

City of Corpus Christi, Texas

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**Comprehensive Annual
Financial Report**

For the Fiscal Year Ended
July 31, 2006





City of
Corpus
Christi

the CITY OF CORPUS CHRISTI, TEXAS

Comprehensive Annual Financial Report

For Fiscal Year Ended July 31, 2006

CITY COUNCIL

Mayor
Henry Garrett

City Council Members

Brent Chesney
Melody Cooper
Jerry Garcia
Bill Kelly
Rex Kinnison
John Marez
Jesse Noyola
Mark Scott

City Manager
George K. Noe

Assistant City Managers

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Director of Financial Services

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Assistant Director of Financial Services

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**City of
Corpus
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For the Fiscal Year Ended July 31, 2006**

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City of
Corpus
Christi



City of
Corpus
Christi

January 5, 2007

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

FINANCIAL SERVICES

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

State law requires that every general-purpose local government publish at the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended July 31, 2006.

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, 2006. The independent auditor's report is located at the front of the financial section of this report.

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

PROFILE OF THE GOVERNMENT

The City was incorporated in 1852. In 1909 the City was organized under a City Charter and operated as a General Law city until 1926, at which time a Home Rule Charter with a Commission form of government was adopted. The Charter was amended in 1945 to adopt the present and nationally predominant Council-Manager form of government.

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



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

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

The City is financially accountable for the Corpus Christi Community Improvement Corporation, the Corpus Christi Housing Finance Corporation, the Corpus Christi Industrial Development Corporation, the Corpus Christi Crime Control and Prevention District, the Corpus Christi Business and Job Development Corporation, and the North Padre Island Development Corporation (which includes the Tax Increment Financing Zone Number 2). These are shown as 'blended component units' within the City's financial statements. The City of Corpus Christi has financial accountability for the legally separate Coastal Bend Health Facilities Development Corporation and the Corpus Christi Convention and Visitors Bureau, both of which are reported separately within the City's financial statements. Additional information on these legally separate entities can be found in the notes to the financial statements (See Note 1).

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

ECONOMIC CONDITION

Local Economy

The City of Corpus Christi is the eighth largest city in the State of Texas with a population of 299,602 based on the City's 2006 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 federal courthouse and the largest industrial employer in south Texas – the Corpus Christi Army Depot, which employs over 3,400 people. 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 in 2005 for base closure with the actual closure estimated to be in the fall of 2010.

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

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

Port of Corpus Christi

The trade area's principal outlet for agricultural and petroleum products is the Port of Corpus Christi, which opened to world markets in 1926. Today, it is the sixth largest port in the United States and the 44th in the world in terms of cargo tonnage. In 2006, the Port handled a volume of 86.8 million tons of cargo. The Port's channel stretches over 30 miles and links the Corpus Christi Bay with the Gulf of Mexico. 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 pipelines 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 illustrated by the five million people who visit the region annually. Tourism has a \$1 billion annual economic impact upon Corpus Christi and its surrounding area, according to the Corpus Christi Convention and Visitors Bureau. 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 multi-purpose arena at the American Bank Center, the 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. The Corpus Christi area is also a renowned location for water sports, including windsurfing and kiteboarding, and serves as host to the annual U. S. Open Windsurfing Regatta and international power and sail boat races.

Construction Permits

The table below shows the number of permits and value of permits since FY 1996-1997. New construction activity in Corpus Christi, as shown by the value of permits issued in each fiscal year, has grown especially within the last four years:

<u>Year</u>	<u>Building Permits</u>	<u>Value</u>
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
2005-2006	5,989	450,750,242

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 8.3% in 1997 to 5.7% in 2006. During this same period, personal income rose from \$20,381 to \$33,904 or 66.4%.

Major Revenues

During the past five years, the government's expenses related to public safety (i.e., police and municipal court, fire, ambulance, emergency management, and inspections), streets, community enrichment (i.e., museum, libraries, and park and recreation), and convention and visitors activities have increased not only in amount, but also as a percentage of total expenses (a five-year increase of 37%, 42%, 204% and 130%, respectively). 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 faster rate than those of other categories of public-sector employees. Additionally in fiscal year 2006, the City incurred additional costs as it related to the housing of Hurricane Katrina and Rita victims. These expenses were substantially reimbursed by the Federal Emergency Management Agency (FEMA). In the case of streets, the City has committed to its citizens to improve the conditions of its streets – both in improvements to existing streets and in routine maintenance. The growth in community enrichment and convention and visitors activities expenses reflects an increase in the number of sponsored programs and events.

During this same five-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/Relevant financing policies

Unreserved, undesignated fund balance in the general fund (14.6% of total general fund expenditures) falls within the policy guidelines set by the City Council for budgetary and planning purposes. The City Council established a goal several years ago to build and maintain an unreserved fund balance in the general fund which totals at least ten (10%) percent of the total annual general fund appropriations, excluding anticipated reimbursements and inter-fund transfers, within five years. Through the prudent and fiscally responsible leadership of the City's management, this goal has been met, and the balances have exceeded the 10% goal for the past 4 years.

In January 2006, the City Council reaffirmed the financial policy noted above, providing policies for maintenance of the general fund unreserved, undesignated balance at an adequate level and providing policy direction on preparation of the fiscal year 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 the property tax rate for maintenance and operations be set in fiscal year 2006-07 and in future fiscal years at the effective tax rate (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 fiscal year 2006-2007 through fiscal year 2010-2011 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 2005-06 was one of continued growth and revitalization for the City of Corpus Christi. 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, which is near completion; 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.

The City's new arena at the American Bank Center celebrated its first year of operation in 2006. A wide variety of entertainment options were offered 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 marked completion of their second season in Corpus Christi by capturing the Texas League Championship. Home for the Corpus Christi Hooks is Whataburger Field, which 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.

In October 2006, Packery Channel was opened. This project was a collaborative project between the United States Army Corps of Engineers and the City of Corpus Christi and

consisted of dredging a channel between Padre and Mustang Islands to make it easier for boats to get to the Gulf of Mexico. This project has already caused increased development on Padre Island with additional future development anticipated.

Following the successful completion of the automated meter reading system (AMR) pilot project that connects through the City's WiFi network, a five-year deployment plan was initiated. Over 25 percent of the project was completed by the end of 2006, with the system planned to be fully operational by 2009.

In 2006, Corpus Christi was named, for the second year in a row, the 2006 Number One Digital City in the United States for cities with a population of 250,000 or more. Attributing to this honor were some of the City's new web applications - including the customer online center, through which citizens can use the City web site to search City services FAQ's (frequently asked questions), send comments or questions, and submit service requests. The City's web site also features a new "Ready Corpus Christi" site for hurricane and other emergency information and notification; several new public safety sites, such as CrimeStoppers; and a rotating web cam with bayfront views. Additionally, the City's "seamless City service" initiatives were highlighted along with the new automated citywide "Balanced Scorecard" for measuring and tracking performance of departments and online registration and payments for many arts, cultural, and recreational sites throughout the City.

In 2006, the City was also honored for its WiFi network by the Intelligent Community Forum in New York City that named Corpus Christi as one of only 21 communities worldwide to be selected as one of the organization's "Smart21 Communities of the Year" for the City's vision in using broadband communications.

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, 2005, continuing to confirm compliance with both GAAP and legal requirements. This was the twenty-third 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, 2005. The City has received seventeen 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, 2005

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.



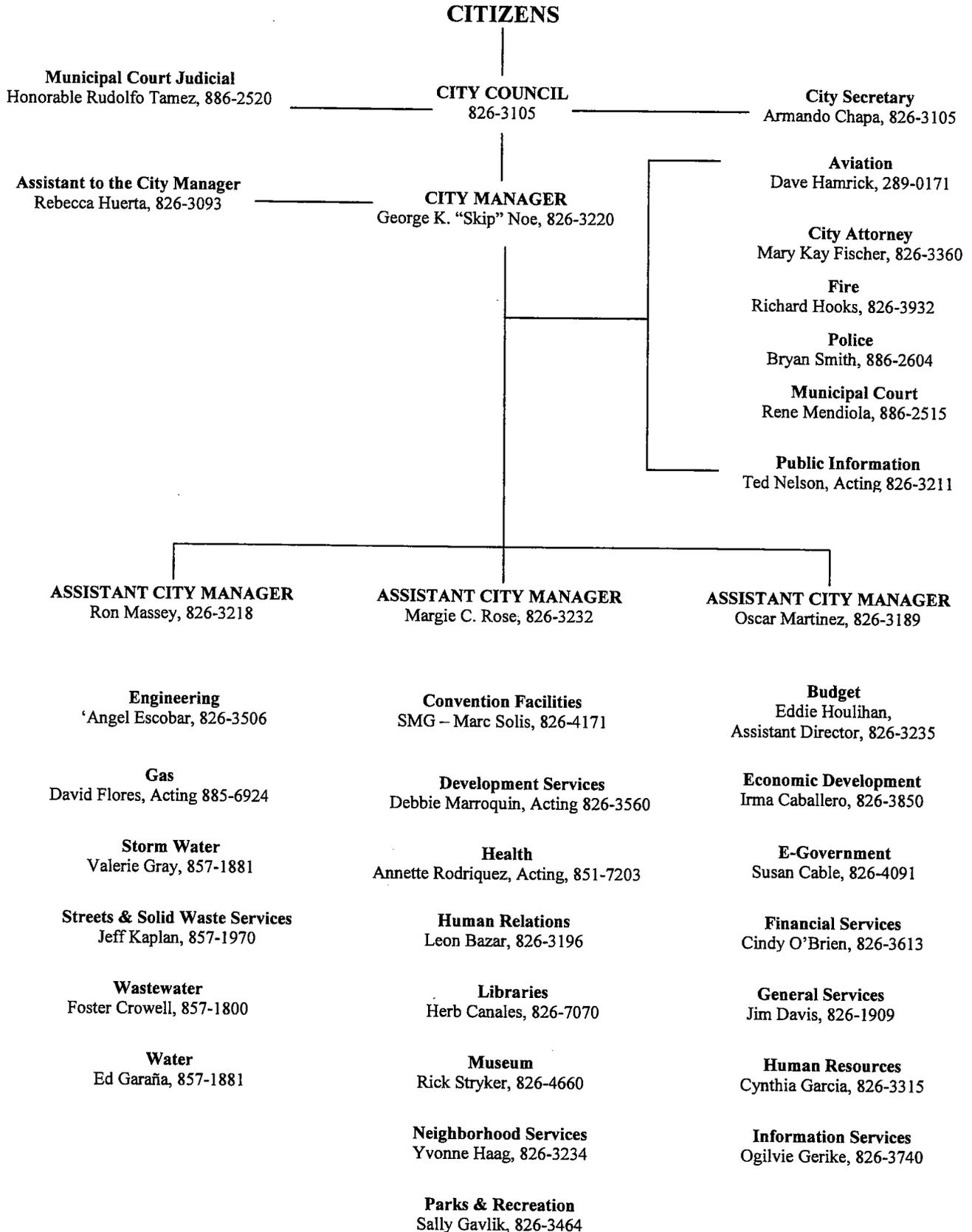
A handwritten signature in black ink, appearing to read "Thomas J. Hawn".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

City of Corpus Christi, Texas Organizational Chart



INDEPENDENT AUDITOR'S REPORT

January 5, 2007

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, 2006, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Corpus Christi Convention and Visitors Bureau whose assets were \$457,952 and revenues were \$2,767,825, the AmericanBank Center Convention Center Fund whose assets were \$593,183 and revenues were \$1,923,062, the AmericanBank Center Arena Operations Fund whose assets were \$1,754,271 and revenues were \$4,537,564 and the AmericanBank Center Food and Beverage Operation Fund whose assets were \$206,097 and revenues were \$1,907,012. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Corpus Christi Convention and Visitors Bureau and the American Bank Center Convention Center Fund, 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, 2006

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 5, 2007 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 16 and 75 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Corpus Christi's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, capital assets used in the operation of governmental funds and the statistical tables listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal/state awards, pages 331 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 by the *State of Texas Single Audit Circular* issued by the Governor's Office of Budget and Planning and is also not a required part of the basic financial statements of the City. The combining and individual fund statements and schedules, capital assets used in the operation of governmental funds and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we express no opinion on them.

Collins, 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, 2006. The MD&A should be read in conjunction with the transmittal letter found in the Introductory Section of this report and the accompanying financial statements and disclosure following this section.

FINANCIAL HIGHLIGHTS

Entity Wide

- Total net assets of the City, excluding component units, were \$859.3 million at July 31, 2006, an increase of \$42.7 million, or 5.2% compared to July 31, 2005. Of these assets, 73.3% are invested in capital assets or restricted with the remaining 26.7% unrestricted.
- Total net expenses over program revenue were nearly the same for both years ended July 31, 2006 and 2005, reflecting net expenses of \$111.4 million and \$111.3 million, respectively.
- Total general revenues and transfers, excluding component units, were \$154.2 million at July 31, 2006, an increase of \$15.6 million, or 11.2% greater than the prior year.

Governmental Activities

- On a government-wide basis for governmental activities, the City had expenses net of program revenue of \$141.2 million at July 31, 2006, compared to \$126.2 million at July 31, 2005, representing an increase of 12% from prior year.
- General revenues and transfers totaled \$163.7 million at July 31, 2006, resulting in an increase in net assets of \$22.4 million. This compares to July 31, 2005 totals of \$143.0 million in general revenues and transfers with an increase in net assets of \$16.8 million.
- Net assets increased by 10.3%, from \$217.6 million at July 31, 2005 to \$240.0 million at July 31, 2006.
- During the fiscal year ended July 31, 2006, the City issued \$2.9 million in revenue bonds for development of Packery Channel. At the end of fiscal year 2006, the City as a whole had \$302.4 million in outstanding ad valorem and sales tax supported bonds compared to \$318.6 million at July 31, 2005. The City has maintained it's ratings of A+ by Standard & Poor's, AA- by Fitch, and A1 by Moody's for General Improvement bonds.

Business-Type Activities

- On a government-wide basis for business-type activities, program revenue net of expenses was \$29.8 million for fiscal year ended July 31, 2006 compared to \$14.9 million for 2005; a 100.4% increase.
- Net assets increased by 3.4%, from \$598.9 million at July 31, 2005 to \$619.3 million at July 31, 2006.
- During the fiscal year ended July 31, 2006, the City issued \$18.6 million in Certificates of Obligation for improvements to the City's landfill and \$68.3 million in Utility System Revenue Refunding bonds, all of which were used to refund outstanding commercial paper. At the end of fiscal year 2006, the City as a whole had \$497.9 million in outstanding revenue bonds and certificates of obligation compared to \$433.5 million at July 31, 2005. The City maintained it's ratings of A+ by Standard & Poor's, AA- by Fitch, and A2 by Moody's for the Utility System bonds.

General Fund

- At the end of the current fiscal year, unreserved, undesignated fund balance for the General Fund was \$23.5 million, or 14.6% of the General Fund expenditures. This compares to an unreserved, undesignated fund balance of \$18.1 million, or 12.5% of General Fund expenditures for fiscal year ended July 31, 2005.
- Revenues of \$162.6 million for fiscal year ended July 31, 2006 increased by 6.0% from prior year revenues of \$153.4 million.
- General Fund expenditures were \$161.2 million for the current year, compared to \$151.5 million for fiscal year ended July 31, 2005, or a 6.42% increase.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

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

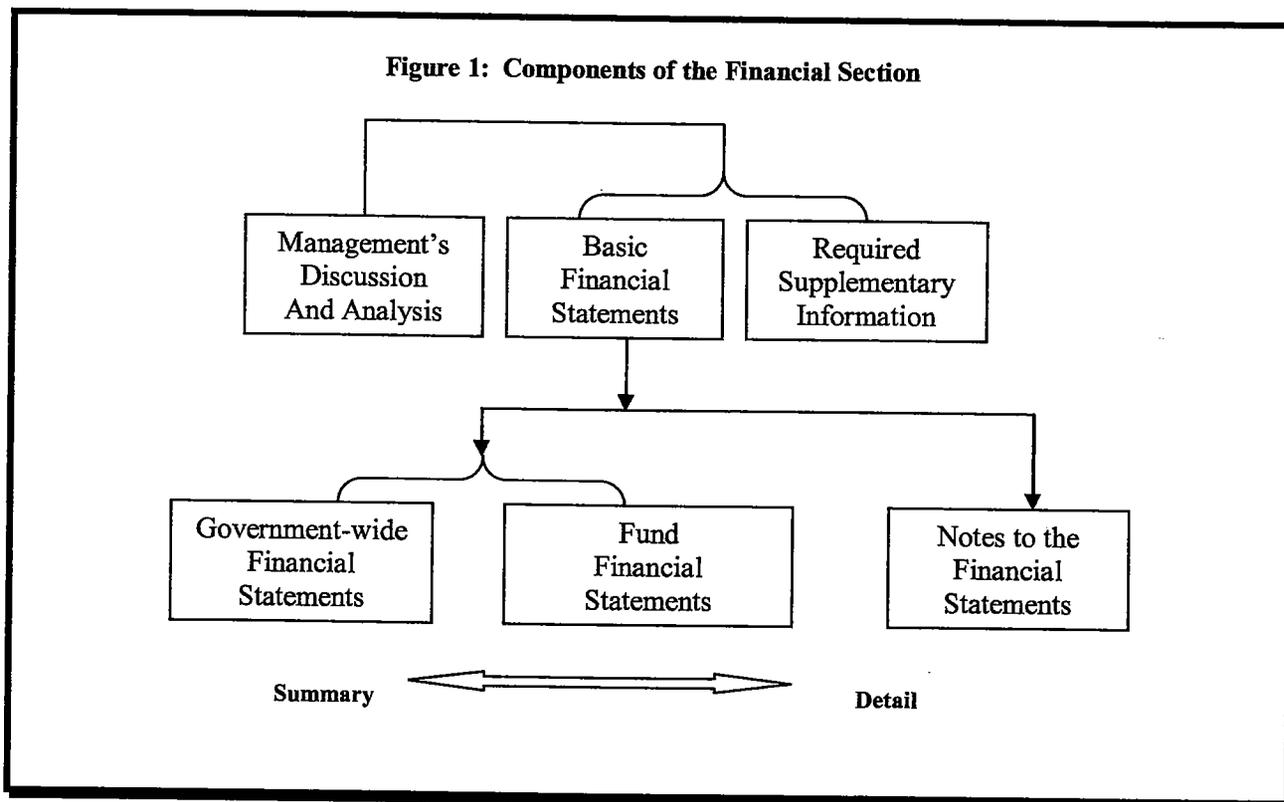


Figure 1 depicts how the required parts of this annual financial report are arranged and relate to one another. In addition to these required elements, a section with combining and individual fund financial statements and schedules that provides details about the non-major governmental funds and internal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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

- Governmental funds – General Fund, Debt Service Fund, and other Non-major Funds consisting of special revenue funds, capital project funds, the other debt service funds, focus on how cash and other financial assets that can readily be converted to cash flow in and out and the balances left at year-end that are available for spending. The governmental funds statements provide the short-term view that helps determine whether there are more or fewer financial resources to be spent in the near future to finance the City's programs. Because the focus of governmental funds does not encompass the additional long-term focus of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.
- Proprietary funds – Enterprise funds and Internal Service funds are used to report services for which the City charges their customers, either internal or external, a fee. These funds, like the government-wide statements, provide both long-term and short-term financial information, however, in more detail. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements, excluding Solid Waste Services, which is recorded in the General Fund. The City uses enterprise funds to account for its Utility system, Airport, Golf Courses, and Marina. Internal service funds are used to report activities that provide supplies and services for the City's various other programs and activities. The City uses internal service funds to account for Stores, Maintenance Services, Municipal Information Systems, Liability and Employee Benefits, 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

In prior years, the City accounted for the activities related to ambulance services through an enterprise fund. Effective August 1, 2005, the City eliminated the ambulance enterprise fund and began accounting for the ambulance activity in the General Fund. The change was made because the Ambulance Fund was not self-supporting and had to be significantly subsidized by the General Fund. This change in accounting method has no effect on the overall financial condition of the City. However, it did result in reclassifications between governmental activities and business-type activities. All comparative information has been restated.

Net Assets

At July 31, 2006, the net assets for the City of Corpus Christi totaled \$859 million, \$43 million higher than the prior year. The composition of these net assets is \$240 million for governmental activities and \$619 million for business-type activities. The largest portion of the City's net assets, 70%, 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, \$230 million for 2006, 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.

the City of Corpus Christi, Texas

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, 2006 and 2005
(in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Capital assets, net of accumulated depreciation	\$ 412,591	\$ 407,624	\$ 1,015,885	\$ 936,985	\$ 1,428,476	\$ 1,344,609
Other assets	223,635	229,910	340,191	316,176	563,826	546,086
Total assets	636,226	637,534	1,356,076	1,253,161	1,992,302	1,890,695
Long-term liabilities	352,838	371,829	695,829	633,942	1,048,667	1,005,771
Other liabilities	43,348	48,081	40,968	20,271	84,316	68,352
Total liabilities	396,186	419,910	736,797	654,213	1,132,983	1,074,123
Net assets						
Invested in capital assets, net of related debt	95,591	53,499	505,476	527,248	601,067	580,747
Restricted	--	--	28,524	41,046	28,524	41,046
Unrestricted	144,449	164,125	85,279	30,654	229,728	194,779
Total net assets	\$ 240,040	\$ 217,624	\$ 619,279	\$ 598,948	\$ 859,319	\$ 816,572

Of the business-type activities, the Utility System fund is the largest operation at the City with total assets of \$1.2 billion, comprising 87.5% of all business-type activities total assets for 2006. The Utility System fund net assets were \$526.1 million which is 85.0% of total business-type activities net assets for 2006, compared to 86.4% for 2005.

the City of Corpus Christi, Texas

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, 2006 and 2005
(in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Revenue						
Program revenues						
Charges for services	\$ 52,974	\$ 48,202	\$ 198,895	\$ 191,596	\$ 251,869	\$ 239,798
Operating grants and contributions	12,554	13,713	8,635	4,853	21,189	18,566
Capital grants and contributions	6,788	5,496	12,018	21	18,806	5,517
General revenue						
Property taxes	71,305	68,210	--	--	71,305	68,210
Sales and hotel occupancy taxes	70,670	64,624	--	--	70,670	64,624
Investment earnings	5,423	2,943	6,798	2,837	12,221	5,780
Total revenues	<u>219,714</u>	<u>203,188</u>	<u>226,346</u>	<u>199,307</u>	<u>446,060</u>	<u>402,495</u>
Expenses						
General government	18,932	18,958	--	--	18,932	18,958
Police and municipal court	60,562	58,211	--	--	60,562	58,211
Fire	26,819	26,805	--	--	26,819	26,805
Ambulance	6,362	6,142	--	--	6,362	6,142
Emergency management	2,392	390	--	--	2,392	390
Inspections	1,805	1,547	--	--	1,805	1,547
Streets	21,438	19,393	--	--	21,438	19,393
Health	6,417	6,383	--	--	6,417	6,383
Parks and recreation	19,254	18,386	--	--	19,254	18,386
Libraries	4,596	4,611	--	--	4,596	4,611
Museums	1,522	1,422	--	--	1,522	1,422
Community enrichment	1,501	926	--	--	1,501	926
Community development	6,228	5,621	--	--	6,228	5,621
Convention and visitors activities	18,438	13,895	--	--	18,438	13,895
Interest on long-term debt	17,291	13,194	--	--	17,291	13,194
Solid waste	--	--	11,872	14,390	11,872	14,390
Utilities	--	--	163,552	150,676	163,552	150,676
Airport	--	--	11,155	11,162	11,155	11,162
Golf centers	--	--	1,796	1,795	1,796	1,795
Marina	--	--	1,381	1,261	1,381	1,261
Total expenses	<u>213,557</u>	<u>195,884</u>	<u>189,756</u>	<u>179,284</u>	<u>403,313</u>	<u>375,168</u>
Excess revenues over expenses	6,157	7,304	36,590	20,023	42,747	27,327
Transfers	16,259	10,008	(16,259)	(10,008)	--	--
Increase in net assets	<u>22,416</u>	<u>17,312</u>	<u>20,331</u>	<u>10,015</u>	<u>42,747</u>	<u>27,327</u>
Net assets at beginning of year	<u>217,624</u>	<u>200,312</u>	<u>598,948</u>	<u>588,933</u>	<u>816,572</u>	<u>789,245</u>
Net assets at end of year	<u>\$ 240,040</u>	<u>\$ 217,624</u>	<u>\$ 619,279</u>	<u>\$ 598,948</u>	<u>\$ 859,319</u>	<u>\$ 816,572</u>

Governmental Activities

As shown in Table 2, the increase in net assets for governmental activities for 2006 was \$22.4 million, compared to a net increase of \$17.3 million for 2005. For fiscal year ended July 31, 2006, revenues totaled \$219.7 million compared to \$202.9 million in the prior year. The two largest sources of revenue were property taxes and sales and hotel occupancy taxes, which increased in total \$9.2 million from prior year. Property taxes increased from \$68.2 million in 2005 to \$71.3 million in 2006 even after a decrease in the overall property tax rate of over 2 cents because the net assessed values increased 8.8%. Sales and hotel occupancy taxes, likewise increased from \$64.6 million in 2005 to \$70.7 million, a 9.6% increase. A major contributing factor for this increase was the presence of a national bowlers conference for six months during the fiscal year, adding to the overall increase in the economy of the City. The third largest revenue source for 2006, \$53.0 million, was charges for services, which reflects an increase of \$5 million over the prior year. Major revenues making up the increase reported in the General Fund are fines and forfeitures (\$460 thousand), Metrocom dispatching (\$936 thousand), 9-1-1 wireless and wireline fees (\$200 thousand), and recreational services (\$250 thousand). These revenues account for the majority of the variance between 2006 and 2005.

Expenses for governmental activities totaled \$213.6 million compared to \$195.9 million in 2005. The major variances between years were Police and municipal court with a \$2.3 million increase; Emergency management with a \$2 million increase; Streets with a \$2 million increase; Parks and recreation with a \$868 thousand increase; Community Development with a \$607 thousand increase; Convention and Visitor activities with a \$4.5 million increase; and an increase in interest on long-term debt of \$4.1 million. 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 \$5.6 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 2006. The activities receiving a major portion of the reduction include general government (\$714 thousand), police (\$2 million), fire (\$1.2 million), and park and recreation (\$746 thousand).

Business-type Activities

As shown in Table 2, the increase in net assets for business-type activities for 2006 was \$20.3 million versus a net increase in net assets for 2005 of \$10.1 million. Business-type activities generated revenues of \$226.3 million for 2006 compared to \$199.6 million for 2005. Charges for services were the primary source for these revenues, totaling \$198.9 million in 2006 and \$191.9 million in 2005. 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 \$164.0 million with net income reported for 2006 at \$8.6 million, compared to \$246 thousand in 2005. This increase in income compared to the prior year is attributed to weather conditions – 2006 was a dry year as compared to 2005 when we had a wet year combined with mild winter months. After reporting a net loss after operating transfers for two years in a row, the gas department reported a net income of \$1.7 million. This net income was a result of a combination of gas usage and the cost containment measures taken during the fiscal year. The water department report net income for 2006 of \$3.1 million, compared to a \$1.5 million gain after operating transfers reported in 2005. The Wastewater department recovered from the net loss after operating transfers of \$274 thousand

reported in 2005, reporting net income of \$3.8 million. Net revenues from business-type activities totaled \$29.8 million, with Solid Waste generating \$12.3 million, or 41.4% of the total.

Expenses for business-type activities totaled \$190 million compared to \$179 million for 2005, a 5.8% increase. The major expense reported in the business-type activities was Utilities (86.2%), reflecting \$164 million in 2006 compared to \$151 million in 2005. Contributing factors to the 8.5% increase in Utilities expenses from prior year are greater depreciation expense in both the water and wastewater departments due to the capitalization of completed capital projects, major repairs to lines in the water and wastewater departments, brought on by dry conditions, major increases in electricity charges, 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 6.3% 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 \$3.9 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 2006. The activities receiving a major portion of the reduction include utilities (\$3 million), solid waste (\$354 thousand), and airport (\$390 thousand).

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

- Total assets of the General Fund increased from the prior year, reporting \$37.4 million in 2006 compared to \$33.9 million in 2005. Cash, cash equivalents and investments reflect \$22 million or 58.7% of total assets with net receivables reporting \$13.6 million, or 36.4% of the total. The majority of the net receivables balance was in demolition liens and intergovernmental receivables attributed to sales tax.
- Total liabilities of the General Fund decreased from \$13.5 million in 2005 to \$10.4 million in 2006, attributable mainly to decreases in the accounts payable and accrued liabilities categories, which were higher than usual in 2005 due to delays in payments because of a computer upgrade of the financial system.
- General Fund revenues reflect a \$6.8 million increase over the budget estimate and a \$10.6 million increase over 2005. Contributing to the \$6.8 million increase over the budget estimate are sales taxes (\$1.8 million), business fees (\$499 thousand), fines and forfeitures (\$852 thousand), charges for services (\$917 thousand), licenses and permits (\$759 thousand), and grants (\$790 thousand). The City experienced an overall growth of 8.80% in net assessed property values for 2006. However, the City Council approved a reduction in the Maintenance and Operations portion of the property tax rate which resulted in property tax revenues \$310 thousand greater than amounts budgeted, yet comparable to prior year revenues. Sales tax revenues have continued to rebound from prior years collections (8.5% growth from 2005 revenues), and are anticipated to continue growth at a moderate pace. Included in the increase in licenses and permits is \$633 thousand attributed to City development, as reflected in the building, electrical, plumbing and mechanical permits issued in 2006. Increases in fines and forfeitures reflect \$229 thousand attributed to the increased collection efforts for the failure to appear fines. The

ambulance division, moved to the General Fund this year, reflects an increase of \$429 thousand in emergency calls revenue, and the police department reports increase revenue of \$367 thousand, mainly due to Metrocom revenues. The City has experienced great growth in 2006, as is reflected in these General Fund revenues.

- The General Fund's unreserved undesignated fund balance increased by 29.7% in 2006, reporting a balance of \$23.5 million, compared to \$18.1 million in 2005. The contributing factors to the increase, as mentioned previously, are the increases in revenues, topped by the sales tax collections.
- The Debt Service Fund's total fund balance decreased by less than \$73 thousand, reporting a balance of \$10.3 million in 2006. Though revenues reflect an increase from 2005 of \$4 million, the fund balance was budgeted to be drawn down during the year.
- The FY2005-06 ad valorem tax rate was reduced for a second year in a row, to \$0.625799 per \$100 of assessed value, distributed \$0.426624 for the General Fund and \$0.199175 for Debt Service. The Debt Service rate was increased by 2 ½ cents to fund the \$95 million in voter approved debt, yet the overall tax rate was still lower than prior year due to the decrease in the General Fund rate. The tax rate of \$0.634175 for FY2004-05 was distributed between the General Fund and Debt Service at \$0.460000, and \$0.174175, respectively.

Non-major Governmental Funds

Funds comprising the non-major governmental category are Special Revenue and Capital Projects funds and Debt Service funds from the Corpus Christi Business and Job Development Corporation and the North Padre Island Development Corporation. Total assets for the combined funds were \$152.6 million in 2006 compared to \$166.8 million in 2005. The major changes in assets are reflected by increases in the Special Revenue funds (\$6.2 million net) offset by decreases in the Capital Project funds (\$18.9 million net). The Special Revenue funds – Corpus Christi Business and Job Development Corporation reported higher sales tax collections and interest earnings (\$1.6 million) and transferred less to the debt service fund (\$1.6 million) and North Padre Island Development Corporation reported an increase in property tax collections and interest earnings (\$361 thousand). The decrease in assets for the Capital Projects funds is a direct reflection of the spend down and completion of projects. Total liabilities were \$16.5 million compared to \$13.7 million in 2005, with the major factor being decreases in accounts payable in the Capital Projects funds. The total fund balances of \$136.1 million are less than the \$153.1 million reported in 2005 and are reflective of the variances in assets and liabilities described above.

CAPITAL ASSET AND DEBT ADMINISTRATION

As shown in Table 3 below, at the end of 2006, the City had invested \$1.4 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 \$83.9 million, or 6.2% over last year. The major increases in the governmental activities were \$2.7 million to buildings and \$8.7 million for improvements, which were offset by a reduction in construction in progress of \$5.3 million. The business-type activities increased by \$78.9 million with the majority of the increase in

the City of Corpus Christi, Texas

improvements and construction in progress 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, 2006 and 2005
(in 000's)

	Governmental Activities		Business-Type Activities		Total		% Change 2006-2005
	2006	2005	2006	2005	2006	2005	
Land	\$ 55,599	\$ 55,451	\$ 33,103	\$ 31,757	\$ 88,702	\$ 87,208	1.7%
Buildings	164,628	161,920	60,667	61,964	225,295	223,884	0.6%
Improvements	62,514	53,794	202,290	192,045	264,804	245,839	7.7%
Equipment	25,204	26,190	17,148	19,072	42,352	45,262	-6.4%
Infrastructure	73,449	73,751	571,024	537,946	644,473	611,697	5.4%
Construction in progress	31,197	36,518	131,653	94,201	162,850	130,719	24.6%
Total	<u>\$ 412,591</u>	<u>\$ 407,624</u>	<u>\$ 1,015,885</u>	<u>\$ 936,985</u>	<u>\$ 1,428,476</u>	<u>\$ 1,344,609</u>	6.2%

Long-term Liabilities

During the fiscal year, the City completed two bond issues to fund projects planned and approved during the past several fiscal years, and completed one refunding bond issue to refund commercial paper. 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.

In May 2006, the City issued \$18,605,000 of Combination Tax and Solid Waste Revenue Certificates of Obligation, Series 2006, for purposes of making improvements to the City's Solid Waste System, including landfill site development (the City is constructing a new landfill – the Cefe Valenzuela landfill) and drainage improvements. The bonds carried insured ratings of Aaa, AAA, and AAA, respectively, from Moody's, Standard & Poor's, and Fitch, with un-enhanced ratings of A2, A+, AA-, respectively. 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.

The City Council has continued in its joint venture with the Corps of Engineers to dredge Packery Channel to insure convenient small water craft access to the Gulf of Mexico from Corpus Christi Bay and the Laguna Madre Intercoastal Waterway. A grand opening was held in October 2006 with the ribbon cutting being done by U.S. Senator Kay Bailey Hutchison and Mayor Henry Garrett. In addition to the 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 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 fourth tranch of bonds in the amount of \$2.9 million in tax increment contract revenue bonds through the North Padre Island Development Corporation in June 2006. These bonds were not rated.

the City of Corpus Christi, Texas

In October 2005 the City issued \$68,325,000 in Utility System Revenue Refunding Bonds, Series 2005A, used to refund all of the City's outstanding commercial paper notes. The bonds carried insured ratings of Aaa, AAA, and AAA, respectively, from Moody's, Standard & Poor's, and Fitch, with un-enhanced revenue ratings of A2, A+, AA-, respectively. The bonds are to be paid from pledged revenues from the Utility System.

Table 4 shows that total long-term liabilities increased \$42.9 million in 2006, from \$1 billion to \$1.05 billion, or 4.3%. As described in the preceding paragraphs, the increase is due to the debt issues authorized during 2006. Governmental activities reported a \$19 million decrease in debt due to large debt payments being made in 2006, with business type activities reported a \$64.2 million increase. Total debt outstanding at fiscal year end was \$999.9 million, up from \$954.8 million the prior year. Accumulated compensated absences increased remained nearly constant from prior year with the landfill closure cost decreasing by \$2.4 million, or 15%. Though the closure costs are decreasing, during 2006 the useful life of the existing landfill was extended due to delays in the opening of the new site. (See Note 14 Long-term Obligations in the Financial Statements).

Table 4
Long-Term Liabilities at July 31, 2006 and 2005
(in 000's)

	Governmental Activities		Business-Type Activities		Total		% Change 2006-2005
	2006	2005	2006	2005	2006	2005	
General obligations	\$ 149,085	\$ 162,079	\$ --	\$ --	\$ 149,085	\$ 162,079	-8.0%
Certificates of obligation	32,480	34,990	44,025	25,660	76,505	60,650	26.1%
Revenue bonds	120,810	121,485	--	--	120,810	121,485	-0.6%
Utility revenue bonds	--	--	432,825	386,345	432,825	386,345	12.0%
Airport revenue bonds	--	--	21,025	21,460	21,025	21,460	-2.0%
Capital leases	6,524	6,151	3,278	4,215	9,802	10,366	-5.4%
Other notes	4,360	4,797	171,604	174,137	175,964	178,934	-1.7%
Deferred amounts	8,565	11,336	5,341	2,117	13,906	13,453	3.4%
Total debt	<u>321,824</u>	<u>340,838</u>	<u>678,098</u>	<u>613,934</u>	<u>999,922</u>	<u>954,772</u>	4.7%
Accumulated compensated absences	31,014	30,991	3,860	3,688	34,874	34,679	0.6%
Landfill closure cost	--	--	13,871	16,320	13,871	16,320	-15.0%
Total long-term liabilities	<u>\$ 352,838</u>	<u>\$ 371,829</u>	<u>\$ 695,829</u>	<u>\$ 633,942</u>	<u>\$ 1,048,667</u>	<u>\$ 1,005,771</u>	4.3%

Bond Ratings

In October 2005 and May 2006, the City received bond ratings from Moody's Investors Service, Inc. (Moody's), Standard & Poor's Ratings Service (S&P), and Fitch Ratings (Fitch) for the Utility System Revenue Refunding bonds and the Combination Tax and Solid Waste Revenue Certificates of Obligation of "Aaa", "AAA", and "AAA", respectively, based upon the simultaneous delivery of a municipal bond insurance policy, with un-enhanced general obligation and revenue bond ratings of "A2", "A+", and "AA-", respectively.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

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

The General Fund revenue budget was increased twelve times during 2006 for a total of \$1,628,396, however, it was also amended with a reduction of \$231,471 due to revised property tax estimates relating to the over 65/disabled homestead freeze resulting in tax levy loss. The net adjustment to the budget was a \$1,396,925 increase. Most amendments were from contributions, used to purchase library materials, police and fire department equipment, and to fund Park and Recreation special events. The major amendment was for the reimbursement from FEMA for Hurricanes Katrina and Rita related costs.

During the fiscal year 2006, City Council amended the General Fund expenditure budget sixteen times. (See Note 6 of the Financial Statements for more details on the budget amendments).

The adopted budget for FY2005-06 sets both general fund revenues and expenditures at \$169 million, which is \$10 million more than amounts budgeted for 2005. Major expenditure increases were \$6.5 million for Ambulance services, previously reported as an enterprise fund, \$2.9 million for Police and Municipal Court, and \$1 million for salary increases to comply with the City's Compensation Plan and reserve appropriations. Property taxes were budgeted using the certified growth reported by the appraisal district of 8.80%.

Budgetary Variances

General Fund taxes and business fees were \$108 million, a \$3.6 million increase over prior year, and \$2.8 million over budget. This year sales tax was budgeted at a 4% growth over FY2004-05 estimated collections. As an indicator of a continued upward trend, in 2006, collections exceeded the budget by \$1.8 million. Telecommunication fees, though budgeted at a 5% decrease from prior year estimates, exceeded the budget by \$359 thousand and exceeded prior year actuals by \$174 thousand. This may be an indication that the impact of deregulation has somewhat stabilized.

Licenses and permits reported an increase of \$759 thousand over budget, and \$172 thousand greater than prior year collections. The main categories contributing to the increase were building, electrical, and plumbing permits totaling \$207 thousand more than last year, which confirms the indications of growth in the City.

Charges for services reflect an overall increase of \$917 thousand over budget, with the major increase coming from police and ambulance services. The solid waste department reported under-budgeted revenues of \$456 thousand due to declines in residential refuse collection fees and refuse disposal charges. Though these areas were under-budget, they came in \$554 thousand

over prior year actual collections. For the fines and forfeitures category, the failure to appear (FTA) fines revenue reported a \$229 thousand increase over budget, with moving vehicle fines and general fines coming in \$162 thousand and \$105 thousand, respectively, over budget to contribute to the overall increase of \$852 thousand in the category. Municipal Court continues to dedication staff members to issue warrants on a monthly basis opposed to annually, generating the additional revenue.

Overall, General Fund revenues were \$6.8 million higher than the estimate.

General Fund expenditures for the FY2005-06 budget, as previously stated, were budgeted at \$167 million; \$10 million higher than the prior year budget. The major items making up the increase were: increase in ambulance operations (\$6.5 million) due to move from enterprise fund; increase in police department (\$2.7 million) for increased Metrocom dispatching operations, a 2.25% increase in uniformed personnel salaries per contractual agreements with the police union, and an additional cadet class; increase in solid waste services (\$913 thousand) to fund two new side-loader vehicles and six thousand new garbage containers; increase in street department (\$633 thousand) to improve our existing programs, including adding a new grade-all, re-conditioner, and cold plainer to the fleet; increase in fire department (\$500 thousand) for compensation increases to firefighters per the contract with the firefighters' union, as well as additional funding for a ½ percent increase in the City's contribution to the firefighters' retirement fund; and increase in park and recreation operations (\$490 thousand) to support increases in park operations and support a more aggressive capital equipment replacement schedule.

General Fund actual expenditures were \$916 thousand under the budget estimate with general government, fire, ambulance, solid waste, health, libraries, 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

- Last fiscal year the City completed major renovations to our convention center and opened a new connecting arena. Combined with the new baseball stadium opened in 2004, 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.
- The unemployment rate for Corpus Christi was consistent with 2005, increasing on slightly, from 5.4% to 5.7%. This rate is still a positive indicator that the economy has stabilized.
- The Certified Net Assessed Taxable Value experienced another large increase of 8.9% for FY2006-07, to \$11,421,305,918. Because of this growth, the City Council approved a reduction in the ad valorem tax rate for the third year in a row, lowering the tax rate from \$0.625799 per \$100 valuation to \$0.602372 per \$100 valuation. The Maintenance

and Operations (M&O) rate will be reduced to the effective M&O rate of \$0.403197 while the Debt Service rate will remain at \$0.199175 per \$100 valuation.

- The City of Corpus Christi has appropriated in total, revenues and expenditures for FY2006-07 of \$566,000,758, and \$564,673,690, respectively. The General Fund presents a balanced budget with both revenues and expenditures budgeted at \$174,140,565. This is a \$8.1 million increase over the original budget for FY2005-06, with the major items making up the difference being: fire department (\$1 million) – an additional fire academy, pay increases to comply with collective bargaining agreements, and a ½ percent increase in the City’s contribution to the firefighters’ retirement program; police department (\$973 thousand) – pay increases to comply with collective bargaining agreements and replacement of the police building HVAC chiller system; street department (\$597 thousand) for increased cost of materials and capital equipment purchase; and solid waste department (\$2.8 million) – additional debt payments for landfill improvements and additional operational costs at the new landfill.
- A 5.75% rate increase for Water and Wastewater utilities has been programmed for FY2006-07 based upon capital budget discussions and directives from City Council. These rate increases are necessary to continue 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

361.826.3613
361.826.3601 (fax)

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



City of
Corpus
Christi

the City of Corpus Christi, Texas

STATEMENT OF NET ASSETS
JULY 31, 2006

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and cash equivalents (Note 5)	\$ 29,552,537	\$ 17,187,630	\$ 46,740,167	\$ 255,954
Investments (Note 5)	133,880,562	97,195,778	231,076,340	9,944
Receivables, net of allowance for uncollectibles (Note 7)	39,813,727	26,071,960	65,885,687	27,224
Internal balances	14,809,234	(14,809,234)	--	--
Inventories	1,542,663	361,002	1,903,665	16,405
Prepaid items	518,033	--	518,033	24,216
Restricted assets				
Cash and cash equivalents (Note 5)	--	11,632,399	11,632,399	--
Investments (Note 5)	--	24,946,014	24,946,014	--
Receivables, net of allowance for uncollectibles (Note 7)	--	432,258	432,258	--
Deposits	--	2,300	2,300	--
Water supply rights	--	169,459,196	169,459,196	--
Bond issue costs	3,475,761	7,712,364	11,188,125	--
Land and construction in progress (Note 8)	86,796,788	164,756,122	251,552,910	--
Other capital assets, net of accumulated depreciation (Note 8)	325,794,303	851,128,683	1,176,922,986	177,561
Other	42,716	--	42,716	--
Total assets	<u>636,226,324</u>	<u>1,356,076,472</u>	<u>1,992,302,796</u>	<u>511,304</u>
LIABILITIES				
Accounts payable	9,530,012	16,985,878	26,515,890	67,432
Accrued expenses	5,164,949	812,960	5,977,909	1,665
Accrued interest	6,181,275	2,052,407	8,233,682	31,519
Contractor interest and retainage payable	553,808	3,446,353	4,000,161	--
Deposits	857,111	514,420	1,371,531	--
Liability to claimants - escheat property	394,787	103,758	498,545	--
Due to other governmental agencies	270,306	--	270,306	--
Unearned revenue	4,896,950	52,494	4,949,444	--
Commercial paper (Note 13)	--	17,000,000	17,000,000	--
Current portion of estimated claims liability (Note 11)	7,813,366	--	7,813,366	--
Current portion of long-term liabilities (Note 14)				
Long-term debt	25,457,118	28,251,656	53,708,774	--
Accumulated unpaid compensated absences	7,278,015	1,946,055	9,224,070	--
Landfill closure cost	--	2,408,674	2,408,674	--

(Continued)

the City of Corpus Christi, Texas

Exhibit 1-A

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Estimated liability claims, excluding current portion (Note 11)	7,676,421	--	7,676,421	--
Long-term liabilities, excluding current portion (Note 14)				
Long-term debt	296,367,072	649,845,737	946,212,809	--
Accumulated unpaid compensated absences	23,736,289	1,914,492	25,650,781	--
Landfill closure cost	--	11,462,315	11,462,315	--
Other	8,680	--	8,680	--
Total liabilities	<u>396,186,159</u>	<u>736,797,199</u>	<u>1,132,983,358</u>	<u>100,616</u>
NET ASSETS				
Invested in capital assets, net of related debt	95,591,014	505,475,536	601,066,550	177,561
Restricted for				
Law enforcement officers' standards and education	--	2,872	2,872	--
Passenger facility charges projects	--	1,022,479	1,022,479	--
Bond interest and redemption	--	1,007,087	1,007,087	--
Construction of capital assets	--	16,741,486	16,741,486	--
Improvements to utility lines and facilities	--	8,198,855	8,198,855	--
Abatement of public health hazards	--	89,277	89,277	--
Required capital reserve	--	250,000	250,000	--
Required operating reserve	--	1,212,812	1,212,812	--
Unrestricted	144,449,151	85,278,867	229,728,018	233,127
Total net assets	<u>\$ 240,040,165</u>	<u>\$ 619,279,271</u>	<u>\$ 859,319,436</u>	<u>\$ 410,688</u>

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

the City of Corpus Christi, Texas

STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2006

	<u>Expenses</u>	<u>Charges for Services</u>
Primary government		
Governmental activities		
General government	\$ 18,932,482	\$ 20,293,609
Police and municipal court	60,561,629	12,092,771
Fire	26,819,121	270,760
Ambulance	6,361,861	4,001,556
Emergency management	2,392,096	--
Inspections	1,805,234	--
Streets	21,438,339	1,709,311
Health	6,416,746	2,209,477
Parks and recreation	19,253,871	3,038,882
Libraries	4,596,041	198,031
Museums	1,521,829	281,281
Community enrichment	1,500,961	--
Community development	6,228,409	983,519
Convention and visitor activities	18,437,872	7,895,218
Interest on long-term debt	17,291,116	--
Total governmental activities	<u>213,557,607</u>	<u>52,974,415</u>
Business-type activities		
Solid Waste	11,872,414	24,187,529
Utilities		
Water	87,305,836	84,775,949
Gas	37,394,842	40,274,507
Wastewater	38,851,313	36,284,201
Airport	11,154,572	9,908,494
Golf centers	1,795,616	2,242,033
Marina	1,381,124	1,222,145
Total business-type activities	<u>189,755,717</u>	<u>198,894,858</u>
Total primary government	<u>\$ 403,313,324</u>	<u>\$ 251,869,273</u>
Component units - convention and visitor activities	<u>\$ 2,787,326</u>	<u>\$ 267,837</u>

the City of Corpus Christi, Texas

Exhibit 1-B

Program Revenue		Net (expense) revenue and changes in net assets			
Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Units
\$ 886,635	\$ 102,783	\$ 2,350,545	\$ --	\$ 2,350,545	
1,367,908	149,572	(46,951,378)	--	(46,951,378)	
450,064	50,459	(26,047,838)	--	(26,047,838)	
3,200	--	(2,357,105)	--	(2,357,105)	
2,158,326	82,550	(151,220)	--	(151,220)	
--	--	(1,805,234)	--	(1,805,234)	
119,374	3,058,544	(16,551,110)	--	(16,551,110)	
1,342,510	155,275	(2,709,484)	--	(2,709,484)	
2,704,755	26,525	(13,483,709)	--	(13,483,709)	
960,430	4,577	(3,433,003)	--	(3,433,003)	
--	--	(1,240,548)	--	(1,240,548)	
568,538	549,587	(382,836)	--	(382,836)	
1,992,234	1,475,437	(1,777,219)	--	(1,777,219)	
--	--	(10,542,654)	--	(10,542,654)	
--	1,132,935	(16,158,181)	--	(16,158,181)	
<u>12,553,974</u>	<u>6,788,244</u>	<u>(141,240,974)</u>	<u>--</u>	<u>(141,240,974)</u>	
13,037	--	--	12,328,152	12,328,152	
39,275	5,464,230	--	2,973,618	2,973,618	
--	--	--	2,879,665	2,879,665	
43,249	6,553,783	--	4,029,920	4,029,920	
8,369,915	--	--	7,123,837	7,123,837	
--	--	--	446,417	446,417	
169,161	--	--	10,182	10,182	
<u>8,634,637</u>	<u>12,018,013</u>	<u>--</u>	<u>29,791,791</u>	<u>29,791,791</u>	
<u>\$ 21,188,611</u>	<u>\$ 18,806,257</u>	<u>(141,240,974)</u>	<u>29,791,791</u>	<u>(111,449,183)</u>	
<u>\$ --</u>	<u>\$ --</u>				\$ (2,519,489)
General revenue					
Taxes					
Property taxes, levied for general purposes		50,834,041	--	50,834,041	--
Property taxes, levied for debt service		20,470,482	--	20,470,482	--
Sales and hotel occupancy taxes		70,669,949	--	70,669,949	--
Unrestricted investment earnings		5,423,353	6,798,421	12,221,774	8,286
Payment from primary government		--	--	--	2,545,870
Transfers		16,259,591	(16,259,591)	--	--
Total general revenue and transfers		<u>163,657,416</u>	<u>(9,461,170)</u>	<u>154,196,246</u>	<u>2,554,156</u>
Changes in net assets		22,416,442	20,330,621	42,747,063	34,667
Net assets at beginning of year, as restated (Note 1P)		<u>217,623,723</u>	<u>598,948,650</u>	<u>816,572,373</u>	<u>376,021</u>
Net assets at end of year		<u>\$ 240,040,165</u>	<u>\$ 619,279,271</u>	<u>\$ 859,319,436</u>	<u>\$ 410,688</u>

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

the City of Corpus Christi, Texas

**GOVERNMENTAL FUNDS
BALANCE SHEET
JULY 31, 2006**

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents (Note 5)	\$ 6,491,049	\$ 1,088,752	\$ 29,143,015	\$ 36,722,816
Investments (Note 5)	15,464,454	9,287,145	83,301,099	108,052,698
Receivables, net of allowance for uncollectibles (Note 7)	13,623,026	535,539	27,553,996	41,712,561
Due from other funds (Note 16)	1,598,182	19,600	528,124	2,145,906
Inventories	238,732	--	--	238,732
Deposits	--	--	--	--
Prepaid items	--	--	3,577	3,577
Advances to other funds (Note 16)	--	--	12,000,000	12,000,000
Other assets	--	--	42,716	42,716
Total assets	\$ 37,415,443	\$ 10,931,036	\$ 152,572,527	\$ 200,919,006
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 3,149,534	\$ 12,080	\$ 8,022,043	\$ 11,183,657
Accrued liabilities	4,443,173	--	580,208	5,023,381
Contractor interest and retainage payable	--	--	1,240,326	1,240,326
Deposits	497,180	--	590,108	1,087,288
Liability to claimants - escheat property	285,943	--	--	285,943
Due to other funds (Note 16)	448,361	221,721	1,103,325	1,773,407
Due to other governmental agencies	270,306	--	--	270,306
Advance from other funds (Note 16)	94,600	--	--	94,600
Deferred revenues	1,205,188	441,324	4,974,182	6,620,694
Other	8,680	--	--	8,680
Total liabilities	10,402,965	675,125	16,510,192	27,588,282

(Continued)

the City of Corpus Christi, Texas

Exhibit 2-A

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
Fund balances				
Reserved for encumbrances	1,138,248	--	17,649,858	18,788,106
Reserved for loans	--	--	18,111,779	18,111,779
Reserved for inventory	238,732	--	--	238,732
Reserved for Municipal Court building security	184,272	--	--	184,272
Reserved for Municipal Court technology	589,084	--	--	589,084
Reserved for government access equipment	11,959	--	--	11,959
Reserved for public access equipment and facility	7,000	--	--	7,000
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	167,478	--	--	167,478
Reserved for debt service	--	4,421,800	534,286	4,956,086
Reserved for Senior Community Services	--	--	142,590	142,590
Reserved for Home Program	--	--	66,250	66,250
Reserved for law enforcement	--	--	1,098,980	1,098,980
Reserved for firefighters training	4,000	--	--	4,000
Reserved for Sister City programs	--	--	1,047	1,047
Reserved for park projects	--	--	1,678,797	1,678,797
Reserved for permanent art projects	--	--	122,914	122,914
Reserved for infrastructure	--	--	1,148,631	1,148,631
Reserved for local emergency response planning	--	--	23,612	23,612
Reserved for maintenance	--	--	1,818,402	1,818,402
Unreserved				
Designated for specific debt in the debt service fund	--	1,350,885	--	1,350,885
Designated for subsequent year's expenditures in the general fund	445,159	--	--	445,159
Designated for subsequent year's expenditures in special revenue funds	--	--	436,318	436,318
Designated for specific projects in the capital projects fund	--	--	22,226,018	22,226,018
Designated for negotiated pay	592,500	--	--	592,500
Designated for incentive program	--	--	33,000	33,000
Undesignated				
General fund	23,496,940	--	--	23,496,940
Debt service funds	--	4,483,226	--	4,483,226
Special revenue funds	--	--	25,889,324	25,889,324
Capital project funds	--	--	44,965,925	44,965,925
Total fund balances	27,012,478	10,255,911	136,062,335	173,330,724
Total liabilities and fund balances	\$ 37,415,443	\$ 10,931,036	\$ 152,572,527	\$ 200,919,006

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



City of
Corpus
Christi

the City of Corpus Christi, Texas

Exhibit 2-B

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JULY 31, 2006

Total fund balance - total governmental funds \$ 173,330,724

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 \$755,753,114 and the accumulated depreciation is \$311,851,465. Solid Waste net assets of \$46,769,715 are included in business-type activities. 443,901,649

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	\$	3,475,761
Deferred taxes		1,386,621
Deferred assessments and liens		342,121
Solid Waste		
Bond issue cost		713,247
		5,917,750

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. 41,174,337

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	\$	(6,181,275)
Long-term debt		(318,827,547)
Accumulated compensated absences		(29,319,719)
Solid Waste		
Accrued interest		(561,234)
Long-term debt		(42,701,496)
Accumulated compensated absences		(723,407)
Landfill closure costs		(13,870,989)
		(412,185,667)

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. (12,098,628)

Net assets of governmental activities \$ 240,040,165

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

the City of Corpus Christi, Texas

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2006**

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues				
Taxes and business fees	\$ 107,938,813	\$ 20,455,666	\$ 30,058,281	\$ 158,452,760
Licenses and permits	3,493,616	--	--	3,493,616
Grants	2,462,754	--	12,073,046	14,535,800
Charges for services	40,709,838	--	9,810,585	50,520,423
Fines and forfeitures	6,118,520	--	--	6,118,520
Deposits	--	--	1,093,803	1,093,803
Contributions and donations	--	--	2,589,488	2,589,488
Special assessments	--	--	118,526	118,526
Earnings on investments	1,004,660	310,508	4,132,402	5,447,570
Interest on loans	--	--	31,771	31,771
Payments from Lexington Museum Association	--	352,849	--	352,849
Payments from Corpus Christi Convention and Visitors Bureau	--	272,234	--	272,234
Payments from Texas State Aquarium	--	500,427	--	500,427
Payments from other agencies	--	7,425	--	7,425
Sale of City property	--	--	3,230	3,230
Naming rights	--	--	175,000	175,000
Miscellaneous	837,913	--	142,016	979,929
Total revenues	<u>162,566,114</u>	<u>21,899,109</u>	<u>60,228,148</u>	<u>244,693,371</u>
Expenditures				
Current				
General government	14,457,192	--	4,504,441	18,961,633
Police and municipal court	56,835,274	--	5,842,457	62,677,731
Fire	27,849,828	--	450,065	28,299,893
Ambulance	6,555,213	--	3,200	6,558,413
Emergency management	2,294,541	--	82,470	2,377,011
Inspections	1,892,064	--	--	1,892,064
Streets	12,917,944	--	138,132	13,056,076
Solid waste	13,556,875	--	13,037	13,569,912
Health	4,237,565	--	2,214,559	6,452,124
Parks and recreation	12,539,974	--	4,971,750	17,511,724
Libraries	3,663,077	--	--	3,663,077
Museums	1,516,855	--	913,388	2,430,243
Community enrichment	8,065	--	1,505,359	1,513,424
Community development	--	--	4,889,684	4,889,684
Convention and visitors activities	--	--	13,794,220	13,794,220
Capital projects	--	--	46,907,032	46,907,032
Debt service				
Principal retirement	2,701,135	18,340,000	3,656,465	24,697,600
Interest	199,392	9,656,942	5,889,804	15,746,138
Paying agent fees	--	10,774	13,972	24,746
Bond issue cost	--	--	589,508	589,508
Interest on interfund borrowings	--	--	80,169	80,169
Total expenditures	<u>161,224,994</u>	<u>28,007,716</u>	<u>96,459,712</u>	<u>285,692,422</u>
Excess (deficiency) of revenues over (under) expenditures	1,341,120	(6,108,607)	(36,231,564)	(40,999,051)

(Continued)

the City of Corpus Christi, Texas

Exhibit 2-C

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Other financing sources (uses)				
Capital leases	2,917,492	--	--	2,917,492
Revenue bonds issued	--	--	2,900,000	2,900,000
Certificate of obligation bonds issued	--	--	18,605,000	18,605,000
Discount on bonds issued	--	--	(272,896)	(272,896)
Refund of bond issue cost	--	19,952	--	19,952
Transfers in (Note 16)	5,087,192	6,016,002	1,188,480	12,291,674
Transfers out (Note 16)	(3,239,242)	--	(3,225,568)	(6,464,810)
Total other financing sources (uses)	<u>4,765,442</u>	<u>6,035,954</u>	<u>19,195,016</u>	<u>29,996,412</u>
Net change in fund balance	6,106,562	(72,653)	(17,036,548)	(11,002,639)
Fund balances at beginning of year, as restated (Note 1P)	<u>20,905,916</u>	<u>10,328,564</u>	<u>153,098,883</u>	<u>184,333,363</u>
Fund balances at end of year	<u>\$ 27,012,478</u>	<u>\$ 10,255,911</u>	<u>\$ 136,062,335</u>	<u>\$ 173,330,724</u>

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



City of
Corpus
Christi

the City of Corpus Christi, Texas

Exhibit 2-D

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2006**

Net change in fund balances - total governmental funds \$ (11,002,639)

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	\$	28,442,005
Depreciation		15,679,693
Solid Waste		
Capital outlays		21,962,734
Depreciation		(1,726,933)
		26,978,643

Delinquent property taxes and special assessments, net of allowance, are not reported as revenue in the governmental funds. These items increased in the current fiscal year. 225,800

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		
Bonds issued	\$	(2,900,000)
Capital leases		(2,268,853)
Bond issue cost		281,000
Principal retirement		24,457,600
Interest		(1,369,195)
Solid Waste		
Bond proceeds		(18,605,000)
Discount on bonds issued		272,896
Capital leases		(648,639)
Bond issue cost		308,508
Principal retirement		240,000
Interest		(170,989)
		(402,672)

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 decreased in the current year. 2,479,358

Solid Waste is a business-type activity that is included in governmental funds. Net revenues relating to Solid Waste are included in business-type activities in the government-wide statement of activities. (5,362,767)

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. 9,500,719

Change in net assets of governmental activities \$ 22,416,442

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

the City of Corpus Christi, Texas

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2006

	<u>Budget</u>		<u>Actual GAAP Basis</u>
	<u>Original</u>	<u>Final</u>	
Revenues			
Taxes and business fees	\$ 105,413,855	\$ 105,182,384	\$ 107,938,813
Licenses and permits	2,734,234	2,734,234	3,493,616
Grants	279,750	1,673,154	2,462,754
Charges for services	39,605,839	39,793,006	40,709,838
Fines and forfeitures	5,267,013	5,267,013	6,118,520
Earnings on investments	605,002	605,002	1,004,660
Miscellaneous	540,235	588,060	837,913
Reimbursements	8,643,950	8,643,950	-
Total revenues	<u>163,089,878</u>	<u>164,486,803</u>	<u>162,566,114</u>
Expenditures			
Current			
General government	20,319,517	18,960,810	14,457,192
Police and municipal court	57,698,628	58,380,704	56,835,274
Fire	27,351,806	28,672,102	27,849,828
Ambulance	6,503,109	6,635,720	6,555,213
Emergency management	412,072	1,805,476	2,294,541
Inspections	1,886,042	1,912,079	1,892,064
Streets	13,744,615	13,872,430	12,917,944
Solid waste	16,248,774	16,063,360	13,556,875
Health	4,191,928	4,398,021	4,237,565
Parks and recreation	13,976,344	14,185,763	12,539,974
Libraries	3,607,015	3,696,957	3,663,077
Museums	1,416,382	1,433,330	1,516,855
Community enrichment	8,991	10,324	8,065
Debt service			
Principal retirement	-	-	2,701,135
Interest	-	-	199,392
Total expenditures	<u>167,365,223</u>	<u>170,027,076</u>	<u>161,224,994</u>
Excess (deficiency) of revenues over (under) expenditures	(4,275,345)	(5,540,273)	1,341,120
Other financing sources (uses)			
Capital leases	-	-	2,917,492
Transfers in	5,046,123	5,046,123	5,087,192
Transfers out	(1,206,702)	(1,206,702)	(3,239,242)
Total other financing sources	<u>3,839,421</u>	<u>3,839,421</u>	<u>4,765,442</u>
Net change in fund balance	(435,924)	(1,700,852)	6,106,562
Fund balance at beginning of year, as restated (Note 1P)	<u>16,019,029</u>	<u>20,905,916</u>	<u>20,905,916</u>
Fund balance at end of year	<u>\$ 15,583,105</u>	<u>\$ 19,205,064</u>	<u>\$ 27,012,478</u>

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

the City of Corpus Christi, Texas

Exhibit 3

Adjustments Budget Basis	Actual Budget Basis	Variance Final Budget Positive (Negative)
\$ --	\$ 107,938,813	\$ 2,756,429
--	3,493,616	759,382
--	2,462,754	789,600
--	40,709,838	916,832
--	6,118,520	851,507
--	1,004,660	399,658
--	837,913	249,853
8,741,494	8,741,494	97,544
<u>8,741,494</u>	<u>171,307,608</u>	<u>6,820,805</u>
3,169,684	17,626,876	1,333,934
1,752,206	58,587,480	(206,776)
660,671	28,510,499	161,603
(147,644)	6,407,569	228,151
--	2,294,541	(489,065)
110,588	2,002,652	(90,573)
1,349,361	14,267,305	(394,875)
2,240,595	15,797,470	265,890
(24,660)	4,212,905	185,116
1,653,702	14,193,676	(7,913)
22,302	3,685,379	11,578
--	1,516,855	(83,525)
--	8,065	2,259
(2,701,135)	--	--
(199,392)	--	--
<u>7,886,278</u>	<u>169,111,272</u>	<u>915,804</u>
855,216	2,196,336	7,736,609
(2,917,492)	--	--
--	5,087,192	41,069
2,062,276	(1,176,966)	29,736
<u>(855,216)</u>	<u>3,910,226</u>	<u>70,805</u>
--	6,106,562	7,807,414
--	20,905,916	--
<u>\$ --</u>	<u>\$ 27,012,478</u>	<u>\$ 7,807,414</u>

the City of Corpus Christi, Texas

PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
JULY 31, 2006

ASSETS	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
Current assets				
Cash and cash equivalents (Note 5)	\$ 2,516,690	\$ 5,399,273	\$ 7,915,963	\$ 2,101,388
Investments (Note 5)	79,836,187	2,310,970	82,147,157	40,876,485
Receivables, net of allowance for uncollectibles (Note 7)	21,634,870	1,669,603	23,304,473	868,653
Due from other funds (Note 16)	1,725	7,103	8,828	2,784,035
Current portion of advance to other funds (Note 16)	30,000	--	30,000	--
Inventories	316,694	44,308	361,002	1,303,931
Prepaid items	--	--	--	514,456
Restricted assets				
Cash and cash equivalents (Note 5)	9,556,848	2,075,551	11,632,399	--
Investments (Note 5)	20,173,654	4,772,360	24,946,014	--
Receivables, net of allowance for uncollectibles (Note 7)	199,435	232,823	432,258	--
Due from other funds (Note 16)	5,453	--	5,453	--
Total restricted assets	29,935,390	7,080,734	37,016,124	--
Total current assets	134,271,556	16,511,991	150,783,547	48,448,948
Noncurrent assets				
Deposits	2,300	--	2,300	--
Water supply rights	169,459,196	--	169,459,196	--
Advances to other funds, net of current portion (Note 16)	64,600	--	64,600	--
Bond issue costs	6,346,714	652,403	6,999,117	--
Capital assets (Note 8)				
Land and construction in progress	118,139,250	16,688,839	134,828,089	--
Other capital assets, net of accumulated depreciation	758,127,068	76,159,933	834,287,001	15,459,157
Net capital assets	876,266,318	92,848,772	969,115,090	15,459,157
Total noncurrent assets	1,052,139,128	93,501,175	1,145,640,303	15,459,157
Total assets	1,186,410,684	110,013,166	1,296,423,850	63,908,105

(Continued)

the City of Corpus Christi, Texas

Exhibit 4-A

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
LIABILITIES				
Current liabilities				
Accounts payable	\$ 12,392,390	\$ 1,115,974	\$ 13,508,364	\$ 1,823,870
Accrued expenses	495,091	100,201	595,292	359,236
Accrued interest	900,602	590,571	1,491,173	--
Current portion of estimated liability claims (Note 11)	--	--	--	7,813,366
Contractor interest and retainage payable	2,307,481	452,354	2,759,835	--
Deposits	207,985	74,993	282,978	1,265
Liability to claimants - escheat property	103,758	--	103,758	108,844
Due to other funds (Note 16)	1,951,450	967,230	2,918,680	252,135
Advances from other funds	12,000,000	--	12,000,000	--
Unearned revenue	10,079	40,011	50,090	7,403
Commercial paper (Note 13)	17,000,000	--	17,000,000	--
Current portion of long-term liabilities (Note 14)				
Long-term debt	26,088,353	673,738	26,762,091	673,113
Accumulated unpaid compensated absences	1,359,061	280,060	1,639,121	768,541
Total current liabilities	<u>74,816,250</u>	<u>4,295,132</u>	<u>79,111,382</u>	<u>11,807,773</u>
Noncurrent liabilities				
Estimated liability claims, net of current portion (Note 11)	--	--	--	7,676,421
Long-term liabilities, net of current portion (Note 14)				
Long-term debt	584,116,897	24,516,908	608,633,805	2,323,530
Accumulated unpaid compensated absences	1,399,261	98,759	1,498,020	926,044
Total noncurrent liabilities	<u>585,516,158</u>	<u>24,615,667</u>	<u>610,131,825</u>	<u>10,925,995</u>
Total liabilities	<u>660,332,408</u>	<u>28,910,799</u>	<u>689,243,207</u>	<u>22,733,768</u>
NET ASSETS				
Invested in capital assets, net of related debt	430,047,996	71,994,427	502,042,423	12,462,514
Restricted for				
Passenger facility charges projects	--	1,022,479	1,022,479	--
Bond interest and redemption	1,007,087	--	1,007,087	--
Construction of capital assets	15,270,868	1,470,618	16,741,486	--
Improvements to utility lines and facilities	8,198,855	--	8,198,855	--
Abatement of public health hazards	89,277	--	89,277	--
Required capital reserve	--	250,000	250,000	--
Required operating reserve	--	1,212,812	1,212,812	--
Law enforcement officers' standards and education	--	2,872	2,872	--
Unrestricted	71,464,193	5,149,159	76,613,352	28,711,823
Total net assets	<u>\$ 526,078,276</u>	<u>\$ 81,102,367</u>	<u>\$ 607,180,643</u>	<u>\$ 41,174,337</u>

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



City of
Corpus
Christi

the City of Corpus Christi, Texas

Exhibit 4-B

**RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF NET ASSETS
TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS
JULY 31, 2006**

Total net assets - total proprietary funds \$ 607,180,643

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

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

12,098,628

Net assets of business-type activities

\$ 619,279,271

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

the City of Corpus Christi, Texas

Exhibit 4-C

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2006.

