

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014



CITY OF CORPUS CHRISTI, TEXAS

# 2014







City of  
Corpus  
Christi

CITY OF CORPUS CHRISTI, TEXAS

## **Comprehensive Annual Financial Report**

For the Fourteen Months Ended September 30, 2014

### *CITY COUNCIL*

#### *Mayor*

Nelda Martinez

#### *City Council Members*

Carolyn Vaughn

Brian Rosas

Lucy Rubio

Colleen McIntyre

Rudy Garza, Jr.

Mark Scott

Lillian Riojas

Chad Magill

#### *City Manager*

Ronald L. Olson

#### *Deputy City Manager*

Margie C. Rose

#### *Assistant City Managers*

Susan K. Thorpe

Gustavo Gonzales

Wesley S. Pierson

#### *Director of Financial Services*

Constance P. Sanchez, CPA, CPM

#### *Assistant Director of Financial Services*

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#### *Chief Accountant*

Martha A. Messer, CPA

*Prepared by the staff of the Financial Services Department*



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Corpus  
Christi

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Diana Silguero  
Judy Villalon  
Brenda White*

**Comprehensive Annual Financial Report  
For the Fourteen Months Ended September 30, 2014**

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## *Introductory Section*





**City of  
Corpus  
Christi**

May 29, 2015

The Honorable Mayor Nelda Martinez, Members of the City Council, and  
Citizens of the City of Corpus Christi

**FINANCIAL SERVICES**

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

State law requires that every general-purpose local government publish at the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the 14-months ended September 30, 2014. In 2014 the City Council took action to change the City's fiscal year-end from July 31<sup>st</sup> to September 30<sup>th</sup>. Therefore, the fiscal year 2014 Comprehensive Annual Financial Report (CAFR) reflects 14 months of activity.

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 14 months ended September 30, 2014. 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, City Auditor, 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.

The City provides a full range of services, including a combined utility system (System) consisting of the water, wastewater, storm water, 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, and the North Padre Island Development Corporation (which includes the Tax Increment Financing Zone Number 2). 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.

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 325,477. 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 close to 5,800 people (including both employees of the Corpus Christi Army Depot and contract labor). The Corpus Christi Army Depot (CCAD) is a United States Department of Defense's Center of Industrial and Technical Excellence for rotary wing aircraft. CCAD is currently the largest facility of its type in the world and serves as a depot training base for active duty Army, National Guard, Reserve, and international personnel. The depot performs overhaul, repair,

modification, recapitalization, retrofit, testing, and modernization of helicopters, engines, and components for all services and international sales of rotary wing aircraft. Additionally, CCAD is a critical asset to the Army's Organic Industrial Base because it has a unique set of capabilities in helicopter and component support essential for all branches of the Department of Defense, Department of Homeland Security, Customs and Border Patrol, and foreign nations. It has been critical in its support to aviation maintenance most notably with its sustainment of the UH-60 Black Hawk fleet, which remains the largest fleet of aircraft in the Army inventory. During 2014, CCAD sold its 40th UH-60L Black Hawk through its cost-saving recapitalization program. Despite production fluctuations brought on by reduced workload, a hiring freeze, and other fiscal challenges, CCAD's workforce persevered to success. The Army has more than 2,100 UH-60 Black Hawks in its inventory, and the CCAD overhaul program updates the aircraft to the most recent configurations for use by soldiers in the field.

Two bases make up the South Texas military complex: Naval Air Station – Corpus Christi and Naval Air Station – Kingsville (jet aviation training). The site of the region's third base, Naval Station Ingleside (base for the Navy's mine warfare fleet), which was closed in 2010, was sold in November 2012 by the Port of Corpus Christi to Occidental Petroleum Corporation (Oxy) for \$82.1 million. Oxy plans to build a propane export facility that is expected to approach \$1 billion and will bring as many as 200 direct and indirect jobs to the area. Additionally Oxy and a Mexican petrochemical company, Mexichem, are planning to jointly build a \$1 billion ethylene cracking plant in Ingleside. The cracking plant is anticipated to be completed in 2017 and will be capable of producing 1.2 billion pound of ethylene each year. The project is expected to create about 1,700 jobs during construction and more than 150 permanent jobs upon completion.

Texas A&M University-Corpus Christi is in the midst of expansion, both at its Island Campus and at the Momentum Campus that now houses sports facilities including the Dugan Family Soccer and Track Stadium. New student housing, called Momentum Village, is scheduled to open in 2015. Additionally the Island Campus opened new residence halls and a dining hall. The expanded University Center is scheduled to reopen in 2015. The Island University enrolled its largest class in 2014, with more than 11,000 students.

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. More recently, the Eagle Ford Shale drilling production continues to boost the region's economic base as it relates to the oil and gas industry. According to the Railroad Commission of Texas' 2013 Eagle Ford Shale Task Force Report, this

shale drilling production supported over 47,000 full-time jobs in the region with over \$25 billion in economic impact. It is estimated to create over 117,000 jobs with \$62.3 billion in economic impact by 2021.

### ***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 one of the deepest ports along the Gulf of Mexico coast with a channel depth of 45 feet and is currently ranked as the fifth largest port in the United States in terms of tonnage. The Port handled a volume of 100.1 million tons of cargo during the 2014 calendar year, an increase of 12.8% from 2013.

Major initiatives for the Port of Corpus Christi in 2014 included continuation of the tenth year of the Port's Environmental Management System. This system was established to reduce the environmental impact and to help reduce the Port's environmental footprint. In 2014, the Port reduced the number of spills that occurred by 75% since 2010; purchased 10% of its total electricity from green energy sources, and reduced overall electrical consumption by 60% since 2012. The Port also established its mark in 2007 as an essential transportation variable for the wind energy industry and stood ready for its import/export rebound in 2014 that was enhanced with the development of an additional laydown site. The Port is known in the industry as the "Wind Port of the Gulf" and strives to maintain its established position within this renewable energy industry.

The Eagle Ford Shale continues to be a huge economic stimulator for the region, and the Port continues to play a vital role as the logistical and distribution center for cargoes used in drilling, fracturing and pipeline placement. The Port has continued to invest in new rail infrastructure and liquid docks to support the current needs and continued growth potential of the Eagle Ford Shale.

The Port has many other initiatives underway. The bulk terminal at the Port continues to plan for expansion and upgrades that will facilitate more reliable and environmentally sound methods to move bulk materials. Capital expenditures were made by the Port in 2014 to deepen the La Quinta Channel extension to 45 feet; to construct the Nueces River Rail Yard; to construct a new public oil dock and barge mooring area; to rehabilitate a dredge placement area; to upgrade the fire protection system at the Avery Point oil docks; and to make improvements to the Permian Yard. Several of these major capital projects are projected to be completed in 2015, including the Nueces River Rail yard, the new public oil dock and barge mooring area, and the Permian Yard improvements.

### ***Harbor Bridge Expansion***

After conducting a feasibility study and examining the current conditions posed by the Harbor Bridge over the Corpus Christi Ship Channel, the Texas Department of Transportation (TxDOT) moved forward with plans for the improvement and reconstruction of approximately 4.5 miles of the Harbor Bridge. The current proposed replacement bridge estimates a rise of at least 205 feet

above the current channel (an increase of at least an additional 67 feet when compared to the existing bridge), allowing larger vessels to pass through the channel and thus increasing the area's shipping traffic. It is also expected that the bridge will have wider lanes and increased highway access to address current capacity and transportation issues. State representatives believe the Harbor Bridge Project will attract additional job opportunities to strengthen the area's economy and provide safety enhancements to travelers.

TxDOT estimates the project will cost approximately \$1.071 billion and has set aside resources of approximately \$633 million in addition to a \$175 million contingency fund. Construction is scheduled to begin in late 2015.

### *Tourism*

Corpus Christi continues to be a favorite vacation spot for visitors and is the fifth most popular tourist destination in Texas according to the Office of the Governor's Economic Development, and Tourism division. The number one reason visitors flock to the area has always been to enjoy miles of beaches along Mustang and Padre Islands, the longest natural barrier island fronting on the Gulf of Mexico. The opposite side of the barrier provides a shoreline for Corpus Christi Bay, the 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, convention center, and theater at the American Bank Center, Whataburger Field home to the Corpus Christi Hooks, the Double-A affiliate of the Houston Astros, Hurricane Alley Waterpark, the Texas State Aquarium, the USS Lexington Museum, the Museum of Science and History, the Art Museum of South Texas, the South Texas Botanical Gardens & Nature Center, the Multicultural Center/Heritage Park complex, the Congressman Solomon Ortiz International Center, and Concrete Street Amphitheater. In 2013 the City Council renamed this area of town the "Sports, Entertainment, and Arts District" or the SEA District. Stakeholders plan on branding the area because it includes several popular attractions and is a family-friendly environment. They envision residents and visitors being able to purchase a day pass to play and eat at multiple businesses in the SEA District.

The Corpus Christi area also is a renowned location for water sports and serves as host to numerous fishing tournaments. The Corpus Christi Marina is the largest municipal marina in Texas with the deepest water. It has 600 boat slips that are 72% occupied. Approximately 1,000 vessels visit the marina annually. During summer months approximately 25 to 50 visitors per day pass through requesting information regarding attractions, sights and waterfront excitement. Marina Office Staff act as Ambassadors to visitors on behalf of the City of Corpus Christi. Various events revolve around the Marina. Parades, rallies, Buccaneer Days, July 4<sup>th</sup> Fireworks, seafood sales, Boat Show, Power Boat Races, World Class Sailing Regattas and other events combine to create an extremely busy waterfront area year-round. In 2013, the City hosted the National Sailing Youth Championship with over 200 high school participants from all over the country, which was also a pre-Olympic qualifying event. In 2013, the City hosted the Texas Coastal Boating and Saltwater Expo. In 2014, the Marina began a \$3,200,000 project to demolish and reconstruct R-Pier, including a \$502,000 grant from Texas Parks and Wildlife. The project will support construction of 118 new slips for boats up to 45 feet in length.

The City also boasts other successful sporting events including the Beach to Bay relay marathon and “Conquer the Coast”, a 65-mile bicycle ride that features a route through the area’s coastal communities. Corpus Christi also draws visitors through its multiple festivals including Buccaneer Days, the Jazz Festival, *Dia de los Muertos*, Harbor Lights, the Mayor’s 4<sup>th</sup> of July Big Bang Celebration and Fiesta de la Flor.

***Construction Permits***

The table below shows the number of permits and value of permits for the last ten fiscal years. It should be noted that prior to 2012-2013, then number of building permits included miscellaneous construction in addition to buildings, including roofing, tenant refinishing, repairs, driveways, and site work. Additionally, the 2013-2014 information reflects 14 months of data: August 2013 through September 2014.

In order to compare the number and value of building permits from 2013 to 2014, the 2014 amounts were annualized (meaning the 14-month was divided by 14 and then multiplied by 12) so that both years would reflect 12 months of data. In doing this analysis, the number of building permits slightly decreased while the corresponding values slightly increased – showing that the economy remained relatively stable from one year to then next.

<u>Year</u>	<u>Building Permits</u>	<u>Value</u>
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
2010-2011	5,447	376,894,414
2011-2012	5,728	376,144,270
2012-2013	2,437 <sup>(1)</sup>	445,240,284 <sup>(1)</sup>
2013-2014	2,732 <sup>(2)</sup>	535,411,665 <sup>(2)</sup>

<sup>21)</sup> Prior to 2013, permits included miscellaneous construction in addition to buildings, including roofing, tenant refinishing, repairs, driveways, and site work.

<sup>(2)</sup> The 2013-2014 information contains 14 months of data (August 2013 through September 2014)

***Employment***

The unemployment rate in Corpus Christi dropped 15.5% from a rate of 5.8% in July 2013 to 4.9% in September 2014 according to the U.S. Bureau of Labor Statistics. The Eagle Ford Shale activity has spurred employment in Corpus Christi and has sheltered Corpus Christi from the higher national unemployment rate of 5.9% in September 2014. Overall during the last ten years in Corpus Christi, the unemployment rate has decreased – from 5.4% in 2005 to 4.9% in 2014. During this same ten-year time period, personal (per capita) income in the area rose from \$28,539 to \$44,765 or 57%.

### ***Major Expenditures***

The government's expenses relating to "police and municipal court" and "fire and ambulance" comprise 52.7% of total expenses for governmental activities as reflected in Exhibit 1-B. Statistical Table 2 "Changes in Net Position" shows expenses by activity for the last ten years. The government's expenses relating to "police and municipal court" and "fire and ambulance" have increased as a percentage of total expenses for governmental activities over the last ten years as evidenced in the following table:

	Expenses as a Percent of Total Governmental Activities		
	2005	2014	% increase
Police and Municipal Court	29.7%	34.0%	14.5%
Fire and Ambulance	16.8%	18.7%	11.3%

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 net pension obligation for the firefighters has increased from the prior year - adding to the increase in expenses.

During this same ten-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***

During the fiscal year 2013-2014 budget process, the City Council approved financial policies as an essential guide to direct the City's financial planning. The City Council reaffirmed and expanded the policy to set aside adequate financial resources in the fund balance of the general fund to ensure that current and future services or operations would not be severely impacted by any economic slowdowns, emergencies, national disasters, or other unforeseen circumstances. The City Council's goal for fiscal year 2013-2014 expanded upon the commitment to build and maintain a reserve in the General Fund "committed" fund balance of at least ten (10%) of total annual general fund appropriations to up to 25%. Uncommitted fund balance in excess of the 10% policy requirement may be recommended for expenditure by the City Manager. City management slightly decreased the commitment in the general fund at September 30, 2014 from 19% to 16.5% of the total annual fiscal year 2014 general fund appropriations in accordance with this policy. The remaining balance in the unassigned fund balance at September 30, 2014, was \$7.4 million and is considered excess and available for one-time improvement expenditures, deferred maintenance, lifecycle replacement, and/or capital items. This amount represents 3.2% of the total general fund expenditures for fiscal year 2013-2014.

A new section was added to the financial policies for fiscal year 2014 to address the funding level from the General Fund for street operations. In September 2012, the City Council declared its intent to establish a street user fee for implementation in fiscal 2013-2014. It was the City Council's intent to preserve the funding level of the Street Department at the percentage of the Street Fund's budget in fiscal year 2012-2013 relative to the General Fund. This equated to 5.24% of the General Fund revenue or \$10,818,730, whichever is greater.

The City Council also directed the City Manager to budget at least \$200,000 in fiscal year 2013-2014 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, internal service, and special revenue funds.

The remaining sections of the financial policies were consistent with the previous policy and included utilization of a multi-year budget model; quarterly financial reporting and monitoring; the use of nonrecurring revenue to fund one-time expenditures; adherence to the City's Debt Management Policy; continuation of a ten-year capital improvement plan; and utilization of zero-based budgeting processes for completion of the operating budget.

### ***Major Initiatives***

The City of Corpus Christi has adopted a mission statement which has become an integral part in the development of a strategic plan to guide the City. The mission of the City of Corpus Christi is to deliver municipal services which meet the vital health, safety, and general welfare needs of its residents and which sustain and improve their quality of life. As we work to achieve this mission, we will employ fiscal discipline, continuous improvement, first-rate customer service, and straightforward communication. In this work, we will tolerate no mediocrity.

The City Council's priorities/major initiatives for 2014 provide guidance and vision in fulfilling the City's mission and strategic plan. These priorities include: (1) neighborhood improvements; (2) water policy; (3) economic development policy; (4) quality of life and long-term planning; and (5) taking care of our assets and resources.

Strategies outlined to achieve the first priority regarding neighborhood improvements include addressing residential roads, utilities and drainage, lighting and sidewalks, park maintenance and enhancements, and code enforcement and cleanliness.

The second City Council priority deals with developing a long-term water policy. The Mayor appointed a Blue Ribbon Task Force of key stakeholders in March 2013, and this group has been meeting regularly since. Major issues identified by this group include the City's water supply system and management, non-surface water supply, and dealing with the City's aging infrastructure. Discussions have focused over the last year on the planned construction of the Mary Rhodes Pipeline Phase 2 which will draw water from the Lower Colorado River. This project will provide another water source for Corpus Christi and its region in addition to Lake Corpus Christi, the Choke Canyon Reservoir, and Lake Texana. Construction of this project began in 2014 and is estimated to be completed by early fall 2015. Additionally discussions

have begun involving evaluating other sources of water including desalinization, brackish water, effluent, and water storage. Long-term planning for water conservation and reuse are also being discussed.

The third City Council priority deals with developing an economic development policy. The City has been working on a targeted economic development policy to recruit desired business niches, develop area-specific plans using tailored incentives, and incentivize downtown growth, while expanding diversity of business and retaining and growing existing businesses. In 2014 the City Manager hired a business liaison to help facilitate this plan.

There are several major initiatives underway to promote economic development for the City of Corpus Christi. The City Council has approved a \$117.2 million incentive agreement in connection with a master-planned mixed-use development to be anchored by the construction of Schlitterbahn Water Park on Padre Island. Construction of the water park began on February 15, 2013, and the first phase is expected to be completed by summer 2015. Along with the new water park, additional plans for the surrounding area include the construction of a pedestrian bridge along the water front, a golf course, lodging, and restaurants.

The Eagle Ford Shale oil and gas formation continues to employ many of the City's residents. Both offshore rig fabricators, Kiewit and Gulf Marine, have increased orders due to the lifting of the offshore drilling moratorium, which should add a combined 1,000 workers to the workforce. NuStar Energy, a major player in the energy field, is investing \$425 million to acquire pipelines, storage facilities, and other oil and gas transportation infrastructure in relation to Eagle Ford Shale. It has produced two more condensate processing projects that will begin construction when they receive their air permit from the EPA. Condensate is the liquefied hydrocarbon that is made up of the butane, propane, ethane, etc. Each plant will be valued at \$500 million and create new 200 jobs. In addition, Cheniere has received a permit to begin construction on their \$11 billion liquefied natural gas facility. This is their second plant and will create up to 200 new jobs.

The M&G Group, one of the world's largest producers of PET for packing applications, announced that they have selected the City as the site of their \$900 million plastics factory. In addition, the Tianjin Pipe Group Corp ("TPCO") Texas Mill is a \$1 billion pipe manufacturing facility. They have completed phase I and have started on phase II which is a one million square feet building. This project demonstrates the region's ability to compete and win world-class projects in difficult times, as the region's selections (announced in January 2009) was made after evaluating more than thirty other regions in the United States. TPCO's site selection near Gregory-Portland represents the largest foreign direct investment ever by a Chinese company in United States and will add 600 high-paying jobs to the Corpus Christi area. In 2013 voestalpine, an Austrian steel producer announced plans to construct a \$700 million iron processing plant next to the City. A survey of all of the industrial companies that are located on Corpus Christi bay just north of the city showed that over half of these workers live in Corpus Christi and all of them shop in Corpus Christi.

The City and the Type A Board have supported several Texas A&M University-Corpus Christi initiatives including the Coastal Bend Business Innovation Center, the development of the mechanical and electrical engineering programs and establishing the Lone Star Unmanned Aircraft Systems Center.

Since 2011, Del Mar College has completed four major projects approved by the Corpus Christi City Council utilizing just over \$4 million in Type A funds. These projects directly impact the region's capacity to provide a skilled workforce in high-demand fields. By renovating an unused hangar at the Corpus Christi International Airport, the College doubled its Aviation Maintenance Technology program that produces airframe and power plant maintenance professionals for local industry and the Corpus Christi Army Depot. The purchase of truck driving simulators for the Transportation Training Services program tripled the College's capacity to train residents for Commercial Drivers Licenses, a critical need for our commercial and petroleum refining industry. A state-of-the-art Petroleum Process and Instrumentation Technology Pilot Plant is currently under construction. Additionally, Type A funds were used to renovate the Northwest Center where the College offers health sciences courses, dual credit, and GED classes.

The fourth City Council priority deals with quality of life and long-term planning. Goals of this priority include strengthening the City as a place to live and raise children; nurturing the environment while growing the economy; and improving downtown safety. Several major projects are in various stages of planning or construction in the downtown area. The Bayfront Development Plan relocates Shoreline traffic lanes to create continuous green spaces between the water and traffic for community events and recreation activities. Phase 1 of the Bayfront Development Plan was completed in 2011, bringing new life to the northern portion of the Seawall with an \$11 million investment. In 2014 the Convention and Visitors Bureau relocated its Visitors Center there, further activating the Bayfront. Phase 3, valued at \$13 million, is currently underway, with the road re-alignment being completed and design for the former Memorial Coliseum site commencing in early 2015. The Cosmopolitan, a \$28 million mixed use development will be complete in June 2015. It will have 165 luxury residential units and retail shops on the first floor, with on-site podium parking. This is an important addition to the revitalization of the downtown area, as the Downtown Area Development Plan's housing market analysis indicated there is demand for 1,850 new residential units over the next 5 years.

The fifth City Council priority deals with taking care of our assets and resources. Strategies to achieve this priority include executing major road reconstruction and maintenance plans and implementing City Facilities and Property Maintenance Plan. On July 9, 2013, the City Council adopted a street preventative maintenance program and a street maintenance fee (designed to fund the street preventative maintenance program). The street maintenance fee began billing in January 2014 with associated contracted preventative maintenance work beginning that same month. It is expected to generate approximately \$11.4 million per year and has a 10-year sunset provision.

## AWARDS AND ACKNOWLEDGMENTS

### *Awards*

In February 2010, the City was first 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. This gold designation has been achieved each year since (2010-2014). Additionally, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of

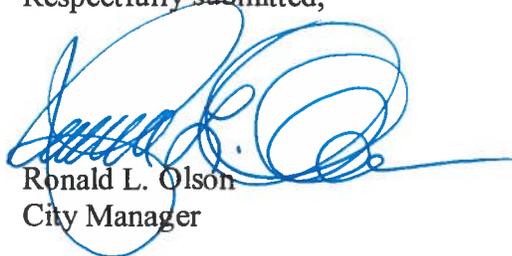
Corpus Christi for its comprehensive annual financial report (CAFR) for the fiscal year ended July 31, 2013, continuing to confirm compliance with both Generally Accepted Accounting Principles (GAAP) and legal requirements. This was the thirty-first consecutive year that the City has received this prestigious award. A Certificate of Achievement is valid for a period of one year only. We believe that this CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning August 1, 2012. The City has received twenty-three 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 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.

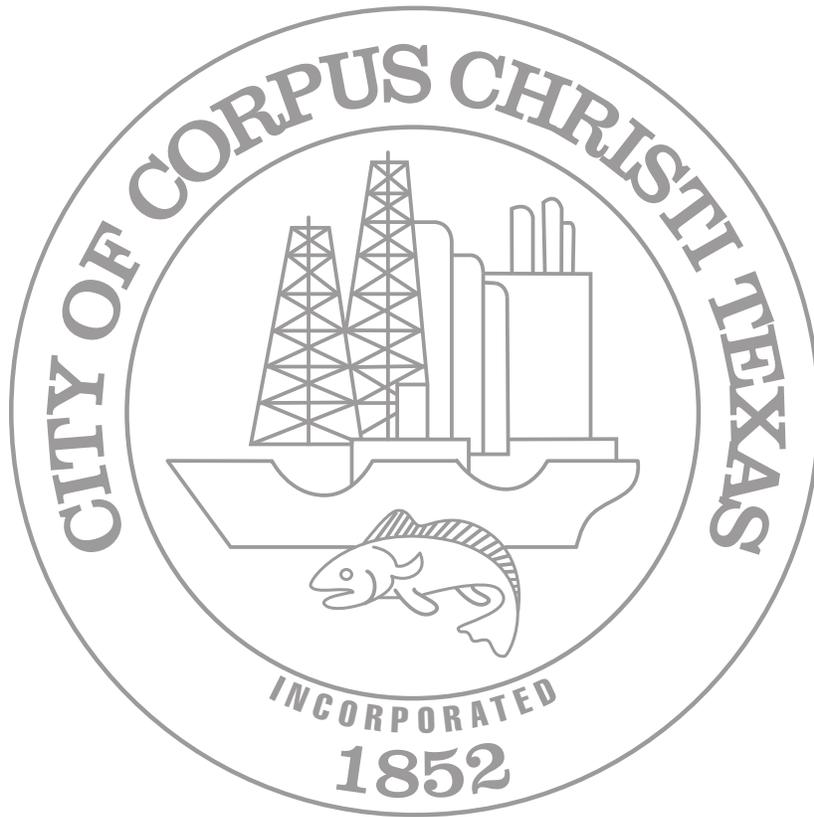
Respectfully submitted,



Ronald L. Olson  
City Manager



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





Government Finance Officers Association

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

Presented to

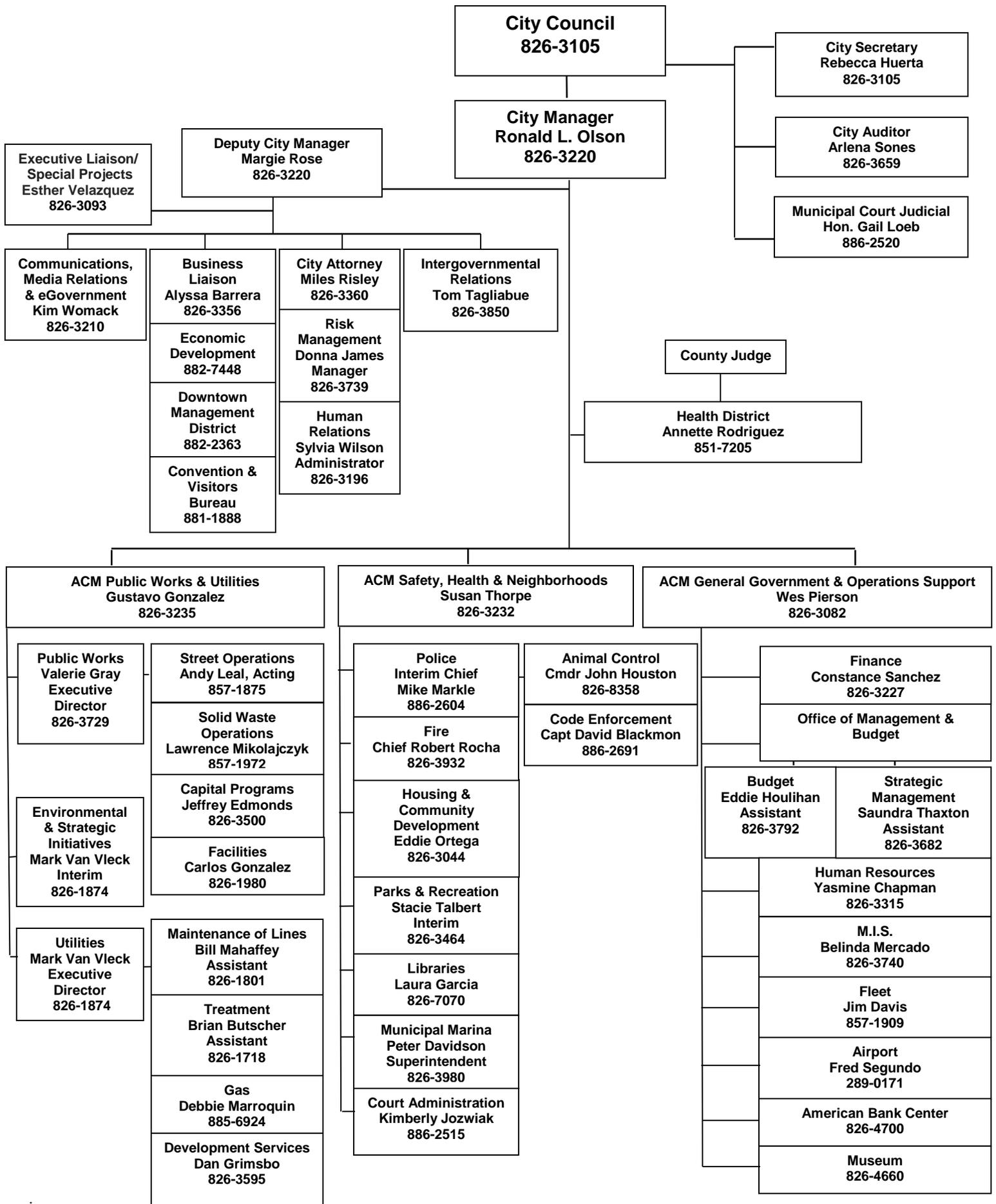
**City of Corpus Christi  
Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**July 31, 2013**

Executive Director/CEO

# City of Corpus Christi Organizational Chart



*Financial Section*



### INDEPENDENT AUDITOR'S REPORT

May 29, 2015

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

#### **Report on the Financial Statements**

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 14 months ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

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

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Corpus Christi Convention and Visitors Bureau whose assets were \$1,281,181 and revenues were \$5,614,747, the American Bank Center Convention Center Fund whose assets were \$1,932,833 and revenues were \$3,256,775 and the American Bank Center Arena Operations Fund whose assets were \$2,903,314 and revenues were \$3,012,531. 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, 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 September 30, 2014 and the respective changes in financial position, cash flows, where applicable, and the respective budgetary comparison for the general fund thereof for the 14 months then ended in conformity with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the other required supplementary information on pages 5 through 16 and 87 be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Corpus Christi's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, capital assets used in the operation of governmental funds and the statistical section 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 schedule of expenditures of federal/state awards, pages 315 through 324 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 financial statements.

The combining and individual fund statements and schedules, capital assets used in the operation of governmental funds and the schedule of expenditures of federal/state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules, capital assets used in the operation of governmental funds and the schedule of expenditures of federal/state awards is fairly stated in all material respects in relation to the financial statements taken as a whole.

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 29, 2015 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* in considering the City's internal control over financial reporting and compliance.

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 14 months ended September 30, 2014. During fiscal year 2014, the City of Corpus Christi changed its fiscal year-end from July 31<sup>st</sup> to September 30<sup>th</sup>. Therefore the Comprehensive Annual Financial Report (CAFR) reflects 14 months of activity. Comparisons between the current and prior years will be difficult because of the different number of months reflected in each year. Therefore in order to focus on variances not caused by the additional two months, we have taken the fiscal year 2013 amounts, divided by 12, and multiplied by 14 so that two 14-month periods are compared. 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 position of the City, excluding component units, was \$1.2 billion at September 30, 2014, an increase of \$68.7 million, or 5.9% compared to July 31, 2013 as restated. Of these assets, 94.6% are net invested in capital assets and restricted with the remaining 5.4% unrestricted.
- Total net expenses over program revenue were \$17.6 million higher than prior year's extrapolated amount, reflecting net expenses of \$150.0 million for the 14 months ended September 30, 2014 compared to the extrapolated amount of \$132.4 million.
- Total general revenue and transfers, excluding component units, increased \$2.0 million from the prior year's extrapolated amount from \$216.7 million to \$218.7 million for the 14 months ended September 30, 2014, an increase of 1% due primarily to an increase in sales tax revenue.

#### **Governmental Activities**

- On a government-wide basis for governmental activities, the City had expenses net of program revenue of \$210.1 million for the 14 months ended September 30, 2014, compared to \$198.3 million for the extrapolated prior representing a 6.0% increase from the prior year's extrapolated amount. General revenues and transfers totaled \$237.7 million for the 14 months ended September 30, 2014 compared to the prior year's extrapolated amount of \$240.3 million with an increase in net position for the 14 months ended September 30, 2014 of \$27.6 million. At September 30, 2014, the City's governmental activities had \$455.0 million in total debt compared to \$475.4 million at July 31, 2013.

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

- On a government-wide basis for business-type activities, program revenue net of expenses was \$60.1 million for the 14 months ended September 30, 2014 compared to \$65.9 million for the extrapolated prior period, representing a decrease of 8.8 % from the prior year's extrapolated balance. Net position increased by 4.7% from \$793.3 million as of July 31, 2013 to \$834.4 million as of September 30, 2014. At September 30, 2014, the business-type activities had \$993.8 million in total debt compared to \$944.4 million at July 31, 2013.

#### **Bond Issues**

- During the 14 months ended September 30, 2014, the City issued \$8.0 million of tax notes to fund street design work for streets associated with the Bond 2014 election; \$9.0 million of public property finance contractual obligations to fund the second phase of implementation for an energy efficiency management system; and \$97.9 million of utility system junior lien revenue improvement bonds for improvements to the combined utility system. The City also issued two series of sales tax refunding bonds: \$30.6 million for Arena Project bonds and \$7.8 million for baseball stadium project bonds for a combined net present value savings of \$4.2 million.

#### **General Fund**

- At September 30, 2014, unassigned fund balance for the General Fund was \$11.5 million, or 5.0% of the General Fund expenditures. This compares to an unassigned fund balance of \$11.4 million, or 4.8% of General Fund expenditures for fiscal year ended July 31, 2013.
- The financial policies state that the City must maintain a commitment for major contingencies of at least 10% and up to 25% of the total General Fund appropriations. The commitment decreased in 2014 from 19% at July 31, 2013 to 16.5% at September 30, 2014 of the total General Fund appropriations or \$2.7 million, a 6.6% decrease from the prior year.
- General Fund expenditures for the 14 months ended September 30, 2014 of \$228.8 million were 2.3% lower than the prior year extrapolated expenditures of \$234.2 million.

## 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*.

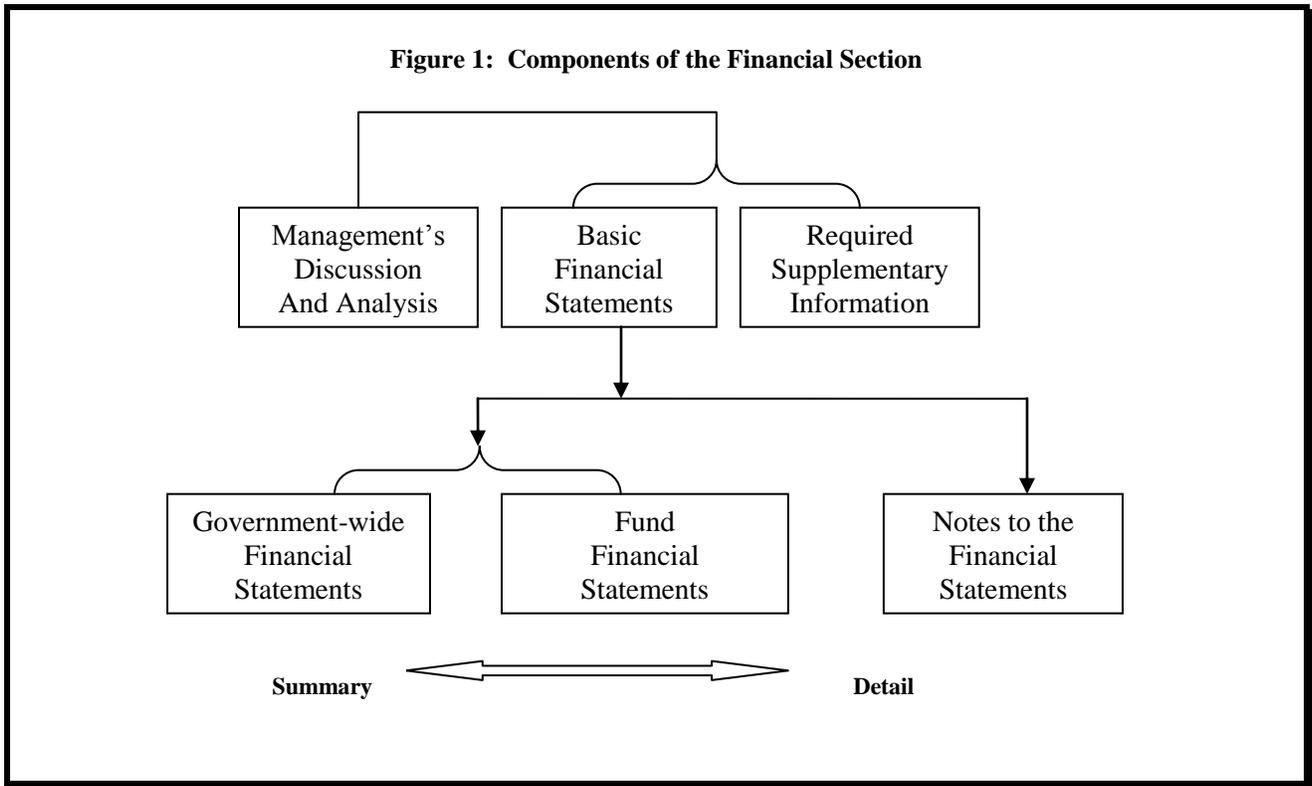


Figure 1 depicts how the required parts of this annual financial report are arranged and relate to one another. In addition to these required elements, a section with combining and individual fund financial statements and schedules that provides details about the non-major governmental funds and internal 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 Position* 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, Streets Capital Projects 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, Fleet Maintenance Services, Facilities Maintenance Service, Municipal Information Systems, Liability and Employee Benefits, and Engineering Services. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.
- Fiduciary funds – The City is trustee, or fiduciary, for certain amounts held on behalf of others or, because of an arrangement, can be used only for the trust beneficiaries. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. A Deferred Compensation Plan and a Private Purpose Trust Fund are the City's two fiduciary activities and are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. 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 Position**

At September 30, 2014, the net position for the City of Corpus Christi totaled \$1.2 billion, \$68.7 million higher than July 31, 2013 balance. The composition of the net position is \$405.0 million for governmental activities and \$834.4 million for business-type activities. The largest portion of the City’s total net position, 85.9%, is 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 \$107.5 million in restricted net position for specific purposes at September 30, 2014, which is a \$4.6 million increase from July 31, 2013 due to an increase in sales tax revenue restricted for tourism purposes and crime control and prevention purposes and additional cash reserves required for new utility bond issues. The City’s unrestricted net position, \$67.1 million at September 30, 2014 is 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 position.

The City implemented GASB 65 as August 1, 2013, which required a prior period restatement. GASB 65 requires reporting deferred gains or losses as deferred inflows or outflows and expensing bond issue costs rather than capitalizing and amortizing them. The prior period adjustment reduced net position by \$13.3 million.

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

Table 1  
Summary of Statement of Net Position  
As of September 30, 2014 and July 31, 2013  
(in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Capital assets, net of accumulated depreciation	\$ 591,914	\$ 574,028	\$ 1,603,577	\$ 1,521,721	\$ 2,195,491	\$ 2,095,749
Other assets	378,857	393,646	276,485	268,786	655,342	662,432
Total assets	970,771	967,674	1,880,062	1,790,507	2,850,833	2,758,181
Deferred outflows of resources	5,469	--	12,253	--	17,722	--
Long-term liabilities	491,308	504,174	986,403	917,179	1,477,711	1,421,353
Other liabilities	79,103	86,090	71,532	80,009	150,635	166,099
Total liabilities	570,411	590,264	1,057,935	997,188	1,628,346	1,587,452
Deferred inflows of resources	788	--	--	--	788	--
Net position						
Net invested in capital assets	271,712	240,668	793,058	704,595	1,064,770	945,263
Restricted	90,284	89,423	17,239	13,455	107,523	102,878
Unrestricted	43,045	47,319	24,083	75,269	67,128	122,588
Total net position	\$ 405,041	\$ 377,410	\$ 834,380	\$ 793,319	\$ 1,239,421	\$ 1,170,729

Of the business-type activities, the Utility System fund is the largest operation at the City with total assets of \$1.68 billion, comprising 89.6% of all business-type activities total assets for 2014,

increasing from 87.8% in 2013. The Utility System fund net position was \$726.7 million which is 87.1% of total business-type activities net position at September 30, 2014, remaining relatively constant from July 31, 2013.

### Changes in Net Position

Table 2 reflects a comparative detail of changes in net position for the City of Corpus Christi for the 14 months ended September 30, 2014 and the year ended July 31, 2013. The City implemented GASB 65 at the beginning of 2014, and so the 2013 expenditures have been restated.

Table 2  
Changes in Net Position  
For the 14 Months Ended September 30, 2014 and the 12 Months Ended July 31, 2013  
(in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenue						
Program revenues						
Charges for services	\$ 81,430	\$ 60,607	\$ 316,274	\$ 254,319	\$ 397,704	\$ 314,926
Operating grants and contributions	14,116	12,516	1,380	1,579	15,496	14,095
Capital grants and contributions	8,510	7,646	17,942	19,797	26,452	27,443
Total program revenues	104,056	80,769	335,596	275,695	439,652	356,464
General revenue						
Property taxes	96,664	87,247	--	--	96,664	87,247
Sales taxes	103,372	83,650	--	--	103,372	83,650
Hotel occupancy taxes	17,067	13,175	--	--	17,067	13,175
Investment earnings	1,244	1,209	345	445	1,589	1,654
Total general revenue	218,347	185,281	345	445	218,692	185,726
Total revenues	322,403	266,050	335,941	276,140	658,344	542,190
Expenses						
General government	23,529	20,067	--	--	23,529	20,067
Police and municipal court	106,772	80,195	--	--	106,772	80,195
Fire and ambulance	58,865	48,997	--	--	58,865	48,997
Emergency management	632	506	--	--	632	506
Inspections	2,183	1,996	--	--	2,183	1,996
Streets	29,657	18,523	--	--	29,657	18,523
Health	6,661	6,835	--	--	6,661	6,835
Parks and recreation	22,829	18,659	--	--	22,829	18,659
Libraries	4,780	3,731	--	--	4,780	3,731
Museums	1,907	1,556	--	--	1,907	1,556
Community enrichment	7,589	2,743	--	--	7,589	2,743
Community development	14,025	13,218	--	--	14,025	13,218
Convention and visitors activities	19,365	18,022	--	--	19,365	18,022
Interest on long-term debt	15,358	15,664	--	--	15,358	15,664
Solid waste	--	--	33,046	25,730	33,046	25,730
Utilities	--	--	224,658	179,660	224,658	179,660
Airport	--	--	15,413	11,819	15,413	11,819
Golf centers	--	--	198	241	198	241
Marina	--	--	2,185	1,765	2,185	1,765
Total expenses	314,152	250,712	275,500	219,215	589,652	469,927
Excess revenues over expenses	8,251	15,338	60,441	56,925	68,692	72,263
Transfers	19,380	20,674	(19,380)	(20,674)	--	--
Increase in net position	27,631	36,012	41,061	36,251	68,692	72,263
Net position at beginning of year, as restated	377,410	341,398	793,319	757,068	1,170,729	1,098,466
Net position at end of year	\$ 405,041	\$ 377,410	\$ 834,380	\$ 793,319	\$ 1,239,421	\$ 1,170,729

### **Governmental Activities**

As shown in Table 2, there was a \$27.6 million increase in net position for governmental activities for the 14 months ended September 30, 2014 as compared to a \$42.0 million extrapolated net increase for the prior period. For the 14 months ended September 30, 2014, revenues totaled \$322.4 million compared to \$310.4 million as extrapolated for the prior period, an increase of \$12.0 million or 3.9%. Both program revenues and general revenues showed modest increases from the prior period reflecting a stabilization in the economy. General revenues increased by \$2.2 million due primarily to an increase in sales tax revenue and hotel occupancy tax revenue.

Expenses for governmental activities totaled \$314.2 million for the 14 months ended September 30, 2014 compared to \$292.5 million as extrapolated for the prior period, an increase of approximately \$21.7 million. This increase can be attributed, in part, to a 2% across-the-board pay increase for all general employees in August 2013; a 2% increase for fire sworn personnel; and a 4% increase for police sworn personnel. During the 14 months ended September 30, 2014, additional expenditures were also incurred for street maintenance as a result of a priority established by the City Council.

### **Business-Type Activities**

As shown in Table 2, there was a \$41.1 million increase in net position for business-type activities for the 14 months ended September 30, 2014 as compared to a \$42.4 million extrapolated net increase for the prior period, which is a 3.1% decrease from the extrapolated net position for the prior period. For the 14 months ended September 30, 2014, revenues for business-type activities increased by \$13.7 million from the prior period's extrapolated amounts.

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 (79.4%) which consists of the gas, water, and wastewater systems. Charges for services for the utilities increased by \$18.4 million from the extrapolated prior period and the 14 months ended September 30, 2014 due to the rate increases implemented in August 2013: 6.9% residential water increase; 8.67% wastewater rate increase; and 2.5% gas rate increase. Capital contributions decreased by \$5.2 million from the prior extrapolated period due to a \$5.5 million increase in contributions from developers for the water fund in 2013 that did not occur in 2014.

Expenses reported in the business-type activities increased by \$19.7 million from the extrapolated prior period and the 14 months ended September 30, 2014. The majority of expenses reported in the business-type activities was utilities (81.5%), reflecting \$224.7 million for the 14 months ended September 30, 2014 compared to \$209.7 million for the extrapolated prior period. Expenses for the utilities increased by \$15.0 million from the prior year. Materials and supplies expense increased in the utilities by \$8.5 million due in part to a \$7.1 increase in natural gas purchases resulting from increases in volume. Natural gas purchases, however, is a pass-through cost and is recaptured through revenue. Expenses for Solid Waste increased \$3.0 million from the extrapolated prior period due to increased closure/post-closure costs for the landfill.

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

### **Governmental Funds**

- Total assets of the General Fund decreased \$2.75 million from the prior year, reporting \$65.5 million at September 30, 2014 compared to \$68.2 million at July 31, 2013. Cash, cash equivalents and investments reflect \$35.7 million or 54.6% of total assets with net

receivables reporting \$14.1 million, or 21.6% 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.

- Total liabilities of the General Fund decreased \$1.1 million from \$14.6 million at July 31, 2013 to \$13.5 million at September 30, 2014.
- General Fund revenues for the 14 months ended September 30, 2014 reflect a \$2.0 million increase from the extrapolated prior period revenues. Sales tax revenue increased by \$3.6 million from \$64.2 million as extrapolated in the prior period to \$67.8 million, an increase of 5.6%. Total property taxes increased \$4.5 million from \$60.5 million for the year ended July 31, 2013 to \$65.0 million for 14 months ended September 30, 2014. This increase is due in large part to an increase in assessed valuations in 2014. It should be noted that the 2013 property tax revenue figure was not converted to a 14-month revenue amount due to the fact that historically, the City receives very little property taxes in the months of August and September.
- The General Fund's unassigned fund balance increased by \$97 thousand from July 31, 2013. Committed for major contingencies decreased by \$2.7 million for 14 months ended September 30, 2014 from \$40.4 million at July 31, 2013 to \$37.8 million at September 30, 2014. The financial policy specifies that the City maintain the commitment for major contingencies of least 10% and up to 25% of the total annual General Fund appropriations. The commitment at September 30, 2014 was 16.5% of the total General Fund appropriations for 14 months ended September 30, 2014.
- The Debt Service Fund's committed fund balance decreased by \$6.9 million, reporting a balance of \$8.7 million at September 30, 2014. This was due to adding an additional debt payment for all general obligation debt in the 14 months ended September 30, 2014 because of the change in fiscal year-end. General obligation debt payments are made in March and September, and so by adding a second September to the fiscal year, an additional debt payment was made.
- The Streets Capital Projects Fund decreased its fund balance by \$14.3 million for 14 months ended September 30, 2014. In 2014, the fund received \$8.0 million in tax notes issued to fund street design projects. The fund spent \$21.0 million on capital projects during the 14 months ended September 30, 2014. Total fund balance was \$78.7 million at September 30, 2014.

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

Funds comprising the non-major governmental category are special revenue, capital projects funds and debt service funds from the Corpus Christi Business and Job Development Corporation. The combined fund balance for all non-major governmental funds at September 30, 2014 was \$159.2 million, as compared to \$148.2 million at July 31, 2013. This represents a \$11.0 million increase or 7.4%. The Hotel Occupancy Tax Fund increased its fund balance by \$1.2 million which is a result of a stronger economy in Corpus Christi.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

As shown in Table 3, at September 30, 2014 the City had invested over \$2.2 billion in a broad range of capital assets, including Police and Fire equipment, buildings, park facilities, roads and bridges, and its Utility System and Airport. This amount represented a net increase of \$99.7 million, or 4.8% over July 31, 2013. The governmental activities increased by \$17.9 million from the prior year. This increase included \$48.6 million in additions less \$27.7 million of depreciation expense and \$3.1 million for retirements during the 14 months ended September 30, 2014. The business-type activities were increased by \$81.8 million during the 14 months ended September 30, 2014. This increase included \$135.7 million in additions less \$53.9 million of depreciation expense. The majority of the increase was construction in progress associated with the Mary Rhodes Pipeline at \$56.7 million and other minor airport and utility improvements.

Table 3  
Capital Assets (net of depreciation) at September 30, 2014 and July 31, 2013  
(in 000's)

	Governmental Activities		Business-Type Activities		Total		% Change 2013-2014
	2014	2013	2014	2013	2014	2013	
Land	\$ 60,247	\$ 60,129	\$ 36,556	\$ 36,433	\$ 96,803	\$ 96,562	0.2%
Water rights	--	--	196,186	196,510	196,186	\$ 196,510	-0.2%
Buildings	146,481	143,258	56,753	51,104	203,234	\$ 194,362	4.6%
Improvements	91,325	96,018	248,670	244,033	339,995	\$ 340,051	0.0%
Equipment	23,412	26,360	18,941	18,130	42,353	\$ 44,490	-4.8%
Infrastructure	181,619	180,847	782,035	795,280	963,654	\$ 976,127	-1.3%
Construction in progress	88,830	67,416	264,436	180,231	353,266	247,647	42.6%
Total	<u>\$ 591,914</u>	<u>\$ 574,028</u>	<u>\$ 1,603,577</u>	<u>\$ 1,521,721</u>	<u>\$ 2,195,491</u>	<u>\$ 2,095,749</u>	4.8%

**Long-term Liabilities**

Table 4 shows that total long-term liabilities increased \$39.6 million during the 14 months ended September 30, 2014, from \$1.53 billion at July 31, 2013 to \$1.57 billion at September 30, 2014, or 2.6%. Governmental activities reported a net decrease in long-term liabilities of \$12.7 million or 2.3% which reflects the addition of \$62.2 million of debt, paying down \$82.6 million of debt, and increasing other long-term liabilities by \$7.7 million due mainly to the funding levels for retirement. Business-type activities reported an increase in long-term liabilities of \$52.2 million or a 5.3% increase from July 31, 2013 due to the addition of \$105.3 million of debt, paying down \$56.0 million of debt, and increasing other long-term liabilities of \$2.9 million due mainly to funding levels for retirement.

City of Corpus Christi

Table 4  
Long-Term Liabilities at September 30, 2014 and July 31, 2013  
(in 000's)

	Governmental Activities		Business-Type Activities		Total		% Change 2013-2014
	2014	2013	2014	2013	2014	2013	
General obligation bonds	\$ 323,830	\$ 341,945	\$ 66,185	\$ 67,765	\$ 390,015	\$ 409,710	-4.8%
Certificates of obligation	10,988	11,628	17,017	19,667	28,005	31,295	-10.5%
Revenue bonds	71,725	86,070	--	--	71,725	86,070	-16.7%
Utility priority revenue bonds	--	--	416,345	443,705	416,345	443,705	-6.2%
Utility junior lien revenue bonds	--	--	306,290	216,735	306,290	216,735	--
Discount on bonds payable	(32)	(17)	(888)	(770)	(920)	(787)	
Premium on bonds payable	17,759	20,905	35,118	40,527	52,877	61,432	
Capital leases	6,319	5,826	9,279	8,158	15,598	13,984	11.5%
Other notes	24,405	9,055	144,436	148,594	168,841	157,649	7.1%
Total debt	<u>454,994</u>	<u>475,412</u>	<u>993,782</u>	<u>944,381</u>	<u>1,448,776</u>	<u>1,419,793</u>	2.0%
Accumulated compensated absences	38,563	36,775	3,447	3,880	42,010	40,655	3.3%
Landfill closure cost	--	--	26,308	25,307	26,308	25,307	4.0%
Net pension obligation	29,450	23,779	11,047	8,879	40,497	32,658	24.0%
Net OPEB obligation	11,244	10,940	740	661	11,984	11,601	3.3%
Total long-term liabilities	<u>\$ 534,251</u>	<u>\$ 546,906</u>	<u>\$ 1,035,324</u>	<u>\$ 983,108</u>	<u>\$ 1,569,575</u>	<u>\$ 1,530,014</u>	2.6%

During the fiscal year, the City completed five bond issuances to fund utility projects planned and approved in the capital budget; to fund the second phase of implementation of an energy efficiency management system; to fund design work for street projects associated with Bond 2014; and to refinance two sales tax bonds to realize savings from lower interest rates.

In November 2013, the City issued \$97.9 million of Utility System Junior Lien Revenue Improvement Bonds, Series 2013 to improve, extend and enlarge the City's Combined Utility System. The interest rates for these bonds range from 3.0% to 5.00%. Although these bonds were sold in fiscal year 2013, they were funded in fiscal year 2014 and are, therefore, included in the financial statements for 2014.

In January 2014, the Corpus Christi Business and Job Development Corporation issued \$7.8 million of Sales Tax and Revenue Refunding Bonds, Series 2014 (Baseball Stadium Project) to refund the Corporation's currently outstanding indebtedness and for debt savings. Savings realized by the refunding was a net present value savings of \$711 thousand. The interest rates range from 2.0% to 5.00%.

In January 2014, the Corpus Christi Business and Job Development Corporation issued \$30.6 million of Sales Tax Revenue Refunding Bonds, Series 2014 (Arena Project) to refund the Corporation's currently outstanding indebtedness and for debt savings. Savings realized by the refunding was a net present value savings of \$4.5 million. The interest rates range from 2.00% to 5.00%.

In May 2014, the City privately placed \$9.0 million of public property contractual obligations for a new energy management and control system on a City-wide basis. This debt is backed by ad valorem taxes but has a secondary backing of the guaranteed annual savings resulting from the energy efficiency of this project and cost savings. The interest rate on this 12 year debt is 2.44%.

In July 2014, the City issued \$8.0 million of Tax Notes, Series 2014 to fund streets design projects. This debt is backed by ad valorem taxes. No tax rate increase is needed to fund the street

improvements but voters approved an ad valorem tax rate increase of \$0.1824 to fund the remaining projects. The interest rate on this 7 year debt is 1.50%.

The net pension obligation increased from \$32.7 million at July 31, 2013 to \$40.5 million at September 30, 2014, a 23.8% increase due to the City's funding its contribution to the Texas Municipal Retirement System (TMRS) at a rate lower than the annual required contribution as actuarially determined. 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 subsequent years. The rate using the "ad hoc" methodology for calendar year 2013 was 10.03%, and was 10.51% for 2014. However, these provisions are considered to be substantively automatic due to contract provisions with the Corpus Christi Police Officers' Association; so the full TMRS rate of 21.23% for 2014 has been expensed in the current year, and the net pension obligation has been increased by \$7.8 million for a total pension obligation of \$40.5 million. It should be noted that the City elected to fund the City's contribution at a higher rate than the TMRS minimum funding requirement of 10.51%. In 2014, the City funded 15.46%. The unfunded actuarial accrued liability for the City is \$300.2 million. (See Note 9 Employee Retirement Benefits in the Financial Statements.)

In 2013, the City will be required to implement GASB 68 which will require the recording of the net pension liability in the government-wide and proprietary statements of net position. This liability will be significantly more than the City's unrestricted net position.

The net OPEB (other post-employment benefits) obligation decreased by \$0.4 million from July 31, 2013 to September 30, 2014. An actuarial valuation was obtained and determined that the total 14-month required contribution (ARC) for the City at September 30, 2014, was \$796 thousand. In an effort to reduce the City's liability, all City retirees who are Medicare-eligible are enrolled in a separate Medicare insurance plan and are not covered by the City's insurance. The unfunded actuarial accrued liability for the City at August 1, 2013, the most recent validation date, is \$11.8 million. (See Note 10 Post-Employment Health Care Benefits in the Financial Statements.)

Additionally, the landfill closure cost increased by \$1.0 million from July 31, 2013 due mainly to changes in the estimates for the closure/post-closure costs for the Cefe Valenzuela landfill. (See Note 13 Long-Term Obligations in the Financial Statements.)

### **Bond Ratings**

The City's bond ratings from each of the three rating agencies were reaffirmed in 2014. The unenhanced bond ratings for general obligation bonds were assigned 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 2014 for the primary lien utility revenue bonds were assigned Aa3 from Moody's, A+ from S&P, and AA- from Fitch. The City's unenhanced bond ratings for the junior lien utility revenue bonds established in 2013 were A by S&P, A+ by Fitch, and by A1 by Moody's. The unenhanced bond ratings for the Corpus Christi Business and Job Development's sales tax revenue bonds were A1 from Moody's, A+ from S&P, and AA- from Fitch. Fitch upgraded this bond rating in January 2014 from AA- to AA.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The financial policies of the City dictate that current budgeted revenues will equal or exceed current budgeted expenditures. The financial policy is to maintain the commitment for major contingencies of least 10% and up to 25% of the total annual General Fund appropriations. The commitment at September 30, 2014 was 16.5% of the total annual General Fund appropriations in 2014.

Exhibit 3 of the Financial Statements reflects the budget to actual budget basis comparisons for the General Fund. The originally adopted General Fund revenue budget (including transfers in) of \$212.8 million was amended by the City Council during 2014 resulting in a net increase in revenue of \$30.7 million. Major amendments included increasing revenue in the amount of \$28.0 million the two month fiscal year extension; 1.46 million for 1115 Medicaid Waiver received from the State of Texas Health and Human Services Department for use in obesity prevention programs; and \$950 thousand transfer from Streets Capital Project Fund to reimburse cost of Aquarius Street project. The originally adopted General Fund expenditure budget (including transfers out) of \$212.8 million was amended by the City Council during 2014 resulting in a net increase in expenditures of \$39.7 million. Major amendments included \$30.7 million for two month fiscal year extension; \$3.5 million of encumbrances carried forward into 2014; \$1.4 for 1115 Medicaid Waiver received from the State of Texas Health and Human Services Department for use in obesity prevention programs; \$1.3 million transfer to Municipal Information Systems Fund to support implementation of ERP software system; and \$1.3 million for implementation of Municipal Court software system. (See Note 6 Budgetary Data in the Financial Statements for more detail of budget changes.)

### **Budgetary Variances**

General Fund actual budget basis revenue for the 14 months ended September 30, 2014 of \$237.5 million was \$2.6 million over the final budgeted amount. Total charges for services totaled \$68.2 million for the 14 months ended September 30, 2014 as compared to the \$67.6 million budget. Charges for solid waste services were \$1.2 million over the budget. The increase can be attributed in part to residential refuse collection fees and special debris pickup charges being \$846 thousand over budget. Total fines and forfeitures totaled \$6 million for the 14 months ended September 30, 2014, which represented a \$471 thousand increase from budget. This was primarily due to a continued focus within the police department to be more stringent in enforcing vehicular laws; thus resulting in more moving violation fines.

General Fund actual budget basis expenditures for the 14 months ended September 30, 2014 of \$225.7 million were \$6.9 million under the amended budget amount of \$232.6. Main contributing factors were salary savings in fire and ambulance of \$1.6 million and \$175 thousand in solid waste. Solid waste also had lease purchase payments that were \$640 thousand less than budgeted due to several large-dollar items delivered later than initially anticipated, and professional services were \$560 thousand less than budgeted due to landfill disposal volume being less than anticipated. \$1.5 million had been budgeted in reserve appropriation in the General Fund but was not expended. Additionally, municipal court funds budgeted for implementation of a new software system were not fully spent by period end and will be added to next year's budget.

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

- The unemployment rate for Corpus Christi dropped to 4.9% in September 2014 from 6.2% in September 2013. In December 2014, the unemployment rate dropped to 4.5%, which was below the 4.6% unemployment rate for the State of Texas and below the 5.6% national unemployment rate.
- For fiscal year 2013-2014, the Certified Net Assessed Taxable Value experienced an increase of 4.5% to \$15.5 billion. The adopted tax rate for fiscal year 2013-2014 is \$0.585264 per \$100 valuation which includes a voter-approved rate increase to fund Bond 2012 projects. The Maintenance and Operations (M&O) rate is \$0.376806 per \$100 valuation, and the Debt Service rate is \$0.208458 per \$100 valuation, which reflects the voter approved increase of \$0.01824.
- The City of Corpus Christi has appropriated total revenues and expenditures for fiscal year 2014-2015 of \$824.1 million and \$830.3 million, respectively. Included for the General Fund are revenues budgeted at \$228.9, which is a \$16.1 million increase over the adopted General Fund budget of \$212.8 million for fiscal year 2013-2014. Ad valorem tax revenue is budgeted at an 8.9% increase from the prior year which is estimated to generate an additional \$4.5 million. Sales tax revenue is budgeted at a 6% increase over the current year's estimate and is anticipated to generate an additional \$4.5 million.
- Included for the General Fund are expenditures budgeted at \$228.9, which is a \$16 million increase over the adopted General Fund budget of \$212,828,890 for fiscal year 2013-2014. The increases are the result of a 4% contractual pay increase for the police sworn officers and 1.5% cost of living adjustment for general employees. \$700 thousand is included for a 1% increase in our Texas Municipal Retirement System contribution rate. An additional \$1.4 million General Fund transfer to the street department is included for traffic signal and street marking improvements.
- A 7.79% average water rate increase for residential customers, 11.22% wastewater rate increase, and 5.00% gas rate increase have been programmed for fiscal year 2014-2015 based upon capital budget discussions and directives from City Council. This will be the sixth year that the water utility is utilizing a revised rate schedule, designed to charge customers for the cost of service received.

