

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):

\$ 17,730,000 Water System Contract Revenue Refunding Bonds, Series 2011A (South Project)
\$ 3,510,000 Water System Contract Revenue Refunding Bonds, Series 2011B (South Project)

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

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

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

Financial Information & Operating Data

___ Other (describe) _____

Fiscal Period Covered: FYE 2015

___ Monthly ___ Quarterly 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: bwebb@gcwater.org

DESCRIPTION OF ISSUES COVERED BY THIS REPORT

Water System Contract Revenue Refunding Bonds, Series 2011A (South Project)

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
08/15/17	\$ 1,980,000	40223N KL9
08/15/18	1,985,000	40223N KM7
08/15/19	2,060,000	40223N KN5
08/15/20	990,000	40223N LE4
08/15/20	1,175,000	40223N KP0
08/15/21	2,255,000	40223N KQ8
08/15/22	2,370,000	40223N KR6
	<u>\$ 12,815,000</u>	

Water System Contract Revenue Refunding Bonds, Series 2011B (South Project)

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
08/15/17	\$ 300,000	40223N KY1
08/15/18	310,000	40223N KZ8
08/15/19	325,000	40223N LA2
08/15/20	335,000	40223N LB0
08/15/21	350,000	40223N LC8
08/15/22	365,000	40223N LD6
	<u>\$ 1,985,000</u>	

AMENDED
CONTINUING DISCLOSURE REPORT
FOR THE
FISCAL YEAR ENDED AUGUST 31, 2015

GULF COAST WATER AUTHORITY

GCWA DEBT - SOUTH PROJECT DEBT

This report has been amended with audited financial information.



FSC Continuing Disclosure Services
A Division of Hilltop Securities.

FINANCIAL STATEMENTS

The audited financial statements for the Authority for the fiscal year ended August 31, 2015 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:

02/29/2016

Date

09/09/2016

Amended

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

FSC Continuing Disclosure Services, A Division of Hilltop Securities Inc.

Signed by:

/s/ Kristin Blomquist

GULF COAST WATER AUTHORITY

2015 CONTRACT REVENUE DEBT REPORT

TABLE 1 - SOUTH PROJECT CUSTOMERS

<u>South Project Customers</u>	Current Contract		Reserved	
	<u>Quantity (GPD)</u>	<u>%</u>	<u>Capacity (GPD)</u>	<u>%</u>
City of Galveston	16,954	77.07%	20,990	74.85%
City of League City	2,393	10.88%	2,544	9.07%
City of Hitchcock	800	3.64%	1,500	5.35%
Galveston County WC&ID No. 1	500	2.27%	500	1.78%
Galveston County WC&ID No. 8	482	2.19%	1,000	3.57%
City of La Marque	344	1.56%	400	1.43%
Galveston County MUD No. 12	295	1.34%	450	1.60%
Galveston County FWSD No. 6	230	1.05%	360	1.28%
City of Texas City	-	0.00%	300	1.07%
	<u>21,998</u>	<u>100.00%</u>	<u>28,044</u>	<u>100.00%</u>

TABLE 2 - SOUTH PROJECT DEBT SERVICE REQUIREMENTS

Fiscal Year Ending August 31	Series 2011A			Series 2011B			Total
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Debt Service Requirements</u>
2016	\$ 970,000	\$ 593,075	\$ 1,563,075	\$ 290,000	\$ 88,100	\$ 378,100	\$ 1,941,175
2017	1,980,000	563,975	2,543,975	300,000	79,400	379,400	2,923,375
2018	1,985,000	504,575	2,489,575	310,000	67,400	377,400	2,866,975
2019	2,060,000	425,175	2,485,175	325,000	55,000	380,000	2,865,175
2020	2,165,000	322,175	2,487,175	335,000	42,000	377,000	2,864,175
2021	2,255,000	231,250	2,486,250	350,000	28,600	378,600	2,864,850
2022	2,370,000	118,500	2,488,500	365,000	14,600	379,600	2,868,100
	<u>\$13,785,000</u>	<u>\$ 2,758,725</u>	<u>\$16,543,725</u>	<u>\$ 2,275,000</u>	<u>\$ 375,100</u>	<u>\$ 2,650,100</u>	<u>\$19,193,825</u>

