,328)
Accounts payable	524,607	25,566
Accrued expenses	14,008	52,646
Unearned revenue	--	(450)
Accumulated unpaid compensated absences	74,527	141,983
Net pension obligation	324,069	190,691
Net OPEB obligation	98,625	--
Customer deposits	(3,429)	(2,666)
	<u>\$ 22,670,729</u>	<u>\$ 20,640,176</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ 14,925	\$ (6,845)
Contribution of capital assets	\$ 977,954	\$ 1,638,167

**NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET ASSETS
JULY 31, 2010**

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ 4,106,526	\$ --	\$ 250,779	\$ 4,357,305
Investments	2,000,258	--	--	2,000,258
Receivables, net of allowance for uncollectibles	687,632	16,343	93,637	797,612
Inventories	3,915	19,274	--	23,189
Restricted assets				
Cash and cash equivalents	4,478,650	--	--	4,478,650
Receivables, net of allowance for uncollectibles	227,924	--	--	227,924
Total restricted assets	<u>4,706,574</u>	<u>--</u>	<u>--</u>	<u>4,706,574</u>
Total current assets	<u>11,504,905</u>	<u>35,617</u>	<u>344,416</u>	<u>11,884,938</u>
Noncurrent assets				
Bond issue costs	428,165	--	54,416	482,581
Capital assets				
Land	4,770,351	94,337	9,000	4,873,688
Buildings	46,250,376	711,295	1,034,523	47,996,194
Improvements other than buildings	69,990,786	2,529,531	20,695,506	93,215,823
Machinery and equipment	4,343,882	1,054,572	43,698	5,442,152
Infrastructure	--	--	54,226	54,226
Total capital assets in service	<u>125,355,395</u>	<u>4,389,735</u>	<u>21,836,953</u>	<u>151,582,083</u>
Less accumulated depreciation	<u>(49,236,646)</u>	<u>(3,496,885)</u>	<u>(13,367,088)</u>	<u>(66,100,619)</u>
Net capital assets in service	76,118,749	892,850	8,469,865	85,481,464
Construction in progress	<u>26,326,587</u>	<u>--</u>	<u>--</u>	<u>26,326,587</u>
Net capital assets	<u>102,445,336</u>	<u>892,850</u>	<u>8,469,865</u>	<u>111,808,051</u>
Total noncurrent assets	<u>102,873,501</u>	<u>892,850</u>	<u>8,524,281</u>	<u>112,290,632</u>
Total assets	<u>114,378,406</u>	<u>928,467</u>	<u>8,868,697</u>	<u>124,175,570</u>

(Continued)

Exhibit 29-A

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
LIABILITIES				
Current liabilities				
Accounts payable	932,860	97,439	74,823	1,105,122
Accrued expenses	135,831	29,066	20,599	185,496
Accrued interest	473,661	--	66,201	539,862
Contractor interest and retainage payable	411,658	--	--	411,658
Deposits	7,918	8,526	104,054	120,498
Due to other funds	--	473,154	--	473,154
Unearned revenue	--	5,638	87,068	92,706
Current portion of long-term liabilities				
Long-term debt	550,000	114,827	175,000	839,827
Accumulated unpaid compensated absences	170,452	45,562	28,569	244,583
Total current liabilities	<u>2,682,380</u>	<u>774,212</u>	<u>556,314</u>	<u>4,012,906</u>
Noncurrent liabilities				
Long-term liabilities, net of current portion				
Long-term debt	18,130,755	203,642	3,674,953	22,009,350
Accumulated unpaid compensated absences	117,910	--	34,398	152,308
Net pension obligation	263,805	57,451	38,491	359,747
Net OPEB obligation	50,995	13,553	8,234	72,782
Total noncurrent liabilities	<u>18,563,465</u>	<u>274,646</u>	<u>3,756,076</u>	<u>22,594,187</u>
Total liabilities	<u>21,245,845</u>	<u>1,048,858</u>	<u>4,312,390</u>	<u>26,607,093</u>
NET ASSETS				
Invested in capital assets, net of related debt	83,764,580	574,381	4,619,912	88,958,873
Restricted for				
Passenger facility charges projects	3,300,531	--	--	3,300,531
Reserves required by bond covenants	1,401,883	--	--	1,401,883
Law enforcement officers' standards and education	4,160	--	--	4,160
Unrestricted	<u>4,661,407</u>	<u>(694,772)</u>	<u>(63,605)</u>	<u>3,903,030</u>
Total net assets (liabilities)	<u>\$ 93,132,561</u>	<u>\$ (120,391)</u>	<u>\$ 4,556,307</u>	<u>\$ 97,568,477</u>



City of
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Christi

NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2010

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
Operating revenues				
Charges for services - net	\$ 7,192,719	\$ 1,837,453	\$ 1,571,013	\$ 10,601,185
Operating expenses				
Personal services	4,289,044	1,033,692	655,484	5,978,220
Materials and supplies	213,593	268,424	59,250	541,267
Contractual services	1,220,558	304,086	232,945	1,757,589
Other operating expenses	978,758	166,231	146,075	1,291,064
Uncollectible accounts	14,337	--	33,527	47,864
Depreciation	3,747,832	254,080	568,354	4,570,266
Total operating expenses	<u>10,464,122</u>	<u>2,026,513</u>	<u>1,695,635</u>	<u>14,186,270</u>
Operating loss	(3,271,403)	(189,060)	(124,622)	(3,585,085)
Nonoperating revenues (expenses)				
Investment income	30,411	--	11,920	42,331
Interest expense and fiscal charges	(1,103,915)	(35,826)	(165,766)	(1,305,507)
Passenger facility charges	1,350,006	--	--	1,350,006
Customer facility charges	50,480	--	--	50,480
Net gain on disposal of assets	1,631	640	1,393	3,664
Contributions from other governmental agencies	33,314	--	--	33,314
Total nonoperating revenues (expenses)	<u>361,927</u>	<u>(35,186)</u>	<u>(152,453)</u>	<u>174,288</u>
Capital contributions				
Contributions from other governmental agencies	<u>7,616,935</u>	<u>--</u>	<u>--</u>	<u>7,616,935</u>
Income (loss) before transfers	4,707,459	(224,246)	(277,075)	4,206,138
Transfers in	544,435	98,131	52,920	695,486
Transfers out	(434,080)	(270,795)	(139,240)	(844,115)
Total transfers	<u>110,355</u>	<u>(172,664)</u>	<u>(86,320)</u>	<u>(148,629)</u>
Net income (loss)	4,817,814	(396,910)	(363,395)	4,057,509
Net assets at beginning of year	<u>88,314,747</u>	<u>276,519</u>	<u>4,919,702</u>	<u>93,510,968</u>
Net assets (liabilities) at end of year	<u>\$ 93,132,561</u>	<u>\$ (120,391)</u>	<u>\$ 4,556,307</u>	<u>\$ 97,568,477</u>

**NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2010**

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Totals</u>
Cash flows from operating activities				
Receipts from customers	\$ 7,068,311	\$ 1,844,818	\$ 1,564,661	\$ 10,477,790
Payments to suppliers	(1,373,470)	(552,387)	(271,902)	(2,197,759)
Payments to employees	(3,640,731)	(887,583)	(537,757)	(5,066,071)
Internal activity - payments to other funds	(1,431,732)	(294,232)	(233,332)	(1,959,296)
Other receipts	33,314	--	--	33,314
Net cash provided by operating activities	<u>655,692</u>	<u>110,616</u>	<u>521,670</u>	<u>1,287,978</u>
Cash flows from noncapital financing activities				
Changes in interfund borrowings	--	203,154	--	203,154
Transfers in from other funds	544,435	98,131	52,920	695,486
Transfers out to other funds	(434,080)	(270,795)	(139,240)	(844,115)
Net cash provided by (used for) noncapital financing activities	<u>110,355</u>	<u>30,490</u>	<u>(86,320)</u>	<u>54,525</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets	(8,011,301)	--	(20,636)	(8,031,937)
Proceeds from sale of capital assets	1,630	640	1,393	3,663
Contributions from other governmental agencies	7,238,440	--	--	7,238,440
Passenger facility charges	1,323,982	--	--	1,323,982
Customer facility charges	41,321	--	--	41,321
Principal paid on long-term debt	(525,000)	(111,283)	(170,000)	(806,283)
Interest expense and fiscal charges	(1,059,801)	(35,826)	(161,954)	(1,257,581)
Net cash used for capital and related financing activities	<u>(990,729)</u>	<u>(146,469)</u>	<u>(351,197)</u>	<u>(1,488,395)</u>
Cash flows from investing activities				
Purchase of investment securities	(4,000,000)	--	--	(4,000,000)
Proceeds from sale and maturity of investment securities	4,995,000	--	--	4,995,000
Interest on investments	38,534	--	--	38,534
Net cash provided by investing activities	<u>1,033,534</u>	<u>--</u>	<u>--</u>	<u>1,033,534</u>
Net increase (decrease) in cash and cash equivalents	808,852	(5,363)	84,153	887,642
Cash and cash equivalents at beginning of year, including restricted accounts	<u>7,776,324</u>	<u>5,363</u>	<u>166,626</u>	<u>7,948,313</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 8,585,176</u>	<u>\$ --</u>	<u>\$ 250,779</u>	<u>\$ 8,835,955</u>

(Continued)

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Totals</u>
Reconciliation of operating loss to net cash provided by operating activities				
Operating loss	\$ (3,271,403)	\$ (189,060)	\$ (124,622)	\$ (3,585,085)
Adjustments to reconcile operating loss to net cash provided by operating activities				
Depreciation	3,747,832	254,080	568,354	4,570,266
Provision for uncollectible accounts	14,337	--	33,527	47,864
Contributions from other governmental agencies	33,314	--	--	33,314
Change in assets and liabilities				
Receivables	(124,409)	(1,102)	(5,008)	(130,519)
Inventory	170	643	--	813
Accounts payable	56,758	12,816	3,718	73,292
Accrued expenses	8,029	(8,034)	439	434
Customer deposits	4,999	5,037	3,704	13,740
Unearned revenue	--	3,431	(5,048)	(1,617)
Accumulated unpaid compensated absences	(24,727)	(16,633)	14,575	(26,785)
Net pension obligation	159,797	35,885	23,797	219,479
Net OPEB obligation	50,995	13,553	8,234	72,782
	<u>\$ 655,692</u>	<u>\$ 110,616</u>	<u>\$ 521,670</u>	<u>\$ 1,287,978</u>
Noncash investing, capital and financing activities				
Change in fair value of investments	\$ (3,204)	\$ --	\$ --	\$ (3,204)

**AIRPORT FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2010 AND 2009**

	2010	2009
ASSETS		
Current assets		
Cash and cash equivalents	\$ 4,106,526	\$ 3,704,191
Investments	2,000,258	2,998,462
Receivables		
Accounts	284,068	314,529
Accrued interest	1,867	7,128
Intergovernmental	383,629	5,134
Miscellaneous	56,834	6,437
Allowance for uncollectibles	(38,766)	(60,798)
Net receivables	687,632	272,430
Inventories	3,915	4,086
Restricted assets		
Cash and cash equivalents	4,478,650	4,072,133
Receivables		
Accounts	227,924	201,900
Total restricted assets	4,706,574	4,274,033
Total current assets	11,504,905	11,253,202
Noncurrent assets		
Bond issue costs	428,165	461,119
Capital assets		
Land	4,770,351	4,770,351
Buildings	46,250,376	46,132,895
Improvements other than buildings	69,990,786	69,990,786
Machinery and equipment	4,343,882	4,306,532
Total capital assets in service	125,355,395	125,200,564
Less accumulated depreciation	(49,236,646)	(45,488,814)
Net capital assets in service	76,118,749	79,711,750
Construction in progress	26,326,587	17,793,631
Net capital assets	102,445,336	97,505,381
Total noncurrent assets	102,873,501	97,966,500
Total assets	114,378,406	109,219,702

(Continued)

	<u>2010</u>	<u>2009</u>
LIABILITIES		
Current liabilities		
Accounts payable	932,860	616,414
Accrued expenses	135,831	127,802
Accrued interest	473,661	485,692
Contractor interest and retainage payable	411,658	72,122
Deposits	7,918	2,920
Current portion of long-term liabilities		
Long-term debt	550,000	525,000
Accumulated unpaid compensated absences	170,452	191,596
Total current liabilities	<u>2,682,380</u>	<u>2,021,546</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	18,130,755	18,657,907
Accumulated unpaid compensated absences	117,910	121,494
Net pension obligation	263,805	104,008
Net OPEB obligation	50,995	--
Total noncurrent liabilities	<u>18,563,465</u>	<u>18,883,409</u>
Total liabilities	<u>21,245,845</u>	<u>20,904,955</u>
NET ASSETS		
Invested in capital assets, net of related debt	83,764,580	78,322,474
Restricted for		
Passenger facility charges projects	3,300,531	2,872,055
Required capital reserve	250,000	250,000
Required operating reserve	1,151,883	1,148,764
Law enforcement officers' standards and education	4,160	3,213
Unrestricted	4,661,407	5,718,241
Total net assets	<u>\$ 93,132,561</u>	<u>\$ 88,314,747</u>



City of
Corpus
Christi

AIRPORT FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Operating revenues		
Charges for services - net	\$ 7,192,719	\$ 7,142,103
Operating expenses		
Personal services	4,289,044	4,244,021
Materials and supplies	213,593	317,177
Contractual services	1,220,558	1,330,483
Other operating expenses	978,758	838,971
Uncollectible accounts	14,337	46,597
Depreciation	3,747,832	3,867,987
Total operating expenses	<u>10,464,122</u>	<u>10,645,236</u>
Operating loss	(3,271,403)	(3,503,133)
Nonoperating revenues (expenses)		
Investment income	30,411	151,181
Interest expense and fiscal charges	(1,103,915)	(1,136,730)
Passenger facility charges	1,350,006	1,413,791
Customer facility charges	50,480	--
Net gain on disposal of assets	1,631	4,119
Recovery on damage claims	--	2,273
Contributions from other governmental agencies	33,314	1,990
Total nonoperating revenues	<u>361,927</u>	<u>436,624</u>
Capital contributions		
Contribution from other governmental agencies	<u>7,616,935</u>	<u>3,418,663</u>
Income before transfers	4,707,459	352,154
Transfers in	544,435	--
Transfers out	(434,080)	(439,051)
Total transfers	<u>110,355</u>	<u>(439,051)</u>
Net income (loss)	4,817,814	(86,897)
Net assets at beginning of year	<u>88,314,747</u>	<u>88,401,644</u>
Net assets at end of year	<u>\$ 93,132,561</u>	<u>\$ 88,314,747</u>

**AIRPORT FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2010 AND 2009**

	2010	2009
Cash flows from operating activities		
Receipts from customers	\$ 7,068,311	\$ 7,087,870
Payments to suppliers	(1,373,470)	(1,611,887)
Payments to employees	(3,640,731)	(3,747,034)
Internal activity - payments to other funds	(1,431,732)	(1,322,623)
Other receipts	33,314	4,263
Net cash provided by operating activities	655,692	410,589
Cash flows from noncapital financing activities		
Interest on interfund borrowings	--	(4,093)
Transfers in from other funds	544,435	--
Transfers out to other funds	(434,080)	(439,051)
Net cash provided by (used for) noncapital financing activities	110,355	(443,144)
Cash flows from capital and related financing activities		
Acquisition of capital assets	(8,011,301)	(3,971,932)
Proceeds from sale of capital assets	1,630	4,119
Contributions from other governmental agencies	7,238,440	4,092,050
Passenger facility charge	1,323,982	1,414,263
Customer facility charges	41,321	--
Principal paid on long-term debt	(525,000)	(501,719)
Interest expense and fiscal charges	(1,059,801)	(1,084,808)
Net cash used for capital and related financing activities	(990,729)	(48,027)
Cash flows from investing activities		
Purchase of investment securities	(4,000,000)	(5,495,000)
Proceeds from sale and maturity of investment securities	4,995,000	7,500,000
Interest on investments	38,534	167,313
Net cash provided by investing activities	1,033,534	2,172,313
Net increase in cash and cash equivalents	808,852	2,091,731
Cash and cash equivalents at beginning of year, including restricted accounts	7,776,324	5,684,593
Cash and cash equivalents at end of year, including restricted accounts	\$ 8,585,176	\$ 7,776,324

(Continued)

Exhibit 30-C

	<u>2010</u>	<u>2009</u>
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ (3,271,403)	\$ (3,503,133)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	3,747,832	3,867,987
Provision for uncollectible accounts	14,337	46,597
Contribution from other governmental agencies	33,314	1,990
Recovery of damage claims	--	2,273
Change in assets and liabilities		
Receivables	(124,409)	(54,233)
Inventory	170	1,906
Accounts payable	56,758	(56,347)
Accrued expenses	8,029	(1,543)
Deposits	4,999	2,706
Accumulated unpaid compensated absences	(24,727)	(1,622)
Net pension obligation	159,797	104,008
Net OPEB obligation	50,995	--
	<u>\$ 655,692</u>	<u>\$ 410,589</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ (3,204)	\$ 3,462



City of
Corpus
Christi

**GOLF CENTERS FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ --	\$ 5,363
Receivables		
Miscellaneous	16,343	15,241
Inventories	19,274	19,917
Total current assets	<u>35,617</u>	<u>40,521</u>
Noncurrent assets		
Capital assets		
Land	94,337	94,337
Buildings	711,295	711,295
Improvements other than buildings	2,529,531	2,529,531
Machinery and equipment	1,054,572	1,054,572
Total capital assets in service	<u>4,389,735</u>	<u>4,389,735</u>
Less accumulated depreciation	(3,496,885)	(3,242,806)
Net capital assets	<u>892,850</u>	<u>1,146,929</u>
Total noncurrent assets	<u>892,850</u>	<u>1,146,929</u>
Total assets	<u>928,467</u>	<u>1,187,450</u>
LIABILITIES		
Current liabilities		
Accounts payable	97,439	84,623
Accrued expenses	29,066	37,100
Deposits	8,526	3,489
Due to other funds	473,154	270,000
Unearned revenue	5,638	2,207
Current portion of long-term liabilities		
Long-term debt	114,827	111,282
Accumulated unpaid compensated absences	45,562	29,110
Total current liabilities	<u>774,212</u>	<u>537,811</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	203,642	318,470
Accumulated unpaid compensated absences	--	33,084
Net pension obligation	57,451	21,566
Net OPEB obligation	13,553	--
Total noncurrent liabilities	<u>274,646</u>	<u>373,120</u>
Total liabilities	<u>1,048,858</u>	<u>910,931</u>
NET ASSETS		
Invested in capital assets, net of related debt	574,381	717,179
Unrestricted	(694,772)	(440,660)
Total net assets (liabilities)	<u>\$ (120,391)</u>	<u>\$ 276,519</u>

GOLF CENTERS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2010 AND 2009

	2010	2009
Operating revenues		
Charges for services - net	\$ 1,837,453	\$ 1,728,415
Operating expenses		
Personal services	1,033,692	927,474
Materials and supplies	268,424	209,762
Contractual services	304,086	402,875
Other operating expenses	166,231	162,490
Uncollectible accounts	--	8,836
Depreciation	254,080	301,607
Total operating expenses	2,026,513	2,013,044
Operating loss	(189,060)	(284,629)
Nonoperating revenues (expenses)		
Interest expense and fiscal charges	(35,826)	(36,648)
Net gain on disposal of assets	640	3,848
Total nonoperating expenses	(35,186)	(32,800)
Capital contributions		
Contributions from others	--	9,905
Loss before transfers	(224,246)	(307,524)
Transfers in	98,131	--
Transfers out	(270,795)	(230,903)
Total transfers	(172,664)	(230,903)
Net loss	(396,910)	(538,427)
Net assets at beginning of year	276,519	814,946
Net assets (liabilities) at end of year	\$ (120,391)	\$ 276,519

**GOLF CENTERS FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities		
Receipts from customers	\$ 1,844,818	\$ 1,688,243
Payments to suppliers	(552,387)	(583,644)
Payments to employees	(887,583)	(775,902)
Internal activity - payments to other funds	(294,232)	(275,481)
Net cash provided by operating activities	<u>110,616</u>	<u>53,216</u>
Cash flows from noncapital financing activities		
Changes in interfund borrowings	203,154	270,000
Transfers in from other funds	98,131	--
Transfers out to other funds	(270,795)	(230,903)
Net cash provided by noncapital financing activities	<u>30,490</u>	<u>39,097</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	--	(87,144)
Proceeds from sale/disposal of capital assets	640	3,848
Principal paid on long-term debt	(111,283)	(107,845)
Interest expense and fiscal charges	(35,826)	(36,648)
Net cash used for capital and related financing activities	<u>(146,469)</u>	<u>(227,789)</u>
Net decrease in cash and cash equivalents	(5,363)	(135,476)
Cash and cash equivalents at beginning of year	<u>5,363</u>	<u>140,839</u>
Cash and cash equivalents at end of year	<u>\$ --</u>	<u>\$ 5,363</u>
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ (189,060)	\$ (284,629)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	254,080	301,607
Provision for uncollectible accounts	--	8,836
Change in assets and liabilities		
Receivables	(1,102)	(14,352)
Inventory	643	10,724
Accounts payable	12,816	12,392
Accrued expenses	(8,034)	11,434
Customer deposits	5,037	1,145
Unearned revenue	3,431	(15,612)
Accumulated unpaid compensated absences	(16,633)	11,458
Net pension obligation	35,885	21,566
Net OPEB obligation	13,553	--
Due to other governmental agencies	--	(11,353)
Net cash provided by operating activities	<u>\$ 110,616</u>	<u>\$ 53,216</u>
Noncash investing, capital and financing activities		
Contribution of capital assets	\$ --	\$ 9,905

**GOLF CENTERS FUND
SCHEDULE OF OPERATING EXPENSES BY FUNCTION
YEAR ENDED JULY 31, 2010
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2009**

<u>FUNCTION</u>	2010			
	<u>PERSONAL SERVICES</u>	<u>MATERIALS & SUPPLIES</u>	<u>CONTRACTUAL SERVICES</u>	<u>OTHER OPERATING EXPENSES</u>
Gabe Lozano Sr. Golf Center operations	\$ 573,260	\$ 161,694	\$ 150,648	\$ 108,553
Oso Golf Center operations	460,432	106,730	153,438	57,678
Total operating expenses	<u>\$ 1,033,692</u>	<u>\$ 268,424</u>	<u>\$ 304,086</u>	<u>\$ 166,231</u>

Exhibit 31-D

<u>UNCOLLECTIBLE ACCOUNTS</u>	<u>DEPRECIATION</u>	<u>2010 TOTAL</u>	<u>2009 TOTAL</u>
\$ --	\$ 154,080	\$ 1,148,235	\$ 1,171,161
--	100,000	878,278	841,883
<u>\$ --</u>	<u>\$ 254,080</u>	<u>\$ 2,026,513</u>	<u>\$ 2,013,044</u>

**MARINA FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2010 AND 2009**

	2010	2009
ASSETS		
Current assets		
Cash and cash equivalents	\$ 250,779	\$ 166,626
Receivables		
Accounts	194,148	189,140
Allowance for uncollectibles	(100,511)	(66,985)
Net receivables	93,637	122,155
Total current assets	344,416	288,781
Noncurrent assets		
Bond issue costs	54,416	60,701
Capital assets		
Land	9,000	9,000
Buildings	1,034,523	1,034,523
Improvements other than buildings	20,695,506	20,695,506
Machinery and equipment	43,698	170,709
Infrastructure	54,226	54,226
Total capital assets in service	21,836,953	21,963,964
Less accumulated depreciation	(13,367,088)	(12,946,380)
Net capital assets in service	8,469,865	9,017,584
Construction in progress	--	--
Net capital assets	8,469,865	9,017,584
Total noncurrent assets	8,524,281	9,078,285
Total assets	8,868,697	9,367,066

(Continued)

	<u>2010</u>	<u>2009</u>
LIABILITIES		
Current liabilities		
Accounts payable	74,823	48,952
Accrued expenses	20,599	20,160
Accrued interest	66,201	68,679
Deposits	104,054	100,350
Unearned revenue	87,068	92,116
Current portion of long-term liabilities		
Long-term debt	175,000	170,000
Accumulated unpaid compensated absences	28,569	25,367
Total current liabilities	<u>556,314</u>	<u>525,624</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Accrued arbitrage rebate liability	--	34,073
Long-term debt	3,674,953	3,849,947
Accumulated unpaid compensated absences	34,398	23,026
Net pension obligation	38,491	14,694
Net OPEB obligation	8,234	--
Total noncurrent liabilities	<u>3,756,076</u>	<u>3,921,740</u>
Total liabilities	<u>4,312,390</u>	<u>4,447,364</u>
NET ASSETS		
Invested in capital assets, net of related debt	4,619,912	4,997,636
Unrestricted	(63,605)	(77,934)
Total net assets	<u>\$ 4,556,307</u>	<u>\$ 4,919,702</u>

