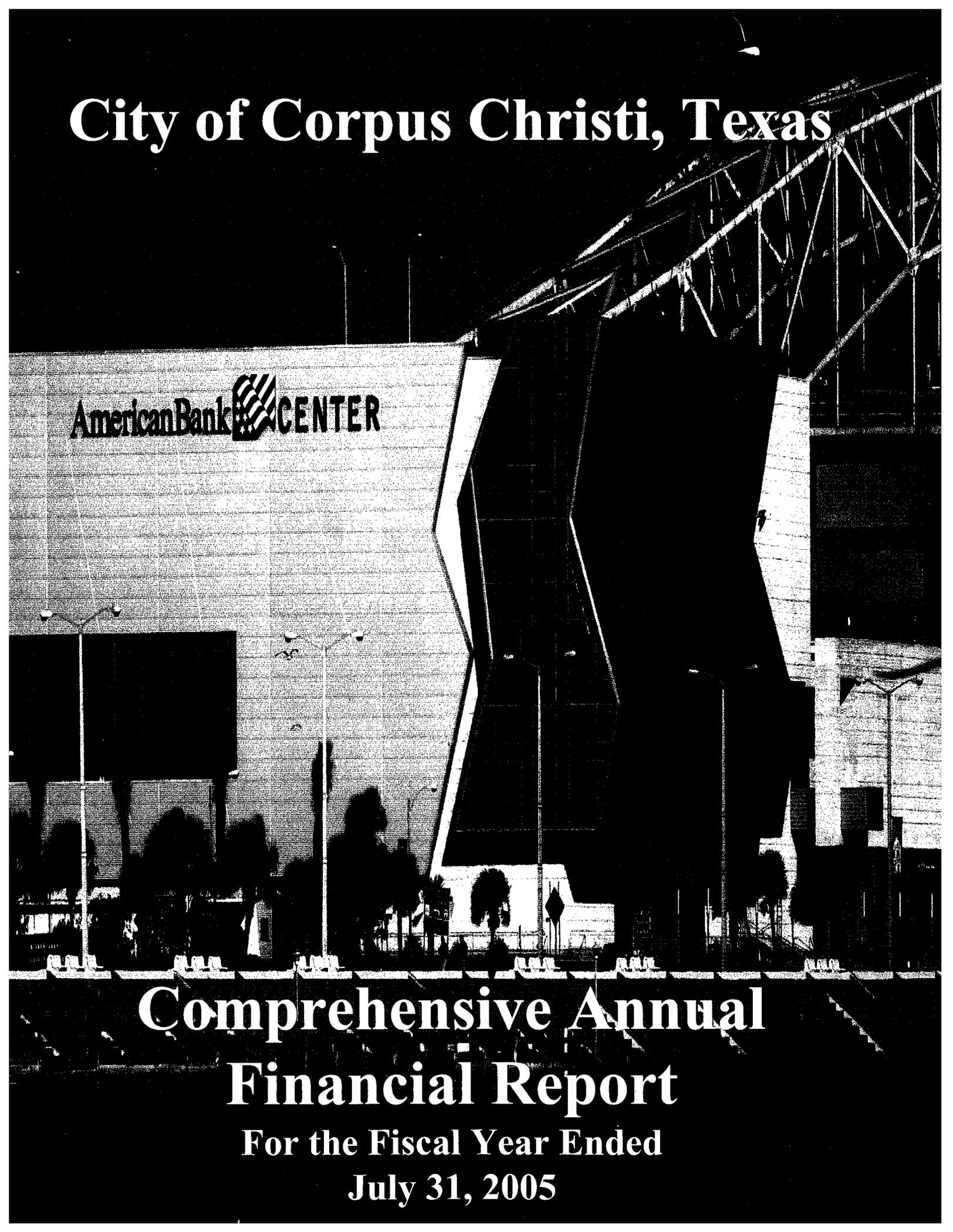


# City of Corpus Christi, Texas

A black and white photograph of the American Bank Center building in Corpus Christi, Texas. The building is a large, modern structure with a prominent, angular facade. The words "American Bank CENTER" are visible on the side of the building. The building is set against a dark sky, and the foreground shows a street with some trees and a fence.

American Bank  CENTER

## Comprehensive Annual Financial Report

For the Fiscal Year Ended  
July 31, 2005



*Prepared by the staff of the Financial Services Department*



City of  
Corpus  
Christi

*Martha Benavides  
James E. Bryson, III  
Christopher N. Commons, CPA  
Evelyn W. Desrosiers  
Sharon K. Galloway  
Priscilla Garza  
Gary M. Hallett  
Brenda S. Herring  
Jerome J. Joslin  
Angelina Menchaca  
Martha A. Messer, CPA  
Daniel Peña  
Olga Plomarity  
Adelita S. Rowland*



City of  
Corpus  
Christi

the CITY OF CORPUS CHRISTI, TEXAS

**Comprehensive Annual Financial Report**  
For Fiscal Year Ended July 31, 2005

*CITY COUNCIL*

*Mayor*

Henry Garrett

*City Council Members*

Brent Chesney

Melody Cooper

Jerry Garcia

Bill Kelly

John Marez

Rex Kinnison

Jesse Noyola

Mark Scott

*City Manager*

George K. Noe

*Assistant City Managers*

Ronald Massey

Oscar R. Martinez

Margie C. Rose

*Director of Financial Services*

Cindy O'Brien, CPA

*Assistant Director of Financial Services*

Constance P. Sanchez, CPA

*Controller*

Deborah R. Balli, CPA

*Chief Accountant*

Janie Baysinger

**Comprehensive Annual Financial Report  
For the Fiscal Year Ended July 31, 2005**

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City of  
Corpus  
Christi







City of  
Corpus  
Christi

January 30, 2006

The Honorable Mayor Henry Garrett, Members of the City Council and Citizens of the City of Corpus Christi

**FINANCIAL SERVICES**

PO Box 9277  
Corpus Christi  
Texas 78469-9277  
Phone 361-880-3610  
Fax 361-880-3601  
www.cctexas.com

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

State law requires that every general-purpose local government publish at the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended July 31, 2005.

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

Collier, Johnson & Woods, P.C., Certified Public Accountants, have issued an unqualified ("clean") opinion on the City of Corpus Christi, Texas (City)'s financial statements for the year ended July 31, 2005. 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 from single member districts. The City Council is responsible for



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

The City provides a full range of services, including a combined utility system (System) consisting of the water, wastewater, and gas systems; garbage collection and disposal services; police and fire protection; 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, Corpus Christi Housing Finance Corporation, Corpus Christi Industrial Development Corporation, Corpus Christi Health Facilities Development Corporation, Corpus Christi Crime Control and Prevention District, the Corpus Christi Business and Job Development Corporation, and the North Padre Island Development Corporation (which includes the Tax Increment Financing Zone Number 2). These are shown as 'blended component units' within the City's financial statements. The City of Corpus Christi has financial accountability for the legally separate Coastal Bend Health Facilities Development Corporation and the Corpus Christi Convention and Visitors Bureau, both of which are reported separately within the City's financial statements. Additional information on these legally separate entities can be found in the notes to the financial statements (See Note 1).

The Council is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department directors may transfer resources within a department as they see fit. Transfers between departments, however, need special 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 293,122 based on the City's 2005 estimate. The geographic location of the City on the Gulf of Mexico and the Intercoastal Waterway gives it one of the most strategic locations in the Southwest and has been important to its economic development. The Corpus Christi region has a varied manufacturing and industrial base. Major industries with headquarters or divisions located within the City's boundaries, or in close proximity, include industrial, construction, meat processing, fast food restaurant, convenience store, banking, and financial services.

The federal government also has a major presence within the area with a new federal courthouse and the largest industrial employer in south Texas - the Corpus Christi Army

Depot, which contributes approximately \$130 million to the local economy. In addition, two bases make up the South Texas military complex: Naval Air Station - Corpus Christi and Naval Air Station – Kingsville (jet aviation training). The region's third base, Naval Station Ingleside (base for the Navy's mine warfare fleet), was identified for base closure in 2005.

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

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

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

The trade area's principal outlet for agricultural and petroleum products is the Port of Corpus Christi, which opened to world markets in 1926. Today, it is the sixth largest port in the United States and the 32<sup>nd</sup> in the world in terms of tonnage. In 2005, the Port handled a volume of 86.4 million tons of cargo. The Port's channel stretches over 30 miles across Corpus Christi Bay. Deeper channels have for decades allowed Corpus Christi to be a competitive port for bulk commodities requiring large, deep draft vessels. It is the terminus of a network of oil and gas pipeline throughout southwest Texas and extending into West Texas. The Port operates one of the largest Foreign-Trade Zones (FTZ) in the United States. The FTZ includes an Industrial Park near the Airport, two full service public warehouses also near the Airport, all Port properties (7,000 acres) that are available for storage and/or industrial activity, three bulk fuel terminals, six refinery subzones, two metal fabrication subzones, and two minerals processing subzones.

### ***Tourism***

Corpus Christi continues to be a favorite vacation spot for visitors, as reflected by its ranking in the top six tourist destinations in Texas, according to Texas Destination Report. Nearly seven million visitors visited Corpus Christi during the two-year period 2003-2004, spending on the average approximately \$97 per person per day. The number one reason visitors flock to the area has always been to enjoy miles of beaches along Mustang and Padre Islands, the longest barrier island in nature fronting on the Gulf of Mexico. The opposite side of the barrier provides a shoreline for Corpus Christi Bay, Laguna Madre, and the various bays and bayous north of the Coastal Bend which are ideal for outdoor recreation.

Tourist facilities located within the City include: the newly opened multi-purpose arena at the American Bank Center, the newly opened baseball stadium which houses a AA major league affiliate baseball team, the Texas State Aquarium, the USS Lexington Museum, the Museum of Science and History, the South Texas Art Museum, the Asian Cultures Museum, the Multicultural Center/Heritage Park complex, and the Concrete Street Amphitheater that has hosted numerous outdoor concerts featuring state and nationally acclaimed entertainers. The Corpus Christi area is also a renowned location for water sports, serving as host to the annual U. S. Open Windsurfing Regatta and the annual international power boat races.

***Construction Permits***

The table below shows the number of permits and value of permits since FY 1995-96. New construction activity in Corpus Christi, as shown by the value of permits issued in each fiscal year, has grown especially within the last three years:

<u>Year</u>	<u>Building Permits</u>	<u>Value</u>
1995-1996	6,458	\$157,530,114
1996-1997	5,860	171,581,105
1997-1998	5,669	178,025,561
1998-1999	5,984	142,154,244
1999-2000	5,845	152,987,779
2000-2001	4,761	149,264,763
2001-2002	5,207	154,763,863
2002-2003	7,854	333,016,517
2003-2004	7,111	295,984,882
2004-2005	5,781	387,122,472

***Employment***

Because of its location in a region with a varied economic base, unemployment is relatively stable. During the past ten years, the unemployment rate has been steadily declining from 8.6% in 1996 to 5.4% in 2005. During this same period, personal income rose from \$31,018 to \$31,889 or 2.81%.

***Major Revenues***

During the past ten years, the government's expenses related to public safety and community enrichment (i.e., museum, libraries, and park and recreation) have increased not only in amount, but also as a percentage of total expenses (a ten-year increase for both of 3%.) In the case of public safety, much of the increase reflects a regional trend that has seen the salaries and benefits of police officers and firefighters growing at a much fast rate than those of other categories of public-sector employees. The growth in community enrichment expenses reflects an increase in the number of sponsored programs and events.

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

***Long-term financing plan***

Unreserved, undesignated fund balance in the general fund (12.7% of total general fund expenditures) falls within the policy guidelines set by the City Council for budgetary and planning purposes. It has been a goal of the City Council to build and maintain a reserve in the general fund unreserved fund balance which totals at least ten (10%) percent of total annual general fund appropriations, excluding anticipated reimbursements and inter-fund transfers, within five years. Through the prudent and fiscally responsible leadership of the City's management, this goal has been met.

In January 2006, the City Council voted on a resolution reaffirming the financial policies noted above, providing polices for maintenance of the general fund unreserved, undesignated balance at an adequate level and providing policy direction on preparation of the fiscal year 2006-07 budget. Specifically, the resolution reaffirmed the maintenance of a reserve in the general fund unreserved fund balance which totals at least ten (10%) percent of total annual general fund appropriations. Amounts in excess of the 10% policy requirement may be recommended for one-time improvement expenditures, with a priority on infrastructure and equipment which will reduce the need for future debt.

Additionally, the new policy provided that property tax for operations and maintenance be set in fiscal year 2006-07 and in future fiscal years at the effective tax rate in effect in fiscal year 2005-06 (with an exemption for the Packery Channel tax increment financing zone taxes). This is the rate which only generates new revenue from new growth and improvements added to the tax roll and not from any change in value to existing property.

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

The City Council also directed the City Manager to budget at least \$200,000 per year beginning in fiscal year 2006-07 as an operating contingency as part of the general fund expenditures in order to further insulate the general fund's unreserved fund balance from unforeseen circumstances. A similar directive was made for operating contingencies in the enterprise and special revenue funds.

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

### ***Major initiatives***

Fiscal year 2004-05 has been one of revitalization and growth for the City of Corpus Christi. *Site Selection* magazine, a trade publication geared toward industry relocation professionals, recently ranked Corpus Christi as fourth in the nation in 2005 for new investments at \$3.1 billion. In addition, there have been many changes to the City's landscape. These include the expansion of the convention center, completion of a connecting multi-purpose arena, new construction at Texas A&M University – Corpus Christi; construction and remodeling at the Corpus Christi International Airport, construction to extend one of the City's highways to the City's south side, raising the John F. Kennedy Causeway between the mainland and Padre Island, and dredging a channel between Padre and Mustang Islands to make it easier for boats to get to the Gulf of Mexico (i.e, the Packery Channel project). Additionally in fiscal year 2004-05, the citizens of Corpus Christi approved a \$95 million bond package in projects for street improvements, public health and safety, public facilities, parks and recreation, and the Bayfront Master Plan. Approval of this bond package sent a message that the voters of Corpus Christi are supportive of the City leaders' growth initiative.

As a result, many exciting "Downtown Revitalization and Bayfront Initiatives" are under construction or are planned for the near future including \$13.7 million of downtown drainage improvements; \$42.0 million for reconstruction of the Seawall; new boaters' facilities on both the Peoples Street and Lawrence Street piers, and new docks including three floating docks and one commercial dock. Additionally, the voter-approved "Bayfront Development Plan" is designed to implement phase one of Shoreline Boulevard realignment. Proposed work will include the re-use of the existing south-bound traffic lanes, restructuring of the existing traffic medians, and demolition and reconstruction of the north-bound traffic lanes.

In November 2005, the City's new arena at the American Bank Center was completed. A wide variety of entertainment options has been made available to the citizens of Corpus Christi, with an overwhelming response. The American Bank Center offers a wonderful venue for the Texas A&M-Corpus Christi Islanders basketball team, as well as the Rayz, the City's ice hockey team which are affiliated with the Central Hockey League. Overall attendance at the arena has far exceeded original expectations and is anticipated to spur further economic development in the area.

The Corpus Christi Hooks made their debut on Sunday, April 17, 2005, in their new home, Whataburger Field, when the Hooks played host to the Midland RockHounds.

Whataburger Field, Corpus Christi's new baseball stadium, offers magnificent views of the Harbor Bridge, ship channel, and Corpus Christi Bay. Fans can see the USS Lexington and the Texas State Aquarium from inside the park as well. Whataburger Field features 5,400 fixed seats, 19 luxury suites and two outfield berm areas that accommodate nearly 2,000 fans. The first season in Corpus Christi was a very successful one.

In 2005, Corpus Christi was named the top digital city in the nation for cities with a population of 250,000 or more. The city's jump from tenth place in 2004 to first place in 2005 is a reflection of the city's dedication to making Corpus Christi a better place with the support of technology. In fact, the City's Wireless Fidelity (WiFi) network is scheduled to be upgraded within the next year to provide faster access and expanded coverage across the City. This upgrade is expected to provide users with access speeds that are ten times faster than cable/DSL access speeds.

The City has also completed a pilot project utilizing an automated meter reading system (AMR) that connects through the City's WiFi network. This system seamlessly connects residential and business meters to the City's central computer billing and monitoring system and enables the City to accurately read meters every month, day, or hour. The AMR pilot project has been successfully implemented in two neighborhood areas in the City, and implementation of the five-year program will be part of the City's regular improvement replacement process.

## **AWARDS AND ACKNOWLEDGMENTS**

### ***Awards***

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Corpus Christi for its comprehensive annual financial report (CAFR) for the fiscal year ended July 31, 2004, continuing to confirm compliance with both GAAP and legal requirements. This was the twenty-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 beginning August 1, 2004. The City has received sixteen 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 Assistant City Manager of Administrative Services, Oscar Martinez, for his continued guidance and support.

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

Respectfully submitted,

  
George K. Noe  
City Manager

  
Cindy O'Brien, CPA  
Director of Financial Services

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Corpus Christi,  
Texas

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

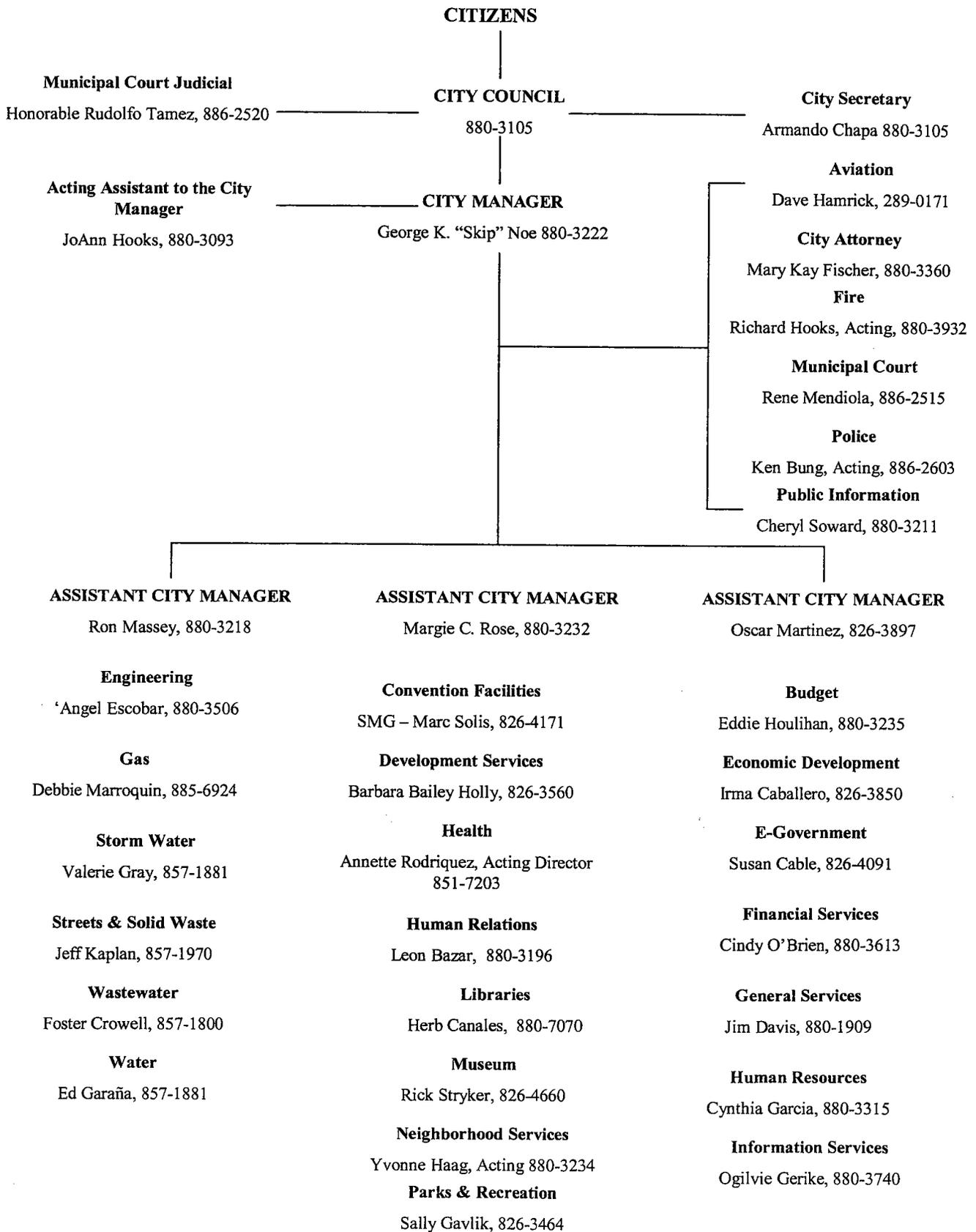
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

# City Organizational Chart







INDEPENDENT AUDITOR'S REPORT

January 30, 2006

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Corpus Christi, Texas as of and for the year ended July 31, 2005, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Corpus Christi Convention and Visitor's Bureau whose assets were \$512,676 and revenues were \$2,463,436, the AmericanBank Center Convention Center Fund whose assets were \$393,908 and revenues were \$1,490,845, the AmericanBank Center Arena Operations Fund whose assets were \$2,993,060 and revenues were \$4,084,506 and the AmericanBank Center Food and Beverage Operation Fund whose assets were \$72,923 and revenues were \$1,355,868. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Corpus Christi Convention and Visitor's Bureau and the American Bank Center Convention Center Fund, Arena Fund and Food and Beverage Operation Fund, is based on the reports of the other auditors.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Corpus Christi, Texas as of July 31, 2005

and the respective changes in financial position, cash flows, where applicable, and the respective budgetary comparison for the general fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2006 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and the other required supplementary information on pages 3 through 15 and 73 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Corpus Christi's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, capital assets used in the operation of governmental funds and the statistical tables listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards, pages 333 through 339, 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 is also not a required part of the basic financial statements of the City. The combining and individual fund statements and schedules, capital assets used in the operation of governmental funds and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we express no opinion on them.

*Collie, Johnson & Woods*

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Corpus Christi's (City) annual financial report presents an overview, through management's discussion and analysis (MD&A), of the City's financial activities and performance during the fiscal year ended July 31, 2005. 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**

- Net assets of the City, excluding component units, were \$816 million at July 31, 2005, an increase of \$27 million, or 3.5% compared to July 31, 2004. Of the net assets, 76% are invested in capital assets or restricted with the remaining 24% unrestricted.
- Net expenses over program revenue, excluding component units, were \$111 million compared to \$107 million net expenses at July 31, 2004, or a 4.2% increase.
- Total general revenues and transfers, excluding component units, were \$139 million at July 31, 2005, an increase of \$10 million, or 7.8% greater than the prior year.

#### **Governmental Activities**

- On a government-wide basis for governmental activities, the City had expenses net of program revenue of \$126.2 million at July 31, 2005, compared to \$123.4 million at July 31, 2004, representing an increase of 2.2% from prior year.
- General revenues and transfers totaled \$143.0 million at July 31, 2005, resulting in an increase in net assets of \$16.8 million. This compares to July 31, 2004 totals of \$133.7 million in general revenues and transfers with an increase in net assets of \$10.3 million.
- Net assets increased by 8.4%, from \$201.1 million at July 31, 2004 to \$217.9 million at July 31, 2005.
- During the fiscal year ended July 31, 2005, the City issued \$112.1 million in General Improvement and Refunding bonds, \$60 million of which were part of the projects approved by voters in November 2004, with the balance in refundings. \$4.1 million in revenue bonds for development of Packery Channel were also issued. At the end of fiscal year 2005, the City as a whole had \$318.6 million in outstanding ad valorem and sales tax supported bonds compared to \$271.7 million at July 31, 2004. The City was rated A+ by Standard & Poor's, AA- by Fitch, and A1 by Moody's (an increase from previous rating of A2) for the General Improvement bond issue.

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

- On a government-wide basis for business-type activities, program revenue net of expenses was \$14.9 million for fiscal year ended July 31, 2005 compared to \$16.6 million for 2004; a 10.5% decrease.
- Net assets increased by 1.8%, from \$588.0 million at July 31, 2004 to \$598.5 million at July 31, 2005.
- During the fiscal year ended July 31, 2005, the City issued \$19 million in Certificates of Obligation for improvements to the City's landfill (\$14.5 million) and expansion of the City's marina (\$4.5 million) and \$120.4 million in Utility System Revenue Refunding and Improvement bonds, \$50 million of which refunded outstanding commercial paper with the balance refunding previous revenue bond issues. Additionally, the City refunded \$100 million in River Authority Water Supply/Facilities Revenue Refunding bonds.

#### **General Fund**

- At the end of the current fiscal year, unreserved, undesignated fund balance for the General Fund was \$18.4 million, or 12.7% of the General Fund expenditures. This compares to an unreserved, undesignated fund balance of \$13.0 million, or 9.4% of General Fund expenditures for fiscal year ended July 31, 2004.
- Net change in unreserved, undesignated fund balance was \$5.4 million, compared to \$2.1 million in prior year.
- Revenues/expenditures of \$149.4 million and \$144.9 million, respectively, increased by 7.0% and 4.6%, respectively, from prior year revenues/expenditures of \$139.6 million and \$138.5 million, respectively.

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

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

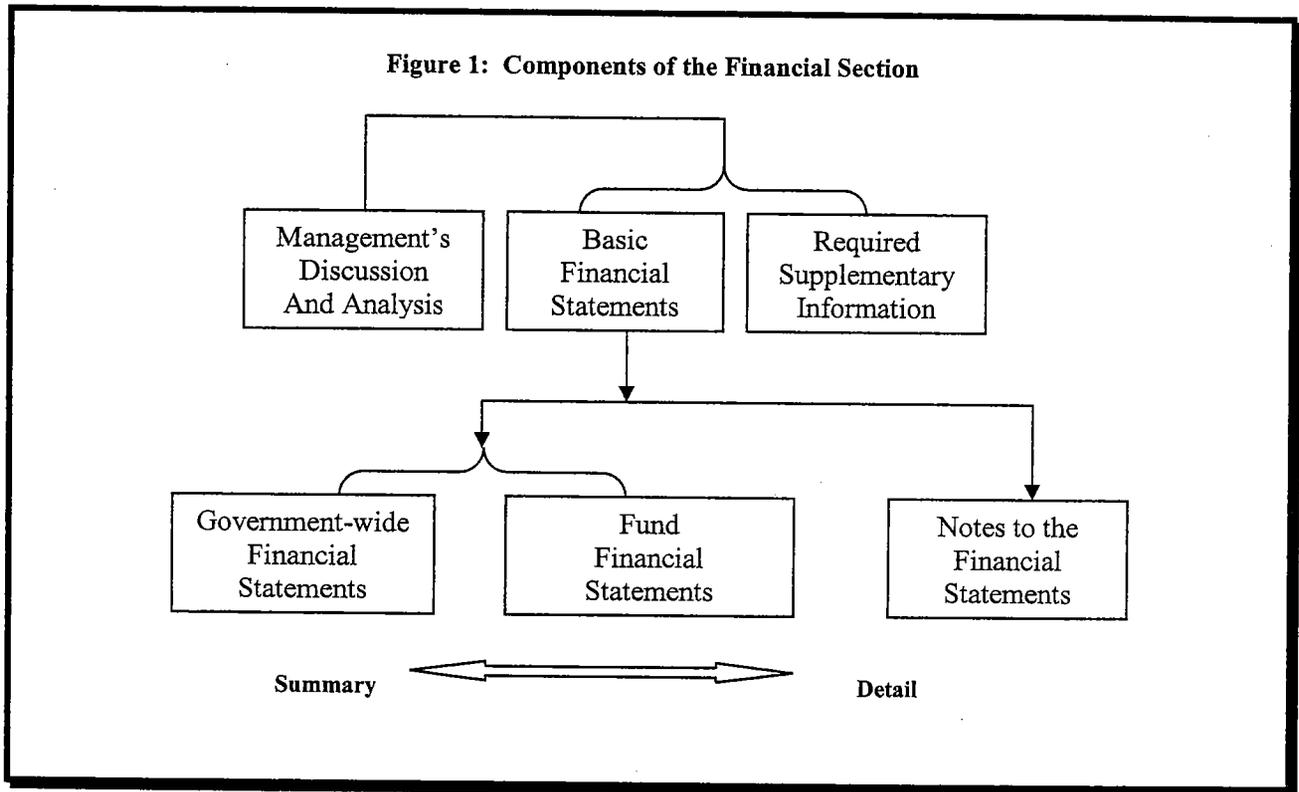


Figure 1 depicts how the required parts of this annual financial report are arranged and relate to one another. In addition to these required elements, a section with combining and individual fund financial statements and schedules that provides details about the non-major governmental funds and internal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

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

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

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Net Assets**

At July 31, 2005, the net assets for the City of Corpus Christi totaled \$816 million, \$27 million higher than the prior year. The composition of these net assets is \$218 million for governmental activities and \$598 million for business-type activities. The largest portion of the City's net assets, 71%, are invested in capital assets (e.g., land, infrastructure, buildings, machinery and equipment, and construction in progress), less any related debt used to acquire those assets that is still outstanding. The City's unrestricted net assets, \$195 million for 2005, are used to finance day-to-day operations. The City has sufficient funds to meet requirements for cash outlays in the next fiscal year as well as the financial capacity to meet its long-term obligations, without major reductions in fund balances or net assets.

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

**Table 1**  
**Summary of Statement of Net Assets**  
**As of July 31, 2005 and 2004**  
**(in 000's)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Capital assets, net of accumulated depreciation	\$ 407,117	\$ 367,617	\$ 937,301	\$ 882,187	\$1,344,418	\$1,249,804
Other assets	<u>229,138</u>	<u>210,063</u>	<u>316,948</u>	<u>337,086</u>	<u>546,086</u>	<u>547,149</u>
Total assets	636,255	577,680	1,254,249	1,219,273	1,890,504	1,796,953
Long term liabilities	370,584	327,750	635,187	585,510	1,005,771	913,260
Other liabilities	<u>47,774</u>	<u>48,842</u>	<u>20,578</u>	<u>45,797</u>	<u>68,352</u>	<u>94,639</u>
Total liabilities	418,358	376,592	655,765	631,307	1,074,123	1,007,899
Net assets						
Invested in capital assets, net of related debt	52,993	67,103	527,336	478,885	580,329	545,988
Restricted	--	--	41,046	36,202	41,046	36,202
Unrestricted	<u>164,904</u>	<u>133,985</u>	<u>30,102</u>	<u>72,879</u>	<u>195,006</u>	<u>206,864</u>
Total net assets	<u>\$ 217,897</u>	<u>\$ 201,088</u>	<u>\$ 598,484</u>	<u>\$ 587,966</u>	<u>\$ 816,381</u>	<u>\$ 789,054</u>

Of the business-type activities, the Utility System fund is the largest operation at the City with total assets of \$1.13 billion, comprising 90.1% of all business-type activities total assets for 2005. The Utility System fund net assets were \$517.5 million which is 86.5% of total net assets for 2005, compared to 88.4% for 2004.

**Changes in Net Assets**

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

**Table 2**  
**Changes in Net Assets**  
**For the Fiscal Years Ended July 31, 2005 and 2004**  
**(in 000's)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
<b>Revenue</b>						
Program revenues						
Charges for services	\$ 44,380	\$ 37,126	\$ 195,418	\$ 178,634	\$ 239,798	\$ 215,760
Operating grants and contributions	13,713	11,988	4,853	3,069	18,566	15,057
Capital grants and contributions	5,496	5,441	21	--	5,517	5,441
General revenues						
Property taxes	68,210	63,019	--	--	68,210	63,019
Sales and hotel occupancy taxes	64,624	61,383	--	--	64,624	61,383
Investment earnings	<u>2,932</u>	<u>2,142</u>	<u>2,848</u>	<u>2,312</u>	<u>5,780</u>	<u>4,454</u>
Total revenue	<u>199,355</u>	<u>181,099</u>	<u>203,140</u>	<u>184,015</u>	<u>402,495</u>	<u>365,114</u>
<b>Expenses</b>						
General government	18,958	20,428	--	--	18,958	20,428
Police	58,211	53,624	--	--	58,211	53,624
Fire	26,805	25,052	--	--	26,805	25,052
Emergency management	390	548	--	--	390	548
Inspections	1,547	1,795	--	--	1,547	1,795
Streets	19,393	19,668	--	--	19,393	19,668
Health	6,383	5,543	--	--	6,383	5,543
Parks and recreation	18,386	17,558	--	--	18,386	17,558
Libraries	4,611	4,993	--	--	4,611	4,993
Museums	1,422	1,473	--	--	1,422	1,473
Community enrichment	926	589	--	--	926	589
Community development	5,621	4,368	--	--	5,621	4,368
Convention and visitor activities	13,895	7,377	--	--	13,895	7,377
Interest on long-term debt	13,194	14,980	--	--	13,194	14,980
Solid waste	--	--	14,390	11,853	14,390	11,853
Utilities	--	--	150,676	134,458	150,676	134,458
Airport	--	--	11,162	10,272	11,162	10,272
Ambulance	--	--	6,142	5,478	6,142	5,478
Golf centers	--	--	1,795	1,817	1,795	1,817
Marina	--	--	1,261	1,208	1,261	1,208
Total expenses	<u>189,742</u>	<u>177,996</u>	<u>185,426</u>	<u>165,086</u>	<u>375,168</u>	<u>343,082</u>
Excess revenues over expenditures	9,613	3,103	17,714	18,929	27,327	22,032
Transfers	<u>7,196</u>	<u>7,205</u>	<u>(7,196)</u>	<u>(7,205)</u>	--	--
Increase in net assets	16,809	10,308	10,518	11,724	27,327	22,032
Net assets at beginning of year	<u>201,088</u>	<u>190,780</u>	<u>587,966</u>	<u>576,242</u>	<u>789,054</u>	<u>767,022</u>
Net assets at end of year	<u>\$ 217,897</u>	<u>\$ 201,088</u>	<u>\$ 598,484</u>	<u>\$ 587,966</u>	<u>\$ 816,381</u>	<u>\$ 789,054</u>

**Governmental Activities**

As shown in Table 2, the increase in net assets for governmental activities for 2005 was \$16.8 million, compared to a net increase of \$10.3 million for 2004. For fiscal year ended July 31, 2005, revenues totaled \$199.4 million compared to \$181.1 million in the prior year. The two largest sources of revenue were property taxes and sales and hotel occupancy taxes, which reflected \$68.2 million and \$64.6 million, respectively, for 2005, compared to \$63.0 million and \$61.4 million, respectively, for 2004. The third largest revenue source for 2005, \$44.4 million, was charges for services, which includes \$16.1 million in franchise and business fees in the General Fund. These revenues account for the majority of the variance between 2005 and 2004.

Expenses for governmental activities totaled \$189.7 million compared to \$178.0 million in 2004. The major variances between years were Police, with a \$4.6 million increase; Fire, with a \$1.8 million increase; Community Development, with a \$1.3 million increase; and a decrease in interest on long-term debt of \$1.8 million. Convention and Visitor activities also contributed to the variance with a \$6.5 million increase in expenses over prior year due to the expansion of the convention center and the opening of the new arena – both revenues and expenditures are higher than the prior year because of greater usage. It is important to note that when the Internal Service funds were allocated to the government-wide statements, the expenses of the governmental activities were reduced by \$5.8 million, reflecting a significant decrease in liability and employee benefits claims. The combination of increased premium contributions and lower than anticipated health claims, due in part to more stringent adherence to City health policies and guidelines generated a surplus for 2005. The activities receiving a major portion of the reduction include general government (\$796 thousand), police (\$2.1 million), fire (\$1.1 million), and park and recreation (\$846 thousand).

### **Business-type Activities**

As shown in Table 2, the increase in net assets for business-type activities for 2005 was \$10.5 million versus a net increase in net assets for 2004 of \$11.7 million. Business-type activities generated revenues of \$203.1 million for 2005 compared to \$184.0 million for 2004. Charges for services were the primary source for these revenues, totaling \$195.4 million in 2005 and \$178.6 million in 2004. Revenues of the City's business-type activities are associated with operating activities accounted for in the enterprise funds, the largest activity being the Utilities. Operating revenues for the Utility System fund were \$148.5 million with net income reported at \$246 thousand, compared to \$2.2 million in 2004. This reduction in income compared to the prior year is attributed to the continuation of wet weather into 2005 combined with mild winter months. The gas department reported a net loss after operating transfers for a second year in a row of \$964 thousand, compared to a prior year loss of \$274 thousand. The water department was able to overcome a \$2.3 million loss in 2004 due to near drought conditions in the latter part of 2005, reporting a \$1.5 million gain after operating transfers. This year, however, the wastewater department reported a net loss after operating transfers of \$274 thousand due to a large loss on retirement of assets. Net revenues from business-type activities totaled \$14.9 million, with Solid Waste generating \$8.7 million, or 58.4% of the total.

Expenses for business-type activities totaled \$185 million compared to \$165 million for 2004, a 12.3% increase. The major expense reported in the business-type activities was Utilities (81.3%), reflecting \$151 million in 2005 compared to \$134 million in 2004. Contributing factors to the 12.1% increase in Utilities expenses from prior year are greater depreciation expense in both the water and wastewater departments due to the completed capital projects, major repairs to lines in the water department, brought on by dry conditions, and major increases in the cost of gas from suppliers, the purchase gas adjustment (PGA), which is passed on to the customers. The second largest activity was solid waste, accounting for 7.8% of the total expenses. As with the governmental activities, when the Internal Service funds were allocated to the government-wide statements, the expenses of the business-type activities were reduced by \$4.4 million, reflecting a significant decrease in liability and employee benefits claims. The combination of increased premium contributions and lower than anticipated health claims, due in part to more stringent adherence to City health policies and guidelines generated a surplus for 2005. The

activities receiving a major portion of the reduction include utilities (\$2.9 million), solid waste (\$670 thousand), and airport (\$440 thousand).

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS

### Governmental Funds

- Total assets of the General Fund increased from the prior year, reporting \$33.9 million in 2005 compared to \$26.7 million in 2004. Cash, cash equivalents and investments reflect \$14.9 million or 43.8% of total assets with net receivables reporting \$12.3 million, or 36.3% of the total. The majority of the net receivables balance was in demolition liens and intergovernmental receivables attributed to sales tax.
- Total liabilities of the General Fund increased from \$11 million in 2004 to \$13.5 million in 2005, attributable mainly to the increase in the accounts payable balance due to a short delay in payments made prior to year end because of a computer upgrade of the financial system.
- General Fund revenues reflect a \$3.3 million increase over the budget estimate and a \$10.2 million increase over 2004. Contributing to the \$3.3 million increase over the budget estimate are general property taxes and sales taxes (\$1 million), fines and forfeitures (\$864 thousand), charges for services (\$657 thousand), and licenses and permits (\$655 thousand). The City experienced an overall growth of 7.73% in net assessed property values for 2005 which resulted in an increase in property tax revenue for the current year as compared to prior year revenues. Sales tax revenues have also rebound from prior year collections (6.75% growth from 2004 revenues), and are anticipated to continue growth at a moderate pace. Included in the increase in fines and forfeitures is \$396 thousand attributed to the increased collection efforts for the failure to appear fines. Refuse disposal charges contributed to the increases in charges for services while increases in building and electrical permits generated the increases in licenses and permits. The City has experienced great growth in 2005, as is reflected in these General fund revenues.
- The General Fund's unreserved undesignated fund balance increased by 41.7% in 2005, reporting a balance of \$18.44 million, compared to \$13.01 million in 2004. The contributing factor to the increase, as mentioned previously, is the increased property tax and sales tax collections which generated the majority of the gain.
- The Debt Service Fund's total fund balance decreased from \$11.3 million in 2004 to \$10.3 million in 2005. This decrease is attributable to a budgeted drawdown in the fund balance.
- The FY2004-05 ad valorem tax rate was reduced by one cent from prior year, distributing \$0.460000 for the General Fund and \$0.174175 for Debt Service for a total of \$0.634175 per \$100 of assessed value. The tax rate of \$0.644175 for FY2003-04 was distributed between the General Fund and Debt Service at \$0.466554, and \$0.177621, respectively.

### Non-major Governmental Funds

Funds comprising the non-major governmental category are Special Revenue and Capital Projects funds and Debt Service funds from the Corpus Christi Business and Job Development Corporation and the North Padre Island Development Corporation. Total assets for the combined funds were \$166.8 million in 2005 compared to \$152.4 million in 2004. The major

increases in assets are reflected in the Special Revenue funds where cash collections have increased due to higher sales tax collections in the Corpus Christi Business and Job Development Corporation and property tax collections in the North Padre Island Development Corporation. Additionally, with the completion of the expansion of the convention center and the new arena, the City has increased receivables reported in the Visitors Facilities fund. Total liabilities were \$13.7 million compared to \$14.9 million in 2004, reporting decreases in accounts payable and contractor interest and retainage payable in the Capital Projects funds. The total fund balances of \$153.1 million are greater than the \$137.4 million reported in 2004 and reflect a direct correlation to the increase in assets for this year.

### CAPITAL ASSET AND DEBT ADMINISTRATION

As shown in Table 3, at the end of 2005, the City had invested \$1.3 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 (after additions, deductions, and depreciation) of \$94.6 million, or 7.6% over last year. The major increases in the governmental activities were \$97.5 million to buildings, \$13.1 million and \$10.4 million, respectively, for improvements and infrastructure, which were offset by a reduction in construction in progress of \$90 million. The business activities increased by \$55.1 million; the majority of the increase associated with Utility System improvements. (See Note 8 of the Financial Statements for more details on capital assets.)

**Table 3**  
**Capital Assets (net of depreciation) at July 31, 2005 and 2004**  
(in 000's)

	<u>Governmental</u> <u>Activities</u>		<u>Business Activities</u>		<u>Total</u>		<u>% Change</u> <u>2005-2004</u>
	2005	2004	2005	2004	2005	2004	
Land	\$ 55,417	\$ 49,122	\$ 31,757	\$ 24,452	\$ 87,174	\$ 73,574	18.5
Buildings	161,777	64,243	61,964	59,319	223,741	123,562	81.1
Improvements	53,794	40,743	192,045	155,328	245,839	196,071	25.4
Equipment	25,836	23,569	19,412	20,460	45,248	44,029	2.8
Infrastructure	73,775	63,404	537,922	478,646	611,697	542,050	12.8
Construction in progress	<u>36,518</u>	<u>126,536</u>	<u>94,201</u>	<u>143,982</u>	<u>130,719</u>	<u>270,518</u>	(51.7)
Total	<u>\$407,117</u>	<u>\$367,617</u>	<u>\$937,301</u>	<u>\$ 882,187</u>	<u>\$1,344,418</u>	<u>\$1,249,804</u>	7.6

#### Long-term Liabilities

During the fiscal year, the City completed four bond issues to fund projects planned and approved during the past several fiscal years, and completed another five refunding bond issues to take advantage of low interest rates. These are major initiatives that represent a significant long term commitment to revitalization strategies that support expansion of tourism, as well as commercial and industrial growth, and improved quality of life for our residents.

The City Council has continued in its joint venture with the Corps of Engineers to dredge Packery Channel, which will reopen and insure convenient small water craft access to the Gulf of Mexico from Corpus Christi Bay and the Laguna Madre Intercoastal Waterway. In addition to a new channel, the project also includes the construction of two 1,400 foot jetties paralleling the channel. The City's portion of the \$30 million projected cost for this project is \$10.5 million, with the United States Government funding the remainder. The City's contribution is being

financed by the issuance of tax increment contract revenue bonds, as well as a major grant from the Texas General Land Office. The City issued a third tranch of bonds in the amount of \$4.1 million in tax increment contract revenue bonds through the North Padre Island Development Corporation in September 2004. During FY 2004-05 construction of the jetties commenced and dredging of Packery Channel was in progress. However, delays in the project were encountered due to the residual effects of Hurricane Emily and Hurricane Rita. Although completion of the initial project is scheduled for February 2006, repairs for the storm damage will cause this date to be delayed until June 2006.

In June 2005, the City issued \$86,485,000 of General Improvement and Refunding Bonds, Series 2005. These bonds were sold as part of a \$95,000,000 Bond 2004 program authorized by the voters in November 2004. \$60,000,000 of the \$95,000,000 was sold to construct streets, public health and safety, public facilities, park and recreation, and Bayfront development improvements. The remaining \$26,485,000 of bonds sold was to refund certain currently outstanding obligations in order to take advantage of low interest rates and to achieve a present value savings. The remaining \$35,000,000 of the \$95,000,000 is expected to be sold within the next eighteen months.

In June 2005, the City issued \$14,520,000 of Combination Tax and Revenue Certificates of Obligation, Series 2005, for purposes of constructing a new landfill, the Cefe Valenzuela landfill. The bonds are to be paid from ad valorem taxes, with a secondary pledge from surplus net revenues derived from the operations of the City's Solid Waste System.

In June 2005, the City issued \$4,500,000 of Combination Tax and Revenue Certificates of Obligation, Series 2005, for purposes of expanding the City's Marina. The bonds are to be paid from ad valorem taxes, with a secondary pledge from surplus net revenues derived from the operations of the City's Marina Facilities.

In an attempt to capitalize on favorable rates in today's bond market, the City refunded prior debt, both existing revenue and general obligation bonds, in five separate bond issues.

- The first issue occurred in August 2004 when the City issued \$50,000,000 in Utility System Revenue Refunding and Improvement Bonds used to refund all outstanding commercial paper (bond anticipation notes).
- The second issue occurred in September 2004 when the City issued \$25,640,000 in General Improvement Refunding Bonds in order to take advantage of the favorable market conditions.
- The third issue was in January 2005 when the City issued \$73,390,000 in Utility System Revenue Refunding Bonds used to again refund all outstanding commercial paper (bond anticipation notes).
- The fourth issue was in April 2005 when the Nueces River Authority and the City issued Nueces River Authority Water Supply Revenue Refunding Bond (City of Corpus Christi Lake Texana Project), Series 2005, in the amount of \$94,760,000. This refunding

realized a 3.636% net present value benefit on the refunding of the Nueces River Authority Water Supply Facilities Revenue Bonds, Series 1997.

- The fifth issue was in April 2005 when the Lavaca-Navidad River Authority and the City issued Lavaca-Navidad River Authority Water Supply Facilities Revenue Refunding Bonds (City of Corpus Christi Lake Texana Project), Series 2005, in the amount of \$5,160,000. This refunding realized a 4.058% net present value benefit on the refunding of the Lavaca-Navidad River Authority Water Supply Facilities Revenue Bonds, Series 1997.

Table 4 shows that total long-term liabilities increased \$92.5 million in 2005, from \$913 million to \$1 billion, or 10.1%. As described in the preceding paragraphs, the increase is due to the multiple debt issues authorized during 2005. Governmental activities reported a \$40.7 million increase in debt with business type activities reported a \$48.6 million increase. Total debt outstanding at fiscal year end was \$954.8 million, up from \$865.4 million the prior year. Accumulated compensated absences increased 7.3% due to the City keeping more tenured employees that accrue at a higher rate than other employees. Landfill closure cost also increased 5% due to final closure costs associated with the J.C. Elliott Landfill. (See Note 14 Long-term Obligations in the Financial Statements).

**Table 4**  
**Long-Term Liabilities at July 31, 2005 and 2004**  
**( in 000's)**

	Governmental Activities		Business Activities		Total		% Change
	2005	2004	2005	2004	2005	2004	2005-2004
General obligation bonds	\$162,079	\$100,489	\$ --	\$ --	\$ 162,079	\$100,489	61.3
Certificates of obligation	34,990	50,265	25,660	6,845	60,650	57,110	6.2
Revenue bonds	121,485	120,910	--	--	121,485	120,910	.5
Utility revenue bonds	--	--	386,345	353,755	386,345	353,755	9.2
Airport revenue bonds	--	--	21,460	21,875	21,460	21,875	(1.9)
Capital leases	5,924	7,379	4,443	5,120	10,367	12,499	(17.1)
Other notes	4,797	6,001	174,137	176,221	178,934	182,222	(1.8)
Deferred amounts	11,336	14,834	2,117	1,715	13,453	16,549	(18.7)
Total debt	<u>340,611</u>	<u>299,878</u>	<u>614,162</u>	<u>565,531</u>	<u>954,773</u>	<u>865,409</u>	10.3
Accumulated compensated absences	29,973	27,872	4,705	4,434	34,678	32,306	7.3
Landfill closure cost	--	--	16,320	15,545	16,320	15,545	5
Total long-term liabilities	<u>\$370,584</u>	<u>\$327,750</u>	<u>\$635,187</u>	<u>\$585,510</u>	<u>\$ 1,005,771</u>	<u>\$913,260</u>	10.1

### Bond Ratings

In August 2004, September 2004, and January 2005, the City received bond ratings from Moody's Investors Service, Inc. (Moody's), Standard & Poor's Ratings Service (S&P), and Fitch Ratings (Fitch) on the Utility System Revenue Refunding and Improvement bonds, the General Improvement Refunding bonds, and Utility System Revenue Refunding bonds of "Aaa", "AAA", and "AAA", respectively, based upon the simultaneous delivery of a municipal bond insurance policy, with un-enhanced general obligation bond ratings of "A2", "A+", and "AA-", respectively. In June 2005 the City issued General Improvement and Refunding bonds, Combination Tax and Revenue certificates of obligation for a new landfill and expansion of the

City's marina, all of which received insured bond ratings of "Aaa", "AAA", and "AAA" from Moody's, S&P, and Fitch, respectively, with the un-enhanced ratings being "A1", "A+", and "AA-", respectively. This rating reflected an increase from Moody's, justified by the current growth the City has experienced and the positive economic outlook for the City.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

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

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

The General Fund revenue budget was increased seven times during 2005 for a total of \$1,034,204. Most amendments were from contributions, used to purchase library materials, cable access studio equipment, landfill equipment, and fund capital improvements to the City Natatorium.

During the fiscal year 2005, City Council amended the General Fund expenditure budget thirteen times. (See Note 6 of the Financial Statements for more details on the budget amendments).

The adopted budget for FY2004-05 sets both general fund revenues and expenditures at \$156 million, which is \$9.3 million more than amounts budgeted for 2004, with the major increases being \$3.6 million for Public Safety and \$1.8 million for salary increases to comply with the City's Compensation Plan. Property taxes were budgeted using the certified growth reported by the appraisal district of 7.73%. Final property tax revenues, including delinquent collections and penalties and interest, topped the estimates by over \$402 thousand. This is a 5.9% increase over prior year collections, with City growth being the main contributing factor for the increase.

General Fund taxes and business fees were \$104 million, a \$5 million increase over prior year, and \$476 thousand over budget. This year sales tax was budgeted at a 3.5% growth over FY2003-04 estimated collections. As an indicator of a continued upward trend, in 2005, collections exceeded the budget by \$617 thousand. Telecommunication fees are \$880 thousand below budget and \$265 thousand less than prior year. The impact of deregulation has essentially eliminated the franchise agreement between a single local service provider and shifted to a per access line fee basis, as compared to the gross revenue inside the city limits basis.

Licenses and permits reported an increase of \$655 thousand over budget, and \$925 thousand greater than prior year collections. The main categories contributing to the increase were building and electrical permits, totaling \$387 thousand more than last year, which confirms the indications of growth in the City.

Charges for services reflect an overall increase of \$657 thousand over budget, with the major increase coming from refuse disposal charges. Departments reporting under-budgeted revenues

were police and park and recreation, experiencing declines of \$479 thousand and \$406 thousand, respectively. The police department was under contract review with the County-Metrocom centralized dispatching, and therefore reflected an under-collection of \$377 thousand, while the attendance and referrals continue to decline for the City sponsored latchkey program, reporting a decline of \$292. Under fines and forfeitures, the failure to appear (FTA) fines revenue reported a \$396 thousand increase over budget, being the main contributor to the overall increase of \$864 thousand in the category. Last fiscal year, Municipal Court introduced electronic signatures and scanning at the front collection windows, which allowed for the dedication of four staff members to issue these warrants on a monthly basis opposed to annually, generating the additional revenue. This process has continued to produce added revenue to the City.

Overall, General Fund revenues were \$3.6 million higher than the estimate.

General Fund expenditures for the FY2004-05 budget, as previously stated, were budgeted at \$156 million; \$9.3 million higher than the prior year budget. The major items which made up most of the increase were: salary adjustments (\$3.3 million for non-exempt employee and Police sworn personnel increases), benefit adjustments (\$1.9 million for health insurance and retirement contributions), new and existing program enhancement (\$799 thousand which includes a new detention center and juvenile court restoration), increase in the Ambulance fund subsidy (\$946 thousand), increase in City match for Sr. Community Service grants (\$174 thousand), and increase in debt transfer for the new landfill (\$458 thousand).

General Fund actual expenditures were \$3.3 million under the budget estimate with general government, public safety, streets, health, and community enrichment being the categories contributing to the savings. Main contributing factors to the savings were stringent cost saving measures taken City-wide, and reserves for compensation pay not fully utilized. Departmental expenditures were closely monitored throughout the year in order to stay within the amended budget amounts.

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

- The City completed major renovations to our convention center and opened our new connecting arena in 2005. Combined with the new baseball stadium, the City is definitely staged to contribute to our largest industry – tourism. Coupled with the growth the City has experienced this past year in both residential and commercial ventures, the City anticipates a continuation of grow which will have a favorable bearing on the City's economic climate.
- For the second year in a row, the unemployment rate for Corpus Christi decreased – from 6.7% in 2004 to 5.4% in 2005.
- The Certified Net Assessed Taxable Value increased by 8.7% for FY2005-06, to \$10,478,529,288. Because of this growth, the City Council approved a reduction in the ad valorem tax rate for the second year in a row, lowering the tax rate from \$0.634175 per \$100 valuation to \$0.625799 per \$100 valuation. The Maintenance and Operations rate will be \$0.426624 and the Debt Service rate will be \$0.199175. Even with the tax rate decrease, total ad valorem tax revenue estimates for FY2005-06 are anticipated to be \$3.4 million greater than collections for FY2004-05.

- The City of Corpus Christi has appropriated in total, revenues and expenditures for FY2005-06 of \$519,798,430, and \$515,520,412, respectively. The General Fund presents a balanced budget with both revenues and expenditures budgeted at \$166,053,527. This is a \$10.1 million increase over the original budget for FY2004-05, with the major items making up the difference being: the incorporation of the Ambulance operations into the General Fund (\$6.5 million), a reserve for the firefighter contract and salary adjustments for civilian employees (\$829 thousand), a 2.25% increase for police sworn personnel, new vehicles, and an additional cadet class (\$2.7 million).
- A 5.75% rate increase for all utilities has been programmed into the utility funds for FY2005-06 based upon capital budget discussions and directives from City Council. These rate increases are necessary to support capital improvements for water, wastewater, and storm water infrastructure and the cost of utility relocations associated with the voter approved debt issue passed in an election in November 2004.

