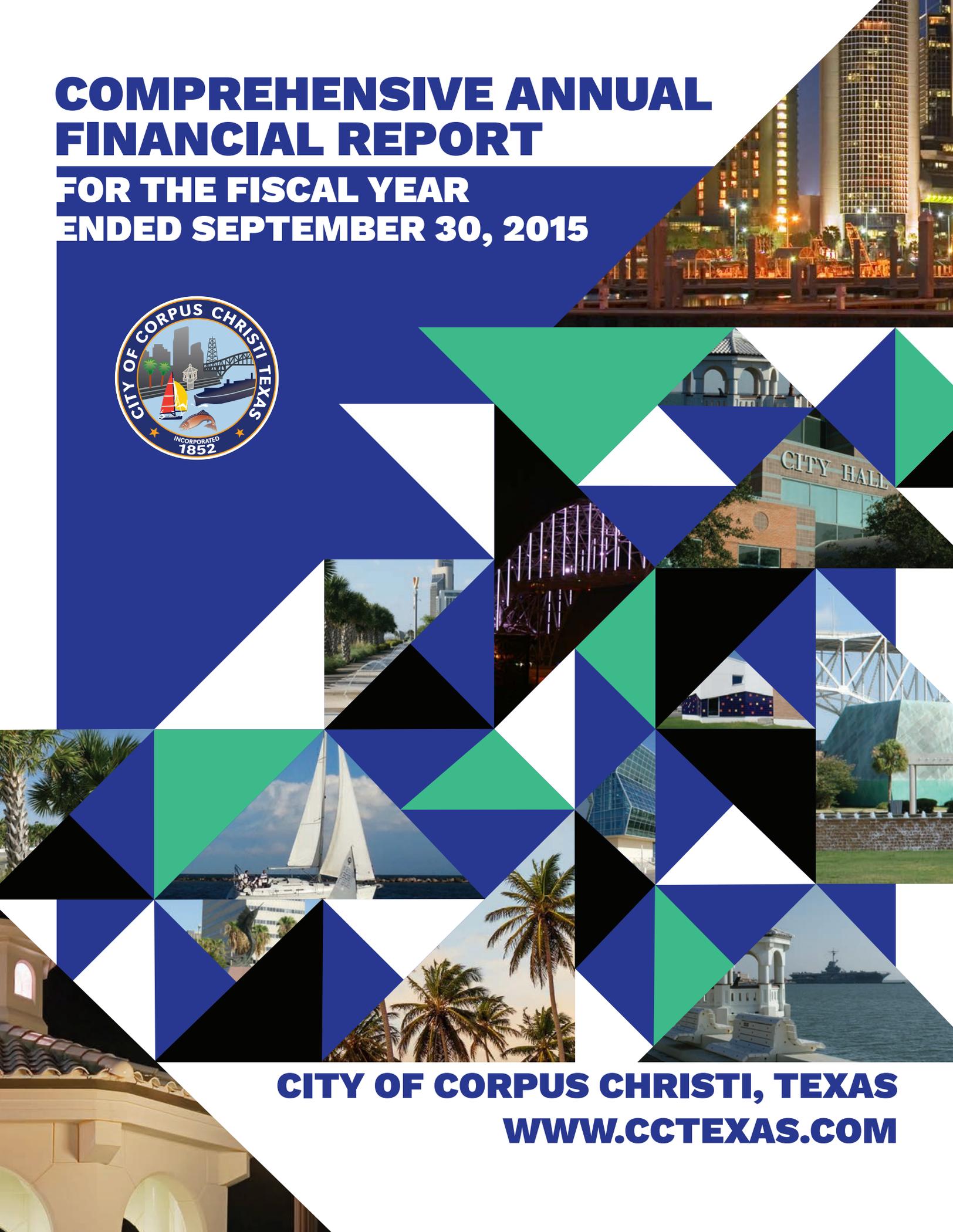


# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR  
ENDED SEPTEMBER 30, 2015



**CITY OF CORPUS CHRISTI, TEXAS**  
**WWW.CCTEXAS.COM**



City of  
Corpus  
Christi

CITY OF CORPUS CHRISTI, TEXAS

## **Comprehensive Annual Financial Report**

For Fiscal Year Ended September 30, 2015

### *CITY COUNCIL*

#### *Mayor*

Nelda Martinez

#### *City Council Members*

Carolyn Vaughn

Brian Rosas

Lucy Rubio

Colleen McIntyre

Rudy Garza, Jr.

Mark Scott

Michael T. Hunter

Chad Magill

#### *City Manager*

Ronald L. Olson

#### *Deputy City Manager*

Margie C. Rose

#### *Assistant City Managers*

Mark Van Vleck

Jay Ellington, Interim

#### *Director of Financial Services*

Constance P. Sanchez, CPA, CPM

#### *Assistant Director of Financial Services*

Alma I. Casas

#### *Controller*

Judy Sandroussi

#### *Chief Accountant*

Martha A. Messer, CPA

*Prepared by the staff of the Financial Services Department*



City of  
Corpus  
Christi

*Barbara Bailey  
Rocky Barrera  
Eva Barton  
Adriana Berlanga  
Rose Bond  
Margarita Cruz  
Kim Galan-Flores  
Teddi Giggy  
Jason Gooding  
Hilda Mihalco  
Betsy Perez  
Melissa Sanchez  
Diana Silguero  
Judy Villalon*

**Comprehensive Annual Financial Report  
For the Year Ended September 30, 2015**

**TABLE OF CONTENTS**

	<u>Exhibit Number</u>	<u>Page Number</u>
<b>INTRODUCTORY SECTION</b>		
Letter of Transmittal		i
GFOA Certificate of Achievement for Excellence in Financial Reporting		xiii
City Organizational Chart		xiv
 <b>FINANCIAL SECTION</b>		
Independent Auditor's Report		1
Management's Discussion and Analysis		5
Basic Financial Statements		
Government-wide Financial Statements		
Statement of Net Position	1-A	20
Statement of Activities	1-B	22
Fund Financial Statements		
Governmental Funds		
Balance Sheet	2-A	24
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	2-B	29
Statement of Revenues, Expenditures, and Changes in Fund Balance	2-C	30
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	2-D	35
General Fund Statement of Revenues, Expenditures, and Changes In Fund Balance - Budget (GAAP Basis) and Actual	3	36
Proprietary Funds		
Statement of Net Position	4-A	38
Reconciliation of the Proprietary Funds Statement of Net Position to the Government-wide Statement of Net Position	4-B	43
Statement of Revenues, Expenses, and Changes in Net Position	4-C	44
Reconciliation of the Proprietary Funds Statement of Revenues, Expenses and Changes in Net Position to the Statement of Activities	4-D	45
Statement of Cash Flows	4-E	46
Fiduciary Funds		
Statement of Net Position	5-A	48
Statement of Changes in Fiduciary Net Position	5-B	49
Notes to the Financial Statements		
Note 1 - Summary of Significant Accounting Policies		51
Note 2 - Budget Policy and Budgetary Accounting		60
Note 3 - Sales Tax Revenue		61
Note 4 - Property Taxes		61

## TABLE OF CONTENTS

	<u>Exhibit Number</u>	<u>Page Number</u>
Note 5 - Deposits and Investments		61
Note 6 - Budgetary Data		63
Note 7 - Receivables		65
Note 8 - Capital Assets		66
Note 9 - Employment Retirement Benefits		68
Note 10 - Post-Employment Health Care Benefits		76
Note 11 - Risk Management		78
Note 12 - Operating Leases		79
Note 13 - Long-term Obligations		80
Note 14 - Advance Refundings and Defeasances		90
Note 15 - Interfund Transfers, Receivables and Payables		90
Note 16 - Fund Deficits		91
Note 17 - Conduit Debt Obligations		91
Note 18 - Commitments		92
Note 19 - Service Concession Arrangement for City Golf Courses		92
Note 20 - Segment Information for Enterprise Funds		93
Required Supplementary Information		
Other Post-Employment Benefits		94
Schedule of Changes in Net Pension Liabilities and Related Ratios		95
Schedules of Contributions		96
Combining and Individual Fund Financial Statements and Schedules		
Governmental Funds		
General Fund		
Balance Sheets	6-A	101
Schedule of Revenues and Other Financing Sources (Budget Basis), Compared to Budget	6-B	102
Schedule of Expenditures (Budget Basis), Compared to Budget	6-C	114
General Fund (Development Services)		
Schedule of Revenues and Other Financing Sources (Budget Basis), Compared to Budget	6-D	122
Schedule of Expenditures (Budget Basis), Compared to Budget	6-E	124
Debt Service Fund		
Balance Sheet	7-A	128
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	7-B	129
Non-major Governmental Funds		
Combining Balance Sheet	8-A	132
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances	8-B	134
Special Revenue Funds		
Combining Balance Sheet	9-A	138

## TABLE OF CONTENTS

	<u>Exhibit Number</u>	<u>Page Number</u>
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	9-B	146
Visitors Facilities Fund		
Balance Sheet	10-A	150
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	10-B	151
Hotel Occupancy Tax Fund		
Balance Sheet	11-A	152
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	11-B	153
Public Education and Governmental Cable TV		
Balance Sheet	12-A	154
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	12-B	155
Redlight Photo Enforcement		
Balance Sheet	13-A	156
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	13-B	157
Parking Improvement Fund		
Balance Sheet	14-A	158
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	14-B	159
Street Maintenance Fund		
Balance Sheet	15-A	160
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	15-B	161
Federal/State Grants Fund		
Balance Sheet	16-A	162
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	16-B	163
Municipal Court Fund		
Balance Sheet	17-A	164
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	17-B	165
Community Enrichment Fund		
Balance Sheet	18-A	166
Statement of Revenues, Expenditures, and Changes in Fund Balance	18-B	167
Infrastructure Fund		
Balance Sheet	19-A	168
Statement of Revenues, Expenditures, and Changes in Fund Balance	19-B	169
Local Emergency Planning Committee		
Balance Sheet	20-A	170
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	20-B	171
Corpus Christi Community Improvement Corporation		
Balance Sheet	21-A	172

## TABLE OF CONTENTS

	<u>Exhibit Number</u>	<u>Page Number</u>
Statement of Revenues, Expenditures, and Changes in Fund Balance	21-B	173
Corpus Christi Housing Finance Corporation		
Schedule of Net Position	22-A	174
Schedule of Activities	22-B	175
Balance Sheet	22-C	176
Statement of Revenues, Expenditures, and Changes in Fund Balance	22-D	177
Corpus Christi Industrial Development Corporation		
Balance Sheet	23-A	178
Statement of Revenues, Expenditures, and Changes in Fund Balance	23-B	179
Corpus Christi Crime Control and Prevention District		
Schedule of Net Position	24-A	180
Schedule of Activities	24-B	181
Balance Sheet	24-C	182
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	24-D	183
Corpus Christi Business and Job Development Corporation		
Schedule of Net Position	25-A	184
Schedule of Activities	25-B	185
Balance Sheet	25-C	186
Schedule of Revenues, Expenditures, and Changes in Fund Balance	25-D	188
Seawall Improvement Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	25-E	190
Arena Facility Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	25-F	191
Economic Development Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	25-G	192
Seawall Debt Service Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	25-H	193
Arena Debt Service Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	25-I	194
Economic Development Debt Service Fund		
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	25-J	195
North Padre Island Development Corporation		
Schedule of Net Position	26-A	196
Schedule of Activities	26-B	197
Balance Sheet	26-C	198
Schedule of Revenues, Expenditures, and Changes in Fund Balance	26-D	199

## TABLE OF CONTENTS

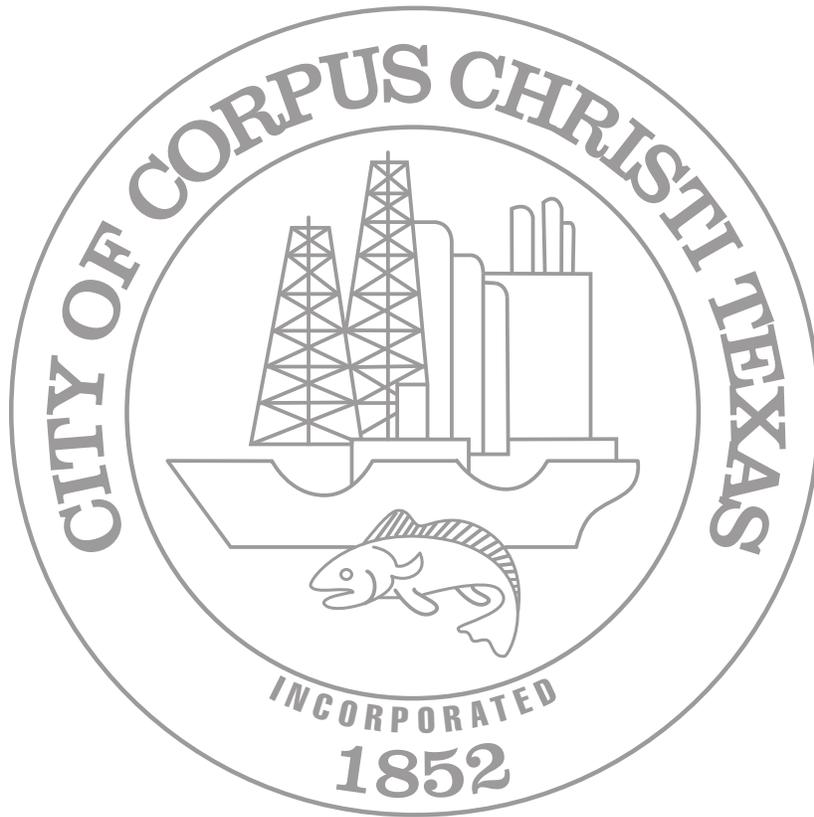
	<u>Exhibit Number</u>	<u>Page Number</u>
General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	26-E	201
Reinvestment Zone #3		
Balance Sheet	27-A	202
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual	27-B	203
Capital Projects Funds		
Street Capital Projects Fund		
Balance Sheet	28-A	206
Statement of Revenues, Expenditures, and Changes in Fund Balance	28-B	207
Balance Sheet	29-A	208
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	29-B	212
Proprietary Funds		
Enterprise Funds		
Utility System Fund		
Combining Schedule of Net Position	30-A	218
Combining Schedule of Revenues, Expenses, and Changes in Net Position	30-B	221
Combining Schedule of Cash Flows	30-C	222
Airport Fund		
Schedule of Net Position	31-A	224
Schedule of Revenues, Expenses, and Changes in Net Position	31-B	226
Schedule of Cash Flows	31-C	227
Non-major Proprietary Funds		
Combining Statement of Net Position	32-A	228
Combining Schedule of Revenues, Expenses, and Changes in Net Position	32-B	231
Combining Statement of Cash Flows	32-C	232
Internal Service Funds		
Combining Statement of Net Position	33-A	236
Combining Statement of Revenues, Expenses, and Changes in Net Position	33-B	238
Combining Statement of Cash Flows	33-C	240
Discretely Presented Component Units		
Combining Statement of Net Position	34-A	246
Combining Statement of Activities	34-B	247
Capital Assets Used in the Operation of Governmental Funds		
Schedule by Source	35-A	249

## TABLE OF CONTENTS

	<u>Exhibit Number</u>	<u>Page Number</u>
Schedule by Function and Activity	35-B	250
Schedule of Changes by Function and Activity	35-C	252
<b>STATISTICAL SECTION</b>		
Net Position by Component	1	256
Changes in Net Position	2	258
Governmental Activities Tax Revenues by Source	3	263
Fund Balance of Governmental Funds	4	264
Changes in Fund Balances of Governmental Funds	5	266
General Governmental Tax and Business Fees by Source	6	270
Assessed Value and Estimated Actual Value of Taxable Property	7	271
Property Tax Rates – Direct and Overlapping Governments	8	272
Principal Property Tax Payers	9	274
Property Tax Levies and Collections	10	275
Adopted Tax Rate	11	277
Ratios of Outstanding Debt by Type	12	278
Ratios of General Bonded Debt Outstanding	13	280
Direct and Overlapping Governmental Activities Debt	14	281
Legal Debt Margin Information	15	282
Pledged-Revenue Coverage	16	284
Demographic and Economic Statistics	17	286
Principal Employers	18	287
Full-time Equivalent City Government Employees by Function	19	288
Operating Indicators by Function	20	292
Capital Asset Statistics by Function	21	294
Miscellaneous Statistical Data	22	298
City Payroll Statistics	23	300
Retirement System Pension Data	24	301
Insurance and Surety Bonds in Force	25	302
<b>SINGLE AUDIT SECTION</b>		
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		305
Independent Auditor’s Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133		307
Schedule of Federal Findings and Questioned Costs		309
Independent Auditor’s Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major State Program and Internal Control over Compliance in Accordance with the State of Texas Single Audit Circular		313
Schedule of State Findings and Questioned Costs		315

## TABLE OF CONTENTS

	<b><u>Exhibit Number</u></b>	<b><u>Page Number</u></b>
Schedule of Federal/State Expenditures of Awards		319
Notes to Schedule of Federal/State Expenditures of Awards		327



## *Introductory Section*





City of  
Corpus  
Christi

**FINANCIAL SERVICES**

---

PO Box 9257  
Corpus Christi  
Texas 78469-9257  
Phone 361-826-3600  
Fax 361-826-3601  
[www.cctexas.com](http://www.cctexas.com)

March 31, 2016

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

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

Section 103.003 of the Local Government Code requires that municipalities have its records and accounts audited annually and that an annual financial statement be prepared based on the audit. This report is published to fulfill that requirement for the fiscal year ended September 30, 2015.

City 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 fiscal year ended September 30, 2015. 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 hiring 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, the North Padre Island Development Corporation (which includes the Reinvestment Zone Number 2), and Reinvestment Zone Number 3. 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 60 days prior to the beginning of the fiscal year (October 1<sup>st</sup>), and the City Council is required to adopt a final budget by no later than the close of the fiscal year (September 30<sup>th</sup>). 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 320,434 as per the United States Census Bureau's website. The geographic location of the city on the Gulf of Mexico and the Gulf 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, convenience store, banking, and financial services.

The federal government also has a major presence within the area with a federal courthouse and the largest industrial employer in South Texas – the Corpus Christi Army Depot, which employs over 4,000 employees. 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.

Two bases make up the South Texas military complex: Naval Air Station Corpus Christi (primary and multi-engine training) 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.

Texas A&M University-Corpus Christi is continuing to grow and expand, 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, opened in 2015, as did the expanded University Center. The Island University enrolled its largest class in 2015, with more than 11,500 students pursuing bachelor's, master's, and doctoral degrees in five colleges with a student-to-faculty ratio of 23-to-1. The campus is unique since it is located on its own 240-acre semi-tropical island. It is one of only six federal test sites for unmanned aircraft systems in the nation. Additionally, in January 2015, the Harte Research Institute for Gulf of Mexico Studies at Texas A&M University-Corpus Christi was named as a lead organization of the state's RESTORE Research Centers of Excellence. The center guides research and restoration efforts in the Gulf of Mexico. Also in January 2015, the Texas Higher Education Coordinating Board approved a new Bachelor of Science in Electrical Engineering with classes that began in the fall.

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 which had been a major factor in the growth and economic stability within the trade area, began to subside in 2015.

### ***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 sixth 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.

The Port of Corpus Christi has many initiatives underway. Oxy is building a petroleum and distillates export facility on land owned by the Port of Corpus Christi that previously housed Naval Station Ingleside. This project is expected create 100 jobs when complete. Additionally Oxy and a Mexican petrochemical company, Mexichem, are jointly building 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 pounds of ethylene each year. The project is expected to create about 1,700 jobs during construction and more than 150 permanent jobs upon completion.

The Corpus Christi Ship Channel Improvement Project is underway for further deepening and widening of the Port's ship channels. New docks have been added. In April 2015, Phase I of the Nueces River Rail Yard project was opened. This was a \$17.8 million construction project that included a 9,920 foot long unit train siding capable of storing a full 150 car unit train siding adjacent to the Fulton Corridor Lead track that serves Port Industries. This new rail yard will greatly improve efficiency of existing cargo movement at the Port's multimodal facilities. Phase II of the project is estimated to be \$22 million and is scheduled to be completed by December 2016.

A historic event occurred on December 31, 2015 when a ship carrying the first United States export cargo of crude oil in 40 years left the Port of Corpus Christi. This occurred as a result of the United States federal government repealing the 40-year ban on the export of crude oil.

Several large companies have located in the area around the Ship Channel. Tianjin Pipe Corporation – America was the first international investment around the Ship Channel. This \$1.3 billion project represents the largest single investment by a Chinese company in a United States manufacturing facility. When fully operational, the project will employ 600 to 800 people producing 500,000 metric tons of seamless steel pipe. Phase One has been completed, and Phase Two of its construction has begun and is slated to begin operating sometime next year - employing more than 2,000 people during the construction phase. M&G is an Italian company located on the northside of the Inner Harbor adjacent to the Nueces River Rail Yard and is projected to be the world's largest polyethylene terephthalate resin plant and represents a \$1.1 billion investment. The voestalpine Austrian Group is constructing a \$740 million facility on the Port's La Quinta Trade Gateway. The planned facilities are designed for an annual capacity of around two million tons of hot briquetted iron and direct reduced iron and should employ around 150 people. Corpus Christi Liquefaction, LLC, a subsidiary of Cheniere Energy, is developing a \$13 billion liquefied natural gas export terminal at one of their existing sites in the Ship Channel. It is expected to be constructed in phases and should be operational by 2020.

### ***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. The Harbor Bridge will be the longest cable-stay bridge in North America. State officials 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. It is a design-build project and not the traditional design-bid-build used by TxDOT. On January 8, 2016, the Federal Highway Administration released a Record of Decision (ROD) regarding the proposed US 181 Harbor Bridge project from Beach Avenue to Morgan Avenue at the Crosstown Expressway in Nueces County, Texas. The ROD approved the selection of the recommended alternative for the Harbor Bridge, as identified in the project's Final Environmental Impact Statement (Final EIS), dated November 2014. This approval completed the environmental approval process for the project.

On February 16, 2016, TxDOT issued the first Notice to Proceed (NTP1) to the awarded Developer, Flat Iron/Dragados. NTP1 is described as a pre-design/ planning phase. TxDOT's current timeline anticipates NTP2, which is described as the construction phase, to begin in the Summer/Fall of 2016. Final acceptance is expected by the end of 2020.

### *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 island 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 Multicultural Center/Heritage Park complex, the Congressman Solomon Ortiz International Center, and Concrete Street Amphitheater. These attractions are located in Corpus Christi's SEA District (Sports, Entertainment, and Arts District). This family-friendly area includes many of the City's popular attractions. Day passes can be purchased where residents and visitors are able to play and eat at multiple businesses in the SEA District.

The South Texas Botanical Gardens & Nature Center is one of the Coastal Bend's major tourist destinations and leading nature tourism facility. Strategically situated along Oso Creek on

Corpus Christi's rapidly-growing south side, it is part of the city's growing Oso Creek Greenbelt system and is near the northern side of the world-famous King Ranch. The 182-acre venue showcases 11 uniquely-designed floral exhibits and gardens, including the 2,600 square-foot screened Butterfly House, new 1,800 square-foot Samuel Jones Orchid Conservatory, and Anderson Bromeliad Conservatory. It is a key site on the Great Texas Coastal Birding Trail and in Corpus Christi, which has been named "Birdiest City" in the United States by the Audubon Society.

Most recently Schlitterbahn Waterpark opened on North Padre Island in Corpus Christi. The first of several phases of development, Schlitterbahn offers visitors and residents alike a unique waterpark experience. Additionally, the Texas State Aquarium celebrated its 25<sup>th</sup> anniversary in 2015. It is undergoing an expansion project that will nearly double its size by adding a \$50 million exhibit called Caribbean Journey which is set to open in 2017. The Texas State Aquarium was elected as the second best aquarium in the nation for USA Today's 10 Best Readers' Choice.

The Corpus Christi area is also 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, seafood sales, World Class Sailing Regattas and other events combine to create an extremely busy waterfront area year-round.

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 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 the monthly Art Walk located in the City's Marina Arts District. In 2015, an inaugural festival named "*Fiesta de la Flor*" was held in honor of the slain singing star, Selena Quintanilla Perez. The event was a success, drawing more than 52,000 fans from across the world and bringing an economic impact of about \$13 million to Corpus Christi. The event is expected to grow each year, with more than 70,000 fans expected to be drawn to the area in 2016.

### ***Construction Permits***

The table on the following page shows the number of building permits and the value of those permits for the last ten fiscal years. It should be noted that prior to 2012-2013, the 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 2014 to 2015, 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 more than doubled in 2015 from 2014, and the value of those permits increased by 29%.

This increase was a mainly a result of an increase in new commercial permits and permits for commercial addition/renovation. The analysis shows that after a year of relatively flat building permit activity, 2015 was a year of rebounded activity proving that the economy in Corpus Christi is not driven by only one sector of the market (namely, oil and gas) but is more diversified.

<u>Year</u>	<u>Building Permits</u>	<u>Value</u>
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>
2014-2015	4,909	\$589,543,493

<sup>(1)</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 increased slightly from a rate of 4.9% in September 2014 to 5.0% in September 2015 according to the U.S. Bureau of Labor Statistics. This is due primarily to the job losses due to the reduced production of oil from the Eagle Ford Shale. Those losses have brought Corpus Christi more in line with the national unemployment rate in September 2015 of 5.1%. Overall during the last 10 years in Corpus Christi, the unemployment rate has slightly increased – from 4.8% in 2006 to 5.0% in 2015. During this same ten-year time period, personal (per capita) income in the area increased approximately 36% from \$33,904 in 2006 to \$46,049 in 2015.

### ***Major Expenditures***

The government’s expenses relating to “police and municipal court”, “fire and ambulance”, and “streets” comprise 61.8% 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”, “fire and ambulance”, and “streets” have increased as a percentage of total expenses for governmental activities over the last ten years as evidenced in the following table:

	<u>Expenses as a Percent of Total Governmental Activities</u>		
	<u>2006</u>	<u>2015</u>	<u>Increase</u>
Police and Municipal Court	28.4%	32.4%	4.0%
Fire and Ambulance	15.5%	17.3%	1.8%
Street	10.0%	12.1%	2.1%

In the case of sworn personnel, as in previous years, much of the increase continues to reflect 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.

In the case of streets, the City Council has identified fixing the city's streets as a priority for last two years. Strategies have been put in place to identify the scope of the problem, how much it will cost, and a timeline for completion. As a result, the City Council has amended the financial budgetary policies to specifically address local/residential streets and arterials and collectors. Consequently, additional funding has been allocated to streets - resulting in an increase in expenditures as more work is being completed.

During this same 10-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 2014-2015 budget process, the City Council approved financial budgetary policies as an essential guide to direct the City's financial planning. The City Council reaffirmed 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 2014-2015 affirmed 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 increased the commitment in the general fund at September 30, 2015 from 16.5% to 17% of the total annual fiscal year 2015 general fund appropriations in accordance with this policy. The remaining balance in the unassigned fund balance at September 30, 2015, was \$174,000.

The section that addresses the funding level from the General Fund for street operations was amended to specify a specific percentage (6%) of General Fund revenue less grants to transfer to the Street Maintenance Fund beginning in fiscal year 2015-2016. Additionally, the policy was changed to transfer 5% of industrial district revenue from the General Fund to the Street Maintenance Fund.

A new section was added to the financial policies for fiscal year 2015 to address the funding level from the General Fund for residential/local street capital improvement projects. The policy outlined that for three years beginning in fiscal year 2014-2015, \$1,000,000 would be appropriated from the uncommitted fund balance of the General Fund and transferred to the Residential/Local Street Capital Fund. Beginning in fiscal year 2015-2016, 5% of industrial

district revenue would be appropriated from the General Fund and transferred to the Residential/Local Street Capital Fund. The policy goes on further to say that in fiscal year 2020-2021, 1/3 of one-percent of the General Fund (less grants and industrial district revenue) would be transferred to the Residential/Local Street Capital Fund. This percentage would increase to 2/3 of one-percent in fiscal year 2021-2022 and would increase to one percent in fiscal year 2022-2023 and thereafter.

Another new section was added to address the funding contributions to the Texas Municipal Retirement System (TMRS). The policy states that it is a goal of the City Council to contribute the fully funded contribution rate to TMRS to fund the pension for general employees and for sworn police officers. The policy directs that an additional one percent would be added to the City's contribution rate for TMRS beginning in fiscal year 2014-2015 and each year thereafter until the actuarially determined fully funded rate is met. In 2016, the policy was amended to increase the percentage to two percent beginning in fiscal year 2015-2016 until the fully funded rate is met.

The City Council directed the City Manager to budget at least \$200,000 in fiscal year 2014-2015 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 10-year capital improvement plan; and utilization of zero-based budgeting type of process 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 2015 provide guidance and vision in fulfilling the City's mission and strategic plan. These priorities include: (1) residential road repair; (2) water policy; and (3) economic development policy.

The first 2015 priority for the City Council is to provide sustainable, sufficient annual funding of a realistic residential road repair and maintenance program, including curb and gutter projects. Initiatives to address this priority include presentation of seven briefings to the City Council throughout 2015 to address the various topics dealing with the condition of the streets and funding options for residential streets. Many funding options were discussed such as the issuance of general obligation bonds, renewal of a dedicated sales tax to address street repair, and amending the City Charter to allow property taxes to be dedicated for residential streets. An

Ad Hoc Residential Street Infrastructure Advisory Committee was created to address this issue as well and will provide recommendations to the City Council by early summer 2016.

The second City Council priority deals with developing a long-term water policy. Strategies for this priority include the continuation of water supply development; alignment of water and wastewater strategies with a focus on a consolidated wastewater plant and a solution for the sanitary system overflow (SSO) issue; educating citizens on water supply and water supply strategies; reviewing and governance of the utility rate model; and development of a revised drought contingency plan and drought determination criteria. In addressing water supply development, discussions have begun involving evaluating other sources of water such as desalination, brackish water, effluent, and water storage. Mary Rhodes Pipeline Phase 2, which will draw water from the Lower Colorado River, is scheduled for completion by the summer of 2016. 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. 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, incentivize downtown growth, and address affordable housing/homelessness issues - while expanding diversity of business and retaining and growing existing businesses. Additional strategies include aligning the policies of the Corpus Christi Regional Economic Development Corporation (CCREDC) with those of the Corpus Christi Business and Job Development Corporation (Type A Board); creating policy guidelines to create infill a housing incentive program; and bringing new businesses to City Council District 3. Three status reports on the economic development initiatives were presented to the City Council in 2015. Strategies to address expanding local businesses included completion of a study conducted by the CCREDC to address diversifying the City's business base; the updating of Type A guidelines; and the renewal of the City's contract with the CCREDC. Additionally, the Type A Board awarded four incentive agreements in 2015 to incentivize businesses to expand and create additional jobs for the community. In August 2015, the City Council approved the "Homeless Solutions, Visions & Strategies", and a Homeless Advisory Council was created. Additionally, \$200,000 in Community Development Block Grant (CDBG) funds were utilized for the coordination of homeless services. In reference to affordable housing, multiple City Council workshops were held in 2015. The Type A Board and the City Council approved funding \$100,000 for a Housing Pilot Project. Funds were also given to the Housing Authority for both new and rehabilitated units. Additional strategies to address the City Council's priority dealing with economic development include the development of Plan CC Comprehensive Plan 2015 and the utilization of Type A funds assist in the opening of six new businesses in City Council District 3.

## **AWARDS AND ACKNOWLEDGMENTS**

### ***Awards***

The City of Corpus Christi was honored in 2015 with a "Playful City USA" designation for the second time since 2009. The national recognition program honors cities and towns across the

country for making their cities more playable. Corpus Christi is committed to making play accessible through hike and bike trails, recreational programs, and after-school programs to enrich the lives of children in the community.

Corpus Christi also was named the 19th most family-friendly place to live out of the nation's 150 most populated cities by KaBOOM!. The ranking was based on factors such as family activities, health and safety, education and child care, affordability, and socioeconomic environment such as divorce and unemployment rates. Corpus Christi had its highest rating in education and child care and also ranked the third most playgrounds per capita.

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 14-months ended September 30, 2014, continuing to confirm compliance with both Generally Accepted Accounting Principles (GAAP) and legal requirements. This was the thirty-second 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 2014. The City has received twenty-four 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.

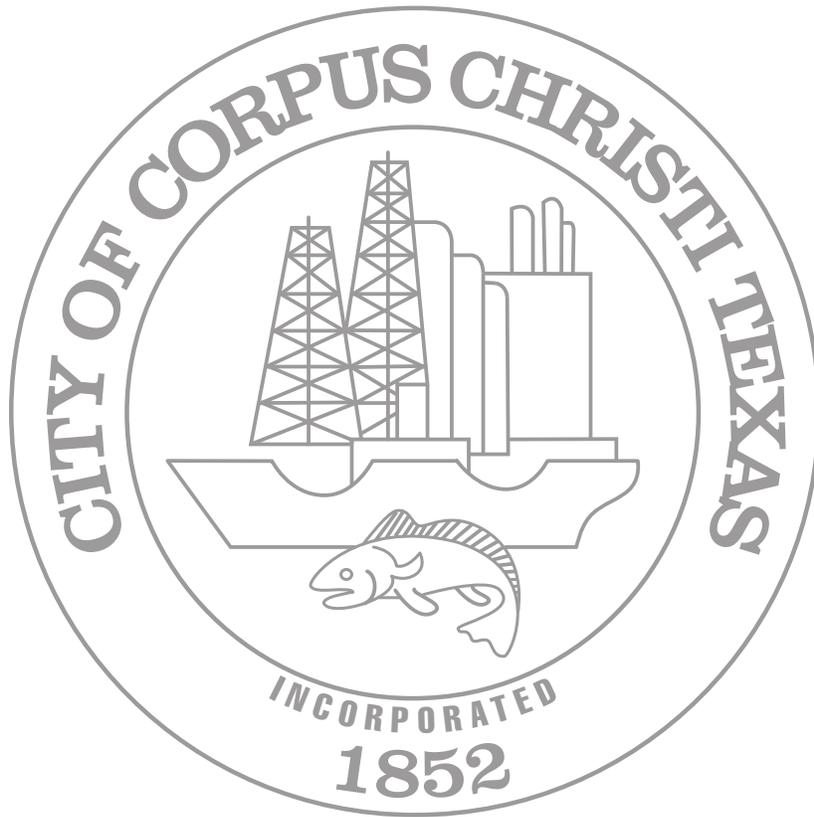
Respectfully submitted,



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**

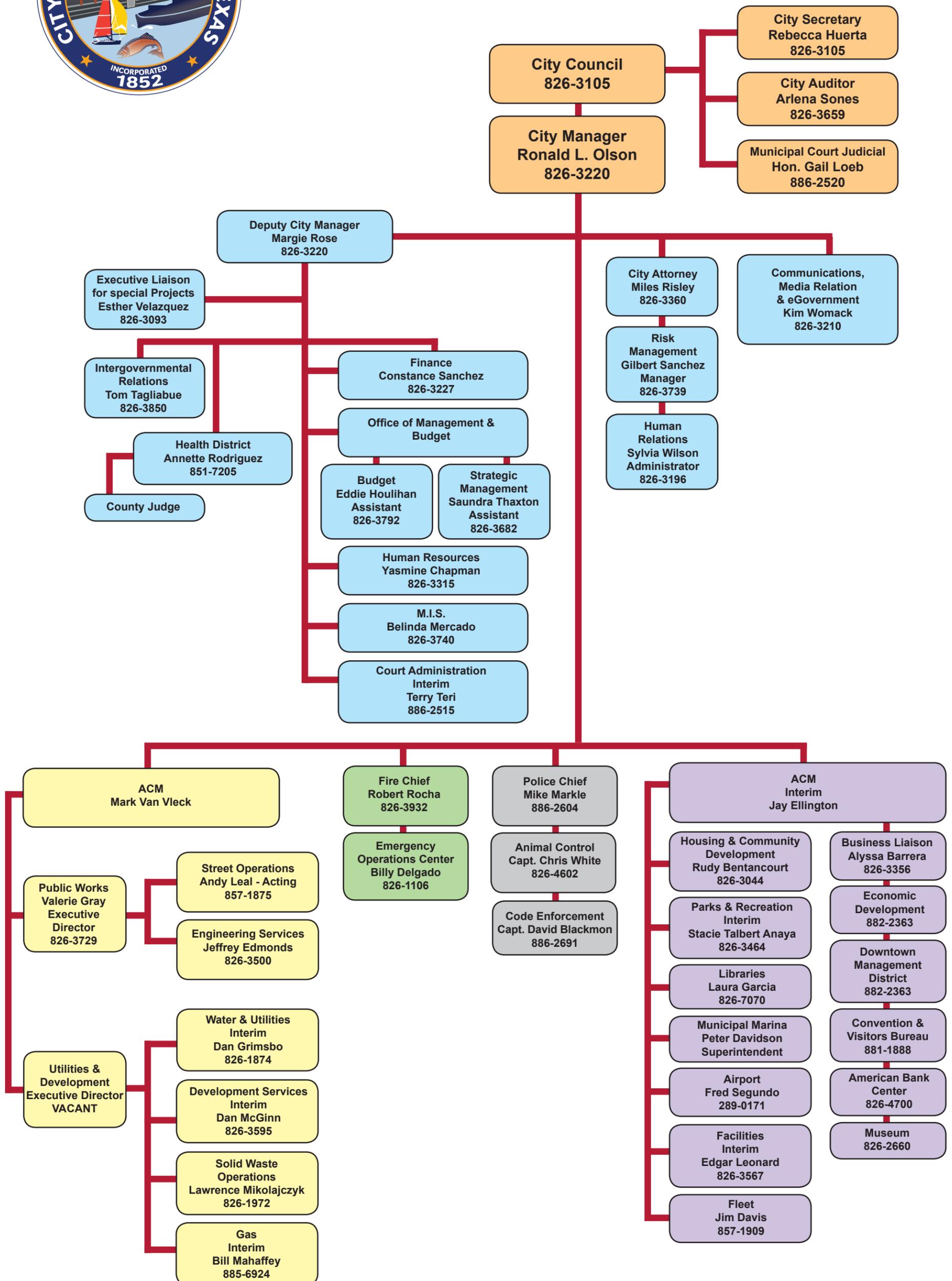
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2014**

Executive Director/CEO



# City of Corpus Christi Organizational Chart



*Financial Section*



### INDEPENDENT AUDITOR'S REPORT

March 31, 2016

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 year ended September 30, 2015, 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 \$1,523,872 and revenues were \$5,463,033, the American Bank Center Convention Center Fund whose assets were \$2,846,373 and revenues were \$3,322,046 and the American Bank Center Arena Operations Fund whose assets were \$3,125,952 and revenues were \$2,652,685. 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, 2015 and the respective changes in financial position, cash flows, where applicable, and the respective budgetary comparison for the general fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### ***Emphasis of a Matter***

As discussed in Note 1.P. to the financial statements, the City has implemented Governmental Accounting Standards board Statements No. 68 and 71 related to accounting for pensions effective October 1, 2014. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the other required supplementary information on pages 5 through 18 and 94 through 99 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 319 through 328 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 March 31, 2016 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 fiscal year ended September 30, 2015. 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) for the 2014 fiscal year reflected 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 2014 amounts, divided by 14, and multiplied by 12 so that two 12-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**

- The City implemented Governmental Accounting Standards Board (GASB) No. 68 “Accounting and Financial Reporting for Pensions” and GASB No. 71 “Pension Transition for Contributions Made Subsequent to the Measurement Date” which resulted in a prior period adjustment that reduced the City’s total net position by \$188.6 million.
- Total net position of the City, excluding component units, was \$1.1 billion at September 30, 2015, an increase of \$78.9 million, or 7.5% compared to September 30, 2014 as restated. Of this net position, 103.3% are net invested in capital assets and restricted – leaving a negative unrestricted net position of \$37.7 million.
- Total net program expenses were \$3.2 million higher than prior year’s extrapolated amount, reflecting net expenses of \$131.8 million for fiscal year ended September 30, 2015 compared to the extrapolated amount of \$128.6 million.
- Total general revenue and transfers, excluding component units, increased \$23.3 million from the prior year’s extrapolated amount of \$187.5 million to \$210.7 million for the fiscal year ended September 30, 2015, an increase of 12.4% due primarily to an increase in property tax revenue.

#### **Governmental Activities**

- On a government-wide basis for governmental activities, the City had net program expenses of \$189.7 million for the fiscal ended September 30, 2015, compared to \$180.1 million for the extrapolated prior year, representing a 5.3% increase. General revenues and transfers totaled \$224.5 million for the fiscal year ended September 30, 2015 compared to the prior year’s extrapolated amount of \$203.8 million with an increase in net position for the fiscal year ended September 30, 2015 of \$34.8 million. At September 30, 2015, the City’s governmental activities had \$812.4 million in total liabilities compared to \$738.3 million as restated at September 30, 2014.

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

- On a government-wide basis for business-type activities, program revenue net of expenses was \$57.9 million for the fiscal year ended September 30, 2015 compared to \$51.5 million for the extrapolated prior period, representing an increase of 12.4 % from the prior year’s extrapolated balance. Net position increased by 5.5 % from \$799.9 million as restated as of September 30, 2014 to \$844.0 million as of September 30, 2015. At September 30, 2015, the business-type activities had \$1.3 billion in total liabilities compared to \$1.1 billion as restated at September 30, 2014.

#### **Bond Issues**

- During the fiscal year ended September 30, 2015, the City issued 8 series of bonds. \$90.5 million of general improvement bonds to fund 2014 voter-approved projects; \$2.6 million of marina system revenue bonds to fund the replacement of docks; \$93.6 million of fixed rate utility system junior lien revenue improvement bonds and \$49.6 million of variable rate utility system junior lien revenue improvement bonds for construction of the Mary Rhodes Pipeline Phase 2; \$101.4 million of utility system junior lien revenue improvement bonds for improvements to the combined utility system; \$5.1 million of tax notes to fund projects associated with the Texas Military Preparedness Commission; \$47.0 million of utility system junior lien revenue refunding bonds for a net present value savings of 8.4%; and \$62.8 million of Nueces River Authority water supply facilities revenue refunding bonds for a net present value savings of 13.7%.

#### **General Fund**

- At September 30, 2015, unassigned fund balance for the General Fund was \$175 thousand, or 0.09% of the General Fund expenditures. This compares to an unassigned fund balance of \$11.5 million, or 5.0% of General Fund extrapolated expenditures for the prior year. It should be noted, however, that in the prior year, unassigned fund balance in the General Fund included Development Services. In fiscal year 2015, the fund balance for Development Services is reflected as assigned. Therefore, the fiscal year 2014 percentage of unassigned fund balance to General Fund extrapolated expenditures changes from 5.0% to 3.8%.
- 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 increased in 2015 from 16.5% at September 30, 2014 to 17.0% at September 30, 2015 of the total General Fund appropriations or \$1.8 million, a 4.6% increase from the prior year.
- General Fund revenues for the fiscal year ended September 30, 2015 of \$219.0 million were 7.3% higher than prior year extrapolated revenues of \$204.1 million.
- General Fund expenditures for the fiscal ended September 30, 2015 of \$204.9 million were 4.5% higher than prior year extrapolated expenditures of \$196.1 million.

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

This Comprehensive Annual Financial Report (CAFR) has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) for local governments as prescribed by the Government Accounting Standards Board (GASB). The City has implemented GASB Statement No. 1 through 71.

The 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*.

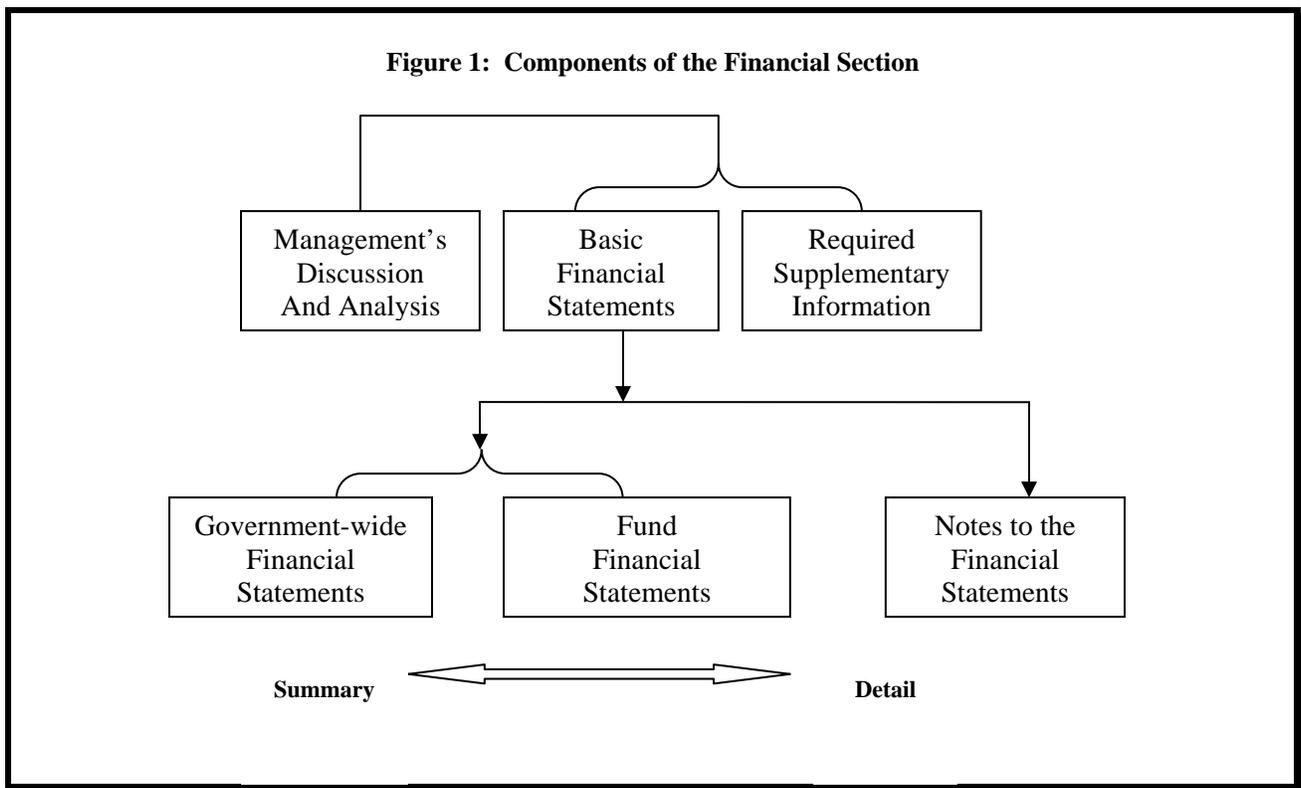


Figure 1 depicts how the required parts of this annual financial report are arranged and relate to one another. In addition to these required elements, a section with combining and individual fund financial statements and schedules that provides details about the non-major governmental funds and internal 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, 2015, the net position for the City of Corpus Christi totaled \$1.1 billion, \$78.5 million higher than the adjusted net position at September 30, 2014. The composition of the net position is \$285.3 million for governmental activities and \$844.0 million for business-type activities. The largest portion of the City’s total net position, 91.8%, 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 are still outstanding. The City has \$130.0 million in restricted net position for specific purposes at September 30, 2015, which is a \$22.5 million increase from September 30, 2014. The City’s unrestricted net position is a negative \$37.3 million at September 30, 2015 resulting for implementation of two new accounting statements described in the paragraph below. It should be noted that the City has sufficient funds to meet requirements for cash outlays in the next fiscal year without major reductions in fund balances.

Effective for fiscal year 2015, Governmental Accounting Standards Board (GASB) Statement No. 68, “Accounting and Financial Reporting for Pensions” created specific reporting requirements for pensions that are different than that used for funding purposes. GASB Statement No. 71 “Pension Transition for Contributions Made Subsequent to the Measurement Date” was issued as an amendment to GASB No. 68 and relates to amounts associated with contributions to a defined benefit plan after the measurement date of the beginning net pension liability. Implementation required the City to restate its beginning net position for the current year and to begin recording the net pension liability on the government-wide financial statements. Beginning net position was adjusted as follows (in 000’s). (See Note 1-P of the Notes to the Financial Statements.)

Activity Type	Net Position 9/30/2014	Adjusted Net Position 9/30/2014	Difference
Governmental	\$ 405,041	\$ 250,945	\$ (154,096)
Business-type	834,380	799,860	(34,520)
Total	<u>\$ 1,239,421</u>	<u>\$ 1,050,805</u>	<u>\$ (188,616)</u>

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, 2015 and 2014  
(in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Capital assets, net of accumulated depreciation	\$ 599,051	\$ 591,914	\$ 1,678,692	\$ 1,603,577	\$ 2,277,743	\$ 2,195,491
Other assets	475,489	378,857	464,230	276,485	939,719	655,342
Total assets	1,074,540	970,771	2,142,922	1,880,062	3,217,462	2,850,833
Deferred outflows of resources	26,967	5,469	16,743	12,253	43,710	17,722
Long-term liabilities	771,736	534,252	1,297,415	1,035,324	2,069,151	1,569,576
Estimated long-term liability clai	6,990	6,224	--	--	6,990	6,224
Other liabilities	33,259	29,935	17,024	22,611	50,283	52,546
Total liabilities	811,985	570,411	1,314,439	1,057,935	2,126,424	1,628,346
Deferred inflows of resources	3,824	788	1,182	--	5,006	788
Net position						
Net invested in capital assets	268,380	271,712	768,460	793,058	1,036,840	1,064,770
Restricted	110,427	90,284	20,126	17,239	130,553	107,523
Unrestricted	(93,109)	43,045	55,458	24,083	(37,651)	67,128
Total net position	\$ 285,698	\$ 405,041	\$ 844,044	\$ 834,380	\$ 1,129,742	\$ 1,239,421

Of the business-type activities, the Utility System fund is the largest operation at the City with total assets of \$1.90 billion, comprising 88.8% of all business-type activities total assets for 2015, slightly decreasing from 89.6% in 2014. The Utility System fund net position was \$730.0 million which is 86.5% of total business-type activities net position at September 30, 2015, remaining relatively constant from September 30, 2014.

### Changes in Net Position

Table 2 reflects a comparative detail of changes in net position for the City of Corpus Christi for the fiscal year ended September 30, 2015 and the 14 months ended September 30, 2014. The City implemented GASB No. 68 and GASB No. 71 at the beginning of 2015, and so the beginning net position at October 1, 2014 has been changed to reflect a prior period adjustment for the pension liability and related deferred outflows of \$188.6 million.

Table 2  
 Changes in Net Position  
 For Fiscal Year Ended September 30, 2015  
 (in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2015	2014 *	2015	2014 *	2015	2014 *
Revenue						
Program revenues						
Charges for services	\$ 73,555	\$ 81,430	\$ 272,854	\$ 316,274	\$ 346,409	\$ 397,704
Operating grants and contributions	9,899	14,116	1,226	1,380	11,125	15,496
Capital grants and contributions	7,911	8,510	27,220	17,942	35,131	26,452
Total program revenues	<u>91,365</u>	<u>104,056</u>	<u>301,300</u>	<u>335,596</u>	<u>392,665</u>	<u>439,652</u>
General revenue						
Property taxes	103,987	96,664	--	--	103,987	96,664
Sales taxes	89,127	103,372	--	--	89,127	103,372
Hotel occupancy taxes	15,110	17,067	--	--	15,110	17,067
Investment earnings	1,278	1,244	1,217	345	2,495	1,589
Total general revenue	<u>209,502</u>	<u>218,347</u>	<u>1,217</u>	<u>345</u>	<u>210,719</u>	<u>218,692</u>
Total revenues	<u>300,867</u>	<u>322,403</u>	<u>302,517</u>	<u>335,941</u>	<u>603,384</u>	<u>658,344</u>
Expenses						
General government	20,095	23,529	--	--	20,095	23,529
Police and municipal court	91,069	106,772	--	--	91,069	106,772
Fire and ambulance	48,724	58,865	--	--	48,724	58,865
Emergency management	614	632	--	--	614	632
Inspections	2,379	2,183	--	--	2,379	2,183
Streets	34,051	29,657	--	--	34,051	29,657
Health	5,941	6,661	--	--	5,941	6,661
Parks and recreation	19,929	22,829	--	--	19,929	22,829
Libraries	4,576	4,780	--	--	4,576	4,780
Museums	1,867	1,907	--	--	1,867	1,907
Community enrichment	5,851	7,589	--	--	5,851	7,589
Community development	13,365	14,025	--	--	13,365	14,025
Convention and visitors activities	16,228	19,365	--	--	16,228	19,365
Interest on long-term debt	16,378	15,358	--	--	16,378	15,358
Solid waste	--	--	29,152	33,046	29,152	33,046
Utilities	--	--	198,386	224,658	198,386	224,658
Airport	--	--	13,631	15,413	13,631	15,413
Golf centers	--	--	215	198	215	198
Marina	--	--	1,997	2,185	1,997	2,185
Total expenses	<u>281,067</u>	<u>314,152</u>	<u>243,381</u>	<u>275,500</u>	<u>524,448</u>	<u>589,652</u>
Excess revenues over expenses	19,800	8,251	59,136	60,441	78,936	68,692
Transfers	14,953	19,380	(14,953)	(19,380)	--	--
Increase in net position	34,753	27,631	44,183	41,061	78,936	68,692
Net position at beginning of year	405,041	377,410	834,380	793,319	1,239,421	1,170,729
Prior period adjustment for change in accounting for pension liability	(154,096)	--	(34,519)	--	(188,615)	--
Net position at end of year	<u>\$ 285,698</u>	<u>\$ 405,041</u>	<u>\$ 844,044</u>	<u>\$ 834,380</u>	<u>\$ 1,129,742</u>	<u>\$ 1,239,421</u>

\* 14-months year-to-date

### **Governmental Activities**

As shown in Table 2, there was a \$34.8 million increase in net position for governmental activities for the fiscal year ended September 30, 2015 as compared to a \$23.7 million extrapolated net increase for the prior period. For the fiscal year ended September 30, 2015, revenues totaled \$300.9 million compared to \$276.3 million as extrapolated for the prior period, an increase of \$24.6 million or 8.9%. Property tax revenue reflected the highest extrapolated increase from the prior year of \$21.1 million or 25.5% due to the increase in assessed property valuations.

Expenses for governmental activities totaled \$281.1 million for the fiscal year ended September 30, 2015 compared to \$269.3 million as extrapolated for the prior period, an increase of approximately \$11.8 million. This increase can be mainly attributed to increased street maintenance as a result of a priority established by the City Council, as well as 2.5% pay increase for general employees in 2015.

### **Business-Type Activities**

As shown in Table 2, there was a \$44.2 million increase in net position for business-type activities for the fiscal year ended September 30, 2015 as compared to a \$35.2 million extrapolated net increase for the prior period, which is a 25.5% increase from the extrapolated change in net position for the prior period. For the fiscal year ended September 30, 2015, revenues for business-type activities increased by \$14.6 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 (75.9%) which consists of the gas, water, and wastewater systems. Charges for services for the utilities remained relatively constant from the extrapolated prior period, increasing by only \$1.8 million. Although rate increases were implemented in October 2014: 7.79% residential water rate increase; 11.22% wastewater rate increase; and 5.0% gas rate increase, water usage dropped in 2015 due to water conservation efforts and a rainy year. Capital contributions mainly increased from the prior period due to grants received by the Airport for an extension of one of the runways (\$13.6 million) and rehabilitation of three taxiways (\$6.2 million).

Expenses reported in the business-type activities increased by \$7.2 million from the extrapolated prior period. The majority of expenses reported in the business-type activities were utilities (81.5%), reflecting \$198.4 million for the fiscal year ended September 30, 2015 compared to \$192.6 million for the extrapolated prior period. Expenses for the utilities increased by \$5.8 million from the prior year. Bond issue costs increased \$2.8 million due to the issuance of new utility junior lien debt and debt refunding. Contractual services increased \$2.6 million due in part to legal services related to utility regulatory matters. Materials and supplies expense decreased by \$4.9 million due in part to a \$7.5 decrease in natural gas purchases resulting from a decrease in volume. Natural gas purchases, however, are a pass-through cost and are recaptured through revenue.

## FINANCIAL ANALYSIS OF THE CITY'S GOVERNMENTAL FUNDS

### Governmental Funds

- Total assets of the General Fund remained relatively constant from the prior year, reporting \$65.0 million at September 30, 2015 compared to \$65.5 million at September 30, 2014. Cash, cash equivalents and investments reflect \$50.6 million or 77.8% of total assets with net receivables reporting \$13.2 million, or 20.2% 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 remained constant from the prior year at \$13.5 million.
- General Fund revenues for the fiscal year ended September 30, 2015 reflect a \$14.9 million increase from the extrapolated prior period revenues. Sales tax revenue remained relatively flat. Total property taxes increased \$13.9 million from \$55.7 million for the extrapolated prior year balance to \$69.6 million for fiscal year ended September 30, 2015. This increase is due in large part to an increase in assessed valuations in 2015.
- The General Fund's unassigned fund balance decreased by \$11.4 million from September 30, 2014. In 2015, encumbrances that were previously included in the unassigned fund balance have now been classified as assigned. This equates to \$10.3 million for 2014 that had been included in the unassigned fund balance in the prior year; and \$4.1 million for 2015 now classified as assigned. Additionally in 2014, the fund balance for Development Services of \$4.2 million had been included as unassigned fund balance. In 2015, Development Services' fund balance of \$5.0 million has been classified as assigned. These two changes account for the variance in the unassigned fund balance at September 30, 2015.
- Committed for major contingencies in the General Fund increased by \$1.8 million from \$37.8 million at September 30, 2014 to \$39.5 million at September 30, 2015. 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, 2015 was 17.0% of the total General Fund appropriations for fiscal ended September 30, 2015.
- The Debt Service Fund's committed fund balance increased by \$2.1 million, reporting a balance of \$10.8 million at September 30, 2015. This was due to the 14-month year in 2014 where one an additional debt payment was made in 2014 for general obligation debt.
- The Streets Capital Projects Fund increased its fund balance by \$81.6 million for the fiscal year ended September 30, 2015. In 2015, the fund received \$92.6 million in general improvement bonds to fund street projects approved by the voters in November 2014. The fund spent \$11.2 million on capital projects during fiscal year ended September 30, 2015. Total fund balance was \$160.2 million at September 30, 2015.

## 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, 2015 was \$171.2 million, as compared to \$159.2 million at September 30, 2014. This represents an \$12.0 million increase or 7.5%. The Street Maintenance Fund increased its fund balance by \$6.8 million due to an increase in revenues being allocated for street maintenance and increased transfers.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

As shown in Table 3, at September 30, 2015 the City had invested over \$2.3 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 \$82.3 million, or 3.7% over September 30, 2014. The governmental activities increased by \$7.1 million from the prior year. This increase included \$32.3 million in additions less \$25.1 million of depreciation expense and \$135 thousand for retirements during fiscal year ended September 30, 2015. The business-type activities increased by \$75.1 million during the fiscal year ended September 30, 2015. This increase included \$123.2 million in additions less \$46.7 million of depreciation expense and a \$1.4 million in retirements. The majority of the increase was construction in progress associated with a wastewater plant, the Mary Rhodes Pipeline Phase II, extension of a runway at the Airport, replacement of a pier at the Marina, and other minor utility improvements.

Table 3  
Capital Assets (net of depreciation) at September 30, 2015 and September 30, 2014  
(in 000's)

	Governmental Activities		Business-Type Activities		Total		% Change 2014-2015
	2015	2014	2015	2014	2015	2014	
Land	\$ 60,302	\$ 60,247	\$ 36,556	\$ 36,556	\$ 96,858	\$ 96,803	0.1%
Water rights	--	--	192,586	196,186	192,586	196,186	-1.8%
Buildings	141,993	146,481	56,011	56,753	198,004	203,234	-2.6%
Improvements	88,619	91,325	235,537	248,670	324,156	339,995	-4.7%
Equipment	22,870	23,412	20,337	18,941	43,207	42,353	2.0%
Infrastructure	189,323	181,619	774,669	782,035	963,992	963,654	0.0%
Construction in progress	95,876	88,830	362,993	264,436	458,869	353,266	29.9%
Total	<u>\$ 598,983</u>	<u>\$ 591,914</u>	<u>\$ 1,678,689</u>	<u>\$ 1,603,577</u>	<u>\$ 2,277,672</u>	<u>\$ 2,195,491</u>	3.7%

### Long-term Liabilities

Table 4 shows that total long-term liabilities increased \$293.0 million during the fiscal year ended September 30, 2015, from \$1.78 billion at September 30, 2014 to \$2.07 billion at September 30, 2015, or 16.5%. Governmental activities reported a net increase in long-term liabilities of \$69.3 million or 9.9% which reflects the addition of \$103.9 million of debt, paying down \$36.8 million of debt, and increasing other long-term liabilities by \$2.2 million due mainly to an increase in net pension liability. Business-type activities reported an increase in long-term liabilities of \$223.8 million or a 20.8% increase from September 30, 2014 due to the addition of \$400.3 million of debt, paying down \$179.8 million of debt, and increasing other long-term liabilities of \$3.2 million due mainly to increased landfill closure costs and net pension liability.

Table 4  
Long-Term Liabilities at September 30, 2015 and 2014  
(in 000's)

	Governmental Activities		Business-Type Activities		Total		% Change 2014-2015
	2015	2014 *	2015	2014 *	2015	2014 *	
General obligation bonds	\$ 395,180	\$ 323,830	\$ 64,215	\$ 66,185	\$ 459,395	\$ 390,015	17.8%
Certificates of obligation	9,033	10,988	12,512	17,017	21,545	28,005	-23.1%
Revenue bonds	65,105	71,725	--	--	65,105	71,725	-9.2%
Utility priority revenue bonds	--	--	336,420	416,345	336,420	416,345	-19.2%
Utility junior lien revenue bonds	--	--	587,835	306,290	587,835	306,290	91.9%
Discount on bonds payable	(22)	(32)	(855)	(888)	(877)	(920)	-4.7%
Premium on bonds payable	24,126	17,759	62,882	35,118	87,008	52,877	64.5%
Capital leases	5,801	6,319	10,006	9,279	15,807	15,598	1.3%
Other notes	22,878	24,405	141,286	144,436	164,164	168,841	-2.8%
Total debt	<u>522,101</u>	<u>454,994</u>	<u>1,214,301</u>	<u>993,782</u>	<u>1,736,402</u>	<u>1,448,776</u>	19.9%
Accumulated compensated absences	34,429	38,563	3,649	3,447	38,078	42,010	-9.4%
Landfill closure cost	--	--	28,175	26,308	28,175	26,308	7.1%
Net pension liability	204,265	197,653	50,451	49,372	254,716	247,025	3.1%
Net OPEB obligation	10,942	11,244	839	740	11,781	11,984	-1.7%
Total long-term liabilities	<u>\$ 771,737</u>	<u>\$ 702,454</u>	<u>\$ 1,297,415</u>	<u>\$ 1,073,649</u>	<u>\$ 2,069,152</u>	<u>\$ 1,776,103</u>	16.5%

\* Restated to include prior period adjustment for net pension liability

During the fiscal year, the City completed eight bond issuances to fund capital replacement of the docks at the Marina; to fund construction the Mary Rhodes Pipeline Phase 2 (both fixed rate debt and variable rate debt); to fund projects associated with the Texas Military Preparedness Commission; to fund utility projects planned and approved in the capital budget; to fund voter approved street projects; and to refund junior lien utility revenue bonds and Nueces River Authority water supply facilities revenue bonds for savings.

In January 2015, the City issued \$2.6 million of Marina System Revenue Bonds, Taxable Series 2015 for construction of new piers at the City's marina. The interest rate for these bonds is 3.0%.

In March 2015, the City issued \$93.6 million and \$49.6 million of Utility System Junior Lien Revenue Improvement Bonds, Series 2015A (fixed rate) and Series 2015B (variable rate) to finance the construction of "Mary Rhodes Pipeline Phase II" – the second phase of the City's water transport pipeline project. The interest rates range from 2.00% to 5.00%.

In March 2015, the City issued \$5.1 million of Tax Notes, Series 2015 to fund projects associated with the Texas Military Preparedness Commission. The transaction involved refunding \$0.7 million of Series 2007 General Improvement Bonds and \$4.4 million of 2007 Certificates of Obligations. The interest rates range from 3.95% to 4.28%.

In July 2015, the City issued \$101.4 million of Utility System Junior Lien Revenue Improvement Bonds, Series 2015C to fund utility projects planned and approved in the 2015 capital budget. The interest rates range between 3.00% - 5.00%.

In July 2015, the City issued \$47.0 million of Utility System Junior Lien Revenue Refunding Bonds, Series 2015D to refund currently outstanding indebtedness for savings. The City will reduce its total debt service payments by approximately \$3.8 million annually and obtain a net present value savings of approximately 8.4%. The interest rates range between 3.00% - 5.00%.

In August 2015, the City issued \$90.5 million of General Improvement Bonds, Series 2015 to fund street improvements (Proposition 1) and street safety, revitalization, and capacity improvement projects (Proposition 2) approved by the voters in November 2014. The interest rates range between 2.00% - 5.00%.

In September 2015, the City issued \$62.8 million of Nueces River Authority Water Supply Facilities Revenue Refunding Bonds (City of Corpus Christi Lake Texana Project), Series 2015 to refund currently outstanding indebtedness for savings. The City will obtain a net present value savings of approximately 13.7%. The interest rates range between 3.00% - 5.00%.

In Fiscal Year 2015 the City of Corpus Christi implemented GASB Statement No. 68 "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71 "Pension Transition for Contributions Made Subsequent to the Measurement Date". As a result of implementation, the beginning liabilities related to pensions were adjusted at September 30, 2014. (See Note 1-P Summary of Significant Accounting Policies – Recent Accounting Pronouncements in the Notes to the Financial Statements.)

The net pension liability increased from \$247.0 million at September 30, 2014 to \$254.7 million at September 30, 2015, a 3.1% 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. 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 21.14% for 2015 is 5.05% more than the 16.09% contribution rate. See "Schedule of Contributions for TMRS" in the Required Supplemental Information. In 2015, the City funded 16.46%. It is the City Council and management's intent to increase the City's TMRS contribution rate by 2% each fiscal year beginning in 2017 until the fully funded rate is achieved. The financial/budgetary policies were amended by the City Council in March 2016 to reflect such a change. (See Note 9 Employee Retirement Benefits in the Notes to the Financial Statements.)

The net OPEB (other post-employment benefits) obligation decreased by \$0.2 million from September 30, 2014 to September 30, 2015. A roll-forward of the August 1, 2013 actuarial valuation determined that the total 12-month required contribution (ARC) for the City at September 30, 2015, was \$807 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 valuation date, is \$11.8 million. (See Note 10 Post-Employment Health Care Benefits in the Notes to the Financial Statements.)

