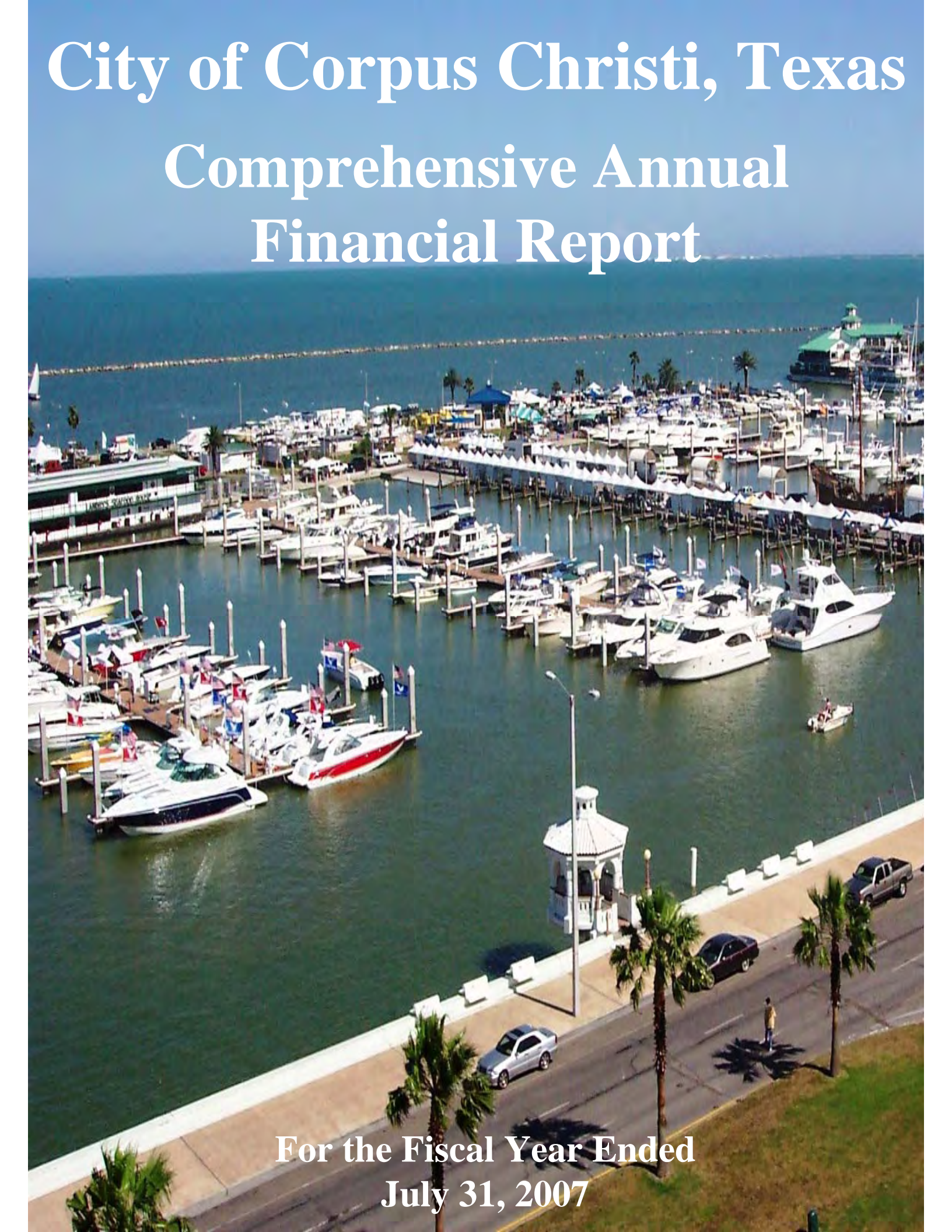


City of Corpus Christi, Texas

Comprehensive Annual Financial Report



For the Fiscal Year Ended
July 31, 2007



City of
Corpus
Christi

the CITY OF CORPUS CHRISTI, TEXAS

Comprehensive Annual Financial Report

For Fiscal Year Ended July 31, 2007

CITY COUNCIL

Mayor
Henry Garrett

City Council Members
Melody Cooper
Larry Elizondo, Sr.
Mike Hummell
Bill Kelly
Priscilla G. Leal
John E. Marez
Nelda Martinez
Michael McCutcheon, M.D.

City Manager
George K. Noe

Assistant City Managers
‘Angel Escobar, Interim
Oscar R. Martinez
Robert Nix, Jr.
Margie C. Rose

Director of Financial Services
Cindy O’Brien, CPA

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

Controller
Anna S. Marquez, CPA

Chief Accountant
Janie Baysinger

Prepared by the staff of the Financial Services Department



City of
Corpus
Christi

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Sylvia Hernandez
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Martha A. Messer, CPA
Donald Moore, CPA - Oklahoma
Daniel Peña
Crystalina Perez
Olga Plomarity, CPM
Adelita S. Rowland
Ramona Scott*

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City of
Corpus
Christi



City of
Corpus
Christi

February 5, 2008

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

FINANCIAL SERVICES

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

State law requires that every general-purpose local government publish at the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended July 31, 2007.

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, 2007. The independent auditor’s report is located at the front of the financial section of this report.

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

PROFILE OF THE GOVERNMENT

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

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



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

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

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

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

ECONOMIC CONDITION

Local Economy

The City of Corpus Christi is the eighth largest city in the State of Texas with a population of 295,594 based on the City's 2007 estimate. The geographic location of the City on the Gulf of Mexico and the Intercoastal Waterway gives it one of the most strategic locations in the Southwest and has been important to its economic development. The Corpus Christi region has a varied manufacturing and industrial base. Major industries with headquarters or divisions located within the City's boundaries, or in close proximity, include industrial, construction, meat processing, fast food restaurant, convenience store, banking, and financial services.

The federal government also has a major presence within the area with a federal courthouse and the largest industrial employer in South Texas – the Corpus Christi Army Depot, which employs over 3,400 people. In addition, two bases make up the South Texas military complex: Naval Air Station – Corpus Christi and Naval Air Station – Kingsville (jet aviation training). The region's third base, Naval Station Ingleside (base for the Navy's mine warfare fleet), was identified in 2005 for base closure with the actual closure of the entire base expected to be by September 30, 2010. Plans are currently underway between the Port of Corpus Christi and the Ingleside Local Redevelopment Authority to determine a plan for redevelopment of this land once the base closes.

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.

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 currently ranked as the sixth largest port in the United States and handled a volume of 87.0 million tons of cargo during the 2006 calendar year. The Port has many initiatives underway, including the Joe Fulton International Trade Corridor and the La Quinta Gateway. The Joe Fulton International Trade Corridor encompasses an 11.5-mile road and rail project that connects two major highway components – US Highway 181 and Interstate Highway 37; thus establishing efficient intermodal links between highway, marine, and rail transportation systems. Construction began in 2004 and was completed in October 2007. A second major initiative of the Port's long-term diversification plan is the La Quinta Gateway project. This 1,100-acre site will accommodate a modern, multi-modal facility providing seamless transfer of cargo, trailers, and containers between highway, rail, ferry, coastal and deep sea conveyances. Additionally in October 2006, the Port began receiving regular shipments of wind turbines at the Southside General Cargo Terminal. These initial shipments, which are destined for projects in the Texas Panhandle, have helped make Texas the number one state in the nation of wind power production.

Tourism

Corpus Christi continues to be a favorite vacation spot for visitors and is the sixth most popular tourist destination in Texas according to a report dated May 2007 prepared for the Corpus Christi Convention and Visitor's Bureau by Jim Lee, PhD with Texas A&M-Corpus Christi. According to the Texas Department of Economic Development and Tourism, 7 million people visit Corpus Christi and the surrounding area annually, spending nearly \$1 billion per year. 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 a AA major league affiliate baseball team, the Texas State Aquarium, the USS Lexington Museum, the Museum of Science and History, the South Texas Art Museum, the Asian Cultures Museum, the Multicultural Center/Heritage Park complex, and the Concrete Street Amphitheater. The Corpus Christi area is also a renowned location for water sports, including windsurfing and kiteboarding, and serves as host to the annual U. S. Open Windsurfing Regatta and international power and sail boat races.

Construction Permits

The table below shows the number of permits and value of permits since FY 1997-1998. New construction activity in Corpus Christi, as shown by the value of permits issued in each fiscal year, has grown especially within the last five years:

<u>Year</u>	<u>Building Permits</u>	<u>Value</u>
1997-1998	5,669	\$178,025,561
1998-1999	5,984	142,154,244
1999-2000	5,845	152,987,779
2000-2001	4,761	149,264,763
2001-2002	5,207	154,763,863
2002-2003	7,854	333,016,517
2003-2004	7,111	295,984,882
2004-2005	5,781	387,122,472
2005-2006	5,989	450,750,242
2006-2007	5,699	503,027,247

Employment

Because of its location in a region with a varied economic base, unemployment is relatively stable. During the past ten years, the unemployment rate has been steadily declining from 7.5% in 1998 to 4.7% in 2007. During this same period, personal income rose from \$21,340 to \$35,750 or 67.5%.

Major Expenditures

During the past six years, the government's expenses related to public safety (i.e., police and municipal court, fire, ambulance, emergency management, and inspections), streets, community enrichment (i.e., museum, libraries, and park and recreation), and convention and visitors activities have increased not only in amount, but also as a percentage of total expenses (a six-year increase of 24.8%, 52.9%, 261% and 132.2%, respectively). In the case of public safety, as in previous years, much of the increase reflects a regional trend that has seen the salaries and benefits of police officers and firefighters growing at a much faster rate than those of other categories of public-sector employees. Additionally, the City Council has committed to implement improvements in public safety services consistent with strategic plans for those services. In the case of streets, the City Council has committed to its citizens to develop a street plan to improve the conditions of its streets – both in improvements to existing streets and in routine maintenance. In the case of community enrichment, the growth can be attributed to increased costs associated with air quality which have occurred over the last several years, increased development of parks in subdivisions, as well as an increase in the number of sponsored programs and events. For convention and visitors activities, the growth is due to the operating expenditures for the City's newly built arena and expanded convention center which were completed in November 2005 and whose operations are continuing to expand to date.

During this same six-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

Unreserved, undesignated fund balance in the general fund (16.7% of total general fund expenditures) falls within the policy guidelines set by the City Council for budgetary and planning purposes. The City Council established a goal several years ago to build and maintain an unreserved fund balance in the general fund which totals at least ten (10%) percent of the total annual general fund appropriations, excluding anticipated reimbursements and inter-fund transfers, within five years. Through the prudent and fiscally responsible leadership of the City's management, this goal has been met, and the balances have exceeded the 10% goal for the past 6 years.

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

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

The City Council recognized the need to provide public services which support the continued growth of the local economy and personal income growth to insure an adequate financial base for the future. Priority for funding in fiscal year 2006-2007 was on improvements in public safety services consistent with strategic plans for those services and for infrastructure maintenance and repair. The City Council committed to making every effort to provide for such improvements without reducing current services in other areas.

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

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

Major Initiatives

The City Council has adopted goals and priorities that are focused on revitalizing the downtown area, job growth/job attraction, infrastructure, neighborhoods, budget/financial processes and policies, and intergovernmental relations. Significant progress was made during fiscal year 2006-2007 in taking steps towards achieving those goals. For example, a Downtown Redevelopment Committee (DRC) was formed with about 40 members representing downtown stakeholders and other interested parties who provided input on downtown issues. To address infrastructure, a panel of community leaders familiar with street construction was formed to deal with the condition of City streets. A plan of action was formulated and is expected to be implemented in the spring of 2008. Additionally, a rate study regarding the water/stormwater utilities is nearing completion, and staff's recommendations to the City Council are expected to be made in fiscal year 2007-2008.

In line with the City Council's goal of job growth/job attraction, the City completed deployment of the citywide Wireless Broadband ("Wi-fi") Network by constructing 147 square miles of wireless communications network. Additionally, the City pursued opportunities for partnerships with commercial, educational, and governmental partners to

fully utilize the excess capacity of the Wi-fi network. In December 2006, more than 100 government officials and technology vendors from across the country helped the City celebrate completion of the network, which was initiated in 2003 with implementation of an automated meter reading system. Completion of the multipurpose wireless broadband network took about 18 months to complete. The City received numerous recognitions as a result of this initiative.

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

In April 2007, the City Manager and the City's Director of Municipal Information Systems were named by *Government Technology* magazine as being among the nation's Top 25 "Doers, Dreamers and Drivers" who are helping shape the future of governments. The publication noted that in 2006, Corpus Christi completed its 147-square mile Wi-fi network, which benefits not only City government but citizens as well.

Additionally in May 2007, *Reader's Digest Magazine* named Corpus Christi among the "Best of America" by editors of that publication. The publication recognized Corpus Christi in the Best Launch Pads category because of the Wi-fi Internet service available to our residents. The magazine pointed out that local residents are able to use their laptops in locations around the city to access information on health care, education, business, and more.

The Neighborhood Initiative Program (NIP) completed its third year in FY 2006-2007. This program targets selected neighborhoods for concentrated City services. The "Neighborhood Pride" program (which is the sustainability effort for the neighborhoods) also continued in FY 2006-2007. Additionally to address the City Council's goal regarding neighborhoods, the Model Block Program was created to help with the infilling of vacant lots and creating affordable housing. A vacant lot assessment was completed in January 2007, with eight vacant lots being purchased with the possibility of purchasing ten more. Each of these programs continues to flourish and are included for additional funding in the fiscal year 2007-2008 budget.

In response to the goal regarding budget/financial processes and policies, the Office of Management and Budget was placed under the direction of the Financial Services Department. This action was taken to facilitate coordination of the many processes that the departments must work on together to complete their missions. Additionally, a process was started in fiscal year 2006-2007 to develop a fund balance policy for each fund and to develop a debt management policy, both of which should be completed in fiscal year 2007-2008.

The City's efforts to introduce a city-wide performance management initiative based on the Balanced Scorecard framework was showcased in November 2006, at the 2006 International Leading Practices Symposium in Rotorua, New Zealand. Two members of

the City's administrative staff presented a case study showcasing our reengineering program, which spans three facets of enterprise OPT-imization (Organization, Process, and Technology). The City's case study was one of seven case studies presented from more than 100 proposals submitted for this international conference.

To address the last of the City Council goals relating to intergovernmental relations, action has been initiated to gift land to Texas A&M University – Corpus Christi for the expansion of the university.

The City's arena at the American Bank Center celebrated its second year of operation in 2007. A wide variety of entertainment options were offered to the citizens of Corpus Christi with an overwhelming response. The American Bank Center offers a wonderful venue for the Texas A&M-Corpus Christi Islanders basketball team, as well as the Rayz, the City's ice hockey team which are affiliated with the Central Hockey League. Overall attendance at the arena has far exceeded original expectations and is anticipated to spur further economic development in the area.

The Texas A&M University-Corpus Christi Islanders men's basketball team had an outstanding 2006-2007 season. They won the Southland Conference title in its first season in the league, earning its first bid to the NCAA Tournament – for the first time in the program history.

The Corpus Christi Hooks marked completion of their third season in Corpus Christi. Home for the Corpus Christi Hooks is Whataburger Field, which offers magnificent views of the Harbor Bridge, ship channel, and Corpus Christi Bay. Fans can see the USS Lexington and the Texas State Aquarium from inside the park as well. In addition to Hooks' games, Whataburger Field is the site of numerous high school baseball games, selected home games for Texas A&M – Corpus Christi and Texas A&M – Kingsville, the Whataburger College Classic and numerous other events throughout the year.

Community involvement is a source of pride for the Hooks, who are involved with a number of civic and youth organizations in and around Corpus Christi. The Stripes Diamond offers youth teams the chance to play league games at Whataburger Field, and the Hooks' "Field of Dreams" initiative strives to improve the playing conditions of selected youth facilities in the region. These are just two examples of the club's impact in greater Corpus Christi.

In October 2006, Packery Channel was opened. This project was a collaborative project between the United States Army Corps of Engineers and the City of Corpus Christi and consisted of dredging a channel between Padre and Mustang Islands to make it easier for boats to get to the Gulf of Mexico. This project has already caused increased development on Padre Island with additional future development anticipated.

AWARDS AND ACKNOWLEDGMENTS

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Corpus Christi for its comprehensive annual financial report (CAFR) for the fiscal year ended July 31, 2006, continuing to confirm compliance with both GAAP and legal requirements. This was the twenty-fourth 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.

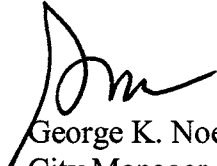
The City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning August 1, 2006. The City has received seventeen of these awards. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient as a policy document, a financial plan, an operations guide, and a communications device.

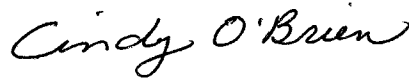
Acknowledgments

The preparation of this report is possible only because of the dedication of the staff members in the Department of Financial Services. Special thanks must be given to Assistant City Manager of Administrative Services, Oscar Martinez, for his continued guidance and support.

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

Respectfully submitted,


George K. Noe
City Manager


Cindy O'Brien, CPA
Director of Financial Services



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, 2006

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.



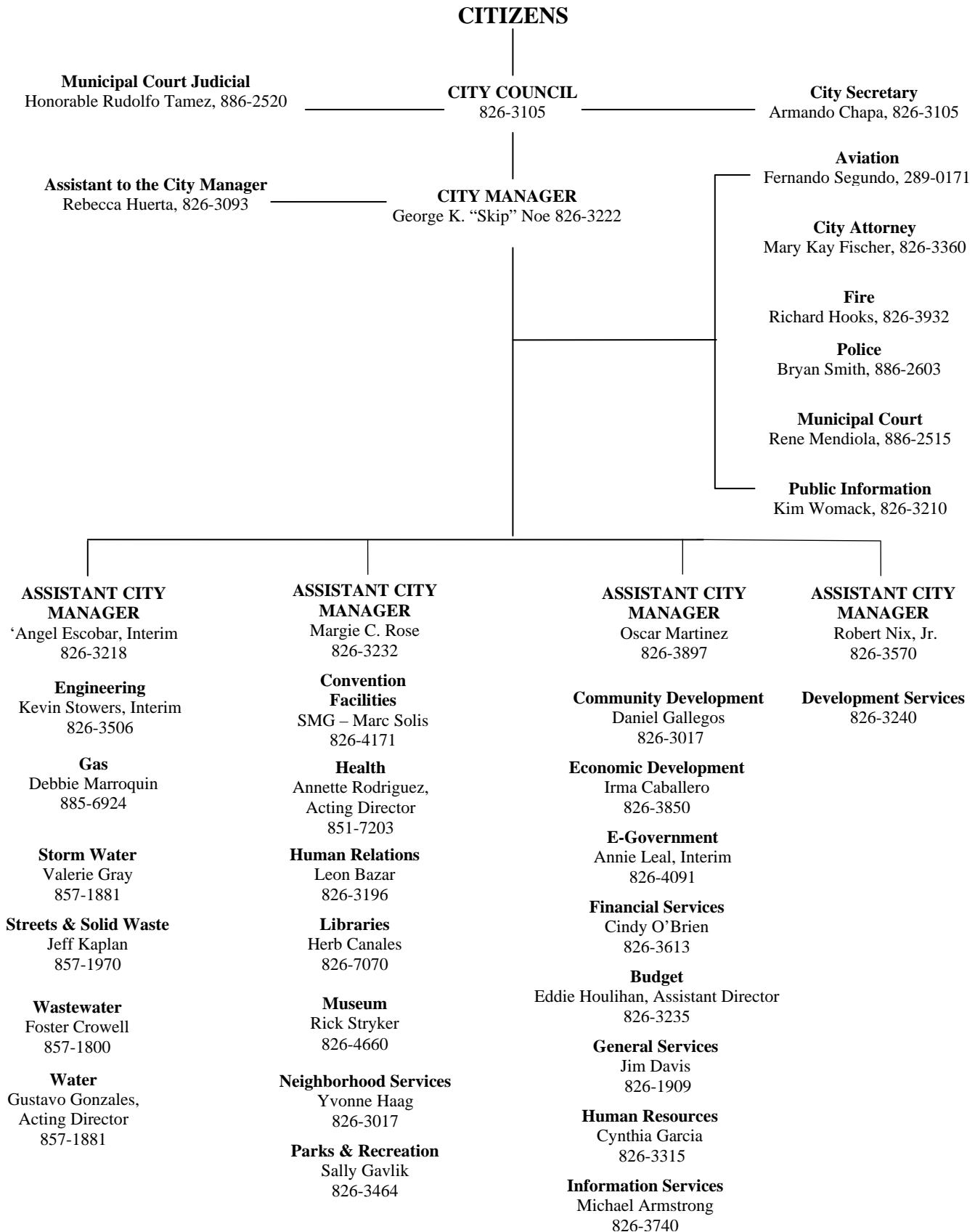
Charles S. Cox

President

Jeffrey R. Emer

Executive Director

City Organizational Chart



**Collier, Johnson
& Woods**

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Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

February 5, 2008

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, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Corpus Christi Convention and Visitors Bureau whose assets were \$564,820 and revenues were \$2,878,615, the American Bank Center Convention Center Fund whose assets were \$537,485 and revenues were \$2,219,250, the American Bank Center Arena Operations Fund whose assets were \$1,323,550 and revenues were \$5,019,899 and the American Bank Center Food and Beverage Operation Fund whose assets were \$230,939 and revenues were \$1,808,330. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Corpus Christi Convention and Visitors Bureau and the American Bank Center Convention Center Fund, Arena Fund and Food and Beverage Operation Fund, is based on the reports of the other auditors.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Corpus Christi, Texas as of July 31, 2007

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 February 5, 2008 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and the other required supplementary information on pages 3 through 16 and 78 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Corpus Christi's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, capital assets used in the operation of governmental funds and the statistical tables listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal/state awards, pages 341 through 349, is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and by the *State of Texas Single Audit Circular* issued by the Governor's Office of Budget and Planning and is also not a required part of the basic financial statements of the City. The combining and individual fund statements and schedules, capital assets used in the operation of governmental funds and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we express no opinion on them.

Collins, Johnson & Woods

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Corpus Christi's (City) annual financial report presents an overview, through management's discussion and analysis (MD&A), of the City's financial activities and performance during the fiscal year ended July 31, 2007. 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 \$892.5 million at July 31, 2007, an increase of \$33.5 million, or 3.9% compared to July 31, 2006. Of these assets, 71.6% are invested in capital assets or restricted with the remaining 28.4% unrestricted.
- Total net expenses over program revenue were \$18.5 million more than prior year, reflecting net expenses of \$130.2 million at July 31, 2007 compared to \$111.7 million at July 31, 2006.
- Total general revenues and transfers, excluding component units, were \$163.8 million at July 31, 2007, an increase of \$9.6 million, or 6.2% greater than the prior year.

Governmental Activities

- On a government-wide basis for governmental activities, the City had expenses net of program revenue of \$146.8 million at July 31, 2007, compared to \$141.5 million at July 31, 2006, representing an increase of 3.7% from prior year.
- General revenues and transfers totaled \$175.4 million at July 31, 2007, resulting in an increase in net assets of \$28.6 million. This compares to July 31, 2006 totals of \$168.9 million in general revenues and transfers with an increase in net assets of \$27.4 million.
- Net assets increased by 11.7%, from \$245.0 million at July 31, 2006 to \$273.6 million at July 31, 2007.
- During the fiscal year ended July 31, 2007, the City issued \$35 million in general improvement bonds and \$2.4 million in certificates of obligation. At the end of fiscal year 2007, the City as a whole had \$316.5 million in outstanding ad valorem and sales tax supported bonds compared to \$302.4 million at July 31, 2006. The City has continued to maintain its ratings of A+ by Standard & Poor's, AA- by Fitch, and A1 by Moody's for the General Improvement bonds.

Business-Type Activities

- On a government-wide basis for business-type activities, program revenue net of expenses was \$16.6 million for fiscal year ended July 31, 2007 compared to \$29.8 million for 2006.
- Net assets increased by nearly 1%, from \$614.1 million at July 31, 2006 to \$619.0 million at July 31, 2007.
- During the fiscal year ended July 31, 2007, the City issued \$84.4 million in Utility System Revenue Refunding and Improvement bonds, which were used to refund outstanding commercial paper and a portion of existing bonds, and to improve and extend the utility system. At the end of fiscal year 2007, the City as a whole had \$555.0 million in outstanding revenue bonds and certificates of obligation compared to \$497.9 million at July 31, 2006. The City maintained its ratings of A+ by Standard & Poor's, AA- by Fitch, and A2 by Moody's for the Utility System bonds.

General Fund

- At the end of the current fiscal year, unreserved, undesignated fund balance for the General Fund was \$27.9 million, or 16.7% of the General Fund expenditures. This compares to an unreserved, undesignated fund balance of \$23.5 million, or 14.6% of General Fund expenditures for fiscal year ended July 31, 2006.
- Revenues of \$169.4 million for fiscal year ended July 31, 2007 increased by 4.2% from prior year revenues of \$162.6 million.
- General Fund expenditures were \$166.6 million for the current year, compared to \$161.2 million for fiscal year ended July 31, 2006, or a 3.4% increase.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

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

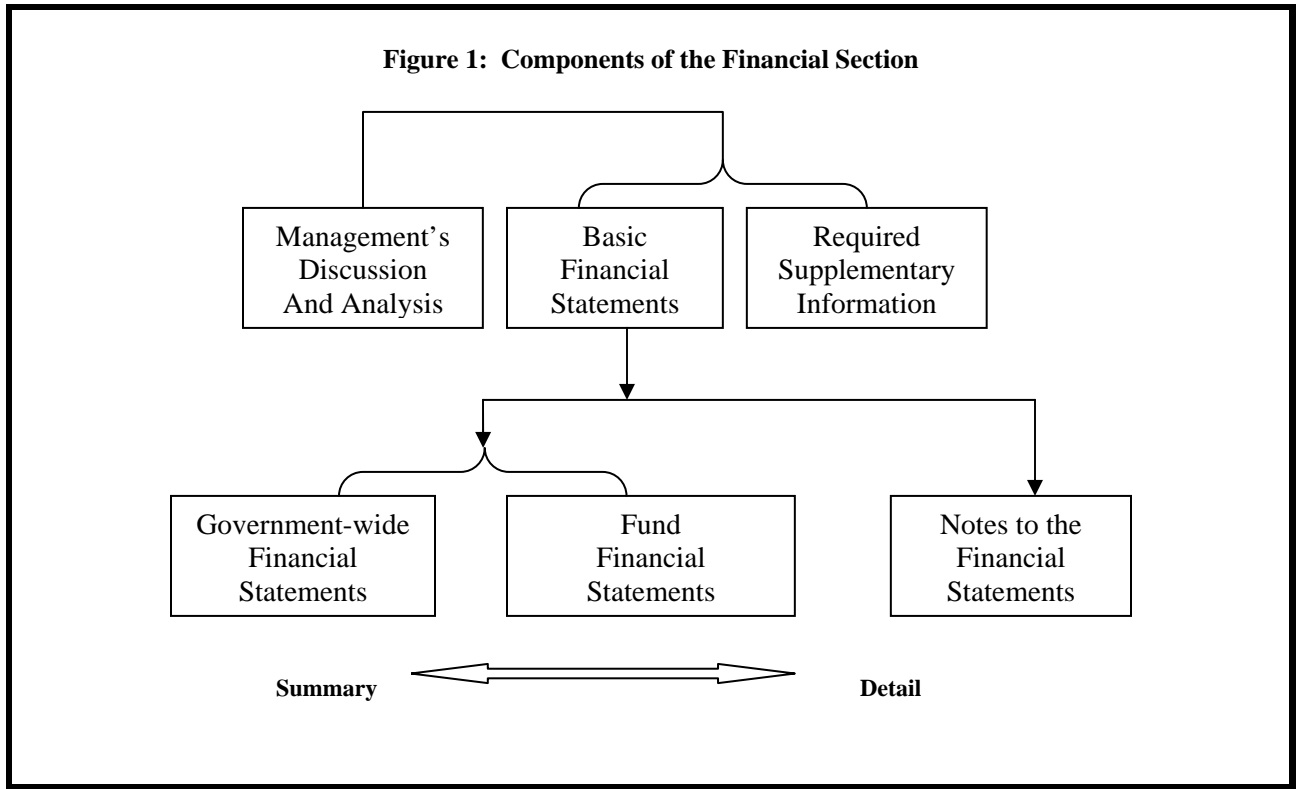


Figure 1 depicts how the required parts of this annual financial report are arranged and relate to one another. In addition to these required elements, a section with combining and individual fund financial statements and schedules that provides details about the non-major governmental funds and internal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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

accounting so the statements will provide readers with a broad overview of the City's finances, similar to statements used by most private-sector companies. Legally separate *component units* (Coastal Bend Health Facilities Corporation and Corpus Christi Convention and Visitors Bureau) are also shown in these statements.

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

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Assets

At July 31, 2007, the net assets for the City of Corpus Christi totaled \$892.5 million, \$33.5 million higher than the prior year. The composition of these net assets is \$273.6 million for governmental activities and \$618.9 million for business-type activities. The largest portion of the City’s net assets, 71.6%, are invested in capital assets (e.g., land, infrastructure, buildings, machinery and equipment, and construction in progress), less any related debt used to acquire those assets that is still outstanding. The City’s unrestricted net assets, \$234.6 million for 2007, 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, 2007 and 2006
(in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Capital assets, net of accumulated depreciation	\$ 428,764	\$ 417,818	\$ 1,074,172	\$ 1,010,658	\$ 1,502,936	\$ 1,428,476
Other assets	259,456	223,351	336,276	340,191	595,732	563,542
Total assets	688,220	641,169	1,410,448	1,350,849	2,098,668	1,992,018
Long-term liabilities	372,696	352,838	764,164	695,829	1,136,860	1,048,667
Other liabilities	41,946	43,354	27,321	40,968	69,267	84,322
Total liabilities	414,642	396,192	791,485	736,797	1,206,127	1,132,989
Net assets						
Invested in capital assets, net of related debt	92,715	100,818	546,081	500,248	638,796	601,066
Restricted	--	166	19,123	28,525	19,123	28,691
Unrestricted	180,863	143,993	53,759	85,279	234,622	229,272
Total net assets	\$ 273,578	\$ 244,977	\$ 618,963	\$ 614,052	\$ 892,541	\$ 859,029

Of the business-type activities, the Utility System fund is the largest operation at the City with total assets of \$1.2 billion, comprising 86.8% of all business-type activities total assets for 2007. The Utility System fund net assets were \$534.7 million which is 86.4% of total business-type activities net assets for 2007, compared to 85.0% for 2006.

the City of Corpus Christi, Texas

Changes in Net Assets

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

Table 2
Changes in Net Assets
For the Fiscal Years Ended July 31, 2007 and 2006
(in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenue						
Program revenues						
Charges for services	\$ 54,947	\$ 52,684	\$ 194,148	\$ 198,895	\$ 249,095	\$ 251,579
Operating grants and contributions	13,586	12,554	105	265	13,691	12,819
Capital grants and contributions	5,742	6,788	26,818	20,388	32,560	27,176
General revenue						
Property taxes	73,583	71,305	--	--	73,583	71,305
Sales and hotel occupancy taxes	75,755	70,670	--	--	75,755	70,670
Investment earnings	7,321	5,423	7,120	6,798	14,441	12,221
Total revenues	<u>230,934</u>	<u>219,424</u>	<u>228,191</u>	<u>226,346</u>	<u>459,125</u>	<u>445,770</u>
Expenses						
General government	20,910	20,762	--	--	20,910	20,762
Police and municipal court	67,187	60,562	--	--	67,187	60,562
Fire and ambulance	37,478	33,181	--	--	37,478	33,181
Emergency management	359	2,392	--	--	359	2,392
Inspections	1,721	1,805	--	--	1,721	1,805
Streets	23,145	21,438	--	--	23,145	21,438
Health	6,126	6,417	--	--	6,126	6,417
Parks and recreation	18,933	19,571	--	--	18,933	19,571
Libraries	4,594	4,596	--	--	4,594	4,596
Museums	1,413	1,522	--	--	1,413	1,522
Community enrichment	1,784	1,501	--	--	1,784	1,501
Community development	4,114	4,082	--	--	4,114	4,082
Convention and visitors activities	18,615	18,438	--	--	18,615	18,438
Interest on long-term debt	14,714	17,291	--	--	14,714	17,291
Solid waste	--	--	27,046	11,872	27,046	11,872
Utilities	--	--	163,010	163,552	163,010	163,552
Airport	--	--	10,991	11,154	10,991	11,154
Golf centers	--	--	1,780	1,796	1,780	1,796
Marina	--	--	1,693	1,381	1,693	1,381
Total expenses	<u>221,093</u>	<u>213,558</u>	<u>204,520</u>	<u>189,755</u>	<u>425,613</u>	<u>403,313</u>
Excess revenues over expenses	9,841	5,866	23,671	36,591	33,512	42,457
Transfers	18,760	21,487	(18,760)	(21,487)	--	--
Increase in net assets	<u>28,601</u>	<u>27,353</u>	<u>4,911</u>	<u>15,104</u>	<u>33,512</u>	<u>42,457</u>
Net assets at beginning of year	244,977	217,624	614,052	598,948	859,029	816,572
Net assets at end of year	<u>\$ 273,578</u>	<u>\$ 244,977</u>	<u>\$ 618,963</u>	<u>\$ 614,052</u>	<u>\$ 892,541</u>	<u>\$ 859,029</u>

Governmental Activities

As shown in Table 2, the increase in net assets for governmental activities for 2007 was \$28.6 million, compared to a net increase of \$27.4 million for 2006. For fiscal year ended July 31, 2007, revenues totaled \$230.9 million compared to \$219.4 million in the prior year. The two largest sources of revenue were property taxes and sales and hotel occupancy taxes, which increased in total \$7.4 million from prior year. Property taxes increased from \$71.3 million in 2006 to \$73.6 million in 2007 even after a decrease in the overall property tax rate of over 2 cents. This was due to an 8.9% increase in net assessed values combined with the continued growth in the City as evidenced by the increase in construction (Values of building permits in 2007 totaled \$503 million versus 2006 values of \$451 million). Sales and hotel occupancy taxes likewise increased from \$70.7 million in 2006 to \$75.8 million in 2007, a 7.2% increase. Factors contributing to this increase are the multiple tourist facilities in the City that continue to draw visitors, such as the multi-purpose arena and the AA major league affiliate baseball field, and the fact that the City continues to be a regional shopping destination. The third largest revenue source for 2007, \$54.9 million, was charges for services, which reflects an increase of \$2.3 million over the prior year. Major revenues making up this increase reported in the General Fund are emergency calls (\$934 thousand), fines and forfeitures (\$789 thousand), recreational services (\$322 thousand), and health services (\$150 thousand). These revenues account for the majority of the variance between 2007 and 2006 and are discussed further in the “Financial Analysis of the City’s Funds” section below.

Expenses for governmental activities totaled \$221.1 million compared to \$213.6 million in 2006. The major variances between years, including corresponding explanations were: police and municipal court – \$6.6 million increase due to a 3% pay increase for personnel as well as continued enhancements, including additional marshals for the detention facility; fire and ambulance – \$4.3 million increase due to the settlement of the collective bargaining contract which included a 3% retroactive pay increase, effective August 1, 2006, an additional 3% pay increase for 2007, and an increase in the City’s contribution for firefighters’ retirement; emergency management – \$2 million decrease because of the excessive Hurricane Katrina and Rita expenses reported in prior year; streets – \$1.7 million increase due to the expansion of the street seal coat program, which is a City Council initiative, as well as higher depreciation costs due to the capitalization of the Seawall renovation project which was categorized with street infrastructure; and interest on long-term debt – \$2.6 million decrease due to the continued decrease of outstanding principal due on bond issues that are nearing maturity, which caused decreases in interest payments. It is important to note that when the Internal Service funds were allocated to the government-wide statements, the expenses of the governmental activities were reduced by \$3.5 million. This was due mainly because the liability and employee benefits claims did not increase as much as anticipated during the budget process, thus revenues were greater than expenditures for the second year in a row. The combination of moderately increased premium contributions and lower than anticipated health claims, due in part to more stringent adherence to City health policies and guidelines, generated a surplus for 2007. The activities receiving a major portion of the reduction include police and municipal court (\$1.3 million), fire and ambulance (\$848 thousand), park and recreation (\$313 thousand), and museums (\$329 thousand).

Business-type Activities

As shown in Table 2, the net assets for business-type activities for 2007 increased \$4.9 million versus a net increase in net assets for 2006 of \$15.1 million. Business-type activities generated revenues of \$228.2 million for 2007 compared to \$226.3 million for 2006. This \$1.9 million net increase is a combination of a \$6.4 million increase in capital grants and contributions due to increases in contributions of water and wastewater infrastructure from developers as well as increased contributions from the federal government for airport projects, offset by a \$4.7 million decrease in charges for services. Revenues of the City's business-type activities are associated with operating activities accounted for in the enterprise funds, the largest activity being the Utilities. The Utility System fund consists of the gas, water, and wastewater systems. Operating revenues for the Utility System fund were \$159.2 million with net income reported for 2007 at \$8.6 million, compared to operating revenues of \$163.9 million in 2006 with net income of \$8.6 million, as well. The gas and wastewater systems' operating revenues increased by \$1.2 million and \$1.5 million, respectively, due to rate increases for additional financing of capital improvements. On the other hand, the water system operating revenues decreased by \$7.3 million as a direct result of an excessively wet year. Even with strict monitoring of expenses, the water system reported a net loss after transfers of \$2.2 million, compared to a net income of \$3.1 million in 2006. The gas system continues to reflect financial improvement, reporting a net income for the second year in a row, \$2.7 million in 2007, due to adequate rate management and cost controls. The Wastewater system reported an \$8.1 million net income after transfers compared to a \$3.8 million net income in 2006, due to a combination of increased rates and proper cost containment management. Net revenues from business-type activities dropped \$13.2 million, from \$29.8 million in 2006 to \$16.6 million in 2007. The water system decreased by \$7 million, which was discussed above. The Solid Waste activity changed from net revenue of \$12.3 million in 2006 to a net expense of \$381 thousand in 2007, a \$12.7 million variance. The contributing factor to this negative variance is the change in accounting estimate for the landfill closure and post-closure care costs for the City's J.C. Elliott landfill, which completed its last month of operation as a landfill in November, 2007.

Expenses for business-type activities totaled \$204.5 million compared to \$189.8 million for 2006, a 7.8% increase. The major expense reported in the business-type activities was Utilities (79.7%), reflecting \$163.0 million in 2007 compared to \$163.6 million in 2006. As mentioned above, the Utility System maintained a net income consistent with that reported for 2006, even with operating revenues declining in 2007 by \$4.7 million. The reason is that the Utilities successfully initiated tight cost containment policies which reduced the amount of operating expenses to levels below those reported in 2006, allowing for a net operating gain. There were, however, increases in non-operating expenses – interest expense and fiscal charges, of \$1.7 million to fund added capital improvements. The second largest activity was solid waste (13.2%), reporting \$27.0 million in 2007 versus \$11.9 million in 2006. The variance of \$15.2 million from 2006 to 2007 was due in part to a change in accounting estimate, as mentioned in the previous paragraph, for the final closure costs related to the City's J.C. Elliott landfill which was replaced with the Cefe Valenzuela Landfill in November 2007. The landfill, originally scheduled to close in November 2006, was granted an extension of the useful life until November 2007, allowing for the expansion of the site and build out of additional cells during that period. Additionally, debt costs for solid waste have increased as more certificates of obligation have been issued in connection with the opening of the new landfill. (See Note 14 E. of the Financial Statements for more details on closure and post-closure care costs.) As with the

governmental activities, when the Internal Service funds were allocated to the government-wide statements, the expenses of the business-type activities were reduced by \$1.9 million for the same reason as described above – increased revenues over expenditures for liability and employee benefits. The combination of increased premium contributions and lower than anticipated health claims, due in part to more stringent adherence to City health policies and guidelines generated a surplus for 2007. The activities receiving a major portion of the reduction include utilities (\$1.3 million), solid waste (\$191 thousand), and airport (\$411 thousand).

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

- Total assets of the General Fund increased from the prior year, reporting \$43.5 million in 2007 compared to \$37.4 million in 2006. Cash, cash equivalents and investments reflect \$27.4 million or 63.0% of total assets with net receivables reporting \$15.2 million, or 34.9% of the total. The majority of the net receivables balance was in demolition liens and intergovernmental receivables attributed to sales tax.
- Total liabilities of the General Fund increased 6.7 %, from \$10.4 million in 2006 to \$11.1 million in 2007. This was attributable mainly to increases in the accounts payable and accrued liabilities categories, caused by the receipt of vendor invoices subsequent to the end of the fiscal year.
- General Fund revenues reflect a \$2.9 million increase over the budget estimate and a \$6.8 million increase over 2006. Contributing to the \$2.9 million increase over the budget estimate are sales taxes (\$498 thousand), business fees (\$848 thousand), licenses and permits (\$487 thousand), and fines and forfeitures (\$990 thousand). The City experienced an overall growth of 8.9% in net assessed property values for 2007. However, in compliance with the financial policy adopted by the City Council, the Maintenance and Operations (M&O) portion of the property tax rate was reduced to the effective M&O rate which resulted in property tax revenues totaling \$526 thousand less than amounts budgeted, yet still \$692 thousand more than prior year revenues. Sales tax revenues have continued to rebound from previous years' collections, reflecting a growth of 8.5% in 2006 and an additional 6.7% in 2007, with continued moderate growth expected in the future. In the business fees category, telecommunications fees, though somewhat less than prior year, were \$532 thousand higher than budgeted and are anticipated to continue to grow in the future. Likewise, Cable TV franchise fees continue to grow, reflecting an increase of \$586 thousand over prior year. The majority of the increase in licenses and permits continues to be related to the continuation of City development, as reflected in the building, electrical, plumbing and mechanical permits issued in 2007. Increases in fines and forfeitures reflect \$315 thousand attributed to the increased collection efforts for the failure to appear fines. This past year the City participated in the Statewide Warrant Roundup and increased enforcement of the warrant fine initiative, which was highly successful. The ambulance division continues to report an increase in emergency calls, generating \$372 thousand more than amounts budgeted and \$934 thousand more than prior year. The City continues to experience growth, as is reflected in these General Fund revenues for 2007.

- The General Fund's unreserved undesignated fund balance increased by 18.6% in 2007, reporting a balance of \$27.9 million, compared to \$23.5 million in 2006. The contributing factors to the increase, as mentioned previously, are the increases in revenues, topped by the business fees, fines and forfeitures, and sales tax collections.
- The Debt Service Fund's total fund balance increased by \$1.4 million, reporting a balance of \$11.6 million in 2007. The main contributor to this increase was the elimination of fund balance designations for Airport and Storm Water, which were determined to not be required from this point forward.
- The FY2006-07 ad valorem tax rate was reduced for a third year in a row, from \$0.625799 per \$100 of assessed value, to \$0.602372, distributed \$0.403197 for the General Fund and \$0.199175 for Debt Service. The Debt Service rate was increased in FY2005-06 by 2 ½ cents to fund the \$95 million in voter approved debt, yet the overall tax rates have continued to be lowered each year due to the decrease in the General Fund rate.

Non-major Governmental Funds

Funds comprising the non-major governmental category are Special Revenue and Capital Projects funds and Debt Service funds from the Corpus Christi Business and Job Development Corporation and the North Padre Island Development Corporation. Total assets for the combined funds were \$166.0 million in 2007 compared to \$152.3 million in 2006. The major changes in assets are reflected by increases in the Special Revenue funds (\$7.4 million net) and Capital Projects funds (\$6.0 million net). In the Special Revenue funds, Corpus Christi Business and Job Development Corporation reported higher sales tax collections and interest earnings (\$1.6 million), reflecting an increase in growth, and North Padre Island Development Corporation reported an increase in property tax collections and interest earnings (\$1.1 million), likewise reflecting additional growth in the Tax Increment Financing Zone – Packery Channel. The increase in assets for the Capital Projects funds is a combination of increases for the new bond issues to complete the Bond 2004 projects, netted with the continued spend down and completion of projects started in the previous year. Total liabilities for the non-major governmental category declined to \$12.2 million compared to \$16.5 million in 2006, with the major factor being decreases in accounts payable in the Capital Projects funds. The total fund balances of \$153.8 million are greater than the \$135.8 million reported in 2006 and are reflective of the variances in assets and liabilities described above.

CAPITAL ASSET AND DEBT ADMINISTRATION

As shown in Table 3 below, at the end of 2007 the City had invested \$1.5 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 \$74.5 million, or 5.2% over last year. The major increases in the governmental activities were \$20.5 million for improvements, \$4.3 million in equipment, and \$4.4 million in infrastructure, which were offset by a reduction in buildings of \$4.9 million and construction in progress of \$13.3 million. The business-type activities increased by \$63.5 million, with the majority of the increase in improvements (\$7.4 million), infrastructure (\$42.1 million), and construction in progress (\$15.0 million) 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, 2007 and 2006
(in 000's)

	Governmental Activities		Business-Type Activities		Total		% Change 2007-2006
	2007	2006	2007	2006	2007	2006	
Land	\$ 55,688	\$ 55,666	\$ 33,510	\$ 33,103	\$ 89,198	\$ 88,769	0.5%
Buildings	160,085	165,043	59,371	60,667	219,456	225,710	-2.8%
Improvements	83,045	62,509	209,724	202,290	292,769	264,799	10.6%
Equipment	28,990	24,727	16,943	17,148	45,933	41,875	9.7%
Infrastructure	77,845	73,448	613,168	571,024	691,013	644,472	7.2%
Construction in progress	23,111	36,425	141,456	126,425	164,567	162,850	1.1%
Total	<u>\$ 428,764</u>	<u>\$ 417,818</u>	<u>\$ 1,074,172</u>	<u>\$ 1,010,657</u>	<u>\$ 1,502,936</u>	<u>\$ 1,428,475</u>	5.2%

Long-term Liabilities

During the fiscal year, the City completed three bond issues to fund projects planned and approved during the past several fiscal years, and completed one refunding bond issue to refund commercial paper. These are major initiatives that represent a significant long term commitment to revitalization strategies that support expansion of tourism, as well as commercial and industrial growth, and improved quality of life for our residents.

In October, 2006, the City issued \$84,415,000 in 2006 Utility System Revenue Refunding and Improvement Bonds, used to improve and extend the System, to refund all of the City's outstanding commercial paper notes, and to refund a portion of the City's outstanding utility system revenue bonds (at an interest savings). The bonds are to be paid from pledged revenues from the Utility System.

In March, 2007, the City issued \$3,830,000 in 2007 General Improvement Bonds and \$6,985,000 in 2007 Certificates of Obligation through the State of Texas Military Preparedness Commission's Texas Military Value Revolving Loan program for the reconstruction of Port Avenue from IH37 to US181 and the partial relocation of Flour Bluff Drive and land acquisition to allow expansion of runway facilities at Waldron Field. Both of these projects qualified for the State loan program since they will enhance the military value of a military facility located in our community. These bonds were issued under the State of Texas Public Finance Authority with the ratings of Aa1 by Moody's Investors Services, Inc. (Moody's), AA by Standard & Poor's Ratings Service (S&P), and AA+ by Fitch Ratings (Fitch). A combination of ad valorem taxes and pledged revenues from the Utility System will fund these bonds.

Also in March, 2007, the City issued the second and final series of bonds, \$31,145,000 in 2007-A General Improvement bonds, to complete the City's Bond 2004 projects.

Table 4 shows that total long-term liabilities increased \$88.2 million in 2007, from \$1.05 billion to \$1.14 billion, or 8.4%. As described in the preceding paragraphs, the increase is due to the debt issues authorized during 2007. Governmental activities reported a \$20 million increase in debt due to a combination of new debt issues, increased usage of the capital lease program, and an increase in accumulated compensated absences. Business-type activities reported a \$68.3

million increase, likewise from the new debt issue, combined with an \$11.3 million increase in landfill closure costs, as previously described under Change in Net Assets, Business-type Activities. Total debt outstanding at fiscal year end was \$1.07 billion, up from \$999.9 million the prior year, again, mainly due to the new debt issued in 2007. Accumulated compensated absences increased 5.4% from prior year, in part because employees are staying longer with the City and not retiring. These longer-term employees earn compensated absence benefits at a higher rate than employees with less tenure. (See Note 14 Long-term Obligations in the Financial Statements).

Table 4
Long-Term Liabilities at July 31, 2007 and 2006
(in 000's)

	Governmental Activities		Business-Type Activities		Total		% Change 2007-2006
	2007	2006	2007	2006	2007	2006	
General obligation bonds	\$ 166,575	\$ 149,085	\$ --	\$ --	\$ 166,575	\$ 149,085	11.7%
Certificates of obligation	32,926	32,480	48,189	44,025	81,115	76,505	6.0%
Revenue bonds	117,030	120,810	--	--	117,030	120,810	-3.1%
Utility revenue bonds	--	--	486,225	432,825	486,225	432,825	12.3%
Airport revenue bonds	--	--	20,570	21,025	20,570	21,025	-2.2%
Capital leases	11,054	6,524	3,700	3,278	14,754	9,802	50.5%
Other notes	4,000	4,360	168,901	171,604	172,901	175,964	-1.7%
Deferred amounts	8,142	8,565	7,656	5,341	15,798	13,906	13.6%
Total debt	<u>339,727</u>	<u>321,824</u>	<u>735,241</u>	<u>678,098</u>	<u>1,074,968</u>	<u>999,922</u>	7.5%
Accumulated compensated absences	32,970	31,014	3,802	3,860	36,772	34,874	5.4%
Landfill closure cost	--	--	25,121	13,871	25,121	13,871	81.1%
Total long-term liabilities	<u>\$ 372,697</u>	<u>\$ 352,838</u>	<u>\$ 764,164</u>	<u>\$ 695,829</u>	<u>\$ 1,136,861</u>	<u>\$ 1,048,667</u>	8.4%

Bond Ratings

In October 2006 the City received bond ratings from Moody's Investors Service, Inc. (Moody's), Standard & Poor's Ratings Service (S&P), and Fitch Ratings (Fitch) for the Utility System Revenue Refunding and Improvement bonds discussed previously of Aaa, AAA, and AAA, respectively, based upon the simultaneous delivery of a municipal bond insurance policy, with un-enhanced revenue bond ratings of A2, A+, and AA-, respectively. The rating agencies assigned the same AAA enhanced ratings to the City's General Improvement bonds which were issued in March 2007, with un-enhanced ratings remaining the same as in prior years -A1 from Moody's, A+ from S&P, and AA- from Fitch.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

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

The General Fund revenue budget was increased thirteen times during FY2006-07 for a total of \$3,287,758. The three major amendments were \$2,902,326 in estimated excess revenues to be used for one-time purchases, \$212,745 in estimated excess revenues to be used to repair/replace air conditioning systems at two Park & Recreation facilities, and \$68,180 in excess revenues from the red light enforcement program, to be used for operating costs of the program. The remaining amendments were mostly from contributions used to purchase library books and materials, police and fire department equipment, and fire department training.

During FY2006-07, City Council amended the General Fund expenditure budget twenty-one times. (See Note 6 of the Financial Statements for more details on the budget amendments).

The adopted budget for FY2006-07 established both general fund revenues and expenditures at \$174 million, which is \$8 million (4.9%) more than the adopted budget for 2006. Major expenditure increases were \$1.3 million for Street Services and street lighting, \$2.8 million for Solid Waste Services, \$1.3 million for Police and Municipal Court, \$1 million for Fire, and \$1.3 million for salary increases to comply with the City's Compensation Plan. Property taxes were budgeted using the certified growth reported by the appraisal district of 8.90%.

Budgetary Variances

Taxes and business fees were \$111 million, a \$3.6 million increase over prior year, and \$2.8 million over the original budget. This year sales tax was budgeted at a 3.5% growth over FY2005-06 estimated collections. As an indicator of a continued upward trend in 2007, sales tax collections (\$42.1 million) exceeded the original budget by \$2.4 million. Telecommunication fees continue a slight declining trend compared to prior year actuals – \$4.4 million in 2007 vs. \$4.8 million in 2006 – however, indications are that the impact of deregulation has somewhat stabilized. Electric franchise fees have increased slightly over the past three years, therefore, for FY2006-07, a modest 2.6% increase was budgeted. However, actual collections fell short, dipping below prior year actuals of \$9.4 million, to \$9.3 million.

Licenses and permits reported an increase of \$488 thousand over budget, with building, electrical, plumbing, oversized load, and energy code permits being the main categories reporting the increases.

Charges for services reflect an overall increase of \$371 thousand over the original budget, with a combination of increases and decreases for the various categories. The major increase comes from ambulance services, which collected \$1.4 million more in emergency services than was budgeted due to increased calls and improved collections services. Another increase in collections compared to original budget is recreation services, which reports a \$416 thousand increase due to increased activity in swimming instructions, athletic events, latchkey, and various other recreational activities. The police activity was down \$263 thousand overall, with the main contributor being 911 wireline fees. The new rates were not made effective until the third quarter of FY2006-07, causing revenues to fall below amounts budgeted by \$532 thousand. Otherwise, police activity had increases of \$145 thousand over budget due to the increased use of

cell phones, and Nueces County-Metrocom centralized dispatch reported a \$126 thousand increase in revenues. The solid waste department reported under budgeted revenues of \$901 thousand due to under collections of refuse disposal charges caused by the delay in the opening of the new landfill and implementation of the new put-or-pay contracts. Though solid waste collections fell under budget, collections were \$2.4 million over prior year actual collections due to the combination of increased volume and increases in fees to fund the capital costs for the new landfill. Health services also reflected a \$254 thousand negative variance to the original budget due to an overestimate of the number of establishments requiring food service permits.

The fines and forfeitures category reflects a \$990 thousand increase in actual collections (\$6.9 million) over original budget. Many of the fines and fees report moderate increases, with failure to appear fines revenue, warrant fees, moving vehicle fines, and general fines coming in \$315 thousand, \$150 thousand, \$125 thousand, and \$150 thousand, respectively, over budget. A new juvenile case manager fee was initiated in FY2006-07 after the budget was approved, and collections were \$100 thousand.

Overall, General Fund revenues were \$2.8 million higher than the final budget.

General Fund expenditures for the FY2006-07 budget, as previously stated, were budgeted at \$174 million, \$8 million higher than the prior year's budget. The major items making up the increase were: increase in municipal court (\$316 thousand) to continue to improve the new detention facility, including an increase in personnel for city marshals; increase in museum (\$205 thousand) for increased electrical costs for operation of the facility; increase in fire department (\$1.02 million) to fund a retroactive 3% pay increase for uniformed personnel for FY2005-06 as a result of contract agreements being reached in FY2006-07, and an increase in the City's contribution for the firefighters' retirement from 12.5% to 14.58% in January 2007; increase in police department (\$973 thousand) for increased computer support for new systems and replacement of the police building HVAC chiller system, a 3% pay increase for uniformed personnel as a result of contract agreements in FY2006-07, and an additional cadet class which began in January 2007; increase in solid waste services (\$2.8 million) as a result of increased debt costs associated with work initiated at the new landfill, as well as additional operational costs for the new landfill and the JC Elliott Transfer Station; increase in street department (\$597 thousand) due to an increased cost of street materials as well as the purchase of large capital equipment to maintain current program levels; increase of street lighting (\$714 thousand) costs; and an increase of \$1.34 million for compensation increases to provide funding for fire and police uniformed personnel salary increases of 3% (each) for FY2006-07 per contract agreements with each respective union, as well as additional funding for a 3 percent merit increase for civilian employees.

General Fund actual expenditures were \$6.75 million under the amended budget with general government, police and municipal court, fire, streets, solid waste, and libraries categories contributing to the savings. Main contributing factors to the savings were stringent cost saving measures taken City-wide, including \$3.41 million in salary savings from postponing the hiring of positions from general government departments (\$1.3 million), police and municipal court (\$400 thousand), fire (\$870 thousand), solid waste (\$260 thousand), and libraries (\$580 thousand); approximately \$1 million of the reserves for merit compensation not being fully utilized; approximately \$1.2 million in service enhancements funded in FY2006-07 from excess

fund balance but which were not expended and remained as unspent appropriations at fiscal year-end; as well as conservative fiscal spending throughout the year. Overall departmental expenditures were closely monitored throughout the year in order to stay within the amended budget amounts.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- With major initiatives underway aimed at revitalizing the downtown area, attracting new jobs, improving infrastructure, and improving the quality of life in neighborhoods, the economic climate in the City is favorable. The City has also capitalized on many of its newest assets such as Packery Channel, the baseball stadium, and the arena, and these venues are anticipated to add to the continued growth and development of the City.
- The unemployment rate for Corpus Christi decreased from 5.7% in 2006 to 4.7% in 2007. This rate is a positive indicator that the economy is doing well.
- The Certified Net Assessed Taxable Value experienced another large increase of 14.79% for FY2007-08, to \$13,110,832,851. Because of this growth, the City Council approved a reduction in the ad valorem tax rate for the fourth year in a row, lowering the tax rate from \$0.602372 per \$100 valuation to \$0.563846 per \$100 valuation. The Maintenance and Operations (M&O) rate will be reduced to the effective M&O rate of \$0.364671 while the Debt Service rate will remain at \$0.199175 per \$100 valuation.
- The City of Corpus Christi has appropriated in total, revenues and expenditures for FY2007-08 of \$598,645,155, and \$588,090,502, respectively. The General Fund presents a balanced budget with both revenues and expenditures budgeted at \$184,445,540. This is a \$10.3 million increase over the original budget for FY2006-07, with the major items making up the difference being municipal court (\$760 thousand) for costs associated with the red light camera program and the addition of two positions; fire department (\$2 million) for an additional fire academy, pay increases of 2.25 percent to comply with collective bargaining agreements, and a 0.81 percent increase in the City's contribution to the firefighters' retirement program; police department (\$4.3 million) for a pay increase of 4 percent to comply with collective bargaining agreements, an additional police academy, replacement of thirty-five sedans, and the addition of five civilians to allow five uniformed officers currently performing desk duties to return to police functions; street department (\$1.8 million) for increased cost of materials, capital equipment purchase, and expansion of the seal coat program; and solid waste department (\$1.5 million) to fund a full year for the JC Elliott Transfer Station and additional operational costs at the new landfill.
- A 5.75% rate increase for Water, Wastewater, and Gas utilities has been programmed for FY2007-08 based upon capital budget discussions and directives from City Council. These rate increases are necessary to continue to support capital improvements for water, wastewater, storm water, and gas infrastructure and the cost of utility relocations associated with the voter approved debt issue passed in an election in November 2004.