MARINA FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Operating revenues		
Slip rentals	\$ 1,148,845	\$ 1,133,289
Bayfront revenue	191,071	214,881
Boat haul-outs	26,200	29,918
Transient fees	43,842	62,399
Resale of electricity	30,447	34,648
Raw seafood sales permits	1,800	1,423
Miscellaneous	128,808	116,267
Total operating revenue	<u>1,571,013</u>	<u>1,592,825</u>
Operating expenses		
Personal services	655,484	622,389
Materials and supplies	59,250	52,193
Contractual services	232,945	236,190
Other operating expenses	146,075	143,371
Uncollectible accounts	33,527	9,550
Depreciation	568,354	569,612
Total operating expenses	<u>1,695,635</u>	<u>1,633,305</u>
Operating loss	(124,622)	(40,480)
Nonoperating revenues (expenses)		
Investment income	11,920	3,450
Interest expense and fiscal charges	(165,766)	(172,917)
Net gain on disposal of assets	1,393	--
Total nonoperating expenses	<u>(152,453)</u>	<u>(169,467)</u>
Loss before transfers	(277,075)	(209,947)
Transfers in	52,920	--
Transfers out	(139,240)	(182,789)
Total transfers	<u>(86,320)</u>	<u>(182,789)</u>
Net loss	(363,395)	(392,736)
Net assets at beginning of year	<u>4,919,702</u>	<u>5,312,438</u>
Net assets at end of year	<u>\$ 4,556,307</u>	<u>\$ 4,919,702</u>

**MARINA FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2010 AND 2009**

	2010	2009
Cash flows from operating activities		
Receipts from customers	\$ 1,564,661	\$ 1,528,579
Payments to suppliers	(271,902)	(249,983)
Payments to employees	(537,757)	(527,964)
Internal activity - payments to other funds	(233,332)	(228,678)
Net cash provided by operating activities	521,670	521,954
Cash flows from noncapital financing activities		
Transfers in from other funds	52,920	--
Transfers out to other funds	(139,240)	(182,789)
Net cash used for noncapital financing activities	(86,320)	(182,789)
Cash flows from capital and related financing activities		
Acquisition of capital assets	(20,636)	--
Proceeds from sale of capital assets	1,393	--
Contributions from other governmental agencies	--	31,266
Principal paid on long-term debt	(170,000)	(165,000)
Interest expense and fiscal charges	(161,954)	(168,457)
Net cash used for capital and related financing activities	(351,197)	(302,191)
Cash flows from investing activities		
Interest on investments	--	38
Net increase in cash and cash equivalents	84,153	37,012
Cash and cash equivalents at beginning of year, including restricted accounts	166,626	129,614
Cash and cash equivalents at end of year, including restricted accounts	\$ 250,779	\$ 166,626
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ (124,622)	\$ (40,480)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	568,354	569,612
Provision for uncollectible accounts	33,527	9,550
Change in assets and liabilities		
Receivables	(5,008)	(53,659)
Accounts payable	3,718	27,421
Accrued expenses	439	2,481
Customer deposits	3,704	4,686
Unearned revenue	(5,048)	(15,273)
Accumulated unpaid compensated absences	14,575	2,922
Net pension obligation	23,797	14,694
Net OPEB obligation	8,234	--
Net cash provided by operating activities	\$ 521,670	\$ 521,954



City of
Corpus
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City of
Corpus
Christi

City of Corpus Christi, Texas

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
JULY 31, 2010**

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Corpus Christi Digital Community Development Corporation</u>
ASSETS				
Current assets				
Cash and cash equivalents	--	1,437,141	2,499,898	--
Investments	--	4,999,868	--	--
Receivables, net of allowance for uncollectibles	--	6,050	447,559	--
Due from other funds	--	--	--	--
Inventories	928,746	429,185	--	--
Prepaid items	--	--	--	--
Total current assets	<u>928,746</u>	<u>6,872,244</u>	<u>2,947,457</u>	<u>--</u>
Noncurrent assets				
Other assets	--	--	--	--
Capital assets				
Land	--	66,359	--	--
Buildings	366,639	6,489,704	--	--
Improvements other than buildings	13,852	591,116	5,716,474	--
Machinery and equipment	19,900	44,853,252	16,740,415	--
Total capital assets in service	<u>400,391</u>	<u>52,000,431</u>	<u>22,456,889</u>	<u>--</u>
Less accumulated depreciation	(209,231)	(40,096,286)	(10,645,868)	--
Net capital assets	<u>191,160</u>	<u>11,904,145</u>	<u>11,811,021</u>	<u>--</u>
Total noncurrent assets	<u>191,160</u>	<u>11,904,145</u>	<u>11,811,021</u>	<u>--</u>
Total assets	<u>1,119,906</u>	<u>18,776,389</u>	<u>14,758,478</u>	<u>--</u>
LIABILITIES				
Current liabilities				
Accounts payable	82,564	780,966	628,401	--
Accrued expenses	29,240	120,623	258,189	--
Current portion of estimated liability claims	--	--	--	--
Deposits	--	1,955	--	--
Liability to claimants - escheat property	--	--	--	--
Due to other funds	410,028	--	--	--
Unearned revenue	--	--	--	--
Current portion of long-term liabilities				
Long-term debt	--	127,904	1,559,101	--
Accumulated unpaid compensated absences	56,853	186,632	480,075	--
Total current liabilities	<u>578,685</u>	<u>1,218,080</u>	<u>2,925,766</u>	<u>--</u>
Noncurrent liabilities				
Estimated liability claims, net of current portion	--	--	--	--
Long-term liabilities, net of current portion				
Long-term debt	--	1,271,050	3,500,042	--
Accumulated unpaid compensated absences	15,099	187,966	257,071	--
Net pension obligation	54,654	237,107	457,643	--
Net OPEB obligation	11,863	51,592	65,206	--
Total noncurrent liabilities	<u>81,616</u>	<u>1,747,715</u>	<u>4,279,962</u>	<u>--</u>
Total liabilities	<u>660,301</u>	<u>2,965,795</u>	<u>7,205,728</u>	<u>--</u>
NET ASSETS				
Invested in capital assets, net of related debt	191,160	10,505,191	6,751,878	--
Unrestricted	268,445	5,305,403	800,872	--
Net assets	<u>459,605</u>	<u>15,810,594</u>	<u>7,552,750</u>	<u>--</u>

City of Corpus Christi, Texas

Exhibit 33-A

Liability and Employee Benefits	Engineering Services	Eliminations	Total
2,567,108	978,991	--	7,483,138
30,052,967	--	--	35,052,835
398,794	279	--	852,682
883,182	--	(410,028)	473,154
--	--	--	1,357,931
1,807,209	--	--	1,807,209
<u>35,709,260</u>	<u>979,270</u>	<u>(410,028)</u>	<u>47,026,949</u>
49,871	--	--	49,871
--	1,099	--	67,458
--	--	--	6,856,343
--	--	--	6,321,442
--	243,102	--	61,856,669
--	244,201	--	75,101,912
--	(158,271)	--	(51,109,656)
--	85,930	--	23,992,256
<u>49,871</u>	<u>85,930</u>	<u>--</u>	<u>24,042,127</u>
<u>35,759,131</u>	<u>1,065,200</u>	<u>(410,028)</u>	<u>71,069,076</u>
903,960	51,818	--	2,447,709
80,235	119,706	--	607,993
8,508,363	--	--	8,508,363
--	--	--	1,955
23,016	--	--	23,016
--	--	(410,028)	--
58,190	--	--	58,190
--	--	--	1,687,005
48,308	168,382	--	940,250
<u>9,622,072</u>	<u>339,906</u>	<u>(410,028)</u>	<u>14,274,481</u>
5,491,334	--	--	5,491,334
--	--	--	4,771,092
16,947	381,253	--	858,336
59,091	229,338	--	1,037,833
11,890,604	34,515	--	12,053,780
<u>17,457,976</u>	<u>645,106</u>	<u>--</u>	<u>24,212,375</u>
<u>27,080,048</u>	<u>985,012</u>	<u>(410,028)</u>	<u>38,486,856</u>
--	85,930	--	17,534,159
<u>8,679,083</u>	<u>(5,742)</u>	<u>--</u>	<u>15,048,061</u>
<u>8,679,083</u>	<u>80,188</u>	<u>--</u>	<u>32,582,220</u>

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2010

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Corpus Christi Digital Community Development Corporation</u>
Operating revenues				
Charges for services - net	\$ 1,516,788	\$ 7,622,519	\$ 17,399,814	\$ 2,568,778
Operating expenses				
Personal services	894,835	3,808,116	7,100,497	--
Materials and supplies	110,852	999,633	300,819	330,576
Contractual services	249,647	2,137,381	3,928,317	1,152,732
Other operating expenses	183,193	641,145	3,113,986	350,581
Self-insurance claims	--	--	--	--
Other post employment benefits	--	--	--	--
Uncollectible accounts	(8)	--	--	132
Depreciation	11,138	3,025,790	2,536,902	675,005
Total operating expenses	<u>1,449,657</u>	<u>10,612,065</u>	<u>16,980,521</u>	<u>2,509,026</u>
Operating income (loss)	67,131	(2,989,546)	419,293	59,752
Nonoperating revenues (expenses)				
Investment income	--	19,368	46,140	68
Interest expense and fiscal charges	(1,208)	(85,982)	(143,475)	(93,554)
Net gain on disposal of assets	180	126,998	6,505	--
Recovery of damage claims	--	66,027	--	--
Contribution from other governmental agencies	--	9,545	2,772	--
Total nonoperating revenues (expenses)	<u>(1,028)</u>	<u>135,956</u>	<u>(88,058)</u>	<u>(93,486)</u>
Capital contributions				
Contributions from others	<u>--</u>	<u>--</u>	<u>403,926</u>	<u>--</u>
Income (loss) before transfers	66,103	(2,853,590)	735,161	(33,734)
Transfers in	63,454	4,342,894	430,164	--
Transfers out	<u>--</u>	<u>(60,858)</u>	<u>(768,570)</u>	<u>(152,596)</u>
Net transfers	<u>63,454</u>	<u>4,282,036</u>	<u>(338,406)</u>	<u>(152,596)</u>
Net income (loss)	129,557	1,428,446	396,755	(186,330)
Net assets at beginning of year	<u>330,048</u>	<u>14,382,148</u>	<u>7,155,995</u>	<u>186,330</u>
Net assets at end of year	<u>\$ 459,605</u>	<u>\$ 15,810,594</u>	<u>\$ 7,552,750</u>	<u>\$ --</u>

Exhibit 33-B

Liability and Employee Benefits	Engineering Services	Eliminations	Totals
\$ 36,996,848	\$ 3,810,104	\$ --	\$ 69,914,851
936,723	3,609,676	--	16,349,847
140,123	72,000	--	1,954,003
7,209,817	419,660	--	15,097,554
180,369	585,726	--	5,055,000
26,374,288	--	--	26,374,288
4,013,931	--	--	4,013,931
7,650	--	--	7,774
--	13,805	--	6,262,640
<u>38,862,901</u>	<u>4,700,867</u>	<u>--</u>	<u>75,115,037</u>
(1,866,053)	(890,763)	--	(5,200,186)
320,486	363	--	386,425
(12,474)	(1,039)	--	(337,732)
--	978	--	134,661
--	1,500	--	67,527
--	--	--	12,317
<u>308,012</u>	<u>1,802</u>	<u>--</u>	<u>263,198</u>
--	--	--	403,926
(1,558,041)	(888,961)	--	(4,533,062)
3,822	167,369	(926,195)	4,081,508
(9,539,530)	--	926,195	(9,595,359)
<u>(9,535,708)</u>	<u>167,369</u>	<u>--</u>	<u>(5,513,851)</u>
(11,093,749)	(721,592)	--	(10,046,913)
<u>19,772,832</u>	<u>801,780</u>	<u>--</u>	<u>42,629,133</u>
<u>\$ 8,679,083</u>	<u>\$ 80,188</u>	<u>\$ --</u>	<u>\$ 32,582,220</u>

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2010**

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Corpus Christi Digital Community Development Corporation</u>
Cash flows from operating activities				
Receipts from customers	\$ --	\$ 27,512	\$ --	\$ --
Receipts from interfund services provided	4,130,604	14,879,370	17,399,813	2,568,776
Payments to suppliers	(3,049,588)	(10,403,362)	(3,843,794)	(1,730,935)
Payments to employees	(741,134)	(3,145,950)	(6,270,627)	--
Internal activity - payments to other funds	(296,678)	(1,099,205)	(3,730,954)	(366,473)
Claims paid	--	--	--	--
Other receipts	--	75,572	2,772	--
Net cash provided by (used for) operating activities	<u>43,204</u>	<u>333,937</u>	<u>3,557,210</u>	<u>471,368</u>
Cash flows from noncapital financing activities				
Changes in interfund borrowings	(105,630)	--	--	--
Interest on interfund borrowings	(1,208)	--	--	--
Transfers in from other funds	63,454	261,386	324,010	--
Transfers out to other funds	--	(60,858)	(768,570)	(46,442)
Net cash provided by (used for) noncapital financing activities	<u>(43,384)</u>	<u>200,528</u>	<u>(444,560)</u>	<u>(46,442)</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets	--	(2,822,183)	(110,778)	(90,703)
Proceeds from sale/disposal of capital assets	180	281,541	6,505	--
Transfer in from other funds for capital acquisition	--	4,081,508	--	--
Principal paid on long-term debt	--	(104,176)	(1,426,497)	(595,702)
Interest expense and fiscal charges	--	(85,982)	(143,475)	(93,554)
Net cash provided by (used for) capital and related financing activity	<u>180</u>	<u>1,350,708</u>	<u>(1,674,245)</u>	<u>(779,959)</u>
Cash flows from investing activities				
Purchase of investment securities	--	(5,000,000)	(1,000,000)	--
Proceeds from sale and maturity of investment securities	--	1,000,000	2,000,000	--
Interest on investments	--	17,271	9,019	68
Net cash provided by (used for) investing activities	<u>--</u>	<u>(3,982,729)</u>	<u>1,009,019</u>	<u>68</u>
Net increase in cash and cash equivalents	--	(2,097,556)	2,447,424	(354,965)
Cash and cash equivalents at beginning of year	<u>--</u>	<u>3,534,697</u>	<u>52,474</u>	<u>354,965</u>
Cash and cash equivalents at end of year	<u>\$ --</u>	<u>\$ 1,437,141</u>	<u>\$ 2,499,898</u>	<u>\$ --</u>

(Continued)

City of Corpus Christi, Texas

Exhibit 33-C

Liability and Employee Benefits	Engineering Services	Eliminations	Total
\$ 9,762,949	\$ 33,388	\$ --	\$ 9,823,849
26,622,621	3,776,437	--	69,377,621
(6,784,329)	(590,647)	--	(26,402,655)
(819,740)	(3,115,639)	--	(14,093,090)
444,116	(884,428)	--	(5,933,622)
(29,409,775)	--	--	(29,409,775)
--	1,500	--	79,844
(184,158)	(779,389)	--	3,442,172
(367,448)	--	--	(473,078)
(12,474)	(676)	--	(14,358)
3,822	167,369	(820,041)	--
(9,539,530)	--	820,041	(9,595,359)
(9,915,630)	166,693	--	(10,082,795)
--	(59,510)	--	(3,083,174)
--	978	--	289,204
--	--	--	4,081,508
--	--	--	(2,126,375)
--	--	--	(323,011)
--	(58,532)	--	(1,161,848)
(73,000,000)	--	--	(79,000,000)
68,984,000	--	--	71,984,000
348,770	--	--	375,128
(3,667,230)	--	--	(6,640,872)
(13,767,018)	(671,228)	--	(14,443,343)
16,334,126	1,650,219	--	21,926,481
<u>\$ 2,567,108</u>	<u>\$ 978,991</u>	<u>\$ --</u>	<u>\$ 7,483,138</u>

City of Corpus Christi, Texas

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2010

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Corpus Christi Digital Community Development Corporation</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	\$ 67,131	\$ (2,989,546)	\$ 419,293	\$ 59,752
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation	11,138	3,025,790	2,536,902	675,005
Provision for uncollectible accounts	(8)	--	--	132
Contribution from other governmental agencies	--	9,545	2,772	--
Recovery of damage claims	--	66,027	--	--
Changes in assets and liabilities				
Receivables	136	(622)	(437)	(132)
Due from other funds	--	--	--	--
Inventory	(91,469)	(76,628)	--	--
Prepaid items	--	--	--	--
Accounts payable	7,798	93,934	313,935	(263,388)
Accrued expenses	(1,112)	(6,809)	6,320	--
Estimated claims liability	--	--	--	--
Deposits	--	(383)	--	--
Liability to claimants-escheat property	--	--	--	--
Unearned revenue	--	--	--	--
Accumulated unpaid compensated absences	4,531	18,121	(62,468)	--
Net pension obligation	33,196	142,916	275,687	--
Net OPEB obligation	11,863	51,592	65,206	--
Net cash provided by (used for) operating activities	<u>\$ 43,204</u>	<u>\$ 333,937</u>	<u>\$ 3,557,210</u>	<u>\$ 471,369</u>
Noncash investing, capital and financing activities				
Change in fair value of investments	\$ --	\$ (1,070)	\$ (937)	\$ --
Transfer of non-cash assets and liabilities	\$ --	\$ --	\$ 106,154	\$ (106,154)
Acquisition of capital assets under capital lease	\$ --	\$ 263,782	\$ --	\$ 1,767,645

Exhibit 33-C
(Continued)

Liability and Employee Benefits	Engineering Services	Eliminations	Total
\$ (1,866,053)	\$ (890,763)	\$ --	\$ (5,200,186)
--	13,805	--	6,262,640
7,650	--	--	7,774
--	--	--	12,317
--	1,500	--	67,527
(58,885)	(279)	--	(60,219)
4,505	--	--	4,505
--	--	--	(168,097)
240,371	--	--	240,371
405,673	(90,954)	--	466,998
2,645	(11,721)	--	(10,677)
(877,820)	--	--	(877,820)
--	--	--	(383)
(2,211)	--	--	(2,211)
49,768	--	--	49,768
8,211	25,600	--	(6,005)
37,036	138,908	--	627,743
1,864,951	34,515	--	2,028,127
<u>\$ (184,159)</u>	<u>\$ (779,389)</u>	<u>\$ --</u>	<u>\$ 3,442,172</u>
\$ 15,404	\$ --	\$ --	\$ 13,397
\$ --	\$ --	\$ --	\$ --
\$ --	\$ --	\$ --	\$ 2,031,427



City of
Corpus
Christi

**STORES FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2010 AND 2009**

	2010	2009
ASSETS		
Current assets		
Intergovernmental	\$ 61	\$ 197
Allowance for uncollectibles	(61)	(69)
Net receivables	--	128
Inventories	928,746	837,278
Total current assets	928,746	837,406
Noncurrent assets		
Capital assets		
Buildings	366,639	366,639
Improvements other than buildings	13,852	13,852
Machinery and equipment	19,900	208,564
Total capital assets in service	400,391	589,055
Less accumulated depreciation	(209,231)	(386,757)
Net capital assets in service	191,160	202,298
Total noncurrent assets	191,160	202,298
Total assets	1,119,906	1,039,704
LIABILITIES		
Current liabilities		
Accounts payable	82,564	74,767
Accrued expenses	29,240	30,353
Due to other funds	410,028	515,657
Current portion of accumulated unpaid compensated absences	56,853	47,527
Total current liabilities	578,685	668,304
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Accumulated unpaid compensated absences	15,099	19,894
Net pension obligation	54,654	21,458
Net OPEB obligation	11,863	--
Total noncurrent liabilities	81,616	41,352
Total liabilities	660,301	709,656
NET ASSETS		
Invested in capital assets, net of related debt	191,160	202,298
Unrestricted	268,445	127,750
Total net assets	\$ 459,605	\$ 330,048

STORES FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Operating revenues		
Sale of materials and supplies	\$ 4,221,937	\$ 4,346,678
Less cost of sales	<u>(2,705,149)</u>	<u>(2,901,698)</u>
Gross operating income	1,516,788	1,444,980
Operating expenses		
Personal services	894,835	889,741
Materials and supplies	110,852	100,195
Contractual services	249,647	253,897
Other operating expenses	183,193	177,156
Uncollectible accounts	(8)	69
Depreciation	11,138	10,514
Total operating expenses	<u>1,449,657</u>	<u>1,431,572</u>
Operating income	67,131	13,408
Nonoperating revenues (expenses)		
Interest expense and fiscal charges	(1,208)	(7,533)
Net gain on disposal of assets	180	520
Total nonoperating expenses	<u>(1,028)</u>	<u>(7,013)</u>
Income before transfers	66,103	6,395
Transfers in	<u>63,454</u>	<u>--</u>
Net income	129,557	6,395
Net assets at beginning of year	<u>330,048</u>	<u>323,653</u>
Net assets at end of year	<u><u>\$ 459,605</u></u>	<u><u>\$ 330,048</u></u>

**STORES FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2010 AND 2009**

	2010	2009
Cash flows from operating activities		
Receipts from interfund services provided	\$ 4,130,604	\$ 4,392,619
Payments to suppliers	(3,049,588)	(3,275,386)
Payments to employees	(741,134)	(815,012)
Internal activity - payments to other funds	(296,678)	(207,232)
Net cash provided by operating activities	43,204	94,989
Cash flows from noncapital financing activities		
Changes in interfund borrowings	(105,630)	(37,974)
Interest on interfund borrowings	(1,208)	(7,533)
Transfers in from other funds	63,454	--
Net cash used for noncapital financing activities	(43,384)	(45,507)
Cash flows from capital and related financing activities		
Acquisition of capital assets	--	(50,002)
Proceeds from sale/disposal of capital assets	180	520
Net cash provided by (used for) capital and related financing activity	180	(49,482)
Net change in cash and cash equivalents	--	--
Cash and cash equivalents at beginning of year	--	--
Cash and cash equivalents at end of year	\$ --	\$ --
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities		
Operating income	\$ 67,131	\$ 13,408
Adjustments to reconcile operating income to net cash provided by (used for) operating activities		
Depreciation	11,138	10,514
Provision for uncollectible accounts	(8)	69
Changes in assets and liabilities		
Receivables	136	(27)
Inventory	(91,469)	45,969
Accounts payable	7,798	(49,672)
Accrued expenses	(1,112)	18,999
Accumulated unpaid compensated absences	4,531	34,271
Net pension obligation	33,196	21,458
Net OPEB obligation	11,863	--
Net cash provided by operating activities	\$ 43,204	\$ 94,989

**MAINTENANCE SERVICE FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2010 AND 2009**

	2010	2009
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,437,141	\$ 3,534,697
Investments	4,999,868	1,000,937
Receivables		
Accounts	1,494	872
Accrued interest	4,556	1,389
Net receivables	6,050	2,261
Inventories	429,185	352,558
Total current assets	6,872,244	4,890,453
Noncurrent assets		
Capital assets		
Land	66,359	66,359
Buildings	6,489,704	6,155,308
Improvements other than buildings	591,116	484,068
Machinery and equipment	44,853,252	45,003,129
Total capital assets in service	52,000,431	51,708,864
Less accumulated depreciation	(40,096,286)	(39,710,351)
Net capital assets	11,904,145	11,998,513
Total noncurrent assets	11,904,145	11,998,513
Total assets	18,776,389	16,888,966
LIABILITIES		
Current liabilities		
Accounts payable	780,966	687,031
Accrued expenses	120,623	127,433
Deposits	1,955	2,339
Current portion of long-term liabilities		
Long-term debt	127,904	63,146
Accumulated unpaid compensated absences	186,632	188,373
Total current liabilities	1,218,080	1,068,322
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	1,271,050	1,176,201
Accumulated unpaid compensated absences	187,966	168,104
Net pension obligation	237,107	94,191
Net OPEB obligation	51,592	--
Total noncurrent liabilities	1,747,715	1,438,496
Total liabilities	2,965,795	2,506,818
NET ASSETS		
Invested in capital assets, net of related debt	10,505,191	10,759,166
Unrestricted	5,305,403	3,622,982
Total net assets	\$ 15,810,594	\$ 14,382,148