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
Operating revenues				
Charges for services - net	\$ 163,965,078	\$ 11,596,050	\$ 175,561,128	\$ 62,888,349
Operating expenses				
Personal services	23,744,779	5,461,797	29,206,576	13,714,513
Materials and supplies	40,876,115	623,768	41,499,883	2,978,415
Contractual services	24,300,832	2,746,861	27,047,693	10,153,962
Other operating expenses	24,848,928	1,056,307	25,905,235	2,212,499
Uncollectible accounts	1,521,270	6,550	1,527,820	7,923
Depreciation	24,800,767	3,743,655	28,544,422	3,461,726
Self-insurance claims	--	--	--	22,065,034
Total operating expenses	<u>140,092,691</u>	<u>13,638,938</u>	<u>153,731,629</u>	<u>54,594,072</u>
Operating income (loss)	23,872,387	(2,042,888)	21,829,499	8,294,277
Nonoperating revenues (expenses)				
Investment income	6,398,218	456,152	6,854,370	1,268,291
Interest expense and fiscal charges	(26,445,301)	(1,396,033)	(27,841,334)	(157,894)
Passenger facility charges	--	1,768,217	1,768,217	--
Net gain (loss) on disposal of assets	(355,225)	8,405	(346,820)	41,708
Retirement of obsolete facilities	(12,467)	--	(12,467)	--
Recovery on damage claims	214	--	214	47,063
Developer deposits	2,191,640	--	2,191,640	--
Reimbursements to developers	(4,467,050)	--	(4,467,050)	--
Contributions from other governmental agencies	39,275	8,725,186	8,764,461	--
Contributions and donations	43,249	--	43,249	--
Total nonoperating revenues (expenses)	<u>(22,607,447)</u>	<u>9,561,927</u>	<u>(13,045,520)</u>	<u>1,199,168</u>
Capital contributions				
Contributions from developers	12,018,013	--	12,018,013	--
Income before transfers	13,282,953	7,519,039	20,801,992	9,493,445
Transfers in	404,592	15,131	419,723	1,444,087
Transfers out	(5,117,890)	(1,135,971)	(6,253,861)	(1,436,813)
Total transfers	<u>(4,713,298)</u>	<u>(1,120,840)</u>	<u>(5,834,138)</u>	<u>7,274</u>
Net income	8,569,655	6,398,199	14,967,854	9,500,719
Net assets at beginning of year, as restated (Note 1P)	<u>517,508,621</u>	<u>74,704,168</u>	<u>592,212,789</u>	<u>31,673,618</u>
Net assets at end of year	<u>\$ 526,078,276</u>	<u>\$ 81,102,367</u>	<u>\$ 607,180,643</u>	<u>\$ 41,174,337</u>

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

the City of Corpus Christi, Texas

Exhibit 4-D

**RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2006**

Net change in fund balances - total proprietary funds \$ 14,967,854

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

Solid Waste is a business-type activity that is included in governmental funds. The net revenues of the Solid Waste activity are reported in the business-type activities. 5,362,767

Change in net assets of business-type activities \$ 20,330,621

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

the City of Corpus Christi, Texas

**PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2006**

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
Cash flows from operating activities				
Receipts from customers	\$ 163,184,178	\$ 11,502,368	\$ 174,686,546	\$ 9,184,689
Receipts from interfund services provided	148,973	—	148,973	63,162,743
Payments to suppliers	(60,273,050)	(2,966,023)	(63,239,073)	(24,291,593)
Payments to employees	(20,566,649)	(4,782,088)	(25,348,737)	(12,557,768)
Internal activity - payments to other funds	(26,528,045)	(1,934,285)	(28,462,330)	(2,860,823)
Claims paid	—	—	—	(21,653,106)
Net cash provided by operating activities	55,965,407	1,819,972	57,785,379	10,984,142
Cash flows from noncapital financing activities				
Changes in interfund borrowings	(17,018,075)	6,769,251	(10,248,824)	(2,854,361)
Interest on interfund borrowings	5,682	—	5,682	22,799
Contributions from other government agencies	68,262	1,856	70,118	—
Transfers in from other funds	2,104,183	3,360	2,107,543	1,453,567
Transfers out to other funds	(6,758,365)	(1,135,971)	(7,894,336)	(1,403,876)
Recovery on damage claims	—	—	—	47,063
Net cash provided by (used for) noncapital financing activities	(21,598,313)	5,638,496	(15,959,817)	(2,734,808)
Cash flows from capital and related financing activities				
Acquisition of capital assets	(65,216,768)	(11,655,407)	(76,872,175)	(1,691,362)
Proceeds from sale of capital assets	29,599	8,405	38,004	41,708
Decommissioning obsolete facility	(12,467)	—	(12,467)	—
Developers deposits	2,187,109	—	2,187,109	—
Contributions from developers	47,644	—	47,644	—
Reimbursements to developers	(4,566,891)	—	(4,566,891)	—
Contributions from other governmental agencies	16,546	9,026,479	9,043,025	—
Passenger facility charge	—	1,770,820	1,770,820	—
Proceeds from issuance of revenue bonds	70,741,588	—	70,741,588	—
Proceeds from issuance of commercial paper	87,000,000	—	87,000,000	—
Refund of bond issuance costs	—	3,585	3,585	—
Principal paid on long-term debt	(24,549,654)	(497,283)	(25,046,937)	(756,615)
Principal paid on commercial paper	(70,000,000)	—	(70,000,000)	—
Interest and fiscal charges	(25,375,853)	(1,270,072)	(26,645,925)	(139,918)
Recovery on damage claims	214	—	214	—
Net cash used for capital and related financing activities	(29,698,933)	(2,613,473)	(32,312,406)	(2,546,187)
Cash flows from investing activities				
Purchase of investment securities	(86,046,142)	(6,600,000)	(92,646,142)	(33,200,000)
Proceeds from sale and maturity of investment securities	72,260,927	3,500,000	75,760,927	19,855,124
Interest on investments	5,099,543	465,272	5,564,815	1,148,493
Net cash used for investing activities	(8,685,672)	(2,634,728)	(11,320,400)	(12,196,383)
Net increase (decrease) in cash and cash equivalents	(4,017,511)	2,210,267	(1,807,244)	(6,493,236)
Cash and cash equivalents at beginning of year, including restricted accounts	16,091,049	5,264,557	21,355,606	8,594,624
Cash and cash equivalents at end of year, including restricted accounts	\$ 12,073,538	\$ 7,474,824	\$ 19,548,362	\$ 2,101,388

(Continued)

the City of Corpus Christi, Texas

Exhibit 4-E

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
Reconciliation of operating income (loss) to net cash provided by operating activities				
Operating income (loss)	\$ 23,872,387	\$ (2,042,888)	\$ 21,829,499	\$ 8,294,277
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	24,800,767	3,743,655	28,544,422	3,461,726
Amortization of water rights	4,175,502	—	4,175,502	—
Amortization of fish and wildlife costs	270,042	—	270,042	—
Change in estimated claims liability	—	—	—	442,231
Provision for uncollectible accounts	1,521,270	6,463	1,527,733	3,491
Recovery of uncollectible accounts	—	(124,130)	(124,130)	—
Operating and maintenance expenses previously capitalized	1,427,176	210,875	1,638,051	—
Changes in assets and liabilities				
Receivables	(217,083)	123,448	(93,635)	135,702
Due from other funds	129,826	11,058	140,884	(33,613)
Due from other governmental agencies	—	—	—	1,185
Inventory	(45,440)	(4,461)	(49,901)	(41,009)
Prepaid items	—	—	—	(84,188)
Accounts payable	(304,818)	(97,775)	(402,593)	(1,605,476)
Accrued expenses	78,181	9,046	87,227	(7,116)
Unearned revenue	—	(15,134)	(15,134)	7,403
Accumulated unpaid compensated absences	130,565	14,900	145,465	80,996
Contractor interest and retainage payable	11,761	—	11,761	—
Deposits	(21,917)	(2,698)	(24,615)	481
Liability to claimants-escheat property	9,370	—	9,370	9,806
Due to other funds	127,818	(5,272)	122,546	318,246
Due to other governmental agencies	—	(7,115)	(7,115)	—
Net cash provided by operating activities	<u>\$ 55,965,407</u>	<u>\$ 1,819,972</u>	<u>\$ 57,785,379</u>	<u>\$ 10,984,142</u>
Noncash investing, capital and financing activities				
Contribution of capital assets from bond funds	\$ 14,439	\$ 11,771	\$ 26,210	\$ —
Transfer of capital assets from (to) other funds	\$ (11,771)	\$ 11,771	\$ —	\$ (42,417)
Contribution of capital assets from developers	\$ 12,018,013	\$ —	\$ 12,018,013	\$ —
Change in fair value of investments	\$ 55,262	\$ (15,420)	\$ 39,842	\$ (37,055)
Acquisition of capital assets under capital lease	\$ —	\$ —	\$ —	\$ 599,190
Loss on disposal of assets	\$ —	\$ —	\$ —	\$ (10,965)

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

the City of Corpus Christi, Texas

Exhibit 5-A

FIDUCIARY FUNDS
STATEMENT OF NET ASSETS
JULY 31, 2006

	<u>Deferred Compensation Plan</u>	<u>Private Purpose Trust Fund</u>
ASSETS		
Cash and cash equivalents (Note 5)	\$ --	\$ 161,071
Mutual funds		
Guaranteed Rate Accounts	15,548,451	--
Stocks	19,234,459	--
Bonds	892,841	--
Combined Stocks and Bonds	4,375,098	--
Money Markets	299,063	--
Participant loans	731,619	--
Total assets	<u>41,081,531</u>	<u>161,071</u>
LIABILITIES		
Accounts payable	--	810
Total liabilities	<u>--</u>	<u>810</u>
NET ASSETS		
Held in trust for deferred compensation benefits	41,081,531	--
Held in trust for individuals and organizations	<u>--</u>	<u>160,261</u>
Total net assets	<u>\$ 41,081,531</u>	<u>\$ 160,261</u>

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

the City of Corpus Christi, Texas

Exhibit 5-B

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
YEAR ENDED JULY 31, 2006

	<u>Deferred Compensation Plan</u>	<u>Private Purpose Trust Fund</u>
Additions		
Employee contributions	\$ 7,144,750	\$ --
Earnings on investments	1,671,108	742
Total additions	<u>8,815,858</u>	<u>742</u>
Deductions		
Payment of benefits	3,821,941	--
Administrative fees	87,131	--
Disbursements for designated purposes	--	9,725
Total deductions	<u>3,909,072</u>	<u>9,725</u>
Net increase (decrease)	4,906,786	(8,983)
Net assets beginning of year	<u>36,174,745</u>	<u>169,244</u>
Net assets at end of year	<u>\$ 41,081,531</u>	<u>\$ 160,261</u>

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 police and municipal court, fire, ambulance, emergency management, inspections, streets, health, sanitation, parks and recreation, libraries, museums, 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, 2006.

A. Reporting Entity

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

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

Blended Component Units

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

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

the City of Corpus Christi, Texas

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

North Padre Island Development Corporation (NPIDC) was created by the City pursuant to the Tax Increment Financing Act to facilitate development of the land within the boundaries of the Tax Increment Zone No. 2, located on North Padre Island, namely Packery Channel. NPIDC became effective on November 14, 2000, and will terminate on December 31, 2022. The receipt of post-2000 incremental property taxes from taxing units with property within the boundaries of the zone provides the funding for its projects. The Mayor and Council Members are a voting majority of the board, and the City manages its day-to-day operations.

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

	Coastal Bend Health Facilities Development Corporation	Corpus Christi Convention and Visitors Bureau
Assets		
Current assets	\$ 53,352	\$ 280,391
Capital assets	--	177,561
Total assets	<u>53,352</u>	<u>457,952</u>
Current liabilities	<u>--</u>	<u>100,616</u>
Net assets		
Invested in capital assets	--	177,561
Unrestricted	53,352	179,775
Total net assets	<u>\$ 53,352</u>	<u>\$ 357,336</u>
Revenues	\$ 54,168	\$ 2,767,825
Expenses	15,557	2,771,769
Change in net assets	38,611	(3,944)
Net assets at beginning of year	14,741	361,280
Net assets at end of year	<u>\$ 53,352</u>	<u>\$ 357,336</u>

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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, the Corpus Christi Regional Economic Development Corporation, and the Port of Corpus Christi Authority are not included in these financial statements.

C. Government-wide and Fund Financial Statements

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

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

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

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

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

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

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

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

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

Internal service funds of a government (which traditionally provide services primarily to other funds of the government) are presented in the summary form as part of the proprietary fund financial statements. The City's internal service funds account for printing and messenger services, maintaining an inventory of commonly used supplies, vehicle and building maintenance, data processing 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 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 City of Corpus Christi, Texas

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

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

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

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

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

Accrual

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

Modified Accrual

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

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

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

E. Cash and Cash Equivalents

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

F. Investments

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

Interest earned from investments purchased with pooled cash is allocated to each fund based on the fund's participation in that investment. Aside from 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 28% percent of outstanding property taxes at the end of the fiscal year.

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

H. Inventories and prepaid items

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

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

I. Use of Estimates

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

J. Capital Assets

Capital assets purchased or acquired are carried at historical cost or estimated historical cost. City policy has set the

the City of Corpus Christi, Texas

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. Current approved projects include runway pavement reconstruction, terminal improvements, and runway lighting. It is management's intention to use a portion of the PFC funds on approved projects on a pay-as-you-go basis with the remaining funds to be used to support approved airport revenue bond issues debt service.

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

L. Accumulated Unpaid Compensated Absences

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

M. Long-term Obligations

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

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

N. Pension Plans

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

O. Fund Equity

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

P. Prior Period Adjustment and Change in Accounting Method

Prior to August 1, 2005, the City accounted for the activities related to ambulance services through an enterprise fund. Effective August 1, 2005, the City eliminated the ambulance enterprise fund and began accounting for the ambulance activity in the general fund. The change was made because the ambulance fund was not self-supporting and had to be significantly subsidized by the general fund. This change in accounting method has no effect on the overall financial condition of the City; however, it did result in reclassifications between governmental activities and business-type activities which are shown in the table below.

In prior years, the capital assets of the Corpus Christi Community Improvement Corporation (CCCIC) that had been transferred to the City's general capital assets were omitted in error. Consequently, beginning net assets of governmental activities have been restated by \$191,229 to properly reflect net assets as of August 1, 2005. The result of the correction is shown in the table below.

In fiscal year 2005, \$44,771 of solid waste capital assets were included in governmental activities in error. Consequently, beginning net assets of both governmental activities and business-type activities have been restated as shown in the following table.

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	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Beginning net assets, as previously reported	\$ 217,896,941	\$ 598,484,203	\$ 816,381,144
Restatement of the Ambulance Fund	(419,676)	419,676	--
CCCIC capital assets, previously not reported	191,229	--	191,229
Reclassification of solid waste capital assets	(44,771)	44,771	--
Beginning net assets, as restated	<u>\$ 217,623,723</u>	<u>\$ 598,948,650</u>	<u>\$ 816,572,373</u>

	<u>General Fund</u>	<u>Other Enterprise Funds</u>
Beginning net assets, as previously reported	\$ 20,441,114	\$ 74,284,492
Net assets of the Ambulance Fund	(419,676)	419,676
Less capital assets	(360,344)	--
Plus long-term liabilities	1,244,822	--
Beginning net assets, as restated	<u>\$ 20,905,916</u>	<u>\$ 74,704,168</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, the capital projects funds, the community enrichment fund, the infrastructure fund, the Corpus Christi Community Improvement Corporation (CCCIC), the Corpus Christi Housing Finance Corporation (CCHFC) and the Corpus Christi Industrial Development Corporation (CCIDC). The Federal/State grant fund and the capital projects funds adopt project-length budgets. Budgets are not adopted for the community enrichment fund, the infrastructure fund, CCCIC, CCHFC and the CCIDC. The budgets are prepared on a basis consistent with generally accepted accounting principles, except that expenditures financed by capital leases are not included in the governmental fund budgets, principal and interest payments are included in the activity expenditures and reimbursements are accounted for as revenues rather than reductions of expenditures. The detail of these differences is included in the statement of revenues, expenditures and changes in fund balance – budget (GAAP basis) and actual in the column titled “Adjustments to Budget Basis.” All annual appropriations lapse at fiscal year end.

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

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

3. Sales Tax Revenue

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

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

4. Property Taxes

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

Taxes are due on receipt of the tax bill and are delinquent if not paid before February of the year following the year in which imposed. Taxes become delinquent on February 1 at which time penalty and interest charges are applicable. Property tax revenues are recorded as revenues when they become available. On July 31, property tax receivables are fully deferred because collections received within the following sixty days are immaterial. As permitted by the Constitution of the State of Texas, home rule cities of over 5,000 population shall have a total tax 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 2005-2006 tax rates were \$0.426624 for the general fund and \$0.199175 for debt service for a total of \$0.625799 per \$100 of assessed value. Therefore, the City's tax margin of \$0.054201 per \$100 of assessed value could raise up to \$5,684,614 additional taxes each year based on the assessed value of \$10,488,024,828. The City could raise up to \$113,724,412 in additional taxes for voter approved tax supported obligations, based on the assessed valuation of \$10,488,024,828 and a debt margin of \$1.084326 calculated on 90% collections.

5. Deposits and Investments

As of July 31, 2006, the carrying amount of the City's cash and cash equivalents was \$58,372,566. In accordance with City policy, the total bank deposits were covered by Federal Depository Insurance (FDIC) or by collateral held by the City's agent in the City's name. The cash funds and short-term investments included in cash and cash equivalents are not subject to collateralization requirements. The discretely presented component units had total cash and cash equivalents of \$255,954 which were covered by FDIC or were secured by collateral held by the City's or component unit's agent in the name of the City or the component unit.

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As of July 31, 2006 the City had the following investments:

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Federal agency coupon securities	\$ 229,397,496	\$ 229,166,252	0.549
Federal agency discount securities	9,624,858	9,952,711	0.085
Local government investment pools	70,787,251	70,787,251	0.504
Money market funds	3,253,360	3,253,360	0.003
Total	313,062,965	313,159,574	
Short-term investments included in cash and cash equivalents	57,040,611	57,040,611	
Total fair value	\$ 256,022,354	\$ 256,118,963	
Portfolio weighted average maturity			0.433

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

The investment pools utilized by the City, Texpool, Texstar, and Texas Term, are local government investments pools administered by the State Comptroller of Texas and 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.

The portfolio of Texpool is managed by Lehman Brothers, Inc. as administrator and Federated Investors, Inc. as investment manager. The portfolio of Texstar is managed by JP Morgan Fleming Asset Management, Inc. and First Southwest Asset Management Inc. The portfolio of Texas Term is managed by PFM Asset Management LLC. All three pools are rated AAA-m by Standard & Poor's and Aaa by Moody's, both nationally recognized statistical rating organizations.

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

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

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.

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:

\$1,396,925 to revenues and other financing sources comprised of:

- \$26,000 from Del Mar College, El Paso Javelina, and MarkWest Javelina
- \$1,393,405 from FEMA for reimbursement of Hurricanes Katrina and Rita expenses,
- \$160,468 from excess revenues collected in Vital Statistics,
- \$21,825 from proceeds from sale of obsolete Police Department weapons,
- \$5,383 from Park and Recreation Department special events deposits,
- \$21,315 from miscellaneous revenues, and
- \$231,471 decrease to revenues due to revised property tax estimates relating to over 65/disabled homestead freeze resulting in tax levy loss

\$2,661,853 to expenditures and other financing uses comprised of:

- \$906,398 in encumbrances approved to carry forward from the end of the prior fiscal year,
- \$1,393,405 for Hurricanes Katrina and Rita expenses,
- \$3,000 to purchase library materials,
- \$195,468 for Health District infrastructure needs and compensation for doctor requirements,
- \$43,315 for fire department equipment, furniture and supplies,
- \$5,383 for Park and Recreation department special events,
- \$21,825 for purchase of police department ammunition,
- \$1,000 for equipment and training for Police Explorers,
- \$235,230 for additional operating costs for development services activities,
- \$88,300 for performance improvements in the Land Development Review System project, and
- \$231,471 decrease in reserve appropriation to adjust for decrease in estimated revenues

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

Police and municipal court expenditures were over budget by \$206,776 primarily due to the following factors: police dispatching (Metrocom) had staffing shortages that required additional overtime costs, and the City initiated a detention facility for municipal court this fiscal year that was difficult to anticipate all the costs necessary to stand up the facility.

Emergency management expenditures were over budget by \$489,065 due to costs related to the Hurricane Katrina evacuees. FEMA funds were originally appropriated in various funds, however, it was later determined that the expenses should be reported in the General Fund. The budget was not amended to reflect this change.

Inspections expenditures were over budget by \$90,573. Development Services activities have increase measurably this fiscal year, generating more revenue than estimated. Excess revenues collected were appropriated to cover additional anticipated expenditures. Although, sufficient revenues were generated to cover the additional expenditures, the amounts appropriated was not enough, thus creating the negative variance.

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Street division expenditures were over budget by \$394,875 primarily due to street lighting costs. This overage is a direct reflection of the high cost of electricity.

Park and recreation expenditures were over budget by \$7,913, mainly due to a departmental reorganization that created slightly more expenditures than amounts budgeted.

Museums expenditures were over budget by \$83,525, mainly due to the high cost of electricity. The Museum is required to maintain an adequate temperature twenty four hours a day so as not to effect the condition of the exhibits.

7. Receivables

	General	Debt Service	Utility System	Nonmajor and Other Funds	Total
Unrestricted					
Accounts	\$ 6,288,335	\$ --	\$ 22,162,093	\$ 4,108,208	\$ 32,558,636
Taxes	3,382,375	1,579,106	--	3,158	4,964,639
Accrued interest	278,697	76,982	1,707,546	691,346	2,754,571
Intergovernmental	6,307,509	16,558	1,281,169	7,247,398	14,852,634
Mortgages and loans	--	--	--	18,111,779	18,111,779
Property leases	3,758	--	618	--	4,376
Demolition liens	2,418,514	--	--	334,742	2,753,256
Special assessments	--	--	--	549,830	549,830
Notes	--	--	--	132,530	132,530
Employees	5,970	--	164	2,469	8,603
Miscellaneous	598,557	675	4,477	44,905	648,614
Restricted					
Accounts	--	--	--	227,009	227,009
Accrued interest	--	--	199,435	5,814	205,249
Gross receivables	19,283,715	1,673,321	25,355,502	31,459,188	77,771,726
Less allowance for uncollectible	(5,660,689)	(1,137,782)	(3,521,197)	(1,134,113)	(11,453,781)
Net total receivables	<u>\$ 13,623,026</u>	<u>\$ 535,539</u>	<u>\$ 21,834,305</u>	<u>\$ 30,325,075</u>	<u>\$ 66,317,945</u>

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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>
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 55,451,243	\$ 148,246	\$ --	\$ 55,599,489
Construction in progress	36,518,139	(4,969,653)	351,187	31,197,299
Total capital assets, not being depreciated	<u>91,969,382</u>	<u>(4,821,407)</u>	<u>351,187</u>	<u>86,796,788</u>
Capital assets, being depreciated				
Buildings	205,826,814	7,622,531	--	213,449,345
Improvements	123,923,928	15,172,582	--	139,096,510
Machinery and equipment	125,961,792	5,219,059	780,005	130,400,846
Infrastructure	170,068,834	7,286,295	--	177,355,129
Total capital assets, being depreciated	<u>625,781,368</u>	<u>35,300,467</u>	<u>780,005</u>	<u>660,301,830</u>
Less accumulated depreciation for				
Buildings	43,906,978	4,914,727	--	48,821,705
Improvements	70,129,658	6,452,970	--	76,582,628
Machinery and equipment	99,771,566	6,204,978	780,005	105,196,539
Infrastructure	96,318,441	7,588,214	--	103,906,655
Total accumulated depreciation	<u>310,126,643</u>	<u>25,160,889</u>	<u>780,005</u>	<u>334,507,527</u>
Total capital assets, being depreciated, net	<u>315,654,725</u>	<u>10,139,578</u>	<u>--</u>	<u>325,794,303</u>
Governmental activities capital assets, net	<u>\$ 407,624,107</u>	<u>\$ 5,318,171</u>	<u>\$ 351,187</u>	<u>\$ 412,591,091</u>

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	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Business-type activities				
Capital assets, not being depreciated				
Land	\$ 31,756,998	\$ 1,346,355	\$ --	\$ 33,103,353
Construction in progress	94,200,899	39,089,922	1,638,052	131,652,769
Total capital assets, not being depreciated	<u>125,957,897</u>	<u>40,436,277</u>	<u>1,638,052</u>	<u>164,756,122</u>
Capital assets, being depreciated				
Buildings	86,986,384	572,686	1,056,444	86,502,626
Improvements	270,450,597	21,664,409	104,346	292,010,660
Machinery and equipment	42,851,368	1,611,811	3,562,910	40,900,269
Infrastructure	715,912,177	46,908,483	290,471	762,530,189
Total capital assets, being depreciated	<u>1,116,200,526</u>	<u>70,757,389</u>	<u>5,014,171</u>	<u>1,181,943,744</u>
Less: accumulated depreciation for				
Buildings	25,021,986	1,845,176	1,031,182	25,835,980
Improvements	78,405,870	11,330,264	15,014	89,721,120
Machinery and equipment	23,779,420	3,383,848	3,411,666	23,751,602
Infrastructure	177,965,776	13,712,067	171,484	191,506,359
Total accumulated depreciation	<u>305,173,052</u>	<u>30,271,355</u>	<u>4,629,346</u>	<u>330,815,061</u>
Total capital assets, being depreciated, net	<u>811,027,474</u>	<u>40,486,034</u>	<u>384,825</u>	<u>851,128,683</u>
Business-type activities capital assets, net	<u>\$ 936,985,371</u>	<u>\$ 80,922,311</u>	<u>\$ 2,022,877</u>	<u>\$ 1,015,884,805</u>

In the schedule above, business-type activities include the enterprise funds' and Solid Waste's capital assets.

Discretely presented component units

Activity for the Convention and Visitors Bureau for the year ended July 31, 2006, 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	\$ 10,400	\$ --	\$ 235,023
Machinery and equipment	216,812	9,347	8,500	217,659
Total capital assets, being depreciated	<u>441,435</u>	<u>19,747</u>	<u>8,500</u>	<u>452,682</u>
Less accumulated depreciation for				
Buildings	75,722	10,495	--	86,217
Machinery and equipment	182,683	10,471	4,250	188,904
Total accumulated depreciation	<u>258,405</u>	<u>20,966</u>	<u>4,250</u>	<u>275,121</u>
Total capital assets, being depreciated, net	<u>183,030</u>	<u>(1,219)</u>	<u>4,250</u>	<u>177,561</u>
Convention and Visitors Bureau capital assets, net	<u>\$ 183,030</u>	<u>\$ (1,219)</u>	<u>\$ 4,250</u>	<u>\$ 177,561</u>

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Depreciation expense is charged to functions as follows:

<u>Governmental Activity</u>		<u>Business-type activity</u>	
General government	\$ 1,422,660	Gas	\$ 1,175,161
Police	674,019	Water	15,190,506
Fire	762,221	Wastewater	8,435,100
Emergency management	380	Airport	3,147,722
Inspections	12,661	Golf center	218,450
Streets	9,399,465	Marina	377,483
Health	213,685	Solid waste	1,726,933
Parks and recreation	2,734,876	Total	<u>\$ 30,271,355</u>
Libraries	298,748		
Museums	160,979		
Community enrichment	22,887		
Community development	1,339,766		
Convention and visitor	4,656,816		
Internal service fund	3,461,726		
Total	<u>\$ 25,160,889</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 07-31-06</u>	<u>Additional Funds Committed</u>	<u>Required Future Financing</u>
Arena	\$ 14,970	\$ 11,976	\$ 2,994	\$ --
Bayfront Development	1,531,770	499,982	1,031,788	--
City Hall	4,330	--	4,330	--
Computer System	186,221	180,265	5,956	--
Convention Facility	24,952	14,970	9,982	--
Library	2,858,634	292,531	2,566,103	--
Museum	160,000	17,122	142,878	--
Packery Channel	12,354,468	10,105,310	2,249,158	--
Parks	7,823,308	1,776,699	6,046,609	--
Police Building	37,720	7,033	30,687	--
Public Health and Safety	1,360,681	15,712	1,344,969	--
Sanitary Landfill	36,073,428	16,472,090	19,601,338	--
Seawall	23,289,036	17,764,868	5,524,168	--
Street	39,176,428	7,192,257	31,984,171	--
Total	<u>\$ 124,895,946</u>	<u>\$ 54,350,815</u>	<u>\$ 70,545,131</u>	<u>\$ --</u>

9. Employment Retirement Benefits

A. Retirement Systems

The City participates in funding two retirement plans: (1) all City employees, except firefighters, are provided benefits through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), one of 811 administered by TMRS, an agent multiple-employer public employee retirement system

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and (2) all firefighters are covered by the Fire Fighters' Retirement System of Corpus Christi, a single-employer defined benefit pension plan. An independent board of trustees administers each plan. The fiscal year of each pension fund ends December 31. The most recently available financial statements of the City employees' pension fund is for the year ended December 31, 2005, and for the fire fighters' pension funds is for the year ended December 31, 2004. Membership in the plans at December 31, 2005, and 2004, respectively, is as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>	<u>Total</u>
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	1,326	270	1,596
Current employees	<u>2,584</u>	<u>394</u>	<u>2,978</u>
Total	<u><u>3,910</u></u>	<u><u>664</u></u>	<u><u>4,574</u></u>

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

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

<u>Plan</u>	<u>Address</u>	
Texas Municipal Retirement System	P.O. Box 149153 Austin, Texas 78714-9153	
Fire Fighters' Retirement System	American Bank Plaza 711 N. Carancahua, Suite 724 Corpus Christi, Texas 78475	
	<u>Texas Municipal Retirement System</u>	<u>Fire Fighters Retirement System</u>
Authority establishing contribution obligation	State Legislation	State Legislation
Frequency of contribution	Biweekly	Biweekly
Employee's contribution (percent of earnings)	6.00%	10%
City's contribution (percent of earnings)		
Calendar year 2004	11.96%	12.0%
January 1 through July 31, 2005	14.03%	12.0%
August 1 through December 31, 2005	14.03%	12.5%
Calendar year 2006	13.99%	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, 2006 are as follows:

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	<u>City Employees</u>	<u>Fire Fighters</u>	<u>Total</u>
City Employees	\$ 13,452,618	\$ 2,913,749	\$ 16,366,367
Total	<u>5,763,630</u>	<u>2,223,169</u>	<u>7,986,799</u>
	<u>\$ 19,216,248</u>	<u>\$ 5,136,918</u>	<u>\$ 24,353,166</u>

Annual Pension Cost and Net Pension Obligation

The City's annual pension cost of \$16,366,367 for fiscal year ended July 31, 2006, 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)			
2004	\$ 11,386,987	\$ 2,673,855	\$ 14,060,842
2005	\$ 13,026,353	\$ 2,604,162	\$ 15,630,515
2006	\$ 13,452,618	\$ 2,913,749	\$ 16,366,367
Percentage of APC contributed			
2004	100%	100%	N/A
2005	100%	100%	N/A
2006	100%	100%	N/A
Net Pension Obligation			
2004	\$ --	\$ --	\$ --
2005	\$ --	\$ --	\$ --
2006	\$ --	\$ --	\$ --

The latest actuarial valuation for City employees was completed as of December 31, 2005 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	Amortization cost	Market value
Inflation rate	3.5%	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, 2006 a total of 549 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 self-funds workers' compensation, general/auto liabilities, and health benefits. Purchased coverage includes: commercial property insurance of \$200 million limits on City buildings, \$75 million in airport liability and \$10 million of excess gas utility liability insurance. The City also purchases excess insurance which covers workers' compensation claims in excess of \$350,000 per accident. In addition, excess liability insurance is purchased for general /auto liability claims, public officials, employment and law enforcement in excess of \$500,000 per claim. Primary flood coverage provides up to \$500,000 on specified buildings within flood zones A and B. A specific stop loss policy which covers health claims in excess of \$150,000 per individual with maximum lifetime coverage of \$1 million is kept in force. In addition, the City maintains aggregate stop loss coverage of its group health expenses that exceed 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 \$15,489,787 at July 31, 2006, of which \$7,813,366 is due within one year, is based on requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The City purchases annuity contracts from commercial insurers to satisfy certain liabilities under workers' compensation claims; accordingly, no liability is reported for those claims. Changes in the fund claims liability amounts for fiscal years 2005 and 2006 were:

	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year End</u>
Fiscal Year				
2004-2005	\$ 16,268,210	\$ 19,160,180	\$ (20,380,834)	\$ 15,047,556
2005-2006	15,047,556	22,065,034	(21,622,803)	15,489,787

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 2027 and the arena under operating leases expiring through the fiscal year 2009. Minimum rentals to be received from non-cancelable leases are:

<u>Fiscal Year Ending July 31,</u>	<u>Enterprise Funds</u>	<u>Special Revenue Funds</u>
2007	\$ 2,186,278	\$ 125,000
2008	1,259,594	125,000
2009	704,695	105,000
2010	445,239	--
2011	348,866	--
2012-2027	2,313,017	--
Total minimum future rentals	<u>\$ 7,257,689</u>	<u>\$ 355,000</u>

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

13. Commercial Paper

On March 1, 2003, the City Council approved a \$75,000,000 commercial paper program for a term of seven years to provide interim funding of Utility System capital projects. On September 12, 2005, the City sold \$70,000,000 in commercial paper with a maturity of January 17, 2006, interest rate of 2.850%. The City issued Utility System Revenue Refunding and Improvement Bonds to pay off the commercial paper on October 1, 2005. On July 28, 2006, the City sold \$17,000,000 in commercial paper with a maturity of November 2, 2006, interest rate of 3.620%. As of July 31, 2006, \$17,000,000 remained outstanding. The City issued Utility System Revenue Refunding and Improvement Bonds to pay off the commercial paper on October 1, 2006. Monies were held in escrow until the commercial paper matured. The commercial paper is supported by a letter of credit from WestLB AG (formerly known as Westdeutsche Landesbank Girozentrale).

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14. Long-term obligations

The following is a summary of long-term obligation transactions of the City for the year ended July 31, 2006:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
Long-term debt					
General obligation bonds	\$ 162,079,446	\$ —	\$ (12,994,446)	\$ 149,085,000	\$ 17,485,000
Certificates of obligation	34,990,000	—	(2,510,000)	32,480,000	1,970,000
Revenue bonds	121,485,000	2,900,000	(3,575,000)	120,810,000	3,780,000
Discount on bonds payable	2,181,901	58,654	(2,240,555)	—	—
Premium on bonds payable	12,463,699	—	(1,243,224)	11,220,475	—
Deferred gain on refunding	(3,309,545)	—	653,643	(2,655,902)	—
Capital leases	6,151,463	2,307,224	(1,934,070)	6,524,617	1,862,118
Other notes payable	4,796,465	—	(436,465)	4,360,000	360,000
Total long-term debt	<u>340,838,429</u>	<u>5,265,878</u>	<u>(24,280,117)</u>	<u>321,824,190</u>	<u>25,457,118</u>
Accumulated compensated absences	<u>30,990,614</u>	<u>7,301,705</u>	<u>(7,278,015)</u>	<u>31,014,304</u>	<u>7,278,013</u>
Governmental activities	<u>\$ 371,829,043</u>	<u>\$ 12,567,583</u>	<u>\$ (31,558,132)</u>	<u>\$ 352,838,494</u>	<u>\$ 32,735,131</u>
Business-type activities					
Long-term debt					
Revenue bonds	\$ 407,805,000	\$ 68,325,000	\$ (22,280,000)	\$ 453,850,000	\$ 23,840,000
Certificates of obligation	25,660,000	18,605,000	(240,000)	44,025,000	405,000
Discount on bonds payable	(891,647)	(272,896)	178,165	(986,378)	—
Premium on bonds payable	20,810,657	3,606,171	(2,104,141)	22,312,687	—
Deferred gain on refunding	(17,801,761)	—	1,815,820	(15,985,941)	—
Capital leases	4,215,280	648,639	(1,585,964)	3,277,955	1,303,303
Utility notes payable	174,136,591	—	(2,532,521)	171,604,070	2,703,353
Total long-term debt	<u>613,934,120</u>	<u>90,911,914</u>	<u>(26,748,641)</u>	<u>678,097,393</u>	<u>28,251,656</u>
Landfill closure cost	16,320,176	—	(2,449,187)	13,870,989	2,408,674
Accumulated compensated absences	<u>3,687,945</u>	<u>2,118,657</u>	<u>(1,946,055)</u>	<u>3,860,547</u>	<u>1,946,055</u>
Business-type activities	<u>\$ 633,942,241</u>	<u>\$ 93,030,571</u>	<u>\$ (31,143,883)</u>	<u>\$ 695,828,929</u>	<u>\$ 32,606,385</u>

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

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A. Bonds

Bonds payable at July 31, 2006, are comprised of the following:

Governmental activities

General Obligation Bonds

\$39,150,000 2001 General Improvement Refunding Bonds due in annual installments of \$370,000 to \$3,850,000 through March 1, 2018, including \$10,000,000 in term bonds due March 1, 2021, interest at 4.50% to 5.375%.	\$ 22,490,000
\$11,340,000 2001-A General Improvement Refunding Bonds due in annual installments of \$4,400,000 on March 1, 2007, and \$3,130,000 on March 1, 2008, including \$500,000 in term bonds due March 1, 2012, interest at 5.00%.	8,030,000
\$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%.	12,805,000
\$25,640,000 2004 General Improvement Refunding Bonds due in annual installments of \$165,000 to \$8,900,000 through March 1, 2012, interest at 5.00%.	19,275,000
\$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 Obligation Bonds	<u>\$149,085,000</u>

Certificates of Obligation

\$4,400,000 1996 Combination Tax and Texas State Aquarium Revenue Certificates of Obligation, due in annual installments of \$225,000 to \$250,000 through March 1, 2010, interest at 4.65% to 5.15%.	\$ 950,000
\$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%.	3,260,000
\$31,545,000 2002 Combination Tax and Municipal Hotel Occupancy Tax Revenue Certificates of Obligation due in annual installments of \$1,150,000 to \$2,430,000 through September 1, 2022, including \$3,600,000 in term certificates due September 1, 2017, interest at 3.1% to 5.5%.	<u>28,270,000</u>
Total Certificates of Obligation	<u>\$ 32,480,000</u>

Revenue Bonds

\$43,960,000 2001 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Bonds due in annual installments of \$1,095,000 to \$2,915,000 through March 1, 2024, including 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%.	\$ 41,175,000
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\$49,185,000 2002 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Refunding and Improvement Bonds due in annual installments of \$1,185,000 to \$3,145,000 through September 1, 2022, including term bonds of \$10,425,000 due September 1, 2025, interest at 3.25% to 5.50%.	46,115,000
\$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 \$1,500,000 to \$2,230,000 through September 1, 2017, interest at 2.00% to 5.00%.	21,520,000
\$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, 2011, through September 15, 2023, interest at 7.40%.	4,100,000
\$2,900,000 2006 North Padre Island Development Corporation Tax Increment Contract Revenue Bonds due in annual installments of \$100,000 to \$300,000 from September 15, 2011, through September 15, 2023, interest at 7.45%.	<u>2,900,000</u>
Total Revenue Bonds	<u>\$120,810,000</u>
Total Governmental Activities	<u>\$302,375,000</u>

Business-type activities

Revenue Bonds

\$118,195,000 1997 Nueces River Authority Water Supply Facilities Revenue Bonds due in annual installments of \$2,710,000 to \$3,020,000 through July 15, 2009, interest at 5.125% to 6.00%.	\$ 8,600,000
\$8,970,000 1997-A Lavaca-Navidad River Authority Water Supply Facilities Revenue Bonds due in annual installments of \$430,000 to \$470,000 through July 15, 2009, interest at 4.70% to 5.125%.	1,350,000
\$47,740,000 1999 Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$3,030,000 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%.	20,385,000
\$15,750,000 1999-A Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$700,000 to \$1,100,000 due July 15, 2019, interest at 3.25% to 4.10%.	11,525,000
\$34,740,000 2000 Utility System Revenue Refunding Bonds due in annual installments of \$4,295,000 to \$6,045,000 though July 15, 2010, interest at 5.50%.	19,650,000

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\$42,520,000 2000-A Utility System Revenue Refunding Bonds due in annual installments of \$1,675,000 to \$2,060,000 through July 15, 2011, interest at 4.80% to 5.75%.	9,325,000
\$13,010,000 2000-A General Airport Revenue Bonds due in annual installments of \$455,000 to \$885,000 through February 15, 2020, including \$2,375,000 in term bonds due February 15, 2023, interest at 4.80% to 5.625%.	11,385,000
\$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 \$3,455,000 to \$6,960,000 through July 15, 2022, interest at 3.50% to 5.00%.	50,545,000
\$28,870,000 2003 Utility System Revenue Refunding Bonds due in annual installments of \$1,975,000 to \$4,815,000 through July 15, 2015, interest at 2.50% to 5.00%.	27,050,000
\$4,475,000 2003 Nueces River Authority Water Supply Revenue Refunding Bonds due in annual installments of \$890,000 to \$945,000 through April 1, 2009, interest at 2.85%.	2,750,000
\$50,000,000 2004 Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$1,740,000 to \$3,830,000 through July 15, 2024, interest at 3.00% to 5.25%.	46,895,000
\$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%.	92,785,000
\$5,160,000 2005 Lavaca-Navidad River Authority Water Supply Facilities Revenue Refunding bonds due in annual installments of \$45,000 to \$715,000 through July 15, 2017, interest at 3.25% to 4.00%.	5,140,000
\$68,325,000 2005-A Utility Revenue Refunding bonds due in annual installments of \$2,340,000 to \$5,205,000 through July 15, 2025, interest at 3.00% to 5.00%.	<u>66,640,000</u>
Total Revenue Bonds - Business Type Activities	<u>\$453,850,000</u>
Certificates of Obligation	
\$6,845,000 2004 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$250,000 to \$400,000 through March 1, 2019, including \$2,320,000 in term bonds due March 1, 2024, interest at 3.00% to 5.00%.	\$ 6,400,000
\$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

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\$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
\$18,605,000 2006 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$350,000 to \$660,000 through March 1, 2024, including \$3,800,000 in term bonds due March 1, 2029, and \$7,040,000 in term bonds due March 1, 2036, interest at 4.00% to 4.82%.	<u>18,605,000</u>
Total Certificates of Obligation - Business Type Activities	<u>\$ 44,025,000</u>
Total Business-type Activities	<u>\$497,875,000</u>

The annual requirements to amortize all bonded debt outstanding as of July 31, 2006 are as follows:

<u>Fiscal Year Ending July 31</u>	Governmental Activities			
	General Obligation Bonds		Certificates of Obligation	
	Principal	Interest	Principal	Interest
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	7,885,000	5,005,056	2,045,000	1,195,357
2012-2016	38,205,000	19,218,262	7,535,000	4,912,073
2017-2021	37,255,000	9,957,475	9,800,000	2,648,000
2022-2025	17,450,000	2,234,250	4,735,000	245,638
Total	<u>\$ 149,085,000</u>	<u>\$ 61,145,730</u>	<u>\$ 32,480,000</u>	<u>\$ 14,660,624</u>

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Fiscal Year Ending July 31	Governmental Activities			
	Revenue Bonds			
	Principal		Interest	
2007	\$ 3,780,000		\$ 5,914,216	
2008	3,995,000		5,872,311	
2009	4,220,000		5,743,211	
2010	4,460,000		5,488,693	
2011	5,120,000		5,415,752	
2012-2016	30,840,000		22,944,519	
2017-2021	33,910,000		13,896,477	
2022-2026	34,485,000		4,676,231	
Total	<u>\$ 120,810,000</u>		<u>\$ 69,951,410</u>	

Fiscal Year Ending July 31	Business-Type Activities Certificates of Obligation		Business-Type Activities Revenue Bonds	
	Principal	Interest	Principal	Interest
	2007	\$ 405,000	\$ 1,826,722	\$ 23,840,000
2008	665,000	1,952,462	24,920,000	20,968,449
2009	1,040,000	1,932,287	26,055,000	19,858,021
2010	1,080,000	1,895,600	26,210,000	18,737,956
2011	740,000	1,442,541	22,515,000	17,530,319
2012-2016	6,665,000	9,004,287	122,640,000	70,899,700
2017-2021	7,745,000	7,146,794	119,025,000	40,282,044
2022-2026	8,590,000	5,235,105	75,530,000	13,345,439
2027-2031	7,140,000	3,421,826	13,115,000	1,004,918
2032-2036	9,070,000	1,488,988	--	--
2037	885,000	22,125	--	--
Total	<u>\$ 44,025,000</u>	<u>\$ 35,368,737</u>	<u>\$ 453,850,000</u>	<u>\$ 224,660,608</u>

\$1,007,087 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.

\$10,255,911 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, 2006, 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; golf carts for the Park and Recreation Department; and computer and connectivity equipment for

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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, 2006.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Land	\$ 66,359	\$ --
Building	1,260,821	--
Machinery and equipment	9,224,937	8,106,487
Less accumulated depreciation	(4,170,165)	(4,661,762)
Total	<u>\$ 6,381,952</u>	<u>\$ 3,444,725</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, 2006.

<u>Fiscal Year Ending July 31</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2007	\$ 2,077,591	\$ 1,377,760
2008	1,872,987	1,055,109
2009	1,077,723	687,628
2010	708,982	215,374
2011	357,440	86,590
2012-2016	757,653	--
2017-2021	732,398	--
Total minimum lease payments	<u>7,584,774</u>	<u>3,422,461</u>
Less amount representing interest	1,060,157	144,506
Present value of minimum lease payments	<u>\$ 6,524,617</u>	<u>\$ 3,277,955</u>

C. Other Notes Payable

Other notes payable as of July 31, 2006 are as follows:

4.5% State Infrastructure Loan, payable in annual installments of interest only through January 4, 2007 and principal of \$750,000 to \$2,000,000 through January 4, 2010	\$ 4,000,000
Corpus Christi Tax Notes Series 2003, 3.68% due annually on March 1 through 2007	<u>360,000</u>
Total Notes Payable	<u>\$ 4,360,000</u>

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The annual requirements to amortize the notes outstanding as of July 31, 2006 are as follows:

<u>Fiscal Year Ending July 31,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2007	\$ 360,000	\$ 193,248
2008	750,000	180,000
2009	2,000,000	146,250
2010	1,250,000	56,250
Total	<u>\$ 4,360,000</u>	<u>\$ 575,748</u>

D. Utility System Notes Payable

The Utility System notes payable of \$171,604,070 consists of \$69,071,561 related to an agreement with the Bureau of Reclamation for water rights and recreational facilities at Choke Canyon Dam and \$102,532,509 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, 2006, the City's share of the liability of the reservoir and related facilities including interest, totaled \$126,306,113 and is payable over a 38 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:

<u>Fiscal Year Ending July 31,</u>	<u>Principal</u>	<u>Interest</u>
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	1,784,280	3,210,883
2012-2016	10,387,714	14,588,101
2017-2021	13,331,042	11,644,773
2022-2026	17,108,357	7,867,458
2027-2031	12,539,616	3,315,554
2032-2036	2,429,032	1,710,638
2037-2041	3,117,290	1,022,380
2042-2044	2,064,273	204,070
Total	<u>\$ 69,071,561</u>	<u>\$ 57,234,552</u>

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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 \$102,532,509 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, 2006:

<u>Fiscal Year Ending July 31,</u>	<u>Principal</u>	<u>Interest</u>
2007	\$ 1,241,891	\$ 3,588,638
2008	1,346,378	3,545,172
2009	1,455,848	3,498,048
2010	1,570,501	3,447,094
2011	1,690,550	3,392,126
2012-2016	10,458,104	15,982,011
2017-2021	14,404,706	13,887,814
2022-2026	19,316,810	11,038,009
2027-2031	25,401,105	7,249,699
2032-2035	25,646,616	2,301,003
Total	<u>\$ 102,532,509</u>	<u>\$ 67,929,614</u>

E. Closure and Post-closure Care Costs

State and Federal laws and regulations require the City to place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an accrued liability has been recognized based on the future closure and post-closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The amount of the liability is based on what it would cost to have all such closure and post-closure care performed in the current year, and is assigned to periods based on cumulative landfill use. The estimated liability for landfill closure and post-closure costs recorded in the business-type activities at July 31, 2006 is \$13,870,989 based on the use of 96.3 percent of the estimated capacity of the landfill. The remaining estimated life expectancy of the landfill is one year and two months on July 31, 2006. 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, 2006. 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 \$2,408,673 of expenditures from landfill operations and site monitoring; and a \$40,513 increase due to change in remaining capacity.

15. Defeased Debt

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, 2006, \$201,210,000 of bonds outstanding were considered defeased.

the City of Corpus Christi, Texas

16. Interfund Transfers, Receivables and Payables

Interfund transfers for the year ended July 31, 2006, are as follows:

Transfers In	Transfers Out					Total
	General	Non-major Governmental	Utility System Fund	Non-major Proprietary	Internal Service	
General	\$ --	\$ 653,191	\$ 3,297,845	\$ 512,435	\$ 623,721	\$ 5,087,192
Debt service	1,270,270	2,572,377	1,169,187	623,536	380,632	6,016,002
Non-major government	1,163,972	--	--	--	24,508	1,188,480
Utility system	--	--	--	--	404,592	404,592
Non-major proprietary	--	--	11,771	--	3,360	15,131
Internal Service	805,000	--	639,087	--	--	1,444,087
Total	\$ 3,239,242	\$ 3,225,568	\$ 5,117,890	\$ 1,135,971	\$ 1,436,813	\$ 14,155,484

During the year various interfund transfers were made to finance expenditures and service debt. The \$3,239,242 General Fund transfers out includes transfers of \$1,270,270 for payment of debt service, \$805,000 for capital equipment and improvements, and \$1,163,972 to the Federal/State Grants Fund as matching grants.

The General Fund received transfers in of \$5,087,192 for administrative service charges.

The Debt Service Fund received transfers in of \$6,016,002 from the various funds (including the General Fund) for payment of debt service principal and to establish debt service reserves.

Additional transfers were made between the various funds consisting of \$639,087 from the Utility System Fund to the Maintenance Services Fund for acquisition of capital assets and \$11,771 of capital assets from the Utility System Fund to the Airport Fund (\$7,847) and the Marina Fund (\$3,924). Surplus funds of \$432,460 from the Maintenance Services Fund were transferred to the Visitors Facilities Fund (\$24,508), the Utility System Fund (\$404,592) and the Marina Fund (3,360).

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 \$5,362,767 of net revenue 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, 2006 are as follows:

<u>To</u>	<u>From</u>	<u>Amount</u>
General Fund	Utility System Fund	\$ 94,600
Utility System Fund	Capital Projects Funds	12,000,000
		<u>\$ 12,094,600</u>

the City of Corpus Christi, Texas

Interfund receivables and payables at July 31, 2006, are as follows:

	Interfund Receivable	Interfund Payable
Governmental funds		
General fund	\$ 1,598,182	\$ 448,361
Debt service fund	19,600	221,721
Other non-major governmental funds	528,124	1,103,325
Total governmental funds	2,145,906	1,773,407
Enterprise funds		
Utility system fund	7,178	1,951,450
Other non-major enterprise funds	7,103	967,230
Total enterprise funds	14,281	2,918,680
Internal service funds	2,784,035	252,135
Total	\$ 4,944,222	\$ 4,944,222

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 Visitors Facilities Fund had an accumulated deficit of \$1,279,254. With fiscal year 2005-2006 being the first complete year of operations for both the newly renovated Convention Center and new Arena, amounts budgeted were not sufficient to cover actual expenditures. Another major factor contributing to this deficit was the loss of revenue due to the use of the Convention Center and the Arena for Hurricane Katrina evacuees as well as the threat of Hurricane Rita in August of 2005. In fiscal year 2006-2007, proper measures will be taken to make up for this loss.