CITY'S FINANCIAL MANAGEMENT

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

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

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

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361.826.3601 (fax)

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



City of
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City of
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the City of Corpus Christi, Texas

STATEMENT OF NET ASSETS
JULY 31, 2007

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and cash equivalents (Note 5)	\$ 28,034,615	\$ 17,024,012	\$ 45,058,627	\$ 297,213
Investments (Note 5)	180,475,125	66,235,552	246,710,677	--
Receivables, net of allowance for uncollectibles (Note 7)	42,862,994	24,489,997	67,352,991	15,456
Internal balances	430,075	(430,075)	--	--
Inventories	1,654,950	390,635	2,045,585	19,487
Prepaid items	2,271,414	1,440	2,272,854	32,738
Restricted assets				
Cash and cash equivalents (Note 5)	--	19,419,529	19,419,529	--
Investments (Note 5)	--	33,253,940	33,253,940	--
Receivables, net of allowance for uncollectibles (Note 7)	--	482,911	482,911	--
Water supply rights	--	164,915,869	164,915,869	--
Notes receivable, net of current portion (Note 7)	--	676,047	676,047	--
Contract receivable (Note 7)	--	1,590,000	1,590,000	--
Bond issue costs	3,676,947	8,226,080	11,903,027	--
Other property	49,871	--	49,871	--
Land and construction in progress (Note 8)	78,799,919	174,965,866	253,765,785	--
Other capital assets, net of accumulated depreciation (Note 8)	349,964,415	899,206,397	1,249,170,812	203,597
Total assets	<u>688,220,325</u>	<u>1,410,448,200</u>	<u>2,098,668,525</u>	<u>568,491</u>
LIABILITIES				
Accounts payable	7,941,259	20,245,382	28,186,641	192,927
Accrued expenses	5,934,525	1,094,174	7,028,699	127
Accrued interest	6,401,834	2,312,908	8,714,742	--
Contractor interest and retainage payable	744,543	2,815,504	3,560,047	--
Deposits	900,576	531,350	1,431,926	--
Liability to claimants - escheat property	330,006	103,111	433,117	--
Due to other governmental agencies	326,142	--	326,142	--
Unearned revenue	4,848,491	80,526	4,929,017	--
Current portion of estimated claims liability (Note 11)	7,194,860	--	7,194,860	--
Current portion of long-term liabilities (Note 14)				
Long-term debt	23,891,591	32,466,205	56,357,796	--
Accumulated unpaid compensated absences	8,088,593	1,940,318	10,028,911	--
Landfill closure cost	--	7,417,743	7,417,743	--

(Continued)

the City of Corpus Christi, Texas

Exhibit 1-A

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Accrued arbitrage rebate liability	--	138,003	138,003	--
Estimated liability claims, excluding current portion (Note 11)	7,323,843	--	7,323,843	--
Long-term liabilities, excluding current portion (Note 14)				
Long-term debt	315,835,148	702,774,800	1,018,609,948	--
Accumulated unpaid compensated absences	24,881,108	1,861,738	26,742,846	--
Landfill closure cost	--	17,703,055	17,703,055	--
Total liabilities	<u>414,642,519</u>	<u>791,484,817</u>	<u>1,206,127,336</u>	<u>193,054</u>
NET ASSETS				
Invested in capital assets, net of related debt	92,714,542	546,081,045	638,795,587	203,597
Restricted for				
Law enforcement officers' standards and education	--	3,828	3,828	--
Passenger facility charges projects	--	1,650,845	1,650,845	--
Bond interest and redemption	--	987,305	987,305	--
Construction of capital assets	--	8,792,476	8,792,476	--
Improvements to utility lines and facilities	--	6,128,140	6,128,140	--
Abatement of public health hazards	--	90,563	90,563	--
Required capital reserve	--	250,000	250,000	--
Required operating reserve	--	1,220,165	1,220,165	--
Unrestricted	<u>180,863,264</u>	<u>53,759,016</u>	<u>234,622,280</u>	<u>171,840</u>
Total net assets	<u>\$ 273,577,806</u>	<u>\$ 618,963,383</u>	<u>\$ 892,541,189</u>	<u>\$ 375,437</u>

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

the City of Corpus Christi, Texas

STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2007

	<u>Expenses</u>	<u>Charges for Services</u>
Primary government		
Governmental activities		
General government	\$ 20,909,738	\$ 20,328,447
Police and municipal court	67,186,703	12,853,813
Fire and ambulance	37,478,787	5,199,899
Emergency management	358,799	--
Inspections	1,721,108	--
Streets	23,145,350	1,786,370
Health	6,126,090	1,620,345
Parks and recreation	18,933,077	3,344,008
Libraries	4,593,979	188,570
Museums	1,412,561	295,334
Community enrichment	1,784,029	--
Community development	4,114,411	1,633,661
Convention and visitor activities	18,615,167	7,696,709
Interest on long-term debt	14,713,700	--
Total governmental activities	<u>221,093,499</u>	<u>54,947,156</u>
Business-type activities		
Solid Waste	27,045,462	26,641,520
Utilities		
Water	86,542,198	75,147,044
Gas	36,919,568	40,694,377
Wastewater	39,548,014	38,833,360
Airport	10,991,302	9,764,349
Golf centers	1,780,434	1,740,134
Marina	1,692,618	1,326,631
Total business-type activities	<u>204,519,596</u>	<u>194,147,415</u>
Total primary government	<u>\$ 425,613,095</u>	<u>\$ 249,094,571</u>
Component units		
Health	49,975	--
Convention and visitor activities	2,864,185	222,103
Total component units	<u>\$ 2,914,160</u>	<u>\$ 222,103</u>

the City of Corpus Christi, Texas

Exhibit 1-B

Program Revenue		Net (expense) revenue and changes in net assets			
Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Units
\$ 3,394,062	\$ 247,615	\$ 3,060,386	\$ --	\$ 3,060,386	
2,058,681	230,465	(52,043,744)	--	(52,043,744)	
1,402,919	563,918	(30,312,051)	--	(30,312,051)	
74,482	82,750	(201,567)	--	(201,567)	
--	--	(1,721,108)	--	(1,721,108)	
243,811	1,859,674	(19,255,495)	--	(19,255,495)	
1,676,338	74,312	(2,755,095)	--	(2,755,095)	
2,670,190	14,168	(12,904,711)	--	(12,904,711)	
828,680	52,112	(3,524,617)	--	(3,524,617)	
--	--	(1,117,227)	--	(1,117,227)	
785,232	242,559	(756,238)	--	(756,238)	
451,127	1,509,609	(520,014)	--	(520,014)	
--	--	(10,918,458)	--	(10,918,458)	
--	865,290	(13,848,410)	--	(13,848,410)	
<u>13,585,522</u>	<u>5,742,472</u>	<u>(146,818,349)</u>	<u>--</u>	<u>(146,818,349)</u>	
23,181	--	--	(380,761)	(380,761)	
21,036	7,309,944	--	(4,064,174)	(4,064,174)	
--	--	--	3,774,809	3,774,809	
44,492	9,146,168	--	8,476,006	8,476,006	
1,831	9,842,945	--	8,617,823	8,617,823	
--	--	--	(40,300)	(40,300)	
14,525	519,000	--	167,538	167,538	
<u>105,065</u>	<u>26,818,057</u>	<u>--</u>	<u>16,550,941</u>	<u>16,550,941</u>	
<u>\$ 13,690,587</u>	<u>\$ 32,560,529</u>	<u>(146,818,349)</u>	<u>16,550,941</u>	<u>(130,267,408)</u>	
--	--				
--	--				
<u>\$ --</u>	<u>\$ --</u>				\$ (2,692,057)
General revenue					
Taxes					
Property taxes, levied for general purposes		51,477,867	--	51,477,867	--
Property taxes, levied for debt service		22,105,552	--	22,105,552	--
Sales and hotel occupancy taxes		75,754,882	--	75,754,882	--
Unrestricted investment earnings		7,321,196	7,120,196	14,441,392	15,806
Payment from primary government		--	--	--	2,641,000
Transfers		18,759,642	(18,759,642)	--	--
Total general revenue and transfers		<u>175,419,139</u>	<u>(11,639,446)</u>	<u>163,779,693</u>	<u>2,656,806</u>
Changes in net assets		28,600,790	4,911,495	33,512,285	(35,251)
Net assets at beginning of year, as restated (Note 1P)		<u>244,977,016</u>	<u>614,051,888</u>	<u>859,028,904</u>	<u>410,688</u>
Net assets at end of year		<u>\$ 273,577,806</u>	<u>\$ 618,963,383</u>	<u>\$ 892,541,189</u>	<u>\$ 375,437</u>

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

the City of Corpus Christi, Texas

**GOVERNMENTAL FUNDS
BALANCE SHEET
JULY 31, 2007**

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents (Note 5)	\$ 2,927,313	\$ 460,379	\$ 25,816,205	\$ 29,203,897
Investments (Note 5)	24,499,372	10,999,375	109,479,012	144,977,759
Receivables, net of allowance for uncollectibles (Note 7)	15,207,290	662,742	29,758,315	45,628,347
Due from other funds (Note 16)	234,642	--	223,117	457,759
Inventories	397,647	--	--	397,647
Prepaid items	270,236	--	744,056	1,014,292
	<u>\$ 43,536,500</u>	<u>\$ 12,122,496</u>	<u>\$ 166,020,705</u>	<u>\$ 221,679,701</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 3,404,296	\$ 9,750	\$ 4,670,926	\$ 8,084,972
Accrued liabilities	4,973,372	--	912,715	5,886,087
Contractor interest and retainage payable	--	--	879,466	879,466
Deposits	521,146	--	596,611	1,117,757
Liability to claimants - escheat property	218,332	--	--	218,332
Due to other funds (Note 16)	300,386	--	22,007	322,393
Due to other governmental agencies	326,142	--	--	326,142
Advance from other funds (Note 16)	64,600	--	--	64,600
Deferred revenues	1,301,622	490,475	5,123,209	6,915,306
Total liabilities	<u>11,109,896</u>	<u>500,225</u>	<u>12,204,934</u>	<u>23,815,055</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 2-A

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund balances				
Reserved for encumbrances	2,825,607	--	27,947,801	30,773,408
Reserved for loans	--	--	18,972,247	18,972,247
Reserved for inventory	397,647	--	--	397,647
Reserved for prepaid items	269,160	--	--	269,160
Reserved for Municipal Court technology	342,642	--	--	342,642
Reserved for government access equipment	11,959	--	--	11,959
Reserved for public access equipment and facility	3,500	--	--	3,500
Reserved for 9-1-1 wireless system	107,106	--	--	107,106
Reserved for capital replacement - radio system	30,000	--	--	30,000
Reserved for Judicial/Court improvements	62,480	--	--	62,480
Reserved for debt service	--	4,775,514	3,548,366	8,323,880
Reserved for Senior Community Services	--	--	10,582	10,582
Reserved for law enforcement	--	--	682,726	682,726
Reserved for firefighters training	4,000	--	--	4,000
Reserved for Sister City programs	--	--	1,097	1,097
Reserved for park projects	--	--	1,933,026	1,933,026
Reserved for permanent art projects	--	--	146,881	146,881
Reserved for infrastructure	--	--	1,202,087	1,202,087
Reserved for local emergency response planning	--	--	29,485	29,485
Reserved for Affordable Housing	--	--	747,849	747,849
Reserved for Stadium Capital Repair	--	--	282,498	282,498
Reserved for naming rights' capital projects	--	--	341,000	341,000
Unreserved				
Designated for subsequent year's expenditures in the general fund	493,361	--	--	493,361
Designated for subsequent year's expenditures in special revenue funds	--	--	590,822	590,822
Designated for specific projects in the capital projects fund	--	--	43,300,949	43,300,949
Designated for incentive program	--	--	33,000	33,000
Undesignated				
General fund	27,879,142	--	--	27,879,142
Debt service funds	--	6,846,757	--	6,846,757
Special revenue funds	--	--	29,838,325	29,838,325
Capital project funds	--	--	24,207,030	24,207,030
Total fund balances	<u>32,426,604</u>	<u>11,622,271</u>	<u>153,815,771</u>	<u>197,864,646</u>
Total liabilities and fund balances	<u>\$ 43,536,500</u>	<u>\$ 12,122,496</u>	<u>\$ 166,020,705</u>	<u>\$ 221,679,701</u>

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



City of
Corpus
Christi

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JULY 31, 2007**

Total fund balance - total governmental funds \$ 197,864,646

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds. The cost of the assets is \$794,043,303 and the accumulated depreciation is \$337,955,830. Solid Waste net assets of \$47,941,547 are included in business-type activities. 456,087,473

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

Governmental activities		
Bond issue cost	\$ 3,676,947	
Deferred taxes	1,483,360	
Deferred assessments and liens	590,838	
Solid Waste		
Bond issue cost	680,880	6,432,025

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. 48,128,204

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	\$ (6,401,834)	
Long-term debt	(331,904,357)	
Accumulated compensated absences	(31,274,679)	
Solid Waste		
Accrued interest	(743,346)	
Accrued arbitrage liability	(98,953)	
Long-term debt	(43,122,051)	
Accumulated compensated absences	(650,713)	
Landfill closure costs	(25,120,798)	(439,316,731)

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. 4,382,189

Net assets of governmental activities \$ 273,577,806

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

the City of Corpus Christi, Texas

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2007

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues				
Taxes and business fees	\$ 111,500,632	\$ 22,036,645	\$ 32,443,233	\$ 165,980,510
Licenses and permits	3,399,993	--	--	3,399,993
Grants	497,520	--	15,763,904	16,261,424
Charges for services	44,505,375	--	9,164,256	53,669,631
Fines and forfeitures	6,907,942	--	--	6,907,942
Deposits	--	--	270,716	270,716
Contributions and donations	--	--	1,948,807	1,948,807
Special assessments	--	--	74,235	74,235
Earnings on investments	1,500,447	541,948	6,382,343	8,424,738
Interest on loans	--	--	374,210	374,210
Payments from Lexington Museum Association	--	347,173	--	347,173
Payments from Texas State Aquarium	--	518,117	--	518,117
Sale of City property	--	--	4,940	4,940
Naming rights	--	--	175,000	175,000
Miscellaneous	1,064,729	--	121,291	1,186,020
Total revenues	<u>169,376,638</u>	<u>23,443,883</u>	<u>66,722,935</u>	<u>259,543,456</u>
Expenditures				
Current				
General government	14,298,422	--	6,409,073	20,707,495
Police and municipal court	59,638,162	--	7,210,100	66,848,262
Fire and ambulance	36,990,511	--	1,402,920	38,393,431
Emergency management	261,798	--	82,656	344,454
Inspections	1,774,730	--	--	1,774,730
Streets	13,183,111	--	319,513	13,502,624
Solid waste	15,168,861	--	23,181	15,192,042
Health	4,154,426	--	1,825,600	5,980,026
Parks and recreation	12,639,446	--	4,226,391	16,865,837
Libraries	3,662,549	--	--	3,662,549
Museums	1,569,585	--	801,014	2,370,599
Community enrichment	14,315	--	1,765,194	1,779,509
Community development	--	--	2,780,388	2,780,388
Convention and visitors activities	--	--	13,782,313	13,782,313
Capital projects	--	--	33,406,955	33,406,955
Debt service				
Principal retirement	3,073,876	20,065,000	3,780,000	26,918,876
Interest	198,600	10,545,155	5,914,205	16,657,960
Paying agent fees	--	12,423	23,626	36,049
Bond issue cost	--	--	650,025	650,025
Refund of bond issue cost	--	--	(9,660)	(9,660)
Interest on interfund borrowings	--	--	148,160	148,160
Total expenditures	<u>166,628,392</u>	<u>30,622,578</u>	<u>84,541,654</u>	<u>281,792,624</u>
Excess (deficiency) of revenues over (under) expenditures	2,748,246	(7,178,695)	(17,818,719)	(22,249,168)

(Continued)

the City of Corpus Christi, Texas

Exhibit 2-C

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Other financing sources (uses)				
Capital leases	3,447,512	--	--	3,447,512
Proceeds from general obligation bonds	--	--	34,975,000	34,975,000
Certificate of obligation bonds issued	--	--	2,415,695	2,415,695
Premium on bonds sold	--	--	480,163	480,163
Transfers in (Note 16)	4,623,722	8,545,055	862,720	14,031,497
Transfers out (Note 16)	(5,405,354)	--	(2,870,891)	(8,276,245)
Total other financing sources (uses)	<u>2,665,880</u>	<u>8,545,055</u>	<u>35,862,687</u>	<u>47,073,622</u>
Net change in fund balance	5,414,126	1,366,360	18,043,968	24,824,454
Fund balances at beginning of year, as restated (Note 1P)	<u>27,012,478</u>	<u>10,255,911</u>	<u>135,771,803</u>	<u>173,040,192</u>
Fund balances at end of year	<u>\$ 32,426,604</u>	<u>\$ 11,622,271</u>	<u>\$ 153,815,771</u>	<u>\$ 197,864,646</u>

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



City of
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Christi

the City of Corpus Christi, Texas

Exhibit 2-D

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2007**

Net change in fund balances - total governmental funds \$ 24,824,454

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	\$	30,277,655
Depreciation		(24,433,568)
Solid Waste		
Capital outlays		8,191,588
Depreciation		(1,849,851)
		12,185,824

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. 345,455

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

Governmental activities		
Bonds issued	\$	(37,870,858)
Capital leases		(1,825,032)
Bond issue cost		640,365
Principal retirement		25,417,720
Interest		253,077
Solid Waste		
Capital leases		(1,622,480)
Principal retirement		1,500,733
Interest		(224,739)
Arbitrage rebate		(98,953)
		(13,830,167)

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 activities increased by \$1,907,435, while solid waste activities decreased by \$25,166. (1,882,269)

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 increased in the current year. (11,249,808)

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

Net expense	\$	380,761	
Net transfers		9,776,709	
Investment earnings		(856,430)	
Interest expense		1,952,394	11,253,434

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. 6,953,867

Change in net assets of governmental activities \$ 28,600,790

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

the City of Corpus Christi, Texas

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2007**

	<u>Budget</u>		<u>Actual GAAP Basis</u>
	<u>Original</u>	<u>Final</u>	
Revenues			
Taxes and business fees	\$ 108,735,582	\$ 110,637,908	\$ 111,500,632
Licenses and permits	2,912,487	2,912,487	3,399,993
Grants	298,749	298,749	497,520
Charges for services	44,134,808	45,408,802	44,505,375
Fines and forfeitures	5,917,529	5,917,529	6,907,942
Earnings on investments	903,619	928,077	1,500,447
Miscellaneous	587,384	674,364	1,064,729
Reimbursements	8,587,073	8,587,073	--
Total revenues	<u>172,077,231</u>	<u>175,364,989</u>	<u>169,376,638</u>
Expenditures			
Current			
General government	22,143,714	19,741,969	14,298,422
Police and municipal court	58,987,398	61,857,582	59,638,162
Fire and ambulance	35,208,726	38,496,763	36,990,511
Emergency management	393,505	391,846	261,798
Inspections	2,039,354	2,044,287	1,774,730
Streets	15,053,875	16,358,355	13,183,111
Solid waste	19,034,958	19,663,433	15,168,861
Health	4,229,769	4,441,096	4,154,426
Parks and recreation	13,856,081	14,467,813	12,639,446
Libraries	3,739,699	4,268,643	3,662,549
Museums	1,621,927	1,621,927	1,569,585
Community enrichment	8,943	10,276	14,315
Debt service			
Principal retirement	--	--	3,073,876
Interest	--	--	198,600
Total expenditures	<u>176,317,949</u>	<u>183,363,990</u>	<u>166,628,392</u>
Excess (deficiency) of revenues over (under) expenditures	(4,240,718)	(7,999,001)	2,748,246
Other financing sources (uses)			
Capital leases	--	--	3,447,512
Transfers in	4,585,279	4,585,279	4,623,722
Transfers out	(789,719)	(814,177)	(5,405,354)
Total other financing sources	<u>3,795,560</u>	<u>3,771,102</u>	<u>2,665,880</u>
Net change in fund balance	(445,158)	(4,227,899)	5,414,126
Fund balance at beginning of year	<u>20,008,718</u>	<u>27,012,478</u>	<u>27,012,478</u>
Fund balance at end of year	<u>\$ 19,563,560</u>	<u>\$ 22,784,579</u>	<u>\$ 32,426,604</u>

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

the City of Corpus Christi, Texas

Exhibit 3

Adjustments Budget Basis	Actual Budget Basis	Variance Final Budget Positive (Negative)
\$ --	\$ 111,500,632	\$ 862,724
--	3,399,993	487,506
--	497,520	198,771
--	44,505,375	(903,427)
--	6,907,942	990,413
--	1,500,447	572,370
--	1,064,729	390,365
8,811,404	8,811,404	224,331
8,811,404	178,188,042	2,823,053
3,110,631	17,409,053	2,332,916
1,776,833	61,414,995	442,587
586,928	37,577,439	919,324
--	261,798	130,048
154,670	1,929,400	114,887
2,464,205	15,647,316	711,039
3,535,511	18,704,372	959,061
12,621	4,167,047	274,049
1,595,719	14,235,165	232,648
22,302	3,684,851	583,792
--	1,569,585	52,342
--	14,315	(4,039)
(3,073,876)	--	--
(198,600)	--	--
9,986,944	176,615,336	6,748,654
(1,175,540)	1,572,706	9,571,707
(3,447,512)	--	--
--	4,623,722	38,443
4,623,052	(782,302)	31,875
1,175,540	3,841,420	70,318
--	5,414,126	9,642,025
--	27,012,478	--
\$ --	\$ 32,426,604	\$ 9,642,025

the City of Corpus Christi, Texas

**PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
JULY 31, 2007**

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
ASSETS				
Current assets				
Cash and cash equivalents (Note 5)	\$ 10,848,258	\$ 3,934,421	\$ 14,782,679	\$ 1,072,051
Investments (Note 5)	46,543,907	7,192,968	53,736,875	47,996,043
Receivables, net of allowance for uncollectibles (Note 7)	19,917,713	951,896	20,869,609	855,035
Due from other funds (Note 16)	--	42,585	42,585	600,388
Current portion of advance to other funds (Note 16)	30,000	--	30,000	--
Inventories	351,368	39,267	390,635	1,257,303
Prepaid items	--	940	940	1,257,622
Restricted assets				
Cash and cash equivalents (Note 5)	17,652,693	1,766,836	19,419,529	--
Investments (Note 5)	31,947,915	1,306,025	33,253,940	--
Receivables, net of allowance for uncollectibles (Note 7)	247,286	235,625	482,911	--
Due from other funds (Note 16)	4,496	2,072	6,568	--
Total restricted assets	<u>49,852,390</u>	<u>3,310,558</u>	<u>53,162,948</u>	<u>--</u>
Total current assets	<u>127,543,636</u>	<u>15,472,635</u>	<u>143,016,271</u>	<u>53,038,442</u>
Noncurrent assets				
Water supply rights	164,915,869	--	164,915,869	--
Advances to other funds, net of current portion (Note 16)	34,600	--	34,600	--
Notes receivable	676,047	--	676,047	--
Contract receivable	1,590,000	--	1,590,000	--
Other assets	--	--	--	49,871
Bond issue costs	6,938,523	606,677	7,545,200	--
Capital assets (Note 8)				
Land and construction in progress	127,751,269	15,892,575	143,643,844	66,359
Other capital assets, net of accumulated depreciation	794,854,190	87,732,682	882,586,872	20,552,049
Net capital assets	<u>922,605,459</u>	<u>103,625,257</u>	<u>1,026,230,716</u>	<u>20,618,408</u>
Total noncurrent assets	<u>1,096,760,498</u>	<u>104,231,934</u>	<u>1,200,992,432</u>	<u>20,668,279</u>
Total assets	<u>1,224,304,134</u>	<u>119,704,569</u>	<u>1,344,008,703</u>	<u>73,706,721</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 4-A

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
LIABILITIES				
Current liabilities				
Accounts payable	14,728,346	4,067,839	18,796,185	1,305,484
Accrued expenses	628,538	121,239	749,777	392,835
Accrued interest	991,001	578,561	1,569,562	--
Current portion of estimated liability claims (Note 11)	--	--	--	7,194,860
Contractor interest and retainage payable	2,019,482	658,429	2,677,911	2,670
Deposits	229,392	82,167	311,559	2,610
Liability to claimants - escheat property	103,111	--	103,111	111,674
Due to other funds (Note 16)	275,312	493,038	768,350	16,557
Unearned revenue	31,142	47,549	78,691	9,218
Current portion of long-term liabilities (Note 14)				
Long-term debt	30,008,935	700,099	30,709,034	1,627,138
Accumulated unpaid compensated absences	1,360,840	249,056	1,609,896	806,048
Total current liabilities	<u>50,376,099</u>	<u>6,997,977</u>	<u>57,374,076</u>	<u>11,469,094</u>
Noncurrent liabilities				
Estimated liability claims, net of current portion (Note 11)	--	--	--	7,323,843
Long-term liabilities, net of current portion (Note 14)				
Accrued arbitrage rebate liability	--	39,050	39,050	--
Long-term debt	637,863,855	23,844,703	661,708,558	5,896,606
Accumulated unpaid compensated absences	1,390,867	150,580	1,541,447	888,974
Total noncurrent liabilities	<u>639,254,722</u>	<u>24,034,333</u>	<u>663,289,055</u>	<u>14,109,423</u>
Total liabilities	<u>689,630,821</u>	<u>31,032,310</u>	<u>720,663,131</u>	<u>25,578,517</u>
NET ASSETS				
Invested in capital assets, net of related debt	460,594,898	79,687,133	540,282,031	13,094,664
Restricted for				
Passenger facility charges projects	--	1,650,845	1,650,845	--
Bond interest and redemption	987,305	--	987,305	--
Construction of capital assets	8,638,544	153,932	8,792,476	--
Improvements to utility lines and facilities	6,128,140	--	6,128,140	--
Abatement of public health hazards	90,563	--	90,563	--
Required capital reserve	--	250,000	250,000	--
Required operating reserve	--	1,220,165	1,220,165	--
Law enforcement officers' standards and education	--	3,828	3,828	--
Unrestricted	<u>58,233,863</u>	<u>5,706,356</u>	<u>63,940,219</u>	<u>35,033,540</u>
Total net assets	<u>\$ 534,673,313</u>	<u>\$ 88,672,259</u>	<u>\$ 623,345,572</u>	<u>\$ 48,128,204</u>

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



City of
Corpus
Christi

**RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF NET ASSETS
TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS
JULY 31, 2007**

Total net assets - total proprietary funds \$ 623,345,572

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.

(4,382,189)

Net assets of business-type activities \$ 618,963,383

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

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2007

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
Operating revenues				
Charges for services - net	\$ 159,225,743	\$ 11,072,618	\$ 170,298,361	\$ 63,607,649
Operating expenses				
Personal services	23,357,331	5,181,806	28,539,137	14,234,958
Materials and supplies	41,688,119	650,980	42,339,099	3,064,048
Contractual services	19,134,675	2,210,576	21,345,251	11,409,270
Other operating expenses	24,350,133	1,098,405	25,448,538	5,002,726
Uncollectible accounts	1,694,380	19,054	1,713,434	27,937
Depreciation	25,980,678	4,340,227	30,320,905	4,056,168
Self-insurance claims	--	--	--	22,583,297
Total operating expenses	<u>136,205,316</u>	<u>13,501,048</u>	<u>149,706,364</u>	<u>60,378,404</u>
Operating income (loss)	23,020,427	(2,428,430)	20,591,997	3,229,245
Nonoperating revenues (expenses)				
Investment income	7,627,527	588,633	8,216,160	2,450,043
Interest expense and fiscal charges	(28,111,924)	(1,424,805)	(29,536,729)	(310,171)
Passenger facility charges	--	1,721,069	1,721,069	--
Recovery of prior years revenues	--	--	--	18,866
Net gain (loss) on disposal of assets	(1,978,609)	6,667	(1,971,942)	37,738
Recovery on damage claims	7,979	--	7,979	44,978
Developer deposits	1,752,161	--	1,752,161	--
Reimbursements to developers	(4,332,493)	--	(4,332,493)	--
Contributions from other governmental agencies	21,036	16,356	37,392	5,420
Contributions and donations	--	44,492	44,492	17,036
Net contribution of capital assets from general fund	--	--	--	1,990
Miscellaneous	--	30,760	30,760	--
Total nonoperating revenues (expenses)	<u>(25,014,323)</u>	<u>983,172</u>	<u>(24,031,151)</u>	<u>2,265,900</u>
Capital contributions				
Contributions from other governmental agencies	964,148	10,361,945	11,326,093	--
Contributions from developers	15,491,964	--	15,491,964	--
Total capital contributions	<u>16,456,112</u>	<u>10,361,945</u>	<u>26,818,057</u>	<u>--</u>
Income before transfers	14,462,216	8,916,687	23,378,903	5,495,145
Transfers in	--	--	--	1,955,494
Transfers out	(5,867,179)	(1,346,795)	(7,213,974)	(496,772)
Total transfers	<u>(5,867,179)</u>	<u>(1,346,795)</u>	<u>(7,213,974)</u>	<u>1,458,722</u>
Net income	8,595,037	7,569,892	16,164,929	6,953,867
Net assets at beginning of year	<u>526,078,276</u>	<u>81,102,367</u>	<u>607,180,643</u>	<u>41,174,337</u>
Net assets at end of year	<u>\$ 534,673,313</u>	<u>\$ 88,672,259</u>	<u>\$ 623,345,572</u>	<u>\$ 48,128,204</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, 2007**

Net change in fund balances - total proprietary funds \$ 16,164,929

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.

Net expense	\$	(380,761)	
Net transfers		(9,776,709)	
Investment earnings		856,430	
Interest expense		(1,952,394)	<u>(11,253,434)</u>

Change in net assets of business-type activities \$ 4,911,495

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

the City of Corpus Christi, Texas

**PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2007**

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
Cash flows from operating activities				
Receipts from customers	\$ 157,738,965	\$ 11,208,174	\$ 168,947,139	\$ 9,469,730
Receipts from interfund services provided	94,076	--	94,076	63,725,439
Payments to suppliers	(54,016,472)	(2,440,656)	(56,457,128)	(25,488,750)
Payments to employees	(20,359,563)	(4,589,075)	(24,948,638)	(13,048,934)
Internal activity - payments to other funds	(25,075,839)	(1,836,440)	(26,912,279)	(6,116,534)
Claims paid	--	--	--	(23,551,551)
Net cash provided by operating activities	58,381,167	2,342,003	60,723,170	4,989,400
Cash flows from noncapital financing activities				
Changes in interfund borrowings	(13,541,000)	(465,044)	(14,006,044)	2,378,954
Interest on interfund borrowings	(285,962)	--	(285,962)	20,906
Contributions from other government agencies	17,187	1,831	19,018	17,037
Transfers in from other funds	1,974	--	1,974	--
Transfers out to other funds	(4,787,890)	(1,346,795)	(6,134,685)	(496,772)
Recovery on damage claims	--	--	--	50,397
Other non-operating revenues	--	--	--	1,990
Other non-operating expenses	--	30,760	30,760	18,866
Net cash provided by (used for) noncapital financing activities	(18,595,691)	(1,779,248)	(20,374,939)	1,991,378
Cash flows from capital and related financing activities				
Acquisition of capital assets	(65,319,250)	(12,231,394)	(77,550,644)	(3,425,048)
Proceeds from sale of capital assets	3,422,830	6,667	3,429,497	37,738
Developers deposits	1,826,878	--	1,826,878	--
Contributions from developers	24,271	--	24,271	--
Reimbursements to developers	(4,299,041)	--	(4,299,041)	--
Contributions from other governmental agencies	14,360	10,994,524	11,008,884	--
Passenger facility charge	--	1,711,024	1,711,024	--
Proceeds from issuance of revenue bonds	80,052,580	--	80,052,580	--
Proceeds from issuance of certificates of obligation	4,439,650	--	4,439,650	--
Transfers in from (out to) other funds for capital acquisition	(1,126,000)	--	(1,126,000)	1,955,458
Bond issuance costs	--	(612)	(612)	--
Principal paid on long-term debt	(19,806,615)	(673,738)	(20,480,353)	(1,263,236)
Principal paid on commercial paper	(24,760,895)	--	(24,760,895)	--
Interest and fiscal charges	(27,734,327)	(1,363,973)	(29,098,300)	(286,438)
Recovery on damage claims	7,979	--	7,979	--
Net cash used for capital and related financing activities	(53,257,580)	(1,557,502)	(54,815,082)	(2,981,526)
Cash flows from investing activities				
Purchase of investment securities	(187,026,478)	(7,099,799)	(194,126,277)	(66,499,647)
Proceeds from sale and maturity of investment securities	208,790,832	5,700,000	214,490,832	59,493,605
Purchase of other assets	--	--	--	(49,871)
Interest on investments	8,135,163	620,979	8,756,142	2,027,324
Net cash provided by (used for) investing activities	29,899,517	(778,820)	29,120,697	(5,028,589)
Net increase (decrease) in cash and cash equivalents	16,427,413	(1,773,567)	14,653,846	(1,029,337)
Cash and cash equivalents at beginning of year, including restricted accounts	12,073,538	7,474,824	19,548,362	2,101,388
Cash and cash equivalents at end of year, including restricted accounts	\$ 28,500,951	\$ 5,701,257	\$ 34,202,208	\$ 1,072,051

(Continued)

the City of Corpus Christi, Texas

Exhibit 4-E

	Enterprise Funds			Internal Service Funds
	Utility System Fund	Other Enterprise Funds	Total	
Reconciliation of operating income (loss) to net cash provided by operating activities				
Operating income (loss)	\$ 23,020,427	\$ (2,428,430)	\$ 20,591,997	\$ 3,229,245
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	25,980,678	4,340,227	30,320,905	4,056,169
Amortization of water rights	4,273,285	--	4,273,285	--
Amortization of fish and wildlife costs	270,042	--	270,042	--
Change in estimated claims liability	--	--	--	(971,084)
Provision for uncollectible accounts	1,694,380	19,054	1,713,434	--
Recovery of uncollectible accounts	--	(53,017)	(53,017)	--
Operating and maintenance expenses previously capitalized	(104,510)	--	(104,510)	--
Changes in assets and liabilities				
Receivables	(509,297)	126,956	(382,341)	278,184
Deposits receivable	2,300	--	2,300	--
Due from other funds	(352,684)	(419)	(353,103)	(335,104)
Inventory	(34,674)	5,041	(29,633)	46,628
Prepaid items	--	(940)	(940)	(743,166)
Accounts payable	3,679,267	165,653	3,844,920	(534,191)
Accrued expenses	133,446	35,564	169,010	49,405
Unearned revenue	450	9,892	10,342	1,815
Accumulated unpaid compensated absences	(6,615)	20,817	14,202	438
Contractor interest and retainage payable	(853)	2,162	1,309	2,670
Customer deposits	20,785	7,127	27,912	1,345
Liability to claimants-escheat property	(647)	--	(647)	(37,279)
Due to other funds	315,387	92,316	407,703	(55,675)
Net cash provided by operating activities	<u>\$ 58,381,167</u>	<u>\$ 2,342,003</u>	<u>\$ 60,723,170</u>	<u>\$ 4,989,400</u>
Noncash investing, capital and financing activities				
Contribution of capital assets from developers	\$ 15,491,831	\$ --	\$ 15,491,831	\$ --
Change in fair value of investments	\$ 248,836	\$ 15,865	\$ 264,701	\$ 78,165
Acquisition of capital assets under capital lease	\$ 124,369	\$ --	\$ 124,369	\$ 5,765,972
Acquisition of capital assets from other funds or accounts	\$ --	\$ --	\$ --	\$ 110,019
Bond refunding	\$ 5,960,710	\$ --	\$ 5,960,710	\$ --
Transfer of capital lease to other fund	\$ --	\$ --	\$ --	\$ 2,762

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

**FIDUCIARY FUNDS
STATEMENT OF NET ASSETS
JULY 31, 2007**

	Deferred Compensation Plan	Private Purpose Trust Fund
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents (Note 5)	\$ --	\$ 151,306
Mutual funds		
Guaranteed Rate Accounts	17,261,469	--
Stocks	24,826,654	--
Bonds	1,029,484	--
Combined Stocks and Bonds	5,470,840	--
Money Markets	395,046	--
Participant loans	1,014,967	--
Total assets	<u>49,998,460</u>	<u>151,306</u>
LIABILITIES	--	--
NET ASSETS		
Held in trust for deferred compensation benefits	49,998,460	--
Held in trust for individuals and organizations	<u>--</u>	<u>151,306</u>
Total net assets	<u>\$ 49,998,460</u>	<u>\$ 151,306</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, 2007

	Deferred Compensation Plan	Private Purpose Trust Fund
Additions		
Employee contributions	\$ 6,969,663	\$ --
Earnings on investments	5,083,791	770
Total additions	12,053,454	770
Deductions		
Payment of benefits	3,042,666	--
Administrative fees	93,859	--
Disbursements for designated purposes	--	9,725
Total deductions	3,136,525	9,725
Net increase (decrease)	8,916,929	(8,955)
Net assets beginning of year	41,081,531	160,261
Net assets at end of year	\$ 49,998,460	\$ 151,306

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



City of
Corpus
Christi

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

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

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

The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of these Notes. The remainder of the Notes is organized to provide explanations, including required disclosures, on the City's financial activities for the fiscal year ended July 31, 2007.

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.

Corpus Christi Digital Community Development Corporation (CCDCDC) is a U.S. public non-profit corporation founded in 2006. The Corporation was founded by the City of Corpus Christi (City) who identified the significant opportunities for government, public safety, economy, and quality of life that can be enabled through a digital community development corporation. CCDCDC primarily provides services to the City and is managed and operated by a board and employees formerly a part of the City's Municipal Information Service Fund.

Except for CCDCDC which is included with Internal Service Funds in the proprietary fund statements, all other blended component units are included in the governmental fund statements as non major governmental funds.

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

Discretely Presented Component Units

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

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

The Corpus Christi Convention and Visitors Bureau (Visitors Bureau) is a private Texas 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	\$ 3,671	\$ 361,223
Capital assets	--	203,597
Total assets	<u>3,671</u>	<u>564,820</u>
Current liabilities	<u>--</u>	<u>193,054</u>
Net assets		
Invested in capital assets	--	203,597
Unrestricted	3,671	168,169
Total net assets	<u>\$ 3,671</u>	<u>\$ 371,766</u>
Revenues	\$ 294	\$ 2,878,615
Expenses	<u>49,975</u>	<u>2,864,185</u>
Change in net assets	(49,681)	14,430
Net assets at beginning of year	<u>53,352</u>	<u>357,336</u>
Net assets at end of year	<u>\$ 3,671</u>	<u>\$ 371,766</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 utility system fund is used to account for the operations of the City's combined utilities. The Utility System includes the City's water and storm water system, wastewater disposal system and gas distribution system.

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

Accrual

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

Modified Accrual

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

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

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

E. Cash and Cash Equivalents

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

F. Investments

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

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

G. Receivables

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

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 120 days comprise the trade accounts receivable allowance for uncollectibles. The property tax receivable allowance is equal to 28% percent of outstanding property taxes at the end of the fiscal year.

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

H. Inventories and prepaid items

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

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

I. Use of Estimates

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

J. Capital Assets

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

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

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

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

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

K. Restricted Assets

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

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

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

L. Accumulated Unpaid Compensated Absences

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

M. Long-term Obligations

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

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

N. Pension Plans

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

O. Fund Equity

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

P. Prior Period Adjustment

In the government-wide financial statements, the solid waste activity, which is part of the General Fund, is presented as a business-type activity. In prior fiscal years, the construction in progress balance for the solid waste activity was not reduced by the additions from completed projects to capital assets being depreciated. As a result, the balance of capital assets, and net assets, of business type activities at July 31, 2006 was overstated by \$5,227,383. The beginning balances of governmental activities and business-type activities have been restated to account for this.

Additionally, at July 31, 2006, revenue of \$290,532 was accrued in Visitor’s facility convention center services which was attributable to fiscal year ending July 31, 2007. The 2006 balances have been restated to reflect this.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Beginning net assets, as previously reported	\$ 240,040,165	\$ 619,279,271	\$ 859,319,436
Correction of solid waste capital assets	5,227,383	(5,227,383)	--
Timing difference of Visitor's facility revenue	(290,532)	--	(290,532)
Beginning net assets, as restated	<u>\$ 244,977,016</u>	<u>\$ 614,051,888</u>	<u>\$ 859,028,904</u>

	<u>Governmental Funds</u>
Beginning fund balance, as previously reported	\$ 173,330,724
Timing difference of Visitor's facility revenue	(290,532)
Beginning fund balance, as restated	<u>\$ 173,040,192</u>

2. Budget Policy and Budgetary Accounting

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

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

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

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

3. Sales Tax Revenue

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

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

4. Property Taxes

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

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

The 2006-2007 tax rates were \$0.403197 for the general fund and \$0.199175 for debt service for a total of \$0.602372 per \$100 of assessed value. Therefore, the City's tax margin of \$0.077628 per \$100 of assessed value could raise up to \$8,867,521 additional taxes each year based on the assessed value of \$11,423,096,137. The City could raise up to \$122,697,189 in additional taxes for voter approved tax supported obligations, based on the assessed valuation of \$11,423,096,137 and a debt margin of \$1.074115 calculated on 90% collections.

5. Deposits and Investments

As of July 31, 2007, the carrying amount of the City's cash and cash equivalents was \$64,478,156. 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 \$297,213 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.

the City of Corpus Christi, Texas

As of July 31, 2007, the City had the following investments:

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Federal agency coupon securities	\$ 254,965,345	\$ 254,909,966	0.753
Federal agency discount securities	4,999,272	5,082,231	0.236
Local government investment pools-term	20,000,000	20,000,000	0.715
Local government investment pools-overnight	53,708,790	53,708,790	0.003
Money market funds	4,949,903	4,949,903	0.003
Total	<u>338,623,310</u>	<u>338,650,890</u>	
Short-term investments included in cash and cash equivalents	58,658,693	58,658,693	
Total fair value	<u>\$ 279,964,617</u>	<u>\$ 279,992,197</u>	
Portfolio weighted average maturity			0.614

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

Concentration of credit risk – The City’s investment policy does not allow for an investment in any one local government investment pool in excess of five percent of the current invested balance of the local government investment pool or \$50,000,000. The maximum amount that may be invested in all local government investment pools is twenty-five (25) percent of the investment portfolio.

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

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:

\$3,287,758 to revenues and other financing sources comprised of:

- \$23,650 from Corpus Christi Public Library contributions,
- \$4,400 from United Way contributions,
- \$68,180 from the red light photo enforcement program,
- \$212,745 from excess revenues in Parks and Recreation programs,
- \$1,500 from Wal-mart contribution,
- \$10,000 from Corpus Christi Crime Stoppers, Inc,
- \$9,899 from Del Mar College and Portland Fire Department,
- \$1,902,326 from city sales tax revenues,
- \$1,000,000 from emergency calls,
- \$11,000 from Friends of Corpus Christi Libraries and Wal-Mart,
- \$4,000 from Markwest Javelina Company,
- \$24,458 from interest earnings, and
- \$15,600 from Del Mar College.

\$7,070,499 to expenditures and other financing sources comprised of:

- \$903,250 for encumbrances approved to carry forward from the end of the prior fiscal year,
- \$23,650 for digital library package,
- \$1,500 for Fire Station #13 supplies and equipment,
- \$2,200 for Janet F. Harte Public Library materials,
- \$2,200 for Greenwood Branch Library materials,
- \$136,063 for vehicles, temporary staff, and additional space for municipal court judicial office,
- \$213,094 for municipal court additional marshals, temporary staff, building security and equipment,
- \$439,644 for municipal court software and hardware technology,
- \$1,036,000 for Central Library fire panel, A/C for Ben Garza Gym, Ethel Eyerly Sr. Center, Lindale Recreation Center, street maintenance and fire station driveway,
- \$7,000 for public access equipment
- \$2,902,326 for police vehicles, new South Side Library books, ambulance remounts, solid waste trucks, parks and recreation equipment and vehicles, animal control vehicles, fire vehicles and station repairs, downtown improvements, and lease purchases and buydowns,
- \$68,180 for professional services related to the red light photo enforcement program,
- \$212,745 for repairs and replacement of HVAC systems at Ben Garza Gym and Joe Garza Recreation Center,
- \$592,500 for fire fighter salary increases,
- \$4,000 for fire department industrial fire training,
- \$15,600 for fire department online continuing education program,
- \$9,899 for fire department all terrain vehicle,
- \$10,000 for police department forensic video analysis system,
- \$11,000 for computers and books for Northwest Branch Library,
- \$405,190 for development services department reorganization,
- \$50,000 for professional services related to development services, and
- \$24,458 for a transfer to Corpus Christi Digital Community Development Corporation.

Budget variances to expenditures and transfers include the following:

Sister City expenditures were over budget by \$4,039 due to increased travel costs and overseas travel.

the City of Corpus Christi, Texas

7. Receivables

	<u>General</u>	<u>Debt Service</u>	<u>Utility System</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Unrestricted					
Accounts	\$ 5,067,177	\$ --	\$ 18,793,650	\$ 4,297,533	\$ 28,158,360
Taxes	3,372,489	1,665,973	--	5,129	5,043,591
Accrued interest	573,953	159,154	1,851,196	2,045,198	4,629,501
Intergovernmental	5,703,325	13,113	1,398,054	2,988,322	10,102,814
Mortgages and loans	--	--	--	18,429,016	18,429,016
Property leases	1,785	--	--	--	1,785
Demolition liens	2,501,799	--	--	583,559	3,085,358
Special assessments	--	--	--	548,624	548,624
Notes	--	--	1,370,095	--	1,370,095
Employees	12,937	--	981	2,340	16,258
Contract receivable	--	--	1,590,000	--	1,590,000
Miscellaneous	3,573,863	--	1,537	316,673	3,892,073
Restricted					
Accrued interest	--	--	247,286	--	247,286
Intergovernmental	--	--	--	4,349,275	4,349,275
Gross receivables	<u>20,807,328</u>	<u>1,838,240</u>	<u>25,252,799</u>	<u>33,565,669</u>	<u>81,464,036</u>
Less allowance for uncollectible	<u>(5,600,038)</u>	<u>(1,175,498)</u>	<u>(2,821,753)</u>	<u>(1,764,798)</u>	<u>(11,362,087)</u>
Net total receivables	<u>\$ 15,207,290</u>	<u>\$ 662,742</u>	<u>\$ 22,431,046</u>	<u>\$ 31,800,871</u>	<u>\$ 70,101,949</u>

The only receivables not expected to be collected within one year are \$676,047 notes receivable and \$1,590,000 contract receivable in the Utility System Fund.

8. Capital Assets

A summary of changes in the capital assets follows:

	Beginning Balance	Additions and Transfers	Retirements	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 55,665,848	\$ 22,548	\$ --	\$ 55,688,396
Construction in progress	36,424,683	(13,313,160)	--	23,111,523
Total capital assets, not being depreciated	<u>92,090,531</u>	<u>(13,290,612)</u>	<u>--</u>	<u>78,799,919</u>
Capital assets, being depreciated				
Buildings	214,055,445	104,434	--	214,159,879
Improvements	139,096,510	28,069,832	--	167,166,342
Machinery and equipment	129,728,386	12,544,469	2,226,854	140,046,001
Infrastructure	177,355,129	12,222,781	--	189,577,910
Total capital assets, being depreciated	<u>660,235,470</u>	<u>52,941,516</u>	<u>2,226,854</u>	<u>710,950,132</u>
Less accumulated depreciation for				
Buildings	49,012,505	5,062,611	--	54,075,116
Improvements	76,586,984	7,534,679	--	84,121,663
Machinery and equipment	105,001,383	8,007,058	1,952,099	111,056,342
Infrastructure	103,906,655	7,825,941	--	111,732,596
Total accumulated depreciation	<u>334,507,527</u>	<u>28,430,289</u>	<u>1,952,099</u>	<u>360,985,717</u>
Total capital assets, being depreciated, net	<u>325,727,943</u>	<u>24,511,227</u>	<u>274,755</u>	<u>349,964,415</u>
Governmental activities capital assets, net	<u>\$ 417,818,474</u>	<u>\$ 11,220,615</u>	<u>\$ 274,755</u>	<u>\$ 428,764,334</u>

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	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Business-type activities				
Capital assets, not being depreciated				
Land	\$ 33,103,352	\$ 406,596	\$ --	\$ 33,509,948
Construction in progress	126,425,387	15,292,113	261,582	141,455,918
Total capital assets, not being depreciated	<u>159,528,739</u>	<u>15,698,709</u>	<u>261,582</u>	<u>174,965,866</u>
Capital assets, being depreciated				
Buildings	86,502,627	455,456	--	86,958,083
Improvements	292,010,662	19,678,017	--	311,688,679
Machinery and equipment	40,900,266	10,381,425	10,232,518	41,049,173
Infrastructure	762,530,187	56,675,008	484,013	818,721,182
Total capital assets, being depreciated	<u>1,181,943,742</u>	<u>87,189,906</u>	<u>10,716,531</u>	<u>1,258,417,117</u>
Less: accumulated depreciation for				
Buildings	25,835,978	1,750,940	--	27,586,918
Improvements	89,721,121	12,243,022	--	101,964,143
Machinery and equipment	23,751,603	3,798,673	3,444,129	24,106,147
Infrastructure	191,506,357	14,378,119	330,964	205,553,512
Total accumulated depreciation	<u>330,815,059</u>	<u>32,170,754</u>	<u>3,775,093</u>	<u>359,210,720</u>
Total capital assets, being depreciated, net	<u>851,128,683</u>	<u>55,019,152</u>	<u>6,941,438</u>	<u>899,206,397</u>
Business-type activities capital assets, net	<u>\$ 1,010,657,422</u>	<u>\$ 70,717,861</u>	<u>\$ 7,203,020</u>	<u>\$ 1,074,172,263</u>

Discretely presented component units

Activity for the Convention and Visitors Bureau for the year ended July 31, 2007, was as follows:

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Capital assets, being depreciated				
Buildings	\$ 235,023	\$ --	\$ --	\$ 235,023
Machinery and equipment	217,660	59,271	410	276,521
Total capital assets, being depreciated	<u>452,683</u>	<u>59,271</u>	<u>410</u>	<u>511,544</u>
Less accumulated depreciation for				
Buildings	86,217	10,495	--	96,712
Machinery and equipment	188,904	22,331	--	211,235
Total accumulated depreciation	<u>275,121</u>	<u>32,826</u>	<u>--</u>	<u>307,947</u>
Total capital assets, being depreciated, net	<u>177,562</u>	<u>26,445</u>	<u>410</u>	<u>203,597</u>
Convention and Visitor's Bureau capital assets, net	<u>\$ 177,562</u>	<u>\$ 26,445</u>	<u>\$ 410</u>	<u>\$ 203,597</u>

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Depreciation expense is charged to functions as follows:

Governmental activity		Business-type activity	
General government	\$ 2,221,516	Gas	\$ 1,513,113
Police	777,015	Water	15,434,688
Fire	920,044	Wastewater	9,032,877
Emergency management	380	Airport	3,636,224
Inspections	9,792	Golf centers	218,751
Streets	10,429,150	Marina	485,252
Health	232,225	Solid waste	1,849,849
Parks and recreations	2,994,042	Total	<u>\$ 32,170,754</u>
Libraries	302,672		
Museums	165,595		
Community enrichment	22,887		
Community development	1,466,782		
Convention and visitors facilities	4,832,021		
Internal service fund	4,056,168		
Total	<u>\$ 28,430,289</u>		

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

	Project Authorization	Expenditures Through 07-31-07	Additional Funds Committed	Required Future Financing
Airport	\$ 17,375,714	\$ 11,939,282	\$ 5,436,432	\$ --
Arena	14,970	14,970	--	--
Bayfront Development	1,524,994	1,367,353	157,641	--
City Hall	2,834	--	2,834	--
Computer System	186,221	180,265	5,956	--
Convention Facility	43,207	14,970	28,237	--
Gas	2,168,818	190,646	1,978,172	--
Library	6,520,290	2,058,797	4,461,493	--
Marina Development	7,420	6,811	609	--
Museum	1,702	--	1,702	--
Packery Channel	1,379,515	1,346,154	33,361	--
Parks	3,546,672	1,087,442	2,459,230	--
Police Building	37,720	7,033	30,687	--
Public Health and Safety	232,472	133,948	98,524	--
Sanitary Landfill	36,325,525	24,061,981	12,263,544	--
Seawall	242,224	9,715	232,509	--
Stormwater	53,058,266	28,272,103	24,786,163	--
Street	90,697,715	19,938,510	70,759,205	--
Wastewater	38,192,044	18,300,994	19,891,050	--
Water	47,849,015	30,291,715	17,557,300	--
Total	<u>\$ 299,407,338</u>	<u>\$ 139,222,689</u>	<u>\$ 160,184,649</u>	<u>\$ --</u>

9. Employment Retirement Benefits

A. Retirement Systems

The City participates in funding two retirement plans: (1) all City employees, except firefighters, are provided benefits through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), one of 821 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, 2006 and for the fire fighters' pension fund is for the year ended December 31, 2006. Membership in the plans is as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>	<u>Total</u>
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	1,390	281	1,671
Current employees	<u>2,536</u>	<u>407</u>	<u>2,943</u>
Total	<u><u>3,926</u></u>	<u><u>688</u></u>	<u><u>4,614</u></u>

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

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

<u>Plan</u>	<u>Address</u>
Texas Municipal Retirement System	P.O. Box 149153 Austin, Texas 78714-9153
Fire Fighters Retirement System	American Bank Plaza 711 N. Carancahua, Suite 724 Corpus Christi, Texas 78475

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	<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, 2006 - July 8, 2007	6.00%	10.00%
July 9, 2007 - December 2007	6.00%	11.10%
City's contribution (percent of earnings)		
January 1 through July 31, 2005	14.03%	12.00%
August 1 through December 31, 2005	14.03%	12.50%
Calendar year 2006	13.99%	12.50%
January 1 through July 8, 2007	14.58%	12.50%
July 9, 2007 through December 31, 2007	14.58%	14.58%

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, 2007 are as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>	<u>Total</u>
City	\$14,035,058	\$ 3,040,260	\$17,075,318
Employees	5,865,392	2,256,965	8,122,357
Total	<u>\$19,900,450</u>	<u>\$ 5,297,225</u>	<u>\$25,197,675</u>

Annual Pension Cost and Net Pension Obligation

The City's annual pension cost of \$17,075,318 for fiscal year ended July 31, 2007, was equal to the City's required and actual contributions. Three-year trend information is as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>	<u>Total</u>
City's Annual Pension Cost (APC)			
2005	\$13,026,353	\$2,604,162	\$15,630,515
2006	\$13,452,618	\$2,913,749	\$16,366,367
2007	\$14,035,058	\$3,040,260	\$17,075,318
Percentage of APC contributed			
2005	100%	100%	N/A
2006	100%	100%	N/A
2007	100%	100%	N/A
Net Pension Obligation			
2005	\$ -	\$ -	\$ -
2006	\$ -	\$ -	\$ -
2007	\$ -	\$ -	\$ -

The latest actuarial valuation for City employees was completed as of December 31, 2006 and for Fire Fighters was completed as of December 31, 2006. The actuarial cost method and significant assumptions underlying the actuarial calculations are as follows:

	<u>City Employees</u>	<u>Fire Fighters</u>
Actuarial Cost Method	Unit Credit	Entry Age
Asset Valuation Basis	Amortization Cost	Market Value
Inflation Rate	3.5%	4%
Projected Annual Salary Increases	N/A	4%
Post Retirement Benefit Increase	N/A	N/A
Assumed Rate of Return on Investments	7%	8%
Amortization Method	Level percent of payroll, open	Level percent of payroll, open
Remaining Amortization Period	25 years	25 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 new accounting standards for postretirement benefits. The new standard will not require funding of OPEB expense, but any differences between the annual expense and the amount funded during the year would be recorded in the employer’s financial statement. The effective date for implementation of GASB 45 by the City of Corpus Christi is for fiscal year ending July 31, 2008. The City contracted with an actuarial firm to prepare an actuarial valuation of its future liabilities 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. Retirees may enroll in the City's self-funded health insurance plan (Citicare, Citicare Public Safety, and Citicare-Fire) they were participating in at the time of retirement unless otherwise stated in a plan document or collective bargaining agreement. The City provides no funding for any portion of the premiums after retirement, but recognizes that there is an implicit subsidy arising as a result of the blended rate premium. As of July 31, 2007 a total of 742 retirees and dependents were eligible to participate in the City's group health program.

Actuarial Results: Based on the combination of plans that the City offers, the present value of future benefits, assuming a 4.5% interest rate, was estimated to be \$68 million. Amortized over 30 years, the annual required contribution (ARC) is expected to be \$6.5 million. On a pay as you go basis, under the “implicit subsidy” the City is expected to provide retiree medical benefits of approximately \$1.6 million.

11. Risk Management

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

A. Insurance

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

All funds of the City participate in the program and make payments to the Liability and Employee Benefits Fund based on estimates of amounts needed to pay prior and current year claims. The estimated claims liability of \$14,518,703 at July 31, 2007, of which \$7,194,860 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 worker’s compensation claims; accordingly, no liability is reported for those claims. Changes in the fund claims liability amounts for fiscal years 2006 and 2007 were:

	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year End</u>
Fiscal Year				
2005-2006	\$ 15,047,556	\$ 22,065,034	\$ (21,622,803)	\$ 15,489,787
2006-2007	15,489,787	22,725,532	(23,696,616)	14,518,703

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

<u>Fiscal Year Ending July 31,</u>	<u>Enterprise Funds</u>	<u>Special Revenue Funds</u>
2008	\$ 1,372,302	\$ 163,500
2009	555,895	143,500
2010	296,439	--
2011	200,066	--
2012	148,847	--
2013-2027	436,465	--
Total minimum future rentals	<u>\$ 3,010,014</u>	<u>\$ 307,000</u>

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

13. Commercial Paper

On March 1, 2003, the City Council approved a \$75,000,000 commercial paper program for a term of seven years to provide interim funding of Utility System capital projects. On July 28, 2006, the City sold \$17,000,000 in commercial paper with a maturity of November 2, 2006, interest rate of 3.62%. As of July 31, 2007, there was no commercial paper outstanding. The City issued Utility System Revenue Refunding and Improvement Bonds to pay off the commercial paper on October 1, 2006. Monies were held in escrow until the commercial paper matured. The commercial paper is supported by a letter of credit with WestLB AG (formerly known as Westdeutsche Landesbank Girozentrale).

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14. Long-term obligations

The following is a summary of long-term obligation transactions of the City for the year ended July 31, 2007:

	<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	\$ 149,085,000	\$ 34,975,000	\$ (17,485,000)	\$ 166,575,000	\$ 14,545,000
Certificates of obligation	32,480,000	2,415,695	(1,970,000)	32,925,695	2,040,000
Revenue bonds	120,810,000	--	(3,780,000)	117,030,000	3,995,000
Discount on bonds payable	--	(34,387)	1,050	(33,337)	--
Premium on bonds payable	11,220,475	480,163	(1,282,450)	10,418,188	--
Deferred gain on refunding	(2,655,902)	--	413,064	(2,242,838)	--
Capital leases	6,524,617	7,591,004	(3,061,590)	11,054,031	2,561,591
Other notes payable	4,360,000	--	(360,000)	4,000,000	750,000
Total long-term debt	<u>321,824,190</u>	<u>45,427,475</u>	<u>(27,524,926)</u>	<u>339,726,739</u>	<u>23,891,591</u>
Accumulated compensated absences	<u>31,014,304</u>	<u>10,043,988</u>	<u>(8,088,591)</u>	<u>32,969,701</u>	<u>8,088,593</u>
Governmental activities Long-term liabilities	<u>\$ 352,838,494</u>	<u>\$ 55,471,463</u>	<u>\$ (35,613,517)</u>	<u>\$ 372,696,440</u>	<u>\$ 31,980,184</u>
Business-type activities					
Long-term debt					
Certificates of obligation	\$ 44,025,000	\$ 4,569,305	\$ (405,000)	\$ 48,189,305	\$ 665,000
Revenue bonds	453,850,000	78,605,000	(25,660,000)	506,795,000	27,575,000
Discount on bonds payable	(986,378)	(25,184)	137,030	(874,532)	--
Premium on bonds payable	22,312,687	2,907,990	(2,344,300)	22,876,377	--
Deferred gain on refunding	(15,985,941)	(106,204)	1,746,289	(14,345,856)	--
Capital leases	3,277,955	1,746,849	(1,324,810)	3,699,994	1,343,596
Utility notes payable	171,604,070	--	(2,703,353)	168,900,717	2,882,609
Total long-term debt	<u>678,097,393</u>	<u>87,697,756</u>	<u>(30,554,144)</u>	<u>735,241,005</u>	<u>32,466,205</u>
Landfill closure cost	13,870,989	15,694,028	(4,444,219)	25,120,798	7,417,743
Accumulated compensated absences	<u>3,860,547</u>	<u>1,881,826</u>	<u>(1,940,317)</u>	<u>3,802,056</u>	<u>1,940,318</u>
Business-type activities Long-term liabilities	<u>\$ 695,828,929</u>	<u>\$ 105,273,610</u>	<u>\$ (36,938,680)</u>	<u>\$ 764,163,859</u>	<u>\$ 41,824,266</u>

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

A. Bonds

Bonds payable at July 31, 2007 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%	\$22,120,000
\$11,340,000 2001-A General Improvement Refunding Bonds due in annual installments of \$3,130,000 on March 1, 2008 and \$120,000 to \$135,000 March 1, 2009 through March 1, 2012, interest at 5.00%.	3,630,000
\$22,575,000 2003 General Improvement Refunding Bonds due in annual installments of \$725,000 to \$3,760,000 through March 1, 2015, except 2011-2012 in which no payments are due, interest at 3.25% to 5.00%.	9,670,000
\$25,640,000 2004 General Improvement Refunding Bonds due in annual installments of \$165,000 to \$8,900,000 through March 1, 2012 with interest at 5.00%	10,375,000
\$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%.	85,805,000
\$3,830,000 2007 General Improvement due in annual installments of \$160,000 to \$310,000 through September 1, 2026, Interest at 3.75% to 4.00%.	3,830,000
\$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%.	<u>31,145,000</u>
Total General Improvement Bonds	<u>166,575,000</u>

Certificates of Obligation

\$4,400,000 1996 Combination Tax and Texas State Aquarium Revenue Certificates of Obligation due in annual installments of \$225,000 to \$250,000 through March 1, 2010, interest at 4.85% to 5.15%.	725,000
\$13,870,000 2000 Combination Tax and Revenue Certificates of Obligation due in annual installments of \$595,000 to \$715,000 through March 1, 2011, interest at 4.5% to 4.85%.	2,665,000
\$31,545,000 2002 Combination Tax and Municipal Hotel Occupancy Tax Revenue Certificates of Obligation due in annual installments of \$1,150,000 to \$2,430,000 through September 1, 2022, including \$3,600,000 in 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%	27,120,000
34.58% of \$6,985,000 2007 Certificate of Obligation, Texas Military Preparedness Commission, due in annual installments of \$290,000 to \$565,000 from September 1, 2010 through September 1, 2026, interest at 4.00% to 4.375%.	<u>2,415,695</u>
Total Certificates of Obligation	<u>32,925,695</u>

Revenue Bonds

<p>\$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 term 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%.</p>	<p>40,080,000</p>
<p>\$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%.</p>	<p>44,930,000</p>
<p>\$2,500,000 2003 North Padre Island Development Corporation Tax Increment Contract Revenue Bonds due in annual installments of \$100,000 to \$400,000 from September 15, 2013, through September 15, 2022, interest at 7.50%.</p>	<p>2,500,000</p>
<p>\$2,500,000 2003-A North Padre Island Development Corporation Tax Increment Contract Revenue Bonds due in annual installments of \$100,000 to \$400,000 September 15, 2013 through September 15, 2022, interest at 7.25%.</p>	<p>2,500,000</p>
<p>\$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%.</p>	<p>20,020,000</p>
<p>\$4,100,000 2004 North Padre Island Development Corporation Tax Increment Contract Revenue Bonds due in annual installments of \$100,000 to \$600,000 from September 15, 2010, through September 15, 2022, interest at 7.40%</p>	<p>4,100,000</p>
<p>\$2,900,000 2006 North Padre Island Development Corporation Tax Increment Contract Revenue Bonds due in annual installments of \$100,000 to \$300,000 from September 15, 2011, through September 15, 2022, interest at 7.45%</p>	<p><u>2,900,000</u></p>
<p>Total Revenue Bonds</p>	<p><u>117,030,000</u></p>
<p>Total Governmental Activities</p>	<p><u>\$316,530,695</u></p>

Business-type activities

Certificates of Obligation

<p>\$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%.</p>	<p>\$6,150,000</p>
<p>\$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 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%</p>	<p>14,520,000</p>

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\$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%	4,345,000
\$18,605,000 2006 Combination Tax and Solid Waste Revenue Certificates of Obligation due in annual installments of \$350,000 to \$660,000 from March 1, 2009 through March 1, 2024, including \$3,800,000 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 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%	18,605,000
65.42% of \$6,985,000 2007 Certificate of Obligation, Texas Military Preparedness Commission, due in annual installments of \$290,000 to \$565,000 from September 1, 2010 through September 1, 2026, interest at 4.00% to 4.375%.	<u>4,569,305</u>
Total Certificates of Obligation - Business Type Activities	<u>48,189,305</u>
Revenue Bonds	
\$118,195,000 1997 Nueces River Authority Water Supply Facilities Revenue Bonds due in annual installments of \$2,710,000 to \$3,020,000 through July 15, 2009 interest at 5.125% to 6.00%.	5,890,000
\$8,970,000 1997-A Lavaca-Navidad River Authority Water Supply Facilities Revenue Bonds due in annual installments of \$430,000 to \$470,000 through July 15, 2009, Interest at 4.90% to 5.125%.	920,000
\$47,740,000 1999 Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$725,000 to \$3,505,000 through July 15, 2017, including \$5,810,000 in July 15, 2019 term bonds with annual mandatory redemptions of \$2,835,000 and \$2,978,000 July 15, 2018 and July 15, 2019, interest at 4.25% to 5.25%	11,545,000
\$15,750,000 1999-A Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$700,000 to \$1,100,000 due July 15, 2019, interest at 3.25% to 4.10%.	10,825,000
\$34,740,000 2000 Utility System Revenue Refunding Bonds due in annual installments of \$4,295,000 to \$6,045,000 though July 15, 2010, interest at 5.50%	15,355,000
\$42,520,000 2000-A Utility System Revenue Refunding Bonds due in annual installments of \$1,675,000 to \$2,060,000 through July 15, 2011, interest at 4.80% to 5.75%.	7,650,000
\$13,010,000 2000-A General Airport Revenue Bonds due in annual installments of \$455,000 to \$885,000 through February 15, 2020 including \$2,375,000 in February 15, 2023 term bonds with annual mandatory redemptions of \$450,000 to \$990,000 from February 15, 2021 to February 15, 2023, interest at 4.90% to 5.625%.	10,930,000
\$9,640,000 2000-B General Airport Revenue Bonds February 15, 2030 term bonds with annual mandatory redemptions of \$590,000 to \$1,505,000 from February 15, 2023 through February 15, 2030, interest at 5.375%.	9,640,000
\$92,330,000 2002 Utility System Revenue Refunding and Improvement Bonds due in annual installments of \$3,455,000 to \$6,960,000 through July 15, 2022, interest at 3.50% to 5.25%	47,090,000

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\$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%	25,075,000
\$4,475,000 2003 Nueces River Authority Water Supply Revenue Refunding Bonds due in annual installments of \$890,000 to \$945,000 through April 1, 2009, interest at 2.85%	1,860,000
\$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%.	45,155,000
\$70,390,000 2005 Utility Revenue Refunding Bonds due in annual installments of \$2,200,000 to \$10,965,000 through July 15, 2020, interest at 3.00% to 5.25%	70,185,000
\$94,575,000 2005 Nueces River Authority Water Supply Facilities Revenue Refunding Bonds due in annual installments of \$100,000 to \$7,545,000 though March 1, 2027, interest at 3.00% to 5.25%	92,685,000
\$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%	5,095,000
\$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%	64,300,000
\$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%.	<u>82,595,000</u>
Total Revenue Bonds - Business Type Activities	<u>506,795,000</u>
Total Business-type Activities	<u>\$554,984,305</u>

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The annual requirements to amortize all bonded debt outstanding as of July 31, 2007 are as follows:

<u>Fiscal Year Ending July 31</u>	<u>Governmental Activities</u>			
	<u>General Obligation Bonds</u>		<u>Certificates of Obligation</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 14,545,000	\$ 7,854,814	\$ 2,040,000	\$ 1,555,958
2009	9,230,000	7,219,506	2,040,000	1,421,032
2010	9,280,000	6,823,719	2,315,000	1,438,638
2011	9,245,000	6,413,056	2,145,294	1,294,224
2012	8,835,000	5,964,306	1,483,752	1,203,926
2013-2017	45,650,000	23,170,356	8,494,658	4,947,254
2018-2022	44,185,000	12,209,362	11,081,265	2,364,103
2023-2027	25,605,000	3,005,901	3,325,727	161,700
Total	<u>\$ 166,575,000</u>	<u>\$ 72,661,020</u>	<u>\$ 32,925,696</u>	<u>\$ 14,386,835</u>

<u>Fiscal Year Ending July 31</u>	<u>Governmental Activities</u>	
	<u>Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2008	\$ 3,995,000	\$ 5,872,311
2009	4,220,000	5,743,211
2010	4,460,000	5,596,717
2011	5,120,000	5,415,752
2012	5,510,000	5,189,924
2013-2017	32,605,000	21,299,037
2018-2022	33,870,000	12,025,104
2023-2027	27,250,000	3,003,163
Total	<u>\$ 117,030,000</u>	<u>\$ 64,145,219</u>

<u>Fiscal Year Ending July 31</u>	<u>Business-Type Activities</u>			
	<u>Certificates of Obligation</u>		<u>Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 665,000	\$ 2,135,844	\$ 27,575,000	\$ 24,520,924
2009	1,040,000	2,123,089	28,835,000	23,291,021
2010	1,080,000	2,086,402	29,095,000	22,059,756
2011	929,706	1,629,549	25,515,000	20,736,719
2012	1,736,248	2,406,230	26,635,000	19,616,371
2013-2017	7,660,342	9,102,030	141,160,000	78,255,037
2018-2022	9,468,736	7,314,655	138,965,000	42,673,903
2023-2027	9,809,273	5,029,107	84,730,000	12,053,193
2028-2032	7,490,000	3,071,375	4,285,000	468,701
2033-2037	8,310,000	1,043,750	--	--
Total	<u>\$ 48,189,305</u>	<u>\$ 35,942,031</u>	<u>\$ 506,795,000</u>	<u>\$ 243,675,625</u>

\$987,305 was retained by the Trustee out of the proceeds of the Nueces River Authority Water Supply Revenue Bonds to pay the maximum amount of principal and interest of all outstanding bonds in any fiscal year.