Exhibit 35-B

**MAINTENANCE SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
Operating revenues		
Sale of materials and services	\$ 14,907,504	\$ 15,073,754
Less cost of materials sold and outside repairs	(7,284,985)	(7,828,185)
Gross operating income	<u>7,622,519</u>	<u>7,245,569</u>
Operating expenses		
Personal services	3,808,116	3,877,418
Materials and supplies	999,633	1,040,527
Contractual services	2,137,381	2,352,930
Other operating expenses	641,145	546,943
Depreciation	3,025,790	3,026,269
Total operating expenses	<u>10,612,065</u>	<u>10,844,087</u>
Operating loss	(2,989,546)	(3,598,518)
Nonoperating revenues (expenses)		
Investment income	19,368	87,048
Interest expense and fiscal charges	(85,982)	(82,904)
Net gain on disposal of assets	126,998	15,662
Recovery on damage claims	66,027	97,663
Contribution from other governmental agencies	9,545	--
Total nonoperating revenues	<u>135,956</u>	<u>117,469</u>
Capital contributions		
Contributions (to) from others	<u>--</u>	<u>(1,335)</u>
Loss before transfers	(2,853,590)	(3,482,384)
Transfers in	4,342,894	3,342,186
Transfers out	(60,858)	--
Net transfers	<u>4,282,036</u>	<u>3,342,186</u>
Net income (loss)	1,428,446	(140,198)
Net assets at beginning of year	<u>14,382,148</u>	<u>14,522,346</u>
Net assets at end of year	<u>\$ 15,810,594</u>	<u>\$ 14,382,148</u>

**MAINTENANCE SERVICES FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities		
Receipts from customers	\$ 27,512	\$ 20,254
Receipts from interfund services provided	14,879,370	15,052,627
Payments to suppliers	(10,403,362)	(12,176,938)
Payments to employees	(3,145,950)	(3,863,001)
Internal activity - payments to other funds	(1,099,205)	(547,354)
Other receipts	<u>75,572</u>	<u>97,663</u>
Net cash provided by (used for) operating activities	333,937	(1,416,749)
Cash flows from noncapital financing activities		
Transfers in from other funds	261,386	--
Transfers out to other funds	<u>(60,858)</u>	<u>--</u>
Net cash provided by noncapital financing activities	200,528	--
Cash flows from capital and related financing activities		
Acquisition of capital assets	(2,822,183)	(2,850,553)
Proceeds from sale/disposal of capital assets	281,541	15,662
Transfer in from other funds for capital acquisition	4,081,508	3,342,186
Principal paid on long term debt	(104,176)	(57,372)
Interest expense and fiscal charges	<u>(85,982)</u>	<u>(82,904)</u>
Net cash provided by capital and related financing activities	1,350,708	367,019
Cash flows from investing activities		
Purchase of investment securities	(5,000,000)	(2,000,000)
Proceeds from sale and maturity of investment securities	1,000,000	4,000,000
Interest on investments	<u>17,271</u>	<u>107,514</u>
Net cash provided by (used for) investing activities	<u>(3,982,729)</u>	<u>2,107,514</u>
Net increase in cash and cash equivalents	(2,097,556)	1,057,784
Cash and cash equivalents at beginning of year	<u>3,534,697</u>	<u>2,476,913</u>
Cash and cash equivalents at end of year	<u>\$ 1,437,141</u>	<u>\$ 3,534,697</u>

(Continued)

Exhibit 35-C

	<u>2010</u>	<u>2009</u>
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ (2,989,546)	\$ (3,598,518)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities		
Depreciation	3,025,790	3,026,269
Contribution from other governmental agencies	9,545	--
Recovery on damage claims	66,027	97,663
Changes in assets and liabilities		
Receivables	(622)	(872)
Due from other funds	--	--
Due from other governmental agencies	--	--
Inventory	(76,628)	12,922
Accounts payable	93,934	(969,041)
Accrued expenses	(6,809)	(13,053)
Accrued interest	--	--
Deposits	(383)	(141)
Accumulated unpaid compensated absences	18,121	(65,581)
Net pension obligation	142,916	94,191
Net OPEB obligation	51,592	--
Contractor interest and retainage payable	--	(588)
Net cash provided by (used for) operating activities	<u>\$ 333,937</u>	<u>\$ (1,416,749)</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ (1,070)	\$ (8,125)
Acquisition of capital assets under capital lease	\$ 263,782	\$ --
Contribution of capital assets	\$ --	\$ (1,335)



City of
Corpus
Christi

**MUNICIPAL INFORMATION SYSTEMS FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,499,898	\$ 52,474
Investments	--	1,000,937
Receivables		
Accounts	4,186	3,749
Accrued interest	--	1,389
Employees	132	--
Intergovernmental	443,373	--
Allowance for uncollectibles	(132)	--
Net receivables	<u>447,559</u>	<u>5,138</u>
Total current assets	<u>2,947,457</u>	<u>1,058,549</u>
Noncurrent assets		
Capital assets		
Improvements other than buildings	5,716,474	5,674,450
Machinery and equipment	<u>16,740,415</u>	<u>13,062,430</u>
Total capital assets in service	22,456,889	18,736,880
Less accumulated depreciation	<u>(10,645,868)</u>	<u>(6,985,245)</u>
Net capital assets	<u>11,811,021</u>	<u>11,751,635</u>
Total noncurrent assets	<u>11,811,021</u>	<u>11,751,635</u>
Total assets	<u>14,758,478</u>	<u>12,810,184</u>
LIABILITIES		
Current liabilities		
Accounts payable	628,401	239,925
Accrued expenses	258,189	251,868
Current portion of long-term liabilities		
Long-term debt	1,559,101	1,426,497
Accumulated unpaid compensated absences	<u>480,075</u>	<u>432,773</u>
Total current liabilities	<u>2,925,766</u>	<u>2,351,063</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	3,500,042	2,754,329
Accumulated unpaid compensated absences	257,071	366,841
Net pension obligation	457,643	181,956
Net OPEB obligation	65,206	--
Total noncurrent liabilities	<u>4,279,962</u>	<u>3,303,126</u>
Total liabilities	<u>7,205,728</u>	<u>5,654,189</u>
NET ASSETS		
Invested in capital assets, net of related debt	6,751,878	7,570,809
Unrestricted	<u>800,872</u>	<u>(414,814)</u>
Total net assets	<u>\$ 7,552,750</u>	<u>\$ 7,155,995</u>

**MUNICIPAL INFORMATION SYSTEMS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2010 AND 2009**

	2010	2009
Operating revenues		
Charges for services - net	\$ 17,399,814	\$ 15,090,915
Operating expenses		
Personal services	7,100,497	7,288,406
Materials and supplies	300,819	304,731
Contractual services	3,928,317	4,036,572
Other operating expenses	3,113,986	3,556,479
Depreciation	2,536,902	2,471,145
Total operating expenses	16,980,521	17,657,333
Operating income (loss)	419,293	(2,566,418)
Nonoperating revenues (expenses)		
Investment income	46,140	35,239
Interest expense and fiscal charges	(143,475)	(160,320)
Net gain on disposal of assets	6,505	--
Recovery of damage claims	--	1,080
Contribution from other governmental agencies	2,772	--
Total nonoperating revenues	(88,058)	(124,001)
Capital contributions		
Contributions from others	403,926	--
Income (loss) before transfers	735,161	(2,690,419)
Transfers in	430,164	--
Transfers out	(768,570)	--
Net transfers	(338,406)	--
Net income (loss)	396,755	(2,690,419)
Net assets at beginning of year	7,155,995	9,846,414
Net assets at end of year	\$ 7,552,750	\$ 7,155,995

Exhibit 36-C

**MUNICIPAL INFORMATION SYSTEMS FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities		
Receipts from interfund services provided	\$ 17,399,813	\$ 15,090,915
Payments to suppliers	(3,843,794)	(4,078,226)
Payments to employees	(6,270,627)	(6,524,442)
Internal activity - payments to other funds	(3,730,954)	(4,350,872)
Other receipts	2,772	1,080
Net cash provided by operating activities	<u>3,557,210</u>	<u>138,455</u>
Cash flows from noncapital financing activities		
Transfers in from other funds	324,010	--
Transfers out to other funds	(768,570)	--
Net cash used for noncapital financing activities	<u>(444,560)</u>	<u>--</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	(110,778)	(17,469)
Proceeds from sale/disposal of capital assets	6,505	--
Principal paid on long term debt	(1,426,497)	(1,384,656)
Interest expense and fiscal charges	(143,475)	(160,320)
Net cash used for capital and related financing activities	<u>(1,674,245)</u>	<u>(1,562,445)</u>
Cash flows from investing activities		
Purchase of investment securities	(1,000,000)	(1,000,000)
Proceeds from sale and maturity of investment securities	2,000,000	2,000,000
Interest on investments	9,019	47,642
Net cash provided by investing activities	<u>1,009,019</u>	<u>1,047,642</u>
Net increase (decrease) in cash and cash equivalents	2,447,424	(376,348)
Cash and cash equivalents at beginning of year	<u>52,474</u>	<u>428,822</u>
Cash and cash equivalents at end of year	<u>\$ 2,499,898</u>	<u>\$ 52,474</u>
Reconciliation of operating income (loss) to net cash provided by operating activities		
Operating income (loss)	\$ 419,293	\$ (2,566,418)
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	2,536,902	2,471,145
Contribution from other governmental agencies	2,772	--
Recovery of damage claims	--	1,080
Changes in assets and liabilities		
Receivables	(437)	(3,749)
Accounts payable	313,935	(29,146)
Accrued expenses	6,320	28,987
Accumulated unpaid compensated absences	(62,468)	54,601
Net pension obligation	275,687	181,955
Net OPEB obligation	65,206	--
Net cash provided by operating activities	<u>\$ 3,557,210</u>	<u>\$ 138,455</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ (937)	\$ 937
Acquisition of capital assets under capital lease	\$ --	\$ 1,168,407
Transfer of non-cash assets and liabilities	\$ 106,154	\$ --



City of
Corpus
Christi

CORPUS CHRISTI DIGITAL COMMUNITY DEVELOPMENT CORPORATION
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ --	\$ 354,965
Noncurrent assets		
Capital assets		
Improvements other than buildings	--	42,024
Machinery and equipment	--	1,708,858
Total capital assets in service	--	1,750,882
Less accumulated depreciation	--	(448,716)
Net capital assets	--	1,302,166
Total noncurrent assets	--	1,302,166
 Total assets	 --	 1,657,131
LIABILITIES		
Current liabilities		
Accounts payable	--	337,930
Current portion of long-term liabilities		
Long-term debt	--	318,395
Total current liabilities	--	656,325
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	--	814,476
 Total liabilities	 --	 1,470,801
NET ASSETS		
Invested in capital assets, net of related debt	--	169,295
Unrestricted	--	17,035
 Total net assets	 \$ --	 \$ 186,330

CORPUS CHRISTI DIGITAL COMMUNITY DEVELOPMENT CORPORATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2010

	<u>2010</u>	<u>2009</u>
Operating revenues		
Charges for services - net	\$ 2,568,778	\$ 2,985,835
Operating expenses		
Materials and supplies	330,576	506,949
Contractual services	1,152,732	1,883,340
Other operating expenses	350,581	378,525
Uncollectible accounts	132	--
Depreciation	675,005	298,892
Total operating expenses	<u>2,509,026</u>	<u>3,067,706</u>
Operating income (loss)	59,752	(81,871)
Nonoperating revenues (expenses)		
Investment income	68	3,232
Interest expense and fiscal charges	(93,554)	(22,287)
Total nonoperating expenses	<u>(93,486)</u>	<u>(19,055)</u>
Capital contributions		
Contributions from other governmental agencies	<u>--</u>	<u>29,251</u>
Loss before transfers	(33,734)	(71,675)
Transfers out	(152,596)	--
Net transfers	<u>(152,596)</u>	<u>--</u>
Net loss	(186,330)	(71,675)
Net assets at beginning of year	<u>186,330</u>	<u>258,005</u>
Net assets at end of year	<u>\$ --</u>	<u>\$ 186,330</u>

CORPUS CHRISTI DIGITAL COMMUNITY DEVELOPMENT CORPORATION
STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2010

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities		
Receipts from interfund services provided	\$ 2,568,776	\$ 2,985,835
Payments to suppliers	(1,730,935)	(2,219,967)
Internal activity - payments to other funds	(366,473)	(390,444)
Net cash provided by operating activities	<u>471,368</u>	<u>375,424</u>
Cash flows from noncapital financing activities		
Transfers out to other funds	<u>(46,442)</u>	<u>--</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	(90,703)	(62,699)
Contributions from other governmental agencies	--	29,251
Principal paid on long term debt	(595,702)	(164,518)
Interest and fiscal charges	(93,554)	(22,287)
Net cash used for capital and related financing activities	<u>(779,959)</u>	<u>(220,253)</u>
Cash flows from investing activities		
Interest on investments	<u>68</u>	<u>3,232</u>
Net increase (decrease) in cash and cash equivalents	(354,965)	158,403
Cash and cash equivalents at beginning of year	<u>354,965</u>	<u>196,562</u>
Cash and cash equivalents at end of year	<u>\$ --</u>	<u>\$ 354,965</u>
Reconciliation of operating income (loss) to net cash provided by operating activities		
Operating income (loss)	\$ 59,752	\$ (81,871)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities		
Depreciation	675,005	298,892
Provision for uncollectible accounts	132	--
Changes in assets and liabilities		
Receivables	(132)	--
Accounts payable	(263,388)	158,403
Net cash provided by operating activities	<u>\$ 471,369</u>	<u>\$ 375,424</u>
Noncash investing, capital and financing activities		
Acquisition of capital assets under capital lease	\$ 1,767,645	\$ 1,145,042
Transfer of non-cash assets and liabilities	\$ (106,154)	\$ --



City of
Corpus
Christi

**LIABILITY AND EMPLOYEE BENEFITS FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,567,108	\$ 16,334,126
Investments	30,052,967	26,021,562
Receivables		
Accounts	428,841	370,389
Accrued interest	32,994	76,683
Employees	499	67
Allowance for uncollectibles	(63,540)	(55,890)
Net receivables	<u>398,794</u>	<u>391,249</u>
Due from other funds	883,182	520,238
Prepaid items	1,807,209	2,047,580
Total current assets	<u>35,709,260</u>	<u>45,314,755</u>
Noncurrent assets		
Other assets	49,871	49,871
Total noncurrent assets	<u>49,871</u>	<u>49,871</u>
Total assets	<u>35,759,131</u>	<u>45,364,626</u>
LIABILITIES		
Current liabilities		
Accounts payable	903,960	498,287
Accrued expenses	80,235	77,589
Current portion of estimated liability claims	5,696,363	6,416,730
Estimated health insurance claims payable	2,812,000	1,857,000
Liability to claimants-escheat property	23,016	25,227
Unearned revenue	58,190	8,423
Current portion of accumulated unpaid compensated absences	48,308	43,787
Total current liabilities	<u>9,622,072</u>	<u>8,927,043</u>
Noncurrent liabilities		
Estimated liability claims	5,491,334	6,603,787
Accumulated unpaid compensated absences, net of current portion	16,947	13,256
Net pension obligation	59,091	22,055
Net OPEB obligation	11,890,604	10,025,653
Total noncurrent liabilities	<u>17,457,976</u>	<u>16,664,751</u>
Total liabilities	<u>27,080,048</u>	<u>25,591,794</u>
NET ASSETS		
Unrestricted	<u>8,679,083</u>	<u>19,772,832</u>
Total net assets	<u>\$ 8,679,083</u>	<u>\$ 19,772,832</u>

LIABILITY AND EMPLOYEE BENEFITS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Operating revenues		
Charges for services		
Liability insurance	\$ 9,148,237	\$ 7,175,063
Life insurance	96,257	93,286
Health insurance	26,507,841	24,567,968
Disability insurance	146,776	149,340
Administration	1,097,544	1,139,569
Miscellaneous	193	--
Total operating revenues	<u>36,996,848</u>	<u>33,125,226</u>
Operating expenses		
Personal services	936,723	880,977
Materials and supplies	140,123	146,261
Contractual services	2,376,717	2,009,923
Insurance premiums	4,833,100	4,129,141
Other operating expenses	180,369	180,251
Group health claims	23,433,216	21,612,669
General liability claims	1,246,985	2,711,270
Workers' compensation claims	1,431,605	2,690,657
Unemployment compensation claims	262,482	178,599
Other post employment benefits	4,013,931	7,137,303
Uncollectible accounts	7,650	13,108
Total operating expenses	<u>38,862,901</u>	<u>41,690,159</u>
Operating loss	(1,866,053)	(8,564,933)
Nonoperating revenues (expenses)		
Investment income	320,486	973,669
Interest expense and fiscal charges	(12,474)	(14,589)
Recovery of damage claims	--	243
Total nonoperating revenues	<u>308,012</u>	<u>959,323</u>
Loss before transfers	(1,558,041)	(7,605,610)
Transfers in	3,822	--
Transfers out	(9,539,530)	--
Net transfers	<u>(9,535,708)</u>	<u>--</u>
Net loss	(11,093,749)	(7,605,610)
Net assets at beginning of year	<u>19,772,832</u>	<u>27,378,442</u>
Net assets at end of year	<u>\$ 8,679,083</u>	<u>\$ 19,772,832</u>

**LIABILITY AND EMPLOYEE BENEFITS FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities		
Receipts from customers	\$ 9,762,949	\$ 9,293,129
Receipts from interfund services provided	26,622,621	23,851,560
Payments to suppliers	(6,784,329)	(6,665,325)
Payments to employees	(819,740)	(790,183)
Internal activity - payments to other funds	444,116	(164,153)
Claims paid	(29,409,775)	(28,892,669)
Other receipts	--	243
Net cash used for operating activities	<u>(184,158)</u>	<u>(3,367,398)</u>
Cash flows from noncapital financing activities		
Changes in interfund borrowings	(367,448)	37,974
Interest on interfund borrowings	(12,474)	(14,589)
Transfers in from other funds	3,822	--
Transfers out to other funds	(9,539,530)	--
Net cash provided by (used for) noncapital financing activities	<u>(9,915,630)</u>	<u>23,385</u>
Cash flows from investing activities		
Purchase of investment securities	(73,000,000)	(35,984,000)
Proceeds from sale and maturity of investment securities	68,984,000	52,000,000
Interest on investments	348,770	1,128,941
Net cash provided by (used for) investing activities	<u>(3,667,230)</u>	<u>17,144,941</u>
Net increase (decrease) in cash and cash equivalents	(13,767,018)	13,800,928
Cash and cash equivalents at beginning of year	<u>16,334,126</u>	<u>2,533,198</u>
Cash and cash equivalents at end of year	<u>\$ 2,567,108</u>	<u>\$ 16,334,126</u>
Reconciliation of operating loss to net cash used for operating activities		
Operating loss	\$ (1,866,053)	\$ (8,564,933)
Adjustments to reconcile operating loss to net cash used for operating activities		
Provision for uncollectible accounts	7,650	13,108
Recovery of damage claims	--	243
Changes in assets and liabilities		
Receivables	(58,885)	21,426
Due from other funds	4,505	--
Prepaid items	240,371	(229,726)
Accounts payable	405,673	(74,724)
Accrued expenses	2,645	7,684
Estimated claims liability	(877,820)	313,300
Liability to claimants-escheat property	(2,211)	(62,042)
Unearned revenue	49,768	(2,661)
Accumulated unpaid compensated absences	8,211	1,601
Net pension obligation	37,036	22,055
Net OPEB obligation	1,864,951	5,187,271
Net cash used for operating activities	<u>\$ (184,159)</u>	<u>\$ (3,367,398)</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ 15,404	\$ 38,064



City of
Corpus
Christi

**ENGINEERING SERVICES FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 978,991	\$ 1,650,219
Receivables		
Accounts	279	--
Total current assets	<u>979,270</u>	<u>1,650,219</u>
Noncurrent assets		
Capital assets		
Land	1,099	1,099
Machinery and equipment	243,102	183,592
Total capital assets in service	<u>244,201</u>	<u>184,691</u>
Less accumulated depreciation	(158,271)	(144,466)
Net capital assets	<u>85,930</u>	<u>40,225</u>
Total noncurrent assets	<u>85,930</u>	<u>40,225</u>
Total assets	<u>1,065,200</u>	<u>1,690,444</u>
LIABILITIES		
Current liabilities		
Accounts payable	51,818	142,771
Accrued expenses	119,706	131,428
Current portion of accumulated unpaid compensated absences	168,382	152,006
Total current liabilities	<u>339,906</u>	<u>426,205</u>
Noncurrent liabilities		
Accumulated unpaid compensated absences, net of current portion	381,253	372,029
Net pension obligation	229,338	90,430
Net OPEB obligation	34,515	--
Total noncurrent liabilities	<u>645,106</u>	<u>462,459</u>
Total liabilities	<u>985,012</u>	<u>888,664</u>
NET ASSETS		
Invested in capital assets	85,930	40,225
Unrestricted	(5,742)	761,555
Total net assets	<u>\$ 80,188</u>	<u>\$ 801,780</u>

**ENGINEERING SERVICES FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2010 AND 2009**

	2010	2009
Operating revenues		
Charges for services - net	\$ 3,810,104	\$ 4,332,371
Operating expenses		
Personal services	3,609,676	3,330,845
Materials and supplies	72,000	87,016
Contractual services	419,660	630,217
Other operating expenses	585,726	542,123
Depreciation	13,805	16,506
Total operating expenses	4,700,867	4,606,707
Operating loss	(890,763)	(274,336)
Nonoperating revenues		
Investment income	363	868
Interest expense and fiscal charges	(1,039)	(222)
Net gain on disposal of assets	978	--
Recovery of damage claims	1,500	--
Total nonoperating revenues	1,802	646
Loss before transfers	(888,961)	(273,690)
Transfers in	167,369	--
Net loss	(721,592)	(273,690)
Net assets at beginning of year	801,780	1,075,470
Net assets at end of year	\$ 80,188	\$ 801,780

**ENGINEERING SERVICES FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities		
Receipts from customers	\$ 33,388	\$ 38,227
Receipts from interfund services provided	3,776,437	5,237,504
Payments to suppliers	(590,647)	(643,246)
Payments to employees	(3,115,639)	(2,910,770)
Internal activity - payments to other funds	(884,428)	(760,134)
Other receipts	1,500	--
Net cash provided by (used for) operating activities	<u>(779,389)</u>	<u>961,581</u>
Cash flows from noncapital financing activities		
Interest on interfund borrowings	(676)	646
Transfers in from other funds	167,369	--
Net cash provided by noncapital financing activities	<u>166,693</u>	<u>646</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	(59,510)	--
Proceeds from sale/disposal of capital assets	978	1,099
Net cash provided by (used for) capital and related financing activity	<u>(58,532)</u>	<u>1,099</u>
Net increase (decrease) in cash and cash equivalents	(671,228)	963,326
Cash and cash equivalents at beginning of year	<u>1,650,219</u>	<u>686,893</u>
Cash and cash equivalents at end of year	<u>\$ 978,991</u>	<u>\$ 1,650,219</u>
Reconciliation of operating loss to net cash provided by (used for) operating activities		
Operating loss	\$ (890,763)	\$ (274,336)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities		
Depreciation	13,805	16,506
Recovery of damage claims	1,500	--
Changes in assets and liabilities		
Receivables	(279)	--
Due from other funds	--	943,360
Accounts payable	(90,954)	83,952
Accrued expenses	(11,721)	43,936
Accumulated unpaid compensated absences	25,600	57,733
Net pension obligation	138,908	90,430
Net OPEB obligation	34,515	--
Net cash provided by (used for) operating activities	<u>\$ (779,389)</u>	<u>\$ 961,581</u>



City of
Corpus
Christi



City of
Corpus
Christi

**DISCRETELY PRESENTED COMPONENT UNITS
COMBINING STATEMENT OF NET ASSETS
JULY 31, 2010**

	Coastal Bend Health Facilities Development Corporation	Corpus Christi Convention and Visitors Bureau	Total
ASSETS			
Cash and cash equivalents	\$ 3,714	\$ 560,438	\$ 564,152
Receivables	--	93,777	93,777
Inventories	--	7,245	7,245
Prepaid items	--	28,473	28,473
Capital assets, net of accumulated depreciation	--	257,500	257,500
Total assets	<u>3,714</u>	<u>947,433</u>	<u>951,147</u>
LIABILITIES			
Accounts payable	--	283,363	283,363
Accrued liabilities	--	120	120
Notes payable	--	20,000	20,000
Total liabilities	<u>--</u>	<u>303,483</u>	<u>303,483</u>
NET ASSETS			
Invested in capital assets	--	257,500	257,500
Unrestricted	3,714	386,450	390,164
Total net assets	<u>\$ 3,714</u>	<u>\$ 643,950</u>	<u>\$ 647,664</u>

**DISCRETELY PRESENTED COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2010**

	Coastal Bend Health Facilities Development Corporation	Corpus Christi Convention and Visitors Bureau	Total
Expenditures/expenses			
Convention and visitor activities	\$ --	\$ 3,366,169	\$ 3,366,169
Program revenue			
Charges for services	--	262,828	262,828
Operating grants and contributions	--	80,000	80,000
Net program expense	--	(3,023,341)	(3,023,341)
General revenue			
Earnings on investments	8	2,366	2,374
Payments from the City of Corpus Christi	--	2,970,000	2,970,000
Total general revenues	8	2,972,366	2,972,374
Change in net assets	8	(50,975)	(50,967)
Net assets beginning of year	3,706	694,925	698,631
Net assets end of year	\$ 3,714	\$ 643,950	\$ 647,664