### **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

361.826.3610  
361.826.3601 (fax)

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

**STATEMENT OF NET ASSETS**  
**JULY 31, 2005**

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and cash equivalents (Note 5)	\$ 22,258,398	\$ 1,353,078	\$ 23,611,476	\$ 260,983
Investments (Note 5)	138,782,569	84,828,232	223,610,801	9,880
Receivables, net of allowance for uncollectibles (Note 7)	39,291,322	27,178,024	66,469,346	19,663
Internal balances (Note 16)	22,638,664	(22,638,664)	--	--
Inventories	1,404,471	311,101	1,715,572	17,335
Prepaid items	456,671	--	456,671	36,526
Restricted assets				
Cash and cash equivalents (Note 5)	--	20,728,488	20,728,488	--
Investments (Note 5)	--	23,772,197	23,772,197	--
Receivables, net of allowance for uncollectibles (Note 7)	--	501,815	501,815	--
Deposits	450	2,300	2,750	--
Water supply rights	--	173,904,740	173,904,740	--
Bond issue costs	4,249,231	7,007,318	11,256,549	--
Land and construction in progress (Note 8)	91,934,785	125,957,896	217,892,681	--
Other capital assets, net of accumulated depreciation (Note 8)	315,182,521	811,343,048	1,126,525,569	183,030
Other	56,223	--	56,223	--
Total assets	<u>636,255,305</u>	<u>1,254,249,573</u>	<u>1,890,504,878</u>	<u>527,417</u>
<b>LIABILITIES</b>				
Bank overdraft	--	1,155,316	1,155,316	--
Accounts payable	12,533,442	11,687,268	24,220,710	116,528
Accrued expenses	6,434,869	801,871	7,236,740	3,648
Accrued interest	5,335,074	262,708	5,597,782	31,220
Contractor interest and retainage payable	1,532,373	1,757,792	3,290,165	--
Deposits	1,014,147	552,876	1,567,023	--
Liability to claimants - escheat property	419,258	94,387	513,645	--
Due to other governmental agencies	974,830	7,115	981,945	--
Unearned revenue	4,474,377	53,446	4,527,823	--
Current portion of estimated claims liability (Note 11)	8,091,737	--	8,091,737	--
Current portion of long-term liabilities (Note 14)				
Long-term debt	21,126,206	24,531,892	45,658,098	--
Accumulated unpaid compensated absences	6,714,968	2,266,656	8,981,624	--
Landfill closure cost	--	251,484	251,484	--

(Continued)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Liabilities (payable from restricted assets)				
Accounts payable	--	1,445,773	1,445,773	--
Accrued expenses	--	527,399	527,399	--
Accrued interest	--	798,146	798,146	--
Contractor interest and retainage payable	--	1,280,043	1,280,043	--
Accrued arbitrage rebate liability	--	--	--	--
Unearned revenue	--	154,162	154,162	--
Current portion of long-term liabilities (Note 14)	--	435,000	435,000	--
Estimated liability claims, excluding current portion (Note 11)	6,955,819	--	6,955,819	--
Long-term liabilities, excluding current portion (Note 14)				
Long-term debt	319,484,659	589,194,792	908,679,451	--
Accumulated unpaid compensated absences	23,258,383	2,438,552	25,696,935	--
Landfill closure cost	--	16,068,692	16,068,692	--
Other	8,222	--	8,222	--
Total liabilities	<u>418,358,364</u>	<u>655,765,370</u>	<u>1,074,123,734</u>	<u>151,396</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	52,992,539	527,336,134	580,328,673	183,030
Restricted for				
Law enforcement officers' standards and education	--	5,166	5,166	--
Passenger facility charges projects	--	2,027,719	2,027,719	--
Bond interest and redemption	--	2,013,462	2,013,462	--
Construction of capital assets	--	25,407,400	25,407,400	--
Improvements to utility lines and facilities	--	10,169,833	10,169,833	--
Abatement of public health hazards	--	87,975	87,975	--
Required capital reserve	--	250,000	250,000	--
Required operating reserve	--	1,084,257	1,084,257	--
Unrestricted	164,904,402	30,102,257	195,006,659	192,991
Total net assets	<u>\$ 217,896,941</u>	<u>\$ 598,484,203</u>	<u>\$ 816,381,144</u>	<u>\$ 376,021</u>

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

**STATEMENT OF ACTIVITIES  
YEAR ENDED JULY 31, 2005**

	<u>Expenses</u>	<u>Charges for Services</u>
Primary government		
Governmental activities		
General government	\$ 18,958,373	\$ 21,245,892
Police	58,210,747	10,495,046
Fire	26,805,300	231,644
Emergency management	390,319	--
Inspections	1,547,147	--
Streets	19,393,011	1,455,344
Health	6,382,815	1,059,257
Parks and recreation	18,385,625	2,580,504
Libraries	4,611,585	200,520
Museums	1,422,397	233,226
Community enrichment	925,890	--
Community development	5,621,030	1,397,510
Convention and visitor activities	13,894,739	5,481,382
Interest on long-term debt	13,193,892	--
Total governmental activities	<u>189,742,870</u>	<u>44,380,325</u>
Business-type activities		
Solid Waste	14,390,390	22,987,776
Utilities		
Water	83,950,395	82,332,283
Gas	33,417,878	33,835,399
Wastewater	33,308,073	39,458,482
Airport	11,161,666	9,752,728
Ambulance	6,142,048	3,821,378
Golf centers	1,794,576	1,944,177
Marina	1,261,117	1,285,583
Total business-type activities	<u>185,426,143</u>	<u>195,417,806</u>
Total primary government	<u>\$ 375,169,013</u>	<u>\$ 239,798,131</u>
Component units - Convention and visitor activities	<u>\$ 2,599,473</u>	<u>\$ 35,792</u>

Program Revenue		Net (expense) revenue and changes in net assets			
Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Units
\$ 895,215	\$ 153,931	\$ 3,336,665	\$ --	\$ 3,336,665	
2,036,656	161,880	(45,517,165)	--	(45,517,165)	
416,052	19,574	(26,138,030)	--	(26,138,030)	
62,812	82,000	(245,507)	--	(245,507)	
--	1,639,967	92,820	--	92,820	
363,124	2,628	(17,571,915)	--	(17,571,915)	
2,551,314	8,635	(2,763,609)	--	(2,763,609)	
3,060,659	--	(12,744,462)	--	(12,744,462)	
974,086	--	(3,436,979)	--	(3,436,979)	
--	--	(1,189,171)	--	(1,189,171)	
557,374	540,767	172,251	--	172,251	
2,796,042	1,826,151	398,673	--	398,673	
--	--	(8,413,357)	--	(8,413,357)	
--	1,060,248	(12,133,644)	--	(12,133,644)	
<u>13,713,334</u>	<u>5,495,781</u>	<u>(126,153,430)</u>	<u>--</u>	<u>(126,153,430)</u>	
58,095	20,980	--	8,676,461	8,676,461	
1,181,628	--	--	(436,484)	(436,484)	
--	--	--	417,521	417,521	
--	--	--	6,150,409	6,150,409	
2,789,873	--	--	1,380,935	1,380,935	
--	--	--	(2,320,670)	(2,320,670)	
--	--	--	149,601	149,601	
823,719	--	--	848,185	848,185	
<u>4,853,315</u>	<u>20,980</u>	<u>--</u>	<u>14,865,958</u>	<u>14,865,958</u>	
<u>\$ 18,566,649</u>	<u>\$ 5,516,761</u>	<u>(126,153,430)</u>	<u>14,865,958</u>	<u>(111,287,472)</u>	
<u>\$ --</u>	<u>\$ --</u>				\$ (2,563,681)
General revenue					
Taxes					
Property taxes, levied for general purposes		51,358,047	--	51,358,047	--
Property taxes, levied for debt service		16,851,911	--	16,851,911	--
Sales and hotel occupancy taxes		64,624,269	--	64,624,269	--
Unrestricted investment earnings		2,932,063	2,848,054	5,780,117	5,291
Payment from primary government		--	--	--	2,422,619
Transfers		7,196,375	(7,196,375)	--	--
Total general revenue and transfers		<u>142,962,665</u>	<u>(4,348,321)</u>	<u>138,614,344</u>	<u>2,422,910</u>
Changes in net assets		16,809,235	10,517,637	27,326,872	(135,771)
Net assets at beginning of year, as restated		201,087,706	587,966,566	789,054,272	511,792
Net assets at end of year		<u>\$ 217,896,941</u>	<u>\$ 598,484,203</u>	<u>\$ 816,381,144</u>	<u>\$ 376,021</u>

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

**GOVERNMENTAL FUNDS  
BALANCE SHEET  
JULY 31, 2005**

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents (Note 5)	\$ 1,379,399	\$ --	\$ 12,933,842	\$ 14,313,241
Investments (Note 5)	13,474,047	8,440,635	107,793,100	129,707,782
Receivables, net of allowance for uncollectibles (Note 7)	12,321,290	469,992	28,875,315	41,666,597
Due from other funds (Note 16)	6,598,895	1,885,160	17,134,932	25,618,987
Inventories	141,549	--	--	141,549
Deposits	450	--	--	450
Prepaid Items	26,403	--	--	26,403
Other assets	--	--	56,223	56,223
<b>Total assets</b>	<b><u>\$ 33,942,033</u></b>	<b><u>\$ 10,795,787</u></b>	<b><u>\$ 166,793,412</u></b>	<b><u>\$ 211,531,232</u></b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 4,594,129	\$ 2,871	\$ 5,201,575	\$ 9,798,575
Accrued liabilities	5,625,376	--	622,373	6,247,749
Contractor interest and retainage payable	--	--	1,532,373	1,532,373
Deposits	560,355	--	699,212	1,259,567
Liability to claimants - escheat property	280,111	--	--	280,111
Due to other funds (Note 16)	377,140	52,085	1,029,098	1,458,323
Due to other governmental agencies	974,830	--	--	974,830
Advance from other funds (Note 16)	124,600	--	--	124,600
Deferred revenues	956,156	412,267	4,609,898	5,978,321
Other	8,222	--	--	8,222
<b>Total liabilities</b>	<b><u>13,500,919</u></b>	<b><u>467,223</u></b>	<b><u>13,694,529</u></b>	<b><u>27,662,671</u></b>

(Continued)

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
Fund balances				
Reserved for encumbrances	905,291	--	18,523,943	19,429,234
Reserved for loans	--	--	18,172,237	18,172,237
Reserved for inventory	141,549	--	--	141,549
Reserved for prepaid items	26,403	--	--	26,403
Reserved for Municipal Court building security	213,094	--	--	213,094
Reserved for Municipal Court technology	423,486	--	--	423,486
Reserved for government access equipment	11,959	--	--	11,959
Reserved for public access equipment and facility	4,636	--	--	4,636
Reserved for 9-1-1 wireless system	107,106	--	--	107,106
Reserved for capital replacement - radio system	30,000	--	--	30,000
Reserved for Judicial/Court improvements	136,063	--	--	136,063
Reserved for debt service	--	5,551,228	2,060,466	7,611,694
Reserved for Senior Community Services	--	--	220,041	220,041
Reserved for Convention Center expansion	--	--	274,278	274,278
Reserved for law enforcement	--	--	1,022,639	1,022,639
Reserved for firefighters training	4,000	--	--	4,000
Reserved for library projects	--	--	974	974
Reserved for Sister City programs	--	--	1,013	1,013
Reserved for park projects	--	--	1,283,125	1,283,125
Reserved for permanent art projects	--	--	109,662	109,662
Reserved for infrastructure	--	--	1,058,110	1,058,110
Reserved for local emergency response planning	--	--	18,430	18,430
Unreserved				
Designated for specific debt in the debt service fund	--	1,350,885	--	1,350,885
Designated for subsequent year's expenditures in the debt service fund	--	511,179	--	511,179
Designated for subsequent year's expenditures in special revenue funds	--	--	323,864	323,864
Designated for specific projects in the capital projects fund	--	--	5,845,350	5,845,350
Undesignated				
General fund	18,437,527	--	--	18,437,527
Debt service funds	--	2,915,272	--	2,915,272
Special revenue funds	--	--	20,821,603	20,821,603
Capital project funds	--	--	83,363,148	83,363,148
Total fund balances	<u>20,441,114</u>	<u>10,328,564</u>	<u>153,098,883</u>	<u>183,868,561</u>
Total liabilities and fund balances	<u>\$ 33,942,033</u>	<u>\$ 10,795,787</u>	<u>\$ 166,793,412</u>	<u>\$ 211,531,232</u>

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



City of  
Corpus  
Christi

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
JULY 31, 2005

**Total fund balance - total governmental funds** \$ 183,868,561

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds. The cost of the assets is \$701,675,178 and the accumulated depreciation is \$285,303,746. Solid Waste net assets of \$26,489,142 are included in business-type activities. 416,371,432

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

Governmental activities			
Bond issue cost	\$	4,249,231	
Taxes receivable		1,502,944	
Solid Waste			
Bond issue cost		228,501	5,980,676

Internal service funds are used by management to charge the cost of certain activities, such as inventory of commonly used material and supplies, vehicular fleet and building maintenance, data processing, insurance and engineering. The assets and liabilities of the internal service funds are included in governmental activities in the government-wide statement of net assets. 31,673,618

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

Governmental activities			
Accrued interest	\$	(5,335,074)	
Long-term debt		(336,895,980)	
Accumulated compensated absences		(28,359,762)	
Solid Waste			
Accrued interest		(228,244)	
Long-term debt		(25,470,747)	
Accumulated compensated absences		(696,273)	
Landfill closure costs		(16,320,176)	(413,306,256)

Solid Waste is a business-type activity that is included in the general fund. Assets and liabilities relating to Solid Waste are included in business-type activities in the government-wide statement of net assets. (6,691,090)

**Net assets of governmental activities** \$ 217,896,941

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

**GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JULY 31, 2005**

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>				
Taxes and business fees	\$ 104,338,441	\$ 16,655,492	27,189,110	\$ 148,183,043
Licenses and permits	3,321,875	--	--	3,321,875
Grants	320,715	--	14,842,856	15,163,571
Charges for services	33,612,804	--	7,693,437	41,306,241
Fines and forfeitures	5,658,571	--	--	5,658,571
Deposits	--	--	605,095	605,095
Contributions and donations	--	--	1,881,172	1,881,172
Special assessments	--	--	154,380	154,380
Earnings on investments	556,088	112,139	1,704,657	2,372,884
Interest on loans	--	--	254,651	254,651
Payments from Lexington Museum Association	--	283,800	--	283,800
Payments from Corpus Christi Convention and Visitors Bureau	--	252,841	--	252,841
Payments from Texas State Aquarium	--	512,182	--	512,182
Payments from other agencies	--	11,425	--	11,425
Sale of City property	--	--	6,413	6,413
Miscellaneous	1,566,094	--	123,847	1,689,941
Total revenues	<u>149,374,588</u>	<u>17,827,879</u>	<u>54,455,618</u>	<u>221,658,085</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	14,958,099	--	3,138,701	18,096,800
Public safety	81,095,158	--	6,738,668	87,833,826
Streets	10,496,626	--	493,334	10,989,960
Solid waste	13,767,222	--	58,095	13,825,317
Health	3,918,970	--	2,498,330	6,417,300
Community enrichment	17,162,371	--	10,623,695	27,786,066
Convention and visitors activities	--	--	10,887,455	10,887,455
Capital projects	--	--	70,456,764	70,456,764
<b>Debt service</b>				
Principal retirement	3,326,548	18,960,000	3,624,940	25,911,488
Interest	221,280	7,013,139	5,720,492	12,954,911
Paying agent fees	--	12,234	6,810	19,044
Bond issue cost	--	1,495,467	637,314	2,132,781
Interest on interfund borrowings	--	--	21,147	21,147
Total expenditures	<u>144,946,274</u>	<u>27,480,840</u>	<u>114,905,745</u>	<u>287,332,859</u>
Excess (deficiency) of revenues over (under) expenditures	4,428,314	(9,652,961)	(60,450,127)	(65,674,774)

(Continued)

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Other financing sources (uses)</b>				
Capital leases	2,032,704	--	--	2,032,704
Proceeds from general obligation bonds	--	--	60,000,000	60,000,000
Revenue bonds issued	--	--	4,100,000	4,100,000
Certificate of obligation bonds issued	--	--	14,914,122	14,914,122
Proceeds of refunding bonds	--	60,685,564	--	60,685,564
Payment to escrow agent for refunded bonds	--	(59,387,098)	--	(59,387,098)
Transfers in (Note 16)	5,726,103	7,431,259	1,243,076	14,400,438
Transfers out (Note 16)	(7,467,950)	--	(4,157,475)	(11,625,425)
Total other financing sources (uses)	<u>290,857</u>	<u>8,729,725</u>	<u>76,099,723</u>	<u>85,120,305</u>
Net change in fund balance	4,719,171	(923,236)	15,649,596	19,445,531
Fund balances at beginning of year	<u>15,721,943</u>	<u>11,251,800</u>	<u>137,449,287</u>	<u>164,423,030</u>
Fund balances at end of year	<u>\$ 20,441,114</u>	<u>\$ 10,328,564</u>	<u>\$ 153,098,883</u>	<u>\$ 183,868,561</u>

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



City of  
Corpus  
Christi

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JULY 31, 2005**

**Net change in fund balances - total governmental funds** \$ 19,445,531

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

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

Governmental activities		
Capital outlays, net of retirements	\$	72,651,573
Depreciation		(19,208,638)
Solid Waste		
Depreciation		(1,974,760)
		51,468,175

Delinquent property taxes, net of allowance, and special assessments are not reported as revenue in the governmental funds. These items increased in the current fiscal year. 797,485

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

Governmental activities		
Bond proceeds	\$	(64,100,000)
Proceeds of refunding bonds		(60,685,564)
Payment to escrow agent for refunded bonds		59,387,098
Bond issue cost		1,843,712
Principal retirement		25,706,488
Interest		(666,750)
Accrued interest		681,875
Proceeds from capital leases		(491,715)
Solid Waste		
Bond proceeds		(14,914,122)
Bond issue cost		289,069
Principal retirement		205,000
Interest		(235,062)
Proceeds from capital leases		(1,540,989)
		(54,520,960)

Compensated absences reported in the statement of activities did not require the use of current financial resources, and therefore are not expenditures in governmental funds. The compensated absences increased in the current year. (2,692,687)

Solid Waste is a business-type activity that is included in the general fund. Net revenues relating to Solid Waste are included in business-type activities in the government-wide statement of activities. (9,302,438)

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. 11,614,129

**Change in net assets of governmental activities** \$ 16,809,235

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

**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2005**

	<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	\$ 103,862,202	\$ 103,862,202	\$ 104,338,441	\$ --
Licenses and permits	2,667,315	2,667,315	3,321,875	--
Grants	186,500	186,500	320,715	--
Charges for services	32,949,848	32,955,848	33,612,804	--
Fines and forfeitures	4,794,846	4,794,846	5,658,571	--
Earnings on investments	226,320	226,320	556,088	--
Miscellaneous	512,706	1,052,081	1,566,094	--
Reimbursements	7,861,042	7,861,042	--	7,515,523
Total revenues	<u>153,060,779</u>	<u>153,606,154</u>	<u>149,374,588</u>	<u>7,515,523</u>
<b>Expenditures</b>				
Current				
General government	20,523,364	19,743,837	14,958,099	2,921,894
Public safety	83,408,901	84,799,242	81,095,158	2,780,384
Streets	12,791,903	13,061,097	10,496,626	2,268,666
Solid waste	15,094,240	15,833,712	13,767,222	2,463,462
Health	4,019,509	4,111,808	3,918,970	35,093
Community enrichment	18,135,558	19,173,786	17,162,371	1,556,517
Debt service				
Principal retirement	--	--	3,326,548	(3,326,548)
Interest	--	--	221,280	(221,280)
Total expenditures	<u>153,973,475</u>	<u>156,723,482</u>	<u>144,946,274</u>	<u>8,478,188</u>
Excess (deficiency) of revenues over (under) expenditures	(912,696)	(3,117,328)	4,428,314	(962,665)
<b>Other financing sources (uses)</b>				
Capital leases	--	--	2,032,704	(2,032,704)
Transfers in	4,936,507	5,425,336	5,726,103	--
Transfers out	(4,425,905)	(4,486,128)	(7,467,950)	2,995,369
Total other financing sources	<u>510,602</u>	<u>939,208</u>	<u>290,857</u>	<u>962,665</u>
Net change in fund balance	(402,094)	(2,178,120)	4,719,171	--
Fund balance at beginning of year	<u>14,841,592</u>	<u>15,721,943</u>	<u>15,721,943</u>	<u>--</u>
Fund balance at end of year	<u>\$ 14,439,498</u>	<u>\$ 13,543,823</u>	<u>\$ 20,441,114</u>	<u>\$ --</u>

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

Exhibit 3

Actual Budget Basis	Variance Final Budget Positive (Negative)
\$ 104,338,441	\$ 476,239
3,321,875	654,560
320,715	134,215
33,612,804	656,956
5,658,571	863,725
556,088	329,768
1,566,094	514,013
7,515,523	(345,519)
<u>156,890,111</u>	<u>3,283,957</u>
17,879,993	1,863,844
83,875,542	923,700
12,765,292	295,805
16,230,684	(396,972)
3,954,063	157,745
18,718,888	454,898
--	--
--	--
<u>153,424,462</u>	<u>3,299,020</u>
3,465,649	6,582,977
--	--
5,726,103	300,767
(4,472,581)	13,547
<u>1,253,522</u>	<u>314,314</u>
4,719,171	6,897,291
<u>15,721,943</u>	<u>--</u>
<u>\$ 20,441,114</u>	<u>\$ 6,897,291</u>

**PROPRIETARY FUNDS  
STATEMENT OF NET ASSETS  
JULY 31, 2005**

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents (Note 5)	\$ 40,132	\$ 663,479	\$ 703,611	\$ 8,594,624
Investments (Note 5)	62,897,166	3,498,750	66,395,916	27,507,103
Receivables, net of allowance for uncollectibles (Note 7)	21,678,966	2,169,269	23,848,235	954,514
Due from other funds (Note 16)	--	2,042,077	2,042,077	237,850
Current portion of advance to other funds (Note 16)	30,000	--	30,000	--
Inventories	271,254	39,847	311,101	1,262,922
Prepaid items	--	--	--	430,268
Restricted assets				
Cash and cash equivalents (Note 5)	16,050,916	4,677,572	20,728,488	--
Investments (Note 5)	23,272,197	500,000	23,772,197	--
Receivables, net of allowance for uncollectibles (Note 7)	268,769	233,046	501,815	--
Due from other funds	--	4,420,589	4,420,589	--
Total restricted assets	<u>39,591,882</u>	<u>9,831,207</u>	<u>49,423,089</u>	<u>--</u>
Total current assets	<u>124,509,400</u>	<u>18,244,629</u>	<u>142,754,029</u>	<u>38,987,281</u>
Noncurrent assets				
Deposits	2,300	--	2,300	--
Water supply rights	173,904,740	--	173,904,740	--
Advances to other funds (Note 16)	94,600	--	94,600	--
Bond issue costs	6,079,005	699,812	6,778,817	--
Capital assets (Note 8)				
Land and construction in progress	105,161,205	9,168,194	114,329,399	34,935
Other capital assets, net of accumulated depreciation	720,133,339	76,349,064	796,482,403	17,200,081
Net capital assets	<u>825,294,544</u>	<u>85,517,258</u>	<u>910,811,802</u>	<u>17,235,016</u>
Total noncurrent assets	<u>1,005,375,189</u>	<u>86,217,070</u>	<u>1,091,592,259</u>	<u>17,235,016</u>
Total assets	<u>1,129,884,589</u>	<u>104,461,699</u>	<u>1,234,346,288</u>	<u>56,222,297</u>

(Continued)

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Bank overdraft	\$ 1,155,316	\$ --	\$ 1,155,316	\$ --
Accounts payable	9,355,194	1,648,221	11,003,415	3,418,720
Accrued expenses	416,910	195,103	612,013	376,978
Accrued interest	262,708	--	262,708	--
Current portion of estimated liability claims (Note 11)	--	--	--	8,091,737
Contractor interest and retainage payable	1,680,245	77,547	1,757,792	--
Deposits	228,981	77,691	306,672	784
Liability to claimants - escheat property	94,387	--	94,387	139,147
Due to other funds (Note 16)	30,624,041	119	30,624,160	237,020
Due to other governmental agencies	--	7,115	7,115	--
Unearned revenue	--	52,446	52,446	--
Current portion of long-term liabilities (Note 14)				
Long-term debt	22,692,521	130,340	22,822,861	821,161
Accumulated unpaid compensated absences	1,406,130	554,648	1,960,778	681,134
Liabilities payable from restricted assets				
Accounts payable	1,408,486	37,287	1,445,773	--
Accrued expenses	--	527,399	527,399	--
Accrued interest	539,772	30,130	569,902	--
Contractor interest and retainage payable	1,173,145	106,898	1,280,043	--
Unearned revenue	6,464	147,698	154,162	--
Current portion of long-term debt (Note 14)	--	435,000	435,000	--
Total liabilities payable from restricted assets	<u>3,127,867</u>	<u>1,284,412</u>	<u>4,412,279</u>	<u>--</u>
Total current liabilities	<u>71,044,300</u>	<u>4,027,642</u>	<u>75,071,942</u>	<u>13,766,681</u>
<b>Noncurrent liabilities</b>				
Estimated liability claims, net of current portion (Note 11)	--	--	--	6,955,819
Long-term liabilities, net of current portion (Note 14)				
Long-term debt	540,110,041	25,323,035	565,433,076	2,893,724
Accumulated unpaid compensated absences	1,221,627	826,530	2,048,157	932,455
Total noncurrent liabilities	<u>541,331,668</u>	<u>26,149,565</u>	<u>567,481,233</u>	<u>10,781,998</u>
Total liabilities	<u>612,375,968</u>	<u>30,177,207</u>	<u>642,553,175</u>	<u>24,548,679</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	442,475,727	65,850,377	508,326,104	13,520,130
Restricted for				
Passenger facility charges projects	--	2,027,719	2,027,719	--
Bond interest and redemption	1,908,644	104,818	2,013,462	--
Construction of capital assets	24,297,563	1,109,837	25,407,400	--
Improvements to utility lines and facilities	10,169,833	--	10,169,833	--
Abatement of public health hazards	87,975	--	87,975	--
Required capital reserve	--	250,000	250,000	--
Required operating reserve	--	1,084,257	1,084,257	--
Law enforcement officers' standards and education	--	5,166	5,166	--
Unrestricted	<u>38,568,879</u>	<u>3,852,318</u>	<u>42,421,197</u>	<u>18,153,488</u>
Total net assets	<u>\$ 517,508,621</u>	<u>\$ 74,284,492</u>	<u>\$ 591,793,113</u>	<u>\$ 31,673,618</u>

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



City of  
Corpus  
Christi

Exhibit 4-B

**RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF NET ASSETS  
TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS  
JULY 31, 2005**

**Total net assets - total proprietary funds** \$ 591,793,113

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

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

6,691,090

**Net assets of business-type activities**

\$ 598,484,203

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

**PROPRIETARY FUNDS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2005**

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
<b>Operating revenues</b>				
Charges for services - net	\$ 148,497,118	\$ 15,108,624	\$ 163,605,742	\$ 59,999,133
<b>Operating expenses</b>				
Personal services	23,976,684	10,030,128	34,006,812	12,848,452
Materials and supplies	37,348,290	947,918	38,296,208	2,257,723
Contractual services	19,254,047	2,350,851	21,604,898	9,767,113
Other operating expenses	22,779,341	1,823,830	24,603,171	2,464,554
Uncollectible accounts	1,737,481	109,755	1,847,236	2,322
Depreciation	23,324,689	4,633,619	27,958,308	4,098,020
Self-insurance claims	--	--	--	19,160,180
Total operating expenses	<u>128,420,532</u>	<u>19,896,101</u>	<u>148,316,633</u>	<u>50,598,364</u>
Operating income (loss)	20,076,586	(4,787,477)	15,289,109	9,400,769
<b>Nonoperating revenues (expenses)</b>				
Investment income	2,691,483	239,394	2,930,877	566,491
Interest expense and fiscal charges	(20,967,641)	(1,262,230)	(22,229,871)	(192,064)
Passenger facility charges	--	1,680,265	1,680,265	--
Net gain (loss) on disposal of assets	(2,599,738)	14,376	(2,585,362)	413,372
Retirement of obsolete facilities	(4,240,683)	--	(4,240,683)	--
Recovery on damage claims	4,523	601	5,124	47,133
Developer deposits	1,586,201	--	1,586,201	--
Contributions from developers	8,482,224	--	8,482,224	--
Reimbursements to developers	(405,227)	--	(405,227)	--
Contributions from other governmental agencies	1,181,628	3,624,362	4,805,990	--
Net contribution of assets to other funds	(11,070)	--	(11,070)	--
Forfeited bid bonds	61,063	--	61,063	--
Total nonoperating revenues (expenses)	<u>(14,217,237)</u>	<u>4,296,768</u>	<u>(9,920,469)</u>	<u>834,932</u>
Income (loss) before transfers	5,859,349	(490,709)	5,368,640	10,235,701
Transfers in	--	3,216,572	3,216,572	1,757,262
Transfers out	(5,613,100)	(1,756,913)	(7,370,013)	(378,834)
Total transfers	<u>(5,613,100)</u>	<u>1,459,659</u>	<u>(4,153,441)</u>	<u>1,378,428</u>
Net income	246,249	968,950	1,215,199	11,614,129
Net assets at beginning of year	<u>517,262,372</u>	<u>73,315,542</u>	<u>590,577,914</u>	<u>20,059,489</u>
Net assets at end of year	<u>\$ 517,508,621</u>	<u>\$ 74,284,492</u>	<u>\$ 591,793,113</u>	<u>\$ 31,673,618</u>

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

**RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF REVENUES,  
EXPENSES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JULY 31, 2005**

<b>Net change in fund balances - total proprietary funds</b>	\$ 1,215,199
Amounts reported for governmental activities in the statement of activities are different because:	
Solid Waste is a business-type activity that is included in the general fund. The net revenues of the Solid Waste activity are reported in the business-type activities.	<u>9,302,438</u>
<b>Change in net assets of business-type activities</b>	<u><u>\$ 10,517,637</u></u>

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

**PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2005**

	<b>Enterprise Funds</b>			<b>Internal Service Funds</b>
	<b>Utility System Fund</b>	<b>Other Enterprise Funds</b>	<b>Total</b>	
<b>Cash flows from operating activities</b>				
Receipts from customers	\$ 144,126,685	\$ 15,139,458	\$ 159,266,143	\$ 8,406,674
Receipts from interfund services provided	201,364	--	201,364	60,440,866
Payments to suppliers	(51,751,476)	(2,717,741)	(54,469,217)	(18,139,293)
Payments to employees	(21,263,480)	(9,110,605)	(30,374,085)	(11,709,548)
Internal activity - payments to other funds	(25,508,654)	(3,223,528)	(28,732,182)	(3,983,630)
Claims paid	--	--	--	(20,395,587)
Net cash provided by operating activities	<u>45,804,439</u>	<u>87,584</u>	<u>45,892,023</u>	<u>14,619,482</u>
<b>Cash flows from noncapital financing activities</b>				
Changes in interfund borrowings	28,115,849	(6,423,253)	21,692,596	(276,691)
Interest on interfund borrowings	7,051	--	7,051	(24,178)
Contributions from other government agencies	462,903	8,729	471,632	--
Transfers in from other funds	--	3,216,572	3,216,572	1,757,262
Transfers out to other funds	(5,613,100)	(1,756,913)	(7,370,013)	(378,834)
Recovery on damage claims	4,523	601	5,124	47,133
Net cash provided by (used for) noncapital financing activities	<u>22,977,226</u>	<u>(4,954,264)</u>	<u>18,022,962</u>	<u>1,124,692</u>
<b>Cash flows from capital and related financing activities</b>				
Acquisition of capital assets	(63,441,392)	(6,838,270)	(70,279,662)	(2,224,473)
Proceeds from sale of capital assets	14,594	15,613	30,207	229,781
Developers deposits	1,586,677	--	1,586,677	--
Reimbursements to developers	(505,743)	--	(505,743)	--
Contributions from other governmental agencies	786,355	2,159,859	2,946,214	--
Passenger facility charge	--	1,709,224	1,709,224	--
Proceeds from issuance of revenue bonds	52,208,049	--	52,208,049	--
Proceeds from issuance of commercial paper	--	4,407,757	4,407,757	--
Proceeds from forfeited bid bonds	61,063	--	61,063	--
Principal paid on long-term debt	(22,919,542)	(585,788)	(23,505,330)	(1,149,454)
Principal paid on commercial paper	(25,000,000)	--	(25,000,000)	--
Interest and fiscal charges	(20,562,444)	(1,186,891)	(21,749,335)	(167,886)
Net cash used for capital and related financing activities	<u>(77,772,383)</u>	<u>(318,496)</u>	<u>(78,090,879)</u>	<u>(3,312,032)</u>
<b>Cash flows from investing activities</b>				
Purchase of investment securities	(171,247,598)	(6,500,000)	(177,747,598)	(42,072,931)
Proceeds from sale and maturity of investment securities	181,622,878	10,968,422	192,591,300	34,846,883
Interest on investments	3,214,365	296,030	3,510,395	697,947
Net cash provided by (used for) investing activities	<u>13,589,645</u>	<u>4,764,452</u>	<u>18,354,097</u>	<u>(6,528,101)</u>
Net increase (decrease) in cash and cash equivalents	4,598,927	(420,724)	4,178,203	5,904,041
Cash and cash equivalents at beginning of year, including restricted accounts	<u>11,492,122</u>	<u>5,761,775</u>	<u>17,253,897</u>	<u>2,690,583</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 16,091,049</u>	<u>\$ 5,341,051</u>	<u>\$ 21,432,100</u>	<u>\$ 8,594,624</u>

(Continued)

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>				
Operating income (loss)	\$ 20,076,586	\$ (4,787,477)	\$ 15,289,109	\$ 9,400,769
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	23,324,689	4,633,619	27,958,308	4,098,020
Amortization of water rights	3,887,487	--	3,887,487	--
Amortization of fish and wildlife costs	270,042	--	270,042	--
Change in estimated claims liability	--	--	--	(1,220,654)
Provision for uncollectible accounts	1,737,481	109,755	1,847,236	--
Changes in assets and liabilities				
Receivables	(4,898,154)	27,628	(4,870,526)	98,319
Due from other funds	45,000	7,020	52,020	205,696
Inventory	54,581	12,877	67,458	(53,918)
Prepaid items	--	--	--	11,887
Accounts payable	1,485,121	173,418	1,658,539	2,203,608
Accrued expenses	(7,194)	31,665	24,471	(139,706)
Unearned revenue	(1,100)	2,356	1,256	--
Accumulated unpaid compensated absences	212,337	16,379	228,716	226,758
Deposits	99,141	25,503	124,644	(179)
Liability to claimants-escheat property	(3,423)	--	(3,423)	(16,454)
Due to other funds	(209,982)	(171,958)	(381,940)	(194,664)
Due to other governmental agencies	--	6,744	6,744	--
Changes in restricted assets and liabilities				
Due from other funds	--	55	55	--
Accounts payable	(30,631)	--	(30,631)	--
Due to other funds	(237,541)	--	(237,541)	--
Net cash provided by operating activities	<u>\$ 45,804,440</u>	<u>\$ 87,584</u>	<u>\$ 45,892,024</u>	<u>\$ 14,619,482</u>
<b>Noncash investing, capital and financing activities</b>				
Contribution of capital assets from general fund	\$ (11,070)	\$ --	\$ (11,070)	\$ --
Contribution of capital assets from developers	\$ 8,482,224	\$ --	\$ 8,482,224	\$ --
Change in fair value of investments	\$ (305,422)	\$ (1,250)	\$ (306,672)	\$ (111,743)
Acquisition of capital assets under capital lease	\$ --	\$ 149,563	\$ 149,563	\$ 313,296
Bond refunding	\$ 182,017,866	\$ --	\$ 182,017,866	\$ --

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

**FIDUCIARY FUNDS  
STATEMENT OF NET ASSETS  
JULY 31, 2005**

	<b>Deferred Compensation Plan</b>	<b>Private Purpose Trust Fund</b>
	<u>          </u>	<u>          </u>
<b>ASSETS</b>		
Cash and cash equivalents (Note 5)	\$ --	\$ 169,244
Investments		
Guaranteed Rate Accounts	12,971,333	--
Stocks	19,951,547	--
Bonds	689,395	--
Combined Stocks and Bonds	2,146,139	--
Money Markets	103,985	--
Receivables		
Loans	312,346	--
Net receivables	<u>312,346</u>	<u>--</u>
Total assets	<u>36,174,745</u>	<u>169,244</u>
<b>LIABILITIES</b>	--	--
<b>NET ASSETS</b>		
Held in trust for deferred compensation benefits	36,174,745	--
Held in trust for individuals and organizations	<u>--</u>	<u>169,244</u>
Total net assets	<u>\$ 36,174,745</u>	<u>\$ 169,244</u>

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

**FIDUCIARY FUNDS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**YEAR ENDED JULY 31, 2005**

	<b>Deferred Compensation Plan</b>	<b>Private Purpose Trust Fund</b>
<b>Additions</b>		
Employee contributions	\$ 5,897,395	\$ --
Earnings on investments	3,435,235	389
Total additions	9,332,630	389
<b>Deductions</b>		
Payment of benefits	\$ 3,657,337	\$ --
Administrative fees	83,051	--
Disbursements for designated purposes	--	9,726
Total deductions	3,740,388	9,726
Net increase (decrease)	5,592,242	(9,337)
Net assets beginning of year	30,582,503	178,581
Net assets at end of year	\$ 36,174,745	\$ 169,244

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



City of  
Corpus  
Christi

## NOTES TO FINANCIAL STATEMENTS

### 1. Summary of Significant Accounting Policies

The City of Corpus Christi (the City) was incorporated in 1852. In 1909, the City was organized under a City Charter and operated as a general law city until 1926 when a Home Rule Charter with a commission form of government was adopted. The charter was amended in 1945, and the present Council-Manager form of government was adopted. The principal services accounted for as general governmental functions include public safety, health, streets, sanitation, parks and recreation, planning, zoning, and general administrative services.

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

The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of these Notes. The remainder of the Notes is organized to provide explanations, including required disclosures, on the City's financial activities for the fiscal year ended July 31, 2005.

#### A. Reporting Entity

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

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

#### Blended Component Units

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

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

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

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

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

The blended component units are included in the government fund statements as non major government funds.

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

#### **Discretely Presented Component Units**

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

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

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

**Discretely Presented Component Units**

	<b><u>Coastal Bend Health Facilities Development Corporation</u></b>	<b><u>Corpus Christi Convention and Visitors Bureau</u></b>
Assets		
Current assets	\$ 14,741	\$ 329,646
Capital assets	--	183,030
Total assets	<u>14,741</u>	<u>512,676</u>
Current liabilities	<u>--</u>	<u>151,396</u>
Net assets		
Invested in capital assets	--	183,030
Unrestricted	14,741	178,250
Total net assets	<u>\$ 14,741</u>	<u>\$ 361,280</u>
Revenues	\$ 266	\$ 2,463,436
Expenses	<u>--</u>	<u>2,599,473</u>
Change in net assets	266	(136,037)
Net assets at beginning of year	<u>14,475</u>	<u>497,317</u>
Net assets at end of year	<u>\$ 14,741</u>	<u>\$ 361,280</u>

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The City's fiduciary funds are presented in the fund financial statements by type (pension and private-purpose). Since by definition these assets are being held for the benefit of a third party (e.g., other local governments, private parties, pension participants) and cannot be used to finance activities or obligations of the government, these funds are not incorporated into the government-wide statements. The City's fiduciary funds are used to account for the assets in the deferred compensation plans of the City held in trust for the exclusive benefit of the employees, as well as to account for the severance package for both the City Manager and City Secretary. The focus of the current model is on the City as a whole and the fund financial statements, including the major individual funds of the governmental and business-type categories, as well as the fiduciary funds, and the component units. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

GASB 34 establishes criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a single column in the fund financial statements. The City reports the following major funds.

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

**The debt service fund** is used to account for funds needed to make principal and interest payments on outstanding bonds when due.

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

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

#### **Accrual**

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

#### **Modified Accrual**

All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers property taxes available if they are collected within 60 days after year end. A 120 day availability period is used for revenue recognition for all other governmental fund revenues. Those revenues considered susceptible to

accrual are property taxes, hotel occupancy taxes, special assessments, interest income, and charges for services. Sales taxes collected and held by the State at year end on behalf of the City are also recognized as revenues. Fines, permits, and parking meter revenues are not susceptible to accrual because they are not measurable until received in cash.

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

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

#### **E. Cash and Cash Equivalents**

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

#### **F. Investments**

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

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

#### **G. Receivables**

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

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 120 days comprise the trade accounts receivable allowance for uncollectibles. The property tax receivable allowance is equal to 77% percent of outstanding property taxes at the end of the fiscal year.

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

#### **H. Inventories**

Inventories are valued at cost, which approximates market, using either the first-in/first-out (FIFO) method or the average

cost method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

**I. Use of Estimates**

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

**J. Capital Assets**

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

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

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

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

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

**K. Restricted Assets**

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

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

**L. Accumulated Unpaid Compensated Absences**

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

**M. Long-term Obligations**

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

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

**N. Pension Plans**

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

**O. Fund Equity**

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

**P. Reclassification of Prior Year**

In the government-wide financial statements, the solid waste activity, which is part of the General Fund, is presented as a business-type activity. Last year, \$6,613,174 of solid waste’s capital projects and \$3,624,466 of debt related to solid waste, which net \$2,988,708, was not reflected in the business-type activity. Therefore Solid Waste’s beginning net assets were adjusted as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Beginning net assets, as previously reported	\$ 204,076,414	\$ 584,977,858	\$ 789,054,272
Reclassification of solid waste debt and capital costs	(2,988,708)	2,988,708	-
Beginning net assets, as restated	<u>\$ 201,087,706</u>	<u>\$ 587,966,566</u>	<u>\$ 789,054,272</u>

## **2. Budget Policy and Budgetary Accounting**

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

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

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

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

## **3. Sales Tax Revenue**

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

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

## **4. Property Taxes**

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

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

shall have a bond allowable of \$1.50 per \$100 valuations (unless City Charter provides less). On April 3, 1993, the citizens of Corpus Christi voted to amend the City Charter which contained a tax limitation of \$0.68 per \$100 of assessed value for all purposes including debt service. The amended charter provided for the tax rate to increase up to the State limit, \$1.50 per \$100 of assessed value, for voter approved debt after April 4, 1993. The State allowable is computed based on 90% collections.

The 2004-2005 tax rates were \$0.460000 for the general fund and \$0.174175 for debt service for a total of \$0.634175 per \$100 of assessed value. Therefore, the City's tax margin of \$0.045825 per \$100 of assessed value could raise up to \$4,417,329 additional taxes each year based on the assessed value of \$9,639,561,772. The City could raise up to \$109,766,837 in additional taxes for voter approved tax supported obligations, based on the assessed valuation of \$9,639,561,772 and a debt margin of \$1.138712 calculated on 90% collections.

**5. Deposits and Investments**

As of July 31, 2005, the City had the following investments:

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Days)</u>
Federal agency coupon securities	\$ 218,212,304	\$ 217,529,384	328
Federal agency discount securities	29,180,574	29,322,160	211
Local government investment pools	42,170,026	42,170,026	1
Money market funds	683,149	683,149	1
Total	<u>290,246,053</u>	<u>289,704,719</u>	
Short-term investments included in cash and cash equivalents	<u>42,853,175</u>	<u>42,853,175</u>	
Equity in total investments	<u>\$ 247,392,878</u>	<u>\$ 246,851,544</u>	
Portfolio weighted average maturity			268

**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 ten months.

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

**Concentration of credit risk** – The City’s investment policy does not allow for an investment in any one local government investment pool in excess of five percent of the current invested balance of the local government investment

pool or \$50,000,000. The maximum amount that may be invested in all local government investment pools is twenty-five (25) percent of the investment portfolio.

**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. The City had total cash and cash equivalents of \$44,339,964 which were covered by federal depository insurance (FDIC) or were secured by collateral held by the City's agent in the City's name. Likewise, the discretely presented component units had total cash and cash equivalents of \$260,983 which were covered by FDIC or were secured by collateral held by the City's or component unit's agent in the City's or component unit's name.

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

## 6. Budgetary Data

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

\$1,034,204 to revenues and other financing sources comprised of:

- \$13,500 from Del Mar College,
- \$476,950 from settlement proceeds,
- \$11,879 from other funds,
- \$498,000 from proceeds from sale of assets, and
- \$33,875 from miscellaneous revenues.

\$2,810,230 to expenditures and other financing uses comprised of:

- \$1,392,676 in encumbrances approved to carry forward from the end of the prior fiscal year,
- \$368,800 for legal services relating to pipeline companies,
- \$2,000 to purchase library materials,
- \$14,000 for access studio equipment and facilities,
- \$11,879 for cashiering surveillance equipment,
- \$498,000 for payoff of landfill equipment,
- \$13,500 for thermal image camera and transmitter,
- \$476,950 for capital improvements to Natatorium,
- \$6,000 for Park & Recreation special events, and
- \$26,425 for purchase of police department ammunitions.

General Fund budget variances to expenditures and transfers include the following:

Solid Waste Services expenditures were over budget by \$396,972 primarily due to the high cost of fuel. Both refuse collection and disposal are heavily dependent on fuel, and although the department initiated cost containment measures, they were unable to absorb the full amount of the increase in their existing budgets.

7. Receivables

	<u>General</u>	<u>Debt Service</u>	<u>Utility System Fund</u>	<u>and Other Funds</u>	<u>Total</u>
Unrestricted					
Accounts	\$ 6,929,939	\$ -	\$ 22,803,786	\$ 5,415,767	\$ 35,149,492
Taxes	3,268,826	1,526,094	-	1,640	4,796,560
Accrued interest	164,323	50,713	393,898	713,723	1,322,657
Intergovernmental	4,887,123	6,337	1,278,556	6,513,890	12,685,906
Mortgages & loans	-	-	-	18,102,334	18,102,334
Property leases	2,939	-	3,318	1,000	7,257
Demolition liens	2,593,426	-	-	207,299	2,800,725
Special assessments	-	-	-	573,774	573,774
Employees	-	-	11,834	-	11,834
Miscellaneous	177,941	675	34,090	3,586	216,292
Restricted					
Accounts	-	-	-	229,612	229,612
Accrued interest	-	-	268,769	3,434	272,203
Intergovernmental	-	-	-	844,589	844,589
Gross receivables	18,024,517	1,583,819	24,794,251	32,610,647	77,013,234
Less allowance for uncollectible	(5,703,227)	(1,113,827)	(2,846,516)	(378,504)	(10,042,074)
Net total receivables	<u>\$ 12,321,290</u>	<u>\$ 469,992</u>	<u>\$ 21,947,735</u>	<u>\$ 32,232,144</u>	<u>\$ 66,971,161</u>

**8. Capital Assets**

A summary of changes in the capital assets follows:

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
<b>Governmental activities</b>				
Capital assets, not being depreciated				
Land	\$ 49,121,720	\$ 6,294,925	\$ --	\$ 55,416,645
Construction in progress	<u>126,536,556</u>	<u>(90,018,416)</u>	<u>--</u>	<u>36,518,140</u>
Total capital assets, not being depreciated	<u>175,658,276</u>	<u>(83,723,491)</u>	<u>--</u>	<u>91,934,785</u>
Capital assets, being depreciated				
Buildings	104,441,983	101,161,073	--	205,603,056
Improvements	105,183,272	18,740,657	--	123,923,929
Machinery and equipment	117,479,205	9,090,106	3,944,138	122,625,173
Infrastructure	<u>152,446,828</u>	<u>17,647,484</u>	<u>--</u>	<u>170,094,312</u>
Total capital assets, being depreciated	<u>479,551,288</u>	<u>146,639,320</u>	<u>3,944,138</u>	<u>622,246,470</u>
Less accumulated depreciation for				
Buildings	40,198,974	3,626,867	--	43,825,841
Improvements	64,440,600	5,689,059	--	70,129,659
Machinery and equipment	93,909,550	6,714,656	3,834,832	96,789,374
Infrastructure	<u>89,043,000</u>	<u>7,276,075</u>	<u>--</u>	<u>96,319,075</u>
Total accumulated depreciation	<u>287,592,124</u>	<u>23,306,657</u>	<u>3,834,832</u>	<u>307,063,949</u>
Total capital assets, being depreciated, net	<u>191,959,164</u>	<u>123,332,663</u>	<u>109,306</u>	<u>315,182,521</u>
Governmental activities capital assets, net	<u>\$ 367,617,440</u>	<u>\$ 39,609,172</u>	<u>\$ 109,306</u>	<u>\$ 407,117,306</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	\$ 24,451,839	\$ 7,305,159	\$ --	\$ 31,756,998
Construction in progress	143,981,772	(43,739,467)	6,041,407	94,200,898
Total capital assets, not being depreciated	<u>168,433,611</u>	<u>(36,434,308)</u>	<u>6,041,407</u>	<u>125,957,896</u>
Capital assets, being depreciated				
Buildings	81,680,899	5,312,852	7,367	86,986,384
Improvements	223,363,727	47,361,528	274,659	270,450,596
Machinery and equipment	44,292,395	2,896,018	1,000,425	46,187,988
Infrastructure	644,608,466	72,767,130	1,488,896	715,886,700
Total capital assets, being depreciated	<u>993,945,487</u>	<u>128,337,528</u>	<u>2,771,347</u>	<u>1,119,511,668</u>
Less: accumulated depreciation for				
Buildings	22,361,939	2,660,416	368	25,021,987
Improvements	68,035,243	10,387,668	17,041	78,405,870
Machinery and equipment	23,832,630	3,833,736	890,743	26,775,623
Infrastructure	165,962,241	13,051,248	1,048,349	177,965,140
Total accumulated depreciation	<u>280,192,053</u>	<u>29,933,068</u>	<u>1,956,501</u>	<u>308,168,620</u>
Total capital assets, being depreciated, net	<u>713,753,434</u>	<u>98,404,460</u>	<u>814,846</u>	<u>811,343,048</u>
Business-type activities capital assets, net	<u>\$ 882,187,045</u>	<u>\$ 61,970,152</u>	<u>\$ 6,856,253</u>	<u>\$ 937,300,944</u>

**Discretely presented component units**

Activity for the Convention and Visitors Bureau for the year ended July 31, 2005, was as follows:

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Capital assets, being depreciated				
Buildings	\$ 224,623	\$ --	\$ --	\$ 224,623
Machinery and equipment	215,087	2,875	1,150	216,812
Total capital assets, being depreciated	<u>439,710</u>	<u>2,875</u>	<u>1,150</u>	<u>441,435</u>
Less accumulated depreciation for				
Buildings	65,368	10,354	--	75,722
Machinery and equipment	164,295	18,388	--	182,683
Total accumulated depreciation	<u>229,663</u>	<u>28,742</u>	<u>--</u>	<u>258,405</u>
Total capital assets, being depreciated, net	<u>210,047</u>	<u>(25,867)</u>	<u>1,150</u>	<u>183,030</u>
Convention and Visitor's Bureau capital assets, net	<u>\$ 210,047</u>	<u>\$ (25,867)</u>	<u>\$ 1,150</u>	<u>\$ 183,030</u>

the City of Corpus Christi, Texas

Depreciation expense is charged to functions as follows:

<u>Governmental Activity</u>		<u>Business-type activity</u>	
General government	\$ 1,698,324	Gas	\$ 1,117,817
Police	563,907	Water	14,486,562
Fire	660,039	Wastewater	7,720,310
Emergency management	380	Airport	3,945,504
Inspections	12,661	Ambulance	143,427
Streets	8,411,885	Golf center	219,598
Health	190,988	Marina	325,090
Parks and recreation	2,710,468	Solid waste	1,974,760
Libraries	283,283	Total	<u>\$ 29,933,068</u>
Museums	160,979		
Community enrichment	22,887		
Community development	1,319,170		
Convention and visitor	3,173,666		
Internal service fund	4,098,020		
Total	<u>\$ 23,306,657</u>		

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

	<u>Project Authorization</u>	<u>Expenditures Through 07-31-05</u>	<u>Additional Funds Committed</u>	<u>Required Future Financing</u>
Arena	\$ 199,666	\$ 199,221	\$ 445	\$ --
Baseball Stadium	274,410	--	274,410	--
Bayfront Development	1,500,000	1,318	1,498,682	--
City Hall	4,252,163	2,708,236	1,543,927	--
Computer System	186,221	180,265	5,956	--
Convention Facility	1,605,716	349,116	1,256,600	--
Library	2,600,078	18,736	2,581,342	--
Museum	160,000	12,656	147,344	--
Packery Channel	8,466,673	8,046,494	420,179	--
Parks	7,618,455	129,003	7,489,452	--
Police Building	37,720	7,033	30,687	--
Public Health and Safety	2,163,737	1,672,950	490,787	--
Sanitary Landfill	21,529,945	1,543,596	19,986,349	--
Seawall	24,782,503	16,188,316	8,594,187	--
Street	55,450,213	4,502,277	50,947,936	--
Total	<u>\$ 130,827,500</u>	<u>\$ 35,559,217</u>	<u>\$ 95,268,283</u>	<u>\$ --</u>

**9. Employment Retirement Benefits**

**A. Retirement Systems**

The City participates in funding two retirement plans: (1) all City employees, except firefighters, are provided benefits through a non-institutional, joint contributory, defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), one of 797 administered by TMRS, an agent multiple-employer public employee retirement system and (2) all

firefighters are covered by the Fire Fighters Retirement System of Corpus Christi, a single-employer defined benefit pension plan. An independent board of trustees administers each plan. The fiscal year of each pension fund ends December 31. The most recently available financial statements of the pension funds are for the year ended December 31, 2004. Membership in the plans at December 31, 2004 is as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>	<u>Total</u>
Retirees and beneficiares currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	1,233	270	1,503
Current employees	2,625	394	3,019
Total	<u>3,858</u>	<u>664</u>	<u>4,522</u>

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

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

	<u>Texas Municipal Retirement System</u>	<u>Fire Fighters Retirement System</u>
Authority establishing contribution obligation	State Legislation	State Legislation
Frequency of contribution	Biweekly	Biweekly
Employee's contribution (percent of earnings)	6.00%	10%
City's contribution (percent of earnings)		
Calendar year 2004	11.96%	12%
Calendar year 2005	14.03%	12.5%

While the contribution requirements are not actuarially determined, State law requires that a qualified actuary approve each plan of benefits adopted. The actuary of each plan has certified that the contribution commitment by the participants and the City provide an adequate financing arrangement. Contributions for fiscal year ended July 31, 2005 are as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>	<u>Total</u>
City	\$13,026,353	\$ 2,604,162	\$ 15,630,515
Employees	5,457,642	2,194,781	7,652,423
Total	<u>\$ 18,483,995</u>	<u>\$ 4,798,943</u>	<u>\$ 23,282,938</u>

**Annual Pension Cost and Net Pension Obligation**

The City's annual pension cost of \$15,630,515 for fiscal year ended July 31, 2005, was equal to the City's required and actual contributions. Three-year trend information is as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>	<u>Total</u>
City's Annual Pension Cost (APC)			
2003	\$ 10,241,750	\$ 2,423,671	\$ 12,665,421
2004	\$ 11,386,987	\$ 2,673,855	\$ 14,060,842
2005	\$ 13,026,353	\$ 2,604,162	\$ 15,630,515
Percentage of APC contributed			
2003	100%	100%	N/A
2004	100%	100%	N/A
2005	100%	100%	N/A
Net Pension Obligation			
2003	\$ --	\$ --	\$ --
2004	\$ --	\$ --	\$ --
2005	\$ --	\$ --	\$ --

The latest actuarial valuations for City employees was completed as of December 31, 2004, and for Fire Fighters was completed as of December 31, 2004. The actuarial cost method and significant assumptions underlying the actuarial calculations are as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>
Actuarial cost method	Unit credit	Entry age
Asset valuation basis	Carrying value	Market value
Inflation rate	N/A	4%
Projected annual salary increases	N/A	4%
Post retirement benefit increase	N/A	N/A
Assumed rate of return on Investments	7%	8%
Amortization method	Level percent of payroll, open	Level percent of payroll, open
Remaining amortization period	25 years	23 years

**B. Deferred Compensation Plan**

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

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

Employees who retire from the City of Corpus Christi are eligible to continue to participate in the City's life and health insurance programs. The City provides no funding for any portion of the premiums after retirement. As of July 31, 2005 a total of 554 retirees were eligible to participate in the City's group health program. Retirees may enroll in any of the City's self-funded health insurance plans (Citicare, Citicare Public Safety, and Citicare-Fire).

**11. Risk Management**

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

**A. Insurance**

The City is self-insured due to the high cost of commercial liability, workers' compensation, and health insurance. Commercial property insurance for \$80 million on City buildings, \$75 million in airport liability, \$10 million of excess gas utility liability insurance, and an excess insurance policy which covers workers' compensation claims in excess of \$350,000 per accident up to \$1 million are maintained. In addition, excess liability insurance is purchased for general /auto liability claims in excess of \$500,000 per accident. A stop loss policy which covers health claims in excess of \$150,000 per individual with maximum lifetime coverage of \$1 million is kept in force. In addition, the City maintains aggregate coverage of its group health expenses at 125% of projected claims. Settlements have not exceeded insurance coverage during the past three fiscal years.

All funds of the City participate in the program and make payments to the Liability and Employee Benefits Fund based on estimates of amounts needed to pay prior and current year claims. The estimated claims liability of \$15,047,556 at July 31, 2005, of which \$8,091,737 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 2004 and 2005 were:

	<u>Fiscal Year Liability</u>	<u>Changes in Estimates</u>	<u>Claim Payments</u>	<u>Fiscal Year End</u>
<b>Fiscal Year</b>				
2003-2004	\$ 18,320,861	\$ 18,322,753	\$ (20,375,404)	\$ 16,268,210
2004-2005	16,268,210	19,160,180	(20,380,834)	15,047,556

**B. Contingent Liabilities**

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

**12. Operating Leases**

**A. Property Leased From Others**

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

**B. Property Leased To Others**

The City is the lessor of airport floor space under operating leases expiring through the fiscal year 2015. Minimum rentals to be received from non-cancelable leases are:

<u>Fiscal Year Ending July 31,</u>	<u>Enterprise Funds</u>
2006	\$ 1,496,735
2007	1,539,921
2008	624,491
2009	317,206
2010-2015	<u>1,701,777</u>
Total minimum future rentals	<u>\$ 5,680,130</u>

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

**13. Commercial Paper**

On March 1, 2003, the City Council approved a \$75,000,000 commercial paper program for a term of seven years to provide interim funding of Utility System capital projects. As of July 31, 2005, there was no commercial paper outstanding. In September 2005, the City sold \$70,000,000 in commercial paper. The commercial paper is supported by a letter of credit from Westdeutsche Landesbank Girozentrale.

**14. Long-term obligations**

The following is a summary of long-term obligation transactions of the City for the year ended July 31, 2005:

	<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	\$ 100,489,139	\$ 112,125,000	\$ (50,534,693)	\$ 162,079,446	\$ 12,994,446
Certificates of obligation	50,265,000	-	(15,275,000)	34,990,000	2,510,000
Revenue bonds	120,910,000	4,100,000	(3,525,000)	121,485,000	3,575,000
Original issue discount	9,935,581	443,259	(8,196,939)	2,181,901	-
Premium on bonds	5,408,337	7,878,689	(823,327)	12,463,699	-
Deferred gain on refunding	(657,727)	(3,094,529)	442,711	(3,309,545)	-
Capital leases	7,378,760	805,009	(2,259,870)	5,923,899	1,610,295
Other notes payable	6,001,404	-	(1,204,939)	4,796,465	436,465
Total long-term debt	<u>299,730,494</u>	<u>122,257,428</u>	<u>(81,377,057)</u>	<u>340,610,865</u>	<u>21,126,206</u>
Accumulated compensated absences	<u>27,871,547</u>	<u>8,816,772</u>	<u>(6,714,968)</u>	<u>29,973,351</u>	<u>6,714,968</u>
Governmental activities Long-term liabilities	<u>\$ 327,602,041</u>	<u>\$ 131,074,200</u>	<u>\$ (88,092,025)</u>	<u>\$ 370,584,216</u>	<u>\$ 27,841,174</u>
<b>Business-type activities</b>					
Long-term debt					
Revenue bonds payable	\$ 375,630,000	\$ 220,125,000	\$ (187,950,000)	\$ 407,805,000	\$ 20,595,000
Certificates of obligation	6,845,000	19,020,000	(205,000)	25,660,000	240,000
Original issue discount	(3,539,328)	(77)	2,647,758	(891,647)	-
Premium on bonds payable	9,227,459	16,093,410	(4,510,212)	20,810,657	-
Deferred gain on refunding	(3,824,496)	(15,317,865)	1,340,600	(17,801,761)	-
Capital leases	5,119,476	1,710,290	(2,386,922)	4,442,844	1,599,371
Utility notes payable	176,221,133	-	(2,084,542)	174,136,591	2,532,521
Total long-term debt	<u>565,679,244</u>	<u>241,630,758</u>	<u>(193,148,318)</u>	<u>614,161,684</u>	<u>24,966,892</u>
Landfill closure cost	15,545,107	1,026,553	(251,484)	16,320,176	251,484
Accumulated compensated absences	<u>4,433,918</u>	<u>2,537,946</u>	<u>(2,266,656)</u>	<u>4,705,208</u>	<u>2,266,656</u>
Business-type activities Long-term liabilities	<u>\$ 585,658,269</u>	<u>\$ 245,195,257</u>	<u>\$ (195,666,458)</u>	<u>\$ 635,187,068</u>	<u>\$ 27,485,032</u>

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

**A. Bonds**

Bonds payable at July 31, 2005, are comprised of the following:

**Governmental activities**

**General Obligation Bonds**

\$40,200,485 1987 General Improvement and Refunding Bonds and Capital Appreciation Bonds last installment of \$669,446 due November 1, 2005, interest at 8.40%.	\$ 669,446
\$39,150,000 2001 General Improvement Refunding Bonds due in annual installments of \$170,000 to \$3,850,000 through March 1, 2018, including \$10,000,000 in term bonds due March 1, 2021, interest at 4.50% to 5.375%.	22,660,000
\$11,340,000 2001-A General Improvement Refunding Bonds due in annual installments of \$120,000 to \$4,400,000 through March 1, 2008, including \$3,310,000 in term bonds due March 1, 2006, and \$500,000 in term bonds due March 1, 2012, interest at 5.00%.	11,235,000
\$22,575,000 2003 General Improvement Refunding Bonds due in annual installments of \$725,000 to \$3,760,000 through March 1, 2015, except 2011-2012 in which no payments are due, interest at 3.25% to 5.00%.	15,390,000
\$25,640,000 2004 General Improvement Refunding Bonds due in annual installments of \$165,000 to \$6,365,000 through March 1, 2012, interest at 5.00% .	25,640,000
\$86,485,000 2005 General Improvement and Refunding bonds due in annual installments of \$680,000 to \$6,775,000 through March 1, 2025, interest at 3.25% to 5.25%.	<u>86,485,000</u>
Total General Improvement Bonds	162,079,446
Accumulated accretion of original issue discount (original issue discount of \$2,840,554 less \$658,653 unaccreted discount).	<u>2,181,901</u>
Total General Obligation Bonds and Accumulated Accretion	<u>\$164,261,347</u>

**Certificates of Obligation**

\$1,200,000 1993 Combination Tax and Revenue Certificates of Obligation, last installment of \$100,000 due December 1, 2006, interest at 5.5%.	\$ 100,000
\$11,035,000 1995 Combination Tax and Solid Waste Revenue Certificates of Obligation, last installment of \$525,000 due March 1, 2006, interest at 4.80%.	525,000
\$4,400,000 1996 Combination Tax and Texas State Aquarium Revenue Certificates of Obligation due in annual installments of \$200,000 to \$250,000 through March 1, 2010, interest at 4.65% to 5.15%.	1,150,000
\$13,870,000 2000 Combination Tax and Revenue Certificates of Obligation due in annual installments of \$595,000 to \$715,000 through March 1, 2011, interest at 4.5% to 4.85%.	3,830,000
\$31,545,000 2002 Combination Tax and Municipal Hotel Occupancy Tax Revenue	

Certificates of Obligation due in annual installments of \$1,115,000 to \$2,430,000 through September 1, 2022, including \$3,600,000 in term certificates due September 1, 2017, interest at 3.00% to 5.50%. 29,385,000

Total Certificates of Obligation \$ 34,990,000

**Revenue Bonds**

\$43,960,000 2001 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Bonds due in annual installments of \$1,010,000 to \$2,915,000 through March 1, 2024, including term bonds of \$5,165,000 due March 1, 2022, and \$6,285,000 due March 1, 2026, interest at 4.00% to 5.375%. \$ 42,185,000

\$49,185,000 2002 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Refunding and Improvement Bonds due in annual installments of \$1,095,000 to \$3,145,000 through September 1, 2022, including term bonds of \$10,425,000 due September 1, 2025, interest at 3.00% to 5.50%. 47,210,000

\$2,500,000 2003 North Padre Island Development Corporation Tax Increment Contract Revenue Bonds due in annual installments of \$100,000 to \$400,000 from September 15, 2013, through September 15, 2023, interest at 7.50%. 2,500,000

\$2,500,000 2003-A North Padre Island Development Corporation Tax Increment Contract Revenue Bonds due in annual installments of \$100,000 to \$400,000 from September 15, 2013, through September 15, 2023, interest at 7.25%. 2,500,000

\$24,565,000 2004 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Bonds due in annual installments of \$1,575,000 to \$2,230,000 through September 1, 2017, interest at 2.00% to 5.00%. 22,990,000

\$4,100,000 2004 North Padre Island Development Corporation Tax Increment Contract Revenue Bonds due in annual installments of \$200,000 to \$600,000 from September 15, 2010, through September 15, 2022, interest at 7.40%. 4,100,000

Total Revenue Bonds \$121,485,000

**Total Governmental Activities** \$339,714,446

**Business-type activities**

**Revenue Bonds**

\$27,640,000 1995-A Utility System Revenue Bonds, last installment of \$1,360,000 due July 15, 2006, interest at 4.45%. \$ 1,360,000

\$118,195,000 1997 Nueces River Authority Water Supply Facilities Revenue Bonds due in annual installments of \$2,555,000 to \$3,020,000 through July 15, 2009, interest at 5.125% to 6.00%. 11,155,000

\$8,970,000 1997-A Lavaca-Navidad River Authority Water Supply Facilities Revenue Bonds due in annual installments of \$410,000 to \$470,000 through July 15, 2009, interest at 4.70% to 5.125%. 1,760,000

\$47,740,000 1999 Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$725,000 to \$3,505,000 through July 15, 2017, including \$5,810,000 in term bonds due July 15, 2019, interest at 5.00% to 5.25%.	22,560,000
\$15,750,000 1999-A Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$675,000 to \$1,100,000 due July 15, 2019, interest at 3.05% to 4.10%.	12,200,000
\$34,740,000 2000 Utility System Revenue Refunding Bonds due in annual installments of \$4,070,000 to \$6,045,000 though July 15, 2010, interest at 5.50%.	23,720,000
\$42,520,000 2000-A Utility System Revenue Refunding Bonds due in annual installments of \$1,600,000 to \$2,060,000 through July 15, 2011, interest at 4.60% to 5.75%.	10,925,000
\$13,010,000 2000-A General Airport Revenue Bonds due in annual installments of \$435,000 to \$885,000 through February 15, 2020, including \$2,375,000 in term bonds due February 15, 2023, interest at 4.80% to 5.625%.	11,820,000
\$9,640,000 2000-B General Airport Revenue Bonds term bonds due on February 15, 2030, interest at 5.375%.	9,640,000
\$92,330,000 2002 Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$3,355,000 to \$6,960,000 through July 15, 2022, interest at 3.00% to 5.00%.	53,900,000
\$28,870,000 2003 Utility System Revenue Refunding Bonds due in annual installments of \$1,280,000 to \$4,815,000 through July 15, 2015, interest at 2.25% to 5.00%.	28,330,000
\$4,475,000 2003 Nueces River Authority Water Supply Revenue Refunding Bonds due in annual installments of \$870,000 to \$945,000 through April 1, 2009, interest at 2.85%.	3,620,000
\$50,000,000 2004 Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$1,415,000 to \$3,830,000 through July 15, 2024, interest at 3.00% to 5.25%.	48,585,000
\$70,390,000 2005 Utility Revenue Refunding Bonds due in annual installments of \$2,200,000 to \$10,965,000 through July 15, 2020, interest at 3.00% to 5.25%.	70,185,000
\$94,575,000 2005 Nueces River Authority Water Supply Facilities Revenue Refunding Bonds due in annual installments of \$100,000 to \$7,545,000 though March 1, 2027, interest at 3.00% to 5.25%.	92,885,000
\$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%.	<u>5,160,000</u>
Total Revenue Bonds - Business Type Activities	<u>\$407,805,000</u>

**Certificates of Obligation**

\$6,845,000 2004 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$240,000 to \$400,000 through March 1, 2019, including \$2,320,000 in term bonds due March 1, 2024, interest at 2.50% to 5.00%.	\$6,640,000
\$14,520,000 2005 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$250,000 to \$485,000 through September 1, 2024, including \$2,825,000 in term bonds due September 1, 2029, and \$5,355,000 in term bonds due September 1, 2036, interest at 3.00% to 5.00%.	14,520,000
\$4,500,000 2005 Combination Tax and Revenue Certificates of Obligation due in annual installments of \$155,000 to \$325,000 through September 1, 2025, interest at 3.00% to 4.375%.	4,500,000
	<u>\$25,660,000</u>
Total Certificates of Obligation - Business Type Activities	<u>\$433,465,000</u>

**Total Business-type Activities**

The annual requirements to amortize all bonded debt outstanding as of July 31, 2005, are as follows:

<u>Fiscal Year Ending July 31</u>	<u>Governmental Activities</u>			
	<u>General Obligation Bonds</u>		<u>Certificates of Obligation</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ 12,994,446	\$ 9,370,031	\$ 2,510,000	\$ 1,640,237
2007	17,485,000	7,261,681	1,970,000	1,542,624
2008	14,545,000	6,401,181	2,040,000	1,459,007
2009	8,130,000	5,707,056	2,140,000	1,371,299
2010	8,130,000	5,360,769	2,215,000	1,286,626
2011-2015	39,190,000	21,178,262	7,925,000	5,274,643
2016-2020	36,800,000	11,762,281	9,275,000	3,172,563
2021-2025	24,805,000	3,474,500	6,915,000	553,862
Total	<u>\$ 162,079,446</u>	<u>\$ 70,515,761</u>	<u>\$ 34,990,000</u>	<u>\$ 16,300,861</u>

the City of Corpus Christi, Texas

<u>Fiscal Year Ending July 31</u>	<u>Governmental Activities</u>	
	<u>Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2006	\$ 3,575,000	\$ 5,886,998
2007	3,780,000	5,776,773
2008	3,995,000	5,656,261
2009	4,220,000	5,527,161
2010	4,460,000	5,380,668
2011-2015	28,215,000	23,516,316
2016-2020	32,890,000	15,218,642
2021-2025	33,485,000	6,377,672
2026-2030	6,865,000	252,125
Total	<u>\$ 121,485,000</u>	<u>\$ 73,592,616</u>

<u>Fiscal Year Ending July 31</u>	<u>Business-Type Activities</u>		<u>Business-Type Activities</u>	
	<u>Certificates of Obligation</u>		<u>Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ 240,000	\$ 913,673	\$ 20,595,000	\$ 19,823,755
2007	405,000	1,114,269	21,500,000	18,909,099
2008	665,000	1,097,519	22,510,000	17,913,986
2009	690,000	1,077,344	23,560,000	16,887,909
2010	715,000	1,054,656	23,625,000	15,855,169
2011-2015	3,985,000	4,858,401	107,455,000	63,927,689
2016-2020	4,895,000	3,970,924	102,780,000	37,735,269
2021-2025	5,560,000	2,770,169	64,245,000	14,117,075
2026-2030	3,150,000	1,713,234	21,535,000	2,107,129
2031-2035	3,630,000	903,000		
2036-2037	1,725,000	87,375		
Total	<u>\$ 25,660,000</u>	<u>\$ 19,560,564</u>	<u>\$ 407,805,000</u>	<u>\$ 207,277,080</u>

\$992,217 is held by the Trustee out of the proceeds of the Nueces River Authority Water Supply Revenue Bonds to pay the maximum amount of principal and interest of all outstanding bonds in any fiscal year.

\$10,328,564 is available in the Debt Service Fund to service general obligation bonds. There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.

The City also may be contingently liable for rebates to the Federal government associated with interest earned on proceeds of tax exempt bonds issued. Based on regulations of the Tax Reform Act of 1986, the rebate would not be made until five years from the bond issuance date and may be liquidated through lower interest earnings in future years. As of July 31, 2005, the City had no arbitrage liability.

