

CITY OF EL CAMPO, TEXAS

MAJOR GOVERNMENTAL FUNDS - GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET (GAAP BASIS) AND ACTUAL

For the year ended September 30, 2011

With comparative totals for the year ended September 30, 2010

	2011			Variance Positive (Negative)	2010
	Original Budget	Final Budget	Actual		Actual
REVENUES					
Taxes	\$ 5,600,810	\$ 5,312,984	\$ 5,685,143	\$ 372,159	\$ 5,166,428
Licenses and permits	64,000	64,000	86,460	22,460	98,729
Intergovernmental	125,700	219,919	207,131	(12,788)	133,119
Charges for services	192,330	192,330	248,181	55,851	206,810
Fines and forfeitures	575,000	575,000	530,895	(44,105)	557,979
Investment income	75,000	75,000	29,973	(45,027)	52,374
Industrial agreement	15,000	15,000	14,823	(177)	14,954
Miscellaneous	84,260	86,610	93,915	7,305	124,243
Total revenues	<u>6,732,100</u>	<u>6,540,843</u>	<u>6,896,521</u>	<u>355,678</u>	<u>6,354,636</u>
EXPENDITURES					
Current					
General government	1,983,650	1,607,985	1,596,827	11,158	1,562,844
Public safety	3,144,550	3,259,083	3,118,815	140,268	3,202,630
Public works	1,495,580	1,554,580	1,557,341	(2,761)	1,523,075
Parks and recreation	684,610	695,485	669,346	26,139	692,676
Total expenditures	<u>7,308,390</u>	<u>7,117,133</u>	<u>6,942,329</u>	<u>174,804</u>	<u>6,981,225</u>
Excess (deficiency) of revenues over expenditures	(576,290)	(576,290)	(45,808)	530,482	(626,589)
OTHER FINANCING SOURCES (USES)					
Sale of capital assets	25,000	25,000	15,845	(9,155)	12,729
Transfers in	551,290	551,290	544,392	(6,898)	541,579
Transfers out	-	-	-	-	(418,146)
Total other financing sources (uses)	<u>576,290</u>	<u>576,290</u>	<u>560,237</u>	<u>(16,053)</u>	<u>136,162</u>
Net change in fund balance	-	-	514,429	514,429	(490,427)
Fund balance at beginning of year	<u>3,347,073</u>	<u>3,347,073</u>	<u>3,347,073</u>	-	<u>3,837,500</u>
Fund balance at end of year	<u>\$ 3,347,073</u>	<u>\$ 3,347,073</u>	<u>\$ 3,861,502</u>	<u>\$ 514,429</u>	<u>\$ 3,347,073</u>

The accompanying notes to required supplementary information are an integral part of this schedule.

CITY OF EL CAMPO, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
HISTORICAL PENSION AND OTHER POSTEMPLOYMENT
BENEFITS INFORMATION
September 30, 2011

TEXAS MUNICIPAL RETIREMENT SYSTEM

The schedule of funding progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

Schedule of Funding Progress						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/10 ²	\$ 16,369,313	\$ 18,848,698	\$ 2,479,385	86.85%	\$ 4,426,088	56.02%
12/31/10 ¹	10,650,472	15,005,547	4,355,075	70.98%	4,426,088	98.40%
12/31/09	10,391,825	14,719,666	4,211,357	70.60%	4,386,471	98.66%
12/31/08	10,246,891	14,458,248	4,211,357	70.87%	4,170,422	100.98%
12/31/07	10,202,248	13,954,179	3,751,931	73.11%	3,816,186	98.32%
12/31/06	10,173,047	12,762,866	2,589,819	79.71%	3,348,699	77.34%
12/31/05	10,051,419	12,544,550	2,493,131	80.10%	3,399,727	73.33%
12/31/04	9,178,723	11,588,951	2,410,228	79.20%	3,195,778	75.42%
12/31/03	8,509,931	10,808,750	2,298,819	78.73%	3,053,451	75.29%
12/31/02	8,283,076	10,342,035	2,058,959	80.09%	2,968,532	69.36%
12/31/01	7,820,853	9,769,974	1,949,121	80.05%	2,958,509	65.88%

¹Actuarial valuation performed under the original fund structure

²Actuarial valuation performed under the new fund structure

TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM

	Actuarial Valuation Information	
	8/31/08	8/31/10
Actuarial cost method	entry age	entry age
Amortization method	level dollar, open	level dollar, open
Amortization period	6 years	30 years
Asset valuation method	market value smoothed by a 5-year deferred recognition method with a 90% - 110% corridor on market value	market value smoothed by a 5-year deferred recognition method with a 80% - 120% corridor on market value
Investment rate of return *	8.00%, net of expenses	7.75%, net of expenses
Projected salary increases	n/a	n/a
* Includes inflation at	3.50%	3.50%
Cost of living adjustment	none	none

CITY OF EL CAMPO, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
HISTORICAL PENSION AND OTHER POSTEMPLOYMENT
BENEFITS INFORMATION
September 30, 2011

TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM - (Continued)

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability ¹ (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Total Members Covered (c)	UAAL per Member Covered (b-a)/(c)
8/31/2006	\$ 42,268,305	\$ 58,082,828	\$ 15,814,523	72.8%	8,061	\$ 1,962
8/31/2008 ²	60,987,157	64,227,341	3,240,184	95.0%	8,254	393
8/31/2010 ³	64,113,803	79,953,215	15,839,412	80.2%	8,708	1,819

¹ The actuarial accrued liability is based upon the entry age actuarial cost method.

² Changes in actuarial assumptions and methods, as well as benefit and contribution provisions, were first reflected in this valuation.

³ Changes in actuarial assumptions were reflected in this valuation.

Three-Year Trend Information - State-wide

Fiscal Year Ending August 31	Annual Required Contributions	Actual Contributions	Percentage Contributed
2010	\$ 2,875,103 ³	\$ 2,875,103	100%
2009	2,698,271 ³	2,698,271	100%
2008	3,160,764 ²	11,239,339 ¹	356%

¹ Includes a state contribution of \$8,800,000.

² Based on the August 31, 2006, actuarial valuation.

³ Based on the August 31, 2008, actuarial valuation.

State contributions to the City's plan for the fiscal year 2011 has been deemed insignificant to the financial statements. Therefore, no amounts have been recognized as revenues and expenditures during the period.

Three-Year Trend Information - City of El Campo, Texas

Year Ended September 30	Annual Required Contributions (ARC)	Percentage Contributed	Net Obligation
2011	\$ 39,584	100%	\$ -
2010	32,892	100%	-
2009	47,500	100%	-

CITY OF EL CAMPO, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
HISTORICAL PENSION AND OTHER POSTEMPLOYMENT
BENEFITS INFORMATION
 September 30, 2011

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/(c)
12/31/2009	\$ -	\$ 168,339	\$ 168,339	0.00%	\$ 4,386,471	3.84%

Actuarial Valuation Information
12/31/09

Actuarial cost method	projected unit credit
Amortization method	level percent of payroll
Amortization period in years	30 - closed
Asset valuation method	fair value
Healthcare trend rate *	9.00%
Projected salary increases *	3.00%
Investment rate of return *	4.50%

*Includes an inflation adjustment of 4.50%.

CITY OF EL CAMPO, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2011

NOTE 1: BUDGETARY BASIS OF ACCOUNTING

The City annually adopts budgets that are prepared using the modified accrual basis of accounting, which is consistent with generally accepted accounting principles.

NOTE 2: BUDGETARY LEGAL COMPLIANCE

For the year ended September 30, 2011, the City complied with budgetary restrictions at all departmental levels except the following. The following table details this variance:

<u>Fund/Department</u>	<u>Budget</u>	<u>Actual</u>	<u>Negative Variance</u>
General Fund			
City administration	\$ 1,166,655	\$1,168,740	\$ (2,085)
Streets	1,187,070	1,193,288	(6,218)
Administration/engineering	216,760	218,114	(1,354)
Parks and recreation	338,565	341,228	(2,663)

Combining and Individual Fund Statements and Schedules

CITY OF EL CAMPO, TEXAS
ALL NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
September 30, 2011

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Fund	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS				
Current assets				
Cash and cash equivalents	\$ 126,658	\$ 244,411	\$ 447,863	\$ 818,932
Receivables (net)	25,890	34,215	47,308	107,413
Note receivable from component unit	-	15,005	-	15,005
Noncurrent assets				
Note receivable from component unit (net)	-	52,098	-	52,098
Total assets	\$ 152,548	\$ 345,729	\$ 495,171	\$ 993,448
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 11,137	\$ -	\$ 7,609	\$ 18,746
Due to other funds	20,187	-	-	20,187
Deferred revenue	-	34,215	47,308	81,523
Total liabilities	31,324	34,215	54,917	120,456
Fund balances				
Nonspendable				
Noncurrent notes receivable	-	52,098	-	52,098
Restricted				
Retirement of long-term debt	-	259,416	-	259,416
Various capital projects	-	-	430,584	430,584
Municipal court	21,203	-	-	21,203
State and federal grant programs	457	-	-	457
Public safety	99,564	-	-	99,564
Committed				
Street paving	-	-	9,670	9,670
Total fund balances	121,224	311,514	440,254	872,992
Total liabilities and fund balances	\$ 152,548	\$ 345,729	\$ 495,171	\$ 993,448

CITY OF EL CAMPO, TEXAS

ALL NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the year ended September 30, 2011

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Fund	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 92,679	\$ 291,339	\$ -	\$ 384,018
Charges for services	-	-	36,224	36,224
Fines and forfeitures	40,205	-	-	40,205
Investment income	1,533	5,327	961	7,821
Miscellaneous	77,784	-	-	77,784
Total revenues	<u>212,201</u>	<u>296,666</u>	<u>37,185</u>	<u>546,052</u>
EXPENDITURES				
Current				
General government	51,710	-	-	51,710
Public safety	54,305	-	-	54,305
Public works	-	-	172,550	172,550
Capital outlay	13,331	-	52,649	65,980
Debt service				
Principal retirement	-	172,872	-	172,872
Interest and fiscal charges	-	133,641	-	133,641
Total expenditures	<u>119,346</u>	<u>306,513</u>	<u>225,199</u>	<u>651,058</u>
Excess (deficiency) of revenues over expenditures	92,855	(9,847)	(188,014)	(105,006)
OTHER FINANCING SOURCES (USES)				
Transfers out	(53,102)	-	-	(53,102)
Total other financing sources (uses)	<u>(53,102)</u>	<u>-</u>	<u>-</u>	<u>(53,102)</u>
Net change in fund balances	39,753	(9,847)	(188,014)	(158,108)
Fund balances at beginning of year	81,471	321,361	628,268	1,031,100
Fund balances at end of year	<u>\$ 121,224</u>	<u>\$ 311,514</u>	<u>\$ 440,254</u>	<u>\$ 872,992</u>

NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

Municipal Court Technology and Building Security Funds - Account for funds received in addition to municipal court fines to enhance these specific areas.

