

Comprehensive Annual Financial Report

Port of Corpus Christi Authority of Nueces County, Texas

For the Year Ended December 31, 2001

Prepared by the Finance Department

Daniel R. Hodgkins
Chief Financial Officer



	<u>TABLE</u>	<u>PAGE</u>
<u>INTRODUCTORY SECTION</u>		
Table of Contents		i
Port Officials		ii
Organization Chart		iii
Letter to the Port Commission		iv
GFOA Certificate of Achievement		xvi
<u>FINANCIAL SECTION</u>		
Independent Auditors' Report		1
General Purpose Financial Statements:		
Balance Sheets		2
Statements of Revenues, Expenses and Changes in Retained Earnings		4
Statements of Cash Flows		5
Notes to Financial Statements		7
Supplemental Schedules:		
Schedule of Revenues and Expenses-Actual and Budget (Non-GAAP Basis)		19
Schedules of Direct and Indirect Operating Expenses		20
Schedules of Long-Term Debt Amortization		21
Schedules of Facilities Financing Bonds		22
<u>STATISTICAL SECTION (UNAUDITED)</u>		
Vessel Traffic - Last Ten Years	I	24
Port Commerce By Commodity - Last Ten Years	II	26
Port Commerce By Direction - Last Ten Years	III	28
Tonnage, Operating Revenues and Expenses By Cargo Classification - Last Ten Years	IV	30
Revenue Source and Application - Last Ten Years	V	31
Financial Performance Indicators - Last Ten Years	VI	32
Expenses by Type - Last Ten Years	VII	33
Revenues by Source - Last Ten Years	VIII	34
Property Tax Levies and Collections - Last Ten Years	IX	35
Assessed and Estimated True Value of Taxable Property - Last Ten Years	X	36
Property Tax Rates - Direct and Overlapping Governments - Last Ten Years	XI	37
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt per Capita - Last Ten Years	XII	38
Computation of Direct and Overlapping Debt	XIII	39
Revenue Bond Coverage - Last Ten Years	XIV	40
Schedule of Insurance in Force	XV	41
Analysis of Funding Progress - Pension Plan	XVI	42
Demographic Statistics - Last Ten Years	XVII	43
Construction, Bank Deposits, and Property Values - Last Ten Years	XVIII	44
Principal Taxpayers	XIX	45
Miscellaneous Statistical Data	XX	46
Map of the Corpus Christi Ship Channel		

PORT COMMISSIONERS

Yolanda G. Olivarez, Chairman

Mrs. Olivarez was elected chairman of the Port Commission in 2001 and has served on the Port Commission since 1997. She is a Senior Vice President/Business Banker with Wells Fargo Bank.

Robert J. Gonzalez, Sr., Vice-Chairman

Mr. Gonzalez was appointed to the Port Commission in 2000. He is an attorney and partner in the law firm of Gonzalez and Gonzalez L.L.P.

Kenneth Berry, Secretary

Mr. Berry was appointed to the Port Commission in 1999. He is President and Chief Executive Officer of The Berry Co.

William D. Dodge, III, Commissioner

Mr. Dodge was appointed to the Port Commission in 1995. He is self-employed.

Bernard A. Paulson, Commissioner

Mr. Paulson was appointed to the Port Commission in 1997. He is retired.

Ruben Bonilla, Commissioner

Mr. Bonilla was appointed to the Port Commission in 1998. He is an attorney and partner in the law firm of Bonilla & Chapa, P.C.

Anthony E. Pletcher, Commissioner

Mr. Pletcher was appointed to the Port Commission in 2001. He is an attorney and partner in the law firm of Huseman and Pletcher, P.C.

EXECUTIVE STAFF

John P. LaRue, Executive Director

Robert Jacobi, Deputy Director

Ed Altemus, Director of Trade Development

Frank C. Brogan, Director of Engineering Services

William J. Cotter, Director of Operations

Daniel R. Hodgkins, Chief Financial Officer

PORT COMMISSION, PORT OF CORPUS CHRISTI AUTHORITY

Executive Director	John P. LaRue
Manager of Human Resources.....	Sandra Terrell-Davis
Community Relations Coordinator.....	Patricia Cardenas
Deputy Director.....	Robert Jacobi
Director of Trade Development.....	Edward M. Altemus
Manager of Transportation.....	A. F. Babin
Manager of Industrial Development	J. Allen Speight
Trade Development Representative	Edward Xaudaro
Marketing Manager.....	Lillian Riojas
Director of Engineering Services.....	Frank C. Brogan
Deputy Director of Engineering Services	Greg Brubeck
Environmental Manager.....	Dipak Desai
Chief Engineer	David L. Michaelsen
Director of Operations	William J. Cotter
Deputy Director of Operations.....	Tony Alejandro
Manager of Foreign Trade Zone.....	Hilda B. Boyce
Manager of Risk Management.....	David Solis
Harbormaster	Jim Burns
Manager of Bulk Terminal	Joe Giannina
Manager of Cold Storage Facility	Charles M. Margraf
Manager of Compress	Raymond Kadleck
Maintenance Manager.....	David Throop
Chief Financial Officer	Daniel R. Hodgkins
Controller	Dennis J. DeVries
Chief Accountant.....	Audre A. Debler
Manager of Management Information Systems	Gustavo Espinosa
Coordinator of Legislative Affairs.....	Nelda Olivo



February 22, 2002

Port Commission
Mr. John P. LaRue, Executive Director
Port of Corpus Christi Authority of Nueces
County, Texas
Corpus Christi, Texas

The Comprehensive Annual Financial Report of the Port of Corpus Christi Authority of Nueces County, Texas (Authority) for the year ended December 31, 2001, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Authority. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of the operations of the Authority. All disclosures necessary to enable the reader to gain an understanding of the Authority's financial activities have been included.

ORGANIZATION AND CONTENT

The Authority has prepared the Comprehensive Annual Financial Report (CAFR) following guidelines recommended by the Government Accounting Standards Board (GASB). The report's format facilitates understanding by the non-financially oriented citizen as well as providing information necessary for the most sophisticated and interested financial observer. The report consists of three sections:

Introductory Section - This section which is unaudited, is designed to introduce the reader to the report and present basic background information about the Authority as a whole as well as provide highlights of the year's operations. This section includes this letter of transmittal, a directory of port officials, an organization chart and GFOA Certificate of Achievement.

Financial Section - This section includes the Authority's audited financial statements, notes to the financial statements, and supplemental schedules, accompanied by the report of the Authority's independent auditors.

Statistical Section - This section which is unaudited, includes selected financial and demographic information, generally presented on a multi-year basis relating to the operational and fiscal activity of the Authority as well as historical growth trends of the Authority.

This report includes all the funds and account groups of the Authority, as well as all of its component units. Component units are legally separate entities for which the Authority is financially accountable. Discretely presented component units are reported in a separate column in the financial statements to emphasize that they are legally separate from the Authority and to differentiate their financial position and results of operations from those of the Authority. Accordingly, the Industrial Development Corporation (IDC) is reported as a discretely presented component unit.

GOVERNMENTAL STRUCTURE, LOCAL ECONOMIC CONDITION AND OUTLOOK

Governmental Structure

The Authority is located along the southeastern coast of Texas on the Gulf of Mexico approximately 150 miles north of the Mexican border. The Authority maintains one of the deepest ports along the Gulf of Mexico coast with a Channel depth of

45 feet. The Authority's port facilities are part of the Port of Corpus Christi complex. The Port of Corpus Christi has been a deep draft port since 1926. The Channel is approximately 30 miles long and links the City of Corpus Christi with the Gulf of Mexico.

The Authority (formerly the Nueces County Navigation District No.1) is a navigation district and political subdivision of the State of Texas, having boundaries conterminous with those of Nueces County, Texas. The Authority exists under the provisions of Article XVI, Section 59, of the Texas Constitution and related sections of the Revised Civil Statutes of the State of Texas and all amendments thereto. The Authority being a navigation district and political subdivision of the State of Texas is a separate and distinct entity of Nueces County and operates independently with its own Port Commission as its governing body. The only relationship the Authority and Nueces County have is that in the event the Port Commission deems it necessary to issue tax-supported bonds, it must request the Commissioners Court to call an election. The Commissioners Court shall call the election, canvas the vote, and if the bond issue is approved, thereafter set the necessary tax rate to service the bonds.

A Port Commission composed of seven commissioners who serve without pay governs the Authority. Each commissioner serves a staggered term of three years with appointments made to the Commission each year. Three commissioners are appointed by the Corpus Christi City Council, the governing body of the City of Corpus Christi, and four commissioners are appointed by the Nueces County Commissioners Court, the governing body of Nueces County. The executive staff, under the leadership of the executive director, manages the operations of the Authority and assists the Commission in planning for the future. Port Commission efforts are directed toward encouraging industrial expansion, attracting new cargo, building and maintaining public terminals, setting operational policy and cooperating with the Federal Government as a local sponsor in maintaining and further improving vital navigation channels.

Local Economic Condition and Outlook

The Authority currently enjoys a favorable economic environment and local indicators point to continued stability. The Authority remains financially strong and a primary driver of the local economy. This is supported by the fact that the Authority has experienced increased annual growth in tonnage for sixteen of the past nineteen years. This growth, along with sound fiscal management, has allowed the Authority to remain financially stable. As a result, the Authority is the fifth largest port in the United States and one of the top twenty worldwide. According to a study conducted by Martin O'Connell Associates in 1995, seaport activity at the Authority generates more than 31,000 jobs. Of the 31,000 jobs, 9,460 are directly associated with marine cargo activity, while 8,238 jobs are induced by port activity and 13,048 jobs are indirectly related to port activity. In addition to jobs, port activity generated more than \$1.1 billion in personal income. Of that total, \$544.5 million is direct personal income. That translates into about \$56 thousand per port-related job, about \$15 - \$25 thousand more than in other ports. Other findings from the study showed that port-related activities generate \$1 billion in business revenue, \$66.3 million in state and local taxes and \$18 million in U.S. Custom's revenue.

The Authority has adopted a mission statement, which has become an integral part in the development of a strategic plan to guide the Authority into the year 2010. The mission statement is as follows: "It is the mission of the Port of Corpus Christi to serve as a regional economic development catalyst while protecting and enhancing its existing industrial base and simultaneously working to diversify its international maritime cargo business. In pursuit of this mission, the Port, which is a political subdivision of the State of Texas governed by appointees of Nueces County and the City of Corpus Christi, shall be guided by the following basic principals: (1) The Port shall conduct its affairs in a positive, open and cooperative manner; (2) The Port shall operate in a fiscally responsible manner; (3) The Port shall be a positive and proactive force in the protection of the region's marine and water related resources; and (4) The Port shall be committed to serving its customers - present and future."

Economic development means attracting industrial and commercial activity, private capital and waterborne cargo shipments that will create employment opportunities, sustaining and upgrading existing jobs, introducing new basic dollars to the area

and broadening the tax base that supports all public services. The Authority remains an economic force via its ability to provide the commercial shippers with first class channels, docks and facilities for handling their cargo, and by providing public facilities designed to attract more tourist dollars to the area while maintaining financial stability. Ultimately, our goal is to raise the standard of living and enhance the quality of life of everyone in the local surrounding region.

MAJOR INITIATIVES

Community Awareness Campaign

Four years ago the Authority began a strong community awareness campaign. The campaign was designed to help increase awareness of the Authority regarding its function, initiatives, direction and strategic importance for this area. One effort to help in this endeavor was the creation of a community page on the Authority's web site. Used as an educational tool, the site contains the history of the authority and the port commission, various activities for children, information on educational tours and the speaker's bureau, and community involvement initiatives.

Community involvement initiatives consist of several efforts, most of which rely on key partnerships:

Adopt-A-School and Educational Programs

During 2001, the Port continued its "Adopt-A-School" partnership with CCISD Elementary Schools: Menger, Solomon Coles and Mireles. The overall focus of this partnership was to improve student achievement and attendance, to recognize and support teachers and to strengthen community partnership and educational efforts through funding and employee volunteer participation. For example, Authority staff participates in the Mentoring Program, Science Fairs and other special programs initiated by the schools. Furthermore, with the creation of the Authority Mascot (Pocca), special videos, activity books and book covers, the Authority has developed better ways to educate students about the Authority and has included lesson plans, which are being upgraded to address academic standards of each grade level.

The Authority and Port Industries Partnership

Made stronger in 2001, this partnership provided an opportunity to inform the general public of the economic significance of port industries and to elevate their profile in the community. During 2001, more community involvement and support than ever before from Authority employee volunteers was seen. Not only did the Authority continue to be very supportive of area organizations, but also it was a key team player in many projects that Port Industries of Corpus Christi supported. Together as a team, all Port Industries members made a significant difference in area events such as the March of Dimes and the American Diabetes Association fundraising campaigns. Additionally, through this team effort, the Authority also helped raise awareness of local elections. Also, the Authority and the Port Industries together supported various educational programs throughout the year in all area schools.

Hands-on-Summer 2001

For the second year, the Authority, along with CITGO Refinery, the Caller-Times, the US Coast Guard, Halo-Flight and KRIS-TV gave school age children from different area organizations the opportunity to have a hands-on learning experience with various fields characteristic or common in each company. The Hands-on Summer program was created to support and enhance the children's understanding of the Authority and companies in the area.

Cargo Diversification/Facility Expansions and Improvements

Over the last decade, the Authority has worked to diversify and enhance the Authority's strong petrochemical foundation. These diversification efforts included the development of the Authority's general cargo terminals to handle break-bulk cargoes such as automobiles, military cargoes, steel products, and other project cargoes. Over the last six years, the Authority has demonstrated its abilities to handle a variety of break-bulk cargoes including automobiles and military cargoes.

In 2000, two of the Authority's key diversification efforts became a reality: the completion of a state-of-the art 99,520 square foot refrigerated warehouse and the completion of the Congressman Solomon P. Ortiz International Center. In 2001, the Authority continued to actively market these facilities.

Port of Corpus Christi Cold Storage

In 2001, the Authority officially took over all operations and management of the warehouse from Berkshire Cold Storage. The Authority continued to enter new markets. In January 2001, the Authority secured a trial shipment from Kyokuyo Shipping Co., LTD of more than 500 pallets of New Zealand meat products. Following this shipment, Kyokuyo Shipping Co., LTD designated Corpus Christi as its preferred port of call to handle all refrigerated cargo business moving through the Western US Gulf Ports. In Summer 2001, the Authority partnered with HEB and David Oppenheimer Group to bring the first-ever fruit import shipment to Corpus Christi. In August, more than 16,000 cartons of New Zealand ENZA brand apples were offloaded for distribution at local HEB stores. Previously, apples for South Texan consumers were offloaded in the Northeast and trucked to local HEB stores. Now, with the Authority's new chill facility, a fresher produce was brought closer to the consumer.

The Authority received a poultry export certification from the Department of Agriculture - Food and Safety Inspection Service (USDA- FSIS) for Russian exports. This certification creates another market opportunity for Corpus Christi.

Overall, the Authority's cold storage has developed a solid business foundation by providing services for a local meat processor, storage for a statewide grocery chain, storage for Northwestern based french fry producer, repacking hams, and storage for locally harvested frozen shrimp.

Congressman Solomon P. Ortiz International Center

A direct result of the Authority's effort to attract the cruise industry to South Texas was the renovation/construction of Cargo Docks 1 and 2 into a multi-purpose facility that could handle cruise ships, but at the same time, serve as a meeting and banquet center. This is one component of the Authority's overall waterfront development plan, which includes a cruise terminal, conference center, and other attractions such as restaurants, entertainment, and retail activities.

Construction began in October 1999 and was completed in September 2000. The facility was officially named the *Congressman Solomon P. Ortiz International Center* by the Port Commission in June 2000 in recognition of Congressman Ortiz's support of the Authority. The *Congressman Solomon P. Ortiz International Center* was officially dedicated in September 2000.

The Center is managed and operated by Norris Conference Centers of Houston, Texas. The Center serves as a business catalyst for the Authority in its effort to attract more regional and international opportunities to South Texas.

In 2000, the Authority received approval of \$1 million in funding for the development of a water ferry system to operate from the Center to the Northside of the Corpus Christi Ship Channel.

In 2001, the Ortiz Center was host to more than 425 events including CattleBaron's, the Corpus Christi Hispanic Chamber Banquet, the Cathedral Concert Series, Caller Times Woman's Expo, Monthly Chamber Breakfasts, South Texas Institute for the Arts Black Tie Gala, and many others.

Cruise Services

The Authority, in partnership with the City's of Corpus Christi and San Antonio, continues its efforts to attract the cruise industry to South Texas by offering a unique combination of pre/post cruise packages. In 2001, Corpus Christi received several port-of-call visits from RiverBarge Excursion Lines. This is a positive step in highlighting South Texas' viability as a cruise destination.

In 2001, the TEXAS TREASURE, day cruise operation, had more than 229,228 passengers aboard. TEXAS TREASURE sails twice daily from Harbor Island. Corpus Christi Day Cruises expanded their operation into Freeport, Texas in November 2001 and has plans to begin another operation in Galveston, Texas in 2002.

La Quinta Trade Gateway Project

In 1998, the Authority acquired 1,100 acres in San Patricio County, Texas. A master plan by Bermello-Ajamil of Miami, Florida indicated the potential for the development of this property into a major container terminal capable of handling 800,000 TEU'S by 2010.

In 2000, the Authority sought participants to join in this venture. In the Fall of 2000, the Authority authorized the Kingsley Group to perform a market feasibility study to determine cargo flows and the potential markets that the La Quinta container terminal can serve. In March 2001, the report results indicated strong potential for the La Quinta container terminal to handle significant amounts of cargo to/from key market areas including Northeastern Mexico, Central/Southwest Texas, the Pacific Southwest US, and the Asia-Latin America landbridge. The study illustrated Corpus Christi's competitive advantage to serve the markets of Northeastern Mexico and Central/Southwest Texas due to Corpus Christi's location and highway access. The La Quinta Trade Gateway features immediate interstate access and has distinct mileage advantage to key markets. Potentially, the La Quinta container terminal could be operational in 2003-2004 and handling approximately 100,000 TEUS. Thereafter, the La Quinta container terminal could be handling about 400,000 TEUS. Once operational, the La Quinta container terminal could create in excess of 6,000 jobs and generate millions of dollars in revenue and state/local taxes.

