

City of Corsicana 2011 Highlights

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From the Desk of
Chuck McClanahan
Mayor, City of Corsicana

Dear Citizens of Corsicana:

The City of Corsicana certainly faced some challenges in 2011. The City received notice from four separate companies that they would be permanently closing their doors here. The loss of those 283 jobs was very difficult for everyone involved, their families and the City. It is also important to remember that with the bad news that came during this last year the City also received many reports of expansions of established businesses and also the relocation of new businesses here in Corsicana. Records have shown that recently 204 more jobs were created in Corsicana than have been lost. This trend is anticipated to continue.

City streets have been a very important topic with citizens and a focus of the City Council. In 2011, \$2,448,387 was spent on street improvements. Recent budget amendments amounting to approximately \$700,000 will bring the amount invested in streets in 2012 to \$3,113,642. This does not include the 2007 Bond Program construction on Forrest Lane.

The City of Corsicana would like to assure you that the improvement of our citizen's quality of life is still the number one goal at City Hall.



Sincerely,

A handwritten signature in cursive script that reads "Chuck McClanahan".

Chuck McClanahan
Mayor

A Note From the
City Manager



To the Citizens:

Four years ago, the financial world as we knew it changed forever. In 2008, the US Citizens saw how quickly one could go from prosperity to poverty. The economy had a significant impact on cities all around the country. Moreover, it changed the way cities conducted business. The City of Corsicana was quick to adapt to these changes. For example, there was a time revenues were budgeted and it was assumed they would materialize. Now, the money is not spent until it is received. Another example is that managers had to rethink how decisions are made. The staff must evaluate every aspect of the City's business in an effort to control cost and save money. Every decision must be made with the best interest of the citizens in mind and a prudent use of the tax dollars.

Corsicana had bad news and good news in 2011. At the end of day, the good outweighed the bad. Net job counts are still up. The economic interest in Corsicana is alive and well. Progress has been made toward the financial goals set by the Council. Overall revenues in the General Fund were up by 6.4% over the prior year and expenses were under budget. Significant strides have been made in rebuilding the fund balance along with a large investment in streets. All of the enterprise funds ended the year in excellent position.

As the worst recession in the history of United States persists, the City continues to hold our ground. The Citizens of Corsicana are blessed in more ways than one.

Sincerely,

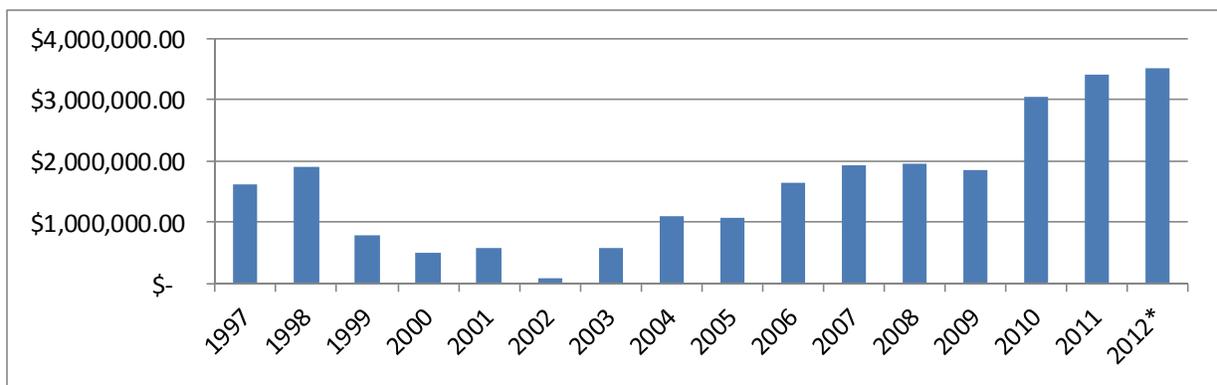
A handwritten signature in cursive script that reads "Connie Standridge".

Connie Standridge
City Manager

Financial Condition:

The City of Corsicana's financial condition continued to improve during 2011. Austerity measures implemented in 2010 allowed the City's General Fund to end in a positive financial position.

- Unlike previous years, the General Fund actual revenues exceeded budgeted revenues by \$881,342. The increase in revenue is attributed to an increase in sales tax of \$315,660 and franchise revenue of \$189,089. In addition, the category of other revenue was up by \$304,413 which was the result of a rate settlement, insurance proceeds and refund of employee time for grant projects. Expenditures were less than budgeted by \$430,146. A significant amount of money was allotted to various street projects at the end of the budget year. Several maintenance projects, previously on hold, are funded and scheduled for completion. According to the annual audit, these figures account for the addition of \$1,562,731 to the General Fund balance for a total unassigned fund balance of \$3,423,887 which is equal to 84 days of operating expense up from 75 days at year end 2010. Generally accepted accounting standards recommend a city should maintain at least 90 days of operating expenses in a fund. Steady progress is being made toward this goal.