Hotel/Motel Tax Fund - Accounts for the collection of hotel and motel taxes collected within the City.

Community Development Block Grant Fund - Accounts for grant funds used for public works construction projects.

Police Seizure Fund - Accounts for items seized by the City through the police department as a result of criminal investigations. The funds are used for one-time equipment purchases and other purchases to assist in police activities.

EMS Grant Fund - Accounts for donations from local foundations and hospitals for ambulances and other emergency equipment.

CITY OF EL CAMPO, TEXAS**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS****COMBINING BALANCE SHEET**

September 30, 2011

	<u>Municipal Court Technology</u>	<u>Municipal Court Building Security</u>	<u>Hotel/Motel Tax</u>
ASSETS			
Cash and cash equivalents	\$ 1,259	\$ 19,944	\$ -
Accounts receivable	<u>-</u>	<u>-</u>	<u>25,890</u>
Total assets	<u>\$ 1,259</u>	<u>\$ 19,944</u>	<u>\$ 25,890</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ -	\$ -	\$ 11,096
Due to other funds	<u>-</u>	<u>-</u>	<u>14,794</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>25,890</u>
Fund balances			
Restricted			
Municipal court	1,259	19,944	-
State and federal grant programs	-	-	-
Public safety	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>1,259</u>	<u>19,944</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 1,259</u>	<u>\$ 19,944</u>	<u>\$ 25,890</u>

<u>Community Development Block Grant</u>	<u>Police Seizure</u>	<u>EMS Grant</u>	<u>Total</u>
\$ 457	\$ 90,014	\$ 14,984	\$ 126,658
<u>-</u>	<u>-</u>	<u>-</u>	<u>25,890</u>
<u>\$ 457</u>	<u>\$ 90,014</u>	<u>\$ 14,984</u>	<u>\$ 152,548</u>
\$ -	\$ -	\$ 41	\$ 11,137
<u>-</u>	<u>5,393</u>	<u>-</u>	<u>20,187</u>
<u>-</u>	<u>5,393</u>	<u>41</u>	<u>31,324</u>
-	-	-	21,203
457	-	-	457
<u>-</u>	<u>84,621</u>	<u>14,943</u>	<u>99,564</u>
<u>457</u>	<u>84,621</u>	<u>14,943</u>	<u>121,224</u>
<u>\$ 457</u>	<u>\$ 90,014</u>	<u>\$ 14,984</u>	<u>\$ 152,548</u>

CITY OF EL CAMPO, TEXAS

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the year ended September 30, 2011

	Municipal Court Technology	Municipal Court Building Security	Hotel/Motel Tax
REVENUES			
Taxes	\$ -	\$ -	\$ 92,679
Fines and forfeitures	-	-	-
Investment income	1	252	-
Miscellaneous	<u>9,790</u>	<u>6,987</u>	<u>-</u>
Total revenues	<u>9,791</u>	<u>7,239</u>	<u>92,679</u>
EXPENDITURES			
Current			
General government	5,191	6,942	39,577
Public safety	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>5,191</u>	<u>6,942</u>	<u>39,577</u>
Excess (deficiency) of revenues over expenditures	4,600	297	53,102
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>-</u>	<u>-</u>	<u>(53,102)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(53,102)</u>
Net change in fund balances	4,600	297	-
Fund balances at beginning of year	<u>(3,341)</u>	<u>19,647</u>	<u>-</u>
Fund balances at end of year	<u>\$ 1,259</u>	<u>\$ 19,944</u>	<u>\$ -</u>

<u>Community Development Block Grant</u>	<u>Police Seizure</u>	<u>EMS Grant</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 92,679
-	40,205	-	40,205
457	584	239	1,533
<u>-</u>	<u>34,036</u>	<u>26,971</u>	<u>77,784</u>
<u>457</u>	<u>74,825</u>	<u>27,210</u>	<u>212,201</u>
-	-	-	51,710
-	41,045	13,260	54,305
<u>-</u>	<u>-</u>	<u>13,331</u>	<u>13,331</u>
<u>-</u>	<u>41,045</u>	<u>26,591</u>	<u>119,346</u>
457	33,780	619	92,855
<u>-</u>	<u>-</u>	<u>-</u>	<u>(53,102)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(53,102)</u>
457	33,780	619	39,753
<u>-</u>	<u>50,841</u>	<u>14,324</u>	<u>81,471</u>
<u>\$ 457</u>	<u>\$ 84,621</u>	<u>\$ 14,943</u>	<u>\$ 121,224</u>

NONMAJOR CAPITAL PROJECT FUNDS

Capital Project Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities or other capital assets. Capital Project Funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

2004 Bonds Fund - Accounts for the use of the proceeds from the City's 2004 Certificates of Obligation.

Street Paving Fund - Accounts for paving the City's remaining unpaved streets through assessments to adjacent landowners and transfers from General Fund.

CITY OF EL CAMPO, TEXAS**NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECT FUNDS****COMBINING BALANCE SHEET**

September 30, 2011

	<u>2004 Bonds</u>	<u>Street Paving</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 438,193	\$ 9,670	\$ 447,863
Receivables (net)			
Other	<u>-</u>	<u>47,308</u>	<u>47,308</u>
Total assets	<u>\$ 438,193</u>	<u>\$ 56,978</u>	<u>\$ 495,171</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	\$ 7,609	\$ -	\$ 7,609
Deferred revenue	<u>-</u>	<u>47,308</u>	<u>47,308</u>
Total liabilities	<u>7,609</u>	<u>47,308</u>	<u>54,917</u>
Fund balance			
Restricted			
Various capital projects	430,584	-	430,584
Committed			
Street paving	<u>-</u>	<u>9,670</u>	<u>9,670</u>
Total fund balances	<u>430,584</u>	<u>9,670</u>	<u>440,254</u>
Total liabilities and fund balance	<u>\$ 438,193</u>	<u>\$ 56,978</u>	<u>\$ 495,171</u>

CITY OF EL CAMPO, TEXAS**NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECT FUNDS****COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

For the year ended September 30, 2011

	<u>2004 Bonds</u>	<u>Street Paving</u>	<u>Total</u>
REVENUES			
Charges for services			
Street assessments	\$ -	\$ 36,224	\$ 36,224
Investment income	<u>849</u>	<u>112</u>	<u>961</u>
Total revenues	<u>849</u>	<u>36,336</u>	<u>37,185</u>
EXPENDITURES			
Current			
Public works	7,609	164,941	172,550
Capital outlay	<u>52,649</u>	<u>-</u>	<u>52,649</u>
Total expenditures	<u>60,258</u>	<u>164,941</u>	<u>225,199</u>
Excess (deficiency) of revenues over expenditures	(59,409)	(128,605)	(188,014)
OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(59,409)	(128,605)	(188,014)
Fund balances at beginning of year	<u>489,993</u>	<u>138,275</u>	<u>628,268</u>
Fund balances at end of year	<u>\$ 430,584</u>	<u>\$ 9,670</u>	<u>\$ 440,254</u>

GENERAL FUND

The General Fund is the City's primary operating fund and accounts for all financial resources of the general government, except those required to be accounted for and reported in another fund.

CITY OF EL CAMPO, TEXAS
MAJOR GOVERNMENTAL FUNDS - GENERAL FUND
BALANCE SHEET
September 30, 2011
With comparative totals for September 30, 2010

	<u>2011</u>	<u>2010</u>
ASSETS		
Cash and cash equivalents	\$ 1,882,819	\$ 595,863
Investments	1,607,028	2,480,354
Receivables (net)		
Taxes	356,679	365,552
Interest	3,347	7,708
Fines	143,882	142,821
Due from other funds	125,103	66,764
Due from other governments	521,105	457,328
Deferred expenditures	65,249	10,177
Inventory	<u>21,928</u>	<u>27,831</u>
Total assets	\$ <u>4,727,140</u>	\$ <u>4,154,398</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 73,581	\$ 76,789
Accrued expenditures	127,427	51,180
Deposits	11,381	14,201
Due to component unit	86,816	76,191
Due to other funds	95,558	95,558
Due to other governments	56,818	45,172
Deferred revenue	<u>414,057</u>	<u>448,234</u>
Total liabilities	<u>865,638</u>	<u>807,325</u>
Fund balance		
Nonspendable		
Deferred expenditures	65,249	10,177
Inventory	21,928	27,831
Unassigned	<u>3,774,325</u>	<u>3,309,065</u>
Total fund balance	<u>3,861,502</u>	<u>3,347,073</u>
 Total liabilities and fund balance	\$ <u>4,727,140</u>	\$ <u>4,154,398</u>

CITY OF EL CAMPO, TEXAS

MAJOR GOVERNMENTAL FUNDS - GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET (GAAP BASIS) AND ACTUAL

For the year ended September 30, 2011

With comparative totals for the year ended September 30, 2010

	2011		Variance Positive (Negative)	2010
	Final Budget	Actual		Actual
REVENUES				
Taxes				
Ad valorem	\$ 2,554,710	\$ 2,617,480	\$ 62,770	\$ 2,386,242
Sales	2,162,174	2,405,245	243,071	2,161,373
Franchise	578,800	650,585	71,785	603,132
Alcoholic beverage	17,300	11,833	(5,467)	15,681
Licenses and permits	64,000	86,460	22,460	98,729
Intergovernmental	219,919	207,131	(12,788)	133,119
Charges for services	192,330	248,181	55,851	206,810
Fines and forfeitures	575,000	530,895	(44,105)	557,979
Investment income	75,000	29,973	(45,027)	52,374
Industrial agreement	15,000	14,823	(177)	14,954
Miscellaneous	86,610	93,915	7,305	124,243
Total revenues	6,540,843	6,896,521	355,678	6,354,636
EXPENDITURES				
Current				
General government				
City administration				
Personnel	814,780	811,522	3,258	818,800
Materials and supplies	6,910	6,150	760	4,262
Repairs and maintenance	12,620	6,143	6,477	38,789
Other services and charges	324,485	337,063	(12,578)	331,242
Capital outlay	7,860	7,862	(2)	8,412
Total city administration	1,166,655	1,168,740	(2,085)	1,201,505
Finance				
Personnel	198,930	192,306	6,624	193,813
Materials and supplies	3,000	2,850	150	2,783
Repairs and maintenance	1,670	455	1,215	3,694
Other services and charges	4,770	6,019	(1,249)	22,574
Total finance	208,370	201,630	6,740	222,864
Information technology				
Materials and supplies	-	1,282	(1,282)	-
Repairs and maintenance	22,200	47,254	(25,054)	-
Other services and charges	34,860	30,565	4,295	-
Capital outlay	32,000	4,799	27,201	-
Total information technology	89,060	83,900	5,160	-

