

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year
Ended July 31, 2012

*City of
Corpus Christi, Texas*





City of
Corpus
Christi

CITY OF CORPUS CHRISTI, TEXAS

Comprehensive Annual Financial Report

For Fiscal Year Ended July 31, 2012

CITY COUNCIL

Mayor

Nelda Martinez

City Council Members

Kelley Allen

Rudy Garza, Jr.

Priscilla G. Leal

David Loeb

Chad Magill

Colleen McIntyre

Lillian Riojas

Mark Scott

City Manager

Ronald L. Olson

Assistant City Managers

Herb Canales, Interim

Oscar R. Martinez

Wesley S. Pierson

Margie C. Rose

Director of Financial Services

Constance P. Sanchez, CPA, CPM

Deputy Director of Financial Services

Caron S. Vela, MBA

Chief Accountant

Martha A. Messer, CPA

Prepared by the staff of the Financial Services Department



City of
Corpus
Christi

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Margarita Cruz

Kim Galan-Flores

Priscilla Garza

Teddi Giggy

David Hedberg

Aldilia Martin

Crystalina Perez

Johanna Ramirez

Vanessa Riggs

Adelita Rowland

Diana Silguero

Vanessa Wahl

**Comprehensive Annual Financial Report
For the Fiscal Year Ended July 31, 2012**

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Introductory Section



City of
Corpus
Christi

January 25, 2013

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

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

FINANCIAL SERVICES

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State law requires that every general-purpose local government publish at the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended July 31, 2012.

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, 2012. The independent auditor’s report is located at the front of the financial section of this report.

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

PROFILE OF THE GOVERNMENT

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

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



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

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

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

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

ECONOMIC CONDITION

Local Economy

The City of Corpus Christi is the eighth largest city in the State of Texas with a population of 312,065. The geographic location of the city on the Gulf of Mexico and the Intercoastal Waterway gives it one of the most strategic locations in the Southwest and has been important to its economic development. The Corpus Christi region has a varied manufacturing and industrial base. Major industries with headquarters or divisions located within the City's boundaries, or in close proximity, include industrial, petrochemical, construction, meat processing, convenience store, banking, and financial services.

The federal government also has a major presence within the area with a federal courthouse and the largest industrial employer in South Texas – the Corpus Christi Army Depot, which employs over 6,500 people (including both employees of the Corpus Christi Army Depot and contract labor). The Corpus Christi Army Depot (CCAD) is a United

States Department of Defense's Center of Industrial and Technical Excellence for rotary wing aircraft. CCAD is currently the largest facility of its type in the world and serves as a depot training base for active duty Army, National Guard, Reserve, and international personnel. The depot performs overhaul, repair, modification, recapitalization, retrofit, testing, and modernization of helicopters, engines, and components for all services and international sales of rotary wing aircraft. Additionally, CCAD has been critical in its support to aviation maintenance most notably with its sustainment of the UH-60 Black Hawk fleet, which remains the largest fleet of aircraft in the Army inventory. During 2012, CCAD partnered with the Armed Scout Helicopter Project Office, the Aviation Field Maintenance Directorate, and Bell Helicopter to provide the Army a cost-effective and efficient way to replenish lost aircraft. This initiative is called the Wartime Replacement Aircraft Program, and in June 2012, the first helicopter was replaced utilizing this program. Further, GE Aviation awarded a \$937 million multi-year Army contract to overhaul, repair, and supply helicopter engines with the work to be performed at CCAD through 2016.

Two bases make up the South Texas military complex: Naval Air Station – Corpus Christi and Naval Air Station – Kingsville (jet aviation training). The site of the region's third base, Naval Station Ingleside (base for the Navy's mine warfare fleet), which was closed in 2010, was divided into three sections. The first section, the craft pier, was sold to Flint Hills Resources for \$8.5 million. The second section, which accounts for approximately 815-acres, was sold in November 2012 by Port of Corpus Christi to Occidental Petroleum Corporation (Oxy) for \$82.1 million. The Port is also working on a sales agreement with Oxy for the company's \$7 million bid for the third section, the 100-acre campus portion of the base, which the Port expects to finalize in a few months. If that tract is sold, then Oxy will own the entire 915-acre piece of property (the base, the campus, and the vacant land) along the San Patricio County shores of Corpus Christi Bay. Oxy has indicated that plans for development of the site would be scheduled in phases – with the first phase potentially bringing liquefied petroleum gas from the Eagle Ford Shale drilling regions and loading it onto barges. Other possible phases could include a liquefied natural gas facility and storage for crude oil, condensate or refined products. This venture could support as many as 200 direct and indirect jobs.

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

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

Eagle Ford Shale drilling production has boosted the region's economic base as it relates to the oil and gas industry.

Port of Corpus Christi

The trade area's principal outlet for agricultural and petroleum products is the Port of Corpus Christi, which opened to world markets in 1926. It is located along the southeastern coast of Texas on the Gulf of Mexico approximately 150 miles north of the Mexican border. The Port's channel stretches over 30 miles and links the Corpus Christi Bay with the Gulf of Mexico. It is one of the deepest ports along the Gulf of Mexico coast with a channel depth of 45 feet and is currently ranked as the fifth largest port in the United States in terms of tonnage. The Port handled a volume of 80.3 million tons of cargo during the 2011 calendar year, a decrease of 2.3% from the prior year. The Port has many initiatives underway, three of which will require significant funding in the future. They include the Joe Fulton Trade Corridor – Phase II, the Channel Improvement Project, and the La Quinta Multi-Purpose Facility.

The Port completed the final phase (Phase II) of the Joe Fulton Trade Corridor in early 2012. The Joe Fulton Trade Corridor is a road and rail route that has streamlined truck and rail traffic in and out of the Port by providing an alternative route to access the north side of the Inner Harbor. It connects two major highway components (US Highway 181 and Interstate Highway 37). The Corridor consists of close to 12 miles of new and existing roadway and 7 miles of new rail that has significantly improved access to more than 2,000 acres of land along the North side of the channel for existing and future development, including approximately 1,100 acres of land which has no previous road access.

Congress authorized the Port's Channel Improvement Project in the Water Resources Development Act (WRDA) of 2007. This project includes the deepening of the Corpus Christi Ship Channel from 45 feet to 52 feet; the adding of 200 foot barge shelves across Corpus Christi Bay; the widening of the Ship Channel to 530 feet from Port Aransas to the Harbor Bridge; the extension of the La Quinta Ship Channel by approximately 1.4 miles at 39 feet deep; and the construction of ecosystem restoration features to protect endangered species, wetlands, and sea grass. The ecosystem restoration project was completed in 2012, while the channel extension project is not expected to be complete until the summer of 2013. The remaining projects are still pending appropriations of funding by Congress.

The La Quinta Trade Gateway Terminal Project is a major component of the Port of Corpus Christi Authority's long-term development plan. This 1,100-acre site will serve as a multi-purpose dock and terminal facility to handle a wide variety of general cargo including containers, military, wind turbines, and steel pipe. The final design for the initial phase began in 2012 with the current target for completion by 2014-2015.

The Port of Corpus Christi also has played a role in the Eagle Ford Shale production in South Texas as the logistical and distribution center for cargo used for drilling, fracturing, and piping of materials for the region. Cargo comes into the Port from Midwest and East Coast by rail and as far as China and Brazil by ship. The Port currently has seven companies conducting transloading operations on port rail tracks. Soon, natural gas and oil will come in

by rail or pipeline and will create a new era for the Port in terms of exporting to other countries. LNG Facilities and oil docks are being planned and built to accommodate for the supply coming out. The proximity of the Port makes it the ideal port to handle this new commodity and will help our nation become an export leader for gas to the world.

Tourism

Corpus Christi continues to be a favorite vacation spot for visitors and is the fifth most popular tourist destination in Texas according to the Office of the Governor’s Economic Development, and Tourism division. The number one reason visitors flock to the area has always been to enjoy miles of beaches along Mustang and Padre Islands, the longest barrier island in nature fronting on the Gulf of Mexico. The opposite side of the barrier provides a shoreline for Corpus Christi Bay, Laguna Madre, and the various bays and bayous north of the Coastal Bend which are ideal for outdoor recreation.

Tourist facilities located within the City include: a multi-purpose arena at the American Bank Center, Whataburger Field which houses the Corpus Christi Hooks, a AA major league affiliate baseball team, the Texas State Aquarium, the USS Lexington Museum, the Museum of Science and History, the South Texas Art Museum, the Multicultural Center/Heritage Park complex, the Concrete Street Amphitheater, and a new privately-owned water park, “Hurricane Alley” located near Whataburger Field. The City also has entered into an agreement for the development of a Schlitterbahn water park and resort on Padre Island whose first phase is expected to be completed by the summer of 2013. The Corpus Christi area is also a renowned location for water sports, including windsurfing and kiteboarding, and serves as host to the annual U. S. Open Windsurfing Regatta, international power and sail boat races, and the Texas International Boat Show.

Construction Permits

The table below shows the number of permits and value of permits since fiscal year 2002-2003. The total number of building permits in FY 2011-2012 rose by 5.2% from the prior year with the associated values remaining relatively constant. After a period of four years of declining building permits, this is the second year where activity has continued to rebound to 2007-2008 levels.

<u>Year</u>	<u>Building Permits</u>	<u>Value</u>
2002-2003	7,854	\$ 333,016,517
2003-2004	7,111	295,984,882
2004-2005	5,781	387,122,472
2005-2006	5,989	450,750,242
2006-2007	5,699	503,027,247
2007-2008	5,118	343,865,608
2008-2009	4,022	286,139,536
2009-2010	4,052	260,412,022
2010-2011	5,447	376,894,414
2011-2012	5,728	376,144,270

Employment

The unemployment rate in Corpus Christi dropped 17.5% from a rate of 8.0% in July 2010 to 6.6% in July 2012 according to the Texas Workforce Commission. The Eagle Ford Shale activity has spurred employment in Corpus Christi and has sheltered Corpus Christi from the higher national unemployment rate of 8.2% in July 2012. Overall during the last ten years in Corpus Christi, the unemployment rate remained relatively stable (with a slight decrease) – from 7.1% in 2003 to 6.6% in 2012. During this same ten-year time period, personal (per capita) income in the area rose from \$25,696 to \$38,609 or 50%.

Major Expenditures

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

	<u>% increase from</u> <u>2003 to 2012</u>
Police and municipal court	46.71%
Fire and ambulance	45.31%
Community enrichment	592.10%
Community development	89.75%
Convention and visitor activities	121.78%

In the case of sworn personnel, as in previous years, much of the increase reflects a regional trend that has seen the salaries and benefits of police officers and firefighters growing at a much faster rate than those of other categories of public-sector employees. In the case of community enrichment, the growth can be attributed to the continued enhancement of amenities at Packery Channel. In the case of community development, the growth can be attributed to increased incentives offered by the Corpus Christi Business and Job Development Corporation to attract businesses to Corpus Christi. For convention and visitors activities, the growth is due to the operating expenditures for the City’s arena and convention center.

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

Long-term financing plan/relevant financing policies

During the fiscal year 2011-2012 budget process, the City Council approved financial policies as an essential guide to direct the City's financial planning. The City Council reaffirmed the policy to set aside adequate financial resources in the fund balance of the general fund to ensure that current and future services or operations would not be severely impacted by any economic slowdowns, emergencies, national disasters, or other unforeseen circumstances. The City Council's goal for fiscal year 2011-2012 was to build and maintain a reserve in the General Fund "committed" fund balance of at least ten (10%) of total annual general fund appropriations. The policy indicated that amounts in excess of the 10% policy requirement could be recommended for one-time improvement expenditures, deferred maintenance, lifecycle replacement, and/or capital items with a priority on infrastructure and equipment that would reduce the need for future debt or avoid future maintenance costs. During the fiscal year 2012-2013 budget process, Section 3 of the financial policies was modified to reflect a goal for the City Council to build and maintain the "Commitment for Major Contingencies" to be calculated to be at least 10% and up to 25% of the total annual general fund appropriations. City management increased the commitment in the general fund at July 31, 2012 from 10% to 14% of the total annual general fund appropriations for fiscal year 2013 in accordance with this newly approved policy. The remaining balance in the unassigned fund balance at July 31, 2012, was \$7.6 million and is considered excess and available for one-time improvement expenditures, deferred maintenance, lifecycle replacement, and/or capital items. This amount represents 4.0% of the total general fund expenditures for fiscal year 2011-2012.

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 2011-2012 continued to be focused on improvements in public safety services consistent with strategic plans for those services and for infrastructure maintenance and repair.

The City Council also directed the City Manager to budget at least \$200,000 in fiscal year 2011-2012 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.

A section was added to the financial policies in July 2011 for the fiscal year 2011-2012 budget regarding multi-year budgeting and specified that the preparation of the annual budget will include three years (the current year and two additional years) with specific revenue and expenditure assumptions being made. It should also be noted that the section of the financial policies that was added in May 2010 regarding interfund transfers was removed in July 2011.

The remaining sections of the financial policies 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; continuation of a ten-year capital improvement plan; and utilization of zero-based budgeting processes for completion of the general fund operating budget.

Major Initiatives

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

The City Council's strategic goals for 2011–2013 provide guidance and vision in fulfilling the City's mission. These goals include: (1) Comprehensive Economic Development Plan; (2) Complete Utilities Master Plans/Updates; and (3) Street Improvement Plan.

Steps outlined to achieve the first goal regarding a "Comprehensive Economic Development Plan" include strategies such as ensuring regional planning, creating a "Master Plan", creating an attractive business working environment, improving Development Services, and providing adequate infrastructure. Personnel changes have been made at Development Services in an effort to realign and refocus the management of that department. Business processes at Development Services are continuing to be reviewed to provide higher customer service levels, to expand staff training opportunities, to create customer outreach efforts, and to update regulatory resources. Since these changes have been made, the City has received positive feedback from the public.

There are several major initiatives underway to promote economic development for the City of Corpus Christi. The Eagle Ford Shale oil and gas formation has positively impacted Corpus Christi and the surrounding areas by employing many of the City's residents. Both offshore rig fabricators, Kiewit and Gulf Marine, have increased orders due to the lifting of the offshore drilling moratorium, which should add a combined 1,000 workers to the workforce. Schlitterban represents a \$552 million investment to the area which is expected to bring 300 new jobs. In addition, the area has received international attraction with the breaking ground of the Chinese pipe manufacturing facility, TPCO America Corporation, and the Italian company, M&G Group, breaking ground for its \$1 billion plastics factory located on the northern side of the Viola Channel within the Port of Corpus Christi.

Initiatives in fiscal year 2011-2012 that were funded by the "Type A" economic sales tax proceeds include incentives to Del Mar College for its truck training project which is anticipated to triple the number of graduates who have commercial driver's licenses (CDL) while also helping Del Mar College students prepare for opportunities such as the Eagle Ford Shale exploration; an investment of \$1.116 million to Del Mar College's Aviation Technician Training Facility which is anticipated to triple the number of aviation maintenance graduates; incentives to Commercial Metals Company (CMC) that is making

a \$25 million investment in the area; incentives to the Craft Training Center that made a \$4 million investment which doubled the size of its center; incentives to Kanon Services that made a \$3.7 million investment in the area; and incentives to Majek Boatworks that made a \$1.05 million investment in the area.

The City Council's second strategic goal regarding completion of the Utilities Master Plans/Updates is well underway. A long-range plan for Water and Wastewater are currently being developed, and construction of Mary Rhodes Pipeline Phase 2 is on schedule. Additionally, City staff will explore a dedicated storm water funding source.

During the 2011-2012 fiscal year, each of the City of Corpus Christi utility departments completed annual business plans. These plans will lay the ground work on how service levels will be sustained and what critical issues must be addressed by the department to effectively serve our community. Additionally, long range plans are currently under development regarding storm water funding, water supply, street maintenance and completion of the Garwood pipeline project. The completion of the departmental business plans and long range project plans will provided essential elements to support the update on the Master Plans for the Water, Wastewater and Storm Water Departments. Furthermore, a staff reorganization was initiated in January 2012 to strengthen the City's Planning Department. The Planning Department has been charged with the responsibility of supporting the process necessary to incorporate the business plan and project plan documents mentioned above into each utility department's Master Plan. The Master Plans will be included as critical components of the City's Comprehensive Plan and undergo rigorous review by the Planning Commission and ultimate approval by the City Council. From that point the Master Plans will be annually reviewed and updated as well as serve a critical role in the Capital Improvement plan process, development code review and approval and land use decision making by City staff and the City Council.

The City Council's third and final goal involved the creation of a Street Improvement Plan. Improvement of the City's streets is a high priority for the City Council. As such, the Mayor created a "Street Maintenance Finance Advisory Ad Hoc Committee" in February 2011, and the committee met diligently for almost one year before making its recommendation to the City Council on January 31, 2012. City staff then took the committee's recommendation of the creation of a dedicated funding source and analyzed the feasibility and methodology in the creation of a street fee. City staff made a presentation to the City Council in September 2012 where the City Council resolved to work toward approving a street fee to fund street maintenance. City staff has developed a four-part plan that involves a street fee on utility bills for road maintenance; a neighborhood assessment for repairs of residential streets; city debt to rebuild major roads; and strengthening of construction standards so roads will last longer. In January 2013, City staff presented options to the City Council on how the proposed street fee would be structured. A final fee plan is expected to be presented to the City Council in February 2013 and could be in place as early as May 2013.

AWARDS AND ACKNOWLEDGMENTS

Awards

During fiscal year 2010-2012, several City departments received awards or recognitions. In November 2011, the City was ranked fifth in the nation by the Center for Digital Governments among those with a population class of 250,000 and greater. In 2012 the City of Corpus Christi was designated as a "Citizen-Engaged Community" by the Public Technology Institute (PTI). Additionally, PTI and the Alfred P. Sloan Foundation recognized the City as one of 17 cities, county, and state governments that are United States leaders in the innovative application of Web 2.0 technologies and civic/social media tools used to achieve impressive results in citizen engagement, government accountability, and operational efficiencies.

The City's Public Information Office won numerous awards in 2012 including first place in the City County Communications and Marketing Association (3CMA)'s citizen participation award; second place in the Texas Association of Telecommunication Officers and Advisors' partnership program; third place in the Texas Association of Telecommunication Officers and Advisors' video text bulletin board; and third place in the Texas Association of Municipal Information Officers' Magazine Format Series for "City Snapshot".

In February 2010, the City was first awarded the gold designation in the Texas Comptroller Leadership Circle program which recognizes local governments across Texas that meet a high standard for financial transparency online. This gold designation was again achieved in 2011 and in 2012. Additionally, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Corpus Christi for its comprehensive annual financial report (CAFR) for the fiscal year ended July 31, 2011, continuing to confirm compliance with both Generally Accepted Accounting Principles (GAAP) and legal requirements. This was the twenty-ninth 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, 2011. The City has received twenty-one 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 Margie C. Rose for her continued guidance and support and to John Shepherd and Craig Mlady with Collier, Johnson, and Woods, P.C. who tirelessly and patiently worked with City staff in conducting the audit and producing the CAFR.

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

Respectfully submitted,



Ronald L. Olson
City Manager



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



City of
Corpus
Christi

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, 2011

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.



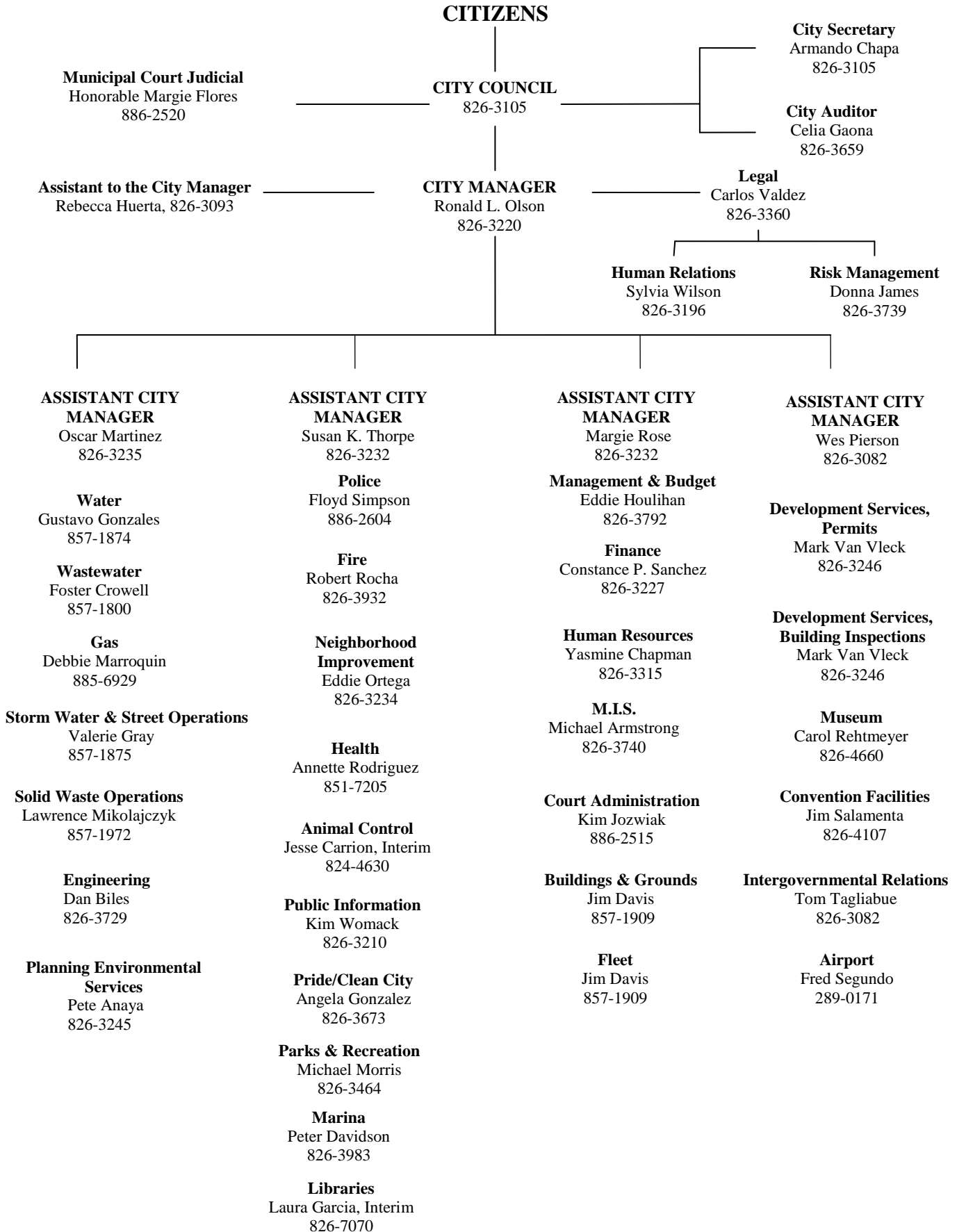
Christopher P. Moynell

President

Jeffrey R. Egan

Executive Director

City Organizational Chart



Financial Section

INDEPENDENT AUDITOR'S REPORT

January 25, 2013

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, 2012, 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 opinions on these financial statements based on our audit. We did not audit the financial statements of the Corpus Christi Convention and Visitors Bureau whose assets were \$996,016 and revenues were \$3,390,680, the American Bank Center Convention Center Fund whose assets were \$1,058,546 and revenues were \$2,356,348 and the American Bank Center Arena Operations Fund whose assets were \$1,388,696 and revenues were \$3,838,860. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Corpus Christi Convention and Visitors Bureau and the American Bank Center Convention Center Fund and Arena Operations Fund, is based on the reports of the other auditors.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Corpus Christi, Texas as of July 31, 2012 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 25, 2013 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the other required supplementary information on pages 3 through 15 and 82 be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Corpus Christi's financial statements as a whole. The introductory section, combining and individual nonmajor 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 359 through 370, is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and by the *State of Texas Single Audit Circular* issued by the Governor's Office of Budget and Planning and is also not a required part of the financial statements. The combining and individual fund statements and schedules, capital assets used in the operation of governmental funds and the schedule of expenditures of federal/state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Collier, Johnson & Woods

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Corpus Christi's (City) annual financial report presents an overview, through management's discussion and analysis (MD&A), of the City's financial activities and performance during the fiscal year ended July 31, 2012. The MD&A should be read in conjunction with the transmittal letter found in the Introductory Section of this report and the accompanying financial statements and disclosure following this section.

FINANCIAL HIGHLIGHTS

Entity Wide

- Total net assets of the City, excluding component units, were \$1.11 billion at July 31, 2012, an increase of \$65.6 million, or 6.3% compared to July 31, 2011. Of these assets, 91.1% are invested in capital assets, net of related debt, and restricted, with the remaining 8.9% unrestricted.
- Total net expenses over program revenue were \$17.8 million lower than prior year, reflecting net expenses of \$111.2 million at July 31, 2012 compared to \$129.0 million at July 31, 2011.
- Total general revenue and transfers, excluding component units, increased \$9.8 million from the prior year from \$166.9 million at July 31, 2011 to \$176.7 million at July 31, 2012, an increase of 5.9% mainly due to a \$9.0 million increase in sales tax revenue.

Governmental Activities

- On a government-wide basis for governmental activities, the City had expenses net of program revenue of \$169.0 million at July 31, 2012, compared to \$164.3 million at July 31, 2011, representing an increase of 2.9% from the prior year. General revenues and transfers totaled \$196.3 million at July 31, 2012 compared to July 31, 2011 totals of \$190.9 million in general revenues and transfers with an increase in net assets at July 31, 2012 of \$27.3 million.
- During the fiscal year ended July 31, 2012, the City issued \$44.7 million of General Improvement Bonds for street improvements as the last authorization from the bond election held in November 2008. The City also issued \$7.39 million of public property contractual obligations to fund energy projects. The City has continued to maintain its general obligation bond ratings of AA- by Standard & Poor's, AA by Fitch, and Aa2 by Moody's. At the end of fiscal year 2012, the City's governmental activities had \$378.5 million in outstanding ad valorem and sales tax supported bonds compared to \$353.9 million at July 31, 2011.

Business-Type Activities

- On a government-wide basis for business-type activities, program revenue net of expenses was \$57.8 million for fiscal year ended July 31, 2012 compared to \$35.3 million for 2011, representing an increase of 63.7% from the prior year.
- Net assets increased by 5.3% from \$727.0 million at July 31, 2011 to \$765.2 million at July 31, 2012.
- During the fiscal year ended July 31, 2012, the City has issued \$52.5 million of Utility System revenue improvement bonds for improvements to the combined utility system and \$18.2 million of Airport general improvement refunding bonds. The City maintained its utility revenue bond ratings of A+ by Standard & Poor's, AA- by Fitch, and by Aa3 by Moody's. At the end of fiscal year 2012, the business-type activities had \$654.4 million in outstanding general obligation bonds, revenue bonds, and certificates of obligation compared to \$633.2 million at July 31, 2011.

General Fund

- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$7.6 million, or 4.0% of the General Fund expenditures. This compares to an unassigned fund balance of \$8.6 million, or 4.4% of General Fund expenditures for fiscal year ended July 31, 2011.
- In 2012, the financial policies were modified to maintain a commitment for major contingencies of at least 10% and up to 25% of the total General Fund appropriations. The commitment was increased at July 31, 2012 from 10% to 14% of the total General Fund appropriations or \$28.7 million, an increase of \$8.9 million from the prior year.
- General Fund expenditures for the current year of \$186.9 million were 4% lower than the prior year expenditures of \$194.9 million.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

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

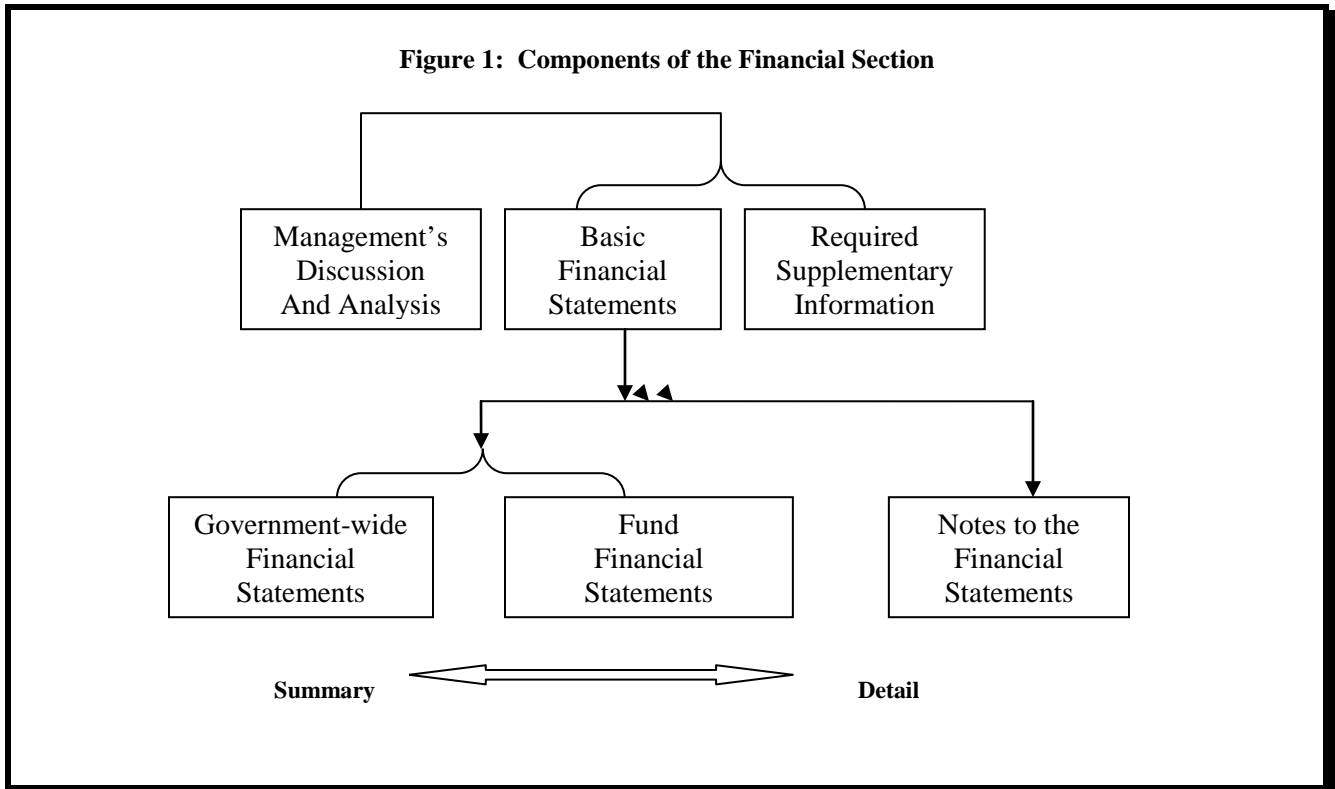


Figure 1 depicts how the required parts of this annual financial report are arranged and relate to one another. In addition to these required elements, a section with combining and individual fund financial statements and schedules that provides details about the non-major governmental funds and internal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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

1. Government-wide financial statements provide both long-term and short-term information about the City's overall financial condition. The *Statement of Net 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

Net Assets

The government-wide financial statements have been restated to reflect a correction of an understatement of claims liabilities at July 31, 2011 of \$5.5 million. The net assets at July 31, 2011 of \$1.050 billion have been restated to \$1.045 billion. (See Note 11A.) A reclassification between restricted and unrestricted net assets was made in 2011 in the amount of \$8.1 million for governmental activities and \$4.3 million for business-type activities.

At July 31, 2012, the net assets for the City of Corpus Christi totaled \$1.11 billion, \$65.6 million higher than the prior year. The composition of these net assets is \$345.8 million for governmental activities and \$765.2 million for business-type activities. The largest portion of the City's total net assets, 82.4%, are invested in capital assets (e.g., land, infrastructure, buildings, machinery and equipment, and construction in progress), less any related debt used to acquire those assets that is still outstanding. The City has \$96.1 million in restricted net assets for specific purposes in 2012, which is a \$2.0 million decrease from 2011 due to reduced federal and state grant funding in the current year. The City's unrestricted net assets, \$99.0 million for 2012, are used to finance day-to-day operations. The City has sufficient funds to meet requirements for cash outlays in the next fiscal year as well as the financial capacity to meet its long-term obligations, without major reductions in fund balances or net assets.

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

Table 1
Summary of Statement of Net Assets
As of July 31, 2012 and 2011
(in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Capital assets, net of accumulated depreciation	\$ 549,048	\$ 519,571	\$ 1,472,104	\$ 1,449,230	\$ 2,021,152	\$ 1,968,801
Other assets	328,674	287,133	174,204	138,171	502,878	425,304
Total assets	877,722	806,704	1,646,308	1,587,401	2,524,030	2,394,105
Long-term liabilities	439,455	351,113	873,605	795,821	1,313,060	1,146,934
Other liabilities	92,463	137,077	7,465	64,630	99,928	201,707
Total liabilities	531,918	488,190	881,070	860,451	1,412,988	1,348,641
Net assets						
Invested in capital assets, net of related debt	222,519	209,726	693,364	682,070	915,883	891,796
Restricted	85,446	87,702	10,689	10,444	96,135	98,146
Unrestricted	37,840	21,086	61,185	34,436	99,025	55,522
Total net assets	\$ 345,805	\$ 318,514	\$ 765,238	\$ 726,950	\$ 1,111,043	\$ 1,045,464

Of the business-type activities, the Utility System fund is the largest operation at the City with total assets of \$1.44 billion, comprising 87.6% of all business-type activities total assets for 2012, decreasing slightly from 91.3% in 2011. The Utility System fund net assets were \$667.0 million which is 87.2% of total business-type activities net assets for 2012, as compared to 86.5% for 2011.

Changes in Net Assets

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

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenue						
Program revenues						
Charges for services	\$ 54,169	\$ 54,533	\$ 255,452	\$ 242,283	\$ 309,621	\$ 296,816
Operating grants and contributions	14,697	20,293	1,320	1,193	16,017	21,486
Capital grants and contributions	4,841	11,617	9,858	7,737	14,699	19,354
Total program revenues	<u>73,707</u>	<u>86,443</u>	<u>266,630</u>	<u>251,213</u>	<u>340,337</u>	<u>337,656</u>
General revenue						
Property taxes	84,108	84,650	--	--	84,108	84,650
Sales taxes	79,404	70,432	--	--	79,404	70,432
Hotel occupancy taxes	12,052	10,722	--	--	12,052	10,722
Investment earnings	848	683	330	433	1,178	1,116
Total general revenue	<u>176,412</u>	<u>166,487</u>	<u>330</u>	<u>433</u>	<u>176,742</u>	<u>166,920</u>
Total revenues	<u>250,119</u>	<u>252,930</u>	<u>266,960</u>	<u>251,646</u>	<u>517,079</u>	<u>504,576</u>
Expenses						
General government	18,080	16,590	--	--	18,080	16,590
Police and municipal court	80,497	81,930	--	--	80,497	81,930
Fire and ambulance	45,749	47,347	--	--	45,749	47,347
Emergency management	508	544	--	--	508	544
Inspections	1,752	1,637	--	--	1,752	1,637
Streets	17,337	21,452	--	--	17,337	21,452
Health	6,813	7,218	--	--	6,813	7,218
Parks and recreation	17,861	19,903	--	--	17,861	19,903
Libraries	4,223	4,785	--	--	4,223	4,785
Museums	1,659	1,900	--	--	1,659	1,900
Community enrichment	4,274	9,530	--	--	4,274	9,530
Community development	11,085	10,025	--	--	11,085	10,025
Convention and visitors activities	16,057	10,487	--	--	16,057	10,487
Interest on long-term debt	16,786	17,385	--	--	16,786	17,385
Solid waste	--	--	23,495	27,141	23,495	27,141
Utilities	--	--	171,245	174,106	171,245	174,106
Airport	--	--	11,983	11,729	11,983	11,729
Golf centers	--	--	294	1,169	294	1,169
Marina	--	--	1,802	1,794	1,802	1,794
Total expenses	<u>242,681</u>	<u>250,733</u>	<u>208,819</u>	<u>215,939</u>	<u>451,500</u>	<u>466,672</u>
Excess revenues over expenses	7,438	2,197	58,141	35,707	65,579	37,904
Transfers	19,853	24,461	(19,853)	(24,461)	--	--
Increase in net assets	<u>27,291</u>	<u>26,658</u>	<u>38,288</u>	<u>11,246</u>	<u>65,579</u>	<u>37,904</u>
Net assets at beginning of year	<u>318,514</u>	<u>291,856</u>	<u>726,950</u>	<u>715,704</u>	<u>1,045,464</u>	<u>1,007,560</u>
Net assets at end of year	<u>\$ 345,805</u>	<u>\$ 318,514</u>	<u>\$ 765,238</u>	<u>\$ 726,950</u>	<u>\$ 1,111,043</u>	<u>\$ 1,045,464</u>

Governmental Activities

As shown in Table 2, there was a \$27.3 million increase in net assets for governmental activities in 2012 as compared to a \$26.7 million net increase for 2011. For fiscal year ended July 31, 2012, revenues totaled \$250.1 million compared to \$252.9 million in the prior year, a decrease of \$2.8 million or 1.1%. Although general revenues increased by \$9.9 million, this was more than offset by a \$12.7 million decrease in program revenues – resulting in the \$2.8 million decrease in revenues. The increase in general revenues for 2012 was made up primarily of a \$9.0 million increase in sales tax and a \$1.3 million increase in hotel occupancy tax, reflecting a rebound in the economy due, in part, to the increased Eagle Ford Shale oil and gas activity in the area. The decrease in program revenues is made up of a \$5.6 million decrease in operating grants and contributions and a \$6.8 million decrease in capital grants and contributions in 2012. Charges for services remained relatively constant from 2011 to 2012, with a slight decrease of 0.1% from the prior year

The major variance in the operating grants and contributions was a 2-year \$3.0 million American Recovery and Reinvestment Act (ARRA) grant the City received in 2011 for a Weatherization Assistance Program from the Department of Energy for which \$2.7 million was expended and recognized as revenue in 2011, compared to \$300 thousand in 2012. Additionally in 2011, the City received additional funding of approximately \$1.5 million for the Public Safety Interoperable Communications Grant which did not occur again 2012 and a \$1.0 million drop in 2012 in the federal funding levels for the Community Development Block Grant and the Home Investment Partnerships Program.

Capital grants and contributions decreased in 2012 due to lower funding levels from the Texas Department of Transportation totaling approximately \$2 million and a decrease of \$600 thousand in street closures in 2012. In 2011 four developers had fulfilled their contractual obligation which was reflected as a capital contribution in 2011, resulting in a \$2.6 million decrease in capital grants and contributions for 2012. Additionally, capital expenditures were incurred and grant reimbursement revenue was received in 2011 from the Public Safety Interoperable Communications Grant in the amount of \$550 thousand; the Justice Award Grant (JAG) in the amount of \$250 thousand, and \$108 thousand from the laboratory Information Management System (LIMS) which did not occur again in 2012.

Expenses for governmental activities totaled \$242.7 million in 2012 compared to \$250.7 million in 2011, a decrease of \$8.0 million. This decrease can be attributed, in part, to \$2.0 million of departmental cuts made during the 2012 budget process - especially by parks and recreation whose cuts saved \$700 thousand from park operations as a result of reductions including the closing of two city swimming pools, the reduction of mowing cycles, reduction of trash pick-up at some city parks, and the reduction of maintenance for athletic fields; and from the receipt of \$900 thousand in reimbursements for beach maintenance and parks construction; \$3.2 million in combined salary savings and a reduction of overtime from police and municipal courts; an additional one-time City Council appropriation of \$2 million in 2011 for street repair; and in a decrease of \$600 thousand for incentive payments made in 2012 included in general government activities.

Business-type Activities

As shown in Table 2, the net assets for business-type activities for 2012 increased \$38.3 million versus a net increase of \$11.2 million in 2011. For 2012, revenues for business-type activities increased by \$15.4 million from the prior year: \$267.0 million for 2012 compared to \$251.6

million for 2011, and expenses decreased by \$7.1 million: \$208.8 million for 2012 compared to \$215.9 million for 2011.

Revenues for the City's business-type activities are associated with operating activities accounted for in the enterprise funds, the largest activity being the utilities (79.2%) which consists of the gas, water, and wastewater systems. Charges for services for the utilities increased by \$10.2 million from 2011 to 2012 due to a combination of factors. Water revenues increases \$11.1 million from the prior year due to residential water consumption increasing by approximately 1% from the prior year, as well as the implementation of a 5.6% water rate increase. Wastewater revenues increased by \$4.8 million due to a 1.3% rate increase. Gas revenues, on the other hand, decreased by \$5.7 million because of gas prices stabilizing – lowering the purchased gas adjustment charged to customers. Overall, charges for services for all business-type activities increased by \$13.2 million from 2011 to 2012 because of the variances noted in the utilities above and an increase of \$3.3 million in solid waste revenue as a result of a full-year of recycling.

Operating grants and contributions remained relatively constant from 2011 to 2012 with a slight increase of \$130 thousand. Capital grants and contributions increased by \$2.1 million from 2011 due primarily to an increase in funding from the Federal Aviation Administration (FAA) in 2012 to help fund an upgrade in the security system at the Airport and to help fund a runway extension project. Additionally, contributions from developers increased due to the laying of more water and wastewater lines to several new residential subdivisions and businesses in 2012.

Expenses reported in the business-type activities decreased by \$7.1 million from 2011 to 2012. The major expense reported in the business-type activities was utilities (82.0%), reflecting \$171.2 million in 2012 compared to \$174.1 million in 2011. Expenses for the utilities decreased by \$2.9 million from the prior year due primarily to operational reductions as part of the 2012 budget process. Golf expenses decreased by \$900 thousand from 2011 due to the privatization of the management of both municipal golf courses in February 2011 and the fact that the City now records only the costs to insure both golf courses and various other incidental costs the City incurs. The annual net profits are split with the management company and recorded as revenue by the City. Solid waste experienced a decrease in expenses of \$3.6 million from \$27.1 million in 2011 due to full-year of savings of operating costs going to once-a-week garbage pick-up and implementing a recycling program.

FINANCIAL ANALYSIS OF THE CITY'S GOVERNMENTAL FUNDS

Governmental Funds

- Total assets of the General Fund increased from the prior year, reporting \$53.7 million in 2012 compared to \$45.3 million in 2011. Cash, cash equivalents and investments reflect \$37.2 million or 69.2% of total assets with net receivables reporting \$15.1 million, or 28.1% of the total. The majority of the net receivables balance was in property taxes receivables, solid waste receivables, demolition liens, and intergovernmental receivables attributed to sales tax. Some of these receivables are deferred in the fund.
- Total liabilities of the General Fund remained relatively flat from the prior year reporting \$15.8 million in 2012 and \$14.9 million in 2011.
- General Fund revenues reflect an \$8.7 million increase from 2011 revenues. Sales tax revenue increased by \$6.3 million in 2012 from \$44.5 million in 2011 to \$50.7 million in 2012, an increase of 14.2%. This increase is due to a resurge in the economy in Corpus

Christi caused in part by the increased Eagle Ford Shale oil and gas activity in the area. Current ad valorem taxes increased 2.3% from 2011 to 2012 or \$1.1 million from \$49.3 million in 2011 to \$50.4 million in 2012. Solid waste increased \$3.2 million due to an increase in refuse volume disposed at the landfill during 2012 and due to a full year of the recycling program, which increased revenue by \$2.1 million.

- General Fund transfers-in decreased \$5.9 million from 2012. In fiscal year 2011, the City's financial policies were amended to allow for the transfer of funds from the utility funds in an amount not to exceed 7% of the three-year average revenues for the utilities. As a result of this change in the policies, \$6.2 million was transferred to the General Fund from the Utility System in 2011. This provision, however, was removed from the 2012 financial policies, and so the transfer did not occur in 2012.
- The General Fund's unassigned fund balance remained relatively constant at \$7.6 million in 2012 and \$8.6 million in 2011. Committed for major contingencies increased by \$8.9 million in 2012 from \$19.8 million in 2011 to \$28.7 million in 2012. The financial policies were modified in 2012 to reflect a goal to build and maintain the commitment for major contingencies to be at least 10% and up to 25% of the total annual general fund appropriations. The commitment was increased at July 31, 2012 from 10% to 14% of the total annual general fund appropriations in the General Fund.
- The Debt Service Fund's total fund balance increased by \$2.5 million, reporting a balance of \$16.9 million in 2012. This increase was due to the fact that the ad valorem tax collections were higher than estimated.
- The Streets Capital Projects Fund was a major governmental fund in 2012 due to \$32.8 million in expenditures. In 2012, the fund received \$49.3 million in general obligation bond proceeds to fund street improvements as the last authorization from the bond election held in November 2008. Total assets for this fund were \$67.3 million at July 31, 2012. Total liabilities were \$6.4 million, and total fund balance was \$60.9 million.

Non-major Governmental Funds

Funds comprising the non-major governmental category are special revenue, capital projects funds and debt service funds from the Corpus Christi Business and Job Development Corporation. The combined fund balance for all non-major governmental funds for 2012 was \$119.3 million, as compared to \$162.1 million from 2011. This represents a \$42.8 million decrease or 26.4%. \$40.9 million of the decrease is attributed to Streets Capital Projects Fund becoming a major fund in 2012. The fund balance in the remaining capital projects funds decreased by \$5.7 million due to the completion of Bond 2008 projects using bond proceeds received in prior years. In the special revenue funds, the Corpus Christi Business and Job Development Corporation reported an increase in the amount of sales tax collections – from \$16.7 million in 2011 to \$19.0 million in 2012 or a 13.8% increase. Expenditures in the Corpus Christi Business and Job Development Corporation remained relatively constant from 2011 reflecting \$12.2 million in 2011 and \$12.5 million in 2012. The Crime Control and Prevention District also experienced an increase in the amount of sales tax collections – from \$5.2 million in 2011 to \$6.1 million in 2012 or a 17.3% increase.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As shown in Table 3 below, at the end of 2012 the City had invested over \$2.0 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 \$55.4 million, or 2.8% over last year. The governmental activities increased by \$29.5 million from the prior year. This increase included \$54.2 million in additions less \$24.5 million of depreciation expense and \$146 thousand for retirements in 2012. The additions were due mainly to an increase in infrastructure (\$25.1 million) for streets associated with Bond 2008 projects being completed in 2012, as well as an increase in improvements (\$38.5 million) for projects completed in 2012 as part of Bond 2008. The business-type activities increased by \$25.9 million in 2012. This increase included \$68.2 million in additions less \$42.4 million of depreciation expense and \$3 thousand in retirements. The majority of the increase in infrastructure was associated with Utility System improvements. (See Note 8 of the Financial Statements for more details on capital assets.)

Table 3
Capital Assets (net of depreciation) at July 31, 2012 and 2011
(in 000's)

	Governmental Activities		Business-Type Activities		Total		% Change 2011-2012
	2012	2011	2012	2011	2012	2011	
Land	\$ 59,075	\$ 57,115	\$ 36,443	\$ 35,510	\$ 95,518	\$ 92,625	3.1%
Water rights	--	--	198,421	200,203	198,421	200,203	-0.9%
Buildings	145,863	150,122	52,578	53,358	198,441	203,480	-2.5%
Improvements	98,331	66,106	253,549	242,114	351,880	308,220	14.2%
Equipment	27,652	31,547	16,912	18,275	44,564	49,822	-10.6%
Infrastructure	146,552	125,363	769,716	760,292	916,268	885,655	3.5%
Construction in progress	71,575	89,318	144,485	136,479	216,060	225,797	-4.3%
Total	\$ 549,048	\$ 519,571	\$ 1,472,104	\$ 1,446,231	\$ 2,021,152	\$ 1,965,802	2.8%

Long-term Liabilities

Table 4 shows that total long-term liabilities increased \$53.9 million in 2012, from \$1.277 billion to \$1.331 billion, or 4.2%. Governmental activities reported a net increase in long-term liabilities of \$36.0 million or 8.2% which reflects the adding of \$58.0 million of debt, pay down of \$25.6 million of debt, and added net retirement costs of \$3.6 million due to reduced funding levels for retirement. Business-type activities reported an increase in long-term liabilities of \$17.9 million or a 2.1% increase from 2011 due to the adding of \$74.5 million of debt and the pay-down of debt of \$56.8 million and added net retirement costs of \$153 thousand.

Table 4
Long-Term Liabilities at July 31, 2012 and 2011
(in 000's)

	Governmental Activities		Business-Type Activities		Total		% Change 2011-2012
	2012	2011	2012	2011	2012	2011	
General obligation bonds	\$ 251,195	\$ 219,025	\$ 18,220	\$ --	\$ 269,415	\$ 219,025	23.0%
Certificates of obligation	32,822	34,690	59,388	61,150	92,210	95,840	-3.8%
Revenue bonds	94,485	100,165	--	--	94,485	100,165	-5.7%
Utility revenue bonds	--	--	576,810	553,575	576,810	553,575	4.2%
Airport revenue bonds	--	--	--	18,520	--	18,520	-100.0%
Capital leases	7,339	9,940	6,860	8,319	14,199	18,259	-22.2%
Other notes	10,665	4,300	152,513	156,205	163,178	160,505	1.7%
Deferred amounts	11,332	7,395	6,606	4,812	17,938	12,207	46.9%
Total debt	<u>407,838</u>	<u>375,515</u>	<u>820,397</u>	<u>802,581</u>	<u>1,228,235</u>	<u>1,178,096</u>	4.3%
Accumulated compensated absences	37,307	36,564	3,760	3,757	41,067	40,321	1.9%
Landfill closure cost	--	--	24,219	25,931	24,219	25,931	-6.6%
Net pension obligation	18,865	13,536	7,006	4,926	25,871	18,462	40.1%
Net OPEB obligation	11,043	13,556	603	821	11,646	14,377	-19.0%
Total long-term liabilities	<u>\$ 475,053</u>	<u>\$ 439,171</u>	<u>\$ 855,985</u>	<u>\$ 838,016</u>	<u>\$ 1,331,038</u>	<u>\$ 1,277,187</u>	4.2%

During the fiscal year, the City completed three bond issues to fund projects approved by the citizens as a result of the November 2008 bond election; to fund utility projects planned and approved during the last fiscal year; and to refund airport revenue bonds into general obligation bonds; completed one issuance of public property contractual obligations to fund retrofits of selected municipal buildings; and initiated a refunding of sales tax revenue bonds related to the Seawall Project that was funded on August 2, 2012 (the subsequent fiscal year). The City was able to take advantage of the historically low interest rates.

In January 2012, the City issued \$44.7 million of General Improvement Bonds, Series 2012 to complete the \$153 million authorization approved by the voters on November 4, 2008. This issuance added \$49.3 million of bond dollars to complete street improvements. This debt is backed by ad valorem taxes. The interest rates range from 2.00% to 5.00%.

In February 2012, the City privately placed \$7.4 million of public property contractual obligations to fund retrofits of selected municipal buildings, facilities, and infrastructures in accordance with a \$2.5 million grant the City received from the Energy Efficiency and Conservation Block Grant Program in 2011. This debt is backed by ad valorem taxes but has a secondary backing of the guaranteed annual savings resulting from the energy efficiency of this project. The interest rate on this 12 year debt is 2.170%.

In April 2012, the City issued \$52.5 million of Utility System Revenue Bonds, Series 2012, to finance planned Utility System capital improvements. These bonds are backed by revenue generated from the combined utility system. The interest rates for these bonds range from 2.00% to 5.00%.

In July 2012, the City refinanced \$18.2 million of General Airport Revenue Bonds into general improvement refunding bonds backed by ad valorem taxes. The City issued tax-backed refunding bonds to realize savings of annual debt payments and to realize relief from restrictive operative covenants relating to the City's Airport System. The interest rates for these bonds range from 2.00% to 4.00%.

In July 2012, the Corpus Christi Business and Job Development Corporation issued \$29.1 million of Sales Tax and Revenue Refunding Bonds, Series 2012 (Seawall Project) to realize savings of annual debt payments and to take advantage of historic low interest rates. Savings realized by the refunding was a net present value savings of \$6.2 million or 17.2%. The interest rates for these bonds range from 3.125% to 5.00%. Although these bonds were sold in fiscal year 2012, they were not funded until next fiscal year (August 2012), and therefore are not included in the financial statements for 2012.

The net pension obligation increased from \$18.5 million in 2011 to \$25.9 million in 2012, a 40.1% increase due to reduced funding levels to the Texas Municipal Retirement System (TMRS). In calendar year 2011, the City Council approved an ordinance to change the “annually repeating” feature of the City’s plan regarding updated service credits and 70% consumer price index (CPI) increases for annuitants to “ad hoc” (one time only basis) - thereby reducing the City’s full contribution rate for subsequent years. The rate for calendar year 2012 fell to 10.33% using the “ad hoc” methodology. However, these changes are considered to be substantively automatic due to contract provisions with the Corpus Christi Police Officers’ Association; so the full TMRS rate of 20.49% has been expensed in the current year, and the net pension obligation has been increased by \$7.4 million for a total pension obligation of \$25.9 million. It should be noted that the City elected to fund the City’s contribution at a higher rate than the TMRS minimum funding requirement of 10.33%. In January 2012, the City began funding at 14.84%. The unfunded actuarial accrued liability for the City at July 31, 2012 is \$249.4 million. (See Note 9 Employee Retirement Benefits in the Financial Statements.)

The net OPEB (other post-employment benefits) obligation decreased by \$2.7 million from 2011 to 2012. An actuarial valuation was obtained and determined that the total annual required contribution (ARC) for the City at July 31, 2012 was \$663 thousand, down from \$3.5 million in 2011. The significant decrease in this expense was due primarily to the elimination of coverage of retirees over the age of 65 and changes made in plan participation and costs of providing services. Part of the decrease can also be attributed to revisions to the actuarial assumptions. The unfunded actuarial accrued liability for the City at July 31, 2011, most recent validation date, is \$12.7 million. (See Note 10 Post-Employment Health Care Benefits in the Financial Statements.)

Additionally, the landfill closure cost decreased by \$1.7 million from 2011 due to the approval of the closing of the J. C. Elliott landfill in 2012 by the Texas Commission on Environment Quality (TCEQ) and the reduction of the landfill closure liability due to a change in estimates on the closure costs. (See Note 13 Long-Term Obligations in the Financial Statements.)

Bond Ratings

The City’s bond ratings from each of the three rating agencies were reaffirmed in fiscal year 2012. The unenhanced bond ratings for general obligation bonds were assigned Aa2 from Moody’s Investors Service, Inc. (Moody’s), AA- from Standard & Poor’s Ratings Service (S&P), and AA from Fitch Ratings (Fitch). The City’s unenhanced bond ratings for 2012 for revenue bonds were assigned Aa3 from Moody’s Investors Service, Inc. (Moody’s), A+ from Standard & Poor’s Ratings Service (S&P), and AA- from Fitch Ratings (Fitch).

GENERAL FUND BUDGETARY HIGHLIGHTS

The financial policies of the City dictate that current budgeted revenues will equal or exceed current budgeted expenditures. In 2012, the financial policies were modified to reflect a goal to build and maintain the commitment for major contingencies of at least 10% and up to 25% of the total annual General Fund appropriations. Only unforeseen or “one-time” expenditures are considered justification for utilizing the fund balance or contingency funds during the annual budget process. The commitment was increased at July 31, 2012 from 10% to 14% of the total annual General Fund appropriations.

Exhibit 3 of the Financial Statements reflects the budget to actual comparisons for the General Fund. The originally adopted General Fund revenue budget (including transfers in) of \$197.6 million was amended by the City Council during 2012 resulting in a net increase in revenue of \$1.15 million. Major amendments included increasing revenue in the amount of \$580 thousand from the Corpus Christi Housing Finance Corporation from the forgiveness of a prior year’s loan; \$270 thousand received from the Hotel Occupancy Tax Fund for beach maintenance; and \$200 thousand of parking meter revenue generated from additional meters and equipment. The originally adopted General Fund expenditure budget (including transfers out) of \$197.6 million was amended by the City Council during 2012 resulting in a net increase in expenditures of \$5.5 million. Major amendments included \$2.3 million of encumbrances carried forward into 2012; a \$1.45 million appropriation to help fund two capital improvement projects, \$500 thousand for the removal of brush caused by a thunderstorm in 2012, and \$270,000 for beach maintenance. (See Note 6 Budgetary Data in the Financial Statements for more detail of budget changes.)

Budgetary Variances

General fund actual revenue for 2012 of \$198.9 million was \$4.9 million over the budgeted amount. Taxes and business fees were \$126.7 million in 2012, a \$6.6 million increase from the prior year, and \$4.4 million over budget. Included in this classification is sales tax which was budgeted for 2012 with an increase of 4.5% over the prior year’s estimated collections. Actual sales tax revenue in 2012 was 11.4% over the budgeted amount due mainly to flourishing oil and gas industry. Total charges for services totaled \$58.5 million in 2012, as compared to \$55.2 million from the prior year and the \$57.9 million budget. The recycling program with solid waste services generated an additional \$3 million of additional revenue as compared to the prior year, and approximately \$500 thousand over budget. Solid waste refuse disposal charges increased \$1.1 million from the prior year and \$1.1 million over budget. Total fines and forfeitures totaled \$4.4 million in 2012, which represented a \$300 thousand decrease from 2011 and a \$532 thousand decrease from budget. This was primarily on operational changes within the police department where more focus has been given to felony offenses and less on minor violations.

General fund actual expenditures for 2012 of \$191.2 million were \$6.4 million under the amended budget amount of \$197.6. Areas contributing to the savings were general government, police and municipal court, streets, and parks and recreation. Main contributing factors were savings of \$1.5 million from general government departmental expenditure reductions during 2012, payments for economic development incentives that were \$617 thousand less than budgeted and \$700 thousand of budgeted reserved funds not expended that are included in general government; \$1.5 million of salary savings from police and municipal courts; \$2.5 million in deferral of expenses for streets; and \$600 thousand reductions in parks and recreation due to substantial cuts made during the 2012.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- The unemployment rate for Corpus Christi dropped to 6.6% in July 2012 from 8.0% in July 2011. In November 2012, the unemployment rate dropped to 5.4%, which was below the 6.2% unemployment rate for the State of Texas and below the 7.8% national unemployment rate.
- For fiscal year 2012-2013, the Certified Net Assessed Taxable Value experienced an increase of 2.13% to \$14,386,376,098. The adopted tax rate for fiscal year 2012-2013 remained at the prior year's rate of \$0.570557 per \$100 valuation. The Maintenance and Operations (M&O) rate remained at \$0.380339 per \$100 valuation, and the Debt Service rate remained at \$0.190218 per \$100 valuation.
- The City of Corpus Christi has appropriated total revenues and expenditures for fiscal year 2012-2013 of \$723,084,264 and \$730,405,455, respectively. Included for the General Fund are expenditures budgeted at \$205,194,507, which is a \$7.6 million increase over the original General Fund budget of \$197,625,968 for fiscal year 2011-2012. The increases are the result of a 4% contractual pay increase for the police sworn officers, 2% increase for fire sworn personnel, and a 2% increase for general employees totaling \$2.8 million. \$1.5 million is included to resolve salary inequity issues. \$1.5 million is included to fund an in-car camera system for the police department. General government departments increased their budgets by \$1.6 million to fund a new municipal court management system, various detention center and court improvements, the cost of a City Council election, and training for executive staff.
- A 5.0% average rate increase for Water utility residential customers has been programmed for fiscal year 2012-2013 based upon capital budget discussions and directives from City Council. No rate increase was programmed for wastewater and gas utility customers. This will be the fifth year that the water utility is utilizing a revised rate schedule, designed to charge customers for the cost of service received.