18. Conduit Debt Obligations

The Corpus Christi Housing Finance Corporation (CCHFC), Corpus Christi Industrial Development Corporation (CCIDC), and the Coastal Bend Health Facilities Development Corporation are public non-profit corporations created by the City under State law to facilitate financing of authorized projects. These entities issued bonds to unrelated commercial entities. As of July 31, 2006, there were eleven series of bonds outstanding with an aggregate principal amount payable of \$182,729,865. The bonds are not liabilities of the City or the respective corporations and are solely payable from revenues of the various commercial entities.

the City of Corpus Christi, Texas

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, 2006, is as follows:

	Airport Fund
Current assets, excluding restricted assets	\$ 6,994,604
Restricted assets	3,805,742
Capital assets	84,983,166
Other assets	571,568
Total assets	96,355,080
Current liabilities	2,390,833
Long-term liabilities	20,144,583
Total liabilities	22,535,416
Net assets	
Invested in capital assets, net of related debt	65,569,210
Restricted	3,805,741
Unrestricted	4,444,713
Net assets	\$ 73,819,664
Operating revenue	\$ 8,131,872
Depreciation	(3,147,722)
Other operating expenses	(7,191,112)
Operating loss	(2,206,962)
Nonoperating income	9,209,328
Transfers out	(857,257)
Net income	6,145,109
Net assets beginning of year	67,674,555
Net assets end of year	\$ 73,819,664
Net cash flow provided by (used for)	
Operating activities	\$ 1,173,555
Noncapital financing activities	965,156
Capital and related financing activities	(1,646,016)
Investment activities	182,863
Beginning cash and cash equivalents	5,243,501
Ending cash and cash equivalents	\$ 5,919,059

the City of Corpus Christi, Texas

**REQUIRED SUPPLEMENTARY INFORMATION
EMPLOYMENT RETIREMENT BENEFITS – ANALYSIS OF FUNDING PROGRESS
FOR YEAR ENDED JULY 31, 2006**

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	(6) Percentage of Unfunded Actuarial Accrued Liability to Covered Payroll Ratio
Texas Municipal Retirement System						
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%
2005	235,856,593	350,376,189	67.3%	114,519,596	91,595,006	125.0%
Fire Fighters Retirement System						
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***

***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.

the City of Corpus Christi, Texas

Exhibit 6-A

GENERAL FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2006 AND 2005

	2006	2005 Restated
ASSETS		
Cash and cash equivalents	\$ 6,491,049	\$ 1,379,399
Investments	15,464,454	13,474,047
Receivables		
Accounts	6,288,335	6,929,939
Taxes	3,382,375	3,268,826
Accrued interest	278,697	164,323
Demolition liens	2,418,514	2,593,426
Property leases	3,758	2,939
Employees	5,970	3,696
Intergovernmental	6,307,509	4,887,123
Miscellaneous	598,557	174,245
Allowance for uncollectibles	(5,660,689)	(5,703,227)
Net receivables	13,623,026	12,321,290
Due from other funds	1,598,182	6,598,895
Inventories	238,732	141,549
Deposits	-	450
Prepaid items	-	26,403
Total assets	<u>\$ 37,415,443</u>	<u>\$ 33,942,033</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 3,149,534	\$ 4,594,130
Accrued liabilities	4,443,173	5,625,376
Deposits	497,180	560,355
Liability to claimants - escheat property	285,943	280,111
Due to other funds	448,361	377,140
Due to other governmental agencies	270,306	974,830
Advance from other funds	94,600	124,600
Deferred revenues		
Taxes	945,297	883,057
Other	259,891	73,098
Other	8,680	8,222
Total liabilities	10,402,965	13,500,919
Fund balance		
Reserved for encumbrances	1,138,248	905,291
Reserved for inventory	238,732	141,549
Reserved for prepaid items	-	26,403
Reserved for Municipal Court building security	184,272	213,094
Reserved for Municipal Court technology	589,084	423,486
Reserved for government access equipment	11,959	11,959
Reserved for public access equipment and facility	7,000	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	167,478	136,063
Reserved for firefighters training	4,000	4,000
Unreserved		
Designated for subsequent year's expenditures	445,159	314,237
Designated for negotiated pay	592,500	-
Undesignated	23,496,940	18,123,290
Total fund balance	27,012,478	20,441,114
Total liabilities and fund balance	<u>\$ 37,415,443</u>	<u>\$ 33,942,033</u>

the City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Taxes				
General property taxes				
Ad valorem taxes - current	\$ 42,722,879	\$ 42,491,408	\$ 42,735,328	\$ --
Ad valorem taxes - delinquent	1,244,000	1,244,000	1,171,216	--
Penalties and interest	783,000	783,000	974,915	--
Industrial District - in lieu of taxes	5,925,450	5,925,450	5,839,686	--
Affordable Housing - in lieu of taxes	--	--	27,400	--
Housing Authority - in lieu of taxes	3,200	3,200	9,013	--
Total general property taxes	<u>50,678,529</u>	<u>50,447,058</u>	<u>50,757,558</u>	<u>--</u>
City sales tax	<u>37,622,500</u>	<u>37,622,500</u>	<u>39,442,670</u>	<u>--</u>
Liquor drink tax	<u>802,097</u>	<u>802,097</u>	<u>866,351</u>	<u>--</u>
Bingo tax	<u>240,000</u>	<u>240,000</u>	<u>302,647</u>	<u>--</u>
Business fees				
Electric franchise	9,300,000	9,300,000	9,382,078	--
Electric franchise - Nueces Co-op	157,500	157,500	161,032	--
Telecommunications fees	4,417,500	4,417,500	4,776,237	--
CATV franchise	2,155,729	2,155,729	2,205,190	--
Taxicab franchise	38,800	38,800	43,850	--
AT&T right of way lease fee	1,200	1,200	1,200	--
Total business fees	<u>16,070,729</u>	<u>16,070,729</u>	<u>16,569,587</u>	<u>--</u>
Total taxes and business fees	<u>105,413,855</u>	<u>105,182,384</u>	<u>107,938,813</u>	<u>--</u>
Licenses and permits				
Amusement licenses	22,000	22,000	18,274	--
Technology fee	18,000	18,000	29,365	--
Pipeline - application fee	--	--	9,000	--
Pipeline - license fee	--	--	36,664	--
Pipeline license agreement	500,000	500,000	453,000	--
Beer and liquor licenses	92,000	92,000	96,337	--
Electricians licenses and exam fees	30,000	30,000	37,885	--
Auto wrecker permits	14,550	14,550	16,988	--
Taxi driver permits	3,000	3,000	3,560	--
Dance hall permits	6,500	6,500	3,750	--
House mover licenses	700	700	266	--
Forfeited house mover deposits	2,500	2,500	6,500	--
Other business licenses	22,000	22,000	23,272	--
Building permits	776,000	776,000	1,109,509	--
Electrical permits	360,000	360,000	456,861	--
Plumbing permits	259,000	259,000	417,860	--
Mechanical permits	310,000	310,000	353,949	--
Certificate of occupancy fees	20,904	20,904	22,523	--
Plan review fees	95,050	95,050	135,711	--
Mechanical registration fees	5,004	5,004	13,340	--
Driveway permit fees	7,576	7,576	6,928	--
Occupancy of public R-O-W	20,000	20,000	43,777	--
Revocable easement fees	68,004	68,004	--	--
Street easement closure fees	11,900	11,900	83,651	--
(continued)				

the City of Corpus Christi, Texas

Exhibit 6-B

2006 Actual Budget Basis	Variance Final Budget Positive (Negative)	2005 Actual Budget Basis Restated
\$ 42,735,328	\$ 243,920	\$ 42,859,762
1,171,216	(72,784)	1,326,177
974,915	191,915	884,763
5,839,686	(85,764)	5,752,858
27,400	27,400	--
9,013	5,813	3,208
<u>50,757,558</u>	<u>310,500</u>	<u>50,826,768</u>
<u>39,442,670</u>	<u>1,820,170</u>	<u>36,367,573</u>
<u>866,351</u>	<u>64,254</u>	<u>802,285</u>
<u>302,647</u>	<u>62,647</u>	<u>265,301</u>
9,382,078	82,078	9,020,344
161,032	3,532	139,956
4,776,237	358,737	4,602,028
2,205,190	49,461	2,273,547
43,850	5,050	40,625
1,200	--	14
<u>16,569,587</u>	<u>498,858</u>	<u>16,076,514</u>
<u>107,938,813</u>	<u>2,756,429</u>	<u>104,338,441</u>
18,274	(3,726)	18,191
29,365	11,365	25,787
9,000	9,000	3,000
36,664	36,664	1,500
453,000	(47,000)	565,058
96,337	4,337	92,590
37,885	7,885	44,413
16,988	2,438	13,477
3,560	560	2,510
3,750	(2,750)	5,000
266	(434)	1,013
6,500	4,000	2,000
23,272	1,272	21,175
1,109,509	333,509	1,043,233
456,861	96,861	424,766
417,860	158,860	309,514
353,949	43,949	353,260
22,523	1,619	22,611
135,711	40,661	125,178
13,340	8,336	14,504
6,928	(648)	7,956
43,777	23,777	18,008
--	(68,004)	71,752
83,651	71,751	13,415

the City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Licenses and permits (continued)				
Landscape fees	7,500	7,500	5,652	--
Research and survey fees	4,452	4,452	7,962	--
Construction document fees	200	200	4,661	--
Billboard fees	14,237	14,237	13,415	--
House moving route permits	--	--	1,235	--
Oversized load permits	4,000	4,000	1,600	--
Street blockage permits	500	500	760	--
Energy code permit	57,757	57,757	75,911	--
Banner permits	500	500	350	--
Special event permits	400	400	3,100	--
Total licenses and permits	2,734,234	2,734,234	3,493,616	--
Grants				
Equal Employment Opportunity Commission	61,550	61,550	30,400	--
Federal Emergency Management Assistance	64,000	64,000	59,706	--
Disaster Relief - Hurricane Katrina	--	1,337,268	2,021,101	--
Disaster Relief - Hurricane Rita	--	56,136	77,519	--
Sexual Assault Exam	84,200	84,200	94,556	--
HUD Fair Housing Assessment	42,000	42,000	123,700	--
General Land Office - beach cleaning	28,000	28,000	55,772	--
Total grants	279,750	1,673,154	2,462,754	--
Charges for services				
General governmental services				
Zoning fees	90,564	90,564	90,160	--
Platting fees	90,000	90,000	103,137	--
Board of Adjustment appeal fees	400	400	3,710	--
Attorney fees - demolition liens	14,500	14,500	19,780	--
CC Citizen University fees	--	--	870	--
Legal fees - miscellaneous	--	--	--	--
Sale of City publications	1,200	1,200	2,920	--
Blueprint sales and GIS sales	574	574	989	--
Candidate filing fees	--	--	--	--
Nonprofit registration fees	1,829	1,829	1,270	--
Dog track admission fees	6,900	6,900	7,570	--
Total general governmental services	205,967	205,967	230,406	--
Police				
Police towing and storage charges	708,000	708,000	784,317	--
Police impound certified mail recovery	18,600	18,600	38,434	--
Police accident reports	89,800	89,800	73,182	--
Proceeds from auction	424,800	424,800	411,363	--
Parking meter collections	156,672	156,672	143,642	--
Police open record request	14,244	14,244	5,819	--
Police subpoenas	202	202	965	--
Fingerprinting fees	5,244	5,244	7,403	--
Customs/FBI	52,000	52,000	42,339	--

(Continued)

the City of Corpus Christi, Texas

**Exhibit 6-B
(Continued)**

2006 Actual Budget Basis	Variance Final Budget Positive (Negative)	2005 Actual Budget Basis Restated
5,652	(1,848)	8,133
7,962	3,510	6,058
4,661	4,461	721
13,415	(822)	14,177
1,235	1,235	435
1,600	(2,400)	1,040
760	260	640
75,911	18,154	89,585
350	(150)	325
3,100	2,700	850
<u>3,493,616</u>	<u>759,382</u>	<u>3,321,875</u>
30,400	(31,150)	60,550
59,706	(4,294)	58,319
2,021,101	683,833	--
77,519	21,383	--
94,556	10,356	127,467
123,700	81,700	30,000
55,772	27,772	44,379
<u>2,462,754</u>	<u>789,600</u>	<u>320,715</u>
90,160	(404)	114,060
103,137	13,137	109,644
3,710	3,310	1,855
19,780	5,280	39,705
870	870	--
--	--	113
2,920	1,720	1,218
989	415	605
--	--	2,800
1,270	(559)	1,150
7,570	670	10,259
<u>230,406</u>	<u>24,439</u>	<u>281,409</u>
784,317	76,317	633,197
38,434	19,834	18,548
73,182	(16,618)	81,397
411,363	(13,437)	489,251
143,642	(13,030)	151,127
5,819	(8,425)	17,891
965	763	262
7,403	2,159	6,614
42,339	(9,661)	129,926

the City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Police (continued)				
Police Security Services	61,084	61,084	44,138	--
DWI Video Taping	--	--	1,062	--
Alarm system permits and services	528,858	528,858	502,747	--
800 MHz radio	174,176	174,176	178,533	--
9-1-1 wireless service fees	933,060	933,060	1,005,617	--
9-1-1 wireline service fees	1,258,296	1,258,296	1,216,098	--
Police C.A.D. calls	571	571	232	--
Restitution	--	--	860	--
CCISD-DARE	169,706	169,706	169,706	--
School crossing guard program	76,101	76,101	75,733	--
Nueces county - Metrocom	935,744	935,744	1,272,061	--
Total police	<u>5,607,158</u>	<u>5,607,158</u>	<u>5,974,251</u>	<u>--</u>
Fire				
Fire prevention permits	185,500	185,500	193,092	--
Hazmat response calls	15,000	36,316	36,316	--
Fire service - outside city limits	--	--	--	--
Emergency management alert system fees	16,888	16,888	4,452	--
Pipeline reporting administrative fees	27,500	27,500	36,900	--
Total fire	<u>244,888</u>	<u>266,204</u>	<u>270,760</u>	<u>--</u>
Ambulance				
Emergency calls	3,500,400	3,500,400	3,927,430	--
Nueces Co OCL charges	65,000	65,000	69,737	--
Ambulance permits	7,075	7,075	4,389	--
Total Ambulance	<u>3,572,475</u>	<u>3,572,475</u>	<u>4,001,556</u>	<u>--</u>
Streets				
RTA - street services contribution	1,045,853	1,045,853	1,051,730	--
Speed humps	3,325	3,325	7,876	--
State of Texas - expressway lighting	169,000	169,000	201,198	--
Subdivision street lighting participation	48,000	48,000	195,480	--
Total streets	<u>1,266,178</u>	<u>1,266,178</u>	<u>1,456,284</u>	<u>--</u>
Solid waste services				
Residential refuse collection fees	12,798,360	12,798,360	12,379,693	--
Commercial and industrial refuse collection fees	1,337,280	1,337,280	1,508,399	--
Municipal solid waste system service charge (MSWSSC)	1,709,400	1,709,400	1,986,343	--
Refuse disposal charges	8,532,992	8,532,992	7,942,373	--
Disposal charges - landfill project	--	--	--	--
Refuse collection permits	17,000	17,000	21,169	--
Special debris pickup	200,000	200,000	246,654	--
Brush fees	16,000	16,000	43,789	--
Recycling	2,000	2,000	22,123	--
Recycling containers	30,000	30,000	36,940	--
Unsecured load charge	100	100	46	--
Total solid waste services	<u>24,643,132</u>	<u>24,643,132</u>	<u>24,187,529</u>	<u>--</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 6-B
(Continued)

2006 Actual Budget Basis	Variance Final Budget Positive (Negative)	2005 Actual Budget Basis Restated
44,138	(16,946)	44,982
1,062	1,062	3,276
502,747	(26,111)	488,058
178,533	4,357	173,003
1,005,617	72,557	898,120
1,216,098	(42,198)	1,124,283
232	(339)	561
860	860	3,832
169,706	--	162,036
75,733	(368)	73,794
1,272,061	336,317	336,317
<u>5,974,251</u>	<u>367,093</u>	<u>4,836,475</u>
193,092	7,592	160,090
36,316	--	19,665
--	--	1,750
4,452	(12,436)	13,439
36,900	9,400	36,700
<u>270,760</u>	<u>4,556</u>	<u>231,644</u>
3,927,430	427,030	3,744,668
69,737	4,737	69,517
4,389	(2,686)	3,621
<u>4,001,556</u>	<u>429,081</u>	<u>3,817,806</u>
1,051,730	5,877	978,496
7,876	4,551	6,375
201,198	32,198	117,758
195,480	147,480	131,206
<u>1,456,284</u>	<u>190,106</u>	<u>1,233,835</u>
12,379,693	(418,667)	11,268,019
1,508,399	171,119	1,217,445
1,986,343	276,943	1,705,415
7,942,373	(590,619)	8,499,873
--	--	8,654
21,169	4,169	22,358
246,654	46,654	186,045
43,789	27,789	20,173
22,123	20,123	1,512
36,940	6,940	28,996
46	(54)	102
<u>24,187,529</u>	<u>(455,603)</u>	<u>22,958,592</u>

the City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Health services				
Food service permits	453,000	453,000	492,822	--
Vital statistics fees	265,958	426,426	443,484	--
Nueces County - health administration	62,600	62,600	112,040	--
Swimming pool inspection fees	32,500	32,500	38,675	--
Private sewage inspection fees	5,000	5,000	10,800	--
Pound fee and handling charges	52,440	52,440	73,027	--
Pet licenses	85,500	85,500	86,584	--
Commercial animal permits	250	250	--	--
Pest control services	13,710	13,710	13,112	--
Lab shipping fees	--	--	1,579	--
Child care facilities fees	8,500	8,500	7,300	--
Total health services	<u>979,458</u>	<u>1,139,926</u>	<u>1,279,423</u>	<u>--</u>
Recreation services				
Swimming pools	206,654	206,654	217,778	--
Swimming instruction fees	75,577	75,577	112,335	--
H.E. Butt tennis center	36,000	36,000	33,454	--
Al Kruse tennis center	25,700	25,700	25,396	--
Athletic events	97,978	97,978	105,770	--
Athletic instruction fees	35,665	35,665	47,197	--
Athletic rentals	13,500	13,500	13,431	--
Latchkey program	1,755,889	1,755,889	1,897,618	--
Latchkey instruction fees	9,000	9,000	1,438	--
Buc days/Bayfest	16,000	16,000	37,834	--
Summer program registration fees	12,800	12,800	16,457	--
Beach parking permits	253,252	253,252	160,795	--
Heritage Park revenues	2,625	8,008	6,032	--
Heritage Park maintenance contract	18,000	18,000	24,606	--
Multicultural center rentals	34,650	34,650	29,740	--
Pavilion rentals	12,000	12,000	13,945	--
Cultural service rentals	8,925	8,925	7,430	--
Recreation instruction fees	38,615	38,615	48,673	--
Recreation center rentals	10,925	10,925	14,538	--
Other recreation services	2,300	2,300	15,850	--
Total recreation services	<u>2,666,055</u>	<u>2,671,438</u>	<u>2,830,317</u>	<u>--</u>
Libraries				
Fines	131,668	131,668	131,760	--
Lost book charges	11,829	11,829	14,214	--
Copy machine sales	38,607	38,607	36,947	--
Other library revenue	16,144	16,144	15,110	--
Total libraries	<u>198,248</u>	<u>198,248</u>	<u>198,031</u>	<u>--</u>
Museums				
Admissions	84,459	84,459	103,716	--
Special program fees	6,000	6,000	9,000	--
McGregor reproduction fees	3,630	3,630	6,066	--

(Continued)

the City of Corpus Christi, Texas

Exhibit 6-B
(Continued)

2006 Actual Budget Basis	Variance Final Budget Positive (Negative)	2005 Actual Budget Basis Restated
492,822	39,822	480,782
443,484	17,058	271,041
112,040	49,440	92,721
38,675	6,175	24,550
10,800	5,800	18,400
73,027	20,587	65,368
86,584	1,084	83,177
--	(250)	15
13,112	(598)	14,401
1,579	1,579	702
7,300	(1,200)	8,100
<u>1,279,423</u>	<u>139,497</u>	<u>1,059,257</u>
217,778	11,124	204,664
112,335	36,758	109,243
33,454	(2,546)	34,241
25,396	(304)	28,812
105,770	7,792	89,050
47,197	11,532	45,053
13,431	(69)	19,465
1,897,618	141,729	1,699,493
1,438	(7,562)	5,704
37,834	21,834	9,653
16,457	3,657	8,833
160,795	(92,457)	167,277
6,032	(1,976)	12,868
24,606	6,606	19,767
29,740	(4,910)	40,687
13,945	1,945	16,622
7,430	(1,495)	9,380
48,673	10,058	43,969
14,538	3,613	12,340
15,850	13,550	3,383
<u>2,830,317</u>	<u>158,879</u>	<u>2,580,504</u>
131,760	92	130,930
14,214	2,385	13,741
36,947	(1,660)	39,269
15,110	(1,034)	16,580
<u>198,031</u>	<u>(217)</u>	<u>200,520</u>
103,716	19,257	84,852
9,000	3,000	6,000
6,066	2,436	6,745

the City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Museums (continued)				
Facility rental	21,450	21,450	23,050	--
Education group programs	820	820	757	--
School District - museum educational program	13,000	13,000	23,949	--
Parties and recitals	3,490	3,490	4,126	--
Classes and workshops	--	--	--	--
Columbus ships				
Admissions	87,131	87,131	110,117	--
Facility rental	2,300	2,300	500	--
Total museums	<u>222,280</u>	<u>222,280</u>	<u>281,281</u>	--
Total charges for services	<u>39,605,839</u>	<u>39,793,006</u>	<u>40,709,838</u>	--
Fines and forfeitures				
Moving vehicle fines	2,565,880	2,565,880	2,727,631	--
Parking fines	162,878	162,878	172,262	--
General fines	709,165	709,165	814,691	--
Officers fees	193,807	193,807	209,451	--
Uniform Traffic Act fines	82,725	82,725	91,424	--
Warrant fees	218,898	218,898	301,002	--
Municipal Court				
State fee discount	201,040	201,040	248,262	--
Time Pay Fee - Court	25,673	25,673	31,415	--
Time Pay Fee - City	102,690	102,690	125,661	--
Technology Fee	150,550	150,550	165,598	--
Building security	112,593	112,593	127,600	--
Miscellaneous revenue	--	--	101,999	--
Juvenile case mgr fee	--	--	35,956	--
Failure to appear fines	576,270	576,270	805,763	--
Animal control fines	11,019	11,019	3,886	--
Special parking enforcement	2,700	2,700	5,784	--
Teen Court administration fee	1,891	1,891	4,127	--
Other court fines	149,234	149,234	146,008	--
Total fines and forfeitures	<u>5,267,013</u>	<u>5,267,013</u>	<u>6,118,520</u>	--
Earnings on investments	<u>605,002</u>	<u>605,002</u>	<u>1,004,660</u>	--
Miscellaneous				
Rents				
Rental of general property	130,318	130,318	184,294	--
Oil and gas leases	--	--	--	--
Recovery on damage claims	8,565	8,565	14,812	--
Contributions and donations	50,666	76,666	127,899	--
Time Warner-Public Access Equipment	7,000	7,000	7,000	--
Automated teller machines	1,200	1,200	1,300	--
Engineering Services-other governments	5,895	5,895	609	--
Engineering Services-CIP projects	--	--	--	--
RTA bus advertising revenues	--	--	17,917	--

(Continued)

the City of Corpus Christi, Texas

**Exhibit 6-B
(Continued)**

2006 Actual Budget Basis	Variance Final Budget Positive (Negative)	2005 Actual Budget Basis Restated
23,050	1,600	20,120
757	(63)	680
23,949	10,949	13,000
4,126	636	3,180
--	--	85
110,117	22,986	93,206
500	(1,800)	2,700
<u>281,281</u>	<u>59,001</u>	<u>230,568</u>
<u>40,709,838</u>	<u>916,832</u>	<u>37,430,610</u>
2,727,631	161,751	2,453,425
172,262	9,384	172,168
814,691	105,526	797,264
209,451	15,644	197,152
91,424	8,699	84,129
301,002	82,104	308,013
248,262	47,222	212,669
31,415	5,742	30,465
125,661	22,971	121,858
165,598	15,048	154,953
127,600	15,007	120,956
101,999	101,999	9,803
35,956	35,956	--
805,763	229,493	820,334
3,886	(7,133)	12,639
5,784	3,084	2,465
4,127	2,236	3,099
146,008	(3,226)	157,179
<u>6,118,520</u>	<u>851,507</u>	<u>5,658,571</u>
<u>1,004,660</u>	<u>399,658</u>	<u>556,088</u>
184,294	53,976	119,727
--	--	1,456
14,812	6,247	28,486
127,899	51,233	74,741
7,000	--	10,695
1,300	100	1,000
609	(5,286)	6,695
--	--	58,560
17,917	17,917	15,257

the City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Miscellaneous (continued)				
Sale of city property	1,500	23,325	25,577	--
Sale of fixed assets	--	--	29,039	--
Copy sales	1,500	1,500	3,276	--
All-America sales	--	--	--	--
Returned check fees	6,550	6,550	3,941	--
Accounts receivable finance charges	--	--	--	--
Demolition and weed liens	95,600	95,600	102,224	--
Purchase discounts	6,280	6,280	39,528	--
Vending machine sales	6,000	6,000	6,488	--
Forfeited plan deposits	30,000	30,000	20,220	--
Human relations training conference	11,000	11,000	--	--
Claim settlements	--	--	--	--
Naming rights for convention center	--	--	--	--
Miscellaneous	178,161	178,161	253,789	--
Total miscellaneous revenue	<u>540,235</u>	<u>588,060</u>	<u>837,913</u>	<u>--</u>
Reimbursements				
Interdepartmental	5,523,253	5,523,253	--	5,420,318
Traffic engineering cost recovery	350	350	--	--
Capital budget cost recovery	192,738	192,738	--	192,738
Finance cost recovery - CIP	893,060	893,060	--	893,060
Engineering svcs - interdepartmental	--	--	--	4,286
Street recovery fees	729,624	729,624	--	908,532
Interdepartmental services - street	758,228	758,228	--	775,838
Fire hydrant maintenance	327,472	327,472	--	327,472
800 MHz radio - interdepartmental	219,225	219,225	--	219,250
Total reimbursements revenue	<u>8,643,950</u>	<u>8,643,950</u>	<u>--</u>	<u>8,741,494</u>
Total revenues	<u>163,089,878</u>	<u>164,486,803</u>	<u>162,566,114</u>	<u>8,741,494</u>
Other financing sources (uses)				
Capital leases	--	--	2,917,492	(2,917,492)
Total other financing sources	<u>--</u>	<u>--</u>	<u>2,917,492</u>	<u>(2,917,492)</u>
Transfers in				
Administrative charges				
Federal grants	186,000	186,000	172,856	--
CCCIC	--	--	11,795	--
Visitor facility	468,540	468,540	468,540	--
Gas division	725,114	725,114	725,114	--
Wastewater division	809,700	809,700	809,700	--
Water division	1,763,031	1,763,031	1,763,031	--
Airport	331,586	331,586	331,587	--
Golf	--	--	--	--
Marina	180,848	180,848	180,848	--
Other				
Maintenance svc division	581,304	581,304	581,304	--

the City of Corpus Christi, Texas

**Exhibit 6-B
(Continued)**

2006 Actual Budget Basis	Variance Final Budget Positive (Negative)	2005 Actual Budget Basis Restated
25,577	2,252	42,553
29,039	29,039	579,890
3,276	1,776	1,463
--	--	181
3,941	(2,609)	4,438
--	--	7,172
102,224	6,624	143,134
39,528	33,248	7,664
6,488	488	5,419
20,220	(9,780)	18,643
--	(11,000)	--
--	--	35,584
--	--	175,000
253,789	75,628	228,336
<u>837,913</u>	<u>249,853</u>	<u>1,566,094</u>
5,420,318	(102,935)	4,257,039
--	(350)	5,050
192,738	--	142,631
893,060	--	933,086
4,286	4,286	--
908,532	178,908	743,608
775,838	17,610	898,173
327,472	--	327,472
219,250	25	208,464
<u>8,741,494</u>	<u>97,544</u>	<u>7,515,523</u>
<u>171,307,608</u>	<u>6,820,805</u>	<u>160,707,917</u>
--	--	--
--	--	--
172,856	(13,144)	145,010
11,795	11,795	--
468,540	--	463,901
725,114	--	717,940
809,700	--	801,688
1,763,031	--	1,745,571
331,587	1	330,921
--	--	293,956
180,848	--	179,062
581,304	--	--

the City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Transfers in				
Other (continued)				
MIS division	--	--	42,417	--
City hall CIP	--	--	--	--
Street CIP	--	--	--	--
Gas division	--	--	--	--
Wastewater division	--	--	--	--
Water division	--	--	--	--
Total transfers in	<u>5,046,123</u>	<u>5,046,123</u>	<u>5,087,192</u>	<u>--</u>
Transfers out				
Debt service fund	(12,995)	(12,995)	(1,270,270)	1,257,276
Federal grants	(1,193,707)	(1,193,707)	(1,163,972)	--
Transfers for capital outlay	--	--	(805,000)	805,000
Total transfers out	<u>(1,206,702)</u>	<u>(1,206,702)</u>	<u>(3,239,242)</u>	<u>2,062,276</u>
Total other sources	<u>3,839,421</u>	<u>3,839,421</u>	<u>4,765,442</u>	<u>(855,216)</u>
Total revenues and other sources	<u>\$ 166,929,299</u>	<u>\$ 168,326,224</u>	<u>\$ 167,331,556</u>	<u>\$ 7,886,278</u>

the City of Corpus Christi, Texas

**Exhibit 6-B
(Continued)**

2006 Actual Budget Basis	Variance Final Budget Positive (Negative)	2005 Actual Budget Basis Restated
42,417	42,417	--
--	--	845,750
--	--	6,626
--	--	37
--	--	3,472
--	--	8,370
<u>5,087,192</u>	<u>41,069</u>	<u>5,542,304</u>
(12,994)	1	(12,933)
(1,163,972)	29,735	(1,243,076)
--	--	--
<u>(1,176,966)</u>	<u>29,736</u>	<u>(1,256,009)</u>
<u>3,910,226</u>	<u>70,805</u>	<u>4,286,295</u>
<u>\$ 175,217,834</u>	<u>\$ 6,891,610</u>	<u>\$ 164,994,212</u>

the City of Corpus Christi, Texas

GENERAL FUND
 SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET
 YEAR ENDED JULY 31, 2006
 WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
General government					
Control					
City Council and City Secretary	\$ 631,076	\$ 16,670	\$ 217,203	\$ 153,995	\$ --
City Manager	371,225	8,559	17,469	47,232	--
Group Managers	450,932	6,510	63,700	45,510	--
Management and budget office	354,302	10,353	19,913	75,313	--
Operations performance review	--	--	13,277	--	--
Communications/quality management	140,331	28,244	63,502	28,145	--
Cable public education government access	--	3,206	1,430	--	--
Capital budgeting	141,768	974	18,342	15,040	--
Total general government - control	2,089,634	74,516	414,836	365,235	--
Staff agencies					
Director of finance	328,052	3,187	2,790	41,532	--
Accounting	1,597,927	56,620	322,427	385,693	--
Nueces County Tax Appraisal District	--	--	865,374	--	--
Central cashiering	518,614	47,130	26,086	274,276	--
Cash management	192,005	31,738	33,256	118,824	--
Legal	1,690,977	86,883	194,342	237,735	--
Economic development	--	--	188,104	--	--
Downtown Management District	--	--	80,073	--	--
Development services admin	111,215	32,425	44,739	571,309	--
Planning	878,866	59,083	102,799	289,325	--
Code enforcement	485,606	79,790	208,843	251,103	--
Code enforcement initiative program	285,822	4,864	(2,251)	31,489	--
Human resources	1,018,379	45,747	65,290	229,519	--
Incentive program	--	236	20,718	--	--
Training	25,087	--	3,050	--	--
ADA Compliance	--	33,098	43,142	1,881	--
Human relations	315,582	11,825	10,145	79,976	--
Total staff agencies	7,448,132	492,626	2,208,927	2,512,662	--
Engineering services					
Engineering support services	--	--	33,154	542,966	--
Special services	377,792	14,595	37,413	16,177	--
Total engineering services	377,792	14,595	70,567	559,143	--
Other expenditures					
Uncollectible accounts	--	--	--	534,442	--
Re-engineering effort (CMMS)	--	--	11,787	--	--
Major memberships	4,181	15	85,163	--	--
Reserve for comp/merit pay	--	--	--	--	--
Purchasing/messenger service allocation	--	--	--	257,508	--
Refuge of last resort	3,665	21,851	410	--	--
Reserve appropriations	--	--	--	--	--
Reserve for accrued pay	--	--	--	--	--
Total other expenditures	7,846	21,866	97,360	791,950	--
Total general government	9,923,404	603,603	2,791,690	4,228,990	--

(Continued)

the City of Corpus Christi, Texas

Exhibit 6-C

Reimbursements	Total Expenditures	Adjustments Budget Basis	2006 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2005 Actual Budget Basis Restated
				Original	Final		
\$ --	\$ 1,018,944	\$ --	\$ 1,018,944	\$ 991,329	\$ 1,005,294	\$ (13,650)	\$ 1,105,664
--	444,485	--	444,485	449,812	452,211	7,726	440,742
--	566,652	--	566,652	589,240	584,654	18,002	567,342
(79,200)	380,681	79,200	459,881	453,853	470,533	10,652	467,852
--	13,277	--	13,277	--	13,277	--	145,702
(50,000)	210,222	50,000	260,222	290,969	274,441	14,219	296,795
--	4,636	--	4,636	--	4,636	--	9,364
(192,738)	(16,614)	192,738	176,124	193,008	193,304	17,180	144,116
(321,938)	2,622,283	321,938	2,944,221	2,968,211	2,998,350	54,129	3,177,577
(333,129)	42,432	333,129	375,561	383,076	385,491	9,930	361,699
(1,383,891)	978,776	1,383,891	2,362,667	2,384,968	2,401,204	38,537	2,494,144
--	865,374	--	865,374	901,646	901,646	36,272	806,861
(376,853)	489,253	376,853	866,106	866,246	867,686	1,580	1,124,292
(309,791)	66,032	309,791	375,823	384,816	385,129	9,306	313,507
(77,906)	2,132,031	77,906	2,209,937	2,241,729	2,374,924	164,987	2,522,061
(76,206)	111,898	76,206	188,104	188,104	188,104	--	187,781
(48,363)	31,710	48,363	80,073	80,073	80,073	--	80,073
--	759,688	--	759,688	726,073	907,373	147,685	703,868
--	1,330,073	79,189	1,409,262	1,338,579	1,349,959	(59,303)	1,450,649
--	1,025,342	--	1,025,342	1,010,898	1,012,384	(12,958)	1,244,655
--	319,924	--	319,924	360,102	360,833	40,909	267,524
--	1,358,935	--	1,358,935	1,422,659	1,431,601	72,666	1,311,875
--	20,954	--	20,954	23,005	23,005	2,051	21,642
--	28,137	--	28,137	--	31,200	3,063	--
--	78,121	--	78,121	105,175	141,614	63,493	23,237
--	417,528	--	417,528	406,000	407,353	(10,175)	387,153
(2,606,139)	10,056,208	2,685,328	12,741,536	12,823,149	13,249,579	508,043	13,301,021
--	576,120	--	576,120	574,682	580,685	4,565	453,150
(88,753)	357,224	88,753	445,977	374,706	488,013	42,036	376,985
(88,753)	933,344	88,753	1,022,097	949,388	1,068,698	46,601	830,135
--	534,442	--	534,442	--	--	(534,442)	38,830
(23,963)	(12,176)	23,963	11,787	--	11,787	--	176,143
(49,702)	39,657	49,702	89,359	120,312	120,312	30,953	94,845
--	--	--	--	1,553,556	600,180	600,180	--
--	257,508	--	257,508	257,508	257,508	--	254,664
--	25,926	--	25,926	15,000	15,000	(10,926)	6,778
--	--	--	--	632,393	589,396	589,396	--
--	--	--	--	1,000,000	50,000	50,000	--
(73,665)	845,357	73,665	919,022	3,578,769	1,644,183	725,161	571,260
(3,090,495)	14,457,192	3,169,684	17,626,876	20,319,517	18,960,810	1,333,934	17,879,993

the City of Corpus Christi, Texas

GENERAL FUND
 SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET
 YEAR ENDED JULY 31, 2006
 WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
Police and municipal court					
Police					
Administration	1,478,986	87,841	243,099	937,029	--
Police training	1,535,159	158,258	36,610	51,689	--
Criminal investigation	4,124,147	122,401	3,876	392,384	--
Special services	2,110,381	80,879	17,291	242,660	--
Uniformed division	23,210,624	298,697	432,686	2,837,402	--
Forensics services division	963,914	52,891	16,181	149,786	--
School crossing guards	567,412	15,881	429	124,396	--
Parking control	159,160	1,749	22,024	41,707	--
MetroCom	3,451,253	19,793	760,504	199,978	--
Police computer support	75,603	18,694	566,209	1,056,493	--
9-1-1 call delivery wireline	46,080	27,059	295,846	14,796	301,618
9-1-1 call delivery wireless	--	19,193	13,520	--	301,617
Building maintenance and operations	382,033	47,399	776,686	74,395	--
Vehicle pound operation	218,432	3,671	548,059	46,952	--
Community services	1,392,311	37,773	1,592	114,084	--
Central information	1,231,573	38,710	30,382	150,515	--
Criminal intelligence unit	727,440	34,618	6,178	82,001	--
Beach safety	122,843	--	--	432	--
Total police	41,797,351	1,065,507	3,771,172	6,516,699	603,235
Municipal court					
Administration	1,027,673	132,272	43,914	740,058	--
Judicial	517,636	9,593	7,646	27,082	--
Environmental court	169,422	14	436	11,746	--
Municipal juvenile court	131,643	5,338	38,951	1,455	--
Detention facility	1,070,310	12,110	80,128	51,047	--
Building security	--	--	36,577	--	--
City marshals	258,570	9,403	21,207	33,385	--
Total municipal court	3,175,254	168,730	228,859	864,773	--
Total police and municipal court	44,972,605	1,234,237	4,000,031	7,381,472	603,235
Fire					
Administration and training	1,023,320	31,789	66,293	307,978	--
Fire academy training	926,084	106,277	9,775	37,930	--
Communications	65,095	18,982	156,893	64,888	--
Apparatus and shop	193,710	221,489	277,551	12,051	--
Stations	19,839,183	560,207	586,046	1,452,930	805,279
Fire safety/Haz-Mat	263,605	21,095	4,234	10,542	--
Fire prevention	925,287	18,677	22,849	193,549	14,792
Fire support services	71,072	28,701	56,750	4,524	--
Fire department contributions	--	--	--	--	--
Life guarding and first response	145,709	6,499	18,896	42,938	--
Total fire	23,453,065	1,013,716	1,199,287	2,127,330	820,071
Ambulance					
City ambulance operations	4,375,059	462,074	895,300	292,520	530,260

the City of Corpus Christi, Texas

Exhibit 6-C
(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2006 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2005 Actual Budget Basis Restated
				Original	Final		
-	2,746,955	-	2,746,955	2,517,746	2,525,553	(221,402)	1,997,566
-	1,781,716	-	1,781,716	1,627,787	1,675,790	(105,926)	774,753
-	4,642,808	-	4,642,808	4,646,711	4,647,228	4,420	4,469,082
-	2,451,211	-	2,451,211	2,456,066	2,457,166	5,955	2,388,089
(219,250)	26,560,159	1,024,250	27,584,409	27,257,086	27,786,281	201,872	27,354,234
-	1,182,772	-	1,182,772	1,189,750	1,191,975	9,203	1,401,065
-	708,118	-	708,118	676,329	682,595	(25,523)	649,983
-	224,640	-	224,640	229,530	230,452	5,812	206,578
(253,612)	4,177,916	253,612	4,431,528	4,234,008	4,234,531	(196,997)	3,505,910
(760,169)	956,830	760,169	1,716,999	1,768,515	1,768,515	51,516	1,631,765
-	685,399	(204,550)	480,849	437,603	469,519	(11,330)	377,303
-	334,330	(204,550)	129,780	369,677	369,677	239,897	16,900
-	1,280,513	-	1,280,513	1,243,777	1,244,950	(35,563)	1,234,609
-	817,114	-	817,114	760,605	761,263	(55,851)	869,734
-	1,545,760	-	1,545,760	1,598,716	1,599,920	54,160	840,767
-	1,451,180	-	1,451,180	1,465,328	1,469,688	18,508	1,403,091
-	850,237	-	850,237	865,400	865,608	15,371	760,287
(123,275)	-	123,275	123,275	122,669	122,669	(606)	119,020
(1,356,306)	52,397,658	1,752,206	54,149,864	53,467,303	54,103,380	(46,484)	50,000,736
-	1,943,917	-	1,943,917	1,833,255	1,878,247	(65,670)	2,306,184
-	561,957	-	561,957	581,166	581,964	20,007	429,147
-	181,618	-	181,618	176,068	176,172	(5,446)	185,035
-	177,387	-	177,387	188,553	188,658	11,271	-
-	1,213,595	-	1,213,595	1,077,924	1,077,924	(135,671)	906,119
-	36,577	-	36,577	25,337	25,337	(11,240)	18,243
-	322,565	-	322,565	349,022	349,022	26,457	424,536
-	4,437,616	-	4,437,616	4,231,325	4,277,324	(160,292)	4,269,264
(1,356,306)	56,835,274	1,752,206	58,587,480	57,698,628	58,380,704	(206,776)	54,270,000
-	1,429,380	-	1,429,380	1,382,335	1,412,822	(16,558)	1,260,254
-	1,080,066	-	1,080,066	1,072,806	1,130,331	50,265	1,297,805
-	305,858	-	305,858	274,632	276,536	(29,322)	290,198
-	704,801	-	704,801	567,935	578,517	(126,284)	590,521
(536,719)	22,706,926	420,869	23,127,795	22,190,227	23,398,485	270,690	22,224,479
-	299,476	-	299,476	215,177	241,242	(58,234)	212,630
-	1,175,154	-	1,175,154	1,166,419	1,192,609	17,455	1,170,993
-	161,047	-	161,047	167,743	174,647	13,600	141,645
-	-	-	-	1,250	1,250	1,250	-
(226,922)	(12,880)	239,802	226,922	313,282	265,663	38,741	229,843
(763,641)	27,849,828	660,671	28,510,499	27,351,806	28,672,102	161,603	27,418,368
-	6,555,213	(147,644)	6,407,569	6,503,109	6,635,720	228,151	6,351,844

the City of Corpus Christi, Texas

GENERAL FUND
 SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET
 YEAR ENDED JULY 31, 2006
 WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
Emergency management					
Emergency management	59,855	23,440	47,855	186,891	--
Hurricane Katrina refugees	781,005	406,805	663,223	--	--
Hurricane Rita	9,245	94,066	667	--	--
Pipeline transportation	17,547	202	4	3,736	--
Total emergency management	<u>867,652</u>	<u>524,513</u>	<u>711,749</u>	<u>190,627</u>	<u>--</u>
Inspections	<u>1,370,576</u>	<u>54,499</u>	<u>115,843</u>	<u>461,734</u>	<u>--</u>
Streets					
Office and yard	636,957	37,555	103,645	232,429	--
Asphalt rework and construction	503,636	744,780	22,009	196,844	--
Utility cut repairs	220,278	171,609	21,642	47,540	--
Asphalt maintenance	2,149,147	1,831,439	60,457	690,903	781,589
Traffic signals	560,592	595,247	146,703	146,510	--
Traffic engineering	378,531	17,237	21,990	83,446	--
Street lighting	--	--	3,184,962	7,788	--
Residential traffic management	--	--	51,135	288	--
Signs and markings	498,249	316,008	50,180	144,618	--
Total streets	<u>4,947,390</u>	<u>3,713,875</u>	<u>3,662,723</u>	<u>1,550,366</u>	<u>781,589</u>
Solid Waste					
Solid waste office	704,399	41,569	193,696	259,628	--
Refuse collection	3,200,303	722,274	81,221	618,841	648,639
Refuse disposal	353,975	118,045	3,352,496	225,406	--
Brush collection	1,478,927	237,901	17,849	309,092	--
Recycling collection	744,734	87,316	44,805	123,255	--
Cash for trash	--	--	--	--	--
Landfill regulation compliance	--	--	600	--	--
Total solid waste	<u>6,482,338</u>	<u>1,207,105</u>	<u>3,690,667</u>	<u>1,536,222</u>	<u>648,639</u>
Health					
Administration and special programs	444,138	15,540	23,692	248,278	--
Immunization and venereal disease	53,559	796	630	8,334	--
Vital statistics	97,414	18,875	15,698	13,163	--
Nursing	496,308	11,312	23,247	62,887	--
Environmental health	271,599	6,855	37,604	37,986	--
STD clinic	44,981	601	301	8,820	--
Vector control	297,538	30,213	11,969	117,024	--
Laboratory	131,270	3,051	907	12,475	--
Mental health	--	--	54,000	--	--
Animal control	816,944	94,035	73,114	213,892	33,139
Health office building	41,790	10,762	259,440	93,384	--
Total health	<u>2,695,541</u>	<u>192,040</u>	<u>500,602</u>	<u>816,243</u>	<u>33,139</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 6-C
(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2006 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2005 Actual Budget Basis Restated
				Original	Final		
--	318,041	--	318,041	368,051	368,051	50,010	275,453
--	1,851,033	--	1,851,033	--	1,337,268	(513,765)	--
--	103,978	--	103,978	--	56,136	(47,842)	--
--	21,489	--	21,489	44,021	44,021	22,532	34,505
--	2,294,541	--	2,294,541	412,072	1,805,476	(489,065)	309,958
(110,588)	1,892,064	110,588	2,002,652	1,886,042	1,912,079	(90,573)	1,877,216
--	1,010,586	--	1,010,586	964,149	974,833	(35,753)	998,815
--	1,467,269	20,042	1,487,311	1,410,569	1,411,822	(75,489)	1,085,035
--	461,069	--	461,069	398,822	399,239	(61,830)	464,901
(1,684,370)	3,829,165	1,084,831	4,913,996	5,029,923	5,034,623	120,627	4,414,755
--	1,449,052	154,089	1,603,141	1,538,411	1,634,791	31,650	1,466,525
(53,629)	447,575	53,629	501,204	550,107	563,339	62,135	505,078
--	3,192,750	--	3,192,750	2,800,139	2,800,139	(392,611)	2,859,093
--	51,423	--	51,423	54,288	54,288	2,865	58,732
--	1,009,055	36,770	1,045,825	998,207	999,356	(46,469)	912,358
(1,737,999)	12,917,944	1,349,361	14,267,305	13,744,615	13,872,430	(394,875)	12,765,292
--	1,199,292	--	1,199,292	1,186,572	1,188,908	(10,384)	1,299,844
--	5,271,278	975,223	6,246,501	6,234,660	6,242,075	(4,426)	6,280,168
--	4,049,922	1,257,276	5,307,198	5,626,413	5,423,383	116,185	5,577,891
--	2,043,769	--	2,043,769	2,123,547	2,127,672	83,903	1,957,596
(8,096)	992,014	8,096	1,000,110	1,077,582	1,079,462	79,352	1,053,164
--	--	--	--	--	--	--	62,021
--	600	--	600	--	1,860	1,260	--
(8,096)	13,556,875	2,240,595	15,797,470	16,248,774	16,063,360	265,890	16,230,684
--	731,648	--	731,648	802,957	839,191	107,543	707,697
--	63,319	--	63,319	66,945	67,049	3,730	54,048
--	145,150	--	145,150	154,703	315,379	170,229	137,265
--	593,754	--	593,754	570,534	573,168	(20,586)	577,275
--	354,044	--	354,044	324,409	325,115	(28,929)	344,760
--	54,703	--	54,703	83,223	83,327	28,624	90,949
--	456,744	5,404	462,148	489,276	490,007	27,859	432,032
--	147,703	--	147,703	145,374	146,442	(1,261)	140,353
--	54,000	--	54,000	54,000	54,000	--	54,000
--	1,231,124	(30,064)	1,201,060	1,181,519	1,183,554	(17,506)	1,050,186
--	405,376	--	405,376	318,988	320,789	(84,587)	365,498
--	4,237,565	(24,660)	4,212,905	4,191,928	4,398,021	185,116	3,954,063

the City of Corpus Christi, Texas

GENERAL FUND
 SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET
 YEAR ENDED JULY 31, 2006
 WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
Parks and recreation					
Director of parks and recreation	636,155	16,293	30,854	451,722	--
Park operation	3,161,740	674,348	243,089	1,538,437	167,208
Bayfront Science Park	295,228	27,743	36,028	61,505	--
Recreation centers	615,854	45,147	142,287	209,983	--
Athletics	361,356	38,002	178,132	96,435	--
Aquatics	613,589	87,763	130,671	148,143	--
Special programs	92,282	11,468	12,884	15,014	--
Multicultural center	253,971	16,157	73,582	39,548	--
Latchkey program	1,318,842	90,178	47,085	296,718	--
Arts subgranting	--	1,356	36,193	--	--
Beach maintenance/safety	--	5,490	2,025	--	--
Beach parking permits	4,401	4,264	23,661	4,379	--
Beach maintenance	310,202	77,459	178,792	87,646	31,106
Tennis center operations	--	7,755	160,117	18,277	--
Assessment center	143,504	1,981	1,778	17,626	--
Corpus Christi Independent School District	--	--	4,703	--	--
Volunteer center	--	--	8,450	--	--
Tourist district	455,131	59,384	72,949	288	--
Graffiti clean-up project	--	6,273	38	--	--
Natatorium	--	--	134,485	--	--
Total parks and recreation	8,262,255	1,171,061	1,517,803	2,985,721	198,314
Libraries					
Central	1,304,330	386,852	310,595	262,624	5,740
Parkdale Branch	277,856	8,753	58,035	63,572	--
Greenwood Branch	247,854	7,730	55,813	51,292	--
Northwest Branch	221,586	9,399	23,490	48,741	--
Janet F. Harte Branch	187,786	8,688	76,816	45,525	--
Total libraries	2,239,412	421,422	524,749	471,754	5,740
Museums					
Museum of Science and History	790,940	23,761	336,574	244,656	--
Columbus ships	93,290	2,983	4,656	19,995	--
Total museums	884,230	26,744	341,230	264,651	--
Community enrichment					
Sister City program	--	489	1,029	6,547	--

(Continued)

the City of Corpus Christi, Texas

Exhibit 6-C
(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2006 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2005 Actual Budget Basis Restated
				Original	Final		
(8,835)	1,126,189	8,835	1,135,024	1,087,654	1,100,081	(34,943)	1,062,596
(334,797)	5,450,025	342,703	5,792,728	5,532,852	5,779,442	(13,286)	5,647,887
(366,065)	54,439	366,065	420,504	469,089	469,716	49,212	365,997
--	1,013,271	--	1,013,271	1,022,103	1,023,669	10,398	1,009,392
--	673,925	--	673,925	601,932	602,925	(71,000)	563,449
--	980,166	--	980,166	909,429	909,638	(70,528)	1,019,211
--	131,648	--	131,648	126,334	126,334	(5,314)	97,871
(111,179)	272,079	112,385	384,464	348,301	357,579	(26,885)	363,288
--	1,752,823	4,531	1,757,354	1,743,614	1,744,345	(13,009)	1,671,673
--	37,549	--	37,549	40,000	40,000	2,451	44,715
(7,515)	--	7,515	7,515	13,525	9,507	1,992	6,688
(41,696)	(4,991)	46,687	41,696	126,670	71,342	29,646	25,517
(725,093)	(39,888)	764,981	725,093	803,276	813,261	88,168	622,666
--	186,149	--	186,149	159,134	159,134	(27,015)	182,249
--	164,889	--	164,889	183,479	183,688	18,799	177,449
--	4,703	--	4,703	30,000	30,000	25,297	22,590
--	8,450	--	8,450	8,450	8,450	--	8,450
--	587,752	--	587,752	617,502	618,652	30,900	--
--	6,311	--	6,311	3,000	3,000	(3,311)	4,956
--	134,485	--	134,485	150,000	135,000	515	592,709
<u>(1,595,180)</u>	<u>12,539,974</u>	<u>1,653,702</u>	<u>14,193,676</u>	<u>13,976,344</u>	<u>14,185,763</u>	<u>(7,913)</u>	<u>13,489,353</u>
--	2,270,141	22,302	2,292,443	2,249,024	2,335,731	43,288	2,407,236
--	408,216	--	408,216	412,344	412,970	4,754	371,475
--	362,689	--	362,689	358,161	359,182	(3,507)	344,482
--	303,216	--	303,216	302,383	303,542	326	293,670
--	318,815	--	318,815	285,103	285,532	(33,283)	267,492
<u>--</u>	<u>3,663,077</u>	<u>22,302</u>	<u>3,685,379</u>	<u>3,607,015</u>	<u>3,696,957</u>	<u>11,578</u>	<u>3,684,355</u>
--	1,395,931	--	1,395,931	1,271,829	1,288,359	(107,572)	1,398,879
--	120,924	--	120,924	144,553	144,971	24,047	131,154
<u>--</u>	<u>1,516,855</u>	<u>--</u>	<u>1,516,855</u>	<u>1,416,382</u>	<u>1,433,330</u>	<u>(83,525)</u>	<u>1,530,033</u>
--	8,065	--	8,065	8,991	10,324	2,259	15,147

the City of Corpus Christi, Texas

GENERAL FUND
 SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET
 YEAR ENDED JULY 31, 2006
 WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
Debt service					
Principal retired	-	-	-	2,701,135	-
Interest	-	-	-	199,392	-
Total debt service	-	-	-	2,900,527	-
Total expenditures	\$ 110,473,527	\$ 10,625,378	\$ 19,952,703	\$ 25,214,704	\$ 3,620,987

the City of Corpus Christi, Texas

Exhibit 6-C
(Continued)

<u>Reimbursements</u>	<u>Total Expenditures</u>	<u>Adjustments Budget Basis</u>	<u>2006 Actual Budget Basis</u>	<u>Budget</u>		<u>Variance Final Budget Positive (Negative)</u>	<u>2005 Actual Budget Basis Restated</u>
				<u>Original</u>	<u>Final</u>		
--	2,701,135	(2,701,135)	--	--	--	--	--
--	199,392	(199,392)	--	--	--	--	--
--	2,900,527	(2,900,527)	--	--	--	--	--
<u>\$ (8,662,305)</u>	<u>\$ 161,224,994</u>	<u>\$ 7,886,278</u>	<u>\$ 169,111,272</u>	<u>\$ 167,365,223</u>	<u>\$ 170,027,076</u>	<u>\$ 915,804</u>	<u>\$ 159,776,306</u>



City of
Corpus
Christi

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

the City of Corpus Christi, Texas

Exhibit 7-A

**DEBT SERVICE FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2006 AND 2005**

ASSETS	<u>2006</u>	<u>2005</u>
Cash and cash equivalents	\$ 1,088,752	\$ --
Investments	9,287,145	8,440,635
Receivables		
Taxes	1,579,106	1,526,094
Accrued interest	76,982	50,713
Intergovernmental	16,558	6,337
Miscellaneous	675	675
Allowance for uncollectibles	<u>(1,137,782)</u>	<u>(1,113,827)</u>
Net receivables	535,539	469,992
Due from other funds	<u>19,600</u>	<u>1,885,160</u>
Total assets	<u>\$ 10,931,036</u>	<u>\$ 10,795,787</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 12,080	\$ 2,871
Due to other funds	221,721	52,085
Deferred revenues		
Taxes	<u>441,324</u>	<u>412,267</u>
Total liabilities	675,125	467,223
Fund balance		
Reserved for debt service	4,421,800	5,551,228
Unreserved		
Designated for subsequent year's expenditures	--	511,179
Designated for debt		
Airport	560,456	560,456
Stormwater	<u>790,429</u>	<u>790,429</u>
Total designated for debt	1,350,885	1,350,885
Undesignated	<u>4,483,226</u>	<u>2,915,272</u>
Total fund balance	<u>10,255,911</u>	<u>10,328,564</u>
Total liabilities and fund balance	<u>\$ 10,931,036</u>	<u>\$ 10,795,787</u>

the City of Corpus Christi, Texas

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	<u>Budget</u>		<u>2006 Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>
Revenues				
Ad valorem taxes	\$ 20,419,255	\$ 20,419,255	\$ 20,455,666	\$ 36,411
Earnings on investments	247,111	247,111	310,508	63,397
Payments from Lexington Museum Association	355,640	355,640	352,849	(2,791)
Payments from Corpus Christi Convention and Visitor Bureau	272,234	272,234	272,234	--
Payments from Texas State Aquarium	500,427	500,427	500,427	--
Payments from other agencies	12,900	12,900	7,425	(5,475)
Total revenues	<u>21,807,567</u>	<u>21,807,567</u>	<u>21,899,109</u>	<u>91,542</u>
Expenditures				
Principal retirement	16,099,446	16,099,446	18,340,000	(2,240,554)
Interest	12,588,444	12,588,444	9,656,942	2,931,502
Paying agent fees	17,555	17,555	10,774	6,781
Bond issue cost	13,000	13,000	--	13,000
Total expenditures	<u>28,718,445</u>	<u>28,718,445</u>	<u>28,007,716</u>	<u>710,729</u>
Deficiency of revenues under expenditures	(6,910,878)	(6,910,878)	(6,108,607)	802,271
Other financing sources (uses)				
Refunding bonds issued	--	--	--	--
Payment to escrow agent for refunded bonds	--	--	--	--
Refund on bonds issued	--	--	19,952	19,952
Transfers in from				
General fund	1,501,743	1,393,678	1,270,270	(123,408)
Marina fund	242,244	242,244	90,018	(152,226)
Utility system fund	1,169,187	1,169,187	1,169,187	--
Airport fund	533,518	533,518	533,518	--
Hotel occupancy tax fund	2,557,083	2,557,083	2,557,083	--
Visitors facilities fund	15,294	15,294	15,294	--
Stores fund	14,782	14,782	14,782	--
Maintenance service fund	149,673	149,673	149,673	--
Municipal information systems fund	200,378	200,378	200,378	--
Liability and employee benefits fund	15,799	15,799	15,799	--
Total other financing sources (uses)	<u>6,399,701</u>	<u>6,291,636</u>	<u>6,035,954</u>	<u>(255,682)</u>
Net change in fund balance	(511,177)	(619,242)	(72,653)	546,589
Fund balances at beginning of year	<u>9,966,642</u>	<u>10,328,564</u>	<u>10,328,564</u>	<u>--</u>
Fund balances at end of year	<u>\$ 9,455,465</u>	<u>\$ 9,709,322</u>	<u>\$ 10,255,911</u>	<u>\$ 546,589</u>

the City of Corpus Christi, Texas

Exhibit 7-B

**2005
Actual**

\$ 16,655,492
112,139
283,800
252,841
512,182
11,425

17,827,879

18,960,000
6,465,017
12,234
1,495,467

26,932,718

(9,104,839)

60,137,442
(59,387,098)

--

2,331,025
39,590
1,268,760
716,862
2,680,966
15,222
14,712
148,966
199,432
15,724

8,181,603

(923,236)

11,251,800

\$ 10,328,564



City of
Corpus
Christi

Non-major Governmental Funds



City of
Corpus
Christi

the City of Corpus Christi, Texas

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JULY 31, 2006

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds		Eliminations
			Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation	
ASSETS					
Cash and cash equivalents	\$ 9,839,903	\$ 18,772,403	\$ 523,099	\$ 7,610	\$ --
Investments	23,743,622	59,557,477	--	--	--
Receivables, net of allowance for uncollectibles	26,032,219	1,521,777	--	--	--
Due from other funds	414,127	117,826	--	--	(3,829)
Prepaid items	--	--	--	3,577	--
Advances to other funds	--	12,000,000	--	--	--
Other assets	42,716	--	--	--	--
Total assets	\$ 60,072,587	\$ 91,969,483	\$ 523,099	\$ 11,187	\$ (3,829)
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 2,393,716	\$ 5,628,327	\$ --	\$ --	\$ --
Accrued liabilities	580,208	--	--	--	--
Contractor interest and retainage payable	75,759	1,164,567	--	--	--
Deposits	386,862	203,246	--	--	--
Due to other funds	216,815	890,339	--	--	(3,829)
Deferred revenues	3,763,660	1,210,522	--	--	--
Total liabilities	7,417,020	9,097,001	--	--	(3,829)
Fund balances					
Reserved for encumbrances	1,969,319	15,680,539	--	--	--
Reserved for loans	18,111,779	--	--	--	--
Reserved for debt service	--	--	523,099	11,187	--
Reserved for Senior Community Services	142,590	--	--	--	--
Reserved for Home Program	66,250	--	--	--	--
Reserved for law enforcement	1,098,980	--	--	--	--
Reserved for Sister City programs	1,047	--	--	--	--
Reserved for park projects	1,678,797	--	--	--	--
Reserved for permanent art projects	122,914	--	--	--	--
Reserved for infrastructure	1,148,631	--	--	--	--
Reserved for local emergency response planning	23,612	--	--	--	--
Reserved for maintenance	1,818,402	--	--	--	--
Unreserved					
Designated for subsequent year's expenditures	436,318	--	--	--	--
Designated for specific projects	--	22,226,018	--	--	--
Designated for incentive program	33,000	--	--	--	--
Undesignated					
Special revenue funds	25,889,324	--	--	--	--
Capital project funds	--	44,965,925	--	--	--
Total fund balances	52,655,567	82,872,482	523,099	11,187	--
Total liabilities and fund balances	\$ 60,072,587	\$ 91,969,483	\$ 523,099	\$ 11,187	\$ (3,829)

the City of Corpus Christi, Texas

Exhibit 8-A

Total

\$ 29,143,015
83,301,099
27,553,996
528,124
3,577
12,000,000
42,716

\$ 152,572,527

\$ 8,022,043
580,208
1,240,326
590,108
1,103,325
4,974,182

16,510,192

17,649,858
18,111,779
534,286
142,590
66,250
1,098,980
1,047
1,678,797
122,914
1,148,631
23,612
1,818,402

436,318
22,226,018
33,000

25,889,324
44,965,925

136,062,335

\$ 152,572,527

the City of Corpus Christi, Texas

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2006

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds		Eliminations
			Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation	
Revenues					
Taxes and business fees	\$ 30,058,281	\$ --	\$ --	\$ --	\$ --
Grants	11,972,711	100,335	--	--	--
Charges for services	9,810,585	--	--	--	--
Deposits	1,093,803	--	--	--	--
Contributions and donations	2,570,945	18,543	--	--	--
Special assessments	--	118,526	--	--	--
Earnings on investments	1,055,154	3,006,456	70,792	--	--
Interest on loans	31,771	--	--	--	--
Sale of city property	3,230	--	--	--	--
Naming rights	175,000	--	--	--	--
Miscellaneous	142,016	--	--	--	--
Total revenues	56,913,496	3,243,860	70,792	--	--
Expenditures					
Current					
General government	1,195,548	3,308,893	--	--	--
Police and municipal court	5,842,457	--	--	--	--
Fire	450,065	--	--	--	--
Ambulance	3,200	--	--	--	--
Emergency management	82,470	--	--	--	--
Streets	138,132	--	--	--	--
Solid waste	13,037	--	--	--	--
Health	2,214,559	--	--	--	--
Parks and recreation	4,971,750	--	--	--	--
Libraries	913,388	--	--	--	--
Community enrichment	1,505,359	--	--	--	--
Community development	4,889,684	--	--	--	--
Convention and visitors activities	13,794,220	--	--	--	--
Capital projects	3,959,639	42,947,393	--	--	--
Debt service					
Principal retirement	81,465	--	3,575,000	--	--
Interest	2,805	--	5,214,849	672,150	--
Paying agent fees	--	--	2,039	11,933	--
Bond issuance cost	--	589,508	--	--	--
Interest on interfund borrowings	80,169	--	--	--	--
Total expenditures	40,137,947	46,845,794	8,791,888	684,083	--
Excess (deficiency) of revenues over (under) expenditures	16,775,549	(43,601,934)	(8,721,096)	(684,083)	--
Other financing sources (uses)					
Revenue bonds issued	--	2,900,000	--	--	--
Certificates of obligation bonds issued	--	18,605,000	--	--	--
Discount on bonds issued	--	(272,896)	--	--	--
Transfers in	1,188,480	--	7,206,849	672,150	(7,878,999)
Transfers out	(11,104,567)	--	--	--	7,878,999
Total other financing sources (uses)	(9,916,087)	21,232,104	7,206,849	672,150	--
Net change in fund balances	6,859,462	(22,369,830)	(1,514,247)	(11,933)	--
Fund balances at beginning of year	45,796,105	105,242,312	2,037,346	23,120	--
Fund balances at end of year	\$ 52,655,567	\$ 82,872,482	\$ 523,099	\$ 11,187	\$ --

the City of Corpus Christi, Texas

Exhibit 8-B

Total

\$	30,058,281
	12,073,046
	9,810,585
	1,093,803
	2,589,488
	118,526
	4,132,402
	31,771
	3,230
	175,000
	142,016
	<u>60,228,148</u>
	4,504,441
	5,842,457
	450,065
	3,200
	82,470
	138,132
	13,037
	2,214,559
	4,971,750
	913,388
	1,505,359
	4,889,684
	13,794,220
	46,907,032
	3,656,465
	5,889,804
	13,972
	589,508
	80,169
	<u>96,459,712</u>
	(36,231,564)
	2,900,000
	18,605,000
	(272,896)
	1,188,480
	<u>(3,225,568)</u>
	<u>19,195,016</u>
	(17,036,548)
	<u>153,098,883</u>
\$	<u><u>136,062,335</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, Arena, 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.