Additionally, the landfill closure cost increased by \$1.9 million from September 30, 2014 to September 30, 2015 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 Notes to the Financial Statements.)

### **Bond Ratings**

In 2015, the City received two bond rating upgrades. Standard & Poor's Ratings Service (S&P) upgraded the City's junior lien utility revenue bonds to A+ and the City's primary lien utility revenue bonds to AA- in 2015. The utility bond ratings from the other two rating agencies were reaffirmed in 2015. 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 2015 for the primary lien utility revenue bonds were assigned Aa3 from Moody's, AA- 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 for the arena and seawall were A1 from Moody's, A+ from S&P, and AA- from Fitch. The unenhanced bond ratings for the Corpus Christi Business and Job Development's sales tax revenue bonds for the baseball stadium were A1 from Moody's, A+ from S&P, and AA from Fitch.

### **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, 2015 was 17.0% of the total annual General Fund appropriations in 2015.

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 \$228.9 million was amended by the City Council during 2015 resulting in a net decrease in revenue of \$1.1 million. This amendment eliminated the Medicaid 1115 Waiver Para Medicine project; thus reducing the revenue budgeted for this project of \$1.3 million. The originally adopted General Fund expenditure budget (including transfers out) of \$228.9 million was amended by the City Council during 2015 resulting in a net increase in expenditures of \$6.1 million. Major amendments included \$2.4 million of encumbrances carried forward into 2015; \$1.1 million transfer to Municipal Information Systems Fund to support implementation of the Infor Enterprise Resource Planning (ERP) system; \$1.0 million transfer to Street Maintenance Fund for the residential and local street program; \$1.1 transfer to Debt Service Fund for debt service on Certificates of Obligation to be issued for Solid Waste and Landfill facilities; \$1.3 million decrease due to the elimination of the Medicaid 1115 Waiver Para Medicine project noted above; \$507 thousand for the purchase of six sedans and one light and air truck; \$293 thousand for early completion of the Downtown Area Development Plan; and \$267 thousand for repair to Police Department roof. (See Note 6 Budgetary Data in the Notes to the Financial Statements for more detail of the budget changes.)

## **Budgetary Variances**

General Fund actual budget basis revenue for the fiscal year ended September 30, 2015 of \$221.8 million was \$3.3 million less than the amended budget amount. This was due mainly to a decrease of \$4.3 million in sales tax revenue resulting from the slowdown of the Eagle Ford Shale oil and gas formation.

General Fund actual budget basis expenditures for the fiscal year ended September 30, 2015 of \$205.3 million were \$9.8 million less than the amended budget amount of \$215.1 million. Main contributing factors were savings from \$2.1 million of reserve appropriations budgeted in the General Governmental function not being spent. Fire and ambulance was under budget by \$1.2 million due to the timing of vehicle and equipment purchase. Several General Fund departments were under budget for a variety of reasons. Public Information was under budget by \$332 thousand due to the timing of a website redesign contract that was budgeted in 2015 but not acquired until 2016. The Municipal Court was \$575 thousand under budget due efficiencies realized during the implementation of their new software system (Incode). New refuse collection equipment that was budgeted and ordered in 2015 was not received until 2016 due to manufacturing delays - resulting in \$429 thousand of lease purchase payments that were budgeted but not being spent in 2015. Lower energy costs for diesel fuel and electricity, coupled with higher utilization of CNG vehicles, resulted in \$247 thousand of savings for the General Fund. The termination of an infrastructure maintenance contract with Star Operations that was budgeted but not incurred in 2015 resulted in a \$300 thousand savings. Additionally, parks and recreation had salary savings of \$504 thousand.

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

- The unemployment rate for Corpus Christi increased slightly to 5.0% in September 2015 from 4.9% in September 2014. In December 2015, the unemployment rate increased to 5.2%, which was above the 4.7% unemployment rate for the State of Texas and above the 5.0% national unemployment rate.
- For fiscal year 2015-2016, the Certified Net Assessed Taxable Value experienced an increase of 7.6% from \$17.0 billion to \$18.3 billion. The adopted tax rate for fiscal year 2015-2016 is \$0.606264 per \$100 valuation. The Maintenance and Operations (M&O) rate is \$0.376806 per \$100 valuation, and the Debt Service rate is \$0.229458 per \$100 valuation which includes a \$0.021 voter-approved tax rate increase.
- The City of Corpus Christi has appropriated total revenues and expenditures for fiscal year 2015-2016 of \$865.5 million and \$841.7 million, respectively. Included for the General Fund are revenues budgeted at \$232.1, which is a \$3.2 million increase over the adopted General Fund budget of \$228.9 million for fiscal year 2014-2015 (excluding transfers out). Ad valorem tax revenue is budgeted at an 8.3% increase from the prior year which is estimated to generate an additional \$5.1 million. Sales tax revenue is budgeted at a 1% increase over the current year's estimate.
- Included for the General Fund are expenditures budgeted at \$232.5 million, which is a \$3.5 million increase over the adopted General Fund budget of \$228.9 for fiscal year 2014-2015 (including transfers out). The budget includes the new collectively bargained agreement with

the Police Officers' Association which calls for the City match to increase from 6% to 7% in FY 2018-2019. It also includes a 2% increase for the City's TMRS retirement contribution from 16.46% to 18.46%.

- Two-year utility rate increases are programmed in the fiscal year 2015-2016 budget as follows: 22.0% average water rate increase for residential customers; 11.1% wastewater rate increase; and 1.9% gas rate increase. This will be the first year that two-year rates have been adopted by the City Council. These rates will be effective beginning January 1, 2016 - rather than at the beginning of the fiscal year as has been previously implemented.

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

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

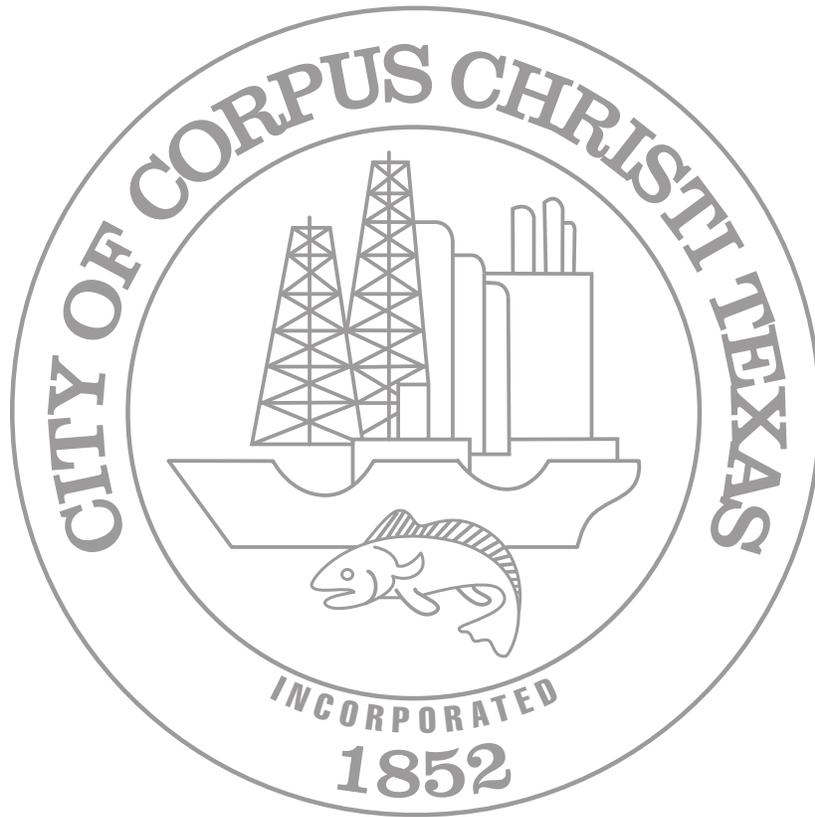
If you have any questions about this report or need additional information, contact:

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

(361) 826-3613

(361) 826-3601 (fax)

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



**STATEMENT OF NET POSITION  
SEPTEMBER 30, 2015**

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash, cash equivalents and investments (Note 5)	\$ 176,550,430	\$ 116,323,444	\$ 292,873,874	\$ 1,064,309
Receivables, net of allowance for uncollectibles (Note 7)	13,915,577	32,957,935	46,873,512	9,740
Internal balances	(258,331)	258,331	--	--
Inventories	1,930,136	717,455	2,647,591	--
Prepaid items	2,357,022	197,756	2,554,778	173,119
Restricted assets				
Cash, cash equivalents and investments (Note 5)	262,316,204	313,652,106	575,968,310	--
Receivables, net of allowance for uncollectibles (Note 7)	18,627,849	122,652	18,750,501	--
Other property	49,871	--	49,871	--
Land and construction in progress (Note 8)	156,244,699	399,549,775	555,794,474	--
Other capital assets, net of accumulated depreciation and amortization (Note 8)	442,806,785	1,279,142,243	1,721,949,028	280,423
Total assets	<u>1,074,540,242</u>	<u>2,142,921,697</u>	<u>3,217,461,939</u>	<u>1,527,591</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Unamortized loss on refunded debt	4,411,738	10,761,166	15,172,904	--
Deferred outflows related to pension liability (Note 9)	22,554,842	5,982,273	28,537,115	--
Total deferred outflows of resources	<u>26,966,580</u>	<u>16,743,439</u>	<u>43,710,019</u>	<u>--</u>
<b>LIABILITIES</b>				
Accounts payable	7,576,742	2,281,788	9,858,530	314,420
Accrued expenses	7,474,614	1,092,490	8,567,104	--
Accrued interest	3,803,541	9,114,030	12,917,571	--
Contractor interest and retainage payable	1,180,505	1,709,435	2,889,940	--
Deposits	1,234,083	2,356,535	3,590,618	--
Liability to claimants - escheat property	106,230	124,308	230,538	--
Due to other governmental agencies	790,987	--	790,987	--
Unearned revenue	3,339,860	345,286	3,685,146	--
Current portion of estimated claims liability (Note 11)	7,752,096	--	7,752,096	--
Current portion of long-term liabilities (Note 13)				
Long-term debt	32,529,720	47,949,884	80,479,604	--
Landfill closure cost	--	756,722	756,722	--
Accumulated unpaid compensated absences	7,372,689	1,894,541	9,267,230	--

(Continued)

Exhibit 1-A

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Estimated liability claims, excluding current portion (Note 11)	6,990,306	--	6,990,306	--
Long-term liabilities, excluding current portion (Note 13)				
Long-term debt	489,571,275	1,166,350,978	1,655,922,253	--
Landfill closure cost	--	27,418,022	27,418,022	--
Accumulated unpaid compensated absences	27,056,423	1,754,952	28,811,375	--
Net pension liability (Note 9)	204,264,431	50,451,195	254,715,626	--
Net OPEB obligation (Note 10)	10,942,020	838,722	11,780,742	--
Total liabilities	<u>811,985,522</u>	<u>1,314,438,888</u>	<u>2,126,424,410</u>	<u>314,420</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unamortized gain on refunded debt	788,193	--	788,193	--
Deferred inflows related to pension liability (Note 9)	3,035,432	1,182,499	4,217,931	--
Total deferred inflows of resources	<u>3,823,625</u>	<u>1,182,499</u>	<u>5,006,124</u>	<u>--</u>
<b>NET POSITION</b>				
Net invested in capital assets	268,379,713	768,459,800	1,036,839,513	280,423
Restricted for				
Vital statistics records retention	307,831	--	307,831	--
Bond interest and redemption	1,344,500	2,457,383	3,801,883	--
Municipal and Juvenile Court	646,348	--	646,348	--
Fire contribution trust	5,585	--	5,585	--
PEG equipment and facilities	1,786,069	--	1,786,069	--
Tourism (HOT)	6,105,090	--	6,105,090	--
Traffic safety programs	752,809	--	752,809	--
State and federal grant programs	988,412	--	988,412	--
Parks and recreation	2,629,415	--	2,629,415	--
Infrastructure development	1,696,446	--	1,696,446	--
Loans	14,086,807	--	14,086,807	--
Crime control and prevention	5,441,581	--	5,441,581	--
Business and job development	66,381,385	--	66,381,385	--
Tax increment zone improvements	8,254,453	--	8,254,453	--
Public health	--	5,637,282	5,637,282	3,719
Law enforcement officers' standards and education	--	3,974	3,974	--
Construction of capital assets	--	11,931,593	11,931,593	--
Other	--	95,765	95,765	--
Unrestricted	<u>(93,108,769)</u>	<u>55,457,952</u>	<u>(37,650,817)</u>	<u>929,029</u>
Total net position	<u>\$ 285,697,675</u>	<u>\$ 844,043,749</u>	<u>\$ 1,129,741,424</u>	<u>\$ 1,213,171</u>

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

**STATEMENT OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2015**

	<u>Expenses</u>	<u>Charges for Services</u>
Primary government		
Governmental activities		
General government	\$ 20,095,432	\$ 25,920,218
Police and municipal court	91,069,002	13,916,904
Fire and ambulance	48,724,237	6,272,542
Emergency management	613,555	--
Inspections	2,379,102	--
Streets	34,051,106	12,894,106
Health	5,940,977	2,297,734
Parks and recreation	19,928,692	3,246,304
Libraries	4,575,572	163,688
Museums	1,866,875	647,555
Community enrichment	5,851,215	9,829
Community development	13,365,023	3,768,579
Convention and visitor activities	16,228,430	4,417,120
Interest on long-term debt	16,378,266	--
Total governmental activities	<u>281,067,484</u>	<u>73,554,579</u>
Business-type activities		
Solid Waste	29,152,032	37,475,401
Utilities		
Water	107,235,791	121,958,577
Gas	34,256,774	32,265,916
Wastewater	56,892,815	68,488,526
Airport	13,631,297	10,549,237
Golf centers	214,575	204,936
Marina	1,997,197	1,911,146
Total business-type activities	<u>243,380,481</u>	<u>272,853,739</u>
Total primary government	<u>\$ 524,447,965</u>	<u>\$ 346,408,318</u>
Component units		
Convention and visitor activities	<u>\$ 5,113,108</u>	<u>\$ 502,660</u>

Program Revenue		Net (expense) revenue and changes in net position			
Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Units
\$ --	\$ 84,364	\$ 5,909,151	\$ --	\$ 5,909,151	
1,991,283	306,244	(74,854,571)	--	(74,854,571)	
748,564	--	(41,703,131)	--	(41,703,131)	
225,248	--	(388,307)	--	(388,307)	
--	--	(2,379,102)	--	(2,379,102)	
--	4,315,748	(16,841,252)	--	(16,841,252)	
2,065,969	--	(1,577,274)	--	(1,577,274)	
2,532,070	1,288,269	(12,862,049)	--	(12,862,049)	
80,561	20	(4,331,303)	--	(4,331,303)	
--	--	(1,219,320)	--	(1,219,320)	
1,082,854	709,000	(4,049,532)	--	(4,049,532)	
1,172,603	879,905	(7,543,936)	--	(7,543,936)	
--	--	(11,811,310)	--	(11,811,310)	
--	328,276	(16,049,990)	--	(16,049,990)	
9,899,152	7,911,826	(189,701,926)	--	(189,701,926)	
--	--	--	8,323,369	8,323,369	
643,387	2,890,958	--	18,257,131	18,257,131	
56,266	38,126	--	(1,896,466)	(1,896,466)	
507,583	2,905,362	--	15,008,656	15,008,656	
19,099	20,779,968	--	17,717,007	17,717,007	
--	--	--	(9,639)	(9,639)	
--	605,246	--	519,195	519,195	
1,226,335	27,219,660	--	57,919,253	57,919,253	
\$ 11,125,487	\$ 35,131,486	(189,701,926)	57,919,253	(131,782,673)	
--	--				\$ (4,610,448)
General revenue					
Taxes					
Property taxes, levied for general purposes		69,730,902	--	69,730,902	--
Property taxes, levied for debt service		34,255,712	--	34,255,712	--
Sales taxes		89,126,468	--	89,126,468	--
Hotel occupancy taxes		15,110,411	--	15,110,411	--
Unrestricted investment earnings		1,277,826	1,217,295	2,495,121	629
Payments from primary government		--	--	--	4,959,744
Transfers		14,953,233	(14,953,233)	--	--
Total general revenue and transfers		224,454,552	(13,735,938)	210,718,614	4,960,373
Changes in net position		34,752,626	44,183,315	78,935,941	349,925
Net position at beginning of year		405,040,842	834,379,921	1,239,420,763	863,246
Prior period adjustment for change in accounting for pension liability (Note 1-P)		(154,095,793)	(34,519,487)	(188,615,280)	--
Adjusted net position at beginning of year		250,945,049	799,860,434	1,050,805,483	863,246
Net position at end of year		\$ 285,697,675	\$ 844,043,749	\$ 1,129,741,424	\$ 1,213,171

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

**GOVERNMENTAL FUNDS  
BALANCE SHEET  
SEPTEMBER 30, 2015**

<b>ASSETS</b>	<b>General</b>	<b>Debt Service</b>	<b>Street Capital Projects</b>	<b>Other Governmental Funds</b>
Cash, cash equivalents and investments (Note 5)	\$ 50,587,618	\$ 10,776,370	\$ 160,723,710	\$ 157,091,933
Receivables, net of allowance for uncollectibles (Note 7)	13,157,478	875,885	85,569	22,364,163
Inventories	--	--	--	362,863
Prepaid items	1,873	--	--	286,607
Advances to other funds (Note 15)	1,270,688	--	--	--
<b>Total assets</b>	<b>\$ 65,017,657</b>	<b>\$ 11,652,255</b>	<b>\$ 160,809,279</b>	<b>\$ 180,105,566</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 3,247,255	\$ 1,611	\$ 28,777	\$ 2,045,543
Accrued liabilities	7,034,566	--	--	669,534
Contractor interest and retainage payable	--	--	186,051	1,015,882
Deposits	502,787	--	353,400	577,103
Liability to claimants - escheat property	86,886	--	--	--
Due to other funds (Note 15)	--	--	--	1,029,019
Due to other governmental agencies	362,016	--	--	428,971
Advance from other funds (Note 15)	--	--	--	500,000
Unearned revenues	2,262,646	873,110	--	2,651,756
<b>Total liabilities</b>	<b>13,496,156</b>	<b>874,721</b>	<b>568,228</b>	<b>8,917,808</b>
<b>Fund balances</b>				
<b>Nonspendable</b>				
Inventory	--	--	--	362,863
Prepaid items	1,873	--	--	230,961
Advances to other funds	1,270,688	--	--	--
<b>Total nonspendable</b>	<b>1,272,561</b>	<b>--</b>	<b>--</b>	<b>593,824</b>
<b>Restricted</b>				
Vital statistic record retention Municipal and Juvenile Court	307,831	--	--	--
Municipal Court building security	--	--	--	106,316
Municipal Court technology	--	--	--	119,707
Judicial/Court improvements	55,993	--	--	--
Juvenile Court case manager	--	--	--	364,332
Fire contribution trust	5,585	--	--	--
PEG equipment and facilities	19,768	--	--	1,766,301
Tourism (HOT)	--	--	--	6,105,090
Traffic safety programs	--	--	--	752,809

(Continued)

Exhibit 2-A

**Total  
Governmental  
Funds**

\$	379,179,631
	36,483,095
	362,863
	288,480
	<u>1,270,688</u>

\$	<u><u>417,584,757</u></u>
----	---------------------------

\$	5,323,186
	7,704,100
	1,201,933
	1,433,290
	86,886
	1,029,019
	790,987
	500,000
	<u>5,787,512</u>
	23,856,913

	362,863
	232,834
	<u>1,270,688</u>
	<u>1,866,385</u>

307,831

	106,316
	119,707
	55,993
	364,332
	5,585
	1,786,069
	6,105,090
	752,809

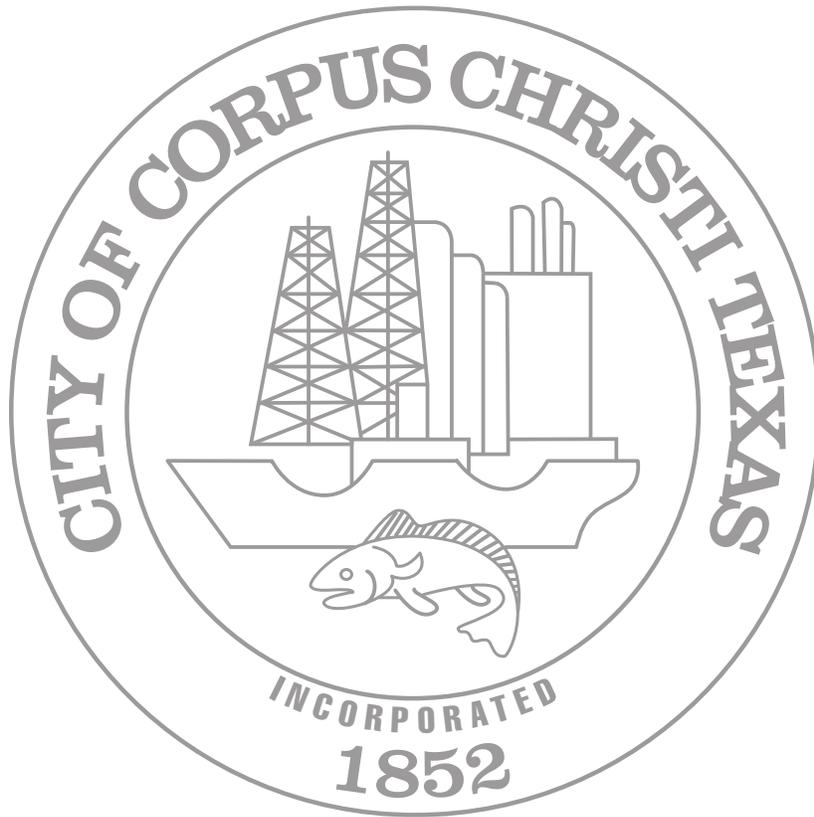
**GOVERNMENTAL FUNDS  
BALANCE SHEET  
SEPTEMBER 30, 2015**

	<u>General</u>	<u>Debt Service</u>	<u>Streets Capital Projects</u>	<u>Other Governmental Funds</u>
Federal and state grant programs				
Law enforcement	--	--	--	306,744
Fire and ambulance	--	--	--	4,764
CDBG projects	--	--	--	243,762
Libraries	--	--	--	28
Community enrichment	--	--	--	7,010
Parks and recreation	--	--	--	2,629,415
Infrastructure	--	--	--	1,696,446
Loans	--	--	--	14,086,807
Crime control and prevention	--	--	--	5,441,581
Business and job development				
Seawall improvement	--	--	--	37,249,581
Arena facility	--	--	--	20,581,973
Economic development	--	--	--	8,549,831
Tax increment zone improvements				
North Padre Island development	--	--	--	6,000,884
Downtown development	--	--	--	2,253,569
Debt service	--	--	--	1,344,500
Capital projects	--	--	156,013,014	37,679,256
Total restricted	<u>389,177</u>	<u>--</u>	<u>156,013,014</u>	<u>147,290,706</u>
Committed				
Major contingencies	39,525,111	--	--	--
Government access equipment	11,959	--	--	--
Radio system capital replacement	27,925	--	--	--
Debt service	--	10,777,534	--	--
Parking improvements	--	--	--	241,787
Streets	--	--	--	18,669,797
Sister City programs	--	--	--	1,165
Park projects	--	--	--	3,265
Permanent art projects	--	--	--	260,427
Development projects	--	--	--	1,106,310
Local Emergency Planning Committee	--	--	--	60,714
Capital projects	--	--	2,647,222	656,146
Total committed	<u>39,564,995</u>	<u>10,777,534</u>	<u>2,647,222</u>	<u>20,999,611</u>
Assigned				
Health 1115 Waiver	962,018	--	--	--
Visitors facilities	--	--	--	2,291,813
Development Services	5,014,281	--	--	--
Housing	--	--	--	87,000
Industrial development	--	--	--	68,775
Subsequent year's expenditures	4,139,593	--	--	--
Arts and Cultural Commission	4,252	--	--	--
Capital projects	--	--	1,580,815	62,867
Total assigned	<u>10,120,144</u>	<u>--</u>	<u>1,580,815</u>	<u>2,510,455</u>
Unassigned	<u>174,624</u>	<u>--</u>	<u>--</u>	<u>(206,838)</u>
Total fund balances	<u>51,521,501</u>	<u>10,777,534</u>	<u>160,241,051</u>	<u>171,187,758</u>
Total liabilities and fund balances	<u>\$ 65,017,657</u>	<u>\$ 11,652,255</u>	<u>\$ 160,809,279</u>	<u>\$ 180,105,566</u>

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

**Exhibit 2-A  
(Continued)**

<b>Total Governmental Funds</b>
306,744
4,764
243,762
28
7,010
2,629,415
1,696,446
14,086,807
5,441,581
37,249,581
20,581,973
8,549,831
6,000,884
2,253,569
1,344,500
<u>193,692,270</u>
<u>303,692,897</u>
39,525,111
11,959
27,925
10,777,534
241,787
18,669,797
1,165
3,265
260,427
1,106,310
60,714
<u>3,303,368</u>
<u>73,989,362</u>
962,018
2,291,813
5,014,281
87,000
68,775
4,139,593
4,252
<u>1,643,682</u>
<u>14,211,414</u>
<u>(32,214)</u>
<u>393,727,844</u>
<u>\$ 417,584,757</u>



**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2015**

**Total fund balance - total governmental funds** \$ 393,727,844

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 \$975,443,943 and the accumulated depreciation is \$390,698,595. The costs of assets in Solid Waste is \$115,790,303 and the accumulated depreciation is \$46,987,735 which are included in business-type activities. 653,547,916

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	\$	2,451,333	
Deferred assessments and liens		3,570	2,454,903

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. 30,236,091

Deferred inflows and outflows are not reported in the funds.

Governmental activities			
Unamortized loss on refunded debt	\$	4,411,738	
Deferred outflows related to pension liability		20,380,428	
Deferred inflows related to pension liability		(2,603,672)	
Unamortized gain on refunded debt		(788,193)	
Solid Waste			
Unamortized loss on refunded debt		4,015,206	
Deferred outflows related to pension liability		1,082,198	
Deferred inflows related to pension liability		(212,568)	26,285,137

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	\$	(3,344,883)	
Long-term debt		(519,905,745)	
Accumulated compensated absences		(32,834,449)	
Net pension liability		(186,143,020)	
Solid Waste			
Accrued interest		(137,756)	
Long-term debt		(55,495,802)	
Accumulated compensated absences		(969,819)	
Net pension liability		(8,301,156)	
Landfill closure costs		(28,174,744)	(835,307,374)

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.

14,753,158

**Net position of governmental activities** \$ 285,697,675

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

**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<u>General</u>	<u>Debt Service</u>	<u>Street Capital Projects</u>
<b>Revenues</b>			
Taxes and business fees	\$ 146,963,707	\$ 34,181,412	\$ --
Licenses and permits	7,612,701	--	--
Intergovernmental	--	--	--
Grants	302,975	--	--
Charges for services	57,843,619	--	--
Fines and forfeitures	4,113,054	--	--
Contributions and donations	--	--	709,320
Special assessments	--	--	67,952
Earnings on investments	491,505	47,112	284,697
Interest on loans	--	--	--
Payments from Texas State Aquarium	--	328,276	--
Sale of City property	--	--	--
Miscellaneous	1,633,719	--	49,242
Total revenues	<u>218,961,280</u>	<u>34,556,800</u>	<u>1,111,211</u>
<b>Expenditures</b>			
Current			
General government	20,047,754	--	215,235
Police and municipal court	78,305,545	--	--
Fire and ambulance	49,530,979	--	--
Emergency management	410,149	--	--
Inspections	2,192,750	--	--
Streets	3,434,796	--	--
Solid waste	23,153,110	--	--
Health	3,496,163	--	--
Parks and recreation	14,047,373	--	--
Libraries	4,011,974	--	--
Museums	1,567,889	--	--
Community enrichment	--	--	--
Community development	--	--	--
Convention and visitors activities	--	--	--
Capital projects	--	--	11,190,163
Debt service			
Principal retirement	4,401,551	24,705,189	--
Interest	268,836	14,881,805	--
Bond issue cost	--	12,729	716,865
Paying agent fees	--	39,317	--
Total expenditures	<u>204,868,869</u>	<u>39,639,040</u>	<u>12,122,263</u>
Excess (deficiency) of revenues over (under) expenditures	14,092,411	(5,082,240)	(11,011,052)

(Continued)

Exhibit 2-C

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 48,468,671	\$ 229,613,790
40,586	7,653,287
2,427,736	2,427,736
12,740,119	13,043,094
17,307,002	75,150,621
2,217,681	6,330,735
1,124,031	1,833,351
--	67,952
465,344	1,288,658
59,282	59,282
--	328,276
46,779	46,779
974,364	2,657,325
<u>85,871,595</u>	<u>340,500,886</u>
637,915	20,900,904
10,453,798	88,759,343
743,812	50,274,791
188,360	598,509
--	2,192,750
23,926,895	27,361,691
--	23,153,110
2,073,768	5,569,931
3,095,843	17,143,216
50,706	4,062,680
--	1,567,889
2,407,841	2,407,841
11,115,966	11,115,966
14,625,022	14,625,022
16,067,564	27,257,727
7,218,332	36,325,072
3,134,036	18,284,677
59,601	789,195
7,694	47,011
<u>95,807,153</u>	<u>352,437,325</u>
(9,935,558)	(11,936,439)

**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<b>General</b>	<b>Debt Service</b>	<b>Street Capital Projects</b>
<b>Other financing sources (uses)</b>			
Capital leases	4,137,196	--	--
General obligation bonds issued	--	--	83,571,766
Premium on bonds issued	--	--	9,002,953
Refunding bonds issued	--	2,137,681	--
Payment to escrow agent for refunded bonds	--	(2,137,681)	--
Transfers in (Note 15)	5,949,795	7,199,384	3,295
Transfers out (Note 15)	(24,642,125)	--	--
Total other financing sources (uses)	(14,555,134)	7,199,384	92,578,014
Net change in fund balance	(462,723)	2,117,144	81,566,962
Fund balances at beginning of year	51,984,224	8,660,390	78,674,089
Fund balances at end of year	\$ 51,521,501	\$ 10,777,534	\$ 160,241,051

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

**Exhibit 2-C  
(Continued)**

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
671,670	4,808,866
6,948,234	90,520,000
748,513	9,751,466
--	2,137,681
--	(2,137,681)
16,441,172	29,593,646
(2,912,833)	(27,554,958)
<u>21,896,756</u>	<u>107,119,020</u>
11,961,198	95,182,581
<u>159,226,560</u>	<u>298,545,263</u>
<u>\$ 171,187,758</u>	<u>\$ 393,727,844</u>

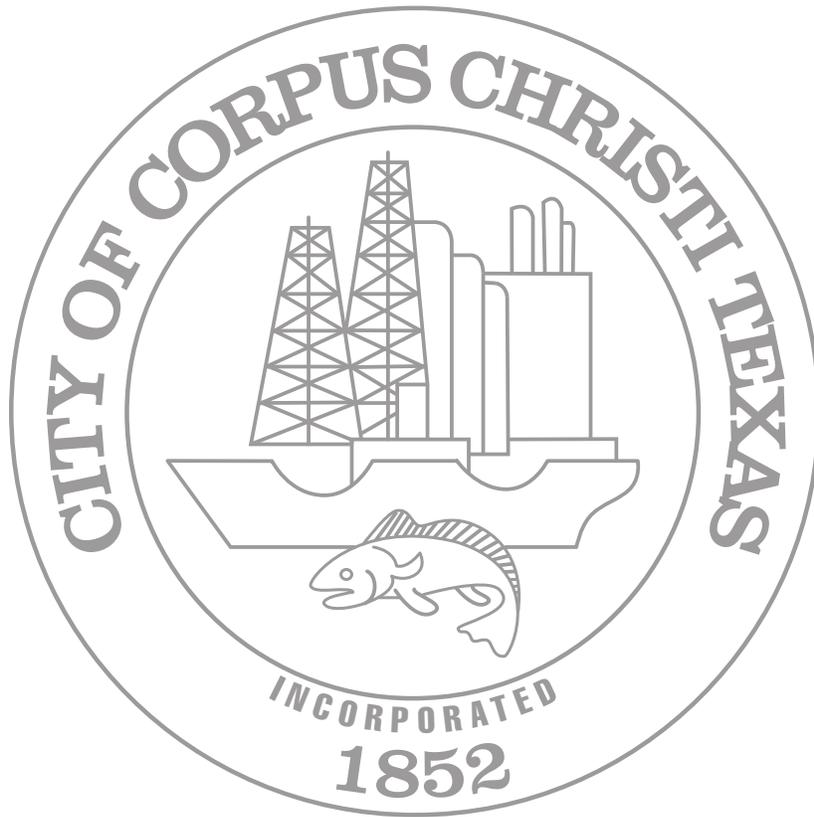


Exhibit 2-D

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2015**

**Net change in fund balances - total governmental funds** \$ 95,182,581

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	\$ 27,598,433	
Retirement of capital assets	(11,791)	
Depreciation	(20,925,508)	
Solid Waste		
Capital outlays	4,751,590	
Depreciation	(4,739,699)	6,673,025

Delinquent property taxes and special assessments, net of allowance, are not reported as revenue in the governmental funds. These items increased in the current fiscal year. 187,939

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 proceeds exceeded repayment.

Governmental activities		
Bond proceeds	\$ (100,271,466)	
Refunding bonds issued	(2,137,681)	
Payment to escrow agent for refunded bonds	2,137,681	
Capital leases	(1,253,969)	
Principal retirement	30,745,814	
Interest	457,031	
Solid Waste		
Capital leases	(3,554,897)	
Principal retirement	5,579,258	
Interest	(548,893)	(68,847,122)

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 \$4,292,610 and solid waste activities decreased by \$81,178. 4,211,435

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. (1,866,936)

Net pension liability and related deferred outflows and inflows reported in the statement of net position did not require the use of current financial resources, and therefore are not an expenditure in the governmental funds. Net pension liability and related deferred outflows and inflows for governmental funds decreased by \$1,181,513 and solid waste activities increased by \$50,759. (1,130,754)

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	\$ (8,323,369)	
Net transfers	10,909,823	
Investment earnings	(5,242)	2,581,212

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. (2,238,754)

**Change in net position of governmental activities** \$ 34,752,626

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

**GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2015**

	<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	\$ 151,293,596	\$ 151,293,596	\$ 146,963,707	\$ --
Licenses and permits	1,741,350	1,741,350	7,612,701	(5,410,699)
Grants	382,400	382,400	302,975	--
Charges for services	58,226,694	57,106,634	57,843,619	(215,751)
Fines and forfeitures	4,702,884	4,702,884	4,113,054	--
Earnings on investments	905,000	905,000	491,505	(13,510)
Miscellaneous	955,741	981,238	1,633,719	(13,681)
Reimbursements	4,686,733	4,686,733	--	5,239,625
Total revenues	<u>222,894,398</u>	<u>221,799,835</u>	<u>218,961,280</u>	<u>(414,016)</u>
<b>Expenditures</b>				
Current				
General government	23,561,800	22,988,338	20,047,754	(1,574,209)
Police and municipal court	78,539,469	80,641,188	78,305,545	1,690,500
Fire and ambulance	49,747,494	51,050,734	49,530,979	684,954
Emergency management	469,188	467,688	410,149	--
Inspections	--	--	2,192,750	(2,192,750)
Streets	3,685,906	4,103,640	3,434,796	745
Solid waste	27,681,251	29,086,815	23,153,110	4,876,958
Health	5,332,485	3,926,420	3,496,163	--
Parks and recreation	16,974,721	17,281,719	14,047,373	1,583,156
Libraries	4,024,249	4,060,944	4,011,974	--
Museums	1,502,227	1,520,724	1,567,889	--
Debt service				
Principal retirement	--	--	4,401,551	(4,401,551)
Interest	--	--	268,836	(268,836)
Total expenditures	<u>211,518,790</u>	<u>215,128,210</u>	<u>204,868,869</u>	<u>398,967</u>
Excess (deficiency) of revenues over (under) expenditures	11,375,608	6,671,625	14,092,411	(812,983)
<b>Other financing sources (uses)</b>				
Capital leases	--	--	4,137,196	(4,137,196)
Transfers in (Note 15)	6,017,261	6,017,261	5,949,796	247,552
Transfers out (Note 15)	(17,392,870)	(19,929,398)	(24,642,125)	4,755,519
Total other financing sources (uses)	<u>(11,375,609)</u>	<u>(13,912,137)</u>	<u>(14,555,133)</u>	<u>865,875</u>
Net change in fund balance	(1)	(7,240,512)	(462,722)	52,892
Fund balance at beginning of year	<u>36,568,481</u>	<u>51,984,224</u>	<u>51,984,224</u>	<u>(5,401,990)</u>
Fund balance at end of year	<u>\$ 36,568,480</u>	<u>\$ 44,743,712</u>	<u>\$ 51,521,502</u>	<u>\$ (5,349,098)</u>

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

Exhibit 3

Actual Budget Basis	Variance Final Budget Positive (Negative)
\$ 146,963,707	\$ (4,329,889)
2,202,002	460,652
302,975	(79,425)
57,627,868	521,234
4,113,054	(589,830)
477,995	(427,005)
1,620,038	638,800
5,239,625	552,892
<u>218,547,264</u>	<u>(3,252,571)</u>
18,473,545	4,514,793
79,996,045	645,143
50,215,933	834,801
410,149	57,539
--	--
3,435,541	668,099
28,030,068	1,056,747
3,496,163	430,257
15,630,529	1,651,190
4,011,974	48,970
1,567,889	(47,165)
--	--
--	--
<u>205,267,836</u>	<u>9,860,374</u>
13,279,428	6,607,803
--	--
6,197,348	180,087
(19,886,606)	42,792
<u>(13,689,258)</u>	<u>222,879</u>
(409,830)	6,830,682
<u>46,582,234</u>	<u>--</u>
<u>\$ 46,172,404</u>	<u>\$ 6,830,682</u>

**PROPRIETARY FUNDS  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2015**

	<b>Enterprise Funds</b>		
	<b>Utility System Fund</b>	<b>Airport Fund</b>	<b>Other Enterprise Funds</b>
<b>ASSETS</b>			
Current assets			
Cash, cash equivalents and investments (Note 5)	\$ 109,399,552	\$ 5,627,279	\$ 384,453
Receivables, net of allowance for uncollectibles (Note 7)	26,415,991	1,567,659	639,188
Due from other funds (Note 15)	--	1,029,019	--
Inventories	687,818	29,637	--
Prepaid items	197,756	--	--
Restricted assets			
Cash, cash equivalents and investments (Note 5)	308,841,246	4,789,432	--
Receivables, net of allowance for uncollectibles (Note 7)	--	122,652	--
Total restricted assets	<u>308,841,246</u>	<u>4,912,084</u>	<u>--</u>
Total current assets	<u>445,542,363</u>	<u>13,165,678</u>	<u>1,023,641</u>
Noncurrent assets			
Other assets	--	--	--
Capital assets (Note 8)			
Land and construction in progress	325,980,962	59,923,175	3,435,550
Other capital assets, net of accumulated depreciation and amortization	1,131,032,432	83,179,335	6,337,996
Net capital assets	<u>1,457,013,394</u>	<u>143,102,510</u>	<u>9,773,546</u>
Total noncurrent assets	<u>1,457,013,394</u>	<u>143,102,510</u>	<u>9,773,546</u>
Total assets	<u>1,902,555,757</u>	<u>156,268,188</u>	<u>10,797,187</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Unamortized loss on refunded debt	6,216,987	495,962	33,011
Deferred outflows related to pension liability (Note 9)	4,228,812	583,048	88,215
Total deferred outflows of resources	<u>10,445,799</u>	<u>1,079,010</u>	<u>121,226</u>

(Continued)

**Exhibit 4-A**

<u>Total</u>	<u>Internal Service Funds</u>
\$ 115,411,284	\$ 60,620,591
28,622,838	395,428
1,029,019	--
717,455	1,567,273
197,756	2,068,542
313,630,678	--
122,652	--
<u>313,753,330</u>	<u>--</u>
<u>459,731,682</u>	<u>64,651,834</u>
--	49,871
389,339,687	133,039
1,220,549,763	14,173,097
<u>1,609,889,450</u>	<u>14,306,136</u>
<u>1,609,889,450</u>	<u>14,356,007</u>
2,069,621,132	79,007,841
6,745,960	--
<u>4,900,075</u>	<u>2,174,414</u>
<u>11,646,035</u>	<u>2,174,414</u>

**PROPRIETARY FUNDS  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2015**

	<b>Enterprise Funds</b>		
	<b>Utility System Fund</b>	<b>Airport Fund</b>	<b>Other Enterprise Funds</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable	\$ 2,205,358	\$ 65,688	\$ 10,742
Accrued expenses	748,068	101,183	13,753
Accrued interest	8,877,546	83,507	15,221
Current portion of estimated liability claims (Note 11)	--		--
Contractor interest and retainage payable	1,520,702	6,902	160,403
Deposits	2,001,992	17,090	133,598
Liability to claimants - escheat property	124,308	--	--
Advances from other funds	--	--	770,688
Unearned revenue	16,204	298,641	27,391
Current portion of long-term liabilities (Note 13)			
Long-term debt	41,952,239	1,215,000	215,000
Accumulated unpaid compensated absences	1,008,150	82,482	22,490
Total current liabilities	<u>58,454,567</u>	<u>1,870,493</u>	<u>1,369,286</u>
<b>Noncurrent liabilities</b>			
Estimated liability claims, net of current portion (Note 11)	--	--	--
Long-term liabilities, net of current portion (Note 13)			
Long-term debt	1,084,916,000	25,442,464	5,064,357
Accumulated unpaid compensated absences	1,337,504	190,406	38,642
Net pension liability (Note 9)	36,889,111	4,556,768	704,160
Net OPEB obligation (Note 10)	570,199	81,960	14,412
Total noncurrent liabilities	<u>1,123,712,814</u>	<u>30,271,598</u>	<u>5,821,571</u>
Total liabilities	<u>1,182,167,381</u>	<u>32,142,091</u>	<u>7,190,857</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pension liability (Note 9)	<u>837,019</u>	<u>115,147</u>	<u>17,765</u>
<b>NET POSITION</b>			
Net invested in capital assets	625,906,556	118,850,742	4,527,200
Restricted for			
Passenger facility charges projects	--	2,457,383	--
Bond interest and redemption	11,931,593	--	--
Improvements to utility lines and facilities	5,637,282	--	--
Abatement of public health hazards	95,765	--	--
Law enforcement officers' standards and education	--	3,974	--
Unrestricted	<u>86,425,960</u>	<u>3,777,861</u>	<u>(817,409)</u>
Total net position	<u>\$ 729,997,156</u>	<u>\$ 125,089,960</u>	<u>\$ 3,709,791</u>

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

**Exhibit 4-A**  
(continued)

<u>Total</u>	<u>Internal Service Funds</u>
\$ 2,281,788	\$ 2,253,556
863,004	458,658
8,976,274	--
--	7,752,096
1,688,007	--
2,152,680	4,648
124,308	19,344
770,688	--
342,236	10,302
43,382,239	523,253
1,113,122	536,562
<u>61,694,346</u>	<u>11,558,419</u>
--	6,990,306
1,115,422,821	1,671,997
1,566,552	1,058,101
42,150,039	18,121,411
666,571	11,114,171
<u>1,159,805,983</u>	<u>38,955,986</u>
<u>1,221,500,329</u>	<u>50,514,405</u>
<u>969,931</u>	<u>431,759</u>
749,284,498	12,110,886
2,457,383	--
11,931,593	--
5,637,282	--
95,765	--
3,974	--
<u>89,386,412</u>	<u>18,125,205</u>
<u>\$ 858,796,907</u>	<u>\$ 30,236,091</u>

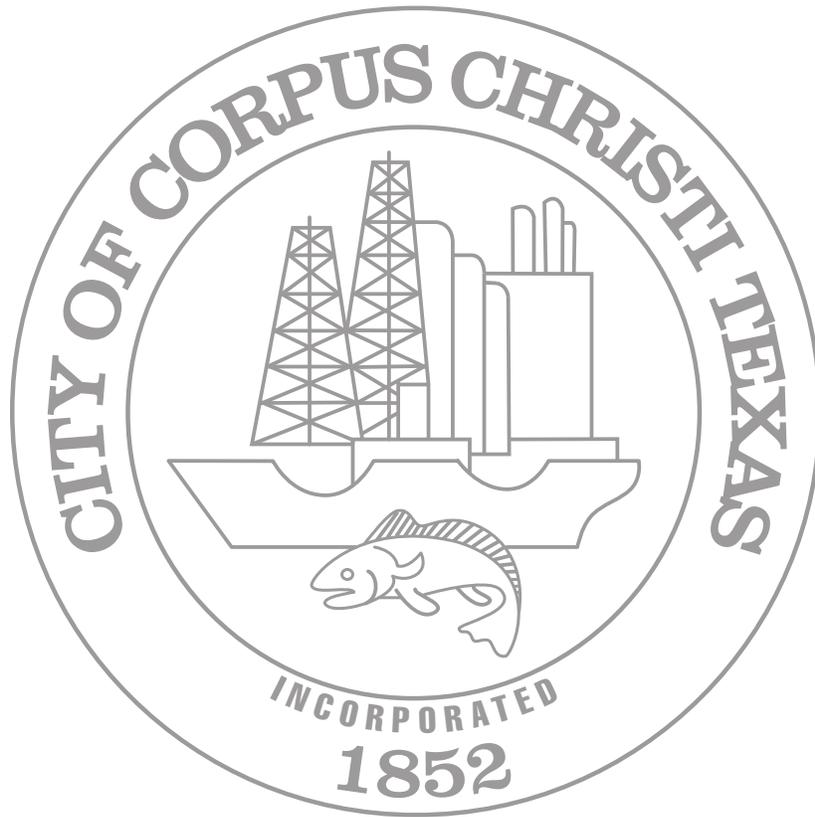


Exhibit 4-B

**RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF NET POSITION  
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2015**

<b>Total net position - total proprietary funds</b>	\$ 858,796,907
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.	<u>(14,753,158)</u>
<b>Net position of business-type activities</b>	<u><u>\$ 844,043,749</u></u>

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

**PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
YEAR ENDED SEPTEMBER 30, 2015**

	Enterprise Funds			Total	Internal Service Funds
	Utility System Fund	Airport Fund	Other Enterprise Funds		
<b>Operating revenues</b>					
Charges for services - net	\$ 219,743,224	\$ 8,248,587	\$ 2,113,352	\$ 230,105,163	\$ 71,004,320
<b>Operating expenses</b>					
Personal services	32,458,503	4,258,120	695,992	37,412,615	16,437,463
Materials and supplies	35,777,249	461,912	75,306	36,314,467	2,312,228
Contractual services	29,282,576	1,785,263	335,817	31,403,656	21,697,829
Other operating expenses	21,249,832	691,884	302,878	22,244,594	2,353,074
Uncollectible accounts	1,426,856	35,032	29,521	1,491,409	(46,397)
Depreciation	33,995,261	5,159,587	613,554	39,768,402	4,155,030
Self-insurance claims	--	--	--	--	30,157,544
Other post employment benefits (Note 10)	--	--	--	--	807,403
Total operating expenses	<u>154,190,277</u>	<u>12,391,798</u>	<u>2,053,068</u>	<u>168,635,143</u>	<u>77,874,174</u>
Operating income (loss)	65,552,947	(4,143,211)	60,284	61,470,020	(6,869,854)
<b>Nonoperating revenues (expenses)</b>					
Investment income	1,169,357	35,833	6,863	1,212,053	176,857
Interest expense and fiscal charges	(36,485,434)	(1,010,699)	(49,077)	(37,545,210)	(88,449)
Bond issue costs	(3,709,701)	--	(51,585)	(3,761,286)	--
Passenger facility charges	--	1,322,682	--	1,322,682	--
Customer facility charges	--	974,746	--	974,746	--
Net gain on disposal of assets	293,297	3,222	2,730	299,249	(48,362)
Recovery on damage claims	10,952	--	--	10,952	19,049
Developer deposits	1,524,228	--	--	1,524,228	--
Reimbursements to developers	(578,207)	--	--	(578,207)	--
Contributions from other governmental agencies	1,207,236	19,099	--	1,226,335	--
Total nonoperating revenues (expenses)	<u>(36,568,272)</u>	<u>1,344,883</u>	<u>(91,069)</u>	<u>(35,314,458)</u>	<u>59,095</u>
<b>Capital contributions</b>					
Contributions from other governmental agencies	28,540	20,736,242	605,246	21,370,028	--
Contributions from developers	5,767,780	--	--	5,767,780	--
Contributions from others	38,127	43,726	--	81,853	--
Total capital contributions	<u>5,834,447</u>	<u>20,779,968</u>	<u>605,246</u>	<u>27,219,661</u>	<u>--</u>
Income (loss) before transfers	34,819,122	17,981,640	574,461	53,375,223	(6,810,759)
Transfers in (Note 15)	331,500	--	--	331,500	5,667,226
Transfers out (Note 15)	(6,551,357)	(335,537)	(55,302)	(6,942,196)	(1,095,221)
Total transfers	<u>(6,219,857)</u>	<u>(335,537)</u>	<u>(55,302)</u>	<u>(6,610,696)</u>	<u>4,572,005</u>
Net income (loss)	28,599,265	17,646,103	519,159	46,764,527	(2,238,754)
Net position at beginning of year	726,735,629	110,524,769	3,660,914	840,921,312	44,635,658
Prior period adjustment for change in accounting for pension liability (Note 9)	<u>(25,337,738)</u>	<u>(3,080,912)</u>	<u>(470,282)</u>	<u>(28,888,932)</u>	<u>(12,160,813)</u>
Adjusted net position at beginning of year	<u>701,397,891</u>	<u>107,443,857</u>	<u>3,190,632</u>	<u>812,032,380</u>	<u>32,474,845</u>
Net position at end of year	<u>\$ 729,997,156</u>	<u>\$ 125,089,960</u>	<u>\$ 3,709,791</u>	<u>\$ 858,796,907</u>	<u>\$ 30,236,091</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, 2015**

**Net change in net position - total proprietary funds** \$ 46,764,527

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	\$	8,323,369	
Net transfers	\$	(10,909,823)	
Investment earnings	\$	5,242	
			(2,581,212)

**Change in net position of business-type activities** \$ 44,183,315

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

**PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
YEAR ENDED SEPTEMBER 30, 2015**

	<b>Enterprise Funds</b>			<b>Total</b>	<b>Internal Service Funds</b>
	<b>Utility System Fund</b>	<b>Airport Fund</b>	<b>Other Enterprise Funds</b>		
<b>Cash flows from operating activities</b>					
Receipts from customers	\$ 218,871,200	\$ 8,763,561	\$ 2,085,630	\$ 229,720,391	\$ 8,926,971
Receipts from interfund services provided	983,942	--	--	983,942	71,866,906
Payments to suppliers	(60,864,845)	(2,651,284)	(395,070)	(63,911,199)	(33,539,964)
Payments to employees	(28,810,699)	(3,931,340)	(618,047)	(33,360,086)	(14,942,813)
Internal activity - payments to other funds	(26,935,878)	(1,073,688)	(389,857)	(28,399,423)	(3,876,504)
Claims paid	--	--	--	--	(27,430,088)
Other receipts	1,000	--	--	1,000	(15,249)
Net cash provided by operating activities	<u>103,244,720</u>	<u>1,107,249</u>	<u>682,656</u>	<u>105,034,625</u>	<u>989,259</u>
<b>Cash flows from noncapital financing activities</b>					
Changes in interfund borrowings	(28,500,000)	(1,029,019)	--	(29,529,019)	14,500,000
Advances from other funds	--	--	29,806	29,806	--
Contributions from other government agencies	--	19,099	--	19,099	--
Transfers in from other funds	331,500	--	--	331,500	2,995,321
Transfers out to other funds	(6,551,357)	(335,537)	(55,302)	(6,942,196)	(763,721)
Net cash provided by (used for) noncapital financing activities	<u>(34,719,857)</u>	<u>(1,345,457)</u>	<u>(25,496)</u>	<u>(36,090,810)</u>	<u>16,731,600</u>
<b>Cash flows from capital and related financing activities</b>					
Acquisition of capital assets	(90,168,129)	(24,764,341)	(3,517,235)	(118,449,705)	(4,496,737)
Proceeds from sale of capital assets	299,463	3,222	2,730	305,415	75,746
Developers deposits	655,245	--	--	655,245	--
Capital contributions	38,127	--	--	38,127	--
Reimbursements to developers	290,776	--	--	290,776	--
Contributions from other governmental agencies	--	20,155,204	--	20,155,204	--
Passenger facility charge	--	1,393,693	--	1,393,693	--
Customer facility charges	--	996,711	--	996,711	--
Proceeds from issuance of revenue bonds	262,539,417	--	2,548,415	265,087,832	--
Transfers in from other funds related to capital acquisition	--	--	--	--	2,671,905
Return of prior year transfers related to capital acquisition	--	--	--	--	(331,500)
Principal paid on long-term debt	(39,773,364)	(1,193,706)	(290,000)	(41,257,070)	(489,534)
Interest expense and fiscal charges	(37,853,145)	(1,002,718)	(93,342)	(38,949,205)	(88,449)
Recovery on damage claims	10,952	--	--	10,952	--
Net cash provided by (used for) capital and related financing activities	<u>96,039,342</u>	<u>(4,411,935)</u>	<u>(1,349,432)</u>	<u>90,277,975</u>	<u>(2,658,569)</u>
<b>Cash flows from investing activities</b>					
Investment income	1,286,435	38,533	6,864	1,331,832	199,357
Net cash provided by investing activities	<u>1,286,435</u>	<u>38,533</u>	<u>6,864</u>	<u>1,331,832</u>	<u>199,357</u>
Net increase (decrease) in cash, cash equivalents and investments	165,850,640	(4,611,610)	(685,408)	160,553,622	15,261,647
Cash, cash equivalents and investments at beginning of year, including restricted accounts	<u>252,390,158</u>	<u>15,028,321</u>	<u>1,069,861</u>	<u>268,488,340</u>	<u>45,358,944</u>
Cash, cash equivalents and investments at end of year, including restricted accounts	<u>\$ 418,240,798</u>	<u>\$ 10,416,711</u>	<u>\$ 384,453</u>	<u>\$ 429,041,962</u>	<u>\$ 60,620,591</u>

(Continued)

**PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
YEAR ENDED SEPTEMBER 30, 2015**

	Enterprise Funds			Total	Internal Service Funds
	Utility System Fund	Airport Fund	Other Enterprise Funds		
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>					
Operating income (loss)	\$ 65,552,947	\$ (4,143,211)	\$ 60,284	\$ 61,470,020	\$ (6,869,854)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities					
Depreciation	33,995,261	5,159,587	613,554	39,768,402	4,155,030
Amortization of water rights	2,025,374	--	--	2,025,374	--
Provision for uncollectible accounts	1,426,856	35,032	29,521	1,491,409	(46,397)
Operating costs paid from bond proceeds	7,500	--	--	7,500	--
Recovery on damage claims	--	--	--	--	19,049
Changes in assets and liabilities					
Receivables	(172,593)	197,595	(29,136)	(4,134)	(235,997)
Inventory	(203,348)	4,741	--	(198,607)	121,106
Prepaid items	--	--	--	--	(439,939)
Deferred outflows of resources	(1,444,577)	(239,949)	(35,196)	(1,719,722)	(917,209)
Accounts payable	(227,001)	(108,981)	6,838	(329,144)	591,902
Accrued expenses	6,848	5,899	(3,882)	8,865	(15,747)
Deposits	461,157	(2,983)	(1,369)	456,805	--
Unearned revenue	--	--	2,784	2,784	9,826
Accumulated unpaid compensated absences	146,312	(28,228)	3,472	121,556	158,481
Net pension liability	764,036	105,107	16,217	885,360	503,188
Net OPEB obligation	69,573	7,493	1,804	78,870	(282,921)
Liability to claimants-escheat property	(644)	--	--	(644)	(801)
Estimated claims liability	--	--	--	--	3,807,783
Deferred inflows of resources	837,019	115,147	17,765	969,931	431,759
Net cash provided by operating activities	<u>\$ 103,244,720</u>	<u>\$ 1,107,249</u>	<u>\$ 682,656</u>	<u>\$ 105,034,625</u>	<u>\$ 989,259</u>
<b>Noncash investing, capital and financing activities</b>					
Change in fair value of investments	\$ 159,037	\$ --	\$ --	\$ 159,037	\$ 18,581
Change in accrued interest receivable	\$ 57,917	\$ --	\$ --	\$ 57,917	\$ --
Contribution of capital assets	\$ 5,767,780	\$ --	\$ --	\$ 5,767,780	\$ --
Acquisition of capital assets under capital lease	\$ 972,680	\$ --	\$ --	\$ 972,680	\$ 258,313
Acquisition of capital assets accrued but not paid	\$ (5,522,361)	\$ (1,350,760)	\$ 160,403	\$ (6,712,718)	\$ --
Bond refunding	\$ 128,470,146	\$ --	\$ --	\$ 128,470,146	\$ --
Bond issue costs	\$ 3,709,701	\$ --	\$ 51,585	\$ 3,761,286	\$ --
Build America Bonds interest subsidy	\$ 1,188,783	\$ --	\$ --	\$ 1,188,783	\$ --
Write-down of water rights due to refunding of underlying debt	\$ (1,574,240)	\$ --	\$ --	\$ (1,574,240)	\$ --

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

**FIDUCIARY FUNDS  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2015**

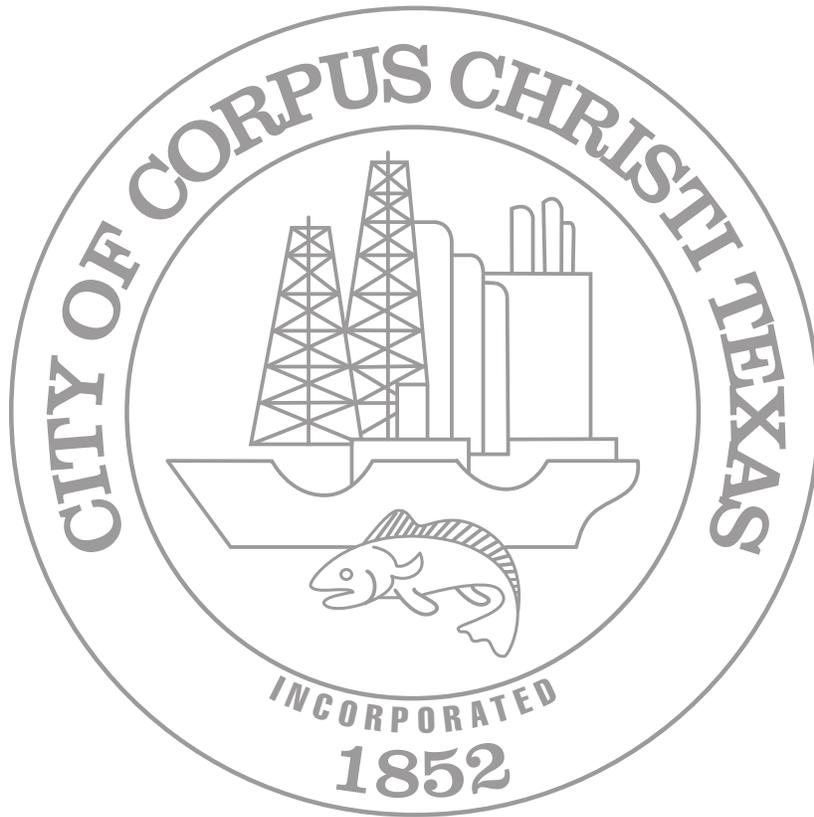
	<b>Deferred Compensation Plan</b>	<b>Private Purpose Trust Fund</b>
<b>ASSETS</b>		
Cash and cash equivalents (Note 5)	\$ --	\$ 258,682
Mutual funds		
Guaranteed Rate Accounts	29,001,275	--
Stocks	35,587,277	--
Bonds	2,427,112	--
Combined Stocks and Bonds	11,658,709	--
Money Markets	63,270	--
Receivables		
Participant loans	1,902,124	--
Total assets	<u>80,639,767</u>	<u>258,682</u>
<b>LIABILITIES</b>	--	--
<b>NET POSITION</b>		
Held in trust for deferred compensation benefits	80,639,767	--
Held in trust for individuals and organizations	<u>--</u>	<u>258,682</u>
Total net position	<u>\$ 80,639,767</u>	<u>\$ 258,682</u>

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

**FIDUCIARY FUNDS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<b>Deferred Compensation Plan</b>	<b>Private Purpose Trust Fund</b>
<b>Additions</b>		
Employee contributions	\$ 5,460,385	\$ --
Other contributions	--	700
Earnings on investments	851,342	121
Total additions	6,311,727	821
<b>Deductions</b>		
Payment of benefits	6,651,828	--
Administrative fees	23,975	--
Disbursements for designated purposes	--	500
Total deductions	6,675,803	500
Net increase (decrease)	(364,076)	321
Net position at beginning of year	81,003,843	258,361
Net position at end of year	\$ 80,639,767	\$ 258,682

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 78401.

**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 City Council has authority to remove board members at will, and therefore has the ability to impose its will on the organization. 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 City has a contractual obligation to support the Visitors Bureau with a portion of Hotel Occupancy Taxes and has a financial benefit/burden relationship. 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.

	<u>Coastal Bend Health Facilities Development Corporation</u>	<u>Corpus Christi Convention and Visitors Bureau</u>
Assets		
Current assets	\$ 3,719	\$ 1,243,449
Capital assets	--	280,423
Total assets	<u>3,719</u>	<u>1,523,872</u>
Current liabilities	<u>--</u>	<u>314,420</u>
Net position		
Invested in capital assets	--	280,423
Unrestricted	3,719	929,029
Total net position	<u>\$ 3,719</u>	<u>\$ 1,209,452</u>
Revenues	\$ --	\$ 5,463,033
Expenses	--	5,113,108
Change in net position	--	349,925
Net position at beginning of year	3,719	859,527
Net position at end of year	<u>\$ 3,719</u>	<u>\$ 1,209,452</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  
101 North Shoreline, Suite 430  
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 adjustments 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 the City Manager.

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.

**The airport fund** is used to account for the operations of the Corpus Christi International Airport.

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, Cash Equivalents and Investments**

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. In prior years, Cash and Cash Equivalents were broken out separately from Investments. In fiscal year 2015, Investments were reclassified into Cash, Cash Equivalents, and Investments on Balance Sheets, Statements of Net Position, and Statements of Cash Flows. Cash, Cash Equivalents and Investments are included in both unrestricted as well as restricted assets.

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 on investments and unrealized gain/loss resulting from valuation is allocated to each fund based on the fund's overall cash balance.

**F. Receivables**

Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the government-wide governmental and business-type activities columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances. Within the governmental fund financial statements, long-term advances and long-term receivables are reflected as unspendable fund balance indicating 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 51% 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.

**G. 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.

**H. 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.

**I. 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	40-50
Gas pipelines	40-57
Infrastructure	40-50
Utility plants	40-45
Runways and related improvements	25
Terminals and hangers	50
Buildings	40
Improvements other than buildings	20
Vehicles	4-6
Machinery and equipment	4-15
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.

#### **J. Restricted Assets**

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

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

Certain assets of governmental funds are reclassified as restricted for presentation on the government-wide statement of net 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 assets are available, the City's policy is to apply restricted assets first.

#### **K. 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.

#### **L. 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.

#### **M. Pension Plans**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and the Fire Fighters Retirement System (FFRS) and additions to/deductions from TMRS's and FFRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS and FFRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the

employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## **N. Fund Equity**

In the government-wide financial statements and proprietary fund financial statements, net position is classified in the following categories:

### *Net 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 “net 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.

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 revenue generated through enabling legislation includes Municipal and Juvenile Court fees, Vital Records fees, Redlight Photo Enforcement fines, and taxes from Crime Control District, CCBJDC, and tax increment zones.

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 a minimum of 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. It has a balance of \$39,525,111 and 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 inter-local 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. It has a balance of \$27,925 and is classified as committed resources.

### **P. Recent Accounting Pronouncements**

The GASB has issued the following statements which became effective for fiscal year 2015.

Statement No. 68, "Accounting and Financial Reporting for Pensions" – This statement changes the focus of pension accounting for employers from whether they are responsibly funding their plan over time to a point-in-time liability that is reflected in the employer's financial statements for any actuarially unfunded portion of benefits earned to date.

Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date" – This statement eliminates the source of a potential significant understatement of adjusted beginning net position and expense in the first year of implementation of Statement 68 in the accrual-basis financial statements of employers and non-employer contributing entities.

Implementation of GASB No. 68 and No. 71 resulted in prior period adjustments for the elimination of the previously reported net pension obligation, the recording of the beginning net pension liability and the beginning deferred outflow for contributions made after the measurement date. A breakdown of the elements of the prior period adjustments are shown below:

Prior period adjustment	Fund Level			
	Government-wide Statement of Activities		Statement of Revenues, Expenses and Changes in Net Position - Proprietary funds	
	Governmental Activities	Business-type Activities	Enterprise Funds	Internal Service Funds
Elimination of net pension obligation as of Sept. 30, 2014	\$ 29,449,981	\$ 11,047,116	\$ 9,195,385	\$ 4,200,207
Recording of net pension liability as of Sept. 30, 2014	(197,653,236)	(49,371,797)	(41,264,876)	(17,748,466)
Deferral for pension contributions made after the measurement date	14,107,462	3,805,194	3,180,559	1,387,446
Prior period adjustment	<u>\$ (154,095,793)</u>	<u>\$ (34,519,487)</u>	<u>\$ (28,888,932)</u>	<u>\$ (12,160,813)</u>

The GASB has issued the following statements which will become effective in future years.

Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions” – This statement changes the focus of accounting of postemployment benefits other than pension from whether they are responsibly funding the benefits over time to a point-in-time liability that is reflected on the employer’s financial statements for any actuarially unfunded portion of benefits earned to date. This statement will become effective for the City in fiscal year 2018.

Statement No. 77, “Tax Abatement Disclosures” – This statement requires governments that enter into tax abatement agreements to provide certain disclosures regarding these commitments. This statement will become effective for the City in fiscal year 2016.

## 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 is separately budgeted but does not meet the criteria to be a special revenue fund and thus is 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 2014-2015 tax rates (tax year 2014) 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 \$16,075,847 in additional taxes each year based on the assessed value of \$16,969,100,716. The City could raise up to \$186,454,493 in additional taxes for voter approved tax supported obligations, based on the assessed valuation of \$16,969,100,716 and a debt margin of \$1.098788 calculated on 90% collections.