CITY'S FINANCIAL MANAGEMENT

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

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

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Corpus Christi, TX 78469-9277

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

**STATEMENT OF NET ASSETS
JULY 31, 2012**

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and cash equivalents (Note 5)	\$ 62,448,064	\$ 15,502,653	\$ 77,950,717	\$ 723,875
Investments (Note 5)	70,553,496	71,180,014	141,733,510	--
Receivables, net of allowance for uncollectibles (Note 7)	13,794,355	30,986,558	44,780,913	5,712
Due from (to) other funds (Note 15)	4,337,700	(4,337,700)	--	--
Inventories	1,700,312	642,288	2,342,600	7,297
Prepaid items	2,242,607	81,319	2,323,926	34,834
Restricted assets				
Cash and cash equivalents (Note 5)	54,284,497	30,954,584	85,239,081	--
Investments (Note 5)	87,499,063	21,611,850	109,110,913	--
Receivables, net of allowance for uncollectibles (Note 7)	26,241,323	214,429	26,455,752	--
Prepaid items	76,677	--	76,677	--
Advances to (from) other funds (Note 15)	801,689	(801,689)	--	--
Bond issue costs	4,406,736	8,169,921	12,576,657	--
Other property	287,954	--	287,954	--
Land and construction in progress (Note 8)	130,649,607	180,927,559	311,577,166	228,017
Other capital assets, net of accumulated depreciation and amortization (Note 8)	418,398,354	1,291,176,354	1,709,574,708	--
Total assets	<u>877,722,434</u>	<u>1,646,308,140</u>	<u>2,524,030,574</u>	<u>999,735</u>
LIABILITIES				
Accounts payable	19,463,489	11,957,149	31,420,638	328,558
Accrued expenses	7,063,619	4,522,928	11,586,547	--
Accrued interest	6,311,183	2,405,242	8,716,425	--
Contractor interest and retainage payable	1,160,494	5,440,119	6,600,613	--
Deposits	1,187,548	584,202	1,771,750	--
Liability to claimants - escheat property	144,248	121,291	265,539	--
Due to other governmental agencies	682,329	--	682,329	--
Unearned revenue	4,956,692	53,272	5,009,964	--
Current portion of estimated claims liability (Note 11)	8,957,624	--	8,957,624	--
Current portion of long-term liabilities (Note 13)				
Long-term debt	26,008,306	39,658,209	65,666,515	--
Landfill closure cost	--	703,448	703,448	--
Accumulated unpaid compensated absences	9,591,688	2,018,928	11,610,616	--

(Continued)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Estimated liability claims, excluding current portion (Note 11)	6,936,920	--	6,936,920	--
Long-term liabilities, excluding current portion (Note 13)				
Long-term debt	381,830,091	780,739,358	1,162,569,449	--
Landfill closure cost	--	23,515,400	23,515,400	--
Accumulated unpaid compensated absences	27,715,553	1,741,518	29,457,071	--
Net pension obligation (Note 9)	18,864,969	7,005,700	25,870,669	--
Net OPEB obligation (Note 10)	11,043,090	602,986	11,646,076	--
Total liabilities	<u>531,917,843</u>	<u>881,069,750</u>	<u>1,412,987,593</u>	<u>328,558</u>
NET ASSETS				
Invested in capital assets, net of related debt	222,519,201	693,363,853	915,883,054	228,017
Restricted for				
Vital statistics records retention	194,452	--	194,452	--
Passenger facility charges projects	--	1,725,836	1,725,836	--
Bond interest and redemption	1,500,000	5,930,902	7,430,902	--
Municipal and Juvenile Court	552,832	--	552,832	--
Fire contribution trust	5,585	--	5,585	--
PEG equipment and facilities	19,768	--	19,768	--
Tourism	2,590,450	--	2,590,450	--
Traffic safety programs	205,778	--	205,778	--
State and federal grant programs	1,691,688	--	1,691,688	--
Parks and recreation	1,451,518	--	1,451,518	--
Infrastructure development	1,474,824	--	1,474,824	--
Loans	14,954,621	--	14,954,621	--
Crime control and prevention	2,790,674	--	2,790,674	--
Business and job development	54,474,162	--	54,474,162	--
Tax increment zone improvements	3,539,502	--	3,539,502	--
Improvements to utility lines and facilities	--	2,902,275	2,902,275	--
Abatement of public health hazards	--	95,500	95,500	--
Law enforcement officers' standards and education	--	1,301	1,301	--
Construction of capital assets	--	33,386	33,386	--
Unrestricted	<u>37,839,536</u>	<u>61,185,337</u>	<u>99,024,873</u>	<u>443,160</u>
Total net assets	<u>\$ 345,804,591</u>	<u>\$ 765,238,390</u>	<u>\$ 1,111,042,981</u>	<u>\$ 671,177</u>

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

**STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2012**

	<u>Expenses</u>	<u>Charges for Services</u>
Primary government		
Governmental activities		
General government	\$ 18,079,972	\$ 21,614,922
Police and municipal court	80,496,720	13,719,871
Fire and ambulance	45,748,510	6,445,650
Emergency management	507,564	--
Inspections	1,752,448	--
Streets	17,337,069	1,357,066
Health	6,813,120	1,984,050
Parks and recreation	17,861,237	3,633,275
Libraries	4,222,687	149,771
Museums	1,659,435	322,473
Community enrichment	4,273,802	--
Community development	11,084,674	578,943
Convention and visitor activities	16,057,354	4,362,781
Interest on long-term debt	16,786,166	--
Total governmental activities	<u>242,680,758</u>	<u>54,168,802</u>
Business-type activities		
Solid Waste	23,494,713	37,864,068
Utilities		
Water	99,262,996	120,017,362
Gas	25,318,899	26,139,159
Wastewater	46,664,152	59,662,102
Airport	11,982,695	9,520,245
Golf centers	293,633	416,750
Marina	1,802,521	1,832,336
Total business-type activities	<u>208,819,609</u>	<u>255,452,022</u>
Total primary government	<u>\$ 451,500,367</u>	<u>\$ 309,620,824</u>
Component units		
Convention and visitor activities	<u>3,416,157</u>	<u>180,043</u>

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
\$ 26,450	\$ --	\$ 3,561,401	\$ --	\$ 3,561,401	
3,887,001	33,797	(62,856,051)	--	(62,856,051)	
1,016,069	421,758	(37,865,033)	--	(37,865,033)	
179,455	--	(328,109)	--	(328,109)	
--	--	(1,752,448)	--	(1,752,448)	
11,593	1,848,271	(14,120,139)	--	(14,120,139)	
1,702,355	193,800	(2,932,915)	--	(2,932,915)	
2,278,612	237,871	(11,711,479)	--	(11,711,479)	
301,643	138,913	(3,632,360)	--	(3,632,360)	
31,635	--	(1,305,327)	--	(1,305,327)	
3,248,474	295,738	(729,590)	--	(729,590)	
2,014,038	1,044,720	(7,446,973)	--	(7,446,973)	
--	--	(11,694,573)	--	(11,694,573)	
--	626,545	(16,159,621)	--	(16,159,621)	
<u>14,697,325</u>	<u>4,841,413</u>	<u>(168,973,217)</u>	<u>--</u>	<u>(168,973,217)</u>	
22,131	--	--	14,391,486	14,391,486	
689,915	2,391,121	--	23,835,402	23,835,402	
60,693	--	--	880,953	880,953	
547,555	1,732,155	--	15,277,660	15,277,660	
--	5,722,268	--	3,259,818	3,259,818	
--	--	--	123,117	123,117	
--	12,457	--	42,272	42,272	
<u>1,320,294</u>	<u>9,858,001</u>	<u>--</u>	<u>57,810,708</u>	<u>57,810,708</u>	
<u>\$ 16,017,619</u>	<u>\$ 14,699,414</u>	<u>(168,973,217)</u>	<u>57,810,708</u>	<u>(111,162,509)</u>	
<u>34,500</u>	<u>--</u>				<u>\$ (3,201,614)</u>
General revenue					
Taxes					
		58,201,084	--	58,201,084	--
		25,906,607	--	25,906,607	--
		79,403,692	--	79,403,692	--
		12,051,548	--	12,051,548	--
		848,062	329,951	1,178,013	1,093
		--	--	--	3,175,044
		<u>19,852,825</u>	<u>(19,852,825)</u>	<u>--</u>	<u>--</u>
		<u>196,263,818</u>	<u>(19,522,874)</u>	<u>176,740,944</u>	<u>3,176,137</u>
		27,290,601	38,287,834	65,578,435	(25,477)
		323,966,347	726,950,556	1,050,916,903	696,654
		<u>(5,452,357)</u>	<u>--</u>	<u>(5,452,357)</u>	<u>--</u>
		<u>318,513,990</u>	<u>726,950,556</u>	<u>1,045,464,546</u>	<u>696,654</u>
		<u>\$ 345,804,591</u>	<u>\$ 765,238,390</u>	<u>\$ 1,111,042,981</u>	<u>\$ 671,177</u>

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

**GOVERNMENTAL FUNDS
BALANCE SHEET
JULY 31, 2012**

	<u>General</u>	<u>Debt Service</u>	<u>Street Capital Projects</u>	<u>Other Governmental Funds</u>
ASSETS				
Cash and cash equivalents (Note 5)	\$ 8,154,237	\$ 1,849,985	\$ 19,156,827	\$ 58,519,487
Investments (Note 5)	29,017,033	15,004,410	46,987,910	47,036,801
Receivables, net of allowance for uncollectibles (Note 7)	15,102,331	741,354	1,169,736	26,281,017
Due from other funds (Note 15)	67,558	--	--	114,933
Inventories	575,774	--	--	12,400
Prepaid items	22,554	--	--	384,387
Advances to other funds (Note 15)	801,689	--	--	--
Other assets	--	--	--	238,083
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 53,741,176</u>	<u>\$ 17,595,749</u>	<u>\$ 67,314,473</u>	<u>\$ 132,587,108</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 6,495,041	\$ --	\$ 5,343,030	\$ 6,896,506
Accrued liabilities	6,272,751	--	--	493,565
Contractor interest and retainage payable	--	--	745,588	449,450
Deposits	431,922	--	353,400	607,266
Liability to claimants - escheat property	120,617	--	--	--
Due to other funds (Note 15)	114,933	--	--	67,558
Due to other governmental agencies	295,534	--	--	386,795
Deferred revenues	2,037,890	736,927	--	4,410,191
Total liabilities	<u>15,768,688</u>	<u>736,927</u>	<u>6,442,018</u>	<u>13,311,331</u>
Fund balances				
Nonspendable				
Inventory	575,774	--	--	12,400
Prepaid items	22,554	--	--	384,387
Advances to other funds	801,689	--	--	--
Total nonspendable	<u>1,400,017</u>	<u> </u>	<u> </u>	<u>396,787</u>
Restricted				
Vital statistic record retention	194,452	--	--	--
Municipal and Juvenile Court				
Municipal Court building security	--	--	--	122,042
Municipal Court technology	--	--	--	149,560
Judicial/Court improvements	29,628	--	--	--
Juvenile Court case manager	--	--	--	251,602
Fire contribution trust	5,585	--	--	--
PEG equipment and facilities	19,768	--	--	--
Tourism (HOT)	--	--	--	2,590,450
Traffic safety programs	--	--	--	205,778
Federal and state grant programs	--	--	--	--
Senior Community Services	--	--	--	19,768

(Continued)

Exhibit 2-A

**Total
Governmental
Funds**

\$	87,680,536
	138,046,154
	43,294,438
	182,491
	588,174
	406,941
	801,689
	238,083
	<hr/>

\$	271,238,506
	<hr/> <hr/>

\$	18,734,577
	6,766,316
	1,195,038
	1,392,588
	120,617
	182,491
	682,329
	7,185,008
	<hr/>
	36,258,964

	588,174
	406,941
	801,689
	<hr/>
	1,796,804

194,452

122,042

149,560

29,628

251,602

5,585

19,768

2,590,450

205,778

19,768

**GOVERNMENTAL FUNDS
BALANCE SHEET
JULY 31, 2012**

	<u>General</u>	<u>Debt Service</u>	<u>Streets Capital Projects</u>	<u>Other Governmental Funds</u>
Law enforcement	--	--	--	758,847
CDBG projects	--	--	--	900,212
Libraries	--	--	--	8
Community enrichment	--	--	--	12,853
Parks and recreation	--	--	--	1,451,518
Infrastructure	--	--	--	1,474,824
Loans	--	--	--	14,954,621
Crime control and prevention	--	--	--	2,790,674
Business and job development				
Seawall improvement	--	--	--	24,984,901
Arena facility	--	--	--	15,363,663
Economic development	--	--	--	14,125,598
Tax increment zone improvements				
North Padre Island development	--	--	--	3,109,185
Downtown development	--	--	--	430,317
Debt service	--	--	--	1,500,000
Capital projects	--	--	55,212,801	29,312,821
Total restricted	<u>249,433</u>	<u>--</u>	<u>55,212,801</u>	<u>114,509,242</u>
Committed				
Major contingencies	28,727,231	--	--	--
Government access equipment	11,959	--	--	--
Radio system capital replacement	25,744	--	--	--
Debt service	--	16,858,822	--	--
Visitors facilities maintenance	--	--	--	327,248
Marketing/co-promotion	--	--	--	116,000
Sister City programs	--	--	--	1,156
Park projects	--	--	--	3,257
Permanent art projects	--	--	--	160,664
Development projects	--	--	--	254,382
Local Emergency Planning Committee	--	--	--	34,068
Capital projects	--	--	5,901,517	1,498,517
Total committed	<u>28,764,934</u>	<u>16,858,822</u>	<u>5,901,517</u>	<u>2,395,292</u>
Assigned				
Industrial development	--	--	--	68,775
Arts and Cultural Commission	6,806	--	--	--
Capital projects	--	--	--	2,218,850
Total assigned	<u>6,806</u>	<u>--</u>	<u>--</u>	<u>2,287,625</u>
Unassigned	<u>7,551,298</u>	<u>--</u>	<u>(241,863)</u>	<u>(313,169)</u>
Total fund balances	<u>37,972,488</u>	<u>16,858,822</u>	<u>60,872,455</u>	<u>119,275,777</u>
Total liabilities and fund balances	<u>\$ 53,741,176</u>	<u>\$ 17,595,749</u>	<u>\$ 67,314,473</u>	<u>\$ 132,587,108</u>

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

**Exhibit 2-A
(Continued)**

Total Governmental Funds
758,847
900,212
8
12,853
1,451,518
1,474,824
14,954,621
2,790,674
24,984,901
15,363,663
14,125,598
3,109,185
430,317
1,500,000
84,525,622
<u>169,971,476</u>
28,727,231
11,959
25,744
16,858,822
327,248
116,000
1,156
3,257
160,664
254,382
34,068
7,400,034
<u>53,920,565</u>
68,775
6,806
<u>2,218,850</u>
<u>2,294,431</u>
<u>6,996,266</u>
<u>234,979,542</u>
<u>\$ 271,238,506</u>



City of
Corpus
Christi

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JULY 31, 2012**

Total fund balance - total governmental funds \$ 234,979,542

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds. The cost of assets in governmental activities excluding Internal service funds is \$957,537,124 and the accumulated depreciation is \$426,365,791. The costs of assets in Solid Waste is \$106,699,030 and the accumulated depreciation is \$37,356,940 which are included in business-type activities. 600,513,418

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

Governmental activities		
Bond issue cost	\$ 4,406,736	
Deferred taxes	2,210,406	
Deferred assessments and liens	20,027	
Solid Waste		
Bond issue cost	685,267	7,322,436

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. 42,135,175

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	\$ (6,311,178)	
Long-term debt	(404,216,501)	
Accumulated compensated absences	(35,901,593)	
Net pension obligation	(16,171,506)	
Solid Waste		
Accrued interest	(916,782)	
Long-term debt	(52,471,846)	
Accumulated compensated absences	(698,758)	
Net pension obligation	(1,197,025)	
Landfill closure costs	(24,218,847)	(542,104,036)

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. 2,958,056

Net assets of governmental activities \$ 345,804,591

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

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2012**

	<u>General</u>	<u>Debt Service</u>	<u>Street Capital Projects</u>	<u>Other Governmental Funds</u>
Revenues				
Taxes and business fees	\$ 126,688,432	\$ 25,939,709	\$ --	\$ 39,795,817
Licenses and permits	4,790,610	--	--	--
Grants	123,624	--	--	16,419,241
Charges for services	58,610,049	--	--	5,074,283
Fines and forfeitures	4,395,489	--	--	2,207,266
Contributions and donations	--	--	1,812,201	601,003
Special assessments	--	--	88,721	(41,934)
Earnings on investments	298,195	44,609	109,578	261,409
Interest on loans	--	--	--	86,173
Payments from Lexington Museum Association	--	267,750	--	--
Payments from Texas State Aquarium	--	358,795	--	--
Miscellaneous	1,481,958	--	--	234,123
Total revenues	<u>196,388,357</u>	<u>26,610,863</u>	<u>2,010,500</u>	<u>64,637,381</u>
Expenditures				
Current				
General government	18,263,946	--	561,484	321,535
Police and municipal court	64,438,554	--	--	11,101,488
Fire and ambulance	43,798,404	--	--	1,016,070
Emergency management	273,176	--	--	175,480
Inspections	1,538,175	--	--	--
Streets	13,161,670	--	--	11,534
Solid waste	19,266,177	--	--	22,130
Health	4,354,313	--	--	2,007,817
Parks and recreation	12,372,482	--	--	3,303,720
Libraries	3,630,490	--	--	287,252
Museums	1,482,306	--	--	31,635
Community enrichment	5,902	--	--	4,270,400
Community development	--	--	--	8,276,753
Convention and visitors activities	--	--	--	11,046,785
Capital projects	--	--	31,710,030	19,329,931
Debt service				
Principal retirement	3,969,430	16,628,752	--	5,680,000
Interest	348,414	13,931,068	--	4,898,750
Bond issue cost	--	--	490,844	83,473
Paying agent fees	--	12,032	--	7,509
Interest on interfund borrowings	--	--	--	773
Total expenditures	<u>186,903,440</u>	<u>30,571,852</u>	<u>32,762,358</u>	<u>71,873,035</u>
Excess (deficiency) of revenues over (under) expenditures	9,484,917	(3,960,989)	(30,751,858)	(7,235,654)

(Continued)

Exhibit 2-C

Total Governmental Funds	
<hr/>	
\$	192,423,958
	4,790,610
	16,542,865
	63,684,332
	6,602,755
	2,413,204
	46,787
	713,791
	86,173
	267,750
	358,795
	1,716,081
	<hr/>
	289,647,101
	19,146,965
	75,540,042
	44,814,474
	448,656
	1,538,175
	13,173,204
	19,288,307
	6,362,130
	15,676,202
	3,917,742
	1,513,942
	4,276,302
	8,276,753
	11,046,785
	51,039,961
	26,278,182
	19,178,232
	574,317
	19,541
	773
	<hr/>
	322,110,685
	<hr/>
	(32,463,584)

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2012**

	<u>General</u>	<u>Debt Service</u>	<u>Street Capital Projects</u>	<u>Other Governmental Funds</u>
Other financing sources (uses)				
Capital leases	1,978,382	--	--	--
General obligation bonds issued	--	--	44,706,446	--
Tax notes issued	--	--	--	7,390,000
Premium on bonds sold	--	--	5,095,844	--
Transfers in (Note 15)	4,408,827	6,382,904	950,000	1,361,256
Transfers out (Note 15)	(8,464,572)	--	--	(3,432,574)
Total other financing sources (uses)	<u>(2,077,363)</u>	<u>6,382,904</u>	<u>50,752,290</u>	<u>5,318,682</u>
Net change in fund balance	7,407,554	2,421,915	20,000,432	(1,916,972)
Fund balances at beginning of year	<u>30,564,933</u>	<u>14,436,907</u>	<u>40,872,023</u>	<u>121,192,749</u>
Fund balances at end of year	<u>\$ 37,972,488</u>	<u>\$ 16,858,822</u>	<u>\$ 60,872,455</u>	<u>\$ 119,275,777</u>

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

**Exhibit 2-C
(Continued)**

Total Governmental Funds
1,978,382
44,706,446
7,390,000
5,095,844
13,102,987
(11,897,146)
<u>60,376,513</u>
27,912,929
<u>207,066,612</u>
<u><u>\$ 234,979,542</u></u>



City of
Corpus
Christi

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, 2012**

Net change in fund balances - total governmental funds 27,912,929

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	\$	51,145,729	
Depreciation		(18,230,892)	
Solid Waste			
Capital outlays		2,225,674	
Depreciation		(3,792,211)	31,348,300

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. (40,214)

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

Governmental activities			
Bond proceeds	\$	(57,192,290)	
Capital leases		(707,049)	
Bond issue cost		574,317	
Principal retirement		25,068,182	
Interest		(94,166)	
Solid Waste			
Capital leases		(1,271,333)	
Principal retirement		1,210,000	
Interest		(37,136)	(32,449,475)

Compensated absences reported in the statement of net assets did not require the use of current financial resources, and therefore are not expenditures in governmental funds. Compensated absences for governmental funds increased by \$930,859 and solid waste activities increased by \$9,858. (940,716)

Landfill closure costs reported in the statement of net assets did not require the use of current financial resources, and therefore are not expenditures in governmental funds. Landfill closure costs decreased in the current year. 1,712,175

Net pension obligation reported in the statement of net assets did not require the use of current financial resources, and therefore are not expenditures in governmental funds. Net pension obligation for governmental funds increased by \$4,553,023 and solid waste activities increased by \$332,536. (4,885,559)

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

Operating income	\$	(14,391,486)	
Net transfers		13,797,593	
Investment earnings		(3,058)	(596,951)

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. 5,230,112

Change in net assets of governmental activities 27,290,601

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

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2012

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes and business fees	\$ 122,303,814	\$ 122,303,814	\$ 126,688,432	\$ --
Licenses and permits	121,794	121,794	4,790,610	(4,654,982)
Grants	415,410	415,410	123,624	--
Charges for services	57,631,623	57,865,662	58,610,049	(151,822)
Fines and forfeitures	4,927,455	4,927,455	4,395,489	--
Earnings on investments	150,576	150,576	298,195	(951)
Miscellaneous	1,101,966	1,167,054	1,481,957	(10,457)
Reimbursements	6,773,521	7,043,521	--	7,302,250
Total revenues	<u>193,426,159</u>	<u>193,995,286</u>	<u>196,388,356</u>	<u>2,484,038</u>
Expenditures				
Current				
General government	19,969,395	18,705,415	18,263,946	(1,087,075)
Police and municipal court	68,086,585	67,333,306	64,438,554	1,427,569
Fire and ambulance	43,444,301	44,785,538	43,798,404	1,220,614
Emergency management	392,445	355,445	273,176	--
Inspections	--	--	1,538,175	(1,538,175)
Streets	16,150,099	17,584,226	13,161,670	1,972,472
Solid waste	23,639,344	24,761,447	19,266,177	5,151,211
Health	4,338,731	4,345,340	4,354,313	--
Parks and recreation	14,152,509	14,486,293	12,372,482	1,498,716
Libraries	3,648,347	3,700,924	3,630,490	--
Museums	1,464,033	1,550,557	1,482,306	--
Community enrichment	--	5,902	5,902	--
Debt service				
Principal retirement	--	--	3,969,430	(3,969,430)
Interest	--	--	348,414	(348,414)
Total expenditures	<u>195,285,789</u>	<u>197,614,393</u>	<u>186,903,439</u>	<u>4,327,488</u>
Excess (deficiency) of revenues over (under) expenditures	(1,859,630)	(3,619,107)	9,484,917	(1,843,450)
Other financing sources (uses)				
Capital leases	--	--	1,978,382	(1,978,382)
Transfers in	4,199,810	4,778,170	4,408,827	392,064
Transfers out	(2,340,180)	(4,279,359)	(8,464,572)	3,011,212
Total other financing sources (uses)	<u>1,859,630</u>	<u>498,811</u>	<u>(2,077,363)</u>	<u>1,424,894</u>
Net change in fund balance	-	(3,120,296)	7,407,554	(418,556)
Fund balance at beginning of year	<u>27,245,976</u>	<u>29,822,414</u>	<u>30,564,933</u>	<u>(742,518)</u>
Fund balance at end of year	<u>\$ 27,245,976</u>	<u>\$ 26,702,118</u>	<u>\$ 37,972,488</u>	<u>\$ (1,161,074)</u>

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

Exhibit 3

Actual Budget Basis	Variance Final Budget Positive (Negative)
\$ 126,688,432	\$ 4,384,618
135,628	13,833
123,624	(291,786)
58,458,227	592,565
4,395,489	(531,966)
297,244	146,668
1,471,500	304,446
7,302,250	258,729
<u>198,872,394</u>	<u>4,877,107</u>
17,176,871	1,528,544
65,866,123	1,467,183
45,019,018	(233,480)
273,176	82,269
--	--
15,134,142	2,450,084
24,417,388	344,059
4,354,313	(8,973)
13,871,198	615,095
3,630,490	70,434
1,482,306	68,251
5,902	--
--	--
--	--
<u>191,230,927</u>	<u>6,383,466</u>
7,641,467	11,260,574
--	--
4,800,891	22,721
(5,453,360)	(1,174,001)
<u>(652,469)</u>	<u>(1,151,280)</u>
6,988,998	10,109,294
29,822,415	742,519
<u>\$ 36,811,413</u>	<u>\$ 10,851,813</u>

**PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
JULY 31, 2012**

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
ASSETS				
Current assets				
Cash and cash equivalents (Note 5)	\$ 6,236,377	\$ 8,113,543	\$ 14,349,920	\$ 32,348,091
Investments (Note 5)	70,176,885	1,003,129	71,180,014	20,006,405
Receivables, net of allowance for uncollectibles (Note 7)	25,438,677	895,885	26,334,562	1,393,236
Due from other funds (Note 15)	--	--	--	4,337,700
Inventories	633,044	9,244	642,288	1,112,138
Prepaid items	40,697	40,622	81,319	1,912,343
Restricted assets				
Cash and cash equivalents (Note 5)	27,251,379	1,559,872	28,811,251	--
Investments (Note 5)	21,611,850	--	21,611,850	--
Receivables, net of allowance for uncollectibles (Note 7)	13,776	200,653	214,429	--
Total restricted assets	<u>48,877,005</u>	<u>1,760,525</u>	<u>50,637,530</u>	<u>--</u>
Total current assets	<u>151,402,685</u>	<u>11,822,948</u>	<u>163,225,633</u>	<u>61,109,913</u>
Noncurrent assets				
Other assets	--	--	--	49,871
Bond issue costs	7,023,872	460,782	7,484,654	--
Capital assets (Note 8)				
Land and construction in progress	139,553,483	31,697,536	171,251,019	67,458
Other capital assets, net of accumulated depreciation and amortization	<u>1,144,026,985</u>	<u>87,483,819</u>	<u>1,231,510,804</u>	<u>17,809,170</u>
Net capital assets	<u>1,283,580,468</u>	<u>119,181,355</u>	<u>1,402,761,823</u>	<u>17,876,628</u>
Total noncurrent assets	<u>1,290,604,340</u>	<u>119,642,137</u>	<u>1,410,246,477</u>	<u>17,926,499</u>
Total assets	<u>1,442,007,025</u>	<u>131,465,085</u>	<u>1,573,472,110</u>	<u>79,036,412</u>

(Continued)

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
LIABILITIES				
Current liabilities				
Accounts payable	\$ 10,809,368	\$ 386,315	\$ 11,195,683	\$ 1,490,378
Accrued expenses	4,044,476	179,356	4,223,832	596,399
Accrued interest	1,258,892	229,568	1,488,460	--
Current portion of estimated liability claims (Note 11)	--	--	--	8,957,624
Contractor interest and retainage payable	4,829,004	576,571	5,405,575	--
Deposits	238,711	136,984	375,695	3,467
Liability to claimants - escheat property	121,291	--	121,291	23,631
Due to other funds (Note 15)	4,337,700	--	4,337,700	--
Advances from other funds	--	801,689	801,689	--
Unearned revenue	16,204	36,783	52,987	2,403
Current portion of long-term liabilities (Note 13)				
Long-term debt	35,268,990	1,081,377	36,350,367	1,770,852
Accumulated unpaid compensated absences	1,535,483	203,225	1,738,708	912,377
Total current liabilities	<u>62,460,119</u>	<u>3,631,868</u>	<u>66,091,987</u>	<u>13,757,131</u>
Noncurrent liabilities				
Estimated liability claims, net of current portion (Note 11)	--	--	--	6,936,920
Long-term liabilities, net of current portion (Note 13)				
Long-term debt	705,998,386	25,576,968	731,575,354	1,851,044
Accumulated unpaid compensated absences	1,143,482	179,498	1,322,980	493,271
Net pension obligation (Note 9)	5,034,121	774,554	5,808,675	2,693,463
Net OPEB obligation (Note 10)	403,906	72,762	476,668	11,169,408
Total noncurrent liabilities	<u>712,579,895</u>	<u>26,603,782</u>	<u>739,183,677</u>	<u>23,144,106</u>
Total liabilities	<u>775,040,014</u>	<u>30,235,650</u>	<u>805,275,664</u>	<u>36,901,237</u>
NET ASSETS				
Invested in capital assets, net of related debt	581,827,267	92,523,009	674,350,276	14,254,732
Restricted for				
Passenger facility charges projects	--	1,725,836	1,725,836	--
Bond interest and redemption	5,930,902	--	5,930,902	--
Construction of capital assets	--	33,386	33,386	--
Improvements to utility lines and facilities	2,902,275	--	2,902,275	--
Abatement of public health hazards	95,500	--	95,500	--
Law enforcement officers' standards and education	--	1,301	1,301	--
Unrestricted	<u>76,211,067</u>	<u>6,945,903</u>	<u>83,156,970</u>	<u>27,880,443</u>
Total net assets	<u>\$ 666,967,011</u>	<u>\$ 101,229,435</u>	<u>\$ 768,196,446</u>	<u>\$ 42,135,175</u>

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



City of
Corpus
Christi

Exhibit 4-B

**RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF NET ASSETS
TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS
JULY 31, 2012**

Total net assets - total proprietary funds \$ 768,196,446

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

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

(2,958,056)

Net assets of business-type activities \$ 765,238,390

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

Exhibit 4-C

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2012

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
Operating revenues				
Charges for services - net	\$ 204,740,819	\$ 9,621,359	\$ 214,362,178	\$ 65,954,082
Operating expenses				
Personal services	30,302,194	4,572,384	34,874,578	15,476,133
Materials and supplies	30,532,960	366,681	30,899,641	2,149,892
Contractual services	22,420,446	1,794,449	24,214,895	14,926,148
Other operating expenses	23,361,389	1,049,777	24,411,166	2,228,599
Uncollectible accounts	2,130,177	(29,123)	2,101,054	4,719
Depreciation	31,624,246	5,153,120	36,777,366	6,305,620
Self-insurance claims	--	--	--	23,578,851
Other post employment benefits (Note 10)	--	--	--	663,587
Total operating expenses	<u>140,371,412</u>	<u>12,907,288</u>	<u>153,278,700</u>	<u>65,333,549</u>
Operating income (loss)	64,369,407	(3,285,929)	61,083,478	620,533
Nonoperating revenues (expenses)				
Investment income	307,929	18,964	326,893	139,477
Interest expense and fiscal charges	(30,434,635)	(1,512,509)	(31,947,144)	(210,273)
Passenger facility charges	--	1,262,336	1,262,336	--
Customer facility charges	--	881,140	881,140	--
Net gain on disposal of assets	76,291	4,496	80,787	350,237
Recovery on damage claims	6,560	--	6,560	104,436
Developer deposits	948,615	--	948,615	--
Reimbursements to developers	(676,797)	--	(676,797)	--
Contributions from other governmental agencies	1,298,163	--	1,298,163	395
Total nonoperating revenues (expenses)	<u>(28,473,874)</u>	<u>654,427</u>	<u>(27,819,447)</u>	<u>384,272</u>
Capital contributions				
Contributions from other governmental agencies	--	5,734,725	5,734,725	--
Contributions from developers	4,123,276	--	4,123,276	--
Total capital contributions	<u>4,123,276</u>	<u>5,734,725</u>	<u>9,858,001</u>	<u>--</u>
Income before transfers	40,018,809	3,103,223	43,122,032	1,004,805
Transfers in	49,000	31,095	80,095	4,462,672
Transfers out	(5,220,878)	(290,366)	(5,511,244)	(237,364)
Total transfers	<u>(5,171,878)</u>	<u>(259,271)</u>	<u>(5,431,149)</u>	<u>4,225,308</u>
Net income	34,846,931	2,843,952	37,690,883	5,230,113
Net assets at beginning of year, as previously reported	632,120,080	98,385,483	730,505,563	42,357,419
Correction of an error in prior year reported estimated claims liability (Note 11-A)	--	--	--	(5,452,357)
Net assets at beginning of year, as restated	<u>632,120,080</u>	<u>98,385,483</u>	<u>730,505,563</u>	<u>36,905,062</u>
Net assets at end of year	<u>\$ 666,967,011</u>	<u>\$ 101,229,435</u>	<u>\$ 768,196,446</u>	<u>\$ 42,135,175</u>

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

Exhibit 4-D

**RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2012**

Net change in fund balances - total proprietary funds \$ 37,690,883

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

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

Operating income	\$	14,391,486	
Net transfers		(13,797,593)	
Investment earnings		3,058	
			596,951

Change in net assets of business-type activities \$ 38,287,834

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

**PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2012**

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
Cash flows from operating activities				
Receipts from customers	\$ 208,965,949	\$ 9,749,969	\$ 218,715,918	\$ 10,161,980
Receipts from interfund services provided	241,352	--	241,352	62,805,894
Payments to suppliers	(48,460,551)	(2,115,191)	(50,575,742)	(29,830,117)
Payments to employees	(26,253,297)	(3,916,120)	(30,169,417)	(13,687,035)
Internal activity - payments to other funds	(26,466,653)	(1,519,419)	(27,986,072)	(3,461,163)
Claims paid	--	--	--	(25,121,058)
Other receipts	6,560	--	6,560	104,831
Net cash provided by operating activities	<u>108,033,360</u>	<u>2,199,239</u>	<u>110,232,599</u>	<u>973,332</u>
Cash flows from noncapital financing activities				
Changes in interfund borrowings	--	(125,963)	(125,963)	--
Advances from other funds	--	(265,478)	(265,478)	--
Interest on interfund borrowings	--	--	--	47
Contributions from other government agencies	16,923	--	16,923	--
Transfers in from other funds	2,049,000	31,095	2,080,095	--
Transfers out to other funds	(5,704,915)	(290,366)	(5,995,281)	(237,364)
Net cash provided by (used for) noncapital financing activities	<u>(3,638,992)</u>	<u>(650,712)</u>	<u>(4,289,704)</u>	<u>(237,317)</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets	(50,543,496)	(10,697,592)	(61,241,088)	(2,941,153)
Proceeds from sale of capital assets	76,291	4,496	80,787	495,991
Developers deposits	948,684	--	948,684	--
Contributions from developers	1,218	--	1,218	--
Reimbursements to developers	(1,194,312)	--	(1,194,312)	--
Contributions from other governmental agencies	608,106	5,429,434	6,037,540	--
Passenger facility charge	--	1,308,249	1,308,249	--
Customer facility charges	--	881,140	881,140	--
Proceeds from issuance of revenue bonds	55,076,983	--	55,076,983	--
Transfers in from other funds for capital acquisition	--	--	--	4,462,672
Principal paid on long-term debt	(23,498,382)	(1,062,190)	(24,560,572)	(1,730,673)
Interest expense and fiscal charges	(39,433,406)	(1,890,586)	(41,323,992)	(210,110)
Net cash provided by (used for) capital and related financing activities	<u>(57,958,314)</u>	<u>(6,027,049)</u>	<u>(63,985,363)</u>	<u>76,727</u>
Cash flows from investing activities				
Purchase of investment securities	(131,750,000)	--	(131,750,000)	(48,000,000)
Proceeds from sale and maturity of investment securities	64,986,104	--	64,986,104	58,000,000
Interest on investments	227,503	19,420	246,923	152,986
Net cash provided by (used for) investing activities	<u>(66,536,393)</u>	<u>19,420</u>	<u>(66,516,973)</u>	<u>10,152,986</u>
Net increase (decrease) in cash and cash equivalents	(20,100,339)	(4,459,102)	(24,559,441)	10,965,728
Cash and cash equivalents at beginning of year, including restricted accounts	<u>53,588,095</u>	<u>14,132,517</u>	<u>67,720,612</u>	<u>21,382,363</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 33,487,756</u>	<u>\$ 9,673,415</u>	<u>\$ 43,161,171</u>	<u>\$ 32,348,091</u>

(Continued)

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)	\$ 64,369,407	\$ (3,285,929)	\$ 61,083,478	\$ 620,533
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	31,624,246	5,153,120	36,777,366	6,305,620
Amortization of water rights	1,781,257	--	1,781,257	--
Provision for uncollectible accounts	2,130,177	(29,123)	2,101,054	4,719
Contributions from other governmental agencies	--	--	--	395
Recovery of damage claims	6,560	--	6,560	104,436
Changes in assets and liabilities				
Receivables	386,449	252,565	639,014	(804,644)
Due from other funds	--	--	--	(4,337,700)
Inventory	(225,425)	11,093	(214,332)	22,715
Deposits	--	--	--	786
Prepaid items	(40,667)	--	(40,667)	(43,773)
Accounts payable	(682,649)	(50,600)	(733,249)	(624,746)
Accrued expenses	3,011,664	37,933	3,049,597	(98,856)
Customer deposits	(2,439)	9,701	7,262	--
Unearned revenue	--	(134,369)	(134,369)	(2,056)
Accumulated unpaid compensated absences	(41,989)	35,562	(6,427)	(188,061)
Net pension obligation	1,527,069	220,503	1,747,572	776,321
Net OPEB obligation	(154,920)	(21,217)	(176,137)	(2,554,428)
Liability to claimants-escheat property	6,920	--	6,920	(354)
Estimated claims liability	--	--	--	1,792,425
Due to other funds	4,337,700	--	4,337,700	--
Net cash provided by operating activities	<u>\$ 108,033,360</u>	<u>\$ 2,199,239</u>	<u>\$ 110,232,599</u>	<u>\$ 973,332</u>
Noncash investing, capital and financing activities				
Change in fair value of investments	\$ 18,866	\$ (456)	\$ 18,410	\$ 485
Contribution of capital assets	\$ 4,122,058	\$ --	\$ 4,122,058	\$ --
Acquisition of capital assets under capital lease	\$ --	\$ 80,000	\$ 80,000	\$ 72,730
Bond refunding	\$ --	\$ 19,680,425	\$ 19,680,425	\$ --
Build America Bonds interest subsidy	\$ 1,281,668	\$ --	\$ 1,281,668	\$ --

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

**FIDUCIARY FUNDS
STATEMENT OF NET ASSETS
JULY 31, 2012**

	Deferred Compensation Plan	Private Purpose Trust Fund
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents (Note 5)	\$ --	\$ 267,493
Mutual funds		
Guaranteed Rate Accounts	27,688,690	--
Stocks	23,069,171	--
Bonds	2,308,282	--
Combined Stocks and Bonds	8,589,516	--
Money Markets	568,979	--
Receivables		
Participant loans	2,014,666	--
Total assets	<u>64,239,304</u>	<u>267,493</u>
 LIABILITIES	 --	 --
 NET ASSETS		
Held in trust for deferred compensation benefits	64,239,304	--
Held in trust for individuals and organizations	<u> --</u>	<u>267,493</u>
Total net assets	<u>\$ 64,239,304</u>	<u>\$ 267,493</u>

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

**FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
YEAR ENDED JULY 31, 2012**

	Deferred Compensation Plan	Private Purpose Trust Fund
Additions		
Employee contributions	\$ 6,165,302	\$ --
Other contributions	--	1,200
Earnings on investments	2,216,739	20
Total additions	8,382,041	1,220
Deductions		
Payment of benefits	4,855,262	--
Administrative fees	26,507	--
Disbursements for designated purposes	--	500
Total deductions	4,881,769	500
Net increase	3,500,272	720
Net assets at beginning of year	60,739,032	266,773
Net assets at end of year	\$ 64,239,304	\$ 267,493

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



City of
Corpus
Christi

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

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

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

The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of these Notes. The remainder of the Notes is organized to provide explanations, including required disclosures, on the City's financial activities for the fiscal year ended July 31, 2012.

A. Reporting Entity

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

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

Blended Component Units

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

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

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

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

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

Discretely Presented Component Units

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

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

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

	Coastal Bend Health Facilities Development Corporation	Corpus Christi Convention and Visitors Bureau
Assets		
Current assets	\$ 3,719	\$ 767,999
Capital assets	--	228,017
Total assets	<u>3,719</u>	<u>996,016</u>
Current liabilities	<u>--</u>	<u>328,558</u>
Net assets		
Invested in capital assets	--	228,017
Unrestricted	3,719	439,441
Total net assets	<u>\$ 3,719</u>	<u>\$ 667,458</u>
Revenues	\$ --	\$ 3,390,680
Expenses	<u>--</u>	<u>3,416,157</u>
Change in net assets	--	(25,477)
Net assets at beginning of year	3,719	692,935
Net assets at end of year	<u>\$ 3,719</u>	<u>\$ 667,458</u>

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

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

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

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

B. Related Organizations and Jointly Governed Organizations

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

C. Government-wide and Fund Financial Statements

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

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

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

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

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

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

The governmental funds major fund statements in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to (1) demonstrate legal and covenant compliance, (2) demonstrate the source and use of liquid resources, and (3) demonstrate how the City's actual experience conforms to the budget or

fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements governmental column, a reconciliation is presented on the page following each statement which briefly explains the adjustment necessary to transform the fund based financial statements into the governmental column of the government-wide presentation.

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

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

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

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

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

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

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

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

The streets capital projects fund is used to account for capital improvements to streets funded mainly

through long-term debt and participation of other governmental entities.

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

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

Accrual

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

Modified Accrual

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 fair value. The City's investments are stated at fair value, except for money market investments with a remaining maturity of one year or less when purchased and nonparticipating interest earning investment contracts, which are stated at cost. Net change in the fair value of investments is recognized and reported as investment income in the financial statements.

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

G. Receivables

Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the government-wide governmental and business-type activities columns of the statement of net 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 57% 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 capitalization threshold for reporting capital assets at \$5,000. Contributed assets are recorded at fair market value as of the date donated. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on capital assets is calculated on the straight-line basis over the following estimated useful lives:

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

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

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

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

K. Restricted Assets

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

All revenues received from passenger facility charges (PFC) are reported as restricted assets in the Airport Fund. In accordance with Federal Regulations, PFC funds can only be expended on projects and debt service related to projects approved by the Federal Aviation Administration. Current PFC revenue is used to support approved airport bond issues debt service.

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

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

L. Accumulated Unpaid Compensated Absences

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

M. Long-term Obligations

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

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

N. Pension Plans

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

O. Fund Equity

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

Invested in Capital Assets, Net of Related Debt

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

Restricted

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

Unrestricted

This category is the “residual” component of net assets. It consists of net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

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

Fund Balance Classifications:

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

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

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

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

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

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

Committed in governmental funds except the General Fund is assigned.

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

Spending Prioritization in Using Available Resources:

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

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

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

The *General Fund Reserve for Major Contingencies* is established by the City Council to be maintained at at least 10% and up to 25% of General Fund annual appropriations to provide funding for any unforeseen circumstances that may arise such as an economic slowdown, emergencies, or natural disasters. It is not intended for normal unanticipated expenditures. As of July 31, 2012, \$28,727,231, is held for the designated purpose. This specific reserve is classified as committed resources.

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

The *Reserve for Radio System Capital Replacement* was established through an interlocal agreement with the Regional Transportation Authority regarding an 800 MHz public safety trunked radio system. When other governmental entities wish to participate in the system, a fee is collected based on the proportionate share of radios they will use. Moneys received from these entities are held in reserve to be used for capital replacements and upgrades for the backbone of the system. As of July 31, 2012, this reserve has a balance of \$25,744 which is classified as committed resources.

2. Budget Policy and Budgetary Accounting

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

Budgets are prepared for all governmental funds except the Federal/State grant fund, the capital projects funds, the community enrichment fund, the infrastructure fund, the Corpus Christi Community Improvement Corporation (CCCIC), the Corpus Christi Housing Finance Corporation (CCHFC), the Coastal Bend Cultural and Educational Facilities Finance Corporation (CBCEDFFC), 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, CBCEDFFC 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 assigned fund balances and do not constitute expenditures or liabilities until the commitments are honored by inclusion in the subsequent year's budget.

3. Sales Tax Revenue

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

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

4. Property Taxes

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

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

The FY 2011-2012 tax rates (tax year 2011) were \$0.380339 for the general fund and \$0.190218 for debt service for a total of \$0.570557 per \$100 of assessed value. Therefore, the City's tax margin of \$0.1094430 per \$100 of assessed value could raise up to \$15,415,927 in additional taxes each year based on the assessed value of \$14,085,804,898. The City could raise up to \$157,859,939 in additional taxes for voter approved tax supported obligations, based on the assessed valuation of \$14,085,804,898 and a debt margin of \$1.120702 calculated on 90% collections.

5. Deposits and Investments

As of July 31, 2012, the carrying amount of the City's cash and cash equivalents was \$163,457,291. 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 \$723,875 which were covered by FDIC or were secured by collateral held by the City's or component unit's agent in the name of the City or the component unit.

As of July 31, 2012, the City had the following investments:

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Maturity (Years)</u>
Federal Agency Coupon Securities	\$ 246,855,215	\$ 246,862,082	1.025
Treasury Securities	-	-	0.000
Local government investment pools-overnight	120,164,010	120,164,010	0.003
Certificates of Deposit	3,989,208	3,987,355	1.704
Money market funds	4,586,985	4,586,985	0.003
Total	<u>375,595,418</u>	<u>375,600,432</u>	
Short-term investments included in cash and cash equivalents	<u>124,750,995</u>	<u>124,750,995</u>	
Total	<u>\$ 250,844,423</u>	<u>\$ 250,849,437</u>	
Portfolio weighted average maturity			0.660

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

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

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

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

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

held by the City's agent in the City's name.

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

6. Budgetary Data

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

(\$1,147,487) to revenues and other financing sources comprised of:

- \$200,738 parking meter revenue to fund additional meters and equipment to accomplish one year rollout of parking meter program
- \$1,700 from a private grant for purchase of equipment to assist the Police repeat offenders program
- \$47,760 contribution from the Friends of the Corpus Christi Museum to fund an archeologist position
- \$270,000 from Hotel Occupancy Fund for beach maintenance
- \$15,628 from abandoned or unclaimed monies held in Police property room
- \$578,360 transfer from Corpus Christi Housing Finance Corp to forgive prior year loan that financed Ward Building Parking Lot
- \$3,000 from residents' share for street hump construction
- \$30,300 from HITS, Inc., to pay for police overtime related to marathon

\$5,467,784 to expenditures and other financing sources comprised of:

- \$2,339,510 for encumbrances approved to carry forward from the end of the prior fiscal year
- \$200,738 from parking meter revenue to fund additional meters and equipment to accomplish one year rollout of parking meter program
- \$1,700 from a private grant for purchase of equipment to assist the Police repeat offenders program
- \$47,760 contribution from the Friends of the Corpus Christi Museum to fund an archeologist position
- \$15,165 from unreserved fund balance to pay for City Auditor personnel, software, and remodeling expenses
- \$28,900 from unreserved fund balance for the purchase of an automated agenda management system
- \$270,000 from Hotel Occupancy Fund for beach maintenance
- \$950,000 from unreserved fund balance for transfer to CIP fund for the Aquarius Street project
- \$15,628 from abandoned or unclaimed monies held in Police property room to be used for records management
- \$500,000 from unreserved fund balance for transfer to CIP fund for a new public safety warehouse for the Police Dept.
- \$5,902 from utility contributions for programs coordinated through the City Arts and Cultural Commission
- \$3,000 from residents' share for street hump construction
- \$70,000 from unreserved fund balance for school crossing guard program
- \$30,300 from HITS, Inc., to pay for police overtime related to marathon
- \$500,000 from unreserved fund balance for removal of brush caused by May 10, 2012, thunderstorm
- \$91,097 from Reserve for Municipal Court Building Security to transfer to Municipal Court special revenue fund
- \$150,618 from Reserve for Municipal Court Technology to transfer to Municipal Court special revenue fund
- \$247,464 from Reserve for Municipal Court Juvenile Case Managers to transfer to Municipal Court special revenue fund

Budget variances to expenditures include, among other things, the following:

- General Government \$1,528,544 includes: \$614,351 Economic Development Incentives - property value for improvements on some projects not as high as anticipated in budget; \$469,258 Accounting, City Attorney, Human Resources & Management & Budget – salary savings due to vacancies; \$51,535 City Attorney – expenditures budgeted in FY12 to be paid in FY13; \$19,002 City Council – Council expenditures less than anticipated; \$61,042 City Secretary – professional services below budget and expenditures budgeted in FY12 to be paid in FY13.
- Police and Municipal Court \$1,467,183 includes: \$1,098,117 various Police Departments – salary savings due to vacancies; \$68,342 City Marshals & Parking Control – professional services less than anticipated; \$25,000 City Marshals – vehicle not purchased; \$12,902 Uniform Division – fewer replacement uniforms purchased than budgeted; \$88,345 Parking Control – expenditures budgeted in FY12 to be paid in FY13; \$33,953 Police Training – expenditures budgeted in FY12 to be paid in FY13; \$79,442 911 Call Delivery Wireline – telephone and non-capital lease payments less than anticipated.
- Streets \$2,450,084 includes: \$1,629,597 various Street Departments – expenditures budgeted in FY12 to be paid in FY13; \$343,743 various Street Departments – salary savings due to vacancies; \$58,123 – professional services and travel below budget; \$138,561 Street Reconstruction – maintenance and repairs below budget.

7. Receivables

	<u>General</u>	<u>Debt Service</u>	<u>Street Capital Projects</u>	<u>Utility System</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Unrestricted						
Accounts	\$ 6,943,967	\$ --	\$ --	\$ 28,686,690	\$ 6,129,002	\$ 41,759,659
Taxes	3,455,781	1,728,331	--	--	--	5,184,112
Accrued interest	47,783	4,427	26,538	80,558	46,665	205,971
Intergovernmental	6,149,072	--	1,142,693	1,106,362	9,988,518	18,386,645
Mortgages and loans	--	--	--	--	15,278,996	15,278,996
Property leases	33,600	--	--	2,747	--	36,347
Demolition liens	4,612,554	--	--	--	898,627	5,511,181
Special assessments	--	--	743,288	--	5,184	748,472
Employees	20,421	--	--	11,794	3,784	35,999
Miscellaneous	1,985,815	--	--	55,666	45,145	2,086,626
Restricted						
Accounts	--	--	--	--	167,267	167,267
Accrued interest	--	--	-	13,776	6,602	20,378
Intergovernmental	--	--	--	--	33,386	33,386
Gross receivables	<u>23,248,993</u>	<u>1,732,758</u>	<u>1,912,519</u>	<u>29,957,593</u>	<u>32,603,176</u>	<u>89,455,039</u>
Less allowance for uncollectible	<u>(8,146,662)</u>	<u>(991,404)</u>	<u>(742,783)</u>	<u>(4,505,140)</u>	<u>(3,832,385)</u>	<u>(18,218,374)</u>
Net total receivables	<u>\$ 15,102,331</u>	<u>\$ 741,354</u>	<u>\$ 1,169,736</u>	<u>\$ 25,452,453</u>	<u>\$ 28,770,791</u>	<u>\$ 71,236,665</u>

8. Capital Assets

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

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 57,115,374	\$ 1,959,409	\$ --	\$ 59,074,783
Construction in Progress	89,318,167	(17,743,343)	--	71,574,824
Total capital assets, not being depreciated	<u>146,433,541</u>	<u>(15,783,934)</u>	<u>--</u>	<u>130,649,607</u>
Capital assets, being depreciated				
Buildings	225,043,659	1,125,649	--	226,169,308
Improvements	186,263,693	38,524,796	--	224,788,489
Mach & Equip	158,527,243	5,182,196	3,911,783	159,797,656
Infrastructure	265,290,939	25,110,904	--	290,401,843
Total capital assets, being depreciated	<u>835,125,534</u>	<u>69,943,545</u>	<u>3,911,783</u>	<u>901,157,296</u>
Less accumulated depreciation for:				
Buildings	74,921,959	5,383,595	--	80,305,554
Improvements	120,158,402	6,298,126	--	126,456,528
Mach & Equip	126,979,949	8,932,530	3,766,029	132,146,450
Infrastructure	139,928,148	3,922,262	--	143,850,410
Total accumulated depreciation	<u>461,988,458</u>	<u>24,536,513</u>	<u>3,766,029</u>	<u>482,758,942</u>
Total capital assets, being depreciated, net	<u>373,137,076</u>	<u>45,407,032</u>	<u>145,754</u>	<u>418,398,354</u>
Governmental activities capital assets, net	<u><u>\$ 519,570,617</u></u>	<u><u>\$ 29,623,098</u></u>	<u><u>\$ 145,754</u></u>	<u><u>\$ 549,047,961</u></u>

	Beginning Balance	Additions and Transfers	Retirements	Ending Balance
Business-type activities				
Capital assets, not being depreciated				
Land	\$ 35,510,422	\$ 932,343	\$ --	\$ 36,442,765
Construction in progress	136,479,076	8,005,718	--	144,484,794
Total capital assets, not being depreciated	<u>171,989,498</u>	<u>8,938,061</u>	<u>--</u>	<u>180,927,559</u>
Capital assets, being depreciated				
Water rights	212,284,487	--	--	212,284,487
Buildings	86,110,260	1,077,234	--	87,187,494
Improvements	399,161,123	26,863,657	--	426,024,780
Machinery and equipment	58,202,146	2,098,523	5,478	60,295,191
Infrastructure	1,026,323,383	29,249,774	--	1,055,573,157
Total capital assets, being depreciated	<u>1,782,081,399</u>	<u>59,289,188</u>	<u>5,478</u>	<u>1,841,365,109</u>
Less: accumulated depreciation for				
Water rights	12,082,290	1,781,257	--	13,863,547
Buildings	32,752,238	1,856,872	--	34,609,110
Improvements	157,047,193	15,428,605	--	172,475,798
Machinery and equipment	39,927,483	3,458,665	2,467	43,383,681
Infrastructure	266,031,183	19,825,436	--	285,856,619
Total accumulated depreciation	<u>507,840,387</u>	<u>42,350,835</u>	<u>2,467</u>	<u>550,188,755</u>
Total capital assets, being depreciated, net	<u>1,274,241,012</u>	<u>16,938,353</u>	<u>3,011</u>	<u>1,291,176,354</u>
Business-type activities capital assets, net	<u>\$ 1,446,230,510</u>	<u>\$ 25,876,414</u>	<u>\$ 3,011</u>	<u>\$ 1,472,103,913</u>

Discretely presented component units

Activity for the Convention and Visitors Bureau for the year ended July 31, 2012, was as follows:

	Beginning Balance	Additions and Transfers	Retirements	Ending Balance
Capital assets, being depreciated				
Buildings	\$ 240,948	\$ 4,217	\$ --	\$ 245,165
Machinery and equipment	422,997	5,927	--	428,924
Total capital assets, being depreciated	<u>663,945</u>	<u>10,144</u>	<u>--</u>	<u>674,089</u>
Less accumulated depreciation for				
Buildings	142,683	12,065	--	154,748
Machinery and equipment	257,348	33,976	--	291,324
Total accumulated depreciation	<u>400,031</u>	<u>46,041</u>	<u>--</u>	<u>446,072</u>
Total capital assets, being depreciated, net	<u>263,914</u>	<u>(35,897)</u>	<u>--</u>	<u>228,017</u>
Convention and Visitor's Bureau capital assets, net	<u>\$ 263,914</u>	<u>\$ (35,897)</u>	<u>\$ --</u>	<u>\$ 228,017</u>

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

<u>Governmental activity</u>		<u>Business-type activity</u>	
General government	\$ 624,980	Gas	\$ 2,466,394
Police	989,065	Water	20,270,527
Fire	1,606,796	Wastewater	10,668,582
Emergency management	5,003	Airport	4,369,265
Inspections	38,255	Golf centers	219,868
Streets	4,260,781	Marina	563,988
Health	298,245	Solid waste	3,792,211
Parks and recreation	1,897,995	Total	<u>\$ 42,350,835</u>
Libraries	396,406		
Museums	230,989		
Community enrichment	1,142		
Community development	2,880,268		
Convention and visitors facilities	5,000,968		
Internal service fund	6,305,620		
Total	<u>\$ 24,536,513</u>		

9. Employment Retirement Benefits

A. Retirement Systems

The City participates in funding two retirement plans: (1) all City employees, except firefighters, are provided benefits through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), one of 842 administered by TMRS, an agent multiple-employer public employee retirement system and (2) all firefighters are covered by the Fire Fighters Retirement System of Corpus Christi, a single-employer defined benefit pension plan. An independent board of trustees administers each plan. The fiscal year of each pension fund ends December 31. The most recently available financial statements of the City employees' pension fund is for the year ended December 31, 2011, and for the fire fighters' pension fund is for the year ended December 31, 2011. Membership in the plans is as follows:

	<u>City Employees</u>	<u>Fire Fighters (1)</u>	<u>Total</u>
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	2,514	281	2,795
Current contributing employees	<u>2,297</u>	<u>416</u>	<u>2,713</u>
Total	<u>4,811</u>	<u>697</u>	<u>5,508</u>

(1) as of December 31, 2010

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)		
August 1, 2011 - December, 2011	6.00%	12.20%
January 1, 2012 - July 31, 2012	6.00%	12.20%
City's contribution (percent of earnings)		
January 1, 2011 - December 31, 2011	14.24%	18.78%
January 1, 2012 - July 31, 2012	14.84%	20.13%

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, 2012, are as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>	<u>Total</u>
City	\$15,541,644	\$ 5,254,970	\$20,796,614
Employees	6,390,828	3,270,137	9,660,965
Total	<u>\$21,932,472</u>	<u>\$ 8,525,107</u>	<u>\$30,457,579</u>

Annual Pension Cost and Net Pension Obligation

For calendar years 2011 and 2012, the City adopted an ordinance to change the “annually repeating” feature of the City’s plan regarding updated service credits and 70% CPI increases to annuitants to “ad hoc” (one time only basis). Although these changes are allowed by the TMRS Board, they are considered to be substantively automatic due to contract provisions with the City of Corpus Christi Police Officer’s Association, so the full rate contribution has been calculated assuming that these will occur. The minimum required contribution rate for calendar year 2011 based on the ad hoc provisions was 14.24% and the full rate was calculated to be 22.66%. The minimum required contribution rate for calendar year 2012 based on the ad hoc provisions was 10.33% and the full rate was calculated to be 20.49%.

For fiscal year ending July 31, 2012, the City's contributions of \$15,541,644 were not equal to the City's required contribution, resulting in an increase of the net pension obligation of \$7,409,541.

	City Employees	Fire Fighters	Total
Annual required contribution	\$ 22,769,666	\$ 5,254,970	\$ 28,024,636
Interest on net pension obligation	1,292,282	--	1,292,282
Adjustment to the ARC	(1,110,853)	--	(1,110,853)
Annual pension cost	22,951,095	5,254,970	28,206,065
Contributions made	15,541,644	5,254,970	20,796,614
Increase in net pension obligation	7,409,451	--	7,409,451
Net pension obligation - beginning of year	18,461,218	--	18,461,218
Net pension obligation - end of year	<u>\$ 25,870,669</u>	<u>\$ --</u>	<u>\$ 25,870,669</u>

Three year trend information is as follows:

	City Employees	Fire Fighters	Total
City's Annual Pension Cost (APC)			
2010	\$ 24,416,985	\$4,440,572	\$ 28,857,557
2011	\$ 25,298,041	\$5,158,128	\$ 30,456,169
2012	\$ 22,951,095	\$5,254,970	\$ 28,206,065
Percentage of APC contributed			
2010	75.1%	100%	N/A
2011	66.5%	100%	N/A
2012	67.7%	100%	N/A
Net Pension Obligation			
2010	\$ 9,995,753	\$ -	\$ 9,995,753
2011	\$ 18,461,219	\$ -	\$ 18,461,219

Funded Status and Funding Progress

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

	City Employees	Fire Fighters
Valuation date	12/31/2011	12/31/2010
Actuarial accrued liability	\$ 708,978,527	\$ 177,565,330
Actuarial value of plan assets	533,122,252	104,079,845
Unfunded actuarial accrued liability	<u>\$ 175,856,275</u>	<u>\$ 73,485,485</u>
Funded ratio	75.2%	58.6%
Covered payroll	\$ 108,260,052	\$ 27,723,869
Unfunded actuarial accrued liability as a percentage of covered payroll	162.4%	265.1%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the status of the plan and the annual required contributions of the City are subject to continual revision as actual results are compared to past expectations

and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

The latest actuarial valuation for City employees was completed as of December 31, 2011, and for Fire Fighters was completed as of December 31, 2010. The actuarial cost method and significant assumptions underlying the actuarial calculations are as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>
Actuarial Cost Method	Projected Unit Credit	Entry Age
Asset Valuation Basis	10-year smoothed market	5-year smoothed market
Inflation Rate	3%	4%
Projected Annual Salary Increases	N/A	4%
Post Retirement Benefit Increase	N/A	N/A
Assumed Rate of Return on Investments	7%	8%
Amortization Method	Level percent of payroll, closed	Level percent of payroll, open
Remaining Amortization Period	19.9 years	22.3 years

B. Deferred Compensation Plan

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

10. Post-Employment Health Care Benefits

GASB Statement No. 45: *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (OPEB), establishes accounting standards for postretirement benefits. The standard does not require funding of OPEB expense, but any difference between the annual required contribution (ARC) and the amount funded during the year is required to be recorded in the employer’s financial statement as an increase (or decrease) in the net OPEB obligation. The effective date for implementation of GASB 45 by the City of Corpus Christi was August 1, 2007. The City is required to obtain an actuarial valuation at least once every two years in accordance with GASB 45 standards. The City latest valuation is dated as of August 1, 2011, and discloses the following:

Plan Description and Funding Policy

Employees who retire from the City of Corpus Christi, and eligible dependents and survivors, are eligible to continue to participate in the City's health insurance programs at the “blended” employee group rate which is determined annually by the City of Corpus Christi and approved by the City Council. Retirees have 31 days to elect to enroll in the City's self-funded, single-employer health insurance plan (Citicare, Citicare Public Safety, and Citicare-Fire) in which they were participating at the time of retirement unless otherwise stated in a plan document or collective bargaining agreement. In an effort to reduce the City's liability, civilian and public safety retirees that are Medicare-eligible have been enrolled in a separate Medicare insurance plan and are no longer covered by the City's group

insurance plan. Effective October 1, 2012, this also applies to fire retirees. As of August 1, 2011, a total of 275 eligible retirees and dependents were participating in the City's group health program detailed as follows:

Citicare	106
Citicare Premium	10
Citicare Public Safety	69
Citicare Fire	90
Total	<u>275</u>

The plan is funded on a pay-as-you-go basis and incurred \$5,608,953 in claims and other costs in the fiscal year ended July 31, 2012. The funds to pay these claims and other costs are derived in part from retiree premiums, which do not fully cover the costs. The plan is not accounted for as a trust fund because an irrevocable trust has not been established to fund the plan. The plan does not issue a separate financial report.

Annual OPEB Cost and Net OPEB Obligation

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

	<u>Citicare</u>	<u>Citicare Public Safety</u>	<u>Citicare Fire</u>	<u>Total</u>
Annual required contribution	\$ 94,775	\$ 295,160	\$ 355,425	\$ 745,360
Interest on net OPEB obligation	278,110	126,905	155,674	560,689
ARC adjustment	(318,671)	(145,413)	(178,378)	(642,462)
Annual OPEB cost	54,214	276,652	332,721	663,587
Contributions made (pay-as-you-go basis)	580,405	1,401,438	1,412,309	3,394,152
Decrease in net OPEB obligation	(526,191)	(1,124,786)	(1,079,588)	(2,730,565)
Net OPEB obligation - beginning of year	7,131,034	3,253,971	3,991,636	14,376,641
Net OPEB obligation - end of year	<u>\$ 6,604,843</u>	<u>\$ 2,129,185</u>	<u>\$ 2,912,048</u>	<u>\$ 11,646,076</u>

Three year trend information is as follows:

	<u>Citicare</u>	<u>Citicare Public Safety</u>	<u>Citicare Fire</u>	<u>Total</u>
City's Annual OPEB Cost (APC)				
2010	\$1,981,704	\$996,754	\$1,035,471	\$4,013,929
2011	\$1,459,880	\$1,035,218	\$1,089,904	\$3,585,002
2012	\$54,214	\$276,652	\$332,721	\$663,587
Percentage of APC contributed				
2010	35.5%	44.5%	39.3%	N/A
2011	50.8%	47.1%	42.5%	N/A
2012	1070.6%	506.6%	424.5%	N/A
Net OPEB Obligation				
2010	\$ 6,413,370	\$ 2,705,914	\$ 3,365,414	\$ 12,484,698
2011	\$ 7,131,034	\$ 3,253,971	\$ 3,991,636	\$ 14,376,641
2012	\$ 6,604,843	\$ 2,129,185	\$ 2,912,048	\$ 11,646,076

Funded Status and Funding Progress

The funded status of the plan as of the last valuation date of August 1, 2011, was as follows:

	<u>Citicare</u>	<u>Citicare Public Safety</u>	<u>Citicare Fire</u>	<u>Total</u>
Actuarial accrued liability	\$ 1,221,232	\$ 5,139,857	\$ 6,351,600	\$ 12,712,689
Actuarial value of plan assets	--	--	--	--
Unfunded actuarial accrued liability	<u>\$ 1,221,232</u>	<u>\$ 5,139,857</u>	<u>\$ 6,351,600</u>	<u>\$ 12,712,689</u>
Funded ratio	0%	0%	0%	0%
Covered payroll	\$ 61,862,815	\$ 26,515,429	\$ 20,862,937	\$ 109,241,181
Unfunded actuarial accrued liability as a percentage of covered payroll	2.0%	19.4%	30.4%	11.6%

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

Plan Changes

The total GASB 45 actuarial accrued liability for Citicare, Public Safety and Fire decreased from approximately \$40 million as of August 1, 2009, to approximately \$13 million as of August 1, 2011. 48% of the decrease is due to elimination of coverage of retirees over the age of 65 and 16% is due to a change in plan participation and costs of providing services. The remainder of the decrease is due to revisions to the actuarial assumptions in order to more accurately reflect the anticipated experience of the plan in the future, and a change in Cost Method. The assumptions that were revised include the discount rate, mortality, retirement, participation, turnover, disability, and retiree contribution trend rates.

Actuarial Methods and Assumptions

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

Measurement Date	August 1, 2011
Actuarial Cost Method	Entry Age
Amortization Period	30 years, Open
Amortization Method	Level Percent of Payroll
Discount rate	3.90%
CPI	2.50%
Healthcare Cost Trend Rate	8.2% initial rate, 4.2% ultimate rate, 72 year grade-in period
Payroll Growth Rate	2% annually

11. Risk Management

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

A. Insurance

The City self-funds workers' compensation, general/auto liabilities and health benefits. Purchased coverage includes: Commercial property insurance of \$250 million limits on City buildings, \$75 million in airport liability, \$10 million of excess gas utility liability insurance and \$10 million of excess liability insurance. The City purchases excess insurance which covers workers' compensation claims that exceed \$350,000 per accident and general/auto liability claims, public officials, employment and law enforcement in excess of \$500,000 per claim. Primary flood coverage provides up to \$500,000 on specified buildings within flood zones A & B. All funds of the City participate in the program and make payments to the Liability and Employee Benefits Fund based on estimates needed to pay prior claims, current year claims and claims incurred but not reported. In addition, the City of Corpus Christi provides comprehensive health coverage to employees, dependents and retirees. Coverage becomes effective the first day of employment and the plan has no lifetime limit.

The estimated claims liability of \$15,894,544 at July 31, 2012, of which \$8,957,624 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' compensations claims; accordingly, no liability is reported for those claims. Estimated claims liability at July 31, 2011, was understated by \$5,452,357. Beginning net assets of the Internal Service Funds and Governmental Activities in the government-wide Statement of Activities has been restated to reflect a correction of this understatement. Changes in the fund claims liability amounts for fiscal years 2011 and 2012 were:

		<u>Liability</u>	<u>Estimates</u>	<u>Payments</u>	<u>Year End</u>
Fiscal Year					
2010-2011	Restated	13,999,697	25,769,014	(25,666,592)	14,102,119
2011-2012		14,102,119	23,578,851	(21,786,426)	15,894,544

B. Contingent Liabilities

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

12. Operating Leases

A. Property Leased From Others

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

B. Property Leased To Others

The City is the lessor of airport floor space, real property, and parking spaces under operating leases expiring through the fiscal year 2026. The arena operating leases expire through the fiscal year 2015. Minimum rentals to be received from future leases are:

<u>Fiscal Year Ending July 31,</u>	<u>Enterprise Funds</u>	<u>Special Revenue Funds</u>
2013	3,764,303	135,000
2014	3,463,766	135,000
2015	113,247	95,000
2016	49,887	--
2017	50,488	--
2018-2026	132,124	--
Total minimum future rentals	<u>\$ 7,573,815</u>	<u>\$ 365,000</u>

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

13. Long-term obligations

The following is a summary of long-term obligation transactions of the City for the year ended July 31, 2012:

	<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	\$ 219,025,000	\$ 44,695,000	\$ (12,525,000)	\$ 251,195,000	\$ 13,260,000
Certificates of obligation	34,690,401	--	(1,868,752)	32,821,649	1,938,940
Revenue bonds	100,165,000	--	(5,680,000)	94,485,000	5,960,000
Discount on bonds payable	(22,519)	--	2,523	(19,996)	--
Premium on bonds payable	9,197,468	5,095,844	(1,373,835)	12,919,477	--
Deferred gain on refunding	(1,831,966)	--	265,491	(1,566,475)	--
Capital leases	9,939,798	779,779	(3,380,835)	7,338,742	3,239,366
Other notes payable	4,300,000	7,390,000	(1,025,000)	10,665,000	1,610,000
Total long-term debt	<u>375,463,182</u>	<u>57,960,623</u>	<u>(25,585,408)</u>	<u>407,838,397</u>	<u>26,008,306</u>
Accumulated compensated absences	36,564,441	10,334,488	(9,591,688)	37,307,241	9,591,688
Net pension obligation	13,535,626	5,329,343	--	18,864,969	--
Net OPEB obligation	<u>13,555,766</u>	<u>633,458</u>	<u>(3,146,134)</u>	<u>11,043,090</u>	<u>--</u>
Governmental activities Long-term liabilities	<u>\$ 439,119,015</u>	<u>\$ 74,257,912</u>	<u>\$ (38,323,230)</u>	<u>\$ 475,053,697</u>	<u>\$ 35,599,994</u>
Business-type activities					
Long-term debt					
General obligation bonds	\$ -	\$ 18,220,000	\$ -	\$ 18,220,000	\$ 595,000
Certificates of obligation	61,149,599	--	(1,761,248)	59,388,351	1,836,060
Revenue bonds	572,095,000	52,500,000	(47,785,000)	576,810,000	30,860,000
Discount on bonds payable	(1,420,708)	(66,667)	431,558	(1,055,817)	--
Premium on bonds payable	14,918,356	3,257,282	(2,307,349)	15,868,289	--
Deferred gain on refunding	(8,632,413)	(716,270)	1,142,274	(8,206,409)	--
Capital leases	8,318,853	1,351,333	(2,809,922)	6,860,264	2,447,916
Utility notes payable	<u>156,204,665</u>	<u>--</u>	<u>(3,691,776)</u>	<u>152,512,889</u>	<u>3,919,233</u>
Total long-term debt	802,633,352	74,545,678	(56,781,463)	820,397,567	39,658,209
Landfill closure cost	25,931,022	--	(1,712,175)	24,218,847	703,448
Accumulated compensated absences	3,757,015	2,022,359	(2,018,928)	3,760,446	2,018,928
Net pension obligation	4,925,593	2,080,107	--	7,005,700	--
Net OPEB Obligation	<u>820,875</u>	<u>30,129</u>	<u>(248,018)</u>	<u>602,986</u>	<u>--</u>
Business-type activities Long-term liabilities	<u>\$ 838,067,857</u>	<u>\$ 78,678,273</u>	<u>\$ (60,760,584)</u>	<u>\$ 855,985,546</u>	<u>\$ 42,380,585</u>

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

In the governmental funds, the OPEB obligation will be liquidated by the General Fund (91%), Special Revenue funds (7%), and Internal Service funds (3%) based on the allocation of the cost of self-insurance for health benefits. General Fund will typically liquidate 86% and Special Revenue and Internal Service funds will liquidate 14% of the pension liability.

A. Bonds

Bonds payable at July 31, 2012, are comprised of the following:

Governmental activities

General Obligation Bonds

\$39,150,000 2001 General Improvement Refunding Bonds due in annual installments of \$370,000 to \$3,850,000 through March 1, 2018, including \$10,000,000 in March 1, 2021 term bonds with annual mandatory redemptions of \$1,245,000 to \$1,375,000 from March 1, 2019 through March 1, 2021, interest at 4.50% to 5.375%	\$10,570,000
\$22,575,000 2003 General Improvement Refunding Bonds due in annual installments of \$725,000 to \$765,000 through March 1, 2015, except 2011-2012 in which no payments are due, interest at 3.25% to 5.00%	2,230,000
\$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%	72,690,000
\$3,830,000 2007 Texas Military Value Revolving Loan Program Bonds due in annual installments of \$160,000 to \$310,000 through September 1, 2026, interest at 3.75% to 4.00%	3,505,000
\$31,145,000 2007-A General Improvement due in annual installments of \$1,100,000 to \$2,350,000 through March 1, 2027, interest at 4.375% to 5.00%	26,445,000
\$88,725,000 2009 General Improvement Bonds due in annual installments of \$3,115,000 to \$6,495,000 through July 31, 2029, interest at 2.00% to 5.00%	78,495,000
\$13,685,000 2010 General Improvement Bonds due in annual installments of \$485,000 to \$950,000 through July 31, 2030, interest at 2.75% to 4.25%	12,565,000
\$44,695,000 2012 General Improvement Bonds due in annual installments of \$500,000 to \$3,610,000 through March 1, 2032, interest at 2.00% to 5.00%	<u>44,695,000</u>
Total General Improvement Bonds	<u>251,195,000</u>

Certificates of Obligation

\$31,545,000 2002 Combination Tax and Municipal Hotel Occupancy Tax Revenue Certificates of Obligation due in annual installments of \$1,150,000 to \$2,430,000 through September 1, 2022, including \$3,600,000 in September 1, 2017 term certificates with annual mandatory redemptions of \$1,750,000 and \$1,850,000 September 1, 2016 and September 1, 2017, interest at 3.1% to 5.50%	\$20,690,000
34.58% of \$6,985,000 2007 Certificate of Obligation, Texas Military Preparedness Commission, due in annual installments of \$290,000 to \$565,000 through September 1, 2026, interest at 4.00% to 4.375%	2,211,649
\$8,460,000 2009 Combination Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments of \$280,000 to \$735,000 through July 31, 2029, interest at 2.00% to 5.00%	7,160,000
\$3,000,000 2010 Combination Tax and Limited Pledge Revenue Certificates of Obligation due in annual installments of \$100,000 to \$210,000 through July 31, 2030, interest at 4.00% to 4.50%	<u>2,760,000</u>
Total Certificates of Obligation	<u>32,821,649</u>

Revenue Bonds

\$43,960,000 2001 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Bonds due in annual installments of \$1,095,000 to \$2,915,000 through March 1, 2024, including \$5,165,000 in March 1, 2022 term bonds with annual mandatory redemptions of \$2,520,000 and \$2,645,000 March 1, 2021 and March 1, 2022, and \$6,285,000 in March 1, 2026 term bonds with annual mandatory redemptions of \$3,065,000 and \$3,220,000 March 1, 2025 and March 1, 2026, interest at 4.00% to 5.375%	\$33,190,000
\$49,185,000 2002 Corpus Christi Business and Job Development Corporation Sales Tax Revenue Refunding and Improvement Bonds due in annual installments of \$1,185,000 to \$3,645,000 through September 1, 2022, including \$10,425,000 in September 1, 2025 term bonds with annual mandatory redemptions of \$3,305,000 to \$3,645,000 from September 1, 2023 through September 1, 2025, interest at 3.25% to 5.50%	37,500,000
\$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%	11,935,000
\$13,445,000 2008 North Padre Island Development Corporation Tax Increment Contract Revenue Refunding Bonds due in annual installments of \$165,000 to \$1,605,000 through September 15, 2022, interest at 4.50%	<u>11,860,000</u>
Total Revenue Bonds	<u>94,485,000</u>

Total Governmental Activities

\$378,501,649

Business-type activities

General Obligation Bonds

\$8,340,000 2012-A General Improvement Airport Refunding Bonds due in annual installments of \$350,000 to \$915,000 beginning March 1, 2015 and ending March 15, 2023, interest at 2.00% to 3.25%	\$8,340,000
\$9,880,000 2012-B General Improvement Airport Refunding Bonds due in annual installments of \$45,000 to \$1,385,000 beginning March 1, 2014 and ending March 1, 2030, interest at 2.00% to 4.00%	<u>9,880,000</u>
Total General Improvement Bonds – Business Type Activities	<u>18,220,000</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 \$510,000 through March 1, 2019, including \$2,320,000 in March 1, 2024 term bonds with annual mandatory redemptions of \$420,000 to \$510,000 from March 1, 2020 through March 1, 2024, interest at 3.00% to 5.12%	\$4,775,000
\$14,520,000 2005 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$250,000 to \$485,000 through September 1, 2024, including \$2,825,000 in September 1, 2029 term bonds with annual mandatory redemptions of \$510,000 to \$625,000 from September 1, 2025 through September 1, 2029, and \$5,355,000 in September 1, 2036 term bonds with annual mandatory redemptions of \$655,000 to \$885,000 from September 1, 2030 through September 1, 2036, interest at 3.00% to 5.00%	13,170,000
\$4,500,000 2005 Combination Tax and Revenue Marina Certificates of Obligation due in annual installments of \$155,000 to \$325,000 through September 1, 2025, interest at 3.00% to 4.375%	3,495,000

\$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 March 1, 2029 term bonds with mandatory redemptions of \$690,000 to \$830,000 from March 1, 2025 through March 1, 2029, and \$7,040,000 in March 1, 2036 term bonds with mandatory redemptions of \$870,000 to \$1,150,000 from March 1, 2030 through March 1, 2036, interest at 4.00% to 4.82%	17,115,000
65.42% of \$6,985,000 2007 Certificate of Obligation, Texas Military Preparedness Commission, due in annual installments of \$290,000 to \$565,000 through September 1, 2026, interest at 4.00% to 4.375%	4,183,351
\$12,000,000 2008 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$220,000 to \$765,000 through March 1, 2038, interest at 3.00% to 5.25%	11,325,000
\$5,500,000 2010 Combination Tax and Limited Pledge Airport Revenue Certificates of Obligation due in annual installments of \$175,000 to \$340,000 through March 1, 2024, and \$2,025,000 term bond due March 1, 2030, interest at 5.00% to 6.25%	<u>5,325,000</u>
Total Certificates of Obligation - Business Type Activities	<u>59,388,351</u>

Revenue Bonds

\$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%	\$6,900,000
\$92,330,000 2002 Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$3,455,000 to \$6,960,000 through July 15, 2022, interest at 3.50% to 5.25%	27,620,000
\$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%	12,790,000
\$50,000,000 2004 Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$1,810,000 to \$3,830,000 through July 15, 2024, interest at 3.00% to 5.25%	35,375,000
\$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%	63,540,000
\$94,575,000 2005 Nueces River Authority Water Supply Facilities Revenue Refunding Bonds due in annual installments of \$100,000 to \$7,545,000 through March 1, 2027, interest at 3.00% to 5.25%	82,180,000
\$5,160,000 2005 Lavaca-Navidad River Authority Water Supply Facilities Revenue Refunding bonds due in annual installments of \$20,000 to \$715,000 through July 15, 2017, interest at 3.25% to 4.00%	3,295,000
\$68,325,000 2005A Utility Revenue Refunding Bonds due in annual installments of \$2,340,000 to \$5,205,000 through July 15, 2025, interest at 3.00% to 5.00%	51,345,000
\$84,415,000 2006 Utility Revenue Refunding Bonds due in annual installments of \$1,625,000 to \$7,165,000 through July 15, 2026, interest at 4.00% to 5.00%	68,155,000
\$96,490,000 2009 Utility System Revenue Improvement Bonds due in annual installments of \$1,730,000 to \$6,135,000 through July 15, 2039, interest at 2.50% to 5.25%	92,985,000

\$8,000,000 2010 Utility System Revenue Bonds due in annual installments of \$730,000 to \$885,000 beginning July 15, 2020 and ending July 15, 2029, interest at 1.591% to 2.587%	8,000,000
\$14,375,000 2010A Utility System Revenue Improvement Bonds due in annual installments of \$1,440,000 to \$1,835,000 through July 15, 2019, interest at 3.00% to 4.00%	11,500,000
\$60,625,000 Taxable Series 2010 Utility System Revenue Improvement Bonds (Direct Subsidy – Build America Bonds) payable as \$12,730,000 July 15, 2025 term bond, \$12,940,000 July 15, 2030 term bond, and \$34,955,000 July 15, 2040 term bond due in mandatory redemptions of \$1,945,000 to \$4,155,000 July 15, 2020 through July 15, 2040, interest at 5.43% to 6.243%	60,625,000
\$52,500,000 2012 Utility System Revenue Bonds due in annual installments of \$240,000 to \$3,080,000 beginning July 15, 2015 and ending July 15, 2042, interest at 2.00% to 5.00%	<u>52,500,000</u>
Total Revenue Bonds - Business Type Activities	<u>576,810,000</u>
Total Business-type Activities	<u>\$654,418,351</u>

The annual requirements to amortize all bonded debt outstanding as of July 31, 2012, are as follows:

Fiscal Ending July 31	Governmental Activities			
	General Obligation Bonds		Certificates of Obligation	
	Principal	Interest	Principal	Interest
2013	\$ 13,260,000	\$ 11,754,953	\$ 1,938,940	\$ 1,573,885
2014	13,800,000	10,871,938	2,017,398	1,499,563
2015	14,600,000	10,288,938	2,117,586	1,401,779
2016	13,270,000	9,597,706	2,227,773	1,287,634
2017	14,865,000	9,032,294	2,347,961	1,168,568
2018-2022	79,495,000	34,637,494	13,786,264	3,816,628
2023-2027	69,750,000	16,606,431	6,640,727	989,388
2028-2032	32,155,000	3,147,881	1,745,000	131,001
Total	\$ 251,195,000	\$ 105,937,635	\$ 32,821,649	\$ 11,868,446

Fiscal Ending July 31	Governmental Activities	
	Revenue Bonds	
	Principal	Interest
2013	\$ 5,960,000	\$ 4,634,849
2014	6,310,000	4,340,836
2015	6,675,000	4,024,905
2016	6,975,000	3,682,455
2017	7,385,000	3,311,918
2018-2022	34,025,000	11,265,390
2023-2027	27,155,000	2,976,400
Total	\$ 94,485,000	\$ 34,236,753

Fiscal Ending July 31	Business-Type Activities		Business-Type Activities	
	General Obligation Bonds		Certificates of Obligation	
	Principal	Interest	Principal	Interest
2013	\$ 595,000	\$ 354,769	\$ 1,836,060	\$ 2,807,001
2014	795,000	520,250	1,902,602	2,734,216
2015	810,000	504,350	1,987,414	2,655,437
2016	830,000	488,150	2,077,227	2,571,951
2017	845,000	471,550	2,162,039	2,483,711
2018-2022	4,565,000	2,011,931	12,328,735	10,910,925
2023-2027	5,780,000	1,259,725	13,464,274	7,831,638
2028-2032	4,000,000	288,154	11,290,000	4,758,762
2033-2037	--	--	11,575,000	1,811,094
2038-2042	--	--	765,000	42,075
Total	\$ 18,220,000	\$ 5,898,879	\$ 59,388,351	\$ 38,606,810

Fiscal Year Ending July 31	Business-Type Activities	
	Revenue Bonds	
	Principal	Interest
2013	\$ 30,860,000	\$ 27,795,743
2014	32,935,000	25,734,588
2015	32,765,000	24,263,098
2016	30,720,000	22,738,383
2017	32,215,000	21,231,745
2018-2022	164,110,000	82,215,455
2023-2027	116,895,000	46,443,360
2028-2032	44,395,000	27,368,722
2033-2037	53,725,000	16,226,726
2038-2042	38,190,000	3,712,877
Total	<u>\$ 576,810,000</u>	<u>\$ 297,730,697</u>

\$16,858,822 is available in the Debt Service Fund to service general obligation bonds. There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.