**B. Capital Leases**

The City has entered into lease agreements as lessee for the acquisition of the following assets: various vehicles, trucks and heavy equipment for the Solid Waste Department, Health Department, Street Department, Fire Department, and Park and Recreation Department; a building and improvements for the Emergency Operations Center and Development Services Department; and computer and connectivity equipment for several City departments. These lease agreements qualify as capital leases for accounting purposes, and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The following is a schedule of assets leased under capital leases as of July 31, 2005.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Land	\$ 66,359	\$ --
Building	1,260,821	--
Machinery and equipment	9,108,881	7,236,119
Less accumulated depreciation	<u>(2,344,643)</u>	<u>(2,706,765)</u>
Total	<u>\$ 8,091,418</u>	<u>\$ 4,529,354</u>

The following is a schedule of the future minimum lease payments under these capital leases and the present value of the net minimum lease payments at July 31, 2005:

<u>Fiscal Year Ending July 31</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2006	\$ 1,802,276	\$ 1,704,339
2007	1,502,888	1,263,526
2008	1,301,102	942,211
2009	547,257	606,031
2010	218,406	134,141
2011-2015	757,653	--
2016-2020	757,653	--
2021	<u>126,275</u>	<u>--</u>
Total minimum lease payments	<u>7,013,510</u>	<u>4,650,248</u>
Less amount representing interest	<u>1,089,611</u>	<u>207,404</u>
Present value of minimum lease payments	<u>\$ 5,923,899</u>	<u>\$ 4,442,844</u>

**C. Other Notes Payable**

Other notes payable as of July 31, 2005 are as follows:

Bank of America note, payable in quarterly installments of \$20,902, including interest through April 3, 2006	\$ 57,233
Corpus Christi Community Improvement Corporation 7% Bank of America note, payable in monthly installments of \$2,170, including interest, through September 1, 2006.	24,232
4.5% State Infrastructure Loan, payable in annual installments of interest only through January 4, 2007 and principal of \$1,000,000 and interest thereafter	4,000,000
Corpus Christi Tax Notes Series 2003, 3.68% due annually on March 1 through 2007	715,000
Total Notes Payable	<u>\$ 4,796,465</u>

The annual requirements to amortize the notes outstanding as of July 31, 2005 are as follows:

<u>Fiscal Year Ending July 31,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2006	\$ 436,465	\$ 209,075
2007	360,000	193,248
2008	750,000	180,000
2009	2,000,000	146,250
2010	1,250,000	56,250
Total	<u>\$ 4,796,465</u>	<u>\$ 784,823</u>

**D. Utility System Notes Payable**

The Utility System notes payable of \$174,136,591 consists of \$70,461,893 related to an agreement with the Bureau of Reclamation for water rights and recreational facilities at Choke Canyon Dam and \$103,674,698 which represents the present value of an agreement with the Lavaca Navidad River Authority for water rights from Lake Texana.

**Choke Canyon Dam**

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

The dam site will remain the property of the Bureau although the City and Authority have the right, in perpetuity, to impound 80% and 20% respectively, of the water in the Project's reservoir. Pursuant to a separate agreement between the City and the Authority, the City, in exchange for certain services, will pay the Authority \$100,000 per calendar year plus additional sums for water used as specified in the agreement. The Bureau also constructed recreation and fish and wildlife facilities. At July 31, 2005, the City's share of the liability of the reservoir and related facilities including interest, totaled \$131,301,276 and is payable over a 39 year period at an interest rate of 5.116%.

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

Fiscal Year Ending July 31,	<u>Principal</u>	<u>Interest</u>
2006	\$ 1,390,332	\$ 3,604,831
2007	1,461,462	3,533,701
2008	1,536,231	3,458,932
2009	1,614,825	3,380,338
2010	1,697,439	3,297,724
2011-2015	9,882,144	15,093,671
2016-2020	12,682,221	12,293,594
2021-2025	16,275,691	8,700,124
2026-2030	15,893,722	4,128,677
2031-2035	2,310,811	1,828,859
2036-2040	2,965,572	1,174,098
2041-2044	2,751,443	344,834
Total	<u>\$ 70,461,893</u>	<u>\$ 60,839,383</u>

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

**Lake Texana Water Rights**

The City entered into an agreement with the Lavaca Navidad River Authority to acquire the rights to purchase water from Lake Texana for a period of forty-two years. The purchase price is based on a formula which includes a percentage of the operating and maintenance expenses of Lake Texana and a percentage of the principal and interest on the bonds associated with the construction of the reservoir. The City has recorded on its books a liability in the amount of \$103,674,698 for the present value of the payments associated with the contract.

The following is a schedule of the future minimum payments under the agreement and the present value of the net minimum payments computed using a 3.5% discount rate as of July 31, 2005:

<u>Fiscal Year Ending July 31,</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ 1,142,189	\$ 3,628,614
2007	1,241,891	3,588,638
2008	1,346,378	3,545,172
2009	1,455,848	3,498,048
2010-2014	9,110,279	16,642,785
2015-2019	12,720,540	14,807,077
2020-2024	17,223,736	12,279,512
2025-2029	22,811,851	8,890,885
2030-2034	29,715,684	4,435,775
2035	6,906,302	241,722
Total	<u>\$ 103,674,698</u>	<u>\$ 71,558,228</u>

**E. Closure and Postclosure Care Costs**

State and Federal laws and regulations require the City to place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an accrued liability has been recognized based on the future closure and post-closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The amount of the liability

is based on what it would cost to have all such closure and post-closure care performed in the current year, and is assigned to periods based on cumulative landfill use. The estimated liability for landfill closure and post-closure costs recorded in the business-type activities at July 31, 2005 is \$16,320,176 based on the use of 95.7 percent of the estimated capacity of the landfill. The remaining estimated life expectancy of the landfill is 1/2 year on July 31, 2005. The estimated remaining total current cost of the landfill closure and post-closure care of \$23,416,616 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of July 31, 2005. However, 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. The change in the estimated liability included \$251,484 of expenditures from landfill operations and site monitoring; and a \$1,026,553 increase due to change in remaining capacity.

**15. Advance Refunding**

On January 1, 2005, \$70,390,000 in Utility System Revenue Refunding Bonds, Series 2005, were issued. The cash flows required to service the old debt amounted to \$115,743,266 and the cash flow to service the new debt will amount to \$112,619,049. The refunding resulted in savings of \$3,124,217 and a net present value savings of \$2,471,273.

On April 1, 2005, \$94,575,000 in Nueces River Authority Water Supply Facilities Revenue Refunding Bonds, Series 2005, were issued. The cash flows required to service the old debt amounted to \$184,907,630 and the cash flow to service the new debt will amount to \$179,643,829. The refunding resulted in savings of \$5,263,801 and a net present value savings of \$2,560,583.

On June 11, 2005, \$5,160,000 in Lavaca-Navidad River Authority Water Supply Facilities Revenue Refunding Bonds, Series 2005, were issued. The cash flows required to service the old debt amounted to \$8,218,931 and the cash flow to service the new debt will amount to \$7,979,874. The refunding resulted in savings of \$239,057 and a net present value savings of \$194,797.

On June 11, 2005, \$86,485,000 in General Improvement Refunding Bonds, Series 2005, were issued. The cash flows required to service the old debt amounted to \$46,213,294 and the cash flow to service the new debt will amount to \$45,050,985. The refunding resulted in savings of \$1,261,560 and a net present value savings of \$1,026,812.

In prior years, the City defeased certain general obligation and other bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liabilities for the defeased bonds are not included in the City's financial statements. On July 31, 2005, \$207,245,000 of bonds outstanding are considered defeased.

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

Interfund transfers for the year ended July 31, 2005, are as follows:

Transfers In	Transfers Out					Total
	General	Non-major Governmental	Utility System Fund	Non-major Proprietary	Internal Service	
General	\$ --	\$ 1,461,287	\$ 3,277,078	\$ 987,738	\$ --	\$ 5,726,103
Debt service	2,318,302	2,696,188	1,268,760	769,175	378,834	7,431,259
Non-major government	1,243,076	--	--	--	--	1,243,076
Utility system	--	--	--	--	--	--
Non-major proprietary	3,216,572	--	--	--	--	3,216,572
Internal Service	690,000	--	1,067,262	--	--	1,757,262
<b>Total</b>	<b>\$ 7,467,950</b>	<b>\$ 4,157,475</b>	<b>\$ 5,613,100</b>	<b>\$ 1,756,913</b>	<b>\$ 378,834</b>	<b>\$ 19,374,272</b>

During the year various interfund transfers were made to finance expenditures, subsidize operating losses, and service debt.

The \$7,467,950 General Fund transfer out includes transfers of \$2,318,302 for payment of debt service, \$3,216,572 to the Ambulance Fund, \$690,000 for capital equipment and improvements, and \$1,243,076 to the Federal/State Grants Fund as matching grants.

The General Fund received transfers in of \$5,726,103 for administrative service charges.

The Debt Service Fund received transfers in of \$7,431,259 from the various funds (including the General Fund) for payment of debt service principal and to establish debt service reserves.

An additional transfer of \$1,067,262 was made from the Utility System Fund to the Maintenance Services Fund for acquisition of capital outlay.

In the government-wide financial statements, the solid waste activity, which is part of the General Fund, is presented as a business-type activity. The \$708,800 net revenue of the solid waste activity is accounted for as a transfer to governmental activities in the statement of activities.

Interfund advances for the year ended July 31, 2005 are as follows:

<u>To</u>	<u>From</u>	<u>Amount</u>
General Fund	Utility System Fund	\$ 124,600
		<u>\$ 124,600</u>

Interfund receivables and payables at July 31, 2005, are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Governmental funds		
General fund	\$ 6,598,895	\$ 377,140
Debt service fund	1,885,160	52,085
Other non-major governmental funds	17,134,932	1,029,098
Total governmental	<u>25,618,987</u>	<u>1,458,323</u>
Enterprise funds		
Utility system fund	-	30,624,041
Other non-major enterprise funds	6,462,666	119
Total enterprise funds	<u>6,462,666</u>	<u>30,624,160</u>
Internal service funds	237,850	237,020
Total	<u>\$ 32,319,503</u>	<u>\$ 32,319,503</u>

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

#### 17. Fund Deficits

At fiscal year end, the Ambulance Fund had an accumulated deficit of \$419,676. Various factors contributed to this deficit. Among them were continued problems in enforcing joint governmental funding of ambulance services and an increase in accumulated compensated absences for the Ambulance Fund. In fiscal year 2005-2006, the Ambulance Fund will no longer be a separate fund but will be included with the General Fund.

**18. Conduit Debt Obligations**

The Corpus Christi Housing Finance Corporation (CCHFC), Corpus Christi Industrial Development Corporation (CCIDC), Corpus Christi Health Facilities Development Corporation (CCHFDC) and the Coastal Bend Health Facilities Development Corporation are public non-profit corporations created by the City under State law to facilitate financing of authorized projects. These entities issued bonds to unrelated commercial entities. As of July 31, 2005, there were 38 series of bonds outstanding. The aggregate principal amount payable for the four series issued after July 31, 1996, was \$188,465,000. The aggregate principal amount outstanding for the 35 series issued prior to August 1, 1996, could not be determined; however, their original issues amount totaled \$609,766,283. The bonds are not liabilities of the City or the respective corporations and are solely payable from revenues of the various commercial entities.

**19. Segment Information for Enterprise Funds**

The City issued revenue bonds to finance certain improvements to its utility system and airport. Because the utility system fund is a segment and is reported as a major fund in the fund financial statements, segment disclosures herein are not reported. The airport activities are accounted as an enterprise fund in the fund financial statements. Segment information of airport funds as of and for the year ended July 31, 2005, is as follows:

	<u>Airport Fund</u>
Current assets	\$ 7,078,175
Restricted assets	5,381,216
Capital assets	78,057,275
Other assets	608,874
Total assets	<u>91,125,540</u>
Current liabilities	2,862,910
Long-term liabilities	20,588,075
Total liabilities	<u>23,450,985</u>
Net assets	
Invested in capital assets, net of related debt	58,821,076
Restricted	4,581,797
Unrestricted	4,271,682
Net assets	<u>\$ 67,674,555</u>
Operating revenue	\$ 8,061,058
Depreciation	(3,945,504)
Other operating expenses	<u>(6,421,262)</u>
Operating loss	(2,305,708)
Nonoperating income	3,451,277
Transfers out	<u>(1,047,783)</u>
Net income	97,786
Net assets beginning of year	67,576,769
Net assets end of year	<u>\$ 67,674,555</u>
Net cash flow provided by (used for)	
Operating activities	\$ 1,728,337
Noncapital financing activities	(2,873,783)
Capital and related financing activities	(3,198,555)
Investment activities	4,226,085
Beginning cash and cash equivalents	<u>5,361,417</u>
Ending cash and cash equivalents	<u>\$ 5,243,501</u>

**REQUIRED SUPPLEMENTARY INFORMATION  
EMPLOYMENT RETIREMENT BENEFITS – ANALYSIS OF FUNDING PROGRESS  
FOR YEAR ENDED JULY 31, 2005**

Valuation Date December 31	(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	Unfunded Actuarial Accrued Liability to Covered Payroll Ratio
<b>Texas Municipal Retirement System</b>						
2002	\$ 232,869,362	\$ 313,123,386	74.4%	\$ 80,254,024	\$ 80,833,356	99.3%
2003	236,961,675	325,271,796	72.9%	88,310,121	87,564,798	100.9%
2004	238,411,240	345,611,506	69.0%	107,200,266	93,924,652	114.1%
<b>Fire Fighters Retirement System</b>						
2000	\$ 84,953,930	\$ 110,659,956	76.8%	\$ 25,706,026	\$ 16,856,529	152.5%
2002	78,135,835	120,879,630	64.6%	42,743,795	20,272,430	210.8%
2004	87,250,141	126,998,434	68.7%	39,748,293	22,338,760	177.9%



City of  
Corpus  
Christi

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



***Governmental Funds***

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

GENERAL FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2005 AND 2004

ASSETS	2005	2004
Cash and cash equivalents	\$ 1,379,399	\$ 2,821,651
Investments	13,474,047	9,506,267
Receivables		
Accounts	6,929,939	6,410,001
Taxes	3,268,826	3,599,882
Accrued interest	164,323	88,380
Demolition liens	2,593,426	2,945,910
Property leases	2,939	74,581
Employees	3,696	4,798
Intergovernmental	4,887,123	4,905,430
Miscellaneous	174,245	274,487
Allowance for uncollectibles	(5,703,227)	(6,735,136)
Net receivables	<u>12,321,290</u>	<u>11,568,333</u>
Due from other funds	6,598,895	2,642,683
Inventories	141,549	150,587
Deposits	450	450
Prepaid items	<u>26,403</u>	<u>--</u>
Total assets	<u>\$ 33,942,033</u>	<u>\$ 26,689,971</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 4,594,129	\$ 2,560,555
Accrued liabilities	5,625,376	4,761,239
Deposits	560,355	593,133
Liability to claimants - escheat property	280,111	628,633
Due to other funds	377,140	296,509
Due to bank		
Due to other governmental agencies	974,830	916,813
Advance from other funds	124,600	154,600
Deferred revenues		
Taxes	883,057	899,928
Other	73,099	151,896
Other	8,222	4,722
Total liabilities	<u>13,500,919</u>	<u>10,968,028</u>
Fund balance		
Reserved for encumbrances	905,291	1,388,616
Reserved for inventory	141,549	150,587
Reserved for prepaid items	26,403	--
Reserved for Municipal Court building security	213,094	251,487
Reserved for Municipal Court technology	423,486	301,508
Reserved for government access equipment	11,959	11,959
Reserved for public access equipment and facility	4,636	3,500
Reserved for 9-1-1 wireless system	107,106	107,106
Reserved for capital replacement - radio system	30,000	30,000
Reserved for firefighters training	4,000	4,000
Reserved for Judicial/Court improvements	136,063	105,599
Unreserved		
Designated for negotiated pay	--	360,000
Undesignated	18,437,527	13,007,581
Total fund balance	<u>20,441,114</u>	<u>15,721,943</u>
Total liabilities and fund balance	<u>\$ 33,942,033</u>	<u>\$ 26,689,971</u>

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
<b>Taxes</b>				
<b>General property taxes</b>				
Ad valorem taxes - current	\$ 42,327,620	\$ 42,327,620	\$ 42,859,762	\$ --
Ad valorem taxes - delinquent	1,200,000	1,200,000	1,326,177	--
Penalties and interest	765,000	765,000	884,763	--
Industrial District - in lieu of taxes	6,118,896	6,118,896	5,752,858	--
Housing Authority - in lieu of taxes	13,168	13,168	3,208	--
Total general property taxes	<u>50,424,684</u>	<u>50,424,684</u>	<u>50,826,768</u>	<u>--</u>
City sales tax	<u>35,750,984</u>	<u>35,750,984</u>	<u>36,367,573</u>	<u>--</u>
Liquor drink tax	<u>742,023</u>	<u>742,023</u>	<u>802,285</u>	<u>--</u>
Bingo tax	<u>191,000</u>	<u>191,000</u>	<u>265,301</u>	<u>--</u>
<b>Business fees</b>				
Electric franchise	9,000,000	9,000,000	9,020,344	--
Electric franchise - Nueces Co-op	130,000	130,000	139,956	--
Telecommunications fees	5,482,222	5,482,222	4,602,028	--
CATV franchise	2,102,889	2,102,889	2,273,547	--
Taxicab franchise	38,400	38,400	40,625	--
AT&T right of way lease fee	--	--	14	--
Total business fees	<u>16,753,511</u>	<u>16,753,511</u>	<u>16,076,514</u>	<u>--</u>
Total taxes and business fees	<u>103,862,202</u>	<u>103,862,202</u>	<u>104,338,441</u>	<u>--</u>
<b>Licenses and permits</b>				
Amusement licenses	21,000	21,000	18,191	--
Technology fee	17,400	17,400	25,787	--
Pipeline - application fee	--	--	3,000	--
Pipeline - license fee	--	--	1,500	--
Pipeline license agreement	538,090	538,090	565,058	--
Beer and liquor licenses	92,000	92,000	92,590	--
Electricians licenses and exam fees	15,000	15,000	44,413	--
Auto wrecker permits	14,680	14,680	13,477	--
Taxi driver permits	3,000	3,000	2,510	--
Dance hall permits	6,500	6,500	5,000	--
House mover licenses	390	390	1,013	--
Forfeited house mover deposits	2,500	2,500	2,000	--
Other business licenses	22,000	22,000	21,175	--
Building permits	773,500	773,500	1,043,233	--
Electrical permits	307,500	307,500	424,766	--
Plumbing permits	259,000	259,000	309,514	--
Mechanical permits	310,000	310,000	353,260	--
Certificate of occupancy fees	30,500	30,500	22,611	--
Plan review fees	93,000	93,000	125,178	--
Mechanical registration fees	13,400	13,400	14,504	--
Driveway permit fees	9,000	9,000	7,956	--
Occupancy of public R-O-W	50,000	50,000	18,008	--
Revocable easement fees	--	--	71,752	--
Street easement closure fees	20,000	20,000	13,415	--
Landscape fees	9,000	9,000	8,133	--
Research and survey fees	11,500	11,500	6,058	--
Construction document fees	--	--	721	--
Billboard fees	14,030	14,030	14,177	--
House moving route permits	4,000	4,000	435	--
Oversized load permits	4,000	4,000	1,040	--
Street blockage permits	500	500	640	--
Energy code permit	25,000	25,000	89,585	--
Banner permits	425	425	325	--

Exhibit 6-B

2005 Actual Budget Basis	Variance Final Budget Positive (Negative)	2004 Actual Budget Basis
\$ 42,859,762	\$ 532,142	\$ 40,161,872
1,326,177	126,177	1,120,676
884,763	119,763	773,628
5,752,858	(366,038)	5,913,767
3,208	(9,960)	13,861
<u>50,826,768</u>	<u>402,084</u>	<u>47,983,804</u>
<u>36,367,573</u>	<u>616,589</u>	<u>34,120,633</u>
<u>802,285</u>	<u>60,262</u>	<u>748,784</u>
<u>265,301</u>	<u>74,301</u>	<u>214,853</u>
9,020,344	20,344	8,705,598
139,956	9,956	126,743
4,602,028	(880,194)	4,866,986
2,273,547	170,658	2,204,771
40,625	2,225	39,540
14	14	--
<u>16,076,514</u>	<u>(676,997)</u>	<u>15,943,638</u>
<u>104,338,441</u>	<u>476,239</u>	<u>99,011,712</u>
18,191	(2,809)	20,281
25,787	8,387	15,857
3,000	3,000	--
1,500	1,500	--
565,058	26,968	--
92,590	590	86,725
44,413	29,413	74,906
13,477	(1,203)	10,564
2,510	(490)	--
5,000	(1,500)	--
1,013	623	--
2,000	(500)	--
21,175	(825)	13
1,043,233	269,733	911,402
424,766	117,266	351,947
309,514	50,514	291,395
353,260	43,260	310,686
22,611	(7,889)	28,263
125,178	32,178	103,969
14,504	1,104	254
7,956	(1,044)	8,074
18,008	(31,992)	8,619
71,752	71,752	76,209
13,415	(6,585)	18,812
8,133	(867)	5,669
6,058	(5,442)	9,809
721	721	796
14,177	147	142
435	(3,565)	3,250
1,040	(2,960)	1,520
640	140	720
89,585	64,585	55,988
325	(100)	400

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Licenses and permits (continued)				
Special event permits	400	400	850	--
Total licenses and permits	<u>2,667,315</u>	<u>2,667,315</u>	<u>3,321,875</u>	--
Grants				
Equal Employment Opportunity Commission	58,500	58,500	60,550	--
Federal Emergency Management Assistance	64,000	64,000	58,319	--
Sexual Assault Exam	--	--	127,467	--
HUD Fair Housing Assessment	36,000	36,000	30,000	--
General Land Office - beach cleaning	28,000	28,000	44,379	--
Total grants	<u>186,500</u>	<u>186,500</u>	<u>320,715</u>	--
Charges for services				
General governmental services				
Zoning fees	50,000	50,000	114,060	--
Platting fees	75,000	75,000	109,644	--
Board of Adjustment appeal fees	3,600	3,600	1,855	--
Attorney fees - demolition liens	14,500	14,500	39,705	--
Legal fees - miscellaneous	--	--	113	--
Sale of City publications	1,200	1,200	1,218	--
Blueprint sales and GIS sales	250	250	605	--
Candidate filing fees	1,800	1,800	2,800	--
Nonprofit registration fees	2,500	2,500	1,150	--
Dog track admission fees	10,000	10,000	10,259	--
Total general governmental services	<u>158,850</u>	<u>158,850</u>	<u>281,409</u>	--
Police				
Police towing and storage charges	717,905	717,905	633,197	--
Police impound certified mail recovery	18,960	18,960	18,548	--
Police accident reports	89,800	89,800	81,397	--
Proceeds from auction	361,800	361,800	489,251	--
Parking meter collections	193,872	193,872	151,127	--
Police open record request	10,550	10,550	17,891	--
Police subpoenas	2,532	2,532	262	--
Fingerprinting fees	4,478	4,478	6,614	--
Customs/FBI	98,912	98,912	129,926	--
Police Security Services	58,731	58,731	44,982	--
DWI Video Taping	3,384	3,384	3,276	--
Alarm system permits and services	528,858	528,858	488,058	--
800 MHz radio	204,813	204,813	173,003	--
9-1-1 wireless service fees	800,799	800,799	898,120	--
9-1-1 wireline service fees	1,262,074	1,262,074	1,124,283	--
Police C.A.D. calls	482	482	561	--
Restitution	--	--	3,832	--
CCISD-DARE	162,036	162,036	162,036	--
School crossing guard program	81,915	81,915	73,794	--
Nueces county - Metrocom	713,495	713,495	336,317	--
Total police	<u>5,315,396</u>	<u>5,315,396</u>	<u>4,836,475</u>	--
Fire				
Fire prevention permits	182,000	182,000	160,090	--
Hazmat response calls	15,000	15,000	19,665	--
Fire service - outside city limits	--	--	1,750	--
Emergency management alert system fees	--	--	13,439	--
Pipeline reporting administrative fees	24,450	24,450	36,700	--
Total fire	<u>221,450</u>	<u>221,450</u>	<u>231,644</u>	--

(Continued)

**Exhibit 6-B  
(Continued)**

<b>2005 Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>	<b>2004 Actual Budget Basis</b>
850	450	600
<u>3,321,875</u>	<u>654,560</u>	<u>2,396,870</u>
60,550	2,050	46,000
58,319	(5,681)	92,869
127,467	127,467	290,867
30,000	(6,000)	115,000
44,379	16,379	29,074
<u>320,715</u>	<u>134,215</u>	<u>573,810</u>
114,060	64,060	70,995
109,644	34,644	118,453
1,855	(1,745)	8,205
39,705	25,205	11,697
113	113	--
1,218	18	2,551
605	355	528
2,800	1,000	--
1,150	(1,350)	2,120
10,259	259	5,773
<u>281,409</u>	<u>122,559</u>	<u>220,322</u>
633,197	(84,708)	677,926
18,548	(412)	19,217
81,397	(8,403)	90,092
489,251	127,451	403,766
151,127	(42,745)	158,470
17,891	7,341	18,741
262	(2,270)	2,712
6,614	2,136	5,264
129,926	31,014	--
44,982	(13,749)	--
3,276	(108)	--
488,058	(40,800)	260,603
173,003	(31,810)	157,559
898,120	97,321	819,497
1,124,283	(137,791)	878,038
561	79	536
3,832	3,832	2,203
162,036	--	--
73,794	(8,121)	77,838
336,317	(377,178)	--
<u>4,836,475</u>	<u>(478,921)</u>	<u>3,572,462</u>
160,090	(21,910)	92,463
19,665	4,665	--
1,750	1,750	--
13,439	13,439	15,902
36,700	12,250	32,000
<u>231,644</u>	<u>10,194</u>	<u>140,365</u>

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
<b>Streets</b>				
RTA - street services contribution	1,002,300	1,002,300	978,496	--
Speed humps	4,500	4,500	6,375	--
State of Texas - expressway lighting	130,000	130,000	117,758	--
Subdivision street lighting participation	51,840	51,840	131,206	--
Total streets	<u>1,188,640</u>	<u>1,188,640</u>	<u>1,233,835</u>	<u>--</u>
<b>Solid waste services</b>				
Residential refuse collection fees	11,204,620	11,204,620	11,268,019	--
Commercial and industrial refuse collection fees	1,039,333	1,039,333	1,217,445	--
Municipal solid waste system service charge (MSWSSC)	1,652,729	1,652,729	1,705,415	--
Refuse disposal charges	7,159,188	7,159,188	8,499,873	--
Disposal charges - landfill project	--	--	8,654	--
Refuse collection permits	19,600	19,600	22,358	--
Special debris pickup	200,000	200,000	186,045	--
Brush fees	29,560	29,560	20,173	--
Recycling	2,208	2,208	1,512	--
Recycling containers	33,720	33,720	28,996	--
Unsecured load charge	500	500	102	--
Recovery of charged off accounts	--	--	--	--
Total solid waste services	<u>21,341,458</u>	<u>21,341,458</u>	<u>22,958,592</u>	<u>--</u>
<b>Health services</b>				
Food service permits	470,000	470,000	480,782	--
Seafood safety	--	--	--	--
Immunization fees	--	--	--	--
Vital statistics fees	283,500	283,500	271,041	--
Laboratory services	--	--	--	--
Nueces County - health administration	136,428	136,428	92,721	--
Swimming pool inspection fees	42,500	42,500	24,550	--
Private sewage inspection fees	5,000	5,000	18,400	--
Pound fee and handling charges	52,440	52,440	65,368	--
Pet licenses	85,500	85,500	83,177	--
Commercial animal permits	--	--	15	--
General nursing fees	--	--	--	--
Pest control services	15,000	15,000	14,401	--
Lab shipping fees	3,120	3,120	702	--
Sexually transmitted disease clinic fees	--	--	--	--
Family planning fees	--	--	--	--
Child care facilities fees	8,300	8,300	8,100	--
Total health services	<u>1,101,788</u>	<u>1,101,788</u>	<u>1,059,257</u>	<u>--</u>
<b>Recreation services</b>				
Swimming pools	206,492	206,492	204,664	--
Swimming instruction fees	73,500	73,500	109,243	--
H.E. Butt tennis center	36,305	36,305	34,241	--
Al Kruse tennis center	25,265	25,265	28,812	--
Athletic events	101,325	101,325	89,050	--
Athletic instruction fees	34,650	34,650	45,053	--
Athletic rentals	9,975	9,975	19,465	--
Latchkey program	1,991,050	1,991,050	1,699,493	--
Latchkey instruction fees	10,144	10,144	5,704	--
Buc days/Bayfest	16,000	16,000	9,653	--
Summer program registration fees	14,175	14,175	8,833	--

(Continued)

**Exhibit 6-B  
(Continued)**

<b>2005 Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>	<b>2004 Actual Budget Basis</b>
978,496	(23,804)	1,006,771
6,375	1,875	--
117,758	(12,242)	97,147
131,206	79,366	83,635
<u>1,233,835</u>	<u>45,195</u>	<u>1,187,553</u>
11,268,019	63,399	10,174,714
1,217,445	178,112	1,156,987
1,705,415	52,686	1,653,689
8,499,873	1,340,685	8,185,917
8,654	8,654	--
22,358	2,758	21,545
186,045	(13,955)	210,527
20,173	(9,387)	27,909
1,512	(696)	3,529
28,996	(4,724)	--
102	(398)	170
--	--	1,041
<u>22,958,592</u>	<u>1,617,134</u>	<u>21,436,028</u>
480,782	10,782	295,916
--	--	9,578
--	--	4,230
271,041	(12,459)	263,274
--	--	57,574
92,721	(43,707)	113,566
24,550	(17,950)	17,510
18,400	13,400	11,148
65,368	12,928	64,107
83,177	(2,323)	84,863
15	15	782
--	--	3,329
14,401	(599)	7,370
702	(2,418)	816
--	--	13,729
--	--	2,713
8,100	(200)	8,079
<u>1,059,257</u>	<u>(42,531)</u>	<u>958,584</u>
204,664	(1,828)	177,059
109,243	35,743	81,437
34,241	(2,064)	34,214
28,812	3,547	27,194
89,050	(12,275)	95,122
45,053	10,403	33,097
19,465	9,490	14,911
1,699,493	(291,557)	1,641,906
5,704	(4,440)	11,371
9,653	(6,347)	--
8,833	(5,342)	9,597

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
<b>Recreation services (continued)</b>				
Summer program meals	4,500	4,500	--	--
Beach parking permits	330,000	330,000	167,277	--
Heritage Park revenues	2,363	8,363	12,868	--
Heritage Park maintenance contract	17,174	17,174	19,767	--
Multicultural center rentals	32,550	32,550	40,687	--
Pavilion rentals	11,025	11,025	16,622	--
Cultural service rentals	8,369	8,369	9,380	--
Recreation instruction fees	39,375	39,375	43,969	--
Recreation center rentals	8,111	8,111	12,340	--
Recreation center meals	4,500	4,500	--	--
Other recreation services	3,360	3,360	3,383	--
<b>Total recreation services</b>	<u>2,980,208</u>	<u>2,986,208</u>	<u>2,580,504</u>	<u>--</u>
<b>Libraries</b>				
Fines	263,329	263,329	130,930	--
Lost book charges	14,427	14,427	13,741	--
Copy machine sales	39,397	39,397	39,269	--
Other library revenue	27,835	27,835	16,580	--
<b>Total libraries</b>	<u>344,988</u>	<u>344,988</u>	<u>200,520</u>	<u>--</u>
<b>Museums</b>				
Admissions	120,853	120,853	84,852	--
Special program fees	6,000	6,000	6,000	--
McGregor reproduction fees	3,397	3,397	6,745	--
Facility rental	14,080	14,080	20,120	--
Education group programs	736	736	680	--
School District - museum educational program	13,000	13,000	13,000	--
Parties and recitals	3,510	3,510	3,180	--
Classes and workshops	--	--	85	--
Columbus ships				--
Admissions	131,944	131,944	93,206	--
Facility rental	3,550	3,550	2,700	--
<b>Total museums</b>	<u>297,070</u>	<u>297,070</u>	<u>230,568</u>	<u>--</u>
<b>Total charges for services</b>	<u>32,949,848</u>	<u>32,955,848</u>	<u>33,612,804</u>	<u>--</u>
<b>Fines and forfeitures</b>				
Moving vehicle fines	2,456,407	2,456,407	2,453,425	--
Parking fines	132,630	132,630	172,168	--
General fines	653,705	653,705	797,264	--
Officers fees	188,089	188,089	197,152	--
Uniform Traffic Act fines	79,548	79,548	84,129	--
Warrant fees	176,593	176,593	308,013	--
<b>Municipal Court</b>				
State fee discount	163,961	163,961	212,669	--
Time Pay Fee - Court	22,196	22,196	30,465	--
Time Pay Fee - City	88,782	88,782	121,858	--
Technology Fee	143,928	143,928	154,953	--
Building security	108,812	108,812	120,956	--
Miscellaneous revenue	--	--	9,803	--
Failure to appear fines	424,467	424,467	820,334	--
Animal control fines	6,413	6,413	12,639	--
Special parking enforcement	2,700	2,700	2,465	--
Teen Court administration fee	1,020	1,020	3,099	--
Bond forfeiture	--	--	--	--
Other court fines	145,595	145,595	157,179	--
<b>Total fines and forfeitures</b>	<u>4,794,846</u>	<u>4,794,846</u>	<u>5,658,571</u>	<u>--</u>

**Exhibit 6-B  
(Continued)**

<b>2005 Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>	<b>2004 Actual Budget Basis</b>
--	(4,500)	--
167,277	(162,723)	53,185
12,868	4,505	3,661
19,767	2,593	18,421
40,687	8,137	34,843
16,622	5,597	12,344
9,380	1,011	10,118
43,969	4,594	64,146
12,340	4,229	10,036
--	(4,500)	--
3,383	23	5,160
<u>2,580,504</u>	<u>(405,704)</u>	<u>2,337,822</u>
130,930	(132,399)	93,081
13,741	(686)	12,326
39,269	(128)	40,051
16,580	(11,255)	16,024
<u>200,520</u>	<u>(144,468)</u>	<u>161,482</u>
84,852	(36,001)	93,492
6,000	--	5,990
6,745	3,348	3,293
20,120	6,040	15,283
680	(56)	1,445
13,000	--	13,050
3,180	(330)	3,686
85	85	--
93,206	(38,738)	102,299
2,700	(850)	3,650
<u>230,568</u>	<u>(66,502)</u>	<u>242,188</u>
<u>33,612,804</u>	<u>656,956</u>	<u>30,256,806</u>
2,453,425	(2,982)	2,183,041
172,168	39,538	162,229
797,264	143,559	820,987
197,152	9,063	190,514
84,129	4,581	78,945
308,013	131,420	283,083
212,669	48,708	181,672
30,465	8,269	21,155
121,858	33,076	84,619
154,953	11,025	146,796
120,956	12,144	115,843
9,803	9,803	--
820,334	395,867	755,116
12,639	6,226	9,158
2,465	(235)	2,160
3,099	2,079	1,635
--	--	86
157,179	11,584	152,559
<u>5,658,571</u>	<u>863,725</u>	<u>5,189,598</u>

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Earnings on investments	226,320	226,320	556,088	--
Miscellaneous				
Rents				
Rental of general property	130,318	130,318	119,727	--
Oil and gas leases	1,440	1,440	1,456	--
Recovery on damage claims	7,000	7,000	28,486	--
Contributions and donations	67,899	67,899	74,741	--
Time Warner-Public Access Equipment	--	--	10,695	--
Automated teller machines	1,200	1,200	1,000	--
Engineering Services-other governments	3,200	3,200	6,695	--
Engineering Services-CIP projects	--	--	58,560	--
RTA bus advertising revenues	--	--	15,257	--
Sale of city property	1,500	27,925	42,553	--
Sale of fixed assets	--	498,000	579,890	--
Copy sales	2,500	2,500	1,463	--
All-America sales	--	--	181	--
Returned check fees	6,000	6,000	4,438	--
Accounts receivable finance charges	--	--	7,172	--
Demolition and weed liens	85,000	85,000	143,134	--
Purchase discounts	15,649	15,649	7,664	--
Vending machine sales	7,000	7,000	5,419	--
Forfeited plan deposits	24,000	24,000	18,643	--
Human relations training conference	10,000	10,000	--	--
Claim settlements	--	--	35,584	--
Naming rights for convention center	--	--	175,000	--
Miscellaneous	150,000	164,950	228,336	--
Total miscellaneous revenue	<u>512,706</u>	<u>1,052,081</u>	<u>1,566,094</u>	<u>--</u>
Reimbursements				
Other government units	--	--	--	--
Bond funds	--	--	--	--
Interdepartmental	4,687,470	4,687,470	--	4,257,039
Traffic engineering cost recovery	30,000	30,000	--	5,050
Capital budget cost recovery	181,249	181,249	--	142,631
Finance cost recovery - CIP	937,057	937,057	--	933,086
Street recovery fees	959,444	959,444	--	743,608
Interdepartmental services - street	529,886	529,886	--	898,173
Fire hydrant maintenance	327,472	327,472	--	327,472
800 MHz radio - interdepartmental	208,464	208,464	--	208,464
Miscellaneous	--	--	--	--
Total reimbursements revenue	<u>7,861,042</u>	<u>7,861,042</u>	<u>--</u>	<u>7,515,523</u>
Total revenues	<u>153,060,779</u>	<u>153,606,154</u>	<u>149,374,588</u>	<u>7,515,523</u>
Other financing sources (uses)				
Capital leases	--	--	2,032,704	(2,032,704)
Total other financing sources	<u>--</u>	<u>--</u>	<u>2,032,704</u>	<u>(2,032,704)</u>

(Continued)

**Exhibit 6-B  
(Continued)**

<b>2005 Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>	<b>2004 Actual Budget Basis</b>
<u>556,088</u>	<u>329,768</u>	<u>248,091</u>
119,727	(10,591)	134,369
1,456	16	1,994
28,486	21,486	11,345
74,741	6,842	175,000
10,695	10,695	7,000
1,000	(200)	1,200
6,695	3,495	4,477
58,560	58,560	7,262
15,257	15,257	13,767
42,553	14,628	741
579,890	81,890	11,022
1,463	(1,037)	2,722
181	181	4,475
4,438	(1,562)	7,770
7,172	7,172	9
143,134	58,134	73,804
7,664	(7,985)	14,244
5,419	(1,581)	5,977
18,643	(5,357)	41,630
--	(10,000)	4,476
35,584	35,584	66,344
175,000	175,000	--
228,336	63,386	185,847
<u>1,566,094</u>	<u>514,013</u>	<u>775,475</u>
--	--	998,462
--	--	961,738
4,257,039	(430,431)	4,173,080
5,050	(24,950)	--
142,631	(38,618)	--
933,086	(3,971)	--
743,608	(215,836)	699,857
898,173	368,287	797,982
327,472	--	320,000
208,464	--	107,580
--	--	216,046
<u>7,515,523</u>	<u>(345,519)</u>	<u>8,274,745</u>
<u>156,890,111</u>	<u>3,283,957</u>	<u>146,727,107</u>
--	--	--
--	--	--

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Transfers in				
Administrative charges				
Federal grants	222,301	222,301	145,010	--
Visitor facility	463,901	463,901	463,901	--
Gas division	717,935	717,935	717,940	--
Wastewater division	801,683	801,683	801,688	--
Water division	1,745,575	1,745,575	1,745,571	--
Airport	328,303	328,303	330,921	--
Ambulance	183,796	183,796	183,799	--
Golf	293,956	293,956	293,956	--
Marina	179,057	179,057	179,062	--
Other				
City hall CIP	--	476,950	845,750	--
Street CIP	--	--	6,626	--
Gas division	--	37	37	--
Wastewater division	--	3,472	3,472	--
Water division	--	8,370	8,370	--
Total transfers in	<u>4,936,507</u>	<u>5,425,336</u>	<u>5,726,103</u>	<u>--</u>
Transfers out				
Debt service fund	(12,933)	(12,933)	(2,318,302)	2,305,369
Federal grants	(1,196,400)	(1,256,623)	(1,243,076)	--
Capital outlay	--	--	(690,000)	690,000
Ambulance fund	(3,216,572)	(3,216,572)	(3,216,572)	--
Total transfers out	<u>(4,425,905)</u>	<u>(4,486,128)</u>	<u>(7,467,950)</u>	<u>2,995,369</u>
Total other sources	<u>510,602</u>	<u>939,208</u>	<u>290,857</u>	<u>962,665</u>
 Total revenues and other sources	 <u>\$ 153,571,381</u>	 <u>\$ 154,545,362</u>	 <u>\$ 149,665,445</u>	 <u>\$ 8,478,188</u>

**Exhibit 6-B  
(Continued)**

<b>2005 Actual Budget Basis</b>	<b>Variance Final Budget Positive (Negative)</b>	<b>2004 Actual Budget Basis</b>
145,010	(77,291)	235,624
463,901	--	379,012
717,940	5	1,115,052
801,688	5	1,135,064
1,745,571	(4)	2,074,913
330,921	2,618	184,567
183,799	3	297,603
293,956	--	101,506
179,062	5	44,358
845,750	368,800	--
6,626	6,626	5,453
37	--	--
3,472	--	--
8,370	--	--
<u>5,726,103</u>	<u>300,767</u>	<u>5,573,152</u>
(12,933)	--	(13,068)
(1,243,076)	13,547	(1,035,712)
--	--	--
<u>(3,216,572)</u>	<u>--</u>	<u>(2,390,000)</u>
<u>(4,472,581)</u>	<u>13,547</u>	<u>(3,438,780)</u>
<u>1,253,522</u>	<u>314,314</u>	<u>2,134,372</u>
<u>\$ 158,143,633</u>	<u>\$ 3,598,271</u>	<u>\$ 148,861,479</u>

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
<b>General government</b>					
<b>Control</b>					
City Council and City Secretary	\$ 576,892	\$ 17,918	\$ 337,402	\$ 167,395	\$ --
City Manager	357,591	5,131	15,602	59,734	--
Group Managers	441,087	3,200	64,073	57,926	--
Management and budget office	322,015	9,937	38,921	88,737	--
Operations Performance Review	--	--	145,702	--	--
Communications/quality management	199,892	3,277	64,174	28,110	--
Cable public education government access	--	1,518	7,846	--	--
Capital budgeting	108,095	2,339	16,380	15,972	--
Total general government - control	<u>2,005,572</u>	<u>43,320</u>	<u>690,100</u>	<u>417,874</u>	<u>--</u>
<b>Staff agencies</b>					
Director of finance	313,153	1,552	10,996	34,169	--
Accounting	1,639,021	44,522	273,066	481,122	--
Nueces County Tax Appraisal District	--	--	806,861	--	--
Central cashiering	531,128	30,706	66,105	458,472	36,551
Cash management	151,790	16,435	2,968	141,827	--
Legal	1,678,635	78,542	464,902	292,844	--
Economic development	--	--	187,781	--	--
Downtown Management District	--	--	80,073	--	--
Development Services Admin	110,009	200	85	593,574	--
Planning	1,034,252	42,295	75,641	298,461	--
Code enforcement	484,428	59,423	330,857	331,493	30,960
Code enforcement initiative program	277,222	2,872	(12,645)	75	--
Human resources	949,641	32,634	51,708	250,517	--
Incentive program	278	--	21,364	--	--
ADA Compliance	--	8,272	14,025	940	--
Human relations	291,299	11,294	12,207	69,515	--
Total staff agencies	<u>7,460,856</u>	<u>328,747</u>	<u>2,385,994</u>	<u>2,953,009</u>	<u>67,511</u>
<b>Engineering services</b>					
Engineering support services	--	--	29,478	423,672	--
Special services	323,545	7,091	30,041	16,308	--
Total engineering services	<u>323,545</u>	<u>7,091</u>	<u>59,519</u>	<u>439,980</u>	<u>--</u>
<b>Other expenditures</b>					
Uncollectible accounts	--	--	--	38,830	--
Re-engineering effort (CMMS)	--	--	176,143	--	--
Major memberships	--	--	94,845	--	--
Reserve for comp/merit pay	--	--	--	--	--
Purchasing/messenger service allocation	--	--	--	254,664	--
Refuge of last resort	6,409	37	332	--	--
Reserve appropriations	--	--	--	--	--
Reserve for accrued pay	--	--	--	--	--
Total other expenditures	<u>6,409</u>	<u>37</u>	<u>271,320</u>	<u>293,494</u>	<u>--</u>
Total general government	<u>9,796,382</u>	<u>379,195</u>	<u>3,406,933</u>	<u>4,104,357</u>	<u>67,511</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 6-C

Reimbursements	Total Expenditures	Adjustments Budget Basis	2005 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2004 Actual Budget Basis
				Original	Final		
\$ --	\$ 1,099,607	\$ 6,057	\$ 1,105,664	\$ 1,199,059	\$ 1,222,931	\$ 117,267	\$ 975,269
--	438,058	2,684	440,742	448,277	450,578	9,836	448,792
(168,030)	398,256	169,086	567,342	625,931	675,513	108,171	544,309
(80,225)	379,385	88,467	467,852	559,222	484,440	16,588	534,263
--	145,702	--	145,702	(15,000)	144,145	(1,557)	--
(50,000)	245,453	51,342	296,795	292,445	298,879	2,084	318,503
--	9,364	--	9,364	--	14,000	4,636	15,458
(142,631)	155	143,961	144,116	181,138	160,175	16,059	158,419
(440,886)	2,715,980	461,597	3,177,577	3,291,072	3,450,661	273,084	2,995,013
(346,381)	13,489	348,210	361,699	361,364	371,450	9,751	460,895
(1,339,609)	1,098,122	1,396,022	2,494,144	2,500,618	2,583,134	88,990	2,330,227
--	806,861	--	806,861	846,920	846,920	40,059	806,405
(118,914)	1,004,048	120,244	1,124,292	932,704	987,746	(136,546)	1,008,660
(298,214)	14,806	298,701	313,507	413,029	395,260	81,753	407,152
(77,906)	2,437,017	85,044	2,522,061	2,170,031	2,705,121	183,060	2,071,685
--	187,781	--	187,781	187,781	187,781	--	208,487
(48,418)	31,655	48,418	80,073	80,073	80,073	--	80,073
--	703,868	--	703,868	699,155	701,976	(1,892)	74,204
(84,500)	1,366,149	84,500	1,450,649	1,323,394	1,350,521	(100,128)	1,606,705
--	1,237,161	7,494	1,244,655	1,107,366	1,177,823	(66,832)	1,587,457
--	267,524	--	267,524	288,783	283,283	15,759	--
--	1,284,500	27,375	1,311,875	1,369,815	1,444,962	133,087	1,334,952
--	21,642	--	21,642	23,005	23,005	1,363	20,796
--	23,237	--	23,237	127,311	127,311	104,074	43,303
--	384,315	2,838	387,153	401,390	414,891	27,738	405,895
(2,313,942)	10,882,175	2,418,846	13,301,021	12,832,739	13,681,257	380,236	12,446,896
--	453,150	--	453,150	449,068	456,821	3,671	318,698
--	376,985	--	376,985	350,782	358,867	(18,118)	332,758
--	830,135	--	830,135	799,850	815,688	(14,447)	651,456
--	38,830	--	38,830	--	--	(38,830)	577,714
--	176,143	--	176,143	100,000	185,595	9,452	94,406
(41,451)	53,394	41,451	94,845	100,000	105,972	11,127	95,049
--	--	--	--	1,895,039	--	--	--
--	254,664	--	254,664	254,664	254,664	--	245,424
--	6,778	--	6,778	--	--	(6,778)	8,396
--	--	--	--	200,000	200,000	200,000	--
--	--	--	--	1,050,000	1,050,000	1,050,000	--
(41,451)	529,809	41,451	571,260	3,599,703	1,796,231	1,224,971	1,020,989
(2,796,279)	14,958,099	2,921,894	17,879,993	20,523,364	19,743,837	1,863,844	17,114,354

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
Public safety					
Police					
Administration	1,179,226	54,011	155,392	602,571	--
Police training	632,527	69,516	14,505	55,592	--
Criminal investigation	3,934,143	113,281	3,763	400,365	--
Special services	2,022,934	76,834	25,722	254,677	--
Uniformed division	23,042,198	273,649	547,338	2,689,089	--
School crossing guards	505,318	9,226	10	130,548	--
Parking control	139,324	2,866	24,452	39,033	--
MetroCom	3,185,951	11,790	106,797	201,372	--
Police computer support	78,511	11,126	622,244	904,572	15,312
9-1-1 call delivery wireline	46,037	28,044	295,313	7,909	--
9-1-1 call delivery wireless	--	16,696	204	--	--
Building maintenance and operations	446,030	45,412	666,793	72,918	--
Vehicle pound operation	202,384	4,242	558,363	103,154	--
Community services	696,650	21,478	1,123	116,041	--
Central information	1,174,341	41,720	31,254	149,327	--
Identification	1,179,427	46,858	14,795	154,130	--
Criminal intelligence unit	649,594	26,827	5,243	76,129	--
Beach safety	119,020	--	--	--	--
Total police	39,233,615	853,576	3,073,311	5,957,427	15,312
Fire					
Administration and training	853,832	30,106	54,884	319,864	--
Fire Academy training	1,188,157	56,251	9,683	41,446	--
Communications	65,278	17,110	143,370	63,870	--
Apparatus and shop	174,226	119,904	281,944	13,663	--
Stations	19,025,057	570,240	590,673	1,410,035	388,262
Fire safety/Haz-Mat	171,983	10,228	1,988	27,338	--
Fire prevention	939,138	17,092	8,097	203,674	--
Fire support services	58,623	32,345	50,122	555	--
Fire Department Contributions	--	--	--	--	--
Life guarding and first response	149,456	13,143	9,460	44,904	--
Total fire	22,625,750	866,419	1,150,221	2,125,349	388,262
Municipal court					
Administration	1,253,554	116,853	66,134	861,555	--
Judicial	376,923	5,214	12,657	32,892	--
Environmental Court	173,328	--	175	11,532	--
Detention Facility	723,242	69,876	112,884	117	--
Building security	--	432	17,811	--	--
City marshals	317,309	5,661	68,764	32,802	--
Total municipal court	2,844,356	198,036	278,425	938,898	--
Emergency management					
Emergency management	50,135	32,998	30,275	161,249	--
FY03-Storm #2	--	--	--	--	--
Pipeline transportation	19,502	(7)	11,206	3,804	--
Total emergency management	69,637	32,991	41,481	165,053	--

(Continued)

the City of Corpus Christi, Texas

Exhibit 6-C  
(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2005 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2004 Actual Budget Basis
				Original	Final		
--	1,991,200	6,366	1,997,566	1,978,272	2,010,910	13,344	2,109,237
--	772,140	2,613	774,753	805,192	834,979	60,226	875,721
--	4,451,552	17,530	4,469,082	4,544,849	4,553,864	84,782	4,178,782
--	2,380,167	7,922	2,388,089	2,402,054	2,406,459	18,370	2,165,777
(208,464)	26,343,810	1,010,424	27,354,234	27,612,721	27,584,925	230,691	25,654,785
--	645,102	4,881	649,983	609,207	641,355	(8,628)	604,860
--	205,675	903	206,578	215,669	220,387	13,809	209,178
(261,600)	3,244,310	261,600	3,505,910	3,287,921	3,365,171	(140,739)	3,195,079
--	1,631,765	--	1,631,765	1,623,271	1,627,262	(4,503)	1,790,260
(106,372)	270,931	106,372	377,303	361,486	543,594	166,291	339,365
--	16,900	--	16,900	293,818	377,209	360,309	98,717
--	1,231,153	3,456	1,234,609	1,246,486	1,254,628	20,019	1,187,450
--	868,143	1,591	869,734	720,538	727,027	(142,707)	804,031
--	835,292	5,475	840,767	887,680	894,930	54,163	849,487
--	1,396,642	6,449	1,403,091	1,335,881	1,371,190	(31,901)	1,271,434
--	1,395,210	5,855	1,401,065	1,397,430	1,356,484	(44,581)	1,396,341
--	757,793	2,494	760,287	764,259	767,890	7,603	716,265
(119,020)	--	119,020	119,020	122,237	122,237	3,217	119,894
(695,456)	48,437,785	1,562,951	50,000,736	50,208,971	50,660,501	659,765	47,566,663
--	1,258,686	1,568	1,260,254	900,935	1,300,635	40,381	867,616
--	1,295,537	2,268	1,297,805	1,451,247	1,411,498	113,693	1,324,965
--	289,628	570	290,198	267,830	269,236	(20,962)	284,493
--	589,737	784	590,521	436,121	442,713	(147,808)	478,449
(532,480)	21,451,787	772,692	22,224,479	22,219,077	22,470,496	246,017	21,697,509
--	211,537	1,093	212,630	297,054	242,563	29,933	358,196
--	1,168,001	2,992	1,170,993	1,223,319	1,205,853	34,860	1,402,734
--	141,645	--	141,645	177,338	163,095	21,450	--
--	--	--	--	1,250	1,250	1,250	--
(229,843)	(12,880)	242,723	229,843	285,434	300,690	70,847	251,772
(762,323)	26,393,678	1,024,690	27,418,368	27,259,605	27,808,029	389,661	26,665,734
--	2,298,096	8,088	2,306,184	2,103,229	2,333,449	27,265	2,192,536
--	427,686	1,461	429,147	578,862	516,643	87,496	354,141
--	185,035	--	185,035	157,957	162,855	(22,180)	118,359
--	906,119	--	906,119	563,422	704,764	(201,355)	1,514
--	18,243	--	18,243	25,337	20,114	1,871	16,440
--	424,536	--	424,536	346,660	356,962	(67,574)	376,089
--	4,259,715	9,549	4,269,264	3,775,467	4,094,787	(174,477)	3,059,079
--	274,657	796	275,453	349,694	335,463	60,010	344,667
--	--	--	--	--	--	--	371
--	34,505	--	34,505	41,207	42,177	7,672	39,000
--	309,162	796	309,958	390,901	377,640	67,682	384,038

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
Inspections	1,225,364	23,760	75,826	477,266	--
Total public safety	65,998,722	1,974,782	4,619,264	9,663,993	403,574
Streets					
Office and yard	639,581	32,691	79,096	242,827	--
Asphalt rework and construction	507,951	310,874	4,062	211,356	--
Utility cut repairs	208,918	204,569	18	49,128	--
Asphalt maintenance	2,008,156	1,339,547	139,260	657,960	--
Traffic signals	557,863	451,219	144,321	120,899	--
Traffic engineering	302,484	22,643	95,581	81,876	--
Beach street signage	--	--	--	--	--
Street lighting	--	--	2,851,233	7,860	--
Residential traffic management	--	--	58,732	--	--
Signs and markings	396,205	258,241	86,206	130,209	--
Total streets	4,621,158	2,619,784	3,458,509	1,502,115	--
Solid Waste					
Solid Waste office	713,532	38,735	222,257	317,327	--
Refuse collection	3,011,912	591,489	349,627	639,228	1,540,989
Refuse disposal	1,033,073	407,996	1,507,693	329,936	--
Brush collection	1,358,250	208,394	90,328	300,624	--
Recycling collection	773,106	55,255	97,159	127,644	--
Cash for trash	1,393	606	282	59,740	--
Landfill regulation compliance	--	--	--	--	--
Total solid waste	6,891,266	1,302,475	2,267,346	1,774,499	1,540,989
Health					
Administration and special programs	426,696	9,253	38,692	219,042	--
Immunization and venereal disease	44,602	3,115	816	5,194	--
Vital statistics	97,401	10,654	16,548	11,997	--
Nursing	465,671	18,634	24,111	65,842	--
Environmental health	268,485	5,710	31,336	37,638	--
STD clinic	77,723	578	447	11,892	--
Vector control	267,316	25,588	10,375	120,120	--
Laboratory	126,446	1,605	225	11,448	--
Mental health	--	--	54,000	--	--
Animal control	742,041	81,077	57,330	164,881	--
Health office building	40,091	7,897	227,354	89,099	--
Total health	2,556,472	164,111	461,234	737,153	--

(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2005 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2004 Actual Budget Basis
				Original	Final		
(107,398)	1,694,818	182,398	1,877,216	1,773,957	1,858,285	(18,931)	1,894,273
(1,565,177)	81,095,158	2,780,384	83,875,542	83,408,901	84,799,242	923,700	79,569,787
--	994,195	4,620	998,815	1,040,294	1,066,495	67,680	984,267
(1,438)	1,032,805	52,230	1,085,035	1,117,713	1,152,641	67,606	971,229
--	462,633	2,268	464,901	373,664	381,351	(83,550)	426,437
(1,655,071)	2,489,852	1,924,903	4,414,755	4,493,152	4,558,703	143,948	4,699,295
(27,768)	1,246,534	219,991	1,466,525	1,552,052	1,660,309	193,784	1,672,652
(5,050)	497,534	7,544	505,078	473,388	485,539	(19,539)	414,548
--	--	--	--	--	--	--	10,024
--	2,859,093	--	2,859,093	2,788,711	2,788,711	(70,382)	2,779,732
--	58,732	--	58,732	80,000	80,000	21,268	76,563
(15,613)	855,248	57,110	912,358	872,929	887,348	(25,010)	819,589
(1,704,940)	10,496,626	2,268,666	12,765,292	12,791,903	13,061,097	295,805	12,854,336
--	1,291,851	7,993	1,299,844	1,293,909	1,317,789	17,945	1,194,920
--	6,133,245	146,923	6,280,168	5,883,951	5,976,311	(303,857)	6,149,445
--	3,278,698	2,299,193	5,577,891	4,862,530	5,402,947	(174,944)	4,985,777
--	1,957,596	--	1,957,596	1,907,203	1,946,746	(10,850)	1,973,950
(9,353)	1,043,811	9,353	1,053,164	1,066,647	1,088,478	35,314	1,033,260
--	62,021	--	62,021	80,000	99,581	37,560	26,851
--	--	--	--	--	1,860	1,860	--
(9,353)	13,767,222	2,463,462	16,230,684	15,094,240	15,833,712	(396,972)	15,364,203
--	693,683	14,014	707,697	704,089	719,896	12,199	674,469
--	53,727	321	54,048	58,611	59,420	5,372	36,644
--	136,600	665	137,265	146,994	150,055	12,790	130,161
--	574,258	3,017	577,275	705,389	724,806	147,531	641,404
--	343,169	1,591	344,760	328,286	337,166	(7,594)	288,321
--	90,640	309	90,949	90,032	93,487	2,538	86,843
--	423,399	8,633	432,032	455,444	465,731	33,699	446,063
--	139,724	629	140,353	138,055	142,184	1,831	136,750
--	54,000	--	54,000	54,000	54,000	--	49,500
--	1,045,329	4,857	1,050,186	1,022,172	1,047,522	(2,664)	1,062,096
--	364,441	1,057	365,498	316,437	317,541	(47,957)	324,834
--	3,918,970	35,093	3,954,063	4,019,509	4,111,808	157,745	3,877,085

**GENERAL FUND  
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET  
YEAR ENDED JULY 31, 2005  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
Community enrichment					
Parks and recreation					
Director of parks and recreation	599,086	16,929	25,018	409,675	--
Park operation	3,382,634	658,771	177,149	1,362,292	18,262
Bayfront Science Park	258,643	30,332	25,965	49,596	--
Recreation centers	659,655	33,699	105,447	206,767	--
Athletics	299,486	26,488	151,821	83,884	--
Aquatics	633,195	110,116	120,117	150,914	--
Special programs	64,228	14,602	2,739	15,720	--
Multicultural Center	251,901	14,548	55,730	36,701	--
Latchkey program	1,245,088	69,232	39,345	303,834	--
Arts subgranting	--	65	44,650	--	--
Beach maintenance/safety	--	6,688	--	--	--
Beach parking permits	--	2,452	13,615	4,459	--
Beach Maintenance	255,028	63,100	160,899	75,881	27,870
Tennis center operations	--	6,048	157,689	18,274	--
Assessment center	152,850	4,425	4,425	15,749	--
Corpus Christi Independent School District	--	--	22,590	--	--
Volunteer center	--	--	8,450	--	--
Graffiti clean-up project	--	4,956	--	--	--
Natatorium	--	--	592,709	--	--
Total parks and recreation	<u>7,801,794</u>	<u>1,062,451</u>	<u>1,708,358</u>	<u>2,733,746</u>	<u>46,132</u>
Libraries					
Central	1,231,111	428,308	253,519	459,054	109,549
Parkdale Branch	254,329	6,512	44,004	64,813	--
Greenwood Branch	236,669	5,391	47,762	53,472	--
Northwest Branch	215,165	4,311	23,339	49,644	--
Janet F. Harte Branch	166,048	4,596	51,791	44,796	--
Total libraries	<u>2,103,322</u>	<u>449,118</u>	<u>420,415</u>	<u>671,779</u>	<u>109,549</u>
Museums					
Museum of Science and History	801,225	22,636	214,452	235,867	--
Columbus ships	92,726	1,845	6,871	29,712	--
Total museums	<u>893,951</u>	<u>24,481</u>	<u>221,323</u>	<u>265,579</u>	<u>--</u>
Sister City program	--	1,287	1,103	12,757	--
Total community enrichment	<u>10,799,067</u>	<u>1,537,337</u>	<u>2,351,199</u>	<u>3,683,861</u>	<u>155,681</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 6-C  
(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2005 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2004 Actual Budget Basis
				Original	Final		
(19,300)	1,031,408	31,188	1,062,596	980,287	1,000,032	(62,564)	818,046
(264,000)	5,335,108	312,779	5,647,887	5,603,371	5,740,360	92,473	5,513,439
(355,107)	9,429	356,568	365,997	355,107	362,884	(3,113)	325,472
(3,488)	1,002,080	7,312	1,009,392	1,004,350	1,026,201	16,809	927,761
--	561,679	1,770	563,449	555,799	565,536	2,087	508,608
--	1,014,342	4,869	1,019,211	928,720	958,830	(60,381)	986,605
--	97,289	582	97,871	126,173	128,641	30,770	126,539
(107,064)	251,816	111,472	363,288	329,006	343,289	(19,999)	341,644
--	1,657,499	14,174	1,671,673	1,978,354	2,037,629	365,956	1,769,664
--	44,715	--	44,715	40,000	57,528	12,813	15,343
(6,688)	--	6,688	6,688	13,525	13,525	6,837	--
--	20,526	4,991	25,517	28,943	28,943	3,426	45,974
(609,127)	(26,349)	649,015	622,666	597,379	715,865	93,199	552,584
--	182,011	238	182,249	150,123	150,123	(32,126)	156,874
--	177,449	--	177,449	181,229	181,229	3,780	--
--	22,590	--	22,590	16,000	16,000	(6,590)	4,400
--	8,450	--	8,450	8,450	8,450	--	8,450
--	4,956	--	4,956	3,000	3,000	(1,956)	2,899
--	592,709	--	592,709	46,800	523,750	(68,959)	148,818
(1,364,774)	11,987,707	1,501,646	13,489,353	12,946,616	13,861,815	372,462	12,253,120
--	2,481,541	(74,305)	2,407,236	2,362,098	2,426,305	19,069	2,292,925
--	369,658	1,817	371,475	401,479	412,145	40,670	377,818
--	343,294	1,188	344,482	338,355	346,596	2,114	337,997
--	292,459	1,211	293,670	294,628	302,759	9,089	282,678
--	267,231	261	267,492	281,451	279,398	11,906	245,432
--	3,754,183	(69,828)	3,684,355	3,678,011	3,767,203	82,848	3,536,850
--	1,274,180	124,699	1,398,879	1,346,623	1,376,103	(22,776)	1,370,899
--	131,154	--	131,154	149,197	153,554	22,400	117,507
--	1,405,334	124,699	1,530,033	1,495,820	1,529,657	(376)	1,488,406
--	15,147	--	15,147	15,111	15,111	(36)	16,840
(1,364,774)	17,162,371	1,556,517	18,718,888	18,135,558	19,173,786	454,898	17,295,216