**COASTAL BEND HEALTH FACILITIES DEVELOPMENT CORPORATION
STATEMENT OF NET ASSETS
JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and cash equivalents	\$ 3,714	\$ 3,706
LIABILITIES	<u>--</u>	<u>--</u>
NET ASSETS		
Unrestricted	<u>3,714</u>	<u>3,706</u>
Net assets	<u>\$ 3,714</u>	<u>\$ 3,706</u>

COASTAL BEND HEALTH FACILITIES DEVELOPMENT CORPORATION
 STATEMENT OF ACTIVITIES
 YEAR ENDED JULY 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Expenditures/expenses		
Health	\$ --	\$ --
General revenue		
Earnings on investments	<u> 8</u>	<u> 35</u>
Change in net assets	8	35
Fund balance/net assets beginning of year	<u> 3,706</u>	<u> 3,671</u>
Fund balance/net assets end of year	<u>\$ 3,714</u>	<u>\$ 3,706</u>

**CORPUS CHRISTI CONVENTION AND VISITORS BUREAU
STATEMENT OF NET ASSETS
JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and cash equivalents	\$ 560,438	\$ 400,842
Accounts receivable	93,777	182,435
Inventories	7,245	8,012
Prepaid items	28,473	71,552
Capital assets, net of accumulated depreciation	<u>257,500</u>	<u>265,553</u>
Total assets	<u>947,433</u>	<u>928,394</u>
LIABILITIES		
Accounts payable	283,363	233,297
Accrued liabilities	120	172
Notes payable	<u>20,000</u>	<u>--</u>
Total liabilities	<u>303,483</u>	<u>233,469</u>
NET ASSETS		
Invested in capital assets	257,500	265,553
Unrestricted	<u>386,450</u>	<u>429,372</u>
Total net assets	<u>\$ 643,950</u>	<u>\$ 694,925</u>

**CORPUS CHRISTI CONVENTION AND VISITORS BUREAU
STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
Expenditures/expenses		
Convention and visitor activities	\$ 3,366,169	\$ 3,353,448
Program revenue		
Charges for services	262,828	185,300
Operating grants and contributions	80,000	--
Net program expense	<u>(3,023,341)</u>	<u>(3,168,148)</u>
General revenue		
Earnings on investments	2,366	4,809
Payments from the City of Corpus Christi	2,970,000	3,301,660
Total general revenues	<u>2,972,366</u>	<u>3,306,469</u>
Change in net assets	(50,975)	138,321
Fund balance/net assets beginning of year	<u>694,925</u>	<u>556,604</u>
Fund balance/net assets end of year	<u><u>\$ 643,950</u></u>	<u><u>\$ 694,925</u></u>



City of
Corpus
Christi

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY SOURCE *
JULY 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
Governmental funds capital assets		
Land	\$ 64,212,824	\$ 63,416,088
Buildings	215,087,714	214,864,415
Improvements other than buildings	213,284,451	206,388,501
Machinery and equipment	113,694,963	106,574,955
Infrastructure	265,803,465	230,520,555
Construction in progress	<u>81,508,090</u>	<u>75,698,581</u>
Total governmental funds capital assets	<u>\$ 953,591,507</u>	<u>\$ 897,463,095</u>
Investment in governmental funds capital assets by source		
Capital projects funds	\$ 708,332,629	\$ 664,303,351
General and special revenue funds	79,338,592	71,230,992
Donations	17,214,313	17,214,313
Developers contributions	18,939,729	18,359,616
Federal revenue sharing	101,860,061	98,872,025
Tax increment zone	22,861,080	22,437,694
Claim settlements	<u>5,045,103</u>	<u>5,045,103</u>
Total investment in governmental funds capital assets by source	<u>\$ 953,591,507</u>	<u>\$ 897,463,094</u>

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

City of Corpus Christi, Texas

CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY *
JULY 31, 2010

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
General Government				
Control				
City Council and City Secretary	\$ 397,358	\$ --	\$ 14,000	\$ 4,319
City Manager	359,940	--	--	7,673
Management and budget	102,156	--	--	--
Information services	1,369,485	--	--	600
Total control	<u>2,228,939</u>	<u>--</u>	<u>14,000</u>	<u>12,592</u>
Staff Agencies				
Director of finance	54,522	--	--	--
Accounting	3,874,599	--	--	92,405
Federal grant accounting	5,317	--	--	--
Accounts receivable and meter reading	566,240	--	--	--
Central cashing	192,096	--	--	--
Cash management	6,577	--	--	--
Utility billing office administration and customer service operation	2,118,616	--	--	--
Nueces County Tax Appraisal District	70,588	--	--	3,710
Purchasing	47,964	--	--	--
Messenger service	1,675	--	--	--
City Attorney	388,621	--	--	118
Business development	35,074	--	--	--
Planning	650,015	--	--	--
Human resources	2,986,711	--	--	--
Human relations	3,450	--	--	--
City Hall vehicle pool	14,994	--	--	--
City Hall and Emergency Management Facility	22,875,444	3,732,487	17,705,759	89,844
Total staff agencies	<u>33,892,503</u>	<u>3,732,487</u>	<u>17,705,759</u>	<u>186,077</u>
Miscellaneous	2,655,646	359,224	37,170	1,515,500
Total general government	<u>38,777,088</u>	<u>4,091,711</u>	<u>17,756,929</u>	<u>1,714,169</u>
Police and municipal court				
Police				
Police	21,145,320	2,325,928	6,773,411	902,613
Crime Control District	833,197	--	--	--
Total police	<u>21,978,517</u>	<u>2,325,928</u>	<u>6,773,411</u>	<u>902,613</u>
Municipal Court	1,862,841	--	107,715	60,027
Total police and municipal court	<u>23,841,358</u>	<u>2,325,928</u>	<u>6,881,126</u>	<u>962,640</u>
Fire				
Fire	26,473,357	956,298	4,625,931	4,275,104
Fire academy	29,896	--	--	--
Fire prevention	140,443	--	--	--
Total fire	<u>26,643,696</u>	<u>956,298</u>	<u>4,625,931</u>	<u>4,275,104</u>
Ambulance	4,570,079	--	--	--
Emergency management				
Emergency management	119,665	--	--	7,592
Local Emergency Planning Committee	10,775	--	--	--
Total emergency management	<u>130,440</u>	<u>--</u>	<u>--</u>	<u>7,592</u>

(Continued)

Exhibit 43-B

<u>Machinery and Equipment</u>	<u>Infrastructure</u>
\$ 379,039	\$ --
352,267	--
102,156	--
<u>1,368,885</u>	<u>--</u>
<u>2,202,347</u>	<u>--</u>
54,522	--
3,782,194	--
5,317	--
566,240	--
192,096	--
6,577	--
2,118,616	--
66,878	--
47,964	--
1,675	--
388,503	--
35,074	--
650,015	--
2,986,711	--
3,450	--
14,994	--
<u>1,347,354</u>	<u>--</u>
<u>12,268,180</u>	<u>--</u>
743,752	--
<u>15,214,279</u>	<u>--</u>
11,143,368	--
<u>833,197</u>	<u>--</u>
<u>11,976,565</u>	<u>--</u>
1,695,099	--
<u>13,671,664</u>	<u>--</u>
16,616,024	--
29,896	--
<u>140,443</u>	<u>--</u>
<u>16,786,363</u>	<u>--</u>
<u>4,570,079</u>	<u>--</u>
112,073	--
<u>10,775</u>	<u>--</u>
<u>122,848</u>	<u>--</u>

City of Corpus Christi, Texas

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY *
JULY 31, 2010**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
Inspections				
Building inspection	382,608	--	--	--
Petroleum inspection	5,223	--	--	--
Total inspections	<u>387,831</u>	<u>--</u>	<u>--</u>	<u>--</u>
Streets				
Director and engineering office	649,574	--	16,106	58,634
Streets, sidewalks, curbs and gutters	246,715,688	13,507,410	--	480,761
Street maintenance and construction	17,443,683	266,937	4,920	9,760,677
Street signs and markings	186,410	--	--	--
Street cleaning	70,868	--	--	--
Harbor Bridge and approaches	7,322,587	64,110	--	7,258,477
JFK Causeway	4,000,000	--	--	4,000,000
Seawall	45,808,864	--	--	45,808,864
Traffic engineering	4,549,288	--	14,999	286,136
Parking control	186,942	--	--	32,690
Total streets	<u>326,933,904</u>	<u>13,838,457</u>	<u>36,025</u>	<u>67,686,239</u>
Solid Waste				
Office	135,883	--	17,083	--
Refuse collections	15,822,001	--	133,224	107,934
Refuse disposal	70,127,926	7,552,217	78,648	39,902,762
Total solid waste	<u>86,085,810</u>	<u>7,552,217</u>	<u>228,955</u>	<u>40,010,696</u>
Health				
Health	5,271,634	61,909	3,306,318	299,781
Animal control	4,370,911	--	3,466,102	481,450
Total health	<u>9,642,545</u>	<u>61,909</u>	<u>6,772,420</u>	<u>781,231</u>
Parks, recreation and education				
Director of parks and recreation	53,342	--	--	--
Parks	71,521,522	17,041,539	1,544,412	45,226,837
Recreation	7,953,133	936,536	1,695,035	4,481,607
Miradores and Selena Memorial	1,965,000	--	--	1,965,000
Senior services	4,707,382	130,714	3,231,028	1,111,302
Upper level college facilities	1,529,971	1,510,810	--	19,161
Municipal service center	2,177,428	204,024	662,316	--
Total parks, recreation and education	<u>89,907,778</u>	<u>19,823,623</u>	<u>7,132,791</u>	<u>52,803,907</u>
Libraries				
Libraries	28,249,618	773,001	15,276,099	470,258
Corpus Christi museums				
Corpus Christi museums	6,502,515	--	4,724,292	1,282,349
Community enrichment				
Cultural and convention facilities				
Multipurpose arena	48,628,359	2,829,110	43,198,880	2,600,369
Coliseum	2,799,472	--	1,850,979	392,843
Auditorium	6,067,142	--	6,025,014	--
Baseball stadium	28,191,770	1,836,762	26,186,852	168,156
Harbor Playhouse	883,928	--	869,675	3,409
Convention center	63,865,570	798,244	52,566,698	2,784,870
Water Garden	1,508,263	--	--	1,499,926
Bayfront Science Park	10,574,495	3,647,642	2,468,913	4,290,195
Texas State Aquarium	20,844,296	2,047,044	11,024,033	7,773,219
Total cultural and convention facilities	<u>183,363,295</u>	<u>11,158,802</u>	<u>144,191,044</u>	<u>19,512,987</u>

(Continued)

Exhibit 43-B
(Continued)

<u>Machinery and Equipment</u>	<u>Infrastructure</u>
382,608	--
5,223	--
<u>387,831</u>	<u>--</u>
574,834	--
652,834	232,074,683
7,411,149	--
186,410	--
70,868	--
--	--
--	--
--	--
4,248,153	--
154,252	--
<u>13,298,500</u>	<u>232,074,683</u>
118,800	--
15,580,843	--
5,483,236	17,111,063
<u>21,182,879</u>	<u>17,111,063</u>
1,603,626	--
423,359	--
<u>2,026,985</u>	<u>--</u>
53,342	--
2,779,379	4,929,355
839,955	--
--	--
234,338	--
--	--
1,311,088	--
<u>5,218,102</u>	<u>4,929,355</u>
11,730,260	--
495,874	--
--	--
555,650	--
42,128	--
--	--
10,844	--
7,715,758	--
8,337	--
167,745	--
--	--
<u>8,500,462</u>	<u>--</u>

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY *
JULY 31, 2010**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
Community enrichment (continued)				
Sister City	2,338	--	--	--
Bicentennial celebration	5,358	--	--	--
Public art	77,395	--	--	77,395
Total community enrichment	<u>183,448,386</u>	<u>11,158,802</u>	<u>144,191,044</u>	<u>19,590,382</u>
Community development				
Housing rehabilitation	31,827	19,750	--	--
Neighborhood improvement	198,511	--	--	4,255
Community renewal	12,633	--	--	--
Community Development Block Grant	30,776,111	800,221	6,018,086	23,695,629
Corpus Christi Community Improvement Corp.	1,473,294	59,497	1,413,797	--
Total community development	<u>32,492,376</u>	<u>879,468</u>	<u>7,431,883</u>	<u>23,699,884</u>
Other general capital assets:				
Packery Channel	11,688,364	--	--	--
Army Corp of Engineers office	10,909	--	10,909	--
State School sports complex	14,750	--	14,750	--
Workforce development	4,560	--	4,560	--
Naval Air Station safety zone	2,672,482	2,672,482	--	--
Transit facility	78,928	78,928	--	--
Total other general capital assets	<u>14,469,993</u>	<u>2,751,410</u>	<u>30,219</u>	<u>--</u>
Total capital assets in service	872,083,417	64,212,824	215,087,714	213,284,451
Less: accumulated depreciation	<u>419,139,461</u>	<u>--</u>	<u>66,413,631</u>	<u>111,834,863</u>
Net capital assets in service	<u>452,943,956</u>	<u>64,212,824</u>	<u>148,674,083</u>	<u>101,449,588</u>
Construction in progress	<u>81,508,090</u>	<u>567,647</u>	<u>2,110,437</u>	<u>43,298,463</u>
Total general capital assets	<u>\$ 534,452,046</u>	<u>\$ 64,780,471</u>	<u>\$ 150,784,520</u>	<u>\$ 144,748,051</u>

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

Exhibit 43-B
(Continued)

<u>Machinery and Equipment</u>	<u>Infrastructure</u>
2,338	--
5,358	--
--	--
<u>8,508,158</u>	<u>--</u>
12,077	--
194,256	--
12,633	--
262,175	--
--	--
<u>481,141</u>	<u>--</u>
--	11,688,364
--	--
--	--
--	--
--	--
<u>--</u>	<u>11,688,364</u>
113,694,963	265,803,465
<u>92,399,440</u>	<u>148,491,527</u>
<u>21,295,523</u>	<u>117,311,938</u>
<u>113,707</u>	<u>35,417,836</u>
<u>\$ 21,409,230</u>	<u>\$ 152,729,774</u>

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, 2010**

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
General government				
Control				
City Council and City Secretary	\$ 397,358	\$ --	\$ --	\$ 397,358
City Manager	359,940	--	--	359,940
Management and budget	102,156	--	--	102,156
Information services	835,417	534,068	--	1,369,485
Total control	<u>1,694,871</u>	<u>534,068</u>	<u>--</u>	<u>2,228,939</u>
Staff agencies				
Director of finance	54,522	--	--	54,522
Accounting	3,874,599	--	--	3,874,599
Federal grant accounting	5,317	--	--	5,317
Accounts receivable and meter reading	566,240	--	--	566,240
Central cashiering	192,096	--	--	192,096
Cash management	6,577	--	--	6,577
Utilities billing office administration and customer service operation	2,118,616	--	--	2,118,616
Nueces County Tax Appraisal District	70,588	--	--	70,588
Purchasing	47,964	--	--	47,964
Messenger service	1,675	--	--	1,675
City attorney	388,621	--	--	388,621
Business development	35,074	--	--	35,074
Planning	650,015	--	--	650,015
Human resources	2,986,711	--	--	2,986,711
Human relations	3,450	--	--	3,450
City Hall vehicle pool	14,994	--	--	14,994
City Hall and Emergency Management Facility	22,875,444	--	--	22,875,444
Total staff agencies	<u>33,892,503</u>	<u>--</u>	<u>--</u>	<u>33,892,503</u>
Miscellaneous	2,496,644	159,002	--	2,655,646
Total general government	<u>38,084,018</u>	<u>693,070</u>	<u>--</u>	<u>38,777,088</u>
Police and municipal court				
Police	19,938,788	1,317,689	111,157	21,145,320
Crime Control District	833,197	--	--	833,197
Total police	<u>20,771,985</u>	<u>1,317,689</u>	<u>111,157</u>	<u>21,978,517</u>
Municipal court	1,862,841	--	--	1,862,841
Total police and municipal court	<u>22,634,826</u>	<u>1,317,689</u>	<u>111,157</u>	<u>23,841,358</u>
Fire				
Fire	25,314,080	1,159,277	--	26,473,357
Fire academy	29,896	--	--	29,896
Fire prevention	140,443	--	--	140,443
Total fire	<u>25,484,419</u>	<u>1,159,277</u>	<u>--</u>	<u>26,643,696</u>
Ambulance	4,329,079	241,000	--	4,570,079

(Continued)

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
BY FUNCTION AND ACTIVITY *
FISCAL YEAR ENDED JULY 31, 2010**

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Emergency management				
Emergency management	119,665	--	--	119,665
Local emergency planning committee	10,775	--	--	10,775
Total emergency management	<u>130,440</u>	<u>--</u>	<u>--</u>	<u>130,440</u>
Inspections				
Building inspection	318,252	64,356	--	382,608
Petroleum inspection	5,223	--	--	5,223
Total inspections	<u>323,475</u>	<u>64,356</u>	<u>--</u>	<u>387,831</u>
Streets				
Director and engineering office	649,574	--	--	649,574
Streets, sidewalks, curbs and gutters	211,866,934	34,848,755	--	246,715,689
Street maintenance and construction	16,200,603	1,243,080	--	17,443,683
Street signs and markings	186,410	--	--	186,410
Street cleaning	70,868	--	--	70,868
Harbor Bridge and approaches	7,322,587	--	--	7,322,587
JFK Causeway	4,000,000	--	--	4,000,000
Seawall	45,808,864	--	--	45,808,864
Traffic engineering	4,549,287	--	--	4,549,287
Parking control	186,942	--	--	186,942
Total streets	<u>290,842,069</u>	<u>36,091,835</u>	<u>--</u>	<u>326,933,904</u>
Solid Waste				
Office	69,433	66,450	--	135,883
Refuse collections	13,896,837	1,925,164	--	15,822,001
Refuse disposal	67,542,158	2,585,768	--	70,127,926
Total solid waste	<u>81,508,428</u>	<u>4,577,382</u>	<u>--</u>	<u>86,085,810</u>
Health				
Health	5,051,803	219,831	--	5,271,634
Animal control	4,370,911	--	--	4,370,911
Total health	<u>9,422,714</u>	<u>219,831</u>	<u>--</u>	<u>9,642,545</u>
Parks, recreation and education				
Director of parks and recreation	53,342	--	--	53,342
Parks	68,363,421	3,194,831	36,730	71,521,522
Recreation	6,362,356	1,590,777	--	7,953,133
Miradores and Selena Memorial	1,965,000	--	--	1,965,000
Senior services	4,707,382	--	--	4,707,382
Upper level college facilities	1,529,971	--	--	1,529,971
Municipal service center	2,177,428	--	--	2,177,428
Total parks, recreation and education	<u>85,158,900</u>	<u>4,785,608</u>	<u>36,730</u>	<u>89,907,778</u>
Libraries	<u>28,211,022</u>	<u>38,596</u>	<u>--</u>	<u>28,249,618</u>
Corpus Christi museums	<u>6,502,515</u>	<u>--</u>	<u>--</u>	<u>6,502,515</u>

(Continued)



City of
Corpus
Christi

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
BY FUNCTION AND ACTIVITY *
FISCAL YEAR ENDED JULY 31, 2010**

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Community enrichment				
Cultural and convention facilities				
Multipurpose arena	48,628,359	--	--	48,628,359
Coliseum	2,799,472	--	--	2,799,472
Auditorium	6,067,142	--	--	6,067,142
Baseball stadium	28,191,770	--	--	28,191,770
Harbor Playhouse	883,928	--	--	883,928
Convention center	63,604,322	261,248	--	63,865,570
Water Garden	1,508,263	--	--	1,508,263
Bayfront Science Park	10,563,996	10,499	--	10,574,495
Texas State Aquarium	20,844,296	--	--	20,844,296
Total cultural and convention facilities	<u>183,091,548</u>	<u>271,747</u>	<u>--</u>	<u>183,363,295</u>
Sister City	2,338	--	--	2,338
Bicentennial celebration	5,358	--	--	5,358
Public art	67,826	9,569	--	77,395
Total community enrichment	<u>183,167,070</u>	<u>281,316</u>	<u>--</u>	<u>183,448,386</u>
Community development				
Housing rehabilitation	31,827	--	--	31,827
Neighborhood improvement	198,511	--	--	198,511
Community renewal	12,633	--	--	12,633
Community Development Block Grant	30,213,437	562,674	--	30,776,111
Corpus Christi Improvement Corp.	1,473,294	--	--	1,473,294
Total community development	<u>31,929,702</u>	<u>562,674</u>	<u>--</u>	<u>32,492,376</u>
Other general capital assets:				
Packery Channel	11,254,208	434,156	--	11,688,364
Army Corp of Engineers office	10,909	--	--	10,909
State School sports complex	14,750	--	--	14,750
Workforce development	4,560	--	--	4,560
Naval Air Station safety zone	2,672,482	--	--	2,672,482
Transit facility	78,928	--	--	78,928
Total other general capital assets	<u>14,035,837</u>	<u>434,156</u>	<u>--</u>	<u>14,469,993</u>
Total capital assets in service	<u>821,764,514</u>	<u>50,466,790</u>	<u>147,887</u>	<u>872,083,417</u>
Less: accumulated depreciation	391,150,040	28,091,533	102,112	419,139,461
Net capital assets in service	<u>430,614,474</u>	<u>22,375,257</u>	<u>45,775</u>	<u>452,943,956</u>
Construction in progress	75,698,581	5,809,509	--	81,508,090
Total general capital assets	<u>\$ 506,313,055</u>	<u>\$ 28,184,766</u>	<u>\$ 45,775</u>	<u>\$ 534,452,046</u>

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



City of
Corpus
Christi

Statistical Section

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

<u>Contents</u>	<u>Page</u>
Financial Trends	286
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	
Revenue Capacity	300
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	
Debt Capacity	308
<i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	315
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	
Operating Information	318
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	

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

City of Corpus Christi, Texas

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

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

Note: The data in this table is abstracted from Exhibit 1-A and has only been available since fiscal year 2002 when the City of Corpus Christi implemented GASB 34.

Table 1

Fiscal Year				
<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$ 95,591,014	\$ 160,007,194	\$ 171,559,799	\$ 184,297,821	\$ 190,984,493
--	5,085,156	7,161,689	8,706,284	81,610,847
144,449,151	108,485,456	118,117,170	102,378,371	19,260,356
<u>\$ 240,040,165</u>	<u>\$ 273,577,806</u>	<u>\$ 296,838,658</u>	<u>\$ 295,382,476</u>	<u>\$ 291,855,696</u>
\$ 505,475,536	\$ 557,699,068	\$ 614,734,623	\$ 588,187,607	\$ 685,455,079
28,524,868	20,698,409	17,162,129	15,547,632	13,445,408
85,278,867	40,565,906	1,923,108	49,119,110	16,803,962
<u>\$ 619,279,271</u>	<u>\$ 618,963,383</u>	<u>\$ 633,819,860</u>	<u>\$ 652,854,349</u>	<u>\$ 715,704,449</u>
\$601,066,550	\$ 717,706,262	\$ 786,294,422	\$ 772,485,428	\$ 876,439,572
28,524,868	25,783,565	24,323,818	24,253,916	95,056,255
229,728,018	149,051,362	120,040,278	151,497,481	36,064,318
<u>\$ 859,319,436</u>	<u>\$ 892,541,189</u>	<u>\$ 930,658,518</u>	<u>\$ 948,236,825</u>	<u>\$ 1,007,560,145</u>

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

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

City of Corpus Christi, Texas

Table 2

		Fiscal Year							
		<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>			
\$	18,932,482	\$	20,909,738	\$	20,658,739	\$	22,072,622	\$	19,480,668
	60,561,629		67,186,703		73,018,660		78,931,771		81,171,817
	33,180,982		37,478,787		38,221,888		42,520,139		43,287,584
	2,392,096		358,799		470,593		525,077		505,319
	1,805,234		1,721,108		1,699,251		2,171,232		1,664,676
	21,438,339		23,145,350		25,060,354		25,814,362		25,674,747
	6,416,746		6,126,090		6,856,261		7,450,418		7,505,758
	19,253,871		18,933,077		21,455,686		21,767,352		21,577,152
	4,596,041		4,593,979		4,993,605		5,612,844		5,298,406
	1,521,829		1,412,561		1,886,531		1,842,929		1,853,104
	1,500,961		1,784,029		2,624,646		3,476,141		4,220,179
	6,228,409		4,114,411		4,594,232		5,830,606		10,403,520
	18,437,872		18,615,167		18,134,378		17,167,605		15,183,072
	17,291,116		14,713,700		14,665,318		14,950,035		16,156,130
	<u>213,557,607</u>		<u>221,093,499</u>		<u>234,340,142</u>		<u>250,133,133</u>		<u>253,982,132</u>
	11,872,414		27,045,462		20,075,708		18,442,528		22,418,231
	87,305,836		86,542,198		94,885,353		97,638,099		93,937,152
	37,394,842		36,919,568		38,128,913		31,286,452		31,748,907
	38,851,313		39,548,014		42,411,241		43,450,764		46,795,236
	11,154,572		10,991,302		11,555,900		12,228,908		11,406,735
	1,795,616		1,780,434		1,948,903		2,133,840		2,051,107
	1,381,124		1,692,618		1,806,755		1,864,063		1,861,705
	<u>189,755,717</u>		<u>204,519,596</u>		<u>210,812,773</u>		<u>207,044,654</u>		<u>210,219,073</u>
\$	<u>403,313,324</u>	\$	<u>425,613,095</u>	\$	<u>445,152,915</u>	\$	<u>457,177,787</u>	\$	<u>464,201,205</u>
\$	20,293,609	\$	20,328,447	\$	21,120,037	\$	19,995,923	\$	20,566,739
	16,365,087		18,053,712		18,582,177		19,328,378		20,021,375
	16,315,719		16,564,997		13,198,200		13,466,048		11,839,459
	12,553,974		13,585,522		13,293,341		13,519,519		15,768,215
	6,788,244		5,742,472		9,215,148		5,160,566		8,274,872
	<u>72,316,633</u>		<u>74,275,150</u>		<u>75,408,903</u>		<u>71,470,434</u>		<u>76,470,660</u>

City of Corpus Christi, Texas

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

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

Note: The data in this table has only been available since fiscal year 2002 when the City of Corpus Christi implemented GASB 34.