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

The City also may be contingently liable for rebates to the Federal government associated with interest earned on proceeds of tax exempt bonds issued. Based on regulations of the Tax Reform Act of 1986, the rebate would not be made until five years from the bond issuance date and may be liquidated through lower interest earnings in future years. For the fiscal year ended July 31, 2012, the City has no arbitrage liability.

The City issued \$8,340,000 of General Obligation Bonds, Series 2012A dated July 1, 2012, with an average interest rate of 2.8% to refund \$8,300,000 of General Airport Revenue Bonds, Series 2000A, with an average interest rate of 5.5%. The City will reduce its total debt service payments over the next 11 years by approximately \$1,474,567 and obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,105,536.

The City issued \$9,880,000 of General Obligation Bonds, Series 2012B dated July 1, 2012, with an average interest rate of 3.3% to refund \$9,640,000 of General Airport Revenue Bonds, Series 2000B, with an average interest rate of 5.4%. The City will reduce its total debt service payments over the next 18 years by approximately \$2,943,044 and obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$2,035,542.

These were both current refundings in which the refunded bonds were redeemed.

The Corpus Christi Business and Job Development Corporation issued \$29,075,000 Sales Tax Revenue Refunding Bonds, Series 2012 (Seawall Project), dated July 1, 2012, with an average interest rate of 3.9% to refund \$43,960,000 Sales Tax Revenue Bonds, Series 2001 (Seawall Project), with an average interest rate of 5.1%. The Corporation will reduce its total debt service payments over the next 14 years by approximately \$6,194,517.10 and obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$4,988,597.45. The refunding is a current refunding in which the refunded bond was redeemed. Although, the refunding was dated July 1, 2012, the bond was not sold and funded until the following fiscal year on August 2, 2012, and therefore not reflected in annual requirements set forth below.

B. Capital Leases

The City has entered into lease agreements as lessee for the acquisition of the following assets: various trucks and heavy equipment for the Solid Waste Department, Health Department, Street Department, Fire Department, and Utilities; a building and improvements for the Emergency Operations Center and Development Services Department; golf carts for the Park and Recreation Department; and computer and connectivity equipment for several City departments. These lease agreements qualify as capital leases for accounting purposes, and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The following is a schedule of assets leased under capital leases as of July 31, 2012.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Land	\$ 66,359	\$ --
Building	1,260,821	--
Machinery and equipment	16,512,152	13,511,941
Less accumulated depreciation	<u>(9,514,888)</u>	<u>(7,263,056)</u>
Total	<u>\$ 8,324,444</u>	<u>\$ 6,248,885</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, 2012:

<u>Fiscal Year Ending July 31</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2013	\$ 3,473,589	\$ 2,622,050
2014	2,162,156	2,144,595
2015	905,996	1,583,159
2016	542,204	738,899
2017	275,625	106,706
2018-2021	<u>580,225</u>	<u>--</u>
Total minimum lease payments	7,939,795	7,195,409
Less amount representing interest	601,053	335,146
Present value of minimum lease payments	<u>\$ 7,338,742</u>	<u>\$ 6,860,263</u>

C. Other Notes Payable

Other notes payable as of July 31, 2012, are as follows:

3.52% 2008 Tax Notes - Frost Bank due in annual installments of \$965,000 to \$16,000,000 through March 1, 2015	\$ 3,275,000
2.17% 2012 Public Property Finance Contractual Obligation - Compass Bank due in installments of \$550,000 to \$685,000 through March 1, 2024	<u>7,390,000</u>
Total	<u>\$ 10,665,000</u>

The annual requirements to amortize the notes outstanding as of July 31, 2012, are as follows:

<u>Fiscal Year Ending July 31,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2013	\$ 1,610,000	\$ 279,207
2014	1,650,000	226,396
2015	1,700,000	175,876
2016	585,000	123,799
2017	595,000	111,104
2018-2022	3,170,000	356,097
2023-2027	1,355,000	44,269
Total	<u>\$ 10,665,000</u>	<u>\$ 1,316,748</u>

D. Utility System Notes Payable

The Utility System notes payable of \$152,512,889 consists of \$59,101,761 related to an agreement with the Bureau of Reclamation for water rights and recreational facilities at Choke Canyon Dam and \$93,411,128 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 foot dam on the Frio River, known as the Choke Canyon Dam (the Project). The City and the Nueces River Authority (the Authority) are local sponsors of the Project and entered into an agreement with the Bureau to provide a portion of the funds necessary to construct the dam (cost of water supply rights).

The dam site will remain the property of the Bureau although the City and Authority have the right, in perpetuity, to impound 80% and 20% respectively, of the water in the Project's reservoir. Pursuant to a separate agreement between the City and the Authority, the City, in exchange for certain services, will pay the Authority \$100,000 per calendar year plus additional sums for water used as specified in the agreement. The Bureau also constructed recreation and fish and wildlife facilities. At July 31, 2012, the City's share of the liability of the reservoir and related facilities, excluding interest, totaled \$59,101,761 and is payable over a 33 year period at an interest rate of 5.116%.

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

Fiscal Year Ending July 31,	Principal	Interest
2013	\$ 1,971,518	\$ 3,023,645
2014	2,072,380	2,922,783
2015	2,178,403	2,816,760
2016	2,289,850	2,705,313
2017	2,406,999	2,588,164
2018-2022	14,013,059	10,962,756
2023-2027	17,983,619	6,992,196
2028-2032	9,013,914	2,674,027
2033-2037	2,553,301	1,586,369
2038-2042	3,276,771	862,899
2043-2044	1,341,947	98,462
Total	<u>\$59,101,761</u>	<u>\$37,233,374</u>

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

Lake Texana Water Rights

The City entered into an agreement with the Lavaca Navidad River Authority to acquire the rights to purchase water from Lake Texana for a period of forty-two years. The purchase price is based on a formula which includes a percentage of the operating and maintenance expenses of Lake Texana and a percentage of the principal and interest on the bonds associated with the construction of the reservoir. The City has recorded on its books a liability in the amount of \$93,411,128 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, 2012:

Fiscal Year Ending July 31,	Principal	Interest
2013	\$ 1,947,717	\$ 3,269,389
2014	2,085,298	3,201,219
2015	2,229,199	3,128,234
2016	2,379,677	3,050,212
2017	2,536,994	2,966,923
2018-2022	15,303,814	13,383,650
2023-2027	20,432,594	10,361,920
2028-2032	26,779,662	6,360,661
2033-2035	19,716,173	1,403,371
Total	<u>\$ 93,411,128</u>	<u>\$ 47,125,579</u>

E. Closure and Post-closure Care Costs

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

that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfills were acquired as of July 31, 2012, and is assigned to periods based on cumulative landfill use. The City ceased accepting waste for disposal at the J.C. Elliott Landfill on November 10, 2007, and began full-time waste operations at Cefe Valenzuela Landfill. The estimated liability for landfill closure and post-closure costs recorded in the business-type activities at July 31, 2012, is \$24,218,847 for both the J.C. Elliott Landfill and the Cefe Valenzuela Landfill. The current portion of this amount is \$703,448, the majority of which is related to the costs for gas and water monitoring, site inspection and record-keeping for J.C. Elliott Landfill. The closure and post-closure costs that have not been recognized in these financial statements is \$4,639,363. The actual costs of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. As of July 31, 2012, Cefe Valenzuela Landfill was at 58.84% filled capacity for developed cells and 2.98% filled capacity for the entire permitted site, with an estimated remaining life as currently permitted between 72 and 96 years.

14. Advance Refundings and Defeasances

In prior years, the City refinanced other bond issues through the issuance of refunding bonds. The proceeds from the refunding bonds have been deposited in irrevocable trusts which, together with interest earnings on those deposits, will provide amounts sufficient for future redemption or payment of principal and interest of the issues refunded. The trust account assets and the liabilities for the defeased bonds are not included in the City’s financial statements. On July 31, 2012, \$5,810,000 of bonds outstanding were considered defeased.

15. Interfund Transfers, Receivables and Payables

Interfund transfers for the year ended July 31, 2012, are as follows:

	Transfers Out					Total
	General	Non-major Governmental	Utility System Fund	Non-major Proprietary	Internal Service	
Transfers In:						
General	\$ --	\$ 943,134	\$ 3,019,488	\$ 288,936	\$ 157,269	\$ 4,408,827
Debt service	3,889,160	2,489,440	2,874	1,430	--	6,382,904
Streets capital projects	950,000	--	--	--	--	950,000
Non-major government	1,361,256	--	--	--	--	1,361,256
Utility system	--	--	--	--	49,000	49,000
Non-major proprietary	--	--	--	--	31,095	31,095
Internal Service	2,264,156	--	2,198,516	--	--	4,462,672
Total	\$ 8,464,572	\$ 3,432,574	\$ 5,220,878	\$ 290,366	\$ 237,364	\$ 17,645,754

During the year various interfund transfers were made to finance expenditures and service debt. The \$8,464,572 General Fund transfers out includes transfers of \$3,889,160 for payment of debt service, \$1,200,000 for capital equipment, \$1,064,156 for future capital replacement, \$1,450,000 to capital projects, \$489,179 to Municipal Court Funds in order to account for fees designated for specific Municipal Court purposes in a special revenue fund, \$180,000 in naming rights revenue to subsidize arena operations, and \$192,077 to the Federal/State Grants Fund as matching grants.

The General Fund received transfers in of \$4,408,827 of which \$3,492,307 was for administrative service charges. \$171,514 and \$9,377 was indirect cost reimbursements from the Federal/State Grants Fund and the Corpus Christi Community Improvement Corp., respectively. \$157,269 was the return for previously contributed funds from Maintenance Services. \$578,360 was from Corpus Christi Housing Finance Corp.

The Debt Service Fund received transfers in of \$6,382,904 from the various funds (including the General Fund) for payment of debt service principal and interest and to establish debt service reserves.

Transfers were made from the Utility System Fund to the Maintenance Service Fund consisting of \$1,365,000 for

acquisition of capital equipment and \$833,516 for future capital replacement.

The Internal Service Funds transferred out \$157,269 to the General Fund and \$31,095 to Non-Major Proprietary Funds to return unused contributed funds. \$49,000 was transferred to Gas Grants for CNG vehicle project.

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 \$13,797,593 accumulated fund balance of the solid waste activity is accounted for as a transfer to governmental activities in the statement of activities.

Interfund advances outstanding at July 31, 2012, are as follows:

To	From	Amount
Golf Fund	General Fund	\$ 801,689

The General Fund advanced the Golf Fund money to cover its negative Unrestricted fund balance. This advance is expected to be paid back over a period of 7-8 years, based on anticipated increased revenues from the Golf courses due to a management contract with a private firm.

Interfund receivables and payables at July 31, 2012, are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Governmental funds		
General fund	\$ 67,558	\$ 114,933
Debt service fund		
Other non-major governmental funds	114,933	67,558
Total governmental	<u>182,491</u>	<u>182,491</u>
Enterprise funds		
Utility system fund	<u>--</u>	<u>4,337,700</u>
Internal service funds	<u>4,337,700</u>	<u>--</u>
Total	<u>\$ 4,520,191</u>	<u>\$ 4,520,191</u>

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

16. Fund Deficits

At fiscal year end, the Golf Centers Fund had an accumulated deficit. The City entered into a management contract with a private firm to operate the golf centers beginning February 1, 2011. Revenues from the lease payments have reduced the deficit in the first year of operations. Anticipated revenues are expected to rebuild the fund net assets to a positive position over a period of 6-8 years.

Also, Housing Finance Corporation had an accumulated deficit at fiscal year-end. The Corporation forgave an Advance to the General Fund of \$578,360 including accrued interest to pay for improvements to the parking lot next to the old Ward Building. Developer fees related to other Corporation housing projects that are payable to the Corporation on a cash flow basis are expected to rebuild the fund net assets to a positive position within 3-4 years.

17. Conduit Debt Obligations

The Corpus Christi Housing Finance Corporation (CCHFC), Corpus Christi Industrial Development Corporation (CCIDC), and the Coastal Bend Health Facilities Development Corporation are public non-profit corporations created by the City under State law to facilitate financing of authorized projects. These entities issued bonds to

unrelated commercial entities. As of July 31, 2012, there were nine series of bonds outstanding with an aggregate principal amount payable of \$157,953,086. The bonds are not liabilities of the City or the respective corporations and are solely payable from revenues of the various commercial entities.

18. Commitments

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

	<u>Project Authorization</u>	<u>Expenditures Through 07-31-12</u>	<u>Additional Funds Committed</u>	<u>Required Future Financing</u>
Airport	\$ 49,488,930	\$ 46,606,665	\$ 2,882,265	\$ --
Arena	75,000	13,125	61,875	--
Bayfront Development	3,652,159	1,504,159	2,148,000	--
City Hall	7,152,632	4,121,027	3,031,605	--
Convention Facility	1,676,706	1,603,320	73,386	--
Library	1,676,254	1,547,977	128,277	--
Packery Channel	1,636,242	935,136	701,106	--
Park	9,995,957	5,894,930	4,101,027	--
Police Building	36,578	27,039	9,539	--
Fire	2,229,453	384,226	1,845,227	--
Public Health & Safety	492,806	413,858	78,948	--
Sanitary Landfill	1,872,165	1,657,585	214,580	--
Seawall	1,430,915	539,893	891,022	--
Street	101,506,542	56,672,664	44,833,878	--
Water	37,425,298	19,719,657	17,705,641	--
Storm Water	38,327,572	27,452,858	10,874,714	--
Waste Water	85,083,526	69,602,159	15,481,367	--
Gas	239,970	105,061	134,909	--
Total	<u>\$ 343,998,705</u>	<u>\$ 238,801,339</u>	<u>\$ 105,197,366</u>	<u>\$ --</u>

The assigned fund balance in the General Fund includes \$2,822,627 encumbered commitments related to unperformed contracts for goods or services.

19. Segment Information for Enterprise Funds

The City issued revenue bonds to finance certain improvements to its utility system, airport and marina. Because the utility system fund is a segment and is reported as a major fund in the fund financial statements, segment disclosures herein are not reported. The airport and marina activities are accounted for as other enterprise fund in the fund financial statements. Segment information of airport funds and marina funds as of and for the year ended July 31, 2012, is as follows:

	Airport Fund	Marina Fund
Current assets, excluding restricted assets	\$ 9,455,478	\$ 570,271
Restricted assets	1,760,525	--
Capital assets	111,368,638	7,368,148
Other assets	418,190	42,592
Total assets	<u>123,002,831</u>	<u>7,981,011</u>
Current liabilities	2,263,174	481,774
Long-term liabilities	23,142,415	3,461,367
Total liabilities	<u>25,405,589</u>	<u>3,943,141</u>
Net assets		
Invested in capital assets, net of related debt	88,290,411	3,873,185
Restricted	1,760,523	--
Unrestricted	7,546,308	164,685
Net assets	<u>\$ 97,597,242</u>	<u>\$ 4,037,870</u>
Operating revenue	\$ 7,374,723	\$ 1,829,886
Depreciation	(4,369,264)	(563,998)
Other operating expenses	(6,523,611)	(1,157,280)
Operating income (loss)	<u>(3,518,152)</u>	<u>108,608</u>
Nonoperating income (expense)	809,031	(149,904)
Capital contributions	5,722,268	12,457
Transfers	(236,920)	(48,297)
Net income (loss)	<u>2,776,227</u>	<u>(77,136)</u>
Net assets beginning of year	94,821,015	4,115,006
Net assets end of year	<u>\$ 97,597,242</u>	<u>\$ 4,037,870</u>
Net cash flow provided by (used for)		
Operating activities	\$ 1,311,252	\$ 558,683
Noncapital financing activities	(236,920)	(174,260)
Capital and related financing activities	(5,539,407)	(343,141)
Investment activities	19,420	--
Beginning cash and cash equivalents	13,602,607	475,181
Ending cash and cash equivalents	<u>\$ 9,156,952</u>	<u>\$ 516,463</u>

**REQUIRED SUPPLEMENTARY INFORMATION
EMPLOYMENT RETIREMENT BENEFITS - ANALYSIS OF FUNDING PROGRESS
YEAR ENDED JULY 31, 2012**

<u>Valuation Date</u>	<u>(1) Actuarial Value of Assets</u>	<u>(2) Actuarial Accrued Liability</u>	<u>(3) Funded Ratio (1) / (2)</u>	<u>(4) Unfunded Actuarial Accrued Liability (2) - (1)</u>	<u>(5) Annual Covered Payroll</u>	<u>(6) Percentage of Unfunded Actuarial Accrued Liability to Covered Payroll Ratio</u>
Texas Municipal Retirement System						
12/31/2009	246,315,526	465,122,135	53.0%	218,806,609	142,607,262	153.4%
12/31/2010	511,209,314	686,289,289	74.5%	175,079,975	108,555,179	161.3%
12/31/2011	533,122,252	708,978,527	75.2%	175,856,275	108,260,052	162.4%
Fire Fighters Retirement System						
12/31/2006	92,448,683	134,669,650	68.6%	42,220,967	21,946,798	192.4%
12/31/2008	92,218,756	162,568,260	56.7%	70,349,504	24,268,094	289.9%
12/31/2010	104,079,845	177,565,330	58.6%	73,485,485	27,723,869	265.1%
Other Post Employment Benefits Plan - Citicare						
8/1/2007	-	29,091,554	0.0%	29,091,554	133,145,260	21.8%
8/1/2009	-	12,524,728	0.0%	12,524,728	74,872,277	16.7%
8/1/2011	-	1,221,232	0.0%	1,221,232	61,862,815	2.0%
Other Post Employment Benefits Plan - Public Safety						
8/1/2007	-	17,463,290	0.0%	17,463,290	133,145,260	13.1%
8/1/2009	-	13,584,349	0.0%	13,584,349	32,947,021	41.2%
8/1/2011	-	5,139,857	0.0%	5,139,857	26,515,429	19.4%
Other Post Employment Benefits Plan - Fire						
8/1/2007	-	21,431,762	0.0%	21,431,762	133,145,260	16.1%
8/1/2009	-	13,537,686	0.0%	13,537,686	23,847,834	56.8%
8/1/2011	-	6,351,600	0.0%	6,351,600	20,862,937	30.4%

OTHER POST EMPLOYMENT BENEFITS PLANS ANNUAL REQUIRED CONTRIBUTIONS

	<u>(1) Annual Required Contribution (ARC)</u>	<u>(2) Actual Contribution</u>	<u>Percentage of of ARC Contributed (2) / (1)</u>
Citicare			
8/1/2007	\$ 3,109,043	\$ 628,219	20.2%
8/1/2009	1,960,046	704,363	35.9%
8/1/2011	94,775	580,405	612.4%
Public Safety			
8/1/2007	1,502,603	455,812	30.3%
8/1/2009	987,678	443,157	44.9%
8/1/2011	295,160	1,401,438	474.8%
Fire			
8/1/2007	1,853,004	541,837	29.2%
8/1/2009	1,023,928	407,364	39.8%
8/1/2011	355,425	1,412,309	397.4%

*Combining and Individual Fund
Financial Statements and Schedules*

Governmental Funds

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

General Fund



City of
Corpus
Christi

**GENERAL FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and cash equivalents	\$ 8,154,237	\$ 8,415,266
Investments	29,017,033	20,005,706
Receivables		
Accounts	6,943,967	6,689,302
Property leases	33,600	--
Taxes	3,455,781	3,587,185
Accrued interest	47,783	47,723
Demolition liens	4,612,554	4,279,788
Employees	20,421	11,378
Intergovernmental	6,149,072	6,098,811
Miscellaneous	1,985,815	1,781,049
Allowance for uncollectibles	<u>(8,146,662)</u>	<u>(7,619,466)</u>
Net receivables	15,102,331	14,875,770
Due from other funds	67,558	674,086
Inventories	575,774	285,507
Deposits	--	--
Prepaid items	22,554	12,761
Advances to other funds	<u>801,689</u>	<u>1,193,131</u>
Total assets	<u>\$ 53,741,176</u>	<u>\$ 45,462,227</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 6,495,041	\$ 5,610,767
Accrued liabilities	6,272,751	5,303,688
Deposits	431,922	418,391
Liability to claimants - escheat property	120,617	115,147
Due to other funds	114,933	102,238
Due to other governmental agencies	295,534	717,439
Advance from other funds	--	577,350
Deferred revenues		
Taxes	1,473,479	1,471,986
Other	<u>564,411</u>	<u>580,289</u>
Net deferred revenues	<u>2,037,890</u>	<u>2,052,275</u>
Total liabilities	15,768,688	14,897,295

(Continued)

Exhibit 6-A

	<u>2012</u>	<u>2011</u>
Fund balance		
Nonspendable		
Inventory	575,774	285,507
Prepaid items	22,554	12,761
Advances to other funds	801,689	1,193,131
Total nonspendable	<u>1,400,017</u>	<u>1,491,399</u>
Restricted		
Vital statistic record retention	194,452	160,278
Municipal Court building security	--	91,097
Municipal Court technology	--	120,618
Judicial/Court improvements	29,628	12,671
Juvenile Court case manager	--	247,464
Fire contribution trust	5,585	4,403
PEG equipment and facilities	19,768	16,268
Total restricted	<u>249,433</u>	<u>652,799</u>
Committed		
Major contingencies	28,727,231	19,762,597
Government access equipment	11,959	11,959
Radio system capital replacement	25,744	22,649
Total committed	<u>28,764,934</u>	<u>19,797,205</u>
Assigned		
Arts and Cultural Commission	6,806	5,845
Total assigned	<u>6,806</u>	<u>5,845</u>
Unassigned	7,551,298	8,617,684
Total fund balances	<u>37,972,488</u>	<u>30,564,932</u>
Total liabilities and fund balances	<u>\$ 53,741,176</u>	<u>\$ 45,462,227</u>

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	<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	\$ 50,028,246	\$ 50,028,246	\$ 50,419,245	\$ --
Ad valorem taxes - delinquent	1,122,900	1,122,900	776,813	--
Penalties and interest	988,181	988,181	639,845	--
Industrial District - in lieu of taxes	6,187,480	6,187,480	6,127,418	--
Other Payment in lieu of taxes	--	--	102,236	--
Special Inventory Tax Escrow Refund	39,288	39,288	94,087	--
Housing Authority - in lieu of taxes	17,058	17,058	23,386	--
Total general property taxes	<u>58,383,153</u>	<u>58,383,153</u>	<u>58,183,030</u>	<u>--</u>
City sales tax	<u>45,489,528</u>	<u>45,489,528</u>	<u>50,686,799</u>	<u>--</u>
Liquor drink tax	<u>1,020,000</u>	<u>1,020,000</u>	<u>898,428</u>	<u>--</u>
Bingo tax	<u>300,900</u>	<u>300,900</u>	<u>297,862</u>	<u>-</u>
Business fees	--			
Electric franchise	9,353,060	9,353,060	9,512,532	--
Electric franchise - Nueces Co-op	554,217	554,217	252,643	--
Telecommunications fees	4,017,816	4,017,816	3,437,668	--
CATV franchise	3,135,940	3,135,940	3,372,800	--
Taxicab franchise	48,000	48,000	45,470	--
AT&T right of way lease fee	1,200	1,200	1,200	--
Total business fees	<u>17,110,233</u>	<u>17,110,233</u>	<u>16,622,313</u>	<u>--</u>
Total taxes and business fees	<u>122,303,814</u>	<u>122,303,814</u>	<u>126,688,432</u>	<u>--</u>
Licenses and permits	--			
Amusement licenses	14,421	14,421	17,854	--
Technology fee	--	--	884	(884)
Pipeline - application fee	--	--	3,000	--
Pipeline - license fee	35,164	35,164	42,664	--
Beer and liquor licenses	--	--	119,053	(119,053)
Electricians licenses and exam fees	--	--	36,025	(36,025)
Auto wrecker permits	15,000	15,000	14,650	--
Taxi driver permits	5,000	5,000	5,610	--
Metal recycling permits	--	--	3,500	--
House mover licenses	--	--	266	(266)
Other business licenses	21,209	21,209	18,260	--
Building permits	--	--	2,487,543	(2,487,543)
Electrical permits	--	--	275,299	(275,299)
Plumbing permits	--	--	508,068	(508,068)
Mechanical permits	--	--	140,540	(140,540)
Certificate of occupancy fees	--	--	51,359	(51,359)
Plan review fees	--	--	711,913	(711,913)
Mechanical registration fees	--	--	26,050	(26,050)
Lawn Irrigator registration fees	--	--	5,130	(5,130)
Occupational registration fees	--	--	--	--
Backflow prevention assembly tester	--	--	10,935	(10,935)
Driveway permit fees	--	--	12,732	(12,732)
Occupancy of public R-O-W	24,000	24,000	21,783	--
Street easement closure fees	--	--	6,773	(6,773)
Easement closure FMV fee	--	--	18,600	(18,600)

(Continued)

Exhibit 6-B

2012 Actual Budget Basis	Variance Final Budget Positive (Negative)	2011 Actual Budget Basis
\$ 50,419,245	\$ 390,999	\$ 49,284,759
776,813	(346,087)	949,681
639,845	(348,336)	789,245
6,127,418	(60,062)	6,145,808
102,236	102,236	--
94,087	54,799	79,750
23,386	6,328	16,214
<u>58,183,030</u>	<u>(200,123)</u>	<u>57,265,457</u>
<u>50,686,799</u>	<u>5,197,271</u>	<u>44,478,983</u>
<u>898,428</u>	<u>(121,572)</u>	<u>1,037,020</u>
<u>297,862</u>	<u>(3,038)</u>	<u>283,011</u>
9,512,532	159,472	9,445,836
252,643	(301,574)	407,888
3,437,668	(580,148)	3,936,358
3,372,800	236,860	3,179,575
45,470	(2,530)	42,330
1,200	--	1,200
<u>16,622,313</u>	<u>(487,920)</u>	<u>17,013,187</u>
<u>126,688,432</u>	<u>4,384,618</u>	<u>120,077,658</u>
17,854	3,432	19,616
--	--	--
3,000	3,000	--
42,664	7,500	35,164
--	--	--
--	--	--
14,650	(350)	16,111
5,610	610	4,640
3,500	3,500	--
--	--	--
18,260	(2,949)	16,235
--	--	--
--	--	--
--	--	--
--	--	--
--	--	(22,310)
--	--	(4,590)
--	--	26,900
--	--	179,430
--	--	--
21,783	(2,217)	29,093
--	--	--
--	--	--

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Licenses and permits (continued)				
Backflow prev device filing fee	--	--	199,260	(199,260)
Research and survey fees	--	--	8,557	(8,557)
Deferrment agreement fees	--	--	2,365	(2,365)
Construction document fees	--	--	1,290	(1,290)
Billboard fees	--	--	6,593	(6,593)
Vacant building inspection fees	600	600	200	--
House moving route permits	--	--	244	(244)
Oversized load permits	--	--	25,203	(25,203)
Street blockage permits	4,000	4,000	6,682	--
Banner permits	400	400	575	--
Monitoring Well	--	--	300	(300)
Special event permits	2,000	2,000	850	--
Total licenses and permits	121,794	121,794	4,790,610	(4,654,982)
Grants				
Equal Employment Opportunity Commission	64,650	64,650	26,450	--
Federal Emergency Management Assistance	70,000	70,000	--	--
Drug test reimbursements	--	--	11,063	--
Sexual Assault Exam	112,000	112,000	86,111	--
Fair Housing Assessment	123,760	123,760	--	--
HUD Fair Housing Assessment	--	--	--	--
General Land Office - beach cleaning	45,000	45,000	--	--
Total grants	415,410	415,410	123,624	--
Charges for services				
General governmental services				
Zoning fees	--	--	74,510	(74,510)
Platting fees	--	--	70,835	(70,835)
Board of Adjustment appeal fees	--	--	6,365	(6,365)
Attorney fees - demolition & paving liens	30,785	30,785	43,089	--
Sale of City publications	300	300	1,409	--
Blueprint sales and GIS sales	--	--	112	(112)
Candidate filing fees	--	--	900	--
Nonprofit registration fees	1,052	1,052	660	--
Registration fees-other	--	--	--	--
Dog track admission fees	5,962	5,962	4,119	--
Total general governmental services	38,099	38,099	201,999	(151,822)
Police				
Police towing and storage charges	1,040,820	1,040,820	1,141,693	--
Police impound certified mail recovery	65,000	65,000	69,897	--
Police accident reports	75,000	75,000	76,432	--
Proceeds from auction	1,113,000	1,113,000	679,697	--
Proceeds from auction - online	18,000	18,000	11,760	--
Parking meter collections	467,034	667,771	215,879	--
Police open record request	3,500	3,500	5,013	--
Police subpoenas	345	345	1,893	--
Fingerprinting fees	4,400	4,400	4,071	--
Customs/FBI	193,220	193,220	118,366	--

(Continued)

**Exhibit 6-B
(Continued)**

2012 Actual Budget Basis	Variance Final Budget Positive (Negative)	2011 Actual Budget Basis
--	--	(179,430)
--	--	--
--	--	--
--	--	--
200	(400)	800
--	--	--
--	--	--
6,682	2,682	5,524
575	175	427
--	--	--
850	(1,150)	850
<u>135,628</u>	<u>13,833</u>	<u>128,461</u>
26,450	(38,200)	67,200
--	(70,000)	--
11,063	11,063	--
86,111	(25,889)	136,414
--	(123,760)	--
--	--	134,314
--	(45,000)	73,484
<u>123,624</u>	<u>(291,786)</u>	<u>411,412</u>
--	--	--
--	--	--
--	--	--
43,089	12,304	67,251
1,409	1,109	502
--	--	--
900	900	1,900
660	(392)	880
--	--	1,560
4,119	(1,843)	7,231
<u>50,177</u>	<u>12,078</u>	<u>79,324</u>
1,141,693	100,873	944,537
69,897	4,897	62,258
76,432	1,432	74,137
679,697	(433,303)	845,311
11,760	(6,240)	13,156
215,879	(451,892)	148,989
5,013	1,513	5,668
1,893	1,548	719
4,071	(329)	5,165
118,366	(74,854)	236,778

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Police (continued)				
Police Security Services	25,000	55,302	73,054	--
DWI Videotaping	700	700	1,675	--
Alarm system permits and services	770,665	770,665	452,460	--
800 MHz radio	190,150	190,150	186,653	--
9-1-1 wireless service fees	1,272,969	1,272,969	1,442,929	--
9-1-1 wireline service fees	1,492,000	1,492,000	1,478,540	--
Police C.A.D. calls	300	300	904	--
Restitution	--	--	4,947	--
CCISD-Crossing guards	7,670	7,670	7,670	--
School crossing guard program	70,485	70,485	36,868	--
Nueces county - Metrocom	1,080,509	1,080,509	1,080,509	--
Kingsville Police Dept - CAD/RMS	15,000	15,000	15,000	--
Total police	<u>7,905,767</u>	<u>8,136,806</u>	<u>7,105,910</u>	<u>--</u>
Fire				
Fire prevention permits	217,530	217,530	264,801	--
Hazmat response calls	1,180	1,180	22,090	--
Fire service - outside city limits	--	--	30,517	--
Fire department trust donations	2,000	2,000	1,375	--
Honor Guard	1,000	1,000	500	--
Pipeline reporting administrative fees	42,000	42,000	44,325	--
Total fire	<u>263,710</u>	<u>263,710</u>	<u>363,608</u>	<u>--</u>
Ambulance				
Emergency calls	6,500,000	6,500,000	6,056,790	--
Nueces Co OCL charges	7,000	7,000	20,776	--
Ambulance permits	2,000	2,000	4,476	--
Total Ambulance	<u>6,509,000</u>	<u>6,509,000</u>	<u>6,082,042</u>	<u>--</u>
Streets				
RTA - street services contribution	1,089,612	1,089,612	1,089,612	--
Speed humps	3,000	6,000	9,375	--
State of Texas - expressway lighting	204,000	204,000	161,613	--
Port of CC-Bridge Lighting	--	--	2,478	--
Subdivision street lighting participation	25,000	25,000	30,433	--
Total streets	<u>1,321,612</u>	<u>1,324,612</u>	<u>1,293,511</u>	<u>--</u>
Solid waste services				
Residential refuse collection fees	15,709,920	15,709,920	15,993,289	--
Commercial and industrial refuse collection fees	1,785,696	1,785,696	1,784,031	--
Municipal solid waste system service charge (MSWSSC)	3,450,000	3,450,000	3,511,801	--
Refuse disposal charges	11,899,815	11,899,815	12,950,312	--
Refuse collection permits	16,000	16,000	13,179	--
Special debris pickup	290,000	290,000	377,428	--
Brush fees	30,000	30,000	68,671	--
Recycling	720,000	720,000	1,130,314	--
Recycling collection fees	972,000	972,000	1,049,924	--
Recycling Bank fees	903,960	903,960	969,853	--
Recycling containers	--	--	(6)	--
Recovery of charged off accounts	--	--	15,272	--
Total solid waste services	<u>35,777,391</u>	<u>35,777,391</u>	<u>37,864,068</u>	<u>--</u>

(Continued)

**Exhibit 6-B
(Continued)**

2012 Actual Budget Basis	Variance Final Budget Positive (Negative)	2011 Actual Budget Basis
73,054	17,752	8,676
1,675	975	2,149
452,460	(318,205)	430,828
186,653	(3,497)	174,557
1,442,929	169,960	1,386,677
1,478,540	(13,460)	1,540,708
904	604	606
4,947	4,947	56,416
7,670	--	7,670
36,868	(33,617)	55,245
1,080,509	--	1,123,656
15,000	--	15,000
<u>7,105,910</u>	<u>(1,030,896)</u>	<u>7,138,906</u>
264,801	47,271	255,326
22,090	20,910	1,650
30,517	30,517	--
1,375	(625)	1,000
500	(500)	--
44,325	2,325	47,575
<u>363,608</u>	<u>99,898</u>	<u>305,551</u>
6,056,790	(443,210)	5,794,999
20,776	13,776	17,471
4,476	2,476	4,100
<u>6,082,042</u>	<u>(426,958)</u>	<u>5,816,570</u>
1,089,612	--	1,127,724
9,375	3,375	750
161,613	(42,387)	216,087
2,478	2,478	--
30,433	5,433	59,283
<u>1,293,511</u>	<u>(31,101)</u>	<u>1,403,844</u>
15,993,289	283,369	15,713,861
1,784,031	(1,665)	1,727,563
3,511,801	61,801	3,476,583
12,950,312	1,050,497	11,835,977
13,179	(2,821)	15,583
377,428	87,428	379,031
68,671	38,671	33,230
1,130,314	410,314	445,735
1,049,924	77,924	478,714
969,853	65,893	475,043
(6)	(6)	4,903
15,272	15,272	7,125
<u>37,864,068</u>	<u>2,086,677</u>	<u>34,593,348</u>

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Health services				
Food service permits	606,635	606,635	615,120	--
Vital statistics fees	502,340	502,340	425,557	--
Vital records office sales	9,000	9,000	10,758	--
Vital records retention fee	--	--	17,925	--
Nueces County - health administration	208,045	208,045	150,330	--
Swimming pool inspection fees	37,000	37,000	38,467	--
Pound fee and handling charges	38,500	38,500	63,376	--
Pet licenses	65,000	65,000	85,233	--
Classes workshops	--	--	1,125	--
Animal trap fees	--	--	178	--
Pest control services	20,462	20,462	35,980	--
Adopt a kennel fees	200	200	175	--
Microchipping fee	1,500	1,500	12,580	--
Spay and Nueter fees	126,700	126,700	78,763	--
Adoption fees	--	--	1,156	--
Lab shipping fees	500	500	200	--
Child care facilities fees	8,400	8,400	15,035	--
Total health services	<u>1,624,282</u>	<u>1,624,282</u>	<u>1,551,958</u>	<u>--</u>
Recreation services				
Swimming pools	210,562	210,562	161,684	--
Swimming instruction fees	111,740	111,740	109,996	--
H.E. Butt tennis center	41,053	41,053	29,666	--
Al Kruse tennis center	20,450	20,450	23,552	--
Athletic events	108,375	108,375	126,388	--
Athletic instruction fees	38,115	38,115	58,116	--
Facilities rentals	13,585	13,585	19,132	--
Latchkey program	2,395,125	2,395,125	2,318,653	--
Latchkey instruction fees	--	--	350	--
Buc days/Bayfest	38,000	38,000	28,553	--
Beach parking permits	575,000	575,000	624,883	--
Heritage Park revenues	2,500	2,500	262	--
Tourist district rentals	10,825	10,825	7,431	--
Camping Permit Fees	--	--	58	--
Senior Center rentals	50,000	50,000	33,393	--
Class instruction fees	17,053	17,053	9,132	--
Recreation instruction fees	43,000	43,000	66,728	--
Recreation center rentals	7,710	7,710	7,726	--
Skatepark concessions	--	--	--	--
Other recreation services	28,000	28,000	49,506	--
Total recreation services	<u>3,711,093</u>	<u>3,711,093</u>	<u>3,675,209</u>	<u>--</u>
Libraries				
Fines	125,583	125,583	91,730	--
Lost book charges	15,489	15,489	9,298	--
Copy machine sales	35,368	35,368	31,781	--
Other library revenue	8,809	8,809	16,462	--
Total libraries	<u>185,249</u>	<u>185,249</u>	<u>149,271</u>	<u>--</u>
Museums				
Admissions	113,055	113,055	128,218	--
Special program fees	--	--	--	--
McGregor reproduction fees	5,098	5,098	10,268	--

(Continued)

**Exhibit 6-B
(Continued)**

2012 Actual Budget Basis	Variance Final Budget Positive (Negative)	2011 Actual Budget Basis
615,120	8,485	646,348
425,557	(76,783)	476,584
10,758	1,758	10,592
17,925	17,925	19,656
150,330	(57,715)	141,450
38,467	1,467	39,168
63,376	24,876	62,767
85,233	20,233	84,809
1,125	1,125	--
178	178	--
35,980	15,518	29,904
175	(25)	2,590
12,580	11,080	2,041
78,763	(47,937)	87,946
1,156	1,156	37
200	(300)	900
15,035	6,635	9,500
<u>1,551,958</u>	<u>(72,324)</u>	<u>1,614,292</u>
161,684	(48,878)	207,233
109,996	(1,744)	78,189
29,666	(11,387)	45,594
23,552	3,102	23,617
126,388	18,013	102,542
58,116	20,001	42,660
19,132	5,547	25,513
2,318,653	(76,472)	2,498,280
350	350	--
28,553	(9,447)	33,681
624,883	49,883	602,766
262	(2,238)	1,117
7,431	(3,394)	7,386
58	58	--
33,393	(16,607)	41,310
9,132	(7,921)	3,856
66,728	23,728	48,783
7,726	16	5,409
--	--	1,950
49,506	21,506	22,612
<u>3,675,209</u>	<u>(35,884)</u>	<u>3,792,498</u>
91,730	(33,853)	120,471
9,298	(6,191)	14,902
31,781	(3,587)	37,375
16,462	7,653	10,599
<u>149,271</u>	<u>(35,978)</u>	<u>183,347</u>
128,218	15,163	116,522
--	--	8,873
10,268	5,170	9,414

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Museums (continued)				
Facility rental	19,524	19,524	25,354	--
Education group programs	1,655	1,655	705	--
School District - museum educational program	22,000	22,000	22,000	--
Parties and recitals	9,468	9,468	7,890	--
Admissions	124,120	124,120	128,038	--
Facility rental	500	500	--	--
Total museums	<u>295,420</u>	<u>295,420</u>	<u>322,473</u>	<u>--</u>
Total charges for services	<u>57,631,623</u>	<u>57,865,662</u>	<u>58,610,049</u>	<u>(151,822)</u>
Fines and forfeitures				
Moving vehicle fines	2,605,007	2,605,007	2,325,342	--
School Crssg Gd Pgm-Cvl Citation	--	--	14,035	--
Parking fines	235,499	235,499	200,506	--
Civil parking citations	--	--	73,217	--
General fines	617,820	617,820	730,124	--
Officers fees	173,195	173,195	136,835	--
Uniform Traffic Act fines	74,450	74,450	55,898	--
Warrant fees	224,980	224,980	139,769	--
Municipal Court				
State fee discount	267,860	267,860	182,783	--
Time Pay Fee - Court	13,784	13,784	16,957	--
Time Pay Fee - City	52,709	52,709	67,828	--
Technology Fee	--	--	--	--
Building security	--	--	--	--
644.102 Comm Vehicle Enforce	--	--	21,112	--
621.506 Overweight Vehicle Fine	--	--	118	--
Miscellaneous revenue	2,126	2,126	4,637	--
Juvenile case mgr fee	--	--	--	--
Juvenile expungement fee	--	--	450	--
Failure to appear fines	502,900	502,900	307,791	--
Animal control fines	11,633	11,633	3,670	--
Teen Court city fee	745	745	25	--
Other court fines	144,747	144,747	114,392	--
Total fines and forfeitures	<u>4,927,455</u>	<u>4,927,455</u>	<u>4,395,489</u>	<u>--</u>
Earnings on investments	<u>150,576</u>	<u>150,576</u>	<u>298,195</u>	<u>(951)</u>
Miscellaneous				
Rental of general property	200,098	200,098	162,782	--
Parking lots	--	--	1,615	--
Recovery on damage claims	125,000	125,000	--	--
Contributions and donations	69,297	118,757	111,764	--
Contributions to aid construction	--	--	--	--
Time Warner-Public Access Equipment	3,500	3,500	3,500	--
Automated teller machines	1,200	1,200	1,100	--
Late fees on returned check	1,138	1,138	180	--
Radio system participation	--	--	3,095	--
Engineering Services-other governments	--	--	122	--
RTA bus advertising revenues	20,000	20,000	45,239	--

(Continued)

**Exhibit 6-B
(Continued)**

2012 Actual Budget Basis	Variance Final Budget Positive (Negative)	2011 Actual Budget Basis
25,354	5,830	24,956
705	(950)	1,036
22,000	--	22,000
7,890	(1,578)	8,889
128,038	3,918	122,608
--	(500)	500
<u>322,473</u>	<u>27,053</u>	<u>314,798</u>
<u>58,458,227</u>	<u>592,565</u>	<u>55,242,478</u>
2,325,342	(279,665)	2,426,000
14,035	14,035	--
200,506	(34,993)	235,707
73,217	73,217	--
730,124	112,304	596,183
136,835	(36,360)	147,767
55,898	(18,552)	61,376
139,769	(85,211)	200,004
182,783	(85,077)	21,002
16,957	3,173	12,654
67,828	15,119	50,617
--	--	120,618
--	--	91,117
21,112	21,112	--
118	118	--
4,637	2,511	5,873
--	--	124,051
450	450	210
307,791	(195,109)	498,009
3,670	(7,963)	5,816
25	(720)	397
114,392	(30,355)	113,286
<u>4,395,489</u>	<u>(531,966)</u>	<u>4,710,687</u>
<u>297,244</u>	<u>146,668</u>	<u>184,788</u>
162,782	(37,316)	168,699
1,615	1,615	1,971
--	(125,000)	121,532
111,764	(6,993)	99,736
--	--	300,000
3,500	--	3,500
1,100	(100)	1,200
180	(958)	507
3,095	3,095	22,500
122	122	826
45,239	25,239	19,643

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Miscellaneous (continued)				
Graffiti control	--	--	2,288	--
Sale of city property	65,000	80,628	278,405	--
Sale of fixed assets	--	--	--	--
Copy sales	6,500	6,500	4,776	--
Convenience fees	--	--	--	--
Returned check fees	1,500	1,500	30	--
Clean Energy credit	--	--	--	--
Administrative processing fee	17,057	17,057	14,641	--
Demolition and weed liens	234,206	234,206	100,221	--
Purchase discounts	130,000	130,000	254,391	--
Vending machine sales	4,470	4,470	3,875	--
City Hall food service commission	--	--	--	--
Forfeited plan deposits	3,000	3,000	14,442	--
Claim settlements	--	--	250,000	--
Naming rights for convention center	180,000	180,000	180,000	--
Miscellaneous	40,000	40,000	49,492	(10,457)
Total miscellaneous revenue	<u>1,101,966</u>	<u>1,167,054</u>	<u>1,481,958</u>	<u>(10,457)</u>
Reimbursements				
Interdepartmental	3,821,310	4,091,310	--	3,861,300
Traffic engineering cost recovery	6,000	6,000	--	7,476
Capital budget cost recovery	186,460	186,460	--	222,391
Finance cost recovery - CIP	500,358	500,358	--	500,357
Cost Recovery Human Relations-CIP	35,000	35,000	--	1,765
Engineering svcs - interdepartmental	68,383	68,383	--	33,093
Street recovery fees	662,619	662,619	--	901,947
Interdepartmental services - street	636,635	636,635	--	902,941
Park and recreation cost recovery	197,351	197,351	--	204,375
Fire hydrant maintenance	327,472	327,472	--	327,472
800 MHz radio - interdepartmental	331,933	331,933	--	339,132
Total reimbursements revenue	<u>6,773,521</u>	<u>7,043,521</u>	<u>--</u>	<u>7,302,250</u>
Total revenues	<u>193,426,159</u>	<u>193,995,286</u>	<u>196,388,357</u>	<u>2,484,038</u>
Other financing sources				
Capital leases	--	--	1,978,382	(1,978,382)
Transfers in				
Administrative charges				
Federal grants	163,348	163,348	171,514	--
CCCIC	3,500	3,500	9,377	--
Visitor facility	130,572	130,572	130,572	--
North Padre Island Development Corp.	--	--	53,311	--
Gas division	468,576	468,576	468,576	--
Wastewater division	804,696	804,696	804,696	--
Water division	1,746,216	1,746,216	1,746,216	--
Airport	235,812	235,812	235,812	--
Golf	--	--	--	--
Development Services	392,064	392,064	--	392,064
Marina	53,124	53,124	53,124	--
Other				
Maintenance svc division	201,902	201,902	157,269	--

(Continued)

**Exhibit 6-B
(Continued)**

2012 Actual Budget Basis	Variance Final Budget Positive (Negative)	2011 Actual Budget Basis
2,288	2,288	2,626
278,405	197,777	83,807
--	--	282,625
4,776	(1,724)	6,286
--	--	219,245
30	(1,470)	815
--	--	405
14,641	(2,416)	19,309
100,221	(133,985)	182,987
254,391	124,391	195,146
3,875	(595)	4,654
--	--	137
14,442	11,442	17,980
250,000	250,000	--
180,000	--	180,000
39,035	(965)	77,359
<u>1,471,501</u>	<u>304,447</u>	<u>2,013,495</u>
3,861,300	(230,010)	3,887,908
7,476	1,476	7,556
222,391	35,931	180,006
500,357	(1)	788,915
1,765	(33,235)	7,713
33,093	(35,290)	83,666
901,947	239,328	716,938
902,941	266,306	725,605
204,375	7,024	62,600
327,472	--	327,472
339,132	7,199	248,544
<u>7,302,250</u>	<u>258,729</u>	<u>7,036,923</u>
<u>198,872,395</u>	<u>4,877,108</u>	<u>189,805,902</u>
--	--	--
171,514	8,166	219,392
9,377	5,877	14,879
130,572	--	147,708
53,311	53,311	--
468,576	--	490,884
804,696	--	745,380
1,746,216	--	1,741,164
235,812	--	296,748
--	--	301,680
392,064	--	368,712
53,124	--	80,628
157,269	(44,633)	26,589

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Transfers in				
Other (continued)				
CC Housing Finance Corp	--	578,360	578,360	--
Storm Water division	--	--	--	--
Total transfers in	<u>4,199,810</u>	<u>4,778,170</u>	<u>4,408,827</u>	<u>392,064</u>
Transfers out				
Debt service fund	--	--	(3,889,160)	3,889,160
Federal grants	(218,076)	(218,076)	(192,077)	--
Transfers for capital outlay	--	(1,450,000)	(2,650,000)	--
Transfers for capital replacement	(1,038,156)	(1,038,156)	(1,064,156)	26,000
Development Services	(903,948)	(903,948)	--	(903,948)
Visitor's Facility	(180,000)	(180,000)	(180,000)	--
Municipal Court Special Revenue	--	(489,179)	(489,179)	--
Total transfers out	<u>(2,340,180)</u>	<u>(4,279,359)</u>	<u>(8,464,572)</u>	<u>3,011,212</u>
Total other sources	<u>1,859,630</u>	<u>498,811</u>	<u>(2,077,363)</u>	<u>1,424,894</u>
 Total revenues and other sources	 <u>\$ 195,285,789</u>	 <u>\$ 194,494,097</u>	 <u>\$ 194,310,994</u>	 <u>\$ 3,908,932</u>

**Exhibit 6-B
(Continued)**

2012 Actual Budget Basis	Variance Final Budget Positive (Negative)	2011 Actual Budget Basis
578,360	--	(4,877)
--	--	6,200,000
<u>4,800,891</u>	<u>22,721</u>	<u>10,628,887</u>
--	--	--
(192,077)	25,999	(139,861)
(2,650,000)	(1,200,000)	(1,270,000)
(1,038,156)	--	(985,665)
(903,948)	--	(959,496)
(180,000)	--	(180,000)
(489,179)	--	(170,000)
<u>(5,453,360)</u>	<u>(1,174,001)</u>	<u>(3,705,022)</u>
<u>(652,469)</u>	<u>(1,151,280)</u>	<u>6,923,865</u>
<u>\$ 198,219,926</u>	<u>\$ 3,725,828</u>	<u>\$ 196,729,767</u>

GENERAL FUND
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	Actual GAAP Expenditures					
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays	Reimbursements
General government						
Control						
City Council and City Secretary	\$ 626,261	\$ 16,350	\$ 223,913	\$ 99,497	\$ --	\$ --
City Manager	428,904	4,389	31,970	49,776	--	--
Group Managers	399,413	7,058	120,641	20,833	--	--
City Auditor	202,729	30,666	16,720	1,441	6,442	--
Management and budget office	432,616	5,248	22,264	53,347	--	(188,388)
Public Information	189,517	20,458	19,373	30,022	--	(117,504)
Capital budgeting	138,873	936	700	6,564	--	(222,391)
Total general government - control	<u>2,418,313</u>	<u>85,105</u>	<u>435,581</u>	<u>261,480</u>	<u>6,442</u>	<u>(528,283)</u>
Staff agencies						
Director of finance	179,848	1,182	35,299	38,827	--	(139,259)
Accounting	1,462,861	9,478	266,803	322,293	--	(638,148)
Nueces County Tax Appraisal District	--	--	--	--	--	--
Central cashiering	449,623	11,478	27,947	269,799	--	(402,384)
Cash management	182,926	3,076	6,931	42,922	--	(306,234)
City Attorney	1,664,109	39,955	115,117	203,733	--	(96,809)
Economic development	--	--	251,040	--	--	--
Economic development incentives	--	--	--	2,031,352	--	--
Clean city initiatives	33,317	--	--	1,272	--	--
Downtown Management District	--	--	127,000	--	--	(76,536)
Process management	--	--	--	--	--	--
Development Services administration	399,194	50,142	434,281	559,903	--	(81,432)
Planning	498,361	15,005	60,764	209,518	--	(34,596)
Neighborhood Services	916,730	61,281	255,774	397,690	--	--
Neighborhood initiative program	--	--	--	--	--	--
NCAD/NC-Administration	--	--	1,496,249	--	--	--
Human resources	726,838	23,789	183,313	129,636	--	--
Incentive program	--	--	--	--	--	--
Training	118,897	--	58,660	11,688	--	--
ADA Compliance	34,030	581	15,892	3,924	--	--
Human relations	209,467	2,183	16,614	72,087	--	(1,765)
Human relations & fair housing	53,549	628	678	3,404	--	--
Total staff agencies	<u>6,929,751</u>	<u>218,778</u>	<u>3,352,362</u>	<u>4,298,048</u>	<u>--</u>	<u>(1,777,163)</u>
Engineering services						
Engineering support services	--	--	--	279,072	--	--
Special services	480,825	--	16,311	11,570	--	(275,880)
Process Management Development	910,666	295	13,020	72,434	--	(22,212)
Total engineering services	<u>1,391,490</u>	<u>295</u>	<u>29,331</u>	<u>363,076</u>	<u>--</u>	<u>(298,092)</u>
Other expenditures						
Uncollectible accounts	--	--	--	740,424	--	--
Major memberships	--	--	80,613	--	--	(41,676)
Schatzel St. parking lot	--	--	1,609	1,010	--	--
Purchasing/messenger service allocation	--	--	--	295,452	--	--
Reserve appropriations	--	--	--	--	--	--
Reserve for accrued pay	--	--	--	--	--	--
Total other expenditures	<u>--</u>	<u>--</u>	<u>82,222</u>	<u>1,036,886</u>	<u>--</u>	<u>(41,676)</u>
Total general government	<u>10,739,554</u>	<u>304,178</u>	<u>3,899,496</u>	<u>5,959,489</u>	<u>6,442</u>	<u>(2,645,214)</u>

(Continued)

Exhibit 6-C

Total Expenditures	Adjustments Budget Basis	2012 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2011 Actual Budget Basis
			Original	Final		
\$ 966,021	\$ --	\$ 966,021	\$ 834,854	\$ 1,050,263	\$ 84,242	\$ 1,033,268
515,039	--	515,039	461,800	502,700	(12,339)	652,760
547,945	--	547,945	579,095	529,541	(18,404)	635,710
257,997	--	257,997	259,915	275,079	17,082	--
325,087	188,388	513,475	601,555	601,555	88,080	582,779
141,866	117,504	259,370	237,681	262,756	3,386	322,150
(75,318)	222,391	147,073	144,212	144,212	(2,861)	94,179
<u>2,678,638</u>	<u>528,283</u>	<u>3,206,921</u>	<u>3,119,112</u>	<u>3,366,106</u>	<u>159,185</u>	<u>3,320,846</u>
115,897	139,259	255,156	223,084	246,137	(9,019)	299,959
1,423,287	638,148	2,061,435	2,311,535	2,309,981	248,546	1,992,258
--	--	--	--	--	--	1,217,060
356,463	402,384	758,847	786,558	786,558	27,711	835,331
(70,379)	306,234	235,855	226,858	226,858	(8,997)	325,053
1,926,105	96,809	2,022,914	2,023,723	2,157,466	134,552	2,038,764
251,040	--	251,040	251,557	251,557	517	352,336
2,031,352	--	2,031,352	2,915,000	2,648,935	617,583	374,799
34,589	--	34,589	63,879	63,879	29,290	51,392
50,464	76,536	127,000	127,242	127,242	242	145,000
--	--	--	--	--	--	850,473
1,362,089	(1,362,089)	--	--	--	--	1
749,052	(749,052)	--	--	--	--	(0)
1,631,475	--	1,631,475	1,679,985	1,702,449	70,974	1,413,023
--	--	--	--	--	--	257,930
1,496,249	--	1,496,249	1,242,533	1,242,533	(253,716)	--
1,063,576	--	1,063,576	1,136,156	1,198,165	134,589	1,047,380
--	--	--	--	--	--	18,390
189,245	--	189,245	205,624	205,624	16,379	178,536
54,427	--	54,427	77,361	77,361	22,934	62,177
298,586	1,765	300,351	283,600	291,100	(9,251)	342,658
58,259	--	58,259	63,925	63,925	5,666	63,293
<u>13,021,776</u>	<u>(450,006)</u>	<u>12,571,770</u>	<u>13,618,620</u>	<u>13,599,770</u>	<u>1,028,000</u>	<u>11,865,813</u>
279,072	--	279,072	279,072	279,072	--	136,675
232,825	(232,825)	--	--	--	--	(433,687)
974,203	(974,203)	--	--	--	--	(416,786)
<u>1,486,100</u>	<u>(1,207,028)</u>	<u>279,072</u>	<u>279,072</u>	<u>279,072</u>	<u>--</u>	<u>(713,798)</u>
740,424	--	740,424	325,000	325,000	(415,424)	(209,155)
38,937	41,676	80,613	69,279	82,696	2,083	64,639
2,619	--	2,619	--	--	(2,619)	1,727
295,452	--	295,452	295,452	295,452	--	330,192
--	--	--	462,860	257,319	257,319	--
--	--	--	1,800,000	500,000	500,000	--
<u>1,077,432</u>	<u>41,676</u>	<u>1,119,108</u>	<u>2,952,591</u>	<u>1,460,467</u>	<u>341,359</u>	<u>187,403</u>
<u>18,263,946</u>	<u>(1,087,075)</u>	<u>17,176,871</u>	<u>19,969,395</u>	<u>18,705,415</u>	<u>1,528,544</u>	<u>14,660,264</u>

GENERAL FUND
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	Actual GAAP Expenditures					
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays	Reimbursements
Police and municipal court						
Police						
Administration	1,995,533	84,841	214,041	842,469	--	--
Police training	1,298,620	143,548	19,551	132,529	--	--
Criminal investigation	5,344,570	212,306	3,778	431,850	--	--
Narcotics/Vice Investigations	2,808,718	118,141	116,791	205,107	--	--
Uniformed division	27,136,619	522,854	384,397	6,126,164	--	(339,132)
Forensics services division	1,041,460	57,131	22,459	104,592	--	--
School crossing guards	178,718	1,296	179	141,684	--	--
Parking control	224,006	24,712	62,548	18,808	199,711	--
MetroCom	3,885,364	21,997	518,697	215,028	--	(253,608)
Police computer support	91,790	28,267	605,595	6,060	--	(516,720)
9-1-1 call delivery wireline	65,283	1,224	255,794	5,004	--	--
9-1-1 call delivery wireless	--	10,444	153,018	12,138	--	--
Building maintenance and operations	217,462	49,176	914,360	24,804	--	--
Vehicle pound operation	281,583	6,055	797,323	37,966	--	--
Central information	1,168,628	47,873	16,923	125,422	--	--
Criminal intelligence unit	918,823	42,923	12,224	114,693	--	--
Beach safety	159,209	--	--	--	--	(101,874)
Police Special Events	151,315	--	--	--	--	(37,430)
Graffiti Clean-up Project	206,349	15,092	1,139	21,384	--	--
Municipal court	--	--	--	--	--	--
Administration	1,286,154	23,888	115,606	412,125	--	--
Judicial	840,301	5,301	22,992	38,097	--	--
Detention facility	945,548	6,166	70,820	72,444	--	--
City marshals	364,675	10,448	9	46,584	--	--
Total municipal court	3,436,678	45,803	209,427	569,250	--	--
Total police and municipal court	50,610,728	1,433,683	4,308,244	9,134,952	199,711	(1,248,764)
Fire and Ambulance	--					
Administration and training	490,297	15,269	68,744	374,432	--	--
Fire Safety Education	--	--	3,838	--	--	--
Fire academy training	593,206	28,219	21,758	77,824	--	--
Communications	69,034	11,300	125,449	108,084	--	--
Apparatus and shop	262,279	307,311	227,551	17,036	--	--
Stations	33,754,649	469,137	785,675	2,024,533	10,758	(327,472)
Fire prevention	1,288,865	15,669	19,503	201,530	--	--
Honor Guard	--	--	193	--	--	--
Life guarding and first response	270,368	22,036	19,733	76,848	41,664	(275,562)
Fire support services	665,484	47,064	2,726	18,790	--	--
Fire department special services	--	--	--	--	--	--
City ambulance operations	213,469	573,672	758,829	48,612	270,000	--
Total fire and ambulance	37,607,651	1,489,677	2,033,999	2,947,689	322,422	(603,034)

(Continued)

Exhibit 6-C
(Continued)

Total Expenditures	Adjustments Budget Basis	2012 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2011 Actual Budget Basis
			Original	Final		
3,136,884	--	3,136,884	3,201,194	3,127,697	(9,187)	3,232,137
1,594,248	--	1,594,248	1,655,381	1,671,672	77,424	1,370,823
5,992,504	--	5,992,504	5,990,881	6,009,244	16,740	5,996,608
3,248,757	--	3,248,757	3,271,330	3,291,872	43,115	3,366,678
33,830,902	339,132	34,170,034	35,504,987	34,418,622	248,588	36,417,750
1,225,642	--	1,225,642	1,379,976	1,378,976	153,334	1,268,692
321,877	--	321,877	347,684	413,184	91,307	446,763
529,785	--	529,785	448,699	659,767	129,982	200,803
4,387,478	253,608	4,641,086	4,911,403	4,911,642	270,556	4,856,162
214,992	516,720	731,712	745,943	745,943	14,231	771,763
327,305	--	327,305	405,159	405,159	77,854	395,795
175,600	95,942	271,542	300,255	300,255	28,713	246,118
1,205,802	82,863	1,288,665	1,359,556	1,340,006	51,341	1,476,108
1,122,927	--	1,122,927	1,020,532	1,152,677	29,750	1,058,901
1,358,846	--	1,358,846	1,580,553	1,575,956	217,110	1,500,824
1,088,663	--	1,088,663	1,027,353	1,027,353	(61,310)	1,029,055
57,335	101,874	159,209	157,002	157,002	(2,207)	156,977
113,885	37,430	151,315	183,920	151,315	--	--
243,964	--	243,964	251,733	251,733	7,769	257,604
--	--	--	--	--	--	--
1,837,773	--	1,837,773	1,837,328	1,839,515	1,742	2,273,916
906,691	--	906,691	932,856	932,856	26,165	979,067
1,094,978	--	1,094,978	1,045,388	1,045,388	(49,590)	1,170,594
421,716	--	421,716	527,472	525,472	103,756	641,811
4,261,158	--	4,261,158	4,343,044	4,343,231	82,073	5,065,388
64,438,554	1,427,569	65,866,123	68,086,585	67,333,306	1,467,183	69,114,949
948,742	--	948,742	998,095	1,003,145	54,403	1,451,481
3,838	--	3,838	6,000	6,000	2,162	571
721,007	--	721,007	740,703	761,791	40,784	869,176
313,867	--	313,867	337,725	337,725	23,858	298,430
814,177	--	814,177	713,405	810,405	(3,772)	692,035
36,717,280	1,020,016	37,737,296	36,405,393	37,334,106	(403,190)	37,433,645
1,525,567	--	1,525,567	1,524,904	1,525,504	(63)	1,877,250
193	--	193	4,000	4,000	3,807	729
155,087	275,562	430,649	459,814	459,814	29,165	394,912
734,064	--	734,064	571,115	771,583	37,519	145,648
--	--	--	--	--	--	212,082
1,864,582	(74,964)	1,789,618	1,683,147	1,771,465	(18,153)	2,038,956
43,798,404	1,220,614	45,019,018	43,444,301	44,785,538	(233,480)	45,414,915

GENERAL FUND
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	Actual GAAP Expenditures					
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays	Reimbursements
Emergency management						
Emergency management	66,274	30,605	21,656	154,641	--	--
Inspections	1,434,813	35,240	42,925	294,153	--	(268,956)
Streets						
Office and yard	478,385	18,740	72,164	254,870	--	--
Street reconstruction	581,486	856,774	1,483,770	150,077	101,554	--
Utility cut repairs	218,832	282,370	110	45,360	--	--
Asphalt maintenance	2,174,196	2,027,636	129,588	708,192	335,495	(1,826,160)
Traffic signals	484,608	252,093	120,071	110,796	--	--
Traffic engineering	435,259	8,195	6,672	71,868	--	(40,570)
Street lighting	--	--	2,813,916	4,440	--	--
Harbor Bridge Lighting	--	--	13,874	--	--	--
Residential traffic management	--	--	26,429	--	--	--
Signs and markings	338,724	192,926	131,997	107,857	--	(10,925)
Total streets	4,711,490	3,638,734	4,798,591	1,453,461	437,049	(1,877,655)
Solid Waste						
Solid waste office	469,640	25,558	207,352	272,109	--	--
J.C. Elliot Transfer Station	1,175,194	325,414	394,977	291,207	--	--
Refuse collection	3,105,000	1,165,009	1,845,730	592,692	1,175,701	--
Refuse disposal	52,291	57,703	100,212	58,942	--	--
Brush collection	1,452,419	402,549	755,061	302,220	95,632	--
Recycling collection	--	--	--	--	--	--
Elliot Closure/Postclosure exp	--	--	136,944	--	--	--
Cefe Valenzuela landfill operation	245,845	23,672	4,399,403	137,701	--	--
Total solid waste	6,500,389	1,999,905	7,839,679	1,654,871	1,271,333	--
Health						
Administration and special programs	476,093	17,864	104,954	195,924	--	--
T.B. Clinic - Health Department	7,022	--	3,522	4,054	--	--
Immunization and venereal disease	117,454	544	6,630	15,888	--	--
Vital statistics	87,991	4,091	17,087	15,668	--	--
Nursing	193,199	(1)	6,697	23,112	--	--
Environmental health	300,189	35,592	13,199	30,132	--	--
STD clinic	92,902	1,257	7,312	7,569	--	--
Vector control	29,724	15,935	2,920	100,511	--	--
Laboratory	136,214	1,427	1,248	10,906	--	--
Low cost spay neuter clinic	95,891	47,073	51,705	4,260	--	--
Mental health	--	--	54,000	--	--	--
Animal control	764,496	168,466	351,237	328,279	--	--
Health office building	100,864	17,768	242,942	42,502	--	--
Total health	2,402,039	310,016	863,453	778,805	--	--