Channel Improvement Project

In 1990, the U.S. Congress authorized the U.S. Army Corps of Engineers (Corps) to begin investigating the possibility of deepening the Corpus Christi Ship Channel (CCSC) from 45 feet to 50 feet in order to accommodate larger vessels, increase shipping efficiency, and enhance navigation safety. The Corps' Reconnaissance Report, completed in 1994, showed that the investigated improvements were in the Federal interest and recommended that a more detailed Feasibility Study be performed. A Feasibility Cost Share Agreement was executed between the Corps and the Authority, and the Feasibility Study was initiated in June 1999. The Study is estimated to take about three years to complete at a cost of approximately \$6.5 million. The Study cost is being cost-shared 50/50 between the Corps and the Authority. The Study examines deepening the CCSC and the La Quinta Ship Channel, widening the CCSC, and extending the La Quinta Ship Channel to the proposed La Quinta Trade Gateway Project. Staff is working together with all state and federal natural resource and regulatory agencies and the Corps on the various elements of the project.

The COE completed the alternative analysis and recommended a plan that includes:

- Widening the CCSC from 400' to 530' across Corpus Christi Bay and widening it from 500' to 530' across Redfish Bay.
- Adding 200' wide barge shelves on both sides of the CCSC across Corpus Christi Bay.
- Extending the La Quinta Ship Channel by 7200' at a depth of -39' MLT.
- Deepening all reaches of the CCSC (excluding La Quinta) from -45' MLT to -52' MLT.

Channel improvements will cost approximately \$149 million. The Corpus Christi Ship Channel improvement project, in addition to creating a safer, more efficient channel for navigation, will produce positive socioeconomic impacts to the region. The project has a high benefit-to-cost ratio with a projected average of over \$50 million per year in transportation cost savings over the next 50 years. Benefits may also include increased employment and revenue for the Authority and industry throughout the region.

The project's Feasibility Study is nearly complete and the project is seeking authorization in the Water Resource Development Act (WRDA) of 2002 with construction scheduled to begin in 2003.

Joe Fulton International Trade Corridor

The Authority received authorization for \$8.25 million in federal transportation funds for the Joe Fulton International Trade Corridor (Corridor). The corridor encompasses an 11.5-mile road and rail project that will significantly improve access to more than 2,000 acres of land along the northside of the channel for existing and future development. The corridor will make approximately 1,000 acres of land (which has no access available) for use as marine terminals or industrial sites. The corridor will connect two major highway components- US Highway 181 and Interstate Highway 37; thus, establishing efficient intermodal links between highway, marine, and rail transportation systems. The corridor will address environmental and safety concerns, and facilitate international trade. Most important, the corridor will generate future economic development opportunities for South Texas.

The Corridor received authorization for \$11 million from the Texas Department of Transportation in 1999. The Joe Fulton Corridor is undergoing environmental assessment and review. Final design will be complete in 2003 and construction should begin.

Sister Port Agreements

In 2001, the Authority hosted the Port of Cortes, Honduras in order to discuss and learn about mutual Authority opportunities that could support a Sister Port agreement. Also, the Port of Tenerife, Canary Islands is another consideration for a Sister Port relationship.

Sister Port agreements allow both ports the opportunity to exchange information concerning port planning and development, operation types, management systems, port facilities, port rates, annual statistics of port operations, marketing, technology, etc.

FINANCIAL INFORMATION

Management of the Authority is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management.

The Port Commission adopts an annual budget each year, on a basis consistent with accounting principles generally accepted in the United States of America for proprietary funds, as a prudent management tool and to meet any contractual obligations. Monthly budget reports are prepared for management to maintain proper budgetary control, and are reviewed by the Port Commission on a monthly basis. The Authority does not adopt a budget for the IDC.

As demonstrated by the statements and schedules included in the financial section of this report, the Authority continues to meet its responsibility for sound financial management. As with the financial section, all amounts presented in the remainder of this letter are rounded to the nearest ton or dollar, as applicable, except where specifically noted otherwise.

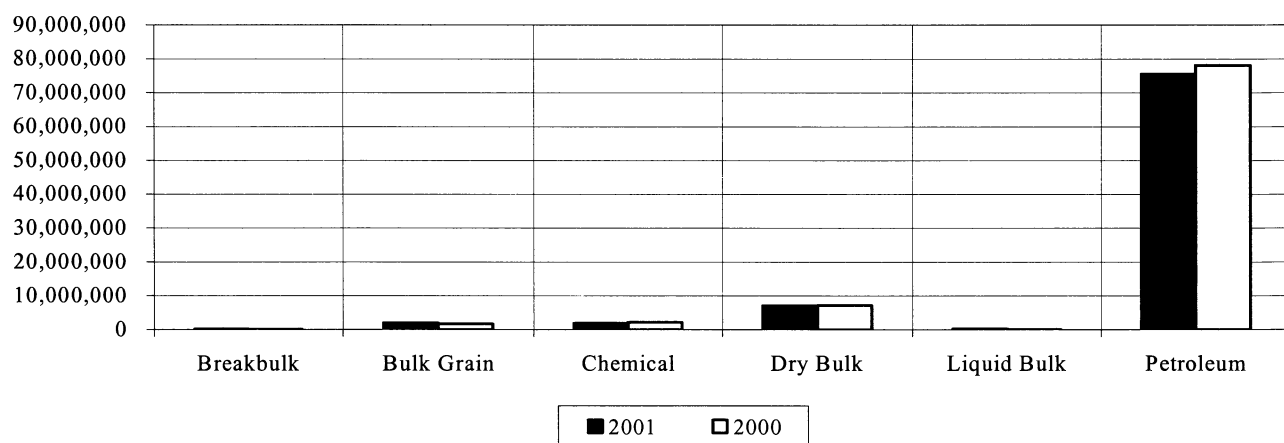
Cargo Tonnage

The Authority in 2001 recorded only its second decline in the past ten years after coming off of a nearly record setting pace in 2000. Cargo tonnage handled through the Authority in 2001 of 87.0 million short tons decreased by 2.4 million short tons, or 2.67 percent, from 2000. We attribute this decrease primarily to the effects of the terrorist attacks of September 11, 2001 in New York City. Cargo tonnage through the first nine months of 2001 was down 358 thousand tons compared to the last three months of 2001 where we saw cargo tonnage drop by an additional 2.0 million tons. The majority of this decrease was from petroleum and chemical tonnage, which recorded a 2.8 million short ton decline from 2000. Petroleum still continues to be the Authority's leading commodity, representing nearly 87 percent of the total tonnage moved through

the Authority. On a positive note, the Authority recognized increases in both breakbulk and bulk grain tonnages for 2001. Breakbulk tonnage was up 143.9 thousand short tons over 2000, and bulk grain tonnage was up nearly 231 thousand short tons over 2000. The Authority continues to be ranked as the fifth largest port in the United States, and is among the top twenty ports worldwide in terms of tonnage. The Authority is ranked fourth in total import tonnage.

The following schedule presents a summary of cargo tonnage for the years ended December 31, 2001 and 2000, and the amount and percentage of increase or decrease in relation to the prior year's cargo tonnage.

	2001	Percent of Total	2000	Percent of Total	Increase (Decrease) from 2000	Percent of Increase (Decrease)
Breakbulk	215,823	0.25%	71,957	0.08%	143,866	199.93 %
Bulk Grain	1,960,433	2.25%	1,729,729	1.93%	230,704	13.34 %
Chemical	1,944,182	2.23%	2,230,115	2.49%	(285,933)	(12.82)%
Dry Bulk	7,076,538	8.13%	7,197,245	8.05%	(120,707)	(1.68)%
Liquid Bulk	320,633	0.37%	113,130	0.13%	207,503	183.42 %
Petroleum	75,518,348	86.77%	78,082,315	87.32%	(2,563,967)	(3.28)%
Total	87,035,957	100.00%	89,424,491	100.00%	(2,388,534)	(2.67)%



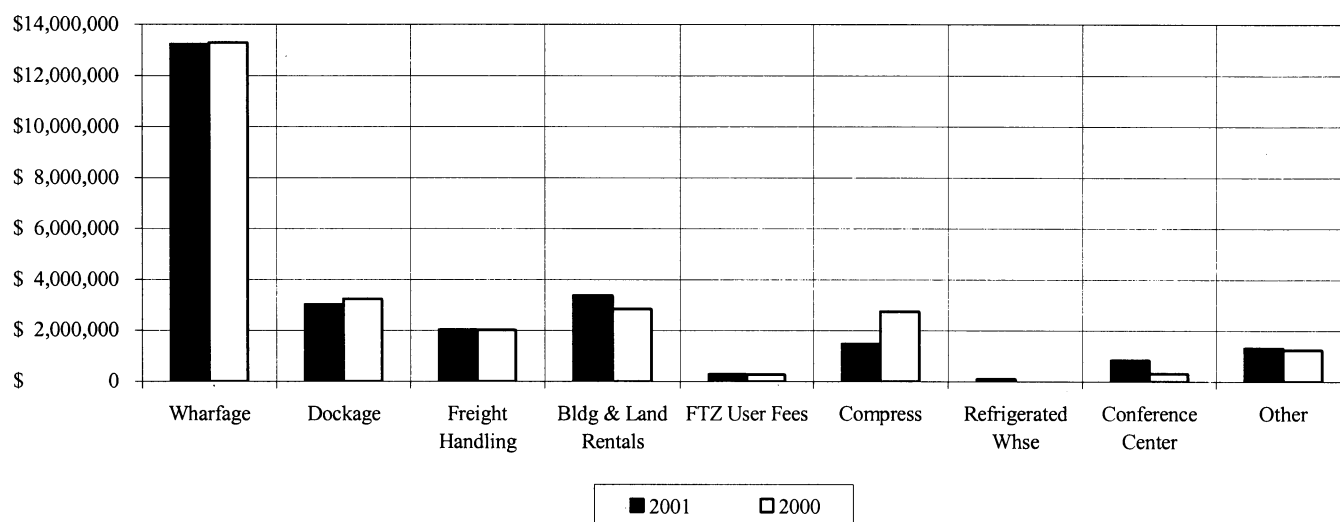
Operating Revenues

Operating revenues in 2001 of \$25.6 million declined \$266 thousand or 1.03 percent from 2000. This small percentage decrease as a total does not accurately reflect significant increases (decreases) in individual revenue categories. Wharfage, the Authority's largest revenue source, decreased by \$67 thousand from 2000. Again, there were significant increases (decreases) in individual wharfage categories that are not reflected in the total wharfage decrease. The Authority's oil docks in 2001 reported a drop in wharfage of \$340 thousand, which is reflective of the downturn we experienced in petroleum and chemical cargo tonnage. However, this decline was offset by increases in wharfage at our dry cargo docks, bulk terminal and from gambling ship operations, which reported respective increases of \$15 thousand, \$98 thousand and \$159 thousand. Dockage also declined by \$220 thousand, from 2000. The majority of this decrease comes as a result of the Authority leasing its North Bank mooring facility, which historically received dockage income for layberthing barges. Through leasing this facility, the Authority reduced its dockage income by \$170 thousand, but in turn recognized an increase in building and land rental income. Building and land rentals reported an increase of \$528 thousand over 2000. As previously mentioned, the Authority leased its North Bank mooring facility in 2001, and this new lease generated an additional \$227 thousand in lease income. The Authority also entered into several leases of its buildings and cargo sheds, which generated additional lease income of \$290 thousand. For 2001, the Authority's public compress reported its first decline in over three

years as revenues declined by nearly \$1.3 million from 2000. In 2001, the Coastal Bend area experienced weather related crop failure caused by drought during the growing season and excessive moisture during the harvest and ginning season. This resulted in the delivery to our compress of approximately half of what it normally would take in any given year of new crop cotton. The Authority's new conference center completed its first full year of operations in 2001, generating \$833 thousand in revenue and exceeding 2000 revenues by nearly \$537 thousand as a result of the full year. The operation of the Authority's cold storage facility, which had been leased to Berkshire Foods, Inc., was taken over by the Authority in October. As a result, the Authority brought on a new revenue stream that generated revenues of \$103 thousand for the last three months of 2001.

The following schedule presents a summary of operating revenues for the years ended December 31, 2001 and 2000, and the percentages of increase or decrease in relation to the prior year's operating revenues.

	2001	Percent of Total	2000	Percent of Total	Increase (Decrease) from 2000	Percent of Increase (Decrease)
Wharfage	\$13,215,302	51.56%	\$13,282,469	51.30%	\$(67,167)	(0.51)%
Dockage	3,009,600	11.75%	3,229,447	12.47%	(219,847)	(6.81)%
Freight Handling	2,033,916	7.94%	2,019,205	7.80%	14,711	0.73 %
Bldg & Land Rentals	3,363,438	13.13%	2,835,108	10.95%	528,330	18.64 %
FTZ User Fees	281,750	1.10%	261,250	1.01%	20,500	7.85 %
Compress	1,477,844	5.77%	2,734,668	10.56%	(1,256,824)	(45.96)%
Refrigerated Whse	102,623	0.40%	-	0.00%	102,623	0.00 %
Conference Center	833,712	3.25%	296,861	1.15%	536,851	180.84 %
Other	1,306,133	5.10%	1,231,395	4.76%	74,738	6.07 %
Total	\$25,624,318	100.00%	\$25,890,403	100.00%	\$(266,085)	(1.03)%



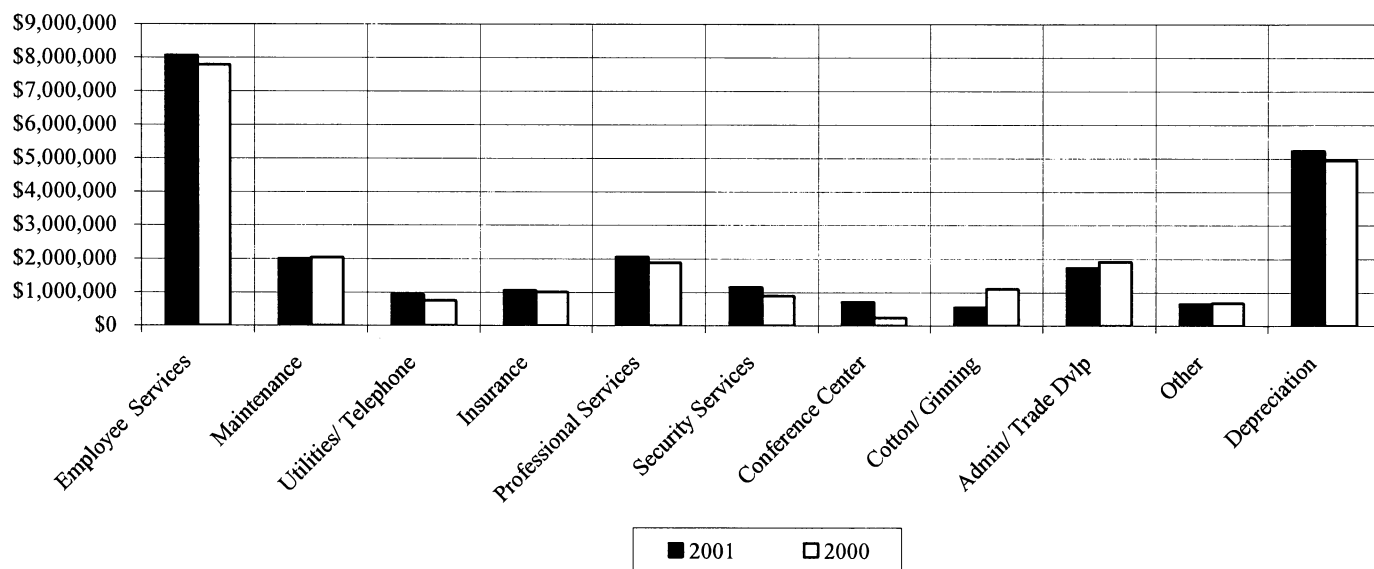
Operating Expenses

Operating expenses of \$24.1 million in 2001 represented an \$867 thousand, or 3.73 percent, increase over 2000. As previously mentioned, the Authority took over operations in October of its cold storage facility. The result was the acquisition of additional operating expenses directly associated with operating that facility. The most significant of these expenses were in the areas of employee services and utilities, which increased by \$111 thousand and \$83 thousand respectively. In addition, a full year's depreciation expense was incurred in 2001, which increased by \$154 thousand over

2000. Also, the Authority in 2001 completed its first full year of operations at its new conference center facility, and therefore incurred a full year of operational expenses. The most significant of these expenses were in utilities, conference center expenses, and depreciation, which increased by \$80 thousand, \$465 thousand and \$182 thousand respectively over 2000. Due to the drop in cotton delivered to the Authority's public cotton compress in 2001, cotton/ginning expenses were down \$550 thousand from 2000. The Authority saw its security costs increase by \$227 thousand in the last quarter of 2001, as a result of the terrorist attacks of September 11, 2001. In addition, all Authority employees in 2001 received a bi-annual COLA increase of 5.44 percent.

The following schedule presents a summary of operating expenses for the years ended December 31, 2001 and 2000, and the percentages of increase or decrease in relation to the prior year's operating expenses.

	2001	Percent of Total	2000	Percent of Total	Increase (Decrease) from 2000	Percent of Increase (Decrease)
Employee Services	\$ 8,055,843	33.44%	\$ 7,777,914	33.49%	\$ 277,929	3.57 %
Maintenance	1,995,580	8.28%	2,038,572	8.78%	(42,992)	(2.11)%
Utilities/ Telephone	928,293	3.85%	753,052	3.24%	175,241	23.27 %
Insurance	1,051,227	4.36%	1,006,796	4.34%	44,431	4.41 %
Professional Services	2,052,103	8.52%	1,876,138	8.08%	175,965	9.38 %
Security Services	1,145,806	4.76%	892,132	3.84%	253,674	28.43 %
Conference Center	708,885	2.94%	244,174	1.05%	464,711	190.32 %
Cotton/ Ginning	546,622	2.27%	1,096,642	4.72%	(550,020)	(50.15)%
Admin/ Trade Dvlp	1,729,245	7.18%	1,913,617	8.24%	(184,372)	(9.63)%
Other	651,805	2.71%	679,985	2.93%	(28,180)	(4.14)%
Depreciation	5,224,868	21.69%	4,944,421	21.29%	280,447	5.67 %
Total	\$24,090,277	100.00%	\$23,223,443	100.00%	\$ 866,834	3.73 %



Debt Administration

At December 31, 2001, the Authority had several debt issues outstanding. These issues included \$905,000 in unlimited tax bonds and \$1,052,965 in promissory notes. The Authority has maintained an AA rating from Standard and Poor's Corporation and an A1 rating from Moody's Investor Service on general obligation bond issues.

The following is a statement of changes in long-term debt for the year ended December 31, 2001:

	Beginning Balance	Additions	Payments	Ending Balance
Unlimited Tax Bonds	\$ 3,235,000	\$ -	\$ 2,330,000	\$ 905,000
Promissory Notes	1,579,448	-	526,483	1,052,965
Total	\$ 4,814,448	\$ -	\$ 2,856,483	\$ 1,957,965

At December 31, 2001, total long-term debt (including current maturities) and annual principal maturities were as follows:

	Total	Unlimited Tax Bonds	Promissory Notes
2002	\$ 1,535,713	\$ 927,625	\$ 608,088
2003	567,285	-	567,285
	2,102,998	927,625	1,175,373
Less Interest	145,033	22,625	122,408
Total	\$ 1,957,965	\$ 905,000	\$ 1,052,965

Cash Management

Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, money market accounts and obligations of the U.S. Treasury and Agencies. In 2001, the yields on these investments ranged from 1.9% to 6.05%. The Authority earned interest revenue of \$354 thousand on all investments for the year ended December 31, 2001.