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

City of Corpus Christi, Texas

Table 2
(Continued)

Fiscal Year				
<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$ 24,187,529	\$ 26,641,520	\$ 29,843,162	\$ 30,979,626	\$ 32,011,959
84,775,949	75,147,044	87,131,217	106,536,846	96,571,762
40,274,507	40,694,377	43,166,492	33,159,669	36,520,847
36,284,201	38,833,360	41,784,614	45,227,800	51,048,604
9,908,494	9,764,349	9,948,929	8,562,286	8,594,836
2,242,033	1,740,134	1,943,751	1,732,263	1,838,093
1,222,145	1,326,631	1,436,603	1,592,825	1,572,406
8,634,637	105,065	47,668	495,845	120,435
12,018,013	26,818,057	24,436,963	7,863,922	9,557,122
<u>219,547,508</u>	<u>221,070,537</u>	<u>239,739,399</u>	<u>236,151,082</u>	<u>237,836,064</u>
<u>\$ 291,864,141</u>	<u>\$ 295,345,687</u>	<u>\$ 315,148,302</u>	<u>\$ 307,621,516</u>	<u>\$ 314,306,724</u>
\$ (141,240,974)	\$ (146,818,349)	\$ (158,931,239)	\$ (178,662,699)	\$ (177,511,472)
29,791,791	16,550,941	28,926,626	29,106,428	27,616,991
<u>\$ (111,449,183)</u>	<u>\$ (130,267,408)</u>	<u>\$ (130,004,613)</u>	<u>\$ (149,556,271)</u>	<u>\$ (149,894,481)</u>
\$ 50,834,041	\$ 51,477,867	\$ 52,288,456	\$ 55,410,412	\$ 57,291,695
20,470,482	22,105,552	25,021,687	26,278,717	27,358,566
61,261,030	66,124,730	70,120,506	71,018,975	64,654,960
9,408,919	9,630,152	10,337,342	10,127,333	9,919,560
--	--	--	--	--
5,423,353	7,321,196	6,220,124	2,825,071	1,283,513
--	--	--	--	--
16,259,591	18,759,642	18,203,976	11,546,009	13,476,398
<u>163,657,416</u>	<u>175,419,139</u>	<u>182,192,091</u>	<u>177,206,517</u>	<u>173,984,692</u>
6,798,421	7,120,196	4,133,827	1,474,070	825,924
(16,259,591)	(18,759,642)	(18,203,976)	(11,546,009)	(13,476,398)
<u>(9,461,170)</u>	<u>(11,639,446)</u>	<u>(14,070,149)</u>	<u>(10,071,939)</u>	<u>(12,650,474)</u>
<u>\$ 154,196,246</u>	<u>\$ 163,779,693</u>	<u>\$ 168,121,942</u>	<u>\$ 167,134,578</u>	<u>\$ 161,334,218</u>
\$ 22,416,442	\$ 28,600,790	\$ 23,260,852	\$ (1,456,182)	\$ (3,526,780)
20,330,621	4,911,495	14,856,477	19,034,489	14,966,517
<u>\$ 42,747,063</u>	<u>\$ 33,512,285</u>	<u>\$ 38,117,329</u>	<u>\$ 17,578,307</u>	<u>\$ 11,439,737</u>



City of
Corpus
Christi

Table 3

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

Year	Property tax	Sales tax	Hotel tax	Total
2001	52,555,675	32,051,919	6,471,438	91,079,032
2002	57,075,633	37,885,688	7,420,400	102,381,721
2003	59,973,478	47,393,030	7,894,879	115,261,387
2004	63,018,943	53,237,728	8,145,156	124,401,827
2005	68,209,958	56,303,645	8,320,624	132,834,227
2006	71,304,523	61,261,030	9,408,919	141,974,472
2007	73,583,419	66,124,730	9,630,152	149,338,301
2008	77,310,143	70,120,506	10,337,342	157,767,991
2009	81,689,129	71,018,975	10,127,333	162,835,437
2010	84,650,261	64,654,960	9,919,560	159,224,781

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

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
General fund				
Reserved	\$ 2,209,702	\$ 2,743,442	\$ 1,992,177	\$ 2,354,362
Unreserved	<u>8,159,676</u>	<u>10,944,746</u>	<u>10,943,268</u>	<u>13,367,581</u>
Total general fund	<u>\$ 10,369,378</u>	<u>\$ 13,688,188</u>	<u>\$ 12,935,445</u>	<u>\$ 15,721,943</u>
All other governmental funds				
Reserved	\$ 36,518,759	\$ 41,729,212	\$ 96,950,987	\$ 82,631,409
Unreserved, reported in:				
Debt service funds	8,185,892	8,532,088	7,936,187	7,144,072
Special revenue funds	(288,470)	9,781,597	15,719,849	16,974,681
Capital projects funds	<u>34,621,301</u>	<u>67,313,163</u>	<u>67,009,735</u>	<u>41,950,925</u>
Total all other governmental funds	<u>\$ 79,037,482</u>	<u>\$ 127,356,060</u>	<u>\$ 187,616,758</u>	<u>\$ 148,701,087</u>

Note: Beginning in 2005, the ambulance activity is included in the general fund. Prior years have not been restated.

Table 4

Fiscal Year					
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$ 2,003,587	\$ 2,477,879	\$ 4,054,101	\$ 4,638,291	\$ 2,938,429	\$ 3,419,283
18,437,527	24,534,599	28,372,503	27,571,509	27,325,624	25,929,162
<u>\$ 20,441,114</u>	<u>\$27,012,478</u>	<u>\$ 32,426,604</u>	<u>\$ 32,209,800</u>	<u>\$ 30,264,053</u>	<u>\$ 29,348,445</u>
\$ 48,296,146	\$46,933,550	\$ 60,621,159	\$ 57,031,756	\$ 58,028,080	\$ 58,131,446
4,777,336	5,834,111	6,846,970	11,712,600	9,456,925	11,271,942
21,145,467	26,358,642	30,461,934	43,057,821	45,533,073	44,857,605
89,208,498	67,191,943	67,507,979	61,947,382	109,247,126	93,137,381
<u>\$ 163,427,447</u>	<u>\$146,318,246</u>	<u>\$ 165,438,042</u>	<u>\$ 173,749,559</u>	<u>\$ 222,265,204</u>	<u>\$ 207,398,374</u>

City of Corpus Christi, Texas

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

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Revenues				
Taxes and business fees	\$ 110,813,865	\$ 128,411,216	\$ 131,623,695	\$ 140,974,351
Licenses and permits	1,701,743	1,680,236	1,917,640	2,396,870
Intergovernmental	1,321,649	-	-	-
Grants	19,888,008	18,309,359	15,489,416	14,952,235
Charges for services	25,635,388	29,342,087	30,268,143	34,531,641
Fines and forfeitures	4,011,734	4,318,635	3,922,564	5,189,598
Deposits	--	79,219	340,917	103,674
Contributions and donations	1,303,391	314,233	592,601	907,170
Special assessments	366,819	225,863	225,768	274,427
Earnings on investments	2,731,642	3,364,910	3,024,981	2,167,309
Interest on loans	107,291	108,825	103,108	93,839
Change in fair value of investments	36,331	--	--	--
Payments from Lexington Museum Association	276,585	268,390	190,120	181,125
Payments from Las Carabelas Foundation	--	--	--	--
Payments from Corpus Christi Convention and Visitors Bureau	202,151	219,320	249,223	241,786
Payments from Texas State Aquarium	495,507	497,478	117,117	377,255
Payments from other agencies	12,900	12,900	12,900	12,900
Sale of city property	--	111,923	108,627	6,035
Recovery of prior years expenditures	--	54,633	32,558	--
Claim settlement	816,676	3,451,221	1,171,565	3,000,000
Naming rights	--	--	--	--
Miscellaneous	3,759,598	1,851,001	1,125,302	1,166,420
Total revenues	<u>173,481,278</u>	<u>192,621,449</u>	<u>190,516,245</u>	<u>206,576,635</u>
Expenditures				
General government	16,680,997	12,968,280	13,753,127	16,221,322
Public safety	64,371,854	73,918,474	80,532,121	82,785,712
Streets	9,137,705	10,452,285	10,531,232	12,107,029
Solid waste	12,721,571	16,097,663	12,715,966	14,840,086
Health	4,460,371	4,874,857	5,329,227	5,536,134
Community enrichment	29,743,311	23,875,847	26,684,023	26,889,774
Convention and visitors activities	--	7,152,823	5,836,428	6,164,876
Other	2,706,043	3,706,216	750,414	999,374
Capital projects	20,610,405	26,205,474	30,908,856	82,358,053
Debt service				
Principal retirement	17,173,700	18,521,900	19,178,933	22,975,927
Interest	5,581,069	8,896,238	10,175,576	12,660,246
Paying agent fees	--	9,824	9,850	11,914
Bond issue cost	9,558	1,198,739	2,110,181	1,006,357
Refund of bond issue cost	--	--	--	--
Interest on interfund borrowings	--	--	--	--
Total expenditures	<u>183,196,584</u>	<u>207,878,620</u>	<u>218,515,934</u>	<u>284,556,804</u>
Excess (deficiency) of revenues over (under) expenditures	(9,715,306)	(15,257,171)	(27,999,689)	(77,980,169)

City of Corpus Christi, Texas

Table 5

Fiscal Year		2006		2007		2008		2009		2010	
2005	2006	2007	2008	2009	2010	2005	2006	2007	2008	2009	2010
\$ 148,183,043	\$ 158,452,760	\$ 165,980,510	\$ 174,899,312	\$ 178,669,539	\$ 176,286,722						
3,321,875	3,493,616	3,399,993	3,576,249	3,700,195	3,288,415						
-	-	--	--	--	--						
15,163,571	14,535,800	16,261,424	18,216,186	15,981,072	22,661,016						
41,306,241	50,520,423	53,669,631	54,989,566	56,843,501	56,945,655						
5,658,571	6,118,520	6,907,942	6,825,170	6,897,078	6,766,301						
605,095	1,093,803	270,716	191,724	--	--						
1,881,172	2,589,488	1,948,807	3,380,012	1,902,087	871,524						
154,380	118,526	74,235	442,323	10,502	76,876						
2,372,884	5,447,570	8,424,738	6,386,948	3,006,163	1,312,814						
254,651	31,771	374,210	233,846	73,369	81,458						
--	--	--	--	--	--						
283,800	352,849	347,173	248,868	285,022	272,796						
--	--	--	--	--	--						
252,841	272,234	--	--	--	--						
512,182	500,427	518,117	508,685	518,318	361,107						
11,425	7,425	--	--	--	--						
6,413	3,230	4,940	12,353	3,848	7,553						
--	--	--	--	--	--						
--	--	--	--	572,280	--						
--	175,000.0	175,000	175,000	175,000	175,000						
1,689,941	979,929	1,186,020	1,390,645	1,486,339	1,703,701						
<u>221,658,085</u>	<u>244,693,371</u>	<u>259,543,456</u>	<u>271,476,887</u>	<u>270,124,313</u>	<u>270,810,938</u>						
18,096,800	18,961,633	20,707,495	21,306,706	21,836,700	20,267,240						
87,833,826	101,805,112	107,360,877	110,663,675	115,375,541	119,589,404						
10,989,960	13,056,076	13,502,624	14,233,051	15,951,618	14,797,896						
13,825,317	13,569,912	15,192,042	18,278,582	17,027,712	18,193,629						
6,417,300	6,452,124	5,980,026	6,592,800	6,893,718	6,977,548						
27,786,066	30,008,152	27,458,882	31,248,848	31,864,343	37,348,135						
10,887,455	13,794,220	13,782,313	13,193,524	12,152,309	10,257,006						
--	--	--	--	32,963	21,729						
70,456,764	46,907,032	33,406,955	35,812,462	57,193,877	50,406,384						
25,911,488	24,697,600	26,918,876	24,853,049	36,741,227	26,883,223						
12,954,911	15,746,138	16,657,960	17,480,632	16,433,417	19,907,675						
19,044	24,746	36,049	33,994	32,598	28,710						
2,132,781	589,508	650,025	730,903	1,571,419	422,041						
--	--	(9,660)	--	--	--						
21,147	80,169	148,160	--	29,714	6,543						
<u>287,332,859</u>	<u>285,692,422</u>	<u>281,792,624</u>	<u>294,428,226</u>	<u>333,137,156</u>	<u>325,107,163</u>						
(65,674,774)	(40,999,051)	(22,249,168)	(22,951,339)	(63,012,843)	(54,296,225)						

City of Corpus Christi, Texas

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

	<u>Fiscal Year</u>			
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Other financing sources (uses)				
Capital leases	\$ 2,087,995	\$ 4,448,062	\$ 1,735,104	\$ 3,083,773
Notes payable	--	9,000,000	2,150,000	--
General obligation bonds issued	--	--	--	--
Revenue bonds issued	--	44,641,271	80,739,862	27,065,000
Certificate of obligation bonds issued	9,229,090	--	--	6,901,632
Tax notes issued	--	--	--	--
Refunding bonds issued	26,376,000	11,683,849	23,855,037	--
Refund on bond issue costs	--	--	--	--
Proceeds of refunding bonds	18,296,494	--	--	--
Premium on bonds sold	--	--	--	751,185
Discount on bonds issued	--	--	--	(56,632)
Payment to escrow agent for refunded bonds	(8,593,000)	(11,458,676)	(23,474,491)	--
Transfers in	13,429,064	13,015,889	15,682,295	15,717,877
Transfers out	(9,617,009)	(8,744,499)	(13,180,863)	(11,611,839)
Total other financing sources (uses)	<u>51,208,634</u>	<u>62,585,896</u>	<u>87,506,944</u>	<u>41,850,996</u>
Net change in fund balances	<u>\$ 41,493,328</u>	<u>\$ 47,328,725</u>	<u>\$ 59,507,255</u>	<u>\$ (36,129,173)</u>
Debt service as a percentage of noncapital expenditures	14.00%	15.76%	16.78%	18.13%

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

City of Corpus Christi, Texas

Table 5
(Continued)

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$ 2,032,704	\$ 2,917,492	\$ 3,447,512	\$ 2,623,408	\$ 3,746,061	\$ 4,110,898
--	--	--	--	--	--
60,000,000	--	34,975,000	--	88,725,000	13,685,000
4,100,000	2,900,000	--	--	--	--
14,914,122	18,605,000	2,415,695	--	12,000,000	11,460,000
--	--	--	22,260,000	--	--
--	--	--	13,445,000	--	--
--	19,952	--	--	--	--
60,685,564	--	--	--	--	--
--	--	480,163	--	2,660,797	491,894
--	(272,896)	--	--	(124,206)	--
(59,387,098)	--	--	(12,822,371)	--	--
14,400,438	12,291,674	14,031,497	13,676,363	11,797,397	18,699,972
(11,625,425)	(6,464,810)	(8,276,245)	(8,136,348)	(9,222,308)	(9,933,977)
<u>85,120,305</u>	<u>29,996,412</u>	<u>47,073,622</u>	<u>31,046,052</u>	<u>109,582,741</u>	<u>38,513,787</u>
<u>\$ 19,445,531</u>	<u>\$ (11,002,639)</u>	<u>\$ 24,824,454</u>	<u>\$ 8,094,713</u>	<u>\$ 46,569,898</u>	<u>\$ (15,782,438)</u>
18.92%	17.23%	17.88%	16.67%	19.86%	17.20%

Table 6

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

Fiscal Year	Property tax	Sales tax	Hotel tax	Business fees	Other taxes	Total
2001	52,555,675	32,051,919	6,471,438	17,895,243	1,839,590	110,813,865
2002	57,075,633	32,674,742	7,420,400	17,221,953	802,386	115,195,114
2003	59,935,265	45,677,489	7,894,879	16,119,482	1,996,580	131,623,695
2004	63,647,829	51,266,141	8,145,156	15,943,638	1,971,587	140,974,351
2005	67,482,260	55,236,059	8,320,624	16,076,514	1,067,586	148,183,043
2006	71,213,224	60,092,032	9,408,919	16,569,587	1,168,998	158,452,760
2007	75,818,774	62,563,386	9,630,152	16,738,947	1,229,251	165,980,510
2008	79,970,549	65,972,519	10,337,342	17,322,510	1,296,392	174,899,312
2009	84,999,120	66,054,244	10,127,333	16,126,005	1,362,837	178,669,539
2010	87,962,604	60,085,182	9,919,560	17,107,197	1,212,179	176,286,722

Table 7

**CITY OF CORPUS CHRISTI, TEXAS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Fiscal Year Ended July 31	Tax Year	Real Property	Personal Property	Less: Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2001	2000	8,077,929,844	940,291,975	1,366,164,416	7,652,057,403	0.623726	9,018,221,819	84.85%
2002	2001	8,435,234,205	1,033,337,024	1,439,246,174	8,029,325,055	0.644175	9,468,571,229	84.80%
2003	2002	8,922,477,009	1,047,865,471	1,543,685,753	8,426,656,727	0.644175	9,970,342,480	84.52%
2004	2003	9,525,269,802	1,091,986,683	1,669,360,087	8,947,896,398	0.644175	10,617,256,485	84.28%
2005	2004	10,272,935,304	1,191,484,860	1,824,858,392	9,639,561,772	0.634175	11,464,420,164	84.08%
2006	2005	11,130,529,932	1,230,303,736	1,872,808,840	10,488,024,828	0.625799	12,360,833,668	84.84%
2007	2006	12,166,239,146	1,247,502,997	1,992,436,225	11,421,305,918	0.602372	13,413,742,143	85.15%
2008	2007	14,084,066,107	1,447,200,791	2,420,434,047	13,110,832,851	0.563846	15,531,266,898	84.42%
2009	2008	14,738,455,220	1,481,661,131	2,406,781,337	13,813,335,014	0.563846	16,220,116,351	85.16%
2010	2009	15,599,675,802	1,523,844,670	2,682,910,732	14,440,609,740	0.563846	17,123,520,472	84.33%

Exemptions include: residential homestead exemptions including exemptions granted to persons disabled and/or 65 years of age and older; exemptions granted to disabled and deceased veterans; productivity value loss; tax abatements; and House Bill 366 exemptions. Exemptions are granted to disabled veterans or their survivors based upon percent of disability with a minimum exemption of \$5,000 and a maximum exemption of \$12,000. Mobile homes, while classified as personal property, may be residential homesteads.

Source: Nueces County Appraisal District

City of Corpus Christi, Texas

**CITY OF CORPUS CHRISTI, TEXAS
PROPERTY TAX RATES -
DIRECT AND OVERLAPPING GOVERNMENTS
PER \$100 VALUATION
FISCAL YEARS 2001-2010**

Fiscal Year	Tax Year	City of Corpus Christi General Fund	City of Corpus Christi Debt Service	Total City of Corpus Christi	Calallen ISD	Corpus Christi ISD	Corpus Christi Junior College District	Flour Bluff ISD	London ISD	Nueces County
2001	2000	0.463133	0.160593	0.623726	1.524170	1.570000	0.220466	1.526200	--	0.352742
2002	2001	0.457523	0.186652	0.644175	1.599830	1.570000	0.219880	1.526200	--	0.350242
2003	2002	0.460031	0.184144	0.644175	1.594900	1.590000	0.219880	1.526200	1.260000	0.360922
2004	2003	0.466554	0.177621	0.644175	1.599000	1.590000	0.235660	1.526200	1.255000	0.379693
2005	2004	0.460000	0.174175	0.634175	1.599000	1.620000	0.233800	1.526200	1.249000	0.424200
2006	2005	0.426624	0.199175	0.625799	1.599000	1.616000	0.228327	1.526197	1.390600	0.398929
2007	2006	0.403197	0.199175	0.602372	1.430000	1.486000	0.255723	1.386650	1.277300	0.365932
2008	2007	0.364671	0.199175	0.563846	1.276500	1.176050	0.241782	1.069500	1.143800	0.351340
2009	2008	0.364671	0.199175	0.563846	1.298500	1.237350	0.251391	1.069215	1.210400	0.350930
2010	2009	0.364671	0.199175	0.563846	1.298500	1.237350	0.251391	1.069215	1.210400	0.350930

Note: Data presented is received from Nueces County Tax Assessor-Collector.

Table 8

Nueces County Farm Roads and Flood Control	Nueces County Emergency Services District 1	Nueces County Hospital District	Port of Corpus Christi Authority	Nueces County Water Control & Improv. District 4	Port Aransas ISD	Robstown ISD	Tuloso Midway ISD	West Oso ISD	Downtown Management District Land	Downtown Management District Improvements
0.002738	0.030000	0.228028	0.023718	0.062498	1.449057	--	1.750050	1.540000	--	--
0.005238	0.060000	0.228028	0.002117	0.050000	1.462000	--	1.739700	1.540000	--	--
0.005396	0.060000	0.228028	--	--	1.536300	1.614000	1.727000	1.540000	--	--
0.005688	0.060000	0.228028	--	--	1.560458	1.614000	1.724700	1.570000	--	--
0.005500	0.060000	0.225000	--	--	1.557800	1.714000	1.724700	1.900000	--	--
0.005167	0.075000	0.174903	--	--	1.550000	1.714000	1.742200	1.780000	--	--
0.004746	0.075000	0.160715	--	--	1.394582	1.584000	1.612200	1.650000	--	--
0.004338	0.100000	0.144782	--	--	1.058300	1.254000	1.332200	1.340000	--	--
0.004329	0.100000	0.154687	--	--	1.058300	1.374000	1.332200	1.420000	0.300000	0.070000
0.004329	0.100000	0.154687	--	--	1.058300	1.374000	1.332200	1.420000	0.300000	0.070000

Table 9

**CITY OF CORPUS CHRISTI, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
JULY 31, 2010 AND JULY 31, 2001**

Name of Taxpayer	2010			2001		
	Assessed Valuation	Rank	Percentage Of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage Of Total Taxable Assessed Value
American Electric Power Texas Central Co.	\$ 110,328,470	1	0.007987	172,151,312	1	-
EOG Resources	85,302,105	2	0.006175	-		-
Corpus Christi Retail Venture LP	75,510,188	3	0.005466	-		-
H.E. Butt Grocery Company	72,563,745	4	0.005253	67,127,365	3	0.008995
Markwest Javelina Pipeline Company	67,141,190	5	0.004861	-		-
Bay Area Healthcare	46,976,447	6	0.003401	-		-
Southwestern Bell Telephone Company	42,811,140	7	0.003099	81,501,469	2	0.010921
Wal-Mart Auto Center	42,359,289	8	0.003067	-		-
TRT Development Company	36,477,658	9	0.002641	35,397,476	7	0.004743
Air Products, LLC	29,200,000	10	-	-		-
Coastal Javelina Company	-		-	57,280,133	4	0.007676
Columbia Bay Area Realty, Ltd.	-		-	49,837,707	5	0.006678
Wal-Mart Properties, Inc.	-		-	45,739,196	6	0.006129
South Padre Drive LP	-		-	23,500,000	10	0.003149
Camden Property Trust	-		-	27,348,652	8	0.003665
Koch Refining Company LP	-		-	24,248,389	9	0.003249
	<u>\$ 608,670,232</u>		<u>4.20%</u>	<u>\$ 584,131,699</u>		<u>5.52%</u>

Source: Nueces County Appraisal District

Table 10

**CITY OF CORPUS CHRISTI, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended July 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy			Collections in Subsequent Years (1)	Total Collections to Date	
		Tax Levy	Percentage			Amount	Percentage of Levy
			Amount	of Levy			
2001	2000	47,727,871	45,900,923	96.17%	1,200,467	47,101,390	98.69%
2002	2001	51,722,865	49,683,646	96.06%	1,509,804	51,193,450	98.98%
2003	2002	54,282,374	52,161,807	96.09%	1,631,724	53,793,531	99.10%
2004	2003	57,640,112	55,417,905	96.14%	1,575,879	56,993,784	98.88%
2005	2004	61,131,691	58,864,317	96.29%	1,829,112	60,693,429	99.28%
2006	2005	65,237,253	62,656,806	96.04%	1,684,900	64,341,706	98.63%
2007	2006	68,230,749	64,961,636	95.21%	1,704,973	66,666,609	97.71%
2008	2007	72,029,119	70,048,380	97.25%	1,756,979	71,805,359	99.69%
2009	2008	76,595,854	74,146,566	96.80%	1,828,812	75,975,378	99.19%
2010	2009	79,537,895	77,079,808	96.91%	2,040,856	79,120,664	99.48%

(1) Information required by GASB # 44 differs from information reported. Collections in subsequent years represent total delinquent amounts received during the fiscal year, regardless of the fiscal year of the tax levy. Data for delinquent tax collections by levy year is not available from the Nueces County Tax Assessor's Office.