(Continued)

Exhibit 6-C
(Continued)

Total Expenditures	Adjustments Budget Basis	2012 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2011 Actual Budget Basis
			Original	Final		
273,176	--	273,176	392,445	355,445	82,269	322,030
1,538,175	(1,538,175)	--	--	--	--	29,195
824,159	--	824,159	835,005	846,005	21,846	924,952
3,173,661	(19,017)	3,154,644	2,764,434	4,243,492	1,088,848	2,635,815
546,672	10,169	556,841	453,190	594,190	37,349	510,494
3,548,947	1,926,320	5,475,267	6,516,104	6,169,104	693,837	6,198,926
967,568	3,505	971,073	1,072,187	1,091,667	120,594	1,169,255
481,424	40,570	521,994	520,941	520,941	(1,053)	513,419
2,818,356	--	2,818,356	3,132,715	3,132,715	314,359	3,577,653
13,874	--	13,874	--	39,500	25,626	598,000
26,429	--	26,429	25,000	28,000	1,571	30,686
760,579	10,925	771,504	830,523	918,612	147,108	947,026
13,161,670	1,972,472	15,134,142	16,150,099	17,584,226	2,450,084	17,106,226
974,659	--	974,659	1,166,189	1,297,444	322,785	964,052
2,186,792	631,573	2,818,365	2,771,093	2,775,493	(42,872)	2,461,189
7,884,132	758,489	8,642,621	8,763,464	8,785,104	142,483	8,942,361
269,148	1,147,975	1,417,123	1,396,907	1,477,497	60,374	389,101
3,007,881	150,942	3,158,823	2,374,761	3,034,627	(124,196)	2,944,154
--	--	--	--	--	--	620,903
136,944	--	136,944	93,000	224,117	87,173	109,014
4,806,621	2,462,232	7,268,853	7,073,930	7,167,165	(101,688)	8,492,121
19,266,177	5,151,211	24,417,388	23,639,344	24,761,447	344,059	24,922,895
794,835	--	794,835	800,205	800,205	5,370	801,721
14,598	--	14,598	66,451	66,451	51,853	53,070
140,516	--	140,516	141,921	141,921	1,405	131,144
124,837	--	124,837	139,430	139,430	14,593	162,834
223,007	--	223,007	318,710	318,710	95,703	350,237
379,112	--	379,112	354,960	368,931	(10,181)	377,477
109,040	--	109,040	110,461	110,461	1,421	108,698
149,090	--	149,090	269,940	146,579	(2,511)	392,441
149,795	--	149,795	151,770	151,770	1,975	136,407
198,929	--	198,929	205,369	205,369	6,440	207,600
54,000	--	54,000	54,000	54,000	--	54,000
1,612,478	--	1,612,478	1,341,861	1,456,840	(155,638)	1,339,884
404,076	--	404,076	383,653	384,673	(19,403)	437,414
4,354,313	--	4,354,313	4,338,731	4,345,340	(8,973)	4,552,927

GENERAL FUND
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	Actual GAAP Expenditures					
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays	Reimbursements
Parks and recreation						
Director of parks and recreation	588,766	8,266	16,086	104,957	--	(3,962)
Park operation	1,865,835	360,547	151,349	1,286,112	36,840	(264,000)
Park construction	684,316	142,985	12,261	24,285	--	(204,375)
Program services admin	273,433	9,313	5,159	170,359	--	--
Senior community services	585,901	14,770	312,025	232,112	--	--
Athletics	253,742	70,411	162,186	124,317	--	--
Aquatics	547,518	107,490	180,422	167,421	--	--
Recreation centers	180,383	30,372	134,430	--	--	--
Multicultural center	89,569	14,879	60,166	14,818	--	(116,370)
Latchkey program	1,573,267	95,207	73,695	400,651	--	--
Beach maintenance/safety	--	3,685	--	--	--	(2,358)
Beach parking permits	46,168	9,253	57,519	15,431	11,974	(89,805)
Beach maintenance and operations	362,370	123,359	413,590	113,942	26,189	(660,831)
Tennis center operations	--	19,938	168,920	36,222	--	--
Corpus Christi Independent School District	--	--	6,525	--	--	--
Coliseum	--	--	41,392	--	--	--
Volunteer center	--	--	10,000	--	--	--
Tourist district	370,880	157,581	274,581	135,780	--	--
Natorium	--	4,346	137,917	--	--	--
Total parks and recreation	<u>7,422,148</u>	<u>1,172,402</u>	<u>2,218,223</u>	<u>2,826,407</u>	<u>75,003</u>	<u>(1,341,701)</u>
Libraries						
Central	772,735	505,486	215,736	257,457	--	--
Anita & W.T. Neyland Branch	247,268	10,899	62,748	79,443	--	--
Greenwood Branch	267,386	8,993	45,009	61,030	19,483	--
Northwest Branch	303,592	8,095	36,358	62,470	--	--
Janet F. Harte Branch	204,588	6,314	52,765	86,485	--	--
Dr. Clotilde P. Garcia Branch	198,620	6,605	68,600	42,325	--	--
Total libraries	<u>1,994,189</u>	<u>546,392</u>	<u>481,216</u>	<u>589,210</u>	<u>19,483</u>	<u>--</u>
Museums						
Museum of Science and History	776,172	8,986	272,948	283,006	--	--
Cultural Services	--	--	--	1,200	--	--
Columbus ships	108,630	3,734	15,366	12,264	--	--
Total museums	<u>884,802</u>	<u>12,720</u>	<u>288,314</u>	<u>296,470</u>	<u>--</u>	<u>--</u>
Community enrichment						
Sister City program	--	--	5,902	--	--	--
Debt service						
Principal retired	--	--	--	3,969,430	--	--
Interest	--	--	--	348,414	--	--
Total debt service	<u>--</u>	<u>--</u>	<u>--</u>	<u>4,317,844</u>	<u>--</u>	<u>--</u>
Total expenditures	<u>\$ 124,374,077</u>	<u>\$ 10,973,552</u>	<u>\$ 26,801,699</u>	<u>\$ 30,407,992</u>	<u>\$ 2,331,443</u>	<u>\$ (7,985,324)</u>

Exhibit 6-C
(Continued)

Total Expenditures	Adjustments Budget Basis	2012 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2011 Actual Budget Basis
			Original	Final		
714,113	3,963	718,076	715,289	715,354	(2,722)	892,700
3,436,683	353,517	3,790,200	4,040,798	3,979,525	189,325	4,481,519
659,472	865,206	1,524,678	862,815	867,060	(657,618)	411,395
458,264	--	458,264	457,435	457,435	(829)	468,854
1,144,808	--	1,144,808	1,161,697	1,161,697	16,889	1,183,956
610,656	9,443	620,099	602,347	602,347	(17,752)	651,876
1,002,851	--	1,002,851	907,222	974,293	(28,558)	911,882
345,185	--	345,185	338,732	338,732	(6,453)	357,517
63,062	116,370	179,432	188,390	188,390	8,958	165,122
2,142,820	4,811	2,147,631	2,304,849	2,304,849	157,218	2,122,299
1,327	2,358	3,685	3,951	3,951	266	4,382
50,540	89,805	140,345	170,107	170,107	29,762	124,385
378,619	17,414	396,033	793,495	1,064,946	668,913	767,985
225,080	--	225,080	234,839	236,839	11,759	229,902
6,525	--	6,525	50,000	50,000	43,475	4,513
41,392	--	41,392	--	48,225	6,833	380,464
10,000	--	10,000	10,000	12,000	2,000	10,000
938,822	35,829	974,651	1,160,543	1,160,543	185,892	1,143,076
142,263	--	142,263	150,000	150,000	7,737	153,603
<u>12,372,482</u>	<u>1,498,716</u>	<u>13,871,198</u>	<u>14,152,509</u>	<u>14,486,293</u>	<u>615,095</u>	<u>14,465,430</u>
1,751,414	--	1,751,414	1,780,493	1,815,133	63,719	2,043,205
400,358	--	400,358	416,069	416,796	16,438	382,175
401,901	--	401,901	408,145	424,088	22,187	311,559
410,515	--	410,515	350,716	351,533	(58,982)	339,640
350,152	--	350,152	353,155	353,605	3,453	317,579
316,150	--	316,150	339,769	339,769	23,619	311,752
<u>3,630,490</u>	<u>--</u>	<u>3,630,490</u>	<u>3,648,347</u>	<u>3,700,924</u>	<u>70,434</u>	<u>3,705,910</u>
1,341,112	--	1,341,112	1,329,370	1,397,130	56,018	1,510,417
1,200	--	1,200	--	--	(1,200)	--
139,994	--	139,994	134,663	153,427	13,433	173,917
<u>1,482,306</u>	<u>--</u>	<u>1,482,306</u>	<u>1,464,033</u>	<u>1,550,557</u>	<u>68,251</u>	<u>1,684,334</u>
5,902	--	5,902	--	5,902	--	18,376
3,969,430	(3,969,430)	--	--	--	--	--
348,414	(348,414)	--	--	--	--	--
<u>4,317,844</u>	<u>(4,317,844)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ 186,903,439</u>	<u>\$ 4,327,488</u>	<u>\$ 191,230,927</u>	<u>\$ 195,285,789</u>	<u>\$ 197,614,393</u>	<u>\$ 6,383,466</u>	<u>\$ 195,997,452</u>

GENERAL FUND (DEVELOPMENT SERVICES)
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Licenses and permits				
Technology fee	--	--	884	--
Pipeline - license fee	--	--	--	--
Beer and liquor licenses	115,000	115,000	119,053	--
Electricians licenses and exam fees	42,000	42,000	36,025	--
House mover licenses	250	250	266	--
Forfeited house mover deposits	2,500	2,500	--	--
Building permits	1,820,000	1,820,000	2,487,543	--
Electrical permits	420,000	420,000	275,299	--
Plumbing permits	460,000	460,000	508,068	--
Mechanical permits	260,000	260,000	140,540	--
Certificate of occupancy fees	115,000	115,000	51,359	--
Plan review fees	495,000	495,000	711,913	--
Mechanical registration fees	26,000	26,000	26,050	--
Lawn Irrigator registration fees	4,900	4,900	5,130	--
Backflow prevention assembly tester	6,500	6,500	10,935	--
Driveway permit fees	6,000	6,000	12,732	--
Street easement closure fees	75,000	75,000	6,773	--
Easement closure FMV fee			18,600	--
Landscape fees	--	--	--	--
Backflow prev device filing fee	158,000	158,000	199,260	--
Research and survey fees	5,100	5,100	8,557	--
Deferrment agreement fees	1,100	1,100	2,365	--
Construction document fees	3,000	3,000	1,290	--
Billboard fees	12,500	12,500	6,593	--
Accessibility review & inspection fees	--	--	--	--
Site plan fees	--	--	--	--
House moving route permits	--	--	244	--
Oversized load permits	40,000	40,000	25,203	--
Energy code permits	1,000	1,000	--	--
Monitoring Well	--	--	300	--
Total licenses and permits	<u>4,068,850</u>	<u>4,068,850</u>	<u>4,654,982</u>	<u>--</u>
Charges for services				
General governmental services				
Zoning fees	55,000	55,000	74,510	--
Platting fees	60,000	60,000	70,835	--
Board of Adjustment appeal fees	2,500	2,500	6,365	--
Blueprint sales and GIS sales	150	150	112	--
Total charges for services	<u>117,650</u>	<u>117,650</u>	<u>151,822</u>	<u>--</u>
Earnings on investments	<u>1,853</u>	<u>1,853</u>	<u>951</u>	<u>--</u>

(Continued)

Exhibit 6-D

2012 Actual Budget Basis	Variance Final Budget Positive (Negative)	2011 Actual Budget Basis
884	884	21,130
--	--	(1,500)
119,053	4,053	105,850
36,025	(5,975)	34,825
266	16	399
--	(2,500)	649
2,487,543	667,543	2,067,185
275,299	(144,701)	410,215
508,068	48,068	622,408
140,540	(119,460)	217,143
51,359	(63,641)	112,262
711,913	216,913	751,363
26,050	50	22,310
5,130	230	4,590
10,935	4,435	9,585
12,732	6,732	13,106
6,773	(68,227)	6,055
18,600	18,600	8,827
--	--	2,368
199,260	41,260	179,430
8,557	3,457	10,399
2,365	1,265	--
1,290	(1,710)	1,959
6,593	(5,907)	15,503
--	--	10,834
--	--	19,956
244	244	100
25,203	(14,797)	38,989
--	(1,000)	68,693
300	300	2,250
<u>4,654,982</u>	<u>586,132</u>	<u>4,756,881</u>
74,510	19,510	48,894
70,835	10,835	54,931
6,365	3,865	11,086
112	(38)	474
<u>151,822</u>	<u>34,172</u>	<u>115,385</u>
<u>951</u>	<u>(902)</u>	<u>371</u>

**GENERAL FUND (DEVELOPMENT SERVICES)
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011**

Miscellaneous				
Miscellaneous	<u>20,000</u>	<u>20,000</u>	<u>10,457</u>	<u>--</u>
Reimbursements				
Interdepartmental	<u>912,873</u>	<u>912,873</u>	<u>--</u>	<u>683,076</u>
Total revenues	<u>5,121,226</u>	<u>5,121,226</u>	<u>4,818,212</u>	<u>683,076</u>
Transfers in				
General Fund	<u>903,948</u>	<u>903,948</u>	<u>903,948</u>	<u>--</u>
Transfers out				
Administrative Service Charge	(392,064)	(392,064)	(392,064)	--
Transfers for capital replacement	(26,000)	(26,000)	(26,000)	--
General Fund	--	--	--	--
Maintenance Services	--	--	--	--
Total transfers out	<u>(418,064)</u>	<u>(418,064)</u>	<u>(418,064)</u>	<u>--</u>
Total other sources	<u>485,884</u>	<u>485,884</u>	<u>485,884</u>	<u>--</u>
Total revenues and other sources	<u>\$ 5,607,110</u>	<u>\$ 5,607,110</u>	<u>\$ 5,304,096</u>	<u>\$ 683,076</u>

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

Exhibit 6-D
(Continued)

<u>10,457</u>	<u>(9,543)</u>	<u>104,033</u>
<u>683,076</u>	<u>(229,797)</u>	<u>566,496</u>
<u>5,501,288</u>	<u>380,062</u>	<u>5,543,165</u>
<u>903,948</u>	<u>--</u>	<u>959,496</u>
(392,064)	--	--
(26,000)	--	--
--	--	(368,712)
--	--	(26,000)
<u>(418,064)</u>	<u>--</u>	<u>(394,712)</u>
<u>485,884</u>	<u>--</u>	<u>569,661</u>
<u>\$ 5,987,172</u>	<u>\$ 380,062</u>	<u>\$ 6,112,826</u>

GENERAL FUND (DEVELOPMENT SERVICES)
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	Actual GAAP Expenditures					
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays	Reimbursements
General government						
Staff agencies						
Development Services administration	399,194	50,142	434,281	559,903	--	(81,432)
Planning	498,361	15,005	60,764	209,518	--	(34,596)
Total staff agencies	<u>897,556</u>	<u>65,147</u>	<u>495,045</u>	<u>769,421</u>	--	<u>(116,028)</u>
Engineering services						
Special services	480,825	--	16,311	11,570	--	(275,880)
Process management	910,666	295	13,020	72,434	--	(22,212)
Total engineering services	<u>1,391,490</u>	<u>295</u>	<u>29,331</u>	<u>84,004</u>	--	<u>(298,092)</u>
Total general government	<u>2,289,046</u>	<u>65,442</u>	<u>524,376</u>	<u>853,424</u>	--	<u>(414,120)</u>
Inspections	<u>1,434,813</u>	<u>35,240</u>	<u>42,925</u>	<u>294,153</u>	--	<u>(268,956)</u>
Debt service						
Principal retired	--	--	--	28,711	--	--
Interest	--	--	--	484	--	--
Total debt service	<u>--</u>	<u>--</u>	<u>--</u>	<u>29,195</u>	--	--
Total expenditures	<u>\$ 3,723,859</u>	<u>\$ 100,682</u>	<u>\$ 567,302</u>	<u>\$ 1,176,773</u>	\$ --	<u>\$ (683,076)</u>

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

Exhibit 6-E

Total Expenditures	Adjustments Budget Basis	2012 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2011 Actual Budget Basis
			Original	Final		
1,362,089	81,432	1,443,521	1,167,096	1,364,095	(79,426)	1,164,643
749,052	34,596	783,648	903,942	806,942	23,294	1,537,027
<u>2,111,141</u>	<u>116,028</u>	<u>2,227,169</u>	<u>2,071,038</u>	<u>2,171,037</u>	<u>(56,132)</u>	<u>2,701,670</u>
232,825	275,880	508,705	519,927	511,927	3,222	433,687
974,203	22,212	996,415	987,877	987,877	(8,538)	850,473
<u>1,207,028</u>	<u>298,092</u>	<u>1,505,120</u>	<u>1,507,804</u>	<u>1,499,804</u>	<u>(5,317)</u>	<u>1,284,160</u>
3,318,169	414,120	3,732,289	3,578,842	3,670,841	(61,448)	3,985,830
<u>1,538,175</u>	<u>298,151</u>	<u>1,836,326</u>	<u>1,985,319</u>	<u>1,915,319</u>	<u>78,993</u>	<u>1,642,824</u>
28,711	(28,711)	--	--	--	--	--
484	(484)	--	--	--	--	--
<u>29,195</u>	<u>(29,195)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ 4,885,539</u>	<u>\$ 683,076</u>	<u>\$ 5,568,615</u>	<u>\$ 5,564,161</u>	<u>\$ 5,586,159</u>	<u>\$ 17,544</u>	<u>\$ 5,628,653</u>



City of
Corpus
Christi

Debt Service Fund

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

Exhibit 7-A

**DEBT SERVICE FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2012 AND 2011**

ASSETS	<u>2012</u>	<u>2011</u>
Cash and cash equivalents	\$ 1,849,985	\$ 9,445,132
Investments	15,004,410	4,987,000
Receivables		
Taxes	1,728,331	1,836,181
Accrued interest	4,427	5,525
Allowance for uncollectibles	(991,404)	(1,082,712)
Net receivables	<u>741,354</u>	<u>758,994</u>
Total assets	<u><u>\$ 17,595,749</u></u>	<u><u>\$ 15,191,126</u></u>
 LIABILITIES AND FUND BALANCE 		
Liabilities		
Accounts payable	\$ --	\$ 750
Deferred revenues		
Taxes	<u>736,927</u>	<u>753,469</u>
Total liabilities	<u>736,927</u>	<u>754,219</u>
Fund balance		
Committed		
Debt service	<u>16,858,822</u>	<u>14,436,907</u>
Total liabilities and fund balances	<u><u>\$ 17,595,749</u></u>	<u><u>\$ 15,191,126</u></u>

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	<u>Budget</u>		<u>2012 Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>
Revenues				
Ad valorem taxes	\$ 26,213,570	\$ 26,213,570	\$ 25,939,709	\$ (273,861)
Earnings on investments	37,772	37,772	44,609	6,837
Payments from Lexington Museum Association	267,750	267,750	267,750	--
Payments from Texas State Aquarium	358,795	358,795	358,795	--
Miscellaneous	--	--	--	--
Total revenues	<u>26,877,887</u>	<u>26,877,887</u>	<u>26,610,863</u>	<u>(267,024)</u>
Expenditures				
Debt service				
Principal retirement	16,628,752	16,628,752	16,628,752	--
Interest	15,282,012	15,342,012	13,931,068	1,410,944
Paying agent fees	20,000	20,000	12,032	7,968
Total expenditures	<u>31,930,764</u>	<u>31,990,764</u>	<u>30,571,852</u>	<u>1,418,912</u>
Deficiency of revenues under expenditures	(5,052,877)	(5,112,877)	(3,960,989)	1,151,888
Other financing sources				
Transfers in from				
General fund	3,889,160	3,889,160	3,889,160	--
Marina fund	558	558	--	(558)
Utility system fund	2,874	2,874	2,874	--
Airport fund	1,108	1,108	1,108	--
Golf centers fund	322	322	322	--
Hotel occupancy tax fund	2,490,140	2,490,140	2,489,440	(700)
Total other financing sources	<u>6,384,162</u>	<u>6,384,162</u>	<u>6,382,904</u>	<u>(1,258)</u>
Net change in fund balance	1,331,285	1,271,285	2,421,915	1,150,630
Fund balance at beginning of year	<u>12,934,031</u>	<u>14,436,907</u>	<u>14,436,907</u>	<u>--</u>
Fund balance at end of year	<u>\$ 14,265,316</u>	<u>\$ 15,708,192</u>	<u>\$ 16,858,822</u>	<u>\$ 1,150,630</u>

Exhibit 7-B

2011
<u>Actual</u>
\$ 27,221,210
46,764
275,647
373,232
<u>10,000</u>
<u>27,926,853</u>
17,725,294
14,649,639
<u>17,699</u>
<u>32,392,632</u>
(4,465,779)
4,821,415
19,069
98,145
37,851
11,007
<u>1,991,680</u>
<u>6,979,167</u>
2,513,388
<u>11,923,519</u>
<u><u>\$ 14,436,907</u></u>



City of
Corpus
Christi

Non-major Governmental Funds



City of
Corpus
Christi

**NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JULY 31, 2012**

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Debt Service Fund Corpus Christi Business and Job Development Corporation</u>	<u>Eliminations</u>
ASSETS				
Cash and cash equivalents	\$ 33,675,813	\$ 19,509,456	\$ 5,334,218	\$ --
Investments	29,036,801	18,000,000	--	--
Receivables, net of allowance for uncollectibles	26,016,871	264,146	--	--
Due from other funds	114,933	--	--	--
Inventories	12,400	--	--	--
Prepaid items	384,387	--	--	--
Other assets	238,083	--	--	--
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 89,479,288</u>	<u>\$ 37,773,602</u>	<u>\$ 5,334,218</u>	<u>\$ --</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 2,602,542	\$ 4,293,964	\$ --	\$ --
Accrued liabilities	493,565	--	--	--
Contractor interest and retainage payable	--	449,450	--	--
Deposits	607,266	--	--	--
Due to other funds	67,558	--	--	--
Due to other governmental agencies	386,795	--	--	--
Deferred revenues	4,410,191	--	--	--
Total liabilities	<u>8,567,917</u>	<u>4,743,414</u>	<u>--</u>	<u>--</u>
Fund balances				
Nonspendable				
Inventory	12,400	--	--	--
Prepaid items	384,387	--	--	--
Total nonspendable	<u>396,787</u>	<u>--</u>	<u>--</u>	<u>--</u>
Restricted				
Tourism (HOT)	2,590,450	--	--	--
Traffic safety programs	205,778	--	--	--
Senior Community Services	19,768	--	--	--
Law enforcement	758,847	--	--	--
CDBG projects	900,212	--	--	--
Libraries	8	--	--	--
Community enrichment	12,853	--	--	--
Parks and recreation	1,451,518	--	--	--
Infrastructure	1,474,824	--	--	--
Municipal Court building security	122,042	--	--	--
Municipal Court technology	149,560	--	--	--
Juvenile Court case manager	251,602	--	--	--
Loans	14,954,621	--	--	--

(Continued)

Exhibit 8-A

Total

\$	58,519,487
	47,036,801
	26,281,017
	114,933
	12,400
	384,387
	<u>238,083</u>

\$	<u><u>132,587,108</u></u>
----	---------------------------

\$	6,896,506
	493,565
	449,450
	607,266
	67,558
	386,795
	<u>4,410,191</u>
	13,311,331

	12,400
	<u>384,387</u>
	396,787

	2,590,450
	205,778
	19,768
	758,847
	900,212
	8
	12,853
	1,451,518
	1,474,824
	122,042
	149,560
	251,602
	14,954,621

**NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JULY 31, 2011**

	Special Revenue Funds	Capital Projects Funds	Debt Service Fund Corpus Christi Business and Job Development Corporation	Eliminations
Crime control and prevention	2,790,674	--	--	--
Seawall improvement	23,599,510	--	1,385,391	--
Arena facility	13,172,045	--	2,191,618	--
Economic development	12,368,389	--	1,757,209	--
North Padre Island development	3,109,185	--	--	--
Downtown development	430,317	--	--	--
Debt service	1,500,000	--	--	--
Capital projects	--	29,312,821	--	--
Total restricted	<u>79,862,203</u>	<u>29,312,821</u>	<u>5,334,218</u>	--
Committed				
Visitors facilities maintenance	327,248	--	--	--
Marketing/co-promotion	116,000	--	--	--
Sister City programs	1,156	--	--	--
Park projects	3,257	--	--	--
Permanent art projects	160,664	--	--	--
Development projects	254,382	--	--	--
Local Emergency Planning Committee	34,068	--	--	--
Capital projects	--	1,498,517	--	--
Total committed	<u>896,775</u>	<u>1,498,517</u>	--	--
Assigned				
Industrial development	68,775	--	--	--
Capital projects	--	2,218,850	--	--
Total assigned	<u>68,775</u>	<u>2,218,850</u>	--	--
Unassigned	<u>(313,169)</u>	--	--	--
Total fund balances	<u>80,911,371</u>	<u>33,030,188</u>	<u>5,334,218</u>	--
Total liabilities and fund balances	<u>\$ 89,479,288</u>	<u>\$ 37,773,602</u>	<u>\$ 5,334,218</u>	<u>\$ --</u>

Exhibit 8-A
(Continued)

<u>Total</u>
2,790,674
24,984,901
15,363,663
14,125,598
3,109,185
430,317
1,500,000
29,312,821
<u>114,509,242</u>
327,248
116,000
1,156
3,257
160,664
254,382
34,068
1,498,517
<u>2,395,292</u>
68,775
<u>2,218,850</u>
2,287,625
<u>(313,169)</u>
<u>119,275,777</u>
<u>\$ 132,587,108</u>

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2012

	Special Revenue Funds	Capital Projects Funds	Debt Service Fund Corpus Christi Business and Job Development Corporation	Eliminations
Revenues				
Taxes and business fees	\$ 39,795,817	\$ --	\$ --	\$ --
Grants	16,419,241	--	--	--
Charges for services	5,074,283	--	--	--
Fines and forfeitures	2,207,266	--	--	--
Contributions and donations	268,045	332,958	--	--
Special assessments	--	(41,934)	--	--
Earnings on investments	204,464	54,758	2,187	--
Interest on loans	86,173	--	--	--
Miscellaneous	233,623	500	--	--
Total revenues	<u>64,288,912</u>	<u>346,282</u>	<u>2,187</u>	<u>--</u>
Expenditures				
Current				
General government	--	321,535	--	--
Police and municipal court	11,101,488	--	--	--
Fire and ambulance	1,016,070	--	--	--
Emergency management	175,480	--	--	--
Streets	11,534	--	--	--
Solid waste	22,130	--	--	--
Health	2,007,817	--	--	--
Parks and recreation	3,303,720	--	--	--
Libraries	287,252	--	--	--
Museums	31,635	--	--	--
Community enrichment	4,270,400	--	--	--
Community development	8,276,753	--	--	--
Convention and visitors activities	11,046,785	--	--	--
Capital projects	1,518,505	17,811,426	--	--
Debt service				
Principal retirement	670,000	--	5,010,000	--
Interest	548,775	--	4,349,975	--
Bond issuance cost	--	83,473	--	--
Paying agent fees	5,270	--	2,239	--
Interest on interfund borrowings	773	--	--	--
Total expenditures	<u>44,294,387</u>	<u>18,216,434</u>	<u>9,362,214</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	19,994,525	(17,870,152)	(9,360,027)	--
Other financing sources (uses)				
Tax Notes issued	--	7,390,000	--	--
Transfers in	861,256	3,143,400	9,362,525	(12,005,925)
Transfers out	(15,438,499)	--	--	12,005,925
Total other financing sources (uses)	<u>(14,577,243)</u>	<u>10,533,400</u>	<u>9,362,525</u>	<u>--</u>
Net change in fund balances	5,417,282	(7,336,752)	2,498	--
Fund balances at beginning of year	<u>75,494,089</u>	<u>40,366,940</u>	<u>5,331,720</u>	<u>--</u>
Fund balances at end of year	<u>\$ 80,911,371</u>	<u>\$ 33,030,188</u>	<u>\$ 5,334,218</u>	<u>\$ --</u>

Exhibit 8-B

<u>Total</u>	
\$	39,795,817
	16,419,241
	5,074,283
	2,207,266
	601,003
	(41,934)
	261,409
	86,173
	234,123
	<u>64,637,381</u>
	321,535
	11,101,488
	1,016,070
	175,480
	11,534
	22,130
	2,007,817
	3,303,720
	287,252
	31,635
	4,270,400
	8,276,753
	11,046,785
	19,329,931
	5,680,000
	4,898,750
	83,473
	7,509
	773
	<u>71,873,035</u>
	(7,235,654)
	7,390,000
	1,361,256
	(3,432,574)
	<u>5,318,682</u>
	(1,916,972)
	<u>121,192,749</u>
\$	<u><u>119,275,777</u></u>



City of
Corpus
Christi

Special Revenue Funds

Special Revenue Funds

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

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

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

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

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

Municipal Court Fees Fund – This fund records revenues and expenditures related to fees designated for Municipal Court Building Security, Technology, and Juvenile Case Managers.

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

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

Local Emergency Planning Committee – This fund was established by Interlocal Agreement between the County of Nueces, City of Corpus Christi, and the Port of Corpus Christi Authority for the purposes of implementing the

federally mandated plan and required training under the Community Right-To-Know Act.

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

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

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

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

Corpus Christi Business and Job Development Corporation – This fund is a public non-profit corporation created under Section 4A of the Development Corporation Act of the State of Texas, to provide funding of voter approved capital improvement programs for the seawall, the arena, and the baseball stadium; for the promotion and development of new and expanded business enterprises; and for assisting qualified citizens with affordable housing.

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

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



City of
Corpus
Christi

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JULY 31, 2012
WITH COMPARATIVE TOTALS FOR JULY 31, 2011**

ASSETS	Visitors Facilities	Hotel Occupancy Tax	Redlight Photo Enforcement	Federal/ State Grants	Municipal Court Fees
Cash and cash equivalents	\$ 1,146,042	\$ 734,401	\$ 668,131	\$ 354,534	\$ 537,047
Investments	--	--	--	--	--
Receivables					
Accounts	469,253	1,957,528	2,831	761,494	--
Accrued interest	--	--	--	--	--
Due from Subdivision Developer	--	--	--	--	--
Mortgages and loans	--	--	--	--	--
Demolition liens	--	--	--	898,627	--
Special assessments	--	--	--	5,184	--
Employees	--	--	--	2,340	--
Intergovernmental	--	--	--	6,083,431	--
Miscellaneous	--	--	--	26,281	--
Allowance for uncollectibles	(266,029)	(31,137)	--	(886,126)	--
Net receivables	<u>203,224</u>	<u>1,926,391</u>	<u>2,831</u>	<u>6,891,231</u>	<u>--</u>
Due from other funds	--	--	--	169,803	--
Inventories	12,400	--	--	--	--
Prepaid Items	307,710	--	--	--	--
Advances to other funds	--	--	--	--	--
Other assets	--	--	--	238,083	--
Total assets	<u>\$ 1,669,376</u>	<u>\$ 2,660,792</u>	<u>\$ 670,962</u>	<u>\$ 7,653,651</u>	<u>\$ 537,047</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 587,443	\$ 70,342	\$ 73,204	\$ 960,522	\$ 8,680
Accrued liabilities	96,046	--	5,185	198,054	5,163
Contractor interest and retainage payable	--	--	--	--	--
Deposits	--	--	--	262,997	--
Due to other funds	--	--	--	1,396,769	--
Due to other governmental agencies	--	--	386,795	--	--
Deferred revenues					
Demolition liens and other	--	--	--	20,027	--
Asset seizure and forfeiture	--	--	--	35,121	--
Grants	--	--	--	3,066,006	--
Texas Commission on Environmental Quality	--	--	--	32,357	--
Other	506,745	--	--	--	--
Total deferred revenues	<u>506,745</u>	<u>--</u>	<u>--</u>	<u>3,153,511</u>	<u>--</u>
Total liabilities	<u>1,190,234</u>	<u>70,342</u>	<u>465,184</u>	<u>5,971,853</u>	<u>13,843</u>

(Continued)

Exhibit 9-A

<u>Community Enrichment</u>	<u>Infrastructure</u>	<u>Local Emergency Planning Committee</u>	<u>Corpus Christi Community Improvement Corporation</u>	<u>Corpus Christi Housing Finance Corporation</u>
\$ 1,886,714	\$ 1,474,824	\$ 41,422	\$ 569,866	\$ 10,336
--	--	--	--	--
--	--	--	501,220	--
--	--	--	--	--
--	--	--	--	747,185
--	--	--	15,278,996	--
--	--	--	--	--
--	--	--	--	--
--	--	--	459,020	--
--	--	--	--	--
--	--	--	(2,472,650)	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>13,766,586</u>	<u>747,185</u>
--	--	--	1,511,702	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ 1,886,714</u>	<u>\$ 1,474,824</u>	<u>\$ 41,422</u>	<u>\$ 15,848,154</u>	<u>\$ 757,521</u>
\$ 15,737	\$ --	\$ 2,006	\$ 317,640	\$ 23,662
--	--	2,598	--	--
--	--	--	--	--
--	--	--	344,269	--
--	--	--	231,624	5,737
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	2,750	--	747,185
<u>--</u>	<u>--</u>	<u>2,750</u>	<u>--</u>	<u>747,185</u>
<u>15,737</u>	<u>--</u>	<u>7,354</u>	<u>893,533</u>	<u>776,584</u>

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JULY 31, 2012
WITH COMPARATIVE TOTALS FOR JULY 31, 2011**

	<u>Visitors Facilities</u>	<u>Hotel Occupancy Tax</u>	<u>Redlight Photo Enforcement</u>	<u>Federal/ State Grants</u>	<u>Municipal Court Fees</u>
Fund balances					
Nonspendable					
Inventory	12,400	--	--	--	--
Prepaid items	307,710	--	--	--	--
Advances to other funds	--	--	--	--	--
Total nonspendable	<u>320,110</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Restricted					
Tourism (HOT)	--	2,590,450	--	--	--
Traffic safety programs	--	--	205,778	--	--
Senior Community Services	--	--	--	19,768	--
Law enforcement	--	--	--	758,847	--
Fire and ambulance	--	--	--	--	--
CDBG projects	--	--	--	900,212	--
Libraries	--	--	--	8	--
Community enrichment	--	--	--	12,853	--
Parks and recreation	--	--	--	--	--
Infrastructure	--	--	--	--	--
Municipal Court building security	--	--	--	--	122,042
Municipal Court technology	--	--	--	--	149,560
Juvenile Court case manager	--	--	--	--	251,602
Loans	--	--	--	--	--
Crime control and prevention	--	--	--	--	--
Seawall improvement	--	--	--	--	--
Arena facility	--	--	--	--	--
Economic development	--	--	--	--	--
North Padre Island development	--	--	--	--	--
Downtown development	--	--	--	--	--
Debt service	--	--	--	--	--
Capital projects	--	--	--	--	--
Total restricted	<u>--</u>	<u>2,590,450</u>	<u>205,778</u>	<u>1,691,688</u>	<u>523,204</u>
Committed					
Visitors facilities maintenance	327,248	--	--	--	--
Marketing/co-promotion	116,000	--	--	--	--
Naming rights capital projects	--	--	--	--	--
Sister City programs	--	--	--	--	--
Park projects	--	--	--	--	--
Permanent art projects	--	--	--	--	--
Development projects	--	--	--	--	--
Local Emergency Planning Committee	--	--	--	--	--
Total committed	<u>443,248</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Assigned					
Housing	--	--	--	--	--
Industrial development	--	--	--	--	--
Total assigned	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Unassigned	<u>(284,216)</u>	<u>--</u>	<u>--</u>	<u>(9,890)</u>	<u>--</u>
Total fund balances	<u>479,142</u>	<u>2,590,450</u>	<u>205,778</u>	<u>1,681,798</u>	<u>523,204</u>
Total liabilities and fund balances	<u>\$ 1,669,376</u>	<u>\$ 2,660,792</u>	<u>\$ 670,962</u>	<u>\$ 7,653,651</u>	<u>\$ 537,047</u>

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JULY 31, 2012
WITH COMPARATIVE TOTALS FOR JULY 31, 2011**

	<u>Corpus Christi Industrial Development Corporation</u>	<u>Corpus Christi Crime Control and Prevention District</u>	<u>Corpus Christi Business and Job Development Corporation</u>	<u>North Padre Island Development Corporation</u>	<u>Reinvestment Zone #3</u>
ASSETS					
Cash and cash equivalents	\$ 68,775	\$ 2,405,276	\$ 18,722,007	\$ 4,626,121	\$ 430,317
Investments	--	--	29,036,801	--	--
Receivables					
Accounts	--	--	--	--	--
Accrued interest	--	--	28,748	--	--
Due from Subdivision Developer	--	--	--	--	--
Mortgages and loans	--	--	--	--	--
Demolition liens	--	--	--	--	--
Special assessments	--	--	--	--	--
Employees	--	--	--	--	--
Intergovernmental	--	601,937	1,848,738	--	--
Miscellaneous	--	--	--	--	--
Allowance for uncollectibles	--	--	--	--	--
Net receivables	--	601,937	1,877,486	--	--
Due from other funds	--	--	--	--	--
Inventories	--	--	--	--	--
Prepaid Items	--	--	76,677	--	--
Advances to other funds	--	--	--	--	--
Other assets	--	--	--	--	--
Total assets	\$ 68,775	\$ 3,007,213	\$ 49,712,971	\$ 4,626,121	\$ 430,317
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ --	\$ 30,020	\$ 496,350	\$ 16,936	\$ --
Accrued liabilities	--	186,519	--	--	--
Contractor interest and retainage payable	--	--	--	--	--
Deposits	--	--	--	--	--
Due to other funds	--	--	--	--	--
Due to other governmental agencies	--	--	--	--	--
Deferred revenues					
Demolition liens and other	--	--	--	--	--
Asset seizure and forfeitures	--	--	--	--	--
Grants	--	--	--	--	--
Texas Commission on Environmental Quality	--	--	--	--	--
Other	--	--	--	--	--
Total deferred revenues	--	--	--	--	--
Total liabilities	--	216,539	496,350	16,936	--

(Continued)

**Exhibit 9-A
(Continued)**

<u>Eliminations</u>	<u>2012 Total</u>	<u>2011 Actual</u>
\$ --	\$ 33,675,813	\$ 24,808,311
--	29,036,801	29,005,080
--	3,692,326	2,933,936
--	28,748	31,008
--	747,185	--
--	15,278,996	14,961,639
--	898,627	890,464
--	5,184	7,172
--	2,340	2,340
--	8,993,126	10,974,986
--	26,281	--
--	(3,655,942)	(1,561,372)
--	26,016,871	28,240,173
(1,566,572)	114,933	102,238
--	12,400	19,428
--	384,387	368,136
--	--	577,350
--	238,083	253,583
<u>\$ (1,566,572)</u>	<u>\$ 89,479,288</u>	<u>\$ 83,374,299</u>
\$ --	\$ 2,602,542	\$ 2,194,154
--	493,565	545,988
--	--	9,957
--	607,266	739,223
(1,566,572)	67,558	674,086
--	386,795	219,729
--	20,027	45,193
--	35,121	44,482
--	3,066,006	2,944,670
--	32,357	32,410
--	1,256,680	430,318
--	4,410,191	3,497,073
(1,566,572)	8,567,917	7,880,210

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JULY 31, 2012
WITH COMPARATIVE TOTALS FOR JULY 31, 2011**

	<u>Corpus Christi Industrial Development Corporation</u>	<u>Corpus Christi Crime Control and Prevention District</u>	<u>Corpus Christi Business and Job Development Corporation</u>	<u>North Padre Island Development Corporation</u>	<u>Reinvestment Zone #3</u>
Fund balances					
Nonspendable					
Inventory	--	--	--	--	--
Prepaid items	--	--	76,677	--	--
Advances to other funds	--	--	--	--	--
Total nonspendable	--	--	<u>76,677</u>	--	--
Restricted					
Tourism (HOT)	--	--	--	--	--
Traffic safety programs	--	--	--	--	--
Senior Community Services	--	--	--	--	--
Law enforcement	--	--	--	--	--
CDBG projects	--	--	--	--	--
Libraries	--	--	--	--	--
Community enrichment	--	--	--	--	--
Parks and recreation	--	--	--	--	--
Infrastructure	--	--	--	--	--
Municipal Court building security	--	--	--	--	--
Municipal Court technology	--	--	--	--	--
Juvenile Court case manager	--	--	--	--	--
Loans	--	--	--	--	--
Crime control and prevention	--	2,790,674	--	--	--
Seawall improvement	--	--	23,599,510	--	--
Arena facility	--	--	13,172,045	--	--
Economic development	--	--	12,368,389	--	--
North Padre Island development	--	--	--	3,109,185	--
Downtown development	--	--	--	--	430,317
Debt service	--	--	--	1,500,000	--
Capital projects	--	--	--	--	--
Total restricted	--	<u>2,790,674</u>	<u>49,139,944</u>	<u>4,609,185</u>	<u>430,317</u>
Committed					
Visitors facilities maintenance	--	--	--	--	--
Marketing/co-promotion	--	--	--	--	--
Sister City programs	--	--	--	--	--
Park projects	--	--	--	--	--
Permanent art projects	--	--	--	--	--
Development projects	--	--	--	--	--
Local Emergency Planning Committee	--	--	--	--	--
Total committed	--	--	--	--	--
Assigned					
Housing	--	--	--	--	--
Industrial development	68,775	--	--	--	--
Total assigned	<u>68,775</u>	--	--	--	--
Unassigned	--	--	--	--	--
Total fund balances	<u>68,775</u>	<u>2,790,674</u>	<u>49,216,621</u>	<u>4,609,185</u>	<u>430,317</u>
Total liabilities and fund balances	<u>\$ 68,775</u>	<u>\$ 3,007,213</u>	<u>\$ 49,712,971</u>	<u>\$ 4,626,121</u>	<u>\$ 430,317</u>

**Exhibit 9-A
(Continued)**

<u>Eliminations</u>	<u>2012 Total</u>	<u>2011 Actual</u>
--	12,400	19,428
--	384,387	294,185
--	--	577,350
--	<u>396,787</u>	<u>890,963</u>
--	2,590,450	1,260,912
--	205,778	28,850
--	19,768	19,533
--	758,847	795,832
--	900,212	858,434
--	8	8
--	12,853	12,853
--	1,451,518	1,483,778
--	1,474,824	1,448,878
--	122,042	--
--	149,560	--
--	251,602	--
--	14,954,621	16,993,702
--	2,790,674	1,977,677
--	23,599,510	20,702,123
--	13,172,045	11,292,590
--	12,368,389	11,088,502
--	3,109,185	4,567,506
--	430,317	206,651
--	1,500,000	1,500,000
--	--	26,124
--	<u>79,862,203</u>	<u>74,263,953</u>
--	327,248	--
--	116,000	--
--	1,156	1,156
--	3,257	3,254
--	160,664	160,504
--	254,382	198,754
--	34,068	30,040
--	<u>896,775</u>	<u>393,708</u>
--	--	145,946
--	<u>68,775</u>	<u>68,655</u>
--	68,775	214,601
--	(313,169)	(269,136)
--	<u>80,911,371</u>	<u>75,494,089</u>
<u>\$ (1,566,572)</u>	<u>\$ 89,479,288</u>	<u>\$ 83,374,299</u>

SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	<u>Visitors Facilities</u>	<u>Hotel Occupancy Tax</u>	<u>Redlight Photo Enforcement</u>	<u>Federal/ State Grants</u>
Revenues				
Taxes and business fees	\$ --	\$ 12,051,548	\$ --	\$ --
Grants	--	--	--	15,364,885
Charges for services	4,362,781	--	--	477,277
Fines and forfeitures	--	--	1,893,079	--
Contributions and donations	--	--	--	--
Earnings on investments	--	--	367	1,166
Interest on loans	--	--	--	--
Sale of City property	--	--	--	--
Miscellaneous	--	--	--	116,357
Total revenues	<u>4,362,781</u>	<u>12,051,548</u>	<u>1,893,446</u>	<u>15,959,685</u>
Expenditures				
Current				
Police and municipal court	--	--	1,716,518	3,925,651
Fire and ambulance	--	--	--	1,016,070
Emergency management	--	--	--	86,205
Streets	--	--	--	11,534
Solid waste	--	--	--	22,130
Health	--	--	--	2,007,817
Parks and recreation	--	1,147,780	--	2,078,646
Libraries	--	--	--	287,252
Museums	--	--	--	31,635
Community enrichment	--	574,956	--	3,571,282
Community development	--	--	--	2,003,898
Convention and visitors activities	4,537,241	6,509,544	--	--
Capital projects	127,975	--	--	945,427
Debt service				
Principal retirement	--	--	--	--
Interest	--	--	--	--
Paying agent fees	--	--	--	--
Interest on interfund borrowings	483	290	--	--
Total expenditures	<u>4,665,699</u>	<u>8,232,570</u>	<u>1,716,518</u>	<u>15,987,547</u>
Excess (deficiency) of revenues over (under) expenditures	(302,918)	3,818,978	176,928	(27,862)
Other financing sources (uses)				
Transfers in	832,141	--	--	204,169
Transfers out	(130,572)	(2,489,440)	--	(171,514)
Total other financing sources (uses)	<u>701,569</u>	<u>(2,489,440)</u>	<u>--</u>	<u>32,655</u>
Net change in fund balance	398,651	1,329,538	176,928	4,793
Fund balances (deficits) at beginning of year	<u>80,491</u>	<u>1,260,912</u>	<u>28,850</u>	<u>1,677,005</u>
Fund balances (deficits) at end of year	<u>\$ 479,142</u>	<u>\$ 2,590,450</u>	<u>\$ 205,778</u>	<u>\$ 1,681,798</u>

(Continued)

Exhibit 9-B

<u>Municipal Court Fees</u>	<u>Community Enrichment</u>	<u>Infrastructure</u>	<u>Local Emergency Planning Committee</u>	<u>Corpus Christi Community Improvement Corporation</u>	<u>Corpus Christi Housing Finance Corporation</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	1,054,356	--
--	--	--	--	--	223,019
314,187	--	--	--	--	--
--	138,102	36,129	93,250	564	--
199	1,873	1,277	53	92	29
--	--	--	--	85,163	1,010
--	--	--	--	--	--
--	--	--	--	116,366	780
<u>314,386</u>	<u>139,975</u>	<u>37,406</u>	<u>93,303</u>	<u>1,256,541</u>	<u>224,838</u>
280,361	--	--	--	--	--
--	--	--	--	--	--
--	--	--	89,275	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	77,294	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	3,274,153	192,330
--	--	--	--	--	--
--	38,915	11,460	--	--	196,507
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
<u>280,361</u>	<u>116,209</u>	<u>11,460</u>	<u>89,275</u>	<u>3,274,153</u>	<u>388,837</u>
34,025	23,766	25,946	4,028	(2,017,612)	(163,999)
489,179	--	--	--	--	--
--	--	--	--	(21,469)	(578,360)
<u>489,179</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(21,469)</u>	<u>(578,360)</u>
523,204	23,766	25,946	4,028	(2,039,081)	(742,359)
--	1,847,211	1,448,878	30,040	16,993,702	723,296
<u>\$ 523,204</u>	<u>\$ 1,870,977</u>	<u>\$ 1,474,824</u>	<u>\$ 34,068</u>	<u>\$ 14,954,621</u>	<u>\$ (19,063)</u>

SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	Corpus Christi Industrial Development Corporation	Corpus Christi Crime Control and Prevention District	Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation
Revenues				
Taxes and business fees	\$ --	\$ 6,113,146	\$ 19,007,550	\$ 2,399,907
Grants	--	--	--	--
Charges for services	--	11,206	--	--
Fines and forfeitures	--	--	--	--
Contributions and donations	--	--	--	--
Earnings on investments	--	1,972	196,894	542
Interest on loans	--	--	--	--
Sale of City property	--	--	--	--
Miscellaneous	120	--	--	--
Total revenue	<u>120</u>	<u>6,126,324</u>	<u>19,204,444</u>	<u>2,400,449</u>
Expenditures				
Current				
Police and municipal court	--	5,178,958	--	--
Fire and ambulance	--	--	--	--
Emergency management	--	--	--	--
Streets	--	--	--	--
Solid waste	--	--	--	--
Health	--	--	--	--
Parks and recreation	--	--	--	--
Libraries	--	--	--	--
Museums	--	--	--	--
Community enrichment	--	--	--	124,162
Community development	--	--	2,806,372	--
Convention and visitors activities	--	--	--	--
Capital projects	--	134,369	--	63,852
Debt service				
Principal retirement	--	--	--	670,000
Interest	--	--	--	548,775
Paying agent fees	--	--	--	5,270
Interest on interfund borrowings	--	--	--	--
Total expenditures	<u>--</u>	<u>5,313,327</u>	<u>2,806,372</u>	<u>1,412,059</u>
Excess (deficiency) of revenues over (under) expenditures	120	812,997	16,398,072	988,390
Other financing sources (uses)				
Transfers in	--	--	--	--
Transfers out	--	--	(10,264,666)	(2,446,711)
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>(10,264,666)</u>	<u>(2,446,711)</u>
Net change in fund balances	120	812,997	6,133,406	(1,458,321)
Fund balances (deficits) at beginning of year	<u>68,655</u>	<u>1,977,677</u>	<u>43,083,215</u>	<u>6,067,506</u>
Fund balances (deficits) at end of year	<u>\$ 68,775</u>	<u>\$ 2,790,674</u>	<u>\$ 49,216,621</u>	<u>\$ 4,609,185</u>

**Exhibit 9-B
(Continued)**

Reinvestment Zone #3	Eliminations	2012 Total	2011 Actual
\$ 223,666	\$ --	\$ 39,795,817	\$ 35,511,716
--	--	16,419,241	23,684,022
--	--	5,074,283	4,901,015
--	--	2,207,266	1,365,084
--	--	268,045	2,810,283
--	--	204,464	160,556
--	--	86,173	85,188
--	--	--	9,786
--	--	233,623	132,295
<u>223,666</u>	<u>--</u>	<u>64,288,912</u>	<u>68,659,945</u>
--	--	11,101,488	10,710,937
--	--	1,016,070	1,175,963
--	--	175,480	182,166
--	--	11,534	47,276
--	--	22,130	8,957
--	--	2,007,817	2,174,066
--	--	3,303,720	3,343,745
--	--	287,252	536,830
--	--	31,635	30,187
--	--	4,270,400	4,677,063
--	--	8,276,753	9,119,032
--	--	11,046,785	10,449,447
--	--	1,518,505	6,147,278
--	--	670,000	575,000
--	--	548,775	576,788
--	--	5,270	5,570
--	--	773	2,489
<u>--</u>	<u>--</u>	<u>44,294,387</u>	<u>49,762,794</u>
223,666	--	19,994,525	18,897,151
--	(664,233)	861,256	489,861
--	664,233	(15,438,499)	(15,463,168)
<u>--</u>	<u>--</u>	<u>(14,577,243)</u>	<u>(14,973,307)</u>
223,666	--	5,417,282	3,923,844
<u>206,651</u>	<u>--</u>	<u>75,494,089</u>	<u>71,570,245</u>
<u>\$ 430,317</u>	<u>\$ --</u>	<u>\$ 80,911,371</u>	<u>\$ 75,494,089</u>

Exhibit 10-A

**VISITORS FACILITIES FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2012 AND 2011**

ASSETS	2012	2011
Cash and cash equivalents	\$ 1,146,042	\$ 554,380
Receivables		
Accounts	469,253	545,438
Allowance for uncollectibles	(266,029)	(343,383)
Net receivables	<u>203,224</u>	<u>202,055</u>
Inventories	12,400	19,428
Prepaid Items	<u>307,710</u>	<u>294,185</u>
Total assets	<u>\$ 1,669,376</u>	<u>\$ 1,070,048</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 587,443	\$ 369,570
Accrued liabilities	96,046	207,419
Deposits	--	250
Other	506,745	412,318
Total deferred revenues	<u>506,745</u>	<u>412,318</u>
Total liabilities	<u>1,190,234</u>	<u>989,557</u>
Fund balance		
Nonspendable		
Inventory	12,400	19,428
Prepaid items	307,710	294,185
Total nonspendable	<u>320,110</u>	<u>313,613</u>
Restricted		
Capital projects	--	26,124
Committed		
Visitors facilities maintenance	327,248	--
Marketing/co-promotion	116,000	--
Total committed	<u>443,248</u>	<u>--</u>
Unassigned	(284,216)	(259,246)
Total fund balance	<u>479,142</u>	<u>80,491</u>
Total liabilities and fund balance	<u>\$ 1,669,376</u>	<u>\$ 1,070,048</u>

VISITORS FACILITIES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	<u>Budget</u>		<u>2012 Actual</u>	<u>Variance</u>	<u>2011 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Revenues					
Charges for services	--	--	--	--	--
Arena	\$ 2,669,679	\$ 2,669,679	\$ 2,414,047	\$ (255,632)	\$ 2,183,644
Convention center services	5,460,187	5,460,187	1,889,419	(3,570,768)	1,914,930
Multicultural center rentals	40,380	40,380	12,970	(27,410)	14,435
Pavillion rentals	21,000	21,000	14,425	(6,575)	13,155
Heritage park maintenance contract	13,620	31,920	31,920	--	17,620
Total revenues	<u>8,204,866</u>	<u>8,223,166</u>	<u>4,362,781</u>	<u>(3,860,385)</u>	<u>4,143,784</u>
Expenditures					
Current					
Arena	3,284,571	3,284,571	2,654,243	630,328	2,642,386
Arena maintenance/improvements	150,000	505,280	45,672	459,608	21,744
Arena marketing/co-promotion	--	268,000	152,000	116,000	144,500
Auditorium/convention center	4,275,178	4,301,302	768,016	3,533,286	798,096
Bayfront Arts and Science Park	773,103	773,103	794,817	(21,714)	665,610
Cultural facility maintenance	75,000	125,226	103,943	21,283	4,716
Uncollectible accounts	28,000	28,000	18,550	9,450	52,483
Capital projects	--	--	127,975	(127,975)	164,028
Interest on interfund borrowings	3,000	3,000	483	2,517	1,053
Total expenditures	<u>8,588,852</u>	<u>9,288,482</u>	<u>4,665,699</u>	<u>4,622,783</u>	<u>4,494,616</u>
Deficiency of revenues under expenditures	(383,986)	(1,065,316)	(302,918)	762,398	(350,832)
Other financing sources (uses)					
Transfers in	782,141	832,141	832,141	--	689,581
Transfers out	(130,572)	(130,572)	(130,572)	--	(147,708)
Total other financing sources	<u>651,569</u>	<u>701,569</u>	<u>701,569</u>	<u>--</u>	<u>541,873</u>
Net change in fund balance	267,583	(363,747)	398,651	762,398	191,041
Fund balance (deficit) beginning of year	<u>(840,796)</u>	<u>(320,921)</u>	<u>80,491</u>	<u>401,412</u>	<u>(110,550)</u>
Fund balance end of year	<u>\$ (573,213)</u>	<u>\$ (684,668)</u>	<u>\$ 479,142</u>	<u>\$ 1,163,810</u>	<u>\$ 80,491</u>

Exhibit 11-A

**HOTEL OCCUPANCY TAX FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and cash equivalents	\$ 734,401	\$ --
Receivables		
Accounts	1,957,528	1,848,797
Allowance for uncollectibles	(31,137)	(20,182)
Net receivables	<u>1,926,391</u>	<u>1,828,615</u>
 Total assets	 <u>\$ 2,660,792</u>	 <u>\$ 1,828,615</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 70,342	\$ 16,115
Due to other funds	--	551,588
Total liabilities	<u>70,342</u>	<u>567,703</u>
 Fund balance		
Restricted		
Tourism (HOT)	<u>2,590,450</u>	<u>1,260,912</u>
 Total liabilities and fund balance	 <u>\$ 2,660,792</u>	 <u>\$ 1,828,615</u>

HOTEL OCCUPANCY TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	<u>Budget</u>		<u>2012 Actual</u>	<u>Variance</u>	<u>2011 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Revenues					
Hotel occupancy tax	\$ 8,107,240	\$ 8,107,240	\$ 9,339,673	\$ 1,232,433	\$ 8,344,430
Hotel occupancy tax-Convention expansion	2,314,810	2,314,810	2,711,875	397,065	2,377,567
Total hotel occupancy taxes	<u>10,422,050</u>	<u>10,422,050</u>	<u>12,051,548</u>	<u>1,629,498</u>	<u>10,721,997</u>
Earnings on investments	--	--	--	--	959
Total revenues	<u>10,422,050</u>	<u>10,422,050</u>	<u>12,051,548</u>	<u>1,629,498</u>	<u>10,722,956</u>
Expenditures					
Current					
Parks and recreation					
Beach cleaning	1,234,368	1,234,368	1,147,780	86,588	828,576
Community enrichment					
Special Events	160,000	75,000	75,000	--	--
Art Museum of South Texas	260,600	260,600	260,600	--	288,013
Festival of the Arts	10,000	10,000	10,000	--	--
Multicultural services support	116,370	116,370	99,021	17,349	106,870
Texas Amateur Athletic Federation	--	60,000	60,000	--	--
Harbor Playhouse	13,335	13,335	13,335	--	13,335
Museum Marketing	--	25,000	25,000	--	--
Asian Cultures Museum	--	--	--	--	839
Botanical Gardens	20,000	20,000	20,000	--	18,776
Corpus Christi Symphony	12,000	12,000	12,000	--	--
Convention and visitors activities					
Convention center/auditorium	3,200,000	3,200,000	3,200,000	--	3,200,000
Convention center maintenance	100,000	100,000	100,000	--	10,146
Convention and Visitors Bureau-convention promotion	3,232,044	3,232,044	3,209,544	22,500	2,479,122
Convention and Visitors Bureau-contingency marketing	--	--	--	--	430,644
Interest on interfund borrowings	--	--	290	(290)	1,436
Total expenditures	<u>8,358,717</u>	<u>8,358,717</u>	<u>8,232,570</u>	<u>126,147</u>	<u>7,377,757</u>
Excess of revenues over expenditures	2,063,333	2,063,333	3,818,978	1,755,645	3,345,199
Other financing sources (uses)					
Transfers in	--	--	--	--	170,000
Transfers out	(2,490,140)	(2,490,140)	(2,489,440)	700	(1,991,680)
Total other financing (uses)	<u>(2,490,140)</u>	<u>(2,490,140)</u>	<u>(2,489,440)</u>	<u>700</u>	<u>(1,821,680)</u>
Net change in fund balance	(426,807)	(426,807)	1,329,538	1,756,345	1,523,519
Fund balance (deficit) at beginning of year	<u>708,170</u>	<u>1,260,912</u>	<u>1,260,912</u>	<u>--</u>	<u>(262,607)</u>
Fund balance at end of year	<u>\$ 281,363</u>	<u>\$ 834,105</u>	<u>\$ 2,590,450</u>	<u>\$ 1,756,345</u>	<u>\$ 1,260,912</u>

**REDLIGHT PHOTO ENFORCEMENT
COMPARATIVE BALANCE SHEETS
JULY 31, 2012 AND 2011**

	2012	2011
ASSETS		
Cash and cash equivalents	\$ 668,131	\$ 319,331
Receivables		
Accounts	2,831	--
Total assets	\$ 670,962	\$ 319,331
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 73,204	\$ 90,084
Accrued liabilities	5,185	4,099
Due to other governmental agencies	386,795	196,298
Total liabilities	465,184	290,481
Fund balance		
Restricted		
Traffic safety programs	205,778	28,850
Total liabilities and fund balance	\$ 670,962	\$ 319,331

REDLIGHT PHOTO ENFORCEMENT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	<u>Budget</u>		<u>2012 Actual</u>	<u>Variance</u>	<u>2011 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Revenues					
Fines and forfeitures	\$ 2,566,914	\$ 2,566,914	\$ 1,893,079	(673,835)	1,365,084
Earnings on investments	649	649	367	(282)	233
Total revenues	<u>2,567,563</u>	<u>2,567,563</u>	<u>1,893,446</u>	<u>(674,117)</u>	<u>1,365,317</u>
Expenditures					
Current					
Police and municipal court	2,116,826	2,116,826	1,716,518	400,308	1,357,941
Capital projects	--	--	--	--	34,053
Total expenditures	<u>2,116,826</u>	<u>2,116,826</u>	<u>1,716,518</u>	<u>400,308</u>	<u>1,391,994</u>
Excess (deficiency) of revenues over (under) expenditures	450,737	450,737	176,928	(273,809)	(26,677)
Fund balance at beginning of year	<u>(75,348)</u>	<u>28,850</u>	<u>28,850</u>	<u>--</u>	<u>55,527</u>
Fund balance at end of year	<u>\$ 375,389</u>	<u>\$ 479,587</u>	<u>\$ 205,778</u>	<u>\$ (273,809)</u>	<u>\$ 28,850</u>

Exhibit 13-A

**FEDERAL/STATE GRANTS FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2012 AND 2011**

ASSETS	2012	2011
Cash and cash equivalents	\$ 354,534	\$ --
Receivables		
Accounts	761,494	33,669
Demolition liens	898,627	890,464
Special assessments	5,184	7,172
Employees	2,340	2,340
Intergovernmental	6,083,431	8,251,233
Miscellaneous	26,281	--
Allowance for uncollectibles	(886,126)	(854,783)
Net receivables	<u>6,891,231</u>	<u>8,330,095</u>
Due from other funds	169,803	811,546
Other Assets	<u>238,083</u>	<u>253,583</u>
 Total assets	 <u>\$ 7,653,651</u>	 <u>\$ 9,395,224</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 960,522	\$ 1,505,094
Accrued liabilities	198,054	160,396
Contractor interest and retainage payable	--	9,957
Deposits	262,997	381,440
Due to other funds	1,396,769	2,571,146
Due to other governmental agencies	--	23,431
Deferred revenues		
Demolition liens and other	20,027	45,193
Asset seizure and forfeitures	35,121	44,482
Grants	3,066,006	2,944,670
Texas Commission on Environmental Quality	32,357	32,410
Total deferred revenues	<u>3,153,511</u>	<u>3,066,755</u>
Total liabilities	<u>5,971,853</u>	<u>7,718,219</u>
Fund balance		
Restricted		
Senior Community Services	19,768	19,533
Law enforcement	758,847	795,832
CDBG	900,212	858,434
Parks and recreation	--	235
Libraries	8	8
Community enrichment	12,853	12,853
Total restricted	<u>1,691,688</u>	<u>1,686,895</u>
Unassigned	(9,890)	(9,890)
Total fund balance	<u>1,681,798</u>	<u>1,677,005</u>
 Total liabilities and fund balance	 <u>\$ 7,653,651</u>	 <u>\$ 9,395,224</u>

Exhibit 13-B

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, 2012

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Revenues				
Grants				
State of Texas	\$ 19,620,225	\$ 34,014,935	\$ 6,921,486	\$ 40,936,421
Federal Government	24,123,770	36,447,792	6,527,313	42,975,105
Coastal Bend Council of Governments	1,774,130	2,381,792	636,260	3,018,052
Drug forfeitures				
State	392,785	1,008,028	335,036	1,343,064
Federal	1,699,982	1,902,672	541,738	2,444,410
Local grants and contributions	693,165	1,451,627	403,052	1,854,679
Total grants	<u>48,304,057</u>	<u>77,206,846</u>	<u>15,364,885</u>	<u>92,571,731</u>
Charges for services	1,094,116	2,216,548	477,277	2,693,825
Earnings on investments	1,166	184,147	1,166	185,313
Miscellaneous	175,574	552,389	116,357	668,746
Total revenue	<u>49,574,913</u>	<u>80,159,930</u>	<u>15,959,685</u>	<u>96,119,615</u>
Expenditures				
Current				
Police and municipal court	11,455,011	11,505,233	3,925,651	15,430,884
Fire and ambulance	1,947,905	5,285,590	1,016,070	6,301,660
Emergency management	163,081	88,182	86,205	174,387
Streets	225,893	7,395,552	11,534	7,407,086
Solid waste	25,000	87,217	22,130	109,347
Health	4,420,063	8,151,109	2,007,817	10,158,926
Parks and recreation	6,203,429	10,243,638	2,078,646	12,322,284
Libraries	2,199,128	2,568,651	287,252	2,855,903
Community enrichment	10,923,301	11,830,590	3,571,282	15,401,872
Community development	8,559,562	13,459,434	2,003,898	15,463,332
Museums	92,106	234,079	31,635	265,714
Capital projects	3,393,089	8,095,125	945,427	9,040,552
Total expenditures	<u>49,607,568</u>	<u>78,944,400</u>	<u>15,987,547</u>	<u>94,931,947</u>
Excess (deficiency) of revenues over (under) expenditures	(32,655)	1,215,530	(27,862)	1,187,668
Other financing sources (uses)				
Transfers in				
Corpus Christi Community Improvement Corporation	12,092	16,480	12,092	28,572
General fund	192,077	1,145,575	192,077	1,337,652
Total transfers in	<u>204,169</u>	<u>1,162,055</u>	<u>204,169</u>	<u>1,366,224</u>
Transfers out				
General fund	(171,514)	(700,580)	(171,514)	(872,094)
Total transfers out	<u>(171,514)</u>	<u>(700,580)</u>	<u>(171,514)</u>	<u>(872,094)</u>
Total other financing sources	<u>32,655</u>	<u>461,475</u>	<u>32,655</u>	<u>494,130</u>
Net change in fund balance	<u>\$ --</u>	<u>\$ 1,677,005</u>	4,793	<u>\$ 1,681,798</u>
Fund balance at beginning of year			<u>1,677,005</u>	
Fund balance at end of year			<u>\$ 1,681,798</u>	

**MUNICIPAL COURT FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2012 AND 2011**

	<u>2012</u>
ASSETS	
Cash and cash equivalents	\$ 537,047
Total assets	<u>\$ 537,047</u>
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	\$ 8,680
Accrued liabilities	<u>5,163</u>
Total liabilities	13,843
Fund balance	
Restricted	
Municipal Court building security	122,042
Municipal Court technology	149,560
Juvenile Court case manager	<u>251,602</u>
Total fund balance	<u>523,204</u>
Total liabilities and fund balance	<u>\$ 537,047</u>

Exhibit 14-B

MUNICIPAL COURT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2012 AND 2011

	2012
Revenues	
Municipal Court building security fee	\$ 83,800
Municipal Court technology fee	111,038
Juvenile Court case manager fee	119,349
Earnings on investments	199
Total revenues	314,386
Expenditures	
Current	
Municipal Court building security	52,901
Municipal Court technology	112,157
Juvenile Court case managers	115,303
Total expenditures	280,361
Net change in fund balance	34,025
Other financing sources	
Transfers in	489,179
Excess of revenues and other financing sources over expenditures and other uses	523,204
Fund balance at end of year	\$ 523,204

Exhibit 15-A

**COMMUNITY ENRICHMENT FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2012 AND 2011**

ASSETS	<u>2012</u>	<u>2011</u>
Cash and cash equivalents	\$ 1,886,714	\$ 1,861,037
Total assets	<u>\$ 1,886,714</u>	<u>\$ 1,861,037</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 15,737	\$ 13,826
Fund balance		
Restricted		
Parks and recreation	1,451,518	1,486,797
Committed		
Sister City programs	1,156	1,156
Park projects	3,257	--
Permanent art projects	160,664	160,504
Development projects	254,382	198,754
Total committed	<u>419,459</u>	<u>360,414</u>
Total fund balance	<u>1,870,977</u>	<u>1,847,211</u>
Total liabilities and fund balance	<u>\$ 1,886,714</u>	<u>\$ 1,861,037</u>

Exhibit 15-B

**COMMUNITY ENRICHMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
Revenues		
Contributions and donations	\$ 138,102	\$ 137,888
Earnings on investments	1,873	2,353
Total revenues	<u>139,975</u>	<u>140,241</u>
Expenditures		
Current		
Parks and recreation	77,294	18,648
Capital projects	38,915	148,400
Total expenditures	<u>116,209</u>	<u>167,048</u>
Excess (deficiency) of revenues over (under) expenditures	<u>23,766</u>	<u>(26,807)</u>
Net change in fund balance	23,766	(26,807)
Fund balance at beginning of year	<u>1,847,211</u>	<u>1,874,018</u>
Fund balance at end of year	<u>\$ 1,870,977</u>	<u>\$ 1,847,211</u>

Exhibit 16-A

**INFRASTRUCTURE FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2012 AND 2011**

ASSETS	<u>2012</u>	<u>2011</u>
Cash and cash equivalents	\$ 1,474,824	\$ 1,449,095
Total assets	<u>\$ 1,474,824</u>	<u>\$ 1,449,095</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ --	\$ 217
Fund balance		
Restricted		
Infrastructure	<u>1,474,824</u>	<u>1,448,878</u>
Total liabilities and fund balance	<u>\$ 1,474,824</u>	<u>\$ 1,449,095</u>

Exhibit 16-B

INFRASTRUCTURE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2012 AND 2011

	2012	2011
Revenues		
Contributions and donations	\$ 36,129	\$ 2,569,285
Earnings on investments	1,277	1,640
Total revenues	37,406	2,570,925
Expenditures		
Capital projects	11,460	2,716,483
Net change in fund balance	25,946	(145,558)
Fund balance at beginning of year	1,448,878	1,594,436
Fund balance at end of year	\$ 1,474,824	\$ 1,448,878