The goal of the Authority's investment policy is to ensure the safety of all funds entrusted to the Authority, to ensure the availability of those funds for the payment of all necessary obligations of the Authority, and to provide for the investment of all funds, not immediately required, in interest-bearing securities. The safety of principal and liquidity is the primary objective. Accordingly, deposits were either insured by federal depository insurance or collateralized. All pledged collateral on deposits was held by the Federal Reserve Bank in the Authority's name.

Risk Management

The Authority's schedule of insurance for 2001 included all perils coverage for the Authority's scheduled property with limits of \$100 million with an annual deductible of \$100,000, general liability with limits of \$20 million with an annual deductible of \$50,000 and workers' compensation which is fully self-insured. In addition, the Authority has other separate coverage with differing limits and deductibles for windstorm for the cotton compress, for property at Harbor Island, for the Tule Lift Bridge and Cold Storage Warehouse boiler and machinery, for hull, primary and excess P & I and marine liability for the Fire Fighting Response Vessel, and for foreign liability, non-owned aircraft, executive risk, auto liability and public officials liability. The Authority has included in restricted assets \$1 million for claims for which the Authority has a level of self-insurance.

The Authority maintains a self-funded health and dental plan for its employees and dependents. A specific stop loss policy is in force for individual claims in excess of \$100,000 annually and an aggregate stop loss policy is in force for annual aggregate claims in excess of approximately \$1,221,671.

OTHER INFORMATION

General Business of the Authority

The Authority owns and operates public wharves, transit sheds, open storage facilities, freight handling facilities and equipment, warehouses, a bulk material handling terminal, dockside cotton warehouses, a new refrigerated warehouse, and new multi-purpose cruise terminal/conference center. The Authority also owns a grain elevator, which is leased to Archer

Daniels Midland (ADM). In addition, the Authority leases land, buildings and improvements, and maintains areas for the placement of dredged materials. All of these facilities are located at the Port of Corpus Christi on the Corpus Christi Ship Channel.

The Port of Corpus Christi consists not only of the Authority's docks, but also includes privately owned docks. The Authority owns eight general cargo docks, eleven liquid bulk cargo docks, two bulk material docks, a container terminal, two bagging facilities, a shipside grain elevator, a dockside cotton warehouse, a new refrigerated warehouse and new multi-purpose cruise terminal/conference center. All of these facilities are operated for hire on a first-come, first-serve basis, with the exception to the shipside grain elevator that is leased. Most of the privately owned docks at the Port of Corpus Christi are owned by, and operated exclusively for, the various refineries, chemical plants and other industries that line the Channel. Approximately 33 privately owned docks are located at the Port of Corpus Christi, and compete directly with the Authority's docks. The Authority derives wharfage revenue of one-half tariff rates from the majority of the privately owned docks.

Description of Port Facilities at the Authority

The Authority owns and operates eight general cargo docks within the Inner Harbor; five covered by transit sheds, two open docks and one for special public use. Each dock can berth one ship, with vessel lengths ranging from 600 feet to 1,060 feet. The dock elevations at these docks are 12 to 15 feet above mean low tide (MLT). Twenty-six miles of Authority owned rail lines operated by the Corpus Christi Terminal Railroad (CCTR) service these docks. Double shipside tracks allow direct ship to rail transfer at four of these docks.

The Authority owns and operates eleven liquid bulk cargo docks within the Inner Harbor, with berth lengths ranging from 246 feet to 1,000 feet.

The Authority owns and operates a bulk material-handling terminal within the Inner Harbor. Bulk Material Dock 1 has a 396-foot dock with an 835-foot maximum length berth. This dock is equipped with a traveling unloading tower with a 600 short ton per hour unloading rate, with an air draft of 60 feet from the bottom of the bucket to the waterline. It can also be used for outloading. Bulk Material Dock 2 has a berth length of 1,270 feet. This dock is equipped with a radial shiploader with a 1,500 short ton per hour loading rate, with an air draft of 62 feet from the bottom of the tower to the waterline. It can receive bulk materials directly from trucks, railcars or by conveyors extending into the bulk storage yards. Hoppers can accommodate three dump trucks simultaneously or one railcar. Locomotives are available as needed for both docks.

The Authority owns and operates an intermodal terminal located adjacent to Cargo Docks 8 and 14. This 10.83 acre hard-surfaced yard is fully fenced and lighted and offers trailer on flatcar and container on flatcar handling capabilities. Two container-handling machines serve this yard. The terminal provides full service for the receiving, delivering and handling of marine containers including storage of loaded and empty containers, chassis storage and transfer between vessels and the container yard.

The Authority owns and operates two bagging facilities; each equipped with two high-speed bagging lanes. The grain bagging facility is located at the Authority's grain elevator, which is leased to ADM. This bagging facility is fed directly from the grain elevator's shipping bins. A conveyor system loads bags directly to flatbed trucks for delivery to docks. The general purpose bagging facility with two warehouses is located on the south side of the Ship Channel. This bagging facility is fed from rail or truck hopper dump.

The Authority owns and leases a 5,000,000 bushel capacity grain elevator to ADM. It has a ship loading capacity of up to 120,000 bushels per hour, and the ability to unload trucks at 40,000 bushels per hour and railcars at 80,000 bushels per hour. The dock can accommodate vessels with a maximum length of 1,100 feet.

The Authority also owns and operates a dockside cotton warehouse. It has 1,072,400 square feet of covered floor space and is located directly behind Cargo Docks 1, 2, 8, 14 and 15. The warehouse is protected throughout by a sprinkler system.

The Authority also owns a 99,520 square foot refrigerated warehouse that features 33 foot high ceilings, three rooms (two convertible to chill space), refrigeration control from – 20 F, blast freeze capability, repack room, humidity control, 11,000 pallet capacity, enclosed temperature controlled rail and truck docks, rail service by Texas Mexican Railway, Union Pacific, and Burlington Northern Santa Fe, a ship dock less than 60 feet from the warehouse, and USDA approval.

The Authority also owns a multi-use cruise terminal and meeting/banquet center featuring five rooms ranging from 580 square feet to 3140 square feet. Named in honor of Congressman Solomon P. Ortiz, the *Congressman Solomon P. Ortiz International Center* also features a large banquet hall with more than 16, 000 square feet.

Employees

The Authority had 128 regular employees at December 31, 2001, as compared to 116 regular employees at December 31, 2000. The Authority is prohibited by law from being a party to collective bargaining agreements.

Installment Sales Agreements

The Authority has been called upon by various port related industries to assist in the expansion of their plant facilities. With Commission approval, the Authority has assisted various port related industries by authorizing and issuing Environmental Improvement, Pollution Control, Marine Terminal and Solid Waste Disposal Revenue Bonds. These bonds are payable and secured solely by installment sales agreements of corresponding amounts with the various port related industries.

Independent Audit

The financial statements for the year ended December 31, 2001, and supplemental schedules were examined by independent auditors selected by the Port Commission. The independent auditors' report is included in the financial section of this report.

Awards

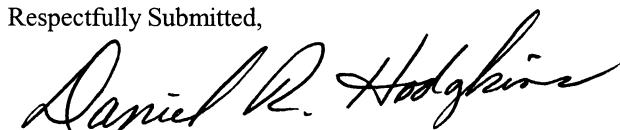
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Port of Corpus Christi Authority of Nueces County, Texas, for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2000. This was the eighteenth consecutive year that the Authority has received this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. We believe our current comprehensive annual financial report 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.

Acknowledgments

The preparation of this comprehensive annual financial report could not have been accomplished without the efficient and dedicated services of the entire staff of the Authority's Finance Department and the coordination of the Authority's independent auditors. Each member of the department who assisted and contributed to the preparation of this report has our sincere appreciation. Due credit also should be given to the Port Commissioners and the executive staff for their interest and support in planning and conducting the operations of the Authority in a responsible and progressive manner.

Respectfully Submitted,



Daniel R. Hodgkins

Chief Financial Officer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Port of Corpus Christi
Authority of Nueces
County, Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2000

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.



Imelda Aruete
President

Jeffrey L. Esser
Executive Director

**Collier, Johnson
& Woods**

A Professional
Corporation

Certified Public Accountants
555 N. Carancahua - Suite 1000
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78478-0052
(361) 884-9347
FAX (361) 884-9422

INDEPENDENT AUDITOR'S REPORT

February 22, 2002

Port Commissioners
Port of Corpus Christi Authority
Of Nueces County, Texas

We have audited the general purpose financial statements of the Port of Corpus Christi Authority as of and for the year ended December 31, 2001. These general purpose financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Port of Corpus Christi Authority, as of December 31, 2001 and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 22, 2002 on our consideration of the Port of Corpus Christi Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations and contracts.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Port of Corpus Christi Authority. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

The information in the statistical section as listed in the accompanying table of contents has not been audited by us and, accordingly, we express no opinion on such data.

Collier, Johnson & Woods

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

Combined Balance Sheets

Primary Government And Discretely Presented Component Unit

December 31, 2001

ASSETS

	Port Authority		Totals (Memorandum Only)	
			2001	2000
CURRENT ASSETS:				
Cash and cash equivalents (Note 2)	\$ 11,910,921	\$ 3,110	\$ 11,914,031	\$ 1,051,451
Investments	-	-	-	5,907,988
Accounts receivable, trade (net)	4,264,086	4,500	4,268,586	5,281,148
EDA grant receivable	-	-	-	150,000
Notes receivable, current portion (Note 3)	416,121	-	416,121	385,297
Interest receivable	67,301	-	67,301	277,707
Inventory	621,559	-	621,559	509,863
Prepaid expenses	637,144	-	637,144	464,265
<i>Total Current Assets</i>	<u>17,917,132</u>	<u>7,610</u>	<u>17,924,742</u>	<u>14,027,719</u>
RESTRICTED ASSETS:				
Related to Homeport Activities (Note 4):				
Cash and cash equivalents (Note 2)	883,257	-	883,257	1,691,680
Property taxes receivable (Note 5)	37,770	-	37,770	1,572,990
Bond issuance costs	2,827	-	2,827	36,755
<i>Total Related to Homeport Activities</i>	<u>923,854</u>	<u>-</u>	<u>923,854</u>	<u>3,301,425</u>
Other:				
Cash and cash equivalents (Note 2)	1,403,427	-	1,403,427	651,245
Investments	-	-	-	1,000,000
<i>Total - Other</i>	<u>1,403,427</u>	<u>-</u>	<u>1,403,427</u>	<u>1,651,245</u>
<i>Total Restricted Assets</i>	<u>2,327,281</u>	<u>-</u>	<u>2,327,281</u>	<u>4,952,670</u>
PROPERTY, PLANT AND EQUIPMENT:				
Property, plant and equipment (Note 6)	228,256,031	-	228,256,031	224,009,101
Less: accumulated depreciation	78,488,704	-	78,488,704	73,435,091
<i>Property, Plant and Equipment, Net</i>	<u>149,767,327</u>	<u>-</u>	<u>149,767,327</u>	<u>150,574,010</u>
OTHER ASSETS				
Notes receivable, net of current portion (Note 3)	9,660,204	-	9,660,204	10,076,325
<i>Total Other Assets</i>	<u>9,660,204</u>	<u>-</u>	<u>9,660,204</u>	<u>10,076,325</u>
 TOTAL ASSETS	 <u>\$ 179,671,944</u>	 <u>\$ 7,610</u>	 <u>\$ 179,679,554</u>	 <u>\$ 179,630,724</u>

See accompanying notes to financial statements

LIABILITIES AND FUND EQUITY

	Port		Totals	
	Authority	IDC	(Memorandum Only)	
	2001	2000	2001	2000
CURRENT LIABILITIES (Payable from Current Assets):				
Accounts payable	\$ 1,916,557	\$ -	\$ 1,916,557	\$ 2,597,292
Accrued expenses	680,659	-	680,659	917,515
Deposits	218,160	-	218,160	-
Deferred income	637,517	-	637,517	625,864
Current maturities of long-term debt (Note 8)	526,483	-	526,483	526,483
Interest payable	74,804	-	74,804	112,207
Compensated absences, current portion	544,889	-	544,889	539,779
<i>Total Current Liabilities (Payable from Current Assets)</i>	<u>4,599,069</u>	<u>-</u>	<u>4,599,069</u>	<u>5,319,140</u>
CURRENT LIABILITIES (Payable from Restricted Assets):				
Related to Homeport activities (Note 4):				
Current maturities of long-term debt (Note 8)	905,000	-	905,000	2,330,000
Interest payable	18,854	-	18,854	66,425
<i>Total Related to Homeport Activities</i>	<u>923,854</u>	<u>-</u>	<u>923,854</u>	<u>2,396,425</u>
<i>Total Current Liabilities (Payable from Restricted Assets)</i>	<u>923,854</u>	<u>-</u>	<u>923,854</u>	<u>2,396,425</u>
LONG-TERM LIABILITIES:				
Long-term debt - less current maturities (Note 8):				
Payable from restricted assets	-	-	-	905,000
Payable from unrestricted assets	526,483	-	526,483	1,052,965
Compensated absences, net of current portion	1,359,044	-	1,359,044	1,190,492
<i>Total Long-term Liabilities</i>	<u>1,885,527</u>	<u>-</u>	<u>1,885,527</u>	<u>3,148,457</u>
<i>Total Liabilities</i>	<u>7,408,450</u>	<u>-</u>	<u>7,408,450</u>	<u>10,864,022</u>
COMMITMENTS AND CONTINGENCIES (Notes 10 and 11)				
FUND EQUITY:				
Contributed capital (Note 12)	27,984,258	-	27,984,258	27,429,719
Retained earnings - Unreserved	144,279,236	7,610	144,286,846	141,336,983
<i>Total Fund Equity</i>	<u>172,263,494</u>	<u>7,610</u>	<u>172,271,104</u>	<u>168,766,702</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 179,671,944</u>	<u>\$ 7,610</u>	<u>\$ 179,679,554</u>	<u>\$ 179,630,724</u>

See accompanying notes to financial statements

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS
Combined Statements of Revenues, Expenses and Changes in Retained Earnings
Primary Government And Discretely Presented Component Unit
Year Ended December 31, 2001**

	Port		Totals (Memorandum Only)	
	Authority	IDC	2001	2000
OPERATING REVENUES:				
Wharfage	\$ 13,215,302	\$ -	\$ 13,215,302	\$ 13,282,469
Dockage	3,009,600	-	3,009,600	3,229,447
Freight handling	2,033,916	-	2,033,916	2,019,205
Building and land rentals	3,363,438	-	3,363,438	2,835,108
Conference center	833,712	-	833,712	296,861
Refrigerated warehouse	102,623	-	102,623	-
FTZ user fees	281,750	-	281,750	261,250
Compress	1,477,844	-	1,477,844	2,734,668
Other	1,214,633	91,500	1,306,133	1,231,395
<i>Total Operating Revenues</i>	<u>25,532,818</u>	<u>91,500</u>	<u>25,624,318</u>	<u>25,890,403</u>
OPERATING EXPENSES:				
Direct expenses	9,867,639	-	9,867,639	9,334,017
Indirect expenses	8,909,604	88,166	8,997,770	8,945,005
Depreciation	5,224,868	-	5,224,868	4,944,421
<i>Total Operating Expenses</i>	<u>24,002,111</u>	<u>88,166</u>	<u>24,090,277</u>	<u>23,223,443</u>
<i>Operating Income</i>	<u>1,530,707</u>	<u>3,334</u>	<u>1,534,041</u>	<u>2,666,960</u>
NON-OPERATING REVENUES (EXPENSES):				
Homeport Related Activities (Note 4):				
Property taxes (Note 5)	90,310	-	90,310	2,305,069
Investment income	75,232	-	75,232	118,262
Interest expense	(54,764)	-	(54,764)	(168,540)
Assessment and collection fees	(76,850)	-	(76,850)	(78,235)
Amortization of bond issuance costs	(33,928)	-	(33,928)	(33,928)
Amortization of investment in Homeport	-	-	-	(2,142,628)
<i>Homeport Related Activities, Net</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other:				
Investment income	1,260,909	526	1,261,435	1,619,461
Interest expense	(85,005)	-	(85,005)	(128,862)
Miscellaneous, net	239,392	-	239,392	74,699
<i>Other, Net</i>	<u>1,415,296</u>	<u>526</u>	<u>1,415,822</u>	<u>1,565,298</u>
<i>Non-Operating Revenues, Net</i>	<u>1,415,296</u>	<u>526</u>	<u>1,415,822</u>	<u>1,565,298</u>
<i>Net Income</i>	<u>2,946,003</u>	<u>3,860</u>	<u>2,949,863</u>	<u>4,232,258</u>
<i>Retained Earnings, Beginning of Year</i>	<u>141,333,233</u>	<u>3,750</u>	<u>141,336,983</u>	<u>137,104,725</u>
<i>Retained Earnings, End of Year</i>	<u>\$ 144,279,236</u>	<u>\$ 7,610</u>	<u>\$ 144,286,846</u>	<u>\$ 141,336,983</u>

See accompanying notes to financial statements

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS
Combined Statements of Cash Flows
Primary Government And Discretely Presented Component Unit
Year Ended December 31, 2001**

			Totals	
			(Memorandum Only)	
	Port Authority	IDC	2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating income	\$ 1,530,707	\$ 3,334	\$ 1,534,041	\$ 2,666,960
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	5,224,868	-	5,224,868	4,944,421
Provision for losses on accounts receivable	387,194	-	387,194	95,430
Gain on disposal of assets	(8,071)	-	(8,071)	498,208
Miscellaneous non-operating revenues	222,381	-	222,381	74,699
Change in accounts receivable	629,868	(4,500)	625,368	(233,536)
Change in inventory	(111,696)	-	(111,696)	(35,059)
Change in prepaid expenses	(172,879)	-	(172,879)	8,012
Change in accounts payable	(589,105)	(91,630)	(680,735)	(1,510,975)
Change in accrued expenses	(231,746)	-	(231,746)	188,163
Change in deferred income	11,653	-	11,653	(45,739)
Change in compensated absences	168,552	-	168,552	(290,531)
	<u>5,531,019</u>	<u>(96,130)</u>	<u>5,434,889</u>	<u>3,693,093</u>
<i>Net Cash Provided by Operating Activities</i>	<u>7,061,726</u>	<u>(92,796)</u>	<u>6,968,930</u>	<u>6,360,053</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Homeport Related Activities:				
Proceeds from property taxes	1,625,530	-	1,625,530	2,527,909
Assessment and collection fees	(76,850)	-	(76,850)	(78,235)
Principal paid on long-term debt	(2,330,000)	-	(2,330,000)	(2,280,000)
Interest paid on long-term debt	(102,335)	-	(102,335)	(214,140)
	<u>(883,655)</u>	<u>-</u>	<u>(883,655)</u>	<u>(44,466)</u>
Other:				
Proceeds from disposition of assets	27,500	-	27,500	971,250
Acquisition and construction of capital assets	(3,883,076)	-	(3,883,076)	(19,494,192)
EDA grant proceeds	150,000	-	150,000	1,350,000
Deposit on sale of property	218,160	-	218,160	-
Principal paid on long-term debt	(526,482)	-	(526,482)	(538,120)
Interest paid on long-term debt	(122,408)	-	(122,408)	(166,264)
	<u>(4,136,306)</u>	<u>-</u>	<u>(4,136,306)</u>	<u>(17,877,326)</u>
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(5,019,961)</u>	<u>-</u>	<u>(5,019,961)</u>	<u>(17,921,792)</u>