City of
Corpus
Christi

Table 11

**CITY OF CORPUS CHRISTI, TEXAS
ADOPTED TAX RATE
LAST TEN FISCAL YEARS**

Fiscal Year Ended July 31	Tax Year	Total Assessed Valuation	Assessments Rate	Gross Tax Rate (1)
2001	2000	7,652,057,403	100%	0.623726
2002	2001	8,029,325,055	100%	0.644175
2003	2002	8,426,656,727	100%	0.644175
2004	2003	8,947,896,398	100%	0.644175
2005	2004	9,639,561,772	100%	0.634175
2006	2005	10,488,024,828	100%	0.625799
2007	2006	11,421,305,918	100%	0.602372
2008	2007	13,110,832,851	100%	0.563846
2009	2008	13,813,335,014	100%	0.563846
2010	2009	14,440,609,740	100%	0.563846

(1) As permitted by the Constitution of the State of Texas, home rule cities of over 5,000 population shall have a total tax allowable of \$2.50 and shall have a bond allowable of \$1.50 per \$100 valuation (unless City Charter provides less). The State allowables are computed based on 90% collections. On April 3, 1993, the citizens of Corpus Christi voted to amend the City Charter which contained a tax limitation of \$0.68 per \$100 of assessed valuation for all purposes including debt service. The amended Charter provided for the tax rate to increase up to the State limit for voter approved debt after April 4, 1993.

**CITY OF CORPUS CHRISTI, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year Ended July 31	Governmental Activities				
	General Obligation Bonds	Certificates of Obligation	Revenue Bonds	Capital Leases	Other Notes Payable
2001	\$ 114,965,327	\$ 34,715,000	\$ -	\$ 6,234,140	\$ 363,503
2002	109,164,376	31,110,000	43,960,000	6,956,538	9,363,645
2003	109,222,449	52,675,000	95,645,000	8,716,166	6,424,643
2004	100,489,139	57,110,000	120,910,000	7,378,760	6,001,404
2005	162,079,446	34,990,000	121,485,000	5,923,899	4,796,465
2006	149,085,000	32,480,000	120,810,000	6,525,617	4,360,000
2007	166,575,000	32,925,695	117,030,000	11,054,031	4,000,000
2008	152,030,000	30,885,695	114,480,000	9,102,549	25,510,000
2009	231,525,000	28,745,695	110,095,000	10,766,432	7,510,000
2010	232,020,000	37,255,695	105,460,000	11,395,885	5,295,000

Note: Details regarding the City's outstanding debt can be found in Note 14 of the Notes to the Financial Statements. See Table 17, the Schedule of Demographic and Economic Statistics for personal income and population data.

Table 12

Fiscal Year Ended July 31	Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	Certificates of Obligation	Revenue Bonds Payable	Capital Leases	Utility Notes			
2001	-	\$ 328,640,000	\$ 978,072	\$ 179,962,651	\$ 665,858,693	6.86%	2,376
2002	-	316,765,000	4,868,267	179,085,859	701,273,685	7.00%	2,507
2003	-	392,465,000	3,420,504	177,907,801	846,476,563	8.11%	2,946
2004	-	375,630,000	5,119,476	176,221,133	848,859,912	7.58%	2,925
2005	25,660,000	407,805,000	4,529,354	174,136,591	941,405,755	7.98%	3,212
2006	44,025,000	453,850,000	3,277,956	171,604,070	986,017,643	8.80%	3,337
2007	48,189,305	506,795,000	3,699,994	168,900,717	1,059,169,742	8.96%	3,583
2008	47,524,305	479,220,000	4,591,194	166,018,108	1,029,361,851	7.91%	3,461
2009	58,484,305	546,875,000	5,006,444	164,625,035	1,163,632,911	7.99%	3,912
2010	57,184,305	525,780,000	6,288,391	160,481,095	1,141,160,371	7.89%	3,804

Table 13

**CITY OF CORPUS CHRISTI, TEXAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year Ended July 31	General Obligation Bonds	Certificates of Obligation	Less Amounts Available in Debt Service Funds	Total	Percentage of Actual Taxable Value of Property	Per Capita (1)
2001	114,965,327	34,715,000	12,079,370	137,600,957	1.5258%	491.03
2002	109,164,376	31,110,000	11,285,112	128,989,264	1.3623%	461.04
2003	109,222,449	52,675,000	12,005,625	149,891,824	1.5034%	521.74
2004	100,489,139	57,110,000	11,259,740	146,339,399	1.3783%	504.34
2005	162,079,446	34,990,000	10,328,565	186,740,881	1.6289%	637.08
2006	149,085,000	32,480,000	10,255,911	171,309,089	1.3859%	579.77
2007	166,575,000	32,925,695	11,622,271	187,878,424	1.4006%	635.60
2008	152,030,000	30,885,695	16,591,514	166,324,181	1.0709%	559.17
2009	231,525,000	28,745,695	10,134,301	250,136,394	1.5421%	840.94
2010	232,020,000	37,255,695	11,923,519	257,352,176	1.5029%	857.84

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

(1) See Table 17 - Schedule of Demographic and Economic Statistics on page xxx for personal income and population data.

Table 14

**CITY OF CORPUS CHRISTI, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JULY 31, 2010**

<u>City</u>	<u>Net Direct Debt</u>		<u>Estimated % of Debt Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
	<u>Amount</u>	<u>As of</u>		
City of Corpus Christi, Texas - direct	\$ 221,768,768	7/31/2010	100.00%	\$ 221,768,768
County				
Nueces County (excluding special districts)	114,809,010	7/31/2010	37.05%	42,536,738
School District				
Calallen Independent School District	45,495,819	7/31/2010	39.77%	18,093,687
Corpus Christi Independent School District	214,676,946	7/31/2010	94.22%	202,268,619
Flour Bluff Independent School District	4,169,847	7/31/2010	85.45%	3,563,134
London Independent School District	10,501,260	7/31/2010	3.83%	402,198
Port Aransas Independent School District	6,900,934	7/31/2010	70.08%	4,836,175
Robstown Independent School District	36,977,506	7/31/2010	0.13%	48,071
Tuloso-Midway Independent School District	47,450,682	7/31/2010	50.16%	23,801,262
West Oso Independent School District	34,011,957	7/31/2010	32.16%	10,938,245
Other				
Corpus Christi Junior College District	123,648,402	7/31/2010	92.14%	113,929,638
Nueces County Hospital District	8,252,704	7/31/2010	37.05%	3,057,627
Total overlapping debt	646,895,067			423,475,394
Total direct and overlapping debt	\$ 868,663,835			\$ 645,244,162

NOTE A: Total direct debt shown for the City of Corpus Christi excludes self-supporting debt, and prorated share available for repayment in Debt Service Fund. It is estimated that \$114,823,553 is self supporting debt. To continue to maintain this debt as self-supporting, transfers will be made from Reinvestment Zone #2, Airport, Marina, Golf Centers, Hotel Occupancy Tax Fund, Lexington Museum, Texas State Aquarium, Utility System and Solid Waste in amounts sufficient to pay both principal and interest on the self-supporting debt.

NOTE B: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The percentage of overlapping debt applicable is estimated by the percent of area of each government that is within the boundaries of the City.

**CITY OF CORPUS CHRISTI, TEXAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Debt limit	\$ 901,822,182	\$ 946,857,123	\$ 997,034,248	\$ 1,061,725,649
Total net debt applicable to limit	<u>137,964,460</u>	<u>138,352,909</u>	<u>156,316,467</u>	<u>152,340,803</u>
Legal debt margin	<u>\$ 763,857,722</u>	<u>\$ 808,504,214</u>	<u>\$ 840,717,781</u>	<u>\$ 909,384,846</u>
Total net debt applicable to the limit as a percentage of debt limit	15.30%	14.61%	15.68%	14.35%

(1) Assessed value is based on the appraised value of property prior to any deductions for exemptions. The assessed value is derived from the certified valuations provided by the Nueces County Tax Appraisal District as of July 24, 2009.

Table 15

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$ 1,146,442,016	\$ 1,235,133,813	\$ 1,341,374,214	\$ 1,553,126,690	\$ 1,622,011,635	\$ 1,712,352,047
<u>217,197,346</u>	<u>219,694,089</u>	<u>240,067,729</u>	<u>239,358,486</u>	<u>316,130,699</u>	<u>319,831,481</u>
<u>\$ 929,244,670</u>	<u>\$ 1,007,939,724</u>	<u>\$ 1,101,306,485</u>	<u>\$ 1,313,768,204</u>	<u>\$ 1,305,880,936</u>	<u>\$ 1,392,520,566</u>
18.95%	17.79%	17.90%	15.41%	19.49%	18.68%

LEGAL DEBT MARGIN CALCULATION FOR FISCAL YEAR 2010

Assessed value (1)	\$ 17,123,520,472
Debt limit (10% of total assessed value)	1,712,352,047
Debt applicable to limit:	
Gross Bonded Debt	331,755,000
Less: Net assets in Debt Service Fund	<u>11,923,519</u>
Total net debt applicable to limit	<u>319,831,481</u>
Legal debt margin	<u>\$ 1,392,520,566</u>

Table 16

**CITY OF CORPUS CHRISTI, TEXAS
PLEGDED - REVENUE COVERAGE
LAST TEN FISCAL YEARS**

Fiscal Year	Utility System Revenue Bonds					
	Gross Revenue	Adjusted (1, 2) Operating Income Deductions	Net Revenue Available for Debt Service	Annual Debt Service Requirements		
				Principal	Interest	Coverage
2001	138,403,272	93,263,739	45,139,533	8,020,000	9,231,516	2.62
2002	115,312,497	80,330,621	34,981,876	8,735,000	9,202,086	1.95
2003	128,063,246	90,540,742	37,522,504	12,990,000	11,849,862	1.51
2004	133,214,799	95,996,767	37,218,032	13,205,000	12,334,049	1.46
2005	149,924,365	114,931,084	34,993,281	15,505,000	13,715,886	1.20
2006	169,845,386	124,064,017	45,781,369	17,890,000	15,459,432	1.37
2007	167,638,283	120,023,039	47,615,244	21,030,000	18,213,273	1.21
2008	174,023,636	121,130,851	52,892,785	22,715,000	18,133,573	1.29
2009	188,422,621	122,025,805	66,396,816	23,750,000	18,890,476	1.56
2010	185,342,336	123,436,112	61,906,224	24,760,000	20,872,184	1.36

(1) Beginning in fiscal year 2004-2005, storm water expenses are included.

Fiscal Year	Airport Revenue Bonds					
	Gross Revenue	Adjusted (2) Operating Income Deductions	Net Revenue Available for Debt Service	Annual Debt Service Requirements		
				Principal	Interest	Coverage
2001	\$ 9,064,132	\$ 4,819,174	\$ 4,244,958	\$ --	\$ 603,412	7.03
2002	6,907,698	5,392,659	1,515,039	--	1,206,824	1.26
2003	8,270,223	6,038,848	2,231,375	380,000	1,206,824	1.41
2004	9,308,752	6,257,371	3,051,381	395,000	1,188,964	1.93
2005	9,946,897	6,752,183	3,194,714	415,000	1,170,399	2.02
2006	10,166,925	7,514,851	2,652,074	435,000	1,150,686	1.67
2007	10,253,901	6,881,042	3,372,859	455,000	1,129,806	2.13
2008	10,288,210	6,777,331	3,510,879	475,000	1,107,966	2.22
2009	8,709,348	6,986,044	1,723,304	500,000	1,084,691	1.09
2010	8,623,616	6,401,485	2,222,131	525,000	1,059,691	1.40

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

Table 17

**CITY OF CORPUS CHRISTI, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)	Median Age (1)	Education Level in Years of Formal Schooling (3)	School Enrollment Rate (4)	Unemployment Rate (5)
2001	280,228	\$ 9,706,189,000	\$ 24,141	33.2	--	39,138	6.3
2002	279,780	10,014,443,000	24,763	32.2	12.7	39,383	6.7
2003	287,290	10,438,622,000	25,696	33.6	--	39,268	7.1
2004	290,163	11,199,871,000	27,340	33.2	12.7	39,310	6.7
2005	293,122	11,802,000,000	28,539	34.2	--	38,978	5.4
2006	295,478	11,199,871,000	33,904	34.7	--	36,158	5.7
2007	295,594	11,816,184,000	35,750	34.6	--	38,796	4.7
2008	297,447	13,006,066,000	37,700	34.6	--	38,754	4.8
2009	297,447	14,556,590,000	35,004	34.6	--	38,460	7.3
2010	300,000	14,457,000,000	34,743	34.3	--	38,196	7.7

Source:

- (1) City of Corpus Christi staff
- (2) Bureau of Economic Analysis
- (3) U. S. Census Bureau for population 25 years or older, some years not available
- (4) Corpus Christi Independent School District - budgeted daily enrollment
- (5) Texas Workforce Commission, city civilian labor force



City of
Corpus
Christi

Table 18

**CITY OF CORPUS CHRISTI, TEXAS
PRINCIPAL EMPLOYERS
JULY 31, 2010 AND JULY 31, 2001**

Employer	2010			2001 *		
	Number of Employees	Rank	Percent of Total City Employment	Number of Employees	Rank	Percent of Total City Employment
Naval Air Station Corpus Christi	5,525	1	3.11%	--	--	--
Christus Spohn Health System	5,400	2	3.04%	--	--	--
Corpus Christi Independent School District	5,178	3	2.92%	--	--	--
H.E.B. Grocery Company	5,000	4	2.82%	--	--	--
Corpus Christi Army Depot	3,541	5	2.00%	--	--	--
City of Corpus Christi	3,238	** 6	1.83%	--	--	--
Bay Ltd.	2,100	7	1.18%	--	--	--
Del Mar College	1,542	8	0.87%	--	--	--
Corpus Christi Medical Center	1,300	9	0.73%	--	--	--
First Data Corporation	1,200	10	0.68%	--	--	--
Total			19.18%	--	--	--

Source: Corpus Christi Regional Economic and Development Corporation

* Information for 2001 not available

** City of Corpus Christi records

City of Corpus Christi, Texas

CITY OF CORPUS CHRISTI, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function	2001	2002	2003	2004
General Fund				
Mayor	2.00	2.00	2.00	2.00
City council	--	--	--	--
ACM - administrative services	2.00	2.00	2.00	1.00
ACM - development services	--	--	3.00	2.00
Capital budget	--	--	--	--
City attorney	21.00	21.00	23.00	25.00
City manager	5.00	5.00	5.00	3.00
City secretary	7.00	8.00	7.00	7.00
Communications and quality management	4.00	4.00	--	--
Community development	43.00	43.00	--	--
Neighborhood services	--	--	16.80	23.00
Economic development office	--	--	--	2.00
Education advisor	--	--	--	--
Engineering - special services	--	17.00	6.00	--
Engineering	17.00	--	10.00	9.00
Inspections	--	--	28.00	--
Financial services	139.00	145.00	139.00	56.00
Fire	325.80	332.80	352.80	356.00
Health	65.63	66.63	69.63	68.63
Human relations	4.00	5.00	5.00	6.00
Human resources	20.25	20.38	18.75	19.75
Internal audit	--	--	--	--
Intergovernmental relations	--	--	--	--
Libraries	66.50	67.50	67.50	67.50
Management and budget	8.00	8.00	10.00	9.00
Materials management	--	--	--	--
Municipal court - administration	48.00	51.00	51.00	44.00
Municipal court - judicial	4.00	4.00	4.50	7.50
Museum	21.30	25.80	26.30	25.60
Office of Intergovernmental Relations a				
Community Development	3.0	3.00	--	--
Parks and recreation	280.76	280.37	286.51	283.21
Planning	17.00	17.00	17.00	--
Police	605.50	614.50	616.50	613.50
Public information	--	--	2.00	3.00
Risk management	--	--	--	--
Street and solid waste services	378.00	374.00	338.00	310.00
Total	2,087.74	2,116.98	2,107.29	1,943.69

City of Corpus Christi, Texas

Table 19

2005	2006	2007	2008	2009	2010
2.00	2.00	2.00	2.00	2.00	2.00
--	--	--	--	--	--
1.00	1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00	2.00
--	--	--	--	--	--
25.00	26.00	26.00	26.00	26.00	26.00
3.00	3.00	3.00	3.00	4.00	4.00
7.00	7.00	7.00	7.00	6.00	6.00
--	--	--	--	--	--
--	--	--	--	--	--
23.40	18.80	20.80	24.80	26.80	27.00
2.00	1.00	1.00	2.00	2.00	2.00
--	--	--	1.50	1.00	--
9.00	8.00	9.00	9.00	19.00	17.00
--	--	--	--	--	--
--	--	--	--	-	-
56.00	56.00	57.00	57.00	53.00	50.00
356.00	424.00	412.00	414.00	432.00	432.00
68.00	69.50	70.50	71.50	71.50	68.00
7.00	6.00	6.00	6.00	6.00	6.00
19.75	20.75	20.75	22.00	20.00	20.00
--	--	--	2.00	1.00	--
--	--	--	--	1.00	1.00
67.50	67.50	67.50	74.00	73.00	70.50
9.00	8.00	9.00	9.00	8.00	8.00
--	--	--	--	--	--
44.00	35.00	37.00	46.00	48.00	45.00
21.00	43.30	42.96	35.94	34.08	31.08
24.10	22.50	22.80	22.80	22.70	21.70
--	--	--	--	--	--
332.18	305.97	317.23	300.07	299.32	279.64
--	--	--	--	--	--
613.50	601.50	601.50	619.00	621.00	626.00
3.00	3.00	3.00	3.00	5.00	4.00
--	--	--	--	--	--
315.00	292.00	303.00	305.00	298.00	290.00
2,010.43	2,023.82	2,042.04	2,065.61	2,083.40	2,039.92

City of Corpus Christi, Texas

CITY OF CORPUS CHRISTI, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function	2001	2002	2003	2004
Enterprise Funds				
Aviation	89.00	91.75	93.75	95.75
Ambulance	61.0	61.00	68.00	68.00
Golf Centers	32.50	32.50	32.50	30.50
Marina	16.40	16.50	16.50	16.50
Gas	151.00	148.00	148.00	148.80
Storm Water	85.00	85.00	85.00	85.00
Wastewater	196.00	178.00	178.00	177.00
Water	202.50	179.50	180.00	180.00
ACM - Public Works	--	--	--	--
Utility Business Office	--	--	--	27.00
Utility Field Services	--	--	--	45.00
Engineering	--	--	--	--
Office of Environmental Programs	--	--	--	--
Total	833.40	792.25	801.75	873.55
Internal Service Funds				
Engineering	57.10	57.10	57.10	57.10
Liability and employee benefits fund	11.0	13.0	14.00	13.00
Maintenance service	97.00	96.00	99.00	97.00
Municipal information system	47.00	47.00	50.00	71.00
Stores	10.00	10.00	8.00	8.00
Total	222.10	223.10	228.10	246.10
Special Revenue Funds				
Development Services	--	--	--	54.00
Visitor's facilities fund	40.00	40.00	40.00	35.0
Redlight Photo Enforcement	--	--	--	--
Crime Control	74.00	80.50	76.10	65.10
Local Emergency Planning Committee	1.00	1.00	1.00	1.00
Total	115.00	121.50	117.10	155.10
Total operating budget FTE's	3,258.24	3,253.83	3,254.24	3,218.44

Source: City of Corpus Christi Office of Management and Budget

City of Corpus Christi, Texas

Table 19
(Continued)

2005	2006	2007	2008	2009	2010
96.75	93.75	98.95	95.20	96.95	97.20
68.00	--	--	--	--	--
30.50	22.00	29.50	29.50	29.50	29.50
16.50	16.50	14.00	14.00	14.00	15.00
148.80	148.80	147.80	134.80	134.80	135.80
-	-	-	77.00	75.00	75.00
177.00	177.00	173.00	162.00	162.00	167.00
175.00	255.00	255.00	157.00	163.00	166.00
2.00	2.00	2.00	2.00	2.00	2.00
74.00	19.00	18.00	19.00	19.00	19.00
--	44.00	45.00	40.00	40.00	31.00
--	--	--	--	--	--
-	3.00	3.00	2.00	5.00	5.00
788.55	781.05	786.25	732.50	741.25	742.50
57.10	57.10	57.10	57.00	61.63	64.00
14.00	14.00	15.00	15.00	15.00	15.00
99.00	99.00	100.00	100.00	87.00	87.00
75.00	93.00	100.00	109.00	105.00	105.00
8.00	8.00	9.00	9.00	20.00	21.00
253.10	271.10	281.10	290.00	288.63	292.00
54.00	57.00	58.00	63.00	76.00	63.00
11.00	1.00	1.00	11.00	10.00	10.00
--	--	--	--	--	2.00
62.10	65.60	64.60	65.60	65.60	65.60
1.00	1.00	1.00	1.00	1.00	1.00
128.10	124.60	124.60	140.60	152.60	141.60
3,180.18	3,200.57	3,233.99	3,228.71	3,265.88	3,216.02

City of Corpus Christi, Texas

**CITY OF CORPUS CHRISTI, TEXAS
OPERATING INDICATORS BY FUNCTION
LAST NINE YEARS**

Function	2002	2003	2004	2005
Police				
Physical arrests	n/a	n/a	n/a	5,214
Parking violations	21,728 *	18,090 *	17,622 *	17,960 *
Traffic violations	n/a	n/a	n/a	64,449
Number of commissioned police officers	448	448	448	448
Number of employees - police officers and civilians	667	674	674	678
Officers per 1000 population	1.60	1.56	1.54	1.53
School crossing guards	83	83	83	83
Fire				
Number of calls answered	1,219	1,200	1,000	1,219
Inspections	3,659	3,000	3,500	3,659
Number of firefighters	379	394	395	383
Number of employees - firefighters and civilians	399	414	418	402
Employees per 1,000 population	1.35	1.37	1.36	1.31
State Fire Insurance Credit Rating	Class 4	Class 4	Class 4	Class 4
Streets				
Street resurfacing (miles)	--	--	--	--
Potholes repaired	51,622	50,000	60,000	75,024
Parks and recreation				
Athletic field permits issued	n/a	n/a	n/a	n/a
Community center admissions	n/a	n/a	n/a	n/a
Libraries				
Number of volumes	394,177	413,308	446,830	394,666
Circulation	1,155,516	1,096,084	1,149,994	1,155,516
Library cards in force	144,755	189,896	124,624	144,755
Computer usage, sessions	703,494	491,512	524,400	703,494
Number of website hits	--	--	--	--
Number of in-house personal computer users	--	--	--	--
Solid Waste				
Refuse collected (tons/day)	299	325	325	364
Recyclables collected (tons/day)	62	57	53	12
Water				
New connections	n/a	n/a	n/a	1,302
Water main breaks	n/a	n/a	n/a	2,400
Average daily consumption (thousands of gallons)	80,000	96,853	90,771	97,686
Average daily gallons treated & raw water sold	80,000,000	96,953,488	90,770,847	97,685,942
Average water treated (thousand of gallons)	n/a	n/a	n/a	n/a
Average daily consumption per capita (gallons)	120	120	122	123
Residential per capita consumption gallons/day	n/a	n/a	n/a	n/a
Gas				
Average daily consumption (mcf)	9,602	9,954	8,964	9,064
Wastewater				
Average daily sewage treatment (thousands of gallons)	28,403	n/a	n/a	n/a
Airport				
Number of airports	1	1	1	1
Number of acres	2,571	2,428	2,428	2,574

Sources: Various city departments

Note: The City has only been compiling this data with implementation of GASB 44 in fiscal year 2002.

* Data presented is for the calendar year rather than the fiscal year.

** Number includes the combined Fire Department and EMS calls. Previous years figures reflect only Fire Department calls.