Debt service is allocated to the South Project Customers based on the following percentages:

<u>South Project Customers</u>	<u>2011A Bonds</u>	<u>2011B Bonds</u>
City of Galveston	97.29%	
Galveston County WC&ID No. 1	0.45%	0.49%
City of League City	2.27%	2.51%
City of Hitchcock		36.28%
Galveston County WC&ID No. 8		24.19%
City of La Marque		9.68%
Galveston County MUD No. 12		10.88%
Galveston County FWSD No. 6		8.71%
City of Texas City		7.26%
	<u>100.00%</u>	<u>100.00%</u>

TABLE 3 - SOUTH PROJECT MAXIMUM DEBT SERVICE REQUIREMENTS

South Project Customers	Year	Maximum
		Debt Service Total
City of Galveston	2017	\$ 2,474,906
City of League City	2017	67,144
City of Hitchcock	2019	137,864
Galveston County WC&ID No. 1	2017	13,307
Galveston County WC&ID No. 8	2019	91,922
Galveston County MUD No. 12	2019	41,344
City of La Marque	2019	36,784
Galveston County FWSD No. 6	2019	33,098
City of Texas City	2019	27,588

TABLE 4 – RAW WATER CHARGES AND MAINLAND OPERATING CHARGES

South Project Customers	2015	2014
City of Galveston	\$ 4,773,076	\$ 4,423,784
City of Texas City	33,345	23,875
City of La Marque	122,734	87,699
City of Hitchcock	279,697	249,296
City of League City	529,262	483,966
Galveston County WC&ID No. 1	436,270	-
Galveston County MUD No. 12	81,811	83,721
Galveston County FWSD No. 6	71,001	66,002
Galveston County WC&ID No. 8	194,265	157,861
	<u>\$ 6,521,461</u>	<u>\$ 5,576,204</u>
Other Existing Customers	2014	2014
Galveston County WC&ID No. 1	\$ 638,795	\$ 808,434
NRG Energy	214,963	380,787
Bacliff MUD	220,871	194,256
San Leon MUD	278,612	230,728
Galveston County WC&ID No. 12	228,045	188,646
Bayview MUD	46,627	41,352
City of Texas City	2,029,994	1,954,779
City of La Marque	595,062	544,414
	<u>\$ 4,252,969</u>	<u>\$ 4,343,396</u>
Total Annual Charge	<u>\$ 10,774,430</u>	<u>\$ 9,919,600</u>

TABLE 5 - CURRENT INVESTMENTS

As of December 31, 2015 the Authority's investable funds were invested in the following categories:

Description	of Total	Book Value	Market Value
Certificates of Deposit	75.65%	\$ 32,998,480	\$ 32,998,480
Money Market Accounts	24.35%	10,623,197	10,623,197
Total	100.00%	<u>\$ 43,621,677</u>	<u>\$ 43,621,677</u>

APPENDIX A

**GULF COAST WATER AUTHORITY
MAINLAND PROJECT**

CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES

	Fiscal Years Ending August 31,				
	2015	2014	2013	2012	2011
Beginning Balances					
General Operating Fund	\$ 7,934,011	\$ 8,158,651	\$ 9,496,323	\$ 9,735,872	\$ 9,663,854
	\$ 7,934,011	\$ 8,158,651	\$ 9,496,323	\$ 9,735,872	\$ 9,663,854
Receipts					
Metered Water Revenue	\$ 10,068,409	\$ 10,002,309	\$ 8,520,190	\$ 8,409,981	\$ 7,670,221
Interest Income	10,342	15,393	31,528	25,571	32,008
	\$ 10,078,751	\$ 10,017,702	\$ 8,551,718	\$ 8,435,552	\$ 7,702,229
Disbursements	\$ 10,063,404	\$ 10,242,342	\$ 9,889,390	\$ 8,675,101	\$ 7,630,211
Ending Balances					
General Operating Fund	\$ 7,949,358	\$ 7,934,011	\$ 8,158,651	\$ 9,496,323	\$ 9,735,872

History of the Mainland Operating Charges (includes Raw Water Charges) and Mainland Debt Service and South Project Service Debt Charges (per 1,000 gallons daily).