(continued)

CITY OF EL CAMPO, TEXAS

MAJOR GOVERNMENTAL FUNDS - GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET (GAAP BASIS) AND ACTUAL

For the year ended September 30, 2011

With comparative totals for the year ended September 30, 2010

	2011		Variance Positive (Negative)	2010
	Final Budget	Actual		Actual
EXPENDITURES - (CONTINUED)				
Current - (continued)				
General government				
Municipal court				
Personnel	\$ 135,020	\$ 134,790	\$ 230	\$ 132,164
Materials and supplies	2,050	2,015	35	1,771
Repairs and maintenance	940	822	118	984
Other services and charges	5,890	4,930	960	3,556
Total municipal court	<u>143,900</u>	<u>142,557</u>	<u>1,343</u>	<u>138,475</u>
Total general government	<u>1,607,985</u>	<u>1,596,827</u>	<u>11,158</u>	<u>1,562,844</u>
Public safety				
Police				
Personnel	1,963,512	1,931,432	32,080	1,950,213
Materials and supplies	147,505	142,263	5,242	157,876
Repairs and maintenance	53,450	34,063	19,387	79,753
Other services and charges	116,620	110,115	6,505	128,696
Capital outlay	115,708	115,708	-	71,300
Debt service	14,540	14,544	(4)	14,544
Total police	<u>2,411,335</u>	<u>2,348,125</u>	<u>63,210</u>	<u>2,402,382</u>
Fire				
Materials and supplies	39,530	44,735	(5,205)	32,685
Repairs and maintenance	44,900	41,502	3,398	51,074
Other services and charges	104,770	97,743	7,027	87,359
Capital outlay	40,048	39,774	274	45,595
Debt service	7,270	7,270	-	7,270
Total fire	<u>236,518</u>	<u>231,024</u>	<u>5,494</u>	<u>223,983</u>
Fire marshal				
Personnel	11,240	10,932	308	11,145
Materials and supplies	2,430	608	1,822	1,980
Repairs and maintenance	1,000	584	416	331
Other services and charges	1,570	834	736	1,648
Total fire marshal	<u>16,240</u>	<u>12,958</u>	<u>3,282</u>	<u>15,104</u>
Inspection				
Personnel	196,420	194,358	2,062	195,750
Materials and supplies	3,320	3,249	71	3,246
Repairs and maintenance	1,620	135	1,485	825
Other services and charges	15,530	7,865	7,665	10,254
Total inspection	<u>216,890</u>	<u>205,607</u>	<u>11,283</u>	<u>210,075</u>

(continued)

CITY OF EL CAMPO, TEXAS

MAJOR GOVERNMENTAL FUNDS - GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET (GAAP BASIS) AND ACTUAL

For the year ended September 30, 2011

With comparative totals for the year ended September 30, 2010

	2011		2010	
	Final Budget	Actual	Variance Positive (Negative)	Actual
EXPENDITURES - (CONTINUED)				
Current - (continued)				
Public safety - (continued)				
Communications				
Personnel	\$ 355,650	\$ 300,885	\$ 54,765	\$ 336,722
Total communications	<u>355,650</u>	<u>300,885</u>	<u>54,765</u>	<u>336,722</u>
Emergency management				
Personnel	11,750	11,106	644	10,637
Materials and supplies	700	103	597	143
Other services and charges	3,000	2,433	567	3,584
Capital outlay	7,000	6,574	426	-
Total emergency medical services	<u>22,450</u>	<u>20,216</u>	<u>2,234</u>	<u>14,364</u>
Total public safety	<u>3,259,083</u>	<u>3,118,815</u>	<u>140,268</u>	<u>3,202,630</u>
Public works				
Streets				
Personnel	515,090	518,112	(3,022)	571,214
Materials and supplies	95,440	110,251	(14,811)	84,001
Repairs and maintenance	334,860	328,912	5,948	218,075
Other services and charges	146,600	138,984	7,616	131,547
Capital outlay	5,000	5,000	-	95,558
Debt service	90,080	92,029	(1,949)	119,346
Total streets	<u>1,187,070</u>	<u>1,193,288</u>	<u>(6,218)</u>	<u>1,219,741</u>
Administration/engineering				
Personnel	174,360	163,209	11,151	154,095
Materials and supplies	5,950	7,711	(1,761)	5,431
Repairs and maintenance	10,300	16,331	(6,031)	6,890
Other services and charges	26,150	30,863	(4,713)	26,317
Total administration/engineering	<u>216,760</u>	<u>218,114</u>	<u>(1,354)</u>	<u>192,733</u>
Vehicle and facility maintenance				
Personnel	134,140	131,512	2,628	95,107
Materials and supplies	15,510	12,743	2,767	14,709
Repairs and maintenance	800	1,434	(634)	693
Other services and charges	300	250	50	92
Total vehicle and facility maintenance	<u>150,750</u>	<u>145,939</u>	<u>4,811</u>	<u>110,601</u>
Total public works	<u>1,554,580</u>	<u>1,557,341</u>	<u>(2,761)</u>	<u>1,523,075</u>

(continued)

CITY OF EL CAMPO, TEXAS

MAJOR GOVERNMENTAL FUNDS - GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET (GAAP BASIS) AND ACTUAL

For the year ended September 30, 2011

With comparative totals for the year ended September 30, 2010

	2011		Variance Positive (Negative)	2010
	Final Budget	Actual		Actual
EXPENDITURES - (CONTINUED)				
Current - (continued)				
Parks and recreation				
Parks and recreation				
Personnel	\$ 243,950	\$ 243,680	\$ 270	\$ 235,901
Materials and supplies	14,755	13,772	983	12,690
Repairs and maintenance	30,050	32,853	(2,803)	21,772
Other services and charges	39,810	40,663	(853)	42,588
Capital outlay	10,000	10,260	(260)	-
Total parks and recreation	<u>338,565</u>	<u>341,228</u>	<u>(2,663)</u>	<u>312,951</u>
Civic center				
Materials and supplies	-	268	(268)	1,135
Repairs and maintenance	59,960	62,935	(2,975)	64,800
Other services and charges	42,100	33,889	8,211	37,205
Total civic center	<u>102,060</u>	<u>97,092</u>	<u>4,968</u>	<u>103,140</u>
Aquatic center				
Personnel	150,530	145,868	4,662	171,857
Materials and supplies	10,800	13,986	(3,186)	16,522
Repairs and maintenance	10,000	9,401	599	16,414
Other services and charges	83,530	61,771	21,759	71,792
Total aquatic center	<u>254,860</u>	<u>231,026</u>	<u>23,834</u>	<u>276,585</u>
Total parks and recreation	<u>695,485</u>	<u>669,346</u>	<u>26,139</u>	<u>692,676</u>
Total expenditures	<u>7,117,133</u>	<u>6,942,329</u>	<u>174,804</u>	<u>6,981,225</u>
Excess (deficiency) of revenues over expenditures	(576,290)	(45,808)	530,482	(626,589)
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	25,000	15,845	(9,155)	12,729
Transfers in	551,290	544,392	(6,898)	541,579
Transfers out	-	-	-	(418,146)
Total other financing sources (uses)	<u>576,290</u>	<u>560,237</u>	<u>(16,053)</u>	<u>136,162</u>
Net change in fund balance	\$ <u>-</u>	514,429	\$ <u>514,429</u>	(490,427)
Fund balance at beginning of year		<u>3,347,073</u>		<u>3,837,500</u>
Fund balance at end of year		<u>\$ 3,861,502</u>		<u>\$ 3,347,073</u>

(concluded)

NONMAJOR DEBT SERVICE FUND

The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for general government debt principal and interest.

CITY OF EL CAMPO, TEXAS
NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE FUND
BALANCE SHEET
September 30, 2011
With comparative totals for September 30, 2010

	<u>2011</u>	<u>2010</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 244,411	\$ 239,968
Receivables, net		
Taxes	34,215	39,049
Note receivable from component unit	15,005	14,290
Noncurrent assets		
Note receivable from component unit, net	<u>52,098</u>	<u>67,103</u>
Total assets	<u>\$ 345,729</u>	<u>\$ 360,410</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Deferred revenue	<u>\$ 34,215</u>	<u>\$ 39,049</u>
Total liabilities	<u>34,215</u>	<u>39,049</u>
Fund balance		
Nonspendable		
Noncurrent notes receivable	52,098	67,103
Restricted		
Retirement of long-term debt	<u>259,416</u>	<u>254,258</u>
Total fund balance	<u>311,514</u>	<u>321,361</u>
 Total liabilities and fund balance	 <u>\$ 345,729</u>	 <u>\$ 360,410</u>

CITY OF EL CAMPO, TEXAS

NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET (GAAP BASIS) AND ACTUAL

For the year ended September 30, 2011

With comparative totals for the year ended September 30, 2010

	2011		Variance Positive (Negative)	2010
	Final Budget	Actual		Actual
REVENUES				
Ad valorem taxes				
Current taxes	\$ 283,580	\$ 273,737	\$ (9,843)	\$ 258,582
Delinquent taxes	5,000	11,427	6,427	8,477
Penalty and interest	4,000	6,175	2,175	5,334
Investment income	19,630	5,327	(14,303)	6,463
Total revenues	<u>312,210</u>	<u>296,666</u>	<u>(15,544)</u>	<u>278,856</u>
EXPENDITURES				
Debt service				
Principal retirement	172,870	172,872	(2)	163,536
Interest and fiscal charges	139,340	133,641	5,699	141,654
Total expenditures	<u>312,210</u>	<u>306,513</u>	<u>5,697</u>	<u>305,190</u>
Net change in fund balance	-	(9,847)	(9,847)	(26,334)
Fund balance at beginning of year	<u>321,361</u>	<u>321,361</u>	-	<u>347,695</u>
Fund balance at end of year	<u>\$ 321,361</u>	<u>\$ 311,514</u>	<u>\$ (9,847)</u>	<u>\$ 321,361</u>

ENTERPRISE FUNDS

Enterprise Funds account for the acquisition, operations, and maintenance of the City's facilities and services which are entirely or predominantly supported by user charges or those for which the City has decided that periodic determination of the revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. All activities necessary to provide services are accounted for in this fund, including, but not limited to, administration, operations, and maintenance. Debt service amounts are also included.