### **5. Cash, Cash Equivalents and Investments**

In accordance with City policy, the total bank deposits of \$34,802,802 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 \$1,064,309 which were covered by FDIC or were secured by collateral held by the City's or component unit's agent in the name of the City or the component unit.

As of September 30, 2015, the City had the following cash, cash equivalents and investments:

<u>Type</u>	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
<b>Investments</b>			
U.S. Government Securities			
Federal Agency Coupon Securities and Discount Notes	\$ 479,823,956	\$ 480,073,136	1.052
Local government investment pools-overnight	242,537,652	242,537,652	0.003
Money market funds	111,261,900	111,261,900	0.003
Investment allowance	202,551	202,551	
Accrued interest receivable	440,119	440,119	
<b>Total Investments</b>	<u>834,266,178</u>	<u>834,515,358</u>	
Portfolio weighted average maturity			0.607
<b>Cash and Cash Equivalents</b>			
Deposits in Bank	\$ 34,802,802	\$ 34,802,802	
Cash Funds	31,885	31,885	
<b>Total Cash and Cash Equivalents</b>	<u>34,834,687</u>	<u>34,834,687</u>	
<b>Total Cash, Cash Equivalents, and Investments</b>	<u>\$ 869,100,865</u>	<u>\$ 869,350,045</u>	

**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 fair 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 engaged in securities lending transactions under a contract with its lending agent, Frost 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 had authorized Frost Bank to loan up to 100.0% of the par value of its investments in the City's Portfolio, consisting of agency and treasury securities, in securities lending transactions up to March 31, 2015 at which time Frost Bank exited the securities lending business.

Securities lending collateral is reported 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, 2015, 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 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, 2015, the City had no custodial credit risk exposure to borrowers because Frost Bank exited the securities lending business on March 31, 2015. 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 2015.

## **6. Budgetary Data**

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

(\$1,094,562) to revenues and other financing sources comprised of:

- (\$1,291,491) due to elimination of the Medicaid 1115 Waiver Para Medicine project

- \$2,000 donation received from Exxon Mobil for the purchase of equipment for Police Department
- \$21,899 reimbursement from TX State Library & Archives Commission for library technology services
- \$39,533 back filing of E911 fees from Vonage
- \$18,497 revenue from the sale of lead ballast from the Santa Maria for repairs & restoration of the Nina Columbus Ship
- \$110,000 additional towing fee revenue
- \$5,000 Port Industry donation

\$6,145,949 to expenditures and other financing sources comprised of:

- \$2,441,416 for encumbrances approved to carry forward from the end of the prior fiscal year
- \$2,000 for the purchase of equipment for Police Department from donation received
- \$166,500 for contract with Off Duty Bike Patrol Officers and Security Ambassadors patrol
- \$21,899 for library technology services reimbursed from TX State Library & Archives Commission
- \$1,077,424 transfer to Municipal Information Systems Fund for implementation of the Infor Enterprise Resource Planning system
- \$1,000,000 transfer to Street Maintenance Fund for the residential and local street program
- \$176,712 for additional costs related to the runoff elections held in December, 2014
- \$39,533 for expenditures related to the 911 Call line from back filing of E911 fees from Vonage
- \$293,472 for early completion of the Downtown Area Development Plan
- \$507,190 for purchase of six sedans and one light & air truck
- \$18,497 for repairs & restoration of the Nina Columbus Ship from revenue from the sale of lead ballast from the Santa Maria
- \$25,500 for electronic equipment and related training in the Municipal Court from fund balance restricted for Municipal Court improvements
- \$110,000 to pay for towing services from towing fee revenue
- \$5,000 to pay Texas A&M University to develop a plan for identifying gaps in family and youth support services from a Port Industry donation
- \$185,082 for City website redesign
- (\$1,291,491) due to elimination of the Medicaid 1115 Waiver Para Medicine project
- \$267,215 for repairs to Police Department roof
- \$1,100,000 transfer to Debt Service Fund for debt service on Certificates of Obligation to be issued for Solid Waste and Landfill facilities

Budget variances to expenditures and transfers include the following:

- General Government is under-budget by \$4,584,897. This includes \$204,433 in Intergovernmental Relations for professional service contracts partially paid by other funds, and other contracts continuing into FY2016 were rolled into next year's budget. \$263,418 for elections costs to be paid in FY2016 for the City Secretary department. In Human Relations there was a personnel budget surplus of \$133,202 with the majority of the savings in the training activity. Reserve Appropriations of \$2,064,045 are budgeted in the General Government function, but are allocated as needed during the year to other departments. Public Information was under-budget by \$331,851 because a Website redesign contract budgeted in FY2015 was not awarded until FY2016. Uncollectible expenses were under-budget, including \$250,000 for solid waste collections which were budgeted based on the average of prior three years. \$208,000 of other receivables that had been recorded in the Allowance for uncollectible accounts in the prior year were collected in FY2015.
- Police Department and Municipal Court were under-budget by \$645,143 due to professional services related to Municipal Court software (INCODE) commitments rolling over to next year, and vacancy salary savings in Municipal Court, City Marshalls, and MetroCom, partially offset by significant overtime expenditures in the Police Uniform Division.
- Fire and Ambulance is under-budget by \$834,801. This includes a variance in Fire of \$928,133 and in Ambulance of \$242,943 due to the timing of vehicle and equipment purchases; the budget will be rolled over to FY2016. A decrease of \$366,838 is due to the SAFER grant award used to offset the

additional fire academy expenditures.

- Streets are under-budget by \$668,099. This includes \$300,000 because of termination of an infrastructure maintenance contract with Star Operations. A replacement contract was not awarded prior to the end of the fiscal year because there were no bids on the first pass.
- Solid Waste is under-budget by \$1,056,747. Expenses for contracted landfill groundwater and air monitoring services were lower than budgeted by \$98,000. \$288,000 of funding for the pilot street sweeping program was not used due to delays in implementation and weather issues. New refuse collection equipment was ordered but not received in FY2015 due to delays in the bid and purchasing process and in manufacturing resulting in \$429,000 of lease purchase payments that were budgeted not being spent. Lower energy costs for diesel fuel and electricity, coupled with higher utilization of CNG vehicles, resulted in \$247,000 of savings.
- Parks & Recreation is under-budget by \$1,651,190. Salary savings caused Park Operations to be under-budget by \$261,849 and Tourist District to be under-budget by \$119,818, largely due to difficulties hiring peak season staff because of higher paying jobs available in the area. Budget for a palm tree maintenance agreement and purchases of a truck and mowers will be rolled over to FY2016. The Oso Bay Learning Center was budgeted for full operations to begin during FY2015. However, the building has not been completed, leading to \$310,655 under-budget with savings in salaries, building maintenance, furnishings and exhibits. Priority Maintenance was under-budget \$114,601 because wet conditions during much of the year caused delays in making purchases for and completing work on projects. Beach Operations was under \$121,749 due to salaries and service agreements. Latchkey Operations was under \$124,258 due to reduced enrollment in the program. Park Construction was under \$168,375 because fewer playground replacements were completed due to rainy weather.

**7. Receivables**

	General	Debt Service	Street Capital Projects	Utility System	Airport	Nonmajor and Other Funds	Total
<b>Unrestricted</b>							
Accounts	\$ 5,807,922	\$ --	\$ --	\$ 28,902,596	\$ 52,226	\$ 5,917,668	\$ 40,680,412
Taxes	3,231,490	1,787,737	--	--	--	--	5,019,227
Intergovernmental	5,000,872	--	--	1,104,763	1,555,103	6,692,048	14,352,786
Mortgages and loans	--	--	--	--	--	13,590,749	13,590,749
Property leases	15	--	--	188	--	1,732	1,935
Demolition liens	4,149,465	--	--	--	--	803,354	4,952,819
Special assessments	--	--	749,322	--	--	4,777	754,099
Employees	34,493	--	--	11,794	--	1,501	47,788
Miscellaneous	1,655,645	2,775	--	23,161	--	13,793	1,695,374
<b>Restricted</b>							
Accounts	--	--	--	--	122,652	--	122,652
Gross receivables	19,879,902	1,790,512	749,322	30,042,502	1,729,981	27,025,622	81,217,841
Less allowance for uncollectible	(6,722,424)	(914,627)	(663,753)	(3,626,511)	(39,670)	(3,626,843)	(15,593,828)
Net total receivables	<u>\$ 13,157,478</u>	<u>\$ 875,885</u>	<u>\$ 85,569</u>	<u>\$ 26,415,991</u>	<u>\$ 1,690,311</u>	<u>\$ 23,398,779</u>	<u>\$ 65,624,013</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	\$ 60,246,631	\$ 55,825	\$ --	\$ 60,302,456
Construction in Progress	88,829,763	7,112,480	--	95,942,243
Total capital assets, not being depreciated	<u>149,076,394</u>	<u>7,168,305</u>	<u>--</u>	<u>156,244,699</u>
Capital assets, being depreciated				
Buildings	236,216,895	1,310,065	--	237,526,960
Improvements	191,090,978	3,663,271	--	194,754,249
Machinery & Equipment	94,647,039	7,022,282	4,973,892	96,695,429
Infrastructure	335,784,335	13,189,555	--	348,973,890
Total capital assets, being depreciated	<u>857,739,247</u>	<u>25,185,173</u>	<u>4,973,892</u>	<u>877,950,528</u>
Less accumulated depreciation for:				
Buildings	89,735,310	5,798,158	--	95,533,468
Improvements	99,766,061	6,368,896	--	106,134,957
Machinery & Equipment	71,234,884	7,427,937	4,837,992	73,824,829
Infrastructure	154,164,944	5,485,545	--	159,650,489
Total accumulated depreciation	<u>414,901,199</u>	<u>25,080,536</u>	<u>4,837,992</u>	<u>435,143,743</u>
Total capital assets, being depreciated, net	<u>442,838,048</u>	<u>104,637</u>	<u>135,900</u>	<u>442,806,785</u>
<b>Governmental activities capital assets, net</b>	<u><u>\$ 591,914,442</u></u>	<u><u>\$ 7,272,942</u></u>	<u><u>\$ 135,900</u></u>	<u><u>\$ 599,051,484</u></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	\$ 36,556,116	\$ --	\$ --	\$ 36,556,116
Construction in progress	264,435,940	98,557,719	--	362,993,659
Total capital assets, not being depreciated	<u>300,992,056</u>	<u>98,557,719</u>	<u>--</u>	<u>399,549,775</u>
Capital assets, being depreciated				
Water rights	212,284,487	--	1,574,240	210,710,247
Buildings	94,808,686	1,517,174	--	96,325,860
Improvements	417,278,680	3,954,418	--	421,233,098
Machinery and equipment	66,149,634	6,791,809	1,177,990	71,763,453
Infrastructure	1,103,444,216	12,407,918	57,900	1,115,794,234
Total capital assets, being depreciated	<u>1,893,965,703</u>	<u>24,671,319</u>	<u>2,810,130</u>	<u>1,915,826,892</u>
Less: accumulated depreciation for				
Water rights	16,098,702	2,025,373	--	18,124,075
Buildings	38,056,000	2,257,903	--	40,313,903
Improvements	168,608,189	17,086,995	--	185,695,184
Machinery and equipment	47,208,623	5,395,726	1,177,991	51,426,358
Infrastructure	321,409,387	19,767,476	51,734	341,125,129
Total accumulated depreciation	<u>591,380,901</u>	<u>46,533,473</u>	<u>1,229,725</u>	<u>636,684,649</u>
Total capital assets, being depreciated, net	<u>1,302,584,802</u>	<u>(21,862,154)</u>	<u>1,580,405</u>	<u>1,279,142,243</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 1,603,576,858</u>	<u>\$ 76,695,565</u>	<u>\$ 1,580,405</u>	<u>\$ 1,678,692,018</u>

**Discretely presented component units**

Activity for the Convention and Visitors Bureau for the year ended September 30, 2015, was as follows:

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Capital assets, being depreciated				
Buildings	\$ 63,059	\$ --	\$ --	\$ 63,059
Machinery and equipment	204,768	143,695	38,930	309,533
Total capital assets, being depreciated	<u>267,827</u>	<u>143,695</u>	<u>38,930</u>	<u>372,592</u>
Less accumulated depreciation for				
Buildings	2,895	6,646	--	9,541
Machinery and equipment	65,365	56,193	38,930	82,628
Total accumulated depreciation	<u>68,260</u>	<u>62,839</u>	<u>38,930</u>	<u>92,169</u>
Total capital assets, being depreciated, net	<u>199,567</u>	<u>80,856</u>	<u>--</u>	<u>280,423</u>
Convention and Visitor's Bureau capital assets, net	<u>\$ 199,567</u>	<u>\$ 80,856</u>	<u>\$ --</u>	<u>\$ 280,423</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	\$ 925,865	Gas	\$ 2,683,368
Police	1,564,141	Water	21,701,880
Fire	1,211,405	Wastewater	11,635,386
Emergency management	4,447	Airport	5,159,587
Inspections	6,638	Golf centers	73,100
Streets	5,859,426	Marina	540,454
Health	207,179	Solid waste	4,739,698
Parks and recreation	2,592,366	Total	<u>\$ 46,533,473</u>
Libraries	389,513		
Museums	223,795		
Community enrichment	3,462,065		
Community development	2,957,204		
Convention and visitors facilities	1,521,462		
Internal service fund	4,155,030		
Total	<u>\$ 25,080,536</u>		

## 9. Employment Retirement Benefits

### A. Plan Descriptions

The City participates in funding two retirement plans as follows: (1) all City employees, except firefighters participate in the Texas Municipal Retirement System (TMRS) and (2) firefighters participate in the Corpus Christi Fire Fighters Retirement System (FFRS).

The City participates as one of 860 plans in the nontraditional, joint contributory, hybrid defined benefit plan administered by TMRS. TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tmrs.com](http://www.tmrs.com).

The City contributes to the FFRS for firefighters in the Corpus Christi Fire Department. FFRS is a single employer, contributory, defined benefit plan. The benefit provisions are authorized by the Texas Local Fire Fighters' Retirement Act (TLFFRA). TLFFRA provides the authority and procedure to amend benefit provisions. The plan is administered by the Board of Trustees of the Corpus Christi Fire Fighters' Retirement System. The City does not have access to nor can it utilize assets within the retirement plan trust. FFRS issues a stand-alone report pursuant to GASB Statement No. 67, which may be obtained by writing the Corpus Christi Fire Fighters' Retirement System at 711 N. Carancahua, Suite 724, Corpus Christi, Texas 78475.

### B. Benefits Provided

**TMRS** provides retirement benefits to all City employees except firefighters. Benefit provisions are adopted by the governing body of the city, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their

benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

The City grants a monetary credit referred to as Updated Service Credit. This monetary credit is determined by hypothetically re-computing the member's account balance by assuming that the current member deposit rate of the employing city has always been in effect. The computation also assumes that the member's salary has always been the member's average salary using a salary calculation based on the 36-month period ending a year before the effective date of calculation. This hypothetical account balance is increased by 3% each year (not the actual interest credited to the member's account in previous years), and increased by the city match currently in effect. The resulting sum is then compared to the member's actual account balance increased by the actual city match and actual interest credited. If the hypothetical calculation exceeds the actual calculation, the member is granted a monetary credit (or Updated Service Credit) equal to the difference between the hypothetical calculation and the actual calculation times the percentage adopted. The City increases the annuities of its retirees, effective January 1 of a calendar year, at a rate equal to 70% of the increase in the Consumer Price index – all Urban Consumers (CPI-U) between the December preceding the member's retirement date and the December one year before the effective date of the increase, minus any previously granted increases. Members can retire at age 60 and above with 5 or more years of service or with 20 years of service regardless of age. Members are vested after 5 years.

**FFRS** provides benefits to firefighters in the Corpus Christi Fire Department. The benefits are fully vested after 20 years of credited service. Firefighters may retire at age 54 with 20 years of service. A partially vested benefit is provided for firefighters who terminate employment with at least 10 but less than 20 years of service. If a terminated firefighter has a partially vested benefit, he may retire starting on the date he would have both completed 20 years of service if he had remained a Corpus Christi firefighter and attained age 54. Effective June 1, 2015, the plan provided a monthly normal service retirement benefit, payable in a Joint and 100% to Spouse form of annuity, equal to the greater of (1) 50.8% of Highest 60-Month Average Pay plus \$150.00 per month for each year of service in excess of 20 years and (2) \$137.00 per month for each year of service.

A retiring firefighter who is at least age 54 with at least 20 years of service has the option to elect the Retroactive Deferred Retirement Option Plan (RETRO DROP) which will provide a lump sum benefit and a reduced monthly benefit. The reduced monthly benefit is based on the service and Highest 60-Month Average Pay as if he had terminated employment on his selected RETRO DROP benefit calculation date, which is no earlier than the later of the date he meets the age 54 and 20 years of service requirements and the date three years prior to the date he actually retires. Upon retirement, the member will receive, in addition to his monthly retirement benefit, a lump sum equal to the sum of (1) the amount of monthly contributions the member has made to the System after the RETRO DROP benefit calculation date plus (2) the total of the monthly retirement benefits the member would have received between the RETRO DROP benefit calculation date and the date he retired under the plan. There are no account balances. The lump sum is calculated at the time of retirement and distributed as soon as administratively possible.

There is no provision for automatic postretirement benefit increases. The System has the authority to provide, and has periodically in the past provided, ad hoc postretirement benefit increases.

**Membership in the Plans**

	<u>City Employees</u>	<u>Fire Fighters</u>	<u>Total</u>
Retirees and beneficiaries currently receiving benefits	2,789	297	3,086
Inactive employees entitled to but not yet receiving benefits	776	13	789
Current contributing employees	2,245	408	2,653
Total	<u>5,810</u>	<u>718</u>	<u>6,528</u>

**C. Contributions**

**TMRS** - Contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Corpus Christi were required to contribute 6% of their annual gross earnings during the fiscal year. The City's contributions to TMRS for the year ended September 30, 2015, of \$18,964,205 did not equal the required contributions of \$24,928,854.

**FFRS** - The contribution provisions of the System are authorized by TLFRA. TLFRA provides the authority and procedure to change the amount of contributions determined as a percentage of pay by each firefighter and a percentage of payroll by the city.

Firefighters for the City of Corpus Christi were required to contribute 13.1% of their annual gross earnings during the fiscal year. The City's contributions to FFRS for the year ended September 30, 2015, were \$6,266,444, which equaled the required contributions.

Contribution rates for employees and for the City during the fiscal year were as follows:

	<b><u>Texas Municipal Retirement System</u></b>	<b><u>Fire Fighters Retirement System</u></b>
Authority establishing contribution obligation	State Legislation	State Legislation
Frequency of contribution	Biweekly	Biweekly
Employee's contribution (percent of earnings)		
October 1, 2014 - May 31, 2015	6.00%	12.20%
June 1, 2015 - September 30, 2015	6.00%	13.10%
City's contribution (percent of earnings)		
October 1, 2014 - January 1, 2015	15.46%	20.78%
January 2, 2015 - September 30, 2015	16.46%	20.78%
City's contribution October 1, 2014 - September 30, 2015	\$18,964,205	\$6,266,444

**D. Net Pension Liabilities**

The City's net pension liabilities for both plans were measured as of December 31, 2014, and the Total Pension Liabilities (TPL) used to calculate the Net Pension Liabilities were determined by actuarial valuations as of that date.

**Actuarial Assumptions**

The Total Pension Liabilities in the December 31, 2014, actuarial valuations were determined using the following actuarial assumptions:

	<u>City Employees</u>	<u>Fire Fighters</u>
Inflation rate	3%	3.75%
Overall payroll growth	3%	3.75%
Investment rate of return	7%, net of pension plan investment expense, including inflation	7.9%, net of pension plan investment expense, including inflation

**TMRS** - salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Table, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Disabled Retiree Mortality Table is used, with slight adjustments.

Actuarial assumptions used in the December 31, 2014, valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period January 1, 2006, through December, 31, 2009, first used in the December 31, 2010, valuation. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013, valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2014 valuation.

The long-term expected rate of return on pension plan investments is 7.0%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Domestic equity	17.5%	4.80%
International equity	17.5%	6.05%
Core fixed income	30.0%	1.50%
Non-core fixed income	10.0%	3.50%
Real return	5.0%	1.75%
Real estate	10.0%	5.25%
Absolute return	5.0%	4.25%
Private equity	<u>5.0%</u>	8.50%
Total	100.0%	

**FFRS** – Mortality rates were based on the gender-distinct RP2000 Combined Healthy Mortality Table for males and for females projected to 2024 by scale AA.

The long-term expected rate of return on pension plan investments is reviewed for each biennial actuarial valuation and was determined using a building-block method in which expected future net real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset

class. These components are combined to produce the long-term expected rate of return by weighting the expected future net real rates of return by the target asset allocation percentage (currently resulting in 4.24%) and by adding expected inflation (3.75%). In addition, the final 7.90% assumption was selected by “rounding down” and thereby reflects a reduction of 0.09% for adverse deviation. The target allocation and expected arithmetic net real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Equities		
Large cap domestic	25.0%	5.77%
Small/mid cap domestic	10.0%	6.07%
International developed	12.5%	6.12%
Emerging markets	6.0%	7.29%
Real estate	10.0%	3.90%
Fixed income	36.5%	1.64%
Cash	0%	0.40%
Total	100.0%	

**Discount Rate**

**TMRS** - The discount rate used to measure the Total Pension Liability was 7.0%. The projection of cash flows used to determine the discount rate were based on the City’s present funding rates. Based on that assumption, the pension plan’s fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

**FFRS** - The discount rate used to measure the total pension liability was 7.9%. No projection of cash flows was used to determine the discount rate because the December 31, 2014 actuarial valuation showed that expected contributions would pay the normal cost and amortize the unfunded actuarial accrued liability (UAAL) in 23 years. That UAAL was based on an actuarial value of assets that was \$4.5 million less than the plan fiduciary net position as of December 31, 2014. Because of the 23-year amortization period of the UAAL with the lower value of assets, the pension plan’s fiduciary net position is expected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments of 7.9% was applied to all periods of projected benefit payments as the discount rate to determine the total pension liability.

**Sensitivity of the net pension liabilities to changes in the discount rate**

The following presents the net pension liabilities of the City, calculated using the discount rates used in the actuarial valuation, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease in the Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in the Discount Rate</u>
City’s net pension liability (TMRS)	(6.0%) \$287,351,051	(7.0%) \$179,740,443	(8.0%) \$90,830,826
City’s net pension liability (FFRS)	(6.9%) \$96,794,664	(7.9%) \$74,975,183	(8.9%) \$56,346,670
Total net pension liability	\$384,145,715	\$254,715,626	\$147,177,496

**Pension Plans Fiduciary Net Positions**

**TMRS** – Detailed information about the TMRS pension plans’ Fiduciary Net Position is available in a separately issued TMRS financial report. That report may be obtained on the Internet at [www.tmr.com](http://www.tmr.com).

**FFRS** - FFRS issues a stand-alone report pursuant to GASB Statement No. 67, which may be obtained by writing the Corpus Christi Fire Fighters’ Retirement System at 711 N. Carancahua, Suite 724, Corpus Christi, Texas 78475. See that report for all information about the plan fiduciary net position.

**Changes in the Net Pension Liabilities**

TMRS	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance at 12/31/2013	\$ 796,904,133	\$ 621,013,854	\$ 175,890,279
Changes for the year:			
Service cost	14,552,695	-	14,552,695
Interest	54,768,864	-	54,768,864
Difference between expected and actual experience	(5,660,997)	-	(5,660,997)
Contributions-employer	-	17,786,102	(17,786,102)
Contributions-employee	-	6,905,864	(6,905,864)
Net investment income	-	35,519,832	(35,519,832)
Benefit payments, including refunds of employee contributions	(43,536,263)	(43,536,263)	-
Administrative expense	-	(370,905)	370,905
Other changes		(30,495)	30,495
Net changes	20,124,299	16,274,135	3,850,164
Balance at 12/31/2014	<u>\$ 817,028,432</u>	<u>\$ 637,287,989</u>	<u>\$ 179,740,443</u>

FFRS	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balance at 12/31/2013	\$ 197,293,990	\$ 126,159,233	\$ 71,134,757
Changes for the year:			
Service cost	4,144,217	-	4,144,217
Interest	15,650,548	-	15,650,548
Contributions-employer	-	6,007,048	(6,007,048)
Contributions-employee	-	3,526,756	(3,526,756)
Net investment income	-	6,949,478	(6,949,478)
Benefit payments, including refunds of employee contributions	(11,612,717)	(11,612,717)	-
Administrative expense	-	(215,377)	215,377
Assumption changes	313,566	-	313,566
Net changes	8,495,614	4,655,188	3,840,426
Balance at 12/31/2014	\$ 205,789,604	\$ 130,814,421	\$ 74,975,183

**E. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended September 30, 2015, the city recognized pension expense of \$26,624,313.

Components of Pension Expense	TMRS	FFRS	Total
Service cost	14,552,695	4,144,217	18,696,912
Interest	54,768,864	15,650,548	70,419,412
Employee contributions	(6,905,864)	(3,526,756)	(10,432,620)
Projected earnings on plan investments	(43,470,970)	(10,000,967)	(53,471,937)
Amortization of Deferred Outflows - Liabilities	(1,443,064)	-	(1,443,064)
Amortization of Deferred Inflows – Assets	1,590,228	648,603	2,238,831
Administrative expense	370,905	215,379	586,284
Other changes in Fiduciary Net Position	30,495	-	30,495
Total pension expense	19,493,289	7,131,024	26,624,313

At September 30, 2015, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	TMRS		FFRS		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (4,217,931)	\$ -	\$ -	\$ -	\$ (4,217,931)
Changes of assumptions	-	-	275,261	-	275,261	-
Differences between projected and actual investment earnings	6,360,910	-	2,441,191	-	8,802,101	-
Contributions subsequent to the measurement date	14,843,958	-	4,615,795	-	19,459,753	-
Total	<u>\$ 21,204,868</u>	<u>\$ (4,217,931)</u>	<u>\$ 7,332,247</u>	<u>\$ -</u>	<u>\$28,537,115</u>	<u>\$ (4,217,931)</u>

The total of the contributions by the City to the Systems contributed subsequent to the measurement date of the net pension liabilities, December 31, 2014, through September 30, 2015, is a deferred outflow of resources that will be recognized as a reduction in the net pension liabilities in the fiscal year ending September 30, 2016. These amounts are \$14,843,958 (TMRS) and \$4,615,795 (FFRS) for a total of \$19,459,753. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended Sept. 30:	TMRS	FFRS	Total
2016	\$ 147,164	\$ 648,603	\$ 795,767
2017	147,164	648,603	795,767
2018	258,423	648,603	907,026
2019	1,590,228	648,602	2,238,830
2020	-	38,305	38,305
Thereafter	-	83,736	83,736
Total	<u>\$ 2,142,979</u>	<u>\$ 2,716,452</u>	<u>\$ 4,859,431</u>

**F. Deferred Compensation Plan**

The City maintains responsibility for reviewing and approving emergency withdrawals from the Internal Revenue Code, Section 457, Deferred Compensation 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 City is required to obtain an actuarial valuation at least once every two years in accordance with GASB 45 standards. The City’s 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:

Citicare and Citicare Premium	74
Citicare Public Safety	65
Citicare Fire	63
Pending election	--
Total	202

The plan is funded on a pay-as-you-go basis and incurred \$2,676,391 in claims and other costs in the fiscal year ended September 30, 2015. 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	\$ 350,162	\$ 296,175	\$ 229,235	\$ 875,572
Interest on net OPEB obligation	270,227	70,662	126,518	467,407
ARC adjustment	(309,637)	(80,968)	(144,970)	(535,575)
Annual OPEB cost	310,752	285,869	210,783	807,404
Contributions made (pay-as-you-go basis)	81,227	283,301	646,926	1,011,454
Increase (Decrease) in net OPEB obligation	229,525	2,568	(436,143)	(204,050)
Net OPEB obligation - beginning of year	6,928,893	1,811,850	3,244,049	11,984,792
Net OPEB obligation - end of year	\$ 7,158,418	\$ 1,814,418	\$ 2,807,906	\$ 11,780,742

Three year trend information is as follows:

	Citicare	Public Safety	Fire	Total
City's Annual OPEB Cost (APC)				
2013	\$57,207	\$283,049	\$338,862	\$679,118
2014 (14 months)	\$304,160	\$282,758	\$209,501	\$796,419
2015	\$310,751	\$285,869	\$210,783	\$807,403
Percentage of APC contributed				
2013	-139.8%	157.5%	105.9%	N/A
2014 (14 months)	38.6%	154.7%	-68.0%	N/A
2015	26.1%	99.1%	306.9%	N/A
Net OPEB Obligation				
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
2015	\$ 7,158,418	\$ 1,814,418	\$ 2,807,906	\$ 11,780,742

**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	\$ 3,800,918	\$ 4,461,663	\$ 3,558,944	\$ 11,821,525
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 \$14,742,402 at September 30, 2015, of which \$7,752,096 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 2014 and 2015 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>				
2013-2014 (14 months)	\$ 12,281,158	\$ 28,767,974	\$ (30,114,513)	\$ 10,934,619
2014-2015	\$ 10,934,619	\$ 30,157,544	\$ (26,349,761)	\$ 14,742,402

**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>
2016	\$ 3,661,544	\$ 108,400
2017	3,665,031	76,400
2018	2,342,409	--
2019	931,250	--
2020	667,133	--
2021-2026	1,445,787	--
Total minimum future rentals	<u>\$ 12,713,154</u>	<u>\$ 184,800</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, 2015:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities</b>					
Long-term debt					
General obligation bonds	\$ 323,830,000	\$ 90,520,000	\$ (19,170,000)	\$ 395,180,000	\$ 20,800,000
Certificates of obligation	10,987,725	--	(1,955,154)	9,032,571	450,000
Revenue bonds	71,725,000	--	(6,620,000)	65,105,000	6,920,000
Discount on bonds payable	(32,341)	--	10,831	(21,510)	--
Premium on bonds payable	17,759,148	9,751,466	(3,384,428)	24,126,186	--
Capital leases	6,319,117	1,512,283	(2,030,159)	5,801,241	1,768,231
Other notes payable	24,405,000	2,137,698	(3,665,189)	22,877,509	2,591,489
Total long-term debt	<u>454,993,649</u>	<u>103,921,447</u>	<u>(36,814,099)</u>	<u>522,100,997</u>	<u>32,529,720</u>
Accumulated compensated absences	38,563,243	3,238,559	(7,372,690)	34,429,112	7,372,691
Net Pension Liability	197,653,236	48,152,131	(41,540,936)	204,264,431	--
Net OPEB obligation	<u>11,244,554</u>	<u>(1,304,471)</u>	<u>1,001,937</u>	<u>10,942,020</u>	<u>--</u>
Governmental activities					
Long-term liabilities	<u>\$ 702,454,682</u>	<u>\$ 154,007,666</u>	<u>\$ (84,725,788)</u>	<u>\$ 771,736,560</u>	<u>\$ 39,902,411</u>
<b>Business-type activities</b>					
Long-term debt					
General obligation bonds	\$ 66,185,000	\$ --	\$ (1,970,000)	\$ 64,215,000	\$ 1,920,000
Certificates of obligation	17,017,275	--	(4,504,846)	12,512,429	1,115,000
Priority Revenue bonds	416,345,000	65,385,000	(145,310,000)	336,420,000	24,130,000
Junior Lien Revenue bonds	306,290,000	291,560,000	(10,015,000)	587,835,000	12,595,000
Discount on bonds payable	(888,820)	--	33,313	(855,507)	--
Premium on bonds payable	35,118,454	35,855,195	(8,091,441)	62,882,208	--
Capital leases	9,278,830	4,527,578	(3,800,126)	10,006,282	3,236,581
Utility notes payable	144,435,976	2,952,302	(6,102,828)	141,285,450	4,953,303
Total long-term debt	<u>993,781,715</u>	<u>400,280,075</u>	<u>(179,760,928)</u>	<u>1,214,300,862</u>	<u>47,949,884</u>
Landfill closure cost	26,307,808	2,067,323	(200,387)	28,174,744	756,722
Accumulated compensated absences	3,446,762	2,097,273	(1,894,542)	3,649,493	1,894,542
Net Pension Liability	49,371,800	14,507,441	(13,428,046)	50,451,195	--
Net OPEB Obligation	<u>740,239</u>	<u>88,966</u>	<u>9,517</u>	<u>838,722</u>	<u>--</u>
Business-type activities					
Long-term liabilities	<u>\$ 1,073,648,324</u>	<u>\$ 419,041,078</u>	<u>\$ (195,274,386)</u>	<u>\$ 1,297,415,016</u>	<u>\$ 50,601,148</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.

In Fiscal Year 2015 the City of Corpus Christi implemented GASB Statement 68, Accounting and Financial Reporting for Pensions and the beginning liabilities related to pensions were restated. The changes due to implementation are explained in Note 1-P.

**A. Bonds**

Bonds payable at September 30, 2015, are comprised of the following:

**Governmental activities**

**General Obligation Bonds**

\$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%	\$2,290,000
\$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%	22,385,000
\$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%	68,385,000
\$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%	10,995,000
\$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%	43,195,000
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%	20,520,000
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%	57,865,000
\$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%	79,025,000
\$90,520,000	2015 General Improvement Bonds due in annual installments of \$2,090,000 to \$6,775,000 through March 1, 2035, interest at 2.00% to 5.00%	<u>90,520,000</u>
Total General Obligation Bonds		<u>395,180,000</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%	\$347,571
\$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%	6,255,000
\$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>2,430,000</u>
Total Certificates of Obligation		<u>9,032,571</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%	\$8,770,000
\$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%	25,565,000
\$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%	26,675,000
\$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>4,095,000</u>
Total Revenue Bonds	<u>65,105,000</u>

**Total Governmental Activities**

\$469,317,571

**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%	\$6,230,000
\$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%	9,790,000
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%	2,430,000
44.14% 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>45,765,000</u>
Total General Obligation Bonds	<u>64,215,000</u>

**Certificates of Obligation**

\$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%	465,000
\$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%	657,429
\$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%	825,000

\$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%	4,740,000
\$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>5,825,000</u>
Total Certificates of Obligation	<u>12,512,429</u>

**Priority Revenue Bonds**

\$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%	48,905,000
\$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%	1,400,000
\$84,415,000 2006 Utility Revenue Refunding Bonds due in annual installments of \$265,000 to \$3,710,000 through July 15, 2026, interest at 4.00% to 5.00%	7,430,000
\$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%	87,335,000
\$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%	6,925,000
\$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%	50,415,000
\$2,600,000 2015 Marina System Revenue Bonds, Taxable due in annual installments of \$140,000 to \$205,000 beginning March 1, 2016 ending March 1, 2029, interest at 3.00%	2,600,000
\$62,785,000 2015 Nueces River Authority Water Supply Facilities Revenue Refunding Bonds due in annual installments of \$4,220,000 to \$6,520,000 through July 15, 2027, interest at 3.00% to 5.00%	<u>62,785,000</u>
Total Priority Revenue Bonds	<u>336,420,000</u>

**Junior Lien Revenue Bonds**

\$155,660,000 2012A 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%	134,920,000
---	-------------

\$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%	64,425,000
\$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, interest at 3.00% to 5.00%	96,930,000
\$93,600,000	2015A Utility System Junior Lien Revenue Improvement Bonds due in annual installments of \$1,515,000 to \$5,715,000 beginning July 15, 2016 ending July 15, 2045, interest at 3.00% to 5.00%	93,600,000
\$49,585,000	2015B Utility System Junior Lien Revenue Improvement Bonds due in annual installments of \$8,975,000 to \$10,905,000 beginning July 15, 2041 ending July 15, 2045, interest at 2.00%	49,585,000
\$101,385,000	2015C Utility System Junior Lien Revenue Improvement Bonds due in annual installments of \$1,465,000 to \$6,045,000 beginning July 15, 2016 ending July 15, 2045, interest at 3.00% to 5.00%	101,385,000
\$46,990,000	2015D Utility System Junior Lien Revenue Refunding Bonds due in annual installments of \$3,470,000 to \$5,110,000 beginning July 15, 2017 ending July 15, 2026, interest at 3.00% to 5.00%	<u>46,990,000</u>
Total Junior Lien Revenue Bonds		<u>587,835,000</u>
<b>Total Business-type Activities</b>		<u><b>\$1,000,982,429</b></u>

The annual requirements to amortize all bonded debt outstanding as of September 30, 2015, are as follows:

<b>Fiscal Year</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>
2016	\$ 20,800,000	\$ 16,301,418	\$ 450,000	\$ 383,751
2017	23,260,000	15,349,270	470,000	363,201
2018	24,145,000	14,587,610	495,000	340,976
2019	25,135,000	13,800,181	515,000	317,051
2020	25,965,000	12,905,733	540,000	293,701
2021-2025	120,880,000	49,025,858	3,217,171	1,102,950
2026-2030	98,860,000	23,662,566	3,345,400	317,986
2031-2035	56,135,000	5,518,456	--	--
Total	<u>\$ 395,180,000</u>	<u>\$ 151,151,092</u>	<u>\$ 9,032,571</u>	<u>\$ 3,119,616</u>

<b>Fiscal Year</b>	<b>Governmental Activities</b>	
	<b>Revenue Bonds</b>	
	<b>Principal</b>	<b>Interest</b>
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	6,165,000	1,726,069
2021-2025	30,745,000	4,123,291
2026	2,810,000	43,906
Total	<u>\$ 65,105,000</u>	<u>\$ 15,580,417</u>

<b>Fiscal Year</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>
2016	\$ 1,920,000	\$ 1,992,259	\$ 1,115,000	\$ 553,513
2017	3,005,000	1,952,421	680,000	513,413
2018	3,055,000	1,893,401	710,000	481,463
2019	3,425,000	1,820,185	450,000	454,888
2020	3,500,000	1,735,106	465,000	434,038
2021-2025	18,030,000	7,139,788	2,972,830	1,816,025
2026-2030	15,700,000	4,582,876	3,749,599	961,076
2031-2035	11,135,000	2,052,931	1,615,000	340,669
2036-2037	4,445,000	190,338	755,000	30,500
Total	<u>\$ 64,215,000</u>	<u>\$ 23,359,305</u>	<u>\$ 12,512,429</u>	<u>\$ 5,585,585</u>

Fiscal Year	Business-Type Activities		Business-Type Activities	
	Priority Revenue Bonds		Junior Lien Revenue Bonds	
	Principal	Interest	Principal	Interest
2016	\$ 24,130,000	\$ 15,946,161	\$ 12,595,000	\$ 24,419,402
2017	21,110,000	15,517,583	16,740,000	28,108,518
2018	18,670,000	14,577,045	19,835,000	27,749,856
2019	19,540,000	13,707,708	20,665,000	26,866,656
2020	21,070,000	12,910,157	17,565,000	25,946,306
2021-2025	65,155,000	53,370,237	117,705,000	113,082,432
2026-2030	56,570,000	37,025,726	67,630,000	89,383,432
2031-2035	49,020,000	24,086,551	78,945,000	72,710,738
2036-2040	55,115,000	9,657,209	99,580,000	52,067,307
2041-2042	6,040,000	364,800	136,575,000	21,127,431
Total	<u>\$ 336,420,000</u>	<u>\$ 197,163,177</u>	<u>\$ 587,835,000</u>	<u>\$ 481,462,078</u>

\$10,777,534 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, 2015, the City has no arbitrage liability.

The City issued \$5,090,000 of Corpus Christi Tax Notes, Series 2015, dated March 31, 2015 to refund: \$4,410,000 Combination Tax & Utility System Revenue Certificates of Obligation, Series 2007 and \$680,000 General Improvement Bonds, Series 2007. The City will reduce its total debt service payments over the next 12 years by approximately \$5,049 and obtain an economic loss (difference between the present values of the debt service payments on the old and new debt) of (\$12,570).

The City issued \$46,990,000 of Utility System Revenue Refunding Bonds, Series 2015, dated July 7, 2015 to refund: \$50,570,000 of Utility System Revenue Refunding and Improvement Bonds, Series 2006. The City will reduce its total debt service payments over the next 12 years by approximately \$3,812,964 and obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$3,943,403.

The City issued \$62,785,000 of Nueces River Authority Water Supply Facilities Revenue Refunding Bonds (City of Corpus Christi Lake Texana Project), Series 2015 dated August 15, 2015 to refund: \$70,245,000 of Nueces River Authority Water Supply Facilities Revenue Refunding Bonds, Series 2005. The City will reduce its total debt service payments over the next 12 years and obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$9,597,354.

The City issued \$10,020,000 Combination Tax and Limited Pledge Revenue Certificates of Obligation, Taxable Series 2015 and \$61,015,000 General Improvement Refunding Bonds, Series 2015, dated October 1, 2015 to be delivered on October 20, 2015. These issuances will refund \$16,175,000 of General Improvement Bonds, Series 2007A and \$48,765,000 General Improvement Bonds, Series 2009. The City will reduce its total debt service payments over the next 14 years by approximate \$4,123,940 and obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$4,123,940.

**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, 2015.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Land	\$ 66,359	\$ --
Building	1,260,821	--
Machinery and equipment	13,368,207	19,537,477
Less accumulated depreciation	<u>(8,099,903)</u>	<u>(9,237,365)</u>
Total	<u>\$ 6,595,484</u>	<u>\$ 10,300,112</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, 2015:

<u>Fiscal Year</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2016	\$ 1,910,413	\$ 3,425,476
2017	1,704,702	2,907,976
2018	1,396,946	2,329,201
2019	732,814	1,464,439
2020	301,155	279,911
2021	<u>100,288</u>	<u>--</u>
Total minimum lease payments	6,146,318	10,407,003
Less amount representing interest	<u>345,077</u>	<u>400,721</u>
Present value of minimum lease payments	<u>\$ 5,801,241</u>	<u>\$ 10,006,282</u>

**C. Other Notes Payable**

Other notes payable as of September 30, 2015, are as follows:

\$7,390,000 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%	\$ 5,705,000
\$8,000,000 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%	6,925,000
\$9,000,000 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%	8,345,000
42% of \$5,090,000 2015 Tax Notes - Bank of New York due in annual installments of \$560,000 to \$2,030,000 through September 1, 2021, interest at 4.281%	<u>1,902,509</u>
Total	<u><u>\$ 22,877,509</u></u>

The annual requirements to amortize the notes outstanding as of September 30, 2015, are as follows:

<u>Fiscal Year</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2016	\$ 2,591,489	\$ 490,437
2017	2,649,888	433,784
2018	2,644,490	376,476
2019	2,671,392	320,262
2020	2,737,691	263,888
2021-2025	8,712,559	517,667
2026-2030	870,000	10,614
Total	<u><u>\$ 22,877,509</u></u>	<u><u>\$ 2,413,128</u></u>

**D. Utility System Notes Payable**

The Utility System notes payable of \$141,285,450 consists of \$52,879,460 related to an agreement with the Bureau of Reclamation for water rights and recreational facilities at Choke Canyon Dam, \$85,778,499 which represents the present value of an agreement with the Lavaca Navidad River Authority for water rights from Lake Texana, and \$2,627,491 which represents 58% of the 2015 Tax Notes for military preparedness projects.

**Choke Canyon Dam**

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

The dam site will remain the property of the Bureau although the City and Authority have the right, in perpetuity, to impound 80% and 20% respectively, of the water in the Project's reservoir. Pursuant to a separate agreement between the City and the Authority, the City, in exchange for certain services, will pay the Authority \$100,000 per calendar year plus additional sums for water used as specified in the agreement. The Bureau also constructed recreation and fish and wildlife facilities. At September 30, 2015, the City's share of the liability of the reservoir and related facilities, excluding interest, totaled \$52,879,460 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. 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 \$85,778,499 for the present value of the payments associated with the contract.

The annual requirements to amortize the notes outstanding as of September 30, 2015, are as follows:

Fiscal Year	Business-Type Activities	
	Principal	Interest
2016	\$ 4,953,303	\$ 5,865,081
2017	5,241,672	5,650,471
2018	5,454,697	5,424,729
2019	5,723,418	5,189,719
2020	6,044,728	4,943,345
2021-2025	35,394,782	20,427,212
2026-2030	39,606,850	12,221,148
2031-2035	33,148,984	5,224,587
2036-2040	2,965,572	1,174,098
2041-2044	2,751,444	344,835
Total	<u>\$ 141,285,450</u>	<u>\$ 66,465,225</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, 2015, 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, 2015, is \$28,174,744 for both the J.C. Elliott Landfill and the Cefe Valenzuela Landfill. The current portion of this amount is \$756,722, 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 \$258,593. 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, 2015, Cefe Valenzuela Landfill was at 97.81% filled capacity for developed cells and 4.95% 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, 2015, \$301,215,000 of bonds outstanding were considered defeased.

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

Interfund transfers for the year ended September 30, 2015, are as follows:

	Transfers Out						Total
	General	Non-major Governmental	Utility System Fund	Airport Fund	Non-major Proprietary	Internal Service	
<b>Transfers In:</b>							
General	\$ --	\$ 528,012	\$ 4,551,430	\$ 285,687	\$ 55,302	\$ 529,364	\$ 5,949,795
Debt service	4,533,651	2,381,526	--	49,850	--	234,357	7,199,384
Streets capital projects	--	3,295	--	--	--	--	3,295
Non-major government	16,441,172	--	--	--	--	--	16,441,172
Utility system	--	--	--	--	--	331,500	331,500
Internal Service	3,667,299	--	1,999,927	--	--	--	5,667,226
<b>Total</b>	<b>\$ 24,642,122</b>	<b>\$ 2,912,833</b>	<b>\$ 6,551,357</b>	<b>\$ 335,537</b>	<b>\$ 55,302</b>	<b>\$ 1,095,221</b>	<b>\$ 35,592,372</b>

During the year, various interfund transfers were made to finance expenditures and service debt. The \$24,642,122 General Fund transfers out includes transfers of \$4,533,651 for payment of debt service, \$909,706 for capital equipment, \$1,021,065 for future capital replacement, \$1,077,424 for the Infor ERP implementation, \$213,750 to subsidize the arena/convention center operations, \$659,104 to Facilities Fund, \$16,017,952 to streets, and \$209,470 to the Federal/State Grants Fund as matching grants.

The General Fund received transfers in of \$5,949,795 of which \$5,062,871 was for administrative service charges and \$357,560 was indirect cost reimbursements from the Federal/State Grants Fund. \$529,364 was for the transfer of 5 employees from Risk fund to General Fund.

The Debt Service Fund received transfers in of \$7,199,384 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 \$3,295 from Infrastructure Fund.

Transfers were made from the Utility System Fund to the Internal Service Funds including \$741,134 to Maintenance Service Fund for future capital replacement, \$1,205,587 to MIS Fund for ERP implementation, and \$53,206 to Facilities Fund due to reorganization. The Utility System Fund also transferred \$4,551,430 to General Fund for administrative service charges.

The Airport Fund transferred out \$285,687 to the General Fund for administrative service charge and \$55,302 to Debt Service for payment of debt service principal and interest.

The Internal Service Funds transferred out \$529,364 to the General Fund for the transfer of 5 employees and \$331,500 to Utility System Funds to return funds previously contributed to Fleet Maintenance that were unused.

In the government-wide financial statements, the solid waste activity, which is part of the General Fund, is presented as a business-type activity. The \$10,909,823 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, 2015, are as follows:

<b>To</b>	<b>From</b>	<b>Amount</b>
Golf Fund	General Fund	\$ 770,688
Public Health & Safety Capital Project Fund	General Fund	<u>500,000</u>
		<u>\$ 1,270,688</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, 2015, are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Governmental funds		
Other non-major governmental funds	\$ --	\$ 1,029,019
Enterprise funds		
Airport fund	1,029,019	
Total	<u>\$ 1,029,019</u>	<u>\$ 1,029,019</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 are expected to reduce the deficit.

With the implementation of GASB 68 in Fiscal Year 2014-2015, three Internal Service Funds ended with negative fund balance at September 30, 2015: Stores, Engineering and Municipal Information Systems. Since the full Net Pension Liability must now be recorded – but not necessarily funded – these Internal Service Funds will likely continue to carry negative fund balances in future fiscal years. The City’s policy is to increase its contribution rate by 2% each year until the fully funded rate is achieved. Without the GASB 68 adjustment, only the Engineering Fund would have had a negative fund balance of \$341,053. This was an improvement from the prior year’s negative fund balance of \$1,753,611.

## 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, 2015, there were five series of bonds outstanding with an aggregate principal amount payable of \$41,766,780. 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:

	<b><u>Project Authorization</u></b>	<b><u>Expenditures Through 09/30/2015</u></b>	<b><u>Additional Funds Committed</u></b>	<b><u>Required Future Financing</u></b>
Airport	\$ 90,175,241	\$ 77,973,247	\$ 12,201,994	\$ --
Arena	247,013	146,923	100,090	--
Bayfront Development	14,177,311	8,238,180	5,939,131	--
City Buildings and Facilities	20,112,540	13,138,705	6,973,835	--
Convention Facility	255,034	228,318	26,716	--
Library	102,897	40,150	62,747	--
Packery Channel	3,109,095	1,036,200	2,072,895	--
Park	29,883,547	11,118,705	18,764,842	--
Police Building	750,955	193,548	557,407	--
Fire	2,099,344	326,455	1,772,889	--
Public Health & Safety	1,364,347	1,271,682	92,665	--
Sanitary Landfill	13,144,291	7,767,477	5,376,814	--
Seawall	18,850,187	2,914,819	15,935,368	--
Street	225,549,843	79,438,945	146,110,898	--
Water	287,495,896	182,442,251	105,053,645	--
Storm Water	112,453,984	38,572,144	73,881,840	--
Wastewater	199,074,710	111,066,981	88,007,729	--
Gas	8,418,675	5,501,099	2,917,576	--
Total	<u>\$ 1,027,264,910</u>	<u>\$ 541,415,829</u>	<u>\$ 485,849,081</u>	<u>\$ --</u>

The assigned fund balance in the General Fund includes \$4,139,593 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 \$527,609 at September 30, 2015.

**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 and airport funds are a segment and reported as major funds in the fund financial statements, segment disclosures herein are not reported. The marina activity is accounted for as other enterprise fund in the fund financial statements. Segment information of marina fund as of and for the year ended September 30, 2015, is as follows:

	<b>Marina Fund</b>
Current assets, excluding restricted assets	\$ 1,014,648
Capital assets	9,245,937
Total assets	<u>10,260,585</u>
Deferred outflows of resources	121,226
Current liabilities	598,106
Long-term liabilities	5,821,571
Total liabilities	<u>6,419,677</u>
Deferred inflows of resources	17,765
Net position	
Invested in capital assets, net of related debt	3,999,591
Unrestricted	(52,222)
Net position	<u>\$ 3,947,369</u>
Operating revenue	\$ 1,908,416
Depreciation	(540,453)
Other operating expenses	(1,303,814)
Operating income (loss)	<u>64,149</u>
Nonoperating income (expense)	(91,325)
Capital contributions	605,246
Transfers	(50,696)
Net income (loss)	<u>527,374</u>
Net position beginning of year	3,887,277
Prior period adjustment	(470,282)
Net position end of year	<u>\$ 3,944,369</u>
Net cash flow provided by (used for)	
Operating activities	\$ 614,836
Noncapital financing activities	(50,696)
Capital and related financing activities	(1,255,469)
Investment activities	5,921
Beginning cash, cash equivalents and investments	1,069,861
Ending cash, cash equivalents and investments	<u>\$ 384,453</u>

**REQUIRED SUPPLEMENTARY INFORMATION  
OTHER POST EMPLOYMENT BENEFITS - ANALYSIS OF FUNDING PROGRESS  
YEAR ENDED SEPTEMBER 30, 2015**

Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Percentage of Unfunded Actuarial Accrued Liability to Covered Payroll Ratio
<b>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**

	(1) Annual Required Contribution (ARC)	(2) Actual Contribution	Percentage of of ARC Contributed (2) / (1)
<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%

**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITIES AND RELATED**  
**RATIOS**  
**CURRENT YEAR (1)**

	<u>TMRS</u>	<u>FFRS</u>
	<u>2015</u>	<u>2015</u>
<b>Total Pension Liabilities</b>		
Service cost	\$ 14,552,695	\$ 4,144,217
Interest	54,768,864	15,650,548
Changes of benefit terms	-	-
Difference between expected and actual experience	(5,660,997)	-
Changes of assumptions	-	313,566
Benefit payments	(43,536,263)	(11,612,717)
<b>Net Change in Total Pension Liabilities</b>	<u>20,124,299</u>	<u>8,495,614</u>
<b>Total Pension Liabilities - Beginning</b>	796,904,133	197,293,990 (2)
<b>Total Pension Liabilities - Ending (a)</b>	<u>\$ 817,028,432</u>	<u>\$ 205,789,604</u>
<b>Plan Fiduciary Net Positions</b>		
Contributions - Employer	\$ 17,786,102	\$ 6,007,048
Contributions - Employee	6,905,864	3,526,756
Net investment income	35,519,832	6,949,478
Benefit payments	(43,536,263)	(11,612,717)
Administrative expense	(370,905)	(215,379)
Other	(30,495)	-
<b>Net Change in Plan Fiduciary Net Positions</b>	<u>\$ 16,274,135</u>	<u>\$ 4,655,186</u>
<b>Plan Fiduciary Net Positions - Beginning</b>	621,013,854	126,159,233
<b>Plan Fiduciary Net Positions - Ending (b)</b>	<u>\$ 637,287,989</u>	<u>\$ 130,814,419</u>
<b>Net Pension Liabilities - Ending (a) - (b)</b>	\$ 179,740,443	\$ 74,975,185
<b>Plan Fiduciary Net Positions as a Percentage</b>		
<b>of Total Pension Liabilities</b>	78%	64%
<b>Covered Employee Payroll</b>	115,045,985	29,484,531
<b>Net Pension Liabilities as a Percentage</b>		
<b>of Covered Employee Payroll</b>	156%	254%

(1) Measurement date is December 31, nine months prior to the fiscal year end. This schedule is presented to the requirement to show information for 10 years. However, until a full 10-year trend is compiled, only available information is shown. Amounts recognized in the fiscal year represent changes between the current and prior measurement dates.

(2) Determined from the total pension liability as of December 31, 2014, but based on the actuarial assumptions for the December 31, 2012, actuarial valuation, using the roll back procedure allowed for the initial year of implementing GASB 68.

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS  
TEXAS MUNICIPAL RETIREMENT SYSTEM**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Required contribution	\$ 13,452,618	\$ 14,035,058	\$ 15,448,938	\$ 21,009,512
Actual contributions	<u>13,452,618</u>	<u>14,035,058</u>	<u>15,448,938</u>	<u>17,100,193</u>
Contribution deficiency	-	-	-	3,909,319
Covered employee payroll	97,756,667	106,042,731	140,997,733	108,555,179
Actuarially determined contributions as a percentage of covered employee payroll	13.76%	13.24%	10.96%	19.35%
Actuals contributions as a percentage of covered employee payroll	13.76%	13.24%	10.96%	15.75%

**Notes to Schedule**

Valuation date:

Actuarial determined contribution rates are calculated as of December 31 and become effective in January, 12 months and a day later.

Methods and assumptions used to determine contribution rate for 2015:

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	14 years
Asset valuation method	10 year smoothed; 15% soft corridor
Inflation	3%
Salary increases	3.5% to 12.0% including inflation
Investment rate of return	7.00%
Retirement age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2010 valuation pursuant to an experience study of the period 2005 - 2009
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB
Updated service credits and Cost of Living Adjustments	For calendar year 2012-2015, 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.

\* FY2014 was a 14 month year

<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014 *</b>	<b>2015</b>
\$ 24,362,494	\$ 25,218,616	\$ 22,769,666	\$ 22,665,524	\$ 27,872,623	\$ 24,928,854
<u>18,330,551</u>	<u>16,832,574</u>	<u>15,541,644</u>	<u>16,101,720</u>	<u>20,302,711</u>	<u>18,974,205</u>
6,031,943	8,386,042	7,228,022	6,563,804	7,569,912	5,954,649
114,395,501	110,562,068	108,260,052	107,828,105	135,847,965	117,949,385
21.30%	22.81%	21.03%	21.02%	20.52%	21.14%
16.02%	15.22%	14.36%	14.93%	14.95%	16.09%

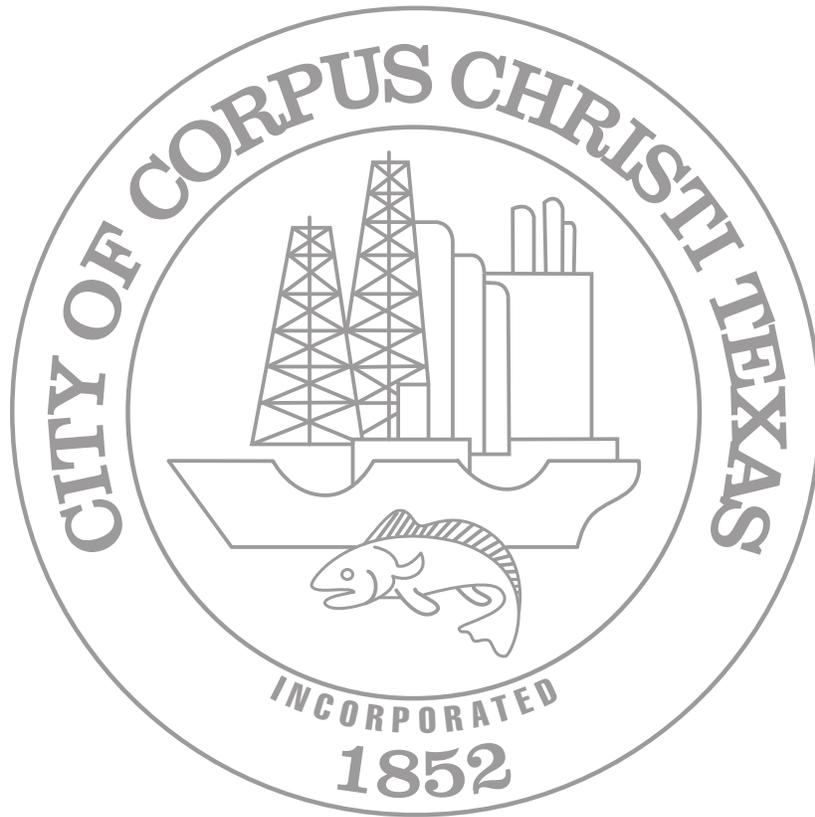
**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS  
FIRE FIGHTERS' RETIREMENT SYSTEM**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Required contributions	\$ 2,913,749	\$ 3,040,260	\$ 3,541,183	\$ 3,964,376
Actual contributions	<u>2,913,749</u>	<u>3,040,260</u>	<u>3,541,183</u>	<u>3,964,376</u>
Contribution deficiency	-	-	-	-
Covered employee payroll	**	21,946,798	**	24,268,094
Contributions as a percentage of covered employee payroll		13.85%		16.34%

\* FY2014 was a 14 month year

\*\* Actuarial study done every other year

<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014 *</b>	<b>2015</b>
\$ 4,440,572	\$ 5,158,128	\$ 5,254,970	\$ 5,640,851	\$ 7,009,621	\$ 6,266,444
<u>4,440,572</u>	<u>5,158,128</u>	<u>5,254,970</u>	<u>5,640,851</u>	<u>7,009,621</u>	<u>6,266,444</u>
-	-	-	-	-	-
**	27,723,869	**	29,459,098	**	30,156,126
	18.61%		19.15%		20.78%



***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, 2015**

<b>ASSETS</b>	
Cash, cash equivalents and investments	\$ 50,587,618
Accounts	5,807,922
Property leases	15
Taxes	3,231,490
Demolition liens	4,149,465
Employees	34,493
Intergovernmental	5,000,872
Miscellaneous	1,655,645
Allowance for uncollectibles	<u>(6,722,424)</u>
Net receivables	13,157,478
Prepaid items	1,873
Advances to other funds	<u>1,270,688</u>
Total assets	<u><u>\$ 65,017,657</u></u>
<b>LIABILITIES AND FUND BALANCE</b>	
Liabilities	
Accounts payable	\$ 3,247,255
Accrued liabilities	7,034,566
Deposits	502,787
Liability to claimants - escheat property	86,886
Due to other governmental agencies	362,016
Unearned revenues	
Taxes	1,578,223
Other	<u>684,423</u>
Total unearned revenues	<u>2,262,646</u>
Total liabilities	13,496,156
Fund balance	
Prepaid items	1,873
Advances to other funds	<u>1,270,688</u>
Total nonspendable	1,272,561
Restricted	
Vital statistic record retention	307,831
Judicial/Court improvements	55,993
Fire contribution trust	5,585
PEG equipment and facilities	<u>19,768</u>
Total restricted	389,177
Committed	
Major contingencies	39,525,111
Government access equipment	11,959
Radio system capital replacement	<u>27,925</u>
Total committed	39,564,995
Assigned	
Development Services	5,014,281
Health 1115 Waiver	962,018
Subsequent year's expenditures	4,139,593
Arts and Cultural Commission	<u>4,252</u>
Total assigned	10,120,144
Unassigned	<u>174,624</u>
Total fund balances	<u><u>51,521,501</u></u>
Total liabilities and fund balances	<u><u>\$ 65,017,657</u></u>

**GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Taxes				
General property taxes				
Ad valorem taxes - current	\$ 59,737,000	\$ 59,737,000	\$ 60,145,207	\$ --
Ad valorem taxes - delinquent	950,000	950,000	984,868	--
Penalties and interest	635,000	635,000	741,449	--
Industrial District - in lieu of taxes	7,375,000	7,375,000	7,575,254	--
Other Payment in lieu of taxes	115,023	115,023	55,599	--
Special Inventory Tax Escrow Refund	100,000	100,000	65,622	--
Housing Authority - in lieu of taxes	26,500	26,500	28,601	--
Total general property taxes	<u>68,938,523</u>	<u>68,938,523</u>	<u>69,596,600</u>	<u>--</u>
City sales tax	<u>63,209,346</u>	<u>63,209,346</u>	<u>58,332,449</u>	<u>--</u>
Liquor drink tax	<u>1,351,891</u>	<u>1,351,891</u>	<u>1,372,247</u>	<u>--</u>
Bingo tax	<u>310,034</u>	<u>310,034</u>	<u>378,244</u>	<u>--</u>
Business fees				
Electric franchise	9,794,751	9,794,751	9,635,395	--
Electric franchise - Nueces Co-op	240,009	240,009	125,690	--
Telecommunications fees	3,785,855	3,785,855	3,723,351	--
CATV franchise	3,613,987	3,613,987	3,741,851	--
Taxicab franchise	48,000	48,000	56,580	--
AT&T right of way lease fee	1,200	1,200	1,300	--
Total business fees	<u>17,483,802</u>	<u>17,483,802</u>	<u>17,284,167</u>	<u>--</u>
Total taxes and business fees	<u>151,293,596</u>	<u>151,293,596</u>	<u>146,963,707</u>	<u>--</u>
Licenses and permits				
Amusement licenses	18,000	18,000	16,714	--
Pipeline - license fee	70,000	70,000	65,340	--
Beer and liquor licenses	--	--	93,942	(93,942)
Electricians licenses and exam fees	--	--	35,805	(35,805)
Auto wrecker permits	18,000	18,000	174,868	--
Taxi driver permits	5,000	5,000	8,960	--
Metal recycling permits	--	--	9	--
House mover licenses	--	--	266	(266)
Forfeited house mover deposits	--	--	10,500	(10,500)
Other business licenses	20,000	20,000	18,200	--
Building permits	--	--	3,128,535	(3,128,535)
Electrical permits	--	--	204,821	(204,821)
Plumbing permits	--	--	355,962	(355,962)
Mechanical permits	--	--	141,417	(141,417)
Certificate of occupancy fees	--	--	33,712	(33,712)
Street cut permits	--	--	672	(672)
Plan review fees	--	--	1,182,080	(1,182,080)
Mechanical registration fees	--	--	22,895	(22,895)
Lawn Irrigator registration fees	--	--	4,455	(4,455)
Backflow prevention assembly tester	--	--	12,395	(12,395)
Driveway permit fees	--	--	16,178	(16,178)
Revocable easement fees	--	--	65,026	--
Street easement closure fees	--	--	17,789	(17,789)

(Continued)

Exhibit 6-B

<u>Actual Budget Basis</u>	<u>Variance Final Budget Positive (Negative)</u>
\$ 60,145,207	\$ 408,207
984,868	34,868
741,449	106,449
7,575,254	200,254
55,599	(59,424)
65,622	(34,378)
28,601	2,101
<u>69,596,600</u>	<u>658,077</u>
58,332,449	(4,876,897)
<u>1,372,247</u>	<u>20,356</u>
<u>378,244</u>	<u>68,210</u>
9,635,395	(159,356)
125,690	(114,319)
3,723,351	(62,504)
3,741,851	127,864
56,580	8,580
1,300	100
<u>17,284,167</u>	<u>(199,635)</u>
<u>146,963,707</u>	<u>(4,329,889)</u>
16,714	(1,286)
65,340	(4,660)
--	--
--	--
174,868	156,868
8,960	3,960
9	9
--	--
--	--
18,200	(1,800)
--	--
--	--
--	--
--	--
--	--
--	--
--	--
--	--
--	--
65,026	65,026
--	--

**GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2015**

	<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	--	--	105,080	(105,080)
Research and survey fees	--	--	7,555	(7,555)
Deferrment agreement fees	--	--	12,097	(12,097)
Construction document fees	--	--	355	(355)
Billboard fees	--	--	4,042	(4,042)
Vacant building inspection fees	--	--	500	--
House moving route permits	--	--	549	(549)
Oversized load permits	--	--	19,597	(19,597)
Special event permits	850	850	750	--
Beach parking permits	700,000	700,000	840,586	--
Fire prevention permits	225,000	225,000	255,225	--
Pet licenses	72,000	72,000	74,277	--
Food service permits	610,000	610,000	679,547	--
Ambulance permits	2,500	2,500	2,000	--
Total licenses and permits	<u>1,741,350</u>	<u>1,741,350</u>	<u>7,612,701</u>	<u>(5,410,699)</u>
Grants				
Federal Emergency Management Assistance	70,000	70,000	-	--
EEOC contribution	32,400	32,400	59,600	--
HUD Intrim Agreeemnt Reim/Grnts	85,000	85,000	-	--
Drug test reimbursements	20,000	20,000	8,824	--
Sexual Assault Exam	130,000	130,000	170,088	--
General Land Office - beach cleaning	45,000	45,000	64,463	--
Total grants	<u>382,400</u>	<u>382,400</u>	<u>302,975</u>	<u>--</u>
Charges for services				
General governmental services				
Zoning fees	--	--	139,722	(139,722)
Platting fees	--	--	69,387	(69,387)
Board of Adjustment appeal fees	--	--	6,630	(6,630)
Attorney fees - demolition & paving liens	95,000	95,000	55,054	--
Sale of City publications	350	350	340	--
Blueprint sales and GIS sales	--	--	12	(12)
Candidate filing fees	1,200	1,200	--	--
Nonprofit registration fees	700	700	124	--
Total general governmental services	<u>97,250</u>	<u>97,250</u>	<u>271,269</u>	<u>(215,751)</u>
Police				
Police towing and storage charges	1,210,000	1,320,000	1,318,116	--
Police impound certified mail recovery	75,000	75,000	77,750	--
Police accident reports	76,000	76,000	43,314	--
Proceeds from auction	925,000	925,000	658,544	--
Proceeds from auction - online	15,000	15,000	4,935	--
Parking meter collections	250,000	250,000	162,899	--
Police open record request	5,000	5,000	23,943	--
Police subpoenas	1,500	1,500	4,455	--
Fingerprinting fees	4,500	4,500	5,856	--
Customs/FBI	165,000	165,000	86,721	--