Fiscal Year	Mainland Operating Charges	Mainland Debt Service	South Project Debt Service
2008	\$ 0.5500	\$ 0.0629	\$ 0.1473
2009	0.6100	-	0.2209
2010	0.6100	-	0.2150
2011	0.5900	-	0.2246
2012	0.5900	-	0.1829
2013	0.6900	-	0.1969
2014	0.7400	-	0.1970
2015	0.7467	-	0.1937

APPENDIX B

DESCRIPTION OF THE ORIGINAL MAINLAND AND SOUTH PROJECT CUSTOMERS AND CERTAIN FINANCIAL INFORMATION REGARDING THE SOUTH PROJECT CUSTOMERS

THE ORIGINAL MAINLAND PROJECT CUSTOMERS

Mainland Project Customers who are currently purchasing potable water from the Authority's Water Plant fall into two categories: seven municipal customers and one private corporation. The municipal customers include Bacliff, Bayview, Dickinson, La Marque, Texas City, Hitchcock, Kemah and San Leon. These original customers who purchase water for distribution through their municipal water system, range in customer count from 510 (Bayview) to 13,044 (Texas City). The private corporation, HL&P, purchases water from the Water Plant to provide treated surface water to its P.H. Robinson Plant in Galveston County. A brief description of each Customer currently receiving water from the Mainland Project is as follows:

City of Texas City: The City of Texas City is a port and industrial center located on the mainland opposite the City of Galveston. The 1990 population was 40,822. Two of the major industries in the City are Amoco Texas Refinery and Union Carbide Corporation, both employing over 1,000 persons each. Two other petroleum product manufacturers employ over 500 people each. Oil refineries, oil properties and chemical plants account for over seventy percent of Texas City's assessed valuation.

Bacliff Municipal Utility District: Bacliff Municipal Utility District, created in 1951, provides water and sewer facilities for a 1,195-acre residential area located north of Texas City, where many of the District's residents are employed. Included in the District is the unincorporated community of Bacliff, located on State Highway 646.

Bayview Municipal Utility District: Bayview Municipal Utility District is a municipal water district created in 1963 to provide water and sewer services to a 610-acre residential area located adjacent to Galveston Bay in northern Galveston County about 15 miles north of Texas City. District residents are employed throughout this highly industrialized area.

Galveston County Water Control and Improvement District No. 1 (Dickinson): The District was created in 1939 to provide water and sewer service to an unincorporated residential and commercial community located in Galveston County on Interstate Highway 45 some 30 miles southeast of Houston. In 1978, a part of the area within the District incorporated as the "Village of Dickinson" which provides general governmental services to the incorporated area. It became a home rule city in 1987. District officials estimate that about one third of the local work force is employed in the industrial complex in the Texas City area. A significant number of District residents are employed in the City of Houston and a smaller number finds employment at the National Aeronautical Space Administration's Johnson Space Center ("NASA") which is located some ten miles from Dickinson. Dickinson is a residential/retail/service center.

Houston Lighting and Power Company: HL&P, a Texas corporation, is a subsidiary of Houston Industries Incorporated, which owns all of the outstanding common stock of HL&P. Houston Industries is a publicly held corporation listed on the New York Stock Exchange. HL&P provides electric service to a service area of approximately 5,000 square miles in the Houston Gulf Coast area which has an estimated population in excess of three million persons.

