

RULE 15c2-12 FILING COVER SHEET

This cover sheet is sent with all submissions to the Municipal Securities Rulemaking Board (the Nationally Recognized Municipal Securities Information Repository) and any applicable State Information Depository pursuant to Securities and Exchange Commission (SEC) Rule 15c2-12 or any analogous state statute.

Issuer Name: Gulf Coast Water Authority

Issue(s):

\$ 2,140,000 Water System Contract Revenue Refunding Bonds, Series 2011D (La Marque)

Filing Format X electronic ___ paper; If available on the Internet, give URL: _____

CUSIP Numbers to which the information filed relates (optional):

X Nine-digit number(s) (see following page(s)):

___ Six-digit number if information filed relates to all securities of the issuer

* * *

Financial & Operating Data Disclosure Information

___ Annual Financial Report or CAFR

X Financial Information & Operating Data

___ Other (describe)

X Fiscal Period Covered: FYE 2011

___ Monthly ___ Quarterly X Annual ___ Other:

* * *

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature: /s/ Bob Webb

Name: Bob Webb Title: Business Administrator

Employer: Gulf Coast Water Authority

Voice Telephone Number: (409) 935-2438

Email Address: bob_webb@swbell.net

DESCRIPTION OF ISSUES COVERED BY THIS REPORT

Water System Contract Revenue Refunding Bonds, Series 2011D (La Marque)

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
08/15/12	\$ 150,000	40223N MJ2
08/15/13	170,000	40223N MK9
08/15/14	175,000	40223N ML7
08/15/15	180,000	40223N MM5
08/15/16	180,000	40223N MN3
08/15/17	185,000	40223N MP8
08/15/18	195,000	40223N MQ6
08/15/19	200,000	40223N MR4
08/15/20	215,000	40223N MS2
08/15/21	220,000	40223N MT0
08/15/22	270,000	40223N MU7
	<u>\$ 2,140,000</u>	

CONTINUING DISCLOSURE REPORT
FOR THE
FISCAL YEAR ENDED AUGUST 31, 2011

GULF COAST WATER AUTHORITY

GCWA DEBT - LA MARQUE DEBT



FINANCIAL STATEMENTS

The audited financial statements for the Authority for the fiscal year ended August 31, 2011 are being separately filed directly with the Nationally Recognized Municipal Securities Information Repository and any applicable State Information Depository, and are hereby incorporated by reference into this Annual Continuing Disclosure Report.

SIGNATURE OF ISSUER

The information set forth herein has been obtained from the Authority and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as a promise or guarantee. This Annual Continuing Disclosure Report may contain, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and expressions of opinion contained herein are subject to change without notice, and the delivery of this Annual Continuing Disclosure Report will not, under any circumstances, create any implication that there has been no change in the affairs of the Authority or other matters described.

GULF COAST WATER AUTHORITY

/s/ Bob Webb

Bob Webb

Business Administrator

Approved for Submission:

02/22/2012

Date

CERTIFICATE OF SUBMISSION OF ANNUAL REPORT

Subject to the continuing disclosure requirements of SEC Rule 15c2-12, this Annual Continuing Disclosure Report for the Gulf Coast Water Authority with respect to the issues listed on the report cover was submitted directly to the National Recognized Municipal Securities Information Repository ("NRMSIR") listed below as well as to any applicable State Information Depository ("SID").

NRMSIR

Municipal Securities Rulemaking Board ("MSRB")
via the Electronic Municipal Market Access ("EMMA") system

First Southwest Company

Signed by:

/s/ Ashley Allen

GULF COAST WATER AUTHORITY – CITY OF LA MARQUE PROJECT

2011 CONTRACT REVENUE DEBT REPORT

TABLE 1 - DEBT SERVICE REQUIREMENTS

Fiscal Year Ending August 31	Series 2011B ⁽¹⁾	Series 2011D	Total Debt Service Requirements
2012	\$ 37,187	\$ 227,229	\$ 264,416
2013	37,158	249,750	286,908
2014	37,119	249,650	286,769
2015	37,290	247,650	284,940
2016	36,943	244,050	280,993
2017	37,070	245,450	282,520
2018	36,874	248,050	284,924
2019	37,128	245,250	282,378
2020	36,835	250,250	287,085
2021	36,992	244,500	281,492
2022	37,089	283,500	320,589
	<u>\$ 407,685</u>	<u>\$ 2,735,329</u>	<u>\$ 3,143,014</u>