## **CITY'S FINANCIAL MANAGEMENT**

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

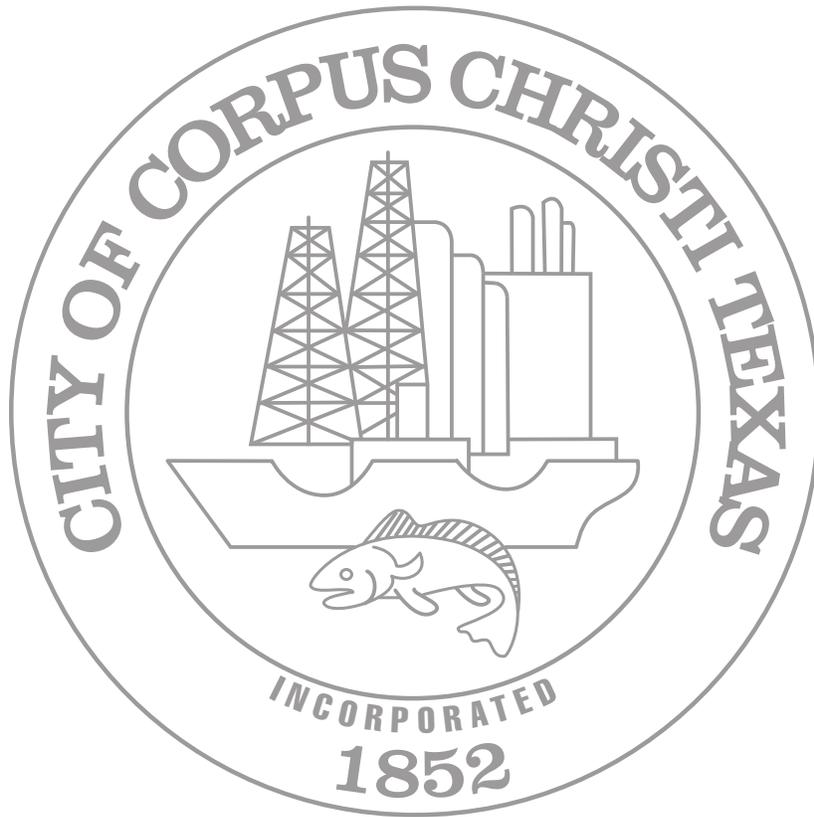
If you have any questions about this report or need additional information, contact:

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**STATEMENT OF NET POSITION  
SEPTEMBER 30, 2014**

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and cash equivalents (Note 5)	\$ 68,539,204	\$ 20,630,720	\$ 89,169,924	\$ 905,514
Investments (Note 5)	53,469,864	55,449,084	108,918,948	--
Receivables, net of allowance for uncollectibles (Note 7)	13,485,674	34,310,513	47,796,187	17,500
Due from (to) other funds (Note 15)	28,500,000	(28,500,000)	--	--
Inventories	2,166,486	533,795	2,700,281	--
Prepaid items	2,064,032	--	2,064,032	162,320
Restricted assets				
Cash and cash equivalents (Note 5)	95,189,997	78,653,134	173,843,131	--
Investments (Note 5)	93,893,749	115,888,658	209,782,407	--
Receivables, net of allowance for uncollectibles (Note 7)	20,622,677	260,580	20,883,257	--
Advances to (from) other funds (Note 15)	740,882	(740,882)	--	--
Other property	183,704	--	183,704	--
Land and construction in progress (Note 8)	149,076,392	300,992,058	450,068,450	--
Other capital assets, net of accumulated depreciation and amortization (Note 8)	442,838,049	1,302,584,800	1,745,422,849	199,567
Total assets	<u>970,770,710</u>	<u>1,880,062,460</u>	<u>2,850,833,170</u>	<u>1,284,901</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Unamortized loss on refunded debt	5,469,082	12,252,854	17,721,936	
<b>LIABILITIES</b>				
Accounts payable	7,279,958	4,016,505	11,296,463	421,655
Accrued expenses	7,346,055	1,102,923	8,448,978	--
Accrued interest	1,418,202	8,122,405	9,540,607	--
Contractor interest and retainage payable	1,318,616	6,995,130	8,313,746	--
Deposits	1,261,372	1,863,619	3,124,991	--
Liability to claimants - escheat property	90,266	124,952	215,218	--
Due to other governmental agencies	959,000	--	959,000	--
Unearned revenue	5,551,244	386,228	5,937,472	--
Current portion of estimated claims liability (Note 11)	4,710,232	--	4,710,232	--
Current portion of long-term liabilities (Note 13)				
Long-term debt	31,067,894	45,717,777	76,785,671	--
Landfill closure cost	--	732,533	732,533	--
Accumulated unpaid compensated absences	11,876,304	2,470,204	14,346,508	--

(Continued)

City of Corpus Christi, Texas

Exhibit 1-A

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Estimated liability claims, excluding current portion (Note 11)	6,224,387	--	6,224,387	--
Long-term liabilities, excluding current portion (Note 13)				
Long-term debt	423,925,756	948,063,938	1,371,989,694	--
Landfill closure cost	--	25,575,275	25,575,275	--
Accumulated unpaid compensated absences	26,686,938	976,557	27,663,495	--
Net pension obligation (Note 9)	29,449,979	11,047,116	40,497,095	--
Net OPEB obligation (Note 10)	11,244,554	740,239	11,984,793	--
Total liabilities	<u>570,410,757</u>	<u>1,057,935,401</u>	<u>1,628,346,158</u>	<u>421,655</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unamortized gain on refunded debt	<u>788,193</u>	<u>--</u>	<u>788,193</u>	<u>--</u>
<b>NET POSITION</b>				
Net invested in capital assets	271,711,769	793,058,216	1,064,769,985	199,567
Restricted for				
Vital statistics records retention	272,806	--	272,806	--
Passenger facility charges projects	--	2,353,305	2,353,305	--
Bond interest and redemption	1,595,000	10,112,626	11,707,626	--
Municipal and Juvenile Court	733,626	--	733,626	--
Fire contribution trust	5,585	--	5,585	--
PEG equipment and facilities	1,226,082	--	1,226,082	--
Tourism	5,291,646	--	5,291,646	--
Traffic safety programs	415,784	--	415,784	--
State and federal grant programs	1,320,257	--	1,320,257	--
Parks and recreation	1,885,320	--	1,885,320	--
Infrastructure development	1,695,138	--	1,695,138	--
Loans	14,573,099	--	14,573,099	--
Crime control and prevention	4,909,229	--	4,909,229	--
Business and job development	51,327,652	--	51,327,652	--
Tax increment zone improvements	5,032,942	--	5,032,942	--
Improvements to utility lines and facilities	--	4,676,288	4,676,288	--
Abatement of public health hazards	--	95,500	95,500	--
Law enforcement officers' standards and education	--	718	718	--
Unrestricted	<u>43,044,907</u>	<u>24,083,260</u>	<u>67,128,167</u>	<u>663,679</u>
Total net position	<u>\$ 405,040,842</u>	<u>\$ 834,379,913</u>	<u>\$ 1,239,420,755</u>	<u>\$ 863,246</u>

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

City of Corpus Christi, Texas

STATEMENT OF ACTIVITIES  
14 MONTHS ENDED SEPTEMBER 30, 2014

	<u>Expenses</u>	<u>Charges for Services</u>
Primary government		
Governmental activities		
General government	\$ 23,528,625	\$ 27,323,898
Police and municipal court	106,771,633	17,318,506
Fire and ambulance	58,864,749	7,289,462
Emergency management	632,347	--
Inspections	2,182,793	--
Streets	29,657,466	11,188,754
Health	6,661,113	4,499,687
Parks and recreation	22,829,117	4,625,524
Libraries	4,779,930	177,561
Museums	1,907,091	475,044
Community enrichment	7,589,196	--
Community development	14,025,431	3,507,222
Convention and visitor activities	19,365,234	5,024,288
Interest on long-term debt	15,357,763	--
Total governmental activities	<u>314,152,488</u>	<u>81,429,946</u>
Business-type activities		
Solid Waste	33,046,483	43,677,779
Utilities		
Water	117,294,046	140,078,315
Gas	43,714,412	42,408,214
Wastewater	63,649,026	75,704,726
Airport	15,412,742	11,919,295
Golf centers	198,341	257,772
Marina	2,185,278	2,227,983
Total business-type activities	<u>275,500,328</u>	<u>316,274,084</u>
Total primary government	<u>\$ 589,652,816</u>	<u>\$ 397,704,030</u>
Component units		
Convention and visitor activities	<u>5,640,547</u>	<u>149,708</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
\$ 11,600	\$ 2,592	\$ 3,809,466	\$ --	\$ 3,809,466	
2,906,682	260,985	(86,285,460)	--	(86,285,460)	
2,690,753	59,415	(48,825,119)	--	(48,825,119)	
119,500	--	(512,847)	--	(512,847)	
--	--	(2,182,793)	--	(2,182,793)	
2,636	2,979,008	(15,487,068)	--	(15,487,068)	
1,221,638	--	(939,788)	--	(939,788)	
3,602,995	1,083,929	(13,516,669)	--	(13,516,669)	
117,168	12,586	(4,472,615)	--	(4,472,615)	
--	--	(1,432,047)	--	(1,432,047)	
2,381,949	1,323,055	(3,884,192)	--	(3,884,192)	
1,061,628	2,439,246	(7,017,335)	--	(7,017,335)	
--	13,032	(14,327,914)	--	(14,327,914)	
--	335,694	(15,022,069)	--	(15,022,069)	
<u>14,116,549</u>	<u>8,509,542</u>	<u>(210,096,450)</u>	<u>--</u>	<u>(210,096,450)</u>	
--	--	--	10,631,296	10,631,296	
646,560	2,308,378	--	25,739,207	25,739,207	
56,322	28,714	--	(1,221,162)	(1,221,162)	
508,129	4,790,423	--	17,354,252	17,354,252	
168,808	10,814,829	--	7,490,190	7,490,190	
--	--	--	59,431	59,431	
41	--	--	42,746	42,746	
<u>1,379,860</u>	<u>17,942,344</u>	<u>--</u>	<u>60,095,960</u>	<u>60,095,960</u>	
<u>\$ 15,496,409</u>	<u>\$ 26,451,886</u>	<u>(210,096,450)</u>	<u>60,095,960</u>	<u>(150,000,490)</u>	
<u>190,000</u>	<u>--</u>				<u>\$ (5,300,839)</u>
General revenue					
Taxes					
Property taxes, levied for general purposes		64,808,014	--	64,808,014	--
Property taxes, levied for debt service		31,855,785	--	31,855,785	--
Sales taxes		103,372,472	--	103,372,472	--
Hotel occupancy taxes		17,066,868	--	17,066,868	--
Unrestricted investment earnings		1,244,127	344,764	1,588,891	855
Payments from primary government		--	--	--	5,274,184
Transfers		19,380,059	(19,380,059)	--	--
Total general revenue and transfers		<u>237,727,325</u>	<u>(19,035,295)</u>	<u>218,692,030</u>	<u>5,275,039</u>
Changes in net position		27,630,875	41,060,665	68,691,540	(25,800)
Net position at beginning of year, as restated (Note 1-Q)		<u>377,409,967</u>	<u>793,319,248</u>	<u>1,170,729,215</u>	<u>889,046</u>
Net position at end of year		<u>\$ 405,040,842</u>	<u>\$ 834,379,913</u>	<u>\$ 1,239,420,755</u>	<u>\$ 863,246</u>

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

City of Corpus Christi, Texas

**GOVERNMENTAL FUNDS  
BALANCE SHEET  
SEPTEMBER 30, 2014**

	<u>General</u>	<u>Debt Service</u>	<u>Street Capital Projects</u>	<u>Other Governmental Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents (Note 5)	\$ 5,738,809	\$ 8,659,765	\$ 39,830,226	\$ 84,756,131
Investments (Note 5)	29,992,340	--	39,966,400	58,923,454
Receivables, net of allowance for uncollectibles (Note 7)	14,105,780	799,436	89,758	24,226,616
Due from other funds (Note 15)	14,000,000	--	--	116,636
Inventories	38,046	--	--	440,062
Prepaid items	85,554	--	--	349,875
Advances to other funds (Note 15)	1,490,882	--	--	--
Other assets	--	--	--	133,833
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 65,451,411</u>	<u>\$ 9,459,201</u>	<u>\$ 79,886,384</u>	<u>\$ 168,946,607</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 3,768,834	\$ --	\$ 1,415	\$ 1,848,056
Accrued liabilities	6,497,097	--	--	623,312
Contractor interest and retainage payable	--	--	857,480	461,136
Deposits	407,559	--	353,400	663,521
Liability to claimants - escheat property	70,121	--	--	--
Due to other funds (Note 15)	116,636	--	--	--
Due to other governmental agencies	466,539	--	--	492,461
Advance from other funds (Note 15)	--	--	--	750,000
Deferred revenues	2,140,404	798,811	--	4,881,566
Total liabilities	<u>13,467,190</u>	<u>798,811</u>	<u>1,212,295</u>	<u>9,720,052</u>
<b>Fund balances</b>				
<b>Nonspendable</b>				
Inventory	38,046	--	--	440,062
Prepaid items	85,554	--	--	349,875
Advances to other funds	1,490,882	--	--	--
Total nonspendable	<u>1,614,482</u>	<u>          </u>	<u>          </u>	<u>789,937</u>
<b>Restricted</b>				
Vital statistic record retention	272,806	--	--	--
Municipal and Juvenile Court				
Municipal Court building security	--	--	--	128,576
Municipal Court technology	--	--	--	223,472
Judicial/Court improvements	65,837	--	--	--
Juvenile Court case manager	--	--	--	315,741
Fire contribution trust	5,585	--	--	--
PEG equipment and facilities	19,768	--	--	1,206,314
Tourism (HOT)	--	--	--	5,291,646
Traffic safety programs	--	--	--	415,784
Federal and state grant programs				

(Continued)

Exhibit 2-A

**Total  
Governmental  
Funds**

\$ 138,984,931  
128,882,194  
39,221,590  
14,116,636  
478,108  
435,429  
1,490,882  
133,833  

---

**\$ 323,743,603**

\$ 5,618,305  
7,120,409  
1,318,616  
1,424,480  
70,121  
116,636  
959,000  
750,000  

---

7,820,781  

---

25,198,348

478,108  
435,429  

---

1,490,882  

---

2,404,419

272,806

128,576  
223,472  
65,837  
315,741  
5,585  
1,226,082  
5,291,646  
415,784

City of Corpus Christi, Texas

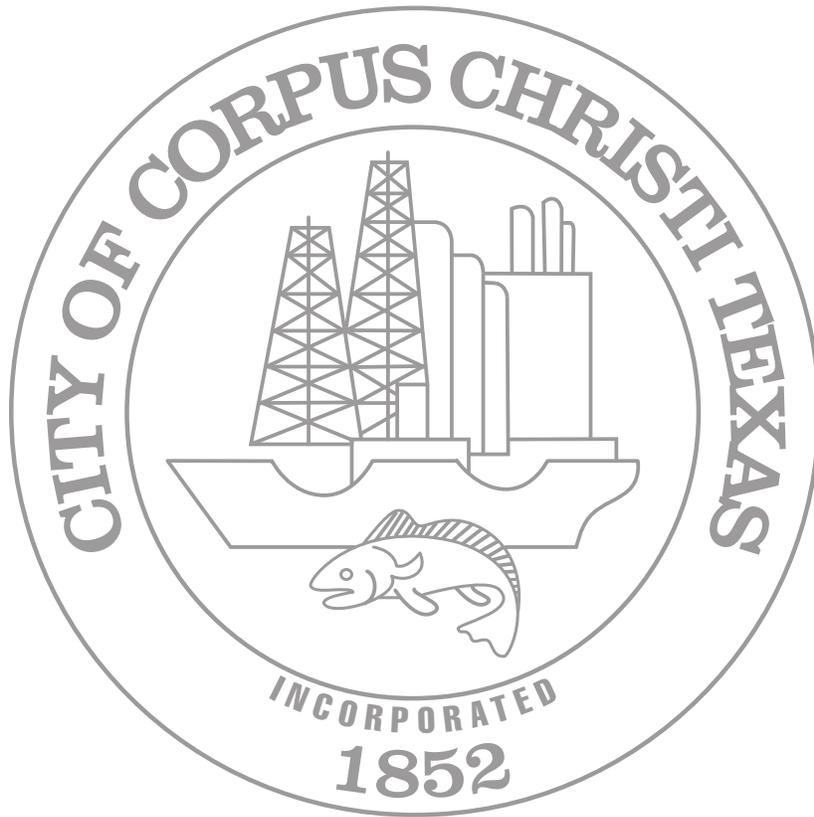
**GOVERNMENTAL FUNDS  
BALANCE SHEET  
SEPTEMBER 30, 2014**

	<u>General</u>	<u>Debt Service</u>	<u>Streets Capital Projects</u>	<u>Other Governmental Funds</u>
Law enforcement	--	--	--	663,025
CDBG projects	--	--	--	514,808
Libraries	--	--	--	8
Community enrichment	--	--	--	6,997
Parks and recreation	--	--	--	1,885,320
Infrastructure	--	--	--	1,695,138
Loans	--	--	--	14,573,099
Crime control and prevention	--	--	--	4,909,229
Business and job development				
Seawall improvement	--	--	--	22,650,506
Arena facility	--	--	--	17,943,880
Economic development	--	--	--	10,733,266
Tax increment zone improvements				
North Padre Island development	--	--	--	3,469,191
Downtown development	--	--	--	1,563,751
Debt service	--	--	--	1,595,000
Capital projects	--	--	74,494,102	41,950,872
Total restricted	<u>363,996</u>	<u>--</u>	<u>74,494,102</u>	<u>131,735,623</u>
Committed				
Major contingencies	37,770,424	--	--	--
Government access equipment	11,959	--	--	--
Radio system capital replacement	26,238	--	--	--
Debt service	--	8,660,390	--	--
Parking improvements	--	--	--	162,687
Streets	--	--	--	11,839,326
Sister City programs	--	--	--	1,158
Park projects	--	--	--	3,261
Permanent art projects	--	--	--	233,654
Development projects	--	--	--	1,112,234
Local Emergency Planning Committee	--	--	--	83,192
Capital projects	--	--	3,136,531	1,329,698
Total committed	<u>37,808,621</u>	<u>8,660,390</u>	<u>3,136,531</u>	<u>14,765,210</u>
Assigned				
Health 1115 Waiver	656,050	--	--	--
Housing	--	--	--	38,066
Industrial development	--	--	--	68,775
Local Emergency Planning Committee	2,430	--	--	--
Capital projects	--	--	1,043,456	10,673,499
Total assigned	<u>658,480</u>	<u>--</u>	<u>1,043,456</u>	<u>10,780,340</u>
Unassigned	<u>11,538,642</u>	<u>--</u>	<u>--</u>	<u>1,155,445</u>
Total fund balances	<u>51,984,221</u>	<u>8,660,390</u>	<u>78,674,089</u>	<u>159,226,555</u>
Total liabilities and fund balances	<u>\$ 65,451,411</u>	<u>\$ 9,459,201</u>	<u>\$ 79,886,384</u>	<u>\$ 168,946,607</u>

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

**Exhibit 2-A  
(Continued)**

<b>Total Governmental Funds</b>
663,025
514,808
8
6,997
1,885,320
1,695,138
14,573,099
4,909,229
22,650,506
17,943,880
10,733,266
3,469,191
1,563,751
1,595,000
116,444,974
<u>206,593,721</u>
37,770,424
11,959
26,238
8,660,390
162,687
11,839,326
1,158
3,261
233,654
1,112,234
83,192
4,466,229
<u>64,370,752</u>
656,050
38,066
68,775
2,430
11,716,955
<u>12,482,276</u>
<u>12,694,087</u>
<u>298,545,255</u>
<u><u>\$ 323,743,603</u></u>



**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2014**

**Total fund balance - total governmental funds** \$ 298,545,255

Amounts reported for governmental activities in the statement of net position 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 excluding Internal service funds is \$948,785,118 and the accumulated depreciation is \$370,700,903. The costs of assets in Solid Waste is \$112,216,703 and the accumulated depreciation is \$43,426,026 which are included in business-type activities. 646,874,892

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		
Deferred taxes	\$ 2,242,731	
Deferred assessments and liens	24,233	2,266,964

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 position. 44,635,658

Unamortized gains and losses on refunded debt are not reported in the funds.

Governmental activities		
	\$ 4,680,889	
Solid Waste	4,550,964	9,231,853

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	\$ (1,418,202)	
Long-term debt	(452,567,180)	
Accumulated compensated absences	(37,127,059)	
Net pension obligation	(25,249,772)	
Solid Waste		
Accrued interest	(125,964)	
Long-term debt	(57,518,819)	
Accumulated compensated absences	(888,642)	
Net pension obligation	(1,851,731)	
Landfill closure costs	(26,307,808)	(603,055,177)

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 position. 6,541,397

**Net position of governmental activities** \$ 405,040,842

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  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>General</u>	<u>Debt Service</u>	<u>Street Capital Projects</u>	<u>Other Governmental Funds</u>
<b>Revenues</b>				
Taxes and business fees	\$ 154,654,702	\$ 31,767,779	\$ --	\$ 55,025,155
Licenses and permits	6,057,126	--	--	62,278
Intergovernmental	--	--	--	2,467,618
Grants	489,498	--	--	17,268,726
Charges for services	68,458,496	--	--	17,146,499
Fines and forfeitures	6,003,167	--	--	2,736,239
Contributions and donations	--	--	--	1,851,633
Special assessments	--	--	195,495	--
Earnings on investments	989,561	40,459	108,761	106,371
Interest on loans	--	--	--	97,778
Payments from Texas State Aquarium	--	335,694	--	--
Sale of City property	--	--	--	122,746
Miscellaneous	1,471,519	--	13,032	250,239
Total revenues	<u>238,124,069</u>	<u>32,143,932</u>	<u>317,288</u>	<u>97,135,282</u>
<b>Expenditures</b>				
Current				
General government	22,394,339	--	559,824	835,677
Police and municipal court	87,495,993	--	--	11,442,120
Fire and ambulance	54,877,898	--	--	2,690,753
Emergency management	522,451	--	--	106,764
Inspections	1,990,404	--	--	--
Streets	4,105,103	--	--	17,983,256
Solid waste	26,657,490	--	--	--
Health	3,921,604	--	--	2,184,653
Parks and recreation	15,971,360	--	--	4,690,684
Libraries	4,259,590	--	--	132,897
Museums	1,944,011	--	--	--
Community enrichment	--	--	--	3,521,423
Community development	--	--	--	10,097,340
Convention and visitors activities	--	--	--	16,821,790
Capital projects	--	--	21,016,490	20,263,621
Debt service				
Principal retirement	4,327,921	22,734,970	--	11,554,656
Interest	312,171	22,808,713	--	5,833,293
Bond issue cost	--	--	75,000	629,331
Paying agent fees	--	13,792	--	7,370
Total expenditures	<u>228,780,336</u>	<u>45,557,475</u>	<u>21,651,314</u>	<u>108,795,628</u>
Excess (deficiency) of revenues over (under) expenditures	9,343,733	(13,413,543)	(21,334,026)	(11,660,346)

(Continued)

**Exhibit 2-C**

**Total  
Governmental  
Funds**

---

\$ 241,447,636  
 6,119,404  
 2,467,618  
 17,758,224  
 85,604,995  
 8,739,406  
 1,851,633  
 195,495  
 1,245,152  
 97,778  
 335,694  
 122,746  
 1,734,789  


---

 367,720,570

23,789,840  
 98,938,113  
 57,568,651  
 629,215  
 1,990,404  
 22,088,359  
 26,657,490  
 6,106,257  
 20,662,044  
 4,392,487  
 1,944,011  
 3,521,423  
 10,097,340  
 16,821,790  
 41,280,111

38,617,547  
 28,954,177  
 704,331  
 21,162

---

404,784,752

---

(37,064,182)

**GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>General</u>	<u>Debt Service</u>	<u>Street Capital Projects</u>	<u>Other Governmental Funds</u>
<b>Other financing sources (uses)</b>				
Capital leases	5,718,567	--	--	666,031
Premium on bonds issued	--	--	8,000,000	3,935,763
Refunding bonds issued	--	--	--	38,395,000
Tax notes issued	--	--	--	9,000,000
Payment to escrow agent for refunded bonds	--	--	--	(41,763,200)
Transfers in (Note 15)	8,806,186	6,561,099	648	15,698,645
Transfers out (Note 15)	(22,600,303)	--	(950,000)	(3,217,316)
Total other financing sources (uses)	<u>(8,075,551)</u>	<u>6,561,099</u>	<u>7,050,648</u>	<u>22,714,923</u>
Net change in fund balance	1,268,182	(6,852,444)	(14,283,378)	11,054,577
Fund balances at beginning of year, restated (Note 1-Q)	<u>50,716,039</u>	<u>15,512,834</u>	<u>92,957,467</u>	<u>148,171,978</u>
Fund balances at end of year	<u>\$ 51,984,221</u>	<u>\$ 8,660,390</u>	<u>\$ 78,674,089</u>	<u>\$ 159,226,555</u>

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

**Exhibit 2-C  
(Continued)**

**Total  
Governmental  
Funds**

---

6,384,598

11,935,763

38,395,000

9,000,000

(41,763,200)

31,066,578

(26,767,619)

---

28,251,119

(8,813,063)

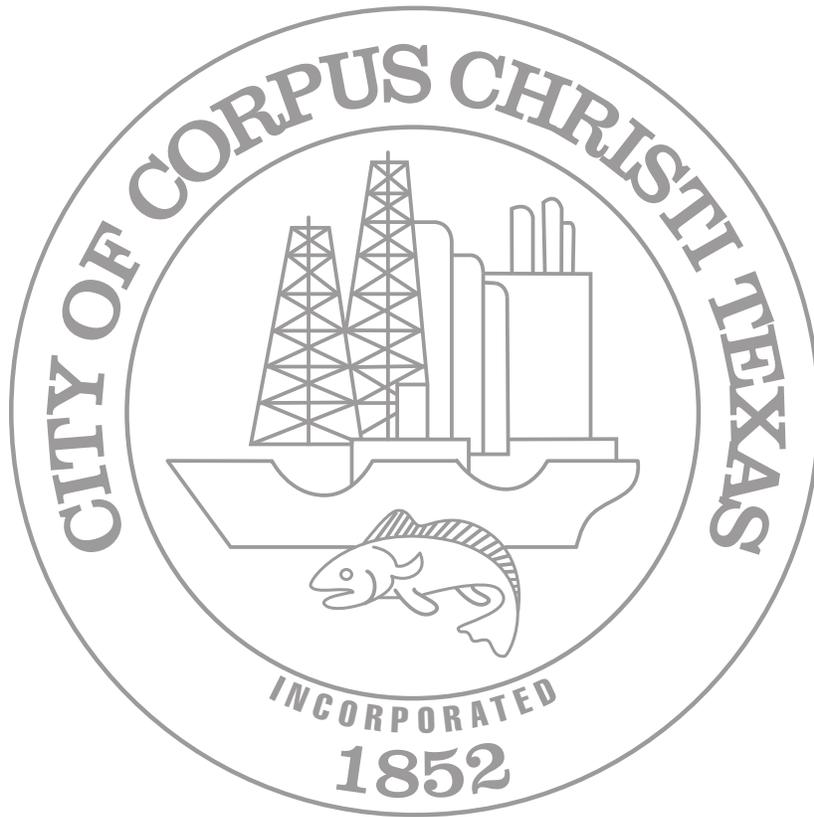
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307,358,318

---

\$ 298,545,254

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**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2014**

**Net change in fund balances - total governmental funds** (8,813,063)

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	\$	44,275,518
Depreciation		(23,830,251)
Solid Waste		
Capital outlays		3,793,192
Depreciation		(5,320,403)
		18,918,056

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. (118,163)

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

Governmental activities		
Bond proceeds	\$	(20,935,763)
Refunding bonds issued		(38,395,000)
Payment to escrow agent for refunded bonds		41,763,200
Capital leases		(1,796,948)
Principal retirement		36,287,547
Interest		8,680,807
Solid Waste		
Capital leases		(4,587,650)
Principal retirement		2,330,000
Interest		1,193,545
		24,539,738

Compensated absences reported in the statement of net position did not require the use of current financial resources, and therefore are not expenditures in governmental funds. Compensated absences for governmental funds increased by \$1,832,082 and solid waste activities increased by \$86,737. (1,918,818)

Landfill closure costs reported in the statement of net position did not require the use of current financial resources, and therefore are not expenditures in governmental funds. Landfill closure costs increased in the current year. (1,001,377)

Net pension obligation reported in the statement of net position did not require the use of current financial resources, and therefore is not an expenditure in governmental funds. Net pension obligation for governmental funds increased by \$4,859,169 and solid waste activities increased by \$355,286. (5,214,455)

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

Operating income	\$	(10,631,296)	
Net transfers		11,721,657	
Investment earnings		(1,025)	1,089,336

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. 149,621

**Change in net position of governmental activities** 27,630,875

City of Corpus Christi, Texas

**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes and business fees	\$ 140,441,183	\$ 154,373,181	\$ 154,654,702	\$ --
Licenses and permits	101,182	120,732	6,057,126	(5,910,055)
Grants	441,500	484,500	489,498	--
Charges for services	56,383,976	67,631,268	68,458,496	(207,560)
Fines and forfeitures	4,675,200	5,531,830	6,003,167	--
Earnings on investments	710,060	871,657	989,561	(2,093)
Miscellaneous	903,403	1,179,644	1,471,518	(790)
Reimbursements	4,024,366	4,762,687	--	5,559,843
Total revenues	<u>207,680,870</u>	<u>234,955,498</u>	<u>238,124,068</u>	<u>(560,656)</u>
<b>Expenditures</b>				
Current				
General government	22,109,762	24,126,714	22,394,339	(1,889,627)
Police and municipal court	72,692,443	88,266,781	87,495,993	1,014,050
Fire and ambulance	49,599,430	57,571,686	54,877,898	1,083,254
Emergency management	452,654	517,162	522,451	--
Inspections	--	--	1,990,404	(1,990,404)
Streets	3,224,614	3,822,259	4,105,103	--
Solid waste	25,147,596	30,020,898	26,657,490	2,079,709
Health	2,669,103	4,568,724	3,921,604	--
Parks and recreation	15,040,854	17,562,791	15,971,360	1,262,936
Libraries	3,758,536	4,331,408	4,259,590	--
Museums	1,480,510	1,898,172	1,944,011	--
Debt service				
Principal retirement	--	--	4,327,921	(4,327,921)
Interest	--	--	312,171	(312,171)
Total expenditures	<u>196,175,502</u>	<u>232,686,595</u>	<u>228,780,335</u>	<u>(3,080,175)</u>
Excess (deficiency) of revenues over (under) expenditures	11,505,368	2,268,903	9,343,733	2,519,519
<b>Other financing sources (uses)</b>				
Capital leases	--	--	5,718,567	(5,718,567)
Transfers in	5,148,020	8,529,693	8,806,186	188,260
Transfers out	(16,653,388)	(19,860,298)	(22,600,303)	2,694,654
Total other financing sources (uses)	<u>(11,505,368)</u>	<u>(11,330,605)</u>	<u>(8,075,551)</u>	<u>(2,835,653)</u>
Net change in fund balance	-	(9,061,702)	1,268,182	(316,134)
Fund balance at beginning of year as restated (Note 1-Q)	<u>29,950,601</u>	<u>45,630,183</u>	<u>50,716,039</u>	<u>(5,085,856)</u>
Fund balance at end of year	<u>\$ 29,950,601</u>	<u>\$ 36,568,481</u>	<u>\$ 51,984,221</u>	<u>\$ (5,401,990)</u>

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

Exhibit 3

<b>Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>
\$ 154,654,702	\$ 281,521
147,071	26,339
489,498	4,998
68,250,935	619,668
6,003,167	471,337
987,469	115,812
1,470,727	291,084
5,559,843	797,156
<u>237,563,411</u>	<u>2,607,913</u>
20,504,711	3,622,003
88,510,043	(243,262)
55,961,152	1,610,534
522,451	(5,289)
--	--
4,105,103	(282,844)
28,737,199	1,283,699
3,921,604	647,120
17,234,296	328,495
4,259,590	71,818
1,944,011	(45,839)
--	--
--	--
<u>225,700,160</u>	<u>6,986,435</u>
11,863,251	9,594,348
--	--
8,994,446	464,753
(19,905,649)	(45,351)
<u>(10,911,203)</u>	<u>419,402</u>
952,048	10,013,750
<u>45,630,183</u>	<u>5,085,856</u>
<u>\$ 46,582,231</u>	<u>\$ 15,099,606</u>

**PROPRIETARY FUNDS  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2014**

	<b>Enterprise Funds</b>			<b>Internal Service Funds</b>
	<b>Utility System Fund</b>	<b>Other Enterprise Funds</b>	<b>Total</b>	
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents (Note 5)	\$ 9,782,718	\$ 9,928,528	\$ 19,711,246	\$ 26,877,526
Investments (Note 5)	55,449,084	--	55,449,084	18,481,419
Receivables, net of allowance for uncollectibles (Note 7)	27,801,148	1,260,593	29,061,741	135,533
Due from other funds (Note 15)	--	--	--	14,500,000
Inventories	484,470	49,325	533,795	1,688,378
Prepaid items	--	--	--	1,628,603
Restricted assets				
Cash and cash equivalents (Note 5)	71,269,698	6,169,654	77,439,352	--
Investments (Note 5)	115,888,658	--	115,888,658	--
Receivables, net of allowance for uncollectibles (Note 7)	64,217	196,363	260,580	--
Total restricted assets	<u>187,222,573</u>	<u>6,366,017</u>	<u>193,588,590</u>	<u>--</u>
Total current assets	<u>280,739,993</u>	<u>17,604,463</u>	<u>298,344,456</u>	<u>63,311,459</u>
Noncurrent assets				
Other assets	--	--	--	49,871
Capital assets (Note 8)				
Land and construction in progress	252,736,852	39,157,867	291,894,719	67,458
Other capital assets, net of accumulated depreciation and amortization	1,150,491,352	92,400,110	1,242,891,462	13,762,768
Net capital assets	<u>1,403,228,204</u>	<u>131,557,977</u>	<u>1,534,786,181</u>	<u>13,830,226</u>
Total noncurrent assets	<u>1,403,228,204</u>	<u>131,557,977</u>	<u>1,534,786,181</u>	<u>13,880,097</u>
Total assets	<u>1,683,968,197</u>	<u>149,162,440</u>	<u>1,833,130,637</u>	<u>77,191,556</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Unamortized loss on refunded debt	<u>7,104,271</u>	<u>597,619</u>	<u>7,701,890</u>	<u>--</u>

(Continued)

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	\$ 2,782,744	\$ 1,233,761	\$ 4,016,505	\$ 1,661,653
Accrued expenses	741,246	112,919	854,165	474,404
Accrued interest	7,901,818	94,623	7,996,441	--
Current portion of estimated liability claims (Note 11)	--	--	--	4,710,232
Contractor interest and retainage payable	6,692,653	302,477	6,995,130	--
Deposits	1,540,823	155,040	1,695,863	4,648
Liability to claimants - escheat property	124,952	--	124,952	20,145
Due to other funds (Note 15)	28,500,000	--	28,500,000	--
Advances from other funds	--	740,882	740,882	--
Unearned revenue	16,204	366,974	383,178	477
Current portion of long-term liabilities (Note 13)				
Long-term debt	39,192,060	1,483,706	40,675,766	457,927
Accumulated unpaid compensated absences	1,867,486	222,410	2,089,896	965,543
Total current liabilities	<u>89,359,986</u>	<u>4,712,792</u>	<u>94,072,778</u>	<u>8,295,029</u>
Noncurrent liabilities				
Estimated liability claims, net of current portion (Note 11)	--	--	--	6,224,387
Long-term liabilities, net of current portion (Note 13)				
Long-term debt	866,141,276	29,445,854	895,587,130	1,968,543
Accumulated unpaid compensated absences	331,856	136,367	468,223	470,640
Net pension obligation (Note 9)	8,003,096	1,192,289	9,195,385	4,200,207
Net OPEB obligation (Note 10)	500,626	87,075	587,701	11,397,092
Total noncurrent liabilities	<u>874,976,854</u>	<u>30,861,585</u>	<u>905,838,439</u>	<u>24,260,869</u>
Total liabilities	<u>964,336,840</u>	<u>35,574,377</u>	<u>999,911,217</u>	<u>32,555,898</u>
<b>NET POSITION</b>				
Net invested in capital assets	670,817,772	105,203,840	776,021,612	11,403,757
Restricted for				
Passenger facility charges projects	--	2,353,305	2,353,305	--
Bond interest and redemption	10,112,626	--	10,112,626	--
Improvements to utility lines and facilities	4,676,288	--	4,676,288	--
Abatement of public health hazards	95,500	--	95,500	--
Law enforcement officers' standards and education	--	718	718	--
Unrestricted	41,033,442	6,627,819	47,661,261	33,231,901
Total net position	<u>\$ 726,735,628</u>	<u>\$ 114,185,682</u>	<u>\$ 840,921,310</u>	<u>\$ 44,635,658</u>

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

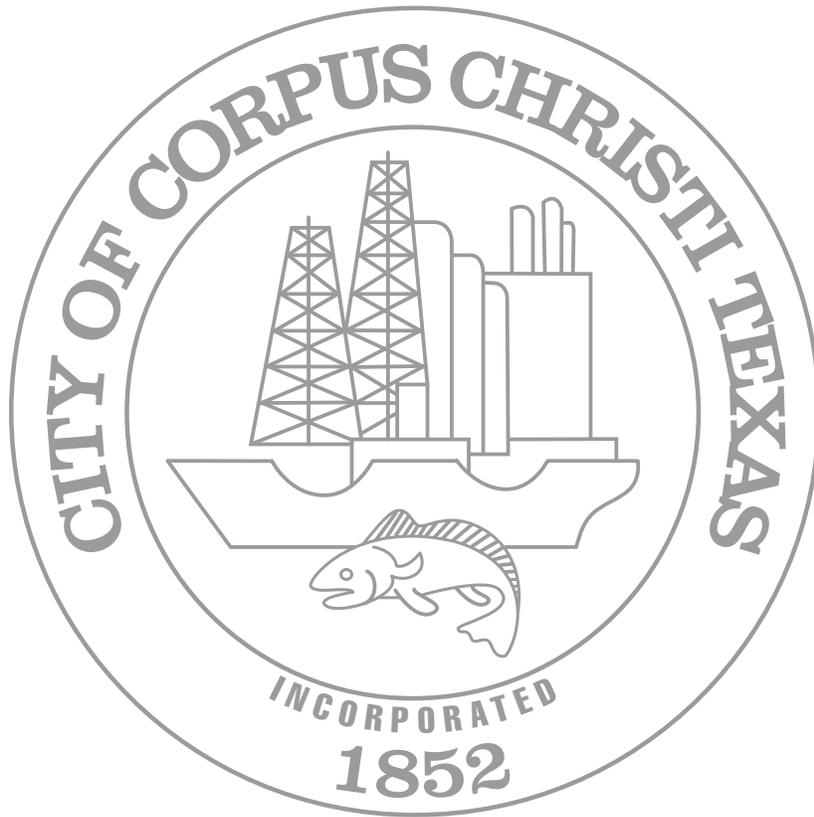


Exhibit 4-B

**RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF NET POSITION  
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2014**

**Total net position - total proprietary funds** \$ 840,921,310

Amounts reported for business-type activities in the statement of net position 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 position.

(6,541,397)

**Net position of business-type activities**

\$ 834,379,913

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

**PROPRIETARY FUNDS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<b>Enterprise Funds</b>			<b>Internal Service Funds</b>
	<b>Utility System Fund</b>	<b>Other Enterprise Funds</b>	<b>Total</b>	
<b>Operating revenues</b>				
Charges for services - net	\$ 255,676,809	\$ 11,682,561	\$ 267,359,370	\$ 78,869,750
<b>Operating expenses</b>				
Personal services	37,737,577	5,469,184	43,206,761	19,155,402
Materials and supplies	47,494,880	517,531	48,012,411	2,694,141
Contractual services	31,138,206	2,583,101	33,721,307	23,790,827
Other operating expenses	21,161,595	1,176,025	22,337,620	2,958,635
Uncollectible accounts	2,079,131	(11,435)	2,067,696	28,330,655
Depreciation	41,249,994	6,950,387	48,200,381	796,419
Self-insurance claims	--	--	--	55,806
Other post employment benefits (Note 10)	--	--	--	3,868,129
Total operating expenses	<u>180,861,383</u>	<u>16,684,793</u>	<u>197,546,176</u>	<u>81,650,014</u>
Operating income (loss)	74,815,426	(5,002,232)	69,813,194	(2,780,264)
<b>Nonoperating revenues (expenses)</b>				
Investment income	327,744	15,995	343,739	67,300
Interest expense and fiscal charges	(39,530,861)	(1,300,799)	(40,831,660)	(103,139)
Bond Issue Costs	(939,487)	--	(939,487)	--
Passenger facility charges	--	1,599,095	1,599,095	--
Customer facility charges	--	1,110,095	1,110,095	--
Net gain on disposal of assets	306,424	13,299	319,723	(2,864,373)
Recovery on damage claims	14,763	--	14,763	151,584
Developer deposits	1,925,149	--	1,925,149	--
Reimbursements to developers	(619,345)	--	(619,345)	--
Contributions from other governmental agencies	1,211,011	168,849	1,379,860	--
Miscellaneous	70,000	--	70,000	--
Total nonoperating revenues (expenses)	<u>(37,234,602)</u>	<u>1,606,534</u>	<u>(35,628,068)</u>	<u>(2,748,628)</u>
<b>Capital contributions</b>				
Contributions from other governmental agencies	678,534	10,767,015	11,445,549	--
Contributions from developers	6,448,981	--	6,448,981	--
Contributions from others	--	47,814	47,814	--
Total capital contributions	<u>7,127,515</u>	<u>10,814,829</u>	<u>17,942,344</u>	<u>--</u>
Income before transfers	44,708,339	7,419,131	52,127,470	(5,528,892)
Transfers in	689,229	190,580	879,809	8,502,388
Transfers out	(10,446,267)	(411,011)	(10,857,278)	(2,823,879)
Total transfers	<u>(9,757,038)</u>	<u>(220,431)</u>	<u>(9,977,469)</u>	<u>5,678,509</u>
Net income	34,951,301	7,198,700	42,150,001	149,617
Adjusted net position at beginning of year (Note 1-Q)	<u>691,784,327</u>	<u>106,986,982</u>	<u>798,771,309</u>	<u>44,486,041</u>
Net position at end of year	<u>\$ 726,735,628</u>	<u>\$ 114,185,682</u>	<u>\$ 840,921,310</u>	<u>\$ 44,635,658</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 NET POSITION TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2014**

**Net change in net position - total proprietary funds** \$ 42,150,001

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	\$	10,631,296	
Net transfers	\$	(11,721,657)	
Investment earnings	\$	1,025	
			(1,089,336)

**Change in net position of business-type activities** \$ 41,060,665

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

**PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<b>Enterprise Funds</b>			<b>Internal Service Funds</b>
	<b>Utility System Fund</b>	<b>Other Enterprise Funds</b>	<b>Total</b>	
<b>Cash flows from operating activities</b>				
Receipts from customers	\$ 250,596,489	\$ 11,611,631	\$ 262,208,120	\$ 11,002,708
Receipts from interfund services provided	438,922	--	438,922	80,703,736
Payments to suppliers	(73,339,696)	(2,254,292)	(75,593,988)	(38,959,722)
Payments to employees	(36,309,836)	(5,580,516)	(41,890,352)	(17,161,152)
Internal activity - payments to other funds	(30,263,189)	(1,692,643)	(31,955,832)	(4,664,360)
Claims paid	--	--	--	(30,178,305)
Other receipts	10,044	--	10,044	151,584
Net cash provided by operating activities	<u>111,132,734</u>	<u>2,084,180</u>	<u>113,216,914</u>	<u>894,489</u>
<b>Cash flows from noncapital financing activities</b>				
Changes in interfund borrowings	28,500,000	--	28,500,000	(14,500,000)
Advances from other funds	--	38,469	38,469	--
Contributions from other government agencies	17,561	142,517	160,078	--
Transfers in from other funds	689,229	190,580	879,809	2,846,855
Transfers out to other funds	(10,446,269)	(411,010)	(10,857,279)	(2,823,879)
Net cash provided by (used for) noncapital financing activities	<u>18,830,521</u>	<u>(39,444)</u>	<u>18,791,077</u>	<u>(14,477,024)</u>
<b>Cash flows from capital and related financing activities</b>				
Acquisition of capital assets	(119,884,857)	(14,574,788)	(134,459,645)	(3,830,281)
Proceeds from sale of capital assets	312,327	13,299	325,626	118,689
Developers deposits	1,009,985	--	1,009,985	--
Reimbursements to developers	295,820	--	295,820	--
Contributions from other governmental agencies	866,201	11,173,997	12,040,198	--
Passenger facility charge	--	1,541,706	1,541,706	--
Customer facility charges	--	1,127,499	1,127,499	--
Proceeds from issuance of revenue bonds	99,558,800	--	99,558,800	--
Transfers in from other funds for capital acquisition	--	--	--	5,655,533
Bond issuance costs	27,256	--	27,256	--
Principal paid on long-term debt	(39,654,338)	(1,496,369)	(41,150,707)	(1,266,067)
Interest expense and fiscal charges	(38,108,200)	(1,624,346)	(39,732,546)	(103,139)
Recovery on damage claims	4,720	--	4,720	--
Net cash provided by (used for) capital and related financing activities	<u>(95,572,286)</u>	<u>(3,839,002)</u>	<u>(99,411,288)</u>	<u>574,735</u>
<b>Cash flows from investing activities</b>				
Purchase of investment securities	(167,439,320)	--	(167,439,320)	(15,000,000)
Proceeds from sale and maturity of investment securities	152,964,847	7,000,000	159,964,847	30,492,000
Interest on investments	451,703	22,025	473,728	95,825
Net cash provided by (used for) investing activities	<u>(14,022,770)</u>	<u>7,022,025</u>	<u>(7,000,745)</u>	<u>15,587,825</u>
Net increase in cash and cash equivalents	20,368,199	5,227,759	25,595,958	2,580,025
Cash and cash equivalents at beginning of year, including restricted accounts	<u>60,684,217</u>	<u>10,870,423</u>	<u>71,554,640</u>	<u>24,297,501</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 81,052,416</u>	<u>\$ 16,098,182</u>	<u>\$ 97,150,598</u>	<u>\$ 26,877,526</u>

(Continued)

City of Corpus Christi, Texas

Exhibit 4-E

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>				
Operating income (loss)	\$ 74,815,426	\$ (5,002,232)	\$ 69,813,194	\$ (2,780,264)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	41,249,994	6,950,386	48,200,380	3,868,129
Amortization of water rights	324,925	--	324,925	--
Provision for uncollectible accounts	2,079,131	(11,435)	2,067,696	55,806
Operating and maintenance expenses previously capitalized	2,656	--	2,656	--
Recovery of damage claims	10,044	--	10,044	151,584
Changes in assets and liabilities				
Receivables	(5,806,744)	(30,287)	(5,837,031)	49,523
Deposits receivable	30	--	30	--
Inventory	58,779	2,330	61,109	(423,459)
Deposits	--	--	--	1,214
Prepaid items	--	--	--	775,962
Accounts payable	(667,593)	(9,208)	(676,801)	(183,380)
Accrued expenses	(3,299,397)	(59,993)	(3,359,390)	(361,401)
Customer deposits	1,239,418	14,337	1,253,755	--
Unearned revenue	--	(2,060)	(2,060)	204
Accumulated unpaid compensated absences	(523,373)	2,492	(520,881)	(43,518)
Net pension obligation	1,590,933	221,825	1,812,758	811,525
Net OPEB obligation	56,127	8,025	64,152	319,996
Liability to claimants-escheat property	2,378	--	2,378	(893)
Estimated claims liability	--	--	--	(1,346,539)
Net cash provided by operating activities	<u>\$ 111,132,734</u>	<u>\$ 2,084,180</u>	<u>\$ 113,216,914</u>	<u>\$ 894,489</u>
<b>Noncash investing, capital and financing activities</b>				
Change in fair value of investments	\$ (190,820)	\$ (4,401)	\$ (195,221)	\$ (27,613)
Change in accrued interest receivable	\$ (9,414)	\$ 1,629	\$ (7,785)	\$ 912
Contribution of capital assets	\$ 6,448,981	\$ --	\$ 6,448,981	\$ --
Change in fair value of investments held in trust	\$ --	\$ 1,629	\$ 1,629	\$ --
Acquisition of capital assets under capital lease	\$ --	\$ --	\$ --	\$ 1,841,493
Acquisition of capital assets accrued but not paid	\$ (10,114,798)	\$ (1,207,746)	\$ (11,322,544)	\$ --
Bond issue costs	\$ (966,741)	\$ --	\$ (966,741)	\$ --
Change in accrued non-operating revenue receivable	\$ 133,611	\$ 215,060	\$ 348,671	\$ --
Build America Bonds interest subsidy	\$ 1,189,387	\$ --	\$ 1,189,387	\$ --

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

**FIDUCIARY FUNDS  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2014**

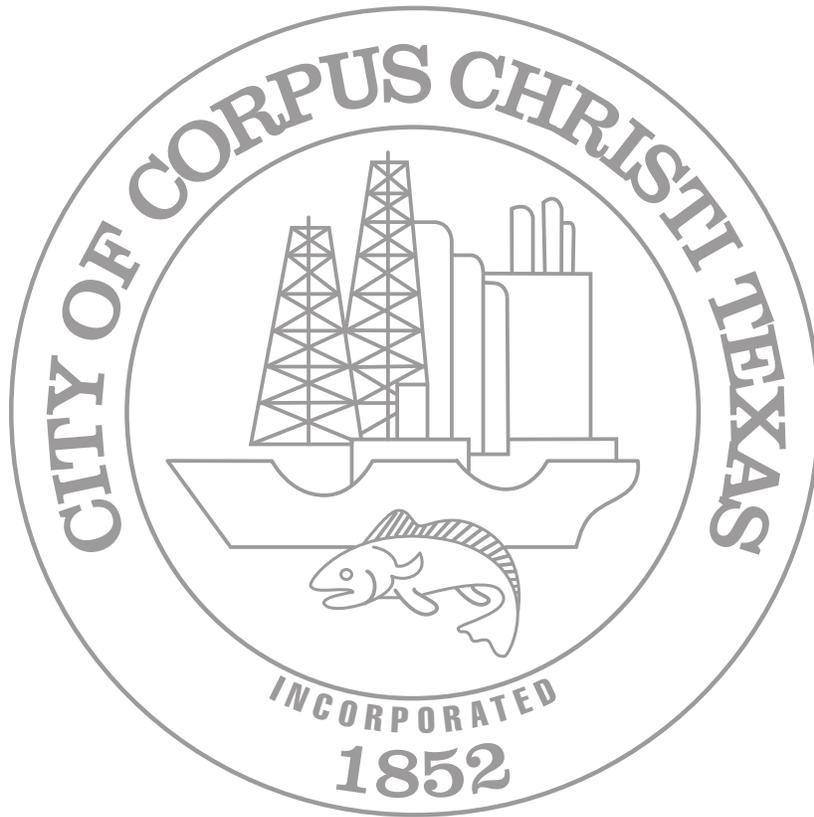
	<b>Deferred Compensation Plan</b>	<b>Private Purpose Trust Fund</b>
<b>ASSETS</b>		
Cash and cash equivalents (Note 5)	\$ --	\$ 258,361
Mutual funds		
Guaranteed Rate Accounts	30,060,560	--
Stocks	32,828,680	--
Bonds	2,345,961	--
Combined Stocks and Bonds	13,517,544	--
Money Markets	193,900	--
Receivables		
Participant loans	2,057,198	--
Total assets	<u>81,003,843</u>	<u>258,361</u>
<b>LIABILITIES</b>	--	--
<b>NET ASSETS</b>		
Held in trust for deferred compensation benefits	81,003,843	--
Held in trust for individuals and organizations	<u>--</u>	<u>258,361</u>
Total net assets	<u>\$ 81,003,843</u>	<u>\$ 258,361</u>

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

**FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<b>Deferred Compensation Plan</b>	<b>Private Purpose Trust Fund</b>
<b>Additions</b>		
Employee contributions	\$ 8,619,241	\$ --
Other contributions	--	33,810
Earnings on investments	6,885,428	9
Total additions	15,504,669	33,819
<b>Deductions</b>		
Payment of benefits	7,063,438	--
Administrative fees	26,735	--
Disbursements for designated purposes	--	43,500
Total deductions	7,090,173	43,500
Net increase	8,414,496	(9,681)
Net assets at beginning of year	72,589,347	268,042
Net assets at end of year	\$ 81,003,843	\$ 258,361

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



## 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 accounting and reporting policies of the City relating to the funds include in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America (GAAP) applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB). The more significant accounting policies of the City are described below.

#### 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.

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.

	<b>Coastal Bend Health Facilities Development Corporation</b>	<b>Corpus Christi Convention and Visitors Bureau</b>
Assets		
Current assets	\$ 3,719	\$ 1,081,615
Capital assets	--	199,567
Total assets	<u>3,719</u>	<u>1,281,182</u>
Current liabilities	<u>--</u>	<u>421,655</u>
Net position		
Invested in capital assets	--	199,567
Unrestricted	3,719	659,960
Total net position	<u>\$ 3,719</u>	<u>\$ 859,527</u>
Revenues	\$ --	\$ 5,614,747
Expenses	<u>--</u>	<u>5,640,547</u>
Change in net position	--	(25,800)
Net position at beginning of year	3,719	885,327
Net position at end of year	<u>\$ 3,719</u>	<u>\$ 859,527</u>

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

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

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

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

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

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

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

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) 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 position, 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 position 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 Position. 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. The criteria used to determine if a governmental or enterprise fund should be reported as a major fund are as follows: the total assets, liabilities, revenues or expenditures/expenses of that governmental or enterprise fund are at least 10% of the corresponding element total for all funds of that category or type (that is, total governmental or total enterprise funds), and the same element that met the 10% criterion above in the governmental or enterprise fund is at least 5% of the corresponding element total for all governmental and enterprise funds combined. The Street Capital Project Fund is presented as a major fund for consistency with prior years. 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 streets capital projects fund** is used to account for capital improvements to streets funded mainly through long-term debt and participation of other governmental entities.

**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**

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers revenues as available if they are collected within 60 days after year-end for taxes and 120 days for other revenue accruals. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, except for interest payable accrued at the debt issuance date for which cash is received with the debt proceeds, as well as expenditures related to compensated absences are recorded only when payment has matured and will be payable shortly after year-end.

The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for service, interest income and intergovernmental revenues. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received, as they are deemed immaterial.

**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 fair 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 position, except for the

net residual amounts due between governmental and business-type activities, which are presented as internal balances. Within the governmental fund financial statements, such amounts are equally offset by a fund balance reserve that indicates they do not constitute available expendable resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 120 days comprise the trade accounts receivable allowance for uncollectibles. The property tax receivable allowance is equal to 54% percent of outstanding property taxes at the end of the fiscal year.

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

**H. Inventories and prepaid items**

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Expenditures related to these items are recorded in the period benefitted by the prepayment using the consumption method.

**I. Use of Estimates**

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

**J. Capital Assets**

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

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

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

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

to acquire other items for collections.

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

**K. Restricted Assets**

Certain debt proceeds of the City's enterprise funds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position 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 and debt service related to projects approved by the Federal Aviation Administration. Current PFC revenue is used to support approved airport bond issues debt service.

Certain assets of governmental funds are reclassified as restricted for presentation on the government-wide statement of net position 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 position are available, the City's policy is to apply restricted net position 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 position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Gains or losses on Enterprise Fund refundings are reported as deferred inflows or outflows and are amortized over the term of the lesser of the new bonds or the refunded bonds using the effective interest method. Bond issuance costs are recognized as expenditures/expenses when incurred.

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. Bond issuance costs are shown in debt service expenditures.

**N. Pension Plans**

It is the policy of the City to at least fund the TMRS pension costs required contribution 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 government-wide financial statements and proprietary fund financial statements, net position is classified in the following categories:

*Invested in Capital Assets*

This category represents the net carrying value of all capital assets, reduced by the outstanding balances of long-term debt that are attributable to the acquisition, construction or improvement of these assets.

*Restricted*

The restricted component of net position represents restricted assets reduced by liabilities related to those assets. This category represents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

*Unrestricted*

This category is the “residual” component of net position. It consists of net position that does not meet the definition of “restricted” or “invested in capital assets.”

In the governmental fund financial statements, the components of fund balances reflect policies and procedures established by actions of the City Council and its designated officials.

**Fund Balance Classifications:**

The *nonspendable* fund balance includes the portion of net resources that cannot be spent because of their form or because they must be maintained intact. Resources not in spendable form include inventories and prepaid items, long-term advances, long-term receivables, and nonfinancial assets held for resale.

Some resources are spendable but are legally or contractually required to be maintained intact. Such resources include the principal of an endowment.

The *restricted* fund balance includes net resources that can be spent only for the specific purposes stipulated by constitution, external resource providers (creditors, grantors, contributors), laws and regulations of other governments, or through enabling legislation.

The enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources from external resource providers; those resources can be used only for the specific purposes stipulated in the legislation. The City’s fee revenue generated through enabling legislation includes Municipal and Juvenile Court fees, Vital Records fees, and Redlight Photo Enforcement fines.

The *committed* fund balance includes spendable net resources that can only be used for specific purposes pursuant to constraints imposed by Council ordinance or resolution no later than the close of the fiscal year. Those constraints remain binding unless removed or changed in the same manner employed to previously commit those resources.

The *assigned* fund balance includes amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City Council, the City Manager, or his designee has the authority to assign amounts for a specific purpose as per City Charter, Article I, Section 3 which states, “...the (City) Council...shall enact local legislation, determine policies, appoint the city manager, and which council and city manager shall execute the laws and administer the government of the city.” Constraints imposed on the use of assigned amounts can be removed with no formal Council action. The residual fund balance that is not Restricted or Committed in governmental funds except the General Fund is assigned.

The *unassigned* fund balance represents the spendable net resources that have not been restricted, committed, or assigned to specific purposes.

**Spending Prioritization in Using Available Resources:**

When both restricted resources and other resources (i.e., committed, assigned, and unassigned) can be used for the same purpose, the City budget considers restricted resources to be spent first.

When committed, assigned, and unassigned resources can be used for the same purpose, the flow assumption in the City budget is to spend in the sequence of committed resources first, assigned second, and unassigned last.

**General Fund Balance Requirements Caused by Council Actions or Management’s Intended Use:**

The *General Fund Reserve for Major Contingencies* is established by the City Council to be maintained at least 10% and up to 25% of General Fund annual appropriations to provide funding for any unforeseen circumstances that may arise such as an economic slowdown, emergencies, or natural disasters. It is not intended for normal unanticipated expenditures. As of September 30, 2014, \$37,770,424 is held for the designated purpose. This specific reserve is classified as committed resources.

The *Government Access Equipment Reserve* reflects required contributions made by cable television franchisees set aside for capital needs of government access cable television system or facilities. It has a balance \$11,959 and is classified as committed resources.

The *Reserve for Radio System Capital Replacement* was established through an interlocal agreement with the Regional Transportation Authority regarding an 800 MHz public safety trunked radio system. When other governmental entities wish to participate in the system, a fee is collected based on the proportionate share of radios they will use. Moneys received from these entities are held in reserve to be used for capital replacements and upgrades for the backbone of the system. As of September 30, 2014, this reserve has a balance of \$26,238 which is classified as committed resources.

**P. Recent Accounting Pronouncements**

GASB 65 – *Items Previously Reported as Assets or Liabilities* improves financial reporting by reclassifying certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources, or as outflows or inflows of resources. GASB 65 was implemented in the year ended September 30, 2014.

GASB 66 – *Technical Corrections-2012* improves financial reporting by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASB 66 was implemented in the year ended September 30, 2014, and did not have a significant impact on the City’s financial statements.

**Q. Prior Period Restatements**

As a result of implementing GASB 65, net position (deficit) was restated at August 1, 2013. With the adoption of GASB 65, the City is reporting deferred loss on bond refunding as a deferred outflow. Bond issuance costs are expensed and no longer amortized annually as other assets.

	Governmental	Business-type Activities		
	Activities	Utility System	Other Enterprise	Solid Waste
August 1, 2013, as previously reported	382,605,838	698,807,104	107,522,105	(4,904,764)
Adjustment for GASB 65	(5,195,871)	(7,022,777)	(535,123)	(547,297)
August 1, 2013, as restated	<u>377,409,967</u>	<u>691,784,327</u>	<u>106,986,982</u>	<u>(5,452,061)</u>

The Parking Improvement Fund and Street Maintenance Funds, which did not previously qualify as Special Revenue Funds, were combined with General Fund in prior years. The beginning fund balance of General Fund has been restated to remove the fund balance of each of these funds, as they are now presented in the Special Revenue Funds.

	<u>General Fund Balance</u>
August 1, 2013, as previously reported	53,592,717
Adjustment to move beginning Parking Improvement Fund balance to Special Revenue Fund	(60,625)
Adjustment to move beginning Street Maintenance Fund balance to Special Revenue Fund	<u>(2,816,053)</u>
August 1, 2013, as restated	<u><u>50,716,039</u></u>

**R. Change in Fiscal Year**

On January 21, 2014, the City Council adopted an ordinance changing the City’s fiscal year-end from July 31 to September 30, effective September 30, 2014. The data presented in this Annual Report includes fourteen months of operating data. Accordingly, comparisons to prior fiscal year financial results are not based on comparable reporting periods.

**S. Change in Accounting Estimate**

In 2014 the City implemented a new software system for debt management. The new system amortizes premium, discount, and refunding gains and losses on a CUSIP basis which is different from the previous calculations that were based on the total bond issue. The differences in amortization calculations have been accounted for as a change in estimate and have been recorded as part of interest in the FY2014 financial statements. Interest on long-term debt for governmental activities was decreased by \$4,800,071 and interest for business-type activities was increased by \$1,943,475.

**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 Coastal Bend Cultural and Educational Facilities Finance Corporation (CBCEFFC), and the Corpus Christi Industrial Development Corporation (CCIDC). The Federal/State grant fund and the capital projects funds adopt project-length budgets. Budgets are not adopted for the community enrichment fund, the infrastructure fund, CCCIC, CCHFC, CBCEFFC and the CCIDC. The budgets are prepared on a basis consistent with generally accepted accounting principles, except that expenditures financed by capital leases are not included in the governmental fund budgets, principal and interest payments are included in the activity expenditures and reimbursements are accounted for as revenues rather than reductions of expenditures. Additionally, Development Services, Streets and Parking Improvement are separately budgeted but do not meet the criteria to be special revenue funds and thus are included in the General Fund. 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 assigned fund balances and do not constitute expenditures or liabilities until the commitments are honored by inclusion in the subsequent year's budget.

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

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

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

### **4. Property Taxes**

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

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

The FY 2013-2014 tax rates (tax year 2013) were \$0.376806 for the general fund and \$0.208458 for debt service for a total of \$0.585264 per \$100 of assessed value. Therefore, the City's tax margin of \$0.0947360 per \$100 of assessed value could raise up to \$14,717,968 in additional taxes each year based on the assessed value of \$15,535,771,168. The City could raise up to \$168,596,177 in additional taxes for voter approved tax supported obligations, based on the assessed valuation of \$15,535,771,168 and a debt margin of \$1.085213 calculated on 90% collections.

### **5. Deposits and Investments**

As of September 30, 2014, the carrying amount of the City's cash and cash equivalents was \$263,268,366. 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 \$905,514 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 September 30, 2014, 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	\$ 318,701,355	\$ 318,701,303	0.964
Local government investment pools	210,120,383	210,120,383	0.003
Money market funds	16,361,570	16,361,570	0.003
Total	<u>545,183,308</u>	<u>545,183,256</u>	
Short-term investments included in cash and cash equivalents	226,481,953	226,481,953	
Total	<u>\$ 318,701,355</u>	<u>\$ 318,701,303</u>	
Portfolio weighted average maturity			0.564

**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.

**Securities Lending** – The City engages in securities lending transactions under a contract with its lending agent, Frost National Bank. Authority to engage in these transactions is authorized under the Texas Public Funds

Investment Act (the Act) and the City's Investment Policy. The City has authorized Frost National Bank to loan up to 100.0% of the par value of its investments in the Operating, CIP and Core Funds Portfolios, consisting of agency and treasury securities, in securities lending transactions for fiscal year 2014.

GASB Statement No. 28, *Accounting and Financial Reporting for Securities Lending Transactions*, provides guidance for reporting and disclosing securities lending transactions. This guidance includes reporting certain securities lending collateral on the balance sheet as an asset, with a corresponding liability for the obligation to repay the collateral.

In securities lending transactions, the City, through its lending agent, transfers securities to approved borrowers in exchange for collateral and simultaneously agrees to return the collateral for the same securities in the future. Cash collateral received from borrowers may be invested in 'AAA'-rated money market mutual funds or investments that adhere to the Act and the City's Investment Policy. The liquidity provided by the money market mutual funds allows for the easy return of collateral upon termination of a security loan. As of September 30, 2014, no cash collateral was invested in next day money market funds.

Securities lending income is earned if the investment returns on the cash collateral exceeds the rebate paid to borrowers of the securities. The income is then split with the lending agent to cover its fees based on a contractually negotiated rate (50.0% allocated to the City and 50.0% allocated to Frost National Bank). In the event that the investment income of the cash collateral does not provide a return that exceeds the rebate or if the investment incurs a loss of principal, the payment to the borrower would come from the City and the lending agent based on the negotiated rate split.

Loans that are collateralized with securities generate income when the borrower pays a loan premium for the securities borrowed. This income is split at the same rate as the earnings for cash collateral. The collateral pledged to the City for the loaned securities is held by the lending agent or the tri-party bank. These securities are not available to the City for selling or pledging unless the borrower is in default of the loan. All collateral received is required to have a fair value of 102.0% of the loaned securities. Securities are marked to market daily and additional cash or securities are required from the borrower if the fair value of the collateral falls below 102.0%. Cash collateral is reported on the balance sheet as an asset, with a corresponding liability for the obligation to repay the cash collateral. Noncash collateral for securities lending activities is not recorded as an asset because it remains under the control of the transferor, except in the event of default.

In the event of default, where the borrower is unable to return the securities borrowed, the City has authorized the lending agent to seize the borrower's collateral. The collateral would then be used to replace the borrowed securities where possible. Due to some market conditions, it is possible that the original securities may not be able to be replaced. The lending agent has indemnified the City from any loss due to borrower default in the event the collateral is insufficient to replace the securities.

At September 30, 2014, the City had no custodial credit risk exposure to borrowers because the amount of collateral held by the City exceeded the amount of the securities loaned to the borrowers. There were no violations of legal or contractual provisions nor were there any borrower or lending agent default losses related to securities lending in fiscal year 2014.

## **6. Budgetary Data**

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

(\$30,656,301) to revenues and other financing sources comprised of:

- \$27,995,811 for extension of fiscal year by two months
- \$150,000 in increased Solid Waste revenues
- \$27,326 proceeds from sale of Santa Maria lead ballast paid to Columbus Ships Association for repairs to the Nina
- \$30,000 proceeds from ASPCA Rachel Ray Challenge for care of animals
- \$1,467,250 1115 Medicaid Waiver received from State of Texas, Health and Human Services

- Department, for use in obesity prevention programs
- \$11,500 additional Beach Parking Permit sales
- \$12,000 additional revenue from US ICE program for police equipment
- \$9,552 from sale of copper wire
- \$2,861 donations received by Police Department
- \$950,000 transfer from Streets Capital Project Fund to reimburse cost of Aquarius Street project

\$39,718,002 to expenditures and other financing sources comprised of:

- \$3,511,397 for encumbrances approved to carry forward from the end of the prior fiscal year
- \$30,754,563 for extension of fiscal year by two months
- \$296,500 to create a strike force for minor emergency maintenance items
- \$150,000 for Solid Waste expenditures
- \$335,196 for Route Optimization Program for Solid Waste collections
- \$27,326 proceeds from sale of Santa Maria lead ballast paid to Columbus Ships Association for repairs to the Nina
- \$1,300,000 for implementation of Municipal Court software system
- \$30,000 proceeds from ASPCA Rachel Ray Challenge for care of animals
- \$50,000 for construction of a safety vestibule
- \$11,480 of utility customer arts donations for use by City Arts and Cultural Commission
- \$169,182 for costs of a special election
- \$1,467,250 1115 Medicaid Waiver received from State of Texas, Health and Human Services Department, for use in obesity prevention programs
- \$1,311,979 for transfer to Municipal Information Systems Fund to support implementation of ERP software system
- \$11,500 from additional Beach Parking Permit sales for replacement of a Gulf beach lifeguard stand
- \$12,000 from additional revenue from US ICE program for police equipment
- \$9,552 from sale of copper wire to purchase police equipment
- \$2,861 from donations for use by Police Department
- \$267,215 for repairs to Police Department roof

Major budget variances to expenditures and transfers include the following:

- General Government is \$3,622,003 under-budget. This includes \$662,000 in election costs in the City Secretary department that were included in budget and are encumbered but not yet spent at fiscal year-end. Reserve Appropriations of \$1,598,756 are budgeted in the General Government function, but are allocated as needed during the year to other departments.
- Fire and Ambulance under-budget of \$1,610,534 was due to salary savings (25 vacancies at fiscal year-end) and delay in approximately \$500,000 in purchases while payment on SAFER grant for Fire Training Academy was in process but not yet received.
- Health Department expenditures were under-budget by \$647,120 because revenue related to the Medicaid 1115 Waiver was received and recognized during the year, but the program spans multiple years. The excess of revenue over expenditures for this program are held in Assigned Fund Balance from which the funds can be appropriated in subsequent years.
- Solid Waste was under-budget by \$1,283,699 for several reasons. Lease purchase payments were approximately \$640,000 less than budgeted. The budget assumed that new lease purchases would be made six months into the year, but in fact, delivery of several large-dollar items did not take place until August and November of calendar year 2014. Professional services was under-budget by approximately \$560,000 due to landfill disposal volume being less than anticipated resulting in lower contract payments on the landfill operations contract, and monitoring costs being lower than budgeted. Salary costs were \$175,000 under-budget because of difficulties in hiring and retaining qualified CDL drivers for Refuse and Recycling collection, which was partially offset by overtime costs of covering the gaps in staffing.

**7. Receivables**

	<u>General</u>	<u>Debt Service</u>	<u>Street Capital Projects</u>	<u>Utility System</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Unrestricted						
Accounts	\$ 6,909,402	\$ --	\$ --	\$ 31,027,728	\$ 5,947,756	\$ 43,884,886
Taxes	3,114,257	1,722,881	--	--	--	4,837,138
Accrued interest	25,542	625	24,258	52,848	65,893	169,166
Intergovernmental	5,303,767	--	--	1,091,548	8,399,195	14,794,510
Mortgages and loans	--	--	--	--	14,207,622	14,207,622
Property leases	46,050	--	--	505	1,732	48,287
Demolition liens	4,145,111	--	--	--	741,287	4,886,398
Special assessments	--	--	736,649	--	5,076	741,725
Employees	21,700	--	--	11,794	1,549	35,043
Miscellaneous	1,682,914	--	--	2,405	28,884	1,714,203
Restricted						
Accounts	--	--	--	--	193,663	193,663
Accrued interest	--	--	-	64,217	2,700	66,917
Gross receivables	<u>21,248,743</u>	<u>1,723,506</u>	<u>760,907</u>	<u>32,251,045</u>	<u>29,595,357</u>	<u>85,579,558</u>
Less allowance for uncollectible	<u>(7,142,963)</u>	<u>(924,070)</u>	<u>(671,149)</u>	<u>(4,385,680)</u>	<u>(3,776,251)</u>	<u>(16,900,113)</u>
Net total receivables	<u>\$ 14,105,780</u>	<u>\$ 799,436</u>	<u>\$ 89,758</u>	<u>\$ 27,865,365</u>	<u>\$ 25,819,106</u>	<u>\$ 68,679,445</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>
<b>Governmental activities</b>				
Capital assets, not being depreciated				
Land	\$ 60,129,280	\$ 117,351	\$ --	\$ 60,246,631
Construction in Progress	67,415,690	21,414,072	--	88,829,762
Total capital assets, not being depreciated	<u>127,544,970</u>	<u>21,531,423</u>	<u>--</u>	<u>149,076,393</u>
Capital assets, being depreciated				
Buildings	227,683,181	9,658,513	1,124,798	236,216,896
Improvements	227,909,690	2,053,959	38,872,671	191,090,978
Machinery & Equipment	158,348,508	9,084,822	72,786,291	94,647,039
Infrastructure	329,422,515	6,361,820	--	335,784,335
Total capital assets, being depreciated	<u>943,363,894</u>	<u>27,159,114</u>	<u>112,783,760</u>	<u>857,739,248</u>
Less accumulated depreciation for:				
Buildings	84,424,679	6,435,430	1,124,799	89,735,310
Improvements	131,891,794	6,624,755	38,750,488	99,766,061
Machinery & Equipment	131,989,296	9,048,817	69,803,229	71,234,884
Infrastructure	148,575,567	5,589,377	--	154,164,944
Total accumulated depreciation	<u>496,881,336</u>	<u>27,698,379</u>	<u>109,678,516</u>	<u>414,901,199</u>
Total capital assets, being depreciated, net	<u>446,482,558</u>	<u>(539,265)</u>	<u>3,105,244</u>	<u>442,838,049</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 574,027,528</u>	<u>\$ 20,992,158</u>	<u>\$ 3,105,244</u>	<u>\$ 591,914,442</u>

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
<b>Business-type activities</b>				
Capital assets, not being depreciated				
Land	\$ 36,432,504	\$ 123,612	\$ --	\$ 36,556,116
Construction in progress	180,231,477	84,204,465	--	264,435,942
Total capital assets, not being depreciated	<u>216,663,981</u>	<u>84,328,077</u>	<u>--</u>	<u>300,992,058</u>
Capital assets, being depreciated				
Water rights	212,284,487	--	--	212,284,487
Buildings	86,539,519	8,322,390	53,225	94,808,684
Improvements	424,865,910	25,911,254	33,498,485	417,278,679
Machinery and equipment	65,991,660	7,153,220	6,995,247	66,149,633
Infrastructure	1,102,067,210	9,986,208	8,609,204	1,103,444,214
Total capital assets, being depreciated	<u>1,891,748,786</u>	<u>51,373,072</u>	<u>49,156,161</u>	<u>1,893,965,697</u>
Less: accumulated depreciation for				
Water rights	15,773,777	324,925	--	16,098,702
Buildings	35,435,276	2,673,949	53,225	38,056,000
Improvements	180,833,436	21,273,238	33,498,485	168,608,189
Machinery and equipment	47,862,196	6,341,673	6,995,247	47,208,622
Infrastructure	306,786,670	23,231,918	8,609,204	321,409,384
Total accumulated depreciation	<u>586,691,355</u>	<u>53,845,703</u>	<u>49,156,161</u>	<u>591,380,897</u>
Total capital assets, being depreciated, net	<u>1,305,057,431</u>	<u>(2,472,631)</u>	<u>--</u>	<u>1,302,584,800</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 1,521,721,412</u>	<u>\$ 81,855,446</u>	<u>\$ --</u>	<u>\$ 1,603,576,858</u>

**Discretely presented component units**

Activity for the Convention and Visitors Bureau for the year ended September 30, 2014, was as follows:

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Capital assets, being depreciated				
Buildings	\$ 252,315	\$ 49,292	\$ 238,548	\$ 63,059
Machinery and equipment	431,351	118,106	344,689	204,768
Total capital assets, being depreciated	<u>683,666</u>	<u>167,398</u>	<u>583,237</u>	<u>267,827</u>
Less accumulated depreciation for				
Buildings	166,919	1,257	165,281	2,895
Machinery and equipment	324,861	18,068	277,564	65,365
Total accumulated depreciation	<u>491,780</u>	<u>19,325</u>	<u>442,845</u>	<u>68,260</u>
Total capital assets, being depreciated, net	<u>191,886</u>	<u>148,073</u>	<u>140,392</u>	<u>199,567</u>
Convention and Visitor's Bureau capital assets, net	<u>\$ 191,886</u>	<u>\$ 148,073</u>	<u>\$ 140,392</u>	<u>\$ 199,567</u>

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

<u>Governmental activity</u>		<u>Business-type activity</u>	
General government	\$ 959,291	Gas	\$ 2,995,382
Police	1,921,740	Water	23,695,821
Fire	1,372,906	Wastewater	14,883,715
Emergency management	5,837	Airport	6,212,500
Inspections	12,011	Golf centers	82,880
Streets	6,042,728	Marina	655,005
Health	262,105	Solid waste	5,320,400
Parks and recreation	2,727,566	Total	<u>\$ 53,845,703</u>
Libraries	474,224		
Museums	271,602		
Community enrichment	4,042,901		
Community development	3,406,957		
Convention and visitors facilities	2,330,382		
Internal service fund	3,868,129		
Total	<u>\$ 27,698,379</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 842 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, 2013, and for the fire fighters' pension fund is for the year ended December 31, 2012. 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	2,677	313	2,990
Current contributing employees	2,251	408	2,659
Total	<u>4,928</u>	<u>721</u>	<u>5,649</u>

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

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

<u>Plan</u>	<u>Address</u>
Texas Municipal Retirement System	P.O. Box 149153 Austin, Texas 78714-9153
Fire Fighters Retirement System	American Bank Plaza 711 N. Carancahua, Suite Corpus Christi, Texas 78401

	<u>Texas Municipal Retirement System</u>	<u>Fire Fighters Retirement System</u>
Authority establishing contribution obligation	State Legislation	State Legislation
Frequency of contribution	Biweekly	Biweekly
Employee's contribution (percent of earnings)		
August 1, 2013 - December, 2013	6.00%	12.20%
January 1, 2013 - September 30, 2014	6.00%	12.20%
City's contribution (percent of earnings)		
August 1, 2013 - August 11, 2013	14.80%	20.78%
August 12, 2013 - December 31, 2013	15.46%	20.78%
January 1, 2014 - September 30, 2014	15.46%	20.78%

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 14 months ended September 30, 2014, are as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>	<u>Total</u>
City	\$20,838,560	\$ 7,009,621	\$27,848,181
Employees	8,150,846	4,115,370	12,266,216
Total	<u>\$28,989,406</u>	<u>\$ 11,124,991</u>	<u>\$40,114,397</u>

**Annual Pension Cost and Net Pension Obligation**

For calendar year 2012, 2013, and 2014, 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). However, these changes are considered to be substantively automatic so the full rate contribution has been calculated assuming that they will occur.