Exhibit 17-A

**LOCAL EMERGENCY PLANNING COMMITTEE
COMPARATIVE BALANCE SHEETS
JULY 31, 2012 AND 2011**

ASSETS	<u>2012</u>	<u>2011</u>
Cash and cash equivalents	\$ 41,422	\$ 54,997
Total assets	<u>\$ 41,422</u>	<u>\$ 54,997</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 2,006	\$ 4,836
Accrued liabilities	2,598	2,121
Deferred revenues		
Other	2,750	18,000
Total liabilities	<u>7,354</u>	<u>24,957</u>
Fund balance		
Committed		
Local Emergency Planning Committee	<u>34,068</u>	<u>30,040</u>
Total liabilities and fund balance	<u>\$ 41,422</u>	<u>\$ 54,997</u>

LOCAL EMERGENCY PLANNING COMMITTEE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	Budget		2012 Actual	Variance	2011 Actual
	Original	Final		Final Budget Positive (Negative)	
Revenues					
Contributions and donations	\$ 96,000	\$ 96,000	\$ 93,250	\$ (2,750)	\$ 97,250
Earnings on investments	188	188	53	(135)	85
Total revenues	<u>96,188</u>	<u>96,188</u>	<u>93,303</u>	<u>(2,885)</u>	<u>97,335</u>
Expenditures					
Current					
Emergency management	94,740	94,740	89,275	5,465	93,984
Capital projects	--	--	--	--	25,014
Total expenditures	<u>94,740</u>	<u>94,740</u>	<u>89,275</u>	<u>5,465</u>	<u>118,998</u>
Net change in fund balance	<u>1,448</u>	<u>1,448</u>	<u>4,028</u>	<u>2,580</u>	<u>(21,663)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	1,448	1,448	4,028	2,580	(21,663)
Fund balance at beginning of year	<u>29,626</u>	<u>30,040</u>	<u>30,040</u>	<u>--</u>	<u>51,703</u>
Fund balance at end of year	<u>\$ 31,074</u>	<u>\$ 31,488</u>	<u>\$ 34,068</u>	<u>\$ 2,580</u>	<u>\$ 30,040</u>

Exhibit 18-A

**CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION
COMPARATIVE BALANCE SHEETS
JULY 31, 2012 AND 2011**

ASSETS	<u>2012</u>	<u>2011</u>
Cash and cash equivalents	\$ 569,866	\$ 76,574
Receivables		
Accounts	501,220	501,423
Mortgages and loans	15,278,996	14,961,639
Intergovernmental	459,020	460,588
Allowance for uncollectibles	<u>(2,472,650)</u>	<u>(343,024)</u>
Net receivables	13,766,586	15,580,626
Due from other funds	<u>1,511,702</u>	<u>2,673,384</u>
 Total assets	 <u>\$ 15,848,154</u>	 <u>\$ 18,330,584</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 317,640	\$ 45,305
Deposits	344,269	357,533
Due to other funds	<u>231,624</u>	<u>934,044</u>
Total liabilities	893,533	1,336,882
 Fund balance		
Restricted		
Loans	<u>14,954,621</u>	<u>16,993,702</u>
 Total liabilities and fund balance	 <u>\$ 15,848,154</u>	 <u>\$ 18,330,584</u>

Exhibit 18-B

CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Revenues		
Federal Government	\$ 1,054,356	\$ 892,633
Contributions and donations	564	5,860
Earnings on investments	92	419
Interest on loans	85,163	83,461
Miscellaneous	116,366	54,949
Total revenues	<u>1,256,541</u>	<u>1,037,322</u>
Expenditures		
Current		
Community development		
Grants	929,966	194,465
Administration costs	203,150	264,355
Forgiven and uncollectible loans	2,141,037	1,268,312
Total expenditures	<u>3,274,153</u>	<u>1,727,132</u>
Excess (deficiency) of revenues over (under) expenditures	(2,017,612)	(689,810)
Other financing uses		
Transfers out	<u>(21,469)</u>	<u>(18,230)</u>
Net change in fund balance	(2,039,081)	(708,040)
Fund balance at beginning of year	<u>16,993,702</u>	<u>17,701,742</u>
Fund balance at end of year	<u><u>\$ 14,954,621</u></u>	<u><u>\$ 16,993,702</u></u>

**CORPUS CHRISTI HOUSING FINANCE CORPORATION
SCHEDULE OF NET ASSETS
JULY 31, 2012**

	Governmental Funds	Adjustments	Schedule of Net Assets
ASSETS			
Cash and cash equivalents	\$ 10,336	\$ --	\$ 10,336
Receivables			
Due from subdivision developer	747,185	--	747,185
Net receivables	747,185	--	747,185
Capital assets, net of accumulated depreciation	--	673,018	673,018
Total assets	\$ 757,521	673,018	1,430,539
LIABILITIES			
Accounts payable	\$ 23,662	--	23,662
Due to other funds	5,737	--	5,737
Deferred revenues			--
Other	747,185	--	747,185
Total liabilities	776,584	--	776,584
FUND BALANCE			
Unassigned	(19,063)	19,063	--
Total fund balance	(19,063)	19,063	--
Total liabilities and fund balance	\$ 757,521		
NET ASSETS			
Invested in capital assets, net of related debt		673,018	673,018
Unrestricted		(19,063)	(19,063)
Total net assets		\$ 653,955	\$ 653,955

**CORPUS CHRISTI HOUSING FINANCE CORPORATION
SCHEDULE OF ACTIVITIES
YEAR ENDED JULY 31, 2012**

	Governmental Funds	Adjustments	Schedule of Activities
Expenditures/expenses			
Community development	\$ 192,330	\$ 23,118	\$ 215,448
Capital projects	196,507	(196,507)	--
Total expenditures/expenses	<u>388,837</u>	<u>(173,389)</u>	<u>215,448</u>
Program revenue			
Charges for services	223,019	--	223,019
Net program revenue (expense)	<u>(165,818)</u>	<u>173,389</u>	<u>7,571</u>
General revenue			
Earnings on investments	29	--	29
Interest on interfund loans	1,010	--	1,010
Miscellaneous	780	--	780
Other financing sources (uses)			
Transfers out	<u>(578,360)</u>	<u>499,629</u>	<u>(78,731)</u>
Total general revenue and other financing sources (uses)	<u>(576,541)</u>	<u>499,629</u>	<u>(76,912)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>(742,359)</u>	<u>673,018</u>	<u>(69,341)</u>
Change in net assets	(742,359)	673,018	(69,341)
Fund balance/net assets beginning of year	723,296	--	723,296
Fund balance/net assets (liabilities) end of year	<u>\$ (19,063)</u>	<u>\$ 673,018</u>	<u>\$ 653,955</u>

Exhibit 19-C

**CORPUS CHRISTI HOUSING FINANCE CORPORATION
COMPARATIVE BALANCE SHEETS
JULY 31, 2012 AND 2011**

ASSETS	<u>2012</u>	<u>2011</u>
Cash and cash equivalents	\$ 10,336	\$ 145,946
Receivables		
Due from subdivision developer	747,185	--
Net receivables	<u>747,185</u>	<u>--</u>
Advances to other funds	<u>--</u>	<u>577,350</u>
Total assets	<u><u>\$ 757,521</u></u>	<u><u>\$ 723,296</u></u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 23,662	\$ --
Due to other funds	5,737	--
Deferred revenues		
Other	747,185	--
Total deferred revenues	<u>747,185</u>	<u>--</u>
Total liabilities	<u>776,584</u>	<u>--</u>
Fund balance		
Nonspendable		
Advances to other funds	--	577,350
Assigned		
Housing	--	145,946
Unassigned	(19,063)	--
Total fund balance	<u>(19,063)</u>	<u>723,296</u>
Total liabilities and fund balance	<u><u>\$ 757,521</u></u>	<u><u>\$ 723,296</u></u>

Exhibit 19-D

CORPUS CHRISTI HOUSING FINANCE CORPORATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Revenues		
Charges for services	\$ 223,019	\$ 139,635
Earnings on investments	29	446
Interest on loans	1,010	1,727
Miscellaneous	780	--
Total revenues	<u>224,838</u>	<u>141,808</u>
Expenditures		
Current		
Community development	192,330	23,903
Capital projects	196,507	--
Total expenditures	<u>388,837</u>	<u>23,903</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(163,999)</u>	<u>117,905</u>
Other financing uses		
Transfers out	<u>(578,360)</u>	<u>--</u>
Net change in fund balance	(742,359)	117,905
Fund balance at beginning of year	<u>723,296</u>	<u>605,391</u>
Fund balance (deficit) at end of year	<u>\$ (19,063)</u>	<u>\$ 723,296</u>

Exhibit 20-A

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION
COMPARATIVE BALANCE SHEETS
JULY 31, 2012 AND 2011**

ASSETS	<u>2012</u>	<u>2011</u>
Cash and cash equivalents	\$ 68,775	\$ 68,655
Total assets	<u>\$ 68,775</u>	<u>\$ 68,655</u>
LIABILITIES AND FUND BALANCE		
Liabilities	\$ --	\$ --
Fund balance		
Assigned		
Industrial development	<u>68,775</u>	<u>68,655</u>
Total liabilities and fund balance	<u>\$ 68,775</u>	<u>\$ 68,655</u>

Exhibit 20-B

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
Revenues		
Earnings on investments	\$ --	\$ 76
Miscellaneous	120	--
Total revenues	<u>120</u>	<u>76</u>
 Net change in fund balance	 120	 76
 Fund balance at beginning of year	 <u>68,655</u>	 <u>68,579</u>
 Fund balance at end of year	 <u>\$ 68,775</u>	 <u>\$ 68,655</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT
SCHEDULE OF NET ASSETS
JULY 31, 2012**

	Governmental Funds	Adjustments	Schedule of Net Assets
ASSETS			
Cash and cash equivalents	\$ 2,405,276	\$ --	\$ 2,405,276
Receivables			
Intergovernmental	601,937	--	601,937
Total assets	\$ 3,007,213	--	3,007,213
LIABILITIES			
Accounts payable	\$ 30,020	--	30,020
Accrued liabilities	186,519	--	186,519
Accumulated unpaid compensated absences			
Due within one year	--	301,640	301,640
Due in more than one year	--	220,284	220,284
Net pension obligation		794,346	794,346
Net OPEB obligation		206,998	206,998
Total liabilities	216,539	1,523,268	1,739,807
FUND BALANCE			
Restricted			
Crime control and prevention	2,790,674	(2,790,674)	--
Total fund balance	2,790,674	(2,790,674)	--
Total liabilities and fund balance	\$ 3,007,213		
NET ASSETS			
Restricted for			
Crime control and prevention		1,267,406	1,267,406
Total net assets		\$ 1,267,406	\$ 1,267,406

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT
SCHEDULE OF ACTIVITIES
YEAR ENDED JULY 31, 2012**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Activities</u>
Expenditures/expenses			
Public safety	\$ 5,178,958	\$ 109,305	\$ 5,288,263
Capital projects	134,369	(134,369)	--
Total expenditures/expenses	<u>5,313,327</u>	<u>(25,064)</u>	<u>5,288,263</u>
General revenue			
Sales tax	6,113,146	--	6,113,146
Juvenile drug testing	11,206	--	11,206
Earnings on investments	1,972	--	1,972
Other financing sources (uses)			
Transfers out	--	(134,369)	(134,369)
Total general revenue and other financing sources (uses)	<u>6,126,324</u>	<u>(134,369)</u>	<u>5,991,955</u>
Excess (deficiency) of revenues over (under) expenditures and other financing uses	812,997	(812,997)	--
Change in net assets	--	703,692	703,692
Fund balance/net assets beginning of year	<u>1,977,677</u>	<u>(1,413,963)</u>	<u>563,714</u>
Fund balance/net assets (liabilities) end of year	<u>\$ 2,790,674</u>	<u>\$ (1,523,268)</u>	<u>\$ 1,267,406</u>

Note: Beginning adjusted Net assets are restated to reflect the liabilities for Net OPEB obligation and Net pension obligation. Net OPEB obligation and Net pension obligation were accrued in Government-wide financial statements but not in this fund in prior years.

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT
COMPARATIVE BALANCE SHEETS
JULY 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and cash equivalents	\$ 2,405,276	\$ 1,653,232
Receivables		
Intergovernmental	<u>601,937</u>	<u>540,852</u>
Total assets	<u>\$ 3,007,213</u>	<u>\$ 2,194,084</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 30,020	\$ 44,454
Accrued liabilities	<u>186,519</u>	<u>171,953</u>
Total liabilities	216,539	216,407
Fund balance		
Restricted		
Crime control and prevention	<u>2,790,674</u>	<u>1,977,677</u>
Total liabilities and fund balance	<u>\$ 3,007,213</u>	<u>\$ 2,194,084</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011**

	Budget		2012 Actual	Variance	2011 Actual
	Original	Final		Final Budget Positive (Negative)	
Revenues					
Sales tax	\$ 5,370,000	\$ 5,370,000	\$ 6,113,146	\$ 743,146	\$ 5,150,266
Juvenile drug testing	22,000	22,000	11,206	(10,794)	13,003
Earnings on investments	7,131	7,131	1,972	(5,159)	2,364
Sale of City property	--	--	--	--	9,786
Total revenue	5,399,131	5,399,131	6,126,324	727,193	5,175,419
Expenditures					
Current					
Police officers	4,318,507	4,390,007	4,404,887	(14,880)	4,212,642
Pawn shop detail	152,500	152,500	137,388	15,112	140,662
Juvenile Curfew & Truancy Assessment Center	405,328	405,328	375,797	29,531	343,403
Citizens advisory council	10,500	27,913	21,500	6,413	2,447
Public safety vehicles and equipment	142,500	144,424	--	144,424	--
Juvenile City marshals	167,761	189,761	191,739	(1,978)	143,403
Graffiti Eradication Program	50,969	46,469	47,647	(1,178)	108,544
Capital projects	--	--	134,369	(134,369)	130,498
Total expenditures	5,248,065	5,356,402	5,313,327	43,075	5,081,599
Excess of revenues over expenditures	151,066	42,729	812,997	770,268	93,820
Net change in fund balance	151,066	42,729	812,997	770,268	93,820
Fund balance at beginning of year	1,900,471	1,977,677	1,977,677	--	1,883,857
Fund balance at end of year	\$ 2,051,537	\$ 2,020,406	\$ 2,790,674	\$ 770,268	\$ 1,977,677

CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
SCHEDULE OF NET ASSETS
JULY 31, 2012

	Governmental Funds	Adjustments	Schedule of Net Assets
ASSETS			
Cash and cash equivalents	\$ 25,394,372	\$ --	\$ 25,394,372
Investments	29,036,801	--	29,036,801
Receivables			
Accrued interest	28,748	--	28,748
Intergovernmental	1,848,738	--	1,848,738
Net receivables	1,877,486	--	1,877,486
Prepaid Items	76,677	--	76,677
Bond issuance cost	--	632,694	632,694
Total assets	<u>\$ 56,385,336</u>	<u>632,694</u>	<u>57,018,030</u>
LIABILITIES			
Accounts payable	\$ 516,750	\$ --	\$ 516,750
Accrued interest	--	1,749,203	1,749,203
Contractor interest and retainage payable	2,275	--	2,275
Long-term debt			
Due within one year	--	5,295,000	5,295,000
Due in more than one year	--	79,008,691	79,008,691
Total liabilities	<u>519,025</u>	<u>86,052,894</u>	<u>86,571,919</u>
FUND BALANCE			
Nonspendable			
Prepaid items	76,677	(76,677)	--
Restricted			
Seawall improvement	26,233,546	(26,233,546)	--
Arena facility	15,430,490	(15,430,490)	--
Economic development	14,125,598	(14,125,598)	--
Total restricted	<u>55,789,634</u>	<u>(55,789,634)</u>	<u>--</u>
Total fund balance	<u>55,866,311</u>	<u>(55,866,311)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 56,385,336</u>		
NET ASSETS (LIABILITIES)			
Unrestricted		<u>(29,553,889)</u>	<u>(29,553,889)</u>
Total net liabilities		<u>\$ (29,553,889)</u>	<u>\$ (29,553,889)</u>

CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
SCHEDULE OF ACTIVITIES
YEAR ENDED JULY 31, 2012

	Governmental Funds	Adjustments	Schedule of Activities
Expenditures/expenses			
General government	\$ 16,398	\$ --	\$ 16,398
Community development	2,806,372	--	2,806,372
Capital projects	340,803	--	340,803
Debt service			
Principal retirement	5,010,000	(5,010,000)	--
Interest	4,349,975	(371,545)	3,978,430
Paying agent fees	2,239	--	2,239
Total expenditures/expenses	<u>12,525,787</u>	<u>(5,381,545)</u>	<u>7,144,242</u>
General revenues			
Sales tax	19,007,550	--	19,007,550
Earnings on investments	200,251	--	200,251
Other financing uses			
Transfers out	<u>(652,141)</u>	<u>--</u>	<u>(652,141)</u>
Total general revenues and other financing uses	<u>18,555,660</u>	<u>--</u>	<u>18,555,660</u>
Excess (deficiency) of revenues over (under) expenditures and other financing uses	6,029,873	(6,029,873)	--
Change in net assets	--	11,411,418	11,411,418
Fund balance/net liabilities beginning of year	<u>49,836,438</u>	<u>(90,801,745)</u>	<u>(40,965,307)</u>
Fund balance/net liabilities end of year	<u>\$ 55,866,311</u>	<u>\$ (85,420,200)</u>	<u>\$ (29,553,889)</u>

CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
BALANCE SHEETS
JULY 31, 2012
WITH COMPARATIVE TOTALS FOR JULY 31, 2011

	Special Revenue		
	Seawall Improvement	Arena Facility	Economic Development
ASSETS			
Cash and cash equivalents	\$ 5,929,310	\$ 5,563,120	\$ 7,229,577
Investments	17,030,921	7,004,281	5,001,599
Receivables			
Accounts	--	--	--
Accrued interest	23,033	3,371	2,344
Intergovernmental	616,246	616,246	616,246
Net receivables	639,279	619,617	618,590
Prepaid items	--	--	76,677
 Total assets	 <u>\$ 23,599,510</u>	 <u>\$ 13,187,018</u>	 <u>\$ 12,926,443</u>
 LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ --	\$ 14,973	\$ 481,377
Contractor interest and retainage payable	--	--	--
Total liabilities	<u>--</u>	<u>14,973</u>	<u>481,377</u>
Fund balances			
Nonspendable			
Prepaid items	--	--	76,677
Restricted			
Seawall improvement	23,599,510	--	--
Arena facility	--	13,172,045	--
Economic development	--	--	12,368,389
Total fund balance	<u>23,599,510</u>	<u>13,172,045</u>	<u>12,445,066</u>
 Total liabilities and fund balance	 <u>\$ 23,599,510</u>	 <u>\$ 13,187,018</u>	 <u>\$ 12,926,443</u>

Exhibit 22-C

Debt Service			Capital Projects		2012 Total	2011 Total
Seawall	Arena	Economic Development	Seawall	Arena		
\$ 1,385,391	\$ 2,191,618	\$ 1,757,209	\$ 1,271,320	\$ 66,827	\$ 25,394,372	\$ 19,110,437
--	--	--	--	--	29,036,801	29,005,080
--	--	--	--	--	--	4,609
--	--	--	--	--	28,748	29,241
--	--	--	--	--	1,848,738	1,722,313
--	--	--	--	--	1,877,486	1,756,163
--	--	--	--	--	76,677	73,951
<u>\$ 1,385,391</u>	<u>\$ 2,191,618</u>	<u>\$ 1,757,209</u>	<u>\$ 1,271,320</u>	<u>\$ 66,827</u>	<u>\$ 56,385,336</u>	<u>\$ 49,945,631</u>
\$ --	\$ --	\$ --	\$ 20,400	\$ --	\$ 516,750	\$ 109,193
--	--	--	2,275	--	2,275	--
--	--	--	22,675	--	519,025	109,193
--	--	--	--	--	76,677	--
1,385,391	--	--	1,248,645	--	26,233,546	23,503,845
--	2,191,618	--	--	66,827	15,430,490	13,487,450
--	--	1,757,209	--	--	14,125,598	12,845,143
<u>1,385,391</u>	<u>2,191,618</u>	<u>1,757,209</u>	<u>1,248,645</u>	<u>66,827</u>	<u>55,866,311</u>	<u>49,836,438</u>
<u>\$ 1,385,391</u>	<u>\$ 2,191,618</u>	<u>\$ 1,757,209</u>	<u>\$ 1,271,320</u>	<u>\$ 66,827</u>	<u>\$ 56,385,336</u>	<u>\$ 49,945,631</u>

CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	Special Revenue		
	Seawall Improvement	Arena Facility	Economic Development
Revenues			
Sales tax	\$ 6,335,850	6,335,850	\$ 6,335,850
Earnings on investments	120,000	43,931	32,963
Miscellaneous	--	--	--
Total revenue	<u>6,455,850</u>	<u>6,379,781</u>	<u>6,368,813</u>
Expenditures			
Current			
General government	--	--	--
Community development	--	80,636	2,725,736
Capital projects	--	--	--
Debt service			
Principal retirement	--	--	--
Interest	--	--	--
Paying agent fees	--	--	--
Total expenditures	<u>--</u>	<u>80,636</u>	<u>2,725,736</u>
Excess (deficiency) of revenues over (under) expenditures	6,455,850	6,299,145	3,643,077
Other financing sources (uses)			
Transfers in	--	--	--
Transfers out	(3,558,463)	(4,419,690)	(2,286,513)
Total other financing sources (uses)	<u>(3,558,463)</u>	<u>(4,419,690)</u>	<u>(2,286,513)</u>
Net change in fund balances	2,897,387	1,879,455	1,356,564
Fund balances at beginning of year	<u>20,702,123</u>	<u>11,292,590</u>	<u>11,088,502</u>
Fund balances at end of year	<u>\$ 23,599,510</u>	<u>\$ 13,172,045</u>	<u>\$ 12,445,066</u>

Debt Service			Capital Project			2012 Total	2011 Total
Seawall	Arena	Economic Development	Seawall	Arena	Eliminations		
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 19,007,550	\$ 16,679,619
709	1,010	468	1,170	--	--	200,251	153,161
--	--	--	--	--	--	--	2,073
709	1,010	468	1,170	--	--	19,207,801	16,834,853
--	--	--	16,398	--	--	16,398	25,229
--	--	--	--	--	--	2,806,372	2,691,651
--	--	--	327,678	13,125	--	340,803	192,891
1,580,000	1,715,000	1,715,000	--	--	--	5,010,000	4,720,000
1,802,313	1,976,549	571,113	--	--	--	4,349,975	4,542,403
1,639	300	300	--	--	--	2,239	1,740
3,383,952	3,691,849	2,286,413	344,076	13,125	--	12,525,787	12,173,914
(3,383,243)	(3,690,839)	(2,285,945)	(342,906)	(13,125)	--	6,682,014	4,660,939
3,383,463	3,692,549	2,286,513	175,000	75,000	(9,612,525)	--	--
--	--	--	--	--	9,612,525	(652,141)	(509,581)
3,383,463	3,692,549	2,286,513	175,000	75,000	--	(652,141)	(509,581)
220	1,710	568	(167,906)	61,875	--	6,029,873	4,151,358
1,385,171	2,189,908	1,756,641	1,416,551	4,952	--	49,836,438	45,685,080
\$ 1,385,391	\$ 2,191,618	\$ 1,757,209	\$ 1,248,645	\$ 66,827	\$ --	\$ 55,866,311	\$ 49,836,438

**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, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011**

	<u>Budget</u>		<u>2012 Actual</u>	<u>Variance Final Budget Positive (Negative)</u>	<u>2011 Actual</u>
	<u>Original</u>	<u>Final</u>			
Revenues					
Sales tax	\$ 5,686,191	\$ 5,686,191	\$ 6,335,850	\$ 649,659	\$ 5,559,873
Earnings on investments	51,751	51,751	120,000	68,249	85,167
Total revenue	<u>5,737,942</u>	<u>5,737,942</u>	<u>6,455,850</u>	<u>717,908</u>	<u>5,645,040</u>
Expenditures					
Current					
Community development	15,000	15,000	--	15,000	3,336
Excess of revenues over expenditures	5,722,942	5,722,942	6,455,850	732,908	5,641,704
Other financing uses					
Transfers out	(3,383,463)	(3,558,463)	(3,558,463)	--	(3,342,263)
Net change in fund balance	2,339,479	2,164,479	2,897,387	732,908	2,299,441
Fund balance at beginning of year	<u>20,527,808</u>	<u>20,702,123</u>	<u>20,702,123</u>	<u>--</u>	<u>18,402,682</u>
Fund balance at end of year	<u>\$ 22,867,287</u>	<u>\$ 22,866,602</u>	<u>\$ 23,599,510</u>	<u>\$ 732,908</u>	<u>\$ 20,702,123</u>

CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
ARENA FACILITY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	Budget		2012 Actual	Variance	2011 Actual
	Original	Final		Final Budget Positive (Negative)	
Revenues					
Sales tax	\$ 5,686,191	\$ 5,686,191	\$ 6,335,850	\$ 649,659	\$ 5,559,873
Earnings on investments	30,729	30,729	43,931	13,202	38,585
Total revenue	5,716,920	5,716,920	6,379,781	662,861	5,598,458
Expenditures					
Current					
Community development	15,000	15,000	80,636	(65,636)	67,939
Capital projects	150,000	150,000	--	150,000	22,436
Total expenditures	165,000	165,000	80,636	84,364	90,375
Excess of revenues over expenditures	5,551,920	5,551,920	6,299,145	747,225	5,508,083
Other financing uses					
Transfers out	(4,294,690)	(4,419,690)	(4,419,690)	--	(4,148,695)
Net change in fund balance	1,257,230	1,132,230	1,879,455	747,225	1,359,388
Fund balance at beginning of year	11,072,164	11,292,590	11,292,590	--	9,933,202
Fund balance at end of year	\$ 12,329,394	\$ 12,424,820	\$ 13,172,045	\$ 747,225	\$ 11,292,590

**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, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011**

	<u>Budget</u>		<u>2012 Actual</u>	<u>Variance Final Budget Positive (Negative)</u>	<u>2011 Actual</u>
	<u>Original</u>	<u>Final</u>			
Revenues					
Sales tax	\$ 5,686,191	\$ 5,686,191	\$ 6,335,850	\$ 649,659	\$ 5,559,873
Earnings on investments	33,379	33,379	32,963	(416)	23,927
Miscellaneous	--	--	--	--	2,073
Total revenue	<u>5,719,570</u>	<u>5,719,570</u>	<u>6,368,813</u>	<u>649,243</u>	<u>5,585,873</u>
Expenditures					
Current					
Community development	<u>1,582,433</u>	<u>14,266,464</u>	<u>2,725,736</u>	<u>11,540,728</u>	<u>2,620,376</u>
Excess (deficiency) of revenues over (under) expenditures	4,137,137	(8,546,894)	3,643,077	12,189,971	2,965,497
Other financing uses					
Transfers out	<u>(2,286,513)</u>	<u>(2,286,513)</u>	<u>(2,286,513)</u>	<u>--</u>	<u>(2,288,025)</u>
Net change in fund balance	1,850,624	(10,833,407)	1,356,564	12,189,971	677,472
Fund balance at beginning of year	<u>8,824,075</u>	<u>11,088,502</u>	<u>11,088,502</u>	<u>--</u>	<u>10,411,030</u>
Fund balance at end of year	<u>\$ 10,674,699</u>	<u>\$ 255,095</u>	<u>\$ 12,445,066</u>	<u>\$ 12,189,971</u>	<u>\$ 11,088,502</u>

CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
SEAWALL DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	<u>Budget</u>		<u>2012 Actual</u>	<u>Variance Final Budget Positive (Negative)</u>	<u>2011 Actual</u>
	<u>Original</u>	<u>Final</u>			
Revenues					
Earnings on investments	\$ 3,042	\$ 3,042	\$ 709	\$ (2,333)	\$ 1,268
Expenditures					
Debt service					
Principal retirement	1,580,000	1,580,000	1,580,000	--	1,475,000
Interest	1,802,313	1,802,313	1,802,313	--	1,864,263
Paying agent fees	2,000	2,000	1,639	361	1,140
Total expenditures	<u>3,384,313</u>	<u>3,384,313</u>	<u>3,383,952</u>	<u>361</u>	<u>3,340,403</u>
Deficiency of revenues under expenditures	(3,381,271)	(3,381,271)	(3,383,243)	(1,972)	(3,339,135)
Other financing sources					
Transfers in	<u>3,383,463</u>	<u>3,383,463</u>	<u>3,383,463</u>	<u>--</u>	<u>3,342,263</u>
Net change in fund balance	2,192	2,192	220	(1,972)	3,128
Fund balance at beginning of year	<u>1,383,899</u>	<u>1,385,171</u>	<u>1,385,171</u>	<u>--</u>	<u>1,382,043</u>
Fund balance at end of year	<u>\$ 1,386,091</u>	<u>\$ 1,387,363</u>	<u>\$ 1,385,391</u>	<u>\$ (1,972)</u>	<u>\$ 1,385,171</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
ARENA DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011**

	Budget		2012 Actual	Variance Final Budget Positive (Negative)	2011 Actual
	Original	Final			
Revenues					
Earnings on investments	\$ 2,960	\$ 2,960	\$ 1,010	\$ (1,950)	\$ 1,443
Expenditures					
Debt service					
Principal retirement	1,715,000	1,715,000	1,715,000	--	1,585,000
Interest	1,976,549	1,976,549	1,976,549	--	2,052,115
Paying agent fees	1,000	1,000	300	700	300
Total expenditures	<u>3,692,549</u>	<u>3,692,549</u>	<u>3,691,849</u>	<u>700</u>	<u>3,637,415</u>
Deficiency of revenues under expenditures	(3,689,589)	(3,689,589)	(3,690,839)	(1,250)	(3,635,972)
Other financing sources					
Transfers in	<u>3,692,549</u>	<u>3,692,549</u>	<u>3,692,549</u>	<u>--</u>	<u>3,639,114</u>
Net change in fund balance	2,960	2,960	1,710	(1,250)	3,142
Fund balance at beginning of year	<u>2,188,827</u>	<u>2,189,908</u>	<u>2,189,908</u>	<u>--</u>	<u>2,186,766</u>
Fund balance at end of year	<u>\$ 2,191,787</u>	<u>\$ 2,192,868</u>	<u>\$ 2,191,618</u>	<u>\$ (1,250)</u>	<u>\$ 2,189,908</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
ECONOMIC DEVELOPMENT DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011**

	Budget		2012 Actual	Variance Final Budget Positive (Negative)	2011 Actual
	Original	Final			
Revenues					
Earnings on investments	\$ 1,469	\$ 1,469	\$ 468	\$ (1,001)	\$ 705
Expenditures					
Debt service					
Principal retirement	1,715,000	1,715,000	1,715,000	--	1,660,000
Interest	571,113	571,113	571,113	--	626,025
Paying agent fees	400	400	300	100	300
Total expenditures	<u>2,286,513</u>	<u>2,286,513</u>	<u>2,286,413</u>	<u>100</u>	<u>2,286,325</u>
Deficiency of revenues under expenditures	(2,285,044)	(2,285,044)	(2,285,945)	(901)	(2,285,620)
Other financing sources					
Transfers in	<u>2,286,513</u>	<u>2,286,513</u>	<u>2,286,513</u>	<u>--</u>	<u>2,288,025</u>
Net change in fund balance	1,469	1,469	568	(901)	2,405
Fund balance at beginning of year	<u>1,754,561</u>	<u>1,756,641</u>	<u>1,756,641</u>	<u>--</u>	<u>1,754,236</u>
Fund balance at end of year	<u>\$ 1,756,030</u>	<u>\$ 1,758,110</u>	<u>\$ 1,757,209</u>	<u>\$ (901)</u>	<u>\$ 1,756,641</u>

Exhibit 23-A

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION
SCHEDULE OF NET ASSETS
JULY 31, 2012**

	Governmental Funds	Adjustments	Schedule of Net Assets
ASSETS			
Cash and cash equivalents	\$ 5,767,107	\$ --	\$ 5,767,107
Bond issuance cost	--	874,762	874,762
Total assets	<u>\$ 5,767,107</u>	<u>\$ 874,762</u>	<u>\$ 6,641,869</u>
LIABILITIES			
Accounts payable	\$ 71,910	\$ --	\$ 71,910
Accrued interest	--	200,138	200,138
Contractor interest and retainage payable	13,360	--	13,360
Long-term debt			
Due within one year	--	665,000	665,000
Due in more than one year	--	10,734,463	10,734,463
Total liabilities	<u>85,270</u>	<u>11,599,601</u>	<u>11,684,871</u>
FUND BALANCE			
Restricted			
North Padre Island development	4,181,837	(4,181,837)	--
Debt service	1,500,000	(1,500,000)	--
Total fund balance	<u>5,681,837</u>	<u>(5,681,837)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 5,767,107</u>		
NET ASSETS (LIABILITIES)			
Unrestricted		<u>(5,043,001)</u>	<u>(5,043,001)</u>
Total net liabilities		<u>\$ (5,043,001)</u>	<u>\$ (5,043,001)</u>

Exhibit 23-B

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION
SCHEDULE OF ACTIVITIES
YEAR ENDED JULY 31, 2012**

	Governmental Funds	Adjustments	Schedule of Activities
Expenditures/expenses			
General government	\$ 34,604	\$ --	\$ 34,604
Community enrichment	124,162	--	124,162
Capital projects	2,252,226	(2,252,226)	--
Debt service			
Principal retirement	670,000	(670,000)	--
Interest	548,775	65,794	614,569
Bond issuance cost	--	146,448	146,448
Paying agent fees	5,270	--	5,270
Total expenditures/expenses	<u>3,635,037</u>	<u>(2,709,984)</u>	<u>925,053</u>
General revenues			
Property tax	2,399,907	--	2,399,907
Earnings on investments	2,255	--	2,255
Other financing uses			
Transfers out	(53,311)	(2,252,226)	(2,305,537)
Total general revenues and other financing uses	<u>2,348,851</u>	<u>(2,252,226)</u>	<u>96,625</u>
Excess of revenues over expenditures and transfers out	(1,286,186)	1,286,186	--
Change in net assets	--	(828,428)	(828,428)
Fund balance/net liabilities beginning of year	<u>6,968,023</u>	<u>(11,182,596)</u>	<u>(4,214,573)</u>
Fund balance/net liabilities end of year	<u>\$ 5,681,837</u>	<u>\$ (10,724,838)</u>	<u>\$ (5,043,001)</u>

NORTH PADRE ISLAND DEVELOPMENT CORPORATION
BALANCE SHEETS
JULY 31, 2012
WITH COMPARATIVE TOTALS FOR JULY 31, 2011

	<u>General</u>	<u>Capital Projects</u>	<u>Eliminations</u>	<u>2012 Total</u>	<u>2011 Total</u>
ASSETS					
Cash and cash equivalents	\$ 4,626,121	\$ 1,140,986	--	\$ 5,767,107	\$ 7,425,527
Receivables					
Accrued interest	--	--	--	--	1,767
Total assets	<u>\$ 4,626,121</u>	<u>\$ 1,140,986</u>	<u>\$ --</u>	<u>\$ 5,767,107</u>	<u>\$ 7,427,294</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 16,936	\$ 54,974	--	\$ 71,910	\$ 350,328
Contractor interest and retainage payable	--	13,360	--	13,360	108,943
Total liabilities	16,936	68,334	--	85,270	459,271
Fund balances					
Restricted					
North Padre Island development	3,109,185	1,072,652	--	4,181,837	5,468,023
Debt service	1,500,000	--	--	1,500,000	1,500,000
Total fund balance	<u>4,609,185</u>	<u>1,072,652</u>	<u>--</u>	<u>5,681,837</u>	<u>6,968,023</u>
Total liabilities and fund balance	<u>\$ 4,626,121</u>	<u>\$ 1,140,986</u>	<u>\$ --</u>	<u>\$ 5,767,107</u>	<u>\$ 7,427,294</u>

NORTH PADRE ISLAND DEVELOPMENT CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	<u>General</u>	<u>Capital Projects</u>	<u>Eliminations</u>	<u>2012 Total</u>	<u>2011 Total</u>
Revenues					
Taxes and business fees	\$ 2,399,907	\$ --	\$ --	\$ 2,399,907	\$ 2,803,583
Earnings on investments	542	1,713	--	2,255	4,754
Total revenue	<u>2,400,449</u>	<u>1,713</u>	<u>--</u>	<u>2,402,162</u>	<u>2,808,337</u>
Expenditures					
Current					
General government	--	34,604	--	34,604	111,539
Community enrichment	124,162	--	--	124,162	120,476
Capital projects	63,852	2,188,374	--	2,252,226	2,809,638
Debt service					
Principal retirement	670,000	--	--	670,000	575,000
Interest	548,775	--	--	548,775	576,788
Paying agent fees	5,270	--	--	5,270	5,570
Total expenditures	<u>1,412,059</u>	<u>2,222,978</u>	<u>--</u>	<u>3,635,037</u>	<u>4,199,011</u>
Excess (deficiency) of revenues over (under) expenditures	988,390	(2,221,265)	--	(1,232,875)	(1,390,674)
Other financing sources (uses)					
Transfers in	--	2,393,400	(2,393,400)	--	--
Transfers out	(2,446,711)	--	2,393,400	(53,311)	--
Total other financing sources	<u>(2,446,711)</u>	<u>2,393,400</u>	<u>--</u>	<u>(53,311)</u>	<u>--</u>
Net change in fund balances	(1,458,321)	172,135	--	(1,286,186)	(1,390,674)
Fund balances at beginning of year	<u>6,067,506</u>	<u>900,517</u>	<u>--</u>	<u>6,968,023</u>	<u>8,358,697</u>
Fund balances at end of year	<u>\$ 4,609,185</u>	<u>\$ 1,072,652</u>	<u>\$ --</u>	<u>\$ 5,681,837</u>	<u>\$ 6,968,023</u>



City of
Corpus
Christi

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, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	<u>Budget</u>		<u>2012 Actual</u>	<u>Variance</u>	<u>2011 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Revenues					
Taxes and business fees	\$ 3,101,488	\$ 3,101,488	\$ 2,399,907	\$ (701,581)	\$ 2,803,583
Earnings on investments	18,077	18,077	542	(17,535)	3,167
Total revenues	<u>3,119,565</u>	<u>3,119,565</u>	<u>2,400,449</u>	<u>(719,116)</u>	<u>2,806,750</u>
Expenditures					
Current					
Community enrichment	125,204	179,115	124,162	54,953	120,476
Capital projects	--	64,796	63,852	944	--
Debt service					
Principal retirement	670,000	670,000	670,000	--	575,000
Interest	548,775	548,775	548,775	--	576,788
Paying agent fees	8,300	8,300	5,270	3,030	5,570
Total expenditures	<u>1,352,279</u>	<u>1,470,986</u>	<u>1,412,059</u>	<u>58,927</u>	<u>1,277,834</u>
Excess of revenues over expenditures	1,767,286	1,648,579	988,390	(660,189)	1,528,916
Other financing sources (uses)					
Transfers out	<u>(1,000,000)</u>	<u>(2,393,400)</u>	<u>(2,446,711)</u>	<u>(53,311)</u>	<u>(3,820,107)</u>
Net change in fund balance	767,286	(744,821)	(1,458,321)	(713,500)	(2,291,191)
Fund balance at beginning of year	<u>6,067,506</u>	<u>6,067,506</u>	<u>6,067,506</u>	<u>--</u>	<u>8,358,697</u>
Fund balance at end of year	<u>\$ 6,834,792</u>	<u>\$ 5,322,685</u>	<u>\$ 4,609,185</u>	<u>\$ (713,500)</u>	<u>\$ 6,067,506</u>

**REINVESTMENT ZONE #3
COMPARATIVE BALANCE SHEETS
JULY 31, 2012 AND 2011**

ASSETS	<u>2012</u>	<u>2011</u>
Cash and cash equivalents	\$ 430,317	\$ 206,651
Total assets	<u>\$ 430,317</u>	<u>\$ 206,651</u>
 LIABILITIES AND FUND BALANCE		
Fund balance		
Restricted		
Downtown development	\$ 430,317	\$ 206,651
Total liabilities and fund balance	<u>\$ 430,317</u>	<u>\$ 206,651</u>

**REINVESTMENT ZONE #3
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011**

	2012 Actual	2011 Actual
Revenues		
Taxes and business fees	\$ 223,666	\$ 156,251
Net change in fund balance	223,666	156,251
Fund balance at beginning of year	206,651	50,400
Fund balance at end of year	\$ 430,317	\$ 206,651



City of
Corpus
Christi

Capital Projects Funds

Capital Projects Funds

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

Major Fund

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

Non-major Funds

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

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

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

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

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

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

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

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

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

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

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

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



City of
Corpus
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**STREET CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2012 AND 2011**

ASSETS	<u>2012</u>	<u>2011</u>
Cash and cash equivalents	\$ 19,156,827	\$ 23,666,905
Investments	46,987,910	18,004,500
Receivables		
Accounts	--	24,000
Accrued interest	26,538	21,109
Special assessments	743,288	713,327
Intergovernmental	1,142,693	3,505,682
Allowance for uncollectibles	(742,783)	(708,099)
Net receivables	<u>1,169,736</u>	<u>3,556,019</u>
 Total assets	 <u>\$ 67,314,473</u>	 <u>\$ 45,227,424</u>
 LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 5,343,030	\$ 3,514,296
Contractor interest and retainage payable	745,588	487,705
Deposits	<u>353,400</u>	<u>353,400</u>
Total liabilities	6,442,018	4,355,401
Fund balances		
Restricted		
Capital projects	55,212,801	33,280,221
Committed		
Capital projects	5,901,517	6,196,418
Assigned		
Capital projects	--	1,395,384
Unassigned	<u>(241,863)</u>	<u>--</u>
Total fund balance	<u>60,872,455</u>	<u>40,872,023</u>
 Total liabilities and fund balance	 <u>\$ 67,314,473</u>	 <u>\$ 45,227,424</u>

STREET CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	<u>2012</u>	<u>2011</u>
Revenues		
Contributions and donations	\$ 1,812,201	\$ 4,307,802
Special assessments	69,846	675,864
Interest on special assessments	18,851	7,088
Attorneys fees on special assessments	24	135
Earnings on investments	109,578	189,648
Claim settlement	--	325,395
Total revenues	<u>2,010,500</u>	<u>5,505,932</u>
Expenditures		
Current		
General government	561,484	1,323,248
Capital projects	31,710,030	22,532,239
Debt service		
Bond issuance cost	490,844	--
Total expenditures	<u>32,762,358</u>	<u>23,855,487</u>
Excess (deficiency) of revenues over (under) expenditures	(30,751,858)	(18,349,555)
Other financing sources (uses)		
Proceeds from general obligation bonds	44,706,446	--
Premium on bonds issued	5,095,844	--
Transfer in from		
General Fund	950,000	--
Transfers out to		
Park CIP	--	(649,923)
Total other financing sources (uses)	<u>50,752,290</u>	<u>(649,923)</u>
Net change in fund balances	20,000,432	(18,999,478)
Fund balances at beginning of year	<u>40,872,023</u>	<u>59,871,501</u>
Fund balances at end of year	<u>\$ 60,872,455</u>	<u>\$ 40,872,023</u>

**CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JULY 31, 2012
WITH COMPARATIVE TOTALS FOR JULY 31, 2011**

ASSETS	<u>Bayfront Arts/Science</u>	<u>City Buildings and Facilities</u>	<u>Convention Facility</u>	<u>Library</u>
Cash and cash equivalents	\$ 7,565,291	\$ 1,409,964	\$ 184,242	\$ 732,981
Investments	5,000,000	5,000,000	--	--
Receivables				
Accounts	--	--	--	--
Accrued interest	1,333	3,674	--	--
Intergovernmental	--	--	--	--
Net receivables	<u>1,333</u>	<u>3,674</u>	<u>--</u>	<u>--</u>
Total assets	<u>\$ 12,566,624</u>	<u>\$ 6,413,638</u>	<u>\$ 184,242</u>	<u>\$ 732,981</u>
 LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 9,389	\$ 3,205,132	\$ --	\$ 452,687
Contractor interest and retainage payable	--	212,114	52,893	64,350
Deferred revenues				
Grants	--	--	--	--
Total liabilities	<u>9,389</u>	<u>3,417,246</u>	<u>52,893</u>	<u>517,037</u>
Fund balances				
Restricted				
Capital projects	12,478,760	2,973,385	126,395	192,970
Committed				
Capital projects	78,475	5,444	4,954	9,309
Assigned				
Capital projects	--	17,563	--	13,665
Total fund balance	<u>12,557,235</u>	<u>2,996,392</u>	<u>131,349</u>	<u>215,944</u>
Total liabilities and fund balance	<u>\$ 12,566,624</u>	<u>\$ 6,413,638</u>	<u>\$ 184,242</u>	<u>\$ 732,981</u>

(Continued)

Exhibit 26-A

<u>Park</u>	<u>Police</u>	<u>Public Health & Safety</u>	<u>Fire</u>	<u>Landfill</u>
\$ 1,732,017	\$ 102,776	\$ 450,141	\$ 1,557,530	\$ 3,295,381
5,000,000	--	--	3,000,000	--
--	--	--	--	--
--	--	--	1,595	--
63,744	--	193,800	--	--
63,744	--	193,800	1,595	--
<u>\$ 6,795,761</u>	<u>\$ 102,776</u>	<u>\$ 643,941</u>	<u>\$ 4,559,125</u>	<u>\$ 3,295,381</u>
\$ 374,538	\$ --	\$ 51,452	\$ 24,799	\$ 100,593
69,590	--	324	--	34,544
--	--	--	--	--
<u>444,128</u>	<u>--</u>	<u>51,776</u>	<u>24,799</u>	<u>135,137</u>
5,836,557	49,467	6,781	4,495,267	2,080,587
223,772	37,673	20,174	39,059	1,079,657
291,304	15,636	565,210	--	--
<u>6,351,633</u>	<u>102,776</u>	<u>592,165</u>	<u>4,534,326</u>	<u>3,160,244</u>
<u>\$ 6,795,761</u>	<u>\$ 102,776</u>	<u>\$ 643,941</u>	<u>\$ 4,559,125</u>	<u>\$ 3,295,381</u>

**CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JULY 31, 2012
WITH COMPARATIVE TOTALS FOR JULY 31, 2011**

	<u>Corpus Christi Business and Job Development Corporation</u>		<u>North Padre Island Development Corporation</u>	<u>Eliminations</u>
	<u>Seawall</u>	<u>Arena</u>		
ASSETS				
Cash and cash equivalents	\$ 1,271,320	\$ 66,827	\$ 1,140,986	\$ --
Investments	--	--	--	--
Receivables				
Accounts	--	--	--	--
Accrued interest	--	--	--	--
Intergovernmental	--	--	--	--
Net receivables	--	--	--	--
Total assets	<u>\$ 1,271,320</u>	<u>\$ 66,827</u>	<u>\$ 1,140,986</u>	<u>\$ --</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 20,400	\$ --	\$ 54,974	\$ --
Contractor interest and retainage payable	2,275	--	13,360	--
Deferred revenues				
Grants	--	--	--	--
Total liabilities	<u>22,675</u>	<u>--</u>	<u>68,334</u>	<u>--</u>
Fund balances				
Restricted				
Capital projects	--	--	1,072,652	--
Committed				
Capital projects	--	--	--	--
Assigned				
Capital projects	1,248,645	66,827	--	--
Total fund balance	<u>1,248,645</u>	<u>66,827</u>	<u>1,072,652</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 1,271,320</u>	<u>\$ 66,827</u>	<u>\$ 1,140,986</u>	<u>\$ --</u>

**Exhibit 26-A
(Continued)**

<u>2012</u> <u>Total</u>	<u>2011</u> <u>Total</u>
\$ 19,509,456	\$ 35,487,675
18,000,000	7,000,000
--	177
6,602	1,693
257,544	977,480
<u>264,146</u>	<u>979,350</u>
<u>\$ 37,773,602</u>	<u>\$ 43,467,025</u>
\$ 4,293,964	\$ 1,717,304
449,450	855,650
--	527,131
<u>4,743,414</u>	<u>3,100,085</u>
29,312,821	37,688,994
1,498,517	2,217,366
2,218,850	460,580
<u>33,030,188</u>	<u>40,366,940</u>
<u>\$ 37,773,602</u>	<u>\$ 43,467,025</u>

CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	<u>Bayfront Arts/Science</u>	<u>City Buildings and Facilities</u>	<u>Convention Facility</u>	<u>Library</u>
Revenues				
Contributions and donations	\$ --	\$ --	\$ --	\$ 139,158
Special assessments	--	--	--	--
Earnings on investments	18,349	5,444	1,160	1,306
Claim settlement	--	--	--	--
Miscellaneous	--	--	--	500
Total revenues	<u>18,349</u>	<u>5,444</u>	<u>1,160</u>	<u>140,964</u>
Expenditures				
Current				
General government	50,716	29,571	14,133	15,661
Capital projects	1,289,141	4,303,571	1,745,806	1,426,555
Debt service				
Bond issuance cost	--	83,473	--	--
Total expenditures	<u>1,339,857</u>	<u>4,416,615</u>	<u>1,759,939</u>	<u>1,442,216</u>
Excess (deficiency) of revenues over (under) expenditures	(1,321,508)	(4,411,171)	(1,758,779)	(1,301,252)
Other financing sources				
Tax Notes issued	--	7,390,000	--	--
Transfer in from				
Seawall Improvement fund	--	--	--	--
Reinvestment Zone fund	--	--	--	--
Street CIP	--	--	--	--
General Fund	--	--	--	--
Total other financing sources	<u>--</u>	<u>7,390,000</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(1,321,508)	2,978,829	(1,758,779)	(1,301,252)
Fund balances at beginning of year	<u>13,878,743</u>	<u>17,563</u>	<u>1,890,128</u>	<u>1,517,196</u>
Fund balances at end of year	<u>\$ 12,557,235</u>	<u>\$ 2,996,392</u>	<u>\$ 131,349</u>	<u>\$ 215,944</u>

(Continued)

Exhibit 26-B

<u>Park</u>	<u>Police</u>	<u>Public Health & Safety</u>	<u>Fire</u>	<u>Landfill</u>
\$ --	\$ --	\$ 193,800	\$ --	\$ --
(41,934)	--	--	--	--
16,323	192	198	5,845	3,058
--	--	--	--	--
--	--	--	--	--
<u>(25,611)</u>	<u>192</u>	<u>193,998</u>	<u>5,845</u>	<u>3,058</u>
97,418	9,997	2,598	26,609	23,830
4,318,224	237,630	694,579	251,966	1,014,777
--	--	--	--	--
<u>4,415,642</u>	<u>247,627</u>	<u>697,177</u>	<u>278,575</u>	<u>1,038,607</u>
(4,441,253)	(247,435)	(503,179)	(272,730)	(1,035,549)
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	500,000	--	--
--	--	<u>500,000</u>	<u>--</u>	<u>--</u>
(4,441,253)	(247,435)	(3,179)	(272,730)	(1,035,549)
<u>10,792,886</u>	<u>350,211</u>	<u>595,344</u>	<u>4,807,056</u>	<u>4,195,793</u>
<u>\$ 6,351,633</u>	<u>\$ 102,776</u>	<u>\$ 592,165</u>	<u>\$ 4,534,326</u>	<u>\$ 3,160,244</u>

CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JULY 31, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011

	<u>Corpus Christi Business and Job Development Corporation</u>		<u>North Padre Island Development Corporation</u>	<u>Eliminations</u>
	<u>Seawall</u>	<u>Arena</u>		
Revenues				
Contributions and donations	\$ -	\$ -	\$ -	\$ -
Special assessments	--	--	--	--
Earnings on investments	1,170	--	1,713	--
Claim settlement	--	--	--	--
Miscellaneous	--	--	--	--
Total revenues	<u>1,170</u>	<u>--</u>	<u>1,713</u>	<u>--</u>
Expenditures				
Current				
General government	16,398	--	34,604	--
Capital projects	327,678	13,125	2,188,374	--
Debt service				
Bond issuance cost	--	--	--	--
Total expenditures	<u>344,076</u>	<u>13,125</u>	<u>2,222,978</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(342,906)	(13,125)	(2,221,265)	--
Other financing sources				
Tax Notes issued	--	--	--	--
Transfer in from				
Seawall Improvement fund	175,000	75,000	--	--
Reinvestment Zone fund	--	--	2,393,400	--
Street CIP	--	--	--	--
General Fund	--	--	--	--
Total other financing sources	<u>175,000</u>	<u>75,000</u>	<u>2,393,400</u>	<u>--</u>
Net change in fund balances	(167,906)	61,875	172,135	--
Fund balances at beginning of year	<u>1,416,551</u>	<u>4,952</u>	<u>900,517</u>	<u>--</u>
Fund balances at end of year	<u>\$ 1,248,645</u>	<u>\$ 66,827</u>	<u>\$ 1,072,652</u>	<u>\$ --</u>

**Exhibit 26-B
(Continued)**

<u>2012</u> <u>Total</u>	<u>2011</u> <u>Total</u>
\$ 332,958	\$ 15,404
(41,934)	--
54,758	113,449
--	--
500	31,410
<u>346,282</u>	<u>160,263</u>
321,535	533,007
17,811,426	22,440,412
83,473	--
<u>18,216,434</u>	<u>22,973,419</u>
(17,870,152)	(22,813,156)
7,390,000	--
250,000	--
2,393,400	3,820,107
--	649,923
500,000	--
<u>10,533,400</u>	<u>4,470,030</u>
(7,336,752)	(18,343,126)
<u>40,366,940</u>	<u>58,710,066</u>
<u>\$ 33,030,188</u>	<u>\$ 40,366,940</u>



City of
Corpus
Christi

Proprietary Funds

Enterprise Funds

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

Major Fund

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

Non-major Funds

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

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

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

Enterprise Funds



City of
Corpus
Christi

**UTILITY SYSTEM FUND
COMBINING SCHEDULE OF NET ASSETS
JULY 31, 2012**

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
ASSETS					
Current assets					
Cash and cash equivalents	\$ 1,335,594	\$ 4,900,783	\$ --	\$ --	\$ 6,236,377
Investments	5,001,510	40,075,243	25,100,132	--	70,176,885
Receivables					
Accounts	3,205,368	17,053,548	8,427,774	--	28,686,690
Accrued interest	2,779	63,889	13,890	--	80,558
Property leases	--	2,747	--	--	2,747
Employees	--	55	11,739	--	11,794
Intergovernmental	533	1,105,829	--	--	1,106,362
Miscellaneous	38,650	5,940	11,076	--	55,666
Allowance for uncollectibles	(724,644)	(2,522,486)	(1,258,010)	--	(4,505,140)
Net receivables	2,522,686	15,709,522	7,206,469	--	25,438,677
Inventories	--	633,044	--	--	633,044
Prepaid items	--	30	40,667	--	40,697
Restricted assets					
Cash and cash equivalents	858,480	20,803,768	5,589,131	--	27,251,379
Investments	--	19,960,876	1,650,974	--	21,611,850
Receivables					
Accrued interest	--	10,234	3,542	--	13,776
Total restricted assets	858,480	40,774,878	7,243,647	--	48,877,005
Total current assets	9,718,270	102,093,500	39,590,915	--	151,402,685
Noncurrent assets					
Bond issue costs	162,323	4,841,394	2,020,155	--	7,023,872
Capital assets					
Land	690,173	17,601,037	5,136,418	--	23,427,628
Water supply rights	--	212,284,487	--	--	212,284,487
Buildings	1,732,754	33,511,165	2,385,186	--	37,629,105
Improvements other than buildings	9,470,778	92,629,262	162,581,171	--	264,681,211
Machinery and equipment	3,331,661	15,062,576	9,583,222	--	27,977,459
Infrastructure	74,730,309	686,145,817	277,531,744	--	1,038,407,870
Total capital assets in service	89,955,675	1,057,234,344	457,217,741	--	1,604,407,760
Less accumulated depreciation and amortization	(35,488,907)	(256,524,277)	(144,939,963)	--	(436,953,147)
Net capital assets in service	54,466,768	800,710,067	312,277,778	--	1,167,454,613
Construction in progress	105,894	47,533,358	68,486,603	--	116,125,855
Net capital assets	54,572,662	848,243,425	380,764,381	--	1,283,580,468
Total noncurrent assets	54,734,985	853,084,819	382,784,536	--	1,290,604,340
Total assets	64,453,255	955,178,319	422,375,451	--	1,442,007,025

(Continued)

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
LIABILITIES					
Current liabilities					
Accounts payable	275,315	7,189,732	3,344,321	--	10,809,368
Accrued expenses	271,128	3,431,574	341,774	--	4,044,476
Accrued interest	19,587	881,713	357,592	--	1,258,892
Contractor interest and retainage payable	2,143	650,513	4,176,348	--	4,829,004
Deposits	72,535	160,553	5,623	--	238,711
Liability to claimants - escheat property	--	121,291	--	--	121,291
Due to other funds	--	4,080,238	257,462	--	4,337,700
Unearned revenue	--	--	16,204	--	16,204
Current portion of long-term liabilities					
Long-term debt	292,909	24,812,309	10,163,772	--	35,268,990
Accumulated unpaid compensated absences	335,635	768,388	431,460	--	1,535,483
Total current liabilities	<u>1,269,252</u>	<u>42,096,311</u>	<u>19,094,556</u>	<u>--</u>	<u>62,460,119</u>
Noncurrent liabilities					
Long-term liabilities, net of current portion					
Long-term debt	10,012,466	536,214,625	159,771,295	--	705,998,386
Accumulated unpaid compensated absences	301,861	396,589	445,032	--	1,143,482
Net pension obligation	1,097,421	2,515,642	1,421,058	--	5,034,121
Net OPEB obligation	88,827	206,028	109,051	--	403,906
Total noncurrent liabilities	<u>11,500,575</u>	<u>539,332,884</u>	<u>161,746,436</u>	<u>--</u>	<u>712,579,895</u>
Total liabilities	<u>12,769,827</u>	<u>581,429,195</u>	<u>180,840,992</u>	<u>--</u>	<u>775,040,014</u>
NET ASSETS					
Invested in capital assets, net of related debt	44,884,402	321,533,231	215,409,634	--	581,827,267
Restricted for					
Bond interest and redemption	238,790	3,713,759	1,978,353	--	5,930,902
Improvements to utility lines and facilities	--	2,382,894	519,381	--	2,902,275
Abatement of public health hazards	--	--	95,500	--	95,500
Unrestricted	6,560,236	46,119,240	23,531,591	--	76,211,067
Total net assets	<u>\$ 51,683,428</u>	<u>\$ 373,749,124</u>	<u>\$ 241,534,459</u>	<u>\$ --</u>	<u>\$ 666,967,011</u>



City of
Corpus
Christi

UTILITY SYSTEM FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2012

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
Operating revenues					
Charges for services - net	\$ 26,106,400	\$ 119,559,020	\$ 59,798,534	\$ (723,135)	\$ 204,740,819
Operating expenses					
Personal services	6,191,955	14,470,239	9,640,000	--	30,302,194
Materials and supplies	11,639,745	15,510,748	3,382,467	--	30,532,960
Contractual services	1,370,109	13,468,688	7,581,649	--	22,420,446
Other operating expenses	2,681,541	14,358,675	7,044,308	(723,135)	23,361,389
Uncollectible accounts	366,126	906,711	857,340	--	2,130,177
Depreciation	2,466,394	18,489,270	10,668,582	--	31,624,246
Total operating expenses	<u>24,715,870</u>	<u>77,204,331</u>	<u>39,174,346</u>	<u>(723,135)</u>	<u>140,371,412</u>
Operating income	1,390,530	42,354,689	20,624,188	--	64,369,407
Nonoperating revenues (expenses)					
Investment income	8,516	227,158	72,255	--	307,929
Interest expense and fiscal charges	(537,316)	(22,264,419)	(7,632,900)	--	(30,434,635)
Net gain (loss) on disposal of assets	32,759	29,537	13,995	--	76,291
Recovery on damage claims	--	6,560	--	--	6,560
Developer deposits	--	449,042	499,573	--	948,615
Reimbursements to developers	--	(26,797)	(650,000)	--	(676,797)
Contributions from other governmental agencies	60,693	689,915	547,555	--	1,298,163
Total nonoperating expenses	<u>(435,348)</u>	<u>(20,889,004)</u>	<u>(7,149,522)</u>	<u>--</u>	<u>(28,473,874)</u>
Capital contributions					
Contributions from developers	--	2,391,121	1,732,155	--	4,123,276
Income before transfers	955,182	23,856,806	15,206,821	--	40,018,809
Transfers in	49,000	2,000,000	--	(2,000,000)	49,000
Transfers out	(2,994,245)	(3,176,861)	(1,049,772)	2,000,000	(5,220,878)
Total transfers	<u>(2,945,245)</u>	<u>(1,176,861)</u>	<u>(1,049,772)</u>	<u>--</u>	<u>(5,171,878)</u>
Net income	(1,990,063)	22,679,945	14,157,049	--	34,846,931
Net assets at beginning of year	<u>53,673,491</u>	<u>351,069,179</u>	<u>227,377,410</u>	<u>--</u>	<u>632,120,080</u>
Net assets at end of year	<u>\$ 51,683,428</u>	<u>\$ 373,749,124</u>	<u>\$ 241,534,459</u>	<u>\$ --</u>	<u>\$ 666,967,011</u>

UTILITY SYSTEM FUND
COMBINING SCHEDULE OF CASH FLOWS
YEAR ENDED JULY 31, 2012

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
Cash flows from operating activities					
Receipts from customers	\$ 26,098,125	\$ 123,573,739	\$ 59,294,085	\$ --	\$ 208,965,949
Receipts from interfund services provided	130,630	809,929	23,928	(723,135)	241,352
Payments to suppliers	(13,123,942)	(25,886,000)	(9,450,609)	--	(48,460,551)
Payments to employees	(5,299,337)	(12,561,414)	(8,392,546)	--	(26,253,297)
Internal activity - payments to other funds	(4,105,667)	(14,004,109)	(9,080,012)	723,135	(26,466,653)
Other receipts	--	6,560	--	--	6,560
Net cash provided by operating activities	<u>3,699,809</u>	<u>71,938,705</u>	<u>32,394,846</u>	<u>--</u>	<u>108,033,360</u>
Cash flows from noncapital financing activities					
Contributions from other governmental agencies	2,865	14,058	--	--	16,923
Transfers in from other funds	49,000	2,000,000	--	--	2,049,000
Transfers out to other funds	(2,994,245)	(3,176,861)	466,191	--	(5,704,915)
Net cash used for noncapital financing activities	<u>(2,942,380)</u>	<u>(1,162,803)</u>	<u>466,191</u>	<u>--</u>	<u>(3,638,992)</u>
Cash flows from capital and related financing activities					
Acquisition of capital assets	(1,980,291)	(19,349,977)	(29,213,228)	--	(50,543,496)
Proceeds from sale of capital assets	32,759	29,537	13,995	--	76,291
Developers deposits	--	449,042	499,642	--	948,684
Contributions from developers	--	--	1,218	--	1,218
Reimbursements to developers	--	(544,312)	(650,000)	--	(1,194,312)
Contributions from other governmental agencies	--	608,106	--	--	608,106
Proceeds from issuance of revenue bonds	--	27,610,011	27,466,972	--	55,076,983
Principal paid on long-term debt	(282,938)	(13,683,981)	(9,531,463)	--	(23,498,382)
Interest expense and fiscal charges	(481,041)	(32,090,920)	(6,861,445)	--	(39,433,406)
Recovery on damage claims	--	--	--	--	--
Net cash provided by (used for) capital and related financing activities	<u>(2,711,511)</u>	<u>(36,972,494)</u>	<u>(18,274,309)</u>	<u>--</u>	<u>(57,958,314)</u>
Cash flows from investing activities					
Purchase of investment securities	(5,000,000)	(83,000,000)	(43,750,000)	--	(131,750,000)
Proceeds from sale and maturity of investment securities	5,000,000	38,000,000	21,986,104	--	64,986,104
Interest on investments	5,636	138,487	83,380	--	227,503
Net cash provided by (used for) investing activities	<u>5,636</u>	<u>(44,861,513)</u>	<u>(21,680,516)</u>	<u>--</u>	<u>(66,536,393)</u>
Net increase in cash and cash equivalents	(1,948,446)	(11,058,105)	(7,093,788)	--	(20,100,339)
Cash and cash equivalents at beginning of year, including restricted accounts	<u>4,142,520</u>	<u>36,762,656</u>	<u>12,682,919</u>	<u>--</u>	<u>53,588,095</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 2,194,074</u>	<u>\$ 25,704,551</u>	<u>\$ 5,589,131</u>	<u>\$ --</u>	<u>\$ 33,487,756</u>

(Continued)

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
Reconciliation of operating income to net cash provided by operating activities					
Operating income	\$ 1,390,530	\$ 42,354,689	\$ 20,624,188	\$ --	\$ 64,369,407
Adjustments to reconcile operating income to net cash provided by operating activities					
Depreciation	2,466,394	18,489,270	10,668,582	--	31,624,246
Amortization of water rights	--	1,781,257	--	--	1,781,257
Provision for uncollectible accounts	366,126	906,711	857,340	--	2,130,177
Recovery of prior years expenses	--	--	--	--	--
Recovery of damage claims	--	6,560	--	--	6,560
Changes in assets and liabilities					
Receivables	117,830	748,316	(479,697)	--	386,449
Inventory	--	(225,425)	--	--	(225,425)
Prepaid items	--	--	(40,667)	--	(40,667)
Accounts payable	(965,568)	184,262	98,657	--	(682,649)
Accrued expenses	49,778	2,905,473	56,413	--	3,011,664
Accumulated unpaid compensated absences	(29,711)	26,141	(38,419)	--	(41,989)
Net pension obligation	334,944	754,434	437,691	--	1,527,069
Net OPEB obligation	(35,039)	(73,999)	(45,882)	--	(154,920)
Customer deposits	4,525	(6,142)	(822)	--	(2,439)
Liability to claimants - escheat property	--	6,920	--	--	6,920
Due to other funds	--	4,080,238	257,462	--	4,337,700
Net cash provided by operating activities	<u>\$ 3,699,809</u>	<u>\$ 71,938,705</u>	<u>\$ 32,394,846</u>	<u>\$ --</u>	<u>\$ 108,033,360</u>
Noncash investing, capital and financing activities					
Change in fair value of investments	\$ 100	\$ 17,660	\$ 1,106	\$ --	\$ 18,866
Contribution of capital assets	\$ --	\$ 2,391,121	\$ 1,730,937	\$ --	\$ 4,122,058
Build America Bonds interest subsidy	\$ 60,693	\$ 673,420	\$ 547,555	\$ --	\$ 1,281,668

**GAS SYSTEM
COMPARATIVE SCHEDULE OF NET ASSETS
JULY 31, 2012 AND 2011**

	2012	2011
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,335,594	\$ 3,236,232
Investments	5,001,510	5,001,410
Receivables		
Accounts	3,205,368	3,852,595
Accrued interest	2,779	--
Intergovernmental	533	2,865
Miscellaneous	38,650	11,931
Allowance for uncollectibles	(724,644)	(860,663)
Net receivables	2,522,686	3,006,728
Restricted assets		
Cash and cash equivalents	858,480	906,288
Total current assets	9,718,270	12,150,658
Noncurrent assets		
Bond issue costs	162,323	174,698
Capital assets		
Land	690,173	688,623
Buildings	1,732,754	1,732,754
Improvements other than buildings	9,470,778	9,470,778
Machinery and equipment	3,331,661	3,247,396
Infrastructure	74,730,309	72,815,284
Total capital assets in service	89,955,675	87,954,835
Less accumulated depreciation	(35,488,907)	(33,022,513)
Net capital assets in service	54,466,768	54,932,322
Construction in progress	105,894	121,578
Net capital assets	54,572,662	55,053,900
Total noncurrent assets	54,734,985	55,228,598
Total assets	64,453,255	67,379,256

(Continued)

Exhibit 28-A

	<u>2012</u>	<u>2011</u>
LIABILITIES		
Current liabilities		
Accounts payable	275,315	1,238,105
Accrued expenses	271,128	221,351
Accrued interest	19,587	19,997
Contractor interest and retainage payable	2,143	55
Deposits	72,535	68,010
Current portion of long-term liabilities		
Long-term debt	292,909	282,938
Accumulated unpaid compensated absences	335,635	432,186
Total current liabilities	<u>1,269,252</u>	<u>2,262,642</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	10,012,466	10,321,759
Accumulated unpaid compensated absences	301,861	235,021
Net pension obligation	1,097,421	762,477
Net OPEB obligation	88,827	123,866
Total noncurrent liabilities	<u>11,500,575</u>	<u>11,443,123</u>
Total liabilities	<u>12,769,827</u>	<u>13,705,765</u>
NET ASSETS		
Invested in capital assets, net of related debt	44,884,402	45,157,377
Restricted for		
Bond interest and redemption	238,790	196,591
Unrestricted	<u>6,560,236</u>	<u>8,319,523</u>
Total net assets	<u>\$ 51,683,428</u>	<u>\$ 53,673,491</u>