Utility Fund - Records transactions relative to the provision of water, wastewater system, and solid waste sanitation services to the residents of the City.

Emergency Medical Services Fund - Accounts for activities of the City relative to providing emergency medical services to the residents and visitors of the City.

CITY OF EL CAMPO, TEXAS
MAJOR ENTERPRISE FUND - UTILITY FUND
BALANCE SHEET
September 30, 2011
With comparative totals for September 30, 2010

	<u>2011</u>	<u>2010</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,560,292	\$ 1,724,174
Investments	700,366	334,510
Receivables (net)		
Accounts	617,293	467,672
Interest	2,676	1,654
Due from other funds	95,558	95,558
Prepaid expenses	28,527	-
Restricted assets		
Cash and cash equivalents	<u>294,262</u>	<u>2,341,688</u>
Total current assets	<u>3,298,974</u>	<u>4,965,256</u>
Noncurrent assets		
Capital assets		
Machinery and equipment	1,845,206	1,802,106
Buildings and improvements	1,705,709	1,705,709
Water works system	13,279,833	10,871,496
Sewer system	<u>10,185,379</u>	<u>7,777,042</u>
Total capital assets	27,016,127	22,156,353
Less accumulated depreciation	<u>10,978,161</u>	<u>10,347,911</u>
Subtotal	16,037,966	11,808,442
Land	30,498	16,021
Construction in progress	<u>16,948</u>	<u>2,827,529</u>
Net capital assets	<u>16,085,412</u>	<u>14,651,992</u>
Bond issue costs, net	<u>153,682</u>	<u>163,081</u>
Total noncurrent assets	<u>16,239,094</u>	<u>14,815,073</u>
Total assets	<u>19,538,068</u>	<u>19,780,329</u>

CITY OF EL CAMPO, TEXAS
MAJOR ENTERPRISE FUND - UTILITY FUND
BALANCE SHEET
September 30, 2011
With comparative totals for September 30, 2010

	<u>2011</u>	<u>2010</u>
LIABILITIES		
Current liabilities		
Accounts payable	\$ 301,613	\$ 338,621
Accrued expenses	19,512	7,744
Deposits	179,707	184,278
Accrued interest payable	63,366	67,648
Due to other funds	104,916	48,671
Compensated absences	25,705	23,098
Current portion of capital leases	114,714	109,965
Current portion of general obligation bonds	256,816	243,058
Current portion of certificates of obligation	<u>172,526</u>	<u>164,070</u>
Total current liabilities	<u>1,238,875</u>	<u>1,187,153</u>
Noncurrent liabilities		
Compensated absences	16,197	17,158
Capital leases, net of current portion	1,074,361	1,189,075
General obligation bonds, net of current portion	-	256,816
Certificates of obligation, net of current portion	<u>6,889,596</u>	<u>7,062,122</u>
Total noncurrent liabilities	<u>7,980,154</u>	<u>8,525,171</u>
Total liabilities	<u>9,219,029</u>	<u>9,712,324</u>
NET ASSETS		
Invested in capital assets, net of related debt	7,871,661	7,968,574
Unrestricted net assets	<u>2,447,378</u>	<u>2,099,431</u>
Total net assets	<u>\$ 10,319,039</u>	<u>\$ 10,068,005</u>

CITY OF EL CAMPO, TEXAS

MAJOR ENTERPRISE FUND - UTILITY FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGE IN FUND NET ASSETS

BUDGET (NON-GAAP BASIS) AND ACTUAL

For the year ended September 30, 2011

With comparative totals for the year ended September 30, 2010

	2011		Variance	2010
	Original/Final Budget	Actual	Positive (Negative)	Actual
OPERATING REVENUES				
Water	\$ 1,435,580	\$ 1,607,909	\$ 172,329	\$ 1,202,036
Sewer	1,580,930	1,582,962	2,032	1,411,677
Sanitation	1,388,580	1,516,575	127,995	1,483,769
Billing fees	134,870	122,143	(12,727)	115,279
Penalties	70,180	79,012	8,832	75,536
Connection and installation fees	36,500	43,274	6,774	28,380
Other	18,100	44,207	26,107	20,533
Total operating revenues	<u>4,664,740</u>	<u>4,996,082</u>	<u>331,342</u>	<u>4,337,210</u>
OPERATING EXPENSES				
Utility operations				
Personnel	788,630	784,156	4,474	799,655
Materials and supplies	61,360	63,202	(1,842)	71,797
Repairs and maintenance	255,210	165,035	90,175	180,041
Other services and charges	2,048,260	2,215,862	(167,602)	2,144,799
Capital outlay	100,480	74,524	25,956	71,682
Total operating expenses	<u>3,253,940</u>	<u>3,302,779</u>	<u>(48,839)</u>	<u>3,267,974</u>
Operating income (loss) before nonoperating revenues (expenses) and transfers	1,410,800	1,693,303	282,503	1,069,236
NONOPERATING REVENUES (EXPENSES)				
Investment income	25,000	8,518	(16,482)	23,329
Principal retirement	(517,093)	(517,093)	-	(491,877)
Interest and fiscal charges	(434,687)	(411,041)	23,646	(394,795)
Total nonoperating revenues (expenses)	<u>(926,780)</u>	<u>(919,616)</u>	<u>7,164</u>	<u>(863,343)</u>
Income (loss) before transfers	484,020	773,687	289,667	205,893
Transfers				
Transfers out	(484,020)	(484,020)	-	(471,230)
Change in net assets - (Non-GAAP Basis)	<u>\$ -</u>	<u>289,667</u>	<u>\$ 289,667</u>	<u>(265,337)</u>
ADJUSTMENTS				
Principal portion of debt payments		517,093		491,877
Depreciation and amortization		(630,250)		(628,024)
Capital grants and contributions		-		69,632
Capital outlay		74,524		71,682
Change in net assets - (GAAP Basis)		251,034		(260,170)
Net assets at beginning of year		10,068,005		10,328,175
Net assets at end of year		<u>\$ 10,319,039</u>		<u>\$ 10,068,005</u>

CITY OF EL CAMPO, TEXAS**MAJOR ENTERPRISE FUND - EMERGENCY MEDICAL SERVICES FUND****BALANCE SHEET**

September 30, 2011

With comparative totals for September 30, 2010

	<u>2011</u>	<u>2010</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 62,536	\$ 6,311
Receivables (net)		
Accounts	373,704	344,655
Prepaid expenses	4,030	-
Total current assets	<u>440,270</u>	<u>350,966</u>
Noncurrent assets		
Capital assets		
Machinery and equipment	641,523	502,542
Buildings and improvements	410,000	410,000
Total capital assets	1,051,523	912,542
Less accumulated depreciation	<u>751,953</u>	<u>696,076</u>
Net capital assets	<u>299,570</u>	<u>216,466</u>
Total noncurrent assets	<u>299,570</u>	<u>216,466</u>
Total assets	<u>739,840</u>	<u>567,432</u>
LIABILITIES		
Current liabilities		
Accounts payable	5,455	5,866
Accrued expenses	22,724	9,061
Compensated absences	<u>30,627</u>	<u>29,493</u>
Total current liabilities	<u>58,806</u>	<u>44,420</u>
Noncurrent liabilities		
Compensated absences	<u>27,750</u>	<u>24,963</u>
Total noncurrent liabilities	<u>27,750</u>	<u>24,963</u>
Total liabilities	<u>86,556</u>	<u>69,383</u>
NET ASSETS		
Invested in capital assets, net of related debt	299,570	216,466
Unrestricted net assets	<u>353,714</u>	<u>281,583</u>
Total net assets	<u>\$ 653,284</u>	<u>\$ 498,049</u>

CITY OF EL CAMPO, TEXAS

MAJOR ENTERPRISE FUND - EMERGENCY MEDICAL SERVICES FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGE IN FUND NET ASSETS
BUDGET (NON-GAAP BASIS) AND ACTUAL
 For the year ended September 30, 2011
 With comparative totals for the year ended September 30, 2010

	2011		Variance Positive (Negative)	2010
	Original/Final Budget	Actual		Actual
OPERATING REVENUES				
Ambulance services	\$ 325,000	\$ 389,178	\$ 64,178	\$ 293,844
Other	-	542	542	500
Total operating revenues	<u>325,000</u>	<u>389,720</u>	<u>64,720</u>	<u>294,344</u>
OPERATING EXPENSES				
Ambulance operations				
Personnel	836,000	833,902	2,098	841,243
Materials and supplies	54,450	51,947	2,503	47,933
Repairs and maintenance	23,120	20,962	2,158	24,660
Other services and charges	70,670	74,575	(3,905)	81,585
Capital outlay	130,000	125,650	4,350	-
Total operating expenses	<u>1,114,240</u>	<u>1,107,036</u>	<u>7,204</u>	<u>995,421</u>
Operating income (loss) before nonoperating revenues (expenses) and transfers	(789,240)	(717,316)	71,924	(701,077)
NONOPERATING REVENUES (EXPENSES)				
Investment income	-	207	207	351
Noncapital grants and contributions	796,510	796,510	-	1,003,091
Total nonoperating revenues (expenses)	<u>796,510</u>	<u>796,717</u>	<u>207</u>	<u>1,003,442</u>
Income (loss) before transfers	7,270	79,401	72,131	302,365
Transfers				
Transfers out	(7,270)	(7,270)	-	(20,782)
Change in net assets - (Non-GAAP Basis)	<u>\$ -</u>	<u>72,131</u>	<u>\$ 72,131</u>	<u>281,583</u>
ADJUSTMENTS				
Depreciation		(55,877)		(55,211)
Capital grants and contributions		13,331		271,677
Capital outlay		125,650		-
Change in net assets - (GAAP Basis)		<u>155,235</u>		<u>498,049</u>
Net assets at beginning of year		498,049		-
Net assets at end of year		<u>\$ 653,284</u>		<u>\$ 498,049</u>

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.....	92
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property taxes and water and sewer revenues.....	102
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future	112
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.....	118
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.....	120

CITY OF EL CAMPO, TEXAS
NET ASSETS BY COMPONENT (1)
Last eight fiscal years

	Fiscal Year		
	2004	2005	2006
Governmental activities			
Invested in capital assets, net of related debt	\$ 11,092,683	\$ 12,588,438	\$ 11,890,772
Restricted	214,232	344,823	292,694
Unrestricted	<u>6,476,749</u>	<u>6,421,514</u>	<u>7,249,296</u>
Total governmental activities net assets	<u>\$ 17,783,664</u>	<u>\$ 19,354,775</u>	<u>\$ 19,432,762</u>
Business-type activities			
Invested in capital assets, net of related debt	\$ 4,881,538	\$ 6,454,462	\$ 6,824,445
Unrestricted	<u>1,739,828</u>	<u>2,015,929</u>	<u>2,383,222</u>
Total business-type activities net assets	<u>\$ 6,621,366</u>	<u>\$ 8,470,391</u>	<u>\$ 9,207,667</u>
Primary government			
Invested in capital assets, net of related debt	\$ 15,974,221	\$ 19,042,900	\$ 18,715,217
Restricted	214,232	344,823	292,694
Unrestricted	<u>8,216,577</u>	<u>8,437,443</u>	<u>9,632,518</u>
Total primary government activities net assets	<u>\$ 24,405,030</u>	<u>\$ 27,825,166</u>	<u>\$ 28,640,429</u>

(1) Accrual basis of accounting

NOTE: The City began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2004.