For 14 months ending September 30, 2014, the City’s contributions of \$20,838,560 were not equal to the City’s required contribution to TMRS, resulting in an increase of the net pension obligation of \$7,838,737.

City of Corpus Christi, Texas

	City Employees	Fire Fighters	Total
Annual required contribution	\$ 27,872,623	\$ 7,009,621	\$ 34,882,244
Interest on net pension obligation	2,667,097	--	2,667,097
Adjustment to the ARC	(2,398,272)	--	(2,398,272)
Annual pension cost	28,141,448	7,009,621	35,151,069
Contributions made	20,302,711	7,009,621	27,312,332
Increase in net pension obligation	7,838,737	--	7,838,737
Net pension obligation - beginning of year	32,658,360	--	32,658,360
Net pension obligation - end of year	<u>\$ 40,497,097</u>	<u>\$ --</u>	<u>\$ 40,497,097</u>

Three year trend information is as follows:

	City Employees	Fire Fighters	Total
City's Annual Pension Cost (APC)			
2012	\$ 22,951,095	\$5,254,970	\$ 28,206,065
2013	\$ 22,889,410	\$5,640,851	\$ 28,530,261
2014 (14 months)	\$ 28,141,448	\$7,009,621	\$ 35,151,069
Percentage of APC contributed			
2012	67.7%	100%	N/A
2013	70.3%	100%	N/A
2014 (14 months)	72.1%	100%	N/A
Net Pension Obligation			
2012	\$ 25,870,670	\$ -	\$ 25,870,670
2013	\$ 32,658,359	\$ -	\$ 32,658,359
2014	\$ 40,497,097	\$ -	\$ 40,497,097

### Funded Status and Funding Progress

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

	City Employees	Fire Fighters
Valuation date	12/31/2013	12/31/2012
Actuarial accrued liability	\$ 796,904,133	\$ 192,269,360
Actuarial value of plan assets	583,192,963	105,753,324
Unfunded actuarial accrued liability	<u>\$ 213,711,170</u>	<u>\$ 86,516,036</u>
Funded ratio	73.2%	55.0%
Covered payroll	\$ 135,847,965	\$ 29,459,098
Unfunded actuarial accrued liability as a percentage of covered payroll	157.3%	293.7%

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, 2013, and for Fire Fighters was completed as of December 31, 2012. 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	Entry Age Normal	Entry Age
Asset Valuation Basis	10-year smoothed market	5-year smoothed market
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	12.7 years	26.7 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), establishes accounting standards for postretirement benefits. The standard does not require funding of OPEB expense, but any difference between the annual required contribution (ARC) and the amount funded during the year is required to be recorded in the employer’s financial statement as an increase (or decrease) in the net OPEB obligation. The effective date for implementation of GASB 45 by the City of Corpus Christi was August 1, 2007. 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, 2013, and discloses the following:

**Plan Description and Funding Policy**

Employees who retire from the City of Corpus Christi, and eligible dependents and survivors, are eligible to continue to participate in the City's health insurance programs at the “blended” employee group rate which is determined annually by the City of Corpus Christi and approved by the City Council. Retirees have 31 days to elect to enroll in the City's self-funded, 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, retirees who are Medicare-eligible have been enrolled in a separate Medicare insurance plan and are no longer covered by the City's group insurance plan. As of August 1, 2013, a total of 202 eligible retirees and dependents were participating in the City's group health program detailed as follows:

City of Corpus Christi, Texas

Citicare and Citicare Premium	74
Citicare Public Safety	65
Citicare Fire	63
Pending election	0
Total	<u>202</u>

The plan is funded on a pay-as-you-go basis and incurred \$2,702,231 in claims and other costs in the fiscal year ended September 30, 2014. The funds to pay these claims and other costs are derived in part from retiree premiums, which do not fully cover the costs. The plan is not accounted for as a trust fund because 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	\$ 350,161	\$ 296,175	\$ 229,235	\$ 875,571
Interest on net OPEB obligation	307,749	89,759	132,018	529,526
ARC adjustment	(353,751)	(103,176)	(151,752)	(608,679)
Annual OPEB cost (14 months)	304,159	282,758	209,501	796,418
Contributions made (pay-as-you-go basis)	117,308	437,319	(142,356)	412,271
Increase (Decrease) in net OPEB obligation	186,851	(154,561)	351,857	384,147
Net OPEB obligation - beginning of year	6,742,042	1,966,411	2,892,192	11,600,645
Net OPEB obligation - end of year	<u>\$ 6,928,893</u>	<u>\$ 1,811,850</u>	<u>\$ 3,244,049</u>	<u>\$ 11,984,792</u>

The negative Contributions made in one of the plans is a result of retiree premiums exceeding pay-as-you-go-costs for benefits and expenses incurred for the plan during the year.

Three year trend information is as follows:

	Citicare	Citicare Public Safety	Citicare Fire	Total
City's Annual OPEB Cost (APC)				
2012	\$54,214	\$276,651	\$332,721	\$663,586
2013	\$57,207	\$283,049	\$338,862	\$679,118
2014 (14 months)	\$304,160	\$282,758	\$209,501	\$796,419
Percentage of APC contributed				
2012	1070.6%	506.6%	424.5%	N/A
2013	-139.8%	157.5%	105.9%	N/A
2014 (14 months)	38.6%	154.7%	-68.0%	N/A
Net OPEB Obligation				
2012	\$ 6,604,843	\$ 2,129,185	\$ 2,912,048	\$ 11,646,076
2013	\$ 6,742,042	\$ 1,966,411	\$ 2,892,192	\$ 11,600,645
2014	\$ 6,928,893	\$ 1,811,850	\$ 3,244,049	\$ 11,984,792

**Funded Status and Funding Progress**

The funded status of the plan as of the last valuation date of August 1, 2013, was as follows:

	Citicare	Citicare Public Safety	Citicare Fire	Total
Actuarial accrued liability	\$ 3,800,918	\$ 4,461,663	\$ 3,558,944	\$ 11,821,525
Actuarial value of plan assets	--	--	--	--
Unfunded actuarial accrued liability	<u>\$ 3,800,918</u>	<u>\$ 4,461,663</u>	<u>\$ 3,558,944</u>	<u>\$ 11,821,525</u>
Funded ratio	0%	0%	0%	0%
Covered payroll	\$ 60,938,657	\$ 28,335,830	\$ 23,486,591	\$ 112,761,078
Unfunded actuarial accrued liability as a percentage of covered payroll	6.2%	15.7%	15.2%	10.5%

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.

#### Plan Changes

The total GASB 45 actuarial accrued liability for Citicare, Public Safety and Fire decreased from approximately \$12.7 million as of August 1, 2011, to approximately \$11.8 million as of August 1, 2013. The reduction is due to a combination of changes in assumptions and differences between prior assumptions and actual experience. Differences causing a reduction in the liability include a 27% reduction in number of retirees participating in the plan, reduced health care cost trends, and reduced child per retiree assumptions. These were offset by a change in retiree contribution assumptions because the City is not increasing retiree premiums in FY2015 as was previously assumed.

#### 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, 2013
Actuarial Cost Method	Entry Age
Amortization Period	30 years, Open
Amortization Method	Level Percent of Payroll
Discount rate	3.90%
CPI	2.50%
Healthcare Cost Trend Rate	2.5% initial rate, 2.3% ultimate rate, 46 year grade-in period
Payroll Growth Rate	2% annually

**11. Risk Management**

The City operates a risk management program for workers' compensation claims, liability claims and property insurance. In addition, the City operates an employee benefits program which includes life and health insurance.

**A. Insurance**

The City self-funds workers' compensation, general/auto liabilities and health benefits. Purchased insurance coverage includes: Commercial property insurance with a \$250 million limit on all perils and a \$150 million limit on named storm, \$75 million in airport liability, \$10 million of excess gas utility liability insurance, \$10 million aggregate of excess general liability insurance and statutory excess workers' compensation coverage. Primary flood coverage provides up to \$500,000 on specified buildings. All funds of the City participate in the program and make payments to the Liability and Employee Benefits Fund based on an annual actuarial analysis. 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 has no lifetime limit.

The estimated claims liability of \$10,934,619 at September 30, 2014, of which \$4,710,232 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. Changes in the fund claims liability amounts for fiscal years 2013 and 2014 were:

	<b>Beginning of Fiscal Year Liability</b>	<b>Current Year Claims and Changes in Estimates</b>	<b>Claim Payments</b>	<b>Balance at Fiscal Year End</b>
<b>Fiscal Year</b>				
2012-2013	15,894,544	20,153,702	(23,767,088)	12,281,158
2013-2014 (14 months)	12,281,158	28,767,974	(30,114,513)	10,934,619

**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 cancellable and extendable 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 2017. Minimum rentals to be received from future leases are:

<u>Fiscal Year Ending September 30,</u>	<u>Enterprise Funds</u>	<u>Special Revenue Funds</u>
2015	3,650,552	113,300
2016	3,661,544	35,000
2017	3,665,031	35,000
2018	3,324,041	--
2019	3,324,041	--
2020-2026	23,268,287	--
Total minimum future rentals	<u>\$ 40,893,496</u>	<u>\$ 183,300</u>

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

**13. Long-term obligations**

The following is a summary of long-term obligation transactions of the City for the year ended September 30, 2014:

	<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	\$ 341,945,000	\$ --	\$ (18,115,000)	\$ 323,830,000	\$ 18,685,000
Certificates of obligation	11,627,709	--	(639,984)	10,987,725	552,773
Revenue bonds	86,070,000	38,395,000	(52,740,000)	71,725,000	6,620,000
Discount on bonds payable	(17,591)	--	(14,749)	(32,340)	--
Premium on bonds payable	20,905,390	3,185,501	(6,331,744)	17,759,147	--
Capital leases	5,826,454	3,638,441	(3,145,777)	6,319,118	1,780,121
Other notes payable	9,055,000	17,000,000	(1,650,000)	24,405,000	3,430,000
Total long-term debt	<u>475,411,962</u>	<u>62,218,942</u>	<u>(82,637,254)</u>	<u>454,993,650</u>	<u>31,067,894</u>
Accumulated compensated absences	36,774,681	13,664,866	(11,876,304)	38,563,243	11,876,304
Net pension obligation	23,779,287	5,670,694	--	29,449,981	--
Net OPEB obligation	<u>10,939,953</u>	<u>(95,138)</u>	<u>399,739</u>	<u>11,244,554</u>	<u>--</u>
Governmental activities Long-term liabilities	<u>\$ 546,905,883</u>	<u>\$ 81,459,364</u>	<u>\$ (94,113,819)</u>	<u>\$ 534,251,428</u>	<u>\$ 42,944,198</u>
Business-type activities					
Long-term debt					
General obligation bonds	\$ 67,765,000	\$ --	\$ (1,580,000)	\$ 66,185,000	\$ 1,970,000
Certificates of obligation	19,667,291	--	(2,650,016)	17,017,275	1,852,227
Priority Revenue bonds	443,705,000	--	(27,360,000)	416,345,000	24,495,000
Junior Lien Revenue bonds	216,735,000	97,930,000	(8,375,000)	306,290,000	10,015,000
Discount on bonds payable	(770,784)	--	(118,036)	(888,820)	--
Premium on bonds payable	40,527,592	2,595,542	(8,004,680)	35,118,454	--
Capital leases	8,158,201	4,873,459	(3,752,830)	9,278,830	3,181,773
Utility notes payable	<u>148,593,654</u>	<u>--</u>	<u>(4,157,678)</u>	<u>144,435,976</u>	<u>4,203,777</u>
Total long-term debt	944,380,954	105,399,001	(55,998,240)	993,781,715	45,717,777
Landfill closure cost	25,306,430	1,397,537	(396,159)	26,307,808	732,533
Accumulated compensated absences	3,880,905	2,036,061	(2,470,205)	3,446,761	2,470,204
Net pension obligation	8,879,073	2,168,043	--	11,047,116	--
Net OPEB Obligation	<u>660,692</u>	<u>67,015</u>	<u>12,532</u>	<u>740,239</u>	<u>--</u>
Business-type activities Long-term liabilities	<u>\$ 983,108,054</u>	<u>\$ 111,067,657</u>	<u>\$ (58,852,072)</u>	<u>\$ 1,035,323,639</u>	<u>\$ 48,920,514</u>

In the schedule above, business-type activities include the enterprise funds' and Solid Waste's long-term obligations.

In the governmental funds, the OPEB obligation will be liquidated by the General Fund (84%), Special Revenue funds (8%), and Internal Service funds (8%) based on the allocation of the cost of self-insurance for health benefits. General Fund will typically liquidate 86% and Special Revenue and Internal Service funds will liquidate 14% of the pension liability.

**A. Bonds**

Bonds payable at September 30, 2014, are comprised of the following:

**Governmental activities**

**General Obligation Bonds**

\$86,485,000 2005 General Improvement and Refunding bonds due in annual installments of \$6,065,000 to \$6,515,000 through March 1, 2015, interest at 5.00%	\$6,515,000
\$3,830,000 2007 Texas Military Value Revolving Loan Program Bonds due in annual installments of \$180,000 to \$310,000 through September 1, 2026, interest at 3.75% to 4.00%	2,970,000
\$31,145,000 2007-A General Improvement due in annual installments of \$1,355,000 to \$2,350,000 through March 1, 2027, interest at 4.00% to 5.00%	23,790,000
\$88,725,000 2009 General Improvement Bonds due in annual installments of \$3,370,000 to \$6,495,000 through July 31, 2029, interest at 3.00% to 5.00%	71,855,000
\$13,685,000 2010 General Improvement Bonds due in annual installments of \$525,000 to \$950,000 through July 31, 2030, interest at 2.75% to 4.25%	11,540,000
\$44,695,000 2012 General Improvement Bonds due in annual installments of \$500,000 to \$3,610,000 through March 1, 2032, interest at 2.00% to 5.00%	43,695,000
91.36% of \$29,855,000 2012C General Improvement Refunding bonds due in annual installments of \$2,250,000 to \$3,530,000 through March 1, 2023, interest at 2.00% to 5.00%	23,975,000
55.86% of \$107,660,000 2012D General Improvement Refunding bonds due in annual installments of \$545,000 to \$6,185,000 through March 1, 2032, interest at .29% to 4.03%	58,965,000
\$82,025,000 2013 General Improvement Bonds due in annual installments of \$1,500,000 to \$6,360,000 through March 1, 2033, interest at 2.00% to 5.00%	<u>80,525,000</u>
Total General Obligation Bonds	<u>\$323,830,000</u>

**Certificates of Obligation**

34.58% of \$6,985,000 2007 Certificate of Obligation, Texas Military Preparedness Commission, due in annual installments of \$290,000 to \$565,000 through September 1, 2026, interest at 4.00% to 4.375%	\$1,872,726
\$8,460,000 2009 Combination Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments of \$300,000 to \$580,000 through July 31, 2029, interest at 4.00% to 5.00%	6,570,000
\$3,000,000 2010 Combination Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments of \$110,000 to \$210,000 through July 31, 2030, interest at 3.00% to 4.50%	<u>2,545,000</u>
Total Certificates of Obligation	<u>\$ 10,987,725</u>

**Revenue Bonds**

\$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%	\$9,600,000
\$29,075,000	2012 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Refunding Bonds due in annual installments of \$1,720,000 to \$2,810,000 through March 1, 2026, interest at 3.00% to 5.00%	27,355,000
\$30,555,000	2014 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Refunding Bonds due in annual installments of \$1,800,000 to \$3,290,000 through September 1, 2025, interest at 2.00% to 5.00%	28,755,000
\$7,840,000	2014 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Bonds due in annual installments of \$1,825,000 to \$2,100,000 through September 1, 2017, interest at 2.00% to 5.00%	<u>6,015,000</u>
Total Revenue Bonds		<u>71,725,000</u>

**Total Governmental Activities**

\$406,542,726

**Business-type activities**

**General Obligation Bonds**

\$8,340,000	2012A General Improvement Airport Refunding Bonds due in annual installments of \$350,000 to \$915,000 beginning March 1, 2015 and ending March 15, 2023, interest at 2.00% to 3.25%	\$6,995,000
\$9,880,000	2012B General Improvement Airport Refunding Bonds due in annual installments of \$45,000 to \$1,385,000 beginning March 1, 2014 and ending March 1, 2030, interest at 2.00% to 4.00%	9,835,000
8.64% of \$29,855,000	2012C General Improvement Refunding bonds due in annual installments of \$2,250,000 to \$3,375,000 through March 1, 2023, interest at 2.00% to 5.00%	2,505,000
55.86% of \$107,660,000	2012D General Improvement Refunding bonds due in annual installments of \$545,000 to \$9,415,000 through March 1, 2038, interest at .29% to 4.03%	<u>46,850,000</u>
Total General Obligation Bonds		<u>66,185,000</u>

**Certificates of Obligation**

\$14,520,000	2005 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$310,000 to \$335,000 through September 1, 2015, interest at 3.75% to 4.00%	335,000
\$4,500,000	2005 Combination Tax and Revenue Marina Certificates of Obligation due in annual installments of \$195,000 to \$215,000 through September 1, 2015, interest at 4.00%	215,000
\$18,605,000	2006 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$425,000 to \$465,000 through March 1, 2016, interest at 4.25% to 65.42%	910,000

City of Corpus Christi, Texas

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\$6,985,000 2007 Certificate of Obligation, Texas Military Preparedness Commission, due in annual installments of \$290,000 to \$565,000 through September 1, 2026, interest at 4.00% to 4.375%	3,542,275
\$12,000,000 2008 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$245,000 to \$285,000 through March 1, 2018, interest at 3.50% to 4.00%	1,080,000
\$5,500,000 2010 Combination Tax and Limited Pledge Airport Revenue Certificates of Obligation due in annual installments of \$195,000 to \$340,000 through March 1, 2024, and \$2,025,000 term bond due March 1, 2030, interest at 5.00% to 6.25%	4,945,000
\$5,990,000 2012 Combination Tax and Surplus Airport Revenue Certificates of Obligation due in annual installments of \$165,000 to \$385,000 through March 1, 2037, interest at 3.12% to 5.00%	<u>5,990,000</u>
Total Certificates of Obligation	<u>17,017,275</u>
 <b>Priority Revenue Bonds</b>	
\$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%	3,415,000
\$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%	53,975,000
\$94,575,000 2005 Nueces River Authority Water Supply Facilities Revenue Refunding Bonds due in annual installments of \$100,000 to \$7,545,000 through March 1, 2027, interest at 3.00% to 5.25%	74,420,000
\$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%	2,055,000
\$68,325,000 2005A Utility Revenue Refunding Bonds due in annual installments of \$3,045,000 to \$3,195,000 through July 15, 2015, interest at 5.00%	3,195,000
\$84,415,000 2006 Utility Revenue Refunding Bonds due in annual installments of \$1,750,000 to \$7,165,000 through July 15, 2026, interest at 4.00% to 5.00%	61,530,000
\$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%	89,280,000
\$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%	8,000,000
\$14,375,000 2010A Utility System Revenue Improvement Bonds due in annual installments of \$1,440,000 to \$1,835,000 through July 15, 2019, interest at 3.00% to 4.00%	8,500,000
\$60,625,000 Taxable Series 2010 Utility System Revenue Improvement Bonds (Direct Subsidy – Build America Bonds) payable as \$12,730,000 July 15, 2025 term bond, \$12,940,000 July 15, 2030 term bond, and \$34,955,000 July 15, 2040 term bond due in mandatory redemptions of \$1,945,000 to \$4,155,000 July 15, 2020 through July 15, 2040, interest at 5.43% to 6.243%	60,625,000

\$52,500,000	2012 Utility System Revenue Bonds due in annual installments of \$910,000 to \$3,080,000 beginning July 15, 2015 and ending July 15, 2042, interest at 2.00% to 5.00%	<u>51,350,000</u>
	Total Priority Revenue Bonds	<u>416,345,000</u>
<b>Junior Lien Revenue Bonds</b>		
\$155,660,000	2012 Utility System Junior Lien Revenue and Refunding Bonds due in annual installments of \$1,655,000 to \$15,355,000 beginning July 15, 2013 and ending July 15, 2042, interest at 2.00% to 5.00%	143,670,000
\$69,085,000	2012B Utility System Junior Lien Revenue Improvement Bonds due in annual installments of \$1,240,000 to \$3,935,000 beginning July 15, 2013 and ending July 15, 2042, interest at 2.00% to 5.00%	65,690,000
\$97,930,000	2013 Utility System Junior Lien Revenue Improvement Bonds due in annual installments of \$1,000,000 to \$3,635,000 beginning July 15, 2014 ending July 15, 2031	<u>96,930,000</u>
	Total Junior Lien Revenue Bonds	<u>306,290,000</u>
	<b>Total Business-type Activities</b>	<u>\$805,837,275</u>

City of Corpus Christi, Texas

The annual requirements to amortize all bonded debt outstanding as of September 30, 2014, are as follows:

<b>Fiscal Year Ending September 30</b>	<b>Governmental Activities</b>			
	<b>General Obligation Bonds</b>		<b>Certificates of Obligation</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2015	\$ 18,685,000	\$ 12,650,322	\$ 552,773	\$ 467,630
2016	18,915,000	12,038,527	577,961	442,187
2017	20,395,000	11,491,120	603,149	416,199
2018	21,015,000	9,159,961	635,065	388,648
2019	21,840,000	11,839,881	660,253	359,121
2020-2024	103,715,000	38,298,396	3,761,371	1,344,661
2025-2029	84,160,000	17,567,108	3,987,153	482,788
2030-2032	35,105,000	3,027,884	210,000	4,463
<b>Total</b>	<b>\$ 323,830,000</b>	<b>\$ 116,073,199</b>	<b>\$ 10,987,725</b>	<b>\$ 3,905,697</b>

<b>Fiscal Year Ending September 30</b>	<b>Governmental Activities</b>	
	<b>Revenue Bonds</b>	
	<b>Principal</b>	<b>Interest</b>
2015	\$ 6,620,000	\$ 3,096,969
2016	6,920,000	2,866,619
2017	7,270,000	2,563,819
2018	5,420,000	2,245,469
2019	5,775,000	2,011,244
2020-2024	30,895,000	5,554,469
2025-2027	8,825,000	338,796
<b>Total</b>	<b>\$ 71,725,000</b>	<b>\$ 18,677,385</b>

<b>Fiscal Year Ending September 30</b>	<b>Business-Type Activities</b>		<b>Business-Type Activities</b>	
	<b>General Obligation Bonds</b>		<b>Certificates of Obligation</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2015	\$ 1,970,000	\$ 2,018,140	\$ 1,852,227	\$ 743,559
2016	1,920,000	1,992,259	1,357,039	664,045
2017	3,005,000	1,952,421	931,852	613,658
2018	3,055,000	1,893,401	974,935	571,634
2019	3,425,000	1,820,185	724,747	534,462
2020-2024	18,285,000	7,658,471	4,118,629	2,155,683
2025-2029	15,580,000	5,111,849	3,942,846	1,159,426
2030-2034	12,095,000	2,512,278	2,010,000	419,575
2035-2039	6,850,000	418,440	1,105,000	69,450
<b>Total</b>	<b>\$ 66,185,000</b>	<b>\$ 25,377,444</b>	<b>\$ 17,017,275</b>	<b>\$ 6,931,492</b>

City of Corpus Christi, Texas

<u>Fiscal</u> <u>Year Ending September 30</u>	<u>Business-Type Activities</u> <u>Priority Revenue Bonds</u>		<u>Business-Type Activities</u> <u>Junior Lien Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
	2015	\$ 24,495,000	\$ 19,419,138	\$ 10,015,000
2016	23,825,000	18,304,063	9,615,000	14,114,269
2017	24,980,000	17,138,713	10,015,000	13,679,519
2018	25,380,000	15,905,925	10,360,000	13,282,319
2019	26,645,000	14,642,588	10,810,000	12,778,118
2020-2024	97,780,000	57,640,766	74,450,000	54,209,344
2025-2029	74,550,000	36,024,168	38,130,000	39,006,094
2030-2034	46,815,000	23,139,028	42,995,000	29,826,025
2035-2039	58,835,000	11,109,684	54,350,000	18,472,575
2040-2043	13,040,000	888,808	45,550,000	4,912,125
Total	<u>\$ 416,345,000</u>	<u>\$ 214,212,881</u>	<u>\$ 306,290,000</u>	<u>\$ 214,782,607</u>

\$8,660,390 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 interest subsidy on Build America Bonds (Revenue bonds Taxable Series 2010) is deposited directly with the paying agent and shows as a Contribution from other governmental agencies in the financial statements.

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 September 30, 2014, the City has no arbitrage liability.

The City issued \$30,555,000 of Corpus Christi Business and Job Development Corporation Sales Tax Revenue Refunding Bonds, Taxable Series 2014 (Arena Project) dated January 10, 2014 to refund: \$33,690,000 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Refunding and Improvement Bonds, Series 2002 (Arena Project). The City will reduce its total debt service payments over the next 13 years by approximately \$4,514,817 and obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$3,649,801.

The City issued \$7,840,000 of Corpus Christi Business and Job Development Corporation Sales Tax Revenue Refunding Bonds, Taxable Series 2014 (Baseball Stadium Project) dated January 1, 2014 to refund: \$8,300,000 of Corpus Christi Business and Job Development Corporation Sales Tax Revenue Bonds, Taxable Series 2004 (Baseball Stadium Project). The City will reduce its total debt service payments over the next 5 years by approximately \$711,526 and obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$516,852.

**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, Fire Department, and Utilities; building and improvements for the Emergency Operations Center and Development Services Department; containers for the Solid Waste 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 September 30, 2014.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Land	\$ 66,359	\$ --
Building	1,260,821	--
Machinery and equipment	12,962,627	15,796,471
Less accumulated depreciation	<u>7,457,350</u>	<u>(6,099,615)</u>
Total	<u><u>\$ 21,747,157</u></u>	<u><u>\$ 9,696,856</u></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 September 30, 2014:

<u>Fiscal Year Ending September 30,</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2015	\$ 1,941,499	\$ 3,362,364
2016	1,667,612	2,467,421
2017	1,403,748	1,953,181
2018	1,076,609	1,371,147
2019	412,476	506,384
2020-2021	<u>252,551</u>	<u>--</u>
Total minimum lease payments	6,754,495	9,660,497
Less amount representing interest	<u>435,377</u>	<u>381,668</u>
Present value of minimum lease payments	<u><u>\$ 6,319,118</u></u>	<u><u>\$ 9,278,829</u></u>

**C. Other Notes Payable**

Other notes payable as of September 30, 2014, are as follows:

2008 Tax Notes - Frost Bank due in annual installments of \$965,000 to \$16,000,000 through March 1, 2015, interest at 3.52%	\$ 1,125,000
2012 Public Property Finance Contractual Obligation - Compass Bank due in installments of \$550,000 to \$685,000 through March 1, 2024, interest at 2.17%	6,280,000
2014 Tax Notes - American National Bank due in annual installments of \$1,075,000 to \$1,215,000 through March 1, 2021, interest at 1.54%	8,000,000
2014 Public Property Finance Contractual Obligation - Frost Bank due in installments of \$655,000 to \$870,000 through March 1, 2026, interest at 2.44%	<u>9,000,000</u>
Total	<u><u>\$ 24,405,000</u></u>

The annual requirements to amortize the notes outstanding as of September 30, 2014, are as follows:

<u>Fiscal Year Ending September 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2015	\$ 3,430,000	\$ 540,419
2016	2,350,000	411,108
2017	2,400,000	364,719
2018	2,445,000	317,407
2019	2,495,000	269,171
2020-2024	9,570,000	669,486
2025-2026	1,715,000	42,151
Total	<u>\$ 24,405,000</u>	<u>\$ 2,614,461</u>

**D. Utility System Notes Payable**

The Utility System notes payable of \$144,345,976 consists of \$55,057,863 related to an agreement with the Bureau of Reclamation for water rights and recreational facilities at Choke Canyon Dam and \$89,378,113 which represents the present value of an agreement with the Lavaca Navidad River Authority for water rights from Lake Texana.

**Choke Canyon Dam**

The U.S. Department of the Interior, through the Bureau of Reclamation (the Bureau), constructed a 700,000 acre 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 September 30, 2014, the City's share of the liability of the reservoir and related facilities, excluding interest, totaled \$55,057,863 and is payable over a 30 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 September 30,	<u>Principal</u>	<u>Interest</u>
2015	2,178,403	2,816,760
2016	2,289,850	2,705,313
2017	2,406,999	2,588,164
2018	2,530,142	2,465,021
2019	2,659,582	2,335,581
2020-2024	15,483,553	9,492,262
2025-2029	19,084,584	5,105,044
2030-2034	2,198,344	1,941,326
2035-2039	2,821,237	1,318,433
2040-2044	3,405,169	519,042
Total	<u>\$55,057,863</u>	<u>\$31,286,946</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 \$89,378,113 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 September 30, 2014:

<u>Fiscal Year Ending September 30</u>	<u>Principal</u>	<u>Interest</u>
2015	2,025,374	3,128,234
2016	2,379,677	3,050,212
2017	2,536,994	2,966,923
2018	2,701,422	2,878,129
2019	2,873,248	2,783,579
2020-2024	17,223,736	12,279,512
2025-2029	22,811,851	8,890,885
2030-2034	29,919,509	4,435,775
2035	6,906,302	241,722
Total	<u>\$ 89,378,113</u>	<u>\$ 40,654,971</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 landfills, 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 landfills no longer accept waste. The estimated remaining total current cost of the landfill closure and post-closure care is based on the amount

that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfills were acquired as of September, 30, 2014, and is assigned to periods based on cumulative landfill use. The City ceased accepting waste for disposal at the J.C. Elliott Landfill on November 10, 2007, and began full-time waste operations at Cefe Valenzuela Landfill. The estimated liability for landfill closure and post-closure costs recorded in the business-type activities at September, 30, 2014, is \$26,307,808 for both the J.C. Elliott Landfill and the Cefe Valenzuela Landfill. The current portion of this amount is \$732,533, the majority of which is related to the costs for gas and water monitoring, site inspection and record-keeping for J.C. Elliott Landfill. The closure and post-closure costs that have not been recognized in these financial statements is \$2,151,745. 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. As of September 30, 2014, Cefe Valenzuela Landfill was at 81.47% filled capacity for developed cells and 4.13% filled capacity for the entire permitted site, with an estimated remaining life as currently permitted between 71 and 95 years.

#### 14. 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 liabilities for the defeased bonds are not included in the City's financial statements. On September 30, 2014, \$173,775,000 of bonds outstanding were considered defeased.

#### 15. Interfund Transfers, Receivables and Payables

Interfund transfers for the year ended September 30, 2014, are as follows:

	Transfers Out							Total
	General	Street Capital Projects	Non-major Governmental	Utility System Fund	Non-major Proprietary	Internal Service		
<b>Transfers In:</b>								
General	\$ --	\$ 950,000	\$ 773,492	\$ 5,099,688	\$ 356,585	\$ 1,626,421	\$ 8,806,186	
Debt service	3,855,199	--	2,395,604	--	54,426	255,870	6,561,099	
Streets capital projects	--	--	648	--	--	--	648	
Non-major government	15,368,850	--	--	268,017	--	61,778	15,698,645	
Utility system	--	--	--	--	--	689,229	689,229	
Non-major proprietary	--	--	--	--	--	190,580	190,580	
Internal Service	3,376,254	--	47,572	5,078,562	--	--	8,502,388	
<b>Total</b>	<b>\$ 22,600,303</b>	<b>\$ 950,000</b>	<b>\$ 3,217,316</b>	<b>\$ 10,446,267</b>	<b>\$ 411,011</b>	<b>\$ 2,823,878</b>	<b>\$ 40,448,775</b>	

During the year, various interfund transfers were made to finance expenditures and service debt. The \$22,600,302 General Fund transfers out includes transfers of \$3,855,199 for payment of debt service, \$909,706 for capital equipment, \$1,154,569 for future capital replacement, \$1,311,979 for the Infor ERP implementation, \$180,000 to subsidize the arena/convention center operations, \$14,915,335 to streets, and \$273,515 to the Federal/State Grants Fund as matching grants.

The General Fund received transfers in of \$8,806,186 of which \$5,653,767 was for administrative service charges, \$950,000 from capital projects, \$573,811 and \$2,186 was indirect cost reimbursements from the Federal/State Grants Fund and the Corpus Christi Community Improvement Corp., respectively. \$1,626,422 was the return of previously contributed funds from Liability and Employee Benefits Funds.

The Debt Service Fund received transfers in of \$6,561,099 from the various funds (including the General Fund) for payment of debt service principal and interest and to establish debt service reserves.

Streets Capital Projects received \$648 from the Infrastructure Fund.

Transfers were made from the Utility System Fund to the Maintenance Service Fund consisting of \$2,563,920 for acquisition of capital equipment and \$979,766 for future capital replacement. The Utility System Fund also transferred \$5,099,688 to General Fund for administrative service charges, \$1,534,876 to MIS Fund for ERP implementation, and \$268,017 to Streets Maintenance Fund due to reorganization.

The Internal Service Funds transferred out \$1,626,422 to the General Fund, \$61,778 to Non-Major Government Funds, \$689,229 to Utility System Funds, and \$190,580 to Non-Major Proprietary Funds to return unused contributed funds from the Liability and Employee Benefits 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 \$12,124,796 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 September 30, 2014, are as follows:

To	From	Amount
Golf Fund	General Fund	\$ 740,882
Public Health & Safety Capital Project Fund	General Fund	750,000
		<u>\$ 1,490,882</u>

The General Fund advanced the Golf Fund money to cover its negative unrestricted fund balance. This advance is expected to be paid back over a period of 4-5 years, based on anticipated increased revenues from the Golf courses due to a management contract with a private firm. The General Fund made an advance to the Public Health & Safety Capital Project Fund as a loan approved by ordinance. The loan is to fund the Police Public Safety Warehouse Project and will be repaid from the Law Enforcement Trust Fund over a 4 year period.

Interfund receivables and payables at September 30, 2014, are as follows:

	Interfund Receivable	Interfund Payable
Governmental funds		
General fund	\$ 14,000,000	\$ 116,636
Other non-major governmental funds	116,636	--
Total governmental	<u>14,116,636</u>	<u>116,636</u>
Enterprise funds		
Utility system fund	--	28,500,000
Total enterprise funds	<u>--</u>	<u>28,500,000</u>
Internal service funds	14,500,000	--
Total	<u>\$ 28,616,636</u>	<u>\$ 28,616,636</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.

## 16. Fund Deficits

At fiscal year end, the Golf Centers Fund had an accumulated deficit. The City entered into a management contract with a private firm to operate the golf centers beginning February 1, 2011. Revenues from the lease payments have reduced the deficit in the first year of operations. Anticipated revenues are expected to rebuild the fund net position to a positive position over a period of 4-5 years.

Engineering Fund also had a deficit at fiscal year end. This was the first year the department budgeted revenue only from reimbursements from projects, and no revenue from allocations. The department expects to make up for the deficiency in FY2014 revenue within the 2015 fiscal year.

**17. 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 September 30, 2014, there were five series of bonds outstanding with an aggregate principal amount payable of \$150,349,583. The bonds are not liabilities of the City or the respective corporations and are solely payable from revenues of the various commercial entities.

**18. Commitments**

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 09/30/2014</u>	<u>Additional Funds Committed</u>	<u>Required Future Financing</u>
Airport	\$ 62,709,812	\$ 33,131,620	\$ 29,578,192	\$ --
Arena	75,000	68,564	6,436	--
Bayfront Development	10,284,576	5,058,508	5,226,068	--
City Buildings and Facilities	5,691,500	1,066,607	4,624,893	--
Convention Facility	134,147	134,147	--	--
Library	16,380	16,380	--	--
Packery Channel	1,812,391	1,274,293	538,098	--
Park	16,003,242	6,319,861	9,683,381	--
Police Building	525,002	13,399	511,602	--
Fire	2,504,813	2,230,887	273,926	--
Public Health & Safety	909,579	675,861	233,718	--
Sanitary Landfill	2,037,724	1,011,608	1,026,115	--
Seawall	2,915,351	2,096,939	818,412	--
Street	112,562,738	66,818,817	45,743,921	--
Water	135,770,962	100,367,937	35,403,025	--
Storm Water	50,580,345	33,947,230	16,633,116	--
Wastewater	117,774,204	91,435,233	26,338,971	--
Gas	6,704,814	4,107,129	2,597,685	--
Total	<u>\$ 529,012,581</u>	<u>\$ 349,775,020</u>	<u>\$ 179,237,561</u>	<u>\$ --</u>

The unassigned fund balance in the General Fund includes \$10,280,533 encumbered commitments related to unperformed contracts for goods or services.

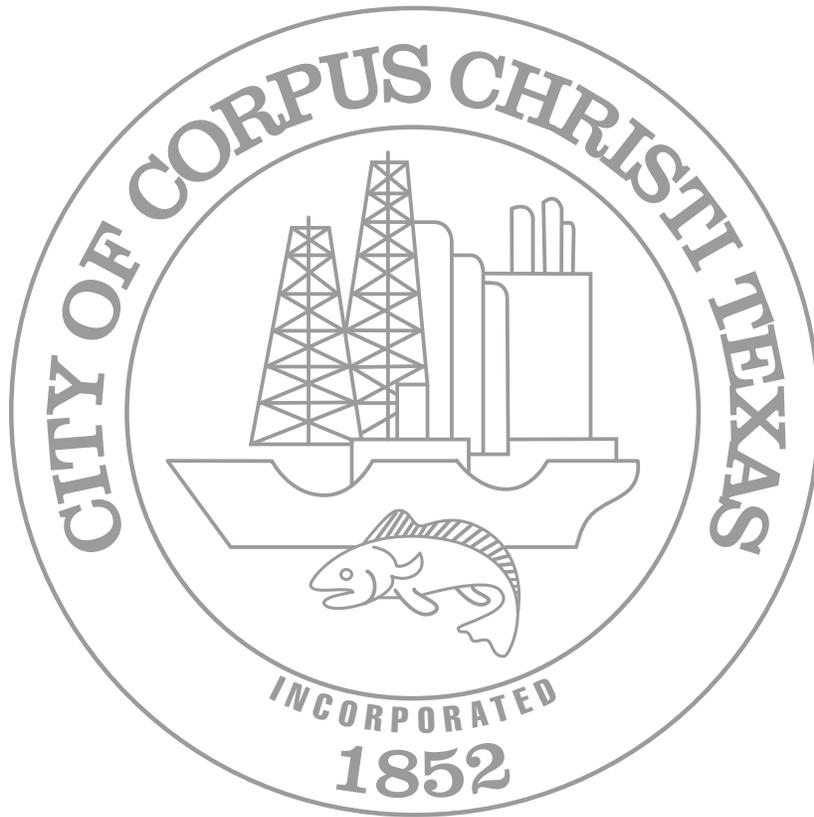
**19. Service Concession Arrangement for City Golf Courses**

The City has an agreement with Foresight Corpus Christi Golf, LLC (Foresight), under which Foresight will operate and collect user fees from the Gabe Lozano, Sr. Golf Course and the Oso Beach Golf Course. Foresight pays the City 50% of net cash flows from operations annually. The City uses the funds received to fund the City's operational, debt service, and capital improvement costs related to the golf courses. The City reports the golf courses and related equipment as a capital asset with a carrying amount of \$507,434 at September 30, 2014.

**20. 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 September 30, 2014, is as follows:

	<b>Airport Fund</b>	<b>Marina Fund</b>
Current assets, excluding restricted assets	\$ 10,289,371	\$ 1,097,103
Restricted assets	6,366,017	--
Capital assets	124,848,516	6,202,027
Total assets	<u>141,503,904</u>	<u>7,299,130</u>
Deferred outflows of resources		
Unamortized loss on refunded debt	555,525	42,094
Current liabilities	3,460,293	511,617
Long-term liabilities	27,919,254	2,942,331
Total liabilities	<u>31,379,547</u>	<u>3,453,948</u>
Net position		
Invested in capital assets, net of related debt	101,480,585	3,215,821
Restricted	2,354,023	--
Unrestricted	6,845,274	671,455
Net position	<u>\$ 110,679,882</u>	<u>\$ 3,887,276</u>
Operating revenue	\$ 9,201,610	\$ 2,223,179
Depreciation	(6,212,500)	(655,006)
Other operating expenses	(8,190,633)	(1,426,082)
Operating income (loss)	<u>(5,201,523)</u>	<u>142,091</u>
Nonoperating income (expense)	1,782,090	(175,556)
Capital contributions	10,969,942	--
Transfers	(210,650)	(12,664)
Net income (loss)	<u>7,339,859</u>	<u>(46,129)</u>
Net position beginning of year	103,340,023	3,933,405
Net position end of year	<u>\$ 110,679,882</u>	<u>\$ 3,887,276</u>
Net cash flow provided by (used for)		
Operating activities	\$ 1,137,696	\$ 801,809
Noncapital financing activities	(68,132)	(12,664)
Capital and related financing activities	(3,066,373)	(588,102)
Investment activities	7,021,741	284
Beginning cash and cash equivalents	10,001,889	868,534
Ending cash and cash equivalents	<u>\$ 15,026,821</u>	<u>\$ 1,069,861</u>



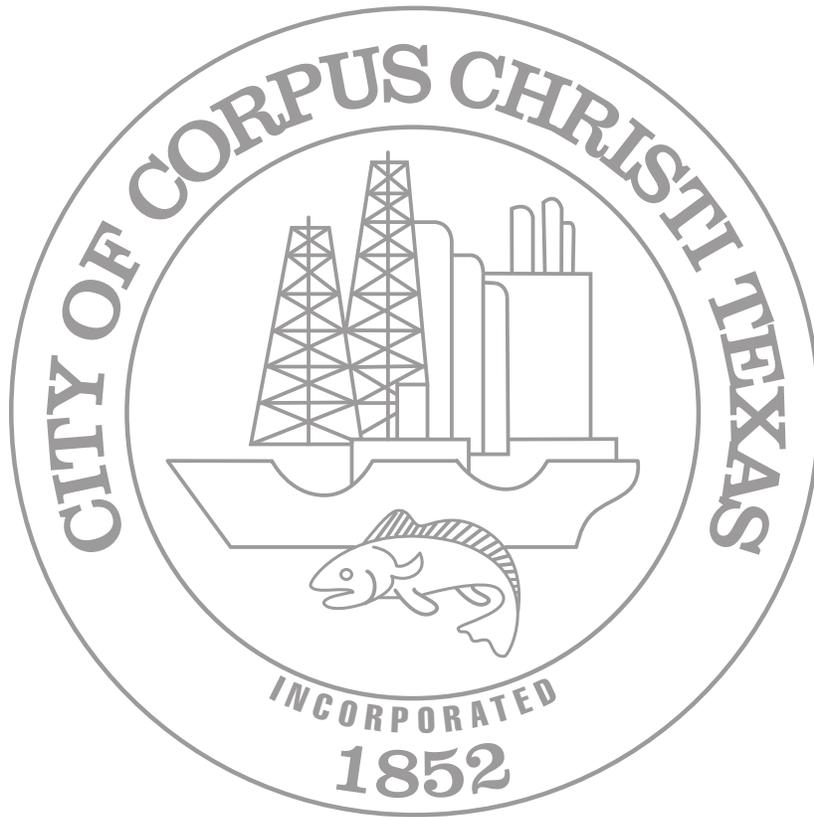
City of Corpus Christi, Texas

**REQUIRED SUPPLEMENTARY INFORMATION  
EMPLOYMENT RETIREMENT BENEFITS - ANALYSIS OF FUNDING PROGRESS  
14 MONTHS ENDED SEPTEMBER 30, 2014**

<u>Valuation Date</u>	<u>(1) Actuarial Value of Assets</u>	<u>(2) Actuarial Accrued Liability</u>	<u>(3) Funded Ratio (1) / (2)</u>	<u>(4) Unfunded Actuarial Accrued Liability (2) - (1)</u>	<u>(5) Annual Covered Payroll</u>	<u>(6) Percentage of Unfunded Actuarial Accrued Liability to Covered Payroll Ratio</u>
<b>Texas Municipal Retirement System</b>						
12/31/2011	533,122,252	708,978,527	75.2%	175,856,275	108,260,052	162.4%
12/31/2012	558,527,434	731,506,573	76.4%	172,979,139	107,828,105	160.4%
12/31/2013	583,192,963	793,904,133	73.5%	213,711,170	111,175,500	192.2%
<b>Fire Fighters Retirement System</b>						
12/31/2008	92,218,756	162,568,260	56.7%	70,349,504	24,268,094	289.9%
12/31/2010	104,079,845	177,565,330	58.6%	73,485,485	27,723,869	265.1%
12/31/2012	105,753,324	192,269,360	55.0%	86,516,036	29,459,098	293.7%
<b>Other Post Employment Benefits Plan - Citicare</b>						
8/1/2009	-	12,524,728	0.0%	12,524,728	74,872,277	16.7%
8/1/2011	-	1,224,232	0.0%	1,224,232	61,862,815	2.0%
8/1/2013	-	3,800,918	0.0%	3,800,918	60,938,657	6.2%
<b>Other Post Employment Benefits Plan - Public Safety</b>						
8/1/2009	-	13,584,349	0.0%	13,584,349	32,947,021	41.2%
8/1/2011	-	5,139,857	0.0%	5,139,857	26,515,429	19.4%
8/1/2013	-	4,461,663	0.0%	4,461,663	28,335,830	15.7%
<b>Other Post Employment Benefits Plan - Fire</b>						
8/1/2009	-	13,537,686	0.0%	13,537,686	23,847,834	56.8%
8/1/2011	-	6,351,600	0.0%	6,351,600	20,862,937	30.4%
8/1/2013	-	3,558,944	0.0%	3,558,944	23,486,591	15.2%

**OTHER POST EMPLOYMENT BENEFITS PLANS ANNUAL REQUIRED CONTRIBUTIONS**

	<u>(1) Annual Required Contribution (ARC)</u>	<u>(2) Actual Contribution</u>	<u>Percentage of of ARC Contributed (2) / (1)</u>
<b>Citicare</b>			
8/1/2009	1,960,046	704,363	35.9%
8/1/2011	94,775	(79,992)	-84.4%
8/1/2013	350,161	117,308	33.5%
<b>Public Safety</b>			
8/1/2009	987,678	443,157	44.9%
8/1/2011	295,160	445,823	151.0%
8/1/2013	296,175	437,319	147.7%
<b>Fire</b>			
8/1/2009	1,023,928	407,364	39.8%
8/1/2011	355,425	358,718	100.9%
8/1/2013	229,235	(142,356)	-62.1%



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

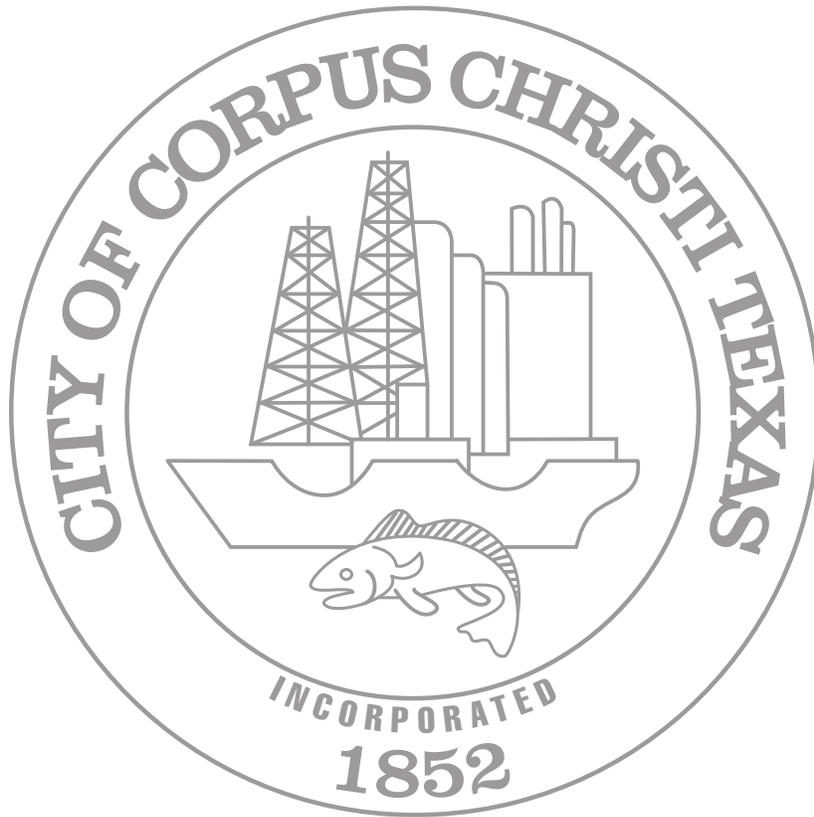


***Governmental Funds***

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

***General Fund***





**GENERAL FUND  
BALANCE SHEET  
SEPTEMBER 30, 2014**

<b>ASSETS</b>		
Cash and cash equivalents		\$ 5,738,809
Investments		29,992,340
Receivables		
Accounts		6,909,402
Property leases		46,050
Taxes		3,114,257
Accrued interest		25,542
Demolition liens		4,145,111
Employees		21,700
Intergovernmental		5,303,767
Miscellaneous		1,682,914
Allowance for uncollectibles		(7,142,963)
Net receivables		<u>14,105,780</u>
Due from other funds		14,000,000
Inventories		38,046
Prepaid items		85,554
Advances to other funds		<u>1,490,882</u>
Total assets		<u><u>\$ 65,451,411</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities		
Accounts payable		\$ 3,768,834
Accrued liabilities		6,497,097
Deposits		407,559
Liability to claimants - escheat property		70,121
Due to other funds		116,636
Due to other governmental agencies		466,539
Unearned revenues		
Taxes		1,443,920
Other		696,484
Net unearned revenues		<u>2,140,404</u>
Total liabilities		<u>13,467,190</u>

(Continued)

Fund balance	
Nonspendable	
Inventory	38,046
Prepaid items	85,554
Advances to other funds	1,490,882
Total nonspendable	<u>1,614,482</u>
Restricted	
Vital statistic record retention	272,806
Judicial/Court improvements	65,837
Fire contribution trust	5,585
PEG equipment and facilities	19,768
Total restricted	<u>363,996</u>
Committed	
Major contingencies	37,770,424
Government access equipment	11,959
Radio system capital replacement	26,238
Total committed	<u>37,808,621</u>
Assigned	
Health 1115 Waiver	656,050
Local Emergency Planning Committee	2,430
Total assigned	<u>658,480</u>
Unassigned	<u>11,538,642</u>
Total fund balances	<u>51,984,221</u>
Total liabilities and fund balances	<u>\$ 65,451,411</u>

City of Corpus Christi, Texas

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<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	\$ 54,880,673	\$ 55,153,673	\$ 55,429,162	\$ --
Ad valorem taxes - delinquent	950,000	1,055,000	1,079,628	--
Penalties and interest	550,000	646,000	783,099	--
Industrial District - in lieu of taxes	6,900,000	6,900,000	7,156,045	--
Other Payment in lieu of taxes	-	-	431,722	--
Special Inventory Tax Escrow Refund	100,000	100,000	76,487	--
Housing Authority - in lieu of taxes	17,272	17,272	27,526	--
Total general property taxes	<u>63,397,945</u>	<u>63,871,945</u>	<u>64,983,670</u>	<u>--</u>
City sales tax	<u>58,695,000</u>	<u>68,474,998</u>	<u>67,848,448</u>	<u>--</u>
Liquor drink tax	<u>978,555</u>	<u>1,196,555</u>	<u>1,300,933</u>	<u>--</u>
Bingo tax	<u>280,784</u>	<u>358,784</u>	<u>416,645</u>	<u>--</u>
Business fees				
Electric franchise	9,873,694	11,998,694	11,660,994	--
Electric franchise - Nueces Co-op	320,000	369,000	310,022	--
Telecommunications fees	3,267,800	3,867,800	3,715,396	--
CATV franchise	3,578,205	4,178,205	4,356,163	--
Taxicab franchise	48,000	56,000	61,130	--
AT&T right of way lease fee	1,200	1,200	1,300	--
Total business fees	<u>17,088,899</u>	<u>20,470,899</u>	<u>20,105,005</u>	<u>--</u>
Total taxes and business fees	<u>140,441,183</u>	<u>154,373,181</u>	<u>154,654,702</u>	<u>--</u>
Licenses and permits				
Amusement licenses	18,735	18,735	18,428	--
Pipeline - license fee	38,164	56,164	79,620	--
Beer and liquor licenses	--	--	138,773	(138,773)
Electricians licenses and exam fees	--	--	43,035	(43,035)
Auto wrecker permits	17,000	17,000	13,055	--
Taxi driver permits	5,000	6,550	10,440	--
Metal recycling permits	--	--	3,500	--
House mover licenses	--	--	266	(266)
Other business licenses	21,433	21,433	20,903	--
Building permits	--	--	3,537,426	(3,537,426)
Electrical permits	--	--	217,729	(217,729)
Plumbing permits	--	--	432,495	(432,495)
Mechanical permits	--	--	149,359	(149,359)
Certificate of occupancy fees	--	--	46,354	(46,354)
Street cut permits	--	--	224	(224)
Plan review fees	--	--	1,121,332	(1,121,332)
Mechanical registration fees	--	--	30,240	(30,240)
Lawn Irrigator registration fees	--	--	5,535	(5,535)
Plumber registration fees	--	--	135	(135)
Backflow prevention assembly tester	--	--	9,990	(9,990)
Driveway permit fees	--	--	14,416	(14,416)
Street easement closure fees	--	--	17,075	(17,075)
Easement closure FMV fee	--	--	2,025	(2,025)

(Continued)



City of Corpus Christi, Texas

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Licenses and permits (continued)				
Backflow prev device filing fee	--	--	91,640	(91,640)
Research and survey fees	--	--	11,209	(11,209)
Deferral agreement fees	--	--	13,760	(13,760)
Construction document fees	--	--	481	(481)
Billboard fees	--	--	11,658	(11,658)
Vacant building inspection fees	--	--	300	--
House moving route permits	--	--	3,842	(3,842)
Oversized load permits	--	--	11,058	(11,058)
Special event permits	850	850	825	--
Total licenses and permits	<u>101,182</u>	<u>120,732</u>	<u>6,057,126</u>	<u>(5,910,055)</u>
Grants				
Equal Employment Opportunity Commission	60,000	60,000	11,600	--
Federal Emergency Management Assistance	70,000	70,000	--	--
Drug test reimbursements	20,000	24,000	16,700	--
Sexual Assault Exam	130,000	169,000	187,069	--
Fair Housing Assessment	121,500	121,500	198,360	--
General Land Office - beach cleaning	40,000	40,000	75,770	--
Total grants	<u>441,500</u>	<u>484,500</u>	<u>489,498</u>	<u>--</u>
Charges for services				
General governmental services				
Zoning fees	--	--	118,995	(118,995)
Platting fees	--	--	85,259	(85,259)
Board of Adjustment appeal fees	--	--	3,183	(3,183)
Attorney fees - demolition & paving liens	55,170	58,470	70,225	--
Sale of City publications	300	315	581	--
Blueprint sales and GIS sales	--	--	124	(124)
Candidate filing fees	--	2,400	2,400	--
Nonprofit registration fees	770	770	3,145	--
Dog track admission fees	1,500	1,500	7,227	--
Total general governmental services	<u>57,740</u>	<u>63,455</u>	<u>291,139</u>	<u>(207,560)</u>
Police				
Police towing and storage charges	1,200,000	1,407,200	1,433,742	--
Police impound certified mail recovery	75,000	89,000	95,050	--
Police accident reports	76,000	90,000	65,275	--
Proceeds from auction	915,000	1,059,000	943,575	--
Proceeds from auction - online	14,000	17,200	23,507	--
Parking meter collections	275,000	325,000	239,265	--
Police open record request	5,000	6,000	18,151	--
Police subpoenas	1,500	1,700	1,995	--
Fingerprinting fees	4,500	5,100	3,741	--
Customs/FBI	165,000	195,000	304,548	--

(Continued)

**Exhibit 6-B  
(Continued)**

<b>Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>
--	--
--	--
--	--
--	--
300	300
--	--
--	--
825	(25)
<u>147,071</u>	<u>26,339</u>
11,600	(48,400)
--	(70,000)
16,700	(7,300)
187,069	18,069
198,360	76,860
75,770	35,770
<u>489,498</u>	<u>4,998</u>
--	--
--	--
--	--
70,225	11,755
581	266
--	--
2,400	--
3,145	2,375
7,227	5,727
<u>83,578</u>	<u>20,123</u>
1,433,742	26,542
95,050	6,050
65,275	(24,725)
943,575	(115,425)
23,507	6,307
239,265	(85,735)
18,151	12,151
1,995	295
3,741	(1,359)
304,548	109,548

City of Corpus Christi, Texas

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Police (continued)				
Police Security Services	85,000	285,000	108,752	--
DWI Videotaping	1,600	1,800	1,346	--
Alarm system permits and services	500,000	582,000	543,333	--
800 MHz radio	200,000	242,256	303,925	--
9-1-1 wireless service fees	1,500,000	1,730,000	1,785,445	--
9-1-1 wireline service fees	1,500,000	1,711,000	1,380,700	--
Police C.A.D. calls	600	800	1,986	--
Restitution	--	--	2,483	--
CCISD-Crossing guards	30,000	30,000	20,133	--
School crossing guard program	52,000	57,350	59,119	--
Nueces county - Metrocom	1,100,000	1,250,000	1,102,949	--
Animal Control				
Pound fees & handling charges	41,920	47,360	40,645	--
Pet licenses	36,000	45,428	95,876	--
Classes and workshops	800	800	--	--
Animal trap fees	--	--	1,170	--
Pest control services	20,500	26,500	38,275	--
Adopt a kennel fees	1,000	1,000	125	--
Microchipping fees	12,500	13,380	7,070	--
Deceased Animal Pick Up	250	250	7,240	--
S/N Kennel Cough	1,920	1,920	792	--
Bite Case Boarding Fee	20,160	20,160	242	--
Spay and Nueter fees	61,860	64,520	9,510	--
Adoption fees	--	--	352	--
Animal Control Adoption	36,750	44,250	47,314	--
Total police	<u>7,933,860</u>	<u>9,350,974</u>	<u>8,687,630</u>	<u>--</u>
Fire				
Fire prevention permits	225,000	349,690	398,218	--
Hazmat response calls	1,000	1,000	11,835	--
Fire service - outside city limits	--	--	4,604	--
Fire department trust donations	1,000	1,000	--	--
Emergency management alert system fees	12,000	12,000	--	--
Pipeline reporting administrative fees	45,000	45,000	51,125	--
Total fire	<u>284,000</u>	<u>408,690</u>	<u>465,782</u>	<u>--</u>
Ambulance				
Emergency calls	5,995,000	7,045,000	6,797,035	--
Nueces Co OCL charges	--	--	23,132	--
Ambulance permits	2,500	3,050	3,513	--
Total Ambulance	<u>5,997,500</u>	<u>7,048,050</u>	<u>6,823,680</u>	<u>--</u>
Streets				
State of Texas - expressway lighting	204,000	255,000	162,328	--
Port of CC-Bridge Lighting	3,000	3,600	68,681	--
Subdivision street lighting participation	50,000	50,000	19,536	--
Total streets	<u>257,000</u>	<u>308,600</u>	<u>250,545</u>	<u>--</u>

(Continued)

**Exhibit 6-B  
(Continued)**

<b>Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>
108,752	(176,248)
1,346	(454)
543,333	(38,667)
303,925	61,669
1,785,445	55,445
1,380,700	(330,300)
1,986	1,186
2,483	2,483
20,133	(9,867)
59,119	1,769
1,102,949	(147,051)
40,645	(6,715)
95,876	50,448
--	(800)
1,170	1,170
38,275	11,775
125	(875)
7,070	(6,310)
7,240	6,990
792	(1,128)
242	(19,918)
9,510	(55,010)
352	352
47,314	3,064
<u>8,687,630</u>	<u>(663,345)</u>
398,218	48,528
11,835	10,835
4,604	4,604
--	(1,000)
--	(12,000)
51,125	6,125
<u>465,782</u>	<u>57,092</u>
6,797,035	(247,965)
23,132	23,132
3,513	463
<u>6,823,680</u>	<u>(224,370)</u>
162,328	(92,672)
68,681	65,081
19,536	(30,464)
<u>250,545</u>	<u>(58,055)</u>

City of Corpus Christi, Texas

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Solid waste services				
Residential refuse collection fees	15,916,137	18,665,829	19,408,652	--
Commercial and industrial refuse collection fees	1,770,560	2,071,397	2,146,603	--
Municipal solid waste system service charge (MSWSSC)	3,481,325	4,078,185	4,147,751	--
Refuse disposal charges	8,706,132	10,174,147	10,173,324	--
Disposal charges - landfill project	3,090,665	3,766,907	3,826,191	--
Refuse collection permits	14,000	23,739	26,929	--
Special debris pickup	265,000	307,000	410,940	--
SW-Mulch	12,000	12,994	31,399	--
Brush fees	20,000	30,618	85,202	--
Recycling	854,900	1,010,430	1,049,461	--
Recycling collection fees	965,760	1,130,088	1,149,794	--
Recycling Bank fees	696,699	820,823	864,105	--
Recycling Bank Incentive fees	242,446	283,697	287,067	--
Unsecured load charge	35,000	43,000	70,360	--
Total solid waste services	36,070,624	42,418,854	43,677,779	--
Health services				
Food service permits	610,000	658,494	704,377	--
Vital statistics fees	480,000	562,567	471,062	--
Vital records office sales	10,000	12,244	14,262	--
Vital records retention fee	17,000	20,363	20,880	--
Nueces County - health administration	196,928	228,729	240,856	--
Swimming pool inspection fees	37,000	58,465	30,615	--
Lab shipping fees	200	300	1,372	--
Child care facilities fees	9,000	10,892	10,878	--
Medicaid 1115 Waiver	--	1,467,250	1,467,250	--
Women's health Medicare/Medicaid	--	--	5,337	--
Seafood safety	--	--	16,925	--
Total health services	1,360,128	3,019,304	2,983,813	--
Recreation services				
Swimming pools	210,000	243,500	223,838	--
Swimming instruction fees	102,000	115,000	99,086	--
H.E. Butt tennis center	34,199	38,179	28,020	--
Al Kruse tennis center	19,250	23,380	17,707	--
Athletic events	138,460	154,460	153,418	--
Athletic instruction fees	42,864	45,864	50,976	--
Facilities rentals	29,935	33,550	35,308	--
Latchkey program	2,511,082	2,882,667	2,969,480	--
Buc days/Bayfest	28,000	56,000	57,226	--
Beach parking permits	650,000	650,000	803,001	--
Heritage Park revenues	2,140	2,400	2,207	--

(Continued)

**Exhibit 6-B  
(Continued)**

<b>Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>
19,408,652	742,823
2,146,603	75,206
4,147,751	69,566
10,173,324	(823)
3,826,191	59,284
26,929	3,190
410,940	103,940
31,399	18,405
85,202	54,584
1,049,461	39,031
1,149,794	19,706
864,105	43,282
287,067	3,370
70,360	27,360
<u>43,677,779</u>	<u>1,258,925</u>
704,377	45,883
471,062	(91,505)
14,262	2,018
20,880	517
240,856	12,127
30,615	(27,850)
1,372	1,072
10,878	(15)
1,467,250	--
5,337	5,337
16,925	16,925
<u>2,983,813</u>	<u>(35,491)</u>
223,838	(19,662)
99,086	(15,914)
28,020	(10,159)
17,707	(5,673)
153,418	(1,042)
50,976	5,112
35,308	1,758
2,969,480	86,813
57,226	1,226
803,001	153,001
2,207	(193)

City of Corpus Christi, Texas

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Recreation services (continued)				
Pavilion Rentals	--	--	857	--
Tourist district rentals	11,046	13,250	18,483	--
Camping Permit Fees	2,550	2,550	4,564	--
Senior Center rentals	32,000	36,113	35,393	--
Class instruction fees	20,616	22,306	8,408	--
Recreation instruction fees	53,940	67,091	64,058	--
Recreation center rentals	6,825	7,545	9,065	--
Skatepark concessions	--	--	1,695	--
Other recreation services	22,750	26,050	42,735	--
Total recreation services	<u>3,917,657</u>	<u>4,419,905</u>	<u>4,625,524</u>	<u>--</u>
Libraries				
Fines	92,842	107,542	97,598	--
Lost book charges	9,501	11,471	8,199	--
Copy machine sales	31,781	37,293	47,906	--
Other library revenue	19,082	21,845	17,965	--
Interlibrary fees	763	928	580	--
Library book sales	4,267	5,265	5,312	--
Total libraries	<u>158,235</u>	<u>184,343</u>	<u>177,561</u>	<u>--</u>
Museums				
Admissions	165,444	188,519	149,372	--
Museum gift shop sales	--	11,134	68,178	--
McGregor reproduction fees	9,672	11,992	12,581	--
Facility rental	16,507	20,395	53,637	--
Education group programs	991	3,542	43,765	--
School District - museum educational program	22,000	22,000	22,000	--
Parties and recitals	8,128	8,723	14,647	--
Admissions	<u>124,489</u>	<u>142,787</u>	<u>110,864</u>	<u>--</u>
Total museums	<u>347,231</u>	<u>409,092</u>	<u>475,044</u>	<u>--</u>
Total charges for services	<u>56,383,976</u>	<u>67,631,268</u>	<u>68,458,496</u>	<u>(207,560)</u>
Fines and forfeitures				
Moving vehicle fines	2,331,000	2,761,000	2,965,514	--
School Crssg Gd Pgm-Cvl Citation	12,000	17,200	43,260	--
Parking fines	194,000	201,000	104,344	--
Civil parking citations	175,000	216,000	371,972	--
General fines	954,000	1,094,000	1,235,179	--
Officers fees	141,000	171,000	181,199	--
Uniform Traffic Act fines	69,000	81,020	72,329	--
Warrant fees	138,000	165,000	128,226	--

(Continued)

**Exhibit 6-B  
(Continued)**

<b>Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>
857	857
18,483	5,233
4,564	2,014
35,393	(720)
8,408	(13,898)
64,058	(3,033)
9,065	1,520
1,695	1,695
42,735	16,685
<u>4,625,524</u>	<u>205,619</u>
97,598	(9,944)
8,199	(3,272)
47,906	10,614
17,965	(3,880)
580	(348)
5,312	47
<u>177,561</u>	<u>(6,783)</u>
149,372	(39,147)
68,178	57,044
12,581	589
53,637	33,242
43,765	40,223
22,000	--
14,647	5,924
110,864	(31,923)
<u>475,044</u>	<u>65,952</u>
<u>68,250,935</u>	<u>619,668</u>
2,965,514	204,514
43,260	26,060
104,344	(96,656)
371,972	155,972
1,235,179	141,179
181,199	10,199
72,329	(8,691)
128,226	(36,774)