*Estimated

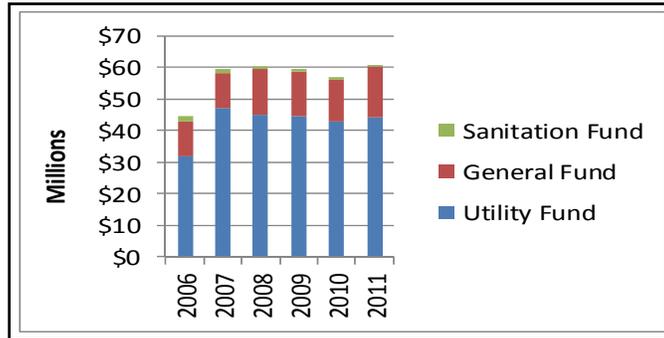
- The 2011 year showed a slight decrease in the tax base for the City. In 2010, the tax base was a total of \$1,222,239,080. In 2011 the total value is \$1,219,483,454 in property value inside the City of Corsicana. The decrease amounted to \$2,755,626 in value which translates in to \$17,282 in revenue to the City. While not a significant impact to revenue, it is certainly an indication of the economic times.
- Under state law cities over 5,000 in population can levy up to \$2.50 per \$100 assessed valuation. The tax rate has been constant over the last 8 years at 0.6272 cents per \$100 value.
- City bond ratings have been increased over the past few years. The rating agencies, Standard & Poor's and Moody's, spent a great amount of time analyzing and studying the financial data of the City. By recommending these increases, they have demonstrated that the professionals in the field have confidence in the City's current financial policies and condition.

City of Corsicana, Texas Ratings History

General Obligation			
Date	Moody's	Date	S&P
8/17/2001	Baa1	12/11/2000	BBB+
1/19/2007	A3	2/27/2008	A-
4/23/2010	A1*	2/5/2010	A

Waterworks & Sewer System			
Date	Moody's	Date	S&P
10/4/1999	Baa1	12/12/2000	BBB
4/23/2010	A1*	3/21/2008	BBB+
6/29/2010	A2	8/14/2009	A-

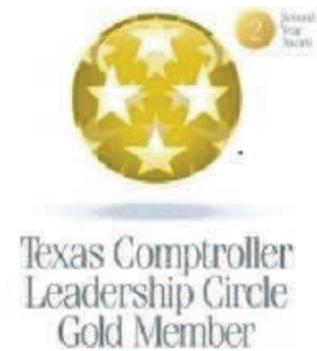
* Recalibration - Change in Ratings Scale



- The 2011 budget year represented the second full year with restructured water and sewer rates and climatic conditions not seen in a long time. This was one of the driest years on record and water sales reflected just that. The Utility Fund had a net cash provided by operating activities of \$7,256,358 and the fund balance is growing steadily anticipating the future cost of a new treatment plant at Lake Halbert.
- According to the annual audit, the Sanitation Fund showed \$852,253 and the EMS Fund showed \$204,489 as net cash provided by operations.
- Currently the City carries \$44,299,646 in debt in the Utility Fund, \$631,353 in the Sanitation Fund and \$15,981,550 in the General Fund. That equals approximately \$2,500 of debt per capita which is above average for a city our size according to the latest Texas Municipal League Survey. Additional debt will be issued in 2012 for the next phase of 2007 street bond construction.

Business Improvements:

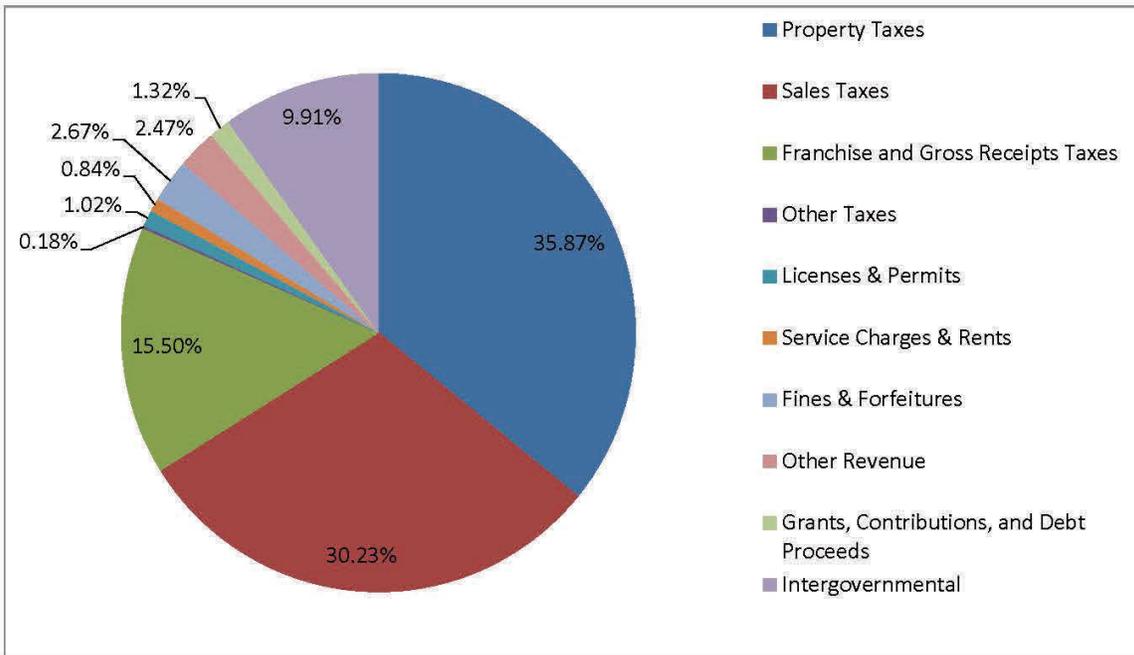
- The City expanded payment of municipal fees online and took necessary steps to allow customers to use credit cards at remote locations like the Landfill.
- The State Comptroller designated the City of Corsicana as a Leadership Circle gold member entity for 2011. The designation is a measure of how transparent the City’s financial disclosure is to the public. Level gold recipients are those entities that are setting the bar for transparency according the State Comptrollers office. As part of this program, the City now publishes a weekly transaction report of all checks written, current monthly financial reports, the annual audit, and current budgets online for public review. This is the second year in a row Corsicana has received this designation.
- The City of Corsicana implemented a new work order tracking system. The new program will enhance the citizen’s ability to report, track and receive feedback from any issues reported to the City 24 hours a day 7 days a week. It can be used to report water leaks, potholes, tall grass or unsafe structures. The software is called WebQA and a link to the input page is located on the City website at cityofcorsicana.com. The emblem shown below is the Citizen Action Center link which can be used to search for answers to questions, report problems and contact City staff. The feature represents an affordable and comprehensive communication tool that can be used over the phone, in person or through the web to provide responsive service to the customers.



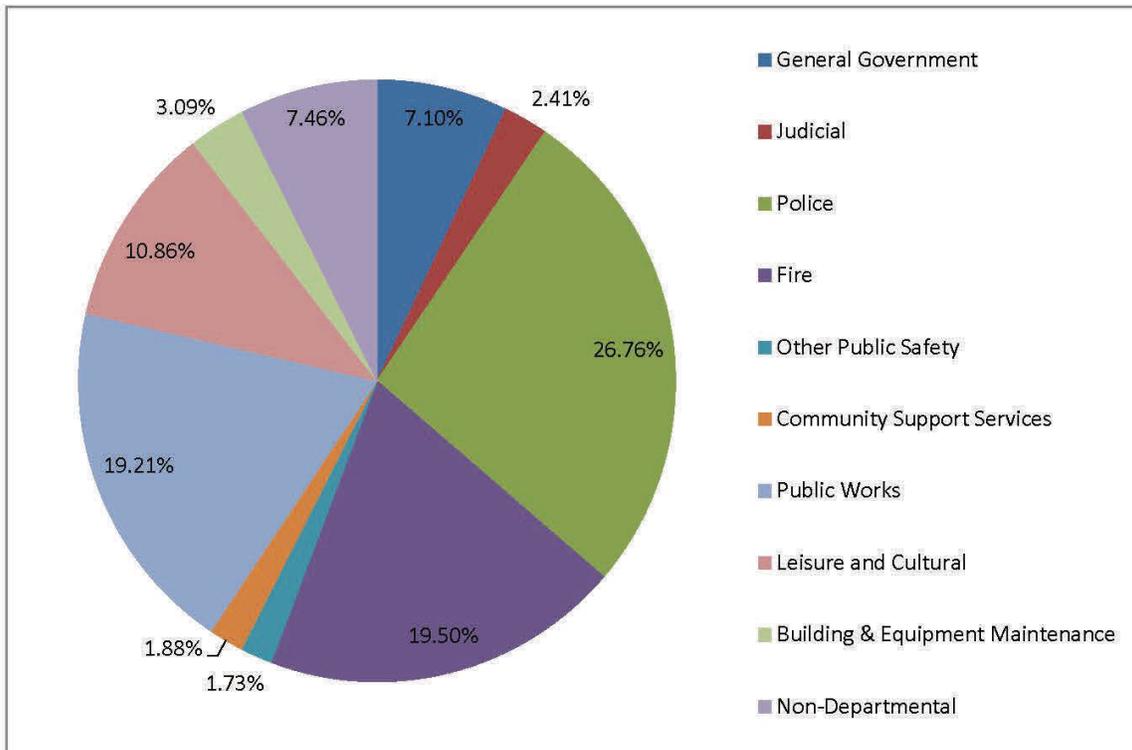
Challenges this Year:

August 2011 was the hottest month in Texas history, according to the National Climate Data Center. June to August was the driest summer on record, with only 2.44 inches of precipitation. The drought was the most severe one-year drought on record. The hot and dry weather created dangerous fire conditions. Nearly 30,457 wildfires burned 3.9 million acres in Texas, according to the Texas Forest Service. Corsicana had it’s own challenge with wild fires erupting on Labor Day Weekend 2011. The Fire Department and the Local Volunteer responders rose to the occasion with minimal loss of property and no loss of life in Navarro County. The temperatures caused difficulties all over the city including everything from broken water lines to street failures.