Fiscal Year				
2007	2008	2009	2010	2011
\$ 11,783,741	\$ 11,802,324	\$ 13,175,250	\$ 12,651,611	\$ 12,096,688
284,411	239,496	293,532	596,548	394,422
7,491,671	6,823,104	4,355,197	3,556,474	4,253,875
\$ 19,559,823	\$ 18,864,924	\$ 17,823,979	\$ 16,804,633	\$ 16,744,985
\$ 7,094,356	\$ 7,239,131	\$ 6,040,671	\$ 8,185,040	\$ 8,171,231
2,353,223	2,910,875	4,287,504	2,381,014	2,801,092
9,447,579	10,150,006	10,328,175	10,566,054	10,972,323
\$ 9,447,579	\$ 10,150,006	\$ 10,328,175	\$ 10,566,054	\$ 10,972,323
\$ 18,878,097	\$ 19,041,455	\$ 19,215,921	\$ 20,836,651	\$ 20,267,919
284,411	239,496	293,532	596,548	394,422
9,844,894	9,733,979	8,642,701	5,937,488	7,054,967
\$ 29,007,402	\$ 29,014,930	\$ 28,152,154	\$ 27,370,687	\$ 27,717,308

CITY OF EL CAMPO, TEXAS
CHANGES IN NET ASSETS (1)
Last eight fiscal years

	Fiscal Year		
	2004	2005	2006
Governmental activities			
Expenses			
General government	\$ 1,107,839	\$ 1,231,557	\$ 1,364,142
Public safety	2,690,890	3,157,010	3,140,921
Public works	1,555,335	2,795,238	2,210,670
Parks and recreation	447,264	676,385	711,395
Interest on long-term debt	80,346	110,901	106,953
Total expenses	<u>5,881,674</u>	<u>7,971,091</u>	<u>7,534,081</u>
Program revenues			
Charges for services			
General government	163,016	151,589	128,353
Public safety	964,933	927,081	981,327
Public works	10,733	9,879	26,079
Parks and recreation	78,528	172,965	142,997
Operating grants and contributions	224,713	163,174	192,895
Capital grants and contributions	1,168,924	2,169,237	121,009
Total program revenues	<u>2,610,847</u>	<u>3,593,925</u>	<u>1,592,660</u>
Total governmental activities net program (expense) revenue	(3,270,827)	(4,377,166)	(5,941,421)
General revenues and other changes in net assets			
Taxes			
Property taxes	1,671,271	2,058,280	2,210,482
Sales taxes	1,861,214	2,000,244	2,150,320
Franchise taxes	599,967	639,487	633,442
Other taxes	134,095	131,053	125,111
Investment earnings	118,598	206,046	319,572
Gain (loss) on disposition of capital assets	9,193	-	72,787
Miscellaneous	74,835	67,953	33,812
Transfers	319,500	367,735	434,033
Total general revenues and other changes in net assets	<u>4,788,673</u>	<u>5,470,798</u>	<u>5,979,559</u>
Total governmental activities change in net assets	<u>\$ 1,517,846</u>	<u>\$ 1,093,632</u>	<u>\$ 38,138</u>

Fiscal Year				
2007	2008	2009	2010	2011
\$ 1,847,968	\$ 1,735,303	\$ 1,730,446	\$ 1,700,404	\$ 1,748,982
3,299,795	4,036,711	4,197,726	3,331,347	3,181,009
1,991,662	1,853,152	2,258,781	1,933,738	2,205,043
662,876	705,118	754,293	745,235	682,760
99,957	146,150	152,972	144,355	136,246
<u>7,902,258</u>	<u>8,476,434</u>	<u>9,094,218</u>	<u>7,855,079</u>	<u>7,954,040</u>
166,974	148,938	130,103	134,468	131,517
1,071,589	1,267,229	843,653	670,620	580,613
39,240	32,206	20,308	29,651	55,955
171,566	186,210	172,042	187,309	231,917
640,257	115,606	200,212	148,542	162,233
25,000	160,359	179,786	-	71,424
<u>2,114,626</u>	<u>1,910,548</u>	<u>1,546,104</u>	<u>1,170,590</u>	<u>1,233,659</u>
(5,787,632)	(6,565,886)	(7,548,114)	(6,684,489)	(6,720,381)
2,185,347	2,350,642	2,627,352	2,641,886	2,811,094
2,154,527	2,422,347	2,291,988	2,161,373	2,405,245
604,425	604,010	612,731	603,132	650,585
120,776	136,673	127,396	102,424	104,512
407,748	285,267	154,964	57,935	38,222
-	-	-	-	-
140,150	167,151	178,636	295,309	173,116
301,720	345,100	514,102	(196,916)	477,959
<u>5,914,693</u>	<u>6,311,190</u>	<u>6,507,169</u>	<u>5,665,143</u>	<u>6,660,733</u>
\$ <u>127,061</u>	\$ <u>(254,696)</u>	\$ <u>(1,040,945)</u>	\$ <u>(1,019,346)</u>	\$ <u>(59,648)</u>

(continued)

CITY OF EL CAMPO, TEXAS
CHANGES IN NET ASSETS (1)
Last eight fiscal years

	Fiscal Year		
	2004	2005	2006
Business-type activities			
Expenses			
Utilities	\$ 2,807,134	\$ 3,004,005	\$ 3,434,174
Emergency medical services	-	-	-
Total expenses	<u>2,807,134</u>	<u>3,004,005</u>	<u>3,434,174</u>
Program revenues			
Charges for services			
Utilities	3,332,422	3,642,874	4,101,097
Emergency medical services	-	-	-
Operating grants and contributions	-	-	-
Capital grants and contributions	<u>88,084</u>	<u>1,252,082</u>	<u>409,122</u>
Total program revenues	<u>3,420,506</u>	<u>4,894,956</u>	<u>4,510,219</u>
Total business-type activities net program (expense) revenue	613,372	1,890,951	1,076,045
General revenues and other changes in net assets			
Unrestricted investment earnings	36,871	55,909	102,960
Miscellaneous	71,096	73,633	-
Transfers	<u>(319,500)</u>	<u>(367,735)</u>	<u>(434,033)</u>
Total general revenues and other changes in net assets	<u>(211,533)</u>	<u>(238,193)</u>	<u>(331,073)</u>
Total business-type activities change in net assets	<u>\$ 401,839</u>	<u>\$ 1,652,758</u>	<u>\$ 744,972</u>
Total primary government change in net assets	<u>\$ 1,919,685</u>	<u>\$ 2,746,390</u>	<u>\$ 783,110</u>

(1) Accrual basis of accounting

NOTE: The City began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2004.

Fiscal Year				
2007	2008	2009	2010	2011
\$ 3,528,587	\$ 3,862,890	\$ 4,065,879	\$ 4,219,111	\$ 4,269,546
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,050,632</u>	<u>1,037,263</u>
<u>3,528,587</u>	<u>3,862,890</u>	<u>4,065,879</u>	<u>5,269,743</u>	<u>5,306,809</u>
3,918,547	4,312,032	4,350,603	4,337,210	4,996,082
-	-	-	294,344	389,720
-	-	-	655,472	796,510
<u>104,804</u>	<u>101,676</u>	<u>336,738</u>	<u>-</u>	<u>-</u>
<u>4,023,351</u>	<u>4,413,708</u>	<u>4,687,341</u>	<u>5,287,026</u>	<u>6,182,312</u>
494,764	550,818	621,462	17,283	875,503
46,868	99,331	70,809	23,680	8,725
-	-	-	-	-
<u>(301,720)</u>	<u>(345,100)</u>	<u>(514,102)</u>	<u>196,916</u>	<u>(477,959)</u>
<u>(254,852)</u>	<u>(245,769)</u>	<u>(443,293)</u>	<u>220,596</u>	<u>(469,234)</u>
<u>\$ 239,912</u>	<u>\$ 305,049</u>	<u>\$ 178,169</u>	<u>\$ 237,879</u>	<u>\$ 406,269</u>
<u>\$ 366,973</u>	<u>\$ 50,353</u>	<u>\$ (862,776)</u>	<u>\$ (781,467)</u>	<u>\$ 346,621</u>

(concluded)

CITY OF EL CAMPO, TEXAS

FUND BALANCES, GOVERNMENTAL FUNDS (1)

Last eight fiscal years

	Fiscal Year		
	2004	2005	2006
General Fund			
Nonspendable			
Deferred expenditures	\$ -	\$ -	\$ -
Inventory	-	-	-
Unassigned	-	-	-
Reserved			
Deferred expenditures	54,558	74,787	76,349
Inventory	7,001	10,971	9,920
Unreserved	<u>4,520,294</u>	<u>5,522,797</u>	<u>5,473,008</u>
Total general fund	<u>\$ 4,581,853</u>	<u>\$ 5,608,555</u>	<u>\$ 5,559,277</u>
All Other Governmental Funds			
Nonspendable			
Noncurrent notes receivable	\$ -	\$ -	\$ -
Restricted			
Retirement of long-term debt	-	-	-
Municipal court	-	-	-
State and federal grant programs	-	-	-
Public safety	-	-	-
Various capital projects	-	-	-
Committed			
Street paving	-	-	-
Reserved			
Noncurrent receivables	137,124	127,835	117,832
Unreserved, reported in			
Special revenue funds	196,357	39,803	39,878
Debt service fund	52,610	213,250	262,310
Capital project funds	<u>1,015,982</u>	<u>1,019,807</u>	<u>789,462</u>
Total all other governmental funds	<u>\$ 1,402,073</u>	<u>\$ 1,400,695</u>	<u>\$ 1,209,482</u>

(1) Modified accrual basis of accounting

NOTE: Due to the changes in the City's fund structure initiated when GASB Statement No. 34 was implemented, the fund balance information is available only beginning in 2004.