\$11,622,271 is available in the Debt Service Fund to service general obligation bonds. There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.

The City also may be contingently liable for rebates to the Federal government associated with interest earned on proceeds of tax exempt bonds issued. Based on regulations of the Tax Reform Act of 1986, the rebate would not be made until five years from the bond issuance date and may be liquidated through lower interest earnings in future years. For the fiscal year ended July 31, 2007, the City has recorded arbitrage liability of \$138,003 in the business-type activities.

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, and Fire Department; a building and improvements for the Emergency Operations Center and Development Services Department; golf carts for the Park and Recreation Department; and computer and connectivity equipment for 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, 2007.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Land	\$ 66,359	\$ --
Building	1,260,821	--
Machinery and equipment	8,110,291	7,252,918
Less accumulated depreciation	(3,035,574)	(3,656,695)
Total	<u>\$ 6,401,897</u>	<u>\$ 3,596,223</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, 2007:

<u>Fiscal Year Ending July 31</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2008	\$ 2,957,902	\$ 1,445,727
2009	2,518,319	1,081,717
2010	2,214,966	608,817
2011	1,409,128	472,926
2012	1,103,131	327,179
2013-2017	1,891,405	--
2018-2022	580,867	--
Total minimum lease payments	<u>12,675,718</u>	<u>3,936,366</u>
Less amount representing interest	1,621,687	236,372
Present value of minimum lease payments	<u>\$ 11,054,031</u>	<u>\$ 3,699,994</u>

C. Other Notes Payable

Other notes payable as of July 31, 2007 are as follows:

4.5% State Infrastructure Loan, payable in annual principal installments of \$750,000 to \$2,000,00 plus semi-annual interest through January 4, 2010. \$ 4,000,000

The annual requirements to amortize the notes outstanding as of July 31, 2007 are as follows:

<u>Fiscal Year Ending July 31,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2008	\$ 750,000	\$ 180,000
2009	2,000,000	146,250
2010	1,250,000	56,250
Total	<u>\$ 4,000,000</u>	<u>\$ 382,500</u>

D. Utility System Notes Payable

The Utility System notes payable of \$168,900,717 consists of \$67,610,099 related to an agreement with the Bureau of Reclamation for water rights and recreational facilities at Choke Canyon Dam and \$101,290,618 which represents the present value of an agreement with the Lavaca Navidad River Authority for water rights from Lake Texana.

Choke Canyon Dam

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

The dam site will remain the property of the Bureau although the City and Authority have the right, in perpetuity, to impound 80% and 20% respectively, of the water in the Project's reservoir. Pursuant to a separate agreement between the City and the Authority, the City, in exchange for certain services, will pay the Authority \$100,000 per calendar year plus additional sums for water used as specified in the agreement. The Bureau also constructed recreation and fish and wildlife facilities. At July 31, 2007, the City's share of the liability of the reservoir and related facilities including interest, totaled \$121,310,950 and is payable over a 37 year period at an interest rate of 5.116%.

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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
2008	\$ 1,536,231	\$ 3,458,932
2009	1,614,825	3,380,338
2010	1,697,439	3,297,724
2011	1,784,280	3,210,883
2012	1,875,563	3,119,600
2013-2017	10,919,150	14,056,665
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>\$67,610,099</u>	<u>\$53,700,851</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 \$101,290,618 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, 2007:

Fiscal Year Ending July 31,	Principal	Interest
2008	\$ 1,346,378	\$ 3,545,172
2009	1,455,848	3,498,048
2010	1,570,501	3,447,094
2011	1,690,550	3,392,126
2012	1,816,213	3,332,957
2013-2017	11,178,885	15,615,977
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>\$ 101,290,618</u>	<u>\$ 64,340,976</u>

E. Closure and Post-closure Care Costs

State and Federal laws and regulations require the City to place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an accrued liability has been recognized based on the future closure and post-closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The amount of the liability is based on what it would cost to have all such closure and post-closure care performed in the current year, and is assigned to periods based on cumulative landfill use. The estimated liability for landfill closure and post-closure costs recorded in the business-type activities at July 31, 2007, is \$25,120,798 based on the use of 99.0 percent of the estimated capacity of the landfill. Because of the eminent closure of the landfill, the estimates were updated, adjusting the liability by \$15,694,028. The City did cease accepting waste for disposal at the JC Elliott Landfill on November 10, 2007, and began full-time waste operations at Cefe Valenzuela Landfill. The estimated remaining total current cost of the landfill closure and post-closure care of \$25,374,543 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of July 31, 2007. The current portion of this amount is \$7,417,743, of which the majority is related to the costs for the final cap. 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.

15. Defeased Debt

In prior years, the City defeased certain general obligation and other bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liabilities for the defeased bonds are not included in the City's financial statements. On July 31, 2007, \$102,600,000 of bonds outstanding were considered defeased.

16. Interfund Transfers, Receivables and Payables

Interfund transfers for the year ended July 31, 2007, are as follows:

	Transfers Out					Total
	General	Non-major Governmental	Utility System Fund	Non-major Proprietary	Internal Service	
Transfers In:						
General	\$ -	\$ 363,443	\$ 3,547,845	\$ 712,434	\$ -	\$ 4,623,722
Debt service	3,830,940	2,507,448	1,193,334	634,361	378,972	8,545,055
Non-major government	744,920	-	-	-	117,800	862,720
Internal Service	829,494	-	1,126,000	-	-	1,955,494
Total	\$ 5,405,354	\$ 2,870,891	\$ 5,867,179	\$ 1,346,795	\$ 496,772	\$ 15,986,991

During the year various interfund transfers were made to finance expenditures and service debt. The \$5,405,354 General Fund transfers out includes transfers of \$3,830,940 for payment of debt service, \$829,494 for capital equipment and improvements, and \$744,920 to the Federal/State Grants Fund as matching grants.

The General Fund received transfers in of \$4,623,722 for administrative service charges.

The Debt Service Fund received transfers in of \$8,545,055 from the various funds (including the General Fund) for payment of debt service principal and interest and to establish debt service reserves.

Additional transfers were made between the various other funds consisting of \$1,126,000 from the Utility System Fund to the Maintenance Service Fund for acquisition of capital assets, surplus funds of \$55,000 from the Maintenance Services Fund to the Visitors Facilities Fund, and \$62,800 from Liability and Employee Benefits Fund to the Visitors Facilities Fund for payment of self-insurance claims.

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 \$18,394,551 net expenses of the solid waste activity is accounted for as a transfer from governmental activities in the statement of activities.

Interfund advances for the year ended July 31, 2007, are as follows:

<u>To</u>	<u>From</u>	<u>Amount</u>
General Fund	Utility System Fund	\$64,600

Interfund receivables and payables at July 31, 2007, are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Governmental funds		
General fund	\$ 234,642	\$ 300,386
Other non-major governmental funds	223,117	22,007
Total governmental	<u>457,759</u>	<u>322,393</u>
Enterprise funds		
Utility system fund	4,496	275,312
Other non-major enterprise funds	44,657	493,038
Total enterprise funds	<u>49,153</u>	<u>768,350</u>
Internal service funds	600,388	16,557
Total	<u>\$ 1,107,300</u>	<u>\$ 1,107,300</u>

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

17. Fund Deficits

At fiscal year end, the Visitors Facilities Fund had an accumulated deficit of \$2,173,173, which represents an increase in the deficit by \$603,387 for fiscal year 2006-2007. This was the second full year of operations subsequent to the renovations to the Convention Center and the construction of a new Arena. Though the fund experienced a net decrease in fund balance this year, the decrease was less than in the prior year. The fiscal year 2007-2008 budget addresses a portion of the current deficit, and additional funding sources are being considered.

18. Conduit Debt Obligations

The Corpus Christi Housing Finance Corporation (CCHFC), Corpus Christi Industrial Development Corporation (CCIDC), and the Coastal Bend Health Facilities Development Corporation are public non-profit corporations created by the City under State law to facilitate financing of authorized projects. These entities issued bonds to unrelated commercial entities. As of July 31, 2007, there were nine series of bonds outstanding with an aggregate principal amount payable of \$172,643,546. The bonds are not liabilities of the City or the respective corporations and are solely payable from revenues of the various commercial entities.

19. Segment Information for Enterprise Funds

The City issued revenue bonds to finance certain improvements to its utility system, 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, 2007, is as follows:

	<u>Airport Fund</u>	<u>Marina Fund</u>
Current assets, excluding restricted assets	\$ 10,694,014	\$ 1,068,173
Restricted assets	3,240,098	70,460
Capital assets	92,597,423	10,102,077
Other assets	532,747	73,930
Total assets	<u>107,064,282</u>	<u>11,314,640</u>
Current liabilities	5,652,823	1,146,581
Long-term liabilities	19,732,398	4,245,759
Total liabilities	<u>25,385,221</u>	<u>5,392,340</u>
Net assets		
Invested in capital assets, net of related debt	73,015,934	5,831,071
Restricted	3,240,098	38,672
Unrestricted	5,423,029	52,557
Net assets	<u>\$ 81,679,061</u>	<u>\$ 5,922,300</u>
Operating revenue	\$ 8,007,780	\$ 1,324,704
Depreciation	(3,636,224)	(485,252)
Other operating expenses	(6,549,456)	(1,047,427)
Operating loss	<u>(2,177,900)</u>	<u>(207,975)</u>
Nonoperating income (expense)	1,036,520	(41,503)
Capital contributions	9,842,945	519,000
Transfers	(842,168)	(304,627)
Net income (loss)	<u>7,859,397</u>	<u>(35,105)</u>
Net assets beginning of year	73,819,664	5,957,405
Net assets end of year	<u>\$ 81,679,061</u>	<u>\$ 5,922,300</u>
Net cash flow provided by (used for)		
Operating activities	\$ 1,803,631	\$ 305,264
Noncapital financing activities	(809,577)	(769,671)
Capital and related financing activities	1,872,979	(3,328,500)
Investment activities	(3,917,262)	3,124,997
Beginning cash and cash equivalents	5,919,059	1,150,958
Ending cash and cash equivalents	<u>\$ 4,868,830</u>	<u>\$ 483,048</u>

**REQUIRED SUPPLEMENTARY INFORMATION
EMPLOYMENT RETIREMENT BENEFITS – ANALYSIS OF FUNDING PROGRESS
FOR YEAR ENDED JULY 31, 2007**

Valuation Date December 31	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Percentage of Unfunded Actuarial Accrued Liability to Covered Payroll Ratio
Texas Municipal Retirement System						
2004	\$ 238,411,240	\$ 345,611,506	69.0%	\$ 107,200,266	\$ 93,924,652	114.1%
2005	235,856,593	350,376,189	67.3%	114,519,596	91,595,006	125.0%
2006	236,329,255	360,090,781	65.6%	123,761,526	97,756,667	126.6%
Fire Fighters Retirement System						
2002	\$ 78,135,835	\$ 120,879,630	64.6%	\$ 42,743,795	\$ 20,272,430	210.8%
2004	87,250,141	126,998,434	68.7%	39,748,293	22,338,760	177.9%
2006	92,448,683	134,669,650	68.6%	42,220,967	21,946,798	192.4%

*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.



City of
Corpus
Christi

**GENERAL FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
ASSETS		
Cash and cash equivalents	\$ 2,927,313	\$ 6,491,049
Investments	24,499,372	15,464,454
Receivables		
Accounts	5,067,177	6,288,335
Taxes	3,372,489	3,382,375
Accrued interest	573,953	278,697
Demolition liens	2,501,799	2,418,514
Property leases	1,785	3,758
Employees	12,937	5,970
Intergovernmental	5,703,325	6,307,509
Miscellaneous	3,573,863	598,557
Allowance for uncollectibles	(5,600,038)	(5,660,689)
Net receivables	<u>15,207,290</u>	<u>13,623,026</u>
Due from other funds	234,642	1,598,182
Inventories	397,647	238,732
Prepaid items	<u>270,236</u>	<u>--</u>
Total assets	<u>\$ 43,536,500</u>	<u>\$ 37,415,443</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 3,404,296	\$ 3,146,660
Accrued liabilities	4,973,372	4,446,047
Deposits	521,146	497,180
Liability to claimants - escheat property	218,332	285,943
Due to other funds	300,386	448,361
Due to other governmental agencies	326,142	270,306
Advance from other funds	64,600	94,600
Deferred revenues		
Taxes	992,885	945,297
Other	308,737	268,571
Total liabilities	<u>11,109,896</u>	<u>10,402,965</u>
Fund balance		
Reserved for encumbrances	2,825,607	1,138,248
Reserved for inventory	397,647	238,732
Reserved for prepaid items	269,160	--
Reserved for Municipal Court building security	--	184,272
Reserved for Municipal Court technology	342,642	589,084
Reserved for government access equipment	11,959	11,959
Reserved for public access equipment and facility	3,500	7,000
Reserved for 9-1-1 wireless system	107,106	107,106
Reserved for capital replacement - radio system	30,000	30,000
Reserved for Judicial/Court improvements	62,480	167,478
Reserved for firefighters training	4,000	4,000
Unreserved		
Designated for subsequent year's expenditures	493,361	445,159
Designated for negotiated pay	--	592,500
Undesignated	<u>27,879,142</u>	<u>23,496,940</u>
Total fund balance	<u>32,426,604</u>	<u>27,012,478</u>
Total liabilities and fund balance	<u>\$ 43,536,500</u>	<u>\$ 37,415,443</u>

the City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	<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	\$ 43,896,097	\$ 43,896,097	\$ 43,481,986	\$ --
Ad valorem taxes - delinquent	1,256,441	1,256,441	1,147,978	--
Penalties and interest	798,659	798,659	910,821	--
Industrial District - in lieu of taxes	6,014,877	6,014,877	5,899,224	--
Affordable Housing - in lieu of taxes	--	--	--	--
Housing Authority - in lieu of taxes	10,000	10,000	10,027	--
Total general property taxes	<u>51,976,074</u>	<u>51,976,074</u>	<u>51,450,036</u>	<u>--</u>
City sales tax	<u>39,682,014</u>	<u>41,584,340</u>	<u>42,082,398</u>	<u>--</u>
Liquor drink tax	<u>885,350</u>	<u>885,350</u>	<u>926,518</u>	<u>--</u>
Bingo tax	<u>301,000</u>	<u>301,000</u>	<u>302,733</u>	<u>--</u>
Business fees				
Electric franchise	9,579,000	9,579,000	9,263,025	--
Electric franchise - Nueces Co-op	157,500	157,500	199,583	--
Telecommunications fees	3,890,644	3,890,644	4,423,114	--
CATV franchise	2,220,400	2,220,400	2,806,430	--
Taxicab franchise	42,400	42,400	45,595	--
AT&T right of way lease fee	1,200	1,200	1,200	--
Total business fees	<u>15,891,144</u>	<u>15,891,144</u>	<u>16,738,947</u>	<u>--</u>
Total taxes and business fees	<u>108,735,582</u>	<u>110,637,908</u>	<u>111,500,632</u>	<u>--</u>
Licenses and permits				
Amusement licenses	19,500	19,500	18,649	--
Technology fee	22,500	22,500	24,763	--
Pipeline - application fee	--	--	--	--
Pipeline - license fee	--	--	37,064	--
Pipeline license agreement	450,000	450,000	450,000	--
Beer and liquor licenses	84,000	84,000	102,642	--
Electricians licenses and exam fees	35,500	35,500	40,971	--
Auto wrecker permits	17,250	17,250	15,742	--
Taxi driver permits	3,000	3,000	3,150	--
Dance hall permits	2,000	2,000	50	--
House mover licenses	300	300	399	--
Forfeited house mover deposits	--	--	--	--
Other business licenses	25,000	25,000	16,818	--
Tax incentive application fees	--	--	10,000	--
Building permits	850,000	850,000	974,172	--
Electrical permits	415,000	415,000	496,319	--
Plumbing permits	332,000	332,000	355,494	--
Mechanical permits	320,000	320,000	375,583	--
Certificate of occupancy fees	21,000	21,000	22,260	--
Plan review fees	101,000	101,000	125,928	--
Mechanical registration fees	12,000	12,000	14,193	--
Driveway permit fees	6,000	6,000	8,400	--
Occupancy of public R-O-W	53,000	53,000	28,020	--
Street easement closure fees	62,000	62,000	24,318	--
(continued)				

the City of Corpus Christi, Texas

Exhibit 6-B

2007 Actual Budget Basis	Variance Final Budget Positive (Negative)	2006 Actual Budget Basis
\$ 43,481,986	\$ (414,111)	\$ 42,735,328
1,147,978	(108,463)	1,171,216
910,821	112,162	974,915
5,899,224	(115,653)	5,839,686
--	--	27,400
10,027	27	9,013
<u>51,450,036</u>	<u>(526,038)</u>	<u>50,757,558</u>
<u>42,082,398</u>	<u>498,058</u>	<u>39,442,670</u>
<u>926,518</u>	<u>41,168</u>	<u>866,351</u>
<u>302,733</u>	<u>1,733</u>	<u>302,647</u>
9,263,025	(315,975)	9,382,078
199,583	42,083	161,032
4,423,114	532,470	4,776,237
2,806,430	586,030	2,205,190
45,595	3,195	43,850
1,200	--	1,200
<u>16,738,947</u>	<u>847,803</u>	<u>16,569,587</u>
<u>111,500,632</u>	<u>862,724</u>	<u>107,938,813</u>
18,649	(851)	18,274
24,763	2,263	29,365
--	--	9,000
37,064	37,064	36,664
450,000	--	453,000
102,642	18,642	96,337
40,971	5,471	37,885
15,742	(1,508)	16,988
3,150	150	3,560
50	(1,950)	3,750
399	99	266
--	--	6,500
16,818	(8,182)	23,272
10,000	10,000	--
974,172	124,172	1,109,509
496,319	81,319	456,861
355,494	23,494	417,860
375,583	55,583	353,949
22,260	1,260	22,523
125,928	24,928	135,711
14,193	2,193	13,340
8,400	2,400	6,928
28,020	(24,980)	43,777
24,318	(37,682)	83,651

the City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Licenses and permits (continued)				
Landscape fees	4,000	4,000	7,560	--
Research and survey fees	6,800	6,800	5,174	--
Construction document fees	7,000	7,000	3,320	--
Billboard fees	14,237	14,237	12,206	--
House moving route permits	600	600	1,900	--
Oversized load permits	1,800	1,800	124,546	--
Street blockage permits	500	500	440	--
Energy code permit	45,000	45,000	97,887	--
Banner permits	500	500	400	--
Special event permits	1,000	1,000	1,625	--
Total licenses and permits	<u>2,912,487</u>	<u>2,912,487</u>	<u>3,399,993</u>	<u>--</u>
Grants				
Equal Employment Opportunity Commission	60,700	60,700	77,043	--
Federal Emergency Management Assistance	64,000	64,000	64,482	--
Disaster Relief - Hurricane Katrina	--	--	--	--
Disaster Relief - Hurricane Rita	--	--	--	--
Sexual Assault Exam	93,349	93,349	117,808	--
HUD Fair Housing Assessment	30,700	30,700	115,000	--
General Land Office - beach cleaning	50,000	50,000	123,187	--
Total grants	<u>298,749</u>	<u>298,749</u>	<u>497,520</u>	<u>--</u>
Charges for services				
General governmental services				
Zoning fees	93,000	93,000	75,787	--
Platting fees	96,000	96,000	78,028	--
Board of Adjustment appeal fees	6,400	6,400	4,286	--
Attorney fees - demolition liens	14,580	14,580	18,240	--
CC Citizen University fees	--	--	--	--
Sale of City publications	600	600	1,577	--
Blueprint sales and GIS sales	1,500	1,500	621	--
Candidate filing fees	1,000	1,000	2,000	--
Nonprofit registration fees	1,660	1,660	1,140	--
Dog track admission fees	6,800	6,800	7,828	--
Total general governmental services	<u>221,540</u>	<u>221,540</u>	<u>189,507</u>	<u>--</u>
Police				
Police towing and storage charges	753,000	753,000	821,535	--
Police impound certified mail recovery	69,000	69,000	66,020	--
Police accident reports	80,000	80,000	64,818	--
Proceeds from auction	492,000	492,000	541,767	--
Parking meter collections	154,212	154,212	152,344	--
Photo redlight enforcement	--	68,180	16,850	--
Police open record request	18,500	18,500	3,558	--
Police subpoenas	925	925	775	--
Fingerprinting fees	5,244	5,244	5,084	--
Customs/FBI	30,000	30,000	102,940	--

(Continued)

the City of Corpus Christi, Texas

**Exhibit 6-B
(Continued)**

2007 Actual Budget Basis	Variance Final Budget Positive (Negative)	2006 Actual Budget Basis
7,560	3,560	5,652
5,174	(1,626)	7,962
3,320	(3,680)	4,661
12,206	(2,031)	13,415
1,900	1,300	1,235
124,546	122,746	1,600
440	(60)	760
97,887	52,887	75,911
400	(100)	350
1,625	625	3,100
<u>3,399,993</u>	<u>487,506</u>	<u>3,493,616</u>
77,043	16,343	30,400
64,482	482	59,706
--	--	2,021,101
--	--	77,519
117,808	24,459	94,556
115,000	84,300	123,700
123,187	73,187	55,772
<u>497,520</u>	<u>198,771</u>	<u>2,462,754</u>
75,787	(17,213)	90,160
78,028	(17,972)	103,137
4,286	(2,114)	3,710
18,240	3,660	19,780
--	--	870
1,577	977	2,920
621	(879)	989
2,000	1,000	--
1,140	(520)	1,270
7,828	1,028	7,570
<u>189,507</u>	<u>(32,033)</u>	<u>230,406</u>
821,535	68,535	784,317
66,020	(2,980)	38,434
64,818	(15,182)	73,182
541,767	49,767	411,363
152,344	(1,868)	143,642
16,850	(51,330)	--
3,558	(14,942)	5,819
775	(150)	965
5,084	(160)	7,403
102,940	72,940	42,339

the City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Police (continued)				
Office of Justice Award	--	--	12,608	--
Police Security Services	51,570	51,570	88,284	--
DWI Video Taping	--	--	884	--
Alarm system permits and services	650,000	650,000	487,459	--
800 MHz radio	179,620	179,621	187,522	--
9-1-1 wireless service fees	951,720	951,720	1,097,284	--
9-1-1 wireline service fees	1,663,296	1,663,296	1,131,451	--
Police C.A.D. calls	500	500	74	--
Restitution	--	--	5,063	--
CCISD-DARE	162,036	162,036	78,500	--
School crossing guard program	85,083	85,083	77,524	--
Nueces county - Metrocom	861,901	861,901	988,527	--
Kingsville Police Dept - CAD/RMS	--	--	15,000	--
Child safety fees	--	--	--	--
Total police	<u>6,208,607</u>	<u>6,276,788</u>	<u>5,945,871</u>	<u>--</u>
Fire				
Fire prevention permits	185,300	185,300	212,377	--
Hazmat response calls	15,000	15,000	7,969	--
Emergency management alert system fees	--	--	11,606	--
Pipeline reporting administrative fees	31,000	31,000	32,100	--
Total fire	<u>231,300</u>	<u>231,300</u>	<u>264,052</u>	<u>--</u>
Ambulance				
Emergency calls	3,500,000	4,500,000	4,890,078	--
Interlocal Agreement - Port Aransas	--	--	10,000	--
Nueces Co OCL charges	60,000	60,000	32,019	--
Ambulance permits	3,700	3,700	3,750	--
Total Ambulance	<u>3,563,700</u>	<u>4,563,700</u>	<u>4,935,847</u>	<u>--</u>
Streets				
RTA - street services contribution	1,045,853	1,045,853	1,073,609	--
Speed humps	--	--	3,412	--
State of Texas - expressway lighting	229,680	229,680	197,001	--
Subdivision street lighting participation	134,000	134,000	189,396	--
Total streets	<u>1,409,533</u>	<u>1,409,533</u>	<u>1,463,418</u>	<u>--</u>
Solid waste services				
Residential refuse collection fees	12,983,636	12,983,636	12,882,495	--
Commercial and industrial refuse collection fees	1,553,597	1,553,597	1,598,798	--
Municipal solid waste system service charge (MSWSSC)	2,533,627	2,533,627	2,531,257	--
Refuse disposal charges	10,033,817	10,033,817	9,211,095	--
Disposal charges - landfill project	--	--	3,685	--
Refuse collection permits	20,000	20,000	21,508	--
Special debris pickup	303,000	303,000	238,442	--
Brush fees	24,800	24,800	39,093	--
Recycling	50,000	50,000	49,923	--
Recycling containers	40,500	40,500	52,135	--
Unsecured load charge	36	36	13,089	--
Total solid waste services	<u>27,543,013</u>	<u>27,543,013</u>	<u>26,641,520</u>	<u>--</u>

(Continued)

the City of Corpus Christi, Texas

**Exhibit 6-B
(Continued)**

2007 Actual Budget Basis	Variance Final Budget Positive (Negative)	2006 Actual Budget Basis
12,608	12,608	--
88,284	36,714	44,138
884	884	1,062
487,459	(162,541)	502,747
187,522	7,901	178,533
1,097,284	145,564	1,005,617
1,131,451	(531,845)	1,216,098
74	(426)	232
5,063	5,063	860
78,500	(83,536)	169,706
77,524	(7,559)	75,733
988,527	126,626	1,272,061
15,000	15,000	--
--	--	--
<u>5,945,871</u>	<u>(330,917)</u>	<u>5,974,251</u>
212,377	27,077	193,092
7,969	(7,031)	36,316
11,606	11,606	4,452
32,100	1,100	36,900
<u>264,052</u>	<u>32,752</u>	<u>270,760</u>
4,890,078	390,078	3,927,430
10,000	10,000	--
32,019	(27,981)	69,737
3,750	50	4,389
<u>4,935,847</u>	<u>372,147</u>	<u>4,001,556</u>
1,073,609	27,756	1,051,730
3,412	3,412	7,876
197,001	(32,679)	201,198
189,396	55,396	195,480
<u>1,463,418</u>	<u>53,885</u>	<u>1,456,284</u>
12,882,495	(101,141)	12,379,693
1,598,798	45,201	1,508,399
2,531,257	(2,370)	1,986,343
9,211,095	(822,722)	7,942,373
3,685	3,685	--
21,508	1,508	21,169
238,442	(64,558)	246,654
39,093	14,293	43,789
49,923	(77)	22,123
52,135	11,635	36,940
13,089	13,053	46
<u>26,641,520</u>	<u>(901,493)</u>	<u>24,187,529</u>

the City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	Budget		Actual GAAP Basis	Adjustments Budget Basis
	Original	Final		
Health services				
Food service permits	842,150	842,150	640,295	--
Vital statistics fees	530,000	530,000	520,100	--
Nueces County - health administration	90,633	90,633	67,686	--
Swimming pool inspection fees	54,300	54,300	35,850	--
Private sewage inspection fees	10,000	10,000	15,147	--
Pound fee and handling charges	52,440	52,440	51,768	--
Pet licenses	85,500	85,500	73,885	--
Pest control services	9,383	9,383	13,778	--
Adopt a kennel fees	--	--	75	--
Microchipping fee	--	--	226	--
Lab shipping fees	2,033	2,033	876	--
Child care facilities fees	7,000	7,000	9,650	--
Total health services	1,683,439	1,683,439	1,429,336	--
Recreation services				
Swimming pools	208,626	218,987	218,988	--
Swimming instruction fees	76,740	145,218	144,923	--
H.E. Butt tennis center	36,000	36,000	38,191	--
Al Kruse tennis center	25,700	25,700	23,721	--
Athletic events	98,000	116,620	116,620	--
Athletic instruction fees	35,700	44,003	44,003	--
Athletic rentals	13,600	13,600	11,116	--
Latchkey program	1,736,655	1,808,163	1,988,289	--
Latchkey instruction fees	8,500	8,500	--	--
Buc days/Bayfest	16,000	16,000	38,108	--
Summer program registration fees	10,610	19,031	19,031	--
Beach parking permits	330,000	330,000	346,210	--
Heritage Park revenues	3,119	3,119	5,218	--
Heritage Park maintenance contract	18,000	18,000	22,956	--
Multicultural center rentals	38,385	38,385	35,903	--
Pavilion rentals	12,000	12,000	15,252	--
Cultural service rentals	13,695	13,695	8,429	--
Recreation instruction fees	40,550	56,773	56,773	--
Recreation center rentals	11,500	15,399	15,399	--
Other recreation services	2,300	2,300	2,790	--
Total recreation services	2,735,680	2,941,493	3,151,920	--
Libraries				
Fines	211,668	211,668	121,518	--
Lost book charges	11,829	11,829	18,370	--
Copy machine sales	38,607	38,607	35,139	--
Other library revenue	16,144	16,144	13,543	--
Total libraries	278,248	278,248	188,570	--
Museums				
Admissions	92,431	92,431	111,257	--
Special program fees	6,000	6,000	9,000	--
McGregor reproduction fees	6,046	6,046	3,887	--

the City of Corpus Christi, Texas

**Exhibit 6-B
(Continued)**

2007 Actual Budget Basis	Variance Final Budget Positive (Negative)	2006 Actual Budget Basis
640,295	(201,855)	492,822
520,100	(9,900)	443,484
67,686	(22,947)	112,040
35,850	(18,450)	38,675
15,147	5,147	10,800
51,768	(672)	73,027
73,885	(11,615)	86,584
13,778	4,395	13,112
75	75	--
226	226	--
876	(1,157)	1,579
9,650	2,650	7,300
<u>1,429,336</u>	<u>(254,103)</u>	<u>1,279,423</u>
218,988	1	217,778
144,923	(295)	112,335
38,191	2,191	33,454
23,721	(1,979)	25,396
116,620	--	105,770
44,003	--	47,197
11,116	(2,484)	13,431
1,988,289	180,126	1,897,618
--	(8,500)	1,438
38,108	22,108	37,834
19,031	--	16,457
346,210	16,210	160,795
5,218	2,099	6,032
22,956	4,956	24,606
35,903	(2,482)	29,740
15,252	3,252	13,945
8,429	(5,266)	7,430
56,773	--	48,673
15,399	--	14,538
2,790	490	15,850
<u>3,151,920</u>	<u>210,427</u>	<u>2,830,317</u>
121,518	(90,150)	131,760
18,370	6,541	14,214
35,139	(3,468)	36,947
13,543	(2,601)	15,110
<u>188,570</u>	<u>(89,678)</u>	<u>198,031</u>
111,257	18,826	103,716
9,000	3,000	9,000
3,887	(2,159)	6,066

the City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Museums (continued)				
Facility rental	20,145	20,145	17,050	--
Education group programs	955	955	1,265	--
School District - museum educational program	21,000	21,000	21,000	--
Parties and recitals	3,890	3,890	6,390	--
Columbus ships				
Admissions	108,781	108,781	124,685	--
Facility rental	500	500	800	--
Total museums	<u>259,748</u>	<u>259,748</u>	<u>295,334</u>	<u>--</u>
Total charges for services	<u>44,134,808</u>	<u>45,408,802</u>	<u>44,505,375</u>	<u>--</u>
Fines and forfeitures				
Moving vehicle fines	2,981,789	2,981,789	3,106,780	--
Parking fines	165,487	165,487	158,444	--
General fines	793,900	793,900	944,088	--
Officers fees	217,847	217,847	241,325	--
Uniform Traffic Act fines	95,240	95,240	103,815	--
Warrant fees	216,338	216,338	366,050	--
Municipal Court				
State fee discount	204,696	204,696	305,535	--
Time Pay Fee - Court	30,670	30,670	31,066	--
Time Pay Fee - City	122,999	122,999	124,765	--
Technology Fee	173,058	173,058	193,202	--
Building security	128,640	128,640	148,091	--
Miscellaneous revenue	--	--	1,851	--
Juvenile case mgr fee	--	--	99,879	--
Failure to appear fines	618,314	618,314	933,272	--
Animal control fines	6,229	6,229	4,083	--
Special parking enforcement	2,700	2,700	1,305	--
Teen Court administration fee	3,494	3,494	2,700	--
Other court fines	<u>156,128</u>	<u>156,128</u>	<u>141,691</u>	<u>--</u>
Total fines and forfeitures	<u>5,917,529</u>	<u>5,917,529</u>	<u>6,907,942</u>	<u>--</u>
Earnings on investments	<u>903,619</u>	<u>928,077</u>	<u>1,500,447</u>	<u>--</u>
Miscellaneous				
Rents				
Rental of general property	76,065	76,065	138,110	--
Recovery on damage claims	15,235	15,235	13,708	--
Special Inventory Tax Escrow Refund	--	--	80,177	--
Contributions and donations	49,234	127,783	174,096	--
Contributions - in kind	--	--	230,034	--
Time Warner-Public Access Equipment	7,000	7,000	3,500	--
Automated teller machines	1,200	1,200	1,300	--
Engineering Services-other governments	--	--	--	--
RTA bus advertising revenues	10,000	10,000	15,642	--

(Continued)

the City of Corpus Christi, Texas

**Exhibit 6-B
(Continued)**

2007 Actual Budget Basis	Variance Final Budget Positive (Negative)	2006 Actual Budget Basis
17,050	(3,095)	23,050
1,265	310	757
21,000	--	23,949
6,390	2,500	4,126
124,685	15,904	110,117
800	300	500
<u>295,334</u>	<u>35,586</u>	<u>281,281</u>
<u>44,505,375</u>	<u>(903,427)</u>	<u>40,709,838</u>
3,106,780	124,991	2,727,631
158,444	(7,043)	172,262
944,088	150,188	814,691
241,325	23,478	209,451
103,815	8,575	91,424
366,050	149,712	301,002
305,535	100,839	248,262
31,066	396	31,415
124,765	1,766	125,661
193,202	20,144	165,598
148,091	19,451	127,600
1,851	1,851	101,999
99,879	99,879	35,956
933,272	314,958	805,763
4,083	(2,146)	3,886
1,305	(1,395)	5,784
2,700	(794)	4,127
<u>141,691</u>	<u>(14,437)</u>	<u>146,008</u>
<u>6,907,942</u>	<u>990,413</u>	<u>6,118,520</u>
<u>1,500,447</u>	<u>572,370</u>	<u>1,004,660</u>
138,110	62,045	184,294
13,708	(1,527)	14,812
80,177	80,177	--
174,096	46,313	127,899
230,034	230,034	--
3,500	(3,500)	7,000
1,300	100	1,300
--	--	609
15,642	5,642	17,917

the City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Miscellaneous (continued)				
Sale of city property	--	--	83,598	--
Sale of fixed assets	--	--	48,360	--
Copy sales	2,500	2,500	9,412	--
Skatepark Concessions	--	6,931	6,931	--
Returned check fees	5,493	5,493	4,113	--
Demolition and weed liens	128,080	128,080	110,940	--
Purchase discounts	44,550	44,550	68,763	--
Vending machine sales	5,936	5,936	5,978	--
City Hall food service commission	--	--	2,618	--
Forfeited plan deposits	24,000	24,000	9,800	--
Human relations training conference	10,000	10,000	--	--
Miscellaneous	208,091	209,591	57,649	--
Total miscellaneous revenue	<u>587,384</u>	<u>674,364</u>	<u>1,064,729</u>	<u>--</u>
Reimbursements				
Interdepartmental	5,259,808	5,259,808	--	5,269,211
Traffic engineering cost recovery	44,955	44,955	--	113,379
Capital budget cost recovery	204,724	204,724	--	204,722
Finance cost recovery - CIP	803,804	803,804	--	803,805
Engineering svcs - interdepartmental	--	--	--	14,869
Street recovery fees	893,226	893,226	--	943,945
Interdepartmental services - street	833,148	833,148	--	914,065
Fire hydrant maintenance	327,472	327,472	--	327,472
800 MHz radio - interdepartmental	219,936	219,936	--	219,936
Total reimbursements revenue	<u>8,587,073</u>	<u>8,587,073</u>	<u>--</u>	<u>8,811,404</u>
Total revenues	<u>172,077,231</u>	<u>175,364,989</u>	<u>169,376,638</u>	<u>8,811,404</u>
Other financing sources (uses)				
Capital leases	--	--	3,447,512	(3,447,512)
Total other financing sources	<u>--</u>	<u>--</u>	<u>3,447,512</u>	<u>(3,447,512)</u>
Transfers in				
Administrative charges				
Federal grants	75,000	75,000	98,507	--
CCCIC	--	--	14,936	--
Visitor facility	250,000	250,000	250,000	--
Gas division	780,083	780,083	780,083	--
Wastewater division	871,081	871,081	871,081	--
Water division	1,896,681	1,896,681	1,896,681	--
Airport	331,586	331,586	331,586	--
Golf	200,000	200,000	200,000	--
Marina	180,848	180,848	180,848	--
Other				
Maintenance svc division	--	--	--	--

(Continued)

the City of Corpus Christi, Texas

**Exhibit 6-B
(Continued)**

2007 Actual Budget Basis	Variance Final Budget Positive (Negative)	2006 Actual Budget Basis
83,598	83,598	25,577
48,360	48,360	29,039
9,412	6,912	3,276
6,931	--	--
4,113	(1,380)	3,941
110,940	(17,140)	102,224
68,763	24,213	39,528
5,978	42	6,488
2,618	2,618	--
9,800	(14,200)	20,220
--	(10,000)	--
57,649	(151,942)	253,789
<u>1,064,729</u>	<u>390,365</u>	<u>837,913</u>
5,269,211	9,403	5,420,318
113,379	68,424	--
204,722	(2)	192,738
803,805	1	893,060
14,869	14,869	4,286
943,945	50,719	908,532
914,065	80,917	775,838
327,472	--	327,472
219,936	--	219,250
<u>8,811,404</u>	<u>224,331</u>	<u>8,741,494</u>
<u>178,188,042</u>	<u>2,823,053</u>	<u>171,307,608</u>
--	--	--
<u>--</u>	<u>--</u>	<u>--</u>
98,507	23,507	172,856
14,936	14,936	11,795
250,000	--	468,540
780,083	--	725,114
871,081	--	809,700
1,896,681	--	1,763,031
331,586	--	331,587
200,000	--	--
180,848	--	180,848
--	--	581,304

the City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	<u>Budget</u>		<u>Actual GAAP Basis</u>	<u>Adjustments Budget Basis</u>
	<u>Original</u>	<u>Final</u>		
Transfers in				
Other (continued)				
MIS division	--	--	--	--
Total transfers in	<u>4,585,279</u>	<u>4,585,279</u>	<u>4,623,722</u>	<u>--</u>
Transfers out				
Debt service fund	(12,888)	(12,888)	(3,830,940)	3,818,052
Federal grants	(776,831)	(776,831)	(744,920)	--
Transfers for capital outlay	--	--	(805,000)	805,000
Corpus Christi Digital Community Development Corporation	--	(24,458)	(24,494)	--
Total transfers out	<u>(789,719)</u>	<u>(814,177)</u>	<u>(5,405,354)</u>	<u>4,623,052</u>
Total other sources	<u>3,795,560</u>	<u>3,771,102</u>	<u>2,665,880</u>	<u>1,175,540</u>
 Total revenues and other sources	 <u>\$ 175,872,791</u>	 <u>\$ 179,136,091</u>	 <u>\$ 172,042,518</u>	 <u>\$ 9,986,944</u>

the City of Corpus Christi, Texas

**Exhibit 6-B
(Continued)**

2007 Actual Budget Basis	Variance Final Budget Positive (Negative)	2006 Actual Budget Basis
--	--	42,417
<u>4,623,722</u>	<u>38,443</u>	<u>5,087,192</u>
(12,888)	--	(12,994)
(744,920)	31,911	(1,163,972)
--	--	--
(24,494)	(36)	--
<u>(782,302)</u>	<u>31,875</u>	<u>(1,176,966)</u>
<u>3,841,420</u>	<u>70,318</u>	<u>3,910,226</u>
<u>\$ 182,029,462</u>	<u>\$ 2,893,371</u>	<u>\$ 175,217,834</u>

the City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
General government					
Control					
City Council and City Secretary	\$ 583,874	\$ 20,536	\$ 365,063	\$ 82,692	\$ --
City Manager	384,463	7,731	12,162	46,423	--
Group Managers	466,036	13,443	48,687	31,855	--
Management and budget office	389,711	10,927	4,291	58,312	--
Operations performance review	--	--	--	--	--
Communications/quality management	138,733	18,556	83,667	22,458	--
Cable public education government access	--	1,788	--	--	--
Capital budgeting	158,241	3,737	22,734	13,890	--
Total general government - control	<u>2,121,058</u>	<u>76,718</u>	<u>536,604</u>	<u>255,630</u>	<u>--</u>
Staff agencies					
Director of finance	346,793	3,597	1,893	40,498	--
Accounting	1,451,834	51,114	226,464	331,522	--
Nueces County Tax Appraisal District	--	--	930,993	--	--
Central cashiering	486,176	41,294	32,078	367,818	--
Cash management	200,190	20,879	26,627	72,611	--
Legal	1,778,815	78,377	225,407	206,465	--
Economic development	--	--	186,604	--	--
Downtown Management District	--	--	80,073	--	--
Development services admin	190,146	38,868	191,443	551,951	--
Planning	1,040,098	44,289	79,462	236,679	--
Code enforcement	528,799	65,264	273,241	336,593	--
Code enforcement initiative program	290,751	9,241	6,164	37,877	--
Human resources	998,923	45,860	58,557	202,718	--
Incentive program	--	--	21,933	--	--
Training	100,966	8,347	54,042	--	--
ADA Compliance	--	24,772	23,551	607	--
Human relations	311,264	15,979	9,875	57,350	--
Total staff agencies	<u>7,724,755</u>	<u>447,881</u>	<u>2,428,407</u>	<u>2,442,689</u>	<u>--</u>
Engineering services					
Engineering support services	--	--	34,886	289,740	--
Special services	424,606	11,521	22,191	24,271	--
Total engineering services	<u>424,606</u>	<u>11,521</u>	<u>57,077</u>	<u>314,011</u>	<u>--</u>
Other expenditures					
Uncollectible accounts	--	--	--	238,649	--
Re-engineering effort (CMMS)	--	--	--	--	--
Major memberships	--	--	95,537	--	--
Reserve for comp/merit pay	--	--	--	--	--
Purchasing/messenger service allocation	--	--	--	232,140	--
Refuge of last resort	1,256	63	451	--	--
Reserve appropriations	--	--	--	--	--
Reserve for accrued pay	--	--	--	--	--
Total other expenditures	<u>1,256</u>	<u>63</u>	<u>95,988</u>	<u>470,789</u>	<u>--</u>
Total general government	<u>10,271,675</u>	<u>536,183</u>	<u>3,118,076</u>	<u>3,483,119</u>	<u>--</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 6-C

Reimbursements	Total Expenditures	Adjustments Budget Basis	2007 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2006 Actual Budget Basis
				Original	Final		
\$ --	\$ 1,052,165	\$ --	\$ 1,052,165	\$ 1,128,603	\$ 1,127,882	\$ 75,717	\$ 1,018,944
--	450,779	--	450,779	454,725	455,202	4,423	444,485
--	560,021	--	560,021	536,746	561,478	1,457	566,652
(166,728)	296,513	166,728	463,241	519,593	550,451	87,210	459,881
--	--	--	--	--	--	--	13,277
(50,000)	213,414	50,000	263,414	295,265	296,265	32,851	260,222
--	1,788	--	1,788	--	7,000	5,212	4,636
(204,722)	(6,120)	204,722	198,602	204,724	206,120	7,518	176,124
(421,450)	2,568,560	421,450	2,990,010	3,139,656	3,204,398	214,388	2,944,221
(323,637)	69,144	323,637	392,781	388,780	392,781	--	375,561
(1,356,008)	704,926	1,356,008	2,060,934	2,324,229	2,354,829	293,895	2,362,667
--	930,993	--	930,993	958,452	958,452	27,459	865,374
(312,616)	614,750	312,616	927,366	936,297	938,587	11,221	866,106
(251,397)	68,910	251,397	320,307	341,756	338,737	18,430	375,823
(84,494)	2,204,570	84,494	2,289,064	2,380,876	2,490,089	201,025	2,209,937
(101,835)	84,769	101,835	186,604	186,604	186,604	--	188,104
(48,616)	31,457	48,616	80,073	80,073	210,146	130,073	80,073
--	972,408	--	972,408	734,416	1,158,269	185,861	759,688
(71,334)	1,329,194	71,334	1,400,528	1,286,300	1,506,796	106,268	1,409,262
--	1,203,897	--	1,203,897	1,175,710	1,185,118	(18,779)	1,025,342
--	344,033	--	344,033	371,687	374,577	30,544	319,924
--	1,306,058	--	1,306,058	1,357,257	1,377,418	71,360	1,358,935
--	21,933	--	21,933	21,005	22,005	72	20,954
--	163,355	--	163,355	172,700	173,700	10,345	28,137
--	48,930	--	48,930	82,348	82,498	33,568	78,121
--	394,468	--	394,468	412,042	414,132	19,664	417,528
(2,549,937)	10,493,795	2,549,937	13,043,732	13,210,532	14,164,738	1,121,006	12,741,536
--	324,626	--	324,626	322,351	328,354	3,728	576,120
(88,752)	393,837	88,752	482,589	548,613	552,955	70,366	445,977
(88,752)	718,463	88,752	807,215	870,964	881,309	74,094	1,022,097
--	238,649	--	238,649	208,391	208,391	(30,258)	534,442
--	--	--	--	--	--	--	11,787
(50,492)	45,045	50,492	95,537	83,412	95,538	1	89,359
--	--	--	--	2,850,548	437,649	437,649	--
--	232,140	--	232,140	232,140	232,140	--	257,508
--	1,770	--	1,770	15,000	15,000	13,230	25,926
--	--	--	--	533,071	252,806	252,806	--
--	--	--	--	1,000,000	250,000	250,000	--
(50,492)	517,604	50,492	568,096	4,922,562	1,491,524	923,428	919,022
(3,110,631)	14,298,422	3,110,631	17,409,053	22,143,714	19,741,969	2,332,916	17,626,876

the City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
Police and municipal court					
Police					
Administration	1,308,735	85,598	207,620	621,428	--
Police training	1,388,608	87,495	34,616	44,911	--
Criminal investigation	4,268,315	126,399	198	352,675	--
Special services	2,129,916	83,094	15,616	254,259	--
Uniformed division	24,330,866	387,631	573,961	2,636,559	273
Forensics services division	941,940	61,449	26,092	93,925	--
School crossing guards	587,379	9,864	1,103	114,059	--
Parking control	154,444	1,478	7,443	35,305	--
MetroCom	3,739,743	16,505	760,291	165,564	--
Police computer support	79,183	21,349	586,405	1,985,408	--
9-1-1 call delivery wireline	28,750	33,584	285,444	12,289	--
9-1-1 call delivery wireless	--	28,374	38,121	--	--
Building maintenance and operations	295,227	57,701	928,151	67,141	569,500
Vehicle pound operation	258,988	4,250	571,645	42,103	--
Community services	1,473,033	39,011	1,515	140,186	--
Central information	1,199,979	35,039	25,264	123,573	--
Criminal intelligence unit	686,942	27,802	4,941	83,185	--
Beach safety	129,657	--	--	--	--
Police Special Events Overtime	166,480	--	--	--	--
Total police	43,168,185	1,106,623	4,068,426	6,772,570	569,773
Municipal court					
Administration	1,208,248	231,609	227,467	645,917	--
Judicial	382,943	4,315	15,560	49,444	--
Environmental court	123,991	(957)	94	10,345	--
Municipal juvenile court	161,416	449	37,008	11,971	--
Detention facility	1,155,256	21,294	86,199	79,906	--
Building security	--	13,634	97,638	--	--
City marshals	512,401	33,217	6,053	28,992	46,255
Total municipal court	3,544,255	303,561	470,019	826,575	46,255
Total police and municipal court	46,712,440	1,410,184	4,538,445	7,599,145	616,028
Fire and Ambulance					
Administration and training	1,194,044	32,002	105,816	291,939	--
Fire academy training	1,314,910	145,076	24,808	29,418	9,750
Communications	74,933	16,462	124,684	65,469	--
Apparatus and shop	191,877	199,206	183,813	15,229	--
Stations	25,479,518	687,329	754,716	1,584,636	1,095,189
Fire safety/Haz-Mat	182,425	4,300	3,372	12,670	--
Fire prevention	1,126,804	19,050	22,034	154,202	--
Fire support services	80,207	37,689	43,046	3,682	--
Fire department contributions	--	--	--	--	--
City ambulance operations	540,283	391,205	703,643	35,199	337,348
Life guarding and first response	144,018	7,458	16,183	37,436	32,718
Total fire and ambulance	30,329,019	1,539,777	1,982,115	2,229,880	1,475,005

(Continued)

the City of Corpus Christi, Texas

Exhibit 6-C
(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2007 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2006 Actual Budget Basis
				Original	Final		
--	2,223,381	--	2,223,381	2,191,243	2,218,290	(5,091)	2,746,955
--	1,555,630	--	1,555,630	1,566,600	1,577,723	22,093	1,781,716
--	4,747,587	--	4,747,587	4,600,678	4,729,447	(18,140)	4,642,808
--	2,482,885	--	2,482,885	2,473,222	2,500,536	17,651	2,451,211
--	27,929,290	805,000	28,734,290	27,244,919	28,908,132	173,842	27,584,409
--	1,123,406	--	1,123,406	1,101,739	1,131,294	7,888	1,182,772
--	712,405	--	712,405	673,172	682,378	(30,027)	708,118
--	198,670	--	198,670	225,327	226,187	27,517	224,640
(253,608)	4,428,495	253,608	4,682,103	4,315,160	4,328,459	(353,644)	4,431,528
(980,105)	1,692,240	980,105	2,672,345	2,700,777	2,700,777	28,432	1,716,999
--	360,067	130,282	490,349	447,967	502,390	12,041	480,849
--	66,495	130,282	196,777	378,390	432,814	236,037	129,780
--	1,917,720	(526,811)	1,390,909	1,280,806	1,273,551	(117,358)	1,280,513
--	876,986	--	876,986	876,249	875,009	(1,977)	817,114
--	1,653,745	--	1,653,745	1,732,739	1,761,905	108,160	1,545,760
--	1,383,855	--	1,383,855	1,394,383	1,402,313	18,458	1,451,180
--	802,870	--	802,870	870,535	882,891	80,021	850,237
(4,367)	125,290	4,367	129,657	123,188	123,188	(6,469)	123,275
--	166,480	--	166,480	243,280	243,280	76,800	--
(1,238,080)	54,447,497	1,776,833	56,224,330	54,440,374	56,500,564	276,234	54,149,864
--	2,313,241	--	2,313,241	1,785,239	2,297,056	(16,185)	1,943,917
--	452,262	--	452,262	626,796	642,408	190,146	561,957
--	133,473	--	133,473	180,749	180,928	47,455	181,618
--	210,844	--	210,844	213,874	217,605	6,761	177,387
--	1,342,655	--	1,342,655	1,251,940	1,257,649	(85,006)	1,213,595
--	111,272	--	111,272	25,337	95,038	(16,234)	36,577
--	626,918	--	626,918	463,089	666,334	39,416	322,565
--	5,190,665	--	5,190,665	4,547,024	5,357,018	166,353	4,437,616
(1,238,080)	59,638,162	1,776,833	61,414,995	58,987,398	61,857,582	442,587	58,587,480
--	1,623,801	--	1,623,801	1,391,121	1,404,324	(219,477)	1,429,380
--	1,523,962	--	1,523,962	1,393,573	1,516,317	(7,645)	1,080,066
--	281,548	--	281,548	287,870	292,804	11,256	305,858
--	590,125	--	590,125	625,196	633,571	43,446	704,801
(327,472)	29,273,916	306,792	29,580,708	27,964,140	30,570,459	989,751	23,127,795
--	202,767	--	202,767	220,600	236,764	33,997	299,476
--	1,322,090	--	1,322,090	1,206,013	1,275,796	(46,294)	1,175,154
--	164,624	--	164,624	174,269	157,256	(7,368)	161,047
--	--	--	--	1,250	--	--	--
--	2,007,678	30,735	2,038,413	1,626,026	2,090,244	51,831	6,407,569
(237,813)	--	249,401	249,401	318,668	319,228	69,827	226,922
(565,285)	36,990,511	586,928	37,577,439	35,208,726	38,496,763	919,324	34,918,068

the City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
Emergency management					
Emergency management	76,487	10,111	32,435	121,471	--
Hurricane Katrina refugees	--	--	--	--	--
Hurricane Rita	--	--	--	--	--
Pipeline transportation	15,426	(3)	2,524	3,347	--
Total emergency management	<u>91,913</u>	<u>10,108</u>	<u>34,959</u>	<u>124,818</u>	<u>--</u>
Inspections	<u>1,388,175</u>	<u>37,017</u>	<u>95,548</u>	<u>408,660</u>	<u>--</u>
Streets					
Office and yard	606,009	23,976	96,385	226,983	--
Asphalt rework and construction	509,897	1,202,300	124,576	167,280	--
Utility cut repairs	213,948	153,251	19,238	44,460	--
Asphalt maintenance	2,084,684	2,027,514	145,116	663,048	609,610
Traffic signals	554,507	367,924	120,456	274,318	--
Traffic engineering	383,415	14,042	47,294	71,402	--
Street lighting	--	--	3,508,737	10,248	--
Residential traffic management	--	118	22,532	--	--
Signs and markings	437,106	325,831	88,129	132,003	--
Total streets	<u>4,789,566</u>	<u>4,114,956</u>	<u>4,172,463</u>	<u>1,589,742</u>	<u>609,610</u>
Solid Waste					
Solid waste office	573,470	49,055	191,427	256,574	--
J.C. Elliot Transfer Station	--	2,180	909	--	1,153,345
Refuse collection	3,308,707	766,632	53,685	570,384	233,055
Refuse disposal	363,746	81,187	3,741,318	238,541	--
Brush collection	1,625,118	253,728	18,046	276,036	241,580
Recycling collection	791,595	123,990	7,268	113,524	--
Cefe Valenzuela landfill operation	725	24,242	88,501	150	28,452
Landfill regulation compliance	--	--	1,860	--	--
Total solid waste	<u>6,663,361</u>	<u>1,301,014</u>	<u>4,103,014</u>	<u>1,455,209</u>	<u>1,656,432</u>
Health					
Administration and special programs	414,869	26,685	82,049	152,715	--
T.B. Clinic - Health Department	54,013	--	4,428	1,172	--
Immunization and venereal disease	53,805	1,754	1,649	12,062	--
Vital statistics	119,140	14,947	76,031	12,500	--
Nursing	467,579	19,610	20,698	26,803	--
Environmental health	253,418	7,342	21,087	26,150	--
STD clinic	82,490	336	771	7,628	--
Vector control	296,641	35,446	16,358	102,157	--
Laboratory	93,798	2,010	652	11,504	--
Mental health	--	--	54,000	--	--
Animal control	741,258	95,762	67,180	256,530	--
Health office building	38,252	8,087	248,320	124,740	--
Total health	<u>2,615,263</u>	<u>211,979</u>	<u>593,223</u>	<u>733,961</u>	<u>--</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 6-C
(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2007 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2006 Actual Budget Basis
				Original	Final		
--	240,504	--	240,504	344,439	346,244	105,740	318,041
--	--	--	--	--	--	--	1,851,033
--	--	--	--	--	--	--	103,978
--	21,294	--	21,294	49,066	45,602	24,308	21,489
--	261,798	--	261,798	393,505	391,846	130,048	2,294,541
(154,670)	1,774,730	154,670	1,929,400	2,039,354	2,044,287	114,887	2,002,652
(581,703)	371,650	581,703	953,353	987,867	992,807	39,454	1,010,586
(1,522)	2,002,531	1,522	2,004,053	1,496,955	1,498,005	(506,048)	1,487,311
(1,070,433)	(639,536)	1,070,433	430,897	433,607	421,947	(8,950)	461,069
(209,508)	5,320,464	438,158	5,758,622	5,579,128	6,860,159	1,101,537	4,913,996
(97,886)	1,219,319	203,445	1,422,764	1,475,896	1,493,346	70,582	1,603,141
(115,402)	400,751	115,402	516,153	534,849	556,408	40,255	501,204
--	3,518,985	--	3,518,985	3,514,005	3,514,005	(4,980)	3,192,750
--	22,650	--	22,650	54,000	54,000	31,350	51,423
(16,772)	966,297	53,542	1,019,839	977,568	967,678	(52,161)	1,045,825
(2,093,226)	13,183,111	2,464,205	15,647,316	15,053,875	16,358,355	711,039	14,267,305
--	1,070,526	--	1,070,526	1,142,663	1,146,304	75,778	1,199,292
--	1,156,434	(1,151,321)	5,113	420,667	377,095	371,982	--
--	4,932,463	1,077,558	6,010,021	5,863,024	6,475,159	465,138	6,246,501
--	4,424,792	3,818,052	8,242,844	7,944,488	7,959,278	(283,566)	5,307,198
--	2,414,508	(218,947)	2,195,561	2,157,255	2,190,965	(4,596)	2,043,769
(10,169)	1,026,208	10,169	1,036,377	1,111,915	1,117,826	81,449	1,000,110
--	142,070	--	142,070	394,946	394,946	252,876	--
--	1,860	--	1,860	--	1,860	--	600
(10,169)	15,168,861	3,535,511	18,704,372	19,034,958	19,663,433	959,061	15,797,470
--	676,318	--	676,318	670,355	680,900	4,582	731,648
--	59,613	--	59,613	63,200	63,200	3,587	--
--	69,270	--	69,270	70,737	71,112	1,842	63,319
--	222,618	--	222,618	171,392	292,067	69,449	145,150
--	534,690	--	534,690	581,155	584,745	50,055	593,754
--	307,997	--	307,997	325,017	326,431	18,434	354,044
--	91,225	--	91,225	92,873	93,053	1,828	54,703
--	450,602	5,404	456,006	432,534	439,400	(16,606)	462,148
--	107,964	--	107,964	146,572	146,927	38,963	147,703
--	54,000	--	54,000	54,000	54,000	--	54,000
--	1,160,730	7,217	1,167,947	1,253,508	1,324,072	156,125	1,201,060
--	419,399	--	419,399	368,426	365,189	(54,210)	405,376
--	4,154,426	12,621	4,167,047	4,229,769	4,441,096	274,049	4,212,905

the City of Corpus Christi, Texas

GENERAL FUND
SCHEDULE OF EXPENDITURES (BUDGET BASIS), COMPARED TO BUDGET
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	Actual GAAP Expenditures				
	Personal Services	Materials & Supplies	Contractual Services	Other Charges	Capital Outlays
Parks and recreation					
Director of parks and recreation	511,718	24,958	41,951	266,224	--
Park operation	2,973,323	566,104	175,466	1,384,356	455,274
Bayfront Science Park	267,537	35,395	34,598	67,097	18,745
Recreation centers	662,068	27,496	147,941	219,924	--
Athletics	423,787	33,269	141,151	102,360	--
Aquatics	614,720	96,077	146,301	129,657	--
Special programs	71,377	11,711	12,604	12,992	--
Multicultural center	236,523	12,597	63,461	33,646	--
Latchkey program	1,394,443	90,948	66,924	270,785	--
Arts subgranting	--	1,844	41,959	--	--
Beach maintenance/safety	--	3,412	984	--	--
Beach parking permits	948	6,010	37,892	11,272	10,287
Beach maintenance	308,491	81,702	175,744	79,078	138,768
Tennis center operations	--	22,576	170,784	20,315	--
Assessment center	141,674	4,550	9,006	12,839	--
Corpus Christi Independent School District	--	--	2,150	--	--
Coliseum	--	--	98,586	99,284	--
Volunteer center	--	--	8,450	--	--
Tourist district	494,550	71,240	122,678	68,209	32,218
Graffiti clean-up project	--	3,965	--	--	--
Natatorium	--	1,815	150,000	--	--
Total parks and recreation	<u>8,101,159</u>	<u>1,095,669</u>	<u>1,648,630</u>	<u>2,778,038</u>	<u>655,292</u>
Libraries					
Central	1,223,998	425,571	322,166	264,915	9,400
Parkdale Branch	297,956	5,851	53,114	61,977	--
Greenwood Branch	252,522	8,558	47,058	50,454	40,519
Northwest Branch	228,955	16,659	12,236	48,571	--
Janet F. Harte Branch	195,180	4,325	49,730	42,834	--
Total libraries	<u>2,198,611</u>	<u>460,964</u>	<u>484,304</u>	<u>468,751</u>	<u>49,919</u>
Museums					
Museum of Science and History	805,543	20,798	313,179	293,826	--
Columbus ships	102,093	1,351	2,526	30,269	--
Total museums	<u>907,636</u>	<u>22,149</u>	<u>315,705</u>	<u>324,095</u>	<u>--</u>
Community enrichment					
Sister City program	--	325	1,611	12,379	--
Debt service					
Principal retired	--	--	--	3,073,876	--
Interest	--	--	--	198,600	--
Total debt service	<u>--</u>	<u>--</u>	<u>--</u>	<u>3,272,476</u>	<u>--</u>
Total expenditures	<u>\$ 114,068,818</u>	<u>\$ 10,740,325</u>	<u>\$ 21,088,093</u>	<u>\$ 24,480,273</u>	<u>\$ 5,062,286</u>

the City of Corpus Christi, Texas

Exhibit 6-C
(Continued)