City of Corsicana General Fund Revenues - 2011



General Fund Expenditures - 2011





Investments in Quality of Life:

- The Parks and Recreation Department received \$636,961 in grant funding for various projects. Of that amount, \$500,000 was in a Texas Parks and Wildlife Grant to fund an Athletic Complex on 45th Street.
- The City accepted the Oilfield Bronze, featured on the cover of this report, from the E.M. Sheppard Foundation and Mr. Joe Brooks. The sculpture both commemorates, as well as honors, how the oilfield laborer impacted the City of Corsicana.
- The Parks Department and the Texas Fish and Wildlife hosted the 12th Annual Hooked on Fishing Event at the IOOF Park. Over 500 children participated.
- Several events around town were hosted by the Parks and Recreation Department including the Halloween Downtown, Derrick Days Hoop It Up, Back to School Rally, and many others. In addition, Navarro College has produced three championship teams. The football team, cheerleading and baseball programs won national titles and received community recognition.
- Swimming pools were provided to entertain children throughout the summer with 2,909 attending Jester Pool and 784 attended Bunert Pool. In addition, several summer programs provided activities for 301 children.
- The City participated with County Officials in two separate cleanup days. The first was the Navarro County Clean up in June of 2011 and the second was a tire collection day in September 2011. Both days were a success and made noticeable improvements on city streets and neighborhoods.



Community Services

Police Department

Despite a challenging economy the Police Department completed 2011 with Part 1 Crime, which includes murder, forcible rape, robbery, burglary, theft, auto theft, and arson, being down 6% compared to 2010. Of special note, was there were no murders or traffic fatalities in 2011.

The CPD and the Navarro County Sheriff's Department formally created a very successful Narcotics Task Force to enforce the community's drug laws. Rather than have two separate and independent drug units, the two agencies combined resources. The Narcotics Task Force began informally in the spring with a Corsicana Police Department detective being assigned to the Sheriff's Office narcotics team for training purposes. The initiative was so successful, with both departments working together as one narcotics team, that in October a formal Inter-Local Agreement was signed by both City and County officials to create the Task Force. An additional Corsicana Police Department detective was assigned to the Task Force in October as a result of the teams' prior successes. These included over 100 narcotics related arrests, which contributed to the City's 6% decrease in crime, compared to 2010.

Officer Ronny McGaha was promoted to Assistant Chief of Police and the department was reorganized to have him supervise the Patrol Division, the Criminal Investigations Division, and the Records Unit. The department's Records Management and Dispatch Center computer software, portable radios, and radio repeaters were replaced with funds from a \$399,500 federal grant. Two positions were staffed using federal grant money.

The department hosted a very successful Citizen's Police Academy for the first time in several years. The Citizen's Police Academy, which was designed to give the public a working knowledge of the police department, consisted of ten classes held once a week for two and one half hours at the Library. The topics included patrol operations, community policing, a K-9 narcotics demonstration, criminal investigations and crime scene processing, a practical exercise covering traffic stops, citizen complaints and Internal Affairs investigations, use of force, and accident investigation. A tour of the Navarro County Jail and a ride-along with a police officer on patrol were also part of the program. Crime Prevention Officer James Hudson was the class coordinator for the twenty-two citizens that participated.

Fire Department

The Fire Department responded to 2,159 calls for assistance involving fires. Paramedics responded to 5,733 calls for assistance involving medical emergencies. The Fire Chief has worked on revising and implementing a new Emergency Medical Standard Operating Procedures and new procedures for response to EMS calls. There were 3,342 hours of fire related training and 3,668 hours of emergency medical training provided by the department. The employees presented 207 fire prevention programs to a total attendance of 4,559 children & adults. To date the Fire Department has worked with the Texas Railroad Commission to have nine abandoned oil wells located within the city plugged. Two major incidents occurred during 2011 that tested the department's ability to react. One was the downtown fire involving a historic building on Beaton Street, and second the wildfires that occurred on Labor Day 2011. The response was excellent in both cases.