City of
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Exhibit 28-B

GAS SYSTEM
COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Operating revenues		
Charges for services - net	\$ 26,106,400	\$ 31,818,651
Operating expenses		
Personal services	6,191,955	6,655,981
Materials and supplies	11,639,745	15,955,383
Contractual services	1,370,109	1,380,499
Other operating expenses	2,681,541	2,926,078
Uncollectible accounts	366,126	400,665
Depreciation	2,466,394	2,370,499
Total operating expenses	<u>24,715,870</u>	<u>29,689,105</u>
Operating income	1,390,530	2,129,546
Nonoperating revenues (expenses)		
Investment income	8,516	15,922
Interest expense and fiscal charges	(537,316)	(542,856)
Net loss on disposal of assets	32,759	8,872
Recovery on damage claims	--	500
Contribution from other governmental agencies	60,693	55,299
Total nonoperating expenses	<u>(435,348)</u>	<u>(462,263)</u>
Capital contributions		
Contributions from other governmental agencies	<u>--</u>	<u>357,308</u>
Income before transfers	955,182	2,024,591
Transfers in	49,000	--
Transfers out	(2,994,245)	(1,190,247)
Total transfers	<u>(2,945,245)</u>	<u>(1,190,247)</u>
Net income	(1,990,063)	834,344
Net assets at beginning of year	<u>53,673,491</u>	<u>52,839,147</u>
Net assets at end of year	<u>\$ 51,683,428</u>	<u>\$ 53,673,491</u>

**GAS SYSTEM
COMPARATIVE SCHEDULE OF CASH FLOWS
YEAR ENDED JULY 31, 2012 AND 2011**

	2012	2011
Cash flows from operating activities		
Receipts from customers	\$ 26,098,125	\$ 31,608,255
Receipts from interfund services provided	130,630	130,972
Payments to suppliers	(13,123,942)	(16,521,044)
Payments to employees	(5,299,337)	(5,552,311)
Internal activity - payments to other funds	(4,105,667)	(4,583,234)
Other receipts	--	500
Net cash provided by operating activities	3,699,809	5,083,138
Cash flows from noncapital financing activities		
Contributions from other government agencies	2,865	--
Transfers in from other funds	49,000	--
Transfers out to other funds	(2,994,245)	(1,190,247)
Net cash used for noncapital financing activities	(2,942,380)	(1,190,247)
Cash flows from capital and related financing activities		
Acquisition of capital assets	(1,980,291)	(1,925,450)
Proceeds from sale of capital assets	32,759	8,872
Contributions from other government agencies	--	354,443
Proceeds from issuance of revenue bonds	--	3,556,467
Principal paid on long-term debt	(282,938)	(1,077,620)
Interest expense and fiscal charges	(481,041)	(486,510)
Net cash provided by (used for) capital and related financing activities	(2,711,511)	430,202
Cash flows from investing activities		
Purchase of investment securities	(5,000,000)	(8,000,000)
Proceeds from sale and maturity of investment securities	5,000,000	4,000,000
Interest on investments	5,636	16,003
Net cash provided (used for) by investing activities	5,636	(3,983,997)
Net increase in cash and cash equivalents	(1,948,446)	339,096
Cash and cash equivalents at beginning of year, including restricted accounts	4,142,520	3,803,424
Cash and cash equivalents at end of year, including restricted accounts	\$ 2,194,074	\$ 4,142,520

(Continued)

Exhibit 28-C

	<u>2012</u>	<u>2011</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 1,390,530	\$ 2,129,546
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	2,466,394	2,370,499
Provision for uncollectible accounts	366,126	400,665
Recovery of damage claims	--	500
Change in assets and liabilities		
Receivables	117,830	(83,258)
Accounts payable	(965,568)	(77,306)
Accrued expenses	49,778	5,883
Accumulated unpaid compensated absences	(29,711)	(74,845)
Net pension obligation	334,944	362,802
Net OPEB obligation	(35,039)	44,820
Customer deposits	4,525	3,832
	<u>\$ 3,699,809</u>	<u>\$ 5,083,138</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ 100	\$ 1,152
Build America Bonds interest subsidy	\$ 60,693	\$ 55,299

**WATER SYSTEM
COMPARATIVE SCHEDULE OF NET ASSETS
JULY 31, 2012 AND 2011**

	2012	2011
ASSETS		
Current assets		
Cash and cash equivalents	\$ 4,900,783	\$ 11,535,919
Investments	40,075,243	10,336,917
Receivables		
Accounts	17,053,548	19,439,146
Accrued interest	63,889	12,033
Property leases	2,747	3,147
Employees	55	55
Intergovernmental	1,105,829	1,649,956
Miscellaneous	5,940	10,586
Allowance for uncollectibles	(2,522,486)	(3,196,563)
Net receivables	15,709,522	17,918,360
Inventories	633,044	407,619
Prepaid items	30	30
Restricted assets		
Cash and cash equivalents	20,803,768	25,226,737
Investments	19,960,876	4,668,388
Receivables		
Accrued interest	10,234	4,207
Total restricted assets	40,774,878	29,899,332
Total current assets	102,093,500	70,098,177
Noncurrent assets		
Bond issue costs	4,841,394	5,085,942
Capital assets		
Land	17,601,037	17,365,432
Water supply rights	212,284,487	212,284,487
Buildings	33,511,165	33,446,303
Improvements other than buildings	92,629,262	90,414,892
Machinery and equipment	15,062,576	14,612,296
Infrastructure	686,145,817	664,462,938
Total capital assets in service	1,057,234,344	1,032,586,348
Less accumulated depreciation and amortization	(256,524,277)	(236,253,750)
Net capital assets in service	800,710,067	796,332,598
Construction in progress	47,533,358	48,934,157
Net capital assets	848,243,425	845,266,755
Total noncurrent assets	853,084,819	850,352,697
Total assets	955,178,319	920,450,874

(Continued)

Exhibit 29-A

	<u>2012</u>	<u>2011</u>
LIABILITIES		
Current liabilities		
Accounts payable	7,189,732	5,776,786
Accrued expenses	3,431,574	526,101
Accrued interest	881,713	847,244
Contractor interest and retainage payable	650,513	890,614
Deposits	160,553	166,669
Liability to claimants - escheat property	121,291	114,371
Due to other funds	4,080,238	--
Current portion of long-term liabilities		
Long-term debt	24,812,309	24,198,421
Accumulated unpaid compensated absences	768,388	854,675
Total current liabilities	<u>42,096,311</u>	<u>33,374,880</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	536,214,625	533,681,419
Accumulated unpaid compensated absences	396,589	284,161
Net pension obligation	2,515,642	1,761,208
Net OPEB obligation	206,028	280,027
Total noncurrent liabilities	<u>539,332,884</u>	<u>536,006,815</u>
Total liabilities	<u>581,429,195</u>	<u>569,381,695</u>
NET ASSETS		
Invested in capital assets, net of related debt	321,533,231	312,079,714
Restricted for		
Bond interest and redemption	3,713,759	2,908,763
Improvements to utility lines and facilities	2,382,894	1,958,595
Unrestricted	46,119,240	34,122,107
Total net assets	<u>\$ 373,749,124</u>	<u>\$ 351,069,179</u>



City of
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Exhibit 29-B

WATER SYSTEM
COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Operating revenues		
Charges for services - net	\$ 119,559,020	\$ 109,375,104
Operating expenses		
Personal services	14,470,239	14,304,747
Materials and supplies	15,510,748	14,106,457
Contractual services	13,468,688	14,477,056
Other operating expenses	14,358,675	11,921,428
Uncollectible accounts	906,711	754,584
Depreciation	18,489,270	17,761,128
Total operating expenses	<u>77,204,331</u>	<u>73,325,400</u>
Operating income	42,354,689	36,049,704
Nonoperating revenues (expenses)		
Investment income	227,158	264,249
Interest expense and fiscal charges	(22,264,419)	(23,908,353)
Recovery of prior years expenses	--	17,558
Net gain (loss) on disposal of assets	29,537	223,463
Recovery on damage claims	6,560	18,937
Developer deposits	449,042	367,520
Reimbursement to developers	(26,797)	(1,036,590)
Contribution from other governmental agencies	689,915	628,101
Total nonoperating expenses	<u>(20,889,004)</u>	<u>(23,425,115)</u>
Capital contributions		
Contributions from other governmental agencies	--	(4,087)
Contributions from developers	2,391,121	1,276,016
Total capital contributions	<u>2,391,121</u>	<u>1,271,929</u>
Income before transfers	23,856,806	13,896,518
Transfers in	2,000,000	--
Transfers out	(3,176,861)	(9,339,518)
Total transfers	<u>(1,176,861)</u>	<u>(9,339,518)</u>
Net income	<u>22,679,945</u>	<u>4,557,000</u>
Net assets at beginning of year	<u>351,069,179</u>	<u>346,512,179</u>
Net assets at end of year	<u>\$ 373,749,124</u>	<u>\$ 351,069,179</u>

**WATER SYSTEM
COMPARATIVE SCHEDULE OF CASH FLOWS
YEAR ENDED JULY 31, 2012 AND 2011**

	2012	2011
Cash flows from operating activities		
Receipts from customers	\$ 123,573,739	\$ 103,504,314
Receipts from interfund services provided	809,929	993,417
Payments to suppliers	(25,886,000)	(25,979,141)
Payments to employees	(12,561,414)	(11,837,856)
Internal activity - payments to other funds	(14,004,109)	(14,549,971)
Other receipts	6,560	36,495
Net cash provided by operating activities	71,938,705	52,167,258
Cash flows from noncapital financing activities		
Contributions from other governmental agencies	14,058	14,620
Transfers in from other funds	2,000,000	--
Transfers out to other funds	(3,176,861)	(9,339,518)
Net cash used for noncapital financing activities	(1,162,803)	(9,324,898)
Cash flows from capital and related financing activities		
Acquisition of capital assets	(19,349,977)	(24,549,341)
Proceeds from sale of capital assets	29,537	223,463
Developer deposits	449,042	367,520
Reimbursements to developers	(544,312)	(518,610)
Contributions from other governmental agencies	608,106	726,735
Proceeds from issuance of revenue bonds	27,610,011	39,460,246
Principal paid on long-term debt	(13,683,981)	(23,371,755)
Interest expense and fiscal charges	(32,090,920)	(22,999,721)
Net cash used for capital and related financing activities	(36,972,494)	(30,661,463)
Cash flows from investing activities		
Purchase of investment securities	(83,000,000)	(60,500,000)
Proceeds from sale and maturity of investment securities	38,000,000	71,801,606
Interest on investments	138,487	335,166
Net cash provided by investing activities	(44,861,513)	11,636,772
Net increase (decrease) in cash and cash equivalents	(11,058,105)	23,817,669
Cash and cash equivalents at beginning of year, including restricted accounts	36,762,656	12,944,987
Cash and cash equivalents at end of year, including restricted accounts	\$ 25,704,551	\$ 36,762,656

(Continued)

Exhibit 29-C

	<u>2012</u>	<u>2011</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 42,354,689	\$ 36,049,704
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	18,489,270	17,761,128
Amortization of water rights	1,781,257	1,658,012
Provision for uncollectible accounts	906,711	754,584
Recovery of prior years expenses	--	17,558
Recovery of damage claims	6,560	18,937
Change in assets and liabilities		
Receivables	748,316	(4,901,369)
Inventory	(225,425)	(3,237)
Prepaid items	--	(30)
Accounts payable	184,262	(190,381)
Accrued expenses	2,905,473	49,731
Accumulated unpaid compensated absences	26,141	12,686
Net pension obligation	754,434	811,674
Net OPEB obligation	(73,999)	99,562
Customer deposits	(6,142)	27,463
Liability to claimants - escheat property	6,920	1,236
Due to other funds	4,080,238	--
Net cash provided by operating activities	<u>\$ 71,938,705</u>	<u>\$ 52,167,258</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ 17,660	\$ (2,580)
Contribution of capital assets	\$ 2,391,121	\$ 1,276,016
Build America Bonds interest subsidy	\$ 673,420	\$ 613,561

**WASTEWATER SYSTEM
COMPARATIVE SCHEDULE OF NET ASSETS
JULY 31, 2012 AND 2011**

	2012	2011
ASSETS		
Current assets		
Cash and cash equivalents	\$ --	\$ 3,960,033
Investments	25,100,132	4,986,104
Receivables		
Accounts	8,427,774	8,803,242
Accrued interest	13,890	29,663
Property leases	--	441
Employees	11,739	--
Miscellaneous	11,076	--
Allowance for uncollectibles	(1,258,010)	(1,233,464)
Net receivables	7,206,469	7,599,882
Prepaid items	40,667	--
Restricted assets		
Cash and cash equivalents	5,589,131	8,722,886
Investments	1,650,974	--
Accrued interest	3,542	--
Total restricted assets	7,243,647	8,722,886
Total current assets	39,590,915	25,268,905
Noncurrent assets		
Bond issue costs	2,020,155	1,944,901
Capital assets		
Land	5,136,418	5,012,017
Buildings	2,385,186	2,083,421
Improvements other than buildings	162,581,171	151,698,082
Machinery and equipment	9,583,222	9,411,260
Infrastructure	277,531,744	271,879,873
Total capital assets in service	457,217,741	440,084,653
Less accumulated depreciation	(144,939,963)	(134,273,847)
Net capital assets in service	312,277,778	305,810,806
Construction in progress	68,486,603	55,122,485
Net capital assets	380,764,381	360,933,291
Total noncurrent assets	382,784,536	362,878,192
Total assets	422,375,451	388,147,097

(Continued)

Exhibit 30-A

	<u>2012</u>	<u>2011</u>
LIABILITIES		
Current liabilities		
Accounts payable	3,344,321	3,574,718
Accrued expenses	341,774	285,361
Accrued interest	357,592	298,979
Contractor interest and retainage payable	4,176,348	2,775,754
Deposits	5,623	6,445
Due to other funds	257,462	--
Unearned revenue	16,204	16,204
Current portion of long-term liabilities		
Long-term debt	10,163,772	9,035,130
Accumulated unpaid compensated absences	431,460	468,034
Total current liabilities	<u>19,094,556</u>	<u>16,460,625</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	159,771,295	142,723,886
Accumulated unpaid compensated absences	445,032	446,876
Net pension obligation	1,421,058	983,367
Net OPEB obligation	109,051	154,933
Total noncurrent liabilities	<u>161,746,436</u>	<u>144,309,062</u>
Total liabilities	<u>180,840,992</u>	<u>160,769,687</u>
NET ASSETS		
Invested in capital assets, net of related debt	215,409,634	215,661,705
Restricted for		
Bond interest and redemption	1,978,353	1,409,472
Improvements to utility lines and facilities	519,381	669,543
Abatement of public health hazards	95,500	95,401
Unrestricted	<u>23,531,591</u>	<u>9,541,289</u>
Total net assets	<u>\$ 241,534,459</u>	<u>\$ 227,377,410</u>



City of
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Exhibit 30-B

WASTEWATER SYSTEM
COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Operating revenues		
Charges for services - net	\$ 59,798,534	\$ 55,123,308
Operating expenses		
Personal services	9,640,000	9,537,515
Materials and supplies	3,382,467	3,406,674
Contractual services	7,581,649	9,645,599
Other operating expenses	7,044,308	6,871,063
Uncollectible accounts	857,340	793,498
Depreciation	10,668,582	9,641,510
Total operating expenses	<u>39,174,346</u>	<u>39,895,859</u>
Operating income	20,624,188	15,227,449
Nonoperating revenues (expenses)		
Investment income	72,255	107,881
Interest expense and fiscal charges	(7,632,900)	(7,161,661)
Net gain on disposal of assets	13,995	9,276
Recovery on damage claims	--	244,524
Developer deposits	499,573	430,689
Reimbursement to developers	(650,000)	(923,116)
Contribution from other governmental agencies	547,555	498,883
Total nonoperating expenses	<u>(7,149,522)</u>	<u>(6,793,524)</u>
Capital contributions		
Contributions from developers	<u>1,732,155</u>	<u>1,494,033</u>
Income before transfers	15,206,821	9,927,958
Transfers out	<u>(1,049,772)</u>	<u>(1,735,211)</u>
Net income	14,157,049	8,192,747
Net assets at beginning of year	<u>227,377,410</u>	<u>219,184,663</u>
Net assets at end of year	<u>\$ 241,534,459</u>	<u>\$ 227,377,410</u>

**WASTEWATER SYSTEM
COMPARATIVE SCHEDULE OF CASH FLOWS
YEAR ENDED JULY 31, 2012 AND 2011**

	2012	2011
Cash flows from operating activities		
Receipts from customers	\$ 59,294,085	\$ 53,573,243
Receipts from interfund services provided	23,928	45,450
Payments to suppliers	(9,450,609)	(12,091,109)
Payments to employees	(8,392,546)	(8,096,469)
Internal activity - payments to other funds	(9,080,012)	(9,295,180)
Net cash provided by operating activities	32,394,846	24,135,935
Cash flows from noncapital financing activities		
Transfers out to other funds	466,191	(1,735,211)
Cash flows from capital and related financing activities		
Acquisition of capital assets	(29,213,228)	(28,867,193)
Proceeds from sale of capital assets	13,995	9,276
Developer deposits	499,642	430,689
Contributions from developers	1,218	1,087
Reimbursements to developers	(650,000)	(923,116)
Proceeds from issuance of revenue bonds	27,466,972	32,084,965
Principal paid on long-term debt	(9,531,463)	(8,513,839)
Interest expense and fiscal charges	(6,861,445)	(7,234,305)
Recovery on damage claims	--	244,523
Net cash used for capital and related financing activities	(18,274,309)	(12,767,913)
Cash flows from investing activities		
Purchase of investment securities	(43,750,000)	(32,986,104)
Proceeds from sale and maturity of investment securities	21,986,104	30,000,000
Interest on investments	83,380	117,071
Net cash used for investing activities	(21,680,516)	(2,869,033)
Net increase (decrease) in cash and cash equivalents	(7,093,788)	6,763,778
Cash and cash equivalents at beginning of year, including restricted accounts	12,682,919	5,919,141
Cash and cash equivalents at end of year, including restricted accounts	\$ 5,589,131	\$ 12,682,919

(Continued)

Exhibit 30-C

	<u>2012</u>	<u>2011</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 20,624,188	\$ 15,227,449
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	10,668,582	9,641,510
Provision for uncollectible accounts	857,340	793,498
Change in assets and liabilities		
Receivables	(479,697)	(1,503,145)
Prepaid items	(40,667)	--
Accounts payable	98,657	(416,983)
Accrued expenses	56,413	8,561
Accumulated unpaid compensated absences	(38,419)	(138,399)
Net pension obligation	437,691	468,607
Net OPEB obligation	(45,882)	56,308
Customer deposits	(822)	(1,471)
Due to other funds	257,462	--
	<u>\$ 32,394,846</u>	<u>\$ 24,135,935</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ 1,106	\$ (8,079)
Contribution of capital assets	\$ 1,730,937	\$ 1,494,033
Build America Bonds interest subsidy	\$ 547,555	\$ 498,883

**NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET ASSETS
JULY 31, 2012**

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ 7,597,080	\$ --	\$ 516,463	\$ 8,113,543
Investments	1,003,129	--	--	1,003,129
Receivables, net of allowance for uncollectibles	805,403	36,674	53,808	895,885
Inventories	9,244	--	--	9,244
Prepaid items	40,622	--	--	40,622
Restricted assets				
Cash and cash equivalents	1,559,872	--	--	1,559,872
Receivables, net of allowance for uncollectibles	200,653	--	--	200,653
Total restricted assets	<u>1,760,525</u>	<u>--</u>	<u>--</u>	<u>1,760,525</u>
Total current assets	<u>11,216,003</u>	<u>36,674</u>	<u>570,271</u>	<u>11,822,948</u>
Noncurrent assets				
Bond issue costs	418,190	--	42,592	460,782
Capital assets				
Land	4,791,935	94,337	9,000	4,895,272
Buildings	47,558,356	711,295	1,034,523	49,304,174
Improvements other than buildings	85,264,732	2,550,846	20,695,506	108,511,084
Machinery and equipment	4,469,754	955,848	67,402	5,493,004
Infrastructure	--	--	54,226	54,226
Total capital assets in service	<u>142,084,777</u>	<u>4,312,326</u>	<u>21,860,657</u>	<u>168,257,760</u>
Less accumulated depreciation	<u>(57,518,403)</u>	<u>(3,867,757)</u>	<u>(14,492,509)</u>	<u>(75,878,669)</u>
Net capital assets in service	84,566,374	444,569	7,368,148	92,379,091
Construction in progress	26,802,264	--	--	26,802,264
Net capital assets	<u>111,368,638</u>	<u>444,569</u>	<u>7,368,148</u>	<u>119,181,355</u>
Total noncurrent assets	<u>111,786,828</u>	<u>444,569</u>	<u>7,410,740</u>	<u>119,642,137</u>
Total assets	<u>123,002,831</u>	<u>481,243</u>	<u>7,981,011</u>	<u>131,465,085</u>

(Continued)

Exhibit 31-A

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
LIABILITIES				
Current liabilities				
Accounts payable	366,982	75	19,258	386,315
Accrued expenses	153,368	--	25,988	179,356
Accrued interest	168,732	--	60,836	229,568
Contractor interest and retainage payable	576,571	--	--	576,571
Deposits	14,761	--	122,223	136,984
Advances from other funds	--	801,689	--	801,689
Unearned revenue	--	--	36,783	36,783
Current portion of long-term liabilities				
Long-term debt	806,221	85,156	190,000	1,081,377
Accumulated unpaid compensated absences	176,539	--	26,686	203,225
Total current liabilities	<u>2,263,174</u>	<u>886,920</u>	<u>481,774</u>	<u>3,631,868</u>
Noncurrent liabilities				
Long-term liabilities, net of current portion				
Long-term debt	22,272,005	--	3,304,963	25,576,968
Accumulated unpaid compensated absences	139,191	--	40,307	179,498
Net pension obligation	669,159	--	105,395	774,554
Net OPEB obligation	62,060	--	10,702	72,762
Total noncurrent liabilities	<u>23,142,415</u>	<u>--</u>	<u>3,461,367</u>	<u>26,603,782</u>
Total liabilities	<u>25,405,589</u>	<u>886,920</u>	<u>3,943,141</u>	<u>30,235,650</u>
NET ASSETS				
Invested in capital assets, net of related debt	88,290,411	359,413	3,873,185	92,523,009
Restricted for				
Passenger facility charges projects	1,725,836	--	--	1,725,836
Construction of capital assets	33,386	--	--	33,386
Law enforcement officers' standards and education	1,301	--	--	1,301
Unrestricted	7,546,308	(765,090)	164,685	6,945,903
Total net assets (liabilities)	<u>\$ 97,597,242</u>	<u>\$ (405,677)</u>	<u>\$ 4,037,870</u>	<u>\$ 101,229,435</u>



City of
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Exhibit 31-B

NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2012

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
Operating revenues				
Charges for services - net	\$ 7,374,723	\$ 416,750	\$ 1,829,886	\$ 9,621,359
Operating expenses				
Personal services	3,902,203	--	670,181	4,572,384
Materials and supplies	287,447	23,610	55,624	366,681
Contractual services	1,553,788	37,922	202,739	1,794,449
Other operating expenses	815,389	11,735	222,653	1,049,777
Uncollectible accounts	(35,216)	--	6,093	(29,123)
Depreciation	4,369,264	219,868	563,988	5,153,120
Total operating expenses	<u>10,892,875</u>	<u>293,135</u>	<u>1,721,278</u>	<u>12,907,288</u>
Operating loss	(3,518,152)	123,615	108,608	(3,285,929)
Nonoperating revenues (expenses)				
Investment income	18,964	--	--	18,964
Interest expense and fiscal charges	(1,355,455)	(4,700)	(152,354)	(1,512,509)
Passenger facility charges	1,262,336	--	--	1,262,336
Customer facility charges	881,140	--	--	881,140
Net gain on disposal of assets	2,046	--	2,450	4,496
Total nonoperating revenues (expenses)	<u>809,031</u>	<u>(4,700)</u>	<u>(149,904)</u>	<u>654,427</u>
Capital contributions				
Contributions from other governmental agencies	<u>5,722,268</u>	<u>--</u>	<u>12,457</u>	<u>5,734,725</u>
Income (loss) before transfers	3,013,147	118,915	(28,839)	3,103,223
Transfers in	--	26,268	4,827	31,095
Transfers out	(236,920)	(322)	(53,124)	(290,366)
Total transfers	<u>(236,920)</u>	<u>25,946</u>	<u>(48,297)</u>	<u>(259,271)</u>
Net income (loss)	2,776,227	144,861	(77,136)	2,843,952
Net assets (liabilities) at beginning of year	<u>94,821,015</u>	<u>(550,538)</u>	<u>4,115,006</u>	<u>98,385,483</u>
Net assets (liabilities) at end of year	<u>\$ 97,597,242</u>	<u>\$ (405,677)</u>	<u>\$ 4,037,870</u>	<u>\$ 101,229,435</u>

**NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2012**

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Totals</u>
Cash flows from operating activities				
Receipts from customers	\$ 7,656,716	\$ 403,608	\$ 1,689,645	\$ 9,749,969
Payments to suppliers	(1,790,629)	(62,568)	(261,994)	(2,115,191)
Payments to employees	(3,334,710)	--	(581,410)	(3,916,120)
Internal activity - payments to other funds	(1,220,125)	(11,736)	(287,558)	(1,519,419)
Net cash provided by operating activities	<u>1,311,252</u>	<u>329,304</u>	<u>558,683</u>	<u>2,199,239</u>
Cash flows from noncapital financing activities				
Changes in interfund borrowings	--	--	(125,963)	(125,963)
Advances from other funds	--	(265,478)	--	(265,478)
Transfers in from other funds	--	26,268	4,827	31,095
Transfers out to other funds	(236,920)	(322)	(53,124)	(290,366)
Net cash used for noncapital financing activities	<u>(236,920)</u>	<u>(239,532)</u>	<u>(174,260)</u>	<u>(650,712)</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets	(10,660,067)	(21,315)	(16,210)	(10,697,592)
Proceeds from sale of capital assets	2,046	--	2,450	4,496
Contributions from other governmental agencies	5,429,434	--	--	5,429,434
Passenger facility charges	1,308,249	--	--	1,308,249
Customer facility charges	881,140	--	--	881,140
Principal paid on long-term debt	(763,704)	(118,486)	(180,000)	(1,062,190)
Interest expense and fiscal charges	(1,736,505)	(4,700)	(149,381)	(1,890,586)
Net cash used for capital and related financing activities	<u>(5,539,407)</u>	<u>(144,501)</u>	<u>(343,141)</u>	<u>(6,027,049)</u>
Cash flows from investing activities				
Interest on investments	<u>19,420</u>	<u>--</u>	<u>--</u>	<u>19,420</u>
Net increase (decrease) in cash and cash equivalents	(4,445,655)	(54,729)	41,282	(4,459,102)
Cash and cash equivalents at beginning of year, including restricted accounts	<u>13,602,607</u>	<u>54,729</u>	<u>475,181</u>	<u>14,132,517</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 9,156,952</u>	<u>\$ --</u>	<u>\$ 516,463</u>	<u>\$ 9,673,415</u>

(Continued)

Exhibit 31-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)	\$ (3,518,152)	\$ 123,615	\$ 108,608	\$ (3,285,929)
Adjustments to reconcile operating loss to net cash provided by operating activities				
Depreciation	4,369,264	219,868	563,988	5,153,120
Provision for uncollectible accounts	(35,216)	--	6,093	(29,123)
Change in assets and liabilities				
Receivables	281,992	(13,142)	(16,285)	252,565
Inventory	11,093	--	--	11,093
Accounts payable	(29,822)	(1,037)	(19,741)	(50,600)
Accrued expenses	33,216	--	4,717	37,933
Customer deposits	(712)	--	10,413	9,701
Unearned revenue	--	--	(134,369)	(134,369)
Accumulated unpaid compensated absences	29,756	--	5,806	35,562
Net pension obligation	188,113	--	32,390	220,503
Net OPEB obligation	(18,280)	--	(2,937)	(21,217)
	<u>\$ 1,311,252</u>	<u>\$ 329,304</u>	<u>\$ 558,683</u>	<u>\$ 2,199,239</u>
Noncash investing, capital and financing activities				
Change in fair value of investments	\$ (456)	\$ --	\$ --	\$ (456)
Acquisition of capital assets under capital lease	\$ 80,000	\$ --	\$ --	\$ 80,000
Bond refunding	\$ 19,680,425	\$ --	\$ --	\$ 19,680,425

**AIRPORT FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2012 AND 2011**

	2012	2011
ASSETS		
Current assets		
Cash and cash equivalents	\$ 7,597,080	\$ 7,044,482
Investments	1,003,129	1,003,585
Receivables		
Accounts	96,221	346,826
Accrued interest	2,833	2,833
Intergovernmental	725,333	464,452
Miscellaneous	520	81,858
Allowance for uncollectibles	(19,504)	(103,241)
Net receivables	805,403	792,728
Inventories	9,244	20,337
Prepaid items	40,622	--
Restricted assets		
Cash and cash equivalents	1,559,872	6,558,125
Receivables		
Accounts	167,267	213,180
Intergovernmental	33,386	--
Net receivables	200,653	213,180
Total restricted assets	1,760,525	6,771,305
Total current assets	11,216,003	15,632,437
Noncurrent assets		
Bond issue costs	418,190	522,678
Capital assets		
Land	4,791,935	4,788,796
Buildings	47,558,356	46,847,749
Improvements other than buildings	85,264,732	76,205,779
Machinery and equipment	4,469,754	4,389,754
Total capital assets in service	142,084,777	132,232,078
Less accumulated depreciation	(57,518,403)	(53,149,139)
Net capital assets in service	84,566,374	79,082,939
Construction in progress	26,802,264	26,425,949
Net capital assets	111,368,638	105,508,888
Total noncurrent assets	111,786,828	106,031,566
Total assets	123,002,831	121,664,003

(Continued)

Exhibit 32-A

	<u>2012</u>	<u>2011</u>
LIABILITIES		
Current liabilities		
Accounts payable	366,982	1,254,497
Accrued expenses	153,368	120,150
Accrued interest	168,732	588,836
Contractor interest and retainage payable	576,571	229,932
Deposits	14,761	15,473
Current portion of long-term liabilities		
Long-term debt	806,221	580,000
Accumulated unpaid compensated absences	176,539	203,430
Total current liabilities	<u>2,263,174</u>	<u>2,992,318</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	22,272,005	23,206,740
Accumulated unpaid compensated absences	139,191	82,544
Net pension obligation	669,159	481,046
Net OPEB obligation	62,060	80,340
Total noncurrent liabilities	<u>23,142,415</u>	<u>23,850,670</u>
Total liabilities	<u>25,405,589</u>	<u>26,842,988</u>
NET ASSETS		
Invested in capital assets, net of related debt	88,290,411	85,277,848
Restricted for		
Passenger facility charges projects	1,725,836	1,855,086
Construction of capital assets	33,386	--
Required capital reserve	--	250,000
Required operating reserve	--	1,098,104
Law enforcement officers' standards and education	1,301	2,904
Unrestricted	<u>7,546,308</u>	<u>6,337,073</u>
Total net assets	<u>\$ 97,597,242</u>	<u>\$ 94,821,015</u>



City of
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Exhibit 32-B

AIRPORT FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Operating revenues		
Charges for services - net	\$ 7,374,723	\$ 7,376,948
Operating expenses		
Personal services	3,902,203	4,258,582
Materials and supplies	287,447	249,820
Contractual services	1,553,788	1,400,084
Other operating expenses	815,389	863,568
Uncollectible accounts	(35,216)	66,980
Depreciation	4,369,264	3,912,493
Total operating expenses	<u>10,892,875</u>	<u>10,751,527</u>
Operating loss	(3,518,152)	(3,374,579)
Nonoperating revenues (expenses)		
Investment income	18,964	29,229
Interest expense and fiscal charges	(1,355,455)	(1,365,660)
Passenger facility charges	1,262,336	1,314,155
Customer facility charges	881,140	790,077
Net gain on disposal of assets	2,046	9,829
Recovery on damage claims	--	12,408
Contributions from other governmental agencies	--	1,987
Total nonoperating revenues	<u>809,031</u>	<u>792,025</u>
Capital contributions		
Contribution from other governmental agencies	<u>5,722,268</u>	<u>4,605,607</u>
Income before transfers	3,013,147	2,023,053
Transfers out	<u>(236,920)</u>	<u>(334,599)</u>
Net income	2,776,227	1,688,454
Net assets at beginning of year	<u>94,821,015</u>	<u>93,132,561</u>
Net assets at end of year	<u>\$ 97,597,242</u>	<u>\$ 94,821,015</u>

**AIRPORT FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2012 AND 2011**

	2012	2011
Cash flows from operating activities		
Receipts from customers	\$ 7,656,716	\$ 7,277,500
Payments to suppliers	(1,790,629)	(1,711,804)
Payments to employees	(3,334,710)	(3,521,787)
Internal activity - payments to other funds	(1,220,125)	(1,382,463)
Other receipts	--	1,987
Net cash provided by operating activities	1,311,252	663,433
Cash flows from noncapital financing activities		
Transfers out to other funds	(236,920)	(334,599)
Cash flows from capital and related financing activities		
Acquisition of capital assets	(10,660,067)	(6,772,483)
Proceeds from sale of capital assets	2,046	9,829
Contributions from other governmental agencies	5,429,434	4,524,784
Passenger facility charge	1,308,249	1,328,900
Customer facility charges	881,140	799,236
Proceeds from issuance of certificates of obligation	--	5,510,099
Principal paid on long-term debt	(763,704)	(550,000)
Interest expense and fiscal charges	(1,736,505)	(1,199,086)
Recovery on damage claims	--	12,408
Net cash provided by (used for) capital and related financing activities	(5,539,407)	3,663,687
Cash flows from investing activities		
Purchase of investment securities	--	(3,000,000)
Proceeds from sale and maturity of investment securities	--	4,000,000
Interest on investments	19,420	24,910
Net cash provided by investing activities	19,420	1,024,910
Net increase in cash and cash equivalents	(4,445,655)	5,017,431
Cash and cash equivalents at beginning of year, including restricted accounts	13,602,607	8,585,176
Cash and cash equivalents at end of year, including restricted accounts	\$ 9,156,952	\$ 13,602,607

(Continued)

Exhibit 32-C

	<u>2012</u>	<u>2011</u>
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ (3,518,152)	\$ (3,374,579)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	4,369,264	3,912,493
Provision for uncollectible accounts	(35,216)	66,980
Contribution from other governmental agencies	--	1,987
Change in assets and liabilities		
Receivables	281,992	(99,450)
Inventory	11,093	(16,421)
Accounts payable	(29,822)	(63,651)
Accrued expenses	33,216	(15,681)
Deposits	(712)	7,556
Accumulated unpaid compensated absences	29,756	(2,387)
Net pension obligation	188,113	217,241
Net OPEB obligation	(18,280)	29,345
	<u>\$ 1,311,252</u>	<u>\$ 663,433</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ (456)	\$ 3,327
Acquisition of capital assets under capital lease	\$ 80,000	\$ --
Bond refunding	\$ 19,680,425	\$ --



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Exhibit 33-A

GOLF CENTERS FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2012 AND 2011

	2012	2011
ASSETS		
Current assets		
Cash and cash equivalents	\$ --	\$ 54,729
Receivables		
Accounts	20,851	11,245
Miscellaneous	15,823	12,288
Net receivables	36,674	23,533
Total current assets	36,674	78,262
Noncurrent assets		
Capital assets		
Land	94,337	94,337
Buildings	711,295	711,295
Improvements other than buildings	2,550,846	2,529,531
Machinery and equipment	955,848	955,848
Total capital assets in service	4,312,326	4,291,011
Less accumulated depreciation	(3,867,757)	(3,647,889)
Net capital assets	444,569	643,122
Total assets	481,243	721,384
LIABILITIES		
Current liabilities		
Accounts payable	75	1,111
Advances from other funds	801,689	1,067,168
Current portion of long-term liabilities		
Long-term debt	85,156	118,486
Total current liabilities	886,920	1,186,765
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	--	85,157
Total liabilities	886,920	1,271,922
NET ASSETS		
Invested in capital assets, net of related debt	359,413	439,480
Unrestricted	(765,090)	(990,018)
Total net liabilities	\$ (405,677)	\$ (550,538)

Exhibit 33-B

GOLF CENTERS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Operating revenues		
Charges for services - net	\$ 416,750	\$ 1,058,298
Operating expenses		
Personal services	--	309,184
Materials and supplies	23,610	120,125
Contractual services	37,922	405,202
Other operating expenses	11,735	93,902
Uncollectible accounts	--	(4,436)
Depreciation	219,868	249,728
Total operating expenses	<u>293,135</u>	<u>1,173,705</u>
Operating loss	123,615	(115,407)
Nonoperating revenues (expenses)		
Interest expense and fiscal charges	(4,700)	(22,024)
Net gain on disposal of assets	--	2,497
Total nonoperating expenses	<u>(4,700)</u>	<u>(19,527)</u>
Loss before transfers	118,915	(134,934)
Transfers in	26,268	17,474
Transfers out	(322)	(312,687)
Total transfers	<u>25,946</u>	<u>(295,213)</u>
Net Income (loss)	144,861	(430,147)
Net assets (liabilities) at beginning of year	<u>(550,538)</u>	<u>(120,391)</u>
Net liabilities at end of year	<u>\$ (405,677)</u>	<u>\$ (550,538)</u>

Exhibit 33-C

GOLF CENTERS FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Cash flows from operating activities		
Receipts from customers	\$ 403,608	\$ 1,041,380
Payments to suppliers	(62,568)	(549,566)
Payments to employees	--	(386,544)
Internal activity - payments to other funds	(11,736)	(214,987)
Net cash provided by (used for) operating activities	<u>329,304</u>	<u>(109,717)</u>
Cash flows from noncapital financing activities		
Contribution from Coastal Bend Health Facilities		
Changes in interfund borrowings	--	594,014
Advances from other funds	(265,478)	--
Transfers in from other funds	26,268	17,474
Transfers out to other funds	(322)	(312,687)
Net cash provided by (used for) noncapital financing activities	<u>(239,532)</u>	<u>298,801</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	(21,315)	--
Proceeds from sale/disposal of capital assets	--	2,497
Principal paid on long-term debt	(118,486)	(114,827)
Interest expense and fiscal charges	(4,700)	(22,025)
Net cash used for capital and related financing activities	<u>(144,501)</u>	<u>(134,355)</u>
Net increase (decrease) in cash and cash equivalents	(54,729)	54,729
Cash and cash equivalents at beginning of year	<u>54,729</u>	<u>--</u>
Cash and cash equivalents at end of year	<u>\$ --</u>	<u>\$ 54,729</u>
Reconciliation of operating loss to net cash provided by (used for) operating activities		
Operating income (loss)	\$ 123,615	\$ (115,407)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	219,868	249,728
Provision for uncollectible accounts	--	(4,436)
Change in assets and liabilities		
Receivables	(13,142)	(2,753)
Inventory	--	19,274
Accounts payable	(1,037)	(96,327)
Accrued expenses	--	(29,066)
Customer deposits	--	(8,526)
Unearned revenue	--	(5,638)
Accumulated unpaid compensated absences	--	(45,562)
Net pension obligation	--	(57,451)
Net OPEB obligation	--	(13,553)
Net cash provided by (used for) operating activities	<u>\$ 329,304</u>	<u>\$ (109,717)</u>

**GOLF CENTERS FUND
 SCHEDULE OF OPERATING EXPENSES BY FUNCTION
 YEAR ENDED JULY 31, 2012
 WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2011**

<u>FUNCTION</u>	2012		
	MATERIALS & SUPPLIES	CONTRACTUAL SERVICES	OTHER OPERATING EXPENSES
Gabe Lozano Sr. Golf Center operations	\$ 14,354	\$ 20,965	\$ 7,187
Oso Golf Center operations	9,256	16,957	4,548
Total operating expenses	\$ 23,610	\$ 37,922	\$ 11,735

Exhibit 33-D

<u>DEPRECIATION</u>	<u>2012 TOTAL</u>	<u>2011 TOTAL</u>
\$ 139,015	\$ 181,521	\$ 671,516
80,853	111,614	502,189
<u>\$ 219,868</u>	<u>\$ 293,135</u>	<u>\$ 1,173,705</u>

**MARINA FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2012 AND 2011**

	2012	2011
ASSETS		
Current assets		
Cash and cash equivalents	\$ 516,463	\$ 475,181
Receivables		
Accounts	127,804	111,519
Due from US Government	12,457	
Allowance for uncollectibles	(86,453)	(80,360)
Net receivables	53,808	31,159
Total current assets	570,271	506,340
Noncurrent assets		
Bond issue costs	42,592	48,372
Capital assets		
Land	9,000	9,000
Buildings	1,034,523	1,034,523
Improvements other than buildings	20,695,506	20,695,506
Machinery and equipment	67,402	51,193
Infrastructure	54,226	54,226
Total capital assets in service	21,860,657	21,844,448
Less accumulated depreciation	(14,492,509)	(13,928,521)
Net capital assets	7,368,148	7,915,927
Total noncurrent assets	7,410,740	7,964,299
Total assets	7,981,011	8,470,639

(Continued)

Exhibit 34-A

	<u>2012</u>	<u>2011</u>
LIABILITIES		
Current liabilities		
Accounts payable	19,258	38,999
Accrued expenses	25,988	21,271
Accrued interest	60,836	63,649
Deposits	122,223	111,810
Advances from other funds	--	125,963
Unearned revenue	36,783	171,152
Current portion of long-term liabilities		
Long-term debt	190,000	180,000
Accumulated unpaid compensated absences	26,686	27,696
Total current liabilities	<u>481,774</u>	<u>740,540</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	3,304,963	3,494,958
Accumulated unpaid compensated absences	40,307	33,491
Net pension obligation	105,395	73,005
Net OPEB obligation	10,702	13,639
Total noncurrent liabilities	<u>3,461,367</u>	<u>3,615,093</u>
Total liabilities	<u>3,943,141</u>	<u>4,355,633</u>
NET ASSETS		
Invested in capital assets, net of related debt	3,873,185	4,240,969
Unrestricted	164,685	(125,963)
Total net assets	<u>\$ 4,037,870</u>	<u>\$ 4,115,006</u>

Exhibit 34-B

MARINA FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Operating revenues		
Slip rentals	\$ 1,370,633	\$ 1,096,749
Bayfront revenue	257,823	202,707
Boat haul-outs	32,828	27,502
Transient fees	49,583	47,113
Resale of electricity	25,644	26,974
Raw seafood sales permits	1,400	1,200
Miscellaneous	91,975	61,045
Total operating revenue	<u>1,829,886</u>	<u>1,463,290</u>
Operating expenses		
Personal services	670,181	680,660
Materials and supplies	55,624	61,839
Contractual services	202,739	224,646
Other operating expenses	222,653	146,200
Uncollectible accounts	6,093	(20,151)
Depreciation	563,988	561,433
Total operating expenses	<u>1,721,278</u>	<u>1,654,627</u>
Operating income (loss)	108,608	(191,337)
Nonoperating revenues (expenses)		
Interest expense and fiscal charges	(152,354)	(159,377)
Net gain on disposal of assets	2,450	1,339
Total nonoperating expenses	<u>(149,904)</u>	<u>(158,038)</u>
Capital contributions		
Contributions from other governmental agencies	12,457	7,771
Loss before transfers	(28,839)	(341,604)
Transfers in	4,827	--
Transfers out	(53,124)	(99,697)
Total transfers	<u>(48,297)</u>	<u>(99,697)</u>
Net loss	(77,136)	(441,301)
Net assets at beginning of year	<u>4,115,006</u>	<u>4,556,307</u>
Net assets at end of year	<u>\$ 4,037,870</u>	<u>\$ 4,115,006</u>

Exhibit 34-C

MARINA FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Cash flows from operating activities		
Receipts from customers	\$ 1,689,645	\$ 1,645,530
Payments to suppliers	(261,994)	(286,996)
Payments to employees	(581,410)	(551,891)
Internal activity - payments to other funds	(287,558)	(249,318)
Net cash provided by operating activities	<u>558,683</u>	<u>557,325</u>
Cash flows from noncapital financing activities		
Changes in interfund borrowings	(125,963)	125,963
Transfers in from other funds	4,827	--
Transfers out to other funds	(53,124)	(99,697)
Net cash used for noncapital financing activities	<u>(174,260)</u>	<u>26,266</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	(16,210)	(7,495)
Proceeds from sale of capital assets	2,450	1,338
Principal paid on long-term debt	(180,000)	(175,000)
Interest expense and fiscal charges	(149,381)	(155,879)
Net cash used for capital and related financing activities	<u>(343,141)</u>	<u>(337,036)</u>
Cash flows from investing activities		
Interest on investments	--	(22,153)
Net increase in cash and cash equivalents	41,282	224,402
Cash and cash equivalents at beginning of year, including restricted accounts	<u>475,181</u>	<u>250,779</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 516,463</u>	<u>\$ 475,181</u>
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ 108,608	\$ (191,337)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	563,988	561,433
Provision for uncollectible accounts	6,093	(20,151)
Change in assets and liabilities		
Receivables	(16,285)	82,628
Accounts payable	(19,741)	(13,671)
Accrued expenses	4,717	672
Customer deposits	10,413	7,756
Unearned revenue	(134,369)	91,855
Accumulated unpaid compensated absences	5,806	(1,780)
Net pension obligation	32,390	34,515
Net OPEB obligation	(2,937)	5,405
Net cash provided by operating activities	<u>\$ 558,683</u>	<u>\$ 557,325</u>



City of
Corpus
Christi

Internal Service Funds

Internal Service Funds

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

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

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

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

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

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



City of
Corpus
Christi

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
JULY 31, 2012

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Liability and Employee Benefits</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ 415,212	\$ 433,364	\$ 814,489	\$ 29,537,362
Investments	--	6,000,483	2,000,966	12,004,956
Receivables, net of allowance for uncollectibles	--	7,265	25,192	1,360,779
Due from other funds	--	4,080,238	--	--
Inventories	628,127	484,011	--	--
Prepaid items	--	--	--	1,912,343
Total current assets	<u>1,043,339</u>	<u>11,005,361</u>	<u>2,840,647</u>	<u>44,815,440</u>
Noncurrent assets				
Other assets	--	--	--	49,871
Capital assets				
Land	--	66,359	--	--
Buildings	366,639	6,498,233	--	--
Improvements other than buildings	13,852	691,279	5,716,474	--
Machinery and equipment	60,100	43,053,365	17,559,272	--
Total capital assets in service	<u>440,591</u>	<u>50,309,236</u>	<u>23,275,746</u>	<u>--</u>
Less accumulated depreciation	<u>(246,584)</u>	<u>(38,658,556)</u>	<u>(17,290,222)</u>	<u>--</u>
Net capital assets	<u>194,007</u>	<u>11,650,680</u>	<u>5,985,524</u>	<u>--</u>
Total noncurrent assets	<u>194,007</u>	<u>11,650,680</u>	<u>5,985,524</u>	<u>49,871</u>
Total assets	<u>1,237,346</u>	<u>22,656,041</u>	<u>8,826,171</u>	<u>44,865,311</u>
LIABILITIES				
Current liabilities				
Accounts payable	242,247	630,382	254,439	266,350
Accrued expenses	39,489	136,719	242,322	35,254
Current portion of estimated liability claims	--	--	--	8,957,624
Deposits	--	3,467	--	--
Liability to claimants - escheat property	--	--	--	23,631
Unearned revenue	--	--	--	2,403
Current portion of long-term liabilities				
Long-term debt	--	142,261	1,628,591	--
Accumulated unpaid compensated absences	55,929	159,651	440,493	63,922
Total current liabilities	<u>337,665</u>	<u>1,072,480</u>	<u>2,565,845</u>	<u>9,349,184</u>
Noncurrent liabilities				
Estimated liability claims, net of current portion	--	--	--	6,936,920
Long-term liabilities, net of current portion				
Long-term debt	--	993,912	857,132	--
Accumulated unpaid compensated absences	52,080	181,131	215,910	1,873
Net pension obligation	148,853	591,464	1,134,558	174,288
Net OPEB obligation	13,485	64,615	73,621	10,979,316
Total noncurrent liabilities	<u>214,418</u>	<u>1,831,122</u>	<u>2,281,221</u>	<u>18,092,397</u>
Total liabilities	<u>552,083</u>	<u>2,903,602</u>	<u>4,847,066</u>	<u>27,441,581</u>
NET ASSETS				
Invested in capital assets, net of related debt	194,007	10,514,507	3,499,801	--
Unrestricted	<u>491,256</u>	<u>9,237,932</u>	<u>479,304</u>	<u>17,423,730</u>
Net assets	<u>\$ 685,263</u>	<u>\$ 19,752,439</u>	<u>\$ 3,979,105</u>	<u>\$ 17,423,730</u>

Exhibit 35-A

Engineering Services	Eliminations	Total
\$ 1,147,664	\$ --	\$ 32,348,091
--	--	20,006,405
--	--	1,393,236
257,462	--	4,337,700
--	--	1,112,138
--	--	1,912,343
<u>1,405,126</u>	<u>--</u>	<u>61,109,913</u>
--	--	49,871
1,099	--	67,458
--	--	6,864,872
--	--	6,421,605
243,102	--	60,915,839
<u>244,201</u>	<u>--</u>	<u>74,269,774</u>
<u>(197,784)</u>	<u>--</u>	<u>(56,393,146)</u>
<u>46,417</u>	<u>--</u>	<u>17,876,628</u>
<u>46,417</u>	<u>--</u>	<u>17,926,499</u>
<u>1,451,543</u>	<u>--</u>	<u>79,036,412</u>
96,960	--	1,490,378
142,615	--	596,399
--	--	8,957,624
--	--	3,467
--	--	23,631
--	--	2,403
--	--	1,770,852
192,382	--	912,377
<u>431,957</u>	<u>--</u>	<u>13,757,131</u>
--	--	6,936,920
--	--	1,851,044
42,277	--	493,271
644,300	--	2,693,463
38,371	--	11,169,408
<u>724,948</u>	<u>--</u>	<u>23,144,106</u>
<u>1,156,905</u>	<u>--</u>	<u>36,901,237</u>
46,417	--	14,254,732
<u>248,221</u>	<u>--</u>	<u>27,880,443</u>
<u>\$ 294,638</u>	<u>--</u>	<u>\$ 42,135,175</u>

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2012

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Liability and Employee Benefits</u>
Operating revenues				
Charges for services - net	\$ 1,635,609	\$ 6,764,162	\$ 14,495,530	\$ 37,798,924
Operating expenses				
Personal services	999,134	3,349,318	6,287,506	1,164,504
Materials and supplies	91,524	1,177,354	638,775	134,810
Contractual services	196,681	2,119,557	5,209,620	6,964,533
Other operating expenses	170,412	564,203	713,813	175,377
Self-insurance claims	--	--	--	23,578,851
Other post employment benefits	--	--	--	663,587
Uncollectible accounts	--	--	--	4,719
Depreciation	21,189	3,077,215	3,187,460	--
Total operating expenses	<u>1,478,940</u>	<u>10,287,647</u>	<u>16,037,174</u>	<u>32,686,381</u>
Operating income (loss)	156,669	(3,523,485)	(1,541,644)	5,112,543
Nonoperating revenues (expenses)				
Investment income	--	17,934	7,883	113,450
Interest expense and fiscal charges	(163)	(74,173)	(135,937)	--
Net gain on disposal of assets	290	347,747	2,200	--
Recovery of damage claims	--	101,760	--	2,676
Contribution from other governmental agencies	--	395	--	--
Total nonoperating revenues (expenses)	<u>127</u>	<u>393,663</u>	<u>(125,854)</u>	<u>116,126</u>
Income (loss) before transfers	156,796	(3,129,822)	(1,667,498)	5,228,669
Transfers in	4,206	4,462,672	--	--
Transfers out	--	(246,870)	--	--
Net transfers	<u>4,206</u>	<u>4,215,802</u>	<u>--</u>	<u>--</u>
Net income (loss)	161,002	1,085,980	(1,667,498)	5,228,669
Net assets at beginning of year	<u>524,261</u>	<u>18,666,459</u>	<u>5,646,603</u>	<u>12,195,061</u>
Net assets at end of year	<u>\$ 685,263</u>	<u>\$ 19,752,439</u>	<u>\$ 3,979,105</u>	<u>\$ 17,423,730</u>

Exhibit 35-B

<u>Engineering Services</u>	<u>Eliminations</u>	<u>Totals</u>
\$ 5,259,857	\$ --	\$ 65,954,082
3,675,671	--	15,476,133
107,429	--	2,149,892
435,757	--	14,926,148
604,794	--	2,228,599
--	--	23,578,851
--	--	663,587
--	--	4,719
19,756	--	6,305,620
<u>4,843,407</u>	<u>--</u>	<u>65,333,549</u>
416,450	--	620,533
210	--	139,477
--	--	(210,273)
--	--	350,237
--	--	104,436
--	--	395
<u>210</u>	<u>--</u>	<u>384,272</u>
416,660	--	1,004,805
5,300	(9,506)	4,462,672
--	9,506	(237,364)
<u>5,300</u>	<u>--</u>	<u>4,225,308</u>
421,960	--	5,230,113
<u>(127,322)</u>	<u>--</u>	<u>36,905,062</u>
<u>\$ 294,638</u>	<u>\$ --</u>	<u>\$ 42,135,175</u>

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2012**

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Liability and Employee Benefits</u>
Cash flows from operating activities				
Receipts from customers	\$ --	\$ 14,610	\$ 288,274	\$ 9,772,002
Receipts from interfund services provided	4,604,884	11,837,593	14,207,256	27,240,859
Payments to suppliers	(3,225,250)	(12,793,078)	(5,745,349)	(7,520,800)
Payments to employees	(833,286)	(2,890,156)	(5,538,834)	(1,056,199)
Internal activity - payments to other funds	(257,572)	(960,978)	(1,245,080)	(164,291)
Claims paid	--	--	--	(25,121,058)
Other receipts	--	102,155	--	2,676
Net cash provided by (used for) operating activities	<u>288,776</u>	<u>(4,689,854)</u>	<u>1,966,267</u>	<u>3,153,189</u>
Cash flows from noncapital financing activities				
Contribution from Coastal Bend Health Facilities				
Interest on interfund borrowings	(163)	--	--	--
Transfers in from other funds	4,206	--	--	--
Transfers out to other funds	--	(246,870)	--	--
Net cash provided by (used for) noncapital financing activities	<u>4,043</u>	<u>(246,870)</u>	<u>--</u>	<u>--</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets	--	(2,929,308)	(11,845)	--
Proceeds from sale/disposal of capital assets	290	493,501	2,200	--
Transfer in from other funds for capital acquisition	--	4,462,672	--	--
Principal paid on long-term debt	--	(134,877)	(1,595,796)	--
Interest expense and fiscal charges	--	(74,173)	(135,937)	--
Net cash provided by (used for) capital and related financing activity	<u>290</u>	<u>1,817,815</u>	<u>(1,741,378)</u>	<u>--</u>
Cash flows from investing activities				
Purchase of investment securities	--	(11,000,000)	(2,000,000)	(35,000,000)
Proceeds from sale and maturity of investment securities	--	6,000,000	1,000,000	51,000,000
Interest on investments	--	18,834	7,445	126,707
Net cash provided by (used for) investing activities	<u>--</u>	<u>(4,981,166)</u>	<u>(992,555)</u>	<u>16,126,707</u>
Net increase (decrease) in cash and cash equivalents	293,109	(8,100,075)	(767,666)	19,279,896
Cash and cash equivalents at beginning of year	<u>122,103</u>	<u>8,533,439</u>	<u>1,582,155</u>	<u>10,257,466</u>
Cash and cash equivalents at end of year	<u>\$ 415,212</u>	<u>\$ 433,364</u>	<u>\$ 814,489</u>	<u>\$ 29,537,362</u>

(Continued)

Exhibit 35-C

<u>Engineering Services</u>	<u>Eliminations</u>	<u>Total</u>
\$ 87,094	\$ --	\$ 10,161,980
4,915,302	--	62,805,894
(545,640)	--	(29,830,117)
(3,368,560)	--	(13,687,035)
(833,242)	--	(3,461,163)
--	--	(25,121,058)
--	--	104,831
254,954	--	973,332
210	--	47
5,300	(9,506)	--
--	9,506	(237,364)
5,510	--	(237,317)
--	--	(2,941,153)
--	--	495,991
--	--	4,462,672
--	--	(1,730,673)
--	--	(210,110)
--	--	76,727
--	--	(48,000,000)
--	--	58,000,000
--	--	152,986
--	--	10,152,986
260,464	--	10,965,728
887,200	--	21,382,363
\$ 1,147,664	\$ --	\$ 32,348,091

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2011**

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Liability and Employee Benefits</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	\$ 156,669	\$ (3,523,485)	\$ (1,541,644)	\$ 5,112,543
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation	21,189	3,077,215	3,187,460	--
Provision for uncollectible accounts	--	--	--	4,719
Contribution from other governmental agencies	--	395	--	--
Recovery of damage claims	--	101,760	--	2,676
Changes in assets and liabilities				
Receivables	2,034	(2,784)	(21,449)	(783,499)
Due from other funds	--	(4,080,238)	--	--
Inventory	70,255	(47,540)	--	--
Deposits	--	786	--	--
Prepaid items	--	--	--	(43,773)
Accounts payable	(39,623)	(349,304)	39,746	(308,992)
Accrued expenses	9,105	18,093	25,429	(171,815)
Estimated claims liability	--	--	--	1,792,425
Liability to claimants-escheat property	--	--	--	(354)
Unearned revenue	--	--	--	(2,056)
Accumulated unpaid compensated absences	27,220	(29,551)	(6,634)	(17,668)
Net pension obligation	46,791	162,802	310,241	58,868
Net OPEB obligation	(4,864)	(18,003)	(26,882)	(2,489,885)
Net cash provided by (used for) operating activities	<u>\$ 288,776</u>	<u>\$ (4,689,854)</u>	<u>\$ 1,966,267</u>	<u>\$ 3,153,189</u>
Noncash investing, capital and financing activities				
Change in fair value of investments	\$ --	\$ (106)	\$ 377	\$ 214
Acquisition of capital assets under capital lease	\$ --	\$ --	\$ 72,730	\$ --

**Exhibit 35-C
(Continued)**

<u>Engineering Services</u>	<u>Eliminations</u>	<u>Total</u>
\$ 416,450	\$ --	\$ 620,533
19,756	--	6,305,620
--	--	4,719
--	--	395
--	--	104,436
1,054	--	(804,644)
(257,462)	--	(4,337,700)
--	--	22,715
--	--	786
--	--	(43,773)
33,427	--	(624,746)
20,332	--	(98,856)
--	--	1,792,425
--	--	(354)
--	--	(2,056)
(161,428)	--	(188,061)
197,619	--	776,321
(14,794)	--	(2,554,428)
<u>\$ 254,954</u>	<u>\$ --</u>	<u>\$ 973,332</u>
\$ --	\$ --	\$ 485
\$ --	\$ --	\$ 72,730



City of
Corpus
Christi

Exhibit 36-A

**STORES FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 415,212	\$ 122,103
Receivables		
Intergovernmental	58	149
Miscellaneous	--	1,943
Allowance for uncollectibles	(58)	(58)
Net receivables	--	2,034
Inventories	628,127	698,382
Total current assets	<u>1,043,339</u>	<u>822,519</u>
Noncurrent assets		
Capital assets		
Buildings	366,639	366,639
Improvements other than buildings	13,852	13,852
Machinery and equipment	60,100	60,100
Total capital assets in service	<u>440,591</u>	<u>440,591</u>
Less accumulated depreciation	(246,584)	(225,395)
Net capital assets in service	<u>194,007</u>	<u>215,196</u>
Total noncurrent assets	<u>194,007</u>	<u>215,196</u>
Total assets	<u>1,237,346</u>	<u>1,037,715</u>
LIABILITIES		
Current liabilities		
Accounts payable	242,247	281,870
Accrued expenses	39,489	30,384
Due to other funds	--	--
Current portion of accumulated unpaid compensated absences	55,929	51,090
Total current liabilities	<u>337,665</u>	<u>363,344</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Accumulated unpaid compensated absences	52,080	29,699
Net pension obligation	148,853	102,062
Net OPEB obligation	13,485	18,349
Total noncurrent liabilities	<u>214,418</u>	<u>150,110</u>
Total liabilities	<u>552,083</u>	<u>513,454</u>
NET ASSETS		
Invested in capital assets, net of related debt	194,007	215,196
Unrestricted	<u>491,256</u>	<u>309,065</u>
Total net assets	<u>\$ 685,263</u>	<u>\$ 524,261</u>

Exhibit 36-B

STORES FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Operating revenues		
Sale of materials and supplies	\$ 4,532,595	\$ 4,504,889
Less cost of sales	<u>(2,896,986)</u>	<u>(2,970,574)</u>
Gross operating income	1,635,609	1,534,315
Operating expenses		
Personal services	999,134	920,903
Materials and supplies	91,524	99,143
Contractual services	196,681	254,189
Other operating expenses	170,412	178,824
Uncollectible accounts	--	(3)
Depreciation	21,189	16,164
Total operating expenses	<u>1,478,940</u>	<u>1,469,220</u>
Operating income	156,669	65,095
Nonoperating revenues (expenses)		
Interest expense and fiscal charges	(163)	(679)
Net gain on disposal of assets	<u>290</u>	<u>240</u>
Total nonoperating expenses	<u>127</u>	<u>(439)</u>
Income before transfers	156,796	64,656
Transfers in	<u>4,206</u>	<u>--</u>
Net income	161,002	64,656
Net assets at beginning of year	<u>524,261</u>	<u>459,605</u>
Net assets at end of year	<u>\$ 685,263</u>	<u>\$ 524,261</u>

**STORES FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2012 AND 2011**

	2012	2011
Cash flows from operating activities		
Receipts from interfund services provided	\$ 4,604,884	\$ 4,733,222
Payments to suppliers	(3,225,250)	(3,114,508)
Payments to employees	(833,286)	(744,763)
Internal activity - payments to other funds	(257,572)	(301,181)
Net cash provided by operating activities	288,776	572,770
Cash flows from noncapital financing activities		
Changes in interfund borrowings	--	(410,028)
Interest on interfund borrowings	(163)	(679)
Transfers in from other funds	4,206	--
Net cash provided by (used for) noncapital financing activities	4,043	(410,707)
Cash flows from capital and related financing activities		
Acquisition of capital assets	--	(40,200)
Proceeds from sale/disposal of capital assets	290	240
Net cash provided by (used for) capital and related financing activity	290	(39,960)
Net change in cash and cash equivalents	293,109	122,103
Cash and cash equivalents at beginning of year	122,103	--
Cash and cash equivalents at end of year	\$ 415,212	\$ 122,103
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities		
Operating income	\$ 156,669	\$ 65,095
Adjustments to reconcile operating income to net cash provided by (used for) operating activities		
Depreciation	21,189	16,164
Provision for uncollectible accounts	--	(3)
Changes in assets and liabilities		
Receivables	2,034	(2,031)
Inventory	70,255	230,364
Accounts payable	(39,623)	199,307
Accrued expenses	9,105	1,143
Accumulated unpaid compensated absences	27,220	8,837
Net pension obligation	46,791	47,408
Net OPEB obligation	(4,864)	6,486
Net cash provided by operating activities	\$ 288,776	\$ 572,770

Exhibit 37-A

**MAINTENANCE SERVICE FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 433,364	\$ 8,533,439
Investments	6,000,483	1,000,589
Receivables		
Accounts	6,409	3,625
Accrued interest	856	1,650
Net receivables	<u>7,265</u>	<u>5,275</u>
Due from other funds	4,080,238	--
Inventories	<u>484,011</u>	<u>436,471</u>
Total current assets	<u>11,005,361</u>	<u>9,975,774</u>
Noncurrent assets		
Capital assets		
Land	66,359	66,359
Buildings	6,498,233	6,489,704
Improvements other than buildings	691,279	646,081
Machinery and equipment	<u>43,053,365</u>	<u>44,084,641</u>
Total capital assets in service	50,309,236	51,286,785
Less accumulated depreciation	<u>(38,658,556)</u>	<u>(39,342,442)</u>
Net capital assets in service	<u>11,650,680</u>	<u>11,944,343</u>
Total noncurrent assets	<u>11,650,680</u>	<u>11,944,343</u>
 Total assets	 <u>22,656,041</u>	 <u>21,920,117</u>
LIABILITIES		
Current liabilities		
Accounts payable	630,382	979,687
Accrued expenses	136,719	118,627
Deposits	3,467	2,681
Current portion of long-term liabilities		
Long-term debt	142,261	134,877
Accumulated unpaid compensated absences	<u>159,651</u>	<u>193,508</u>
Total current liabilities	<u>1,072,480</u>	<u>1,429,380</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	993,912	1,136,173
Accumulated unpaid compensated absences	181,131	176,825
Net pension obligation	591,464	428,662
Net OPEB obligation	<u>64,615</u>	<u>82,618</u>
Total noncurrent liabilities	<u>1,831,122</u>	<u>1,824,278</u>
 Total liabilities	 <u>2,903,602</u>	 <u>3,253,658</u>
NET ASSETS		
Invested in capital assets, net of related debt	10,514,507	10,673,293
Unrestricted	<u>9,237,932</u>	<u>7,993,166</u>
 Total net assets	 <u>\$ 19,752,439</u>	 <u>\$ 18,666,459</u>

Exhibit 37-B

MAINTENANCE SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Operating revenues		
Sale of materials and services	\$ 15,935,227	\$ 16,854,544
Less cost of materials sold and outside repairs	(9,171,065)	(8,404,261)
Gross operating income	<u>6,764,162</u>	<u>8,450,283</u>
Operating expenses		
Personal services	3,349,318	3,791,544
Materials and supplies	1,177,354	1,288,128
Contractual services	2,119,557	2,430,606
Other operating expenses	564,203	571,231
Depreciation	3,077,215	2,959,615
Total operating expenses	<u>10,287,647</u>	<u>11,041,124</u>
Operating loss	(3,523,485)	(2,590,841)
Nonoperating revenues (expenses)		
Investment income	17,934	20,616
Interest expense and fiscal charges	(74,173)	(78,019)
Net gain on disposal of assets	347,747	179,694
Recovery on damage claims	101,760	73,883
Contribution from other governmental agencies	395	6,054
Total nonoperating revenues	<u>393,663</u>	<u>202,228</u>
Loss before transfers	(3,129,822)	(2,388,613)
Transfers in	4,462,672	5,271,067
Transfers out	(246,870)	(26,589)
Net transfers	<u>4,215,802</u>	<u>5,244,478</u>
Net income (loss)	1,085,980	2,855,865
Net assets at beginning of year	<u>18,666,459</u>	<u>15,810,594</u>
Net assets at end of year	<u>\$ 19,752,439</u>	<u>\$ 18,666,459</u>

Exhibit 37-C

**MAINTENANCE SERVICES FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2012 AND 2011**

	2012	2011
Cash flows from operating activities		
Receipts from customers	\$ 14,610	\$ 21,662
Receipts from interfund services provided	11,837,593	16,830,751
Payments to suppliers	(12,793,078)	(11,831,433)
Payments to employees	(2,890,156)	(3,041,051)
Internal activity - payments to other funds	(960,978)	(1,204,805)
Other receipts	102,155	79,937
Net cash provided by (used for) operating activities	(4,689,854)	855,061
Cash flows from noncapital financing activities		
Transfers out to other funds	(246,870)	(26,589)
Cash flows from capital and related financing activities		
Acquisition of capital assets	(2,929,308)	(3,176,418)
Proceeds from sale/disposal of capital assets	493,501	356,299
Transfer in from other funds for capital acquisition	4,462,672	5,271,067
Principal paid on long term debt	(134,877)	(127,904)
Interest expense and fiscal charges	(74,173)	(78,019)
Net cash provided by capital and related financing activities	1,817,815	2,245,025
Cash flows from investing activities		
Purchase of investment securities	(11,000,000)	(5,000,000)
Proceeds from sale and maturity of investment securities	6,000,000	9,000,000
Interest on investments	18,834	22,801
Net cash provided by (used for) investing activities	(4,981,166)	4,022,801
Net increase in cash and cash equivalents	(8,100,075)	7,096,298
Cash and cash equivalents at beginning of year	8,533,439	1,437,141
Cash and cash equivalents at end of year	\$ 433,364	\$ 8,533,439

(Continued)

Exhibit 37-C

	<u>2012</u>	<u>2011</u>
Reconciliation of operating loss to net cash provided (used for)		
by operating activities		
Operating loss	\$ (3,523,485)	\$ (2,590,841)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities		
Depreciation	3,077,215	2,959,615
Contribution from other governmental agencies	395	6,054
Recovery on damage claims	101,760	73,883
Changes in assets and liabilities		
Receivables	(2,784)	(2,130)
Due from other funds	(4,080,238)	--
Inventory	(47,540)	(7,286)
Deposits	786	726
Accounts payable	(349,304)	198,721
Accrued expenses	18,093	(1,996)
Accumulated unpaid compensated absences	(29,551)	(4,266)
Net pension obligation	162,802	191,555
Net OPEB obligation	(18,003)	31,026
Net cash provided by (used for) operating activities	<u>\$ (4,689,854)</u>	<u>\$ 855,061</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ (106)	\$ 721



City of
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Exhibit 38-A

**MUNICIPAL INFORMATION SYSTEMS FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2012 AND 2011**

	2012	2011
ASSETS		
Current assets		
Cash and cash equivalents	\$ 814,489	\$ 1,582,155
Investments	2,000,966	1,000,589
Receivables		
Accounts	23,481	2,033
Accrued interest	1,711	1,650
Employees	132	132
Allowance for uncollectibles	(132)	(132)
Net receivables	25,192	3,683
Total current assets	2,840,647	2,586,427
Noncurrent assets		
Capital assets		
Improvements other than buildings	5,716,474	5,716,474
Machinery and equipment	17,559,272	17,474,697
Total capital assets in service	23,275,746	23,191,171
Less accumulated depreciation	(17,290,222)	(14,102,762)
Net capital assets in service	5,985,524	9,088,409
Total noncurrent assets	5,985,524	9,088,409
Total assets	8,826,171	11,674,836
LIABILITIES		
Current liabilities		
Accounts payable	254,439	214,693
Accrued expenses	242,322	216,893
Current portion of long-term liabilities		
Long-term debt	1,628,591	1,570,893
Accumulated unpaid compensated absences	440,493	486,162
Total current liabilities	2,565,845	2,488,641
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	857,132	2,437,896
Accumulated unpaid compensated absences	215,910	176,875
Net pension obligation	1,134,558	824,318
Net OPEB obligation	73,621	100,503
Total noncurrent liabilities	2,281,221	3,539,592
Total liabilities	4,847,066	6,028,233
NET ASSETS		
Invested in capital assets, net of related debt	3,499,801	5,079,620
Unrestricted	479,304	566,983
Total net assets	\$ 3,979,105	\$ 5,646,603