Reimbursements	Total Expenditures	Adjustments Budget Basis	2007 Actual Budget Basis	Budget		Variance Final Budget Positive (Negative)	2006 Actual Budget Basis
				Original	Final		
(1,929)	842,922	1,929	844,851	990,658	1,062,643	217,792	1,135,024
(271,655)	5,282,868	271,655	5,554,523	5,280,271	5,554,235	(288)	5,792,728
(464,000)	(40,628)	464,000	423,372	481,039	482,259	58,887	420,504
--	1,057,429	--	1,057,429	1,037,276	1,268,695	211,266	1,013,271
--	700,567	--	700,567	626,632	693,361	(7,206)	673,925
--	986,755	--	986,755	921,660	922,570	(64,185)	980,166
--	108,684	--	108,684	124,311	124,311	15,627	131,648
(113,579)	232,648	113,579	346,227	354,000	355,205	8,978	384,464
--	1,823,100	4,531	1,827,631	1,713,346	1,713,346	(114,285)	1,757,354
--	43,803	--	43,803	40,000	40,000	(3,803)	37,549
(4,396)	--	4,396	4,396	13,525	13,525	9,129	7,515
--	66,409	3,743	70,152	132,382	132,382	62,230	41,696
(783,783)	--	731,886	731,886	766,508	768,443	36,557	725,093
--	213,675	--	213,675	165,256	165,256	(48,419)	186,149
--	168,069	--	168,069	185,112	185,557	17,488	164,889
--	2,150	--	2,150	30,000	30,000	27,850	4,703
--	197,870	--	197,870	58,021	58,021	(139,849)	--
--	8,450	--	8,450	8,450	8,450	--	8,450
--	788,895	--	788,895	774,634	736,554	(52,341)	587,752
--	3,965	--	3,965	3,000	3,000	(965)	6,311
--	151,815	--	151,815	150,000	150,000	(1,815)	134,485
<u>(1,639,342)</u>	<u>12,639,446</u>	<u>1,595,719</u>	<u>14,235,165</u>	<u>13,856,081</u>	<u>14,467,813</u>	<u>232,648</u>	<u>14,193,676</u>
--	2,246,050	22,302	2,268,352	2,324,275	2,795,615	527,263	2,292,443
--	418,898	--	418,898	418,858	420,994	2,096	408,216
--	399,111	--	399,111	381,425	423,657	24,546	362,689
--	306,421	--	306,421	323,051	334,959	28,538	303,216
--	292,069	--	292,069	292,090	293,418	1,349	318,815
<u>--</u>	<u>3,662,549</u>	<u>22,302</u>	<u>3,684,851</u>	<u>3,739,699</u>	<u>4,268,643</u>	<u>583,792</u>	<u>3,685,379</u>
--	1,433,346	--	1,433,346	1,472,533	1,472,533	39,187	1,395,931
--	136,239	--	136,239	149,394	149,394	13,155	120,924
<u>--</u>	<u>1,569,585</u>	<u>--</u>	<u>1,569,585</u>	<u>1,621,927</u>	<u>1,621,927</u>	<u>52,342</u>	<u>1,516,855</u>
--	14,315	--	14,315	8,943	10,276	(4,039)	8,065
--	3,073,876	(3,073,876)	--	--	--	--	--
--	198,600	(198,600)	--	--	--	--	--
<u>--</u>	<u>3,272,476</u>	<u>(3,272,476)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ (8,811,403)</u>	<u>\$ 166,628,392</u>	<u>\$ 9,986,944</u>	<u>\$ 176,615,336</u>	<u>\$ 176,317,949</u>	<u>\$ 183,363,990</u>	<u>\$ 6,748,654</u>	<u>\$ 169,111,272</u>



City of
Corpus
Christi

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



City of
Corpus
Christi

**DEBT SERVICE FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2007 AND 2006**

ASSETS	<u>2007</u>	<u>2006</u>
Cash and cash equivalents	\$ 460,379	\$ 1,088,752
Investments	10,999,375	9,287,145
Receivables		
Taxes	1,665,973	1,579,106
Accrued interest	159,154	76,982
Intergovernmental	13,113	16,558
Miscellaneous	--	675
Allowance for uncollectibles	(1,175,498)	(1,137,782)
Net receivables	<u>662,742</u>	<u>535,539</u>
Due from other funds	<u>--</u>	<u>19,600</u>
Total assets	<u>\$ 12,122,496</u>	<u>\$ 10,931,036</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 9,750	\$ 12,080
Due to other funds	--	221,721
Deferred revenues		
Taxes	490,475	441,324
Total liabilities	<u>500,225</u>	<u>675,125</u>
Fund balance		
Reserved for debt service	4,775,514	4,421,800
Unreserved		
Designated for debt		
Airport	--	560,456
Stormwater	--	790,429
Total designated for debt	<u>--</u>	<u>1,350,885</u>
Undesignated	6,846,757	4,483,226
Total fund balance	<u>11,622,271</u>	<u>10,255,911</u>
Total liabilities and fund balance	<u>\$ 12,122,496</u>	<u>\$ 10,931,036</u>

the City of Corpus Christi, Texas

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	<u>Budget</u>		<u>2007 Actual</u>	<u>Variance Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Ad valorem taxes	\$ 21,921,084	\$ 21,921,084	\$ 22,036,645	\$ 115,561
Earnings on investments	404,966	404,966	541,948	136,982
Payments from Lexington Museum Association	347,174	347,174	347,173	(1)
Payments from Corpus Christi Convention and Visitor Bureau	--	--	--	--
Payments from Texas State Aquarium	518,117	518,117	518,117	--
Payments from other agencies	--	--	--	--
Total revenues	<u>23,191,341</u>	<u>23,191,341</u>	<u>23,443,883</u>	<u>252,542</u>
Expenditures				
Principal retirement	20,232,774	20,232,774	20,065,000	167,774
Interest	10,741,149	10,741,149	10,545,155	195,994
Paying agent fees	15,555	15,555	12,423	3,132
Bond issue cost	13,000	13,000	--	13,000
Refund of bond issuance cost	--	--	--	--
Total expenditures	<u>31,002,478</u>	<u>31,002,478</u>	<u>30,622,578</u>	<u>379,900</u>
Deficiency of revenues under expenditures	(7,811,137)	(7,811,137)	(7,178,695)	632,442
Other financing sources (uses)				
Transfers in from				
General fund	3,830,940	3,830,940	3,830,940	--
Marina fund	123,779	123,779	123,779	--
Utility system fund	1,193,334	1,193,334	1,193,334	--
Airport fund	510,582	510,582	510,582	--
Hotel occupancy tax fund	2,492,279	2,492,279	2,492,279	--
Visitors facilities fund	15,169	15,169	15,169	--
Stores fund	14,661	14,661	14,661	--
Maintenance service fund	148,448	148,448	148,448	--
Municipal information systems fund	200,194	200,194	200,194	--
Liability and employee benefits fund	15,669	15,669	15,669	--
Total other financing sources (uses)	<u>8,545,055</u>	<u>8,545,055</u>	<u>8,545,055</u>	<u>--</u>
Net change in fund balance	733,918	733,918	1,366,360	632,442
Fund balances at beginning of year	<u>8,691,411</u>	<u>10,255,911</u>	<u>10,255,911</u>	<u>--</u>
Fund balances at end of year	<u><u>\$ 9,425,329</u></u>	<u><u>\$ 10,989,829</u></u>	<u><u>\$ 11,622,271</u></u>	<u><u>\$ 632,442</u></u>

Exhibit 7-B

2006
Actual
\$ 20,455,666
310,508
352,849
272,234
500,427
7,425
<u>21,899,109</u>
18,340,000
9,656,942
10,774
--
(19,952)
<u>27,987,764</u>
(6,088,655)
1,270,270
90,018
1,169,187
533,518
2,557,083
15,294
14,782
149,673
200,378
15,799
<u>6,016,002</u>
(72,653)
<u>10,328,564</u>
<u><u>\$ 10,255,911</u></u>



City of
Corpus
Christi

Non-major Governmental Funds



City of
Corpus
Christi



City of
Corpus
Christi

the City of Corpus Christi, Texas

**NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JULY 31, 2007**

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds		Eliminations
			Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation	
ASSETS					
Cash and cash equivalents	\$ 6,475,876	\$ 18,791,750	\$ 548,579	\$ --	\$ --
Investments	32,493,125	76,985,887	--	--	--
Receivables, net of allowance for uncollectibles	27,574,916	2,183,399	--	--	--
Due from other funds	224,704	7,413	--	--	(9,000)
Prepaid items	744,056	--	--	--	--
Total assets	<u>\$ 67,512,677</u>	<u>\$ 97,968,449</u>	<u>\$ 548,579</u>	<u>\$ --</u>	<u>\$ (9,000)</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 2,043,901	\$ 2,627,025	\$ --	\$ --	\$ --
Accrued liabilities	912,715	--	--	--	--
Contractor interest and retainage payable	91,363	788,103	--	--	--
Deposits	393,365	203,246	--	--	--
Due to other funds	7,516	23,491	--	--	(9,000)
Deferred revenues	3,832,098	1,291,111	--	--	--
Total liabilities	<u>7,280,958</u>	<u>4,932,976</u>	<u>--</u>	<u>--</u>	<u>(9,000)</u>
Fund balances					
Reserved for encumbrances	2,420,307	25,527,494	--	--	--
Reserved for loans	18,972,247	--	--	--	--
Reserved for debt service	3,000,000	--	548,366	--	--
Reserved for Senior Community Services	10,582	--	--	--	--
Reserved for law enforcement	682,726	--	--	--	--
Reserved for Sister City programs	1,097	--	--	--	--
Reserved for park projects	1,933,026	--	--	--	--
Reserved for permanent art projects	146,881	--	--	--	--
Reserved for infrastructure	1,202,087	--	--	--	--
Reserved for local emergency response planning	29,485	--	--	--	--
Reserved for Affordable Housing	747,849	--	--	--	--
Reserved for Stadium Capital Repair	282,498	--	--	--	--
Reserved for naming rights capital projects	341,000	--	--	--	--
Unreserved					
Designated for subsequent year's expenditures	590,609	--	213	--	--
Designated for specific projects	--	43,300,949	--	--	--
Designated for incentive program	33,000	--	--	--	--
Undesignated					
Special revenue funds	29,838,325	--	--	--	--
Capital project funds	--	24,207,030	--	--	--
Total fund balances	<u>60,231,719</u>	<u>93,035,473</u>	<u>548,579</u>	<u>--</u>	<u>--</u>
Total liabilities and fund balances	<u>\$ 67,512,677</u>	<u>\$ 97,968,449</u>	<u>\$ 548,579</u>	<u>\$ --</u>	<u>\$ (9,000)</u>

Exhibit 8-A

Total

\$ 25,816,205
109,479,012
29,758,315
223,117
744,056

\$ 166,020,705

\$ 4,670,926
912,715
879,466
596,611
22,007
5,123,209

12,204,934

27,947,801
18,972,247
3,548,366
10,582
682,726
1,097
1,933,026
146,881
1,202,087
29,485
747,849
282,498
341,000

590,822
43,300,949
33,000

29,838,325
24,207,030

153,815,771

\$ 166,020,705

the City of Corpus Christi, Texas

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2007

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds		Eliminations
			Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation	
Revenues					
Taxes and business fees	\$ 32,443,233	\$ --	\$ --	\$ --	\$ --
Grants	15,546,247	217,657	--	--	--
Charges for services	9,164,256	--	--	--	--
Deposits	270,716	--	--	--	--
Contributions and donations	1,896,067	52,740	--	--	--
Special assessments	--	74,235	--	--	--
Earnings on investments	1,905,577	4,452,747	24,019	--	--
Interest on loans	374,210	--	--	--	--
Sale of city property	4,940	--	--	--	--
Naming rights	175,000	--	--	--	--
Miscellaneous	121,291	--	--	--	--
Total revenues	61,901,537	4,797,379	24,019	--	--
Expenditures					
Current					
General government	4,578,760	1,830,313	--	--	--
Police and municipal court	7,210,100	--	--	--	--
Fire and ambulance	1,402,920	--	--	--	--
Emergency management	82,656	--	--	--	--
Streets	319,513	--	--	--	--
Solid waste	23,181	--	--	--	--
Health	1,825,600	--	--	--	--
Parks and recreation	4,226,391	--	--	--	--
Libraries	801,014	--	--	--	--
Community enrichment	1,765,194	--	--	--	--
Community development	2,780,388	--	--	--	--
Convention and visitors activities	13,782,313	--	--	--	--
Capital projects	3,393,208	30,013,747	--	--	--
Debt service					
Principal retirement	--	--	3,780,000	--	--
Interest	--	--	5,104,623	809,582	--
Paying agent fees	--	--	4,539	19,087	--
Bond issuance cost	--	650,025	--	--	--
Refund of bond issuance cost	--	(9,660)	--	--	--
Interest on interfund borrowings	148,160	--	--	--	--
Total expenditures	42,339,398	32,484,425	8,889,162	828,669	--
Excess (deficiency) of revenues over (under) expenditures	19,562,139	(27,687,046)	(8,865,143)	(828,669)	--
Other financing sources (uses)					
Proceeds from general obligation bonds	--	34,975,000	--	--	--
Certificates of obligation bonds issued	--	2,415,695	--	--	--
Premium on bonds sold	--	480,163	--	--	--
Transfers in	883,541	--	8,890,623	817,482	(9,728,926)
Transfers out	(12,578,996)	(20,821)	--	--	9,728,926
Total other financing sources (uses)	(11,695,455)	37,850,037	8,890,623	817,482	--
Net change in fund balances	7,866,684	10,162,991	25,480	(11,187)	--
Fund balances at beginning of year, as restated (Note 1P)	52,365,035	82,872,482	523,099	11,187	--
Fund balances at end of year	\$ 60,231,719	\$ 93,035,473	\$ 548,579	\$ --	\$ --

Exhibit 8-B

Total	
\$	32,443,233
	15,763,904
	9,164,256
	270,716
	1,948,807
	74,235
	6,382,343
	374,210
	4,940
	175,000
	121,291
	<u>66,722,935</u>
	6,409,073
	7,210,100
	1,402,920
	82,656
	319,513
	23,181
	1,825,600
	4,226,391
	801,014
	1,765,194
	2,780,388
	13,782,313
	33,406,955
	3,780,000
	5,914,205
	23,626
	650,025
	(9,660)
	148,160
	<u>84,541,654</u>
	(17,818,719)
	34,975,000
	2,415,695
	480,163
	862,720
	<u>(2,870,891)</u>
	35,862,687
	18,043,968
	<u>135,771,803</u>
\$	<u><u>153,815,771</u></u>



City of
Corpus
Christi

Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

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

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

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



City of
Corpus
Christi

the City of Corpus Christi, Texas

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JULY 31, 2007
WITH COMPARATIVE TOTALS FOR JULY 31, 2006**

ASSETS	Visitors Facilities	Hotel Occupancy Tax	Federal/ State Grants	Community Enrichment
Cash and cash equivalents	\$ 230,157	\$ --	\$ 250,179	\$ 184,448
Investments	--	--	--	999,688
Receivables				
Accounts	1,413,094	1,459,076	16,103	--
Property leases	--	--	--	--
Taxes	--	--	--	--
Accrued interest	--	--	--	--
Due from Subdivision Developer	--	--	--	--
Mortgages and loans	--	--	--	--
Demolition liens	--	--	583,559	--
Special assessments	--	--	8,193	--
Notes	--	--	--	--
Employees	--	--	2,340	--
Intergovernmental	--	--	4,349,275	--
Miscellaneous	--	--	--	--
Allowance for uncollectibles	(793,487)	(59,413)	(443,519)	--
Net receivables	<u>619,607</u>	<u>1,399,663</u>	<u>4,515,951</u>	<u>--</u>
Due from other funds	83,239	11,873	27,098	934,816
Inventories	--	--	--	--
Prepaid Items	<u>744,056</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total assets	<u>\$ 1,677,059</u>	<u>\$ 1,411,536</u>	<u>\$ 4,793,228</u>	<u>\$ 2,118,952</u>

LIABILITIES AND FUND BALANCES

Liabilities				
Accounts payable	\$ 1,098,712	\$ 194,542	\$ 372,113	\$ 25,935
Accrued liabilities	283,530	--	629,185	--
Contractor interest and retainage payable	--	--	91,363	--
Deposits	--	--	234,275	--
Due to other funds	1,843,530	291,498	--	713
Deferred revenues				
Demolition liens and other	--	--	582,278	--
Paving assessments	--	--	8,560	--
U.S. Department of Justice	--	--	2,679	--
Asset seizure and forfeiture	--	--	73,765	--
Grants	--	--	2,446,035	--
Texas Commission on Environmental Quality	--	--	94,321	--
Other	624,460	--	--	--
Total deferred revenues	<u>624,460</u>	<u>--</u>	<u>3,207,638</u>	<u>--</u>
Total liabilities	<u>3,850,232</u>	<u>486,040</u>	<u>4,534,574</u>	<u>26,648</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 9-A

<u>Infrastructure</u>	<u>Local Emergency Planning Committee</u>	<u>Corpus Christi Community Improvement Corporation</u>	<u>Corpus Christi Housing Finance Corporation</u>	<u>Corpus Christi Industrial Development Corporation</u>	<u>Corpus Christi Crime Control and Prevention District</u>
\$ --	\$ 35,868	\$ 708,301	\$ 355,431	\$ 65,468	\$ 6
--	--	--	--	--	2,000,000
--	--	--	--	--	72
--	--	--	--	--	--
--	--	--	--	--	--
302,847	--	--	--	--	--
--	--	18,074,911	--	--	--
--	--	--	--	--	--
--	--	354,105	--	--	--
--	--	--	--	--	--
--	--	--	--	--	439,643
--	--	--	--	--	--
<u>302,847</u>	<u>--</u>	<u>18,429,016</u>	<u>--</u>	<u>--</u>	<u>439,715</u>
901,781	--	394,949	--	--	6,368
--	--	--	--	--	--
<u>\$ 1,204,628</u>	<u>\$ 35,868</u>	<u>\$ 19,532,266</u>	<u>\$ 355,431</u>	<u>\$ 65,468</u>	<u>\$ 2,446,089</u>
\$ --	\$ 272	\$ 158,692	\$ 1,400	\$ --	\$ 168,168
--	--	--	--	--	--
--	--	--	--	--	--
2,500	--	156,590	--	--	--
41	--	2,500	--	--	6,865
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>2,541</u>	<u>272</u>	<u>317,782</u>	<u>1,400</u>	<u>--</u>	<u>175,033</u>

the City of Corpus Christi, Texas

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JULY 31, 2007
WITH COMPARATIVE TOTALS FOR JULY 31, 2006**

	Visitors Facilities	Hotel Occupancy Tax	Federal/ State Grants	Community Enrichment
Fund balances				
Reserved for encumbrances	46,500	--	1,428,430	11,300
Reserved for loans	--	--	--	--
Reserved for debt service	--	--	--	--
Reserved for Senior Community Services	--	--	10,582	--
Reserved for Home Program	--	--	--	--
Reserved for Convention Center expansion	--	--	--	--
Reserved for law enforcement	--	--	682,726	--
Reserved for library projects	--	--	--	--
Reserved for Sister City programs	--	--	--	1,097
Reserved for park projects	--	--	--	1,933,026
Reserved for permanent art projects	--	--	--	146,881
Reserved for infrastructure	--	--	--	--
Reserved for local emergency response planning	--	--	--	--
Reserved for maintenance	--	--	--	--
Reserved for Affordable Housing	--	--	--	--
Reserved for Stadium Capital Repair	--	--	--	--
Reserved for naming rights capital projects	341,000	--	--	--
Unreserved				
Designated for subsequent year's expenditures	--	584,498	--	--
Designated for incentive program	--	33,000	--	--
Undesignated (deficit)	(2,560,673)	307,998	(1,863,084)	--
Total fund balances	<u>(2,173,173)</u>	<u>925,496</u>	<u>258,654</u>	<u>2,092,304</u>
Total liabilities and fund balances	<u>\$ 1,677,059</u>	<u>\$ 1,411,536</u>	<u>\$ 4,793,228</u>	<u>\$ 2,118,952</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 9-A
(Continued)

<u>Infrastructure</u>	<u>Local Emergency Planning Committee</u>	<u>Corpus Christi Community Improvement Corporation</u>	<u>Corpus Christi Housing Finance Corporation</u>	<u>Corpus Christi Industrial Development Corporation</u>	<u>Corpus Christi Crime Control and Prevention District</u>
--	--	--	--	--	3,900
--	--	18,972,247	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
1,202,087	--	--	--	--	--
--	29,485	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	6,111	--	--	--	--
--	--	--	--	--	--
--	--	242,237	354,031	65,468	2,267,156
<u>1,202,087</u>	<u>35,596</u>	<u>19,214,484</u>	<u>354,031</u>	<u>65,468</u>	<u>2,271,056</u>
<u>\$ 1,204,628</u>	<u>\$ 35,868</u>	<u>\$ 19,532,266</u>	<u>\$ 355,431</u>	<u>\$ 65,468</u>	<u>\$ 2,446,089</u>

the City of Corpus Christi, Texas

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JULY 31, 2007
WITH COMPARATIVE TOTALS FOR JULY 31, 2006**

ASSETS	Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation	Eliminations	2007 Total
Cash and cash equivalents	\$ 1,205,836	\$ 3,440,182	\$ --	\$ 6,475,876
Investments	29,493,437	--	--	32,493,125
Receivables				
Accounts	--	--	--	2,888,345
Property leases	--	--	--	--
Taxes	--	5,129	--	5,129
Accrued interest	332,548	14,510	--	347,058
Due from Subdivision Developer	--	--	--	302,847
Mortgages and loans	--	--	--	18,074,911
Demolition liens	--	--	--	583,559
Special assessments	--	--	--	8,193
Notes	--	--	--	354,105
Employees	--	--	--	2,340
Intergovernmental	1,515,930	--	--	6,304,848
Miscellaneous	--	--	--	--
Allowance for uncollectibles	--	--	--	(1,296,419)
Net receivables	<u>1,848,478</u>	<u>19,639</u>	<u>--</u>	<u>27,574,916</u>
Due from other funds	2,500	321	(2,138,241)	224,704
Inventories	--	--	--	--
Prepaid Items	--	--	--	744,056
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 32,550,251</u>	<u>\$ 3,460,142</u>	<u>\$ (2,138,241)</u>	<u>\$ 67,512,677</u>

LIABILITIES AND FUND BALANCES

Liabilities				
Accounts payable	\$ 24,067	\$ --	\$ --	\$ 2,043,901
Accrued liabilities	--	--	--	912,715
Contractor interest and retainage payable	--	--	--	91,363
Deposits	--	--	--	393,365
Due to other funds	610	--	(2,138,241)	7,516
Deferred revenues				
Demolition liens and other	--	--	--	582,278
Paving assessments	--	--	--	8,560
U.S. Department of Justice	--	--	--	2,679
Asset seizure and forfeitures	--	--	--	73,765
Grants	--	--	--	2,446,035
Texas Commission on Environmental Quality	--	--	--	94,321
Other	--	--	--	624,460
Total deferred revenues	<u> </u>	<u> </u>	<u> </u>	<u>3,832,098</u>
Total liabilities	<u>24,677</u>	<u>--</u>	<u>(2,138,241)</u>	<u>7,280,958</u>

(Continued)

Exhibit 9-A
(Continued)

2006
Restated

\$	9,839,903
	23,743,622
	2,262,669
	--
	3,158
	237,209
	--
18,111,779	
	334,742
	8,318
	132,530
	2,340
	5,266,911
	5,944
	<u>(623,913)</u>
	25,741,687
	414,127
	7,674
	<u>40,442</u>
\$	<u><u>59,787,455</u></u>

\$	2,399,116
	580,208
	75,759
	386,862
	216,815
	333,461
	8,660
	2,679
	42,897
	1,942,215
	152,833
	<u>1,280,915</u>
	<u>3,763,660</u>
	7,422,420

the City of Corpus Christi, Texas

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JULY 31, 2007
WITH COMPARATIVE TOTALS FOR JULY 31, 2006**

	Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation	Eliminations	2007 Total
Fund balances				
Reserved for encumbrances	750,177	180,000	--	2,420,307
Reserved for loans	--	--	--	18,972,247
Reserved for debt service	--	3,000,000	--	3,000,000
Reserved for Senior Community Services	--	--	--	10,582
Reserved for Home Program	--	--	--	--
Reserved for Convention Center expansion	--	--	--	--
Reserved for law enforcement	--	--	--	682,726
Reserved for library projects	--	--	--	--
Reserved for Sister City programs	--	--	--	1,097
Reserved for park projects	--	--	--	1,933,026
Reserved for permanent art projects	--	--	--	146,881
Reserved for infrastructure	--	--	--	1,202,087
Reserved for local emergency response planning	--	--	--	29,485
Reserved for maintenance	--	--	--	--
Reserved for Affordable Housing	747,849	--	--	747,849
Reserved for Stadium Capital Repair	282,498	--	--	282,498
Reserved for naming rights capital projects	--	--	--	341,000
Unreserved				
Designated for subsequent year's expenditures	--	--	--	590,609
Designated for incentive program	--	--	--	33,000
Undesignated (deficit)	30,745,050	280,142	--	29,838,325
Total fund balances	<u>32,525,574</u>	<u>3,460,142</u>	<u>--</u>	<u>60,231,719</u>
Total liabilities and fund balances	<u>\$ 32,550,251</u>	<u>\$ 3,460,142</u>	<u>\$ (2,138,241)</u>	<u>\$ 67,512,677</u>

Exhibit 9-A
(Continued)

2006
Restated

1,969,319

18,111,779

--

142,590

66,250

114,604

1,098,980

--

1,047

1,678,797

122,914

1,148,631

23,612

1,818,402

--

--

166,000

436,318

33,000

25,432,792

52,365,035

\$ 59,787,455

the City of Corpus Christi, Texas

SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	Visitors Facilities	Hotel Occupancy Tax	Federal/ State Grants	Community Enrichment
Revenues				
Taxes and business fees	\$ --	\$ 9,630,152	\$ --	\$ --
Grants	--	--	14,287,972	--
Charges for services	7,521,709	--	1,519,076	--
Deposits	--	--	--	--
Contributions and donations	--	--	--	242,559
Earnings on investments	--	--	49,030	93,504
Interest on loans	--	--	--	--
Sale of City property	--	--	--	--
Naming rights	175,000	--	--	--
Miscellaneous	--	299	112,912	--
Total revenues	<u>7,696,709</u>	<u>9,630,451</u>	<u>15,968,990</u>	<u>336,063</u>
Expenditures				
Current				
General government	--	--	4,346,929	--
Police and municipal court	--	--	2,586,676	--
Fire and ambulance	--	--	1,402,920	--
Emergency management	--	--	10,000	--
Streets	--	--	319,513	--
Solid waste	--	--	23,181	--
Health	--	--	1,825,600	--
Parks and recreation	--	1,030,359	3,185,997	10,035
Libraries	--	--	800,770	244
Community enrichment	--	625,182	1,140,012	--
Community development	--	--	591,199	--
Convention and visitors activities	8,755,109	5,027,204	--	--
Capital projects	--	--	1,177,446	65,849
Debt service				
Principal retirement	--	--	--	--
Interest	--	--	--	--
Interest on interfund borrowings	122,929	25,231	--	--
Total expenditures	<u>8,878,038</u>	<u>6,707,976</u>	<u>17,410,243</u>	<u>76,128</u>
Excess (deficiency) of revenues over (under) expenditures	(1,181,329)	2,922,475	(1,441,253)	259,935
Other financing sources (uses)				
Transfers in	843,111	--	765,446	18,067
Transfers out	(265,169)	(2,510,346)	(98,507)	--
Total other financing sources (uses)	<u>577,942</u>	<u>(2,510,346)</u>	<u>666,939</u>	<u>18,067</u>
Net change in fund balance	(603,387)	412,129	(774,314)	278,002
Fund balances at beginning of year, as restated (Note 1P)	<u>(1,569,786)</u>	<u>513,367</u>	<u>1,032,968</u>	<u>1,814,302</u>
Fund balances at end of year	<u>\$ (2,173,173)</u>	<u>\$ 925,496</u>	<u>\$ 258,654</u>	<u>\$ 2,092,304</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 9-B

<u>Infrastructure</u>	<u>Local Emergency Planning Committee</u>	<u>Corpus Christi Community Improvement Corporation</u>	<u>Corpus Christi Housing Finance Corporation</u>	<u>Corpus Christi Industrial Development Corporation</u>	<u>Corpus Christi Crime Control and Prevention District</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 4,700,088
--	--	1,258,275	--	--	--
--	--	117,621	5,850	--	--
270,716	--	--	--	--	--
1,570,758	82,750	--	--	--	--
45,713	1,890	63,334	16,238	2,646	115,251
--	--	374,210	--	--	--
--	--	--	--	--	4,940
--	--	--	--	--	--
--	--	700	--	--	7,380
<u>1,887,187</u>	<u>84,640</u>	<u>1,814,140</u>	<u>22,088</u>	<u>2,646</u>	<u>4,827,659</u>
--	--	--	--	--	--
--	--	--	--	--	4,623,424
--	--	--	--	--	--
--	72,656	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	1,752,112	26,035	--	--
--	--	--	--	--	--
1,833,731	--	--	--	--	305,082
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
<u>1,833,731</u>	<u>72,656</u>	<u>1,752,112</u>	<u>26,035</u>	<u>--</u>	<u>4,928,506</u>
53,456	11,984	62,028	(3,947)	2,646	(100,847)
--	--	--	--	--	--
--	--	(35,462)	--	--	--
--	--	(35,462)	--	--	--
53,456	11,984	26,566	(3,947)	2,646	(100,847)
<u>1,148,631</u>	<u>23,612</u>	<u>19,187,918</u>	<u>357,978</u>	<u>62,822</u>	<u>2,371,903</u>
<u>\$ 1,202,087</u>	<u>\$ 35,596</u>	<u>\$ 19,214,484</u>	<u>\$ 354,031</u>	<u>\$ 65,468</u>	<u>\$ 2,271,056</u>

the City of Corpus Christi, Texas

SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	Corpus Christi Business and Job Development Corporation	North Padre Island Development Corporation	Eliminations	2007 Total
Revenues				
Taxes and business fees	\$ 15,780,900	\$ 2,332,093	\$ --	\$ 32,443,233
Grants	--	--	--	15,546,247
Charges for services	--	--	--	9,164,256
Deposits	--	--	--	270,716
Contributions and donations	--	--	--	1,896,067
Earnings on investments	1,390,842	127,129	--	1,905,577
Interest on loans	--	--	--	374,210
Sale of City property	--	--	--	4,940
Naming rights	--	--	--	175,000
Miscellaneous	--	--	--	121,291
Total revenue	<u>17,171,742</u>	<u>2,459,222</u>	<u>--</u>	<u>61,901,537</u>
Expenditures				
Current				
General government	231,831	--	--	4,578,760
Police and municipal court	--	--	--	7,210,100
Fire and ambulance	--	--	--	1,402,920
Emergency management	--	--	--	82,656
Streets	--	--	--	319,513
Solid waste	--	--	--	23,181
Health	--	--	--	1,825,600
Parks and recreation	--	--	--	4,226,391
Libraries	--	--	--	801,014
Community enrichment	--	--	--	1,765,194
Community development	411,042	--	--	2,780,388
Convention and visitors activities	--	--	--	13,782,313
Capital projects	11,100	--	--	3,393,208
Debt service				
Principal retirement	--	--	--	--
Interest	--	--	--	--
Interest on interfund borrowings	--	--	--	148,160
Total expenditures	<u>653,973</u>	<u>--</u>	<u>--</u>	<u>42,339,398</u>
Excess (deficiency) of revenues over (under) expenditures	16,517,769	2,459,222	--	19,562,139
Other financing sources (uses)				
Transfers in	--	--	(743,083)	883,541
Transfers out	(9,595,113)	(817,482)	743,083	(12,578,996)
Total other financing sources (uses)	<u>(9,595,113)</u>	<u>(817,482)</u>	<u>--</u>	<u>(11,695,455)</u>
Net change in fund balances	6,922,656	1,641,740	--	7,866,684
Fund balances at beginning of year, as restated (Note 1P)	<u>25,602,918</u>	<u>1,818,402</u>	<u>--</u>	<u>52,365,035</u>
Fund balances at end of year	<u>\$ 32,525,574</u>	<u>\$ 3,460,142</u>	<u>\$ --</u>	<u>\$ 60,231,719</u>

Exhibit 9-B
(Continued)

2006
Restated
\$ 30,058,281
11,972,711
9,520,053
1,093,803
2,570,945
1,055,154
31,771
3,230
175,000
142,016
<hr/> 56,622,964
3,024,583
5,842,457
453,265
82,470
138,132
13,037
2,214,559
5,288,834
913,388
1,505,359
2,743,565
13,794,220
3,959,639
81,465
2,805
80,169
<hr/> 40,137,947
16,485,017
1,188,480
(11,104,567)
<hr/> (9,916,087)
6,568,930
45,796,105
<hr/>
<hr/> \$ 52,365,035

**VISITORS FACILITIES FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u> <u>Restated</u>
ASSETS		
Cash and cash equivalents	\$ 230,157	\$ 30
Receivables		
Accounts	1,413,094	1,158,435
Allowance for uncollectibles	(793,487)	(341,601)
Net receivables	<u>619,607</u>	<u>816,834</u>
Due from other funds	83,239	226,142
Inventories	--	7,674
Prepaid Items	<u>744,056</u>	<u>40,442</u>
Total assets	<u>\$ 1,677,059</u>	<u>\$ 1,091,122</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 1,098,712	\$ 758,503
Accrued liabilities	283,530	295,372
Deposits	--	25,000
Due to other funds	1,843,530	301,118
Deferred revenues		
Other	624,460	1,280,915
Total liabilities	<u>3,850,232</u>	<u>2,660,908</u>
Fund balance		
Reserved for encumbrances	46,500	--
Reserved for naming rights capital projects	341,000	166,000
Unreserved		
Undesignated (deficit)	(2,560,673)	(1,735,786)
Total fund balance	<u>(2,173,173)</u>	<u>(1,569,786)</u>
Total liabilities and fund balance	<u>\$ 1,677,059</u>	<u>\$ 1,091,122</u>

VISITORS FACILITIES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	<u>Budget</u>		<u>2007 Actual</u>	<u>Variance</u>	<u>2006 Restated</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Revenues					
Charges for services					
Arena	\$ 3,937,537	\$ 3,937,537	\$ 4,342,399	\$ 404,862	\$ 4,421,196
Convention center services	1,840,552	1,840,552	3,178,510	1,337,958	3,003,690
Harbor Playhouse	--	--	800	800	--
Equipment rental- auditorium/convention center	--	--	--	--	4,800
Total charges for services	<u>5,778,089</u>	<u>5,778,089</u>	<u>7,521,709</u>	<u>1,743,620</u>	<u>7,429,686</u>
Earnings on investments	19,134	19,134	--	(19,134)	--
Naming rights for American Bank Center	175,000	175,000	175,000	--	175,000
Total revenues	<u>5,972,223</u>	<u>5,972,223</u>	<u>7,696,709</u>	<u>1,724,486</u>	<u>7,604,686</u>
Expenditures					
Current					
Arena	4,203,372	4,203,372	5,205,495	(1,002,123)	5,460,106
Auditorium/convention center	1,264,889	1,340,710	2,932,286	(1,591,576)	3,003,076
Coliseum	--	--	--	--	47,350
Water garden	143,983	143,983	153,328	(9,345)	187,958
Cultural facility maintenance	464,000	464,000	464,000	--	420,110
Capital projects	--	--	--	--	9,000
Interest on interfund borrowings	--	--	122,929	(122,929)	39,419
Total expenditures	<u>6,076,244</u>	<u>6,152,065</u>	<u>8,878,038</u>	<u>(2,725,973)</u>	<u>9,167,019</u>
Deficiency of revenues over expenditures	(104,021)	(179,842)	(1,181,329)	(1,001,487)	(1,562,333)
Other financing sources (uses)					
Transfers in	704,490	704,490	843,111	138,621	772,630
Transfers out	(265,169)	(265,169)	(265,169)	--	(483,834)
Total other financing sources (uses)	<u>439,321</u>	<u>439,321</u>	<u>577,942</u>	<u>138,621</u>	<u>288,796</u>
Net change in fund balance	335,300	259,479	(603,387)	(862,866)	(1,273,537)
Fund balance at beginning of year	<u>(153,396)</u>	<u>(1,569,786)</u>	<u>(1,569,786)</u>	<u>--</u>	<u>(296,249)</u>
Fund balance at end of year	<u>\$ 181,904</u>	<u>\$ (1,310,307)</u>	<u>\$ (2,173,173)</u>	<u>\$ (862,866)</u>	<u>\$ (1,569,786)</u>

**HOTEL OCCUPANCY TAX FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
ASSETS		
Receivables		
Accounts	\$ 1,459,076	\$ 1,083,630
Miscellaneous	--	5,944
Allowance for uncollectibles	(59,413)	(4,425)
Net receivables	<u>1,399,663</u>	<u>1,085,149</u>
Due from other funds	<u>11,873</u>	<u>28,584</u>
Total assets	<u><u>\$ 1,411,536</u></u>	<u><u>\$ 1,113,733</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 194,542	\$ 11,599
Due to other funds	291,498	588,767
Total liabilities	<u>486,040</u>	<u>600,366</u>
Fund balance		
Designated for subsequent year's expenditures	584,498	365,763
Designated for incentive program	33,000	33,000
Undesignated	<u>307,998</u>	<u>114,604</u>
Total fund balance	<u>925,496</u>	<u>513,367</u>
Total liabilities and fund balance	<u><u>\$ 1,411,536</u></u>	<u><u>\$ 1,113,733</u></u>

HOTEL OCCUPANCY TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	<u>Budget</u>		<u>2007 Actual</u>	<u>Variance</u>	<u>2006 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Revenues					
Hotel occupancy tax	\$ 6,879,018	\$ 6,879,018	\$ 7,495,233	\$ 616,215	\$ 7,321,352
Hotel occupancy tax-Convention expansion	1,966,197	1,966,197	2,134,919	168,722	2,087,567
Total hotel occupancy taxes	8,845,215	8,845,215	9,630,152	784,937	9,408,919
Earnings on investments	16,885	16,885	--	(16,885)	--
Miscellaneous	--	--	299	299	6,034
Total revenues	8,862,100	8,862,100	9,630,451	768,351	9,414,953
Expenditures					
Current					
Convention center/auditorium	2,408,976	2,408,976	2,386,204	22,772	2,124,750
Convention and Visitors Bureau-convention promotion	2,641,000	2,641,000	2,641,000	--	2,550,870
Art Museum of South Texas	340,600	340,600	340,600	--	340,600
Multicultural services support	113,579	113,579	113,579	--	114,767
Jazz festival	7,500	7,500	7,500	--	7,500
Arts grants and projects	91,500	91,500	73,433	18,067	85,733
Harbor Playhouse	45,070	45,070	45,070	--	45,070
Center for Hispanic Arts	15,000	15,000	15,000	--	15,000
Asian Cultures Museum	15,000	15,000	15,000	--	15,000
Arts Community Center	15,000	15,000	15,000	--	15,000
Corpus Christi Symphony	12,000	12,000	--	12,000	--
Beach cleaning	1,030,359	1,030,359	1,030,359	--	1,124,501
Interest on interfund borrowings	--	--	25,231	(25,231)	40,750
Total expenditures	6,735,584	6,735,584	6,707,976	27,608	6,479,541
Excess of revenues over expenditures	2,126,516	2,126,516	2,922,475	795,959	2,935,412
Transfers out	(2,492,279)	(2,492,279)	(2,510,346)	(18,067)	(2,562,850)
Total other financing (uses)	(2,492,279)	(2,492,279)	(2,510,346)	(18,067)	(2,562,850)
Net change in fund balance	(365,763)	(365,763)	412,129	777,892	372,562
Fund balance at beginning of year	520,419	513,367	513,367	--	140,805
Fund balance at end of year	<u>\$ 154,656</u>	<u>\$ 147,604</u>	<u>\$ 925,496</u>	<u>\$ 777,892</u>	<u>\$ 513,367</u>



City of
Corpus
Christi

the City of Corpus Christi, Texas

Exhibit 12-A

FEDERAL/STATE GRANTS FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2007 AND 2006

ASSETS	<u>2007</u>	<u>2006</u>
Cash and cash equivalents	\$ 250,179	\$ 981,247
Receivables		
Accounts	16,103	10,604
Demolition liens	583,559	334,742
Special assessments	8,193	8,318
Employees	2,340	2,340
Intergovernmental	4,349,275	3,455,760
Allowance for uncollectibles	(443,519)	(277,887)
Net receivables	<u>4,515,951</u>	<u>3,533,877</u>
Due from other funds	<u>27,098</u>	<u>73,199</u>
Total assets	<u>\$ 4,793,228</u>	<u>\$ 4,588,323</u>
 LIABILITIES AND FUND BALANCE 		
Liabilities		
Accounts payable	\$ 372,113	\$ 444,269
Accrued liabilities	629,185	283,602
Contractor interest and retainage payable	91,363	75,759
Deposits	234,275	191,963
Due to other funds	--	77,017
Deferred revenues		
Demolition liens and other	582,278	333,461
Paving assessments	8,560	8,660
U.S. Department of Justice	2,679	2,679
Asset seizure and forfeitures	73,765	42,897
Grants	2,446,035	1,942,215
Texas Commission on Environmental Quality	94,321	152,833
Total deferred revenues	<u>3,207,638</u>	<u>2,482,745</u>
Total liabilities	<u>4,534,574</u>	<u>3,555,355</u>
Fund balance		
Reserved for encumbrances	1,428,430	638,398
Reserved for senior community services	10,582	142,590
Reserved for law enforcement		
State forfeitures	275,795	389,630
Federal forfeitures	385,046	684,386
Officers' standards and education	21,885	24,964
Total reserved for law enforcement	<u>682,726</u>	<u>1,098,980</u>
Unreserved (deficit)	<u>(1,863,084)</u>	<u>(847,000)</u>
Total fund balance	<u>258,654</u>	<u>1,032,968</u>
Total liabilities and fund balances	<u>\$ 4,793,228</u>	<u>\$ 4,588,323</u>

the City of Corpus Christi, Texas

FEDERAL/STATE GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JULY 31, 2007

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Revenues				
Grants				
State of Texas	\$ 62,999,230	\$ 54,378,385	\$ 7,303,858	\$ 61,682,243
Federal Government	110,353,056	93,985,553	5,389,080	99,374,633
Coastal Bend Council of Governments	12,165,938	8,282,685	862,987	9,145,672
Drug forfeitures				
State	1,500,154	1,002,638	355,063	1,357,701
Federal	1,634,920	1,425,452	209,468	1,634,920
Local grants and contributions	756,999	1,090,865	167,516	1,258,381
Total grants	<u>189,410,297</u>	<u>160,165,578</u>	<u>14,287,972</u>	<u>174,453,550</u>
Charges for services	17,356,659	17,162,961	1,519,076	18,682,037
Earnings on investments	161,789	112,758	49,030	161,788
Miscellaneous	1,495,328	1,621,686	112,912	1,734,598
Total revenue	<u>208,424,073</u>	<u>179,062,983</u>	<u>15,968,990</u>	<u>195,031,973</u>
Expenditures				
Current				
General government	12,012,207	6,940,214	4,346,929	11,287,143
Police and municipal court	23,988,243	17,518,857	2,586,676	20,105,533
Fire and ambulance	3,295,427	1,942,626	1,402,920	3,345,546
Emergency management	503,938	437,587	10,000	447,587
Streets	5,757,475	5,206,498	319,513	5,526,011
Solid waste	349,782	671,479	23,181	694,660
Health	18,455,385	17,627,639	1,825,600	19,453,239
Parks and recreation	25,223,607	29,797,669	3,185,997	32,983,666
Libraries	6,903,043	8,966,749	800,770	9,767,519
Community enrichment	2,006,701	866,689	1,140,012	2,006,701
Community development	75,227,275	57,290,039	591,199	57,881,238
Miscellaneous	162,010	179,614	--	179,614
Capital projects	34,971,303	34,068,011	1,177,446	35,245,457
Debt service				
Principal retirement	93,440	93,440	--	93,440
Interest	1,524	1,524	--	1,524
Total expenditures	<u>208,951,360</u>	<u>181,608,635</u>	<u>17,410,243</u>	<u>199,018,878</u>
Excess (deficiency) of revenues over (under) expenditures	(527,287)	(2,545,652)	(1,441,253)	(3,986,905)

(Continued)

the City of Corpus Christi, Texas

Exhibit 12-B

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Transfers in				
Corpus Christi Community Improvement Corporation	491,680	777,771	20,526	798,297
General fund	10,919,325	10,255,341	744,920	11,000,261
Utility system	10,000	95,000	--	95,000
Trust funds	--	869,267	--	869,267
Total transfers in	<u>11,421,005</u>	<u>11,997,379</u>	<u>765,446</u>	<u>12,762,825</u>
Transfers out				
Corpus Christi Community Improvement Corporation	(8,370,528)	(5,391,511)	--	(5,391,511)
Water	--	(23,339)	--	(23,339)
Airport	--	(3,514)	--	(3,514)
General fund	<u>(3,288,071)</u>	<u>(3,000,395)</u>	<u>(98,507)</u>	<u>(3,098,902)</u>
Total transfers out	<u>(11,658,599)</u>	<u>(8,418,759)</u>	<u>(98,507)</u>	<u>(8,517,266)</u>
Total other financing sources (uses)	<u>(237,594)</u>	<u>3,578,620</u>	<u>666,939</u>	<u>4,245,559</u>
Net change in fund balance	<u>\$ (764,881)</u>	<u>\$ 1,032,968</u>	(774,314)	<u>\$ 258,654</u>
Fund balance at beginning of year			<u>1,032,968</u>	
Fund balance at end of year			<u>\$ 258,654</u>	

**COMMUNITY ENRICHMENT FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
ASSETS		
Cash and cash equivalents	\$ 184,448	\$ 952,920
Investments	999,688	--
Due from other funds	<u>934,816</u>	<u>867,061</u>
Total assets	<u>\$ 2,118,952</u>	<u>\$ 1,819,981</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 25,935	\$ 5,679
Due to other funds	713	--
Total liabilities	<u>26,648</u>	<u>5,679</u>
Fund balance		
Reserved for encumbrances	11,300	11,544
Reserved for sister city programs	1,097	1,047
Reserved for park projects	1,933,026	1,678,797
Reserved for permanent art projects	<u>146,881</u>	<u>122,914</u>
Total fund balance	<u>2,092,304</u>	<u>1,814,302</u>
Total liabilities and fund balance	<u>\$ 2,118,952</u>	<u>\$ 1,819,981</u>

Exhibit 13-B

COMMUNITY ENRICHMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Revenues		
Contributions and donations	\$ 242,559	\$ 549,587
Earnings on investments	93,504	55,082
Total revenues	<u>336,063</u>	<u>604,669</u>
Expenditures		
Current		
Parks and recreation	10,035	144,108
Libraries	244	758
Capital projects	<u>65,849</u>	<u>48,228</u>
Total expenditures	<u>76,128</u>	<u>193,094</u>
Excess of revenues over expenditures	259,935	411,575
Other financing sources		
Transfers in	<u>18,067</u>	<u>5,767</u>
Net change in fund balance	278,002	417,342
Fund balance at beginning of year	<u>1,814,302</u>	<u>1,396,960</u>
Fund balance at end of year	<u><u>\$ 2,092,304</u></u>	<u><u>\$ 1,814,302</u></u>

**INFRASTRUCTURE FUND
COMPARATIVE BALANCE SHEETS
JULY 31, 2007 AND 2006**

ASSETS	<u>2007</u>	<u>2006</u>
Cash and cash equivalents	\$ --	\$ 1,554,652
Investments	--	100,000
Accounts receivable		
Due from subdivision developer	302,847	--
Net receivables	<u>302,847</u>	<u>--</u>
Due from other funds	<u>901,781</u>	<u>--</u>
Total assets	<u>\$ 1,204,628</u>	<u>\$ 1,654,652</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ --	\$ 503,480
Deposits	2,500	2,500
Due to other funds	41	41
Total liabilities	<u>2,541</u>	<u>506,021</u>
Fund balance		
Reserved for infrastructure	<u>1,202,087</u>	<u>1,148,631</u>
Total fund balance	<u>1,202,087</u>	<u>1,148,631</u>
Total liabilities and fund balance	<u>\$ 1,204,628</u>	<u>\$ 1,654,652</u>

Exhibit 14-B

INFRASTRUCTURE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Revenues		
Deposits	\$ 270,716	\$ 1,093,803
Contributions and donations	1,570,758	1,938,808
Earnings on investments	45,713	36,231
Total revenues	<u>1,887,187</u>	<u>3,068,842</u>
Expenditures		
Capital projects	<u>1,833,731</u>	<u>2,978,321</u>
Net change in fund balance	53,456	90,521
Fund balance at beginning of year	<u>1,148,631</u>	<u>1,058,110</u>
Fund balance at end of year	<u><u>\$ 1,202,087</u></u>	<u><u>\$ 1,148,631</u></u>

**LOCAL EMERGENCY PLANNING COMMITTEE
COMPARATIVE BALANCE SHEETS
JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
ASSETS		
Cash and cash equivalents	\$ 35,868	\$ 16,200
Accounts receivable	--	10,000
	<u> </u>	<u> </u>
Total assets	<u>\$ 35,868</u>	<u>\$ 26,200</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 272	\$ 1,095
Accrued liabilities	--	1,234
Due to other funds	--	259
Total liabilities	<u>272</u>	<u>2,588</u>
Fund balance		
Reserved for local emergency response planning	29,485	23,612
Unreserved		
Designated for subsequent year's expenditures	6,111	--
Total fund balance	<u>35,596</u>	<u>23,612</u>
	<u> </u>	<u> </u>
Total liabilities and fund balance	<u>\$ 35,868</u>	<u>\$ 26,200</u>

LOCAL EMERGENCY PLANNING COMMITTEE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	Budget		2007 Actual	Variance Final Budget Positive (Negative)	2006 Actual
	Original	Final			
Revenues					
Contributions and donations	\$ 80,000	\$ 80,000	\$ 82,750	\$ 2,750	\$ 82,550
Earnings on investments	2,141	2,141	1,890	(251)	1,355
Total revenues	82,141	82,141	84,640	2,499	83,905
Expenditures					
Current					
Public safety					
Emergency management	79,695	80,322	72,656	7,666	82,470
Reserve appropriations	627	--	--	--	--
Total expenditures	80,322	80,322	72,656	7,666	82,470
Net change in fund balance	1,819	1,819	11,984	10,165	1,435
Fund balance at beginning of year	12,284	23,612	23,612	--	22,177
Fund balance at end of year	\$ 14,103	\$ 25,431	\$ 35,596	\$ 10,165	\$ 23,612

**CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION
COMPARATIVE BALANCE SHEETS
JULY 31, 2007 AND 2006**

ASSETS	<u>2007</u>	<u>2006</u>
Cash and cash equivalents	\$ 708,301	\$ 1,323,005
Investments	--	264,758
Receivables		
Accrued interest	--	2,148
Mortgages and loans	18,074,911	18,111,779
Notes	354,105	132,530
Net receivables	<u>18,429,016</u>	<u>18,246,457</u>
Due from other funds	<u>394,949</u>	<u>111,893</u>
Total assets	<u>\$ 19,532,266</u>	<u>\$ 19,946,113</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 158,692	\$ 564,502
Deposits	156,590	167,399
Due to other funds	2,500	26,294
Total liabilities	<u>317,782</u>	<u>758,195</u>
Fund balance		
Reserved for loans	18,972,247	18,111,779
Reserved for Home Program	--	66,250
Unreserved		
Undesignated	242,237	1,009,889
Total fund balance	<u>19,214,484</u>	<u>19,187,918</u>
Total liabilities and fund balance	<u>\$ 19,532,266</u>	<u>\$ 19,946,113</u>

CORPUS CHRISTI COMMUNITY IMPROVEMENT CORPORATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Revenues		
Federal Government	\$ 1,258,275	\$ 1,135,953
Charges for services	117,621	402,614
Earnings on investments	63,334	35,740
Interest on loans	374,210	31,771
Miscellaneous	700	3,878
Total revenues	<u>1,814,140</u>	<u>1,609,956</u>
Expenditures		
Current		
Grants	1,120,569	959,245
Warranty costs	1,604	28,846
Administration costs	207,837	262,891
Forgiven and uncollectible loans	422,102	536,943
Debt service		
Principal retirement	--	81,465
Interest	--	2,805
Total expenditures	<u>1,752,112</u>	<u>1,872,195</u>
Excess (deficiency) of revenues over (under) expenditures	62,028	(262,239)
Other financing sources (uses)		
Transfers in	--	163,937
Transfers out	(35,462)	(107,515)
Total other financing sources	<u>(35,462)</u>	<u>56,422</u>
Net change in fund balance	26,566	(205,817)
Fund balance at beginning of year	<u>19,187,918</u>	<u>19,393,735</u>
Fund balance at end of year	<u>\$ 19,214,484</u>	<u>\$ 19,187,918</u>

**CORPUS CHRISTI HOUSING FINANCE CORPORATION
COMPARATIVE BALANCE SHEETS
JULY 31, 2007 AND 2006**

ASSETS	<u>2007</u>	<u>2006</u>
Cash and cash equivalents	\$ 355,431	\$ 125,730
Investments	--	243,626
Receivables		
Accrued interest	--	1,977
	<u> </u>	<u> </u>
Total assets	<u>\$ 355,431</u>	<u>\$ 371,333</u>
 LIABILITIES AND FUND BALANCE 		
Liabilities		
Accounts payable	\$ 1,400	\$ 13,355
	<u> </u>	<u> </u>
Fund balance		
Unreserved		
Undesignated	354,031	357,978
	<u> </u>	<u> </u>
Total liabilities and fund balance	<u>\$ 355,431</u>	<u>\$ 371,333</u>

**CORPUS CHRISTI HOUSING FINANCE CORPORATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
Revenues		
Charges for services	\$ 5,850	\$ 63,925
Earnings on investments	16,238	11,567
Total revenues	<u>22,088</u>	<u>75,492</u>
Expenditures		
Current		
Development	<u>26,035</u>	<u>33,932</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,947)</u>	<u>41,560</u>
Net change in fund balance	(3,947)	41,560
Fund balance at beginning of year	<u>357,978</u>	<u>316,418</u>
Fund balance at end of year	<u><u>\$ 354,031</u></u>	<u><u>\$ 357,978</u></u>

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION
COMPARATIVE BALANCE SHEETS
JULY 31, 2007 AND 2006**

ASSETS	<u>2007</u>	<u>2006</u>
Cash and cash equivalents	\$ 65,468	\$ 17,711
Investments	--	44,748
Receivables		
Accrued interest	--	363
	<u> </u>	<u> </u>
Total assets	<u>\$ 65,468</u>	<u>\$ 62,822</u>
 LIABILITIES AND FUND BALANCE		
Liabilities	\$ --	\$ --
Fund balance		
Unreserved		
Undesignated	65,468	62,822
	<u> </u>	<u> </u>
Total liabilities and fund balance	<u>\$ 65,468</u>	<u>\$ 62,822</u>

**CORPUS CHRISTI INDUSTRIAL DEVELOPMENT CORPORATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
Revenues		
Charges for services	\$ --	\$ 3,950
Earnings on investments	2,646	1,865
Total revenues	<u>2,646</u>	<u>5,815</u>
Net change in fund balance	2,646	5,815
Fund balance at beginning of year	<u>62,822</u>	<u>57,007</u>
Fund balance at end of year	<u>\$ 65,468</u>	<u>\$ 62,822</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT
SCHEDULE OF NET ASSETS
JULY 31, 2007**

	Governmental Funds	Adjustments	Schedule of Net Assets
ASSETS			
Cash and cash equivalents	\$ 6	\$ --	\$ 6
Investments	2,000,000	--	2,000,000
Receivables			
Accounts	72	--	72
Intergovernmental	439,643	--	439,643
Net receivables	<u>439,715</u>	<u>--</u>	<u>439,715</u>
Due from other funds	<u>6,368</u>	<u>--</u>	<u>6,368</u>
Total assets	<u>\$ 2,446,089</u>	<u>--</u>	<u>2,446,089</u>
LIABILITIES			
Accounts payable	\$ 168,168	--	168,168
Due to other funds	6,865	--	6,865
Accumulated unpaid compensated absences			
Due within one year	--	150,253	150,253
Due in more than one year	--	232,734	232,734
Total liabilities	<u>175,033</u>	<u>382,987</u>	<u>558,020</u>
FUND BALANCE			
Reserved for encumbrances	3,900	(3,900)	--
Unreserved			
Undesignated	2,267,156	(2,267,156)	--
Total fund balance	<u>2,271,056</u>	<u>(2,271,056)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 2,446,089</u>		
NET ASSETS			
Restricted for			
Crime control and prevention		<u>1,888,069</u>	<u>1,888,069</u>
Total net assets		<u>\$ 1,888,069</u>	<u>\$ 1,888,069</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT
SCHEDULE OF ACTIVITIES
YEAR ENDED JULY 31, 2007**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Activities</u>
Expenditures/expenses			
Public safety	\$ 4,928,506	\$ 223,303	\$ 5,151,809
Total expenditures/expenses	<u>4,928,506</u>	<u>223,303</u>	<u>5,151,809</u>
General revenue			
Sales tax	4,700,088	--	4,700,088
Earnings on investments	115,251	--	115,251
Sale of City property	4,940	--	4,940
Miscellaneous	7,380	--	7,380
Total general revenues	<u>4,827,659</u>	<u>--</u>	<u>4,827,659</u>
Excess of revenues over expenditures	(100,847)	100,847	--
Change in net assets	--	(324,150)	(324,150)
Fund balance/net assets beginning of year	<u>2,371,903</u>	<u>(159,684)</u>	<u>2,212,219</u>
Fund balance/net assets end of year	<u>\$ 2,271,056</u>	<u>\$ (382,987)</u>	<u>\$ 1,888,069</u>

**CORPUS CHRISTI CRIME CONTROL AND PREVENTION DISTRICT
COMPARATIVE BALANCE SHEETS
JULY 31, 2007 AND 2006**

ASSETS	<u>2007</u>	<u>2006</u>
Cash and cash equivalents	\$ 6	\$ 517,204
Investments	2,000,000	1,495,100
Receivables		
Accounts	72	--
Accrued interest	--	15,927
Intergovernmental	439,643	428,331
Net receivables	<u>439,715</u>	<u>444,258</u>
Due from other funds	<u>6,368</u>	<u>--</u>
Total assets	<u>\$ 2,446,089</u>	<u>\$ 2,456,562</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 168,168	\$ 84,659
Due to other funds	6,865	--
Total liabilities	<u>175,033</u>	<u>84,659</u>
Fund balance		
Reserved for encumbrances	3,900	108,653
Unreserved		
Designated for subsequent year's expenditures	--	70,555
Undesignated	2,267,156	2,192,695
Total fund balance	<u>2,271,056</u>	<u>2,371,903</u>
Total liabilities and fund balance	<u>\$ 2,446,089</u>	<u>\$ 2,456,562</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, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006**

	<u>Budget</u>		<u>2007 Actual</u>	<u>Variance</u>	<u>2006 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Revenues					
Sales tax	\$ 4,623,143	\$ 4,623,143	\$ 4,700,088	\$ 76,945	\$ 4,524,820
Earnings on investments	62,352	62,352	115,251	52,899	59,715
Sale of City property	--	--	4,940	4,940	3,230
Miscellaneous	--	--	7,380	7,380	799
Total revenue	<u>4,685,495</u>	<u>4,685,495</u>	<u>4,827,659</u>	<u>142,164</u>	<u>4,588,564</u>
Expenditures					
Current					
Police officers	3,883,335	3,988,335	3,878,339	109,996	3,643,487
Crime Control Prevention Dist	120,000	120,000	77,246	42,754	--
Pawn shop detail	166,137	169,751	159,029	10,722	100,036
MDT/AVL tech support	56,603	57,923	62,442	(4,519)	111,679
Juvenile Curfew & Truancy Assessment Center	354,528	366,782	324,207	42,575	323,060
Citizens advisory council	10,000	10,000	11,051	(1,051)	10,105
Public safety vehicles and equipment	--	--	1,545	(1,545)	3,297
Juvenile City marshals	149,283	153,258	109,565	43,693	149,052
Reserved for comp/merit pay	16,163	--	--	--	--
Capital projects	--	353,653	305,082	48,571	2,262
Total expenditures	<u>4,756,049</u>	<u>5,219,702</u>	<u>4,928,506</u>	<u>291,196</u>	<u>4,342,978</u>
Net change in fund balance	(70,554)	(534,207)	(100,847)	433,360	245,586
Fund balance at beginning of year	<u>1,906,090</u>	<u>2,371,903</u>	<u>2,371,903</u>	<u>--</u>	<u>2,126,317</u>
Fund balance at end of year	<u>\$ 1,835,536</u>	<u>\$ 1,837,696</u>	<u>\$ 2,271,056</u>	<u>\$ 433,360</u>	<u>\$ 2,371,903</u>

CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
SCHEDULE OF NET ASSETS
JULY 31, 2007

	Governmental Funds	Adjustments	Schedule of Net Assets
ASSETS			
Cash and cash equivalents	\$ 1,955,844	\$ --	\$ 1,955,844
Investments	29,993,437	--	29,993,437
Receivables			
Accrued interest	351,182	--	351,182
Intergovernmental	1,515,930	--	1,515,930
Net receivables	<u>1,867,112</u>	<u>--</u>	<u>1,867,112</u>
Due from other funds	2,500	--	2,500
Bond issuance cost	--	1,008,237	1,008,237
Total assets	<u>\$ 33,818,893</u>	<u>1,008,237</u>	<u>34,827,130</u>
LIABILITIES			
Accounts payable	\$ 33,242	\$ --	\$ 33,242
Accrued interest	--	2,092,551	2,092,551
Due to other funds	9,610	--	9,610
Long-term debt			
Due within one year	--	3,995,000	3,995,000
Due in more than one year	--	103,914,245	103,914,245
Total liabilities	<u>42,852</u>	<u>110,001,796</u>	<u>110,044,648</u>
FUND BALANCE			
Reserved for encumbrances	1,046,149	(1,046,149)	--
Reserved for Affordable Housing	747,849	(747,849)	--
Reserved for Stadium Capital Repair	282,498	(282,498)	--
Unreserved			
Designated for subsequent years' expenditures	213	(213)	--
Designated for specific projects	429	(429)	--
Undesignated	31,698,903	(31,698,903)	--
Total fund balance	<u>33,776,041</u>	<u>(33,776,041)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 33,818,893</u>		
NET ASSETS (LIABILITIES)			
Restricted for			
Bond interest and redemption		548,366	548,366
Construction of capital assets		429	429
Unrestricted		<u>(75,766,313)</u>	<u>(75,766,313)</u>
Total net liabilities		<u>\$ (75,217,518)</u>	<u>\$ (75,217,518)</u>

**CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
SCHEDULE OF ACTIVITIES
YEAR ENDED JULY 31, 2007**

	Governmental Funds	Adjustments	Schedule of Activities
Expenditures/expenses			
General government	\$ 343,555	\$ --	\$ 343,555
Capital projects	4,488,395	--	4,488,395
Development	411,042	--	411,042
Debt service			
Principal retirement	3,780,000	(3,780,000)	--
Interest	5,104,623	18,793	5,123,416
Paying agent fees	4,539	(4,539)	--
Total expenditures/expenses	<u>14,132,154</u>	<u>(3,765,746)</u>	<u>10,366,408</u>
General revenues			
Sales tax	15,780,900	--	15,780,900
Earnings on investments	1,595,249	--	1,595,249
Other financing sources (uses)			
Transfers out	<u>(704,490)</u>	<u>--</u>	<u>(704,490)</u>
Total general revenues and other financing uses	<u>16,671,659</u>	<u>--</u>	<u>16,671,659</u>
Excess of revenues over expenditures and transfers out	2,539,505	(2,539,505)	--
Change in net assets	--	6,305,251	6,305,251
Fund balance/net liabilities beginning of year	<u>31,236,536</u>	<u>(112,759,305)</u>	<u>(81,522,769)</u>
Fund balance/net liabilities end of year	<u>\$ 33,776,041</u>	<u>\$ (108,993,559)</u>	<u>\$ (75,217,518)</u>

the City of Corpus Christi, Texas

CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
BALANCE SHEETS
JULY 31, 2007
WITH COMPARATIVE TOTALS FOR JULY 31, 2006

	Special Revenue		
	Seawall Improvement	Arena Facility	Economic Development
ASSETS			
Cash and cash equivalents	\$ 116,629	\$ 675,971	\$ 413,236
Investments	12,997,500	7,997,812	8,498,125
Receivables			
Accrued interest	138,813	94,453	99,282
Intergovernmental	505,310	505,310	505,310
Net receivables	644,123	599,763	604,592
Due from other funds	--	--	2,500
Total assets	<u>\$ 13,758,252</u>	<u>\$ 9,273,546</u>	<u>\$ 9,518,453</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ --	\$ --	\$ 24,067
Contractor interest and retainage payable	--	--	--
Due to other funds	--	--	610
Total liabilities	<u>--</u>	<u>--</u>	<u>24,677</u>
Fund balances			
Reserved for encumbrances	--	--	750,177
Reserved for debt service	--	--	--
Reserved for Affordable Housing	--	--	747,849
Reserved for Stadium Capital Repair	--	--	282,498
Unreserved			
Designated for subsequent year's expenditures	--	--	--
Designated for specific projects	--	--	--
Undesignated	13,758,252	9,273,546	7,713,252
Total fund balance	<u>13,758,252</u>	<u>9,273,546</u>	<u>9,493,776</u>
Total liabilities and fund balances	<u>\$ 13,758,252</u>	<u>\$ 9,273,546</u>	<u>\$ 9,518,453</u>

the City of Corpus Christi, Texas

Exhibit 20-C

Debt Service			Capital Projects		2007 Total	2006 Total
Seawall	Arena	Economic Development	Seawall	Arena		
\$ 335,763	\$ 209,481	\$ 3,335	\$ 173,953	\$ 27,476	\$ 1,955,844	\$ 4,032,886
--	--	--	500,000	--	29,993,437	27,584,390
--	--	--	18,634	--	351,182	236,625
--	--	--	--	--	1,515,930	1,382,820
--	--	--	18,634	--	1,867,112	1,619,445
--	--	--	--	--	2,500	3,829
<u>\$ 335,763</u>	<u>\$ 209,481</u>	<u>\$ 3,335</u>	<u>\$ 692,587</u>	<u>\$ 27,476</u>	<u>\$ 33,818,893</u>	<u>\$ 33,240,550</u>
\$ --	\$ --	\$ --	\$ 8,650	\$ 525	\$ 33,242	\$ 1,552,141
--	--	--	--	--	--	334,595
--	--	--	--	9,000	9,610	117,278
--	--	--	8,650	9,525	42,852	2,004,014
--	--	--	288,759	7,213	1,046,149	5,770,901
335,763	209,481	3,122	--	--	548,366	523,099
--	--	--	--	--	747,849	--
--	--	--	--	--	282,498	--
--	--	213	--	--	213	--
--	--	--	429	--	429	64,493
--	--	--	394,749	10,738	31,150,537	24,878,043
<u>335,763</u>	<u>209,481</u>	<u>3,335</u>	<u>683,937</u>	<u>17,951</u>	<u>33,776,041</u>	<u>31,236,536</u>
<u>\$ 335,763</u>	<u>\$ 209,481</u>	<u>\$ 3,335</u>	<u>\$ 692,587</u>	<u>\$ 27,476</u>	<u>\$ 33,818,893</u>	<u>\$ 33,240,550</u>

CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	Special Revenue		
	Seawall Improvement	Arena Facility	Economic Development
Revenues			
Sales tax	\$ 5,260,300	\$ 5,260,300	\$ 5,260,300
Earnings on investments	595,452	402,105	393,285
Total revenue	<u>5,855,752</u>	<u>5,662,405</u>	<u>5,653,585</u>
Expenditures			
Current			
General government	449	449	230,933
Community development	--	--	411,042
Capital projects	--	--	11,100
Debt service			
Principal retirement	--	--	--
Interest	--	--	--
Paying agent fees	--	--	--
Total expenditures	<u>449</u>	<u>449</u>	<u>653,075</u>
Excess (deficiency) of revenues over (under) expenditures	5,855,303	5,661,956	5,000,510
Other financing sources (uses)			
Transfers in	--	--	--
Transfers out	(3,159,681)	(4,146,532)	(2,288,900)
Total other financing sources (uses)	<u>(3,159,681)</u>	<u>(4,146,532)</u>	<u>(2,288,900)</u>
Net change in fund balances	2,695,622	1,515,424	2,711,610
Fund balances at beginning of year	<u>11,062,630</u>	<u>7,758,122</u>	<u>6,782,166</u>
Fund balances at end of year	<u>\$ 13,758,252</u>	<u>\$ 9,273,546</u>	<u>\$ 9,493,776</u>

the City of Corpus Christi, Texas

Exhibit 20-D

Debt Service			Capital Project		2007	2006
Seawall	Arena	Economic Development	Seawall	Arena	Total	Total
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 15,780,900	\$ 14,791,002
20,770	3,249	--	177,721	2,667	1,595,249	1,206,604
20,770	3,249	--	177,721	2,667	17,376,149	15,997,606
--	--	--	79,582	32,142	343,555	197,426
--	--	--	--	--	411,042	700,751
--	--	--	4,446,484	30,811	4,488,395	13,985,557
1,095,000	1,185,000	1,500,000	--	--	3,780,000	3,575,000
2,063,181	2,253,542	787,900	--	--	5,104,623	5,214,849
1,939	1,500	1,100	--	--	4,539	2,039
3,160,120	3,440,042	2,289,000	4,526,066	62,953	14,132,154	23,675,622
(3,139,350)	(3,436,793)	(2,289,000)	(4,348,345)	(60,286)	3,243,995	(7,678,016)
3,159,681	3,442,042	2,288,900	--	--	8,890,623	7,805,049
--	--	--	--	--	(9,595,113)	(7,954,971)
3,159,681	3,442,042	2,288,900	--	--	(704,490)	(149,922)
20,331	5,249	(100)	(4,348,345)	(60,286)	2,539,505	(7,827,938)
315,432	204,232	3,435	5,032,282	78,237	31,236,536	39,064,474
\$ 335,763	\$ 209,481	\$ 3,335	\$ 683,937	\$ 17,951	\$ 33,776,041	\$ 31,236,536

**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, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006**

	<u>Budget</u>		<u>2007 Actual</u>	<u>Variance</u>	<u>2006 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Revenues					
Sales tax	\$ 4,960,253	\$ 4,960,253	\$ 5,260,300	\$ 300,047	\$ 4,930,334
Earnings on investments	205,077	205,077	595,452	390,375	309,295
Total revenue	<u>5,165,330</u>	<u>5,165,330</u>	<u>5,855,752</u>	<u>690,422</u>	<u>5,239,629</u>
Expenditures					
Current					
General government	15,000	15,000	449	14,551	10,204
Excess of revenues over expenditures	5,150,330	5,150,330	5,855,303	704,973	5,229,425
Other financing uses					
Transfers out	<u>(3,159,681)</u>	<u>(3,159,681)</u>	<u>(3,159,681)</u>	<u>--</u>	<u>(1,530,582)</u>
Net change in fund balance	1,990,649	1,990,649	2,695,622	704,973	3,698,843
Fund balance at beginning of year	<u>10,781,025</u>	<u>11,062,630</u>	<u>11,062,630</u>	<u>--</u>	<u>7,363,787</u>
Fund balance at end of year	<u>\$ 12,771,674</u>	<u>\$ 13,053,279</u>	<u>\$ 13,758,252</u>	<u>\$ 704,973</u>	<u>\$ 11,062,630</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, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006**

	Budget		2007 Actual	Variance	2006 Actual
	Original	Final		Final Budget Positive (Negative)	
Revenues					
Sales tax	\$ 4,960,253	\$ 4,960,253	\$ 5,260,300	\$ 300,047	\$ 4,930,334
Earnings on investments	288,368	288,368	402,105	113,737	248,635
Total revenue	5,248,621	5,248,621	5,662,405	413,784	5,178,969
Expenditures					
Current					
General government	15,000	20,047	449	19,598	20,885
Capital projects	--	--	--	--	187,878
	15,000	20,047	449	19,598	208,763
Excess of revenues over expenditures	5,233,621	5,228,574	5,661,956	433,382	4,970,206
Other financing uses					
Transfers out	(4,146,532)	(4,146,532)	(4,146,532)	--	(4,136,789)
Net change in fund balance	1,087,089	1,082,042	1,515,424	433,382	833,417
Fund balance at beginning of year	7,751,646	7,758,122	7,758,122	--	6,924,705
Fund balance at end of year	\$ 8,838,735	\$ 8,840,164	\$ 9,273,546	\$ 433,382	\$ 7,758,122

**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, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006**

	Budget		2007 Actual	Variance	2006 Actual
	Original	Final		Final Budget Positive (Negative)	
Revenues					
Sales tax	\$ 4,960,253	\$ 4,960,253	\$ 5,260,300	\$ 300,047	\$ 4,930,334
Earnings on investments	123,889	123,889	393,285	269,396	188,895
Total revenue	5,084,142	5,084,142	5,653,585	569,443	5,119,229
Expenditures					
Current					
General government	149,596	149,596	230,933	(81,337)	147,123
Community development	2,050,000	3,255,677	411,042	2,844,635	700,751
Capital projects	--	--	11,100	(11,100)	1,450
Total expenditures	2,199,596	3,405,273	653,075	2,752,198	849,324
Excess of revenues over expenditures	2,884,546	1,678,869	5,000,510	3,321,641	4,269,905
Other financing uses					
Transfers out	(2,288,900)	(2,288,900)	(2,288,900)	--	(2,287,600)
Net change in fund balance	595,646	(610,031)	2,711,610	3,321,641	1,982,305
Fund balance at beginning of year	4,642,647	6,782,166	6,782,166	--	4,799,861
Fund balance at end of year	\$ 5,238,293	\$ 6,172,135	\$ 9,493,776	\$ 3,321,641	\$ 6,782,166

**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, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006**

	Budget		2007 Actual	Variance	2006 Actual
	Original	Final		Final Budget Positive (Negative)	
Revenues					
Earnings on investments	\$ 118,737	\$ 118,737	\$ 20,770	\$ (97,967)	\$ 47,070
Total revenue	118,737	118,737	20,770	(97,967)	47,070
Expenditures					
Debt service					
Principal retirement	1,095,000	1,095,000	1,095,000	--	1,010,000
Interest	2,063,181	2,063,181	2,063,181	--	2,103,581
Paying agent fees	1,000	1,000	1,939	(939)	1,139
Total expenditures	3,159,181	3,159,181	3,160,120	(939)	3,114,720
Deficiency of revenues under expenditures	(3,040,444)	(3,040,444)	(3,139,350)	(98,906)	(3,067,650)
Other financing sources					
Transfers in	3,159,681	3,159,681	3,159,681	--	1,530,582
Net change in fund balance	119,237	119,237	20,331	(98,906)	(1,537,068)
Fund balance at beginning of year	343,190	315,432	315,432	--	1,852,500
Fund balance at end of year	\$ 462,427	\$ 434,669	\$ 335,763	\$ (98,906)	\$ 315,432

**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, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006**

	Budget		2007 Actual	Variance	2006 Actual
	Original	Final		Final Budget Positive (Negative)	
Revenues					
Earnings on investments	\$ 95,779	\$ 95,779	\$ 3,249	\$ (92,530)	\$ 23,722
Total revenue	95,779	95,779	3,249	(92,530)	23,722
Expenditures					
Debt service					
Principal retirement	1,185,000	1,185,000	1,185,000	--	1,095,000
Interest	2,253,543	2,253,543	2,253,542	1	2,293,668
Paying agent fees	1,000	1,000	1,500	(500)	600
Total expenditures	3,439,543	3,439,543	3,440,042	(499)	3,389,268
Deficiency of revenues under expenditures	(3,343,764)	(3,343,764)	(3,436,793)	(93,029)	(3,365,546)
Other financing sources					
Transfers in	3,442,042	3,442,042	3,442,042	--	3,388,667
Net change in fund balance	98,278	98,278	5,249	(93,029)	23,121
Fund balance at beginning of year	229,308	204,232	204,232	--	181,111
Fund balance at end of year	\$ 327,586	\$ 302,510	\$ 209,481	\$ (93,029)	\$ 204,232

**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, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006**

	Budget		2007 Actual	Variance Final Budget Positive (Negative)	2006 Actual
	Original	Final			
Revenues					
Earnings on investments	\$ --	\$ --	\$ --	\$ --	\$ --
Total revenue	--	--	--	--	--
Expenditures					
Debt service					
Principal retirement	1,500,000	1,500,000	1,500,000	--	1,470,000
Interest	787,900	787,900	787,900	--	817,600
Paying agent fees	1,000	1,000	1,100	(100)	300
Total expenditures	<u>2,288,900</u>	<u>2,288,900</u>	<u>2,289,000</u>	<u>(100)</u>	<u>2,287,900</u>
Deficiency of revenues under expenditures	(2,288,900)	(2,288,900)	(2,289,000)	(100)	(2,287,900)
Other financing sources					
Transfers in	<u>2,288,900</u>	<u>2,288,900</u>	<u>2,288,900</u>	<u>--</u>	<u>2,287,600</u>
Net change in fund balance	--	--	(100)	(100)	(300)
Fund balance at beginning of year	<u>3,435</u>	<u>3,435</u>	<u>3,435</u>	<u>--</u>	<u>3,735</u>
Fund balance at end of year	<u>\$ 3,435</u>	<u>\$ 3,435</u>	<u>\$ 3,335</u>	<u>\$ (100)</u>	<u>\$ 3,435</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION
SCHEDULE OF NET ASSETS
JULY 31, 2007**

	Governmental Funds	Adjustments	Schedule of Net Assets
ASSETS			
Cash and cash equivalents	\$ 3,570,046	\$ --	\$ 3,570,046
Receivables			
Taxes	5,129	--	5,129
Accrued interest	21,210	--	21,210
Net receivables	26,339	--	26,339
Due from other funds	321	--	321
Bond issuance cost	--	939,966	939,966
Total assets	<u>\$ 3,596,706</u>	<u>939,966</u>	<u>4,536,672</u>
LIABILITIES			
Accounts payable	\$ 52,255	--	\$ 52,255
Accrued interest	--	333,075	333,075
Contractor interest and retainage payable	4,312	--	4,312
Long-term debt			
Due in more than one year	--	12,000,000	12,000,000
Total liabilities	<u>56,567</u>	<u>12,333,075</u>	<u>12,389,642</u>
FUND BALANCE			
Reserved for encumbrances	258,309	(258,309)	--
Reserved for debt service	3,000,000	(3,000,000)	--
Unreserved			
Undesignated	281,830	(281,830)	--
Total fund balance	<u>3,540,139</u>	<u>(3,540,139)</u>	<u>--</u>
Total liabilities and fund balance	<u>\$ 3,596,706</u>		
NET ASSETS (LIABILITIES)			
Unrestricted		<u>(7,852,970)</u>	<u>(7,852,970)</u>
Total net liabilities		<u>\$ (7,852,970)</u>	<u>\$ (7,852,970)</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION
SCHEDULE OF ACTIVITIES
YEAR ENDED JULY 31, 2007**

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Schedule of Activities</u>
Expenditures/expenses			
General government	\$ 56,492	\$ --	\$ 56,492
Capital projects	800,925	(800,925)	--
Debt service			
Interest	809,582	81,019	890,601
Bond issuance cost	--	73,376	73,376
Refund of bond issuance cost	(9,660)	9,660	--
Paying agent fees	19,087	--	19,087
Total expenditures/expenses	<u>1,676,426</u>	<u>(636,870)</u>	<u>1,039,556</u>
General revenues			
Property tax	2,332,093	--	2,332,093
Grants	217,657	--	217,657
Earnings on investments	204,273	--	204,273
Other financing sources (uses)			
Transfers out	--	(800,925)	(800,925)
Total general revenues and other financing sources (uses)	<u>2,754,023</u>	<u>(800,925)</u>	<u>1,953,098</u>
Excess of revenues over expenditures and transfers out	1,077,597	(1,077,597)	--
Change in net assets	--	913,542	913,542
Fund balance/net liabilities beginning of year	<u>2,462,542</u>	<u>(11,229,054)</u>	<u>(8,766,512)</u>
Fund balance/net liabilities end of year	<u>\$ 3,540,139</u>	<u>\$ (11,393,109)</u>	<u>\$ (7,852,970)</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION
BALANCE SHEETS
JULY 31, 2007
WITH COMPARATIVE TOTALS FOR JULY 31, 2006**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>2007 Total</u>	<u>2006 Total</u>
ASSETS					
Cash and cash equivalents	\$ 3,440,182	\$ --	\$ 129,864	\$ 3,570,046	\$ 2,616,311
Receivables					
Taxes	5,129	--	--	5,129	3,158
Accrued interest	14,510	--	6,700	21,210	26,651
Intergovernmental	--	--	--	--	324,206
Net receivables	19,639	--	6,700	26,339	354,015
Due from other funds	321	--	--	321	--
Prepaid items	--	--	--	--	3,577
 Total assets	 <u>\$ 3,460,142</u>	 <u>\$ --</u>	 <u>\$ 136,564</u>	 <u>\$ 3,596,706</u>	 <u>\$ 2,973,903</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ --	\$ --	\$ 52,255	\$ 52,255	\$ 28,007
Contractor interest and retainage payable	--	--	4,312	4,312	--
Due to other funds	--	--	--	--	483,354
Total liabilities	<u>--</u>	<u>--</u>	<u>56,567</u>	<u>56,567</u>	<u>511,361</u>
Fund balances					
Reserved for encumbrances	180,000	--	78,309	258,309	1,654
Reserved for debt service	3,000,000	--	--	3,000,000	11,187
Reserved for maintenance	--	--	--	--	1,818,402
Unreserved					
Designated for specific projects	--	--	--	--	421,232
Undesignated	280,142	--	1,688	281,830	210,067
Total fund balance	<u>3,460,142</u>	<u>--</u>	<u>79,997</u>	<u>3,540,139</u>	<u>2,462,542</u>
 Total liabilities and fund balances	 <u>\$ 3,460,142</u>	 <u>\$ --</u>	 <u>\$ 136,564</u>	 <u>\$ 3,596,706</u>	 <u>\$ 2,973,903</u>

NORTH PADRE ISLAND DEVELOPMENT CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>2007 Total</u>	<u>2006 Total</u>
Revenues					
Taxes and business fees	\$ 2,332,093	\$ --	\$ --	\$ 2,332,093	\$ 1,333,540
Grants	--	--	217,657	217,657	100,335
Earnings on investments	127,129	--	77,144	204,273	88,108
Total revenue	<u>2,459,222</u>	<u>--</u>	<u>294,801</u>	<u>2,754,023</u>	<u>1,521,983</u>
Expenditures					
Current					
General government	--	--	56,492	56,492	1,392,330
Capital projects	--	--	800,925	800,925	1,186,050
Debt service					
Interest	--	809,582	--	809,582	672,150
Bond issuance cost	--	--	--	--	281,000
Refund of bond issuance cost	--	--	(9,660)	(9,660)	--
Paying agent fees	--	19,087	--	19,087	11,933
Total expenditures	<u>--</u>	<u>828,669</u>	<u>847,757</u>	<u>1,676,426</u>	<u>3,543,463</u>
Excess (deficiency) of revenues over (under) expenditures	2,459,222	(828,669)	(552,956)	1,077,597	(2,021,480)
Other financing sources (uses)					
Revenue bonds issued	--	--	--	--	2,900,000
Transfers in	--	817,482	--	817,482	672,150
Transfers out	(817,482)	--	--	(817,482)	(672,150)
Total other financing sources (uses)	<u>(817,482)</u>	<u>817,482</u>	<u>--</u>	<u>--</u>	<u>2,900,000</u>
Net change in fund balances	1,641,740	(11,187)	(552,956)	1,077,597	878,520
Fund balances at beginning of year	<u>1,818,402</u>	<u>11,187</u>	<u>632,953</u>	<u>2,462,542</u>	<u>1,584,022</u>
Fund balances at end of year	<u>\$ 3,460,142</u>	<u>\$ --</u>	<u>\$ 79,997</u>	<u>\$ 3,540,139</u>	<u>\$ 2,462,542</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006**

	<u>Budget</u>		<u>2007 Actual</u>	<u>Variance Final Budget Positive (Negative)</u>	<u>2006 Actual</u>
	<u>Original</u>	<u>Final</u>			
Revenues					
Taxes and business fees	\$ 1,346,827	\$ 1,346,827	\$ 2,332,093	\$ 985,266	\$ 1,333,540
Earnings on investments	25,269	25,269	127,129	101,860	58,540
Total revenues	<u>1,372,096</u>	<u>1,372,096</u>	<u>2,459,222</u>	<u>1,087,126</u>	<u>1,392,080</u>
Expenditures	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Excess of revenues over expenditures	1,372,096	1,372,096	2,459,222	1,087,126	1,392,080
Other financing uses					
Transfers out	<u>(789,030)</u>	<u>(817,482)</u>	<u>(817,482)</u>	<u>--</u>	<u>(672,150)</u>
Total other financing uses	<u>(789,030)</u>	<u>(817,482)</u>	<u>(817,482)</u>	<u>--</u>	<u>(672,150)</u>
Net change in fund balance	583,066	554,614	1,641,740	1,087,126	719,930
Fund balance at beginning of year	<u>1,733,499</u>	<u>1,818,402</u>	<u>1,818,402</u>	<u>--</u>	<u>1,098,472</u>
Fund balance at end of year	<u>\$ 2,316,565</u>	<u>\$ 2,373,016</u>	<u>\$ 3,460,142</u>	<u>\$ 1,087,126</u>	<u>\$ 1,818,402</u>

**NORTH PADRE ISLAND DEVELOPMENT CORPORATION
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006**

	<u>Budget</u>		<u>2007 Actual</u>	<u>Variance</u>	<u>2006 Actual</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>	
Expenditures					
Debt service					
Interest	\$ 775,680	\$ 775,680	\$ 809,582	\$ (33,902)	\$ 672,150
Paying agent fees	12,000	12,000	19,087	(7,087)	11,933
Total expenditures	<u>787,680</u>	<u>787,680</u>	<u>828,669</u>	<u>(40,989)</u>	<u>684,083</u>
Other financing sources					
Transfers in	789,030	817,482	817,482	--	672,150
Total other financing sources	<u>789,030</u>	<u>817,482</u>	<u>817,482</u>	<u>--</u>	<u>672,150</u>
Net change in fund balance	1,350	29,802	(11,187)	(40,989)	(11,933)
Fund balance at beginning of year	<u>11,120</u>	<u>11,187</u>	<u>11,187</u>	<u>--</u>	<u>23,120</u>
Fund balance at end of year	<u>\$ 12,470</u>	<u>\$ 40,989</u>	<u>\$ --</u>	<u>\$ (40,989)</u>	<u>\$ 11,187</u>



City of
Corpus
Christi

Capital Projects Funds

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

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

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

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

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

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

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

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

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

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

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

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

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



City of
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the City of Corpus Christi, Texas

**CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JULY 31, 2007
WITH COMPARATIVE TOTALS FOR JULY 31, 2006**

ASSETS	Bayfront Arts/Science	City Hall	Computer System	Convention Facility
Cash and cash equivalents	\$ 1,325,842	\$ 363,465	\$ 5,958	\$ 87,152
Investments	9,499,537	--	--	--
Receivables				
Accrued interest	56,609	--	--	--
Special assessments	--	--	--	--
Intergovernmental	--	--	--	--
Net receivables	<u>56,609</u>	<u>--</u>	<u>--</u>	<u>--</u>
Due from other funds	--	--	--	6,000
Advances to other funds	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total assets	<u><u>\$ 10,881,988</u></u>	<u><u>\$ 363,465</u></u>	<u><u>\$ 5,958</u></u>	<u><u>\$ 93,152</u></u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 328,320	\$ --	\$ --	\$ 19,969
Contractor interest and retainage payable	--	--	--	--
Deposits	--	--	--	--
Due to other funds	--	--	5,958	--
Deferred revenues				
Paving assessments	--	--	--	--
Unearned grant	--	--	--	--
Total liabilities	<u>328,320</u>	<u>--</u>	<u>5,958</u>	<u>19,969</u>
Fund balances				
Reserved for encumbrances	141,093	17,052	--	28,237
Unreserved				
Designated for specific projects	10,340,487	--	--	--
Undesignated	72,088	346,413	--	44,946
Total fund balances	<u>10,553,668</u>	<u>363,465</u>	<u>--</u>	<u>73,183</u>
Total liabilities and fund balances	<u><u>\$ 10,881,988</u></u>	<u><u>\$ 363,465</u></u>	<u><u>\$ 5,958</u></u>	<u><u>\$ 93,152</u></u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 22-A

<u>Library</u>	<u>Park</u>	<u>Police Building</u>	<u>Public Health & Safety</u>	<u>Landfill</u>	<u>Street</u>
\$ 3,906,280	\$ 463,791	\$ 35,642	\$ 767,502	\$ 2,239,098	\$ 9,265,727
999,627	3,999,820	--	999,627	12,498,677	48,488,599
12,250	11,319	--	12,250	268,509	790,828
--	--	--	--	--	540,431
--	--	--	--	--	465,869
<u>12,250</u>	<u>11,319</u>	<u>--</u>	<u>12,250</u>	<u>268,509</u>	<u>1,797,128</u>
--	--	--	654	--	1,413
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ 4,918,157</u>	<u>\$ 4,474,930</u>	<u>\$ 35,642</u>	<u>\$ 1,780,033</u>	<u>\$ 15,006,284</u>	<u>\$ 59,552,867</u>
\$ 222,062	\$ 103,986	\$ --	\$ 106	\$ 553,880	\$ 1,337,272
67,847	19,499	--	--	137,594	558,851
--	--	--	--	--	203,246
--	4,037	--	--	654	4,496
--	--	--	--	--	383,427
<u>907,684</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
1,197,593	127,522	--	106	692,128	2,487,292
392,344	218,067	--	172,787	2,543,050	21,640,583
3,093,720	2,334,870	29,968	1,525,570	581,753	25,394,152
234,500	1,794,471	5,674	81,570	11,189,353	10,030,840
<u>3,720,564</u>	<u>4,347,408</u>	<u>35,642</u>	<u>1,779,927</u>	<u>14,314,156</u>	<u>57,065,575</u>
<u>\$ 4,918,157</u>	<u>\$ 4,474,930</u>	<u>\$ 35,642</u>	<u>\$ 1,780,033</u>	<u>\$ 15,006,284</u>	<u>\$ 59,552,867</u>

the City of Corpus Christi, Texas

**CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JULY 31, 2007
WITH COMPARATIVE TOTALS FOR JULY 31, 2006**

	Corpus Christi Business and Job Development Corporation		North Padre Island Development Corporation	Eliminations
	Seawall	Arena		
ASSETS				
Cash and cash equivalents	\$ 173,953	\$ 27,476	\$ 129,864	\$ --
Investments	500,000	--	--	--
Receivables				
Accrued interest	18,634	--	6,700	--
Special assessments	--	--	--	--
Intergovernmental	--	--	--	--
Net receivables	18,634	--	6,700	--
Due from other funds	--	--	--	(654)
Advances to other funds	--	--	--	--
Total assets	\$ 692,587	\$ 27,476	\$ 136,564	\$ (654)
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 8,650	\$ 525	\$ 52,255	\$ --
Contractor interest and retainage payable	--	--	4,312	--
Deposits	--	--	--	--
Due to other funds	--	9,000	--	(654)
Deferred revenues				
Paving assessments	--	--	--	--
Grants	--	--	--	--
Total liabilities	8,650	9,525	56,567	(654)
Fund balances				
Reserved for encumbrances	288,759	7,213	78,309	--
Unreserved				
Designated for specific projects	429	--	--	--
Undesignated	394,749	10,738	1,688	--
Total fund balances	683,937	17,951	79,997	--
Total liabilities and fund balances	\$ 692,587	\$ 27,476	\$ 136,564	\$ (654)

Exhibit 22-A
(Continued)

<u>2007</u> <u>Total</u>	<u>2006</u> <u>Total</u>
\$ 18,791,750	\$ 18,772,403
76,985,887	59,557,477
1,177,099	190,190
540,431	541,512
465,869	790,075
<u>2,183,399</u>	<u>1,521,777</u>
7,413	117,826
<u>--</u>	<u>12,000,000</u>
<u>\$ 97,968,449</u>	<u>\$ 91,969,483</u>
\$ 2,627,025	\$ 5,628,327
788,103	1,164,567
203,246	203,246
23,491	890,339
383,427	372,639
907,684	837,883
<u>4,932,976</u>	<u>9,097,001</u>
25,527,494	15,680,539
43,300,949	22,226,018
24,207,030	44,965,925
<u>93,035,473</u>	<u>82,872,482</u>
<u>\$ 97,968,449</u>	<u>\$ 91,969,483</u>

the City of Corpus Christi, Texas

CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	<u>Bayfront Arts/Science</u>	<u>City Hall</u>	<u>Computer System</u>	<u>Convention Facility</u>
Revenues				
Grants	\$ --	\$ --	\$ --	\$ --
Contributions and donations	--	--	--	--
Special assessments	--	--	--	--
Interest on special assessments	--	--	--	--
Attorneys fees on special assessments	--	--	--	--
Earnings on investments	190,765	11,630	--	--
Total revenues	<u>190,765</u>	<u>11,630</u>	<u>--</u>	<u>--</u>
Expenditures				
Current				
General government	77,004	1,174	5,958	15,161
Capital projects	845,266	4,321	--	(45,302)
Debt service				
Bond issuance cost	153,633	--	--	--
Refund of bond issuance cost	--	--	--	--
Total expenditures	<u>1,075,903</u>	<u>5,495</u>	<u>5,958</u>	<u>(30,141)</u>
Excess (deficiency) of revenues over (under) expenditures	(885,138)	6,135	(5,958)	30,141
Other financing sources (uses)				
General obligation bonds issued	10,175,832	--	--	--
Revenue bonds issued	--	--	--	--
Certificates of obligation bonds issued	--	--	--	--
Premium on bonds issued	156,881	--	--	--
Discount on bonds issued	--	--	--	--
Transfer in from				
Park CIP	22,905	--	--	--
Transfers out to				
Museum CIP fund	--	--	--	--
Visitors facility fund	--	--	--	(20,821)
Total other financing sources (uses)	<u>10,355,618</u>	<u>--</u>	<u>--</u>	<u>(20,821)</u>
Net change in fund balances	9,470,480	6,135	(5,958)	9,320
Fund balances at beginning of year	<u>1,083,188</u>	<u>357,330</u>	<u>5,958</u>	<u>63,863</u>
Fund balances at end of year	<u>\$ 10,553,668</u>	<u>\$ 363,465</u>	<u>\$ --</u>	<u>\$ 73,183</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 22-B

<u>Library</u>	<u>Park</u>	<u>Police Building</u>	<u>Public Health & Safety</u>	<u>Landfill</u>	<u>Street</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
52,080	660	--	--	--	--
--	--	--	--	--	50,755
--	--	--	--	--	20,387
--	--	--	--	--	3,093
174,558	320,797	--	36,686	955,382	2,505,397
<u>226,638</u>	<u>321,457</u>	<u>--</u>	<u>36,686</u>	<u>955,382</u>	<u>2,579,632</u>
71,827	91,493	--	25,079	625,994	748,407
1,752,330	2,333,004	--	114,139	6,592,634	13,139,135
52,320	--	--	23,109	--	420,963
--	--	--	--	--	--
<u>1,876,477</u>	<u>2,424,497</u>	<u>--</u>	<u>162,327</u>	<u>7,218,628</u>	<u>14,308,505</u>
(1,649,839)	(2,103,040)	--	(125,641)	(6,263,246)	(11,728,873)
3,497,193	--	--	1,498,797	--	19,803,178
--	--	--	--	--	--
--	--	--	--	--	2,415,695
53,916	--	--	23,107	--	246,259
--	--	--	--	--	--
--	--	--	--	--	--
--	(22,905)	--	--	--	--
--	--	--	--	--	--
<u>3,551,109</u>	<u>(22,905)</u>	<u>--</u>	<u>1,521,904</u>	<u>--</u>	<u>22,465,132</u>
1,901,270	(2,125,945)	--	1,396,263	(6,263,246)	10,736,259
1,819,294	6,473,353	35,642	383,664	20,577,402	46,329,316
<u>\$ 3,720,564</u>	<u>\$ 4,347,408</u>	<u>\$ 35,642</u>	<u>\$ 1,779,927</u>	<u>\$ 14,314,156</u>	<u>\$ 57,065,575</u>

the City of Corpus Christi, Texas

CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006

	<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				
Grants	\$ --	\$ --	\$ 217,657	\$ --
Contributions and donations	--	--	--	--
Special assessments	--	--	--	--
Interest on special assessments	--	--	--	--
Attorneys fees on special assessments	--	--	--	--
Earnings on investments	177,721	2,667	77,144	--
Total revenues	<u>177,721</u>	<u>2,667</u>	<u>294,801</u>	<u>--</u>
Expenditures				
Current				
General government	79,582	32,142	56,492	--
Capital projects	4,446,484	30,811	800,925	--
Debt service				
Bond issuance cost	--	--	--	--
Refund of bond issuance cost	--	--	(9,660)	--
Total expenditures	<u>4,526,066</u>	<u>62,953</u>	<u>847,757</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(4,348,345)	(60,286)	(552,956)	--
Other financing sources (uses)				
General obligation bonds issued	--	--	--	--
Revenue bonds issued	--	--	--	--
Certificates of obligation bonds issued	--	--	--	--
Premium on bonds issued	--	--	--	--
Discount on bonds issued	--	--	--	--
Transfer in from				
Park CIP	--	--	--	(22,905)
Transfers out to				
Baseball Stadium	--	--	--	22,905
Visitors facility fund	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(4,348,345)	(60,286)	(552,956)	--
Fund balances at beginning of year	<u>5,032,282</u>	<u>78,237</u>	<u>632,953</u>	<u>--</u>
Fund balances at end of year	<u>\$ 683,937</u>	<u>\$ 17,951</u>	<u>\$ 79,997</u>	<u>\$ --</u>

Exhibit 22-B
(Continued)

<u>2007</u> <u>Total</u>	<u>2006</u> <u>Total</u>
\$ 217,657	\$ 100,335
52,740	18,543
50,755	82,003
20,387	29,268
3,093	7,255
<u>4,452,747</u>	<u>3,006,456</u>
4,797,379	3,243,860
1,830,313	3,308,893
30,013,747	42,947,393
650,025	589,508
(9,660)	--
<u>32,484,425</u>	<u>46,845,794</u>
(27,687,046)	(43,601,934)
34,975,000	--
--	2,900,000
2,415,695	18,605,000
480,163	--
--	(272,896)
--	--
--	--
(20,821)	--
<u>37,850,037</u>	<u>21,232,104</u>
10,162,991	(22,369,830)
<u>82,872,482</u>	<u>105,242,312</u>
<u>\$ 93,035,473</u>	<u>\$ 82,872,482</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 sales of water, natural gas, and wastewater treatment by the City to residential, commercial, and industrial customers and to surrounding communities.

Non-major Funds

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

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

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



City of
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the City of Corpus Christi, Texas

UTILITY SYSTEM FUND
COMBINING SCHEDULE OF NET ASSETS
JULY 31, 2007

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
ASSETS					
Current assets					
Cash and cash equivalents	\$ 49,712	\$ 8,849,960	\$ 1,948,586	\$ --	\$ 10,848,258
Investments	--	34,044,451	12,499,456	--	46,543,907
Receivables					
Accounts	4,326,805	8,794,940	5,671,905	--	18,793,650
Accrued interest	13,839	591,757	295,812	--	901,408
Notes	429,042	103,057	161,949	--	694,048
Employees	--	981	--	--	981
Intergovernmental	1,524	2,346,318	--	--	2,347,842
Miscellaneous	1,312	--	225	--	1,537
Allowance for uncollectibles	(852,137)	(1,213,429)	(756,187)	--	(2,821,753)
Net receivables	3,920,385	10,623,624	5,373,704	--	19,917,713
Due from other funds	--	728,614	61,881	(790,495)	--
Current portion of advance to other funds	30,000	--	--	--	30,000
Inventories	--	351,368	--	--	351,368
Restricted assets					
Cash and cash equivalents	1,257,908	8,770,435	7,624,350	--	17,652,693
Investments	--	24,950,717	6,997,198	--	31,947,915
Accrued interest	--	191,383	55,903	--	247,286
Due from other funds	--	3,794	702	--	4,496
Total restricted assets	1,257,908	33,916,329	14,678,153	--	49,852,390
Total current assets	5,258,005	88,514,346	34,561,780	(790,495)	127,543,636
Noncurrent assets					
Water supply rights, net of accumulated amortization	--	164,915,869	--	--	164,915,869
Advances to other funds	34,600	--	--	--	34,600
Notes receivable	417,709	100,444	157,894	--	676,047
Contract receivable	636,000	954,000	--	--	1,590,000
Bond issue costs	51,647	5,209,558	1,677,318	--	6,938,523
Capital assets					
Land	688,623	17,156,879	4,454,450	--	22,299,952
Buildings	1,687,160	33,356,489	1,911,257	--	36,954,906
Improvements other than buildings	3,552,861	84,238,760	128,195,834	--	215,987,455
Machinery and equipment	2,371,332	11,277,016	7,248,464	--	20,896,812
Infrastructure	59,640,941	509,106,706	233,146,667	--	801,894,314
Total capital assets in service	67,940,917	655,135,850	374,956,672	--	1,098,033,439
Less accumulated depreciation	(25,030,903)	(161,363,597)	(94,484,797)	--	(280,879,297)
Net capital assets in service	42,910,014	493,772,253	280,471,875	--	817,154,142
Construction in progress	263,697	84,315,542	20,872,078	--	105,451,317
Net capital assets	43,173,711	578,087,795	301,343,953	--	922,605,459
Total noncurrent assets	44,313,667	749,267,666	303,179,165	--	1,096,760,498
Total assets	49,571,672	837,782,012	337,740,945	(790,495)	1,224,304,134

(Continued)

the City of Corpus Christi, Texas

Exhibit 23-A

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
LIABILITIES					
Current liabilities					
Accounts payable	1,655,980	10,320,247	2,752,119	--	14,728,346
Accrued expenses	125,997	347,885	154,656	--	628,538
Accrued interest	6,248	742,539	242,214	--	991,001
Contractor interest and retainage payable	9,921	1,504,811	504,750	--	2,019,482
Deposits	103,918	108,757	16,717	--	229,392
Liability to claimants - escheat property	--	103,111	--	--	103,111
Due to other funds	717,443	254,066	94,298	(790,495)	275,312
Unearned revenue	--	2,159	28,983	--	31,142
Current portion of long-term liabilities					
Long-term debt	115,107	21,299,785	8,594,043	--	30,008,935
Accumulated unpaid compensated absences	286,204	680,858	393,778	--	1,360,840
Total current liabilities	<u>3,020,818</u>	<u>35,364,218</u>	<u>12,781,558</u>	<u>(790,495)</u>	<u>50,376,099</u>
Noncurrent liabilities					
Long-term liabilities, net of current portion					
Long-term debt	3,209,739	515,579,308	119,074,808	--	637,863,855
Accumulated unpaid compensated absences	412,140	560,475	418,252	--	1,390,867
Total noncurrent liabilities	<u>3,621,879</u>	<u>516,139,783</u>	<u>119,493,060</u>	<u>--</u>	<u>639,254,722</u>
Total liabilities	<u>6,642,697</u>	<u>551,504,001</u>	<u>132,274,618</u>	<u>(790,495)</u>	<u>689,630,821</u>
NET ASSETS					
Invested in capital assets, net of related debt	41,123,140	236,331,667	183,140,091	--	460,594,898
Restricted for					
Bond interest and redemption	--	987,305	--	--	987,305
Construction of capital assets	35,280	4,420,617	4,182,647	--	8,638,544
Improvements to utility lines and facilities	--	3,510,869	2,617,271	--	6,128,140
Abatement of public health hazards	--	--	90,563	--	90,563
Unrestricted	1,770,555	41,027,553	15,435,755	--	58,233,863
Total net assets	<u>\$ 42,928,975</u>	<u>\$ 286,278,011</u>	<u>\$ 205,466,327</u>	<u>\$ --</u>	<u>\$ 534,673,313</u>



City of
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the City of Corpus Christi, Texas

Exhibit 23-B

UTILITY SYSTEM FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2007

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
Operating revenues					
Charges for services - net	\$ 41,457,307	\$ 77,344,002	\$ 40,779,842	\$ (355,408)	\$ 159,225,743
Operating expenses					
Personal services	4,898,880	10,686,824	7,771,627	--	23,357,331
Materials and supplies	26,343,381	12,065,356	3,279,382	--	41,688,119
Contractual services	841,717	12,256,364	6,036,594	--	19,134,675
Other operating expenses	2,954,762	14,741,774	7,009,005	(355,408)	24,350,133
Uncollectible accounts	501,036	736,843	456,501	--	1,694,380
Depreciation	1,513,113	15,434,688	9,032,877	--	25,980,678
Total operating expenses	<u>37,052,889</u>	<u>65,921,849</u>	<u>33,585,986</u>	<u>(355,408)</u>	<u>136,205,316</u>
Operating income	4,404,418	11,422,153	7,193,856	--	23,020,427
Nonoperating revenues (expenses)					
Investment income	80,182	5,488,869	2,058,476	--	7,627,527
Interest expense and fiscal charges	(143,609)	(21,326,421)	(6,641,894)	--	(28,111,924)
Net gain (loss) on disposal of assets	(764,533)	(1,224,076)	10,000	--	(1,978,609)
Recovery on damage claims	1,603	4,456	1,920	--	7,979
Developer deposits	--	654,343	1,097,818	--	1,752,161
Reimbursements to developers	--	(1,276,273)	(3,056,220)	--	(4,332,493)
Contributions from other governmental agencies	--	21,036	--	--	21,036
Total nonoperating expenses	<u>(826,357)</u>	<u>(17,658,066)</u>	<u>(6,529,900)</u>	<u>--</u>	<u>(25,014,323)</u>
Capital contributions					
Contributions from other governmental agencies	--	964,148	--	--	964,148
Contributions from developers	--	6,345,796	9,146,168	--	15,491,964
Total capital contributions	<u>--</u>	<u>7,309,944</u>	<u>9,146,168</u>	<u>--</u>	<u>16,456,112</u>
Income before transfers	<u>3,578,061</u>	<u>1,074,031</u>	<u>9,810,124</u>	<u>--</u>	<u>14,462,216</u>
Transfers out	<u>(853,499)</u>	<u>(3,311,940)</u>	<u>(1,701,740)</u>	<u>--</u>	<u>(5,867,179)</u>
Net income (loss)	2,724,562	(2,237,909)	8,108,384	--	8,595,037
Net assets at beginning of year	<u>40,204,413</u>	<u>288,515,920</u>	<u>197,357,943</u>	<u>--</u>	<u>526,078,276</u>
Net assets at end of year	<u>\$ 42,928,975</u>	<u>\$ 286,278,011</u>	<u>\$ 205,466,327</u>	<u>\$ --</u>	<u>\$ 534,673,313</u>

the City of Corpus Christi, Texas

**UTILITY SYSTEM FUND
COMBINING SCHEDULE OF CASH FLOWS
YEAR ENDED JULY 31, 2007**

	<u>Gas</u>	<u>Water</u>	<u>Wastewater</u>	<u>Eliminations</u>	<u>Total</u>
Cash flows from operating activities					
Receipts from customers	\$ 40,080,043	\$ 77,857,642	\$ 39,801,280	\$ --	\$ 157,738,965
Receipts from interfund services provided	132,249	290,105	27,130	(355,408)	94,076
Payments to suppliers	(26,451,186)	(18,433,084)	(9,132,202)	--	(54,016,472)
Payments to employees	(4,271,048)	(9,224,742)	(6,863,773)	--	(20,359,563)
Internal activity - payments to other funds	(3,827,796)	(12,979,337)	(8,624,114)	355,408	(25,075,839)
Net cash provided by operating activities	<u>5,662,262</u>	<u>37,510,584</u>	<u>15,208,321</u>	<u>--</u>	<u>58,381,167</u>
Cash flows from noncapital financing activities					
Changes in interfund borrowings	10,000	(8,551,000)	(5,000,000)	--	(13,541,000)
Interest on interfund borrowings	4,314	(169,341)	(120,935)	--	(285,962)
Contributions from other governmental agencies	--	17,187	--	--	17,187
Transfers in from other funds	--	(3,794)	5,768	--	1,974
Transfers out to other funds	(853,499)	(2,912,940)	(1,021,451)	--	(4,787,890)
Net cash used for noncapital financing activities	<u>(839,185)</u>	<u>(11,619,888)</u>	<u>(6,136,618)</u>	<u>--</u>	<u>(18,595,691)</u>
Cash flows from capital and related financing activities					
Acquisition of capital assets	(6,004,546)	(43,110,636)	(16,204,068)	--	(65,319,250)
Proceeds from sale of capital assets	1,354,070	2,058,760	10,000	--	3,422,830
Developers deposits	--	654,966	1,171,912	--	1,826,878
Contributions from developers	--	--	24,271	--	24,271
Reimbursements to developers	--	(1,242,821)	(3,056,220)	--	(4,299,041)
Contributions from other governmental agencies	--	14,360	--	--	14,360
Proceeds from issuance of revenue bonds	1,648,115	60,211,809	18,192,656	--	80,052,580
Proceeds from issuance of certificates of obligation	--	3,746,197	693,453	--	4,439,650
Transfers out to other funds for capital acquisition	--	(399,000)	(727,000)	--	(1,126,000)
Principal paid on long-term debt	(96,160)	(11,108,325)	(8,602,130)	--	(19,806,615)
Principal paid on commercial paper	(558,338)	(18,869,220)	(5,333,337)	--	(24,760,895)
Interest expense and fiscal charges	(146,799)	(21,658,084)	(5,929,444)	--	(27,734,327)
Recovery on damage claims	1,603	4,456	1,920	--	7,979
Net cash used for capital and related financing activities	<u>(3,802,055)</u>	<u>(29,697,538)</u>	<u>(19,757,987)</u>	<u>--</u>	<u>(53,257,580)</u>
Cash flows from investing activities					
Purchase of investment securities	--	(132,528,482)	(54,497,996)	--	(187,026,478)
Proceeds from sale and maturity of investment securities	--	140,990,832	67,800,000	--	208,790,832
Interest on investments	62,027	5,792,380	2,280,756	--	8,135,163
Net cash provided by investing activities	<u>62,027</u>	<u>14,254,730</u>	<u>15,582,760</u>	<u>--</u>	<u>29,899,517</u>
Net increase in cash and cash equivalents	1,083,049	10,447,888	4,896,476	--	16,427,413
Cash and cash equivalents at beginning of year, including restricted accounts	<u>224,571</u>	<u>7,172,507</u>	<u>4,676,460</u>	<u>--</u>	<u>12,073,538</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 1,307,620</u>	<u>\$ 17,620,395</u>	<u>\$ 9,572,936</u>	<u>\$ --</u>	<u>\$ 28,500,951</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	\$ 4,404,418	\$ 11,422,153	\$ 7,193,856	\$ --	\$ 23,020,427
Adjustments to reconcile operating income to net cash provided by operating activities					
Depreciation	1,513,113	15,434,688	9,032,877	--	25,980,678
Amortization of water rights	--	4,273,285	--	--	4,273,285
Amortization of fish and wildlife costs	--	270,042	--	--	270,042
Provision for uncollectible accounts	501,036	736,843	456,501	--	1,694,380
Operating and maintenance expenses previously capitalized	--	(9,103)	(95,407)	--	(104,510)
Changes in assets and liabilities					
Receivables	(1,284,650)	1,669,056	(893,703)	--	(509,297)
Deposits receivable	--	2,300	--	--	2,300
Due from other funds	980	(301,200)	(52,464)	--	(352,684)
Inventory	--	(34,674)	--	--	(34,674)
Accounts payable	229,755	3,933,064	(483,552)	--	3,679,267
Accrued expenses	20,569	103,493	9,384	--	133,446
Unearned revenue	--	--	450	--	450
Accumulated unpaid compensated absences	(38,372)	73,519	(41,762)	--	(6,615)
Contractor interest and retainage payable	--	(853)	--	--	(853)
Customer deposits	38,657	(12,156)	(5,716)	--	20,785
Liability to claimants - escheat property	--	(647)	--	--	(647)
Due to other funds	276,756	(49,226)	87,857	--	315,387
Net cash provided by operating activities	<u>\$ 5,662,262</u>	<u>\$ 37,510,584</u>	<u>\$ 15,208,321</u>	<u>\$ --</u>	<u>\$ 58,381,167</u>
Noncash investing, capital and financing activities					
Contribution of capital assets from developers	\$ --	\$ 6,345,796	\$ 9,146,035	\$ --	\$ 15,491,831
Change in fair value of investments	\$ --	\$ 189,026	\$ 59,810	\$ --	\$ 248,836
Acquisition of capital assets under capital lease	\$ --	\$ 124,369	\$ --	\$ --	\$ 124,369
Bond refunding	\$ --	\$ 5,703,672	\$ 257,038	\$ --	\$ 5,960,710

**GAS SYSTEM
COMPARATIVE SCHEDULE OF NET ASSETS
JULY 31, 2007 AND 2006**

	2007	2006
ASSETS		
Current assets		
Cash and cash equivalents	\$ 49,712	\$ 224,571
Receivables		
Accounts	4,326,805	4,537,447
Accrued interest	13,839	--
Notes	429,042	--
Intergovernmental	1,524	--
Miscellaneous	1,312	3,443
Allowance for uncollectibles	(852,137)	(1,000,249)
Net receivables	3,920,385	3,540,641
Due from other funds	--	980
Current portion of advance to other funds	30,000	30,000
Restricted assets:		
Cash and cash equivalents	1,257,908	--
Total current assets	5,258,005	3,796,192
Noncurrent assets		
Advances to other funds	34,600	64,600
Notes receivable	417,709	--
Contract receivable	636,000	--
Bond issue costs	51,647	28,462
Capital assets		
Land	688,623	688,623
Buildings	1,687,160	1,687,160
Improvements other than buildings	3,552,861	96,109
Machinery and equipment	2,371,332	2,336,862
Infrastructure	59,640,941	58,142,527
Total capital assets in service	67,940,917	62,951,281
Less accumulated depreciation	(25,030,903)	(23,723,827)
Net capital assets in service	42,910,014	39,227,454
Construction in progress	263,697	2,418,920
Net capital assets	43,173,711	41,646,374
Total noncurrent assets	44,313,667	41,739,436
Total assets	49,571,672	45,535,628

(Continued)

**Exhibit 24-A
(Continued)**

	<u>2007</u>	<u>2006</u>
LIABILITIES		
Current liabilities		
Accounts payable	1,655,980	1,665,657
Accrued expenses	125,997	105,428
Accrued interest	6,248	3,488
Contractor interest and retainage payable	9,921	--
Deposits	103,918	65,261
Due to other funds	717,443	440,217
Commercial paper	--	558,338
Current portion of long-term liabilities		
Long-term debt	115,107	58,689
Accumulated unpaid compensated absences	286,204	322,670
Total current liabilities	<u>3,020,818</u>	<u>3,219,748</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	3,209,739	1,697,421
Accumulated unpaid compensated absences	412,140	414,046
Total noncurrent liabilities	<u>3,621,879</u>	<u>2,111,467</u>
Total liabilities	<u>6,642,697</u>	<u>5,331,215</u>
NET ASSETS		
Invested in capital assets, net of related debt	41,123,140	39,172,105
Restricted for construction of capital assets	35,280	--
Unrestricted	<u>1,770,555</u>	<u>1,032,308</u>
Total net assets	<u>\$ 42,928,975</u>	<u>\$ 40,204,413</u>



City of
Corpus
Christi

GAS SYSTEM
COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Operating revenues		
Charges for services - net	\$ 41,457,307	\$ 40,295,857
Operating expenses		
Personal services	4,898,880	4,916,879
Materials and supplies	26,343,381	27,014,308
Contractual services	841,717	1,031,352
Other operating expenses	2,954,762	3,194,434
Uncollectible accounts	501,036	485,755
Depreciation	1,513,113	1,175,161
Total operating expenses	<u>37,052,889</u>	<u>37,817,889</u>
Operating income	4,404,418	2,477,968
Nonoperating revenues (expenses)		
Investment income	80,182	10,408
Interest expense and fiscal charges	(143,609)	(59,330)
Net loss on disposal of assets	(764,533)	(21,350)
Recovery on damage claims	1,603	--
Total nonoperating expenses	<u>(826,357)</u>	<u>(70,272)</u>
Income before transfers	<u>3,578,061</u>	<u>2,407,696</u>
Transfers in	--	117,651
Transfers out	(853,499)	(804,952)
Total transfers	<u>(853,499)</u>	<u>(687,301)</u>
Net income	2,724,562	1,720,395
Net assets at beginning of year	<u>40,204,413</u>	<u>38,484,018</u>
Net assets at end of year	<u>\$ 42,928,975</u>	<u>\$ 40,204,413</u>

the City of Corpus Christi, Texas

**GAS SYSTEM
COMPARATIVE SCHEDULE OF CASH FLOWS
YEAR ENDED JULY 31, 2007 AND 2006**

	2007	2006
Cash flows from operating activities		
Receipts from customers	\$ 40,080,043	\$ 39,770,654
Receipts from interfund services provided	132,249	24,073
Payments to suppliers	(26,451,186)	(27,735,653)
Payments to employees	(4,271,048)	(4,241,287)
Internal activity - payments to other funds	(3,827,796)	(4,385,849)
Net cash provided by operating activities	5,662,262	3,431,938
Cash flows from noncapital financing activities		
Changes in interfund borrowings	10,000	(2,573,569)
Interest on interfund borrowings	4,314	5,682
Transfers in from other funds	--	1,816,842
Transfers out to other funds	(853,499)	(2,518,582)
Net cash used for noncapital financing activities	(839,185)	(3,269,627)
Cash flows from capital and related financing activities		
Acquisition of capital assets	(6,004,546)	(2,202,194)
Proceeds from sale of capital assets	1,354,070	7,076
Proceeds from issuance of revenue bonds	1,648,115	1,773,697
Proceeds from issuance of commercial paper	--	558,338
Principal paid on long-term debt	(96,160)	(42,261)
Principal paid on commercial paper	(558,338)	--
Interest expense and fiscal charges	(146,799)	(60,083)
Recovery on damage claims	1,603	--
Net cash provided by (used for) capital and related financing activities	(3,802,055)	34,573
Cash flows from investing activities		
Interest on investments	62,027	4,726
Net increase in cash and cash equivalents	1,083,049	201,610
Cash and cash equivalents at beginning of year, including restricted accounts	224,571	22,961
Cash and cash equivalents at end of year, including restricted accounts	\$ 1,307,620	\$ 224,571

(Continued)

Exhibit 24-C

	<u>2007</u>	<u>2006</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 4,404,418	\$ 2,477,968
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	1,513,113	1,175,161
Provision for uncollectible accounts	501,036	485,755
Change in assets and liabilities		
Receivables	(1,284,650)	(479,017)
Due from other funds	980	(980)
Accounts payable	229,755	(181,013)
Accrued expenses	20,569	13,978
Accumulated unpaid compensated absences	(38,372)	25,342
Customer deposits	38,657	(21,134)
Due to other funds	276,756	(64,122)
	<u>\$ 5,662,262</u>	<u>\$ 3,431,938</u>
Net cash provided by operating activities		
Noncash investing, capital and financing activities		
Transfer of capital assets from other funds	\$ --	\$ 14,439

**WATER SYSTEM
COMPARATIVE SCHEDULE OF NET ASSETS
JULY 31, 2007 AND 2006**

	2007	2006
ASSETS		
Current assets		
Cash and cash equivalents	\$ 8,849,960	\$ 646,406
Investments	34,044,451	59,179,993
Receivables		
Accounts	8,794,940	11,908,724
Accrued interest	591,757	1,225,919
Property leases	--	618
Notes	103,057	--
Employees	981	164
Intergovernmental	2,346,318	1,281,169
Miscellaneous	--	809
Allowance for uncollectibles	(1,213,429)	(1,603,384)
Net receivables	10,623,624	12,814,019
Due from other funds	728,614	426,908
Inventories	351,368	316,694
Restricted assets		
Cash and cash equivalents	8,770,435	6,526,101
Investments	24,950,717	8,088,500
Accrued interest	191,383	49,758
Due from other funds	3,794	--
Total restricted assets	33,916,329	14,664,359
Total current assets	88,514,346	88,048,379
Noncurrent assets		
Deposits	--	2,300
Water supply rights, net of accumulated amortization	164,915,869	169,459,196
Notes receivable	100,444	--
Contract receivable	954,000	--
Bond issue costs	5,209,558	4,727,089
Capital assets		
Land	17,156,879	16,761,240
Buildings	33,356,489	33,356,489
Improvements other than buildings	84,238,760	84,173,001
Machinery and equipment	11,277,016	12,853,145
Infrastructure	509,106,706	481,323,205
Total capital assets in service	655,135,850	628,467,080
Less accumulated depreciation	(161,363,597)	(148,595,976)
Net capital assets in service	493,772,253	479,871,104
Construction in progress	84,315,542	70,218,934
Net capital assets	578,087,795	550,090,038
Total noncurrent assets	749,267,666	724,278,623
Total assets	837,782,012	812,327,002

(Continued)

Exhibit 25-A

	<u>2007</u>	<u>2006</u>
LIABILITIES		
Current liabilities		
Accounts payable	10,320,247	8,242,619
Accrued expenses	347,885	244,392
Accrued interest	742,539	673,309
Contractor interest and retainage payable	1,504,811	1,520,944
Deposits	108,757	120,291
Liability to claimants - escheat property	103,111	103,758
Due to other funds	254,066	1,883,721
Advances from other funds	--	7,000,000
Unearned revenue	2,159	5,684
Commercial paper	--	11,108,325
Current portion of long-term liabilities		
Long-term debt	21,299,785	18,368,303
Accumulated unpaid compensated absences	680,858	642,729
Total current liabilities	<u>35,364,218</u>	<u>49,914,075</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	515,579,308	473,371,922
Accumulated unpaid compensated absences	560,475	525,085
Total noncurrent liabilities	<u>516,139,783</u>	<u>473,897,007</u>
Total liabilities	<u>551,504,001</u>	<u>523,811,082</u>
NET ASSETS		
Invested in capital assets, net of related debt	236,331,667	225,164,089
Restricted for		
Bond interest and redemption	987,305	1,007,087
Construction of capital assets	4,420,617	5,965,247
Improvements to utility lines and facilities	3,510,869	3,955,708
Unrestricted	<u>41,027,553</u>	<u>52,423,789</u>
Total net assets	<u>\$ 286,278,011</u>	<u>\$ 288,515,920</u>



City of
Corpus
Christi

WATER SYSTEM
COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2007 AND 2006

	2007	2006
Operating revenues		
Charges for services - net	\$ 77,344,002	\$ 84,606,452
Operating expenses		
Personal services	10,686,824	10,947,317
Materials and supplies	12,065,356	10,844,238
Contractual services	12,256,364	15,189,310
Other operating expenses	14,741,774	14,874,575
Uncollectible accounts	736,843	762,601
Depreciation	15,434,688	15,190,506
Total operating expenses	65,921,849	67,808,547
Operating income	11,422,153	16,797,905
Nonoperating revenues (expenses)		
Investment income	5,488,869	4,372,116
Interest expense and fiscal charges	(21,326,421)	(21,159,237)
Net loss on disposal of assets	(1,224,076)	(256,006)
Retirement of obsolete facilities	--	(12,467)
Recovery on damage claims	4,456	214
Developer deposits	654,343	857,192
Reimbursement to developers	(1,276,273)	(206,129)
Contribution from other governmental agencies	21,036	22,728
Total nonoperating expenses	(17,658,066)	(16,381,589)
Capital contributions		
Contributions from other governmental agencies	964,148	16,547
Contributions from developers	6,345,796	5,464,230
Total capital contributions	7,309,944	5,480,777
Income before transfers	1,074,031	5,897,093
Transfers in	--	184,068
Transfers out	(3,311,940)	(3,026,183)
Total transfers	(3,311,940)	(2,842,115)
Net income (loss)	(2,237,909)	3,054,978
Net assets at beginning of year	288,515,920	285,460,942
Net assets at end of year	\$ 286,278,011	\$ 288,515,920

**WATER SYSTEM
COMPARATIVE SCHEDULE OF CASH FLOWS
YEAR ENDED JULY 31, 2007 AND 2006**

	2007	2006
Cash flows from operating activities		
Receipts from customers	\$ 77,857,642	\$ 84,523,699
Receipts from interfund services provided	290,105	335,823
Payments to suppliers	(18,433,084)	(22,632,730)
Payments to employees	(9,224,742)	(9,504,265)
Internal activity - payments to other funds	(12,979,337)	(13,584,954)
Net cash provided by operating activities	37,510,584	39,137,573
Cash flows from noncapital financing activities		
Changes in interfund borrowings	(8,551,000)	(8,341,117)
Interest on interfund borrowings	(169,341)	--
Contributions from other governmental agencies	17,187	68,262
Transfers in from other funds	(3,794)	184,068
Transfers out to other funds	(2,912,940)	(2,740,094)
Net cash used for noncapital financing activities	(11,619,888)	(10,828,881)
Cash flows from capital and related financing activities		
Acquisition of capital assets	(43,110,636)	(40,558,875)
Proceeds from sale of capital assets	2,058,760	22,523
Decommissioning obsolete facility	--	(12,467)
Developer deposits	654,966	858,114
Reimbursements to developers	(1,242,821)	(243,988)
Contributions from other governmental agencies	14,360	16,546
Proceeds from issuance of revenue bonds	60,211,809	42,196,760
Proceeds from issuance of certificates of obligation	3,746,197	--
Proceeds from issuance of commercial paper	--	61,108,325
Transfers out to other funds for capital acquisition	(399,000)	(259,878)
Principal paid on long-term debt	(11,108,325)	(11,417,342)
Principal paid on commercial paper	(18,869,220)	(50,000,000)
Interest expense and fiscal charges	(21,658,084)	(20,745,449)
Recovery on damage claims	4,456	214
Net cash used for capital and related financing activities	(29,697,538)	(19,035,517)
Cash flows from investing activities		
Purchase of investment securities	(132,528,482)	(37,346,142)
Proceeds from sale and maturity of investment securities	140,990,832	22,386,142
Interest on investments	5,792,380	3,480,265
Net cash provided by (used for) investing activities	14,254,730	(11,479,735)
Net increase (decrease) in cash and cash equivalents	10,447,888	(2,206,560)
Cash and cash equivalents at beginning of year, including restricted accounts	7,172,507	9,379,067
Cash and cash equivalents at end of year, including restricted accounts	\$ 17,620,395	\$ 7,172,507