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

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

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

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

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

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

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



City of
Corpus
Christi

the City of Corpus Christi, Texas

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JULY 31, 2006
WITH COMPARATIVE TOTALS FOR JULY 31, 2005**

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	\$ 30	\$ --	\$ 981,247	\$ 952,920	\$ 1,554,652
Investments	--	--	--	--	100,000
Receivables					
Accounts	1,448,967	1,083,630	10,604	--	--
Property leases	--	--	--	--	--
Taxes	--	--	--	--	--
Accrued interest	--	--	--	--	--
Mortgages and loans	--	--	--	--	--
Demolition liens	--	--	334,742	--	--
Special assessments	--	--	8,318	--	--
Notes	--	--	--	--	--
Employees	--	--	2,340	--	--
Intergovernmental	--	--	3,455,760	--	--
Miscellaneous	--	5,944	--	--	--
Allowance for uncollectibles	(341,601)	(4,425)	(277,887)	--	--
Net receivables	<u>1,107,366</u>	<u>1,085,149</u>	<u>3,533,877</u>	<u>--</u>	<u>--</u>
Due from other funds	226,142	28,584	73,199	867,061	--
Other assets	<u>42,716</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total assets	<u>\$ 1,376,254</u>	<u>\$ 1,113,733</u>	<u>\$ 4,588,323</u>	<u>\$ 1,819,981</u>	<u>\$ 1,654,652</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 753,103	\$ 11,599	\$ 444,269	\$ 5,679	\$ 503,480
Accrued liabilities	295,372	--	283,602	--	--
Contractor interest and retainage payable	--	--	75,759	--	--
Deposits	25,000	--	191,963	--	2,500
Due to other funds	301,118	588,767	77,017	--	41
Deferred revenues					
Demolition liens and other	--	--	333,461	--	--
Paving assessments	--	--	8,660	--	--
U.S. Department of Justice	--	--	2,679	--	--
Asset seizure and forfeiture	--	--	42,897	--	--
Grants	--	--	1,942,215	--	--
Texas Commission on Environmental Quality	--	--	152,833	--	--
Dues	1,280,915	--	--	--	--
Total deferred revenues	<u>1,280,915</u>	<u>--</u>	<u>2,482,745</u>	<u>--</u>	<u>--</u>
Total liabilities	<u>2,655,508</u>	<u>600,366</u>	<u>3,555,355</u>	<u>5,679</u>	<u>506,021</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 9-A

<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>
\$ 16,200	\$ 1,323,006	\$ 125,730	\$ 17,711	\$ 517,204
--	264,758	243,626	44,748	1,495,100
10,000	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	2,148	1,977	363	15,927
--	18,111,779	--	--	--
--	--	--	--	--
--	--	--	--	--
--	132,530	--	--	--
--	--	--	--	--
--	--	--	--	428,331
--	--	--	--	--
<u>10,000</u>	<u>18,246,457</u>	<u>1,977</u>	<u>363</u>	<u>444,258</u>
--	111,892	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ 26,200</u>	<u>\$ 19,946,113</u>	<u>\$ 371,333</u>	<u>\$ 62,822</u>	<u>\$ 2,456,562</u>
\$ 1,095	\$ 564,502	13,355	\$ --	\$ 84,659
1,234	--	--	--	--
--	--	--	--	--
--	167,399	--	--	--
259	26,294	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>2,588</u>	<u>758,195</u>	<u>13,355</u>	<u>--</u>	<u>84,659</u>

the City of Corpus Christi, Texas

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JULY 31, 2006
WITH COMPARATIVE TOTALS FOR JULY 31, 2005**

	<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	--	--	638,398	11,544	--
Reserved for loans	--	--	--	--	--
Reserved for Senior Community Services	--	--	142,590	--	--
Reserved for Home Program	--	--	--	--	--
Reserved for Convention Center expansion	--	114,604	--	--	--
Reserved for law enforcement	--	--	1,098,980	--	--
Reserved for library projects	--	--	--	--	--
Reserved for Sister City programs	--	--	--	1,047	--
Reserved for park projects	--	--	--	1,678,797	--
Reserved for permanent art projects	--	--	--	122,914	--
Reserved for infrastructure	--	--	--	--	1,148,631
Reserved for local emergency response planning	--	--	--	--	--
Reserved for maintenance	--	--	--	--	--
Unreserved					
Designated for subsequent year's expenditures	--	365,763	--	--	--
Designated for incentive program	--	33,000	--	--	--
Undesignated (deficit)	(1,279,254)	--	(847,000)	--	--
Total fund balances	<u>(1,279,254)</u>	<u>513,367</u>	<u>1,032,968</u>	<u>1,814,302</u>	<u>1,148,631</u>
Total liabilities and fund balances	<u>\$ 1,376,254</u>	<u>\$ 1,113,733</u>	<u>\$ 4,588,323</u>	<u>\$ 1,819,981</u>	<u>\$ 1,654,652</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>
--	--	--	--	108,653
--	18,111,779	--	--	--
--	--	--	--	--
--	66,250	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
23,612	--	--	--	--
--	--	--	--	--
--	--	--	--	70,555
--	--	--	--	--
--	1,009,889	357,978	62,822	2,192,695
<u>23,612</u>	<u>19,187,918</u>	<u>357,978</u>	<u>62,822</u>	<u>2,371,903</u>
<u>\$ 26,200</u>	<u>\$ 19,946,113</u>	<u>\$ 371,333</u>	<u>\$ 62,822</u>	<u>\$ 2,456,562</u>

the City of Corpus Christi, Texas

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JULY 31, 2006
WITH COMPARATIVE TOTALS FOR JULY 31, 2005**

ASSETS	<u>Corpus Christi Business and Job Development Corporation</u>	<u>North Padre Island Development Corporation</u>	<u>Eliminations</u>	<u>2006 Total</u>	<u>2005 Total</u>
Cash and cash equivalents	\$ 2,558,951	\$ 1,792,252	\$ --	\$ 9,839,903	\$ 5,990,120
Investments	21,595,390	--	--	23,743,622	19,109,426
Receivables					
Accounts	--	--	--	2,553,201	3,780,975
Property leases	--	--	--	--	1,000
Taxes	--	3,158	--	3,158	1,640
Accrued interest	193,802	22,992	--	237,209	158,649
Mortgages and loans	--	--	--	18,111,779	18,102,334
Demolition liens	--	--	--	334,742	207,299
Special assessments	--	--	--	8,318	10,862
Notes	--	--	--	132,530	--
Employees	--	--	--	2,340	--
Intergovernmental	1,382,820	--	--	5,266,911	4,889,518
Miscellaneous	--	--	--	5,944	7,424
Allowance for uncollectibles	--	--	--	(623,913)	(74,164)
Net receivables	<u>1,576,622</u>	<u>26,150</u>	<u>--</u>	<u>26,032,219</u>	<u>27,085,537</u>
Due from other funds	604	--	(893,355)	414,127	1,665,351
Other assets	<u>--</u>	<u>--</u>	<u>--</u>	<u>42,716</u>	<u>56,223</u>
Total assets	<u>\$ 25,731,567</u>	<u>\$ 1,818,402</u>	<u>\$ (893,355)</u>	<u>\$ 60,072,587</u>	<u>\$ 53,906,657</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 11,975	\$ --	\$ --	\$ 2,393,716	\$ 1,980,208
Accrued liabilities	--	--	--	580,208	622,373
Contractor interest and retainage payable	--	--	--	75,759	118,255
Deposits	--	--	--	386,862	495,966
Due to other funds	116,674	--	(893,355)	216,815	1,044,883
Deferred revenues					
Demolition liens and other	--	--	--	333,461	196,471
Paving assessments	--	--	--	8,660	11,149
U.S. Department of Justice	--	--	--	2,679	3,720
Asset seizure and forfeitures	--	--	--	42,897	35,906
Grants	--	--	--	1,942,215	1,032,638
Texas Commission on Environmental Quality	--	--	--	152,833	212,043
Dues	--	--	--	1,280,915	2,356,940
Total deferred revenues	<u>--</u>	<u>--</u>	<u>--</u>	<u>3,763,660</u>	<u>3,848,867</u>
Total liabilities	<u>128,649</u>	<u>--</u>	<u>(893,355)</u>	<u>7,417,020</u>	<u>8,110,552</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 9-A
(Continued)

SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JULY 31, 2006
WITH COMPARATIVE TOTALS FOR JULY 31, 2005

	Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation	Eliminations	2006 Total	2005 Total
Fund balances					
Reserved for encumbrances	1,210,724	--	--	1,969,319	2,490,129
Reserved for loans	--	--	--	18,111,779	18,172,237
Reserved for Senior Community Services	--	--	--	142,590	220,041
Reserved for Home Program	--	--	--	66,250	--
Reserved for Convention Center expansion	--	--	--	114,604	274,278
Reserved for law enforcement	--	--	--	1,098,980	1,022,639
Reserved for library projects	--	--	--	--	974
Reserved for Sister City programs	--	--	--	1,047	1,013
Reserved for park projects	--	--	--	1,678,797	1,283,125
Reserved for permanent art projects	--	--	--	122,914	109,662
Reserved for infrastructure	--	--	--	1,148,631	1,058,110
Reserved for local emergency response planning	--	--	--	23,612	18,430
Reserved for maintenance	--	1,818,402	--	1,818,402	--
Unreserved					
Designated for subsequent year's expenditures	--	--	--	436,318	323,864
Designated for incentive program	--	--	--	33,000	--
Undesignated (deficit)	24,392,194	--	--	25,889,324	20,821,603
Total fund balances	<u>25,602,918</u>	<u>1,818,402</u>	<u>--</u>	<u>52,655,567</u>	<u>45,796,105</u>
Total liabilities and fund balances	<u>\$ 25,731,567</u>	<u>\$ 1,818,402</u>	<u>\$ (893,355)</u>	<u>\$ 60,072,587</u>	<u>\$ 53,906,657</u>

the City of Corpus Christi, Texas

SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	Visitors Facilities	Hotel Occupancy Tax	Federal/ State Grants	Community Enrichment
Revenues				
Taxes and business fees	\$ --	\$ 9,408,919	\$ --	\$ --
Grants	--	--	10,836,758	--
Charges for services	7,720,218	--	1,619,878	--
Deposits	--	--	--	--
Contributions and donations	--	--	--	549,587
Earnings on investments	--	--	48,234	55,082
Interest on loans	--	--	--	--
Sale of City property	--	--	--	--
Naming rights	175,000	--	--	--
Miscellaneous	--	6,034	131,305	--
Total revenues	<u>7,895,218</u>	<u>9,414,953</u>	<u>12,636,175</u>	<u>604,669</u>
Expenditures				
Current				
General government	--	--	1,017,336	--
Police and municipal court	--	--	1,501,741	--
Fire	--	--	450,065	--
Ambulance	--	--	3,200	--
Emergency management	--	--	--	--
Streets	--	--	138,132	--
Solid waste	--	--	13,037	--
Health	--	--	2,214,559	--
Parks and recreation	--	1,124,501	3,703,141	144,108
Libraries	--	--	912,630	758
Community enrichment	--	638,670	866,689	--
Community development	--	--	2,367,076	--
Convention and visitors activities	9,118,600	4,675,620	--	--
Capital projects	9,000	--	732,500	48,228
Debt service	--	--	--	--
Principal retirement	--	--	--	--
Interest	--	--	--	--
Interest on interfund borrowings	39,419	40,750	--	--
Total expenditures	<u>9,167,019</u>	<u>6,479,541</u>	<u>13,920,106</u>	<u>193,094</u>
Excess (deficiency) of revenues over (under) expenditures	(1,271,801)	2,935,412	(1,283,931)	411,575
Other financing sources (uses)				
Transfers in	772,630	--	1,259,692	5,767
Transfers out	(483,834)	(2,562,850)	(336,793)	--
Total other financing sources (uses)	<u>288,796</u>	<u>(2,562,850)</u>	<u>922,899</u>	<u>5,767</u>
Net change in fund balance	(983,005)	372,562	(361,032)	417,342
Fund balances at beginning of year	(296,249)	140,805	1,394,000	1,396,960
Fund balances at end of year	<u>\$ (1,279,254)</u>	<u>\$ 513,367</u>	<u>\$ 1,032,968</u>	<u>\$ 1,814,302</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 9-B

Infrastructure	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
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 4,524,820
--	--	1,135,953	--	--	--
--	--	402,614	63,925	3,950	--
1,093,803	--	--	--	--	--
1,938,808	82,550	--	--	--	--
36,231	1,355	35,740	11,567	1,865	59,715
--	--	31,771	--	--	--
--	--	--	--	--	3,230
--	--	--	--	--	--
--	--	3,878	--	--	799
<u>3,068,842</u>	<u>83,905</u>	<u>1,609,956</u>	<u>75,492</u>	<u>5,815</u>	<u>4,588,564</u>
--	--	--	--	--	--
--	--	--	--	--	4,340,716
--	--	--	--	--	--
--	82,470	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	1,787,925	33,932	--	--
--	--	--	--	--	--
2,978,321	--	--	--	--	2,262
--	--	81,465	--	--	--
--	--	2,805	--	--	--
--	--	--	--	--	--
<u>2,978,321</u>	<u>82,470</u>	<u>1,872,195</u>	<u>33,932</u>	<u>--</u>	<u>4,342,978</u>
90,521	1,435	(262,239)	41,560	5,815	245,586
--	--	163,937	--	--	--
--	--	(107,515)	--	--	--
--	--	56,422	--	--	--
<u>90,521</u>	<u>1,435</u>	<u>(205,817)</u>	<u>41,560</u>	<u>5,815</u>	<u>245,586</u>
1,058,110	22,177	19,393,735	316,418	57,007	2,126,317
<u>\$ 1,148,631</u>	<u>\$ 23,612</u>	<u>\$ 19,187,918</u>	<u>\$ 357,978</u>	<u>\$ 62,822</u>	<u>\$ 2,371,903</u>

the City of Corpus Christi, Texas

SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation	Eliminations	2006 Total
Revenues				
Taxes and business fees	\$ 14,791,002	\$ 1,333,540	\$ --	\$ 30,058,281
Grants	--	--	--	11,972,711
Charges for services	--	--	--	9,810,585
Deposits	--	--	--	1,093,803
Contributions and donations	--	--	--	2,570,945
Earnings on investments	746,825	58,540	--	1,055,154
Interest on loans	--	--	--	31,771
Sale of City property	--	--	--	3,230
Naming rights	--	--	--	175,000
Miscellaneous	--	--	--	142,016
Total revenue	<u>15,537,827</u>	<u>1,392,080</u>	<u>--</u>	<u>56,913,496</u>
Expenditures				
Current				
General government	178,212	--	--	1,195,548
Police and municipal court	--	--	--	5,842,457
Fire	--	--	--	450,065
Ambulance	--	--	--	3,200
Emergency management	--	--	--	82,470
Streets	--	--	--	138,132
Solid waste	--	--	--	13,037
Health	--	--	--	2,214,559
Parks and recreation	--	--	--	4,971,750
Libraries	--	--	--	913,388
Community enrichment	--	--	--	1,505,359
Community development	700,751	--	--	4,889,684
Convention and visitors activities	--	--	--	13,794,220
Capital projects	189,328	--	--	3,959,639
Debt service				
Principal retirement	--	--	--	81,465
Interest	--	--	--	2,805
Interest on interfund borrowings	--	--	--	80,169
Total expenditures	<u>1,068,291</u>	<u>--</u>	<u>--</u>	<u>40,137,947</u>
Excess (deficiency) of revenues over (under) expenditures	14,469,536	1,392,080	--	16,775,549
Other financing sources (uses)				
Transfers in	--	--	(1,013,546)	1,188,480
Transfers out	(7,954,971)	(672,150)	1,013,546	(11,104,567)
Total other financing sources (uses)	<u>(7,954,971)</u>	<u>(672,150)</u>	<u>--</u>	<u>(9,916,087)</u>
Net change in fund balances	6,514,565	719,930	--	6,859,462
Fund balances at beginning of year	<u>19,088,353</u>	<u>1,098,472</u>	<u>--</u>	<u>45,796,105</u>
Fund balances at end of year	<u>\$ 25,602,918</u>	<u>\$ 1,818,402</u>	<u>\$ --</u>	<u>\$ 52,655,567</u>

the City of Corpus Christi, Texas

Exhibit 9-B
(Continued)

	2005
	Total
\$	27,189,110
	14,819,718
	7,693,437
	605,095
	1,301,744
	451,133
	254,651
	6,413
	--
	123,847
	<u>52,445,148</u>
	2,329,334
	6,206,492
	412,718
	--
	119,458
	493,334
	58,095
	2,498,330
	4,590,645
	925,177
	824,267
	4,283,606
	10,887,455
	4,178,150
	99,940
	9,708
	21,147
	<u>37,937,856</u>
	14,507,292
	1,243,076
	<u>(12,557,405)</u>
	<u>(11,314,329)</u>
	3,192,963
	<u>42,603,142</u>
\$	<u><u>45,796,105</u></u>

the City of Corpus Christi, Texas

Exhibit 10-A

VISITORS FACILITIES FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2006 AND 2005

ASSETS	<u>2006</u>	<u>2005</u>
Cash and cash equivalents	\$ 30	\$ 524,712
Receivables		
Accounts	1,448,967	2,372,537
Allowance for uncollectibles	(341,601)	(51,139)
Net receivables	<u>1,107,366</u>	<u>2,321,398</u>
Due from other funds	226,142	28,868
Other assets	<u>42,716</u>	<u>56,223</u>
Total assets	<u>\$ 1,376,254</u>	<u>\$ 2,931,201</u>
 LIABILITIES AND FUND BALANCE 		
Liabilities		
Accounts payable	\$ 753,103	\$ 525,550
Accrued liabilities	295,372	320,860
Deposits	25,000	25,000
Due to other funds	301,118	19,600
Deferred revenues		
Other	1,280,915	2,336,440
Total liabilities	<u>2,655,508</u>	<u>3,227,450</u>
Fund balance		
Reserved for encumbrances	--	1,810
Unreserved		
Undesignated (deficit)	(1,279,254)	(298,059)
Total fund balance	<u>(1,279,254)</u>	<u>(296,249)</u>
Total liabilities and fund balance	<u>\$ 1,376,254</u>	<u>\$ 2,931,201</u>

the City of Corpus Christi, Texas

Exhibit 10-B

VISITORS FACILITIES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	Budget		2006 Actual	Variance	2005 Actual
	Original	Final		Final Budget Positive (Negative)	
Revenues					
Charges for services					
Coliseum services	\$ 132,536	\$ 132,536	\$ --	\$ (132,536)	\$ 80,284
Arena	2,241,534	1,881,510	4,421,196	2,539,686	3,909,506
Convention center services	--	1,142,399	3,294,222	2,151,823	1,491,592
Equipment rental- auditorium/convention center	--	--	4,800	4,800	--
Total charges for services	2,374,070	3,156,445	7,720,218	4,563,773	5,481,382
Earnings on investments	4,873	4,873	--	(4,873)	--
Naming rights for American Bank Center	--	--	175,000	175,000	--
Miscellaneous	--	--	--	--	21,324
Total revenues	2,378,943	3,161,318	7,895,218	4,733,900	5,502,706
Expenditures					
Current					
Community enrichment	--	--	--	--	28,535
Auditorium/convention center	1,303,313	1,059,381	3,003,076	(1,943,695)	1,093,228
Arena	705,438	2,799,520	5,460,106	(2,660,586)	4,410,432
Coliseum	137,409	144,116	47,350	96,766	107,843
Water garden	130,061	137,657	187,958	(50,301)	96,048
Cultural facility maintenance	409,710	409,710	420,110	(10,400)	368,621
Capital projects	--	--	9,000	(9,000)	--
Interest on interfund borrowings	--	--	39,419	(39,419)	4,117
Total expenditures	2,685,931	4,550,384	9,167,019	(4,616,635)	6,108,824
Deficiency of revenues over expenditures	(306,988)	(1,389,066)	(1,271,801)	117,265	(606,118)
Other financing sources (uses)					
Transfers in	782,747	782,747	772,630	(10,117)	782,747
Transfers out	(479,123)	(479,123)	(483,834)	(4,711)	(479,123)
Total other financing sources (uses)	303,624	303,624	288,796	(14,828)	303,624
Net change in fund balance	(3,364)	(1,085,442)	(983,005)	102,437	(302,494)
Fund balance at beginning of year	50,195	(296,249)	(296,249)	--	6,245
Fund balance at end of year	\$ 46,831	\$ (1,381,691)	\$ (1,279,254)	\$ 102,437	\$ (296,249)

the City of Corpus Christi, Texas

Exhibit 11-A

**HOTEL OCCUPANCY TAX FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2006 AND 2005**

ASSETS	<u>2006</u>	<u>2005</u>
Receivables		
Accounts	\$ 1,083,630	\$ 1,182,897
Miscellaneous	5,944	7,424
Allowance for uncollectibles	(4,425)	(23,025)
Net receivables	<u>1,085,149</u>	<u>1,167,296</u>
Due from other funds	<u>28,584</u>	<u>35</u>
Total assets	<u>\$ 1,113,733</u>	<u>\$ 1,167,331</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 11,599	\$ 25,568
Due to other funds	<u>588,767</u>	<u>1,000,958</u>
Total liabilities	600,366	1,026,526
Fund balance		
Reserved for convention center expansion	114,604	140,805
Unreserved		
Designated for subsequent year's expenditures	365,763	--
Designated for incentive program	<u>33,000</u>	<u>--</u>
Total fund balance	<u>513,367</u>	<u>140,805</u>
Total liabilities and fund balance	<u>\$ 1,113,733</u>	<u>\$ 1,167,331</u>

the City of Corpus Christi, Texas

Exhibit 11-B

HOTEL OCCUPANCY TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	<u>Budget</u>		<u>2006 Actual</u>	<u>Variance</u>	<u>2005 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Revenues					
Hotel occupancy tax	\$ 6,979,440	\$ 6,979,440	\$ 7,321,352	\$ 341,912	\$ 6,470,860
Hotel occupancy tax-Convention expansion	1,963,790	1,963,790	2,087,567	123,777	1,849,764
Total hotel occupancy taxes	<u>8,943,230</u>	<u>8,943,230</u>	<u>9,408,919</u>	<u>465,689</u>	<u>8,320,624</u>
Miscellaneous	5,000	5,000	6,034	1,034	9,207
Total revenues	<u>8,948,230</u>	<u>8,948,230</u>	<u>9,414,953</u>	<u>466,723</u>	<u>8,329,831</u>
Expenditures					
Current					
Convention center/auditorium	2,100,000	2,174,750	2,124,750	50,000	2,384,547
Convention and Visitors Bureau-convention promotion	2,625,620	2,550,870	2,550,870	--	2,422,619
Art Museum of South Texas	340,600	340,600	340,600	--	250,000
Multicultural services support	117,179	117,179	114,767	2,412	107,064
Jazz festival	7,500	7,500	7,500	--	7,500
Arts grants and projects	91,500	91,500	85,733	5,767	89,918
Harbor Playhouse	45,070	45,070	45,070	--	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	1,153,100	1,153,100	1,124,501	28,599	964,678
American Bowling Congress	--	--	--	--	250,000
Interest on interfund borrowings	--	--	40,750	(40,750)	21,147
Total expenditures	<u>6,537,569</u>	<u>6,537,569</u>	<u>6,479,541</u>	<u>58,028</u>	<u>6,586,223</u>
Excess of revenues over expenditures	2,410,661	2,410,661	2,935,412	524,751	1,743,608
Transfers out	<u>(2,557,083)</u>	<u>(2,557,083)</u>	<u>(2,562,850)</u>	<u>(5,767)</u>	<u>(2,682,548)</u>
Total other financing (uses)	<u>(2,557,083)</u>	<u>(2,557,083)</u>	<u>(2,562,850)</u>	<u>(5,767)</u>	<u>(2,682,548)</u>
Net change in fund balance	(146,422)	(146,422)	372,562	518,984	(938,940)
Fund balance at beginning of year	<u>267,005</u>	<u>140,805</u>	<u>140,805</u>	<u>--</u>	<u>1,079,745</u>
Fund balance at end of year	<u>\$ 120,583</u>	<u>\$ (5,617)</u>	<u>\$ 513,367</u>	<u>\$ 518,984</u>	<u>\$ 140,805</u>



City of
Corpus
Christi

the City of Corpus Christi, Texas

Exhibit 12-A

FEDERAL/STATE GRANTS FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2006 AND 2005

ASSETS	2006	2005
Cash and cash equivalents	\$ 981,247	\$ 1,011,374
Receivables		
Accounts	10,604	6,669
Property leases	-	1,000
Demolition liens	334,742	207,299
Special assessments	8,318	10,862
Employees	2,340	-
Intergovernmental	3,455,760	3,085,004
Allowance for uncollectibles	(277,887)	-
Net receivables	<u>3,533,877</u>	<u>3,310,834</u>
Due from other funds	<u>73,199</u>	<u>7,369</u>
Total assets	<u>\$ 4,588,323</u>	<u>\$ 4,329,577</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 444,269	\$ 764,291
Accrued liabilities	283,602	300,514
Contractor interest and retainage payable	75,759	118,255
Deposits	191,963	250,468
Due to other funds	77,017	10,122
Deferred revenues		
Demolition liens and other	333,461	196,471
Paving assessments	8,660	11,149
U.S. Department of Justice	2,679	3,720
Asset seizure and forfeitures	42,897	35,906
Grants	1,942,215	1,032,638
Texas Commission on Environmental Quality	152,833	212,043
Total deferred revenues	<u>2,482,745</u>	<u>1,491,927</u>
Total liabilities	<u>3,555,355</u>	<u>2,935,577</u>
Fund balance		
Reserved for encumbrances	638,398	939,851
Reserved for senior community services	142,590	220,041
Reserved for law enforcement		
State forfeitures	389,630	374,652
Federal forfeitures	684,386	647,987
Officers' standards and education	24,964	-
Total reserved for law enforcement	<u>1,098,980</u>	<u>1,022,639</u>
Unreserved (deficit)	<u>(847,000)</u>	<u>(788,531)</u>
Total fund balance	<u>1,032,968</u>	<u>1,394,000</u>
Total liabilities and fund balances	<u>\$ 4,588,323</u>	<u>\$ 4,329,577</u>

the City of Corpus Christi, Texas

FEDERAL/STATE GRANTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JULY 31, 2006

	Project Authorization	Prior Years	Current Year	Total to Date
Revenues				
Grants				
State of Texas	\$ 55,695,372	\$ 48,940,923	\$ 5,437,462	\$ 54,378,385
Federal Government	104,963,976	89,751,504	4,234,049	93,985,553
Coastal Bend Council of Governments	11,302,951	7,498,015	784,670	8,282,685
Drug forfeitures				
State	1,145,091	789,001	213,637	1,002,638
Federal	1,425,452	1,315,567	109,885	1,425,452
Local grants and contributions	589,483	1,033,810	57,055	1,090,865
Total grants	<u>175,122,325</u>	<u>149,328,820</u>	<u>10,836,758</u>	<u>160,165,578</u>
Charges for services	15,837,583	15,543,083	1,619,878	17,162,961
Earnings on investments	112,759	64,524	48,234	112,758
Miscellaneous	1,382,416	1,490,381	131,305	1,621,686
Total revenue	<u>192,455,083</u>	<u>166,426,808</u>	<u>12,636,175</u>	<u>179,062,983</u>
Expenditures				
Current				
General government	5,836,243	4,093,843	1,017,336	5,111,179
Police and municipal court	21,401,567	16,017,116	1,501,741	17,518,857
Fire	1,889,307	1,489,361	450,065	1,939,426
Ambulance	3,200	--	3,200	3,200
Emergency management	493,938	437,587	--	437,587
Streets	5,437,962	5,068,366	138,132	5,206,498
Solid waste	326,601	658,442	13,037	671,479
Health	16,629,785	15,413,080	2,214,559	17,627,639
Parks and recreation	21,795,540	25,777,444	3,703,141	29,480,585
Libraries	6,102,273	8,054,119	912,630	8,966,749
Community enrichment	866,689	--	866,689	866,689
Community development	76,782,195	57,069,082	2,367,076	59,436,158
Miscellaneous	162,010	179,614	--	179,614
Capital projects	33,718,843	33,335,511	732,500	34,068,011
Debt service				
Principal retirement	93,440	93,440	--	93,440
Interest	1,524	1,524	--	1,524
Total expenditures	<u>191,541,117</u>	<u>167,688,529</u>	<u>13,920,106</u>	<u>181,608,635</u>
Excess (deficiency) of revenues over (under) expenditures	913,966	(1,261,721)	(1,283,931)	(2,545,652)

(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	471,154	682,051	95,720	777,771
General fund	10,174,405	9,091,369	1,163,972	10,255,341
Utility system	10,000	95,000	--	95,000
Trust funds	--	869,267	--	869,267
Total transfers in	<u>10,655,559</u>	<u>10,737,687</u>	<u>1,259,692</u>	<u>11,997,379</u>
Transfers out				
Corpus Christi Community Improvement Corporation	(8,370,528)	(5,227,574)	(163,937)	(5,391,511)
Water	--	(23,339)	--	(23,339)
Airport	--	(3,514)	--	(3,514)
General fund	<u>(3,189,564)</u>	<u>(2,827,539)</u>	<u>(172,856)</u>	<u>(3,000,395)</u>
Total transfers out	<u>(11,560,092)</u>	<u>(8,081,966)</u>	<u>(336,793)</u>	<u>(8,418,759)</u>
Total other financing sources (uses)	<u>(904,533)</u>	<u>2,655,721</u>	<u>922,899</u>	<u>3,578,620</u>
Net change in fund balance	<u>\$ 9,433</u>	<u>\$ 1,394,000</u>	(361,032)	<u>\$ 1,032,968</u>
Fund balance at beginning of year			<u>1,394,000</u>	
Fund balance at end of year			<u>\$ 1,032,968</u>	

the City of Corpus Christi, Texas

Exhibit 13-A

COMMUNITY ENRICHMENT FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2006 AND 2005

ASSETS	<u>2006</u>	<u>2005</u>
Cash and cash equivalents	\$ 952,920	\$ --
Investments	--	500,000
Due from other funds	<u>867,061</u>	<u>897,362</u>
Total assets	<u>\$ 1,819,981</u>	<u>\$ 1,397,362</u>
 LIABILITIES AND FUND BALANCE 		
Liabilities		
Accounts payable	\$ 5,679	\$ 402
Fund balance		
Reserved for encumbrances	11,544	2,186
Reserved for library projects	--	974
Reserved for sister city programs	1,047	1,013
Reserved for park projects	1,678,797	1,283,125
Reserved for permanent art projects	<u>122,914</u>	<u>109,662</u>
Total fund balance	<u>1,814,302</u>	<u>1,396,960</u>
Total liabilities and fund balance	<u>\$ 1,819,981</u>	<u>\$ 1,397,362</u>

the City of Corpus Christi, Texas

Exhibit 13-B

COMMUNITY ENRICHMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Revenues		
Contributions and donations	\$ 549,587	\$ 333,767
Earnings on investments	55,082	24,065
Total revenues	<u>604,669</u>	<u>357,832</u>
Expenditures		
Current		
Parks and recreation	144,108	--
Libraries	758	2,427
Community enrichment	--	2,500
Capital projects	48,228	6,164
Total expenditures	<u>193,094</u>	<u>11,091</u>
Excess of revenues over expenditures	411,575	346,741
Other financing sources		
Transfers in	<u>5,767</u>	<u>1,582</u>
Net change in fund balance	417,342	348,323
Fund balance at beginning of year	<u>1,396,960</u>	<u>1,048,637</u>
Fund balance at end of year	<u><u>\$ 1,814,302</u></u>	<u><u>\$ 1,396,960</u></u>

the City of Corpus Christi, Texas

Exhibit 14-A

INFRASTRUCTURE FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2006 AND 2005

ASSETS	<u>2006</u>	<u>2005</u>
Cash and cash equivalents	\$ 1,554,652	\$ 795,631
Investments	100,000	--
Accounts receivable	--	84,678
Due from other funds	--	177,801
	<u> </u>	<u> </u>
Total assets	<u>\$ 1,654,652</u>	<u>\$ 1,058,110</u>
 LIABILITIES AND FUND BALANCE 		
Liabilities		
Accounts payable	\$ 503,480	\$ --
Deposits	2,500	--
Due to other funds	41	--
Total liabilities	<u>506,021</u>	<u> </u>
Fund balance		
Reserved for infrastructure	1,148,631	1,058,110
Total fund balance	<u>1,148,631</u>	<u>1,058,110</u>
	<u> </u>	<u> </u>
Total liabilities and fund balance	<u>\$ 1,654,652</u>	<u>\$ 1,058,110</u>

the City of Corpus Christi, Texas

Exhibit 14-B

INFRASTRUCTURE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Revenues		
Deposits	\$ 1,093,803	\$ 605,095
Contributions and donations	1,938,808	885,977
Earnings on investments	36,231	13,274
Total revenues	<u>3,068,842</u>	<u>1,504,346</u>
Expenditures		
Capital projects	<u>2,978,321</u>	<u>967,789</u>
Net change in fund balance	90,521	536,557
Fund balance at beginning of year	<u>1,058,110</u>	<u>521,553</u>
Fund balance at end of year	<u><u>\$ 1,148,631</u></u>	<u><u>\$ 1,058,110</u></u>

the City of Corpus Christi, Texas

Exhibit 15-A

LOCAL EMERGENCY PLANNING COMMITTEE
COMPARATIVE BALANCE SHEETS
JULY 31, 2006 AND 2005

ASSETS	<u>2006</u>	<u>2005</u>
Cash and cash equivalents	\$ 16,200	\$ 46,719
Accounts receivable	10,000	--
 Total assets	 <u>\$ 26,200</u>	 <u>\$ 46,719</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 1,095	\$ 3,043
Accrued liabilities	1,234	999
Due to other funds	259	--
Deferred revenues		
Dues	--	20,500
Total liabilities	<u>2,588</u>	<u>24,542</u>
Fund balance		
Reserved for local emergency response planning	23,612	18,430
Unreserved		
Designated for subsequent year's expenditures	--	3,747
Total fund balance	<u>23,612</u>	<u>22,177</u>
 Total liabilities and fund balance	 <u>\$ 26,200</u>	 <u>\$ 46,719</u>

the City of Corpus Christi, Texas

Exhibit 15-B

LOCAL EMERGENCY PLANNING COMMITTEE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	<u>Budget</u>		<u>2006 Actual</u>	<u>Variance</u>	<u>2005 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Revenues					
Contributions and donations	\$ 90,000	\$ 90,000	\$ 82,550	\$ (7,450)	\$ 82,000
Earnings on investments	1,388	1,388	1,355	(33)	596
Total revenues	<u>91,388</u>	<u>91,388</u>	<u>83,905</u>	<u>(7,483)</u>	<u>82,596</u>
Expenditures					
Current					
Public safety					
Emergency management	95,021	99,394	82,470	16,924	96,960
Reserve appropriations	114	--	--	--	--
Total expenditures	<u>95,135</u>	<u>99,394</u>	<u>82,470</u>	<u>16,924</u>	<u>96,960</u>
Net change in fund balance	(3,747)	(8,006)	1,435	9,441	(14,364)
Fund balance at beginning of year	<u>18,912</u>	<u>22,177</u>	<u>22,177</u>	<u>--</u>	<u>36,541</u>
Fund balance at end of year	<u>\$ 15,165</u>	<u>\$ 14,171</u>	<u>\$ 23,612</u>	<u>\$ 9,441</u>	<u>\$ 22,177</u>

the City of Corpus Christi, Texas

Exhibit 16-A

**CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION
COMPARATIVE BALANCE SHEETS
JULY 31, 2006 AND 2005**

ASSETS	<u>2006</u>	<u>2005</u>
Cash and cash equivalents	\$ 1,323,005	\$ 551,994
Investments	264,758	963,046
Receivables		
Accrued interest	2,148	10,379
Mortgages and loans	18,111,779	18,102,334
Notes	132,530	-
Intergovernmental	-	1,000
Net receivables	<u>18,246,457</u>	<u>18,113,713</u>
Due from other funds	<u>111,893</u>	<u>124,614</u>
Total assets	<u>\$ 19,946,113</u>	<u>\$ 19,753,367</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 564,502	\$ 139,134
Deposits	167,399	220,498
Due to other funds	26,294	-
Total liabilities	<u>758,195</u>	<u>359,632</u>
Fund balance		
Reserved for loans	18,111,779	18,172,237
Reserved for Home Program	66,250	-
Unreserved		
Undesignated	1,009,889	1,221,498
Total fund balance	<u>19,187,918</u>	<u>19,393,735</u>
Total liabilities and fund balance	<u>\$ 19,946,113</u>	<u>\$ 19,753,367</u>

the City of Corpus Christi, Texas

Exhibit 16-B

**CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2006 AND 2005**

	<u>2006</u>	<u>2005</u>
Revenues		
Federal Government	\$ 1,135,953	\$ 1,287,358
Charges for services	402,614	318,128
Earnings on investments	35,740	31,922
Interest on loans	31,771	49,853
Miscellaneous	3,878	9,225
Total revenues	<u>1,609,956</u>	<u>1,696,486</u>
Expenditures		
Current		
Grants	959,245	1,298,750
Warranty costs	28,846	1,846
Administration costs	262,891	107,644
Forgiven and uncollectible loans	536,943	244,552
Debt service		
Principal retirement	81,465	99,940
Interest	2,805	9,708
Total expenditures	<u>1,872,195</u>	<u>1,762,440</u>
Deficiency of revenues under expenditures	(262,239)	(65,954)
Other financing sources (uses)		
Transfers in	163,937	268,178
Transfers out	(107,515)	(152,588)
Total other financing sources	<u>56,422</u>	<u>115,590</u>
Net change in fund balance	(205,817)	49,636
Fund balance at beginning of year	<u>19,393,735</u>	<u>19,344,099</u>
Fund balance at end of year	<u>\$ 19,187,918</u>	<u>\$ 19,393,735</u>

the City of Corpus Christi, Texas

Exhibit 17-A

**CORPUS CHRISTI HOUSING FINANCE CORPORATION
COMPARATIVE BALANCE SHEETS
JULY 31, 2006 AND 2005**

ASSETS	<u>2006</u>	<u>2005</u>
Cash and cash equivalents	\$ 125,730	\$ 72,608
Investments	243,626	242,052
Receivables		
Accrued interest	<u>1,977</u>	<u>1,977</u>
Total assets	<u>\$ 371,333</u>	<u>\$ 316,637</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	<u>\$ 13,355</u>	<u>\$ 219</u>
Fund balance		
Unreserved		
Undesignated	<u>357,978</u>	<u>316,418</u>
Total liabilities and fund balance	<u>\$ 371,333</u>	<u>\$ 316,637</u>

the City of Corpus Christi, Texas

Exhibit 17-B

CORPUS CHRISTI HOUSING FINANCE CORPORATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Revenues		
Charges for services	\$ 63,925	\$ 17,810
Earnings on investments	11,567	4,925
Total revenues	<u>75,492</u>	<u>22,735</u>
Expenditures		
Current		
Development	<u>33,932</u>	<u>23,103</u>
Excess (deficiency) of revenues over (under) expenditures	<u>41,560</u>	<u>(368)</u>
Net change in fund balance	41,560	(368)
Fund balance at beginning of year	<u>316,418</u>	<u>316,786</u>
Fund balance at end of year	<u>\$ 357,978</u>	<u>\$ 316,418</u>

the City of Corpus Christi, Texas

Exhibit 18-A

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION
COMPARATIVE BALANCE SHEETS
JULY 31, 2006 AND 2005**

ASSETS	<u>2006</u>	<u>2005</u>
Cash and cash equivalents	\$ 17,711	\$ 12,185
Investments	44,748	44,459
Receivables		
Accrued interest	<u>363</u>	<u>363</u>
Total assets	<u>\$ 62,822</u>	<u>\$ 57,007</u>
 LIABILITIES AND FUND BALANCE		
Liabilities	\$ --	\$ --
Fund balance		
Unreserved		
Undesignated	<u>62,822</u>	<u>57,007</u>
Total liabilities and fund balance	<u>\$ 62,822</u>	<u>\$ 57,007</u>

the City of Corpus Christi, Texas

Exhibit 18-B

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2006 AND 2005**

	<u>2006</u>	<u>2005</u>
Revenues		
Charges for services	\$ 3,950	\$ 3,950
Earnings on investments	1,865	774
Total revenues	<u>5,815</u>	<u>4,724</u>
Net change in fund balance	5,815	4,724
Fund balance at beginning of year	<u>57,007</u>	<u>52,283</u>
Fund balance at end of year	<u>\$ 62,822</u>	<u>\$ 57,007</u>

the City of Corpus Christi, Texas

CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT
SCHEDULE OF NET ASSETS
JULY 31, 2006

Exhibit 19-A

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Net Assets</u>
ASSETS			
Cash and cash equivalents	\$ 517,204	\$ --	\$ 517,204
Investments	1,495,100	--	1,495,100
Receivables			
Accrued interest	15,927	--	15,927
Intergovernmental	428,331	--	428,331
Net receivables	<u>444,258</u>	<u>--</u>	<u>444,258</u>
Total assets	<u>\$ 2,456,562</u>	<u>--</u>	<u>2,456,562</u>
LIABILITIES			
Accounts payable	\$ 84,659	--	84,659
Accumulated unpaid compensated absences			
Due within one year	--	159,684	159,684
Total liabilities	<u>84,659</u>	<u>159,684</u>	<u>244,343</u>
FUND BALANCE			
Reserved for encumbrances	108,653	(108,653)	--
Unreserved			
Designated for subsequent year's expenditures	70,555	(70,555)	--
Undesignated	2,192,695	(2,192,695)	--
Total fund balance	<u>2,371,903</u>	<u>(2,371,903)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 2,456,562</u>		
NET ASSETS			
Restricted for			
Crime control and prevention		<u>2,212,219</u>	<u>2,212,219</u>
Total net assets		<u>\$ 2,212,219</u>	<u>\$ 2,212,219</u>

the City of Corpus Christi, Texas

Exhibit 19-B

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT
SCHEDULE OF ACTIVITIES
YEAR ENDED JULY 31, 2006**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Activities</u>
Expenditures/expenses			
Public safety	\$ 4,342,978	\$ (168,252)	\$ 4,174,726
Total expenditures/expenses	<u>4,342,978</u>	<u>(168,252)</u>	<u>4,174,726</u>
General revenue			
Sales tax	4,524,820	--	4,524,820
Earnings on investments	59,715	--	59,715
Sale of City property	3,230	--	3,230
Miscellaneous	799	--	799
Total general revenues	<u>4,588,564</u>	<u>--</u>	<u>4,588,564</u>
Excess of revenues over expenditures	245,586	(245,586)	--
Change in net assets	--	413,838	413,838
Fund balance/net assets beginning of year	<u>2,126,317</u>	<u>(327,936)</u>	<u>1,798,381</u>
Fund balance/net assets end of year	<u>\$ 2,371,903</u>	<u>\$ (159,684)</u>	<u>\$ 2,212,219</u>

the City of Corpus Christi, Texas

Exhibit 19-C

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT
COMPARATIVE BALANCE SHEETS
JULY 31, 2006 AND 2005**

ASSETS	<u>2006</u>	<u>2005</u>
Cash and cash equivalents	\$ 517,204	\$ 1,196,137
Investments	1,495,100	498,750
Receivables		
Accrued interest	15,927	7,722
Intergovernmental	428,331	420,199
Net receivables	<u>444,258</u>	<u>427,921</u>
Due from other funds	<u>—</u>	<u>106,691</u>
Total assets	<u>\$ 2,456,562</u>	<u>\$ 2,229,499</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 84,659	\$ 103,182
Fund balance		
Reserved for encumbrances	108,653	—
Unreserved		
Designated for subsequent year's expenditures	70,555	320,117
Undesignated	2,192,695	1,806,200
Total fund balance	<u>2,371,903</u>	<u>2,126,317</u>
Total liabilities and fund balance	<u>\$ 2,456,562</u>	<u>\$ 2,229,499</u>

the City of Corpus Christi, Texas

Exhibit 19-D

**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, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005**

	Budget		2006 Actual	Variance	2005 Actual
	Original	Final		Final Budget Positive (Negative)	
Revenues					
Sales tax	\$ 4,334,865	\$ 4,334,865	\$ 4,524,820	\$ 189,955	\$ 4,215,406
Disaster relief - Katrina	--	1,237	--	(1,237)	--
Earnings on investments	51,560	51,560	59,715	8,155	42,410
Sale of City property	--	--	3,230	3,230	6,413
Miscellaneous	--	--	799	799	--
Total revenue	<u>4,386,425</u>	<u>4,387,662</u>	<u>4,588,564</u>	<u>200,902</u>	<u>4,264,229</u>
Expenditures					
Current					
Police officers	3,802,337	3,805,437	3,643,487	161,950	3,514,020
Support personnel	--	--	--	--	58,330
Pawn shop detail	126,997	126,997	100,036	26,961	--
MDT/AVL tech support	106,102	106,102	111,679	(5,577)	103,784
Juvenile Curfew & Truancy Assessment Center	350,911	350,911	323,060	27,851	328,210
Citizens advisory council	10,003	10,003	10,105	(102)	8,578
Public safety vehicles and equipment	109,000	111,163	5,559	105,604	109,985
Juvenile City marshals	134,601	134,601	149,052	(14,451)	124,902
Reserved for comp/merit pay	7,055	7,055	--	7,055	--
Disaster relief - Katrina	--	1,237	--	1,237	--
Total expenditures	<u>4,647,006</u>	<u>4,653,506</u>	<u>4,342,978</u>	<u>310,528</u>	<u>4,247,809</u>
Net change in fund balance	(260,581)	(265,844)	245,586	511,430	16,420
Fund balance at beginning of year	<u>1,906,090</u>	<u>2,126,317</u>	<u>2,126,317</u>	--	<u>2,109,897</u>
Fund balance at end of year	<u>\$ 1,645,509</u>	<u>\$ 1,860,473</u>	<u>\$ 2,371,903</u>	<u>\$ 511,430</u>	<u>\$ 2,126,317</u>

the City of Corpus Christi, Texas

CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
SCHEDULE OF NET ASSETS
JULY 31, 2006

Exhibit 20-A

	Governmental Funds	Adjustments	Schedule of Net Assets
ASSETS			
Cash and cash equivalents	\$ 4,032,886	\$ --	\$ 4,032,886
Investments	27,584,390	--	27,584,390
Receivables			
Accrued interest	236,625	--	236,625
Intergovernmental	1,382,820	--	1,382,820
Net receivables	1,619,445	--	1,619,445
Due from other funds	3,829	--	3,829
Bond issuance cost	--	1,175,197	1,175,197
Total assets	<u>\$ 33,240,550</u>	<u>1,175,197</u>	<u>34,415,746</u>
LIABILITIES			
Accounts payable	1,552,141	--	1,552,141
Accrued interest	--	2,143,051	2,143,051
Contractor interest and retainage payable	334,595	--	334,595
Due to other funds	117,278	--	117,278
Long-term debt			
Due within one year	--	3,780,000	3,780,000
Due in more than one year	--	108,011,451	108,011,451
Total liabilities	<u>2,004,014</u>	<u>113,934,502</u>	<u>115,938,516</u>
FUND BALANCE			
Reserved for encumbrances	5,770,901	(5,770,901)	--
Unreserved			
Designated for specific projects	64,493	(64,493)	--
Undesignated	25,401,142	(25,401,142)	--
Total fund balance	<u>31,236,536</u>	<u>(31,236,536)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 33,240,550</u>		
NET ASSETS (LIABILITIES)			
Restricted for			
Bond interest and redemption		523,099	523,099
Construction of capital assets		64,493	64,493
Unrestricted		(82,110,361)	(82,110,361)
Total net liabilities		<u>\$ (81,522,769)</u>	<u>\$ (81,522,769)</u>

the City of Corpus Christi, Texas

Exhibit 20-B

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
SCHEDULE OF ACTIVITIES
YEAR ENDED JULY 31, 2006**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Activities</u>
Expenditures/expenses			
General government	\$ 197,426	\$ --	\$ 197,426
Capital projects	13,985,557	(13,985,557)	--
Development	700,751	--	700,751
Debt service			
Principal retirement	3,575,000	(3,575,000)	--
Interest	5,214,849	223,041	5,437,890
Paying agent fees	2,039	(2,039)	--
Total expenditures/expenses	<u>23,675,622</u>	<u>(17,339,555)</u>	<u>6,336,067</u>
General revenues			
Sales tax	14,791,002	--	14,791,002
Earnings on investments	1,206,604	--	1,206,604
Other financing sources (uses)			
Transfers out	(149,922)	(13,985,557)	(14,135,479)
Total general revenues and other financing uses	<u>15,847,684</u>	<u>(13,985,557)</u>	<u>1,862,127</u>
Deficiency of revenues under expenditures and transfers out	(7,827,938)	7,827,938	--
Change in net assets	--	(4,473,940)	(4,473,940)
Fund balance/net liabilities beginning of year	<u>39,064,474</u>	<u>(116,113,303)</u>	<u>(77,048,829)</u>
		--	
Fund balance/net liabilities end of year	<u>\$ 31,236,536</u>	<u>\$ (112,759,305)</u>	<u>\$ (81,522,769)</u>

the City of Corpus Christi, Texas

CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
BALANCE SHEETS
JULY 31, 2006
WITH COMPARATIVE TOTALS FOR JULY 31, 2005

	Special Revenue		
	Seawall Improvement	Arena Facility	Economic Development
ASSETS			
Cash and cash equivalents	\$ 1,335,265	\$ 809,791	\$ 413,895
Investments	9,185,545	6,417,745	5,992,100
Receivables			
Accrued interest	80,880	69,646	43,276
Intergovernmental	460,940	460,940	460,940
Miscellaneous	--	--	--
Net receivables	<u>541,820</u>	<u>530,586</u>	<u>504,216</u>
Due from other funds	<u>--</u>	<u>--</u>	<u>604</u>
Total assets	<u>\$ 11,062,630</u>	<u>\$ 7,758,122</u>	<u>\$ 6,910,815</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ --	\$ --	\$ 11,975
Contractor interest and retainage payable	--	--	--
Due to other funds	--	--	116,674
Total liabilities	<u>--</u>	<u>--</u>	<u>128,649</u>
Fund balances			
Reserved for encumbrances	--	5,047	1,205,677
Reserved for debt service	--	--	--
Unreserved			
Designated for specific projects	--	--	--
Undesignated	11,062,630	7,753,075	5,576,489
Total fund balance	<u>11,062,630</u>	<u>7,758,122</u>	<u>6,782,166</u>
Total liabilities and fund balances	<u>\$ 11,062,630</u>	<u>\$ 7,758,122</u>	<u>\$ 6,910,815</u>

the City of Corpus Christi, Texas

Exhibit 20-C

Debt Service			Capital Projects			2006 Total	2005 Total
Seawall	Arena	Economic Development	Seawall	Arena	Stadium		
\$ 315,432	\$ 204,232	\$ 3,435	\$ 788,422	\$ 161,810	\$ 604	\$ 4,032,886	\$ 5,326,651
--	--	--	5,989,000	--	--	27,584,390	32,799,272
--	--	--	42,823	--	--	236,625	267,200
--	--	--	--	--	--	1,382,820	1,383,315
--	--	--	--	--	--	--	58,092
--	--	--	42,823	--	--	1,619,445	1,708,607
--	--	--	--	3,225	--	3,829	2,203,763
<u>\$ 315,432</u>	<u>\$ 204,232</u>	<u>\$ 3,435</u>	<u>\$ 6,820,245</u>	<u>\$ 165,035</u>	<u>\$ 604</u>	<u>\$ 33,240,550</u>	<u>\$ 42,038,293</u>
\$ --	\$ --	\$ --	\$ 1,453,368	\$ 86,798	\$ --	\$ 1,552,141	\$ 1,902,639
--	--	--	334,595	--	--	334,595	1,026,527
--	--	--	--	--	604	117,278	44,653
--	--	--	1,787,963	86,798	604	2,004,014	2,973,819
--	--	--	4,542,933	17,244	--	5,770,901	8,440,052
315,432	204,232	3,435	--	--	--	523,099	2,037,346
--	--	--	64,493	--	--	64,493	482,838
--	--	--	424,856	60,993	--	24,878,043	28,104,238
<u>315,432</u>	<u>204,232</u>	<u>3,435</u>	<u>5,032,282</u>	<u>78,237</u>	<u>--</u>	<u>31,236,536</u>	<u>39,064,474</u>
<u>\$ 315,432</u>	<u>\$ 204,232</u>	<u>\$ 3,435</u>	<u>\$ 6,820,245</u>	<u>\$ 165,035</u>	<u>\$ 604</u>	<u>\$ 33,240,550</u>	<u>\$ 42,038,293</u>

the City of Corpus Christi, Texas

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005**

	Special Revenue		
	Seawall Improvement	Arena Facility	Economic Development
Revenues			
Sales tax	\$ 4,930,334	\$ 4,930,334	\$ 4,930,334
Contributions and donations	--	--	--
Earnings on investments	309,295	248,635	188,895
Total revenue	<u>5,239,629</u>	<u>5,178,969</u>	<u>5,119,229</u>
Expenditures			
Current			
General government	10,204	20,885	147,123
Community development	--	--	700,751
Capital projects	--	187,878	1,450
Debt service			
Principal retirement	--	--	--
Interest	--	--	--
Paying agent fees	--	--	--
Total expenditures	<u>10,204</u>	<u>208,763</u>	<u>849,324</u>
Excess (deficiency) of revenues over (under) expenditures	5,229,425	4,970,206	4,269,905
Other financing sources (uses)			
Transfers in	--	--	--
Transfers out	(1,530,582)	(4,136,789)	(2,287,600)
Total other financing sources (uses)	<u>(1,530,582)</u>	<u>(4,136,789)</u>	<u>(2,287,600)</u>
Net change in fund balances	3,698,843	833,417	1,982,305
Fund balances at beginning of year	<u>7,363,787</u>	<u>6,924,705</u>	<u>4,799,861</u>
Fund balances at end of year	<u>\$ 11,062,630</u>	<u>\$ 7,758,122</u>	<u>\$ 6,782,166</u>

the City of Corpus Christi, Texas

Exhibit 20-D

Debt Service			Capital Project			2006	2005
Seawall	Arena	Economic Development	Seawall	Arena	Stadium	Total	Total
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 14,791,002	\$ 13,637,841
--	--	--	--	--	--	--	269,882
47,070	23,722	--	382,755	6,232	--	1,206,604	1,063,040
47,070	23,722	--	382,755	6,232	--	15,997,606	14,970,763
--	--	--	329	18,281	604	197,426	1,494,241
--	--	--	--	--	--	700,751	--
--	--	--	12,298,578	899,451	598,200	13,985,557	42,525,006
1,010,000	1,095,000	1,470,000	--	--	--	3,575,000	3,525,000
2,103,581	2,293,668	817,600	--	--	--	5,214,849	5,176,029
1,139	600	300	--	--	--	2,039	2,040
3,114,720	3,389,268	2,287,900	12,298,907	917,732	598,804	23,675,622	52,722,316
(3,067,650)	(3,365,546)	(2,287,900)	(11,916,152)	(911,500)	(598,804)	(7,678,016)	(37,751,553)
1,530,582	3,388,667	2,287,600	--	--	598,200	7,805,049	8,749,129
--	--	--	--	--	--	(7,954,971)	(9,531,876)
1,530,582	3,388,667	2,287,600	--	--	598,200	(149,922)	(782,747)
(1,537,068)	23,121	(300)	(11,916,152)	(911,500)	(604)	(7,827,938)	(38,534,300)
1,852,500	181,111	3,735	16,948,434	989,737	604	39,064,474	77,598,774
\$ 315,432	\$ 204,232	\$ 3,435	\$ 5,032,282	\$ 78,237	\$ --	\$ 31,236,536	\$ 39,064,474

the City of Corpus Christi, Texas

Exhibit 20-E

**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, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005**

	Budget		2006 Actual	Variance Final Budget Positive (Negative)	2005 Actual
	Original	Final			
Revenues					
Sales tax	\$ 4,702,810	\$ 4,702,810	\$ 4,930,334	\$ 227,524	\$ 4,545,947
Earnings on investments	155,398	155,398	309,295	153,897	111,347
Total revenue	4,858,208	4,858,208	5,239,629	381,421	4,657,294
Expenditures					
Current					
General government	15,000	15,000	10,204	4,796	15,000
Excess of revenues over expenditures	4,843,208	4,843,208	5,229,425	386,217	4,642,294
Other financing uses					
Transfers out	(1,530,582)	(1,530,582)	(1,530,582)	--	(3,052,181)
Net change in fund balance	3,312,626	3,312,626	3,698,843	386,217	1,590,113
Fund balance at beginning of year	7,339,895	7,363,787	7,363,787	--	5,773,674
Fund balance at end of year	\$ 10,652,521	\$ 10,676,413	\$ 11,062,630	\$ 386,217	\$ 7,363,787

the City of Corpus Christi, Texas

Exhibit 20-F

**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, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005**

	<u>Budget</u>		<u>2006 Actual</u>	<u>Variance</u>	<u>2005 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Revenues					
Sales tax	\$ 4,702,810	\$ 4,702,810	\$ 4,930,334	\$ 227,524	\$ 4,545,947
Earnings on investments	190,836	190,836	248,635	57,799	118,492
Total revenue	<u>4,893,646</u>	<u>4,893,646</u>	<u>5,178,969</u>	<u>285,323</u>	<u>4,664,439</u>
Expenditures					
Current					
General government	10,000	57,806	20,885	36,921	981,767
Capital projects	--	187,878	187,878	--	--
	<u>10,000</u>	<u>245,684</u>	<u>208,763</u>	<u>36,921</u>	<u>981,767</u>
Excess of revenues over expenditures	4,883,646	4,647,962	4,970,206	322,244	3,682,672
Other financing uses					
Transfers out	<u>(4,136,789)</u>	<u>(4,136,789)</u>	<u>(4,136,789)</u>	--	<u>(4,187,839)</u>
Net change in fund balance	746,857	511,173	833,417	322,244	(505,167)
Fund balance at beginning of year	<u>6,845,306</u>	<u>6,924,705</u>	<u>6,924,705</u>	--	<u>7,429,872</u>
Fund balance at end of year	<u>\$ 7,592,163</u>	<u>\$ 7,435,878</u>	<u>\$ 7,758,122</u>	<u>\$ 322,244</u>	<u>\$ 6,924,705</u>

the City of Corpus Christi, Texas

Exhibit 20-G

**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, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005**

	Budget		2006 Actual	Variance Final Budget Positive (Negative)	2005 Actual
	Original	Final			
Revenues					
Sales tax	\$ 4,702,810	\$ 4,702,810	\$ 4,930,334	\$ 227,524	\$ 4,545,947
Earnings on investments	70,228	70,228	188,895	118,667	63,481
Total revenue	4,773,038	4,773,038	5,119,229	346,191	4,609,428
Expenditures					
Current					
General government	222,800	307,428	147,123	160,305	198,608
Community development	2,050,000	3,463,848	700,751	2,763,097	--
Capital projects	--	--	1,450	(1,450)	579,863
Total expenditures	2,272,800	3,771,276	849,324	2,921,952	778,471
Excess of revenues over expenditures	2,500,238	1,001,762	4,269,905	3,268,143	3,830,957
Other financing uses					
Transfers out	(2,287,600)	(2,287,600)	(2,287,600)	--	(2,291,856)
Net change in fund balance	212,638	(1,285,838)	1,982,305	3,268,143	1,539,101
Fund balance at beginning of year	2,973,687	4,799,861	4,799,861	--	3,260,760
Fund balance at end of year	\$ 3,186,325	\$ 3,514,023	\$ 6,782,166	\$ 3,268,143	\$ 4,799,861

the City of Corpus Christi, Texas

Exhibit 20-H

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, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	Budget		2006 Actual	Variance	2005 Actual
	Original	Final		Final Budget Positive (Negative)	
Revenues					
Earnings on investments	\$ 83,737	\$ 83,737	\$ 47,070	\$ (36,667)	\$ 31,878
Total revenue	83,737	83,737	47,070	(36,667)	31,878
Expenditures					
Debt service					
Principal retirement	1,010,000	1,010,000	1,010,000	--	930,000
Interest	2,103,581	2,103,581	2,103,581	--	2,140,781
Paying agent fees	2,000	2,000	1,139	861	1,140
Total expenditures	3,115,581	3,115,581	3,114,720	861	3,071,921
Deficiency of revenues under expenditures	(3,031,844)	(3,031,844)	(3,067,650)	(35,806)	(3,040,043)
Other financing sources					
Transfers in	1,530,582	1,530,582	1,530,582	--	3,052,181
Net change in fund balance	(1,501,262)	(1,501,262)	(1,537,068)	(35,806)	12,138
Fund balance at beginning of year	1,841,422	1,852,500	1,852,500	--	1,840,362
Fund balance at end of year	\$ 340,160	\$ 351,238	\$ 315,432	\$ (35,806)	\$ 1,852,500

the City of Corpus Christi, Texas

Exhibit 20-1

**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, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005**

	Budget		2006 Actual	Variance Final Budget Positive (Negative)	2005 Actual
	Original	Final			
Revenues					
Earnings on investments	\$ 40,999	\$ 40,999	\$ 23,722	\$ (17,277)	\$ 1,873
Total revenue	40,999	40,999	23,722	(17,277)	1,873
Expenditures					
Debt service					
Principal retirement	1,095,000	1,095,000	1,095,000	--	1,020,000
Interest	2,293,668	2,293,668	2,293,668	--	2,321,567
Paying agent fees	2,000	2,000	600	1,400	600
Total expenditures	3,390,668	3,390,668	3,389,268	1,400	3,342,167
Deficiency of revenues under expenditures	(3,349,669)	(3,349,669)	(3,365,546)	(15,877)	(3,340,294)
Other financing sources					
Transfers in	3,388,668	3,388,668	3,388,667	(1)	3,405,092
Net change in fund balance	38,999	38,999	23,121	(15,878)	64,798
Fund balance at beginning of year	201,948	181,111	181,111	--	116,313
Fund balance at end of year	\$ 240,947	\$ 220,110	\$ 204,232	\$ (15,878)	\$ 181,111

the City of Corpus Christi, Texas

Exhibit 20-J

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
ECONOMIC DEVELOPMENT DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005**