(Continued)

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

(Continued)

Combined Statements of Cash Flows

Primary Government And Discretely Presented Component Unit

For the Year Ended December 31, 2001

	Port		Totals	
	Authority	IDC	(Memorandum Only) 2001	2000
CASH FLOWS FROM INVESTING ACTIVITIES:				
Homeport Related Activities:				
Interest received on investments - Homeport	\$ 75,232	\$ -	\$ 75,232	\$ 118,262
	<u>75,232</u>	<u>-</u>	<u>75,232</u>	<u>118,262</u>
Other:				
Proceeds from maturities of investments	6,925,000	-	6,925,000	4,691,423
Interest received on investments	556,553	526	557,079	724,103
Principal payments on notes receivable	385,297	-	385,297	356,756
Interest received on notes receivable	914,762	-	914,762	1,012,125
	<u>8,781,612</u>	<u>526</u>	<u>8,782,138</u>	<u>6,784,407</u>
<i>Net Cash Provided by Investing Activities</i>	<u>8,856,844</u>	<u>526</u>	<u>8,857,370</u>	<u>6,902,669</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	<u>10,898,609</u>	<u>(92,270)</u>	<u>10,806,339</u>	<u>(4,659,070)</u>
<i>Cash and Cash Equivalents at Beginning of Year</i>	<u>3,298,996</u>	<u>95,380</u>	<u>3,394,376</u>	<u>8,053,446</u>
<i>Cash and Cash Equivalents at End of Year</i>	<u>\$ 14,197,605</u>	<u>\$ 3,110</u>	<u>\$ 14,200,715</u>	<u>\$ 3,394,376</u>

Noncash Investing, Capital and Financing Activities

Amortization of assets related to Homeport included in

non-operating revenues (expenses)	\$ 33,928	\$ -	\$ 33,928	\$ 2,176,556
Contributed assets	554,539	-	554,539	-
Change in fair value of investments	(17,012)	-	(17,012)	117,961

See accompanying notes to financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Port of Corpus Christi Authority of Nueces County, Texas (Authority) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described below.

GENERAL HISTORY OF THE PORT OF CORPUS CHRISTI AUTHORITY

The Nueces County Navigation District No. 1 was created November 30, 1922, by an order of the Commissioners Court of Nueces County, Texas after an election duly held on October 31, 1922, at which time the establishment of said district was submitted to the qualified taxpaying voters of Nueces County, Texas. The territorial limits of the District were made coterminous with those of the County. The District was organized under Article III, Section 52, of the Constitution of the State of Texas, but has since been transferred to and is operating under Article XVI, Section 59, of the Constitution and related sections of the Revised Civil Statutes of the State of Texas and all amendments thereto. The Authority being a navigation district and political subdivision of the State of Texas is a separate and distinct entity from Nueces County and operates independently with its own Port Commission as its governing body. The only relationship the Authority and Nueces County have is that in the event the Port Commission deems it necessary to issue tax supported bonds, it must request the Commissioners Court to call an election. The Commissioners Court shall call the election, canvas the vote, and if the bond issue is approved, thereafter set the necessary tax rate to service the bonds. The original property, plant and equipment of the Authority were acquired with funds from the sale of bonds, the interest and sinking funds being provided from ad valorem taxes levied on the property within Nueces County, Texas. Additions to the property, plant and equipment of the Authority have been made with surplus funds arising from the operations of the Authority facilities, grants from the Federal Government, proceeds of general revenue bonds, and improvement bonds supported by ad valorem tax levies.

On May 20, 1981, the Governor of the State of Texas signed into law a bill changing the legal name of the Nueces County Navigation District No. 1 to the Port of Corpus Christi Authority of Nueces County, Texas.

REPORTING ENTITY

In evaluating how to define the Authority for financial reporting purposes, management has considered all potential component units. The decision to include or exclude a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. GASB Statement No. 14 defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Based upon the application of these criteria, the following is a brief review of the component unit addressed in defining the Authority's reporting entity.

Industrial Development Corporation (IDC)

The purpose of the IDC is promoting and developing commercial, industrial and manufacturing enterprise and encouraging employment within the boundaries of the Authority. The governing body of the Authority appoints all the

members of the board. The law authorizes the IDC to issue industrial development bonds after approval by the Authority's governing body. The bonds do not constitute indebtedness of either the Authority or the IDC and are secured solely by revenues received from the commercial organizations on whose behalf the bonds are issued. This service is provided for the benefit of the Authority. The IDC has been included in the Authority's financial statements as a discretely presented component unit. Separate financial statements can be obtained from the Authority.

FUND ACCOUNTING

The Authority operates as an enterprise fund to report on its financial position and the results of its operations. Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All enterprise funds are accounted for on a flow of economic resources measurement focus, whereby all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Enterprise fund operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The accrual basis of accounting is utilized by enterprise funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. In accordance with GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting, the Authority applies all FASB Statements and Interpretations, APB Opinions and ARB's issued on or before November 30, 1989 unless they conflict with or contradict GASB pronouncements. The Authority has elected to only apply GASB pronouncements after November 30, 1989.

An annual budget for the Authority is adopted on a basis consistent with generally accepted accounting principles for proprietary funds, as a prudent management tool and to meet any contractual obligations. Monthly budget reports are prepared for management to maintain proper budgetary control, and are reviewed by the Port Commission on a monthly basis. The Authority does not adopt a budget for the IDC.

CASH AND INVESTMENTS

The Authority's cash and cash equivalents consists of cash on hand, cash held on deposit with financial institutions in demand deposit accounts, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the Authority to invest in obligations of the United States Treasury, or its agencies and instrumentalities; direct obligations of the State of Texas or its agencies; obligations of states, agencies, counties, cities and other political subdivisions of any state having a rating of not less than A; certificates of deposits, prime domestic banker's acceptances; certain commercial paper, certain mutual funds; fully collateralized repurchase agreements, and public funds investment pools.

INVENTORY

Inventory is valued at cost utilizing the first in first out method. Inventory consists of expendable materials used in the construction and maintenance of port facilities.

INVENTORIES HELD FOR OTHERS

Cotton inventory held by the Authority's cotton compress for others as of December 31, 2001 was 12,370 bales with a fair market value of \$2,203,654. The Authority maintains adequate insurance coverage on all cotton for which the Authority has issued warehouse receipts.

Inventory held by the Authority's refrigerated warehouse for others as of December 31, 2001 consists of 1,745,343 pounds of meat, seafood and produce with an estimated fair market value of \$4,177,039.

INVESTMENT IN HOMEPORT

The investment in homeport represents the excess of contributions of property and improvements to the Navy, plus interest and other expenses over property tax revenues and interest income on earning assets. The recovery of such investment is assured from future property tax revenues, and is being amortized to income over the period property taxes are levied.

BOND ISSUANCE COSTS

Bond issuance costs are amortized using the straight-line method over the life of the bonds.

PROPERTY, PLANT AND EQUIPMENT

Property constructed or acquired by purchase is stated at cost. Contributed assets are stated at estimated fair market value on the date received. Net interest costs, if material, are capitalized on major construction projects during the construction period. No interest was capitalized for the years ended December 31, 2001.

Depreciation is computed using the straight-line method over the following useful lives:

Port facilities	10-50 Years
Elevator facilities	10-50 Years
Bulk Handling facilities	5-50 Years
Compress facilities	5-30 Years
Machinery and equipment	3-50 Years
Property and buildings	5-50 Years
Furniture and equipment	3-15 Years

COMPENSATED ABSENCES

Authority employees are granted vacation at rates of 10 to 25 days per year and may accumulate up to a maximum of 20 to 50 days, depending on their length of employment. Upon termination, employees are paid for any unused accumulated vacation. Sick leave accumulates at the rate of 12 days per year. Upon termination for any reason other than for cause, employees are paid for any unused sick leave up to a maximum of 60 days. Compensated absences are accrued when incurred. The estimated current portion is reflected in accrued expenses.

DEFERRED INCOME

Foreign trade zone user fees and operating lease payments are recognized as income over the term of related agreements. Amounts received but not yet earned are reflected as deferred income in the accompanying balance sheets.

CONCENTRATION OF REVENUES

The Authority’s operating revenues are subject to risk, because of their concentration in the petroleum industry. Five customers from the petroleum industry make up over 70 percent of the wharfage and dockage revenue base of the Authority for 2001. This risk is further enhanced by the fact that petroleum cargo continues to be the Authority’s top commodity representing 87 percent for 2001, of the total cargo tonnage moving through the Authority.

RECLASSIFICATIONS

Certain reclassifications have been made to prior year amounts to conform to the current year presentation.

MEMORANDUM ONLY – TOTAL COLUMNS

Total columns on the general purpose financial statements are captioned “Memorandum Only” to indicate they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operations or changes in cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. CASH AND INVESTMENTS

The Authority’s funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits, for safekeeping and trust with the Authority’s agent bank, approved pledged securities in amounts sufficient to protect Authority funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the dollar amount of Federal Deposit Insurance Corporation (“FDIC”) insurance.

At December 31, 2001, the Authority’s carrying amount of deposits was \$1,887,387 and the bank balance was \$1,966,992.

Total deposit balances are classified as either:

- 1) Insured or collateralized with securities held by the Authority or its agent in the Authority’s name.
- 2) Collateralized with securities held by the pledging financial institution’s trust department or its agent in the Authority’s name.
- 3) Deposits, which are not collateralized.

	Carrying Amount	Category
Deposits:		
Demand deposits:		
Non-interest bearing accounts	\$ 2,245	1
Interest bearing accounts	1,885,142	1
Total deposits	\$ 1,887,387	

The Authority’s investment policies and types of investments are governed by the Public Funds Investment Act (“PFIA”). The Authority’s management believes that it has complied with the requirements of the PFIA and the Authority’s investment policies.

Statutes authorize the Authority to invest in obligations of the U.S. Treasury or the State of Texas, certain U.S. agencies, certificates of deposit, money market savings accounts, certain municipal securities, repurchase agreements and common

trusts. Similar to cash deposits, investments held at financial institution are categorized according to three levels of risk.

The categories of risk are:

- 1) Investments that are insured, registered, or held by the Authority or its agent in the Authority's name.
- 2) Investments that are uninsured and unregistered, held by the counter-party's trust department of agent in the Authority's name.
- 3) Uninsured or unregistered investments held by the counter-party, its trust department or its agent, but not in the Authority's name.

Pooled investments are not categorized because they are not evidenced by certificates that exist in physical or book form.

The Authority's investments at December 31, 2001, are shown below:

	Carrying Value	Fair Value	Category
Temporary investments shown as cash equivalents:			
State Treasurer's investment pool-Texpool (Homeport)	\$ 874,525	\$ 874,525	Pooled
Mutual fund-AIM	11,438,803	11,438,803	Pooled
Total temporary investments shown as cash equivalents	\$ 12,313,328	\$ 12,313,328	

In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and External Investment Pools", the Authority's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, U.S. Government Agency Securities are reported at fair value based on quoted market values. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments, which have a remaining term of one year or less at time of purchase. The term "non-participating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of non-participating interest-earning investment contracts.

Public funds investment pools in Texas ("Pools") are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Act designed to promote liquidity and safety of principal. The Act 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.

TexPool operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than market value to report net assets to compute shares. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool shares.

The AIM fund is an open-ended mutual fund, consisting of direct obligations of the U.S. Treasury and other securities issued or guaranteed as to principal and interest by the U.S. Government or by its agencies or instrumentalities, as well as repurchase agreements secured by such obligations. While these deposits are not covered by FDIC insurance or by pledged collateral, the AIM fund is rated AAAM by Standard & Poors and invests in compliance with Rule 2a-7 under the Investment Company Act of 1940.

A 2a7-like pool is one that is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does operate in a manner consistent with SEC's Rule 2a7 of the Investment Company Act of 1940.

3. NOTES RECEIVABLE

A summary of changes in notes receivable for the year ended December 31, 2001, is as follows:

	Beginning Balance	Additions	Maturities	Ending Balance
Notes Receivable	\$ 10,461,622	\$ -	\$ 385,297	\$ 10,076,325

Notes Receivable as of December 31, 2001 is summarized as follows:

	Principal Outstanding
\$12,000,000 Note Receivable due in annual principal installments ranging from \$416,121 to \$1,131,691 through 2015; interest at 8.0 percent.	\$ 10,076,325
Less: Current Maturities	416,121
Notes Receivable - Net	\$ 9,660,204

Total note receivable requirements as of December 31, 2001, are as follows:

	Principal	Interest	Total
2002	\$ 416,121	\$ 806,106	\$ 1,222,227
2003	449,410	772,817	1,222,227
2004	485,363	736,863	1,222,226
2005	524,192	698,035	1,222,227
2006	566,127	656,099	1,222,226
2007 and thereafter	7,635,112	3,364,926	11,000,038
Total	\$ 10,076,325	\$ 7,034,846	\$ 17,111,171

Pursuant to a Construction and Installment Sale Agreement (Agreement) entered into on May 3, 1994, the Authority agreed to construct crude storage facilities on premises leased to an Authority User, and then sell facilities to the User. On January 12, 1995, the Authority sold their undivided right, title and interest in the crude storage facilities to the User, and a Promissory Note (Note) was executed made payable to the Authority by the User in the amount of \$12,000,000.

The Note is due and payable in twenty-one annual installments, the first installment being interest only and the remaining twenty annual installments of equal principal and interest, at a rate of 8 percent, unless sooner paid. All payments are applied first to interest with the remainder, if any, applied to unpaid principal.

Note payments are based on revenue received from wharfage fees collected by the Authority for crude oil moving across the Authority's Oil Dock 1 to the User's crude storage facilities, and fifty percent of dockage fees collected by the Authority for ships berthing at the Authority's Oil Dock 1 for purpose of delivering crude oil to the User's crude storage facilities. Monthly amounts are credited to a debt service account that is used to make scheduled note payments when due. In the event there are insufficient funds in the debt service account to meet scheduled note payments, the User is required to make up any shortfall. Should a surplus exist, the excess is applied in inverse order against principal last coming due on the note. In 2001, the Authority credited \$1,296,274 of applicable revenue received from wharfage and dockage fees collected to the debt service account.

4. HOMEPORT RELATED ACTIVITIES

On August 20, 1984, the citizens of Nueces County, Texas voted to issue \$25 million of unlimited tax bonds as an incentive for the United States Navy (Navy) to locate a homeport in the region. The bond proceeds were for the purchase of land and waterfront improvements at the request of the Navy for navigation facilities in connection with the homeport site. Title to all property acquired was subsequently conveyed to the Navy. The Commissioner's Court of Nueces County, Texas, on behalf of the Authority's Commissioners, authorized the levy of property taxes on all taxable property in Nueces County, as defined, sufficient to pay the annual interest on said bonds and provide a sinking fund to pay the bonds at their maturity.

The Authority is accounting for transactions related to homeport activities in a manner that reflects the economic impact on the Authority's results of operations, while still providing accountability for homeport activities. Contributions of property and improvements to the Navy have been recognized as an investment in Homeport. The investment in Homeport has been amortized over the life of the debt issue, to the extent that property taxes levied and the interest income on earning assets exceeds the interest and other expenses.

To satisfy the debt and interest expense as it becomes due, taxes are levied in excess of the annual requirements to accommodate for the property taxes that have not been collected. Property tax revenue is earned and recognized as required to retire future debt and related expenses. Unearned property taxes represent the amounts levied in excess of debt requirements. Any taxes collected in excess of debt requirements will become refundable to taxpayers upon collection after the retirement of the debt issue.

5. PROPERTY TAXES

Property taxes are levied on behalf of the Authority each October 1 by Nueces County, Texas without legal limit as to rate or amount. The levy is based on the assessed value listed as of January 1, the date the enforceable lien attaches, for all real and personal property located within the Authority. Appraised values are established by the Nueces County Appraisal District. All property is required to be assessed at 100 percent of its appraised value. Appraisals are approved by the Nueces County Appraisal Review Board and certified by the Chief Appraiser. Property is required to be reappraised at least once every four years. The 2001 tax rate was \$.0021 per \$100 assessed valuation.

Nueces County is responsible for billing and collection of taxes for the Authority. Taxes are due January 31 following the October 1 billing date and become delinquent February 1, at which time they begin accruing penalties and interest.

Property taxes receivable at December 31, 2001, of \$400,199 are shown net of unearned property taxes of \$362,429.

6. CHANGES IN PROPERTY, PLANT AND EQUIPMENT

A summary of changes in property, plant and equipment for the year ended December 31, 2001, is as follows:

	Beginning Balance	Transfers and Additions	Transfers and Deletions	Ending Balance
Port facilities	\$ 79,187,534	\$ 590,150	\$ -	\$ 79,777,684
Elevator facilities	34,877,246	-	-	34,877,246
Bulk handling facilities	24,323,152	105,546	-	24,428,698
Machinery and equipment	10,088,739	336,809	100,326	10,325,222
Property and buildings	69,129,125	267,152	-	69,396,277
Furniture and equipment	3,115,995	538,399	130,547	3,523,847
Construction in progress	3,287,310	3,191,570	551,823	5,927,057
Total	\$ 224,009,101	\$ 5,029,626	\$ 782,696	\$ 228,256,031

7. LEASES

OPERATING LEASES

The Authority leases to others certain land and improvements. These leases are classified as operating leases in accordance with the criteria of Statement of Financial Accounting Standards (SFAS) No. 13. As of December 31, 2001, minimum lease payments under these operating leases that have initial or remaining non-cancelable lease terms in excess of one year are as follows:

Years Ending	
2002	\$ 2,272,787
2003	2,108,363
2004	1,965,529
2005	1,838,645
2006	448,585
Thereafter	3,166,849
Total	\$ 11,800,758

8. LONG-TERM DEBT

The Unlimited Tax Bonds related to Homeport activities (See Note 4) are fully registered bonds without coupons. They are payable from the receipts of a separate annual ad valorem tax.