(Continued)

**Exhibit 6-B  
(Continued)**

<b>Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>
--	--
--	--
--	--
--	--
500	500
--	--
--	--
750	(100)
840,586	140,586
255,225	30,225
74,277	2,277
679,547	69,547
2,000	(500)
<u>2,202,002</u>	<u>460,652</u>
--	(70,000)
59,600	27,200
--	(85,000)
8,824	(11,176)
170,088	40,088
64,463	19,463
<u>302,975</u>	<u>(79,425)</u>
--	--
--	--
--	--
55,054	(39,946)
340	(10)
--	--
--	(1,200)
124	(576)
<u>55,518</u>	<u>(41,732)</u>
1,318,116	(1,884)
77,750	2,750
43,314	(32,686)
658,544	(266,456)
4,935	(10,065)
162,899	(87,101)
23,943	18,943
4,455	2,955
5,856	1,356
86,721	(78,279)

**GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Police (continued)				
Police Security Services	150,000	150,000	81,304	--
DWI Videotaping	1,600	1,600	1,644	--
Alarm system permits and services	450,000	450,000	561,640	--
800 MHz radio	200,000	200,000	176,768	--
9-1-1 wireless service fees	1,450,000	1,450,000	1,592,828	--
9-1-1 wireline service fees	1,425,000	1,464,533	1,264,921	--
Police C.A.D. calls	600	600	2,459	--
Restitution	--	--	53,525	--
CCISD-Crossing guards	30,000	30,000	23,618	--
School crossing guard program	65,612	65,612	63,629	--
Nueces county - Metrocom	1,200,000	1,200,000	1,262,596	--
Pound fees & handling charges	45,000	45,000	48,628	--
Animal trap fees	600	600	1,115	--
Pest control services	33,300	33,300	8,200	--
Microchipping fees	8,000	8,000	4,352	--
Deceased Animal Pick Up	7,200	7,200	7,630	--
S/N Kennel Cough	--	--	932	--
Adoption fees	--	--	4,054	--
Animal Control Adoption	50,000	50,000	35,619	--
Total police	7,843,912	7,993,445	7,581,995	--
Fire				
Hazmat response calls	10,000	10,000	18,911	--
Fire service - outside city limits	--	--	37,283	--
Honor Guard	1,000	1,000	200	--
Emergency management alert system fees	12,000	12,000	10,000	--
Pipeline reporting administrative fees	45,000	45,000	50,626	--
Total fire	68,000	68,000	117,020	--
Ambulance				
Emergency calls	6,100,000	6,100,000	6,123,474	--
Nueces Co OCL charges	--	--	32,048	--
Total Ambulance	6,100,000	6,100,000	6,155,522	--
Streets				
State of Texas - expressway lighting	204,000	204,000	141,010	--
Port of CC-Bridge Lighting	20,000	20,000	111,481	--
Subdivision street lighting participation	50,000	50,000	--	--
Total streets	274,000	274,000	252,491	--
Solid waste services				
Residential refuse collection fees	16,362,000	16,362,000	16,480,796	--
Commercial and industrial refuse collection f	1,788,266	1,788,266	1,744,330	--
Municipal solid waste system service charge	3,555,200	3,555,200	3,585,383	--
Refuse disposal charges	8,711,108	8,711,108	8,967,397	--
Disposal charges - landfill project	3,182,000	3,182,000	3,263,423	--
Refuse collection permits	18,000	18,000	18,449	--
Special debris pickup	265,000	265,000	331,717	--
SW-Mulch	17,000	17,000	9,772	--
Brush fees	55,000	55,000	85,028	--
Recycling	855,000	855,000	975,813	--
Recycling collection fees	985,760	985,760	966,462	--
Recycling Bank fees	742,350	742,350	747,149	--
Recycling Bank Incentive fees	247,450	247,450	248,232	--
Unsecured load charge	35,000	35,000	51,450	--
Total solid waste services	36,819,134	36,819,134	37,475,401	--

(Continued)

**Exhibit 6-B  
(Continued)**

<b>Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>
81,304	(68,696)
1,644	44
561,640	111,640
176,768	(23,232)
1,592,828	142,828
1,264,921	(199,612)
2,459	1,859
53,525	53,525
23,618	(6,382)
63,629	(1,983)
1,262,596	62,596
48,628	3,628
1,115	515
8,200	(25,100)
4,352	(3,648)
7,630	430
932	932
4,054	4,054
35,619	(14,381)
<u>7,581,995</u>	<u>(411,450)</u>
18,911	8,911
37,283	37,283
200	(800)
10,000	(2,000)
50,626	5,626
<u>117,020</u>	<u>49,020</u>
6,123,474	23,474
32,048	32,048
<u>6,155,522</u>	<u>55,522</u>
141,010	(62,990)
111,481	91,481
--	(50,000)
<u>252,491</u>	<u>(21,509)</u>
16,480,796	118,796
1,744,330	(43,936)
3,585,383	30,183
8,967,397	256,289
3,263,423	81,423
18,449	449
331,717	66,717
9,772	(7,228)
85,028	30,028
975,813	120,813
966,462	(19,298)
747,149	4,799
248,232	782
51,450	16,450
<u>37,475,401</u>	<u>656,267</u>

**GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2015**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Health services				
Vital records office sales	427,000	427,000	444,794	--
Laboratory services	--	--	22,400	--
Nueces County - health administration	196,928	196,928	178,678	--
Swimming pool inspection fees	47,200	47,200	53,190	--
Medicaid 1115 Waiver	2,512,429	1,220,938	1,220,937	--
TB/PC Fees	--	--	12,375	--
Total health services	<u>3,183,557</u>	<u>1,892,066</u>	<u>1,932,374</u>	<u>--</u>
Recreation services				
Swimming pools	210,000	210,000	187,042	--
Swimming instruction fees	100,000	100,000	108,189	--
H.E. Butt tennis center	34,500	34,500	25,784	--
Al Kruse tennis center	19,600	19,600	11,414	--
Athletic events	141,580	141,580	142,761	--
Athletic instruction fees	39,728	39,728	47,018	--
Facilities rentals	31,965	31,965	45,219	--
Latchkey program	2,520,329	2,520,329	2,461,266	--
Buc days/Bayfest	28,200	28,200	66,632	--
Heritage Park revenues	2,160	2,160	1,176	--
Pavilion Rentals	1,000	1,000	991	--
Tourist district rentals	12,000	12,000	11,063	--
Camping Permit Fees	3,500	3,500	4,212	--
Senior Center rentals	36,113	36,113	37,367	--
Class instruction fees	21,648	21,648	10,204	--
Recreation instruction fees	54,795	54,795	39,252	--
Recreation center rentals	7,155	7,155	9,274	--
Other recreation services	73,000	73,000	37,440	--
Total recreation services	<u>3,337,273</u>	<u>3,337,273</u>	<u>3,246,304</u>	<u>--</u>
Libraries				
Fines	80,048	80,048	70,502	--
Lost book charges	6,158	6,158	6,390	--
Copy machine sales	40,761	40,761	45,357	--
Other library revenue	15,421	37,319	36,364	--
Interlibrary fees	552	552	484	--
Library book sales	4,095	4,095	4,591	--
Total libraries	<u>147,035</u>	<u>168,933</u>	<u>163,688</u>	<u>--</u>
Museums				
Admissions	116,522	116,522	214,349	--
Museum gift shop sales	50,000	50,000	97,671	--
Special program fees	--	--	160,904	--
McGregor reproduction fees	5,629	5,629	5,168	--
Facility rental	42,385	42,385	29,876	--
Education group programs	22,804	22,804	55,873	--
School District - museum educational progra	22,000	22,000	22,000	--
Parties and recitals	12,058	12,058	11,832	--
Columbus ships	85,135	85,135	--	--
Museum - other revenue	--	--	49,882	--
Total museums	<u>356,533</u>	<u>356,533</u>	<u>647,555</u>	<u>--</u>
Total charges for services	<u>58,226,694</u>	<u>57,106,634</u>	<u>57,843,619</u>	<u>(215,751)</u>

(Continued)

**Exhibit 6-B  
(Continued)**

<b>Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>
444,794	17,794
22,400	22,400
178,678	(18,250)
53,190	5,990
1,220,937	(1)
<u>12,375</u>	<u>12,375</u>
<u>1,932,374</u>	<u>40,308</u>
187,042	(22,958)
108,189	8,189
25,784	(8,716)
11,414	(8,186)
142,761	1,181
47,018	7,290
45,219	13,254
2,461,266	(59,063)
66,632	38,432
1,176	(984)
991	(9)
11,063	(937)
4,212	712
37,367	1,254
10,204	(11,444)
39,252	(15,543)
9,274	2,119
<u>37,440</u>	<u>(35,560)</u>
<u>3,246,304</u>	<u>(90,969)</u>
70,502	(9,546)
6,390	232
45,357	4,596
36,364	(955)
484	(68)
<u>4,591</u>	<u>496</u>
<u>163,688</u>	<u>(5,245)</u>
214,349	97,827
97,671	47,671
160,904	160,904
5,168	(461)
29,876	(12,509)
55,873	33,069
22,000	--
11,832	(226)
--	(85,135)
<u>49,882</u>	<u>49,882</u>
<u>647,555</u>	<u>291,022</u>
<u>57,627,868</u>	<u>521,234</u>

**GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Fines and forfeitures				
Moving vehicle fines	2,596,238	2,596,238	278,178	--
School Crssg Gd Pgm-Cvl Citation	12,000	12,000	--	--
Parking fines	74,154	74,154	389,063	--
Civil parking citations	200,000	200,000	235,007	--
General fines	705,777	705,777	2,085,385	--
Officers fees	156,028	156,028	151,748	--
Uniform Traffic Act fines	72,134	72,134	19,428	--
Warrant fees	108,397	108,397	127,756	--
Municipal Court				
State fee discount	238,501	238,501	109,254	--
Time Pay Fee - Court	17,331	17,331	15,656	--
Time Pay Fee - City	69,323	69,323	62,666	--
644.102 Comm Vehicle Enforce	--	--	38,592	--
Miscellaneous revenue	52,402	52,402	31,216	--
Juvenile expungement fee	148	148	13	--
Failure to appear fines	190,719	190,719	2,510	--
Animal control fines	15,431	15,431	2,778	--
Teen Court city fee	--	--	20	--
Other court fines	194,301	194,301	563,784	--
Total fines and forfeitures	4,702,884	4,702,884	4,113,054	--
Earnings on investments	905,000	905,000	491,505	(13,510)
Miscellaneous				
Rental of general property	96,000	96,000	323,053	--
Recovery on damage claims	--	--	82,300	--
Contributions and donations	27,097	32,097	27,193	--
Automated teller machines	1,200	1,200	1,200	--
Late fees on returned check	300	300	450	--
Radio system participation	9,500	9,500	1,688	--
Graffiti control	2,500	2,500	961	--
Sale of city property	82,500	100,997	352,318	(7,607)
Copy sales	6,500	6,500	5,280	--
Adminstrative processing fee	15,000	15,000	4,344	--
Demolition and weed liens	160,000	160,000	176,467	--
Purchase discounts	220,000	220,000	250,401	--
Vending machine sales	9,144	9,144	55,405	--
Late Fees on delinquent	--	--	3,000	--
Claim settlements	--	--	67	--
Naming rights for convention center	180,000	180,000	213,750	--
Miscellaneous	146,000	148,000	135,842	(6,074)
Total miscellaneous revenue	955,741	981,238	1,633,719	(13,681)
Reimbursements				
Interdepartmental	2,867,685	2,867,685	--	3,420,578
Finance cost recovery - CIP	1,155,624	1,155,624	--	1,155,623
Fire hydrant maintenance	327,472	327,472	--	327,472
800 MHz radio - interdepartmental	335,952	335,952	--	335,952
Total reimbursements revenue	4,686,733	4,686,733	--	5,239,625
Total revenues	222,894,398	221,799,835	218,961,280	(414,016)

(Continued)

**Exhibit 6-B  
(Continued)**

<b>Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>
278,178	(2,318,060)
--	(12,000)
389,063	314,909
235,007	35,007
2,085,385	1,379,608
151,748	(4,280)
19,428	(52,706)
127,756	19,359
109,254	(129,247)
15,656	(1,675)
62,666	(6,657)
38,592	38,592
31,216	(21,186)
13	(135)
2,510	(188,209)
2,778	(12,653)
20	20
563,784	369,483
<u>4,113,054</u>	<u>(589,830)</u>
<u>477,995</u>	<u>(427,005)</u>
323,053	227,053
82,300	82,300
27,193	(4,904)
1,200	--
450	150
1,688	(7,812)
961	(1,539)
344,711	243,714
5,280	(1,220)
4,344	(10,656)
176,467	16,467
250,401	30,401
55,405	46,261
3,000	3,000
67	67
213,750	33,750
129,768	(18,232)
<u>1,620,038</u>	<u>638,800</u>
3,420,578	552,893
1,155,623	(1)
327,472	--
335,952	--
<u>5,239,625</u>	<u>552,892</u>
<u>218,547,264</u>	<u>(3,252,571)</u>

**GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Other financing sources				
Capital leases	--	--	4,137,196	(4,137,196)
Transfers in				
Administrative charges				
Federal grants	70,411	70,411	126,670	--
Visitor facility	151,551	151,551	151,551	--
Reinvestment Zone #2	125,963	125,963	17,558	--
Gas division	636,235	636,235	636,235	--
Wastewater division	1,368,271	1,368,271	1,368,271	--
Water division	2,546,924	2,546,924	2,546,924	--
Airport	285,687	285,687	285,687	--
Golf	4,606	4,606	4,606	--
Development Services	247,552	247,552	--	247,552
Marina	50,696	50,696	50,696	--
Reinvestment Zone #3	--	--	1,344	--
Other				
Liability & Employee Benefits Fund	529,365	529,365	529,364	--
Federal grants	--	--	230,890	--
Total transfers in	6,017,261	6,017,261	5,949,796	247,552
Transfers out				
Debt Service Fund	(237,840)	(237,840)	(4,533,652)	4,295,813
For Community Service	(156,076)	(156,076)	(156,076)	--
Police Grants Cash Match	(62,000)	(62,000)	(53,394)	--
Street Fund	(15,017,954)	(16,017,954)	(16,017,954)	--
Visitor's Facility Fund	(180,000)	(180,000)	(213,750)	--
For capital outlay	(1,039,000)	(1,039,000)	(971,065)	--
For capital replacement	--	--	(959,706)	959,706
Municipal Information Systems Fund	--	(1,077,424)	(1,077,424)	--
Development Services Fund	(500,000)	(500,000)	--	(500,000)
Facility Maintenance	(200,000)	(659,104)	(659,104)	--
Total transfers out	(17,392,870)	(19,929,398)	(24,642,125)	4,755,519
Total other sources	(11,375,609)	(13,912,137)	(14,555,133)	865,875
Total revenues and other sources	\$ 211,518,789	\$ 207,887,698	\$ 204,406,147	\$ 451,859

**Exhibit 6-B  
(Continued)**

<b>Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>
--	--
126,670	56,259
151,551	--
17,558	(108,405)
636,235	--
1,368,271	--
2,546,924	--
285,687	--
4,606	--
247,552	--
50,696	--
1,344	1,344
529,364	(1)
230,890	230,890
<u>6,197,348</u>	<u>180,087</u>
(237,839)	1
(156,076)	--
(53,394)	8,606
(16,017,954)	--
(213,750)	(33,750)
(971,065)	67,935
--	--
(1,077,424)	--
(500,000)	--
(659,104)	--
<u>(19,886,606)</u>	<u>42,792</u>
<u>(13,689,258)</u>	<u>222,879</u>
<u>\$ 204,858,006</u>	<u>\$ (3,029,692)</u>

City of Corpus Christi

GENERAL FUND  
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2015

	Actual GAAP Expenditures					
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays	Reimbursements
General government						
Control						
City Council and City Secretary	\$ 635,658	\$ 44,889	\$ 423,075	\$ 117,979	\$ --	\$ --
Group Managers	584,586	(1,583)	161,443	65,079	--	--
City Auditor	349,170	6,950	14,328	59,948	--	--
City Manager's Office	586,738	9,210	5,094	62,703	--	--
Management and budget office	547,177	16,386	23,868	61,956	--	--
Public Information	322,120	7,085	157,325	43,288	--	--
Capital budgeting	152,186	296	707	14,244	--	(577,812)
Total general government - control	3,177,635	83,233	785,840	425,197	--	(577,812)
Staff agencies						
Director of finance	302,857	894	3,056	57,890	--	--
Accounting	1,557,961	18,358	570,764	317,799	--	(577,812)
Central cashiering	459,432	1,563	9,980	130,006	--	--
Cash management	264,377	6,295	28,224	45,110	--	--
City Attorney	2,164,130	52,021	130,998	202,113	--	--
Economic development	--	--	283,493	--	--	--
Economic development incentives	--	--	--	1,886,781	--	--
Housing & Community Development	81,647	2,642	5,248	188,464	--	(37,510)
Downtown Management District	--	--	337,667	--	--	--
Development Services administration	678,566	7,155	427,893	561,145	--	(78,000)
Planning	--	6,071	1,059,696	--	--	--
NCAD/NC-Administration	--	--	1,258,064	--	--	--
Human resources	1,016,530	33,931	66,436	162,942	--	--
Training	219,725	4,760	174,247	16,385	--	--
ADA Compliance	54,990	603	25,980	6,348	--	--
Human relations	239,395	1,881	9,914	38,633	--	--
Fair housing	21,592	1,124	24,091	11,699	--	--
Total staff agencies	7,061,202	137,298	4,415,751	3,625,315	--	(693,322)
Engineering services						
Special services	887,992	3,549	267,789	29,952	--	(581,772)
Process Management Development	533,102	11,432	8,050	33,254	--	(22,764)
Total engineering services	1,421,094	14,981	275,839	63,206	--	(604,536)
Other expenditures						
Uncollectible accounts	--	--	--	44,146	--	--
Major memberships	--	--	91,883	--	--	--
Purchasing/messenger service allocation	--	--	--	300,804	--	--
Reserve appropriations	--	--	--	--	--	--
Reserve for accrued pay	--	--	--	--	--	--
Total other expenditures	--	--	91,883	344,950	--	--
Total general government	11,659,931	235,512	5,569,313	4,458,668	--	(1,875,670)

(Continued)

City of Corpus Christi

Exhibit 6-C

Total Expenditures	Adjustments Budget Basis	Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)
			Original	Final	
\$ 1,221,601	\$ --	\$ 1,221,601	\$ 852,864	\$ 1,524,487	\$ 302,886
809,525	--	809,525	879,816	1,057,731	248,206
430,396	--	430,396	447,397	447,397	17,001
663,745	--	663,745	653,862	680,932	17,187
649,387	--	649,387	714,046	744,967	95,580
529,818	--	529,818	676,588	861,669	331,851
(410,379)	577,812	167,433	175,646	175,646	8,213
<u>3,894,093</u>	<u>577,812</u>	<u>4,471,905</u>	<u>4,400,219</u>	<u>5,492,829</u>	<u>1,020,924</u>
364,697	--	364,697	378,350	562,350	197,653
1,887,070	577,812	2,464,882	2,607,987	2,591,987	127,105
600,981	--	600,981	608,765	608,765	7,784
344,006	--	344,006	340,960	340,960	(3,046)
2,549,262	--	2,549,262	2,618,894	2,618,894	69,632
283,493	--	283,493	283,492	283,493	--
1,886,781	--	1,886,781	2,100,000	2,036,780	149,999
240,491	37,510	278,001	360,118	360,118	82,117
337,667	--	337,667	150,000	347,667	10,000
1,596,759	(1,596,759)	--	--	--	--
1,065,767	--	1,065,767	832,300	1,204,372	138,605
1,258,064	--	1,258,064	1,250,000	1,258,120	56
1,279,839	--	1,279,839	1,302,814	1,302,814	22,975
415,117	--	415,117	539,309	547,799	132,682
87,921	--	87,921	98,549	98,549	10,628
289,823	--	289,823	292,208	292,208	2,385
58,506	--	58,506	75,784	75,784	17,278
<u>14,546,244</u>	<u>(981,437)</u>	<u>13,564,807</u>	<u>13,839,530</u>	<u>14,530,660</u>	<u>965,853</u>
607,510	(607,510)	--	--	--	--
563,074	(563,074)	--	--	--	--
<u>1,170,584</u>	<u>(1,170,584)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
44,146	--	44,146	500,000	500,000	455,854
91,883	--	91,883	100,000	100,000	8,117
300,804	--	300,804	300,804	300,804	--
--	--	--	2,421,247	1,163,557	1,163,557
--	--	--	2,000,000	900,488	900,488
<u>436,833</u>	<u>--</u>	<u>436,833</u>	<u>5,322,051</u>	<u>2,964,849</u>	<u>2,528,016</u>
<u>20,047,754</u>	<u>(1,574,209)</u>	<u>18,473,545</u>	<u>23,561,800</u>	<u>22,988,338</u>	<u>4,514,793</u>

City of Corpus Christi

GENERAL FUND  
 SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET  
 YEAR ENDED SEPTEMBER 30, 2015

	Actual GAAP Expenditures					Reimbursements
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays	
Police and municipal court						
Police						
Administration	2,513,192	95,987	354,693	1,099,004	--	--
Police training	1,263,961	227,303	20,125	211,344	--	--
Criminal investigation	6,204,317	202,250	7,142	524,776	--	--
Narcotics/Vice Investigations	2,958,645	101,120	126,390	293,322	--	--
Uniformed division	31,461,074	697,810	457,575	6,563,639	--	--
Forensics services division	1,310,877	53,713	25,919	86,220	--	--
School crossing guards	8,101	--	172,536	47,956	--	--
Parking control	284,986	11,445	174,014	68,580	--	--
MetroCom	3,991,177	18,814	448,082	174,772	--	--
Police computer support	65,634	11,230	716,848	5,712	--	(780,794)
9-1-1 call delivery wireline	43,512	3,037	295,411	4,140	--	--
9-1-1 call delivery wireless	--	18,611	114,063	11,951	--	--
Building maintenance and operations	84,096	73,908	999,388	69,282	240,215	--
Vehicle pound operation	372,458	7,864	1,058,500	85,089	--	--
Central information	1,295,251	36,966	26,691	101,991	--	--
Criminal intelligence unit	1,062,975	29,029	13,199	54,772	--	--
Beach safety	161,355	--	--	--	--	--
Police Special Events	127,958	--	--	--	--	--
Animal Control	1,231,428	217,296	348,994	522,918	--	--
Low Cost Spay Neuter Clinic	193,978	57,162	16,916	6,144	--	--
Code enforcement	1,059,471	62,184	311,847	385,157	45,412	--
Total police	55,694,446	1,925,729	5,688,333	10,316,769	285,627	(780,794)
Municipal court						
Administration	1,175,652	34,912	386,159	717,051	--	--
Municipal juvenile court	985,075	14,343	45,175	39,799	--	--
Detention facility	1,283,537	11,615	158,526	64,272	--	--
City marshals	153,998	15,250	43,093	46,978	--	--
Total municipal court	3,598,262	76,120	632,953	868,100	--	--
Total police and municipal court	59,292,708	2,001,849	6,321,286	11,184,869	285,627	(780,794)
Fire and Ambulance						
Administration and training	612,722	22,816	101,104	379,478	--	--
Fire Safety Education	--	--	5,186	--	--	--
Fire academy training	1,113,583	79,941	30,563	126,555	--	--
Communications	87,536	13,675	59,009	99,516	--	--
Apparatus and shop	312,534	212,703	464,715	23,644	--	--
Stations	37,275,050	519,889	941,191	2,251,549	642,584	(327,472)
Fire prevention	1,592,208	21,367	17,346	176,798	--	--
Honor Guard	--	--	80	2,063	--	--
Life guarding and first response	229,320	27,874	11,193	57,792	42,243	--
Fire support services	801,098	41,156	3,253	35,929	--	--
City ambulance operations	173,359	589,544	609,505	50,780	--	--
Total fire and ambulance	42,197,410	1,528,965	2,243,145	3,204,104	684,827	(327,472)

(Continued)

City of Corpus Christi

Exhibit 6-C  
(Continued)

Total Expenditures	Adjustments Budget Basis	Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)
			Original	Final	
4,062,876	--	4,062,876	3,899,624	4,001,624	(61,252)
1,722,733	--	1,722,733	1,709,834	1,654,834	(67,899)
6,938,485	--	6,938,485	6,725,421	6,695,421	(243,064)
3,479,477	--	3,479,477	3,516,924	3,418,924	(60,553)
39,180,098	909,706	40,089,804	38,660,494	39,613,859	(475,945)
1,476,729	--	1,476,729	1,454,134	1,449,134	(27,595)
228,593	--	228,593	213,881	213,881	(14,712)
539,025	--	539,025	589,170	569,170	30,145
4,632,845	--	4,632,845	5,179,287	5,179,287	546,442
18,630	780,794	799,424	692,464	796,759	(2,665)
346,100	--	346,100	366,477	386,010	39,910
144,625	--	144,625	275,255	275,255	130,630
1,466,889	--	1,466,889	1,407,787	1,529,539	62,650
1,523,911	--	1,523,911	1,114,164	1,484,164	(39,747)
1,460,899	--	1,460,899	1,578,575	1,443,575	(17,324)
1,159,975	--	1,159,975	1,170,553	1,153,553	(6,422)
161,355	--	161,355	153,150	153,150	(8,205)
127,958	--	127,958	149,634	149,634	21,676
2,320,636	--	2,320,636	2,332,234	2,340,252	19,616
274,200	--	274,200	273,429	309,220	35,020
1,864,071	--	1,864,071	1,891,592	1,934,174	70,103
73,130,110	1,690,500	74,820,610	73,354,083	74,751,419	(69,191)
2,313,774	--	2,313,774	2,184,582	2,891,764	577,990
1,084,392	--	1,084,392	1,050,089	1,075,589	(8,803)
1,517,950	--	1,517,950	1,373,626	1,483,327	(34,623)
259,319	--	259,319	577,089	439,089	179,770
5,175,435	--	5,175,435	5,185,386	5,889,769	714,334
78,305,545	1,690,500	79,996,045	78,539,469	80,641,188	645,143
1,116,120	--	1,116,120	1,139,924	1,229,940	113,820
5,186	--	5,186	6,120	6,120	934
1,350,642	--	1,350,642	971,038	979,441	(371,201)
259,736	--	259,736	262,005	280,005	20,269
1,013,596	--	1,013,596	988,837	1,088,837	75,241
41,302,791	435,162	41,737,953	41,445,265	42,607,153	869,200
1,807,719	--	1,807,719	1,672,601	1,672,601	(135,118)
2,143	--	2,143	4,080	4,080	1,937
368,422	--	368,422	470,794	470,794	102,372
881,436	--	881,436	833,370	832,663	(48,773)
1,423,188	249,792	1,672,980	1,953,460	1,879,100	206,120
49,530,979	684,954	50,215,933	49,747,494	51,050,734	834,801

City of Corpus Christi

GENERAL FUND  
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2015

	Actual GAAP Expenditures					
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays	Reimbursements
Emergency management	151,303	51,697	48,053	159,096	--	--
Inspections	1,619,215	64,789	308,078	467,020	--	(266,352)
Streets						
Street lighting	--	--	3,338,558	--	5,053	(745)
Harbor Bridge Lighting	--	--	91,930	--	--	--
Total streets	--	--	3,430,488	--	5,053	(745)
Solid Waste						
Solid waste office	572,630	29,776	393,325	208,448	29,680	--
J.C. Elliot Transfer Station	1,253,950	268,442	322,485	306,432	86,355	(460,000)
Refuse collection	3,739,769	880,825	2,103,281	759,408	707,983	--
Refuse disposal	75,576	7,795	123,695	18,565	39,229	--
Brush collection	1,577,987	272,116	531,668	318,598	2,662,057	--
Elliot Closure/Postclosure exp	--	--	213,457	--	--	--
Graffiti Clean-up Project	219,161	14,070	3,425	17,292	--	--
Cefe Valenzuela landfill operation	704,639	65,271	4,801,795	209,694	74,231	--
Total solid waste	8,143,712	1,538,295	8,493,131	1,838,437	3,599,535	(460,000)
Health						
Administration and special programs	497,794	5,318	83,002	225,707	--	--
T.B. Clinic - Health Department	53,573	--	33	4,320	--	--
Immunization	98,868	382	16,671	17,892	--	--
Vital statistics	103,871	12,257	8,706	11,604	--	--
Nursing	262,043	4,739	7,114	16,017	--	--
Environmental health	380,278	16,012	14,842	84,627	--	--
STD clinic	115,161	215	369	5,796	--	--
1115 Wvr Obesity Prevention	176,723	5,568	175,065	557,612	--	--
Laboratory	169,907	3,757	13,338	11,568	--	--
Mental health	--	--	58,500	--	--	--
Health office building	7,955	7,992	185,702	54,132	21,133	--
Total health	1,866,173	56,240	563,342	989,275	21,133	--
Parks and recreation						
Director of parks and recreation	567,719	6,864	115,084	142,966	--	--
Park operation	2,168,303	275,208	637,954	1,090,335	228,038	(264,000)
Park construction	326,947	116,416	9,211	92,058	--	--
Program services admin	321,177	12,483	10,778	256,119	--	--
Senior community services	562,275	29,363	400,949	460,014	--	--
P&R priority maint response	115,066	20,835	159	--	76,263	--
Beach & Park Code Compliance	149,389	3,608	1,216	--	--	--
Athletics	272,414	40,881	168,813	167,057	--	--
Aquatics	511,361	97,831	131,285	186,397	--	--
Recreation centers	58,696	44,554	100,529	35,040	--	--
Multicultural center	98,556	5,509	36,528	20,891	--	(131,139)
Latchkey program	1,832,524	115,152	95,917	271,184	--	--
Beach maintenance/safety	--	250	--	--	--	--
Beach parking permits	52,115	13,584	69,243	10,869	31,844	--
Beach maintenance and operations	453,171	106,050	440,280	179,652	64,088	(1,133,453)
Oso Bay Learning Center	106,375	32,922	23,278	713	6,326	--
Tennis center operations	25,374	14,630	176,297	76,049	--	--
Corpus Christi Independent School District	--	--	23,633	--	--	--
Public Art Maintenance	--	--	17,157	--	--	--
Tourist district	383,880	59,238	406,990	115,740	48,095	--
Natatorium	--	--	150,206	--	--	--
Total parks and recreation	8,005,342	995,378	3,015,507	3,105,084	454,654	(1,528,592)
Libraries						
Central	725,741	557,616	216,925	334,681	7,984	--
Anita & W.T. Neyland Branch	318,684	13,237	58,814	81,721	--	--
Ben McDonald Branch	280,914	6,889	75,651	92,624	--	--
Owen Hopkins Branch	276,348	9,864	34,949	81,445	--	--
Janet F. Harte Branch	235,252	11,941	50,181	97,133	--	--
Dr. Clotilde P. Garcia Branch	271,020	10,445	71,734	90,181	--	--
Total libraries	2,107,959	609,992	508,254	777,785	7,984	--

(Continued)

City of Corpus Christi

Exhibit 6-C  
(Continued)

Total Expenditures	Adjustments Budget Basis	Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)
			Original	Final	
410,149	--	410,149	469,188	467,688	57,539
2,192,750	(2,192,750)	--	--	--	--
3,342,866	745	3,343,611	3,648,306	4,009,040	665,429
91,930	--	91,930	37,600	94,600	2,670
3,434,796	745	3,435,541	3,685,906	4,103,640	668,099
1,233,859	(25,508)	1,208,351	1,354,165	1,392,665	184,314
1,777,664	1,072,795	2,850,459	3,035,594	3,094,137	243,678
8,191,266	1,989,001	10,180,267	10,305,146	10,191,818	11,551
264,860	710,131	974,991	1,056,918	1,074,676	99,685
5,362,426	(2,079,867)	3,282,559	2,866,867	3,338,867	56,308
213,457	--	213,457	318,634	419,691	206,234
253,948	--	253,948	271,159	271,159	17,211
5,855,630	3,210,406	9,066,036	8,472,768	9,303,802	237,766
23,153,110	4,876,958	28,030,068	27,681,251	29,086,815	1,056,747
811,821	--	811,821	865,772	869,950	58,129
57,926	--	57,926	83,352	58,135	209
133,813	--	133,813	177,989	137,089	3,276
136,438	--	136,438	144,786	141,786	5,348
289,913	--	289,913	360,341	358,102	68,189
495,759	--	495,759	481,369	495,953	194
121,541	--	121,541	124,948	123,152	1,611
914,968	--	914,968	2,524,224	1,220,937	305,969
198,570	--	198,570	154,778	162,098	(36,472)
58,500	--	58,500	54,000	54,000	(4,500)
276,914	--	276,914	360,926	305,218	28,304
3,496,163	--	3,496,163	5,332,485	3,926,420	430,257
832,633	--	832,633	922,564	871,189	38,556
4,135,838	318,564	4,454,402	4,677,042	4,696,422	242,020
544,632	--	544,632	694,226	713,007	168,375
600,557	--	600,557	643,035	698,330	97,773
1,452,601	--	1,452,601	1,441,220	1,462,078	9,477
212,323	--	212,323	190,332	326,304	113,981
154,213	--	154,213	162,348	162,348	8,135
649,165	--	649,165	682,657	682,657	33,492
926,874	--	926,874	1,004,279	996,279	69,405
238,819	--	238,819	322,348	322,348	83,529
30,345	131,139	161,484	163,492	163,492	2,008
2,314,777	--	2,314,777	2,463,034	2,439,034	124,257
250	--	250	3,950	3,950	3,700
177,655	--	177,655	181,528	237,778	60,123
109,788	1,133,453	1,243,241	1,416,016	1,359,766	116,525
169,614	--	169,614	423,655	480,020	310,406
292,350	--	292,350	301,795	301,795	9,445
23,633	--	23,633	50,000	50,000	26,367
17,157	--	17,157	22,100	38,100	20,943
1,013,943	--	1,013,943	1,058,568	1,126,290	112,347
150,206	--	150,206	150,532	150,532	326
14,047,373	1,583,156	15,630,529	16,974,721	17,281,719	1,651,190
1,842,947	--	1,842,947	1,824,899	1,849,798	6,851
472,456	--	472,456	490,622	490,622	18,166
456,078	--	456,078	412,281	424,077	(32,001)
402,606	--	402,606	429,136	429,136	26,530
394,507	--	394,507	425,258	424,558	30,051
443,380	--	443,380	442,053	442,753	(627)
4,011,974	--	4,011,974	4,024,249	4,060,944	48,970

**GENERAL FUND  
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2015**

	Actual GAAP Expenditures					
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays	Reimbursements
Museums						
Museum of Science and History	--	1,771	325,479	1,171,277	33,475	--
Columbus ships	--	--	33,462	2,425	--	--
Total museums	--	1,771	358,941	1,173,702	33,475	--
Debt service						
Principal retired	--	--	--	4,401,551	--	--
Interest	--	--	--	268,836	--	--
Total debt service	--	--	--	4,670,387	--	--
Total expenditures	135,043,753	\$ 7,084,488	\$ 30,859,538	\$ 32,028,427	\$ 5,092,288	\$ (5,239,625)

Exhibit 6-C  
(Continued)

Total Expenditures	Adjustments Budget Basis	Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)
			Original	Final	
1,532,002	--	1,532,002	1,370,375	1,370,375	(161,627)
35,887	--	35,887	131,852	150,349	114,462
1,567,889	--	1,567,889	1,502,227	1,520,724	(47,165)
4,401,551	(4,401,551)	--	--	--	--
268,836	(268,836)	--	--	--	--
4,670,387	(4,670,387)	--	--	--	--
<u>\$ 204,868,869</u>	<u>\$ 398,967</u>	<u>\$ 205,267,836</u>	<u>\$ 211,518,790</u>	<u>\$ 215,128,210</u>	<u>\$ 9,860,374</u>

**GENERAL FUND (DEVELOPMENT SERVICES)  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Licenses and permits				
Beer and liquor licenses	\$ 115,000	\$ 115,000	\$ 93,942	\$ -
Electricians licenses and exam fees	36,000	36,000	35,805	--
House mover licenses	250	250	266	--
Building permits	3,148,800	3,148,800	3,128,535	--
Electrical permits	200,000	200,000	204,821	--
Plumbing permits	380,000	380,000	356,097	--
Mechanical permits	120,000	120,000	141,417	--
Certificate of occupancy fee	45,000	45,000	33,712	--
Plan review fee	920,000	920,000	1,182,080	--
Mechanical registration fees	25,000	25,000	22,895	--
Plumber registration	--	--	(135)	--
Lawn irrigator registration	4,800	4,800	4,455	--
Backflow prev. assembly tester	8,500	8,500	12,395	--
Driveway permit fee	15,000	15,000	16,178	--
Street cut permits	--	--	672	--
Street easement closure fees	10,500	10,500	17,789	--
Backflow prev device filling fee	80,000	80,000	105,080	--
Research and survey fee	8,000	8,000	7,555	--
Deferment Agreement fee	9,000	9,000	12,097	--
Construction documents fee	500	500	355	--
Billboard fee	14,000	14,000	4,042	--
Forfeited House Mover Deposit	--	--	10,500	--
House moving route permits	850	850	549	--
Oversize load permits	20,000	20,000	19,597	--
Total licenses and permits	<u>5,161,200</u>	<u>5,161,200</u>	<u>5,410,699</u>	<u>--</u>
Charges for services				
General governmental services				
Zoning fees	150,000	150,000	139,722	--
Platting fees	70,000	70,000	69,387	--
Board of Adjustment appeal fees	4,000	4,000	6,630	--
GIS Sales	200	200	12	--
Total charges for services	<u>224,200</u>	<u>224,200</u>	<u>215,751</u>	<u>--</u>
Earnings on investments	--	--	13,510	--
Miscellaneous				
Sale of city property	--	--	7,607	--
Miscellaneous	--	--	6,074	--
Total miscellaneous revenue	<u>--</u>	<u>--</u>	<u>13,681</u>	<u>--</u>
Reimbursements				
Interdepartmental	948,888	948,888	--	948,888
Total revenues	<u>6,334,288</u>	<u>6,334,288</u>	<u>5,653,641</u>	<u>948,888</u>
Transfers in				
General Fund	501,158	501,158	500,000	--
Total transfers in	<u>501,158</u>	<u>501,158</u>	<u>500,000</u>	<u>--</u>
Transfers out				
Administrative Service Charge	(247,552)	(247,552)	(247,552)	--
Transfers for capital replacement	(50,000)	(50,000)	(50,000)	--
Total transfers out	<u>(297,552)</u>	<u>(297,552)</u>	<u>(297,552)</u>	<u>--</u>
Total other sources	<u>203,606</u>	<u>203,606</u>	<u>202,448</u>	<u>--</u>
Total revenues and other sources	<u>\$ 6,537,894</u>	<u>\$ 6,537,894</u>	<u>\$ 5,856,089</u>	<u>\$ 948,888</u>

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

Exhibit 6-D

Actual Budget Basis	Variance Final Budget Positive (Negative)
\$ 93,942	\$ (21,058)
35,805	(195)
266	16
3,128,535	(20,265)
204,821	4,821
356,097	(23,903)
141,417	21,417
33,712	(11,288)
1,182,080	262,080
22,895	(2,105)
(135)	(135)
4,455	(345)
12,395	3,895
16,178	1,178
672	672
17,789	7,289
105,080	25,080
7,555	(445)
12,097	3,097
355	(145)
4,042	(9,958)
10,500	10,500
549	(301)
19,597	(403)
<u>5,410,699</u>	<u>249,499</u>
139,722	(10,278)
69,387	(613)
6,630	2,630
12	(188)
<u>215,751</u>	<u>(8,449)</u>
<u>13,510</u>	<u>13,510</u>
7,607	7,607
6,074	6,074
<u>13,681</u>	<u>13,681</u>
948,888	--
<u>6,602,529</u>	<u>268,241</u>
500,000	(1,158)
<u>500,000</u>	<u>(1,158)</u>
(247,552)	--
(50,000)	--
(297,552)	--
<u>202,448</u>	<u>(1,159)</u>
<u>\$ 6,804,977</u>	<u>\$ 267,082</u>

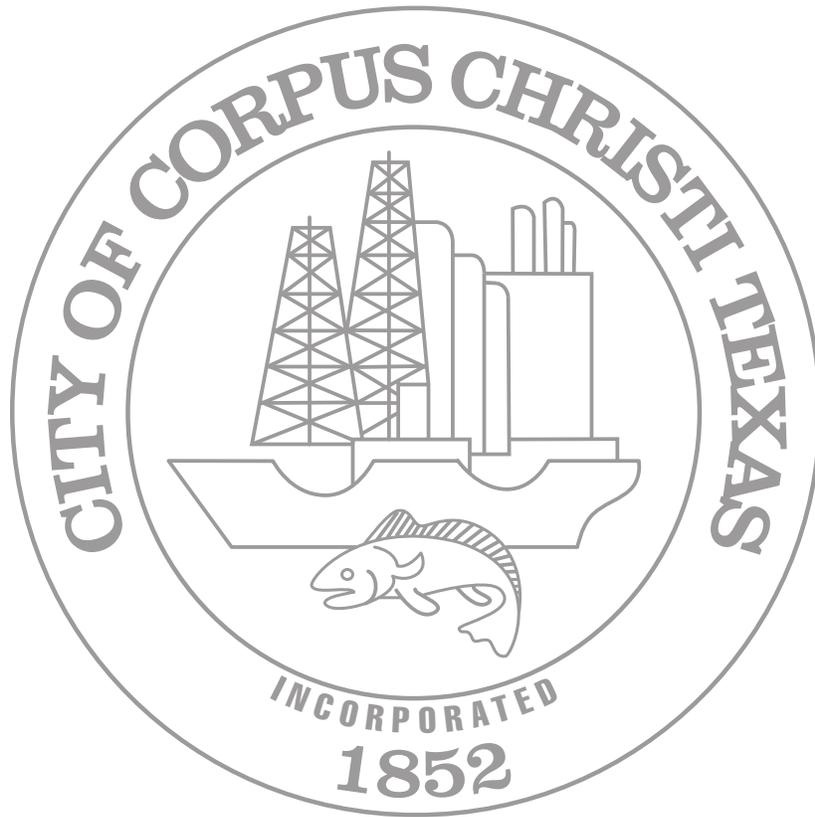
**GENERAL FUND (DEVELOPMENT SERVICES)  
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET  
YEAR ENDED SEPTEMBER 30, 2015**

	<u>Actual GAAP Expenditures</u>					<u>Total Expenditures</u>
	<u>Personal Services</u>	<u>Materials &amp; Supplies</u>	<u>Contractual Services</u>	<u>Other Charges</u>	<u>Reimbursements</u>	
General government						
Development Services administration	\$ 678,566	\$ 7,155	\$ 427,893	\$ 561,145	\$ (78,000)	\$ 1,596,759
Engineering services						
Special services	887,992	3,549	267,789	29,952	(581,772)	607,510
Process management	533,102	11,432	8,050	33,254	(22,764)	563,074
Total engineering services	<u>1,421,094</u>	<u>14,981</u>	<u>275,839</u>	<u>63,206</u>	<u>(604,536)</u>	<u>1,170,584</u>
Other expenditures						
Reserve appropriations	--	--	--	--	--	--
Total general government	<u>2,099,660</u>	<u>22,136</u>	<u>703,732</u>	<u>624,351</u>	<u>(682,536)</u>	<u>2,767,343</u>
Inspections	<u>1,619,215</u>	<u>64,789</u>	<u>308,078</u>	<u>467,020</u>	<u>(266,352)</u>	<u>2,192,750</u>
Total expenditures	<u>\$ 3,718,875</u>	<u>\$ 86,925</u>	<u>\$ 1,011,810</u>	<u>\$ 1,091,371</u>	<u>\$ (948,888)</u>	<u>\$ 4,960,093</u>

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

Exhibit 6-E

Adjustments Budget Basis	Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)
		Original	Final	
\$ 78,000	\$ 1,674,759	\$ 1,530,775	\$ 3,195,099	\$ 1,520,340
581,772	1,189,282	1,233,901	1,432,212	242,930
22,764	585,838	797,620	584,132	(1,706)
<u>604,536</u>	<u>1,775,120</u>	<u>2,031,521</u>	<u>2,016,344</u>	<u>241,224</u>
--	--	865	865	865
<u>682,536</u>	<u>3,449,879</u>	<u>3,563,161</u>	<u>5,212,308</u>	<u>1,762,429</u>
<u>266,352</u>	<u>2,459,102</u>	<u>2,615,011</u>	<u>2,696,202</u>	<u>237,100</u>
<u>\$ 948,888</u>	<u>\$ 5,908,981</u>	<u>\$ 6,178,172</u>	<u>\$ 7,908,510</u>	<u>\$ 1,999,529</u>

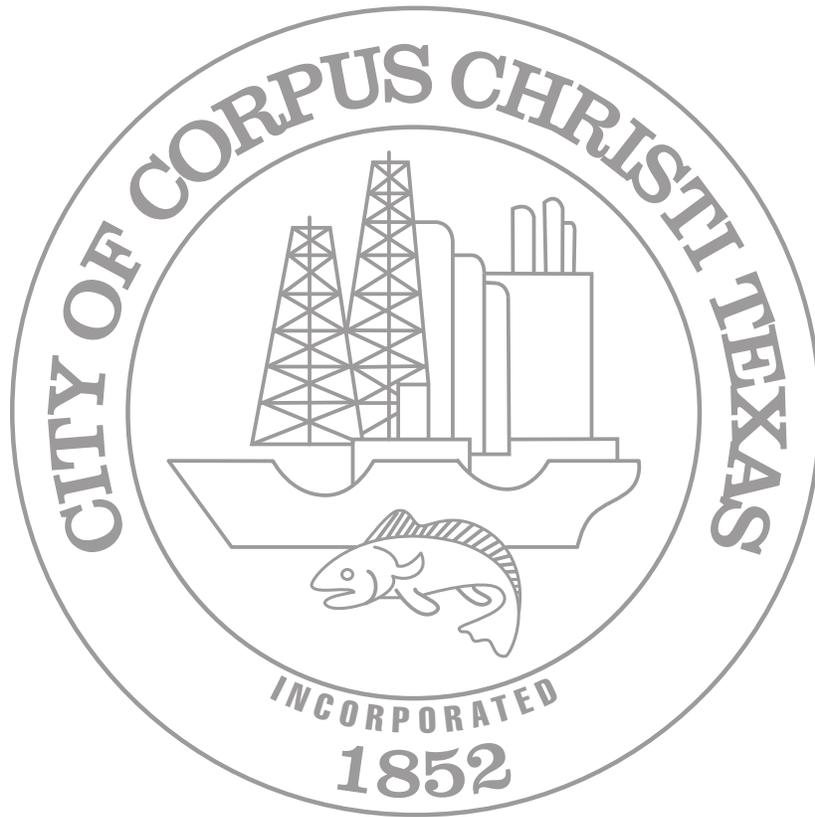


*Debt Service Fund*



***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, 2015**

**ASSETS**

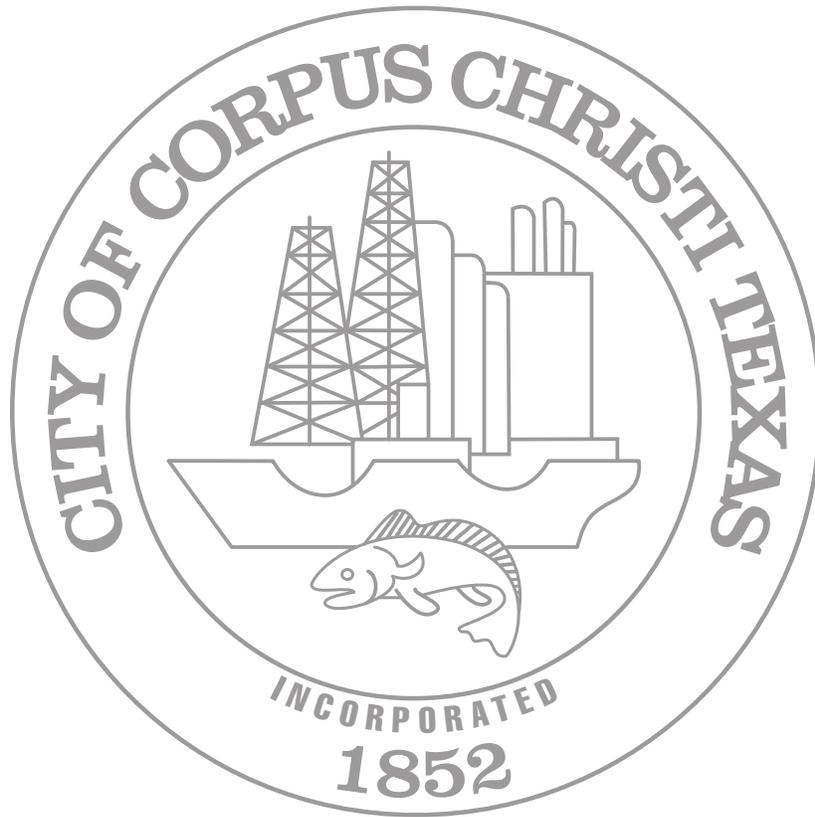
Cash, cash equivalents and investments	\$ 10,776,370
Receivables	
Taxes	1,787,737
Miscellaneous	2,775
Allowance for uncollectibles	<u>(914,627)</u>
Net receivables	<u>875,885</u>
Total assets	<u><u>\$ 11,652,255</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Accounts payable	\$ 1,611
Taxes	<u>873,110</u>
Total liabilities	874,721
Fund balance	
Committed	
Debt service	<u>10,777,534</u>
Total liabilities and fund balances	<u><u>\$ 11,652,255</u></u>

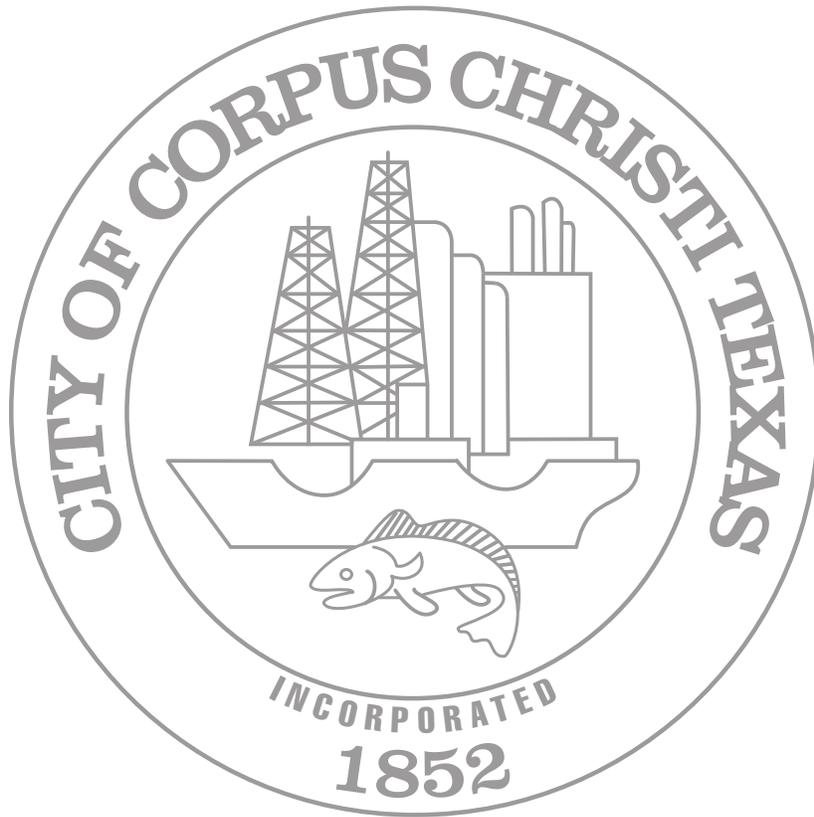
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<u>Budget</u>		<u>Actual</u>	<u>Variance Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Ad valorem taxes	\$ 33,855,000	\$ 33,855,000	\$ 34,181,412	\$ 326,412
Earnings on investments	40,000	40,000	47,112	7,112
Payments from Texas State Aquarium	332,936	332,936	328,276	(4,660)
Total revenues	<u>34,227,936</u>	<u>34,227,936</u>	<u>34,556,800</u>	<u>328,864</u>
<b>Expenditures</b>				
Debt service				
Principal retirement	24,787,773	24,787,773	24,705,189	82,584
Interest	15,159,855	15,159,855	14,881,805	278,050
Bond issue cost	--	42,093	12,729	29,364
Paying agent fees	20,000	20,000	39,317	(19,317)
Total expenditures	<u>39,967,628</u>	<u>40,009,721</u>	<u>39,639,040</u>	<u>370,681</u>
Deficiency of revenues under expenditures	(5,739,692)	(5,781,785)	(5,082,240)	699,545
<b>Other financing sources</b>				
Refunding bonds issued	--	--	2,137,681	2,137,681
Payment to escrow agent for refunded bonds	--	--	(2,137,681)	(2,137,681)
Transfers in from				
General fund	3,433,653	4,533,653	4,533,653	--
Airport fund	49,850	49,850	49,850	--
Hotel occupancy tax fund	2,194,400	2,194,400	2,194,400	--
Visitors facilities fund	187,124	187,124	187,124	--
Facilities maintenance fund	234,357	234,357	234,357	--
Total other financing sources	<u>6,099,384</u>	<u>7,199,384</u>	<u>7,199,384</u>	<u>--</u>
Net change in fund balance	359,692	1,417,599	2,117,144	699,545
Fund balance at beginning of year	<u>7,038,940</u>	<u>8,660,390</u>	<u>8,660,390</u>	<u>--</u>
Fund balance at end of year	<u>\$ 7,398,632</u>	<u>\$ 10,077,989</u>	<u>\$ 10,777,534</u>	<u>\$ 699,545</u>



***Non-major Governmental Funds***





NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2015

ASSETS	Special Revenue Funds	Capital Projects Funds	Debt Service Fund		Total
			Corpus Christi Business and Job Development Corporation	Eliminations	
Cash, cash equivalents and investments	\$ 91,466,208	\$ 59,472,272	\$ 6,153,453	\$ --	\$ 157,091,933
Receivables, net of allowance for uncollectibles	22,364,163	--	--	--	22,364,163
Inventories	362,863	--	--	--	362,863
Prepaid items	286,607	--	--	--	286,607
<b>Total assets</b>	<b>\$ 114,479,841</b>	<b>\$ 59,472,272</b>	<b>\$ 6,153,453</b>	<b>\$ --</b>	<b>\$ 180,105,566</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 1,996,221	\$ 49,322	\$ --	\$ --	\$ 2,045,543
Accrued liabilities	669,534	--	--	--	669,534
Contractor interest and retainage payable	500,769	515,113	--	--	1,015,882
Deposits	577,103	--	--	--	577,103
Due to other funds	1,029,019	--	--	--	1,029,019
Due to other governmental agencies	428,971	--	--	--	428,971
Advance from other funds	--	500,000	--	--	500,000
Unearned revenues	2,651,756	--	--	--	2,651,756
<b>Total liabilities</b>	<b>7,853,373</b>	<b>1,064,435</b>	<b>--</b>	<b>--</b>	<b>8,917,808</b>
Fund balances					
Nonspendable					
Inventory	362,863	--	--	--	362,863
Prepaid items	230,961	--	--	--	230,961
<b>Total nonspendable</b>	<b>593,824</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>593,824</b>
Restricted					
Tourism (HOT)	6,105,090	--	--	--	6,105,090
Public education governmental cable tv	1,766,301	--	--	--	1,766,301
Traffic safety programs	752,809	--	--	--	752,809
Law enforcement	306,744	--	--	--	306,744
Fire and ambulance	4,764	--	--	--	4,764
CDBG projects	243,762	--	--	--	243,762
Libraries	28	--	--	--	28
Community enrichment	7,010	--	--	--	7,010
Parks and recreation	2,629,415	--	--	--	2,629,415
Infrastructure	1,696,446	--	--	--	1,696,446
Municipal Court building security	106,316	--	--	--	106,316
Municipal Court technology	119,707	--	--	--	119,707
Juvenile Court case manager	364,332	--	--	--	364,332
Loans	14,086,807	--	--	--	14,086,807

(Continued)

NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2015

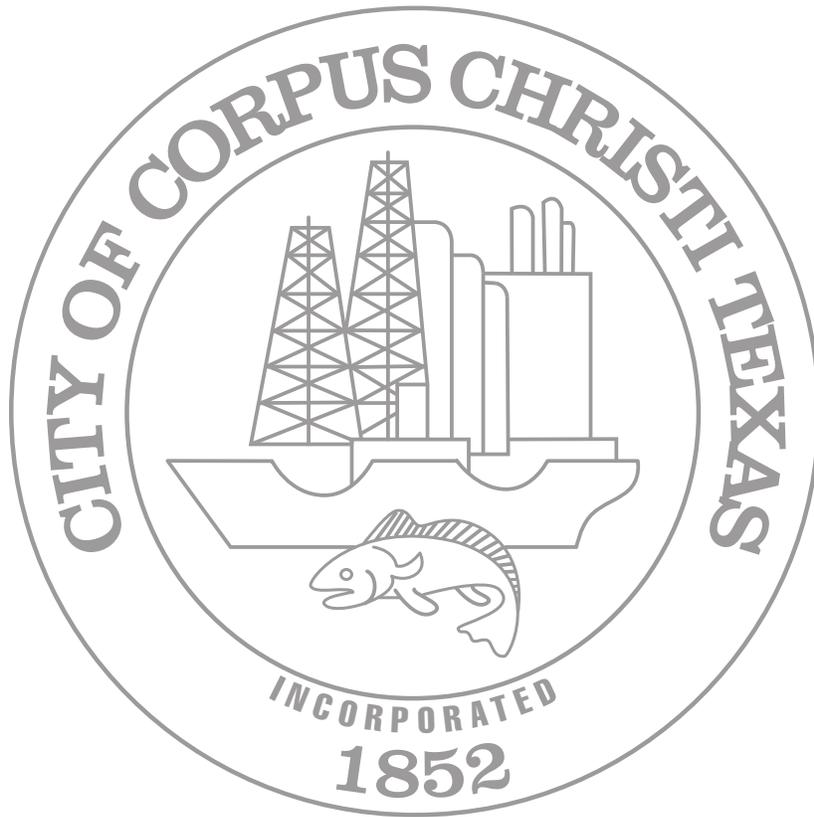
	Special Revenue Funds	Capital Projects Funds	Debt Service Fund Corpus Christi Business and Job Development Corporation	Eliminations	Total
Crime control and prevention	5,441,581	--	--	--	5,441,581
Seawall improvement	18,166,293	17,742,678	1,340,610	--	37,249,581
Arena facility	17,576,113	100,385	2,905,475	--	20,581,973
Economic development	6,642,463	--	1,907,368	--	8,549,831
North Padre Island development	3,637,431	2,363,453	--	--	6,000,884
Downtown development	2,253,569	--	--	--	2,253,569
Debt service	1,344,500	--	--	--	1,344,500
Capital projects	--	37,679,256	--	--	37,679,256
Total restricted	<u>83,251,481</u>	<u>57,885,772</u>	<u>6,153,453</u>	--	<u>147,290,706</u>
Committed					
Parking improvements	241,787	--	--	--	241,787
Streets	18,669,797	--	--	--	18,669,797
Sister City programs	1,165	--	--	--	1,165
Park projects	3,265	--	--	--	3,265
Permanent art projects	260,427	--	--	--	260,427
Development projects	1,106,310	--	--	--	1,106,310
Local Emergency Planning Committee	60,714	--	--	--	60,714
Capital projects	--	656,146	--	--	656,146
Total committed	<u>20,343,465</u>	<u>656,146</u>	--	--	<u>20,999,611</u>
Assigned					
Visitors facilities	2,291,813	--	--	--	2,291,813
Housing	87,000	--	--	--	87,000
Industrial development	68,775	--	--	--	68,775
Capital projects	--	62,867	--	--	62,867
Total assigned	<u>2,447,588</u>	<u>62,867</u>	--	--	<u>2,510,455</u>
Unassigned	(9,890)	(196,948)	--	--	(206,838)
Total fund balances	<u>106,626,468</u>	<u>58,407,837</u>	<u>6,153,453</u>	--	<u>171,187,758</u>
Total liabilities and fund balances	<u>\$ 114,479,841</u>	<u>\$ 59,472,272</u>	<u>\$ 6,153,453</u>	<u>\$ --</u>	<u>\$ 180,105,566</u>

**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<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	\$ 48,468,671	\$ --	\$ --	\$ --
Licenses and permits	40,586	--	--	--
Intergovernmental	2,427,736	--	--	--
Grants	12,740,119	--	--	--
Charges for services	17,307,002	--	--	--
Fines and forfeitures	2,217,681	--	--	--
Contributions and donations	1,124,031	--	--	--
Earnings on investments	293,229	151,439	20,676	--
Interest on loans	59,282	--	--	--
Sale of city property	46,779	--	--	--
Miscellaneous	890,000	84,364	--	--
Total revenues	<u>85,615,116</u>	<u>235,803</u>	<u>20,676</u>	<u>--</u>
<b>Expenditures</b>				
Current				
General government	134,589	503,326	--	--
Police and municipal court	10,453,798	--	--	--
Fire and ambulance	743,812	--	--	--
Emergency management	188,360	--	--	--
Streets	23,926,895	--	--	--
Health	2,073,768	--	--	--
Parks and recreation	3,095,843	--	--	--
Libraries	50,706	--	--	--
Community enrichment	2,407,841	--	--	--
Community development	11,115,966	--	--	--
Convention and visitors activities	14,625,022	--	--	--
Capital projects	3,830,996	12,236,568	--	--
Debt service				
Principal retirement	1,428,332	--	5,790,000	--
Interest	469,067	--	2,664,969	--
Bond issuance cost	--	59,601	--	--
Paying agent fees	5,694	--	2,000	--
Total expenditures	<u>74,550,689</u>	<u>12,799,495</u>	<u>8,456,969</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	11,064,427	(12,563,692)	(8,436,293)	--
<b>Other financing sources (uses)</b>				
Proceeds from the issuance of capital leases	671,670	--	--	--
General obligation bonds issued	--	6,948,234	--	--
Premium on bonds sold	--	748,513	--	--
Transfers in	16,441,172	9,635,193	9,254,291	(18,889,484)
Transfers out	(21,802,317)	--	--	18,889,484
Total other financing sources (uses)	<u>(4,689,475)</u>	<u>17,331,940</u>	<u>9,254,291</u>	<u>--</u>
Net change in fund balances	6,374,952	4,768,248	817,998	--
Fund balances at beginning of year	100,251,516	53,639,589	5,335,455	--
Fund balances at end of year	<u>\$ 106,626,468</u>	<u>\$ 58,407,837</u>	<u>\$ 6,153,453</u>	<u>\$ --</u>

**Exhibit 8-B**

<u><b>Total</b></u>	
\$	48,468,671
	40,586
	2,427,736
	12,740,119
	17,307,002
	2,217,681
	1,124,031
	465,344
	59,282
	46,779
	974,364
	<u>85,871,595</u>
	637,915
	10,453,798
	743,812
	188,360
	23,926,895
	2,073,768
	3,095,843
	50,706
	2,407,841
	11,115,966
	14,625,022
	16,067,564
	7,218,332
	3,134,036
	59,601
	7,694
	<u>95,807,153</u>
	(9,935,558)
	671,670
	6,948,234
	748,513
	16,441,172
	<u>(2,912,833)</u>
	<u>21,896,756</u>
	11,961,198
	<u>159,226,560</u>
\$	<u><u>171,187,758</u></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.*

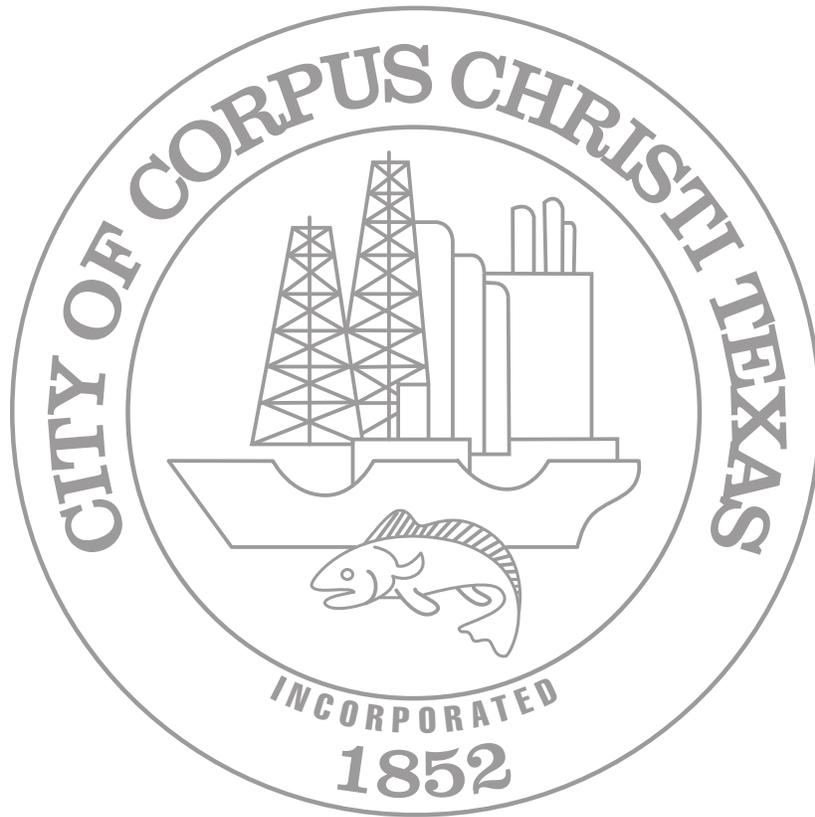
***Corpus Christi Crime Control and Prevention District*** – *This fund is a public non-profit corporation created under State law to provide for funding of public safety programs.*