	Budget		2006 Actual	Variance Final Budget Positive (Negative)	2005 Actual
	Original	Final			
Revenues					
Earnings on investments	\$ 1,000	\$ 1,000	\$ --	\$ (1,000)	\$ 860
Total revenue	1,000	1,000	--	(1,000)	860
Expenditures					
Debt service					
Principal retirement	1,470,000	1,470,000	1,470,000	--	1,575,000
Interest	817,600	817,600	817,600	--	713,681
Paying agent fees	2,000	2,000	300	1,700	300
Total expenditures	2,289,600	2,289,600	2,287,900	1,700	2,288,981
Deficiency of revenues under expenditures	(2,288,600)	(2,288,600)	(2,287,900)	700	(2,288,121)
Other financing sources					
Transfers in	2,287,600	2,287,600	2,287,600	--	2,291,856
Net change in fund balance	(1,000)	(1,000)	(300)	700	3,735
Fund balance at beginning of year	1,175	3,735	3,735	--	--
Fund balance at end of year	\$ 175	\$ 2,735	\$ 3,435	\$ 700	\$ 3,735

the City of Corpus Christi, Texas

Exhibit 21-A

NORTH PADRE ISLAND DEVELOPMENT CORPORATION
SCHEDULE OF NET ASSETS
JULY 31, 2006

	Governmental Funds	Adjustments	Schedule of Net Assets
ASSETS			
Cash and cash equivalents	\$ 2,616,311	\$ --	\$ 2,616,311
Receivables			
Taxes	3,158	--	3,158
Accrued interest	26,651	--	26,651
Intergovernmental	324,206	--	324,206
Net receivables	<u>354,015</u>	<u>--</u>	<u>354,015</u>
Prepaid items	3,577	--	3,577
Bond issuance cost	--	1,023,002	1,023,002
Total assets	<u>\$ 2,973,903</u>	<u>1,023,002</u>	<u>3,996,905</u>
LIABILITIES			
Accounts payable	28,007	--	28,007
Accrued interest	--	252,056	252,056
Due to other funds	483,354	--	483,354
Long-term debt			
Due in more than one year	--	12,000,000	12,000,000
Total liabilities	<u>511,361</u>	<u>12,252,056</u>	<u>12,763,417</u>
FUND BALANCE			
Reserved for encumbrances	1,654	(1,654)	--
Reserved for debt service	11,187	(11,187)	--
Unreserved			
Designated for specific projects	421,232	(421,232)	--
Undesignated	<u>210,067</u>	<u>(2,028,469)</u>	<u>(1,818,402)</u>
Total fund balance	<u>644,140</u>	<u>(2,462,542)</u>	<u>(1,818,402)</u>
Total liabilities and fund balance	<u>\$ 1,155,501</u>		
NET ASSETS (LIABILITIES)			
Unrestricted		<u>(8,766,712)</u>	<u>(8,766,712)</u>
Total net liabilities		<u>\$ (8,766,712)</u>	<u>\$ (8,766,712)</u>

the City of Corpus Christi, Texas

Exhibit 21-B

NORTH PADRE ISLAND DEVELOPMENT CORPORATION
SCHEDULE OF ACTIVITIES
YEAR ENDED JULY 31, 2006

	Governmental Funds	Adjustments	Schedule of Activities
Expenditures/expenses			
General government	\$ 1,392,330	\$ --	\$ 1,392,330
Capital projects	1,186,050	(1,186,050)	--
Debt service			
Interest	672,150	--	672,150
Bond issuance cost	281,000	(234,557)	46,443
Paying agent fees	11,933	--	11,933
Total expenditures/expenses	<u>3,543,463</u>	<u>(1,420,607)</u>	<u>2,122,856</u>
General revenues			
Property tax	1,333,540	--	1,333,540
Grants	100,335	--	100,335
Earnings on investments	88,108	--	88,108
Other financing sources (uses)			
Revenue bonds issued	2,900,000	(2,900,000)	--
Transfers out	--	(1,186,250)	(1,186,250)
Total general revenues and other financing sources (uses)	<u>4,421,983</u>	<u>(4,086,250)</u>	<u>335,733</u>
Excess of revenues over expenditures and transfers out	878,520	(878,520)	--
Change in net assets	--	(1,787,123)	(1,787,123)
Fund balance/net liabilities beginning of year	<u>1,584,022</u>	<u>(8,563,611)</u>	<u>(6,979,589)</u>
Fund balance/net liabilities end of year	<u>\$ 2,462,542</u>	<u>\$ (11,229,254)</u>	<u>\$ (8,766,712)</u>

the City of Corpus Christi, Texas

Exhibit 21-C

NORTH PADRE ISLAND DEVELOPMENT CORPORATION
BALANCE SHEETS
JULY 31, 2006
WITH COMPARATIVE TOTALS FOR JULY 31, 2005

ASSETS	General	Debt Service	Capital Projects	2006 Total	2005 Total
Cash and cash equivalents	\$ 1,792,252	\$ 7,610	\$ 816,449	\$ 2,616,311	\$ 859,210
Investments	--	--	--	--	498,750
Receivables					
Taxes	3,158	--	--	3,158	1,640
Accrued interest	22,992	--	3,659	26,651	6,952
Intergovernmental	--	--	324,206	324,206	223,871
Net receivables	26,150	--	327,865	354,015	232,463
Due from other funds	--	--	--	--	31,496
Total assets	\$ 1,818,402	\$ 11,187	\$ 1,144,314	\$ 2,973,903	\$ 1,621,919
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ --	\$ --	\$ 28,007	\$ 28,007	\$ 29,521
Due to other funds	--	--	483,354	483,354	8,376
Total liabilities	--	--	511,361	511,361	37,897
Fund balances					
Reserved for encumbrances	--	--	1,654	1,654	453,608
Reserved for debt service	--	11,187	--	11,187	23,120
Reserved for maintenance	1,818,402	--	--	1,818,402	1,098,472
Unreserved					
Designated for specific projects	--	--	421,232	421,232	--
Undesignated	--	--	210,067	210,067	8,822
Total fund balance	1,818,402	11,187	632,953	2,462,542	1,584,022
Total liabilities and fund balances	\$ 1,818,402	\$ 11,187	\$ 1,144,314	\$ 2,973,903	\$ 1,621,919

the City of Corpus Christi, Texas

Exhibit 21-D

NORTH PADRE ISLAND DEVELOPMENT CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>2006 Total</u>	<u>2005 Total</u>
Revenues					
Taxes and business fees	\$ 1,333,540	\$ --	\$ --	\$ 1,333,540	\$ 1,015,239
Grants	--	--	100,335	100,335	23,138
Earnings on investments	58,540	--	29,568	88,108	34,025
Total revenue	<u>1,392,080</u>	<u>--</u>	<u>129,903</u>	<u>1,521,983</u>	<u>1,072,402</u>
Expenditures					
Current					
General government	--	--	1,392,330	1,392,330	2,817
Capital projects	--	--	1,186,050	1,186,050	3,792,577
Debt service					
Interest	--	672,150	--	672,150	534,755
Bond issuance cost	--	--	281,000	281,000	348,245
Paying agent fees	--	11,933	--	11,933	4,770
Total expenditures	<u>--</u>	<u>684,083</u>	<u>2,859,380</u>	<u>3,543,463</u>	<u>4,683,164</u>
Excess (deficiency) of revenues over (under) expenditures	1,392,080	(684,083)	(2,729,477)	(2,021,480)	(3,610,762)
Other financing sources (uses)					
Revenue bonds issued	--	--	2,900,000	2,900,000	4,100,000
Transfers in	--	672,150	--	672,150	503,177
Transfers out	(672,150)	--	--	(672,150)	(503,177)
Total other financing sources (uses)	<u>(672,150)</u>	<u>672,150</u>	<u>2,900,000</u>	<u>2,900,000</u>	<u>4,100,000</u>
Net change in fund balances	719,930	(11,933)	170,523	878,520	489,238
Fund balances at beginning 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>
Fund balances at end of year	<u>\$ 1,818,402</u>	<u>\$ 11,187</u>	<u>\$ 632,953</u>	<u>\$ 2,462,542</u>	<u>\$ 1,584,022</u>

the City of Corpus Christi, Texas

Exhibit 21-E

**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, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005**

	Budget		2006 Actual	Variance Final Budget Positive (Negative)	2005 Actual
	Original	Final			
Revenues					
Taxes and business fees	\$ 1,169,100	\$ 1,169,100	\$ 1,333,540	\$ 164,440	\$ 1,015,239
Earnings on investments	11,880	11,880	58,540	46,660	15,930
Total revenues	<u>1,180,980</u>	<u>1,180,980</u>	<u>1,392,080</u>	<u>211,100</u>	<u>1,031,169</u>
Expenditures					
Capital projects	500,000	500,000	--	500,000	--
Total expenditures	<u>500,000</u>	<u>500,000</u>	<u>--</u>	<u>500,000</u>	<u>--</u>
Excess of revenues over expenditures	680,980	680,980	1,392,080	711,100	1,031,169
Other financing uses					
Transfers out	(672,150)	(672,150)	(672,150)	--	(503,177)
Total other financing uses	<u>(672,150)</u>	<u>(672,150)</u>	<u>(672,150)</u>	<u>--</u>	<u>(503,177)</u>
Net change in fund balance	8,830	8,830	719,930	711,100	527,992
Fund balance at beginning of year	<u>1,032,278</u>	<u>1,098,472</u>	<u>1,098,472</u>	<u>--</u>	<u>570,480</u>
Fund balance at end of year	<u>\$ 1,041,108</u>	<u>\$ 1,107,302</u>	<u>\$ 1,818,402</u>	<u>\$ 711,100</u>	<u>\$ 1,098,472</u>

the City of Corpus Christi, Texas

Exhibit 21-F

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005**

	<u>Budget</u>		<u>2006 Actual</u>	<u>Variance</u>	<u>2005 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Expenditures					
Debt service					
Interest	\$ 672,150	\$ 672,150	\$ 672,150	\$ --	\$ 534,755
Paying agent fees	12,000	12,000	11,933	67	4,770
Total expenditures	<u>684,150</u>	<u>684,150</u>	<u>684,083</u>	<u>67</u>	<u>539,525</u>
Other financing sources					
Transfers in	<u>672,150</u>	<u>672,150</u>	<u>672,150</u>	<u>--</u>	<u>503,177</u>
Total other financing sources	<u>672,150</u>	<u>672,150</u>	<u>672,150</u>	<u>--</u>	<u>503,177</u>
Net change in fund balance	(12,000)	(12,000)	(11,933)	67	(36,348)
Fund balance at beginning of year	<u>49,928</u>	<u>23,120</u>	<u>23,120</u>	<u>--</u>	<u>59,468</u>
Fund balance at end of year	<u>\$ 37,928</u>	<u>\$ 11,120</u>	<u>\$ 11,187</u>	<u>\$ 67</u>	<u>\$ 23,120</u>



City of
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Christi

Capital Projects Funds

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

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

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

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

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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the City of Corpus Christi, Texas

**CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JULY 31, 2006
WITH COMPARATIVE TOTALS FOR JULY 31, 2005**

ASSETS	<u>Bayfront Arts/Science</u>	<u>City Hall</u>	<u>Computer System</u>	<u>Convention Facility</u>
Cash and cash equivalents	\$ 1,247,727	\$ 345,666	\$ 5,958	\$ 155,877
Investments	--	--	--	--
Receivables	--	--	--	--
Accrued interest	--	--	--	--
Special assessments	--	--	--	--
Intergovernmental	--	--	--	--
Miscellaneous	--	--	--	--
Net receivables	--	--	--	--
Due from other funds	--	91,916	--	--
Advances to other funds	--	--	--	--
Total assets	\$ 1,247,727	\$ 437,582	\$ 5,958	\$ 155,877
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 120,964	\$ 80,252	\$ --	\$ 92,014
Contractor interest and retainage payable	--	--	--	--
Deposits	--	--	--	--
Due to other funds	43,575	--	--	--
Unearned revenues	--	--	--	--
Paving assessments	--	--	--	--
Unearned grant	--	--	--	--
Total liabilities	164,539	80,252	--	92,014
Fund balances				
Reserved for encumbrances	381,994	21,052	2,696	--
Unreserved				
Designated for specific projects	14,718	221	3,261	--
Undesignated	686,476	336,057	1	63,863
Total fund balances	1,083,188	357,330	5,958	63,863
Total liabilities and fund balances	\$ 1,247,727	\$ 437,582	\$ 5,958	\$ 155,877

(Continued)

the City of Corpus Christi, Texas

Exhibit 22-A

<u>Library</u>	<u>Park</u>	<u>Police Building</u>	<u>Public Health & Safety</u>	<u>Landfill</u>	<u>Street</u>
\$ 2,689,636	\$ 931,591	\$ 35,642	\$ 294,505	\$ 9,275,228	\$ 2,023,288
--	5,924,042	--	99,260	15,048,621	32,496,554
--	8,100	--	--	7,647	127,961
--	--	--	--	--	541,512
--	--	--	--	--	465,869
--	--	--	--	--	--
--	8,100	--	--	7,647	1,135,342
350	--	--	--	565	22,335
--	--	--	--	--	12,000,000
<u>\$ 2,689,986</u>	<u>\$ 6,863,733</u>	<u>\$ 35,642</u>	<u>\$ 393,765</u>	<u>\$ 24,332,061</u>	<u>\$ 47,677,519</u>
\$ 32,809	\$ 322,173	\$ --	\$ 9,536	\$ 3,068,140	\$ 334,266
--	68,207	--	--	686,519	75,246
--	--	--	--	--	203,246
--	--	--	565	--	362,806
--	--	--	--	--	372,639
837,883	--	--	--	--	--
870,692	390,380	--	10,101	3,754,659	1,348,203
123,628	1,103,694	--	118,356	3,022,404	6,344,884
1,443,577	4,797,092	29,968	17,684	596,065	14,837,707
252,089	572,567	5,674	247,624	16,958,933	25,146,725
<u>1,819,294</u>	<u>6,473,353</u>	<u>35,642</u>	<u>383,664</u>	<u>20,577,402</u>	<u>46,329,316</u>
<u>\$ 2,689,986</u>	<u>\$ 6,863,733</u>	<u>\$ 35,642</u>	<u>\$ 393,765</u>	<u>\$ 24,332,061</u>	<u>\$ 47,677,519</u>

the City of Corpus Christi, Texas

**CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JULY 31, 2006
WITH COMPARATIVE TOTALS FOR JULY 31, 2005**

ASSETS	Corpus Christi Business and Job Development Corporation			North Padre Island Development Corporation
	Seawall	Arena	Stadium	
Cash and cash equivalents	\$ 788,422	\$ 161,810	\$ 604	\$ 816,449
Investments	5,989,000	--	--	--
Receivables				
Accrued interest	42,823	--	--	3,659
Special assessments	--	--	--	--
Intergovernmental	--	--	--	324,206
Miscellaneous	--	--	--	--
Net receivables	42,823	--	--	327,865
Due from other funds	--	3,225	--	--
Advances to other funds	--	--	--	--
Total assets	\$ 6,820,245	\$ 165,035	\$ 604	\$ 1,144,314
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 1,453,368	\$ 86,798	\$ --	\$ 28,007
Contractor interest and retainage payable	334,595	--	--	--
Deposits	--	--	--	--
Due to other funds	--	--	604	483,354
Unearned revenues	--	--	--	--
Paving assessments	--	--	--	--
Grants	--	--	--	--
Total liabilities	1,787,963	86,798	604	511,361
Fund balances				
Reserved for encumbrances	4,542,933	17,244	--	1,654
Unreserved				
Designated for specific projects	64,493	--	--	421,232
Undesignated	424,856	60,993	--	210,067
Total fund balances	5,032,282	78,237	--	632,953
Total liabilities and fund balances	\$ 6,820,245	\$ 165,035	\$ 604	\$ 1,144,314

the City of Corpus Christi, Texas

Exhibit 22-A
(Continued)

Eliminations	2006 Total	2005 Total
\$ --	\$ 18,772,403	\$ 5,843,279
--	59,557,477	87,746,771
--	190,190	349,566
--	541,512	562,912
--	790,075	778,774
--	--	98,526
--	<u>1,521,777</u>	<u>1,789,778</u>
(565)	117,826	15,462,246
--	<u>12,000,000</u>	--
<u>\$ (565)</u>	<u>\$ 91,969,483</u>	<u>\$ 110,842,074</u>
\$ --	\$ 5,628,327	\$ 3,221,367
--	1,164,567	1,414,118
--	203,246	203,246
(565)	890,339	--
--	372,639	404,573
--	<u>837,883</u>	<u>356,458</u>
(565)	9,097,001	5,599,762
--	15,680,539	16,033,814
--	22,226,018	5,845,350
--	<u>44,965,925</u>	<u>83,363,148</u>
--	<u>82,872,482</u>	<u>105,242,312</u>
<u>\$ (565)</u>	<u>\$ 91,969,483</u>	<u>\$ 110,842,074</u>

the City of Corpus Christi, Texas

CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	<u>Bayfront Arts/Science</u>	<u>City Hall</u>	<u>Computer System</u>	<u>Convention Facility</u>
Revenues				
Grants	\$ --	\$ --	\$ --	\$ --
Contributions and donations	--	--	--	--
Special assessments	--	--	--	--
Interest on special assessments	--	--	--	--
Attorneys fees on special assessments	--	--	--	--
Earnings on investments	27,131	18,939	--	5,156
Total revenues	<u>27,131</u>	<u>18,939</u>	<u>--</u>	<u>5,156</u>
Expenditures				
Current				
General government	24,548	5,005	--	1,351
Capital projects	599,829	1,387,331	--	1,112,996
Debt service				
Bond issuance cost	--	--	--	--
Total expenditures	<u>624,377</u>	<u>1,392,336</u>	<u>--</u>	<u>1,114,347</u>
Deficiency of revenues under expenditures	(597,246)	(1,373,397)	--	(1,109,191)
Other financing sources (uses)				
General obligation bonds issued	--	--	--	--
Revenue bonds issued	--	--	--	--
Certificates of obligation bonds issued	--	--	--	--
Premium on bonds issued	--	--	--	--
Discount on bonds issued	--	--	--	--
Transfer in from				
Visitors facility fund	--	--	--	--
Transfers out to				
Baseball Stadium CIP fund	--	(598,200)	--	--
General fund	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>(598,200)</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(597,246)	(1,971,597)	--	(1,109,191)
Fund balances at beginning of year	<u>1,680,434</u>	<u>2,328,927</u>	<u>5,958</u>	<u>1,173,054</u>
Fund balances at end of year	<u>\$ 1,083,188</u>	<u>\$ 357,330</u>	<u>\$ 5,958</u>	<u>\$ 63,863</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 22-B

<u>Library</u>	<u>Park</u>	<u>Police Building</u>	<u>Public Health & Safety</u>	<u>Landfill</u>	<u>Street</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
4,577	--	--	--	--	13,966
--	--	--	--	--	82,003
--	--	--	--	--	29,268
--	--	--	--	--	7,255
93,828	258,832	--	13,425	522,312	1,648,278
98,405	258,832	--	13,425	522,312	1,780,770
54,861	160,222	--	5,723	171,326	1,474,313
232,101	1,358,104	--	124,972	18,299,484	4,850,297
--	--	--	--	308,508	--
286,962	1,518,326	--	130,695	18,779,318	6,324,610
(188,557)	(1,259,494)	--	(117,270)	(18,257,006)	(4,543,840)
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	18,605,000	--
--	--	--	--	--	--
--	--	--	--	(272,896)	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	18,332,104	--
(188,557)	(1,259,494)	--	(117,270)	75,098	(4,543,840)
2,007,851	7,732,847	35,642	500,934	20,502,304	50,873,156
\$ 1,819,294	\$ 6,473,353	\$ 35,642	\$ 383,664	\$ 20,577,402	\$ 46,329,316

the City of Corpus Christi, Texas

CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

	Corpus Christi Business and Job Development Corporation			North Padre Island Development Corporation
	Seawall	Arena	Stadium	
Revenues				
Grants	\$ --	\$ --	\$ --	\$ 100,335
Contributions and donations	--	--	--	--
Special assessments	--	--	--	--
Interest on special assessments	--	--	--	--
Attorneys fees on special assessments	--	--	--	--
Earnings on investments	--	--	--	--
Total revenues	<u>382,755</u>	<u>6,232</u>	<u>--</u>	<u>29,568</u>
	382,755	6,232	--	129,903
Expenditures				
Current				
General government				
Capital projects	329	18,281	604	1,392,330
Debt service	12,298,578	899,451	598,200	1,186,050
Bond issuance cost	--	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>	<u>281,000</u>
	12,298,907	917,732	598,804	2,859,380
Deficiency of revenues under expenditures	(11,916,152)	(911,500)	(598,804)	(2,729,477)
Other financing sources (uses)				
General obligation bonds issued	--	--	--	--
Revenue bonds issued	--	--	--	2,900,000
Certificates of obligation bonds issued	--	--	--	--
Premium on bonds issued	--	--	--	--
Discount on bonds issued	--	--	--	--
Transfer in from				
City Hall CIP fund	--	--	598,200	--
Transfers out to				
Baseball Stadium	--	--	--	--
General fund	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>598,200</u>	<u>2,900,000</u>
	--	--	598,200	2,900,000
Net change in fund balances	(11,916,152)	(911,500)	(604)	170,523
Fund balances at beginning of year	<u>16,948,434</u>	<u>989,737</u>	<u>604</u>	<u>462,430</u>
Fund balances at end of year	<u>\$ 5,032,282</u>	<u>\$ 78,237</u>	<u>\$ --</u>	<u>\$ 632,953</u>

the City of Corpus Christi, Texas

Exhibit 22-B
(Continued)

Eliminations	2006 Total	2005 Total
\$ --	\$ 100,335	\$ 23,138
--	18,543	579,428
--	82,003	113,758
--	29,268	32,996
--	7,255	7,626
--	3,006,456	1,218,913
--	3,243,860	1,975,859
--	3,308,893	809,367
--	42,947,393	66,278,614
--	589,508	637,314
--	46,845,794	67,725,295
--	(43,601,934)	(65,749,436)
--	--	60,000,000
--	2,900,000	4,100,000
--	18,605,000	14,520,000
--	--	394,122
--	(272,896)	--
(598,200)	--	--
598,200	--	--
--	--	(852,376)
--	21,232,104	78,161,746
--	(22,369,830)	12,412,310
--	105,242,312	92,830,002
\$ --	\$ 82,872,482	\$ 105,242,312

Proprietary Funds

Enterprise Funds

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

Major Fund

Utility System Fund – This fund was established to account for 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.

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
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the City of Corpus Christi, Texas

UTILITY SYSTEM FUND
COMBINING SCHEDULE OF NET ASSETS
JULY 31, 2006

ASSETS	Gas	Water	Wastewater	Eliminations	Total
Current assets					
Cash and cash equivalents	\$ 224,571	\$ 646,406	\$ 1,645,713	\$ --	\$ 2,516,690
Investments	--	59,179,993	20,656,194	--	79,836,187
Receivables					
Accounts	4,537,447	11,908,724	5,715,922	--	22,162,093
Accrued interest	--	1,225,919	481,627	--	1,707,546
Property leases	--	618	--	--	618
Employees	--	164	--	--	164
Intergovernmental	--	1,281,169	--	--	1,281,169
Miscellaneous	3,443	809	225	--	4,477
Allowance for uncollectibles	(1,000,249)	(1,603,384)	(917,564)	--	(3,521,197)
Net receivables	3,540,641	12,814,019	5,280,210	--	21,634,870
Due from other funds	980	426,908	9,417	(435,580)	1,725
Current portion of advance to other funds	30,000	--	--	--	30,000
Inventories	--	316,694	--	--	316,694
Restricted assets					
Cash and cash equivalents	--	6,526,101	3,030,747	--	9,556,848
Investments	--	8,088,500	12,085,154	--	20,173,654
Accrued interest	--	49,758	149,677	--	199,435
Due from other funds	--	--	5,453	--	5,453
Total restricted assets	--	14,664,359	15,271,031	--	29,935,390
Total current assets	3,796,192	88,048,379	42,862,565	(435,580)	134,271,556
Noncurrent assets					
Deposits	--	2,300	--	--	2,300
Water supply rights, net of accumulated amortization	--	169,459,196	--	--	169,459,196
Advances to other funds	64,600	--	--	--	64,600
Bond issue costs	28,462	4,727,089	1,591,163	--	6,346,714
Capital assets					
Land	688,623	16,761,240	4,443,493	--	21,893,356
Buildings	1,687,160	33,356,489	1,889,184	--	36,932,833
Improvements other than buildings	96,109	84,173,001	126,820,006	--	211,089,116
Machinery and equipment	2,336,862	12,853,145	7,868,757	--	23,058,764
Infrastructure	58,142,527	481,323,205	206,237,587	--	745,703,319
Total capital assets in service	62,951,281	628,467,080	347,259,027	--	1,038,677,388
Less accumulated depreciation	(23,723,827)	(148,595,976)	(86,337,161)	--	(258,656,964)
Net capital assets in service	39,227,454	479,871,104	260,921,866	--	780,020,424
Construction in progress	2,418,920	70,218,934	23,608,040	--	96,245,894
Net capital assets	41,646,374	550,090,038	284,529,906	--	876,266,318
Total noncurrent assets	41,739,436	724,278,623	286,121,069	--	1,052,139,128
Total assets	45,535,628	812,327,002	328,983,634	(435,580)	1,186,410,684

(Continued)

the City of Corpus Christi, Texas

Exhibit 23-A

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
LIABILITIES					
Current liabilities					
Accounts payable	\$ 1,665,657	\$ 8,242,619	\$ 2,484,114	\$ --	\$ 12,392,390
Accrued expenses	105,428	244,392	145,271	--	495,091
Accrued interest	3,488	673,309	223,805	--	900,602
Contractor interest and retainage payable	--	1,520,944	786,537	--	2,307,481
Deposits	65,261	120,291	22,433	--	207,985
Liability to claimants - escheat property	--	103,758	--	--	103,758
Due to other funds	440,217	1,883,721	63,092	(435,580)	1,951,450
Advances from other funds	--	7,000,000	5,000,000	--	12,000,000
Unearned revenue	--	5,684	4,395	--	10,079
Commercial paper	558,338	11,108,325	5,333,337	--	17,000,000
Current portion of long-term liabilities					
Long-term debt	58,689	18,368,303	7,661,361	--	26,088,353
Accumulated unpaid compensated absences	322,670	642,729	393,662	--	1,359,061
Total current liabilities	<u>3,219,748</u>	<u>49,914,075</u>	<u>22,118,007</u>	<u>(435,580)</u>	<u>74,816,250</u>
Noncurrent liabilities					
Long-term liabilities, net of current portion					
Long-term debt	1,697,421	473,371,922	109,047,554	--	584,116,897
Accumulated unpaid compensated absences	414,046	525,085	460,130	--	1,399,261
Total noncurrent liabilities	<u>2,111,467</u>	<u>473,897,007</u>	<u>109,507,684</u>	<u>--</u>	<u>585,516,158</u>
Total liabilities	<u>5,331,215</u>	<u>523,811,082</u>	<u>131,625,691</u>	<u>(435,580)</u>	<u>660,332,408</u>
NET ASSETS					
Invested in capital assets, net of related debt					
Restricted for	39,172,105	225,164,089	165,711,802	--	430,047,996
Bond interest and redemption	--	1,007,087	--	--	1,007,087
Construction of capital assets	--	5,965,247	9,305,621	--	15,270,868
Improvements to utility lines and facilities	--	3,955,708	4,243,147	--	8,198,855
Abatement of public health hazards	--	--	89,277	--	89,277
Unrestricted	<u>1,032,308</u>	<u>52,423,789</u>	<u>18,008,096</u>	<u>--</u>	<u>71,464,193</u>
Total net assets	<u>\$ 40,204,413</u>	<u>\$ 288,515,920</u>	<u>\$ 197,357,943</u>	<u>\$ --</u>	<u>\$ 526,078,276</u>



City of
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the City of Corpus Christi, Texas

Exhibit 23-B

UTILITY SYSTEM FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2006

	Gas	Water	Wastewater	Eliminations	Total
Operating revenues					
Charges for services - net	\$ 40,295,857	\$ 84,606,452	\$ 39,288,543	\$ (225,774)	\$ 163,965,078
Operating expenses					
Personal services	4,916,879	10,947,317	7,880,583	--	23,744,779
Materials and supplies	27,014,308	10,844,238	3,017,569	--	40,876,115
Contractual services	1,031,352	15,189,310	8,080,170	--	24,300,832
Other operating expenses	3,194,434	14,874,575	7,005,693	(225,774)	24,848,928
Uncollectible accounts	485,755	762,601	272,914	--	1,521,270
Depreciation	1,175,161	15,190,506	8,435,100	--	24,800,767
Total operating expenses	37,817,889	67,808,547	34,692,029	(225,774)	140,092,691
Operating income	2,477,968	16,797,905	4,596,514	--	23,872,387
Nonoperating revenues (expenses)					
Investment income	10,408	4,372,116	2,015,694	--	6,398,218
Interest expense and fiscal charges	(59,330)	(21,159,237)	(5,226,734)	--	(26,445,301)
Net loss on disposal of assets	(21,350)	(256,006)	(77,869)	--	(355,225)
Retirement of obsolete facilities	--	(12,467)	--	--	(12,467)
Recovery on damage claims	--	214	--	--	214
Developer deposits	--	857,192	1,334,448	--	2,191,640
Reimbursements to developers	--	(206,129)	(4,260,921)	--	(4,467,050)
Contribution from other governmental agencies	--	39,275	--	--	39,275
Contributions and donations	--	--	43,249	--	43,249
Total nonoperating expenses	(70,272)	(16,365,042)	(6,172,133)	--	(22,607,447)
Capital contributions					
Contributions from developers	--	5,464,230	6,553,783	--	12,018,013
Income before transfers	2,407,696	5,897,093	4,978,164	--	13,282,953
Transfers in	117,651	184,068	117,312	(14,439)	404,592
Transfers out	(804,952)	(3,026,183)	(1,301,194)	14,439	(5,117,890)
Total transfers	(687,301)	(2,842,115)	(1,183,882)	--	(4,713,298)
Net income	1,720,395	3,054,978	3,794,282	--	8,569,655
Net assets at beginning of year	38,484,018	285,460,942	193,563,661	--	517,508,621
Net assets at end of year	\$ 40,204,413	\$ 288,515,920	\$ 197,357,943	\$ --	\$ 526,078,276

the City of Corpus Christi, Texas

UTILITY SYSTEM FUND
COMBINING SCHEDULE OF CASH FLOWS
YEAR ENDED JULY 31, 2006

	Gas	Water	Wastewater	Eliminations	Total
Cash flows from operating activities					
Receipts from customers	\$ 39,770,654	\$ 84,523,699	\$ 38,877,874	\$ 11,951	\$ 163,184,178
Receipts from interfund services provided	24,073	335,823	14,851	(225,774)	148,973
Payments to suppliers	(27,735,653)	(22,632,730)	(9,904,667)	—	(60,273,050)
Payments to employees	(4,241,287)	(9,504,265)	(6,821,097)	—	(20,566,649)
Internal activity - payments to other funds	(4,385,849)	(13,584,954)	(8,771,065)	213,823	(26,528,045)
Net cash provided by operating activities	3,431,938	39,137,573	13,395,896	—	55,965,407
Cash flows from noncapital financing activities					
Changes in interfund borrowings	(2,573,569)	(8,341,117)	(6,103,389)	—	(17,018,075)
Interest on advance to other funds	5,682	—	—	—	5,682
Contributions from other governmental agencies	—	68,262	—	—	68,262
Transfers in from other funds	1,816,842	184,068	117,312	(14,039)	2,104,183
Transfers out to other funds	(2,518,582)	(2,999,972)	(1,253,850)	14,039	(6,758,365)
Net cash used for noncapital financing activities	(3,269,627)	(11,088,759)	(7,239,927)	—	(21,598,313)
Cash flows from capital and related financing activities					
Acquisition of capital assets	(2,202,194)	(40,558,875)	(22,455,699)	—	(65,216,768)
Proceeds from sale of capital assets	7,076	22,523	—	—	29,599
Decommissioning obsolete facility	—	(12,467)	—	—	(12,467)
Developers deposits	—	858,114	1,328,995	—	2,187,109
Contributions from developers	—	—	47,644	—	47,644
Reimbursements to developers	—	(243,988)	(4,322,903)	—	(4,566,891)
Contributions from other governmental agencies	—	16,546	—	—	16,546
Proceeds from issuance of revenue bonds	1,773,697	42,196,760	26,771,131	—	70,741,588
Proceeds from issuance of commercial paper	558,338	61,108,325	25,333,337	—	87,000,000
Principal paid on long-term debt	(42,261)	(11,417,342)	(13,090,051)	—	(24,549,654)
Principal paid on commercial paper	—	(50,000,000)	(20,000,000)	—	(70,000,000)
Interest expense and fiscal charges	(60,083)	(20,745,449)	(4,570,321)	—	(25,375,853)
Recovery on damage claims	—	214	—	—	214
Net cash provided by (used for) capital and related financing activities	34,573	(18,775,639)	(10,957,867)	—	(29,698,933)
Cash flows from investing activities					
Purchase of investment securities	—	(37,346,142)	(48,700,000)	—	(86,046,142)
Proceeds from sale and maturity of investment securities	—	22,386,142	49,874,785	—	72,260,927
Interest on investments	4,726	3,480,265	1,614,552	—	5,099,543
Net cash provided by (used for) investing activities	4,726	(11,479,735)	2,789,337	—	(8,685,672)
Net increase (decrease) in cash and cash equivalents	201,610	(2,206,560)	(2,012,561)	—	(4,017,511)
Cash and cash equivalents at beginning of year	22,961	9,379,067	6,689,021	—	16,091,049
Cash and cash equivalents at end of year	\$ 224,571	\$ 7,172,507	\$ 4,676,460	\$ —	\$ 12,073,538

(Continued)

the City of Corpus Christi, Texas

Exhibit 23-C

	Gas	Water	Wastewater	Eliminations	Total
Reconciliation of operating income to net cash provided by operating activities					
Operating income	\$ 2,477,968	\$ 16,797,905	\$ 4,596,514	\$ --	\$ 23,872,387
Adjustments to reconcile operating income to net cash provided by operating activities					
Depreciation	1,175,161	15,190,506	8,435,100	--	24,800,767
Amortization of water rights	--	4,175,502	--	--	4,175,502
Amortization of fish and wildlife costs	--	270,042	--	--	270,042
Provision for uncollectible accounts	485,755	762,601	272,914	--	1,521,270
Operating and maintenance expenses previously capitalized	--	1,259,618	167,558	--	1,427,176
Changes in assets and liabilities					
Receivables	(479,017)	651,573	(389,639)	--	(217,083)
Due from other funds	(980)	128,272	(9,417)	11,951	129,826
Inventory	--	(45,440)	--	--	(45,440)
Accounts payable	(181,013)	(410,918)	287,113	--	(304,818)
Accrued expenses	13,978	34,139	30,064	--	78,181
Accumulated unpaid compensated absences	25,342	58,842	46,381	--	130,565
Contractor interest and retainage payable	--	11,761	--	--	11,761
Deposits	(21,134)	(4,021)	3,238	--	(21,917)
Liability to claimants - escheat property	--	9,370	--	--	9,370
Due to other funds	(64,122)	247,821	(43,930)	(11,951)	127,818
Net cash provided by operating activities	<u>\$ 3,431,938</u>	<u>\$ 39,137,573</u>	<u>\$ 13,395,896</u>	<u>\$ --</u>	<u>\$ 55,965,407</u>
Noncash investing, capital and financing activities					
Transfer of capital assets from (to) other funds	\$ 14,439	\$ (26,210)	\$ --	\$ --	\$ (11,771)
Contribution of capital assets from developers	\$ --	\$ 5,464,230	\$ 6,553,783	\$ --	\$ 12,018,013
Change in fair value of investments	\$ --	\$ (15,077)	\$ 70,339	\$ --	\$ 55,262

the City of Corpus Christi, Texas

**GAS SYSTEM
COMPARATIVE SCHEDULE OF NET ASSETS
JULY 31, 2006 AND 2005**

ASSETS	<u>2006</u>	<u>2005</u>
Current assets		
Cash and cash equivalents	\$ 224,571	\$ 22,961
Receivables		
Accounts	4,537,447	4,276,731
Miscellaneous	3,443	4,458
Allowance for uncollectibles	(1,000,249)	(733,810)
Net receivables	<u>3,540,641</u>	<u>3,547,379</u>
Due from other funds	980	-
Current portion of advance to other funds	30,000	30,000
Total current assets	<u>3,796,192</u>	<u>3,600,340</u>
Noncurrent assets		
Advances to other funds	64,600	94,600
Bond issue costs	28,462	-
Capital assets		
Land	688,623	651,970
Buildings	1,687,160	1,672,918
Improvements other than buildings	96,109	96,109
Machinery and equipment	2,336,862	2,311,168
Infrastructure	58,142,527	55,885,059
Total capital assets in service	<u>62,951,281</u>	<u>60,617,224</u>
Less accumulated depreciation	(23,723,827)	(22,616,891)
Net capital assets in service	<u>39,227,454</u>	<u>38,000,333</u>
Construction in progress	2,418,920	2,285,368
Net capital assets	<u>41,646,374</u>	<u>40,285,701</u>
Total noncurrent assets	<u>41,739,436</u>	<u>40,380,301</u>
Total assets	<u>45,535,628</u>	<u>43,980,641</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 24-A
(Continued)

	<u>2006</u>	<u>2005</u>
LIABILITIES		
Current liabilities		
Accounts payable	\$ 1,665,657	\$ 1,499,026
Accrued expenses	105,428	91,450
Accrued interest	3,488	-
Deposits	65,261	86,395
Due to other funds	440,217	3,108,378
Commercial paper	558,338	-
Current portion of long-term liabilities		
Long-term debt	58,689	-
Accumulated unpaid compensated absences	322,670	334,145
Total current liabilities	<u>3,219,748</u>	<u>5,119,394</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	1,697,421	-
Accumulated unpaid compensated absences	414,046	377,229
Total noncurrent liabilities	<u>2,111,467</u>	<u>377,229</u>
Total liabilities	<u>5,331,215</u>	<u>5,496,623</u>
NET ASSETS		
Invested in capital assets, net of related debt	39,172,105	40,285,701
Unrestricted	1,032,308	(1,801,683)
Total net assets	<u>\$ 40,204,413</u>	<u>\$ 38,484,018</u>



City of
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the City of Corpus Christi, Texas

Exhibit 24-B

GAS SYSTEM
COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Operating revenues		
Charges for services - net	\$ 40,295,857	\$ 33,846,439
Operating expenses		
Personal services	4,916,879	5,321,596
Materials and supplies	27,014,308	22,865,817
Contractual services	1,031,352	1,213,312
Other operating expenses	3,194,434	3,043,809
Uncollectible accounts	485,755	376,586
Depreciation	1,175,161	1,117,817
Total operating expenses	<u>37,817,889</u>	<u>33,938,937</u>
Operating income (loss)	2,477,968	(92,498)
Nonoperating revenues (expenses)		
Investment income	10,408	13,525
Interest expense and fiscal charges	(59,330)	(4,289)
Net loss on disposal of assets	(21,350)	(13,440)
Recovery on damage claims	--	2,400
Total nonoperating expenses	<u>(70,272)</u>	<u>(1,804)</u>
Income (loss) before transfers	<u>2,407,696</u>	<u>(94,302)</u>
Transfers in	117,651	-
Transfers out	(804,952)	(869,469)
Total transfers	<u>(687,301)</u>	<u>(869,469)</u>
Net income (loss)	1,720,395	(963,771)
Net assets at beginning of year	<u>38,484,018</u>	<u>39,447,789</u>
Net assets at end of year	<u>\$ 40,204,413</u>	<u>\$ 38,484,018</u>

the City of Corpus Christi, Texas

**GAS SYSTEM
COMPARATIVE SCHEDULE OF CASH FLOWS
YEAR ENDED JULY 31, 2006 AND 2005**

	<u>2006</u>	<u>2005</u>
Cash flows from operating activities		
Receipts from customers	\$ 39,770,654	\$ 33,168,611
Receipts from interfund services provided	24,073	33,011
Payments to suppliers	(27,735,653)	(23,537,894)
Payments to employees	(4,241,287)	(4,629,901)
Internal activity - payments to other funds	(4,385,849)	(4,150,403)
Net cash provided by operating activities	<u>3,431,938</u>	<u>883,424</u>
Cash flows from noncapital financing activities		
Changes in interfund borrowings	(2,573,569)	2,311,163
Interest on advance to other funds	5,682	7,051
Transfers in from other funds	1,816,842	--
Transfers out to other funds	(2,518,582)	(869,469)
Recovery on damage claims	--	2,400
Net cash provided by (used for) noncapital financing activities	<u>(3,269,627)</u>	<u>1,451,145</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	(2,202,194)	(2,763,634)
Proceeds from sale of capital assets	7,076	5,077
Proceeds from issuance of revenue bonds	1,773,697	--
Proceeds from issuance of commercial paper	558,338	--
Principal paid on long-term debt	(42,261)	--
Interest expense and fiscal charges	(60,083)	(4,289)
Net cash provided by (used for) capital and related financing activities	<u>34,573</u>	<u>(2,762,846)</u>
Cash flows from investing activities		
Proceeds from sale and maturity of investment securities	--	400,000
Interest on investments	4,726	8,908
Net cash provided by investing activities	<u>4,726</u>	<u>408,908</u>
Net increase (decrease) in cash and cash equivalents	201,610	(19,369)
Cash and cash equivalents at beginning of year	<u>22,961</u>	<u>42,330</u>
Cash and cash equivalents at end of year	<u>\$ 224,571</u>	<u>\$ 22,961</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 24-C

	<u>2006</u>	<u>2005</u>
Reconciliation of operating income (loss) to net cash provided by operating activities		
Operating income (loss)	\$ 2,477,968	\$ (92,498)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities		
Depreciation	1,175,161	1,117,817
Provision for uncollectible accounts	485,755	376,586
Change in assets and liabilities		
Receivables	(479,017)	(680,668)
Due from other funds	(980)	--
Accounts payable	(181,013)	71,430
Accrued expenses	13,978	1,886
Accumulated unpaid compensated absences	25,342	117,982
Deposits	(21,134)	35,852
Due to other funds	(64,122)	(64,963)
	<u>\$ 3,431,938</u>	<u>\$ 883,424</u>
Noncash investing, capital and financing activities		
Transfer of capital assets from other funds	\$ 14,439	\$ --

the City of Corpus Christi, Texas

**WATER SYSTEM
COMPARATIVE SCHEDULE OF NET ASSETS
JULY 31, 2006 AND 2005**

ASSETS	<u>2006</u>	<u>2005</u>
Current assets		
Cash and cash equivalents	\$ 646,406	\$ 1,581,193
Investments	59,179,993	44,456,823
Receivables		
Accounts	11,908,724	12,972,574
Accrued interest	1,225,919	307,429
Property leases	618	3,318
Employees	164	-
Intergovernmental	1,281,169	1,278,556
Miscellaneous	809	21,369
Allowance for uncollectibles	(1,603,384)	(1,221,250)
Net receivables	<u>12,814,019</u>	<u>13,361,996</u>
Due from other funds	426,908	4,857,696
Inventories	316,694	271,254
Restricted assets		
Cash and cash equivalents	6,526,101	7,797,874
Investments	8,088,500	7,866,747
Accrued interest	49,758	54,737
Total restricted assets	<u>14,664,359</u>	<u>15,719,358</u>
Total current assets	<u>88,048,379</u>	<u>80,248,320</u>
Noncurrent assets		
Deposits	2,300	2,300
Water supply rights, net of accumulated amortization	169,459,196	173,904,740
Bond issue costs	4,727,089	4,611,741
Capital assets		
Land	16,761,240	15,459,040
Buildings	33,356,489	34,344,154
Improvements other than buildings	84,173,001	80,662,819
Machinery and equipment	12,853,145	14,046,630
Infrastructure	481,323,205	445,293,901
Total capital assets in service	<u>628,467,080</u>	<u>589,806,544</u>
Less accumulated depreciation	(148,595,976)	(136,129,178)
Net capital assets in service	<u>479,871,104</u>	<u>453,677,366</u>
Construction in progress	70,218,934	65,128,361
Net capital assets	<u>550,090,038</u>	<u>518,805,727</u>
Total noncurrent assets	<u>724,278,623</u>	<u>697,324,508</u>
Total assets	<u>812,327,002</u>	<u>777,572,828</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 25-A

	<u>2006</u>	<u>2005</u>
LIABILITIES		
Current liabilities		
Accounts payable	\$ 8,242,619	\$ 6,542,123
Accrued expenses	244,392	210,253
Accrued interest	673,309	617,387
Contractor interest and retainage payable	1,520,944	1,682,535
Deposits	120,291	123,391
Liability to claimants - escheat property	103,758	94,387
Due to other funds	1,883,721	16,447,083
Advances from other funds	7,000,000	-
Unearned revenue	5,684	6,464
Commercial paper	11,108,325	-
Current portion of long-term liabilities		
Long-term debt	18,368,303	15,348,084
Accumulated unpaid compensated absences	642,729	683,350
Total current liabilities	<u>49,914,075</u>	<u>41,755,057</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	473,371,922	449,931,207
Accumulated unpaid compensated absences	525,085	425,622
Total noncurrent liabilities	<u>473,897,007</u>	<u>450,356,829</u>
Total liabilities	<u>523,811,082</u>	<u>492,111,886</u>
NET ASSETS		
Invested in capital assets, net of related debt	225,164,089	232,042,917
Restricted for		
Bond interest and redemption	1,007,087	992,217
Construction of capital assets	5,965,247	11,535,240
Improvements to utility lines and facilities	3,955,708	3,185,437
Unrestricted	52,423,789	37,705,131
Total net assets	<u>\$ 288,515,920</u>	<u>\$ 285,460,942</u>



City of
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the City of Corpus Christi, Texas

Exhibit 25-B

WATER SYSTEM
COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Operating revenues		
Charges for services - net	\$ 84,606,452	\$ 78,474,456
Operating expenses		
Personal services	10,947,317	11,503,222
Materials and supplies	10,844,238	11,719,628
Contractual services	15,189,310	12,091,187
Other operating expenses	14,874,575	13,975,639
Uncollectible accounts	762,601	787,753
Depreciation	15,190,506	14,486,562
Total operating expenses	<u>67,808,547</u>	<u>64,563,991</u>
Operating income	16,797,905	13,910,465
Nonoperating revenues (expenses)		
Investment income	4,372,116	1,581,946
Interest expense and fiscal charges	(21,159,237)	(16,767,749)
Net loss on disposal of assets	(256,006)	(1,389,267)
Retirement of obsolete facilities	(12,467)	(4,240,683)
Recovery on damage claims	214	2,123
Developer deposits	857,192	653,628
Reimbursement to developers	(206,129)	(102,936)
Contribution from other governmental agencies	39,275	1,181,628
Total nonoperating expenses	<u>(16,365,042)</u>	<u>(19,081,310)</u>
Capital contributions		
Contributions from developers	<u>5,464,230</u>	<u>4,875,984</u>
Income (loss) before transfers	<u>5,897,093</u>	<u>(294,861)</u>
Transfers in	184,068	5,031,285
Transfers out	(3,026,183)	(3,252,184)
Total transfers	<u>(2,842,115)</u>	<u>1,779,101</u>
Net income	3,054,978	1,484,240
Net assets at beginning of year	<u>285,460,942</u>	<u>283,976,702</u>
Net assets at end of year	<u>\$ 288,515,920</u>	<u>\$ 285,460,942</u>

the City of Corpus Christi, Texas

**WATER SYSTEM
COMPARATIVE SCHEDULE OF CASH FLOWS
YEAR ENDED JULY 31, 2006 AND 2005**

	2006	2005
Cash flows from operating activities		
Receipts from customers	\$ 84,523,699	\$ 75,687,978
Receipts from interfund services provided	335,823	282,230
Payments to suppliers	(22,632,730)	(20,422,028)
Payments to employees	(9,504,265)	(10,292,800)
Internal activity - payments to other funds	(13,584,954)	(13,999,651)
Net cash provided by operating activities	39,137,573	31,255,729
Cash flows from noncapital financing activities		
Changes in interfund borrowings	(8,341,117)	14,463,756
Contributions from other governmental agencies	68,262	462,903
Transfers in from other funds	184,068	5,031,285
Transfers out to other funds	(2,999,972)	(3,241,114)
Net cash provided by (used for) for noncapital financing activities	(11,088,759)	16,716,830
Cash flows from capital and related financing activities		
Acquisition of capital assets	(40,558,875)	(37,371,907)
Proceeds from sale of capital assets	22,523	4,160
Decommissioning obsolete facility	(12,467)	(307,293)
Developer deposits	858,114	654,104
Reimbursements to developers	(243,988)	(116,624)
Contributions from other governmental agencies	16,546	786,355
Proceeds from issuance of revenue bonds	42,196,760	33,668,065
Proceeds from issuance of commercial paper	61,108,325	--
Principal paid on long-term debt	(11,417,342)	(16,356,559)
Principal paid on commercial paper	(50,000,000)	(15,650,000)
Interest expense and fiscal charges	(20,745,449)	(15,720,069)
Recovery on damage claims	214	2,123
Net cash used for capital and related financing activities	(18,775,639)	(50,407,645)
Cash flows from investing activities		
Purchase of investment securities	(37,346,142)	(112,147,801)
Proceeds from sale and maturity of investment securities	22,386,142	115,644,235
Interest on investments	3,480,265	1,894,948
Net cash provided by (used for) investing activities	(11,479,735)	5,391,382
Net increase (decrease) in cash and cash equivalents	(2,206,560)	2,956,296
Cash and cash equivalents at beginning of year, including restricted accounts	9,379,067	6,422,771
Cash and cash equivalents at end of year, including restricted accounts	\$ 7,172,507	\$ 9,379,067

(Continued)

the City of Corpus Christi, Texas

Exhibit 25-C

	<u>2006</u>	<u>2005</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 16,797,905	\$ 13,910,465
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	15,190,506	14,486,562
Amortization of water rights	4,175,502	3,887,487
Amortization of fish and wildlife costs	270,042	270,042
Provision for uncollectible accounts	762,601	787,753
Operating and maintenance expenses previously capitalized	1,259,618	--
Change in assets and liabilities		
Receivables	651,573	(3,141,307)
Due from other funds	128,272	5,663
Inventory	(45,440)	54,581
Accounts payable	(410,918)	1,057,055
Accrued expenses	34,139	(14,326)
Accumulated unpaid compensated absences	58,842	28,229
Contractor interest and retainage payable	11,761	--
Deposits	(4,021)	44,887
Liability to claimants - escheat property	9,370	(3,423)
Due to other funds	247,821	(117,939)
Net cash provided by operating activities	<u>\$ 39,137,573</u>	<u>\$ 31,255,729</u>
Noncash investing, capital and financing activities		
Transfer of capital assets to other funds	\$ (26,210)	\$ (11,070)
Contribution of capital assets from developers	\$ 5,464,230	\$ 4,875,984
Change in fair value of investments	\$ (15,077)	\$ (176,430)
Bond refunding	\$ --	\$ 168,596,880

the City of Corpus Christi, Texas

WASTEWATER SYSTEM
COMPARATIVE SCHEDULE OF NET ASSETS
JULY 31, 2006 AND 2005

ASSETS	<u>2006</u>	<u>2005</u>
Current assets		
Cash and cash equivalents	\$ 1,645,713	\$ 1,688,672
Investments	20,656,194	19,134,742
Receivables		
Accounts	5,715,922	5,554,481
Accrued interest	481,627	177,205
Property leases	-	7,000
Employees	-	11,834
Miscellaneous	225	1,263
Allowance for uncollectibles	(917,564)	(891,456)
Net receivables	<u>5,280,210</u>	<u>4,860,327</u>
Due from other funds	9,417	-
Restricted assets		
Cash and cash equivalents	3,030,747	5,000,349
Investments	12,085,154	14,711,051
Accrued interest	149,677	123,295
Due from other funds	5,453	-
Total restricted assets	<u>15,271,031</u>	<u>19,834,695</u>
Total current assets	<u>42,862,565</u>	<u>45,518,436</u>
Noncurrent assets		
Bond issue costs	1,591,163	1,467,264
Capital assets		
Land	4,443,493	4,435,991
Buildings	1,889,184	1,889,184
Improvements other than buildings	126,820,006	115,055,419
Machinery and equipment	7,868,757	9,460,218
Infrastructure	206,237,587	197,906,348
Total capital assets in service	<u>347,259,027</u>	<u>328,747,160</u>
Less accumulated depreciation	(86,337,161)	(79,744,519)
Net capital assets in service	<u>260,921,866</u>	<u>249,002,641</u>
Construction in progress	23,608,040	17,200,475
Net capital assets	<u>284,529,906</u>	<u>266,203,116</u>
Total noncurrent assets	<u>286,121,069</u>	<u>267,670,380</u>
Total assets	<u>328,983,634</u>	<u>313,188,816</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 26-A

	<u>2006</u>	<u>2005</u>
LIABILITIES		
Current liabilities		
Bank overdraft	\$ --	\$ 1,155,316
Accounts payable	2,484,114	2,722,531
Accrued expenses	145,271	115,207
Accrued interest	223,805	185,093
Contractor interest and retainage payable	786,537	1,170,855
Deposits	22,433	19,195
Due to other funds	63,092	15,926,276
Advances from other funds	5,000,000	--
Unearned revenue	4,395	--
Commercial paper	5,333,337	--
Current portion of long-term liabilities		
Long-term debt	7,661,361	7,344,437
Accumulated unpaid compensated absences	393,662	388,635
Total current liabilities	<u>22,118,007</u>	<u>29,027,545</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	109,047,554	90,178,834
Accumulated unpaid compensated absences	460,130	418,776
Total noncurrent liabilities	<u>109,507,684</u>	<u>90,597,610</u>
Total liabilities	<u>131,625,691</u>	<u>119,625,155</u>
NET ASSETS		
Invested in capital assets, net of related debt	165,711,802	170,147,109
Restricted for		
Construction of capital assets	9,305,621	12,762,323
Improvements to utility lines and facilities	4,243,147	6,984,396
Abatement of public health hazards	89,277	87,975
Unrestricted	18,008,096	3,581,858
Total net assets	<u>\$ 197,357,943</u>	<u>\$ 193,563,661</u>



City of
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the City of Corpus Christi, Texas