On July 7, 1993, the Authority refunded \$12,750,000 of outstanding 1985 Series, 1986 Series, and 1987 Series Unlimited Tax Bonds. The net Refunding Bond proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Refunded Bonds. As a result, the Refunded Bonds are considered to be defeased and the liability for the Refunded Bonds has been removed from the balance sheet. At December 31, 2001, the amount of defeased debt still outstanding was \$900,000.

A summary of changes in long-term debt for the year ended December 31, 2001, is as follows:

	Beginning Balance	Additions	Accretions	Payments	Ending Balance
Unlimited tax bonds	\$ 3,235,000	\$ -	\$ -	\$ 2,330,000	\$ 905,000
Promissory notes	1,579,448	-	-	526,482	1,052,966
Total	\$ 4,814,448	\$ -	\$ -	\$ 2,856,482	\$ 1,957,966

Long-term debt as of December 31, 2001 is summarized as follows:

	Principal Outstanding
Unlimited Tax Bonds:	
\$12,510,000 1993 Unlimited Tax Serial Refunding Bonds due in annual principal installments of \$905,000 through 2002; interest at 5.0 percent.	\$ 905,000
Total Unlimited Tax Bonds	905,000
Promissory Notes:	
\$3,685,380 promissory note dated 01/31/96; due in annual principal installments of \$526,483 plus accrued interest at 7.75 percent through 2003; secured by deed of trust on land acquired.	1,052,966
Total Promissory Notes	1,052,966
Total Principal Outstanding	1,957,966
Less: Current Maturities	1,431,483
Long-term Debt - Net	\$ 526,483

Total debt service requirements as of December 31, 2001, are as follows:

	Unlimited Tax Bonds	Promissory Notes	Total
2002	\$ 927,625	\$ 608,088	\$ 1,535,713
2003	-	567,285	567,285
	927,625	1,175,373	2,102,998
Less Interest	22,625	122,407	145,032
Total	\$ 905,000	\$ 1,052,966	\$ 1,957,966

9. PENSION PLAN

Plan Description

The Authority provides pension, disability, and death benefits for all its full-time employees through a nontraditional defined benefit pension plan in the state-wide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 509 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the Authority, within the options available in the state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 10 or more years of service or with 30 years regardless of age or when the sum of their age and years of service equals 80 or more. Members are vested after 10 years but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the Authority within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Contributions

The contribution rate for employees is 5% and the Authority's rate is 8.02%, both as adopted by the governing body of the Authority. Employee and Authority contributions were \$294,820 and \$472,892 respectively for the year ended December 31, 2001. Both the employees and the Authority make monthly contributions.

Annual Pension Cost and Net Pension Obligation

The Authority's annual pension cost of \$472,892 for fiscal year ended December 31, 2001 was equal to the Authority's required and actual contributions. Three-year trend information is as follows:

Accounting Year Ended December 31,	Annual Pension Cost	Percentage of APC Contributed	Net Pension Obligation
2001	\$ 472,892	100.00%	\$ -
2000	486,098	100.00%	-
1999	618,517	100.00%	-

The latest actuarial valuation for the Authority employees was completed as of December 31, 2000. The actuarial cost method and significant assumptions underlying the actuarial calculations are as follows:

Actuarial Cost Method	Entry Age
Asset Valuation Basis	Long-term appreciation with adjustment
Projected Annual Salary Increases	5.9%
Assumed Rate of Return on Investments	8.00%
Amortization Method	Level percentage of payroll, open
Amortization Periods	20 years

Schedule of Funding

Schedule of funding progress for the Pension Plan for the employees of the Authority is as follows:

Valuation Date December 31,	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded	Funded Ratio	Annual Covered Payroll	Percentage of Covered Payroll
2000	\$ 7,899,688	\$ 11,952,150	\$ 4,052,462	66.09%	\$ 5,896,407	68.73%
1999	7,482,804	11,795,117	\$ 4,312,313	63.44%	5,759,469	74.87%
1998	6,507,706	10,880,153	4,372,447	59.81%	6,841,985	63.91%

10. CONSTRUCTION AND IMPROVEMENT COMMITMENTS

At December 31, 2001, the Authority had remaining contractual construction and improvement commitments of approximately \$2,208,356. These commitments are being financed through operating revenues.

11. COMMITMENTS AND CONTINGENCIES

LITIGATION

From time to time, the Authority is subject to routine litigation incidental to its operations. Management believes that the results of any claims or litigation will not materially affect the Authority's financial position.

RISK MANAGEMENT

The Authority is fully self-insured on workers' compensation, and is insured for \$100,000 on property and \$50,000 on general liability claims annually and has purchased excess loss policies for claims in excess of these amounts. In September 1991, the Authority established a self-funded health and dental plan (plan) for its employees and dependents. A specific stop loss policy is in force for individual plan claims in excess of \$100,000 annually, and an aggregate stop loss policy is in force for annual aggregate claims in excess of approximately \$1,221,671. The Authority has included in restricted assets \$1,000,000 for self-insurance claims. The Authority has made no significant changes in its insurance coverage from coverage in the prior year. In the past three years the Authority has had no settlements, which exceeded insurance coverage. Changes in the balances of claims liabilities as of December 31, 2001 and 2000 are as follows:

	2001	2000
Unpaid claims, beginning of fiscal year	\$ 313,061	\$ 414,791
Incurred claims (including IBNRs)	1,160,438	847,000
Claims payments	(1,228,529)	(948,730)
Unpaid claims, end of fiscal year	\$ 244,970	\$ 313,061

FACILITIES FINANCING BONDS:

Issued by the Authority

The Authority has entered into agreements with four unrelated entities to finance construction of pollution control, solid

waste disposal, and marine terminal facilities. To accomplish this the Authority acted as issuer of facilities financing revenue bonds in the original amount of \$242,145,000. The bonds are secured solely by the facilities and installment sales agreements, and the Authority assumed no current or future obligation for repayment of the bonds. The installment sales agreements were entered into with the entities for an amount equal to the outstanding bonds to secure repayment. The proceeds of the bonds were received and used by the entities and are repaid when due directly by the entities. At December 31, 2001, facilities financing revenue bonds outstanding amounted to \$242,145,000.

Issued by the Industrial Development Corporation (IDC)

The IDC has issued, on behalf of the Authority, facilities financing bonds to four unrelated entities in the original amount of \$179,300,000. Such bonds are supported solely by the revenues from the commercial entities on whose behalf the bonds are issued and do not constitute indebtedness of either the Authority or the IDC. Debt service payments are made directly by the commercial entities. At December 31, 2001, facilities financing revenue bonds outstanding amounted to \$179,300,000.

12. FUND EQUITY

Contributed capital represents funds received from capital grants, contributions from developers or customers. Reserves represent those portions of fund equity legally segregated for a specific future use.

The following is a summary of changes in contributed capital for the year ended December 31, 2001:

	2001
Contributed Capital, Beginning	\$ 27,429,719
Additions:	
Vehicle-Regional Transit Authority	6,500
Leasehold improvements	548,039
Contributed Capital, Ending	\$ 27,984,258

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

**Schedule of Revenues and Expenses
Actual and Budget (Non-GAAP Basis)**

	Year Ended December 31, 2001		
	Actual	Budget	Variance (%)
OPERATING REVENUES:			
Wharfage	\$ 13,215,302	\$ 13,649,196	(3)
Dockage	3,009,600	3,616,385	(17)
Freight handling	2,033,916	1,951,200	4
Building and land rentals	3,363,438	3,425,276	(2)
Conference center	833,712	847,817	(2)
Refrigerated warehouse	102,623	-	100
FTZ user fees	281,750	255,832	10
Compress	1,477,844	2,095,500	(29)
Other operating revenues	1,214,633	1,011,000	20
<i>Total Operating Revenues</i>	<u>25,532,818</u>	<u>26,852,206</u>	<u>(5)</u>
OPERATING EXPENSES:			
Direct expenses	9,867,639	10,815,173	9
Indirect expenses	8,909,604	9,096,636	2
Depreciation	5,224,868	5,078,300	(3)
<i>Total Operating Expenses</i>	<u>24,002,111</u>	<u>24,990,109</u>	<u>4</u>
<i>Operating Income</i>	<u>1,530,707</u>	<u>1,862,097</u>	<u>(18)</u>
NON-OPERATING REVENUES (EXPENSES):			
Homeport Related Activities:			
Property taxes	90,310	2,554,000	(96)
Interest income	75,232	100,000	(25)
Interest expense	(54,764)	(102,335)	46
Assessment and collection fees	(76,850)	(86,800)	11
Bond issuance expense	(33,928)	(35,000)	3
Amortization of investment in Homeport	-	(2,429,865)	100
<i>Homeport Related Activities, Net</i>	<u>-</u>	<u>-</u>	<u>-</u>
Other:			
Investment income	1,260,909	1,210,680	4
Interest expense	(85,005)	(81,605)	(4)
Miscellaneous, net	239,392	225,000	6
<i>Other, Net</i>	<u>1,415,296</u>	<u>1,354,075</u>	<u>5</u>
<i>Non-Operating Revenues, Net</i>	<u>1,415,296</u>	<u>1,354,075</u>	<u>5</u>
<i>Net Income</i>	<u>\$ 2,946,003</u>	<u>\$ 3,216,172</u>	<u>(8)</u>

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

**Schedules of Direct and
Indirect Operating Expenses
Year Ended December 31, 2001**

	Port Authority		Totals (Memorandum Only)	
			2001	2000
DIRECT EXPENSES:				
Employee services	\$ 3,570,749	\$ -	\$ 3,570,749	\$ 3,293,465
Maintenance	1,761,065	-	1,761,065	1,756,682
Utilities	615,609	-	615,609	468,382
Telephone	33,212	-	33,212	30,158
Insurance	966,114	-	966,114	966,835
Professional services	137,700	-	137,700	114,171
Security services	1,070,460	-	1,070,460	828,607
Contract labor	134,985	-	134,985	233,721
Office and equipment rental	40,616	-	40,616	51,250
Conference center	708,885	-	708,885	244,174
Warehouse supplies	1,898	-	1,898	-
Grain handling	-	-	-	1,094
Ginning	546,622	-	546,622	1,096,642
Safety/Environmental	33,018	-	33,018	21,034
General	246,706	-	246,706	227,802
<i>Total Direct Expenses</i>	<u>\$ 9,867,639</u>	<u>\$ -</u>	<u>\$ 9,867,639</u>	<u>\$ 9,334,017</u>
INDIRECT EXPENSES:				
Employee services	\$ 4,485,094	\$ -	\$ 4,485,094	\$ 4,484,449
Maintenance	234,515	-	234,515	281,890
Utilities	154,595	-	154,595	125,271
Telephone	124,877	-	124,877	129,241
Insurance	85,113	-	85,113	39,961
Professional services	1,826,237	88,166	1,914,403	1,761,967
Security services	75,346	-	75,346	63,525
Contract labor	30,544	-	30,544	16,186
Office and equipment rental	46,307	-	46,307	30,848
Administrative	1,262,105	-	1,262,105	1,344,684
Trade and sales development	178,538	-	178,538	209,492
Media advertising	211,051	-	211,051	248,392
Production	77,551	-	77,551	111,049
Safety/Environmental	11,241	-	11,241	6,869
General	106,490	-	106,490	91,181
<i>Total Indirect Expenses</i>	<u>\$ 8,909,604</u>	<u>\$ 88,166</u>	<u>\$ 8,997,770</u>	<u>\$ 8,945,005</u>

UNLIMITED TAX SERIAL REFUNDING BONDS, SERIES 1993

<u>Years Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2002	905,000	22,625	927,625
	\$ 905,000	\$ 22,625	\$ 927,625

PROMISSORY NOTE DATED 01-31-96

<u>Years Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2002	526,483	81,605	608,088
2003	526,483	40,802	567,285
	\$ 1,052,966	\$ 122,407	\$ 1,175,373

SUMMARY OF LONG-TERM DEBT

<u>Years Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2002	1,431,483	104,230	1,535,713
2003	526,483	40,802	567,285
	\$ 1,957,966	\$ 145,032	\$ 2,102,998

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

**Schedules of Facilities Financing Bonds
December 31, 2001**

Issued by the Authority:

<u>Description</u>	<u>Interest Rates</u>	<u>Issue Date</u>	<u>Series Maturity</u>	<u>Original Amount</u>	<u>Balance Outstanding</u>
Pollution Control Revenue Bonds:					
Hoechst Celanese, Series 1987	7.500%	07/17/87	2012	13,995,000	13,995,000
Union Pacific Res., Series 1989	Variable	06/30/89	2022	40,000,000	40,000,000
Hoechst Celanese, Series 1992	Variable	04/01/92	2017	39,000,000	39,000,000
Union Pacific Res., Series 1992	Variable	09/01/92	2010	16,650,000	16,650,000
Koch Refining, Series 1995	Variable	05/01/95	2025	11,700,000	11,700,000
Solid Waste Disposal Revenue Bonds:					
Koch Refining, Series 1996	Variable	03/01/96	2026	25,000,000	25,000,000
Koch Refining, Series 1998	Variable	02/01/98	2028	25,000,000	25,000,000
Koch Refining, Series 1999	Variable	03/02/99	2029	25,000,000	25,000,000
Koch Refining, Series 2000	Variable	09/01/00	2025	12,900,000	12,900,000
Koch Refining, Series 2001	Variable	03/01/01	2025	12,100,000	12,100,000
Marine Terminal Revenue Bonds:					
Reynolds Metal, Series 1984	Variable	08/30/84	2014	20,800,000	20,800,000
				<u>\$ 242,145,000</u>	<u>\$ 242,145,000</u>

Issued by the Industrial Development Corporation(IDC):

<u>Description</u>	<u>Interest Rates</u>	<u>Issue Date</u>	<u>Series Maturity</u>	<u>Original Amount</u>	<u>Balance Outstanding</u>
Industrial Development Revenue Bonds:					
Coastal Rfg. Co., Series 1982	Variable	11/01/82	2012	\$ 1,000,000	\$ 1,000,000
Pollution Control Revenue Bonds:					
Valero Refining, Series 1997A	Variable	04/01/97	2027	24,400,000	24,400,000
Valero Refining, Series 1997B	Variable	04/01/97	2027	32,800,000	32,800,000
Valero Refining, Series 1997C	Variable	04/01/97	2027	32,800,000	32,800,000
Valero Refining, Series 1997D	Variable	04/01/97	2027	8,500,000	8,500,000
Environmental Facilities Revenue Bonds:					
Citgo Petroleum, Series 1998	Variable	08/01/98	2028	22,200,000	22,200,000
Waste Disposal Revenue Bonds:					
Citgo Petroleum, Series 1996	Variable	04/01/96	2026	25,000,000	25,000,000
Coastal Rfg. & Mkt., Series 1996	Variable	12/01/96	2031	7,600,000	7,600,000
Coastal Rfg. & Mkt., Series 1997	Variable	02/25/97	2028	25,000,000	25,000,000
				<u>\$ 179,300,000</u>	<u>\$ 179,300,000</u>



TABLE I

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

**Vessel Traffic
Last Ten Years**

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Inner Harbor										
<i>Ships</i>										
Dry Cargo	149	176	140	119	137	197	206	268	216	224
Tankers	865	955	922	908	946	926	920	799	866	843
<i>Barges</i>	4,245	4,373	4,988	4,522	4,244	4,284	4,700	4,357	4,605	4,625
Total Vessels	5,259	5,504	6,050	5,549	5,327	5,407	5,826	5,424	5,687	5,692
La Quinta Harbor										
<i>Ships</i>										
Dry Cargo	118	106	88	102	91	115	132	126	123	124
Tankers	95	101	129	126	161	143	134	158	132	119
<i>Barges</i>	331	406	169	127	141	147	150	143	159	132
Total Vessels	544	613	386	355	393	405	416	427	414	375
Harbor Island										
<i>Ships</i>										
Dry Cargo	-	1	-	-	-	-	-	-	195	681
Tankers	-	17	22	1	-	-	-	1	-	-
<i>Barges</i>	-	-	-	-	-	-	1	2	-	8
Total Vessels	-	18	22	1	-	-	1	3	195	689
Ingleside Harbor										
<i>Ships</i>										
Dry Cargo	2	-	-	-	-	1	3	7	13	4
Tankers	29	44	83	47	86	80	92	87	88	65
<i>Barges</i>	207	94	18	26	78	96	70	50	18	35
Total Vessels	238	138	101	73	164	177	165	144	119	104
Rincon Point										
<i>Ships</i>										
Dry Cargo	-	-	-	-	-	-	-	-	-	-
Tankers	-	-	-	-	-	-	-	-	-	-
<i>Barges</i>	2	5	59	7	16	2	4	2	-	-
Total Vessels	2	5	59	7	16	2	4	2	-	-
Total										
<i>Ships</i>										
Dry Cargo	269	283	228	221	228	313	341	401	547	1,033
Tankers	989	1,117	1,156	1,082	1,193	1,149	1,146	1,045	1,086	1,027
<i>Barges</i>	4,785	4,878	5,234	4,682	4,479	4,529	4,925	4,554	4,782	4,800
Total Vessels	6,043	6,278	6,618	5,985	5,900	5,991	6,412	6,000	6,415	6,860

TABLE I (Continued)