2011 Corsicana Police Academy Graduates:

Dr. Dave Campbell, Kristy Denton, Janie Goodman, Chris Graham, Don Harvey, Betty Heggins, Frizzell Henry, Raul Jimenez, Liz Julian, Cliff Kizer, Viola Lamb, Dan Layne, Marcia Longo, Xina Matthews, Dianna Mills, Lisa Naylor, Ned Polk, James Price, Enrique Sanchez, Arsean Session, Karen Smith, Charlotte Wright



Community Development

In January 2011, the expansions of **Pactiv Corporation** and **Russell Stover Candies**, completed during 2010, were added to the property tax rolls. The Pactiv Corporation expansion created 20 new full time jobs. Russell Stover Candies completed its addition of two new product lines and created a total of 55 new full time jobs. Together the expansions created 75 new jobs and added capital investments totaling \$5,424,238. **Guardian Industries** is planning an addition to the manufacturing facility which will add at least 10 jobs. The company is awaiting final permits and will begin production soon. **Oil City Iron Works, Inc.**, a stellar member of the Corsicana community since 1886, continues to expand and add new jobs for our residents. During the year 2011, the company added approximately 87 new jobs to the Corsicana community. In the spring of 2011, **Corsicana Bedding, Inc.**, an important strategic partner with Corsicana since 1971, relocated its corporate offices to 3001 South US Highway 287. Overall, during 2011, CBI created approximately 239 new jobs.



During the summer of 2011, **Southern Marketing Affiliates, Inc.** relocated its distribution center across town to 4000 East State Highway 31, formerly occupied by JELD-WEN. The new location provides more space and additional flexibility for SMA to grow the agriculture parts distribution business. In addition, **CorsiTech** purchased the property formerly owned by Primex Plastics. The company plans to utilize the new property for expansion of the Corsicana operation. Corsicana and Navarro County have a long history associated with the oil and natural gas industry. Therefore, **United Pipe & Steel Corporation** selected Corsicana as the site for expansion of the wholesale pipe supply business. The company has moved into the former Chattanooga Glass manufacturing facility located at the intersection of US Highway 287 and Interstate Highway 45 and occupies approximately 100,000 square feet.

The **Applebee's Neighborhood Grill and Bar** held a grand opening on November 14, 2011. The restaurant is located in the Corsicana Crossing retail center and on the newly constructed Mountain Drive which connects the Interstate Highway 45 northbound frontage road with Corsicana Crossing. **The Other Place Restaurant** reopened its doors after being closed for several months and features the culinary talents of Oscar Bonilla. **El Pollo Regio Restaurant** made its debut in Corsicana occupying the former Long John Silver's property on 7th Avenue. These openings created 165 jobs. There were several new commercial and retail store openings such as **Ag Solutions, Hometown Pharmacy, D&S Produce Plus, Beth's Bling-It Creations, and Cowgirl Click**. These noteworthy additions added 17 jobs.

The development of the medical and health care industry has certainly resulted in positive growth for the City of Corsicana as well. A cornerstone of this growth was marked in July 2011 with the grand opening of the **TRISUN Care Center**, located along State Highway 22 directly across from the Navarro Regional Hospital. Moreover, TRISUN expanded its presence in Corsicana by acquiring both the Heritage Oaks Retirement Village and the Heritage Oaks-West Nursing Center. Also, **Lott Physical Therapy and Fitness Center** has expanded into Corsicana constructing a new 8,000 square foot therapeutic facility on 2nd Avenue. Several other medical and health care related businesses opened or planned to open facilities in Corsicana including **Guardian Healthwise, Picasso Dental-Corsicana, Global Care Home Health Agency, IntegraCare-Corsicana, and Navarro Dental Center**.



Investments in Infrastructure

The City made significant investments in the infrastructure during 2011. Two departments were instrumental in these accomplishments. The Engineering and the Public Works departments oversee and manage the construction and repair projects on a daily basis. Some of the projects included Ridgeway Drive construction and associated utilities, SH 31 relocation of water and sewer lines for the 7th Avenue TxDOT project, 30" sewer line replacement from Commerce Street to Business 45, Forrest Lane waterline relocation for the 2007 Bond project, Corsicana Crossing extension to US highway 287, Building Energy Audits and Retrofits including work at the Library, new signal light blubs downtown, and HVAC unit replacement at the Government Center, 2nd Avenue sanitary sewer line repair, sanitary sewer line replacement from 35th Street to 36th Street along State Highway 22, State Highway 22 lift station expansion for the TriSun facility, 24" sanitary sewer replacement in the vicinity of Governors Drive, Forrest Lane reconstruction and road improvement, Main Street utility relocation for the 7th Avenue storm sewer construction, W. 2nd Avenue 6" sanitary sewer and pipe bursting project, the expansion of the landfill with the construction of sector 10 and the associated liner.



Additional street projects included the reconstruction of North 22nd from Columbia to Oaklawn, East 6th Avenue from Washington to Powell, Bunert from East 13th to the Railroad, West 10th from South 28th to South 30th, West 8th Street from South 30th to South 31st, South 42nd from Park Row to the end of the street, Magnolia from North 24th to North 26th, the construction of handicapped ramps at Beaton and 5th Street, the school zone signage at Bowie, Sam Houston, Drane and Travis schools were upgraded and made compliant with the Manual in Uniform Traffic Control Devices.