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
Debt service					
Principal retired	--	--	--	3,326,548	--
Interest	--	--	--	221,280	--
Total debt service	--	--	--	3,547,828	--
 Total expenditures	<u>\$ 100,663,067</u>	<u>\$ 7,977,684</u>	<u>\$ 16,564,485</u>	<u>\$ 25,013,806</u>	<u>\$ 2,167,755</u>

Exhibit 6-C  
(Continued)

<u>Reimbursements</u>	<u>Total Expenditures</u>	<u>Adjustments Budget Basis</u>	<u>2005 Actual Budget Basis</u>	<u>Budget</u>		<u>Variance Final Budget Positive (Negative)</u>	<u>2004 Actual Budget Basis</u>
				<u>Original</u>	<u>Final</u>		
--	3,326,548	(3,326,548)	--	--	--	--	--
--	221,280	(221,280)	--	--	--	--	--
--	3,547,828	(3,547,828)	--	--	--	--	--
<u>\$ (7,440,523)</u>	<u>\$144,946,274</u>	<u>\$ 8,478,188</u>	<u>\$153,424,462</u>	<u>\$153,973,475</u>	<u>\$156,723,482</u>	<u>\$ 3,299,020</u>	<u>\$146,074,981</u>



City of  
Corpus  
Christi

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



Exhibit 7-A

**DEBT SERVICE FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2005 AND 2004**

ASSETS	<u>2005</u>	<u>2004</u>
Cash and cash equivalents	\$ --	\$ 1,322,139
Investments	8,440,635	9,809,783
Receivables		
Taxes	1,526,094	1,370,413
Accrued interest	50,713	95,149
Intergovernmental	6,337	10,324
Miscellaneous	675	17,196
Allowance for uncollectibles	(1,113,827)	(1,027,810)
Net receivables	<u>469,992</u>	<u>465,272</u>
Due from other funds	<u>1,885,160</u>	<u>--</u>
Total assets	<u>\$ 10,795,787</u>	<u>\$ 11,597,194</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 2,871	\$ 2,791
Due to other funds	52,085	--
Deferred revenues		
Taxes	412,267	342,603
Total liabilities	<u>467,223</u>	<u>345,394</u>
Fund balance		
Reserved for debt service	5,551,228	4,107,728
Unreserved		
Designated for subsequent year's expenditures	511,179	1,133,896
Designated for airport debt	560,456	560,456
Designated for stormwater debt	790,429	790,429
Undesignated	2,915,272	4,659,291
Total fund balance	<u>10,328,564</u>	<u>11,251,800</u>
Total liabilities and fund balance	<u>\$ 10,795,787</u>	<u>\$ 11,597,194</u>

**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	<u>Budget</u>		<u>2005 Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Ad valorem taxes	\$ 16,484,000	\$ 16,484,001	\$ 16,655,492	\$ 171,491
Earnings on investments	42,529	42,529	112,139	69,610
Payments from Lexington Museum Association	292,285	292,285	283,800	(8,485)
Payments from Corpus Christi Convention and Visitor Bureau	252,842	252,842	252,841	(1)
Payments from Texas State Aquarium	512,183	512,183	512,182	(1)
Payments from other agencies	11,825	11,825	11,425	(400)
Total revenues	<u>17,595,664</u>	<u>17,595,665</u>	<u>17,827,879</u>	<u>232,214</u>
<b>Expenditures</b>				
Principal retirement	18,755,000	18,755,000	18,960,000	(205,000)
Interest	7,500,887	7,500,887	7,013,139	487,748
Paying agent fees	26,000	26,000	12,234	13,766
Bond issue cost	20,000	1,495,467	1,495,467	--
Total expenditures	<u>26,301,887</u>	<u>27,777,354</u>	<u>27,480,840</u>	<u>296,514</u>
Deficiency of revenues under expenditures	(8,706,223)	(10,181,689)	(9,652,961)	528,728
<b>Other financing sources (uses)</b>				
Refunding bonds issued	--	60,685,564	60,685,564	--
Payment to escrow agent for refunded bonds	--	(59,387,098)	(59,387,098)	--
Transfers in from				
Tax Increment Zone No. 1	--	--	--	--
General fund	2,040,036	2,040,036	2,318,302	278,266
Marina fund	39,590	39,590	39,590	--
Utility system fund	1,333,807	1,333,806	1,268,760	(65,046)
Airport fund	732,447	732,447	716,862	(15,585)
Ambulance fund	12,723	12,723	12,723	--
Hotel occupancy tax fund	2,696,428	2,696,428	2,680,966	(15,462)
Golf centers fund	--	--	--	--
Visitors facilities fund	353,462	353,462	15,222	(338,240)
Stores fund	14,712	14,712	14,712	--
Maintenance service fund	148,966	148,966	148,966	--
Municipal information systems fund	184,432	184,432	199,432	15,000
Liability and employee benefits fund	15,724	15,724	15,724	--
Total other financing sources (uses)	<u>7,572,327</u>	<u>8,870,792</u>	<u>8,729,725</u>	<u>(141,067)</u>
Net change in fund balance	(1,133,896)	(1,310,897)	(923,236)	387,661
Fund balances at beginning of year	<u>15,423,009</u>	<u>11,251,800</u>	<u>11,251,800</u>	<u>--</u>
Fund balances at end of year	<u>\$ 14,289,113</u>	<u>\$ 9,940,903</u>	<u>\$ 10,328,564</u>	<u>\$ 387,661</u>

Exhibit 7-B

<b>2004</b>	
<b>Actual</b>	
\$	15,653,243
	129,671
	181,125
	241,786
	377,255
	12,900
	<u>16,595,980</u>
	18,640,000
	7,708,594
	11,614
	--
	<u>26,360,208</u>
	(9,764,228)
	--
	--
	1,194,763
	2,499,468
	39,420
	1,297,918
	705,160
	12,855
	2,815,427
	145,848
	15,380
	14,865
	150,515
	201,506
	15,888
	<u>9,109,013</u>
	(655,215)
	<u>11,907,015</u>
\$	<u><u>11,251,800</u></u>



City of  
Corpus  
Christi

***Non-major Governmental Funds***





City of  
Corpus  
Christi

NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2005

ASSETS	Special Revenue Funds	Capital Projects Funds	Debt Service Funds		Eliminations
			Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation	
Cash and cash equivalents	\$ 5,990,120	\$ 5,843,279	\$ 1,100,443	\$ --	\$ --
Investments	19,109,426	87,746,771	936,903	--	--
Receivables, net of allowance for uncollectibles	27,085,537	1,789,778	--	--	--
Due from other funds	1,665,351	15,462,246	--	31,496	(24,161)
Other Assets	56,223	--	--	--	--
<b>Total assets</b>	<b>\$ 53,906,657</b>	<b>\$ 110,842,074</b>	<b>\$ 2,037,346</b>	<b>\$ 31,496</b>	<b>\$ (24,161)</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 1,980,208	\$ 3,221,367	\$ --	\$ --	\$ --
Accrued liabilities	622,373	--	--	--	--
Contractor interest and retainage payable	118,255	1,414,118	--	--	--
Deposits	495,966	203,246	--	--	--
Due to other funds	1,044,883	--	--	8,376	(24,161)
Deferred revenues	3,848,867	761,031	--	--	--
<b>Total liabilities</b>	<b>8,110,552</b>	<b>5,599,762</b>	<b>--</b>	<b>8,376</b>	<b>(24,161)</b>
Fund balances					
Reserved for encumbrances	2,490,129	16,033,814	--	--	--
Reserved for loans	18,172,237	--	--	--	--
Reserved for debt service	--	--	2,037,346	23,120	--
Reserved for Senior Community Services	220,041	--	--	--	--
Reserved for Convention Center expansion	274,278	--	--	--	--
Reserved for law enforcement	1,022,639	--	--	--	--
Reserved for library projects	974	--	--	--	--
Reserved for Sister City programs	1,013	--	--	--	--
Reserved for park projects	1,283,125	--	--	--	--
Reserved for permanent art projects	109,662	--	--	--	--
Reserved for infrastructure	1,058,110	--	--	--	--
Reserved for local emergency response planning	18,430	--	--	--	--
Unreserved					
Designated for subsequent year's expenditures	323,864	--	--	--	--
Designated for specific projects	--	5,845,350	--	--	--
Undesignated					
Special revenue funds	20,821,603	--	--	--	--
Capital project funds	--	83,363,148	--	--	--
<b>Total fund balances</b>	<b>45,796,105</b>	<b>105,242,312</b>	<b>2,037,346</b>	<b>23,120</b>	<b>--</b>
<b>Total liabilities and fund balances</b>	<b>\$ 53,906,657</b>	<b>\$ 110,842,074</b>	<b>\$ 2,037,346</b>	<b>\$ 31,496</b>	<b>\$ (24,161)</b>

Exhibit 8-A

<u>Total</u>	
\$	12,933,842
	107,793,100
	28,875,315
	17,134,932
	<u>56,223</u>
\$	<u><u>166,793,412</u></u>

\$	5,201,575
	622,373
	1,532,373
	699,212
	1,029,098
	<u>4,609,898</u>
	13,694,529

	18,523,943
	18,172,237
	2,060,466
	220,041
	274,278
	1,022,639
	974
	1,013
	1,283,125
	109,662
	1,058,110
	18,430
	323,864
	5,845,350
	20,821,603
	<u>83,363,148</u>
	<u>153,098,883</u>
\$	<u><u>166,793,412</u></u>

**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**YEAR ENDED JULY 31, 2005**

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds		Eliminations
			Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation	
<b>Revenues</b>					
Taxes and business fees	\$ 27,189,110	\$ --	\$ --	\$ --	\$ --
Grants	14,819,718	23,138	--	--	--
Charges for services	7,693,437	--	--	--	--
Deposits	605,095	--	--	--	--
Contributions and donations	1,301,744	579,428	--	--	--
Special assessments	--	154,380	--	--	--
Earnings on investments	451,133	1,218,913	34,611	--	--
Interest on loans	254,651	--	--	--	--
Sale of city property	6,413	--	--	--	--
Miscellaneous	123,847	--	--	--	--
Total revenues	<u>52,445,148</u>	<u>1,975,859</u>	<u>34,611</u>	<u>--</u>	<u>--</u>
<b>Expenditures</b>					
Current					
General government	2,329,334	809,367	--	--	--
Public safety	6,738,668	--	--	--	--
Streets	493,334	--	--	--	--
Solid waste	58,095	--	--	--	--
Health	2,498,330	--	--	--	--
Community enrichment	10,623,695	--	--	--	--
Convention and visitors activities	10,887,455	--	--	--	--
Other	--	--	--	--	--
Capital projects	4,178,150	66,278,614	--	--	--
Debt service					
Principal retirement	99,940	--	3,525,000	--	--
Interest	9,708	--	5,176,029	534,755	--
Paying agent fees	--	--	2,040	4,770	--
Bond issuance cost	--	637,314	--	--	--
Interest on interfund borrowings	21,147	--	--	--	--
Total expenditures	<u>37,937,856</u>	<u>67,725,295</u>	<u>8,703,069</u>	<u>539,525</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	14,507,292	(65,749,436)	(8,668,458)	(539,525)	--
<b>Other financing sources (uses)</b>					
Proceeds from general obligation bonds	--	60,000,000	--	--	--
Revenue bonds issued	--	4,100,000	--	--	--
Certificates of obligation bonds issued	--	14,914,122	--	--	--
Transfers in	1,243,076	--	8,749,129	503,177	(9,252,306)
Transfers out	(12,557,405)	(852,376)	--	--	9,252,306
Total other financing sources (uses)	<u>(11,314,329)</u>	<u>78,161,746</u>	<u>8,749,129</u>	<u>503,177</u>	<u>--</u>
Net change in fund balances	3,192,963	12,412,310	80,671	(36,348)	--
Fund balances at beginning of year	42,603,142	92,830,002	1,956,675	59,468	--
Fund balances at end of year	<u>\$ 45,796,105</u>	<u>\$ 105,242,312</u>	<u>\$ 2,037,346</u>	<u>\$ 23,120</u>	<u>\$ --</u>

Exhibit 8-B

<u>Total</u>	
\$	27,189,110
	14,842,856
	7,693,437
	605,095
	1,881,172
	154,380
	1,704,657
	254,651
	6,413
	123,847
	<u>54,455,618</u>
	3,138,701
	6,738,668
	493,334
	58,095
	2,498,330
	10,623,695
	10,887,455
	--
	70,456,764
	3,624,940
	5,720,492
	6,810
	637,314
	21,147
	<u>114,905,745</u>
	(60,450,127)
	60,000,000
	4,100,000
	14,914,122
	1,243,076
	<u>(4,157,475)</u>
	<u>76,099,723</u>
	15,649,596
	<u>137,449,287</u>
\$	<u><u>153,098,883</u></u>



City of  
Corpus  
Christi

## ***Special Revenue Funds***

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

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

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

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

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

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

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

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

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

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

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

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

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

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



City of  
Corpus  
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**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2005  
WITH COMPARATIVE TOTALS FOR JULY 31, 2004**

ASSETS	<u>Visitors Facilities</u>	<u>Hotel Occupancy Tax</u>	<u>Federal/ State Grants</u>	<u>Community Enrichment</u>	<u>Infrastructure</u>
Cash and cash equivalents	\$ 524,712	\$ --	\$ 1,011,374	\$ --	\$ 795,631
Investments	--	--	--	500,000	--
Receivables					
Accounts	2,506,731	1,182,897	6,669	--	84,678
Property leases	--	--	1,000	--	--
Taxes	--	--	--	--	--
Accrued interest	--	--	--	--	--
Mortgages and loans	--	--	--	--	--
Demolition liens	--	--	207,299	--	--
Special assessments	--	--	10,862	--	--
Notes	--	--	--	--	--
Employees	--	--	--	--	--
Intergovernmental	--	--	3,085,004	--	--
Miscellaneous	--	7,424	--	--	--
Allowance for uncollectibles	(51,139)	(23,025)	--	--	--
Net receivables	<u>2,455,592</u>	<u>1,167,296</u>	<u>3,310,834</u>	<u>--</u>	<u>84,678</u>
Due from other funds	28,868	35	7,369	897,362	177,801
Other Assets	<u>56,223</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total assets	<u>\$ 3,065,395</u>	<u>\$ 1,167,331</u>	<u>\$ 4,329,577</u>	<u>\$ 1,397,362</u>	<u>\$ 1,058,110</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 659,744	\$ 25,568	\$ 764,291	\$ 402	\$ --
Accrued liabilities	320,860	--	300,514	--	--
Contractor interest and retainage payable	--	--	118,255	--	--
Deposits	25,000	--	250,468	--	--
Due to other funds	19,600	1,000,958	10,122	--	--
Deferred revenues					
Demolition liens and other	--	--	196,471	--	--
Paving assessments	--	--	11,149	--	--
U.S. Department of Justice	--	--	3,720	--	--
Asset seizure and forfeiture	--	--	35,906	--	--
Grants	--	--	1,032,638	--	--
Texas Commission on Environmental Quality	--	--	212,043	--	--
Rentals	--	--	--	--	--
Dues	2,336,440	--	--	--	--
Total deferred revenues	<u>2,336,440</u>	<u>--</u>	<u>1,491,927</u>	<u>--</u>	<u>--</u>
Total liabilities	<u>3,361,644</u>	<u>1,026,526</u>	<u>2,935,577</u>	<u>402</u>	<u>--</u>

(Continued)

Exhibit 9-A

Local Emergency Planning Committee	Corpus Christi Community Improvement Corporation	Corpus Christi Housing Finance Corporation	Corpus Christi Industrial Development Corporation	Corpus Christi Crime Control and Prevention District
\$ 46,719	\$ 551,994	\$ 72,608	\$ 12,185	\$ 1,196,137
--	963,046	242,052	44,459	498,750
--	--	--	--	--
--	--	--	--	--
--	10,379	1,977	363	7,722
--	18,102,334	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	1,000	--	--	420,199
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>18,113,713</u>	<u>1,977</u>	<u>363</u>	<u>427,921</u>
--	124,614	--	--	106,691
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ 46,719</u>	<u>\$ 19,753,367</u>	<u>\$ 316,637</u>	<u>\$ 57,007</u>	<u>\$ 2,229,499</u>
\$ 3,043	\$ 139,134	219	\$ --	\$ 103,182
999	--	--	--	--
--	--	--	--	--
--	220,498	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
20,500	--	--	--	--
20,500	--	--	--	--
<u>24,542</u>	<u>359,632</u>	<u>219</u>	<u>--</u>	<u>103,182</u>

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2005  
WITH COMPARATIVE TOTALS FOR JULY 31, 2004**

	<u>Visitors Facilities</u>	<u>Hotel Occupancy Tax</u>	<u>Federal/ State Grants</u>	<u>Community Enrichment</u>	<u>Infrastructure</u>
Fund balances					
Reserved for encumbrances	1,810	--	939,851	2,186	--
Reserved for loans	--	--	--	--	--
Reserved for Senior Community Services	--	--	220,041	--	--
Reserved for Convention Center expansion	--	274,278	--	--	--
Reserved for law enforcement	--	--	1,022,639	--	--
Reserved for library projects	--	--	--	974	--
Reserved for Sister City programs	--	--	--	1,013	--
Reserved for park projects	--	--	--	1,283,125	--
Reserved for permanent art projects	--	--	--	109,662	--
Reserved for infrastructure	--	--	--	--	1,058,110
Reserved for local emergency response planning	--	--	--	--	--
Unreserved					
Designated for subsequent year's expenditures	--	--	--	--	--
Undesignated (deficit)	(298,059)	(133,473)	(788,531)	--	--
Total fund balances	<u>(296,249)</u>	<u>140,805</u>	<u>1,394,000</u>	<u>1,396,960</u>	<u>1,058,110</u>
 Total liabilities and fund balances	 <u>\$ 3,065,395</u>	 <u>\$ 1,167,331</u>	 <u>\$ 4,329,577</u>	 <u>\$ 1,397,362</u>	 <u>\$ 1,058,110</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 9-A  
(Continued)

<u>Local Emergency Planning Committee</u>	<u>Corpus Christi Community Improvement Corporation</u>	<u>Corpus Christi Housing Finance Corporation</u>	<u>Corpus Christi Industrial Development Corporation</u>	<u>Corpus Christi Crime Control and Prevention District</u>
--	--	--	--	--
--	18,172,237	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
18,430	--	--	--	--
3,747	--	--	--	320,117
--	1,221,498	316,418	57,007	1,806,200
<u>22,177</u>	<u>19,393,735</u>	<u>316,418</u>	<u>57,007</u>	<u>2,126,317</u>
<u>\$ 46,719</u>	<u>\$ 19,753,367</u>	<u>\$ 316,637</u>	<u>\$ 57,007</u>	<u>\$ 2,229,499</u>

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2005  
WITH COMPARATIVE TOTALS FOR JULY 31, 2004**

ASSETS	Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation	Eliminations	2005 Total	2004 Total
Cash and cash equivalents	\$ 1,185,857	\$ 592,903	\$ --	\$ 5,990,120	\$ 9,171,496
Investments	16,362,369	498,750	--	19,109,426	14,265,357
Receivables					
Accounts	--	--	--	3,780,975	1,791,858
Property leases	--	--	--	1,000	2,503
Taxes	--	1,640	--	1,640	298
Accrued interest	133,029	5,179	--	158,649	130,097
Mortgages and loans	--	--	--	18,102,334	18,085,848
Demolition liens	--	--	--	207,299	136,400
Special assessments	--	--	--	10,862	11,975
Intergovernmental	1,383,315	--	--	4,889,518	4,677,879
Miscellaneous	--	--	--	7,424	26,555
Allowance for uncollectibles	--	--	--	(74,164)	(20,409)
Net receivables	<u>1,516,344</u>	<u>6,819</u>	<u>--</u>	<u>27,085,537</u>	<u>24,843,004</u>
Due from other funds	353,061	--	(30,450)	1,665,351	286,680
Other Assets	<u>--</u>	<u>--</u>	<u>--</u>	<u>56,223</u>	<u>--</u>
Total assets	<u>\$ 19,417,631</u>	<u>\$ 1,098,472</u>	<u>\$ (30,450)</u>	<u>\$ 53,906,657</u>	<u>\$ 48,566,537</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 284,625	\$ --	\$ --	\$ 1,980,208	\$ 2,134,958
Accrued liabilities	--	--	--	622,373	598,178
Contractor interest and retainage payable	--	--	--	118,255	--
Deposits	--	--	--	495,966	292,108
Due to other funds	44,653	--	(30,450)	1,044,883	1,293,225
Due to other governmental agencies	--	--	--	--	240,175
Deferred revenues					
Demolition liens and other	--	--	--	196,471	125,571
Paving assessments	--	--	--	11,149	12,262
U.S. Department of Justice	--	--	--	3,720	84,387
Asset seizure and forfeitures	--	--	--	35,906	44,592
Grants	--	--	--	1,032,638	673,969
Texas Commission on Environmental Quality	--	--	--	212,043	286,437
Rentals	--	--	--	--	177,333
Dues	--	--	--	2,356,940	200
Total deferred revenues	<u>--</u>	<u>--</u>	<u>--</u>	<u>3,848,867</u>	<u>1,404,751</u>
Total liabilities	<u>329,278</u>	<u>--</u>	<u>(30,450)</u>	<u>8,110,552</u>	<u>5,963,395</u>

(Continued)

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2005  
WITH COMPARATIVE TOTALS FOR JULY 31, 2004**

	<u>Corpus Christi Business and Job Development Corporation</u>	<u>North Padre Island Development Corporation</u>	<u>Eliminations</u>	<u>2005 Total</u>	<u>2004 Total</u>
Fund balances					
Reserved for encumbrances	1,546,282	--	--	2,490,129	3,324,133
Reserved for loans	--	--	--	18,172,237	18,252,062
Reserved for Senior Community Services	--	--	--	220,041	36,308
Reserved for Home Program	--	--	--	--	511,167
Reserved for Convention Center expansion	--	--	--	274,278	915,358
Reserved for law enforcement	--	--	--	1,022,639	1,004,913
Reserved for library projects	--	--	--	974	953
Reserved for Sister City programs	--	--	--	1,013	993
Reserved for park projects	--	--	--	1,283,125	933,597
Reserved for permanent art projects	--	--	--	109,662	108,481
Reserved for infrastructure	--	--	--	1,058,110	521,553
Reserved for local emergency response planning	--	--	--	18,430	18,943
Unreserved					
Designated for subsequent year's expenditures	--	--	--	323,864	608,516
Undesignated (deficit)	17,542,071	1,098,472	--	20,821,603	16,366,165
Total fund balances	<u>19,088,353</u>	<u>1,098,472</u>	<u>--</u>	<u>45,796,105</u>	<u>42,603,142</u>
 Total liabilities and fund balances	 <u>\$ 19,417,631</u>	 <u>\$ 1,098,472</u>	 <u>\$ (30,450)</u>	 <u>\$ 53,906,657</u>	 <u>\$ 48,566,537</u>

**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	Visitors Facilities	Hotel Occupancy Tax	Federal/ State Grants	Community Enrichment
<b>Revenues</b>				
Taxes and business fees	\$ --	\$ 8,320,624	\$ --	\$ --
Grants	--	--	13,532,360	--
Charges for services	5,481,382	--	2,076,965	--
Deposits	--	--	--	--
Contributions and donations	--	--	--	333,767
Earnings on investments	--	--	23,917	24,065
Interest on loans	--	--	--	--
Sale of City property	--	--	--	--
Miscellaneous	21,324	9,207	84,091	--
<b>Total revenues</b>	<b>5,502,706</b>	<b>8,329,831</b>	<b>15,717,333</b>	<b>357,832</b>
<b>Expenditures</b>				
<b>Current</b>				
General government	--	--	1,133,959	--
Public safety				
Police	--	--	2,065,373	--
Fire	--	--	412,718	--
Emergency management	--	--	22,498	--
Streets	--	--	493,334	--
Solid Waste	--	--	58,095	--
Health	--	--	2,498,330	--
Community enrichment				
Parks and recreation	--	964,678	3,625,967	--
Libraries	--	--	922,750	2,427
Enrichment	28,535	793,232	--	2,500
Development	--	--	2,607,711	--
Convention and visitors activities	6,080,289	4,807,166	--	--
Other	--	--	--	--
Capital projects	--	--	2,517,644	6,164
Debt service				
Principal retirement	--	--	--	--
Interest	--	--	--	--
Interest on interfund borrowings	--	21,147	--	--
<b>Total expenditures</b>	<b>6,108,824</b>	<b>6,586,223</b>	<b>16,358,379</b>	<b>11,091</b>
Excess (deficiency) of revenues over (under) expenditures	(606,118)	1,743,608	(641,046)	346,741
<b>Other financing sources (uses)</b>				
Transfers in	782,747	--	1,395,664	1,582
Transfers out	(479,123)	(2,682,548)	(413,188)	--
<b>Total other financing sources (uses)</b>	<b>303,624</b>	<b>(2,682,548)</b>	<b>982,476</b>	<b>1,582</b>
Net change in fund balance	(302,494)	(938,940)	341,430	348,323
Fund balances at beginning of year	6,245	1,079,745	1,052,570	1,048,637
Fund balances at end of year	\$ (296,249)	\$ 140,805	\$ 1,394,000	\$ 1,396,960

(Continued)

Exhibit 9-B

<u>Infrastructure</u>	<u>Local Emergency Planning Committee</u>	<u>Corpus Christi Community Improvement Corporation</u>	<u>Corpus Christi Housing Finance Corporation</u>	<u>Corpus Christi Industrial Development Corporation</u>	<u>Corpus Christi Crime Control and Prevention District</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 4,215,406
--	--	1,287,358	--	--	--
--	--	113,330	17,810	3,950	--
605,095	--	--	--	--	--
885,977	82,000	--	--	--	--
13,274	596	31,922	4,925	774	42,410
--	--	254,651	--	--	--
--	--	--	--	--	6,413
--	--	9,225	--	--	--
<u>1,504,346</u>	<u>82,596</u>	<u>1,696,486</u>	<u>22,735</u>	<u>4,724</u>	<u>4,264,229</u>
--	--	--	--	--	--
--	--	--	--	--	4,141,119
--	--	--	--	--	--
--	96,960	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	1,652,792	23,103	--	--
--	--	--	--	--	--
967,789	--	--	--	--	106,690
--	--	99,940	--	--	--
--	--	9,708	--	--	--
--	--	--	--	--	--
<u>967,789</u>	<u>96,960</u>	<u>1,762,440</u>	<u>23,103</u>	<u>--</u>	<u>4,247,809</u>
536,557	(14,364)	(65,954)	(368)	4,724	16,420
--	--	268,178	--	--	--
--	--	(152,588)	--	--	--
--	--	115,590	--	--	--
536,557	(14,364)	49,636	(368)	4,724	16,420
521,553	36,541	19,344,099	316,786	52,283	2,109,897
<u>\$ 1,058,110</u>	<u>\$ 22,177</u>	<u>\$ 19,393,735</u>	<u>\$ 316,418</u>	<u>\$ 57,007</u>	<u>\$ 2,126,317</u>

**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation	Eliminations	2005 Total
<b>Revenues</b>				
Taxes and business fees	\$ 13,637,841	\$ 1,015,239	\$ --	\$ 27,189,110
Grants	--	--	--	14,819,718
Charges for services	--	--	--	7,693,437
Deposits	--	--	--	605,095
Contributions and donations	--	--	--	1,301,744
Earnings on investments	293,320	15,930	--	451,133
Interest on loans	--	--	--	254,651
Sale of City property	--	--	--	6,413
Miscellaneous	--	--	--	123,847
<b>Total revenue</b>	<u>13,931,161</u>	<u>1,031,169</u>	<u>--</u>	<u>52,445,148</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	1,195,375	--	--	2,329,334
Public safety				
Police	--	--	--	6,206,492
Fire	--	--	--	412,718
Emergency management	--	--	--	119,458
Streets	--	--	--	493,334
Solid Waste	--	--	--	58,095
Health	--	--	--	2,498,330
Community enrichment				
Parks and recreation	--	--	--	4,590,645
Libraries	--	--	--	925,177
Enrichment	--	--	--	824,267
Development	--	--	--	4,283,606
Convention and visitors activities	--	--	--	10,887,455
Other	--	--	--	--
Capital projects	579,863	--	--	4,178,150
Debt service				
Principal retirement	--	--	--	99,940
Interest	--	--	--	9,708
Interest on interfund borrowings	--	--	--	21,147
<b>Total expenditures</b>	<u>1,775,238</u>	<u>--</u>	<u>--</u>	<u>37,937,856</u>
Excess (deficiency) of revenues over (under) expenditures	12,155,923	1,031,169	--	14,507,292
<b>Other financing sources (uses)</b>				
Proceeds from sale of revenue bonds	--	--	--	--
Transfers in	--	--	(1,205,095)	1,243,076
Transfers out	(9,531,876)	(503,177)	1,205,095	(12,557,405)
<b>Total other financing sources (uses)</b>	<u>(9,531,876)</u>	<u>(503,177)</u>	<u>--</u>	<u>(11,314,329)</u>
Net change in fund balances	2,624,047	527,992	--	3,192,963
Fund balances at beginning of year	16,464,306	570,480	--	42,603,142
Fund balances at end of year	<u>\$ 19,088,353</u>	<u>\$ -1,098,472</u>	<u>\$ --</u>	<u>\$ 45,796,105</u>

**Exhibit 9-B  
(Continued)**

<u>2004</u> <u>Total</u>
\$ 26,298,614
14,177,692
3,207,474
103,674
247,520
218,795
93,839
6,035
284,233
<u>44,637,876</u>
1,704,553
5,693,793
489,634
169,746
1,086,564
65,517
1,696,486
4,857,248
1,372,707
470,860
4,377,424
6,164,876
22,095
3,830,041
93,239
16,759
--
<u>32,111,542</u>
12,526,334
250,000
1,035,712
(11,175,968)
<u>(9,890,256)</u>
2,636,078
<u>39,967,064</u>
<u>\$ 42,603,142</u>

Exhibit 10-A

**VISITORS FACILITIES FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2005 AND 2004**

<b>ASSETS</b>	<u>2005</u>	<u>2004</u>
Cash and cash equivalents	\$ 524,712	\$ 536,392
Receivables		
Accounts	2,506,731	132,912
Intergovernmental	-	93
Allowance for uncollectibles	(51,139)	(19,984)
Net receivables	<u>2,455,592</u>	<u>113,021</u>
Due from other funds	28,868	109,285
Other Assets	<u>56,223</u>	<u>--</u>
Total assets	<u>\$ 3,065,395</u>	<u>\$ 758,698</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 659,744	\$ 181,604
Accrued liabilities	320,860	20,429
Deposits	25,000	103,875
Due to other funds	19,600	446,545
Deferred revenues		
Other	2,336,440	--
Total liabilities	<u>3,361,644</u>	<u>752,453</u>
Fund balance		
Reserved for encumbrances	1,810	24,371
Unreserved		
Undesignated (deficit)	(298,059)	(18,126)
Total fund balance	<u>(296,249)</u>	<u>6,245</u>
Total liabilities and fund balance	<u>\$ 3,065,395</u>	<u>\$ 758,698</u>

**VISITORS FACILITIES FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	<u>Budget</u>		<u>2005 Actual</u>	<u>Variance Final Budget Positive (Negative)</u>	<u>2004 Actual</u>
	<u>Original</u>	<u>Final</u>		<u></u>	
<b>Revenues</b>					
Charges for services			--		
Coliseum services	\$ 132,536	\$ 132,536	\$ 80,284	\$ (52,252)	\$ 423,565
Auditorium services	--	--	--	--	111,170
Arena	2,241,534	1,881,510	3,909,506	2,027,996	--
Convention center services	--	1,142,399	1,491,592	349,193	627,112
Equipment rental- auditorium/convention center	--	--	--	--	192,660
Catering fees- auditorium/convention center	--	--	--	--	129,597
Ice hockey cost recovery	--	--	--	--	9,037
Total charges for services	<u>2,374,070</u>	<u>3,156,445</u>	<u>5,481,382</u>	<u>2,324,937</u>	<u>1,493,141</u>
Earnings on investments	4,873	4,873	--	(4,873)	939
Miscellaneous	--	--	21,324	21,324	260
Total revenues	<u>2,378,943</u>	<u>3,161,318</u>	<u>5,502,706</u>	<u>2,341,388</u>	<u>1,494,340</u>
<b>Expenditures</b>					
<b>Current</b>					
Community enrichment	--	--	28,535	(28,535)	--
Convention and visitor activities	--	--	--	--	107,252
Auditorium/convention center	1,303,313	1,059,381	1,097,345	(37,964)	773,746
Arena	705,438	2,799,520	4,410,432	(1,610,912)	--
Coliseum	137,409	144,116	107,843	36,273	291,225
Water garden	130,061	137,657	96,048	41,609	119,497
Cultural facility maintenance	409,710	409,710	368,621	41,089	327,002
Total expenditures	<u>2,685,931</u>	<u>4,550,384</u>	<u>6,108,824</u>	<u>(1,558,440)</u>	<u>1,618,722</u>
Excess (deficiency) of revenues over (under) expenditures	(306,988)	(1,389,066)	(606,118)	782,948	(124,382)
<b>Other financing sources (uses)</b>					
Transfers in	782,747	782,747	782,747	--	--
Transfers out	(479,123)	(479,123)	(479,123)	--	(468,992)
Total other financing sources (uses)	<u>303,624</u>	<u>303,624</u>	<u>303,624</u>	<u>--</u>	<u>(468,992)</u>
Net change in fund balance	(3,364)	(1,085,442)	(302,494)	782,948	(593,374)
Fund balance at beginning of year	<u>50,195</u>	<u>6,245</u>	<u>6,245</u>	<u>--</u>	<u>599,619</u>
Fund balance at end of year	<u>\$ 46,831</u>	<u>\$ (1,079,197)</u>	<u>\$ (296,249)</u>	<u>\$ 782,948</u>	<u>\$ 6,245</u>

Exhibit 11-A

**HOTEL OCCUPANCY TAX FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2005 AND 2004**

ASSETS	<u>2005</u>	<u>2004</u>
Receivables		
Accounts	\$ 1,182,897	\$ 1,642,610
Miscellaneous	7,424	--
Allowance for uncollectibles	(23,025)	(425)
Net receivables	<u>1,167,296</u>	<u>1,642,185</u>
Due from other funds	<u>35</u>	<u>--</u>
Total assets	<u><u>\$ 1,167,331</u></u>	<u><u>\$ 1,642,185</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 25,568	\$ 5,000
Accrued liabilities	--	3,456
Due to other funds	1,000,958	553,984
Total liabilities	<u>1,026,526</u>	<u>562,440</u>
Fund balance		
Reserved for convention center expansion	274,278	915,358
Unreserved		
Designated for subsequent year's expenditures	--	111,421
Undesignated	(133,473)	52,966
Total fund balance	<u>140,805</u>	<u>1,079,745</u>
Total liabilities and fund balance	<u><u>\$ 1,167,331</u></u>	<u><u>\$ 1,642,185</u></u>

**HOTEL OCCUPANCY TAX FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	<u>Budget</u>		<u>2005 Actual</u>	<u>Variance</u>	<u>2004 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
<b>Revenues</b>					
Hotel occupancy tax	\$ 6,644,038	\$ 6,644,038	\$ 6,470,860	\$ (173,178)	\$ 6,341,111
Hotel occupancy tax-Convention expansion	1,898,297	1,898,297	1,849,764	(48,533)	1,804,045
Total hotel occupancy taxes	<u>8,542,335</u>	<u>8,542,335</u>	<u>8,320,624</u>	<u>(221,711)</u>	<u>8,145,156</u>
Earnings on investments	4,321	4,321	--	(4,321)	--
Miscellaneous	--	--	9,207	9,207	11,437
Total revenues	<u>8,546,656</u>	<u>8,546,656</u>	<u>8,329,831</u>	<u>(216,825)</u>	<u>8,156,593</u>
<b>Expenditures</b>					
<b>Current</b>					
Convention center/auditorium	2,384,547	2,384,547	2,384,547	--	2,171,037
Convention and Visitors Bureau-convention promotion	2,425,619	2,425,619	2,422,619	3,000	2,375,117
Art Museum of South Texas	250,000	250,000	250,000	--	200,000
Multicultural services support	107,064	107,064	107,064	--	84,363
Jazz festival	7,500	7,500	7,500	--	7,500
Arts grants and projects	91,500	91,500	89,918	1,582	90,247
Harbor Playhouse	31,750	31,750	31,750	--	31,750
Center for Hispanic Arts	15,000	15,000	15,000	--	15,000
Asian Cultures Museum	15,000	15,000	15,000	--	15,000
Arts Community Center	15,000	15,000	15,000	--	15,000
Corpus Christi Symphony	12,000	12,000	12,000	--	12,000
Beach cleaning	964,678	964,678	964,678	--	932,167
American Bowling Congress	250,000	250,000	250,000	--	--
Interest on interfund borrowings	--	--	21,147	(21,147)	22,095
Total expenditures	<u>6,569,658</u>	<u>6,569,658</u>	<u>6,586,223</u>	<u>(16,565)</u>	<u>5,971,276</u>
Excess of revenues over expenditures	1,976,998	1,976,998	1,743,608	(233,390)	2,185,317
Transfers out	(2,680,966)	(2,680,966)	(2,682,548)	(1,582)	(2,816,680)
Total other financing (uses)	<u>(2,680,966)</u>	<u>(2,680,966)</u>	<u>(2,682,548)</u>	<u>(1,582)</u>	<u>(2,816,680)</u>
Net change in fund balance	(703,968)	(703,968)	(938,940)	(234,972)	(631,363)
Fund balance at beginning of year	<u>1,184,563</u>	<u>1,079,745</u>	<u>1,079,745</u>	<u>--</u>	<u>1,711,108</u>
Fund balance at end of year	<u>\$ 480,595</u>	<u>\$ 375,777</u>	<u>\$ 140,805</u>	<u>\$ (234,972)</u>	<u>\$ 1,079,745</u>



City of  
Corpus  
Christi

**FEDERAL/STATE GRANTS FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2005 AND 2004**

ASSETS	<u>2005</u>	<u>2004</u>
Cash and cash equivalents	\$ 1,011,374	\$ 1,021,483
Receivables		
Accounts	6,669	5,503
Property leases	1,000	2,503
Demolition liens	207,299	136,400
Special assessments	10,862	11,975
Intergovernmental	3,085,004	3,032,054
Net receivables	<u>3,310,834</u>	<u>3,188,435</u>
Due from other funds	<u>7,369</u>	<u>20,846</u>
Total assets	<u>\$ 4,329,577</u>	<u>\$ 4,230,764</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 764,291	\$ 1,298,581
Accrued liabilities	300,514	186,802
Contractor interest and retainage payable	118,255	53,690
Deposits	250,468	333,801
Due to other funds	10,122	73,272
Due to other governmental agencies	--	4,830
Deferred revenues		
Demolition liens and other	196,471	125,571
Paving assessments	11,149	12,262
U.S. Department of Justice	3,720	84,387
Asset seizure and forfeitures	35,906	44,592
Grants	1,032,638	673,969
Texas Commission on Environmental Quality	212,043	286,437
Total liabilities	<u>2,935,577</u>	<u>3,178,194</u>
Fund balance		
Reserved for encumbrances	939,851	1,486,498
Reserved for senior community services	220,041	36,308
Reserved for law enforcement		
State forfeitures	374,652	233,566
Federal forfeitures	647,987	761,953
Officers' standards and education	--	9,394
Unreserved:		
Undesignated (deficit)	(788,531)	(1,475,149)
Total fund balance	<u>1,394,000</u>	<u>1,052,570</u>
Total liabilities and fund balances	<u>\$ 4,329,577</u>	<u>\$ 4,230,764</u>

**FEDERAL/STATE GRANTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED JULY 31, 2005**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
<b>Revenues</b>				
Charges for services	\$ 14,217,705	\$ 13,466,118	\$ 2,076,965	15,543,083
Grants				--
State of Texas	50,257,910	43,332,997	5,607,926	48,940,923
Federal Government	100,737,027	83,628,438	6,123,066	89,751,504
Coastal Bend Council of Governments	10,518,281	6,532,278	965,737	7,498,015
Special assessments				--
Drug forfeitures				
State	931,454	421,990	367,011	789,001
Federal	1,315,567	926,584	388,983	1,315,567
Local grants and contributions	543,691	954,173	79,637	1,033,810
Total grants	<u>164,303,930</u>	<u>135,796,460</u>	<u>13,532,360</u>	<u>149,328,820</u>
Earnings on investments	64,525	40,607	23,917	64,524
Miscellaneous	1,251,111	1,406,290	84,091	1,490,381
Total revenue	<u>179,837,271</u>	<u>150,709,475</u>	<u>15,717,333</u>	<u>166,426,808</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	4,818,907	2,959,884	1,133,959	4,093,843
Public safety				
Police	19,899,826	13,951,743	2,065,373	16,017,116
Fire	1,439,242	1,076,643	412,718	1,489,361
Emergency management	493,938	415,089	22,498	437,587
Streets	5,299,830	4,575,032	493,334	5,068,366
Solid waste	313,564	600,347	58,095	658,442
Health	14,415,226	12,914,750	2,498,330	15,413,080
Community enrichment				
Parks and recreation	18,024,485	22,151,477	3,625,967	25,777,444
Libraries	5,189,643	7,131,369	922,750	8,054,119
Development	74,415,119	54,461,371	2,607,711	57,069,082
Miscellaneous	162,010	179,614	--	179,614
Capital projects	33,061,357	30,817,867	2,517,644	33,335,511
Debt service				
Principal retirement	93,440	93,440	--	93,440
Interest	1,524	1,524	--	1,524
Total expenditures	<u>177,628,111</u>	<u>151,330,150</u>	<u>16,358,379</u>	<u>167,688,529</u>
Excess (deficiency) of revenues over (under) expenditures	2,209,160	(620,675)	(641,046)	(1,261,721)

(Continued)

the City of Corpus Christi, Texas

Exhibit 12-B

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Transfers in				
Corpus Christi Community Improvement Corporation	375,434	529,463	152,588	682,051
General fund	8,999,170	7,848,293	1,243,076	9,091,369
Utility system	10,000	95,000	--	95,000
Trust funds	--	869,267	--	869,267
Total transfers in	<u>9,384,604</u>	<u>9,342,023</u>	<u>1,395,664</u>	<u>10,737,687</u>
Transfers out				
Corpus Christi Community Improvement Corporation	(8,206,591)	(4,959,396)	(268,178)	(5,227,574)
Water	--	(23,339)	--	(23,339)
Airport	--	(3,514)	--	(3,514)
General fund	(3,016,708)	(2,682,529)	(145,010)	(2,827,539)
Total transfers out	<u>(11,223,299)</u>	<u>(7,668,778)</u>	<u>(413,188)</u>	<u>(8,081,966)</u>
Total other financing sources (uses)	<u>(1,838,695)</u>	<u>1,673,245</u>	<u>982,476</u>	<u>2,655,721</u>
Net change in fund balance	<u>\$ 370,465</u>	<u>\$ 1,052,570</u>	341,430	<u>\$ 1,394,000</u>
Fund balance at beginning of year			<u>1,052,570</u>	
Fund balance at end of year			<u>\$ 1,394,000</u>	

Exhibit 13-A

**COMMUNITY ENRICHMENT FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2005 AND 2004**

ASSETS	<u>2005</u>	<u>2004</u>
Cash and cash equivalents	\$ --	\$ 122,387
Investments	500,000	933,590
Receivables		
Accrued interest	--	7,368
Net receivables	--	<u>7,368</u>
Due from other funds	<u>897,362</u>	<u>1,566</u>
Total assets	<u>\$ 1,397,362</u>	<u>\$ 1,064,911</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 402	\$ 16,274
Total liabilities	<u>402</u>	<u>16,274</u>
Fund balance		
Reserved for encumbrances	2,186	4,613
Reserved for library projects	974	953
Reserved for sister city programs	1,013	993
Reserved for park projects	1,283,125	933,597
Reserved for permanent art projects	109,662	108,481
Total fund balance	<u>1,396,960</u>	<u>1,048,637</u>
Total liabilities and fund balance	<u>\$ 1,397,362</u>	<u>\$ 1,064,911</u>

Exhibit 13-B

**COMMUNITY ENRICHMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>Revenues</b>		
Contributions and donations	\$ 333,767	\$ 154,283
Earnings on investments	24,065	10,625
Total revenues	<u>357,832</u>	<u>164,908</u>
<b>Expenditures</b>		
Current		
Parks and recreation	--	27,974
Libraries	2,427	54,289
Community enrichment	2,500	--
Capital projects	6,164	9,114
Total expenditures	<u>11,091</u>	<u>91,377</u>
Excess of revenues over expenditures	346,741	73,531
<b>Other financing sources</b>		
Transfers in	<u>1,582</u>	<u>1,253</u>
Net change in fund balance	348,323	74,784
Fund balance at beginning of year	<u>1,048,637</u>	<u>973,853</u>
Fund balance at end of year	<u>\$ 1,396,960</u>	<u>\$ 1,048,637</u>

Exhibit 14-A

**INFRASTRUCTURE FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2005 AND 2004**

<b>ASSETS</b>	<u>2005</u>	<u>2004</u>
Cash and cash equivalents	\$ 795,631	\$ 71,565
Investments	--	500,000
Receivables		
Accounts	84,678	--
Accrued interest	--	3,946
Net receivables	<u>84,678</u>	<u>3,946</u>
Due from other funds	<u>177,801</u>	<u>--</u>
Total assets	<u>\$ 1,058,110</u>	<u>\$ 575,511</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ --	\$ 53,939
Due to other funds	--	19
Total liabilities	<u>--</u>	<u>53,958</u>
Fund balance		
Reserved for infrastructure	<u>1,058,110</u>	<u>521,553</u>
Total fund balance	<u>1,058,110</u>	<u>521,553</u>
Total liabilities and fund balance	<u>\$ 1,058,110</u>	<u>\$ 575,511</u>

Exhibit 14-B

**INFRASTRUCTURE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**YEAR ENDED JULY 31, 2005 AND 2004**

	<b>2005</b>	<b>2004</b>
	<b>Actual</b>	<b>Actual</b>
<b>Revenues</b>		
Deposits	\$ 605,095	\$ 103,674
Contributions and donations	885,977	--
Earnings on investments	13,274	4,657
Total revenues	1,504,346	108,331
<b>Expenditures</b>		
Capital projects	967,789	73,616
Net change in fund balance	536,557	34,715
Fund balance at beginning of year	521,553	486,838
Fund balance at end of year	\$ 1,058,110	\$ 521,553

**TAX INCREMENT ZONE NO. 1 FUND  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ --	\$ 427,449
Total assets	<u>\$ --</u>	<u>\$ 427,449</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Due to other funds	\$ --	\$ 192,104
Due to other governmental agencies	--	235,345
Total liabilities	<u>--</u>	<u>427,449</u>
Fund balance		
Unreserved		
Undesignated	<u>--</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ --</u>	<u>\$ 427,449</u>

**TAX INCREMENT ZONE NO. 1 FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JULY 31, 2005  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	Budget		2005 Actual	Variance Final Budget Positive (Negative)	2004 Actual
	Original	Final			
<b>Revenues</b>					
Taxes and business fees	\$ -	\$ -	\$ -	\$ -	\$ 1,007,950
Earnings on investments	-	-	-	-	3,031
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,010,981</u>
<b>Other financing uses</b>					
Transfers out	-	-	-	-	(1,194,763)
Net change in fund balance	-	-	-	-	(183,782)
Fund balance at beginning of year	-	-	-	-	183,782
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**LOCAL EMERGENCY PLANNING COMMITTEE  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2005 AND 2004**

<b>ASSETS</b>	<u>2005</u>	<u>2004</u>
Cash and cash equivalents	\$ 46,719	\$ 41,217
Total assets	<u>\$ 46,719</u>	<u>\$ 41,217</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 3,043	\$ 260
Accrued liabilities	999	--
Due to other funds	--	4,216
Deferred revenues		
Dues	20,500	200
Total liabilities	<u>24,542</u>	<u>4,676</u>
Fund balance		
Reserved for local emergency response planning	18,430	18,943
Unreserved		
Designated for subsequent year's expenditures	3,747	17,598
Total fund balance	<u>22,177</u>	<u>36,541</u>
Total liabilities and fund balance	<u>\$ 46,719</u>	<u>\$ 41,217</u>

**LOCAL EMERGENCY PLANNING COMMITTEE  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JULY 31, 2005 AND 2004  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	Budget		2005 Actual	Variance Final Budget Positive (Negative)	2004 Actual
	Original	Final			
<b>Revenues</b>					
Contributions and donations	\$ 90,000	\$ 90,000	\$ 82,000	\$ (8,000)	\$ 93,237
Earnings on investments	284	284	596	312	556
Total revenues	90,284	90,284	82,596	(7,688)	93,793
<b>Expenditures</b>					
Current					
Public safety					
Emergency management	107,882	112,882	96,960	15,922	100,106
Net change in fund balance	(17,598)	(22,598)	(14,364)	8,234	(6,313)
Fund balance at beginning of year	22,000	36,541	36,541	--	42,854
Fund balance at end of year	\$ 4,402	\$ 13,943	\$ 22,177	\$ 8,234	\$ 36,541

**CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2005 AND 2004**

ASSETS	<u>2005</u>	<u>2004</u>
Cash and cash equivalents	\$ 551,994	\$ 1,646,760
Investments	963,046	--
Receivables		
Accrued interest	10,379	--
Mortgages and loans	18,102,334	18,085,848
Intergovernmental	1,000	1,000
Miscellaneous	--	26,555
Net receivables	<u>18,113,713</u>	<u>18,113,403</u>
Due from other funds	<u>124,614</u>	<u>125,007</u>
Total assets	<u>\$ 19,753,367</u>	<u>\$ 19,885,170</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 139,134	\$ 342,344
Deposits	220,498	188,233
Due to other funds	--	10,494
Total liabilities	<u>359,632</u>	<u>541,071</u>
Fund balance		
Reserved for loans	18,172,237	18,252,062
Reserved for Home Program	--	511,167
Unreserved		
Undesignated	1,221,498	580,870
Total fund balance	<u>19,393,735</u>	<u>19,344,099</u>
Total liabilities and fund balance	<u>\$ 19,753,367</u>	<u>\$ 19,885,170</u>

Exhibit 17-B

**CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>Revenues</b>		
Charges for services	\$ 113,330	\$ 108,829
Federal Government	1,287,358	1,694,016
Earnings on investments	31,922	10,569
Interest on loans	254,651	93,839
Miscellaneous	9,225	--
Total revenues	<u>1,696,486</u>	<u>1,907,253</u>
<b>Expenditures</b>		
Current		
Grants	1,298,750	2,020,285
Warranty costs	1,846	3,450
Administration costs	107,644	175,571
Forgiven and uncollectible loans	244,552	249,523
Debt service		
Principal retirement	99,940	93,239
Interest	9,708	16,759
Total expenditures	<u>1,762,440</u>	<u>2,558,827</u>
Deficiency of revenues under expenditures	(65,954)	(651,574)
<b>Other financing sources (uses)</b>		
Transfers in	268,178	212,166
Transfers out	(152,588)	(29,562)
Total other financing sources	<u>115,590</u>	<u>182,604</u>
Net change in fund balance	49,636	(468,970)
Fund balance at beginning of year	<u>19,344,099</u>	<u>19,813,069</u>
Fund balance at end of year	<u>\$ 19,393,735</u>	<u>\$ 19,344,099</u>

Exhibit 18-A

**CORPUS CHRISTI HOUSING FINANCE CORPORATION  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2005 AND 2004**

<b>ASSETS</b>	<u>2005</u>	<u>2004</u>
Cash and cash equivalents	\$ 72,608	\$ 317,161
Investments	242,052	--
Receivables		
Accrued interest	1,977	--
Total assets	<u>\$ 316,637</u>	<u>\$ 317,161</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	<u>\$ 219</u>	<u>\$ 375</u>
Fund balance		
Unreserved		
Undesignated	<u>316,418</u>	<u>316,786</u>
Total liabilities and fund balance	<u>\$ 316,637</u>	<u>\$ 317,161</u>

Exhibit 18-B

**CORPUS CHRISTI HOUSING FINANCE CORPORATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>Revenues</b>		
Charges for services	\$ 17,810	\$ 10,040
Earnings on investments	4,925	3,209
Total revenues	<u>22,735</u>	<u>13,249</u>
<b>Expenditures</b>		
Current		
Development	<u>23,103</u>	<u>21,526</u>
Deficiency of revenues under expenditures	<u>(368)</u>	<u>(8,277)</u>
Net change in fund balance	(368)	(8,277)
Fund balance at beginning of year	<u>316,786</u>	<u>325,063</u>
Fund balance at end of year	<u>\$ 316,418</u>	<u>\$ 316,786</u>

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2005 AND 2004**

<b>ASSETS</b>	<u>2005</u>	<u>2004</u>
Cash and cash equivalents	\$ 12,185	\$ 52,283
Investments	44,459	--
Receivables		
Accrued interest	<u>363</u>	<u>--</u>
Total assets	<u>\$ 57,007</u>	<u>\$ 52,283</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities	\$ --	\$ --
Fund balance		
Unreserved		
Undesignated	<u>57,007</u>	<u>52,283</u>
Total liabilities and fund balance	<u>\$ 57,007</u>	<u>\$ 52,283</u>

Exhibit 19-B

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>Revenues</b>		
Charges for services	\$ 3,950	\$ 4,950
Earnings on investments	774	527
Total revenues	<u>4,724</u>	<u>5,477</u>
Net change in fund balance	4,724	5,477
Fund balance at beginning of year	<u>52,283</u>	<u>46,806</u>
Fund balance at end of year	<u><u>\$ 57,007</u></u>	<u><u>\$ 52,283</u></u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
SCHEDULE OF NET ASSETS  
JULY 31, 2005**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Net Assets</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,196,137	\$ --	\$ 1,196,137
Investments	498,750	--	498,750
Receivables			
Accrued interest	7,722	--	7,722
Intergovernmental	420,199	--	420,199
Net receivables	<u>427,921</u>	<u>--</u>	<u>427,921</u>
Due from other funds	<u>106,691</u>	<u>--</u>	<u>106,691</u>
Total assets	<u>\$ 2,229,499</u>	<u>--</u>	<u>2,229,499</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 103,182	--	103,182
Accumulated unpaid compensated absences			
Due within one year	--	213,322	213,322
Due in more than one year	--	114,614	114,614
Total liabilities	<u>103,182</u>	<u>327,936</u>	<u>431,118</u>
<b>FUND BALANCE</b>			
Unreserved			
Designated for subsequent year's expenditures	320,117	(320,117)	--
Undesignated	1,806,200	(1,806,200)	--
Total fund balance	<u>2,126,317</u>	<u>(2,126,317)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 2,229,499</u>		
<b>NET ASSETS</b>			
Restricted for			
Crime control and prevention		<u>1,798,381</u>	<u>1,798,381</u>
Total net assets		<u>\$ 1,798,381</u>	<u>\$ 1,798,381</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
SCHEDULE OF ACTIVITIES  
YEAR ENDED JULY 31, 2005**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Activities</u>
<b>Expenditures/expenses</b>			
Public safety	\$ 4,137,823	\$ 56,005	\$ 4,193,828
Capital projects	109,986	(109,986)	--
Total expenditures/expenses	<u>4,247,809</u>	<u>(53,981)</u>	<u>4,193,828</u>
<b>General revenue</b>			
Sales tax	4,215,406	--	4,215,406
Earnings on investments	42,410	--	42,410
Sale of City property	6,413	--	6,413
Total general revenues	<u>4,264,229</u>	<u>--</u>	<u>4,264,229</u>
Excess of revenues over expenditures	16,420	(16,420)	--
Assets contributed to General fund	--	109,986	109,986
Change in net assets	--	(39,585)	(39,585)
Fund balance/net assets beginning of year	<u>2,109,897</u>	<u>(271,931)</u>	<u>1,837,966</u>
Fund balance/net assets end of year	<u>\$ 2,126,317</u>	<u>\$ (327,936)</u>	<u>\$ 1,798,381</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
COMPARATIVE BALANCE SHEETS  
JULY 31, 2005 AND 2004**

<b>ASSETS</b>	<u>2005</u>	<u>2004</u>
Cash and cash equivalents	\$ 1,196,137	\$ 1,340,656
Investments	498,750	400,000
Receivables		
Accrued interest	7,722	3,912
Intergovernmental	420,199	374,661
Net receivables	<u>427,921</u>	<u>378,573</u>
Due from other funds	<u>106,691</u>	<u>55,000</u>
Total assets	<u>\$ 2,229,499</u>	<u>\$ 2,174,229</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 103,182	\$ 64,332
Total liabilities	<u>103,182</u>	<u>64,332</u>
Fund balance		
Unreserved		
Designated for subsequent year's expenditures	320,117	375,023
Undesignated	1,806,200	1,734,874
Total fund balance	<u>2,126,317</u>	<u>2,109,897</u>
Total liabilities and fund balance	<u>\$ 2,229,499</u>	<u>\$ 2,174,229</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JULY 31, 2005  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	Budget		2005 Actual	Variance Final Budget Positive (Negative)	2004 Actual
	Original	Final			
<b>Revenues</b>					
Sales tax	\$ 3,938,782	\$ 3,938,782	\$ 4,215,406	\$ 276,624	\$ 3,889,729
Earnings on investments	41,712	41,712	42,410	698	23,993
Sale of City property	--	--	6,413	6,413	6,035
Total revenue	<u>3,980,494</u>	<u>3,980,494</u>	<u>4,264,229</u>	<u>283,735</u>	<u>3,919,757</u>
<b>Expenditures</b>					
Current					
Police officers	3,575,938	3,575,938	3,514,020	61,918	3,327,100
Support personnel	72,161	72,161	58,330	13,831	69,547
Pawn shop detail	--	--	--	--	62,572
Prevention	--	--	--	--	--
MDT/AVL tech support	122,558	122,558	103,784	18,774	103,816
Juvenile Curfew & Truancy Assessment Center	339,139	339,139	328,210	10,929	304,862
School/police partnership	--	--	--	--	--
Citizens advisory council	10,003	10,003	8,578	1,425	4,764
Bi-annual Crime Control District evaluation survey	--	--	--	--	--
Public safety vehicles and equipment	109,000	109,000	109,985	(985)	3,111
Police academy	--	--	--	--	--
Election cost	--	--	--	--	--
Juvenile City marshals	126,717	126,717	124,902	1,815	118,578
Lighting projects in high crime areas	--	--	--	--	11,393
Total expenditures	<u>4,355,516</u>	<u>4,355,516</u>	<u>4,247,809</u>	<u>107,707</u>	<u>4,005,743</u>
Net change in fund balance	(375,022)	(375,022)	16,420	391,442	(85,986)
Fund balance at beginning of year	<u>2,109,897</u>	<u>2,109,897</u>	<u>2,109,897</u>	--	<u>2,195,883</u>
Fund balance at end of year	<u>\$ 1,734,875</u>	<u>\$ 1,734,875</u>	<u>\$ 2,126,317</u>	<u>\$ 391,442</u>	<u>\$ 2,109,897</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION**  
**SCHEDULE OF NET ASSETS**  
**JULY 31, 2005**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Net Assets</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 5,326,651	\$ --	\$ 5,326,651
Investments	32,799,272	--	32,799,272
Receivables			
Accrued interest	267,200	--	267,200
Intergovernmental	1,383,315	--	1,383,315
Miscellaneous	58,092	--	58,092
Net receivables	<u>1,708,607</u>	<u>--</u>	<u>1,708,607</u>
Due from other funds	2,203,763	--	2,203,763
Bond issuance cost	--	1,480,434	1,480,434
Total assets	<u>\$ 42,038,293</u>	<u>1,480,434</u>	<u>43,518,727</u>
<b>LIABILITIES</b>			
Accounts payable	1,902,639	--	1,902,639
Accrued interest	--	2,185,822	2,185,822
Contractor interest and retainage payable	1,026,527	--	1,026,527
Due to other funds	44,653	--	44,653
Long-term debt			
Due within one year	--	3,575,000	3,575,000
Due in more than one year	--	111,832,914	111,832,914
Total liabilities	<u>2,973,819</u>	<u>117,593,736</u>	<u>120,567,555</u>
<b>FUND BALANCE</b>			
Reserved for encumbrances	8,440,052	(8,440,052)	--
Unreserved			
Designated for specific projects	482,838	(482,838)	--
Undesignated	30,141,584	(30,141,584)	--
Total fund balance	<u>39,064,474</u>	<u>(39,064,474)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 42,038,293</u>		
<b>NET ASSETS (LIABILITIES)</b>			
Restricted for			
Bond interest and redemption		2,033,611	2,033,611
Construction of capital assets		482,838	482,838
Unrestricted		<u>(79,565,277)</u>	<u>(79,565,277)</u>
Total net liabilities		<u>\$ (77,048,828)</u>	<u>\$ (77,048,828)</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
SCHEDULE OF ACTIVITIES  
YEAR ENDED JULY 31, 2005**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Activities</u>
<b>Expenditures/expenses</b>			
General government	\$ 1,494,241	\$ --	\$ 1,494,241
Capital projects	42,525,006	(42,525,006)	--
Debt service			
Principal retirement	3,525,000	(3,525,000)	--
Interest	5,176,029	472,499	5,648,528
Paying agent fees	2,040	(2,040)	--
Total expenditures/expenses	<u>52,722,316</u>	<u>(45,579,547)</u>	<u>7,142,769</u>
<b>General revenues</b>			
Sales tax	13,637,841	--	13,637,841
Contributions and donations	269,882	--	269,882
Earnings on investments	1,063,040	--	1,063,040
<b>Transfers out</b>	<u>(782,747)</u>	<u>(42,525,006)</u>	<u>(43,307,753)</u>
Total general revenues and transfers out	<u>14,188,016</u>	<u>(42,525,006)</u>	<u>(28,336,990)</u>
Deficiency of revenues under expenditures and transfers out	(38,534,300)	38,534,300	--
Change in net assets	--	(35,479,759)	(35,479,759)
Fund balance/net liabilities beginning of year	<u>77,598,774</u>	<u>(119,167,843)</u>	<u>(41,569,069)</u>
Fund balance/net liabilities end of year	<u>\$ 39,064,474</u>	<u>\$ (116,113,302)</u>	<u>\$ (77,048,828)</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
BALANCE SHEETS  
JULY 31, 2005  
WITH COMPARATIVE TOTALS FOR JULY 31, 2004**