City of Corpus Christi, Texas

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Fines and forfeitures (continued)				
Municipal Court				
State fee discount	150,000	198,180	243,737	--
Time Pay Fee - Court	11,000	14,540	19,912	--
Time Pay Fee - City	46,000	60,140	79,658	--
644.102 Comm Vehicle Enforce	--	--	22,576	--
Miscellaneous revenue	4,000	10,060	75,532	--
Juvenile case mgr fee	--	--	9,495	--
Juvenile expungement fee	--	--	3,309	--
Failure to appear fines	313,000	365,900	248,570	--
Animal control fines	2,200	4,520	16,376	--
Teen Court city fee	--	--	58	--
Other court fines	135,000	172,270	181,921	--
Total fines and forfeitures	<u>4,675,200</u>	<u>5,531,830</u>	<u>6,003,167</u>	<u>--</u>
Earnings on investments	<u>710,060</u>	<u>871,657</u>	<u>989,561</u>	<u>(2,093)</u>
Miscellaneous				
Rental of general property	81,000	87,000	217,338	--
Recovery on damage claims	100,000	117,000	--	--
Contributions and donations	106,377	118,377	36,460	--
Time Warner-Public Access Equipment	3,500	3,500	--	--
Automated teller machines	1,200	1,200	1,500	--
Late fees on returned check	180	180	360	--
Radio system participation	--	--	21,372	--
Graffiti control	--	--	4,048	--
Sale of city property	90,000	201,878	252,897	(790)
Copy sales	4,300	4,300	3,892	--
Administrative processing fee	17,275	17,275	16,071	--
Demolition and weed liens	100,000	130,000	214,955	--
Purchase discounts	175,000	211,000	227,740	--
Vending machine sales	4,572	4,572	18,673	--
Forfeited plan deposits	--	--	33	--
Late Fees on delinquent	--	--	1,480	--
Claim settlements	--	11,500	11,622	--
Naming rights for convention center	180,000	180,000	180,000	--
Miscellaneous	40,000	91,862	263,078	--
Total miscellaneous revenue	<u>903,403</u>	<u>1,179,644</u>	<u>1,471,518</u>	<u>(790)</u>
(Continued)				

**Exhibit 6-B  
(Continued)**

<b>Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>
243,737	45,557
19,912	5,372
79,658	19,518
22,576	22,576
75,532	65,472
9,495	9,495
3,309	3,309
248,570	(117,330)
16,376	11,856
58	58
<u>181,921</u>	<u>9,651</u>
<u>6,003,167</u>	<u>471,337</u>
<u>987,469</u>	<u>115,812</u>
217,338	130,338
--	(117,000)
36,460	(81,917)
--	(3,500)
1,500	300
360	180
21,372	21,372
4,048	4,048
252,106	50,228
3,892	(408)
16,071	(1,204)
214,955	84,955
227,740	16,740
18,673	14,101
33	33
1,480	1,480
11,622	122
180,000	--
<u>263,078</u>	<u>171,216</u>
<u>1,470,727</u>	<u>291,084</u>

City of Corpus Christi, Texas

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Reimbursements				
Interdepartmental	2,378,161	2,844,417	--	3,655,393
Capital budget cost recovery	968,733	1,130,189	--	1,130,189
Fire hydrant maintenance	327,472	382,051	--	382,051
800 MHz radio - interdepartmental	350,000	406,030	--	392,210
Total reimbursements revenue	<u>4,024,366</u>	<u>4,762,687</u>	<u>--</u>	<u>5,559,843</u>
Total revenues	<u>207,680,870</u>	<u>234,955,498</u>	<u>238,124,068</u>	<u>(560,656)</u>
Other financing sources				
Capital leases	--	--	5,718,567	(5,718,567)
Total other financing sources	<u>--</u>	<u>--</u>	<u>5,718,567</u>	<u>(5,718,567)</u>
Transfers in				
Administrative charges				
Federal grants	96,000	102,800	573,811	--
CCCIC	3,500	3,500	2,186	--
Visitor facility	142,971	166,800	166,800	--
Reinvestment Zone #2	26,310	30,695	30,695	--
Gas division	572,418	667,821	667,821	--
Wastewater division	1,327,934	1,549,256	1,549,256	--
Water division	2,366,525	2,760,946	2,760,946	--
Airport	254,649	297,091	297,091	--
Golf	4,943	4,943	--	--
Development Services	197,490	230,405	--	230,405
Marina	50,995	59,494	59,494	--
Other				
CC Housing Finance Corp	--	127,220	127,220	--
Liability & Employee Benefits Fund	--	1,457,057	1,499,202	(42,145)
Street CIP Fund	--	950,000	950,000	--
Water division	104,285	121,665	121,665	--
Total transfers in	<u>5,148,020</u>	<u>8,529,693</u>	<u>8,806,186</u>	<u>188,260</u>
Transfers out				
Municipal Court Fees Fund	(49,349)	(49,349)	--	--
Debt Service Fund	(634,922)	(661,406)	(3,855,198)	3,195,812
For Community Service	(156,076)	(220,876)	(229,714)	--
Police Grants Cash Match	(62,000)	(72,333)	(43,802)	--
Street Fund	(13,122,021)	(14,915,335)	(14,915,335)	--
Visitor's Facility Fund	(180,000)	(180,000)	(180,000)	--
For capital outlay	(909,706)	(909,706)	(909,706)	--
For capital replacement	(1,038,156)	(1,038,156)	(1,154,569)	--
Municipal Information Systems Fund	--	(1,311,979)	(1,311,979)	--
Development Services Fund	(501,158)	(501,158)	--	(501,158)
Total transfers out	<u>(16,653,388)</u>	<u>(19,860,298)</u>	<u>(22,600,303)</u>	<u>2,694,654</u>
Total other sources	<u>(11,505,368)</u>	<u>(11,330,605)</u>	<u>(8,075,551)</u>	<u>(2,835,653)</u>
Total revenues and other sources	<u>\$ 196,175,502</u>	<u>\$ 223,624,893</u>	<u>\$ 230,048,517</u>	<u>\$ (3,396,309)</u>

**Exhibit 6-B  
(Continued)**

<b>Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>
3,655,393	810,976
1,130,189	--
382,051	--
<u>392,210</u>	<u>(13,820)</u>
<u>5,559,843</u>	<u>797,156</u>
<u>237,563,411</u>	<u>2,607,913</u>
--	--
--	--
573,811	471,011
2,186	(1,314)
166,800	--
30,695	--
667,821	--
1,549,256	--
2,760,946	--
297,091	--
--	(4,943)
230,405	--
59,494	--
127,220	--
1,457,057	--
950,000	--
<u>121,665</u>	<u>--</u>
<u>8,994,446</u>	<u>464,754</u>
--	49,349
(659,386)	2,020
(229,714)	(8,838)
(43,802)	28,531
(14,915,335)	--
(180,000)	--
(909,706)	--
(1,154,569)	(116,413)
(1,311,979)	--
<u>(501,158)</u>	<u>--</u>
<u>(19,905,649)</u>	<u>(45,351)</u>
<u>(10,911,203)</u>	<u>419,403</u>
<u>\$ 226,652,208</u>	<u>\$ 3,027,316</u>

City of Corpus Christi, Texas

GENERAL FUND  
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET  
14 MONTHS ENDED SEPTEMBER 30, 2014

	Actual GAAP Expenditures					
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays	Reimbursements
General government						
Control						
City Council and City Secretary	\$ 860,482	\$ 21,135	\$ 314,913	\$ 135,045	\$ --	\$ --
Group Managers	575,028	7,089	85,760	66,880	--	--
City Auditor	371,721	4,392	12,029	60,533	--	--
City Manager's Office	651,472	5,601	112,269	57,350	--	--
Management and budget office	597,356	1,493	48,305	75,530	--	--
Public Information	246,267	7,996	10,684	18,853	--	--
Capital budgeting	169,487	1,324	1,990	19,236	--	(1,130,189)
Total general government - control	3,471,813	49,030	585,950	433,427	--	(1,130,189)
Staff agencies						
Director of finance	348,505	734	3,446	57,424	--	--
Accounting	1,909,138	12,595	389,420	423,664	--	--
Central cashiering	523,650	6,638	10,085	163,811	--	--
Cash management	268,896	6,879	36,822	38,096	--	--
City Attorney	1,764,348	89,968	207,474	243,378	--	--
Economic development	--	--	288,571	--	--	--
Economic development incentives	--	--	--	1,917,395	--	--
Housing & Community Development	103,341	8,644	2,626	755	--	--
Downtown Management District	--	--	127,000	--	--	--
Development Services administration	562,004	5,566	362,156	892,584	--	(91,000)
Planning	427,050	2,722	276,825	54,936	8,014	--
Code enforcement	1,148,435	97,462	360,815	663,164	46,898	--
NCAD/NC-Administration	--	--	1,469,253	--	--	--
Human resources	1,108,798	21,735	97,605	192,701	--	--
Training	157,275	2,013	98,433	16,310	--	--
ADA Compliance	62,090	2,465	20,757	4,004	--	--
Human relations	240,903	2,102	16,282	49,335	--	--
Fair housing	23,394	907	2,764	19,694	--	--
Total staff agencies	8,647,827	260,430	3,770,334	4,737,251	54,912	(91,000)
Engineering services						
Special services	1,033,373	5,772	121,184	30,963	--	(678,734)
Process Management Development	727,318	2,501	13,195	59,494	--	(26,558)
Total engineering services	1,760,690	8,272	134,379	90,456	--	(705,292)
Other expenditures						
Convention Ctr/Auditorium O&M	--	--	35,334	--	--	--
Uncollectible accounts	--	--	--	(346,004)	--	--
Baseball Stadium	--	--	175,000	--	--	--
Major memberships	--	--	79,191	--	--	--
Purchasing/messenger service allocation	--	--	--	372,526	--	--
Reserve appropriations	--	--	--	--	--	--
Reserve for accrued pay	--	--	--	--	--	--
Total other expenditures	--	--	289,525	26,522	--	--
Total general government	13,880,331	317,733	4,780,188	5,287,656	54,912	(1,926,481)

(Continued)

City of Corpus Christi, Texas

Exhibit 6-C

Total Expenditures	Adjustments Budget Basis	Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)
			Original	Final	
\$ 1,331,575	\$ --	\$ 1,331,575	\$ 891,602	\$ 1,874,599	\$ 543,024
734,757	--	734,757	762,719	903,639	168,882
448,675	--	448,675	393,722	449,075	400
826,692	--	826,692	557,154	817,335	(9,357)
722,684	--	722,684	825,794	917,864	195,180
283,800	--	283,800	237,395	282,164	(1,636)
(938,152)	1,130,189	192,037	176,224	204,556	12,519
<u>3,410,031</u>	<u>1,130,189</u>	<u>4,540,220</u>	<u>3,844,610</u>	<u>5,449,232</u>	<u>909,012</u>
410,109	--	410,109	379,538	417,896	7,787
2,734,817	--	2,734,817	2,422,042	2,853,676	118,859
704,184	--	704,184	596,317	707,453	3,269
350,693	--	350,693	293,046	346,006	(4,687)
2,305,168	--	2,305,168	1,915,689	2,174,159	(131,009)
288,571	--	288,571	247,331	288,553	(18)
1,917,395	--	1,917,395	1,700,000	1,700,000	(217,395)
115,366	--	115,366	--	113,514	(1,852)
127,000	--	127,000	150,000	172,200	45,200
1,731,311	(1,731,311)	--	--	--	--
769,547	--	769,547	932,813	1,021,273	251,726
2,316,774	--	2,316,774	2,070,805	2,309,246	(7,528)
1,469,253	--	1,469,253	1,250,000	1,475,000	5,747
1,420,839	--	1,420,839	1,276,876	1,474,918	54,079
274,031	--	274,031	417,104	469,246	195,215
89,316	--	89,316	94,406	109,680	20,364
308,622	--	308,622	284,120	334,392	25,770
46,759	--	46,759	86,584	81,988	35,229
<u>17,379,755</u>	<u>(1,731,311)</u>	<u>15,648,444</u>	<u>14,116,671</u>	<u>16,049,200</u>	<u>400,756</u>
512,557	(512,557)	--	--	--	--
775,948	(775,948)	--	--	--	--
<u>1,288,505</u>	<u>(1,288,505)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
35,334	--	35,334	--	57,000	21,666
(346,004)	--	(346,004)	325,000	325,000	671,004
175,000	--	175,000	--	175,000	--
79,191	--	79,191	100,000	100,000	20,809
372,526	--	372,526	319,308	372,526	--
--	--	--	1,404,173	1,598,756	1,598,756
--	--	--	2,000,000	--	--
<u>316,047</u>	<u>--</u>	<u>316,047</u>	<u>4,148,481</u>	<u>2,628,282</u>	<u>2,312,235</u>
<u>22,394,339</u>	<u>(1,889,627)</u>	<u>20,504,711</u>	<u>22,109,762</u>	<u>24,126,714</u>	<u>3,622,003</u>

City of Corpus Christi, Texas

GENERAL FUND  
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET  
14 MONTHS ENDED SEPTEMBER 30, 2014

	Actual GAAP Expenditures					
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays	Reimbursements
Police and municipal court						
Police						
Administration	2,619,572	118,200	400,988	1,086,230	--	--
Police training	1,737,020	232,567	32,576	213,986	--	--
Criminal investigation	6,455,608	236,668	3,061	609,658	--	--
Narcotics/Vice Investigations	3,490,297	128,474	136,238	364,364	--	--
Uniformed division	36,759,940	729,349	631,753	7,608,006	--	--
Forensics services division	1,366,153	66,974	29,232	123,758	--	--
School crossing guards	133,754	(1,598)	41,229	47,978	--	--
Parking control	346,705	16,723	216,291	51,981	--	--
MetroCom	4,824,938	22,456	519,227	231,140	--	--
Police computer support	5,333	2,254	776,490	8,358	139,209	(906,895)
9-1-1 call delivery wireline	38,843	301	373,335	5,194	--	--
9-1-1 call delivery wireless	--	152	108,538	9,735	9,500	--
Building maintenance and operations	267,100	99,954	1,156,671	96,026	--	--
Vehicle pound operation	371,714	11,688	1,089,167	101,415	--	--
Central information	1,490,155	44,757	59,997	135,924	--	--
Criminal intelligence unit	1,160,241	46,942	10,857	60,034	--	--
Beach safety	140,552	--	--	--	--	(93,712)
Police Special Events	101,774	--	--	--	--	--
Animal Control	1,253,458	260,836	246,286	635,532	--	--
Low Cost Spay Neuter Clinic	115,604	67,007	123,204	4,426	--	--
Municipal court						
Administration	1,356,765	34,711	1,001,209	740,681	--	--
Judicial	1,077,258	9,752	17,256	44,536	23,105	--
Detention facility	1,210,633	25,432	237,049	75,964	--	--
City marshals	254,291	13,050	63,774	51,075	--	--
Total municipal court	3,898,947	82,945	1,319,288	912,256	23,105	--
Total police and municipal court	66,577,708	2,166,649	7,274,428	12,306,001	171,814	(1,000,607)
Fire and Ambulance						
Administration and training	683,395	34,247	191,222	400,064	--	--
Fire Safety Education	--	--	6,785	--	--	--
Fire academy training	(65,116)	62,913	84,138	42,506	--	--
Communications	53,360	17,133	57,292	116,620	--	--
Apparatus and shop	351,189	291,010	395,504	27,930	--	--
Stations	41,983,844	719,927	1,120,965	2,536,719	600,308	(382,051)
Fire prevention	1,687,227	22,425	18,775	214,070	--	--
Honor Guard	--	--	450	2,830	--	--
Life guarding and first response	359,562	42,363	15,987	109,459	57,561	(390,000)
Fire support services	1,080,636	217,126	26,335	40,637	--	--
City ambulance operations	196,787	780,986	732,113	50,865	281,800	--
Total fire and ambulance	46,330,884	2,188,130	2,649,566	3,541,700	939,669	(772,051)

(Continued)

City of Corpus Christi, Texas

Exhibit 6-C  
(Continued)

Total Expenditures	Adjustments Budget Basis	Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)
			Original	Final	
4,224,990	--	4,224,990	3,415,239	4,175,927	(49,063)
2,216,149	--	2,216,149	1,660,999	2,257,782	41,633
7,304,995	--	7,304,995	6,429,823	7,109,978	(195,017)
4,119,373	--	4,119,373	3,386,979	4,059,465	(59,908)
45,729,048	--	45,729,048	36,530,982	44,958,483	(770,565)
1,586,117	--	1,586,117	1,407,071	1,559,438	(26,679)
221,363	--	221,363	210,478	220,626	(737)
631,700	--	631,700	541,891	636,461	4,761
5,597,761	--	5,597,761	5,047,262	5,545,092	(52,669)
24,749	906,895	931,644	691,403	991,805	60,161
417,673	--	417,673	388,328	424,778	7,105
127,925	--	127,925	275,255	194,631	66,706
1,619,751	13,443	1,633,194	1,421,170	1,685,236	52,042
1,573,984	--	1,573,984	1,120,821	1,517,504	(56,480)
1,730,833	--	1,730,833	1,530,652	1,777,269	46,436
1,278,074	--	1,278,074	1,126,163	1,318,282	40,208
46,840	93,712	140,552	151,964	175,343	34,791
101,774	--	101,774	147,731	170,459	68,685
2,396,112	--	2,396,112	1,974,010	2,342,559	(53,553)
310,241	--	310,241	259,356	295,922	(14,319)
3,133,366	--	3,133,366	2,097,831	3,667,575	534,209
1,171,907	--	1,171,907	1,006,902	1,157,121	(14,786)
1,549,078	--	1,549,078	1,303,139	1,460,266	(88,812)
382,190	--	382,190	566,994	564,779	182,589
6,236,541	--	6,236,541	4,974,866	6,849,741	613,200
87,495,993	1,014,050	88,510,043	72,692,443	88,266,781	(243,262)
1,308,928	--	1,308,928	1,045,361	1,299,803	(9,125)
6,785	--	6,785	6,000	6,845	60
124,441	--	124,441	1,743,165	1,941,388	1,816,947
244,405	--	244,405	247,126	277,467	33,062
1,065,633	--	1,065,633	885,597	1,102,637	37,004
46,579,712	696,737	47,276,449	40,544,435	46,864,939	(411,510)
1,942,497	--	1,942,497	1,595,048	1,842,867	(99,630)
3,280	--	3,280	4,000	4,750	1,470
194,932	390,000	584,932	506,306	605,461	20,529
1,364,734	--	1,364,734	1,111,495	1,465,458	100,724
2,042,551	(3,483)	2,039,068	1,910,897	2,160,071	121,003
54,877,898	1,083,254	55,961,152	49,599,430	57,571,686	1,610,534

City of Corpus Christi, Texas

GENERAL FUND  
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET  
14 MONTHS ENDED SEPTEMBER 30, 2014

	Actual GAAP Expenditures					Reimbursements
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays	
Emergency management	255,347	39,134	44,930	183,040	--	--
Inspections	1,711,623	81,913	284,128	196,291	27,200	(310,751)
Streets						
Street lighting	--	--	4,022,130	--	19,536	--
Harbor Bridge Lighting	--	17,886	45,551	--	--	--
Total streets	--	17,886	4,067,681	--	19,536	--
Solid Waste						
Solid waste office	629,575	37,012	875,550	207,730	--	--
J.C. Elliot Transfer Station	1,070,624	368,268	310,164	370,860	444,750	--
Refuse collection	4,080,697	1,211,575	2,210,675	898,660	3,959,604	--
Refuse disposal	67,058	23,140	220,552	21,453	5,926	--
Brush collection	1,833,383	489,131	81,773	426,901	195,276	--
Elliot Closure/Postclosure exp	--	--	100,550	--	--	--
Graffiti Clean-up Project	234,097	12,760	2,150	21,490	--	--
Cefe Valenzuela landfill operation	632,607	96,540	5,264,691	236,603	15,665	--
Total solid waste	8,548,041	2,238,426	9,066,105	2,183,697	4,621,221	--
Health						
Administration and special programs	578,994	15,899	86,981	236,842	16,661	--
T.B. Clinic - Health Department	81,434	31,064	278	5,306	--	--
Immunization	114,340	4,415	6,062	21,563	--	--
Vital statistics	103,426	8,281	25,689	13,969	--	--
Nursing	361,473	3,430	13,983	15,093	--	--
Environmental health	386,549	23,150	45,242	96,532	--	--
STD clinic	122,744	368	3,117	7,490	--	--
1115 Wvr Obesity Prevention	137,767	2,483	125,507	545,443	--	--
Laboratory	119,836	13,022	21,717	11,032	9,392	--
Mental health	--	--	58,500	--	--	--
Health office building	100,248	21,974	272,525	51,783	--	--
Total health	2,106,811	124,086	659,601	1,005,053	26,053	--

(Continued)

City of Corpus Christi, Texas

Exhibit 6-C  
(Continued)

Total Expenditures	Adjustments Budget Basis	Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)
			Original	Final	
522,451	--	522,451	452,654	517,162	(5,289)
1,990,404	(1,990,404)	--	--	--	--
4,041,666	--	4,041,666	3,184,614	3,780,773	(260,893)
63,437	--	63,437	40,000	41,486	(21,951)
4,105,103	--	4,105,103	3,224,614	3,822,259	(282,844)
1,749,867	--	1,749,867	1,173,264	1,608,127	(141,740)
2,564,666	237,183	2,801,849	2,412,413	2,783,551	(18,298)
12,361,211	(1,057,410)	11,303,801	9,721,603	11,745,321	441,520
338,129	710,131	1,048,260	1,049,791	1,188,905	140,645
3,026,464	15,363	3,041,827	2,783,968	3,277,908	236,081
100,550	--	100,550	137,200	239,029	138,479
270,497	--	270,497	264,478	309,408	38,911
6,246,106	2,174,442	8,420,548	7,604,879	8,868,649	448,101
26,657,490	2,079,709	28,737,199	25,147,596	30,020,898	1,283,699
935,377	--	935,377	842,307	940,431	5,054
118,082	--	118,082	77,957	120,254	2,172
146,380	--	146,380	149,182	172,722	26,342
151,365	--	151,365	140,658	160,046	8,681
393,979	--	393,979	348,917	412,390	18,411
551,473	--	551,473	426,665	492,266	(59,207)
133,719	--	133,719	114,453	136,540	2,821
811,200	--	811,200	--	1,467,250	656,050
174,999	--	174,999	158,521	159,380	(15,619)
58,500	--	58,500	54,000	63,000	4,500
446,530	--	446,530	356,443	444,445	(2,085)
3,921,604	--	3,921,604	2,669,103	4,568,724	647,120

City of Corpus Christi, Texas

GENERAL FUND  
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET  
14 MONTHS ENDED SEPTEMBER 30, 2014

	Actual GAAP Expenditures					Reimbursements
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays	
Parks and recreation						
Director of parks and recreation	700,200	10,295	47,779	159,275	--	--
Park operation	2,453,183	426,254	374,385	929,456	472,685	(308,000)
Park construction	412,142	187,686	21,517	109,135	--	--
Program services admin	280,019	17,184	15,587	225,130	--	--
Senior community services	554,706	28,223	553,866	378,245	--	--
P&R priority maint response	58,577	29,492	7,336	--	116,424	--
Beach & Park Code Compliance	51,102	11,218	6,395	--	23,372	--
Athletics	337,761	36,620	199,141	188,927	--	--
Aquatics	592,382	134,197	179,116	206,471	--	--
Recreation centers	232,300	29,190	140,818	40,446	--	--
Multicultural center	109,191	5,346	44,255	26,764	--	(143,311)
Latchkey program	2,031,523	140,355	98,315	680,358	--	--
Beach maintenance/safety	--	1,563	--	6,216	--	(5,186)
Beach parking permits	73,681	13,476	81,391	16,676	--	(120,926)
Beach maintenance and operations	565,572	203,148	483,540	113,813	114,899	(972,530)
Oso Bay Learning Center	22,367	23,974	22,718	--	--	--
Tennis center operations	27,294	14,219	215,070	54,694	--	--
Corpus Christi Independent School District Coliseum	--	--	38,267	(13)	--	--
Public Art Maintenance	--	129	38,623	--	--	--
Tourist district	468,722	115,187	413,838	129,691	--	--
Natatorium	--	539	147,675	--	--	--
Total parks and recreation	<u>8,970,722</u>	<u>1,428,295</u>	<u>3,129,632</u>	<u>3,265,284</u>	<u>727,380</u>	<u>(1,549,953)</u>
Libraries						
Central	794,218	584,818	247,181	320,965	--	--
Anita & W.T. Neyland Branch	349,595	7,434	86,487	87,656	--	--
Ben McDonald Branch	310,013	9,657	85,864	80,125	12,000	--
Owen Hopkins Brance	306,777	7,780	45,179	87,939	--	--
Janet F. Harte Branch	214,157	6,220	63,696	91,442	--	--
Dr. Clotilde P. Garcia Branch	303,528	7,036	78,142	71,681	--	--
Total libraries	<u>2,278,288</u>	<u>622,945</u>	<u>606,549</u>	<u>739,808</u>	<u>12,000</u>	<u>--</u>
Museums						
Museum of Science and History	--	--	265,224	1,321,364	188,814	--
Columbus ships	--	--	41,230	127,379	--	--
Total museums	<u>--</u>	<u>--</u>	<u>306,454</u>	<u>1,448,743</u>	<u>188,814</u>	<u>--</u>
Debt service						
Principal retired	--	--	--	4,327,921	--	--
Interest	--	--	--	312,171	--	--
Total debt service	<u>--</u>	<u>--</u>	<u>--</u>	<u>4,640,092</u>	<u>--</u>	<u>--</u>
Total expenditures	<u>\$ 150,659,755</u>	<u>\$ 9,225,197</u>	<u>\$ 32,869,262</u>	<u>\$ 34,797,365</u>	<u>\$ 6,788,599</u>	<u>\$ (5,559,843)</u>

City of Corpus Christi, Texas

Exhibit 6-C  
(Continued)

Total Expenditures	Adjustments Budget Basis	Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)
			Original	Final	
917,549	--	917,549	881,872	753,204	(164,345)
4,347,963	(16,608)	4,331,355	3,654,059	4,337,126	5,771
730,480	--	730,480	704,950	786,038	55,558
537,920	--	537,920	478,649	541,214	3,294
1,515,040	--	1,515,040	1,264,519	1,538,120	23,080
211,829	--	211,829	--	359,591	147,762
92,087	--	92,087	--	100,000	7,913
762,449	4,720	767,169	651,915	743,232	(23,937)
1,112,166	--	1,112,166	948,372	1,067,494	(44,672)
442,754	--	442,754	374,129	428,672	(14,082)
42,245	143,311	185,556	159,852	182,846	(2,710)
2,950,551	2,003	2,952,554	2,602,553	2,960,644	8,090
2,593	5,186	7,779	9,278	10,166	2,387
64,298	120,926	185,224	172,563	206,776	21,552
508,442	978,776	1,487,218	1,362,064	1,538,630	51,412
69,059	--	69,059	97,882	104,762	35,703
311,277	--	311,277	265,903	311,659	382
38,254	--	38,254	50,000	54,320	16,066
--	--	--	--	5,978	5,978
38,752	--	38,752	--	38,880	128
1,127,438	24,622	1,152,060	1,211,762	1,345,225	193,165
148,214	--	148,214	150,532	148,214	--
<u>15,971,360</u>	<u>1,262,936</u>	<u>17,234,296</u>	<u>15,040,854</u>	<u>17,562,791</u>	<u>328,495</u>
1,947,182	--	1,947,182	1,744,896	2,007,944	60,762
531,172	--	531,172	448,582	536,816	5,644
497,659	--	497,659	412,305	487,206	(10,453)
447,675	--	447,675	397,930	429,835	(17,840)
375,515	--	375,515	356,922	398,405	22,890
460,387	--	460,387	397,901	471,202	10,815
<u>4,259,590</u>	<u>--</u>	<u>4,259,590</u>	<u>3,758,536</u>	<u>4,331,408</u>	<u>71,818</u>
1,775,402	--	1,775,402	1,342,336	1,647,458	(127,944)
168,609	--	168,609	138,174	250,714	82,105
<u>1,944,011</u>	<u>--</u>	<u>1,944,011</u>	<u>1,480,510</u>	<u>1,898,172</u>	<u>(45,839)</u>
4,327,921	(4,327,921)	--	--	--	--
312,171	(312,171)	--	--	--	--
<u>4,640,092</u>	<u>(4,640,092)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ 228,780,335</u>	<u>\$ (3,080,175)</u>	<u>\$ 225,700,160</u>	<u>\$ 196,175,502</u>	<u>\$ 232,686,595</u>	<u>\$ 6,986,435</u>

**GENERAL FUND (DEVELOPMENT SERVICES)  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Licenses and permits				
Beer and liquor licenses	110,230	131,730	138,773	--
Electricians licenses and exam fees	35,240	39,240	43,035	--
House mover licenses	--	--	266	--
Building permits	2,550,000	3,115,000	3,537,426	--
Electrical permits	151,476	177,476	217,729	--
Plumbing permits	402,940	462,940	432,495	--
Mechanical permits	129,740	147,740	149,359	--
Certificate of occupancy fee	77,600	85,100	46,354	--
Plan review fee	774,180	890,180	1,121,332	--
Mechanical registration fees	24,150	28,650	30,240	--
Plumber registration	--	--	135	--
Lawn irrigator registration	4,910	5,510	5,535	--
Backflow prev. assembly tester	10,300	10,700	9,990	--
Driveway permit fee	12,850	13,950	14,416	--
Street cut permits	--	--	224	--
Street easement closure fees	3,000	5,000	17,075	--
Easement Closure FMV fee	--	--	2,025	--
Backflow prev device filling fee	183,340	197,340	91,640	--
Research and survey fee	12,400	13,400	11,209	--
Deferment Agreement fee	1,087	3,087	13,760	--
Construction documents fee	1,890	1,990	481	--
Billboard fee	15,000	16,000	11,658	--
House moving route permits	750	950	3,842	--
Oversize load permits	113,430	114,430	11,058	--
Total licenses and permits	4,614,513	5,460,413	5,910,055	--
Charges for services				
General governmental services				
Zoning fees	64,706	72,706	118,995	--
Platting fees	95,080	109,080	85,259	--
Board of Adjustment appeal fees	2,600	3,000	3,183	--
GIS Sales	--	--	124	--
Total general governmental services	162,386	184,786	207,560	--
Earnings on investments	4,800	4,958	2,093	--

\* See Footnote 1-R regarding change in fiscal year

**Exhibit 6-D**

<b>Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>
138,773	7,043
43,035	3,795
266	266
3,537,426	422,426
217,729	40,253
432,495	(30,445)
149,359	1,619
46,354	(38,746)
1,121,332	231,152
30,240	1,590
135	135
5,535	25
9,990	(710)
14,416	466
224	224
17,075	12,075
2,025	2,025
91,640	(105,700)
11,209	(2,191)
13,760	10,673
481	(1,509)
11,658	(4,342)
3,842	2,892
11,058	(103,372)
<u>5,910,055</u>	<u>449,642</u>
118,995	46,289
85,259	(23,821)
3,183	183
124	124
<u>207,560</u>	<u>22,774</u>
<u>2,093</u>	<u>(2,865)</u>

**GENERAL FUND (DEVELOPMENT SERVICES)  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Miscellaneous				
Sale of city property	--	--	790	--
Miscellaneous	--	159,449	--	--
Total miscellaneous revenue	--	159,449	790	--
Reimbursements				
Interdepartmental	948,888	948,888	--	1,107,043
Total revenues	5,730,587	6,758,494	6,120,499	1,107,043
Transfers in				
General Fund	501,158	501,158	501,158	--
Liability & Employee Benefits Fund	--	42,145	42,145	--
Total transfers in	501,158	543,303	543,303	--
Transfers out				
Administrative Service Charge	(197,490)	(230,405)	(230,405)	--
Transfers for capital replacement	(50,000)	(50,000)	--	--
Total transfers out	(247,490)	(280,405)	(230,405)	--
Total other sources	253,668	262,898	312,898	--
Total revenues and other sources	\$ 5,984,255	\$ 7,021,392	\$ 6,433,397	\$ 1,107,043

Note: Development Services is a part of General Fund but has its own budget.

**Exhibit 6-D  
(Continued)**

<b>Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>
790	790
--	(159,449)
<u>790</u>	<u>(158,659)</u>
1,107,043	158,155
<u>7,227,542</u>	<u>469,048</u>
501,158	--
42,145	--
<u>543,303</u>	<u>--</u>
(230,405)	--
--	50,000
<u>(230,405)</u>	<u>50,000</u>
<u>312,898</u>	<u>49,999</u>
<u>\$ 7,540,440</u>	<u>\$ 519,047</u>

City of Corpus Christi, Texas

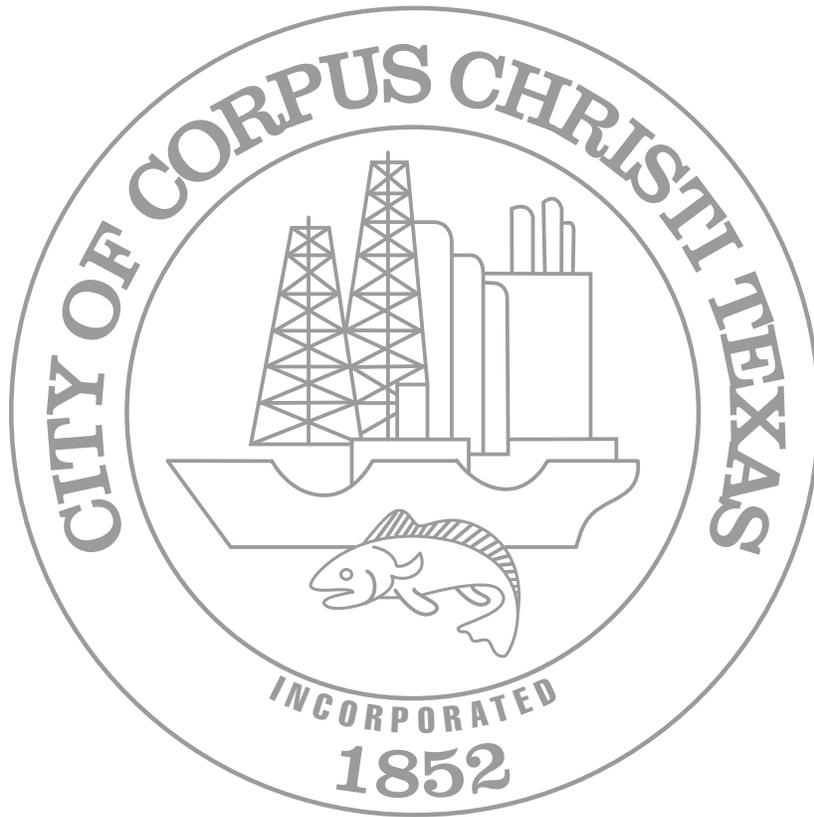
**GENERAL FUND (DEVELOPMENT SERVICES)**  
**SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	Actual GAAP Expenditures					
	<u>Personal Services</u>	<u>Materials &amp; Supplies</u>	<u>Contractual Services</u>	<u>Other Charges</u>	<u>Capital Outlays</u>	<u>Reimbursements</u>
General government						
Development Services administration	562,004	5,566	362,156	892,584	--	(91,000)
Engineering services						
Special services	1,033,373	5,772	121,184	30,963	--	(678,734)
Process management	727,318	2,501	13,195	59,494	--	(26,558)
Total engineering services	1,760,690	8,272	134,379	90,456	--	(705,292)
Other expenditures						
Reserve appropriations	--	--	--	--	--	--
Total general government	2,322,695	13,839	496,535	983,040	--	(796,292)
Inspections	1,711,623	81,913	284,128	196,291	27,200	(310,751)
Total expenditures	<u>\$ 4,034,318</u>	<u>\$ 95,752</u>	<u>\$ 780,663</u>	<u>\$ 1,179,331</u>	<u>\$ 27,200</u>	<u>\$ (1,107,043)</u>

Note: Development Services is a part of General Fund but has its own budget.

Exhibit 6-E

Total Expenditures	Adjustments Budget Basis	Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)
			Original	Final	
1,731,311	91,000	1,822,311	1,515,832	3,541,423	1,719,112
512,557	678,734	1,191,291	1,250,647	1,464,190	272,899
775,948	26,558	802,506	944,856	991,861	189,354
1,288,505	705,292	1,993,797	2,195,502	2,456,051	462,254
--	--	--	8,236	41,920	41,920
3,019,816	796,292	3,816,108	3,719,570	6,039,394	2,223,286
1,990,404	310,751	2,301,155	1,983,104	2,409,586	108,431
\$ 5,010,221	\$ 1,107,043	\$ 6,117,263	\$ 5,702,674	\$ 8,448,980	\$ 2,331,717

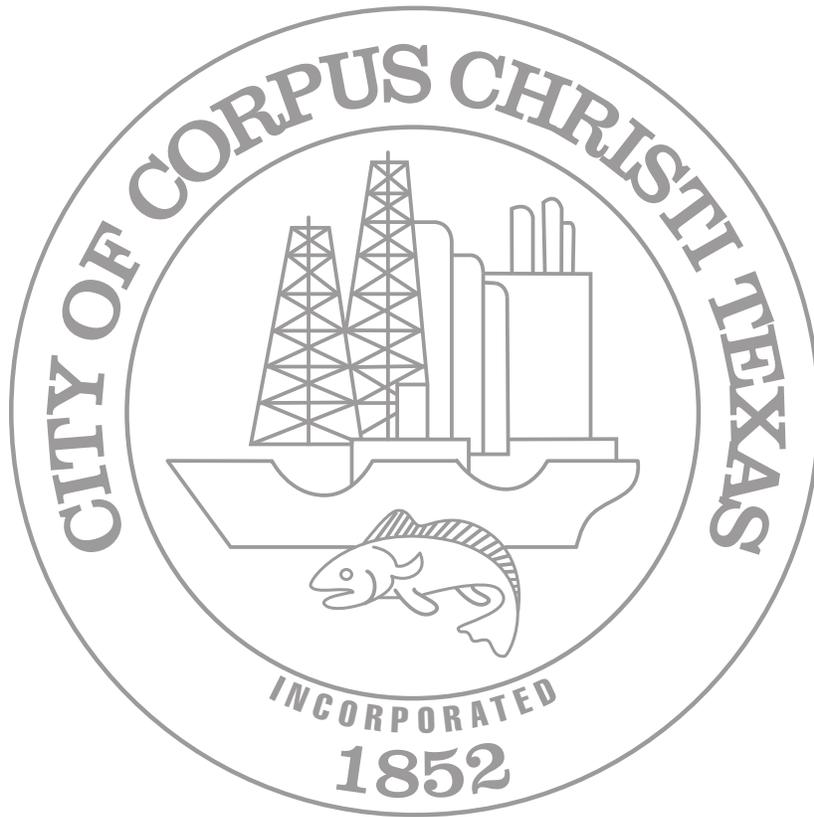


*Debt Service Fund*



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





**DEBT SERVICE FUND  
BALANCE SHEET  
SEPTEMBER 30, 2014**

**ASSETS**

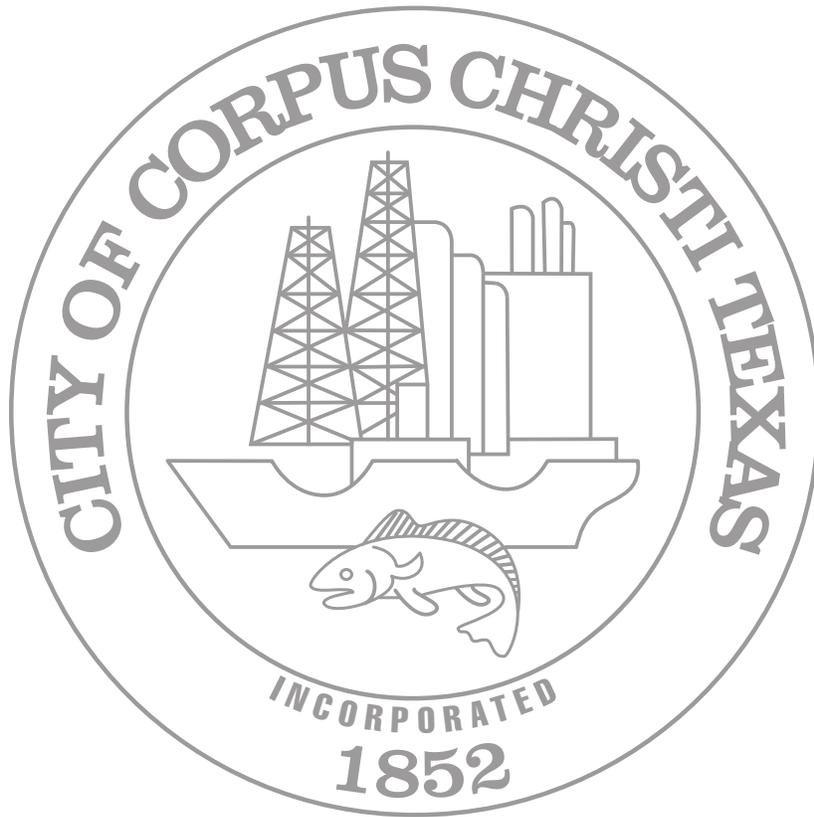
Cash and cash equivalents	\$ 8,659,765
Receivables	
Taxes	1,722,881
Accrued interest	625
Allowance for uncollectibles	<u>(924,070)</u>
Net receivables	<u>799,436</u>
Total assets	<u>\$ 9,459,201</u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Deferred revenues	
Taxes	<u>\$ 798,811</u>
Total liabilities	798,811
Fund balance	
Committed	
Debt service	<u>8,660,390</u>
Total liabilities and fund balances	<u>\$ 9,459,201</u>

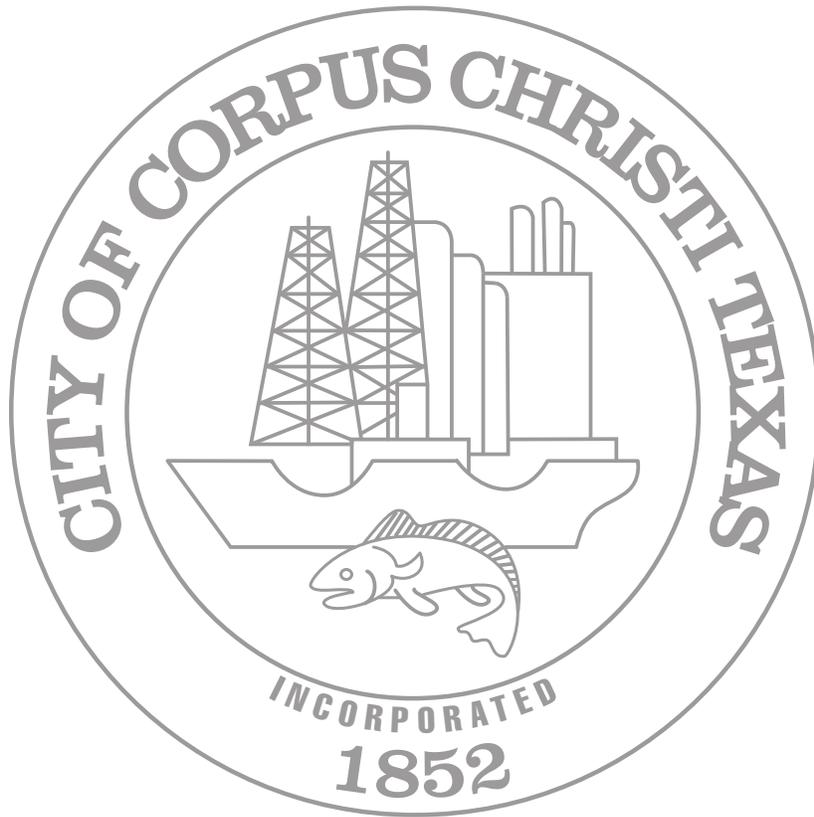
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Ad valorem taxes	\$ 30,189,602	\$ 31,164,588	\$ 31,767,779	\$ 603,191
Earnings on investments	45,600	52,562	40,459	(12,103)
Payments from Texas State Aquarium	324,552	335,694	335,694	--
Total revenues	<u>30,559,754</u>	<u>31,552,844</u>	<u>32,143,932</u>	<u>591,088</u>
<b>Expenditures</b>				
Debt service				
Principal retirement	24,636,320	25,258,906	22,734,970	2,523,936
Interest	14,488,601	22,094,264	22,808,713	(714,449)
Paying agent fees	20,000	22,000	13,792	8,208
Total expenditures	<u>39,144,921</u>	<u>47,375,170</u>	<u>45,557,475</u>	<u>1,817,695</u>
Deficiency of revenues under expenditures	(8,585,167)	(15,822,326)	(13,413,543)	2,408,783
<b>Other financing sources</b>				
General fund	3,828,718	3,855,199	3,855,199	--
Airport fund	49,651	54,426	54,426	--
Hotel occupancy tax fund	2,194,800	2,517,000	2,194,800	(322,200)
Visitors facilities fund	186,375	200,804	200,804	--
Facilities Maintenance fund	233,419	255,870	255,870	--
Total other financing sources	<u>6,492,963</u>	<u>6,883,299</u>	<u>6,561,099</u>	<u>(322,200)</u>
Net change in fund balance	(2,092,204)	(8,939,027)	(6,852,444)	2,086,583
Fund balance at beginning of year	<u>15,214,467</u>	<u>15,512,834</u>	<u>15,512,834</u>	<u>--</u>
Fund balance at end of year	<u>\$ 13,122,263</u>	<u>\$ 6,573,807</u>	<u>\$ 8,660,390</u>	<u>\$ 2,086,583</u>



***Non-major Governmental Funds***





City of Corpus Christi, Texas

NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2014

	Special Revenue Funds	Capital Projects Funds	Debt Service Fund	
			Corpus Christi Business and Job Development Corporation	Eliminations
<b>ASSETS</b>				
Cash and cash equivalents	\$ 43,479,037	\$ 35,941,640	\$ 5,335,454	\$ --
Investments	39,928,690	18,994,764	--	--
Receivables, net of allowance for uncollectibles	24,212,137	14,479	--	--
Due from other funds	116,636	--	--	--
Inventories	440,062	--	--	--
Prepaid items	349,875	--	--	--
Other assets	133,833	--	--	--
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>\$ 108,660,270</u>	<u>\$ 54,950,883</u>	<u>\$ 5,335,454</u>	<u>\$ --</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 1,747,899	\$ 100,157	\$ --	\$ --
Accrued liabilities	623,312	--	--	--
Contractor interest and retainage payable	--	461,136	--	--
Deposits	663,521	--	--	--
Due to other governmental agencies	492,461	--	--	--
Advance from other funds	--	750,000	--	--
Unearned revenues	4,881,566	--	--	--
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities	8,408,759	1,311,293	--	--
Fund balances				
Nonspendable				
Inventory	440,062	--	--	--
Prepaid items	349,875	--	--	--
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total nonspendable	789,937	--	--	--
Restricted				
Tourism (HOT)	5,291,646	--	--	--
Public education governmental cable tv	1,206,314	--	--	--
Traffic safety programs	415,784	--	--	--
Law enforcement	663,025	--	--	--
CDBG projects	514,808	--	--	--
Libraries	8	--	--	--
Community enrichment	6,997	--	--	--
Parks and recreation	1,885,320	--	--	--
Infrastructure	1,695,138	--	--	--
Municipal Court building security	128,576	--	--	--
Municipal Court technology	223,472	--	--	--
Juvenile Court case manager	315,741	--	--	--
Loans	14,573,099	--	--	--

(Continued)

**Exhibit 8-A**

**Total**

\$ 84,756,131  
58,923,454  
24,226,616  
116,636  
440,062  
349,875  
133,833

\$ 168,946,607

\$ 1,848,056  
623,312  
461,136  
663,521  
492,461  
750,000  
4,881,566  
9,720,052

440,062  
349,875  
789,937

5,291,646  
1,206,314  
415,784  
663,025  
514,808  
8  
6,997  
1,885,320  
1,695,138  
128,576  
223,472  
315,741  
14,573,099

City of Corpus Christi, Texas

NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2014

	Special Revenue Funds	Capital Projects Funds	Debt Service Fund Corpus Christi Business and Job Development Corporation	Eliminations
Crime control and prevention	4,909,229	--	--	--
Seawall improvement	21,314,748	--	1,335,758	--
Arena facility	15,713,047	--	2,230,833	--
Economic development	8,964,403	--	1,768,863	--
North Padre Island development	3,469,191	--	--	--
Downtown development	1,563,751	--	--	--
Debt service	1,595,000	--	--	--
Capital projects	--	41,950,872	--	--
Total restricted	<u>84,449,297</u>	<u>41,950,872</u>	<u>5,335,454</u>	<u>--</u>
Committed				
Parking improvements	162,687	--	--	--
Streets	11,839,326	--	--	--
Sister City programs	1,158	--	--	--
Park projects	3,261	--	--	--
Permanent art projects	233,654	--	--	--
Development projects	1,112,234	--	--	--
Local Emergency Planning Committee	83,192	--	--	--
Capital projects	--	1,329,698	--	--
Total committed	<u>13,435,512</u>	<u>1,329,698</u>	<u>--</u>	<u>--</u>
Assigned				
Housing	38,066	--	--	--
Industrial development	68,775	--	--	--
Capital projects	--	10,673,499	--	--
Total assigned	<u>106,841</u>	<u>10,673,499</u>	<u>--</u>	<u>--</u>
Unassigned	1,469,924	(314,479)	--	--
Total fund balances	<u>100,251,511</u>	<u>53,639,590</u>	<u>5,335,454</u>	<u>--</u>
Total liabilities and fund balances	<u>\$ 108,660,270</u>	<u>\$ 54,950,883</u>	<u>\$ 5,335,454</u>	<u>\$ --</u>

**Exhibit 8-A  
(Continued)**

<b>Total</b>
4,909,229
22,650,506
17,943,880
10,733,266
3,469,191
1,563,751
1,595,000
<u>41,950,872</u>
131,735,623
162,687
11,839,326
1,158
3,261
233,654
1,112,234
83,192
<u>1,329,698</u>
14,765,210
38,066
68,775
<u>10,673,499</u>
10,780,340
1,155,445
<u>159,226,555</u>
<u>\$ 168,946,607</u>

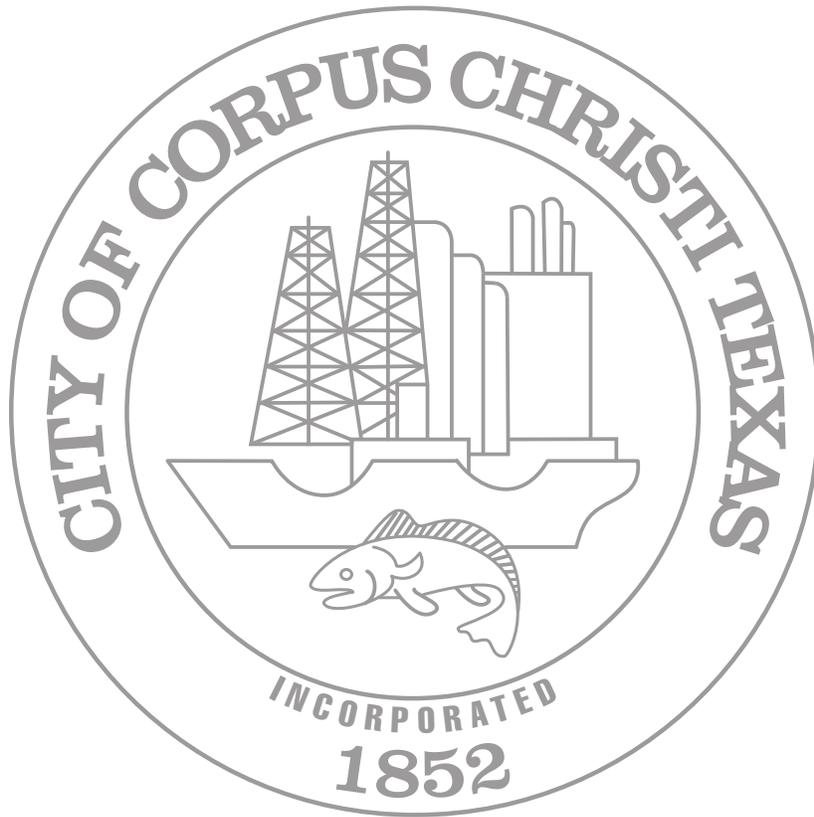
City of Corpus Christi, Texas

**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Debt Service Fund Corpus Christi Business and Job Development Corporation</u>	<u>Eliminations</u>
<b>Revenues</b>				
Taxes and business fees	\$ 55,025,155	\$ --	\$ --	\$ --
Licenses and permits	62,278	--	--	--
Intergovernmental	2,467,618	--	--	--
Grants	17,268,726	--	--	--
Charges for services	17,146,499	--	--	--
Fines and forfeitures	2,736,239	--	--	--
Contributions and donations	1,725,739	125,894	--	--
Earnings on investments	43,803	61,226	1,342	--
Interest on loans	97,778	--	--	--
Sale of city property	122,746	--	--	--
Miscellaneous	247,647	2,592	--	--
Total revenues	<u>96,944,228</u>	<u>189,712</u>	<u>1,342</u>	<u>--</u>
<b>Expenditures</b>				
Current				
General government	399,153	436,524	--	--
Police and municipal court	11,442,120	--	--	--
Fire and ambulance	2,690,753	--	--	--
Emergency management	106,764	--	--	--
Streets	17,983,256	--	--	--
Health	2,184,653	--	--	--
Parks and recreation	4,690,684	--	--	--
Libraries	132,897	--	--	--
Community enrichment	3,521,423	--	--	--
Community development	10,097,340	--	--	--
Convention and visitors activities	16,821,790	--	--	--
Capital projects	5,041,779	15,221,842	--	--
Debt service				
Principal retirement	2,399,656	--	9,155,000	--
Interest	771,003	--	5,062,290	--
Bond issuance cost	--	82,000	547,331	--
Paying agent fees	5,270	--	2,100	--
Total expenditures	<u>78,288,541</u>	<u>15,740,366</u>	<u>14,766,721</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	18,655,687	(15,550,654)	(14,765,379)	--
<b>Other financing sources (uses)</b>				
Proceeds from the issuance of capital leases	666,031	--	--	--
Refunding bonds issued	--	--	38,395,000	--
Tax notes issued	--	9,000,000	--	--
Premium on bonds sold	--	--	3,935,763	--
Payment to escrow agent for refunded bonds	--	--	(41,763,200)	--
Transfers in	15,698,645	6,790,000	14,221,339	(21,011,339)
Transfers out	(24,228,655)	--	--	21,011,339
Total other financing sources (uses)	<u>(7,863,979)</u>	<u>15,790,000</u>	<u>14,788,902</u>	<u>--</u>
Net change in fund balances	10,791,708	239,346	23,523	--
Fund balances at beginning of year, as restated	<u>89,459,803</u>	<u>53,400,244</u>	<u>5,311,931</u>	<u>--</u>
Fund balances at end of year	<u>\$ 100,251,511</u>	<u>\$ 53,639,590</u>	<u>\$ 5,335,454</u>	<u>\$ --</u>

**Exhibit 8-B**

<b>Total</b>	
\$	55,025,155
	62,278
	2,467,618
	17,268,726
	17,146,499
	2,736,239
	1,851,633
	106,371
	97,778
	122,746
	250,239
	<u>97,135,282</u>
	835,677
	11,442,120
	2,690,753
	106,764
	17,983,256
	2,184,653
	4,690,684
	132,897
	3,521,423
	10,097,340
	16,821,790
	20,263,621
	11,554,656
	5,833,293
	629,331
	7,370
	<u>108,795,628</u>
	(11,660,346)
	666,031
	38,395,000
	9,000,000
	3,935,763
	(41,763,200)
	15,698,645
	(3,217,316)
	<u>22,714,923</u>
	11,054,577
	<u>148,171,978</u>
\$	<u>159,226,555</u>



*Special Revenue Funds*



## ***Special Revenue Funds***

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

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

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

***Public Education and Government Fund (PEG)*** – This fund accounts for cable franchise revenues and PEG facilities and equipment expenditures. The fund is a result of the cable franchise converting from a local franchise to state franchise in 2012. The funds are restricted by both state and federal law for PEG facilities and equipment.

***Red Light Photo Enforcement Fund*** – This fund records revenues and expenditures related to red light camera violations.

***Parking Improvement Fund*** – This fund records a portion of Parking Meter revenue committed to be used for parking improvements.

***Street Maintenance Fund*** – This fund records Street Maintenance Fees and other Streets revenue committed for use to manage, maintain, and develop the street system.

***Federal/State Grants Fund*** – This fund accounts for grant programs.

***Municipal Court Fees Fund*** – This fund records revenues and expenditures related to fees designated for Municipal

*Court Building Security, Technology, and Juvenile Case Managers.*

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

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

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

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

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

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

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

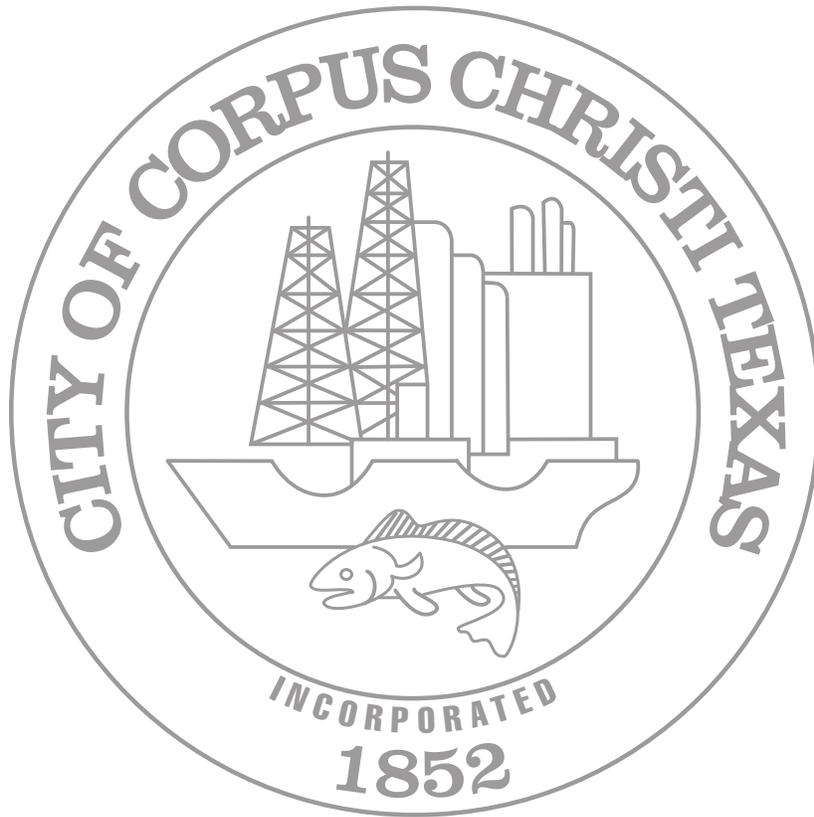
***Corpus Christi Business and Job Development Corporation*** – *This fund is a public non-profit corporation created under Section 4A of the Development Corporation Act of the State of*

*Texas, to provide funding of voter approved capital improvement programs for the seawall, the arena, and the baseball stadium; for the promotion and development of new and expanded business enterprises; and for assisting qualified citizens with affordable housing.*

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

***Reinvestment Zone # 3, City of Corpus Christi, Texas*** - This fund accounts for the facilitation of development of land within the boundaries of the Tax Increment Zone No. 3. The fund is utilized for downtown development and improvement projects within the Zone.