City of Corpus Christi, Texas

Table 20

2006	2007	2008	2009	2010
4,792	11,282	14,440	17,786	17,036
18,287 *	17,571 *	23,973 *	23,976 *	18,705 *
57,478	58,885	53,355	51,778	51,082
448	448	448	451	451
671	672	672	711	711
1.52	1.52	1.51	1.86	1.86
87	87	91	91	91
30,700 **	33,000 **	37,492 **	39,115 **	38,939
3,000	4,765	4,641	5,342	5,272
383	402	394	403	414
400	419	419	423	429
1.30	1.36	1.32	1.36	1.36
Class 4	Class 3	Class 3	Class 2	Class 2
--	722,367 sq yds	367,266 sq yds	267,817 sq yds	549,631 sq yds
75,000	83,177	97,634	116,044	213,805
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
394,666	389,634	405,225	431,098	484,442
1,191,605	1,211,792	1,241,042	1,339,242	1,344,845
150,552	143,699	150,712	150,712	153,222
1,044,617	1,160,698	--	--	--
--	--	--	25,084,906	10,041,335
--	--	203,480	240,525	282,360
389	395	386	378	382
13	13	13	12.3	11.7
1,358	1,690	474	265	236
2,617	2,313	2,022	1,706	1,507
97,686	97,686	94,541	102,025	94,637
106,251,600	136,281,605	94,541,688	102,025,373	94,637,901
n/a	n/a	65,860	68,888	63,197
121	134	119	128	118
n/a	n/a	77	81	76
8,438	2,842	8,498	8,626	9,466
27,478	30,605	28,808	26,867	29,691
1	1	1	1	1
2,574	2,574	2,657	2,657	2,600

City of Corpus Christi, Texas

**CITY OF CORPUS CHRISTI, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION
LAST NINE YEARS**

Function	2002	2003	2004	2005
General government				
Buildings: (City owned)				
Total square footage, approximate	2,185,079	2,185,079	2,850,000	2,864,000
Police				
Stations	4	4	4	4
Patrol units	298	298	301	301
Area of responsibility - land area (square miles)	147.10	150.48	150.48	150.48
Fire				
Fire stations	15	16	16	16
Sanitation				
Collection trucks	n/a	n/a	n/a	n/a
Fire apparatus	38	38	39	30
Other motorized vehicles	67	67	62	77
Number of fire hydrants	8,000	8,000	8,300	8,300
Streets				
Streets (miles)	1,094	1,095	1,097	1,103
Streetlights	14,298	14,455	14,670	16,308
Traffic signals	n/a	n/a	n/a	n/a
Libraries				
Number of libraries	5	5	5	5
Parks and recreation				
Parks acreage	1,408	1,580	1,408	1,408
Parks	189	190	189	189
Swimming pools	10	10	10	9
Tennis courts	43	49	49	49
Community centers	5	5	5	5
Park acreage partially developed	172	172	171	178
Playgrounds	139	139	139	139
Municipal beaches	4	4	4	4
Baseball diamonds	1	1	1	1
Softball diamonds	10	10	5	5
Senior centers	8	8	8	8
Gymnasiums	2	2	2	2
Covered basketball courts	2	2	2	1
Water				
Water mains (miles)	1,950	1,950	1,445	1,533
Fire hydrants	8,000	8,000	8,300	8,300
Maximum daily capacity (thousands of gallons)	112,000	110,000	110,000	109,000
Water connections - active	80,083	80,083	82,944	82,467
Storm water drainage ditches (miles)	607	607	607	607
Storm water underground pipe (miles)	597	597	597	597

City of Corpus Christi, Texas

Table 21

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
2,864,000	2,864,000	2,883,975	2,883,975	2,883,975
4	4	4	5	5
295	295	295	354	244
150.48	150.48	150.48	150.48	150.48
16	16	16	17	17
n/a				
30	30	30	30	30
77	77	77	77	77
8,400	8,400	8,479	8,800	8,890
1,103	1,119	1,123	1,139	1,172
16,308	16,662	16,767	16,874	17,053
n/a	n/a	n/a	n/a	n/a
5	5	5	6	6
1,418	1,415	1,418	1,418	1,420
189	190	190	191	194
9	9	9	9	9
37	37	37	37	37
5	5	5	5	5
171	171	168	384	386
128	129	131	139	143
4	4	4	4	4
1	1	4	4	4
5	5	5	5	5
8	8	8	8	8
2	2	2	2	2
3	3	3	4	4
1,533	1,553	1,584	1,624	1,629
8,400	8,400	8,479	8,800	8,890
104,880	97,750	97,850	96,220	95,450
83,785	85,959	84,442	87,042	90,957
607	607	610	602	552
597	597	606	632	675

**CITY OF CORPUS CHRISTI, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION
LAST NINE YEARS**

Function	2002	2003	2004	2005
Gas				
Gas mains (miles)	1,251	1,262	1,279	1,288
Gas connections - active	n/a	54,413	55,789	53,461
Wastewater				
Sanitary sewers (miles)	1,262	1,268	1,292	1,220
Maximum daily treatment capacity (thousands of gallons)	44,700	44,700	44,700	44,700
Sewer connections	n/a	81,966	78,788	78,837
Lift stations	98	99	93	91
Airport				
Length of main runways	13,588	13,588	13,588	13,588
Scheduled airline arrivals and departures per year	17,844	16,640	20,228	19,704
Passengers enplaning and deplaning (including commercial helicopters)	777,530	758,846	789,830	854,606
Golf centers				
Municipal golf courses	2	2	2	2
Municipal golf links - acres	378	378	378	378
Marina				
Marina slips	580	580	558	451

Note: The City has only been compiling this data with implementation of GASB 44 in fiscal year 2002.

Table 21
(Continued)

2006	2007	2008	2009	2010
1,291	1,327	1,337	1,349	1,354
53,989	54,436	53,688	54,162	55,467
1,243	1,258	1,265	1,269	1,271
44,700	44,700	44,700	44,700	44,700
80,725	82,957	81,823	82,948	83,174
96	95	97	97	99
13,588	13,588	13,588	13,588	13,588
19,689	19,710	16,306	17,056	16,560
890,800	886,528	861,641	750,080	706,133
2	2	2	2	2
378	376	376	376	376
456	590	590	590	626

Table 22

MISCELLANEOUS STATISTICAL DATA
FISCAL YEAR ENDED JULY 31, 2010

GOVERNMENT: (1)

Date of incorporation	1852
Charter:	
Revised	July 13, 1968
Revised	September 15, 1970
Revised	January 22, 1975
Revised	April 5, 1980
Revised	August 11, 1984
Revised	April 4, 1987
Revised	January 19, 1991
Revised	April 3, 1993
Revised	November 2, 2004
Form of government:	
Fiscal year begins	August 1st
Number of City employees	3,236

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	150.6
	Water	353.5
		<u>504.1</u>

POPULATION:	<u>Year</u>	<u>Trade Area</u>	<u>Population</u>
	1950	293,661	108,053
	1960	382,423	167,690
	1970	359,523	204,525
	1980	400,500	232,134
	2000 (Census)	474,157	277,454
	2007	487,294	295,594
	2008	485,885	297,447
	2009	415,376	297,447
	2010	416,095	300,000

ELEVATION: Sea level to 85 feet

TEMPERATURE: 80.03° F maximum average
62.14° F minimum average
71.09° F mean average

SEASONAL RAINFALL
.....

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

**Table 22
(Continued)**

**MISCELLANEOUS STATISTICAL DATA
FISCAL YEAR ENDED JULY 31, 2009**

PORT OF CORPUS CHRISTI: (2)

Tonnage handled through the Port during the year 2009	76,519,648
Number of ships handled during the year 2009	1,312
Number of barges handled during the year 2009	3,839

Public Docks:

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

Private Docks:

Bulk Liquid -	
Citgo	6 - Main Harbor
Equistar	1 - Main Harbor
Flint Hills	3 - Main Harbor
Valero	3 - Main Harbor
Occidental Chemical	1 - La Quinta
Koch Gathering	1 - Ingleside

Dry Cargo -

Bay, Inc.	2 - Main Harbor
Heldenfels	1 - Main Harbor
Texas Docks & Rail	2 - Harbor Island
Texas Lehigh Cement	1 - Main Harbor
Tor Minerals International, Inc.	1 - Rincon
McDermott	1 - Harbor Island
Gulf Marine Fabricators	1 - Ingleside
Kiewit Offshore Services, Inc.	1 - Ingleside
Helix Energy Solutions	1 - La Quinta
Signet Maritime	1 - Jewell Fulton
Rincon A	1 - Rincon

Dry Cargo -

ADM/Growmark	1 - Main Harbor
Interstate Grain	1 - Main Harbor
Sherwin Alumina	1 - La Quinta
Vulcan Materials	1 - Main Harbor
Total	<u><u>32</u></u>

Source:

- (1) City Staff
- (2) Port of Corpus Christi

Table 23

**CITY PAYROLL STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Salaries	Social Security & Medicare	Texas Municipal Retirement System	Fire Fighters' Retirement System Plan	Total Paid	Number Employees Last Payday of Year
2001	100,927,146	6,064,690	8,686,111	2,223,410	117,901,357	3,278
2002	105,312,317	6,418,618	9,826,228	2,300,476	123,857,639	3,264
2003	112,071,665	6,818,824	10,241,750	2,423,671	131,555,910	3,264
2004	121,745,107	7,370,874	11,386,987	2,673,855	143,176,822	3,317
2005	120,616,280	7,350,960	12,827,988	2,482,092	143,277,320	3,126
2006	124,601,361	5,903,267	13,853,273	2,795,774	147,153,675	3,183
2007	127,318,989	7,603,602	14,372,192	3,040,260	152,335,043	3,217
2008	133,145,260	7,991,390	15,603,377	3,575,262	160,315,289	3,309
2009	140,069,626	8,350,623	16,549,804	3,997,364	168,967,417	3,406
2010	142,607,262	7,714,798	18,330,551	4,440,572	173,093,184	3,236

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

Table 24

**RETIREMENT SYSTEM PENSION DATA
LAST TEN FISCAL YEARS**

TEXAS MUNICIPAL RETIREMENT SYSTEM PENSION DATA

Fiscal Year		Unfunded Pension Plan Liability	Pension Plan Receipts	Pension Plan Assets	Pension Benefits Paid	Investment Income
2001	*	67,157,221	33,955,322	222,098,830	30,966,073	21,149,094
2002	*	73,357,936	33,410,273	229,017,517	26,191,586	20,340,369
2003	*	80,254,024	33,378,009	232,869,362	29,526,164	19,360,126
2004	*	88,310,121	33,899,027	236,961,675	29,806,713	18,215,670
2005	*	107,200,266	32,945,242	238,411,240	31,495,577	16,180,600
2006	*	114,519,596	32,767,434	235,856,593	35,322,082	13,915,946
2007	*	123,761,526	33,620,204	236,329,255	33,147,542	13,206,208
2008	*	198,547,208	32,602,880	234,960,197	33,971,939	11,536,275
2009	*	207,164,256	33,740,446	234,890,896	33,809,747	11,440,094
2010	*	218,806,609	39,295,663	246,315,526	27,871,033	14,696,659

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

Fiscal Year		Unfunded Pension Plan Liability	Pension Plan Receipts	Pension Plan Assets	Pension Benefits Paid	Investment Income
2001	**	25,706,026	5,223,641	84,953,930	5,612,741	1,248,239
2002	***	--	2,843,990	80,023,270	5,918,829	(1,232,160)
2003		42,743,795	(1,525,575)	78,135,835	7,214,298	(5,750,086)
2004	***	--	18,168,197	81,278,306	7,412,898	13,706,022
2005		39,748,293	13,364,477	87,250,141	7,130,547	8,718,570
2006		--	4,949,285	89,401,693	7,399,360	1,704,474
2007		42,220,967	4,957,716	92,448,683	8,326,653	1,867,998
2008	***	--	5,723,279	101,440,018	8,789,387	1,904,806
2009	***	70,349,504	6,642,273	76,979,921	9,370,772	2,065,673
2010	***	--	7,609,271	92,547,683	8,968,792	1,830,329

Note: The Fire Fighters' Retirement System is not subject to any control by the City Council as the governing body of the City of Corpus Christi. Information is as of December 31 of the previous year which is the latest information available.

* Demographic assumptions were revised.

** Reflects plan benefit provisions effective January 3, 2000.

*** No actuarial valuation performed for previous calendar year.

**ALL FUNDS
INSURANCE AND SURETY BONDS IN FORCE
FISCAL YEAR ENDED JULY 31, 2010**

Type of Insurance	Insurer and Expiration Date	Amount of Coverage
1. Property Insurances		
Commercial Property & Wind Policy Scheduled City Properties	Multiple layers (Itemized Below) Expires 5-4-2011	\$150m Including CAT plus \$100m Excluding CAT, \$20 Mil Flood Building & Personal Property Blanket Coverage 2%, Named Storm, \$250,000 Minimum / \$4 Million Maximum ded \$250,000 all other Wind/Hail Deductible \$50,000 Deductible Other Perils \$100,000 Flood; Earthquake Deductible (Replacement cost coverage)
Property & Wind Coverage Commercial City Properties	Hiscox Expires 5-4-2011	Named Storm only - 100% Building & Personal Property Blanket Coverage
Property & Wind Coverage Commercial City Properties	Lexington Expires 5-4-2011	\$250 Million All Risk, \$25 Million named Storm - 100% Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Arch Expires 5-4-2011	\$22.5 Million Excess of \$27.5 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Ace Expires 5-4-2011	22% part of \$22.5 Million excess of \$27.5 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Swiss Re Expires 5-4-2011	22% part of \$22.5 Million excess of \$27.5 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Aspen Expires 5-4-2011	11% part of \$22.5 Million excess of \$27.5 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	RSUI Expires 5-4-2011	28% part of \$22.5 Million excess of \$27.5 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Arch Expires 5-4-2011	17% part of \$22.5 Million excess of \$27.5 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Firemans Fund Expires 5-4-2011	\$50 Million Excess of \$50Million Building & Personal Property Blanket Coverage

**ALL FUNDS
INSURANCE AND SURETY BONDS IN FORCE
FISCAL YEAR ENDED JULY 31, 2010**

Type of Insurance	Insurer and Expiration Date	Amount of Coverage
Excess Property & Wind Coverage Commercial City Properties	Maxum Expires 5-4-2011	10% part of \$50 Million Excess of \$40 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Ace Expires 5-4-2011	10% part of \$50 Million Excess of \$40 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Aspen Expires 5-4-2011	10% part of \$50 Million Excess of \$50 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Arch Expires 5-4-2011	25% part of \$50 Million Excess of \$50 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Axis Expires 5-4-2011	40% part of \$50 Million excess of \$50 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Firemans Fund Expires 5-4-2011	5% part of \$50 Million excess of \$50 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Firemans Fund Expires 5-4-2011	\$50 Million Excess of \$100 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Endurance Expires 5-4-2011	20% part of \$50 Million excess of \$100 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Rockhill Expires 5-4-2011	30% part of \$50 Million excess of \$100 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Max Expires 5-4-2011	35% of \$50 Million Excess of \$100 Million Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Firemans Fund Expires 5-4-2011	15% of \$50 Million Excess of \$100 Million Building & Personal Property Blanket Coverage
Excess Property Coverage Commercial City Properties	Lexington Expires 5-4-2011	\$100 Million Excess of \$150 Million excluding CAT- 100% Building & Personal Property Blanket Coverage
Boiler & Machinery Coverage Commercial City Properties	Travelers Insurance Company Expires 5-4-2011	\$100 Million Property Damage \$2,500 Property Damage per occurrence Deductible

2. **Flood Insurance**

**ALL FUNDS
INSURANCE AND SURETY BONDS IN FORCE
FISCAL YEAR ENDED JULY 31, 2010**

Type of Insurance	Insurer and Expiration Date	Amount of Coverage
Primary Flood Specified City Buildings	National Flood Program/ Selective Insurance Expires 11-4-2010	Building &/or contents values up to maximum of \$500,000 per building &/or \$500,000 per contents per location \$2000 deductible per building/ per contents (specified locations)
3. Airport Liability		
P Primary Aviation	Texas Municipal League Expires 11-4-2010	\$25,000,000 Limit of Liability \$5,000 per occurrence deductible and \$10,000 annual aggregate deductible
E Excess Aviation	ACE-Illinois Union Ins Co Expires 11-4-2010	\$50,000,000 Liability Limit in Excess of \$25,000,000 (\$75,000,000 max.)
4. Employee Dishonesty / Crime Coverage	Texas Municipal League Expires 11-4-2010	\$1,000,000 per occ. for Public Employee Dishonesty Forgery or Alteration, Theft, Disappearance and Destruction Computer Fraud; with \$10,000 Deductible;
5. Excess General Liability, Public Officials, Employment & Law Enforcement Liability & Excess Workers Compensation	Star Insurance Company Expires 3-1-2011	\$5 Million each Accident or Occurrence Limit \$10 Million Aggregate Limit Workers Compensation Statutory \$500,000 SIR for Liability other than WC \$350,000 SIR for Workers Compensation
6. Gas Utility Excess Liability	Texas Municipal League Expires 11-4-2010	\$10,000,000 limit per occurrence \$250,000-General Liability/Pollution Deductible
7. General Liability CCPD -- Flint Hills Lease GL	Texas Municipal League Expires 11-4-2010	\$1,000,000 each occurrence \$1,000 deductible
8. Special Events Policy July 4th Celebration	Northfield Ins. Co. Expires 7-6-2010	\$2,000,000 General Aggregate \$1,000,000 each Occurrence
9. Automobile Coverage		
TB Clinic Van	Texas Municipal League Expires 11-4-2010	\$1,000,000 Bodily Injury & Property Damage \$25,000-Medical Payments Actual Cash Value - physical damage \$250 deductible
Fleet Catastrophic	Texas Municipal League Expires 11-4-2010	\$15,000,000 Blanket Limit per Occurrence \$250,000 Deductible
Automobile Physical Damage CCPD Leased Vehicles Solid Waste Transfer Trailers Specified Higher Valued Vehicles Specified Mobile Equipment	Texas Municipal League Expires 11-4-2010	Actual Cash Value - physical damage \$250 deductible \$500 deductible \$2500 deductible \$2500 deductible

INDEPENDENT AUDITOR'S REPORT ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

January 28, 2011

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, 2010, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 28, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the State of Texas, *Single Audit Circular*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the State of Texas, *Single Audit Circular*.

We noted certain matters that we reported to management of the City of Corpus Christi in a separate letter dated January 28, 2011.

This report is intended solely for the information and use of the Honorable Mayor and Members of the City Council, management, federal and state awarding agencies and pass-through entities, and is not intended to be, and should not be used by anyone other than these specified parties.

Collier, Johnson & Woods

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT
ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

January 28, 2011

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, 2010. The City's federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City of Corpus Christi, Texas complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended July 31, 2010.

Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Honorable Mayor and Members of the City Council, management, federal awarding agencies and pass-through entities, and is not intended to be, and should not be used by anyone other than these specified parties.

Collins, Johnson & Woods

CITY OF CORPUS CHRISTI, TEXAS

SCHEDULE OF FEDERAL FINDINGS AND QUESTIONED COSTS

YEAR ENDED JULY 31, 2010

Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the City of Corpus Christi, Texas.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the "Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*".
3. No instances of noncompliance material to the financial statements of the City of Corpus Christi, Texas, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies or material weaknesses relating to the audit of the major federal award programs are reported in the "Independent Auditor's Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133".
5. The auditor's report on compliance for the major federal award programs for the City of Corpus Christi, Texas expresses an unqualified opinion on all major programs.
6. There are no audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The programs tested as major programs included:
 - U.S. Department of Agriculture:
 - Special Supplemental Nutrition Program for Women, Infants and Children (CFDA 10.557)
 - U.S. Department of Housing and Urban Development CDBG Entitlement Grants Cluster:
 - Community Development Block Grants/Entitlement Grants (CFDA 14.218)
 - Community Development Block Grant ARRA Entitlement Grants (CFDA 14.253)
 - U.S. Department of Housing and Urban Development:
 - ARRA - Homelessness Prevention and Rapid Re-Housing Program (CFDA 14.262)
 - U.S. Department of Energy:
 - ARRA - Energy Efficiency and Conservation Block Grant (CFDA 81.128)
 - ARRA - Weatherization Assistance (CFDA 81.042)
 - U.S. Department of Health and Human Services Aging Cluster:
 - Special Programs for the Aging – Grants for Supportive Services and Senior Centers (CFDA 93.044)
 - Special Programs for the Aging – Nutrition Services (CFDA 93.045)
 - Nutrition Services Incentive Program (CFDA 93.053)
 - ARRA - Aging Home-Delivered Nutrition Services (CFDA 93.705)
 - ARRA - Aging Congregate Nutrition Services (CFDA 93.707)

U.S. Department of Homeland Security:
Public Safety Interoperable Communications (CFDA 97.055)

U.S. Department of Homeland Security Homeland Security Cluster:
Citizen Corps (CFDA 97.053)
Homeland Security Grant Program (CFDA 97.067)
Metropolitan Medical Response System (CFDA 97.071)

8. The dollar threshold for distinguishing Type A and Type B programs was \$754,782.
9. The City of Corpus Christi, Texas qualifies as a low-risk auditee.

Findings - Financial Statement Audit

The audit disclosed no findings required to be reported.

Findings and Questioned Costs – Major Federal Award Programs Audit

The audit disclosed no findings required to be reported.

Prior Year Findings and Questioned Costs – Major Federal Award Programs Audit

There were no findings reported in the prior year.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR STATE
PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH THE STATE OF TEXAS SINGLE AUDIT CIRCULAR

January 28, 2011

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

Compliance

We have audited the compliance of the City of Corpus Christi, Texas with the types of compliance requirements described in *the State of Texas Single Audit Circular* that are applicable to each of its major State programs for the year ended July 31, 2010. The City's major State programs are identified in the summary of auditor's results section of the accompanying schedule of State findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major State programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State of Texas Single Audit Circular issued by the Governor's Office of Budget and Planning. Those standards and the Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended July 31, 2010.

Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to State programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the *State of Texas Single Audit Circular*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Honorable Mayor and Members of the City Council, management, State awarding agencies and pass-through entities, and is not intended to be, and should not be used by anyone other than these specified parties.

Collins, Johnson & Woods

CITY OF CORPUS CHRISTI, TEXAS

SCHEDULE OF STATE FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JULY 31, 2010

Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the City of Corpus Christi, Texas.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the "Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*".
3. No instances of noncompliance material to the financial statements of the City of Corpus Christi, Texas, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies or material weaknesses relating to the audit of the major State award programs are reported in the "Independent Auditors Report on Compliance with Requirements that Could Have a Direct and Material Effect on each Major State Program and Internal Control over Compliance in Accordance with the State of Texas Single Audit Circular."
5. The auditor's report on compliance for the major State award programs for the City of Corpus Christi, Texas expresses an unqualified opinion on all major programs.
6. There are no audit findings that are required to be reported in accordance with Section 510(a) of State of Texas Single Audit Circular.
7. The programs tested as major programs included:

Air Quality Planning Activities

Auto Theft Prevention Grant
8. The dollar threshold for distinguishing Type A and Type B programs was \$300,000.
9. The City of Corpus Christi, Texas qualifies as a low risk auditee.

Findings - Financial Statement Audit

The audit disclosed no findings required to be reported.

Findings and Questioned Costs - Major State Award Programs Audit

The audit disclosed no findings required to be reported.

Prior Year Findings and Questioned Costs - Major State Award Programs Audit

There were no findings reported in the prior year.