By advanced planning and preparation, the citizens of Corsicana were unaware of emergency repairs being made to the 30" transmission line from Navarro Mills WTP to Corsicana. All equipment and supplies were secured and onsite before the work was started. The work was performed at night to minimize interruptions to the citizens. The plant was shut down and the line drained. The repairs were



made without incident. The Utilities Department managed over 150 water leaks during the hot dry summer months. Leaks ranged in size from 1" lines to 24" lines, crews worked long hours in extreme conditions and even had a leak on Christmas Day. The City recognized a record day this past summer for water pumpage. Between the Navarro Mills and Lake Halbert plants the City pumped 14.1 MGD of water in August of last summer.

Investments were made at the Campbell Airport in the form of asphalt overlay of access roads and ramps, improvements to the fuel delivery system, handicapped access to the runway, a new fence project, lighting at two entrances, repair of the entrance sign and repair of the irrigation system. Several drainage projects and asphalt repair were done on the walking trail at Community Park. The Ladies Cemetery Association funded



much needed fence repairs at the Oakwood Cemetery entrance.



In addition, construction of five homes for eligible citizens were completed for the 2008 HOME Program. The City was awarded funding for the 2010 HOME Investment Partnerships Program for \$400,000.00 to assist five homeowners with reconstruction projects. The City was issued a contract with the Texas Department of Housing and Community Affairs for the Reservation System Participant Program. This allows a household to be submitted for a Reservation of Funds so that a project can proceed when sufficient funds are available.

Community Support

The Community Support Department is responsible for enforcing compliance with City Ordinances regarding property maintenance, zoning, addressing, fencing/screening and proper garbage containment and disposal.



The department responds to citizen requests and complaints, completes inspections and issues citations for code violations. The Code Compliance staff issued 1,771 violations and performed 4,011 inspections. In October of 2011, the City began a new program called "Code Rangers" to assist in the clean up effort. Code Rangers are a group of volunteers that help the Code Enforcement Officer by identifying code violations on private property within the City limits. Each

Ranger must successfully complete a four hour training course, and be willing to donate their time and energy helping to enhance the appearance of Corsicana. Two training classes have been held and 16 Rangers have received their badges. Hopefully, this program will continue to grow with additional volunteers.

This department is also responsible for the management and maintenance of the City cemeteries and City burial records. The department sells lots and coordinates the scheduling of all burials for Woodland, Oakwood and Modrell cemeteries which includes maintaining accurate records of all cemetery transactions. The department processed 54 cemetery lot sales and issued 115 burial permits and 92 monument or curbing permits. Also, 41 citizens were assisted with cemetery research requests.

Planning and Zoning

The Planning & Zoning Department assists in the planning, maintenance, coordination, and enforcement of the City's Comprehensive Master Plan which includes the review and processing of zoning change requests, specific use permits, variance applications, street and alley closures and abandonments, and plat applications. The department also assists in plan review and comprehensive development review. Applications for 26 zoning changes, specific use permits and plats were processed and presented for consideration by the Planning & Zoning Commission. The staff prepared 18 variance requests for consideration by the Board of Adjustment.

Permits and Inspections

The Permits & Inspections Department issues building permits for commercial and residential projects and performs on-site inspections through all stages of the construction process. The department also issues permits and completes inspections for a number of other construction projects including fences, accessory buildings, swimming pools, signs, and banners. The department also assists in plan review. There were 338 commercial and residential building projects reviewed and completed and 96 certificate of occupancies issued. Staff inspected over 350 other construction projects including signs, banners, fences, accessory buildings, swimming pools, irrigation, demos and house moving permits. There were 2,689 permits issued in 2011 for a total of \$6,590,446 in construction.



Human Resources

The Human Resource Department is dedicated to supporting the Guiding Values and Goals of the City of Corsicana in effectively managing City operations, especially in the areas of investing in our employees, promoting training and development of the workforce, paying competitive wages and enhancing productivity. The Department's goal is to attract, develop and retain a qualified, professional and diverse workforce and to minimize risks associated with City operations. The Department is responsible for administering the City's Personnel Policies and Procedures. Major functions include employee recruitment and selection, employee job classification, benefit administration, performance evaluations, and maintenance of official personnel records. Included in the Department's Risk Management function is the monitoring and development of the City's safety program and the administration of the City's insurance including: employee group health, dental, life and disability insurance, and workers' compensation insurance for 271 full time employees and 54 part time employees. Over 920 applications were accepted and processed for 50 positions and 30 workers compensation claims were administered.