Exhibit 26-B

WASTEWATER SYSTEM
COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Operating revenues		
Charges for services - net	\$ 39,288,543	\$ 36,357,928
Operating expenses		
Personal services	7,880,583	7,151,866
Materials and supplies	3,017,569	2,762,845
Contractual services	8,080,170	5,949,548
Other operating expenses	7,005,693	5,941,598
Uncollectible accounts	272,914	573,142
Depreciation	8,435,100	7,720,310
Total operating expenses	<u>34,692,029</u>	<u>30,099,309</u>
Operating income	4,596,514	6,258,619
Nonoperating revenues (expenses)		
Investment income	2,015,694	1,096,012
Interest expense and fiscal charges	(5,226,734)	(4,195,603)
Net loss on disposal of assets	(77,869)	(1,197,031)
Developer deposits	1,334,448	932,573
Reimbursement to developers	(4,260,921)	(302,291)
Contributions and donations	43,249	--
Forfeited bid bonds	--	61,063
Total nonoperating expenses	<u>(6,172,133)</u>	<u>(3,605,277)</u>
Capital contributions		
Contributions from developers	<u>6,553,783</u>	<u>3,606,240</u>
Income before transfers	<u>4,978,164</u>	<u>6,259,582</u>
Transfers in	117,312	--
Transfers out	(1,301,194)	(6,533,802)
Total transfers	<u>(1,183,882)</u>	<u>(6,533,802)</u>
Net income (loss)	3,794,282	(274,220)
Net assets at beginning of year	<u>193,563,661</u>	<u>193,837,881</u>
Net assets at end of year	<u>\$ 197,357,943</u>	<u>\$ 193,563,661</u>

the City of Corpus Christi, Texas

**WASTEWATER SYSTEM
COMPARATIVE SCHEDULE OF CASH FLOWS
YEAR ENDED JULY 31, 2006 AND 2005**

	<u>2006</u>	<u>2005</u>
Cash flows from operating activities		
Receipts from customers	\$ 38,877,874	\$ 35,238,189
Receipts from interfund services provided	14,851	67,828
Payments to suppliers	(9,904,667)	(7,791,554)
Payments to employees	(6,821,097)	(6,340,779)
Internal activity - payments to other funds	(8,771,065)	(7,263,890)
Net cash provided by operating activities	<u>13,395,896</u>	<u>13,909,794</u>
Cash flows from noncapital financing activities		
Changes in interfund borrowings	(6,103,389)	11,103,389
Transfers in from other funds	117,312	--
Transfers out to other funds	(1,253,850)	(6,533,802)
Net cash provided by (used for) noncapital financing activities	<u>(7,239,927)</u>	<u>4,569,587</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	(22,455,699)	(22,998,558)
Proceeds from sale of capital assets	--	5,357
Developer deposits	1,328,995	932,573
Contributions from developers	47,644	--
Reimbursements to developers	(4,322,903)	(389,119)
Proceeds from issuance of revenue bonds	26,771,131	18,533,017
Proceeds from issuance of commercial paper	25,333,337	--
Proceeds from forfeited bid bonds	--	61,063
Principal paid on long-term debt	(13,090,051)	(6,562,983)
Principal paid on commercial paper	(20,000,000)	(9,350,000)
Interest expense and fiscal charges	(4,570,321)	(4,838,086)
Net cash used for capital and related financing activities	<u>(10,957,867)</u>	<u>(24,606,736)</u>
Cash flows from investing activities		
Purchase of investment securities	(48,700,000)	(59,099,797)
Proceeds from sale and maturity of investment securities	49,874,785	65,578,643
Interest on investments	1,614,552	1,310,509
Net cash provided by investing activities	<u>2,789,337</u>	<u>7,789,355</u>
Net increase (decrease) in cash and cash equivalents	(2,012,561)	1,662,000
Cash and cash equivalents at beginning of year, including restricted accounts	<u>6,689,021</u>	<u>5,027,021</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 4,676,460</u>	<u>\$ 6,689,021</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 26-C

	<u>2006</u>	<u>2005</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 4,596,514	\$ 6,258,619
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	8,435,100	7,720,310
Provision for uncollectible accounts	272,914	573,142
Operating and maintenance expenses previously capitalized	167,558	--
Change in assets and liabilities		
Receivables	(389,639)	(1,069,213)
Due from other funds	(9,417)	--
Accounts payable	287,113	326,005
Accrued expenses	30,064	5,246
Unearned revenue	--	(1,100)
Accumulated unpaid compensated absences	46,381	66,126
Deposits	3,238	18,402
Due to other funds	(43,930)	12,257
Net cash provided by operating activities	<u>\$ 13,395,896</u>	<u>\$ 13,909,794</u>
Noncash investing, capital and financing activities		
Contribution of capital assets from developers	\$ 6,553,783	\$ 3,606,240
Change in fair value of investments	\$ 70,339	\$ (128,992)
Bond refunding	\$ --	\$ 13,420,986

the City of Corpus Christi, Texas

NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET ASSETS
JULY 31, 2006

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ 4,118,060	\$ 404,807	\$ 876,406	\$ 5,399,273
Investments	2,310,970	--	--	2,310,970
Receivables, net of allowance for uncollectibles	554,623	31,267	1,083,713	1,669,603
Due from other funds	7,103	--	--	7,103
Inventories	3,848	40,460	--	44,308
Restricted assets				
Cash and cash equivalents	1,800,999	--	274,552	2,075,551
Investments	1,772,360	--	3,000,000	4,772,360
Receivables, net of allowance for uncollectibles	232,383	--	440	232,823
Total restricted assets	<u>3,805,742</u>	<u>--</u>	<u>3,274,992</u>	<u>7,080,734</u>
Total current assets	<u>10,800,346</u>	<u>476,534</u>	<u>5,235,111</u>	<u>16,511,991</u>
Noncurrent assets				
Bond issue costs	571,568	--	80,835	652,403
Capital assets				
Land	3,554,942	94,337	9,000	3,658,279
Buildings	47,620,521	711,295	1,034,523	49,366,339
Improvements other than buildings	53,586,701	2,529,531	16,424,003	72,540,235
Machinery and equipment	4,490,493	665,296	199,558	5,355,347
Infrastructure	--	--	54,226	54,226
Property under capital lease	--	290,240	--	290,240
Total capital assets in service	<u>109,252,657</u>	<u>4,290,699</u>	<u>17,721,310</u>	<u>131,264,666</u>
Less accumulated depreciation	<u>(36,933,958)</u>	<u>(3,164,087)</u>	<u>(11,348,409)</u>	<u>(51,446,454)</u>
Net capital assets in service	<u>72,318,699</u>	<u>1,126,612</u>	<u>6,372,901</u>	<u>79,818,212</u>
Construction in progress	12,664,467	--	366,093	13,030,560
Net capital assets	<u>84,983,166</u>	<u>1,126,612</u>	<u>6,738,994</u>	<u>92,848,772</u>
Total noncurrent assets	<u>85,554,734</u>	<u>1,126,612</u>	<u>6,819,829</u>	<u>93,501,175</u>
Total assets	<u>96,355,080</u>	<u>1,603,146</u>	<u>12,054,940</u>	<u>110,013,166</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 27-A

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
LIABILITIES				
Current liabilities				
Accounts payable	\$ 682,629	\$ 28,635	\$ 404,710	\$ 1,115,974
Accrued expenses	72,425	14,903	12,873	100,201
Accrued interest	517,829	—	72,742	590,571
Contractor interest and retainage payable	435,266	—	17,088	452,354
Deposits	165	—	74,828	74,993
Due to other funds	980	5,588	960,662	967,230
Unearned revenue	2,558	25,896	11,557	40,011
Current portion of long-term liabilities				
Long-term debt	459,943	58,795	155,000	673,738
Accumulated unpaid compensated absences	219,038	35,212	25,810	280,060
Total current liabilities	<u>2,390,833</u>	<u>169,029</u>	<u>1,735,270</u>	<u>4,295,132</u>
Noncurrent liabilities				
Long-term liabilities, net of current portion				
Long-term debt	20,086,349	85,629	4,344,930	24,516,908
Accumulated unpaid compensated absences	58,234	23,190	17,335	98,759
Total noncurrent liabilities	<u>20,144,583</u>	<u>108,819</u>	<u>4,362,265</u>	<u>24,615,667</u>
Total liabilities	<u>22,535,416</u>	<u>277,848</u>	<u>6,097,535</u>	<u>28,910,799</u>
NET ASSETS				
Invested in capital assets, net of related debt	65,569,210	982,188	5,443,029	71,994,427
Restricted for				
Passenger facility charges projects	1,022,479	—	—	1,022,479
Construction of capital assets	1,317,578	—	153,040	1,470,618
Required capital reserve	250,000	—	—	250,000
Required operating reserve	1,212,812	—	—	1,212,812
Law enforcement officers' standards and education	2,872	—	—	2,872
Unrestricted	4,444,713	343,110	361,336	5,149,159
Total net assets	<u>\$ 73,819,664</u>	<u>\$ 1,325,298</u>	<u>\$ 5,957,405</u>	<u>\$ 81,102,367</u>



City of
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the City of Corpus Christi, Texas

Exhibit 27-B

NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2006

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
Operating revenues				
Charges for services - net	\$ 8,131,872	\$ 2,242,033	\$ 1,222,145	\$ 11,596,050
Operating expenses				
Personal services	3,944,941	870,168	646,688	5,461,797
Materials and supplies	319,822	233,097	70,849	623,768
Contractual services	2,234,683	352,825	159,353	2,746,861
Other operating expenses	691,579	204,582	160,146	1,056,307
Uncollectible accounts	87	-	6,463	6,550
Depreciation	3,147,722	218,450	377,483	3,743,655
Total operating expenses	<u>10,338,834</u>	<u>1,879,122</u>	<u>1,420,982</u>	<u>13,638,938</u>
Operating income (loss)	(2,206,962)	362,911	(198,837)	(2,042,888)
Nonoperating revenues (expenses)				
Investment income	268,692	3,811	183,649	456,152
Interest expense and fiscal charges	(1,205,901)	(4,022)	(186,110)	(1,396,033)
Passenger facility charges	1,768,217	-	-	1,768,217
Net gain on disposal of assets	8,405	-	-	8,405
Contribution from other governmental agencies	8,369,915	-	355,271	8,725,186
Total nonoperating revenues (expenses)	<u>9,209,328</u>	<u>(211)</u>	<u>352,810</u>	<u>9,561,927</u>
Income before transfers	7,002,366	362,700	153,973	7,519,039
Transfers in	7,847	-	7,284	15,131
Transfers out	(865,104)	-	(270,867)	(1,135,971)
Total transfers	<u>(857,257)</u>	<u>-</u>	<u>(263,583)</u>	<u>(1,120,840)</u>
Net income (loss)	6,145,109	362,700	(109,610)	6,398,199
Net assets at beginning of year, as restated	<u>67,674,555</u>	<u>962,598</u>	<u>6,067,015</u>	<u>74,704,168</u>
Net assets at end of year	<u>\$ 73,819,664</u>	<u>\$ 1,325,298</u>	<u>\$ 5,957,405</u>	<u>\$ 81,102,367</u>

the City of Corpus Christi, Texas

**NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2006**

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Totals</u>
Cash flows from operating activities				
Receipts from customers	\$ 8,073,512	\$ 2,193,910	\$ 1,234,946	\$ 11,502,368
Payments to suppliers	(2,065,573)	(612,235)	(288,215)	(2,966,023)
Payments to employees	(3,483,180)	(729,904)	(569,004)	(4,782,088)
Internal activity - payments to other funds	(1,351,204)	(361,955)	(221,126)	(1,934,285)
Net cash provided by operating activities	<u>1,173,555</u>	<u>489,816</u>	<u>156,601</u>	<u>1,819,972</u>
Cash flows from noncapital financing activities				
Changes in interfund borrowings	1,828,404	(32,435)	4,973,282	6,769,251
Contributions from other governmental agencies	1,856	--	--	1,856
Transfers in from other funds	--	--	3,360	3,360
Transfers out to other funds	(865,104)	--	(270,867)	(1,135,971)
Net cash provided by (used for) noncapital financing activities	<u>965,156</u>	<u>(32,435)</u>	<u>4,705,775</u>	<u>5,638,496</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets	(10,660,848)	--	(994,559)	(11,655,407)
Proceeds from sale of capital assets	8,405	--	--	8,405
Contributions from other governmental agencies	8,826,479	--	200,000	9,026,479
Passenger facility charge	1,770,820	--	--	1,770,820
Refund of bond issuance costs	--	--	3,585	3,585
Principal paid on long-term debt	(439,818)	(57,465)	--	(497,283)
Interest and fiscal charges	(1,151,054)	(4,022)	(114,996)	(1,270,072)
Net cash used for capital and related financing activities	<u>(1,646,016)</u>	<u>(61,487)</u>	<u>(905,970)</u>	<u>(2,613,473)</u>
Cash flows from investing activities				
Purchase of investment securities	(3,600,000)	--	(3,000,000)	(6,600,000)
Proceeds from sale and maturity of investment securities	3,500,000	--	--	3,500,000
Interest on investments	282,863	3,811	178,598	465,272
Net cash provided by (used for) investing activities	<u>182,863</u>	<u>3,811</u>	<u>(2,821,402)</u>	<u>(2,634,728)</u>
Net increase in cash and cash equivalents	675,558	399,705	1,135,004	2,210,267
Cash and cash equivalents at beginning of year, including restricted accounts	<u>5,243,501</u>	<u>5,102</u>	<u>15,954</u>	<u>5,264,557</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 5,919,059</u>	<u>\$ 404,807</u>	<u>\$ 1,150,958</u>	<u>\$ 7,474,824</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 27-C

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Totals</u>
Reconciliation of operating income (loss) to net cash provided by operating activities				
Operating income (loss)	\$ (2,206,962)	\$ 362,911	\$ (198,837)	\$ (2,042,888)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	3,147,722	218,450	377,483	3,743,655
Provision for uncollectible accounts	--	--	6,463	6,463
Recovery of uncollectible accounts	(124,130)	--	--	(124,130)
Operating and maintenance expenses previously capitalized	210,875	--	--	210,875
Change in assets and liabilities				
Receivables	140,808	(31,267)	13,907	123,448
Due from other funds	1,261	101	9,696	11,058
Inventory	(3,848)	(613)	--	(4,461)
Accounts payable	(8,640)	(28,381)	(60,754)	(97,775)
Accrued expenses	9,275	(2,792)	2,563	9,046
Unearned revenue	--	(16,854)	1,720	(15,134)
Accumulated unpaid compensated absences	21,685	(11,874)	5,089	14,900
Deposits	127	--	(2,825)	(2,698)
Due to other funds	(7,503)	135	2,096	(5,272)
Due to other governmental agencies	(7,115)	--	--	(7,115)
Net cash provided by operating activities	<u>\$ 1,173,555</u>	<u>\$ 489,816</u>	<u>\$ 156,601</u>	<u>\$ 1,819,972</u>
Noncash investing, capital and financing activities				
Transfer of capital assets from other funds	\$ 7,847	\$ --	\$ 3,924	\$ 11,771
Change in fair value of investments	\$ (15,420)	\$ --	\$ --	\$ (15,420)

the City of Corpus Christi, Texas

**AIRPORT FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2006 AND 2005**

ASSETS	<u>2006</u>	<u>2005</u>
Current assets		
Cash and cash equivalents		
Investments	\$ 4,118,060	\$ 1,499,569
Receivables	2,310,970	3,498,750
Accounts		
Accrued interest	430,590	602,539
Intergovernmental	9,935	10,625
Miscellaneous	187,287	770,986
Allowance for uncollectibles	32,081	940
Net receivables	<u>(105,270)</u>	<u>(229,400)</u>
Due from other funds	554,623	1,155,690
Inventories	7,103	1,828,404
Restricted assets	3,848	--
Cash and cash equivalents		
Investments	1,800,999	3,743,932
Receivables	1,772,360	500,000
Accounts		
Accrued interest	227,009	229,612
Net receivables	<u>5,374</u>	<u>3,434</u>
Total restricted assets	<u>232,383</u>	<u>233,046</u>
Total current assets	<u>10,800,346</u>	<u>12,459,391</u>
Noncurrent assets		
Bond issue costs		
Capital assets	571,568	608,874
Land		
Buildings	3,554,942	3,554,942
Improvements other than buildings	47,620,521	47,610,753
Machinery and equipment	53,586,701	51,736,662
Total capital assets in service	<u>4,490,493</u>	<u>4,336,587</u>
Less accumulated depreciation	109,252,657	107,238,944
Net capital assets in service	<u>(36,933,958)</u>	<u>(33,782,872)</u>
Construction in progress	72,318,699	73,456,072
Net capital assets	<u>12,664,467</u>	<u>4,601,203</u>
Total noncurrent assets	<u>84,983,166</u>	<u>78,057,275</u>
	<u>85,554,734</u>	<u>78,666,149</u>
Total assets	<u>96,355,080</u>	<u>91,125,540</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 28-A

	<u>2006</u>	<u>2005</u>
LIABILITIES		
Current liabilities		
Accounts payable	\$ 682,629	\$ 1,342,189
Accrued expenses	72,425	63,150
Accrued interest	517,829	527,399
Contractor interest and retainage payable	435,266	168,553
Deposits	165	38
Due to other funds	980	119
Unearned revenue	2,558	127,837
Due to State of Texas	--	7,115
Current portion of long-term liabilities		
Long-term debt	459,943	439,818
Accumulated unpaid compensated absences	219,038	186,692
Total current liabilities	<u>2,390,833</u>	<u>2,862,910</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	20,086,349	20,519,181
Accumulated unpaid compensated absences	58,234	68,894
Total noncurrent liabilities	<u>20,144,583</u>	<u>20,588,075</u>
Total liabilities	<u>22,535,416</u>	<u>23,450,985</u>
NET ASSETS		
Invested in capital assets, net of related debt	65,569,210	58,821,076
Restricted for		
Passenger facility charges projects	1,022,479	2,027,719
Construction of capital assets	1,317,578	1,109,837
Required capital reserve	250,000	250,000
Required operating reserve	1,212,812	1,084,257
Law enforcement officers' standards and education	2,872	5,166
Unrestricted	4,444,713	4,376,500
Total net assets	<u>\$ 73,819,664</u>	<u>\$ 67,674,555</u>



City of
Corpus
Christi

the City of Corpus Christi, Texas

Exhibit 28-B

AIRPORT FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Operating revenues		
Charges for services - net	\$ 8,131,872	\$ 8,061,058
Operating expenses		
Personal services	3,944,941	3,849,410
Materials and supplies	319,822	266,729
Contractual services	2,234,683	1,438,682
Other operating expenses	691,579	792,903
Uncollectible accounts	87	73,538
Depreciation	3,147,722	3,945,504
Total operating expenses	<u>10,338,834</u>	<u>10,366,766</u>
Operating loss	(2,206,962)	(2,305,708)
Nonoperating revenues (expenses)		
Investment income	268,692	204,973
Interest expense and fiscal charges	(1,205,901)	(1,235,239)
Passenger facility charges	1,768,217	1,680,265
Net gain on disposal of assets	8,405	10,804
Recovery of damage claims	--	601
Contribution from other governmental agencies	8,369,915	2,789,868
Contributions and donations	--	5
Total nonoperating revenues	<u>9,209,328</u>	<u>3,451,277</u>
Income before transfers	7,002,366	1,145,569
Transfers in	7,847	--
Transfers out	(865,104)	(1,047,783)
Total transfers	<u>(857,257)</u>	<u>(1,047,783)</u>
Net income	6,145,109	97,786
Net assets at beginning of year	<u>67,674,555</u>	<u>67,576,769</u>
Net assets at end of year	<u>\$ 73,819,664</u>	<u>\$ 67,674,555</u>

the City of Corpus Christi, Texas

**AIRPORT FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2006 AND 2005**

	2006	2005
Cash flows from operating activities		
Receipts from customers	\$ 8,073,512	\$ 7,991,178
Payments to suppliers	(2,065,573)	(1,231,624)
Payments to employees	(3,483,180)	(3,502,052)
Internal activity - payments to other funds	(1,351,204)	(1,529,165)
Net cash provided by operating activities	1,173,555	1,728,337
Cash flows from noncapital financing activities		
Changes in interfund borrowings	1,828,404	(1,828,404)
Contributions from other governmental agencies	1,856	1,803
Transfers out to other funds	(865,104)	(1,047,783)
Recovery on damage claims	-	601
Net cash provided by (used for) noncapital financing activities	965,156	(2,873,783)
Cash flows from capital and related financing activities		
Acquisition of capital assets	(10,660,848)	(5,490,823)
Proceeds from sale of capital assets	8,405	12,041
Contributions from other governmental agencies	8,826,479	2,159,859
Passenger facility charge	1,770,820	1,709,224
Principal paid on long-term debt	(439,818)	(418,186)
Interest and fiscal charges	(1,151,054)	(1,170,670)
Net cash used for capital and related financing activities	(1,646,016)	(3,198,555)
Cash flows from investing activities		
Purchase of investment securities	(3,600,000)	(6,500,000)
Proceeds from sale and maturity of investment securities	3,500,000	10,468,422
Interest on investments	282,863	257,663
Net cash provided by investing activities	182,863	4,226,085
Net increase (decrease) in cash and cash equivalents	675,558	(117,916)
Cash and cash equivalents at beginning of year, including restricted accounts	5,243,501	5,361,417
Cash and cash equivalents at end of year, including restricted accounts	\$ 5,919,059	\$ 5,243,501

(Continued)

the City of Corpus Christi, Texas

Exhibit 28-C

	<u>2006</u>	<u>2005</u>
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ (2,206,962)	\$ (2,305,708)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	3,147,722	3,945,504
Provision for uncollectible accounts	--	73,538
Recovery of uncollectible accounts	(124,130)	--
Operating and maintenance expenses previously capitalized	210,875	--
Changes in assets and liabilities		
Receivables	140,808	(45,360)
Due from other funds	1,261	1,700
Inventory	(3,848)	--
Accounts payable	(8,640)	82,392
Accrued expenses	9,275	1,808
Accumulated unpaid compensated absences	21,685	(19,098)
Deposits	127	(237)
Due to other funds	(7,503)	(13,317)
Due to other governmental agencies	(7,115)	7,115
Net cash provided by operating activities	<u>\$ 1,173,555</u>	<u>\$ 1,728,337</u>
Noncash investing, capital and financing activities		
Transfer of capital assets from Water Fund	\$ 7,847	\$ --
Change in fair value of investments	\$ (15,420)	\$ (1,250)



City of
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the City of Corpus Christi, Texas

Exhibit 29-A

**GOLF CENTERS FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2006 AND 2005**

	<u>2006</u>	<u>2005</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 404,807	\$ 5,102
Receivables		
Accounts	47,040	28,597
Miscellaneous	12,824	39
Allowance for uncollectibles	(28,597)	(28,597)
Net receivables	31,267	39
Due from other funds	-	101
Inventories	40,460	39,847
Total current assets	<u>476,534</u>	<u>45,089</u>
Noncurrent assets		
Capital assets		
Land	94,337	94,337
Buildings	711,295	711,295
Improvements other than buildings	2,529,531	2,528,151
Machinery and equipment	665,296	665,296
Property under capital lease	290,240	290,240
Total capital assets in service	4,290,699	4,289,319
Less accumulated depreciation	(3,164,087)	(2,945,637)
Net capital assets in service	1,126,612	1,343,682
Construction in progress	-	1,380
Net capital assets	<u>1,126,612</u>	<u>1,345,062</u>
Total noncurrent assets	<u>1,126,612</u>	<u>1,345,062</u>
Total assets	<u>1,603,146</u>	<u>1,390,151</u>
LIABILITIES		
Current liabilities		
Accounts payable	28,635	57,055
Accrued expenses	14,903	17,695
Due to other funds	5,588	37,888
Unearned revenue	25,896	42,750
Current portion of long-term liabilities		
Long-term debt	58,795	57,465
Accumulated unpaid compensated absences	35,212	33,076
Total current liabilities	<u>169,029</u>	<u>245,929</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	85,629	144,424
Accumulated unpaid compensated absences	23,190	37,200
Total noncurrent liabilities	<u>108,819</u>	<u>181,624</u>
Total liabilities	<u>277,848</u>	<u>427,553</u>
NET ASSETS		
Invested in capital assets, net of related debt	982,188	1,143,173
Unrestricted	343,110	(180,575)
Total net assets	<u>\$ 1,325,298</u>	<u>\$ 962,598</u>

the City of Corpus Christi, Texas

Exhibit 29-B

GOLF CENTERS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Operating revenues		
Charges for services - net	\$ 2,242,033	\$ 1,944,177
Operating expenses		
Personal services	870,168	943,750
Materials and supplies	233,097	228,984
Contractual services	352,825	250,221
Other operating expenses	204,582	208,285
Uncollectible accounts	-	28,597
Depreciation	218,450	219,598
Total operating expenses	<u>1,879,122</u>	<u>1,879,435</u>
Operating income	362,911	64,742
Nonoperating revenues (expenses)		
Investment income	3,811	-
Interest expense and fiscal charges	(4,022)	(7,778)
Total nonoperating revenues (expenses)	<u>(211)</u>	<u>(7,778)</u>
Income before transfers	362,700	56,964
Transfers out	<u>--</u>	<u>(293,956)</u>
Net income (loss)	362,700	(236,992)
Net assets at beginning of year	<u>962,598</u>	<u>1,199,590</u>
Net assets at end of year	<u>\$ 1,325,298</u>	<u>\$ 962,598</u>

the City of Corpus Christi, Texas

Exhibit 29-C

**GOLF CENTERS FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2006 AND 2005**

	<u>2006</u>	<u>2005</u>
Cash flows from operating activities		
Receipts from customers	\$ 2,193,910	\$ 1,939,609
Payments to suppliers	(612,235)	(561,294)
Payments to employees	(729,904)	(809,545)
Internal activity - payments to other funds	(361,955)	(341,882)
Net cash provided by operating activities	<u>489,816</u>	<u>226,888</u>
Cash flows from noncapital financing activities		
Changes in interfund borrowings	(32,435)	37,888
Transfers out to other funds	-	(293,956)
Net cash used for noncapital financing activities	<u>(32,435)</u>	<u>(256,068)</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	-	(1,380)
Principal paid on long-term debt	(57,465)	(56,165)
Interest expense and fiscal charges	(4,022)	(7,778)
Net cash used for capital and related financing activity	<u>(61,487)</u>	<u>(65,323)</u>
Cash flows from investing activities		
Interest on investments	<u>3,811</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	399,705	(94,503)
Cash and cash equivalents at beginning of year	<u>5,102</u>	<u>99,605</u>
Cash and cash equivalents at end of year	<u>\$ 404,807</u>	<u>\$ 5,102</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 362,911	\$ 64,742
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	218,450	219,598
Provision for uncollectible accounts	-	28,597
Change in assets and liabilities		
Receivables	(31,267)	(6,554)
Due from other funds	101	(101)
Inventory	(613)	12,877
Accounts payable	(28,381)	(97,765)
Accrued expenses	(2,792)	2,443
Unearned revenue	(16,854)	2,356
Accumulated unpaid compensated absences	(11,874)	6,289
Due to other funds	135	(5,223)
Due to other governmental agencies	-	(371)
Net cash provided by operating activities	<u>\$ 489,816</u>	<u>\$ 226,888</u>

the City of Corpus Christi, Texas

GOLF CENTERS FUND
SCHEDULE OF OPERATING EXPENSES BY FUNCTION
YEAR ENDED JULY 31, 2006
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2005

<u>FUNCTION</u>	<u>2006</u>			
	<u>PERSONAL SERVICES</u>	<u>MATERIALS & SUPPLIES</u>	<u>CONTRACTUAL SERVICES</u>	<u>OTHER OPERATING EXPENSES</u>
Gabe Lozano Sr. Golf Center operations	\$ 511,335	\$ 147,236	\$ 216,939	\$ 122,863
Oso Golf Center operations	358,833	85,861	135,886	81,719
Total operating expenses	<u>\$ 870,168</u>	<u>\$ 233,097</u>	<u>\$ 352,825</u>	<u>\$ 204,582</u>

the City of Corpus Christi, Texas

Exhibit 29-D

<u>UNCOLLECTIBLE ACCOUNTS</u>	<u>DEPRECIATION</u>	<u>2006 TOTAL</u>	<u>2005 TOTAL</u>
\$ --	\$ 159,050	\$ 1,157,423	\$ 1,118,926
--	59,400	721,699	760,509
<u>\$ --</u>	<u>\$ 218,450</u>	<u>\$ 1,879,122</u>	<u>\$ 1,879,435</u>

the City of Corpus Christi, Texas

MARINA FUND
COMPARATIVE SCHEDULE OF NET ASSETS
JULY 31, 2006 AND 2005

ASSETS	<u>2006</u>	<u>2005</u>
Current assets		
Cash and cash equivalents	\$ 876,406	\$ 6,413
Receivables		
Accounts	131,909	145,816
Accrued interest	4,611	-
Intergovernmental	999,999	844,589
Allowance for uncollectibles	(52,806)	(46,343)
Net receivables	<u>1,083,713</u>	<u>944,062</u>
Due from other funds	-	429,550
Restricted assets		
Cash and cash equivalents	274,552	9,541
Investments	3,000,000	-
Accrued interest	440	-
Due from other funds	-	4,420,589
Total restricted assets	<u>3,274,992</u>	<u>4,430,130</u>
Total current assets	<u>5,235,111</u>	<u>5,810,155</u>
Noncurrent assets		
Bond issue costs	80,835	90,938
Capital assets		
Land	9,000	9,000
Buildings	1,034,523	554,626
Improvements other than buildings	16,424,003	15,004,686
Machinery and equipment	199,558	193,952
Infrastructure	54,226	54,226
Total capital assets in service	<u>17,721,310</u>	<u>15,816,490</u>
Less accumulated depreciation	(11,348,409)	(10,969,245)
Net capital assets in service	<u>6,372,901</u>	<u>4,847,245</u>
Construction in progress	366,093	907,332
Net capital assets	<u>6,738,994</u>	<u>5,754,577</u>
Total noncurrent assets	<u>6,819,829</u>	<u>5,845,515</u>
Total assets	<u>12,054,940</u>	<u>11,655,670</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 30-A

	<u>2006</u>	<u>2005</u>
LIABILITIES		
Current liabilities		
Accounts payable	404,710	102,466
Accrued expenses	12,873	10,311
Accrued interest	72,742	30,130
Contractor interest and retainage payable	17,088	15,892
Deposits	74,828	77,653
Due to other funds	960,662	804,526
Unearned revenue	11,557	9,696
Current portion of long-term liabilities	155,000	-
Accumulated unpaid compensated absences, current portion	25,810	31,284
Total current liabilities	<u>1,735,270</u>	<u>1,081,958</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	4,344,930	4,499,924
Accumulated unpaid compensated absences	17,335	6,773
Total noncurrent liabilities	<u>4,362,265</u>	<u>4,506,697</u>
Total liabilities	<u>6,097,535</u>	<u>5,588,655</u>
NET ASSETS		
Invested in capital assets, net of related debt	5,443,029	5,753,348
Restricted for		
Capital assets	153,040	-
Unrestricted	361,336	313,667
Total net assets	<u>\$ 5,957,405</u>	<u>\$ 6,067,015</u>

the City of Corpus Christi, Texas

Exhibit 30-B

MARINA FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Operating revenues		
Slip rentals	\$ 897,665	\$ 960,656
Bayfront revenue	212,315	204,719
Boat haul-outs	21,572	7,679
Transient fees	29,994	35,946
Resale of electricity	15,271	16,066
Raw seafood sales permits	1,800	2,600
Miscellaneous	43,528	57,917
Total operating revenue	<u>1,222,145</u>	<u>1,285,583</u>
Operating expenses		
Personal services	646,688	617,112
Materials and supplies	70,849	91,834
Contractual services	159,353	122,132
Other operating expenses	160,146	142,711
Uncollectible accounts	6,463	7,620
Depreciation	377,483	325,090
Total operating expenses	<u>1,420,982</u>	<u>1,306,499</u>
Operating loss	(198,837)	(20,916)
Nonoperating revenues (expenses)		
Investment income	183,649	23,219
Interest expense and fiscal charges	(186,110)	(10,770)
Contribution from other governmental agencies	355,271	834,489
Total nonoperating revenues	<u>352,810</u>	<u>846,938</u>
Income before transfers	153,973	826,022
Transfers in	7,284	--
Transfers out	(270,867)	(218,652)
Total transfers	<u>(263,583)</u>	<u>(218,652)</u>
Net income (loss)	(109,610)	607,370
Net assets at beginning of year	<u>6,067,015</u>	<u>5,459,645</u>
Net assets at end of year	<u>\$ 5,957,405</u>	<u>\$ 6,067,015</u>

the City of Corpus Christi, Texas

Exhibit 30-C

MARINA FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2006 AND 2005

	2006	2005
Cash flows from operating activities		
Receipts from customers	\$ 1,234,946	\$ 1,258,528
Payments to suppliers	(288,215)	(139,643)
Payments to employees	(569,004)	(547,861)
Internal activity - payments to other funds	(221,126)	(196,450)
Net cash provided by operating activities	<u>156,601</u>	<u>374,574</u>
Cash flows from noncapital financing activities		
Changes in interfund borrowings	4,973,282	(4,015,328)
Transfers in from other funds	3,360	-
Transfers out to other funds	(270,867)	(218,652)
Net cash provided by (used for) noncapital financing activities	<u>4,705,775</u>	<u>(4,233,980)</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	(994,559)	(1,346,067)
Contributions from other government agencies	200,000	-
Proceeds from issuance of certificates of obligation	-	4,407,757
Refund of bond issuance cost	3,585	-
Interest and fiscal charges	(114,996)	-
Net cash provided by (used for) capital and related financing activities	<u>(905,970)</u>	<u>3,061,690</u>
Cash flows from investing activities		
Purchase of investment securities	(3,000,000)	-
Proceeds from sale and maturity of investment securities	-	500,000
Interest on investments	178,598	27,165
Net cash provided by (used for) investing activities	<u>(2,821,402)</u>	<u>527,165</u>
Net increase (decrease) in cash and cash equivalents	1,135,004	(270,551)
Cash and cash equivalents at beginning of year, including restricted accounts	<u>15,954</u>	<u>286,505</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 1,150,958</u>	<u>\$ 15,954</u>
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ (198,837)	\$ (20,916)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	377,483	325,090
Provision for uncollectible accounts	6,463	7,620
Changes in assets and liabilities		
Receivables	13,907	(52,795)
Due from other funds	9,696	9,311
Accounts payable	(60,754)	74,070
Accrued expenses	2,563	510
Unearned revenue	1,720	-
Accumulated unpaid compensated absences	5,089	5,944
Deposits	(2,825)	25,740
Due to other funds	2,096	-
Net cash provided by operating activities	<u>\$ 156,601</u>	<u>\$ 374,574</u>
Noncash investing, capital and financing activities		
Contribution of capital assets from Water fund	\$ 3,924	\$ -



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 originally established to provide data processing services to city departments and now further supports departments citywide through the automation of processes and the provision of wired and wireless data, voice and video communications.

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

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

the City of Corpus Christi, Texas

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
JULY 31, 2006

	Stores	Maintenance Service	Municipal Information Systems	Liability and Employee Benefits
ASSETS				
Current assets				
Cash and cash equivalents	\$ --	\$ 381,047	\$ 601,417	\$ 717,659
Investments	--	3,145,738	3,640,087	32,692,210
Receivables, net of allowance for uncollectibles	173	10,901	18,753	833,452
Due from other funds	--	155,263	414	2,839,255
Inventories	1,062,927	241,004	--	--
Prepaid items	--	--	--	514,456
Total current assets	<u>1,063,100</u>	<u>3,933,953</u>	<u>4,260,671</u>	<u>37,597,032</u>
Noncurrent assets				
Capital assets				
Buildings	316,637	3,936,268	--	--
Improvements other than buildings	13,852	147,561	--	--
Machinery and equipment	208,564	42,735,933	4,617,988	--
Property under capital lease	--	2,606,705	4,092,697	--
Total capital assets in service	<u>539,053</u>	<u>49,426,467</u>	<u>8,710,685</u>	<u>--</u>
Less accumulated depreciation	<u>(351,446)</u>	<u>(37,134,634)</u>	<u>(5,802,719)</u>	<u>--</u>
Net capital assets in service	<u>187,607</u>	<u>12,291,833</u>	<u>2,907,966</u>	<u>--</u>
Total noncurrent assets	<u>187,607</u>	<u>12,291,833</u>	<u>2,907,966</u>	<u>--</u>
Total assets	<u>1,250,707</u>	<u>16,225,786</u>	<u>7,168,637</u>	<u>37,597,032</u>
LIABILITIES				
Current liabilities				
Accounts payable	69,056	598,917	369,754	728,509
Accrued expenses	5,703	128,868	126,162	48,615
Current portion of estimated liability claims	--	--	--	7,813,366
Deposits	--	1,265	--	--
Liability to claimants - escheat property	--	--	--	108,844
Due to other funds	353,576	--	40,109	30,832
Unearned revenue	59	--	--	7,344
Current portion of long-term liabilities				
Long-term debt	--	155,325	517,788	--
Accumulated unpaid compensated absences	13,084	191,843	367,986	42,437
Total current liabilities	<u>441,478</u>	<u>1,076,218</u>	<u>1,421,799</u>	<u>8,779,947</u>
Noncurrent liabilities				
Estimated liability claims, net of current portion	--	--	--	7,676,421
Long-term liabilities, net of current portion				
Long-term debt	--	1,390,694	932,836	--
Accumulated unpaid compensated absences	40,136	201,858	394,332	2,356
Total noncurrent liabilities	<u>40,136</u>	<u>1,592,552</u>	<u>1,327,168</u>	<u>7,678,777</u>
Total liabilities	<u>481,614</u>	<u>2,668,770</u>	<u>2,748,967</u>	<u>16,458,724</u>
NET ASSETS				
Invested in capital assets, net of related debt	187,607	10,745,814	1,457,342	--
Unrestricted	581,486	2,811,202	2,962,328	21,138,308
Net assets	<u>\$ 769,093</u>	<u>\$ 13,557,016</u>	<u>\$ 4,419,670</u>	<u>\$ 21,138,308</u>

the City of Corpus Christi, Texas

Exhibit 31-A

<u>Engineering Services</u>	<u>Eliminations</u>	<u>Total</u>
\$ 401,265	\$ --	\$ 2,101,388
1,398,450	--	40,876,485
5,374	--	868,653
2,013	(212,910)	2,784,035
--	--	1,303,931
--	--	514,456
<u>1,807,102</u>	<u>(212,910)</u>	<u>48,448,948</u>
--	--	4,252,905
--	--	161,413
150,652	--	47,713,137
--	--	6,699,402
<u>150,652</u>	<u>--</u>	<u>58,826,857</u>
<u>(78,901)</u>	<u>--</u>	<u>(43,367,700)</u>
<u>71,751</u>	<u>--</u>	<u>15,459,157</u>
<u>71,751</u>	<u>--</u>	<u>15,459,157</u>
<u>1,878,853</u>	<u>(212,910)</u>	<u>63,908,105</u>
57,634	--	1,823,870
49,888	--	359,236
--	--	7,813,366
--	--	1,265
--	--	108,844
40,528	(212,910)	252,135
--	--	7,403
--	--	673,113
153,191	--	768,541
<u>301,241</u>	<u>(212,910)</u>	<u>11,807,773</u>
--	--	7,676,421
--	--	2,323,530
287,362	--	926,044
<u>287,362</u>	<u>--</u>	<u>10,925,995</u>
<u>588,603</u>	<u>(212,910)</u>	<u>22,733,768</u>
71,751	--	12,462,514
1,218,499	--	28,711,823
<u>\$ 1,290,250</u>	<u>\$ --</u>	<u>\$ 41,174,337</u>

the City of Corpus Christi, Texas

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2006

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Liability and Employee Benefits</u>
Operating revenues				
Charges for services - net	\$ 932,781	\$ 8,767,280	\$ 12,994,342	\$ 35,344,732
Operating expenses				
Personal services	304,996	4,409,182	5,788,760	730,120
Materials and supplies	85,998	1,237,812	1,341,517	136,392
Contractual services	292,536	1,435,619	3,283,073	4,472,100
Other operating expenses	75,871	900,082	497,436	144,899
Uncollectible accounts	--	4,432	--	3,491
Depreciation	11,486	2,958,940	468,850	--
Self-insurance claims	--	--	--	22,065,034
Total operating expenses	<u>770,887</u>	<u>10,946,067</u>	<u>11,379,636</u>	<u>27,552,036</u>
Operating income (loss)	161,894	(2,178,787)	1,614,706	7,792,696
Nonoperating revenues (expenses)				
Investment income	--	126,908	111,815	1,020,577
Interest expense and fiscal charges	(12,010)	(99,825)	(40,093)	(5,966)
Net gain on disposal of assets	8,338	33,370	--	--
Recovery of damage claims	--	47,063	--	--
Total nonoperating revenues (expenses)	<u>(3,672)</u>	<u>107,516</u>	<u>71,722</u>	<u>1,014,611</u>
Income (loss) before transfers	158,222	(2,071,271)	1,686,428	8,807,307
Transfers in	2,700	1,444,087	2,712	--
Transfers out	(14,782)	(1,149,681)	(242,795)	(39,035)
Net transfers	<u>(12,082)</u>	<u>294,406</u>	<u>(240,083)</u>	<u>(39,035)</u>
Net income (loss)	146,140	(1,776,865)	1,446,345	8,768,272
Net assets at beginning of year	<u>622,953</u>	<u>15,333,881</u>	<u>2,973,325</u>	<u>12,370,036</u>
Net assets at end of year	<u>\$ 769,093</u>	<u>\$ 13,557,016</u>	<u>\$ 4,419,670</u>	<u>\$ 21,138,308</u>

the City of Corpus Christi, Texas

Exhibit 31-B

<u>Engineering Services</u>	<u>Eliminations</u>	<u>Totals</u>
\$ 4,849,214	\$ --	\$ 62,888,349
2,481,455	--	13,714,513
176,696	--	2,978,415
670,634	--	10,153,962
594,211	--	2,212,499
--	--	7,923
22,450	--	3,461,726
--	--	22,065,034
<u>3,945,446</u>	<u>--</u>	<u>54,594,072</u>
903,768	--	8,294,277
8,991	--	1,268,291
--	--	(157,894)
--	--	41,708
--	--	47,063
<u>8,991</u>	<u>--</u>	<u>1,199,168</u>
912,759	--	9,493,445
4,068	(9,480)	1,444,087
--	9,480	(1,436,813)
<u>4,068</u>	<u>--</u>	<u>7,274</u>
916,827	--	9,500,719
<u>373,423</u>	<u>--</u>	<u>31,673,618</u>
<u>\$ 1,290,250</u>	<u>\$ --</u>	<u>\$ 41,174,337</u>

the City of Corpus Christi, Texas

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2006**

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>
Cash flows from operating activities			
Receipts from customers	\$ 275	\$ 314,914	\$ --
Receipts from interfund services provided	3,021,502	15,977,733	12,994,342
Payments to suppliers	(3,123,228)	(11,069,767)	(4,252,697)
Payments to employees	(258,359)	(4,414,996)	(5,399,925)
Internal activity - payments to other funds	241,495	(1,016,299)	(1,317,138)
Claims paid	--	--	--
Net cash provided by (used for) operating activities	<u>(118,315)</u>	<u>(208,415)</u>	<u>2,024,582</u>
Cash flows from noncapital financing activities			
Changes in interfund borrowings	--	--	(130,330)
Interest on interfund borrowings	(12,010)	--	--
Transfers in from other funds	2,700	1,444,087	2,712
Transfers out to other funds	(14,782)	(1,149,681)	(200,378)
Recovery of damage claims	--	47,063	--
Net cash provided by (used for) noncapital financing activities	<u>(24,092)</u>	<u>341,469</u>	<u>(327,996)</u>
Cash flows from capital and related financing activities			
Acquisition of capital assets	(19,900)	(1,541,407)	(122,516)
Proceeds from sale of capital assets	8,338	33,370	--
Principal paid on long-term debt	--	(173,985)	(582,630)
Interest and fiscal charges	--	(99,825)	(40,093)
Net cash used for capital and related financing activity	<u>(11,562)</u>	<u>(1,781,847)</u>	<u>(745,239)</u>
Cash flows from investing activities			
Purchase of investment securities	--	(2,150,000)	(1,650,000)
Proceeds from sale and maturity of investment securities	--	2,650,000	--
Interest on investments	--	125,882	88,809
Net cash provided by (used for) investing activities	<u>--</u>	<u>625,882</u>	<u>(1,561,191)</u>
Net decrease in cash and cash equivalents	(153,969)	(1,022,911)	(609,844)
Cash and cash equivalents at beginning of year	<u>153,969</u>	<u>1,403,958</u>	<u>1,211,261</u>
Cash and cash equivalents at end of year	<u>\$ --</u>	<u>\$ 381,047</u>	<u>\$ 601,417</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 31-C

<u>Liability and Employee Benefits</u>	<u>Engineering Services</u>	<u>Total</u>
\$ 8,860,268	\$ 9,232	\$ 9,184,689
26,329,747	4,839,419	63,162,743
(4,589,261)	(1,256,640)	(24,291,593)
(686,669)	(1,797,819)	(12,557,768)
67,682	(836,563)	(2,860,823)
(21,653,106)	--	(21,653,106)
<u>8,328,661</u>	<u>957,629</u>	<u>10,984,142</u>
(2,724,031)	--	(2,854,361)
34,386	423	22,799
--	4,068	1,453,567
(39,035)	--	(1,403,876)
--	--	47,063
<u>(2,728,680)</u>	<u>4,491</u>	<u>(2,734,808)</u>
--	(7,539)	(1,691,362)
--	--	41,708
--	--	(756,615)
--	--	(139,918)
--	(7,539)	(2,546,187)
(28,000,000)	(1,400,000)	(33,200,000)
17,205,124	--	19,855,124
929,058	4,744	1,148,493
<u>(9,865,818)</u>	<u>(1,395,256)</u>	<u>(12,196,383)</u>
(4,265,837)	(440,675)	(6,493,236)
<u>4,983,496</u>	<u>841,940</u>	<u>8,594,624</u>
<u>\$ 717,659</u>	<u>\$ 401,265</u>	<u>\$ 2,101,388</u>

the City of Corpus Christi, Texas

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2006**

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities			
Operating income (loss)	\$ 161,894	\$ (2,178,787)	\$ 1,614,706
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
Depreciation	11,486	2,958,940	468,850
Change in estimated claims liability	--	--	--
Provision for uncollectible accounts	--	--	--
Changes in assets and liabilities			
Receivables	216	297,897	(350)
Due from other funds	--	(155,263)	(413)
Due from other governmental agencies	--	1,185	--
Inventory	14,114	(55,123)	--
Prepaid items	--	--	--
Accounts payable	(670,069)	(860,303)	(187,579)
Accrued expenses	(56)	(75,792)	26,089
Unearned revenue	59	--	--
Accumulated unpaid compensated absences	10,465	(34,960)	63,170
Deposits	--	481	--
Liability to claimants-escheat property	--	--	40,109
Due to other funds	353,576	(106,690)	--
Net cash provided by (used for) operating activities	<u>\$ (118,315)</u>	<u>\$ (208,415)</u>	<u>\$ 2,024,582</u>
Noncash investing, capital and financing activities			
Change in fair value of investments	\$ --	\$ (10,755)	\$ (20,025)
Transfer of capital assets net of debt to general fund	\$ --	\$ --	\$ (42,417)
Acquisition of capital assets under capital lease	\$ --	\$ --	\$ 599,190
Loss on disposal of assets	\$ --	\$ --	\$ --

the City of Corpus Christi, Texas

Exhibit 31-C
(Continued)

<u>Liability and Employee Benefits</u>	<u>Engineering Services</u>	<u>Total</u>
\$ 7,792,696	\$ 903,768	\$ 8,294,277
--	22,450	3,461,726
442,231	--	442,231
3,491	--	3,491
(162,061)	--	135,702
122,626	(563)	(33,613)
--	--	1,185
--	--	(41,009)
(84,188)	--	(84,188)
170,956	(58,481)	(1,605,476)
36,197	6,446	(7,116)
7,344	--	7,403
(1,160)	43,481	80,996
--	--	481
(30,303)	--	9,806
30,832	40,528	318,246
<u>\$ 8,328,661</u>	<u>\$ 957,629</u>	<u>\$ 10,984,142</u>
\$ (4,725)	\$ (1,550)	\$ (37,055)
\$ --	\$ --	\$ (42,417)
\$ --	\$ --	\$ 599,190
\$ --	\$ (10,965)	\$ (10,965)



City of
Corpus
Christi

the City of Corpus Christi, Texas

Exhibit 32-A

STORES FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ --	\$ 153,969
Receivables		
Intergovernmental	173	389
Inventories	1,062,927	1,077,041
Total current assets	<u>1,063,100</u>	<u>1,231,399</u>
Noncurrent assets		
Capital assets		
Buildings	316,637	316,637
Improvements other than buildings	13,852	13,852
Machinery and equipment	208,564	188,664
Total capital assets in service	<u>539,053</u>	<u>519,153</u>
Less accumulated depreciation	(351,446)	(339,960)
Net capital assets	<u>187,607</u>	<u>179,193</u>
Total noncurrent assets	<u>187,607</u>	<u>179,193</u>
Total assets	<u>1,250,707</u>	<u>1,410,592</u>
LIABILITIES		
Current liabilities		
Accounts payable	69,056	739,125
Accrued expenses	5,703	5,759
Due to other funds	353,576	--
Unearned revenue	59	--
Current portion of accumulated unpaid compensated absences	13,084	15,980
Total current liabilities	<u>441,478</u>	<u>760,864</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Accumulated unpaid compensated absences	40,136	26,775
Total noncurrent liabilities	<u>40,136</u>	<u>26,775</u>
Total liabilities	<u>481,614</u>	<u>787,639</u>
NET ASSETS		
Invested in capital assets, net of related debt	187,607	179,193
Unrestricted	581,486	443,760
Total net assets	<u>\$ 769,093</u>	<u>\$ 622,953</u>

the City of Corpus Christi, Texas

Exhibit 32-B

STORES FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Operating revenues		
Sale of materials and supplies	\$ 3,007,388	\$ 3,700,254
Less cost of sales	<u>(2,074,607)</u>	<u>(2,715,004)</u>
Gross operating income	932,781	985,250
Operating expenses		
Personal services	304,996	295,719
Materials and supplies	85,998	79,815
Contractual services	292,536	226,492
Other operating expenses	75,871	87,775
Depreciation	<u>11,486</u>	<u>9,498</u>
Total operating expenses	<u>770,887</u>	<u>699,299</u>
Operating income	161,894	285,951
Nonoperating revenues (expenses)		
Interest expense and fiscal charges	(12,010)	(6,249)
Net gain on disposal of assets	<u>8,338</u>	<u>580</u>
Total nonoperating revenues (expenses)	<u>(3,672)</u>	<u>(5,669)</u>
Income before transfers	158,222	280,282
Transfers in	2,700	--
Transfers out	<u>(14,782)</u>	<u>(14,712)</u>
Net transfers	<u>(12,082)</u>	<u>(14,712)</u>
Net income	146,140	265,570
Net assets at beginning of year	<u>622,953</u>	<u>357,383</u>
Net assets at end of year	<u>\$ 769,093</u>	<u>\$ 622,953</u>

the City of Corpus Christi, Texas

Exhibit 32-C

STORES FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Cash flows from operating activities		
Receipts from customers	\$ 275	\$ 804
Receipts from interfund services provided	3,021,502	3,650,563
Payments to suppliers	(3,123,228)	(2,688,688)
Payments to employees	(258,359)	(260,919)
Internal activity - payments to other funds	241,495	(120,389)
Net cash provided by (used for) operating activities	<u>(118,315)</u>	<u>581,371</u>
Cash flows from noncapital financing activities		
Changes in interfund borrowings	--	(407,021)
Interest on interfund borrowings	(12,010)	(6,249)
Transfers in from other funds	2,700	--
Transfers out to other funds	(14,782)	(14,712)
Net cash used for noncapital financing activities	<u>(24,092)</u>	<u>(427,982)</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	(19,900)	--
Proceeds from sale of fixed assets	8,338	580
Net cash provided by capital and related financing activity	<u>(11,562)</u>	<u>580</u>
Net increase (decrease) in cash and cash equivalents	(153,969)	153,969
Cash and cash equivalents at beginning of year	153,969	--
Cash and cash equivalents at end of year	<u>\$ --</u>	<u>\$ 153,969</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 161,894	\$ 285,951
Adjustments to reconcile operating income to net cash provided by (used for) operating activities		
Depreciation	11,486	9,498
Changes in assets and liabilities		
Receivables	216	(38)
Due from other funds	--	--
Inventory	14,114	(48,850)
Accounts payable	(670,069)	333,002
Accrued expenses	(56)	901
Deferred revenue	59	--
Accumulated unpaid compensated absences	10,465	3,336
Due to other funds	353,576	(2,429)
Net cash provided by (used for) operating activities	<u>\$ (118,315)</u>	<u>\$ 581,371</u>

the City of Corpus Christi, Texas

Exhibit 33-A

**MAINTENANCE SERVICE FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2006 AND 2005**

	<u>2006</u>	<u>2005</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 381,047	\$ 1,403,958
Investments	3,145,738	3,634,983
Receivables		
Accounts	-	297,897
Accrued interest	9,938	19,667
Intergovernmental	2,953	4,706
Allowance for uncollectibles	(1,990)	(2,558)
Net receivables	<u>10,901</u>	<u>319,712</u>
Due from other funds	155,263	-
Inventories	241,004	185,881
Total current assets	<u>3,933,953</u>	<u>5,544,534</u>
Noncurrent assets		
Capital assets		
Buildings	3,936,268	3,879,288
Improvements other than buildings	147,561	147,561
Machinery and equipment	42,735,933	41,959,784
Property under capital lease	2,606,705	2,606,705
Total capital assets in service	<u>49,426,467</u>	<u>48,593,338</u>
Less accumulated depreciation	(37,134,634)	(34,906,492)
Net capital assets in service	<u>12,291,833</u>	<u>13,686,846</u>
Construction in progress	-	22,520
Net capital assets	<u>12,291,833</u>	<u>13,709,366</u>
Total noncurrent assets	<u>12,291,833</u>	<u>13,709,366</u>
Total assets	<u>16,225,786</u>	<u>19,253,900</u>
LIABILITIES		
Current liabilities		
Accounts payable	598,917	1,459,220
Accrued expenses	128,868	204,660
Deposits	1,265	784
Due to other funds	-	106,690
Current portion of long-term liabilities		
Long-term debt	155,325	173,985
Accumulated unpaid compensated absences	191,843	217,918
Total current liabilities	<u>1,076,218</u>	<u>2,163,257</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	1,390,694	1,546,019
Accumulated unpaid compensated absences	201,858	210,743
Total noncurrent liabilities	<u>1,592,552</u>	<u>1,756,762</u>
Total liabilities	<u>2,668,770</u>	<u>3,920,019</u>
NET ASSETS		
Invested in capital assets, net of related debt	10,745,814	11,989,362
Unrestricted	<u>2,811,202</u>	<u>3,344,519</u>
Total net assets	<u>\$ 13,557,016</u>	<u>\$ 15,333,881</u>

the City of Corpus Christi, Texas

Exhibit 33-B

MAINTENANCE SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Operating revenues		
Sale of materials and services	\$ 16,154,059	\$ 14,581,130
Less cost of materials sold and outside repairs	(7,386,779)	(5,685,301)
Gross operating income	<u>8,767,280</u>	<u>8,895,829</u>
Operating expenses		
Personal services	4,409,182	4,427,741
Materials and supplies	1,237,812	970,251
Contractual services	1,435,619	1,117,114
Other operating expenses	900,082	973,221
Uncollectible accounts	4,432	2,322
Depreciation	2,958,940	3,526,694
Total operating expenses	<u>10,946,067</u>	<u>11,017,343</u>
Operating loss	(2,178,787)	(2,121,514)
Nonoperating revenues (expenses)		
Investment income	126,908	72,614
Interest expense and fiscal charges	(99,825)	(108,028)
Net gain on disposal of assets	33,370	412,792
Recovery on damage claims	47,063	47,133
Total nonoperating revenues	<u>107,516</u>	<u>424,511</u>
Loss before transfers	(2,071,271)	(1,697,003)
Transfers in	1,444,087	1,757,262
Transfers out	(1,149,681)	(148,966)
Net transfers	<u>294,406</u>	<u>1,608,296</u>
Net loss	(1,776,865)	(88,707)
Net assets at beginning of year	<u>15,333,881</u>	<u>15,422,588</u>
Net assets at end of year	<u>\$ 13,557,016</u>	<u>\$ 15,333,881</u>

the City of Corpus Christi, Texas

**MAINTENANCE SERVICES FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2006 AND 2005**

	<u>2006</u>	<u>2005</u>
Cash flows from operating activities		
Receipts from customers	\$ 314,914	\$ 19,034
Receipts from interfund services provided	15,977,733	14,558,667
Payments to suppliers	(11,069,767)	(6,567,660)
Payments to employees	(4,414,996)	(4,337,687)
Internal activity - payments to other funds	(1,016,299)	(961,608)
Net cash provided by (used for) operating activities	<u>(208,415)</u>	<u>2,710,746</u>
Cash flows from noncapital financing activities		
Transfers in from other funds	1,444,087	1,757,262
Transfers out to other funds	(1,149,681)	(148,966)
Recovery of damage claims	47,063	47,133
Net cash provided by noncapital financing activities	<u>341,469</u>	<u>1,655,429</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	(1,541,407)	(2,223,023)
Proceeds from sale of capital assets	33,370	229,201
Principal paid on long term debt	(173,985)	(203,618)
Interest paid on capital leases	(99,825)	(108,028)
Net cash used for capital and related financing activities	<u>(1,781,847)</u>	<u>(2,305,468)</u>
Cash flows from investing activities		
Purchase of investment securities	(2,150,000)	(6,650,000)
Proceeds from sale and maturity of investment securities	2,650,000	5,025,683
Interest on investments	125,882	85,574
Net cash provided by (used for) investing activities	<u>625,882</u>	<u>(1,538,743)</u>
Net increase (decrease) in cash and cash equivalents	(1,022,911)	521,964
Cash and cash equivalents at beginning of year	<u>1,403,958</u>	<u>881,994</u>
Cash and cash equivalents at end of year	<u>\$ 381,047</u>	<u>\$ 1,403,958</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 33-C

	<u>2006</u>	<u>2005</u>
Reconciliation of operating loss to net cash used for operating activities		
Operating loss	\$ (2,178,787)	\$ (2,121,514)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities		
Depreciation	2,958,940	3,526,694
Changes in assets and liabilities		
Receivables	297,897	1,623
Due from other funds	(155,263)	--
Due from other governmental agencies	1,185	--
Inventory	(55,123)	(5,068)
Accounts payable	(860,303)	1,104,995
Accrued expenses	(75,792)	119,317
Accumulated unpaid compensated absences	(34,960)	72,472
Deposits	481	(179)
Due to other funds	(106,690)	12,406
Net cash provided by (used for) operating activities	<u>\$ (208,415)</u>	<u>\$ 2,710,746</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ (10,755)	\$ 15,017



City of
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the City of Corpus Christi, Texas

Exhibit 34-A

MUNICIPAL INFORMATION SYSTEMS FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2006 AND 2005

	2006	2005
ASSETS		
Current assets		
Cash and cash equivalents	\$ 601,417	\$ 1,211,261
Investments	3,640,087	1,970,061
Receivables		
Accounts	220	--
Accrued interest	18,404	15,423
Employees	129	--
Net receivables	18,753	15,423
Due from other funds	414	--
Total current assets	4,260,671	3,196,745
Noncurrent assets		
Capital assets		
Machinery and equipment	4,617,988	4,495,472
Property under capital lease	4,092,697	4,203,195
Total capital assets in service	8,710,685	8,698,667
Less accumulated depreciation	(5,802,719)	(5,440,322)
Net capital assets	2,907,966	3,258,345
Total noncurrent assets	2,907,966	3,258,345
Total assets	7,168,637	6,455,090
LIABILITIES		
Current liabilities		
Accounts payable	369,754	557,333
Accrued expenses	126,162	100,073
Due to other funds	40,109	130,330
Current portion of long-term liabilities		
Long-term debt	517,788	647,176
Accumulated unpaid compensated absences	367,986	264,717
Total current liabilities	1,421,799	1,699,629
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	932,836	1,347,705
Accumulated unpaid compensated absences	394,332	434,431
Total noncurrent liabilities	1,327,168	1,782,136
Total liabilities	2,748,967	3,481,765
NET ASSETS		
Invested in capital assets, net of related debt	1,457,342	1,263,463
Unrestricted	2,962,328	1,709,862
Total net assets	\$ 4,419,670	\$ 2,973,325

the City of Corpus Christi, Texas

Exhibit 34-B

**MUNICIPAL INFORMATION SYSTEMS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2006 AND 2005**

	<u>2006</u>	<u>2005</u>
Operating revenues		
Charges for services - net	\$ 12,994,342	\$ 12,214,035
Operating expenses		
Personal services	5,788,760	4,931,222
Materials and supplies	1,341,517	968,512
Contractual services	3,283,073	3,734,549
Other operating expenses	497,436	487,733
Depreciation	468,850	540,303
Total operating expenses	<u>11,379,636</u>	<u>10,662,319</u>
Operating income	1,614,706	1,551,716
Nonoperating revenues (expenses)		
Investment income	111,815	35,677
Interest expense and fiscal charges	<u>(40,093)</u>	<u>(59,858)</u>
Total nonoperating revenues (expenses)	<u>71,722</u>	<u>(24,181)</u>
Income before transfers	1,686,428	1,527,535
Transfers in	2,712	--
Transfers out	<u>(242,795)</u>	<u>(199,432)</u>
Net transfers	<u>(240,083)</u>	<u>(199,432)</u>
Net income	1,446,345	1,328,103
Net assets at beginning of year	<u>2,973,325</u>	<u>1,645,222</u>
Net assets at end of year	<u>\$ 4,419,670</u>	<u>\$ 2,973,325</u>

the City of Corpus Christi, Texas

Exhibit 34-C

MUNICIPAL INFORMATION SYSTEMS FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2006 AND 2005