	Special Revenue		
	Seawall Improvement	Arena Facility	Economic Development
<b>ASSETS</b>			
Cash and cash equivalents	\$ 405,614	\$ 248,464	\$ 531,779
Investments	6,467,796	5,897,073	3,997,500
Receivables			
Accounts	--	--	--
Accrued interest	43,756	60,602	28,671
Intergovernmental	461,105	461,105	461,105
Miscellaneous	--	--	--
Net receivables	<u>504,861</u>	<u>521,707</u>	<u>489,776</u>
Due from other funds	<u>--</u>	<u>344,684</u>	<u>8,377</u>
Total assets	<u>\$ 7,378,271</u>	<u>\$ 7,011,928</u>	<u>\$ 5,027,432</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	\$ 1,000	\$ 57,068	\$ 226,557
Contractor interest and retainage payable	--	--	--
Due to other funds	13,484	30,155	1,014
Deferred revenues			
Rental	--	--	--
Total liabilities	<u>14,484</u>	<u>87,223</u>	<u>227,571</u>
<b>Fund balances</b>			
Reserved for encumbrances	--	47,806	1,498,476
Reserved for debt service	--	--	--
Unreserved			
Designated for subsequent year's expenditures	--	--	--
Designated for specific projects	--	--	--
Undesignated	<u>7,363,787</u>	<u>6,876,899</u>	<u>3,301,385</u>
Total fund balance	<u>7,363,787</u>	<u>6,924,705</u>	<u>4,799,861</u>
Total liabilities and fund balances	<u>\$ 7,378,271</u>	<u>\$ 7,011,928</u>	<u>\$ 5,027,432</u>

the City of Corpus Christi, Texas

Exhibit 21-C

Debt Service			Capital Projects			2005 Total	2004 Total
Seawall	Arena	Economic Development	Seawall	Arena	Stadium		
\$ 915,597	\$ 181,111	\$ 3,735	\$ 2,191,908	\$ 84,454	\$ 763,989	\$ 5,326,651	\$ 12,708,965
936,903	--	--	14,500,000	1,000,000	--	32,799,272	68,508,411
--	--	--	--	--	--	--	10,833
--	--	--	117,963	16,208	--	267,200	541,035
--	--	--	--	--	--	1,383,315	1,270,071
--	--	--	58,092	--	--	58,092	--
--	--	--	176,055	16,208	--	1,708,607	1,821,939
--	--	--	1,848,401	1,287	1,014	2,203,763	188,011
<u>\$ 1,852,500</u>	<u>\$ 181,111</u>	<u>\$ 3,735</u>	<u>\$ 18,716,364</u>	<u>\$ 1,101,949</u>	<u>\$ 765,003</u>	<u>\$ 42,038,293</u>	<u>\$ 83,227,326</u>
\$ --	\$ --	\$ --	\$ 1,066,403	\$ 12,212	\$ 539,399	\$ 1,902,639	\$ 3,185,823
--	--	--	701,527	100,000	225,000	1,026,527	2,092,154
--	--	--	--	--	--	44,653	173,242
--	--	--	--	--	--	--	177,333
--	--	--	1,767,930	112,212	764,399	2,973,819	5,628,552
--	--	--	6,710,422	183,348	--	8,440,052	38,793,035
1,852,500	181,111	3,735	--	--	--	2,037,346	1,956,675
--	--	--	--	--	--	--	104,474
--	--	--	482,838	--	--	482,838	19,196,117
--	--	--	9,755,174	806,389	604	28,104,238	17,548,473
<u>1,852,500</u>	<u>181,111</u>	<u>3,735</u>	<u>16,948,434</u>	<u>989,737</u>	<u>604</u>	<u>39,064,474</u>	<u>77,598,774</u>
<u>\$ 1,852,500</u>	<u>\$ 181,111</u>	<u>\$ 3,735</u>	<u>\$ 18,716,364</u>	<u>\$ 1,101,949</u>	<u>\$ 765,003</u>	<u>\$ 42,038,293</u>	<u>\$ 83,227,326</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	Special Revenue		
	Seawall Improvement	Arena Facility	Economic Development
<b>Revenues</b>			
Sales tax	\$ 4,545,947	\$ 4,545,947	\$ 4,545,947
Contributions and donations	--	--	--
Earnings on investments	111,347	118,492	63,481
Total revenue	<u>4,657,294</u>	<u>4,664,439</u>	<u>4,609,428</u>
<b>Expenditures</b>			
Current			
General government	15,000	981,767	198,608
Capital projects	--	--	579,863
Debt service			
Principal retirement	--	--	--
Interest	--	--	--
Paying agent fees	--	--	--
Bond issuance cost	--	--	--
Total expenditures	<u>15,000</u>	<u>981,767</u>	<u>778,471</u>
Excess (deficiency) of revenues over (under) expenditures	4,642,294	3,682,672	3,830,957
<b>Other financing sources (uses)</b>			
Revenue bonds issued	--	--	--
Premium on revenue bonds sold	--	--	--
Transfers in	--	--	--
Transfers out	(3,052,181)	(4,187,839)	(2,291,856)
Total other financing sources (uses)	<u>(3,052,181)</u>	<u>(4,187,839)</u>	<u>(2,291,856)</u>
Net change in fund balances	1,590,113	(505,167)	1,539,101
Fund balances at beginning of year	<u>5,773,674</u>	<u>7,429,872</u>	<u>3,260,760</u>
Fund balances at end of year	<u>\$ 7,363,787</u>	<u>\$ 6,924,705</u>	<u>\$ 4,799,861</u>

the City of Corpus Christi, Texas

Exhibit 21-D

Debt Service			Capital Project			2005 Total	2004 Total
Seawall	Arena	Economic Development	Seawall	Arena	Stadium		
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 13,637,841	\$ 12,795,237
--	--	--	--	--	269,882	269,882	--
31,878	1,873	860	502,979	75,534	156,596	1,063,040	1,112,364
31,878	1,873	860	502,979	75,534	426,478	14,970,763	13,907,601
--	--	--	195,948	87,863	15,055	1,494,241	1,028,437
--	--	--	11,197,323	11,155,150	19,592,670	42,525,006	45,344,614
930,000	1,020,000	1,575,000	--	--	--	3,525,000	1,800,000
2,140,781	2,321,567	713,681	--	--	--	5,176,029	4,518,414
1,140	600	300	--	--	--	2,040	300
--	--	--	--	--	--	--	543,340
3,071,921	3,342,167	2,288,981	11,393,271	11,243,013	19,607,725	52,722,316	53,235,105
(3,040,043)	(3,340,294)	(2,288,121)	(10,890,292)	(11,167,479)	(19,181,247)	(37,751,553)	(39,327,504)
--	--	--	--	--	--	--	24,565,000
--	--	--	--	--	--	--	751,185
3,052,181	3,405,092	2,291,856	--	--	--	8,749,129	6,305,573
--	--	--	--	--	--	(9,531,876)	(6,305,573)
3,052,181	3,405,092	2,291,856	--	--	--	(782,747)	25,316,185
12,138	64,798	3,735	(10,890,292)	(11,167,479)	(19,181,247)	(38,534,300)	(14,011,319)
1,840,362	116,313	--	27,838,726	12,157,216	19,181,851	77,598,774	91,610,093
\$ 1,852,500	\$ 181,111	\$ 3,735	\$ 16,948,434	\$ 989,737	\$ 604	\$ 39,064,474	\$ 77,598,774

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
SEAWALL ADMINISTRATION FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JULY 31, 2005  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	<u>Budget</u>		<u>2005 Actual</u>	<u>Variance Final Budget Positive (Negative)</u>	<u>2004 Actual</u>
	<u>Original</u>	<u>Final</u>			
<b>Other financing sources (uses)</b>					
Transfers out	\$ --	\$ --	\$ --	\$ --	\$ (8,474)
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(8,474)</u>
Net change in fund balance	--	--	--	--	(8,474)
Fund balance at beginning of year	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>8,474</u>
Fund balance at end of year	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
SEAWALL IMPROVEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JULY 31, 2005  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	<u>Budget</u>		<u>2005 Actual</u>	<u>Variance Final Budget Positive (Negative)</u>	<u>2004 Actual</u>
	<u>Original</u>	<u>Final</u>			
<b>Revenues</b>					
Sales tax	\$ 4,468,873	\$ 4,468,873	\$ 4,545,947	\$ 77,074	\$ 4,265,079
Earnings on investments	52,192	52,192	111,347	59,155	56,405
Total revenue	<u>4,521,065</u>	<u>4,521,065</u>	<u>4,657,294</u>	<u>136,229</u>	<u>4,321,484</u>
<b>Expenditures</b>					
Current					
General government	15,000	15,000	15,000	--	15,000
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>--</u>	<u>15,000</u>
Excess of revenues over expenditures	4,506,065	4,506,065	4,642,294	136,229	4,306,484
<b>Other financing sources (uses)</b>					
Transfers in	--	--	--	--	8,474
Transfers out	(3,052,181)	(3,052,181)	(3,052,181)	--	(3,007,962)
Total other financing uses	<u>(3,052,181)</u>	<u>(3,052,181)</u>	<u>(3,052,181)</u>	<u>--</u>	<u>(2,999,488)</u>
Net change in fund balance	1,453,884	1,453,884	1,590,113	136,229	1,306,996
Fund balance at beginning of year	<u>5,811,479</u>	<u>5,773,674</u>	<u>5,773,674</u>	<u>--</u>	<u>4,466,678</u>
Fund balance at end of year	<u>\$ 7,265,363</u>	<u>\$ 7,227,558</u>	<u>\$ 7,363,787</u>	<u>\$ 136,229</u>	<u>\$ 5,773,674</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
ARENA FACILITY FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JULY 31, 2005  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	<u>Budget</u>		<u>2005 Actual</u>	<u>Variance</u>	<u>2004 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
<b>Revenues</b>					
Sales tax	\$ 4,468,873	\$ 4,468,873	\$ 4,545,947	\$ 77,074	\$ 4,265,079
Earnings on investments	48,000	48,000	118,492	70,492	64,688
Total revenue	<u>4,516,873</u>	<u>4,516,873</u>	<u>4,664,439</u>	<u>147,566</u>	<u>4,329,767</u>
<b>Expenditures</b>					
Current					
General government	<u>62,048</u>	<u>1,032,681</u>	<u>981,767</u>	<u>50,914</u>	<u>375,344</u>
Excess of revenues over expenditures	4,454,825	3,484,192	3,682,672	198,480	3,954,423
<b>Other financing uses</b>					
Transfers out	<u>(4,187,839)</u>	<u>(4,187,839)</u>	<u>(4,187,839)</u>	<u>--</u>	<u>(3,289,137)</u>
Net change in fund balance	266,986	(703,647)	(505,167)	198,480	665,286
Fund balance at beginning of year	<u>6,793,852</u>	<u>7,429,872</u>	<u>7,429,872</u>	<u>--</u>	<u>6,764,586</u>
Fund balance at end of year	<u>\$ 7,060,838</u>	<u>\$ 6,726,225</u>	<u>\$ 6,924,705</u>	<u>\$ 198,480</u>	<u>\$ 7,429,872</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
ECONOMIC DEVELOPMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JULY 31, 2005  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	<u>Budget</u>		<u>2005 Actual</u>	<u>Variance Final Budget Positive (Negative)</u>	<u>2004 Actual</u>
	<u>Original</u>	<u>Final</u>			
<b>Revenues</b>					
Sales tax	\$ 4,379,497	\$ 4,379,497	\$ 4,545,947	\$ 166,450	\$ 4,265,079
Earnings on investments	25,683	25,683	63,481	37,798	24,866
Total revenue	<u>4,405,180</u>	<u>4,405,180</u>	<u>4,609,428</u>	<u>204,248</u>	<u>4,289,945</u>
<b>Expenditures</b>					
Current					
General government	2,055,000	2,440,000	198,608	2,241,392	322,690
Capital projects	162,798	718,604	579,863	138,741	2,005,298
Total expenditures	<u>2,217,798</u>	<u>3,158,604</u>	<u>778,471</u>	<u>2,380,133</u>	<u>2,327,988</u>
Excess of revenues over expenditures	2,187,382	1,246,576	3,830,957	2,584,381	1,961,957
<b>Other financing sources (uses)</b>					
Revenue bonds issued	--	--	--	--	250,000
Transfers out	(2,291,856)	(2,291,856)	(2,291,856)	--	--
Total other financing sources (uses)	<u>(2,291,856)</u>	<u>(2,291,856)</u>	<u>(2,291,856)</u>	<u>--</u>	<u>250,000</u>
Net change in fund balance	(104,474)	(1,045,280)	1,539,101	2,584,381	2,211,957
Fund balance at beginning of year	<u>1,820,707</u>	<u>3,260,760</u>	<u>3,260,760</u>	<u>--</u>	<u>1,048,803</u>
Fund balance at end of year	<u>\$ 1,716,233</u>	<u>\$ 2,215,480</u>	<u>\$ 4,799,861</u>	<u>\$ 2,584,381</u>	<u>\$ 3,260,760</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION**  
**SEAWALL DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	<u>Budget</u>		<u>2005 Actual</u>	<u>Variance Final Budget Positive (Negative)</u>	<u>2004 Actual</u>
	<u>Original</u>	<u>Final</u>			
<b>Revenues</b>					
Earnings on investments	\$ 30,518	\$ 30,518	\$ 31,878	\$ 1,360	\$ 21,894
<b>Expenditures</b>					
Debt service					
Principal retirement	930,000	930,000	930,000	--	845,000
Interest	2,140,782	2,140,782	2,140,781	1	2,178,806
Paying agent fees	2,000	2,000	1,140	860	--
Total expenditures	<u>3,072,782</u>	<u>3,072,782</u>	<u>3,071,921</u>	<u>861</u>	<u>3,023,806</u>
Deficiency of revenues under expenditures	(3,042,264)	(3,042,264)	(3,040,043)	2,221	(3,001,912)
<b>Other financing sources</b>					
Transfers in	<u>3,052,181</u>	<u>3,052,181</u>	<u>3,052,181</u>	<u>--</u>	<u>3,007,962</u>
Net change in fund balance	9,917	9,917	12,138	2,221	6,050
Fund balance at beginning of year	<u>1,847,307</u>	<u>1,840,362</u>	<u>1,840,362</u>	<u>--</u>	<u>1,834,312</u>
Fund balance at end of year	<u>\$ 1,857,224</u>	<u>\$ 1,850,279</u>	<u>\$ 1,852,500</u>	<u>\$ 2,221</u>	<u>\$ 1,840,362</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION**  
**ARENA DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	<u>Budget</u>		<u>2005 Actual</u>	<u>Variance Final Budget Positive (Negative)</u>	<u>2004 Actual</u>
	<u>Original</u>	<u>Final</u>			
<b>Revenues</b>					
Earnings on investments	\$ 24,470	\$ 24,470	\$ 1,873	\$ (22,597)	\$ 12,909
<b>Expenditures</b>					
Debt service					
Principal retirement	1,020,000	1,020,000	1,020,000	-	955,000
Interest	2,321,567	2,321,567	2,321,567	-	2,339,608
Paying agent fees	2,000	2,000	600	1,400	300
Total expenditures	<u>3,343,567</u>	<u>3,343,567</u>	<u>3,342,167</u>	<u>1,400</u>	<u>3,294,908</u>
Deficiency of revenues under expenditures	(3,319,097)	(3,319,097)	(3,340,294)	(21,197)	(3,281,999)
<b>Other financing sources</b>					
Transfers in	<u>3,405,092</u>	<u>3,405,092</u>	<u>3,405,092</u>	-	<u>3,289,137</u>
Net change in fund balance	85,995	85,995	64,798	(21,197)	7,138
Fund balance at beginning of year	<u>121,385</u>	<u>116,313</u>	<u>116,313</u>	-	<u>109,175</u>
Fund balance at end of year	<u>\$ 207,380</u>	<u>\$ 202,308</u>	<u>\$ 181,111</u>	<u>\$ (21,197)</u>	<u>\$ 116,313</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION  
STADIUM DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JULY 31, 2005  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	<u>Budget</u>		<u>2005 Actual</u>	<u>Variance Final Budget Positive (Negative)</u>	<u>2004 Actual</u>
	<u>Original</u>	<u>Final</u>			
<b>Revenues</b>					
Earnings on investments	\$ --	\$ --	\$ 860	\$ 860	\$ --
<b>Expenditures</b>					
Debt service					
Principal retirement	1,575,000	1,575,000	1,575,000	--	--
Interest	713,681	713,681	713,681	--	--
Paying agent fees	2,000	2,000	300	1,700	--
Total expenditures	<u>2,290,681</u>	<u>2,290,681</u>	<u>2,288,981</u>	<u>1,700</u>	<u>--</u>
Deficiency of revenues under expenditures	(2,290,681)	(2,290,681)	(2,288,121)	(2,560)	--
<b>Other financing sources</b>					
Transfers in	<u>2,291,856</u>	<u>2,291,856</u>	<u>2,291,856</u>	<u>--</u>	<u>--</u>
Net change in fund balance	1,175	1,175	3,735	2,560	--
Fund balance at beginning of year	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund balance at end of year	<u>\$ 1,175</u>	<u>\$ 1,175</u>	<u>\$ 3,735</u>	<u>\$ 2,560</u>	<u>\$ --</u>



City of  
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**NORTH PADRE ISLAND DEVELOPMENT CORPORATION**  
**SCHEDULE OF NET ASSETS**  
**JULY 31, 2005**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Net Assets</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 859,210	\$ --	\$ 859,210
Investments	498,750	--	498,750
Receivables			
Taxes	1,640	--	1,640
Accrued interest	6,952	--	6,952
Intergovernmental	223,871	--	223,871
Net receivables	232,463	--	232,463
Due from other funds	31,496	--	31,496
Bond issuance cost	--	788,445	788,445
Total assets	<u>\$ 1,621,919</u>	<u>788,445</u>	<u>2,410,364</u>
<b>LIABILITIES</b>			
Accounts payable	29,521	--	29,521
Accrued interest	--	252,056	252,056
Due to other funds	8,376	--	8,376
Long-term debt			
Due in more than one year	--	9,100,000	9,100,000
Total liabilities	<u>37,897</u>	<u>9,352,056</u>	<u>9,389,953</u>
<b>FUND BALANCE</b>			
Reserved for encumbrances	453,608	(453,608)	--
Reserved for debt service	23,120	(23,120)	--
Unreserved			
Undesignated	1,107,294	(1,107,294)	--
Total fund balance	<u>1,584,022</u>	<u>(1,584,022)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 1,621,919</u>		
<b>NET ASSETS (LIABILITIES)</b>			
Restricted for			
Bond interest and redemption		23,120	23,120
Unrestricted		(7,002,709)	(7,002,709)
Total net liabilities		<u>\$ (6,979,589)</u>	<u>\$ (6,979,589)</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
SCHEDULE OF ACTIVITIES  
YEAR ENDED JULY 31, 2005**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Activities</u>
<b>Expenditures/expenses</b>			
General government	\$ 2,817	\$ --	\$ 2,817
Capital projects	3,792,577	(3,792,577)	--
Debt service			
Interest	534,755	69,973	604,728
Bond issuance cost	348,245	(310,414)	37,831
Paying agent fees	4,770	--	4,770
Total expenditures/expenses	<u>4,683,164</u>	<u>(4,033,018)</u>	<u>650,146</u>
<b>General revenues</b>			
Sales tax	1,015,239	--	1,015,239
Grants	23,138	--	23,138
Earnings on investments	34,025	--	34,025
Revenue bonds issued	4,100,000	(4,100,000)	--
Transfers out	--	(3,792,577)	(3,792,577)
Total general revenues and transfers out	<u>5,172,402</u>	<u>(7,892,577)</u>	<u>(2,720,175)</u>
Excess of revenues and transfers in over expenditures and transfers out	489,238	(489,238)	--
Change in net assets	--	(3,370,321)	(3,370,321)
Fund balance/net liabilities beginning of year	<u>1,094,784</u>	<u>(4,704,052)</u>	<u>(3,609,268)</u>
Fund balance/net liabilities end of year	<u>\$ 1,584,022</u>	<u>\$ (8,563,611)</u>	<u>\$ (6,979,589)</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
BALANCE SHEETS  
JULY 31, 2005  
WITH COMPARATIVE TOTALS FOR JULY 31, 2004**

ASSETS	General	Debt Service	Capital Projects	2005 Total	2004 Total
Cash and cash equivalents	\$ 592,903	\$ --	\$ 266,307	\$ 859,210	\$ 1,102,027
Investments	498,750	--	--	498,750	--
Receivables					
Taxes	1,640	--	--	1,640	298
Accrued interest	5,179	--	1,773	6,952	522
Intergovernmental	--	--	223,871	223,871	200,733
Net receivables	6,819	--	225,644	232,463	201,553
Due from other funds	--	31,496	--	31,496	100,024
<b>Total assets</b>	<b>\$ 1,098,472</b>	<b>\$ 31,496</b>	<b>\$ 491,951</b>	<b>\$ 1,621,919</b>	<b>\$ 1,403,604</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ --	\$ --	\$ 29,521	\$ 29,521	\$ 25,712
Due to other funds	--	8,376	--	8,376	283,108
<b>Total liabilities</b>	<b>--</b>	<b>8,376</b>	<b>29,521</b>	<b>37,897</b>	<b>308,820</b>
Fund balances					
Reserved for encumbrances	--	--	453,608	453,608	495,047
Reserved for debt service	--	23,120	--	23,120	59,468
Unreserved					
Undesignated	1,098,472	--	8,822	1,107,294	540,269
<b>Total fund balance</b>	<b>1,098,472</b>	<b>23,120</b>	<b>462,430</b>	<b>1,584,022</b>	<b>1,094,784</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,098,472</b>	<b>\$ 31,496</b>	<b>\$ 491,951</b>	<b>\$ 1,621,919</b>	<b>\$ 1,403,604</b>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>2005 Total</u>	<u>2004 Total</u>
<b>Revenues</b>					
Taxes and business fees	\$ 1,015,239	\$ --	\$ --	\$ 1,015,239	\$ 460,542
Grants	--	--	23,138	23,138	200,733
Earnings on investments	15,930	--	18,095	34,025	11,500
Total revenue	<u>1,031,169</u>	<u>--</u>	<u>41,233</u>	<u>1,072,402</u>	<u>672,775</u>
<b>Expenditures</b>					
<b>Current</b>					
General government	--	--	2,817	2,817	53,401
Capital projects	--	--	3,792,577	3,792,577	2,912,888
<b>Debt service</b>					
Interest	--	534,755	--	534,755	164,062
Bond issuance cost	--	--	348,245	348,245	245,957
Paying agent fees	--	4,770	--	4,770	--
Total expenditures	<u>--</u>	<u>539,525</u>	<u>4,143,639</u>	<u>4,683,164</u>	<u>3,376,308</u>
Excess (deficiency) of revenues over (under) expenditures	1,031,169	(539,525)	(4,102,406)	(3,610,762)	(2,703,533)
<b>Other financing sources (uses)</b>					
Revenue bonds issued	--	--	4,100,000	4,100,000	2,500,000
Transfers in	--	503,177	--	503,177	164,063
Transfers out	(503,177)	--	--	(503,177)	(164,063)
Total other financing sources (uses)	<u>(503,177)</u>	<u>503,177</u>	<u>4,100,000</u>	<u>4,100,000</u>	<u>2,500,000</u>
Net change in fund balances	527,992	(36,348)	(2,406)	489,238	(203,533)
Fund balances at beginning of year	<u>570,480</u>	<u>59,468</u>	<u>464,836</u>	<u>1,094,784</u>	<u>1,298,317</u>
Fund balances at end of year	<u>\$ 1,098,472</u>	<u>\$ 23,120</u>	<u>\$ 462,430</u>	<u>\$ 1,584,022</u>	<u>\$ 1,094,784</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED JULY 31, 2005  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	<u>Budget</u>		<u>2005 Actual</u>	<u>Variance Final Budget Positive (Negative)</u>	<u>2004 Actual</u>
	<u>Original</u>	<u>Final</u>			
<b>Revenues</b>					
Taxes and business fees	\$ 667,870	\$ 667,870	\$ 1,015,239	\$ 347,369	\$ 460,542
Earnings on investments	1,132	1,132	15,930	14,798	2,658
Total revenues	<u>669,002</u>	<u>669,002</u>	<u>1,031,169</u>	<u>362,167</u>	<u>463,200</u>
<b>Expenditures</b>					
Current					
General government	--	--	--	--	4,770
Capital projects	5,000	6,059	--	6,059	--
Total expenditures	<u>5,000</u>	<u>6,059</u>	<u>--</u>	<u>6,059</u>	<u>4,770</u>
Excess of revenues over expenditures	664,002	662,943	1,031,169	368,226	458,430
<b>Other financing (uses)</b>					
Transfers out	(503,177)	(503,177)	(503,177)	--	(164,063)
Total other financing (uses)	<u>(503,177)</u>	<u>(503,177)</u>	<u>(503,177)</u>	<u>--</u>	<u>(164,063)</u>
Net change in fund balance	160,825	159,766	527,992	368,226	294,367
Fund balance at beginning of year	<u>544,896</u>	<u>570,480</u>	<u>570,480</u>	<u>--</u>	<u>276,113</u>
Fund balance at end of year	<u>\$ 705,721</u>	<u>\$ 730,246</u>	<u>\$ 1,098,472</u>	<u>\$ 368,226</u>	<u>\$ 570,480</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	<u>Budget</u>		<u>2005 Actual</u>	<u>Variance Final Budget Positive (Negative)</u>	<u>2004 Actual</u>
	<u>Original</u>	<u>Final</u>			
<b>Revenues</b>					
Earnings on investments	\$ 5,548	\$ 5,548	\$ --	\$ (5,548)	\$ 857
Total revenues	<u>5,548</u>	<u>5,548</u>	<u>--</u>	<u>(5,548)</u>	<u>857</u>
<b>Expenditures</b>					
Debt service					
Interest	412,552	534,755	534,755	--	164,062
Paying agent fees	--	15,000	4,770	10,230	--
Total expenditures	<u>412,552</u>	<u>549,755</u>	<u>539,525</u>	<u>10,230</u>	<u>164,062</u>
Excess (deficiency) of revenues over (under) expenditures	(407,004)	(544,207)	(539,525)	4,682	(163,205)
<b>Other financing sources</b>					
Transfers in	503,177	503,177	503,177	--	164,063
Total other financing sources	<u>503,177</u>	<u>503,177</u>	<u>503,177</u>	<u>--</u>	<u>164,063</u>
Net change in fund balance	96,173	(41,030)	(36,348)	4,682	858
Fund balance at beginning of year	<u>95,343</u>	<u>59,468</u>	<u>59,468</u>	<u>--</u>	<u>58,610</u>
Fund balance at end of year	<u>\$ 191,516</u>	<u>\$ 18,438</u>	<u>\$ 23,120</u>	<u>\$ 4,682</u>	<u>\$ 59,468</u>



City of  
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## ***Capital Projects Funds***

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2005  
WITH COMPARATIVE TOTALS FOR JULY 31, 2004**

<b>ASSETS</b>	<b>Bayfront Arts/Science</b>	<b>City Hall</b>	<b>Computer System</b>	<b>Convention Facility</b>
Cash and cash equivalents	\$ 292,248	\$ --	\$ 9,063	\$ 71,501
Investments	--	1,889,584	--	--
Receivables				
Accrued interest	--	30,627	--	--
Special assessments	--	--	--	--
Intergovernmental	--	--	--	--
Miscellaneous	--	--	--	--
Net receivables	--	30,627	--	--
Due from other funds	1,502,657	786,783	--	1,259,217
Total assets	\$ 1,794,905	\$ 2,706,994	\$ 9,063	\$ 1,330,718
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 114,471	\$ 257,828	\$ 3,105	\$ 157,664
Contractor interest and retainage payable	--	120,239	--	--
Deposits	--	--	--	--
Due to other funds	--	--	--	--
Unearned revenues				
Paving assessments	--	--	--	--
Unearned grant	--	--	--	--
Total liabilities	114,471	378,067	3,105	157,664
Fund balances				
Reserved for encumbrances	32,566	1,385,383	419	435,736
Unreserved				
Designated for specific projects	1,505,264	12,705	5,538	395,037
Undesignated	142,604	930,839	1	342,281
Total fund balances	1,680,434	2,328,927	5,958	1,173,054
Total liabilities and fund balances	\$ 1,794,905	\$ 2,706,994	\$ 9,063	\$ 1,330,718

(Continued)

<u>Fire Department</u>	<u>Library</u>	<u>Park</u>	<u>Police Building</u>	<u>Public Health &amp; Safety</u>	<u>Landfill</u>	<u>Street</u>
\$ --	\$ 105,340	\$ 357,761	\$ 35,642	\$ 611,421	\$ 681,168	\$ 372,477
--	--	5,964,911	--	--	18,432,316	45,959,960
--	--	8,100	--	--	62,182	112,713
--	--	--	--	--	--	562,912
--	--	--	--	--	--	554,903
--	--	--	--	--	--	40,434
--	--	8,100	--	--	62,182	1,270,962
--	2,267,005	1,408,405	--	--	1,398,864	5,007,541
<u>\$ --</u>	<u>\$ 2,372,345</u>	<u>\$ 7,739,177</u>	<u>\$ 35,642</u>	<u>\$ 611,421</u>	<u>\$ 20,574,530</u>	<u>\$ 52,610,940</u>
\$ --	\$ 8,036	\$ 6,330	\$ --	\$ 75,525	\$ 72,226	\$ 878,647
--	--	--	--	16,034	--	251,318
--	--	--	--	--	--	203,246
--	--	--	--	18,928	--	--
--	--	--	--	--	--	404,573
--	356,458	--	--	--	--	--
--	364,494	6,330	--	110,487	72,226	1,737,784
--	234,001	62,910	--	82,798	467,823	5,984,800
--	4,044	145,228	29,968	4,020	2,103,703	1,157,005
--	1,769,806	7,524,709	5,674	414,116	17,930,778	43,731,351
--	2,007,851	7,732,847	35,642	500,934	20,502,304	50,873,156
<u>\$ --</u>	<u>\$ 2,372,345</u>	<u>\$ 7,739,177</u>	<u>\$ 35,642</u>	<u>\$ 611,421</u>	<u>\$ 20,574,530</u>	<u>\$ 52,610,940</u>

**CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
JULY 31, 2005  
WITH COMPARATIVE TOTALS FOR JULY 31, 2004**

ASSETS	Corpus Christi Business and Job Development Corporation			North Padre Island Development Corporation
	Seawall	Arena	Stadium	
Cash and cash equivalents	\$ 2,191,908	\$ 84,454	\$ 763,989	\$ 266,307
Investments	14,500,000	1,000,000	--	--
Receivables				
Accrued interest	117,963	16,208	--	1,773
Special assessments	--	--	--	--
Intergovernmental	--	--	--	223,871
Miscellaneous	58,092	--	--	--
Net receivables	176,055	16,208	--	225,644
Due from other funds	1,848,401	1,287	1,014	--
Total assets	\$ 18,716,364	\$ 1,101,949	\$ 765,003	\$ 491,951
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 1,066,403	\$ 12,212	\$ 539,399	\$ 29,521
Contractor interest and retainage payable	701,527	100,000	225,000	--
Deposits	--	--	--	--
Due to other funds	--	--	--	--
Unearned revenues				
Paving assessments	--	--	--	--
Grants	--	--	--	--
Total liabilities	1,767,930	112,212	764,399	29,521
<b>Fund balances</b>				
Reserved for encumbrances	6,710,422	183,348	--	453,608
Unreserved				
Designated for specific projects	482,838	--	--	--
Undesignated	9,755,174	806,389	604	8,822
Total fund balances	16,948,434	989,737	604	462,430
Total liabilities and fund balances	\$ 18,716,364	\$ 1,101,949	\$ 765,003	\$ 491,951

Exhibit 23-A  
(Continued)

Eliminations	2005 Total	2004 Total
\$ --	\$ 5,843,279	\$ 19,822,090
--	87,746,771	77,294,463
--	349,566	687,200
--	562,912	688,261
--	778,774	971,777
--	98,526	7,940
--	<u>1,789,778</u>	<u>2,355,178</u>
(18,928)	<u>15,462,246</u>	<u>2,469,171</u>
<u>\$ (18,928)</u>	<u>\$ 110,842,074</u>	<u>\$ 101,940,902</u>
\$ --	\$ 3,221,367	\$ 4,288,623
--	1,414,118	3,504,728
--	203,246	203,246
(18,928)	--	356,060
--	404,573	530,623
--	356,458	227,620
(18,928)	<u>5,599,762</u>	<u>9,110,900</u>
--	16,033,814	50,879,077
--	5,845,350	23,809,014
--	83,363,148	18,141,911
--	<u>105,242,312</u>	<u>92,830,002</u>
<u>\$ (18,928)</u>	<u>\$ 110,842,074</u>	<u>\$ 101,940,902</u>

**CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	<u>Bayfront Arts/Science</u>	<u>City Hall</u>	<u>Computer System</u>	<u>Convention Facility</u>
<b>Revenues</b>				
Grants	\$ --	\$ --	\$ --	\$ --
Contributions and donations	--	--	--	--
Special assessments	--	--	--	--
Interest on special assessments	2,658	--	--	--
Attorneys fees on special assessments	--	--	--	--
Earnings on investments	--	94,571	--	65,837
Claim settlement	--	--	--	--
Total revenues	<u>2,658</u>	<u>94,571</u>	<u>--</u>	<u>65,837</u>
<b>Expenditures</b>				
Current				
General government	1,035	43,907	600	5,463
Capital projects	125,391	2,630,642	22,304	6,847,199
Debt service				
Bond issuance cost	--	--	--	--
Total expenditures	<u>126,426</u>	<u>2,674,549</u>	<u>22,904</u>	<u>6,852,662</u>
Deficiency of revenues under expenditures	(123,768)	(2,579,978)	(22,904)	(6,786,825)
<b>Other financing sources (uses)</b>				
General obligation bonds issued	1,660,000	--	--	--
Revenue bonds issued	--	--	--	--
Certificates of obligation bonds issued	--	--	--	--
Premium on bonds sold	--	--	--	--
Discount on bonds sold	--	--	--	--
Transfer in from				
Visitors facility fund	--	--	--	--
Transfers out to				
General fund	--	(845,750)	--	--
Total other financing sources (uses)	<u>1,660,000</u>	<u>(845,750)</u>	<u>--</u>	<u>--</u>
Net change in fund balances	1,536,232	(3,425,728)	(22,904)	(6,786,825)
Fund balances at beginning of year	<u>144,202</u>	<u>5,754,655</u>	<u>28,862</u>	<u>7,959,879</u>
Fund balances at end of year	<u>\$ 1,680,434</u>	<u>\$ 2,328,927</u>	<u>\$ 5,958</u>	<u>\$ 1,173,054</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 23-B

Fire Department	Library	Park	Police Building	Public Health & Safety	Landfill	Street
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	227,620	--	--	--	--	81,926
--	--	--	--	--	--	113,758
--	--	--	--	--	--	30,338
--	6,141	(14,619)	--	--	--	7,626
--	--	--	--	13,432	131,559	168,788
<u>--</u>	<u>233,761</u>	<u>(14,619)</u>	<u>--</u>	<u>13,432</u>	<u>131,559</u>	<u>402,436</u>
--	7,170	15,711	--	5,374	195,806	232,618
2,103	248,969	45,462	--	1,274,829	671,676	8,672,319
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>289,069</u>	<u>--</u>
<u>2,103</u>	<u>256,139</u>	<u>61,173</u>	<u>--</u>	<u>1,280,203</u>	<u>1,156,551</u>	<u>8,904,937</u>
(2,103)	(22,378)	(75,792)	--	(1,266,771)	(1,024,992)	(8,502,501)
--	2,000,000	7,406,000	--	400,000	--	48,534,000
--	--	--	--	--	--	--
--	--	--	--	--	14,914,122	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(6,626)</u>
<u>--</u>	<u>2,000,000</u>	<u>7,406,000</u>	<u>--</u>	<u>400,000</u>	<u>14,914,122</u>	<u>48,527,374</u>
(2,103)	1,977,622	7,330,208	--	(866,771)	13,889,130	40,024,873
2,103	30,229	402,639	35,642	1,367,705	6,613,174	10,848,283
<u>\$ --</u>	<u>\$ 2,007,851</u>	<u>\$ 7,732,847</u>	<u>\$ 35,642</u>	<u>\$ 500,934</u>	<u>\$ 20,502,304</u>	<u>\$ 50,873,156</u>

**CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

	Corpus Christi Business and Job Development Corporation			North Padre Island Development Corporation
	Seawall	Arena	Stadium	
<b>Revenues</b>				
Grants	\$ --	\$ --	\$ --	\$ 23,138
Contributions and donations	--	--	269,882	--
Special assessments	--	--	--	--
Interest on special assessments	--	--	--	--
Attorneys fees on special assessments	--	--	--	--
Earnings on investments	502,979	75,534	156,596	18,095
Claim settlement	--	--	--	--
Total revenues	<u>502,979</u>	<u>75,534</u>	<u>426,478</u>	<u>41,233</u>
<b>Expenditures</b>				
Current				
General government	195,948	87,863	15,055	2,817
Capital projects	11,197,323	11,155,150	19,592,670	3,792,577
Debt service				
Bond issuance cost	--	--	--	348,245
Total expenditures	<u>11,393,271</u>	<u>11,243,013</u>	<u>19,607,725</u>	<u>4,143,639</u>
Deficiency of revenues under expenditures	(10,890,292)	(11,167,479)	(19,181,247)	(4,102,406)
<b>Other financing sources (uses)</b>				
General obligation bonds issued	--	--	--	--
Revenue bonds issued	--	--	--	4,100,000
Certificates of obligation bonds issued	--	--	--	--
Premium on bonds sold	--	--	--	--
Discount on sale of bonds	--	--	--	--
Transfer in from				
Visitors facility fund	--	--	--	--
Transfers out to				
General fund	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>4,100,000</u>
Net change in fund balances	(10,890,292)	(11,167,479)	(19,181,247)	(2,406)
Fund balances at beginning of year	<u>27,838,726</u>	<u>12,157,216</u>	<u>19,181,851</u>	<u>464,836</u>
Fund balances at end of year	<u>\$ 16,948,434</u>	<u>\$ 989,737</u>	<u>\$ 604</u>	<u>\$ 462,430</u>

Exhibit 23-B  
(Continued)

Eliminations	2005 Total	2004 Total
\$ --	\$ 23,138	\$ 200,733
--	579,428	659,650
--	113,758	175,148
--	32,996	96,195
--	7,626	3,084
--	1,218,913	1,535,092
--	--	3,000,000
--	<u>1,975,859</u>	<u>5,669,902</u>
--	809,367	1,526,445
--	66,278,614	78,528,012
--	637,314	1,006,357
--	<u>67,725,295</u>	<u>81,060,814</u>
--	(65,749,436)	(75,390,912)
--	60,000,000	--
--	4,100,000	26,815,000
--	14,914,122	6,901,632
--	--	751,185
--	--	(56,632)
--	--	74,600
--	<u>(852,376)</u>	<u>(5,453)</u>
--	<u>78,161,746</u>	<u>34,480,332</u>
--	12,412,310	(40,910,580)
--	<u>92,830,002</u>	<u>133,740,582</u>
<u>\$ --</u>	<u>\$ 105,242,312</u>	<u>\$ 92,830,002</u>



City of  
Corpus  
Christi

***Proprietary Funds***

## ***Enterprise Funds***

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

### ***Major Fund***

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

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

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

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

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

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



City of  
Corpus  
Christi

**UTILITY SYSTEM FUND  
COMBINING STATEMENT OF NET ASSETS  
JULY 31, 2005**

ASSETS	Gas	Water	Wastewater	Eliminations	Total
<b>Current assets</b>					
Cash and cash equivalents	\$ 22,961	\$ 17,171	\$ --	\$ --	\$ 40,132
Investments	--	44,334,970	18,562,196	--	62,897,166
Receivables					
Accounts	4,276,731	12,972,574	5,554,481	--	22,803,786
Accrued interest	--	261,594	132,304	--	393,898
Property leases	--	3,318	7,000	--	10,318
Employees	--	--	11,834	--	11,834
Intergovernmental	--	1,278,556	--	--	1,278,556
Miscellaneous	4,458	21,369	1,263	--	27,090
Allowance for uncollectibles	(733,810)	(1,221,250)	(891,456)	--	(2,846,516)
Net receivables	3,547,379	13,316,161	4,815,426	--	21,678,966
Due from other funds	--	4,857,696	--	(4,857,696)	--
Current portion of advance to other funds	30,000	--	--	--	30,000
Inventories	--	271,254	--	--	271,254
<b>Restricted assets</b>					
Cash and cash equivalents	--	9,361,895	6,689,021	--	16,050,916
Investments	--	7,988,600	15,283,597	--	23,272,197
Receivables					
Accrued interest	--	100,573	168,196	--	268,769
Net receivables	--	100,573	168,196	--	268,769
Total restricted assets	--	17,451,068	22,140,814	--	39,591,882
Total current assets	3,600,340	80,248,320	45,518,436	(4,857,696)	124,509,400
<b>Noncurrent assets</b>					
Deposits	--	2,300	--	--	2,300
Water supply rights, net of accumulated amortization	--	173,904,740	--	--	173,904,740
Advances to other funds	94,600	--	--	--	94,600
Bond issue costs	--	4,611,741	1,467,264	--	6,079,005
<b>Capital assets</b>					
Land	651,970	15,459,040	4,435,991	--	20,547,001
Buildings	1,672,918	34,344,154	1,889,184	--	37,906,256
Improvements other than buildings	96,109	80,662,819	115,055,419	--	195,814,347
Machinery and equipment	2,311,168	14,046,630	9,460,218	--	25,818,016
Infrastructure	55,885,059	445,293,901	197,906,348	--	699,085,308
Total capital assets in service	60,617,224	589,806,544	328,747,160	--	979,170,928
Less accumulated depreciation	(22,616,891)	(136,129,178)	(79,744,519)	--	(238,490,588)
Net capital assets in service	38,000,333	453,677,366	249,002,641	--	740,680,340
Construction in progress	2,285,368	65,128,361	17,200,475	--	84,614,204
Net capital assets	40,285,701	518,805,727	266,203,116	--	825,294,544
Total noncurrent assets	40,380,301	697,324,508	267,670,380	--	1,005,375,189
<b>Total assets</b>	43,980,641	777,572,828	313,188,816	(4,857,696)	1,129,884,589

(Continued)

	Gas	Water	Wastewater	Eliminations	Total
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft	\$ --	\$ --	\$ 1,155,316	\$ --	\$ 1,155,316
Accounts payable	1,499,026	5,778,095	2,078,073	--	9,355,194
Accrued expenses	91,450	210,253	115,207	--	416,910
Accrued interest	--	262,708	--	--	262,708
Contractor interest and retainage payable	--	812,949	867,296	--	1,680,245
Deposits	86,395	123,391	19,195	--	228,981
Liability to claimants - escheat property	--	94,387	--	--	94,387
Due to other funds	3,108,378	16,447,083	15,926,276	(4,857,696)	30,624,041
<b>Current portion of long-term liabilities</b>					
Long-term debt	--	15,348,084	7,344,437	--	22,692,521
Accumulated unpaid compensated absences	334,145	683,350	388,635	--	1,406,130
<b>Liabilities payable from restricted assets</b>					
Accounts payable	--	764,028	644,458	--	1,408,486
Accrued interest	--	354,679	185,093	--	539,772
Contractor interest and retainage payable	--	869,586	303,559	--	1,173,145
Unearned revenue	--	6,464	--	--	6,464
Total liabilities payable from restricted assets	--	1,994,757	1,133,110	--	3,127,867
Total current liabilities	<u>5,119,394</u>	<u>41,755,057</u>	<u>29,027,545</u>	<u>(4,857,696)</u>	<u>71,044,300</u>
<b>Noncurrent liabilities</b>					
<b>Long-term liabilities, net of current portion</b>					
Long-term debt	--	449,931,207	90,178,834	--	540,110,041
Accumulated unpaid compensated absences	377,229	425,622	418,776	--	1,221,627
Total noncurrent liabilities	<u>377,229</u>	<u>450,356,829</u>	<u>90,597,610</u>	<u>--</u>	<u>541,331,668</u>
Total liabilities	<u>5,496,623</u>	<u>492,111,886</u>	<u>119,625,155</u>	<u>(4,857,696)</u>	<u>612,375,968</u>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	40,285,701	232,042,917	170,147,109	--	442,475,727
<b>Restricted for</b>					
Bond interest and redemption	--	735,633	1,173,011	--	1,908,644
Construction of capital assets	--	11,535,240	12,762,323	--	24,297,563
Improvements to utility lines and facilities	--	3,185,437	6,984,396	--	10,169,833
Abatement of public health hazards	--	--	87,975	--	87,975
Unrestricted	<u>(1,801,683)</u>	<u>37,961,715</u>	<u>2,408,847</u>	<u>--</u>	<u>38,568,879</u>
Total net assets	<u>\$ 38,484,018</u>	<u>\$ 285,460,942</u>	<u>\$ 193,563,661</u>	<u>\$ --</u>	<u>\$ 517,508,621</u>



City of  
Corpus  
Christi

**UTILITY SYSTEM FUND**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2005**

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
<b>Operating revenues</b>					
Charges for services - net	\$ 33,846,439	\$ 78,474,456	\$ 36,357,928	\$ (181,705)	\$ 148,497,118
<b>Operating expenses</b>					
Personal services	5,321,596	11,503,222	7,151,866	--	23,976,684
Materials and supplies	22,865,817	11,719,628	2,762,845	--	37,348,290
Contractual services	1,213,312	12,091,187	5,949,548	--	19,254,047
Other operating expenses	3,043,809	13,975,639	5,941,598	(181,705)	22,779,341
Uncollectible accounts	376,586	787,753	573,142	--	1,737,481
Depreciation	1,117,817	14,486,562	7,720,310	--	23,324,689
Total operating expenses	<u>33,938,937</u>	<u>64,563,991</u>	<u>30,099,309</u>	<u>(181,705)</u>	<u>128,420,532</u>
Operating income (loss)	(92,498)	13,910,465	6,258,619	--	20,076,586
<b>Nonoperating revenues (expenses)</b>					
Investment income	13,525	1,581,946	1,096,012	--	2,691,483
Interest expense and fiscal charges	(4,289)	(16,767,749)	(4,195,603)	--	(20,967,641)
Net loss on disposal of assets	(13,440)	(1,389,267)	(1,197,031)	--	(2,599,738)
Retirement of obsolete facilities	--	(4,240,683)	--	--	(4,240,683)
Recovery on damage claims	2,400	2,123	--	--	4,523
Developer deposits	--	653,628	932,573	--	1,586,201
Contributions from developers	--	4,875,984	3,606,240	--	8,482,224
Reimbursements to developers	--	(102,936)	(302,291)	--	(405,227)
Contribution from other governmental agencies	--	1,181,628	--	--	1,181,628
Contribution of capital assets to general fund	--	(11,070)	--	--	(11,070)
Forfeited bid bonds	--	--	61,063	--	61,063
Total nonoperating expenses	<u>(1,804)</u>	<u>(14,216,396)</u>	<u>963</u>	<u>--</u>	<u>(14,217,237)</u>
Income (loss) before transfers	<u>(94,302)</u>	<u>(305,931)</u>	<u>6,259,582</u>	<u>--</u>	<u>5,859,349</u>
Transfers in	--	5,031,285	--	(5,031,285)	--
Transfers out	(869,469)	(3,241,114)	(6,533,802)	5,031,285	(5,613,100)
Total transfers	<u>(869,469)</u>	<u>1,790,171</u>	<u>(6,533,802)</u>	<u>--</u>	<u>(5,613,100)</u>
Net income (loss)	(963,771)	1,484,240	(274,220)	--	246,249
Net assets at beginning of year	<u>39,447,789</u>	<u>283,976,702</u>	<u>193,837,881</u>	<u>--</u>	<u>517,262,372</u>
Net assets at end of year	<u>\$ 38,484,018</u>	<u>\$ 285,460,942</u>	<u>\$ 193,563,661</u>	<u>\$ --</u>	<u>\$ 517,508,621</u>

**UTILITY SYSTEM FUND  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2005**

	<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	\$ 33,168,611	\$ 75,682,274	\$ 35,236,926	\$ 38,874	\$ 144,126,685
Receipts from interfund services provided	33,011	282,230	67,828	(181,705)	201,364
Payments to suppliers	(23,537,894)	(20,422,028)	(7,791,554)	--	(51,751,476)
Payments to employees	(4,629,901)	(10,292,800)	(6,340,779)	--	(21,263,480)
Internal activity - payments to other funds	(4,150,403)	(14,237,192)	(7,263,890)	142,831	(25,508,654)
Net cash provided by operating activities	<u>883,424</u>	<u>31,012,484</u>	<u>13,908,531</u>	<u>--</u>	<u>45,804,439</u>
<b>Cash flows from noncapital financing activities</b>					
Changes in interfund borrowings	2,311,163	14,701,297	11,103,389	--	28,115,849
Interest on advance to other funds	7,051	--	--	--	7,051
Contributions from other governmental agencies	--	462,903	--	--	462,903
Transfers in from other funds	--	5,031,285	--	(5,031,285)	--
Transfers out to other funds	(869,469)	(3,241,114)	(6,533,802)	5,031,285	(5,613,100)
Recovery on damage claims	2,400	2,123	--	--	4,523
Net cash provided by noncapital financing activities	<u>1,451,145</u>	<u>16,956,494</u>	<u>4,569,587</u>	<u>--</u>	<u>22,977,226</u>
<b>Cash flows from capital and related financing activities</b>					
Acquisition of capital assets	(2,763,634)	(37,679,200)	(22,998,558)	--	(63,441,392)
Proceeds from sale of capital assets	5,077	4,160	5,357	--	14,594
Developers deposits	--	654,104	932,573	--	1,586,677
Reimbursements to developers	--	(116,624)	(389,119)	--	(505,743)
Contributions from other governmental agencies	--	786,355	--	--	786,355
Proceeds from issuance of revenue bonds	--	33,673,769	18,534,280	--	52,208,049
Proceeds from forfeited bid bonds	--	--	61,063	--	61,063
Principal paid on long-term debt	--	(16,356,559)	(6,562,983)	--	(22,919,542)
Principal paid on commercial paper	--	(15,650,000)	(9,350,000)	--	(25,000,000)
Interest expense and fiscal charges	(4,289)	(15,720,069)	(4,838,086)	--	(20,562,444)
Net cash used for capital and related financing activities	<u>(2,762,846)</u>	<u>(50,404,064)</u>	<u>(24,605,473)</u>	<u>--</u>	<u>(77,772,383)</u>
<b>Cash flows from investing activities</b>					
Purchase of investment securities	--	(112,147,801)	(59,099,797)	--	(171,247,598)
Proceeds from sale and maturity of investment securities	400,000	115,644,235	65,578,643	--	181,622,878
Interest on investments	8,908	1,894,948	1,310,509	--	3,214,365
Net cash provided by investing activities	<u>408,908</u>	<u>5,391,382</u>	<u>7,789,355</u>	<u>--</u>	<u>13,589,645</u>
Net increase (decrease) in cash and cash equivalents	(19,369)	2,956,296	1,662,000	--	4,598,927
Cash and cash equivalents at beginning of year	<u>42,330</u>	<u>6,422,771</u>	<u>5,027,021</u>	<u>--</u>	<u>11,492,122</u>
Cash and cash equivalents at end of year	<u>\$ 22,961</u>	<u>\$ 9,379,067</u>	<u>\$ 6,689,021</u>	<u>\$ --</u>	<u>\$ 16,091,049</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)	\$ (92,498)	\$ 13,910,465	\$ 6,258,619	\$ --	\$ 20,076,586
Adjustments to reconcile operating income (loss) to net cash provided by operating activities					
Depreciation	1,117,817	14,486,562	7,720,310	--	23,324,689
Amortization of water rights	--	3,887,487	--	--	3,887,487
Amortization of fish and wildlife costs	--	270,042	--	--	270,042
Provision for uncollectible accounts	376,586	787,753	573,142	--	1,737,481
Changes in assets and liabilities					
Receivables	(680,667)	(3,147,011)	(1,070,476)	--	(4,898,154)
Due from other funds	--	5,663	--	39,337	45,000
Inventory	--	54,581	--	--	54,581
Accounts payable	71,430	1,087,686	326,005	--	1,485,121
Accrued expenses	1,886	(14,326)	5,246	--	(7,194)
Unearned revenue	--	--	(1,100)	--	(1,100)
Accumulated unpaid compensated absences	117,982	28,229	66,126	--	212,337
Deposits	35,852	44,887	18,402	--	99,141
Liability to claimants - escheat property	--	(3,423)	--	--	(3,423)
Due to other funds	(64,963)	(117,939)	12,257	(39,337)	(209,982)
Changes in restricted assets and liabilities					
Due from other funds	--	--	--	--	--
Accounts payable	--	(30,631)	--	--	(30,631)
Due to other funds	--	(237,541)	--	--	(237,541)
Net cash provided by operating activities	<u>\$ 883,425</u>	<u>\$ 31,012,484</u>	<u>\$ 13,908,531</u>	<u>\$ --</u>	<u>\$ 45,804,440</u>
<b>Noncash investing, capital and financing activities</b>					
Contribution of capital assets to the general fund	\$ --	\$ (11,070)	\$ --	\$ --	\$ (11,070)
Contribution of capital assets from developers	\$ --	\$ 4,875,984	\$ 3,606,240	\$ --	\$ 8,482,224
Change in fair value of investments	\$ --	\$ (176,430)	\$ (128,992)	\$ --	\$ (305,422)
Bond refunding	\$ --	\$ 168,596,880	\$ 13,420,986	\$ --	\$ 182,017,866

Exhibit 25-A

**GAS SYSTEM  
COMPARATIVE SCHEDULE OF NET ASSETS  
JULY 31, 2005 AND 2004**

	<b>2005</b>	<b>2004</b>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 22,961	\$ 42,330
Investments	-	400,000
Receivables		
Accounts	4,276,731	4,098,807
Accrued interest	-	2,432
Miscellaneous	4,458	10,144
Allowance for uncollectibles	(733,810)	(865,653)
Net receivables	3,547,379	3,245,730
Current portion of advance to other funds	30,000	30,000
Total current assets	3,600,340	3,718,060
Noncurrent assets		
Advances to other funds	94,600	124,600
Capital assets		
Land	651,970	596,495
Buildings	1,672,918	1,253,802
Improvements other than buildings	96,109	96,109
Machinery and equipment	2,311,168	2,308,301
Infrastructure	55,885,059	54,122,385
Total capital assets in service	60,617,224	58,377,092
Less accumulated depreciation	(22,616,891)	(21,723,887)
Net capital assets in service	38,000,333	36,653,205
Construction in progress	2,285,368	2,138,543
Net capital assets	40,285,701	38,791,748
Total noncurrent assets	40,380,301	38,916,348
Total assets	43,980,641	42,634,408
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	1,499,026	1,544,716
Accrued expenses	91,450	89,564
Contractor interest and retainage payable	-	16,226
Deposits	86,395	50,543
Due to other funds	3,108,378	892,178
Current portion of accumulated unpaid compensated absences	334,145	289,816
Total current liabilities	5,119,394	2,883,043
Noncurrent liabilities		
Accumulated unpaid compensated absences, net of current portion	377,229	303,576
Total noncurrent liabilities	377,229	303,576
Total liabilities	5,496,623	3,186,619
<b>NET ASSETS</b>		
Invested in capital assets	40,285,701	38,791,748
Unrestricted	(1,801,683)	656,041
Total net assets	\$ 38,484,018	\$ 39,447,789

**GAS SYSTEM**  
**COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2005 AND 2004**

	2005	2004
<b>Operating revenues</b>		
Charges for services - net	\$ 33,846,439	\$ 30,627,086
<b>Operating expenses</b>		
Personal services	5,321,596	4,520,519
Materials and supplies	22,865,817	19,472,791
Contractual services	1,213,312	1,403,989
Other operating expenses	3,043,809	2,516,429
Uncollectible accounts	376,586	374,670
Depreciation	1,117,817	1,113,075
Total operating expenses	33,938,937	29,401,473
Operating income (loss)	(92,498)	1,225,613
<b>Nonoperating revenues (expenses)</b>		
Investment income	13,525	20,478
Interest expense and fiscal charges	(4,289)	--
Net gain (loss) on disposal of assets	(13,440)	1,472
Recovery on damage claims	2,400	10,604
Total nonoperating revenues (expenses)	(1,804)	32,554
Income (loss) before transfers	(94,302)	1,258,167
Transfers out	(869,469)	(1,532,453)
Net loss	(963,771)	(274,286)
Net assets at beginning of year	39,447,789	39,722,075
Net assets at end of year	\$ 38,484,018	\$ 39,447,789

**GAS SYSTEM  
COMPARATIVE SCHEDULE OF CASH FLOWS  
YEAR ENDED JULY 31, 2005 AND 2004**

	<b>2005</b>	<b>2004</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 33,168,611	\$ 30,175,066
Receipts from interfund services provided	33,011	37,226
Payments to suppliers	(23,537,894)	(20,555,018)
Payments to employees	(4,629,901)	(4,118,424)
Internal activity - payments to other funds	(4,150,403)	(3,580,567)
Net cash provided by operating activities	883,424	1,958,283
<b>Cash flows from noncapital financing activities</b>		
Changes in interfund borrowings	2,311,163	822,406
Interest on advance to other funds	7,051	8,418
Transfers in from other funds	--	78,317
Transfers out to other funds	(869,469)	(1,532,453)
Recovery on damage claims	2,400	10,604
Net cash provided by (used for) noncapital financing activities	1,451,145	(612,708)
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(2,763,634)	(4,237,015)
Proceeds from sale of capital assets	5,077	1,472
Interest expense and fiscal charges	(4,289)	--
Net cash used for capital and related financing activities	(2,762,846)	(4,235,543)
<b>Cash flows from investing activities</b>		
Purchase of investment securities	--	(1,333,450)
Proceeds from sale and maturity of investment securities	400,000	2,257,400
Interest on investments	8,908	68,796
Net cash provided by investing activities	408,908	992,746
Net decrease in cash and cash equivalents	(19,369)	(1,897,222)
Cash and cash equivalents at beginning of year	42,330	1,939,552
Cash and cash equivalents at end of year	\$ 22,961	\$ 42,330

(Continued)

Exhibit 25-C

	<u>2005</u>	<u>2004</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income (loss)	\$ (92,498)	\$ 1,225,613
Adjustments to reconcile operating income (loss) to net cash provided by operating activities		
Depreciation	1,117,817	1,113,075
Provision for uncollectible accounts	376,586	374,670
Change in assets and liabilities		
Receivables		
Due from other funds	(680,667)	(530,535)
Accounts payable	--	65,516
Accrued expenses	71,430	(118,074)
Accumulated unpaid compensated absences	1,886	(140,086)
Deposits	117,982	99,627
Due to other funds	35,852	(5,948)
	<u>(64,963)</u>	<u>(125,575)</u>
Net cash provided by operating activities	<u>\$ 883,425</u>	<u>\$ 1,958,283</u>
<b>Noncash investing, capital and financing activities</b>		
Change in fair value of investments	\$ --	\$ 713

**WATER SYSTEM  
COMPARATIVE SCHEDULE OF NET ASSETS  
JULY 31, 2005 AND 2004**

	<b>2005</b>	<b>2004</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 17,171	\$ 4,585,294
Investments	44,334,970	47,553,959
Receivables		
Accounts	12,972,574	10,509,399
Accrued interest	261,594	416,210
Property leases	3,318	6,773
Intergovernmental	1,278,556	2,124,714
Miscellaneous	21,369	6,202
Allowance for uncollectibles	(1,221,250)	(1,105,621)
Net receivables	13,316,161	11,957,677
Due from other funds	4,857,696	90,753
Inventories	271,254	325,833
Restricted assets		
Cash and cash equivalents	9,361,895	1,837,477
Investments	7,988,600	8,442,475
Accrued interest	100,573	82,530
Total restricted assets	17,451,068	10,362,482
Total current assets	80,248,320	74,875,998
<b>Noncurrent assets</b>		
Deposits	2,300	2,300
Water supply rights, net of accumulated amortization	173,904,740	178,062,269
Bond issue costs	4,611,741	3,303,184
Capital assets		
Land	15,459,040	14,504,240
Buildings	34,344,154	34,285,392
Improvements other than buildings	80,662,819	58,346,797
Machinery and equipment	14,046,630	13,637,458
Infrastructure	445,293,901	408,357,532
Total capital assets in service	589,806,544	529,131,419
Less accumulated depreciation	(136,129,178)	(122,740,847)
Net capital assets in service	453,677,366	406,390,572
Construction in progress	65,128,361	90,134,656
Net capital assets	518,805,727	496,525,228
Total noncurrent assets	697,324,508	677,892,981
Total assets	777,572,828	752,768,979

(Continued)

	2005	2004
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	\$ 5,778,095	\$ 1,662,585
Accrued expenses	210,253	224,580
Accrued interest	262,708	348,830
Contractor interest and retainage payable	812,949	22,582
Deposits	123,391	78,027
Liability to claimants - escheat property	94,387	97,810
Due to other funds	16,447,083	122,816
Commercial paper	--	15,650,000
Current portion of long-term liabilities		
Long-term debt	15,348,084	13,383,903
Accumulated unpaid compensated absences	683,350	616,093
Liabilities payable from restricted assets		
Accounts payable	764,028	3,548,353
Accrued interest	354,679	308,019
Contractor interest and retainage payable	869,586	2,050,694
Unearned revenue	6,464	6,464
Due to other funds	--	2,019,636
Total liabilities payable from restricted assets	1,994,757	7,933,166
Total current liabilities	41,755,057	40,140,392
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	449,931,207	428,187,235
Accumulated unpaid compensated absences	425,622	464,650
Total noncurrent liabilities	450,356,829	428,651,885
Total liabilities	492,111,886	468,792,277
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	232,042,917	220,669,542
Restricted for		
Bond interest and redemption	735,633	1,008,370
Construction of capital assets	11,535,240	--
Improvements to utility lines and facilities	3,185,437	2,579,363
Unrestricted	37,961,715	59,719,427
Total net assets	\$ 285,460,942	\$ 283,976,702



City of  
Corpus  
Christi

**WATER SYSTEM**  
**COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2005 AND 2004**

	<b>2005</b>	<b>2004</b>
<b>Operating revenues</b>		
Charges for services - net	\$ 78,474,456	\$ 68,709,704
<b>Operating expenses</b>		
Personal services	11,503,222	10,708,299
Materials and supplies	11,719,628	10,688,481
Contractual services	12,091,187	10,044,927
Other operating expenses	13,975,639	11,631,281
Uncollectible accounts	787,753	628,885
Depreciation	14,486,562	12,121,257
Total operating expenses	64,563,991	55,823,130
Operating income	13,910,465	12,886,574
<b>Nonoperating revenues (expenses)</b>		
Investment income	1,581,946	1,187,511
Interest expense and fiscal charges	(16,767,749)	(18,975,154)
Net gain (loss) on disposal of assets	(1,389,267)	7,820
Retirement of obsolete facilities	(4,240,683)	--
Recovery on damage claims	2,123	58,700
Developer deposits	653,628	570,451
Contributions from developers	4,875,984	5,907,644
Reimbursement to developers	(102,936)	(140,115)
Contribution from other governmental agencies	1,181,628	155,701
Contribution of capital assets from (to) general fund	(11,070)	451,468
Total nonoperating expenses	(14,216,396)	(10,775,974)
Income (loss) before transfers	(305,931)	2,110,600
Transfers in	5,031,285	33,876
Transfers out	(3,241,114)	(4,488,435)
Total transfers	1,790,171	(4,454,559)
Net income (loss)	1,484,240	(2,343,959)
Net assets at beginning of year	283,976,702	286,320,661
Net assets at end of year	\$ 285,460,942	\$ 283,976,702

**WATER SYSTEM  
COMPARATIVE SCHEDULE OF CASH FLOWS  
YEAR ENDED JULY 31, 2005 AND 2004**

	2005	2004
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 75,682,274	\$ 65,867,751
Receipts from interfund services provided	282,230	258,371
Payments to suppliers	(20,422,028)	(19,248,632)
Payments to employees	(10,292,800)	(9,585,584)
Internal activity - payments to other funds	(14,237,192)	(9,668,946)
Net cash provided by operating activities	31,012,484	27,622,960
<b>Cash flows from noncapital financing activities</b>		
Changes in interfund borrowings	14,701,297	1,815,420
Interest on advance to other funds	--	4,178
Contributions from other governmental agencies	462,903	28,992
Transfers in from other funds	5,031,285	212,039
Transfers out to other funds	(3,241,114)	(4,488,435)
Recovery on damage claims	2,123	1,700
Net cash provided by (used for) for noncapital financing activities	16,956,494	(2,426,106)
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(37,679,200)	(38,339,979)
Proceeds from sale of capital assets	4,160	7,820
Developer deposits	654,104	570,663
Reimbursements to developers	(116,624)	(141,775)
Contributions from other governmental agencies	786,355	12,889
Proceeds from issuance of revenue bonds	33,673,769	--
Proceeds from issuance of commercial paper	--	15,650,000
Original issue discount and issue cost	--	(750)
Principal paid on long-term debt	(16,356,559)	(12,377,284)
Principal paid on commercial paper	(15,650,000)	--
Interest expense and fiscal charges	(15,720,069)	(18,005,095)
Recovery on damage claims	--	57,000
Net cash used for capital and related financing activities	(50,404,064)	(52,566,511)
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(112,147,801)	(124,140,685)
Proceeds from sale and maturity of investment securities	115,644,235	140,741,489
Interest on investments	1,894,948	2,016,821
Net cash provided by investing activities	5,391,382	18,617,625
Net increase (decrease) in cash and cash equivalents	2,956,296	(8,752,032)
Cash and cash equivalents at beginning of year, including restricted accounts	6,422,771	15,174,803
Cash and cash equivalents at end of year, including restricted accounts	\$ 9,379,067	\$ 6,422,771