***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.





**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2015**

<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, cash equivalents and investments	\$ 3,894,825	\$ 4,658,976	\$ 1,577,988	\$ 1,286,469	\$ 241,787
Receivables					
Accounts	1,510,916	1,908,138	188,313	--	--
Property leases	--	--	--	--	--
Mortgages and loans	--	--	--	--	--
Demolition liens	--	--	--	--	--
Special assessments	--	--	--	--	--
Intergovernmental	--	--	--	--	--
Miscellaneous	--	--	--	--	--
Allowance for uncollectibles	(242,483)	--	--	--	--
Net receivables	<u>1,268,433</u>	<u>1,908,138</u>	<u>188,313</u>	<u>--</u>	<u>--</u>
Inventories	109,124	--	--	--	--
Prepaid items	<u>230,961</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total assets	<u><u>\$ 5,503,343</u></u>	<u><u>\$ 6,567,114</u></u>	<u><u>\$ 1,766,301</u></u>	<u><u>\$ 1,286,469</u></u>	<u><u>\$ 241,787</u></u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 853,273	\$ 454,230	\$ --	\$ 100,396	\$ --
Accrued liabilities	304,305	--	--	7,157	--
Contractor interest and retainage payable	--	7,794	--	--	--
Deposits	1,350	--	--	--	--
Due to other funds	--	--	--	--	--
Due to other governmental agencies	--	--	--	426,107	--
Unearned revenues					
Demolition liens and other	--	--	--	--	--
Asset seizure and forfeiture	--	--	--	--	--
Grants	--	--	--	--	--
Texas Commission on Environmental Quality	--	--	--	--	--
Other	1,712,517	--	--	--	--
Total unearned revenues	<u>1,712,517</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total liabilities	<u>2,871,445</u>	<u>462,024</u>	<u>--</u>	<u>533,660</u>	<u>--</u>

(Continued)

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>
\$ 17,217,746	\$ --	\$ 613,293	\$ 3,585,624	\$ 1,696,446	\$ 91,875
1,341,349	--	--	--	--	--
1,732	--	--	--	--	--
--	--	--	--	--	--
--	803,354	--	--	--	--
--	4,777	--	--	--	--
844,510	3,156,057	--	--	--	--
--	13,704	--	--	--	--
(126,862)	(763,534)	--	--	--	--
<u>2,060,729</u>	<u>3,214,358</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
253,739	--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ 19,532,214</u>	<u>\$ 3,214,358</u>	<u>\$ 613,293</u>	<u>\$ 3,585,624</u>	<u>\$ 1,696,446</u>	<u>\$ 91,875</u>
\$ 77,061	\$ 282,385	\$ 20,356	\$ --	\$ --	\$ 854
139,350	84,869	2,502	--	--	1,397
392,267	89,562	--	11,146	--	--
--	214,130	--	--	--	28,910
--	1,029,019	--	--	--	--
--	2,784	80	--	--	--
--	44,896	--	--	--	--
--	31,901	--	--	--	--
--	441,527	--	--	--	--
--	14,763	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>--</u>	<u>533,087</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>608,678</u>	<u>2,235,836</u>	<u>22,938</u>	<u>11,146</u>	<u>--</u>	<u>31,161</u>

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2015**

	<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>
Fund balances					
Nonspendable					
Inventory	109,124	--	--	--	--
Prepaid items	230,961	--	--	--	--
Total nonspendable	<u>340,085</u>	--	--	--	--
Restricted					
Tourism (HOT)	--	6,105,090	--	--	--
Public education governmental cable tv	--	--	1,766,301	--	--
Traffic safety programs	--	--	--	752,809	--
Law enforcement	--	--	--	--	--
Fire and ambulance	--	--	--	--	--
CDBG projects	--	--	--	--	--
Libraries	--	--	--	--	--
Community enrichment	--	--	--	--	--
Parks and recreation	--	--	--	--	--
Infrastructure	--	--	--	--	--
Municipal Court building security	--	--	--	--	--
Municipal Court technology	--	--	--	--	--
Juvenile Court case manager	--	--	--	--	--
Loans	--	--	--	--	--
Crime control and prevention	--	--	--	--	--
Seawall improvement	--	--	--	--	--
Arena facility	--	--	--	--	--
Economic development	--	--	--	--	--
North Padre Island development	--	--	--	--	--
Downtown development	--	--	--	--	--
Debt service	--	--	--	--	--
Total restricted	--	<u>6,105,090</u>	<u>1,766,301</u>	<u>752,809</u>	--
Committed					
Parking improvements	--	--	--	--	241,787
Streets	--	--	--	--	--
Sister City programs	--	--	--	--	--
Park projects	--	--	--	--	--
Permanent art projects	--	--	--	--	--
Development projects	--	--	--	--	--
Local Emergency Planning Committee	--	--	--	--	--
Total committed	--	--	--	--	<u>241,787</u>
Assigned					
Visitors facilities	2,291,813	--	--	--	--
Housing	--	--	--	--	--
Industrial development	--	--	--	--	--
Total assigned	<u>2,291,813</u>	--	--	--	--
Unassigned	--	--	--	--	--
Total fund balances	<u>2,631,898</u>	<u>6,105,090</u>	<u>1,766,301</u>	<u>752,809</u>	<u>241,787</u>
Total liabilities and fund balances	<u>\$ 5,503,343</u>	<u>\$ 6,567,114</u>	<u>\$ 1,766,301</u>	<u>\$ 1,286,469</u>	<u>\$ 241,787</u>

(Continued)

Exhibit 9-A  
(Continued)

Street Maintenance	Federal/ State Grants	Municipal Court Fees	Community Enrichment	Infrastructure	Local Emergency Planning Committee
253,739	--	--	--	--	--
--	--	--	--	--	--
253,739	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	306,744	--	--	--	--
--	4,764	--	--	--	--
--	243,762	--	--	--	--
--	28	--	--	--	--
--	7,010	--	--	--	--
--	426,104	--	2,203,311	--	--
--	--	--	--	1,696,446	--
--	--	106,316	--	--	--
--	--	119,707	--	--	--
--	--	364,332	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	988,412	590,355	2,203,311	1,696,446	--
--	--	--	--	--	--
18,669,797	--	--	--	--	--
--	--	--	1,165	--	--
--	--	--	3,265	--	--
--	--	--	260,427	--	--
--	--	--	1,106,310	--	--
--	--	--	--	--	60,714
18,669,797	--	--	1,371,167	--	60,714
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	(9,890)	--	--	--	--
18,923,536	978,522	590,355	3,574,478	1,696,446	60,714
\$ 19,532,214	\$ 3,214,358	\$ 613,293	\$ 3,585,624	\$ 1,696,446	\$ 91,875

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2015**

<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, cash equivalents and investments	\$ 3,198,011	\$ 86,000	\$ 68,775	\$ 5,153,917	\$ 40,856,666
Receivables					
Accounts	--	407,152	--	--	--
Property leases	--	--	--	--	--
Mortgages and loans	13,590,749	--	--	--	--
Demolition liens	--	--	--	--	--
Special assessments	--	--	--	--	--
Intergovernmental	--	--	--	516,509	1,569,726
Miscellaneous	--	--	--	89	--
Allowance for uncollectibles	(2,360,033)	--	--	--	--
Net receivables	<u>11,230,716</u>	<u>407,152</u>	<u>--</u>	<u>516,598</u>	<u>1,569,726</u>
Inventories	--	--	--	--	--
Prepaid items	--	--	--	--	55,646
<b>Total assets</b>	<b><u>\$ 14,428,727</u></b>	<b><u>\$ 493,152</u></b>	<b><u>\$ 68,775</u></b>	<b><u>\$ 5,670,515</u></b>	<b><u>\$ 42,482,038</u></b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 9,207	\$ --	\$ --	\$ 98,980	\$ 97,169
Accrued liabilities	--	--	--	129,954	--
Contractor interest and retainage payable	--	--	--	--	--
Deposits	332,713	--	--	--	--
Due to other funds	--	--	--	--	--
Due to other governmental agencies	--	--	--	--	--
Unearned revenues					
Demolition liens and other	--	--	--	--	--
Asset seizure and forfeitures	--	--	--	--	--
Grants	--	--	--	--	--
Texas Commission on Environmental Quality	--	--	--	--	--
Other	--	406,152	--	--	--
Total unearned revenues	<u>--</u>	<u>406,152</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total liabilities	<u>341,920</u>	<u>406,152</u>	<u>--</u>	<u>228,934</u>	<u>97,169</u>

(Continued)

**Exhibit 9-A  
(Continued)**

<b>North Padre Island Development Corporation</b>	<b>Reinvestment Zone #3</b>	<b>Eliminations</b>	<b>Total</b>
\$ 4,984,241	\$ 2,253,569	\$ --	\$ 91,466,208
--	--	--	5,355,868
--	--	--	1,732
--	--	--	13,590,749
--	--	--	803,354
--	--	--	4,777
--	--	--	6,086,802
--	--	--	13,793
--	--	--	(3,492,912)
--	--	--	22,364,163
--	--	--	362,863
--	--	--	286,607
<u>\$ 4,984,241</u>	<u>\$ 2,253,569</u>	<u>\$ --</u>	<u>\$ 114,479,841</u>
\$ 2,310	\$ --	\$ --	\$ 1,996,221
--	--	--	669,534
--	--	--	500,769
--	--	--	577,103
--	--	--	1,029,019
--	--	--	428,971
--	--	--	44,896
--	--	--	31,901
--	--	--	441,527
--	--	--	14,763
--	--	--	2,118,669
--	--	--	2,651,756
<u>2,310</u>	<u>--</u>	<u>--</u>	<u>7,853,373</u>

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2015**

	<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	--	--	--	--	--
Total nonspendable	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Restricted					
Tourism (HOT)	--	--	--	--	--
Public education governmental cable tv	--	--	--	--	--
Traffic safety programs	--	--	--	--	--
Law enforcement	--	--	--	--	--
Fire and ambulance	--	--	--	--	--
CDBG projects	--	--	--	--	--
Libraries	--	--	--	--	--
Community enrichment	--	--	--	--	--
Parks and recreation	--	--	--	--	--
Infrastructure	--	--	--	--	--
Municipal Court building security	--	--	--	--	--
Municipal Court technology	--	--	--	--	--
Juvenile Court case manager	--	--	--	--	--
Loans	14,086,807	--	--	--	--
Crime control and prevention	--	--	--	5,441,581	--
Seawall improvement	--	--	--	--	18,166,293
Arena facility	--	--	--	--	17,576,113
Economic development	--	--	--	--	6,642,463
North Padre Island development	--	--	--	--	--
Downtown development	--	--	--	--	--
Debt service	--	--	--	--	--
Total restricted	<u>14,086,807</u>	<u>--</u>	<u>--</u>	<u>5,441,581</u>	<u>42,384,869</u>
Committed					
Parking improvements	--	--	--	--	--
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>--</u>
Assigned					
Visitors facilities	--	--	--	--	--
Housing	--	87,000	--	--	--
Industrial development	--	--	68,775	--	--
Total assigned	<u>--</u>	<u>87,000</u>	<u>68,775</u>	<u>--</u>	<u>--</u>
Unassigned	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total fund balances	<u>14,086,807</u>	<u>87,000</u>	<u>68,775</u>	<u>5,441,581</u>	<u>42,384,869</u>
Total liabilities and fund balances	<u>\$ 14,428,727</u>	<u>\$ 493,152</u>	<u>\$ 68,775</u>	<u>\$ 5,670,515</u>	<u>\$ 42,482,038</u>

Exhibit 9-A  
(Continued)

North Padre Island Development Corporation	Reinvestment Zone #3	Eliminations	Total
--	--	--	362,863
--	--	--	230,961
--	--	--	593,824
--	--	--	6,105,090
--	--	--	1,766,301
--	--	--	752,809
--	--	--	306,744
--	--	--	4,764
--	--	--	243,762
--	--	--	28
--	--	--	7,010
--	--	--	2,629,415
--	--	--	1,696,446
--	--	--	106,316
--	--	--	119,707
--	--	--	364,332
--	--	--	14,086,807
--	--	--	5,441,581
--	--	--	18,166,293
--	--	--	17,576,113
--	--	--	6,642,463
3,637,431	--	--	3,637,431
--	2,253,569	--	2,253,569
1,344,500	--	--	1,344,500
4,981,931	2,253,569	--	83,251,481
--	--	--	241,787
--	--	--	18,669,797
--	--	--	1,165
--	--	--	3,265
--	--	--	260,427
--	--	--	1,106,310
--	--	--	60,714
--	--	--	20,343,465
--	--	--	2,291,813
--	--	--	87,000
--	--	--	68,775
--	--	--	2,447,588
--	--	--	(9,890)
4,981,931	2,253,569	--	106,626,468
\$ 4,984,241	\$ 2,253,569	\$ --	\$ 114,479,841

**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<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>
<b>Revenues</b>					
Taxes and business fees	\$ --	\$ 15,110,411	\$ 748,370	\$ --	\$ --
Licenses and permits	--	--	--	--	--
Intergovernmental	--	--	--	--	--
Grants	--	--	--	--	--
Charges for services	4,417,120	--	--	--	108,600
Fines and forfeitures	--	--	--	1,922,798	--
Contributions and donations	--	--	--	--	--
Earnings on investments	2,640	7,514	3,711	2,828	500
Interest on loans	--	--	--	--	--
Sale of City property	--	--	--	--	--
Miscellaneous	--	--	--	--	--
Total revenues	<u>4,419,760</u>	<u>15,117,925</u>	<u>752,081</u>	<u>1,925,626</u>	<u>109,100</u>
<b>Expenditures</b>					
Current					
General government	--	--	134,589	--	--
Police and municipal court	--	--	--	1,588,601	--
Fire and ambulance	--	--	--	--	--
Emergency management	--	--	--	--	--
Streets	--	--	--	--	30,000
Health	--	--	--	--	--
Parks and recreation	--	1,133,454	--	--	--
Libraries	--	--	--	--	--
Community enrichment	--	881,988	--	--	--
Community development	--	--	--	--	--
Convention and visitors activities	4,684,436	9,940,586	--	--	--
Capital projects	104,443	141,233	57,505	--	--
Debt service					
Principal retirement	--	--	--	--	--
Interest	--	--	--	--	--
Paying agent fees	--	--	--	--	--
Total expenditures	<u>4,788,879</u>	<u>12,097,261</u>	<u>192,094</u>	<u>1,588,601</u>	<u>30,000</u>
Excess (deficiency) of revenues over (under) expenditures	(369,119)	3,020,664	559,987	337,025	79,100
<b>Other financing sources (uses)</b>					
Capital leases	--	--	--	--	--
Transfers in	1,460,719	--	--	--	--
Transfers out	(338,675)	(2,207,220)	--	--	--
Total other financing sources (uses)	<u>1,122,044</u>	<u>(2,207,220)</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balance	752,925	813,444	559,987	337,025	79,100
Fund balances at beginning of year	<u>1,878,973</u>	<u>5,291,646</u>	<u>1,206,314</u>	<u>415,784</u>	<u>162,687</u>
Fund balances at end of year	<u>\$ 2,631,898</u>	<u>\$ 6,105,090</u>	<u>\$ 1,766,301</u>	<u>\$ 752,809</u>	<u>\$ 241,787</u>

(Continued)

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>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
40,586	--	--	--	--	--
2,427,736	--	--	--	--	--
844,510	11,067,639	--	--	--	--
12,349,009	365,360	--	--	--	--
--	--	294,883	--	--	--
--	--	--	677,898	334,182	96,114
42,734	1,873	1,813	9,205	4,602	234
--	--	--	--	--	--
19,462	--	--	8,793	--	--
6,764	174,613	--	1,036	--	--
<u>15,730,801</u>	<u>11,609,485</u>	<u>296,696</u>	<u>696,932</u>	<u>338,784</u>	<u>96,348</u>
--	--	--	--	--	--
--	1,942,052	374,130	--	--	--
--	743,812	--	--	--	--
--	69,534	--	--	--	118,826
23,896,895	--	--	--	--	--
--	2,073,768	--	--	--	--
--	1,962,321	--	68	--	--
--	50,706	--	--	--	--
--	1,503,105	--	--	--	--
--	1,460,551	--	--	--	--
--	--	--	--	--	--
1,124,357	1,707,390	--	235,414	334,181	--
--	--	--	--	--	--
598,332	--	--	--	--	--
37,067	--	--	--	--	--
--	--	--	--	--	--
<u>25,656,651</u>	<u>11,513,239</u>	<u>374,130</u>	<u>235,482</u>	<u>334,181</u>	<u>118,826</u>
(9,925,850)	96,246	(77,434)	461,450	4,603	(22,478)
671,670	--	--	--	--	--
16,017,954	209,469	--	12,820	--	--
--	(637,561)	--	--	(3,295)	--
<u>16,689,624</u>	<u>(428,092)</u>	<u>--</u>	<u>12,820</u>	<u>(3,295)</u>	<u>--</u>
6,763,774	(331,846)	(77,434)	474,270	1,308	(22,478)
12,159,762	1,310,368	667,789	3,100,208	1,695,138	83,192
<u>\$ 18,923,536</u>	<u>\$ 978,522</u>	<u>\$ 590,355</u>	<u>\$ 3,574,478</u>	<u>\$ 1,696,446</u>	<u>\$ 60,714</u>

**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<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	\$ --	\$ --	\$ --	\$ 7,168,860	\$ 21,874,668
Licenses and permits	--	--	--	--	--
Intergovernmental	--	--	--	--	--
Grants	827,970	--	--	--	--
Charges for services	--	60,600	--	6,313	--
Fines and forfeitures	--	--	--	--	--
Contributions and donations	10,837	5,000	--	--	--
Earnings on investments	292	3	--	14,143	195,405
Interest on loans	59,282	--	--	--	--
Sale of City property	--	--	--	18,524	--
Miscellaneous	707,587	--	--	--	--
Total revenue	<u>1,605,968</u>	<u>65,603</u>	<u>--</u>	<u>7,207,840</u>	<u>22,070,073</u>
<b>Expenditures</b>					
Current					
General government	--	--	--	--	--
Police and municipal court	--	--	--	6,549,015	--
Fire and ambulance	--	--	--	--	--
Emergency management	--	--	--	--	--
Streets	--	--	--	--	--
Health	--	--	--	--	--
Parks and recreation	--	--	--	--	--
Libraries	--	--	--	--	--
Community enrichment	--	--	--	--	--
Community development	2,092,260	16,669	--	--	7,546,486
Convention and visitors activities	--	--	--	--	--
Capital projects	--	--	--	126,473	--
Debt service					
Principal retirement	--	--	--	--	--
Interest	--	--	--	--	--
Paying agent fees	--	--	--	--	--
Total expenditures	<u>2,092,260</u>	<u>16,669</u>	<u>--</u>	<u>6,675,488</u>	<u>7,546,486</u>
Excess (deficiency) of revenues over (under) expenditures	(486,292)	48,934	--	532,352	14,523,587
<b>Other financing sources (uses)</b>					
Capital leases	--	--	--	--	--
Transfers in	--	--	--	--	--
Transfers out	--	--	--	--	(18,201,261)
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(18,201,261)</u>
Net change in fund balances	(486,292)	48,934	--	532,352	(3,677,674)
Fund balances at beginning 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>
Fund balances at end of year	<u>\$ 14,086,807</u>	<u>\$ 87,000</u>	<u>\$ 68,775</u>	<u>\$ 5,441,581</u>	<u>\$ 42,384,869</u>

Exhibit 9-B  
(Continued)

North Padre Island Development Corporation	Reinvestment Zone #3	Eliminations	Total
\$ 2,880,930	\$ 685,432	\$ --	\$ 48,468,671
--	--	--	40,586
--	--	--	2,427,736
--	--	--	12,740,119
--	--	--	17,307,002
--	--	--	2,217,681
--	--	--	1,124,031
2	5,730	--	293,229
--	--	--	59,282
--	--	--	46,779
--	--	--	890,000
<u>2,880,932</u>	<u>691,162</u>	<u>--</u>	<u>85,615,116</u>
--	--	--	134,589
--	--	--	10,453,798
--	--	--	743,812
--	--	--	188,360
--	--	--	23,926,895
--	--	--	2,073,768
--	--	--	3,095,843
--	--	--	50,706
22,748	--	--	2,407,841
--	--	--	11,115,966
--	--	--	14,625,022
--	--	--	3,830,996
830,000	--	--	1,428,332
432,000	--	--	469,067
5,694	--	--	5,694
<u>1,290,442</u>	<u>--</u>	<u>--</u>	<u>74,550,689</u>
1,590,490	691,162	--	11,064,427
--	--	--	671,670
--	--	(1,259,790)	16,441,172
(1,672,751)	(1,344)	1,259,790	(21,802,317)
<u>(1,672,751)</u>	<u>(1,344)</u>	<u>--</u>	<u>(4,689,475)</u>
(82,261)	689,818	--	6,374,952
<u>5,064,192</u>	<u>1,563,751</u>	<u>--</u>	<u>100,251,516</u>
<u>\$ 4,981,931</u>	<u>\$ 2,253,569</u>	<u>\$ --</u>	<u>\$ 106,626,468</u>

**VISITORS FACILITIES FUND  
BALANCE SHEET  
SEPTEMBER 30, 2015**

**ASSETS**

Cash, cash equivalents and investments	\$ 3,894,825
Receivables	
Accounts	1,510,916
Allowance for uncollectibles	<u>(242,483)</u>
Net receivables	1,268,433
Inventories	109,124
Prepaid Items	<u>230,961</u>
Total assets	<u>\$ 5,503,343</u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Accounts payable	\$ 853,273
Accrued liabilities	304,305
Deposits	1,350
Unearned revenues	<u>1,712,517</u>
Total liabilities	2,871,445
Fund balance	
Nonspendable	
Inventory	109,124
Prepaid items	<u>230,961</u>
Total nonspendable	340,085
Restricted	
Assigned	
Visitors facilities	<u>2,291,813</u>
Total fund balance	<u>2,631,898</u>
Total liabilities and fund balance	<u>\$ 5,503,343</u>

**VISITORS FACILITIES FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Arena	\$ 2,656,893	\$ 2,656,893	\$ 1,812,677	\$ (844,216)
Convention center services	2,335,375	2,335,375	2,494,719	159,344
Bayfront rentals, events & contract	76,270	76,270	109,724	33,454
Total charges for services	5,068,538	5,068,538	4,417,120	(651,418)
Earnings on investments	--	--	2,640	2,640
Total revenues	5,068,538	5,068,538	4,419,760	(648,778)
<b>Expenditures</b>				
Current				
Arena	3,293,863	3,293,863	2,614,823	679,040
Arena maintenance/improvements	350,000	254,557	70,109	184,448
Arena marketing/co-promotion	500,000	565,000	385,000	180,000
Auditorium/convention center	1,171,226	1,171,226	707,195	464,031
Bayfront Arts and Science Park	869,273	869,273	830,940	38,333
Cultural facility maintenance	144,589	160,899	53,787	107,112
Uncollectible accounts	--	--	22,582	(22,582)
Other	10,200	10,200	--	10,200
Capital projects	--	95,443	104,443	(9,000)
Total expenditures	6,339,151	6,420,461	4,788,879	1,631,582
Deficiency of revenues under expenditures	(1,270,613)	(1,351,923)	(369,119)	982,804
<b>Other financing sources (uses)</b>				
Transfers in	1,426,970	1,426,970	1,460,719	33,749
Transfers out	(338,675)	(338,675)	(338,675)	--
Total other financing sources	1,088,295	1,088,295	1,122,044	33,749
Net change in fund balance	(182,318)	(263,629)	752,925	1,016,553
Fund balance beginning of year	320,339	1,878,973	1,878,973	--
Fund balance end of year	\$ 138,021	\$ 1,615,344	\$ 2,631,898	\$ 1,016,553

**HOTEL OCCUPANCY TAX FUND  
BALANCE SHEET  
SEPTEMBER 30, 2015**

**ASSETS**

Cash, cash equivalents and investments	\$ 4,658,976
Receivables	
Accounts	<u>1,908,138</u>
Total assets	<u><u>\$ 6,567,114</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Accounts payable	\$ 454,230
Contractor interest and retainage payable	<u>7,794</u>
Total liabilities	462,024
Fund balance	
Restricted	
Tourism (HOT)	<u>6,105,090</u>
Total liabilities and fund balance	<u><u>\$ 6,567,114</u></u>

**HOTEL OCCUPANCY TAX FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<u>Budget</u>		<u>Actual</u>	<b>Variance</b>
	<u>Original</u>	<u>Final</u>		<b>Final Budget Positive (Negative)</b>
<b>Revenues</b>				
Hotel occupancy tax	\$ 11,724,012	\$ 11,724,012	\$ 11,752,936	\$ 28,924
Hotel occupancy tax-Convention expansion	3,349,549	3,349,549	3,357,475	7,926
Total hotel occupancy taxes	15,073,561	15,073,561	15,110,411	36,850
Earnings on investments	500	500	7,514	7,014
Total revenues	<u>15,074,061</u>	<u>15,074,061</u>	<u>15,117,925</u>	<u>43,864</u>
<b>Expenditures</b>				
Current				
Parks and recreation				
Beach cleaning	1,607,000	1,607,000	1,133,454	473,546
Community enrichment				
Art Museum of South Texas	340,000	340,000	340,000	--
Multicultural services support	131,139	131,139	131,139	--
Texas Amateur Athletic Federation	20,000	20,000	--	20,000
Arts grants and projects	200,000	272,500	177,514	94,986
Harbor Playhouse	13,335	13,335	13,335	--
Tourist area amenities	200,000	200,000	--	200,000
Museum Marketing	25,000	25,000	25,000	--
Baseball stadium	175,000	175,000	175,000	--
Botanical Gardens	20,000	20,000	20,000	--
Convention and visitors activities				
Convention center/auditorium	3,200,000	3,200,000	3,200,000	--
Convention center maintenance	5,400,000	5,744,668	1,542,192	4,202,476
Convention and Visitors Bureau-convention promotion	4,960,000	4,960,000	4,959,742	258
Convention events	260,000	260,000	238,652	21,348
Miscellaneous	22,000	22,000	--	22,000
Reserve appropriation	100,000	100,000	--	100,000
Capital projects	--	--	141,233	(141,233)
Total expenditures	<u>16,673,474</u>	<u>17,090,642</u>	<u>12,097,261</u>	<u>4,993,381</u>
Excess of revenues over expenditures	(1,599,413)	(2,016,581)	3,020,664	5,037,245
<b>Other financing sources (uses)</b>				
Transfers out	(2,194,400)	(2,194,400)	(2,207,220)	(12,820)
Net change in fund balance	(3,793,813)	(4,210,981)	813,444	5,024,425
Fund balance at beginning of year	<u>5,081,752</u>	<u>5,291,646</u>	<u>5,291,646</u>	<u>--</u>
Fund balance at end of year	<u>\$ 1,287,939</u>	<u>\$ 1,080,665</u>	<u>\$ 6,105,090</u>	<u>\$ 5,024,425</u>

**PUBLIC EDUCATION AND GOVERNMENTAL CABLE TV FUND  
BALANCE SHEET  
SEPTEMBER 30, 2015**

**ASSETS**

Cash, cash equivalents and investments	\$ 1,577,988
Receivables	
Accounts	<u>188,313</u>
Total assets	<u><u>\$ 1,766,301</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	\$ --
Fund balance	
Restricted	
Public education governmental cable tv programs	<u>1,766,301</u>
Total liabilities and fund balance	<u><u>\$ 1,766,301</u></u>

**PUBLIC EDUCATION AND GOVERNMENTAL CABLE TV FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2015**

	<u>Budget</u>		<u>Actual</u>	<b>Variance</b>
	<u>Original</u>	<u>Final</u>		<b>Final Budget Positive (Negative)</b>
<b>Revenues</b>				
Taxes and business fees	\$ 600,000	\$ 600,000	\$ 748,370	\$ 148,370
Earnings on investments	--	--	3,711	3,711
Total revenues	<u>600,000</u>	<u>600,000</u>	<u>752,081</u>	<u>152,081</u>
<b>Expenditures</b>				
Current				
General government	159,000	159,000	134,589	24,411
Capital projects	<u>1,339,609</u>	<u>1,398,909</u>	<u>57,505</u>	<u>1,341,404</u>
Total expenditures	<u>1,498,609</u>	<u>1,557,909</u>	<u>192,094</u>	<u>1,365,815</u>
Net change in fund balance	(898,609)	(957,909)	559,987	1,517,896
Fund balance at beginning of year	--	<u>1,206,314</u>	<u>1,206,314</u>	--
Fund balance at end of year	<u>\$ (898,609)</u>	<u>\$ 248,405</u>	<u>\$ 1,766,301</u>	<u>\$ 1,517,896</u>

**REDLIGHT PHOTO ENFORCEMENT FUND  
BALANCE SHEET  
SEPTEMBER 30, 2015**

**ASSETS**

Cash, cash equivalents and investments	<u>\$ 1,286,469</u>
Total assets	<u><u>\$ 1,286,469</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Accounts payable	\$ 100,396
Accrued liabilities	7,157
Due to other governmental agencies	<u>426,107</u>
Total liabilities	<u>533,660</u>
Fund balance	
Restricted	
Traffic safety programs	<u>752,809</u>
Total liabilities and fund balance	<u><u>\$ 1,286,469</u></u>

**REDLIGHT PHOTO ENFORCEMENT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<u>Budget</u>		<u>Actual</u>	<u>Variance Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and forfeitures	\$ 1,823,688	\$ 1,823,688	\$ 1,922,798	\$ 99,110
Earnings on investments	--	--	2,828	2,828
Total revenues	<u>1,823,688</u>	<u>1,823,688</u>	<u>1,925,626</u>	<u>101,938</u>
<b>Expenditures</b>				
Current				
Police and municipal court	<u>1,858,832</u>	<u>1,858,832</u>	<u>1,588,601</u>	<u>270,231</u>
Net change in fund balance	(35,144)	(35,144)	337,025	372,169
Fund balance at beginning of year	<u>400,993</u>	<u>269,194</u>	<u>415,784</u>	<u>146,590</u>
Fund balance at end of year	<u><u>\$ 365,849</u></u>	<u><u>\$ 234,050</u></u>	<u><u>\$ 752,809</u></u>	<u><u>\$ 518,759</u></u>

**PARKING IMPROVEMENT FUND  
BALANCE SHEET  
SEPTEMBER 30, 2015**

**ASSETS**

Cash, cash equivalents and investments	<u>\$ 241,787</u>
Total assets	<u><u>\$ 241,787</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	\$ --
Fund balance	
Committed	
Parking improvements	<u>241,787</u>
Total liabilities and fund balance	<u><u>\$ 241,787</u></u>

**PARKING IMPROVEMENT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<u>Budget</u>		<u>Actual</u>	<b>Variance</b>
	<u>Original</u>	<u>Final</u>		<b>Final Budget Positive (Negative)</b>
<b>Revenues</b>				
Charges for services	\$ 110,000	\$ 110,000	\$ 108,600	(1,400)
Earnings on investments	--	--	500	500
Total revenues	<u>110,000</u>	<u>110,000</u>	<u>109,100</u>	<u>(900)</u>
<b>Expenditures</b>				
Streets	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>--</u>
Total expenditures	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>--</u>
Net change in fund balance	80,000	80,000	79,100	(900)
Fund balance at beginning of year	<u>148,542</u>	<u>162,687</u>	<u>162,687</u>	<u>--</u>
Fund balance at end of year	<u>\$ 228,542</u>	<u>\$ 242,687</u>	<u>\$ 241,787</u>	<u>\$ (900)</u>

**STREETS MAINTENANCE FUND  
BALANCE SHEET  
SEPTEMBER 30, 2015**

**ASSETS**

Cash, cash equivalents and investments	\$ 17,217,746
Receivables	
Accounts	1,341,349
Property leases	1,732
Intergovernmental	844,510
Allowance for uncollectibles	<u>(126,862)</u>
Net receivables	2,060,729
Inventories	<u>253,739</u>
Total assets	<u><u>\$ 19,532,214</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Accounts payable	\$ 77,061
Accrued liabilities	139,350
Contractor interest and retainage payable	<u>392,267</u>
Total liabilities	608,678
Fund balance	
Nonspendable	
Inventory	253,739
Committed	
Streets	<u>18,669,797</u>
Total fund balance	<u>18,923,536</u>
Total liabilities and fund balance	<u><u>\$ 19,532,214</u></u>

**STREETS MAINTENANCE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<u>Budget</u>			<b>Variance</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<b>Final Budget Positive (Negative)</b>
<b>Revenues</b>				
Licenses and permits	\$ 55,100	\$ 55,100	\$ 40,586	\$ (14,514)
Intergovernmental	2,547,486	2,547,486	2,427,736	(119,750)
Grants	--	1,003,700	844,510	(159,190)
Charges for services	12,355,716	12,355,716	12,349,009	(6,707)
Earnings on investments	--	--	42,734	42,734
Sale of City property	--	--	19,462	19,462
Miscellaneous	10,500	10,500	6,764	(3,736)
Total revenues	<u>14,968,802</u>	<u>15,972,502</u>	<u>15,730,801</u>	<u>(241,701)</u>
<b>Expenditures</b>				
Current				
Traffic engineering	599,522	675,822	676,082	(260)
Traffic signals	1,503,132	1,869,725	1,786,733	82,992
Signs & markings	1,021,256	1,086,359	867,172	219,187
Residential traffic management	1,075,000	1,500	1,694	(194)
Street administration	779,829	962,829	889,275	73,554
Street planning	985,518	956,518	337,528	618,990
Street preventative maintenance	15,114,757	25,887,204	13,224,685	12,662,519
Base restoration	1,820,069	1,820,069	1,514,385	305,684
Surface preservation	7,958,855	8,037,124	5,042,770	2,994,354
Reserve appropriation	4,000	4,000	--	4,000
Uncollectible accounts	--	--	86,005	(86,005)
Reimbursements	(10,000)	(529,404)	(529,434)	30
Capital projects	100,000	467,407	1,124,357	(656,950)
Debt service				
Principal retirement	--	--	598,332	(598,332)
Interest	--	--	37,067	(37,067)
Total expenditures	<u>30,951,938</u>	<u>41,239,152</u>	<u>25,656,651</u>	<u>15,582,501</u>
Excess (deficiency) of revenues over (under) expenditures	(15,983,136)	(25,266,650)	(9,925,850)	(15,824,202)
<b>Other financing sources</b>				
Capital leases	--	10,000	671,670	(661,670)
Transfers in	15,547,358	16,017,954	16,017,954	--
Total other financing sources	<u>15,547,358</u>	<u>16,027,954</u>	<u>16,689,624</u>	<u>(661,670)</u>
Net change in fund balance	(435,778)	(9,238,696)	6,763,774	16,002,470
Fund balance at beginning of year	<u>485,778</u>	<u>12,159,762</u>	<u>12,159,762</u>	<u>--</u>
Fund balance at end of year	<u>\$ 50,000</u>	<u>\$ 2,921,066</u>	<u>\$ 18,923,536</u>	<u>\$ 16,002,470</u>

**FEDERAL/STATE GRANTS FUND  
BALANCE SHEET  
SEPTEMBER 30, 2015**

**ASSETS**

Cash, cash equivalents and investments	\$ --
Receivables	
Demolition liens	803,354
Special assessments	4,777
Intergovernmental	3,156,057
Miscellaneous	13,704
Allowance for uncollectibles	<u>(763,534)</u>
Net receivables	<u>3,214,358</u>
 Total assets	 <u>\$ 3,214,358</u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Accounts payable	\$ 282,385
Accrued liabilities	84,869
Contractor interest and retainage payable	89,562
Deposits	214,130
Due to other funds	1,029,019
Due to other governmental agencies	2,784
Unearned revenues	
Demolition liens and other	44,896
Asset seizure and forfeitures	31,901
Grants	441,527
Texas Commission on Environmental Quality	<u>14,763</u>
Total unearned revenues	<u>533,087</u>
Total liabilities	<u>2,235,836</u>
 Fund balance	
Restricted	
Law enforcement	306,744
Fire and ambulance	4,764
CDBG	243,762
Parks and recreation	426,104
Libraries	28
Community enrichment	<u>7,010</u>
Total restricted	<u>988,412</u>
Unassigned	<u>(9,890)</u>
Total fund balance	<u>978,522</u>
 Total liabilities and fund balance	 <u>\$ 3,214,358</u>

**FEDERAL/STATE GRANTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
<b>Revenues</b>				
Grants				
State of Texas	\$ 2,801,481	\$ 52,709,915	\$ 1,190,065	\$ 53,899,980
Federal Government	27,947,427	59,335,428	8,774,546	68,109,975
Drug forfeitures				
State	565,208	2,032,864	458,876	2,491,740
Federal	384,968	3,179,374	299,797	3,479,171
Local grants and contributions	146,127	2,772,435	344,355	3,116,790
Total grants	<u>31,845,211</u>	<u>120,030,016</u>	<u>11,067,639</u>	<u>131,097,656</u>
Charges for services	--	4,775,247	365,360	5,140,607
Earnings on investments	1,873	186,808	1,873	188,681
Miscellaneous	174,613	1,104,781	174,613	1,279,394
Total revenue	<u>32,021,697</u>	<u>126,096,852</u>	<u>11,609,485</u>	<u>137,706,338</u>
<b>Expenditures</b>				
Current				
Police and municipal court	4,494,431	20,504,730	1,942,052	22,446,782
Fire and ambulance	4,041,125	10,516,309	743,812	11,260,121
Emergency management	69,534	--	69,534	69,534
Streets	--	7,560,375	--	7,560,375
Health	3,518,764	14,253,955	2,073,768	16,327,723
Parks and recreation	4,160,626	17,649,946	1,962,321	19,612,267
Libraries	25,012	2,992,795	50,706	3,043,501
Community enrichment	5,883,949	20,122,789	1,503,105	21,625,894
Community development	7,692,775	19,190,795	1,460,551	20,651,346
Museums	--	266,127	--	266,127
Capital projects	1,707,390	11,740,162	1,707,390	13,447,552
Total expenditures	<u>31,593,606</u>	<u>124,797,983</u>	<u>11,513,239</u>	<u>136,311,222</u>
Excess (deficiency) of revenues over (under) expenditures	428,091	1,298,869	96,246	1,395,116
<b>Other financing sources (uses)</b>				
Transfers in				
Corpus Christi Community Improvement Corporation	--	67,106	--	67,106
General fund	209,470	1,831,141	209,469	2,040,610
Total transfers in	<u>209,470</u>	<u>1,898,247</u>	<u>209,469</u>	<u>2,107,716</u>
Transfers out				
Police Capital Projects Fund	(280,000)	(290,000)	(280,000)	(570,000)
General fund	(357,561)	(1,596,749)	(357,561)	(1,954,310)
Total transfers out	<u>(637,561)</u>	<u>(1,886,749)</u>	<u>(637,561)</u>	<u>(2,524,310)</u>
Total other financing sources (uses)	<u>(428,091)</u>	<u>11,498</u>	<u>(428,092)</u>	<u>(416,594)</u>
Net change in fund balance	<u>\$ --</u>	<u>\$ 1,310,367</u>	<u>(331,846)</u>	<u>\$ 978,522</u>
Fund balance at beginning of year			<u>1,310,368</u>	
Fund balance at end of year			<u>\$ 978,522</u>	

**MUNICIPAL COURT FUND  
BALANCE SHEET  
SEPTEMBER 30, 2015**

**ASSETS**

Cash, cash equivalents and investments	\$ 613,293
Total assets	<u>\$ 613,293</u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Accounts payable	\$ 20,356
Accrued liabilities	2,502
Due to other governments	<u>80</u>
Total liabilities	22,938
Fund balance	
Restricted	
Municipal Court building security	106,316
Municipal Court technology	119,707
Juvenile Court case manager	<u>364,332</u>
Total fund balance	<u>590,355</u>
Total liabilities and fund balance	<u>\$ 613,293</u>

**MUNICIPAL COURT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Municipal Court building security fee	\$ 96,354	\$ 96,354	\$ 71,428	\$ (24,926)
Municipal Court technology fee	128,154	128,154	94,657	(33,497)
Juvenile Court case manager fee	151,751	151,751	128,798	(22,953)
Earnings on investments	--	--	1,813	1,813
Total revenues	<u>376,259</u>	<u>376,259</u>	<u>296,696</u>	<u>(79,563)</u>
<b>Expenditures</b>				
Current				
Municipal Court building security	94,000	94,000	94,000	--
Municipal Court technology	212,720	212,720	199,006	(13,714)
Juvenile Court case managers	155,376	155,376	81,124	(74,252)
Total expenditures	<u>462,096</u>	<u>462,096</u>	<u>374,130</u>	<u>(87,966)</u>
Excess (deficiency) of revenues over (under) expenditures	(85,837)	(85,837)	(77,434)	8,403
<b>Other financing sources</b>				
Transfers in	<u>49,349</u>	<u>49,349</u>	<u>--</u>	<u>(49,349)</u>
Net change in fund balance	(36,488)	(36,488)	(77,434)	(40,946)
Fund balance at beginning of year	<u>516,015</u>	<u>667,789</u>	<u>667,789</u>	<u>--</u>
Fund balance at end of year	<u>\$ 479,527</u>	<u>\$ 631,301</u>	<u>\$ 590,355</u>	<u>\$ (40,946)</u>

**COMMUNITY ENRICHMENT FUND  
BALANCE SHEET  
SEPTEMBER 30, 2015**

**ASSETS**

Cash, cash equivalents and investments	\$	<u>3,585,624</u>
Total assets	\$	<u><u>3,585,624</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities		
Contractor interest and retainage payable	\$	<u>11,146</u>
Total liabilities		<u>11,146</u>
Fund balance		
Restricted		
Parks and recreation		2,203,311
Committed		
Sister City programs		1,165
Park projects		3,265
Permanent art projects		260,427
Development projects		<u>1,106,310</u>
Total committed		<u>1,371,167</u>
Total fund balance		<u><u>3,574,478</u></u>
Total liabilities and fund balance	\$	<u><u>3,585,624</u></u>

**COMMUNITY ENRICHMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED SEPTEMBER 30, 2015**

<b>Revenues</b>	
Contributions and donations	\$ 677,898
Earnings on investments	9,205
Sale of City property	8,793
Miscellaneous	1,036
Total revenues	<u>696,932</u>
<b>Expenditures</b>	
Current	
Parks and recreation	68
Capital projects	<u>235,414</u>
Total expenditures	<u>235,482</u>
Excess of revenues over expenditures	461,450
<b>Other financing sources</b>	
Transfers in	<u>12,820</u>
Net change in fund balance	474,270
Fund balance at beginning of year	<u>3,100,208</u>
Fund balance at end of year	<u><u>\$ 3,574,478</u></u>

**INFRASTRUCTURE FUND  
BALANCE SHEET  
SEPTEMBER 30, 2015**

**ASSETS**

Cash, cash equivalents and investments	<u>\$ 1,696,446</u>
Total assets	<u><u>\$ 1,696,446</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	\$ --
Fund balance	
Restricted	
Infrastructure	<u>1,696,446</u>
Total liabilities and fund balance	<u><u>\$ 1,696,446</u></u>

**INFRASTRUCTURE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED SEPTEMBER 30, 2015**

<b>Revenues</b>	
Contributions and donations	\$ 334,182
Earnings on investments	4,602
Total revenues	<u>338,784</u>
<b>Expenditures</b>	
Capital projects	<u>334,181</u>
Excess of revenues over expenditures	4,603
<b>Other financing sources (uses)</b>	
Transfers out	<u>(3,295)</u>
Net change in fund balance	1,308
Fund balance at beginning of year	<u>1,695,138</u>
Fund balance at end of year	<u><u>\$ 1,696,446</u></u>

Exhibit 20-A

**LOCAL EMERGENCY PLANNING COMMITTEE  
BALANCE SHEET  
SEPTEMBER 30, 2015**

**ASSETS**

Cash, cash equivalents and investments	<u>\$ 91,875</u>
Total assets	<u><u>\$ 91,875</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Accounts payable	\$ 854
Accrued liabilities	1,397
Deposits	<u>28,910</u>
Total liabilities	31,161
Fund balance	
Committed	
Local Emergency Planning Committee	<u>60,714</u>
Total liabilities and fund balance	<u><u>\$ 91,875</u></u>

**LOCAL EMERGENCY PLANNING COMMITTEE**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Contributions and donations	\$ 97,460	\$ 97,460	\$ 96,114	\$ (1,346)
Earnings on investments	--	--	234	234
Total revenues	<u>97,460</u>	<u>97,460</u>	<u>96,348</u>	<u>(1,112)</u>
<b>Expenditures</b>				
Current				
Emergency management	<u>129,049</u>	<u>129,049</u>	<u>118,826</u>	<u>10,223</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(31,589)</u>	<u>(31,589)</u>	<u>(22,478)</u>	<u>9,112</u>
Net change in fund balance	(31,589)	(31,589)	(22,478)	9,112
Fund balance at beginning of year	<u>62,465</u>	<u>83,192</u>	<u>83,192</u>	<u>--</u>
Fund balance at end of year	<u>\$ 30,876</u>	<u>\$ 51,603</u>	<u>\$ 60,714</u>	<u>\$ 9,112</u>

**CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION  
BALANCE SHEET  
SEPTEMBER 30, 2015**

**ASSETS**

Cash, cash equivalents and investments	\$	3,198,011
Receivables		
Mortgages and loans		13,590,749
Allowance for uncollectibles		(2,360,033)
Net receivables		<u>11,230,716</u>
Total assets	\$	<u><u>14,428,727</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities		
Accounts payable	\$	9,207
Deposits		<u>332,713</u>
Total liabilities		341,920
Fund balance		
Restricted		
Loans		<u>14,086,807</u>
Total liabilities and fund balance	\$	<u><u>14,428,727</u></u>

**CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED SEPTEMBER 30, 2015**

<b>Revenues</b>	
Federal Government	\$ 827,970
Contributions and donations	10,837
Earnings on investments	292
Interest on loans	59,282
Miscellaneous	707,587
Total revenues	<u>1,605,968</u>
<b>Expenditures</b>	
Current	
Community development	
Grants	1,535,381
Administration costs	64,318
Forgiven and uncollectible loans	492,561
Total expenditures	<u>2,092,260</u>
Net change in fund balance	(486,292)
Fund balance at beginning of year	<u>14,573,099</u>
Fund balance at end of year	<u><u>\$ 14,086,807</u></u>

**CORPUS CHRISTI HOUSING FINANCE CORPORATION  
SCHEDULE OF NET POSITION  
SEPTEMBER 30, 2015**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Net Position</u>
<b>ASSETS</b>			
Cash, cash equivalents and investments	\$ 86,000	\$ --	\$ 86,000
Receivables			
Due from subdivision developer	407,152	--	407,152
Capital assets, net of accumulated depreciation	<u>--</u>	<u>822,953</u>	<u>822,953</u>
Total assets	<u>\$ 493,152</u>	<u>822,953</u>	<u>1,316,105</u>
<b>LIABILITIES</b>			
Unearned revenues	<u>\$ 406,152</u>	<u>--</u>	<u>406,152</u>
Total liabilities	406,152	--	406,152
<b>FUND BALANCE</b>			
Assigned			
Housing	<u>87,000</u>	<u>(87,000)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 493,152</u>		
<b>NET POSITION</b>			
Invested in capital assets, net of related debt		822,953	822,953
Unrestricted		<u>87,000</u>	<u>87,000</u>
Total net position		<u>\$ 909,953</u>	<u>\$ 909,953</u>

**CORPUS CHRISTI HOUSING FINANCE CORPORATION  
SCHEDULE OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2015**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Activities</u>
<b>Expenditures/expenses</b>			
Community development	\$ 16,669	\$ 27,510	\$ 44,179
Total expenditures/expenses	<u>16,669</u>	<u>27,510</u>	<u>44,179</u>
<b>Program revenue</b>			
Charges for services	60,600	--	60,600
Operating grants and contributions	<u>5,000</u>	<u>--</u>	<u>5,000</u>
Net program revenue (expense)	48,931	(27,510)	21,421
<b>General revenue</b>			
Earnings on investments	<u>3</u>	<u>--</u>	<u>3</u>
Change in fund balance/net position	48,934	(27,510)	21,424
Fund balance/net position beginning of year	<u>38,066</u>	<u>850,463</u>	<u>888,529</u>
Fund balance/net position end of year	<u>\$ 87,000</u>	<u>\$ 822,953</u>	<u>\$ 909,953</u>

**CORPUS CHRISTI HOUSING FINANCE CORPORATION  
BALANCE SHEET  
SEPTEMBER 30, 2015**

**ASSETS**

Cash, cash equivalents and investments	\$	86,000
Receivables		
Accounts		407,152
Total assets	\$	493,152

**LIABILITIES AND FUND BALANCE**

Liabilities		
Unearned revenues		
Other	\$	406,152
Fund balance		
Assigned		
Housing		87,000
Total liabilities and fund balance	\$	493,152

**CORPUS CHRISTI HOUSING FINANCE CORPORATION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**YEAR ENDED SEPTEMBER 30, 2015**

<b>Revenues</b>	
Charges for services	\$ 60,600
Contributions and donations	5,000
Earnings on investments	<u>3</u>
Total revenues	65,603
<b>Expenditures</b>	
Current	
Community development	<u>16,669</u>
Net change in fund balance	48,934
Fund balance at beginning of year	<u>38,066</u>
Fund balance at end of year	<u><u>\$ 87,000</u></u>

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION  
BALANCE SHEET  
SEPTEMBER 30, 2015**

**ASSETS**

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

**LIABILITIES AND FUND BALANCE**

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

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**YEAR ENDED SEPTEMBER 30, 2015**

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

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
SCHEDULE OF NET POSITION  
SEPTEMBER 30, 2015**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Net Position</u>
<b>ASSETS</b>			
Cash, cash equivalents and investments	\$ 5,153,917	\$ --	\$ 5,153,917
Receivables			
Intergovernmental	516,509	--	516,509
Miscellaneous	89	--	89
Net receivables	<u>516,598</u>	<u>--</u>	<u>516,598</u>
Total assets	<u>\$ 5,670,515</u>	<u>--</u>	<u>5,670,515</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to net pension liability		<u>693,631</u>	<u>693,631</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 98,980	--	98,980
Accrued liabilities	129,954	--	129,954
Accumulated unpaid compensated absences			
Due within one year		277,936	277,936
Due in more than one year		329,871	329,871
Net pension liability		5,807,796	5,807,796
Net OPEB obligation		175,990	175,990
Total liabilities	<u>228,934</u>	<u>6,591,593</u>	<u>6,820,527</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to net pension liability		<u>138,596</u>	<u>138,596</u>
<b>FUND BALANCE</b>			
Restricted			
Crime control and prevention	<u>5,441,581</u>	<u>(5,441,581)</u>	<u>--</u>
Total fund balance	<u>5,441,581</u>	<u>(5,441,581)</u>	
Total liabilities and fund balance	<u>\$ 5,670,515</u>		
<b>NET POSITION</b>			
Restricted for			
Crime control and prevention		<u>(594,977)</u>	<u>(594,977)</u>
Total net position		<u>\$ (594,977)</u>	<u>\$ (594,977)</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
SCHEDULE OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2015**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Activities</b>
<b>Expenditures/expenses</b>			
Public safety	\$ 6,549,015	\$ 154,308	\$ 6,703,323
Capital projects	126,473	(126,473)	--
Total expenditures/expenses	<u>6,675,488</u>	<u>27,835</u>	<u>6,703,323</u>
<b>General revenue</b>			
Sales tax	7,168,860	--	7,168,860
Juvenile drug testing	6,313	--	6,313
Earnings on investments	14,143	--	14,143
Sale of City property	18,524	--	18,524
Total general revenue	<u>7,207,840</u>	<u>--</u>	<u>7,207,840</u>
<b>Other financing sources (uses)</b>			
Transfers out	<u>--</u>	<u>(126,473)</u>	<u>(126,473)</u>
Excess (deficiency) of revenues over (under) expenditures and other financing uses	532,352	(532,352)	--
Change in net position	--	378,044	378,044
Fund balance/net position beginning of year	4,909,229	(1,918,284)	2,990,945
Prior period adjustment for change in accounting for pension liability	<u>--</u>	<u>(3,963,966)</u>	<u>(3,963,966)</u>
Fund balance/adjusted net position beginning of year	<u>4,909,229</u>	<u>(5,882,250)</u>	<u>(973,021)</u>
Fund balance/net position end of year	<u>\$ 5,441,581</u>	<u>\$ (6,036,558)</u>	<u>\$ (594,977)</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
BALANCE SHEET  
SEPTEMBER 30, 2015**

**ASSETS**

Cash, cash equivalents and investments	\$	5,153,917
Receivables		
Intergovernmental		516,509
Miscellaneous		89
Net receivables		<u>516,598</u>
Total assets		<u><u>\$ 5,670,515</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities		
Accounts payable	\$	98,980
Accrued liabilities		<u>129,954</u>
Total liabilities		228,934
Fund balance		
Restricted		
Crime control and prevention		<u>5,441,581</u>
Total liabilities and fund balance		<u><u>\$ 5,670,515</u></u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2015**

	<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	\$ 7,575,750	\$ 7,575,750	\$ 7,168,860	\$ (406,890)
Juvenile drug testing	10,000	10,000	6,313	(3,687)
Earnings on investments	3,000	3,000	14,143	11,143
Sale of City property	--	--	18,524	18,524
Total revenue	<u>7,588,750</u>	<u>7,588,750</u>	<u>7,207,840</u>	<u>(380,910)</u>
<b>Expenditures</b>				
Current				
Police officers	5,198,404	6,301,598	5,384,443	917,155
Pawn shop detail	170,011	170,011	165,851	4,160
Juvenile Curfew & Truancy Assessment Center	469,527	469,527	425,432	44,095
Crime prevention	191,482	191,482	128,160	63,322
Public safety vehicles and equipment	180,000	1,721,213	381,111	1,340,102
Juvenile City marshals	140,243	140,243	64,018	76,225
Reserve appropriation	50,000	50,000	--	50,000
Capital projects	--	--	126,473	(126,473)
Total expenditures	<u>6,399,667</u>	<u>9,044,074</u>	<u>6,675,488</u>	<u>2,368,586</u>
Net change in fund balance	1,189,083	(1,455,324)	532,352	1,987,676
Fund balance at beginning of year	<u>4,511,918</u>	<u>4,909,229</u>	<u>4,909,229</u>	<u>--</u>
Fund balance at end of year	<u>\$ 5,701,001</u>	<u>\$ 3,453,905</u>	<u>\$ 5,441,581</u>	<u>\$ 1,987,676</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
SCHEDULE OF NET POSITION  
SEPTEMBER 30, 2015**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Net Position</u>
<b>ASSETS</b>			
Cash, cash equivalents and investments	\$ 64,868,838	\$ --	\$ 64,868,838
Receivables			
Intergovernmental	1,569,726	--	1,569,726
Prepaid items	55,646	--	55,646
Total assets	<u>\$ 66,494,210</u>	<u>--</u>	<u>66,494,210</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 100,373	\$ --	\$ 100,373
Accrued interest	--	209,097	209,097
Contractor interest and retainage payable	12,453	--	12,453
Long-term debt			
Due within one year	--	6,010,000	6,010,000
Due in more than one year	--	54,094,433	54,094,433
Total liabilities	<u>112,826</u>	<u>60,313,530</u>	<u>60,426,356</u>
<b>FUND BALANCE</b>			
Nonspendable			
Restricted			
Seawall improvement	37,249,581	(37,249,581)	--
Arena facility	20,581,973	(20,581,973)	--
Economic development	8,549,831	(8,549,831)	--
Total restricted	<u>66,381,385</u>	<u>(66,381,385)</u>	<u>--</u>
Total fund balance	<u>66,381,385</u>	<u>(66,381,385)</u>	<u>--</u>
 Total liabilities and fund balance	 <u>\$ 66,494,211</u>		
<b>NET POSITION</b>			
Restricted for			
Business and job development		<u>6,067,855</u>	<u>6,067,855</u>
Total net position		<u>\$ 6,067,855</u>	<u>\$ 6,067,855</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION**  
**SCHEDULE OF ACTIVITIES**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Activities</b>
<b>Expenditures/expenses</b>			
General government	\$ 53,454	\$ --	\$ 53,454
Community development	7,546,486	--	7,546,486
Capital projects	458,663	(458,663)	--
Debt service			
Principal retirement	5,790,000	(5,790,000)	--
Interest	2,664,969	(1,227,705)	1,437,264
Paying agent fees	2,000	--	2,000
Total expenditures/expenses	<u>16,515,572</u>	<u>(7,476,368)</u>	<u>9,039,204</u>
<b>General revenues</b>			
Sales tax	21,874,668	--	21,874,668
Earnings on investments	253,710	--	253,710
Payments from Lexington Museum Association	--	--	--
Transfers out	(1,246,970)	(458,663)	(1,705,633)
Total general revenues and other financing sources (uses)	<u>20,881,408</u>	<u>(458,663)</u>	<u>20,422,745</u>
Excess (deficiency) of revenues over (under) expenditures and other financing uses	4,365,836	(4,365,836)	--
Change in net position	--	11,383,541	11,383,541
Fund balance/net position at beginning of year	<u>62,015,549</u>	<u>(67,331,235)</u>	<u>(5,315,686)</u>
Fund balance/net position end of year	<u>\$ 66,381,385</u>	<u>\$ (60,313,530)</u>	<u>\$ 6,067,855</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
BALANCE SHEET  
SEPTEMBER 30, 2015**

	<b>Special Revenue</b>		
	<b>Seawall Improvement</b>	<b>Arena Facility</b>	<b>Economic Development</b>
<b>ASSETS</b>			
Cash, cash equivalents and investments	\$ 17,643,353	\$ 17,053,173	\$ 6,160,140
Receivables			
Intergovernmental	523,242	523,242	523,242
Prepaid items	--	--	55,646
Total assets	<u>\$ 18,166,595</u>	<u>\$ 17,576,415</u>	<u>\$ 6,739,028</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 302	\$ 302	\$ 96,565
Contractor interest and retainage payable	--	--	--
Total liabilities	<u>302</u>	<u>302</u>	<u>96,565</u>
Fund balances			
Nonspendable			
Restricted			
Seawall improvement	18,166,293	--	--
Arena facility	--	17,576,113	--
Economic development	--	--	6,642,463
Total fund balance	<u>18,166,293</u>	<u>17,576,113</u>	<u>6,642,463</u>
Total liabilities and fund balance	<u>\$ 18,166,595</u>	<u>\$ 17,576,415</u>	<u>\$ 6,739,028</u>

Exhibit 25-C

Debt Service			Capital Projects		Total
Seawall	Arena	Economic Development	Seawall	Arena	
\$ 1,340,610	\$ 2,905,475	\$ 1,907,368	\$ 17,758,335	\$ 100,385	\$ 64,868,839
--	--	--	--	--	1,569,726
--	--	--	--	--	55,646
<u>\$ 1,340,610</u>	<u>\$ 2,905,475</u>	<u>\$ 1,907,368</u>	<u>\$ 17,758,335</u>	<u>\$ 100,385</u>	<u>\$ 66,494,211</u>
\$ --	\$ --	\$ --	\$ 3,204	\$ --	\$ 100,373
--	--	--	12,453	--	12,453
--	--	--	15,657	--	112,826
1,340,610	--	--	17,742,678	--	37,249,581
--	2,905,475	--	--	100,385	20,581,973
--	--	1,907,368	--	--	8,549,831
<u>1,340,610</u>	<u>2,905,475</u>	<u>1,907,368</u>	<u>17,742,678</u>	<u>100,385</u>	<u>66,381,385</u>
<u>\$ 1,340,610</u>	<u>\$ 2,905,475</u>	<u>\$ 1,907,368</u>	<u>\$ 17,758,335</u>	<u>\$ 100,385</u>	<u>\$ 66,494,211</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<b>Special Revenue</b>		
	<b>Seawall Improvement</b>	<b>Arena Facility</b>	<b>Economic Development</b>
<b>Revenues</b>			
Sales tax	\$ 7,291,556	\$ 7,291,556	\$ 7,291,556
Earnings on investments	127,034	44,667	23,704
Total revenue	<u>7,418,590</u>	<u>7,336,223</u>	<u>7,315,260</u>
<b>Expenditures</b>			
Current			
General government	--	--	--
Community development	1,229	151,987	7,393,270
Capital projects	--	--	--
Debt service			
Principal retirement	--	--	--
Interest	--	--	--
Paying agent fees	--	--	--
Total expenditures	<u>1,229</u>	<u>151,987</u>	<u>7,393,270</u>
Excess (deficiency) of revenues over (under) expenditures	7,417,361	7,184,236	(78,010)
<b>Other financing sources (uses)</b>			
Transfers in	--	--	--
Transfers out	<u>(10,565,816)</u>	<u>(5,321,170)</u>	<u>(2,314,275)</u>
Total other financing sources (uses)	<u>(10,565,816)</u>	<u>(5,321,170)</u>	<u>(2,314,275)</u>
Net change in fund balances	(3,148,455)	1,863,066	(2,392,285)
Fund balances at beginning of year	<u>21,314,748</u>	<u>15,713,047</u>	<u>9,034,748</u>
Fund balances at end of year	<u>\$ 18,166,293</u>	<u>\$ 17,576,113</u>	<u>\$ 6,642,463</u>

Exhibit 25-D

Debt Service			Capital Project			Eliminations	Total
Seawall	Arena	Economic Development	Seawall	Arena			
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 21,874,668	
3,855	9,741	7,080	37,334	295	--	253,710	
<u>3,855</u>	<u>9,741</u>	<u>7,080</u>	<u>37,334</u>	<u>295</u>	<u>--</u>	<u>22,128,378</u>	
--	--	--	53,454	--	--	53,454	
--	--	--	--	--	--	7,546,486	
--	--	--	452,317	6,346	--	458,663	
1,790,000	2,080,000	1,920,000	--	--	--	5,790,000	
1,073,819	1,328,800	262,350	--	--	--	2,664,969	
1,000	500	500	--	--	--	2,000	
<u>2,864,819</u>	<u>3,409,300</u>	<u>2,182,850</u>	<u>505,771</u>	<u>6,346</u>	<u>--</u>	<u>16,515,572</u>	
(2,860,964)	(3,399,559)	(2,175,770)	(468,437)	(6,051)	--	5,612,806	
2,865,816	4,074,200	2,314,275	7,700,000	--	(16,954,291)	--	
--	--	--	--	--	16,954,291	(1,246,970)	
<u>2,865,816</u>	<u>4,074,200</u>	<u>2,314,275</u>	<u>7,700,000</u>	<u>--</u>	<u>--</u>	<u>(1,246,970)</u>	
4,852	674,641	138,505	7,231,563	(6,051)	--	4,365,836	
1,335,758	2,230,834	1,768,863	10,511,115	106,436	--	62,015,549	
<u>\$ 1,340,610</u>	<u>\$ 2,905,475</u>	<u>\$ 1,907,368</u>	<u>\$ 17,742,678</u>	<u>\$ 100,385</u>	<u>\$ --</u>	<u>\$ 66,381,385</u>	

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
SEAWALL IMPROVEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2015**

	<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	\$ 7,901,170	\$ 7,901,170	\$ 7,291,556	\$ (609,614)
Earnings on investments	50,000	50,000	127,034	77,034
Total revenue	<u>7,951,170</u>	<u>7,951,170</u>	<u>7,418,590</u>	<u>(532,580)</u>
<b>Expenditures</b>				
Current				
Community development	<u>15,000</u>	<u>15,000</u>	<u>1,229</u>	<u>13,771</u>
Excess of revenues over expenditures	7,936,170	7,936,170	7,417,361	(518,809)
<b>Other financing uses</b>				
Transfers out	<u>(10,565,816)</u>	<u>(10,565,816)</u>	<u>(10,565,816)</u>	<u>--</u>
Net change in fund balance	(2,629,646)	(2,629,646)	(3,148,455)	(518,809)
Fund balance at beginning of year	<u>21,473,568</u>	<u>21,473,568</u>	<u>21,314,748</u>	<u>(158,820)</u>
Fund balance at end of year	<u>\$ 18,843,922</u>	<u>\$ 18,843,922</u>	<u>\$ 18,166,293</u>	<u>\$ (677,629)</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION**  
**ARENA FACILITY FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
<b>Revenues</b>				
Sales tax	\$ 7,901,170	\$ 7,901,170	\$ 7,291,556	\$ (609,614)
Earnings on investments	30,000	30,000	44,667	14,667
Total revenue	<u>7,931,170</u>	<u>7,931,170</u>	<u>7,336,223</u>	<u>(594,947)</u>
<b>Expenditures</b>				
Current				
Community development	<u>215,000</u>	<u>215,000</u>	<u>151,987</u>	<u>63,013</u>
Excess of revenues over expenditures	7,716,170	7,716,170	7,184,236	(531,934)
<b>Other financing uses</b>				
Transfers out	<u>(5,321,170)</u>	<u>(5,321,170)</u>	<u>(5,321,170)</u>	<u>--</u>
Net change in fund balance	2,395,000	2,395,000	1,863,066	(531,934)
Fund balance at beginning of year	<u>15,824,568</u>	<u>15,824,568</u>	<u>15,713,047</u>	<u>(111,521)</u>
Fund balance at end of year	<u>\$ 18,219,568</u>	<u>\$ 18,219,568</u>	<u>\$ 17,576,113</u>	<u>\$ (643,455)</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
ECONOMIC DEVELOPMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2015**