City of Corpus Christi, Texas

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2014**

<b>ASSETS</b>	<b>Visitors Facilities</b>	<b>Hotel Occupancy Tax</b>	<b>Public Education and Governmental Cable TV</b>	<b>Redlight Photo Enforcement</b>	<b>Parking Improvement</b>
Cash and cash equivalents	\$ 3,586,503	\$ 3,600,235	\$ 1,028,775	\$ 1,113,981	\$ 162,687
Investments	--	--	--	--	--
Receivables					
Accounts	1,306,093	2,093,116	180,350	2,296	--
Property leases	--	--	--	--	--
Accrued interest	--	--	--	--	--
Intergovernmental	--	--	--	--	--
Allowance for uncollectibles	(196,339)	(115,084)	--	--	--
Net receivables	<u>1,109,754</u>	<u>1,978,032</u>	<u>180,350</u>	<u>2,296</u>	<u>--</u>
Due from other funds	--	--	--	--	--
Inventories	119,628	--	--	--	--
Prepaid items	279,530	--	--	--	--
Other assets	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total assets	<u>\$ 5,095,415</u>	<u>\$ 5,578,267</u>	<u>\$ 1,209,125</u>	<u>\$ 1,116,277</u>	<u>\$ 162,687</u>
 <b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 640,725	\$ 286,621	\$ 2,811	\$ 204,285	\$ --
Accrued liabilities	270,270	--	--	3,747	--
Deposits	750	--	--	--	--
Due to other funds	--	--	--	--	--
Due to other governmental agencies	--	--	--	492,461	--
Unearned revenues					
Demolition liens and other	--	--	--	--	--
Asset seizure and forfeiture	--	--	--	--	--
Grants	--	--	--	--	--
Texas Commission on Environmental Quality	--	--	--	--	--
Other	2,304,698	--	--	--	--
Total unearned revenues	<u>2,304,698</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total liabilities	<u>3,216,443</u>	<u>286,621</u>	<u>2,811</u>	<u>700,493</u>	<u>--</u>

(Continued)

City of Corpus Christi, Texas

Exhibit 9-A

<u>Street Maintenance</u>	<u>Federal/ State Grants</u>	<u>Municipal Court Fees</u>	<u>Community Enrichment</u>	<u>Infrastructure</u>	<u>Local Emergency Planning Committee</u>
\$ 1,973,806	\$ 3,050	\$ 678,022	\$ 3,100,208	\$ 1,695,138	\$ 89,262
8,000,000	--	--	--	--	--
1,342,587	12,650	--	--	--	--
1,732	--	--	--	--	--
2,083	--	--	--	--	--
770,092	3,838,320	--	--	--	--
(50,953)	(722,130)	--	--	--	--
<u>2,065,541</u>	<u>3,897,302</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
70,964	78,285	--	--	--	--
320,434	--	--	--	--	--
--	--	--	--	--	--
--	133,833	--	--	--	--
<u>\$ 12,430,745</u>	<u>\$ 4,112,470</u>	<u>\$ 678,022</u>	<u>\$ 3,100,208</u>	<u>\$ 1,695,138</u>	<u>\$ 89,262</u>
\$ 151,411	\$ 228,948	\$ 9,060	\$ --	\$ --	\$ 4,632
119,313	105,985	1,173	--	--	1,438
261	271,375	--	--	--	--
--	70,964	--	--	--	--
--	--	--	--	--	--
--	24,233	--	--	--	--
--	28,484	--	--	--	--
--	2,039,707	--	--	--	--
--	32,407	--	--	--	--
--	--	--	--	--	--
<u>--</u>	<u>2,124,831</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
270,985	2,802,103	10,233	--	--	6,070

City of Corpus Christi, Texas

SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2014

	<u>Visitors Facilities</u>	<u>Hotel Occupancy Tax</u>	<u>Public Education and Governmental Cable TV</u>	<u>Redlight Photo Enforcement</u>	<u>Parking Improvement</u>
Fund balances					
Nonspendable					
Inventory	119,628	--	--	--	--
Prepaid items	279,530	--	--	--	--
Total nonspendable	<u>399,158</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Restricted					
Tourism (HOT)	--	5,291,646	--	--	--
Public education governmental cable tv	--	--	1,206,314	--	--
Traffic safety programs	--	--	--	415,784	--
Senior Community Services	--	--	--	--	--
Law enforcement	--	--	--	--	--
Fire and ambulance	--	--	--	--	--
CDBG projects	--	--	--	--	--
Streets	--	--	--	--	--
Health	--	--	--	--	--
Libraries	--	--	--	--	--
Community enrichment	--	--	--	--	--
Parks and recreation	--	--	--	--	--
Infrastructure	--	--	--	--	--
Municipal Court building security	--	--	--	--	--
Municipal Court technology	--	--	--	--	--
Juvenile Court case manager	--	--	--	--	--
Local Emergency Planning Committee	--	--	--	--	--
Loans	--	--	--	--	--
Housing	--	--	--	--	--
Industrial development	--	--	--	--	--
Crime control and prevention	--	--	--	--	--
Seawall improvement	--	--	--	--	--
Arena facility	--	--	--	--	--
Economic development	--	--	--	--	--
North Padre Island development	--	--	--	--	--
Downtown development	--	--	--	--	--
Debt service	--	--	--	--	--
Total restricted	<u>--</u>	<u>5,291,646</u>	<u>1,206,314</u>	<u>415,784</u>	<u>--</u>
Committed					
Parking improvements	--	--	--	--	162,687
Streets	--	--	--	--	--
Sister City programs	--	--	--	--	--
Park projects	--	--	--	--	--
Permanent art projects	--	--	--	--	--
Development projects	--	--	--	--	--
Local Emergency Planning Committee	--	--	--	--	--
Total committed	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>162,687</u>
Assigned					
Housing	--	--	--	--	--
Industrial development	--	--	--	--	--
Total assigned	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Unassigned	<u>1,479,814</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total fund balances	<u>1,878,972</u>	<u>5,291,646</u>	<u>1,206,314</u>	<u>415,784</u>	<u>162,687</u>
Total liabilities and fund balances	<u>\$ 5,095,415</u>	<u>\$ 5,578,267</u>	<u>\$ 1,209,125</u>	<u>\$ 1,116,277</u>	<u>\$ 162,687</u>

(Continued)



City of Corpus Christi, Texas

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2014**

<b>ASSETS</b>	<b>Corpus Christi Community Improvement Corporation</b>	<b>Corpus Christi Housing Finance Corporation</b>	<b>Corpus Christi Industrial Development Corporation</b>	<b>Corpus Christi Crime Control and Prevention District</b>	<b>Corpus Christi Business and Job Development Corporation</b>
Cash and cash equivalents	\$ 2,783,701	\$ 38,166	\$ 68,775	\$ 4,413,514	\$ 12,515,272
Investments	--	--	--	--	31,928,690
Receivables					
Accounts	--	446,275	--	--	--
Property leases	--	--	--	--	--
Accrued interest	--	5,762	--	--	21,069
Mortgages and loans	14,207,622	--	--	--	--
Demolition liens	--	--	--	--	--
Special assessments	--	--	--	--	--
Intergovernmental	343,641	--	--	639,435	1,724,139
Miscellaneous	--	--	--	--	--
Allowance for uncollectibles	(2,409,081)	--	--	--	--
Net receivables	<u>12,142,182</u>	<u>452,037</u>	<u>--</u>	<u>639,435</u>	<u>1,745,208</u>
Due from other funds	116,636	--	--	--	--
Inventories	--	--	--	--	--
Prepaid items	--	--	--	--	70,345
Other assets	--	--	--	--	--
Total assets	<u><u>\$ 15,042,519</u></u>	<u><u>\$ 490,203</u></u>	<u><u>\$ 68,775</u></u>	<u><u>\$ 5,052,949</u></u>	<u><u>\$ 46,259,515</u></u>
 <b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ --	\$ 100	\$ --	\$ 22,334	\$ 196,972
Accrued liabilities	--	--	--	121,386	--
Deposits	391,135	--	--	--	--
Due to other funds	78,285	--	--	--	--
Due to other governmental agencies	--	--	--	--	--
Unearned revenues					
Demolition liens and other	--	--	--	--	--
Asset seizure and forfeitures	--	--	--	--	--
Grants	--	--	--	--	--
Texas Commission on Environmental Quality	--	--	--	--	--
Other	--	452,037	--	--	--
Total unearned revenues	<u>--</u>	<u>452,037</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total liabilities	<u>469,420</u>	<u>452,137</u>	<u>--</u>	<u>143,720</u>	<u>196,972</u>

(Continued)

City of Corpus Christi, Texas

Exhibit 9-A  
(Continued)

<b>North Padre Island Development Corporation</b>	<b>Reinvestment Zone #3</b>	<b>Eliminations</b>	<b>Total</b>
\$ 5,064,191	\$ 1,563,751	\$ --	\$ 43,479,037
--	--	--	39,928,690
--	--	--	5,383,367
--	--	--	1,732
--	--	--	28,914
--	--	--	14,207,622
--	--	--	741,287
--	--	--	5,076
--	--	--	7,315,627
--	--	--	22,099
--	--	--	(3,493,587)
<u>--</u>	<u>--</u>	<u>--</u>	<u>24,212,137</u>
--	--	(149,249)	116,636
--	--	--	440,062
--	--	--	349,875
<u>--</u>	<u>--</u>	<u>--</u>	<u>133,833</u>
<u>\$ 5,064,191</u>	<u>\$ 1,563,751</u>	<u>\$ (149,249)</u>	<u>\$ 108,660,270</u>
\$ --	\$ --	\$ --	\$ 1,747,899
--	--	--	623,312
--	--	--	663,521
--	--	(149,249)	--
--	--	--	492,461
--	--	--	24,233
--	--	--	28,484
--	--	--	2,039,707
--	--	--	32,407
--	--	--	2,756,735
<u>--</u>	<u>--</u>	<u>--</u>	<u>4,881,566</u>
<u>--</u>	<u>--</u>	<u>(149,249)</u>	<u>8,408,759</u>

City of Corpus Christi, Texas

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2014**

	<b>Corpus Christi Community Improvement Corporation</b>	<b>Corpus Christi Housing Finance Corporation</b>	<b>Corpus Christi Industrial Development Corporation</b>	<b>Corpus Christi Crime Control and Prevention District</b>	<b>Corpus Christi Business and Job Development Corporation</b>
Fund balances					
Nonspendable					
Inventory	--	--	--	--	--
Prepaid items	--	--	--	--	70,345
Total nonspendable	--	--	--	--	70,345
Restricted					
Tourism (HOT)	--	--	--	--	--
Public education governmental cable tv	--	--	--	--	--
Traffic safety programs	--	--	--	--	--
Law enforcement	--	--	--	--	--
CDBG projects	--	--	--	--	--
Libraries	--	--	--	--	--
Community enrichment	--	--	--	--	--
Parks and recreation	--	--	--	--	--
Infrastructure	--	--	--	--	--
Municipal Court building security	--	--	--	--	--
Municipal Court technology	--	--	--	--	--
Juvenile Court case manager	--	--	--	--	--
Loans	14,573,099	--	--	--	--
Crime control and prevention	--	--	--	4,909,229	--
Seawall improvement	--	--	--	--	21,314,748
Arena facility	--	--	--	--	15,713,047
Economic development	--	--	--	--	8,964,403
North Padre Island development	--	--	--	--	--
Downtown development	--	--	--	--	--
Debt service	--	--	--	--	--
Total restricted	14,573,099	--	--	4,909,229	45,992,198
Committed					
Parking improvements	--	--	--	--	--
Streets	--	--	--	--	--
Sister City programs	--	--	--	--	--
Park projects	--	--	--	--	--
Permanent art projects	--	--	--	--	--
Development projects	--	--	--	--	--
Local Emergency Planning Committee	--	--	--	--	--
Total committed	--	--	--	--	--
Assigned					
Housing	--	38,066	--	--	--
Industrial development	--	--	68,775	--	--
Total assigned	--	38,066	68,775	--	--
Unassigned					
Total fund balances	14,573,099	38,066	68,775	4,909,229	46,062,543

Exhibit 9-A  
(Continued)

<b>North Padre Island Development Corporation</b>	<b>Reinvestment Zone #3</b>	<b>Eliminations</b>	<b>2014 Total</b>
--	--	--	440,062
--	--	--	349,875
<u>--</u>	<u>--</u>	<u>--</u>	<u>789,937</u>
--	--	--	5,291,646
--	--	--	1,206,314
--	--	--	415,784
--	--	--	663,025
--	--	--	514,808
--	--	--	8
--	--	--	6,997
--	--	--	1,885,320
--	--	--	1,695,138
--	--	--	128,576
--	--	--	223,472
--	--	--	315,741
--	--	--	14,573,099
--	--	--	4,909,229
--	--	--	21,314,748
--	--	--	15,713,047
--	--	--	8,964,403
3,469,191	--	--	3,469,191
--	1,563,751	--	1,563,751
<u>1,595,000</u>	<u>--</u>	<u>--</u>	<u>1,595,000</u>
<u>5,064,191</u>	<u>1,563,751</u>	<u>--</u>	<u>84,449,297</u>
--	--	--	162,687
--	--	--	11,839,326
--	--	--	1,158
--	--	--	3,261
--	--	--	233,654
--	--	--	1,112,234
--	--	--	83,192
<u>--</u>	<u>--</u>	<u>--</u>	<u>13,435,512</u>
--	--	--	38,066
<u>--</u>	<u>--</u>	<u>--</u>	<u>68,775</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>106,841</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>1,469,924</u>
<u>5,064,191</u>	<u>1,563,751</u>	<u>--</u>	<u>100,251,511</u>

City of Corpus Christi, Texas

**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Visitors Facilities</u>	<u>Hotel Occupancy Tax</u>	<u>Public Education and Governmental Cable TV</u>	<u>Redlight Photo Enforcement</u>	<u>Parking Improvement</u>
<b>Revenues</b>					
Taxes and business fees	\$ --	\$ 17,066,868	\$ 870,628	\$ --	\$ --
Licenses and permits	--	--	--	--	--
Intergovernmental	--	--	--	--	--
Grants	--	--	--	--	--
Charges for services	5,022,608	--	--	--	--
Fines and forfeitures	--	--	--	2,202,510	102,062
Deposits	--	--	--	--	--
Contributions and donations	--	--	--	--	--
Earnings on investments	65	532	--	277	--
Interest on loans	--	--	--	--	--
Sale of City property	1,680	--	--	--	--
Miscellaneous	--	--	--	--	--
Total revenues	<u>5,024,353</u>	<u>17,067,400</u>	<u>870,628</u>	<u>2,202,787</u>	<u>102,062</u>
<b>Expenditures</b>					
Current					
General government	--	--	57,030	--	--
Police and municipal court	--	--	--	1,915,836	--
Fire and ambulance	--	--	--	--	--
Emergency management	--	--	--	--	--
Streets	--	--	--	--	--
Health	--	--	--	--	--
Parks and recreation	--	1,582,356	--	--	--
Libraries	--	--	--	--	--
Community enrichment	--	712,739	--	--	--
Community development	--	--	--	--	--
Convention and visitors activities	5,524,357	11,297,433	--	--	--
Capital projects	6,494	--	39,893	141,616	--
Debt service					
Principal retirement	--	--	--	--	--
Interest	--	--	--	--	--
Paying agent fees	--	--	--	--	--
Total expenditures	<u>5,530,851</u>	<u>13,592,528</u>	<u>96,923</u>	<u>2,057,452</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(506,498)	3,474,872	773,705	145,335	102,062
<b>Other financing sources (uses)</b>					
Capital leases	--	--	--	--	--
Transfers in	1,111,642	--	--	1,255	--
Transfers out	(367,603)	(2,289,242)	--	--	--
Total other financing sources (uses)	<u>744,039</u>	<u>(2,289,242)</u>	<u>--</u>	<u>1,255</u>	<u>--</u>
Net change in fund balance	237,541	1,185,630	773,705	146,590	102,062
Fund balances (deficits) at beginning of year	<u>1,641,431</u>	<u>4,106,016</u>	<u>432,609</u>	<u>269,194</u>	<u>60,625</u>
Fund balances (deficits) at end of year	<u>\$ 1,878,972</u>	<u>\$ 5,291,646</u>	<u>\$ 1,206,314</u>	<u>\$ 415,784</u>	<u>\$ 162,687</u>

(Continued)

City of Corpus Christi, Texas

Exhibit 9-B

<u>Street Maintenance</u>	<u>Federal/ State Grants</u>	<u>Municipal Court Fees</u>	<u>Community Enrichment</u>	<u>Infrastructure</u>	<u>Local Emergency Planning Committee</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
62,278	--	--	--	--	--
2,467,618	--	--	--	--	--
--	15,092,536	--	--	--	--
10,464,123	1,605,487	--	--	--	--
--	--	431,667	--	--	--
--	--	--	--	--	--
--	--	--	1,083,479	511,066	119,500
4,459	419	151	1,688	430	24
--	--	--	--	--	--
105,406	--	--	--	--	--
8,845	190,019	--	--	--	--
<u>13,112,729</u>	<u>16,888,461</u>	<u>431,818</u>	<u>1,085,167</u>	<u>511,496</u>	<u>119,524</u>
--	--	--	--	--	--
--	2,419,080	321,330	--	--	--
--	2,690,753	--	--	--	--
--	--	--	--	--	106,764
17,982,574	682	--	--	--	--
--	2,184,653	--	--	--	--
--	3,106,885	--	1,443	--	--
--	132,897	--	--	--	--
--	2,678,772	--	--	--	--
--	1,268,350	--	--	--	--
--	--	--	--	--	--
734,287	1,797,835	--	383,507	1,021,907	--
--	--	--	--	--	--
804,656	--	--	--	--	--
49,315	--	--	--	--	--
--	--	--	--	--	--
<u>19,570,832</u>	<u>16,279,907</u>	<u>321,330</u>	<u>384,950</u>	<u>1,021,907</u>	<u>106,764</u>
(6,458,103)	608,554	110,488	700,217	(510,411)	12,760
666,031	--	--	--	--	--
15,183,351	286,883	--	94,442	--	632
(47,572)	(863,812)	--	--	(648)	--
<u>15,801,810</u>	<u>(576,929)</u>	<u>--</u>	<u>94,442</u>	<u>(648)</u>	<u>632</u>
9,343,707	31,625	110,488	794,659	(511,059)	13,392
<u>2,816,053</u>	<u>1,278,742</u>	<u>557,301</u>	<u>2,305,549</u>	<u>2,206,197</u>	<u>69,800</u>
<u>\$ 12,159,760</u>	<u>\$ 1,310,367</u>	<u>\$ 667,789</u>	<u>\$ 3,100,208</u>	<u>\$ 1,695,138</u>	<u>\$ 83,192</u>

City of Corpus Christi, Texas

**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Corpus Christi Community Improvement Corporation</u>	<u>Corpus Christi Housing Finance Corporation</u>	<u>Corpus Christi Industrial Development Corporation</u>	<u>Corpus Christi Crime Control and Prevention District</u>	<u>Corpus Christi Business and Job Development Corporation</u>
<b>Revenues</b>					
Taxes and business fees	\$ --	\$ --	\$ --	\$ 8,368,935	\$ 25,437,510
Licenses and permits	--	--	--	--	--
Intergovernmental	--	--	--	--	--
Grants	2,176,190	--	--	--	--
Charges for services	--	45,895	--	8,386	--
Fines and forfeitures	--	--	--	--	--
Contributions and donations	6,694	5,000	--	--	--
Earnings on investments	76	9	--	1,596	33,707
Interest on loans	73,479	24,299	--	--	--
Sale of City property	--	--	--	15,660	--
Miscellaneous	48,783	--	--	--	--
Total revenue	<u>2,305,222</u>	<u>75,203</u>	<u>--</u>	<u>8,394,577</u>	<u>25,471,217</u>
<b>Expenditures</b>					
Current					
General government	--	--	--	--	342,123
Police and municipal court	--	--	--	6,785,874	--
Fire and ambulance	--	--	--	--	--
Emergency management	--	--	--	--	--
Streets	--	--	--	--	--
Health	--	--	--	--	--
Parks and recreation	--	--	--	--	--
Libraries	--	--	--	--	--
Community enrichment	--	--	--	--	--
Community development	2,729,120	57,439	--	--	6,042,431
Convention and visitors activities	--	--	--	--	--
Capital projects	--	227,875	--	576,612	111,753
Debt service					
Principal retirement	--	--	--	--	--
Interest	--	--	--	--	--
Paying agent fees	--	--	--	--	--
Total expenditures	<u>2,729,120</u>	<u>285,314</u>	<u>--</u>	<u>7,362,486</u>	<u>6,496,307</u>
Excess (deficiency) of revenues over (under) expenditures	(423,898)	(210,111)	--	1,032,091	18,974,910
<b>Other financing sources (uses)</b>					
Proceeds from the issuance of capital leases	--	--	--	--	--
Transfers in	--	--	--	42,717	--
Transfers out	(15,553)	--	--	--	(21,635,808)
Total other financing sources (uses)	<u>(15,553)</u>	<u>--</u>	<u>--</u>	<u>42,717</u>	<u>(21,635,808)</u>
Net change in fund balances	(439,451)	(210,111)	--	1,074,808	(2,660,898)
Fund balances (deficits) at beginning of year	<u>15,012,550</u>	<u>248,177</u>	<u>68,775</u>	<u>3,834,421</u>	<u>48,723,441</u>
Fund balances (deficits) at end of year	<u>\$ 14,573,099</u>	<u>\$ 38,066</u>	<u>\$ 68,775</u>	<u>\$ 4,909,229</u>	<u>\$ 46,062,543</u>

City of Corpus Christi, Texas

Exhibit 9-B  
(Continued)

North Padre Island Development Corporation	Reinvestment Zone #3	Eliminations	Total
\$ 2,632,938	\$ 648,276	\$ --	\$ 55,025,155
--	--	--	62,278
--	--	--	2,467,618
--	--	--	17,268,726
--	--	--	17,146,499
--	--	--	2,736,239
--	--	--	1,725,739
99	271	--	43,803
--	--	--	97,778
--	--	--	122,746
--	--	--	247,647
<u>2,633,037</u>	<u>648,547</u>	<u>--</u>	<u>96,944,228</u>
--	--	--	399,153
--	--	--	11,442,120
--	--	--	2,690,753
--	--	--	106,764
--	--	--	17,983,256
--	--	--	2,184,653
--	--	--	4,690,684
--	--	--	132,897
129,912	--	--	3,521,423
--	--	--	10,097,340
--	--	--	16,821,790
--	--	--	5,041,779
1,595,000	--	--	2,399,656
721,688	--	--	771,003
5,270	--	--	5,270
<u>2,451,870</u>	<u>--</u>	<u>--</u>	<u>78,288,541</u>
181,167	648,547	--	18,655,687
--	--	--	666,031
--	--	(1,022,277)	15,698,645
(29,850)	(844)	1,022,277	(24,228,655)
<u>(29,850)</u>	<u>(844)</u>	<u>--</u>	<u>(7,863,979)</u>
151,317	647,703	--	10,791,708
<u>4,912,874</u>	<u>916,048</u>	<u>--</u>	<u>89,459,803</u>
<u>\$ 5,064,191</u>	<u>\$ 1,563,751</u>	<u>\$ --</u>	<u>\$ 100,251,511</u>

**VISITORS FACILITIES FUND  
BALANCE SHEET  
SEPTEMBER 30, 2014**

**ASSETS**

Cash and cash equivalents	\$ 3,586,503
Receivables	
Accounts	1,306,093
Allowance for uncollectibles	<u>(196,339)</u>
Net receivables	1,109,754
Inventories	119,628
Prepaid Items	<u>279,530</u>
Total assets	<u><u>\$ 5,095,415</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Accounts payable	\$ 640,725
Accrued liabilities	270,270
Deposits	750
Unearned revenues	<u>2,304,698</u>
Total liabilities	3,216,443
Fund balance	
Nonspendable	
Inventory	119,628
Prepaid items	<u>279,530</u>
Total nonspendable	399,158
Unassigned	<u>1,479,814</u>
Total fund balance	<u>1,878,972</u>
Total liabilities and fund balance	<u><u>\$ 5,095,415</u></u>

**VISITORS FACILITIES FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	Budget		Actual	Variance
	Original	Final		Final Budget Positive (Negative)
<b>Revenues</b>				
Arena	\$ 2,433,609	\$ 2,729,817	\$ 2,326,736	\$ (403,081)
Convention center services	2,225,816	2,560,741	2,591,895	31,154
Bayfront rentals & events	39,400	46,450	59,770	13,320
Heritage park maintenance contract	40,000	46,270	44,207	(2,063)
Total charges for services	4,738,825	5,383,278	5,022,608	(360,670)
Earnings on investments	--	--	65	65
Sale of city property	--	--	1,680	1,680
Total revenues	4,738,825	5,383,278	5,024,353	(358,925)
<b>Expenditures</b>				
Current				
Arena	3,013,609	3,612,139	3,101,765	510,374
Arena maintenance/improvements	--	347,556	168,847	178,709
Arena marketing/co-promotion	--	607,429	411,429	196,000
Auditorium/convention center	1,012,818	1,334,072	866,350	467,722
Bayfront Arts and Science Park	764,782	876,345	873,678	2,667
Cultural facility maintenance	79,122	137,803	80,303	57,500
Uncollectible accounts	--	--	21,985	(21,985)
Other	30,000	8,300	--	8,300
Capital projects	--	--	6,494	(6,494)
Total expenditures	4,900,331	6,923,644	5,530,851	1,392,793
Deficiency of revenues under expenditures	(161,506)	(1,540,366)	(506,498)	1,033,868
<b>Other financing sources (uses)</b>				
Transfers in	879,010	1,111,642	1,111,642	--
Transfers out	(329,346)	(368,954)	(367,603)	1,351
Total other financing sources	549,664	742,688	744,039	1,351
Net change in fund balance	388,158	(797,679)	237,541	1,035,219
Fund balance (deficit) beginning of year	320,339	1,641,431	1,641,431	--
Fund balance (deficit) end of year	\$ 708,497	\$ 843,752	\$ 1,878,972	\$ 1,035,219

**HOTEL OCCUPANCY TAX FUND  
BALANCE SHEET  
SEPTEMBER 30, 2014**

**ASSETS**

Cash and cash equivalents	\$ 3,600,235
Receivables	
Accounts	2,093,116
Allowance for uncollectibles	<u>(115,084)</u>
Net receivables	<u>1,978,032</u>
 Total assets	 <u><u>\$ 5,578,267</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Accounts payable	\$ 286,621
Total liabilities	<u>286,621</u>
 Fund balance	
Restricted	
Tourism (HOT)	<u>5,291,646</u>
Total fund balance	<u>5,291,646</u>
 Total liabilities and fund balance	 <u><u>\$ 5,578,267</u></u>

**HOTEL OCCUPANCY TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Hotel occupancy tax	\$ 10,761,170	\$ 12,938,018	\$ 13,274,846	\$ 336,828
Hotel occupancy tax-Convention expansion	3,074,467	3,696,011	3,792,022	96,011
Total hotel occupancy taxes	<u>13,835,637</u>	<u>16,634,029</u>	<u>17,066,868</u>	<u>432,839</u>
Earnings on investments	--	56	532	476
Total revenues	<u>13,835,637</u>	<u>16,634,085</u>	<u>17,067,400</u>	<u>433,315</u>
<b>Expenditures</b>				
Current				
Parks and recreation				
Beach cleaning	1,552,720	1,881,402	1,582,356	299,046
Community enrichment				
Special Events	15,000	15,000	9,068	5,932
Art Museum of South Texas	300,000	350,000	350,000	--
Multicultural services support	122,838	143,311	143,311	--
Arts grants and projects	180,000	338,412	171,470	166,942
Harbor Playhouse	13,335	15,558	15,557	1
Harbor Bridge lighting	35,000	--	--	--
Museum Marketing	25,000	25,000	--	25,000
Botanical Gardens	20,000	23,334	23,333	1
Convention and visitors activities				
Convention center/auditorium	3,200,000	3,671,570	3,733,333	(61,763)
Convention center maintenance	3,100,000	5,159,399	2,099,916	3,059,483
Convention and Visitors Bureau-convention promotion	4,850,000	5,509,120	5,464,184	44,936
Miscellaneous	22,000	22,000	--	22,000
Total expenditures	<u>13,435,893</u>	<u>17,154,106</u>	<u>13,592,528</u>	<u>3,561,578</u>
Excess of revenues over expenditures	399,744	(520,021)	3,474,872	3,994,893
<b>Other financing sources (uses)</b>				
Transfers out	(2,194,800)	(2,517,000)	(2,289,242)	227,758
Total other financing (uses)	<u>(2,194,800)</u>	<u>(2,517,000)</u>	<u>(2,289,242)</u>	<u>227,758</u>
Net change in fund balance	(1,795,056)	(3,037,021)	1,185,630	4,222,651
Fund balance (deficit) at beginning of year	<u>1,904,076</u>	<u>4,106,016</u>	<u>4,106,016</u>	<u>--</u>
Fund balance at end of year	<u>\$ 109,020</u>	<u>\$ 1,068,995</u>	<u>\$ 5,291,646</u>	<u>\$ 4,222,651</u>

**PUBLIC EDUCATION AND GOVERNMENTAL CABLE TV  
BALANCE SHEET  
SEPTEMBER 30, 2014**

**ASSETS**

Cash and cash equivalents	\$	1,028,775
Receivables		
Accounts		<u>180,350</u>
Total assets	\$	<u><u>1,209,125</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities		
Accounts payable	\$	<u>2,811</u>
Total liabilities		2,811
Fund balance		
Restricted		
Public education governmental cable tv programs		<u>1,206,314</u>
Total liabilities and fund balance	\$	<u><u>1,209,125</u></u>

**PUBLIC EDUCATION AND GOVERNMENTAL CABLE TV  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<b>Variance Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes and business fees	\$ 600,000	\$ 766,000	\$ 870,628	\$ 104,628
Total revenues	<u>600,000</u>	<u>766,000</u>	<u>870,628</u>	<u>104,628</u>
<b>Expenditures</b>				
Current				
General government	--	--	57,030	(57,030)
Capital projects	<u>600,000</u>	<u>760,232</u>	<u>39,893</u>	<u>720,339</u>
Total expenditures	<u>600,000</u>	<u>760,232</u>	<u>96,923</u>	<u>663,309</u>
Excess (deficiency) of revenues over (under) expenditures	--	5,768	773,705	767,937
Fund balance at beginning of year	<u>--</u>	<u>432,609</u>	<u>432,609</u>	<u>--</u>
Fund balance at end of year	<u>\$ --</u>	<u>\$ 438,377</u>	<u>\$ 1,206,314</u>	<u>\$ 767,937</u>

**REDLIGHT PHOTO ENFORCEMENT  
BALANCE SHEET  
SEPTEMBER 30, 2014**

**ASSETS**

Cash and cash equivalents	\$	1,113,981
Receivables		
Accounts		<u>2,296</u>
Total assets	\$	<u><u>1,116,277</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities		
Accounts payable	\$	204,285
Accrued liabilities		3,747
Due to other governmental agencies		<u>492,461</u>
Total liabilities		700,493
Fund balance		
Restricted		
Traffic safety programs		<u>415,784</u>
Total liabilities and fund balance	\$	<u><u>1,116,277</u></u>

**REDLIGHT PHOTO ENFORCEMENT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<b>Variance Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and forfeitures	\$ 1,931,856	\$ 2,231,856	\$ 2,202,510	(29,346)
Earnings on investments	732	782	277	(505)
Total revenues	<u>1,932,588</u>	<u>2,232,638</u>	<u>2,202,787</u>	<u>(29,851)</u>
<b>Expenditures</b>				
Current				
Police and municipal court	1,703,829	1,981,589	1,915,836	65,753
Capital projects	75,000	149,943	141,616	8,327
Total expenditures	<u>1,778,829</u>	<u>2,131,532</u>	<u>2,057,452</u>	<u>74,080</u>
Net change in fund balance	153,759	101,106	145,335	44,229
<b>Other financing sources</b>				
Transfers in	--	1,255	1,255	--
Excess of revenues over expenditures	153,759	102,361	146,590	44,229
Fund balance at beginning of year	<u>400,993</u>	<u>269,194</u>	<u>269,194</u>	<u>--</u>
Fund balance at end of year	<u><u>\$ 554,752</u></u>	<u><u>\$ 371,555</u></u>	<u><u>\$ 415,784</u></u>	<u><u>\$ 44,229</u></u>

**PARKING IMPROVEMENT  
BALANCE SHEET  
SEPTEMBER 30, 2014**

**ASSETS**

Cash and cash equivalents	<u>\$ 162,687</u>
Total assets	<u><u>\$ 162,687</u></u>

**LIABILITIES AND FUND BALANCE**

Fund balance	
Committed	
Parking improvements	<u>162,687</u>
Total liabilities and fund balance	<u><u>\$ 162,687</u></u>

**PARKING IMPROVEMENT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Fines and forfeitures	\$ 62,500	\$ 73,500	\$ 102,062	28,562
Net change in fund balance	62,500	73,500	102,062	28,562
Fund balance at beginning of year, restated (Note 1-Q)	59,706	60,625	60,625	--
Fund balance at end of year	<u>\$ 122,206</u>	<u>\$ 134,125</u>	<u>\$ 162,687</u>	<u>\$ 28,562</u>

**STREETS  
BALANCE SHEET  
SEPTEMBER 30, 2014**

**ASSETS**

Cash and cash equivalents	\$ 1,973,806
Investments	8,000,000
Receivables	
Accounts	1,342,587
Property leases	1,732
Accrued interest	2,083
Intergovernmental	770,092
Allowance for uncollectibles	<u>(50,953)</u>
Net receivables	2,065,541
Due from other funds	70,964
Inventories	<u>320,434</u>
Total assets	<u><u>\$ 12,430,745</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Accounts payable	\$ 151,411
Accrued liabilities	119,313
Deposits	<u>261</u>
Total liabilities	270,985
Fund balance	
Nonspendable	
Inventory	320,434
Committed	
Streets	<u>11,839,326</u>
Total fund balance	<u>12,159,760</u>
Total liabilities and fund balance	<u><u>\$ 12,430,745</u></u>

**STREETS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Licenses and permits	80,380	89,280	62,278	(27,002)
Intergovernmental	2,518,917	2,518,917	2,467,618	(51,299)
Charges for services	7,148,452	10,063,209	10,464,123	400,914
Earnings on investments	--	250	4,459	4,209
Sale of City property	--	--	105,406	105,406
Miscellaneous	10,500	10,500	8,845	(1,655)
Total revenues	<u>9,758,249</u>	<u>12,682,156</u>	<u>13,112,729</u>	<u>430,573</u>
<b>Expenditures</b>				
Current				
Traffic Engineering	571,306	647,276	612,990	34,286
Traffic Signals	1,202,275	1,464,520	1,401,951	62,569
Signs & Markings	843,864	1,178,987	948,121	230,866
Residential Traffic Management	25,000	29,167	24,500	4,667
Street Administration	724,317	1,001,683	800,119	201,564
Street Planning	--	113,652	57,657	55,995
Street Reconstruction	2,069,130	1,976,181	1,187,499	788,682
Street Preventative Maint Prog	9,139,972	13,189,926	4,741,231	8,448,695
Street Utility Cut Repairs	608,479	714,260	443,742	270,518
Asphalt Maintenance	7,572,306	9,738,020	7,713,811	2,024,209
Reserve Appropriation	1,631	100,045	--	100,045
Uncollectible Account	--	--	50,953	(50,953)
Capital projects	--	68,276	734,287	(666,011)
Debt service				
Principal retirement	--	--	804,656	(804,656)
Interest	--	--	49,315	(49,315)
Total expenditures	<u>22,758,280</u>	<u>30,221,993</u>	<u>19,570,832</u>	<u>10,651,161</u>
Net change in fund balance	(13,000,031)	(17,539,837)	(6,458,103)	(10,220,588)
<b>Other financing sources</b>				
Capital leases	--	--	666,031	(666,031)
Transfers in	13,390,038	15,577,042	15,183,351	(393,691)
Transfers out	--	--	(47,572)	47,572
Total other financing sources	<u>13,390,038</u>	<u>15,577,042</u>	<u>15,801,810</u>	<u>(1,012,150)</u>
Excess of revenues over expenditures	390,007	(1,962,795)	9,343,707	11,306,502
Fund balance at beginning of year, restated (Note 1-Q)	<u>16,454</u>	<u>2,816,053</u>	<u>2,816,053</u>	<u>--</u>
Fund balance at end of year	<u>\$ 406,461</u>	<u>\$ 853,258</u>	<u>\$ 12,159,760</u>	<u>\$ 11,306,502</u>

**FEDERAL/STATE GRANTS FUND  
BALANCE SHEET  
SEPTEMBER 30, 2014**

**ASSETS**

Cash and cash equivalents	\$	3,050
Receivables		
Accounts		12,650
Demolition liens		741,287
Special assessments		5,076
Intergovernmental		3,838,320
Miscellaneous		22,099
Allowance for uncollectibles		(722,130)
Net receivables		<u>3,897,302</u>
Due from other funds		78,285
Other Assets		<u>133,833</u>
Total assets	\$	<u><u>4,112,470</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities		
Accounts payable	\$	228,948
Accrued liabilities		105,985
Deposits		271,375
Due to other funds		70,964
Unearned revenues		
Demolition liens and other		24,233
Asset seizure and forfeitures		28,484
Grants		2,039,707
Texas Commission on Environmental Quality		32,407
Total unearned revenues		<u>2,124,831</u>
Total liabilities		2,802,103
Fund balance		
Restricted		
Law enforcement		663,025
CDBG		514,808
Parks and recreation		135,419
Libraries		8
Community enrichment		6,997
Total restricted		<u>1,320,257</u>
Unassigned		<u>(9,890)</u>
Total fund balance		<u>1,310,367</u>
Total liabilities and fund balance	\$	<u><u>4,112,470</u></u>

**FEDERAL/STATE GRANTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FROM INCEPTION AND FOR THE 14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
<b>Revenues</b>				
Grants				
State of Texas	\$ 5,263,252	\$ 46,536,045	\$ 6,173,870	\$ 52,709,915
Federal Government	34,483,073	52,028,581	7,306,846	59,335,428
Drug forfeitures				
State	392,785	1,602,626	430,238	2,032,864
Federal	1,699,982	2,610,682	568,692	3,179,374
Local grants and contributions	612,890	2,159,545	612,890	2,772,435
Total grants	<u>42,451,982</u>	<u>104,937,479</u>	<u>15,092,536</u>	<u>120,030,016</u>
Charges for services	1,605,487	3,169,760	1,605,487	4,775,247
Earnings on investments	1,166	186,389	419	186,808
Miscellaneous	175,574	914,762	190,019	1,104,781
Total revenue	<u>44,234,209</u>	<u>109,208,390</u>	<u>16,888,461</u>	<u>126,096,852</u>
<b>Expenditures</b>				
Current				
Police and municipal court	7,865,844	18,085,650	2,419,080	20,504,730
Fire and ambulance	1,862,657	7,825,556	2,690,753	10,516,309
Emergency management	--	--	--	--
Streets	1,243,223	7,559,693	682	7,560,375
Solid waste	--	--	--	--
Health	2,072,081	12,069,302	2,184,653	14,253,955
Parks and recreation	7,231,213	14,543,061	3,106,885	17,649,946
Libraries	72,206	2,859,898	132,897	2,992,795
Community enrichment	11,029,894	17,444,017	2,678,772	20,122,789
Community development	10,456,468	17,922,445	1,268,350	19,190,795
Museums	25,860	266,127	--	266,127
Capital projects	1,797,835	9,942,327	1,797,835	11,740,162
Total expenditures	<u>43,657,281</u>	<u>108,518,076</u>	<u>16,279,907</u>	<u>124,797,983</u>
Excess (deficiency) of revenues over (under) expenditures	576,928	690,314	608,554	1,298,869
<b>Other financing sources (uses)</b>				
Transfers in				
Corpus Christi Community Improvement Corporation	13,368	53,739	13,367	67,106
General fund	273,516	1,557,625	273,516	1,831,141
Total transfers in	<u>286,884</u>	<u>1,611,364</u>	<u>286,883</u>	<u>1,898,247</u>
Transfers out				
Police Capital Projects Fund	(290,000)	--	(290,000)	(290,000)
General fund	(573,812)	(1,022,937)	(573,812)	(1,596,749)
Total transfers out	<u>(863,812)</u>	<u>(1,022,937)</u>	<u>(863,812)</u>	<u>(1,886,749)</u>
Total other financing sources	<u>(576,928)</u>	<u>588,427</u>	<u>(576,929)</u>	<u>11,498</u>
Net change in fund balance	<u>\$ --</u>	<u>\$ 1,278,741</u>	31,625	<u>\$ 1,310,367</u>
Fund balance at beginning of year			<u>1,278,742</u>	
Fund balance at end of year			<u>\$ 1,310,367</u>	

**MUNICIPAL COURT FUND  
BALANCE SHEET  
SEPTEMBER 30, 2014**

**ASSETS**

Cash and cash equivalents	\$ 678,022
Total assets	<u>\$ 678,022</u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Accounts payable	\$ 9,060
Accrued liabilities	<u>1,173</u>
Total liabilities	10,233
Fund balance	
Restricted	
Municipal Court building security	128,576
Municipal Court technology	223,472
Juvenile Court case manager	<u>315,741</u>
Total fund balance	<u>667,789</u>
Total liabilities and fund balance	<u>\$ 678,022</u>

**MUNICIPAL COURT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	Budget		Actual	Variance
	Original	Final		Final Budget Positive (Negative)
<b>Revenues</b>				
Municipal Court building security fee	\$ 94,212	\$ 110,032	\$ 110,472	\$ 440
Municipal Court technology fee	124,502	145,552	146,614	1,062
Juvenile Court case manager fee	110,082	134,962	174,581	39,619
Earnings on investments	--	--	151	151
Total revenues	328,796	390,546	431,818	41,272
<b>Expenditures</b>				
Current				
Municipal Court building security	94,000	118,000	102,029	(15,971)
Municipal Court technology	193,017	225,187	93,757	(131,430)
Juvenile Court case managers	117,270	137,994	125,544	(12,450)
Total expenditures	404,287	481,181	321,330	(159,851)
Excess (deficiency) of revenues over (under) expenditures	(75,491)	(90,635)	110,488	201,123
<b>Other financing sources</b>				
Transfers in	49,349	49,349	--	(49,349)
Total other financing sources	49,349	49,349	--	(49,349)
Net change in fund balance	(26,142)	(41,286)	110,488	151,774
Fund balance at beginning of year	366,109	557,301	557,301	--
Fund balance at end of year	\$ 339,967	\$ 516,015	\$ 667,789	\$ 151,774

**COMMUNITY ENRICHMENT FUND  
BALANCE SHEET  
SEPTEMBER 30, 2014**

**ASSETS**

Cash and cash equivalents	<u>\$ 3,100,208</u>
Total assets	<u><u>\$ 3,100,208</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	\$ --
Fund balance	
Restricted	
Parks and recreation	<u>1,749,901</u>
Committed	
Sister City programs	1,158
Park projects	3,261
Permanent art projects	233,654
Development projects	<u>1,112,234</u>
Total committed	<u>1,350,307</u>
Total fund balance	<u><u>3,100,208</u></u>
Total liabilities and fund balance	<u><u>\$ 3,100,208</u></u>

**COMMUNITY ENRICHMENT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

<b>Revenues</b>	
Contributions and donations	\$ 1,083,479
Earnings on investments	1,688
Total revenues	<u>1,085,167</u>
<b>Expenditures</b>	
Current	
Parks and recreation	1,443
Capital projects	<u>383,507</u>
Total expenditures	<u>384,950</u>
Excess of revenues over expenditures	<u>700,217</u>
<b>Other financing sources</b>	
Transfers in	<u>94,442</u>
Net change in fund balance	794,659
Fund balance at beginning of year	<u>2,305,549</u>
Fund balance at end of year	<u><u>\$ 3,100,208</u></u>

**INFRASTRUCTURE FUND  
BALANCE SHEET  
SEPTEMBER 30, 2014**

**ASSETS**

Cash and cash equivalents	<u>\$ 1,695,138</u>
Total assets	<u><u>\$ 1,695,138</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	\$ --
Fund balance	
Restricted	
Infrastructure	<u>1,695,138</u>
Total liabilities and fund balance	<u><u>\$ 1,695,138</u></u>

**INFRASTRUCTURE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

<b>Revenues</b>	
Contributions and donations	\$ 511,066
Earnings on investments	430
Total revenues	<u>511,496</u>
<b>Expenditures</b>	
Capital projects	<u>1,021,907</u>
Total expenditures	<u>1,021,907</u>
Excess (deficiency) of revenues over (under) expenditures	(510,411)
<b>Other financing sources (uses)</b>	
Transfers out	<u>(648)</u>
Net change in fund balance	(511,059)
Fund balance at beginning of year	<u>2,206,197</u>
Fund balance at end of year	<u><u>\$ 1,695,138</u></u>

Exhibit 20-A

**LOCAL EMERGENCY PLANNING COMMITTEE  
BALANCE SHEET  
SEPTEMBER 30, 2014**

**ASSETS**

Cash and cash equivalents	\$ 89,262
Total assets	<u>\$ 89,262</u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Accounts payable	\$ 4,632
Accrued liabilities	<u>1,438</u>
Total liabilities	6,070
Fund balance	
Committed	
Local Emergency Planning Committee	<u>83,192</u>
Total liabilities and fund balance	<u>\$ 89,262</u>

**LOCAL EMERGENCY PLANNING COMMITTEE  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Contributions and donations	\$ 97,400	\$ 97,400	\$ 119,500	\$ 22,100
Earnings on investments	60	60	24	(36)
Total revenues	<u>97,460</u>	<u>97,460</u>	<u>119,524</u>	<u>22,064</u>
<b>Expenditures</b>				
Current				
Emergency management	<u>103,157</u>	<u>127,757</u>	<u>106,764</u>	<u>20,993</u>
Excess (deficiency) of revenues over (under) expenditures	(5,697)	(30,297)	12,760	43,057
<b>Other financing sources</b>				
Transfers in	<u>--</u>	<u>632</u>	<u>632</u>	<u>--</u>
Net change in fund balance	(5,697)	(29,665)	13,392	43,057
Fund balance at beginning of year	<u>35,817</u>	<u>69,800</u>	<u>69,800</u>	<u>--</u>
Fund balance at end of year	<u>\$ 30,120</u>	<u>\$ 40,135</u>	<u>\$ 83,192</u>	<u>\$ 43,057</u>

**CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION  
BALANCE SHEET  
SEPTEMBER 30, 2014**

**ASSETS**

Cash and cash equivalents	\$ 2,783,701
Receivables	
Mortgages and loans	14,207,622
Intergovernmental	343,641
Allowance for uncollectibles	<u>(2,409,081)</u>
Net receivables	12,142,182
Due from other funds	<u>116,636</u>
Total assets	<u><u>\$ 15,042,519</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Deposits	391,135
Due to other funds	<u>78,285</u>
Total liabilities	469,420
Fund balance	
Restricted	
Loans	<u>14,573,099</u>
Total liabilities and fund balance	<u><u>\$ 15,042,519</u></u>

**CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
14 MONTHS ENDED SEPTEMBER 30, 2014**

<b>Revenues</b>	
Federal Government	\$ 2,176,190
Contributions and donations	6,694
Earnings on investments	76
Interest on loans	73,479
Miscellaneous	48,783
Total revenues	<u>2,305,222</u>
<b>Expenditures</b>	
Current	
Community development	
Grants	619,380
Administration costs	79,220
Forgiven and uncollectible loans	2,030,520
Total expenditures	<u>2,729,120</u>
Excess (deficiency) of revenues over (under) expenditures	(423,898)
<b>Other financing uses</b>	
Transfers out	<u>(15,553)</u>
Net change in fund balance	(439,451)
Fund balance at beginning of year	<u>15,012,550</u>
Fund balance at end of year	<u><u>\$ 14,573,099</u></u>

**CORPUS CHRISTI HOUSING FINANCE CORPORATION  
SCHEDULE OF NET POSITION  
SEPTEMBER 30, 2014**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Net Assets</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 38,166	\$ --	\$ 38,166
Receivables			
Accrued interest	5,762	--	5,762
Due from subdivision developer	446,275	--	446,275
Net receivables	<u>452,037</u>	<u>--</u>	<u>452,037</u>
Capital assets, net of accumulated depreciation	<u>--</u>	<u>850,463</u>	<u>850,463</u>
Total assets	<u>\$ 490,203</u>	<u>850,463</u>	<u>1,340,666</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 100	--	100
Deferred revenues	452,037	--	452,037
Total liabilities	<u>452,137</u>	<u>--</u>	<u>452,137</u>
<b>FUND BALANCE</b>			
Assigned			
Housing	<u>38,066</u>	<u>(38,066)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 490,203</u>		
<b>NET POSITION</b>			
Invested in capital assets, net of related debt		850,463	850,463
Unrestricted		<u>38,066</u>	<u>38,066</u>
Total net position		<u>\$ 888,529</u>	<u>\$ 888,529</u>

**CORPUS CHRISTI HOUSING FINANCE CORPORATION  
SCHEDULE OF ACTIVITIES  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Activities</b>
<b>Expenditures/expenses</b>			
Community development	\$ 57,439	\$ 27,312	\$ 84,751
Capital projects	227,875	(227,875)	--
Total expenditures/expenses	<u>285,314</u>	<u>(200,563)</u>	<u>84,751</u>
<b>Program revenue</b>			
Charges for services	70,194	--	70,194
Operating grants and contributions	5,000	--	5,000
Net program revenue (expense)	<u>(210,120)</u>	<u>200,563</u>	<u>(9,557)</u>
<b>General revenue</b>			
Earnings on investments	<u>9</u>	<u>--</u>	<u>9</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>(210,111)</u>	<u>200,563</u>	<u>(9,548)</u>
Change in net position	(210,111)	200,563	(9,548)
Fund balance/net position beginning of year	<u>248,177</u>	<u>649,900</u>	<u>898,077</u>
Fund balance/net position end of year	<u><u>\$ 38,066</u></u>	<u><u>\$ 850,463</u></u>	<u><u>\$ 888,529</u></u>

**CORPUS CHRISTI HOUSING FINANCE CORPORATION  
BALANCE SHEET  
SEPTEMBER 30, 2014**

**ASSETS**

Cash and cash equivalents	\$ 38,166
Receivables	
Accounts	446,275
Accrued interest	5,762
Net receivables	<u>452,037</u>
 Total assets	 <u><u>\$ 490,203</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Accounts payable	\$ 100
Unearned revenues	
Other	452,037
Total liabilities	<u>452,137</u>
 Fund balance	
Assigned	
Housing	<u>38,066</u>
 Total liabilities and fund balance	 <u><u>\$ 490,203</u></u>

**CORPUS CHRISTI HOUSING FINANCE CORPORATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
14 MONTHS ENDED SEPTEMBER 30, 2014**

<b>Revenues</b>	
Charges for services	\$ 45,895
Contributions and donations	5,000
Earnings on investments	9
Interest on loans	24,299
Total revenues	<u>75,203</u>
<b>Expenditures</b>	
Current	
Community development	57,439
Capital projects	227,875
Total expenditures	<u>285,314</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(210,111)</u>
Net change in fund balance	(210,111)
Fund balance at beginning of year	<u>248,177</u>
Fund balance at end of year	<u><u>\$ 38,066</u></u>

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION  
BALANCE SHEET  
SEPTEMBER 30, 2014**

**ASSETS**

Cash and cash equivalents	\$ 68,775
Total assets	<u>\$ 68,775</u>

**LIABILITIES AND FUND BALANCE**

Liabilities	\$ --
Fund balance	
Assigned	
Industrial development	<u>68,775</u>
Total liabilities and fund balance	<u>\$ 68,775</u>

Exhibit 23-B

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
14 MONTHS ENDED SEPTEMBER 30, 2014**

<b>Revenues</b>	
Miscellaneous	\$ --
Total revenues	<u>    --</u>
Net change in fund balance	--
Fund balance at beginning of year	<u>    68,775</u>
Fund balance at end of year	<u>    \$ 68,775</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
SCHEDULE OF NET POSITION  
SEPTEMBER 30, 2014**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Net Assets</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,413,514	\$ --	\$ 4,413,514
Receivables			
Intergovernmental	639,435	--	639,435
Net receivables	<u>639,435</u>	<u>--</u>	<u>639,435</u>
Total assets	<u>\$ 5,052,949</u>	<u>--</u>	<u>5,052,949</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 22,334	--	22,334
Accrued liabilities	121,386	--	121,386
Accumulated unpaid compensated absences			
Due within one year	--	282,933	282,933
Due in more than one year	--	181,122	181,122
Net pension obligation		1,279,460	1,279,460
Net OPEB obligation		174,769	174,769
Total liabilities	<u>143,720</u>	<u>1,918,284</u>	<u>2,062,004</u>
<b>FUND BALANCE</b>			
Restricted			
Crime control and prevention	4,909,229	(4,909,229)	--
Total fund balance	<u>4,909,229</u>	<u>(4,909,229)</u>	
Total liabilities and fund balance	<u>\$ 5,052,949</u>		
<b>NET POSITION</b>			
Restricted for			
Crime control and prevention		<u>2,990,945</u>	<u>2,990,945</u>
Total net position		<u>\$ 2,990,945</u>	<u>\$ 2,990,945</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
SCHEDULE OF ACTIVITIES  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Activities</b>
<b>Expenditures/expenses</b>			
Public safety	\$ 6,785,874	\$ (92,740)	\$ 6,693,134
Capital projects	576,612	(576,612)	--
Total expenditures/expenses	<u>7,362,486</u>	<u>(669,352)</u>	<u>6,693,134</u>
<b>General revenue</b>			
Sales tax	8,368,935	--	8,368,935
Juvenile drug testing	8,386	--	8,386
Earnings on investments	1,596	--	1,596
Sale of City property	15,660	--	15,660
<b>Other financing sources (uses)</b>			
Transfers in	42,717	--	42,717
Transfers out	--	(576,612)	(576,612)
Total general revenue and other financing sources (uses)	<u>8,437,294</u>	<u>(576,612)</u>	<u>7,860,682</u>
Excess (deficiency) of revenues over (under) expenditures and other financing uses	1,074,808	(1,074,808)	--
Change in net position	--	1,167,548	1,167,548
Fund balance/net position beginning of year	<u>3,834,421</u>	<u>(2,011,024)</u>	<u>1,823,397</u>
Fund balance/net position end of year	<u>\$ 4,909,229</u>	<u>\$ (1,918,284)</u>	<u>\$ 2,990,945</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
BALANCE SHEET  
SEPTEMBER 30, 2014**

**ASSETS**

Cash and cash equivalents	\$ 4,413,514
Receivables	
Intergovernmental	<u>639,435</u>
Total assets	<u><u>\$ 5,052,949</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Accounts payable	\$ 22,334
Accrued liabilities	<u>121,386</u>
Total liabilities	143,720
Fund balance	
Restricted	
Crime control and prevention	<u>4,909,229</u>
Total liabilities and fund balance	<u><u>\$ 5,052,949</u></u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	Budget		Actual	Variance Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Sales tax	\$ 7,386,791	\$ 8,565,322	\$ 8,368,935	\$ (196,387)
Juvenile drug testing	13,000	13,000	8,386	(4,614)
Earnings on investments	2,100	2,350	1,596	(754)
Sale of City property	--	--	15,660	15,660
Total revenue	7,401,891	8,580,672	8,394,577	(186,095)
<b>Expenditures</b>				
Current				
Police officers	5,196,685	6,042,227	5,569,884	472,343
Pawn shop detail	163,262	191,857	163,346	28,511
Juvenile Curfew & Truancy Assessment Center	431,800	506,250	508,232	(1,982)
Crime prevention	133,028	166,759	156,180	10,579
Public safety vehicles and equipment	230,000	1,004,555	300,653	703,902
Juvenile City marshals	202,507	234,147	87,579	146,568
Reserve appropriation	75,000	122,277	--	122,277
Capital projects	--	--	576,612	(576,612)
Total expenditures	6,432,282	8,268,072	7,362,486	905,586
Excess of revenues over expenditures	969,609	312,600	1,032,091	719,491
<b>Other financing sources</b>				
Transfers in	--	42,717	42,717	--
Net change in fund balance	969,609	355,317	1,074,808	719,491
Fund balance at beginning of year	3,877,035	3,834,421	3,834,421	--
Fund balance at end of year	\$ 4,846,644	\$ 4,189,738	\$ 4,909,229	\$ 719,491

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
SCHEDULE OF NET POSITION  
SEPTEMBER 30, 2014**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Net Assets</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 26,479,697	\$ --	\$ 26,479,697
Investments	33,928,824	--	33,928,824
Receivables			
Accrued interest	22,713	--	22,713
Intergovernmental	1,724,139	--	1,724,139
Net receivables	1,746,852	--	1,746,852
Prepaid items	70,345	--	70,345
Total assets	<u>\$ 62,225,718</u>	<u>--</u>	<u>62,225,718</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 196,972	\$ --	\$ 196,972
Accrued interest	--	225,065	225,065
Contractor interest and retainage payable	13,198	--	13,198
Long-term debt			
Due within one year	--	5,790,000	5,790,000
Due in more than one year	--	61,220,083	61,220,083
Total liabilities	<u>210,170</u>	<u>67,235,148</u>	<u>67,445,318</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unamortized gain on refunded debt		<u>17,456</u>	<u>17,456</u>
<b>FUND BALANCE</b>			
Nonspendable			
Prepaid items	70,345	(70,345)	--
Restricted			
Seawall improvement	33,161,621	(33,161,621)	--
Arena facility	18,050,316	(18,050,316)	--
Economic development	10,733,266	(10,733,266)	--
Total restricted	<u>61,945,203</u>	<u>(61,945,203)</u>	<u>--</u>
Total fund balance	<u>62,015,548</u>	<u>(62,015,548)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 62,225,718</u>		
<b>NET POSITION</b>			
Unrestricted		<u>(5,237,056)</u>	<u>(5,237,056)</u>
Total net position		<u>\$ (5,237,056)</u>	<u>\$ (5,237,056)</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
SCHEDULE OF ACTIVITIES  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Activities</b>
<b>Expenditures/expenses</b>			
General government	\$ 351,319	\$ --	\$ 351,319
Community development	6,042,431	--	6,042,431
Capital projects	1,081,343	(1,081,343)	--
Debt service			
Principal retirement	9,155,000	(9,155,000)	--
Interest	5,062,290	(3,157,817)	1,904,473
Bond issuance cost	547,331	--	547,331
Paying agent fees	2,100	--	2,100
Total expenditures/expenses	<u>22,241,814</u>	<u>(13,394,160)</u>	<u>8,847,654</u>
<b>General revenues</b>			
Sales tax	25,437,510	--	25,437,510
Earnings on investments	41,106	--	41,106
<b>Other financing sources (uses)</b>			
Proceeds from the sale of refunding bonds	38,395,000	(38,395,000)	--
Premium on bonds sold	3,935,763	(3,935,763)	--
Payment to escrow agent for refunded bonds	(41,763,200)	41,763,200	--
Transfers out	(914,469)	(1,081,343)	(1,995,812)
Total general revenues and other financing sources (uses)	<u>25,131,710</u>	<u>(1,648,906)</u>	<u>23,482,804</u>
Excess (deficiency) of revenues over (under) expenditures and other financing uses	2,889,896	(2,889,896)	--
Change in net position	--	14,635,150	14,635,150
Fund balance/adjusted net position at beginning of year (Note 1-Q)	<u>59,125,652</u>	<u>(78,997,858)</u>	<u>(19,872,206)</u>
Fund balance/net position end of year	<u>\$ 62,015,548</u>	<u>\$ (67,252,604)</u>	<u>\$ (5,237,056)</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
BALANCE SHEET  
SEPTEMBER 30, 2014**

<b>ASSETS</b>	<b>Special Revenue</b>		
	<b>Seawall Improvement</b>	<b>Arena Facility</b>	<b>Economic Development</b>
Cash and cash equivalents	\$ 798,470	\$ 3,135,636	\$ 8,581,166
Investments	19,928,690	12,000,000	--
Receivables			
Accrued interest	12,875	8,194	--
Intergovernmental	574,713	574,713	574,713
Net receivables	587,588	582,907	574,713
Prepaid items	--	--	70,345
 Total assets	 <u>\$ 21,314,748</u>	 <u>\$ 15,718,543</u>	 <u>\$ 9,226,224</u>
 <b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ --	\$ 5,496	\$ 191,476
Contractor interest and retainage payable	--	--	--
Total liabilities	--	5,496	191,476
Fund balances			
Nonspendable			
Prepaid items	--	--	70,345
Restricted			
Seawall improvement	21,314,748	--	--
Arena facility	--	15,713,047	--
Economic development	--	--	8,964,403
Total fund balance	21,314,748	15,713,047	9,034,748
 Total liabilities and fund balance	 <u>\$ 21,314,748</u>	 <u>\$ 15,718,543</u>	 <u>\$ 9,226,224</u>

Exhibit 25-C

Debt Service			Capital Projects		Total
Seawall	Arena	Economic Development	Seawall	Arena	
\$ 1,335,758	\$ 2,230,833	\$ 1,768,863	\$ 8,522,535	\$ 106,436	\$ 26,479,697
--	--	--	2,000,134	--	33,928,824
--	--	--	1,644	--	22,713
--	--	--	--	--	1,724,139
--	--	--	1,644	--	1,746,852
--	--	--	--	--	70,345
<u>\$ 1,335,758</u>	<u>\$ 2,230,833</u>	<u>\$ 1,768,863</u>	<u>\$ 10,524,313</u>	<u>\$ 106,436</u>	<u>\$ 62,225,718</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 196,972
--	--	--	13,198	--	13,198
--	--	--	13,198	--	210,170
--	--	--	--	--	70,345
1,335,758	--	--	10,511,115	--	33,161,621
--	2,230,833	--	--	106,436	18,050,316
--	--	1,768,863	--	--	10,733,266
<u>1,335,758</u>	<u>2,230,833</u>	<u>1,768,863</u>	<u>10,511,115</u>	<u>106,436</u>	<u>62,015,548</u>
					--
<u>\$ 1,335,758</u>	<u>\$ 2,230,833</u>	<u>\$ 1,768,863</u>	<u>\$ 10,524,313</u>	<u>\$ 106,436</u>	<u>\$ 62,225,718</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	Special Revenue		
	Seawall Improvement	Arena Facility	Economic Development
<b>Revenues</b>			
Sales tax	\$ 8,479,170	8,479,170	\$ 8,479,170
Earnings on investments	(782)	26,284	8,205
Total revenue	8,478,388	8,505,454	8,487,375
<b>Expenditures</b>			
Current			
General government	--	342,123	--
Community development	--	--	6,042,431
Capital projects	--	--	111,753
Debt service			
Principal retirement	--	--	--
Interest	--	--	--
Bond issuance cost	--	--	--
Paying agent fees	--	--	--
Total expenditures	--	342,123	6,154,184
Excess (deficiency) of revenues over (under) expenditures	8,478,388	8,163,331	2,333,191
<b>Other financing sources (uses)</b>			
Proceeds from the sale of refunding bonds	--	--	--
Premium on bonds sold	--	--	--
Payment to escrow agent for refunded bonds	--	--	--
Transfers in	--	--	--
Transfers out	(9,955,229)	(7,367,496)	(4,313,083)
Total other financing sources (uses)	(9,955,229)	(7,367,496)	(4,313,083)
Net change in fund balances	(1,476,841)	795,835	(1,979,892)
Fund balances at beginning of year	22,791,589	14,917,212	11,014,640
Fund balances at end of year	\$ 21,314,748	\$ 15,713,047	\$ 9,034,748

Exhibit 25-D

Debt Service			Capital Project			Total
Seawall	Arena	Economic Development	Seawall	Arena	Eliminations	
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 25,437,510
369	457	516	6,057	--	--	41,106
<u>369</u>	<u>457</u>	<u>516</u>	<u>6,057</u>	<u>--</u>	<u>--</u>	<u>25,478,616</u>
--	--	--	4,243	4,953	--	351,319
--	--	--	--	--	--	6,042,431
--	--	--	964,910	4,680	--	1,081,343
1,720,000	3,755,000	3,680,000	--	--	--	9,155,000
1,733,228	2,697,028	632,034	--	--	--	5,062,290
--	382,362	164,969	--	--	--	547,331
<u>1,500</u>	<u>300</u>	<u>300</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,100</u>
<u>3,454,728</u>	<u>6,834,690</u>	<u>4,477,303</u>	<u>969,153</u>	<u>9,633</u>	<u>--</u>	<u>22,241,814</u>
(3,454,359)	(6,834,233)	(4,476,787)	(963,096)	(9,633)	--	3,236,802
--	30,555,000	7,840,000	--	--	--	38,395,000
--	3,342,643	593,120	--	--	--	3,935,763
--	(33,504,346)	(8,258,854)	--	--	--	(41,763,200)
3,455,228	6,453,028	4,313,083	6,500,000	--	(20,721,339)	--
--	--	--	--	--	20,721,339	(914,469)
<u>3,455,228</u>	<u>6,846,325</u>	<u>4,487,349</u>	<u>6,500,000</u>	<u>--</u>	<u>--</u>	<u>(346,906)</u>
869	12,092	10,562	5,536,904	(9,633)	--	2,889,896
<u>1,334,889</u>	<u>2,218,741</u>	<u>1,758,301</u>	<u>4,974,211</u>	<u>116,069</u>	<u>--</u>	<u>59,125,652</u>
<u>\$ 1,335,758</u>	<u>\$ 2,230,833</u>	<u>\$ 1,768,863</u>	<u>\$ 10,511,115</u>	<u>\$ 106,436</u>	<u>\$ --</u>	<u>\$ 62,015,548</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
SEAWALL IMPROVEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>			<b>Variance Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Sales tax	\$ 7,336,875	\$ 8,560,835	\$ 8,479,170	\$ (81,665)
Earnings on investments	96,000	105,568	(782)	(106,350)
Total revenue	<u>7,432,875</u>	<u>8,666,403</u>	<u>8,478,388</u>	<u>(188,015)</u>
<b>Expenditures</b>				
Current				
Community development	15,000	17,500	--	17,500
Total expenditures	<u>15,000</u>	<u>17,500</u>	<u>--</u>	<u>17,500</u>
Excess of revenues over expenditures	7,417,875	8,648,903	8,478,388	(170,515)
<b>Other financing uses</b>				
Transfers out	(2,900,419)	(9,955,229)	(9,955,229)	--
Total other financing sources	<u>(2,900,419)</u>	<u>(9,955,229)</u>	<u>(9,955,229)</u>	<u>--</u>
Net change in fund balance	4,517,456	(1,306,326)	(1,476,841)	(170,515)
Fund balance at beginning of year	<u>27,459,856</u>	<u>22,791,589</u>	<u>22,791,589</u>	<u>--</u>
Fund balance at end of year	<u>\$ 31,977,312</u>	<u>\$ 21,485,263</u>	<u>\$ 21,314,748</u>	<u>\$ (170,515)</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
ARENA FACILITY FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Sales tax	\$ 7,336,875	\$ 8,560,835	\$ 8,479,170	\$ (81,665)
Earnings on investments	28,356	33,280	26,284	(6,996)
Total revenue	<u>7,365,231</u>	<u>8,594,115</u>	<u>8,505,454</u>	<u>(88,661)</u>
<b>Expenditures</b>				
Current				
Community development	15,000	17,500	--	17,500
General Government	<u>150,000</u>	<u>343,376</u>	<u>342,123</u>	<u>1,253</u>
Total expenditures	<u>165,000</u>	<u>360,876</u>	<u>342,123</u>	<u>18,753</u>
Excess of revenues over expenditures	7,200,231	8,233,239	8,163,331	(69,908)
<b>Other financing uses</b>				
Transfers out	<u>(4,442,171)</u>	<u>(7,367,496)</u>	<u>(7,367,496)</u>	<u>--</u>
Total other financing sources	<u>(4,442,171)</u>	<u>(7,367,496)</u>	<u>(7,367,496)</u>	<u>--</u>
Net change in fund balance	2,758,060	865,743	795,835	(69,908)
Fund balance at beginning of year	<u>17,682,482</u>	<u>14,917,212</u>	<u>14,917,212</u>	<u>--</u>
Fund balance at end of year	<u>\$ 20,440,542</u>	<u>\$ 15,782,955</u>	<u>\$ 15,713,047</u>	<u>\$ (69,908)</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  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<b>Variance</b>
	<u>Original</u>	<u>Final</u>		<b>Final Budget Positive (Negative)</b>
<b>Revenues</b>				
Sales tax	\$ 7,336,875	\$ 8,479,300	\$ 8,479,170	\$ (130)
Earnings on investments	20,376	8,205	8,205	(0)
Total revenue	<u>7,357,251</u>	<u>8,487,505</u>	<u>8,487,375</u>	<u>(130)</u>
<b>Expenditures</b>				
Current				
General government	--	--	146,327	(146,327)
Community development	1,727,324	19,742,299	5,896,104	13,846,195
Capital projects	--	--	111,753	(111,753)
Total expenditures	<u>1,727,324</u>	<u>19,742,299</u>	<u>6,154,184</u>	<u>13,588,115</u>
Excess (deficiency) of revenues over (under) expenditures	5,629,927	(11,254,794)	2,333,191	13,587,985
<b>Other financing uses</b>				
Transfers out	<u>(2,288,550)</u>	<u>(4,313,083)</u>	<u>(4,313,083)</u>	<u>--</u>
Net change in fund balance	3,341,377	(15,567,877)	(1,979,892)	13,587,985
Fund balance at beginning of year	<u>9,198,683</u>	<u>11,014,640</u>	<u>11,014,640</u>	<u>--</u>
Fund balance at end of year	<u>\$ 12,540,060</u>	<u>\$ (4,553,237)</u>	<u>\$ 9,034,748</u>	<u>\$ 13,587,985</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
SEAWALL DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<b>Variance</b>
	<u>Original</u>	<u>Final</u>		<b>Final Budget Positive (Negative)</b>
<b>Revenues</b>				
Earnings on investments	\$ 312	\$ 312	\$ 369	\$ 57
<b>Expenditures</b>				
Debt service				
Principal retirement	1,720,000	1,720,000	1,720,000	--
Interest	1,178,419	1,733,228	1,733,228	--
Paying agent fees	2,000	2,000	1,500	500
Total expenditures	<u>2,900,419</u>	<u>3,455,228</u>	<u>3,454,728</u>	<u>500</u>
Deficiency of revenues under expenditures	(2,900,107)	(3,454,916)	(3,454,359)	557
<b>Other financing sources</b>				
Transfers in	<u>2,900,419</u>	<u>3,445,228</u>	<u>3,455,228</u>	<u>10,000</u>
Net change in fund balance	312	(9,688)	869	10,557
Fund balance at beginning of year	<u>1,332,071</u>	<u>1,334,889</u>	<u>1,334,889</u>	<u>--</u>
Fund balance at end of year	<u>\$ 1,332,383</u>	<u>\$ 1,325,201</u>	<u>\$ 1,335,758</u>	<u>\$ 10,557</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  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Earnings on investments	\$ 2,280	\$ 2,416	\$ 457	\$ (1,959)
Total revenue	<u>2,280</u>	<u>2,416</u>	<u>457</u>	<u>(1,959)</u>
<b>Expenditures</b>				
Current				
Principal retirement	1,955,000	3,755,000	3,755,000	--
Interest	1,787,161	2,697,028	2,697,028	--
Bond issuance cost	--	--	382,362	(382,362)
Paying agent fees	1,000	1,000	300	700
Total expenditures	<u>3,743,161</u>	<u>6,453,028</u>	<u>6,834,690</u>	<u>(381,662)</u>
Deficiency of revenues under expenditures	(3,740,881)	(6,450,612)	(6,834,233)	(383,621)
<b>Other financing sources</b>				
Proceeds from sale of refunding bonds	--	--	30,555,000	(30,555,000)
Payment to escrow agent for refunded bonds	--	--	(33,504,346)	33,504,346
Bond Premium	--	--	3,342,643	(3,342,643)
Transfers in	3,743,161	6,453,027	6,453,028	1
Total other financing sources	<u>3,743,161</u>	<u>6,453,027</u>	<u>6,846,325</u>	<u>(393,296)</u>
Net change in fund balance	2,280	2,415	12,092	(776,917)
Fund balance at beginning of year	<u>2,193,898</u>	<u>2,218,741</u>	<u>2,218,741</u>	<u>--</u>
Fund balance at end of year	<u>\$ 2,196,178</u>	<u>\$ 2,221,156</u>	<u>\$ 2,230,833</u>	<u>\$ (776,917)</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
ECONOMIC DEVELOPMENT DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	Budget		Actual	Variance Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Earnings on investments	\$ 2,004	\$ 2,154	\$ 516	\$ (1,638)
<b>Expenditures</b>				
Debt service				
Principal retirement	1,855,000	3,680,000	3,680,000	--
Interest	432,800	632,034	632,034	--
Bond issuance cost	--	--	164,969	(164,969)
Paying agent fees	750	1,050	300	750
Total expenditures	2,288,550	4,313,084	4,477,303	(164,219)
Deficiency of revenues under expenditures	(2,286,546)	(4,310,930)	(4,476,787)	(165,857)
<b>Other financing sources</b>				
Premium on bonds sold	--	--	593,120	(593,120)
Proceeds from sale of refunding bonds	--	--	7,840,000	(7,840,000)
Payment to escrow agent for refunded bonds	--	--	(8,258,854)	8,258,854
Transfers in	2,288,550	4,313,084	4,313,083	(1)
Total other financing sources	2,288,550	4,313,084	4,487,349	(174,267)
Net change in fund balance	2,004	2,154	10,562	(340,124)
Fund balance at beginning of year	1,759,213	1,758,301	1,758,301	--
Fund balance at end of year	\$ 1,761,217	\$ 1,760,455	\$ 1,768,863	\$ (340,124)

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
SCHEDULE OF NET POSITION  
SEPTEMBER 30, 2014**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Net Assets</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 6,021,979	\$ --	\$ 6,021,979
Total assets	<u>\$ 6,021,979</u>	<u>\$ --</u>	<u>\$ 6,021,979</u>
<b>LIABILITIES</b>			
Accrued interest	\$ --	\$ 19,200	\$ 19,200
Contractor interest and retainage payable	508	--	508
Long-term debt			
Due within one year	--	840,000	840,000
Due in more than one year	--	7,957,434	7,957,434
Total liabilities	<u>508</u>	<u>8,816,634</u>	<u>8,817,142</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unamortized loss on refunded debt	<u>--</u>	<u>220,300</u>	<u>220,300</u>
<b>FUND BALANCE</b>			
Restricted			
North Padre Island development	4,426,471	(4,426,471)	--
Debt service	1,595,000	(1,595,000)	--
Total fund balance	<u>6,021,471</u>	<u>(6,021,471)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 6,021,979</u>		
<b>NET POSITION</b>			
Unrestricted		<u>(3,015,463)</u>	<u>(3,015,463)</u>
Total net position		<u>\$ (3,015,463)</u>	<u>\$ (3,015,463)</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
SCHEDULE OF ACTIVITIES  
14 MONTHS ENDED SEPTEMBER 30, 2014**

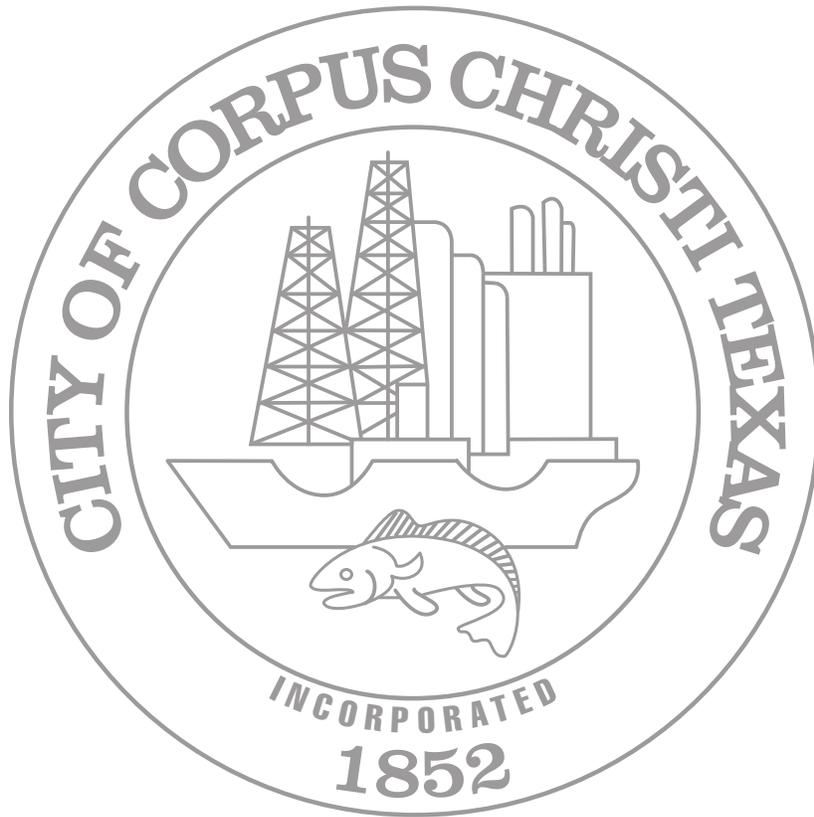
	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Activities</b>
<b>Expenditures/expenses</b>			
General government	\$ 9,149	\$ --	\$ 9,149
Community enrichment	129,912	--	129,912
Capital projects	402,848	(402,848)	--
Debt service			
Principal retirement	1,595,000	(1,595,000)	--
Interest	721,688	(364,249)	357,439
Paying agent fees	5,270	--	5,270
Total expenditures/expenses	<u>2,863,867</u>	<u>(2,362,097)</u>	<u>501,770</u>
<b>General revenues</b>			
Property tax	2,632,938	--	2,632,938
Earnings on investments	544	--	544
Contributions and donations	125,894	--	125,894
<b>Other financing uses</b>			
Transfers out	(29,850)	(402,848)	(432,698)
Total general revenues and other financing uses	<u>2,729,526</u>	<u>(402,848)</u>	<u>2,326,678</u>
Excess of revenues over expenditures and transfers out	(134,341)	134,341	--
Change in net position	--	1,824,908	1,824,908
Fund balance/adjusted net position at beginning of year (Note 1-Q)	<u>6,155,812</u>	<u>(10,996,183)</u>	<u>(4,840,371)</u>
Fund balance/net position end of year	<u>\$ 6,021,471</u>	<u>\$ (9,036,934)</u>	<u>\$ (3,015,463)</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
BALANCE SHEET  
SEPTEMBER 30, 2014**

	<u>General</u>	<u>Capital Projects</u>	<u>Eliminations</u>	<u>Total</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 5,064,191	\$ 957,788	--	\$ 6,021,979
Total assets	<u>\$ 5,064,191</u>	<u>\$ 957,788</u>	<u>\$ --</u>	<u>\$ 6,021,979</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Contractor interest and retainage payable	\$ --	\$ 508	--	\$ 508
Total liabilities	<u>--</u>	<u>508</u>	<u>--</u>	<u>508</u>
Fund balances				
Restricted				
North Padre Island development	3,469,191	957,280	--	4,426,471
Debt service	1,595,000	--	--	1,595,000
Total fund balance	<u>5,064,191</u>	<u>957,280</u>	<u>--</u>	<u>6,021,471</u>
Total liabilities and fund balance	<u>\$ 5,064,191</u>	<u>\$ 957,788</u>	<u>\$ --</u>	<u>\$ 6,021,979</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>General</u>	<u>Capital Projects</u>	<u>Eliminations</u>	<u>Total</u>
<b>Revenues</b>				
Taxes and business fees	\$ 2,632,938	\$ --	\$ --	\$ 2,632,938
Contributions and donations	--	125,894	--	125,894
Earnings on investments	99	445	--	544
Total revenue	<u>2,633,037</u>	<u>126,339</u>	<u>--</u>	<u>2,759,376</u>
<b>Expenditures</b>				
Current				
General government	--	9,149	--	9,149
Community enrichment	129,912	--	--	129,912
Capital projects	--	402,848	--	402,848
Debt service				
Principal retirement	1,595,000	--	--	1,595,000
Interest	721,688	--	--	721,688
Paying agent fees	5,270	--	--	5,270
Total expenditures	<u>2,451,870</u>	<u>411,997</u>	<u>--</u>	<u>2,863,867</u>
Excess (deficiency) of revenues over (under) expenditures	181,167	(285,658)	--	(104,491)
<b>Other financing sources (uses)</b>				
Transfers out	<u>(29,850)</u>	<u>--</u>	<u>--</u>	<u>(29,850)</u>
Net change in fund balances	151,317	(285,658)	--	(134,341)
Fund balances at beginning of year	<u>4,912,874</u>	<u>1,242,938</u>	<u>--</u>	<u>6,155,812</u>
Fund balances at end of year	<u>\$ 5,064,191</u>	<u>\$ 957,280</u>	<u>\$ --</u>	<u>\$ 6,021,471</u>



**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes and business fees	\$ 2,687,750	\$ 2,721,768	\$ 2,632,938	\$ (88,830)
Earnings on investments	24	24	99	75
Total revenues	<u>2,687,774</u>	<u>2,721,792</u>	<u>2,633,037</u>	<u>(88,755)</u>
<b>Expenditures</b>				
Current				
Community enrichment	130,268	150,525	129,912	20,613
Debt service				
Principal retirement	755,000	1,595,000	1,595,000	--
Interest	486,788	721,688	721,688	--
Paying agent fees	8,300	8,300	5,270	3,030
Total expenditures	<u>1,380,356</u>	<u>2,475,513</u>	<u>2,451,870</u>	<u>23,643</u>
Excess of revenues over expenditures	1,307,418	246,279	181,167	(65,112)
<b>Other financing sources (uses)</b>				
Transfers out	<u>(25,586)</u>	<u>(535,586)</u>	<u>(29,850)</u>	<u>505,736</u>
Net change in fund balance	1,281,832	(289,307)	151,317	440,624
Fund balance at beginning of year	<u>5,013,647</u>	<u>4,912,874</u>	<u>4,912,874</u>	<u>--</u>
Fund balance at end of year	<u>\$ 6,295,479</u>	<u>\$ 4,623,567</u>	<u>\$ 5,064,191</u>	<u>\$ 440,624</u>

**REINVESTMENT ZONE #3  
BALANCE SHEET  
SEPTEMBER 30, 2014**

**ASSETS**

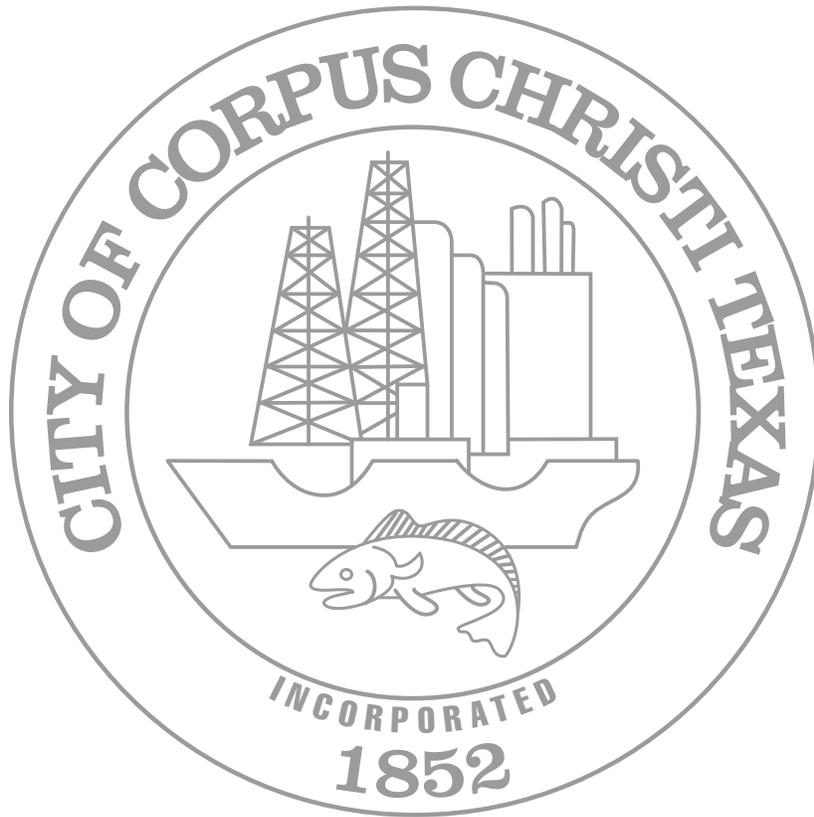
Cash and cash equivalents	\$ 1,563,751
Total assets	<u>\$ 1,563,751</u>

**LIABILITIES AND FUND BALANCE**

Liabilities	\$ --
Fund balance	
Restricted	
Downtown development	<u>\$ 1,563,751</u>
Total liabilities and fund balance	<u>\$ 1,563,751</u>

**REINVESTMENT ZONE #3  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
14 MONTHS ENDED SEPTEMBER 30, 2014**

<b>Revenues</b>	
Taxes and business fees	\$ 648,276
Earnings on investments	271
Total revenues	<u>648,547</u>
 <b>Other financing sources</b>	
Transfers out	<u>(844)</u>
Excess of revenues and other financing sources over expenditures and other uses	647,703
Fund balance at beginning of year	<u>916,048</u>
Fund balance at end of year	<u><u>\$ 1,563,751</u></u>



***Capital Projects Funds***



## ***Capital Projects Funds***

***Capital Projects Funds*** are used for construction projects to purchase land and to purchase equipment for various City facilities and projects. A capital projects fund continues in existence until the project is complete or the funds are exhausted.