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

**Vessel Traffic
Last Ten Years**

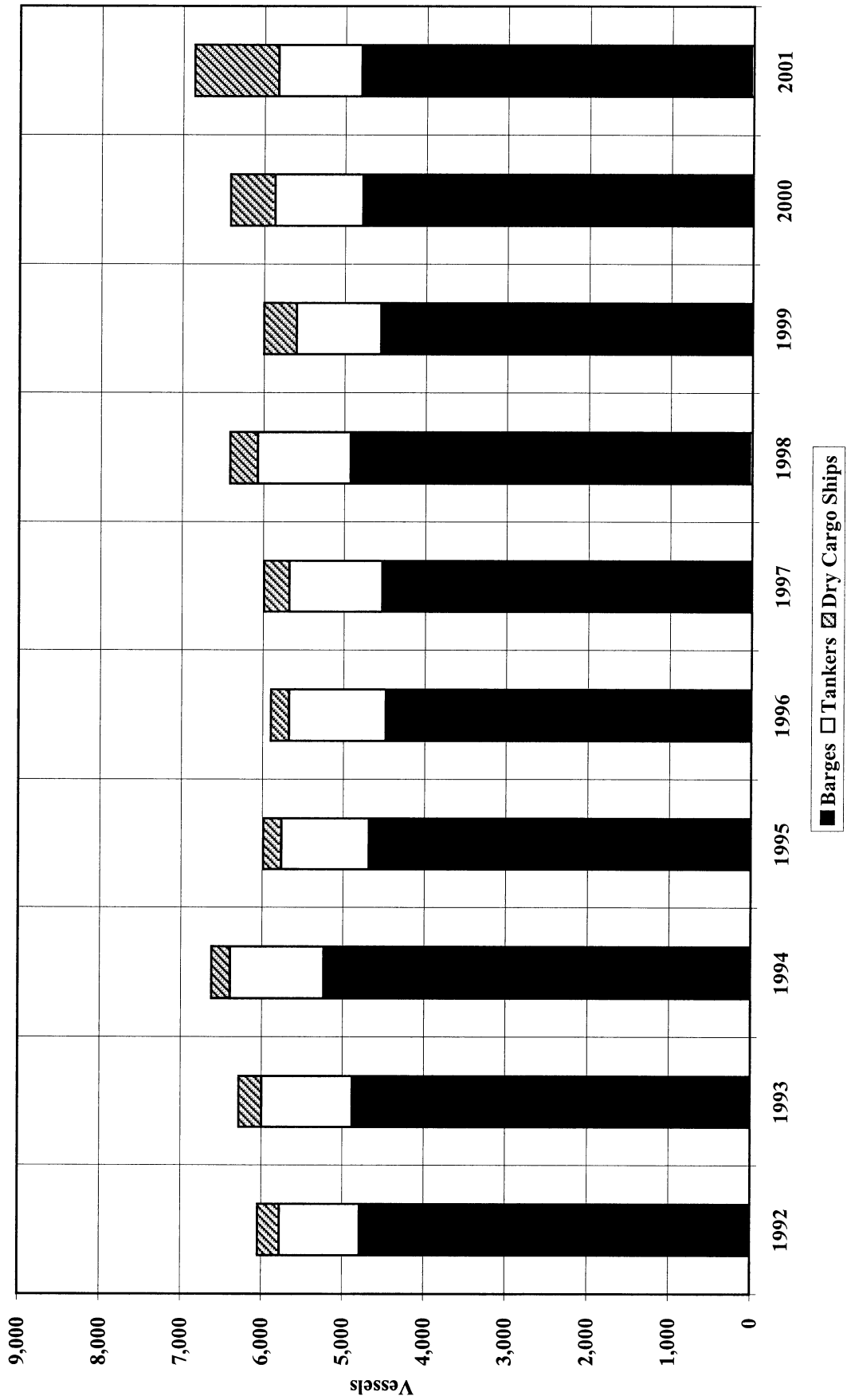


TABLE II

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

**Port Commerce By Commodity
Last Ten Years**

Commodity By Port Division - Short tons	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Inner Harbor										
Break Bulk	359,868	359,486	367,957	189,558	47,359	23,914	37,607	111,565	65,680	18,786
Grain	524,111	1,491,708	766,806	701,147	974,819	1,497,226	1,463,127	1,742,108	1,729,729	1,960,433
Chemical	285,648	279,440	106,992	196,632	150,742	79,954	63,116	55,008	62,109	65,394
Dry Bulk	1,632,782	1,804,201	1,833,184	1,633,444	2,018,776	2,043,499	2,520,833	1,996,667	1,989,651	2,259,592
Liquid Bulk	52,820	96,750	84,445	70,222	72,233	56,203	53,649	56,876	113,130	320,633
Petroleum	60,489,024	61,342,695	61,738,460	64,613,821	65,437,266	66,643,071	71,098,102	66,923,986	71,533,183	69,375,427
Total	63,344,253	65,374,280	64,897,844	67,404,824	68,701,195	70,343,867	75,236,434	70,886,210	75,493,482	74,000,265
La Quinta										
Break Bulk	-	-	-	-	-	-	-	64	-	-
Chemical	1,827,985	1,795,480	1,907,563	1,932,300	1,969,192	1,845,704	1,938,542	2,250,676	2,168,006	1,878,788
Dry Bulk	4,659,763	4,785,645	3,475,301	4,104,026	4,733,524	4,943,913	5,326,210	5,002,167	5,187,747	4,813,124
Petroleum	-	-	-	-	-	21,906	34,152	22,713	25,991	30,785
Total	6,487,748	6,581,125	5,382,864	6,036,326	6,702,716	6,811,523	7,298,904	7,275,620	7,381,744	6,722,697
Harbor Island										
Break Bulk	-	-	-	-	-	5,400	-	-	2	10,609
Petroleum	-	1,205,526	1,426,559	72,791	-	-	-	1,060	138	1,074
Total	-	1,205,526	1,426,559	72,791	-	5,400	-	1,060	140	11,683
Ingleside										
Break Bulk	-	-	-	-	-	-	99,173	58,619	6,275	186,428
Dry Bulk	-	-	-	-	-	-	-	-	-	48
Petroleum	2,725,893	3,376,411	5,871,390	4,502,269	5,903,325	6,091,791	6,873,407	6,285,993	6,523,003	6,111,062
Total	2,725,893	3,376,411	5,871,390	4,502,269	5,903,325	6,091,866	6,972,580	6,344,612	6,529,278	6,297,538
Rincon Point										
Break Bulk	-	10,226	7,731	-	1,507	-	-	-	-	-
Dry Bulk	-	8,745	60,345	23,093	19,172	24,317	20,215	17,468	19,847	3,774
Total	-	18,971	68,076	23,093	20,679	24,317	20,215	17,468	19,847	3,774
Total	72,557,894	76,556,313	77,646,733	78,039,303	81,327,915	83,276,973	89,528,133	84,524,970	89,424,491	87,035,957
Commodity Totals - Short tons										
Break Bulk	359,868	369,712	375,688	189,558	48,866	29,389	136,780	170,248	71,957	215,823
Grain	524,111	1,491,708	766,806	701,147	974,819	1,497,226	1,463,127	1,742,108	1,729,729	1,960,433
Chemical	2,113,633	2,074,920	2,014,555	2,128,932	2,119,934	1,925,658	2,001,658	2,305,684	2,230,115	1,944,182
Dry Bulk	6,292,545	6,598,591	5,368,830	5,760,563	6,771,472	7,011,729	7,867,258	7,016,302	7,197,245	7,076,538
Liquid Bulk	52,820	96,750	84,445	70,222	72,233	56,203	53,649	56,876	113,130	320,633
Petroleum	63,214,917	65,924,632	69,036,409	69,188,881	71,340,591	72,756,768	78,005,661	73,233,752	78,082,315	75,518,348
Total	72,557,894	76,556,313	77,646,733	78,039,303	81,327,915	83,276,973	89,528,133	84,524,970	89,424,491	87,035,957

TABLE II (Continued)

Port Commerce By Commodity
Last Ten Years

PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

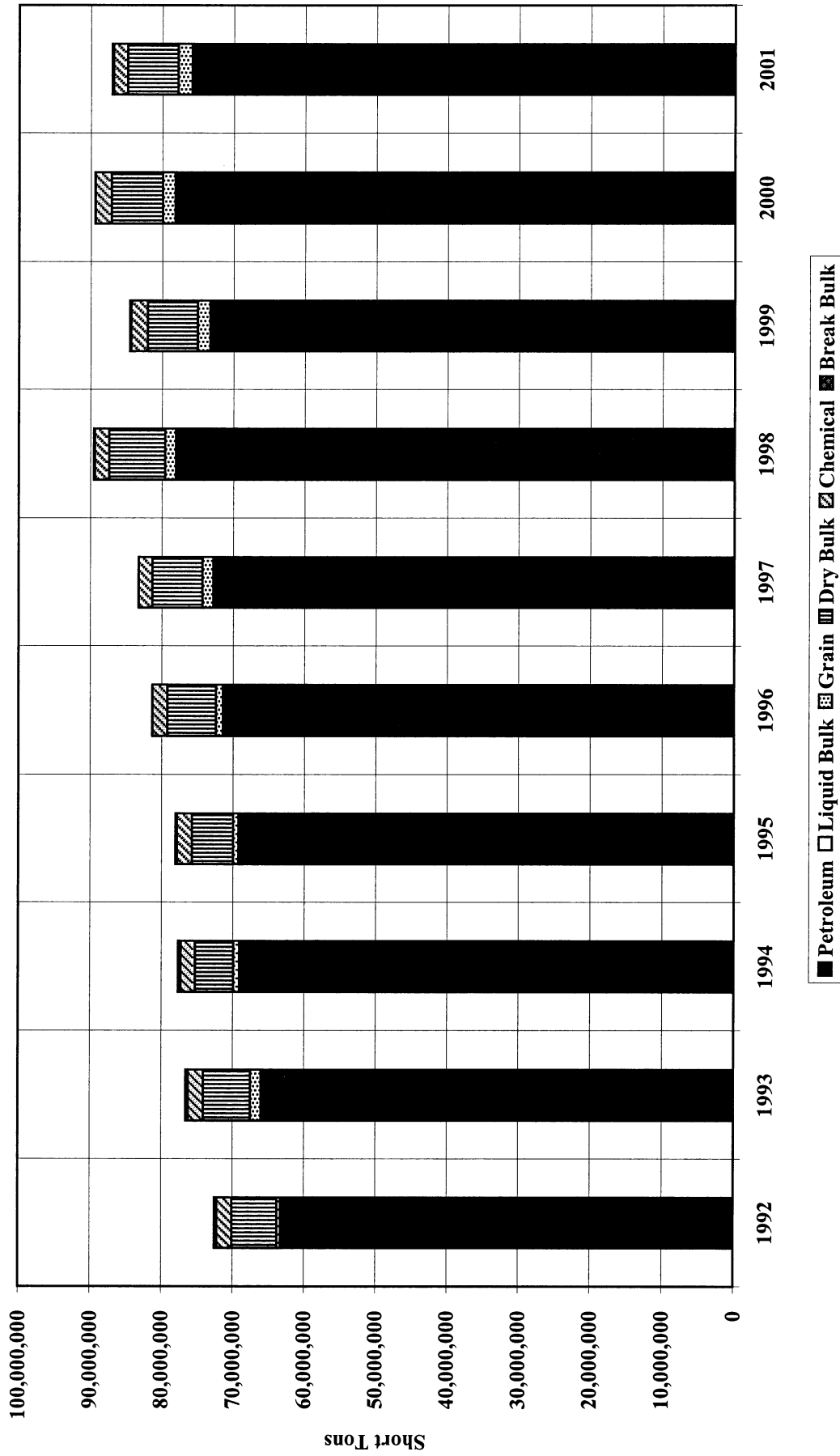


TABLE III

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

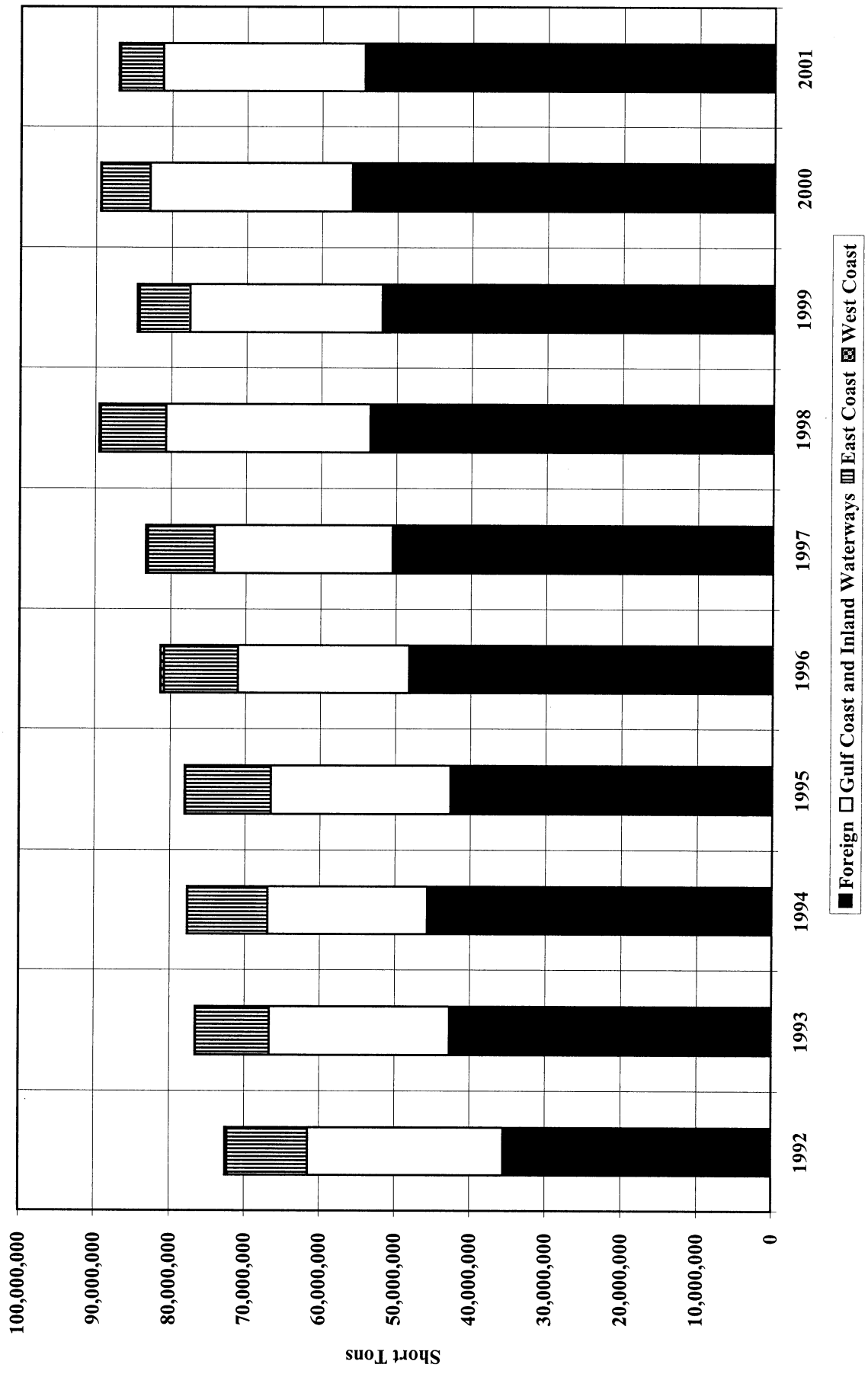
**Port Commerce By Direction
Last Ten Years**

Direction - Short tons	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Foreign:										
Imports	29,626,704	35,063,909	38,660,182	36,642,061	40,811,052	41,989,133	45,275,874	43,364,220	46,600,131	44,913,824
Exports	5,864,543	7,594,841	6,994,407	5,974,399	7,375,842	8,431,392	8,197,342	8,562,230	9,366,965	9,410,670
Total	35,491,247	42,658,750	45,654,589	42,616,460	48,186,894	50,420,525	53,473,216	51,926,450	55,967,096	54,324,494
Gulf Coast and Inland Waterways:										
Inbound	11,465,967	9,668,788	7,103,833	9,245,588	8,079,452	8,943,672	9,095,922	9,499,486	9,140,970	9,455,352
Outbound	14,523,604	14,334,770	14,165,555	14,667,346	14,739,063	14,811,150	18,088,453	16,092,321	17,758,974	17,357,278
Total	25,989,571	24,003,558	21,269,388	23,912,934	22,818,515	23,754,822	27,184,375	25,591,807	26,899,944	26,812,630
East Coast:										
Inbound	243,806	114,823	136,559	391,026	82,744	185,832	175,326	231,043	431,501	352,825
Outbound	10,546,635	9,707,874	10,529,337	11,030,008	9,743,249	8,625,349	8,476,846	6,458,762	6,003,290	5,348,948
Total	10,790,441	9,822,697	10,665,896	11,421,034	9,825,993	8,811,181	8,652,172	6,689,805	6,434,791	5,701,773
West Coast:										
Inbound	226,233	8,718	14,317	-	266,594	16,147	118,888	23,797	28,549	94,843
Outbound	60,402	62,590	42,543	88,875	229,919	274,298	99,482	293,111	94,111	102,217
Total	286,635	71,308	56,860	88,875	496,513	290,445	218,370	316,908	122,660	197,060
Total	72,557,894	76,556,313	77,646,733	78,039,303	81,327,915	83,276,973	89,528,133	84,524,970	89,424,491	87,035,957
Foreign										
Domestic	35,491,246	42,658,751	45,654,589	42,616,460	48,186,894	50,420,525	53,473,216	51,926,450	55,967,096	54,324,494
Total	37,066,648	33,897,562	31,992,144	35,422,843	33,141,021	32,856,448	36,054,917	32,598,520	33,457,395	32,711,463
Total	72,557,894	76,556,313	77,646,733	78,039,303	81,327,915	83,276,973	89,528,133	84,524,970	89,424,491	87,035,957
Inbound										
Outbound	41,562,710	44,856,238	45,914,891	46,278,675	49,239,842	51,134,784	54,666,010	53,118,546	56,201,151	54,816,844
Total	30,995,184	31,700,075	31,731,842	31,760,628	32,088,073	32,142,189	34,862,123	31,406,424	33,223,340	32,219,113
Total	72,557,894	76,556,313	77,646,733	78,039,303	81,327,915	83,276,973	89,528,133	84,524,970	89,424,491	87,035,957

TABLE III (Continued)

Port Commerce By Direction
Last Ten Years

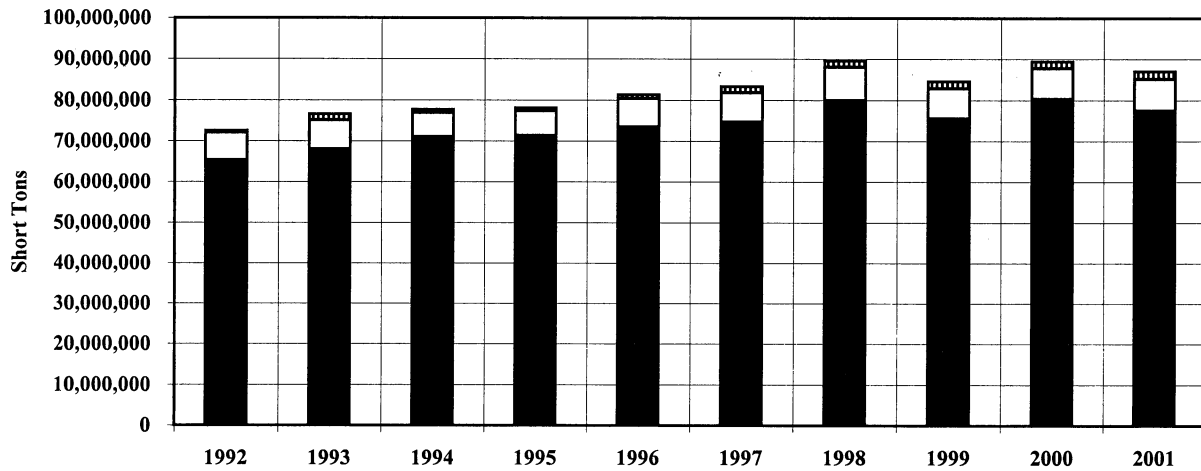
PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS



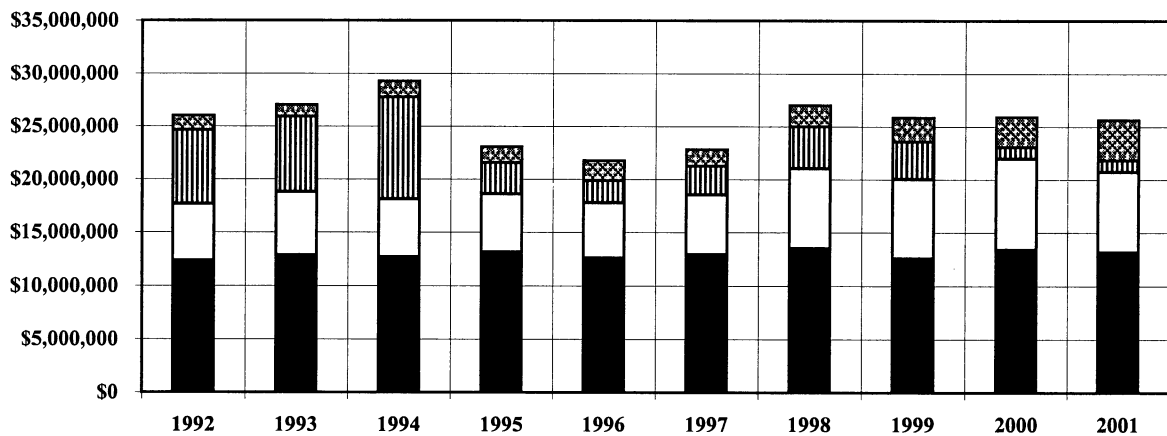
**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

**Tonnage, Operating Revenues and Expenses
By Cargo Classification
Last Ten Years**

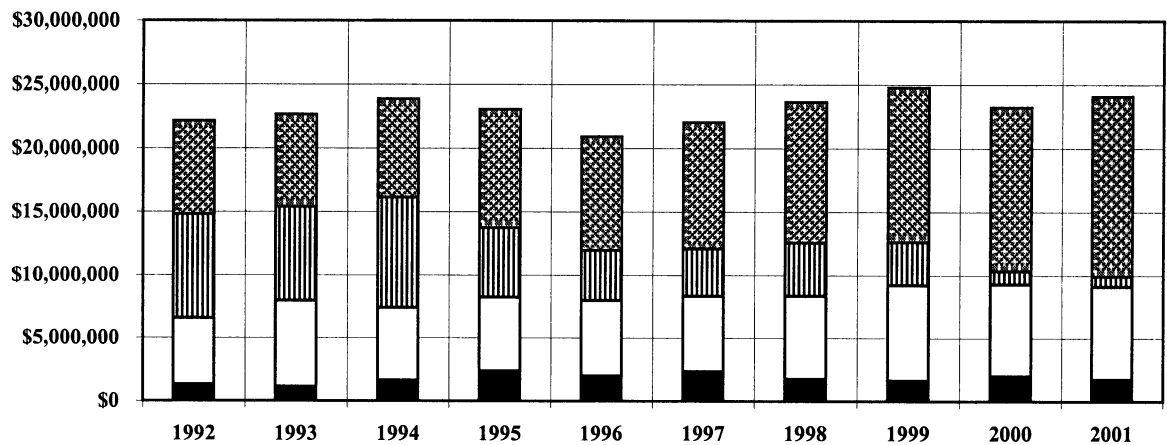
Tonnage:



Operating Revenues:



Operating Expenses:

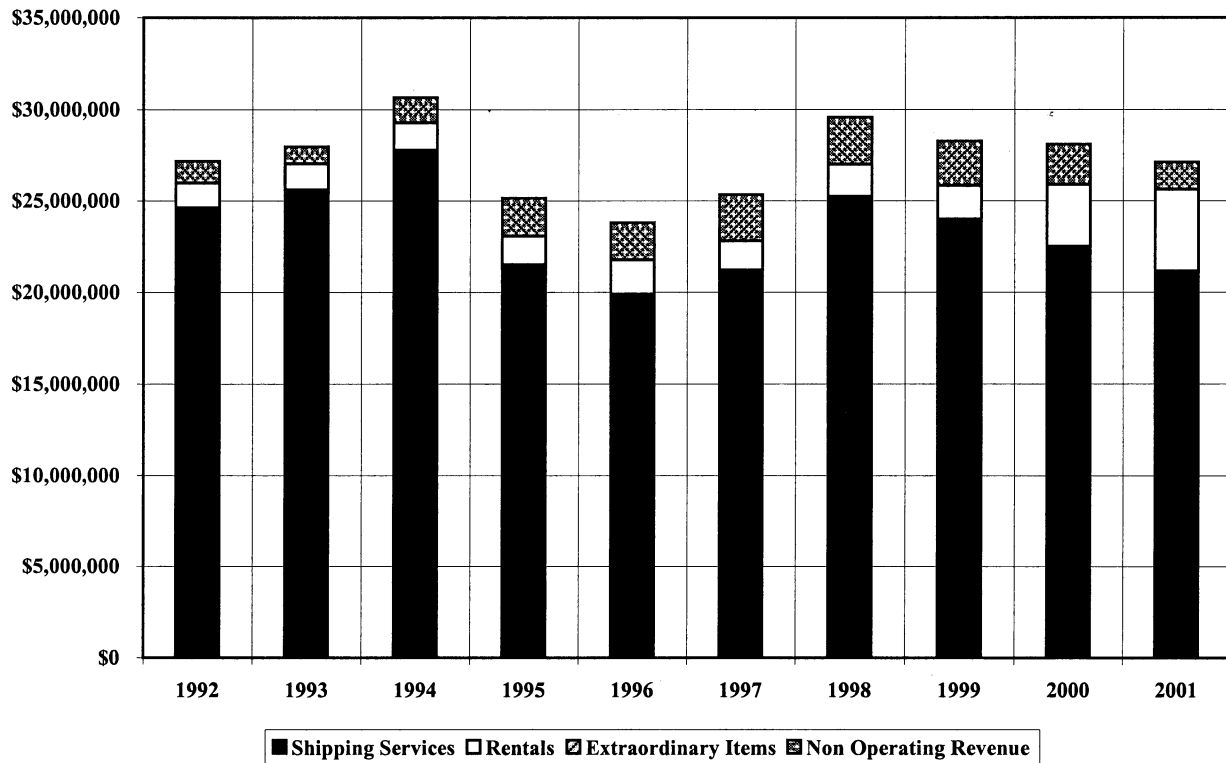


■ Petroleum/Chemical □ Dry Cargo ▨ Grain ▩ Other

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

**Revenue Source and Application
Last Ten Years**

Revenue Source:



Revenue Application:

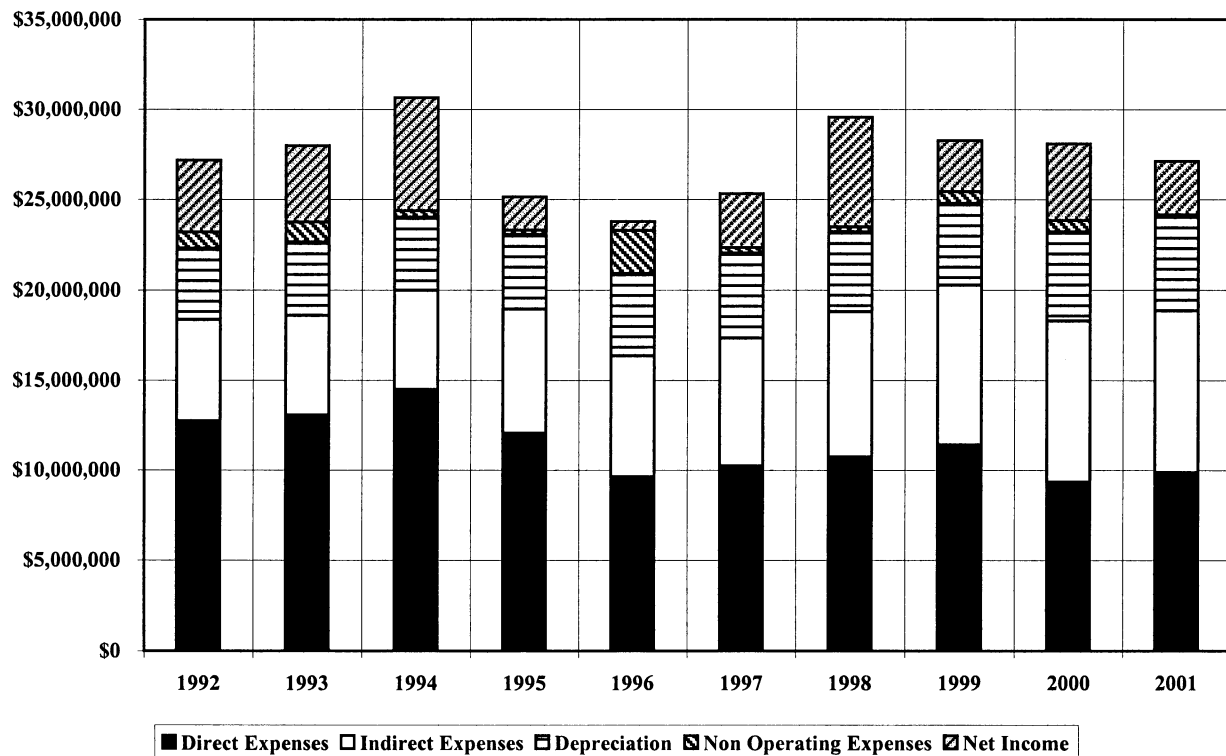


TABLE VI

PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

Financial Performance Indicators
Last Ten Years

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Operating Revenues (OR)	\$25,979,163	\$27,030,607	\$29,272,645	\$23,057,266	\$21,757,378	\$22,800,045	\$26,995,863	\$25,836,907	\$25,890,403	\$25,624,318
Operating Expenses (OE)	(18,355,163)	(18,593,092)	(19,978,349)	(19,012,450)	(16,351,360)	(17,339,439)	(19,201,351)	(20,269,616)	(18,279,022)	(18,865,409)
Net Operating Income (NOI)	7,624,000	8,437,515	9,294,296	4,044,816	5,406,018	5,460,606	7,794,512	5,567,291	7,611,381	6,758,909
Non-Operating Revenues	1,193,613	942,614	1,365,719	2,143,950	2,039,893	2,532,046	2,572,029	2,426,614	2,192,369	1,500,827
Non-Operating Expenses	(883,998)	(1,114,161)	(360,088)	(257,408)	(2,372,750)	(315,995)	(264,489)	(656,174)	(627,071)	(85,005)
Net Income "A" (NI"A")	7,933,615	8,265,968	10,299,927	5,931,358	5,073,161	7,676,657	10,102,052	7,337,731	9,176,679	8,174,731
Depreciation	(3,958,913)	(4,051,405)	(4,048,776)	(4,102,915)	(4,569,389)	(4,695,994)	(4,425,667)	(4,509,898)	(4,944,421)	(5,224,868)
Net Income "B" (NI"B")	\$ 3,974,702	\$ 4,214,563	\$ 6,251,151	\$ 1,828,443	\$ 503,772	\$ 2,980,663	\$ 5,676,385	\$ 2,827,833	\$ 4,232,258	\$ 2,949,863
Net Capital Assets (NCA)	\$107,853,730	\$109,209,779	\$106,597,488	\$112,986,967	\$117,399,178	\$117,956,248	\$118,269,753	\$122,779,056	\$147,286,699	\$143,840,269
Total Assets (TA)	\$167,208,560	\$165,846,693	\$169,356,016	\$170,735,538	\$171,285,596	\$172,384,118	\$178,459,639	\$179,958,670	\$179,630,724	\$179,675,054

Operating Indicators:

Operating ROI (NOI/NCA)	7.07%	7.73%	8.72%	3.58%	4.60%	4.63%	6.59%	4.53%	5.17%	4.70%
Operating Margin (NOI/OR)	29.35%	31.21%	31.75%	17.54%	24.85%	23.95%	28.87%	21.55%	29.40%	26.38%
Operating Ratio (OE/OR)	70.65%	68.79%	68.25%	82.46%	75.15%	76.05%	71.13%	78.45%	70.60%	73.62%

Other ROI Indicators:

ROI "A" (NI"A"/TA)	4.74%	4.98%	6.08%	3.47%	2.96%	4.45%	5.66%	4.08%	5.11%	4.55%
ROI "B" (NI"B"/TA)	2.38%	2.54%	3.69%	1.07%	0.29%	1.73%	3.18%	1.57%	2.36%	1.64%

TABLE VIII

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

**Revenues by Source
Last Ten Years**

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Operating Revenues:										
Wharfage	\$ 11,984,445	\$ 12,441,288	\$ 12,303,245	\$ 12,587,356	\$ 12,504,190	\$ 12,683,762	\$ 13,546,195	\$ 12,592,047	\$ 13,282,469	\$ 13,215,302
Dockage	2,713,402	3,111,057	3,093,250	2,937,117	2,778,378	3,582,641	4,020,559	3,619,507	3,229,447	3,009,600
Freight handling	3,731,418	4,333,252	4,032,726	2,732,128	3,222,755	3,652,867	4,683,526	4,158,629	2,019,205	2,033,916
Bagging	4,702,704	4,345,094	7,027,300	1,704,566	368,417	96,928	841,439	41,344	-	-
Building and land rentals	1,041,519	1,142,436	1,251,475	1,313,366	1,512,873	1,306,175	1,430,634	1,495,070	2,835,108	3,363,438
Conference center	-	-	-	-	-	-	-	-	296,861	833,712
Refrigerated warehouse	-	-	-	-	-	-	-	-	-	102,623
FTZ user fees	318,550	292,114	253,960	252,427	358,182	298,827	335,160	346,660	261,250	281,750
Compress	1,192,857	1,046,177	843,109	1,133,973	307,392	403,509	922,611	2,298,035	2,734,668	1,477,844
Other	294,268	319,189	467,580	396,333	705,191	775,336	1,215,739	1,285,615	1,231,395	1,306,133
	<u>\$ 25,979,163</u>	<u>\$ 27,030,607</u>	<u>\$ 29,272,645</u>	<u>\$ 23,057,266</u>	<u>\$ 21,757,378</u>	<u>\$ 22,800,045</u>	<u>\$ 26,995,863</u>	<u>\$ 25,836,907</u>	<u>\$ 25,890,403</u>	<u>\$ 25,624,318</u>
Non-Operating Revenues:										
Other:										
Investment income	\$ 1,078,061	\$ 852,311	\$ 1,196,446	\$ 1,854,116	\$ 1,803,343	\$ 1,947,942	\$ 2,031,442	\$ 1,751,857	\$ 1,619,461	\$ 1,261,435
Other	7,796	-	169,273	289,834	236,550	584,104	540,587	674,757	572,907	239,392
	<u>\$ 1,085,857</u>	<u>\$ 852,311</u>	<u>\$ 1,365,719</u>	<u>\$ 2,143,950</u>	<u>\$ 2,039,893</u>	<u>\$ 2,532,046</u>	<u>\$ 2,572,029</u>	<u>\$ 2,426,614</u>	<u>\$ 2,192,368</u>	<u>\$ 1,500,827</u>

TABLE IX

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

**Property Tax Levies and Collections
Last Ten Years**

Year	Current Tax Levy	Current Tax Collections	Percent of Levy Collected Tax Year	Unpaid End of Tax Year	Subsequent Collections	Total Collections	Total Collections As Percent of Levy	Unpaid Taxes December 31, 2001	Unpaid Taxes As Percent of Levy
1992	2,872,376	2,754,519	95.90%	117,857	104,983	2,859,502	99.55%	12,874	0.45%
1993	2,688,877	2,587,657	96.24%	101,220	90,333	2,677,990	99.60%	10,887	0.40%
1994	2,761,604	1,991,670	72.12%	769,934	757,129	2,748,799	99.54%	12,805	0.46%
1995	2,650,938	894,626	33.75%	1,756,312	1,743,524	2,638,150	99.52%	12,788	0.48%
1996	2,629,887	1,014,562	38.58%	1,615,325	1,600,669	2,615,231	99.44%	14,656	0.56%
1997	2,757,300	1,018,880	36.95%	1,738,420	1,721,981	2,740,861	99.40%	16,439	0.60%
1998	2,683,336	1,055,716	39.34%	1,627,620	1,597,148	2,652,864	98.86%	30,472	1.14%
1999	2,548,703	982,346	38.54%	1,566,357	1,530,547	2,512,893	98.59%	35,810	1.41%
2000	2,484,092	961,998	38.73%	1,522,094	1,470,856	2,432,854	97.94%	51,238	2.06%
2001	235,945	88,340	37.44%	147,605	513	88,853	37.66%	147,092	62.34%

PORT OF CORPUS CHRISTI AUTHORITY
 OF NUECES COUNTY, TEXAS

Assessed and Estimated True Value of Taxable Property
 Last Ten Years

Year	Minerals	Real Property	Personal Property	Total	Less Exemptions	Assessed Valuation	True Value	Percentage of
								Assessed to True Value
1992	251,916,730	9,336,734,950	1,577,958,813	11,166,610,493	2,042,061,128	9,124,549,365	9,124,549,365	100%
1993	253,610,320	9,516,900,503	1,665,154,509	11,435,665,332	2,252,056,163	9,183,609,169	9,183,609,169	100%
1994	240,086,040	9,644,802,862	1,652,803,410	11,537,692,312	2,228,989,930	9,308,702,382	9,308,702,382	100%
1995	203,360,540	9,798,555,202	1,761,448,129	11,763,363,871	2,276,176,302	9,487,187,569	9,487,187,569	100%
1996	157,245,270	9,941,008,053	1,717,281,833	11,815,535,156	2,140,492,535	9,675,042,621	9,675,042,621	100%
1997	190,042,450	10,070,119,027	1,723,132,828	11,983,294,305	2,083,917,183	9,899,377,122	9,899,377,122	100%
1998	198,951,378	10,344,835,260	1,666,778,846	12,210,565,484	2,120,174,085	10,090,391,399	10,090,391,399	100%
1999	144,161,950	10,589,017,231	1,681,544,034	12,414,723,215	2,136,440,457	10,278,282,758	10,278,282,758	100%
2000	191,485,540	10,798,381,895	1,718,537,663	12,708,405,098	2,234,972,638	10,473,432,460	10,473,432,460	100%
2001	344,843,680	11,284,528,832	1,800,919,381	13,430,291,893	2,285,588,602	11,144,703,291	11,144,703,291	100%