	<u>Budget</u>		<u>Actual</u>	<u>Variance Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Sales tax	\$ 7,901,170	\$ 7,901,170	\$ 7,291,556	\$ (609,614)
Earnings on investments	16,000	16,000	23,704	7,704
Total revenue	<u>7,917,170</u>	<u>7,917,170</u>	<u>7,315,260</u>	<u>(601,910)</u>
<b>Expenditures</b>				
Current				
Community development	1,538,818	19,232,013	7,393,270	11,838,743
Total expenditures	<u>1,538,818</u>	<u>19,232,013</u>	<u>7,393,270</u>	<u>11,838,743</u>
Excess (deficiency) of revenues over (under) expenditures	6,378,352	(11,314,843)	(78,010)	11,236,833
<b>Other financing uses</b>				
Transfers out	<u>(2,314,275)</u>	<u>(2,314,275)</u>	<u>(2,314,275)</u>	<u>--</u>
Net change in fund balance	4,064,077	(13,629,118)	(2,392,285)	11,236,833
Fund balance at beginning of year	<u>323,404</u>	<u>323,404</u>	<u>9,034,748</u>	<u>8,711,344</u>
Fund balance at end of year	<u>\$ 4,387,481</u>	<u>\$ (13,305,714)</u>	<u>\$ 6,642,463</u>	<u>\$ 19,948,177</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
SEAWALL DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual	Variance Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Earnings on investments	\$ --	\$ --	\$ 3,855	\$ 3,855
<b>Expenditures</b>				
Debt service				
Principal retirement	1,790,000	1,790,000	1,790,000	--
Interest	1,073,819	1,073,819	1,073,819	--
Paying agent fees	2,000	2,000	1,000	1,000
Total expenditures	<u>2,865,819</u>	<u>2,865,819</u>	<u>2,864,819</u>	<u>1,000</u>
Deficiency of revenues under expenditures	(2,865,819)	(2,865,819)	(2,860,964)	4,855
<b>Other financing sources</b>				
Transfers in	<u>2,865,816</u>	<u>2,865,816</u>	<u>2,865,816</u>	<u>--</u>
Net change in fund balance	(3)	(3)	4,852	4,855
Fund balance at beginning of year	<u>1,335,338</u>	<u>1,335,338</u>	<u>1,335,758</u>	<u>420</u>
Fund balance at end of year	<u><u>\$ 1,335,335</u></u>	<u><u>\$ 1,335,335</u></u>	<u><u>\$ 1,340,610</u></u>	<u><u>\$ 5,275</u></u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
ARENA DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2015**

	<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	\$ -	\$ -	\$ 9,741	\$ 9,741
Total revenue	--	--	9,741	9,741
<b>Expenditures</b>				
Current				
Principal retirement	2,744,400	2,744,400	2,080,000	664,400
Interest	1,328,800	1,328,800	1,328,800	--
Paying agent fees	1,000	1,000	500	500
Total expenditures	<u>4,074,200</u>	<u>4,074,200</u>	<u>3,409,300</u>	<u>664,900</u>
Deficiency of revenues under expenditures	(4,074,200)	(4,074,200)	(3,399,559)	674,641
<b>Other financing sources</b>				
Transfers in	4,074,200	4,074,200	4,074,200	--
Total other financing sources	<u>4,074,200</u>	<u>4,074,200</u>	<u>4,074,200</u>	<u>--</u>
Net change in fund balance	--	--	674,641	674,641
Fund balance at beginning of year	<u>2,219,005</u>	<u>2,219,005</u>	<u>2,230,834</u>	<u>11,829</u>
Fund balance at end of year	<u>\$ 2,219,005</u>	<u>\$ 2,219,005</u>	<u>\$ 2,905,475</u>	<u>\$ 686,470</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
ECONOMIC DEVELOPMENT DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2015**

	Budget		Actual	Variance Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Earnings on investments	\$ --	\$ --	\$ 7,080	\$ 7,080
<b>Expenditures</b>				
Debt service				
Principal retirement	2,051,175	2,051,175	1,920,000	131,175
Interest	262,350	262,350	262,350	--
Paying agent fees	750	750	500	250
Total expenditures	<u>2,314,275</u>	<u>2,314,275</u>	<u>2,182,850</u>	<u>131,425</u>
Deficiency of revenues under expenditures	(2,314,275)	(2,314,275)	(2,175,770)	138,505
<b>Other financing sources</b>				
Transfers in	2,314,275	2,314,275	2,314,275	--
Total other financing sources	<u>2,314,275</u>	<u>2,314,275</u>	<u>2,314,275</u>	<u>--</u>
Net change in fund balance	--	--	138,505	138,505
Fund balance at beginning of year	<u>1,758,613</u>	<u>1,758,613</u>	<u>1,768,863</u>	<u>10,250</u>
Fund balance at end of year	<u>\$ 1,758,613</u>	<u>\$ 1,758,613</u>	<u>\$ 1,907,368</u>	<u>\$ 148,755</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
SCHEDULE OF NET POSITION  
SEPTEMBER 30, 2015**

	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Net Position</b>
<b>ASSETS</b>			
Cash, cash equivalents and investments	\$ 7,347,694	\$ --	\$ 7,347,694
Total assets	\$ 7,347,694	\$ --	\$ 7,347,694
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Unamortized costs on refunded debt		160,997	160,997
Total deferred outflows of resources		\$ 160,997	\$ 160,997
<b>LIABILITIES</b>			
Accounts payable	\$ 2,310	\$ --	\$ 2,310
Accrued interest	-	17,540	17,540
Long-term debt			
Due within one year	--	910,000	910,000
Due in more than one year	--	7,860,000	7,860,000
Total liabilities	2,310	8,787,540	8,789,850
<b>FUND BALANCE</b>			
Restricted			
North Padre Island development	6,000,884	(6,000,884)	--
Debt service	1,344,500	(1,344,500)	--
Total fund balance	7,345,384	(7,345,384)	--
Total liabilities and fund balance	\$ 7,347,694		
<b>NET POSITION</b>			
Restricted for			
North Padre Island Development Corporation		(1,281,159)	(1,281,159)
Total net position		\$ (1,281,159)	\$ (1,281,159)

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
SCHEDULE OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2015**

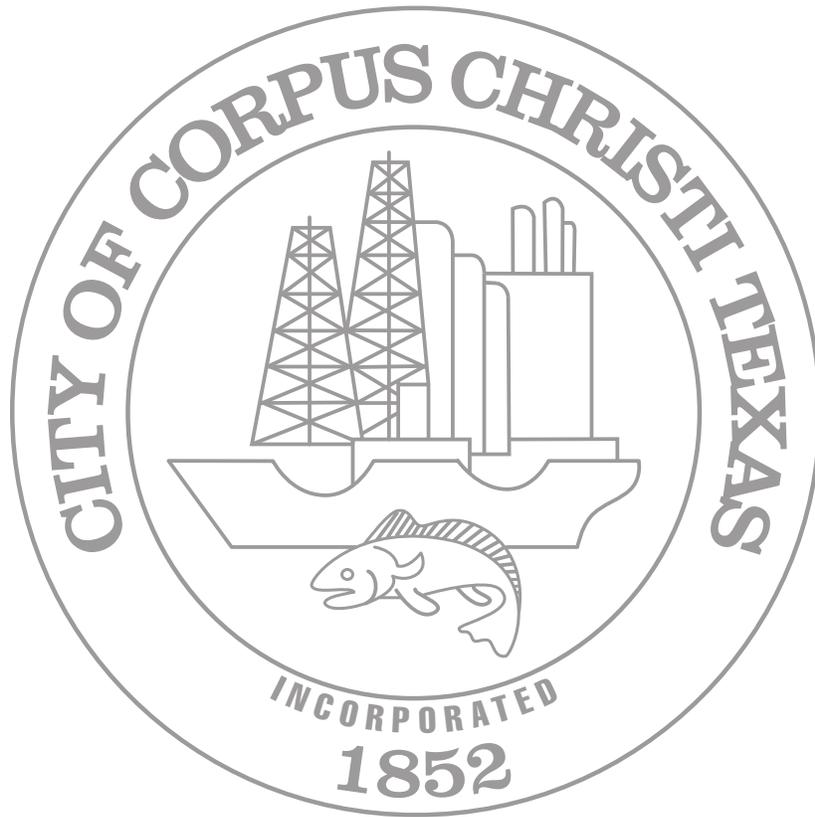
	<b>Governmental Funds</b>	<b>Adjustments</b>	<b>Schedule of Activities</b>
<b>Expenditures/expenses</b>			
General government	\$ 25,548	\$ --	\$ 25,548
Community enrichment	22,748	--	22,748
Capital projects	226,520	(226,520)	--
Debt service			
Principal retirement	830,000	(830,000)	--
Interest	432,000	(30,542)	401,458
Paying agent fees	5,694	--	5,694
Total expenditures/expenses	<u>1,542,510</u>	<u>(1,087,062)</u>	<u>455,448</u>
<b>General revenues</b>			
Property tax	2,880,930	--	2,880,930
Earnings on investments	3,050	--	3,050
<b>Other financing uses</b>			
Transfers out	(17,558)	(226,520)	(244,078)
Total general revenues and other financing uses	<u>2,866,422</u>	<u>(226,520)</u>	<u>2,639,902</u>
Excess of revenues over expenditures and transfers out	1,323,912	(1,323,912)	--
Change in net position	--	2,184,454	2,184,454
Fund balance/net position at beginning of year	<u>6,021,472</u>	<u>(9,487,085)</u>	<u>(3,465,613)</u>
Fund balance/net position end of year	<u>\$ 7,345,384</u>	<u>\$ (8,626,543)</u>	<u>\$ (1,281,159)</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION**  
**BALANCE SHEET**  
**SEPTEMBER 30, 2015**

	<u>General</u>	<u>Capital Projects</u>	<u>Eliminations</u>	<u>Total</u>
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 4,984,241	\$ 2,363,453	--	\$ 7,347,694
Total assets	<u>\$ 4,984,241</u>	<u>\$ 2,363,453</u>	<u>\$ --</u>	<u>\$ 7,347,694</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 2,310	\$ --	--	\$ 2,310
Total liabilities	<u>2,310</u>	<u>--</u>	<u>--</u>	<u>2,310</u>
Fund balances				
Restricted				
North Padre Island development	3,637,431	2,363,453	--	6,000,884
Debt service	1,344,500	--	--	1,344,500
Total fund balance	<u>4,981,931</u>	<u>2,363,453</u>	<u>--</u>	<u>7,345,384</u>
Total liabilities and fund balance	<u>\$ 4,984,241</u>	<u>\$ 2,363,453</u>	<u>\$ --</u>	<u>\$ 7,347,694</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<u>General</u>	<u>Capital Projects</u>	<u>Eliminations</u>	<u>Total</u>
<b>Revenues</b>				
Taxes and business fees	\$ 2,880,930	\$ --	\$ --	\$ 2,880,930
Earnings on investments	2	3,048	--	3,050
Total revenue	<u>2,880,932</u>	<u>3,048</u>	<u>--</u>	<u>2,883,980</u>
<b>Expenditures</b>				
Current				
General government	--	25,548	--	25,548
Community enrichment	22,748	--	--	22,748
Capital projects	--	226,520	--	226,520
Debt service				
Principal retirement	830,000	--	--	830,000
Interest	432,000	--	--	432,000
Paying agent fees	5,694	--	--	5,694
Total expenditures	<u>1,290,442</u>	<u>252,068</u>	<u>--</u>	<u>1,542,510</u>
Excess (deficiency) of revenues over (under) expenditures	1,590,490	(249,020)	--	1,341,470
<b>Other financing sources (uses)</b>				
Transfers in	--	1,655,193	(1,655,193)	--
Transfers out	(1,672,751)	--	1,655,193	(17,558)
Total other financing sources (uses)	<u>(1,672,751)</u>	<u>1,655,193</u>	<u>--</u>	<u>(17,558)</u>
Net change in fund balances	(82,261)	1,406,173	--	1,323,912
Fund balances at beginning of year	<u>5,064,192</u>	<u>957,280</u>	<u>--</u>	<u>6,021,472</u>
Fund balances at end of year	<u>\$ 4,981,931</u>	<u>\$ 2,363,453</u>	<u>\$ --</u>	<u>\$ 7,345,384</u>



**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2015**

	<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	\$ 2,810,300	\$ 2,810,300	\$ 2,880,930	\$ 70,630
Earnings on investments	--	--	2	2
Total revenues	<u>2,810,300</u>	<u>2,810,300</u>	<u>2,880,932</u>	<u>70,632</u>
<b>Expenditures</b>				
Current				
Community enrichment	124,940	124,940	22,748	102,192
Debt service				
Principal retirement	830,000	830,000	830,000	--
Interest	432,000	432,000	432,000	--
Paying agent fees	5,400	5,400	5,694	(294)
Total expenditures	<u>1,392,340</u>	<u>1,392,340</u>	<u>1,290,442</u>	<u>101,898</u>
Excess of revenues over expenditures	1,417,960	1,417,960	1,590,490	172,530
<b>Other financing sources (uses)</b>				
Transfers out	<u>(1,672,751)</u>	<u>(1,672,751)</u>	<u>(1,672,751)</u>	<u>--</u>
Net change in fund balance	(254,791)	(254,791)	(82,261)	172,530
Fund balance at beginning of year	<u>4,624,588</u>	<u>5,064,192</u>	<u>5,064,192</u>	<u>--</u>
Fund balance at end of year	<u>\$ 4,369,797</u>	<u>\$ 4,809,401</u>	<u>\$ 4,981,931</u>	<u>\$ 172,530</u>

**REINVESTMENT ZONE #3  
BALANCE SHEET  
SEPTEMBER 30, 2015**

**ASSETS**

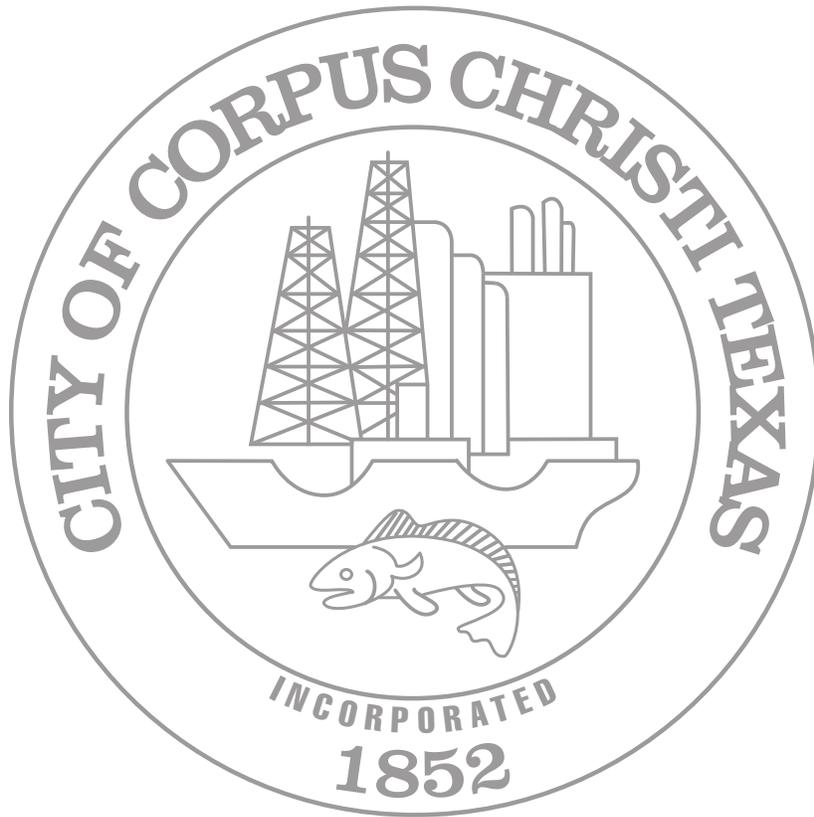
Cash, cash equivalents and investments	<u>\$ 2,253,569</u>
Total assets	<u><u>\$ 2,253,569</u></u>

**LIABILITIES AND FUND BALANCE**

Liabilities	\$ --
Fund balance	
Restricted	
Downtown development	<u>2,253,569</u>
Total liabilities and fund balance	<u><u>\$ 2,253,569</u></u>

**REINVESTMENT ZONE #3**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Taxes and business fees	\$ 661,900	\$ 661,900	\$ 685,432	\$ 23,532
Earnings on investments	500	500	5,730	5,230
Total revenues	<u>662,400</u>	<u>662,400</u>	<u>691,162</u>	<u>28,762</u>
Net change in fund balance	662,400	662,400	691,162	28,762
<b>Other financing sources (uses)</b>				
Transfers out	<u>(1,344)</u>	<u>(1,344)</u>	<u>(1,344)</u>	<u>--</u>
Excess of revenues and other financing sources over expenditures and other uses	661,056	661,056	689,818	28,762
Fund balance at beginning of year	<u>1,555,319</u>	<u>1,563,751</u>	<u>1,563,751</u>	<u>--</u>
Fund balance at end of year	<u>\$ 2,216,375</u>	<u>\$ 2,224,807</u>	<u>\$ 2,253,569</u>	<u>\$ 28,762</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.

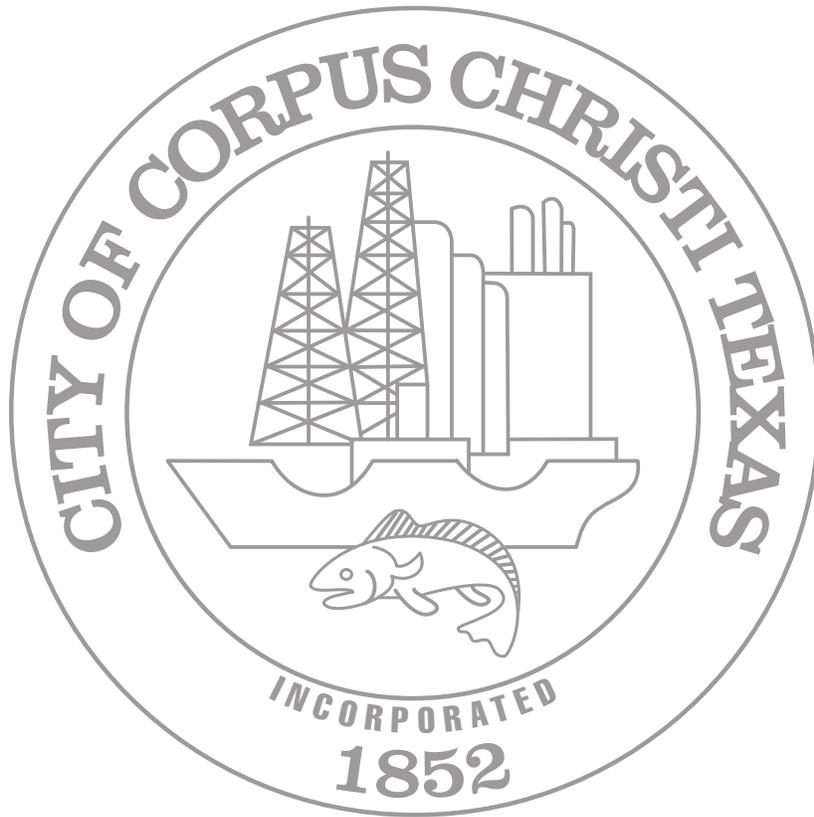
***Fire Bond Fund*** – This fund was established for recording construction and improvements to City fire stations.

***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, 2015**

**ASSETS**

Cash, cash equivalents and investments	\$ 160,723,710
Receivables	
Special assessments	749,322
Allowance for uncollectibles	<u>(663,753)</u>
Net receivables	<u>85,569</u>
Total assets	<u><u>\$ 160,809,279</u></u>

**LIABILITIES AND FUND BALANCES**

Liabilities	
Accounts payable	\$ 28,777
Contractor interest and retainage payable	186,051
Deposits	<u>353,400</u>
Total liabilities	568,228
Fund balances	
Restricted	
Capital projects	156,013,014
Committed	
Capital projects	2,647,222
Assigned	
Capital projects	<u>1,580,815</u>
Total fund balance	<u>160,241,051</u>
Total liabilities and fund balance	<u><u>\$ 160,809,279</u></u>

**STREET CAPITAL PROJECTS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**YEAR ENDED SEPTEMBER 30, 2015**

<b>Revenues</b>	
Contributions and donations	\$ 709,320
Special assessments	54,056
Interest on special assessments	12,882
Attorneys fees on special assessments	1,014
Earnings on investments	284,697
Property Rentals	17,145
Miscellaneous	32,097
Total revenues	<u>1,111,211</u>
<b>Expenditures</b>	
Current	
General government	215,235
Capital projects	11,190,163
Debt service	
Bond issuance cost	716,865
Total expenditures	<u>12,122,263</u>
Excess (deficiency) of revenues over (under) expenditures	(11,011,052)
<b>Other financing sources</b>	
General obligation bonds issued	83,571,766
Premium on bonds issued	9,002,953
Transfer in from	
Visitors Facility CIP Fd	3,295
Total other financing sources	<u>92,578,014</u>
Net change in fund balances	81,566,962
Fund balances at beginning of year	<u>78,674,089</u>
Fund balances at end of year	<u>\$ 160,241,051</u>

**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2015**

<b>ASSETS</b>	<b>Bayfront Arts/Science</b>	<b>City Buildings and Facilities</b>	<b>Convention Facility</b>
Cash, cash equivalents and investments	\$ 5,801,006	\$ 6,227,954	\$ 27,108
Total assets	<u>\$ 5,801,006</u>	<u>\$ 6,227,954</u>	<u>\$ 27,108</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ --	\$ 45,918	\$ --
Contractor interest and retainage payable	139,598	269,248	--
Advance from other funds	--	--	--
Total liabilities	<u>139,598</u>	<u>315,166</u>	<u>--</u>
Fund balances			
Restricted			
Seawall improvement	--	--	--
Arena facility	--	--	--
North Padre Island development	--	--	--
Capital projects	5,535,654	5,832,416	21,894
Committed			
Capital projects	125,753	38,043	5,214
Assigned			
Capital projects	--	42,329	--
Unassigned	--	--	--
Total fund balance	<u>5,661,407</u>	<u>5,912,788</u>	<u>27,108</u>
Total liabilities and fund balance	<u>\$ 5,801,005</u>	<u>\$ 6,227,954</u>	<u>\$ 27,108</u>

(Continued)

Exhibit 29-A

<u>Library</u>	<u>Park</u>	<u>Police</u>	<u>Public Health &amp; Safety</u>	<u>Fire</u>	<u>Landfill</u>
\$ 79,161	\$ 23,311,954	\$ 569,556	\$ 330,426	\$ 1,972,397	\$ 930,538
<u>\$ 79,161</u>	<u>\$ 23,311,954</u>	<u>\$ 569,556</u>	<u>\$ 330,426</u>	<u>\$ 1,972,397</u>	<u>\$ 930,538</u>
\$ --	\$ 200	\$ --	\$ --	\$ --	\$ --
--	36,327	--	27,374	8,685	21,428
<u>--</u>	<u>--</u>	<u>--</u>	<u>500,000</u>	<u>--</u>	<u>--</u>
--	36,527	--	527,374	8,685	21,428
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
69,318	22,975,078	567,760	--	1,906,005	771,132
9,843	279,812	1,796	--	57,707	137,978
--	20,537	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>(196,948)</u>	<u>--</u>	<u>--</u>
<u>79,161</u>	<u>23,275,427</u>	<u>569,556</u>	<u>(196,948)</u>	<u>1,963,712</u>	<u>909,110</u>
<u>\$ 79,161</u>	<u>\$ 23,311,954</u>	<u>\$ 569,556</u>	<u>\$ 330,426</u>	<u>\$ 1,972,397</u>	<u>\$ 930,538</u>

**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 2015**

	<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, cash equivalents and investments	\$ 17,758,335	\$ 100,385	\$ 2,363,453
Total assets	<u>\$ 17,758,335</u>	<u>\$ 100,385</u>	<u>\$ 2,363,453</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 3,204	\$ --	\$ --
Contractor interest and retainage payable	12,453	--	--
Advance from other funds	--	--	--
Total liabilities	<u>15,657</u>	<u>--</u>	<u>--</u>
Fund balances			
Restricted			
Seawall improvement	17,742,678	--	--
Arena facility	--	100,385	--
North Padre Island development	--	--	2,363,453
Capital projects	--	--	--
Subtotal	<u>17,742,678</u>	<u>100,385</u>	<u>2,363,453</u>
Committed			
Capital projects	--	--	--
Assigned			
Capital projects	--	--	--
Unassigned			
Total fund balance	<u>17,742,678</u>	<u>100,385</u>	<u>2,363,453</u>
Total liabilities and fund balance	<u>\$ 17,758,335</u>	<u>\$ 100,385</u>	<u>\$ 2,363,453</u>

Exhibit 29-A  
(Continued)

<u>Eliminations</u>	<u>Total</u>
\$ --	\$ 59,472,272
<u>\$ --</u>	<u>\$ 59,472,272</u>
\$ --	\$ 49,322
--	515,113
--	500,000
--	<u>1,064,435</u>
--	17,742,678
--	100,385
--	2,363,453
--	<u>37,679,257</u>
--	<u>57,885,773</u>
--	656,146
--	62,867
--	<u>(196,948)</u>
--	<u>58,407,838</u>
<u>\$ --</u>	<u>\$ 59,472,273</u>

**CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<u>Bayfront Arts/Science</u>	<u>City Buildings and Facilities</u>	<u>Convention Facility</u>	<u>Library</u>
<b>Revenues</b>				
Earnings on investments	\$ 19,989	\$ 21,325	\$ 75	\$ 219
Miscellaneous	--	84,364	--	--
Total revenues	<u>19,989</u>	<u>105,689</u>	<u>75</u>	<u>219</u>
<b>Expenditures</b>				
Current				
General government	62,495	66,740	--	--
Capital projects	3,089,980	4,715,707	--	--
Debt service				
Bond issuance cost	--	--	--	--
Total expenditures	<u>3,152,475</u>	<u>4,782,447</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(3,132,486)	(4,676,758)	75	219
<b>Other financing sources</b>				
Proceeds from general obligation bonds	--	--	--	--
Premium on bonds issued	--	--	--	--
Transfer in from				
Seawall Improvement fund	--	--	--	--
Reinvestment Zone fund	--	--	--	--
Law Enforcement Trust Fund	--	--	--	--
Total other financing sources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(3,132,486)	(4,676,758)	75	219
Fund balances at beginning of year	<u>8,793,893</u>	<u>10,589,546</u>	<u>27,033</u>	<u>78,942</u>
Fund balances at end of year	<u>\$ 5,661,407</u>	<u>\$ 5,912,788</u>	<u>\$ 27,108</u>	<u>\$ 79,161</u>

(Continued)

Exhibit 29-B

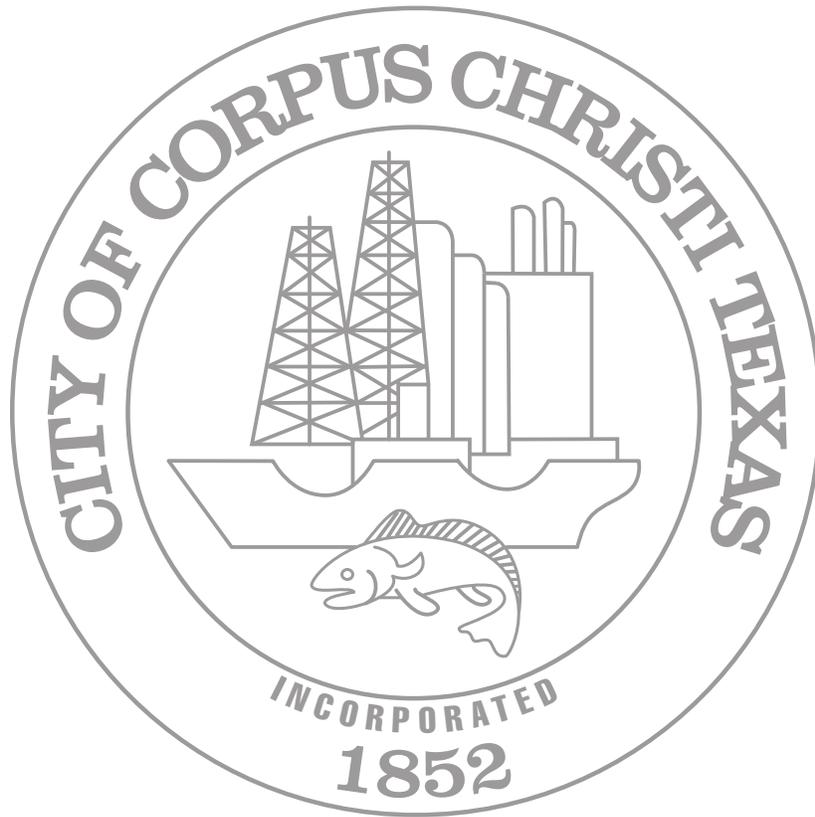
<u>Park</u>	<u>Police</u>	<u>Public Health &amp; Safety</u>	<u>Fire</u>	<u>Landfill</u>
\$ 54,718	\$ 1,791	\$ 1,403	\$ 6,000	\$ 5,242
--	--	--	--	--
<u>54,718</u>	<u>1,791</u>	<u>1,403</u>	<u>6,000</u>	<u>5,242</u>
132,787	9,197	40,293	38,528	74,284
1,452,911	125,444	568,147	447,142	1,152,054
59,601	--	--	--	--
<u>1,645,299</u>	<u>134,641</u>	<u>608,440</u>	<u>485,670</u>	<u>1,226,338</u>
(1,590,581)	(132,850)	(607,037)	(479,670)	(1,221,096)
6,948,234	--	--	--	--
748,513	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	280,000	--	--
<u>7,696,747</u>	<u>--</u>	<u>280,000</u>	<u>--</u>	<u>--</u>
6,106,166	(132,850)	(327,037)	(479,670)	(1,221,096)
<u>17,169,261</u>	<u>702,406</u>	<u>130,089</u>	<u>2,443,382</u>	<u>2,130,206</u>
<u>\$ 23,275,427</u>	<u>\$ 569,556</u>	<u>\$ (196,948)</u>	<u>\$ 1,963,712</u>	<u>\$ 909,110</u>

**CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<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>				
Earnings on investments	\$ 37,334	\$ 295	\$ 3,048	\$ -
Miscellaneous	--	--	--	--
Total revenues	<u>37,334</u>	<u>295</u>	<u>3,048</u>	<u>--</u>
<b>Expenditures</b>				
Current				
General government	53,454	--	25,548	--
Capital projects	452,317	6,346	226,520	--
Debt service				
Bond issuance cost	--	--	--	--
Total expenditures	<u>505,771</u>	<u>6,346</u>	<u>252,068</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(468,437)	(6,051)	(249,020)	--
<b>Other financing sources</b>				
General obligation bonds issued	--	--	--	--
Premium on bonds issued	--	--	--	--
Transfer in from				
Seawall Improvement fund	7,700,000	--	--	--
Reinvestment Zone fund	--	--	1,655,193	--
Law Enforcement Trust Fund	--	--	--	--
Total other financing sources	<u>7,700,000</u>	<u>--</u>	<u>1,655,193</u>	<u>--</u>
Net change in fund balances	7,231,563	(6,051)	1,406,173	--
Fund balances at beginning of year	<u>10,511,115</u>	<u>106,436</u>	<u>957,280</u>	<u>--</u>
Fund balances at end of year	<u>\$ 17,742,678</u>	<u>\$ 100,385</u>	<u>\$ 2,363,453</u>	<u>\$ --</u>

**Exhibit 29-B  
(Continued)**

<u><b>Total</b></u>	
\$	151,439
	84,364
	<u>235,803</u>
	503,326
	12,236,568
	59,601
	<u>12,799,495</u>
	(12,563,692)
	6,948,234
	748,513
	7,700,000
	1,655,193
	280,000
	<u>17,331,940</u>
	4,768,248
	<u>53,639,589</u>
\$	<u><u>58,407,837</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 Funds***

*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.*

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

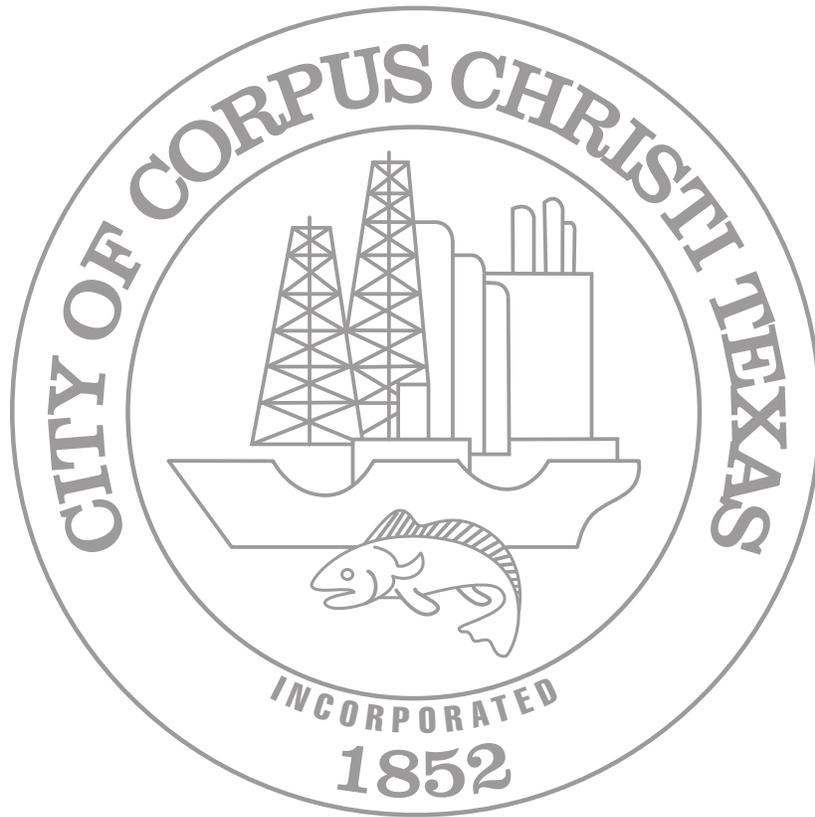
### ***Non-major Funds***

*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*



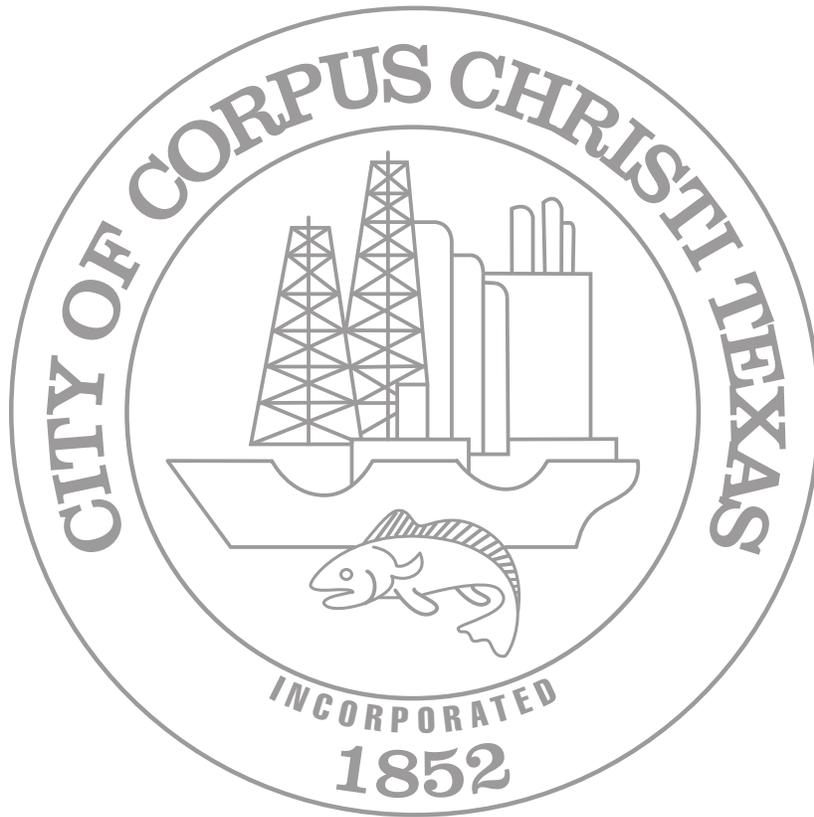


**UTILITY SYSTEM FUND  
COMBINING SCHEDULE OF NET POSITION  
SEPTEMBER 30, 2015**

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>ASSETS</b>					
Current assets					
Cash, cash equivalents and investments	\$ 8,747,792	\$ 64,709,039	\$ 35,942,721	\$ --	\$ 109,399,552
Receivables					
Accounts	3,369,456	16,428,742	9,104,398	--	28,902,596
Property leases	--	160	28	--	188
Employees	--	55	11,739	--	11,794
Intergovernmental	--	1,104,763	--	--	1,104,763
Miscellaneous	4,000	3,165	15,996	--	23,161
Allowance for uncollectibles	(724,722)	(1,733,169)	(1,168,620)	--	(3,626,511)
Net receivables	2,648,734	15,803,716	7,963,541	--	26,415,991
Inventories	--	687,818	--	--	687,818
Prepaid items	--	197,756	--	--	197,756
Restricted assets					
Cash, cash equivalents and investments	6,274,062	202,742,527	99,824,657	--	308,841,246
Total current assets	17,670,588	284,140,856	143,730,919	--	445,542,363
Noncurrent assets					
Capital assets					
Land	697,548	17,622,086	5,164,303	--	23,483,937
Water supply rights	--	210,710,247	--	--	210,710,247
Buildings	1,793,458	33,683,278	2,412,934	--	37,889,670
Improvements other than buildings	9,470,778	94,358,674	162,019,305	--	265,848,757
Machinery and equipment	2,612,036	14,841,317	12,472,246	--	29,925,599
Infrastructure	77,317,441	721,734,173	299,577,334	--	1,098,628,948
Total capital assets in service	91,891,261	1,092,949,775	481,646,122	--	1,666,487,158
Less accumulated depreciation and amortization	(41,330,615)	(308,968,053)	(161,672,121)	--	(511,970,789)
Net capital assets in service	50,560,646	783,981,722	319,974,001	--	1,154,516,369
Construction in progress	4,841,916	200,315,921	97,339,188	--	302,497,025
Net capital assets	55,402,562	984,297,643	417,313,189	--	1,457,013,394
Total noncurrent assets	55,402,562	984,297,643	417,313,189	--	1,457,013,394
Total assets	73,073,150	1,268,438,499	561,044,108	--	1,902,555,757
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Unamortized loss on refunded debt	88,755	4,701,182	1,427,050	--	6,216,987
Deferred outflows related to pension liability	1,022,171	2,090,926	1,115,715	--	4,228,812
Total deferred outflows of resources	1,110,926	6,792,108	2,542,765	--	10,445,799

(Continued)

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>LIABILITIES</b>					
Current liabilities					
Accounts payable	\$ 241,475	\$ 1,525,090	\$ 438,793	\$ --	\$ 2,205,358
Accrued expenses	170,746	380,605	196,717	--	748,068
Accrued interest	197,720	6,036,704	2,643,122	--	8,877,546
Contractor interest and retainage payable	38,701	1,116,768	365,233	--	1,520,702
Deposits	763,370	1,234,626	3,996	--	2,001,992
Liability to claimants - escheat property	--	124,308	--	--	124,308
Unearned revenue	--	--	16,204	--	16,204
Current portion of long-term liabilities					
Long-term debt	675,036	31,927,547	9,349,656	--	41,952,239
Accumulated unpaid compensated absences	195,822	523,166	289,162	--	1,008,150
Total current liabilities	<u>2,282,870</u>	<u>42,868,814</u>	<u>13,302,883</u>	<u>--</u>	<u>58,454,567</u>
Noncurrent liabilities					
Long-term liabilities, net of current portion					
Long-term debt	20,520,698	798,838,492	265,556,810	--	1,084,916,000
Accumulated unpaid compensated absences	536,451	508,747	292,306	--	1,337,504
Net pension liability	8,706,836	17,435,854	10,746,421	--	36,889,111
Net OPEB obligation	127,877	284,777	157,545	--	570,199
Total noncurrent liabilities	<u>29,891,862</u>	<u>817,067,870</u>	<u>276,753,082</u>	<u>--</u>	<u>1,123,712,814</u>
Total liabilities	<u>32,174,732</u>	<u>859,936,684</u>	<u>290,055,965</u>	<u>--</u>	<u>1,182,167,381</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows related to pension liability	202,423	412,913	221,683	--	837,019
Total deferred inflows of resources	<u>202,423</u>	<u>412,913</u>	<u>221,683</u>	<u>--</u>	<u>837,019</u>
<b>NET POSITION</b>					
Net invested in capital assets	40,137,631	349,895,266	235,873,659	--	625,906,556
Restricted for					
Bond interest and redemption	417,229	7,085,159	4,429,205	--	11,931,593
Improvements to utility lines and facilities	--	2,752,411	2,884,871	--	5,637,282
Abatement of public health hazards	--	--	95,765	--	95,765
Unrestricted	1,252,061	55,148,174	30,025,725	--	86,425,960
Total net position	<u>\$ 41,806,921</u>	<u>\$ 414,881,010</u>	<u>\$ 273,309,225</u>	<u>\$ --</u>	<u>\$ 729,997,156</u>



**UTILITY SYSTEM FUND**  
**COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>Operating revenues</b>					
Charges for services - net	\$ 32,218,208	\$ 121,368,826	\$ 67,875,715	\$ (1,719,525)	\$ 219,743,224
<b>Operating expenses</b>					
Personal services	7,878,371	15,601,729	8,978,403	--	32,458,503
Materials and supplies	16,934,156	15,246,738	3,596,355	--	35,777,249
Contractual services	2,209,590	14,054,903	13,018,083	--	29,282,576
Other operating expenses	2,903,038	12,026,145	8,040,174	(1,719,525)	21,249,832
Uncollectible accounts	204,297	735,434	487,125	--	1,426,856
Depreciation	2,683,368	19,676,506	11,635,387	--	33,995,261
Total operating expenses	<u>32,812,820</u>	<u>77,341,455</u>	<u>45,755,527</u>	<u>(1,719,525)</u>	<u>154,190,277</u>
Operating income	(594,612)	44,027,371	22,120,188	--	65,552,947
<b>Nonoperating revenues (expenses)</b>					
Investment income	34,568	760,560	374,229	--	1,169,357
Interest expense and fiscal charges	(767,315)	(25,714,460)	(10,003,659)	--	(36,485,434)
Bond issue costs	(50,713)	(3,152,547)	(506,441)	--	(3,709,701)
Net gain (loss) on disposal of assets	47,070	136,132	110,095	--	293,297
Recovery on damage claims	638	7,528	2,786	--	10,952
Developer deposits	--	657,537	866,691	--	1,524,228
Reimbursements to developers	--	(211,446)	(366,761)	--	(578,207)
Contributions from other governmental agencies	56,266	643,387	507,583	--	1,207,236
Total nonoperating expenses	<u>(679,486)</u>	<u>(26,873,309)</u>	<u>(9,015,477)</u>	<u>--</u>	<u>(36,568,272)</u>
<b>Capital contributions</b>					
Contributions from other governmental agencies	--	28,540	--	--	28,540
Contributions from developers	--	2,862,418	2,905,362	--	5,767,780
Contributions from others	38,127	--	--	--	38,127
Total capital contributions	<u>38,127</u>	<u>2,890,958</u>	<u>2,905,362</u>	<u>--</u>	<u>5,834,447</u>
Income before transfers	(1,235,971)	20,045,020	16,010,073	--	34,819,122
Transfers in	331,500	327,439	1,119,907	(1,447,346)	331,500
Transfers out	(865,193)	(4,891,099)	(2,242,411)	1,447,346	(6,551,357)
Total transfers	<u>(533,693)</u>	<u>(4,563,660)</u>	<u>(1,122,504)</u>	<u>--</u>	<u>(6,219,857)</u>
Net income	(1,769,664)	15,481,360	14,887,569	--	28,599,265
Net position at beginning of year	49,664,256	411,185,421	265,885,952	--	726,735,629
Prior period adjustment for change in accounting for pension liability	<u>(6,087,671)</u>	<u>(11,785,771)</u>	<u>(7,464,296)</u>	<u>--</u>	<u>(25,337,738)</u>
Adjusted net position at beginning of year	<u>43,576,585</u>	<u>399,399,650</u>	<u>258,421,656</u>	<u>--</u>	<u>701,397,891</u>
Net position at end of year	<u>\$ 41,806,921</u>	<u>\$ 414,881,010</u>	<u>\$ 273,309,225</u>	<u>\$ --</u>	<u>\$ 729,997,156</u>

**UTILITY SYSTEM FUND  
COMBINING SCHEDULE OF CASH FLOWS  
YEAR ENDED SEPTEMBER 30, 2015**

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>Cash flows from operating activities</b>					
Receipts from customers	32,666,860	\$ 118,956,163	67,248,177	\$ --	\$ 218,871,200
Receipts from interfund services provided	132,332	2,541,650	29,485	(1,719,525)	983,942
Payments to suppliers	(18,483,109)	(26,845,963)	(15,535,773)	--	(60,864,845)
Payments to employees	(7,023,899)	(13,784,217)	(8,002,583)	--	(28,810,699)
Internal activity - payments to other funds	(4,363,508)	(14,135,012)	(10,156,883)	1,719,525	(26,935,878)
Other receipts	--	1,000	--	--	1,000
Net cash provided by operating activities	<u>2,928,676</u>	<u>66,733,621</u>	<u>33,582,423</u>	<u>--</u>	<u>103,244,720</u>
<b>Cash flows from noncapital financing activities</b>					
Changes in interfund borrowings	--	(45,500,000)	17,000,000	--	(28,500,000)
Transfers in from other funds	331,500	--	1,100,000	(1,100,000)	331,500
Transfers out to other funds	(777,362)	(4,871,192)	(2,002,803)	1,100,000	(6,551,357)
Net cash provided by (used for) noncapital financing activities	<u>(445,862)</u>	<u>(50,371,192)</u>	<u>16,097,197</u>	<u>--</u>	<u>(34,719,857)</u>
<b>Cash flows from capital and related financing activities</b>					
Acquisition of capital assets	(1,179,367)	(76,208,607)	(12,780,155)	--	(90,168,129)
Proceeds from sale of capital assets	53,236	136,132	110,095	--	299,463
Developers deposits	--	(211,446)	866,691	--	655,245
Capital contributions	38,127	--	--	--	38,127
Reimbursements to developers	--	657,537	(366,761)	--	290,776
Proceeds from issuance of revenue bonds	4,687,800	212,513,373	45,338,244	--	262,539,417
Principal paid on long-term debt	(545,846)	(27,115,773)	(12,111,745)	--	(39,773,364)
Interest expense and fiscal charges	(702,915)	(26,464,380)	(10,685,850)	--	(37,853,145)
Recovery on damage claims	638	7,528	2,786	--	10,952
Net cash provided by capital and related financing activities	<u>2,351,673</u>	<u>83,314,364</u>	<u>10,373,305</u>	<u>--</u>	<u>96,039,342</u>
<b>Cash flows from investing activities</b>					
Investment income	<u>38,568</u>	<u>842,890</u>	<u>404,977</u>	<u>--</u>	<u>1,286,435</u>
Net increase in cash, cash equivalents and investments	4,873,055	100,519,683	60,457,902	--	165,850,640
Cash, cash equivalents and investments at beginning of year, including restricted accounts	<u>10,148,799</u>	<u>166,931,883</u>	<u>75,309,476</u>	<u>--</u>	<u>252,390,158</u>
Cash, cash equivalents and investments at end of year, including restricted accounts	<u><u>15,021,854</u></u>	<u><u>\$ 267,451,566</u></u>	<u><u>135,767,378</u></u>	<u><u>\$ --</u></u>	<u><u>\$ 418,240,798</u></u>

(Continued)

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>					
Operating income (loss)	(594,612)	\$ 44,027,371	22,120,188	\$ --	\$ 65,552,947
Adjustments to reconcile operating income to net cash provided by operating activities					
Depreciation	2,683,368	19,676,506	11,635,387	--	33,995,261
Amortization of water rights	--	2,025,374	--	--	2,025,374
Provision for uncollectible accounts	204,297	735,434	487,125	--	1,426,856
Operating costs paid from bond proceeds	--	7,500	--	--	7,500
Changes in assets and liabilities					
Receivables	410,334	15,421	(598,348)	--	(172,593)
Inventory	--	(203,348)	--	--	(203,348)
Deferred outflows of resources	(365,355)	(776,163)	(303,059)	--	(1,444,577)
Accounts payable	40,181	(121,989)	(145,193)	--	(227,001)
Accrued expenses	(4,623)	31,861	(20,390)	--	6,848
Accumulated unpaid compensated absences	(19,969)	203,989	(37,708)	--	146,312
Net pension liability	184,773	376,910	202,353	--	764,036
Net OPEB obligation	17,210	32,271	20,092	--	69,573
Deposits	170,649	290,215	293	--	461,157
Liability to claimants - escheat property	--	(644)	--	--	(644)
Deferred inflows of resources	202,423	412,913	221,683	--	837,019
Net cash provided by operating activities	<u>2,928,676</u>	<u>66,733,621</u>	<u>33,582,423</u>	<u>--</u>	<u>103,244,720</u>
<b>Noncash investing, capital and financing activities</b>					
Change in fair value of investments	\$ 677	\$ 71,682	\$ 86,678	\$ --	\$ 159,037
Change in accrued interest receivable	\$ --	\$ 57,917	\$ --	\$ --	\$ 57,917
Contribution of capital assets	\$ --	\$ 2,862,418	\$ 2,905,362	\$ --	\$ 5,767,780
Acquisition of capital assets under capital lease	\$ 972,680	\$ --	\$ --	\$ --	\$ 972,680
Acquisition of capital assets accrued but not paid	\$ (74,207)	\$ (2,338,124)	\$ (3,110,030)	\$ --	\$ (5,522,361)
Bond refunding	\$ 1,067,988	\$ 115,191,543	\$ 12,210,615	\$ --	\$ 128,470,146
Bond issue costs	\$ 50,713	\$ 3,152,547	\$ 506,441	\$ --	\$ 3,709,701
Transfers to realign bonds at refunding	\$ (87,831)	\$ 307,532	\$ (219,701)	\$ --	\$ --
Build America Bonds interest subsidy	\$ 56,266	\$ 624,934	\$ 507,583	\$ --	\$ 1,188,783
Write-down of water rights due to refunding of underlying debt	\$ --	\$ (1,574,240)	\$ --	\$ --	\$ (1,574,240)

**AIRPORT FUND  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2015**

**ASSETS**

Current assets

Cash, cash equivalents and investments	\$	5,627,279
Receivables		
Accounts		52,226
Intergovernmental		1,555,103
Allowance for uncollectibles		<u>(39,670)</u>
Net receivables		1,567,659
Due from other funds		1,029,019
Inventories		29,637
Restricted assets		
Cash, cash equivalents and investments		4,789,432
Receivables		
Accounts		<u>122,652</u>
Total restricted assets		<u>4,912,084</u>
Total current assets		<u>13,165,678</u>

Noncurrent assets

Capital assets		
Land		4,848,977
Buildings		56,366,341
Improvements other than buildings		85,968,155
Machinery and equipment		<u>5,800,541</u>
Total capital assets in service		152,984,014
Less accumulated depreciation		<u>(64,955,702)</u>
Net capital assets in service		88,028,312
Construction in progress		<u>55,074,198</u>
Net capital assets		<u>143,102,510</u>
Total noncurrent assets		<u>143,102,510</u>
Total assets		<u>156,268,188</u>

**DEFERRED OUTFLOWS OF RESOURCES**

Unamortized costs on refunded debt		495,962
Deferred outflows related to pension liability		<u>583,048</u>
Total deferred outflows of resources		<u>1,079,010</u>

(Continued)

**LIABILITIES**

Current liabilities	
Accounts payable	65,688
Accrued expenses	101,183
Accrued interest	83,507
Contractor interest and retainage payable	6,902
Deposits	17,090
Unearned revenue	298,641
Current portion of long-term liabilities	
Long-term debt	1,215,000
Accumulated unpaid compensated absences	82,482
Total current liabilities	<u>1,870,493</u>
Noncurrent liabilities	
Long-term liabilities, net of current portion	
Long-term debt	25,442,464
Accumulated unpaid compensated absences	190,406
Net pension liability	4,556,768
Net OPEB obligation	81,960
Total noncurrent liabilities	<u>30,271,598</u>
Total liabilities	<u>32,142,091</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows related to pension liability	115,147
<b>NET POSITION</b>	
Net invested in capital assets	118,850,742
Restricted for	
Passenger facility charges projects	2,457,383
Law enforcement officers' standards and education	3,974
Unrestricted	<u>3,777,861</u>
Total net position	<u>\$ 125,089,960</u>

**AIRPORT FUND**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**YEAR ENDED SEPTEMBER 30, 2015**

<b>Operating revenues</b>	
Charges for services - net	\$ 8,248,587
<b>Operating expenses</b>	
Personal services	4,258,120
Materials and supplies	461,912
Contractual services	1,785,263
Other operating expenses	691,884
Uncollectible accounts	35,032
Depreciation	5,159,587
Total operating expenses	<u>12,391,798</u>
Operating loss	(4,143,211)
<b>Nonoperating revenues (expenses)</b>	
Investment income	35,833
Interest expense and fiscal charges	(1,010,699)
Passenger facility charges	1,322,682
Customer facility charges	974,746
Net gain on disposal of assets	3,222
Contributions from other governmental agencies	19,099
Total nonoperating revenues	<u>1,344,883</u>
<b>Capital contributions</b>	
Contribution from other governmental agencies	20,736,242
Contribution from others	43,726
Total capital contributions	<u>20,779,968</u>
Income before transfers	17,981,640
Transfers out	<u>(335,537)</u>
Net income	17,646,103
Net position at beginning of year	110,524,769
Prior period adjustment for change in accounting for pension liability	<u>(3,080,912)</u>
Adjusted net position at beginning of year	<u>107,443,857</u>
Net position at end of year	<u>\$ 125,089,960</u>

**AIRPORT FUND**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED SEPTEMBER 30, 2015**

<b>Cash flows from operating activities</b>	
Receipts from customers	\$ 8,763,561
Payments to suppliers	(2,651,284)
Payments to employees	(3,931,340)
Internal activity - payments to other funds	(1,073,688)
Net cash provided by operating activities	<u>1,107,249</u>
<b>Cash flows from noncapital financing activities</b>	
Changes in interfund borrowings	(1,029,019)
Contributions from other governmental agencies	19,099
Transfers out to other funds	(335,537)
Net cash used for noncapital financing activities	<u>(1,345,457)</u>
<b>Cash flows from capital and related financing activities</b>	
Acquisition of capital assets	(24,764,341)
Proceeds from sale of capital assets	3,222
Contributions from other governmental agencies	20,155,204
Passenger facility charge	1,393,693
Customer facility charges	996,711
Principal paid on long-term debt	(1,193,706)
Interest expense and fiscal charges	(1,002,718)
Net cash used for capital and related financing activities	<u>(4,411,935)</u>
<b>Cash flows from investing activities</b>	
Investment income	<u>38,533</u>
Net decrease in cash, cash equivalents and investments	(4,611,610)
Cash, cash equivalents and investments at beginning of year, including restricted accounts	<u>15,028,321</u>
Cash, cash equivalents and investments at end of year, including restricted accounts	<u><u>\$ 10,416,711</u></u>
<b>Reconciliation of operating loss to net cash provided by operating activities</b>	
Operating loss	\$ (4,143,211)
Adjustments to reconcile operating loss to net cash provided by operating activities	
Depreciation	5,159,587
Provision for uncollectible accounts	35,032
Change in assets and liabilities	
Receivables	197,595
Inventory	4,741
Deferred outflows of resources	(239,949)
Accounts payable	(108,981)
Accrued expenses	5,899
Deposits	(2,983)
Accumulated unpaid compensated absences	(28,228)
Net pension liability	105,107
Net OPEB obligation	7,493
Deferred inflows of resources	<u>115,147</u>
Net cash provided by operating activities	<u><u>\$ 1,107,249</u></u>
<b>Noncash investing, capital and financing activities</b>	
Acquisition of capital assets accrued but not paid	\$ (1,350,760)

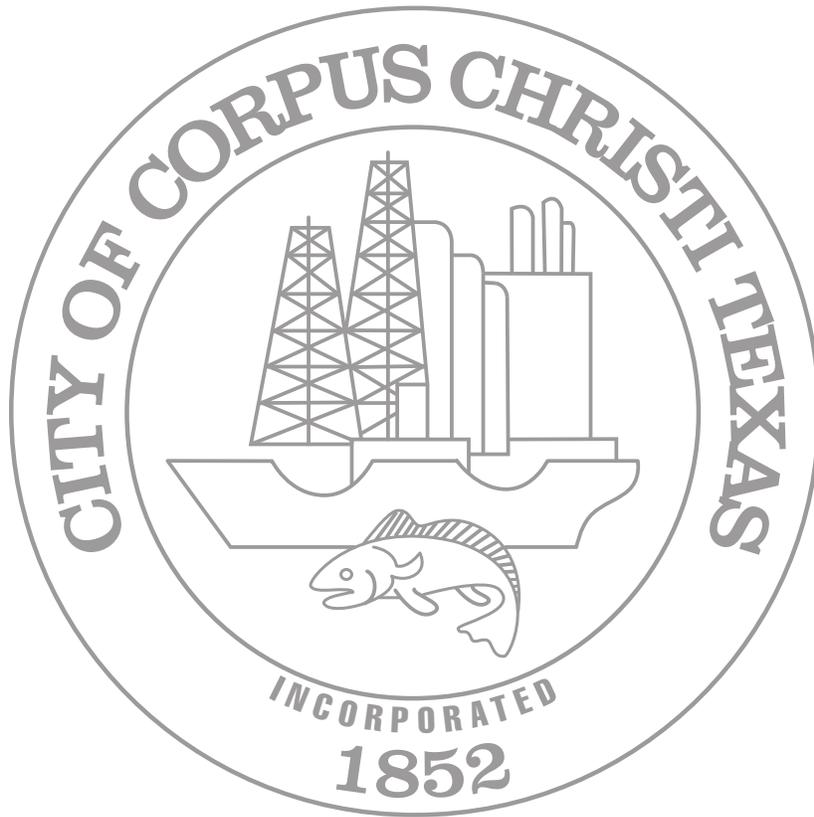
**NON-MAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2015**

	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Current assets			
Cash, cash equivalents and investments	\$ --	\$ 384,453	\$ 384,453
Receivables			
Accounts	8,993	75,534	84,527
Intergovernmental	--	605,246	605,246
Allowance for uncollectibles	--	(50,585)	(50,585)
Net receivables	<u>8,993</u>	<u>630,195</u>	<u>639,188</u>
Total current assets	<u>8,993</u>	<u>1,014,648</u>	<u>1,023,641</u>
Noncurrent assets			
Capital assets			
Land	94,337	9,000	103,337
Buildings	711,295	981,298	1,692,593
Improvements other than buildings	2,725,558	13,124,743	15,850,301
Machinery and equipment	1,152,863	358,442	1,511,305
Infrastructure	--	54,226	54,226
Total capital assets in service	4,684,053	14,527,709	19,211,762
Less accumulated depreciation	<u>(4,156,444)</u>	<u>(8,613,985)</u>	<u>(12,770,429)</u>
Net capital assets in service	527,609	5,913,724	6,441,333
Construction in progress	--	3,332,213	3,332,213
Net capital assets	<u>527,609</u>	<u>9,245,937</u>	<u>9,773,546</u>
Total noncurrent assets	<u>527,609</u>	<u>9,245,937</u>	<u>9,773,546</u>
Total assets	<u>536,602</u>	<u>10,260,585</u>	<u>10,797,187</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Unamortized loss on refunded debt	--	33,011	33,011
Deferred outflows related to pension liability	--	88,215	88,215
Total deferred outflows of resources	<u>--</u>	<u>121,226</u>	<u>121,226</u>

(Continued)

Exhibit 32-A

	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	\$ 492	\$ 10,250	\$ 10,742
Accrued expenses	--	13,753	13,753
Accrued interest	--	15,221	15,221
Contractor interest and retainage payable	--	160,403	160,403
Deposits	--	133,598	133,598
Advances from other funds	770,688	--	770,688
Unearned revenue	--	27,391	27,391
Current portion of long-term liabilities			
Long-term debt	--	215,000	215,000
Accumulated unpaid compensated absences	--	22,490	22,490
Total current liabilities	<u>771,180</u>	<u>598,106</u>	<u>1,369,286</u>
Noncurrent liabilities			
Long-term liabilities, net of current portion			
Long-term debt	--	5,064,357	5,064,357
Accumulated unpaid compensated absences	--	38,642	38,642
Net pension liability	--	704,160	704,160
Net OPEB obligation	--	14,412	14,412
Total noncurrent liabilities	<u>--</u>	<u>5,821,571</u>	<u>5,821,571</u>
Total liabilities	<u>771,180</u>	<u>6,419,677</u>	<u>7,190,857</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pension liability	<u>--</u>	<u>17,765</u>	<u>17,765</u>
<b>NET POSITION</b>			
Net invested in capital assets	527,609	3,999,591	4,527,200
Unrestricted	<u>(762,187)</u>	<u>(55,222)</u>	<u>(817,409)</u>
Total net position	<u>\$ (234,578)</u>	<u>\$ 3,944,369</u>	<u>\$ 3,709,791</u>



## Exhibit 32-B

**NON-MAJOR PROPRIETARY FUNDS**  
**COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
<b>Operating revenues</b>			
Charges for services - net	\$ 204,936	\$ 1,908,416	\$ 2,113,352
<b>Operating expenses</b>			
Personal services	--	695,992	695,992
Materials and supplies	21,411	53,895	75,306
Contractual services	97,837	237,980	335,817
Other operating expenses	16,452	286,426	302,878
Uncollectible accounts	--	29,521	29,521
Depreciation	73,101	540,453	613,554
Total operating expenses	<u>208,801</u>	<u>1,844,267</u>	<u>2,053,068</u>
Operating income (loss)	(3,865)	64,149	60,284
<b>Nonoperating revenues (expenses)</b>			
Investment income	256	6,607	6,863
Bond issuance expense	--	(51,585)	(51,585)
Interest expense and fiscal charges	--	(49,077)	(49,077)
Net gain on disposal of assets	--	2,730	2,730
Total nonoperating revenues (expenses)	<u>256</u>	<u>(91,325)</u>	<u>(91,069)</u>
<b>Capital contributions</b>			
Contributions from other governmental agencies	--	605,246	605,246
Total capital contributions	<u>--</u>	<u>605,246</u>	<u>605,246</u>
Income (loss) before transfers	(3,609)	578,070	574,461
Transfers out	<u>(4,606)</u>	<u>(50,696)</u>	<u>(55,302)</u>
Net income (loss)	(8,215)	527,374	519,159
Net position at beginning of year	(226,363)	3,887,277	3,660,914
Prior period adjustment for change in accounting for pension liability	<u>--</u>	<u>(470,282)</u>	<u>(470,282)</u>
Adjusted net position at beginning of year	<u>(226,363)</u>	<u>3,416,995</u>	<u>3,190,632</u>
Net position at end of year	<u>\$ (234,578)</u>	<u>\$ 3,944,369</u>	<u>\$ 3,709,791</u>

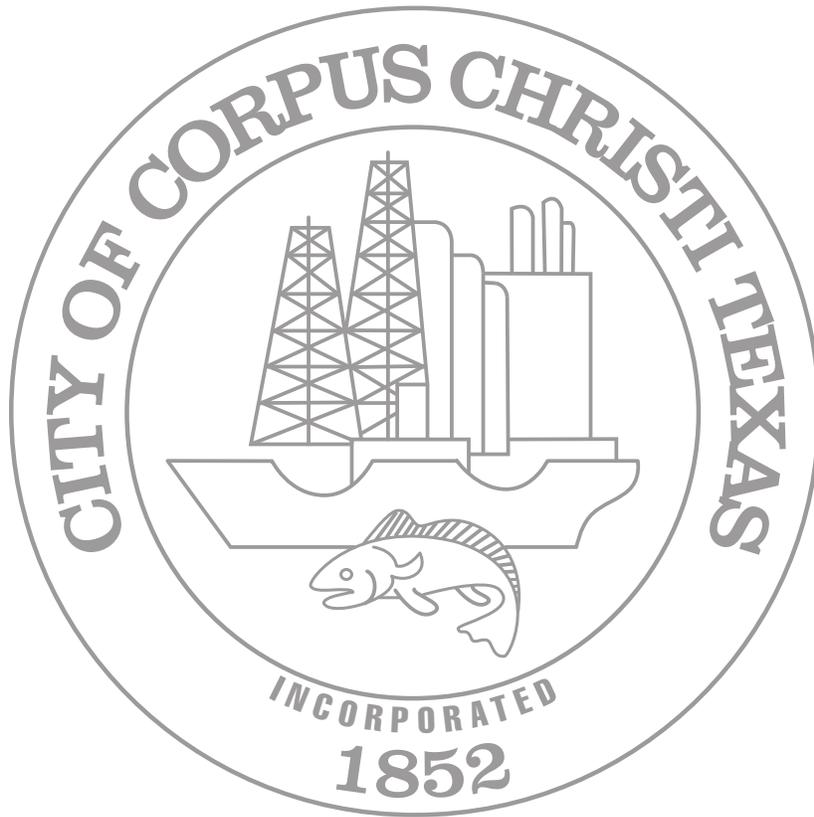
**NON-MAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Totals</u>
<b>Cash flows from operating activities</b>			
Receipts from customers	\$ 203,027	\$ 1,882,603	\$ 2,085,630
Payments to suppliers	(118,755)	(276,315)	(395,070)
Payments to employees	--	(618,047)	(618,047)
Internal activity - payments to other funds	(16,452)	(373,405)	(389,857)
Net cash provided by operating activities	<u>67,820</u>	<u>614,836</u>	<u>682,656</u>
<b>Cash flows from noncapital financing activities</b>			
Advances from other funds	29,806	--	29,806
Transfers out to other funds	(4,606)	(50,696)	(55,302)
Net cash provided by (used for) noncapital financing activities	<u>25,200</u>	<u>(50,696)</u>	<u>(25,496)</u>
<b>Cash flows from capital and related financing activities</b>			
Acquisition of capital assets	(93,276)	(3,423,959)	(3,517,235)
Proceeds from sale of capital assets	--	2,730	2,730
Proceeds from sale of revenue bonds	--	2,548,415	2,548,415
Principal paid on long-term debt	--	(290,000)	(290,000)
Interest expense and fiscal charges	--	(93,342)	(93,342)
Net cash used for capital and related financing activities	<u>(93,276)</u>	<u>(1,256,156)</u>	<u>(1,349,432)</u>
<b>Cash flows from investing activities</b>			
Investment income	<u>256</u>	<u>6,608</u>	<u>6,864</u>
Net increase (decrease) in cash, cash equivalents and investments	--	(685,408)	(685,408)
Cash, cash equivalents and investments at beginning of year, including restricted accounts	<u>--</u>	<u>1,069,861</u>	<u>1,069,861</u>
Cash, cash equivalents and investments at end of year, including restricted accounts	<u>\$ --</u>	<u>\$ 384,453</u>	<u>\$ 384,453</u>

(Continued)

Exhibit 32-C

	<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)	\$ (3,865)	\$ 64,149	\$ 60,284
Adjustments to reconcile operating income (loss) to net cash provided by operating activities			
Depreciation	73,101	540,453	613,554
Provision for uncollectible accounts	--	29,521	29,521
Change in assets and liabilities			
Receivables	(1,908)	(27,228)	(29,136)
Deferred outflows of resources	--	(35,196)	(35,196)
Accounts payable	492	6,346	6,838
Accrued expenses	--	(3,882)	(3,882)
Customer deposits	--	(1,369)	(1,369)
Unearned revenue	--	2,784	2,784
Accumulated unpaid compensated absences	--	3,472	3,472
Net pension liability	--	16,217	16,217
Net OPEB obligation	--	1,804	1,804
Deferred inflows of resources	--	17,765	17,765
Net cash provided by operating activities	<u>\$ 67,820</u>	<u>\$ 614,836</u>	<u>\$ 682,656</u>
<b>Noncash investing, capital and financing activities</b>			
Acquisition of capital assets accrued but not paid	\$ --	\$ 160,403	\$ 160,403
Bond issue costs	\$ --	\$ 51,585	\$ 51,585



*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.