### ***Major Fund***

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

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

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

***City Buildings and Facilities Fund*** – This fund was established for recording the purchase of a site, and constructing and equipping a new City Hall, and for major maintenance and enhancements to general purpose City buildings and facilities.

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

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

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

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

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

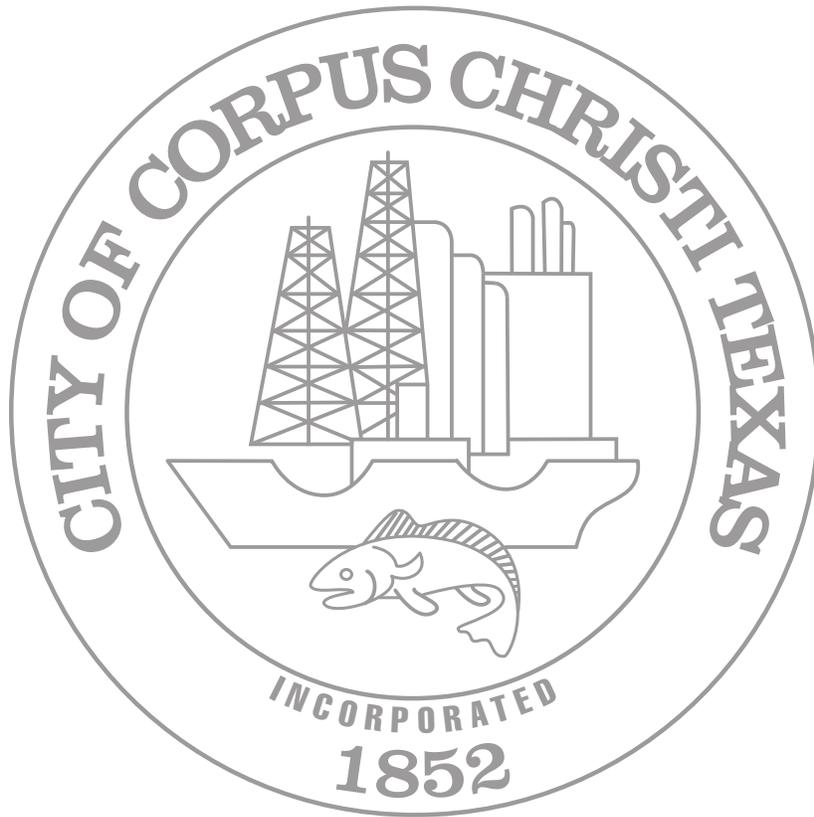
***Fire Bond Fund*** – This fund was established for recording construction and improvements to City fire stations.

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

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

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

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



**STREET CAPITAL PROJECTS FUND  
BALANCE SHEET  
SEPTEMBER 30, 2014**

**ASSETS**

Cash and cash equivalents	\$ 39,830,226
Investments	39,966,400
Receivables	
Accrued interest	24,258
Special assessments	736,649
Allowance for uncollectibles	<u>(671,149)</u>
Net receivables	<u>89,758</u>
 Total assets	 <u><u>\$ 79,886,384</u></u>

**LIABILITIES AND FUND BALANCES**

Liabilities	
Accounts payable	\$ 1,415
Contractor interest and retainage payable	857,480
Deposits	<u>353,400</u>
Total liabilities	1,212,295
 Fund balances	
Restricted	
Capital projects	74,494,102
Committed	
Capital projects	3,136,531
Assigned	
Capital projects	<u>1,043,456</u>
Total fund balance	<u>78,674,089</u>
 Total liabilities and fund balance	 <u><u>\$ 79,886,384</u></u>

**STREET CAPITAL PROJECTS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

**Revenues**

Special assessments	\$ 153,657
Interest on special assessments	41,620
Attorneys fees on special assessments	218
Earnings on investments	108,761
Property Rentals	13,032
Total revenues	<u>317,288</u>

**Expenditures**

Current	
General government	559,824
Capital projects	21,016,490
Debt service	
Bond issuance cost	75,000
Total expenditures	<u>21,651,314</u>

Excess (deficiency) of revenues over (under) expenditures (21,334,026)

**Other financing sources (uses)**

Tax Notes issued	8,000,000
Transfer in from	
General Fund	648
Transfers out to	
General Fund	(950,000)
Total other financing sources (uses)	<u>7,050,648</u>

Net change in fund balances (14,283,378)

Fund balances at beginning of year 92,957,467

Fund balances at end of year \$ 78,674,089

--

**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2014**

<b>ASSETS</b>	<b>Bayfront Arts/Science</b>	<b>City Buildings and Facilities</b>	<b>Convention Facility</b>
Cash and cash equivalents	\$ 8,893,492	\$ 5,817,556	\$ 27,033
Investments	--	5,000,025	--
Receivables			
Accrued interest	--	6,713	--
Total assets	<u>\$ 8,893,492</u>	<u>\$ 10,824,294</u>	<u>\$ 27,033</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 99,599	\$ 558	\$ --
Contractor interest and retainage payable	--	234,190	--
Advance from other funds	--	--	--
Total liabilities	<u>99,599</u>	<u>234,748</u>	<u>--</u>
Fund balances			
Restricted			
Capital projects	8,688,130	10,595,307	21,894
Committed			
Capital projects	105,763	--	5,139
Assigned			
Capital projects	--	--	--
Unassigned	--	(5,760)	--
Total fund balance	<u>8,793,893</u>	<u>10,589,547</u>	<u>27,033</u>
Total liabilities and fund balance	<u>\$ 8,893,492</u>	<u>\$ 10,824,295</u>	<u>\$ 27,033</u>

(Continued)

City of Corpus Christi, Texas

Exhibit 29-A

<u>Library</u>	<u>Park</u>	<u>Police</u>	<u>Public Health &amp; Safety</u>	<u>Fire</u>	<u>Landfill</u>
\$ 78,943	\$ 7,231,824	\$ 702,406	\$ 944,039	\$ 529,383	\$ 2,130,205
--	9,994,471	--	--	2,000,134	--
--	4,478	--	--	1,644	--
<u>\$ 78,943</u>	<u>\$ 17,230,773</u>	<u>\$ 702,406</u>	<u>\$ 944,039</u>	<u>\$ 2,531,161</u>	<u>\$ 2,130,205</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	61,511	--	63,950	87,779	--
--	--	--	750,000	--	--
<u>--</u>	<u>61,511</u>	<u>--</u>	<u>813,950</u>	<u>87,779</u>	<u>--</u>
69,319	16,888,000	686,677	438,808	2,391,675	1,213,782
9,624	225,314	15,728	--	51,707	916,423
--	55,948	--	--	--	--
--	--	--	(308,719)	--	--
<u>78,943</u>	<u>17,169,262</u>	<u>702,406</u>	<u>130,089</u>	<u>2,443,382</u>	<u>2,130,205</u>
<u>\$ 78,943</u>	<u>\$ 17,230,773</u>	<u>\$ 702,406</u>	<u>\$ 944,039</u>	<u>\$ 2,531,161</u>	<u>\$ 2,130,205</u>

**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2014**

	<b>Corpus Christi Business and Job Development Corporation</b>		<b>North Padre Island Development Corporation</b>
	<b>Seawall</b>	<b>Arena</b>	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 8,522,535	\$ 106,436	\$ 957,788
Investments	2,000,134	--	--
Receivables			
Accrued interest	1,644	--	--
	<u>1,644</u>	<u>--</u>	<u>--</u>
Total assets	<u>\$ 10,524,313</u>	<u>\$ 106,436</u>	<u>\$ 957,788</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	\$ --	\$ --	\$ --
Contractor interest and retainage payable	13,198	--	508
Advance from other funds	--	--	--
Total liabilities	<u>13,198</u>	<u>--</u>	<u>508</u>
<b>Fund balances</b>			
<b>Restricted</b>			
Capital projects		--	957,280
<b>Committed</b>			
Capital projects	--	--	--
<b>Assigned</b>			
Capital projects	10,511,115	106,436	--
Unassigned	--	--	--
Total fund balance	<u>10,511,115</u>	<u>106,436</u>	<u>957,280</u>
Total liabilities and fund balance	<u>\$ 10,524,313</u>	<u>\$ 106,436</u>	<u>\$ 957,788</u>

**Exhibit 29-A  
(Continued)**

<u>Eliminations</u>	<u>Total</u>
\$ --	\$ 35,941,640
--	18,994,764
--	14,479
\$ --	\$ 54,950,883
\$ --	\$ 100,157
--	461,136
--	750,000
--	1,311,293
--	41,950,872
--	1,329,698
--	10,673,499
--	(314,479)
--	53,639,590
\$ --	\$ 54,950,883

**CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Bayfront Arts/Science</u>	<u>City Buildings and Facilities</u>	<u>Convention Facility</u>	<u>Library</u>
<b>Revenues</b>				
Earnings on investments	\$ 20,537	\$ 12,849	\$ -	\$ -
Miscellaneous	--	2,592	--	--
Total revenues	<u>20,537</u>	<u>15,441</u>	<u>--</u>	<u>--</u>
<b>Expenditures</b>				
Current				
General government	141,516	52,304	15	180
Capital projects	2,207,390	5,256,161	96,800	14,115
Debt service				
Bond issuance cost	--	82,000	--	--
Total expenditures	<u>2,348,906</u>	<u>5,390,465</u>	<u>96,815</u>	<u>14,295</u>
Excess (deficiency) of revenues over (under) expenditures	(2,328,369)	(5,375,024)	(96,815)	(14,295)
<b>Other financing sources</b>				
Proceeds from other notes payable	--	9,000,000	--	--
Transfer in from				
Law Enforcement Trust Fund	--	--	--	--
Total other financing sources	<u>--</u>	<u>9,000,000</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(2,328,369)	3,624,976	(96,815)	(14,295)
Fund balances at beginning of year	<u>11,122,262</u>	<u>6,964,570</u>	<u>123,848</u>	<u>93,238</u>
Fund balances at end of year	<u>\$ 8,793,893</u>	<u>\$ 10,589,546</u>	<u>\$ 27,033</u>	<u>\$ 78,943</u>

(Continued)

City of Corpus Christi, Texas

Exhibit 29-B

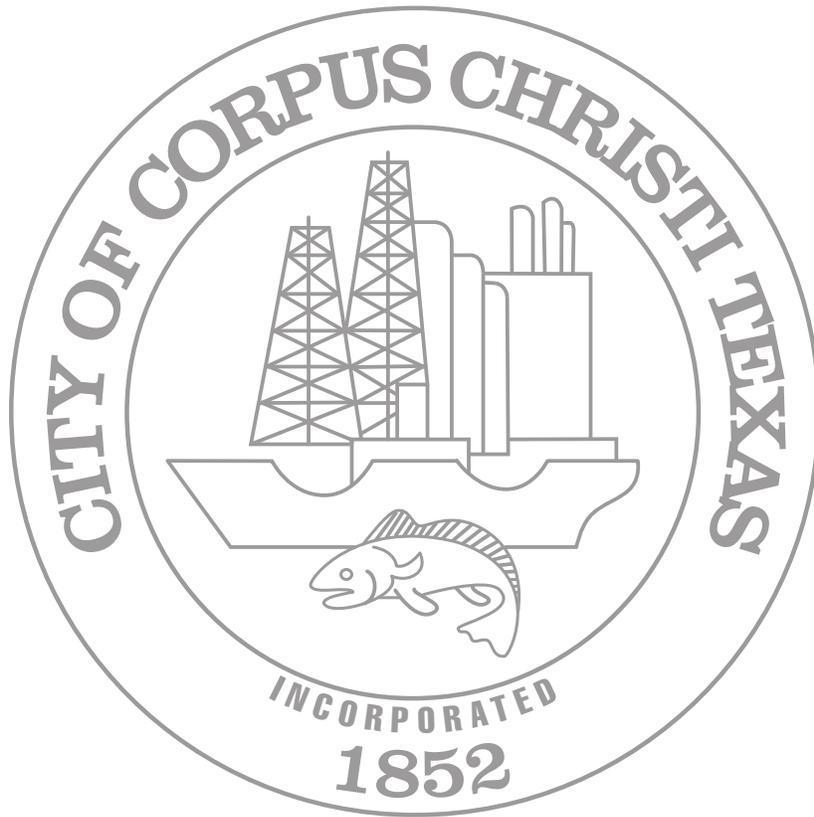
<u>Park</u>	<u>Police</u>	<u>Public Health &amp; Safety</u>	<u>Fire</u>	<u>Landfill</u>
\$ 13,962	\$ 6	\$ 300	\$ 6,045	\$ 1,025
--	--	--	--	--
<u>13,962</u>	<u>6</u>	<u>300</u>	<u>6,045</u>	<u>1,025</u>
89,496	7,846	98,916	18,784	9,122
2,334,330	70,422	1,392,592	1,941,986	535,608
--	--	--	--	--
<u>2,423,826</u>	<u>78,268</u>	<u>1,491,508</u>	<u>1,960,770</u>	<u>544,730</u>
(2,409,864)	(78,262)	(1,491,208)	(1,954,725)	(543,705)
--	--	--	--	--
--	--	290,000	--	--
--	--	<u>290,000</u>	--	--
(2,409,864)	(78,262)	(1,201,208)	(1,954,725)	(543,705)
<u>19,579,126</u>	<u>780,668</u>	<u>1,331,297</u>	<u>4,398,107</u>	<u>2,673,910</u>
<u>\$ 17,169,262</u>	<u>\$ 702,406</u>	<u>\$ 130,089</u>	<u>\$ 2,443,382</u>	<u>\$ 2,130,205</u>

**CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Corpus Christi Business and Job Development Corporation</u>		<u>North Padre Island Development Corporation</u>	<u>Eliminations</u>
	<u>Seawall</u>	<u>Arena</u>		
<b>Revenues</b>				
Contributions and donations	\$ -	\$ -	\$ 125,894	\$ -
Earnings on investments	6,057	--	445	--
Miscellaneous	--	--	--	--
Total revenues	<u>6,057</u>	<u>--</u>	<u>126,339</u>	<u>--</u>
<b>Expenditures</b>				
Current				
General government	4,243	4,953	9,149	--
Capital projects	964,910	4,680	402,848	--
Debt service				
Bond issuance cost	--	--	--	--
Total expenditures	<u>969,153</u>	<u>9,633</u>	<u>411,997</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(963,096)	(9,633)	(285,658)	--
<b>Other financing sources</b>				
Proceeds from other notes payable	--	--	--	--
Transfer in from				
Seawall Improvement fund	6,500,000	--	--	--
Law Enforcement Trust Fund	--	--	--	--
Total other financing sources	<u>6,500,000</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	5,536,904	(9,633)	(285,658)	--
Fund balances at beginning of year	<u>4,974,211</u>	<u>116,069</u>	<u>1,242,938</u>	<u>--</u>
Fund balances at end of year	<u>\$ 10,511,115</u>	<u>\$ 106,436</u>	<u>\$ 957,280</u>	<u>\$ --</u>

**Exhibit 29-B  
(Continued)**

<u><b>Total</b></u>	
\$	125,894
	61,226
	<u>2,592</u>
	189,712
	436,524
	15,221,842
	<u>82,000</u>
	<u>15,740,366</u>
	(15,550,654)
	9,000,000
	6,500,000
	<u>290,000</u>
	<u>15,790,000</u>
	239,346
	<u>53,400,244</u>
\$	<u><u>53,639,590</u></u>



*Proprietary Funds*

## ***Enterprise Funds***

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

### ***Major Fund***

***Utility System Fund*** – This fund was established to account for the City’s water system, waste water disposal system, gas system, and storm water sewer and drainage system.

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

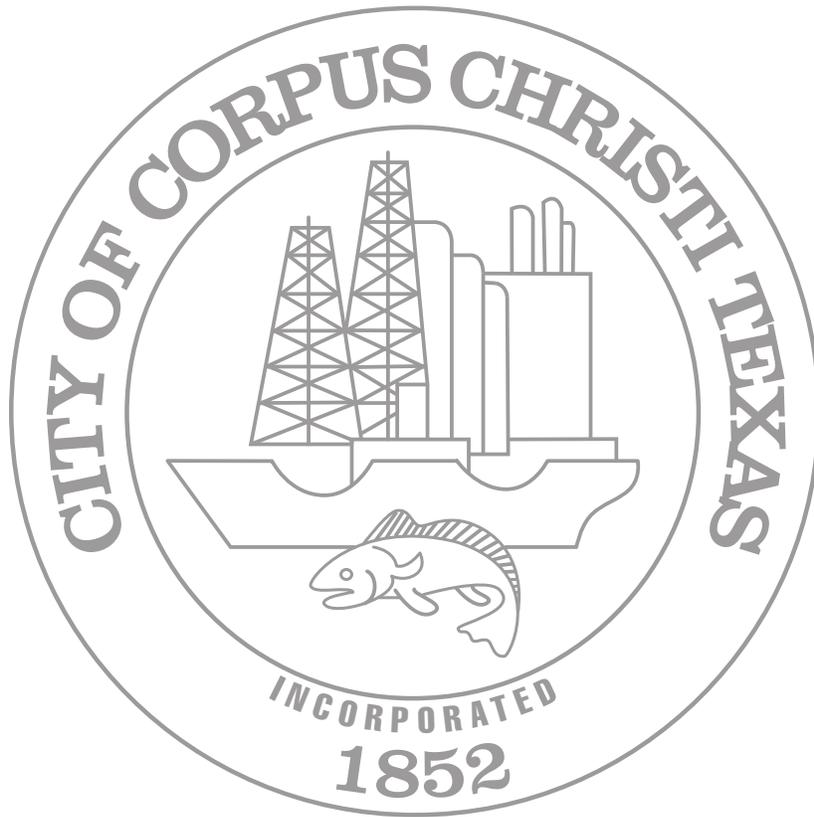
***Airport Fund*** – This fund was established to account for operations of the Corpus Christi International Airport.

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

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

*Enterprise Funds*





City of Corpus Christi, Texas

**UTILITY SYSTEM FUND  
COMBINING SCHEDULE OF NET POSITION  
SEPTEMBER 30, 2014**

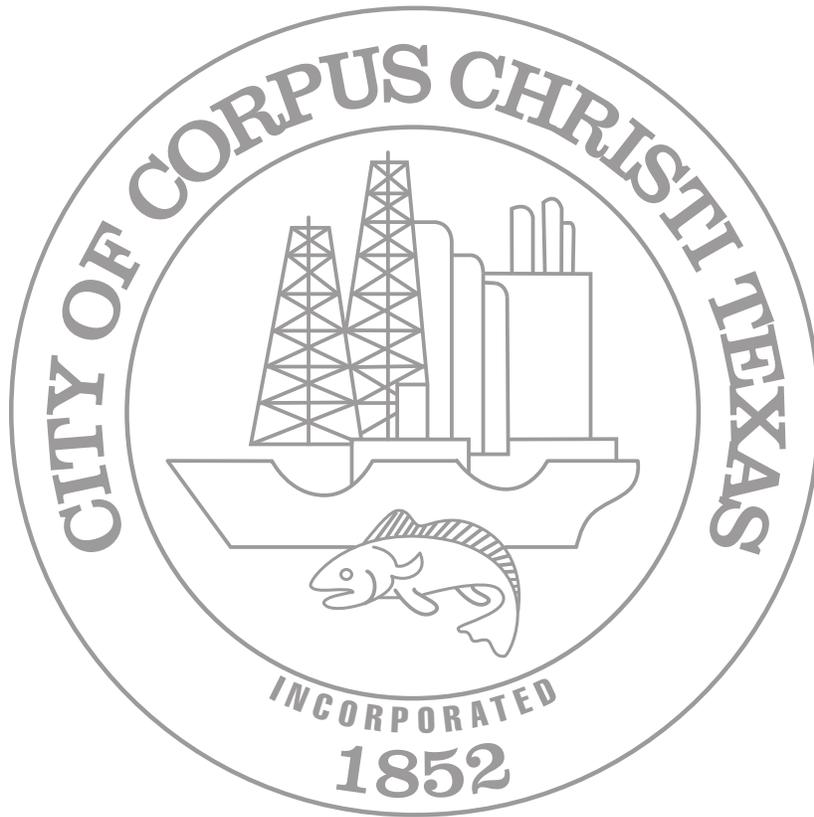
	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>ASSETS</b>					
Current assets					
Cash and cash equivalents	\$ 1,677,209	\$ 2,412,059	\$ 5,693,450	\$ --	\$ 9,782,718
Investments	5,499,324	39,978,980	9,970,780	--	55,449,084
Receivables					
Accounts	4,266,787	17,456,333	9,304,608	--	31,027,728
Accrued interest	4,000	35,322	13,526	--	52,848
Property leases	--	160	345	--	505
Employees	--	55	11,739	--	11,794
Intergovernmental	--	965,829	125,719	--	1,091,548
Miscellaneous	252	2,153	--	--	2,405
Allowance for uncollectibles	(1,003,675)	(1,917,629)	(1,464,376)	--	(4,385,680)
Net receivables	3,267,364	16,542,223	7,991,561	--	27,801,148
Due from other funds	--	--	17,000,000	(17,000,000)	--
Inventories	--	484,470	--	--	484,470
Restricted assets					
Cash and cash equivalents	2,972,266	45,591,506	22,705,926	--	71,269,698
Investments	--	78,949,338	36,939,320	--	115,888,658
Receivables					
Accrued interest	--	46,995	17,222	--	64,217
Total restricted assets	2,972,266	124,587,839	59,662,468	--	187,222,573
Total current assets	13,416,163	184,005,571	100,318,259	(17,000,000)	280,739,993
Noncurrent assets					
Capital assets					
Land	697,548	17,622,086	5,164,303	--	23,483,937
Water supply rights	--	212,284,487	--	--	212,284,487
Buildings	1,793,458	33,659,741	2,411,438	--	37,864,637
Improvements other than buildings	9,470,778	92,704,357	160,622,540	--	262,797,675
Machinery and equipment	1,606,852	14,359,565	11,301,096	--	27,267,513
Infrastructure	77,368,372	712,541,212	296,369,345	--	1,086,278,929
Total capital assets in service	90,937,008	1,083,171,448	475,868,722	--	1,649,977,178
Less accumulated depreciation and amortization	(38,698,981)	(287,266,173)	(150,036,735)	--	(476,001,889)
Net capital assets in service	52,238,027	795,905,275	325,831,987	--	1,173,975,289
Construction in progress	3,776,228	134,935,586	90,541,101	--	229,252,915
Net capital assets	56,014,255	930,840,861	416,373,088	--	1,403,228,204
Total noncurrent assets	56,014,255	930,840,861	416,373,088	--	1,403,228,204
Total assets	69,430,418	1,114,846,432	516,691,347	(17,000,000)	1,683,968,197
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Unamortized loss on refunded debt	65,811	5,705,095	1,333,365	--	7,104,271
Total deferred outflows of resources	65,811	5,705,095	1,333,365	--	7,104,271

(Continued)

City of Corpus Christi, Texas

Exhibit 30-A

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>LIABILITIES</b>					
Current liabilities					
Accounts payable	\$ 201,295	\$ 1,607,352	\$ 974,097	\$ --	\$ 2,782,744
Accrued expenses	175,369	348,769	217,108	--	741,246
Accrued interest	130,402	5,409,969	2,361,447	--	7,901,818
Contractor interest and retainage payable	112,908	3,494,593	3,085,152	--	6,692,653
Deposits	592,721	944,399	3,703	--	1,540,823
Liability to claimants - escheat property	--	124,952	--	--	124,952
Due to other funds	--	45,500,000	--	(17,000,000)	28,500,000
Unearned revenue	--	--	16,204	--	16,204
Current portion of long-term liabilities					
Long-term debt	464,894	26,629,994	12,097,172	--	39,192,060
Accumulated unpaid compensated absences	464,572	827,924	574,990	--	1,867,486
Total current liabilities	<u>2,142,161</u>	<u>84,887,952</u>	<u>19,329,873</u>	<u>(17,000,000)</u>	<u>89,359,986</u>
Noncurrent liabilities					
Long-term liabilities, net of current portion					
Long-term debt	15,513,902	620,267,242	230,360,132	--	866,141,276
Accumulated unpaid compensated absences	287,669	--	44,187	--	331,856
Net pension obligation	1,777,576	3,958,407	2,267,113	--	8,003,096
Net OPEB obligation	110,667	252,506	137,453	--	500,626
Total noncurrent liabilities	<u>17,689,814</u>	<u>624,478,155</u>	<u>232,808,885</u>	<u>--</u>	<u>874,976,854</u>
Total liabilities	<u>19,831,975</u>	<u>709,366,107</u>	<u>252,138,758</u>	<u>(17,000,000)</u>	<u>964,336,840</u>
<b>NET POSITION</b>					
Invested in capital assets, net of related debt	42,704,899	398,380,344	229,732,529	--	670,817,772
Restricted for					
Bond interest and redemption	363,808	6,080,767	3,668,051	--	10,112,626
Improvements to utility lines and facilities	--	3,396,008	1,280,280	--	4,676,288
Abatement of public health hazards	--	--	95,500	--	95,500
Unrestricted	<u>6,595,547</u>	<u>3,328,301</u>	<u>31,109,594</u>	<u>--</u>	<u>41,033,442</u>
Total net position	<u>\$ 49,664,254</u>	<u>\$ 411,185,420</u>	<u>\$ 265,885,954</u>	<u>\$ --</u>	<u>\$ 726,735,628</u>



**UTILITY SYSTEM FUND**  
**COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**YEAR ENDED SEPTEMBER 30, 2014**

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>Operating revenues</b>					
Charges for services - net	\$ 42,337,891	\$ 139,087,748	\$ 75,068,625	\$ (817,455)	\$ 255,676,809
<b>Operating expenses</b>					
Personal services	8,705,127	17,672,503	11,359,947	--	37,737,577
Materials and supplies	24,412,977	18,262,940	4,818,963	--	47,494,880
Contractual services	2,457,023	16,273,828	12,407,355	--	31,138,206
Other operating expenses	3,366,475	10,926,748	7,685,827	(817,455)	21,161,595
Uncollectible accounts	513,247	917,585	648,299	--	2,079,131
Depreciation	2,995,383	23,370,896	14,883,715	--	41,249,994
Total operating expenses	<u>42,450,232</u>	<u>87,424,500</u>	<u>51,804,106</u>	<u>(817,455)</u>	<u>180,861,383</u>
Operating income	(112,341)	51,663,248	23,264,519	--	74,815,426
<b>Nonoperating revenues (expenses)</b>					
Investment income	6,294	251,378	70,072	--	327,744
Interest expense and fiscal charges	(736,932)	(27,961,754)	(10,832,175)	--	(39,530,861)
Bond issue costs	(33,924)	(576,727)	(328,836)	--	(939,487)
Net gain (loss) on disposal of assets	70,323	62,774	173,327	--	306,424
Recovery on damage claims	--	14,763	--	--	14,763
Developer deposits	--	879,097	1,046,052	--	1,925,149
Reimbursements to developers	--	(36,067)	(583,278)	--	(619,345)
Contributions from other governmental agencies	56,322	646,560	508,129	--	1,211,011
Miscellaneous	--	70,000	--	--	70,000
Total nonoperating expenses	<u>(637,917)</u>	<u>(26,649,976)</u>	<u>(9,946,709)</u>	<u>--</u>	<u>(37,234,602)</u>
<b>Capital contributions</b>					
Contributions from other governmental agencies	28,714	649,820	--	--	678,534
Contributions from developers	--	1,658,558	4,790,423	--	6,448,981
Total capital contributions	<u>28,714</u>	<u>2,308,378</u>	<u>4,790,423</u>	<u>--</u>	<u>7,127,515</u>
Income before transfers	(721,544)	27,321,650	18,108,233	--	44,708,339
Transfers in	109,847	390,534	188,848	--	689,229
Transfers out	(1,028,590)	(6,222,433)	(3,195,244)	--	(10,446,267)
Total transfers	<u>(918,743)</u>	<u>(5,831,899)</u>	<u>(3,006,396)</u>	<u>--</u>	<u>(9,757,038)</u>
Net income	(1,640,287)	21,489,751	15,101,837	--	34,951,301
Adjusted net position at beginning of year (Note 1-Q)	<u>51,304,541</u>	<u>389,695,669</u>	<u>250,784,117</u>	<u>--</u>	<u>691,784,327</u>
Net position at end of year	<u>\$ 49,664,254</u>	<u>\$ 411,185,420</u>	<u>\$ 265,885,954</u>	<u>\$ --</u>	<u>\$ 726,735,628</u>

City of Corpus Christi, Texas

UTILITY SYSTEM FUND  
COMBINING SCHEDULE OF CASH FLOWS  
YEAR ENDED SEPTEMBER 30, 2014

	Gas	Water	Wastewater	Eliminations	Total
<b>Cash flows from operating activities</b>					
Receipts from customers	41,738,790	\$ 135,155,149	73,702,550	\$ --	\$ 250,596,489
Receipts from interfund services provided	154,718	1,075,353	26,306	(817,455)	438,922
Payments to suppliers	(25,858,366)	(31,063,565)	(16,417,765)	--	(73,339,696)
Payments to employees	(7,559,622)	(18,455,254)	(10,294,960)	--	(36,309,836)
Internal activity - payments to other funds	(5,165,978)	(15,483,672)	(10,430,994)	817,455	(30,263,189)
Other receipts	--	10,044	--	--	10,044
Net cash provided by operating activities	3,309,542	71,238,055	36,585,137	--	111,132,734
<b>Cash flows from noncapital financing activities</b>					
Changes in interfund borrowings	--	45,500,000	(17,000,000)	--	28,500,000
Contributions from other governmental agencies	--	17,561	--	--	17,561
Transfers in from other funds	109,847	390,534	188,848	--	689,229
Transfers out to other funds	(1,028,590)	(6,222,433)	(3,195,246)	--	(10,446,269)
Other non-operating expenses	--	70,000	--	--	70,000
Net cash used for noncapital financing activities	(918,743)	39,755,662	(20,006,398)	--	18,830,521
<b>Cash flows from capital and related financing activities</b>					
Acquisition of capital assets	(4,162,109)	(90,250,556)	(25,472,192)	--	(119,884,857)
Proceeds from sale of capital assets	76,226	62,774	173,327	--	312,327
Developers deposits	--	(36,067)	1,046,052	--	1,009,985
Reimbursements to developers	--	879,098	(583,278)	--	295,820
Contributions from other governmental agencies	78,705	787,496	--	--	866,201
Proceeds from issuance of revenue bonds	3,595,000	61,116,600	34,847,200	--	99,558,800
Bond issuance costs	984	16,732	9,540	--	27,256
Principal paid on long-term debt	(429,962)	(28,581,409)	(10,642,967)	--	(39,654,338)
Interest expense and fiscal charges	(655,960)	(25,720,871)	(11,731,369)	--	(38,108,200)
Recovery on damage claims	--	4,720	--	--	4,720
Net cash provided by (used for) capital and related financing activities	(1,497,116)	(81,721,483)	(12,353,687)	--	(95,572,286)
<b>Cash flows from investing activities</b>					
Purchase of investment securities	(5,500,000)	(111,000,000)	(50,939,320)	--	(167,439,320)
Proceeds from sale and maturity of investment securities	5,000,000	95,980,625	51,984,222	--	152,964,847
Interest on investments	8,692	347,100	95,911	--	451,703
Net cash provided by (used for) investing activities	(491,308)	(14,672,275)	1,140,813	--	(14,022,770)
Net increase in cash and cash equivalents	402,375	14,599,959	5,365,865	--	20,368,199
Cash and cash equivalents at beginning of year, including restricted accounts	4,247,100	33,403,606	23,033,511	--	60,684,217
Cash and cash equivalents at end of year, including restricted accounts	4,649,475	\$ 48,003,565	28,399,376	\$ --	\$ 81,052,416

(Continued)

City of Corpus Christi, Texas

Exhibit 30-C

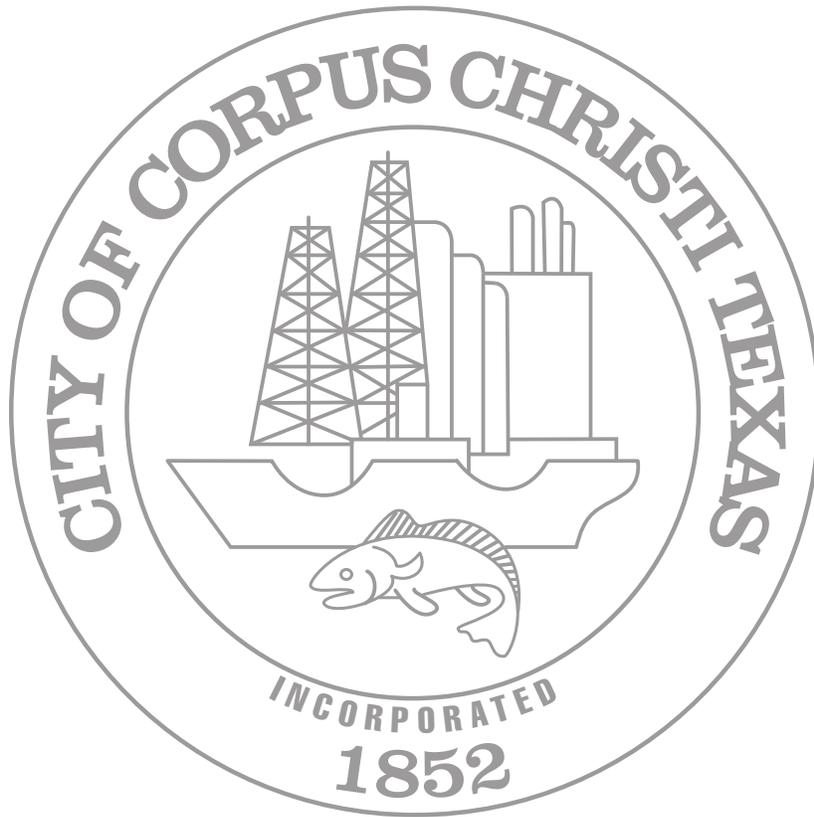
	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>					
Operating income	(112,341)	\$ 51,663,248	23,264,519	\$ --	\$ 74,815,426
Adjustments to reconcile operating income to net cash provided by operating activities					
Depreciation	2,995,383	23,370,896	14,883,715	--	41,249,994
Amortization of water rights	--	324,925	--	--	324,925
Provision for uncollectible accounts	513,247	917,585	648,299	--	2,079,131
Operating and maintenance expenses previously capitalized	--	2,656	--	--	2,656
Recovery of damage claims	--	10,044	--	--	10,044
Changes in assets and liabilities					
Receivables	(951,599)	(3,517,613)	(1,337,532)	--	(5,806,744)
Deposits receivable	--	30	--	--	30
Inventory	--	58,779	--	--	58,779
Accounts payable	77,966	138,605	(884,164)	--	(667,593)
Accrued expenses	(162,383)	(2,963,896)	(173,118)	--	(3,299,397)
Accumulated unpaid compensated absences	56,714	(291,639)	(288,448)	--	(523,373)
Net pension obligation	372,395	760,927	457,611	--	1,590,933
Net OPEB obligation	12,824	26,811	16,492	--	56,127
Customer deposits	507,336	734,319	(2,237)	--	1,239,418
Liability to claimants - escheat property	--	2,378	--	--	2,378
Net cash provided by operating activities	<u>3,309,542</u>	<u>\$ 71,238,055</u>	<u>36,585,137</u>	<u>\$ --</u>	<u>\$ 111,132,734</u>
<b>Noncash investing, capital and financing activities</b>					
Change in fair value of investments	\$ (4,061)	\$ (96,961)	\$ (89,798)	\$ --	\$ (190,820)
Change in accrued interest receivable	\$ (1,664)	\$ (1,249)	\$ (6,501)	\$ --	\$ (9,414)
Contribution of capital assets	\$ --	\$ 1,658,558	\$ 4,790,423	\$ --	\$ 6,448,981
Acquisition of capital assets accrued but not paid	\$ (591,677)	\$ (3,691,790)	\$ (5,831,331)	\$ --	\$ (10,114,798)
Bond issue costs	\$ (34,908)	\$ (593,458)	\$ (338,375)	\$ --	\$ (966,741)
Change in accrued non-operating revenue receivable	\$ --	\$ 133,611	\$ --	\$ --	\$ 133,611
Build America Bonds interest subsidy	\$ 56,322	\$ 624,934	\$ 508,131	\$ --	\$ 1,189,387

**NON-MAJOR PROPRIETARY FUNDS  
COMBINING STATEMENT OF NET POSITION  
SEPTEMBER 30, 2014**

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	\$ 8,858,667	\$ --	\$ 1,069,861	\$ 9,928,528
Receivables				
Accounts	196,316	320	175,505	372,141
Intergovernmental	1,034,588	--	--	1,034,588
Miscellaneous	20	6,765	--	6,785
Allowance for uncollectibles	(4,658)	--	(148,263)	(152,921)
Net receivables	<u>1,226,266</u>	<u>7,085</u>	<u>27,242</u>	<u>1,260,593</u>
Inventories	49,325	--	--	49,325
Restricted assets				
Cash and cash equivalents	6,169,654	--	--	6,169,654
Receivables				
Accounts	193,663	--	--	193,663
Accrued interest	2,700	--	--	2,700
Net receivables	<u>196,363</u>	<u>--</u>	<u>--</u>	<u>196,363</u>
Total restricted assets	<u>6,366,017</u>	<u>--</u>	<u>--</u>	<u>6,366,017</u>
Total current assets	<u>16,500,275</u>	<u>7,085</u>	<u>1,097,103</u>	<u>17,800,826</u>
Noncurrent assets				
Capital assets				
Land	4,848,977	94,337	9,000	4,952,314
Buildings	54,874,199	711,295	981,298	56,566,792
Improvements other than buildings	85,125,563	2,704,117	13,124,743	100,954,423
Machinery and equipment	5,590,339	1,081,027	106,292	6,777,658
Infrastructure	--	--	54,226	54,226
Total capital assets in service	<u>150,439,078</u>	<u>4,590,776</u>	<u>14,275,559</u>	<u>169,305,413</u>
Less accumulated depreciation	(59,796,115)	(4,083,342)	(8,073,532)	(71,952,989)
Net capital assets in service	<u>90,642,963</u>	<u>507,434</u>	<u>6,202,027</u>	<u>97,352,424</u>
Construction in progress	34,205,553	--	--	34,205,553
Net capital assets	<u>124,848,516</u>	<u>507,434</u>	<u>6,202,027</u>	<u>131,557,977</u>
Total noncurrent assets	<u>124,848,516</u>	<u>507,434</u>	<u>6,202,027</u>	<u>131,557,977</u>
Total assets	<u>141,348,791</u>	<u>514,519</u>	<u>7,299,130</u>	<u>149,358,803</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Unamortized loss on refunded debt	555,525	--	42,094	597,619
Total deferred outflows of resources	<u>555,525</u>	<u>--</u>	<u>42,094</u>	<u>597,619</u>

(Continued)

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	\$ 1,229,855	\$ --	\$ 3,906	\$ 1,233,761
Accrued expenses	95,284	--	17,635	112,919
Accrued interest	84,998	--	9,625	94,623
Contractor interest and retainage payable	302,477	--	--	302,477
Deposits	20,073	--	134,967	155,040
Advances from other funds	--	740,882	--	740,882
Unearned revenue	342,367	--	24,607	366,974
Current portion of long-term liabilities				
Long-term debt	1,193,706	--	290,000	1,483,706
Accumulated unpaid compensated absences	191,533	--	30,877	222,410
Total current liabilities	<u>3,460,293</u>	<u>740,882</u>	<u>511,617</u>	<u>4,712,792</u>
Noncurrent liabilities				
Long-term liabilities, net of current portion				
Long-term debt	26,707,554	--	2,738,300	29,445,854
Accumulated unpaid compensated absences	109,584	--	26,783	136,367
Net pension obligation	1,027,649	--	164,640	1,192,289
Net OPEB obligation	74,467	--	12,608	87,075
Total noncurrent liabilities	<u>27,919,254</u>	<u>--</u>	<u>2,942,331</u>	<u>30,861,585</u>
Total liabilities	<u>31,379,547</u>	<u>740,882</u>	<u>3,453,948</u>	<u>35,574,377</u>
<b>NET POSITION</b>				
Invested in capital assets, net of related debt	101,480,585	507,434	3,215,821	105,203,840
Restricted for				
Passenger facility charges projects	2,353,305	--	--	2,353,305
Law enforcement officers' standards and education	718	--	--	718
Unrestricted	6,690,161	(733,797)	671,455	6,627,819
Total net position	<u>\$ 110,524,769</u>	<u>\$ (226,363)</u>	<u>\$ 3,887,276</u>	<u>\$ 114,185,682</u>



**NON-MAJOR PROPRIETARY FUNDS**  
**COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
<b>Operating revenues</b>				
Charges for services - net	\$ 9,201,610	\$ 257,772	\$ 2,223,179	\$ 11,682,561
<b>Operating expenses</b>				
Personal services	4,724,548	--	744,636	5,469,184
Materials and supplies	441,580	3,108	72,843	517,531
Contractual services	2,191,130	96,262	295,709	2,583,101
Other operating expenses	868,347	18,321	289,357	1,176,025
Loss (recovery on) uncollectible accounts	(34,972)	--	23,537	(11,435)
Depreciation	6,212,500	82,881	655,006	6,950,387
Total operating expenses	<u>14,403,133</u>	<u>200,572</u>	<u>2,081,088</u>	<u>16,684,793</u>
Operating loss	(5,201,523)	57,200	142,091	(5,002,232)
<b>Nonoperating revenues (expenses)</b>				
Investment income	15,711	--	284	15,995
Interest expense and fiscal charges	(1,120,114)	--	(180,685)	(1,300,799)
Passenger facility charges	1,599,095	--	--	1,599,095
Customer facility charges	1,110,095	--	--	1,110,095
Net gain on disposal of assets	8,495	--	4,804	13,299
Contributions from other governmental agencies	168,808	--	41	168,849
Total nonoperating revenues (expenses)	<u>1,782,090</u>	<u>--</u>	<u>(175,556)</u>	<u>1,606,534</u>
<b>Capital contributions</b>				
Contributions from other governmental agencies	10,767,015	--	--	10,767,015
Contributions from others	47,814	--	--	47,814
Total capital contributions	<u>10,814,829</u>	<u>--</u>	<u>--</u>	<u>10,814,829</u>
Income (loss) before transfers	7,395,396	57,200	(33,465)	7,419,131
Transfers in	140,867	2,883	46,830	190,580
Transfers out	(351,517)	--	(59,494)	(411,011)
Total transfers	<u>(210,650)</u>	<u>2,883</u>	<u>(12,664)</u>	<u>(220,431)</u>
Net income (loss)	7,184,746	60,083	(46,129)	7,198,700
Adjusted net position at beginning of year (Note 1-Q)	<u>103,340,023</u>	<u>(286,446)</u>	<u>3,933,405</u>	<u>106,986,982</u>
Net position at end of year	<u>\$ 110,524,769</u>	<u>\$ (226,363)</u>	<u>\$ 3,887,276</u>	<u>\$ 114,185,682</u>

**NON-MAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Totals</u>
<b>Cash flows from operating activities</b>				
Receipts from customers	\$ 9,157,575	\$ 262,366	\$ 2,191,690	\$ 11,611,631
Payments to suppliers	(1,795,593)	(99,370)	(359,329)	(2,254,292)
Payments to employees	(4,919,283)	--	(661,233)	(5,580,516)
Internal activity - payments to other funds	(1,305,003)	(18,321)	(369,319)	(1,692,643)
Net cash provided by operating activities	<u>1,137,696</u>	<u>144,675</u>	<u>801,809</u>	<u>2,084,180</u>
<b>Cash flows from noncapital financing activities</b>				
Advances from other funds	--	38,469	--	38,469
Contributions from other governmental agencies	142,517	--	--	142,517
Transfers in from other funds	140,867	2,883	46,830	190,580
Transfers out to other funds	(351,516)	--	(59,494)	(411,010)
Net cash used for noncapital financing activities	<u>(68,132)</u>	<u>41,352</u>	<u>(12,664)</u>	<u>(39,444)</u>
<b>Cash flows from capital and related financing activities</b>				
Acquisition of capital assets	(14,338,761)	(186,027)	(50,000)	(14,574,788)
Proceeds from sale of capital assets	8,495	--	4,804	13,299
Contributions from other governmental agencies	11,173,997	--	--	11,173,997
Passenger facility charges	1,541,706	--	--	1,541,706
Customer facility charges	1,127,499	--	--	1,127,499
Principal paid on long-term debt	(1,021,369)	--	(475,000)	(1,496,369)
Interest expense and fiscal charges	(1,556,440)	--	(67,906)	(1,624,346)
Net cash provided by (used for) capital and related financing activities	<u>(3,064,873)</u>	<u>(186,027)</u>	<u>(588,102)</u>	<u>(3,839,002)</u>
<b>Cash flows from investing activities</b>				
Proceeds from sale and maturity of investment securities	7,000,000	--	--	7,000,000
Interest on investments	21,741	--	284	22,025
Net cash provided by (used for) investing activities	<u>7,021,741</u>	<u>--</u>	<u>284</u>	<u>7,022,025</u>
Net increase in cash and cash equivalents	5,026,432	--	201,327	5,227,759
Cash and cash equivalents at beginning of year, including restricted accounts	<u>10,001,889</u>	<u>--</u>	<u>868,534</u>	<u>10,870,423</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 15,028,321</u>	<u>\$ --</u>	<u>\$ 1,069,861</u>	<u>\$ 16,098,182</u>

(Continued)

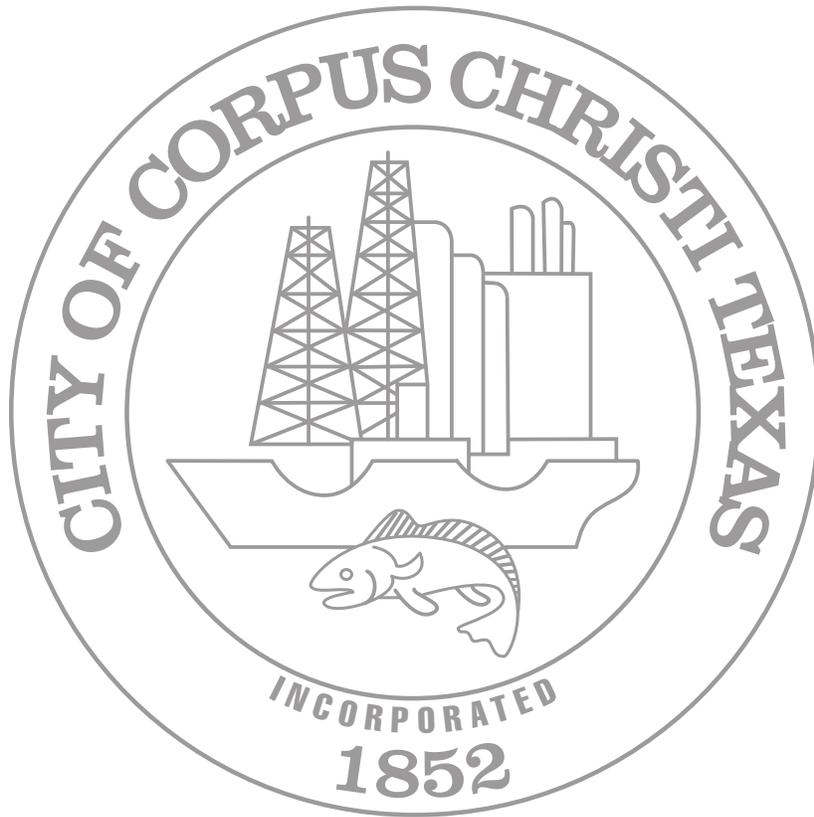
	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Totals</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>				
Operating income (loss)	\$ (5,201,523)	\$ 57,200	\$ 142,091	\$ (5,002,232)
Adjustments to reconcile operating loss to net cash provided by operating activities				
Depreciation	6,212,500	82,880	655,006	6,950,386
Provision for (recovery of) uncollectible accounts	(34,972)	--	23,537	(11,435)
Change in assets and liabilities				
Receivables	5,496	4,595	(40,378)	(30,287)
Inventory	2,330	--	--	2,330
Accounts payable	(3,190)	--	(6,018)	(9,208)
Accrued expenses	(50,794)	--	(9,199)	(59,993)
Customer deposits	3,388	--	10,949	14,337
Unearned revenue	--	--	(2,060)	(2,060)
Accumulated unpaid compensated absences	6,112	--	(3,620)	2,492
Net pension obligation	191,373	--	30,452	221,825
Net OPEB obligation	6,976	--	1,049	8,025
Net cash provided by operating activities	<u>\$ 1,137,696</u>	<u>\$ 144,675</u>	<u>\$ 801,809</u>	<u>\$ 2,084,180</u>
<b>Noncash investing, capital and financing activities</b>				
Change in fair value of investments	\$ (4,401)	\$ --	\$ --	\$ (4,401)
Change in accrued interest receivable	\$ 1,629	\$ --	\$ --	\$ 1,629
Acquisition of capital assets accrued but not paid	\$ (1,207,746)	\$ --	\$ --	\$ (1,207,746)
Change in accrued non-operating revenue receivable	\$ 215,060	\$ --	\$ --	\$ 215,060

**GOLF CENTERS FUND  
SCHEDULE OF OPERATING EXPENSES BY FUNCTION  
14 MONTHS ENDED SEPTEMBER 30, 2014**

<u>FUNCTION</u>	<u>MATERIALS &amp; SUPPLIES</u>	<u>CONTRACTUAL SERVICES</u>	<u>OTHER OPERATING EXPENSES</u>
Gabe Lozano Sr. Golf Center operations	\$ 508	\$ 48,131	\$ 14,894
Oso Golf Center operations	2,600	48,131	3,427
Total operating expenses	<u>\$ 3,108</u>	<u>\$ 96,262</u>	<u>\$ 18,321</u>

Exhibit 32-A

<u>DEPRECIATION</u>	<u>TOTAL</u>
\$ 55,407	\$ 118,940
<u>27,474</u>	<u>81,632</u>
<u>\$ 82,881</u>	<u>\$ 200,572</u>



*Internal Service Funds*



## ***Internal Service Funds***

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

***Stores Fund*** – This fund maintains an inventory of commonly used materials and supplies and provides printing at a reasonable cost.

***Fleet Maintenance Service Fund*** – This fund provides fleet purchasing and maintenance services to City departments.

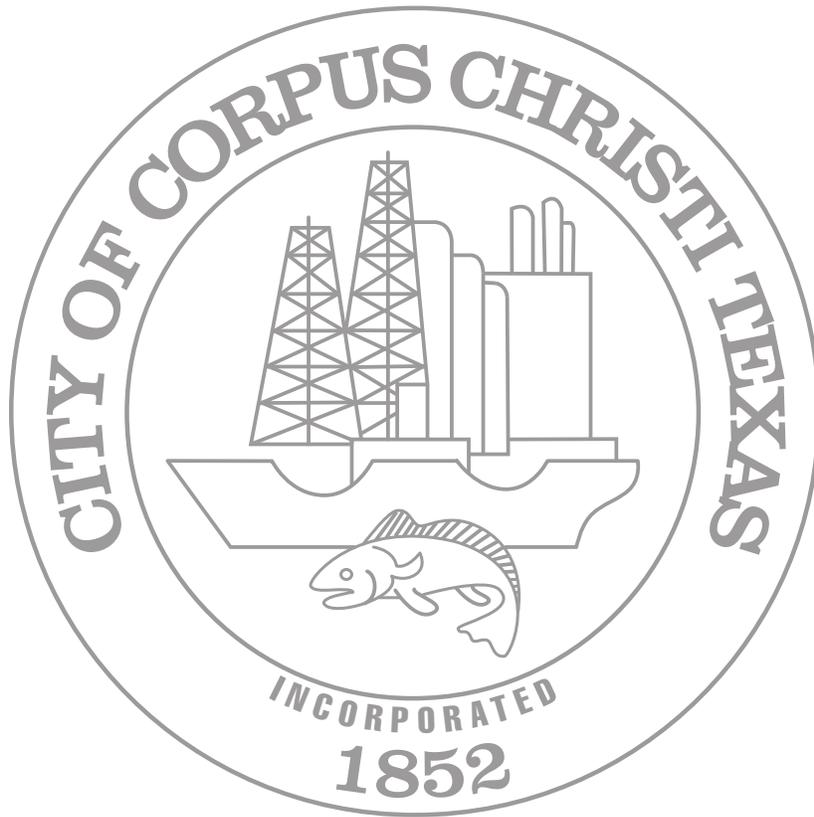
***Facilities Maintenance Service Fund*** – This fund was established to provide building maintenance services to City departments.