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

Fiscal Year				
2007	2008	2009	2010	2011
\$ -	\$ -	\$ -	\$ -	\$ 65,249
-	-	-	-	21,928
-	-	-	-	3,774,325
60,250	9,626	10,554	10,177	-
18,179	10,787	16,820	27,831	-
<u>5,624,841</u>	<u>6,033,298</u>	<u>3,810,126</u>	<u>3,309,065</u>	-
<u>\$ 5,703,270</u>	<u>\$ 6,053,711</u>	<u>\$ 3,837,500</u>	<u>\$ 3,347,073</u>	<u>\$ 3,861,502</u>
\$ -	\$ -	\$ -	\$ -	\$ 52,098
-	-	-	-	259,416
-	-	-	-	21,203
-	-	-	-	457
-	-	-	-	99,564
-	-	-	-	430,584
-	-	-	-	9,670
100,225	94,254	81,393	67,103	-
71,576	26,573	48,449	81,471	-
251,958	216,811	266,302	254,258	-
<u>746,838</u>	<u>716,994</u>	<u>459,558</u>	<u>628,268</u>	-
<u>\$ 1,170,597</u>	<u>\$ 1,054,632</u>	<u>\$ 855,702</u>	<u>\$ 1,031,100</u>	<u>\$ 872,992</u>

CITY OF EL CAMPO, TEXAS

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (1)

Last eight fiscal years

	Fiscal Year		
	2004	2005	2006
Revenues			
Taxes	\$ 4,314,389	\$ 4,869,425	\$ 5,110,463
Licenses and permits	110,551	100,367	87,717
Intergovernmental	758,546	387,033	192,895
Charges for services	429,261	521,660	530,601
Fines and forfeitures	500,761	533,007	494,368
Investment income	118,598	206,046	319,572
Industrial agreement	-	-	-
Miscellaneous	641,038	2,011,249	229,359
Total revenues	<u>6,873,144</u>	<u>8,628,787</u>	<u>6,964,975</u>
Expenditures			
Current			
General government	1,068,234	1,173,582	1,332,860
Public safety	2,579,573	2,674,482	3,020,822
Public works	1,194,039	1,311,721	1,297,906
Parks and recreation	441,790	576,742	653,067
Capital outlay	1,293,613	2,189,325	1,127,237
Debt service			
Principal retirement	158,378	158,816	184,704
Interest and fiscal charges	74,096	115,528	108,196
Bond issue costs	22,050	-	-
Total expenditures	<u>6,831,773</u>	<u>8,200,196</u>	<u>7,724,792</u>
Excess (deficiency) of revenues over expenditures	41,371	428,591	(759,817)
Other financing sources (uses)			
Bonds issued	1,038,960	-	-
Sale of capital assets	9,193	11,651	85,293
Capital leases	-	-	-
Transfers in	390,591	519,703	539,076
Transfers out	(71,091)	(151,968)	(105,043)
Total other financing sources (uses)	<u>1,367,653</u>	<u>379,386</u>	<u>519,326</u>
Changes in fund balances	<u>\$ 1,409,024</u>	<u>\$ 807,977</u>	<u>\$ (240,491)</u>
Debt service as a percentage of noncapital expenditures	<u>3.87%</u>	<u>3.46%</u>	<u>4.32%</u>

(1) Modified accrual basis of accounting

NOTE: Due to the changes in the City's fund structure initiated when GASB Statement No. 34 was implemented, the changes in fund balance information is available only beginning in 2004.

Fiscal Year				
2007	2008	2009	2010	2011
\$ 5,129,477	\$ 5,553,867	\$ 5,726,072	\$ 5,530,398	\$ 6,069,161
125,546	110,520	82,013	98,729	86,460
580,162	497,283	503,073	218,104	207,131
505,985	557,310	494,131	217,408	284,405
632,966	627,661	581,037	655,274	571,100
407,748	285,267	154,370	57,772	37,794
-	-	16,641	14,954	14,823
180,636	159,023	199,637	199,942	171,699
<u>7,562,520</u>	<u>7,790,931</u>	<u>7,756,974</u>	<u>6,992,581</u>	<u>7,442,573</u>
1,906,962	1,641,061	1,672,339	1,611,531	1,648,537
3,352,675	3,818,081	4,048,711	3,260,752	3,173,120
1,948,665	1,443,436	1,461,833	1,540,477	1,729,891
617,806	652,629	689,063	692,676	669,346
131,070	1,002,344	2,935,358	401,725	65,980
193,453	169,842	239,702	163,536	172,872
101,097	133,531	151,847	141,654	133,641
-	57,765	-	-	-
<u>8,251,728</u>	<u>8,918,689</u>	<u>11,198,853</u>	<u>7,812,351</u>	<u>7,593,387</u>
(689,208)	(1,127,758)	(3,441,879)	(819,770)	(150,814)
-	1,650,000	-	-	-
16,546	45,959	49,664	12,729	15,845
476,050	65,426	-	-	-
434,260	412,212	2,114,539	959,725	544,392
<u>(132,540)</u>	<u>(67,112)</u>	<u>(1,600,437)</u>	<u>(467,713)</u>	<u>(53,102)</u>
<u>794,316</u>	<u>2,106,485</u>	<u>563,766</u>	<u>504,741</u>	<u>507,135</u>
<u>\$ 105,108</u>	<u>\$ 978,727</u>	<u>\$ (2,878,113)</u>	<u>\$ (315,029)</u>	<u>\$ 356,321</u>
<u>4.07%</u>	<u>4.63%</u>	<u>3.89%</u>	<u>4.17%</u>	<u>4.18%</u>

CITY OF EL CAMPO, TEXAS**TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS (1)***Last ten fiscal years*

<u>Fiscal Year</u>	<u>Ad Valorem</u>	<u>Penalty and Interest</u>	<u>Franchise</u>	<u>Sales</u>	<u>Other</u>	<u>Total</u>
2002	\$ 1,613,491	\$ 25,820	\$ 602,707	\$ 1,747,751	\$ 119,764	\$ 4,109,533
2003	1,641,042	30,120	573,599	1,788,358	121,091	4,154,210
2004	1,676,531	42,582	599,967	1,861,214	134,095	4,314,389
2005	2,056,972	41,669	639,487	2,000,244	131,053	4,869,425
2006	2,153,598	47,992	633,442	2,150,320	125,111	5,110,463
2007	2,195,592	54,157	604,425	2,154,527	120,776	5,129,477
2008	2,329,692	61,145	604,010	2,422,347	136,673	5,553,867
2009	2,628,063	65,894	612,731	2,291,988	127,396	5,726,072
2010	2,608,599	54,870	603,132	2,161,373	102,424	5,530,398
2011	2,848,527	60,292	650,585	2,405,235	104,512	6,069,151

(1) Modified accrual basis of accounting

NOTE: Property tax rates have remained stable because of growth in property tax values and the addition of new construction values.

CITY OF EL CAMPO, TEXAS

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last ten fiscal years

Fiscal Year	Tax Roll	Real Property			Personal Property	
		Residential Property	Commercial and Industrial Property	Rural-Underdeveloped Property	Business	Other
2002	2001	\$ 223,791,802	\$ 65,856,769	\$ 9,254,240	\$ 59,051,050	\$ 2,165,895
2003	2002	231,099,557	65,282,923	9,082,473	53,170,234	2,034,086
2004	2003	243,973,121	65,819,282	9,451,070	44,418,714	2,185,948
2005	2004	256,739,192	75,364,421	9,757,410	52,474,549	2,027,313
2006	2005	278,957,276	80,744,642	10,298,750	60,280,579	1,933,296
2007	2006	338,101,034	90,486,538	24,481,270	65,885,619	2,864,917
2008	2007	368,505,594	86,210,538	23,884,110	63,901,790	2,314,400
2009	2008	323,722,131	94,366,875	15,724,130	80,504,423	2,372,776
2010	2009	313,579,986	107,166,897	19,811,993	82,931,557	4,694,923
2011	2010	332,985,664	131,323,057	17,581,159	86,173,058	4,950,072

(1) Includes tax-exempt property

NOTE: Property in the City is reassessed annually. The City assesses property at 100% of actual taxable value for all types of real and personal property. Tax rates are per \$100 of assessed value.

SOURCE: Wharton County Appraisal District

<u>Less:</u> <u>Tax-Exempt</u> <u>Real Property</u>	<u>Total Taxable</u> <u>Assessed</u> <u>Value</u>	<u>Total</u> <u>Direct</u> <u>Tax</u> <u>Rate</u>	<u>Estimated</u> <u>Actual</u> <u>Taxable</u> <u>Value</u>	<u>Assessed</u> <u>Value (1) as a</u> <u>Percentage of</u> <u>Actual Value</u>
\$ 77,754,746	\$ 282,365,010	\$ 0.5757	\$ 282,365,010	100.00%
75,502,551	285,166,722	0.5757	285,166,722	100.00%
79,517,779	286,330,356	0.5757	286,330,356	100.00%
80,381,916	315,980,969	0.6207	315,980,969	100.00%
83,758,809	348,455,734	0.6207	348,455,734	100.00%
126,633,708	395,185,670	0.5598	395,185,670	100.00%
124,259,716	420,556,716	0.5598	420,556,716	100.00%
109,735,389	406,954,946	0.5598	406,954,946	100.00%
108,563,844	419,621,512	0.5444	419,621,412	100.00%
112,395,082	460,617,928	0.5280	460,617,928	100.00%

CITY OF EL CAMPO, TEXAS**DIRECT AND OVERLAPPING PROPERTY TAX RATES****PER \$100 OF ASSESSED VALUE***Last ten fiscal years*

Fiscal Year	City Direct Rates			Overlapping Rates		
	Debt Service	General Fund	Total	School District	Junior College	Wharton County/ FMLR
2002	\$ 0.0762	\$ 0.4995	\$ 0.5757	\$ 1.4140	\$ 0.1564	\$ 0.6875
2003	0.0762	0.4995	0.5757	1.5464	0.1674	0.6999
2004	0.0646	0.5111	0.5757	1.5433	0.1740	0.6999
2005	0.0767	0.5440	0.6207	1.4164	0.1689	0.6899
2006	0.0857	0.5350	0.6207	1.4366	0.1560	0.6699
2007	0.0607	0.4991	0.5598	1.4302	0.1358	0.5736
2008	0.5020	0.0577	0.5598	1.1580	0.1349	0.5634
2009	0.0883	0.4715	0.5598	1.1922	0.1380	0.5458
2010	0.0553	0.4891	0.5444	1.1949	0.1445	0.0640
2011	0.0526	0.4753	0.5279	1.1949	0.1445	0.5318