(Continued)

	<u>2007</u>	<u>2006</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 11,422,153	\$ 16,797,905
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	15,434,688	15,190,506
Amortization of water rights	4,273,285	4,175,502
Amortization of fish and wildlife costs	270,042	270,042
Provision for uncollectible accounts	736,843	762,601
Operating and maintenance expenses previously capitalized	(9,103)	1,259,618
Change in assets and liabilities		
Receivables	1,669,056	651,573
Deposits receivable	2,300	--
Due from other funds	(301,200)	128,272
Inventory	(34,674)	(45,440)
Accounts payable	3,933,064	(410,918)
Accrued expenses	103,493	34,139
Accumulated unpaid compensated absences	73,519	58,842
Contractor interest and retainage payable	(853)	11,761
Customer deposits	(12,156)	(4,021)
Liability to claimants - escheat property	(647)	9,370
Due to other funds	(49,226)	247,821
	<u>\$ 37,510,584</u>	<u>\$ 39,137,573</u>
Noncash investing, capital and financing activities		
Transfer of capital assets to other funds	\$ --	\$ (26,210)
Contribution of capital assets from developers	\$ 6,345,796	\$ 5,464,230
Change in fair value of investments	\$ 189,026	\$ (15,077)
Acquisition of capital assets under capital lease	\$ 124,369	\$ --
Bond refunding	\$ 5,703,672	\$ --

**WASTEWATER SYSTEM
COMPARATIVE SCHEDULE OF NET ASSETS
JULY 31, 2007 AND 2006**

	2007	2006
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,948,586	\$ 1,645,713
Investments	12,499,456	20,656,194
Receivables		
Accounts	5,671,905	5,715,922
Accrued interest	295,812	481,627
Notes	161,949	--
Miscellaneous	225	225
Allowance for uncollectibles	(756,187)	(917,564)
Net receivables	5,373,704	5,280,210
Due from other funds	61,881	9,417
Restricted assets		
Cash and cash equivalents	7,624,350	3,030,747
Investments	6,997,198	12,085,154
Accrued interest	55,903	149,677
Due from other funds	702	5,453
Total restricted assets	14,678,153	15,271,031
Total current assets	34,561,780	42,862,565
Noncurrent assets		
Notes receivable	157,894	--
Bond issue costs	1,677,318	1,591,163
Capital assets		
Land	4,454,450	4,443,493
Buildings	1,911,257	1,889,184
Improvements other than buildings	128,195,834	126,820,006
Machinery and equipment	7,248,464	7,868,757
Infrastructure	233,146,667	206,237,587
Total capital assets in service	374,956,672	347,259,027
Less accumulated depreciation	(94,484,797)	(86,337,161)
Net capital assets in service	280,471,875	260,921,866
Construction in progress	20,872,078	23,608,040
Net capital assets	301,343,953	284,529,906
Total noncurrent assets	303,179,165	286,121,069
Total assets	337,740,945	328,983,634

(Continued)

	<u>2007</u>	<u>2006</u>
LIABILITIES		
Current liabilities		
Accounts payable	2,752,119	2,484,114
Accrued expenses	154,656	145,271
Accrued interest	242,214	223,805
Contractor interest and retainage payable	504,750	786,537
Deposits	16,717	22,433
Due to other funds	94,298	63,092
Advances from other funds	--	5,000,000
Unearned revenue	28,983	4,395
Commercial paper	--	5,333,337
Current portion of long-term liabilities		
Long-term debt	8,594,043	7,661,361
Accumulated unpaid compensated absences	393,778	393,662
Total current liabilities	<u>12,781,558</u>	<u>22,118,007</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	119,074,808	109,047,554
Accumulated unpaid compensated absences	418,252	460,130
Total noncurrent liabilities	<u>119,493,060</u>	<u>109,507,684</u>
Total liabilities	<u>132,274,618</u>	<u>131,625,691</u>
NET ASSETS		
Invested in capital assets, net of related debt	183,140,091	165,711,802
Restricted for		
Construction of capital assets	4,182,647	9,305,621
Improvements to utility lines and facilities	2,617,271	4,243,147
Abatement of public health hazards	90,563	89,277
Unrestricted	<u>15,435,755</u>	<u>18,008,096</u>
Total net assets	<u>\$ 205,466,327</u>	<u>\$ 197,357,943</u>



City of
Corpus
Christi

**WASTEWATER SYSTEM
COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
Operating revenues		
Charges for services - net	\$ 40,779,842	\$ 39,288,543
Operating expenses		
Personal services	7,771,627	7,880,583
Materials and supplies	3,279,382	3,017,569
Contractual services	6,036,594	8,080,170
Other operating expenses	7,009,005	7,005,693
Uncollectible accounts	456,501	272,914
Depreciation	9,032,877	8,435,100
Total operating expenses	<u>33,585,986</u>	<u>34,692,029</u>
Operating income	7,193,856	4,596,514
Nonoperating revenues (expenses)		
Investment income	2,058,476	2,015,694
Interest expense and fiscal charges	(6,641,894)	(5,226,734)
Net gain (loss) on disposal of assets	10,000	(77,869)
Recovery on damage claims	1,920	--
Developer deposits	1,097,818	1,334,448
Reimbursement to developers	(3,056,220)	(4,260,921)
Total nonoperating expenses	<u>(6,529,900)</u>	<u>(6,215,382)</u>
Capital contributions		
Contributions from developers	<u>9,146,168</u>	<u>6,597,032</u>
Income before transfers	<u>9,810,124</u>	<u>4,978,164</u>
Transfers in	--	117,312
Transfers out	(1,701,740)	(1,301,194)
Total transfers	<u>(1,701,740)</u>	<u>(1,183,882)</u>
Net income	8,108,384	3,794,282
Net assets at beginning of year	<u>197,357,943</u>	<u>193,563,661</u>
Net assets at end of year	<u>\$ 205,466,327</u>	<u>\$ 197,357,943</u>

the City of Corpus Christi, Texas

**WASTEWATER SYSTEM
COMPARATIVE SCHEDULE OF CASH FLOWS
YEAR ENDED JULY 31, 2007 AND 2006**

	2007	2006
Cash flows from operating activities		
Receipts from customers	\$ 39,801,280	\$ 38,877,874
Receipts from interfund services provided	27,130	14,851
Payments to suppliers	(9,132,202)	(9,904,667)
Payments to employees	(6,863,773)	(6,821,097)
Internal activity - payments to other funds	(8,624,114)	(8,771,065)
Net cash provided by operating activities	15,208,321	13,395,896
Cash flows from noncapital financing activities		
Changes in interfund borrowings	(5,000,000)	(6,103,389)
Interest on interfund borrowings	(120,935)	--
Transfers in from other funds	5,768	117,312
Transfers out to other funds	(1,021,451)	(874,641)
Net cash used for noncapital financing activities	(6,136,618)	(6,860,718)
Cash flows from capital and related financing activities		
Acquisition of capital assets	(16,204,068)	(22,455,699)
Proceeds from sale of capital assets	10,000	--
Developer deposits	1,171,912	1,328,995
Contributions from developers	24,271	47,644
Reimbursements to developers	(3,056,220)	(4,322,903)
Proceeds from issuance of revenue bonds	18,192,656	26,771,131
Proceeds from issuance of certificates of obligation	693,453	--
Proceeds from issuance of commercial paper	--	25,333,337
Transfers out to other funds for capital acquisition	(727,000)	(379,209)
Principal paid on long-term debt	(8,602,130)	(13,090,051)
Principal paid on commercial paper	(5,333,337)	(20,000,000)
Interest expense and fiscal charges	(5,929,444)	(4,570,321)
Recovery on damage claims	1,920	--
Net cash used for capital and related financing activities	(19,757,987)	(11,337,076)
Cash flows from investing activities		
Purchase of investment securities	(54,497,996)	(48,700,000)
Proceeds from sale and maturity of investment securities	67,800,000	49,874,785
Interest on investments	2,280,756	1,614,552
Net cash provided by investing activities	15,582,760	2,789,337
Net increase (decrease) in cash and cash equivalents	4,896,476	(2,012,561)
Cash and cash equivalents at beginning of year, including restricted accounts	4,676,460	6,689,021
Cash and cash equivalents at end of year, including restricted accounts	\$ 9,572,936	\$ 4,676,460

(Continued)

	<u>2007</u>	<u>2006</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 7,193,856	\$ 4,596,514
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	9,032,877	8,435,100
Provision for uncollectible accounts	456,501	272,914
Operating and maintenance expenses previously capitalized	(95,407)	167,558
Change in assets and liabilities		
Receivables	(893,703)	(389,639)
Due from other funds	(52,464)	(9,417)
Accounts payable	(483,552)	287,113
Accrued expenses	9,384	30,064
Unearned revenue	450	--
Accumulated unpaid compensated absences	(41,762)	46,381
Customer deposits	(5,716)	3,238
Due to other funds	87,857	(43,930)
	<u>\$ 15,208,321</u>	<u>\$ 13,395,896</u>
Noncash investing, capital and financing activities		
Contribution of capital assets from developers	\$ 9,146,035	\$ 6,553,783
Change in fair value of investments	\$ 59,810	\$ 70,339
Bond refunding	\$ 257,038	\$ --

**NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET ASSETS
JULY 31, 2007**

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ 3,172,454	\$ 349,379	\$ 412,588	\$ 3,934,421
Investments	7,192,968	--	--	7,192,968
Receivables, net of allowance for uncollectibles	323,719	15,177	613,000	951,896
Due from other funds	--	--	42,585	42,585
Inventories	3,933	35,334	--	39,267
Prepaid items	940	--	--	940
Restricted assets				
Cash and cash equivalents	1,696,376	--	70,460	1,766,836
Investments	1,306,025	--	--	1,306,025
Receivables, net of allowance for uncollectibles	235,625	--	--	235,625
Due from other funds	2,072	--	--	2,072
Total restricted assets	<u>3,240,098</u>	<u>--</u>	<u>70,460</u>	<u>3,310,558</u>
Total current assets	<u>13,934,112</u>	<u>399,890</u>	<u>1,138,633</u>	<u>15,472,635</u>
Noncurrent assets				
Bond issue costs	532,747	--	73,930	606,677
Capital assets				
Land	3,554,942	94,337	9,000	3,658,279
Buildings	48,048,404	711,295	1,034,523	49,794,222
Improvements other than buildings	64,194,338	2,529,531	20,624,784	87,348,653
Machinery and equipment	5,149,273	973,432	182,809	6,305,514
Infrastructure	--	--	54,226	54,226
Total capital assets in service	<u>120,946,957</u>	<u>4,308,595</u>	<u>21,905,342</u>	<u>147,160,894</u>
Less accumulated depreciation	(40,570,182)	(3,382,838)	(11,816,913)	(55,769,933)
Net capital assets in service	<u>80,376,775</u>	<u>925,757</u>	<u>10,088,429</u>	<u>91,390,961</u>
Construction in progress	12,220,648	--	13,648	12,234,296
Net capital assets	<u>92,597,423</u>	<u>925,757</u>	<u>10,102,077</u>	<u>103,625,257</u>
Total noncurrent assets	<u>93,130,170</u>	<u>925,757</u>	<u>10,176,007</u>	<u>104,231,934</u>
Total assets	<u>107,064,282</u>	<u>1,325,647</u>	<u>11,314,640</u>	<u>119,704,569</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 27-A
(continued)

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
LIABILITIES				
Current liabilities				
Accounts payable	3,906,806	96,334	64,699	4,067,839
Accrued expenses	90,869	17,976	12,394	121,239
Accrued interest	507,819	--	70,742	578,561
Contractor interest and retainage payable	454,600	--	203,829	658,429
Deposits	54	210	81,903	82,167
Due to other funds	--	128	492,910	493,038
Unearned revenue	205	4,877	42,467	47,549
Current portion of long-term liabilities				
Long-term debt	479,943	60,156	160,000	700,099
Accumulated unpaid compensated absences	212,527	18,892	17,637	249,056
Total current liabilities	<u>5,652,823</u>	<u>198,573</u>	<u>1,146,581</u>	<u>6,997,977</u>
Noncurrent liabilities				
Long-term liabilities, net of current portion				
Accrued arbitrage rebate liability	--	--	39,050	39,050
Long-term debt	19,634,293	25,474	4,184,936	23,844,703
Accumulated unpaid compensated absences	98,105	30,702	21,773	150,580
Total noncurrent liabilities	<u>19,732,398</u>	<u>56,176</u>	<u>4,245,759</u>	<u>24,034,333</u>
Total liabilities	<u>25,385,221</u>	<u>254,749</u>	<u>5,392,340</u>	<u>31,032,310</u>
NET ASSETS				
Invested in capital assets, net of related debt	73,015,934	840,128	5,831,071	79,687,133
Restricted for				
Passenger facility charges projects	1,650,845	--	--	1,650,845
Construction of capital assets	115,260	--	38,672	153,932
Required capital reserve	250,000	--	--	250,000
Required operating reserve	1,220,165	--	--	1,220,165
Law enforcement officers' standards and education	3,828	--	--	3,828
Unrestricted	<u>5,423,029</u>	<u>230,770</u>	<u>52,557</u>	<u>5,706,356</u>
Total net assets	<u>\$ 81,679,061</u>	<u>\$ 1,070,898</u>	<u>\$ 5,922,300</u>	<u>\$ 88,672,259</u>



City of
Corpus
Christi

NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2007

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Total</u>
Operating revenues				
Charges for services - net	\$ 8,007,780	\$ 1,740,134	\$ 1,324,704	\$ 11,072,618
Operating expenses				
Personal services	3,884,523	667,754	629,529	5,181,806
Materials and supplies	320,064	252,137	78,779	650,980
Contractual services	1,548,592	495,678	166,306	2,210,576
Other operating expenses	792,354	135,425	170,626	1,098,405
Uncollectible accounts	3,923	12,944	2,187	19,054
Depreciation	3,636,224	218,751	485,252	4,340,227
Total operating expenses	<u>10,185,680</u>	<u>1,782,689</u>	<u>1,532,679</u>	<u>13,501,048</u>
Operating loss	(2,177,900)	(42,555)	(207,975)	(2,428,430)
Nonoperating revenues (expenses)				
Investment income	494,292	13,445	80,896	588,633
Interest expense and fiscal charges	(1,216,172)	(25,290)	(183,343)	(1,424,805)
Passenger facility charges	1,721,069	--	--	1,721,069
Net gain on disposal of assets	4,740	--	1,927	6,667
Contributions from other governmental agencies	1,831	--	14,525	16,356
Contributions and donations	--	--	44,492	44,492
Miscellaneous	30,760	--	--	30,760
Total nonoperating revenues (expenses)	<u>1,036,520</u>	<u>(11,845)</u>	<u>(41,503)</u>	<u>983,172</u>
Capital contributions				
Contributions from other governmental agencies	<u>9,842,945</u>	<u>--</u>	<u>519,000</u>	<u>10,361,945</u>
Income (loss) before transfers	8,701,565	(54,400)	269,522	8,916,687
Transfers out	<u>(842,168)</u>	<u>(200,000)</u>	<u>(304,627)</u>	<u>(1,346,795)</u>
Net income (loss)	7,859,397	(254,400)	(35,105)	7,569,892
Net assets at beginning of year	<u>73,819,664</u>	<u>1,325,298</u>	<u>5,957,405</u>	<u>81,102,367</u>
Net assets at end of year	<u>\$ 81,679,061</u>	<u>\$ 1,070,898</u>	<u>\$ 5,922,300</u>	<u>\$ 88,672,259</u>

the City of Corpus Christi, Texas

**NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2007**

	Airport Fund	Golf Centers Fund	Marina Fund	Totals
Cash flows from operating activities				
Receipts from customers	\$ 8,081,130	\$ 1,722,423	\$ 1,404,621	\$ 11,208,174
Payments to suppliers	(1,531,247)	(666,983)	(242,426)	(2,440,656)
Payments to employees	(3,440,531)	(591,707)	(556,837)	(4,589,075)
Internal activity - payments to other funds	(1,305,721)	(230,625)	(300,094)	(1,836,440)
Net cash provided by operating activities	<u>1,803,631</u>	<u>233,108</u>	<u>305,264</u>	<u>2,342,003</u>
Cash flows from noncapital financing activities				
Changes in interfund borrowings	--	--	(465,044)	(465,044)
Contributions from other governmental agencies	1,831	--	--	1,831
Transfers out to other funds	(842,168)	(200,000)	(304,627)	(1,346,795)
Other non-operating expenses	30,760	--	--	30,760
Net cash used for noncapital financing activities	<u>(809,577)</u>	<u>(200,000)</u>	<u>(769,671)</u>	<u>(1,779,248)</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets	(8,217,891)	(17,896)	(3,995,607)	(12,231,394)
Proceeds from sale of capital assets	4,740	--	1,927	6,667
Contributions from other governmental agencies	9,994,524	--	1,000,000	10,994,524
Passenger facility charge	1,711,024	--	--	1,711,024
Bond issuance cost	--	--	(612)	(612)
Principal paid on long-term debt	(459,943)	(58,795)	(155,000)	(673,738)
Interest and fiscal charges	(1,159,475)	(25,290)	(179,208)	(1,363,973)
Net cash provided by (used for) capital and related financing activities	<u>1,872,979</u>	<u>(101,981)</u>	<u>(3,328,500)</u>	<u>(1,557,502)</u>
Cash flows from investing activities				
Purchase of investment securities	(10,099,799)	--	3,000,000	(7,099,799)
Proceeds from sale and maturity of investment securities	5,700,000	--	--	5,700,000
Interest on investments	482,537	13,445	124,997	620,979
Net cash provided by (used for) investing activities	<u>(3,917,262)</u>	<u>13,445</u>	<u>3,124,997</u>	<u>(778,820)</u>
Net decrease in cash and cash equivalents	(1,050,229)	(55,428)	(667,910)	(1,773,567)
Cash and cash equivalents at beginning of year, including restricted accounts	<u>5,919,059</u>	<u>404,807</u>	<u>1,150,958</u>	<u>7,474,824</u>
Cash and cash equivalents at end of year, including restricted accounts	<u>\$ 4,868,830</u>	<u>\$ 349,379</u>	<u>\$ 483,048</u>	<u>\$ 5,701,257</u>

(Continued)

Exhibit 27-C

	<u>Airport Fund</u>	<u>Golf Centers Fund</u>	<u>Marina Fund</u>	<u>Totals</u>
Reconciliation of operating loss to net cash provided by operating activities				
Operating loss	\$ (2,177,900)	\$ (42,555)	\$ (207,975)	\$ (2,428,430)
Adjustments to reconcile operating loss to net cash provided by operating activities				
Depreciation	3,636,224	218,751	485,252	4,340,227
Provision for uncollectible accounts	3,923	12,944	2,187	19,054
Recovery of uncollectible accounts	(53,017)	--	--	(53,017)
Change in assets and liabilities				
Receivables	126,368	3,147	(2,559)	126,956
Due from other funds	7,102	--	(7,521)	(419)
Inventory	(85)	5,126	--	5,041
Prepaid items	(940)	--	--	(940)
Accounts payable	109,260	67,699	(11,306)	165,653
Accrued expenses	18,446	3,073	14,045	35,564
Unearned revenue	--	(21,019)	30,911	9,892
Accumulated unpaid compensated absences	33,361	(8,808)	(3,736)	20,817
Contractor interest and retainage payable	--	--	2,162	2,162
Customer deposits	(110)	160	7,077	7,127
Due to other funds	100,999	(5,410)	(3,273)	92,316
	<u>\$ 1,803,631</u>	<u>\$ 233,108</u>	<u>\$ 305,264</u>	<u>\$ 2,342,003</u>
Net cash provided by operating activities				
Noncash investing, capital and financing activities				
Change in fair value of investments	\$ 15,865	\$ --	\$ --	\$ 15,865

**AIRPORT FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2007 AND 2006**

	2007	2006
ASSETS		
Current assets		
Cash and cash equivalents	\$ 3,172,454	\$ 4,118,060
Investments	7,192,968	2,310,970
Receivables		
Accounts	331,325	430,590
Accrued interest	9,693	9,935
Intergovernmental	33,356	187,287
Miscellaneous	5,522	32,081
Allowance for uncollectibles	(56,177)	(105,270)
Net receivables	323,719	554,623
Due from other funds	--	7,103
Inventories	3,933	3,848
Prepaid items	940	--
Restricted assets		
Cash and cash equivalents	1,696,376	1,800,999
Investments	1,306,025	1,772,360
Receivables		
Accounts	234,300	227,009
Accrued interest	1,325	5,374
Net receivables	235,625	232,383
Due from other funds	2,072	--
Total restricted assets	3,240,098	3,805,742
Total current assets	13,934,112	10,800,346
Noncurrent assets		
Bond issue costs	532,747	571,568
Capital assets		
Land	3,554,942	3,554,942
Buildings	48,048,404	47,620,521
Improvements other than buildings	64,194,338	53,586,701
Machinery and equipment	5,149,273	4,490,493
Total capital assets in service	120,946,957	109,252,657
Less accumulated depreciation	(40,570,182)	(36,933,958)
Net capital assets in service	80,376,775	72,318,699
Construction in progress	12,220,648	12,664,467
Net capital assets	92,597,423	84,983,166
Total noncurrent assets	93,130,170	85,554,734
Total assets	107,064,282	96,355,080

(Continued)

	<u>2007</u>	<u>2006</u>
LIABILITIES		
Current liabilities		
Accounts payable	3,906,806	682,629
Accrued expenses	90,869	72,425
Accrued interest	507,819	517,829
Contractor interest and retainage payable	454,600	435,266
Deposits	54	165
Due to other funds	--	980
Unearned revenue	205	2,558
Current portion of long-term liabilities		
Long-term debt	479,943	459,943
Accumulated unpaid compensated absences	212,527	219,038
Total current liabilities	<u>5,652,823</u>	<u>2,390,833</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	19,634,293	20,086,349
Accumulated unpaid compensated absences	98,105	58,234
Total noncurrent liabilities	<u>19,732,398</u>	<u>20,144,583</u>
Total liabilities		
	<u>25,385,221</u>	<u>22,535,416</u>
NET ASSETS		
Invested in capital assets, net of related debt		
	73,015,934	65,569,210
Restricted for		
Passenger facility charges projects	1,650,845	1,022,479
Construction of capital assets	115,260	1,317,578
Required capital reserve	250,000	250,000
Required operating reserve	1,220,165	1,212,812
Law enforcement officers' standards and education	3,828	2,872
Unrestricted	5,423,029	4,444,713
Total net assets		
	<u>\$ 81,679,061</u>	<u>\$ 73,819,664</u>



City of
Corpus
Christi

AIRPORT FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2007 AND 2006

	2007	2006
Operating revenues		
Charges for services - net	\$ 8,007,780	\$ 8,131,872
Operating expenses		
Personal services	3,884,523	3,944,941
Materials and supplies	320,064	319,822
Contractual services	1,548,592	2,234,683
Other operating expenses	792,354	691,579
Uncollectible accounts	3,923	87
Depreciation	3,636,224	3,147,722
Total operating expenses	10,185,680	10,338,834
Operating loss	(2,177,900)	(2,206,962)
Nonoperating revenues (expenses)		
Investment income	494,292	268,692
Interest expense and fiscal charges	(1,216,172)	(1,205,901)
Passenger facility charges	1,721,069	1,768,217
Net gain on disposal of assets	4,740	8,405
Contribution from other governmental agencies	1,831	1,856
Miscellaneous	30,760	--
Total nonoperating revenues	1,036,520	841,269
Capital contributions		
Contribution from other governmental agencies	9,842,945	8,368,059
Income before transfers	8,701,565	7,002,366
Transfers in	--	7,847
Transfers out	(842,168)	(865,104)
Total transfers	(842,168)	(857,257)
Net income	7,859,397	6,145,109
Net assets at beginning of year	73,819,664	67,674,555
Net assets at end of year	\$ 81,679,061	\$ 73,819,664

the City of Corpus Christi, Texas

**AIRPORT FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2007 AND 2006**

	2007	2006
Cash flows from operating activities		
Receipts from customers	\$ 8,081,130	\$ 8,073,512
Payments to suppliers	(1,531,247)	(2,065,573)
Payments to employees	(3,440,531)	(3,483,180)
Internal activity - payments to other funds	(1,305,721)	(1,351,204)
Net cash provided by operating activities	1,803,631	1,173,555
Cash flows from noncapital financing activities		
Changes in interfund borrowings	--	1,828,404
Contributions from other governmental agencies	1,831	1,856
Transfers out to other funds	(842,168)	(865,104)
Other non-operating expenses	30,760	--
Net cash provided by (used for) noncapital financing activities	(809,577)	965,156
Cash flows from capital and related financing activities		
Acquisition of capital assets	(8,217,891)	(10,660,848)
Proceeds from sale of capital assets	4,740	8,405
Contributions from other governmental agencies	9,994,524	8,826,479
Passenger facility charge	1,711,024	1,770,820
Principal paid on long-term debt	(459,943)	(439,818)
Interest and fiscal charges	(1,159,475)	(1,151,054)
Net cash provided by (used for) capital and related financing activities	1,872,979	(1,646,016)
Cash flows from investing activities		
Purchase of investment securities	(10,099,799)	(3,600,000)
Proceeds from sale and maturity of investment securities	5,700,000	3,500,000
Interest on investments	482,537	282,863
Net cash provided by (used for) investing activities	(3,917,262)	182,863
Net increase (decrease) in cash and cash equivalents	(1,050,229)	675,558
Cash and cash equivalents at beginning of year, including restricted accounts	5,919,059	5,243,501
Cash and cash equivalents at end of year, including restricted accounts	\$ 4,868,830	\$ 5,919,059

(Continued)

Exhibit 28-C

	<u>2007</u>	<u>2006</u>
Reconciliation of operating loss to net cash provided		
by operating activities		
Operating loss	\$ (2,177,900)	\$ (2,206,962)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	3,636,224	3,147,722
Provision for uncollectible accounts	3,923	--
Recovery of uncollectible accounts	(53,017)	(124,130)
Operating and maintenance expenses previously capitalized	--	210,875
Changes in assets and liabilities		
Receivables	126,368	140,808
Due from other funds	7,102	1,261
Inventory	(85)	(3,848)
Prepaid items	(940)	--
Accounts payable	109,260	(8,640)
Accrued expenses	18,446	9,275
Accumulated unpaid compensated absences	33,361	21,685
Customer deposits	(110)	127
Due to other funds	100,999	(7,503)
Due to other governmental agencies	--	(7,115)
	<u>\$ 1,803,631</u>	<u>\$ 1,173,555</u>
Noncash investing, capital and financing activities		
Transfer of capital assets from Water Fund	\$ --	\$ 7,847
Change in fair value of investments	\$ 15,865	\$ (15,420)



City of
Corpus
Christi

**GOLF CENTERS FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 349,379	\$ 404,807
Receivables		
Accounts	19,817	47,040
Miscellaneous	8,304	12,824
Allowance for uncollectibles	(12,944)	(28,597)
Net receivables	<u>15,177</u>	<u>31,267</u>
Inventories	<u>35,334</u>	<u>40,460</u>
Total current assets	<u>399,890</u>	<u>476,534</u>
Noncurrent assets		
Capital assets		
Land	94,337	94,337
Buildings	711,295	711,295
Improvements other than buildings	2,529,531	2,529,531
Machinery and equipment	973,432	955,536
Total capital assets in service	<u>4,308,595</u>	<u>4,290,699</u>
Less accumulated depreciation	<u>(3,382,838)</u>	<u>(3,164,087)</u>
Net capital assets	<u>925,757</u>	<u>1,126,612</u>
Total noncurrent assets	<u>925,757</u>	<u>1,126,612</u>
Total assets	<u>1,325,647</u>	<u>1,603,146</u>
LIABILITIES		
Current liabilities		
Accounts payable	96,334	28,635
Accrued expenses	17,976	14,903
Deposits	210	--
Due to other funds	128	5,588
Unearned revenue	4,877	25,896
Current portion of long-term liabilities		
Long-term debt	60,156	58,795
Accumulated unpaid compensated absences	18,892	35,212
Total current liabilities	<u>198,573</u>	<u>169,029</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	25,474	85,629
Accumulated unpaid compensated absences	30,702	23,190
Total noncurrent liabilities	<u>56,176</u>	<u>108,819</u>
Total liabilities	<u>254,749</u>	<u>277,848</u>
NET ASSETS		
Invested in capital assets, net of related debt	840,128	982,188
Unrestricted	<u>230,770</u>	<u>343,110</u>
Total net assets	<u>\$ 1,070,898</u>	<u>\$ 1,325,298</u>

GOLF CENTERS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2007 AND 2006

	2007	2006
Operating revenues		
Charges for services - net	\$ 1,740,134	\$ 2,242,033
Operating expenses		
Personal services	667,754	870,168
Materials and supplies	252,137	233,097
Contractual services	495,678	352,825
Other operating expenses	135,425	204,582
Uncollectible accounts	12,944	--
Depreciation	218,751	218,450
Total operating expenses	1,782,689	1,879,122
Operating income (loss)	(42,555)	362,911
Nonoperating revenues (expenses)		
Investment income	13,445	3,811
Interest expense and fiscal charges	(25,290)	(4,022)
Total nonoperating expenses	(11,845)	(211)
Income (loss) before transfers	(54,400)	362,700
Transfers out	(200,000)	--
Net income (loss)	(254,400)	362,700
Net assets at beginning of year	1,325,298	962,598
Net assets at end of year	\$ 1,070,898	\$ 1,325,298

**GOLF CENTERS FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2007 AND 2006**

	2007	2006
Cash flows from operating activities		
Receipts from customers	\$ 1,722,423	\$ 2,193,910
Payments to suppliers	(666,983)	(612,235)
Payments to employees	(591,707)	(729,904)
Internal activity - payments to other funds	(230,625)	(361,955)
Net cash provided by operating activities	233,108	489,816
Cash flows from noncapital financing activities		
Changes in interfund borrowings	--	(32,435)
Transfers out to other funds	(200,000)	--
Net cash used for noncapital financing activities	(200,000)	(32,435)
Cash flows from capital and related financing activities		
Acquisition of capital assets	(17,896)	--
Principal paid on long-term debt	(58,795)	(57,465)
Interest expense and fiscal charges	(25,290)	(4,022)
Net cash used for capital and related financing activity	(101,981)	(61,487)
Cash flows from investing activities		
Interest on investments	13,445	3,811
Net increase (decrease) in cash and cash equivalents	(55,428)	399,705
Cash and cash equivalents at beginning of year	404,807	5,102
Cash and cash equivalents at end of year	\$ 349,379	\$ 404,807
Reconciliation of operating income to net cash provided by operating activities		
Operating income (loss)	\$ (42,555)	\$ 362,911
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	218,751	218,450
Provision for uncollectible accounts	12,944	--
Change in assets and liabilities		
Receivables	3,147	(31,267)
Due from other funds	--	101
Inventory	5,126	(613)
Accounts payable	67,699	(28,381)
Accrued expenses	3,073	(2,792)
Unearned revenue	(21,019)	(16,854)
Accumulated unpaid compensated absences	(8,808)	(11,874)
Deposits payable	160	--
Due to other funds	(5,410)	135
Net cash provided by operating activities	\$ 233,108	\$ 489,816

**GOLF CENTERS FUND
SCHEDULE OF OPERATING EXPENSES BY FUNCTION
YEAR ENDED JULY 31, 2007
WITH COMPARATIVE TOTALS FOR YEAR ENDED JULY 31, 2006**

<u>FUNCTION</u>	2007			
	<u>PERSONAL SERVICES</u>	<u>MATERIALS & SUPPLIES</u>	<u>CONTRACTUAL SERVICES</u>	<u>OTHER OPERATING EXPENSES</u>
Gabe Lozano Sr. Golf Center operations	\$ 370,746	\$ 153,370	\$ 273,868	\$ 81,844
Oso Golf Center operations	<u>297,008</u>	<u>98,767</u>	<u>221,810</u>	<u>53,581</u>
Total operating expenses	<u><u>\$ 667,754</u></u>	<u><u>\$ 252,137</u></u>	<u><u>\$ 495,678</u></u>	<u><u>\$ 135,425</u></u>

Exhibit 29-D

<u>UNCOLLECTIBLE ACCOUNTS</u>	<u>DEPRECIATION</u>	<u>2007 TOTAL</u>	<u>2006 TOTAL</u>
\$ 6,631	\$ 158,772	\$ 1,045,231	\$ 1,157,423
6,313	59,979	737,458	721,699
<u>\$ 12,944</u>	<u>\$ 218,751</u>	<u>\$ 1,782,689</u>	<u>\$ 1,879,122</u>

**MARINA FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2007 AND 2006**

	2007	2006
ASSETS		
Current assets		
Cash and cash equivalents	\$ 412,588	\$ 876,406
Receivables		
Accounts	134,469	131,909
Accrued interest	--	4,611
Intergovernmental	533,524	999,999
Allowance for uncollectibles	(54,993)	(52,806)
Net receivables	613,000	1,083,713
Due from other funds	42,585	--
Restricted assets		
Cash and cash equivalents	70,460	274,552
Investments	--	3,000,000
Accrued interest	--	440
Total restricted assets	70,460	3,274,992
Total current assets	1,138,633	5,235,111
Noncurrent assets		
Bond issue costs	73,930	80,835
Capital assets		
Land	9,000	9,000
Buildings	1,034,523	1,034,523
Improvements other than buildings	20,624,784	16,424,003
Machinery and equipment	182,809	199,558
Infrastructure	54,226	54,226
Total capital assets in service	21,905,342	17,721,310
Less accumulated depreciation	(11,816,913)	(11,348,409)
Net capital assets in service	10,088,429	6,372,901
Construction in progress	13,648	366,093
Net capital assets	10,102,077	6,738,994
Total noncurrent assets	10,176,007	6,819,829
Total assets	11,314,640	12,054,940

(Continued)

	<u>2007</u>	<u>2006</u>
LIABILITIES		
Current liabilities		
Accounts payable	64,699	404,710
Accrued expenses	12,394	12,873
Accrued interest	70,742	72,742
Contractor interest and retainage payable	203,829	17,088
Deposits	81,903	74,828
Due to other funds	492,910	960,662
Unearned revenue	42,467	11,557
Current portion of long-term liabilities		
Long-term debt	160,000	155,000
Accumulated unpaid compensated absences	17,637	25,810
Total current liabilities	<u>1,146,581</u>	<u>1,735,270</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Accrued arbitrage rebate liability	39,050	--
Long-term debt	4,184,936	4,344,930
Accumulated unpaid compensated absences	21,773	17,335
Total noncurrent liabilities	<u>4,245,759</u>	<u>4,362,265</u>
Total liabilities	<u>5,392,340</u>	<u>6,097,535</u>
NET ASSETS		
Invested in capital assets, net of related debt	5,831,071	5,443,029
Restricted for capital assets	38,672	153,040
Unrestricted	52,557	361,336
Total net assets	<u>\$ 5,922,300</u>	<u>\$ 5,957,405</u>

MARINA FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2007 AND 2006

	2007	2006
Operating revenues		
Slip rentals	\$ 936,137	\$ 897,665
Bayfront revenue	211,365	212,315
Boat haul-outs	24,473	21,572
Transient fees	42,061	29,994
Resale of electricity	21,709	15,271
Raw seafood sales permits	2,000	1,800
Miscellaneous	86,959	43,528
Total operating revenue	1,324,704	1,222,145
Operating expenses		
Personal services	629,529	646,688
Materials and supplies	78,779	70,849
Contractual services	166,306	159,353
Other operating expenses	170,626	160,146
Uncollectible accounts	2,187	6,463
Depreciation	485,252	377,483
Total operating expenses	1,532,679	1,420,982
Operating loss	(207,975)	(198,837)
Nonoperating revenues (expenses)		
Investment income	80,896	183,649
Interest expense and fiscal charges	(183,343)	(186,110)
Net gain on disposal of assets	1,927	--
Contributions from other governmental agencies	14,525	--
Contributions and donations	44,492	--
Total nonoperating expenses	(41,503)	(2,461)
Capital contributions		
Contributions from other governmental agencies	519,000	355,271
Income before transfers	269,522	153,973
Transfers in	--	7,284
Transfers out	(304,627)	(270,867)
Total transfers	(304,627)	(263,583)
Net loss	(35,105)	(109,610)
Net assets at beginning of year	5,957,405	6,067,015
Net assets at end of year	\$ 5,922,300	\$ 5,957,405

**MARINA FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2007 AND 2006**

	2007	2006
Cash flows from operating activities		
Receipts from customers	\$ 1,404,621	\$ 1,234,946
Payments to suppliers	(242,426)	(288,215)
Payments to employees	(556,837)	(569,004)
Internal activity - payments to other funds	(300,094)	(221,126)
Net cash provided by operating activities	305,264	156,601
Cash flows from noncapital financing activities		
Changes in interfund borrowings	(465,044)	4,973,282
Transfers in from other funds	--	3,360
Transfers out to other funds	(304,627)	(270,867)
Net cash provided by (used for) noncapital financing activities	(769,671)	4,705,775
Cash flows from capital and related financing activities		
Acquisition of capital assets	(3,995,607)	(994,559)
Proceeds from sale of capital assets	1,927	--
Contributions from other government agencies	1,000,000	200,000
Bond issuance cost	(612)	--
Refund of bond issuance cost	--	3,585
Principal paid on long-term debt	(155,000)	--
Interest and fiscal charges	(179,208)	(114,996)
Net cash used for capital and related financing activities	(3,328,500)	(905,970)
Cash flows from investing activities		
Purchase of investment securities	3,000,000	(3,000,000)
Interest on investments	124,997	178,598
Net cash provided by (used for) investing activities	3,124,997	(2,821,402)
Net increase (decrease) in cash and cash equivalents	(667,910)	1,135,004
Cash and cash equivalents at beginning of year, including restricted accounts	1,150,958	15,954
Cash and cash equivalents at end of year, including restricted accounts	\$ 483,048	\$ 1,150,958
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ (207,975)	\$ (198,837)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	485,252	377,483
Provision for uncollectible accounts	2,187	6,463
Changes in assets and liabilities		
Receivables	(2,559)	13,907
Due from other funds	(7,521)	9,696
Accounts payable	(11,306)	(60,754)
Accrued expenses	14,045	2,563
Unearned revenue	30,911	1,720
Accumulated unpaid compensated absences	(3,736)	5,089
Contractor interest and retainage payable	2,162	--
Customer deposits	7,077	(2,825)
Due to other funds	(3,273)	2,096
Net cash provided by operating activities	\$ 305,264	\$ 156,601
Noncash investing, capital and financing activities		
Contribution of capital assets from Water fund	\$ --	\$ 3,924



City of
Corpus
Christi

Internal Service Funds

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

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

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

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

Corpus Christi Digital Community Development Corporation Fund – This fund is a public non-profit corporation created under State law to increase government efficiency in delivering services, improve safety and security, increase economic opportunity for businesses, and enable easier access to information for everyone in the community.

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

the City of Corpus Christi, Texas

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
JULY 31, 2007

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Corpus Christi Digital Community Development Corporation</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ --	\$ 329,091	\$ 388,832	\$ 57,600
Investments	--	2,500,000	3,500,000	--
Receivables, net of allowance for uncollectibles	69	5,441	54,344	25,360
Due from other funds	7,662	492,910	36,605	50,000
Inventories	995,005	262,298	--	--
Prepaid items	--	--	--	--
Total current assets	<u>1,002,736</u>	<u>3,589,740</u>	<u>3,979,781</u>	<u>132,960</u>
Noncurrent assets				
Other assets	--	--	--	--
Capital assets				
Land	--	66,359	--	--
Buildings	316,637	5,856,603	--	--
Improvements other than buildings	13,852	323,339	--	--
Machinery and equipment	208,564	44,221,730	14,765,663	273,049
Total capital assets in service	<u>539,053</u>	<u>50,468,031</u>	<u>14,765,663</u>	<u>273,049</u>
Less accumulated depreciation	<u>(366,354)</u>	<u>(38,473,155)</u>	<u>(6,587,764)</u>	<u>(61,161)</u>
Net capital assets	<u>172,699</u>	<u>11,994,876</u>	<u>8,177,899</u>	<u>211,888</u>
Total noncurrent assets	<u>172,699</u>	<u>11,994,876</u>	<u>8,177,899</u>	<u>211,888</u>
Total assets	<u>1,175,435</u>	<u>15,584,616</u>	<u>12,157,680</u>	<u>344,848</u>
LIABILITIES				
Current liabilities				
Accounts payable	59,409	481,409	261,471	113,853
Accrued expenses	7,028	106,077	152,976	--
Current portion of estimated liability claims	--	--	--	--
Contractor interest and retainage payable	--	2,670	--	--
Deposits	--	2,610	--	--
Liability to claimants - escheat property	--	--	--	--
Due to other funds	355,849	6,762	--	--
Unearned revenue	--	--	--	--
Current portion of long-term liabilities				
Long-term debt	--	96,028	1,496,201	34,909
Accumulated unpaid compensated absences	11,125	212,886	413,277	--
Total current liabilities	<u>433,411</u>	<u>908,442</u>	<u>2,323,925</u>	<u>148,762</u>
Noncurrent liabilities				
Estimated liability claims, net of current portion	--	--	--	--
Long-term liabilities, net of current portion				
Long-term debt	--	1,296,720	4,506,481	93,405
Accumulated unpaid compensated absences	18,524	186,747	334,221	--
Total noncurrent liabilities	<u>18,524</u>	<u>1,483,467</u>	<u>4,840,702</u>	<u>93,405</u>
Total liabilities	<u>451,935</u>	<u>2,391,909</u>	<u>7,164,627</u>	<u>242,167</u>
NET ASSETS				
Invested in capital assets, net of related debt	172,699	10,602,128	2,175,217	83,574
Unrestricted	550,801	2,590,579	2,817,836	19,107
Net assets	<u>\$ 723,500</u>	<u>\$ 13,192,707</u>	<u>\$ 4,993,053</u>	<u>\$ 102,681</u>

the City of Corpus Christi, Texas

Exhibit 31-A

Liability and Employee Benefits	Engineering Services	Eliminations	Total
\$ 25,916	\$ 270,612	\$ --	\$ 1,072,051
40,496,043	1,500,000	--	47,996,043
768,389	1,432	--	855,035
368,767	610	(356,166)	600,388
--	--	--	1,257,303
1,257,622	--	--	1,257,622
<u>42,916,737</u>	<u>1,772,654</u>	<u>(356,166)</u>	<u>53,038,442</u>
49,871	--	--	49,871
--	--	--	66,359
--	--	--	6,173,240
--	--	--	337,191
--	163,989	--	59,632,995
--	163,989	--	66,209,785
--	(102,943)	--	(45,591,377)
--	61,046	--	20,618,408
49,871	61,046	--	20,668,279
<u>42,966,608</u>	<u>1,833,700</u>	<u>(356,166)</u>	<u>73,706,721</u>
345,191	44,151	--	1,305,484
59,607	67,147	--	392,835
7,194,860	--	--	7,194,860
--	--	--	2,670
--	--	--	2,610
111,674	--	--	111,674
--	10,112	(356,166)	16,557
9,218	--	--	9,218
--	--	--	1,627,138
42,108	126,652	--	806,048
<u>7,762,658</u>	<u>248,062</u>	<u>(356,166)</u>	<u>11,469,094</u>
7,323,843	--	--	7,323,843
--	--	--	5,896,606
--	349,482	--	888,974
<u>7,323,843</u>	<u>349,482</u>	<u>--</u>	<u>14,109,423</u>
15,086,501	597,544	(356,166)	25,578,517
--	61,046	--	13,094,664
27,880,107	1,175,110	--	35,033,540
<u>\$ 27,880,107</u>	<u>\$ 1,236,156</u>	<u>\$ --</u>	<u>\$ 48,128,204</u>

the City of Corpus Christi, Texas

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2007

	<u>Stores</u>	<u>Maintenance Service</u>	<u>Municipal Information Systems</u>	<u>Corpus Christi Digital Community Development Corporation</u>
Operating revenues				
Charges for services - net	\$ 712,927	\$ 8,614,650	\$ 14,121,203	\$ 2,421,995
Operating expenses				
Personal services	298,380	4,277,357	6,272,963	37,633
Materials and supplies	76,868	1,145,844	1,351,053	241,569
Contractual services	266,617	1,414,765	2,264,449	1,324,205
Other operating expenses	70,998	822,751	2,681,570	731,344
Self-insurance claims	--	--	--	--
Uncollectible accounts	--	--	--	--
Depreciation	14,908	3,188,443	791,863	36,912
Total operating expenses	<u>727,771</u>	<u>10,849,160</u>	<u>13,361,898</u>	<u>2,371,663</u>
Operating income (loss)	(14,844)	(2,234,510)	759,305	50,332
Nonoperating revenues (expenses)				
Investment income	--	153,635	196,431	15,765
Interest expense and fiscal charges	(17,866)	(92,482)	(190,410)	(3,547)
Recovery of prior years revenues	--	--	--	--
Net gain on disposal of assets	1,778	34,528	1,432	--
Recovery of damage claims	--	44,978	--	--
Contribution from other governmental agencies	--	--	5,420	--
Contributions and donations	--	--	--	17,036
Net contribution of capital assets from general fund	--	1,990	--	--
Total nonoperating revenues (expenses)	<u>(16,088)</u>	<u>142,649</u>	<u>12,873</u>	<u>29,254</u>
Income (loss) before transfers	(30,932)	(2,091,861)	772,178	79,586
Transfers in	--	1,931,000	1,399	24,494
Transfers out	(14,661)	(203,448)	(200,194)	(1,399)
Net transfers	<u>(14,661)</u>	<u>1,727,552</u>	<u>(198,795)</u>	<u>23,095</u>
Net income (loss)	(45,593)	(364,309)	573,383	102,681
Net assets at beginning of year	<u>769,093</u>	<u>13,557,016</u>	<u>4,419,670</u>	<u>--</u>
Net assets at end of year	<u>\$ 723,500</u>	<u>\$ 13,192,707</u>	<u>\$ 4,993,053</u>	<u>\$ 102,681</u>

the City of Corpus Christi, Texas

Exhibit 31-B

Liability and Employee Benefits	Engineering Services	Eliminations	Totals
\$ 34,061,511	\$ 3,675,363	\$ --	\$ 63,607,649
750,585	2,598,040	--	14,234,958
134,963	113,751	--	3,064,048
5,635,908	503,326	--	11,409,270
140,965	555,098	--	5,002,726
22,583,297	--	--	22,583,297
27,937	--	--	27,937
--	24,042	--	4,056,168
<u>29,273,655</u>	<u>3,794,257</u>	<u>--</u>	<u>60,378,404</u>
4,787,856	(118,894)	--	3,229,245
2,019,412	64,800	--	2,450,043
(5,866)	--	--	(310,171)
18,866	--	--	18,866
--	--	--	37,738
--	--	--	44,978
--	--	--	5,420
--	--	--	17,036
--	--	--	1,990
<u>2,032,412</u>	<u>64,800</u>	<u>--</u>	<u>2,265,900</u>
6,820,268	(54,094)	--	5,495,145
--	--	(1,399)	1,955,494
(78,469)	--	1,399	(496,772)
<u>(78,469)</u>	<u>--</u>	<u>--</u>	<u>1,458,722</u>
6,741,799	(54,094)	--	6,953,867
<u>21,138,308</u>	<u>1,290,250</u>	<u>--</u>	<u>41,174,337</u>
<u>\$ 27,880,107</u>	<u>\$ 1,236,156</u>	<u>\$ --</u>	<u>\$ 48,128,204</u>

the City of Corpus Christi, Texas

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2007

	Stores	Maintenance Service	Municipal Information Systems	Corpus Christi Digital Community Development Corporation
Cash flows from operating activities				
Receipts from customers	\$ 45	\$ 28,313	\$ --	\$ 65,545
Receipts from interfund services provided	3,319,723	15,315,089	14,121,203	2,336,800
Payments to suppliers	(2,892,023)	(9,776,684)	(3,419,762)	(1,431,738)
Payments to employees	(282,934)	(4,278,410)	(5,892,885)	--
Internal activity - payments to other funds	(114,062)	(817,009)	(3,432,323)	(839,159)
Claims paid	--	--	--	--
Net cash provided by (used for) operating activities	<u>30,749</u>	<u>471,299</u>	<u>1,376,233</u>	<u>131,448</u>
Cash flows from noncapital financing activities				
Changes in interfund borrowings	--	--	--	--
Interest on interfund borrowings	(17,866)	--	--	--
Contributions and donations	--	--	--	17,037
Transfers out to other funds	(14,661)	(203,448)	(200,194)	--
Recovery of damage claims	--	44,977	5,420	--
Other non-operating revenues	--	1,990	--	--
Other non-operating expenses	--	--	--	--
Net cash provided by (used for) noncapital financing activities	<u>(32,527)</u>	<u>(156,481)</u>	<u>(194,774)</u>	<u>17,037</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets	--	(2,891,487)	(426,148)	(94,076)
Proceeds from sale of capital assets	1,778	34,528	1,432	--
Transfer in from other funds for capital acquisition	--	1,931,000	--	24,458
Principal paid on long-term debt	--	(153,271)	(1,082,191)	(27,774)
Interest and fiscal charges	--	(92,481)	(190,410)	(3,547)
Net cash provided by (used for) capital and related financing activity	<u>1,778</u>	<u>(1,171,711)</u>	<u>(1,697,317)</u>	<u>(100,939)</u>
Cash flows from investing activities				
Purchase of investment securities	--	(4,500,000)	--	--
Proceeds from sale and maturity of investment securities	--	5,150,000	150,000	--
Purchase of other assets	--	--	--	--
Interest on investments	--	154,937	153,273	10,054
Net cash provided by (used for) investing activities	<u>--</u>	<u>804,937</u>	<u>303,273</u>	<u>10,054</u>
Net increase (decrease) in cash and cash equivalents	--	(51,956)	(212,585)	57,600
Cash and cash equivalents at beginning of year	--	381,047	601,417	--
Cash and cash equivalents at end of year	<u>\$ --</u>	<u>\$ 329,091</u>	<u>\$ 388,832</u>	<u>\$ 57,600</u>

(Continued)

the City of Corpus Christi, Texas

Exhibit 31-C

Liability and Employee Benefits	Engineering Services	Total
\$ 9,358,585	\$ 17,242	\$ 9,469,730
24,973,099	3,659,525	63,725,439
(6,980,459)	(988,084)	(25,488,750)
(709,455)	(1,885,250)	(13,048,934)
(29,982)	(883,999)	(6,116,534)
(23,551,551)	--	(23,551,551)
<u>3,060,237</u>	<u>(80,566)</u>	<u>4,989,400</u>
2,378,954	--	2,378,954
37,458	1,314	20,906
--	--	17,037
(78,469)	--	(496,772)
--	--	50,397
--	--	1,990
18,866	--	18,866
<u>2,356,809</u>	<u>1,314</u>	<u>1,991,378</u>
--	(13,337)	(3,425,048)
--	--	37,738
--	--	1,955,458
--	--	(1,263,236)
--	--	(286,438)
--	(13,337)	(2,981,526)
(60,499,647)	(1,500,000)	(66,499,647)
52,793,605	1,400,000	59,493,605
(49,871)	--	(49,871)
1,647,124	61,936	2,027,324
<u>(6,108,789)</u>	<u>(38,064)</u>	<u>(5,028,589)</u>
(691,743)	(130,653)	(1,029,337)
717,659	401,265	2,101,388
<u>\$ 25,916</u>	<u>\$ 270,612</u>	<u>\$ 1,072,051</u>

the City of Corpus Christi, Texas

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2007

	Stores	Maintenance Service	Municipal Information Systems	Corpus Christi Digital Community Development Corporation
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	\$ (14,844)	\$ (2,234,510)	\$ 759,305	\$ 50,332
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation	14,908	3,188,443	791,863	36,913
Change in estimated claims liability	--	--	--	--
Changes in assets and liabilities				
Receivables	104	(103)	(2,345)	(19,650)
Due from other funds	--	(337,647)	(36,192)	(50,000)
Inventory	67,922	(21,294)	--	--
Prepaid items	--	--	--	--
Accounts payable	(9,646)	(133,314)	(108,283)	113,853
Accrued expenses	1,325	(6,986)	26,815	--
Unearned revenue	(59)	--	--	--
Accumulated unpaid compensated absences	(23,571)	5,933	(14,821)	--
Contractor interest and retain age payable	--	2,670	--	--
Deposits	--	1,345	--	--
Liability to claimants-escheat property	--	--	(40,109)	--
Due to other funds	(5,390)	6,762	--	--
Net cash provided by (used for) operating activities	<u>\$ 30,749</u>	<u>\$ 471,299</u>	<u>\$ 1,376,233</u>	<u>\$ 131,448</u>
Noncash investing, capital and financing activities				
Change in fair value of investments	\$ --	\$ (4,262)	\$ (9,913)	\$ --
Acquisition of capital assets under capital lease	\$ --	\$ --	\$ 5,697,019	\$ 68,953
Acquisition of capital assets from other funds or accounts	\$ --	\$ --	\$ --	\$ 110,019
Transfer of capital lease to other fund	\$ --	\$ --	\$ 1,399	\$ 1,363

**Exhibit 31-C
(Continued)**

Liability and Employee Benefits	Engineering Services	Total
\$ 4,787,856	\$ (118,894)	\$ 3,229,245
--	24,042	4,056,169
(971,084)	--	(971,084)
296,236	3,942	278,184
87,332	1,403	(335,104)
--	--	46,628
(743,166)	--	(743,166)
(383,318)	(13,483)	(534,191)
10,992	17,259	49,405
1,874	--	1,815
(2,684)	35,581	438
--	--	2,670
--	--	1,345
2,830	--	(37,279)
<u>(26,631)</u>	<u>(30,416)</u>	<u>(55,675)</u>
<u>\$ 3,060,237</u>	<u>\$ (80,566)</u>	<u>\$ 4,989,400</u>
\$ 90,790	\$ 1,550	\$ 78,165
\$ --	\$ --	\$ 5,765,972
\$ --	\$ --	\$ 110,019
\$ --	\$ --	\$ 2,762



City of
Corpus
Christi

**STORES FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
ASSETS		
Current assets		
Receivables		
Intergovernmental	\$ 69	\$ 173
Due from other funds	7,662	--
Inventories	995,005	1,062,927
Total current assets	<u>1,002,736</u>	<u>1,063,100</u>
Noncurrent assets		
Capital assets		
Buildings	316,637	316,637
Improvements other than buildings	13,852	13,852
Machinery and equipment	208,564	208,564
Total capital assets in service	<u>539,053</u>	<u>539,053</u>
Less accumulated depreciation	(366,354)	(351,446)
Net capital assets	<u>172,699</u>	<u>187,607</u>
Total noncurrent assets	<u>172,699</u>	<u>187,607</u>
Total assets	<u>1,175,435</u>	<u>1,250,707</u>
LIABILITIES		
Current liabilities		
Accounts payable	59,409	69,056
Accrued expenses	7,028	5,703
Due to other funds	355,849	353,576
Unearned revenue	--	59
Current portion of accumulated unpaid compensated absences	11,125	13,084
Total current liabilities	<u>433,411</u>	<u>441,478</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Accumulated unpaid compensated absences	<u>18,524</u>	<u>40,136</u>
Total liabilities	<u>451,935</u>	<u>481,614</u>
NET ASSETS		
Invested in capital assets, net of related debt	172,699	187,607
Unrestricted	<u>550,801</u>	<u>581,486</u>
Total net assets	<u>\$ 723,500</u>	<u>\$ 769,093</u>

STORES FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Operating revenues		
Sale of materials and supplies	\$ 3,251,801	\$ 3,007,388
Less cost of sales	(2,538,874)	(2,074,607)
Gross operating income	<u>712,927</u>	<u>932,781</u>
Operating expenses		
Personal services	298,380	304,996
Materials and supplies	76,868	85,998
Contractual services	266,617	292,536
Other operating expenses	70,998	75,871
Depreciation	14,908	11,486
Total operating expenses	<u>727,771</u>	<u>770,887</u>
Operating income (loss)	(14,844)	161,894
Nonoperating revenues (expenses)		
Interest expense and fiscal charges	(17,866)	(12,010)
Net gain on disposal of assets	1,778	8,338
Total nonoperating revenues (expenses)	<u>(16,088)</u>	<u>(3,672)</u>
Income (loss) before transfers	(30,932)	158,222
Transfers in	--	2,700
Transfers out	(14,661)	(14,782)
Net transfers	<u>(14,661)</u>	<u>(12,082)</u>
Net income (loss)	(45,593)	146,140
Net assets at beginning of year	<u>769,093</u>	<u>622,953</u>
Net assets at end of year	<u>\$ 723,500</u>	<u>\$ 769,093</u>

Exhibit 32-C

**STORES FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2007 AND 2006**

	2007	2006
Cash flows from operating activities		
Receipts from customers	\$ 45	\$ 275
Receipts from interfund services provided	3,319,723	3,021,502
Payments to suppliers	(2,892,023)	(3,123,228)
Payments to employees	(282,934)	(258,359)
Internal activity - payments to other funds	(114,062)	241,495
Net cash provided by (used for) operating activities	30,749	(118,315)
Cash flows from noncapital financing activities		
Interest on interfund borrowings	(17,866)	(12,010)
Transfers in from other funds	--	2,700
Transfers out to other funds	(14,661)	(14,782)
Net cash used for noncapital financing activities	(32,527)	(24,092)
Cash flows from capital and related financing activities		
Acquisition of capital assets	--	(19,900)
Proceeds from sale of fixed assets	1,778	8,338
Net cash provided by (used for) capital and related financing activity	1,778	(11,562)
Net decrease in cash and cash equivalents	--	(153,969)
Cash and cash equivalents at beginning of year	--	153,969
Cash and cash equivalents at end of year	\$ --	\$ --
Reconciliation of operating income to net cash provided by (used for) operating activities		
Operating income (loss)	\$ (14,844)	\$ 161,894
Adjustments to reconcile operating income to net cash provided by (used for) operating activities		
Depreciation	14,908	11,486
Changes in assets and liabilities		
Receivables	104	216
Inventory	67,922	14,114
Accounts payable	(9,646)	(670,069)
Accrued expenses	1,325	(56)
Deferred revenue	(59)	59
Accumulated unpaid compensated absences	(23,571)	10,465
Due to other funds	(5,390)	353,576
Net cash provided by (used for) operating activities	\$ 30,749	\$ (118,315)

**MAINTENANCE SERVICE FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 329,091	\$ 381,047
Investments	2,500,000	3,145,738
Receivables		
Accounts	1,066	--
Accrued interest	4,375	9,938
Intergovernmental	--	2,953
Allowance for uncollectibles	--	(1,990)
Net receivables	<u>5,441</u>	<u>10,901</u>
Due from other funds	492,910	155,263
Inventories	<u>262,298</u>	<u>241,004</u>
Total current assets	<u>3,589,740</u>	<u>3,933,953</u>
Noncurrent assets		
Capital assets		
Land	66,359	66,359
Buildings	5,856,603	5,803,189
Improvements other than buildings	323,339	147,561
Machinery and equipment	<u>44,221,730</u>	<u>43,409,358</u>
Total capital assets in service	<u>50,468,031</u>	<u>49,426,467</u>
Less accumulated depreciation	<u>(38,473,155)</u>	<u>(37,134,634)</u>
Net capital assets	<u>11,994,876</u>	<u>12,291,833</u>
Total noncurrent assets	<u>11,994,876</u>	<u>12,291,833</u>
Total assets	<u>15,584,616</u>	<u>16,225,786</u>
LIABILITIES		
Current liabilities		
Accounts payable	481,409	598,917
Accrued expenses	106,077	128,868
Contractor interest and retainage payable	2,670	--
Deposits	2,610	1,265
Due to other funds	6,762	--
Current portion of long-term liabilities		
Long-term debt	96,028	155,325
Accumulated unpaid compensated absences	212,886	191,843
Total current liabilities	<u>908,442</u>	<u>1,076,218</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	1,296,720	1,390,694
Accumulated unpaid compensated absences	<u>186,747</u>	<u>201,858</u>
Total noncurrent liabilities	<u>1,483,467</u>	<u>1,592,552</u>
Total liabilities	<u>2,391,909</u>	<u>2,668,770</u>
NET ASSETS		
Invested in capital assets, net of related debt	10,602,128	10,745,814
Unrestricted	<u>2,590,579</u>	<u>2,811,202</u>
Total net assets	<u>\$ 13,192,707</u>	<u>\$ 13,557,016</u>

Exhibit 33-B

**MAINTENANCE SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
Operating revenues		
Sale of materials and services	\$ 15,681,152	\$ 16,154,059
Less cost of materials sold and outside repairs	(7,066,502)	(7,386,779)
Gross operating income	<u>8,614,650</u>	<u>8,767,280</u>
Operating expenses		
Personal services	4,277,357	4,409,182
Materials and supplies	1,145,844	1,237,812
Contractual services	1,414,765	1,435,619
Other operating expenses	822,751	900,082
Uncollectible accounts	--	4,432
Depreciation	3,188,443	2,958,940
Total operating expenses	<u>10,849,160</u>	<u>10,946,067</u>
Operating loss	(2,234,510)	(2,178,787)
Nonoperating revenues (expenses)		
Investment income	153,635	126,908
Interest expense and fiscal charges	(92,482)	(99,825)
Net gain on disposal of assets	34,528	33,370
Recovery on damage claims	44,978	47,063
Net contribution of capital assets from general fund	1,990	--
Total nonoperating revenues	<u>142,649</u>	<u>107,516</u>
Loss before transfers	(2,091,861)	(2,071,271)
Transfers in	1,931,000	1,444,087
Transfers out	(203,448)	(1,149,681)
Net transfers	<u>1,727,552</u>	<u>294,406</u>
Net loss	(364,309)	(1,776,865)
Net assets at beginning of year	<u>13,557,016</u>	<u>15,333,881</u>
Net assets at end of year	<u>\$ 13,192,707</u>	<u>\$ 13,557,016</u>