Exhibit 38-B

MUNICIPAL INFORMATION SYSTEMS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Operating revenues		
Charges for services - net	\$ 14,495,530	\$ 15,363,451
Operating expenses		
Personal services	6,287,506	6,751,789
Materials and supplies	638,775	973,578
Contractual services	5,209,620	5,340,987
Other operating expenses	713,813	576,144
Depreciation	3,187,460	3,456,894
Total operating expenses	<u>16,037,174</u>	<u>17,099,392</u>
Operating loss	(1,541,644)	(1,735,941)
Nonoperating revenues (expenses)		
Investment income	7,883	7,668
Interest expense and fiscal charges	(135,937)	(177,874)
Net gain on disposal of assets	2,200	--
Total nonoperating revenues (expenses)	<u>(125,854)</u>	<u>(170,206)</u>
Net loss	(1,667,498)	(1,906,147)
Net assets at beginning of year	<u>5,646,603</u>	<u>7,552,750</u>
Net assets at end of year	<u>\$ 3,979,105</u>	<u>\$ 5,646,603</u>

Exhibit 38-C

**MUNICIPAL INFORMATION SYSTEMS FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2012 AND 2011**

	2012	2011
Cash flows from operating activities		
Receipts from customers	\$ 288,274	\$ 2,101
Receipts from interfund services provided	14,207,256	15,361,350
Payments to suppliers	(5,745,349)	(6,237,416)
Payments to employees	(5,538,834)	(5,877,673)
Internal activity - payments to other funds	(1,245,080)	(1,209,025)
Net cash provided by operating activities	1,966,267	2,039,337
Cash flows from capital and related financing activities		
Acquisition of capital assets	(11,845)	(39,956)
Proceeds from sale/disposal of capital assets	2,200	--
Principal paid on long term debt	(1,595,796)	(1,744,680)
Interest expense and fiscal charges	(135,937)	(177,874)
Net cash used for capital and related financing activities	(1,741,378)	(1,962,510)
Cash flows from investing activities		
Purchase of investment securities	(2,000,000)	(1,000,000)
Proceeds from sale and maturity of investment securities	1,000,000	--
Interest on investments	7,445	5,430
Net cash used for investing activities	(992,555)	(994,570)
Net decrease in cash and cash equivalents	(767,666)	(917,743)
Cash and cash equivalents at beginning of year	1,582,155	2,499,898
Cash and cash equivalents at end of year	\$ 814,489	\$ 1,582,155
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ (1,541,644)	\$ (1,735,941)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	3,187,460	3,456,894
Changes in assets and liabilities		
Receivables	(21,449)	445,526
Accounts payable	39,746	(413,709)
Accrued expenses	25,429	(41,295)
Accumulated unpaid compensated absences	(6,634)	(74,110)
Net pension obligation	310,241	366,675
Net OPEB obligation	(26,882)	35,297
Net cash provided by operating activities	\$ 1,966,267	\$ 2,039,337
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ 377	\$ 589
Acquisition of capital assets under capital lease	\$ 72,730	\$ 694,327



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Exhibit 39-A

**LIABILITY AND EMPLOYEE BENEFITS FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2012 AND 2011**

	2012	RESTATED 2011
ASSETS		
Current assets		
Cash and cash equivalents	\$ 29,537,362	\$ 10,257,466
Investments	12,004,956	28,004,742
Receivables		
Accounts	1,414,725	634,965
Accrued interest	12,517	25,132
Employees	1,312	856
Miscellaneous	2,521	--
Allowance for uncollectibles	(70,296)	(65,483)
Net receivables	1,360,779	595,470
Prepaid items	1,912,343	1,868,570
Total current assets	<u>44,815,440</u>	<u>40,726,248</u>
Noncurrent assets		
Other assets	49,871	49,871
Total assets	<u>44,865,311</u>	<u>40,776,119</u>
LIABILITIES		
Current liabilities		
Accounts payable	266,350	575,342
Accrued expenses	35,254	207,069
Current portion of estimated liability claims	5,258,624	4,861,567
Estimated health insurance claims payable	3,699,000	2,205,000
Liability to claimants-escheat property	23,631	23,985
Unearned revenue	2,403	4,459
Current portion of accumulated unpaid compensated absences	63,922	64,681
Total current liabilities	<u>9,349,184</u>	<u>7,942,103</u>
Noncurrent liabilities		
Estimated liability claims	6,936,920	7,035,552
Accumulated unpaid compensated absences, net of current portion	1,873	18,782
Net pension obligation	174,288	115,420
Net OPEB obligation	10,979,316	13,469,201
Total noncurrent liabilities	<u>18,092,397</u>	<u>20,638,955</u>
Total liabilities	<u>27,441,581</u>	<u>28,581,058</u>
NET ASSETS		
Unrestricted	<u>17,423,730</u>	<u>12,195,061</u>
Total net assets	<u>\$ 17,423,730</u>	<u>\$ 12,195,061</u>

Exhibit 39-B

LIABILITY AND EMPLOYEE BENEFITS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2012 AND 2011

	<u>2012</u>	<u>RESTATED 2011</u>
Operating revenues		
Charges for services		
Liability insurance	\$ 9,070,463	\$ 9,463,341
Life insurance	95,554	98,275
Health insurance	27,104,164	29,901,909
Disability insurance	142,307	139,753
Administration	1,385,928	1,203,813
Miscellaneous	508	--
Total operating revenues	<u>37,798,924</u>	<u>40,807,091</u>
Operating expenses		
Personal services	1,164,504	1,045,443
Materials and supplies	134,810	126,629
Contractual services	2,694,142	2,310,648
Insurance premiums	4,270,391	4,410,144
Other operating expenses	175,377	171,840
Group health claims	19,576,207	20,134,664
General liability claims	969,949	2,661,883
Workers' compensation claims	2,804,074	2,731,796
Unemployment compensation claims	228,621	240,671
Other post employment benefits	663,587	3,585,002
Uncollectible accounts	4,719	1,944
Total operating expenses	<u>32,686,381</u>	<u>37,420,664</u>
Operating income	5,112,543	3,386,427
Nonoperating revenues (expenses)		
Investment income	113,450	140,948
Interest expense and fiscal charges	--	(4,513)
Recovery of damage claims	2,676	10,590
Total nonoperating revenues	<u>116,126</u>	<u>147,025</u>
Income before transfers	5,228,669	3,533,452
Transfers out	--	(17,474)
Net income	5,228,669	3,515,978
Net assets at beginning of year	<u>12,195,061</u>	<u>8,679,083</u>
Net assets at end of year	<u>\$ 17,423,730</u>	<u>\$ 12,195,061</u>

Exhibit 39-C

LIABILITY AND EMPLOYEE BENEFITS FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2012 AND 2011

	2012	RESTATED 2011
Cash flows from operating activities		
Receipts from customers	\$ 9,772,002	\$ 11,113,766
Receipts from interfund services provided	27,240,859	29,098,001
Payments to suppliers	(7,520,800)	(7,198,779)
Payments to employees	(1,056,199)	(887,670)
Internal activity - payments to other funds	(164,291)	172,540
Claims paid	(25,121,058)	(27,676,319)
Other receipts	2,676	10,590
Net cash provided by operating activities	3,153,189	4,632,129
Cash flows from noncapital financing activities		
Changes in interfund borrowings	--	883,182
Interest on interfund borrowings	--	(4,513)
Transfers out to other funds	--	(17,474)
Net cash provided by noncapital financing activities	--	861,195
Cash flows from investing activities		
Purchase of investment securities	(35,000,000)	(58,000,000)
Proceeds from sale and maturity of investment securities	51,000,000	60,000,000
Interest on investments	126,707	197,034
Net cash provided by investing activities	16,126,707	2,197,034
Net increase in cash and cash equivalents	19,279,896	7,690,358
Cash and cash equivalents at beginning of year	10,257,466	2,567,108
Cash and cash equivalents at end of year	\$ 29,537,362	\$ 10,257,466
Reconciliation of operating loss to net cash used for operating activities		
Operating income	\$ 5,112,543	\$ 3,386,427
Adjustments to reconcile operating income to net cash used for operating activities		
Provision for uncollectible accounts	4,719	1,944
Recovery of damage claims	2,676	10,590
Changes in assets and liabilities		
Receivables	(783,499)	(206,481)
Prepaid items	(43,773)	(61,361)
Accounts payable	(308,992)	(328,617)
Accrued expenses	(171,815)	126,833
Estimated claims liability	1,792,425	102,422
Liability to claimants-escheat property	(354)	969
Unearned revenue	(2,056)	(53,731)
Accumulated unpaid compensated absences	(17,668)	18,208
Net pension obligation	58,868	56,329
Net OPEB obligation	(2,489,885)	1,578,597
Net cash provided by operating activities	\$ 3,153,189	\$ 4,632,129
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ 214	\$ (48,225)



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Exhibit 40-A

**ENGINEERING SERVICES FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,147,664	\$ 887,200
Receivables		
Accounts	--	1,054
Due from other funds	257,462	--
Total current assets	<u>1,405,126</u>	<u>888,254</u>
Noncurrent assets		
Capital assets		
Land	1,099	1,099
Machinery and equipment	243,102	243,102
Total capital assets in service	<u>244,201</u>	<u>244,201</u>
Less accumulated depreciation	(197,784)	(178,028)
Net capital assets	<u>46,417</u>	<u>66,173</u>
Total noncurrent assets	<u>46,417</u>	<u>66,173</u>
Total assets	<u>1,451,543</u>	<u>954,427</u>
LIABILITIES		
Current liabilities		
Accounts payable	96,960	63,533
Accrued expenses	142,615	122,283
Current portion of accumulated unpaid compensated absences	192,382	218,201
Total current liabilities	<u>431,957</u>	<u>404,017</u>
Noncurrent liabilities		
Accumulated unpaid compensated absences, net of current portion	42,277	177,886
Net pension obligation	644,300	446,681
Net OPEB obligation	38,371	53,165
Total noncurrent liabilities	<u>724,948</u>	<u>677,732</u>
Total liabilities	<u>1,156,905</u>	<u>1,081,749</u>
NET ASSETS		
Invested in capital assets	46,417	66,173
Unrestricted	248,221	(193,495)
Total net assets (liabilities)	<u>\$ 294,638</u>	<u>\$ (127,322)</u>

Exhibit 40-B

ENGINEERING SERVICES FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Operating revenues		
Charges for services - net	\$ 5,259,857	\$ 4,805,209
Operating expenses		
Personal services	3,675,671	3,745,214
Materials and supplies	107,429	77,942
Contractual services	435,757	521,065
Other operating expenses	604,794	663,537
Depreciation	19,756	19,757
Total operating expenses	<u>4,843,407</u>	<u>5,027,515</u>
Operating income (loss)	416,450	(222,306)
Nonoperating revenues		
Investment income	210	--
Interest expense and fiscal charges	--	(83)
Contributions and donations	--	14,879
Total nonoperating revenues	<u>210</u>	<u>14,796</u>
Income (loss) before transfers	416,660	(207,510)
Transfers in	<u>5,300</u>	<u>--</u>
Net income (loss)	421,960	(207,510)
Net assets (liabilities) at beginning of year	<u>(127,322)</u>	<u>80,188</u>
Net assets (liabilities) at end of year	<u>\$ 294,638</u>	<u>\$ (127,322)</u>

Exhibit 40-C

**ENGINEERING SERVICES FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
Cash flows from operating activities		
Receipts from customers	\$ 87,094	\$ 80,555
Receipts from interfund services provided	4,915,302	4,724,655
Payments to suppliers	(545,640)	(597,523)
Payments to employees	(3,368,560)	(3,336,732)
Internal activity - payments to other funds	(833,242)	(977,542)
Net cash provided by (used for) operating activities	<u>254,954</u>	<u>(106,587)</u>
Cash flows from noncapital financing activities		
Interest on interfund borrowings	210	(83)
Contributions from other government agencies	--	14,879
Transfers in from other funds	5,300	--
Net cash provided by noncapital financing activities	<u>5,510</u>	<u>14,796</u>
Net increase (decrease) in cash and cash equivalents	260,464	(91,791)
Cash and cash equivalents at beginning of year	<u>887,200</u>	<u>978,991</u>
Cash and cash equivalents at end of year	<u>\$ 1,147,664</u>	<u>\$ 887,200</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities		
Operating income (loss)	\$ 416,450	\$ (222,306)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities		
Depreciation	19,756	19,757
Changes in assets and liabilities		
Receivables	1,054	(775)
Due from other funds	(257,462)	--
Accounts payable	33,427	11,714
Accrued expenses	20,332	2,578
Accumulated unpaid compensated absences	(161,428)	(153,548)
Net pension obligation	197,619	217,343
Net OPEB obligation	<u>(14,794)</u>	<u>18,650</u>
Net cash provided by (used for) operating activities	<u>\$ 254,954</u>	<u>\$ (106,587)</u>



City of
Corpus
Christi

Component Units

Component Units

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

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



City of
Corpus
Christi

**DISCRETELY PRESENTED COMPONENT UNITS
COMBINING STATEMENT OF NET ASSETS
JULY 31, 2012**

	Coastal Bend Health Facilities Development Corporation	Corpus Christi Convention and Visitors Bureau	Total
ASSETS			
Cash and cash equivalents	\$ 3,719	\$ 720,156	\$ 723,875
Receivables	--	5,712	5,712
Inventories	--	7,297	7,297
Prepaid items	--	34,834	34,834
Capital assets, net of accumulated depreciation	--	228,017	228,017
Total assets	<u>3,719</u>	<u>996,016</u>	<u>999,735</u>
LIABILITIES			
Accounts payable	--	328,558	328,558
NET ASSETS			
Invested in capital assets	--	228,017	228,017
Unrestricted	<u>3,719</u>	<u>439,441</u>	<u>443,160</u>
Total net assets	<u>\$ 3,719</u>	<u>\$ 667,458</u>	<u>\$ 671,177</u>

**DISCRETELY PRESENTED COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2012**

	Coastal Bend Health Facilities Development Corporation	Corpus Christi Convention and Visitors Bureau	Total
Expenditures/expenses			
Convention and visitor activities	\$ --	\$ 3,416,157	\$ 3,416,157
Program revenue			
Charges for services	--	180,043	180,043
Operating grants and contributions	--	34,500	34,500
General revenue			
Earnings on investments	--	1,093	1,093
Payments from the City of Corpus Christi	--	3,175,044	3,175,044
Total general revenues	<u>--</u>	<u>3,176,137</u>	<u>3,176,137</u>
Change in net assets	--	(25,477)	(25,477)
Net assets beginning of year	<u>3,719</u>	<u>692,935</u>	<u>696,654</u>
Net assets end of year	<u>\$ 3,719</u>	<u>\$ 667,458</u>	<u>\$ 671,177</u>

Exhibit 42-A

**COASTAL BEND HEALTH FACILITIES DEVELOPMENT CORPORATION
STATEMENT OF NET ASSETS
JULY 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and cash equivalents	\$ 3,719	\$ 3,719
LIABILITIES	<u>--</u>	<u>--</u>
NET ASSETS		
Unrestricted	<u>3,719</u>	<u>3,719</u>
Net assets	<u>\$ 3,719</u>	<u>\$ 3,719</u>

Exhibit 42-B

**COASTAL BEND HEALTH FACILITIES DEVELOPMENT CORPORATION
STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
Expenditures/expenses		
Health	\$ --	\$ --
General revenue		
Earnings on investments	<u> --</u>	<u> 5</u>
Change in net assets	--	5
Fund balance/net assets beginning of year	<u> 3,719</u>	<u> 3,714</u>
Fund balance/net assets end of year	<u><u> \$ 3,719</u></u>	<u><u> \$ 3,719</u></u>

Exhibit 43-A

**CORPUS CHRISTI CONVENTION AND VISITORS BUREAU
STATEMENT OF NET ASSETS
JULY 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and cash equivalents	\$ 720,156	\$ 579,703
Accounts receivable	5,712	19,145
Inventories	7,297	6,060
Prepaid items	34,834	42,002
Capital assets, net of accumulated depreciation	<u>228,017</u>	<u>263,914</u>
Total assets	<u>996,016</u>	<u>910,824</u>
LIABILITIES		
Accounts payable	328,558	206,623
Accrued liabilities	--	11,266
Total liabilities	<u>328,558</u>	<u>217,889</u>
NET ASSETS		
Invested in capital assets	228,017	263,914
Unrestricted	<u>439,441</u>	<u>429,021</u>
Total net assets	<u>\$ 667,458</u>	<u>\$ 692,935</u>

Exhibit 43-B

**CORPUS CHRISTI CONVENTION AND VISITORS BUREAU
STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
Expenditures/expenses		
Convention and visitor activities	\$ 3,416,157	\$ 3,077,058
Total expenditures/expenses	<u>3,416,157</u>	<u>3,077,058</u>
Program revenue		
Charges for services	180,043	197,456
Operating grants and contributions	34,500	43,000
Net program expense	<u>(3,201,614)</u>	<u>(2,836,602)</u>
General revenue		
Earnings on investments	1,093	1,321
Payments from the City of Corpus Christi	3,175,044	2,884,266
Total general revenues	<u>3,176,137</u>	<u>2,885,587</u>
Change in net assets	(25,477)	48,985
Fund balance/net assets beginning of year	<u>692,935</u>	<u>643,950</u>
Fund balance/net assets end of year	<u>\$ 667,458</u>	<u>\$ 692,935</u>



City of
Corpus
Christi

Capital Assets

*Capital Assets Used in the Operation
of Governmental Funds*

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY SOURCE *
JULY 31, 2012 AND 2011**

	2012	2011
Governmental funds capital assets		
Land	\$ 67,127,189	\$ 64,600,132
Buildings	219,558,650	218,441,530
Improvements other than buildings	271,199,367	228,033,841
Machinery and equipment	125,706,543	122,199,100
Infrastructure	307,512,904	282,402,000
Construction in progress	73,131,500	95,193,075
Total governmental funds capital assets	\$ 1,064,236,153	\$ 1,010,869,678
Investment in governmental funds capital assets by source		
Capital projects funds	\$ 803,356,630	\$ 753,835,174
General and special revenue funds	88,811,793	85,957,648
Donations	17,214,313	17,214,313
Developers contributions	21,755,347	21,704,972
Federal revenue sharing	105,191,886	104,251,388
Tax increment zone	22,861,080	22,861,080
Claim settlements	5,045,103	5,045,103
Total investment in governmental funds capital assets by source	\$ 1,064,236,152	\$ 1,010,869,678

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

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY *
JULY 31, 2012**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
General Government				
Control				
City Council and City Secretary	\$ 397,358	\$ --	\$ 14,000	\$ 4,319
City Manager	359,940	--	--	7,673
Management and budget	102,156	--	--	--
Information services	1,369,485	--	--	600
Total control	<u>2,228,939</u>	<u>--</u>	<u>14,000</u>	<u>12,592</u>
Staff Agencies				
Director of finance	54,522	--	--	--
Accounting	3,874,599	--	--	92,405
Federal grant accounting	5,317	--	--	--
Accounts receivable and meter reading	765,951	--	--	--
Central cashiering	192,096	--	--	--
Cash management	6,577	--	--	--
Utility billing office administration and customer service operation	2,118,616	--	--	--
Nueces County Tax Appraisal District	70,588	--	--	3,710
Purchasing	47,964	--	--	--
Messenger service	1,675	--	--	--
City Attorney	388,621	--	--	118
Business development	35,074	--	--	--
Planning	650,015	--	--	--
Human resources	2,986,711	--	--	--
Human relations	3,450	--	--	--
City Hall vehicle pool	14,994	--	--	--
City Hall and Emergency Management Facility	22,881,887	3,732,487	17,712,202	89,844
Total staff agencies	<u>34,098,657</u>	<u>3,732,487</u>	<u>17,712,202</u>	<u>186,077</u>
Miscellaneous	3,213,655	359,224	37,170	1,664,632
Total general government	<u>39,541,251</u>	<u>4,091,711</u>	<u>17,763,372</u>	<u>1,863,301</u>
Police and municipal court				
Police				
Police	25,566,261	2,325,928	7,775,963	3,092,568
Crime Control District	922,647	--	--	--
Total police	<u>26,488,908</u>	<u>2,325,928</u>	<u>7,775,963</u>	<u>3,092,568</u>
Municipal Court	1,887,841	--	107,715	60,027
Total police and municipal court	<u>28,376,749</u>	<u>2,325,928</u>	<u>7,883,678</u>	<u>3,152,595</u>
Fire				
Fire	31,475,452	1,666,238	6,283,787	4,945,555
Fire academy	29,897	--	--	--
Fire prevention	140,443	--	--	--
Total fire	<u>31,645,792</u>	<u>1,666,238</u>	<u>6,283,787</u>	<u>4,945,555</u>
Ambulance	5,090,579	--	--	--
Emergency management				
Emergency management	119,665	--	--	7,592
Local Emergency Planning Committee	35,789	--	--	--
Total emergency management	<u>155,454</u>	<u>--</u>	<u>--</u>	<u>7,592</u>

(Continued)

Exhibit 44-B

<u>Machinery and Equipment</u>	<u>Infrastructure</u>
\$ 379,039	\$ --
352,267	--
102,156	--
1,368,885	--
<u>2,202,347</u>	<u>--</u>
54,522	--
3,782,194	--
5,317	--
765,951	--
192,096	--
6,577	--
2,118,616	--
--	--
66,878	--
47,964	--
1,675	--
388,503	--
35,074	--
650,015	--
2,986,711	--
3,450	--
14,994	--
<u>1,347,354</u>	<u>--</u>
12,467,891	--
<u>1,152,629</u>	<u>--</u>
<u>15,822,867</u>	<u>--</u>
12,371,802	--
922,647	--
<u>13,294,449</u>	<u>--</u>
1,720,099	--
<u>15,014,548</u>	<u>--</u>
18,579,872	--
29,897	--
140,443	--
<u>18,750,212</u>	<u>--</u>
<u>5,090,579</u>	<u>--</u>
112,073	--
35,789	--
<u>147,862</u>	<u>--</u>

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY *
JULY 31, 2012**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
Inspections				
Building inspection	382,608	--	--	--
Petroleum inspection	5,223	--	--	--
Total inspections	<u>387,831</u>	<u>--</u>	<u>--</u>	<u>--</u>
Streets				
Director and engineering office	649,574	--	16,106	58,634
Streets, sidewalks, curbs and gutters	285,046,796	14,282,051	--	488,814
Street maintenance and construction	18,186,487	266,937	64,142	9,760,677
Street signs and markings	221,645	--	--	--
Street cleaning	70,868	--	--	--
Harbor Bridge and approaches	7,322,587	64,110	--	7,258,477
JFK Causeway	4,000,000	--	--	4,000,000
Seawall	45,808,864	--	--	45,808,864
Traffic engineering	4,836,373	--	14,999	286,136
Parking control	186,942	--	--	32,690
Total streets	<u>366,330,136</u>	<u>14,613,098</u>	<u>95,247</u>	<u>67,694,292</u>
Solid Waste				
Office	154,878	--	17,083	--
Refuse collections	21,470,115	--	158,484	107,934
Refuse disposal	83,517,362	8,119,865	78,648	52,724,550
Total solid waste	<u>105,142,355</u>	<u>8,119,865</u>	<u>254,215</u>	<u>52,832,484</u>
Health				
Health	6,540,839	61,909	3,331,317	1,385,900
Animal control	4,370,911	--	3,466,102	481,450
Total health	<u>10,911,750</u>	<u>61,909</u>	<u>6,797,419</u>	<u>1,867,350</u>
Parks, recreation and education				
Director of parks and recreation	53,342	--	--	--
Parks	90,812,343	17,903,674	1,544,412	63,589,105
Recreation	8,261,562	936,536	1,737,542	4,710,689
Miradores and Selena Memorial	1,965,000	--	--	1,965,000
Senior services	4,823,843	130,714	3,347,489	1,111,302
Upper level college facilities	1,529,971	1,510,810	--	19,161
Municipal service center	2,177,428	204,024	662,316	--
Total parks, recreation and education	<u>109,623,489</u>	<u>20,685,758</u>	<u>7,291,759</u>	<u>71,395,257</u>
Libraries	28,328,476	773,001	15,356,169	449,564
Corpus Christi museums	7,958,080	--	6,179,857	1,282,349
Community enrichment				
Cultural and convention facilities				
Multipurpose arena	48,628,359	2,829,110	43,198,880	2,600,369
Coliseum	2,799,472	--	1,850,979	392,843
Auditorium	6,067,142	--	6,025,014	--
Baseball stadium	28,441,771	1,836,763	26,186,852	418,156
Harbor Playhouse	883,928	--	869,675	3,409
Convention center	65,364,387	798,244	52,566,698	3,828,642
Water Garden	1,508,263	--	--	1,499,926
Bayfront Science Park	31,715,072	3,647,642	2,468,913	25,327,503
Texas State Aquarium	20,844,296	2,047,044	11,024,033	7,773,219
Total cultural and convention facilities	<u>206,252,690</u>	<u>11,158,803</u>	<u>144,191,044</u>	<u>41,844,067</u>

(Continued)

**Exhibit 44-B
(Continued)**

Machinery and Equipment	Infrastructure
382,608	--
5,223	--
<u>387,831</u>	<u>--</u>
574,834	--
652,834	269,623,097
8,094,731	--
221,645	--
70,868	--
--	--
--	--
--	--
4,535,238	--
154,252	--
<u>14,304,402</u>	<u>269,623,097</u>
137,795	--
21,203,697	--
5,483,236	17,111,063
<u>26,824,728</u>	<u>17,111,063</u>
1,761,713	--
423,359	--
<u>2,185,072</u>	<u>--</u>
53,342	--
2,845,798	4,929,354
876,795	--
--	--
234,338	--
--	--
1,311,088	--
<u>5,321,361</u>	<u>4,929,354</u>
11,749,742	--
495,874	--
--	--
555,650	--
42,128	--
--	--
10,844	--
8,170,803	--
8,337	--
271,014	--
--	--
<u>9,058,776</u>	<u>--</u>

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY *
JULY 31, 2012**

	<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	<u>77,395</u>	<u>--</u>	<u>--</u>	<u>77,395</u>
Total community enrichment	<u>206,337,781</u>	<u>11,158,803</u>	<u>144,191,044</u>	<u>41,921,462</u>
Community development				
Housing rehabilitation	31,827	19,750	--	--
Neighborhood improvement	198,511	--	--	4,255
Community renewal	12,633	--	--	--
Community Development Block Grant	30,667,286	800,221	5,821,579	23,783,311
CC Housing Finance Corporation	196,507	--	196,507	--
Corpus Christi Community Improvement Corp.	<u>1,473,294</u>	<u>59,497</u>	<u>1,413,797</u>	<u>--</u>
Total community development	<u>32,580,058</u>	<u>879,468</u>	<u>7,431,883</u>	<u>23,787,566</u>
Other general capital assets:				
Packery Channel	15,913,240	--	--	--
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	<u>78,928</u>	<u>78,928</u>	<u>--</u>	<u>--</u>
Total other general capital assets	<u>18,694,869</u>	<u>2,751,410</u>	<u>30,219</u>	<u>--</u>
Total capital assets in service	991,104,650	67,127,189	219,558,649	271,199,367
Less: accumulated depreciation	<u>463,722,731</u>	<u>--</u>	<u>76,381,631</u>	<u>126,381,220</u>
Net capital assets in service	<u>527,381,919</u>	<u>67,127,189</u>	<u>143,177,018</u>	<u>144,818,147</u>
Construction in progress	<u>73,131,499</u>	<u>--</u>	<u>1,624,305</u>	<u>15,049,821</u>
Total general capital assets	<u>\$ 600,513,418</u>	<u>\$ 67,127,189</u>	<u>\$ 144,801,323</u>	<u>\$ 159,867,968</u>

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

**Exhibit 44-B
(Continued)**

Machinery and Equipment	Infrastructure
2,338	--
5,358	--
--	--
<u>9,066,472</u>	<u>--</u>
12,077	--
194,256	--
12,633	--
262,175	--
--	--
--	--
<u>481,141</u>	<u>--</u>
63,852	15,849,388
--	--
--	--
--	--
--	--
<u>--</u>	<u>15,849,388</u>
125,642,691	307,512,902
<u>104,856,133</u>	<u>156,103,747</u>
<u>20,786,558</u>	<u>151,409,155</u>
<u>1,142,324</u>	<u>55,315,049</u>
<u>\$ 21,928,882</u>	<u>\$ 206,724,204</u>

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
BY FUNCTION AND ACTIVITY *
YEAR ENDED JULY 31, 2012**

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
General government				
Control				
City Council and City Secretary	\$ 397,358	\$ --	\$ --	\$ 397,358
City Manager	359,940	--	--	359,940
Management and budget	102,156	--	--	102,156
Information services	1,369,485	--	--	1,369,485
Total control	<u>2,228,939</u>	<u>--</u>	<u>--</u>	<u>2,228,939</u>
Staff agencies				
Director of finance	54,522	--	--	54,522
Accounting	3,874,599	--	--	3,874,599
Federal grant accounting	5,317	--	--	5,317
Accounts receivable and meter reading	566,240	199,711	--	765,951
Central cashiering	192,096	--	--	192,096
Cash management	6,577	--	--	6,577
Utilities billing office administration and customer service operation	2,118,616	--	--	2,118,616
Nueces County Tax Appraisal District	70,588	--	--	70,588
Purchasing	47,964	--	--	47,964
Messenger service	1,675	--	--	1,675
City attorney	388,621	--	--	388,621
Business development	35,074	--	--	35,074
Planning	650,015	--	--	650,015
Human resources	2,986,711	--	--	2,986,711
Human relations	3,450	--	--	3,450
City Hall vehicle pool	14,994	--	--	14,994
City Hall and Emergency Management Facility	22,875,444	6,443	--	22,881,887
Total staff agencies	<u>33,892,503</u>	<u>206,154</u>	<u>--</u>	<u>34,098,657</u>
Miscellaneous	2,723,315	490,340	--	3,213,655
Total general government	<u>38,844,757</u>	<u>696,494</u>	<u>--</u>	<u>39,541,251</u>
Police and municipal court				
Police	24,611,807	959,382	4,928	25,566,261
Crime Control District	788,278	134,369	--	922,647
Total police	<u>25,400,085</u>	<u>1,093,751</u>	<u>4,928</u>	<u>26,488,908</u>
Municipal court	1,887,841	--	--	1,887,841
Total police and municipal court	<u>27,287,926</u>	<u>1,093,751</u>	<u>4,928</u>	<u>28,376,749</u>
Fire				
Fire	29,672,439	1,803,014	--	31,475,453
Fire academy	29,896	--	--	29,896
Fire prevention	140,443	--	--	140,443
Total fire	<u>29,842,778</u>	<u>1,803,014</u>	<u>--</u>	<u>31,645,792</u>
Ambulance	4,820,578	270,001	--	5,090,579

(Continued)

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
BY FUNCTION AND ACTIVITY *
FISCAL YEAR ENDED JULY 31, 2012**

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Emergency management				
Emergency management	119,665	--	--	119,665
Local emergency planning committee	35,789	--	--	35,789
Total emergency management	<u>155,454</u>	<u>--</u>	<u>--</u>	<u>155,454</u>
Inspections				
Building inspection	382,608	--	--	382,608
Petroleum inspection	5,223	--	--	5,223
Total inspections	<u>387,831</u>	<u>--</u>	<u>--</u>	<u>387,831</u>
Streets				
Director and engineering office	649,574	--	--	649,574
Streets, sidewalks, curbs and gutters	263,695,850	21,350,946	--	285,046,796
Street maintenance and construction	17,690,216	496,271	--	18,186,487
Street signs and markings	220,463	1,182	--	221,645
Street cleaning	70,868	--	--	70,868
Harbor Bridge and approaches	7,322,587	--	--	7,322,587
JFK Causeway	4,000,000	--	--	4,000,000
Seawall	45,808,864	--	--	45,808,864
Traffic engineering	4,836,373	--	--	4,836,373
Parking control	186,942	--	--	186,942
Total streets	<u>344,481,737</u>	<u>21,848,399</u>	<u>--</u>	<u>366,330,136</u>
Solid Waste				
Office	135,883	18,995	--	154,878
Refuse collections	20,198,782	1,271,333	--	21,470,115
Refuse disposal	78,263,785	5,253,577	--	83,517,362
Total solid waste	<u>98,598,450</u>	<u>6,543,905</u>	<u>--</u>	<u>105,142,355</u>
Health				
Health	5,316,014	1,224,825	--	6,540,839
Animal control	4,370,911	--	--	4,370,911
Total health	<u>9,686,925</u>	<u>1,224,825</u>	<u>--</u>	<u>10,911,750</u>
Parks, recreation and education				
Director of parks and recreation	53,342	--	--	53,342
Parks	75,610,480	15,201,863	--	90,812,343
Recreation	8,182,215	79,347	--	8,261,562
Miradores and Selena Memorial	1,965,000	--	--	1,965,000
Senior services	4,823,843	--	--	4,823,843
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>94,342,279</u>	<u>15,281,210</u>	<u>--</u>	<u>109,623,489</u>
Libraries	<u>28,249,618</u>	<u>78,858</u>	<u>--</u>	<u>28,328,476</u>
Corpus Christi museums	<u>7,958,080</u>	<u>--</u>	<u>--</u>	<u>7,958,080</u>

(Continued)



City of
Corpus
Christi

Exhibit 44-C
(continued)

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
BY FUNCTION AND ACTIVITY *
FISCAL YEAR ENDED JULY 31, 2012**

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Community enrichment				
Cultural and convention facilities				
Multipurpose arena	48,628,359	--	--	48,628,359
Coliseum	2,799,472	--	--	2,799,472
Auditorium	6,067,142	--	--	6,067,142
Baseball stadium	28,191,770	250,001	--	28,441,771
Harbor Playhouse	883,928	--	--	883,928
Convention center	64,361,589	1,002,798	--	65,364,387
Water Garden	1,508,263	--	--	1,508,263
Bayfront Science Park	10,677,764	21,037,308	--	31,715,072
Texas State Aquarium	20,844,296	--	--	20,844,296
Total cultural and convention facilities	<u>183,962,583</u>	<u>22,290,107</u>	<u>--</u>	<u>206,252,690</u>
Sister City	2,338	--	--	2,338
Bicentennial celebration	5,358	--	--	5,358
Public art	77,395	--	--	77,395
Total community enrichment	<u>184,047,674</u>	<u>22,290,107</u>	<u>--</u>	<u>206,337,781</u>
Community development				
Housing rehabilitation	31,827	--	--	31,827
Neighborhood improvement	198,511	--	--	198,511
Community renewal	12,633	--	--	12,633
Community Development Block Grant	30,784,967	(117,681)	--	30,667,286
CC Housing Finance Corporation	--	196,507	--	196,507
Corpus Christi Improvement Corp.	1,473,294	--	--	1,473,294
Total community development	<u>32,501,232</u>	<u>78,826</u>	<u>--</u>	<u>32,580,058</u>
Other general capital assets:				
Packery Channel	11,689,656	4,223,584	--	15,913,240
Army Corp of Engineers office	10,909	--	--	10,909
State School sports complex	14,750	--	--	14,750
Workforce development	4,560	--	--	4,560
Naval Air Station safety zone	2,672,482	--	--	2,672,482
Transit facility	78,928	--	--	78,928
Total other general capital assets	<u>14,471,285</u>	<u>4,223,584</u>	<u>--</u>	<u>18,694,869</u>
Total capital assets in service	<u>915,676,604</u>	<u>75,432,974</u>	<u>4,928</u>	<u>991,104,650</u>
Less: accumulated depreciation	441,704,556	22,023,103	4,928	463,722,731
Net capital assets in service	<u>473,972,048</u>	<u>53,409,871</u>	<u>--</u>	<u>527,381,919</u>
Construction in progress	95,193,074	(22,061,575)	--	73,131,499
Total general capital assets	<u>\$ 569,165,122</u>	<u>\$ 31,348,296</u>	<u>\$ --</u>	<u>\$ 600,513,418</u>

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



City of
Corpus
Christi

Statistical Section

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>
<p>Financial Trends</p> <p style="margin-left: 40px;"><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></p>	300
<p>Revenue Capacity</p> <p style="margin-left: 40px;"><i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i></p>	314
<p>Debt Capacity</p> <p style="margin-left: 40px;"><i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i></p>	322
<p>Demographic and Economic Information</p> <p style="margin-left: 40px;"><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></p>	329
<p>Operating Information</p> <p style="margin-left: 40px;"><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></p>	332

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

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

	Fiscal Year			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Governmental activities				
Invested in capital assets, net of related debt	\$ 85,981,541	\$ 67,103,377	\$ 52,992,539	\$ 95,591,014
Restricted	--	--	--	--
Unrestricted	104,798,961	136,973,037	164,904,402	144,449,151
Total governmental activities net assets	<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	\$ 420,036,983	\$ 478,884,825	\$ 527,336,134	\$ 505,475,536
Restricted	79,888,038	36,201,782	41,045,812	28,524,868
Unrestricted	76,317,057	69,891,251	30,102,257	85,278,867
Total business-type activities net assets	<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	\$ 506,018,524	\$ 545,988,202	\$ 580,328,673	\$ 601,066,550
Restricted	79,888,038	36,201,782	41,045,812	28,524,868
Unrestricted	181,116,018	206,864,288	195,006,659	229,728,018
Total primary government net assets	<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 and has only been available since fiscal year 2002 when the City of Corpus Christi implemented GASB 34.

Table 1

Fiscal Year					
2007	2008	2009	2010	2011	2012
\$ 160,007,194	\$ 171,559,799	\$ 184,297,821	\$ 190,984,493	\$ 209,725,506	\$ 222,519,201
5,085,156	7,161,689	8,706,284	81,610,847	79,572,803	85,445,854
108,485,456	118,117,170	102,378,371	19,260,356	29,215,682	37,839,536
<u>\$ 273,577,806</u>	<u>\$ 296,838,658</u>	<u>\$ 295,382,476</u>	<u>\$ 291,855,696</u>	<u>\$ 318,513,991</u>	<u>\$ 345,804,591</u>
\$ 557,699,068	\$ 614,734,623	\$ 588,187,607	\$ 685,455,079	\$ 682,070,387	\$ 693,363,853
20,698,409	17,162,129	15,547,632	13,445,408	14,731,997	10,689,200
40,565,906	1,923,108	49,119,110	16,803,962	30,148,172	61,185,337
<u>\$ 618,963,383</u>	<u>\$ 633,819,860</u>	<u>\$ 652,854,349</u>	<u>\$ 715,704,449</u>	<u>\$ 726,950,556</u>	<u>\$ 765,238,390</u>
\$ 717,706,262	\$ 786,294,422	\$ 772,485,428	\$ 876,439,572	\$ 891,795,893	\$ 915,883,054
25,783,565	24,323,818	24,253,916	95,056,255	94,304,800	96,135,054
149,051,362	120,040,278	151,497,481	36,064,318	59,363,854	99,024,873
<u>\$ 892,541,189</u>	<u>\$ 930,658,518</u>	<u>\$ 948,236,825</u>	<u>\$ 1,007,560,145</u>	<u>\$ 1,045,464,547</u>	<u>\$ 1,111,042,981</u>

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

	Fiscal Year			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Expenses				
Primary government				
Governmental activities				
General government	\$ 19,233,035	\$ 20,531,590	\$ 18,958,373	\$ 18,932,482
Police and municipal court	54,867,613	53,624,255	58,210,747	60,561,629
Fire and ambulance	31,482,882	30,530,062	32,947,348	33,180,982
Emergency management	844,952	548,443	390,319	2,392,096
Inspections	1,680,337	1,795,333	1,547,147	1,805,234
Streets	18,895,098	19,667,552	19,393,011	21,438,339
Health	5,659,932	5,542,871	6,382,815	6,416,746
Parks and recreation	17,982,043	17,557,686	18,385,625	19,253,871
Libraries	5,336,567	4,992,771	4,611,585	4,596,041
Museums	1,343,444	1,473,214	1,422,397	1,521,829
Community enrichment	617,513	589,503	925,890	1,500,961
Community development	5,841,595	4,367,786	5,621,030	6,228,409
Convention and visitor activities	7,212,965	7,377,505	13,894,739	18,437,872
Interest on long-term debt	13,389,707	15,004,915	13,193,892	17,291,116
Total governmental activities	<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	12,533,282	11,723,823	14,390,390	11,872,414
Utilities				
Water	67,117,405	74,419,004	83,950,395	87,305,836
Gas	30,105,373	29,157,534	33,417,878	37,394,842
Wastewater	28,426,726	30,881,821	33,308,073	38,851,313
Airport	8,959,181	10,271,494	11,161,666	11,154,572
Golf Centers	2,061,485	1,817,627	1,794,576	1,795,616
Marina	1,236,838	1,208,005	1,261,117	1,381,124
Total business-type activities	<u>150,440,290</u>	<u>159,479,308</u>	<u>179,284,095</u>	<u>189,755,717</u>
Total primary government	<u>\$ 334,827,973</u>	<u>\$ 343,082,794</u>	<u>\$ 375,169,013</u>	<u>\$ 403,313,324</u>
Program revenue				
Governmental activities				
Charges for services				
General government	\$ 18,925,978	\$ 19,443,016	\$ 21,245,892	\$ 20,293,609
Public safety	10,268,928	7,832,085	14,548,068	16,365,087
Other activities	8,354,158	13,174,757	12,407,743	16,315,719
Operating grants and contributions	13,946,396	11,987,476	13,713,334	12,553,974
Capital grants and contributions	4,016,522	5,441,051	5,495,781	6,788,244
Total governmental activities program revenues	<u>55,511,982</u>	<u>57,878,385</u>	<u>67,410,818</u>	<u>72,316,633</u>

(Continued)

Table 2

		Fiscal Year					
		<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$	20,909,738	\$ 20,658,739	\$ 22,072,622	\$ 19,480,668	\$ 16,589,746	\$ 18,079,972	
	67,186,703	73,018,660	78,931,771	81,171,817	81,930,129	80,496,720	
	37,478,787	38,221,888	42,520,139	43,287,584	47,347,004	45,748,510	
	358,799	470,593	525,077	505,319	543,682	507,564	
	1,721,108	1,699,251	2,171,232	1,664,676	1,636,669	1,752,448	
	23,145,350	25,060,354	25,814,362	25,674,747	21,451,848	17,337,069	
	6,126,090	6,856,261	7,450,418	7,505,758	7,218,565	6,813,120	
	18,933,077	21,455,686	21,767,352	21,577,152	19,902,761	17,861,237	
	4,593,979	4,993,605	5,612,844	5,298,406	4,785,207	4,222,687	
	1,412,561	1,886,531	1,842,929	1,853,104	1,900,026	1,659,435	
	1,784,029	2,624,646	3,476,141	4,220,179	9,529,467	4,273,802	
	4,114,411	4,594,232	5,830,606	10,403,520	10,025,480	11,084,674	
	18,615,167	18,134,378	17,167,605	15,183,072	10,487,728	16,057,354	
	14,713,700	14,665,318	14,950,035	16,156,130	17,385,095	16,786,166	
	<u>221,093,499</u>	<u>234,340,142</u>	<u>250,133,133</u>	<u>253,982,132</u>	<u>250,733,407</u>	<u>242,680,758</u>	
	27,045,462	20,075,708	18,442,528	22,418,231	27,140,788	23,494,713	
	86,542,198	94,885,353	97,638,099	93,937,152	96,818,500	99,262,996	
	36,919,568	38,128,913	31,286,452	31,748,907	30,224,910	25,318,899	
	39,548,014	42,411,241	43,450,764	46,795,236	47,063,049	46,664,152	
	10,991,302	11,555,900	12,228,908	11,406,735	11,729,049	11,982,695	
	1,780,434	1,948,903	2,133,840	2,051,107	1,168,875	293,633	
	1,692,618	1,806,755	1,864,063	1,861,705	1,793,695	1,802,521	
	<u>204,519,596</u>	<u>210,812,773</u>	<u>207,044,654</u>	<u>210,219,073</u>	<u>215,938,866</u>	<u>208,819,609</u>	
\$	<u>425,613,095</u>	<u>445,152,915</u>	<u>457,177,787</u>	<u>464,201,205</u>	<u>466,672,273</u>	<u>451,500,367</u>	
\$	20,328,447	\$ 21,120,037	\$ 19,995,923	\$ 20,566,739	22,093,237	21,614,922	
	18,053,712	18,582,177	19,328,378	20,021,375	19,349,804	20,165,521	
	16,564,997	13,198,200	13,466,048	11,839,459	13,090,388	12,388,359	
	13,585,522	13,293,341	13,519,519	15,768,215	20,293,248	14,697,325	
	5,742,472	9,215,148	5,160,566	8,274,872	11,616,793	4,841,413	
	<u>74,275,150</u>	<u>75,408,903</u>	<u>71,470,434</u>	<u>76,470,660</u>	<u>86,443,470</u>	<u>73,707,540</u>	

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

	Fiscal Year				
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Program revenue (continued)					
Business-type activities					
Charges for services					
Solid Waste	\$ 19,394,343	\$ 21,469,832	\$ 22,987,776	\$ 24,187,529	\$ 26,641,520
Utilities					
Water	65,534,811	74,937,669	82,332,283	84,775,949	75,147,044
Gas	31,540,322	30,639,162	33,835,399	40,274,507	40,694,377
Wastewater	32,859,510	36,177,877	39,458,482	36,284,201	38,833,360
Airport	8,117,196	9,120,533	9,752,728	9,908,494	9,764,349
Golf Centers	1,890,608	1,713,712	1,944,177	2,242,033	1,740,134
Marina	1,165,243	1,251,637	1,285,583	1,222,145	1,326,631
Operating grants and contributions	3,602,016	3,069,436	4,853,315	8,634,637	105,065
Capital grants and contributions	55,000	-	20,980	12,018,013	26,818,057
Total business-type activities program revenues	<u>164,159,049</u>	<u>178,379,858</u>	<u>196,470,723</u>	<u>219,547,508</u>	<u>221,070,537</u>
Total primary government program revenues	<u>\$ 219,671,031</u>	<u>\$ 236,258,243</u>	<u>\$ 263,881,541</u>	<u>\$ 291,864,141</u>	<u>\$ 295,345,687</u>
Net (expense) revenue					
Governmental activities	\$ (128,875,701)	\$ (125,725,101)	\$ (128,474,100)	\$ (141,240,974)	\$ (146,818,349)
Business-type activities	13,718,759	18,900,550	17,186,628	29,791,791	16,550,941
Total primary government net expenses	<u>\$ (115,156,942)</u>	<u>\$ (106,824,551)</u>	<u>\$ (111,287,472)</u>	<u>\$ (111,449,183)</u>	<u>\$ (130,267,408)</u>
General revenues and other changes in net assets					
Governmental activities					
Taxes					
Property taxes, levied for general purposes	\$ 44,750,554	\$ 46,191,431	\$ 51,358,047	\$ 50,834,041	\$ 51,477,867
Property taxes, levied for debt service	15,222,925	16,827,513	16,851,911	20,470,482	22,105,552
Sales taxes	47,393,030	53,237,728	56,303,645	61,261,030	66,124,730
Hotel occupancy taxes	7,894,879	8,145,156	8,320,624	9,408,919	9,630,152
Other taxes and business fees	--	--	--	--	--
Unrestricted investment earnings	3,024,981	2,167,309	2,932,063	5,423,353	7,321,196
Miscellaneous	--	--	--	--	--
Transfers	6,010,676	10,296,957	7,196,375	16,259,591	18,759,642
Total governmental activities	<u>124,297,045</u>	<u>136,866,094</u>	<u>142,962,665</u>	<u>163,657,416</u>	<u>175,419,139</u>
Business-type activities					
Unrestricted investment earnings	3,517,850	2,287,106	2,848,054	6,798,421	7,120,196
Transfers	(6,010,676)	(10,296,957)	(7,196,375)	(16,259,591)	(18,759,642)
Total business-type activities	<u>(2,492,826)</u>	<u>(8,009,851)</u>	<u>(4,348,321)</u>	<u>(9,461,170)</u>	<u>(11,639,446)</u>
Total primary government	<u>\$ 121,804,219</u>	<u>\$ 128,856,243</u>	<u>\$ 138,614,344</u>	<u>\$ 154,196,246</u>	<u>\$ 163,779,693</u>
Changes in Net Assets					
Governmental activities	\$ (4,578,656)	\$ 11,140,993	\$ 14,488,565	\$ 22,416,442	\$ 28,600,790
Business-type activities	11,225,933	10,890,699	12,838,307	20,330,621	4,911,495
Total primary government	<u>\$ 6,647,277</u>	<u>\$ 22,031,692</u>	<u>\$ 27,326,872</u>	<u>\$ 42,747,063</u>	<u>\$ 33,512,285</u>

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

Table 2
(Continued)

Fiscal Year				
<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$ 29,843,162	\$ 30,979,626	\$ 32,011,959	\$ 34,593,348	\$ 37,864,068
87,131,217	106,536,846	96,571,762	108,948,434	120,017,362
43,166,492	33,159,669	36,520,847	31,828,023	26,139,159
41,784,614	45,227,800	51,048,604	54,884,681	59,662,102
9,948,929	8,562,286	8,594,836	9,503,417	9,520,245
1,943,751	1,732,263	1,838,093	1,060,795	416,750
1,436,603	1,592,825	1,572,406	1,464,629	1,832,336
47,668	495,845	120,435	1,193,227	1,320,294
24,436,963	7,863,922	9,557,122	7,736,648	9,858,001
<u>239,739,399</u>	<u>236,151,082</u>	<u>237,836,064</u>	<u>251,213,202</u>	<u>266,630,317</u>
<u>\$ 315,148,302</u>	<u>\$ 307,621,516</u>	<u>\$ 314,306,724</u>	<u>\$ 324,920,742</u>	<u>\$ 266,630,317</u>
\$ (158,931,239)	\$ (178,662,699)	\$ (177,511,472)	\$ (164,289,936)	\$ (168,973,217)
28,926,626	29,106,428	27,616,991	35,274,336	57,810,708
<u>\$ (130,004,613)</u>	<u>\$ (149,556,271)</u>	<u>\$ (149,894,481)</u>	<u>\$ (129,015,600)</u>	<u>\$ (111,162,509)</u>
\$ 52,288,456	\$ 55,410,412	\$ 57,291,695	\$ 57,457,988	\$ 58,201,084
25,021,687	26,278,717	27,358,566	27,192,025	25,906,607
70,120,506	71,018,975	64,654,960	70,432,482	79,403,692
10,337,342	10,127,333	9,919,560	10,721,997	12,051,548
--	--	--	--	--
6,220,124	2,825,071	1,283,513	682,991	848,062
--	--	--	--	--
18,203,976	11,546,009	13,476,398	24,460,749	19,852,825
<u>182,192,091</u>	<u>177,206,517</u>	<u>173,984,692</u>	<u>190,948,232</u>	<u>196,263,818</u>
4,133,827	1,474,070	825,924	432,520	329,951
(18,203,976)	(11,546,009)	(13,476,398)	(24,460,749)	(19,852,825)
<u>(14,070,149)</u>	<u>(10,071,939)</u>	<u>(12,650,474)</u>	<u>(24,028,229)</u>	<u>(19,522,874)</u>
<u>\$ 168,121,942</u>	<u>\$ 167,134,578</u>	<u>\$ 161,334,218</u>	<u>\$ 166,920,003</u>	<u>\$ 176,740,944</u>
\$ 23,260,852	\$ (1,456,182)	\$ (3,526,780)	\$ 26,658,296	\$ 27,290,601
14,856,477	19,034,489	14,966,517	11,246,107	38,287,834
<u>\$ 38,117,329</u>	<u>\$ 17,578,307</u>	<u>\$ 11,439,737</u>	<u>\$ 37,904,403</u>	<u>\$ 65,578,435</u>



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
2003	59,973,478	47,393,030	7,894,879	115,261,387
2004	63,018,943	53,237,728	8,145,156	124,401,827
2005	68,209,958	56,303,645	8,320,624	132,834,227
2006	71,304,523	61,261,030	9,408,919	141,974,472
2007	73,583,419	66,124,730	9,630,152	149,338,301
2008	77,310,143	70,120,506	10,337,342	157,767,991
2009	81,689,129	71,018,975	10,127,333	162,835,437
2010	84,650,261	64,654,960	9,919,560	159,224,781
2011	84,650,013	70,432,482	10,721,997	165,804,492
2012	84,107,691	79,403,692	12,051,548	175,562,931

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

	Fiscal Year			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General fund				
Reserved	\$ 1,992,177	\$ 2,354,362	\$ 2,003,587	\$ 2,477,879
Unreserved	10,943,268	13,367,581	18,437,527	24,534,599
Nonspendable				
Restricted				
Committed				
Assigned				
Unassigned				
Total general fund	<u>\$ 12,935,445</u>	<u>\$ 15,721,943</u>	<u>\$ 20,441,114</u>	<u>\$27,012,478</u>
All other governmental funds				
Reserved	\$ 96,950,987	\$ 82,631,409	\$ 48,296,146	\$46,933,550
Unreserved, reported in:				
Debt service funds	7,936,187	7,144,072	4,777,336	5,834,111
Special revenue funds	15,719,849	16,974,681	21,145,467	26,358,642
Capital projects funds	67,009,735	41,950,925	89,208,498	67,191,943
Nonspendable				
Special revenue funds				
Restricted				
Debt service funds				
Special revenue funds				
Capital projects funds				
Committed				
Debt service funds				
Special revenue funds				
Capital projects funds				
Assigned, reported in:				
Special revenue funds				
Capital projects funds				
Unassigned, reported in:				
Special revenue funds				
Total all other governmental funds	<u>\$ 187,616,758</u>	<u>\$ 148,701,087</u>	<u>\$ 163,427,447</u>	<u>\$146,318,246</u>

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

The City implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2011.

Fiscal year 2010 amounts restated to conform to the new statement requirements.

Table 4

Fiscal Year					
<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$ 4,054,101	\$ 4,638,291	\$ 2,938,429			
28,372,503	27,571,509	27,325,624			
			\$ 361,507	\$ 1,491,399	\$ 1,400,017
			688,286	636,531	249,433
			19,701,535	19,813,473	28,764,934
			17,747	5,845	6,806
			8,579,370	8,617,684	7,551,298
<u>\$ 32,426,604</u>	<u>\$ 32,209,800</u>	<u>\$ 30,264,053</u>	<u>\$ 29,348,445</u>	<u>\$ 30,564,932</u>	<u>\$ 37,972,488</u>
\$ 60,621,159	\$ 57,031,756	\$ 58,028,080			
6,846,970	11,712,600	9,456,925			
30,461,934	43,057,821	45,533,073			
67,507,979	61,947,382	109,247,126			
			\$ 1,008,008	\$ 890,963	\$ 396,787
			5,974,622	5,956,307	-
			71,202,025	74,267,207	85,196,421
			105,026,981	70,969,215	84,525,622
			11,271,942	13,812,320	16,858,822
			677,007	390,454	896,775
			10,109,487	8,413,784	7,400,034
			98,347	214,601	68,775
			3,445,097	1,855,964	2,218,850
			(1,415,142)	(269,136)	(555,032)
<u>\$ 165,438,042</u>	<u>\$ 173,749,559</u>	<u>\$ 222,265,204</u>	<u>\$ 207,398,374</u>	<u>\$ 176,501,679</u>	<u>\$ 197,007,054</u>

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

	Fiscal year			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Revenues				
Taxes and business fees	\$ 131,623,695	\$ 140,974,351	\$ 148,183,043	\$ 158,452,760
Licenses and permits	1,917,640	2,396,870	3,321,875	3,493,616
Grants	15,489,416	14,952,235	15,163,571	14,535,800
Charges for services	30,268,143	34,531,641	41,306,241	50,520,423
Fines and forfeitures	3,922,564	5,189,598	5,658,571	6,118,520
Deposits	340,917	103,674	605,095	1,093,803
Contributions and donations	592,601	907,170	1,881,172	2,589,488
Special assessments	225,768	274,427	154,380	118,526
Earnings on investments	3,024,981	2,167,309	2,372,884	5,447,570
Interest on loans	103,108	93,839	254,651	31,771
Payments from Lexington Museum Association	190,120	181,125	283,800	352,849
Payments from Corpus Christi Convention and Visitors Bureau	249,223	241,786	252,841	272,234
Payments from Texas State Aquarium	117,117	377,255	512,182	500,427
Payments from other agencies	12,900	12,900	11,425	7,425
Sale of city property	108,627	6,035	6,413	3,230
Recovery of prior years expenditures	32,558	-	-	-
Claim settlement	1,171,565	3,000,000	-	-
Naming rights	-	-	-	175,000.0
Miscellaneous	1,125,302	1,166,420	1,689,941	979,929
Total revenues	<u>190,516,245</u>	<u>206,576,635</u>	<u>221,658,085</u>	<u>244,693,371</u>
Expenditures				
General government	13,753,127	16,221,322	18,096,800	18,961,633
Public safety	80,532,121	82,785,712	87,833,826	101,805,112
Streets	10,531,232	12,107,029	10,989,960	13,056,076
Solid waste	12,715,966	14,840,086	13,825,317	13,569,912
Health	5,329,227	5,536,134	6,417,300	6,452,124
Community enrichment	26,684,023	26,889,774	27,786,066	30,008,152
Convention and visitors activities	5,836,428	6,164,876	10,887,455	13,794,220
Other	750,414	999,374	-	-
Capital projects	30,908,856	82,358,053	70,456,764	46,907,032
Debt service				
Principal retirement	19,178,933	22,975,927	25,911,488	24,697,600
Interest	10,175,576	12,660,246	12,954,911	15,746,138
Paying agent fees	9,850	11,914	19,044	24,746
Bond issue cost	2,110,181	1,006,357	2,132,781	589,508
Refund of bond issue cost	-	-	-	-
Interest on interfund borrowings	-	-	21,147	80,169
Total expenditures	<u>218,515,934</u>	<u>284,556,804</u>	<u>287,332,859</u>	<u>285,692,422</u>
Excess (deficiency) of revenues over (under) expenditures	(27,999,689)	(77,980,169)	(65,674,774)	(40,999,051)

Table 5

Fiscal year						
<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	
\$ 165,980,510	\$ 174,899,312	\$ 178,669,539	\$ 176,286,722	\$ 182,810,584	\$ 192,423,958	
3,399,993	3,576,249	3,700,195	3,288,415	4,885,342	4,790,610	
16,261,424	18,216,186	15,981,072	22,661,016	24,095,434	16,542,865	
53,669,631	54,989,566	56,843,501	56,945,655	60,258,877	63,684,332	
6,907,942	6,825,170	6,897,078	6,766,301	6,075,772	6,602,755	
270,716	191,724	-	-	-	-	
1,948,807	3,380,012	1,902,087	871,524	7,133,489	2,413,204	
74,235	442,323	10,502	76,876	683,087	46,787	
8,424,738	6,386,948	3,006,163	1,312,814	698,992	713,791	
374,210	233,846	73,369	81,458	85,188	86,173	
347,173	248,868	285,022	272,796	275,647	267,750	
-	-	-	-	-	-	
518,117	508,685	518,318	361,107	373,232	358,795	
-	-	-	-	-	-	
4,940	12,353	3,848	7,553	9,786	-	
-	-	-	-	-	-	
-	-	572,280	-	325,395	-	
175,000	175,000	175,000	175,000	-	-	
1,186,020	1,390,645	1,486,339	1,703,701	2,291,231	1,716,081	
<u>259,543,456</u>	<u>271,476,887</u>	<u>270,124,313</u>	<u>270,810,938</u>	<u>290,002,056</u>	<u>289,647,101</u>	
20,707,495	21,306,706	21,836,700	20,267,240	17,606,974	19,146,965	
107,360,877	110,663,675	115,375,541	119,589,404	126,279,109	122,341,347	
13,502,624	14,233,051	15,951,618	14,797,896	15,229,881	13,173,204	
15,192,042	18,278,582	17,027,712	18,193,629	22,426,863	19,288,307	
5,980,026	6,592,800	6,893,718	6,977,548	6,722,783	6,362,130	
27,458,882	31,248,848	31,864,343	37,348,135	36,680,864	33,660,941	
13,782,313	13,193,524	12,152,309	10,257,006	10,449,447	11,046,785	
-	-	32,963	21,729	-	-	
33,406,955	35,812,462	57,193,877	50,406,384	51,119,929	51,039,961	
26,918,876	24,853,049	36,741,227	26,883,223	26,445,859	26,278,182	
16,657,960	17,480,632	16,433,417	19,907,675	20,115,642	19,178,232	
36,049	33,994	32,598	28,710	25,009	19,541	
650,025	730,903	1,571,419	422,041	-	574,317	
(9,660)	-	-	-	-	-	
148,160	-	29,714	6,543	2,489	773	
<u>281,792,624</u>	<u>294,428,226</u>	<u>333,137,156</u>	<u>325,107,163</u>	<u>333,104,849</u>	<u>322,110,685</u>	
(22,249,168)	(22,951,339)	(63,012,843)	(54,296,225)	(43,102,793)	(32,463,584)	

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

	Fiscal year			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Other financing sources (uses)				
Capital leases	1,735,104	3,083,773	2,032,704	2,917,492
Notes payable	2,150,000	-	-	-
General obligation bonds issued	-	-	60,000,000	-
Revenue bonds issued	80,739,862	27,065,000	4,100,000	2,900,000
Certificate of obligation bonds issued	-	6,901,632	14,914,122	18,605,000
Tax notes issued	-	-	-	-
Refunding bonds issued	23,855,037	-	-	-
Refund on bond issue costs	-	-	-	19,952
Proceeds of refunding bonds	-	-	60,685,564	-
Premium on bonds sold	-	751,185	-	-
Discount on bonds issued	-	(56,632)	-	(272,896)
Payment to escrow agent for refunded bonds	(23,474,491)	-	(59,387,098)	-
Transfers in	15,682,295	15,717,877	14,400,438	12,291,674
Transfers out	(13,180,863)	(11,611,839)	(11,625,425)	(6,464,810)
Total other financing sources (uses)	<u>87,506,944</u>	<u>41,850,996</u>	<u>85,120,305</u>	<u>29,996,412</u>
Net change in fund balances	<u>\$ 59,507,255</u>	<u>\$ (36,129,173)</u>	<u>\$ 19,445,531</u>	<u>\$ (11,002,639)</u>
Debt service as a percentage of noncapital expenditures	16.78%	18.13%	18.92%	17.23%

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

Table 5
(Continued)

Fiscal year					
<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
3,447,512	2,623,408	3,746,061	4,110,898	5,655,103	1,978,382
-	-	-	-	-	-
34,975,000	-	88,725,000	13,685,000	-	44,706,446
-	-	-	-	-	-
2,415,695	-	12,000,000	11,460,000	-	-
-	22,260,000	-	-	-	7,390,000
-	13,445,000	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
480,163	-	2,660,797	491,894	-	5,095,844
-	-	(124,206)	-	-	-
-	(12,822,371)	-	-	-	-
14,031,497	13,676,363	11,797,397	18,699,972	17,734,081	13,102,987
(8,276,245)	(8,136,348)	(9,222,308)	(9,933,977)	(9,966,600)	(11,897,146)
<u>47,073,622</u>	<u>31,046,052</u>	<u>109,582,741</u>	<u>38,513,787</u>	<u>13,422,584</u>	<u>60,376,513</u>
\$ 24,824,454	\$ 8,094,713	\$ 46,569,898	\$ (15,782,438)	\$ (29,680,209)	\$ 27,912,929
17.88%	16.67%	19.86%	17.20%	16.52%	16.99%

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
2003	59,935,265	45,677,489	7,894,879	16,119,482	1,996,580	131,623,695
2004	63,647,829	51,266,141	8,145,156	15,943,638	1,971,587	140,974,351
2005	67,482,260	55,236,059	8,320,624	16,076,514	1,067,586	148,183,043
2006	71,213,224	60,092,032	9,408,919	16,569,587	1,168,998	158,452,760
2007	75,818,774	62,563,386	9,630,152	16,738,947	1,229,251	165,980,510
2008	79,970,549	65,972,519	10,337,342	17,322,510	1,296,392	174,899,312
2009	84,999,120	66,054,244	10,127,333	16,126,005	1,362,837	178,669,539
2010	87,962,604	60,085,182	9,919,560	17,107,197	1,212,179	176,286,722
2011	84,486,667	62,918,359	10,721,997	17,013,187	1,320,031	176,460,241
2012	86,746,312	75,807,495	12,051,548	16,622,313	1,196,290	192,423,958

Table 7

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

Fiscal Year Ended July 31	Tax Year	Real Property	Personal Property	Less: Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2003	2002	8,922,477,009	1,047,865,471	1,543,685,753	8,426,656,727	0.644175	9,970,342,480	84.52%
2004	2003	9,525,269,802	1,091,986,683	1,669,360,087	8,947,896,398	0.644175	10,617,256,485	84.28%
2005	2004	10,272,935,304	1,191,484,860	1,824,858,392	9,639,561,772	0.634175	11,464,420,164	84.08%
2006	2005	11,130,529,932	1,230,303,736	1,872,808,840	10,488,024,828	0.625799	12,360,833,668	84.84%
2007	2006	12,166,239,146	1,247,502,997	1,992,436,225	11,421,305,918	0.602372	13,413,742,143	85.15%
2008	2007	14,084,066,107	1,447,200,791	2,420,434,047	13,110,832,851	0.563846	15,531,266,898	84.42%
2009	2008	14,738,455,220	1,481,661,131	2,406,781,337	13,813,335,014	0.563846	16,220,116,351	85.16%
2010	2009	15,599,675,802	1,523,844,670	2,682,910,732	14,440,609,740	0.563846	17,123,520,472	84.33%
2011	2010	15,899,330,012	1,462,945,239	3,462,137,714	13,900,137,536	0.582269	17,362,275,250	80.06%
2012	2011	15,640,922,141	2,255,975,300	3,811,092,543	14,085,804,898	0.570557	17,896,897,441	78.71%

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

Source: Nueces County Appraisal District

**CITY OF CORPUS CHRISTI, TEXAS
PROPERTY TAX RATES -
DIRECT AND OVERLAPPING GOVERNMENTS
PER \$100 VALUATION
FISCAL YEARS 2003-2012**

Fiscal Year	Tax Year	City of Corpus Christi General Fund	City of Corpus Christi Debt Service	Total City of Corpus Christi	Calallen ISD	Corpus Christi ISD	Corpus Christi Junior College District	Flour Bluff ISD	London ISD	Nueces County
2003	2002	0.460031	0.184144	0.644175	1.594900	1.590000	0.219880	1.526200	1.260000	0.360922
2004	2003	0.466554	0.177621	0.644175	1.599000	1.590000	0.235660	1.526200	1.255000	0.379693
2005	2004	0.460000	0.174175	0.634175	1.599000	1.620000	0.233800	1.526200	1.249000	0.424200
2006	2005	0.426624	0.199175	0.625799	1.599000	1.616000	0.228327	1.526197	1.390600	0.398929
2007	2006	0.403197	0.199175	0.602372	1.430000	1.486000	0.255723	1.386650	1.277300	0.365932
2008	2007	0.364671	0.199175	0.563846	1.276500	1.176050	0.241782	1.069500	1.143800	0.351340
2009	2008	0.364671	0.199175	0.563846	1.298500	1.237350	0.251391	1.069215	1.210400	0.350930
2010	2009	0.364671	0.199175	0.563846	1.298500	1.237350	0.251391	1.069215	1.210400	0.350930
2011	2010	0.385131	0.197138	0.582269	1.298500	1.237350	0.258003	1.069778	1.249503	0.350930
2012	2011	0.380339	0.190218	0.570557	1.328500	1.237350	0.258003	1.071743	1.262900	0.350999

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

Table 8

Nueces County Farm Roads and Flood Control	Nueces County Emergency Services District 1	Nueces County Hospital District	Port of Corpus Christi Authority	Nueces County Water Control & Improv. District 4	Port Aransas ISD	Robstown ISD	Tuloso Midway ISD	West Oso ISD	Downtown Management District Land	Downtown Management District Improvements
0.005396	0.060000	0.228028	--	--	1.536300	1.614000	1.727000	1.540000	--	--
0.005688	0.060000	0.228028	--	--	1.560458	1.614000	1.724700	1.570000	--	--
0.005500	0.060000	0.225000	--	--	1.557800	1.714000	1.724700	1.900000	--	--
0.005167	0.075000	0.174903	--	--	1.550000	1.714000	1.742200	1.780000	--	--
0.004746	0.075000	0.160715	--	--	1.394582	1.584000	1.612200	1.650000	--	--
0.004338	0.100000	0.144782	--	--	1.058300	1.254000	1.332200	1.340000	--	--
0.004329	0.100000	0.154687	--	--	1.058300	1.374000	1.332200	1.420000	0.300000	0.070000
0.004329	0.100000	0.154687	--	--	1.058300	1.374000	1.332200	1.420000	0.300000	0.070000
0.004329	0.100000	0.162428	--	--	1.062300	1.523000	1.332200	1.420000	0.300000	0.070000
0.004260	0.100000	0.162428	--	--	1.063300	1.650000	1.332200	1.420000	0.300000	0.070000

Table 9

**CITY OF CORPUS CHRISTI, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
JULY 31, 2012 AND JULY 31, 2003**

Name of Taxpayer	2012			2003		
	Assessed Valuation	Rank	Percentage Of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage Of Total Taxable Assessed Value
Barney M. Davis	\$ 268,296,120	1	0.018649	--		--
American Electric Power Texas Central Co.	98,181,220	2	0.006825	180,465,190	1	0.022476
Corpus Christi Retail Venture LP	86,000,000	3	0.005978			--
Wal-Mart Real Estate Business Trust	85,656,960	4	0.005954	41,083,022	6	0.005117
H.E. Butt Grocery Company	78,986,277	5	0.005490	65,056,484	3	0.008102
Markwest Javelina Pipeline Company	61,997,290	6	0.004309			--
Bay Area Healthcare	59,007,657	7	0.004102			--
Air Products, LLC	45,403,500	8	0.003156			--
Orion Drilling LP	42,912,000	9	0.002983			--
EOG Resources, Inc.	41,324,873	10	0.002873			
Southwestern Bell Telephone				74,005,136	2	0.009217
Columbia Bay Area Realty, Ltd.				46,252,636	4	0.005760
El Paso Javelina Company				45,673,260	5	0.005688
TRT Development Company				38,639,145	7	0.004812
Texas Cable Partners, LP				29,051,402	8	0.003618
Flint Hills Resources				23,746,722	9	0.002957
South Padre Drive, LP				23,500,000	10	0.002927
	<u>\$ 867,765,897</u>		<u>6.03%</u>	<u>\$ 567,472,997</u>		<u>7.07%</u>

Source: Nueces County Appraisal District

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

Table 10

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

Fiscal Year Ended July 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy			Collections in Subsequent Years	Total Collections to Date	
		Tax Levy	Amount	Percentage of Levy		Amount	Percentage of Levy
2003	2002	54,282,374	52,161,807	96.09%	1,976,246	54,138,053	99.73%
2004	2003	57,640,112	55,417,905	96.14%	2,067,116	57,485,021	99.73%
2005	2004	61,131,691	58,864,317	96.29%	2,267,374	61,131,691	100.00%
2006	2005	65,237,253	62,656,806	96.04%	2,379,122	65,035,928	99.69%
2007	2006	68,230,749	64,961,636	95.21%	3,040,541	68,002,177	99.67%
2008	2007	72,029,119	70,048,380	97.25%	1,724,556	71,772,936	99.64%
2009	2008	76,595,854	74,146,566	96.80%	2,097,163	76,243,729	99.54%
2010	2009	79,537,895	77,079,808	96.91%	1,947,562	79,027,370	99.36%
2011	2010	78,777,938	76,795,311	97.48%	1,191,692	77,987,003	99.00%
2012	2011	78,407,330	76,679,885	97.80%	-	76,679,885	97.80%



City of
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Table 11

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

Fiscal Year Ended July 31	Tax Year	Total Assessed Valuation	Assessments Rate	Gross Tax Rate (1)
2003	2002	8,426,656,727	100%	0.644175
2004	2003	8,947,896,398	100%	0.644175
2005	2004	9,639,561,772	100%	0.634175
2006	2005	10,488,024,828	100%	0.625799
2007	2006	11,421,305,918	100%	0.602372
2008	2007	13,110,832,851	100%	0.563846
2009	2008	13,813,335,014	100%	0.563846
2010	2009	14,440,609,740	100%	0.563846
2011	2010	13,900,137,536	100%	0.582269
2012	2011	14,085,804,898	100%	0.570557

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

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

Fiscal Year Ended July 31	Governmental Activities				
	General Obligation Bonds	Certificates of Obligation	Revenue Bonds	Capital Leases	Other Notes Payable
2003	109,222,449	52,675,000	95,645,000	8,716,166	6,424,643
2004	100,489,139	57,110,000	120,910,000	7,378,760	6,001,404
2005	162,079,446	34,990,000	121,485,000	5,923,899	4,796,465
2006	149,085,000	32,480,000	120,810,000	6,525,617	4,360,000
2007	166,575,000	32,925,695	117,030,000	11,054,031	4,000,000
2008	152,030,000	30,885,695	114,480,000	9,102,549	25,510,000
2009	231,525,000	28,745,695	110,095,000	10,766,432	7,510,000
2010	232,020,000	37,255,695	105,460,000	11,395,885	5,295,000
2011	219,025,000	34,690,401	100,165,000	9,939,798	4,300,000
2012	251,195,000	32,821,649	94,485,000	7,338,742	10,665,000

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

Table 12

Business-Type Activities							
General Obligation Bonds	Certificates of Obligation	Revenue Bonds Payable	Capital Leases	Utility Notes	Total Primary Government	Percentage of Personal Income	Per Capita
-	-	392,465,000	3,420,504	177,907,801	846,476,563	8.11%	2,946
-	-	375,630,000	5,119,476	176,221,133	848,859,912	7.58%	2,925
-	25,660,000	407,805,000	4,529,354	174,136,591	941,405,755	7.98%	3,212
-	44,025,000	453,850,000	3,277,956	171,604,070	986,017,643	8.80%	3,337
-	48,189,305	506,795,000	3,699,994	168,900,717	1,059,169,742	8.96%	3,583
-	47,524,305	479,220,000	4,591,194	166,018,108	1,029,361,851	7.91%	3,461
-	58,484,305	546,875,000	5,006,444	164,625,035	1,163,632,911	7.99%	3,912
-	57,184,305	525,780,000	6,288,391	160,481,095	1,141,160,371	7.89%	3,739
-	61,149,599	572,095,000	8,318,853	156,204,665	1,165,888,316	7.42%	3,789
18,220,000	59,388,351	576,810,000	6,860,263	152,512,889	1,210,296,894	7.70%	3,878

Table 13

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

Fiscal Year Ended July 31	General Obligation Bonds	Certificates of Obligation	Less Amounts Available in Debt Service Funds	Total	Percentage of Actual Taxable Value of Property	Per Capita (1)
2003	109,222,449	52,675,000	12,005,625	149,891,824	1.5034%	521.74
2004	100,489,139	57,110,000	11,259,740	146,339,399	1.3783%	504.34
2005	162,079,446	34,990,000	10,328,565	186,740,881	1.6289%	637.08
2006	149,085,000	32,480,000	10,255,911	171,309,089	1.3859%	579.77
2007	166,575,000	32,925,695	11,622,271	187,878,424	1.4006%	635.60
2008	152,030,000	30,885,695	16,591,514	166,324,181	1.0709%	559.17
2009	231,525,000	28,745,695	10,134,301	250,136,394	1.5421%	840.94
2010	232,020,000	37,255,695	11,923,519	257,352,176	1.5029%	843.18
2011	219,025,000	34,690,401	14,436,907	239,278,494	1.3782%	777.56
2012	251,195,000	32,821,649	16,858,822	267,157,827	1.4928%	856.10

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 for personal income and population data.