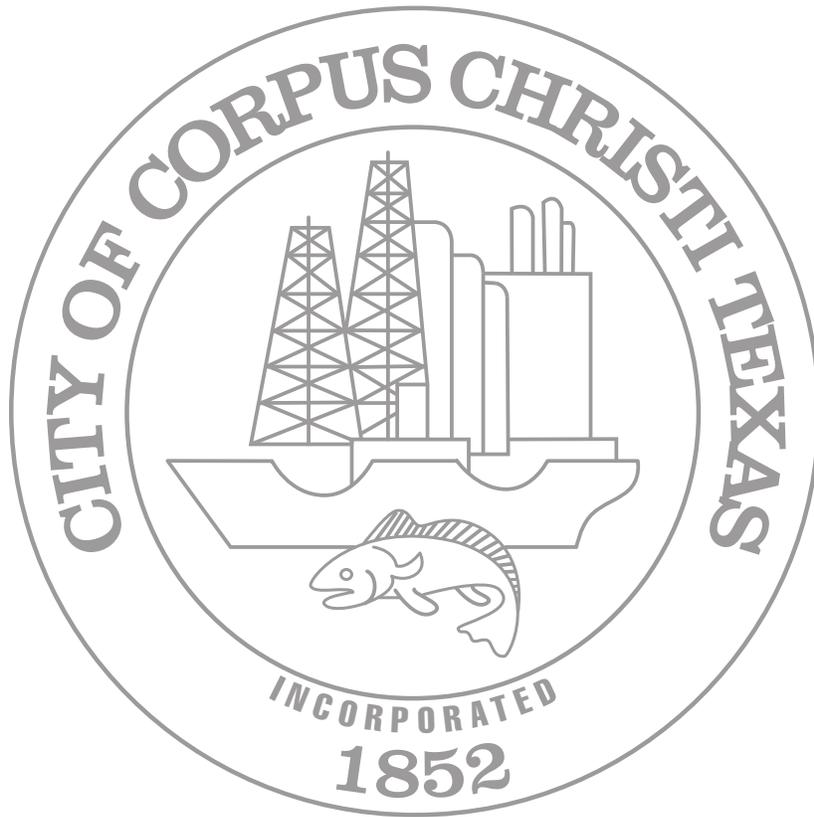
***Facilities Maintenance Service Fund*** – This fund was established to provide building maintenance services to City departments.

***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.





**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET POSITION  
SEPTEMBER 30, 2015**

	<u>Stores</u>	<u>Fleet Maintenance</u>	<u>Facilities Maintenance</u>	<u>Municipal Information Systems</u>
<b>ASSETS</b>				
Current assets				
Cash, cash equivalents and investments	\$ --	\$ 13,206,481	\$ 2,742,462	\$ 4,000,684
Receivables, net of allowance for uncollectibles	--	--	1,414	--
Due from other funds	--	--	--	184,611
Inventories	839,394	727,879	--	--
Prepaid items	--	--	--	--
Total current assets	<u>839,394</u>	<u>13,934,360</u>	<u>2,743,876</u>	<u>4,185,295</u>
Noncurrent assets				
Other assets	--	--	--	--
Capital assets				
Land	--	--	66,359	--
Buildings	365,953	41,360	5,613,385	--
Improvements other than buildings	--	381,400	645,527	5,746,966
Machinery and equipment	74,436	39,947,101	283,733	4,987,745
Total capital assets in service	<u>440,389</u>	<u>40,369,861</u>	<u>6,609,004</u>	<u>10,734,711</u>
Less accumulated depreciation	(290,524)	(29,979,540)	(4,624,822)	(9,278,841)
Net capital assets in service	<u>149,865</u>	<u>10,390,321</u>	<u>1,984,182</u>	<u>1,455,870</u>
Construction in progress	--	--	--	65,581
Net capital assets	<u>149,865</u>	<u>10,390,321</u>	<u>1,984,182</u>	<u>1,521,451</u>
Total noncurrent assets	<u>149,865</u>	<u>10,390,321</u>	<u>1,984,182</u>	<u>1,521,451</u>
Total assets	<u>989,259</u>	<u>24,324,681</u>	<u>4,728,058</u>	<u>5,706,746</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows related to pension liability	<u>115,619</u>	<u>368,782</u>	<u>191,378</u>	<u>843,036</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	51,850	569,483	132,128	1,064,641
Accrued expenses	16,991	66,216	33,878	151,802
Current portion of estimated liability claims	--	--	--	--
Deposits	--	4,648	--	--
Liability to claimants - escheat property	--	--	--	--
Due to other funds	184,611	--	--	--
Unearned revenue	--	--	--	--
Current portion of long-term liabilities				
Long-term debt	--	--	114,509	365,179
Accumulated unpaid compensated absences	48,696	73,710	39,958	217,188
Total current liabilities	<u>302,148</u>	<u>714,057</u>	<u>320,473</u>	<u>1,798,810</u>
Noncurrent liabilities				
Estimated liability claims, net of current portion	--	--	--	--
Long-term liabilities, net of current portion				
Long-term debt	--	--	635,005	886,682
Accumulated unpaid compensated absences	26,135	184,636	48,681	635,814
Net pension liability	1,160,269	3,067,561	849,722	6,892,867
Net OPEB obligation	18,283	57,245	23,255	101,231
Total noncurrent liabilities	<u>1,204,687</u>	<u>3,309,442</u>	<u>1,556,663</u>	<u>8,516,594</u>
Total liabilities	<u>1,506,835</u>	<u>4,023,499</u>	<u>1,877,136</u>	<u>10,315,404</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows related to pension liability	<u>23,417</u>	<u>72,377</u>	<u>36,673</u>	<u>168,021</u>
<b>NET POSITION</b>				
Net invested in capital assets	149,865	10,390,321	1,234,668	269,590
Unrestricted	(575,239)	10,207,266	1,770,959	(4,203,233)
Net position	<u>\$ (425,374)</u>	<u>\$ 20,597,587</u>	<u>\$ 3,005,627</u>	<u>\$ (3,933,643)</u>

Exhibit 33-A

Liability and Employee Benefits	Engineering Services	Eliminations	Total
\$ 39,614,807	\$ 1,056,157	\$ --	\$ 60,620,591
359,715	34,299	--	395,428
--	--	(184,611)	--
--	--	--	1,567,273
2,068,542	--	--	2,068,542
<u>42,043,064</u>	<u>1,090,456</u>	<u>(184,611)</u>	<u>64,651,834</u>
49,871	--	--	49,871
--	1,099	--	67,458
--	--	--	6,020,698
--	--	--	6,773,893
--	530,639	--	45,823,654
--	531,738	--	58,685,703
--	(271,421)	--	(44,445,148)
--	260,317	--	14,240,555
--	--	--	65,581
--	260,317	--	14,306,136
49,871	260,317	--	14,356,007
<u>42,092,935</u>	<u>1,350,773</u>	<u>(184,611)</u>	<u>79,007,841</u>
144,182	511,417	--	2,174,414
420,754	14,700	--	2,253,556
98,000	91,771	--	458,658
7,752,096	--	--	7,752,096
--	--	--	4,648
19,344	--	--	19,344
--	--	(184,611)	--
10,302	--	--	10,302
--	43,565	--	523,253
30,220	126,790	--	536,562
<u>8,330,716</u>	<u>276,826</u>	<u>(184,611)</u>	<u>11,558,419</u>
6,990,306	--	--	6,990,306
--	150,310	--	1,671,997
27,767	135,068	--	1,058,101
1,442,147	4,708,845	--	18,121,411
10,860,530	53,627	--	11,114,171
<u>19,320,750</u>	<u>5,047,850</u>	<u>--</u>	<u>38,955,986</u>
<u>27,651,466</u>	<u>5,324,676</u>	<u>(184,611)</u>	<u>50,514,405</u>
29,524	101,747	--	431,759
--	66,442	--	12,110,886
14,556,127	(3,630,675)	--	18,125,205
<u>\$ 14,556,127</u>	<u>\$ (3,564,233)</u>	<u>--</u>	<u>\$ 30,236,091</u>

**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**YEAR ENDED SEPTEMBER 30, 2015**

	<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	\$ 1,341,385	\$ 5,167,165	\$ 4,162,144	\$ 15,879,336
<b>Operating expenses</b>				
Personal services	825,070	2,712,946	1,328,820	6,550,104
Materials and supplies	158,721	937,373	174,311	772,171
Contractual services	235,380	1,234,045	1,582,945	9,587,791
Other operating expenses	190,416	311,662	265,826	759,486
Uncollectible accounts	--	--	--	27
Depreciation	12,569	2,943,463	517,859	640,759
Self-insurance claims	--	--	--	--
Other post employment benefits	--	--	--	--
Total operating expenses	<u>1,422,156</u>	<u>8,139,489</u>	<u>3,869,761</u>	<u>18,310,338</u>
Operating income (loss)	(80,771)	(2,972,324)	292,383	(2,431,002)
<b>Nonoperating revenues (expenses)</b>				
Investment income	--	53,319	6,949	13,434
Interest expense and fiscal charges	--	(690)	(50,203)	(34,467)
Net gain (loss) on disposal of assets	--	(51,918)	1,284	--
Recovery of damage claims	--	19,049	--	--
Total nonoperating revenues (expenses)	<u>--</u>	<u>19,760</u>	<u>(41,970)</u>	<u>(21,033)</u>
Income (loss) before transfers	(80,771)	(2,952,564)	250,413	(2,452,035)
Transfers in	--	2,671,905	712,310	2,283,011
Transfers out	--	(331,500)	(234,357)	--
Net transfers	<u>--</u>	<u>2,340,405</u>	<u>477,953</u>	<u>2,283,011</u>
Net income (loss)	(80,771)	(612,159)	728,366	(169,024)
Net position at beginning of year	465,135	23,312,363	2,790,285	760,791
Prior period adjustment for change in accounting for pension liability	<u>(809,738)</u>	<u>(2,102,617)</u>	<u>(513,024)</u>	<u>(4,525,410)</u>
Adjusted net position at beginning of year	<u>(344,603)</u>	<u>21,209,746</u>	<u>2,277,261</u>	<u>(3,764,619)</u>
Net position at end of year	<u>\$ (425,374)</u>	<u>\$ 20,597,587</u>	<u>\$ 3,005,627</u>	<u>\$ (3,933,643)</u>

Exhibit 33-B

<b>Liability and Employee Benefits</b>	<b>Engineering Services</b>	<b>Eliminations</b>	<b>Totals</b>
\$ 37,676,243	\$ 6,778,047	\$ --	\$ 71,004,320
1,170,971	3,849,552	--	16,437,463
126,489	143,163	--	2,312,228
8,433,359	624,309	--	21,697,829
118,416	707,268	--	2,353,074
(46,424)	--	--	(46,397)
--	40,380	--	4,155,030
30,157,544	--	--	30,157,544
807,403	--	--	807,403
<u>40,767,758</u>	<u>5,364,672</u>	<u>--</u>	<u>77,874,174</u>
(3,091,515)	1,413,375	--	(6,869,854)
103,155	--	--	176,857
--	(3,089)	--	(88,449)
--	2,272	--	(48,362)
--	--	--	19,049
<u>103,155</u>	<u>(817)</u>	<u>--</u>	<u>59,095</u>
(2,988,360)	1,412,558	--	(6,810,759)
--	--	--	5,667,226
<u>(529,364)</u>	<u>--</u>	<u>--</u>	<u>(1,095,221)</u>
<u>(529,364)</u>	<u>--</u>	<u>--</u>	<u>4,572,005</u>
(3,517,724)	1,412,558	--	(2,238,754)
19,060,695	(1,753,611)	--	44,635,658
<u>(986,844)</u>	<u>(3,223,180)</u>	<u>--</u>	<u>(12,160,813)</u>
<u>18,073,851</u>	<u>(4,976,791)</u>	<u>--</u>	<u>32,474,845</u>
<u>\$ 14,556,127</u>	<u>\$ (3,564,233)</u>	<u>\$ --</u>	<u>\$ 30,236,091</u>

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED SEPTEMBER 30, 2015**

	<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	\$ --	\$ 7,672	\$ 15,103	\$ --
Receipts from interfund services provided	3,880,839	12,709,217	4,146,900	15,879,336
Payments to suppliers	(2,728,173)	(9,854,795)	(1,659,947)	(9,582,848)
Payments to employees	(739,225)	(2,446,751)	(1,238,162)	(5,939,733)
Internal activity - payments to other funds	(341,978)	(577,119)	(381,454)	(1,415,183)
Claims paid	--	--	--	--
Other receipts	--	19,049	--	--
Net cash provided by (used for) operating activities	<u>71,463</u>	<u>(142,727)</u>	<u>882,440</u>	<u>(1,058,428)</u>
<b>Cash flows from noncapital financing activities</b>				
Change in interfund borrowings	(57,126)	--	--	327,017
Transfers in from other funds	--	--	712,310	2,283,011
Transfers out to other funds	--	--	(234,357)	--
Net cash provided by (used for) noncapital financing activities	<u>(57,126)</u>	<u>--</u>	<u>477,953</u>	<u>2,610,028</u>
<b>Cash flows from capital and related financing activities</b>				
Acquisition of capital assets	(14,337)	(4,077,013)	(207,330)	(135,427)
Proceeds from sale/disposal of capital assets	--	72,190	1,284	--
Transfer in from other funds for capital acquisition	--	2,671,905	--	--
Return of prior year transfers related to capital acquisition	--	(331,500)	--	--
Principal paid on long-term debt	--	--	(101,917)	(356,584)
Interest expense and fiscal charges	--	(690)	(50,203)	(34,467)
Net cash provided by (used for) capital and related financing activity	<u>(14,337)</u>	<u>(1,665,108)</u>	<u>(358,166)</u>	<u>(526,478)</u>
<b>Cash flows from investing activities</b>				
Interest on investments	--	71,403	6,949	13,434
Net increase (decrease) in cash and cash equivalents	--	(1,736,432)	1,009,176	1,038,556
Cash, cash equivalents and investments at beginning of year	<u>--</u>	<u>14,942,913</u>	<u>1,733,286</u>	<u>2,962,128</u>
Cash, cash equivalents and investments at end of year	<u>\$ --</u>	<u>\$ 13,206,481</u>	<u>\$ 2,742,462</u>	<u>\$ 4,000,684</u>

(Continued)

Exhibit 33-C

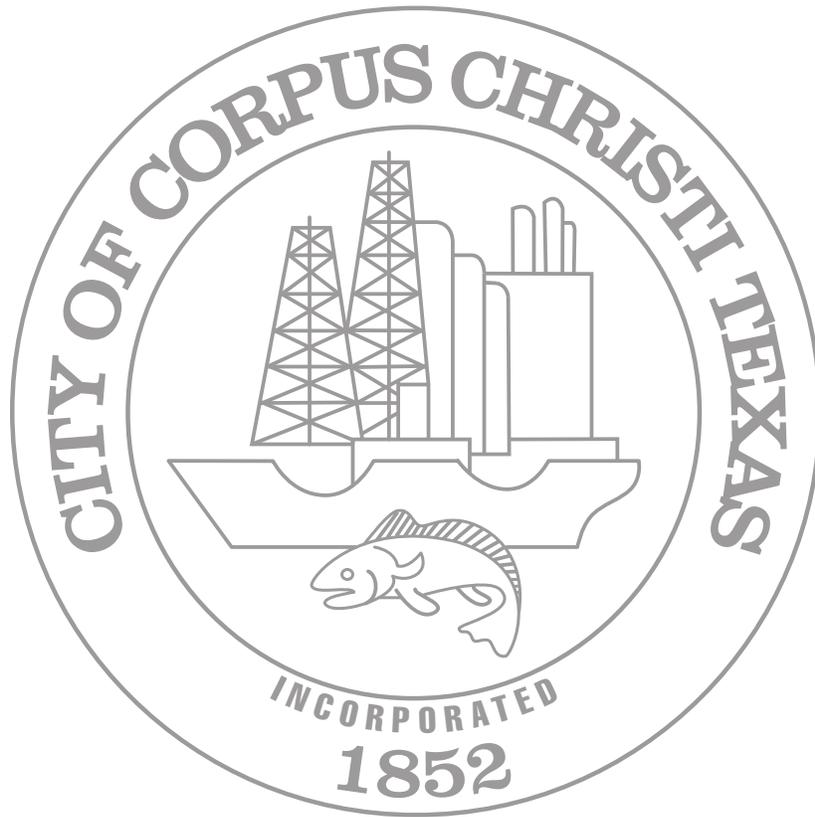
<u>Liability and Employee Benefits</u>	<u>Engineering Services</u>	<u>Eliminations</u>	<u>Total</u>
\$ 8,902,596	\$ 1,600	\$ --	\$ 8,926,971
28,474,167	6,776,447	--	71,866,906
(8,943,021)	(771,180)	--	(33,539,964)
(1,067,471)	(3,511,471)	--	(14,942,813)
(120,200)	(1,040,570)	--	(3,876,504)
(27,430,088)	--	--	(27,430,088)
--	(34,298)	--	(15,249)
<u>(184,017)</u>	<u>1,420,528</u>	<u>--</u>	<u>989,259</u>
14,500,000	(269,891)	--	14,500,000
--	--	--	2,995,321
<u>(529,364)</u>	<u>--</u>	<u>--</u>	<u>(763,721)</u>
13,970,636	(269,891)	--	16,731,600
--	(62,630)	--	(4,496,737)
--	2,272	--	75,746
--	--	--	2,671,905
--	--	--	(331,500)
--	(31,033)	--	(489,534)
<u>--</u>	<u>(3,089)</u>	<u>--</u>	<u>(88,449)</u>
--	(94,480)	--	(2,658,569)
107,571	--	--	199,357
13,894,190	1,056,157	--	15,261,647
<u>25,720,617</u>	<u>--</u>	<u>--</u>	<u>45,358,944</u>
<u>\$ 39,614,807</u>	<u>\$ 1,056,157</u>	<u>\$ --</u>	<u>\$ 60,620,591</u>

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED SEPTEMBER 30, 2015**

	<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)	\$ (80,771)	\$ (2,972,324)	\$ 292,383	\$ (2,431,002)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation	12,569	2,943,463	517,859	640,759
Provision for uncollectible accounts	--	--	--	27
Recovery of damage claims	--	19,049	--	--
Changes in assets and liabilities				
Receivables	--	--	(141)	48
Inventory	105,310	15,796	--	--
Prepaid items	--	--	--	--
Deferred outflows of resources	(27,840)	(137,452)	(128,467)	(323,617)
Accounts payable	30,872	(199,757)	75,827	625,351
Accrued expenses	(10,027)	7,245	8,479	(14,992)
Estimated claims liability	--	--	--	--
Liability to claimants-escheat property	--	--	--	--
Unearned revenue	--	--	--	--
Accumulated unpaid compensated absences	(5,136)	38,459	44,384	111,913
Net pension liability	21,375	66,066	33,475	153,370
Net OPEB obligation	1,694	4,351	1,968	11,694
Deferred inflows of resources	23,417	72,377	36,673	168,021
Net cash provided by (used for) operating activities	<u>\$ 71,463</u>	<u>\$ (142,727)</u>	<u>\$ 882,440</u>	<u>\$ (1,058,428)</u>
<b>Noncash investing, capital and financing activities</b>				
Change in fair value of investments	\$ --	\$ 15,793	\$ --	\$ --
Acquisition of capital assets under capital lease	\$ --	\$ --	\$ 33,406	\$ --

**Exhibit 33-C  
(Continued)**

<b>Liability and Employee Benefits</b>	<b>Engineering Services</b>	<b>Eliminations</b>	<b>Total</b>
\$ (3,091,515)	\$ 1,413,375	\$ --	\$ (6,869,854)
--	40,380	--	4,155,030
(46,424)	--	--	(46,397)
--	--	--	19,049
(201,606)	(34,298)	--	(235,997)
--	--	--	121,106
(439,939)	--	--	(439,939)
(144,182)	(155,651)	--	(917,209)
88,127	(28,518)	--	591,902
(2,602)	(3,850)	--	(15,747)
3,807,783	--	--	3,807,783
(801)	--	--	(801)
9,826	--	--	9,826
(19,088)	(12,051)	--	158,481
136,025	92,877	--	503,188
(309,145)	6,517	--	(282,921)
29,524	101,747	--	431,759
<u>\$ (184,017)</u>	<u>\$ 1,420,528</u>	<u>\$ --</u>	<u>\$ 989,259</u>
\$ 2,788	\$ --	\$ --	\$ 18,581
\$ --	\$ 224,907	\$ --	\$ 258,313



## *Component Units*

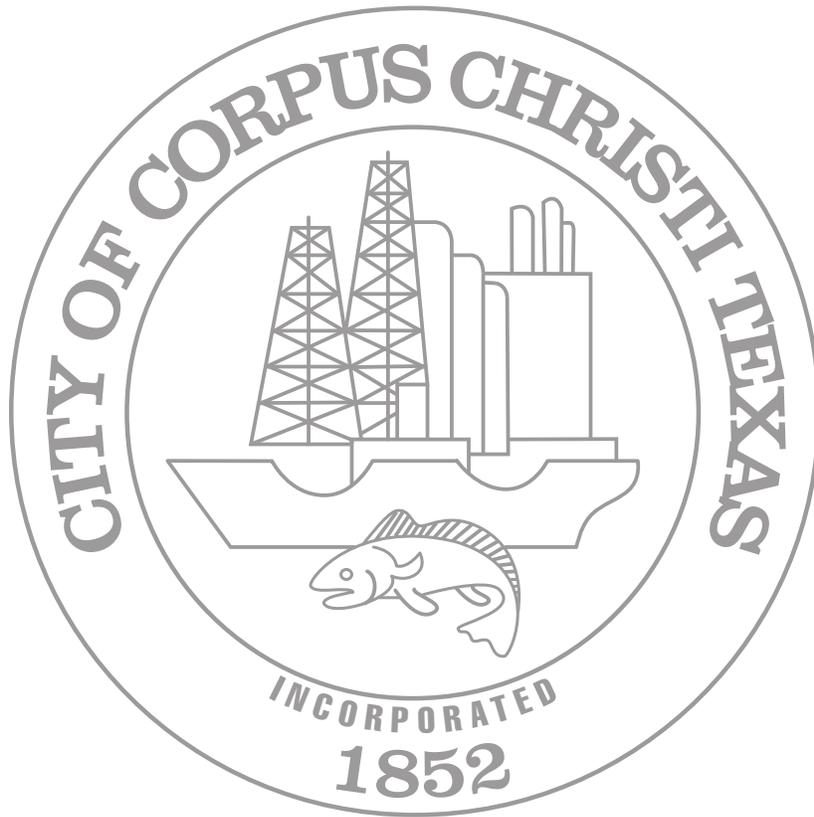


## ***Component Units***

***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.



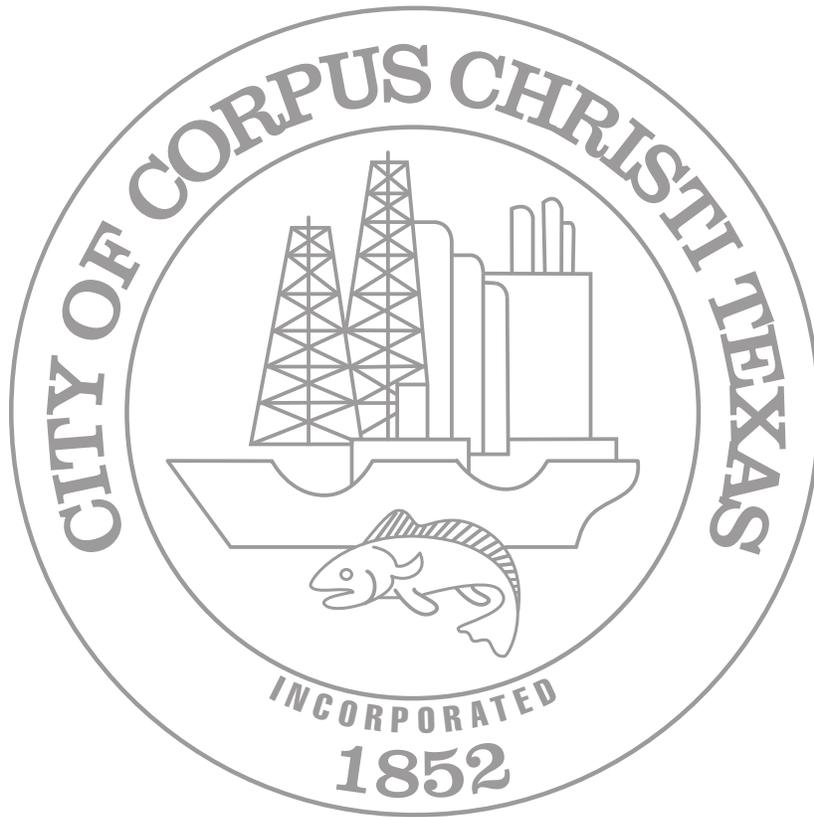


**DISCRETELY PRESENTED COMPONENT UNITS  
COMBINING STATEMENT OF NET POSITION  
SEPTEMBER 30, 2015**

	<b>Coastal Bend Health Facilities Development Corporation</b>	<b>Corpus Christi Convention and Visitors Bureau</b>	<b>Total</b>
<b>ASSETS</b>			
Cash, cash equivalents and investments	\$ 3,719	\$ 1,060,590	\$ 1,064,309
Receivables	--	9,740	9,740
Prepaid items	--	173,119	173,119
Capital assets, net of accumulated depreciation	--	280,423	280,423
Total assets	<u>3,719</u>	<u>1,523,872</u>	<u>1,527,591</u>
<b>LIABILITIES</b>			
Accounts payable	<u>--</u>	<u>314,420</u>	<u>314,420</u>
<b>NET POSITION</b>			
Invested in capital assets	--	280,423	280,423
Restricted for			
Public health	3,719	--	3,719
Unrestricted	<u>--</u>	<u>929,029</u>	<u>929,029</u>
Total net position	<u>\$ 3,719</u>	<u>\$ 1,209,452</u>	<u>\$ 1,213,171</u>

**DISCRETELY PRESENTED COMPONENT UNITS  
COMBINING STATEMENT OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2015**

	<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	\$ --	\$ 5,113,108	\$ 5,113,108
Total expenditures/expenses	<u>--</u>	<u>5,113,108</u>	<u>5,113,108</u>
<b>Program revenue</b>			
Charges for services	--	502,660	502,660
Net program expense	<u>--</u>	<u>(4,610,448)</u>	<u>(4,610,448)</u>
<b>General revenue</b>			
Earnings on investments	--	629	629
Payments from the City of Corpus Christi	--	4,959,744	4,959,744
Total general revenues	<u>--</u>	<u>4,960,373</u>	<u>4,960,373</u>
Change in net position	--	349,925	349,925
Net position beginning of year	<u>3,719</u>	<u>859,527</u>	<u>863,246</u>
Net position end of year	<u>\$ 3,719</u>	<u>\$ 1,209,452</u>	<u>\$ 1,213,171</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, 2015**

	<b>2015</b>
Governmental funds capital assets	
Land	\$ 68,354,863
Buildings	231,883,519
Improvements other than buildings	241,546,242
Machinery and equipment	85,397,784
Infrastructure	366,084,953
Construction in progress	97,966,885
Total governmental funds capital assets	\$ 1,091,234,246
Investment in governmental funds capital assets by source	
Capital projects funds	\$ 873,517,309
General and special revenue funds	64,778,982
Donations	17,214,313
Developers contributions	25,085,237
Federal revenue sharing	82,732,222
Tax increment zone	22,861,080
Claim settlements	5,045,103
Total investment in governmental funds capital assets by source	\$ 1,091,234,246

\* 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, 2015**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>	<u>Machinery and Equipment</u>	<u>Infrastructure</u>
Staff Agencies						
Finance	\$ 121,664	\$ -	\$ -	\$ -	\$ 121,664	\$ -
Meter reading	294,211	--	--	--	294,211	--
Planning	48,414	--	--	--	48,414	--
Total staff agencies	<u>464,289</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>464,289</u>	<u>--</u>
City Hall and Emergency Management Facility	22,822,241	3,732,487	17,723,896	18,504	1,347,354	--
Municipal service center	1,854,335	204,024	662,316	--	987,995	--
Miscellaneous	12,281,904	200,383	7,361,532	2,646,834	2,073,155	--
Total general government	<u>37,422,769</u>	<u>4,136,894</u>	<u>25,747,744</u>	<u>2,665,338</u>	<u>4,872,793</u>	<u>--</u>
Police and municipal court						
Police						
Police	20,861,249	2,325,928	8,054,487	2,838,210	7,642,624	--
Animal control	3,604,319	--	3,432,801	--	171,518	--
Code enforcement	45,412	--	--	--	45,412	--
Total police	<u>24,510,980</u>	<u>2,325,928</u>	<u>11,487,288</u>	<u>2,838,210</u>	<u>7,859,554</u>	<u>--</u>
Municipal Court	180,191	--	26,410	31,282	122,499	--
Total police and municipal court	<u>24,691,171</u>	<u>2,325,928</u>	<u>11,513,698</u>	<u>2,869,492</u>	<u>7,982,053</u>	<u>--</u>
Fire	28,141,882	1,666,238	7,772,373	5,210,648	13,492,623	--
Ambulance	4,437,699	--	--	--	4,437,699	--
Emergency management	25,014	--	--	--	25,014	--
Building inspections	146,626	--	--	--	146,626	--
Streets						
Streets, sidewalks, curbs and gutters	341,157,064	15,520,939	--	4,604,399	--	321,031,726
Street maintenance and construction	8,509,375	266,937	128,442	--	8,113,996	--
Street signs and markings	811,005	--	--	35,428	775,577	--
Harbor Bridge and approaches	7,322,587	64,110	--	7,258,477	--	--
Total streets	<u>357,800,031</u>	<u>15,851,986</u>	<u>128,442</u>	<u>11,898,304</u>	<u>8,889,573</u>	<u>321,031,726</u>
Solid Waste	113,700,080	8,119,865	377,257	53,565,886	34,526,009	17,111,063
Health	6,577,767	61,909	4,547,312	1,342,295	626,251	--
Parks, recreation and education						
Parks and recreation	112,277,293	18,840,060	3,479,481	75,178,684	2,686,292	12,092,776
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	--	--	--	--
Total parks, recreation and education	<u>120,295,341</u>	<u>20,481,584</u>	<u>6,859,991</u>	<u>78,174,698</u>	<u>2,686,292</u>	<u>12,092,776</u>
Libraries	18,225,672	773,001	17,049,483	277,978	125,210	--
(Continued)						

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS**  
**SCHEDULE BY FUNCTION AND ACTIVITY \***  
**SEPTEMBER 30, 2015**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>	<u>Machinery and Equipment</u>	<u>Infrastructure</u>
Corpus Christi museums	8,300,022	--	6,488,324	1,315,824	495,874	--
Community enrichment						
Cultural and convention facilities						
Multipurpose arena	48,732,802	2,829,110	43,198,880	2,600,369	104,443	--
Auditorium	7,304,198	--	7,262,070	--	42,128	--
Baseball stadium	28,441,771	1,836,763	26,186,852	418,156	--	--
Harbor Playhouse	880,519	--	869,675	--	10,844	--
Convention center	63,994,029	798,244	52,722,805	3,828,642	6,644,338	--
Water Garden	1,499,927	--	--	1,499,927	--	--
Bayfront Science Park	27,258,161	3,651,328	2,468,913	20,935,353	202,567	--
Texas State Aquarium	20,844,296	2,047,044	11,024,033	7,773,219	--	--
Total cultural and convention facilities	<u>198,955,703</u>	<u>11,162,489</u>	<u>143,733,228</u>	<u>37,055,666</u>	<u>7,004,320</u>	<u>--</u>
Public art	93,328	--	--	93,328	--	--
Total community enrichment	<u>199,049,031</u>	<u>11,162,489</u>	<u>143,733,228</u>	<u>37,148,994</u>	<u>7,004,320</u>	<u>--</u>
Community development						
Neighborhood improvement	23,595	--	--	--	23,595	--
Community Development Block Grant	7,299,284	800,221	5,821,579	677,484	--	--
CC Housing Finance Corporation	958,246	163,841	419,382	375,023	--	--
Corpus Christi Community Improvement Corp.	1,473,294	59,497	1,413,797	--	--	--
Total community development	<u>9,754,419</u>	<u>1,023,559</u>	<u>7,654,758</u>	<u>1,052,507</u>	<u>23,595</u>	<u>--</u>
Other general capital assets:						
Packery Channel	16,128,654	--	--	215,414	63,852	15,849,388
Seawall	45,808,864	--	--	45,808,864	--	--
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>64,699,837</u>	<u>2,751,410</u>	<u>10,909</u>	<u>46,024,278</u>	<u>63,852</u>	<u>15,849,388</u>
Total capital assets in service	993,267,361	68,354,863	231,883,519	241,546,242	85,397,784	366,084,953
Less: accumulated depreciation	<u>437,686,330</u>	<u>--</u>	<u>91,264,552</u>	<u>109,083,405</u>	<u>64,950,509</u>	<u>172,387,864</u>
Net capital assets in service	<u>555,581,031</u>	<u>68,354,863</u>	<u>140,618,967</u>	<u>132,462,837</u>	<u>20,447,275</u>	<u>193,697,089</u>
Construction in progress	<u>97,966,885</u>	<u>--</u>	<u>627,894</u>	<u>29,502,774</u>	<u>9,927</u>	<u>67,826,290</u>
Total general capital assets	<u>\$ 653,547,916</u>	<u>\$ 68,354,863</u>	<u>\$ 141,246,861</u>	<u>\$ 161,965,611</u>	<u>\$ 20,457,202</u>	<u>\$ 261,523,379</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.

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
BY FUNCTION AND ACTIVITY \*  
YEAR ENDED SEPTEMBER 30, 2015**

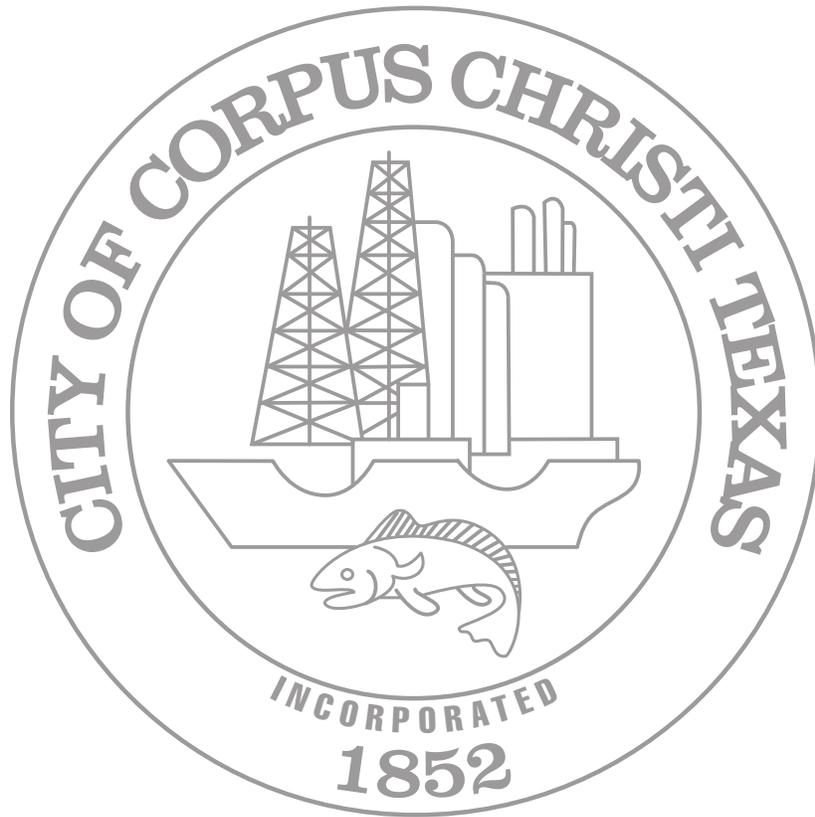
	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
General government				
Staff agencies				
Finance	167,795	--	46,131	121,664
Meter reading	355,719	--	61,508	294,211
Planning	48,414	--	--	48,414
Total staff agencies	<u>571,928</u>	<u>--</u>	<u>107,639</u>	<u>464,289</u>
City Hall and Emergency Management Facility	22,810,547	11,694	--	22,822,241
Municipal service center	1,854,335	--	--	1,854,335
Miscellaneous	12,441,251	(159,347)	--	12,281,904
Total general government	<u>37,678,061</u>	<u>(147,653)</u>	<u>107,639</u>	<u>37,422,769</u>
Police and municipal court				
Police	21,045,844	147,887	332,482	20,861,249
Animal control	3,625,733	(21,414)	--	3,604,319
Code enforcement	-	45,412	--	45,412
Total police	<u>24,671,577</u>	<u>171,885</u>	<u>332,482</u>	<u>24,510,980</u>
Municipal court	192,691	--	12,500	180,191
Total police and municipal court	<u>24,864,268</u>	<u>171,885</u>	<u>344,982</u>	<u>24,691,171</u>
Fire	24,586,201	3,581,288	25,607	28,141,882
Ambulance	4,766,157	--	328,458	4,437,699
Emergency management	25,014	--	--	25,014
Inspections	160,314	--	13,688	146,626
Streets				
Streets, sidewalks, curbs and gutters	328,260,181	12,896,883	--	341,157,064
Street maintenance and construction	7,645,256	879,599	15,480	8,509,375
Street signs and markings	221,645	589,360	--	811,005
Harbor Bridge and approaches	7,322,587	--	--	7,322,587
Total streets	<u>343,449,669</u>	<u>14,365,842</u>	<u>15,480</u>	<u>357,800,031</u>
Solid Waste	111,239,229	3,638,841	1,177,990	113,700,080
Health	6,577,767	--	--	6,577,767
Parks, recreation and education				
Parks and recreation	110,484,168	1,888,924	95,799	112,277,293
Miradores and Selena Memorial	1,965,000	--	--	1,965,000
Senior services	4,542,238	--	--	4,542,238
Upper level college facilities	1,510,810	--	--	1,510,810
Total parks, recreation and education	<u>118,502,216</u>	<u>1,888,924</u>	<u>95,799</u>	<u>120,295,341</u>
Libraries	18,187,834	37,838	--	18,225,672
Corpus Christi museums	8,266,546	33,476	--	8,300,022

(Continued)

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
BY FUNCTION AND ACTIVITY \*  
YEAR ENDED SEPTEMBER 30, 2015**

	<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	104,443	--	48,732,802
Auditorium	7,304,198	--	--	7,304,198
Baseball stadium	28,441,771	--	--	28,441,771
Harbor Playhouse	880,519	--	--	880,519
Convention center	63,852,796	141,233	--	63,994,029
Water Garden	1,499,927	--	--	1,499,927
Bayfront Science Park	27,266,115	--	7,954	27,258,161
Texas State Aquarium	20,844,296	--	--	20,844,296
Total cultural and convention facilities	<u>198,717,981</u>	<u>245,676</u>	<u>7,954</u>	<u>198,955,703</u>
Public art	93,328	--	--	93,328
Total community enrichment	<u>198,811,309</u>	<u>245,676</u>	<u>7,954</u>	<u>199,049,031</u>
Community development				
Neighborhood improvement	23,595	--	--	23,595
Community Development Block Grant	7,299,284	--	--	7,299,284
CC Housing Finance Corporation	799,405	158,841	--	958,246
Corpus Christi Improvement Corp.	1,473,294	--	--	1,473,294
Total community development	<u>9,595,578</u>	<u>158,841</u>	<u>--</u>	<u>9,754,419</u>
Other general capital assets:				
Packery Channel	15,913,240	215,414	--	16,128,654
Seawall	45,808,864	--	--	45,808,864
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>64,484,423</u>	<u>215,414</u>	<u>--</u>	<u>64,699,837</u>
Total capital assets in service	971,194,586	24,190,372	2,117,597	993,267,361
Less: accumulated depreciation	414,126,930	25,665,206	2,105,806	437,686,330
Net capital assets in service	<u>557,067,656</u>	<u>(1,474,834)</u>	<u>11,791</u>	<u>555,581,031</u>
Construction in progress	89,807,237	8,159,648	--	97,966,885
Total general capital assets	<u>\$ 646,874,893</u>	<u>\$ 6,684,814</u>	<u>\$ 11,791</u>	<u>\$ 653,547,916</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  <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>	256
Revenue Capacity  <i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	271
Debt Capacity  <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>	278
Demographic and Economic Information  <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>	286
Operating Information  <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>	288

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)**

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

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

Table 1

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014*</u>	<u>2015</u>
\$ 190,984,493	\$ 209,725,506	\$ 222,519,201	\$ 240,668,349	\$ 271,711,769	\$ 268,379,713
81,610,847	79,572,803	85,445,854	89,422,908	90,284,166	110,426,731
19,260,356	29,215,682	37,839,536	52,514,581	43,044,907	(93,108,769)
<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>	<u>\$ 285,697,675</u>
\$ 685,455,079	\$ 682,070,387	\$ 693,363,853	\$ 704,595,166	\$ 793,058,216	\$ 768,459,800
13,445,408	14,731,997	10,689,200	13,455,463	17,238,437	20,125,997
16,803,962	30,148,172	61,185,337	83,373,816	24,083,260	55,457,952
<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>	<u>\$ 844,043,749</u>
\$ 876,439,572	\$ 891,795,893	\$ 915,883,054	\$ 945,263,515	\$ 1,064,769,985	\$ 1,036,839,513
95,056,255	94,304,800	96,135,054	102,878,371	107,522,603	130,552,728
36,064,318	59,363,854	99,024,873	135,888,397	67,128,167	(37,650,817)
<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>	<u>\$ 1,129,741,424</u>

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

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

(Continued)

Table 2

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$	19,480,668	\$ 16,589,746	\$ 18,079,972	\$ 20,066,766	\$ 23,528,625	\$ 20,095,432
	81,171,817	81,930,129	80,496,720	80,194,663	106,771,633	91,069,002
	43,287,584	47,347,004	45,748,510	48,997,146	58,864,749	48,724,237
	505,319	543,682	507,564	505,811	632,347	613,555
	1,664,676	1,636,669	1,752,448	1,995,533	2,182,793	2,379,102
	25,674,747	21,451,848	17,337,069	18,523,334	29,657,466	34,051,106
	7,505,758	7,218,565	6,813,120	6,835,120	6,661,113	5,940,977
	21,577,152	19,902,761	17,861,237	18,659,058	22,829,117	19,928,692
	5,298,406	4,785,207	4,222,687	3,731,475	4,779,930	4,575,572
	1,853,104	1,900,026	1,659,435	1,555,994	1,907,091	1,866,875
	4,220,179	9,529,467	4,273,802	2,742,906	7,589,196	5,851,215
	10,403,520	10,025,480	11,084,674	13,218,255	14,025,431	13,365,023
	15,183,072	10,487,728	16,057,354	18,022,411	19,365,234	16,228,430
	16,156,130	17,385,095	16,786,166	14,875,186	15,357,763	16,378,266
	<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>	<u>281,067,484</u>
	22,418,231	27,140,788	23,494,713	25,721,265	33,046,483	29,152,032
	93,937,152	96,818,500	99,262,996	102,157,760	117,294,046	107,235,791
	31,748,907	30,224,910	25,318,899	28,564,940	43,714,412	34,256,774
	46,795,236	47,063,049	46,664,152	48,937,097	63,649,026	56,892,815
	11,406,735	11,729,049	11,982,695	11,899,650	15,412,742	13,631,297
	2,051,107	1,168,875	293,633	241,504	198,341	214,575
	1,861,705	1,793,695	1,802,521	1,757,820	2,185,278	1,997,197
	<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>243,380,481</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>	<u>\$ 524,447,965</u>
\$	20,566,739	\$ 22,093,237	\$ 21,614,922	\$ 24,054,154	\$ 27,323,898	\$ 25,920,218
	20,021,375	19,349,804	20,165,521	20,948,126	24,607,968	20,189,446
	11,839,459	13,090,388	12,388,359	15,605,078	29,498,080	27,444,915
	15,768,215	20,293,248	14,697,325	12,516,057	14,116,549	9,899,152
	8,274,872	11,616,793	4,841,413	7,645,930	8,509,542	7,911,826
	<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>	<u>91,365,557</u>

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

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

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

**Table 2  
(Continued)**

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014*</u>	<u>2015</u>
\$ 32,011,959	\$ 34,593,348	\$ 37,864,068	\$ 37,122,282	\$ 43,677,779	\$ 37,475,401
96,571,762	108,948,434	120,017,362	117,230,522	140,078,315	121,958,577
36,520,847	31,828,023	26,139,159	28,950,470	42,408,214	32,265,916
51,048,604	54,884,681	59,662,102	59,323,805	75,704,726	68,488,526
8,594,836	9,503,417	9,520,245	9,489,992	11,919,295	10,549,237
1,838,093	1,060,795	416,750	350,592	257,772	204,936
1,572,406	1,464,629	1,832,336	1,851,612	2,227,983	1,911,146
120,435	1,193,227	1,320,294	1,537,735	1,379,860	1,226,335
9,557,122	7,736,648	9,858,001	16,637,935	17,942,344	27,219,660
<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>301,299,734</u>
<u>\$ 314,306,724</u>	<u>\$ 337,656,672</u>	<u>\$ 340,337,857</u>	<u>\$ 353,264,290</u>	<u>\$ 439,652,325</u>	<u>\$ 392,665,291</u>
\$ (177,511,472)	\$ (164,289,936)	\$ (168,973,217)	\$ (156,882,225)	\$ (210,096,450)	\$ (189,701,926)
27,616,991	35,274,336	57,810,708	50,372,518	60,095,960	57,919,253
<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>	<u>\$ (131,782,673)</u>
\$ 57,291,695	\$ 57,457,988	\$ 58,201,084	\$ 60,506,596	\$ 64,808,014	\$ 69,730,902
27,358,566	27,192,025	25,906,607	26,605,837	31,855,785	34,255,712
64,654,960	70,432,482	79,403,692	86,163,292	103,372,472	89,126,468
9,919,560	10,721,997	12,051,548	13,174,824	17,066,868	15,110,411
1,283,513	682,991	848,062	1,208,748	1,244,127	1,277,826
13,476,398	24,460,749	19,852,825	20,674,272	19,380,059	14,953,233
<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>	<u>224,454,552</u>
825,924	432,520	329,951	445,360	344,764	1,217,295
<u>(13,476,398)</u>	<u>(24,460,749)</u>	<u>(19,852,825)</u>	<u>(20,228,912)</u>	<u>(19,035,295)</u>	<u>(14,953,233)</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>(13,735,938)</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>	<u>\$ 210,718,614</u>
\$ (3,526,780)	\$ 26,658,296	\$ 27,290,601	\$ 31,429,175	\$ 27,630,875	\$ 34,752,626
14,966,517	11,246,107	38,287,834	36,186,054	41,060,665	44,183,315
<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>	<u>\$ 78,935,941</u>

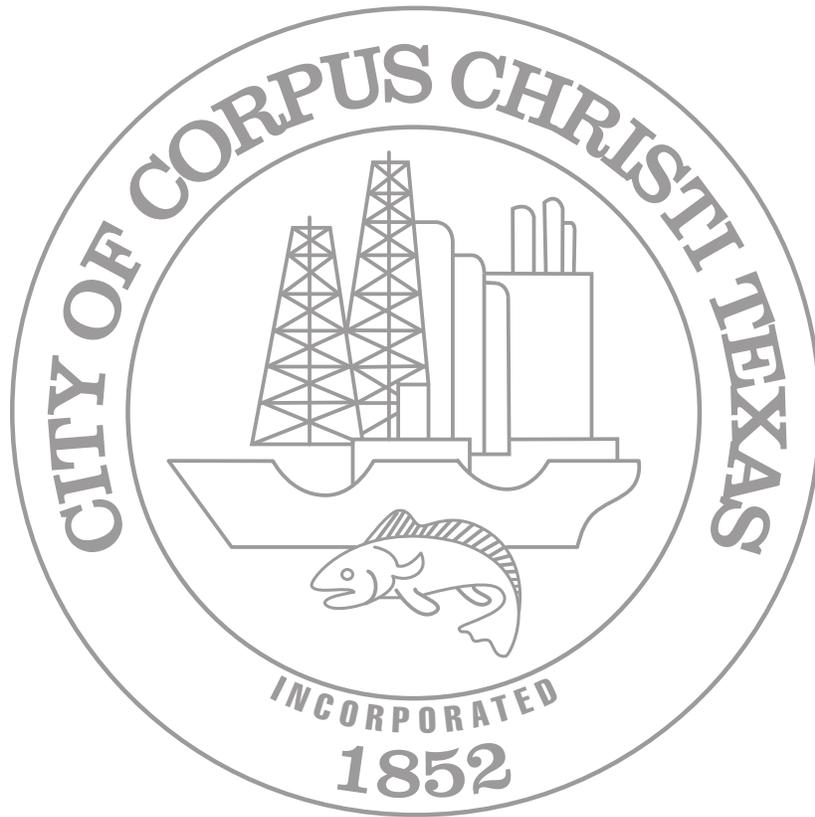


Table 3

**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>
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*	96,663,799	103,372,472	17,066,868	217,103,139
2015	103,986,614	89,126,468	15,110,411	208,223,493

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

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

	Fiscal Year			
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General fund				
Reserved	\$ 2,477,879	\$ 4,054,101	\$ 4,638,291	\$ 2,938,429
Unreserved	24,534,599	28,372,503	27,571,509	27,325,624
Nonspendable				
Restricted				
Committed				
Assigned				
Unassigned				
Total general fund	<u>\$27,012,478</u>	<u>\$ 32,426,604</u>	<u>\$ 32,209,800</u>	<u>\$ 30,264,053</u>
All other governmental funds				
Reserved	\$46,933,550	\$ 60,621,159	\$ 57,031,756	\$ 58,028,080
Unreserved, reported in:				
Debt service funds	5,834,111	6,846,970	11,712,600	9,456,925
Special revenue funds	26,358,642	30,461,934	43,057,821	45,533,073
Capital projects funds	67,191,943	67,507,979	61,947,382	109,247,126
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				
Capital projects funds				
Total all other governmental funds	<u>\$146,318,246</u>	<u>\$ 165,438,042</u>	<u>\$ 173,749,559</u>	<u>\$ 222,265,204</u>

Notes:

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

Table 4

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014*</u>	<u>2015</u>
\$ 361,507	\$ 1,491,399	\$ 1,400,017	\$ 1,302,980	\$ 1,614,482	\$ 1,272,561
688,286	636,531	249,433	298,854	363,996	389,177
19,701,535	19,813,473	28,764,934	40,537,505	37,808,621	39,564,995
17,747	5,845	6,806	11,480	658,480	10,120,144
8,579,370	8,617,684	7,551,298	11,441,898	11,538,642	174,624
<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>	<u>\$ 51,521,501</u>
\$ 1,008,008	\$ 890,963	\$ 396,787	\$ 269,194	\$ 789,937	\$ 593,824
5,974,622	5,956,307	5,334,218	5,311,931	5,335,454	6,153,453
71,202,025	74,267,207	79,862,203	83,812,123	84,449,297	103,457,997
105,026,981	70,969,215	84,525,622	87,898,420	116,444,974	193,692,270
11,271,942	13,812,320	16,858,822	15,512,834	8,660,390	10,777,534
677,007	390,454	896,775	739,729	13,435,512	20,343,465
10,109,487	8,413,784	7,400,034	10,014,964	4,466,229	3,303,368
98,347	214,601	68,775	1,459,793	1,576,765	2,447,588
3,445,097	1,855,964	2,218,850	1,996,938	11,716,955	1,643,682
(1,415,142)	(269,136)	(555,032)	-	-	(9,890)
-	-	-	-	(314,479)	(196,948)
<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>	<u>\$ 342,206,343</u>

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

	Fiscal Year			
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Revenues</b>				
Taxes and business fees	\$ 158,452,760	\$ 165,980,510	\$ 174,899,312	\$ 178,669,539
Licenses and permits	3,493,616	3,399,993	3,576,249	3,700,195
Intergovernmental	-	--	--	--
Grants	14,535,800	16,261,424	18,216,186	15,981,072
Charges for services	50,520,423	53,669,631	54,989,566	56,843,501
Fines and forfeitures	6,118,520	6,907,942	6,825,170	6,897,078
Deposits	1,093,803	270,716	191,724	-
Contributions and donations	2,589,488	1,948,807	3,380,012	1,902,087
Special assessments	118,526	74,235	442,323	10,502
Earnings on investments	5,447,570	8,424,738	6,386,948	3,006,163
Interest on loans	31,771	374,210	233,846	73,369
Payments from Lexington Museum Association	352,849	347,173	248,868	285,022
Payments from Corpus Christi Convention and Visitors Bureau	272,234	-	-	-
Payments from Texas State Aquarium	500,427	518,117	508,685	518,318
Payments from other agencies	7,425	-	-	-
Sale of city property	3,230	4,940	12,353	3,848
Claim settlement	-	-	-	572,280
Naming rights	175,000.0	175,000	175,000	175,000
Miscellaneous	979,929	1,186,020	1,390,645	1,486,339
Total revenues	<u>244,693,371</u>	<u>259,543,456</u>	<u>271,476,887</u>	<u>270,124,313</u>
<b>Expenditures</b>				
General government	18,961,633	20,707,495	21,306,706	21,836,700
Public safety	101,805,112	107,360,877	110,663,675	115,375,541
Streets	13,056,076	13,502,624	14,233,051	15,951,618
Solid waste	13,569,912	15,192,042	18,278,582	17,027,712
Health	6,452,124	5,980,026	6,592,800	6,893,718
Community enrichment	30,008,152	27,458,882	31,248,848	31,864,343
Convention and visitors activities	13,794,220	13,782,313	13,193,524	12,152,309
Other	-	-	-	32,963
Capital projects	46,907,032	33,406,955	35,812,462	57,193,877
Debt service				
Principal retirement	24,697,600	26,918,876	24,853,049	36,741,227
Interest	15,746,138	16,657,960	17,480,632	16,433,417
Paying agent fees	24,746	36,049	33,994	32,598
Bond issue cost	589,508	650,025	730,903	1,571,419
Refund of bond issue cost	-	(9,660)	-	-
Interest on interfund borrowings	80,169	148,160	-	29,714
Total expenditures	<u>285,692,422</u>	<u>281,792,624</u>	<u>294,428,226</u>	<u>333,137,156</u>
Excess (deficiency) of revenues over (under) expenditures	(40,999,051)	(22,249,168)	(22,951,339)	(63,012,843)
(Continued)				

Table 5

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014*</u>	<u>2015</u>
\$	176,286,722	\$ 182,810,584	\$ 192,423,958	\$ 205,059,544	\$ 241,447,636	\$ 229,613,790
	3,288,415	4,885,342	4,790,610	5,697,321	6,119,404	7,653,287
	--	--	--	--	--	2,427,736
	22,661,016	24,095,434	16,542,865	14,743,346	17,758,224	13,043,094
	56,945,655	60,258,877	63,684,332	63,588,154	85,604,995	75,150,621
	6,766,301	6,075,772	6,602,755	7,037,629	8,739,406	6,330,735
	-	-	-	-	-	-
	871,524	7,133,489	2,413,204	4,657,640	4,319,251	1,833,351
	76,876	683,087	46,787	154,937	195,495	67,952
	1,312,814	698,992	713,791	1,186,389	1,245,152	1,288,658
	81,458	85,188	86,173	109,704	97,778	59,282
	272,796	275,647	267,750	-	-	-
	-	-	-	-	-	-
	361,107	373,232	358,795	369,082	335,694	328,276
	-	-	-	-	-	-
	7,553	9,786	-	-	122,746	46,779
	-	325,395	-	25,241	-	-
	175,000	-	-	-	-	-
	1,703,701	2,291,231	1,716,081	1,682,319	1,734,789	2,657,325
	<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>	<u>340,500,886</u>
	20,267,240	17,606,974	19,146,965	21,235,824	23,789,840	20,900,904
	119,589,404	126,279,109	122,341,347	129,637,141	159,126,383	141,825,393
	14,797,896	15,229,881	13,173,204	14,964,156	22,088,359	27,361,691
	18,193,629	22,426,863	19,288,307	20,551,190	26,657,490	23,153,110
	6,977,548	6,722,783	6,362,130	6,554,474	6,106,257	5,569,931
	37,348,135	36,680,864	33,660,941	35,347,147	40,617,305	36,297,592
	10,257,006	10,449,447	11,046,785	11,650,650	16,821,790	14,625,022
	21,729	-	-	-	-	-
	50,406,384	51,119,929	51,039,961	45,303,572	41,280,111	27,257,727
	26,883,223	26,445,859	26,278,182	26,319,507	38,617,547	36,325,072
	19,907,675	20,115,642	19,178,232	19,789,403	28,954,177	18,284,677
	28,710	25,009	19,541	13,983	21,162	47,011
	422,041	-	574,317	2,362,185	704,331	789,195
	-	-	-	-	-	-
	6,543	2,489	773	102	-	-
	<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>	<u>352,437,325</u>
	(54,296,225)	(43,102,793)	(32,463,584)	(29,418,027)	(37,064,182)	(11,936,439)

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

	<b>Fiscal Year</b>			
	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>
<b>Other financing sources (uses)</b>				
Capital leases	2,917,492	3,447,512	2,623,408	3,746,061
General obligation bonds issued	-	34,975,000	-	88,725,000
Revenue bonds issued	2,900,000	-	-	-
Certificate of obligation bonds issued	18,605,000	2,415,695	-	12,000,000
Tax notes issued	-	-	22,260,000	-
Refunding bonds issued	-	-	13,445,000	-
Refund on bond issue costs	19,952	-	-	-
Premium on bonds sold	-	480,163	-	2,660,797
Premium on refunding bonds sold	(272,896)	-	-	(124,206)
Payment to escrow agent for refunded bonds	-	-	(12,822,371)	-
Transfers in	12,291,674	14,031,497	13,676,363	11,797,397
Transfers out	(6,464,810)	(8,276,245)	(8,136,348)	(9,222,308)
Total other financing sources (uses)	<u>29,996,412</u>	<u>47,073,622</u>	<u>31,046,052</u>	<u>109,582,741</u>
Net change in fund balances	<u>\$ (11,002,639)</u>	<u>\$ 24,824,454</u>	<u>\$ 8,094,713</u>	<u>\$ 46,569,898</u>
Debt service as a percentage of noncapital expenditures	17.23%	17.88%	16.67%	19.86%

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

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

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014*</u>	<u>2015</u>
4,110,898	5,655,103	1,978,382	5,092,527	6,384,598	4,808,866
13,685,000	-	44,706,446	75,417,146	-	90,520,000
-	-	-	-	-	--
11,460,000	-	-	-	-	-
-	-	7,390,000	6,607,854	9,000,000	-
-	-	-	164,010,000	38,395,000	2,137,681
-	-	-	-	-	-
491,894	-	5,095,844	9,251,134	11,935,763	9,751,466
-	-	-	6,607,854	-	-
-	-	-	(170,325,943)	(41,763,200)	(2,137,681)
18,699,972	17,734,081	13,102,987	16,377,480	31,066,578	29,593,646
(9,933,977)	(9,966,600)	(11,897,146)	(8,067,769)	(26,767,619)	(27,554,958)
<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>107,119,020</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>	<u>\$ 95,182,581</u>
17.20%	16.52%	16.99%	16.81%	18.79%	17.05%

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>
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
2015	132,821,540	58,332,449	15,110,411	17,284,167	1,750,491	225,299,058

\* 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>
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%
2015	2014	19,389,932,582	3,007,303,098	5,428,134,963	16,969,100,717	0.585264	22,397,235,680	75.76%

\* 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

**CITY OF CORPUS CHRISTI, TEXAS  
PROPERTY TAX RATES -  
DIRECT AND OVERLAPPING GOVERNMENTS  
PER \$100 VALUATION  
FISCAL YEARS 2005-2014**

<b>Fiscal Year</b>	<b>Tax Year</b>	<b>City of Corpus Christi General Fund</b>	<b>City of Corpus Christi Debt Service</b>	<b>Total City of Corpus Christi</b>	<b>Calallen ISD</b>	<b>Corpus Christi ISD</b>	<b>Corpus Christi Junior College District</b>	<b>Flour Bluff ISD</b>	<b>London ISD</b>	<b>Nueces County</b>	<b>Nueces County Farm Roads and Flood Control</b>
2005	2004	0.460000	0.174175	0.634175	1.599000	1.620000	0.233800	1.526200	1.249000	0.424200	0.005500
2006	2005	0.426624	0.199175	0.625799	1.599000	1.616000	0.228327	1.526197	1.390600	0.398929	0.005167
2007	2006	0.403197	0.199175	0.602372	1.430000	1.486000	0.255723	1.386650	1.277300	0.365932	0.004746
2008	2007	0.364671	0.199175	0.563846	1.276500	1.176050	0.241782	1.069500	1.143800	0.351340	0.004338
2009	2008	0.364671	0.199175	0.563846	1.298500	1.237350	0.251391	1.069215	1.210400	0.350930	0.004329
2010	2009	0.364671	0.199175	0.563846	1.298500	1.237350	0.251391	1.069215	1.210400	0.350930	0.004329
2011	2010	0.385131	0.197138	0.582269	1.298500	1.237350	0.258003	1.069778	1.249503	0.350930	0.004329
2012	2011	0.380339	0.190218	0.570557	1.328500	1.237350	0.258003	1.071743	1.262900	0.350999	0.004260
2013	2012	0.376806	0.208458	0.585264	1.358500	1.237350	0.250666	1.178499	1.251100	0.340999	0.004188
2014	2013	0.376806	0.208458	0.585264	1.358500	1.237350	0.248073	1.168499	1.395100	0.330945	0.004188

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

Table 8

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
0.060000	0.225000	--	--	1.557800	1.714000	1.724700	1.900000	--	--
0.075000	0.174903	--	--	1.550000	1.714000	1.742200	1.780000	--	--
0.075000	0.160715	--	--	1.394582	1.584000	1.612200	1.650000	--	--
0.100000	0.144782	--	--	1.058300	1.254000	1.332200	1.340000	--	--
0.100000	0.154687	--	--	1.058300	1.374000	1.332200	1.420000	0.300000	0.070000
0.100000	0.154687	--	--	1.058300	1.374000	1.332200	1.420000	0.300000	0.070000
0.100000	0.162428	--	--	1.062300	1.523000	1.332200	1.420000	0.300000	0.070000
0.100000	0.162428	--	--	1.063300	1.650000	1.332200	1.420000	0.300000	0.070000
0.100000	0.148077	--	--	1.125550	1.630000	1.317410	1.347000	0.300000	0.070000
0.100000	0.137455	--	--	1.125550	1.645400	1.394500	1.450000	0.300000	0.070000

Table 9

**CITY OF CORPUS CHRISTI, TEXAS  
PRINCIPAL PROPERTY TAXPAYERS  
SEPTEMBER 30, 2015 AND JULY 31, 2006**

Name of Taxpayer	2015			2006		
	Assessed Valuation	Rank	Percentage Of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage Of Total Taxable Assessed Value
Barney M. Davis	\$ 207,823,150	1	0.011329			
American Electric Power Texas Central Co.	187,514,879	2	0.010222	169,810,000	1	0.016191
Corpus Christi Retail Venture LP	94,713,652	3	0.005163			
Flint Hills Resources LP	85,711,318	4	0.004672			
H.E. Butt Grocery Company	83,292,552	5	0.004540	68,814,898	2	0.006561
Wal-Mart Real Estate Business Trust	83,002,250	6	0.004525			
Markwest Javelina Pipeline Company	66,054,480	7	0.003601	67,975,610	3	0.006481
Bay Area Healthcare	64,639,140	8	0.003524	58,248,024	6	0.004217
Air Products, LLC	43,125,150	9	0.002351			
Orion Drilling LP	36,740,000	10	0.002003			
Padre Staples Mall, LP				63,438,255	4	0.006049
Southwestern Bell Telephone				59,661,690	5	0.005689
TRT Development Company				36,542,518	9	0.003484
Wal-Mart Stores				49,704,759	7	0.004739
SABCO Operating Company				36,547,710	8	0.003485
Columbia Bay Area realty Ltd				32,805,482	10	0.003128
	<u>\$ 952,616,571</u>		<u>5.19%</u>	<u>\$ 643,548,946</u>		<u>6.00%</u>

Source: Nueces County Appraisal District

Table 10

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

Fiscal Year Ended July 31 Through 2013 September 30 <b>2015</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
2006	2005	\$ 65,237,253	\$ 62,656,806	96.04%	\$ 2,407,623	\$ 65,064,429	99.74%
2007	2006	68,230,749	64,961,636	95.21%	3,094,607	68,056,243	99.74%
2008	2007	72,029,119	70,048,380	97.25%	1,782,630	71,831,010	99.72%
2009	2008	76,595,854	74,146,566	96.80%	2,170,711	76,317,277	99.64%
2010	2009	79,537,895	77,079,808	96.91%	2,143,477	79,223,285	99.60%
2011	2010	78,777,938	76,795,311	97.48%	1,631,438	78,426,749	99.55%
2012	2011	78,407,330	76,679,885	97.80%	1,509,081	78,188,966	99.72%
2013	2012	80,578,771	78,780,900	97.77%	1,460,395	80,241,295	99.58%
2014	2013	89,055,903	87,538,705	98.30%	797,470	88,336,175	99.19%
2015	2014	96,965,649	95,351,963	98.34%	-	95,351,963	98.34%

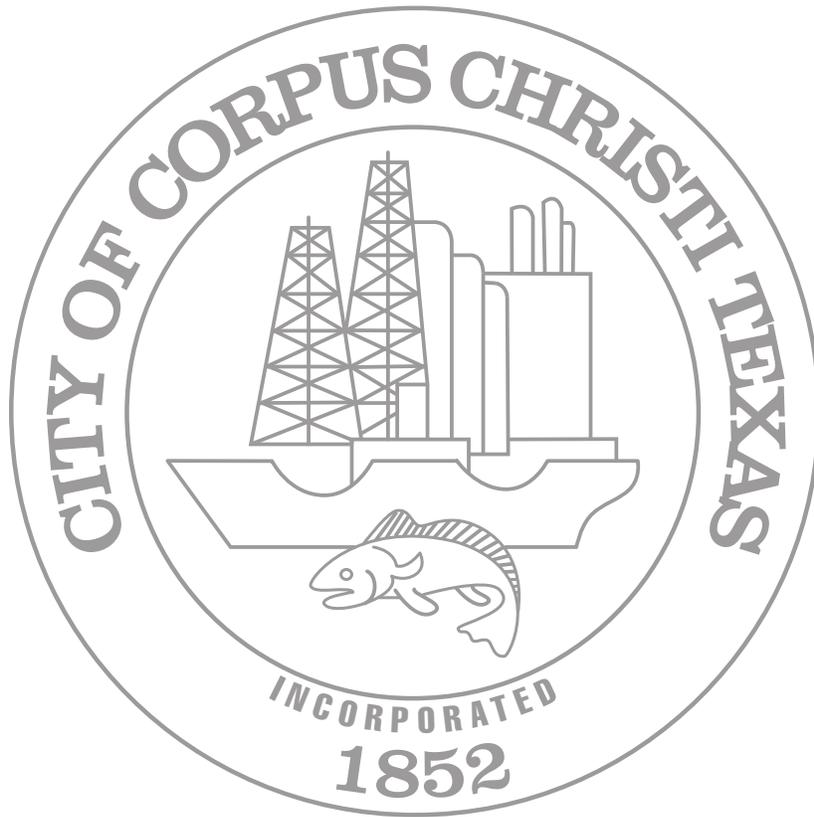


Table 11

**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>
2006	2005	\$ 13,110,832,851	100%	0.625799
2007	2006	13,813,335,014	100%	0.602372
2008	2007	14,440,609,740	100%	0.563846
2009	2008	13,900,137,536	100%	0.563846
2010	2009	14,085,804,898	100%	0.563846
2011	2010	14,386,376,098	100%	0.582269
2012	2011	15,535,771,168	100%	0.570557
2013	2012	16,969,100,717	100%	0.570557
2014	2013	15,535,771,168	100%	0.585264
2015	2014	16,969,100,716	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
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
2015	395,180,000	9,032,571	65,105,000	5,801,241	25,505,000

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	Business-Type Activities				Capital Leases	Utility Notes	Total Primary Government	Percentage of Personal Income	Per Capita
	Certificates of Obligation	Priority Revenue Bonds	Junior Lien Revenue Bonds						
-	\$ 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	
66,185,000	17,017,275	416,345,000	306,290,000	9,278,830	144,435,976	1,414,545,729	7.93%	4,346	
64,215,000	12,512,429	336,420,000	587,835,000	10,250,013	139,028,374	1,650,884,628	11.67%	5,288	

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>
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	402,825,896	28,035,827	8,660,390	422,201,333	2.0367%	1,297.18
2015	459,395,000	21,545,000	10,777,534	470,162,466	2.0992%	1,505.99

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, 2015**

<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	\$ 401,367,335	9/30/2015	100.00%	\$ 401,367,335
<b>County</b>				
Nueces County (excluding special districts)	109,460,043	9/30/2015	72.40%	79,249,071
<b>School District</b>				
Calallen Independent School District	43,971,800	9/30/2015	67.95%	29,878,838
Corpus Christi Independent School District	387,101,783	9/30/2015	86.25%	333,875,288
Flour Bluff Independent School District	48,595,213	9/30/2015	99.29%	48,250,187
London Independent School District	18,126,894	9/30/2015	59.34%	10,756,499
Port Aransas Independent School District	7,646,505	9/30/2015	14.22%	1,087,333
Robstown Independent School District	53,957,149	9/30/2015	0.01%	5,396
Tuloso-Midway Independent School District	70,667,216	9/30/2015	42.01%	29,687,297
West Oso Independent School District	28,671,168	9/30/2015	92.90%	26,635,515
<b>Other</b>				
Corpus Christi Junior College District	66,866,574	9/30/2015	82.01%	54,837,277
Nueces County Hospital District	-	9/30/2015	0.00%	-
Total overlapping debt	<u>835,064,345</u>			<u>614,262,701</u>
Total direct and overlapping debt	<u>\$ 1,236,431,680</u>			<u>\$ 1,015,630,036</u>

NOTE A: Total direct debt shown for the City of Corpus Christi is net of premiums and discounts, and excludes self-supporting debt and a prorated share available for repayment in Debt Service Fund of \$8,514,252. It is estimated that \$112,234,773 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 overlapping assessed value 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			
	2006	2007	2008	2009
Debt limit	\$ 1,235,133,813	\$ 1,341,374,214	\$ 1,553,126,690	\$ 1,622,011,635
Total net debt applicable to limit	<u>219,694,089</u>	<u>240,067,729</u>	<u>239,358,486</u>	<u>316,130,699</u>
Legal debt margin	<u>\$ 1,007,939,724</u>	<u>\$ 1,101,306,485</u>	<u>\$ 1,313,768,204</u>	<u>\$ 1,305,880,936</u>
Total net debt applicable to the limit as a percentage of debt limit	17.79%	17.90%	15.41%	19.49%

(1) Assessed value is based on the appraised value of property prior to any deductions for exemptions. The assessed value is derived from the certified valuations provided by the Nueces County Tax Appraisal District as of July 25, 2014.