Source - Nueces County Tax Appraisal District

PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

Property Tax Rates
Direct and Overlapping Governments
Last Ten Years

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Port of Corpus Christi Authority	0.03150	0.02929	0.02967	0.02795	0.02719	0.02785	0.02659	0.02480	0.02372	0.00212
Nueces County	0.30125	0.31175	0.31175	0.32877	0.33459	0.33459	0.33459	0.34462	0.35274	0.35024
Hospital District	0.22500	0.23250	0.23921	0.24470	0.24170	0.23316	0.22803	0.22803	0.22803	0.22803
Water Control and Improvement District No. IV	0.09177	0.09177	0.07987	0.07464	0.07785	0.07931	0.07640	0.06682	0.06250	0.05000
Water Control and Improvement District No. V	0.00000	0.06100	0.00000	0.17507	0.18068	0.18068	0.15845	0.16938	0.00000	0.00000
Drainage District No. II	0.30681	0.36000	0.37050	0.37050	0.37960	0.38467	0.38470	0.38470	0.38895	0.42440
City of Agua Dulce	0.72225	0.72225	0.72225	0.72225	0.72250	0.72225	0.63704	0.68369	0.68369	0.68136
City of Aransas Pass	*	*	*	*	*	*	*	*	*	*
City of Bishop	0.50776	0.52636	0.52636	0.52636	0.54811	0.86952	0.88866	0.85429	0.87954	0.86675
City of Corpus Christi	0.60344	0.61796	0.61273	0.61273	0.82373	0.62373	0.62373	0.62373	0.62373	0.64418
City of Driscoll	0.56000	0.56000	*	0.63000	0.64541	0.66339	0.66339	0.58643	0.59883	0.66000
City of Port Aransas	0.47000	0.47000	0.47000	0.47000	0.47000	0.47000	0.47000	0.47000	0.47000	0.47000
City of Robstown	1.03549	1.08721	1.08208	1.08208	1.08208	1.08208	1.08208	1.08208	1.08208	1.08208
Corpus Christi Junior College District	0.16983	0.17616	0.18566	0.19682	0.20781	0.20781	0.20781	0.22047	0.22047	0.21988
Agua Dulce ISD	0.61000	1.52700	1.52700	1.85626	1.94490	1.94490	1.94490	1.86730	1.84430	1.74280
Banquete ISD	0.66000	1.57700	1.52157	1.52150	1.52150	1.61150	1.66150	1.75000	1.55500	1.38000
Bishop ISD	0.24659	1.08999	1.29500	1.34460	1.42000	1.50000	1.50000	1.61000	1.62500	1.62764
Calallen ISD	0.58000	0.14800	*	1.52200	1.57000	1.57000	1.57000	1.48581	1.52417	1.59883
Corpus Christi ISD	0.48400	1.40100	1.43800	1.42800	1.45800	1.51800	1.55500	1.50000	1.57000	1.57000
Driscoll ISD	0.35000	1.37100	1.37100	1.37100	1.42600	1.42600	1.42600	1.50000	1.91000	1.63470
Flour Bluff ISD	0.48000	1.39700	1.39700	1.37908	1.43947	1.43947	1.49672	1.49192	1.52620	1.52620
London ISD	0.60000	1.49887	1.49000	1.49000	1.43913	1.43000	1.41000	1.41000	1.33690	1.26480
Port Aransas ISD	0.36500	1.44000	1.44000	1.44000	1.44000	1.44000	1.44000	1.42030	1.44906	1.46200
Robstown ISD	0.47690	1.39390	1.51000	1.56909	1.56909	1.56909	1.56000	1.61400	1.61400	1.61400
Tuloso-Midway ISD	0.55000	1.45900	1.49990	1.49990	1.56205	1.56205	1.59205	1.67205	1.75005	1.73970
West Oso ISD	0.47000	1.53000	1.53000	1.51000	1.51000	1.51000	1.51000	1.48000	1.54000	1.54000
South Texas Water Authority	0.13000	0.13000	0.13500	0.14171	0.14171	0.14171	0.14171	0.14171	0.13297	0.11150

* Rate not available

Property tax rates based on per \$100 assessed valuation.
Source - Nueces County Tax Appraisal District

TABLE XII

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

**Ratio of Net General Bonded Debt to Assessed Valuation
and Net Bonded Debt Per Capita
Last Ten Years**

Year	Estimated Population (a)	Assessed Valuation	Gross Bonded Debt (b)	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita
1992	299,282	9,183,609,169	18,200,000	1,017,299	17,182,701	0.0019	57.41
1993	303,351	9,308,702,382	17,617,865	564,182	17,053,683	0.0018	56.22
1994	310,881	9,487,187,569	15,907,864	1,014,857	14,893,007	0.0016	47.91
1995	317,099	9,675,042,621	14,002,864	1,403,071	12,599,793	0.0013	39.73
1996	317,099	9,675,042,621	12,145,000	1,590,326	10,554,674	0.0011	33.29
1997	315,722	9,899,377,122	10,100,000	1,638,483	8,461,517	0.0009	26.80
1998	312,708	10,090,391,399	7,820,000	1,690,640	6,129,360	0.0006	19.60
1999	316,498	10,278,282,758	5,515,000	1,617,883	3,897,117	0.0004	12.31
2000	313,645	10,473,432,460	3,235,000	1,691,680	1,543,320	0.0001	4.92
2001	316,280	11,144,703,291	905,000	883,257	21,743	0.0000	0.07

(a) Source - BEA Regional Facts - Nueces County; U.S. Census Bureau

(b) Only unlimited tax bonds are included since revenue bonds are not tax supported.

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**
**Computation of Direct
and Overlapping Debt
December 31, 2001**

<u>Taxing Body</u>	<u>Net Bonded Debt</u>	<u>As Of</u>	<u>Overlapping Percentage</u>	<u>Amount Overlapping</u>
Port of Corpus Christi Authority	\$ 21,743	12/31/01	100.00%	\$ 21,743
Nueces County	13,525,838	03/01/01	100.00%	13,525,838
Hospital District	20,600,000 **	09/30/01	100.00%	20,600,000
Water Control and Improvement District No. IV	345,000 **	09/30/01	99.87%	344,552
Water Control and Improvement District No. V	-	09/30/01	100.00%	-
Drainage District No. II	-	09/30/01	100.00%	-
City of Agua Dulce	-	09/30/01	100.00%	-
City of Aransas Pass	7,700,753	09/30/00	1.44%	110,891
City of Bishop	2,400,000 **	09/30/01	100.00%	2,400,000
City of Corpus Christi	138,590,326 **	09/30/01	100.00%	138,590,326
City of Driscoll	165,000 **	09/30/01	100.00%	165,000
City of Port Aransas	300,000	09/30/00	100.00%	300,000
City of Portland	1,060,000 **	09/30/01	***	-
City of Robstown	2,901,598 **	09/30/01	100.00%	2,901,598
Corpus Christi Junior College District	10,085,732	06/30/01	100.00%	10,085,732
Agua Dulce ISD	3,169,989 **	09/30/01	70.21%	2,225,649
Aransas Pass ISD	*	*	*	*
Banquete ISD	549,383 **	09/30/01	100.00%	549,383
Bishop ISD	7,420,000 **	09/30/01	100.00%	7,420,000
Calallen ISD	9,420,000 **	09/30/01	100.00%	9,420,000
Corpus Christi ISD	67,950,885	08/31/00	100.00%	67,950,885
Driscoll ISD	3,500,000 **	09/30/01	100.00%	3,500,000
Flour Bluff ISD	8,276,549	08/31/00	100.00%	8,276,549
London ISD	*	*	*	*
Port Aransas ISD	10,960,000 **	09/30/01	99.88%	10,946,848
Robstown ISD	17,269,383 **	09/30/01	100.00%	17,269,383
Tuloso-Midway ISD	31,587,223	03/01/01	100.00%	31,587,223
West Oso ISD	4,489,300	08/31/00	100.00%	4,489,300
South Texas Water Authority	-	09/30/00	40.74%	-
				\$ <u><u>352,680,900</u></u>

**Sources - Texas Municipal Reports and
Port of Corpus Christi Authority**

* Overlapping debt information not available

** Gross debt

*** A portion of the City is in Nueces County but has no taxable value.

TABLE XIV

PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

Revenue Bond Coverage
Last Ten Years

Year	Gross Revenues (1)	Operating Expenses (2)	Available for Debt Service	Debt Service Requirements			Coverage	
				Principal	Interest	Reserve		
1992	25,487,800	19,233,769	6,254,031	685,000	224,103	90,911	1,000,014	6.25
1993	26,115,525	19,463,839	6,651,686	690,000	166,593	85,659	942,252	7.06
1994	26,795,850	20,139,138	6,656,712	220,000	84,721	30,472	335,193	19.86
1995	22,607,359	19,576,773	3,030,586	230,000	68,144	29,815	327,959	9.24
1996*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1997	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1998	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1999	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2001	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) Gross revenues represent operating revenues less revenues from grain elevator and other debt related revenues as per bond resolutions.

(2) Operating expenses represent operating expenses less bond interest, operating expenses from grain elevator and other debt related expenses, as per bond resolutions.

* Revenue bond debt was paid.

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**
**Schedule of Insurance in Force
December 31, 2001**

Name Of Company	Policy Number	Policy Period	Details of Coverage	Liability Limits
Lexington/ACE USA	4017599/ENG12037921-2	04/01/01-02	All risk property	\$100,000,000
TWIA (TX Windstorm Ins. Assoc.)	19243906	07/17/01-02	Windstorm -Compress	2,000,000
Lexington/Westchester Fire	4017724;FXA3929600	08/05/01-02	Harbor Island properties	10,000,000
Travelers	M5EEBMC911K60077	01/01/01-02	Boiler and machinery	20,000,000
Texas Municipal League	8732	10/01/01-02	Business auto liability	10,000,000
Commercial General Underwriters	M/3HWW01/01/01A	10/01/01-02	Comprehensive marine liability	20,000,000
C.N.A. Insurance Companies	PST223892562	10/01/01-02	Foreign liability	1,000,000
Associated Aviation Underwriters	BNO606435	10/01/01-02	Non-owned aircraft liability	2,000,000
Commercial General Underwriters	M/3HWW01/01/01A	10/01/01-02	Liability and hull-Fireboat	3,500,000
Commercial General Underwriters	M/3HWW01/01/02A	10/01/01-02	Excess liability-Fireboat excess of	80,000,000 20,000,000
Lloyds of London	KH011310Z	06/07/01-02	Tide & wave equipment	33,363
Texas Municipal League	8732-00	10/01/01-02	Public Officials liability	10,000,000
Liberty Insurance	076285-011	10/01/01-04	Executive Risk	5,000,000
Hartford Casualty Insurance	65PRBGW9885	07/01/01-02	Fidelity - Public Employees	500,000
Travelers	061BY103337817BCM	07/01/01-02	Fidelity - Public Officials	500,000

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

Analysis of Funding Progress - Pension Plan

Actuarial Valuation Date (1)	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio	Unfunded Actuarial Accrued Liability (UAAL)	Annual Covered Payroll	UAAL As a Percentage of Covered Payroll
1991	3,221,870	2,926,980	110.1%	(294,890)	4,725,581	(6.2%)
1992 *	3,293,727	6,135,886	53.7%	2,842,159	2,562,148	110.9%
1993	3,401,828	6,606,104	51.5%	3,204,276	4,963,627	64.6%
1994	3,540,058	6,898,979	51.3%	3,358,921	4,808,482	69.9%
1995	4,206,457	8,115,396	51.8%	3,908,939	5,236,934	74.6%
1996	4,853,421	8,837,031	54.9%	3,983,610	5,258,846	75.8%
1997	5,620,580	9,925,817	56.6%	4,305,237	5,706,173	75.5%
1998	6,507,706	10,880,153	59.8%	4,372,447	6,841,985	63.9%
1999	7,482,804	11,795,117	63.4%	4,312,313	5,759,469	74.9%
2000	7,899,688	11,952,150	66.1%	4,052,462	5,896,407	68.7%

Note: The data disclosed above represents required supplemental information in accordance with GASB 27.

(1) Data for plan year 1991 reflects the Authority's single employer plan, which was merged into the Texas County District Retirement System (New Plan) effective July 1, 1992. Data for plan year 1992 reflects the New Plan.

*For the period from New Plan inception date, July 1, 1992 to December 31, 1992.

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**
**Demographic Statistics
Last Ten Years**

<u>Year</u>	<u>Population</u>	<u>Per Capita Income After Taxes (1)</u>	<u>Public School Enrollment (2)</u>	<u>Unemployment Rate (3)</u>
1992	299,282	N/A	56,188	9.3%
1993	303,351	N/A	56,555	8.5%
1994	310,881	11,936	56,195	8.9%
1995	317,099	12,194	55,964	8.4%
1996	317,099	12,194	56,038	8.6%
1997	315,722	13,500	55,191	7.6%
1998	312,708	17,350	55,088	6.1%
1999	316,498	20,673	51,566	6.1%
2000	313,645	22,275	53,461	6.3%
2001	316,280	22,864	53,528	5.6%

(1) Source - BEA Regional Facts - Nueces County

(2) Source - Independent School Districts

(3) Source - Texas Workforce Commission

PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

Construction, Bank Deposits and Property Values
Last Ten Years

Year	Construction (1)				Total Dollar Deposits	Property Values (2)		
	Commercial		Residential			Market Value	Exemptions	Taxable Value
	Number of Units	Value	Number of Units	Value				
1992	58	62,557,127	642	55,534,980	3,001,616,171	11,166,610,493	2,042,061,128	9,124,549,365
1993	48	22,614,294	863	77,462,446	2,218,483,061	11,435,665,332	2,252,056,163	9,183,609,169
1994	85	35,420,095	867	89,462,266	2,221,589,697	11,537,692,312	2,228,989,930	9,308,702,382
1995	142	53,879,334	768	82,067,732	2,414,266,778	11,763,363,871	2,276,176,302	9,487,187,569
1996	202	46,787,010	1,040	119,324,365	2,472,751,717	11,815,535,156	2,140,492,535	9,675,042,621
1997	245	68,190,468	881	114,343,122	2,797,853,107	11,983,294,305	2,083,917,183	9,899,377,122
1998	327	72,965,197	941	104,693,919	*	12,210,565,484	2,120,174,085	10,090,391,399
1999	271	44,346,551	701	82,260,573	*	12,414,723,215	2,136,440,457	10,278,282,758
2000	301	73,324,601	686	78,250,728	*	12,708,405,098	2,234,972,638	10,473,432,460
2001	235	61,258,982	876	89,891,377	*	13,430,291,893	2,285,588,602	11,144,703,291

(1) Source - City of Corpus Christi

(2) Source - Nueces County Tax Assessor

* Not Available

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**
**Principal Taxpayers
December 31, 2001**

<u>Taxpayers</u>	<u>Type of Business</u>	<u>2001 Assessed Value</u>	<u>Percentage of Total Assessed Valuation</u>
Koch Refining Company LP	Refining Company	\$ 629,933,893	5.65%
Citgo Refining & Chemicals	Chemical Plant	293,114,575	2.63%
Equistar Chemicals LP	Petrochemical Plant	288,799,350	2.59%
Ticona Polymers, Plastic Division	Plastic Facility	259,049,770	2.32%
Central Power and Light	Electric Utility	223,997,872	2.01%
Valero Refining Company	Refining Company	206,780,025	1.86%
Coastal Javelina Company	Refining Company	140,400,221	1.26%
Southwestern Bell Telephone	Telephone Utility	92,138,749	0.83%
BASF Corporation	Ibuprofen Plant	73,648,390	0.66%
H.E. Butt Grocery	Grocery Retail Stores	69,048,502	0.62%
Apache Corporation	Oil & Gas Exploration	67,252,580	0.60%
Elementis Chromium	Chemical Plant	55,102,820	0.49%
Columbia Bay Area Realty LTD	Hospital	49,837,707	0.45%
Wal-Mart Properties Inc	Retail Sales	45,739,196	0.41%
Devon Energy Production Co LP	Mineral Reserves	42,798,750	0.38%
TRT Development Company	Commercial Property	35,397,476	0.32%
Sabco Operating Company	Oil & Gas Exploration	32,258,490	0.29%
Camden Property Trust	Commercial Property	27,348,652	0.25%
Air Liquide America Corp	Chemical Plant	25,403,220	0.23%
Suemaour Exploration Inc.	Oil & Gas Exploration	23,941,620	0.21%
Total		<u>\$ 2,681,991,858</u>	<u>24.06%</u>
Total 2001 Assessed Values		<u>\$ 11,144,703,291</u>	

Source - Nueces County Tax Appraisal District

**PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS**

Date of Incorporation: 1922

Form of Government: A public corporation and political subdivision of the State of Texas

Number of Employees: 127

Geographic Location: Southeastern coast of Texas on the Gulf of Mexico approximately 150 miles north of the Mexican Border

Area: 6,423 - Emergent acres
16,000 - Submerged acres

Population (1):	Year	City of Corpus Christi	Nueces County
		1920	10,522
	1930	27,741	51,779
	1940	57,301	92,661
	1950	108,053	165,471
	1960	167,690	221,573
	1970	204,525	237,544
	1980	232,119	268,215
	1990	256,632	296,527
	2000	277,454	313,645

Elevation: Sea level to 85 feet, average 35 feet

Tidal Data:

Normal Tide:
Inner Harbor 1.7 feet above mean low tide

Tidal Range:
Inner Harbor Insignificant
Aransas Pass 1.5 feet

Aerial Clearance:

Harbor Bridge and Upper Harbor Lift Bridge 138 feet

Temperature:

80.6 maximum average
61.7 minimum average
71.1 mean

Average Seasonal Rainfall: 30.1 inches annual average

Miscellaneous Statistical Data
December 31, 2001

Public Docks:

Bulk oil	11 - Main Harbor
Dry cargo	8 - Main Harbor
Bulk materials	<u>2 - Main Harbor</u>
	<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
	- Kirby Terminal	1 - Main Harbor
	- Sunbelt Cement Co.	1 - Main Harbor
	- Texas Lehigh Cement	1 - Main Harbor
	- Corpus Christi Equipment Co.	1 - Rincon
	- Tor Minerals International, Inc.	1 - Rincon
	- Tiger Technologies	1 - Rincon
	- Sherwin Alumina Company	1 - La Quinta
	- McDermott	1 - Harbor Island
	- Sophlex Ship Management	1 - Harbor Island
	- Gulf Marine	1 - Ingleside
Bulk liquids	- Citgo	6 - Main Harbor
	- Equistar	1 - Main Harbor
	- Koch	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	<u>1 - Jewel Fulton</u>
		<u>33</u>