Galveston County Water Control and Improvement District No. 12 (Kemah): The District was created in 1952, to provide water and sewer service to an unincorporated residential and commercial community located in the northeastern portion of Galveston County south of Clear Creek on Highway 146 some 20 miles north of Texas City. In 1962, a portion of the District incorporated to form Clear Lake Shores. In 1967, another portion of the District incorporated to form the City of Kemah, a residential, commercial and recreational community. The local work force is employed in the industrial complex in Texas City and Baytown, the NASA area and the City of Houston. The Kemah waterfront along Galveston Bay is a tourist/restaurant/sailing/boating location.

San Leon Municipal Utility District: The District was created in 1976 to provide water and sewer service to the unincorporated community of San Leon located in the east central portion of Galveston County bounded by Dickinson Bayou and Galveston Bay, east of Highway 146 about 10 miles north of Texas City. It is mainly a residential area with some commercial and recreational facilities. The local work force is employed in the industrial complex of Texas City and Baytown, NASA and the City of Houston.

City of La Marque: The City of La Marque is a residential community located on State Highway 3 just west of Texas City. The principal manufacturer produces electronic control systems employing over 100 persons. Many residents of the City are employed in the nearby Texas City industrial area, which incorporates primarily petroleum refineries and chemical plants. Lone Star State Factory

City of League City: The City of League City is located in the north central part of Galveston County and part of Harris County five miles south of the city limits of Houston, Texas. The City was incorporated on December 9, 1961 and adopted its Home Rule Charter on March 27, 1962. The City provides basic municipal services to its citizens including fire and police protection, ambulance service, water, sanitary sewer and garbage services, library, parks and recreational facilities. The City is located approximately 14 to 20 miles from the industrial and petrochemical complexes located in Harris County along the Houston Ship Channel and approximately 10 miles from the petrochemical refineries located in Texas City in Galveston County. The National Aeronautics and Space Administration's ("NASA") Johnson Space Center is located just north of the City in Harris County. In addition, residents find employment in the numerous retail and service establishments located in the City and surrounding area. The City's estimated population was 15,154 in the year 2013.

Source: Texas Municipal Advisory Council.

THE SOUTH PROJECT CUSTOMERS

The following political subdivisions have executed South Project Customer contracts:

City of Galveston: The City of Galveston is the county seat located on Interstate Highway 45, occupying 32 mile long Galveston Island situated two miles off the Gulf Coast and Pelican Island. The City is an industrial, recreational and shipping center. The City is one of Texas' most historic and is a popular tourist and convention center. Major tourist attractions include "the Elissa," a restored 1877 iron barque, the Strand District, Sea Wolf Park, a rail trolley line, year round sport fishing and miles of beautiful beaches. The University of Texas Medical Branch, Texas A&M University at Galveston, and College of the Mainland are located within the City, and had a combined 2005 enrollment of approximately 9,100. The City of Galveston's estimated population was 47,743 in the year 2015.

City of Hitchcock: The City of Hitchcock is located on State Highway 6, south of I-45, 20 miles north of Galveston. Many of the City's residents are employed in the nearby Texas City industrial area which includes petroleum refineries and chemical plants. The City of Hitchcock's estimated population was 7,442 in the year 2014.

Galveston County WC&ID No. 8: Galveston County Water Control & Improvement District No. 8 was created in 1945 and provides water and sewer facilities for the City of Santa Fe, a retail center and residential area located approximately 12 miles west of the City of Texas City and approximately 19 miles northwest of the City of Galveston. The District lies wholly within the city limits of the City of Santa Fe, Texas, and is bisected from southeast to northwest by State Highway 6. Local manufacturers produce oilfield tools, boat trailers, concrete products and galvanized metal.

Galveston County Municipal Utility District No. 12: Galveston County Municipal Utility District No. 12 was created on September 1, 1981 to provide water and sewer facilities for a 290-acre area located near the intersection of IH 45 and SH 6 approximately three miles north of Galveston and approximately 47 miles from the central business district of Houston. The District serves the Village of Bayou Vista, a primary and secondary home residential development which is over twenty years old. The District is fully developed. The District recently annexed the nearby subdivision of Omega Bay that was serviced by the Omega Bay Water Supply Corporation, a semi-public water district.