SOURCE: Tax department records of the various taxing authorities

Overlapping Rates

Emergency Services District #1	Coastal Bend Groundwater Conservation District	Emergency Services District #4	West Wharton County Hospital District	Total
\$ 0.0300	\$ -	\$ -	\$ 0.0924	\$ 2.3803
0.0300	0.0200	-	0.1073	2.5710
0.0300	0.0200	-	0.1145	2.5817
0.0300	0.0190	-	0.1145	2.4387
0.0300	0.0165	-	0.1145	2.4235
0.0300	0.0112	-	0.0999	2.2807
0.0300	0.0085	-	0.1300	2.0247
0.0300	0.0071	-	0.1399	2.0530
0.0300	0.0073	0.0680	0.1828	1.6915
0.0300	0.0073	0.0680	0.1828	2.1593

CITY OF EL CAMPO, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
(UNAUDITED)
Current Year and Nine Years Ago

2011		
Taxpayer	Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
Wal-Mart Stores	\$ 11,601,344	2.52%
Key Energy Services, Inc.	7,832,340	1.70%
Davis Net Lease No 1 LP	5,043,276	1.09%
AEP Texas Central Co.	4,990,140	1.08%
Kansas City Southern Railway	4,300,860	0.93%
Farmers Coop of El Campo	4,265,160	0.93%
Winfield Solutions LLC	3,989,351	0.87%
Sutherland Lumber Southwest, Inc.	3,248,950	0.71%
Davis Don Motor Co Inc.	2,885,392	0.63%
Crop Protection Services	2,468,658	0.54%
	<u>\$ 50,625,471</u>	<u>11.00%</u>

2002		
Taxpayer	Taxable Assessed Valuation	Percentage of Total City Taxable Assessed Valuation
BON L Campo Ltd	\$ 7,406,470	2.62%
Lerio Corporation	5,877,180	2.08%
Wal-Mart Stores	5,008,555	1.77%
Central Power & Light Company	3,857,960	1.37%
Clayton Williams Energy, Inc.	3,752,710	1.33%
Southwestern Bell Telephone Company	3,342,230	1.18%
Cardell Cabinets	3,139,050	1.11%
Farmers Coop of El Campo	3,086,240	1.09%
Bayard Drilling Technologies	2,238,000	0.79%
Davis Don Motor Co Inc.	1,824,935	0.65%
	<u>\$ 39,533,330</u>	<u>13.99%</u>

SOURCE: Wharton County Tax Assessor/Collector

CITY OF EL CAMPO, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
Last ten fiscal years

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2002	\$ 1,658,750	\$ 1,576,349	95.03%	\$ 17,011	\$ 1,593,360	96.06%
2003	1,675,209	1,599,508	95.48%	30,808	1,630,316	97.32%
2004	1,682,045	1,619,510	96.28%	27,284	1,646,794	97.90%
2005	2,043,015	2,009,199	98.34%	33,486	2,042,685	99.98%
2006	2,207,005	2,102,119	95.25%	43,501	2,145,620	97.22%
2007	2,243,450	2,139,050	95.35%	37,519	2,176,569	97.02%
2008	2,354,108	2,275,265	96.65%	78,777	2,354,042	100.00%
2009	2,664,871	2,565,253	96.26%	47,690	2,612,943	98.05%
2010	2,676,392	2,547,219	95.17%	74,430	2,621,649	97.95%
2011	2,799,518	2,745,509	98.07%	-	2,745,509	98.07%

SOURCES: City of El Campo
Wharton County Tax Assessor/Collector

CITY OF EL CAMPO, TEXAS*WATER PRODUCED AND CONSUMED AND WASTEWATER TREATED**Last ten fiscal years*

<u>Fiscal Year</u>	<u>Gallons of Water Produced</u>	<u>Gallons of Water Consumed</u>	<u>Gallons of Water Unbilled</u>	<u>Average Percent Unbilled</u>	<u>Gallons of Wastewater Treated</u>
2002	585,329,000	426,296,000	159,033,000	27.17%	440,258,000
2003	575,964,000	442,040,000	133,924,000	23.25%	514,106,000
2004	563,099,000	398,078,000	165,021,000	29.31%	516,850,000
2005	669,899,000	497,394,000	172,505,000	25.75%	513,066,000
2006	665,466,000	578,346,000	87,120,000	13.09%	384,631,000
2007	566,452,000	494,834,000	71,618,000	12.64%	466,698,000
2008	635,048,000	551,382,000	83,666,000	13.17%	451,881,000
2009	685,027,000	609,054,500	75,972,500	11.09%	350,015,000
2010	556,683,000	488,754,900	67,928,100	12.20%	441,316,000
2011	749,552,000	671,189,100	78,362,900	10.45%	332,235,000

SOURCE: City of El Campo

Total Direct Rate			
Base Rate	Water	Sewer	
	Usage Rate	Usage Rate	Usage Rate
\$ 20.80	\$ 2.20	\$	2.68
20.80	2.20		2.68
22.30	2.20		2.68
22.30	2.20		2.68
22.30	2.20		2.68
22.30	2.20		2.68
22.30	2.20		2.68
22.30	1.79		3.27
22.30	1.91		3.80
22.30	2.01		4.13

CITY OF EL CAMPO, TEXAS
TEN LARGEST WATER CUSTOMERS
(UNAUDITED)
Current Year and Nine Years Ago

2011			
<u>Customer</u>	<u>Type of Business</u>	<u>12-Month Water Consumption (In Thousands)</u>	<u>Percent of Total Billed</u>
Isaacson Municipal Utility District	Municipal District	158,890	2.37%
El Campo Housing Authority	Housing	118,694	1.77%
Jones-Co Properties	Housing	63,455	0.95%
Wal-Mart Stores, Inc.	Retail	43,050	0.64%
Country Aire Mobile Home Park	Housing	40,755	0.61%
PHPM Mission Care Centers	Housing	32,055	0.48%
El Campo Independent School District	School	30,890	0.46%
Roane & Roane Properties	Housing	30,321	0.45%
El Campo Memorial Hospital	Hospital	30,263	0.45%
Speedy Stop Food Stores Ltd	Commercial Store	25,790	0.38%

2002			
<u>Customer</u>	<u>Type of Business</u>	<u>12-Month Water Consumption (In Thousands)</u>	<u>Percent of Total Billed</u>
Isaacson Municipal Utility District	Municipal District	111,120	2.61%
El Campo Housing Authority	Housing	73,401	1.72%
Key Energy Services Division	Oil Field	34,443	0.81%
El Campo Memorial Hospital	Hospital	28,230	0.66%
Country Aire Mobile Home Park	Housing	21,462	0.50%
Roane & Roane Properties	Housing	19,433	0.46%
Socha Enterprise	Car Wash	18,653	0.44%
Oakcrest Apartments	Housing	15,467	0.36%
Lone Star Washateria	Washateria	14,044	0.33%
El Campo Independent School District	School	13,840	0.32%

SOURCE: City of El Campo Utility Billing Office

CITY OF EL CAMPO, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
Last ten fiscal years

Fiscal Year	Governmental Activities			Business-type Activities		
	Certificates of Obligation	General Obligation Bonds	Capital Leases	Revenue Bonds	General Obligation Bonds	Capital Leases
2002	\$ 1,734,178	\$ 395,672	\$ 202,640	\$ 777,050	\$ 4,382,980	\$ -
2003	1,555,137	343,105	255,120	704,894	3,800,681	-
2004	2,133,158	250,885	181,122	2,571,842	2,779,115	-
2005	2,016,984	208,242	103,089	2,528,016	2,306,758	1,784,239
2006	1,883,175	157,320	45,017	2,466,825	1,742,680	1,695,226
2007	1,742,272	104,742	447,460	2,402,728	1,160,258	1,602,369
2008	3,241,060	86,112	405,130	5,763,940	953,888	1,505,502
2009	3,021,644	65,826	282,470	5,673,356	729,174	1,404,453
2010	2,878,808	45,126	153,406	7,226,192	499,874	1,299,040
2011	2,727,878	23,184	47,463	8,772,122	256,816	1,189,075

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

N/A denotes information not available.

SOURCE: City of El Campo

<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
\$ 7,492,520	N/A	\$ 685
6,658,937	N/A	608
7,916,122	N/A	723
8,947,328	N/A	817
7,990,243	N/A	730
7,459,829	N/A	667
11,955,632	N/A	1,007
11,176,923	N/A	894
12,102,446	N/A	968
13,016,538	N/A	1,041

CITY OF EL CAMPO, TEXAS**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING***Last ten fiscal years*

<u>Fiscal Year</u>	<u>General Bonded Debt Outstanding</u>			<u>Debt Service Monies Available</u>
	<u>Certificates of Obligation</u>	<u>General Obligation Bonds</u>	<u>Total</u>	
2002	\$ 1,734,178	\$ 4,778,652	\$ 6,512,830	\$ 32,289
2003	1,555,137	4,143,786	5,698,923	38,756
2004	2,133,158	3,030,000	5,163,158	52,610
2005	2,016,984	2,515,000	4,531,984	213,250
2006	1,883,175	1,900,000	3,783,175	262,310
2007	1,742,272	1,265,000	3,007,272	352,183
2008	3,241,060	1,040,000	4,281,060	311,065
2009	3,021,644	795,000	3,816,644	347,695
2010	2,878,808	545,000	3,423,808	321,361
2011	2,727,878	280,000	3,007,878	311,514

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

SOURCE: City of El Campo

<u>Net Bonded Debt</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita</u>
\$ 6,480,541	100.00%	\$ 592
5,660,167	100.00%	517
5,110,548	100.00%	467
4,318,734	100.00%	395
3,520,865	100.00%	322
2,655,089	100.00%	237
3,969,995	100.00%	355
3,468,949	100.00%	278
3,102,447	100.00%	248
2,696,364	100.00%	232

CITY OF EL CAMPO, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

(UNAUDITED)

September 30, 2011

	<u>Gross Debt Outstanding</u>		<u>Percentage</u>	<u>Amount</u>
	<u>Date</u>	<u>Amount</u>	<u>Applicable</u>	<u>Applicable</u>
			<u>To City</u>	<u>To City</u>
Direct Debt:				
City of El Campo (1)	9/30/2011	\$ 11,780,000	100.00%	\$ 11,780,000
Overlapping Debt:				
Wharton County	12/31/2010	4,088,217	26.00%	1,062,936
El Campo Independent School District	8/31/2011	<u>36,048,269</u>	42.31%	<u>15,252,023</u>
Total Overlapping Debt		<u>40,136,486</u>		<u>16,314,959</u>
Total		<u>\$ 51,916,486</u>		<u>\$ 28,094,959</u>

(1) Figures do not include accrued compensated absences and/or capital lease obligations.