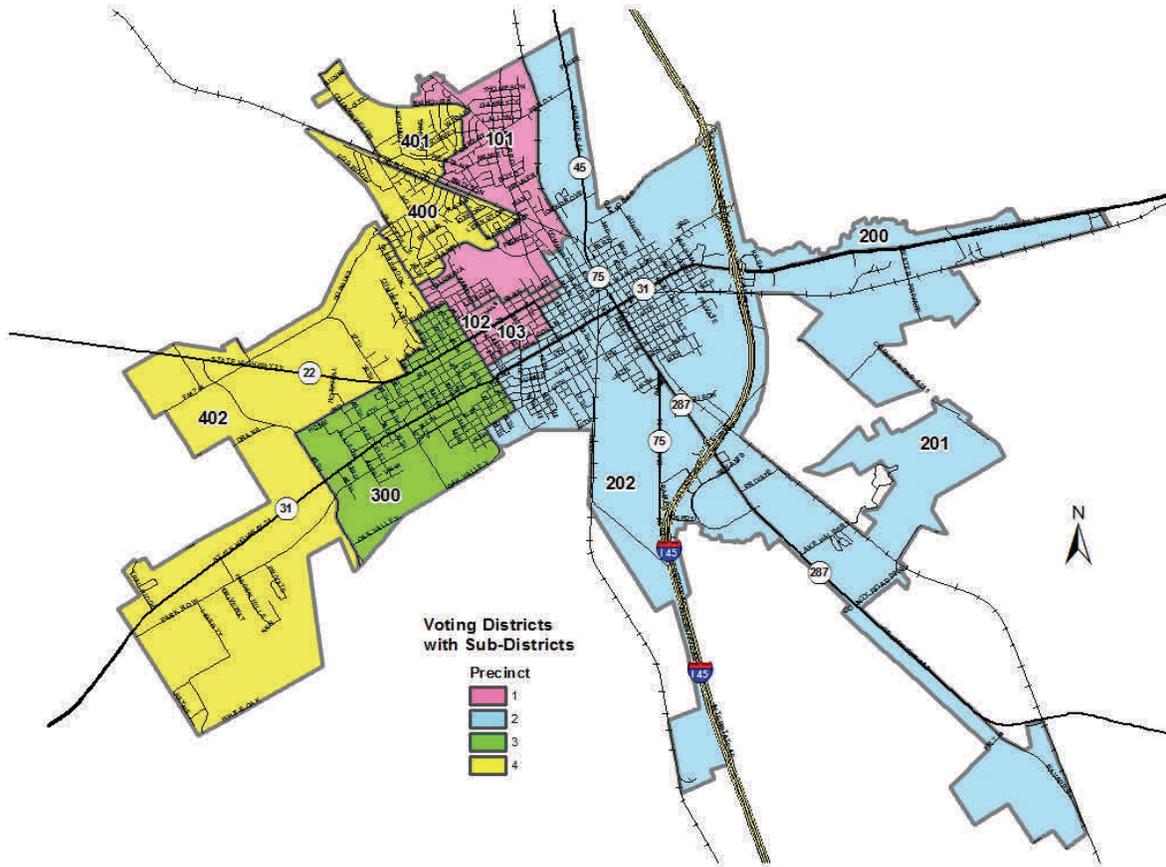
2011 Retirements

The City said farewell to eight employees this year. Those eight employees represent a total of over 197 years of municipal service. 2011 Retirees were:

Kevin Farmer	30 years, 7 months
Sharon Talbert	27 years, 6 months
Larry Murray	26 years, 3 months
Wanda Cole	20 years, 2 months

Ron Lynch	29 years, 1 month
Henry Stevenson	27 years, 5 months
Jeff Schafer	20 years, 5 months
Vernie Stevenson	15 years, 9 months