(Continued)

Exhibit 26-C

	<u>2005</u>	<u>2004</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ 13,910,465	\$ 12,886,574
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	14,486,562	12,121,257
Amortization of water rights	3,887,487	3,623,277
Amortization of fish and wildlife costs	270,042	270,042
Provision for uncollectible accounts	787,753	628,885
Change in assets and liabilities		
Receivables	(3,147,011)	(1,516,400)
Due from other funds	5,663	(192,201)
Inventory	54,581	(71,753)
Accounts payable	1,087,686	116,152
Accrued expenses	(14,326)	(210,007)
Accumulated unpaid compensated absences	28,229	227,255
Deposits	44,887	(36,760)
Liability to claimants - escheat property	(3,423)	4,697
Due to other funds	(117,939)	(544,230)
Change in restricted assets and liabilities		
Accounts payable	(30,631)	78,631
Due to other funds	(237,541)	237,541
Net cash provided by operating activities	<u>\$ 31,012,484</u>	<u>\$ 27,622,960</u>
<b>Noncash investing, capital and financing activities</b>		
Contribution of capital assets from (to) general fund	\$ (11,070)	\$ 451,468
Contribution of capital assets from developers	\$ 4,875,984	\$ 5,907,644
Change in fair value of investments	\$ (176,430)	\$ (9,698)
Bond refunding	\$ 168,596,880	\$ 4,380,927

**WASTEWATER SYSTEM  
COMPARATIVE SCHEDULE OF NET ASSETS  
JULY 31, 2005 AND 2004**

	2005	2004
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ --	\$ 1,056,779
Investments	18,562,196	15,174,806
Receivables		
Accounts	5,554,481	5,008,226
Accrued interest	132,304	147,539
Property leases	7,000	7,000
Employees	11,834	12,683
Miscellaneous	1,263	86
Allowance for uncollectibles	(891,456)	(842,208)
Net receivables	4,815,426	4,333,326
Restricted assets		
Cash and cash equivalents	6,689,021	3,970,242
Investments	15,283,597	25,278,825
Accrued interest	168,196	246,835
Total restricted assets	22,140,814	29,495,902
Total current assets	45,518,436	50,060,813
Noncurrent assets		
Bond issue costs	1,467,264	1,395,484
Capital assets		
Land	4,435,991	3,477,253
Buildings	1,889,184	1,802,639
Improvements other than buildings	115,055,419	98,961,108
Machinery and equipment	9,460,218	9,237,217
Infrastructure	197,906,348	165,327,157
Total capital assets in service	328,747,160	278,805,374
Less accumulated depreciation	(79,744,519)	(72,024,209)
Net capital assets in service	249,002,641	206,781,165
Construction in progress	17,200,475	40,454,272
Net capital assets	266,203,116	247,235,437
Total noncurrent assets	267,670,380	248,630,921
Total assets	313,188,816	298,691,734

(Continued)

	<u>2005</u>	<u>2004</u>
<b>LIABILITIES</b>		
Current liabilities		
Bank overdraft	\$ 1,155,316	\$ --
Accounts payable	2,078,073	577,930
Accrued expenses	115,207	109,961
Accrued interest	--	31,426
Contractor interest and retainage payable	867,296	56,409
Deposits	19,195	793
Due to other funds	15,926,276	38,114
Unearned revenue	--	1,100
Commercial paper	--	9,350,000
Current portion of long-term liabilities		
Long-term debt	7,344,437	6,225,639
Accumulated unpaid compensated absences	388,635	353,459
Liabilities payable from restricted assets		
Accounts payable	644,458	1,713,505
Accrued interest	185,093	174,562
Contractor interest and retainage payable	303,559	1,120,961
Accrued arbitrage rebate liability	--	8,368
Due to other funds	--	55,424
Total liabilities payable from restricted assets	<u>1,133,110</u>	<u>3,072,820</u>
Total current liabilities	<u>29,027,545</u>	<u>19,817,651</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	90,178,834	84,648,376
Accumulated unpaid compensated absences	418,776	387,826
Total noncurrent liabilities	<u>90,597,610</u>	<u>85,036,202</u>
Total liabilities	<u>119,625,155</u>	<u>104,853,853</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	170,147,109	148,406,905
Restricted for		
Bond interest and redemption	1,173,011	1,038,344
Construction of capital assets	12,762,323	19,074,986
Improvements to utility lines and facilities	6,984,396	6,221,833
Abatement of public health hazards	87,975	87,920
Unrestricted	<u>2,408,847</u>	<u>19,007,893</u>
Total net assets	<u>\$ 193,563,661</u>	<u>\$ 193,837,881</u>



City of  
Corpus  
Christi

**WASTEWATER SYSTEM**  
**COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2005 AND 2004**

	2005	2004
<b>Operating revenues</b>		
Charges for services - net	\$ 36,357,928	\$ 33,193,541
<b>Operating expenses</b>		
Personal services	7,151,866	6,776,168
Materials and supplies	2,762,845	2,631,498
Contractual services	5,949,548	5,127,108
Other operating expenses	5,941,598	4,864,087
Uncollectible accounts	573,142	437,404
Depreciation	7,720,310	6,259,679
Total operating expenses	30,099,309	26,095,944
Operating income	6,258,619	7,097,597
<b>Nonoperating revenues (expenses)</b>		
Investment income	1,096,012	872,336
Interest expense and fiscal charges	(4,195,603)	(5,202,642)
Net loss on disposal of assets	(1,197,031)	--
Developer deposits	932,573	737,582
Contributions from developers	3,606,240	2,405,665
Reimbursement to developers	(302,291)	(158,911)
Contribution from other governmental agencies	--	19,856
Forfeited bid bonds	61,063	--
Total nonoperating expenses	963	(1,326,114)
Income before transfers	6,259,582	5,771,483
Transfers in	--	872,077
Transfers out	(6,533,802)	(1,831,312)
Total transfers	(6,533,802)	(959,235)
Net income (loss)	(274,220)	4,812,248
Net assets at beginning of year	193,837,881	189,025,633
Net assets at end of year	\$ 193,563,661	\$ 193,837,881

**WASTEWATER SYSTEM  
COMPARATIVE SCHEDULE OF CASH FLOWS  
YEAR ENDED JULY 31, 2005 AND 2004**

	<b>2005</b>	<b>2004</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 35,236,926	\$ 32,390,901
Receipts from interfund services provided	67,828	60,938
Payments to suppliers	(7,791,554)	(7,453,145)
Payments to employees	(6,340,779)	(6,210,474)
Internal activity - payments to other funds	(7,263,890)	(6,579,808)
Net cash provided by operating activities	13,908,531	12,208,412
<b>Cash flows from noncapital financing activities</b>		
Changes in interfund borrowings	11,103,389	--
Transfers in from other funds	--	990,488
Transfers out to other funds	(6,533,802)	(1,831,312)
Net cash provided by (used for) noncapital financing activities	4,569,587	(840,824)
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(22,998,558)	(22,259,528)
Proceeds from sale of capital assets	5,357	--
Developer deposits	932,573	737,582
Contributions from developers	--	27,400
Reimbursements to developers	(389,119)	(64,135)
Proceeds from issuance of revenue bonds	18,534,280	--
Proceeds from issuance of commercial paper	--	9,350,000
Proceeds from forfeited bid bonds	61,063	--
Principal paid on long-term debt	(6,562,983)	(5,934,384)
Principal paid on commercial paper	(9,350,000)	--
Interest expense and fiscal charges	(4,838,086)	(4,707,747)
Net cash used for capital and related financing activities	(24,605,473)	(22,850,812)
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(59,099,797)	(93,948,415)
Proceeds from sale and maturity of investment securities	65,578,643	86,684,807
Interest on investments	1,310,509	608,033
Net cash provided by (used for) investing activities	7,789,355	(6,655,575)
Net increase (decrease) in cash and cash equivalents	1,662,000	(18,138,799)
Cash and cash equivalents at beginning of year, including restricted accounts	5,027,021	23,165,820
Cash and cash equivalents at end of year, including restricted accounts	\$ 6,689,021	\$ 5,027,021

(Continued)

Exhibit 27-C

	<u>2005</u>	<u>2004</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ 6,258,619	\$ 7,097,597
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	7,720,310	6,259,679
Provision for uncollectible accounts	573,142	437,404
Change in assets and liabilities		
Receivables		
Due from other funds	(1,070,476)	(964,621)
Accounts payable	--	107,517
Accrued expenses	326,005	(249,192)
Unearned revenue	5,246	(193,280)
Accumulated unpaid compensated absences	(1,100)	(3,100)
Deposits	66,126	16,319
Due to other funds	18,402	90
	<u>12,257</u>	<u>(300,001)</u>
Net cash provided by operating activities	<u>\$ 13,908,531</u>	<u>\$ 12,208,412</u>
<b>Noncash investing, capital and financing activities</b>		
Contribution of capital assets from developers	\$ 3,606,240	\$ 2,378,264
Change in fair value of investments	\$ (128,992)	\$ (1,307)
Bond refunding	\$ 13,420,986	\$ --

**NON-MAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF NET ASSETS**  
**JULY 31, 2005**

	<u>Airport Fund</u>	<u>Ambulance Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 595,331	\$ 56,633	\$ 5,102	\$ 6,413
Investments	3,498,750	--	--	--
Receivables, net of allowance for uncollectibles	1,155,690	69,517	--	944,062
Due from other funds	1,828,404	626,436	101	429,550
Inventories	--	--	39,847	--
<b>Restricted assets</b>				
Cash and cash equivalents	4,648,170	19,861	--	9,541
Investments	500,000	--	--	--
Receivables, net of allowance for uncollectibles	233,046	--	--	--
Due from other funds	--	--	--	4,420,589
Total restricted assets	<u>5,381,216</u>	<u>19,861</u>	<u>--</u>	<u>4,430,130</u>
Total current assets	<u>12,459,391</u>	<u>772,447</u>	<u>45,050</u>	<u>5,810,155</u>
<b>Noncurrent assets</b>				
Bond issue costs	608,874	--	--	90,938
<b>Capital assets</b>				
Land	3,554,942	--	94,337	9,000
Buildings	47,610,753	--	711,295	554,626
Improvements other than buildings	51,736,662	--	2,528,151	15,004,686
Machinery and equipment	4,336,587	2,789,770	665,296	193,952
Infrastructure	--	--	--	54,226
Property under capital lease	--	567,826	290,240	--
Total capital assets in service	<u>107,238,944</u>	<u>3,357,596</u>	<u>4,289,319</u>	<u>15,816,490</u>
Less accumulated depreciation	<u>(33,782,872)</u>	<u>(2,997,252)</u>	<u>(2,945,637)</u>	<u>(10,969,245)</u>
Net capital assets in service	<u>73,456,072</u>	<u>360,344</u>	<u>1,343,682</u>	<u>4,847,245</u>
Construction in progress	<u>4,601,203</u>	<u>--</u>	<u>1,380</u>	<u>907,332</u>
Net capital assets	<u>78,057,275</u>	<u>360,344</u>	<u>1,345,062</u>	<u>5,754,577</u>
Total noncurrent assets	<u>78,666,149</u>	<u>360,344</u>	<u>1,345,062</u>	<u>5,845,515</u>
Total assets	<u>91,125,540</u>	<u>1,132,791</u>	<u>1,390,112</u>	<u>11,655,670</u>

(Continued)

Exhibit 28-A

<u>Eliminations</u>	<u>Total</u>
\$ --	\$ 663,479
--	3,498,750
--	2,169,269
(842,414)	2,042,077
--	39,847
--	4,677,572
--	500,000
--	233,046
--	4,420,589
--	9,831,207
(842,414)	18,244,629
--	699,812
--	3,658,279
--	48,876,674
--	69,269,499
--	7,985,605
--	54,226
--	858,066
--	130,702,349
--	(50,695,006)
--	80,007,343
--	5,509,915
--	85,517,258
--	86,217,070
(842,414)	104,461,699

**NON-MAJOR PROPRIETARY FUNDS  
COMBINING STATEMENT OF NET ASSETS  
JULY 31, 2005**

	<u>Airport Fund</u>	<u>Ambulance Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 1,304,902	\$ 183,837	\$ 57,016	\$ 102,466
Accrued expenses	63,150	103,947	17,695	10,311
Contractor interest and retainage payable	61,655	--	--	15,892
Deposits	38	--	--	77,653
Due to other funds	119	--	37,888	804,526
Due to other governmental agencies	7,115	--	--	--
Unearned revenue	--	--	42,750	9,696
<b>Current portion of long-term liabilities</b>				
Long-term debt	4,818	68,057	57,465	--
Accumulated unpaid compensated absences	186,692	303,596	33,076	31,284
<b>Liabilities payable from restricted assets</b>				
Accounts payable	37,287	--	--	--
Accrued expenses	527,399	--	--	--
Accrued interest	--	--	--	30,130
Contractor interest and retainage payable	106,898	--	--	--
Unearned revenue	127,837	19,861	--	--
Current portion of long-term debt	435,000	--	--	--
Total liabilities payable from restricted assets	<u>1,234,421</u>	<u>19,861</u>	<u>--</u>	<u>30,130</u>
Total current liabilities	<u>2,862,910</u>	<u>679,298</u>	<u>245,890</u>	<u>1,081,958</u>
<b>Noncurrent liabilities</b>				
<b>Long-term liabilities, net of current portion</b>				
Long-term debt	20,519,181	159,506	144,424	4,499,924
Accumulated unpaid compensated absences	68,894	713,663	37,200	6,773
Total noncurrent liabilities	<u>20,588,075</u>	<u>873,169</u>	<u>181,624</u>	<u>4,506,697</u>
Total liabilities	<u>23,450,985</u>	<u>1,552,467</u>	<u>427,514</u>	<u>5,588,655</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	58,821,076	132,780	1,143,173	5,753,348
<b>Restricted for</b>				
Passenger facility charges projects	2,027,719	--	--	--
Bond interest and redemption	104,818	--	--	--
Construction of capital assets	1,109,837	--	--	--
Required capital reserve	250,000	--	--	--
Required operating reserve	1,084,257	--	--	--
Law enforcement officers' standards and education	5,166	--	--	--
Unrestricted	<u>4,271,682</u>	<u>(552,456)</u>	<u>(180,575)</u>	<u>313,667</u>
Total net assets (liabilities)	<u>\$ 67,674,555</u>	<u>\$ (419,676)</u>	<u>\$ 962,598</u>	<u>\$ 6,067,015</u>

Exhibit 28-A  
(continued)

<u>Eliminations</u>	<u>Total</u>
\$ --	\$ 1,648,221
--	195,103
--	77,547
--	77,691
(842,414)	119
--	7,115
--	52,446
--	130,340
--	554,648
--	37,287
--	527,399
--	30,130
--	106,898
--	147,698
--	435,000
--	<u>1,284,412</u>
(842,414)	<u>4,027,642</u>
--	25,323,035
--	826,530
--	<u>26,149,565</u>
(842,414)	<u>30,177,207</u>
--	65,850,377
--	2,027,719
--	104,818
--	1,109,837
--	250,000
--	1,084,257
--	5,166
--	<u>3,852,318</u>
\$ --	\$ <u>74,284,492</u>



City of  
Corpus  
Christi

**NON-MAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2005**

	<u>Airport Fund</u>	<u>Ambulance Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
<b>Operating revenues</b>					
Charges for services - net	\$ 8,061,058	\$ 3,817,806	\$ 1,944,177	\$ 1,285,583	\$ 15,108,624
<b>Operating expenses</b>					
Personal services	3,849,410	4,619,856	943,750	617,112	10,030,128
Materials and supplies	266,729	360,371	228,984	91,834	947,918
Contractual services	1,438,682	539,816	250,221	122,132	2,350,851
Other operating expenses	792,903	679,931	208,285	142,711	1,823,830
Uncollectible accounts	73,538	-	28,597	7,620	109,755
Depreciation	3,945,504	143,427	219,598	325,090	4,633,619
Total operating expenses	<u>10,366,766</u>	<u>6,343,401</u>	<u>1,879,435</u>	<u>1,306,499</u>	<u>19,896,101</u>
Operating income (loss)	(2,305,708)	(2,525,595)	64,742	(20,916)	(4,787,477)
<b>Nonoperating revenues (expenses)</b>					
Investment income	204,973	11,202	-	23,219	239,394
Interest expense and fiscal charges	(1,235,239)	(8,443)	(7,778)	(10,770)	(1,262,230)
Passenger facility charges	1,680,265	-	-	-	1,680,265
Net gain on disposal of assets	10,804	3,572	-	-	14,376
Recovery on damage claims	601	-	-	-	601
Contribution from other governmental agencies	2,789,873	-	-	834,489	3,624,362
Total nonoperating revenues (expenses)	<u>3,451,277</u>	<u>6,331</u>	<u>(7,778)</u>	<u>846,938</u>	<u>4,296,768</u>
Income (loss) before transfers	1,145,569	(2,519,264)	56,964	826,022	(490,709)
Transfers in	-	3,216,572	-	-	3,216,572
Transfers out	(1,047,783)	(196,522)	(293,956)	(218,652)	(1,756,913)
Total transfers	<u>(1,047,783)</u>	<u>3,020,050</u>	<u>(293,956)</u>	<u>(218,652)</u>	<u>1,459,659</u>
Net income (loss)	97,786	500,786	(236,992)	607,370	968,950
Net assets (liabilities) at beginning of year	<u>67,576,769</u>	<u>(920,462)</u>	<u>1,199,590</u>	<u>5,459,645</u>	<u>73,315,542</u>
Net assets (liabilities) at end of year	<u>\$ 67,674,555</u>	<u>\$ (419,676)</u>	<u>\$ 962,598</u>	<u>\$ 6,067,015</u>	<u>\$ 74,284,492</u>

**NON-MAJOR PROPRIETARY FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2005**

	<u>Airport Fund</u>	<u>Ambulance Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Totals</u>
<b>Cash flows from operating activities</b>					
Receipts from customers	\$ 7,991,178	\$3,950,143	\$ 1,939,609	\$ 1,258,528	\$ 15,139,458
Payments to suppliers	(1,231,624)	(785,180)	(561,294)	(139,643)	(2,717,741)
Payments to employees	(3,502,052)	(4,251,147)	(809,545)	(547,861)	(9,110,605)
Internal activity - payments to other funds	(1,529,165)	(1,156,031)	(341,882)	(196,450)	(3,223,528)
Net cash provided by (used for) operating activities	<u>1,728,337</u>	<u>(2,242,215)</u>	<u>226,888</u>	<u>374,574</u>	<u>87,584</u>
<b>Cash flows from noncapital financing activities</b>					
Changes in interfund borrowings	(1,828,404)	(617,409)	37,888	(4,015,328)	(6,423,253)
Contributions from other governmental agencies	1,803	6,926	--	--	8,729
Transfers in from other funds	--	3,216,572	--	--	3,216,572
Transfers out to other funds	(1,047,783)	(196,522)	(293,956)	(218,652)	(1,756,913)
Recovery on damage claims	601	--	--	--	601
Net cash provided by (used for) noncapital financing activities	<u>(2,873,783)</u>	<u>2,409,567</u>	<u>(256,068)</u>	<u>(4,233,980)</u>	<u>(4,954,264)</u>
<b>Cash flows from capital and related financing activities</b>					
Acquisition of capital assets	(5,490,823)	--	(1,380)	(1,346,067)	(6,838,270)
Proceeds from sale of capital assets	12,041	3,572	--	--	15,613
Contributions from other governmental agencies	2,159,859	--	--	--	2,159,859
Passenger facility charge	1,709,224	--	--	--	1,709,224
Proceeds from issuance of certificates of obligation	--	--	--	4,407,757	4,407,757
Principal paid on long-term debt	(418,186)	(111,437)	(56,165)	--	(585,788)
Interest and fiscal charges	(1,170,670)	(8,443)	(7,778)	--	(1,186,891)
Net cash provided by (used for) capital and related financing activities	<u>(3,198,555)</u>	<u>(116,308)</u>	<u>(65,323)</u>	<u>3,061,690</u>	<u>(318,496)</u>
<b>Cash flows from investing activities</b>					
Purchase of investment securities	(6,500,000)	--	--	--	(6,500,000)
Proceeds from sale and maturity of investment securities	10,468,422	--	--	500,000	10,968,422
Interest on investments	257,663	11,202	--	27,165	296,030
Net cash provided by (used for) investing activities	<u>4,226,085</u>	<u>11,202</u>	<u>--</u>	<u>527,165</u>	<u>4,764,452</u>
Net increase (decrease) in cash and cash equivalents	(117,916)	62,246	(94,503)	(270,551)	(420,724)
Cash and cash equivalents at beginning of year, including restricted accounts	<u>5,361,417</u>	<u>14,248</u>	<u>99,605</u>	<u>286,505</u>	<u>5,761,775</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 5,243,501</u>	<u>\$ 76,494</u>	<u>\$ 5,102</u>	<u>\$ 15,954</u>	<u>\$ 5,341,051</u>

(Continued)

**NON-MAJOR PROPRIETARY FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2005**

	<u>Airport Fund</u>	<u>Ambulance Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Totals</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities</b>					
Operating income (loss)	\$ (2,305,708)	(\$2,525,595)	\$ 64,742	\$ (20,916)	\$ (4,787,477)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities					
Depreciation	3,945,504	143,427	219,598	325,090	4,633,619
Provision for uncollectible accounts	73,538	--	28,597	7,620	109,755
Change in assets and liabilities					
Receivables	(45,360)	132,337	(6,554)	(52,795)	27,628
Due from other funds	1,645	(3,835)	(101)	9,311	7,020
Inventory	--	--	12,877	--	12,877
Accounts payable	82,392	114,721	(97,765)	74,070	173,418
Accrued expenses	1,808	26,904	2,443	510	31,665
Unearned revenue	--	--	2,356	--	2,356
Accumulated unpaid compensated absences	(19,098)	23,244	6,289	5,944	16,379
Deposits	(237)	--	--	25,740	25,503
Due to other funds	(13,317)	(153,418)	(5,223)	--	(171,958)
Due to other governmental agencies	7,115	--	(371)	--	6,744
Change in restricted assets and liabilities					
Due from other funds	55	--	--	--	55
Net cash provided by (used for) operating activities	<u>\$ 1,728,337</u>	<u>\$ (2,242,215)</u>	<u>\$ 226,888</u>	<u>\$ 374,574</u>	<u>\$ 87,584</u>
<b>Noncash investing, capital and financing activities</b>					
Acquisition of capital assets under capital lease	\$ --	\$ 149,563	\$ --	\$ --	\$ 149,563
Change in fair value of investments	\$ (1,250)	\$ --	\$ --	\$ --	\$ (1,250)

**AIRPORT FUND**  
**COMPARATIVE STATEMENT OF NET ASSETS**  
**JULY 31, 2005 AND 2004**

	<b>2005</b>	<b>2004</b>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 595,331	\$ 1,847,910
Investments	3,498,750	3,435,125
Receivables		
Accounts	602,539	577,601
Accrued interest	10,625	26,854
Intergovernmental	770,986	15,031
Miscellaneous	940	9,934
Allowance for uncollectibles	(229,400)	(185,279)
Net receivables	1,155,690	444,141
Due from other funds	1,828,404	1,645
Restricted assets		
Cash and cash equivalents	4,648,170	3,513,507
Investments	500,000	4,533,297
Receivables		
Accounts	229,612	258,572
Accrued interest	3,434	38,646
Net receivables	233,046	297,218
Due from other funds	--	55
Total restricted assets	5,381,216	8,344,077
Total current assets	12,459,391	14,072,898
Noncurrent assets		
Bond issue costs	608,874	651,277
Capital assets		
Land	3,554,942	3,554,942
Buildings	47,610,753	42,869,690
Improvements other than buildings	51,736,662	48,258,813
Machinery and equipment	4,336,587	4,240,645
Total capital assets in service	107,238,944	98,924,090
Less accumulated depreciation	(33,782,872)	(29,906,916)
Net capital assets in service	73,456,072	69,017,174
Construction in progress	4,601,203	7,827,144
Net capital assets	78,057,275	76,844,318
Total noncurrent assets	78,666,149	77,495,595
Total assets	91,125,540	91,568,493

(Continued)

Exhibit 29-A

	<u>2005</u>	<u>2004</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	\$ 1,304,902	\$ 230,378
Accrued expenses	63,150	61,342
Contractor interest and retainage payable	61,655	19,125
Deposits	38	275
Due to other funds	119	14,530
Due to State of Texas	7,115	--
Current portion of long-term liabilities		
Long-term debt	4,818	--
Accumulated unpaid compensated absences	186,692	197,268
Liabilities payable from restricted assets		
Accounts payable	37,287	679,118
Accrued expenses	527,399	770,031
Contractor interest and retainage payable	106,898	615,282
Due to other funds	--	619
Unearned revenue	127,837	93
Current portion of long-term debt	435,000	415,000
Total liabilities payable from restricted assets	<u>1,234,421</u>	<u>2,480,143</u>
Total current liabilities	<u>2,862,910</u>	<u>3,003,061</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	20,519,181	20,911,247
Accumulated unpaid compensated absences	68,894	77,416
Total noncurrent liabilities	<u>20,588,075</u>	<u>20,988,663</u>
Total liabilities	<u>23,450,985</u>	<u>23,991,724</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	58,821,076	58,904,982
Restricted for		
Passenger facility charges projects	2,027,719	2,224,172
Bond interest and redemption	104,818	1,173
Construction of capital assets	1,109,837	2,736,600
Required capital reserve	250,000	250,000
Required operating reserve	1,084,257	1,063,448
Law enforcement officers' standards and education	5,166	3,541
Unrestricted	<u>4,271,682</u>	<u>2,392,853</u>
Total net assets	<u>\$ 67,674,555</u>	<u>\$ 67,576,769</u>



City of  
Corpus  
Christi

**AIRPORT FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>Operating revenues</b>		
Charges for services - net	\$ 8,061,058	\$ 7,555,096
<b>Operating expenses</b>		
Personal services	3,849,410	3,690,901
Materials and supplies	266,729	257,187
Contractual services	1,438,682	1,398,976
Other operating expenses	792,903	725,740
Uncollectible accounts	73,538	-
Depreciation	3,945,504	3,207,038
Total operating expenses	<u>10,366,766</u>	<u>9,279,842</u>
Operating loss	(2,305,708)	(1,724,746)
<b>Nonoperating revenues (expenses)</b>		
Investment income	204,973	191,628
Interest expense and fiscal charges	(1,235,239)	(1,220,282)
Passenger facility charges	1,680,265	1,561,016
Net gain on disposal of assets	10,804	3,409
Recovery of damage claims	601	1,012
Contribution from other governmental agencies	2,789,868	2,781,645
Contributions and donations	5	22,375
Total nonoperating revenues	<u>3,451,277</u>	<u>3,340,803</u>
Income before transfers	1,145,569	1,616,057
Transfers out	<u>(1,047,783)</u>	<u>(889,727)</u>
Net income	97,786	726,330
Net assets at beginning of year	<u>67,576,769</u>	<u>66,850,439</u>
Net assets at end of year	<u>\$ 67,674,555</u>	<u>\$ 67,576,769</u>

**AIRPORT FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2005 AND 2004**

	<b>2005</b>	<b>2004</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 7,991,178	\$ 7,442,130
Payments to suppliers	(1,231,624)	(1,365,217)
Payments to employees	(3,502,052)	(3,785,392)
Internal activity - payments to other funds	(1,529,165)	(1,005,669)
Net cash provided by operating activities	1,728,337	1,285,852
<b>Cash flows from noncapital financing activities</b>		
Changes in interfund borrowings	(1,828,404)	--
Contributions from other governmental agencies	1,803	2,112
Transfers out to other funds	(1,047,783)	(889,727)
Recovery on damage claims	601	1,012
Net cash used for noncapital financing activities	(2,873,783)	(886,603)
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(5,490,823)	(8,981,241)
Proceeds from sale of capital assets	12,041	3,409
Contributions from other governmental agencies	2,159,859	2,919,297
Passenger facility charge	1,709,224	1,499,390
Principal paid on long-term debt	(418,186)	(395,000)
Interest and fiscal charges	(1,170,670)	(1,186,981)
Net cash used for capital and related financing activities	(3,198,555)	(6,141,126)
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(6,500,000)	(17,403,547)
Proceeds from sale and maturity of investment securities	10,468,422	20,616,486
Interest on investments	257,663	233,081
Net cash provided by investing activities	4,226,085	3,446,020
Net decrease in cash and cash equivalents	(117,916)	(2,295,857)
Cash and cash equivalents at beginning of year, including restricted accounts	5,361,417	7,657,274
Cash and cash equivalents at end of year, including restricted accounts	\$ 5,243,501	\$ 5,361,417

(Continued)

Exhibit 29-C

	<u>2005</u>	<u>2004</u>
<b>Reconciliation of operating loss to net cash provided by operating activities</b>		
Operating loss	\$ (2,305,708)	\$ (1,724,746)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	3,945,504	3,207,038
Provision for uncollectible accounts	73,538	--
Changes in assets and liabilities		
Receivables	(45,360)	(9,505)
Due from other funds	1,645	24
Accounts payable	82,392	(6,156)
Accrued expenses	1,808	(121,561)
Accumulated unpaid compensated absences	(19,098)	27,069
Deposits	(237)	194
Due to other funds	(13,317)	(86,507)
Due to other governmental agencies	7,115	--
Changes in restricted assets and liabilities		
Due from other funds	55	2
Net cash provided by operating activities	<u>\$ 1,728,337</u>	<u>\$ 1,285,852</u>
<b>Noncash investing, capital and financing activities</b>		
Change in fair value of investments	\$ (1,250)	\$ --



City of  
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Christi

Exhibit 30-A

**AMBULANCE FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 56,633	\$ 1,313
Receivables		
Intergovernmental	69,517	66,258
Miscellaneous	-	135,596
Net receivables	<u>69,517</u>	<u>201,854</u>
Due from other funds	626,436	5,192
Restricted assets		
Cash and cash equivalents	19,861	12,935
Total current assets	<u>772,447</u>	<u>221,294</u>
Noncurrent assets		
Capital assets		
Machinery and equipment	2,789,770	2,292,826
Property under capital lease	567,826	915,207
Total capital assets in service	<u>3,357,596</u>	<u>3,208,033</u>
Less accumulated depreciation	<u>(2,997,252)</u>	<u>(2,853,825)</u>
Net capital assets	<u>360,344</u>	<u>354,208</u>
Total noncurrent assets	<u>360,344</u>	<u>354,208</u>
Total assets	<u>1,132,791</u>	<u>575,502</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	183,837	69,116
Accrued expenses	103,947	77,043
Due to other funds	-	153,418
Current portion of long-term liabilities		
Long-term debt	68,057	88,172
Accumulated unpaid compensated absences	303,596	279,883
Liabilities payable from restricted assets		
Unearned revenue	19,861	12,935
Total liabilities payable from restricted assets	<u>19,861</u>	<u>12,935</u>
Total current liabilities	<u>679,298</u>	<u>680,567</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	159,506	101,265
Accumulated unpaid compensated absences	713,663	714,132
Total noncurrent liabilities	<u>873,169</u>	<u>815,397</u>
Total liabilities	<u>1,552,467</u>	<u>1,495,964</u>
<b>NET ASSETS (LIABILITIES)</b>		
Invested in capital assets, net of related debt	132,780	164,771
Unrestricted	<u>(552,456)</u>	<u>(1,085,233)</u>
Total net liabilities	<u>\$ (419,676)</u>	<u>\$ (920,462)</u>

**AMBULANCE FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2005 AND 2004**

	2005	2004
<b>Operating revenues</b>		
Charges for services - net	\$ 3,817,806	\$ 3,323,456
<b>Operating expenses</b>		
Personal services	4,619,856	4,005,297
Materials and supplies	360,371	357,648
Contractual services	539,816	448,857
Other operating expenses	679,931	672,882
Depreciation	143,427	148,868
Total operating expenses	6,343,401	5,633,552
Operating loss	(2,525,595)	(2,310,096)
<b>Nonoperating revenues (expenses)</b>		
Investment income	11,202	3,470
Interest expense and fiscal charges	(8,443)	(8,426)
Net gain on disposal of assets	3,572	--
Contribution from other governmental agencies	--	2,290
Total nonoperating revenues (expenses)	6,331	(2,666)
Loss before transfers	(2,519,264)	(2,312,762)
Transfers in	3,216,572	2,390,000
Transfers out	(196,522)	(310,458)
Total transfers	3,020,050	2,079,542
Net income (loss)	500,786	(233,220)
Net liabilities at beginning of year	(920,462)	(687,242)
Net liabilities at end of year	\$ (419,676)	\$ (920,462)

**AMBULANCE FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2005 AND 2004**

	2005	2004
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 3,950,143	\$ 3,185,722
Payments to suppliers	(785,180)	(742,254)
Payments to employees	(4,251,147)	(4,261,017)
Internal activity - payments to other funds	(1,156,031)	(908,298)
Net cash used for operating activities	(2,242,215)	(2,725,847)
<b>Cash flows from noncapital financing activities</b>		
Changes in interfund borrowings	(617,409)	-
Contributions from other governmental agencies	6,926	9,052
Transfers in from other funds	3,216,572	2,390,000
Transfers out to other funds	(196,522)	(310,458)
Net cash provided by noncapital financing activities	2,409,567	2,088,594
<b>Cash flows from capital and related financing activities</b>		
Proceeds from sale of capital assets	3,572	-
Principal paid on long-term debt	(111,437)	(82,137)
Interest expense and fiscal charges	(8,443)	(8,426)
Net cash used for capital and related financing activities	(116,308)	(90,563)
<b>Cash flows from investing activities</b>		
Interest on investments	11,202	3,470
Net increase (decrease) in cash and cash equivalents	62,246	(724,346)
Cash and cash equivalents at beginning of year, including restricted accounts	14,248	738,594
Cash and cash equivalents at end of year, including restricted accounts	\$ 76,494	\$ 14,248
<b>Reconciliation of operating loss to net cash used for operating activities</b>		
Operating loss	\$ (2,525,595)	\$ (2,310,096)
Adjustments to reconcile operating loss to net cash used for operating activities		
Depreciation	143,427	148,868
Changes in assets and liabilities		
Receivables	132,337	(137,734)
Due from other funds	(3,835)	(1,338)
Accounts payable	114,721	66,959
Accrued expenses	26,904	(168,691)
Accumulated unpaid compensated absences	23,244	(357,811)
Due to other funds	(153,418)	34,525
Change in restricted assets and liabilities		
Accrued expenses	-	(529)
Net cash used for operating activities	\$ (2,242,215)	\$ (2,725,847)
<b>Noncash investing, capital and financing activities</b>		
Acquisition of fixed assets under capital lease	\$ 149,563	\$ 144,049



City of  
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Exhibit 31-A

**GOLF CENTERS FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 5,102	\$ 99,605
Receivables		
Accounts	28,597	9,880
Miscellaneous	-	12,163
Allowance for uncollectibles	(28,597)	-
Net receivables	-	22,043
Due from other funds	101	-
Inventories	39,847	52,724
Total current assets	<u>45,050</u>	<u>174,372</u>
Noncurrent assets		
Capital assets		
Land	94,337	94,337
Buildings	711,295	711,295
Improvements other than buildings	2,528,151	2,528,151
Machinery and equipment	665,296	665,296
Property under capital lease	290,240	290,240
Total capital assets in service	<u>4,289,319</u>	<u>4,289,319</u>
Less accumulated depreciation	(2,945,637)	(2,726,039)
Net capital assets in service	<u>1,343,682</u>	<u>1,563,280</u>
Construction in progress	1,380	-
Net capital assets	<u>1,345,062</u>	<u>1,563,280</u>
Total noncurrent assets	<u>1,345,062</u>	<u>1,563,280</u>
Total assets	<u>1,390,112</u>	<u>1,737,652</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	57,016	154,781
Accrued expenses	17,695	15,252
Due to other funds	37,888	5,223
Due to other governmental agencies	-	371
Unearned revenue	42,750	40,394
Current portion of long-term liabilities		
Long-term debt	57,465	56,165
Accumulated unpaid compensated absences	33,076	22,635
Total current liabilities	<u>245,890</u>	<u>294,821</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	144,424	201,889
Accumulated unpaid compensated absences	37,200	41,352
Total noncurrent liabilities	<u>181,624</u>	<u>243,241</u>
Total liabilities	<u>427,514</u>	<u>538,062</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	1,143,173	1,305,226
Unrestricted	(180,575)	(105,636)
Total net assets	<u>\$ 962,598</u>	<u>\$ 1,199,590</u>

Exhibit 31-B

**GOLF CENTERS FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>Operating revenues</b>		
Charges for services - net	\$ 1,944,177	\$ 1,713,712
<b>Operating expenses</b>		
Personal services	943,750	920,067
Materials and supplies	228,984	255,829
Contractual services	250,221	336,271
Other operating expenses	208,285	204,032
Uncollectible accounts	28,597	--
Depreciation	219,598	164,264
Total operating expenses	<u>1,879,435</u>	<u>1,880,463</u>
Operating income (loss)	64,742	(166,751)
<b>Nonoperating revenues (expenses)</b>		
Investment income	--	5,068
Interest expense and fiscal charges	(7,778)	(3,793)
Total nonoperating revenues (expenses)	<u>(7,778)</u>	<u>1,275</u>
Income (loss) before transfers	56,964	(165,476)
Transfers out	<u>(293,956)</u>	<u>(247,354)</u>
Net loss	(236,992)	(412,830)
Net assets at beginning of year	<u>1,199,590</u>	<u>1,612,420</u>
Net assets at end of year	<u>\$ 962,598</u>	<u>\$ 1,199,590</u>

**GOLF CENTERS FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 1,939,609	\$ 1,701,776
Payments to suppliers	(561,294)	(598,189)
Payments to employees	(809,545)	(816,165)
Internal activity - payments to other funds	(341,882)	(247,562)
Net cash provided by operating activities	<u>226,888</u>	<u>39,860</u>
<b>Cash flows from noncapital financing activities</b>		
Changes in interfund borrowings	37,888	-
Transfers in from other funds	-	29,174
Transfers out to other funds	(293,956)	(247,354)
Net cash used for noncapital financing activities	<u>(256,068)</u>	<u>(218,180)</u>
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(1,380)	(533,242)
Principal paid on long-term debt	(56,165)	(32,186)
Interest expense and fiscal charges	(7,778)	(3,793)
Net cash used for capital and related financing activity	<u>(65,323)</u>	<u>(569,221)</u>
<b>Cash flows from investing activities</b>		
Interest on investments	-	5,068
Net decrease in cash and cash equivalents	(94,503)	(742,473)
Cash and cash equivalents at beginning of year	99,605	842,078
Cash and cash equivalents at end of year	<u>\$ 5,102</u>	<u>\$ 99,605</u>
<b>Reconciliation of operating loss to net cash provided by operating activities</b>		
Operating income (loss)	\$ 64,742	\$ (166,751)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities		
Depreciation	219,598	164,264
Provision for uncollectible accounts	28,597	-
Change in assets and liabilities		
Receivables	(6,554)	(15,518)
Due from other funds	(101)	1,250
Inventory	12,877	(7,549)
Accounts payable	(97,765)	102,450
Accrued expenses	2,443	(29,434)
Unearned revenue	2,356	3,211
Accumulated unpaid compensated absences	6,289	9,448
Due to other funds	(5,223)	(21,882)
Due to other governmental agencies	(371)	371
Net cash provided by operating activities	<u>\$ 226,888</u>	<u>\$ 39,860</u>
<b>Noncash investing, capital and financing activities</b>		
Acquisition of capital assets under capital lease	\$ -	\$ 290,240

**GOLF CENTERS FUND**  
**SCHEDULE OF OPERATING EXPENSES BY FUNCTION**  
**YEAR ENDED JULY 31, 2005**  
**WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2004**

<u>FUNCTION</u>	2005			
	<u>PERSONAL SERVICES</u>	<u>MATERIALS &amp; SUPPLIES</u>	<u>CONTRACTUAL SERVICES</u>	<u>OTHER OPERATING EXPENSES</u>
Gabe Lozano Sr. Golf Center operations	\$ 542,678	\$ 124,148	\$ 151,635	\$ 120,784
Oso Golf Center operations	401,072	104,836	98,586	87,501
Total operating expenses	<u>\$ 943,750</u>	<u>\$ 228,984</u>	<u>\$ 250,221</u>	<u>\$ 208,285</u>

Exhibit 31-D

<u>UNCOLLECTIBLE ACCOUNTS</u>	<u>DEPRECIATION</u>	<u>2005 TOTAL</u>	<u>2004 TOTAL</u>
\$ 19,927	\$ 159,754	\$ 1,118,926	\$ 1,161,488
8,670	59,844	760,509	718,975
<u>\$ 28,597</u>	<u>\$ 219,598</u>	<u>\$ 1,879,435</u>	<u>\$ 1,880,463</u>

**MARINA FUND  
COMPARATIVE SCHEDULE OF NET ASSETS  
JULY 31, 2005 AND 2004**

	<b>2005</b>	<b>2004</b>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 6,413	\$ 286,505
Investments	-	500,000
Receivables		
Accounts	145,816	93,022
Accrued interest	-	3,946
Intergovernmental	844,589	22,052
Allowance for uncollectibles	(46,343)	(38,724)
Net receivables	944,062	80,296
Due from other funds	429,550	9,311
Restricted assets		
Cash and cash equivalents	9,541	-
Due from other funds	4,420,589	-
Total restricted assets	4,430,130	-
Total current assets	5,810,155	876,112
Noncurrent assets		
Bond issue costs	90,938	-
Capital assets		
Land	9,000	9,000
Buildings	554,626	554,626
Improvements other than buildings	15,004,686	14,504,686
Machinery and equipment	193,952	182,001
Infrastructure	54,226	54,226
Total capital assets in service	15,816,490	15,304,539
Less accumulated depreciation	(10,969,245)	(10,644,156)
Net capital assets in service	4,847,245	4,660,383
Construction in progress	907,332	22,052
Net capital assets	5,754,577	4,682,435
Total noncurrent assets	5,845,515	4,682,435
Total assets	11,655,670	5,558,547

(Continued)

	<u>2005</u>	<u>2004</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	102,466	5,076
Accrued expenses	10,311	9,801
Contractor interest and retainage payable	15,892	-
Deposits	77,653	51,914
Due to other funds	804,526	-
Unearned revenue	9,696	-
Accumulated unpaid compensated absences, current portion	31,284	24,881
Liabilities payable from restricted assets		
Accrued interest	30,130	-
Total current liabilities	<u>1,081,958</u>	<u>91,672</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	4,499,924	-
Accumulated unpaid compensated absences	6,773	7,230
Total noncurrent liabilities	<u>4,506,697</u>	<u>7,230</u>
Total liabilities	<u>5,588,655</u>	<u>98,902</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	5,753,348	4,682,435
Unrestricted	<u>313,667</u>	<u>777,210</u>
Total net assets	<u>\$ 6,067,015</u>	<u>\$ 5,459,645</u>

Exhibit 32-B

**MARINA FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2005 AND 2004**

	2005	2004
<b>Operating revenues</b>		
Slip rentals	\$ 960,656	\$ 932,704
Bayfront revenue	204,719	205,210
Boat haul-outs	7,679	20,350
Transient fees	35,946	35,311
Resale of electricity	16,066	18,864
Raw seafood sales permits	2,600	4,800
Miscellaneous	57,917	34,398
Total operating revenue	1,285,583	1,251,637
<b>Operating expenses</b>		
Personal services	617,112	604,229
Materials and supplies	91,834	57,835
Contractual services	122,132	118,104
Other operating expenses	142,711	136,619
Uncollectible accounts	7,620	9,211
Depreciation	325,090	312,023
Total operating expenses	1,306,499	1,238,021
Operating income (loss)	(20,916)	13,616
<b>Nonoperating revenues (expenses)</b>		
Investment income	23,219	6,615
Interest expense and fiscal charges	(10,770)	--
Contribution from other governmental agencies	834,489	22,052
Total nonoperating revenues	846,938	28,667
Income before transfers	826,022	42,283
Transfers out	(218,652)	(103,778)
Total transfers	(218,652)	(103,778)
Net income (loss)	607,370	(61,495)
Net assets at beginning of year	5,459,645	5,521,140
Net assets at end of year	\$ 6,067,015	\$ 5,459,645

Exhibit 32-C

**MARINA FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 1,258,528	\$ 1,205,156
Payments to suppliers	(139,643)	(183,225)
Payments to employees	(547,861)	(556,289)
Internal activity - payments to other funds	(196,450)	(212,136)
Net cash provided by operating activities	<u>374,574</u>	<u>253,506</u>
<b>Cash flows from noncapital financing activities</b>		
Changes in interfund borrowings	(4,015,328)	-
Transfers in from other funds	-	8,112
Transfers out to other funds	(218,652)	(103,778)
Net cash used for noncapital financing activities	<u>(4,233,980)</u>	<u>(95,666)</u>
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(1,346,067)	(24,262)
Proceeds from issuance of certificates of obligation	4,407,757	-
Net cash provided by (used for) capital and related financing activities	<u>3,061,690</u>	<u>(24,262)</u>
<b>Cash flows from investing activities</b>		
Purchase of investment securities	-	(500,000)
Proceeds from sale and maturity of investment securities	500,000	-
Interest on investments	27,165	2,669
Net cash provided by (used for) investing activities	<u>527,165</u>	<u>(497,331)</u>
Net decrease in cash and cash equivalents	(270,551)	(363,753)
Cash and cash equivalents at beginning of year, including restricted accounts	<u>286,505</u>	<u>650,258</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 15,954</u>	<u>\$ 286,505</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>		
Operating income (loss)	\$ (20,916)	\$ 13,616
Adjustments to reconcile operating income (loss) to net cash provided by operating activities		
Depreciation	325,090	312,023
Provision for uncollectible accounts	7,620	9,211
Changes in assets and liabilities		
Receivables	(52,795)	(38,562)
Due from other funds	9,311	1,445
Accounts payable	74,070	(8,274)
Accrued expenses	510	(23,881)
Accumulated unpaid compensated absences	5,944	9,877
Deposits	25,740	(7,920)
Due to other funds	-	(14,029)
Net cash provided by operating activities	<u>\$ 374,574</u>	<u>\$ 253,506</u>



City of  
Corpus  
Christi

## ***Internal Service Funds***

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

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

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

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

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

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





City of  
Corpus  
Christi

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET ASSETS  
JULY 31, 2005**

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Liability and Employee Benefits</u>
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 153,969	\$ 1,403,958	\$ 1,211,261	\$ 4,983,496
Investments	--	3,634,983	1,970,061	21,902,059
Receivables, net of allowance for uncollectibles	389	319,712	15,423	618,990
Due from other funds	--	--	--	237,850
Inventories	1,077,041	185,881	--	--
Prepaid items	--	--	--	430,268
Total current assets	<u>1,231,399</u>	<u>5,544,534</u>	<u>3,196,745</u>	<u>28,172,663</u>
<b>Noncurrent assets</b>				
<b>Capital assets</b>				
Buildings	316,637	3,879,288	--	--
Improvements other than buildings	13,852	147,561	--	--
Machinery and equipment	188,664	41,959,784	4,495,472	--
Property under capital lease	--	2,606,705	4,203,195	--
Total capital assets in service	519,153	48,593,338	8,698,667	--
Less accumulated depreciation	(339,960)	(34,906,492)	(5,440,322)	--
Net capital assets in service	<u>179,193</u>	<u>13,686,846</u>	<u>3,258,345</u>	<u>--</u>
Construction in progress	--	22,520	--	--
Net capital assets	<u>179,193</u>	<u>13,709,366</u>	<u>3,258,345</u>	<u>--</u>
Total noncurrent assets	<u>179,193</u>	<u>13,709,366</u>	<u>3,258,345</u>	<u>--</u>
Total assets	<u>1,410,592</u>	<u>19,253,900</u>	<u>6,455,090</u>	<u>28,172,663</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	739,125	1,459,220	557,333	546,927
Accrued expenses	5,759	204,660	100,073	23,044
Current portion of estimated liability claims	--	--	--	8,091,737
Deposits	--	784	--	--
Liability to claimants - escheat property	--	--	--	139,147
Due to other funds	--	106,690	130,330	--
<b>Current portion of long-term liabilities</b>				
Long-term debt	--	173,985	647,176	--
Accumulated unpaid compensated absences	15,980	217,918	264,717	38,125
Total current liabilities	<u>760,864</u>	<u>2,163,257</u>	<u>1,699,629</u>	<u>8,838,980</u>
<b>Noncurrent liabilities</b>				
Estimated liability claims, net of current portion	--	--	--	6,955,819
<b>Long-term liabilities, net of current portion</b>				
Long-term debt	--	1,546,019	1,347,705	--
Accumulated unpaid compensated absences	26,775	210,743	434,431	7,828
Total noncurrent liabilities	<u>26,775</u>	<u>1,756,762</u>	<u>1,782,136</u>	<u>6,963,647</u>
Total liabilities	<u>787,639</u>	<u>3,920,019</u>	<u>3,481,765</u>	<u>15,802,627</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	179,193	11,989,362	1,263,463	--
Unrestricted	443,760	3,344,519	1,709,862	12,370,036
Net assets	<u>\$ 622,953</u>	<u>\$ 15,333,881</u>	<u>\$ 2,973,325</u>	<u>\$ 12,370,036</u>

Exhibit 33-A

<u>Engineering Services</u>	<u>Total</u>
\$ 841,940	\$ 8,594,624
--	27,507,103
--	954,514
--	237,850
--	1,262,922
--	430,268
<u>841,940</u>	<u>38,987,281</u>
--	4,195,925
--	161,413
132,148	46,776,068
--	6,809,900
<u>132,148</u>	<u>57,943,306</u>
<u>(56,451)</u>	<u>(40,743,225)</u>
75,697	17,200,081
12,415	34,935
<u>88,112</u>	<u>17,235,016</u>
<u>88,112</u>	<u>17,235,016</u>
<u>930,052</u>	<u>56,222,297</u>
116,115	3,418,720
43,442	376,978
--	8,091,737
--	784
--	139,147
--	237,020
--	821,161
144,394	681,134
<u>303,951</u>	<u>13,766,681</u>
--	6,955,819
--	2,893,724
252,678	932,455
<u>252,678</u>	<u>10,781,998</u>
<u>556,629</u>	<u>24,548,679</u>
88,112	13,520,130
<u>285,311</u>	<u>18,153,488</u>
<u>\$ 373,423</u>	<u>\$ 31,673,618</u>

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
YEAR ENDED JULY 31, 2005**

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Liability and Employee Benefits</u>
<b>Operating revenues</b>				
Charges for services - net	\$ 985,250	\$ 8,895,829	\$ 12,214,035	\$ 33,396,725
<b>Operating expenses</b>				
Personal services	295,719	4,427,741	4,931,222	709,351
Materials and supplies	79,815	970,251	968,512	142,472
Contractual services	226,492	1,117,114	3,734,549	4,069,498
Other operating expenses	87,775	973,221	487,733	169,289
Uncollectible accounts	--	2,322	--	--
Depreciation	9,498	3,526,694	540,303	--
Self-insurance claims	--	--	--	19,160,180
Total operating expenses	<u>699,299</u>	<u>11,017,343</u>	<u>10,662,319</u>	<u>24,250,790</u>
Operating income (loss)	285,951	(2,121,514)	1,551,716	9,145,935
<b>Nonoperating revenues (expenses)</b>				
Investment income	--	72,614	35,677	458,200
Interest expense and fiscal charges	(6,249)	(108,028)	(59,858)	(10,742)
Net gain on disposal of assets	580	412,792	--	--
Recovery of damage claims	--	47,133	--	--
Total nonoperating revenues (expenses)	<u>(5,669)</u>	<u>424,511</u>	<u>(24,181)</u>	<u>447,458</u>
Income (loss) before transfers	280,282	(1,697,003)	1,527,535	9,593,393
Transfers in	--	1,757,262	--	--
Transfers out	(14,712)	(148,966)	(199,432)	(15,724)
Net transfers	<u>(14,712)</u>	<u>1,608,296</u>	<u>(199,432)</u>	<u>(15,724)</u>
Net income (loss)	265,570	(88,707)	1,328,103	9,577,669
Net assets (liabilities) at beginning of year	<u>357,383</u>	<u>15,422,588</u>	<u>1,645,222</u>	<u>2,792,367</u>
Net assets at end of year	<u>\$ 622,953</u>	<u>\$ 15,333,881</u>	<u>\$ 2,973,325</u>	<u>\$ 12,370,036</u>

Exhibit 33-B

<u>Engineering Services</u>	<u>Totals</u>
\$ 4,507,294	\$ 59,999,133
2,484,419	12,848,452
96,673	2,257,723
619,460	9,767,113
746,536	2,464,554
--	2,322
21,525	4,098,020
--	19,160,180
<u>3,968,613</u>	<u>50,598,364</u>
538,681	9,400,769
--	566,491
(7,187)	(192,064)
--	413,372
--	47,133
<u>(7,187)</u>	<u>834,932</u>
531,494	10,235,701
--	1,757,262
--	(378,834)
<u>--</u>	<u>1,378,428</u>
531,494	11,614,129
<u>(158,071)</u>	<u>20,059,489</u>
<u>\$ 373,423</u>	<u>\$ 31,673,618</u>

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2005**

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>
<b>Cash flows from operating activities</b>			
Receipts from customers	\$ 804	\$ 19,034	\$ 113,777
Receipts from interfund services provided	3,650,563	14,558,667	12,119,035
Payments to suppliers	(2,688,688)	(6,567,660)	(3,640,634)
Payments to employees	(260,919)	(4,337,687)	(4,586,566)
Internal activity - payments to other funds	(120,389)	(961,608)	(1,399,539)
Claims paid	-	-	-
Net cash provided by operating activities	<u>581,371</u>	<u>2,710,746</u>	<u>2,606,073</u>
<b>Cash flows from noncapital financing activities</b>			
Changes in interfund borrowings	(407,021)	-	130,330
Interest on interfund borrowings	(6,249)	-	-
Transfers in from other funds	-	1,757,262	-
Transfers out to other funds	(14,712)	(148,966)	(199,432)
Recovery of damage claims	-	47,133	-
Net cash provided by (used for) noncapital financing activities	<u>(427,982)</u>	<u>1,655,429</u>	<u>(69,102)</u>
<b>Cash flows from capital and related financing activities</b>			
Acquisition of capital assets	-	(2,223,023)	-
Proceeds from sale of capital assets	580	229,201	-
Principal paid on long-term debt	-	(203,618)	(945,836)
Interest and fiscal charges	-	(108,028)	(59,858)
Net cash provided by (used for) capital and related financing activity	<u>580</u>	<u>(2,305,468)</u>	<u>(1,005,694)</u>
<b>Cash flows from investing activities</b>			
Purchase of investment securities	-	(6,650,000)	(2,000,000)
Proceeds from sale and maturity of investment securities	-	5,025,683	-
Interest on investments	-	85,574	50,193
Net cash used for investing activities	<u>-</u>	<u>(1,538,743)</u>	<u>(1,949,807)</u>
Net increase (decrease) in cash and cash equivalents	153,969	521,964	(418,530)
Cash and cash equivalents at beginning of year	<u>-</u>	<u>881,994</u>	<u>1,629,791</u>
Cash and cash equivalents at end of year	<u>\$ 153,969</u>	<u>\$ 1,403,958</u>	<u>\$ 1,211,261</u>

(Continued)

Exhibit 33-C

<b>Liability and Employee Benefits</b>	<b>Engineering Services</b>	<b>Total</b>
\$ 8,192,382	\$ 80,677	\$ 8,406,674
25,273,118	4,839,483	60,440,866
(4,181,472)	(1,060,839)	(18,139,293)
(667,694)	(1,856,682)	(11,709,548)
(350,032)	(1,152,062)	(3,983,630)
(20,395,587)	--	(20,395,587)
<u>7,870,715</u>	<u>850,577</u>	<u>14,619,482</u>
--	--	(276,691)
(10,742)	(7,187)	(24,178)
--	--	1,757,262
(15,724)	--	(378,834)
--	--	47,133
<u>(26,466)</u>	<u>(7,187)</u>	<u>1,124,692</u>
--	(1,450)	(2,224,473)
--	--	229,781
--	--	(1,149,454)
--	--	(167,886)
--	(1,450)	(3,312,032)
(33,422,931)	--	(42,072,931)
29,821,200	--	34,846,883
562,180	--	697,947
<u>(3,039,551)</u>	<u>--</u>	<u>(6,528,101)</u>
4,804,698	841,940	5,904,041
178,798	--	2,690,583
<u>\$ 4,983,496</u>	<u>\$ 841,940</u>	<u>\$ 8,594,624</u>

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2005**

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>			
Operating income (loss)	\$ 285,951	\$ (2,121,514)	\$ 1,551,716
Adjustments to reconcile operating income (loss) to net cash provided by operating activities			
Depreciation	9,498	3,526,694	540,303
Change in estimated claims liability	--	--	--
Changes in assets and liabilities			
Receivables	(38)	1,623	18,778
Due from other funds	--	--	2,260
Inventory	(48,850)	(5,068)	--
Prepaid items	--	--	--
Accounts payable	333,002	1,104,995	382,866
Accrued expenses	901	119,317	23,384
Accumulated unpaid compensated absences	3,336	72,472	88,467
Deposits	--	(179)	--
Liability to claimants-escheat property	--	--	(1,701)
Due to other funds	(2,429)	12,406	--
Net cash provided by operating activities	<u>\$ 581,371</u>	<u>\$ 2,710,746</u>	<u>\$ 2,606,073</u>
<b>Noncash investing, capital and financing activities</b>			
Change in fair value of investments	\$ --	\$ 15,017	\$ (29,938)
Acquisition of capital assets under capital lease	\$ --	\$ --	\$ 313,296

Exhibit 33-C  
(Continued)

<u>Liability and Employee Benefits</u>	<u>Engineering Services</u>	<u>Total</u>
\$ 9,145,935	\$ 538,681	\$ 9,400,769
--	21,525	4,098,020
(1,220,654)	--	(1,220,654)
68,775	9,181	98,319
(209,432)	412,868	205,696
--	--	(53,918)
11,887	--	11,887
362,535	20,210	2,203,608
(285,502)	2,194	(139,706)
17,116	45,367	226,758
--	--	(179)
(14,753)	--	(16,454)
(5,192)	(199,449)	(194,664)
<u>\$ 7,870,715</u>	<u>\$ 850,577</u>	<u>\$ 14,619,482</u>
\$ (96,822)	\$ --	\$ (111,743)
\$ --	\$ --	\$ 313,296



City of  
Corpus  
Christi

**STORES FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 153,969	\$ --
Receivables		
Intergovernmental	389	351
Inventories	1,077,041	1,028,191
Total current assets	<u>1,231,399</u>	<u>1,028,542</u>
Noncurrent assets		
Capital assets		
Buildings		
Improvements other than buildings	316,637	316,637
Machinery and equipment	13,852	13,852
Total capital assets in service	<u>188,664</u>	<u>188,664</u>
Less accumulated depreciation	519,153	519,153
Net capital assets	<u>(339,960)</u>	<u>(330,462)</u>
Total noncurrent assets	<u>179,193</u>	<u>188,691</u>
Total assets	<u>1,410,592</u>	<u>1,217,233</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	739,125	406,123
Accrued expenses	5,759	4,858
Due to other funds	--	409,450
Current portion of accumulated unpaid compensated absences	15,980	13,432
Total current liabilities	<u>760,864</u>	<u>833,863</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Accumulated unpaid compensated absences	26,775	25,987
Total noncurrent liabilities	<u>26,775</u>	<u>25,987</u>
Total liabilities	<u>787,639</u>	<u>859,850</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	179,193	188,691
Unrestricted	443,760	168,692
Total net assets	<u>\$ 622,953</u>	<u>\$ 357,383</u>

Exhibit 34-B

**STORES FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>Operating revenues</b>		
Sale of materials and supplies	\$ 3,700,254	\$ 3,273,571
Less cost of sales	(2,715,004)	(2,506,113)
Gross operating income	<u>985,250</u>	<u>767,458</u>
<b>Operating expenses</b>		
Personal services	295,719	285,070
Materials and supplies	79,815	85,194
Contractual services	226,492	224,039
Other operating expenses	87,775	81,495
Depreciation	9,498	9,687
Total operating expenses	<u>699,299</u>	<u>685,485</u>
Operating income	285,951	81,973
<b>Nonoperating revenues (expenses)</b>		
Interest expense and fiscal charges	(6,249)	(16,059)
Net gain on disposal of assets	580	260
Total nonoperating revenues (expenses)	<u>(5,669)</u>	<u>(15,799)</u>
Income before transfers	280,282	66,174
Transfers out	(14,712)	(14,865)
Net transfers	<u>(14,712)</u>	<u>(14,865)</u>
Net income	265,570	51,309
Net assets at beginning of year	<u>357,383</u>	<u>306,074</u>
Net assets at end of year	<u>\$ 622,953</u>	<u>\$ 357,383</u>

**STORES FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 804	\$ 262
Receipts from interfund services provided	3,650,563	3,194,553
Payments to suppliers	(2,688,688)	(2,615,773)
Payments to employees	(260,919)	(272,627)
Internal activity - payments to other funds	(120,389)	(114,583)
Net cash provided by operating activities	<u>581,371</u>	<u>191,832</u>
<b>Cash flows from noncapital financing activities</b>		
Changes in interfund borrowings	(407,021)	(166,941)
Interest on interfund borrowings	(6,249)	(16,058)
Transfers in from other funds	--	5,772
Transfers out to other funds	(14,712)	(14,865)
Net cash used for noncapital financing activities	<u>(427,982)</u>	<u>(192,092)</u>
<b>Cash flows from capital and related financing activities</b>		
Proceeds from sale of fixed assets	<u>580</u>	<u>260</u>
Net increase in cash and cash equivalents	153,969	--
Cash and cash equivalents at beginning of year	<u>--</u>	<u>--</u>
Cash and cash equivalents at end of year	<u>\$ 153,969</u>	<u>\$ --</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ 285,951	\$ 81,973
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	9,498	9,687
Changes in assets and liabilities		
Receivables	(38)	262
Due from other funds	--	520
Inventory	(48,850)	(79,018)
Accounts payable	333,002	201,172
Accrued expenses	901	(21,618)
Accumulated unpaid compensated absences	3,336	7,097
Due to other funds	(2,429)	(8,243)
Net cash provided by operating activities	<u>\$ 581,371</u>	<u>\$ 191,832</u>