City of
Corpus
Christi

City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2010

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Federal Assistance:				
U.S. Department of HUD				
<u>Direct Programs</u>				
CDBG Entitlement Cluster:				
Comm. Dev. Block Grant-Entitlement Grant 02-03	14.218	B03-MC48-0502	4,950,000	1,500
Comm. Dev. Block Grant-Entitlement Grant 03-04		B04-MC48-0502	4,219,000	3,201
Comm. Dev. Block Grant-Entitlement Grant 04-05		B05-MC48-0502	4,105,000	5,499
Comm. Dev. Block Grant-Entitlement Grant 05-06		B06-MC48-0502	3,882,133	(28,012)
Comm. Dev. Block Grant-Entitlement Grant 06-07		B06-MC48-0502	3,489,407	230,629
Comm. Dev. Block Grant-Entitlement Grant 07-08		B07-MC48-0502	3,480,612	448,321
Comm. Dev. Block Grant-Entitlement Grant 08-09		B08-MC48-0502	3,354,513	454,509
Comm. Dev. Block Grant-Entitlement Grant 09-10		B09-MC48-0502	3,390,739	2,320,850
Comm. Dev. Block Grant-Entitlement Grant 10-11		B10-MC48-0502	3,663,796	40,517
Total CFDA Number 14.218			<u>34,535,200</u>	<u>3,477,014</u>
ARRA - Community Development Block Grant - Recovery	14.253	B09-MY-480502	911,062	416,780
Total CFDA Number 14.253			<u>911,062</u>	<u>416,780</u>
Total CDBG Entitlement Grants Cluster			<u>35,446,262</u>	<u>3,893,794</u>
Emergency Shelter Grants Program 08-09	14.231	S08-MC48-0502	149,967	157
Emergency Shelter Grants Program 09-10		S09-MC48-0502	149,354	148,604
Total CFDA Number 14.231			<u>299,321</u>	<u>148,761</u>
Supportive Housing Program 07-08	14.235	74-6000-574	1,074,009	24,836
Supportive Housing Program 08-09		74-6000-574	1,009,759	59,910
Supportive Housing Program 09-10		74-6000-574	1,012,725	786,587
Supportive Housing Program 10-11		TX-501	1,012,724	92,182
Total CFDA Number 14.235			<u>4,109,217</u>	<u>963,515</u>
Home Investment Partnerships Program 04-05	14.239	M-04-MC-48-0502	1,848,127	164,933
Home Investment Partnerships Program 05-06		M-05-MC-48-0502	1,772,241	15,154
Home Investment Partnerships Program 06-07		M-06-MC-48-0502	1,772,241	41,155
Home Investment Partnerships Program 07-08		M-07-MC-48-0502	1,772,241	112,046
Home Investment Partnerships Program 08-09		M-08-MC-48-0502	1,614,427	605,555
Home Investment Partnerships Program 09-10		M-09-MC-48-0502	1,782,635	560,147
Total CFDA Number 14.239			<u>10,561,912</u>	<u>1,498,990</u>
Fair Housing Assistance Program_State and Local	14.401	FF206K066008	123,700	100,086
Total CFDA Number 14.401			<u>123,700</u>	<u>100,086</u>
ARRA - Homelessness Prevention and Rapid Re-Housing	14.257	SO9-48-MY-0502	1,393,181	623,333
Total CFDA Number 14.257			<u>1,393,181</u>	<u>623,333</u>
Total Direct Programs			<u>51,933,593</u>	<u>7,228,479</u>
Total U.S. Department of HUD			<u>51,933,593</u>	<u>7,228,479</u>

(Continued)

City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2010

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Office of National Drug Control Policy				
<u>Direct Programs</u>				
Texas Coastal Corridor	16.000	I7PHNP517Z	142,500	634
Texas Coastal Corridor		G09HN0006A	163,373	134,227
Texas Coastal Corridor		I8PHNP517Z	136,500	37,804
Texas Coastal Corridor		G10HN006A	165,840	15,614
Total CFDA Number 16.000			608,213	188,279
Total Direct Programs			608,213	188,279
Total Office of National Drug Control Policy			608,213	188,279
U.S. Department of Justice				
<u>Direct Programs</u>				
Community Capacity Development Office Program	16.595	2008-WS-QX-0200	150,000	63,433
Community Capacity Development Office Program		2009-WS-QX-0016	142,000	92,756
Total CFDA Number 16.595			292,000	156,189
Community Oriented Policing Services CSPP	16.710	2008CSWX0020	484,856	242,879
Total CFDA Number 16.710			484,856	242,879
Edward Byrne Memorial Justice Assistance Grant	16.738	2005DJBX0412	258,284	--
Edward Byrne Memorial Justice Assistance Grant		2006DJBX0221	159,671	291
Edward Byrne Memorial Justice Assistance Grant		2007DJBX1163	236,403	2,839
Edward Byrne Memorial Justice Assistance Grant		2008DJBX0642	73,850	868
Edward Byrne Memorial Justice Assistance Grant		2009-SB-B9-2543	1,132,124	897,495
Edward Byrne Memorial Justice Assistance Grant		2009-DJ-BX-1378	256,634	128,317
Edward Byrne Memorial Justice Assistance Grant		SU-09-A10-22287-01	279,529	10,767
Edward Byrne Memorial Justice Assistance Grant		SU-09-A10-2313401	499,849	179,628
Edward Byrne Memorial Justice Assistance Grant		DJ-07-A10-20898-01	224,772	9,664
Total CFDA Number 16.738			3,121,116	1,229,869
Total Direct Programs			3,897,972	1,628,937
<u>Passed through Office of Attorney General</u>				
Missing Children's Assistance	16.543	07-02791.01	4,000	3,819
Total CFDA Number 16.543			4,000	3,819
Total Passed Through Office of Attorney General			4,000	3,819
<u>Passed through Office of the Governor CJD</u>				
Juvenile Accountability Incentive Block Grants	16.523	JB-08-J20-13299-10	10,874	4,465
Total CFDA Number 16.523			10,874	4,465
Legal Assistance for Victims	16.524	WF-08-V30-15171-10	100,964	13,546
Legal Assistance for Victims		WF-09-V30-15171-11	100,964	81,309
Total CFDA Number 16.524			201,928	94,855
ARRA- Violence Against Women Formula Grant Progr	16.588	EF-09-V30-23042-01	29,573	238
Total CFDA Number 16.588			29,573	238
Victims of Crime Act	16.575	VA-08-V30-15223-09	89,001	8,274
Victims of Crime Act		VA-09-V30-15223-10	89,292	75,128
Total CFDA Number 16.575			178,293	83,402
Total Passed Through Office of the Governor CJD			420,669	182,960
Total U.S. Department of Justice			4,322,641	1,815,716

(Continued)

City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2010

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
U.S. Department of Transportation				
<u>Direct Programs</u>				
Airport Improvement Programs	20.106			
Terminal Imp., Rehab Taxiway, Ph2; Modify ARFF Bldg		3-48-0051-40	2,234,346	1,917,341
Terminal Imp., Improv Airport Drainage Area VI, Ph2		3-48-0051-41	2,500,000	1,789,270
Rehab Taxiway System		3-48-0051-42	2,800,000	1,969,558
Const.Maint.Equip Bldg		3-48-0051-43	778,503	547,456
Const. Maint Equip Bldg		3-48-0051-44	966,213	497,145
Taxiway B4 Widening Grant		3-48-0051-45	2,010,220	1,357,548
Total CFDA Number 20.106			<u>11,289,282</u>	<u>8,078,318</u>
Total Direct Programs			<u>11,289,282</u>	<u>8,078,318</u>
<u>Passed through State Dept. of Highways and Public Transportation</u>				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	2009-CorpusPD-S-MYG-Yr1-0203	145,069	16,221
State and Community Highway Safety		2009-CorpusPD-S-MYG-Yr1-0203	136,508	107,936
State and Community Highway Safety		2010-CorpusPD-CIOT-00060	20,000	20,000
Total CFDA Number 20.600			<u>301,577</u>	<u>144,157</u>
Alcohol Traffic Safety and Drunk Driving Prevention	20.601	2010-CorpusPD-STEP IDM-00017	21,693	5,781
Total CFDA Number 20.601			<u>21,693</u>	<u>5,781</u>
Total Highway Safety Cluster			<u>323,270</u>	<u>149,938</u>
Total Passed Through State Dept. of Hwys & Public Transp.			<u>323,270</u>	<u>149,938</u>
Total Department of Transportation			<u>11,612,552</u>	<u>8,228,256</u>
Equal Employment Opportunity Commission				
<u>Direct Programs</u>				
Employment Discrimination State & Local Fair	30.002	6FPSLP0087	79,900	51,085
Total CFDA Number 30.002			<u>79,900</u>	<u>51,085</u>
Total Direct Programs			<u>79,900</u>	<u>51,085</u>
Total Equal Employment Opportunity Commission			<u>79,900</u>	<u>51,085</u>
Institute of Museum and Library Services				
<u>Passed through Texas State Library & Archives Commission</u>				
<u>Library Services:</u>				
Grants To States	45.310	470-08004	508,873	--
Grants To States		470-09005	394,978	36,164
Grants To States		470-10022	378,906	327,017
Grants To States		476-08014	78,250	--
Grants To States		476-09010	79,000	6,412
Grants To States		476-10017	80,000	69,952
Grants To States		771-08003	151,934	--
Grants To States		771-09018	148,694	21,484
Grants To States		771-10027	143,018	126,926
Total CFDA Number 45.310			<u>1,963,653</u>	<u>587,955</u>
Total Passed Through TSLAC			<u>1,963,653</u>	<u>587,955</u>
Total Institute of Museum and Library Services			<u>1,963,653</u>	<u>587,955</u>

(Continued)

City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2010

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
U.S. Department of Health and Human Services				
<u>Passed through Texas Dept. of Aging & Disability Svc</u>				
Aging Cluster				
Special Programs for the Aging Title III, Part B Grants For Supportive Services and Senior Centers	93.044	AA3-0948-4	35,160	(1)
Special Programs for the Aging Title III, Part B Total CFDA Number 93.044		AA3-1048-4	23,121	23,121
			58,281	23,120
Special Programs for the Aging Title III, Part C Nutrition Svcs Total CFDA Number 93.045	93.045	AA3-1048-4	589,923	476,702
			589,923	476,702
ARRA - Title III, Part C Congregate Total CFDA Number 93.707	93.707	AA3-1048-4	54,654	54,654
			54,654	54,654
ARRA - Title III, Part C Home-Delivered Total CFDA Number 93.705	93.705	AA3-1048-4	25,491	25,491
			25,491	25,491
Nutrition Services Incentive Program	93.053	AA3-1048-4	128,801	128,801
Nutrition Services Incentive Program		PS-09-292-P-02	300,720	72,234
Nutrition Services Incentive Program		PS-10-292-P-02	287,596	194,951
Total CFDA Number 93.053			717,117	395,986
Total Aging Cluster			1,445,466	975,953
Total Passed Through DADS			1,445,466	975,953
<u>Passed through Texas Department of State Health Svcs</u>				
CPS-Laboratory Response Network-PHEP	93.069	2009-032155	180,351	138,145
Community Preparedness Section/PHER Focus Area 2		2010-033459	174,439	152,500
Total CFDA Number 93.069			354,790	290,645
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	2009-030581	102,276	38,939
Project Grants and Cooperative Agreements for Tuberculosis Control Programs		2010-034148-001	139,842	51,318
Total CFDA Number 93.116			242,118	90,257
Immunization Grants	93.268	2009-028291	241,637	(704)
Immunization Grants		2010-032005-001	241,637	204,762
Total CFDA Number 93.268			483,274	204,058
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	2008-028046	184,281	3,554
Centers for Disease Control and Prevention		2009-031319	132,328	130,741
Total CFDA Number 93.283			316,609	134,295
Regional Local Svcs System/Social Services Block Grant	93.667	2010-034945-001	52,000	599
Total CFDA Number 93.667			52,000	599
National Bioterrorism Hospital Preparedness Program	93.889	2008-028046	46,070	889
National Bioterrorism Hospital Preparedness Program		2009-032213	41,667	40,543
National Bioterrorism Hospital Preparedness Program		2010-035148	50,000	4,053
Total CFDA Number 93.889			137,737	45,485

(Continued)

City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2010

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Cooperative Agreements For State-Based Diabetes Control Programs and Evaluation of Suveillance Sys	93.988	2009-031077	80,000	57,941
Cooperative Agreements For State-Based Diabetes Control Programs and Evaluation of Suveillance Sys Total CFDA Number 93.988		2010-034759-001	80,000	11,196
			160,000	69,137
Preventive Health and Health Services Block Grant Total CFDA Number 93.991	93.991	2010-032828-001	202,923	120,274
Total Passed Through Dept. of State Health Svs			202,923	120,274
			1,949,451	954,750
<u>Passed through Texas Dept of Family & Protective Services</u>				
Promoting Safe and Stable Families	93.556	23362174-FY09-AM04	500,000	19,119
Promoting Safe and Stable Families		23792861	500,000	344,269
Total CFDA Number 93.556			1,000,000	363,388
Total Passed Through Dept. of Family & Protective Services			1,000,000	363,388
Total U.S. Department of Health & Human Services			4,394,917	2,294,091
Corporation for National and Community Service				
<u>Direct Programs</u>				
Retired and Senior Volunteer Program	94.002	08SRWTX019	55,139	13,481
Retired and Senior Volunteer Program		09SRWTX019	56,793	27,770
Total CFDA Number 94.002			111,932	41,251
Senior Companion Program	94.016	09SCWTX001	270,943	222,193
Senior Companion Program		10SCWTX001	275,007	22,729
Total CFDA Number 94.016			545,950	244,922
Total Direct Programs			657,882	286,173
<u>Passed through Texas Dept of Aging and Disability</u>				
Retired and Senior Volunteer Program	94.002	07RZWTX002	20,987	192
Retired and Senior Volunteer Program	94.002	10RZWTX002	20,987	18,356
Senior Companion Program	94.016	10SZWTX001	5,381	5,381
Total Passed Through Dept. of Aging & Disability			47,355	23,929
Total Corporation for National & Community Service			705,237	310,102
Federal Emergency Management Agency				
<u>Direct Programs</u>				
Emergency Management Performance Grants	97.042	09TX-EMPG-0581	71,962	33,717
Total CFDA Number 97.042			71,962	33,717
Total Direct Programs			71,962	33,717
<u>Passed Through Governor's Division of Emergency Management</u>				
Public Safety Interoperable Communications Grant Prog	97.055	2007-GS-H7-0044	1,798,271	539,532
Total CFDA Number 97.055			1,798,271	539,532
Total Passed Through Governor's Div. of Emergency Mgmt.			1,798,271	539,532
Total Federal Emergency Management Agency			1,870,233	573,249

(Continued)

City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2010

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
U. S. Department of Homeland Security				
Homeland Security Cluster:				
<u>Direct Programs</u>				
Citizen Corps	97.053	2006-GE-T6-0068	15,000	1,315
Citizen Corps		2007-GE-T7-0024	3,285	922
Total CFDA Number 97.053			<u>18,285</u>	<u>2,237</u>
Metropolitan Medical Response System	97.071	282-00-0040	880,000	3,438
Metropolitan Medical Response System		2007-GE-T7-0024	258,145	22,826
Metropolitan Medical Response System		2008-GE-T8-0034	321,221	288,942
Metropolitan Medical Response System		2009-SS-T9-0064	321,221	33,740
Total CFDA Number 97.071			<u>1,780,587</u>	<u>348,946</u>
Total Direct Programs			<u>1,798,872</u>	<u>351,183</u>
<u>Passed Through Texas Division of Emergency Management</u>				
<u>Passed Through Nueces County</u>				
FY09 Operation Stonegarden Grant Program	97.067	2007-GS-H7-0044	170,273	132,978
Total CFDA Number 97.067			<u>170,273</u>	<u>132,978</u>
Total Passed Through Tx Div of Emerg. Mgmt., County			<u>170,273</u>	<u>132,978</u>
Total Homeland Security Cluster			<u>1,969,145</u>	<u>484,161</u>
<u>Direct Programs</u>				
Assistance to Firefighters Grant	97.044	EMW-2008-FP-02415	53,170	35,740
Total CFDA Number 97.044			<u>53,170</u>	<u>35,740</u>
State Homeland Security Program	97.073	2007-GE-T7-0024	578,000	114,806
State Homeland Security Program		2008-GE-T8-0034	726,650	180,479
State Homeland Security Program		2008-GE-T8-0034	431,215	40,909
Total CFDA Number 97.073			<u>1,735,865</u>	<u>336,194</u>
Law Enforcement Terrorism Prevention Program	97.074	2007-GE-T7-0024	550,000	372,572
Total CFDA Number 97.074			<u>550,000</u>	<u>372,572</u>
Total Direct Programs			<u>2,339,035</u>	<u>744,506</u>
<u>Passed through US Dept. of Justice Office of Justice Programs</u>				
Port Security Grant Program	97.056	2007-GB-T7-0037	474,200	232,498
Total CFDA Number 97.056			<u>474,200</u>	<u>232,498</u>
Total Passed Through US Dept of Justice (OJP)			<u>474,200</u>	<u>232,498</u>
Total U. S. Department of Homeland Security			<u>4,782,380</u>	<u>1,461,165</u>
U.S. Department of Agriculture				
<u>Passed through Texas Dept. of State Health Services</u>				
Special Supplemental Nutrition Program for Women, Infants & Children	10.557	2009-030102	830,680	223,658
		2010-033567-001	845,663	763,577
Total CFDA Number 10.557			<u>1,676,343</u>	<u>987,235</u>
Total Passed Through Texas Dept. of State Health Services			<u>1,676,343</u>	<u>987,235</u>
<u>Passed through Texas Dept. of Agriculture</u>				
Child and Adult Care Food Program	10.558	TX178-1009	206,451	3,389
Child and Adult Care Food Program		TX178-1009	208,000	109,972
Total CFDA Number 10.558			<u>414,451</u>	<u>113,361</u>

(Continued)

City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2010

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Summer Food Service Program for Children	10.559	TX178-1009	417,000	45,656
Summer Food Service Program for Children		TX178-1009	219,256	102,032
Total CFDA Number 10.559			636,256	147,688
Total Passed Through Texas Dept. of Agriculture			1,050,707	261,049
Total Department of Agriculture			2,727,050	1,248,284
U.S. Department of Interior				
<u>Passed Through Texas Historical Commission</u>				
Historic Preservation Fund Grants-In-Aid Program	15.904	48-02-17574.009	20,058	4,654
Total CFDA Number 15.904			20,058	4,654
Total Passed Through THC			20,058	4,654
Total Department of Interior			20,058	4,654
U.S. Department of Energy				
<u>Direct Programs</u>				
ARRA -Energy Efficiency and Conservation Block Grant	81.128	EE000961	250,000	262,530
Total CFDA Number 81.128			250,000	262,530
Total Direct Programs			250,000	262,530
<u>Passed Through Texas Dept of Housing and Community Affairs</u>				
ARRA - Weatherization Assistance Program	81.402	16090000703	1,581,737	566,236
Total CFDA Number 81.402			1,581,737	566,236
Total Passed Through TDHCA			1,581,737	566,236
Total U.S. Department of Energy			1,831,737	828,766
U.S. Environmental Protection Agency				
<u>Direct Programs</u>				
ARRA - CC Brownfields Assessment Hazardous Substances	66.818	2B-96699101-0	200,000	14,153
ARRA - CC Brownfields Petroleum Assessment Community-Wide		2B-96698801-0	200,000	10,283
Total CFDA Number 66.818			400,000	24,436
Total Direct Programs			400,000	24,436
Total U.S. Environmental Protection Agency			400,000	24,436
U.S. Department of Commerce				
<u>Passed General Land Office</u>				
Coastal Management Program - Cycle 14	11.419	2B-96699101-0	314,901	314,901
Total CFDA Number 11.419			314,901	314,901
Total Passed Through General Land Office			314,901	314,901
Total U.S. Department of Commerce			314,901	314,901
Total Federal and Passed-through Assistance			87,567,065	25,159,418
State Assistance:				
Texas Department of State Health Services				
<u>Direct Programs</u>				
Seafood & Aquatic Life		2009-028480	22,500	1,924
Seafood & Aquatic Life		2010-031609-001	22,500	2,706
TB/PC		2009-023217	63,134	4,041
TB/PC		2010-032845-001	84,729	78,926
Infectious Disease Control		2010-031537-001	5,000	3,997
Total Direct Programs			197,863	91,594
Total Texas Department of State Health Services			197,863	91,594

(Continued)

City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2010

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Texas Parks and Wildlife				
<u>Direct Programs</u>				
Escape Outdoors		52-000429	30,000	2,956
Safe Boating Access		N/A	651,695	144,091
Total Direct Programs			681,695	147,047
Total Texas Parks and Wildlife			681,695	147,047
Texas Commission on Environmental Quality				
<u>Direct Programs</u>				
Air Quality Planning Activities		582-4-64576	884,600	1,658
Air Quality Planning Activities		582-6-86230	884,600	525,041
Total Direct Programs			1,769,200	526,699
<u>Passed through Coastal Bend Council of Governments</u>				
Education		09-20-G09	33,140	4,303
Education		10-20-G07	35,000	28,676
Total Passed Through CBCOG			68,140	32,979
Total Texas Commission on Environmental Quality			1,837,340	559,678
Texas Department of Transportation				
<u>Direct Programs</u>				
Transportation Enhancement Project		0916-35-112	316,400	27,409
Total Direct Programs			316,400	27,409
<u>Passed through Texas Automobile Theft Prevention Authority</u>				
Corpus Christi Auto Theft Prevention Grant		SA-T01-10045-09	492,682	30,171
Corpus Christi Auto Theft Prevention Grant		SA-T01-10045-10	428,529	387,486
Total Passed Through Texas ATPA			921,211	417,657
Total Texas Department of Transportation			1,237,611	445,066
Texas Department of Family and Protective Services				
<u>Direct Programs</u>				
Promoting Safe and Stable Families		23362174-FY09-AM04	126,750	6,373
Promoting Safe and Stable Families		23792861	126,750	114,756
Total Direct Programs			253,500	121,129
Total Texas Department of Family & Protective Services			253,500	121,129
State Comptroller of Public Accounts				
<u>State General Revenue</u>				
Law Enforcement Fire Prevention		N/A	4,270	1,526
Total SGR			4,270	1,526
Total State Comptroller of Public Accounts			4,270	1,526
Texas State Library & Archives Commission				
<u>State General Revenue</u>				
Lone Star Libraries Grant 08-09		442-09111	44,206	2,282
Lone Star Libraries Grant 09-10		442-10048	58,492	56,012
Total SGR			102,698	58,294
Total Texas State Library & Archives Commission			102,698	58,294

(Continued)

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2010

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Texas General Land Office				
<u>Direct Programs</u>				
Beach Maintenance Reimbursement Fund		07-008-09	91,981	76,611
Total Direct Programs			<u>91,981</u>	<u>76,611</u>
Total Texas General Land Office			<u>91,981</u>	<u>76,611</u>
Texas Dept of Agriculture				
<u>Direct Programs</u>				
Texans Feeding Texans Program		HMD-10-555	97,873	48,937
Total Direct Programs			<u>97,873</u>	<u>48,937</u>
Total Texas Dept of Agriculture			<u>97,873</u>	<u>48,937</u>
Texas Commission on the Arts				
<u>Direct Programs</u>				
Promotion of the Arts Partnership Agreement		10-31403	3,000	2,985
Total Direct Programs			<u>3,000</u>	<u>2,985</u>
Total Texas Commission on the Arts			<u>3,000</u>	<u>2,985</u>
Texas Historical Commission				
<u>Direct Programs</u>				
La Belle Collection		808-10-0018	30,000	14,292
Total Direct Programs			<u>30,000</u>	<u>14,292</u>
Total Texas Historical Commission			<u>30,000</u>	<u>14,292</u>
Texas Criminal Justice Division				
<u>Direct Programs</u>				
Sex Offender Investigative Unit		SF-08-A10-19326-01	65,914	--
Total Direct Programs			<u>65,914</u>	<u>--</u>
Total Texas Criminal Justice Division			<u>65,914</u>	<u>--</u>
Total State Assistance			<u>4,603,745</u>	<u>1,567,159</u>
Total Federal, Pass Through & State Financial Assistance			<u>\$ 92,170,810</u>	<u>\$ 26,726,577</u>



City of
Corpus
Christi

**NOTES TO SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2010**

1. General

The accompanying Schedule of Federal/State Expenditures of Awards presents the activity of all Federal and State financial assistance programs of the City of Corpus Christi, Texas. The City's reporting entity is defined in Note 1 to the City's basic financial statements. All Federal financial assistance received directly from Federal agencies or passed through other governmental agencies is included on the Schedule.

2. Basis of Accounting

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

3. Relationship to Basic Financial Statements

A reconciliation of Federal and State Program expenditures as reported in the City's basic financial statement follows:

General Fund	\$ 261,499
Special Revenue Funds	
Federal/State Grants	16,887,770
Corpus Christi Community Improvement Corporation	1,498,990
Enterprise Funds	
Airport Fund	<u>8,078,318</u>
Total expenditures	<u>\$ 26,726,577</u>

4. Relationship to Federal Financial Reports

Amounts reported in the Schedule of Federal/State Expenditures of Awards may not agree with the amounts reported in the related Federal/State financial reports filed with grantor agencies because of accruals which would be included in the next report filed with the agencies.

5. Major Grant Programs

These represent major Federal Financial Assistance Programs.

6. Insurance in Effect

The City self-funds worker's compensation, general/auto liabilities and health benefits. Purchased coverage includes: commercial property insurance of \$200 million limits on City buildings, \$75 million in airport liability and \$10 million of excess gas utility liability insurance. The City also purchases excess insurance which covers worker's compensation claims that exceed \$350,000 per accident. In addition, excess liability insurance is purchased for general/auto liability claims, public officials, employment and law enforcement in excess of \$500,000 per claim. Primary flood coverage provides up to \$500,000 on specified buildings within flood zones A & B. All funds of the City participate in the program and make payments to the Liability and Employee Benefits Fund based on estimates needed to pay prior claims, current year claims and claims incurred but not reported. A specific stop loss policy which covers health claims in excess of \$150,000 per individual with maximum lifetime coverage of \$1 million is kept in force. In addition, City maintains aggregate stop loss coverage of its group health expenses at 125% of projected claims.



City of
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