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

Table 15

Fiscal Year						
2010	2011	2012	2013	2014	2015	
\$ 1,712,352,047	\$ 1,736,227,525	\$ 1,789,689,744	\$ 1,920,227,729	\$ 2,072,955,370	\$ 2,239,723,568	
319,831,481	304,728,093	355,431,178	452,909,000	446,149,479	495,667,466	
<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>	<u>\$ 1,744,056,102</u>	
18.68%	17.55%	19.86%	23.59%	21.52%	22.13%	

**LEGAL DEBT MARGIN CALCULATION FOR FISCAL YEAR 2015**

Assessed value	(1)	\$ 22,397,235,680
Debt limit (10% of total assessed value)		2,239,723,568
Debt applicable to limit:		
Gross Bonded Debt		506,445,000
Less: Net assets in Debt Service Fund		<u>10,777,534</u>
Total net debt applicable to limit		<u>495,667,466</u>
Legal debt margin		<u>\$ 1,744,056,102</u>

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

<b>Fiscal Year</b>	<b>Utility System Revenue Bonds</b>					
	<b>Gross Revenue</b>	<b>Adjusted Operating Income Deductions</b>	<b>Net Revenue Available for Debt Service</b>	<b>Priority Revenue Bonds Annual Debt Service Requirements</b>		
				<b>Principal</b>	<b>Interest</b>	<b>Coverage</b>
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
2015	222,130,769	133,070,062	89,060,707	19,665,000	16,850,245	2.44

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

Table 16

Net Revenue Available for Junior Lien Debt Service	Junior Lien Bonds 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
52,545,462	10,015,000	14,502,219	2.14

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>
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
2015	320,434	14,683,147,000	46,049	34.6	--	38,614	4.2

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, 2015 AND JULY 31, 2006**

<b>Employer</b>	<b>2015</b>			<b>2006</b>		
	<b>Number of Employees</b>	<b>Rank</b>	<b>Percent of Total City Employment **</b>	<b>Number of Employees</b>	<b>Rank</b>	<b>Percent of Total City Employment</b>
Corpus Christi Army Depot	5,800	1	3.32%	5,500	1	4.04%
Corpus Christi Independent School District	5,178	2	2.97%	5,404	2	3.97%
Christus Spohn Health System	5,144	3	2.95%	4,500	3	3.30%
H.E.B. Grocery Company	5,000	4	2.86%	2,882	4	2.12%
City of Corpus Christi	3,171	5	1.82%	2,654	5	1.95%
Naval Air Station Corpus Christi	2,822	6	1.62%	2,500	6	1.83%
Bay Ltd.	2,100	7	1.20%	2,200	7	1.61%
Driscoll Children's Hospital	1,800	8	1.03%	2,007	8	1.47%
Del Mar College	1,542	9	0.88%	1,680	9	1.23%
Kiewit Offshore Services	900	10	0.52%	1,200	10	0.88%
<b>Total</b>	<b>32,557</b>		<b>18.65%</b>	<b>30,527</b>		<b>22.40%</b>

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

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

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

<u>Function</u>	<u>Fiscal Year</u>		
	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Fund			
Mayor	2.00	2.00	2.00
ACM - administrative services	1.00	1.00	1.00
ACM - Sadety, Health & Neighborhood	2.00	2.00	2.00
Deputy City Manager			
City attorney	26.00	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	18.80	20.80	24.80
Economic development office	1.00	1.00	2.00
Education advisor	--	--	1.50
Engineering - special services	8.00	9.00	9.00
Engineering	--	--	--
Inspections	--	--	--
Code Enforcement			
Financial services	56.00	57.00	57.00
Fire	424.00	412.00	414.00
Health	69.50	70.50	71.50
Animal Care			
Human relations	6.00	6.00	6.00
Human resources	20.75	20.75	22.00
Internal audit	--	--	2.00
Intergovernmental relations	--	--	--
Libraries	67.50	67.50	74.00
Office of Management and Budget	8.00	9.00	9.00
Materials management	--	--	--
Municipal court - administration	35.00	37.00	46.00
Municipal court - judicial	43.30	42.96	35.94
Museum	22.50	22.80	22.80
Office of Intergovernmental Relations & Community Development	--	--	--
Parks and recreation	305.97	317.23	300.07
Planning	--	--	--
Police	601.50	601.50	619.00
Public information	3.00	3.00	3.00
Street and solid waste services	292.00	303.00	305.00
Total	<u>2,023.82</u>	<u>2,042.04</u>	<u>2,065.61</u>

(Continued)

Table 19

Fiscal Year						
2009	2010	2011	2012	2013	2014	2015
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	
2.00	2.00	1.00	1.00	1.00		2.00
						1.00
26.00	26.00	25.00	23.00	21.00	21.00	27.00
4.00	4.00	3.00	3.00	3.00	5.00	5.50
6.00	6.00	6.00	6.00	6.00	6.00	6.00
--	--	--	--	--	--	--
--	--	--	--	--	--	--
26.80	27.00	19.90	19.90	21.90	20.70	1.00
2.00	2.00	-	--	--	--	--
1.00	--	--	--	--	--	--
19.00	15.00	18.00	23.00	7.00	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
						21.0
53.00	50.00	46.00	51.00	51.00	51.00	51.00
432.00	432.00	429.00	429.00	428.00	429.00	429.00
71.50	68.00	66.00	61.00	33.00	34.00	34.50
						29.00
6.00	6.00	6.00	6.00	6.00	6.00	6.75
20.00	20.00	17.00	16.00	17.00	17.00	18.00
1.00	--	--	3.0	4.00	4.00	4.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00
73.00	70.50	62.60	52.35	52.35	52.35	53.35
8.00	8.00	8.00	8.00	8.00	9.00	9.00
--	--	--	--	--	--	--
48.00	45.00	42.00	59.00	57.00	62.00	63.00
34.08	30.08	30.90	8.72	8.90	8.90	7.90
22.70	21.70	21.70	17.40	18.40	--	--
--	--	--	--	--	--	--
299.32	279.64	263.23	256.71	249.52	252.00	262.57
--	--	--	--	--	--	--
621.00	625.50	635.50	633.90	601.20	605.70	588.36
5.00	4.00	4.00	2.50	2.50	2.60	5.20
298.00	290.00	286.00	236.00	150.00	150.00	154.00
<u>2,083.40</u>	<u>2,036.42</u>	<u>1,994.83</u>	<u>1,920.48</u>	<u>1,750.77</u>	<u>1,740.25</u>	<u>1,782.13</u>

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

<u>Function</u>	<u>Fiscal Year</u>		
	<u>2006</u>	<u>2007</u>	<u>2008</u>
Enterprise Funds			
Aviation	93.75	98.95	95.20
Ambulance	--	--	--
Golf Centers	22.00	29.50	29.50
Marina	16.50	14.00	14.00
Gas	148.80	147.80	134.80
Storm Water	--	--	77.00
Wastewater	177.00	173.00	162.00
Water	255.00	255.00	157.00
ACM - Public Works	2.00	2.00	2.00
Utility Business Office	19.00	18.00	19.00
Utility Field Services	44.00	45.00	40.00
Office of Environmental Programs	3.00	3.00	2.00
Total	<u>781.05</u>	<u>786.25</u>	<u>732.50</u>
Internal Service Funds			
Engineering	57.10	57.10	57.00
Liability and employee benefits fund	14.00	15.00	15.00
Maintenance service	99.00	100.00	100.00
Facilities Maintenance Service			
Municipal information system	93.00	100.00	109.00
Stores	8.00	9.00	9.00
Total	<u>271.10</u>	<u>281.10</u>	<u>290.00</u>
Special Revenue Funds			
Street Services			
Municipal Court - Case Manager Fund			
Development Services	57.00	58.00	63.00
Visitor's facilities fund	1.00	1.00	11.00
Redlight Photo Enforcement	--	--	--
Crime Control	65.60	64.60	65.60
Local Emergency Planning Committee	1.00	1.00	1.00
Total	<u>124.60</u>	<u>124.60</u>	<u>140.60</u>
Total operating budget FTE's	<u><u>3,200.57</u></u>	<u><u>3,233.99</u></u>	<u><u>3,228.71</u></u>

Source: City of Corpus Christi Office of Management and Budget

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

Fiscal Year						
2009	2010	2011	2012	2013	2014	2015
96.95	97.20	97.20	91.40	91.40	82.00	82.00
--	--	--	--	--	--	--
29.50	29.50	29.50	--	--	--	--
14.00	15.00	15.00	15.00	15.00	15.00	15.00
134.80	135.80	137.00	135.00	135.00	152.00	153.00
75.00	75.00	87.00	87.00	87.00	87.00	85.00
162.00	167.00	167.00	168.00	168.00	168.00	160.00
163.00	166.00	167.00	161.00	165.40	193.40	200.40
2.00	2.00	2.00	2.00	2.00	2.00	2.00
19.00	19.00	19.00	20.00	20.00	20.00	21.00
40.00	31.00	31.00	30.00	30.00	--	--
5.00	5.00	5.00	5.00	5.00	--	8.00
<u>741.25</u>	<u>742.50</u>	<u>756.70</u>	<u>714.40</u>	<u>718.80</u>	<u>719.40</u>	<u>726.40</u>
61.63	64.00	61.00	58.00	57.00	59.00	75.00
15.00	15.00	16.00	20.00	20.00	20.00	19.00
87.00	87.00	85.00	77.00	77.00	79.00	59.00
						23.00
105.00	105.00	98.00	94.00	93.00	93.00	96.00
20.00	21.00	21.00	20.00	20.00	20.00	20.00
<u>288.63</u>	<u>292.00</u>	<u>281.00</u>	<u>269.00</u>	<u>267.00</u>	<u>271.00</u>	<u>292.00</u>
						132.00
						3.00
76.00	63.00	60.00	60.00	59.00	62.00	63.00
10.00	10.00	10.00	10.00	11.00	11.00	13.00
--	2.00	2.00	2.00	2.00	2.00	2.00
65.60	65.60	65.60	64.60	63.60	66.60	79.60
1.00	1.00	1.00	1.00	1.00	1.00	1.00
<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>293.60</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>	<u><u>3,094.13</u></u>

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

Function	Fiscal Year			
	2006	2007	2008	2009
<b>Police</b>				
Physical arrests	4,792	11,282	14,440	17,786
Parking violations	18,287 *	17,571 *	23,973 *	23,976 *
Traffic violations	57,478	58,885	53,355	51,778
Number of commissioned police officers	448	448	448	451
Number of employees - police officers and civilians	671	672	672	711
Officers per 1000 population	1.52	1.52	1.51	1.52
School crossing guards	87	87	91	91
<b>Fire</b>				
Number of calls answered	30,700	33,000	37,492	39,115
Inspections	3,000	4,765	4,641	5,342
Number of firefighters	383	402	394	403
Number of employees - firefighters and civilians	400	419	419	423
Employees per 1,000 population	1.30	1.36	1.32	1.35
State Fire Insurance Credit Rating	Class 4	Class 3	Class 3	Class 2
<b>Streets</b>				
Street resurfacing (miles)	--	722,367 sq yds	367,266 sq yds	267,817 sq yds
Potholes repaired	75,000	83,177	97,634	
<b>Parks and recreation</b>				
Number of registered youth participants in Latchkey afterschool program	n/a	n/a	n/a	2,478
Number of meals served at Senior Centers	126,773	117,333	103,431	104,155
<b>Libraries</b>				
Number of volumes	394,666	389,634	405,225	431,098
Circulation	1,191,605	1,211,792	1,241,042	1,339,242
Library cards in force	150,552	143,699	150,712	150,712
Computer usage, sessions	1,044,617	1,160,698	--	--
Number of website hits	--	--	--	25,084,906
Number of in-house personal computer users	--	--	203,480	240,525
<b>Solid Waste</b>				
Refuse collected (tons/day)	389	395	386	378
Recyclables collected (tons/day)	13	13	13	12.3
<b>Water</b>				
New connections (UBO)	1,358	1,690	474	265
Water main breaks	2,617	2,313	2,022	1,706
Average daily consumption (thousands of gallons)	97,686	97,686	94,541	102,025
Average daily gallons treated & raw water sold	106,251,600	136,281,605	94,541,688	102,025,373
Average water treated (thousand of gallons)	n/a	n/a	65,860	68,888
Average daily consumption per capita (gallons)	121	134	119	128
Residential per capita consumption gallons/day	n/a	n/a	77	81
<b>Gas</b>				
Average daily consumption (mcf)	8,438	2,842	8,498	8,626
<b>Wastewater</b>				
Average daily sewage treatment (thousands of gallons)	27,478	30,605	28,808	26,867
<b>Airport</b>				
Number of airports	1	1	1	1
Number of acres	2,574	2,574	2,657	2,657

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.

\*\* FY2014 includes 14 months of operations

Table 20

Fiscal Year					
2010	2011	2012	2013	2014 **	2015
17,036	17,928	17,895	17,366	22,159	16,957
18,705 *	7,925 *	7,705	9,694	20,241	12,538
51,082	41,216	39,145	48,226	60,880	10,983
451	451	451	451	449	439
711	711.1	685.8	685.8	672	684
1.48	1.47	1.50	1.40	1.40	1.4
91	91	28	28	0	0
38,939	39,667	42,923	44,933	55,242	47,653
5,272	4,116	6,093	6,945	7,312	6,380
414	398	414	414	414	414
429	414	431	431	431	430
1.36	1.29	1.36	1.38	1.37	1.36
Class 2	Class 2				
549,631 sq yds	693,586 sq yds	600,387 sq yds	408,439 sq yds	435,847 sq. yds.	760,413 sq. yds.
213,805	158,827	126,696	109,070	166,405	259,663
2,396	2,497	2,375	2,240	2,515	2,529
95,954	106,995	93,516	91,486	90,276	81,605
484,442	661,332	412,386	358,544	386,633	357,454
1,344,845	1,247,799	709	800,285	925,998	788,888
153,222	201,863	217,247	228,041	179,831	25,963
--	--	--	--	--	222,350
10,041,335	5,114,607	9,723,058	12,500,511	8,039,479	4,983,149
282,360	255,923	184,137	221,891	273,763	222,350
382	378	376	350	368	407
11.7	31.7	5	53	55	55
236	236	217	1,282	1,465	1,439
1,507	1,584	1,966	1,409	2,025	1,295
94,637	99,271	104,316	100,563	97,689	91,500
94,637,901	99,271,184	104,316,132	100,562,948	97,689,000	91,500,000
63,197	67,592	69,919	68,029	65,821	64,527
118	125	122	107	103	92
76	80	78	70	67	60
8,466	9,050	8,033	8,535	11,733	10,611
29,691	28,152	25,776	25,648	30,722	30,041
1	1	1	1	1	1
2,600	2,600	2,600	2,600	2,600	2,600

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

Function	Fiscal Year		2008
	2006	2007	
General government			
Buildings: (City owned)			
Total square footage, approximate	2,864,000	2,864,000	2,883,975
Police			
Stations	4	4	4
Patrol units	295	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	8,400	8,400	8,479
Streets			
Streets (miles)	1,103	1,119	1,123
Streetlights	16,308	16,662	16,767
Traffic signals	n/a	n/a	n/a
Libraries			
Number of libraries	5	5	5
Parks and recreation			
Parks acreage	1,418	1,415	1,418
Parks	189	190	190
Swimming pools	9	9	9
Tennis courts	37	37	37
Community centers	5	5	5
Park acreage partially developed	171	171	168
Playgrounds	128	129	131
Municipal beaches	4	4	4
Baseball diamonds	1	1	4
Softball diamonds	5	5	5
Senior centers	8	8	8
Gymnasiums	2	2	2
Covered basketball courts	3	3	3
Water			
Water mains (miles)	1,533	1,553	1,584
Fire hydrants	8,400	8,400	8,479
Maximum daily capacity (thousands of gallons)	104,880	97,750	97,850
Water connections - active	83,785	85,959	84,442
Storm water drainage ditches (miles)	607	607	610
Storm water underground pipe (miles)	597	597	606

Table 21

Fiscal Year						
2009	2010	2011	2012	2013	2014	2015
2,883,975	2,883,975	2,883,975	3,740,189	3,474,290	2,453,733	2,270,914
5	5	5	5	5	5	5
354	244	244	244	244	244	244
150.48	150.48	150.48	150.48	150.48	150.48	150.48
17	17	17	17	17	17	17
30	30	30	30	30	30	29
77	77	88	88	88	90	84
8,800	8,890	9,007	10,451	10,451	10,879	10,730
1,139	1,172	1,178	1,181	1,183	1201	1,221
16,874	17,053	17,166	17,315	17,191	17,264	16,115
n/a	n/a	n/a	242	243	245	246
6	6	6	6	6	6	6
1,418	1,420	1,420	1,690	1,690	1,690	1,690
191	194	196	196	196	196	196
9	9	9	9	6	6	6
37	37	37	37	37	37	37
5	5	5	5	5	5	5
384	386	389	389	389	389	389
139	143	140	140	140	140	133
4	4	4	4	4	4	4
4	4	5	5	2	2	2
5	5	4	4	4	4	4
8	8	8	8	8	8	8
2	2	3	3	3	3	3
4	4	5	5	5	5	5
1,624	1,629	1,636	1,654	1,677	1,687	1,693
8,800	8,890	9,007	10,451	10,451	10,879	10,718
96,220	95,450	92,670	103,500	93.42	87,800	161,000
87,042	90,957	90,928	93,927	93,123	104,065	97,970
602	552	501	501	501	580	666
632	675	630	630	630	600	634

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

Function	Fiscal Year		2008
	2006	2007	
<b>Gas</b>			
Gas mains (miles)	1,291	1,327	1,337
Gas connections - active	53,989	54,436	53,688
<b>Wastewater</b>			
Sanitary sewers (miles)	1,243	1,258	1,265
Maximum daily treatment capacity (thousands of gallons)	44,700	44,700	44,700
Sewer connections	80,725	82,957	81,823
Lift stations	96	95	97
<b>Airport</b>			
Length of main runways	13,588	13,588	13,588
Scheduled airline arrivals and departures per year	19,689	19,710	16,306
Passengers enplaning and deplaning (including commercial helicopters)	890,800	886,528	861,641
<b>Golf centers</b>			
Municipal golf courses	2	2	2
Municipal golf links - acres	378	376	376
<b>Marina</b>			
Marina slips	456	590	590

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

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

Fiscal Year						
2009	2010	2011	2012	2013	2014	2015
1,349	1,354	1,399	1,402	1,405	1,417	1,423
54,162	55,467	60,430	62,260	62,667	54,413	54,413
1,269	1,271	1,282	1,286	1,293	1,300	1,288
44,700	44,700	44,700	44,700	44,700	42,700	42,700
82,948	83,174	83,250	84,338	85,602	84,681	86,467
97	99	99	100	100	100	100
13,588	13,588	13,588	13,588	13,588	13,588	13,590
17,056	16,560	17,130	17,130	17,053	21,476	16,809
750,080	706,133	688,051	672,130	644,570	807,754	693,756
2	2	2	2	2	2	2
376	376	376	376	376	376	376
590	626	626	578	513	471	586

**MISCELLANEOUS STATISTICAL DATA  
FISCAL YEAR ENDED SEPTEMBER 30, 2015**

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	2,943

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	352.0
		<u>498.7</u>

POPULATION:

Year	Trade Area	Population
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
2015	449,323	312,195

ELEVATION: Sea level to 85 feet

TEMPERATURE: (3) 80.3° F maximum average  
63.4° F minimum average  
71.8° F mean average

SEASONAL RAINFALL

47.98 inches for fiscal year ended September 30, 2015

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.ncdc.noaa.gov](http://www.ncdc.noaa.gov)

Table 22

PORT OF CORPUS CHRISTI: (2)

Tonnage handled through the Port during the year 2015	103,478,088
Number of ships handled during the year 2015	1,772
Number of barges handled during the year 2015	5,787

Public Docks:

Bulk liquid	13
Dry cargo	7
Bulk materials	2
Total	<u><u>22</u></u>

Private Docks:

Bulk Liquid -	
Citgo	7 - Main Harbor
Equistar	1 - Main Harbor
Flint Hills	3 - Main Harbor
Flint Hills	1 - Ingleside
Valero	6 - Main Harbor
Occidental Chemical	6 - La Quinta
Koch Gathering	1 - Ingleside
Trafigura	5 - Main Harbor
Nu Star	1 - Main Harbor

Dry Cargo -

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

Dry Cargo -

ADM/Growmark	1 - Main Harbor
Interstate Grain	1 - Main Harbor
Sherwin Alumina	1 - La Quinta
Vulcan Materials	1 - Main Harbor
Total	<u><u>72</u></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>
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
2015	148,105,511	8,680,222	18,964,205	6,266,444	182,016,382	2,943

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>Net Pension Liability (4)</u>	<u>Pension Plan Receipts (3)</u>	<u>Plan Fiduciary Net Position (2)</u>	<u>Pension Benefits Paid</u>	<u>Investment Income</u>
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	(1) 46,392,672	40,573,796	511,209,314	33,759,205	10,053,791
2012	(1) 43,677,917	34,740,040	533,122,252	36,541,040	12,826,388
2013	(1) 41,424,714	76,187,208	558,527,434	36,700,614	53,720,245
2014	(1) 68,173,179	79,511,648	583,192,963	41,515,481	56,229,015
2015	(1) 179,740,443	60,211,798	637,287,989	43,536,263	35,519,832

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

- (1) 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.
- (2) Beginning with FY2015, reflects Fiduciary Net Position. Previously reflected Actuarial Value of Pension Plan Assets.
- (3) Includes Employer and Employee contributions and investment income.
- (4) Beginning with FY2015, reflects Net Pension Liability. Previously reflected Unfunded Pension Plan Liability.

**FIRE FIGHTERS' RETIREMENT SYSTEM PENSION DATA**

<u>Fiscal Year</u>	<u>Net Pension Liability (4)</u>	<u>Pension Plan Receipts (3)</u>	<u>Plan Fiduciary Net Position (2)</u>	<u>Pension Benefits Paid</u>	<u>Investment Income</u>
2006		\$ 7,409,892	\$ 89,401,693	\$ 7,399,360	\$ 2,460,607
2007	42,220,967	8,337,516	92,448,683	8,326,653	3,379,800
2008	(1) --	12,070,194	101,440,018	8,789,387	6,346,915
2009	70,349,504	10,485,810	76,979,921	9,370,772	3,843,537
2010	(1) --	10,119,821	92,547,683	8,968,492	2,510,550
2011	73,485,485	10,677,167	101,080,549	9,174,655	2,602,919
2012	(1) --	11,524,824	98,507,970	11,039,071	3,112,342
2013	86,516,036	11,942,630	108,858,951	11,692,501	3,231,103
2014	(1) --	13,575,367	126,159,233	10,966,158	3,829,115
2015	\$ 74,975,185	16,483,282	130,814,419	11,612,717	6,949,478

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.

- (1) No actuarial valuation performed for previous calendar year.
- (2) Beginning with FY2015, reflects Fiduciary Net Position. Previously reflected Pension Plan Assets.
- (3) Includes Employer and Employee contributions and investment income.
- (4) Beginning with FY2015, reflects Net Pension Liability. Previously reflected Unfunded Pension Plan Liability.

**ALL FUNDS  
INSURANCE AND SURETY BONDS IN FORCE  
FISCAL YEAR ENDED SEPTEMBER 30, 2015**

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 5-4-2016	\$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 5-4-2016	Named Storm only - 2.5 Million - Named Storm Primary Limit Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	LEXINGTON Expires 5-4-2016	\$25,000,000 Excess of \$2.5 Million Primary Named Storm Limit Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	ARCH Expires 5-4-2016	\$3,825,000 part of \$22.5 Million excess of \$27.5 Million - Named Storm Limit Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	RSUI INDEMNITY CO. Expires 5-4-2016	\$6,300,000 part of \$22.5 Million excess of \$27.5 Million - Named Storm Limit Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	ASPEN Expires 5-4-2016	\$2,475,000 part of \$22.5 Million excess of \$27.5 Million - Named Storm Limit Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	NORTH AMERICAN CAPACITY Ins. Expires 5-4-2016	\$4,950,000 part of \$22.5 Million excess of \$27.5 Million - Named Storm Limit Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	ACE/WESTCHESTER Expires 5-4-2016	\$4,950,000 part of \$22.5 Million excess of \$27.5 Million - Named Storm Limit Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	COLONY Expires 5-4-2016	\$5,000,000 part of \$50 Million Excess of \$50 Million - Named Storm Limit Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	ROCKHILL Expires 5-4-2016	\$10,000,000 part of \$50 Million Excess of \$50 Million - Named Storm Limit Building & Personal Property Blanket Coverage

Table 25  
(Continued)

ALL FUNDS  
INSURANCE AND SURETY BONDS IN FORCE  
FISCAL YEAR ENDED SEPTEMBER 30, 2015

Type of Insurance	Insurer and Expiration Date	Amount of Coverage
Excess Property & Wind Coverage Commercial City Properties	AXIS Expires 5-4-2016	\$5,000,000 part of \$50 Million Excess of \$50 Million - Named Storm Limit Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	ASPEN Expires 5-4-2016	\$5,000,000 part of \$50 Million Excess of \$50 Million -Named Storm Limit Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	ACE/WESTCHESTER Expires 5-4-2016	\$5,000,000 part of \$50 Million Excess of \$50 Million - Named Storm Limit Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	ARCH Expires 5-4-2016	\$10,000,000 part of \$50 Million excess of \$50 Million - Named Storm Limit Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	LIBERTY Expires 5-4-2016	\$10,000,000 part of \$50 Million excess of \$100 Million - Named Storm Limit Building & Personal Property Blanket Coverage
Property Coverage Commercial City Properties	Lexington Expires 5-4-2016	\$250 Million All other Perils excluding Named Storm Wind Building & Personal Property Blanket Coverage - \$50,000 oer occurrence deductible
Boiler & Machinery Coverage Commercial City Properties	Travelers Insurance Company Expires 5-4-2016	\$100 Million Property Damage \$2,500 Property Damage per occurrence Deductible
<b>2. Flood Insurance</b> Primary Flood Specified City Buildings	National Flood Program/ Selective Insurance Expires 11-4-2016	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 11-4-2015	\$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 11-4-2015	\$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, 2015

Type of Insurance	Insurer and Expiration Date	Amount of Coverage
4. Employee Dishonesty / Crime Coverage	Texas Municipal League Expires 11-4-2015	\$1,000,000 per occ. for Public Employee Dishonesty Forgery or Alteration, Theft, Disappearance and Destruction Computer Fraud; with \$10,000 Deductible;
5. Excess General Liability, Public Officials, Employment & Law Enforcement Liability	Colony Expires 10-1-2015	\$5 Million each Accident or Occurrence Limit \$10 Million Aggregate Limit \$500,000 SIR
6. Excess Workers' Compensation	Colony Expires 10-1-2015	Workers Compensation Statutory \$650,000 SIR for Police, Fire, Gas Utility \$500,000 SIR for All Others
6. Gas Utility Liability	Texas Municipal League Expires 11-4-2015	\$10,000,000 per occurrence \$250,000 Deductible \$2,000,000 for Pollution per occurrence \$250,000 Deductible
7. General Liability CCPD -- Flint Hills Lease GL	Texas Municipal League Expires 11-4-2015	\$1,000,000 each occurrence \$1,000 deductible
8. Special Events Policy July 4th Celebration	Northfield Ins. Co. Expires 7-6-2015	\$2,000,000 General Aggregate \$1,000,000 each Occurrence
9. Automobile Coverage TB Clinic Van	Texas Municipal League Expires 11-4-2015	\$1,000,000 Bodily Injury & Property Damage \$25,000-Medical Payments Actual Cash Value - physical damage \$250 deductible
Fleet Catastrophic	Texas Municipal League Expires 11-4-2015	\$15,000,000 Blanket Limit per Occurrence \$250,000 Deductible
Automobile Physical Damage CCPD Leased Vehicles Solid Waste Transfer Trailers Specified Higher Valued Vehicles Specified Mobile Equipment	Texas Municipal League Expires 11-4-2015	Actual Cash Value - physical damage \$250 deductible \$500 deductible \$2500 deductible
10. Animal Mortality and Theft CCPD Canine	Texas Municipal League Expires 11-4-2015	As Scheduled

*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

March 31, 2016

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 year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 31, 2016.

### **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 significant deficiencies.

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 items 2015-1 and 2015-2 in the accompanying federal and state schedules of findings and questioned costs to be significant deficiencies.

### **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 March 31, 2016.

### **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.

*Collier, Johnson & Woods*

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB  
CIRCULAR A-133

March 31, 2016

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 year ended September 30, 2015. 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 year ended September 30, 2015.

### **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

YEAR ENDED SEPTEMBER 30, 2015

**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. Two significant deficiencies relating to the audit of the financial statements are reported in the "Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*". 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:  
HOME Improvement Partnership Program (CFDA 14.239)
  - U.S. Department of Transportation:  
Airport Improvement Programs (CFDA 20.106)  
Highway Planning and Construction (CFDA 20.205)
  - U.S. Department of Health and Human Services:  
Immunization Grants (CFDA 93.268)  
Promoting Safe and Stable Families (CFDA 93.556)
  - Corporation for National and Community Service  
Senior Companion Program (CFDA 94.016)
8. The dollar threshold for distinguishing Type A and Type B programs was \$981,291.
9. The City of Corpus Christi, Texas did not qualify as a low-risk auditee.

## Findings - Financial Statement Audit

### SIGNIFICANT DEFICIENCY

2015-1 Grant Fund Accounting

Condition: The parks and recreation grant fund reflected unearned revenue liability of \$406,362 comprised of program income not properly recognized in the current fiscal year. The police grant fund reflected an outstanding receivable of \$257,979 comprised of a prior year accrual that required reversal in the current fiscal year.

Criteria: Grants receivable from other governments should be recorded at the appropriate amounts and any resulting valuation adjustments should be appropriately recorded. Revenue should be recognized when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability commonly referred to as unearned income.

Cause and Effect: Program income related to parks and recreation programs had been recorded as unearned revenues rather than being recognized as revenue. Also, reimbursements for grant expenditures had been recorded as revenue when they should have offset an existing receivable. The financial statements were corrected for these amounts.

Recommendation: Procedures should be established that assure all grant receivables are fairly stated and any resulting valuation adjustments are appropriately recorded. Grant unearned revenue should be the offset for only assets that are recognized in connection with transactions in which the earning process is not complete.

Views of Responsible Officials and Planned Corrective Actions: The City agrees with the finding but disagrees that it is a significant deficiency. The recommended procedures were implemented and effective October 1, 2015.

### SIGNIFICANT DEFICIENCY

2015-2 Grant Fund Accounting

Condition: Federal Highway Planning and Construction grants totaling \$844,510 and related expenditures were not identified as grants or accounted for in the federal/state grants fund.

Criteria: The City maintains the federal/state grant funds to account for projects funded by grants.

Cause: The grant department was not notified of this grant.

Effect: The project expenditures were not initially reported as expenditures of federal funds requiring consideration under the Single Audit Act. Only through auditor inquiry and review of activity in a non-grant special revenue fund were the expenditures identified as funded by a federal grant. The grant was determined to be a major program requiring the application of compliance audit procedures.

Recommendation: Procedures should be established requiring grant funded contracts to be forwarded to the grants department for tracking.

Views of Responsible Officials and Planned Corrective Actions: The City agrees with the finding but disagrees that it is a significant deficiency. The recommended procedures were implemented and effective October 1, 2015.

### **Findings and Questioned Costs – Major Federal Award Programs Audit**

The audit disclosed no findings required to be reported.

### **Prior Year Findings and Questioned Costs – Financial Statement Audit**

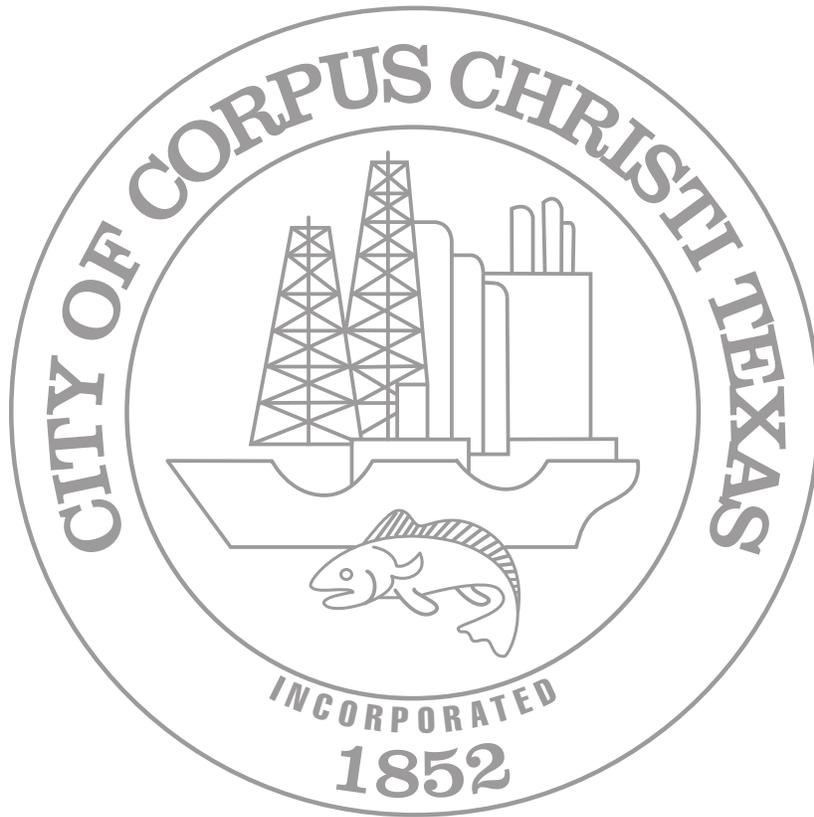
#### **SIGNIFICANT DEFICIENCY**

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.

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.

Current Status: The recommendation was adopted in June 2015. However, a significant deficiency with similar conditions was noted during the current audit. See finding 2015-1.



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

March 31, 2016

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 year ended September 30, 2015. 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 year ended September 30, 2015.

## 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 YEAR ENDED SEPTEMBER 30, 2015

**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. Two significant deficiencies relating to the audit of the financial statements are reported in the "Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*". 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.
8. The programs tested as major programs included:
  - Texas Attorney General's Office
  - State Confiscated Property
  
  - Texas Commission on Environmental Quality:
  - Air Quality Planning Activities
  
  - Texas Department of Family and Protective Services
  - Promoting Safe and Stable Families
  
  - Texas Department of Parks and Wildlife:
  - Oso Conservation and Interpretive Park
8. The dollar threshold for distinguishing Type A and Type B programs was \$300,000.
9. The City of Corpus Christi, Texas did not qualify as a low-risk auditee.

## Findings - Financial Statement Audit

### SIGNIFICANT DEFICIENCY

#### 2015-1 Grant Fund Accounting

Condition: The parks and recreation grant fund reflected unearned revenue liability of \$406,362 comprised of program income not properly recognized in the current fiscal year. The police grant fund reflected an outstanding receivable of \$257,979 comprised of a prior year accrual that required reversal in the current fiscal year.

Criteria: Grants receivable from other governments should be recorded at the appropriate amounts and any resulting valuation adjustments should be appropriately recorded. Revenue should be recognized when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability commonly referred to as unearned income.

Cause and Effect: Program income related to parks and recreation programs had been recorded as unearned revenues rather than being recognized as revenue. Also, reimbursements for grant expenditures had been recorded as revenue when they should have offset an existing receivable. The financial statements were corrected for these amounts.

Recommendation: Procedures should be established that assure all grant receivables are fairly stated and any resulting valuation adjustments are appropriately recorded. Grant unearned revenue should be the offset for only assets that are recognized in connection with transactions in which the earning process is not complete.

Views of Responsible Officials and Planned Corrective Actions: The City agrees with the finding but disagrees that it is a significant deficiency. The recommended procedures were implemented and effective October 1, 2015.

### SIGNIFICANT DEFICIENCY

#### 2015-2 Grant Fund Accounting

Condition: Federal Highway Planning and Construction grants totaling \$844,510 and related expenditures were not identified as grants or accounted for in the federal/state grants fund.

Criteria: The City maintains the federal/state grant funds to account for projects funded by grants.

Cause: The grant department was not notified of this grant.

Effect: The project expenditures were not initially reported as expenditures of federal funds requiring consideration under the Single Audit Act. Only through auditor inquiry and review of activity in a non-grant special revenue fund were the expenditures identified as funded by a federal grant. The grant was determined to be a major program requiring the application of compliance audit procedures.

Recommendation: Procedures should be put in place requiring grant funded contracts to be forwarded to the grants department for tracking.

Views of Responsible Officials and Planned Corrective Actions: The City agrees with the finding but disagrees that it is a significant deficiency. The recommended procedures were implemented and effective October 1, 2015.

### **Findings and Questioned Costs - Major State Award Programs Audit**

The audit disclosed no findings required to be reported.

### **Prior Year Findings and Questioned Costs – Financial Statement Audit**

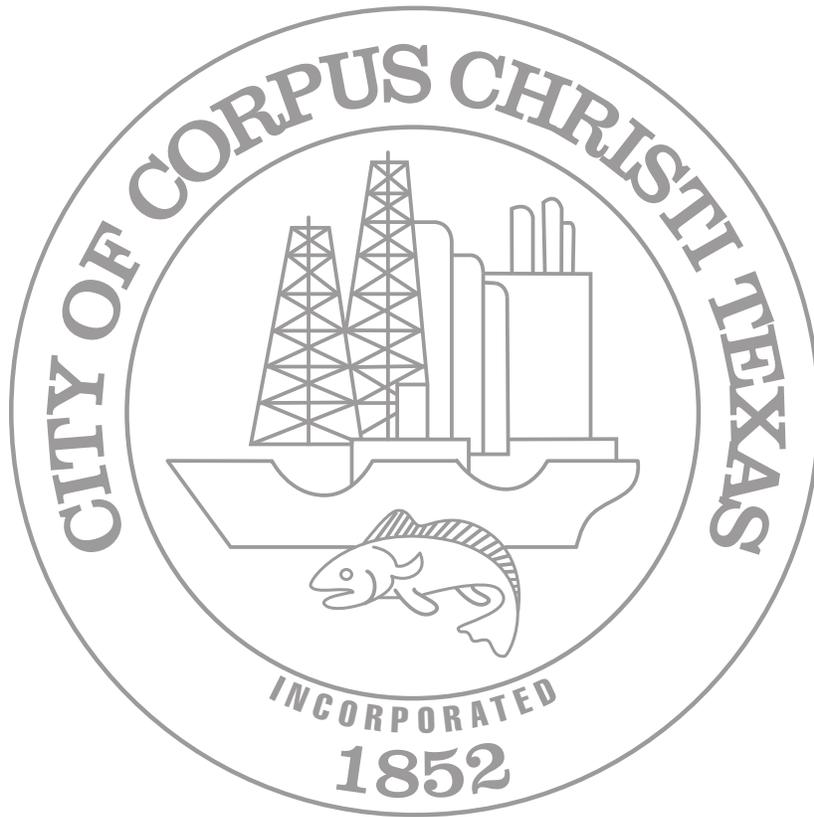
#### **SIGNIFICANT DEFICIENCY**

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.

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.

Current Status: The recommendation was adopted in June 2015. However, a significant deficiency with similar conditions was noted during the current audit. See finding 2015-1.



SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED SEPTEMBER 30, 2015

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	2014-045103	918,336	(1,564)
Women, Infants & Children		2015-047290	963,369	965,690
Total CFDA Number 10.557			<u>1,881,705</u>	<u>964,126</u>
Total Passed Through Texas Dept. of State Health Services			1,881,705	964,126
<u>Passed through Texas Dept. of Agriculture</u>				
Child and Adult Care Food Program	10.558	CE -ID 01507	166,173	139,304
Total CFDA Number 10.558			<u>166,173</u>	<u>139,304</u>
Summer Food Service Program for Children	10.559	CE -ID 01507	250,000	245
Summer Food Service Program for Children		CE -ID 01507	150,000	54,616
Total CFDA Number 10.559			<u>400,000</u>	<u>54,861</u>
Total Passed Through Texas Dept. of Agriculture			<u>566,173</u>	<u>194,165</u>
<b>Total U.S. Department of Agriculture</b>			<u>2,447,878</u>	<u>1,158,291</u>
<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	(288)
Total CFDA Number 12.610			<u>237,500</u>	<u>(288)</u>
<b>Total U.S. Department of Defense</b>			<u>237,500</u>	<u>(288)</u>
<b>U.S. Department of Housing and Urban Development</b>				
<u>Direct Programs</u>				
CDBG Entitlement Cluster:				
Comm. Dev.Block Grant-Entitlement Grant 11-12	14.218	B11-MC48-0502	3,054,750	68,001
Comm. Dev.Block Grant-Entitlement Grant 12-13		B12-MC48-0502	2,592,315	81,920
Comm. Dev.Block Grant-Entitlement Grant 13-14		B13-MC48-0502	2,727,941	621,618
Comm. Dev.Block Grant-Entitlement Grant 14-15		B14-MC48-0502	2,559,415	1,250,384
Total CFDA Number 14.218			<u>10,934,421</u>	<u>2,021,923</u>
Emergency Solutions Grants Program 11-12		S11-MC48-0502	175,323	(2,516)
Emergency Solutions Grants Program 13-14		S13-MC48-0502	189,118	13,784
Emergency Solutions Grants Program 14-15		S14-MC48-0502	221,614	148,891
Total CFDA Number 14.231			<u>586,055</u>	<u>160,159</u>
Home Investment Partnerships Program 09-10	14.239	M-09-MC-48-0502	1,782,635	1,101,199
Home Investment Partnerships Program 10-11		M-10-MC-48-0502	1,775,515	65,018
Home Investment Partnerships Program 11-12		M-11-MC-48-0502	1,331,043	100,595
Home Investment Partnerships Program 12-13		M-12-MC-48-0502	257,514	87,535
Home Investment Partnerships Program 13-14		M-13-MC-48-0502	986,021	87,112
Home Investment Partnerships Program 14-15		M-14-MC-48-0502	824,920	374,285
Total CFDA Number 14.239			<u>6,957,648</u>	<u>1,815,744</u>
Fair Housing Assistance Program State and Local	14.401	FF206K116008	64,450	20,672
Total CFDA Number 14.401			<u>64,450</u>	<u>20,672</u>
Total Direct Programs			<u>18,542,574</u>	<u>4,018,498</u>
<b>Total U.S. Department of HUD</b>			<u>18,542,574</u>	<u>4,018,498</u>

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED SEPTEMBER 30, 2015

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 the Interior</b>				
<u>Direct Program</u>				
Desalination Pilot Study	15.506	R13AC80020	200,000	28,540
Total CFDA Number 15.506			200,000	28,540
<u>Passed through Texas Parks and Wildlife Department</u>				
Clean Vessel Act Program	15.616	V-14-1-(E)	102,750	102,750
Total CFDA Number 15.616			102,750	102,750
Boating Infrastructure Grant Program	15.622	Y-23-D	502,496	502,496
Total CFDA Number 15.622			502,496	502,496
<u>Passed through Texas General Land Office</u>				
Coastal Impact Assistance Program	15.668	13-283-000-7529	1,500,000	791,632
Total CFDA Number 15.668			1,500,000	791,632
<b>Total U.S. Department of Interior</b>			<b>2,305,246</b>	<b>1,425,418</b>
<b>U.S. Department of Justice</b>				
JAG Program Cluster:				
<u>Direct Programs</u>				
Edward Byrne Memorial Justice Assistance Grant	16.738	2012-DJ-BX-0822	169,575	3,510
Edward Byrne Memorial Justice Assistance Grant		2013-DJ-BX-0850	162,583	5,619
Edward Byrne Memorial Justice Assistance Grant		2014-DJ-BX-0826	168,613	54,182
Edward Byrne Memorial Justice Assistance Grant		2015-DJ-BX0616	149,112	74,556
Total CFDA Number 16.738			649,883	137,867
Victims of Crime Act	16.575	VA-13-V30-15223-14	79,189	(12,215)
Victims of Crime Act		1522315	77,084	76,238
Victims of Crime Act		2015-VA-GX-0009	188,264	10,151
Victims of Crime Act		VA-14-V30-26771-01	67,661	(6,341)
Victims of Crime Act		2677102	68,163	62,267
Victims of Crime Act		2015-VA-GX-0009-02	84,796	507
Total CFDA Number 16.575			565,157	130,607
Violence Against Women Formula Grant Program	16.588	WF-13-V30-15171-15	43,824	(4,618)
Violence Against Women Formula Grant Program		1517116	44,346	44,173
Violence Against Women Formula Grant Program		2016-SF-ST-0015	34,646	4,499
Total CFDA Number 16.588			122,816	44,054
Federal Confiscated Property				
Federal Account	16.XXX	N/A	384,968	384,968
Total CFDA Number 16.XXX			384,968	384,968
Total Direct Programs			1,722,824	697,496
<u>Passed through Office of the Attorney General</u>				
Texas Office of the Attorney General Southern ICAC Task Force	16.800	1557115	19,800	19,208
Total CFDA Number 16.800			19,800	19,208
<b>Total U.S. Department of Justice</b>			<b>1,742,624</b>	<b>716,704</b>

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED SEPTEMBER 30, 2015

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 1; Runway 13/31 Extension		3-48-0051-47	2,596,792	52,336
Upgrade Security Systems With Associated Electrical Systems		3-48-0051-48	3,365,113	12,865
Runway 17/35 Extension Dispmnt and Associated Taxiway		3-48-0051-49	16,345,505	1,035,025
Runway 13/31 Ext Displacement and Connecting Taxiway		3-48-0051-50	23,277,531	11,370,023
Rehabilitate Taxiways B, B1, B2, B3, B4 and B5 at CCIA		3-48-0051-51	6,500,000	4,551,566
Rehabilitate Taxiways D, E, F and G; Construct Taxiways H and J		3-48-0051-52	5,000,000	3,714,427
Total CFDA Number 20.106			<u>57,084,941</u>	<u>20,736,242</u>
Small Community Air Service Development	20.930	WAG2012-SCASDP-26	300,000	1,472
Total CFDA Number 20.930			<u>300,000</u>	<u>1,472</u>
Total Direct Programs			<u>57,384,941</u>	<u>20,737,714</u>
<u>Passed through Texas Dept. of Transportation</u>				
Highway Planning and Construction	20.205	0916-35-180	181,318	181,318
Highway Planning and Construction		0916-35-181	663,193	663,193
Total CFDA 20.205			<u>844,511</u>	<u>844,511</u>
Total Passed through Texas Dept. of Transportation			<u>844,511</u>	<u>844,511</u>
<u>Passed through State Dept. of Highways and Public Transportation</u>				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	2014-CorpusPD-S-1YG-0042	96,398	6,546
State and Community Highway Safety		2015-CorpusPD-S-1YG-0060	98,082	91,506
Total CFDA Number 20.600			<u>194,480</u>	<u>98,052</u>
Occupant Protection Incentive	20.602	2015-CorpusPD-CIOT-00061	19,988	15,761
Total CFDA Number 20.602			<u>19,988</u>	<u>15,761</u>
Total Highway Safety Cluster			<u>214,468</u>	<u>113,813</u>
Total Passed Through State Dept. of Hwys & Public Transp.			<u>214,468</u>	<u>113,813</u>
<b>Total U.S. Department of Transportation</b>			<u>58,443,920</u>	<u>21,696,038</u>
<b>Equal Employment Opportunity Commission</b>				
<u>Direct Programs</u>				
Employment Discrimination State & Local Fair	30.002	EEC45015C0035	49,350	49,350
Total CFDA Number 30.002			<u>49,350</u>	<u>49,350</u>
Total Direct Programs			<u>49,350</u>	<u>49,350</u>
<b>Total Equal Employment Opportunity Commission</b>			<u>49,350</u>	<u>49,350</u>
<b>Institute of Museum and Library Services</b>				
<u>Passed through Texas State Library &amp; Archives Commission</u>				
<u>Library Services</u>				
Texas Reads Grant Program	45.310	451-15003	3,000	3,000
Impact Grant Program		475-15005	8,373	8,373
Special Projects Grant Program		478-15005	37,226	37,226
Total CFDA Number 45.310			<u>48,599</u>	<u>48,599</u>
Total Passed Through TSLAC			<u>48,599</u>	<u>48,599</u>
<b>Total Institute of Museum and Library Services</b>			<u>48,599</u>	<u>48,599</u>

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED SEPTEMBER 30, 2015

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
<b>U.S. Department of Health and Human Services</b>				
<u>Passed through Texas 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	11,705	11,705
Total CFDA Number 93.044			11,705	11,705
Special Programs for the Aging Title III, Part C Nutrition Svcs	93.045	AA3-1148-4	513,411	38,670
Special Programs for the Aging Title III, Part C Nutrition Svcs		AA3-1148-4	548,121	548,121
Special Programs for the Aging Title III, Part C Nutrition Svcs		AA3-1148-4	547,321	486,733
Total CFDA Number 93.045			1,608,853	1,073,524
Nutrition Services Incentive Program	93.053	AA3-1148-4	119,530	119,530
Total CFDA Number 93.053			119,530	119,530
Total Aging Cluster			1,740,088	1,204,759
Total Passed Through DADS			1,740,088	1,204,759
<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	(30)
Total CFDA Number 93.283			40,000	(30)
Total Passed Through NRPA			40,000	(30)
<u>Passed through Texas Department of Family &amp; Protective Services</u>				
Promoting Safe and Stable Families	93.556	23792861	290,078	(816)
Promoting Safe and Stable Families		23792861	145,039	122,049
Promoting Safe and Stable Families		24186672	155,425	151,079
Promoting Safe and Stable Families		24186672	297,574	5,732
Total CFDA Number 93.556			888,115	278,044
Total Passed Through Dept. of Family & Protective Services			888,115	278,044
<u>Passed through Texas Department of State Health Svcs</u>				
CPS-Laboratory Response Network-PHEP	93.074	2015-001139-01	167,603	135,899
CPS-Laboratory Response Network-PHEP		2016-001139-00	201,123	20,575
Total CFDA Number 93.069			368,726	156,474
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	2015-002508-01	64,693	40,577
Total CFDA Number 93.116			64,693	40,577
Immunization Grants	93.268	2014-000014-00	241,637	(23,885)
Immunization Grants		2015-000014-00	241,637	214,228
Immunization Grants		2016-000014-00	241,637	23,358
Total CFDA Number 93.268			724,911	213,701
Preventive Health and Health Services Block Grant	93.991	2014-000023-00	164,368	(2,585)
Preventive Health and Health Services Block Grant		2015-000023-00	164,368	135,986
Preventive Health and Health Services Block Grant		2016-000023-00	328,736	5,632
Total CFDA Number 93.991			657,472	139,033
Total Passed Through Dept. of State Health Svcs			1,815,802	549,785
<b>Total U.S. Department of Health &amp; Human Services</b>			4,484,005	2,032,558

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED SEPTEMBER 30, 2015

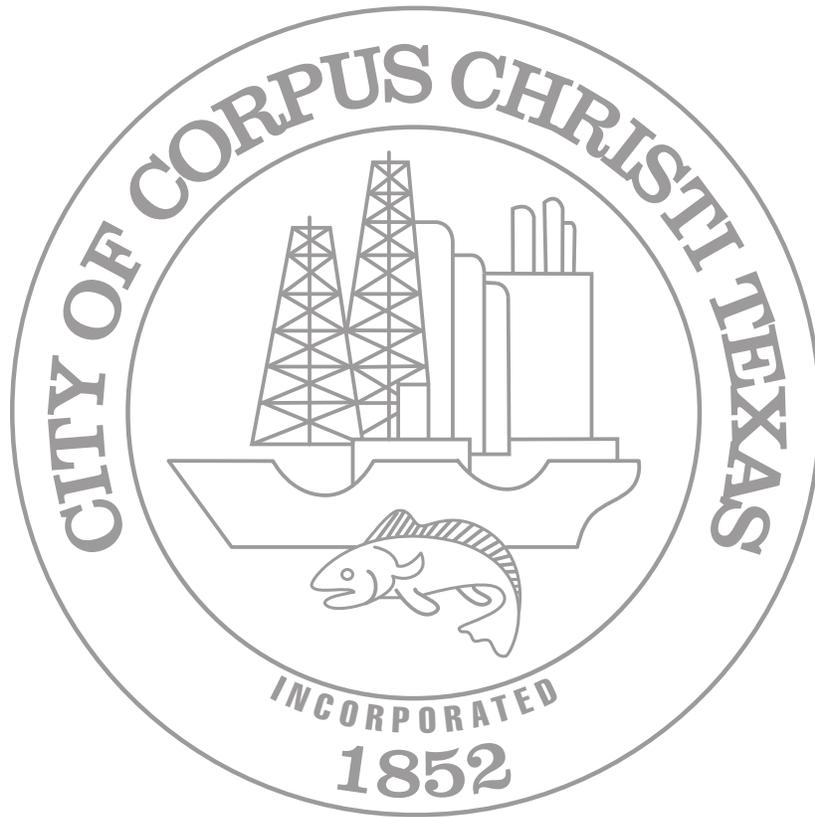
Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
<b>Corporation for National and Community Service</b>				
<u>Direct Programs</u>				
Retired and Senior Volunteer Program	94.002	14SRWTX004	47,934	12,414
Retired and Senior Volunteer Program		14SRWTX004	48,434	23,601
Total CFDA Number 94.002			<u>96,368</u>	<u>36,015</u>
Senior Companion Program	94.016	13SCWTX001	264,007	182,613
Senior Companion Program		13SCWTX001	324,067	77,774
Total CFDA Number 94.016			<u>588,074</u>	<u>260,387</u>
Total Direct Programs			<u>684,442</u>	<u>296,402</u>
<b>Total Corp. for National and Community Service</b>			<u>684,442</u>	<u>296,402</u>
<b>Executive Office of the President</b>				
<u>Direct Programs</u>				
High Intensity Drug Trafficking Areas Program	95.001	G13HN0006A	156,840	2,883
High Intensity Drug Trafficking Areas Program		G14HN0006A	165,700	149,374
Total CFDA Number 95.001			<u>322,540</u>	<u>152,257</u>
Total Direct Programs			<u>322,540</u>	<u>152,257</u>
<b>Total Executive Office of the President</b>			<u>322,540</u>	<u>152,257</u>
<b>U.S. Department of Homeland Security</b>				
Homeland Security Cluster:				
<u>Passed through Texas Department of Public Safety</u>				
Emergency Management Performance Grant	97.042	2014-EP-00011	69,534	69,534
Total CFDA Number 97.042			<u>69,534</u>	<u>69,534</u>
State Homeland Security Program	97.067	EMW-2013-SS-00045	126,808	41,316
State Homeland Security Program		EMW-2014-SS-00029	161,165	106,079
State Homeland Security Program		EMW-2014-SS-00029	73,235	25,678
Total CFDA Number 97.067			<u>361,208</u>	<u>173,073</u>
Metropolitan Medial Response Sytem	97.071	EMW-2011-SS-00019	267,608	(1,453)
Total CFDA Number 97.071			<u>267,608</u>	<u>(1,453)</u>
Total passed through Texas Department of Public Safety			<u>698,350</u>	<u>241,154</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	(97,148)
FY12 Operation Stonegarden Grant Program		EMW-2012-SS-0018-S01	126,000	44,939
FY13 Operation Stonegarden Grant Program		EMW-2013-SS-00045	262,595	303,101
FY14 Operation Stonegarden Grant Program		EMW-2014-SS-00029	285,951	36,970
Total CFDA Number 97.067			<u>920,049</u>	<u>287,862</u>
Total Passed Through TDPS and Nueces County			<u>1,618,399</u>	<u>529,016</u>
Total Homeland Security Cluster			<u>1,618,399</u>	<u>529,016</u>
<u>Direct Program</u>				
Staffing for Adequate Fire and Emergency Response (SAFER)	97.044	EMW-2012-FH-00079	3,380,824	530,266
Total CFDA Number 97.044			<u>3,380,824</u>	<u>530,266</u>
Total Direct Programs			<u>3,380,824</u>	<u>530,266</u>

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED SEPTEMBER 30, 2015

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
<b>Passed through W.J. Wagner, Inc.</b>				
Port Security Grant Program	97.056	EMW-2013-PU-00134-S01	66,191	56,581
Total CFDA Number 97.056			66,191	56,581
Total Passed Through W.J. Wagner, Inc.			66,191	56,581
<b>Total U.S. Department of Homeland Security</b>			5,065,414	1,115,863
<b>Total Federal and Passed-through Assistance</b>			94,374,091	32,709,690
<b>State Assistance:</b>				
<b>State Comptroller of Public Accounts</b>				
<u>State General Revenue</u>				
Law Enforcement Fire Prevention		N/A	11,412	993
Total SGR			11,412	993
<b>Total State Comptroller of Public Accounts</b>			11,412	993
<b>Texas Attorney General's Office</b>				
<u>Direct Program</u>				
State Confiscated Property		N/A	565,208	565,208
Total Direct Program			565,208	565,208
<b>Total Texas Attorney General's Office</b>			565,208	565,208
<b>Texas Commission on Environmental Quality</b>				
<u>Direct Programs</u>				
Wetland Construction, Habitat Enhancements at Oso Park		2008-014	29,324	29,297
Air Quality Planning Activities		582-14-40055	596,195	320,250
Total Direct Programs			625,519	349,547
<b>Total Texas Commission on Environmental Quality</b>			625,519	349,547
<b>Texas Department of Aging &amp; Disability</b>				
<u>Passed through Corporation for National &amp; Community Service</u>				
Retired and Senior Volunteer Program		13RZWTX022	21,671	15,819
Senior Companion Program		13SZWTX002	5,756	4,479
Total Passed Through CNCS			27,427	20,298
<b>Total Texas Department of Aging &amp; Disability</b>			27,427	20,298
<b>Texas Department of Agriculture</b>				
<u>Direct Programs</u>				
Texans Feeding Texans Program		HDM-14-1210	62,143	31,958
Texans Feeding Texans Program		HDM-15-1420	49,796	24,157
Total Direct Programs			111,939	56,115
<b>Total Texas Department of Agriculture</b>			111,939	56,115
<b>Texas Department of Family and Protective Services</b>				
<u>Direct Programs</u>				
Promoting Safe and Stable Families		23792861	96,693	(272)
Promoting Safe and Stable Families		23792861	48,346	40,683
Promoting Safe and Stable Families		24186672	51,808	50,360
Promoting Safe and Stable Families		24186672	99,191	1,911
Total Direct Programs			296,039	92,682
<b>Total Texas Department of Family &amp; Protective Services</b>			296,039	92,682

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED SEPTEMBER 30, 2015

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		LBSP-13-09	85,000	8,346
Local Border Security		LBSP-14-0009	45,000	41,682
Total Direct Programs			<u>130,000</u>	<u>50,028</u>
<b>Total Texas Department of Public Safety</b>			<u>130,000</u>	<u>50,028</u>
<b>Texas Department of State Health Services</b>				
<u>Direct Programs</u>				
TB/PC		2015-001398-00	62,173	51,330
TB/PC		2016-001398-00	61,645	4,331
Texas Healthy Communities		2015-047255-00	50,000	45,802
Infectious Disease Control		2015-001102-00	5,000	3,126
Total Direct Programs			<u>178,818</u>	<u>104,589</u>
<b>Total Texas Department of State Health Services</b>			<u>178,818</u>	<u>104,589</u>
<b>Texas Department of Transportation</b>				
<u>Direct Programs</u>				
Grant for Routine Airport Maintenance Program		M1516CORP	50,000	50,000
Total Direct Programs			<u>50,000</u>	<u>50,000</u>
<b>Total Department of Transportation</b>			<u>50,000</u>	<u>50,000</u>
<b>Texas Department of Motor Vehicles</b>				
<u>Direct Programs</u>				
Corpus Christi Auto Theft Prevention Grant		2015-T01-City of-00020	392,474	343,368
Corpus Christi Auto Theft Prevention Grant		608-16-1780200	527,853	42,487
Total Direct Programs			<u>920,327</u>	<u>385,855</u>
<b>Total Texas Department of Motor Vehicles</b>			<u>920,327</u>	<u>385,855</u>
<b>Texas Parks and Wildlife</b>				
<u>Direct Programs</u>				
Oso Conservation and Interpretive Park		48-001095	500,000	467,322
Total Direct Programs			<u>500,000</u>	<u>467,322</u>
<b>Total Texas Parks and Wildlife</b>			<u>500,000</u>	<u>467,322</u>
<b>Total State Assistance</b>			<u>3,416,689</u>	<u>2,142,637</u>
<b>Total Federal, Pass Through &amp; State Financial Assistance</b>			<u>\$ 97,790,780</u>	<u>\$ 34,852,328</u>



**NOTES TO SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED SEPTEMBER 30, 2015**

**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	\$ 49,350
Special Revenue Funds	
Federal/State Grants	11,617,206
Corpus Christi Community Improvement Corporation	1,815,744
Enterprise Funds	
Airport Fund	20,736,242
Utility System Fund (Water)	28,540
Marina Fund	605,246
Total expenditures	<u>\$ 34,852,328</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. 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)	\$ 298,921
Emergency Shelter Grant Program (CFDA 14.231)	148,891
	<u>\$ 447,812</u>

**6. 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, 2015 was \$8,855,321.91.

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, 2015 was \$4,920,745.24.