Exhibit 35-A

**MAINTENANCE SERVICE FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 1,403,958	\$ 881,994
Investments	3,634,983	2,025,683
Receivables		
Accounts	297,897	5,000
Accrued interest	19,667	17,610
Intergovernmental	4,706	4,007
Allowance for uncollectibles	(2,558)	(236)
Net receivables	<u>319,712</u>	<u>26,381</u>
Inventories	185,881	180,813
Total current assets	<u>5,544,534</u>	<u>3,114,871</u>
Noncurrent assets		
Capital assets		
Buildings	3,879,288	2,204,134
Improvements other than buildings	147,561	147,561
Machinery and equipment	41,959,784	43,688,215
Property under capital lease	2,606,705	2,606,705
Total capital assets in service	<u>48,593,338</u>	<u>48,646,615</u>
Less accumulated depreciation	(34,906,492)	(35,202,410)
Net capital assets in service	<u>13,686,846</u>	<u>13,444,205</u>
Construction in progress	22,520	1,678,138
Net capital assets	<u>13,709,366</u>	<u>15,122,343</u>
Total noncurrent assets	<u>13,709,366</u>	<u>15,122,343</u>
Total assets	<u>19,253,900</u>	<u>18,237,214</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	1,459,220	354,225
Accrued expenses	204,660	85,343
Deposits	784	963
Due to other funds	106,690	94,284
Current portion of long-term liabilities		
Long-term debt	173,985	203,618
Accumulated unpaid compensated absences	217,918	157,847
Total current liabilities	<u>2,163,257</u>	<u>896,280</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	1,546,019	1,720,004
Accumulated unpaid compensated absences	210,743	198,342
Total noncurrent liabilities	<u>1,756,762</u>	<u>1,918,346</u>
Total liabilities	<u>3,920,019</u>	<u>2,814,626</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	11,989,362	13,198,721
Unrestricted	<u>3,344,519</u>	<u>2,223,867</u>
Total net assets	<u>\$ 15,333,881</u>	<u>\$ 15,422,588</u>

Exhibit 35-B

**MAINTENANCE SERVICE FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
YEAR ENDED JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>Operating revenues</b>		
Sale of materials and services	\$ 14,581,130	\$ 13,356,651
Less cost of materials sold and outside repairs	(5,685,301)	(5,375,983)
Gross operating income	<u>8,895,829</u>	<u>7,980,668</u>
<b>Operating expenses</b>		
Personal services	4,427,741	3,780,960
Materials and supplies	970,251	739,586
Contractual services	1,117,114	1,273,620
Other operating expenses	973,221	858,600
Uncollectible accounts	2,322	--
Depreciation	3,526,694	3,574,250
Total operating expenses	<u>11,017,343</u>	<u>10,227,016</u>
Operating loss	(2,121,514)	(2,246,348)
<b>Nonoperating revenues (expenses)</b>		
Investment income	72,614	46,746
Interest expense and fiscal charges	(108,028)	(124,707)
Net gain on disposal of assets	412,792	68,902
Recovery on damage claims	47,133	79,228
Total nonoperating revenues	<u>424,511</u>	<u>70,169</u>
Loss before transfers	(1,697,003)	(2,176,179)
Transfers in	1,757,262	2,384,300
Transfers out	(148,966)	(150,515)
Net transfers	<u>1,608,296</u>	<u>2,233,785</u>
Net income (loss)	(88,707)	57,606
Net assets at beginning of year	<u>15,422,588</u>	<u>15,364,982</u>
Net assets at end of year	<u>\$ 15,333,881</u>	<u>\$ 15,422,588</u>

**MAINTENANCE SERVICES FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2005 AND 2004**

	<b>2005</b>	<b>2004</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 19,034	\$ 167,785
Receipts from interfund services provided	14,558,667	12,925,302
Payments to suppliers	(6,567,660)	(7,643,986)
Payments to employees	(4,337,687)	(3,543,839)
Internal activity - payments to other funds	(961,608)	(874,794)
Net cash provided by operating activities	2,710,746	1,030,468
<b>Cash flows from noncapital financing activities</b>		
Interest on interfund borrowings	--	(1,615)
Transfers in from other funds	1,757,262	2,384,300
Transfers out to other funds	(148,966)	(1,710,608)
Recovery of damage claims	47,133	79,228
Net cash provided by noncapital financing activities	1,655,429	751,305
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(2,223,023)	(2,181,119)
Proceeds from sale of capital assets	229,201	68,902
Principal paid on long term debt	(203,618)	(772,472)
Interest paid on capital leases	(108,028)	(123,092)
Net cash used for capital and related financing activities	(2,305,468)	(3,007,781)
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(6,650,000)	(3,025,683)
Proceeds from sale and maturity of investment securities	5,025,683	4,850,000
Interest on investments	85,574	52,258
Net cash provided by (used for) investing activities	(1,538,743)	1,876,575
Net increase in cash and cash equivalents	521,964	650,567
Cash and cash equivalents at beginning of year	881,994	231,427
Cash and cash equivalents at end of year	\$ 1,403,958	\$ 881,994

(Continued)

Exhibit 35-C

	<u>2005</u>	<u>2004</u>
<b>Reconciliation of operating loss to net cash provided by operating activities</b>		
Operating loss	\$ (2,121,514)	\$ (2,246,348)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	3,526,694	3,574,250
Changes in assets and liabilities		
Receivables	1,623	98,060
Inventory	(5,068)	(23,496)
Accounts payable	1,104,995	(196,917)
Accrued expenses	119,317	(151,754)
Accumulated unpaid compensated absences	72,472	(7,484)
Deposits	(179)	(110)
Due to other funds	12,406	(15,733)
Net cash provided by operating activities	<u>\$ 2,710,746</u>	<u>\$ 1,030,468</u>
<b>Noncash investing, capital and financing activities</b>		
Change in fair value of investments	\$ 15,017	\$ --



City of  
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**MUNICIPAL INFORMATION SYSTEMS FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2005 AND 2004**

Exhibit 36-A

	<b>2005</b>	<b>2004</b>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 1,211,261	\$ 1,629,791
Investments	1,970,061	--
Receivables		
Accounts	--	18,778
Accrued interest	15,423	--
Net receivables	15,423	18,778
Due from other funds	--	2,260
Total current assets	3,196,745	1,650,829
Noncurrent assets		
Capital assets		
Machinery and equipment	4,495,472	4,495,472
Property under capital lease	4,203,195	3,889,899
Total capital assets in service	8,698,667	8,385,371
Less accumulated depreciation	(5,440,322)	(4,900,019)
Net capital assets	3,258,345	3,485,352
Total noncurrent assets	3,258,345	3,485,352
Total assets	6,455,090	5,136,181
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	557,333	174,466
Accrued expenses	100,073	76,689
Due to other funds	130,330	1,701
Current portion of long-term liabilities		
Long-term debt	647,176	929,712
Accumulated unpaid compensated absences	264,717	229,083
Total current liabilities	1,699,629	1,411,651
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	1,347,705	1,697,710
Accumulated unpaid compensated absences	434,431	381,598
Total noncurrent liabilities	1,782,136	2,079,308
Total liabilities	3,481,765	3,490,959
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	1,263,463	857,930
Unrestricted	1,709,862	787,292
Total net assets	\$ 2,973,325	\$ 1,645,222

**MUNICIPAL INFORMATION SYSTEMS FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>Operating revenues</b>		
Charges for services - net	\$ 12,214,035	\$ 9,251,304
<b>Operating expenses</b>		
Personal services	4,931,222	4,397,773
Materials and supplies	968,512	682,689
Contractual services	3,734,549	2,757,751
Other operating expenses	487,733	383,824
Depreciation	540,303	484,702
Total operating expenses	<u>10,662,319</u>	<u>8,706,739</u>
Operating income	1,551,716	544,565
<b>Nonoperating revenues (expenses)</b>		
Investment income	35,677	19,615
Interest expense and fiscal charges	(59,858)	(64,524)
Total nonoperating revenues (expenses)	<u>(24,181)</u>	<u>(44,909)</u>
Income before transfers	1,527,535	499,656
Transfers out	(199,432)	(201,506)
Net transfers	<u>(199,432)</u>	<u>(201,506)</u>
Net income	1,328,103	298,150
Net assets at beginning of year	<u>1,645,222</u>	<u>1,347,072</u>
Net assets at end of year	<u>\$ 2,973,325</u>	<u>\$ 1,645,222</u>

**MUNICIPAL INFORMATION SYSTEMS FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 113,777	\$ --
Receipts from interfund services provided	12,119,035	9,251,304
Payments to suppliers	(3,640,634)	(4,035,421)
Payments to employees	(4,586,566)	(3,477,481)
Internal activity - payments to other funds	(1,399,539)	(628,722)
Net cash provided by operating activities	<u>2,606,073</u>	<u>1,109,680</u>
<b>Cash flows from noncapital financing activities</b>		
Changes in interfund borrowings	130,330	--
Transfers in from other funds	--	21,609
Transfers out to other funds	(199,432)	(201,506)
Net cash used for noncapital financing activities	<u>(69,102)</u>	<u>(179,897)</u>
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	--	(101,490)
Principal paid on long term debt	(945,836)	(801,783)
Interest and fiscal charges	(59,858)	(64,524)
Net cash used for capital and related financing activities	<u>(1,005,694)</u>	<u>(967,797)</u>
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(2,000,000)	--
Interest on investments	50,193	19,615
Net cash provided by (used for) investing activities	<u>(1,949,807)</u>	<u>19,615</u>
Net decrease in cash and cash equivalents	(418,530)	(18,399)
Cash and cash equivalents at beginning of year	<u>1,629,791</u>	<u>1,648,190</u>
Cash and cash equivalents at end of year	<u>\$ 1,211,261</u>	<u>\$ 1,629,791</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ 1,551,716	\$ 544,565
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	540,303	484,702
Changes in assets and liabilities		
Receivables	18,778	(18,778)
Due from other funds	2,260	--
Accounts payable	382,866	75,367
Accrued expenses	23,384	(97,260)
Accumulated unpaid compensated absences	88,467	162,583
Due to other funds	(1,701)	(41,499)
Net cash provided by operating activities	<u>\$ 2,606,073</u>	<u>\$ 1,109,680</u>
<b>Noncash investing, capital and financing activities</b>		
Change in fair value of investments	\$ (29,938)	\$ --
Acquisition of capital assets under capital lease	313,296	974,770



City of  
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Exhibit 37-A

**LIABILITY AND EMPLOYEE BENEFITS FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 4,983,496	\$ 178,798
Investments	21,902,059	18,397,150
Receivables		
Accounts	777,243	886,742
Accrued interest	159,793	166,951
Allowance for uncollectibles	(318,046)	(358,770)
Net receivables	618,990	694,923
Due from other funds	237,850	28,418
Prepaid items	430,268	442,155
Total current assets	<u>28,172,663</u>	<u>19,741,444</u>
Total assets	<u>28,172,663</u>	<u>19,741,444</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	546,927	184,392
Accrued expenses	23,044	308,546
Current portion of estimated liability claims	6,304,530	6,601,467
Estimated health insurance claims payable	1,787,207	1,419,043
Liability to claimants-escheat property	139,147	153,900
Due to other funds	--	5,192
Current portion of accumulated unpaid compensated absences	38,125	28,837
Total current liabilities	<u>8,838,980</u>	<u>8,701,377</u>
Noncurrent liabilities		
Estimated liability claims	6,955,819	8,247,700
Accumulated unpaid compensated absences, net of current portion	7,828	--
Total noncurrent liabilities	<u>6,963,647</u>	<u>8,247,700</u>
Total liabilities	<u>15,802,627</u>	<u>16,949,077</u>
<b>NET ASSETS</b>		
Unrestricted	<u>12,370,036</u>	<u>2,792,367</u>
Total net assets	<u>\$ 12,370,036</u>	<u>\$ 2,792,367</u>

Exhibit 37-B

**LIABILITY AND EMPLOYEE BENEFITS FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JULY 31, 2005 AND 2004**

	<b>2005</b>	<b>2004</b>
<b>Operating revenues</b>		
Charges for services		
Liability insurance	\$ 9,766,519	\$ 9,533,608
Life insurance	2,959	148,747
Health insurance	22,219,830	19,429,885
Disability insurance	8,985	96,746
Administration	1,398,432	1,034,078
Miscellaneous	-	114
Total operating revenues	33,396,725	30,243,178
<b>Operating expenses</b>		
Personal services	709,351	609,012
Materials and supplies	142,472	129,314
Contractual services	1,653,049	1,939,119
Other operating expenses	169,289	234,662
Insurance premiums	2,416,449	2,376,873
Group health claims	16,624,248	13,884,488
General liability claims	1,070,322	1,159,758
Workers' compensation claims	1,348,353	3,158,513
Unemployment compensation claims	117,257	119,994
Total operating expenses	24,250,790	23,611,733
Operating income	9,145,935	6,631,445
<b>Nonoperating revenues (expenses)</b>		
Investment income	458,200	214,406
Interest expense and fiscal charges	(10,742)	(12,280)
Recovery of damage claims	-	80,456
Total nonoperating revenues (expenses)	447,458	282,582
Income before transfers	9,593,393	6,914,027
Transfers out	(15,724)	(15,888)
Net income	9,577,669	6,898,139
Net assets (liabilities) at beginning of year	2,792,367	(4,105,772)
Net assets (liabilities) at end of year	\$ 12,370,036	\$ 2,792,367

**LIABILITY AND EMPLOYEE BENEFITS FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2005 AND 2004**

	2005	2004
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 8,192,382	\$ 7,709,488
Receipts from interfund services provided	25,273,118	26,081,687
Payments to suppliers	(4,181,472)	(5,221,371)
Payments to employees	(667,694)	(522,663)
Internal activity - payments to other funds	(350,032)	(173,323)
Claims paid	(20,395,587)	(20,237,256)
Net cash provided by operating activities	7,870,715	7,636,562
<b>Cash flows from noncapital financing activities</b>		
Changes in interfund borrowings	--	(31,079)
Interest on interfund borrowings	(10,742)	(12,280)
Transfers in from other funds	--	4,992
Transfers out to other funds	(15,724)	(15,888)
Recovery of damage claims	--	80,456
Net cash provided by (used for) noncapital financing activities	(26,466)	26,201
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(33,422,931)	(25,897,150)
Proceeds from sale and maturity of investment securities	29,821,200	15,498,728
Interest on investments	562,180	120,520
Net cash used for investing activities	(3,039,551)	(10,277,902)
Net increase (decrease) in cash and cash equivalents	4,804,698	(2,615,139)
Cash and cash equivalents at beginning of year	178,798	2,793,937
Cash and cash equivalents at end of year	\$ 4,983,496	\$ 178,798
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ 9,145,935	\$ 6,631,445
Adjustments to reconcile operating income to net cash provided by operating activities		
Change in estimated claims liability	(1,220,654)	(2,052,651)
Changes in assets and liabilities		
Receivables	68,775	420,965
Due from other funds	(209,432)	3,116,483
Prepaid items	11,887	(129,723)
Accounts payable	362,535	52,737
Accrued expenses	(285,502)	(402,804)
Accumulated unpaid compensated absences	17,116	(23,184)
Liability to claimants-escheat property	(14,753)	18,102
Due to other funds	(5,192)	5,192
Net cash provided by operating activities	\$ 7,870,715	\$ 7,636,562
<b>Noncash investing, capital and financing activities</b>		
Change in fair value of investments	\$ (96,822)	\$ --



City of  
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Exhibit 38-A

**ENGINEERING SERVICES FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 841,940	\$ --
Receivables		
Miscellaneous	--	9,181
Due from other funds	--	412,868
Total current assets	<u>841,940</u>	<u>422,049</u>
Noncurrent assets		
Capital assets		
Machinery and equipment	<u>132,148</u>	<u>132,148</u>
Total capital assets in service	132,148	132,148
Less accumulated depreciation	<u>(56,451)</u>	<u>(34,926)</u>
Net capital assets in service	75,697	97,222
Construction in progress	<u>12,415</u>	<u>10,965</u>
Net capital assets	88,112	108,187
Total noncurrent assets	<u>88,112</u>	<u>108,187</u>
Total assets	<u>930,052</u>	<u>530,236</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	116,115	95,905
Accrued expenses	43,442	41,248
Due to other funds	--	199,449
Current portion of accumulated unpaid compensated absences	<u>144,394</u>	<u>142,530</u>
Total current liabilities	<u>303,951</u>	<u>479,132</u>
Noncurrent liabilities		
Accumulated unpaid compensated absences, net of current portion	<u>252,678</u>	<u>209,175</u>
Total liabilities	<u>556,629</u>	<u>688,307</u>
<b>NET ASSETS (LIABILITIES)</b>		
Invested in capital assets	88,112	108,187
Unrestricted	<u>285,311</u>	<u>(266,258)</u>
Total net assets (liabilities)	<u>\$ 373,423</u>	<u>\$ (158,071)</u>

Exhibit 38-B

**ENGINEERING SERVICES FUND  
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
YEAR ENDED JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>Operating revenues</b>		
Charges for services - net	\$ 4,507,294	\$ 3,325,389
<b>Operating expenses</b>		
Personal services	2,484,419	2,401,117
Materials and supplies	96,673	104,583
Contractual services	619,460	500,569
Other operating expenses	746,536	636,218
Depreciation	21,525	21,150
Total operating expenses	<u>3,968,613</u>	<u>3,663,637</u>
Operating income (loss)	538,681	(338,248)
<b>Nonoperating revenues (expenses)</b>		
Interest expense and fiscal charges	<u>(7,187)</u>	<u>(22,243)</u>
Net income (loss)	531,494	(360,491)
Net assets (liabilities) at beginning of year	<u>(158,071)</u>	<u>202,420</u>
Net assets (liabilities) at end of year	<u>\$ 373,423</u>	<u>\$ (158,071)</u>

**ENGINEERING SERVICES FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEAR ENDED JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 80,677	\$ 48,811
Receipts from interfund services provided	4,839,483	2,875,120
Payments to suppliers	(1,060,839)	(934,569)
Payments to employees	(1,856,682)	(1,883,372)
Internal activity - payments to other funds	(1,152,062)	(700,629)
Net cash provided by (used for) operating activities	<u>850,577</u>	<u>(594,639)</u>
<b>Cash flows from noncapital financing activities</b>		
Interest on interfund borrowings	(7,187)	(22,243)
Transfers in from other funds	--	30,266
Net cash provided by (used for) noncapital financing activities	<u>(7,187)</u>	<u>8,023</u>
<b>Cash flows from capital and related financing activities</b>		
Acquisition of capital assets	(1,450)	(18,462)
Net increase (decrease) in cash and cash equivalents	841,940	(605,078)
Cash and cash equivalents at beginning of year	--	605,078
Cash and cash equivalents at end of year	<u>\$ 841,940</u>	<u>\$ --</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities</b>		
Operating income (loss)	\$ 538,681	\$ (338,248)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities		
Depreciation	21,525	21,150
Changes in assets and liabilities		
Receivables	9,181	(8,581)
Due from other funds	412,868	(401,529)
Accounts payable	20,210	19,086
Accrued expenses	2,194	(69,685)
Accumulated unpaid compensated absences	45,367	34,999
Deposits	--	(529)
Due to other funds	(199,449)	148,698
Net cash provided by (used for) operating activities	<u>\$ 850,577</u>	<u>\$ (594,639)</u>



City of  
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Christi

### ***Component Units***

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

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





City of  
Corpus  
Christi

**DISCRETELY PRESENTED COMPONENT UNITS  
COMBINING STATEMENT OF NET ASSETS  
JULY 31, 2005**

	<b>Coastal Bend Health Facilities Corporation</b>	<b>Corpus Christi Convention and Visitors Bureau</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,780	\$ 256,203	\$ 260,983
Investments	9,880	--	9,880
Receivables	81	19,582	19,663
Inventories	--	17,335	17,335
Prepaid items	--	36,526	36,526
Capital assets, net of accumulated depreciation	--	183,030	183,030
Total assets	<u>14,741</u>	<u>512,676</u>	<u>527,417</u>
<b>LIABILITIES</b>			
Accounts payable	--	116,528	116,528
Accrued liabilities	--	3,648	3,648
Accrued interest	--	31,220	31,220
Total liabilities	<u>--</u>	<u>151,396</u>	<u>151,396</u>
<b>NET ASSETS</b>			
Invested in capital assets	--	183,030	183,030
Unrestricted	14,741	178,250	192,991
Total net assets	<u>\$ 14,741</u>	<u>\$ 361,280</u>	<u>\$ 376,021</u>

**DISCRETELY PRESENTED COMPONENT UNITS  
COMBINING STATEMENT OF ACTIVITIES  
YEAR ENDED JULY 31, 2005**

	<u>Coastal Bend Health Facilities Corporation</u>	<u>Corpus Christi Convention and Visitors Bureau</u>	<u>Total</u>
<b>Expenditures/expenses</b>			
Convention and visitor activities	\$ --	\$ 2,599,473	\$ 2,599,473
<b>Program revenue</b>			
Charges for services	--	35,792	35,792
Net program expense	--	(2,563,681)	(2,563,681)
<b>General revenue</b>			
Earnings on investments	266	5,025	5,291
Payments from the City of Corpus Christi	--	2,422,619	2,422,619
Total general revenues	<u>266</u>	<u>2,427,644</u>	<u>2,427,910</u>
Change in net assets	266	(136,037)	(135,771)
Net assets beginning of year	<u>14,475</u>	<u>497,317</u>	<u>511,792</u>
Net assets end of year	<u>\$ 14,741</u>	<u>\$ 361,280</u>	<u>\$ 376,021</u>

**COASTAL BEND HEALTH FACILITIES DEVELOPMENT CORPORATION**  
**STATEMENT OF NET ASSETS**  
**JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 4,780	\$ 14,475
Investments	9,880	--
Receivables		
Accounts		
Accrued interest	81	--
Net receivables	<u>81</u>	<u>--</u>
Total assets	<u>14,741</u>	<u>14,475</u>
<b>LIABILITIES</b>	-	-
<b>NET ASSETS</b>		
Unrestricted	<u>14,741</u>	<u>14,475</u>
Net assets	<u>\$ 14,741</u>	<u>\$ 14,475</u>

COASTAL BEND HEALTH FACILITIES DEVELOPMENT CORPORATION  
 STATEMENT OF ACTIVITIES  
 YEAR ENDED JULY 31, 2005 AND 2004

	<u>2005</u>	<u>2004</u>
<b>General revenue</b>		
Earnings on investments	\$ 266	\$ 160
Change in net assets	266	160
Fund balance/net assets beginning of year	<u>14,475</u>	<u>14,315</u>
Fund balance/net assets end of year	<u>\$ 14,741</u>	<u>\$ 14,475</u>

**CORPUS CHRISTI CONVENTION AND VISITORS BUREAU  
STATEMENT OF NET ASSETS  
JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 256,203	\$ 366,944
Receivables		
Accounts	19,582	30,179
Inventories	17,335	12,861
Prepaid items	36,526	18,312
Capital assets, net of accumulated depreciation	183,030	210,047
Total capital assets	<u>183,030</u>	<u>210,047</u>
Other assets	--	11,605
Total assets	<u>512,676</u>	<u>649,948</u>
<b>LIABILITIES</b>		
Accounts payable	116,528	119,432
Accrued liabilities	3,648	1,070
Accrued interest	31,220	32,129
Total liabilities	<u>151,396</u>	<u>152,631</u>
<b>NET ASSETS</b>		
Invested in capital assets	183,030	210,047
Unrestricted	178,250	287,270
Total net assets	<u>\$ 361,280</u>	<u>\$ 497,317</u>

**CORPUS CHRISTI CONVENTION AND VISITORS BUREAU  
STATEMENT OF ACTIVITIES  
YEAR ENDED JULY 31, 2005 AND 2004**

**Exhibit 41-B**

	<u>2005</u>	<u>2004</u>
<b>Expenditures/expenses</b>		
Convention and visitor activities	\$ 2,599,473	\$ 2,432,688
<b>Program revenue</b>		
Charges for services	35,792	39,264
Net program expense	<u>(2,563,681)</u>	<u>(2,393,424)</u>
<b>General revenue</b>		
Earnings on investments	5,025	2,897
Payments from the City of Corpus Christi	2,422,619	2,375,117
Total general revenues	<u>2,427,644</u>	<u>2,378,014</u>
Change in net assets	(136,037)	(15,410)
Fund balance/net assets beginning of year	<u>497,317</u>	<u>512,727</u>
Fund balance/net assets end of year	<u>\$ 361,280</u>	<u>\$ 497,317</u>



City of  
Corpus  
Christi

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



**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE BY SOURCE \*  
JULY 31, 2005 AND 2004**

	<u>2005</u>	<u>2004</u>
Governmental funds capital assets		
Land	\$ 62,968,363	\$ 51,337,291
Buildings	200,349,765	100,863,845
Improvements other than buildings	129,129,269	105,689,924
Machinery and equipment	81,826,321	74,262,124
Infrastructure	186,841,477	169,193,993
Construction in progress	<u>40,559,984</u>	<u>128,252,558</u>
Total governmental funds capital assets	<u>\$ 701,675,179</u>	<u>\$ 629,599,735</u>
Investment in governmental funds capital assets by source		
Capital projects funds	\$ 517,192,033	\$ 450,913,419
General and special revenue funds	49,133,732	46,940,095
Donations	15,919,819	15,908,749
Developers contributions	12,031,162	11,063,373
Federal revenue sharing	94,753,098	92,128,764
Tax increment zone	11,782,961	11,782,961
Claim settlements	<u>862,374</u>	<u>862,374</u>
Total investment in governmental funds capital assets by source	<u>\$ 701,675,179</u>	<u>\$ 629,599,735</u>

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

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS**  
**SCHEDULE BY FUNCTION AND ACTIVITY \***  
**JULY 31, 2005**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
<b>General Government</b>				
<b>Control</b>				
City Council and City Secretary	\$ 397,358	\$ --	\$ 14,000	\$ 4,319
City Manager	359,940	--	--	7,673
Management and budget	102,156	--	--	--
Information services	125,337	--	--	600
Total control	<u>984,791</u>	<u>--</u>	<u>14,000</u>	<u>12,592</u>
<b>Staff Agencies</b>				
Director of Finance	54,522	--	--	--
Accounting	3,874,990	--	--	92,405
Federal grant accounting	5,317	--	--	--
Accounts receivable and meter reading	566,240	--	--	--
Central cashiering	192,096	--	--	--
Cash management	6,577	--	--	--
Utility billing office administration and customer service operation	2,118,616	--	--	--
Nueces County Tax Appraisal District	70,588	--	--	3,710
Purchasing	47,964	--	--	--
Messenger service	1,675	--	--	--
City Attorney	388,621	--	--	118
Business development	35,074	--	--	--
Planning	606,862	--	--	--
Human resources	2,986,711	--	--	--
Human relations	3,450	--	--	--
City Hall vehicle pool	14,994	--	--	--
City Hall and old Frost Building	18,692,715	3,732,487	13,615,478	89,286
Total staff agencies	<u>29,667,012</u>	<u>3,732,487</u>	<u>13,615,478</u>	<u>185,519</u>
<b>Miscellaneous</b>				
Total general government	<u>2,424,652</u>	<u>200,383</u>	<u>37,170</u>	<u>1,515,500</u>
	<u>33,076,455</u>	<u>3,932,870</u>	<u>13,666,648</u>	<u>1,713,611</u>
<b>Community development</b>				
Housing rehabilitation	31,827	19,750	--	--
Neighborhood improvement	104,695	--	--	4,255
Community renewal	12,633	--	--	--
Community Development Block Grant	30,137,132	780,321	5,821,579	23,249,463
Corpus Christi Community Improvement Corp.	1,214,939	24,900	1,190,039	--
Total community development	<u>31,501,226</u>	<u>824,971</u>	<u>7,011,618</u>	<u>23,253,718</u>
<b>Public safety</b>				
<b>Police</b>				
Police	18,306,463	2,325,928	6,763,631	254,358
Crime Control District	563,031	--	--	--
Total police	<u>18,869,494</u>	<u>2,325,928</u>	<u>6,763,631</u>	<u>254,358</u>

(Continued)

Exhibit 42-B

<u>Machinery and Equipment</u>	<u>Infrastructure</u>
\$ 379,039	\$ --
352,267	--
102,156	--
124,737	--
<u>958,199</u>	<u>--</u>
54,522	--
3,782,585	--
5,317	--
566,240	--
192,096	--
6,577	--
2,118,616	--
66,878	--
47,964	--
1,675	--
388,503	--
35,074	--
606,862	--
2,986,711	--
3,450	--
14,994	--
1,255,464	--
<u>12,133,528</u>	<u>--</u>
671,599	--
<u>13,763,326</u>	<u>--</u>
12,077	--
100,440	--
12,633	--
285,769	--
--	--
<u>410,919</u>	<u>--</u>
8,962,546	--
563,031	--
<u>9,525,577</u>	<u>--</u>

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS**  
**SCHEDULE BY FUNCTION AND ACTIVITY \***  
**JULY 31, 2005**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
<b>Fire</b>				
Fire	17,658,033	889,426	4,616,705	2,363,454
Fire academy	113,651	--	--	--
Fire prevention	20,147	--	--	--
<b>Total fire</b>	<u>17,791,831</u>	<u>889,426</u>	<u>4,616,705</u>	<u>2,363,454</u>
<b>Municipal Court</b>	1,816,313	--	107,715	60,027
<b>Emergency management</b>				
Emergency management	119,665	--	--	7,592
Local Emergency Planning Committee	10,775	--	--	--
<b>Total Emergency Management</b>	<u>130,440</u>	<u>--</u>	<u>--</u>	<u>7,592</u>
<b>Inspections</b>				
Building inspection	193,468	--	--	--
Petroleum inspection	5,223	--	--	--
<b>Total inspections</b>	<u>198,691</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Total public safety</b>	<u>38,806,769</u>	<u>3,215,354</u>	<u>11,488,051</u>	<u>2,685,431</u>
<b>Streets</b>				
Director and Engineering Office	649,574	--	16,106	58,634
Streets, sidewalks, curbs and gutters	179,377,426	13,411,484	--	26,274
Street maintenance and construction	13,222,238	266,937	--	9,760,677
Street signs and markings	175,173	--	--	--
Street cleaning	70,868	--	--	--
Harbor Bridge and approaches	7,322,587	64,110	--	7,258,477
JFK Causeway	4,000,000	--	--	4,000,000
Seawall	12,189,651	--	--	12,189,651
Traffic Engineering	4,518,328	--	14,999	286,136
Parking Control	186,942	--	--	32,690
<b>Total streets</b>	<u>221,712,787</u>	<u>13,742,531</u>	<u>31,105</u>	<u>33,612,539</u>
<b>Solid Waste</b>				
Office	40,981	--	17,083	--
Refuse collections	7,800,408	--	107,724	107,934
Refuse disposal	33,574,977	7,551,717	78,648	5,258,819
<b>Total Solid Waste</b>	<u>41,416,366</u>	<u>7,551,717</u>	<u>203,455</u>	<u>5,366,753</u>
<b>Health</b>				
Health	4,725,924	61,909	3,165,835	240,081
Animal Control	4,180,884	--	3,466,101	481,450
<b>Total health</b>	<u>8,906,808</u>	<u>61,909</u>	<u>6,631,936</u>	<u>721,531</u>

(Continued)

Exhibit 42-B  
(Continued)

<u>Machinery and Equipment</u>	<u>Infrastructure</u>
9,788,448	--
113,651	--
20,147	--
<u>9,922,246</u>	<u>--</u>
1,648,571	--
112,073	--
10,775	--
<u>122,848</u>	<u>--</u>
193,468	--
5,223	--
198,691	--
<u>21,417,933</u>	<u>--</u>
574,834	--
652,834	165,286,834
3,194,624	--
175,173	--
70,868	--
--	--
--	--
--	--
4,217,193	--
154,252	--
<u>9,039,778</u>	<u>165,286,834</u>
23,898	--
7,584,750	--
3,938,628	16,747,165
<u>11,547,276</u>	<u>16,747,165</u>
1,258,099	--
233,333	--
<u>1,491,432</u>	<u>--</u>

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
SCHEDULE BY FUNCTION AND ACTIVITY \*  
JULY 31, 2005**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
Community enrichment				
Cultural and convention facilities				
Multipurpose Arena	498,900	--	498,900	--
Coliseum	2,788,972	--	1,850,979	382,343
Auditorium	6,067,142	--	6,025,014	--
Baseball Stadium	25,505,937	1,836,762	23,501,019	168,156
Harbor Playhouse	883,928	--	869,675	3,409
Convention Center	108,668,899	3,627,354	94,699,936	3,177,212
Water Garden	1,508,263	--	--	1,499,926
Bayfront Science Park	10,464,697	3,647,642	2,468,913	4,279,695
Texas State Aquarium	20,653,408	2,047,044	11,024,033	7,582,331
Total cultural and convention facilities	<u>177,040,146</u>	<u>11,158,802</u>	<u>140,938,469</u>	<u>17,093,072</u>
Parks, recreation and education				
Director of Parks and Recreation	53,342	--	--	--
Parks	62,174,042	16,174,814	1,530,988	37,511,217
Recreation	6,194,046	935,436	1,694,977	3,161,959
Miradores and Selena Memorial	1,965,000	--	--	1,965,000
Senior services	3,950,600	130,714	3,014,970	570,578
Upper level college facilities	1,529,971	1,510,810	--	19,161
Municipal Service Center	2,177,429	204,024	662,316	--
Total parks, recreation and education	<u>78,044,430</u>	<u>18,955,798</u>	<u>6,903,251</u>	<u>43,227,915</u>
Corpus Christi museums	6,292,106	--	4,724,292	1,097,700
Libraries	21,460,951	773,001	8,720,721	289,173
Sister City	2,338	--	--	--
Bicentennial celebration	5,358	--	--	--
Public art	67,826	--	--	67,826
Total community enrichment	<u>282,913,155</u>	<u>30,887,601</u>	<u>161,286,733</u>	<u>61,775,686</u>
Other general fixed assets:				
Army Corp of Engineers Office	14,750	--	14,750	--
State School Sports Comple	10,909	--	10,909	--
Workforce Development	4,560	--	4,560	--
Naval Air Station safety zone	2,672,482	2,672,482	--	--
Transit facility	78,928	78,928	--	--
Total other general fixed assets	<u>2,781,629</u>	<u>2,751,410</u>	<u>30,219</u>	<u>--</u>
Total fixed assets in service	661,115,195	62,968,363	200,349,765	129,129,269
Less: accumulated depreciation	<u>285,303,746</u>	<u>--</u>	<u>42,688,454</u>	<u>70,508,032</u>
Total fixed assets in service	<u>375,811,449</u>	<u>62,968,363</u>	<u>157,661,311</u>	<u>58,621,237</u>
Construction in progress	<u>40,559,984</u>	<u>567,648</u>	<u>2,750,105</u>	<u>23,500,820</u>
Total general fixed assets	<u>\$ 416,371,433</u>	<u>\$ 63,536,011</u>	<u>\$ 160,411,416</u>	<u>\$ 82,122,057</u>

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

Exhibit 42-B  
(Continued)

<u>Machinery and Equipment</u>	<u>Infrastructure</u>
--	--
555,650	--
42,128	--
--	--
10,844	--
7,164,397	--
8,337	--
68,447	--
--	--
<u>7,849,803</u>	<u>--</u>
53,342	--
2,149,545	4,807,478
401,674	--
--	--
234,338	--
--	--
1,311,089	--
<u>4,149,988</u>	<u>4,807,478</u>
470,114	--
11,678,056	--
2,338	--
5,358	--
--	--
<u>24,155,657</u>	<u>4,807,478</u>
--	--
--	--
--	--
--	--
--	--
81,826,321	186,841,477
<u>64,586,237</u>	<u>107,521,023</u>
<u>17,240,084</u>	<u>79,320,454</u>
<u>123,284</u>	<u>13,618,127</u>
<u>\$ 17,363,368</u>	<u>\$ 92,938,581</u>

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
BY FUNCTION AND ACTIVITY \*  
YEAR ENDED JULY 31, 2005**

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
<b>General government</b>				
<b>Control</b>				
City Council and City Secretary	\$ 397,358	\$ --	\$ --	\$ 397,358
City Manager	359,940	--	--	359,940
Management and budget	102,156	--	--	102,156
Information services	125,337	--	--	125,337
Total control	<u>984,791</u>	<u>--</u>	<u>--</u>	<u>984,791</u>
<b>Staff agencies</b>				
Director of Finance	54,522	--	--	54,522
Accounting	3,785,670	89,320	--	3,874,990
Federal grant accounting	5,317	--	--	5,317
Accounts receivable and meter reading	566,240	--	--	566,240
Central cashiering	155,545	36,551	--	192,096
Cash management	6,577	--	--	6,577
Utilities billing office administration and customer service operation	2,118,616	--	--	2,118,616
Nueces County Tax Appraisal District	70,588	--	--	70,588
Purchasing	--	47,964	--	47,964
Messenger service	1,675	--	--	1,675
City attorney	388,621	--	--	388,621
Business development	35,074	--	--	35,074
Planning	606,862	--	--	606,862
Human resources	2,986,711	--	--	2,986,711
Human relations	3,450	--	--	3,450
City Hall vehicle pool	--	14,994	--	14,994
City Hall and old Frost Building	18,559,794	132,921	--	18,692,715
Total staff agencies	<u>29,345,262</u>	<u>321,750</u>	<u>--</u>	<u>29,667,012</u>
Miscellaneous	2,424,652	--	--	2,424,652
Total general government	<u>32,754,705</u>	<u>321,750</u>	<u>--</u>	<u>33,076,455</u>
<b>Community development</b>				
Housing rehabilitation	31,827	--	--	31,827
Neighborhood improvement	73,735	30,960	--	104,695
Community renewal	12,633	--	--	12,633
Community Development block grant	29,648,615	488,517	--	30,137,132
Corpus Christi Improvement Corp.	1,214,939	--	--	1,214,939
Total community development	<u>30,981,749</u>	<u>519,477</u>	<u>--</u>	<u>31,501,226</u>
<b>Public safety</b>				
Police	18,200,402	111,161	5,100	18,306,463
Crime Control District	456,341	106,690	--	563,031
Total police	<u>18,656,743</u>	<u>217,851</u>	<u>5,100</u>	<u>18,869,494</u>

(Continued)

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
BY FUNCTION AND ACTIVITY \*  
FISCAL YEAR ENDED JULY 31, 2005**

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Fire	17,580,208	78,178	353	17,658,033
Fire academy	113,651	--	--	113,651
Fire prevention	20,147	--	--	20,147
Total fire	<u>17,714,006</u>	<u>78,178</u>	<u>353</u>	<u>17,791,831</u>
Municipal court	1,816,313	--	--	1,816,313
Emergency management				
Emergency management	119,665	--	--	119,665
Local emergency planning committee	10,775	--	--	10,775
Total emergency management	<u>130,440</u>	<u>--</u>	<u>--</u>	<u>130,440</u>
Inspections				
Building inspection	193,468	--	--	193,468
Petroleum inspection	5,223	--	--	5,223
Total inspections	<u>198,691</u>	<u>--</u>	<u>--</u>	<u>198,691</u>
Total public safety	<u>38,516,193</u>	<u>296,029</u>	<u>5,453</u>	<u>38,806,769</u>
Streets				
Director and engineering office	649,574	--	--	649,574
Streets, sidewalks, curbs and gutters	160,325,291	19,052,135	--	179,377,426
Street maintenance and construction	13,386,174	11,237	--	13,397,411
Street signs and markings	--	--	--	--
Street cleaning	70,868	--	--	70,868
Harbor Bridge and approaches	7,322,587	--	--	7,322,587
JFK Causeway	--	4,000,000	--	4,000,000
Seawall	--	12,189,651	--	12,189,651
Traffic engineering	4,518,026	302	--	4,518,328
Parking control	186,942	--	--	186,942
Total streets	<u>186,459,462</u>	<u>35,253,325</u>	<u>--</u>	<u>221,712,787</u>
Solid Waste				
Office	40,981	--	--	40,981
Refuse collections	6,819,851	1,041,949	61,392	7,800,408
Refuse disposal	23,496,626	10,580,868	502,517	33,574,977
Total solid waste	<u>30,357,458</u>	<u>11,622,817</u>	<u>563,909</u>	<u>41,416,366</u>
Health				
Health	4,725,924	--	--	4,725,924
Animal control	4,177,025	8,042	4,183	4,180,884
Total health	<u>8,902,949</u>	<u>8,042</u>	<u>4,183</u>	<u>8,906,808</u>
Community enrichment				
Cultural and convention facilities				
Multipurpose Arena	--	498,900	--	498,900
Coliseum	2,788,972	--	--	2,788,972
Auditorium	6,067,024	118	--	6,067,142
Baseball Stadium	--	25,505,937	--	25,505,937
Harbor Playhouse	883,928	--	--	883,928

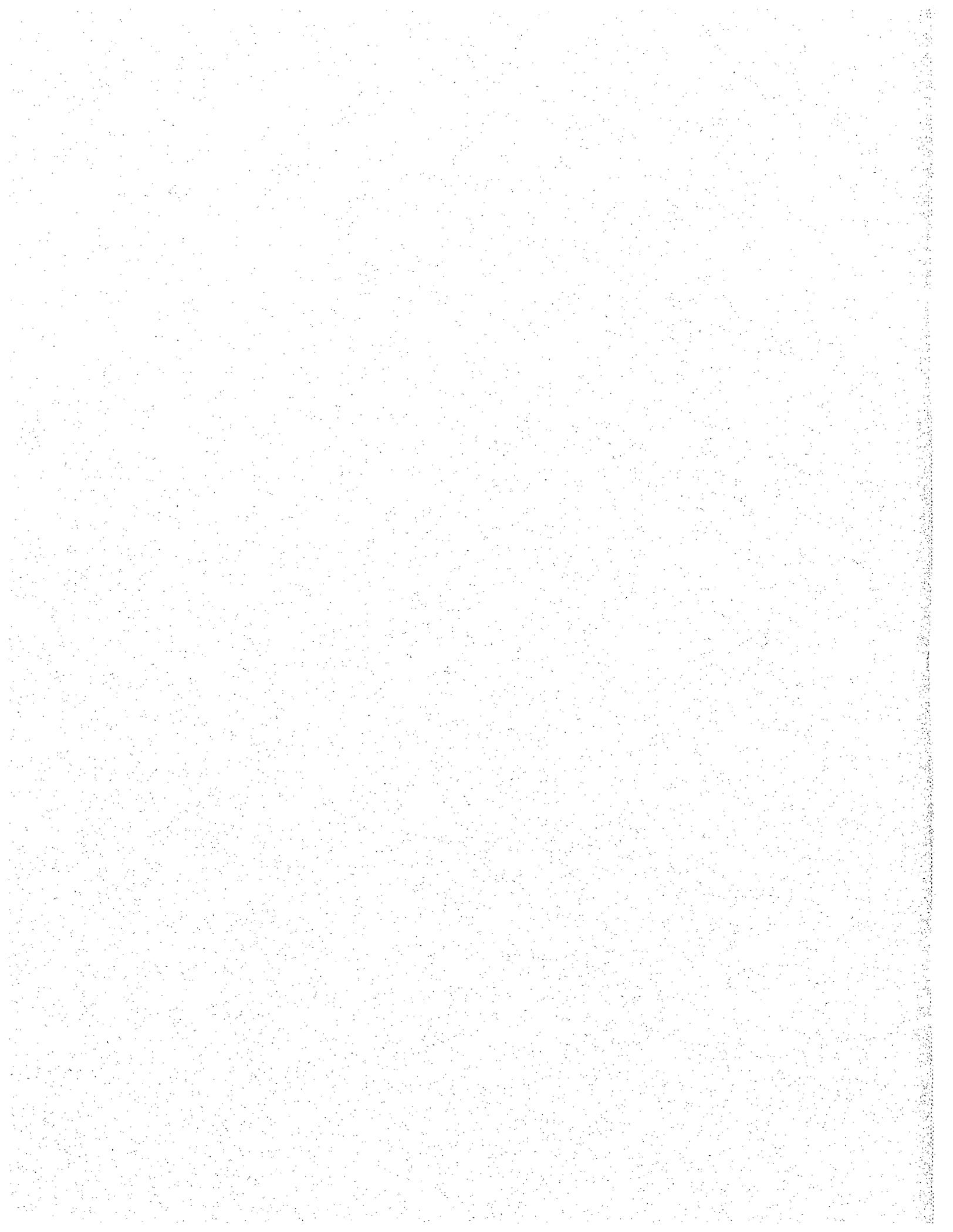
(Continued)

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
BY FUNCTION AND ACTIVITY \*  
FISCAL YEAR ENDED JULY 31, 2005**

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Cultural and convention facilities (continued)				
Convention Center	24,144,789	84,524,110	--	108,668,899
Water Garden	1,508,263	--	--	1,508,263
Bayfront Science Park	10,464,697	--	--	10,464,697
Texas State Aquarium	20,653,407	--	--	20,653,407
Total cultural and convention facilities	<u>66,511,080</u>	<u>110,529,065</u>	<u>--</u>	<u>177,040,145</u>
Parks, recreation and education				
Director of Parks and Recreation	55,927	--	2,585	53,342
Parks	61,031,122	1,142,920	--	62,174,042
Recreation	5,982,323	211,723	--	6,194,046
Miradores and Selena Memorial	1,965,000	--	--	1,965,000
Senior Services	3,950,600	--	--	3,950,600
Upper level college facilities	1,529,971	--	--	1,529,971
Municipal Service Center	2,177,429	--	--	2,177,429
Total parks, recreation and education	<u>76,692,372</u>	<u>1,354,643</u>	<u>2,585</u>	<u>78,044,430</u>
Corpus Christi museums	6,292,106	--	--	6,292,106
Libraries	21,052,171	408,780	--	21,460,951
Sister City	2,338	--	--	2,338
Bicentennial celebration	5,358	--	--	5,358
Public art	67,826	--	--	67,826
Total community enrichment	<u>170,623,251</u>	<u>112,292,488</u>	<u>2,585</u>	<u>282,913,154</u>
Other general fixed assets:				
Army Corp of Engineers	--	14,750	--	14,750
State School Sports Complex	--	10,909	--	10,909
Workforce Development	--	4,560	--	4,560
Naval Air Station safety zone	2,672,482	--	--	2,672,482
Transit facility	78,928	--	--	78,928
Total other general fixed assets	<u>2,751,410</u>	<u>30,219</u>	<u>--</u>	<u>2,781,629</u>
Total fixed assets in service	<u>501,347,177</u>	<u>160,344,147</u>	<u>576,130</u>	<u>661,115,194</u>
Less: accumulated depreciation	<u>264,696,478</u>	<u>21,183,398</u>	<u>576,130</u>	<u>285,303,746</u>
Total fixed assets in service	<u>236,650,699</u>	<u>139,160,749</u>	<u>--</u>	<u>375,811,448</u>
Construction in progress	128,252,558	67,661,405	155,353,979	40,559,984
Total general fixed assets	<u>\$ 364,903,257</u>	<u>\$ 206,822,154</u>	<u>\$ 155,353,979</u>	<u>\$ 416,371,432</u>

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







City of  
Corpus  
Christi

**GENERAL GOVERNMENTAL EXPENDITURES FOR SELECTED FUNCTIONS  
FISCAL YEARS ENDED 1996 THROUGH 2005**

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Streets</u>	<u>Solid Waste</u>	<u>Health</u>	<u>Capital Projects</u>
1995 - 1996	\$ 21,077,835	\$ 53,273,002	\$ 8,655,102	\$ 12,760,859	\$ 4,416,459	\$ 2,553,714
1996 - 1997	19,759,811	54,624,041	8,894,029	12,011,743	4,560,941	2,365,654
1997 - 1998	18,686,680	59,007,585	9,323,629	10,994,641	4,750,080	2,345,105
1998 - 1999	19,446,755	64,384,420	9,047,340	12,593,994	4,960,960	3,301,151
1999 - 2000	20,601,714	64,623,972	9,671,249	13,645,632	4,895,092	2,826,102
2000 - 2001	19,387,040	64,371,854	9,137,705	12,721,571	4,460,371	1,557,766
2001 - 2002	16,674,496	73,918,474	10,452,285	16,097,663	4,874,857	3,840,265
2002 - 2003	15,264,557	80,535,900	10,531,232	12,715,966	5,329,727	1,214,085
2003 - 2004	15,694,251	82,785,712	12,107,029	14,840,086	5,536,134	3,830,041
2004 - 2005	17,337,115	87,833,833	10,989,960	13,825,317	6,417,300	4,178,150

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

**Table 1**

<b>Community Enrichment</b>	<b>Debt Service</b>	<b>Total</b>
\$ 20,413,884	\$ 18,981,100	\$ 142,131,955
21,937,485	21,866,065	146,019,769
25,942,251	21,930,845	152,980,816
27,413,609	22,807,168	163,955,397
27,358,068	22,613,227	166,235,056
29,743,311	22,764,327	164,143,945
31,028,670	28,626,701	185,513,411
30,999,335	27,025,294	183,616,096
33,054,650	35,648,087	203,495,990
38,523,398	38,885,443	217,990,516

**GENERAL REVENUES BY SOURCE  
FISCAL YEARS ENDED 1996 THROUGH 2005**

<b>Fiscal Year</b>	<b>Property Taxes</b>	<b>Sales Tax</b>	<b>Hotel Tax</b>	<b>Business Fees</b>	<b>Other Taxes</b>	<b>Licenses and Permits</b>
1995 - 1996	\$ 45,118,336	\$ 26,262,785	\$ 4,539,397	\$ 11,513,742	\$ 1,732,578	\$ 1,660,207
1996 - 1997	48,291,023	27,152,489	4,645,400	11,841,084	1,687,671	1,584,765
1997 - 1998	48,698,976	28,732,516	4,921,708	13,932,710	1,683,819	1,977,658
1998 - 1999	49,877,349	29,641,048	5,086,016	14,596,050	1,697,240	1,749,314
1999 - 2000	51,511,700	30,590,459	6,714,211	15,150,930	1,696,560	1,991,569
2000 - 2001	52,555,675	32,051,919	6,471,438	17,895,243	1,839,590	1,701,743
2001 - 2002	57,075,633	32,674,742	7,420,400	17,221,953	802,386	1,680,236
2002 - 2003	59,935,265	45,677,489	7,894,879	16,119,482	1,996,580	1,917,640
2003 - 2004	63,647,829	51,266,141	8,145,156	15,943,638	1,971,587	2,396,870
2004 - 2005	67,482,260	55,236,059	8,320,624	16,076,514	1,067,586	3,321,875

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

Table 2

<u>Grants</u>	<u>Fines and Forfeitures</u>	<u>Charges For Services</u>	<u>Investment Income</u>	<u>Miscellaneous Revenues</u>	<u>Total</u>
\$ 10,168,925	\$ 2,081,359	\$ 24,753,655	\$ 1,405,873	\$ 4,040,577	\$ 133,277,434
11,572,015	2,138,761	25,163,103	1,436,688	3,611,391	139,124,390
11,818,855	3,057,726	26,967,670	1,035,950	4,069,405	146,896,993
15,423,484	2,836,311	27,430,528	1,031,049	5,694,327	155,062,716
14,304,154	3,238,230	26,730,334	1,194,716	6,634,096	159,756,959
15,689,285	4,011,734	25,635,388	1,456,841	6,068,290	165,377,146
22,100,690	4,318,635	50,363,420	1,210,885	2,422,752	197,291,732
15,489,416	3,922,564	30,268,143	1,237,939	2,496,566	186,955,963
14,751,502	5,189,598	34,531,641	726,056	2,336,715	200,906,733
15,018,845	5,658,571	41,306,241	1,401,504	4,663,448	219,553,527

Table 3

**CITY PAYROLL STATISTICS  
FISCAL YEARS ENDED 1996 THROUGH 2005**

<u>Fiscal Year</u>	<u>Salaries</u>	<u>Social Security &amp; Medicare</u>	<u>Texas Municipal Retirement System</u>	<u>Fire Fighters' Retirement System Plan</u>	<u>Total Paid</u>	<u>Number Employees Last Payday of Year</u>
1995 - 1996	\$ 91,000,475	\$ 5,522,024	\$ 8,180,142	\$ 1,901,195	\$ 106,603,836	3,297
1996 - 1997	92,898,236	5,675,974	8,387,494	1,949,918	108,911,622	3,426
1997 -1998	96,621,593	5,990,993	8,805,861	1,942,873	113,361,320	3,584
1998 - 1999	101,889,392	6,149,968	9,019,103	2,248,927	119,307,390	3,276
1999 - 2000	102,242,291	6,241,322	9,026,902	2,171,942	119,682,457	3,277
2000 - 2001	100,927,146	6,064,690	8,686,111	2,223,410	117,901,357	3,278
2001 - 2002	105,312,317	6,418,618	9,826,228	2,300,476	123,857,639	3,264
2002 - 2003	112,071,665	6,818,824	10,241,750	2,423,671	131,555,910	3,264
2003 - 2004	121,745,107	7,370,874	11,386,987	2,673,855	143,176,822	3,317
2004 - 2005	120,616,280	7,350,960	12,827,988	2,482,092	143,277,320	3,126

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

Table 4

**RETIREMENT SYSTEMS PENSION DATA  
FISCAL YEARS ENDED 1996 THROUGH 2005**

**TEXAS MUNICIPAL RETIREMENT SYSTEM PENSION DATA**

<b>Fiscal Year (1)</b>	<b>Unfunded Pension Plan Liability</b>	<b>Pension Plan Receipts</b>	<b>Pension Plan Assets</b>	<b>Pension Benefits Paid</b>	<b>Investment Income</b>
1995 - 1996	\$ 57,844,039	\$ 16,804,156	\$ 164,374,239	\$ 3,615,762	\$ 9,078,871
1996 - 1997	60,510,861	18,146,019	175,328,874	3,787,249	9,861,798
1997 - 1998	63,081,184	18,970,402	191,267,082	3,891,429	10,504,251
1998 - 1999	59,102,885	20,352,492	200,864,672	4,059,461	11,456,800
1999 - 2000	61,529,964	21,140,412	219,109,580	10,232,543	11,977,958
2000 - 2001	67,157,221	33,955,322	222,098,830	30,966,073	21,149,094
2001 - 2002	73,357,936	33,410,273	229,017,517	26,191,586	20,340,369
2002 - 2003	80,254,024	33,378,009	232,869,362	29,526,164	19,360,126
2003 - 2004	88,310,121	33,899,027	236,961,675	29,806,713	18,215,670
2004 - 2005	107,200,266	136,996,842	238,411,240	31,495,577	16,180,600

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

(1) Beginning in fiscal year 2000-2001, information is reflected from both the Municipal Accumulation Fund and Employee Savings Fund. Previously, only the Municipal Accumulation Fund was presented.

**FIRE FIGHTERS' RETIREMENT SYSTEM PENSION DATA**

<b>Fiscal Year</b>	<b>Unfunded Pension Plan Liability</b>	<b>Pension Plan Receipts</b>	<b>Pension Plan Assets</b>	<b>Pension Benefits Paid</b>	<b>Investment Income</b>
1995-1996	\$ 8,768,672	\$ 6,642,949	\$ 46,882,982	\$ 3,105,798	\$ 3,421,819
1996-1997	15,029,541	8,722,969	51,892,094	3,332,039	5,531,382
1997-1998	*** --	17,493,220	73,798,717	3,618,248	13,982,286
1998-1999	* 14,819,634	8,230,065	74,362,231	4,076,113	4,666,502
1999-2000	*** --	11,496,409	84,101,910	4,800,634	7,741,256
2000-2001	** 25,706,026	5,223,641	84,953,930	5,612,741	1,248,239
2001-2002	*** --	2,843,990	80,023,270	5,918,829	(1,232,160)
2002-2003	42,743,795	(1,525,575)	78,135,835	7,214,298	(5,750,086)
2003-2004	*** --	18,168,197	81,278,306	7,412,898	13,706,022
2004-2005	39,748,293	13,364,477	87,192,708	7,130,547	8,718,570

Note: The Fire Fighters' Retirement System is not subject to any control by the City Council as the governing body of the City of Corpus Christi. Information is as of December 31 of the previous year which is the latest information available.

\* Demographic assumptions were revised.

\*\* Reflects plan benefit provisions effective January 3, 2000.

\*\*\* No actuarial valuation performed for previous calendar year.

**HOTEL-MOTEL OCCUPANCY TAX COLLECTION  
FISCAL YEARS ENDED 1996 THROUGH 2005**

	<u>City Fiscal Year</u>	<u>Rate</u>	<u>1st Quarter Aug-Oct</u>	<u>2nd Quarter Nov-Jan</u>
Tax collected during period	1995 - 1996	7%	\$ 1,064,697	\$ 731,470
Percent of total year			23.46%	16.11%
Percent over (under) prior year's period			(.14)%	16.77%
Tax collected during period	1996 - 1997	7%	\$ 1,125,538	\$ 757,649
Percent of total year			24.23%	16.31%
Percent over (under) prior year's period			5.71%	3.57%
Tax collected during period	1997 - 1998	7%	\$ 1,161,643	\$ 780,628
Percent of total year			23.60%	15.86%
Percent over (under) prior year's period			3.21%	3.03%
Tax collected during period	1998 - 1999	7%	\$ 1,136,818	\$ 786,748
Percent of total year			22.35%	15.47%
Percent over (under) prior year's period			(2.14)%	0.78%
Tax collected during period	1999 - 2000	9%	\$ 1,550,756	\$ 1,018,592
Percent of total year			23.09%	15.17%
Percent over (under) prior year's period			36.41%	29.47%
Tax collected during period	2000 - 2001	9%	\$ 1,568,794	\$ 1,049,181
Percent of total year			24.24%	16.21%
Percent over (under) prior year's period			1.16%	3.00%
Tax collected during period	2001 - 2002	9%	\$ 1,587,542	\$ 1,048,888
Percent of total year			21.38%	14.12%
Percent over (under) prior year's period			1.20%	(.03)
Tax collected during period	2002 - 2003	9%	\$ 1,931,150	\$ 984,758
Percent of total year			25.72%	13.11%
Percent over (under) prior year's period			21.64%	-6.11%
Tax collected during period	2003 - 2004	9%	\$ 1,973,254	\$ 1,428,493
Percent of total year			23.57%	17.07%
Percent over (under) prior year's period			2.18%	45.06%
Tax collected during period	2004 - 2005	9%	\$ 1,913,794	\$ 1,312,726
Percent of total year			26.60%	18.25%
Percent over (under) prior year's period			-3.01%	-8.10%

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

Table 5

3rd Quarter Feb-Apr	Total 4th Quarter May-July	Fiscal Year
\$ 1,122,221 24.72% 10.58%	\$ 1,621,009 35.71% 5.57%	\$ 4,539,397 100.00% 6.99%
\$ 1,100,876 23.70% (1.90)%	\$ 1,661,337 35.76% 2.49%	\$ 4,645,400 100.00% 2.34%
\$ 1,180,221 23.98% 7.21%	\$ 1,799,216 36.56% 8.30%	\$ 4,921,708 100.00% 5.95%
\$ 1,230,168 24.19% 4.23%	\$ 1,932,282 37.99% 7.40%	\$ 5,086,016 100.00% 3.34%
\$ 1,550,096 23.09% 26.01%	\$ 2,594,767 38.65% 34.28%	\$ 6,714,211 100.00% 32.01%
\$ 1,552,967 24.00% 0.18%	\$ 2,300,496 35.55% (11.34)%	\$ 6,471,438 100.00% (3.62)%
\$ 1,923,033 25.89% 23.83%	\$ 2,867,664 38.61% 24.65%	\$ 7,427,127 100.00% 14.77%
\$ 1,638,180 21.82% -14.81%	\$ 2,954,880 39.35% 3.04%	\$ 7,508,968 100.00% 1.10%
\$ 1,637,060 19.56% -0.07%	\$ 3,331,637 39.80% 12.75%	\$ 8,370,444 100.00% 11.47%
\$ 1,680,455 23.36% 2.65%	\$ 2,287,862 31.80% -31.33%	\$ 7,194,837 100.00% -14.04%

**1% CITY SALES TAX  
COLLECTED AND REMITTED TO CITY BY STATE COMPTROLLER  
FISCAL YEARS ENDED 1996 THROUGH 2005**

<b>Tax Received in City City Fiscal Year</b>	<b>1st Quarter Aug-Oct</b>	<b>2nd Quarter Nov-Jan</b>	<b>3rd Quarter Feb-Apr</b>	<b>4th Quarter May-July</b>
Net sales tax 1995-1996	\$ 6,353,522	\$ 6,659,245	\$ 6,430,287	\$ 6,819,731
Percent of total year	24.19%	25.36%	24.48%	25.97%
Percent over (under) prior year's period	(2.28)%	(1.67)%	7.91%	9.97%
Net sales tax 1996-1997	\$ 6,813,127	\$ 7,067,834	\$ 6,454,783	\$ 6,816,745
Percent of total year	25.09%	26.03%	23.77%	25.11%
Percent over (under) prior year's period	7.23%	6.14%	0.38%	(0.04)%
Net sales tax 1997-1998	\$ 7,101,826	\$ 7,625,748	\$ 7,003,360	\$ 7,001,582
Percent of total year	24.72%	26.54%	24.37%	24.37%
Percent over (under) prior year's period	4.24%	7.89%	8.50%	2.71%
Net sales tax 1998-1999	\$ 7,212,142	\$ 7,872,672	\$ 7,269,121	\$ 7,287,113
Percent of total year	24.33%	26.56%	24.52%	24.59%
Percent over (under) prior year's period	1.55%	3.24%	3.80%	4.08%
Net sales tax 1999-2000	\$ 7,341,160	\$ 7,538,794	\$ 8,243,342	\$ 7,467,163
Percent of total year	24.00%	24.64%	26.95%	24.41%
Percent over (under) prior year's period	1.78%	(4.24)%	13.40%	2.47%
Net sales tax 2000-2001	\$ 7,770,855	\$ 8,122,623	\$ 8,105,064	\$ 8,053,377
Percent of total year	24.24%	25.34%	25.29%	25.13%
Percent over (under) prior year's period	5.85%	7.74%	(1.68)%	7.85%
Net sales tax 2001-2002	\$ 8,243,622	\$ 8,247,477	\$ 7,831,677	\$ 8,351,966
Percent of total year	25.23%	25.24%	23.97%	25.56%
Percent over (under) prior year's period	6.08%	1.54%	(3.37)%	3.71%
Net sales tax 2002-2003	\$ 8,185,640	\$ 8,616,923	\$ 7,954,839	\$ 7,593,752
Percent of total year	25.30%	26.64%	24.59%	23.47%
Percent over (under) prior year's period	-0.70%	4.48%	1.57%	-9.08%
Net sales tax 2003-2004	\$ 8,386,322	\$ 8,843,342	\$ 8,295,952	\$ 8,595,017
Percent of total year	24.58%	25.92%	24.31%	25.19%
Percent over (under) prior year's period	2.45%	2.63%	4.29%	13.19%
Net sales tax 2004-2005	\$ 5,523,429	\$ 8,722,548	\$ 9,212,312	\$ 12,909,282
Percent of total year	15.19%	23.98%	25.33%	35.50%
Percent over (under) prior year's period	-34.14%	-1.37%	11.05%	50.19%

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

Table 6

<u>Total Fiscal Year</u>	<u>Equivalent (1) Tax Rate</u>	<u>Sales Tax As Percent of Tax Levy</u>	<u>Sales Tax Per Capital Last Census</u>
\$ 26,262,785 100.00% 3.26%	\$ 0.4062	66.30%	\$ 102.01
\$ 27,152,489 100.00% 3.39%	\$ 0.4026	64.54%	\$ 105.47
\$ 28,732,516 100.00% 5.82%	\$ 0.4125	66.13%	\$ 111.60
\$ 29,641,048 100.00% 3.16%	\$ 0.4065	65.77%	\$ 115.13
\$ 30,590,459 100.00% 3.20%	\$ 0.4099	65.72%	\$ 118.82
\$ 32,051,919 100.00% 4.78%	\$ 0.4189	67.16%	\$ 124.50
\$ 32,674,742 100.00% 1.94%	\$ 0.4069	63.17%	\$ 117.77
\$ 32,351,154 100.00% -0.99%	\$ 0.3616	56.13%	\$ 114.71
\$ 34,120,633 100.00% 5.47%	\$ 0.3813	59.20%	\$ 120.98
\$ 36,367,571 100.00% 6.59%	\$ 0.4064	63.09%	\$ 128.95

**PROPERTY TAX LEVIES AND COLLECTIONS  
FISCAL YEARS ENDED 1996 THROUGH 2005**

<u>Fiscal Year</u>	<u>January 1 Tax Year</u>	<u>Current Tax Levy</u>	<u>Less Discounts</u>	<u>Net Current Tax Levy</u>	<u>Current Tax Collections</u>
1995-1996	1995	\$ 39,611,069	\$ -	\$ 39,611,069	\$ 38,258,807
1996-1997	1996	42,073,811	--	42,073,811	40,754,134
1997-1998	1997	43,448,123	--	43,448,123	41,928,010
1998-1999	1998	45,070,727	--	45,070,727	43,379,465
1999-2000	1999	46,546,084	--	46,546,084	44,836,825
2000-2001	2000	47,727,871	--	47,727,871	45,900,923
2001-2002	2001	51,722,865	--	51,722,865	49,683,646
2002-2003	2002	54,282,374	--	54,282,374	52,161,807
2003-2004	2003	57,640,112	--	57,640,112	55,417,905
2004-2005	2004	61,131,691	--	61,131,691	58,864,317

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

Table 7

<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Total Collections As Percent of Net Current Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Outstanding Delinquent Taxes As Percent of Net Current Tax Levy</u>
96.6%	\$ 1,410,646	\$ 39,669,453	100.1%	\$ 5,630,126	14.2%
96.9%	1,143,479	41,897,613	99.6%	5,647,272	13.4%
96.5%	1,251,909	43,179,919	99.4%	5,607,397	12.9%
96.2%	1,056,723	44,436,188	98.6%	4,864,403	10.8%
96.3%	1,256,701	46,093,526	99.0%	4,855,538	10.4%
96.2%	1,200,467	47,101,390	98.7%	4,973,081	10.4%
96.1%	1,509,804	51,193,450	99.0%	5,036,092	9.7%
96.1%	1,631,724	53,793,531	99.1%	4,985,476	9.2%
96.1%	1,575,879	56,993,784	98.9%	6,332,114	11.0%
96.3%	1,829,112	60,693,430	99.3%	4,794,920	7.8%



City of  
Corpus  
Christi

Table 8

**ADOPTED TAX RATE  
FISCAL YEARS ENDED 1996 THROUGH 2005**

<u>Fiscal Year</u>	<u>Year</u>	<u>Total Assessed Valuation</u>	<u>Assessments Rate</u>	<u>Gross Tax Rate (1)</u>
1995-1996	1995	\$ 7,600,972,143	100%	0.6127260
1996-1997	1996	7,904,680,232	100%	0.6237260
1997-1998	1997	8,175,647,192	100%	0.6237260
1998-1999	1998	8,477,723,058	100%	0.6237260
1999-2000	1999	8,752,587,482	100%	0.6237260
2000-2001	2000	9,018,221,819	100%	0.6237260
2001-2002	2001	9,468,571,229	100%	0.6441750
2002-2003	2002	9,970,342,480	100%	0.6441750
2003-2004	2003	10,617,256,485	100%	0.6441750
2004-2005	2004	11,464,420,164	100%	0.6341750

(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.