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

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

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





City of Corpus Christi, Texas

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET POSITION  
SEPTEMBER 30, 2014**

	<u>Stores</u>	<u>Fleet Maintenance Service</u>	<u>Facilities Maintenance Service</u>	<u>Municipal Information Systems</u>
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	\$ --	\$ 458,707	\$ 1,733,286	\$ 2,962,128
Investments	--	14,484,207	--	--
Receivables, net of allowance for uncollectibles	--	18,083	1,273	75
Due from other funds	--	--	--	511,628
Inventories	944,704	743,674	--	--
Prepaid items	--	--	--	--
Total current assets	<u>944,704</u>	<u>15,704,671</u>	<u>1,734,559</u>	<u>3,473,831</u>
Noncurrent assets				
Other assets	--	--	--	--
Capital assets				
Land	--	--	66,359	--
Buildings	365,953	41,360	5,406,055	--
Improvements other than buildings	--	381,400	645,527	5,739,481
Machinery and equipment	60,100	39,904,373	250,327	4,925,383
Total capital assets in service	426,053	40,327,133	6,368,268	10,664,864
Less accumulated depreciation	(277,955)	(30,946,253)	(4,106,963)	(8,638,081)
Net capital assets	<u>148,098</u>	<u>9,380,880</u>	<u>2,261,305</u>	<u>2,026,783</u>
Total noncurrent assets	<u>148,098</u>	<u>9,380,880</u>	<u>2,261,305</u>	<u>2,026,783</u>
Total assets	<u>1,092,802</u>	<u>25,085,551</u>	<u>3,995,864</u>	<u>5,500,614</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	20,978	769,240	56,301	439,289
Accrued expenses	27,019	58,970	25,399	166,794
Current portion of estimated liability claims	--	--	--	--
Deposits	--	4,648	--	--
Liability to claimants - escheat property	--	--	--	--
Due to other funds	241,737	--	--	--
Unearned revenue	--	--	--	--
Current portion of long-term liabilities				
Long-term debt	--	--	101,343	356,584
Accumulated unpaid compensated absences	57,163	117,901	44,255	427,415
Total current liabilities	<u>346,897</u>	<u>950,759</u>	<u>227,298</u>	<u>1,390,082</u>
Noncurrent liabilities				
Estimated liability claims, net of current portion	--	--	--	--
Long-term liabilities, net of current portion				
Long-term debt	--	--	716,682	1,251,861
Accumulated unpaid compensated absences	22,804	101,987	--	313,674
Net pension obligation	241,377	667,548	240,312	1,694,669
Net OPEB obligation	16,589	52,894	21,287	89,537
Total noncurrent liabilities	<u>280,770</u>	<u>822,429</u>	<u>978,281</u>	<u>3,349,741</u>
Total liabilities	<u>627,667</u>	<u>1,773,188</u>	<u>1,205,579</u>	<u>4,739,823</u>
<b>NET POSITION</b>				
Invested in capital assets, net of related debt	148,098	9,380,880	1,443,280	418,339
Unrestricted	<u>317,037</u>	<u>13,931,483</u>	<u>1,347,005</u>	<u>342,452</u>
Net position	<u>\$ 465,135</u>	<u>\$ 23,312,363</u>	<u>\$ 2,790,285</u>	<u>\$ 760,791</u>

City of Corpus Christi, Texas

Exhibit 33-A

<u>Liability and Employee Benefits</u>	<u>Engineering Services</u>	<u>Eliminations</u>	<u>Total</u>
\$ 21,723,405	\$ --	\$ --	\$ 26,877,526
3,997,212	--	--	18,481,419
116,102	--	--	135,533
14,500,000	--	(511,628)	14,500,000
--	--	--	1,688,378
1,628,603	--	--	1,628,603
<u>41,965,322</u>	<u>--</u>	<u>(511,628)</u>	<u>63,311,459</u>
49,871	--	--	49,871
--	1,099	--	67,458
--	--	--	5,813,368
--	--	--	6,766,408
--	243,102	--	45,383,285
--	244,201	--	58,030,519
--	(231,041)	--	(44,200,293)
--	13,160	--	13,830,226
<u>49,871</u>	<u>13,160</u>	<u>--</u>	<u>13,880,097</u>
<u>42,015,193</u>	<u>13,160</u>	<u>(511,628)</u>	<u>77,191,556</u>
332,628	43,217	--	1,661,653
100,601	95,621	--	474,404
4,710,232	--	--	4,710,232
--	--	--	4,648
20,145	--	--	20,145
--	269,891	(511,628)	--
477	--	--	477
--	--	--	457,927
64,655	254,154	--	965,543
<u>5,228,738</u>	<u>662,883</u>	<u>(511,628)</u>	<u>8,295,029</u>
6,224,387	--	--	6,224,387
--	--	--	1,968,543
12,420	19,755	--	470,640
319,278	1,037,023	--	4,200,207
11,169,675	47,110	--	11,397,092
<u>17,725,760</u>	<u>1,103,888</u>	<u>--</u>	<u>24,260,869</u>
<u>22,954,498</u>	<u>1,766,771</u>	<u>(511,628)</u>	<u>32,555,898</u>
--	13,160	--	11,403,757
<u>19,060,695</u>	<u>(1,766,771)</u>	<u>--</u>	<u>33,231,901</u>
<u>\$ 19,060,695</u>	<u>\$ (1,753,611)</u>	<u>--</u>	<u>\$ 44,635,658</u>

City of Corpus Christi, Texas

**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Stores</u>	<u>Fleet Maintenance Service</u>	<u>Facilities Maintenance Service</u>	<u>Municipal Information Systems</u>
<b>Operating revenues</b>				
Charges for services - net	\$ 1,666,627	\$ 6,374,800	\$ 4,379,334	\$ 17,729,684
<b>Operating expenses</b>				
Personal services	1,182,349	3,140,552	920,592	7,272,608
Materials and supplies	172,206	1,336,000	75,879	816,222
Contractual services	110,024	1,160,461	1,623,823	11,048,377
Other operating expenses	230,252	528,059	277,498	956,375
Self-insurance claims	--	--	--	--
Other post employment benefits	--	--	--	--
Uncollectible accounts	--	--	--	--
Depreciation	24,720	3,056,926	473,171	297,852
Total operating expenses	<u>1,719,551</u>	<u>9,221,998</u>	<u>3,370,963</u>	<u>20,391,434</u>
Operating income (loss)	(52,924)	(2,847,198)	1,008,371	(2,661,750)
<b>Nonoperating revenues (expenses)</b>				
Investment income	--	24,407	--	1,519
Interest expense and fiscal charges	--	--	(68,005)	(35,134)
Net gain (loss) on disposal of assets	1,102	(46,312)	--	(2,819,163)
Recovery of damage claims	--	148,974	--	--
Total nonoperating revenues (expenses)	<u>1,102</u>	<u>127,069</u>	<u>(68,005)</u>	<u>(2,852,778)</u>
Income (loss) before transfers	(51,822)	(2,720,129)	940,366	(5,514,528)
Transfers in	16,566	5,713,284	1,536,333	2,962,777
Transfers out	--	(1,536,333)	(255,870)	--
Net transfers	<u>16,566</u>	<u>4,176,951</u>	<u>1,280,463</u>	<u>2,962,777</u>
Net income (loss)	(35,256)	1,456,822	2,220,829	(2,551,751)
Net position at beginning of year	<u>500,391</u>	<u>21,855,541</u>	<u>569,456</u>	<u>3,312,542</u>
Net position at end of year	<u>\$ 465,135</u>	<u>\$ 23,312,363</u>	<u>\$ 2,790,285</u>	<u>\$ 760,791</u>

Exhibit 33-B

<b>Liability and Employee Benefits</b>	<b>Engineering Services</b>	<b>Eliminations</b>	<b>Totals</b>
\$ 44,934,700	\$ 3,784,605	\$ --	\$ 78,869,750
1,840,402	4,798,899	--	19,155,402
144,131	149,703	--	2,694,141
9,120,346	727,796	--	23,790,827
130,626	835,825	--	2,958,635
28,330,655	--	--	28,330,655
796,419	--	--	796,419
55,806	--	--	55,806
--	15,460	--	3,868,129
<u>40,418,385</u>	<u>6,527,683</u>	<u>--</u>	<u>81,650,014</u>
4,516,315	(2,743,078)	--	(2,780,264)
41,194	180	--	67,300
--	--	--	(103,139)
--	--	--	(2,864,373)
2,610	--	--	151,584
<u>43,804</u>	<u>180</u>	<u>--</u>	<u>(2,748,628)</u>
4,560,119	(2,742,898)	--	(5,528,892)
--	41,752	(1,768,324)	8,502,388
(2,800,000)	--	1,768,324	(2,823,879)
<u>(2,800,000)</u>	<u>41,752</u>	<u>--</u>	<u>5,678,509</u>
1,760,119	(2,701,146)	--	149,617
<u>17,300,576</u>	<u>947,535</u>	<u>--</u>	<u>44,486,041</u>
<u>\$ 19,060,695</u>	<u>\$ (1,753,611)</u>	<u>\$ --</u>	<u>\$ 44,635,658</u>

City of Corpus Christi, Texas

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<u>Stores</u>	<u>Fleet Maintenance Service</u>	<u>Facilities Maintenance Service</u>	<u>Municipal Information Systems</u>
<b>Cash flows from operating activities</b>				
Receipts from customers	\$ --	\$ 19,058	\$ 14,695	\$ --
Receipts from interfund services provided	4,663,963	16,233,720	4,363,366	17,729,684
Payments to suppliers	(3,613,796)	(12,529,151)	(1,658,019)	(11,737,966)
Payments to employees	(1,060,232)	(2,889,173)	(809,703)	(6,459,719)
Internal activity - payments to other funds	(367,713)	(833,938)	(411,958)	(1,692,294)
Claims paid	--	--	--	--
Other receipts	--	148,974	--	--
Net cash provided by (used for) operating activities	<u>(377,778)</u>	<u>149,490</u>	<u>1,498,381</u>	<u>(2,160,295)</u>
<b>Cash flows from noncapital financing activities</b>				
Change in interfund borrowings	241,737	672,043	(672,043)	(511,628)
Transfers in from other funds	16,566	57,751	1,536,333	2,962,777
Transfers out to other funds	--	(1,536,333)	(255,870)	--
Net cash provided by (used for) noncapital financing activities	<u>258,303</u>	<u>(806,539)</u>	<u>608,420</u>	<u>2,451,149</u>
<b>Cash flows from capital and related financing activities</b>				
Acquisition of capital assets	--	(3,655,801)	(129,623)	(44,857)
Proceeds from sale/disposal of capital assets	1,102	117,587	--	--
Transfer in from other funds for capital acquisition	--	5,655,533	--	--
Principal paid on long-term debt	--	--	(175,887)	(1,090,180)
Interest expense and fiscal charges	--	--	(68,005)	(35,134)
Net cash provided by (used for) capital and related financing activity	<u>1,102</u>	<u>2,117,319</u>	<u>(373,515)</u>	<u>(1,170,171)</u>
<b>Cash flows from investing activities</b>				
Purchase of investment securities	--	(15,000,000)	--	--
Proceeds from sale and maturity of investment securities	--	12,492,000	--	--
Interest on investments	--	31,002	--	1,519
Net cash provided by (used for) investing activities	<u>--</u>	<u>(2,476,998)</u>	<u>--</u>	<u>1,519</u>
Net increase (decrease) in cash and cash equivalents	(118,373)	(1,016,728)	1,733,286	(877,798)
Cash and cash equivalents at beginning of year	<u>118,373</u>	<u>1,475,435</u>	<u>--</u>	<u>3,839,926</u>
Cash and cash equivalents at end of year	<u>\$ --</u>	<u>\$ 458,707</u>	<u>\$ 1,733,286</u>	<u>\$ 2,962,128</u>

(Continued)

City of Corpus Christi, Texas

Exhibit 33-C

<u>Liability and Employee Benefits</u>	<u>Engineering Services</u>	<u>Eliminations</u>	<u>Total</u>
\$ 10,943,168	\$ 25,787	\$ --	\$ 11,002,708
33,954,185	3,758,818	--	80,703,736
(8,559,856)	(860,934)	--	(38,959,722)
(1,630,706)	(4,311,619)	--	(17,161,152)
(200,916)	(1,157,541)	--	(4,664,360)
(30,178,305)	--	--	(30,178,305)
2,610	--	--	151,584
<u>4,330,180</u>	<u>(2,545,489)</u>	<u>--</u>	<u>894,489</u>
(14,500,000)	269,891	--	(14,500,000)
--	41,752	(1,768,324)	2,846,855
<u>(2,800,000)</u>	<u>--</u>	<u>1,768,324</u>	<u>(2,823,879)</u>
(17,300,000)	311,643	--	(14,477,024)
--	--	--	(3,830,281)
--	--	--	118,689
--	--	--	5,655,533
--	--	--	(1,266,067)
<u>--</u>	<u>--</u>	<u>--</u>	<u>(103,139)</u>
--	--	--	574,735
--	--	--	(15,000,000)
18,000,000	--	--	30,492,000
63,124	180	--	95,825
<u>18,063,124</u>	<u>180</u>	<u>--</u>	<u>15,587,825</u>
5,093,304	(2,233,666)	--	2,580,025
<u>16,630,101</u>	<u>2,233,666</u>	<u>--</u>	<u>24,297,501</u>
<u>\$ 21,723,405</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 26,877,526</u>

City of Corpus Christi, Texas

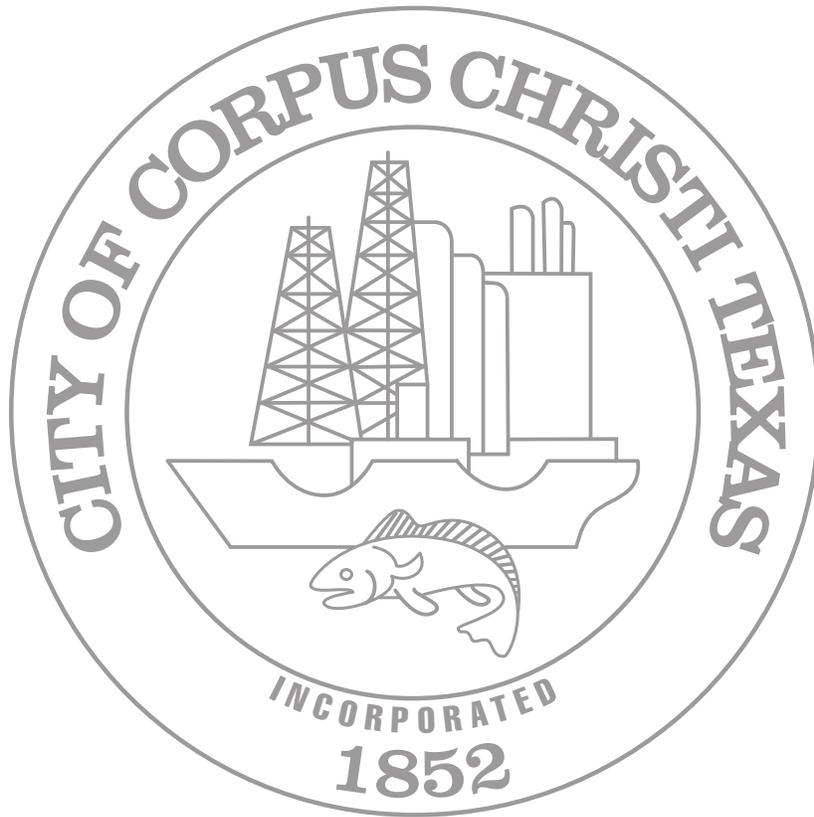
**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
14 MONTHS ENDED SEPTEMBER 30, 2014 \***

	<u>Stores</u>	<u>Fleet Maintenance Service</u>	<u>Facilities Maintenance Service</u>	<u>Municipal Information Systems</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities</b>				
Operating income (loss)	\$ (52,924)	\$ (2,847,198)	\$ 1,008,371	\$ (2,661,750)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation	24,720	3,056,926	473,171	297,852
Provision for uncollectible accounts	--	--	--	--
Recovery of damage claims	--	148,974	--	--
Changes in assets and liabilities				
Receivables	--	--	(1,273)	(75)
Inventory	(270,127)	(153,332)	--	--
Deposits	--	1,214	--	--
Prepaid items	--	--	--	--
Accounts payable	(92,251)	(70,447)	5,863	(44,386)
Accrued expenses	(14,271)	(56,964)	(11,066)	(94,597)
Estimated claims liability	--	--	--	--
Liability to claimants-escheat property	--	--	--	--
Unearned revenue	--	--	--	--
Accumulated unpaid compensated absences	(23,901)	(66,936)	(16,042)	35,040
Net pension obligation	49,337	133,783	37,877	298,470
Net OPEB obligation	1,639	3,470	1,480	9,151
Net cash provided by (used for) operating activities	<u>\$ (377,778)</u>	<u>\$ 149,490</u>	<u>\$ 1,498,381</u>	<u>\$ (2,160,295)</u>
<b>Noncash investing, capital and financing activities</b>				
Change in fair value of investments	\$ --	\$ (16,212)	\$ --	\$ --
Change in accrued interest receivable	\$ --	\$ (9,617)	\$ --	\$ --
Acquisition of capital assets under capital lease	\$ --	\$ --	\$ --	\$ 1,841,493

City of Corpus Christi, Texas

Exhibit 33-C  
(Continued)

<u>Liability and Employee Benefits</u>	<u>Engineering Services</u>	<u>Eliminations</u>	<u>Total</u>
\$ 4,516,315	\$ (2,743,078)	\$ --	\$ (2,780,264)
--	15,460	--	3,868,129
55,806	--	--	55,806
2,610	--	--	151,584
50,855	16	--	49,523
--	--	--	(423,459)
--	--	--	1,214
775,962	--	--	775,962
(4,398)	22,239	--	(183,380)
(99,803)	(84,700)	--	(361,401)
(1,346,539)	--	--	(1,346,539)
(893)	--	--	(893)
204	--	--	204
2,952	25,369	--	(43,518)
77,784	214,274	--	811,525
299,325	4,931	--	319,996
<u>\$ 4,330,180</u>	<u>\$ (2,545,489)</u>	<u>\$ --</u>	<u>\$ 894,489</u>
\$ (11,401)	\$ --	\$ --	\$ (27,613)
\$ 10,529	\$ --	\$ --	\$ 912
\$ --	\$ --	\$ --	\$ 1,841,493



## *Component Units*

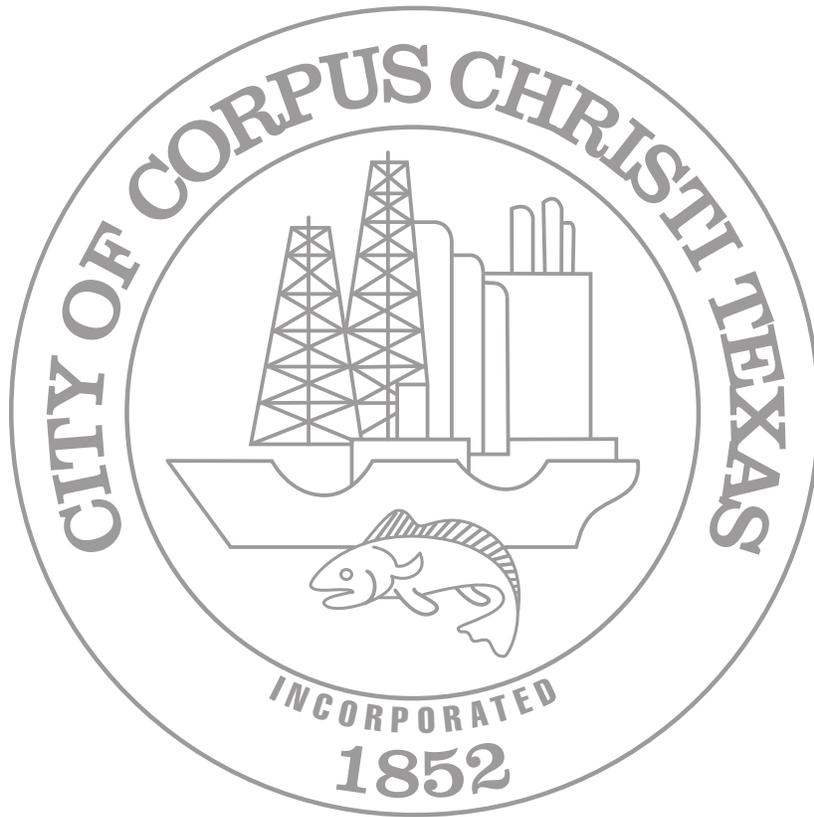


## ***Component Units***

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

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



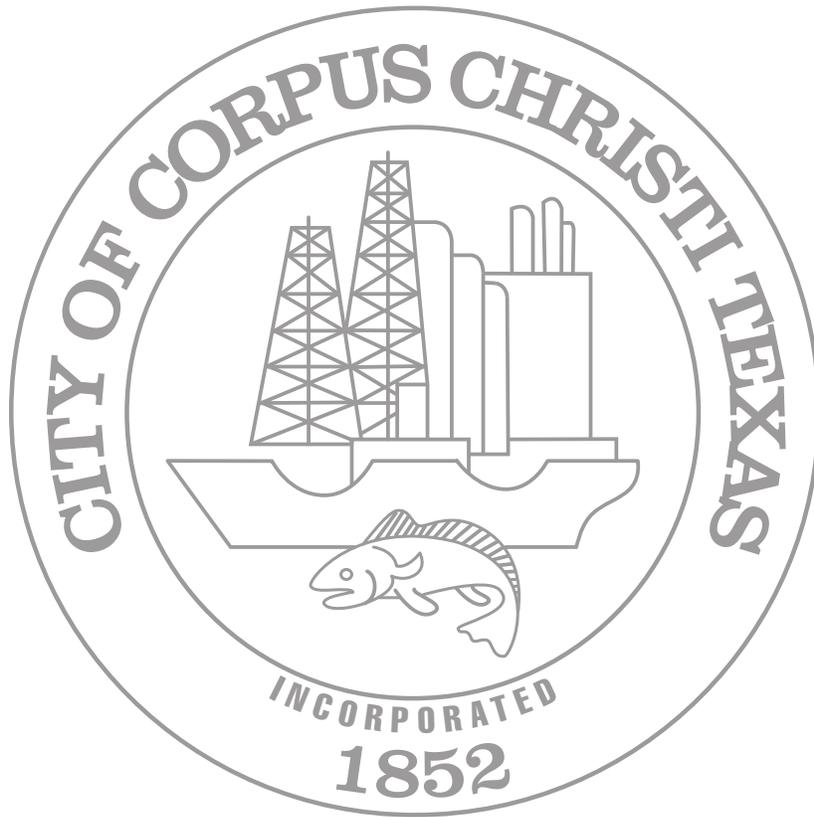


**DISCRETELY PRESENTED COMPONENT UNITS  
COMBINING STATEMENT OF NET POSITION  
SEPTEMBER 30, 2014**

	<b>Coastal Bend Health Facilities Development Corporation</b>	<b>Corpus Christi Convention and Visitors Bureau</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 3,719	\$ 901,795	\$ 905,514
Receivables	--	17,500	17,500
Prepaid items	--	162,320	162,320
Capital assets, net of accumulated depreciation	--	199,567	199,567
Total assets	<u>3,719</u>	<u>1,281,182</u>	<u>1,284,901</u>
<b>LIABILITIES</b>			
Accounts payable	<u>--</u>	<u>421,655</u>	<u>421,655</u>
<b>NET POSITION</b>			
Invested in capital assets	--	199,567	199,567
Unrestricted	<u>3,719</u>	<u>659,960</u>	<u>663,679</u>
Total net position	<u>\$ 3,719</u>	<u>\$ 859,527</u>	<u>\$ 863,246</u>

**DISCRETELY PRESENTED COMPONENT UNITS  
COMBINING STATEMENT OF ACTIVITIES  
14 MONTHS ENDED SEPTEMBER 30, 2014**

	<b>Coastal Bend Health Facilities Development Corporation</b>	<b>Corpus Christi Convention and Visitors Bureau</b>	<b>Total</b>
<b>Expenditures/expenses</b>			
Convention and visitor activities	\$ --	\$ 5,640,547	\$ 5,640,547
Total expenditures/expenses	<u>--</u>	<u>5,640,547</u>	<u>5,640,547</u>
<b>Program revenue</b>			
Charges for services	--	149,708	149,708
Operating grants and contributions	--	190,000	190,000
Net program expense	<u>--</u>	<u>(5,300,839)</u>	<u>(5,300,839)</u>
<b>General revenue</b>			
Earnings on investments	--	855	855
Payments from the City of Corpus Christi	--	5,274,184	5,274,184
Total general revenues	<u>--</u>	<u>5,275,039</u>	<u>5,275,039</u>
Change in net position	--	(25,800)	(25,800)
Net position beginning of year	<u>3,719</u>	<u>885,327</u>	<u>889,046</u>
Net position end of year	<u>\$ 3,719</u>	<u>\$ 859,527</u>	<u>\$ 863,246</u>



## *Capital Assets*



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



**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE BY SOURCE \*  
SEPTEMBER 30, 2014**

	<b>2014</b>
Governmental funds capital assets	
Land	\$ 68,299,039
Buildings	230,780,784
Improvements other than buildings	237,851,151
Machinery and equipment	81,368,216
Infrastructure	352,895,398
Construction in progress	89,807,237
Total governmental funds capital assets	\$ 1,061,001,825
Investment in governmental funds capital assets by source	
Capital projects funds	\$ 849,370,958
General and special revenue funds	59,279,865
Donations	17,214,313
Developers contributions	24,528,140
Federal revenue sharing	82,702,367
Tax increment zone	22,861,080
Claim settlements	5,045,102
Total investment in governmental funds capital assets by source	\$ 1,061,001,825

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

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
SCHEDULE BY FUNCTION AND ACTIVITY \*  
SEPTEMBER 30, 2014**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
General Government				
Control				
Information services	\$ 1,447,600	\$ --	--	\$ --
Staff Agencies				
Accounting	23,605	--	--	--
Accounts receivable and meter reading	355,719	--	--	--
Central cashiering	36,551	--	--	--
Utility billing office administration and customer service operation	107,639	--	--	--
Planning	48,414	--	--	--
Human resources	--	--	--	--
City Hall and Emergency Management Facility	<u>22,810,547</u>	<u>3,732,487</u>	<u>17,712,202</u>	<u>18,504</u>
Total staff agencies	<u>23,382,475</u>	<u>3,732,487</u>	<u>17,712,202</u>	<u>18,504</u>
Miscellaneous	<u>10,993,651</u>	<u>359,224</u>	<u>7,361,532</u>	<u>2,647,341</u>
Total general government	<u>35,823,726</u>	<u>4,091,711</u>	<u>25,073,734</u>	<u>2,665,845</u>
Police and municipal court				
Police				
Police	20,201,601	2,325,928	8,054,487	2,838,210
Crime Control District	844,243	--	--	--
Animal control	<u>3,625,733</u>	--	<u>3,432,801</u>	--
Total police	<u>24,671,577</u>	<u>2,325,928</u>	<u>11,487,288</u>	<u>2,838,210</u>
Municipal Court	<u>192,691</u>	--	<u>26,410</u>	<u>31,282</u>
Total police and municipal court	<u>24,864,268</u>	<u>2,325,928</u>	<u>11,513,698</u>	<u>2,869,492</u>
Fire				
Fire	24,529,512	1,666,238	6,823,407	3,220,911
Fire academy	29,897	--	--	--
Fire prevention	<u>26,792</u>	--	--	--
Total fire	<u>24,586,201</u>	<u>1,666,238</u>	<u>6,823,407</u>	<u>3,220,911</u>
Ambulance	4,766,157	--	--	--
Emergency management				
Local Emergency Planning Committee	25,014	--	--	--

(Continued)

**Exhibit 35-B**

<u>Machinery and Equipment</u>	<u>Infrastructure</u>
\$ 1,447,600	\$ --
23,605	--
355,719	--
36,551	--
107,639	--
48,414	--
--	--
<u>1,347,354</u>	<u>--</u>
1,919,282	--
<u>625,554</u>	<u>--</u>
<u>3,992,436</u>	<u>--</u>
6,982,976	--
844,243	--
192,932	--
<u>8,020,151</u>	<u>--</u>
134,999	--
<u>8,155,150</u>	<u>--</u>
12,818,956	--
29,897	--
26,792	--
<u>12,875,645</u>	<u>--</u>
4,766,157	--
25,014	--

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
SCHEDULE BY FUNCTION AND ACTIVITY \*  
SEPTEMBER 30, 2014**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
Building inspections	160,314	--	--	--
Streets				
Streets, sidewalks, curbs and gutters	323,920,632	15,465,114	--	604,399
Street maintenance and construction	7,645,256	266,937	128,442	--
Street signs and markings	221,645	--	--	--
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	339,549	--	--	--
Total streets	<u>389,258,533</u>	<u>15,796,161</u>	<u>128,442</u>	<u>57,671,740</u>
Solid Waste				
Office	116,164	--	--	--
Refuse collections	28,713,935	--	377,257	6,329
Refuse disposal	82,409,130	8,119,865	--	53,520,252
Total solid waste	<u>111,239,229</u>	<u>8,119,865</u>	<u>377,257</u>	<u>53,526,581</u>
Health	6,577,767	61,909	4,547,312	1,342,295
Parks, recreation and education				
Parks	102,021,779	17,903,525	1,551,042	68,720,656
Recreation	8,462,389	936,536	1,927,598	5,075,788
Miradores and Selena Memorial	1,965,000	--	--	1,965,000
Senior services	4,542,238	130,714	3,380,510	1,031,014
Upper level college facilities	1,510,810	1,510,810	--	--
Municipal service center	1,854,335	204,024	662,316	--
Total parks, recreation and education	<u>120,356,551</u>	<u>20,685,609</u>	<u>7,521,466</u>	<u>76,792,458</u>
Libraries	18,187,834	773,001	17,049,483	277,978
Corpus Christi museums	8,266,546	--	6,488,323	1,282,349
Community enrichment				
Cultural and convention facilities				
Multipurpose arena	48,628,359	2,829,110	43,198,880	2,600,369
Auditorium	7,304,198	--	7,262,070	--
Baseball stadium	28,441,771	1,836,763	26,186,852	418,156
Harbor Playhouse	880,519	--	869,675	--
Convention center	63,852,796	798,244	52,581,572	3,828,642
Water Garden	1,499,926	--	--	1,499,926
Bayfront Science Park	27,266,115	3,651,328	2,468,913	20,935,353
Texas State Aquarium	20,844,296	2,047,044	11,024,033	7,773,219
Total cultural and convention facilities	<u>198,717,980</u>	<u>11,162,489</u>	<u>143,591,995</u>	<u>37,055,665</u>
Public art	93,328	--	--	93,328
Total community enrichment	<u>198,811,308</u>	<u>11,162,489</u>	<u>143,591,995</u>	<u>37,148,993</u>

(Continued)

**Exhibit 35-B  
(Continued)**

<b>Machinery and Equipment</b>	<b>Infrastructure</b>
160,314	--
--	307,851,119
7,249,877	--
221,645	--
--	--
--	--
--	--
339,549	--
<u>7,811,071</u>	<u>307,851,119</u>
116,164	--
28,330,349	--
3,657,950	17,111,063
<u>32,104,463</u>	<u>17,111,063</u>
626,251	--
1,762,728	12,083,828
522,467	--
--	--
--	--
--	--
987,995	--
<u>3,273,190</u>	<u>12,083,828</u>
87,372	--
495,874	--
--	--
42,128	--
--	--
10,844	--
6,644,338	--
--	--
210,521	--
--	--
<u>6,907,831</u>	<u>--</u>
--	--
<u>6,907,831</u>	<u>--</u>

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
SCHEDULE BY FUNCTION AND ACTIVITY \*  
SEPTEMBER 30, 2014**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
Community development				
Neighborhood improvement	23,595	--	--	--
Community Development Block Grant	7,299,284	800,221	5,821,579	677,484
CC Housing Finance Corporation	799,405	5,000	419,382	375,023
Corpus Christi Community Improvement Corp.	1,473,294	59,497	1,413,797	--
Total community development	<u>9,595,578</u>	<u>864,718</u>	<u>7,654,758</u>	<u>1,052,507</u>
Other general capital assets:				
Packery Channel	15,913,240	--	--	--
Army Corp of Engineers office	10,909	--	10,909	--
Naval Air Station safety zone	2,672,482	2,672,482	--	--
Transit facility	78,928	78,928	--	--
Total other general capital assets	<u>18,675,559</u>	<u>2,751,410</u>	<u>10,909</u>	<u>--</u>
Total capital assets in service	971,194,585	68,299,039	230,780,784	237,851,151
Less: accumulated depreciation	<u>414,126,930</u>	<u>--</u>	<u>85,943,246</u>	<u>101,431,532</u>
Net capital assets in service	<u>557,067,655</u>	<u>68,299,039</u>	<u>144,837,538</u>	<u>136,419,619</u>
Construction in progress	<u>89,807,237</u>	<u>--</u>	<u>313,003</u>	<u>21,478,694</u>
Total general capital assets	<u>\$ 646,874,892</u>	<u>\$ 68,299,039</u>	<u>145,150,541</u>	<u>\$ 157,898,313</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 35-B  
(Continued)**

<u>Machinery and Equipment</u>	<u>Infrastructure</u>
23,595	--
--	--
--	--
--	--
<u>23,595</u>	<u>--</u>
63,852	15,849,388
--	--
--	--
--	--
<u>63,852</u>	<u>15,849,388</u>
81,368,216	352,895,398
<u>60,002,092</u>	<u>166,750,060</u>
<u>21,366,124</u>	<u>186,145,338</u>
<u>--</u>	<u>68,015,540</u>
<u>\$ 21,366,124</u>	<u>\$ 254,160,878</u>

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
BY FUNCTION AND ACTIVITY \*  
YEAR ENDED SEPTEMBER 30, 2014**

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
General government				
Control				
City Council and City Secretary	\$ -	\$ --	\$ --	\$ --
City Manager	359,940	--	359,940	--
Information services	1,532,836	39,892	125,128	1,447,600
Total control	<u>1,892,776</u>	<u>39,892</u>	<u>485,068</u>	<u>1,447,600</u>
Staff agencies				
Accounting	3,871,514	--	3,847,909	23,605
Accounts receivable and meter reading	810,951	--	455,232	355,719
Central cashiering	192,096	--	155,545	36,551
Utilities billing office administration and customer service operation	2,118,616	--	2,010,977	107,639
Planning	662,015	8,014	621,615	48,414
Human resources	2,986,711	--	2,986,711	--
City Hall and Emergency Management Facility	22,881,887	--	71,340	22,810,547
Total staff agencies	<u>33,523,790</u>	<u>8,014</u>	<u>10,149,329</u>	<u>23,382,475</u>
Miscellaneous	3,748,514	7,946,122	700,985	10,993,651
Total general government	<u>39,165,080</u>	<u>7,994,028</u>	<u>11,335,382</u>	<u>35,823,726</u>
Police and municipal court				
Police	26,796,250	1,452,375	8,047,024	20,201,601
Crime Control District	922,647	--	78,404	844,243
Animal control	3,625,733	--	--	3,625,733
Total police	<u>31,344,630</u>	<u>1,452,375</u>	<u>8,125,428</u>	<u>24,671,577</u>
Municipal court	1,818,157	23,105	1,648,571	192,691
Total police and municipal court	<u>33,162,787</u>	<u>1,475,480</u>	<u>9,773,999</u>	<u>24,864,268</u>
Fire				
Fire	32,358,846	1,553,675	9,383,009	24,529,512
Fire academy	29,897	--	--	29,897
Fire prevention	140,443	--	113,651	26,792
Total fire	<u>32,529,186</u>	<u>1,553,675</u>	<u>9,496,660</u>	<u>24,586,201</u>
Ambulance	5,360,579	281,800	876,222	4,766,157

City of Corpus Christi, Texas

Exhibit 35-C

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Emergency management				
Local emergency planning committee	35,789	--	10,775	25,014
Inspections				
Building inspection	245,520	27,200	112,406	160,314
Streets				
Streets, sidewalks, curbs and gutters	317,895,535	6,672,036	646,939	323,920,632
Street maintenance and construction	19,605,130	798,587	12,758,461	7,645,256
Street signs and markings	221,645	--	--	221,645
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	4,535,238	--	4,195,689	339,549
Parking control	-	--	--	--
Total streets	<u>399,388,999</u>	<u>7,470,623</u>	<u>17,601,089</u>	<u>389,258,533</u>
Solid Waste				
Office	113,897	30,719	28,452	116,164
Refuse collections	24,912,771	4,131,417	330,253	28,713,935
Refuse disposal	82,978,734	1,730,066	2,299,670	82,409,130
Total solid waste	<u>108,005,402</u>	<u>5,892,202</u>	<u>2,658,375</u>	<u>111,239,229</u>
Health	6,601,689	1,146,054	1,169,976	6,577,767
Parks, recreation and education				
Director of parks and recreation	--	--	--	--
Parks	102,379,741	1,114,582	1,472,544	102,021,779
Recreation	8,610,894	205,823	354,328	8,462,389
Miradores and Selena Memorial	1,965,000	--	--	1,965,000
Senior services	4,776,576	--	234,338	4,542,238
Upper level college facilities	1,529,971	--	19,161	1,510,810
Municipal service center	2,089,611	--	235,276	1,854,335
Total parks, recreation and education	<u>121,351,793</u>	<u>1,320,405</u>	<u>2,315,647</u>	<u>120,356,551</u>
Libraries	29,823,776	26,428	11,662,370	18,187,834
Corpus Christi museums	8,077,731	188,815	--	8,266,546

(Continued)

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
BY FUNCTION AND ACTIVITY \*  
YEAR ENDED SEPTEMBER 30, 2014**

	<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
Auditorium	7,304,198	--	--	7,304,198
Baseball stadium	28,441,771	--	--	28,441,771
Harbor Playhouse	883,928	--	3,409	880,519
Convention center	65,425,140	7,243	1,579,587	63,852,796
Water Garden	1,508,263	--	8,337	1,499,926
Bayfront Science Park	31,820,001	(249,360)	4,304,526	27,266,115
Texas State Aquarium	20,844,296	--	--	20,844,296
Total cultural and convention facilities	<u>204,855,956</u>	<u>(242,117)</u>	<u>5,895,859</u>	<u>198,717,980</u>
Public art	81,087	12,241	--	93,328
Total community enrichment	<u>204,937,043</u>	<u>(229,876)</u>	<u>5,895,859</u>	<u>198,811,308</u>
Community development				
Neighborhood improvement	23,595	--	--	23,595
Community Development Block Grant	30,405,111	(375,023)	22,730,804	7,299,284
CC Housing Finance Corporation	196,507	602,898	--	799,405
Corpus Christi Improvement Corp.	1,473,294	--	--	1,473,294
Total community development	<u>32,098,507</u>	<u>227,875</u>	<u>22,730,804</u>	<u>9,595,578</u>
Other general capital assets:				
Packery Channel	15,913,240	--	--	15,913,240
Army Corp of Engineers office	10,909	--	--	10,909
Naval Air Station safety zone	2,672,482	--	--	2,672,482
Transit facility	78,928	--	--	78,928
Total other general capital assets	<u>18,675,559</u>	<u>--</u>	<u>--</u>	<u>18,675,559</u>
Total capital assets in service	1,039,459,440	27,374,709	# 95,639,564	971,194,585
Less: accumulated depreciation	480,615,841	29,150,653	95,639,564	414,126,930
Net capital assets in service	<u>558,843,599</u>	<u>(1,775,944)</u>	<u>--</u>	<u>557,067,655</u>
Construction in progress	69,113,237	20,694,000	--	89,807,237
Total general capital assets	<u>\$ 627,956,836</u>	<u>\$ 18,918,056</u>	<u>\$ --</u>	<u>\$ 646,874,892</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.

*Statistical Section*



## *Statistical Section*

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
Financial Trends	256
<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	271
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	
Debt Capacity	278
<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	286
<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	288
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	

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

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

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Governmental activities				
Invested in capital assets, net of related debt	\$ 52,992,539	\$ 95,591,014	\$ 160,007,194	\$ 171,559,799
Restricted	--	--	5,085,156	7,161,689
Unrestricted	164,904,402	144,449,151	108,485,456	118,117,170
Total governmental activities net position	<u>\$ 217,896,941</u>	<u>\$ 240,040,165</u>	<u>\$ 273,577,806</u>	<u>\$ 296,838,658</u>
Business-type activities				
Invested in capital assets, net of related debt	\$ 527,336,134	\$ 505,475,536	\$ 557,699,068	\$ 614,734,623
Restricted	41,045,812	28,524,868	20,698,409	17,162,129
Unrestricted	30,102,257	85,278,867	40,565,906	1,923,108
Total business-type activities net position	<u>\$ 598,484,203</u>	<u>\$ 619,279,271</u>	<u>\$ 618,963,383</u>	<u>\$ 633,819,860</u>
Primary government				
Invested in capital assets, net of related debt	\$ 580,328,673	\$ 601,066,550	\$ 717,706,262	\$ 786,294,422
Restricted	41,045,812	28,524,868	25,783,565	24,323,818
Unrestricted	195,006,659	229,728,018	149,051,362	120,040,278
Total primary government net position	<u>\$ 816,381,144</u>	<u>\$ 859,319,436</u>	<u>\$ 892,541,189</u>	<u>\$ 930,658,518</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 changed its fiscal year from July 31 to September 30  
FY 2014 includes 14 months of operations

City of Corpus Christi, Texas

Table 1

Fiscal Year					
2009	2010	2011	2012	2013	2014*
\$ 184,297,821	\$ 190,984,493	\$ 209,725,506	\$ 222,519,201	\$ 240,668,349	\$ 271,711,769
8,706,284	81,610,847	79,572,803	85,445,854	89,422,908	90,284,166
102,378,371	19,260,356	29,215,682	37,839,536	52,514,581	43,044,907
<u>\$ 295,382,476</u>	<u>\$ 291,855,696</u>	<u>\$ 318,513,991</u>	<u>\$ 345,804,591</u>	<u>\$ 382,605,838</u>	<u>\$ 405,040,842</u>
\$ 588,187,607	\$ 685,455,079	\$ 682,070,387	\$ 693,363,853	\$ 704,595,166	\$ 793,058,216
15,547,632	13,445,408	14,731,997	10,689,200	13,455,463	17,238,437
49,119,110	16,803,962	30,148,172	61,185,337	83,373,816	24,083,260
<u>\$ 652,854,349</u>	<u>\$ 715,704,449</u>	<u>\$ 726,950,556</u>	<u>\$ 765,238,390</u>	<u>\$ 801,424,445</u>	<u>\$ 834,379,913</u>
\$ 772,485,428	\$ 876,439,572	\$ 891,795,893	\$ 915,883,054	\$ 945,263,515	\$ 1,064,769,985
24,253,916	95,056,255	94,304,800	96,135,054	102,878,371	107,522,603
151,497,481	36,064,318	59,363,854	99,024,873	135,888,397	67,128,167
<u>\$ 948,236,825</u>	<u>\$ 1,007,560,145</u>	<u>\$ 1,045,464,547</u>	<u>\$ 1,111,042,981</u>	<u>\$ 1,184,030,283</u>	<u>\$ 1,239,420,755</u>

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

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<b>Expenses</b>				
Primary government				
Governmental activities				
General government	\$ 18,958,373	\$ 18,932,482	\$ 20,909,738	\$ 20,658,739
Police and municipal court	58,210,747	60,561,629	67,186,703	73,018,660
Fire and ambulance	32,947,348	33,180,982	37,478,787	38,221,888
Emergency management	390,319	2,392,096	358,799	470,593
Inspections	1,547,147	1,805,234	1,721,108	1,699,251
Streets	19,393,011	21,438,339	23,145,350	25,060,354
Health	6,382,815	6,416,746	6,126,090	6,856,261
Parks and recreation	18,385,625	19,253,871	18,933,077	21,455,686
Libraries	4,611,585	4,596,041	4,593,979	4,993,605
Museums	1,422,397	1,521,829	1,412,561	1,886,531
Community enrichment	925,890	1,500,961	1,784,029	2,624,646
Community development	5,621,030	6,228,409	4,114,411	4,594,232
Convention and visitor activities	13,894,739	18,437,872	18,615,167	18,134,378
Interest on long-term debt	13,193,892	17,291,116	14,713,700	14,665,318
Total governmental activities	<u>195,884,918</u>	<u>213,557,607</u>	<u>221,093,499</u>	<u>234,340,142</u>
Business-type activities				
Solid Waste	14,390,390	11,872,414	27,045,462	20,075,708
Utilities				
Water	83,950,395	87,305,836	86,542,198	94,885,353
Gas	33,417,878	37,394,842	36,919,568	38,128,913
Wastewater	33,308,073	38,851,313	39,548,014	42,411,241
Airport	11,161,666	11,154,572	10,991,302	11,555,900
Golf Centers	1,794,576	1,795,616	1,780,434	1,948,903
Marina	1,261,117	1,381,124	1,692,618	1,806,755
Total business-type activities	<u>179,284,095</u>	<u>189,755,717</u>	<u>204,519,596</u>	<u>210,812,773</u>
Total primary government	<u>\$ 375,169,013</u>	<u>\$ 403,313,324</u>	<u>\$ 425,613,095</u>	<u>\$ 445,152,915</u>
<b>Program revenue</b>				
Governmental activities				
Charges for services				
General government	\$ 21,245,892	\$ 20,293,609	\$ 20,328,447	\$ 21,120,037
Public safety	14,548,068	16,365,087	18,053,712	18,582,177
Other activities	12,407,743	16,315,719	16,564,997	13,198,200
Operating grants and contributions	13,713,334	12,553,974	13,585,522	13,293,341
Capital grants and contributions	5,495,781	6,788,244	5,742,472	9,215,148
Total governmental activities program revenues	<u>67,410,818</u>	<u>72,316,633</u>	<u>74,275,150</u>	<u>75,408,903</u>

(Continued)

Table 2

Fiscal Year					
<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 22,072,622	\$ 19,480,668	\$ 16,589,746	\$ 18,079,972	\$ 20,066,766	\$ 23,528,625
78,931,771	81,171,817	81,930,129	80,496,720	80,194,663	106,771,633
42,520,139	43,287,584	47,347,004	45,748,510	48,997,146	58,864,749
525,077	505,319	543,682	507,564	505,811	632,347
2,171,232	1,664,676	1,636,669	1,752,448	1,995,533	2,182,793
25,814,362	25,674,747	21,451,848	17,337,069	18,523,334	29,657,466
7,450,418	7,505,758	7,218,565	6,813,120	6,835,120	6,661,113
21,767,352	21,577,152	19,902,761	17,861,237	18,659,058	22,829,117
5,612,844	5,298,406	4,785,207	4,222,687	3,731,475	4,779,930
1,842,929	1,853,104	1,900,026	1,659,435	1,555,994	1,907,091
3,476,141	4,220,179	9,529,467	4,273,802	2,742,906	7,589,196
5,830,606	10,403,520	10,025,480	11,084,674	13,218,255	14,025,431
17,167,605	15,183,072	10,487,728	16,057,354	18,022,411	19,365,234
14,950,035	16,156,130	17,385,095	16,786,166	14,875,186	15,357,763
<u>250,133,133</u>	<u>253,982,132</u>	<u>250,733,407</u>	<u>242,680,758</u>	<u>249,923,658</u>	<u>314,152,488</u>
18,442,528	22,418,231	27,140,788	23,494,713	25,721,265	33,046,483
97,638,099	93,937,152	96,818,500	99,262,996	102,157,760	117,294,046
31,286,452	31,748,907	30,224,910	25,318,899	28,564,940	43,714,412
43,450,764	46,795,236	47,063,049	46,664,152	48,937,097	63,649,026
12,228,908	11,406,735	11,729,049	11,982,695	11,899,650	15,412,742
2,133,840	2,051,107	1,168,875	293,633	241,504	198,341
1,864,063	1,861,705	1,793,695	1,802,521	1,757,820	2,185,278
<u>207,044,654</u>	<u>210,219,073</u>	<u>215,938,866</u>	<u>208,819,609</u>	<u>219,280,036</u>	<u>275,500,328</u>
<u>\$ 457,177,787</u>	<u>\$ 464,201,205</u>	<u>\$ 466,672,273</u>	<u>\$ 451,500,367</u>	<u>\$ 469,203,694</u>	<u>\$ 589,652,816</u>
\$ 19,995,923	\$ 20,566,739	22,093,237	21,614,922	24,054,154	27,323,898
19,328,378	20,021,375	19,349,804	20,165,521	20,948,126	24,607,968
13,466,048	11,839,459	13,090,388	12,388,359	15,605,078	29,498,080
13,519,519	15,768,215	20,293,248	14,697,325	12,516,057	14,116,549
5,160,566	8,274,872	11,616,793	4,841,413	7,645,930	8,509,542
<u>71,470,434</u>	<u>76,470,660</u>	<u>86,443,470</u>	<u>73,707,540</u>	<u>80,769,345</u>	<u>104,056,037</u>

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

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<b>Program revenue (continued)</b>				
Business-type activities				
Charges for services				
Solid Waste	\$ 22,987,776	\$ 24,187,529	\$ 26,641,520	\$ 29,843,162
Utilities				
Water	82,332,283	84,775,949	75,147,044	87,131,217
Gas	33,835,399	40,274,507	40,694,377	43,166,492
Wastewater	39,458,482	36,284,201	38,833,360	41,784,614
Airport	9,752,728	9,908,494	9,764,349	9,948,929
Golf Centers	1,944,177	2,242,033	1,740,134	1,943,751
Marina	1,285,583	1,222,145	1,326,631	1,436,603
Operating grants and contributions	4,853,315	8,634,637	105,065	47,668
Capital grants and contributions	20,980	12,018,013	26,818,057	24,436,963
Total business-type activities program revenues	<u>196,470,723</u>	<u>219,547,508</u>	<u>221,070,537</u>	<u>239,739,399</u>
Total primary government program revenues	<u>\$ 263,881,541</u>	<u>\$ 291,864,141</u>	<u>\$ 295,345,687</u>	<u>\$ 315,148,302</u>
<b>Net (expense) revenue</b>				
Governmental activities	\$ (128,474,100)	\$ (141,240,974)	\$ (146,818,349)	\$ (158,931,239)
Business-type activities	<u>17,186,628</u>	<u>29,791,791</u>	<u>16,550,941</u>	<u>28,926,626</u>
<b>Total primary government net expenses</b>	<u>\$ (111,287,472)</u>	<u>\$ (111,449,183)</u>	<u>\$ (130,267,408)</u>	<u>\$ (130,004,613)</u>
<b>General revenues and other changes in net position</b>				
Governmental activities				
Taxes				
Property taxes, levied for general purpo:	\$ 51,358,047	\$ 50,834,041	\$ 51,477,867	\$ 52,288,456
Property taxes, levied for debt service	16,851,911	20,470,482	22,105,552	25,021,687
Sales taxes	56,303,645	61,261,030	66,124,730	70,120,506
Hotel occupancy taxes	8,320,624	9,408,919	9,630,152	10,337,342
Other taxes and business fees	--	--	--	--
Unrestricted investment earnings	2,932,063	5,423,353	7,321,196	6,220,124
Miscellaneous	--	--	--	--
Transfers	7,196,375	16,259,591	18,759,642	18,203,976
Total governmental activities	<u>142,962,665</u>	<u>163,657,416</u>	<u>175,419,139</u>	<u>182,192,091</u>
Business-type activities				
Unrestricted investment earnings	2,848,054	6,798,421	7,120,196	4,133,827
Transfers	(7,196,375)	(16,259,591)	(18,759,642)	(18,203,976)
Total business-type activities	<u>(4,348,321)</u>	<u>(9,461,170)</u>	<u>(11,639,446)</u>	<u>(14,070,149)</u>
Total primary government	<u>\$ 138,614,344</u>	<u>\$ 154,196,246</u>	<u>\$ 163,779,693</u>	<u>\$ 168,121,942</u>
<b>Changes in Net Position</b>				
Governmental activities	\$ 14,488,565	\$ 22,416,442	\$ 28,600,790	\$ 23,260,852
Business-type activities	<u>12,838,307</u>	<u>20,330,621</u>	<u>4,911,495</u>	<u>14,856,477</u>
Total primary government	<u>\$ 27,326,872</u>	<u>\$ 42,747,063</u>	<u>\$ 33,512,285</u>	<u>\$ 38,117,329</u>

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

\* The City changed its fiscal year from July 31 to September 30  
 FY 2014 includes 14 months of operations

City of Corpus Christi, Texas

**Table 2  
(Continued)**

<b>Fiscal Year</b>					
<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014*</b>
\$ 30,979,626	\$ 32,011,959	\$ 34,593,348	\$ 37,864,068	\$ 37,122,282	\$ 43,677,779
106,536,846	96,571,762	108,948,434	120,017,362	117,230,522	140,078,315
33,159,669	36,520,847	31,828,023	26,139,159	28,950,470	42,408,214
45,227,800	51,048,604	54,884,681	59,662,102	59,323,805	75,704,726
8,562,286	8,594,836	9,503,417	9,520,245	9,489,992	11,919,295
1,732,263	1,838,093	1,060,795	416,750	350,592	257,772
1,592,825	1,572,406	1,464,629	1,832,336	1,851,612	2,227,983
495,845	120,435	1,193,227	1,320,294	1,537,735	1,379,860
7,863,922	9,557,122	7,736,648	9,858,001	16,637,935	17,942,344
<u>236,151,082</u>	<u>237,836,064</u>	<u>251,213,202</u>	<u>266,630,317</u>	<u>272,494,945</u>	<u>335,596,288</u>
<u>\$ 307,621,516</u>	<u>\$ 314,306,724</u>	<u>\$ 324,920,742</u>	<u>\$ 266,630,317</u>	<u>\$ 272,494,945</u>	<u>\$ 335,596,288</u>
\$ (178,662,699)	\$ (177,511,472)	\$ (164,289,936)	\$ (168,973,217)	\$ (156,882,225)	\$ (210,096,450)
29,106,428	27,616,991	35,274,336	57,810,708	50,372,518	60,095,960
<u>\$ (149,556,271)</u>	<u>\$ (149,894,481)</u>	<u>\$ (129,015,600)</u>	<u>\$ (111,162,509)</u>	<u>\$ (106,509,707)</u>	<u>\$ (150,000,490)</u>
\$ 55,410,412	\$ 57,291,695	\$ 57,457,988	\$ 58,201,084	\$ 60,506,596	\$ 64,808,014
26,278,717	27,358,566	27,192,025	25,906,607	26,605,837	31,855,785
71,018,975	64,654,960	70,432,482	79,403,692	86,163,292	103,372,472
10,127,333	9,919,560	10,721,997	12,051,548	13,174,824	17,066,868
--	--	--	--	--	--
2,825,071	1,283,513	682,991	848,062	1,208,748	1,244,127
--	--	--	--	--	--
11,546,009	13,476,398	24,460,749	19,852,825	20,674,272	19,380,059
<u>177,206,517</u>	<u>173,984,692</u>	<u>190,948,232</u>	<u>196,263,818</u>	<u>208,333,569</u>	<u>237,727,325</u>
1,474,070	825,924	432,520	329,951	445,360	344,764
(11,546,009)	(13,476,398)	(24,460,749)	(19,852,825)	(20,228,912)	(19,035,295)
<u>(10,071,939)</u>	<u>(12,650,474)</u>	<u>(24,028,229)</u>	<u>(19,522,874)</u>	<u>(19,783,552)</u>	<u>(18,690,531)</u>
<u>\$ 167,134,578</u>	<u>\$ 161,334,218</u>	<u>\$ 166,920,003</u>	<u>\$ 176,740,944</u>	<u>\$ 188,550,017</u>	<u>\$ 219,036,794</u>
\$ (1,456,182)	\$ (3,526,780)	\$ 26,658,296	\$ 27,290,601	\$ 31,429,175	\$ 27,630,875
19,034,489	14,966,517	11,246,107	38,287,834	36,186,054	41,060,665
<u>\$ 17,578,307</u>	<u>\$ 11,439,737</u>	<u>\$ 37,904,403</u>	<u>\$ 65,578,435</u>	<u>\$ 67,615,229</u>	<u>\$ 68,691,540</u>

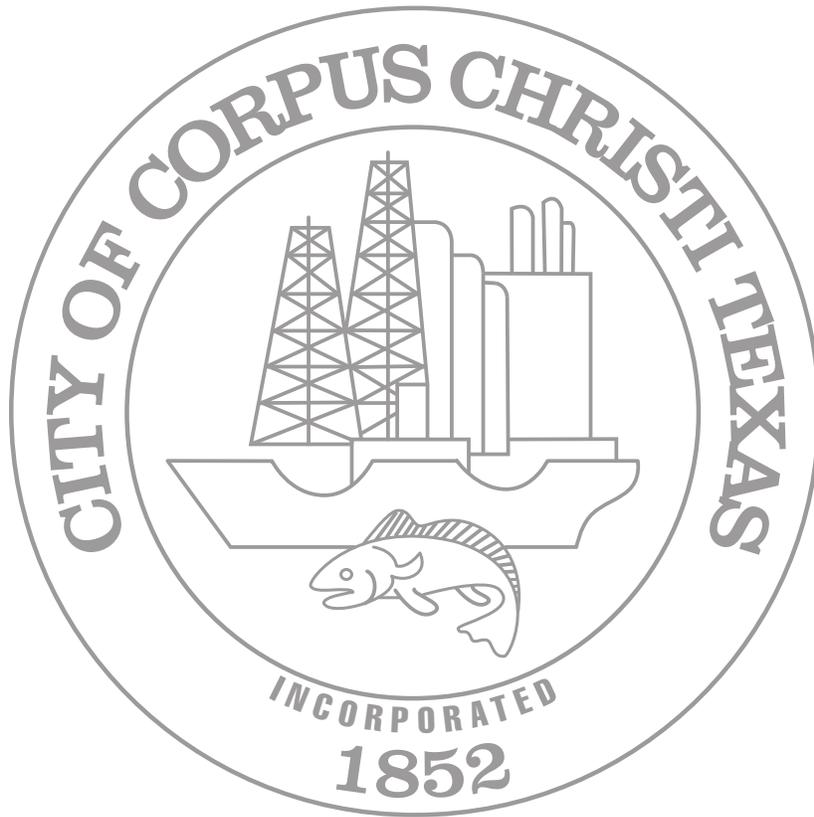


Table 3

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

<b>Year</b>	<b>Property tax</b>	<b>Sales tax</b>	<b>Hotel tax</b>	<b>Total</b>
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
2011	84,650,013	70,432,482	10,721,997	165,804,492
2012	84,107,691	79,403,692	12,051,548	175,562,931
2013	87,112,433	86,163,292	13,174,824	186,450,549
2014*	64,808,014	--	103,372,472	168,180,486

\* The City changed its fiscal year from July 31 to September 30  
FY 2014 includes 14 months of operations

City of Corpus Christi, Texas

**CITY OF CORPUS CHRISTI, TEXAS  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General fund				
Reserved	\$ 2,003,587	\$ 2,477,879	\$ 4,054,101	\$ 4,638,291
Unreserved	18,437,527	24,534,599	28,372,503	27,571,509
Nonspendable				
Restricted				
Committed				
Assigned				
Unassigned				
Total general fund	<u>\$ 20,441,114</u>	<u>\$27,012,478</u>	<u>\$ 32,426,604</u>	<u>\$ 32,209,800</u>
All other governmental funds				
Reserved	\$ 48,296,146	\$46,933,550	\$ 60,621,159	\$ 57,031,756
Unreserved, reported in:				
Debt service funds	4,777,336	5,834,111	6,846,970	11,712,600
Special revenue funds	21,145,467	26,358,642	30,461,934	43,057,821
Capital projects funds	89,208,498	67,191,943	67,507,979	61,947,382
Nonspendable				
Special revenue funds				
Restricted				
Debt service funds				
Special revenue funds				
Capital projects funds				
Committed				
Debt service funds				
Special revenue funds				
Capital projects funds				
Assigned, reported in:				
Special revenue funds				
Capital projects funds				
Unassigned, reported in:				
Special revenue funds				
Total all other governmental funds	<u>\$ 163,427,447</u>	<u>\$146,318,246</u>	<u>\$ 165,438,042</u>	<u>\$ 173,749,559</u>

Notes: Beginning in 2005, the ambulance activity is included in the general fund. Prior years have not been restated.  
The City implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2011.  
Fiscal year 2010 amounts restated to conform to the new statement requirements.

\* The City changed its fiscal year from July 31 to September 30  
FY 2014 includes 14 months of operations

City of Corpus Christi, Texas

Table 4

Fiscal Year						
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014*</u>
\$	2,938,429					
	27,325,624					
		\$ 361,507	\$ 1,491,399	\$ 1,400,017	\$ 1,302,980	\$ 1,614,482
		688,286	636,531	249,433	298,854	363,996
		19,701,535	19,813,473	28,764,934	40,537,505	37,808,621
		17,747	5,845	6,806	11,480	658,480
		8,579,370	8,617,684	7,551,298	11,441,898	11,538,642
\$	<u>30,264,053</u>	<u>29,348,445</u>	<u>30,564,932</u>	<u>37,972,488</u>	<u>53,592,717</u>	<u>51,984,221</u>
\$	58,028,080					
	9,456,925					
	45,533,073					
	109,247,126					
		\$ 1,008,008	\$ 890,963	\$ 396,787	\$ 269,194	\$ 789,937
		5,974,622	5,956,307	-	-	-
		71,202,025	74,267,207	85,196,421	89,124,054	89,784,751
		105,026,981	70,969,215	84,525,622	87,898,420	116,444,974
		11,271,942	13,812,320	16,858,822	15,512,834	8,660,390
		677,007	390,454	896,775	739,729	13,435,512
		10,109,487	8,413,784	7,400,034	10,014,964	4,466,229
		98,347	214,601	68,775	316,952	106,841
		3,445,097	1,855,964	2,218,850	1,996,938	11,716,955
		(1,415,142)	(269,136)	(555,032)	1,142,841	1,155,445
\$	<u>222,265,204</u>	<u>207,398,374</u>	<u>176,501,679</u>	<u>197,007,054</u>	<u>207,015,926</u>	<u>246,561,034</u>

City of Corpus Christi, Texas

**CITY OF CORPUS CHRISTI, TEXAS  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<b>Revenues</b>				
Taxes and business fees	\$ 148,183,043	\$ 158,452,760	\$ 165,980,510	\$ 174,899,312
Licenses and permits	3,321,875	3,493,616	3,399,993	3,576,249
Grants	15,163,571	14,535,800	16,261,424	18,216,186
Charges for services	41,306,241	50,520,423	53,669,631	54,989,566
Fines and forfeitures	5,658,571	6,118,520	6,907,942	6,825,170
Deposits	605,095	1,093,803	270,716	191,724
Contributions and donations	1,881,172	2,589,488	1,948,807	3,380,012
Special assessments	154,380	118,526	74,235	442,323
Earnings on investments	2,372,884	5,447,570	8,424,738	6,386,948
Interest on loans	254,651	31,771	374,210	233,846
Payments from Lexington Museum Association	283,800	352,849	347,173	248,868
Payments from Corpus Christi Convention and Visitors Bureau	252,841	272,234	-	-
Payments from Texas State Aquarium	512,182	500,427	518,117	508,685
Payments from other agencies	11,425	7,425	-	-
Sale of city property	6,413	3,230	4,940	12,353
Recovery of prior years expenditures	-	-	-	-
Claim settlement	-	-	-	-
Naming rights	-	175,000.0	175,000	175,000
Miscellaneous	1,689,941	979,929	1,186,020	1,390,645
Total revenues	<u>221,658,085</u>	<u>244,693,371</u>	<u>259,543,456</u>	<u>271,476,887</u>
<b>Expenditures</b>				
General government	18,096,800	18,961,633	20,707,495	21,306,706
Public safety	87,833,826	101,805,112	107,360,877	110,663,675
Streets	10,989,960	13,056,076	13,502,624	14,233,051
Solid waste	13,825,317	13,569,912	15,192,042	18,278,582
Health	6,417,300	6,452,124	5,980,026	6,592,800
Community enrichment	27,786,066	30,008,152	27,458,882	31,248,848
Convention and visitors activities	10,887,455	13,794,220	13,782,313	13,193,524
Other	-	-	-	-
Capital projects	70,456,764	46,907,032	33,406,955	35,812,462
Debt service				
Principal retirement	25,911,488	24,697,600	26,918,876	24,853,049
Interest	12,954,911	15,746,138	16,657,960	17,480,632
Paying agent fees	19,044	24,746	36,049	33,994
Bond issue cost	2,132,781	589,508	650,025	730,903
Refund of bond issue cost	-	-	(9,660)	-
Interest on interfund borrowings	21,147	80,169	148,160	-
Total expenditures	<u>287,332,859</u>	<u>285,692,422</u>	<u>281,792,624</u>	<u>294,428,226</u>
Excess (deficiency) of revenues over (under) expenditures	(65,674,774)	(40,999,051)	(22,249,168)	(22,951,339)

(Continued)

City of Corpus Christi, Texas

Table 5

Fiscal year						
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014*</u>
\$	178,669,539	\$ 176,286,722	\$ 182,810,584	\$ 192,423,958	\$ 205,059,544	\$ 241,447,636
	3,700,195	3,288,415	4,885,342	4,790,610	5,697,321	6,119,404
	15,981,072	22,661,016	24,095,434	16,542,865	14,743,346	17,758,224
	56,843,501	56,945,655	60,258,877	63,684,332	63,588,154	85,604,995
	6,897,078	6,766,301	6,075,772	6,602,755	7,037,629	8,739,406
	-	-	-	-	-	-
	1,902,087	871,524	7,133,489	2,413,204	4,657,640	4,319,251
	10,502	76,876	683,087	46,787	154,937	195,495
	3,006,163	1,312,814	698,992	713,791	1,186,389	1,245,152
	73,369	81,458	85,188	86,173	109,704	97,778
	285,022	272,796	275,647	267,750	-	-
	-	-	-	-	-	-
	518,318	361,107	373,232	358,795	369,082	335,694
	-	-	-	-	-	-
	3,848	7,553	9,786	-	-	122,746
	-	-	-	-	-	-
	572,280	-	325,395	-	25,241	-
	175,000	175,000	-	-	-	-
	1,486,339	1,703,701	2,291,231	1,716,081	1,682,319	1,734,789
	<u>270,124,313</u>	<u>270,810,938</u>	<u>290,002,056</u>	<u>289,647,101</u>	<u>304,311,307</u>	<u>367,720,570</u>
	21,836,700	20,267,240	17,606,974	19,146,965	21,235,824	23,789,840
	115,375,541	119,589,404	126,279,109	122,341,347	129,637,141	159,126,383
	15,951,618	14,797,896	15,229,881	13,173,204	14,964,156	22,088,359
	17,027,712	18,193,629	22,426,863	19,288,307	20,551,190	26,657,490
	6,893,718	6,977,548	6,722,783	6,362,130	6,554,474	6,106,257
	31,864,343	37,348,135	36,680,864	33,660,941	35,347,147	40,617,305
	12,152,309	10,257,006	10,449,447	11,046,785	11,650,650	16,821,790
	32,963	21,729	-	-	-	-
	57,193,877	50,406,384	51,119,929	51,039,961	45,303,572	41,280,111
	36,741,227	26,883,223	26,445,859	26,278,182	26,319,507	38,617,547
	16,433,417	19,907,675	20,115,642	19,178,232	19,789,403	28,954,177
	32,598	28,710	25,009	19,541	13,983	21,162
	1,571,419	422,041	-	574,317	2,362,185	704,331
	-	-	-	-	-	-
	29,714	6,543	2,489	773	102	-
	<u>333,137,156</u>	<u>325,107,163</u>	<u>333,104,849</u>	<u>322,110,685</u>	<u>333,729,334</u>	<u>404,784,752</u>
	(63,012,843)	(54,296,225)	(43,102,793)	(32,463,584)	(29,418,027)	(37,064,182)

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

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<b>Other financing sources (uses)</b>				
Capital leases	2,032,704	2,917,492	3,447,512	2,623,408
General obligation bonds issued	60,000,000	-	34,975,000	-
Revenue bonds issued	4,100,000	2,900,000	-	-
Certificate of obligation bonds issued	14,914,122	18,605,000	2,415,695	-
Tax notes issued	-	-	-	22,260,000
Refunding bonds issued	-	-	-	13,445,000
Refund on bond issue costs	-	19,952	-	-
Proceeds of refunding bonds	60,685,564	-	-	-
Premium on bonds sold	-	-	480,163	-
Premium on refunding bonds sold	-	(272,896)	-	-
Payment to escrow agent for refunded bonds	(59,387,098)	-	-	(12,822,371)
Transfers in	14,400,438	12,291,674	14,031,497	13,676,363
Transfers out	(11,625,425)	(6,464,810)	(8,276,245)	(8,136,348)
Total other financing sources (uses)	<u>85,120,305</u>	<u>29,996,412</u>	<u>47,073,622</u>	<u>31,046,052</u>
Net change in fund balances	<u>\$ 19,445,531</u>	<u>\$ (11,002,639)</u>	<u>\$ 24,824,454</u>	<u>\$ 8,094,713</u>
Debt service as a percentage of noncapital expenditures	18.92%	17.23%	17.88%	16.67%

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

\* The City changed its fiscal year from July 31 to September 30  
FY 2014 includes 14 months of operations

City of Corpus Christi, Texas

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

<b>Fiscal year</b>					
<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014*</b>
3,746,061	4,110,898	5,655,103	1,978,382	5,092,527	6,384,598
88,725,000	13,685,000	-	44,706,446	75,417,146	-
-	-	-	-	-	-
12,000,000	11,460,000	-	-	-	-
-	-	-	7,390,000	6,607,854	9,000,000
-	-	-	-	164,010,000	38,395,000
-	-	-	-	-	-
-	-	-	-	-	-
2,660,797	491,894	-	5,095,844	9,251,134	11,935,763
(124,206)	-	-	-	6,607,854	-
-	-	-	-	(170,325,943)	(41,763,200)
11,797,397	18,699,972	17,734,081	13,102,987	16,377,480	31,066,578
(9,222,308)	(9,933,977)	(9,966,600)	(11,897,146)	(8,067,769)	(26,767,619)
<u>109,582,741</u>	<u>38,513,787</u>	<u>13,422,584</u>	<u>60,376,513</u>	<u>104,970,283</u>	<u>28,251,119</u>
<u>\$ 46,569,898</u>	<u>\$ (15,782,438)</u>	<u>\$ (29,680,209)</u>	<u>\$ 27,912,929</u>	<u>\$ 75,552,257</u>	<u>\$ (8,813,063)</u>
19.86%	17.20%	16.52%	16.99%	16.81%	18.79%

Table 6

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

<b>Fiscal Year</b>	<b>Property tax</b>	<b>Sales tax</b>	<b>Hotel tax</b>	<b>Business fees</b>	<b>Other taxes</b>	<b>Total</b>
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
2011	84,486,667	62,918,359	10,721,997	17,013,187	1,320,031	176,460,241
2012	86,746,312	75,807,495	12,051,548	16,622,313	1,196,290	192,423,958
2013	114,472,724	55,062,320	13,174,824	17,459,280	1,242,702	201,411,849
2014*	130,557,894	67,848,448	17,066,868	20,105,005	1,717,578	237,295,794

\* The City changed its fiscal year from July 31 to September 30  
FY 2014 includes 14 months of operations

Table 7

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

<b>Fiscal Year</b>	<b>Tax Year</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Less: Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Assessed Value as a Percentage of Actual Value</b>
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%
2011	2010	15,899,330,012	1,462,945,239	3,462,137,714	13,900,137,536	0.582269	17,362,275,250	80.06%
2012	2011	15,640,922,141	2,255,975,300	3,811,092,543	14,085,804,898	0.570557	17,896,897,441	78.71%
2013	2012	16,807,133,905	2,395,143,389	4,815,901,196	14,386,376,098	0.570557	19,202,277,294	74.92%
2014 *	2013	17,894,721,416	2,834,832,285	5,193,782,533	15,535,771,168	0.585264	20,729,553,701	74.95%

\* The City changed its fiscal year from July 31 to September 30  
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 2004-2013

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
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
2011	2010	0.385131	0.197138	0.582269	1.298500	1.237350	0.258003	1.069778	1.249503	0.350930
2012	2011	0.380339	0.190218	0.570557	1.328500	1.237350	0.258003	1.071743	1.262900	0.350999
2013	2012	0.376806	0.208458	0.585264	1.358500	1.237350	0.250666	1.178499	1.251100	0.340999

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

City of Corpus Christi, Texas

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
0.005688	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
0.004329	0.100000	0.162428	--	--	1.062300	1.523000	1.332200	1.420000	0.300000	0.070000
0.004260	0.100000	0.162428	--	--	1.063300	1.650000	1.332200	1.420000	0.300000	0.070000
0.004188	0.100000	0.148077	--	--	1.125550	1.630000	1.317410	1.347000	0.300000	0.070000

Table 9

**CITY OF CORPUS CHRISTI, TEXAS  
PRINCIPAL PROPERTY TAXPAYERS  
September 30, 2014 AND JULY 31, 2005**

Name of Taxpayer	2014			2005		
	Assessed Valuation	Rank	Percentage Of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage Of Total Taxable Assessed Value
Barney M. Davis	\$ 238,022,940	1	0.014027	--		--
American Electric Power Texas Central Co.	157,172,742	2	0.009262	179,340,000	1	0.018605
Wal-Mart Real Estate Business Trust	101,917,295	4	0.006006	--		--
Corpus Christi Retail Venture LP	94,713,652	3	0.005582			--
H.E. Butt Grocery Company	84,069,490	5	0.004954	--		--
Flint Hills Resources LP	74,917,381	6	0.004415			--
Markwest Javelina Pipeline Company	66,144,550	7	0.003898			--
Bay Area Healthcare	60,317,493	8	0.003555			--
Orion Drilling LP	54,053,250	9	0.003185			--
Air Products, LLC	40,900,500	10	0.002410			--
Padre Staples Mall, LP				63,438,255	2	0.006581
Southwestern Bell Telephone				62,275,050	3	0.006460
El Paso Javelina Company				42,883,060	4	0.004449
Texas and Kansas City				34,178,051	5	0.003546
TRT Development Company				28,767,348	6	0.002984
SABCO Operating Company				27,754,620	7	0.002879
Camden Property Trust				26,071,653	8	0.002705
Weingarten Realty Investors				24,185,657	9	0.002509
Columbia Bay Area realty Ltd				23,464,346	10	0.002434
	<u>\$ 972,229,293</u>		<u>5.73%</u>	<u>\$ 512,358,040</u>		<u>5.32%</u>

Source: Nueces County Appraisal District

Note: Wal-Mart Real Estate Business Trust was listed twice on the top ten taxpayers list provided by the appraisal district. The City combined both listings and included the next highest taxpayer as #10.

Table 10

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

Fiscal Year Ended July 31 Through 2013 September 30 <b>2014</b>	Tax Year	Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2005	2004	\$ 61,131,691	\$ 58,864,317	96.29%	\$ 2,101,572	\$ 60,965,889	99.73%
2006	2005	65,237,253	62,656,806	96.04%	2,401,340	65,058,146	99.73%
2007	2006	68,230,749	64,961,636	95.21%	3,088,057	68,049,693	99.73%
2008	2007	72,029,119	70,048,380	97.25%	1,774,391	71,822,771	99.71%
2009	2008	76,595,854	74,146,566	96.80%	2,157,457	76,304,023	99.62%
2010	2009	79,537,895	77,079,808	96.91%	2,071,093	79,150,901	99.51%
2011	2010	78,777,938	76,795,311	97.48%	1,498,893	78,294,204	99.39%
2012	2011	78,407,330	76,679,885	97.80%	1,113,649	77,793,534	99.22%
2013	2012	80,578,771	78,780,900	97.77%	269,923	79,050,823	98.10%
2014	2013	89,055,903	87,538,705	98.30%	-	87,538,705	98.30%

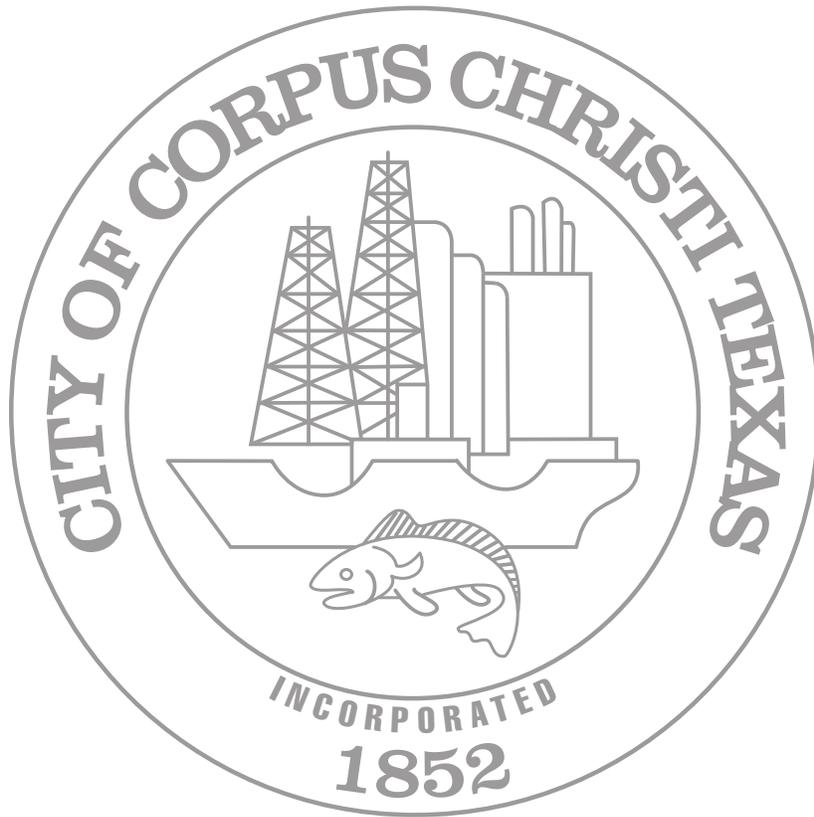


Table 11

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

<b>Fiscal Year Ended September 30</b>	<b>Tax Year</b>	<b>Total Assessed Valuation</b>	<b>Assessments Rate</b>	<b>Gross Tax Rate (1)</b>
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
2011	2010	13,900,137,536	100%	0.582269
2012	2011	14,085,804,898	100%	0.570557
2013	2012	14,386,376,098	100%	0.570557
2014	2013	15,535,771,168	100%	0.585264

(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 September 30	Governmental Activities				
	General Obligation Bonds	Certificates of Obligation	Priority Revenue Bonds	Capital Leases	Other Notes Payable
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
2011	219,025,000	34,690,401	100,165,000	9,939,798	4,300,000
2012	251,195,000	32,821,649	94,485,000	7,338,742	10,665,000
2013	359,454,849	11,817,334	89,258,322	5,826,454	9,055,000
2014	336,640,896	11,018,552	76,610,083	6,319,117	24,405,000

Note: Details regarding the City's outstanding debt can be found in Note 14 of the Notes to the Financial Statements. Beginning fiscal year 2013 debt is reported net of related premiums and discounts. See Table 17, the Schedule of Demographic and Economic Statistics for personal income and population data.