	2006	2005
Cash flows from operating activities		
Receipts from customers	\$ --	\$ 113,777
Receipts from interfund services provided	12,994,342	12,119,035
Payments to suppliers	(4,252,697)	(3,640,634)
Payments to employees	(5,399,925)	(4,586,566)
Internal activity - payments to other funds	(1,317,138)	(1,399,539)
Net cash provided by operating activities	<u>2,024,582</u>	<u>2,606,073</u>
Cash flows from noncapital financing activities		
Changes in interfund borrowings	(130,330)	130,330
Transfers in from other funds	2,712	--
Transfers out to other funds	(200,378)	(199,432)
Net cash used for noncapital financing activities	<u>(327,996)</u>	<u>(69,102)</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	(122,516)	--
Principal paid on long term debt	(582,630)	(945,836)
Interest and fiscal charges	(40,093)	(59,858)
Net cash used for capital and related financing activities	<u>(745,239)</u>	<u>(1,005,694)</u>
Cash flows from investing activities		
Purchase of investment securities	(1,650,000)	(2,000,000)
Investment income	88,809	50,193
Net cash used for investing activities	<u>(1,561,191)</u>	<u>(1,949,807)</u>
Net decrease in cash and cash equivalents	(609,844)	(418,530)
Cash and cash equivalents at beginning of year	<u>1,211,261</u>	<u>1,629,791</u>
Cash and cash equivalents at end of year	<u>\$ 601,417</u>	<u>\$ 1,211,261</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 1,614,706	\$ 1,551,716
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	468,850	540,303
Changes in assets and liabilities		
Receivables	(350)	18,778
Due from other funds	(413)	2,260
Accounts payable	(187,579)	382,866
Accrued expenses	26,089	23,384
Accumulated unpaid compensated absences	63,170	88,467
Due to other funds	40,109	(1,701)
Net cash provided by operating activities	<u>\$ 2,024,582</u>	<u>\$ 2,606,073</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ (20,025)	\$ (29,938)
Acquisition of capital assets under capital lease	\$ 599,190	\$ 313,296
Transfer of capital assets net of debt to general fund	\$ (42,417)	\$ --



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the City of Corpus Christi, Texas

Exhibit 35-A

**LIABILITY AND EMPLOYEE BENEFITS FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2006 AND 2005**

	<u>2006</u>	<u>2005</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 717,659	\$ 4,983,496
Investments	32,692,210	21,902,059
Receivables		
Accounts	939,304	777,243
Accrued interest	215,685	159,793
Allowance for uncollectibles	(321,537)	(318,046)
Net receivables	833,452	618,990
Due from other funds	2,839,255	237,850
Prepaid items	514,456	430,268
Total current assets	<u>37,597,032</u>	<u>28,172,663</u>
LIABILITIES		
Current liabilities		
Accounts payable	728,509	557,553
Accrued expenses	48,615	12,418
Current portion of estimated liability claims	5,261,486	6,304,530
Estimated health insurance claims payable	2,551,880	1,787,207
Liability to claimants-escheat property	108,844	139,147
Due to other funds	30,832	-
Unearned revenue	7,344	-
Current portion of accumulated unpaid compensated absences	42,437	38,125
Total current liabilities	<u>8,779,947</u>	<u>8,838,980</u>
Noncurrent liabilities		
Estimated liability claims	7,676,421	6,955,819
Accumulated unpaid compensated absences, net of current portion	2,356	7,828
Total noncurrent liabilities	<u>7,678,777</u>	<u>6,963,647</u>
Total liabilities	<u>16,458,724</u>	<u>15,802,627</u>
NET ASSETS		
Unrestricted	<u>21,138,308</u>	<u>12,370,036</u>
Total net assets	<u>\$ 21,138,308</u>	<u>\$ 12,370,036</u>

the City of Corpus Christi, Texas

Exhibit 35-B

LIABILITY AND EMPLOYEE BENEFITS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Operating revenues		
Charges for services		
Liability insurance	\$ 9,325,583	\$ 9,766,519
Life insurance	92,140	2,959
Health insurance	24,604,683	22,179,106
Disability insurance	152,073	8,985
Administration	1,170,253	1,398,432
Total operating revenues	<u>35,344,732</u>	<u>33,356,001</u>
Operating expenses		
Personal services	730,120	709,351
Materials and supplies	136,392	142,472
Contractual services	1,761,003	1,653,049
Insurance premiums	2,711,097	2,416,449
Other operating expenses	144,899	169,289
Group health claims	18,289,527	16,624,248
General liability claims	1,135,158	1,070,322
Workers' compensation claims	2,527,974	1,348,353
Unemployment compensation claims	112,375	117,257
Uncollectible accounts	3,491	(40,724)
Total operating expenses	<u>27,552,036</u>	<u>24,210,066</u>
Operating income	7,792,696	9,145,935
Nonoperating revenues (expenses)		
Investment income	1,020,577	458,200
Interest expense and fiscal charges	(5,966)	(10,742)
Total nonoperating revenues (expenses)	<u>1,014,611</u>	<u>447,458</u>
Income before transfers	8,807,307	9,593,393
Transfers out	(39,035)	(15,724)
Net income	8,768,272	9,577,669
Net assets at beginning of year	<u>12,370,036</u>	<u>2,792,367</u>
Net assets at end of year	<u>\$ 21,138,308</u>	<u>\$ 12,370,036</u>

the City of Corpus Christi, Texas

Exhibit 35-C

LIABILITY AND EMPLOYEE BENEFITS FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2006 AND 2005

	2006	2005
Cash flows from operating activities		
Receipts from customers	\$ 8,860,268	\$ 8,192,382
Receipts from interfund services provided	26,329,747	25,273,118
Payments to suppliers	(4,589,261)	(4,181,472)
Payments to employees	(686,669)	(667,694)
Internal activity - payments to other funds	67,682	(350,032)
Claims paid	(21,653,106)	(20,395,587)
Net cash provided by operating activities	<u>8,328,661</u>	<u>7,870,715</u>
Cash flows from noncapital financing activities		
Changes in interfund borrowings	(2,724,031)	--
Interest on interfund borrowings	34,386	(10,742)
Transfers out to other funds	(39,035)	(15,724)
Net cash used for noncapital financing activities	<u>(2,728,680)</u>	<u>(26,466)</u>
Cash flows from investing activities		
Purchase of investment securities	(28,000,000)	(33,422,931)
Proceeds from sale and maturity of investment securities	17,205,124	29,821,200
Interest on investments	929,058	562,180
Net cash used for investing activities	<u>(9,865,818)</u>	<u>(3,039,551)</u>
Net increase (decrease) in cash and cash equivalents	(4,265,837)	4,804,698
Cash and cash equivalents at beginning of year	<u>4,983,496</u>	<u>178,798</u>
Cash and cash equivalents at end of year	<u>\$ 717,659</u>	<u>\$ 4,983,496</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 7,792,696	\$ 9,145,935
Adjustments to reconcile operating income to net cash provided by operating activities		
Change in estimated claims liability	442,231	(1,220,654)
Provision for uncollectible accounts	3,491	(40,724)
Changes in assets and liabilities		
Receivables	(162,061)	109,499
Due from other funds	122,626	(209,432)
Prepaid items	(84,188)	11,887
Accounts payable	170,956	362,535
Accrued expenses	36,197	(285,502)
Deferred revenue	7,344	--
Accumulated unpaid compensated absences	(1,160)	17,116
Liability to claimants-escheat property	(30,303)	(14,753)
Due to other funds	30,832	(5,192)
Net cash provided by operating activities	<u>\$ 8,328,661</u>	<u>\$ 7,870,715</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ (4,725)	\$ (96,822)



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Exhibit 36-A

ENGINEERING SERVICES FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2006 AND 2005

	2006	2005
ASSETS		
Current assets		
Cash and cash equivalents	\$ 401,265	\$ 841,940
Investments	1,398,450	--
Receivables		
Accrued interest	5,374	--
Due from other funds	2,013	--
Total current assets	1,807,102	841,940
Noncurrent assets		
Capital assets		
Machinery and equipment		
Total capital assets in service	150,652	132,148
Less accumulated depreciation	150,652	132,148
Net capital assets in service	(78,901)	(56,451)
Construction in progress	71,751	75,697
Net capital assets	--	12,415
Total noncurrent assets	71,751	88,112
Total assets	1,878,853	930,052
LIABILITIES		
Current liabilities		
Accounts payable		
Accrued expenses	57,634	116,115
Due to other funds	49,888	43,442
Current portion of accumulated unpaid compensated absences	40,528	--
Total current liabilities	153,191	144,394
Noncurrent liabilities		
Accumulated unpaid compensated absences, net of current portion	287,362	252,678
Total liabilities	588,603	556,629
NET ASSETS		
Invested in capital assets	71,751	88,112
Unrestricted	1,218,499	285,311
Total net assets	\$ 1,290,250	\$ 373,423

the City of Corpus Christi, Texas

Exhibit 36-B

ENGINEERING SERVICES FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Operating revenues		
Charges for services - net	\$ 4,849,214	\$ 4,507,294
Operating expenses		
Personal services	2,481,455	2,484,419
Materials and supplies	176,696	96,673
Contractual services	670,634	619,460
Other operating expenses	594,211	746,536
Depreciation	22,450	21,525
Total operating expenses	<u>3,945,446</u>	<u>3,968,613</u>
Operating income	903,768	538,681
Nonoperating revenues (expenses)		
Investment income	8,991	--
Interest expense and fiscal charges	--	(7,187)
Total nonoperating revenues (expenses)	<u>8,991</u>	<u>(7,187)</u>
Income before transfers	912,759	531,494
Transfers in	<u>4,068</u>	<u>--</u>
Net income	916,827	531,494
Net assets (liabilities) at beginning of year	<u>373,423</u>	<u>(158,071)</u>
Net assets at end of year	<u>\$ 1,290,250</u>	<u>\$ 373,423</u>

the City of Corpus Christi, Texas

Exhibit 36-C

**ENGINEERING SERVICES FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2006 AND 2005**

	<u>2006</u>	<u>2005</u>
Cash flows from operating activities		
Receipts from customers	\$ 9,232	\$ 80,677
Receipts from interfund services provided	4,839,419	4,839,483
Payments to suppliers	(1,256,640)	(1,060,839)
Payments to employees	(1,797,819)	(1,856,682)
Internal activity - payments to other funds	(836,563)	(1,152,062)
Net cash provided by operating activities	<u>957,629</u>	<u>850,577</u>
Cash flows from noncapital financing activities		
Interest on interfund borrowings	423	(7,187)
Transfers in from other funds	4,068	--
Net cash provided by (used for) noncapital financing activities	<u>4,491</u>	<u>(7,187)</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	(7,539)	(1,450)
Cash flows from investing activities		
Purchase of investment securities	(1,400,000)	--
Interest on investments	4,744	--
Net cash used for investing activities	<u>(1,395,256)</u>	<u>--</u>
Net increase (decrease) in cash and cash equivalents	(440,675)	841,940
Cash and cash equivalents at beginning of year	<u>841,940</u>	<u>--</u>
Cash and cash equivalents at end of year	<u>\$ 401,265</u>	<u>\$ 841,940</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 903,768	\$ 538,681
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	22,450	21,525
Changes in assets and liabilities		
Receivables	--	9,181
Due from other funds	(563)	412,868
Accounts payable	(58,481)	20,210
Accrued expenses	6,446	2,194
Accumulated unpaid compensated absences	43,481	45,367
Due to other funds	40,528	(199,449)
Net cash provided by operating activities	<u>\$ 957,629</u>	<u>\$ 850,577</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ (1,550)	\$ --
Loss on disposal of assets	(10,965)	--



City of
Corpus
Christi

*Capital Assets Used in the Operation
of Governmental Funds*

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.

the City of Corpus Christi, Texas

Exhibit 37-A

**DISCRETELY PRESENTED COMPONENT UNITS
COMBINING STATEMENT OF NET ASSETS
JULY 31, 2006**

	Coastal Bend Health Facilities Development Corporation	Corpus Christi Convention and Visitors Bureau	Total
ASSETS			
Cash and cash equivalents	\$ 43,327	\$ 212,627	\$ 255,954
Investments	9,944	-	9,944
Receivables	81	27,143	27,224
Inventories	-	16,405	16,405
Prepaid items	-	24,216	24,216
Capital assets, net of accumulated depreciation	-	177,561	177,561
Total assets	<u>53,352</u>	<u>457,952</u>	<u>511,304</u>
LIABILITIES			
Accounts payable	-	67,432	67,432
Accrued liabilities	-	1,665	1,665
Accrued interest	-	31,519	31,519
Total liabilities	<u>-</u>	<u>100,616</u>	<u>100,616</u>
NET ASSETS			
Invested in capital assets	-	177,561	177,561
Unrestricted	53,352	179,775	233,127
Total net assets	<u>\$ 53,352</u>	<u>\$ 357,336</u>	<u>\$ 410,688</u>

the City of Corpus Christi, Texas

Exhibit 37-B

DISCRETELY PRESENTED COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2006

	Coastal Bend Health Facilities Development Corporation	Corpus Christi Convention and Visitors Bureau	Total
Expenditures/expenses			
Convention and visitor activities	\$ --	\$ 2,771,769	\$ 2,771,769
Grants	15,557	--	15,557
Total expenditures/expenses	<u>15,557</u>	<u>2,771,769</u>	<u>2,787,326</u>
Program revenue			
Charges for services	53,525	214,312	267,837
Net program revenue (expense)	<u>37,968</u>	<u>(2,557,457)</u>	<u>(2,519,489)</u>
General revenue			
Earnings on investments	643	7,643	8,286
Payments from the City of Corpus Christi	--	2,545,870	2,545,870
Total general revenues	<u>643</u>	<u>2,553,513</u>	<u>2,554,156</u>
Change in net assets	38,611	(3,944)	34,667
Net assets beginning of year	<u>14,741</u>	<u>361,280</u>	<u>376,021</u>
Net assets end of year	<u>\$ 53,352</u>	<u>\$ 357,336</u>	<u>\$ 410,688</u>

the City of Corpus Christi, Texas

Exhibit 38-A

COASTAL BEND HEALTH FACILITIES DEVELOPMENT CORPORATION
STATEMENT OF NET ASSETS
JULY 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash and cash equivalents	\$ 43,327	\$ 4,780
Investments	9,944	9,880
Receivables		
Accrued interest	81	81
Total assets	<u>53,352</u>	<u>14,741</u>
LIABILITIES	-	-
NET ASSETS		
Unrestricted	<u>53,352</u>	<u>14,741</u>
Net assets	<u>\$ 53,352</u>	<u>\$ 14,741</u>

the City of Corpus Christi, Texas

Exhibit 38-B

COASTAL BEND HEALTH FACILITIES DEVELOPMENT CORPORATION
STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Expenditures/expenses		
Health	\$ 15,557	\$ -
Program revenue		
Charges for services	53,525	-
Net program revenue	<u>37,968</u>	<u>--</u>
General revenue		
Earnings on investments	643	266
Total general revenues	<u>643</u>	<u>266</u>
Change in net assets	38,611	266
Fund balance/net assets beginning of year	<u>14,741</u>	<u>14,475</u>
Fund balance/net assets end of year	<u>\$ 53,352</u>	<u>\$ 14,741</u>

the City of Corpus Christi, Texas

Exhibit 39-A

**CORPUS CHRISTI CONVENTION AND VISITORS BUREAU
STATEMENT OF NET ASSETS
JULY 31, 2006 AND 2005**

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash and cash equivalents	\$ 212,627	\$ 256,203
Accounts receivable	27,143	19,582
Inventories	16,405	17,335
Prepaid items	24,216	36,526
Capital assets, net of accumulated depreciation	177,561	183,030
Total assets	<u>457,952</u>	<u>512,676</u>
LIABILITIES		
Accounts payable	67,432	116,528
Accrued liabilities	1,665	3,648
Accrued interest	31,519	31,220
Total liabilities	<u>100,616</u>	<u>151,396</u>
NET ASSETS		
Invested in capital assets	177,561	183,030
Unrestricted	179,775	178,250
Total net assets	<u>\$ 357,336</u>	<u>\$ 361,280</u>

the City of Corpus Christi, Texas

Exhibit 39-B

**CORPUS CHRISTI CONVENTION AND VISITORS BUREAU
STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2006 AND 2005**

	<u>2006</u>	<u>2005</u>
Expenditures/expenses		
Convention and visitor activities	\$ 2,771,769	\$ 2,738,630
Program revenue		
Charges for services	214,312	174,949
Net program expense	<u>(2,557,457)</u>	<u>(2,563,681)</u>
General revenue		
Earnings on investments	7,643	5,025
Payments from the City of Corpus Christi	2,545,870	2,422,619
Total general revenues	<u>2,553,513</u>	<u>2,427,644</u>
Change in net assets	(3,944)	(136,037)
Fund balance/net assets beginning of year	<u>361,280</u>	<u>497,317</u>
Fund balance/net assets end of year	<u>\$ 357,336</u>	<u>\$ 361,280</u>



City of
Corpus
Christi

the City of Corpus Christi, Texas

Exhibit 40-A

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY SOURCE *
JULY 31, 2006 AND 2005**

	<u>2006</u>	<u>2005</u>
Governmental funds capital assets		
Land	\$ 63,151,206	\$ 63,002,960
Buildings	208,139,073	200,573,523
Improvements other than buildings	147,316,406	129,129,269
Machinery and equipment	89,445,044	85,183,919
Infrastructure	194,127,770	186,841,477
Construction in progress	53,573,615	40,559,984
	<u>\$ 755,753,114</u>	<u>\$ 705,291,132</u>
Investment in governmental funds capital assets by source		
Capital projects funds	\$ 555,352,891	\$ 517,192,033
General and special revenue funds	56,674,474	52,753,538
Donations	15,922,731	15,919,819
Developers contributions	15,009,483	12,031,162
Federal revenue sharing	95,485,598	94,749,245
Tax increment zone	12,306,412	11,782,961
Claim settlements	5,001,525	862,374
	<u>\$ 755,753,114</u>	<u>\$ 705,291,132</u>

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

the City of Corpus Christi, Texas

CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY *
JULY 31, 2006

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
General Government				
Control				
City Council and City Secretary	\$ 397,358	\$ --	\$ 14,000	\$ 4,319
City Manager	359,940	--	--	7,673
Management and budget	102,156	--	--	--
Information services	835,417	--	--	--
Total control	<u>1,694,871</u>	<u>--</u>	<u>14,000</u>	<u>600</u>
Staff Agencies				
Director of Finance	54,522	--	--	--
Accounting	3,874,599	--	--	--
Federal grant accounting	5,317	--	--	92,405
Accounts receivable and meter reading	566,240	--	--	--
Central cashiers	192,096	--	--	--
Cash management	6,577	--	--	--
Utility billing office administration and customer service operation	2,118,616	--	--	--
Nueces County Tax Appraisal District	70,588	--	--	--
Purchasing	47,964	--	--	3,710
Messenger service	1,675	--	--	--
City Attorney	388,621	--	--	--
Business development	35,074	--	--	118
Planning	606,862	--	--	--
Human resources	2,986,712	--	--	--
Human relations	3,450	--	--	--
City Hall vehicle pool	14,994	--	--	--
City Hall and old Frost Building	22,831,866	3,732,487	17,662,181	89,844
Total staff agencies	<u>33,805,773</u>	<u>3,732,487</u>	<u>17,662,181</u>	<u>186,077</u>
Miscellaneous				
Total general government	<u>2,424,652</u>	<u>200,383</u>	<u>37,170</u>	<u>1,515,500</u>
	<u>37,925,296</u>	<u>3,932,870</u>	<u>17,713,351</u>	<u>1,714,169</u>
Police and municipal court				
Police				
Police	18,474,019	2,325,928	6,763,631	254,358
Crime Control District	544,080	--	--	--
Total police	<u>19,018,099</u>	<u>2,325,928</u>	<u>6,763,631</u>	<u>254,358</u>
Municipal Court				
Total police and municipal court	<u>1,816,313</u>	<u>--</u>	<u>107,715</u>	<u>60,027</u>
	<u>20,834,412</u>	<u>2,325,928</u>	<u>6,871,346</u>	<u>314,385</u>
Fire				
Fire	20,503,292	956,585	4,625,931	4,097,334
Fire academy	20,147	--	--	--
Fire prevention	140,443	--	--	--
Total fire	<u>20,663,882</u>	<u>956,585</u>	<u>4,625,931</u>	<u>4,097,334</u>
Ambulance				
	<u>3,874,004</u>	<u>--</u>	<u>--</u>	<u>--</u>
Emergency management				
Emergency management	119,665	--	--	7,592
Local Emergency Planning Committee	10,775	--	--	--
Total Emergency Management	<u>130,440</u>	<u>--</u>	<u>--</u>	<u>7,592</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 40-B

<u>Machinery and Equipment</u>	<u>Infrastructure</u>
\$ 379,039	\$ --
352,267	--
102,156	--
834,817	--
<u>1,668,279</u>	<u>--</u>
54,522	--
3,782,194	--
5,317	--
566,240	--
192,096	--
6,577	--
2,118,616	--
66,878	--
47,964	--
1,675	--
388,503	--
35,074	--
606,862	--
2,986,712	--
3,450	--
14,994	--
1,347,354	--
<u>12,225,028</u>	<u>--</u>
671,599	--
<u>14,564,906</u>	<u>--</u>
9,130,102	--
544,080	--
<u>9,674,182</u>	<u>--</u>
1,648,571	--
<u>11,322,753</u>	<u>--</u>
10,823,442	--
20,147	--
140,443	--
<u>10,984,032</u>	<u>--</u>
<u>3,874,004</u>	<u>--</u>
112,073	--
10,775	--
<u>122,848</u>	<u>--</u>

the City of Corpus Christi, Texas

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY *
JULY 31, 2006**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
Inspections				
Building inspection	193,468	--	--	--
Petroleum inspection	5,223	--	--	--
Total inspections	<u>198,691</u>	<u>--</u>	<u>--</u>	<u>--</u>
Streets				
Director and Engineering Office	649,574	--	16,106	58,634
Streets, sidewalks, curbs and gutters	186,196,895	13,492,571	--	27,290
Street maintenance and construction	13,992,589	266,937	--	9,760,677
Street signs and markings	186,410	--	--	--
Street cleaning	70,868	--	--	--
Harbor Bridge and approaches	7,322,587	64,110	--	7,258,477
JFK Causeway	4,000,000	--	--	4,000,000
Seawall	22,526,666	--	--	22,526,666
Traffic Engineering	4,549,288	--	14,999	286,136
Parking Control	186,942	--	--	32,690
Total streets	<u>239,681,819</u>	<u>13,823,618</u>	<u>31,105</u>	<u>43,950,570</u>
Solid Waste				
Office	40,981	--	17,083	--
Refuse collections	6,904,439	--	107,724	107,934
Refuse disposal	38,159,620	7,551,717	78,648	8,273,377
Total solid waste	<u>45,105,040</u>	<u>7,551,717</u>	<u>203,455</u>	<u>8,381,311</u>
Health				
Health	4,881,200	61,909	3,165,835	299,781
Animal Control	4,214,024	--	3,466,102	481,450
Total health	<u>9,095,224</u>	<u>61,909</u>	<u>6,631,937</u>	<u>781,231</u>
Parks, recreation and education				
Director of Parks and Recreation	53,342	--	--	--
Parks	62,462,976	16,174,813	1,531,070	37,776,377
Recreation	6,183,562	935,436	1,695,035	3,179,287
Miradores and Selena Memorial	1,965,000	--	--	1,965,000
Senior services	4,507,935	130,714	3,231,028	911,855
Upper level college facilities	1,529,971	1,510,810	--	19,161
Municipal Service Center	2,177,428	204,024	662,316	--
Total parks, recreation and education	<u>78,880,214</u>	<u>18,955,797</u>	<u>7,119,449</u>	<u>43,851,680</u>
Libraries	21,475,766	773,001	8,723,633	301,076
Corpus Christi museums	6,292,106	--	4,724,292	1,097,700
Community enrichment				
Cultural and convention facilities				
Multipurpose Arena	53,402,055	2,829,110	43,198,880	2,546,581
Coliseum	2,799,472	--	1,850,979	392,843
Auditorium	6,067,142	--	6,025,014	--
Baseball Stadium	28,180,671	1,836,763	26,175,752	168,156
Harbor Playhouse	883,928	--	869,675	3,409
Convention Center	58,687,845	798,244	52,615,733	2,758,972
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	20,844,296	2,047,044	11,024,033	7,773,219
Total cultural and convention facilities	<u>182,838,369</u>	<u>11,158,803</u>	<u>144,228,979</u>	<u>19,422,801</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 40-B
(Continued)

Machinery and Equipment	Infrastructure
193,468	--
<u>5,223</u>	<u>--</u>
<u>198,691</u>	<u>--</u>
574,834	--
652,834	172,024,200
3,964,975	--
186,410	--
70,868	--
--	--
--	--
--	--
4,248,153	--
<u>154,252</u>	<u>--</u>
<u>9,852,326</u>	<u>172,024,200</u>
23,898	--
6,688,781	--
<u>5,483,236</u>	<u>16,772,642</u>
<u>12,195,915</u>	<u>16,772,642</u>
1,353,675	--
<u>266,472</u>	<u>--</u>
<u>1,620,147</u>	<u>--</u>
53,342	--
2,173,238	4,807,478
373,804	--
--	--
234,338	--
--	--
<u>1,311,088</u>	<u>--</u>
<u>4,145,810</u>	<u>4,807,478</u>
11,678,056	--
470,114	--
4,827,484	--
555,650	--
42,128	--
--	--
10,844	--
2,514,896	--
8,337	--
68,447	--
<u>--</u>	<u>--</u>
<u>8,027,786</u>	<u>--</u>

the City of Corpus Christi, Texas

CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY *
JULY 31, 2006

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
Community enrichment (continued)				
Sister City	2,338	--	--	--
Bicentennial celebration	5,358	--	--	--
Public art	67,826	--	--	67,826
Total community enrichment	<u>182,913,891</u>	<u>11,158,803</u>	<u>144,228,979</u>	<u>19,490,627</u>
Community development				
Housing rehabilitation	31,827	19,750	--	--
Neighborhood improvement	97,330	--	--	4,255
Community renewal	12,633	--	--	--
Community Development Block Grant	30,188,551	780,321	5,821,579	23,324,476
Corpus Christi Community Improvement Corp.	1,473,294	59,497	1,413,797	--
Total community development	<u>31,803,635</u>	<u>859,568</u>	<u>7,235,376</u>	<u>23,328,731</u>
Other general fixed assets:				
Packery Channel	523,450	--	--	--
Army Corp of Engineers Office	10,909	--	10,909	--
State School Sports Complex	14,750	--	14,750	--
Workforce Development	4,560	--	4,560	--
Naval Air Station safety zone	2,672,482	2,672,482	--	--
Transit facility	78,928	78,928	--	--
Total other general fixed assets	<u>3,305,079</u>	<u>2,751,410</u>	<u>30,219</u>	<u>--</u>
Total fixed assets in service	702,179,499	63,151,206	208,139,073	147,316,406
Less: accumulated depreciation	<u>311,851,468</u>	<u>--</u>	<u>47,329,703</u>	<u>77,146,201</u>
Total fixed assets in service	<u>390,328,031</u>	<u>63,151,206</u>	<u>160,809,370</u>	<u>70,170,205</u>
Construction in progress	<u>53,573,615</u>	<u>567,648</u>	<u>261,233</u>	<u>37,415,244</u>
Total general fixed assets	<u>\$ 443,901,646</u>	<u>\$ 63,718,854</u>	<u>\$ 161,070,603</u>	<u>\$ 107,585,449</u>

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

the City of Corpus Christi, Texas

**Exhibit 40-B
(Continued)**

Machinery and Equipment	Infrastructure
2,338	--
5,358	--
--	--
<u>8,035,482</u>	<u>--</u>
12,077	--
93,075	--
12,633	--
262,175	--
--	--
<u>379,960</u>	<u>--</u>
--	523,450
--	--
--	--
--	--
--	--
<u>--</u>	<u>523,450</u>
89,445,044	194,127,770
<u>72,121,656</u>	<u>115,253,908</u>
<u>17,323,388</u>	<u>78,873,862</u>
--	15,329,490
<u>\$ 17,323,388</u>	<u>\$ 94,203,352</u>

the City of Corpus Christi, Texas

SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
BY FUNCTION AND ACTIVITY *
YEAR ENDED JULY 31, 2006

	Beginning Balance	Additions and Transfers	Retirements	Ending Balance
General government				
Control				
City Council and City Secretary	\$ 397,358	\$ --	\$ --	\$ 397,358
City Manager	359,940	--	--	359,940
Management and budget	102,156	--	--	102,156
Information services	125,728	709,689	--	835,417
Total control	<u>985,182</u>	<u>709,689</u>	<u>--</u>	<u>1,694,871</u>
Staff agencies				
Director of Finance	54,522	--	--	54,522
Accounting	3,874,599	--	--	3,874,599
Federal grant accounting	5,317	--	--	5,317
Accounts receivable and meter reading	566,240	--	--	566,240
Central cashiering	192,096	--	--	192,096
Cash management	6,577	--	--	6,577
Utilities billing office administration and customer service operation	2,118,616	--	--	2,118,616
Nueces County Tax Appraisal District	70,588	--	--	70,588
Purchasing	47,964	--	--	47,964
Messenger service	1,675	--	--	1,675
City attorney	388,621	--	--	388,621
Business development	35,074	--	--	35,074
Planning	606,862	--	--	606,862
Human resources	2,986,712	--	--	2,986,712
Human relations	3,450	--	--	3,450
City Hall vehicle pool	14,994	--	--	14,994
City Hall and old Frost Building	18,692,715	4,139,151	--	22,831,866
Total staff agencies	<u>29,666,622</u>	<u>4,139,151</u>	<u>--</u>	<u>33,805,773</u>
Miscellaneous	2,424,652	--	--	2,424,652
Total general government	<u>33,076,456</u>	<u>4,848,840</u>	<u>--</u>	<u>37,925,296</u>
Police and municipal court				
Police	18,327,677	146,342	--	18,474,019
Crime Control District	541,817	2,263	--	544,080
Total police	<u>18,869,494</u>	<u>148,605</u>	<u>--</u>	<u>19,018,099</u>
Municipal court	1,816,313	--	--	1,816,313
Total police and municipal court	<u>20,685,807</u>	<u>148,605</u>	<u>--</u>	<u>20,834,412</u>
Fire				
Fire	18,044,709	2,493,936	35,353	20,503,292
Fire academy	20,147	--	--	20,147
Fire prevention	113,651	26,792	--	140,443
Total fire	<u>18,178,507</u>	<u>2,520,728</u>	<u>35,353</u>	<u>20,663,882</u>
Ambulance	3,357,598	530,260	13,854	3,874,004

(Continued)

the City of Corpus Christi, Texas

Exhibit 40-C

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
BY FUNCTION AND ACTIVITY *
FISCAL YEAR ENDED JULY 31, 2006**

	Beginning Balance	Additions and Transfers	Retirements	Ending Balance
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>
Streets				
Director and engineering office	649,574			649,574
Streets, sidewalks, curbs and gutters	179,618,887	6,578,008	--	186,196,895
Street maintenance and construction	12,944,064	1,048,525	--	13,992,589
Street signs and markings	186,410	--	--	186,410
Street cleaning	70,868	--	--	70,868
Harbor Bridge and approaches	7,322,587	--	--	7,322,587
JFK Causeway	4,000,000	--	--	4,000,000
Seawall	12,189,651	10,337,015	--	22,526,666
Traffic engineering	4,549,288	--	--	4,549,288
Parking control	186,942	--	--	186,942
Total streets	<u>221,718,271</u>	<u>17,963,548</u>	<u>--</u>	<u>239,681,819</u>
Solid Waste				
Office	40,981	--	--	40,981
Refuse collections	6,904,439	--	--	6,904,439
Refuse disposal	34,496,422	3,663,198	--	38,159,620
Total solid waste	<u>41,441,842</u>	<u>3,663,198</u>	<u>--</u>	<u>45,105,040</u>
Health				
Health	4,725,924	155,276	--	4,881,200
Animal control	4,180,884	33,140	--	4,214,024
Total health	<u>8,906,808</u>	<u>188,416</u>	<u>--</u>	<u>9,095,224</u>
Parks, recreation and education				
Director of Parks and Recreation	53,342	--	--	53,342
Parks	61,618,184	844,792	--	62,462,976
Recreation	6,166,175	17,387	--	6,183,562
Miradores and Selena Memorial	1,965,000	--	--	1,965,000
Senior Services	3,950,600	557,335	--	4,507,935
Upper level college facilities	1,529,971	--	--	1,529,971
Municipal Service Center	2,177,428	--	--	2,177,428
Total parks, recreation and education	<u>77,460,700</u>	<u>1,419,514</u>	<u>--</u>	<u>78,880,214</u>
Libraries	21,467,114	8,652	--	21,475,766
Corpus Christi museums	6,292,106	--	--	6,292,106

(Continued)



City of
Corpus
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the City of Corpus Christi, Texas

Exhibit 40-C
(continued)

SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
BY FUNCTION AND ACTIVITY *
FISCAL YEAR ENDED JULY 31, 2006

	Beginning Balance	Additions and Transfers	Retirements	Ending Balance
Community enrichment				
Cultural and convention facilities				
Multipurpose Arena	51,518,438	1,883,617	--	53,402,055
Coliseum	2,799,472	--	--	2,799,472
Auditorium	6,067,142	--	--	6,067,142
Baseball Stadium	25,505,938	2,674,733	--	28,180,671
Harbor Playhouse	883,928	--	--	883,928
Convention Center	57,638,862	1,048,983	--	58,687,845
Water Garden	1,508,263	--	--	1,508,263
Bayfront Science Park	10,464,697	--	--	10,464,697
Texas State Aquarium	20,844,296	--	--	20,844,296
Total cultural and convention facilities	<u>177,231,036</u>	<u>5,607,333</u>	<u>--</u>	<u>182,838,369</u>
Sister City	2,338	--	--	2,338
Bicentennial celebration	5,358	--	--	5,358
Public art	67,826	--	--	67,826
Total community enrichment	<u>177,306,558</u>	<u>5,607,333</u>	<u>--</u>	<u>182,913,891</u>
Community development				
Housing rehabilitation	31,827	--	--	31,827
Neighborhood improvement	97,330	--	--	97,330
Community renewal	12,633	--	--	12,633
Community Development block grant	30,113,537	75,014	--	30,188,551
Corpus Christi Improvement Corp.	1,473,294	--	--	1,473,294
Total community development	<u>31,728,621</u>	<u>75,014</u>	<u>--</u>	<u>31,803,635</u>
Other general fixed assets:				
Packery Channel	--	523,450	--	523,450
Army Corp of Engineers	10,909	--	--	10,909
State School Sports Complex	14,750	--	--	14,750
Workforce Development	4,560	--	--	4,560
Naval Air Station safety zone	2,672,482	--	--	2,672,482
Transit facility	78,928	--	--	78,928
Total other general fixed assets	<u>2,781,629</u>	<u>523,450</u>	<u>--</u>	<u>3,305,079</u>
Total fixed assets in service	<u>664,731,148</u>	<u>37,497,558</u>	<u>49,207</u>	<u>702,179,499</u>
Less: accumulated depreciation	<u>288,368,127</u>	<u>23,532,548</u>	<u>49,207</u>	<u>311,851,468</u>
Total fixed assets in service	<u>376,363,021</u>	<u>13,965,010</u>	<u>--</u>	<u>390,328,031</u>
Construction in progress	40,559,984	42,824,109	29,810,478	53,573,615
Total general fixed assets	<u>\$ 416,923,005</u>	<u>\$ 56,789,119</u>	<u>\$ 29,810,478</u>	<u>\$ 443,901,646</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
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Statistical Section

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

<u>Contents</u>	<u>Page</u>
Financial Trends	277
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	
Revenue Capacity	288
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	
Debt Capacity	296
<i>These present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	303
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	
Operating Information	306
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	

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



City of
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the City of Corpus Christi, Texas

Table 1

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

	Fiscal Year				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Governmental activities					
Invested in capital assets, net of related debt	\$ 148,248,890	\$ 85,981,541	\$ 67,103,377	\$ 52,992,539	\$ 95,591,014
Unrestricted	44,913,259	104,798,961	136,973,037	164,904,402	144,449,151
Total governmental activities net assets	<u>\$ 193,162,149</u>	<u>\$ 190,780,502</u>	<u>\$ 204,076,414</u>	<u>\$ 217,896,941</u>	<u>\$ 240,040,165</u>
Business-type activities					
Invested in capital assets, net of related debt	\$ 390,904,239	\$ 420,036,983	\$ 478,884,825	\$ 527,336,134	\$ 505,475,536
Restricted	78,639,564	79,888,038	36,201,782	41,045,812	28,524,868
Unrestricted	97,669,351	76,317,057	69,891,251	30,102,257	85,278,867
Total business-type activities net assets	<u>\$ 567,213,154</u>	<u>\$ 576,242,078</u>	<u>\$ 584,977,858</u>	<u>\$ 598,484,203</u>	<u>\$ 619,279,271</u>
Primary government					
Invested in capital assets, net of related debt	\$539,153,129	\$506,018,524	\$545,988,202	\$580,328,673	\$601,066,550
Restricted	78,639,564	79,888,038	36,201,782	41,045,812	28,524,868
Unrestricted	142,582,610	181,116,018	206,864,288	195,006,659	229,728,018
Total primary government net assets	<u>\$ 760,375,303</u>	<u>\$ 767,022,580</u>	<u>\$ 789,054,272</u>	<u>\$ 816,381,144</u>	<u>\$ 859,319,436</u>

Note: The data in this table is abstracted from Exhibit 1-A

the City of Corpus Christi, Texas

Table 2

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

	Fiscal Year				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Expenses					
Primary government					
Governmental activities					
General government	\$ 17,676,659	\$ 19,233,035	\$ 20,531,590	\$ 18,958,373	\$ 18,932,482
Police and municipal court	52,801,220	54,867,613	53,624,255	58,210,747	60,561,629
Fire	25,012,388	25,956,386	25,051,687	26,805,300	26,819,121
Ambulance	5,526,094	5,526,496	5,478,375	6,142,048	6,361,861
Emergency management	448,349	844,952	548,443	390,319	2,392,096
Inspections	1,746,315	1,680,337	1,795,333	1,547,147	1,805,234
Streets	15,139,933	18,895,098	19,667,552	19,393,011	21,438,339
Health	5,205,759	5,659,932	5,542,871	6,382,815	6,416,746
Parks and recreation	15,937,495	17,982,043	17,557,686	18,385,625	19,253,871
Libraries	4,814,281	5,336,567	4,992,771	4,611,585	4,596,041
Museums	1,308,938	1,343,444	1,473,214	1,422,397	1,521,829
Community enrichment	494,149	617,513	589,503	925,890	1,500,961
Community development	6,014,092	5,841,595	4,367,786	5,621,030	6,228,409
Convention and visitor activities	8,015,530	7,212,965	7,377,505	13,894,739	18,437,872
Interest on long-term debt	12,870,489	13,389,707	15,004,915	13,193,892	17,291,116
Total governmental activities	<u>173,011,691</u>	<u>184,387,683</u>	<u>183,603,486</u>	<u>195,884,918</u>	<u>213,557,607</u>
Business-type activities					
Solid Waste	13,497,621	12,533,282	11,723,823	14,390,390	11,872,414
Utilities					
Water	62,457,605	67,117,405	74,419,004	83,950,395	87,305,836
Gas	19,360,646	30,105,373	29,157,534	33,417,878	37,394,842
Wastewater	25,250,795	28,426,726	30,881,821	33,308,073	38,851,313
Airport	7,129,046	8,959,181	10,271,494	11,161,666	11,154,572
Golf Centers	2,041,632	2,061,485	1,817,627	1,794,576	1,795,616
Marina	1,273,958	1,236,838	1,208,005	1,261,117	1,381,124
Total business-type activities	<u>131,011,303</u>	<u>150,440,290</u>	<u>159,479,308</u>	<u>179,284,095</u>	<u>189,755,717</u>
Total primary government	<u>\$ 304,022,994</u>	<u>\$ 334,827,973</u>	<u>\$ 343,082,794</u>	<u>\$ 375,169,013</u>	<u>\$ 403,313,324</u>
Component units					
Convention and tourism	<u>\$ 2,163,873</u>	<u>\$ 2,383,287</u>	<u>\$ 2,432,688</u>	<u>\$ 2,599,473</u>	<u>\$ -</u>
Program revenue					
Governmental activities					
Charges for services					
General government	\$ 1,825,616	\$ 18,925,978	\$ 19,443,016	\$ 21,245,892	\$ 20,293,609
Public safety	9,653,790	10,268,928	7,832,085	14,548,068	16,365,087
Other activities	8,142,229	8,354,158	13,174,757	12,407,743	16,315,719
Operating grants and contributions	12,662,355	13,946,396	11,987,476	13,713,334	12,553,974
Capital grants and contributions	10,494,751	4,016,522	5,441,051	5,495,781	6,788,244
Total governmental activities program revenues	<u>42,778,741</u>	<u>55,511,982</u>	<u>57,878,385</u>	<u>67,410,818</u>	<u>72,316,633</u>

Note: In 2006 and 2005, the ambulance activity was included in the general fund. Prior years have not been restated.

the City of Corpus Christi, Texas

Table 2
(Continued)

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

	Fiscal Year				
	2002	2003	2004	2005	2006
Program revenue (continued)					
Business-type activities					
Charges for services					
Solid Waste	\$ 19,208,920	\$ 19,394,343	\$ 21,469,832	\$ 22,987,776	\$ 24,187,529
Utilities					
Water	60,880,266	65,534,811	74,937,669	82,332,283	84,775,949
Gas	22,184,588	31,540,322	30,639,162	33,835,399	40,274,507
Wastewater	30,927,823	32,859,510	36,177,877	39,458,482	36,284,201
Airport	6,859,874	8,117,196	9,120,533	9,752,728	9,908,494
Golf Centers	2,072,006	1,890,608	1,713,712	1,944,177	2,242,033
Marina	1,137,144	1,165,243	1,251,637	1,285,583	1,222,145
Operating grants and contributions	8,819,557	3,602,016	3,069,436	4,853,315	8,634,637
Capital grants and contributions	-	55,000	-	20,980	12,018,013
Total business-type activities program revenues	152,090,178	164,159,049	178,379,858	196,470,723	219,547,508
Total primary government program revenues	\$ 194,868,919	\$ 219,671,031	\$ 236,258,243	\$ 263,881,541	\$ 291,864,141
Net (expense) revenue					
Governmental activities	\$ (130,232,950)	\$ (128,875,701)	\$ (125,725,101)	\$ (128,474,100)	\$ (141,240,974)
Business-type activities	21,078,875	13,718,759	18,900,550	17,186,628	29,791,791
Total primary government net expenses	\$ (109,154,075)	\$ (115,156,942)	\$ (106,824,551)	\$ (111,287,472)	\$ (111,449,183)
General revenues and other changes in net assets					
Governmental activities					
Taxes					
Property taxes, levied for general purposes	\$ 42,265,643	\$ 44,750,554	\$ 46,191,431	\$ 51,358,047	\$ 50,834,041
Property taxes, levied for debt service	14,824,482	15,222,925	16,827,513	16,851,911	20,470,482
Sales and hotel occupancy taxes	45,306,088	55,287,909	61,382,884	64,624,269	70,669,949
Other taxes and business fees	26,029,495	--	--	--	--
Unrestricted investment earnings	3,364,910	3,024,981	2,167,309	2,932,063	5,423,353
Payment from primary government	--	--	--	--	--
Miscellaneous	1,424,665	--	--	--	--
Transfers	9,705,252	6,010,676	10,296,957	7,196,375	16,259,591
Total governmental activities	142,920,535	124,297,045	136,866,094	142,962,665	163,657,416
Business-type activities					
Unrestricted investment earnings	5,540,869	3,517,850	2,287,106	2,848,054	6,798,421
Transfers	(9,705,252)	(6,010,676)	(10,296,957)	(7,196,375)	(16,259,591)
Total business-type activities	(4,164,383)	(2,492,826)	(8,009,851)	(4,348,321)	(9,461,170)
Total primary government	\$ 138,756,152	\$ 121,804,219	\$ 128,856,243	\$ 138,614,344	\$ 154,196,246
Changes in Net Assets					
Governmental activities	\$ 12,687,585	\$ (4,578,656)	\$ 11,140,993	\$ 14,488,565	\$ 22,416,442
Business-type activities	16,914,492	11,225,933	10,890,699	12,838,307	20,330,621
Total primary government	\$ 29,602,077	\$ 6,647,277	\$ 22,031,692	\$ 27,326,872	\$ 42,747,063



City of
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Table 3

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

Year	Property tax	Sales tax	Hotel tax	Total
1997	\$ 48,291,023	\$ 27,152,489	\$ 4,645,400	\$ 80,088,912
1998	48,698,976	28,732,516	4,921,708	82,353,200
1999	49,877,349	29,641,048	5,086,016	84,604,413
2000	51,511,700	30,590,459	6,714,211	88,816,370
2001	52,555,675	32,051,919	6,471,438	91,079,032
2002	57,075,633	26,056,728	7,420,400	90,552,761
2003	59,973,478	47,393,030	7,894,879	115,261,387
2004	63,018,943	53,237,728	8,145,156	124,401,827
2005	68,209,958	56,303,645	8,320,624	132,834,227
2006	71,304,523	61,261,030	9,408,919	141,974,472

the City of Corpus Christi, Texas

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

	Fiscal Year			
	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
General fund				
Reserved	\$ 1,199,144	\$ 1,518,421	\$ 2,021,443	\$ 1,398,054
Unreserved	2,530,998	6,013,498	1,164,854	3,316,997
Total general fund	<u>\$ 3,730,142</u>	<u>\$ 7,531,919</u>	<u>\$ 3,186,297</u>	<u>\$ 4,715,051</u>
All other governmental funds				
Reserved	\$ 27,061,006	\$ 31,883,429	\$ 30,145,011	\$ 25,467,572
Unreserved, reported in:				
Debt service funds	10,607,206	8,094,820	8,847,914	9,236,156
Special revenue funds	1,324,876	(1,575,598)	(983,177)	1,645,729
Capital projects funds	24,914,195	21,363,106	13,004,647	6,849,024
Total all other governmental funds	<u>\$ 63,907,283</u>	<u>\$ 59,765,757</u>	<u>\$ 51,014,395</u>	<u>\$ 43,198,481</u>

Note: In 2006 and 2005, the ambulance activity was included in the general fund. Prior years have not been restated.

the City of Corpus Christi, Texas

Table 4

<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
\$ 2,209,702	\$ 2,743,442	\$ 1,992,177	\$ 2,354,362	\$ 2,003,587	\$ 2,477,879
8,159,676	10,944,746	10,943,268	13,367,581	18,437,527	24,534,599
<u>\$ 10,369,378</u>	<u>\$ 13,688,188</u>	<u>\$ 12,935,445</u>	<u>\$ 15,721,943</u>	<u>\$ 20,441,114</u>	<u>\$ 27,012,478</u>
\$ 36,518,759	\$ 41,729,212	\$ 96,950,987	\$ 82,631,409	\$ 48,296,146	\$ 46,933,550
8,185,892	8,532,088	7,936,187	7,144,072	4,777,336	5,834,111
(288,470)	9,781,597	15,719,849	16,974,681	21,145,467	26,358,642
34,621,301	67,313,163	67,009,735	41,950,925	89,208,498	67,191,943
<u>\$ 79,037,482</u>	<u>\$ 127,356,060</u>	<u>\$ 187,616,758</u>	<u>\$ 148,701,087</u>	<u>\$ 163,427,447</u>	<u>\$ 146,318,246</u>

the City of Corpus Christi, Texas

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

	Fiscal Year			
	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
Revenues				
Taxes and business fees	\$ 93,617,667	\$ 97,969,729	\$ 100,897,703	\$ 105,663,860
Licenses and permits	1,584,765	1,977,658	1,749,314	1,991,569
Intergovernmental	537,309	969,563	1,514,240	1,553,963
Grants	12,557,479	13,326,090	17,241,082	16,600,920
Charges for services	25,163,103	26,967,670	27,430,528	26,730,334
Fines and forfeitures	2,138,761	3,057,726	2,836,311	3,238,230
Deposits	-	-	-	-
Contributions and donations	535,674	35,223	567,539	1,838,030
Special assessments	455,252	383,241	460,075	277,221
Earnings on investments	3,196,060	2,694,479	2,320,138	1,618,102
Interest on loans	123,811	124,273	122,989	118,486
Change in fair value of investments	-	(30,711)	(158,539)	120,006
Payments from Lexington Museum Association	268,645	273,145	282,025	284,650
Payments from Las Carabelas Foundation	-	92,808	276,950	269,200
Payments from Corpus Christi Convention and Visitors Bureau	-	-	-	-
Payments from Texas State Aquarium	499,882	493,447	512,088	504,008
Payments from other agencies	9,025	13,575	14,225	13,575
Thermal energy rebate	103,850	-	-	-
Sale of city property	-	-	-	-
Recovery of prior years expenditures	-	-	-	-
Claim settlement	-	-	-	-
Naming rights	-	-	638,238	-
Miscellaneous	2,287,015	2,288,657	3,095,794	4,037,336
Total revenues	<u>143,078,298</u>	<u>150,636,573</u>	<u>159,800,700</u>	<u>164,859,490</u>
Expenditures				
General government	17,874,397	17,877,632	18,193,901	18,499,525
Public safety	54,624,041	59,007,585	64,384,420	64,623,972
Streets	8,894,029	9,323,629	9,047,340	9,671,249
Solid waste	12,011,743	10,994,641	12,593,994	13,645,632
Health	4,560,941	4,750,080	4,960,960	4,895,092
Community enrichment	21,937,485	25,942,251	27,413,609	27,358,068
Convention and visitors activities	1,885,414	-	-	-
Other	-	809,048	1,252,864	2,102,189
Capital projects	16,394,332	15,544,206	16,862,311	16,265,090
Debt service				
Principal retirement	14,615,400	13,769,600	16,291,803	16,558,068
Interest	7,242,405	6,225,340	6,507,686	6,049,570
Paying agent fees	-	1,933,986	-	-
Bond issue cost	8,260	1,919	7,679	5,589
Interest on interfund borrowings	-	-	-	-
Total expenditures	<u>160,048,447</u>	<u>166,179,917</u>	<u>177,516,567</u>	<u>179,674,044</u>
Excess (deficiency) of revenues over (under) expenditures	(16,970,149)	(15,543,344)	(17,715,867)	(14,814,554)

the City of Corpus Christi, Texas

Table 5

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
\$	110,813,865	\$ 128,411,216	\$ 131,623,695	\$ 140,974,351	\$ 148,183,043	\$ 158,452,760
	1,701,743	1,680,236	1,917,640	2,396,870	3,321,875	3,493,616
	1,321,649	-	-	-	-	--
	19,888,008	18,309,359	15,489,416	14,952,235	15,163,571	14,535,800
	25,635,388	29,342,087	30,268,143	34,531,641	41,306,241	50,520,423
	4,011,734	4,318,635	3,922,564	5,189,598	5,658,571	6,118,520
	--	79,219	340,917	103,674	605,095	1,093,803
	1,303,391	314,233	592,601	907,170	1,881,172	2,589,488
	366,819	225,863	225,768	274,427	154,380	118,526
	2,731,642	3,364,910	3,024,981	2,167,309	2,372,884	5,447,570
	107,291	108,825	103,108	93,839	254,651	31,771
	36,331	--	--	--	--	--
	276,585	268,390	190,120	181,125	283,800	352,849
	--	--	--	--	--	--
	202,151	219,320	249,223	241,786	252,841	272,234
	495,507	497,478	117,117	377,255	512,182	500,427
	12,900	12,900	12,900	12,900	11,425	7,425
	--	--	--	--	--	--
	--	111,923	108,627	6,035	6,413	3,230
	--	54,633	32,558	--	--	--
	816,676	3,451,221	1,171,565	3,000,000	--	--
	--	--	--	--	--	175,000
	<u>3,759,598</u>	<u>1,851,001</u>	<u>1,125,302</u>	<u>1,166,420</u>	<u>1,689,941</u>	<u>979,929</u>
	<u>173,481,278</u>	<u>192,621,449</u>	<u>190,516,245</u>	<u>206,576,635</u>	<u>221,658,085</u>	<u>244,693,371</u>
	16,680,997	12,968,280	13,753,127	16,221,322	18,096,800	18,961,633
	64,371,854	73,918,474	80,532,121	82,785,712	87,833,826	101,805,112
	9,137,705	10,452,285	10,531,232	12,107,029	10,989,960	13,056,076
	12,721,571	16,097,663	12,715,966	14,840,086	13,825,317	13,569,912
	4,460,371	4,874,857	5,329,227	5,536,134	6,417,300	6,452,124
	29,743,311	23,875,847	26,684,023	26,889,774	27,786,066	30,008,152
	--	7,152,823	5,836,428	6,164,876	10,887,455	13,794,220
	2,706,043	3,706,216	750,414	999,374	--	0
	20,610,405	26,205,474	30,908,856	82,358,053	70,456,764	46,907,032
	17,173,700	18,521,900	19,178,933	22,975,927	25,911,488	24,697,600
	5,581,069	8,896,238	10,175,576	12,660,246	12,954,911	15,746,138
	--	9,824	9,850	11,914	19,044	24,746
	9,558	1,198,739	2,110,181	1,006,357	2,132,781	589,508
	--	--	--	--	21,147	80,169
	<u>183,196,584</u>	<u>207,878,620</u>	<u>218,515,934</u>	<u>284,556,804</u>	<u>287,332,859</u>	<u>285,692,422</u>
	(9,715,306)	(15,257,171)	(27,999,689)	(77,980,169)	(65,674,774)	(40,999,051)

the City of Corpus Christi, Texas

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

	Fiscal Year			
	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
Other financing sources (uses)				
Capital leases	1,408,462	1,667,952	1,132,471	3,076,314
Notes payable	4,000,000	--	--	--
General obligation bonds issued	--	--	--	--
Revenue bonds issued	--	--	--	--
Certificate of obligation bonds issued	--	--	--	--
Refunding bonds issued	--	--	--	--
Refund on bond issue costs	--	--	--	--
Proceeds of refunding bonds	--	9,825,000	--	--
Premium on bonds sold	--	--	--	--
Discount on bonds issued	--	--	--	--
Payment to escrow agent for refunded bonds	--	--	--	--
Transfers in	14,424,727	14,451,568	13,100,046	13,339,005
Transfers out	<u>(6,648,511)</u>	<u>(10,811,289)</u>	<u>(9,145,708)</u>	<u>(7,887,925)</u>
Total other financing sources (uses)	<u>13,184,678</u>	<u>15,133,231</u>	<u>5,086,809</u>	<u>8,527,394</u>
Net change in fund balances	<u>\$ (3,785,471)</u>	<u>\$ (410,113)</u>	<u>\$ (12,629,058)</u>	<u>\$ (6,287,160)</u>
Debt service as a percentage of noncapital expenditures	15.22%	14.56%	14.20%	13.84%

Note: In 2006 and 2005, the ambulance activity was included in the general fund. Prior years have not been restated.

the City of Corpus Christi, Texas

Table 5
(Continued)

<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
2,087,995	4,448,062	1,735,104	3,083,773	2,032,704	2,917,492
--	9,000,000	2,150,000	--	--	--
--	--	--	--	60,000,000	--
--	44,641,271	80,739,862	27,065,000	4,100,000	2,900,000
9,229,090	--	--	6,901,632	14,914,122	18,605,000
26,376,000	11683849	23,855,037	--	--	--
--	--	--	--	--	19,952
18,296,494	--	--	--	60,685,564	--
--	--	--	751,185	--	--
--	--	--	(56,632)	--	(272,896)
(8,593,000)	(11,458,676)	(23,474,491)	--	(59,387,098)	--
13,429,064	13,015,889	15,682,295	15,717,877	14,400,438	12,291,674
(9,617,009)	(8,744,499)	(13,180,863)	(11,611,839)	(11,625,425)	(6,464,810)
<u>51,208,634</u>	<u>62,585,896</u>	<u>87,506,944</u>	<u>41,850,996</u>	<u>85,120,305</u>	<u>29,996,412</u>
<u>\$ 41,493,328</u>	<u>\$ 47,328,725</u>	<u>\$ 59,507,255</u>	<u>\$ (36,129,173)</u>	<u>\$ 19,445,531</u>	<u>\$ (11,002,639)</u>
14.00%	15.76%	16.78%	18.13%	18.92%	17.23%

Table 6

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

Fiscal Year	Property tax	Sales tax	Hotel tax	Business fees	Other taxes	Total
1997	\$ 48,291,023	\$ 27,152,489	\$ 4,645,400	\$ 11,841,084	\$ 1,687,671	\$ 93,617,667
1998	48,698,976	28,732,516	4,921,708	13,932,710	1,683,819	97,969,729
1999	49,877,349	29,641,048	5,086,016	14,596,050	1,697,240	100,897,703
2000	51,511,700	30,590,459	6,714,211	15,150,930	1,696,560	105,663,860
2001	52,555,675	32,051,919	6,471,438	17,895,243	1,839,590	110,813,865
2002	57,075,633	32,674,742	7,420,400	17,221,953	802,386	115,195,114
2003	59,935,265	45,677,489	7,894,879	16,119,482	1,996,580	131,623,695
2004	63,647,829	51,266,141	8,145,156	15,943,638	1,971,587	140,974,351
2005	67,482,260	55,236,059	8,320,624	16,076,514	1,067,586	148,183,043
2006	71,213,224	60,092,032	9,408,919	16,569,587	1,168,998	158,452,760

the City of Corpus Christi, Texas

Table 7

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

Fiscal Year Ended July 31	Tax Year	Net Taxable Assessed Value		Less: Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
		Real Property	Personal Property					
1997	1996	5,901,861,186	843,698,758	992,859,029	5,752,700,915	0.6237260	7,057,072,731	81.52%
1998	1997	6,100,991,061	864,907,875	1,032,101,534	5,933,797,402	0.6237260	7,295,181,367	81.34%
1999	1998	6,355,721,067	870,324,797	1,069,002,240	6,157,043,624	0.6237260	7,591,733,133	81.10%
2000	1999	6,549,804,068	912,781,136	1,115,253,045	6,347,332,159	0.6237260	7,829,632,259	81.07%
2001	2000	6,722,202,669	929,854,734	1,181,650,037	6,470,407,366	0.6237260	8,077,929,844	80.10%
2002	2001	7,019,540,276	1,009,784,779	1,227,769,104	6,801,555,951	0.6441745	8,435,234,205	80.63%
2003	2002	7,425,008,625	1,001,648,102	1,284,903,330	7,141,753,397	0.6441745	8,922,477,009	80.04%
2004	2003	7,926,634,055	1,021,262,343	1,344,306,296	7,603,590,102	0.6441745	9,525,269,802	79.83%
2005	2004	8,465,741,365	1,173,820,407	1,411,965,504	8,227,596,268	0.6341750	10,272,935,304	80.09%
2006	2005	11,121,034,392	1,230,303,736	1,872,808,840	10,478,529,288	0.6257990	12,351,338,128	84.84%

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.