**ASSESSED VALUE AND ESTIMATED MARKET  
VALUE OF ALL TAXABLE PROPERTY  
FISCAL YEARS ENDED 1996 THROUGH 2005**

Fiscal Year	Assessed Value January 1	Tax Rate	Ratio Assessed Value To Market Value	Real Property		
				Net Taxable Assessed Value	Estimated Market Value	Percentage of Growth
1995-1996	1995	0.6127260	100%	\$ 5,618,522,495 (1)	\$ 6,751,274,958	2.6
1996-1997	1996	0.6237260	100%	5,901,861,186 (1)	7,057,072,731	4.5
1997-1998	1997	0.6237260	100%	6,100,991,061 (1)	7,295,181,367	3.4
1998-1999	1998	0.6237260	100%	6,355,721,067 (1)	7,591,733,133	4.1
1999-2000	1999	0.6237260	100%	6,549,804,068 (1)	7,829,632,259	3.1
2000-2001	2000	0.6237260	100%	6,722,202,669 (1)	8,077,929,844	3.2
2001-2002	2001	0.6441745	100%	7,019,540,276 (1)	8,435,234,205	4.4
2002-2003	2002	0.6441745	100%	7,425,008,625 (1)	8,922,477,009	5.8
2003-2004	2003	0.6441745	100%	7,926,634,055 (1)	9,525,269,802	6.8
2004-2005	2004	0.6341750	100%	8,465,741,365 (1)	10,272,935,304	7.8

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

Table 9

Personal Property			Total		
Net Taxable Assessed Value	Estimated Market Value	Percentage of Growth	Net Taxable Assessed Value	Estimated Market Value	Percentage of Growth
\$ 846,205,463 (1)	\$ 849,697,185	14.4	\$ 6,464,727,958 (1)	\$ 7,600,972,143	3.8
843,698,758 (1)	847,607,501	(0.2)	6,745,559,944 (1)	7,904,680,232	4.3
864,907,875 (1)	880,465,825	3.9	6,965,898,936 (1)	8,175,647,192	3.4
870,324,797 (1)	885,989,925	0.6	7,226,045,864 (1)	8,477,723,058	3.7
912,781,136 (1)	922,955,223	4.2	7,462,585,204 (1)	8,752,587,482	3.2
929,854,734 (1)	940,291,975	1.9	7,652,057,403 (1)	9,018,221,819	3.0
1,009,784,779 (1)	1,033,337,024	1.0	8,029,325,055 (1)	9,468,571,229	5.0
1,001,648,102 (1)	1,047,865,471	1.4	8,426,656,727 (1)	9,970,342,480	5.3
1,021,262,343 (1)	1,091,986,683	4.2	8,947,896,398 (1)	10,617,256,485	6.5
1,173,820,407 (1)	1,191,484,860	9.1	9,639,561,772 (1)	11,464,420,164	8.0

(Continued)

ASSESSED VALUE AND ESTIMATED MARKET  
VALUE OF ALL TAXABLE PROPERTY  
FISCAL YEARS ENDED 1996 THROUGH 2005

Fiscal Year	Residential Homestead Exemptions - Over 65				Disabled Veterans	
	Assessed Value Exempt	Number of Exemptions	Assessed Value of Exemptions	Average Value	Assessed Value Exempt	Number of Exemptions
1995-1996	\$ 50,000	14,554	\$ 521,688,068	\$ 35,845	1,500-3,000	1,874
1996-1997	50,000	15,005	545,861,694	36,379	5,000-12,000	1,938
1997-1998	50,000	15,226	564,755,315	37,092	5,000-12,000	1,982
1998-1999	50,000	15,638	619,239,686	39,598	5,000-12,000	1,998
1999-2000	50,000	16,004	636,786,100	39,789	5,000-12,000	2,061
2000-2001	50,000	16,255	668,199,827	41,107	5,000-12,000	2,092
2001-2002	50,000	16,458	684,880,475	41,614	5,000-12,000	2,143
2002-2003	50,000	16,602	713,508,103	42,977	5,000-12,000	2,241
2003-2004	50,000	16,670	729,550,443	43,764	5,000-12,000	2,404
2004-2005	50,000	16,770	747,885,037	44,597	5,000-12,000	2,562

**Table 9  
(Continued)**

<b>Exemptions</b>		<b>Disability Exemption</b>			
<b>Assessed Value of Exemptions</b>	<b>Average Value</b>	<b>Assessed Value Exempt</b>	<b>Number of Exemptions</b>	<b>Assessed Value of Exemptions</b>	<b>Average Value</b>
\$ 2,832,533	\$ 1,511	\$ 50,000	2,121	\$ 65,714,888	\$ 30,983
10,464,156	5,399	50,000	2,245	70,134,759	31,240
11,134,924	5,618	50,000	2,349	75,885,762	32,306
18,245,383	9,132	50,000	2,447	87,787,881	35,876
19,024,837	9,231	50,000	2,535	93,292,702	36,802
19,290,426	9,221	50,000	2,652	101,418,975	38,242
19,814,977	9,246	50,000	2,765	108,303,281	39,169
20,755,630	9,262	50,000	2,880	115,715,191	40,179
22,271,738	9,264	50,000	3,038	124,941,699	41,126
23,814,922	9,295	50,000	3,270	136,391,738	41,710

(Continued)

**Table 9  
(Continued)**

**ASSESSED VALUE AND ESTIMATED MARKET  
VALUE OF ALL TAXABLE PROPERTY  
FISCAL YEARS ENDED 1996 THROUGH 2005**

**Residential Homestead Exemptions - Local Option**

<b>Fiscal Year</b>	<b>Assessed Value Exempt</b>	<b>Number of Exemptions</b>	<b>Assessed Value of Exemptions</b>	<b>Average Value</b>
1995-1996	\$5,000 or 10% whichever is greater	49,166	\$ 351,659,331	\$ 7,152
1996-1997	"	49,832	366,398,420	7,353
1997-1998	"	50,526	380,325,533	7,527
1998-1999	"	51,455	343,729,290	6,680
1999-2000	"	52,513	366,149,406	6,973
2000-2001	"	54,333	392,740,809	7,228
2001-2002	"	55,189	414,770,371	7,515
2002-2003	"	56,051	434,924,406	7,759
2003-2004	"	56,560	467,542,416	8,266
2004-2005	"	57,473	503,873,807	8,767



City of  
Corpus  
Christi

**PROPERTY TAX RATES AND TAX LEVIES -  
DIRECT AND OVERLAPPING GOVERNMENTS  
FISCAL YEARS ENDED 1996 THROUGH 2005**

**Tax Rates**

**City Fiscal Year Ended July 31**

**Tax Roll year January 31 (2)**

	<b>1996 1995</b>	<b>1997 1996</b>	<b>1998 1997</b>
Calallen Independent School District	\$ 1.52	\$ 1.57	\$ 1.57
City of Corpus Christi	0.612726	0.62373	0.623726
Corpus Christi Independent School District	1.428	1.458	1.518
Corpus Christi Junior College District	0.196823	0.207811	0.207811
Flour Bluff Independent School District	1.379084	1.439471	1.439471
Kleberg County	(1)	(1)	(1)
Riviera Independent School District	(1)	(1)	(1)
Laureles Independent School District, Kleberg County	(1)	(1)	(1)
London Independent School District	--	--	--
Nueces County	0.328765	0.334585	0.334585
Nueces County F-M Roads and Flood Control	0.0025	0.002488	0.002488
Nueces County Emergency Services District No. 1	0.022535	0.022535	0.022535
Nueces County Hospital District	0.244699	0.2417	0.233159
Nueces County (Port of Corpus Christi - Homeport)	0.027949	0.02719	0.027853
Nueces County Water Control and Improvement Dist. No. 4	0.07464	0.07785	0.07931
Port Aransas Independent School District	1.44	1.44	1.44
Robstown Independent School District	--	--	--
San Patricio County	(1)	(1)	(1)
Tuloso-Midway Independent School District	1.4999	1.56205	1.56205
West Oso Independent School District	1.51	1.51	1.51

**AMOUNT OF OVERLAPPING TAX LEVIES**

**(TOTAL TAX LEVY REDUCED TO SHOW ESTIMATED  
AMOUNT INSIDE CITY LIMITS)**

Calallen Independent School District	\$ 6,461,794	\$ 6,531,283	\$ 6,344,659
City of Corpus Christi	39,605,505	42,061,663	43,448,137
Corpus Christi Independent School District	73,445,872	77,372,580	79,346,269
Corpus Christi Junior College District	15,764,073	17,047,326	17,432,875
Flour Bluff Independent School District	9,047,927	9,708,937	9,641,723
Kleberg County	(1)	(1)	(1)
Riviera Independent School District	(1)	(1)	(1)
Laureles Independent School District, Kleberg County	(1)	(1)	(1)
London Independent School District	--	--	--
Nueces County	20,693,658	21,473,542	21,979,253
Nueces County F-M Roads and Flood Control	155,415	157,709	161,435
Nueces County Emergency Services District No. 1	124,865	128,246	130,875
Nueces County Hospital District	15,397,076	15,508,746	15,312,180
Nueces County (Port of Corpus Christi - Homeport)	1,758,632	1,744,668	1,829,193
Nueces County Water Control and Improvement Dist. No. 4	1,294	1,344	1,404
Port Aransas Independent School District	23,666	23,037	23,207
Robstown Independent School District	--	--	--
San Patricio County	(1)	(1)	(1)
Tuloso-Midway Independent School District	4,890,434	5,054,469	5,029,990
West Oso Independent School District	2,840,095	3,056,758	2,850,878

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

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

Note: Data presented is received from various government agencies.

the City of Corpus Christi, Texas

Table 10

1999 1998	2000 1999	2001 2000	2002 2001	2003 2002	2004 2003	2005 2004
\$ 1.57	\$ 1.48581	\$ 1.52417	\$ 1.59883	\$ 1.5949	\$ 1.599	1.599
0.623726	0.623726	0.623726	0.644175	0.644175	0.644175	0.634175
1.555	1.50	1.57	1.57	1.59	1.59	1.62
0.207811	0.220466	0.220466	0.21988	0.21988	0.23566	0.23380
1.49672	1.49192	1.5262	1.5262	1.5262	1.5262	1.5262
(1)	(1)	(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)	(1)	(1)
--	--	--	--	1.26	1.255	1.249
0.334585	0.344622	0.352742	0.350242	0.360922	0.379693	0.424200
0.002488	0.002563	0.002738	0.005238	0.005396	0.005688	0.005500
0.022535	0.03	0.03	0.06	0.06	0.06	0.06
0.228028	0.228028	0.228028	0.228028	0.228028	0.228028	0.225000
0.026593	0.024797	0.023718	0.002117	--	--	--
0.0764	0.066818	0.062498	0.05	--	--	--
1.44	1.420295	1.449057	1.462	1.5363	1.560458	1.557800
--	--	--	--	1.614	1.614	1.714
(1)	(1)	(1)	(1)	(1)	(1)	(1)
1.59205	1.67205	1.75005	1.7397	1.7297	1.7247	1.7247
1.51	1.48	1.54	1.54	1.54	1.57	1.90
\$ 6,359,817	\$ 5,969,881	\$ 6,396,356	\$ 6,818,054	\$ 5,793,711	\$ 6,002,819	\$ 6,182,426
45,070,680	46,546,084	47,727,791	51,722,905	54,282,391	57,640,112	61,131,692
83,424,298	82,817,183	88,042,465	92,059,252	100,041,113	105,191,174	113,547,741
17,816,682	19,371,210	19,686,469	20,606,772	21,426,561	24,457,001	25,824,824
10,353,220	10,919,291	11,486,999	12,439,720	12,923,373	13,657,640	15,824,139
(1)	(1)	(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)	(1)	(1)
--	--	--	--	35,035	38,803	--
22,402,628	23,508,801	24,518,153	25,904,426	15,303,952	16,930,893	20,227,009
164,727	172,887	190,311	383,171	226,317	250,982	259,429
139,833	196,331	192,362	404,119	240,717	256,923	269,728
15,264,116	15,548,347	15,843,567	16,859,013	9,664,984	10,163,932	10,734,232
1,780,126	1,690,812	1,647,946	156,518	--	--	--
1,402	1,398	1,396	1,288	--	--	--
23,948	26,610	35,538	35,538	7,037,024	7,943,229	9,296,120
--	--	--	--	2,850	2,811	4,960
(1)	(1)	(1)	(1)	(1)	(1)	(1)
5,222,426	5,380,788	5,323,351	5,524,594	5,675,733	8,937,324	9,158,402
2,948,097	3,041,967	3,464,402	3,841,059	1,538,383	1,573,510	2,157,429

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
FISCAL YEAR ENDED JULY 31, 2005**

Direct Debt:

General Improvement and Refunding Bonds (Note A)	\$	164,261,347
Certificates of Obligation		60,650,000
Tax Increment contract revenue bonds		9,100,000
Tax Notes		715,000
Direct debt payable from taxes		234,726,347

Less: Applicable interest and sinking fund (Note C) 5,882,749

Self Supporting Tax Debt (Note B):

Airport portion general improvement and refunding bonds	\$	1,554,694
Computer System Bonds		1,835,111
Golf Centers		132,260
Hotel Occupancy Tax Fund		29,385,000
Lexington Museum		1,712,791
Las Carabelas		2,069,916
Marina Revenue Fund		4,795,999
Reinvestment Zone #2		9,100,000
Solid Waste		44,577,647
Storm Sewer		2,333,182
Texas State Aquarium		3,485,743
Tourist and Convention Center portion general improvement and refunding bonds		53,006
Total self-supporting debt		101,035,349

Net direct debt (1.33% of January 1, 2004 net taxable assessed value; and \$436.02 per capita) (2005 Estimated population - 293,122) \$ 127,808,249

	Amount	As of	%	Net Debt
Overlapping net debt:			Overlapping	
Calallen Independent School District	\$ 4,834,045	7-31-05	39.77%	\$ 1,922,500
Corpus Christi Independent School District	77,992,028	7-31-05	94.22%	73,484,089
Corpus Christi Junior College District	64,995,206	7-31-05	92.14%	59,886,583
Flour Bluff Independent School District	6,428,336	7-31-05	85.45%	5,493,013
London Independent School District	3,797,323	7-31-05	3.85%	146,197
Nueces County (excluding special districts)	105,167,370	7-31-05	37.05%	38,964,511
Nueces County Hospital District	15,422,996	7-31-05	37.05%	5,714,220
Port Aransas Independent School District	10,014,186	7-31-05	70.08%	7,017,942
Robstown Independent School District	27,770,137	7-31-05	0.13%	36,101
Tuloso-Midway Independent School District	27,470,738	7-31-05	50.16%	13,779,322
West Oso Independent School District	23,322,959	7-31-05	32.16%	7,500,664
Total Net Overlapping Debt (2.22% of January 1, 2004 assessed value; \$729.88 per capita) (2005 Estimated population - 293,122 )				213,945,142
Total Net Direct and Overlapping Debt (3.55% of January 1, 2004 taxable assessed value; \$1,165.91 per capita) (2005 Estimated population - 293,122 )				\$ 341,753,391

Table 11

NOTE A: Direct debt includes \$2,181,901 in accreted interest on Capital Appreciation Bonds.

NOTE B: It is estimated that \$101,035,349 is self supporting debt. To continue to maintain this debt as self-supporting, transfers will be made from Tourist and Convention, Airport Parking, Reinvestment Zone #2, Airport lease revenues, Marina, Golf Centers, Storm Water and Solid Waste in amounts sufficient to pay both principal and interest on the self-supporting debt.

NOTE C: The computation of self-supporting debt is as follows:  
The Outstanding self-supporting tax debt of \$101,035,349 is 43.04% of the total outstanding tax debt.  
The total interest and redemption fund is \$10,328,565. After deducting 43.04% of \$10,328,565 or \$4,445,816 which applies to self-supporting debt, the balance of the interest and sinking applicable to tax supported debt is \$5,882,749.



City of  
Corpus  
Christi

**COMPUTATION OF LEGAL DEBT MARGIN  
FISCAL YEAR ENDED JULY 31, 2005**

Ad Valorem Tax Limitations

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

**DIRECT AND OVERLAPPING DEBT  
FISCAL YEARS ENDED 1996 THROUGH 2005**

Fiscal Year	Assessed Value January 1	Net Taxable Assessed Valuation at 100%	(1) Estimated Population	Net Direct Debt	
				Net Debt	Percent Assessed Value
1995-1996	1995	\$ 6,464,727,958	279,528	\$ 114,729,842	1.77%
1996-1997	1996	6,745,559,944	284,836	111,010,894	1.65%
1997-1998	1997	6,965,898,936	288,570	114,887,419	1.65%
1998-1999	1998	7,226,045,864	295,920	105,838,105	1.46%
1999-2000	1999	7,462,585,204	277,454 (2)	97,989,397	1.31%
2000-2001	2000	7,652,057,403	280,228	122,080,849	1.60%
2001-2002	2001	8,029,325,055	279,780	109,147,865	1.36%
2002-2003	2002	8,426,656,727	287,290	102,970,247	1.22%
2003-2004	2003	8,947,896,398	290,163	93,118,838	1.04%
2004-2005	2004	9,639,561,772	293,122	127,808,249	1.33%

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

(2) 2000 Census

(3) Overlapping Percentage is computed on Geographic basis

Table 13

Per Capita	Net Overlapping Debt			Net Direct and Overlapping Debt		
	Net Debt (3)	Percent Assessed Value	Per Capita	Net Debt	Percent Assessed Value	Per Capita
410	\$ 153,301,205	2.37%	\$ 548	\$ 268,031,047	4.15%	\$ 959
390	141,936,232	2.10%	498	252,947,126	3.75%	888
398	183,941,952	2.64%	637	298,829,371	4.29%	1,036
358	174,170,839	2.41%	589	280,008,944	3.87%	946
353	171,119,941	2.29%	617	269,109,338	3.61%	970
436	156,150,986	2.04%	557	278,231,835	3.64%	993
390	165,095,423	2.06%	590	274,243,288	3.42%	980
358	126,859,990	1.51%	442	229,830,237	2.73%	800
321	216,357,252	2.42%	746	309,476,090	3.46%	1,067
436	213,945,142	2.22%	730	341,753,391	3.55%	1,166

**RATIO OF GENERAL BONDED DEBT TO  
ASSESSED VALUE AND NET BONDED DEBT PER CAPITA  
FISCAL YEARS ENDED 1996 THROUGH 2005**

<b>Fiscal Year</b>	<b>(1) Estimated Population</b>	<b>Net Taxable Assessed Valuation at 100%</b>	<b>Gross Bonded Debt</b>	<b>Less Debt Service Funds</b>	<b>Less Self Supporting Debt</b>	<b>Net Bonded Debt</b>
1995-1996	279,528	6,464,727,958	170,555,179	14,899,550	44,842,879	110,812,750
1996-1997	284,836	6,745,559,944	162,276,419	12,268,110	42,187,124	107,821,185
1997-1998	288,570	6,965,898,936	162,915,198	11,402,551	39,381,225	112,131,422
1998-1999	295,920	7,226,045,864	152,712,405	12,878,565	37,126,514	102,707,326
1999-2000	277,454 (2)	7,462,585,204	140,802,804	11,747,384	33,893,618	95,161,802
2000-2001	280,228	7,652,057,403	174,361,532	12,079,370	43,193,373	119,088,789
2001-2002	279,780	8,029,325,055	161,046,644	11,285,112	43,674,077	106,087,455
2002-2003	287,290	8,426,656,727	180,201,066	12,005,625	69,907,135	98,288,306
2003-2004	290,163	8,947,896,398	174,298,087	11,259,740	74,748,284	88,290,063
2004-2005	293,122	9,639,561,772	230,226,347	10,328,565	96,535,349	123,362,433

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

(2) 2000 Census

**Table 14**

<b>Percent of Net Bonded Debt to Assessed Value</b>	<b>Net Bonded Debt Per Capita</b>
1.7141%	396.43
1.5984%	378.54
1.6097%	388.58
1.4213%	347.08
1.2752%	342.98
1.5563%	424.97
1.3212%	379.18
1.1664%	342.12
0.9867%	304.28
1.2798%	420.86



City of  
Corpus  
Christi

Table 15

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL  
BONDED DEBT TO TOTAL GENERAL EXPENDITURES  
FISCAL YEARS ENDED 1996 THROUGH 2005**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Expenditures (1)</u>	<u>% of Debt Service to General Expenditures</u>
1995-1996	\$ 11,605,000	\$ 5,658,685	\$ 17,263,685	\$ 142,131,955	12.15%
1996-1997	12,710,000	6,857,292	19,567,292	145,594,538	13.44%
1997-1998	13,330,000	6,149,132	19,479,132	151,312,864	12.87%
1998-1999	13,965,000	6,240,909	20,205,909	163,995,397	12.32%
1999-2000	14,585,000	5,823,071	20,408,071	166,235,056	12.28%
2000-2001	15,145,000	5,294,775	20,439,775	164,143,945	12.45%
2001-2002	16,085,000	7,331,694	23,416,694	181,746,188	12.88%
2002-2003	16,700,000	7,521,824	24,221,824	187,607,078	12.91%
2003-2004	18,640,000	7,720,208	26,360,208	202,198,751	13.04%
2004-2005	18,960,000	7,025,374	25,985,374	216,754,514	11.99%

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

**REVENUE BOND COVERAGE - UTILITY SYSTEM REVENUE BONDS  
FISCAL YEARS ENDED 1996 THROUGH 2005**

Fiscal Year Ending July 31	Gross Revenue	Adjusted Operating Income Deductions	Net Revenue Available for Debt Service	Average Annual Debt Service Requirements		
				Principal	Interest	Total
1995-1996	\$87,817,636	\$52,899,974	\$34,927,662	\$5,840,526	\$3,406,958	\$9,247,484
1996-1997	92,419,054	58,621,496	33,797,558	5,880,000	3,230,217	9,110,217
1997-1998	93,675,572	58,159,310	35,516,262	5,925,294	3,050,136	8,975,430
1998-1999	103,551,830	66,608,408	36,943,422	7,525,500	3,786,958	11,312,458
1999-2000	122,631,232	71,213,069	51,418,163	7,583,250	3,591,798	11,175,048
2000-2001	138,403,272	93,263,739	45,139,533	9,431,316	4,480,007	13,911,323
2001-2002	115,312,497	80,330,621	34,981,876	9,470,000	4,217,669	13,687,669
2002-2003	128,063,246	90,540,742	37,522,504	13,146,316	6,096,334	19,242,650
2003-2004	133,214,799	95,996,767	37,218,032	13,143,055	5,749,795	18,892,850
2004-2005	149,924,365	114,931,084 (1)	34,993,281	14,363,500	6,502,980	20,866,480

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

**REVENUE BOND COVERAGE - AIRPORT REVENUE BONDS  
FISCAL YEARS ENDED 2001 THROUGH 2005**

Fiscal Year Ending July 31	Gross Revenue	Adjusted (2) Operating Income Deductions	Net Revenue Available for Debt Service	Average Annual Debt Service Requirements		
				Principal	Interest	Total
2000-2001	8,382,606	4,819,174	3,563,432	781,034	791,075	1,572,109
2001-2002	6,216,202	5,392,659	823,543	808,929	776,227	1,585,156
2002-2003	7,565,145	6,038,848	1,526,297	824,815	760,279	1,585,094
2003-2004	8,607,001	6,257,371	2,349,630	841,346	746,791	1,588,137
2004-2005	9,240,844	6,752,183	2,488,661	858,400	726,727	1,585,127

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

**Table 16**

---

<u>Coverage</u>
3.78
3.71
3.96
3.27
4.60
3.24
2.56
1.95
1.97
1.68

---

<u>Coverage</u>
2.27
0.52
0.96
1.48
1.57



City of  
Corpus  
Christi

**SPECIAL ASSESSMENTS BILLINGS AND COLLECTIONS  
FISCAL YEARS ENDED 1996 THROUGH 2005**

**Table 17**

<u>Fiscal Year</u>	<u>Amount Billed</u>	<u>(1) Amount Collected</u>
1995-1996	\$ 480,437	\$ 594,888
1996-1997	38,230	519,949
1997-1998	268,522	367,287
1998-1999	163,345	442,271
1999-2000	1,096,093	349,536
2000-2001	356,664	489,194
2001-2002	69,806	227,309
2002-2003	20,443	103,452
2003-2004	154,625	43,808
2004-2005	162,476	163,152

(1) Amounts collected include prepayments and interest.



City of  
Corpus  
Christi

Table 18

**20 LARGEST TAXPAYERS  
FISCAL YEAR ENDED JULY 31, 2005**

<u>Name of Taxpayer</u>	<u>Type of Business</u>	<u>2005 Assessed Valuation</u>
1. American Electric Power Texas Central Co.	Electric Utility	\$ 179,340,040
2. Padre Staples Mall, LP	Commercial Properties	63,438,255
3. Southwestern Bell Telephone Company	Telephone Company	62,275,050
4. El Paso Javelina Company	Gas Production	42,883,060
5. Texas and Kansas City	Cable Company	34,178,051
6. TRT Development Company	Commercial Properties	28,767,348
7. SABCO Operating Company	Petroleum Company	27,754,620
8. Camden Property Trust	Retirement Community	26,071,653
9. Weingarten Realty Investors	Commercial Properties	24,185,657
10. Columbia Bay Area Realty Ltd.	Hospital	23,464,346
11. NH Texas Property, LP	Commercial Properties	20,724,621
12. H.E. Butt Grocery Company	Retail Stores	20,074,944
13. Wells Fargo Bank NA SUCC'R	Financial Institution	18,855,052
14. Spencer Associates, LLC	Apartments	18,779,705
15. Flint Hills Resources LP	Petroleum Company	19,261,978
16. Walnut Ridge Corpus Christi	Apartments	17,435,375
17. Barney M. Davis LP	Power Plant	17,524,700
18. CenterAmerican Capital	Retail Stores	16,232,882
19. Peoples Energy Prod Texas, LP	Petroleum Company	15,781,450
20. AF Frost Plaza LTD	Commercial Property	15,717,761
		<u>\$ 692,746,548</u>

Percentage of total to 2004 net taxable assessed value

7.19%

Source: Nueces County Appraisal District

**PORT TONNAGE, BANK DEPOSITS, POSTAL RECEIPTS  
AND NEW CONSTRUCTION  
FISCAL YEARS ENDED 1996 THROUGH 2005**

Fiscal Year	Port Tonnage	Bank Deposits	Postal Receipts	New Construction	
				Residential	Commercial
	(1)	(2)	(3)	(4)	(4)
1995-1996	78,039,303	\$ 2,025,846,027 *	\$ 25,938,380	\$ 109,869,305	\$ 47,660,809
1996-1997	81,327,915	2,229,545,670 *	26,575,764	92,537,680	79,043,426
1997-1998	83,276,973	2,279,221,451 *	27,091,556	129,084,484	48,941,077
1998-1999	89,528,133	2,351,582,000 *	21,419,580	80,713,465	61,440,779
1999-2000	84,524,970	2,351,582,000 *	12,627,099	87,434,561	65,553,218
2000-2001	89,424,491	2,362,338,000 *	12,363,942	83,398,850	65,865,913
2001-2002	87,035,957	2,495,515,000 *	12,083,259	104,397,142	50,366,721
2002-2003	80,958,923	2,790,674,000	10,795,275	118,160,428	214,856,089
2003-2004	85,131,124	3,219,898,000	24,440,322	173,281,420	122,703,462
2004-2005	86,393,803	3,026,648,000	24,300,727	173,203,965	213,918,506

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

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

Table 19

<u>Total</u>	
	(4)
\$	157,530,114
	171,581,106
	178,025,561
	142,154,244
	152,987,779
	149,264,763
	154,763,863
	333,016,517
	295,984,882
	387,122,471

**ALL FUNDS  
INSURANCE AND SURETY BONDS IN FORCE  
FISCAL YEAR ENDED JULY 31, 2005**

<u>Type of Insurance</u>	<u>Insurer and Expiration Dates</u>	<u>Amount of Coverage</u>
<b>1. <u>Property</u></b>		
Commercial Property Policy	Texas Municipal League Expires 11-4-05	\$80,000,000 per occurrence with \$100,000 deductible; except for \$0 Excess Windstorm Deductible (Replacement Cost)
Windstorm, Hurricane, Hail Commercial City Properties	Texas Windstorm Ins. Assoc. Expires 11-4-05	\$124,962,097 per schedule \$75,000 deductible (Replacement Cost)
Electronic Equipment Protection Policy	Texas Municipal League Expires 11-4-05	\$9,666,624 Blanket Loss Limit \$5,000 deductible
Excess Windstorm Twelve specified buildings	XL Lloyds Expires 11-4-05	\$20,949,284 Building & Contents \$2,192,000 deductible per building
Excess Windstorm Twelve specified building	Homeland Insurance Co. Expires 11-4-05	\$25,000,000 excess layer per occurrence in excess of \$4,692,000 per occurrence
Boiler and Machinery	Texas Municipal League Expires 11-4-05	\$20,000,000 limit per occurrence \$1,000 deductible Specified buildings
Fine Arts Floater Central Library	Texas Municipal League Expires 11-4-05	\$159,000 special form \$500 deductible
Exhibition Floater Corpus Christi Museum	Texas Municipal League Expires 11-4-05	\$500,000 limit per exhibit \$1,000 deductible
<b>2. <u>Flood Insurance</u></b>		
Primary Flood Specified City Buildings	National Flood Program Expires 11-4-05	Bldg. - \$500,000 each building Contents - \$500,000 each building \$2000 deductible per occurrence per bldg. or per contents
Excess Flood	Texas Municipal League Expires 11-4-04	\$10,000,000 annual aggregate \$25,000 deductible

ALL FUNDS  
INSURANCE AND SURETY BONDS IN FORCE  
FISCAL YEAR ENDED JULY 31, 2005

<u>Type of Insurance</u>	<u>Insurer and Expiration Dates</u>	<u>Amount of Coverage</u>
3. <u>Employee's Dishonesty/Crime Policy</u>	Great American Insurance Co. Expires 11-4-05	\$1,000,000 limit for Public Employee Dishonesty, Forgery or Alteration, Computer Fraud; \$100,000 limit for Theft, Disappearance & Destruction with \$100,000 deductible for Public Employee Dishonesty, \$10,000 deductible for Theft, Disappearance & Destruction, Forgery or Alteration and \$25,000 limit for credit card forgery with \$250 deductible
4. <u>Excess Worker's Compensation</u>	State National Insurance Co. Expires 3-1-06	\$1,000,000 per accident or employee \$2,000,000 aggregate \$350,000 SIR (deductible)
5. <u>Gas Utility Excess Liability</u>	Texas Municipal League Expires 11-4-05	\$10,000,000 limit per occurrence \$250,000-General Liability/Pollution deductible
6. <u>General Liability</u> Columbus Ships/Museum	Texas Municipal League Expires 11-4-05	\$500,000 each occurrence \$100,000 deductible
Special Events Policy July 4th Celebration	Myron Steves Expires 7-5-05	\$1,000,000 General Aggregate Limit
Excess General Liability, Public Officials Employment Liability & Law Enforcement Liability	State National Insurance Co. Expires 3-1-06	\$3,000,000 each accident or occurrence, \$2,000,000 Aggregate \$350,000 SIR (deductible)
7. <u>Automobile Policy</u> TB Clinic Van	Texas Municipal League Expires 11-4-05	\$500,000 bodily injury/property damage \$25,000-General Liability/Pollution Actual Cash Value - physical damage \$250 deductible
8. <u>Airport</u> Primary Airport Liability	Texas Municipal League Expires 11-4-05	\$20,000,000 limit, \$5,000 each occurrence deductible and \$10,000 annual aggregate deductible.
Excess Airport Liability	Loyds of London Expires 11-4-05	\$55,000,000 liability limit in excess of \$20,000,000 (\$75,000,000 max.)

**ECONOMIC AND DEMOGRAPHIC DATA  
FISCAL YEARS ENDED 1996 THROUGH 2005**

<u>Year</u>	<u>Population</u>	<u>Median Age of Population</u>	<u>Personal Income</u>	<u>Residential Housing Units</u>	<u>Local Unemployment Rate (%)</u>	<u>Number of Jobs in Community</u>
	(4)	(4)	(1)	(4)	(1)	(1)
1996	279,528	31.1	21,695	103,936	8.6	166,350
1997	284,836	27.5	22,925	104,811	8.3	165,171
1998	288,570	32.5	25,354	106,925	7.5	166,984
1999	295,920	32.7	25,425	107,406	7.4	167,216
2000	277,454 (5)	33.2	25,384	107,831 (5)	6.8	167,067
2001	280,228	32.2	28,197	109,146	6.3	166,896
2002	279,780	33.6	29,410	110,927	6.7	166,873
2003	287,290	33.2	30,097	113,017	7.1	172,413
2004	290,163	34.2	31,018	115,810	6.7	172,259
2005	293,122	34.7	31,889	118,422	5.4	134,017

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

Table 21

<u>Retail Sales</u>	<u>Number of Business Units</u>	<u>Gross Business Receipts</u>	<u>Number of Acres Devoted To Business</u>	<u>Consumer Price Index (All Urban Wage Earners)</u>	<u>Consumer Price Index (Conversion with 1982-84 as Base Years)</u>
(2)	(4)	(2)	(4)	(3)	(3)
3,443,568,791	5,596	8,784,433,451	8,709	461.7	152.2
3,535,804,659	5,606	9,855,213,836	8,829	473.6	156.4
3,757,505,485	5,669	10,743,125,144	9,271	482.6	158.8
3,738,684,579	5,666	9,364,690,811	9,325	491.5	161.4
3,836,143,354	5,666	10,736,669,525	9,325	484.5	166.5
4,005,216,732	5,782	16,299,307,492	9,508	572.3	172.1
4,098,841,482	5,975	14,420,310,912	9,508	521.3	174.5
4,134,981,274	6,003	13,115,352,127	14,082	530.2	178.4
4,344,257,597	6,085	16,133,867,143	13,490	542.1	182.2
4,485,018,915 *	6,604	24,109,507,261	10,875	557.0	187.8

**RETAIL SALES**

Figures back through 1996 have been changed to comply with the Quarterly Sales Tax Report - Corpus Christi -- Retail Trade report generated on 12-7-05

\*2005 figures contain only 3rd and 4th quarters 2004 and 1st quarter 2005

**GROSS BUSINESS RECEIPTS**

Figures back through 1996 have been changed to comply with the Quarterly Sales Tax Report - Corpus Christi -- All Industries report generated on 12-9-05

MISCELLANEOUS STATISTICAL DATA  
FISCAL YEAR ENDED JULY 31, 2005

GOVERNMENT: (1)

Date of incorporation	1852
Charter:	
Original charter	March 15, 1909
Revised	April 20, 1926
Revised	October 9, 1945
Revised	May 25, 1955
Revised	July 13, 1968
Revised	September 15, 1970
Revised	January 22, 1975
Revised	April 5, 1980
Revised	August 11, 1984
Revised	April 4, 1987
Revised	January 19, 1991
Revised	April 3, 1993
Form of government:	
Council-Manager	October 9, 1945
Fiscal year begins	August 1st
Number of City employees	3,126

GEOGRAPHICAL LOCATION:

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

AREA OF CITY: (In square miles)

Land	150.5
Water	353.8
	<u>504.3</u>

POPULATION:

Year	Primary Trade Area	Population
1950	293,661	108,053
1960	382,423	167,690
1970	359,523 (A)	204,525
1980	400,500	232,134
1990	435,739	257,453
1998	485,356	288,570
1999	491,310	295,920
2000 (Census)	474,155	277,454
2001	478,896	280,228
2002	483,686	279,780
2005	500,834	293,122

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

ELEVATION: Sea level to 85 feet

TEMPERATURE: 82.88 maximum average  
63.42 minimum average  
73.15 mean average

Table 22

SEASONAL RAINFALL

32.25 inches average  
27.86 inches for fiscal year ended 7-31-05

MUNICIPAL FACILITIES: (1)

Buildings: (City Owned)

Expenditures for fiscal year ended 7-31-05 \$ 2,095,691  
Total square footage, approximate 2,864,000

Airport:

Number of airports 1  
Number of acres 2,574  
Length of main runways 7508 & 6080  
Scheduled airline arrivals and departures per year 19,704  
Passengers enplaning and deplaning per year (including commercial helicopters) 854,606

Fire Protection: (Including Emergency Medical System)

Number of stations 16  
Fire apparatus 30  
Other motorized vehicles 77  
Number of fire hydrants 8,300  
Number of firemen 383  
Number of employees - firemen and civilians 402  
Employees per 1000 population 1.37  
State Fire Insurance Credit Class 4 Rating

Libraries:

Number of libraries 5  
Number of volumes 394,177  
Circulation 1,155,516  
Library cards in force 144,755  
Computer usage, sessions 703,494

Parks and Recreation:

Number of parks 189  
Expenditures for fiscal year ended 7-31-05 \$ 6,710,483  
Park acreage developed 1,408  
Park acreage partially developed 178  
Playgrounds 139  
Municipal beaches 4  
Marina slips 451  
Municipal golf courses 2  
Municipal golf links - acres 378  
Swimming pools 9  
Tennis courts 49  
Baseball diamonds 1  
Softball diamonds 5  
Recreation centers 5  
Senior centers 8  
Gymnasiums 2  
Covered basketball courts 1

(Continued)

MISCELLANEOUS STATISTICAL DATA  
FISCAL YEAR ENDED JULY 31, 2004

MUNICIPAL FACILITIES: (Continued)

Police Protection:

Number of stations	4
Number of vehicles	301
Number of commissioned police officers	448
Number of employees - police officers and civilians	678
Officers per 1000 population	2.31
School crossing guards	83
Area of responsibility - land area	150.48 Sq. Miles

Public Works:

Paved streets	1,103
Unpaved streets	13
Paved alleys	24
Unpaved alleys	9
Streets lights (as of 8-31-05)	16,308

Utilities:

Municipal Gas System:

Average daily consumption	9,064 MCF
Gas mains	1,288 Miles
Gas connections - active	53,949

Municipal Wastewater System:

Sanitary sewer mains	1,220
Sewer connections at July 31, 2005	78,837
Lift stations	91

Municipal Water System:

Average daily gallons treated & raw water sold	97,685,942
Average daily consumption per capita (2000 Census)	123 Gallons
Water pipe	1,533 Miles
Water connections - active	82,467
Storm water drainage ditches	865 Miles
Storm water underground pipe	1,000 Miles

**Table 22  
(Continued)**

PORT OF CORPUS CHRISTI: (2)

Tonnage handled through the Port during the year 2004	86,393,803
Number of ships handled during the year 2004	1,961
Number of barges handled during the year 2004	5,276

Public Docks:

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

Private Docks

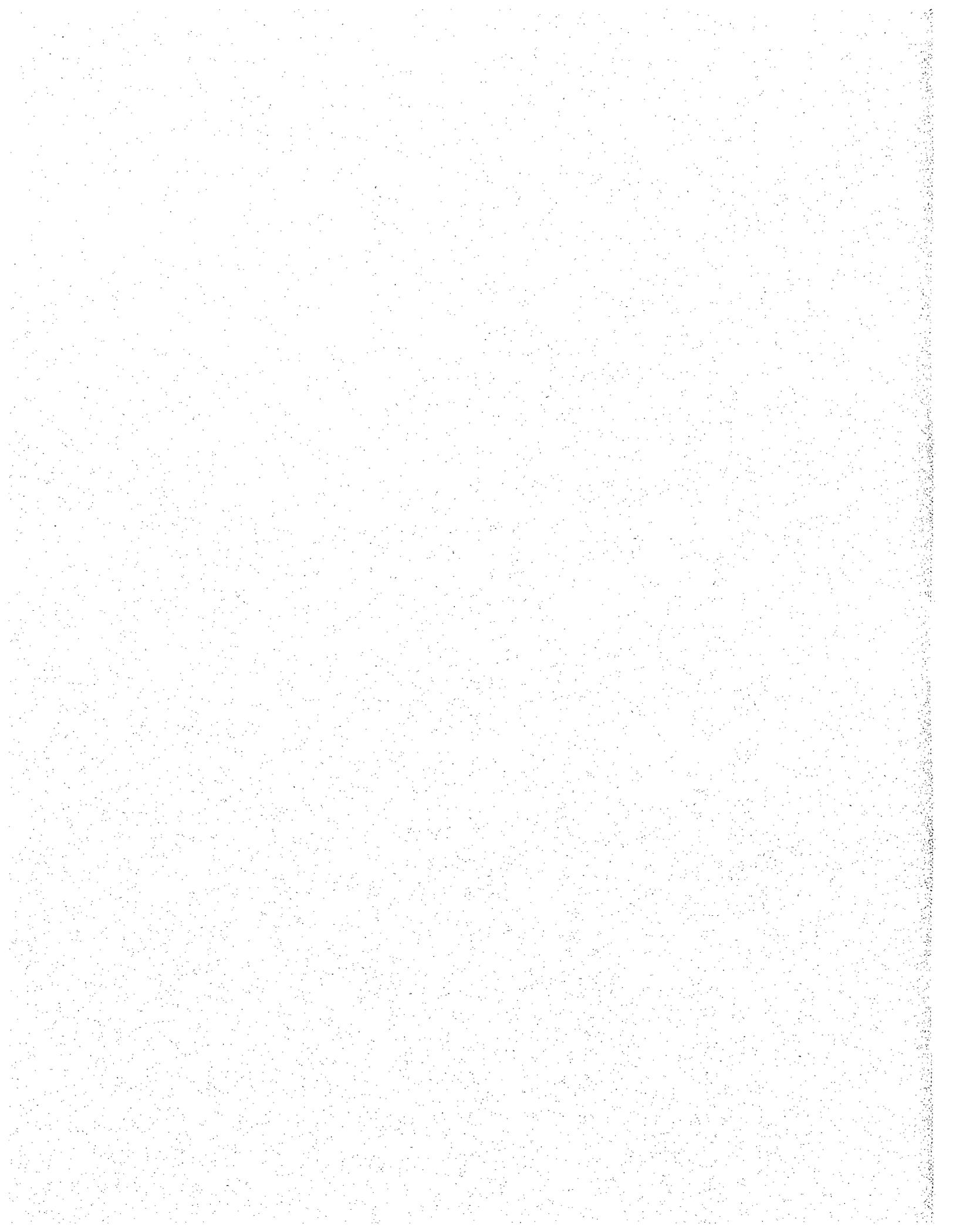
Dry Cargo -	ADM/Growmark	1 -	Main Harbor
	Bay, Inc.	2 -	Main Harbor
	Heldenfels	1 -	Main Harbor
	Interstate Grain	1 -	Main Harbor
	Cemex USA	1 -	Main Harbor
	Texas Leheigh Cement	1 -	Main Harbor
	Corpus Christi Equipment Co.	1 -	Rincon
	Tor Minerals International, Inc.	1 -	Rincon
	Sherwin Alumina Company	1 -	La Quinta
	McDermott	1 -	Harbor Island
	Corpus Christi Day Cruises	1 -	Harbor Island
	Gulf Marine Fabricators	1 -	Ingleside
	Kiewit Offshore Services, Inc.	1 -	Ingleside
Bulk Liquids -	CITGO	6 -	Main Harbor
	Equistar	1 -	Main Harbor
	Flint Hills	3 -	Main Harbor
	Valero	3 -	Main Harbor
	Occidental Chemical	1 -	La Quinta
	Koch Gathering	1 -	Ingleside
	Channel Investments	1 -	Jewel Fulton
	Arco	1 -	Jewel Fulton
	Braswell	1 -	Jewel Fulton
	Total		<u>32</u>

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



City of  
Corpus  
Christi





**INDEPENDENT AUDITOR'S REPORT ON INTERNAL  
CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

January 30, 2006

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Corpus Christi, Texas as of and for the year ended July 31, 2005, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 30, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the City in a separate letter dated January 30, 2006.

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*.

This report is intended solely for the information and use of the Honorable Mayor and Members of the City Council, management, federal awarding agencies and pass-through entities, and is not intended to be, and should not be used by anyone other than these specified parties.

*Collier, Johnson & Wood*

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133

January 30, 2006

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

Compliance

We have audited the compliance of the City of Corpus Christi, Texas with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended July 31, 2005. The City's federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City of Corpus Christi, Texas complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended July 31, 2005.

### Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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

This report is intended solely for the information and use of the Honorable Mayor and Members of the City Council, management, federal awarding agencies and pass-through entities, and is not intended to be, and should not be used by anyone other than these specified parties.

*Collins, Johnson & Wood*

CITY OF CORPUS CHRISTI, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JULY 31, 2005

**Summary of Audit Results**

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the City of Corpus Christi, Texas.
2. No reportable conditions relating to the audit of the financial statements are reported in the "Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*".
3. No instances of noncompliance material to the financial statements of the City of Corpus Christi, Texas, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the "Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133".
5. The auditor's report on compliance for the major federal award programs for the City of Corpus Christi, Texas expresses an unqualified opinion on all major programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this schedule.
7. The programs tested as major programs included:
  - U.S. Department of Housing and Urban Development:  
Community Development Block Grant (CFDA – 14.218)
  - Office of National Drug Control Policy  
Texas Coastal Corridor (CFDA – 16.000)
  - U.S. Department of Justice  
Weed and Seed Program (CFDA – 16.595)
  - U.S. Department of Transportation  
Airport Improvement Programs (CFDA – 20.106)
  - Corporation for National and Community Service  
Senior Companion Program (CFDA – 94.016)
  - U.S. Department of Health and Human Services  
Social Services Block Grant – Meals on Wheels (CFDA – 93.667)
  - U.S. Department of the Interior  
Boating Infrastructure Grant – Marina Restroom Facility (CFDA – 15.622)

8. The dollar threshold for distinguishing Type A and Type B programs was \$436,946.
9. The City of Corpus Christi, Texas qualifies as a low-risk auditee.

**Findings - Financial Statement Audit**

The audit disclosed no findings required to be reported.

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

The audit disclosed no findings required to be reported.

**Prior Year Findings and Questioned Costs – Major Federal Award Programs Audit**

The audit disclosed no findings required to be reported.

SCHEDULE OF FEDERAL EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2005

Federal Grantor/Pass-Through Grantor	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
<b>Federal Assistance</b>				
U.S. Department of HUD				
Direct Programs				
Comm. Dev. Block Grant-Entitlement 99-00	14.218	B99-MC48-0502	\$ 4,929,000	\$ 153,418
Comm. Dev. Block Grant-Entitlement 00-01		B00-MC48-0502	6,093,562	54,673
Comm. Dev. Block Grant-Entitlement 01-02		B01-MC48-0502	6,281,519	129,722
Comm. Dev. Block Grant-Entitlement 02-03		B02-MC48-0502	5,201,842	444,083
Comm. Dev. Block Grant-Entitlement 03-04		B03-MC48-0502	5,201,842	1,524,398
Comm. Dev. Block Grant-Entitlement 04-05		B04-MC48-0502	4,105,000	2,307,785
Comm. Dev. Block Grant-Entitlement 05-06		B05-MC48-0502	3,882,133	19,519
			<u>35,694,898</u>	<u>4,633,598</u>
Emergency Shelter 03-04	14.231	S03-MC48-0502	175,000	47,750
Emergency Shelter 04-05		S04-MC48-0502	175,000	78,412
			<u>350,000</u>	<u>126,162</u>
Home Project 00-01	14.239	M-00-MC-48-0502	1,787,000	74
Home Project 01-02		M-01-MC-48-0502	1,992,000	-
Home Project 02-03		M-02-MC-48-0502	1,992,000	256,975
Home Project 03-04		M-03-MC-48-0502	1,938,716	697,954
			<u>7,709,716</u>	<u>955,003</u>
Total U.S. Department of HUD			<u>43,754,614</u>	<u>5,714,763</u>
Office of National Drug Control Policy				
Direct Program				
Texas Coastal Corridor 03	16.000	I3PHNP517	121,114	8,514
Texas Coastal Corridor 04		I4PHNP517Z	139,790	126,882
Total Office of National Drug Control Policy			<u>260,904</u>	<u>135,396</u>
U.S. Department of Justice				
Direct Programs				
Crimes Against Children-ICAC Task Force	16.543	N/A	25,000	23,861
			<u>25,000</u>	<u>23,861</u>
Asset Forfeiture II 00-01	16.592	00A-2510000-YHDQR71	100,000	15,276
Local Law Enf Block Grant 03	#5	2003-LB-BX-2505	198,581	69,719
Local Law Enf Block Grant 04		2004-LB-BX-1277	91,999	90,878
			<u>390,580</u>	<u>175,873</u>
Weed and Seed Program, Site I 02-05	16.595	2002-WS-QX-0005	675,000	137,738
Weed and Seed Program, Site II 02-05		2003-WS-QX-0128	450,000	125,946
Weed and Seed Program, Site II 04-05		2005-WS-Q4-0025	225,000	94,356
Weed and Seed Program, Site II 04-05		2005-WS-Q4-0026	225,000	125,531
			<u>1,575,000</u>	<u>483,571</u>

(Continued)

SCHEDULE OF FEDERAL EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2005

Federal Grantor/Pass-Through Grantor	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Project Safe Neighborhood 04-05	16.609	N/A	207,081	99,259
Total U.S. Department of Justice			<u>207,081</u>	<u>99,259</u>
			<u>2,197,661</u>	<u>782,564</u>
U.S. Department of Transportation				
Direct Programs				
Airport Improvement Programs				
Term Apron II/Impr A/F Lighting control System	20.106			
Terminal Imp., Ph2; Drainage, Ph3	#5	3-48-0051-32	1,950,400	140,596
Terminal Imp., Rehab Runway 13/31 Ph1		3-48-0051-34	5,219,461	180,439
Update Plan, Acquire ARFFVehicle, Runway 13/31		3-48-0051-35	1,538,373	1,053,192
Terminal Imp., Rehab Runway 13/31 Ph2; Drainage		3-48-0051-36	8,218,378	1,363,948
		3-48-0051-37	5,088,088	49,889
			<u>22,014,700</u>	<u>2,788,064</u>
Passed through State Dept. of Highways and Public Transportation				
State & Community Highway Safety				
Impaired Driving Mobilization Step 03-04	20.600	584XXF6123	74,913	25,282
DWI Step 03-04		584XXF6047	48,401	7,971
DWI Step 04-05		585XXF6042	44,380	33,062
Speed Step 04-05		585XXF6002	77,491	53,633
			<u>245,185</u>	<u>119,948</u>
Safety Incentive Grants				
Click It or Ticket Step 2005	20.604	583XXF6120	29,998	21,162
			<u>29,998</u>	<u>21,162</u>
Interagency Hazardous Material Public Sector Traing				
Hazardous Materials Emergency Preparedness 05	20.703	N/A	13,600	9,331
			<u>13,600</u>	<u>9,331</u>
Total Passed Through Programs			<u>288,783</u>	<u>150,441</u>
Total Department of Transportation			<u>22,303,483</u>	<u>2,938,505</u>
Equal Employment Opportunity Commission Direct Program				
Employment Discrimination-State & Local Anti-Discrimination Agency Contracts				
Human Relations Contract 03-04	30.002	3FPSLP0207	79,900	60,550
Human Relations Contract 04-05		3FPSLP0207	67,700	59,150
Total Equal Employment Opportunity Commission			<u>147,600</u>	<u>119,700</u>

(Continued)

**SCHEDULE OF FEDERAL EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2005**

<u>Federal Grantor/Pass-Through Grantor</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Program or Award Amount</u>	<u>Disbursements/ Expenditures</u>
U.S. Department of Education				
Passed through Texas State Library & Archives Commission				
Library Services:	45.310			
LSA 03-04		470-04004	706,323	149,160
LSA 04-05		470-05004	707,709	609,655
TANG 03-04		476-04014	78,900	11,303
TANG 04-05		476-05014	80,000	20,588
ILL 03-04		771-04040	140,499	15,147
ILL 04-05		771-05040	149,708	134,125
Lone Star Libraries Grant 03-04		442-04106	14,771	80
Lone Star Libraries Grant 04-05		442-05106	15,142	15,141
Staying Connected Program		431-05013	12,587	12,587
Total Department of Education			<u>1,905,639</u>	<u>967,786</u>
Federal Emergency Management Agency				
Passed through Texas Department of Public Safety				
Hurricane Preparedness PSA	83.552	EMT-2003-GR-0005	<u>2,000</u>	<u>2,000</u>
			<u>2,000</u>	<u>2,000</u>
Pre-Disaster Mitigation Grant Program	83.557	PDM02-005	<u>125,000</u>	<u>18,872</u>
			<u>125,000</u>	<u>18,872</u>
Total Federal Emergency Management Agency			<u>127,000</u>	<u>20,872</u>
Corporation for National and Community Service				
Direct Programs				
Retired Senior Volunteer Program 04-05	94.002	02SRWTX033	54,915	4,603
Retired Senior Volunteer Program 05-06		05SRWTX018	<u>55,371</u>	<u>53,140</u>
			<u>110,286</u>	<u>57,743</u>
Senior Companion Program 02-03	94.016	01SCWTX002	271,525	24,634
Senior Companion Program 04-05		03SCWTX003	271,525	229,910
Senior Companion Program 05-06		04SCWTX001	271,525	53,085
			<u>814,575</u>	<u>307,629</u>
Total Corporation for National & Community Service			<u>924,861</u>	<u>365,372</u>
Emergency Preparedness And Response Directorate				
Direct Programs				
Assistance to Firefighters Grant-Fire Prevention	97.044	EMW-2004-FP-01286	<u>39,435</u>	<u>26,792</u>
Total Emergency Preparedness and Response Directorate			<u>39,435</u>	<u>26,792</u>
Office for Domestic Preparedness				
Direct Programs				
Metropolitan Medical Response System 01	97.071	282-00-0040	400,000	39,582
Metropolitan Medical Response System 06		EMW-2004-GR-0804	400,000	68,681
			<u>800,000</u>	<u>108,263</u>

(Continued)

**SCHEDULE OF FEDERAL EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2005**

<u>Federal Grantor/Pass-Through Grantor</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Program or Award Amount</u>	<u>Disbursements/ Expenditures</u>
Passed through Texas Engineering Extension Service Preparedness Equipment Support Program	97.004	N/A	528,776	285,146
Total Office for Domestic Preparedness			<u>528,776</u>	<u>285,146</u>
			<u>1,328,776</u>	<u>393,409</u>
U.S. Department of Health and Human Services				
Passed through Texas Department on Aging				
Special Programs for the Aging - Title IIIB, Part B - Grants For Supportive Services and Senior Centers	93.044			
Elderly Nutrition Services 03-04		AA3-0448-4	41,852	6,512
Elderly Nutrition Services 04-05		AA3-0548-4	39,812	32,218
			<u>81,664</u>	<u>38,730</u>
Special Programs For The Aging - Title III, Part C - Elderly Nutrition Services 03-04	93.045	AA3-0448-4	761,148	69,990
Elderly Nutrition Services 04-05		AA3-0548-4	718,642	419,015
			<u>1,479,790</u>	<u>489,005</u>
Special Programs For The Aging - Title III, Part E - Area Agency on Aging 02-04	93.052	AA3-0348-4	11,990	11,990
Area Agency on Aging 03-04		AA3-0448-4	35,702	9,573
Area Agency on Aging 04-05		AA3-0548-4	31,875	31,875
			<u>79,567</u>	<u>53,438</u>
Special Programs For The Aging - Title III, Part C - NSIP Nutrition Services Incentive Program 04-05	93.053	AA3-0548-4	141,848	109,610
			<u>141,848</u>	<u>109,610</u>
Passed through Texas Department of Health				
Social Services Block Grant	93.667			
Title XX Meals on Wheels-NSIP 02-03		PS-08-292-P-02	257,076	71,450
Title XX Meals on Wheels-NSIP 03-04		PS-08-292-P-02	239,355	41,039
Title XX Meals on Wheels-NSIP 04-05		PS-08-292-P-02	211,352	107,209
			<u>707,783</u>	<u>219,698</u>
Preventive Health/Health Services Block Grant				
Project Grants and Cooperative Agreements for TB Control				
TB/PC 2004	93.116	7460005741-05-01	87,979	41,907
TB/PC 2005		7460005741-2005	91,523	55,003
			<u>179,502</u>	<u>96,910</u>
Immunization Grants	93.268			
Immunization/AP-LHS 02-03		7460005741-03-04	124,223	(18,450)
Immunization/AP-LHS 03-04		7460005741-04-04	165,630	189,759
			<u>289,853</u>	<u>171,309</u>

(Continued)

**SCHEDULE OF FEDERAL EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2005**

<b>Federal Grantor/Pass-Through Grantor</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Grantor's Number</b>	<b>Program or Award Amount</b>	<b>Disbursements/Expenditures</b>
Investigations and Technical Assistance	93.283			
CCAPWELL-Obesity 04-05		7460005741-2005	10,000	8,689
CCAPWELL-Obesity 04-05		0000307381	15,000	1,508
			<u>25,000</u>	<u>10,197</u>
Breast and Cervical Cancer Early Detection Program	93.919			
BCCCP-2005		7460005741C2005	87,000	81,662
			<u>87,000</u>	<u>81,662</u>
Diabetes Control Program	93.988			
Diabetes/CDSP		7460005741-2005	89,010	61,483
			<u>89,010</u>	<u>61,483</u>
Preventive Health/Health Services Block Grant	93.991			
BRLHO/STD 03-04		7460005741-03-04	37,950	2,056
BRLHO/STD 04-05		7460005741-5000	16,900	23,389
BRLHO/LAB 03-04		7460005741-03-04	40,025	4,354
BRLHO/LAB 04-05		7460005741-5000	66,200	65,292
BRLHO/Envmt 03-04		7460005741-03-04	40,000	4,696
BRLHO/Envmt 04-05		7460005741-5000	58,265	35,643
BRLHO/Health 04-05		7460005741-5000	80,968	123,228
Lab Bioterrorism Preparedness		7460005741-04-07	136,104	114,653
			<u>476,412</u>	<u>373,311</u>
Maternal/Child Health Services Block Grant	93.994			
ACFH/FEE-Family Planning 2005		7460005741A2005	306,274	76,696
			<u>306,274</u>	<u>76,696</u>
Total Department of Health and Human Services			<u>3,943,703</u>	<u>1,782,049</u>
U.S. Department of Agriculture				
Passed through Texas Dept. of Health				
Special Supplemental Food Program for				
Women, Infants & Children 03-04	10.557	74600057412004	709,482	167,631
Women, Infants & Children 04-05		74600057412005	620,000	552,221
			<u>1,329,482</u>	<u>719,852</u>
Passed through Texas Department of Human Services				
After School Snack Program 03-04	10.558	TX178-1009	206,451	13,551
After School Snack Program 04-05		TX178-1009	206,451	105,028
			<u>412,902</u>	<u>118,579</u>
Summer Food Program 2004	10.559	TX178-1009	416,840	35,085
Summer Food Program 2005		TX178-1009	416,840	275,005
			<u>833,680</u>	<u>310,090</u>
Total Department of Agriculture			<u>2,576,064</u>	<u>1,148,521</u>

(Continued)

**SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2005**

<u>Federal Grantor/Pass-Through Grantor</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Program or Award Amount</u>	<u>Disbursements/ Expenditures</u>
Fishing and Wildlife Department				
Passed Through Boating Infrastructure Grant (BIG)				
Marina Restroom Facility	15.662	BIG-001	200,000	169,152
Total Department of Interior			200,000	169,152
Total Federal and passed through assistance			\$ 79,709,740	\$ 14,564,881

**NOTES TO SCHEDULE OF FEDERAL EXPENDITURES OF AWARDS  
FISCAL YEAR ENDED JULY 31, 2005**

**1. General**

The accompanying Schedule of Federal Expenditures of Awards presents the activity of all Federal financial assistance programs of the City of Corpus Christi, Texas. The City's reporting entity is defined in Note 1 to the City's basic financial statements. All Federal financial assistance received directly from Federal agencies or passed through other governmental agencies is included on the Schedule.

**2. Basis of Accounting**

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

**3. Relationship to Basic Financial Statements**

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

General Fund	\$ 119,700
Special Revenue Funds	
Federal/State Grants	10,532,962
Corpus Christi Community Improvement	955,003
Enterprise Funds:	
Airport Fund	2,788,064
Marina	169,152
	<u>\$ 14,564,881</u>

**4. Relationship to Federal Financial Reports**

Amounts reported in the Schedule of Federal Expenditures of Awards may not agree with the amounts reported in the related Federal financial reports filed with grantor agencies because of accruals which would be included in the next report filed with the agencies.

**5. Major Grant Programs**

These represent major Federal Financial Assistance Programs.

**6. Insurance in Effect**

The City's self-insured due to the high cost of commercial life, health, and liability insurance. Commercial property insurance for \$80 million on City buildings, \$75 million in excess airport liability; \$10 million of excess gas utility liability insurance, and an excess insurance policy which covers workers' compensation claims in excess of \$350,000 per accident up to \$2 million is maintained.