Table 12

General Obligation Bonds	Certificates of Obligation	Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
		Priority Revenue Bonds	Junior Lien Revenue Bonds	Capital Leases	Utility Notes			
\$ -	\$ 25,660,000	\$ 407,805,000	\$ -	\$ 4,529,354	\$ 174,136,591	\$ 941,405,755	7.98%	3,212
-	44,025,000	453,850,000	-	3,277,956	171,604,070	986,017,643	8.80%	3,337
-	48,189,305	506,795,000	-	3,699,994	168,900,717	1,059,169,742	8.96%	3,583
-	47,524,305	479,220,000	-	4,591,194	166,018,108	1,029,361,851	7.91%	3,461
-	58,484,305	546,875,000	-	5,006,444	164,625,035	1,163,632,911	7.99%	3,912
-	57,184,305	525,780,000	-	6,288,391	160,481,095	1,141,160,371	7.89%	3,739
-	61,149,599	572,095,000	-	8,318,853	156,204,665	1,165,888,316	7.42%	3,789
18,220,000	59,388,351	576,810,000	-	6,860,263	152,512,889	1,210,296,894	7.70%	3,878
68,204,912	19,889,739	453,480,430	246,054,017	8,158,202	148,593,654	1,419,792,913	8.59%	4,434
65,628,122	17,117,299	422,096,279	334,364,208	9,278,830	144,435,976	1,447,914,363	8.12%	4,449

Table 13

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

<b>Fiscal Year Ended July 31</b>	<b>General Obligation Bonds</b>	<b>Certificates of Obligation</b>	<b>Less Amounts Available in Debt Service Funds</b>	<b>Total</b>	<b>Percentage of Actual Taxable Value of Property</b>	<b>Per Capita (1)</b>
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%	843.18
2011	219,025,000	34,690,401	14,436,907	239,278,494	1.3782%	777.56
2012	269,415,000	92,210,000	16,858,822	344,766,178	1.9264%	1,104.79
2013	427,659,761	31,707,073	15,512,834	443,854,000	2.3115%	1,386.04
2014	402,269,018	28,135,851	8,660,390	421,744,479	2.0345%	1,295.77

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

Beginning, fiscal year 2013 debt is reported net of related premiums and discounts.

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

Table 14

**CITY OF CORPUS CHRISTI, TEXAS  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF SEPTEMBER 30, 2014**

<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	\$ 348,364,805	9/30/2014	100.00%	\$ 348,364,805
<b>County</b>				
Nueces County (excluding special districts)	104,604,513	9/30/2014	37.05%	38,755,972
<b>School District</b>				
Calallen Independent School District	42,991,679	9/30/2014	39.77%	17,097,791
Corpus Christi Independent School District	306,877,316	9/30/2014	94.22%	289,139,807
Flour Bluff Independent School District	50,845,000	9/30/2014	85.45%	43,447,053
London Independent School District	18,466,452	9/30/2014	3.83%	707,265
Port Aransas Independent School District	9,492,671	9/30/2014	70.08%	6,652,464
Robstown Independent School District	55,930,291	9/30/2014	0.13%	72,709
Tuloso-Midway Independent School District	78,120,324	9/30/2014	50.16%	39,185,155
West Oso Independent School District	33,313,446	9/30/2014	32.16%	10,713,604
<b>Other</b>				
Corpus Christi Junior College District	69,730,000	9/30/2014	92.14%	64,249,222
Nueces County Hospital District	1,815,000	9/30/2014	37.05%	672,458
Total overlapping debt	772,186,692			510,693,500
Total direct and overlapping debt	\$ 1,120,551,497			\$ 859,058,305

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 \$108,437,118 is self supporting debt. To continue to maintain this debt as self-supporting, transfers will be made from Airport, Marina, Hotel Occupancy Tax Fund, 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**

	Fiscal Year			
	2005	2006	2007	2008
Debt limit	\$ 1,146,442,016	\$ 1,235,133,813	\$ 1,341,374,214	\$ 1,553,126,690
Total net debt applicable to limit	217,197,346	219,694,089	240,067,729	239,358,486
Legal debt margin	<u>\$ 929,244,670</u>	<u>\$ 1,007,939,724</u>	<u>\$ 1,101,306,485</u>	<u>\$ 1,313,768,204</u>
Total net debt applicable to the limit as a percentage of debt limit	18.95%	17.79%	17.90%	15.41%

(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.

Note: Beginning fiscal year 2013 debt is reported net of related premiums and discounts.

Table 15

Fiscal Year					
2009	2010	2011	2012	2013	2014
\$ 1,622,011,635	\$ 1,712,352,047	\$ 1,736,227,525	\$ 1,789,689,744	\$ 1,920,227,729	\$ 2,072,955,370
316,130,699	319,831,481	304,728,093	355,431,178	452,909,000	446,149,479
<u>\$ 1,305,880,936</u>	<u>\$ 1,392,520,566</u>	<u>\$ 1,431,499,432</u>	<u>\$ 1,434,258,566</u>	<u>\$ 1,467,318,729</u>	<u>\$ 1,626,805,891</u>
19.49%	18.68%	17.55%	19.86%	23.59%	21.52%

**LEGAL DEBT MARGIN CALCULATION FOR FISCAL YEAR 2014**

Assessed value	(1)	\$ 20,729,553,701
Debt limit (10% of total assessed value)		2,072,955,370
Debt applicable to limit:		
Gross Bonded Debt		454,809,869
Less: Net assets in Debt Service Fund		<u>8,660,390</u>
Total net debt applicable to limit		<u>446,149,479</u>
Legal debt margin		<u>\$ 1,626,805,891</u>

City of Corpus Christi, Texas

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

<b>Fiscal Year</b>	<b>Utility System Revenue Bonds</b>					
	<b>Gross Revenue</b>	<b>Adjusted (1) Operating Income Deductions</b>	<b>Net Revenue Available for Debt Service</b>	<b>Annual Debt Service Requirements</b>		
				<b>Principal</b>	<b>Interest</b>	<b>Coverage</b>
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
2011	203,523,352	131,598,133	71,925,219	24,135,000	22,448,605	1.54
2012	206,350,597	120,818,926	85,531,671	25,070,000	21,668,130	1.83
2013	206,635,317	122,958,943	83,676,374	21,120,000	18,161,601	2.13
2014*	257,300,329	157,723,014	99,577,315	22,755,000	16,547,375	2.53

Table 16

Net Revenue Available for Junior Lien Debt Service	Annual Debt Service Requirements		
	Principal	Interest	Coverage
--	--	--	--
--	--	--	--
--	--	--	--
--	--	--	--
--	--	--	--
--	--	--	--
--	--	--	--
\$ 44,394,773	\$ 8,010,000	\$ 6,744,667	3.01
60,274,940	8,375,000	13,332,367	2.78

Table 17

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

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Personal Income (2)</b>	<b>Per Capita Personal Income (2)</b>	<b>Median Age (1)</b>	<b>Education Level in Years of Formal Schooling (3)</b>	<b>School Enrollment Rate (4)</b>	<b>Unemployment Rate (5)</b>
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	305,215 (6)	14,457,000,000	34,743	34.3	--	38,196	7.7
2011	307,728	15,719,000,000	39,635	34.8	--	38,357	8.0
2012	312,065	16,524,276,000	38,609	34.6	--	39,106	6.6
2013	320,231	17,832,307,000	40,796	34.3	--	39,400	5.8
2014	325,477	14,151,427,000	44,765	34.4	--	39,414	4.9

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
- (6) U. S. Census Bureau - 2010 Census

Table 18

**CITY OF CORPUS CHRISTI, TEXAS  
PRINCIPAL EMPLOYERS  
SEPTEMBER 30, 2014 AND SEPTEMBER 30, 2005**

Employer	2014			2005		
	Number of Employees	Rank	Percent of Total City Employment **	Number of Employees	Rank	Percent of Total City Employment
Corpus Christi Army Depot	5,800	1	3.32%	-	--	--
Corpus Christi Independent School District	5,178	2	2.97%	-	--	--
Christus Spohn Health System	5,144	3	2.95%	-	--	--
H.E.B. Grocery Company	5,000	4	2.86%	-	--	--
City of Corpus Christi	3,171	5	1.82%	-	--	--
Naval Air Station Corpus Christi	2,822	6	1.62%	-	--	--
Kiewit Offshore Services	900	10	0.52%	-	--	--
Bay Ltd.	2,100	7	1.20%	-	--	--
Driscoll Children's Hospital	1,800	8	1.03%	-	--	--
Del Mar College	1,542	9	0.88%	-	--	--
<b>Total</b>	<b>33,457</b>		<b>19.16%</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>

Source: Corpus Christi Regional Economic and Development Corporation (CCREDC) (2011 available data)

\* 2004 Information not available

\*\* Percent of Total City Employment for Total Nonfarm employment amounts as reported by CCREDC

City of Corpus Christi, Texas

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

Function	Fiscal Year		
	2005	2006	2007
General Fund			
Mayor	2.00	2.00	2.00
ACM - administrative services	1.00	1.00	1.00
ACM - development services	2.00	2.00	2.00
City attorney	25.00	26.00	26.00
City manager	3.00	3.00	3.00
City secretary	7.00	7.00	7.00
Communications and quality management	--	--	--
Community development	--	--	--
Neighborhood services	23.40	18.80	20.80
Economic development office	2.00	1.00	1.00
Education advisor	--	--	--
Engineering - special services *(Moved to Internal Service Funds)	9.00	8.00	9.00
Engineering	--	--	--
Inspections	--	--	--
Financial services	56.00	56.00	57.00
Fire	356.00	424.00	412.00
Health	68.00	69.50	70.50
Human relations	7.00	6.00	6.00
Human resources	19.75	20.75	20.75
Internal audit	--	--	--
Intergovernmental relations	--	--	--
Libraries	67.50	67.50	67.50
Office of Management and Budget	9.00	8.00	9.00
Materials management	--	--	--
Municipal court - administration	44.00	35.00	37.00
Municipal court - judicial	21.00	43.30	42.96
Museum	24.10	22.50	22.80
Office of Intergovernmental Relations & Community Development	--	--	--
Parks and recreation	332.18	305.97	317.23
Planning	--	--	--
Police	613.50	601.50	601.50
Public information	3.00	3.00	3.00
Street and solid waste services	315.00	292.00	303.00
Total	2,010.43	2,023.82	2,042.04

(Continued)

City of Corpus Christi, Texas

Table 19

Fiscal Year							
2008	2009	2010	2011	2012	2013	2014	
2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	1.00	1.00	1.00	1.00	
26.00	26.00	26.00	25.00	23.00	21.00	21.00	21.00
3.00	4.00	4.00	3.00	3.00	3.00	3.00	5.00
7.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
24.80	26.80	27.00	19.90	19.90	21.90	20.70	20.70
2.00	2.00	2.00	-	--	--	--	--
1.50	1.00	--	--	--	--	--	--
9.00	19.00	15.00	18.00	23.00	7.00	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
57.00	53.00	50.00	46.00	51.00	51.00	51.00	51.00
414.00	432.00	432.00	429.00	429.00	428.00	429.00	429.00
71.50	71.50	68.00	66.00	61.00	33.00	34.00	34.00
6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
22.00	20.00	20.00	17.00	16.00	17.00	17.00	17.00
2.00	1.00	--	--	3.0	4.00	4.00	4.00
--	1.00	1.00	1.00	1.00	1.00	1.00	1.00
74.00	73.00	70.50	62.60	52.35	52.35	52.35	52.35
9.00	8.00	8.00	8.00	8.00	8.00	8.00	9.00
--	--	--	--	--	--	--	--
46.00	48.00	45.00	42.00	59.00	57.00	62.00	62.00
35.94	34.08	30.08	30.90	8.72	8.90	8.90	8.90
22.80	22.70	21.70	21.70	17.40	18.40	--	--
--	--	--	--	--	--	--	--
300.07	299.32	279.64	263.23	256.71	249.52	252.00	252.00
--	--	--	--	--	--	--	--
619.00	621.00	625.50	635.50	633.90	601.20	605.70	605.70
3.00	5.00	4.00	4.00	2.50	2.50	2.60	2.60
305.00	298.00	290.00	286.00	236.00	150.00	150.00	150.00
2,065.61	2,083.40	2,036.42	1,994.83	1,920.48	1,750.77	1,740.25	1,740.25

City of Corpus Christi, Texas

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

Function	Fiscal Year		
	2005	2006	2007
Enterprise Funds			
Aviation	96.75	93.75	98.95
Ambulance	68.00	--	--
Golf Centers <b>*(Privatized)</b>	30.50	22.00	29.50
Marina	16.50	16.50	14.00
Gas	148.80	148.80	147.80
Storm Water	--	--	--
Wastewater	177.00	177.00	173.00
Water	175.00	255.00	255.00
ACM - Public Works	2.00	2.00	2.00
Utility Business Office	74.00	19.00	18.00
Utility Field Services <b>*(10 Moved to Gas Dept. &amp; 20 Moved to Water Dept.)</b>	--	44.00	45.00
Office of Environmental Programs	--	3.00	3.00
Total	788.55	781.05	786.25
Internal Service Funds			
Engineering	57.10	57.10	57.10
Liability and employee benefits fund	14.00	14.00	15.00
Maintenance service	99.00	99.00	100.00
Municipal information system	75.00	93.00	100.00
Stores	8.00	8.00	9.00
Total	253.10	271.10	281.10
Special Revenue Funds			
Development Services	54.00	57.00	58.00
Visitor's facilities fund	11.00	1.00	1.00
Redlight Photo Enforcement	--	--	--
Crime Control	62.10	65.60	64.60
Local Emergency Planning Committee	1.00	1.00	1.00
Total	128.10	124.60	124.60
Total operating budget FTE's	3,180.18	3,200.57	3,233.99

Source: City of Corpus Christi Office of Management and Budget

**Table 19**  
**(Continued)**

Fiscal Year						
2008	2009	2010	2011	2012	2013	2014
95.20	96.95	97.20	97.20	91.40	91.40	82.00
--	--	--	--	--	--	-
29.50	29.50	29.50	29.50	--	--	-
14.00	14.00	15.00	15.00	15.00	15.00	15.00
134.80	134.80	135.80	137.00	135.00	135.00	152.00
77.00	75.00	75.00	87.00	87.00	87.00	87.00
162.00	162.00	167.00	167.00	168.00	168.00	168.00
157.00	163.00	166.00	167.00	161.00	165.40	193.40
2.00	2.00	2.00	2.00	2.00	2.00	2.00
19.00	19.00	19.00	19.00	20.00	20.00	20.00
40.00	40.00	31.00	31.00	30.00	30.00	-
2.00	5.00	5.00	5.00	5.00	5.00	
<u>732.50</u>	<u>741.25</u>	<u>742.50</u>	<u>756.70</u>	<u>714.40</u>	<u>718.80</u>	<u>719.40</u>
57.00	61.63	64.00	61.00	58.00	57.00	59.00
15.00	15.00	15.00	16.00	20.00	20.00	20.00
100.00	87.00	87.00	85.00	77.00	77.00	79.00
109.00	105.00	105.00	98.00	94.00	93.00	93.00
9.00	20.00	21.00	21.00	20.00	20.00	20.00
<u>290.00</u>	<u>288.63</u>	<u>292.00</u>	<u>281.00</u>	<u>269.00</u>	<u>267.00</u>	<u>271.00</u>
63.00	76.00	63.00	60.00	60.00	59.00	62.00
11.00	10.00	10.00	10.00	10.00	11.00	11.00
--	--	2.00	2.00	2.00	2.00	2.00
65.60	65.60	65.60	65.60	64.60	63.60	66.60
1.00	1.00	1.00	1.00	1.00	1.00	1.00
<u>140.60</u>	<u>152.60</u>	<u>141.60</u>	<u>138.60</u>	<u>137.60</u>	<u>136.60</u>	<u>142.60</u>
<u><u>3,228.71</u></u>	<u><u>3,265.88</u></u>	<u><u>3,212.52</u></u>	<u><u>3,171.13</u></u>	<u><u>3,041.48</u></u>	<u><u>2,873.17</u></u>	<u><u>2,873.25</u></u>

# City of Corpus Christi, Texas

## CITY OF CORPUS CHRISTI, TEXAS NET POSITION BY COMPONENT LAST TEN YEARS

Function	Fiscal Year		
	2005	2006	2007
<b>Police</b>			
Physical arrests	5,214	4,792	11,282
Parking violations	* 17,960	* 18,287	* 17,571
Traffic violations	64,449	57,478	58,885
Number of commissioned police officers	448	448	448
Number of employees - police officers and civilians	678	671	672
Officers per 1000 population	1.53	1.52	1.52
School crossing guards	83	87	87
<b>Fire</b>			
Number of calls answered	1,219	30,700 **	33,000 **
Inspections	3,659	3,000	4,765
Number of firefighters	383	383	402
Number of employees - firefighters and civilians	402	400	419
Employees per 1,000 population	1.31	1.30	1.36
State Fire Insurance Credit Rating	Class 4	Class 4	Class 3
<b>Streets</b>			
Street resurfacing (miles)	--	--	722,367 sq yds
Potholes repaired	75,024	75,000	83,177
<b>Parks and recreation</b>			
Number of registered youth participants in Latchkey afterschool program	n/a	n/a	n/a
Number of meals served at Senior Centers	152,578	126,773	117,333
<b>Libraries</b>			
Number of volumes	394,666	394,666	389,634
Circulation	1,155,516	1,191,605	1,211,792
Library cards in force	144,755	150,552	143,699
Computer usage, sessions	703,494	1,044,617	1,160,698
Number of website hits	--	--	--
Number of in-house personal computer users	--	--	--
<b>Solid Waste</b>			
Refuse collected (tons/day)	364	389	395
Recyclables collected (tons/day)	12	13	13
<b>Water</b>			
New connections (UBO)	1,302	1,358	1,690
Water main breaks	2,400	2,617	2,313
Average daily consumption (thousands of gallons)	97,686	97,686	97,686
Average daily gallons treated & raw water sold	97,685,942	106,251,600	136,281,605
Average water treated (thousand of gallons)	n/a	n/a	n/a
Average daily consumption per capita (gallons)	123	121	134
Residential per capita consumption gallons/day	n/a	n/a	n/a
<b>Gas</b>			
Average daily consumption (mcf)	9,064	8,438	2,842
<b>Wastewater</b>			
Average daily sewage treatment (thousands of gallons)	n/a	27,478	30,605
<b>Airport</b>			
Number of airports	1	1	1
Number of acres	2,574	2,574	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

Fiscal Year						
2008	2009	2010	2011	2012	2013	2014
14,440	17,786	17,036	17,928	17,895	17,366	22,159
23,973 *	23,976 *	18,705 *	7,925 *	7,705	9,694	20,241
53,355	51,778	51,082	41,216	39,145	48,226	60,880
448	451	451	451	451	451	449
672	711	711	711.1	685.8	685.8	672
1.51	1.52	1.48	1.47	1.50	1.40	1.40
91	91	91	91	28	28	0
37,492 **	39,115 **	38,939	39,667	42,923	44,933	55,242
4,641	5,342	5,272	4,116	6,093	6,945	7,312
394	403	414	398	414	414	414
419	423	429	414	431	431	431
1.32	1.35	1.36	1.29	1.36	1.38	1.37
Class 3	Class 2					
367,266 sq yds	267,817 sq yds	549,631 sq yds	693,586 sq yds	600,387 sq yds	408,439 sq yds	435,847 sq. yds.
97,634		213,805	158,827	126,696	109,070	166,405
n/a	2,478	2,396	2,497	2,375	2,240	2,515
103,431	104,155	95,954	106,995	93,516	91,486	90,276
405,225	431,098	484,442	661,332	412,386	358,544	386,633
1,241,042	1,339,242	1,344,845	1,247,799	709	800,285	925,998
150,712	150,712	153,222	201,863	217,247	228,041	179,831
--	--	--	--	--	--	--
--	25,084,906	10,041,335	5,114,607	9,723,058	12,500,511	8,039,479
203,480	240,525	282,360	255,923	184,137	221,891	273,763
386	378	382	378	376	350	368
13	12.3	11.7	31.7	5	53	55
474	265	236	236	217	1,282	1,465
2,022	1,706	1,507	1,584	1,966	1,409	2,025
94,541	102,025	94,637	99,271	104,316	100,563	97,689
94,541,688	102,025,373	94,637,901	99,271,184	104,316,132	100,562,948	97,689,000
65,860	68,888	63,197	67,592	69,919	68,029	65,821
119	128	118	125	122	107	103
77	81	76	80	78	70	67
8,498	8,626	8,466	9,050	8,033	8,535	11,733
28,808	26,867	29,691	28,152	25,776	25,648	30,722
1	1	1	1	1	1	1
2,657	2,657	2,600	2,600	2,600	2,600	2,600

City of Corpus Christi, Texas

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

Function	Fiscal Year		
	2005	2006	2007
General government			
Buildings: (City owned)			
Total square footage, approximate	2,864,000	2,864,000	2,864,000
Police			
Stations	4	4	4
Patrol units	301	295	295
Area of responsibility - land area (square miles)	150.48	150.48	150.48
Fire			
Fire stations	16	16	16
Fire apparatus	30	30	30
Other motorized vehicles	77	77	77
Number of fire hydrants	8,300	8,400	8,400
Streets			
Streets (miles)	1,103	1,103	1,119
Streetlights	16,308	16,308	16,662
Traffic signals	n/a	n/a	n/a
Libraries			
Number of libraries	5	5	5
Parks and recreation			
Parks acreage	1,408	1,418	1,415
Parks	189	189	190
Swimming pools	9	9	9
Tennis courts	49	37	37
Community centers	5	5	5
Park acreage partially developed	178	171	171
Playgrounds	139	128	129
Municipal beaches	4	4	4
Baseball diamonds	1	1	1
Softball diamonds	5	5	5
Senior centers	8	8	8
Gymnasiums	2	2	2
Covered basketball courts	1	3	3
Water			
Water mains (miles)	1,533	1,533	1,553
Fire hydrants	8,300	8,400	8,400
Maximum daily capacity (thousands of gallons)	109,000	104,880	97,750
Water connections - active	82,467	83,785	85,959
Storm water drainage ditches (miles)	607	607	607
Storm water underground pipe (miles)	597	597	597

City of Corpus Christi, Texas

Table 21

Fiscal Year						
2008	2009	2010	2011	2012	2013	2014
2,883,975	2,883,975	2,883,975	2,883,975	3,740,189	3,474,290	2,453,733
4	5	5	5	5	5	5
295	354	244	244	244	244	244
150.48	150.48	150.48	150.48	150.48	150.48	150.48
16	17	17	17	17	17	17
30	30	30	30	30	30	30
77	77	77	88	88	88	90
8,479	8,800	8,890	9,007	10,451	10,451	10,879
1,123	1,139	1,172	1,178	1,181	1,183	1201
16,767	16,874	17,053	17,166	17,315	17,191	17,264
n/a	n/a	n/a	n/a	242	243	245
5	6	6	6	6	6	6
1,418	1,418	1,420	1,420	1,690	1,690	1,690
190	191	194	196	196	196	196
9	9	9	9	9	6	6
37	37	37	37	37	37	37
5	5	5	5	5	5	5
168	384	386	389	389	389	389
131	139	143	140	140	140	140
4	4	4	4	4	4	4
4	4	4	5	5	2	2
5	5	5	4	4	4	4
8	8	8	8	8	8	8
2	2	2	3	3	3	3
3	4	4	5	5	5	5
1,584	1,624	1,629	1,636	1,654	1,677	1,687
8,479	8,800	8,890	9,007	10,451	10,451	10,879
97,850	96,220	95,450	92,670	103,500	93.42	87,800
84,442	87,042	90,957	90,928	93,927	93,123	104,065
610	602	552	501	501	501	580
606	632	675	630	630	630	600

City of Corpus Christi, Texas

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

Function	Fiscal Year		
	2005	2006	2007
Gas			
Gas mains (miles)	1,288	1,291	1,327
Gas connections - active	53,461	53,989	54,436
Wastewater			
Sanitary sewers (miles)	1,220	1,243	1,258
Maximum daily treatment capacity (thousands of gallons)	44,700	44,700	44,700
Sewer connections	78,837	80,725	82,957
Lift stations	91	96	95
Airport			
Length of main runways	13,588	13,588	13,588
Scheduled airline arrivals and departures per year	19,704	19,689	19,710
Passengers enplaning and deplaning (including commercial helicopters)	854,606	890,800	886,528
Golf centers			
Municipal golf courses	2	2	2
Municipal golf links - acres	378	378	376
Marina			
Marina slips	451	456	590

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

City of Corpus Christi, Texas

**Table 21**  
**(Continued)**

Fiscal Year						
2008	2009	2010	2011	2012	2013	2014
1,337	1,349	1,354	1,399	1,402	1,405	1,417
53,688	54,162	55,467	60,430	62,260	62,667	54,413
1,265	1,269	1,271	1,282	1,286	1,293	1,300
44,700	44,700	44,700	44,700	44,700	44,700	42,700
81,823	82,948	83,174	83,250	84,338	85,602	84,681
97	97	99	99	100	100	100
13,588	13,588	13,588	13,588	13,588	13,588	13,588
16,306	17,056	16,560	17,130	17,130	17,053	21,476
861,641	750,080	706,133	688,051	672,130	644,570	807,754
2	2	2	2	2	2	2
376	376	376	376	376	376	376
590	590	626	626	578	513	471

City of Corpus Christi, Texas

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**MISCELLANEOUS STATISTICAL DATA  
FISCAL YEAR ENDED SEPTEMBER 30, 2014**

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
Revised	November 2, 2010

Form of government:

Fiscal year begins	October 1st
Number of City employees	2,929

GEOGRAPHICAL LOCATION:

Southeastern Coast of Texas on the Gulf of Mexico  
approximately 150 miles north of the Mexican border.

Total primary government net position

Land	146.7
Water	<u>352.0</u>
	<u><u>498.7</u></u>

POPULATION:

	<u>Year</u>	<u>Trade Area</u>	<u>Population</u>
	1950	293,661	108,053
	1960	382,423	167,690
	1970	359,523	204,525
	1980	400,500	232,134
	2000 (Census)	474,157	277,454
	2008	485,885	297,447
	2009	415,376	297,447
	2010 (Census)	428,185	305,215
	2011	426,073	313,422
	2012	433,583	312,065
	2013	437,109	320,231
	2014	448,108	325,477

ELEVATION:

Sea level to 85 feet

TEMPERATURE: (3)

85.5° F maximum average  
64.8° F minimum average  
75.2° F mean average

SEASONAL RAINFALL

14.32 inches for fiscal year ended Sepyember 30, 2014

Source:

- (1) City Staff
- (2) Port of Corpus Chr <http://www.portofcc.com/index.php/general-information-155/statistics/yearly-statistics>
- (3) National Weather Service [www.nws.noaa.gov](http://www.nws.noaa.gov)

Table 22

PORT OF CORPUS CHRISTI: (2)

Tonnage handled through the Port during the year 2013	88,699,849
Number of ships handled during the year 2013	1,464
Number of barges handled during the year 2013	5,406

Public Docks:

Bulk liquid	12
Dry cargo	7
Bulk materials	2
Total	<u>21</u>

Private Docks:

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

Dry Cargo -

Bay, Inc.	1 - Main Harbor
Heldenfels	1 - Main Harbor
Texas Docks & Rail (Trafigura)	2 - Harbor Island
Texas Leheigh Cement	1 - Main Harbor
Tor Minerals International, Inc.	1 - Rincon
McDermott	1 - Harbor Island
Gulf Marine Fabricators	2 - Ingleside
Kiewit Offshore Services, Inc.	1 - Ingleside
Helix Energy Solutions	1 - La Quinta
Occidental Chemical (NSI)	3 - Ingleside
Signet Maritime	1 - Jewell Fulton
Nu Star Logistics	1 - Harbor Island

Dry Cargo -

ADM/Growmark	1 - Main Harbor
Interstate Grain	1 - Main Harbor
Sherwin Alumina	1 - La Quinta
Vulcan Materials	1 - Main Harbor
Total	<u>36</u>

Source:

- (1) City Staff
- (2) Port of Corpus Christi
- (3) National Weather Service [www.nws.noaa.gov](http://www.nws.noaa.gov)

Table 23

**CITY PAYROLL STATISTICS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Salaries</b>	<b>Social Security &amp; Medicare</b>	<b>Texas Municipal Retirement System</b>	<b>Fire Fighters' Retirement System Plan</b>	<b>Total Paid</b>	<b>Number Employees Last Payday of Year</b>
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
2011	147,878,682	8,485,205	16,832,574	5,158,128	178,354,589	3,091
2012	137,951,126	7,969,329	15,541,644	5,254,970	166,717,069	2,972
2013	142,076,954	8,240,414	16,101,720	5,640,851	172,059,939	2,959
2014 *	170,695,596	9,994,840	20,838,560	7,009,621	208,538,617	2,900

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

\* Includes 14 months of operations

Table 24

RETIREMENT SYSTEM PENSION DATA  
LAST TEN FISCAL YEARS

TEXAS MUNICIPAL RETIREMENT SYSTEM PENSION DATA

<u>Fiscal Year</u>	<u>Unfunded Pension Plan Liability</u>	<u>Pension Plan Receipts</u>	<u>Actuarial Value of Pension Plan Assets</u>	<u>Pension Benefits Paid</u>	<u>Investment Income</u>
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
2011	* 46,392,672	40,573,796	511,209,314	33,759,205	10,053,791
2012	* 43,677,917	34,740,040	533,122,252	36,541,040	12,826,388
2013	* 41,424,714	76,187,208	558,527,434	36,700,614	53,720,245
2014	* 68,173,179	79,511,648	583,192,963	41,515,481	56,229,015

Note: Information is as of December 31 of the previous year which is the latest information available.

\* Reflects information for the Benefit Accumulation Fund, which was created at the end of calendar year 2011 by combining the Municipal Accumulation Fund, Employee Savings Fund, and Current Service Annuity Reserve Fund. Previously, only the Municipal Accumulation Fund and Employee Savings Funds were presented.

FIRE FIGHTERS' RETIREMENT SYSTEM PENSION DATA

<u>Fiscal Year</u>	<u>Unfunded Pension Plan Liability</u>	<u>Pension Plan Receipts</u>	<u>Pension Plan Assets</u>	<u>Pension Benefits Paid</u>	<u>Investment Income</u>
2005	\$ 39,748,293	\$ 13,364,477	\$ 87,250,141	\$ 7,130,547	\$ 2,168,445
2006	--	4,949,285	89,401,693	7,399,360	2,460,607
2007	42,220,967	4,957,716	92,448,683	8,326,653	3,379,800
2008	* --	5,723,279	101,440,018	8,789,387	6,346,915
2009	70,349,504	6,642,273	76,979,921	9,370,772	3,843,537
2010	* --	7,609,271	92,547,683	8,968,492	2,510,550
2011	73,485,485	8,074,248	101,080,549	9,174,655	2,602,919
2012	* --	8,412,482	98,507,970	11,039,071	3,112,342
2013	86,516,036	8,711,527	108,858,951	11,692,501	3,231,103
2014	* --	9,746,252	126,159,233	10,966,158	3,829,115

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.

\* No actuarial valuation performed for previous calendar year.

**ALL FUNDS  
INSURANCE AND SURETY BONDS IN FORCE  
FISCAL YEAR ENDED SEPTEMBER 30, 2014**

Type of Insurance	Insurer and Expiration Date	Amount of Coverage
<b>1. Property Insurances</b>		
Commercial Property & Wind Policy Scheduled City Properties	Multiple layers (Itemized Below) Expires 5-4-2014	\$250 Million all other perils, \$150 Million wind coverage, \$25 Million Flood Building & Personal Property Blanket Coverage 2%, Named Storm, \$250,000 Minimum / \$4 Million Maximum Deductible \$250,000 all other Wind/Hail Deductible \$50,000 Deductible All Other Perils \$100,000 Flood; Earthquake Deductible (Replacement cost coverage)
Property & Wind Coverage Commercial City Properties	Axis Expires 5-4-2014	Named Storm only - 2.5 Million - Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Lexington Expires 5-4-2014	\$25,000,000 excess of \$2.5 Million - Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Arch Expires 5-4-2014	\$3,825,000 part of \$22.5 Million excess of \$27.5 Million - Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	RSUI Indemnity Co. Expires 5-4-2014	\$6,300,000 part of \$22.5 Million excess of \$27.5 Million - Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Aspen Expires 5-4-2014	\$2,475,000 part of \$22.5 Million excess of \$27.5 Million -Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	North American Capacity Ins. Co. (ICAT) Expires 5-4-2014	\$4,950,000 part of \$22.5 Million Excess of \$27.5 Million -Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Ace/Westchester Expires 5-4-2014	\$4,950,000 part of \$22.5 Million excess of \$27.5 Million -Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Colony Expires 5-4-2014	\$5,000,000 part of \$50 Million excess of \$50 Million - Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Rockhill Expires 5-4-2014	\$10,000,000 part of \$50 Million Excess of \$50 Million - Wind Building & Personal Property Blanket Coverage

Table 25  
(Continued)

ALL FUNDS  
INSURANCE AND SURETY BONDS IN FORCE  
FISCAL YEAR ENDED SEPTEMBER 30, 2014

Type of Insurance	Insurer and Expiration Date	Amount of Coverage
Excess Property & Wind Coverage Commercial City Properties	Axis Expires 5-4-2015	\$5,000,000 part of \$50 Million Excess of \$50 Million -Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Aspen Expires 5-4-2015	\$5,000,000 part of \$50 Million Excess of \$50 Million - Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Ace/Westchester Expires 5-4-2015	\$5,000,000 part of \$50 Million Excess of \$50 Million - Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Arch Expires 5-4-2015	\$10,000,000 part of \$50 Million Excess of \$50 Million - Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Liberty Expires 5-4-2015	\$10,000,000 part of \$50 Million excess of \$100 Million - Wind Building & Personal Property Blanket Coverage
Property Coverage Commercial City Properties	Lexington Expires 5-4-2015	\$250 Million All other Perils excluding wind Building & Personal Property Blanket Coverage - \$50,000 per occurrence deductible
Boiler & Machinery Coverage Commercial City Properties	Travelers Insurance Company Expires 5-4-2015	\$100 Million Property Damage \$2,500 Property Damage per occurrence Deductible
<b>2. Flood Insurance</b> Primary Flood Specified City Buildings	Selective Insurance Expires 11-4-2014	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)
<b>3. Airport Liability</b> Primary Aviation	Texas Municipal League Expires 11-4-2014	\$25,000,000 Limit of Liability \$5,000 per occurrence deductible and \$10,000 annual aggregate deductible
Excess Aviation	ACE-Illinois Union Ins Co Expires 11-4-2014	\$50,000,000 Liability Limit in Excess of \$25,000,000 (\$75,000,000 max.)

Table 25  
(Continued)

ALL FUNDS  
INSURANCE AND SURETY BONDS IN FORCE  
FISCAL YEAR ENDED SEPTEMBER 30, 2014

Type of Insurance	Insurer and Expiration Date	Amount of Coverage
4. <b>Employee Dishonesty / Crime Coverage</b>	Texas Municipal League Expires 11-4-2014	\$1,000,000 per occ. for Public Employee Dishonesty Forgery or Alteration, Theft, Disappearance and Destruction Computer Fraud; with \$10,000 Deductible; \$2,000,000 per occurrence
5. <b>Excess General Liability, Public Officials, Employment &amp; Law Enforcement Liability</b>	Brit Global Specialty Expires 3-1-2015	\$5 Million each Accident or Occurrence Limit \$10 Million Aggregate Limit
6. <b>Excess Workers' Compensation</b>	Safety National Expires 3-1-2015	Workers Compensation Statutory \$750,000 SIR for Police, Fire, & Gas Utility \$500,000 SIR for All Others
7. <b>Gas Utility Excess Liability</b>	Texas Municipal League Expires 11-4-2014	\$10,000,000 limit per occurrence \$2,000,000 Pollution limit per occurrence \$250,000-General Liability/Pollution Deductible
8. <b>General Liability</b> CCPD -- Flint Hills Lease GL	Texas Municipal League Expires 11-4-2014	\$1,000,000 each occurrence \$0 deductible
9. <b>Special Events Policy</b> July 4th Celebration	Northfield Ins. Co. Expires 7-6-2013	\$2,000,000 General Aggregate \$1,000,000 each Occurrence
10. <b>Automobile Coverage</b> TB Clinic Van	Texas Municipal League Expires 11-4-2014	\$1,000,000 Bodily Injury & Property Damage \$25,000-Medical Payments Actual Cash Value - physical damage \$250 deductible
Fleet Catastrophic	Texas Municipal League Expires 11-4-2014	\$15,000,000 Blanket Limit per Occurrence \$250,000 Deductible
Automobile Physical Damage CCPD Leased Vehicles Solid Waste Transfer Trailers Specified Higher Valued Vehicles	Texas Municipal League Expires 11-4-2014	Actual Cash Value - physical damage \$250 deductible \$500 deductible \$2500 deductible
Specified Mobile Equipment	Texas Municipal League Expires 11-4-2014	\$2,737,270 each occurrence \$2,500 deductible each occurrence

*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

May 29, 2015

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

We have audited, 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*, 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 14 months ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 29, 2015.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be a significant deficiency.

*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 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.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in item 2014-1 in the accompanying federal and state schedules of findings and questioned costs to be a significant deficiency.

### **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*.

We noted certain matters that we reported to management of the City of Corpus Christi in a separate letter dated May 29, 2015.

### **City of Corpus Christi, Texas' Response to Finding**

The City of Corpus Christi, Texas' response to the finding identified in our audit is described in the accompanying schedules of federal and state findings and questioned costs. The City of Corpus Christi, Texas' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Collier, Johnson & Woods". The signature is written in a cursive, flowing style.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB  
CIRCULAR A-133

May 29, 2015

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

### **Report on Compliance for Each Major Federal Program**

We have audited the City of Corpus Christi, Texas' (the City's) compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the 14 months ended September 30, 2014. The City's major federal programs are identified in the summary of auditor's results section of the accompanying federal schedule of findings and questioned costs.

### ***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. 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 on compliance for each major federal program. However, our audit does not provide a legal determination on the City's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the City of Corpus Christi, Texas complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the 14 months ended September 30, 2014.

## Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Collier, Johnson & Woods

CITY OF CORPUS CHRISTI, TEXAS

FEDERAL SCHEDULE OF FINDINGS AND QUESTIONED COSTS

14 MONTHS ENDED SEPTEMBER 30, 2014

**Summary of Audit Results**

1. The independent auditor's report expresses an unmodified opinion on the basic financial statements of the City of Corpus Christi, Texas.
2. One significant deficiency relating to the audit of the financial statements is 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*". No material weaknesses are reported.
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 Each Major Federal Program and on 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 unmodified 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 Housing and Urban Development:  
Emergency Solutions Grant Program (CFDA 14.231)
  - U.S. Department of Interior:  
Sport Fish Restoration Program (CFDA 15.605)  
Coastal Impact Assistance Program (CFDA 15.668)
  - U.S. Department of Transportation:  
Airport Improvement Programs (CFDA 20.106)
  - U.S. Department of Homeland Security:  
Staffing for Adequate Fire and Emergency Response (SAFER) (CFDA 97.044)  
State Homeland Security Program and Operation Stonegarden Grant Program (CFDA 97.067)
8. The dollar threshold for distinguishing Type A and Type B programs was \$793,572.
9. The City of Corpus Christi, Texas qualifies as a low-risk auditee.

## **Findings - Financial Statement Audit**

The audit disclosed a significant deficiency that is required to be reported.

### **SIGNIFICANT DEFICIENCY**

2014-1 Grant Fund Accounting

Condition: Certain non-grant revenue and expenditure transactions have been recorded in the federal/state grant funds and were carried as unearned revenues or accounts receivable rather than being recognized in the appropriate fund.

Criteria: The City has maintained the federal/state grant funds as if they only contain transactions related to grants. These funds were designed to reflect that all revenues are expended for related grant programs resulting in a continuous fund balance of zero (with certain exceptions primarily related to forfeitures accounted for within police grants).

Cause: Transactions related to health programs that were not grant funded were recorded as unearned revenues or accounts receivable. They include non-grant revenue and expenditures of the Regional Health Awareness Board as well as those of certain immunization programs, water and food-testing programs and family planning programs.

Effect: Recognition of revenue from these programs was deferred, resulting in a deferred revenue liability being reflected within federal/state grant funds. For some programs, receivables were recorded for reimbursement of non-grant expenditures that have not been reimbursed. An adjustment was recorded to recognize deferred revenue and remove incorrectly recorded receivables resulting in the net recognition of revenue in the amount of \$417,389 in the fiscal year ended September 30, 2014. Deferred revenue of \$411,388 is still reflected within the federal/state grants fund pending further investigation as to whether these revenues are related to Nueces County health programs.

Recommendation: Review, and change where necessary, policies related to grant fund accounting. Establish requirements to assure that only grant related items are recorded in the federal/state grant funds and all non-grant revenues and expenditures are recorded in the proper fund.

Views of Responsible Officials and Planned Corrective Actions: The City agrees with the finding and the recommended procedures will be implemented.

## **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 FOR EACH MAJOR STATE  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH  
THE STATE OF TEXAS SINGLE AUDIT CIRCULAR

May 29, 2015

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

### **Report on Compliance for Each Major State Program**

We have audited the City of Corpus Christi, Texas' (the City's) compliance with the types of compliance requirements described in *the State of Texas Single Audit Circular* that could have a direct and material effect on each of the City's major state programs for the 14 months ended September 30, 2014. The City's major state programs are identified in the summary of auditor's results section of the accompanying state schedule of findings and questioned costs.

#### ***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its state programs.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City's major state programs based on our audit of the types of compliance requirements referred to above. 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 on compliance for each major state program. However, our audit does not provide a legal determination on the City's compliance.

#### ***Opinion on Each Major State Program***

In our opinion, the City of Corpus Christi, Texas complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the 14 months ended September 30, 2014.

## Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program 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 state 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *State of Texas Single Audit Circular*. Accordingly, this report is not suitable for any other purpose.

*Collier, Johnson & Woods*

CITY OF CORPUS CHRISTI, TEXAS

STATE SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE 14 MONTHS ENDED SEPTEMBER 30, 2014

**Summary of Audit Results**

1. The independent auditor's report expresses an unmodified opinion on the basic financial statements of the City of Corpus Christi, Texas.
2. One significant deficiency relating to the audit of the financial statements is 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*". No material weaknesses are reported.
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 Auditor's Report on Compliance on each Major State Program and on 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 unmodified 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 program tested as a major program included:  
  
Texas Department of Motor Vehicles:  
Corpus Christi 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 a significant deficiency that is required to be reported.

## SIGNIFICANT DEFICIENCY

### 2014-1 Grant Fund Accounting

Condition: Certain non-grant revenue and expenditure transactions have been recorded in the federal/state grant funds and were carried as unearned revenues or accounts receivable rather than being recognized in the appropriate fund.

Criteria: The City has maintained the federal/state grant funds as if they only contain transactions related to grants. These funds were designed to reflect that all revenues are expended for related grant programs resulting in a continuous fund balance of zero (with certain exceptions primarily related to forfeitures accounted for within police grants).

Cause: Transactions related to health programs that were not grant funded were recorded as unearned revenues or accounts receivable. They include non-grant revenue and expenditures of the Regional Health Awareness Board as well as those of certain immunization programs, water and food-testing programs and family planning programs.

Effect: Recognition of revenue from these programs was deferred, resulting in a deferred revenue liability being reflected within federal/state grant funds. For some programs, receivables were recorded for reimbursement of non-grant expenditures that have not been reimbursed. An adjustment was recorded to recognize deferred revenue and remove incorrectly recorded receivables resulting in the net recognition of revenue in the amount of \$417,389 in the fiscal year ended September 30, 2014. Deferred revenue of \$411,388 is still reflected within the federal/state grants fund pending further investigation as to whether these revenues are related to Nueces County health programs.

Recommendation: Review, and change where necessary, policies related to grant fund accounting. Establish requirements to assure that only grant related items are recorded in the federal/state grant funds and all non-grant revenues and expenditures are recorded in the proper fund.

Views of Responsible Officials and Planned Corrective Actions: The City agrees with the finding and the recommended procedures will be implemented.

### **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, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
14 MONTHS ENDED SEPTEMBER 30, 2014

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
<b>Federal Assistance:</b>				
<b>U.S. Department of Agriculture</b>				
<u>Passed through Texas Dept. of State Health Services</u>				
Women, Infants & Children	10.557	2013-042712-001A	964,489	153,951
Women, Infants & Children			918,336	842,831
Total CFDA Number 10.557			1,882,825	996,782
Total Passed Through Texas Dept. of State Health Services			1,882,825	996,782
<u>Passed through Texas Dept. of Agriculture</u>				
Child and Adult Care Food Program	10.558	CE-ID 01507	191,120	21,142
Child and Adult Care Food Program		CE-ID 01507	203,608	58,751
Child and Adult Care Food Program		CE-ID 01507	203,608	108,149
Total CFDA Number 10.558			598,336	188,042
Summer Food Service Program for Children	10.559	CE-ID 01507	250,000	17,516
Summer Food Service Program for Children		CE-ID 01507	250,000	58,256
Total CFDA Number 10.559			500,000	75,772
Total Passed Through Texas Dept. of Agriculture			1,098,336	263,814
<b>Total U.S. Department of Agriculture</b>			2,981,161	1,260,596
<b>U.S. Department of Commerce - National Oceanic and Atmospheric Administration</b>				
<u>Passed through Texas General Land Office</u>				
Coastal Zone Management Award	11.419	11-016-000-4314	135,724	35,724
Coastal Zone Management Award		12-146-000-4836	100,000	99,080
Total CFDA Number 11.419			235,724	134,804
Total Passed Through Texas General Land Office			235,724	134,804
<b>Total U.S. Department of Commerce - NOAA</b>			235,724	134,804
<b>U.S. Department of Defense</b>				
<u>Direct Programs</u>				
Community Economic Adjustment Planning Assistance for Joint Land Use Studies	12.610	EN0724-11-01	237,500	15,587
Total CFDA Number 12.610			237,500	15,587
<b>Total U.S. Department of Defense</b>			237,500	15,587
<b>U.S. Department of Housing and Urban Development</b>				
<u>Direct Programs</u>				
CDBG Entitlement Cluster:				
Comm. Dev. Block Grant-Entitlement Grant 04-05	14.218	B05-MC48-0502	70,000	(645)
Comm. Dev. Block Grant-Entitlement Grant 10-11		B10-MC48-0502	3,115,349	146,700
Comm. Dev. Block Grant-Entitlement Grant 11-12		B11-MC48-0502	3,054,750	281,171
Comm. Dev. Block Grant-Entitlement Grant 12-13		B12-MC48-0502	2,592,315	1,041,057
Comm. Dev. Block Grant-Entitlement Grant 13-14		B13-MC48-0502	2,727,941	1,960,026
Comm. Dev. Block Grant-Entitlement Grant 14-15		B14-MC48-0502	2,559,415	41,713
Total CFDA Number 14.218			14,119,770	3,470,022
Emergency Solutions Grants Program 09-10	14.231	S09-MC48-0502	163,383	(251)
Emergency Solutions Grants Program 11-12		S11-MC48-0502	175,323	93,145
Emergency Solutions Grants Program 12-13		S12-MC48-0502	127,839	6,992
Emergency Solutions Grants Program 13-14		S13-MC48-0502	189,118	174,934
Total CFDA Number 14.231			655,663	274,820

City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
14 MONTHS ENDED SEPTEMBER 30, 2014

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Home Investment Partnerships Program 08-09	14.239	M-08-MC-48-0502	1,614,427	182,945
Home Investment Partnerships Program 09-10		M-09-MC-48-0502	1,782,635	831,402
Home Investment Partnerships Program 10-11		M-10-MC-48-0502	1,775,515	691,308
Home Investment Partnerships Program 11-12		M-11-MC-48-0502	1,331,043	336,960
Home Investment Partnerships Program 12-13		M-12-MC-48-0502	257,514	3,268
Total CFDA Number 14.239			6,761,134	2,045,883
Fair Housing Assistance Program State and Local	14.401	FF206K116008	64,450	42,976
Total CFDA Number 14.401			64,450	42,976
Total Direct Programs			21,601,017	5,833,701
<b>Total U.S. Department of HUD</b>			21,601,017	5,833,701
<b>U. S. Department of the Interior - Fish and Wildlife Service</b>				
<u>Passed through Texas Parks &amp; Wildlife Department</u>				
Sport Fish Restoration Program	15.605	F-226-B	1,600,000	669,684
Total CFDA Number 15.605			1,600,000	669,684
<u>Passed through Texas General Land Office</u>				
Coastal Impact Assistance Program	15.668	13-283-000-7529	1,500,000	708,368
Total CFDA Number 15.668			1,500,000	708,368
<b>Total U.S. Department of Interior</b>			3,100,000	1,378,052
<b>U.S. Department of Justice</b>				
JAG Program Cluster:				
<u>Direct Programs</u>				
Edward Byrne Memorial Justice Assistance Grant	16.738	2009-DJ-BX-1378	247,696	18,929
Edward Byrne Memorial Justice Assistance Grant		2011-DJ-BX-2669	212,139	5,307
Edward Byrne Memorial Justice Assistance Grant		2012-DJ-BX-0822	169,575	5,382
Edward Byrne Memorial Justice Assistance Grant		2013-DJ-BX-0850	162,583	156,964
Edward Byrne Memorial Justice Assistance Grant		2014-DJ-BX-0826	168,613	84,306
Total CFDA Number 16.738			960,606	270,888
Victims of Crime Act	16.575	VA-12-V30-15223-13	83,678	9,669
Victims of Crime Act		VA-13-V30-15223-14	79,189	98,438
Victims of Crime Act		VA-13-V30-26771-01	67,661	75,086
Total CFDA Number 16.575			230,528	183,193
Violence Against Women Formula Grant Program	16.588	WF-13-V30-15171-15	43,824	54,968
Total CFDA Number 16.588			43,824	54,968
Total Direct Programs			1,234,958	509,049
<u>Passed through Office of the Attorney General</u>				
Texas Office of the Attorney General Southern ICAC Task Force	16.800	2012-MC-FX-K047	4,084	4,084
Texas Office of the Attorney General Southern ICAC Task Force		2012-MC-FX-K047	19,800	7,465
Total CFDA Number 16.800			23,884	11,549
<b>Total U.S. Department of Justice</b>			1,258,842	520,598

City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
14 MONTHS ENDED SEPTEMBER 30, 2014

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
<b>U.S. Department of Transportation</b>				
<u>Direct Programs</u>				
Airport Improvement Programs	20.106			
Runway 17/35 Extension, Phase I; Runway 13/31 Extension		3-48-0051-47	2,596,792	41,891
Upgrade Security Systems With Associated Electrical Systems		3-48-0051-48	3,365,113	302,917
Runway 17/35 Extension Dispmnt and Associated Taxiway		3-48-0051-49	16,345,505	6,253,307
Runway 13/31 Ext Displacement and Connecting Taxiway		3-48-0051-50	23,277,531	3,623,690
Rehabilitate Taxiways B, B1, B2, B3, B4 and B5 at CCIA		3-48-0051-51	6,500,000	841,692
Rehabilitate Taxiways D, E, F and G; Construct Taxiways H and J		3-48-0051-52	5,000,000	21
Total CFDA Number 20.106			<u>57,084,941</u>	<u>11,063,518</u>
Small Community Air Service Development	20.930	WAG2012-SCASDP-26	300,000	132,704
Total CFDA Number 20.930			<u>300,000</u>	<u>132,704</u>
Total Direct Programs			<u>57,384,941</u>	<u>11,196,222</u>
<u>Passed through State Dept. of Highways and Public Transportation</u>				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	2013-CorpusPD-S-1YG-0050	60,529	14,133
State and Community Highway Safety		2014-CorpusPD-S-1YG-0042	96,398	80,418
Total CFDA Number 20.600			<u>156,927</u>	<u>94,551</u>
Occupant Protection Incentive	20.602	2014-CorpusPD-CIOT-00013	19,993	17,279
Total CFDA Number 20.602			<u>19,993</u>	<u>17,279</u>
Total Highway Safety Cluster			<u>176,920</u>	<u>111,830</u>
Total Passed Through State Dept. of Hwys & Public Transp.			<u>176,920</u>	<u>111,830</u>
<b>Total U.S. Department of Transportation</b>			<u>57,561,861</u>	<u>11,308,052</u>
<b>Equal Employment Opportunity Commission</b>				
<u>Direct Programs</u>				
Employment Discrimination State & Local Fair	30.002	EECCN120108	59,000	11,600
Employment Discrimination State & Local Fair		EECCN120108	59,600	59,600
Total CFDA Number 30.002			<u>118,600</u>	<u>71,200</u>
Total Direct Programs			<u>118,600</u>	<u>71,200</u>
<b>Total Equal Employment Opportunity Commission</b>			<u>118,600</u>	<u>71,200</u>
<b>Institute of Museum and Library Services</b>				
<u>Passed through Texas State Library &amp; Archives Commission</u>				
<u>Library Services</u>				
Impact Grant Program	45.310	475-14009	7,525	7,525
Edge Implementation Reimbursement Program		93640793	4,822	3,716
Total CFDA Number 45.310			<u>12,347</u>	<u>11,241</u>
Total Passed Through TSLAC			<u>12,347</u>	<u>11,241</u>
<b>Total Institute of Museum and Library Services</b>			<u>12,347</u>	<u>11,241</u>
<b>U.S. Department of Health and Human Services</b>				
<u>Passed through Texas Department of Aging &amp; Disability Svc passed through CBCOG-AAA</u>				
Aging Cluster:				
Special Programs for the Aging Title III, Part B				
Grants For Supportive Services and Senior Centers	93.044	AA3-1148-4	14,621	14,621
Total CFDA Number 93.044			<u>14,621</u>	<u>14,621</u>

City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
14 MONTHS ENDED SEPTEMBER 30, 2014

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Special Programs for the Aging Title III, Part C Nutrition Svcs	93.045	AA3-1148-4	570,798	244,020
Special Programs for the Aging Title III, Part C Nutrition Svcs		AA3-1148-4	513,411	513,411
Special Programs for the Aging Title III, Part C Nutrition Svcs			497,337	80,529
Total CFDA Number 93.045			<u>1,581,546</u>	<u>837,960</u>
Nutrition Services Incentive Program	93.053	AA3-1148-4	119,173	119,173
Nutrition Services Incentive Program		167400	236,229	236,229
Total CFDA Number 93.053			<u>355,402</u>	<u>355,402</u>
Total Aging Cluster			1,951,569	1,207,983
Total Passed Through DADS			<u>1,951,569</u>	<u>1,207,983</u>
<u>Passed through National Recreation and Park Association</u>				
Centers for Disease Control and Prevention Healthy Communities Program - ACHIEVE	93.283	n/a	40,000	4,470
Total CFDA Number 93.283			<u>40,000</u>	<u>4,470</u>
Total Passed Through NRPA			<u>40,000</u>	<u>4,470</u>
<u>Passed through Texas Department of Family &amp; Protective Services</u>				
Promoting Safe and Stable Families	93.556	23792861	240,152	24,964
Promoting Safe and Stable Families		23792861	290,078	285,437
Promoting Safe and Stable Families		23792861	145,039	6,113
Total CFDA Number 93.556			<u>675,268</u>	<u>316,515</u>
Total Passed Through Dept. of Family & Protective Services			<u>675,268</u>	<u>316,515</u>
<u>Passed through Texas Department of State Health Svcs</u>				
CPS-Laboratory Response Network-PHEP	93.069	2013-041112-003	177,136	13,539
CPS-Laboratory Response Network-PHEP		2014-001139-00	166,825	147,768
CPS-Laboratory Response Network-PHEP		2015-001139-00	201,123	6,076
Total CFDA Number 93.069			<u>545,084</u>	<u>167,383</u>
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	2012-040159	41,160	(640)
Tuberculosis Control Programs		2013-041112-007	61,735	7,254
Tuberculosis Control Programs		2014-001384-00	48,520	42,128
Tuberculosis Control Programs		2015-002508-00	48,520	4,466
Total CFDA Number 93.116			<u>199,935</u>	<u>53,208</u>
Immunization Grants	93.268	2014-000014-00	241,637	265,522
Immunization Grants		2015-000014-00	241,637	27,409
Total CFDA Number 93.268			<u>483,274</u>	<u>292,931</u>
Investigations and Technical Assistance	93.283		27,438	21,962
Total CFDA Number 93.283			<u>27,438</u>	<u>21,962</u>
National Bioterrorism Hospital Preparedness Program	93.889		6,860	5,490
Total CFDA Number 93.889			<u>6,860</u>	<u>5,490</u>
Preventive Health and Health Services Block Grant	93.991	2013-041112-006A	164,368	25,360
Preventive Health and Health Services Block Grant		2014-000023-00	164,368	153,466
Preventive Health and Health Services Block Grant		2015-000023-00	164,368	15,266
Total CFDA Number 93.991			<u>493,104</u>	<u>194,092</u>
Total Passed Through Dept. of State Health Svcs			1,755,695	735,066
<b>Total U.S. Department of Health &amp; Human Services</b>			<u>4,422,532</u>	<u>2,264,034</u>

City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
14 MONTHS ENDED SEPTEMBER 30, 2014

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
<b>Corporation for National and Community Service</b>				
<u>Direct Programs</u>				
Retired and Senior Volunteer Program	94.002	12SRWTX017	45,434	20
Retired and Senior Volunteer Program		13SRWTX017	45,434	52,128
Retired and Senior Volunteer Program		14SRWTX004	47,934	36,982
Total CFDA Number 94.002			<u>138,802</u>	<u>89,130</u>
Senior Companion Program	94.016	13SCWTX001	264,007	240,816
Senior Companion Program		13SCWTX001	264,007	80,968
Total CFDA Number 94.016			<u>528,014</u>	<u>321,784</u>
Total Direct Programs			<u>666,816</u>	<u>410,914</u>
<b>Total Corp. for National and Community Service</b>			<u>666,816</u>	<u>410,914</u>
<b>Executive Office of the President</b>				
<u>Direct Programs</u>				
High Intensity Drug Trafficking Areas Program	95.001	G12HN0006A	165,840	17,206
High Intensity Drug Trafficking Areas Program		G13HN0006A	156,840	153,957
High Intensity Drug Trafficking Areas Program		G14HN0006A	165,700	9,662
Total CFDA Number 95.001			<u>488,380</u>	<u>180,825</u>
Total Direct Programs			<u>488,380</u>	<u>180,825</u>
<b>Total Executive Office of the President</b>			<u>488,380</u>	<u>180,825</u>
<b>U.S. Department of Homeland Security</b>				
Homeland Security Cluster:				
<u>Passed through Texas Department of Public Safety</u>				
State Homeland Security Program	97.067	EMW-2011-SS-00019	59,643	16,760
State Homeland Security Program		EMW-2012-SS-00018-S01	157,254	56,463
State Homeland Security Program		EMW-2013-SS-00045	38,598	38,598
State Homeland Security Program		EMW-2013-SS-00045	126,808	85,791
Total CFDA Number 97.067			<u>382,303</u>	<u>197,612</u>
Metropolitan Medical Response System	97.071	2010-SS-T0-0008	317,419	1,807
Metropolitan Medical Response System		EMW-2011-SS-00019	267,608	116,754
Total CFDA Number 97.071			<u>585,027</u>	<u>118,561</u>
Total passed through Texas Department of Public Safety			<u>967,330</u>	<u>316,173</u>
<u>Passed Through Texas Department of Public Safety</u>				
<u>Passed Through Nueces County</u>				
FY11 Operation Stonegarden Grant Program	97.067	EMW-2011-SS-00019	245,503	148,017
FY12 Operation Stonegarden Grant Program		EMW-2012-SS-0018-S01	126,000	143,209
FY13 Operation Stonegarden Grant Program		EMW-2013-SS-00045	262,595	81,536
Total CFDA Number 97.067			<u>634,098</u>	<u>372,762</u>
Total Passed Through TDPS and Nueces County			<u>634,098</u>	<u>372,762</u>
Total Homeland Security Cluster			<u>1,601,428</u>	<u>688,935</u>
<u>Direct Program</u>				
Staffing for Adequate Fire and Emergency Response (SAFER)	97.044	EMW-2012-FH-00079	3,380,824	2,283,430
Total CFDA Number 97.044			<u>3,380,824</u>	<u>2,283,430</u>
Total Direct Programs			<u>3,380,824</u>	<u>2,283,430</u>
<u>Passed Through Governor's Division of Emergency Management</u>				
State Homeland Security Program	97.073	2009-SS-T9-0064	398,476	(384)
Total CFDA Number 97.073			<u>398,476</u>	<u>(384)</u>
Total Passed Through Governor's Div. of Emergency Mgmt.			<u>398,476</u>	<u>(384)</u>

City of Corpus Christi, Texas

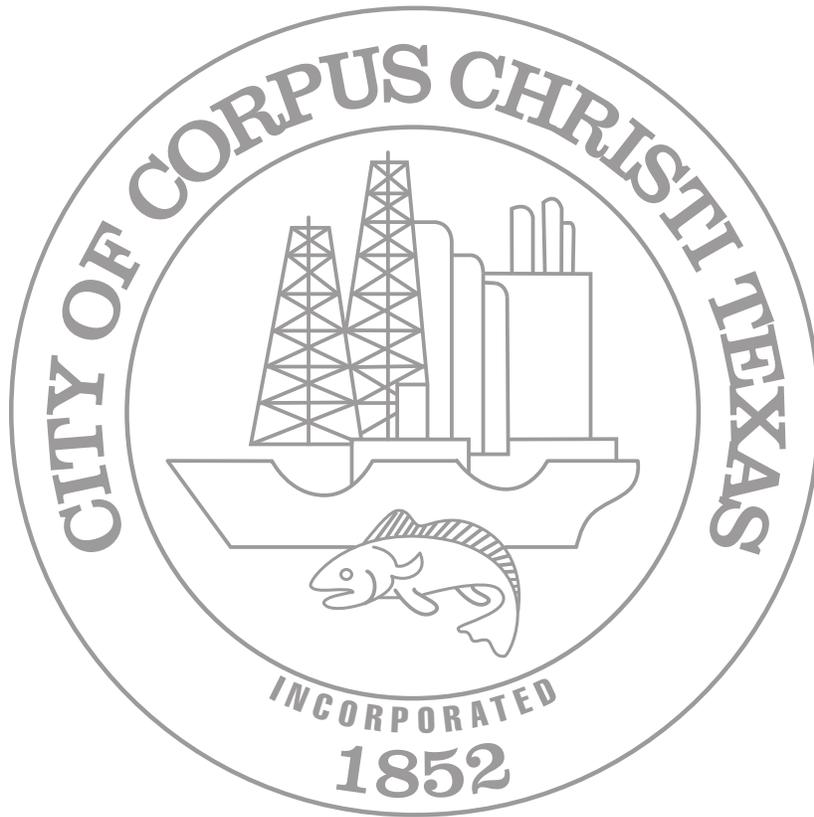
SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
14 MONTHS ENDED SEPTEMBER 30, 2014

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
<u>Passed Through Texas Department of Public Safety</u>				
State Homeland Security Program	97.073	EMW-2011-SS-00019	62,259	10,358
State Homeland Security Program		EMW-2012-SS-00018-S01	75,679	65,972
Total CFDA Number 97.073			<u>137,938</u>	<u>76,330</u>
<u>Passed through W.J. Wagner, Inc.</u>				
Port Security Grant Program	97.056	EMW-2011-PU-K00178-05	244,302	14,488
Total CFDA Number 97.056			<u>244,302</u>	<u>14,488</u>
Total Passed Through W.J. Wagner, Inc.			<u>244,302</u>	<u>14,488</u>
<b>Total U.S. Department of Homeland Security</b>			<u>5,762,968</u>	<u>3,062,799</u>
<b>Total Federal and Passed-through Assistance</b>			<u>98,447,748</u>	<u>26,452,403</u>
<b>State Assistance:</b>				
<b>State Comptroller of Public Accounts</b>				
<u>State General Revenue</u>				
Law Enforcement Fire Prevention		N/A	10,169	2,266
Total SGR			<u>10,169</u>	<u>2,266</u>
<b>Total State Comptroller of Public Accounts</b>			<u>10,169</u>	<u>2,266</u>
<b>Texas Commission on Environmental Quality</b>				
<u>Direct Programs</u>				
Air Quality Planning Activities		582-6-86230	1,185,663	(8,484)
Air Quality Planning Activities		582-11-11223	1,055,222	198,600
Total Direct Programs			<u>2,240,885</u>	<u>190,116</u>
<b>Total Texas Commission on Environmental Quality</b>			<u>2,240,885</u>	<u>190,116</u>
<b>Texas Department of Aging &amp; Disability</b>				
<u>Passed through Corporation for National &amp; Community Service</u>				
Retired and Senior Volunteer Program		11RZWTX017	21,671	4,147
Retired and Senior Volunteer Program		13RZQTX022	21,671	21,671
Retired and Senior Volunteer Program		13RZQTX022	21,671	4,390
Senior Companion Program		13SZWTX002	5,756	5,756
Total Passed Through CNCS			<u>70,769</u>	<u>35,964</u>
<b>Total Texas Department of Aging &amp; Disability</b>			<u>70,769</u>	<u>35,964</u>
<b>Texas Department of Agriculture</b>				
<u>Direct Programs</u>				
Texans Feeding Texans Program		HDM-13-1100	140,221	79,880
Texans Feeding Texans Program		HDM-14-1210	62,143	30,185
Total Direct Programs			<u>202,364</u>	<u>110,065</u>
<b>Total Texas Department of Agriculture</b>			<u>202,364</u>	<u>110,065</u>
<b>Texas Department of Family and Protective Services</b>				
<u>Direct Programs</u>				
Promoting Safe and Stable Families		23792861	80,050	8,321
Promoting Safe and Stable Families		23792861	96,693	95,146
Promoting Safe and Stable Families		23792861	48,346	2,038
Total Direct Programs			<u>225,089</u>	<u>105,505</u>
<b>Total Texas Department of Family &amp; Protective Services</b>			<u>225,089</u>	<u>105,505</u>

City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
14 MONTHS ENDED SEPTEMBER 30, 2014

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
<b>Texas Department of Public Safety</b>				
<u>Direct Programs</u>				
Local Border Security		LBSP110006	327,932	38,155
Local Border Security		LBSP-13-09	85,000	65,886
Total Direct Programs			<u>412,932</u>	<u>104,041</u>
<b>Total Texas Department of Public Safety</b>			<u>412,932</u>	<u>104,041</u>
<b>Texas Department of State Health Services</b>				
<u>Direct Programs</u>				
TB/PC		2013-041112-001	73,276	8,089
TB/PC		2014-001398-00	83,173	75,236
TB/PC		2015-001398-00	62,173	4,808
Infectious Disease Control		2014-001102-00	5,000	5,000
Total Direct Programs			<u>223,622</u>	<u>93,133</u>
<b>Total Texas Department of State Health Services</b>			<u>223,622</u>	<u>93,133</u>
<b>Texas Department of Motor Vehicles</b>				
<u>Direct Programs</u>				
Corpus Christi Auto Theft Prevention Grant		SA-T01-10045-13	392,474	24,132
Corpus Christi Auto Theft Prevention Grant		2014-T01-City of-00019	392,474	390,481
Corpus Christi Auto Theft Prevention Grant		2015-T01-City of-00020	392,474	49,106
Total Direct Programs			<u>1,177,422</u>	<u>463,719</u>
<b>Total Texas Department of Motor Vehicles</b>			<u>1,177,422</u>	<u>463,719</u>
<b>Texas Parks and Wildlife</b>				
<u>Direct Programs</u>				
Oso Conservation and Interpretive Park		48-001095	500,000	23,750
Oso Park Nature Trail		RT0806	200,000	200,000
Total Direct Programs			<u>700,000</u>	<u>223,750</u>
<b>Total Texas Parks and Wildlife</b>			<u>700,000</u>	<u>223,750</u>
<b>Total State Assistance</b>			<u>5,263,252</u>	<u>1,328,559</u>
<b>Total Federal, Pass Through &amp; State Financial Assistance</b>			<u>\$ 103,711,000</u>	<u>\$ 27,780,961</u>



**NOTES TO SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
14 MONTHS ENDED SEPTEMBER 30, 2014**

**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	\$	71,200
Special Revenue Funds		
Federal/State Grants		14,467,656
Corpus Christi Community Improvement Corporation		2,045,883
Enterprise Funds		
Airport Fund		<u>11,196,222</u>
Total expenditures		<u><u>\$ 27,780,961</u></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. Insurance in Effect**

The City self-funds workers' 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 and \$10 million of excess gas utility liability insurance. The City also purchases excess insurance which covers workers' compensation claims that exceed \$500,000 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 \$250,000 per individual is kept in force.

**6. Sub-recipients**

Of the federal expenditures presented in the Schedule, the City provided federal awards to sub-recipients as follows:

Community Development Block Grant (CFDA 14.218)	\$ 677,822
Emergency Shelter Grant Program (CFDA 14.231)	<u>256,926</u>
	<u><u>\$ 934,748</u></u>

**7. Outstanding Loans**

In prior years, the City has provided loans through its various Community Development Block Grant programs (CFDA 14.218). The outstanding balance of the loans receivable at September 30, 2014 was \$9,080,427.08.

In prior years, the City has provided loans through its various Home Investment Partnership programs (CFDA 14.239). The outstanding balance of the loans receivable at September 30, 2014 was \$5,446,350.75.