(1) Represents the City's share (9.7707%) of the Gulf Coast Water Authority's Water System Contract Revenue Refunding Bonds (South Project) Series 2011B. Several other governmental entities will pay the remaining debt service on the Series 2011B Bonds. The City and those other governmental entities are jointly and severally obligated on the debt service for the Series 2011B Bonds and the \$17,730,000 Gulf Coast Water Authority Water System Contract Revenue Refunding Bonds (South Project), Series 2011A, 98.15% of which are paid by the City of Galveston and 1.85% of which are paid by the City of League City.

TABLE 2 - CURRENT INVESTMENTS

As of November 30, 2011, La Marque's investable funds were invested in the following categories:

Description	% of Total	Book Value	Market Value
TexPool	49.59%	\$ 1,279,709	\$ 1,279,709
LOGIC	32.59%	841,051	841,051
Mutual Funds	17.82%	459,880	459,880
Total	<u>100.00%</u>	<u>\$ 2,580,640</u>	<u>\$ 2,580,640</u>

APPENDIX A

GENERAL INFORMATION REGARDING THE CITY

HISTORICAL WATER CONSUMPTION (GALLONS)

Fiscal Year Ended	Estimated City Population ⁽¹⁾	Number of Customers	Water Usage (MG)				Total Revenue
			Average Day Usage	Peak Day Usage	Peak Month Usage	Total Usage	
2007	13,925	5,344	1.620	2.900	August	592.046	\$ 1,548,404
2008	14,272	5,862	2.196	4.942	August	801.477	1,808,336
2009	14,194	5,889	2.770	3.988	August	758.938	1,724,860
2010	14,509	5,654	2.301	2.902	August	750.000	1,522,003
2011	15,341	6,053	2.172	4.885	August	660.927	1,714,884

(1) Source: 2000 U.S. Census held constant.

UTILITY FUND STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

	Fiscal Year Ended September 30,				
	2011 ⁽¹⁾	2010	2009	2008	2007
Operating Revenues:					
Charges for Services	\$ 4,451,315	\$ 4,081,001	\$ 4,382,458	\$ 3,995,241	\$ 3,532,125
Total Operating Revenues	\$ 4,451,315	\$ 4,081,001	\$ 4,382,458	\$ 3,995,241	\$ 3,532,125
Operating Expenses:					
Personnel Services	\$ 1,194,125	\$ 1,088,670	\$ 992,734	\$ 1,028,146	\$ 880,370
Supplies	255,513	182,649	157,910	264,449	196,255
Maintenance and Repairs	367,267	541,995	454,133	773,975	895,536
Miscellaneous Services	339,078	145,536	136,431	138,354	91,507
Utilities	364,372	341,476	359,955	396,795	359,532
Purchased Water	876,550	834,902	821,804	685,313	659,219
Depreciation	-	1,089,414	1,082,688	1,050,751	1,027,004
Compensated Absences Expense	35,576	28,964	26,909	8,637	5,457
Total Operating Expenses	\$ 3,432,481	\$ 4,253,606	\$ 4,032,564	\$ 4,346,420	\$ 4,114,880
Operating Income	\$ 1,018,834	\$ (172,605)	\$ 349,894	\$ (351,179)	\$ (582,755)
Non-Operating Expenses:					
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous Revenue	-	36,137	16,696	447,028	37,591
Investment Earnings	3,447	3,098	41,044	104,699	118,514
G.C.W.A. Cost Reimbursement	-	-	-	-	181,497
Internal Shop Credits	-	-	-	-	-
Interest Expense and Fiscal Charges	-	(254,149)	(266,530)	(274,853)	(286,862)
Amortization of Deferred Expenses	-	(13,821)	(13,821)	(13,822)	(12,711)
Contingencies	-	(910)	(840)	(840)	(840)
Total Non-Operating Revenues (Expenses)	\$ 3,447	\$ (229,645)	\$ (223,451)	\$ 262,212	\$ 37,189
Income Before Contributions and Transfers	\$ 1,022,281	\$ (402,250)	\$ 126,443	\$ (88,967)	\$ (545,566)
Transfer In	277,600	725,829	217,615	297,601	715,474
Transfer Out	(670,520)	(1,266,684)	(285,180)	(861,368)	(941,874)
Change in Net Assets	(392,920)	(943,105)	58,878	(652,734)	(771,966)
Total Net Assets - Beginning October 1	\$ 9,222,827	\$ 10,165,932	\$ 10,107,054	\$ 10,759,788	\$ 11,531,754
Increase (Decrease) in Net Assets	-	-	-	-	-
Total Net Assets - Ending September 30	\$ 8,829,907	\$ 9,222,827	\$ 10,165,932	\$ 10,107,054	\$ 10,759,788