**MAINTENANCE SERVICES FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2007 AND 2006**

	2007	2006
Cash flows from operating activities		
Receipts from customers	\$ 28,313	\$ 314,914
Receipts from interfund services provided	15,315,089	15,977,733
Payments to suppliers	(9,776,684)	(11,069,767)
Payments to employees	(4,278,410)	(4,414,996)
Internal activity - payments to other funds	(817,009)	(1,016,299)
Net cash provided by (used for) operating activities	471,299	(208,415)
Cash flows from noncapital financing activities		
Transfers out to other funds	(203,448)	(1,149,681)
Recovery of damage claims	44,977	47,063
Other non-operating revenues	1,990	--
Net cash used for noncapital financing activities	(156,481)	(1,102,618)
Cash flows from capital and related financing activities		
Acquisition of capital assets	(2,891,487)	(1,541,407)
Proceeds from sale of capital assets	34,528	33,370
Transfer in from other funds for capital acquisition	1,931,000	1,444,087
Principal paid on long term debt	(153,271)	(173,985)
Interest paid on capital leases	(92,481)	(99,825)
Net cash used for capital and related financing activities	(1,171,711)	(337,760)
Cash flows from investing activities		
Purchase of investment securities	(4,500,000)	(2,150,000)
Proceeds from sale and maturity of investment securities	5,150,000	2,650,000
Interest on investments	154,937	125,882
Net cash provided by investing activities	804,937	625,882
Net decrease in cash and cash equivalents	(51,956)	(1,022,911)
Cash and cash equivalents at beginning of year	381,047	1,403,958
Cash and cash equivalents at end of year	\$ 329,091	\$ 381,047

(Continued)

	<u>2007</u>	<u>2006</u>
Reconciliation of operating loss to net cash used for operating activities		
Operating loss	\$ (2,234,510)	\$ (2,178,787)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities		
Depreciation	3,188,443	2,958,940
Changes in assets and liabilities		
Receivables	(103)	297,897
Due from other funds	(337,647)	(155,263)
Due from other governmental agencies	--	1,185
Inventory	(21,294)	(55,123)
Accounts payable	(133,314)	(860,303)
Accrued expenses	(6,986)	(75,792)
Accumulated unpaid compensated absences	5,933	(34,960)
Contractor interest and retainage payable	2,670	--
Deposits	1,345	481
Due to other funds	6,762	(106,690)
	<u>\$ 471,299</u>	<u>\$ (208,415)</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ (4,262)	\$ (10,755)



City of
Corpus
Christi

**MUNICIPAL INFORMATION SYSTEMS FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 388,832	\$ 601,417
Investments	3,500,000	3,640,087
Receivables		
Accounts	2,695	220
Accrued interest	51,649	18,404
Employees	--	129
Net receivables	<u>54,344</u>	<u>18,753</u>
Due from other funds	<u>36,605</u>	<u>414</u>
Total current assets	<u>3,979,781</u>	<u>4,260,671</u>
Noncurrent assets		
Capital assets		
Machinery and equipment	<u>14,765,663</u>	<u>8,710,685</u>
Total capital assets in service	<u>14,765,663</u>	<u>8,710,685</u>
Less accumulated depreciation	<u>(6,587,764)</u>	<u>(5,802,719)</u>
Net capital assets	<u>8,177,899</u>	<u>2,907,966</u>
Total noncurrent assets	<u>8,177,899</u>	<u>2,907,966</u>
Total assets	<u>12,157,680</u>	<u>7,168,637</u>
LIABILITIES		
Current liabilities		
Accounts payable	261,471	369,754
Accrued expenses	152,976	126,162
Due to other funds	--	40,109
Current portion of long-term liabilities		
Long-term debt	1,496,201	517,788
Accumulated unpaid compensated absences	<u>413,277</u>	<u>367,986</u>
Total current liabilities	<u>2,323,925</u>	<u>1,421,799</u>
Noncurrent liabilities		
Long-term liabilities, net of current portion		
Long-term debt	4,506,481	932,836
Accumulated unpaid compensated absences	<u>334,221</u>	<u>394,332</u>
Total noncurrent liabilities	<u>4,840,702</u>	<u>1,327,168</u>
Total liabilities	<u>7,164,627</u>	<u>2,748,967</u>
NET ASSETS		
Invested in capital assets, net of related debt	2,175,217	1,457,342
Unrestricted	<u>2,817,836</u>	<u>2,962,328</u>
Total net assets	<u>\$ 4,993,053</u>	<u>\$ 4,419,670</u>

**MUNICIPAL INFORMATION SYSTEMS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2007 AND 2006**

	2007	2006
Operating revenues		
Charges for services - net	\$ 14,121,203	\$ 12,994,342
Operating expenses		
Personal services	6,272,963	5,788,760
Materials and supplies	1,351,053	1,341,517
Contractual services	2,264,449	3,283,073
Other operating expenses	2,681,570	497,436
Depreciation	791,863	468,850
Total operating expenses	13,361,898	11,379,636
Operating income	759,305	1,614,706
Nonoperating revenues (expenses)		
Investment income	196,431	111,815
Interest expense and fiscal charges	(190,410)	(40,093)
Net gain (loss) on disposal of assets	1,432	--
Contribution from other governmental agencies	5,420	--
Total nonoperating revenues (expenses)	12,873	71,722
Income before transfers	772,178	1,686,428
Transfers in	1,399	2,712
Transfers out	(200,194)	(242,795)
Net transfers	(198,795)	(240,083)
Net income	573,383	1,446,345
Net assets at beginning of year	4,419,670	2,973,325
Net assets at end of year	\$ 4,993,053	\$ 4,419,670

**MUNICIPAL INFORMATION SYSTEMS FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
Cash flows from operating activities		
Receipts from interfund services provided	\$ 14,121,203	\$ 12,994,342
Payments to suppliers	(3,419,762)	(4,252,697)
Payments to employees	(5,892,885)	(5,399,925)
Internal activity - payments to other funds	<u>(3,432,323)</u>	<u>(1,317,138)</u>
Net cash provided by operating activities	1,376,233	2,024,582
Cash flows from noncapital financing activities		
Changes in interfund borrowings	--	(130,330)
Transfers in from other funds	--	2,712
Transfers out to other funds	(200,194)	(200,378)
Other non-operating revenues	5,420	--
Net cash used for noncapital financing activities	<u>(194,774)</u>	<u>(327,996)</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	(426,148)	(122,516)
Proceeds from sale of fixed assets	1,432	--
Principal paid on long term debt	(1,082,191)	(582,630)
Interest and fiscal charges	<u>(190,410)</u>	<u>(40,093)</u>
Net cash used for capital and related financing activities	(1,697,317)	(745,239)
Cash flows from investing activities		
Purchase of investment securities	--	(1,650,000)
Proceeds from sale and maturity of investment securities	150,000	--
Interest on investments	<u>153,273</u>	<u>88,809</u>
Net cash provided by (used for) investing activities	<u>303,273</u>	<u>(1,561,191)</u>
Net decrease in cash and cash equivalents	(212,585)	(609,844)
Cash and cash equivalents at beginning of year	<u>601,417</u>	<u>1,211,261</u>
Cash and cash equivalents at end of year	<u>\$ 388,832</u>	<u>\$ 601,417</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 759,305	\$ 1,614,706
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	791,863	468,850
Changes in assets and liabilities		
Receivables	(2,345)	(350)
Due from other funds	(36,192)	(413)
Accounts payable	(108,283)	(187,579)
Accrued expenses	26,815	26,089
Accumulated unpaid compensated absences	(14,821)	63,170
Due to other funds	<u>(40,109)</u>	<u>40,109</u>
Net cash provided by operating activities	<u>\$ 1,376,233</u>	<u>\$ 2,024,582</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ (9,913)	\$ (20,025)
Acquisition of capital assets under capital lease	\$ 5,697,019	\$ 599,190
Transfer of capital assets net of debt to general fund	\$ --	\$ (42,417)
Transfer of capital lease to other fund	\$ 1,399	\$ --



City of
Corpus
Christi

CORPUS CHRISTI DIGITAL COMMUNITY DEVELOPMENT CORPORATION
STATEMENT OF NET ASSETS
JULY 31, 2007

	2007
ASSETS	
Current assets	
Cash and cash equivalents	\$ 57,600
Receivables	
Accounts	19,650
Accrued interest	5,710
Net receivables	25,360
Due from other funds	50,000
Total current assets	132,960
Noncurrent assets	
Capital assets	
Machinery and equipment	273,049
Total capital assets in service	273,049
Less accumulated depreciation	(61,161)
Net capital assets	211,888
Total noncurrent assets	211,888
Total assets	344,848
LIABILITIES	
Current liabilities	
Accounts payable	113,853
Current portion of long-term liabilities	
Long-term debt	34,909
Total current liabilities	148,762
Noncurrent liabilities	
Long-term liabilities, net of current portion	
Long-term debt	93,405
Total liabilities	242,167
NET ASSETS	
Invested in capital assets, net of related debt	83,574
Unrestricted	19,107
Total net assets	\$ 102,681

Exhibit 35-B

**CORPUS CHRISTI DIGITAL COMMUNITY DEVELOPMENT CORPORATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2007**

	<u>2007</u>
Operating revenues	
Charges for services - net	\$ 2,421,995
Operating expenses	
Personal services	37,633
Materials and supplies	241,569
Contractual services	1,324,205
Other operating expenses	731,344
Depreciation	36,912
Total operating expenses	<u>2,371,663</u>
Operating income	50,332
Nonoperating revenues (expenses)	
Investment income	15,765
Interest expense and fiscal charges	(3,547)
Contributions and donations	17,036
Total nonoperating revenues	<u>29,254</u>
Income before transfers	79,586
Transfers in	24,494
Transfers out	(1,399)
Net transfers	<u>23,095</u>
Net income	102,681
Net assets at beginning of year	<u>--</u>
Net assets at end of year	<u>\$ 102,681</u>

**CORPUS CHRISTI DIGITAL COMMUNITY DEVELOPMENT CORPORATION
STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2007**

	2007
Cash flows from operating activities	
Receipts from customers	\$ 65,545
Receipts from interfund services provided	2,336,800
Payments to suppliers	(1,431,738)
Internal activity - payments to other funds	(839,159)
Net cash provided by operating activities	131,448
Cash flows from noncapital financing activities	
Contributions and donations	17,037
Cash flows from capital and related financing activities	
Acquisition of capital assets	(94,076)
Transfer in from other funds for capital acquisition	24,458
Principal paid on long term debt	(27,774)
Interest and fiscal charges	(3,547)
Net cash used for capital and related financing activities	(100,939)
Cash flows from investing activities	
Interest on investments	10,054
Net increase in cash and cash equivalents	57,600
Cash and cash equivalents at beginning of year	--
Cash and cash equivalents at end of year	\$ 57,600
Reconciliation of operating income to net cash provided by operating activities	
Operating income	\$ 50,332
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation	36,913
Changes in assets and liabilities	
Receivables	(19,650)
Due from other funds	(50,000)
Accounts payable	113,853
Net cash provided by operating activities	\$ 131,448
Noncash investing, capital and financing activities	
Acquisition of capital assets under capital lease	\$ 68,953
Acquisition of capital assets from other funds or accounts	\$ 110,019
Transfer of capital lease to other fund	\$ 1,363



City of
Corpus
Christi

**LIABILITY AND EMPLOYEE BENEFITS FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 25,916	\$ 717,659
Investments	40,496,043	32,692,210
Receivables		
Accounts	665,796	939,304
Accrued interest	446,858	215,685
Allowance for uncollectibles	(344,265)	(321,537)
Net receivables	<u>768,389</u>	<u>833,452</u>
Due from other funds	368,767	2,839,255
Prepaid items	<u>1,257,622</u>	<u>514,456</u>
Total current assets	<u>42,916,737</u>	<u>37,597,032</u>
Noncurrent assets		
Other assets	<u>49,871</u>	<u>--</u>
Total assets	<u>42,966,608</u>	<u>37,597,032</u>
LIABILITIES		
Current liabilities		
Accounts payable	345,191	728,509
Accrued expenses	59,607	48,615
Current portion of estimated liability claims	5,742,860	5,261,486
Estimated health insurance claims payable	1,452,000	2,551,880
Liability to claimants-escheat property	111,674	108,844
Due to other funds	--	30,832
Unearned revenue	9,218	7,344
Current portion of accumulated unpaid compensated absences	42,108	42,437
Total current liabilities	<u>7,762,658</u>	<u>8,779,947</u>
Noncurrent liabilities		
Estimated liability claims	7,323,843	7,676,421
Accumulated unpaid compensated absences, net of current portion	--	2,356
Total noncurrent liabilities	<u>7,323,843</u>	<u>7,678,777</u>
Total liabilities	<u>15,086,501</u>	<u>16,458,724</u>
NET ASSETS		
Unrestricted	<u>27,880,107</u>	<u>21,138,308</u>
Total net assets	<u>\$ 27,880,107</u>	<u>\$ 21,138,308</u>

LIABILITY AND EMPLOYEE BENEFITS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2007 AND 2006

	2007	2006
Operating revenues		
Charges for services		
Liability insurance	\$ 8,195,614	\$ 9,325,583
Life insurance	93,126	92,140
Health insurance	24,557,970	24,604,683
Disability insurance	148,597	152,073
Administration	1,066,204	1,170,253
Total operating revenues	34,061,511	35,344,732
Operating expenses		
Personal services	750,585	730,120
Materials and supplies	134,963	136,392
Contractual services	1,920,987	1,761,003
Insurance premiums	3,714,921	2,711,097
Other operating expenses	140,965	144,899
Group health claims	17,910,413	18,289,527
General liability claims	2,828,058	1,135,158
Workers' compensation claims	1,717,326	2,527,974
Unemployment compensation claims	127,500	112,375
Uncollectible accounts	27,937	3,491
Total operating expenses	29,273,655	27,552,036
Operating income	4,787,856	7,792,696
Nonoperating revenues (expenses)		
Investment income	2,019,412	1,020,577
Interest expense and fiscal charges	(5,866)	(5,966)
Recovery of prior year revenues	18,866	--
Total nonoperating revenues	2,032,412	1,014,611
Income before transfers	6,820,268	8,807,307
Transfers out	(78,469)	(39,035)
Net income	6,741,799	8,768,272
Net assets at beginning of year	21,138,308	12,370,036
Net assets at end of year	\$ 27,880,107	\$ 21,138,308

**LIABILITY AND EMPLOYEE BENEFITS FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
Cash flows from operating activities		
Receipts from customers	\$ 9,358,585	\$ 8,860,268
Receipts from interfund services provided	24,973,099	26,329,747
Payments to suppliers	(6,980,459)	(4,589,261)
Payments to employees	(709,455)	(686,669)
Internal activity - payments to other funds	(29,982)	67,682
Claims paid	(23,551,551)	(21,653,106)
Net cash provided by operating activities	<u>3,060,237</u>	<u>8,328,661</u>
Cash flows from noncapital financing activities		
Changes in interfund borrowings	2,378,954	(2,724,031)
Interest on interfund borrowings	37,458	34,386
Transfers out to other funds	(78,469)	(39,035)
Other non-operating expenses	18,866	--
Net cash provided by (used for) noncapital financing activities	<u>2,356,809</u>	<u>(2,728,680)</u>
Cash flows from investing activities		
Purchase of investment securities	(60,499,647)	(28,000,000)
Proceeds from sale and maturity of investment securities	52,793,605	17,205,124
Purchase of other assets	(49,871)	--
Interest on investments	1,647,124	929,058
Net cash used for investing activities	<u>(6,108,789)</u>	<u>(9,865,818)</u>
Net decrease in cash and cash equivalents	(691,743)	(4,265,837)
Cash and cash equivalents at beginning of year	<u>717,659</u>	<u>4,983,496</u>
Cash and cash equivalents at end of year	<u>\$ 25,916</u>	<u>\$ 717,659</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 4,787,856	\$ 7,792,696
Adjustments to reconcile operating income to net cash provided by operating activities		
Change in estimated claims liability	(971,084)	442,231
Provision for uncollectible accounts	--	3,491
Changes in assets and liabilities		
Receivables	296,236	(162,061)
Due from other funds	87,332	122,626
Prepaid items	(743,166)	(84,188)
Accounts payable	(383,318)	170,956
Accrued expenses	10,992	36,197
Deferred revenue	1,874	7,344
Accumulated unpaid compensated absences	(2,684)	(1,160)
Liability to claimants-escheat property	2,830	(30,303)
Due to other funds	(26,631)	30,832
Net cash provided by operating activities	<u>\$ 3,060,237</u>	<u>\$ 8,328,661</u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ 90,790	\$ (4,725)



City of
Corpus
Christi

**ENGINEERING SERVICES FUND
COMPARATIVE STATEMENT OF NET ASSETS
JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 270,612	\$ 401,265
Investments	1,500,000	1,398,450
Receivables		
Accrued interest	1,432	5,374
Due from other funds	610	2,013
Total current assets	<u>1,772,654</u>	<u>1,807,102</u>
Noncurrent assets		
Capital assets		
Machinery and equipment	163,989	150,652
Total capital assets in service	<u>163,989</u>	<u>150,652</u>
Less accumulated depreciation	(102,943)	(78,901)
Net capital assets	<u>61,046</u>	<u>71,751</u>
Total noncurrent assets	<u>61,046</u>	<u>71,751</u>
Total assets	<u>1,833,700</u>	<u>1,878,853</u>
LIABILITIES		
Current liabilities		
Accounts payable	44,151	57,634
Accrued expenses	67,147	49,888
Due to other funds	10,112	40,528
Current portion of accumulated unpaid compensated absences	126,652	153,191
Total current liabilities	<u>248,062</u>	<u>301,241</u>
Noncurrent liabilities		
Accumulated unpaid compensated absences, net of current portion	349,482	287,362
Total liabilities	<u>597,544</u>	<u>588,603</u>
NET ASSETS		
Invested in capital assets	61,046	71,751
Unrestricted	1,175,110	1,218,499
Total net assets	<u>\$ 1,236,156</u>	<u>\$ 1,290,250</u>

ENGINEERING SERVICES FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JULY 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Operating revenues		
Charges for services - net	\$ 3,675,363	\$ 4,849,214
Operating expenses		
Personal services	2,598,040	2,481,455
Materials and supplies	113,751	176,696
Contractual services	503,326	670,634
Other operating expenses	555,098	594,211
Depreciation	24,042	22,450
Total operating expenses	<u>3,794,257</u>	<u>3,945,446</u>
Operating income (loss)	(118,894)	903,768
Nonoperating revenues		
Investment income	<u>64,800</u>	<u>8,991</u>
Income (loss) before transfers	(54,094)	912,759
Transfers in	<u>--</u>	<u>4,068</u>
Net income (loss)	(54,094)	916,827
Net assets at beginning of year	<u>1,290,250</u>	<u>373,423</u>
Net assets at end of year	<u>\$ 1,236,156</u>	<u>\$ 1,290,250</u>

**ENGINEERING SERVICES FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
Cash flows from operating activities		
Receipts from customers	\$ 17,242	\$ 9,232
Receipts from interfund services provided	3,659,525	4,839,419
Payments to suppliers	(988,084)	(1,256,640)
Payments to employees	(1,885,250)	(1,797,819)
Internal activity - payments to other funds	(883,999)	(836,563)
Net cash provided by (used for) operating activities	<u>(80,566)</u>	<u>957,629</u>
Cash flows from noncapital financing activities		
Interest on interfund borrowings	1,314	423
Transfers in from other funds	--	4,068
Net cash provided by noncapital financing activities	<u>1,314</u>	<u>4,491</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	(13,337)	(7,539)
Net cash used for capital and related financing activity	<u>(13,337)</u>	<u>(7,539)</u>
Cash flows from investing activities		
Purchase of investment securities	(1,500,000)	(1,400,000)
Proceeds from sale and maturity of investment securities	1,400,000	--
Interest on investments	61,936	4,744
Net cash used for investing activities	<u>(38,064)</u>	<u>(1,395,256)</u>
Net decrease in cash and cash equivalents	(130,653)	(440,675)
Cash and cash equivalents at beginning of year	<u>401,265</u>	<u>841,940</u>
Cash and cash equivalents at end of year	<u><u>\$ 270,612</u></u>	<u><u>\$ 401,265</u></u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income (loss)	\$ (118,894)	\$ 903,768
Adjustments to reconcile operating income to net cash provided by (used for) operating activities		
Depreciation	24,042	22,450
Changes in assets and liabilities		
Receivables	3,942	--
Due from other funds	1,403	(563)
Accounts payable	(13,483)	(58,481)
Accrued expenses	17,259	6,446
Accumulated unpaid compensated absences	35,581	43,481
Due to other funds	(30,416)	40,528
Net cash provided by (used for) operating activities	<u><u>\$ (80,566)</u></u>	<u><u>\$ 957,629</u></u>
Noncash investing, capital and financing activities		
Change in fair value of investments	\$ 1,550	\$ (1,550)
Loss on disposal of assets	\$ --	\$ (10,965)



City of
Corpus
Christi

Component Units

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

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



City of
Corpus
Christi



City of
Corpus
Christi

**DISCRETELY PRESENTED COMPONENT UNITS
COMBINING STATEMENT OF NET ASSETS
JULY 31, 2007**

	Coastal Bend Health Facilities Development Corporation	Corpus Christi Convention and Visitors Bureau	Total
ASSETS			
Cash and cash equivalents	\$ 3,671	\$ 293,542	\$ 297,213
Receivables	--	15,456	15,456
Inventories	--	19,487	19,487
Prepaid items	--	32,738	32,738
Capital assets, net of accumulated depreciation	--	203,597	203,597
Total assets	<u>3,671</u>	<u>564,820</u>	<u>568,491</u>
LIABILITIES			
Accounts payable	--	192,927	192,927
Accrued liabilities	--	127	127
Total liabilities	<u>--</u>	<u>193,054</u>	<u>193,054</u>
NET ASSETS			
Invested in capital assets	--	203,597	203,597
Unrestricted	3,671	168,169	171,840
Total net assets	<u>\$ 3,671</u>	<u>\$ 371,766</u>	<u>\$ 375,437</u>

**DISCRETELY PRESENTED COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2007**

	Coastal Bend Health Facilities Development Corporation	Corpus Christi Convention and Visitors Bureau	Total
Expenditures/expenses			
Health	\$ 49,975	\$ --	\$ 49,975
Convention and visitor activities	--	2,864,185	2,864,185
Total expenditures/expenses	<u>49,975</u>	<u>2,864,185</u>	<u>2,914,160</u>
Program revenue			
Charges for services	--	222,103	222,103
Net program revenue (expense)	<u>(49,975)</u>	<u>(2,642,082)</u>	<u>(2,692,057)</u>
General revenue			
Earnings on investments	294	15,512	15,806
Payments from the City of Corpus Christi	--	2,641,000	2,641,000
Total general revenues	<u>294</u>	<u>2,656,512</u>	<u>2,656,806</u>
Change in net assets	(49,681)	14,430	(35,251)
Net assets beginning of year	<u>53,352</u>	<u>357,336</u>	<u>410,688</u>
Net assets end of year	<u>\$ 3,671</u>	<u>\$ 371,766</u>	<u>\$ 375,437</u>

COASTAL BEND HEALTH FACILITIES DEVELOPMENT CORPORATION
STATEMENT OF NET ASSETS
JULY 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
ASSETS		
Cash and cash equivalents	\$ 3,671	\$ 43,327
Investments	--	9,944
Receivables		
Accrued interest	--	81
Total assets	<u>3,671</u>	<u>53,352</u>
LIABILITIES	--	--
NET ASSETS		
Unrestricted	<u>3,671</u>	<u>53,352</u>
Net assets	<u>\$ 3,671</u>	<u>\$ 53,352</u>

COASTAL BEND HEALTH FACILITIES DEVELOPMENT CORPORATION
STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Expenditures/expenses		
Health	\$ 49,975	\$ 15,557
Program revenue		
Charges for services	--	53,525
Net program revenue	<u>(49,975)</u>	<u>37,968</u>
General revenue		
Earnings on investments	294	643
Total general revenues	<u>294</u>	<u>643</u>
Change in net assets	(49,681)	38,611
Fund balance/net assets beginning of year	<u>53,352</u>	<u>14,741</u>
Fund balance/net assets end of year	<u><u>\$ 3,671</u></u>	<u><u>\$ 53,352</u></u>

**CORPUS CHRISTI CONVENTION AND VISITORS BUREAU
STATEMENT OF NET ASSETS
JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
ASSETS		
Cash and cash equivalents	\$ 293,542	\$ 212,627
Accounts receivable	15,456	27,143
Inventories	19,487	16,405
Prepaid items	32,738	24,216
Capital assets, net of accumulated depreciation	<u>203,597</u>	<u>177,561</u>
Total assets	<u>564,820</u>	<u>457,952</u>
LIABILITIES		
Accounts payable	192,927	67,432
Accrued liabilities	127	1,665
Accrued interest	--	31,519
Total liabilities	<u>193,054</u>	<u>100,616</u>
NET ASSETS		
Invested in capital assets	203,597	177,561
Unrestricted	<u>168,169</u>	<u>179,775</u>
Total net assets	<u>\$ 371,766</u>	<u>\$ 357,336</u>

**CORPUS CHRISTI CONVENTION AND VISITORS BUREAU
STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
Expenditures/expenses		
Convention and visitor activities	\$ 2,864,185	\$ 2,771,769
Program revenue		
Charges for services	222,103	214,312
Net program expense	<u>(2,642,082)</u>	<u>(2,557,457)</u>
General revenue		
Earnings on investments	15,512	7,643
Payments from the City of Corpus Christi	2,641,000	2,545,870
Total general revenues	<u>2,656,512</u>	<u>2,553,513</u>
Change in net assets	14,430	(3,944)
Fund balance/net assets beginning of year	<u>357,336</u>	<u>361,280</u>
Fund balance/net assets end of year	<u><u>\$ 371,766</u></u>	<u><u>\$ 357,336</u></u>



City of
Corpus
Christi

*Capital Assets Used in the Operation
of Governmental Funds*



City of
Corpus
Christi

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY SOURCE *
JULY 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
Governmental funds capital assets		
Land	\$ 63,173,754	\$ 63,151,206
Buildings	208,195,594	208,139,073
Improvements other than buildings	175,181,723	147,316,406
Machinery and equipment	94,259,852	89,445,044
Infrastructure	206,350,552	194,127,770
Construction in progress	<u>46,881,828</u>	<u>53,573,615</u>
Total governmental funds capital assets	<u>\$ 794,043,303</u>	<u>\$ 755,753,114</u>
Investment in governmental funds capital assets by source		
Capital projects funds	\$ 575,975,783	\$ 555,352,891
General and special revenue funds	61,867,465	56,674,474
Donations	16,007,291	15,922,731
Developers contributions	16,907,497	15,009,483
Federal revenue sharing	96,471,618	95,485,598
Tax increment zone	21,769,033	12,306,412
Claim settlements	<u>5,044,616</u>	<u>5,001,525</u>
Total investment in governmental funds capital assets by source	<u>\$ 794,043,303</u>	<u>\$ 755,753,114</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.

the City of Corpus Christi, Texas

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY *
JULY 31, 2007**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
General Government				
Control				
City Council and City Secretary	\$ 397,358	\$ --	\$ 14,000	\$ 4,319
City Manager	359,940	--	--	7,673
Management and budget	102,156	--	--	--
Information services	835,417	--	--	600
Total control	<u>1,694,871</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	566,240	--	--	--
Central cashiering	192,096	--	--	--
Cash management	6,577	--	--	--
Utility billing office administration and customer service operation	2,118,616	--	--	--
Nueces County Tax Appraisal District	70,588	--	--	3,710
Purchasing	47,964	--	--	--
Messenger service	1,675	--	--	--
City Attorney	388,621	--	--	118
Business development	35,074	--	--	--
Planning	606,862	--	--	--
Human resources	2,986,711	--	--	--
Human relations	3,450	--	--	--
City Hall vehicle pool	14,994	--	--	--
City Hall and old Frost Building	22,874,957	3,732,487	17,705,272	89,844
Total staff agencies	<u>33,848,863</u>	<u>3,732,487</u>	<u>17,705,272</u>	<u>186,077</u>
Miscellaneous	2,424,652	200,383	37,170	1,515,500
Total general government	<u>37,968,386</u>	<u>3,932,870</u>	<u>17,756,442</u>	<u>1,714,169</u>
Police and municipal court				
Police				
Police	19,571,148	2,325,928	6,763,631	823,858
Crime Control District	544,080	--	--	--
Total police	<u>20,115,228</u>	<u>2,325,928</u>	<u>6,763,631</u>	<u>823,858</u>
Municipal Court	1,862,841	--	107,715	60,027
Total police and municipal court	<u>21,978,069</u>	<u>2,325,928</u>	<u>6,871,346</u>	<u>883,885</u>
Fire				
Fire	22,185,303	956,298	4,625,931	4,116,873
Fire academy	29,897	--	--	--
Fire prevention	140,443	--	--	--
Total fire	<u>22,355,643</u>	<u>956,298</u>	<u>4,625,931</u>	<u>4,116,873</u>
Ambulance	4,144,202	--	--	--
Emergency management				
Emergency management	119,665	--	--	7,592
Local Emergency Planning Committee	10,775	--	--	--
Total Emergency Management	<u>130,440</u>	<u>--</u>	<u>--</u>	<u>7,592</u>

(Continued)

Exhibit 41-B

<u>Machinery and Equipment</u>	<u>Infrastructure</u>
\$ 379,039	\$ --
352,267	--
102,156	--
834,817	--
<u>1,668,279</u>	<u>--</u>
54,522	--
3,782,194	--
5,317	--
566,240	--
192,096	--
6,577	--
2,118,616	--
66,878	--
47,964	--
1,675	--
388,503	--
35,074	--
606,862	--
2,986,711	--
3,450	--
14,994	--
1,347,354	--
<u>12,225,027</u>	<u>--</u>
671,599	--
<u>14,564,905</u>	<u>--</u>
9,657,731	--
544,080	--
<u>10,201,811</u>	<u>--</u>
1,695,099	--
<u>11,896,910</u>	<u>--</u>
12,486,201	--
29,897	--
140,443	--
<u>12,656,541</u>	<u>--</u>
4,144,202	--
112,073	--
10,775	--
<u>122,848</u>	<u>--</u>

the City of Corpus Christi, Texas

**CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY *
JULY 31, 2007**

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
Inspections				
Building inspection	193,468	--	--	--
Petroleum inspection	5,223	--	--	--
Total inspections	<u>198,691</u>	<u>--</u>	<u>--</u>	<u>--</u>
Streets				
Director and Engineering Office	649,574	--	16,106	58,634
Streets, sidewalks, curbs and gutters	189,409,381	13,495,507	--	476,679
Street maintenance and construction	14,255,273	266,937	--	9,760,677
Street signs and markings	186,410	--	--	--
Street cleaning	70,868	--	--	--
Harbor Bridge and approaches	7,322,587	64,110	--	7,258,477
JFK Causeway	4,000,000	--	--	4,000,000
Seawall	45,613,757	--	--	45,613,757
Traffic Engineering	4,549,287	--	14,999	286,135
Parking Control	186,942	--	--	32,690
Total streets	<u>266,244,079</u>	<u>13,826,554</u>	<u>31,105</u>	<u>67,487,049</u>
Solid Waste				
Office	69,433	--	17,083	--
Refuse collections	8,532,419	--	113,224	107,934
Refuse disposal	38,130,880	7,551,717	78,648	8,244,638
Total solid waste	<u>46,732,732</u>	<u>7,551,717</u>	<u>208,955</u>	<u>8,352,572</u>
Health				
Health	4,955,512	61,909	3,165,835	299,781
Animal Control	4,214,024	--	3,466,102	481,450
Total health	<u>9,169,536</u>	<u>61,909</u>	<u>6,631,937</u>	<u>781,231</u>
Parks, recreation and education				
Director of Parks and Recreation	53,342	--	--	--
Parks	66,175,968	16,174,813	1,544,412	41,294,827
Recreation	6,183,561	935,436	1,695,034	3,179,287
Miradores and Selena Memorial	1,965,000	--	--	1,965,000
Senior services	4,507,934	130,714	3,231,028	911,854
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>82,593,204</u>	<u>18,955,797</u>	<u>7,132,790</u>	<u>47,370,129</u>
Libraries	21,550,074	773,001	8,757,421	301,077
Corpus Christi museums	6,476,755	--	4,724,292	1,282,349
Community enrichment				
Cultural and convention facilities				
Multipurpose Arena	48,610,847	2,829,110	43,198,880	2,582,857
Coliseum	2,799,472	--	1,850,979	392,843
Auditorium	6,067,142	--	6,025,014	--
Baseball Stadium	28,191,770	1,836,762	26,186,852	168,156
Harbor Playhouse	883,928	--	869,675	3,409
Convention Center	63,489,207	798,244	52,565,434	2,783,149
Water Garden	1,508,263	--	--	1,499,926
Bayfront Science Park	10,552,997	3,647,642	2,468,913	4,279,695
Texas State Aquarium	20,844,296	2,047,044	11,024,033	7,773,219
Total cultural and convention facilities	<u>182,947,922</u>	<u>11,158,802</u>	<u>144,189,780</u>	<u>19,483,254</u>

(Continued)

**Exhibit 41-B
(Continued)**

Machinery and Equipment	Infrastructure
193,468	--
5,223	--
<u>198,691</u>	<u>--</u>
574,834	--
652,834	174,784,361
4,227,659	--
186,410	--
70,868	--
--	--
--	--
--	--
4,248,153	--
154,252	--
<u>10,115,010</u>	<u>174,784,361</u>
52,350	--
8,311,261	--
5,483,235	16,772,642
<u>13,846,846</u>	<u>16,772,642</u>
1,427,987	--
266,472	--
<u>1,694,459</u>	<u>--</u>
53,342	--
2,354,438	4,807,478
373,804	--
--	--
234,338	--
--	--
1,311,088	--
<u>4,327,010</u>	<u>4,807,478</u>
11,718,575	--
470,114	--
--	--
555,650	--
42,128	--
--	--
10,844	--
7,342,380	--
8,337	--
156,747	--
--	--
<u>8,116,086</u>	<u>--</u>

the City of Corpus Christi, Texas

CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY *
JULY 31, 2007

	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>
Community enrichment (continued)				
Sister City	2,338	--	--	--
Bicentennial celebration	5,358	--	--	--
Public art	67,826	--	--	67,826
Total community enrichment	<u>183,023,444</u>	<u>11,158,802</u>	<u>144,189,780</u>	<u>19,551,080</u>
Community development				
Housing rehabilitation	31,827	19,750	--	--
Neighborhood improvement	97,329	--	--	4,255
Community renewal	12,633	--	--	--
Community Development Block Grant	30,213,437	800,221	5,821,579	23,329,462
Corpus Christi Community Improvement Corp.	1,473,294	59,497	1,413,797	--
Total community development	<u>31,828,520</u>	<u>879,468</u>	<u>7,235,376</u>	<u>23,333,717</u>
Other general fixed assets:				
Packery Channel	9,986,071	--	--	--
Army Corp of Engineers Office	10,909	--	10,909	--
State School Sports Complex	14,750	--	14,750	--
Workforce Development	4,560	--	4,560	--
Naval Air Station safety zone	2,672,482	2,672,482	--	--
Transit facility	78,928	78,928	--	--
Total other general fixed assets	<u>12,767,700</u>	<u>2,751,410</u>	<u>30,219</u>	<u>--</u>
Total fixed assets in service	747,161,475	63,173,754	208,195,594	175,181,723
Less: accumulated depreciation	<u>337,955,830</u>	<u>--</u>	<u>52,041,593</u>	<u>84,890,649</u>
Total fixed assets in service	<u>409,205,645</u>	<u>63,173,754</u>	<u>156,154,001</u>	<u>90,291,074</u>
Construction in progress	<u>46,881,828</u>	<u>567,648</u>	<u>1,984,291</u>	<u>25,360,066</u>
Total general fixed assets	<u>\$ 456,087,473</u>	<u>\$ 63,741,402</u>	<u>\$ 158,138,292</u>	<u>\$ 115,651,140</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 41-B
(Continued)

<u>Machinery and Equipment</u>	<u>Infrastructure</u>
2,338	--
5,358	--
--	--
<u>8,123,782</u>	<u>--</u>
12,077	--
93,074	--
12,633	--
262,175	--
--	--
<u>379,959</u>	<u>--</u>
--	9,986,071
--	--
--	--
--	--
--	--
<u>--</u>	<u>9,986,071</u>
94,259,852	206,350,552
<u>77,799,070</u>	<u>123,224,518</u>
<u>16,460,782</u>	<u>83,126,034</u>
<u>--</u>	<u>18,969,823</u>
<u>\$ 16,460,782</u>	<u>\$ 102,095,857</u>

the City of Corpus Christi, Texas

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
BY FUNCTION AND ACTIVITY *
YEAR ENDED JULY 31, 2007**

	<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	835,417	--	--	835,417
Total control	<u>1,694,871</u>	<u>--</u>	<u>--</u>	<u>1,694,871</u>
Staff agencies				
Director of Finance	54,522	--	--	54,522
Accounting	3,874,599	--	--	3,874,599
Federal grant accounting	5,317	--	--	5,317
Accounts receivable and meter reading	566,240	--	--	566,240
Central cashiering	192,096	--	--	192,096
Cash management	6,577	--	--	6,577
Utilities billing office administration and customer service operation	2,118,616	--	--	2,118,616
Nueces County Tax Appraisal District	70,588	--	--	70,588
Purchasing	47,964	--	--	47,964
Messenger service	1,675	--	--	1,675
City attorney	388,621	--	--	388,621
Business development	35,074	--	--	35,074
Planning	606,862	--	--	606,862
Human resources	2,986,712	--	--	2,986,712
Human relations	3,450	--	--	3,450
City Hall vehicle pool	14,994	--	--	14,994
City Hall and old Frost Building	22,831,866	43,091	--	22,874,957
Total staff agencies	<u>33,805,773</u>	<u>43,091</u>	<u>--</u>	<u>33,848,864</u>
Miscellaneous	2,424,652	--	--	2,424,652
Total general government	<u>37,925,296</u>	<u>43,091</u>	<u>--</u>	<u>37,968,387</u>
Police and municipal court				
Police	18,474,019	1,100,107	2,978	19,571,148
Crime Control District	544,080	337,348	67,150	814,278
Total police	<u>19,018,099</u>	<u>1,437,455</u>	<u>70,128</u>	<u>20,385,426</u>
Municipal court	1,816,313	46,527	--	1,862,840
Total police and municipal court	<u>20,834,412</u>	<u>1,483,982</u>	<u>70,128</u>	<u>22,248,266</u>
Fire				
Fire	20,503,292	1,682,010	--	22,185,302
Fire academy	20,147	9,750	--	29,897
Fire prevention	140,443	--	--	140,443
Total fire	<u>20,663,882</u>	<u>1,691,760</u>	<u>--</u>	<u>22,355,642</u>
Ambulance	3,874,004	--	--	3,874,004

(Continued)

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
BY FUNCTION AND ACTIVITY *
FISCAL YEAR ENDED JULY 31, 2007**

	<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	10,775	--	--	10,775
Total emergency management	<u>130,440</u>	<u>--</u>	<u>--</u>	<u>130,440</u>
Inspections				
Building inspection	193,468	--	--	193,468
Petroleum inspection	5,223	--	--	5,223
Total inspections	<u>198,691</u>	<u>--</u>	<u>--</u>	<u>198,691</u>
Streets				
Director and engineering office	649,574	--	--	649,574
Streets, sidewalks, curbs and gutters	186,196,895	452,324	--	186,649,219
Street maintenance and construction	13,992,589	3,040,273	17,429	17,015,433
Street signs and markings	186,410	--	--	186,410
Street cleaning	70,868	--	--	70,868
Harbor Bridge and approaches	7,322,587	--	--	7,322,587
JFK Causeway	4,000,000	--	--	4,000,000
Seawall	22,526,666	23,087,090	--	45,613,756
Traffic engineering	4,549,288	--	--	4,549,288
Parking control	186,942	--	--	186,942
Total streets	<u>239,681,819</u>	<u>26,579,687</u>	<u>17,429</u>	<u>266,244,077</u>
Solid Waste				
Office	40,981	28,452	--	69,433
Refuse collections	6,904,439	1,627,980	--	8,532,419
Refuse disposal	38,159,620	(28,739)	--	38,130,881
Total solid waste	<u>45,105,040</u>	<u>1,627,693</u>	<u>--</u>	<u>46,732,733</u>
Health				
Health	4,881,200	74,312	--	4,955,512
Animal control	4,214,024	--	--	4,214,024
Total health	<u>9,095,224</u>	<u>74,312</u>	<u>--</u>	<u>9,169,536</u>
Parks, recreation and education				
Director of parks and recreation	53,342	--	--	53,342
Parks	62,462,976	3,804,489	91,498	66,175,967
Recreation	6,183,562	--	--	6,183,562
Miradores and Selena Memorial	1,965,000	--	--	1,965,000
Senior services	4,507,935	--	--	4,507,935
Upper level college facilities	1,529,971	--	--	1,529,971
Municipal Service Center	2,177,428	--	--	2,177,428
Total parks, recreation and education	<u>78,880,214</u>	<u>3,804,489</u>	<u>91,498</u>	<u>82,593,205</u>
Libraries	21,475,766	74,307	--	21,550,073
Corpus Christi museums	6,292,106	184,649	--	6,476,755

(Continued)



City of
Corpus
Christi

the City of Corpus Christi, Texas

Exhibit 41-C
(continued)

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
BY FUNCTION AND ACTIVITY *
FISCAL YEAR ENDED JULY 31, 2007**

	<u>Beginning Balance</u>	<u>Additions and Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Community enrichment				
Cultural and convention facilities				
Multipurpose Arena	53,402,055	36,275	--	53,438,330
Coliseum	2,799,472	--	--	2,799,472
Auditorium	6,067,142	--	--	6,067,142
Baseball Stadium	28,180,671	11,100	--	28,191,771
Harbor Playhouse	883,928	--	--	883,928
Convention Center	58,687,845	(26,123)	--	58,661,722
Water Garden	1,508,263	--	--	1,508,263
Bayfront Science Park	10,464,697	88,300	--	10,552,997
Texas State Aquarium	20,844,296	--	--	20,844,296
Total cultural and convention facilities	<u>182,838,369</u>	<u>109,552</u>	<u>--</u>	<u>182,947,921</u>
Sister City	2,338	--	--	2,338
Bicentennial celebration	5,358	--	--	5,358
Public art	67,826	--	--	67,826
Total community enrichment	<u>182,913,891</u>	<u>109,552</u>	<u>--</u>	<u>183,023,443</u>
Community development				
Housing rehabilitation	31,827	--	--	31,827
Neighborhood improvement	97,330	--	--	97,330
Community renewal	12,633	--	--	12,633
Community Development block grant	30,188,551	24,887	--	30,213,438
Corpus Christi Improvement Corp.	1,473,294	--	--	1,473,294
Total community development	<u>31,803,635</u>	<u>24,887</u>	<u>--</u>	<u>31,828,522</u>
Other general fixed assets:				
Packery Channel	523,450	9,462,622	--	9,986,072
Army Corp of Engineers	10,909	--	--	10,909
State School Sports Complex	14,750	--	--	14,750
Workforce Development	4,560	--	--	4,560
Naval Air Station safety zone	2,672,482	--	--	2,672,482
Transit facility	78,928	--	--	78,928
Total other general fixed assets	<u>3,305,079</u>	<u>9,462,622</u>	<u>--</u>	<u>12,767,701</u>
Total fixed assets in service	<u>702,179,499</u>	<u>45,161,031</u>	<u>179,055</u>	<u>747,161,475</u>
Less: accumulated depreciation	311,851,468	26,223,970	119,608	337,955,830
Total fixed assets in service	<u>390,328,031</u>	<u>18,937,061</u>	<u>59,447</u>	<u>409,205,645</u>
Construction in progress	53,573,615	30,270,320	36,962,107	46,881,828
Total general fixed assets	<u>\$ 443,901,646</u>	<u>\$ 49,207,381</u>	<u>\$ 37,021,554</u>	<u>\$ 456,087,473</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

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

<u>Contents</u>	<u>Page</u>
Financial Trends	282
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	
Revenue Capacity	296
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	
Debt Capacity	304
<i>These present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	311
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	
Operating Information	314
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	

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

the City of Corpus Christi, Texas

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

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

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

Table 1

<u>2007</u>	
\$	92,714,542
	<u>180,863,264</u>
\$	<u><u>273,577,806</u></u>
\$	546,081,045
	19,123,322
	<u>53,759,016</u>
\$	<u><u>618,963,383</u></u>
\$	638,795,587
	19,123,322
	<u>234,622,280</u>
\$	<u><u>892,541,189</u></u>

the City of Corpus Christi, Texas

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

	Fiscal Year			
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Expenses				
Primary government				
Governmental activities				
General government	\$ 17,676,659	\$ 19,233,035	\$ 20,531,590	\$ 18,958,373
Police and municipal court	52,801,220	54,867,613	53,624,255	58,210,747
Fire and ambulance	30,538,482	31,482,882	30,530,062	32,947,348
Emergency management	448,349	844,952	548,443	390,319
Inspections	1,746,315	1,680,337	1,795,333	1,547,147
Streets	15,139,933	18,895,098	19,667,552	19,393,011
Health	5,205,759	5,659,932	5,542,871	6,382,815
Parks and recreation	15,937,495	17,982,043	17,557,686	18,385,625
Libraries	4,814,281	5,336,567	4,992,771	4,611,585
Museums	1,308,938	1,343,444	1,473,214	1,422,397
Community enrichment	494,149	617,513	589,503	925,890
Community development	6,014,092	5,841,595	4,367,786	5,621,030
Convention and visitor activities	8,015,530	7,212,965	7,377,505	13,894,739
Interest on long-term debt	12,870,489	13,389,707	15,004,915	13,193,892
Total governmental activities	<u>173,011,691</u>	<u>184,387,683</u>	<u>183,603,486</u>	<u>195,884,918</u>
Business-type activities				
Solid Waste	13,497,621	12,533,282	11,723,823	14,390,390
Utilities				
Water	62,457,605	67,117,405	74,419,004	83,950,395
Gas	19,360,646	30,105,373	29,157,534	33,417,878
Wastewater	25,250,795	28,426,726	30,881,821	33,308,073
Airport	7,129,046	8,959,181	10,271,494	11,161,666
Golf Centers	2,041,632	2,061,485	1,817,627	1,794,576
Marina	1,273,958	1,236,838	1,208,005	1,261,117
Total business-type activities	<u>131,011,303</u>	<u>150,440,290</u>	<u>159,479,308</u>	<u>179,284,095</u>
Total primary government	<u>\$ 304,022,994</u>	<u>\$ 334,827,973</u>	<u>\$ 343,082,794</u>	<u>\$ 375,169,013</u>
Program revenue				
Governmental activities				
Charges for services				
General government	\$ 1,825,616	\$ 18,925,978	\$ 19,443,016	\$ 21,245,892
Public safety	9,653,790	10,268,928	7,832,085	14,548,068
Other activities	8,142,229	8,354,158	13,174,757	12,407,743
Operating grants and contributions	12,662,355	13,946,396	11,987,476	13,713,334
Capital grants and contributions	10,494,751	4,016,522	5,441,051	5,495,781
Total governmental activities program revenues	<u>42,778,741</u>	<u>55,511,982</u>	<u>57,878,385</u>	<u>67,410,818</u>
(Continued)				

Table 2

	<u>2006</u>	<u>2007</u>
\$	18,932,482	\$ 20,909,738
	60,561,629	67,186,703
	33,180,982	37,478,787
	2,392,096	358,799
	1,805,234	1,721,108
	21,438,339	23,145,350
	6,416,746	6,126,090
	19,253,871	18,933,077
	4,596,041	4,593,979
	1,521,829	1,412,561
	1,500,961	1,784,029
	6,228,409	4,114,411
	18,437,872	18,615,167
	17,291,116	14,713,700
	213,557,607	221,093,499
	11,872,414	27,045,462
	87,305,836	86,542,198
	37,394,842	36,919,568
	38,851,313	39,548,014
	11,154,572	10,991,302
	1,795,616	1,780,434
	1,381,124	1,692,618
	189,755,717	204,519,596
\$	403,313,324	\$ 425,613,095
\$	20,293,609	\$ 20,328,447
	16,365,087	18,053,712
	16,315,719	16,564,997
	12,553,974	13,585,522
	6,788,244	5,742,472
	72,316,633	74,275,150

the City of Corpus Christi, Texas

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

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

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

Table 2
(Continued)

<u>2006</u>	<u>2007</u>
\$ 24,187,529	\$ 26,641,520
84,775,949	75,147,044
40,274,507	40,694,377
36,284,201	38,833,360
9,908,494	9,764,349
2,242,033	1,740,134
1,222,145	1,326,631
8,634,637	105,065
12,018,013	26,818,057
<u>219,547,508</u>	<u>221,070,537</u>
<u>\$ 291,864,141</u>	<u>\$ 295,345,687</u>
\$ (141,240,974)	\$ (146,818,349)
29,791,791	16,550,941
<u>\$ (111,449,183)</u>	<u>\$ (130,267,408)</u>
\$ 50,834,041	\$ 51,477,867
20,470,482	22,105,552
70,669,949	75,754,882
--	--
5,423,353	7,321,196
--	--
--	--
16,259,591	18,759,642
<u>163,657,416</u>	<u>175,419,139</u>
6,798,421	7,120,196
(16,259,591)	(18,759,642)
<u>(9,461,170)</u>	<u>(11,639,446)</u>
<u>\$ 154,196,246</u>	<u>\$ 163,779,693</u>
\$ 22,416,442	\$ 28,600,790
20,330,621	4,911,495
<u>\$ 42,747,063</u>	<u>\$ 33,512,285</u>



City of
Corpus
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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
1998	48,698,976	28,732,516	4,921,708	82,353,200
1999	49,877,349	29,641,048	5,086,016	84,604,413
2000	51,511,700	30,590,459	6,714,211	88,816,370
2001	52,555,675	32,051,919	6,471,438	91,079,032
2002	57,075,633	26,056,728	7,420,400	90,552,761
2003	59,973,478	47,393,030	7,894,879	115,261,387
2004	63,018,943	53,237,728	8,145,156	124,401,827
2005	68,209,958	56,303,645	8,320,624	132,834,227
2006	71,304,523	61,261,030	9,408,919	141,974,472
2007	73,583,419	66,124,730	9,630,152	149,338,301

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

	Fiscal Year			
	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
General fund				
Reserved	\$ 1,518,421	\$ 2,021,443	\$ 1,398,054	\$ 2,209,702
Unreserved	6,013,498	1,164,854	3,316,997	8,159,676
Total general fund	<u>\$ 7,531,919</u>	<u>\$ 3,186,297</u>	<u>\$ 4,715,051</u>	<u>\$ 10,369,378</u>
All other governmental funds				
Reserved	\$ 31,883,429	\$ 30,145,011	\$ 25,467,572	\$ 36,518,759
Unreserved, reported in:				
Debt service funds	8,094,820	8,847,914	9,236,156	8,185,892
Special revenue funds	(1,575,598)	(983,177)	1,645,729	(288,470)
Capital projects funds	21,363,106	13,004,647	6,849,024	34,621,301
Total all other governmental funds	<u>\$ 59,765,757</u>	<u>\$ 51,014,395</u>	<u>\$ 43,198,481</u>	<u>\$ 79,037,482</u>

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

Table 4

<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
\$ 2,743,442	\$ 1,992,177	\$ 2,354,362	\$ 2,003,587	\$2,477,879	\$ 4,054,101
10,944,746	10,943,268	13,367,581	18,437,527	24,534,599	28,372,503
<u>\$ 13,688,188</u>	<u>\$ 12,935,445</u>	<u>\$ 15,721,943</u>	<u>\$ 20,441,114</u>	<u>\$27,012,478</u>	<u>\$ 32,426,604</u>
\$ 41,729,212	\$ 96,950,987	\$ 82,631,409	\$ 48,296,146	\$46,933,550	\$ 60,621,159
8,532,088	7,936,187	7,144,072	4,777,336	5,834,111	6,846,970
9,781,597	15,719,849	16,974,681	21,145,467	26,358,642	30,461,934
67,313,163	67,009,735	41,950,925	89,208,498	67,191,943	67,507,979
<u>\$ 127,356,060</u>	<u>\$ 187,616,758</u>	<u>\$ 148,701,087</u>	<u>\$ 163,427,447</u>	<u>\$146,318,246</u>	<u>\$ 165,438,042</u>

the City of Corpus Christi, Texas

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

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Revenues				
Taxes and business fees	\$ 97,969,729	\$ 100,897,703	\$ 105,663,860	\$ 110,813,865
Licenses and permits	1,977,658	1,749,314	1,991,569	1,701,743
Intergovernmental	969,563	1,514,240	1,553,963	1,321,649
Grants	13,326,090	17,241,082	16,600,920	19,888,008
Charges for services	26,967,670	27,430,528	26,730,334	25,635,388
Fines and forfeitures	3,057,726	2,836,311	3,238,230	4,011,734
Deposits	--	--	--	--
Contributions and donations	35,223	567,539	1,838,030	1,303,391
Special assessments	383,241	460,075	277,221	366,819
Earnings on investments	2,694,479	2,320,138	1,618,102	2,731,642
Interest on loans	124,273	122,989	118,486	107,291
Change in fair value of investments	(30,711)	(158,539)	120,006	36,331
Payments from Lexington Museum Association	273,145	282,025	284,650	276,585
Payments from Las Carabelas Foundation	92,808	276,950	269,200	--
Payments from Corpus Christi Convention and Visitors Bureau	--	--	--	202,151
Payments from Texas State Aquarium	493,447	512,088	504,008	495,507
Payments from other agencies	13,575	14,225	13,575	12,900
Thermal energy rebate	--	--	--	--
Sale of city property	--	--	--	--
Recovery of prior years expenditures	--	--	--	--
Claim settlement	--	638,238	--	816,676
Naming rights	--	--	--	--
Miscellaneous	2,288,657	3,095,794	4,037,336	3,759,598
Total revenues	<u>150,636,573</u>	<u>159,800,700</u>	<u>164,859,490</u>	<u>173,481,278</u>
Expenditures				
General government	17,877,632	18,193,901	18,499,525	16,680,997
Public safety	59,007,585	64,384,420	64,623,972	64,371,854
Streets	9,323,629	9,047,340	9,671,249	9,137,705
Solid waste	10,994,641	12,593,994	13,645,632	12,721,571
Health	4,750,080	4,960,960	4,895,092	4,460,371
Community enrichment	25,942,251	27,413,609	27,358,068	29,743,311
Convention and visitors activities	--	--	--	--
Other	809,048	1,252,864	2,102,189	2,706,043
Capital projects	15,544,206	16,862,311	16,265,090	20,610,405
Debt service				
Principal retirement	13,769,600	16,291,803	16,558,068	17,173,700
Interest	6,225,340	6,507,686	6,049,570	5,581,069
Paying agent fees	1,933,986	--	--	--
Bond issue cost	1,919	7,679	5,589	9,558
Refund of bond issue cost	--	--	--	--
Interest on interfund borrowings	--	--	--	--
Total expenditures	<u>166,179,917</u>	<u>177,516,567</u>	<u>179,674,044</u>	<u>183,196,584</u>
Excess (deficiency) of revenues over (under) expenditures	(15,543,344)	(17,715,867)	(14,814,554)	(9,715,306)

the City of Corpus Christi, Texas

Table 5

Fiscal Year		2002		2003		2004		2005		2006		2007	
\$	128,411,216	\$	131,623,695	\$	140,974,351	\$	148,183,043	\$	158,452,760	\$	165,980,510		
	1,680,236		1,917,640		2,396,870		3,321,875		3,493,616		3,399,993		
	-		-		-		-		-		-		--
	18,309,359		15,489,416		14,952,235		15,163,571		14,535,800		16,261,424		
	29,342,087		30,268,143		34,531,641		41,306,241		50,520,423		53,669,631		
	4,318,635		3,922,564		5,189,598		5,658,571		6,118,520		6,907,942		
	79,219		340,917		103,674		605,095		1,093,803		270,716		
	314,233		592,601		907,170		1,881,172		2,589,488		1,948,807		
	225,863		225,768		274,427		154,380		118,526		74,235		
	3,364,910		3,024,981		2,167,309		2,372,884		5,447,570		8,424,738		
	108,825		103,108		93,839		254,651		31,771		374,210		
	--		--		--		--		--		--		--
	268,390		190,120		181,125		283,800		352,849		347,173		
	--		--		--		--		--		--		--
	219,320		249,223		241,786		252,841		272,234		--		--
	497,478		117,117		377,255		512,182		500,427		518,117		
	12,900		12,900		12,900		11,425		7,425		--		--
	--		--		--		--		--		--		--
	111,923		108,627		6,035		6,413		3,230		4,940		
	54,633		32,558		--		--		--		--		--
	3,451,221		1,171,565		3,000,000		--		--		--		--
	--		--		--		--		175,000.0		175,000		
	1,851,001		1,125,302		1,166,420		1,689,941		979,929		1,186,020		
	<u>192,621,449</u>		<u>190,516,245</u>		<u>206,576,635</u>		<u>221,658,085</u>		<u>244,693,371</u>		<u>259,543,456</u>		
	12,968,280		13,753,127		16,221,322		18,096,800		18,961,633		20,707,495		
	73,918,474		80,532,121		82,785,712		87,833,826		101,805,112		107,360,877		
	10,452,285		10,531,232		12,107,029		10,989,960		13,056,076		13,502,624		
	16,097,663		12,715,966		14,840,086		13,825,317		13,569,912		15,192,042		
	4,874,857		5,329,227		5,536,134		6,417,300		6,452,124		5,980,026		
	23,875,847		26,684,023		26,889,774		27,786,066		30,008,152		27,458,882		
	7,152,823		5,836,428		6,164,876		10,887,455		13,794,220		13,782,313		
	3,706,216		750,414		999,374		--		--		--		--
	26,205,474		30,908,856		82,358,053		70,456,764		46,907,032		33,406,955		
	18,521,900		19,178,933		22,975,927		25,911,488		24,697,600		26,918,876		
	8,896,238		10,175,576		12,660,246		12,954,911		15,746,138		16,657,960		
	9,824		9,850		11,914		19,044		24,746		36,049		
	1,198,739		2,110,181		1,006,357		2,132,781		589,508		650,025		
	--		--		--		--		--		(9,660)		
	--		--		--		21,147		80,169		148,160		
	<u>207,878,620</u>		<u>218,515,934</u>		<u>284,556,804</u>		<u>287,332,859</u>		<u>285,692,422</u>		<u>281,792,624</u>		
	(15,257,171)		(27,999,689)		(77,980,169)		(65,674,774)		(40,999,051)		(22,249,168)		

the City of Corpus Christi, Texas

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

	Fiscal Year			
	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Other financing sources (uses)				
Capital leases	\$ 1,667,952	\$ 1,132,471	\$ 3,076,314	\$ 2,087,995
Notes payable	--	--	--	--
General obligation bonds issued	--	--	--	--
Revenue bonds issued	--	--	--	--
Certificate of obligation bonds issued	--	--	--	9,229,090
Refunding bonds issued	--	--	--	26,376,000
Refund on bond issue costs	--	--	--	--
Proceeds of refunding bonds	9,825,000	--	--	18,296,494
Premium on bonds sold	--	--	--	--
Discount on bonds issued	--	--	--	--
Payment to escrow agent for refunded bonds	--	--	--	(8,593,000)
Transfers in	14,451,568	13,100,046	13,339,005	13,429,064
Transfers out	(10,811,289)	(9,145,708)	(7,887,925)	(9,617,009)
Total other financing sources (uses)	<u>15,133,231</u>	<u>5,086,809</u>	<u>8,527,394</u>	<u>51,208,634</u>
Net change in fund balances	<u>\$ (410,113)</u>	<u>\$ (12,629,058)</u>	<u>\$ (6,287,160)</u>	<u>\$ 41,493,328</u>
Debt service as a percentage of noncapital expenditures	14.56%	14.20%	13.84%	14.00%

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

the City of Corpus Christi, Texas

Table 5
(Continued)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
\$	4,448,062	\$ 1,735,104	\$ 3,083,773	\$ 2,032,704	\$ 2,917,492	\$ 3,447,512
	9,000,000	2,150,000	--	--	--	--
	--	--	--	60,000,000	--	34,975,000
	44,641,271	80,739,862	27,065,000	4,100,000	2,900,000	--
	--	--	6,901,632	14,914,122	18,605,000	2,415,695
	11683849	23,855,037	--	--	--	--
	--	--	--	--	19,952	--
	--	--	--	60,685,564	--	--
	--	--	751,185	--	--	480,163
	--	--	(56,632)	--	(272,896)	--
	(11,458,676)	(23,474,491)	--	(59,387,098)	--	--
	13,015,889	15,682,295	15,717,877	14,400,438	12,291,674	14,031,497
	(8,744,499)	(13,180,863)	(11,611,839)	(11,625,425)	(6,464,810)	(8,276,245)
	<u>62,585,896</u>	<u>87,506,944</u>	<u>41,850,996</u>	<u>85,120,305</u>	<u>29,996,412</u>	<u>47,073,622</u>
\$	<u>47,328,725</u>	<u>\$ 59,507,255</u>	<u>\$ (36,129,173)</u>	<u>\$ 19,445,531</u>	<u>\$ (11,002,639)</u>	<u>\$ 24,824,454</u>
	15.76%	16.78%	18.13%	18.92%	17.23%	17.88%

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
1998	\$ 48,698,976	\$ 28,732,516	\$ 4,921,708	\$ 13,932,710	\$ 1,683,819	\$ 97,969,729
1999	49,877,349	29,641,048	5,086,016	14,596,050	1,697,240	100,897,703
2000	51,511,700	30,590,459	6,714,211	15,150,930	1,696,560	105,663,860
2001	52,555,675	32,051,919	6,471,438	17,895,243	1,839,590	110,813,865
2002	57,075,633	32,674,742	7,420,400	17,221,953	802,386	115,195,114
2003	59,935,265	45,677,489	7,894,879	16,119,482	1,996,580	131,623,695
2004	63,647,829	51,266,141	8,145,156	15,943,638	1,971,587	140,974,351
2005	67,482,260	55,236,059	8,320,624	16,076,514	1,067,586	148,183,043
2006	71,213,224	60,092,032	9,408,919	16,569,587	1,168,998	158,452,760
2007	75,818,774	62,563,386	9,630,152	16,738,947	1,229,251	165,980,510

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
1998	1997	\$ 7,295,181,367	\$ 880,465,825	\$ 1,209,748,256	\$ 6,965,898,936	\$ 0.6237260	\$ 8,175,647,192	85.20%
1999	1998	7,591,733,133	885,989,925	1,251,677,194	7,226,045,864	0.6237260	8,477,723,058	85.24%
2000	1999	7,829,632,259	922,955,223	1,290,002,278	7,462,585,204	0.6237260	8,752,587,482	85.26%
2001	2000	8,077,929,844	940,291,975	1,366,164,416	7,652,057,403	0.6237260	9,018,221,819	84.85%
2002	2001	8,435,234,205	1,033,337,024	1,439,246,174	8,029,325,055	0.6441745	9,468,571,229	84.80%
2003	2002	8,922,477,009	1,047,865,471	1,543,685,753	8,426,656,727	0.6441745	9,970,342,480	84.52%
2004	2003	9,525,269,802	1,091,986,683	1,669,360,087	8,947,896,398	0.6441745	10,617,256,485	84.28%
2005	2004	10,272,935,304	1,191,484,860	1,824,858,392	9,639,561,772	0.6341750	11,464,420,164	84.08%
2006	2005	11,130,529,932	1,230,303,736	1,872,808,840	10,488,024,828	0.6257990	12,360,833,668	84.84%
2007	2006	12,166,239,146	1,247,502,997	1,990,646,006	11,423,096,137	0.6023720	13,413,742,143	85.16%