NOTE: There is no legal debt limit for the City. Texas municipalities are not bound by any direct constitutional or statutory maximums as to the amount of obligation bonds which may be issued; however, all local bonds must be submitted to and approved by the State Attorney General. It is the established practice of the Attorney General not to approve a prospective bond issue if it will result in a tax levy for general bonded debt of over \$1.00 for cities under 5,000 population, or \$1.50 for cities over 5,000 population.

SOURCES: City of El Campo
El Campo Independent School District
Wharton County

CITY OF EL CAMPO, TEXAS
PLEGDED-REVENUE COVERAGE
Last ten fiscal years

Water and Sewer Revenue Bonds					
Fiscal Year	Gross Revenue	Direct Operating Expenses	Net Revenue Available for Debt Service	Average Annual Debt Service Requirements	Times Debt Coverage
2002	\$ 3,402,389	\$ 2,234,166	\$ 1,168,223	\$ 396,925	2.94
2003	3,350,715	2,207,690	1,143,025	375,465	3.04
2004	3,440,389	2,224,096	1,216,293	364,871	3.33
2005	3,772,416	2,284,745	1,487,671	344,293	4.32
2006	4,204,057	2,629,017	1,575,040	310,775	5.07
2007	3,965,415	2,729,534	1,235,881	286,964	4.31
2008	4,411,363	3,002,612	1,408,751	411,167	3.43
2009	4,421,412	3,107,355	1,314,057	410,894	3.20
2010	4,360,539	3,196,292	1,164,247	536,916	2.17
2011	5,004,600	3,228,255	1,776,345	390,349	4.55

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

"Gross Revenue" as used herein refers to all operating revenues and all interest income of the Utility Fund. "Direct Operating Expenses" is defined as all operating expenses of the Utility Fund (which does not include capital outlay or interest expense) less depreciation and amortization.

SOURCE: City of El Campo

CITY OF EL CAMPO, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
(UNAUDITED)
Last ten fiscal years

<u>Fiscal Year</u>	<u>(1) Population</u>	<u>Personal Income (000's)</u>	<u>Per Capita Personal Income</u>	<u>(2) School Enrollment</u>	<u>(3) Unemployment Rate</u>
2002	10,945	N/A	\$ 21,049	3,559	6.3%
2003	10,945	N/A	N/A	3,497	6.2%
2004	10,945	N/A	14,464	3,481	7.5%
2005	10,945	N/A	14,464	3,623	6.0%
2006	10,945	N/A	N/A	3,442	4.8%
2007	11,187	N/A	30,694	3,404	4.3%
2008	11,187	N/A	28,152	3,590	4.8%
2009	12,500	N/A	29,861	3,481	8.1%
2010	12,500	N/A	32,249	3,460	8.2%
2011	11,602	N/A	28,152	3,508	8.6%

NOTES: Personal income figures for 2002 through 2011 are not available.
The unemployment rates are a twelve-month average from October through September.
N/A denotes information not available

SOURCES: (1) Population figures for the years are estimates provided by the City
(2) El Campo Independent School District
(3) Texas Labor Market

CITY OF EL CAMPO, TEXAS**PRINCIPAL EMPLOYERS****(UNAUDITED)***Current Year and Five Years Ago*

2011		
Employer	Employees	Percentage of Total Area Employment
El Campo Independent School District	475	10.05%
Greenleaf Nursery	385	8.15%
El Campo Memorial Hospital	212	4.49%
Wal-Mart	188	3.98%
H.E.B.	180	3.81%
Prasek's Hillje Smokehouse	161	3.41%
City of El Campo	106	2.24%
Mark's Machine	93	1.97%
New ICM	91	1.93%
Key Energy	70	1.48%
	<u>1,961</u>	<u>41.51%</u>

2006		
Employer	Employees	Percentage of Total Area Employment
El Campo Independent School District	491	10.18%
Cardell Cabinetry	355	7.36%
Greenleaf Nursery	350	7.26%
Wal-Mart	195	4.04%
El Campo Memorial Hospital	153	3.17%
H.E.B.	105	2.18%
City of El Campo	99	2.07%
New ICM	92	1.91%
El Campo Coca-Cola	91	1.89%
Prasek's Hillje Smokehouse	90	1.87%
	<u>2,021</u>	<u>41.93%</u>

NOTES: Information for nine years ago was not readily available.

Information is based on the City of El Campo, Texas area, which includes Hillje, Texas.

SOURCE: City of El Campo

CITY OF EL CAMPO, TEXAS

FULL-TIME-EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

Last ten fiscal years

Function/Program	Fiscal Year				
	2002	2003	2004	2005	2006
General government					
Administration	6.00	6.00	6.00	6.00	6.00
Finance	-	-	-	-	-
Municipal court	3.50	4.00	4.00	4.00	4.00
Inspections	3.00	4.00	4.00	3.50	4.00
Public safety					
Police	34.00	36.00	28.00	29.00	29.00
Communications	-	-	8.00	8.00	8.00
Fire marshal	0.30	0.30	0.30	0.50	-
EMS	9.00	9.00	9.00	10.00	10.00
Public works					
Administration	4.00	3.00	3.00	4.00	3.00
Vehicle maintenance	2.00	2.00	2.00	2.00	2.00
Streets and drainage	15.00	14.00	15.00	14.00	14.00
Community and recreational services	0.50	0.50	0.50	-	-
Parks maintenance	5.00	5.00	5.00	5.00	5.00
Civic center	0.50	0.50	0.50	-	-
Aquatic center	-	-	-	-	-
Water and sewer					
Administration	3.00	3.00	3.00	2.00	1.50
Water production and distribution	5.00	5.50	5.00	5.00	6.00
Wastewater collection	5.00	5.50	5.00	5.00	5.00
Wastewater treatment	2.00	2.00	2.00	2.00	2.00
Total	<u>97.80</u>	<u>100.30</u>	<u>100.30</u>	<u>100.00</u>	<u>99.50</u>

NOTES: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave).

Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

SOURCE: City of El Campo

Fiscal Year				
<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
5.00	5.00	2.00	2.00	2.00
-	-	4.00	4.00	4.00
4.00	4.00	4.00	4.00	4.00
4.00	5.00	5.00	5.00	4.00
29.00	33.00	33.00	33.00	33.00
8.00	8.00	8.00	7.00	8.00
-	-	-	-	-
10.00	10.00	10.00	10.00	10.00
3.00	3.00	3.00	3.00	3.00
2.00	2.00	2.00	2.00	2.00
14.00	14.00	14.00	14.00	14.00
1.00	1.00	1.00	1.00	1.00
5.00	5.00	5.00	5.00	5.00
-	-	-	-	-
2.00	2.00	2.00	2.00	2.00
1.50	1.00	1.00	1.00	1.00
6.00	6.00	6.00	6.00	6.00
5.00	5.00	5.00	5.00	5.00
<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
<u>101.50</u>	<u>106.00</u>	<u>107.00</u>	<u>106.00</u>	<u>106.00</u>

CITY OF EL CAMPO, TEXAS

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last ten fiscal years

Function/Program	Fiscal Year			
	2002	2003	2004	2005
General government				
Building permits issued	672	661	892	714
Building inspections conducted	687	762	800	830
Fire inspections conducted	N/A	N/A	11	19
Public safety				
Police				
Physical arrests	1,578	1,578	1,491	1,662
Traffic violations	7,396	8,041	8,473	7,560
Fire				
Total incidents	113	126	143	172
Streets and highways				
Street resurfacing (miles)	7.17	8.00	N/A	5.10
Water and wastewater				
Water				
Active water connections	4,554	3,911	4,386	4,277
Average daily consumption (in 000's)	1,600	1,550	1,540	1,470
Peak daily consumption (in 000's)	3,276	3,310	3,080	3,590
Wastewater				
Active sewer connections	4,426	3,813	3,813	3,890
Average daily flow	1,200	1,410	1,420	1,190

NOTE: N/A denotes information not available.

SOURCE: Various City departments

Fiscal Year					
2006	2007	2008	2009	2010	2011
586	606	641	545	508	503
652	789	708	588	489	453
17	23	10	26	9	22
1,802	2,018	2,035	4,471	4,036	1,756
12,675	9,459	10,588	9,674	4,272	10,517
175	190	331	252	193	343
6.59	6.60	3.20	4.00	6.50	10.89
4,314	4,301	4,351	4,013	3,655	4,093
1,468	1,355	1,707	1,876	1,496	2,053
3,575	2,400	3,303	3,839	2,642	2,837
3,932	3,900	3,931	3,919	3,573	3,869
1,234	1,278	1,232	958	1,208	885

CITY OF EL CAMPO, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last ten fiscal years

Function/Program	Fiscal Year			
	2002	2003	2004	2005
Public safety				
Police				
Stations	1	1	1	1
Patrol units	5	5	5	5
Fire				
Fire stations	1	1	1	1
Public works				
Streets				
Streets paved (miles)	75	75	75	100
Streets unpaved (miles)	6	6	6	6
Parks				
Acreage	56	56	56	56
Swimming pools	1	1	1	1
Tennis courts	8	8	8	8
Community centers	1	1	1	1
Water and wastewater				
Water				
Water mains (miles)	75	75	75	81
Wastewater				
Sanitary sewers (miles)	75	75	75	75
Storm sewers (miles)	15	15	15	15

SOURCE: Various City departments

Fiscal Year						
2006	2007	2008	2009	2010	2011	
1	1	1	1	1	1	1
5	5	5	5	5	5	5
1	1	1	1	1	1	1
100	100	100	100	100	100	78
6	6	6	6	6	6	5
56	56	56	56	56	56	56
1	1	1	1	1	1	1
8	8	8	8	8	8	8
1	1	1	1	1	1	1
81	81	81	81	81	81	87
75	75	75	75	75	75	88
15	15	15	15	15	15	15

**OVERALL COMPLIANCE AND
INTERNAL CONTROL SECTION**



CERTIFIED PUBLIC ACCOUNTANTS
101 S. MAIN, SUITE 400
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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Mayor and Members
of the City Council
City of El Campo, Texas

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of El Campo, Texas (the "City") as of and for the year ended September 30, 2011, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 6, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

The Honorable Mayor and Members
of the City Council

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

Harrison, Waldrop & Uhen, LLP

February 6, 2012