Table 14

**CITY OF CORPUS CHRISTI, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JULY 31, 2012**

<u>City</u>	<u>Net Direct Debt</u>		<u>Estimated % of Debt Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
	<u>Amount</u>	<u>As of</u>		
City of Corpus Christi, Texas - direct	\$ 259,678,623	7/31/2012	100.00%	\$ 259,678,623
County				
Nueces County (excluding special districts)	110,833,912	7/31/2012	37.05%	41,063,964
School District				
Calallen Independent School District	44,774,837	7/31/2012	39.77%	17,806,953
Corpus Christi Independent School District	322,237,827	7/31/2012	94.22%	303,612,481
Flour Bluff Independent School District	3,190,016	7/31/2012	85.45%	2,725,869
London Independent School District	9,268,001	7/31/2012	3.83%	354,964
Port Aransas Independent School District	7,349,536	7/31/2012	70.08%	5,150,555
Robstown Independent School District	48,254,962	7/31/2012	0.13%	62,731
Tuloso-Midway Independent School District	54,155,894	7/31/2012	50.16%	27,164,596
West Oso Independent School District	31,229,040	7/31/2012	32.16%	10,043,259
Other				
Corpus Christi Junior College District	136,090,254	7/31/2012	92.14%	125,393,560
Nueces County Hospital District	5,071,404	7/31/2012	37.05%	1,878,955
Total overlapping debt	772,455,683			535,257,887
Total direct and overlapping debt	\$ 1,032,134,306			\$ 794,936,510

NOTE A: Total direct debt shown for the City of Corpus Christi excludes self-supporting debt, and prorated share available for repayment in Debt Service Fund. It is estimated that \$100,287,578 is self supporting debt. To continue to maintain this debt as self-supporting, transfers will be made from Airport, Marina, Hotel Occupancy Tax Fund, Texas State Aquarium, Utility System and Solid Waste in amounts sufficient to pay both principal and interest on the self-supporting debt.

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

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

	Fiscal Year			
	2003	2004	2005	2006
Debt limit	\$ 997,034,248	\$ 1,061,725,649	\$ 1,146,442,016	\$ 1,235,133,813
Total net debt applicable to limit	<u>156,316,467</u>	<u>152,340,803</u>	<u>217,197,346</u>	<u>219,694,089</u>
Legal debt margin	<u>\$ 840,717,781</u>	<u>\$ 909,384,846</u>	<u>\$ 929,244,670</u>	<u>\$ 1,007,939,724</u>
Total net debt applicable to the limit as a percentage of debt limit	15.68%	14.35%	18.95%	17.79%

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

Table 15

Fiscal Year					
2007	2008	2009	2010	2011	2012
\$ 1,341,374,214	\$ 1,553,126,690	\$ 1,622,011,635	\$ 1,712,352,047	1,736,227,525	1,789,689,744
<u>240,067,729</u>	<u>239,358,486</u>	<u>316,130,699</u>	<u>319,831,481</u>	<u>304,728,093</u>	<u>355,431,178</u>
<u>\$ 1,101,306,485</u>	<u>\$ 1,313,768,204</u>	<u>\$ 1,305,880,936</u>	<u>\$ 1,392,520,566</u>	<u>\$ 1,431,499,432</u>	<u>\$ 1,434,258,566</u>
17.90%	15.41%	19.49%	18.68%	17.55%	19.86%

LEGAL DEBT MARGIN CALCULATION FOR FISCAL YEAR 2012

Assessed value (1)	\$ 17,896,897,441
Debt limit (10% of total assessed value)	1,789,689,744
Debt applicable to limit:	
Gross Bonded Debt	372,290,000
Less: Net assets in Debt Service Fund	<u>16,858,822</u>
Total net debt applicable to limit	<u>355,431,178</u>
Legal debt margin	<u>\$ 1,434,258,566</u>

Table 16

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

Fiscal Year	Utility System Revenue Bonds					
	Gross Revenue	Adjusted (1) Operating Income Deductions	Net Revenue Available for Debt Service	Annual Debt Service Requirements		
				Principal	Interest	Coverage
2003	128,063,246	90,540,742	37,522,504	12,990,000	11,849,862	1.51
2004	133,214,799	95,996,767	37,218,032	13,205,000	12,334,049	1.46
2005	149,924,365	114,931,084	34,993,281	15,505,000	13,715,886	1.20
2006	169,845,386	124,064,017	45,781,369	17,890,000	15,459,432	1.37
2007	167,638,283	120,023,039	47,615,244	21,030,000	18,213,273	1.21
2008	174,023,636	121,130,851	52,892,785	22,715,000	18,133,573	1.29
2009	188,422,621	122,025,805	66,396,816	23,750,000	18,890,476	1.56
2010	185,342,336	123,436,112	61,906,224	24,760,000	20,872,184	1.36
2011	203,523,352	131,598,133	71,925,219	24,135,000	22,448,605	1.54
2012	206,350,597	120,818,926	85,531,671	25,070,000	21,668,130	1.83

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

Table 17

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

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)	Median Age (1)	Education Level in Years of Formal Schooling (3)	School Enrollment Rate (4)	Unemployment Rate (5)
2003	287,290	10,438,622,000	25,696	33.6	--	39,268	7.1
2004	290,163	11,199,871,000	27,340	33.2	12.7	39,310	6.7
2005	293,122	11,802,000,000	28,539	34.2	--	38,978	5.4
2006	295,478	11,199,871,000	33,904	34.7	--	36,158	5.7
2007	295,594	11,816,184,000	35,750	34.6	--	38,796	4.7
2008	297,447	13,006,066,000	37,700	34.6	--	38,754	4.8
2009	297,447	14,556,590,000	35,004	34.6	--	38,460	7.3
2010	305,215 (6)	14,457,000,000	34,743	34.3	--	38,196	7.7
2011	307,728	15,719,000,000	39,635	34.8	--	38,357	8.0
2012	312,065	16,524,276,000	38,609	34.6	--	39,106	6.6

Source:

- (1) City of Corpus Christi staff
- (2) Bureau of Economic Analysis
- (3) U. S. Census Bureau for population 25 years or older, some years not available
- (4) Corpus Christi Independent School District - budgeted daily enrollment
- (5) Texas Workforce Commission, city civilian labor force
- (6) U. S. Census Bureau - 2010 Census



City of
Corpus
Christi

Table 18

**CITY OF CORPUS CHRISTI, TEXAS
PRINCIPAL EMPLOYERS
JULY 31, 2012 AND JULY 31, 2003**

Employer	2012			2003 *		
	Number of Employees	Rank	Percent of Total City Employment **	Number of Employees	Rank	Percent of Total City Employment
Corpus Christi Army Depot	5,800	1	3.32%	-	--	--
Corpus Christi Independent School District	5,178	2	2.97%	-	--	--
Christus Spohn Health System	5,144	3	2.95%	-	--	--
H.E.B. Grocery Company	5,000	4	2.86%	-	--	--
City of Corpus Christi	3,171	5	1.82%	-	--	--
Naval Air Station Corpus Christi	2,827	6	1.62%	-	--	--
Klewit Offshore Services	2,200	7	1.26%	-	--	--
Bay Ltd.	2,100	8	1.20%	-	--	--
Driscoll Children's Hospital	1,800	9	1.03%	-	--	--
Del Mar College	1,542	10	0.88%	-	--	--
Total	34,762		19.91%	-	0.00%	0.00%

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

* Information for 2003 not available

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

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

Function	Fiscal Year			
	2003	2004	2005	2006
General Fund				
Mayor	2.00	2.00	2.00	2.00
ACM - administrative services	2.00	1.00	1.00	1.00
ACM - development services	3.00	2.00	2.00	2.00
City attorney	23.00	25.00	25.00	26.00
City manager	5.00	3.00	3.00	3.00
City secretary	7.00	7.00	7.00	7.00
Communications and quality management	--	--	--	--
Community development	--	--	--	--
Neighborhood services	16.80	23.00	23.40	18.80
Economic development office	--	2.00	2.00	1.00
Education advisor	--	--	--	--
Engineering - special services	6.00	--	9.00	8.00
Engineering	10.00	9.00	--	--
Inspections	28.00	--	--	--
Financial services	139.00	56.00	56.00	56.00
Fire	352.80	356.00	356.00	424.00
Health	69.63	68.63	68.00	69.50
Human relations	5.00	6.00	7.00	6.00
Human resources	18.75	19.75	19.75	20.75
Internal audit	--	--	--	--
Intergovernmental relations	--	--	--	--
Libraries	67.50	67.50	67.50	67.50
Management and budget	10.00	9.00	9.00	8.00
Materials management	--	--	--	--
Municipal court - administration	51.00	44.00	44.00	35.00
Municipal court - judicial	4.50	7.50	21.00	43.30
Museum	26.30	25.60	24.10	22.50
Office of Intergovernmental Relations & Community Development	--	--	--	--
Parks and recreation	286.51	283.21	332.18	305.97
Planning	17.00	--	--	--
Police	616.50	613.50	613.50	601.50
Public information	2.00	3.00	3.00	3.00
Street and solid waste services	338.00	310.00	315.00	292.00
Total	2,107.29	1,943.69	2,010.43	2,023.82

(Continued)

Table 19

Fiscal Year						
2007	2008	2009	2010	2011	2012	
2.00	2.00	2.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00	1.00	1.00
26.00	26.00	26.00	26.00	26.00	25.00	23.00
3.00	3.00	4.00	4.00	4.00	3.00	3.00
7.00	7.00	6.00	6.00	6.00	6.00	6.00
--	--	--	--	--	--	--
--	--	--	--	--	--	--
20.80	24.80	26.80	27.00	19.90		19.90
1.00	2.00	2.00	2.00	-		--
--	1.50	1.00	--	--		--
9.00	9.00	19.00	15.00	18.00		23.00
--	--	--	--	--		--
--	--	--	--	--		--
57.00	57.00	53.00	50.00	46.00		51.00
412.00	414.00	432.00	432.00	429.00		429.00
70.50	71.50	71.50	68.00	66.00		61.00
6.00	6.00	6.00	6.00	6.00		6.00
20.75	22.00	20.00	20.00	17.00		16.00
--	2.00	1.00	--	--		3.0
--	--	1.00	1.00	1.00		1.00
67.50	74.00	73.00	70.50	62.60		52.35
9.00	9.00	8.00	8.00	8.00		8.00
--	--	--	--	--		--
37.00	46.00	48.00	45.00	42.00		59.00
42.96	35.94	34.08	30.08	30.90		8.72
22.80	22.80	22.70	21.70	21.70		17.40
--	--	--	--	--		--
317.23	300.07	299.32	279.64	263.23		256.71
--	--	--	--	--		--
601.50	619.00	621.00	625.50	635.50		633.90
3.00	3.00	5.00	4.00	4.00		2.50
303.00	305.00	298.00	290.00	286.00		236.00
2,042.04	2,065.61	2,083.40	2,036.42	1,994.83		1,920.48

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

Function	Fiscal Year			
	2003	2004	2005	2006
Enterprise Funds				
Aviation	93.75	95.75	96.75	93.75
Ambulance	68.00	68.00	68.00	--
Golf Centers (Privatized)	32.50	30.50	30.50	22.00
Marina	16.50	16.50	16.50	16.50
Gas	148.00	148.80	148.80	148.80
Storm Water	85.00	85.00	--	--
Wastewater	178.00	177.00	177.00	177.00
Water	180.00	180.00	175.00	255.00
ACM - Public Works	--	--	2.00	2.00
Utility Business Office	--	27.00	74.00	19.00
Utility Field Services	--	45.00	--	44.00
Office of Environmental Programs	--	--	--	3.00
Total	801.75	873.55	788.55	781.05
Internal Service Funds				
Engineering	57.10	57.10	57.10	57.10
Liability and employee benefits fund	14.00	13.00	14.00	14.00
Maintenance service	99.00	97.00	99.00	99.00
Municipal information system	50.00	71.00	75.00	93.00
Stores	8.00	8.00	8.00	8.00
Total	228.10	246.10	253.10	271.10
Special Revenue Funds				
Development Services	--	54.00	54.00	57.00
Visitor's facilities fund	40.00	35.0	11.00	1.00
Redlight Photo Enforcement	--	--	--	--
Crime Control	76.10	65.10	62.10	65.60
Local Emergency Planning Committee	1.00	1.00	1.00	1.00
Total	117.10	155.10	128.10	124.60
Total operating budget FTE's	3,254.24	3,218.44	3,180.18	3,200.57

Source: City of Corpus Christi Office of Management and Budget

Table 19
(Continued)

Fiscal Year						
2007	2008	2009	2010	2011	2012	
98.95	95.20	96.95	97.20	97.20	91.40	
--	--	--	--	--	--	
29.50	29.50	29.50	29.50	29.50	--	
14.00	14.00	14.00	15.00	15.00	15.00	
147.80	134.80	134.80	135.80	137.00	135.00	
--	77.00	75.00	75.00	87.00	87.00	
173.00	162.00	162.00	167.00	167.00	168.00	
255.00	157.00	163.00	166.00	167.00	161.00	
2.00	2.00	2.00	2.00	2.00	2.00	
18.00	19.00	19.00	19.00	19.00	20.00	
45.00	40.00	40.00	31.00	31.00	30.00	
3.00	2.00	5.00	5.00	5.00	5.00	
786.25	732.50	741.25	742.50	756.70	714.40	
57.10	57.00	61.63	64.00	61.00	58.00	
15.00	15.00	15.00	15.00	16.00	20.00	
100.00	100.00	87.00	87.00	85.00	77.00	
100.00	109.00	105.00	105.00	98.00	94.00	
9.00	9.00	20.00	21.00	21.00	20.00	
281.10	290.00	288.63	292.00	281.00	269.00	
58.00	63.00	76.00	63.00	60.00	60.00	
1.00	11.00	10.00	10.00	10.00	10.00	
--	--	--	2.00	2.00	2.00	
64.60	65.60	65.60	65.60	65.60	64.60	
1.00	1.00	1.00	1.00	1.00		
124.60	140.60	152.60	141.60	138.60	136.60	
3,233.99	3,228.71	3,265.88	3,212.52	3,171.13	3,040.48	

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

Function	Fiscal Year			
	2003	2004	2005	2006
Police				
Physical arrests	n/a	n/a	5,214	4,792
Parking violations	18,090 *	17,622 *	17,960 *	18,287 *
Traffic violations	n/a	n/a	64,449	57,478
Number of commissioned police officers	448	448	448	448
Number of employees - police officers and civilians	674	674	678	671
Officers per 1000 population	1.56	1.54	1.53	1.52
School crossing guards	83	83	83	87
Fire				
Number of calls answered	1,200	1,000	1,219	30,700 **
Inspections	3,000	3,500	3,659	3,000
Number of firefighters	394	395	383	383
Number of employees - firefighters and civilians	414	418	402	400
Employees per 1,000 population	1.37	1.36	1.31	1.30
State Fire Insurance Credit Rating	Class 4	Class 4	Class 4	Class 4
Streets				
Street resurfacing (miles)	--	--	--	--
Potholes repaired	50,000	60,000	75,024	75,000
Parks and recreation				
Number of registered youth participants in Latchkey afterschool program	n/a	n/a	n/a	n/a
Number of meals served at Senior Centers	144,182	148,743	152,578	126,773
Libraries				
Number of volumes	413,308	446,830	394,666	394,666
Circulation	1,096,084	1,149,994	1,155,516	1,191,605
Library cards in force	189,896	124,624	144,755	150,552
Computer usage, sessions	491,512	524,400	703,494	1,044,617
Number of website hits	--	--	--	--
Number of in-house personal computer users	--	--	--	--
Solid Waste				
Refuse collected (tons/day)	325	325	364	389
Recyclables collected (tons/day)	57	53	12	13
Water				
New connections	n/a	n/a	1,302	1,358
Water main breaks	n/a	n/a	2,400	2,617
Average daily consumption (thousands of gallons)	96,853	90,771	97,686	97,686
Average daily gallons treated & raw water sold	96,953,488	90,770,847	97,685,942	106,251,600
Average water treated (thousand of gallons)	n/a	n/a	n/a	n/a
Average daily consumption per capita (gallons)	120	122	123	121
Residential per capita consumption gallons/day	n/a	n/a	n/a	n/a
Gas				
Average daily consumption (mcf)	9,954	8,964	9,064	8,438
Wastewater				
Average daily sewage treatment (thousands of gallons)	n/a	n/a	n/a	27,478
Airport				
Number of airports	1	1	1	1
Number of acres	2,428	2,428	2,574	2,574

Sources: Various city departments

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

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

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

Table 20

Fiscal Year					
2007	2008	2009	2010	2011	2012
11,282	14,440	17,786	17,036	17,928	17,895
17,571 *	23,973 *	23,976 *	18,705 *	7,925 *	7,705
58,885	53,355	51,778	51,082	41,216	39,145
448	448	451	451	451	451
672	672	711	711	711.1	685.8
1.52	1.51	1.52	1.48	1.47	1.50
87	91	91	91	91	28
33,000 **	37,492 **	39,115 **	38,939	39,667	42,923
4,765	4,641	5,342	5,272	4,116	6,093
402	394	403	414	398	414
419	419	423	429	414	431
1.36	1.32	1.35	1.36	1.29	1.36
Class 3	Class 3	Class 2	Class 2	Class 2	Class 2
722,367 sq yds	367,266 sq yds	267,817 sq yds	549,631 sq yds	693,586 sq yds	600,387 sq yds
83,177	97,634		213,805	158,827	126,696
n/a	n/a	2,478	2,396	2,497	2,375
117,333	103,431	104,155	95,954	106,995	93,516
389,634	405,225	431,098	484,442	661,332	412,386
1,211,792	1,241,042	1,339,242	1,344,845	1,247,799	709
143,699	150,712	150,712	153,222	201,863	217,247
1,160,698	--	--	--	--	--
--	--	25,084,906	10,041,335	5,114,607	9,723,058
--	203,480	240,525	282,360	255,923	184,137
395	386	378	382	378	376
13	13	12.3	11.7	31.7	5
1,690	474	265	236	236	217
2,313	2,022	1,706	1,507	1,584	1,966
97,686	94,541	102,025	94,637	99,271	104,316
136,281,605	94,541,688	102,025,373	94,637,901	99,271,184	104,316,132
n/a	65,860	68,888	63,197	67,592	69,919
134	119	128	118	125	122
n/a	77	81	76	80	78
2,842	8,498	8,626	8,466	9,050	8,033
30,605	28,808	26,867	29,691	28,152	25,776
1	1	1	1	1	1
2,574	2,657	2,657	2,600	2,600	2,600

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

Function	Fiscal Year			
	2003	2004	2005	2006
General government				
Buildings: (City owned)				
Total square footage, approximate	2,185,079	2,850,000	2,864,000	2,864,000
Police				
Stations	4	4	4	4
Patrol units	298	301	301	295
Area of responsibility - land area (square miles)	150.48	150.48	150.48	150.48
Fire				
Fire stations	16	16	16	16
Fire apparatus	38	39	30	30
Other motorized vehicles	67	62	77	77
Number of fire hydrants	8,000	8,300	8,300	8,400
Streets				
Streets (miles)	1,095	1,097	1,103	1,103
Streetlights	14,455	14,670	16,308	16,308
Traffic signals	n/a	n/a	n/a	n/a
Libraries				
Number of libraries	5	5	5	5
Parks and recreation				
Parks acreage	1,580	1,408	1,408	1,418
Parks	190	189	189	189
Swimming pools	10	10	9	9
Tennis courts	49	49	49	37
Community centers	5	5	5	5
Park acreage partially developed	172	171	178	171
Playgrounds	139	139	139	128
Municipal beaches	4	4	4	4
Baseball diamonds	1	1	1	1
Softball diamonds	10	5	5	5
Senior centers	8	8	8	8
Gymnasiums	2	2	2	2
Covered basketball courts	2	2	1	3
Water				
Water mains (miles)	1,950	1,445	1,533	1,533
Fire hydrants	8,000	8,300	8,300	8,400
Maximum daily capacity (thousands of gallons)	110,000	110,000	109,000	104,880
Water connections - active	80,083	82,944	82,467	83,785
Storm water drainage ditches (miles)	607	607	607	607
Storm water underground pipe (miles)	597	597	597	597

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

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

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

Table 21

Fiscal Year					
2007	2008	2009	2010	2011	2012
2,864,000	2,883,975	2,883,975	2,883,975	2,883,975	3,740,189
4	4	5	5	5	5
295	295	354	244	244	244
150.48	150.48	150.48	150.48	150.48	150.48
16	16	17	17	17	17
30	30	30	30	30	30
77	77	77	77	88	88
8,400	8,479	8,800	8,890	9,007	10,451
1,119	1,123	1,139	1,172	1,178	1,181
16,662	16,767	16,874	17,053	17,166	17,315
n/a	n/a	n/a	n/a	n/a	242
5	5	6	6	6	6
1,415	1,418	1,418	1,420	1,420	1,690
190	190	191	194	196	196
9	9	9	9	9	9
37	37	37	37	37	37
5	5	5	5	5	5
171	168	384	386	389	389
129	131	139	143	140	140
4	4	4	4	4	4
1	4	4	4	5	5
5	5	5	5	4	4
8	8	8	8	8	8
2	2	2	2	3	3
3	3	4	4	5	5
1,553	1,584	1,624	1,629	1,636	1,654
8,400	8,479	8,800	8,890	9,007	10,451
97,750	97,850	96,220	95,450	92,670	103,500
85,959	84,442	87,042	90,957	90,928	93,927
607	610	602	552	501	501
597	606	632	675	630	630

Table 21
(Continued)

Fiscal Year					
2007	2008	2009	2010	2011	2012
1,327	1,337	1,349	1,354	1,399	1,402
54,436	53,688	54,162	55,467	60,430	62,260
1,258	1,265	1,269	1,271	1,282	1,286
44,700	44,700	44,700	44,700	44,700	44,700
82,957	81,823	82,948	83,174	83,250	84,338
95	97	97	99	99	100
13,588	13,588	13,588	13,588	13,588	13,588
19,710	16,306	17,056	16,560	17,130	17,130
886,528	861,641	750,080	706,133	688,051	672,130
2	2	2	2	2	2
376	376	376	376	376	376
590	590	590	626	626	578

Table 22

MISCELLANEOUS STATISTICAL DATA
FISCAL YEAR ENDED JULY 31, 2012

GOVERNMENT: (1)

Date of incorporation	1852
Charter:	
Revised	July 13, 1968
Revised	September 15, 1970
Revised	January 22, 1975
Revised	April 5, 1980
Revised	August 11, 1984
Revised	April 4, 1987
Revised	January 19, 1991
Revised	April 3, 1993
Revised	November 2, 2004
Revised	November 2, 2010

Form of government:

Fiscal year begins	August 1st
Number of City employees	2,932

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	146.7
Water	352.0
	<u>498.7</u>

POPULATION:

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

ELEVATION:

Sea level to 85 feet

TEMPERATURE: (3)

99.2° F maximum average
77.5° F minimum average
88.3° F mean average

SEASONAL RAINFALL

18.84 inches for fiscal year ended July 31, 2012

Source:

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

**Table 22
(Continued)**

**MISCELLANEOUS STATISTICAL DATA
FISCAL YEAR ENDED JULY 31, 2012**

PORT OF CORPUS CHRISTI: (2)

Tonnage handled through the Port during the year 2011	80,310,217
Number of ships handled during the year 2011	1,395
Number of barges handled during the year 2011	4,018

Public Docks:

Bulk liquid	11
Dry cargo	8
Bulk materials	2
Total	21

Private Docks:

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

Dry Cargo -

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

Dry Cargo -

ADM/Growmark	1 - Main Harbor
Interstate Grain	1 - Main Harbor
Sherwin Alumina	1 - La Quinta
Vulcan Materials	1 - Main Harbor
Total	31

Source:

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

Table 23

**CITY PAYROLL STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Salaries	Social Security & Medicare	Texas Municipal Retirement System	Fire Fighters' Retirement System Plan	Total Paid	Number Employees Last Payday of Year
2003	112,071,665	6,818,824	10,241,750	2,423,671	131,555,910	3,264
2004	121,745,107	7,370,874	11,386,987	2,673,855	143,176,822	3,317
2005	120,616,280	7,350,960	12,827,988	2,482,092	143,277,320	3,126
2006	124,601,361	5,903,267	13,853,273	2,795,774	147,153,675	3,183
2007	127,318,989	7,603,602	14,372,192	3,040,260	152,335,043	3,217
2008	133,145,260	7,991,390	15,603,377	3,575,262	160,315,289	3,309
2009	140,069,626	8,350,623	16,549,804	3,997,364	168,967,417	3,406
2010	142,607,262	7,714,798	18,330,551	4,440,572	173,093,184	3,236
2011	147,878,682	8,485,205	16,832,574	5,158,128	178,354,589	3,091
2012	137,951,126	7,969,329	15,541,644	5,254,970	166,717,069	2,972

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

Table 24

**RETIREMENT SYSTEM PENSION DATA
LAST TEN FISCAL YEARS**

TEXAS MUNICIPAL RETIREMENT SYSTEM PENSION DATA

Fiscal Year	Unfunded Pension Plan Liability	Pension Plan Receipts	Actuarial Value of Pension Plan Assets	Pension Benefits Paid	Investment Income
2003	80,254,024	33,378,009	232,869,362	29,526,164	19,360,126
2004	88,310,121	33,899,027	236,961,675	29,806,713	18,215,670
2005	107,200,266	32,945,242	238,411,240	31,495,577	16,180,600
2006	114,519,596	32,767,434	235,856,593	35,322,082	13,915,946
2007	123,761,526	33,620,204	236,329,255	33,147,542	13,206,208
2008	198,547,208	32,602,880	234,960,197	33,971,939	11,536,275
2009	207,164,256	33,740,446	234,890,896	33,809,747	11,440,094
2010	218,806,609	39,295,663	246,315,526	27,871,033	14,696,659
2011	* 46,392,672	40,573,796	511,209,314	33,759,205	10,053,791
2012	* 43,677,917	34,740,040	533,122,252	36,541,040	12,826,388

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

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

FIRE FIGHTERS' RETIREMENT SYSTEM PENSION DATA

Fiscal Year	Unfunded Pension Plan Liability	Pension Plan Receipts	Pension Plan Assets	Pension Benefits Paid	Investment Income
2003	42,743,795	(1,525,575)	78,135,835	7,214,298	2,358,128
2004	* --	18,168,197	81,278,306	7,412,898	2,088,863
2005	39,748,293	13,364,477	87,250,141	7,130,547	2,168,445
2006	--	4,949,285	89,401,693	7,399,360	2,460,607
2007	42,220,967	4,957,716	92,448,683	8,326,653	3,379,800
2008	* --	5,723,279	101,440,018	8,789,387	6,346,915
2009	70,349,504	6,642,273	76,979,921	9,370,772	3,843,537
2010	* --	7,609,271	92,547,683	8,968,492	2,510,550
2011	73,485,485	8,074,248	101,080,549	9,174,655	2,602,919
2012	* --	8,412,482	98,507,970	11,039,071	3,112,342

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

* No actuarial valuation performed for previous calendar year.

**ALL FUNDS
INSURANCE AND SURETY BONDS IN FORCE
FISCAL YEAR ENDED JULY 31, 2012**

Type of Insurance	Insurer and Expiration Date	Amount of Coverage
1. Property Insurances		
Commercial Property & Wind Policy Scheduled City Properties	Multiple layers (Itemized Below) Expires 5-4-2013	\$250 Million all other perils, \$100 Million wind coverage, \$25 Million Flood Building & Personal Property Blanket Coverage 2%, Named Storm, \$250,000 Minimum / \$4 Million Maximum ded \$250,000 all other Wind/Hail Deductible \$50,000 Deductible All Other Perils \$100,000 Flood; Earthquake Deductible (Replacement cost coverage)
Property & Wind Coverage Commercial City Properties	Axis Expires 5-4-2013	Named Storm only - 2.5 Million - Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Lexington Expires 5-4-2013	\$25,000,000 excess of \$2.5 Million - Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Arch Expires 5-4-2013	\$3,825,000 part of \$22.5 Million excess of \$27.5 Million - Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	RSUI Indemnity Co. Expires 5-4-2013	\$6,300,000 part of \$22.5 Million excess of \$27.5 Million - Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Aspen Expires 5-4-2013	\$2,475,000 part of \$22.5 Million excess of \$27.5 Million -Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	North American Capacity Ins. Co. (ICA) Expires 5-4-2013	\$4,950,000 part of \$22.5 Million Excess of \$27.5 Million -Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Ace/Westchester Expires 5-4-2013	\$4,950,000 part of \$22.5 Million excess of \$27.5 Million -Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Colony Expires 5-4-2013	\$5,000,000 part of \$50 Million excess of \$50 Million - Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Rockhill Expires 5-4-2013	\$10,000,000 part of \$50 Million Excess of \$50 Million - Wind Building & Personal Property Blanket Coverage

Table 25

Type of Insurance	Insurer and Expiration Date	Amount of Coverage
Excess Property & Wind Coverage Commercial City Properties	Axis Expires 5-4-2013	\$5,000,000 part of \$50 Million Excess of \$50 Million - Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Aspen Expires 5-4-2013	\$5,000,000 part of \$50 Million Excess of \$50 Million - Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Ace/Westchester Expires 5-4-2013	\$5,000,000 part of \$50 Million Excess of \$50 Million - Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Arch Expires 5-4-2013	\$10,000,000 part of \$50 Million Excess of \$50 Million - Wind Building & Personal Property Blanket Coverage
Excess Property & Wind Coverage Commercial City Properties	Liberty Expires 5-4-2013	\$10,000,000 part of \$50 Million excess of \$100 Million - Wind Building & Personal Property Blanket Coverage
Property Coverage Commercial City Properties	Lexington Expires 5-4-2013	\$250 Million All other Perils excluding wind Building & Personal Property Blanket Coverage - \$50,000 per occurrence deductible
Boiler & Machinery Coverage Commercial City Properties	Travelers Insurance Company Expires 5-4-2013	\$100 Million Property Damage \$2,500 Property Damage per occurrence Deductible
2. Flood Insurance		
Primary Flood Specified City Buildings	National Flood Program/ Selective Insurance Expires 11-4-2012	Building &/or contents values up to maximum of \$500,000 per building &/or \$500,000 per contents per location \$2000 deductible per building/ per contents (specified locations)

Table 25
(Continued)

ALL FUNDS
INSURANCE AND SURETY BONDS IN FORCE
FISCAL YEAR ENDED JULY 31, 2011

Type of Insurance	Insurer and Expiration Date	Amount of Coverage
3. Airport Liability		
P Primary Aviation	Texas Municipal League Expires 11-4-2012	\$25,000,000 Limit of Liability \$5,000 per occurrence deductible and \$10,000 annual aggregate deductible
E Excess Aviation	ACE-Illinois Union Ins Co Expires 11-4-2012	\$50,000,000 Liability Limit in Excess of \$25,000,000 (\$75,000,000 max.)
4. Employee Dishonesty / Crime Coverage	Texas Municipal League Expires 11-4-2012	\$1,000,000 per occ. for Public Employee Dishonesty Forgery or Alteration, Theft, Disappearance and Destruction Computer Fraud; with \$10,000 Deductible;
5. Excess General Liability, Public Officials, Employment & Law Enforcement Liability & Excess Workers Compensation	Star Insurance Company Expires 3-1-2013	\$5 Million each Accident or Occurrence Limit \$10 Million Aggregate Limit Workers Compensation Statutory \$500,000 SIR for Liability other than WC \$350,000 SIR for Workers Compensation
6. Gas Utility Excess Liability	Texas Municipal League Expires 11-4-2012	\$10,000,000 limit per occurrence \$250,000-General Liability/Pollution Deductible
7. General Liability		
CCPD -- Flint Hills Lease GL	Texas Municipal League Expires 11-4-2012	\$1,000,000 each occurrence \$1,000 deductible
8. Special Events Policy		
July 4th Celebration	Northfield Ins. Co. Expires 7-6-2012	\$2,000,000 General Aggregate \$1,000,000 each Occurrence
9. Automobile Coverage		
TB Clinic Van	Texas Municipal League Expires 11-4-2012	\$1,000,000 Bodily Injury & Property Damage \$25,000-Medical Payments Actual Cash Value - physical damage \$250 deductible
Fleet Catastrophic	Texas Municipal League Expires 11-4-2012	\$15,000,000 Blanket Limit per Occurrence \$250,000 Deductible
Automobile Physical Damage CCPD Leased Vehicles Solid Waste Transfer Trailers Specified Higher Valued Vehicles Specified Mobile Equipment	Texas Municipal League Expires 11-4-2012	Actual Cash Value - physical damage \$250 deductible \$500 deductible \$2500 deductible \$2500 deductible

Single Audit Section

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

January 25, 2013

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, 2012, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 25, 2013. 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

Management of the City of Corpus Christi, Texas is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

We noted certain matters that we reported to management of the City of Corpus Christi in a separate letter dated January 25, 2013.

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

Collier, Johnson & Woods

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT
ON EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

January 25, 2013

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 could have a direct and material effect on each of its major federal programs for the year ended July 31, 2012. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City of Corpus Christi, Texas complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended July 31, 2012.

Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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

Collier, Johnson & Woods

CITY OF CORPUS CHRISTI, TEXAS

SCHEDULE OF FEDERAL FINDINGS AND QUESTIONED COSTS

YEAR ENDED JULY 31, 2012

Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the City of Corpus Christi, Texas.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the "Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*".
3. No instances of noncompliance material to the financial statements of the City of Corpus Christi, Texas, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies or material weaknesses relating to the audit of the major federal award programs are reported in the "Independent Auditor's Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133".
5. The auditor's report on compliance for the major federal award programs for the City of Corpus Christi, Texas expresses an 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:
Public Safety Partnership & Community Policing (CFDA 16.710)
 - U.S. Department of Transportation:
Airport Improvement Programs (CFDA 20.106)
 - U.S. Environmental Protection Agency:
ARRA – CC Brownfields Assessment Hazardous Substances (CFDA 66.818)
ARRA – CC Brownfields Petroleum Assessment Community-Wide (CFDA 66.818)
 - U.S. Department of Energy:
ARRA - Energy Efficiency and Conservation Block Grant (CFDA 81.128)
 - Corporation for National and Community Service:
Senior Companion Program (CFDA 94.016)

Executive Office of the President
High Intensity Drug Trafficking Areas Program (CFDA 95.001)

U.S. Department of Homeland Security:
Buffer Zone Protection Program (CFDA 97.078)
Port Security Grant Program (CFDA 97.056)

8. The dollar threshold for distinguishing Type A and Type B programs was \$589,364.
9. The City of Corpus Christi, Texas qualifies as a low-risk auditee.

Findings - Financial Statement Audit

The audit disclosed no findings required to be reported.

Findings and Questioned Costs – Major Federal Award Programs Audit

The audit disclosed no findings required to be reported.

Prior Year Findings and Questioned Costs – Major Federal Award Programs Audit

There were no findings reported in the prior year.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR STATE
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH THE STATE OF TEXAS SINGLE AUDIT CIRCULAR

January 25, 2013

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 could have a direct and material effect on each of its major State programs for the year ended July 31, 2012. The City's major State programs are identified in the summary of auditor's results section of the accompanying schedule of State findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major State programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City of Corpus Christi, Texas complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended July 31, 2012.

Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to State programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major State program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the *State of Texas Single Audit Circular*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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

Collier, Johnson & Woods

CITY OF CORPUS CHRISTI, TEXAS

SCHEDULE OF STATE FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JULY 31, 2012

Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the City of Corpus Christi, Texas.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the "Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*".
3. No instances of noncompliance material to the financial statements of the City of Corpus Christi, Texas, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies or material weaknesses relating to the audit of the major State award programs are reported in the "Independent Auditor's Report on Compliance with Requirements that Could Have a Direct and Material Effect on each Major State Program and on Internal Control over Compliance in Accordance with the State of Texas Single Audit Circular."
5. The auditor's report on compliance for the major State award programs for the City of Corpus Christi, Texas expresses an unqualified opinion on all major programs.
6. There are no audit findings that are required to be reported in accordance with Section 510(a) of State of Texas Single Audit Circular.
7. The programs tested as major programs included:

Air Quality Planning Activities

Corpus Christi Auto Theft Prevention Grant
8. The dollar threshold for distinguishing Type A and Type B programs was \$300,000.
9. The City of Corpus Christi, Texas qualifies as a low risk auditee.

Findings - Financial Statement Audit

The audit disclosed no findings required to be reported.

Findings and Questioned Costs - Major State Award Programs Audit

The audit disclosed no findings required to be reported.

Prior Year Findings and Questioned Costs - Major State Award Programs Audit

There were no findings reported in the prior year.

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2012

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 Agriculture				
<u>Passed through Texas Dept. of State Health Services</u>				
Special Supplemental Nutrition Program for Women, Infants & Children	10.557	2011-037614	724,501	175,102
		2012-040001-001A	940,708	767,659
Total CFDA Number 10.557			<u>1,665,209</u>	<u>942,761</u>
Total Passed Through Texas Dept. of State Health Services			<u>1,665,209</u>	<u>942,761</u>
<u>Passed through Texas Dept. of Agriculture</u>				
Child and Adult Care Food Program	10.558	TX178-0037, 7537004	208,000	18,340
Child and Adult Care Food Program		CE-ID 01507	191,120	92,813
Total CFDA Number 10.558			<u>399,120</u>	<u>111,153</u>
Summer Food Service Program for Children	10.559	TX 178-1009, 7537004	219,256	239
Summer Food Service Program for Children		TX 178-1009, 7537004	250,000	19,193
Summer Food Service Program for Children		TX 178-1009, 7537004	250,000	126,762
Total CFDA Number 10.559			<u>719,256</u>	<u>146,194</u>
Total Passed Through Texas Dept. of Agriculture			<u>1,118,376</u>	<u>257,347</u>
Total U.S. Department of Agriculture			<u>2,783,585</u>	<u>1,200,108</u>
U.S. Department of Defense				
<u>Direct Programs</u>				
Community Economic Adjustment Planning Assistance for Joint Land Use Studies	12.610	EN0724-11-01	237,500	110,177
Total CFDA Number 12.610			<u>237,500</u>	<u>110,177</u>
Total U.S. Department of Defense			<u>237,500</u>	<u>110,177</u>
U.S. Department of Housing and Urban Development				
<u>Direct Programs</u>				
CDBG Entitlement Cluster:				
Comm. Dev. Block Grant-Entitlement Grant 04-05	14.218	B05-MC48-0502	70,000	3,401
Comm. Dev. Block Grant-Entitlement Grant 05-06		B06-MC48-0502	132,608	44,012
Comm. Dev. Block Grant-Entitlement Grant 07-08		B07-MC48-0502	412,000	(317,199)
Comm. Dev. Block Grant-Entitlement Grant 08-09		B08-MC48-0502	775,659	101,665
Comm. Dev. Block Grant-Entitlement Grant 09-10		B09-MC48-0502	1,642,434	327,050
Comm. Dev. Block Grant-Entitlement Grant 10-11		B10-MC48-0502	3,115,349	653,928
Comm. Dev. Block Grant-Entitlement Grant 11-12		B11-MC48-0502	3,054,750	1,563,492
Comm. Dev. Block Grant-Entitlement Grant 12-13		B12-MC48-0502	2,592,315	1,008
Total CFDA Number 14.218			<u>11,795,115</u>	<u>2,377,357</u>
ARRA - Community Development Block Grant - Recovery	14.253	B09-MY-480502	253,619	62,512
Total CFDA Number 14.253			<u>253,619</u>	<u>62,512</u>
Total CDBG Entitlement Grants Cluster			<u>12,048,734</u>	<u>2,439,869</u>
ARRA - Homelessness Prevention and Rapid Re-Housing	14.262	S09-48-MY-0502	1,393,181	146,207
Total CFDA Number 14.257			<u>1,393,181</u>	<u>146,207</u>
Emergency Shelter Grants Program 09-10	14.231	S09-MC48-0502	175,323	149,108
Total CFDA Number 14.231			<u>175,323</u>	<u>149,108</u>
Supportive Housing Program 10-11	14.235	TX-501	1,012,724	126,564
Supportive Housing Program 11-12		TX-501	1,132,547	847,937
Total CFDA Number 14.235			<u>2,145,271</u>	<u>974,501</u>

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2012

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Home Investment Partnerships Program 04-05	14.239	M-04-MC-48-0502	1,848,127	342,071
Home Investment Partnerships Program 05-06		M-05-MC-48-0502	1,772,241	256,779
Home Investment Partnerships Program 07-08		M-07-MC-48-0502	1,772,241	(9,969)
Home Investment Partnerships Program 08-09		M-08-MC-48-0502	1,614,427	299,073
Home Investment Partnerships Program 09-10		M-09-MC-48-0502	1,782,635	112,165
Home Investment Partnerships Program 10-11		M-10-MC-48-0502	1,775,515	139,238
Total CFDA Number 14.239			10,565,186	1,139,357
Fair Housing Assistance Program State and Local	14.401	FF206K066008	123,760	--
Total CFDA Number 14.401			123,760	--
Total Direct Programs			26,451,455	4,849,042
Total U.S. Department of HUD			26,451,455	4,849,042
U. S. Department of the Interior - Fish and Wildlife Service				
<u>Passed through Texas Parks & Wildlife Department</u>				
Sport Fish Restoration Program	15.605	F-226-B	925,290	116,787
Total CFDA Number 15.605			925,290	116,787
Clean Vessel Act	15.616	V-9-1-(S)	12,457	12,457
Total CFDA Number 15.616			12,457	12,457
Total Passed Through Texas Parks & Wildlife Dept.			937,747	129,244
Total U.S. Department of Interior			937,747	129,244
U.S. Department of Justice				
JAG Program Cluster:				
<u>Direct Programs</u>				
Edward Byrne Memorial Justice Assistance Grant	16.738	2009-DJ-BX-1378	247,696	48,989
Edward Byrne Memorial Justice Assistance Grant		2011-DJ-BX-2669	212,139	193,400
Total CFDA Number 16.738			459,835	242,389
ARRA-Edward Byrne Memorial Justice Assistance Grant	16.804	2009-SB-B9-2543	1,132,124	57,016
Total CFDA Number 16.803			1,132,124	57,016
Total Direct Programs			1,591,959	299,405
<u>Passed through Office of the Governor CJD</u>				
Edward Byrne Memorial Justice Assistance Grant	16.738	DJ-08-A10-24630-01	59,914	12,218
Total CFDA Number 16.738			59,914	12,218
Total Passed Through Office of the Governor CJD			59,914	12,218
Total JAG Program Cluster			1,651,873	311,623
<u>Direct Programs</u>				
Community Capacity Development Office Program	16.595	2010-WS-QX-0019	157,000	55,238
Total CFDA Number 16.595			157,000	55,238
Public Safety Partnership & Community Policing	16.710	2008CSWX0020	484,856	10,053
Public Safety Partnership & Community Policing		2011CSWX0017	500,000	228,123
Total CFDA Number 16.710			984,856	238,176
Total Direct Programs			1,141,856	293,414
<u>Passed through Office of Attorney General</u>				
Missing Children's Assistance	16.543	2009-MC-CX-K051	20,000	19,069
Total CFDA Number 16.543			20,000	19,069
Total Passed Through Office of Attorney General			20,000	19,069

**SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2012**

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 Office of the Governor CJD</u>				
Legal Assistance for Victims	16.524	WF-10-V30-15171-2	100,964	4,118
Total CFDA Number 16.524			<u>100,964</u>	<u>4,118</u>
Victims of Crime Act	16.575	VA-10-V30-15223-11	89,292	4,273
Victims of Crime Act		VA-11-V30-15223-12	78,527	65,408
Total CFDA Number 16.575			<u>167,819</u>	<u>69,681</u>
ARRA- Violence Against Women Formula Grant Program	16.588	WF-11-V30-15171-13	94,706	88,101
Total CFDA Number 16.588			<u>94,706</u>	<u>88,101</u>
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	CD-10-A10-24125-01	150,747	33,797
Paul Coverdell Forensic Sciences Improvement Grant Program		CD-11-A10-24125-02	60,000	30,000
Total CFDA Number 16.742			<u>210,747</u>	<u>63,797</u>
Total Passed Through Office of the Governor CJD			<u>574,236</u>	<u>225,697</u>
Total U.S. Department of Justice			<u>3,387,965</u>	<u>849,803</u>
U.S. Department of Transportation				
<u>Direct Programs</u>				
Airport Improvement Programs	20.106			
Taxiway B4 Widening Grant		3-48-0051-45	2,310,220	421,976
Terminal bldg rehab		3-48-0051-46	2,802,051	390,605
Runway 17/35 Extension, Phase 1; Runway 13/31 Extension, Phase 1; Conduct Taxiway		3-48-0051-47	2,596,792	2,071,473
Upgrade Security Systems With Associated Electrical Systems		3-48-0051-48	3,250,000	2,838,214
Total CFDA Number 20.106			<u>10,959,063</u>	<u>5,722,268</u>
Total Direct Programs			<u>10,959,063</u>	<u>5,722,268</u>
<u>Passed through State Dept. of Highways and Public Transportation</u>				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	2010-CorpusPD-S-MYG-Yr2-0204	84,906	8,865
State and Community Highway Safety		2012-CorpusPD-S-1YG-0114	90,207	58,718
Total CFDA Number 20.600			<u>175,113</u>	<u>67,583</u>
Alcohol Traffic Safety and Drunk Driving Prevention	20.601	2011-CorpusPD-S-IDM-00008	35,000	727
Total CFDA Number 20.601			<u>35,000</u>	<u>727</u>
Occupant Protection Incentive	20.602	2012-CorpusPD-CIOT-00015	23,993	23,993
Total CFDA Number 20.602			<u>23,993</u>	<u>23,993</u>
Total Highway Safety Cluster			<u>234,106</u>	<u>92,303</u>
Interagency Hazardous Materials Public Sector	20.703	11-DEM-LEPC-002	16,774	5,529
Total CFDA Number 20.703			<u>16,774</u>	<u>5,529</u>
Total Passed Through State Dept. of Hwys & Public Transp.			<u>250,880</u>	<u>97,832</u>
Total U.S. Department of Transportation			<u>11,209,943</u>	<u>5,820,100</u>
Equal Employment Opportunity Commission				
<u>Direct Programs</u>				
Employment Discrimination State & Local Fair	30.002	6FPSLP0087	64,650	26,450
Total CFDA Number 30.002			<u>64,650</u>	<u>26,450</u>
Total Direct Programs			<u>64,650</u>	<u>26,450</u>
Total Equal Employment Opportunity Commission			<u>64,650</u>	<u>26,450</u>

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2012

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Institute of Museum and Library Services				
<u>Passed through Texas State Library & Archives Commission</u>				
<u>Library Services</u>				
Library System Operation Grant	45.310	470-11027	378,821	59,103
Library System Operation Grant		470-12010	120,862	95,871
Technical Assistance Negotiated Grant		476-11023	78,767	6,000
Technical Assistance Negotiated Grant		476-12010	32,254	24,974
Interlibrary Loan Center Grant Program		771-11037	142,018	9,422
Interlibrary Loan Center Grant Program		771-12004	34,707	21,166
Total CFDA Number 45.310			<u>787,429</u>	<u>216,536</u>
Total Passed Through TSLAC			<u>787,429</u>	<u>216,536</u>
Total Institute of Museum and Library Services			<u>787,429</u>	<u>216,536</u>
U.S. Environmental Protection Agency				
<u>Direct Programs</u>				
ARRA - CC Brownfields Assessment Hazardous Substances	66.818	2B-96699101-0	200,000	70,302
ARRA - CC Brownfields Petroleum Assessment Community-Wide		2B-96698801-0	200,000	104,556
Total CFDA Number 66.818			<u>400,000</u>	<u>174,858</u>
Total Direct Programs			<u>400,000</u>	<u>174,858</u>
Total U.S. Environmental Protection Agency			<u>400,000</u>	<u>174,858</u>
U.S. Department of Energy				
<u>Direct Programs</u>				
ARRA -Energy Efficiency and Conservation Block Grant	81.128	EE000961	2,757,500	1,022,728
Total CFDA Number 81.128			<u>2,757,500</u>	<u>1,022,728</u>
Total Direct Programs			<u>2,757,500</u>	<u>1,022,728</u>
<u>Passed Through Texas Dept of Housing and Community Affairs</u>				
ARRA - Weatherization Assistance Program	81.042	16090000703	3,145,938	155,377
Total CFDA Number 81.402			<u>3,145,938</u>	<u>155,377</u>
Total Passed Through TDHCA			<u>3,145,938</u>	<u>155,377</u>
Total U.S. Department of Energy			<u>5,903,438</u>	<u>1,178,105</u>
U.S. Department of Health and Human Services				
<u>Passed through Texas Department of Aging & Disability Svc passed through CBCOG-AAA</u>				
Aging Cluster:				
Special Programs for the Aging Title III, Part B				
Grants For Supportive Services and Senior Centers	93.044	AA3-1148-4	16,560	11,629
Total CFDA Number 93.044			<u>16,560</u>	<u>11,629</u>
Special Programs for the Aging Title III, Part C Nutrition Svcs				
Special Programs for the Aging Title III, Part C Nutrition Svcs	93.045	AA3-1148-4	749,197	157,035
Special Programs for the Aging Title III, Part C Nutrition Svcs		AA3-1148-4	560,258	393,436
Total CFDA Number 93.045			<u>1,309,455</u>	<u>550,471</u>
Nutrition Services Incentive Program				
Nutrition Services Incentive Program	93.053	AA3-1148-4	145,330	102,057
Nutrition Services Incentive Program		167400	248,663	174,621
Total CFDA Number 93.053			<u>393,993</u>	<u>276,678</u>
Total Aging Cluster			<u>1,720,008</u>	<u>838,778</u>
Total Passed Through DADS			<u>1,720,008</u>	<u>838,778</u>
<u>Passed through National Recreation and Park Association</u>				
Centers for Disease Control and Prevention Healthy				
Communities Program - ACHIEVE	93.283	n/a	40,000	1,532
Total CFDA Number 93.283			<u>40,000</u>	<u>1,532</u>
Total Passed Through NRPA			<u>40,000</u>	<u>1,532</u>

**SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2012**

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 Family & Protective Services</u>				
Promoting Safe and Stable Families	93.556	23362174-FY09-AM04	375,000	(5,137)
Promoting Safe and Stable Families		23362174	377,625	24,681
Promoting Safe and Stable Families		23792861	240,152	226,019
Total CFDA Number 93.556			<u>992,777</u>	<u>245,563</u>
Total Passed Through Dept. of Family & Protective Services			<u>992,777</u>	<u>245,563</u>
<u>Passed through Texas Department of State Health Svs</u>				
CPS-Laboratory Response Network-PHEP	93.069	2010-035673	180,351	(150)
CPS-Laboratory Response Network-PHEP		2011-038575	184,318	160,194
Total CFDA Number 93.069			<u>364,669</u>	<u>160,044</u>
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	2011-037495 2012-040159	56,329 41,160	16,812 29,145
Total CFDA Number 93.116			<u>97,489</u>	<u>45,957</u>
Immunization Grants	93.268	2011-035958	241,637	1,264
Immunization Grants		2012-039103	241,637	252,023
Total CFDA Number 93.268			<u>483,274</u>	<u>253,287</u>
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	2010-035148	27,438	11,371
Total CFDA Number 93.283			<u>27,438</u>	<u>11,371</u>
National Bioterrorism Hospital Preparedness Program	93.889	2010-035148	6,860	2,843
Total CFDA Number 93.889			<u>6,860</u>	<u>2,843</u>
Cooperative Agreements For State-Based Diabetes Control Programs and Evaluation of Surveillance Sys	93.988	2011-037869 2012-040801	80,000 80,000	46,774 19,876
Total CFDA Number 93.988			<u>160,000</u>	<u>66,650</u>
Preventive Health and Health Services Block Grant	93.991	2011-035979	173,999	13,372
Preventive Health and Health Services Block Grant		2012-039488	164,368	111,547
Total CFDA Number 93.991			<u>338,367</u>	<u>124,919</u>
Total Passed Through Dept. of State Health Svs			<u>1,478,097</u>	<u>665,071</u>
Total U.S. Department of Health & Human Services			<u>4,230,882</u>	<u>1,750,944</u>
Corporation for National and Community Service				
<u>Direct Programs</u>				
Retired and Senior Volunteer Program	94.002	11SRWTX017	56,793	20,198
Retired and Senior Volunteer Program		11SRWTX017	45,434	9,843
Total CFDA Number 94.002			<u>102,227</u>	<u>30,041</u>
Senior Companion Program	94.016	10SCWTX001	275,007	(356)
Senior Companion Program		10SCWTX001	275,007	253,350
Senior Companion Program		10SCWTX001	275,007	25,048
Total CFDA Number 94.016			<u>825,021</u>	<u>278,042</u>
Total Direct Programs			<u>927,248</u>	<u>308,083</u>
Total Corp. for National and Community Service			<u>927,248</u>	<u>308,083</u>

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2012

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Executive Office of the President				
<u>Direct Programs</u>				
High Intensity Drug Trafficking Areas Program	95.001	G10HN006A	165,840	48,542
High Intensity Drug Trafficking Areas Program		G11HN0006A	166,740	110,684
Total CFDA Number 95.001			332,580	159,226
Total Direct Programs			332,580	159,226
Total Executive Office of the President			332,580	159,226
U.S. Department of Homeland Security				
Homeland Security Cluster:				
<u>Passed Through Governor's Division of Emergency Management</u>				
Metropolitan Medical Response System	97.071	2007-GE-T7-0024	258,145	353
Metropolitan Medical Response System		2008-GE-T8-0034	321,221	21,169
Metropolitan Medical Response System		2009-SS-T9-0064	321,221	114,277
Total CFDA Number 97.071			900,587	135,799
Total passed through Governor's Division of Emergency Mgmt			900,587	135,799
<u>Passed through Texas Department of Public Safety</u>				
State Homeland Security Program	97.067	EMW-2011-SS-00019	59,643	28,059
Total CFDA Number 97.067			59,643	28,059
Metropolitan Medical Response System	97.071	2010-SS-T0-0008	317,419	133,544
Total CFDA Number 97.071			317,419	133,544
Total passed through Texas Department of Public Safety			317,419	133,544
<u>Passed Through Texas Department of Public Safety</u>				
<u>Passed Through Nueces County</u>				
FY10 Operation Stonegarden Grant Program	97.067	2010-SS-T0-0008	140,870	77,746
Total CFDA Number 97.067			140,870	77,746
Total Passed Through TDPS and Nueces County			140,870	77,746
Total Homeland Security Cluster			1,418,519	375,148
<u>Direct Programs</u>				
Emergency Management Performance Grants	97.042	11 TX-EMPG-0581	85,388	8,512
Emergency Management Performance Grants		12TX-EMPG-0581	77,693	77,693
Total CFDA Number 97.042			163,081	86,205
Law Enforcement Terrorism Prevention Program	97.074	2007-GE-T7-0024	550,000	12,177
Total CFDA Number 97.074			550,000	12,177
Total Direct Programs			713,081	98,382
<u>Passed Through Governor's Division of Emergency Management</u>				
Public Safety Interoperable Communications Grant Prog	97.055	2007-GS-H7-0044	2,198,271	90
Total CFDA Number 97.055			2,198,271	90
State Homeland Security Program	97.073	2007-GE-T7-0024	578,000	(12,177)
State Homeland Security Program		2009-SS-T9-0064	1,030,746	560,234
State Homeland Security Program		2009-SS-T9-0064	398,476	287,404
Total CFDA Number 97.073			2,007,222	835,461
Total Passed Through Governor's Div. of Emergency Mgmt.			4,205,493	835,551
<u>Passed Through Texas Department of Public Safety</u>				
State Homeland Security Program	97.073	2010-SS-T0-0008	166,124	56,737
State Homeland Security Program		2010-SS-T0-0008	445,114	219,114
Total CFDA Number 97.073			611,238	275,851

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2012

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Buffer Zone Protection Program	97.078	2010-BF-T0-0015	570,000	526,357
Total CFDA Number 97.078			570,000	526,357
Total Passed Through Texas Department of Public Safety			1,181,238	802,208
 <u>Passed through W.J. Wagner, Inc.</u>				
Port Security Grant Program	97.056	2010-PU-T0-K034-1	254,802	254,802
Port Security Grant Program		2010-PU-T0-K034-2	290,113	290,113
Port Security Grant Program		2010-PU-T0-K034-4	11,549	11,439
Port Security Grant Program		2010-PU-T0-K034-6	179,500	179,500
Port Security Grant Program		2010-PU-T0-K034-8	25,640	25,640
Total CFDA Number 97.056			761,604	761,494
Total Passed Through W.J. Wagner, Inc.			761,604	761,494
Total U.S. Department of Homeland Security			8,279,935	2,872,783
 Total Federal and Passed-through Assistance			65,934,357	19,645,459
 State Assistance:				
State Comptroller of Public Accounts				
<u>State General Revenue</u>				
Law Enforcement Fire Prevention		N/A	10,169	2,237
Total SGR			10,169	2,237
Total State Comptroller of Public Accounts			10,169	2,237
 Texas Commission on Environmental Quality				
<u>Direct Programs</u>				
Air Quality Planning Activities		582-11-11223	612,922	413,242
Total Direct Programs			612,922	413,242
 <u>Passed through Coastal Bend Council of Governments</u>				
Education		11-20-G04	25,000	22,131
Total Passed Through CBCOG			25,000	22,131
Total Texas Commission on Environmental Quality			637,922	435,373
 Texas Department of Aging & Disability				
<u>Passed through Corporation for National & Community Service</u>				
Retired and Senior Volunteer Program		10RZWTX002	20,987	2,216
Retired and Senior Volunteer Program		11RZWTX017	21,671	15,999
Senior Companion Program		09SZWTX008	5,381	2,614
Senior Companion Program		11SZWTX007	5,381	4,703
Total Passed Through CNCS			53,420	25,532
Total Texas Department of Aging & Disability			53,420	25,532
 Texas Department of Agriculture				
<u>Direct Programs</u>				
Texans Feeding Texans Program		HDM-11-696	64,698	23,301
Texans Feeding Texans Program			117,301	53,216
Total Direct Programs			181,999	76,517
Total Texas Department of Agriculture			181,999	76,517
 Texas Department of Family and Protective Services				
<u>Direct Programs</u>				
Promoting Safe and Stable Families		23362174-FY09-AM04	125,000	(1,712)
Promoting Safe and Stable Families		23362174	125,875	8,227
Promoting Safe and Stable Families		23792861	80,051	75,340
Total Direct Programs			330,926	81,854
Total Texas Department of Family & Protective Services			330,926	81,854

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2012

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Texas Department of Public Safety				
<u>Direct Programs</u>				
Local Border Security		LBSP110006	327,932	41,651
Total Direct Programs			<u>327,932</u>	<u>41,651</u>
Total Texas Department of Public Safety			<u>327,932</u>	<u>41,651</u>
Texas Department of State Health Services				
<u>Direct Programs</u>				
Seafood & Aquatic Life		2009-028480	17,000	626
Seafood & Aquatic Life		2010-031609-001	18,000	5,335
Seafood & Aquatic Life		2011-035419	22,500	503
Seafood & Aquatic Life		2012-038691	22,500	185
TB/PC		2011-035293	76,658	4,954
TB/PC		2012-039062	80,323	59,550
Infectious Disease Control		2011-036176	5,000	2,245
Infectious Disease Control		2012-038654	5,000	4,755
Governor's Advisory Council on Physical Fitness		2011-036280	85,000	40,176
Total Direct Programs			<u>331,981</u>	<u>118,329</u>
Total Texas Department of State Health Services			<u>331,981</u>	<u>118,329</u>
Texas Department of Transportation				
<u>Direct Programs</u>				
Transportation Enhancement Project		0916-35-112	977,480	11,715
Total Direct Programs			<u>977,480</u>	<u>11,715</u>
Total Texas Department of Transportation			<u>977,480</u>	<u>11,715</u>
Texas Department of Motor Vehicles				
<u>Direct Programs</u>				
Corpus Christi Auto Theft Prevention Grant		SA-T01-10045-09	492,682	(425)
Corpus Christi Auto Theft Prevention Grant		SA-T01-10045-11	378,088	30,721
Corpus Christi Auto Theft Prevention Grant		SA-T01-10045-12	392,474	351,012
Total Direct Programs			<u>1,263,244</u>	<u>381,308</u>
Total Texas Department of Motor Vehicles			<u>1,263,244</u>	<u>381,308</u>
Texas General Land Office				
<u>Direct Programs</u>				
Texas Historical Commission				
<u>Direct Programs</u>				
La Belle Collection		808-10-0018	92,106	31,635
Total Direct Programs			<u>92,106</u>	<u>31,635</u>
Total Texas Historical Commission			<u>92,106</u>	<u>31,635</u>
Texas Office of the Governor				
<u>Direct Programs</u>				
Anti-Gang Initiative		CO-11-A10-24298-01	99,974	10,850
Total Direct Programs			<u>99,974</u>	<u>10,850</u>
Total Texas Office of the Governor			<u>99,974</u>	<u>10,850</u>
Texas Parks and Wildlife				
<u>Direct Programs</u>				
Safe Boating Access		N/A	100,000	4,837
Total Direct Programs			<u>100,000</u>	<u>4,837</u>
Total Texas Parks and Wildlife			<u>100,000</u>	<u>4,837</u>

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2012

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Texas State Library & Archives Commission				
<u>State General Revenue</u>				
Lone Star Libraries Grant		442-11547	48,553	36,440
Total SGR			<u>48,553</u>	<u>36,440</u>
Total Texas State Library & Archives Commission			<u>48,553</u>	<u>36,440</u>
Total State Assistance			<u>4,455,706</u>	<u>1,258,278</u>
Total Federal, Pass Through & State Financial Assistance			<u>\$ 70,390,062</u>	<u>\$ 20,903,737</u>



City of
Corpus
Christi

**NOTES TO SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2012**

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	\$ 26,450
Special Revenue Funds	
Federal/State Grants	14,015,662
Corpus Christi Community Improvement Corporation	1,139,357
Enterprise Funds	
Airport Fund	<u>5,722,268</u>
Total expenditures	<u><u>\$ 20,903,737</u></u>

4. Relationship to Federal Financial Reports

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

5. Major Grant Programs

These represent major Federal Financial Assistance Programs.

6. Insurance in Effect

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 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, the City maintains aggregate stop loss coverage of its group health expenses at 125% of projected claims.

7. Sub-recipients

Of the federal expenditures presented in the Schedule, the City provided federal awards to sub-recipients as follows:

Community Development Block Grant (CFDA 14.218)	\$ 476,603
Emergency Shelter Grant Program (CFDA 14.231)	149,101
Supportive Housing Program (CFDA 14.235)	956,536
Community Development Block Grant - Recovery (14.253)	61,109
Homeless Prevention and Rapid Re-housing (CFDA 14.257)	116,950
	<u>\$ 1,760,299</u>

8. Outstanding Loans

In prior years, the City has provided loans through its various Community Development Block Grant programs (CFDA 14.218). The outstanding balance of the loans receivable at July 31, 2012 was \$9,817,434.

In prior years, the City has provided loans through its various Home Investment Partnership programs (CFDA 14.239). The outstanding balance of the loans receivable at July 31, 2012 was \$5,884,968.