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

the City of Corpus Christi, Texas

**CITY OF CORPUS CHRISTI, TEXAS
PROPERTY TAX RATES -
DIRECT AND OVERLAPPING GOVERNMENTS
PER \$100 VALUATION
FISCAL YEARS ENDED 1998 THROUGH 2007**

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
1998	1997	\$ 0.444536	\$ 0.179190	\$ 0.623726	\$ 1.570000	\$ 1.518000	\$ 0.207811	\$ 1.439471	\$--	\$ 0.334585
1999	1998	0.449336	0.174390	0.623726	1.570000	1.555000	0.207811	1.496720	--	0.334585
2000	1999	0.468133	0.155593	0.623726	1.485810	1.500000	0.220466	1.491920	--	0.344622
2001	2000	0.463133	0.160593	0.623726	1.524170	1.570000	0.220466	1.526200	--	0.352742
2002	2001	0.457523	0.186652	0.644175	1.599830	1.570000	0.219880	1.526200	--	0.350242
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

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	Total
\$ 0.002488	\$ 0.022535	\$ 0.233159	\$ 0.027853	\$ 0.079310	\$ 1.440000	\$--	\$ 1.562050	\$ 1.510000	\$ 10.570988
0.002488	0.022535	0.228028	0.026593	0.076400	1.440000	--	1.592050	1.510000	10.685936
0.002563	0.030000	0.228028	0.024797	0.066818	1.420295	--	1.672050	1.480000	10.591095
0.002738	0.030000	0.228028	0.023718	0.062498	1.449057	--	1.750050	1.540000	10.903393
0.005238	0.060000	0.228028	0.002117	0.050000	1.462000	--	1.739700	1.540000	10.997410
0.005396	0.060000	0.228028	-	-	1.536300	1.614000	1.727000	1.540000	13.906801
0.005688	0.060000	0.228028	-	-	1.560458	1.614000	1.724700	1.570000	13.992602
0.005500	0.060000	0.225000	-	-	1.557800	1.714000	1.724700	1.900000	14.473375
0.005167	0.075000	0.174903	-	-	1.550000	1.714000	1.742200	1.780000	14.426122
0.004746	0.075000	0.160715			1.394582	1.584000	1.612200	1.650000	13.285220

Table 9

**CITY OF CORPUS CHRISTI, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
JULY 31, 2007 AND JULY 31, 1998**

Name of Taxpayer	2007			1998		
	Assessed Valuation	Rank	Percentage Of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage Of Total Taxable Assessed Value
American Electric Power Texas Central Co.	\$ 169,810,000	1	1.49%	\$ --		
H. E. Butt Grocery Company	68,814,898	2	0.60%	74,670,646	3	1.07%
Markwest Energy Partners LP	67,975,610	3	0.60%	--		0.00%
Padre Staples Mall, LP	63,438,255	4	0.56%	--		0.00%
Southwestern Bell Telephone Company	59,661,690	5	0.52%	82,565,950	2	1.19%
Bay Area Healthcare	58,248,024	6	0.51%	--		0.00%
Wal-Mart Stores	49,704,759	7	0.44%	48,001,521	7	0.69%
Sabco Operating Company	36,547,710	8	0.32%	--		0.00%
TRT Development Company	36,542,518	9	0.32%	34,954,911	8	0.50%
Flint Hills Res LP	32,805,482	10	0.29%	--		0.00%
Columbia Bay Area Realty, Ltd.	--		0.00%	53,813,522	5	0.77%
Central Power & Light Company	--		0.00%	172,623,945	1	2.48%
Hoechst Cel-Chem Group	--		0.00%	54,514,380	4	0.78%
Coastal Javelina Company	--		0.00%	51,961,430	6	0.75%
South Padres Drive LP	--		0.00%	32,351,865	9	0.46%
Camden Property Trust	--		0.00%	31,515,834	10	0.45%
	<u>\$ 643,548,946</u>		<u>5.63%</u>	<u>\$ 636,974,004</u>		<u>9.14%</u>

Source: Nueces County Appraisal District

Table 10

**CITY OF CORPUS CHRISTI, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
FISCAL YEAR ENDED 2007**

Fiscal Year Ended July 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy			Collections in Subsequent Years (1)	Total Collections to Date	
		Tax Levy	Amount	Percentage of Levy		Amount	Percentage of Levy
1998	1997	\$ 43,448,123	\$ 41,928,010	96.50%	\$ 1,251,909	\$ 43,179,919	99.38%
1999	1998	45,070,727	43,379,465	96.25%	1,056,723	44,436,188	98.59%
2000	1999	46,546,084	44,836,825	96.33%	1,256,701	46,093,526	99.03%
2001	2000	47,727,871	45,900,923	96.17%	1,200,467	47,101,390	98.69%
2002	2001	51,722,865	49,683,646	96.06%	1,509,804	51,193,450	98.98%
2003	2002	54,282,374	52,161,807	96.09%	1,631,724	53,793,531	99.10%
2004	2003	57,640,112	55,417,905	96.14%	1,575,879	56,993,784	98.88%
2005	2004	61,131,691	58,864,317	96.29%	1,829,112	60,693,429	99.28%
2006	2005	65,237,253	62,656,806	96.04%	1,684,900	64,341,706	98.63%
2007	2006	68,230,749	64,961,636	95.21%	1,704,973	66,666,609	97.71%

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



City of
Corpus
Christi

Table 11

**CITY OF CORPUS CHRISTI, TEXAS
ADOPTED TAX RATE
FISCAL YEARS ENDED 1998 THROUGH 2007**

Fiscal Year Ended July 31	Tax Year	Total Assessed Valuation	Assessments Rate	Gross Tax Rate (1)
1998	1997	\$ 6,965,898,936	100%	\$ 0.623726
1999	1998	7,226,045,864	100%	0.623726
2000	1999	7,462,585,204	100%	0.623726
2001	2000	7,652,057,403	100%	0.623726
2002	2001	8,029,325,055	100%	0.644175
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	11,423,096,137	100%	0.602372

(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 YEARS**

Fiscal Year Ended July 31	Governmental Activities				
	General Obligation Bonds	Certificates of Obligation	Revenue Bonds	Capital Leases	Other Notes Payable
1998	\$ 100,595,338	\$ 32,165,000	\$ --	\$ 5,679,267	\$ 585,470
1999	93,584,259	30,775,000	--	4,844,973	517,717
2000	84,876,424	29,075,000	--	5,817,440	442,931
2001	114,965,327	34,715,000	--	6,234,140	363,503
2002	109,164,376	31,110,000	43,960,000	6,956,538	9,363,645
2003	109,222,449	52,675,000	95,645,000	8,716,166	6,424,643
2004	100,489,139	57,110,000	120,910,000	7,378,760	6,001,404
2005	162,079,446	34,990,000	121,485,000	5,923,899	4,796,465
2006	149,085,000	32,480,000	120,810,000	6,525,617	4,360,000
2007	166,575,000	32,925,695	117,030,000	11,054,031	4,000,000

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

Fiscal Year	Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	Certificates of Obligation	Revenue Bonds Payable	Capital Leases	Utility Notes			
1998	\$ --	\$ 236,115,000	\$ 488,327	\$ 173,515,564	\$ 549,143,966	1.57%	0.05%
1999	--	283,160,000	1,152,488	182,961,759	596,996,196	1.49%	0.05%
2000	--	274,490,000	1,068,636	180,474,498	576,244,929	1.62%	0.05%
2001	--	328,640,000	978,072	179,962,651	665,858,693	1.46%	0.04%
2002	--	316,768,796	4,868,267	179,085,859	701,294,466	1.43%	0.04%
2003	--	392,468,699	3,420,504	177,907,801	846,492,366	1.23%	0.03%
2004	--	375,633,482	5,119,476	176,221,133	848,869,790	1.32%	0.03%
2005	25,660,000	407,805,891	4,529,354	174,136,591	941,407,936	0.00%	0.03%
2006	44,025,000	453,850,000	3,277,956	171,604,070	986,017,643	1.14%	0.00%
2007	48,189,305	506,795,000	3,699,994	168,900,717	1,059,169,742	1.12%	0.00%

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)
1997-1998	\$ 100,595,338	\$ 32,165,000	\$ 11,402,551	\$ 121,357,787	1.4844%	420.55
1998-1999	93,584,259	30,775,000	12,878,565	111,480,694	1.3150%	376.73
1999-2000	84,876,424	29,075,000	11,747,384	102,204,040	1.1677%	368.36
2000-2001	114,965,327	34,715,000	12,079,370	137,600,957	1.5258%	491.03
2001-2002	109,164,376	31,110,000	11,285,112	128,989,264	1.3623%	461.04
2002-2003	109,222,449	52,675,000	12,005,625	149,891,824	1.5034%	521.74
2003-2004	100,489,139	57,110,000	11,259,740	146,339,399	1.3783%	504.34
2004-2005	162,079,446	34,990,000	10,328,565	186,740,881	1.6289%	637.08
2005-2006	149,085,000	32,480,000	10,255,911	171,309,089	1.3859%	579.77
2006-2007	166,575,000	32,925,695	11,622,271	187,878,424	1.4006%	635.60

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

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

Table 14

**CITY OF CORPUS CHRISTI, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JULY 31, 2007**

<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	\$ 145,404,188	7/31/2007	100.00%	\$ 145,404,188
County				
Nueces County (excluding special districts)	130,027,385	7/31/2007	37.05%	48,175,146
School District				
Calallen Independent School District	2,679,446	7/31/2007	39.77%	1,065,616
Corpus Christi Independent School District	83,470,836	7/31/2007	94.22%	78,646,222
Flour Bluff Independent School District	5,523,355	7/31/2007	85.45%	4,719,707
London Independent School District	3,849,000	7/31/2007	3.83%	147,417
Port Aransas Independent School District	13,429,316	7/31/2007	70.08%	9,411,265
Robstown Independent School District	25,037,809	7/31/2007	0.13%	32,549
Tuloso-Midway Independent School District	33,064,668	7/31/2007	50.16%	16,585,237
West Oso Independent School District	21,374,000	7/31/2007	32.16%	6,873,878
Other				
Corpus Christi Junior College District	111,343,485	7/31/2007	92.14%	102,591,887
Nueces County Hospital District	12,667,228	7/31/2007	37.05%	4,693,208
Total overlapping debt	442,466,528			272,942,132
Total direct and overlapping debt	<u>\$ 587,870,716</u>			<u>\$ 418,346,320</u>

NOTE A: It is estimated that \$111,246,202 is self supporting debt. To continue to maintain this debt as self-supporting, transfers will be made from Tourist and Convention, Airport Parking, Reinvestment Zone #2, Airport lease revenues, Marina, Golf Centers, Storm Water and Solid Waste in amounts sufficient to pay both principal and interest on the self-supporting debt.

NOTE B: Total direct debt shown for the City of Corpus Christi excludes self-supporting debt, and prorated share available for repayment in Debt Service Fund.

NOTE C: 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.

the City of Corpus Christi, Texas

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

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Debt limit	\$ 817,564,719	\$ 847,772,306	\$ 875,258,748	\$ 901,822,182	\$ 946,857,123
Total net debt applicable to limit	<u>121,943,257</u>	<u>111,998,411</u>	<u>102,646,971</u>	<u>137,964,460</u>	<u>138,352,909</u>
Legal debt margin	<u>\$ 695,621,462</u>	<u>\$ 735,773,895</u>	<u>\$ 772,611,777</u>	<u>\$ 763,857,722</u>	<u>\$ 808,504,214</u>
Total net debt applicable to the limit as a percentage of debt limit	14.92%	13.21%	11.73%	15.30%	14.61%

(1) Assessed value is based on the appraised value of property prior to any deductions for exemptions. The assessed value is derived from the certified valuations provided by the Nueces County Tax Appraisal District as of July 25, 2000

Table 15

<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
\$ 997,034,248	\$ 1,061,725,649	\$ 1,146,442,016	\$ 1,235,133,813	\$ 1,341,374,214
<u>156,316,467</u>	<u>152,340,803</u>	<u>217,197,346</u>	<u>219,694,089</u>	<u>240,067,729</u>
<u>\$ 840,717,781</u>	<u>\$ 909,384,846</u>	<u>\$ 929,244,670</u>	<u>\$ 1,007,939,724</u>	<u>\$ 1,101,306,485</u>
15.68%	14.35%	18.95%	17.79%	17.90%

LEGAL DEBT MARGIN CALCULATION FOR FISCAL YEAR 2006

Assessed value	(1)	\$ 13,413,742,143
Debt limit (10% of total assessed value)		1,341,374,214
Debt applicable to limit:		
Gross Bonded Debt		251,690,000
Less: Net assets in Debt Service Fund		<u>11,622,271</u>
Total net debt applicable to limit		<u>240,067,729</u>
Legal debt margin		<u>\$ 1,101,306,485</u>

Table 16

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

Fiscal Year	Utility System Revenue Bonds					
	Gross Revenue	Adjusted (1, 2) Operating Income Deductions	Net Revenue Available for Debt Service	Annual Debt Service Requirements		
				Principal	Interest	Coverage
1998	\$ 93,675,572	\$ 58,159,310	\$ 35,516,262	\$ 5,110,000	\$ 6,291,588	3.12
1999	103,551,830	66,608,408	36,943,422	5,165,000	6,311,556	3.22
2000	122,631,232	71,213,069	51,418,163	6,970,000	7,359,474	3.59
2001	138,403,272	93,263,739	45,139,533	8,020,000	9,231,516	2.62
2002	115,312,497	80,330,621	34,981,876	8,735,000	9,202,086	1.95
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

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

Fiscal Year	Airport Revenue Bonds					
	Gross Revenue	Adjusted (2) Operating Income Deductions	Net Revenue Available for Debt Service	Annual Debt Service Requirements		
				Principal	Interest	Coverage
2001	\$ 8,382,606	\$ 4,819,174	\$ 3,563,432	\$ --	\$ 603,412	5.91
2002	6,216,202	5,392,659	823,543	--	1,206,824	0.68
2003	7,565,145	6,038,848	1,526,297	380,000	1,206,824	0.96
2004	8,607,001	6,257,371	2,349,630	395,000	1,188,964	1.48
2005	9,240,844	6,752,183	2,488,661	415,000	1,170,399	1.57
2006	9,643,668	7,514,851	2,128,817	435,000	1,150,686	1.34
2007	9,748,059	6,881,042	2,867,017	455,000	1,129,806	1.81

(2) This amount is direct operating expenses less debt service, depreciation, capital outlay and amortization expenditures.

Table 17

**CITY OF CORPUS CHRISTI, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
FISCAL YEARS ENDED 1998 THROUGH 2007**

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)	Median Age (3)	Education Level in Years of Formal Schooling (4)	School Enrollment Rate (5)	Unemployment Rate (6)
1998	288,570	\$ 8,617,486	\$ 21,340	27.5	--	40,975	7.5%
1999	295,920	8,870,496	21,948	32.5	--	40,290	7.4
2000	277,454	9,348,023	23,182	32.7	12.4	39,618	6.8
2001	280,228	9,706,189	24,141	33.2	--	39,138	6.3
2002	279,780	10,014,443	24,763	32.2	12.7	39,383	6.7
2003	287,290	10,438,622	25,696	33.6	--	39,268	7.1
2004	290,163	11,199,871	27,340	33.2	12.7	39,310	6.7
2005	293,122	11,802,000	28,539	34.2	--	38,978	5.4
2006	295,478	11,199,871	33,904	34.7	--	36,158	5.7
2007	295,594	11,816,184	35,750	34.2	--	38,796	4.7

Source:

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



City of
Corpus
Christi

Table 18

**CITY OF CORPUS CHRISTI, TEXAS
PRINCIPAL EMPLOYERS
JULY 31, 2007 AND JULY 31, 1998**

Employer	2007			1998 *		
	Number of Employees	Rank	Percent of Total City Employment	Number of Employees	Rank	Percent of Total City Employment
Naval Air Station Corpus Christi	5,525	1	3.18%	--	--	--
Christus Spohn Health System	5,400	2	3.11%	--	--	--
Corpus Christi ISD	5,178	3	2.98%	--	--	--
H.E.B.	5,000	4	2.88%	--	--	--
Corpus Christi Army Depot	3,541	5	2.04%	--	--	--
City of Corpus Christi	3,171	6	1.82%	--	--	--
Bay, Inc.	2,100	7	1.21%	--	--	--
Del Mar College	1,542	8	0.89%	--	--	--
Corpus Christi Medical Center	1,300	9	0.75%	--	--	--
First Data Corporation	1,200	10	0.69%	--	--	--
Total			19.54%	--	--	--

Source: Corpus Christi Regional Economic and Development Corporation

* Information for 1998 not available

the City of Corpus Christi, Texas

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

Function	1998	1999	2000	2001	2002
General Fund					
Mayor	2.00	2.00	2.00	2.00	2.00
ACM - administrative services	2.00	2.00	2.00	2.00	2.00
ACM - development services	--	--	--	--	--
Capital budget	3.00	2.00	--	--	--
City attorney	24.00	24.50	25.00	21.00	21.00
City manager	3.00	3.00	6.00	5.00	5.00
City secretary	7.00	7.00	7.00	7.00	8.00
Communications and quality management	5.00	5.00	4.00	4.00	4.00
Community development	48.50	48.00	47.00	43.00	43.00
Neighborhood services	28.00	--	--	--	--
Economic development office	--	--	--	--	--
Engineering - special services	--	--	--	--	17.00
Engineering	78.00	10.00	11.00	17.00	--
Inspections	--	--	--	--	--
Financial services	141.00	148.00	142.00	139.00	145.00
Fire	325.60	325.60	325.60	325.80	332.80
Health	122.10	77.50	76.13	65.63	66.63
Human relations	5.00	5.00	6.00	4.00	5.00
Human resources	50.30	25.30	24.25	20.25	20.38
Internal audit	3.00	3.00	3.00	--	--
Libraries	81.00	69.00	70.50	66.50	67.50
Management and budget	5.00	5.00	9.50	8.00	8.00
Materials management	9.00	9.00	8.00	--	--
Municipal court - administration	47.00	50.00	54.00	48.00	51.00
Municipal court - judicial	8.50	7.50	5.50	4.00	4.00
Museum	28.80	27.80	23.80	21.30	25.80
Office of Intergovernmental Relations a					
Community Development	--	--	--	3.0	3.00
Parks and recreation	329.10	290.50	292.78	280.76	280.37
Planning	26.00	20.00	19.00	17.00	17.00
Police	626.99	642.00	682.50	605.50	614.50
Public information	--	--	--	--	--
Risk management	13.00	12.00	11.00	--	--
Street and solid waste services	367.00	381.00	395.00	378.00	374.00
Total	2,388.89	2,201.70	2,252.56	2,087.74	2,116.98

the City of Corpus Christi, Texas

Table 19

<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
2.00	2.00	2.00	2.00	2.00
2.00	1.00	1.00	1.00	1.00
3.00	2.00	2.00	2.00	2.00
--	--	--	--	--
23.00	25.00	25.00	26.00	26.00
5.00	3.00	3.00	3.00	3.00
7.00	7.00	7.00	7.00	7.00
--	--	--	--	--
--	--	--	--	--
16.80	23.00	23.40	18.80	20.80
--	2.00	2.00	1.00	1.00
6.00	--	9.00	8.00	9.00
10.00	9.00	--	--	--
28.00	--	--	--	--
139.00	56.00	56.00	56.00	57.00
352.80	356.00	356.00	424.00	412.00
69.63	68.63	68.00	69.50	70.50
5.00	6.00	7.00	6.00	6.00
18.75	19.75	19.75	20.75	20.75
--	--	--	--	--
67.50	67.50	67.50	67.50	67.50
10.00	9.00	9.00	8.00	9.00
--	--	--	--	--
51.00	44.00	44.00	35.00	37.00
4.50	7.50	21.00	43.30	42.96
26.30	25.60	24.10	22.50	22.80
--	--	--	--	--
286.51	283.21	332.18	342.08	345.50
17.00	--	--	--	--
616.50	613.50	613.50	601.50	601.50
2.00	3.00	3.00	3.00	3.00
--	--	--	--	--
338.00	310.00	315.00	292.00	303.00
<u>2,107.29</u>	<u>1,943.69</u>	<u>2,010.43</u>	<u>2,059.93</u>	<u>2,070.31</u>

the City of Corpus Christi, Texas

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

<u>Function</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Enterprise Funds					
Aviation	84.30	86.80	87.00	89.00	91.75
Ambulance	61.00	61.00	61.00	61.0	61.00
Golf Centers	32.80	32.80	32.50	32.50	32.50
Marina	15.50	17.40	18.40	16.40	16.50
Gas	147.60	154.50	155.50	151.00	148.00
Wastewater	230.00	238.00	228.00	196.00	178.00
Water	211.50	234.50	239.00	202.50	179.50
ACM - Public Works	--	--	--	--	--
Utility Business Office	--	--	--	--	--
Utility Field Services	--	--	--	--	--
Engineering	6.0	68.00	68.10	--	--
Storm Water	67.00	81.00	85.00	85.00	85.00
Total	<u>855.70</u>	<u>974.00</u>	<u>974.50</u>	<u>833.40</u>	<u>792.25</u>
Internal Service Funds					
Engineering	--	--	--	57.10	57.10
Liability and employee benefits fund	--	--	--	11.0	13.0
Maintenance service	90.00	95.00	91.00	97.00	96.00
Municipal information system	37.00	27.00	29.00	47.00	47.00
Stores	10.00	10.00	10.00	10.00	10.00
Total	<u>137.00</u>	<u>132.00</u>	<u>130.00</u>	<u>222.10</u>	<u>223.10</u>
Special Revenue Funds					
Development Services	2.00	2.00	2.00	--	--
Visitor's facilities fund	40.00	40.00	40.00	40.00	40.00
Crime Control	--	--	--	74.00	80.50
Local Emergency Planning Committee	1.00	1.00	1.00	1.00	1.00
Total	<u>43.00</u>	<u>43.00</u>	<u>43.00</u>	<u>115.00</u>	<u>121.50</u>
Total operating budget FTE's	<u><u>3,424.59</u></u>	<u><u>3,350.70</u></u>	<u><u>3,400.06</u></u>	<u><u>3,258.24</u></u>	<u><u>3,253.83</u></u>

Source: City of Corpus Christi Office of Management and Budget

the City of Corpus Christi, Texas

Table 19
(Continued)

<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
93.75	95.75	96.75	93.75	98.95
68.00	68.00	68.00	--	--
32.50	30.50	30.50	22.00	29.50
16.50	16.50	16.50	16.50	14.00
148.00	148.80	148.80	148.80	147.80
178.00	177.00	177.00	177.00	173.00
180.00	180.00	175.00	172.00	175.00
--	--	2.00	2.00	2.00
--	27.00	74.00	19.00	18.00
--	45.00	--	44.00	45.00
--	--	--	--	--
<u>85.00</u>	<u>85.00</u>	<u>85.00</u>	<u>85.00</u>	<u>84.00</u>
801.75	873.55	873.55	780.05	787.25
57.10	57.10	57.10	57.10	57.10
14.00	13.00	14.00	14.00	15.00
99.00	97.00	99.00	99.00	100.00
50.00	71.00	75.00	93.00	100.00
<u>8.00</u>	<u>8.00</u>	<u>8.00</u>	<u>8.00</u>	<u>9.00</u>
228.10	246.10	253.10	271.10	281.10
--	54.00	54.00	57.00	58.00
40.00	35.0	11.00	1.00	1.00
76.10	65.10	62.10	65.60	64.60
<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>
<u>117.10</u>	<u>155.10</u>	<u>128.10</u>	<u>124.60</u>	<u>124.60</u>
<u>3,254.24</u>	<u>3,218.44</u>	<u>3,265.18</u>	<u>3,235.68</u>	<u>3,263.26</u>



City of
Corpus
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the City of Corpus Christi, Texas

Table 20

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

Function	2002	2003	2004	2005	2006	2007
Police						
Physical arrests	n/a	n/a	n/a	5,214	4,792	11,282
Parking violations	21,728 *	18,090 *	17,622 *	17,960 *	18,287 *	17,571
Traffic violations	n/a	n/a	n/a	64,449	57,478	58,885 *
Number of commissioned police officers	448	448	448	448	448	448
Number of employees - police officers and civilians	667	674	674	678	671	672
Officers per 1000 population	1.60	1.56	1.54	1.53	1.49	1.51
School crossing guards	83	83	83	83	87	87
Fire						
Number of calls answered	1,219	1,200	1,000	1,219	30,700 **	33,000
Inspections	3,659	3,000	3,500	3,659	3,000	4,765
Number of firefighters	379	394	395	383	383	402
Number of employees - firefighters and civilians	399	414	418	402	400	419
Employees per 1,000 population	1.36	1.37	1.36	1.30	1.27	1.36
State Fire Insurance Credit Rating	Class 4	Class 4	Class 4	Class 4	Class 4	Class 3
Streets						
Street resurfacing (miles)	--	--	--	--	--	722,367 sq yds
Potholes repaired	51,622	50,000	60,000	75,024	75,000	83,177
Parks and recreation						
Athletic field permits issued	n/a	n/a	n/a	n/a	n/a	n/a
Community center admissions	n/a	n/a	n/a	n/a	n/a	n/a
Libraries						
Number of volumes	394,177	413,308	446,830	394,666	394,666	389,634
Circulation	1,155,516	1,096,084	1,149,994	1,155,516	1,191,605	1,211,792
Library cards in force	144,755	189,896	124,624	144,755	150,552	143,699
Computer usage, sessions	703,494	491,512	524,400	703,494	1,044,617	1,160,698
Solid Waste						
Refuse collected (tons/day)	299	325	325	364	389	395
Recyclables collected (tons/day)	62	57	53	12	13	13
Water						
New connections	n/a	n/a	n/a	1,302	1,358	1,690
Water main breaks	n/a	n/a	n/a	2,400	2,617	2,313
Average daily gallons treated & raw water sold	80,000,000	96,953,488	90,770,847	97,685,942	106,251,600	136,281,605
Average daily consumption per capita (gallons)	120	120	122	123	121	134
Gas						
Average daily consumption (mcf)	9,602	9,954	8,964	9,064	8,438	2,842
Wastewater						
Average daily sewage treatment (thousands of gallons)	28,403	n/a	n/a	n/a	27,477,926	30,605,216
Airport						
Number of airports	1	1	1	1	1	1
Number of acres	2,571	2,428	2,428	2,574	2,574	2,574

Sources: Various city departments

* Note: 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.

the City of Corpus Christi, Texas

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

Function	2002	2003	2004	2005	2006
General government					
Buildings: (City owned)					
Total square footage, approximate	2,185,079	2,185,079	2,850,000	2,864,000	2,864,000
Police					
Stations	4	4	4	4	4
Patrol units	298	298	301	301	295
Area of responsibility - land area (square miles)	147.10	150.48	150.48	150.48	150.48
Fire					
Fire stations	15	16	16	16	16
Fire apparatus	38	38	39	30	30
Other motorized vehicles	67	67	62	77	77
Number of fire hydrants	8,000	8,000	8,300	8,300	8,400
Streets					
Streets (miles)	1,094	1,095	1,097	1,103	1,103
Streetlights	14,298	14,455	14,670	16,308	16,308
Libraries					
Number of libraries	5	5	5	5	5
Parks and recreation					
Parks acreage	1,408	1,580	1,408	1,408	1,418
Parks	189	190	189	189	189
Swimming pools	10	10	10	9	9
Tennis courts	43	49	49	49	37
Community centers	5	5	5	5	5
Park acreage partially developed	172	172	171	178	171
Playgrounds	139	139	139	139	128
Municipal beaches	4	4	4	4	4
Baseball diamonds	1	1	1	1	1
Softball diamonds	10	10	5	5	5
Senior centers	8	8	8	8	8
Gymnasiums	2	2	2	2	2
Covered basketball courts	2	2	2	1	3
Water					
Water mains (miles)	1,950	1,950	1,445	1,533	1,533
Fire hydrants	8,000	8,000	8,300	8,300	8,400
Maximum daily capacity (thousands of gallons)	112,000	110,000	110,000	109,000	104,880
Water connections - active	80,083	80,083	82,944	82,467	83,785
Storm water drainage ditches (miles)	607	607	607	607	607
Storm water underground pipe (miles)	597	597	597	597	597

Table 21

2007

2,864,000

4

295

150.48

16

30

77

8,400

1,119

16,662

5

1,415

190

9

37

5

171

129

4

1

5

8

2

3

1,553

8,400

97,750

85,959

607

597

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

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

Table 21
(Continued)

2007

1,327
54,436

1,258
44,700

82,957
95

13,588
19,710
886,528

2
376

590

Table 22

**MISCELLANEOUS STATISTICAL DATA
FISCAL YEAR ENDED JULY 31, 2007**

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
Form of government:	
Fiscal year begins	August 1st
Number of City employees	3,217

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

AREA OF CITY: (in square miles)	Land	150.5
	Water	353.8
		<u>504.3</u>

POPULATION:	Year	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
	2006	487,294	295,594

ELEVATION: Sea level to 85 feet

TEMPERATURE: 80.69° F maximum average
62.94° F minimum average
71.82° F mean average

SEASONAL RAINFALL
43.52 inches for fiscal year ended 7-31-07

Source: (1) City Staff
(2) Port of Corpus Christi

**Table 22
(Continued)**

**MISCELLANEOUS STATISTICAL DATA
FISCAL YEAR ENDED JULY 31, 2007**

PORT OF CORPUS CHRISTI: (2)

Tonnage handled through the Port during the year 2006	86,982,834
Number of ships handled during the year 2006	1,961
Number of barges handled during the year 2006	4,672

Public Docks:

Bulk oil	11
Dry cargo	8
Bulk materials	2
Total	<u>21</u>

Private Docks:

Dry Cargo -

ADM/Growmark	1 -	Main Harbor
Bay, Inc.	2 -	Main Harbor
Heldenfels	1 -	Main Harbor
Interstate Grain	1 -	Main Harbor
Cemex USA	1 -	Main Harbor
Texas Leheigh Cement	1 -	Main Harbor
Corpus Christi Equipment Co.	1 -	Rincon
Tor Minerals International, Inc.	1 -	Rincon
Sherwin Alumina Company	1 -	La Quinta
McDermott	1 -	Harbor Island
Corpus Christi Day Cruises	1 -	Harbor Island
Gulf Marine Fabricators	1 -	Ingleside
Kiewit Offshore Services, Inc.	1 -	Ingleside

Bulk Liquids -

CITGO	6 -	Main Harbor
Equistar	1 -	Main Harbor
Flint Hills	3 -	Main Harbor
Valero	3 -	Main Harbor
Occidental Chemical	1 -	La Quinta
Koch Gathering	1 -	Ingleside
Channel Investments	1 -	Jewel Fulton
Arco	1 -	Jewel Fulton
Braswell	1 -	Jewel Fulton
Total	<u>32</u>	

Source:

- (1) City Staff
- (2) Port of Corpus Christi

Table 23

**CITY PAYROLL STATISTICS
FISCAL YEARS ENDED 1998 THROUGH 2007**

Fiscal Year	Salaries	Social Security & Medicare	Texas Municipal Retirement System	Fire Fighters' Retirement System Plan	Total Paid	Number Employees Last Payday of Year
1997 - 1998	\$ 96,621,593	\$ 5,990,993	\$ 8,805,861	\$ 1,942,873	\$ 113,361,320	3,584
1998 - 1999	101,889,392	6,149,968	9,019,103	2,248,927	119,307,390	3,276
1999 - 2000	102,242,291	6,241,322	9,026,902	2,171,942	119,682,457	3,277
2000 - 2001	100,927,146	6,064,690	8,686,111	2,223,410	117,901,357	3,278
2001 - 2002	105,312,317	6,418,618	9,826,228	2,300,476	123,857,639	3,264
2002 - 2003	112,071,665	6,818,824	10,241,750	2,423,671	131,555,910	3,264
2003 - 2004	121,745,107	7,370,874	11,386,987	2,673,855	143,176,822	3,317
2004 - 2005	120,616,280	7,350,960	12,827,988	2,482,092	143,277,320	3,126
2005 - 2006	124,601,361	5,903,267	13,853,273	2,795,774	147,153,675	3,183
2006 - 2007	127,318,989	7,603,602	14,372,192	3,040,260	152,335,043	3,217

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

Table 24

**RETIREMENT SYSTEM PENSION DATA
FISCAL YEARS ENDED 1998 THROUGH 2007**

TEXAS MUNICIPAL RETIREMENT SYSTEM PENSION DATA

Fiscal Year	Unfunded Pension Plan Liability	Pension Plan Receipts	Pension Plan Assets	Pension Benefits Paid	Investment Income
1997 - 1998	\$ 63,081,184	\$ 18,970,402	\$ 191,267,082	\$ 3,891,429	\$ 10,504,251
1998 - 1999	59,102,885	20,352,492	200,864,672	4,059,461	11,456,800
1999 - 2000	61,529,964	21,140,412	219,109,580	10,232,543	11,977,958
2000 - 2001	* 67,157,221	33,955,322	222,098,830	30,966,073	21,149,094
2001 - 2002	* 73,357,936	33,410,273	229,017,517	26,191,586	20,340,369
2002 - 2003	* 80,254,024	33,378,009	232,869,362	29,526,164	19,360,126
2003 - 2004	* 88,310,121	33,899,027	236,961,675	29,806,713	18,215,670
2004 - 2005	* 107,200,266	32,945,242	238,411,240	31,495,577	16,180,600
2005 - 2006	* 114,519,596	32,767,434	235,856,593	35,322,082	13,915,946
2006 - 2007	* 123,761,526	33,620,204	236,329,255	33,147,542	13,206,208

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

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

FIRE FIGHTERS' RETIREMENT SYSTEM PENSION DATA

Fiscal Year	Unfunded Pension Plan Liability	Pension Plan Receipts	Pension Plan Assets	Pension Benefits Paid	Investment Income
1997 - 1998	*** \$ --	\$ 17,493,220	\$ 73,798,717	\$ 3,618,248	\$ 13,982,286
1998 - 1999	* 14,819,634	8,230,065	74,362,231	4,076,113	4,666,502
1999 - 2000	*** --	11,496,409	84,101,910	4,800,634	7,741,256
2000 - 2001	** 25,706,026	5,223,641	84,953,930	5,612,741	1,248,239
2001 - 2002	*** --	2,843,990	80,023,270	5,918,829	(1,232,160)
2002 - 2003	42,743,795	(1,525,575)	78,135,835	7,214,298	(5,750,086)
2003 - 2004	*** --	18,168,197	81,278,306	7,412,898	13,706,022
2004 - 2005	39,748,293	13,364,477	87,250,141	7,130,547	8,718,570
2005 - 2006	--	4,949,285	89,401,693	7,399,360	1,704,474
2006 - 2007	42,220,967	4,957,716	92,448,683	8,326,653	1,867,998

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

* Demographic assumptions were revised.

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

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

Table 25

ALL FUNDS
INSURANCE AND SURETY BONDS IN FORCE
FISCAL YEAR ENDED JULY 31, 2007

Type of Insurance	Insurer and Expiration Date	Amount of Coverage
1. Property Insurances		
Commercial Property Policy Primary Layer Commercial City Properties	AmRisc Insurance Expires 5-4-08	\$10 Million Bldg & Personal Property Blanket Coverage \$75,000 Excess Wind & Hail Deductible \$50,000 Deductible Other Perils (Replacement cost coverage)
Excess Property Coverage Commercial City Properties	Axis Specialty Insurance Expires 5-4-08	\$5 Million part of \$10 Million Excess of \$10 Million Primary Building & Personal Property Blanket coverage
Excess Property Coverage Commercial City Properties	AmRisc Insurance Expires 5-4-08	\$5 Million part of \$10 Million Excess of \$10 Million Building & Personal Property Blanket Coverage
Excess Property Coverage Commercial City Properties	Ace Reinsurance Expires 5-4-08	\$5 Million excess of \$20 Million Building & Personal Property Blanket Coverage
Excess Property Coverage Commercial City Properties	Arch Insurance Co Expires 5-4-08	\$ 10 Million part of \$15 Million Excess of \$25 Million Building & Personal Property Blanket Coverage
Excess Property Coverage Commercial City Properties	Axis Speciality Ins Co Expires 5-4-08	\$5 Million part of \$15 Million Excess of \$25 Million Building & Personal Property Blanket Coverage
Excess Property Coverage Commercial City Properties	RSUI Indemnity Co. Expires 5-4-08	\$25 Million part of \$50 Million Excess of \$40 Million Building & Personal Property Blanket Coverage
Excess Property Coverage Commercial City Properties	Axis Speciality Ins Co Expires 5-4-08	\$15 Million part of \$50 Million Excess of \$40 Million Building & Personal Property Blanket Coverage
Excess Property Coverage Commercial City Properties	Axis Speciality Ins Co Expires 5-4-08	\$10 Million part of \$50 Million Excess of \$40 Million Building & Personal Property Blanket Coverage

Table 25
(Continued)

ALL FUNDS
INSURANCE AND SURETY BONDS IN FORCE
FISCAL YEAR ENDED JULY 31, 2007

Type of Insurance	Insurer and Policy Date	Amount of Coverage
1. Property Insurances (continued)		
Excess Property Coverage Commercial City Properties	RSUI Indemnity Co. Expires 5-4-08	\$110 Million Excess of \$90 Million Building & Personal Property Blanket Coverage
Boiler & Machinery Coverage Commercial City Properties	CAN Insurance Co. Expires 5-4-08	\$100 Million Property Damage Limit \$2,500 Property Damage Deductible
Excess Wind & Hail 1901 N. Shoreline American Bank Center	ICAT Expires 5-20-08	\$10 Million part of \$30 Million Excess of TWIA Building and Personal Property Underlying Limit
Excess Wind & Hail 1901 N. Shoreline American Bank Center	Lloyds Ins co. Expires 5-20-08	\$10 Million part of \$30 Million Excess of TWIA Underlying Limit
Excess Wind & Hail 1901 N. Shoreline American Bank Center	AmRisc Insurance Expires 5-20-08	\$10 Million part of \$30 Million Excess of TWIA Underlying Limit
Excess Wind & Hail 1901 N. Shoreline American Bank Center	Arch Specialty Ins. Co. Expires 5-20-08	\$7,268,583 part of \$43,611,500 Underlying Limit
Excess Wind & Hail 1901 N. Shoreline American Bank Center	Arch Specialty Ins. Co Expires 5-20-08	\$6,148,200 part of \$43,611,500 Underlying Limit
Excess Wind & Hail 1901 N. Shoreline American Bank Center	RSUI Indemnity Co. Expires 5-20-08	\$20,305,750 part of \$43,611,500 Underlying Limit
Excess Wind & Hail 1901 N. Shoreline American Bank Center	AmRisc Insurance Expires 5-20-08	\$9,222,300 part of \$46,611,500 Underlying Limit
Primary Wind & Hail Commercial City Properties (includes American Bank Center)	Texas Wind Ins Assn. Expires 11-4-07	\$137,947,428 per schedule \$75,000 per Occurrence Deductible Replacement Cost
2. Flood Insurance		
Primary Flood Specified City Buildings	National Flood Program/ Selective Insurance Expires 11-4-07	Building &/or contents values up to maximum of \$500,000 per building &/or \$500,000 per contents per location for contents per location (specified locations)

Table 25
(Continued)

ALL FUNDS
INSURANCE AND SURETY BONDS IN FORCE
FISCAL YEAR ENDED JULY 31, 2007

Type of Insurance	Insurer and Policy Date	Amount of Coverage
3. Airport Liability		
Primary Airport Liability	Texas Municipal League Expires 11-4-07	\$20,000,000 limit, \$5,000 each occurrence deductible and \$10,000 annual aggregate deductible.
Excess Airport Liability	Underwriters at Lloyds Expires 11-4-07	\$55,000,000 Liability Limit in Excess of \$20,000,000 (\$75,000,000 max.)
4. Employee Dishonesty / Crime Coverage		
	Ace-Westchester Fire Ins Co Expires 11-4-07	\$1,000,000 per occ. for Employee Theft; Faithful Performance; Forgery or Alteration; Theft of Money & Securities Inside Premises; Robbery or Safe Burglary Inside Premises; Outside Premises; Computer Fraud; Funds Transfer Fraud; Money Orders Counterfeit Paper Currency with \$15,000 Deductible \$25,000 Credit Card Coverage with \$250 Deductible
5. Excess General Liability, Public Officials, Employment & Law Enforcement Liability & Excess Workers Compensation		
	State National Ins. Co. Expires 3-1-08	\$3 Million each Accident or Occurrence Limit \$6 Million Aggregate Limit Workers Compensation Statutory \$500,000 SIR for Liability other than WC \$350,000 SIR for Workers Compensation
6. Special Events Policy		
July 4th Celebration	Northfiled Ins. Co. Expires 7-6-07	\$2,000,000 General Aggregate \$1,000,000 each Occurrence \$500 Deductible
7. Gas Utility Excess Liability		
	Texas Municipal League Expires 11-4-07	\$10,000,000 limit per occurrence \$250,000-General Liability/Pollution deductible
8. General Liability		
Columbus Ships / Museum	Texas Municipal League Expires 11-4-07	\$500,000 each occurrence \$100,000 deductible
9. Automobile Policy		
TB Clinic Van	Texas Municipal League Expires 11-4-07	\$500,000 bodily Injury & Property Damage \$25,000-Medical Payments Actual Cash Value - physical damage \$250 deductible
Fleet Catastrophic	Texas Municipal League Expires 11-4-07	\$18,500,000 per Occurrence \$250,000 Deductible

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**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**

February 5, 2008

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, 2007, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 5, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the State of Texas, *Single Audit Circular*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic 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 control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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 State of Texas, *Single Audit Circular*.

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

Collier, Johnson & Woods

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

February 5, 2008

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

Compliance

We have audited the compliance of the City of Corpus Christi, Texas with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended July 31, 2007. The City's federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City of Corpus Christi, Texas complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended July 31, 2007.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance, 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 *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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, 2007

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 Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133".
5. The auditor's report on compliance for the major federal award programs for the City of Corpus Christi, Texas expresses an unqualified opinion on all major programs.
6. There are no audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The programs tested as major programs included:
 - U.S. Department of Agriculture:
 - Special Supplemental Nutrition Program for Women, Infants & Children (CFDA – 10.557)
 - U.S. Department of Transportation
 - Airport Improvement Program (CFDA – 20.106)
 - Institute of Museum and Library Services
 - Grants to States (CFDA – 45.310)
 - U.S. Department of Health and Human Services Aging Cluster:
 - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers (CFDA 93.044)
 - Special Programs for the Aging, Title III, Part C, Nutrition Services (CFDA 93.045)
 - Nutrition Services Incentive Program (CFDA 93.053)
 - U.S. Department of Homeland Security
 - State Homeland Security Program (CFDA – 97.073)
8. The dollar threshold for distinguishing Type A and Type B programs was \$711,930.
9. The City of Corpus Christi, Texas qualifies as a low-risk auditee.

Findings - Financial Statement Audit

The audit disclosed no findings required to be reported.

Findings and Questioned Costs – Major Federal Award Programs Audit

The audit disclosed no findings required to be reported.

Prior Year Findings and Questioned Costs – Major Federal Award Programs Audit

The audit disclosed no findings required to be reported.

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

February 5, 2008

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

Compliance

We have audited the compliance of the City of Corpus Christi, Texas with the types of compliance requirements described in *the State of Texas Single Audit Circular* that are applicable to each of its major State programs for the year ended July 31, 2007. The City's major State programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major State programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major State programs for the year ended July 31, 2007.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to state programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance, 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 *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a state program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a state program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a state program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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.

Collins, Johnson & Woods

CITY OF CORPUS CHRISTI, TEXAS

SCHEDULE OF STATE FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JULY 31, 2007

I. Summary of Auditor's Results

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

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

II. Findings Related to the Financial Statements

The audit disclosed no findings required to be reported.

III. Findings and Questioned Costs Related to the State Awards

The audit disclosed no findings required to be reported.

IV. Prior Year Findings

There were no findings reported in the prior year.

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2007

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Federal Assistance				
U.S. Department of HUD				
<u>Direct Programs</u>				
Comm. Dev. Block Grant-Entitlement Grant 00-01	14.218	B00-MC48-0502	\$ 6,093,562	\$ 35,851
Comm. Dev. Block Grant-Entitlement Grant 01-02		B01-MC48-0502	6,281,519	58,567
Comm. Dev. Block Grant-Entitlement Grant 02-03		B02-MC48-0502	5,201,842	371,509
Comm. Dev. Block Grant-Entitlement Grant 03-04		B03-MC48-0502	5,201,842	81,306
Comm. Dev. Block Grant-Entitlement Grant 04-05		B04-MC48-0502	4,105,000	188,596
Comm. Dev. Block Grant-Entitlement Grant 05-06		B05-MC48-0502	3,882,133	1,450,989
Comm. Dev. Block Grant-Entitlement Grant 06-07		B06-MC48-0502	3,489,407	2,079,793
Total CFDA Number 14.218			34,255,305	4,266,611
Emergency Shelter Grants Program 05-06	14.231	S05-MC48-0502	150,000	65,975
Emergency Shelter Grants Program 06-07		S06-MC48-0502	150,000	87,200
			300,000	153,175
Supportive Housing Program	14.235		1,074,009	76,932
			1,074,009	76,932
Home Investment Partnerships Program 01-02	14.239	M-01-MC-48-0502	1,992,000	110,923
Home Investment Partnerships Program 03-04		M-03-MC-48-0502	1,938,716	188,556
Home Investment Partnerships Program 04-05		M-04-MC-48-0502	1,848,127	669,011
Home Investment Partnerships Program 05-06		M-05-MC-48-0502	1,772,241	120,617
Home Investment Partnerships Program 06-07		M-06-MC-48-0502	1,691,574	278,544
Total CFDA Number 14.239			9,242,658	1,367,651
Fair Housing Assistance Program-State and Local	14.401	FF206K036008	115,000	115,000
Fair Housing Assistance Program-State and Local		FF206K046008	115,000	115,000
Fair Housing Assistance Program-State and Local		FF206K056008	88,100	88,100
Total CFDA Number 14.401			318,100	318,100
Total Direct Programs			45,190,072	6,182,469
Total U.S. Department of HUD			45,190,072	6,182,469
Office of National Drug Control Policy				
<u>Direct Programs</u>				
Texas Coastal Corridor	16.000	I5PHNP517Z	154,090	26,782
Texas Coastal Corridor		I6PHNP517Z	286,360	119,664
Total CFDA Number 16.000			440,450	146,446
Total Direct Programs			440,450	146,446
Total Office of National Drug Control Policy			440,450	146,446

(Continued)

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2007

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
U.S. Department of Justice				
<u>Direct Programs</u>				
Title V Delinquency Prevention Act Fund Program	16.548	JT-04-J20-18053-01	38,169	10,416
Local Law Enforcement Block Grant Program	16.592	2004-LB-BX-1277	91,999	2,456
			130,168	12,872
Community Capacity Development Office Program	16.595	2005-WS-Q5-0292	100,000	7,716
Community Capacity Development Office Program		2006-WS-Q6-0079	225,000	67,940
Community Capacity Development Office Program		2007-WS-Q7-0056	200,000	27,879
Total CFDA Number 16.595			525,000	103,535
Community Prosecution & Project Safe Neighborhoods	16.609	321-20S033	207,081	27,753
Community Prosecution & Project Safe Neighborhoods		321-20S035	57,450	24,697
Community Prosecution & Project Safe Neighborhoods		N/A	43,626	22,746
Total CFDA Number 16.609			308,157	75,196
Edward Byrne Memorial Justice Assistance Grant	16.738	2005DJBX0412	258,284	119,246
Edward Byrne Memorial Justice Assistance Grant		2006DJBX0221	159,671	148,001
Total CFDA Number 16.738			417,955	267,247
Total Direct Programs			1,381,280	458,850
<u>Passed Through Texas Alcoholic Beverage Commission</u>				
Enforcing Underage Drinking Laws Program	16.727	N/A	49,998	10,723
Total Passed through TABC			49,998	10,723
<u>Passed through Office of the Governor CJD</u>				
Juvenile Accountability Incentive Block Grants	16.523	JB-06-J20-13299-07	12,413	12,413
Legal Assistance for Victims	16.524	WF-05-V30-15171-07	64,929	13,591
Legal Assistance for Victims		WF-06-V30-15171-08	113,333	68,085
Total CFDA Number 16.524			178,262	81,676
Victims of Crime Act	16.575	VA-06-V30-15223-07	41,404	32,916
Victims of Crime Act		VA-07-V30-15223-08	43,430	5,115
Total CFDA Number 16.575			84,834	38,031
Total Passed Through Office of the Governor CJD			325,507	142,843
Total U.S. Department of Justice			1,706,787	601,693
U.S. Department of Transportation				
<u>Direct Programs</u>				
Airport Improvement Programs	20.106			
Terminal Imp., Rehab Runway 13/31 Ph1		3-48-0051-35	1,538,373	2,558
Update Plan, Acquire ARFFVehicle, Runway 13/31		3-48-0051-36	8,218,378	622,699
Terminal Imp., Rehab Runway 13/31 Ph2; Drainage		3-48-0051-37	7,788,088	5,283,014

(Continued)

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2007

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Terminal Imp., Rehab West GA Apron,Ph1;Air Carr		3-48-0051-38	9,356,300	3,431,337
Terminal Imp., Rehab West GA Apron,Ph2;Taxiway		3-48-0051-39	3,914,214	125
Total CFDA Number 20.106			30,815,353	9,339,733
Total Direct Programs			30,815,353	9,339,733
<u>Passed through State Dept. of Highways and Public Transportation</u>				
State and Community Highway Safety	20.600	587XXF6010	102,820	93,944
State and Community Highway Safety		586XXF6015	122,792	36,929
State and Community Highway Safety		587XXF6154	25,000	21,553
Total CFDA Number 20.600			250,612	152,426
Alcohol Traffic Safety and Drunk Driving Prevention	20.601	585XXF6178	33,985	5,252
Alcohol Traffic Safety and Drunk Driving Prevention		585XXF6200	15,000	11,173
Alcohol Traffic Safety and Drunk Driving Prevention		587XXF6119	35,000	7,845
Total CFDA Number 20.601			83,985	24,270
Interagency Hazardous Materials Public Sector	20.703	06-DEM-LEPC-1	13,000	7,815
Interagency Hazardous Materials Public Sector		07-DEM-LEPC-10	16,000	9,814
Total CFDA Number 20.703			29,000	17,629
Recreational Trails Program	20.219	N/A	100,000	(150)
Total Passed Through Programs			463,597	194,175
Total Department of Transportation			31,278,950	9,533,908
Equal Employment Opportunity Commission				
<u>Direct Programs</u>				
Employment Discrimination State & Local Fair				
Employment Practices Agency Contracts	30.002	3FPSLP0207	79,900	77,043
Total Direct Programs			79,900	77,043
Total Equal Employment Opportunity Commission			79,900	77,043
Institute of Museum and Library Services				
<u>Passed through Texas State Library & Archives Commission</u>				
<u>Library Services:</u>				
Grants To States	45.310	470-06004	484,821	80,822
Grants To States		470-07004	508,873	444,489
Grants To States		476-06014	80,000	5,876
Grants To States		476-07014	78,250	73,449
Grants To States		771-06040	155,802	13,871
Grants To States		771-07040	151,934	137,777
Total CFDA Number 45.310			1,459,680	756,284
Total Passed Through Programs			1,459,680	756,284
Total Institute of Museum and Library Services			1,459,680	756,284

(Continued)

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2007

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
U.S. Department of Health and Human Services				
<u>Passed through Texas Depart. of Aging & Disability Svc</u>				
Special Programs for the Aging Title III, Part B Grants For Supportive Services and Senior Centers	93.044	AA3-0548-4	36,712	1,087
Special Programs for the Aging Title III, Part B Grants For Supportive Services and Senior Centers		AA3-0748-4	36,712	30,660
Total CFDA Number 93.044			73,424	31,747
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	AA3-0548-4	557,804	105,824
Special Programs for the Aging Title III, Part C Nutrition Services		AA3-0748-4	687,314	464,370
Total CFDA Number 93.045			1,245,118	570,194
National Family Caregiver Support	93.052	AA3-0548-4	26,494	1,014
National Family Caregiver Support		AA3-0748-4	26,494	23,184
Total CFDA Number 93.052			52,988	24,198
Nutrition Services Incentive Program	93.053	AA3-0748-4	125,979	125,979
Nutrition Services Incentive Program		PS-08-292-P-02	211,352	35,089
Nutrition Services Incentive Program		PS-08-292-P-02	211,352	183,273
Total CFDA Number 93.053			548,683	344,341
Total Passed Through DADS			1,920,213	970,480
<u>Passed through Texas Department of State Health Svs</u>				
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	0000313002	108,430	45,478
Project Grants and Cooperative Agreements for Tuberculosis Control Programs		0000324650	103,009	50,579
Total CFDA Number 93.116			211,439	96,057
Immunization Grants	93.268	0000309127	144,350	17,826
Immunization Grants		0000320813	240,041	176,921
Total CFDA Number 93.268			384,391	194,747
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	0000318508	14,000	9,479
Centers for Disease Control and Prevention Investigations and Technical Assistance		0000329315	14,000	455
Centers for Disease Control and Prevention Investigations and Technical Assistance		0000310178	550,950	289,996
Total CFDA Number 93.283			578,950	299,930

(Continued)

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2007

<u>Federal Grantor/Pass-Through Grantor State Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Program or Award Amount</u>	<u>Disbursements/ Expenditures</u>
Cooperative Agreements For State-Based Diabetes Control Programs and Evaluation of Suveillance Sys	93.988	0000304678	89,782	5,111
Cooperative Agreements For State-Based Diabetes Control Programs and Evaluation of Suveillance Sys		00003216069	80,000	74,517
Cooperative Agreements For State-Based Diabetes Control Programs and Evaluation of Suveillance Sys		0000325630	80,000	5
Total CFDA Number 93.988			<u>249,782</u>	<u>79,633</u>
Preventive Health and Health Services Block Grant	93.991	0000310453	156,509	18,804
Preventive Health and Health Services Block Grant		0000320478	202,923	155,401
Total CFDA Number 93.991			<u>359,432</u>	<u>174,205</u>
Total Passed Through Dept. of State Health Svs			<u>1,783,994</u>	<u>844,572</u>
<u>Passed through Texas Dept of Family & Protective Svs</u>				
Promoting Safe and Stable Families	93.556	23362174	220,500	45,310
Promoting Safe and Stable Families		23362174-FY07-AM01	380,250	307,228
Total Passed Through Dept. of Protective & Regulatory Svc			<u>600,750</u>	<u>352,538</u>
Total Department of Health & Human Services			<u>4,304,957</u>	<u>2,167,590</u>
Corporation for National and Community Service				
<u>Direct Programs</u>				
Retired and Senior Volunteer Program	94.002	05SRWTX018	167,609	69,155
Retired and Senior Volunteer Program		06SRWTX018	18,115	18,115
Total CFDA Number 94.002			<u>185,724</u>	<u>87,270</u>
Senior Companion Program	94.016	04SCWTX001	818,811	215,564
Senior Companion Program		07SCWTX001	275,761	23,959
Senior Companion Program		06SCWTX007	4,375	4,375
Total CFDA Number 94.016			<u>1,098,947</u>	<u>243,898</u>
Total Direct Programs			<u>1,284,671</u>	<u>331,168</u>
Total Corporation for National & Community Service			<u>1,284,671</u>	<u>331,168</u>
Federal Emergency Management Agency				
<u>Passed through Texas Department of Public Safety</u>				
Emergency Management Performance Grants	97.042	20074-EM-E7-0027	64,482	64,482
Total Passed Through Programs			<u>64,482</u>	<u>64,482</u>
Total Federal Emergency Management Agency			<u>64,482</u>	<u>64,482</u>
U. S. Department of Homeland Security				
<u>Direct Programs</u>				
Assistance to Firefighters Grant	97.044	EMW-2004-FP-01286	39,435	7,000
State Homeland Security Program	97.073	2005-GE-T5-4025	1,710,934	1,499,285
Law Enforcement Terrorism Prevention Program	97.074	2006-GE-T6-0068	1,019,635	24,125
			<u>2,770,004</u>	<u>1,530,410</u>

(Continued)

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2007

Federal Grantor/Pass-Through Grantor State Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Program or Award Amount	Disbursements/ Expenditures
Metropolitan Medical Response System	97.071	282-00-0040	400,000	166,702
Metropolitan Medical Response System		N/A	227,592	222,781
Metropolitan Medical Response System		EMW-2004-GR-0804	400,000	17,680
Metropolitan Medical Response System		2006-GE-T6-0068	232,330	1,218
Total CFDA Number 97.071			1,259,922	408,381
Total Direct Programs			4,029,926	1,938,791
<u>Passed through US Dept. of Justice Office of Justice Programs</u>				
Port Security Grant Program	97.056	2006-GB-T6-0092	95,400	64,002
Total Passed Through US Dept of Justice (OJP)			95,400	64,002
<u>Passed through Governor's Division of Emergency Mgt</u>				
Buffer Zone Protection Program(BZPP)	97.078	2005-BZPP-17000	98,586	98,586
Total Passed Through US Dept Homeland Sec.			98,586	98,586
Total U. S. Department of Homeland Security			4,223,912	2,101,379
U.S. Department of Agriculture				
<u>Passed through Texas Health & Human Svcs Commission</u>				
Special Supplemental Nutrition Program for Women, Infants & Children	10.557	0000311568	642,000	147,838
Special Supplemental Nutrition Program for Women, Infants & Children		2007-020880	660,000	592,860
Total CFDA Number 10.557			1,302,000	740,698
Total Passed Through Texas Dept. of Health			1,302,000	740,698
<u>Passed through Texas Forest Service</u>				
Cooperative Forestry Assistance	10.664	05-09-02	39,428	22,075
Total Passed Through Texas Forest Service			39,428	22,075
<u>Passed through Texas Health & Human Services Comm</u>				
Child and Adult Care Food Program	10.558	TX178-1009	206,451	103,270
Summer Food Service Program for Children	10.559	TX178-1009	416,840	323,548
Total Passed Through Texas Health & Human Svc			623,291	426,818
Total Department of Agriculture			1,964,719	1,189,591
U. S. Department of Commerce				
<u>Passed through General Land Office</u>				
Coastal Zone Management Administration Awards	11.419	05-043	15,000	14,525
Total Passed Through Department of Commerce			15,000	14,525
Total Department of Commerce			15,000	14,525
U.S. Department of Interior				
<u>Passed Through Bureau of Reclamation</u>				
Site Security Impr. & Enhancements at Choke Canyon (Continued)	15.BCQ	0006FC601449	205,065	3,525

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2007

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 Park and Wildlife</u>				
Sport Fish Restoration	15.605	3171	500,000	41,906
Clean Vessel Act	15.616	V-7-D-(D)	69,000	69,000
Sportfishing and Boating Safety Act	15.622		450,000	450,000
Total Passed Texas Park and Wildlife			1,019,000	560,906
Total Department of Interior			1,224,065	564,431
Total Federal and passed through Assistance			93,237,645	23,731,009
State Assistance:				
Texas Department of State Health Services				
<u>Direct Programs</u>				
TB/PC		0000309464	142,307	28,105
TB/PC		0000320248	79,140	24,092
Total Direct Programs			221,447	52,197
<u>Passed through Coastal Bend Regional Activity Council</u>				
CBRAC-CC Equipment		N/A	6,678	2,685
CBRAC-Crisis Info System		N/A	9,052	2,366
CBRAC-CC Equipment		N/A	5,164	1,615
Total Passed Through CBRAC			20,894	6,666
Total Department of Health			242,341	58,863
Texas Commission on the Arts				
<u>Direct Programs</u>				
Festival of Arts		28106	2,630	2,630
Total Direct Programs			2,630	2,630
Total Texas Commission on the Arts			2,630	2,630
Texas Commission on Environmental Quality				
<u>Direct Programs</u>				
Air Quality Planning Activities		582-4-64576	884,600	136,905
Air Quality Planning Activities		582-6-70888	884,600	398,763
Fire Station #10 Mitigation		109850	31,531	12,740
Total Direct Programs			1,800,731	548,408
<u>Passed through Coastal Bend Council of Governments</u>				
Scrap Tire		06-20-G17	4,500	4,500
Local Enforcement		06-20-G11	10,380	10,380
Education		06-20-G05	10,000	2,611
Education		07-20-G11	15,000	4,731
Total Passed Through CBCOG			39,880	22,222
Total Texas Commission on Environmental Quality			1,840,611	570,630

(Continued)

the City of Corpus Christi, Texas

SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2007

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 Transportation				
<u>Direct Programs</u>				
Transportation Enhancement Project		0916-35-112	316,400	44,894
Total Direct Programs			<u>316,400</u>	<u>44,894</u>
<u>Passed through Texas Automobile Theft Prevention Authority</u>				
Corpus Christi Auto Theft Prevention Grant		SA-T01-10045-05	308,272	100
Corpus Christi Auto Theft Prevention Grant		SA-T01-10045-06	469,142	41,817
Corpus Christi Auto Theft Prevention Grant		SA-T01-10045-07	565,947	512,720
Total Passed Through Texas ATPA			<u>1,343,361</u>	<u>554,637</u>
Total Texas Department of Transportation			<u>1,659,761</u>	<u>599,531</u>
Texas Department of Protective & Regulatory Services				
<u>Direct Programs</u>				
Promoting Safe and Stable Families		23362174	73,500	15,103
Promoting Safe and Stable Families		23362174-FY07-AM01	126,750	102,139
Total Direct Programs			<u>200,250</u>	<u>117,242</u>
Total Dept. of Protective & Regulatory Svc			<u>200,250</u>	<u>117,242</u>
State Comptroller of Public Accounts				
<u>State General Revenue</u>				
Law Enforcement Fire Prevention		N/A	2,018	138
Total SGR			<u>2,018</u>	<u>138</u>
Total State Comptroller of Public Accounts			<u>2,018</u>	<u>138</u>
Texas State Library & Archives Commission				
<u>State General Revenue</u>				
Lone Star Libraries Grant 05-06		442-07109	15,656	15,454
Total SGR			<u>15,656</u>	<u>15,454</u>
Total State Library & Archives Commission			<u>15,656</u>	<u>15,454</u>
Texas General Land Office				
<u>Direct Programs</u>				
Beach Maintenance Reimbursement Fund		07-008-09	91,981	91,981
Total Direct Programs			<u>91,981</u>	<u>91,981</u>
Total Texas General Land Office			<u>91,981</u>	<u>91,981</u>
Texas Criminal Justice Division				
<u>Direct Programs</u>				
Crime Scene Technicians/1		SF-06-A10-17708-01	42,271	26,522
Total Direct Programs			<u>42,271</u>	<u>26,522</u>
Total Texas Criminal Justice Division			<u>42,271</u>	<u>26,522</u>
Total State Assistance			4,097,519	1,482,991
Total Federal, Pass Through & State Financial Assistance			<u>\$ 97,335,164</u>	<u>\$ 25,214,000</u>

**NOTES TO SCHEDULE OF FEDERAL/STATE EXPENDITURES OF AWARDS
FISCAL YEAR ENDED JULY 31, 2007**

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	\$ 551,606
Special Revenue Funds	
Federal/State Grants	13,376,053
Corpus Christi Community Improvement Corporation	1,367,651
Enterprise Funds	
Airport Fund	9,339,733
Utility System Fund (Water)	3,525
Marina Fund	575,432
Total expenditures	<u>\$ 25,214,000</u>

4. Relationship to Federal Financial Reports

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

5. Insurance in Effect

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