Precinct 1 Council Member
Tom Wilson

Precinct 4 Council Member
Don Denbow

Precinct 3 Council Member
John McClung

Precinct 2 Council Member
Mayor Pro-Tem
Ruby Williams

Mayor of Corsicana
Chuck McClanahan

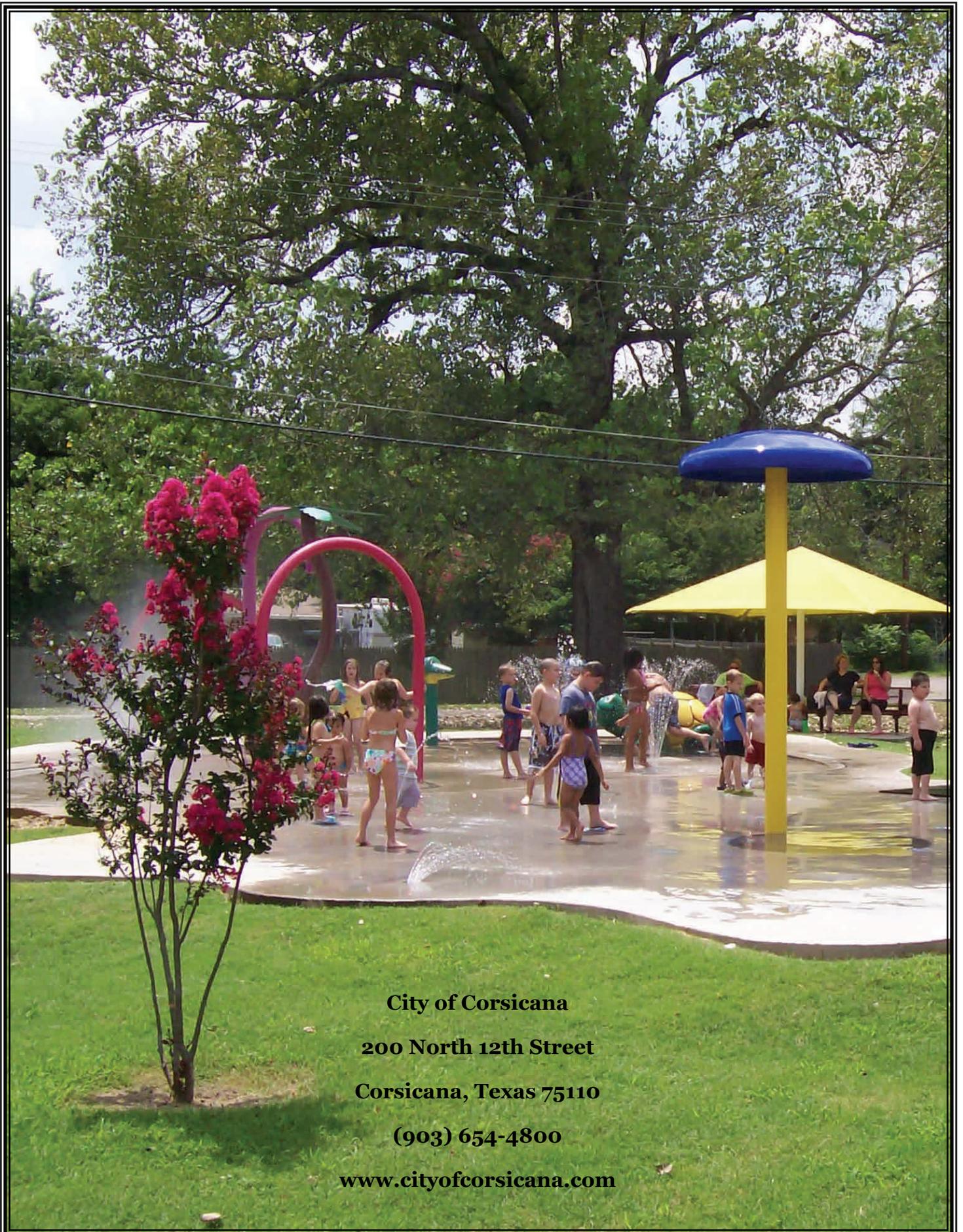
Council Mailing Address: Corsicana Government Center
200 North 12th Street
Corsicana, Texas 75110

Telephone: (903) 654-4800
Fax: (903) 654-4999

City of Corsicana Department Directors

DEPARTMENT	NAME	TITLE	PHONE	EMAIL
Administration	Connie Standridge	City Manager	903-654-4803	cstandridge@ci.corsicana.tx.us
Municipal Court	Mike Russell	City Judge	903-654-4856	mrussell@ci.corsicana.tx.us
Police	Randy Bratton	Police Chief	903-654-4900	rbratton@ci.corsicana.tx.us
Fire	Donald McMullan	Fire Chief	903-654-4958	dmcmullan@ci.corsicana.tx.us
Engineering/P & Z	Elizabeth Borstad	City Engineer	903-654-4891	eborstad@ci.corsicana.tx.us
Environmental Services	Vacant	Director	903-654-4889	
Parks and Recreation	Sharla Allen	Director	903-654-4879	sallen@ci.corsicana.tx.us
Financial Services	Virginia Richardson	Director	903-654-4975	grichardson@ci.corsicana.tx.us
Library	Chad Freeze	Director	903-654-4810	cfreeze@ci.corsicana.tx.us
Main Street	Steven Dieterichs	Coordinator	903-654-4851	sdieterichs@ci.corsicana.tx.us
Public Works	Terry Franks	Director	903-654-4878	tfranks@ci.corsicana.us.us
Human Resources	Pam Gibson	Director	903-654-4822	pgibson@ci.corsicana.tx.us
Tourism & Promotions	Steven Dieterichs	Coordinator	903-654-4851	sdieterichs@ci.corsicana.tx.us
Economic Development	Lee McCleary	Director	903-654-4806	lmccleary@ci.corsicana.tx.us





City of Corsicana

200 North 12th Street

Corsicana, Texas 75110

(903) 654-4800

www.cityofcorsicana.com