(1) Unaudited.

COMPARATIVE STATEMENT OF REVENUES AND EXPENSES; CUSTOMER COUNT

	Fiscal Year Ended September 30,				
<u>Revenues:</u>	2011 ⁽¹⁾	2010	2009	2008	2007
Charges for Services	\$ 3,832,713	\$ 4,081,001	\$ 4,382,458	\$ 3,995,241	\$ 3,532,125
Interest Earned	3,447	3,098	41,044	104,699	118,514
Miscellaneous Income	489,655	36,137	16,696	447,028	37,591
Total Revenues	\$ 4,325,815	\$ 4,120,236	\$ 4,440,198	\$ 4,546,968	\$ 3,688,230
<u>Operating Expenses:</u>					
Personal Services	\$ 1,144,125	\$ 1,088,670	\$ 992,734	\$ 1,028,146	\$ 880,370
Supplies	255,513	182,649	157,910	264,449	196,255
Repairs and Maintenance	367,267	541,995	454,133	773,975	895,536
Miscellaneous Services	339,078	145,536	136,431	138,354	91,507
Utilities	364,372	341,476	359,955	396,795	359,532
Purchased Water	876,550	834,902	821,804	685,313	659,219
Compensated Absences Expense	35,576	28,964	26,909	8,637	5,457
	\$ 3,382,481	\$ 3,164,192	\$ 2,949,876	\$ 3,295,669	\$ 3,087,876
Net Revenue From Operations	\$ 943,334	\$ 956,044	\$ 1,490,322	\$ 1,251,299	\$ 600,354
System Customers	6,053	5,654	5,900	5,735	5,344

(1) Unaudited.

MONTHLY WATER RATES (EFFECTIVE OCTOBER 1, 2004)

Water:

First 1,000 gallons	\$7.75
Over 1,000 gallons	3.25

Sewer:

First 1,000 gallons	\$17.15
Over 1,000 gallons to maximum 15,000 gallons	2.85

TEN LARGEST WATER CUSTOMERS (BASED ON GALLONS CONSUMED)

<u>Customer</u>	<u>Type of Business</u>	Estimated Fiscal Year 2011 Water Usage In Gallons	Estimated % of Total Water Usage
Delany Cove (Irrigation System)	Irrigation	7,779,000	1.18%
BKB Developers	Builder	4,917,000	0.74%
Gulf Breeze	Apartments	3,999,000	0.61%
Mainland Academy	School	3,700,000	0.56%
Reef Trailer Park	Mobile Home Park	2,886,000	0.44%
Oasis	Mobile Home Park	2,532,000	0.38%
Castle Rock	Builder	2,487,000	0.38%
La Marque ISD	Irrigation	2,459,000	0.37%
Walmart Stores	Retail Outlet	2,445,000	0.37%
La Marque ISD	High School	2,275,000	0.34%
		35,479,000	5.37%

CITY OF LA MARQUE'S WATER AND SEWER SYSTEM DEBT SERVICE REQUIREMENTS

Fiscal Year Ended 9/30	Principal	Interest	Total
2012	\$ 600,000	\$ 173,258	\$ 773,258
2013	620,000	149,558	769,558
2014	645,000	124,768	769,768
2015	675,000	98,593	773,593
2016	700,000	70,880	770,880
2017	575,000	41,975	616,975
2018	575,000	20,988	595,988
	<u>\$ 4,390,000</u>	<u>\$ 680,018</u>	<u>\$ 5,070,018</u>