Source: Nueces County Appraisal District

the City of Corpus Christi, Texas

**CITY OF CORPUS CHRISTI, TEXAS
PROPERTY TAX RATES -
DIRECT AND OVERLAPPING GOVERNMENTS
PER \$100 VALUATION
FISCAL YEARS ENDED 1997 THROUGH 2006**

Fiscal Year	Tax Year	City of Corpus Christi General Fund	City of Corpus Christi Debt Service	Total City of Corpus Christi	Calallen ISD	Corpus Christi ISD	Corpus Christi Junior College District	Flour Bluff ISD	London ISD
1997	1996	0.444536	0.179190	0.623726	1.570000	1.458000	0.207811	1.439471	--
1998	1997	0.444536	0.179190	0.623726	1.570000	1.518000	0.207811	1.439471	--
1999	1998	0.449336	0.174390	0.623726	1.570000	1.555000	0.207811	1.496720	--
2000	1999	0.468133	0.155593	0.623726	1.485810	1.500000	0.220466	1.491920	--
2001	2000	0.463133	0.160593	0.623726	1.524170	1.570000	0.220466	1.526200	--
2002	2001	0.457523	0.186652	0.644175	1.599830	1.570000	0.219880	1.526200	--
2003	2002	0.460031	0.184144	0.644175	1.594900	1.590000	0.219880	1.526200	1.260000
2004	2003	0.466554	0.177621	0.644175	1.599000	1.590000	0.235660	1.526200	1.255000
2005	2004	0.460000	0.174175	0.634175	1.599000	1.620000	0.233800	1.526200	1.249000
2006	2005	0.426624	0.199175	0.625799	1.430000	1.486000	0.255723	1.386650	1.277300

Note: Data presented is received from various government agencies.

the City of Corpus Christi, Texas

Table 8

Nueces County	Nueces County Farm Roads and Flood Control	Nueces County Emergency Services District 1	Nueces County Hospital District	Port of Corpus Christi Authority	Nueces County Water Control Improv. District 4	Port Aransas ISD	Robstown ISD	Tuloso Midway ISD	West Oso ISD	Total
0.334585	0.002488	0.022535	0.241700	0.027190	0.077850	1.440000	--	1.562050	1.510000	10.517406
0.334585	0.002488	0.022535	0.233159	0.027853	0.079310	1.440000	--	1.562050	1.510000	10.570988
0.334585	0.002488	0.022535	0.228028	0.026593	0.076400	1.440000	--	1.592050	1.510000	10.685936
0.344622	0.002563	0.030000	0.228028	0.024797	0.066818	1.420295	--	1.672050	1.480000	10.591095
0.352742	0.002738	0.030000	0.228028	0.023718	0.062498	1.449057	--	1.750050	1.540000	10.903393
0.350242	0.005238	0.060000	0.228028	0.002117	0.050000	1.462000	--	1.739700	1.540000	10.997410
0.360922	0.005396	0.060000	0.228028	--	--	1.536300	1.614000	1.727000	1.540000	13.906801
0.379693	0.005688	0.060000	0.228028	--	--	1.560458	1.614000	1.724700	1.570000	13.992602
0.424200	0.005500	0.060000	0.225000	--	--	1.557800	1.714000	1.724700	1.900000	14.473375
0.365932	0.004746	0.075000	0.160715	--	--	1.394582	1.584000	1.612200	1.650000	13.308647

Table 9

**CITY OF CORPUS CHRISTI, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
JULY 31, 2006 AND JULY 31, 1997**

Name of Taxpayer	2006			1997		
	Assessed Valuation	Rank	Percentage Of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage Of Total Taxable Assessed Value
American Electric Power Texas Central Co.	\$ 169,810,000	1	1.62%	--		
H. E. Butt Grocery Company	68,814,898	2	0.66%	103,353,675	3	1.48%
Markwest Energy Partners LP	67,975,610	3	0.65%	--		--
Padre Staples Mall, LP	63,438,255	4	0.61%	--		--
Southwestern Bell Telephone Company	59,661,690	5	0.57%	93,635,793	4	1.34%
Bay Area Healthcare	58,248,024	6	0.56%	--		--
Wal-Mart Stores	49,704,759	7	0.47%	--		--
Sabco Operating Company	36,547,710	8	0.35%	--		--
TRT Development Company	36,542,518	9	0.35%	42,444,377	8	0.61%
Flint Hills Res LP	32,805,482	10	0.31%	--		--
Columbia Bay Area Realty, Ltd.	--		0.00%	85,814,416	5	1.23%
Wal-Mart Properties, Inc.	--		0.00%	129,016,520	2	1.85%
Central Power & Light Company	--		0.00%	196,314,052	1	2.82%
Hoechst Cel-Chem Group	--		0.00%	65,873,170	6	0.95%
Coastal Javelina Company	--		0.00%	61,716,075	7	0.89%
Koch Refining Company	--		0.00%	35,580,496	9	0.51%
Camden Property Trust	--		0.00%	31,515,834	10	0.45%
	<u>\$ 643,548,946</u>		<u>6.14%</u>	<u>\$ 845,264,408</u>		<u>12.13%</u>

Source: Nueces County Appraisal District

Table 10

**CITY OF CORPUS CHRISTI, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
FISCAL YEAR ENDED 2006**

Fiscal Year Ended July 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy			Collections in Subsequent Years (1)	Total Collections to Date	
		Tax Levy	Percentage			Amount	Percentage of Levy
			Amount	of Levy			
1997	1996	42,073,811	40,754,134	96.86%	1,143,479	41,897,613	99.58%
1998	1997	43,448,123	41,928,010	96.50%	1,251,909	43,179,919	99.38%
1999	1998	45,070,727	43,379,465	96.25%	1,056,723	44,436,188	98.59%
2000	1999	46,546,084	44,836,825	96.33%	1,256,701	46,093,526	99.03%
2001	2000	47,727,871	45,900,923	96.17%	1,200,467	47,101,390	98.69%
2002	2001	51,722,865	49,683,646	96.06%	1,509,804	51,193,450	98.98%
2003	2002	54,282,374	52,161,807	96.09%	1,631,724	53,793,531	99.10%
2004	2003	57,640,112	55,417,905	96.14%	1,575,879	56,993,784	98.88%
2005	2004	61,131,691	58,864,317	96.29%	1,829,112	60,693,429	99.28%
2006	2005	65,237,253	62,656,806	96.04%	1,684,900	64,341,706	98.63%

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



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Table 11

**CITY OF CORPUS CHRISTI, TEXAS
ADOPTED TAX RATE
FISCAL YEARS ENDED 1997 THROUGH 2006**

Fiscal Year Ended July 31	Tax Year	Total Assessed Valuation	Assessments Rate	Gross Tax Rate (1)
1997	1996	7,904,680,232	100%	0.6237260
1998	1997	8,175,647,192	100%	0.6237260
1999	1998	8,477,723,058	100%	0.6237260
2000	1999	8,752,587,482	100%	0.6237260
2001	2000	9,018,221,819	100%	0.6237260
2002	2001	9,468,571,229	100%	0.6441750
2003	2002	9,970,342,480	100%	0.6441750
2004	2003	10,617,256,485	100%	0.6441750
2005	2004	11,464,420,164	100%	0.6341750
2006	2005	10,488,024,828	100%	0.6257990

(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.

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

Fiscal Year Ended July 31	Governmental Activities				
	General Obligation Bonds	Certificates of Obligation	Revenue Bonds	Capital Leases	Other Notes Payable
1997	107,232,616	24,160,000	--	6,131,655	708,801
1998	100,595,338	32,165,000	--	5,679,267	585,470
1999	93,584,259	30,775,000	--	4,844,973	517,717
2000	84,876,424	29,075,000	--	5,817,440	442,931
2001	114,965,327	34,715,000	--	6,234,140	363,503
2002	109,164,376	31,110,000	43,960,000	6,956,538	9,363,645
2003	109,222,449	52,675,000	95,645,000	8,716,166	6,424,643
2004	100,489,139	57,110,000	120,910,000	7,378,760	6,001,404
2005	162,079,446	34,990,000	121,485,000	5,923,899	4,796,465
2006	149,085,000	32,480,000	120,810,000	6,525,617	4,360,000

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

the City of Corpus Christi, Texas

Table 12

Fiscal Year	Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	Revenue Bonds Payable	Certificates of Obligation	Capital Leases	Utility Notes			
1997	241,800,000	--	--	135,775,189	515,808,261	1.59%	0.06%
1998	236,115,000	--	488,327	173,515,564	549,143,966	1.57%	0.05%
1999	283,160,000	--	1,152,488	182,961,759	596,996,196	1.49%	0.05%
2000	274,490,000	--	1,068,636	180,474,498	576,244,929	1.62%	0.05%
2001	328,640,000	--	978,072	179,962,651	665,858,693	1.46%	0.04%
2002	316,768,796	--	4,868,267	179,085,859	701,294,466	1.43%	0.04%
2003	392,468,699	--	3,420,504	177,907,801	846,492,366	1.23%	0.03%
2004	375,633,482	--	5,119,476	176,221,133	848,869,790	1.32%	0.03%
2005	407,805,891	25,660,000	4,529,354	174,136,591	941,407,936	1.25%	0.00%
2006	453,850,000	44,025,000	3,277,956	171,604,070	986,017,643	1.14%	0.00%

the City of Corpus Christi, Texas

Table 13

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

<u>Fiscal Year Ended July 31</u>	<u>General Obligation Bonds</u>	<u>Certificates of Obligation</u>	<u>Less Amounts Available in Debt Service Funds</u>	<u>Total</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita (1)</u>
1996-1997	\$ 138,116,419	\$ 24,160,000	\$ 12,268,110	\$ 150,008,309	2.1256%	526.65
1997-1998	130,750,198	32,165,000	11,402,551	151,512,647	2.0769%	525.05
1998-1999	121,937,405	30,775,000	12,878,565	139,833,840	1.8419%	472.54
1999-2000	111,727,804	29,075,000	11,747,384	129,055,420	1.6483%	465.14
2000-2001	139,646,532	34,715,000	12,079,370	162,282,162	2.0090%	579.11
2001-2002	176,333,265	43,125,289	11,285,112	208,173,442	2.4679%	744.06
2002-2003	125,026,066	52,675,000	12,005,625	165,695,441	1.8571%	576.75
2003-2004	110,368,088	57,110,000	11,259,740	156,218,348	1.6400%	538.38
2004-2005	164,261,347	34,990,000	10,328,565	188,922,782	1.8390%	644.52
2005-2006	149,085,000	32,480,000	10,255,911	171,309,089	1.3870%	571.79

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

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

the City of Corpus Christi, Texas

Table 14

**CITY OF CORPUS CHRISTI, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JULY 31, 2006**

City	Net Direct Debt		Estimated % of Debt Applicable	Estimated Share of Overlapping Debt
	Amount	As of		
City of Corpus Christi, Texas - direct	\$ 125,526,598	7/31/2006	100.00%	\$ 125,526,598
County				
Nueces County (excluding special districts)	102,182,213	7/31/2006	37.05%	37,858,510
School District				
Calallen Independent School District	1,694,865	7/31/2006	39.77%	674,048
Corpus Christi Independent School District	67,124,367	7/31/2006	94.22%	63,244,579
Flour Bluff Independent School District	8,395,251	7/31/2006	85.45%	7,173,742
London Independent School District	3,764,813	7/31/2006	3.83%	144,192
Port Aransas Independent School District	14,243,795	7/31/2006	70.08%	9,982,052
Robstown Independent School District	27,503,013	7/31/2006	0.13%	35,754
Tuloso-Midway Independent School District	25,983,113	7/31/2006	50.16%	13,033,129
West Oso Independent School District	22,823,277	7/31/2006	32.16%	7,339,966
Other				
Corpus Christi Junior College District	122,579,869	7/31/2006	92.14%	112,945,091
Nueces County Hospital District	14,061,403	7/31/2006	37.05%	5,209,750
Total overlapping debt	410,355,979			257,640,813
Total direct and overlapping debt	<u>\$ 535,882,577</u>			<u>\$ 383,167,411</u>

NOTE A: It is estimated that \$110,864,698 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 B: The computation of self-supporting debt is as follows:
The Outstanding self-supporting tax debt of \$110,864,698 is 45.8% of the total outstanding tax debt. The total interest and redemption fund is \$10,255,911. After deducting 45.8% of \$10,255,911 or \$4,697,207 which applies to self-supporting debt, the balance of the interest and sinking applicable to tax supported debt is \$5,558,703.

the City of Corpus Christi, Texas

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

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Debt limit	\$ 790,468,023	\$ 817,564,719	\$ 847,772,306	\$ 875,258,748	\$ 901,822,182
Total net debt applicable to limit	<u>12,268,110</u>	<u>11,402,551</u>	<u>12,878,565</u>	<u>11,747,384</u>	<u>12,079,370</u>
Legal debt margin	<u>\$ 778,199,913</u>	<u>\$ 806,162,168</u>	<u>\$ 834,893,741</u>	<u>\$ 863,511,364</u>	<u>\$ 889,742,812</u>
Total net debt applicable to the limit as a percentage of debt limit	1.55%	1.39%	1.52%	1.34%	1.34%

(1) Assessed value for 2005 tax year (fiscal year 2006) is based on the appraised value of property prior to any deductions for exemptions. The assessed value is derived from the certified valuations provided by the Nueces County Tax Appraisal District as of July 31, 2006

the City of Corpus Christi, Texas

Table 15

<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
\$ 946,857,123	\$ 997,034,248	\$ 1,061,725,649	\$ 1,146,442,016	\$ 1,235,133,813
<u>11,285,112</u>	<u>12,005,625</u>	<u>110,368,088</u>	<u>219,897,782</u>	<u>227,194,089</u>
<u>\$ 935,572,011</u>	<u>\$ 985,028,623</u>	<u>\$ 951,357,561</u>	<u>\$ 926,544,234</u>	<u>\$ 1,007,939,724</u>
1.19%	1.20%	10.40%	19.18%	18.39%

LEGAL DEBT MARGIN CALCULATION FOR FISCAL YEAR 2006

Assessed value (1)	\$ 12,351,338,128
Debt limit (10% of total assessed value)	1,235,133,813
Debt applicable to limit:	
Gross Bonded Debt	237,450,000
Less: Net assets in Debt Service Fund	<u>10,255,911</u>
Total net debt applicable to limit	<u>227,194,089</u>
Legal debt margin	<u>\$ 1,007,939,724</u>

the City of Corpus Christi, Texas

Table 16

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

Fiscal Year	Utility System Revenue Bonds					
	Gross Revenue	Adjusted (1, 2) Operating Income Deductions	Net Revenue Available for Debt Service	Average Annual Debt Service Requirements		
				Principal	Interest	Coverage
1997	92,419,054	58,621,496	33,797,558	5,880,000	3,230,217	3.71
1998	93,675,572	58,159,310	35,516,262	5,925,294	3,050,136	3.96
1999	103,551,830	66,608,408	36,943,422	7,525,500	3,786,958	3.27
2000	122,631,232	71,213,069	51,418,163	7,583,250	3,591,798	4.60
2001	138,403,272	93,263,739	45,139,533	9,431,316	4,480,007	3.24
2002	115,312,497	80,330,621	34,981,876	9,470,000	4,217,669	2.56
2003	128,063,246	90,540,742	37,522,504	13,146,316	6,096,334	1.95
2004	133,214,799	95,996,767	37,218,032	13,143,055	5,749,795	1.97
2005	149,924,365	114,931,084	34,993,281	14,363,500	6,502,980	1.68
2006	169,845,386	124,064,017	45,781,369	17,004,500	7,802,794	1.85

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

Fiscal Year	Airport Revenue Bonds					
	Gross Revenue	Adjusted (2) Operating Income Deductions	Net Revenue Available for Debt Service	Average Annual Debt Service Requirements		
				Principal	Interest	Coverage
2001	8,382,606	4,819,174	3,563,432	781,034	791,075	2.27
2002	6,216,202	5,392,659	823,543	808,929	776,227	0.52
2003	7,565,145	6,038,848	1,526,297	824,815	760,279	0.96
2004	8,607,001	6,257,371	2,349,630	841,346	746,791	1.48
2005	9,240,844	6,752,183	2,488,661	858,400	726,727	1.57
2006	9,643,668	7,514,851	2,128,817	876,042	709,062	1.34

the City of Corpus Christi, Texas

Table 17

**CITY OF CORPUS CHRISTI, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
FISCAL YEARS ENDED 1995 THROUGH 2006**

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)	Median Age (3)	Education Level in Years of Formal Schooling (4)	School Enrollment Rate (5)	Unemployment Rate (6)
1997	284,836	\$ 8,203,490	\$ 20,381	31.1	–	41,606	8.3
1998	288,570	8,617,486	21,340	27.5	–	40,975	7.5
1999	295,920	8,870,496	21,948	32.5	–	40,290	7.4
2000	277,454	9,348,023	23,182	32.7	12.4	39,618	6.8
2001	280,228	9,706,189	24,141	33.2	–	39,138	6.3
2002	279,780	10,014,443	24,763	32.2	12.7	39,383	6.7
2003	287,290	10,438,622	25,696	33.6	–	39,268	7.1
2004	290,163	11,199,871	27,340	33.2	12.7	39,310	6.7
2005	293,122	11,802,000	28,539	34.2	–	38,978	5.4
2006	299,602	11,199,871	33,904	34.7	–	36,158 *	5.7

Source:

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



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Table 18

CITY OF CORPUS CHRISTI, TEXAS
PRINCIPAL EMPLOYERS
JULY 31, 2006 AND JULY 31, 1997

Employer	2006			1997 *		
	Number of Employees	Rank	Percent of Total City Employment	Number of Employees	Rank	Percent of Total City Employment
Corpus Christi ISD	5,500	1	4.04%	--	--	--
Naval Air Station Corpus Christi	5,404	2	3.97%	--	--	--
Christus Spohn Health System	4,500	3	3.30%	--	--	--
Columbia Healthcare Corp.	2,882	4	2.12%	--	--	--
Corpus Christi Army Depot	2,654	5	1.95%	--	--	--
Bay, Inc.	2,500	6	1.83%	--	--	--
H.E.B.	2,200	7	1.61%	--	--	--
City of Corpus Christi	2,007	8	1.47%	--	--	--
Del Mar College	1,680	9	1.23%	--	--	--
APAC Teleservices	1,200	10	0.88%	--	--	--
Total			22.40%	--	--	--

Source: Corpus Christi Regional Economic and Development

* Information for 1997 not available

the City of Corpus Christi, Texas

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

Function	1997	1998	1999	2000	2001
General Fund					
Mayor	2.00	2.00	2.00	2.00	2.00
ACM - administrative services	2.00	2.00	2.00	2.00	2.00
ACM - development services	--	--	--	--	--
Capital budget	3.00	3.00	2.00	--	--
City attorney	23.00	24.00	24.50	25.00	21.00
City manager	5.00	3.00	3.00	6.00	5.00
City secretary	7.00	7.00	7.00	7.00	7.00
Communications and quality management	3.00	5.00	5.00	4.0	4.0
Community development	47.00	48.50	48.00	47.0	43.0
Development services	2.0	2.00	2.00	2.0	--
Neighborhood services	27.0	28	30.00	--	--
Economic development office	--	--	--	--	--
Engineering - special services	--	--	--	--	--
Engineering	70.00	78.00	10.00	11.00	17.00
Inspections	--	--	--	--	--
Financial services	138.00	143.00	148.00	142.00	139.00
Fire	325.60	325.60	325.60	325.60	325.80
Health	125.10	122.10	118.10	76.13	65.63
Human relations	5.50	5.00	5.00	6.00	4.00
Human resources	50.00	50.30	53.30	24.25	20.25
Internal audit	3.00	3.00	3.00	3.00	--
Libraries	78.50	81.00	81.00	70.50	66.50
Management and budget	7.00	5.00	5.00	9.50	8.00
Materials management	9.00	9.00	9.00	8.00	--
Municipal court - administration	38.00	49.00	50.00	54.00	48.00
Municipal court - judicial	7.50	8.50	7.50	5.50	4.00
Museum	29.00	28.80	27.80	23.80	21.30
Office of Intergovernmental Relations a					
Community Development	--	--	--	--	3.0
Parks and recreation	344.60	329.10	333.90	292.78	280.76
Planning	27.00	26.00	26.00	19.0	17.0
Police	607.50	622.00	656.00	682.50	605.50
Public information	--	--	--	--	--
Risk management	13.0	13.00	12.00	11.00	--
Street and solid waste services	383.00	371.00	381.00	395.00	378.00
Total	2,382.30	2,393.90	2,377.70	2,254.56	2,087.74

Table 19

2002	2003	2004	2005	2006
2.00	2.00	2.00	2.00	2.00
2.00	2.00	1.00	1.00	1.00
--	3.00	2.00	2.00	2.00
--	--	--	--	--
21.00	23.00	25.00	25.00	26.00
5.00	5.00	3.00	3.00	3.00
8.00	7.00	7.00	7.00	7.00
4.00	--	--	--	--
43.00	--	--	--	--
--	--	--	--	--
--	17	23.00	23.40	18.80
--	--	2.00	2.00	1.00
17.00	6.00	--	9.00	8.00
--	10.00	9.00	--	--
--	28.00	--	--	--
145.00	139.00	56.00	56.00	56.00
332.80	352.80	356.00	356.00	424.00
66.63	69.63	68.63	68.00	69.50
5.00	5.00	6.00	7.00	6.00
20.38	18.75	19.75	19.75	20.75
--	--	--	--	--
67.50	67.50	67.50	67.50	67.50
8.00	10.00	9.00	9.00	8.00
--	--	--	--	--
51.00	51.00	44.00	44.00	35.00
4.00	4.50	7.50	21.00	43.30
25.80	26.30	25.60	24.10	22.50
3.00	--	--	--	--
280.37	286.51	283.21	283.18	293.08
17.00	17.00	--	--	--
614.50	616.50	613.50	613.50	601.50
--	2.00	3.00	3.00	3.00
--	--	--	--	--
374.00	338.00	310.00	315.00	292.00
<u>2,116.98</u>	<u>2,107.29</u>	<u>1,943.69</u>	<u>1,961.43</u>	<u>2,010.93</u>

the City of Corpus Christi, Texas

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

Function	1997	1998	1999	2000	2001
Enterprise Funds					
Aviation	84.30	84.30	86.8	87.00	89.00
Ambulance	61.00	61.00	61.00	61.00	61.0
Development Services	--	--	--	--	--
Golf Centers	35.90	32.80	32.80	32.50	32.50
Marina	15.60	15.50	17.40	18.40	16.40
Visitor's Facilities Fund	40.00	40.00	40.00	40.00	40.0
Gas	140.60	146.60	154.50	155.50	151.00
Wastewater	223.00	230.00	238.00	228.00	196.00
Water	212.00	219.50	234.50	239.00	202.50
Utility Business Office	--	--	--	--	--
Utility Field Services	--	--	--	--	--
Engineering	--	6.0	68.00	68.1	--
Storm Water	57.00	67.00	81.00	85.00	85.00
Total	869.40	902.70	1,014.00	1,014.50	873.40
Internal Service Funds					
Engineering	--	--	--	--	57.10
Liability and employee benefits fund	--	--	--	--	11.0
Maintenance service	90.00	89.00	95.00	91.00	97.00
Municipal information system	39.00	44.00	27.00	29.00	47.00
Stores	10.00	10.00	10.00	10.00	10.00
Total	139.00	143.00	132.00	130.00	222.10
Special Revenue Funds					
Visitor's facilities fund	--	--	--	--	--
Crime Control	--	--	--	--	74.0
Local Emergency Planning Committee	1.00	1.00	1.00	1.00	1.00
Total	1.00	1.00	1.00	1.00	75.00
Total operating budget FTE's	3,391.70	3,440.60	3,524.70	3,400.06	3,258.24

Source: City of Corpus Christi Office of Management and Budget

Table 19
(Continued)

<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
91.75	93.75	95.75	96.75	93.75
61.00	68.00	68.00	68.00	--
--	--	54.00	54.00	57.00
32.50	32.50	30.50	30.50	22.00
16.50	16.50	16.50	16.50	16.50
40.00	-	--	--	--
148.00	--	148.80	148.80	148.80
178.00	178.00	177.00	177.00	177.00
179.50	180.00	180.00	177.00	174.00
--	--	27.00	74.00	19.00
--	--	45.00	--	44.00
--	--	--	--	--
<u>85.00</u>	<u>85.00</u>	<u>85.00</u>	<u>85.00</u>	<u>85.00</u>
832.25	653.75	927.55	927.55	837.05
57.10	57.10	57.10	57.10	57.10
13.0	14.0	13.0	14.0	14.0
96.00	99.00	97.00	99.00	99.00
47.00	50.00	71.00	75.00	93.00
<u>10.00</u>	<u>8.00</u>	<u>8.00</u>	<u>8.00</u>	<u>8.00</u>
223.10	228.10	246.10	253.10	271.10
--	40.00	35.0	11.0	1.0
80.50	76.10	65.1	62.1	65.6
<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>
<u>81.50</u>	<u>117.10</u>	<u>101.10</u>	<u>74.10</u>	<u>67.60</u>
<u><u>3,253.83</u></u>	<u><u>3,106.24</u></u>	<u><u>3,218.44</u></u>	<u><u>3,216.18</u></u>	<u><u>3,186.68</u></u>



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Table 20

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

Function	2002	2003	2004	2005	2006
Police					
Physical arrests	n/a	n/a	n/a	5,214	4,792
Parking violations	n/a	n/a	n/a	n/a	n/a
Traffic violations	n/a	n/a	n/a	64,449	57,478
Number of commissioned police officers	448	448	448	448	448
Number of employees - police officers and civilians	667	674	674	678	671
Officers per 1000 population	1.60	1.56	1.54	1.53	1.49
School crossing guards	83	83	83	83	87
Fire					
Number of calls answered	1,219	1,200	1,000	1,219	1,000
Inspections	3,659	3,000	3,500	3,659	3,000
Number of firefighters	379	394	395	383	383
Number of employees - firefighters and civilians	399	414	418	402	400
Employees per 1,000 population	0.84	1.44	1.51	1.37	1.37
State Fire Insurance Credit Rating	Class 4				
Streets					
Street resurfacing (miles)					
Potholes repaired	51,622	50,000	60,000	75,024	75,000
Parks and recreation					
Athletic field permits issued	n/a	n/a	n/a	n/a	22,240
Community center admissions	n/a	n/a	n/a	n/a	n/a
Libraries					
Number of volumes	394,177	413,308	446,830	394,666	394,666
Circulation	1,155,516	1,096,084	1,149,994	1,155,516	1,191,605
Library cards in force	144,755	189,896	124,624	144,755	150,552
Computer usage, sessions	703,494	491,512	524,400	703,494	1,044,617
Solid Waste					
Refuse collected (tons/day)	299	325	325	364	389
Recyclables collected (tons/day)	62	57	53	12	13
Water					
New connections	n/a	n/a	n/a	1,302	1,358
Water main breaks	n/a	n/a	n/a	2,400	2,617
Average daily gallons treated & raw water sold	80,000,000	96,953,488	90,770,847	97,685,942	106,251,600
Average daily consumption per capita (gallons)	120	120	122	123	121
Gas					
Average daily consumption (mcf)	9,602	9,954	8,964	9,064	8,438
Wastewater					
Average daily sewage treatment (thousands of gallons)	28,403	n/a	n/a	n/a	n/a
Airport					
Number of airports	1	1	1	1	1
Number of acres	2,571	2,428	2,428	2,574	2,574

Sources: Various city departments

the City of Corpus Christi, Texas

Table 21

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

Function	2002	2003	2004	2005	2006
General government					
Buildings: (City owned)					
Total square footage, approximate	2,185,079	2,185,079	2,850,000	2,864,000	2,864,000
Police					
Stations	4	4	4	4	4
Patrol units	298	298	301	301	295
Area of responsibility - land area (square miles)	147.10	150.48	150.48	150.48	150.48
Fire					
Fire stations	15	16	16	16	16
Fire apparatus	38	38	39	30	30
Other motorized vehicles	67	67	62	77	77
Number of fire hydrants	8,000	8,000	8,300	8,300	8,400
Streets					
Streets (miles)	1,094	1,095	1,097	1,103	1,103
Streetlights	14,298	14,455	14,670	16,308	16,308
Libraries					
Number of libraries	5	5	5	5	5
Parks and recreation					
Parks acreage	1,408	1,580	1,408	1,408	1,418
Parks	189	190	189	189	189
Swimming pools	10	10	10	9	9
Tennis courts	43	49	49	49	37
Community centers	5	5	5	5	5
Park acreage partially developed	172	172	171	178	171
Playgrounds	139	139	139	139	128
Municipal beaches	4	4	4	4	4
Baseball diamonds	1	1	1	1	1
Softball diamonds	10	10	5	5	5
Senior centers	8	8	8	8	8
Gymnasiums	2	2	2	2	2
Covered basketball courts	2	2	2	1	3
Water					
Water mains (miles)	1,950	1,950	1,445	1,533	1,533
Fire hydrants	8,000	8,000	8,300	8,300	8,400
Maximum daily capacity (thousands of gallons)	112,000	110,000	110,000	109,000	110,000
Water connections - active	80,083	80,083	82,944	82,467	83,785
Storm water drainage ditches (miles)	865	865	865	865	865
Storm water underground pipe (miles)	1,000	1,000	1,000	1,000	1,000

the City of Corpus Christi, Texas

Table 21
(Continued)

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

Function	2002	2003	2004	2005	2006
Gas					
Gas mains (miles)	1,251	1,262	1,279	1,288	1,291
Gas connections - active	n/a	54,413	55,789	53,461	53,989
Wastewater					
Sanitary sewers (miles)	1,262	1,268	1,292	1,220	1,243
Maximum daily treatment capacity (thousands of gallons)	44,700	44,700	44,700	44,700	44,700
Sewer connections	n/a	81,966	78,788	78,837	80,725
Lift stations	98	99	93	91	96
Airport					
Length of main runways	13,588	13,588	13,588	13,588	13,588
Scheduled airline arrivals and departures per year	17,844	16,640	20,228	19,704	19,689
Passengers enplaning and deplaning (including commercial helicopters)	777,530	758,846	789,830	854,606	890,800
Golf centers					
Municipal golf courses	2	2	2	2	2
Municipal golf links - acres	378	378	378	378	378
Marina					
Marina slips	580	580	558	451	456

Table 22

MISCELLANEOUS STATISTICAL DATA
FISCAL YEAR ENDED JULY 31, 2006

GOVERNMENT: (1)

Date of incorporation

Charter:

Revised

Revised

Revised

Revised

Revised

Revised

Revised

Revised

1852

July 13, 1968

September 15, 1970

January 22, 1975

April 5, 1980

August 11, 1984

April 4, 1987

January 19, 1991

April 3, 1993

Form of government:

Fiscal year begins

Number of City employees

August 1st

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

504.3

POPULATION:

Year

Trade Area

Population

1950

293,661

108,053

1960

382,423

167,690

1970

359,523 (A)

204,525

1980

400,500

232,134

ELEVATION:

Sea level to 85 feet

TEMPERATURE:

84.74 maximum average

63.88 minimum average

74.31 mean average

SEASONAL RAINFALL

27.86 inches for fiscal year ended 7-31-06

Source:

(1) City Staff

(2) Port of Corpus Christi

the City of Corpus Christi, Texas

Table 22
(Continued)

MISCELLANEOUS STATISTICAL DATA
FISCAL YEAR ENDED JULY 31, 2006

PORT OF CORPUS CHRISTI: (2)

Tonnage handled through the Port during the year 2005

Number of ships handled during the year 2005

Number of barges handled during the year 2005

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 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>28</u>	

Source:

(1) City Staff

(2) Port of Corpus Christi

the City of Corpus Christi, Texas

Table 23

**CITY PAYROLL STATISTICS
FISCAL YEARS ENDED 1997 THROUGH 2006**

Fiscal Year	Salaries	Social Security & Medicare	Texas Municipal Retirement System	Fire Fighters' Retirement System Plan	Total Paid	Number Employees Last Payday of Year
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
2005 - 2006	124,601,361	5,903,267	13,853,273	2,795,774	147,153,675	3,183

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

the City of Corpus Christi, Texas

Table 24

**RETIREMENT SYSTEM PENSION DATA
FISCAL YEARS ENDED 1997 THROUGH 2005**

TEXAS MUNICIPAL RETIREMENT SYSTEM PENSION DATA

<u>Fiscal Year</u>	<u>Unfunded Pension Plan Liability</u>	<u>Pension Plan Receipts</u>	<u>Pension Plan Assets</u>	<u>Pension Benefits Paid</u>	<u>Investment Income</u>
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	32,945,242	238,411,240	31,495,577	16,180,600
2005 - 2006 *	114,519,596	32,767,434	235,856,593	35,322,082	13,915,946

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

* Reflects information from both the Municipal Accumulation Fund and Employee Savings Fund. Previously, only the Municipal Accumulation Fund was presented.

FIRE FIGHTERS' RETIREMENT SYSTEM PENSION DATA

<u>Fiscal Year</u>	<u>Unfunded Pension Plan Liability</u>	<u>Pension Plan Receipts</u>	<u>Pension Plan Assets</u>	<u>Pension Benefits Paid</u>	<u>Investment Income</u>
1993-1994 ***	--	\$ 5,155,758	\$ 37,811,877	\$ 2,793,178	\$ 2,444,513
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
2005 - 2006	--	--	--	--	--

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

* Demographic assumptions were revised.

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

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

ALL FUNDS
INSURANCE AND SURETY BONDS IN FORCE
FISCAL YEAR ENDED JULY 31, 2006

Type of Insurance	Insurer and Policy Number	Amount of Coverage
1. Property Insurances		
Commercial Property Policy Primary Layer Commercial City Properties	Crum & Foster Expires 11-4-06	\$5 Million Bldg & Personal Property Blanket Coverage \$75,000 Excess Wind & Hail Deductible \$50,000 Deductible Other Perils (Replacement cost coverage)
Excess Property Coverage Commercial City Properties	Westchester Fire Ins Co Expires 11-4-06	\$5Million Excess of \$5Million Primary Building & Personal Property Blanket coverage
Excess Property Coverage Commercial City Properties	Arch Insurance Co Expires 11-4-06	\$5Million part of \$10Million Excess of \$10Million Building & Personal Property Blanket Coverage
Excess Property Coverage Commercial City Properties	Axis Reinsurance Company Expires 11-4-06	\$5Million part of \$10 Million Excess of \$10 Million Building & Personal Property Blanket Coverage
Excess Property Coverage Commercial City Properties	Arch Insurance Co Expires 11-4-06	\$5Million part of \$20Milliom Excess of \$20Million Building & Personal Property Blanket Coverage
Excess Property Coverage Commercial City Properties	Axis Speciality Ins Co Expires 11-4-06	\$5Million part of \$20Million Excess of \$20Million Building & Personal Property Blanket Coverage
Excess Property Coverage Commercial City Properties	Homeland Ins Co Expires 11-4-06	\$10Million part of \$20Million Excess of \$20Million Building & Personal Property Blanket Coverage
Excess Property Coverage Commercial City Properties	RSUI Indemnity Co Expires 11-4-06	\$160Million Excess of \$40Million Building & Personal Property Blanket Coverage
Boiler & Machinery Coverage Commercial City Properties	CNA Insurance Co Expires 11-4-06	\$100Million Property Damage Limit \$2,500 Property Damage Deductible
Excess Property Coverage 1901 N. Shoreline American Bank Center	Continental Casualty Co Expired 5-20-06	\$19,305,750 part of \$38,611,500 Excess of \$33,668,000 Building & Personal Property Blanket Coverage

the City of Corpus Christi, Texas

Table 25
(Continued)

ALL FUNDS
INSURANCE AND SURETY BONDS IN FORCE
FISCAL YEAR ENDED JULY 31, 2006

Type of Insurance	Insurer and Policy Number	Amount of Coverage
1. Property Insurances (continued)		
Excess Property Coverage 1901 N. Shoreline American Bank Center	Landmark Insurance Co Expired 5-20-06	\$19,305,750 part of \$38,611,500 Excess of \$33,668,000 Building & Personal Property Blanket Coverage
Excess Wind & Hail 1901 N. Shoreline American Bank Center	Texas Wind Ins Assn. Expires 11-4-06	\$5Million Building & Personal Property \$75,000 Per Occurrence Deductible
Excess Wind & Hail 1901 N. Shoreline American Bank Center	XL Lloyds Ins co. Expires 5-20-07	\$5Million Excess of \$5Million Underlying Limit
Excess Wind & Hail 1901 N. Shoreline American Bank Center	Lantana Insurance Ltd. Expires 5-20-07	\$5Million Excess of \$10Million Underlying Limit
Excess Wind & Hail 1901 N. Shoreline American Bank Center	Lloyds (London) Expires 5-20-07	\$22.5 Million Excess of \$15Million Underlying Limit
Excess Wind & Hail 1901 N. Shoreline American Bank Center	Arch Specialty Ins. Co Expires 5-20-07	\$9,652,875 part of \$38,611,500 Excess of \$37,500,000
Excess Wind & Hail 1901 N. Shoreline American Bank Center	Westchester Surplus Line Expires 5-20-07	\$9,998,647 part of \$39,011,500 Excess of \$37,500,000
Excess Wind & Hail 1901 N. Shoreline American Bank Center	Landmark American Ins. Expires 5-20-07	\$19,505,750 part of \$39,0011,500 Excess of \$37,500,00
Primary Wind & Hail Commercial City Properties	Texas Wind Ins Assn. Expires 11-4-06	\$128,426,819 per schedule \$75,000 per Occurrence Deductible Replacement Cost
2. Flood Insurance		
Primary Flood Specified City Buildings	National Flood Program/ Selective Insurance (various) Expires 11-4-06	Building &/or contents values up to maximum of \$500,000 per Bldg &/or \$500,000 for Contents per location \$500 deductible per occurrence per Bldg. &/or Contents

ALL FUNDS
INSURANCE AND SURETY BONDS IN FORCE
FISCAL YEAR ENDED JULY 31, 2006

Type of Insurance	Insurer and Policy Number	Amount of Coverage
3. Airport Liability		
Primary Airport Liability	Texas Municipal League Expires 11-4-06	\$20,000,000 limit, \$5,000 each occurrence deductible and \$10,000 annual aggregate deductible.
Excess Airport Liability	Underwriters at Lloyds Expires 11-4-06	\$55,000,000 Liability Limit in Excess of \$20,000,000 (\$75,000,000 max.)
4. Employee Dishonesty / Crime Coverage		
	Ace-Westchester Fire Ins Co Expires 11-4-06	\$1,000,000 per occ. for Employee Theft; Faithful Performance; Forgery or Alteration; Theft of Money & Securities Inside Premises; Robbery or Safe Burglary Inside Premises; Outside Premises; Computer Fraud; Funds Transfer Fraud; Money Orders Counterfeit Paper Currency with \$15,000 Deductible \$25,000 Credit Card Coverage with \$250 Deductible
5. Excess General Liability, Public Officials, Employment & Law Enforcement Liability & Excess Workers Compensation	State National Ins. Co. Expires 3-1-07	\$3Million each Accident or Occurrence Limit \$6Milliom Aggregate Limit Workers Compensation Statutory \$500,000 SIR for Liability other than WC \$350,000 SIR for Workers Compensation
6. Special Events Policy July 4th Celebration	Nautilus Ins. Co Expires 7-5-06	\$2,000,000 General Aggregate \$1,000,000 each Occurrence \$500 Deductible
7. Gas Utility Excess Liability	Texas Municipal League Expires 11-4-06	\$10,000,000 limit per occurrence \$250,000-General Liability/Pollution deductible
8. General Liability Columbus Ships / Museum	Texas Municipal League Expires 11-4-06	\$500,000 each occurrence \$100,000 deductible
9. Automobile Policy TB Clinic Van	Texas Municipal League Expires 11-4-06	\$500,000 bodily Injury & Property Damage \$25,000-Medical Payments Actual Cash Value - physical damage \$250 deductible
Fleet Catastrophic	Texas Municipal League Expires 11-4-06	\$18,500,000 per Occurrence \$250,000 Deductible

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

January 5, 2007

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, 2006, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 5, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the State of Texas, *Single Audit Circular*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting 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 5, 2007.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or State of Texas, *Single Audit Circular*.

This report is intended solely for the information and use of the Honorable Mayor and Members of the City Council, management, federal and state awarding agencies and pass-through entities, and is not intended to be, and should not be used by anyone other than these specified parties.

Collins, Johnson & Woods

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133

January 5, 2007

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, 2006. 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, 2006.

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 & Woods

CITY OF CORPUS CHRISTI, TEXAS

SCHEDULE OF FEDERAL FINDINGS AND QUESTIONED COSTS

YEAR ENDED JULY 31, 2006

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. There are no audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The programs tested as major programs included:
 - U.S. Department of Housing and Urban Development:
Home Investment Partnerships Program (CFDA – 14.239)
 - U.S. Department of Justice
Community Capacity Development Office Program (CFDA – 16.595)
 - U.S. Department of Transportation
Airport Improvement Program (CFDA – 20.106)
 - U.S. Department of Health and Human Services
Centers for Disease Control and Prevention-Investigations & Technical Assistance (CFDA – 93.283)
 - U.S. Department of Homeland Security
Disaster Grants-Public Assistance (Presidential Declared Disasters) (CFDA – 97.036)
Metropolitan Medical Response System (CFDA – 97.071)
8. The dollar threshold for distinguishing Type A and Type B programs was \$668,237.
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.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR STATE PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH THE STATE OF TEXAS SINGLE AUDIT CIRCULAR

January 5, 2007

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

Compliance

We have audited the compliance of the City of Corpus Christi, Texas with the types of compliance requirements described in *the State of Texas Single Audit Circular* that are applicable to each of its major State programs for the year ended July 31, 2006. The City's major State 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 State programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State of Texas Single Audit Circular issued by the Governor's Office of Budget and Planning. Those standards and the Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major State programs for the year ended July 31, 2006.

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 State programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major State program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the State of Texas Single Audit Circular.

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 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 that would be material in relation to a major State 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, state awarding agencies and pass-through entities, and is not intended to be, and should not be used by anyone other than these specified parties.

Collins, Johnson & Woods

CITY OF CORPUS CHRISTI, TEXAS

SCHEDULE OF STATE FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED AUGUST 31, 2006

I. Summary of Auditor's 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, 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 State award programs are reported in the "Independent Auditors Report on Compliance with Requirements Applicable to each Major State Program and Internal Control over Compliance in Accordance with the State of Texas Single Audit Circular".
5. The auditor's report on compliance for the major State award programs for the City expresses an unqualified opinion on all major programs.
6. No audit findings are required to be reported in accordance with Section 510(a) of State of Texas Single Audit Circular.
7. Major programs include:

Air Quality Planning Activities
Corpus Christi Auto Theft Prevention Grant
8. Dollar threshold used to distinguish between Type A and Type B programs: \$300,000
9. Low risk auditee: No

II. Findings Related to the Financial Statements

The audit disclosed no findings required to be reported.

III. Findings and Questioned Costs Related to the State Awards

The audit disclosed no findings required to be reported.

IV. Prior Year Findings

There were no findings reported in the prior year.

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2006

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Federal Assistance				
U.S. Department of HUD				
<u>Direct Programs</u>				
Comm. Dev. Block Grant-Entitlement Grant 99-00	14.218	B99-MC48-0502	\$ 4,929,000	\$ 255
Comm. Dev. Block Grant-Entitlement Grant 00-01		B00-MC48-0502	6,093,562	17,951
Comm. Dev. Block Grant-Entitlement Grant 01-02		B01-MC48-0502	6,281,519	29,230
Comm. Dev. Block Grant-Entitlement Grant 02-03		B02-MC48-0502	5,201,842	35,910
Comm. Dev. Block Grant-Entitlement Grant 03-04		B03-MC48-0502	5,201,842	149,591
Comm. Dev. Block Grant-Entitlement Grant 04-05		B04-MC48-0502	4,105,000	960,450
Comm. Dev. Block Grant-Entitlement Grant 05-06		B05-MC48-0502	3,882,133	1,983,942
Comm. Dev. Block Grant-Entitlement Grant 06-07		B06-MC48-0502	3,489,407	75,917
Total CFDA Number 14.218			39,184,305	3,253,246
Emergency Shelter Grants Program 05-06	14.231	S05-MC48-0502	150,000	64,175
			150,000	64,175
Home Investment Partnerships Program 01-02	14.239	M-01-MC-48-0502	1,992,000	148,436
Home Investment Partnerships Program 02-03		M-02-MC-48-0502	1,992,000	1,000
Home Investment Partnerships Program 03-04		M-03-MC-48-0502	1,938,716	688,121
Home Investment Partnerships Program 04-05		M-04-MC-48-0502	1,848,127	543,275
Home Investment Partnerships Program 05-06		M-05-MC-48-0502	1,772,241	169,367
Total CFDA Number 14.239			9,543,084	1,550,199
Total Direct Programs			48,877,389	4,867,620
Total U.S. Department of HUD			48,877,389	4,867,620
Office of National Drug Control Policy				
<u>Direct Programs</u>				
Texas Coastal Corridor 04	16.000	I4PHNP517Z	139,790	12,908
Texas Coastal Corridor 05		I5PHNP517Z	145,740	127,308
Total CFDA Number 16.000			285,530	140,216
Total Direct Programs			285,530	140,216
Total Office of National Drug Control Policy			285,530	140,216
U.S. Department of Justice				
<u>Direct Programs</u>				
Missing Children's Assistance	16.543	N/A	15,000	14,887
Title V Delinquency Prevention Act Fund Program	16.548	JT-04-J20-18053-01	38,169	9,335
Local Law Enforcement Block Grant Program	16.592	2003-LB-BX-2505	198,581	20,795
Community Prosecution & Project Safe Neighborhoods	16.609	321-20S033	207,081	72,651
Edward Byrne Memorial Justice Assistance Grant	16.738	2005DJBX0412	258,284	129,142
			717,115	246,810

(Continued)

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2006

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Community Capacity Development Office Program	16.595	2005-WS-Q4-0025	225,000	130,644
Community Capacity Development Office Program		2005-WS-Q4-0026	225,000	99,469
Community Capacity Development Office Program		2005-WS-Q5-0292	100,000	92,284
Community Capacity Development Office Program		2006-WS-Q6-0079	225,000	160,682
Total CFDA Number 16.595			775,000	483,079
Total Direct Programs			1,492,115	729,889
<u>Passed Through Texas Alcoholic Beverage Commission</u>				
Enforcing Underage Drinking Laws Program	16.727	N/A	35,702	18,256
Total Passed through TABC			35,702	18,256
<u>Passed through Office of the Governor CJD</u>				
Juvenile Accountability Incentive Block Grants	16.523	JB-04-J20-13299-07	12,413	12,413
Violence Against Women Act/4	16.524	WF-04-V30-15171-07	57,851	11,972
Violence Against Women Act/5		WF-05-V30-15171-07	64,929	42,965
Total CFDA Number 16.524			122,780	54,937
Victims of Crime Act/5	16.575	VA-05-V30-15223-06	41,404	34,021
Victims of Crime Act		VA-06-V30-15223-07	41,404	7,572
Total CFDA Number 16.575			82,808	41,593
Total Passed Through Office of the Governor CJD			218,001	108,943
Total U.S. Department of Justice			1,745,818	857,088
U.S. Department of Transportation				
<u>Direct Programs</u>				
Airport Improvement Programs	20.106			
Term Apron II/Impr A/F Lighting control System		3-48-0051-32	1,950,400	(536)
Terminal Imp., Ph2; Drainage, Ph3		3-48-0051-34	5,219,461	554,991
Terminal Imp., Rehab Runway 13/31 Ph1		3-48-0051-35	1,538,373	392,760
Update Plan, Acquire ARFFVehicle, Runway 13/31		3-48-0051-36	8,218,378	6,220,126
Terminal Imp., Rehab Runway 13/31 Ph2; Drainage		3-48-0051-37	5,088,088	1,200,718
Total CFDA Number 20.106			22,014,700	8,368,059
Total Direct Programs			22,014,700	8,368,059
<u>Passed through State Dept. of Highways and Public Transportation</u>				
State and Community Highway Safety	20.600	585XXF6178	26,455	26,455
State and Community Highway Safety		585XXF6042	44,380	5,673
State and Community Highway Safety		585XXF6002	77,491	23,658
State and Community Highway Safety		586XXF6015	122,792	78,581
State and Community Highway Safety		586XXF6133	29,991	14,348
State and Community Highway Safety		585XXF6194	7,000	6,975
Total CFDA Number 20.600			308,109	155,690

(Continued)

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2006

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Interagency Hazardous Materials Public Sector	20.703	06-DEM-LEPC-1	13,000	4,110
Recreational Trails Program	20.219	N/A	100,000	150
Total Passed Through Programs			421,109	159,950
Total Department of Transportation			22,435,809	8,528,009
Equal Employment Opportunity Commission				
<u>Direct Programs</u>				
Employment Discrimination State & Local Fair	30.002	3FPSLP0207	79,900	30,400
Employment Practices Agency Contracts			79,900	30,400
Total Direct Programs			79,900	30,400
Total Equal Employment Opportunity Commission			79,900	30,400
Institute of Museum and Library Services				
<u>Passed through Texas State Library & Archives Commission</u>				
<u>Library Services:</u>				
Grants To States	45.310	470-06004	707,709	98,054
Grants To States		470-07004	710,821	626,887
Grants To States		476-06014	69,996	3,389
Grants To States		476-07014	80,000	64,120
Grants To States		771-06040	150,117	15,583
Grants To States		771-07040	157,060	136,238
Total CFDA Number 45.310			1,875,703	944,271
Total Passed Through Programs			1,875,703	944,271
Total Institute of Museum and Library Services			1,875,703	944,271
Corporation for National and Community Service				
<u>Direct Programs</u>				
Retired and Senior Volunteer Program	94.002	05SRWTX018	110,742	16,941
Retired and Senior Volunteer Program		05SRWTX049	18,115	18,115
Total CFDA Number 94.002			128,857	35,056
Senior Companion Program	94.016	04SCWTX001	818,811	224,360
Senior Companion Program		05SCWTX012	4,375	4,375
Total CFDA Number 94.016			823,186	228,735
Total Direct Programs			952,043	263,791
Total Corporation for National & Community Service			952,043	263,791
Federal Emergency Management Agency				
<u>Passed through Texas Department of Public Safety</u>				
Disaster Grants-Public Assistance (Presidential Declared Disasters) Katrina	97.036	N/A	2,030,522	2,030,522
Disaster Grants-Public Assistance (Presidential Declared Disasters) Rita		N/A	75,261	75,261
Total CFDA Number 97.036			2,105,783	2,105,783

(Continued)

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2006

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Emergency Management Performance Grants	97.042	EMT2005-GE-T5-0025	59,706	59,706
Total Passed Through Programs			<u>2,165,489</u>	<u>2,165,489</u>
Total Federal Emergency Management Agency			<u>2,165,489</u>	<u>2,165,489</u>
U. S. Department of Homeland Security				
<u>Direct Programs</u>				
Assistance to Firefighters Grant	97.044	EMW-2004-FG-14508	69,538	69,538
State Homeland Security Program	97.073	2005-GE-T5-4025	1,710,934	23,692
			<u>1,780,472</u>	<u>93,230</u>
Metropolitan Medical Response System 01	97.071	282-00-0040	400,000	76,090
Metropolitan Medical Response System 06		EMW-2004-GR-0804	400,000	313,479
Total CFDA Number 97.071			<u>800,000</u>	<u>389,569</u>
Total Direct Programs			<u>2,580,472</u>	<u>482,799</u>
Total U. S. Department of Homeland Security			<u>2,580,472</u>	<u>482,799</u>
U.S. Department of Health and Human Services				
<u>Passed through Texas Depart. of Aging & Disability Svc</u>				
Special Programs for the Aging Title III, Part B Grants For Supportive Services and Senior Centers	93.044	AA3-0548-4	39,812	5,851
Special Programs for the Aging Title III, Part B Grants For Supportive Services and Senior Centers		AA3-0648-4	36,712	35,625
Total CFDA Number 93.044			<u>76,524</u>	<u>41,476</u>
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	AA3-0548-4	718,642	133,514
Special Programs for the Aging Title III, Part C Nutrition Services		AA3-0648-4	510,776	451,980
Total CFDA Number 93.045			<u>1,229,418</u>	<u>585,494</u>
National Family Caregiver Support	93.052	AA3-0548-4	31,875	9,711
National Family Caregiver Support		AA3-0648-4	26,494	14,778
Total CFDA Number 93.052			<u>58,369</u>	<u>24,489</u>
Nutrition Services Incentive Program	93.053	AA3-0548-4	141,848	32,238
Nutrition Services Incentive Program		AA3-0648-4	134,964	87,936
Nutrition Services Incentive Program		PS-08-292-P-02	211,352	68,919
Nutrition Services Incentive Program		PS-08-292-P-02	211,352	173,135
Total CFDA Number 93.053			<u>699,516</u>	<u>362,228</u>
Total Passed Through DADS			<u>2,063,827</u>	<u>1,013,687</u>

(Continued)

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2006

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
<u>Passed through Texas Department of State Health Svs</u>				
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	000001621	91,523	48,768
Project Grants and Cooperative Agreements for Tuberculosis Control Programs		0000313002	108,430	62,952
Total CFDA Number 93.116			199,953	111,720
Immunizations Grant	93.268	000001760	240,583	105,584
Immunizations Grant		0000309127	144,350	79,868
Total CFDA Number 93.268			384,933	185,452
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	0000307381	15,000	13,492
Centers for Disease Control and Prevention Investigations and Technical Assistance		0000318508	14,000	1,241
Centers for Disease Control and Prevention Investigations and Technical Assistance		0000310178	200,000	132,455
Centers For Disease Control and Prevention Investigations and Technical Assistance		0000300752	863,045	385,845
Total CFDA Number 93.283			1,092,045	533,033
Cooperative Agreements For State-Based Diabetes Control Programs and Evaluation of Suveillance Sys	93.988	0000304678	89,782	74,318
Social Service Block Grant	93.667	7460005741A2005	126,281	16,117
			216,063	90,435
Preventive Health and Health Services Block Grant	93.991	7460005741-5000	16,900	11,621
Preventive Health and Health Services Block Grant		0000310453	156,509	15,160
Preventive Health and Health Services Block Grant		7460005741-5000	66,200	30,951
Preventive Health and Health Services Block Grant		0000310453	156,509	40,337
Preventive Health and Health Services Block Grant		7460005741-5000	58,265	27,261
Preventive Health and Health Services Block Grant		0000310453	156,509	37,482
Preventive Health and Health Services Block Grant		7460005741-5000	80,968	59,938
Preventive Health and Health Services Block Grant		0000310453	156,509	49,904
Total CFDA Number 93.991			848,369	272,654
Total Passed Through Dept. of State Health Svs			2,741,363	1,193,294
<u>Passed through Texas Dept of Protective & Regulatory Svs</u>				
Promoting Safe and Stable Families	93.556	23261989	319,500	22,043
Promoting Safe and Stable Families		23355995	159,750	146,369
Promoting Safe and Stable Families		23362174	220,500	147,284
Total Passed Through Dept. of Protective & Regulatory Svc			699,750	315,696
Total Department of Health & Human Services			5,504,940	2,522,677

(Continued)

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2006

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
U.S. Department of Agriculture				
<u>Passed through Texas Dept. of Health</u>				
Special Supplemental Nutrition Program for Women, Infants & Children	10.557	74600057412005	620,000	110,426
Special Supplemental Nutrition Program for Women, Infants & Children		0000311568	642,000	548,021
Total CFDA Number 10.557			<u>1,262,000</u>	<u>658,447</u>
Total Passed Through Texas Dept. of Health			<u>1,262,000</u>	<u>658,447</u>
<u>Passed through Texas Forest Service</u>				
Cooperative Forestry Assistance	10.664	05-09-02	29,428	8,835
Total Passed Through Texas Forest Service			<u>29,428</u>	<u>8,835</u>
<u>Passed through Texas Health & Human Services Comm</u>				
Child and Adult Care Food Program	10.558	TX178-1009	206,451	166,034
Summer Food Service Program for Children	10.559	TX178-1009	416,840	280,765
Total Passed Through Texas Health & Human Svc			<u>623,291</u>	<u>446,799</u>
Total Department of Agriculture			<u>1,914,719</u>	<u>1,114,081</u>
U. S. Department of Commerce				
<u>Passed through General Land Office</u>				
Coastal Zone Management Administration Awards	11.419	03-021R	60,000	320
Total Passed Through Department of Commerce			<u>60,000</u>	<u>320</u>
Total Department of Commerce			<u>60,000</u>	<u>320</u>
U.S. Department of Interior				
<u>Passed Through Bureau of Reclamation</u>				
Site Security Impr. & Enhancements at Choke Canyon	15.BCQ	0006FC601449	205,065	2,535
Total Passed Through Bureau of Reclamation			<u>205,065</u>	<u>2,535</u>
<u>Passed Through Texas Park and Wildlife</u>				
Sport Fish Restoration	15.605	3171	500,000	355,271
Total Passed Texas Park and Wildlife			<u>500,000</u>	<u>355,271</u>
Total Department of Interior			<u>705,065</u>	<u>357,806</u>
Total Federal and passed through Assistance			<u>\$ 89,182,877</u>	<u>\$ 22,274,567</u>

(Continued)

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2006

Federal Grantor/Pass-Through Grantor/ State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
State Assistance:				
Texas Department of Health				
<u>Direct Programs</u>				
TB/PC		C038605000	\$ 149,797	\$ 22,565
TB/PC		0000309464	142,307	114,202
HIV/SURV		C039131000	39,716	11,014
ACFH/FEE		C038877000	28,391	9,845
ACFH/FEE-FP		N/A	34,524	37,568
Total Direct Programs			<u>394,735</u>	<u>195,194</u>
<u>Passed through Coastal Bend Regional Activity Council</u>				
CBRAC-CC Fire Department		N/A	5,141	3,055
CBRAC-CC Equipment		N/A	6,678	145
Total Passed Through CBRAC			<u>11,819</u>	<u>3,200</u>
Total Department of Health			<u>406,554</u>	<u>198,394</u>
Texas Commission on the Arts				
<u>Direct Programs</u>				
Festival of Arts		27458	1,835	1,047
Total Direct Programs			<u>1,835</u>	<u>1,047</u>
Total Texas Commission on the Arts			<u>1,835</u>	<u>1,047</u>
Texas Commission on Environmental Quality				
<u>Direct Programs</u>				
Air Quality Planning Activities		582-4-64576	884,600	407,186
Fire Station #10 Mitigation		109850	31,531	8,155
Total Direct Programs			<u>916,131</u>	<u>415,341</u>
<u>Passed through Coastal Bend Council of Governments</u>				
Litter and Illegal Dumping Cleanup Education		05-20-G04	10,000	2,426
Local Enforcement		05-20-G13	26,619	3,089
Education		06-20-G05	10,000	7,389
Total Passed Through CBCOG			<u>46,619</u>	<u>12,904</u>
Total Texas Commission on Environmental Quality			<u>962,750</u>	<u>428,245</u>
Texas Department of Transportation				
<u>Direct Programs</u>				
Transportation Enhancement Project		0916-35-112	316,400	47,819
Total Direct Programs			<u>316,400</u>	<u>47,819</u>
<u>Passed through Texas Automobile Theft Prevention Authority</u>				
Corpus Christi Auto Theft Prevention Grant		SA-T01-10045-05	308,272	23,151

(Continued)

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2006

Federal Grantor/Pass-Through Grantor/ State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Corpus Christi Auto Theft Prevention Grant		SA-T01-10045-06	469,142	418,831
Total Passed Through Texas ATPA			777,414	441,982
Total Texas Department of Transportation			1,093,814	489,801
Texas Department of Protective & Regulatory Services				
<u>Direct Programs</u>				
Promoting Safe and Stable Families		23261989	106,500	7,348
Promoting Safe and Stable Families		23355995	53,250	48,790
Promoting Safe and Stable Families		23362174	73,500	49,095
Total Direct Programs			233,250	105,233
Total Dept. of Protective & Regulatory Svc			233,250	105,233
State Comptroller of Public Accounts				
<u>State General Revenue</u>				
Law Enforcement Fire Prevention		N/A	1,297	1,297
Total SGR			1,297	1,297
Total State Comptroller of Public Accounts			1,297	1,297
Texas State Library & Archives Commission				
<u>State General Revenue</u>				
Lone Star Libraries Grant 05-06		442-06108	16,160	16,160
Total SGR			16,160	16,160
Total State Library & Archives Commission			16,160	16,160
Texas General Land Office				
<u>Direct Programs</u>				
Beach Maintenance Reimbursement Fund		06-159	55,722	55,722
Total Direct Programs			55,722	55,722
Total Texas General Land Office			55,722	55,722
Texas Criminal Justice Division				
<u>Direct Programs</u>				
Computer Forensics Specialist		SF-05-A10-15416-05	13,299	4,061
Crime Scene Technicians/1		SF-06-A10-17708-01	42,271	19,280
Total Direct Programs			55,570	23,341
Total Texas Criminal Justice Division			55,570	23,341
Total State Assistance			2,826,952	1,319,240
Total Federal, Pass Through & State Financial Assistance			\$ 92,009,829	\$ 23,593,807

**NOTES TO SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2006**

1. General

The accompanying Schedule of Federal/State Expenditures of Awards presents the activity of all Federal and State financial assistance programs of the City of Corpus Christi, Texas. The City's reporting entity is defined in Note 1 to the City's basic financial statements. All Federal financial assistance received directly from Federal agencies or passed through other governmental agencies is included on the Schedule.

2. Basis of Accounting

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

3. Relationship to Basic Financial Statements

A reconciliation of Federal and State Program expenditures as reported in the City's basic financial statement follows:

General Fund	\$ 2,191,905
Special Revenue Funds	
Federal/State Grants	11,125,838
Corpus Christi Community Improvement Corporation	1,550,199
Enterprise Funds	
Airport Fund	8,368,059
Utility System Fund (Water)	2,535
Marina Fund	355,271
Total expenditures	<u>\$ 23,593,807</u>

4. Relationship to Federal Financial Reports

Amounts reported in the Schedule of Federal/State Expenditures of Awards may not agree with the amounts reported in the related Federal/State financial reports filed with grantor agencies because of accruals which would be included in the next report filed with the agencies.

5. Major Grant Programs

These represent major Federal Financial Assistance Programs.

6. Insurance in Effect

The City self-funds worker's compensation, general/auto liabilities and health benefits. Purchased coverage includes: commercial property insurance of \$200 million limits on City buildings, \$75 million in airport liability and \$10 million of excess gas utility liability insurance. The City also purchases excess insurance which covers workers' compensation claims that exceed \$350,000 per accident. In addition, excess liability insurance is purchased for general/auto liability claims, public officials, employment and law enforcement in excess of \$500,000 per claim. Primary flood coverage provides up to \$500,000 on specified buildings within flood zones A & B. All funds of the City participate in the program and make payments to the Liability and Employee Benefits Fund based on estimates needed to pay prior claims, current year claims and claims incurred but not reported. A specific stop loss policy which covers health claims in excess of \$150,000 per individual with maximum lifetime coverage of \$1 million is kept in force. In addition, City maintains aggregate stop loss coverage of its group health expenses at 125% of projected claims.