City of La Marque: The City of La Marque is a residential community located on State Highway 3 just west of Texas City. Many residents of the City are employed in the nearby Texas City industrial area, which incorporates primarily petroleum refineries and chemical plants. Lone Star State Factory Stores, a factory outlet mall, opened in July 1990. A Greyhound race track opened in November 1992. The City of La Marque's estimated population was 14,713 in the year 2015.

Galveston County Fresh Water Supply District No. 6: Galveston County Fresh Water Supply District No. 6 was created in 1979 and is located in Galveston County on the west side of Interstate Highway 45 approximately 45 miles south of the central business district of Houston and eight miles north of the central business district of Galveston near the northern foot of the dual span causeway that links the mainland and Galveston Island. The District contains approximately 420 acres of land and 1,441 acres of surrounding water. The developed portion of the District lies within the corporate limits of the Village of Tiki Island, a general law city, and the remaining portions of the District lie within the extraterritorial jurisdictions of the City of Hitchcock, the City of Galveston and the City of Texas City. Approximately 60% of the homeowners are permanent residents. As of July 29, 2010, the District contained approximately 872 occupied homes, 25 occupied town homes, 30 occupied condominiums, 5 builder connections, 7 vacant connections and 379 platted but undeveloped lots. In addition, there is a church, a 12,000 square foot office building, a convenience store and a service station.

City of Texas City: The City of Texas City is a Gulf of Mexico port and industrial center located on the mainland opposite the City of Galveston. Two petroleum product manufacturers employ over 500 people each. Oil refineries, oil properties and chemical plants account for over seventy percent of Texas City's assessed valuation. Texas City has the third largest port in Texas in total tonnage, ranking behind Houston and Corpus Christi, and 11th largest in the nation. The City of Texas City's estimated population was 46,081 in the year 2015.

City of League City: The City of League City is located in the north central part of Galveston County and part of Harris County five miles south of the city limits of Houston, Texas. The City was incorporated on December 9, 1961 and adopted its Home Rule Charter on March 27, 1962. The City provides basic municipal services to its citizens including fire and police protection, ambulance service, water, sanitary sewer and garbage services, library, parks and recreational facilities. The City is located approximately 14 to 20 miles from the industrial and petrochemical complexes located in Harris County along the Houston Ship Channel and approximately 10 miles from the petrochemical refineries located in Texas City in Galveston County. The National Aeronautics and Space Administration's ("NASA") Johnson Space Center is located just north of the City in Harris County. In addition, residents find employment in the numerous retail and service establishments located in the City and surrounding area. The City's estimated population of League City was 96,209 in the year 2015.

Source: Texas Municipal Advisory Council.

PAYMENTS TO THE AUTHORITY BY SOUTH PROJECT CUSTOMERS

Payments due to the Authority from each South Project Customer constitute operating expenses of each such South Project Customer's system and each such South Project Customer is obligated to establish and charge such rates for service from its own water supply system (or water supply system as a portion of its combined system) as will enable it to pay all operating expenses of its system and all charges due to the Authority under its South Project Customer Contract.

CITY OF GALVESTON, TEXAS

Summary of the Combined Water and Sewer Systems (Depreciation Removed)

	Fiscal Year Ended September 30,				
	2015	2014	2013	2012	2011
<i>Revenues</i>					
Operating Revenues	\$ 29,234,834	\$ 30,494,096	\$ 30,415,539	\$ 29,167,119	\$ 28,246,200
Interest and Investment Revenue	155,124	20,781	94,298	85,696	142,012
Insurance Proceeds	-	-	-	-	77,469
Total Revenues	\$ 29,389,958	\$ 30,514,877	\$ 30,509,837	\$ 29,252,815	\$ 28,465,681
<i>Expenses</i>					
Personnel Services	\$ 6,420,359	\$ 5,567,688	\$ 5,423,689	\$ 4,910,190	\$ 4,797,145
Contractual Services	2,791,594	2,486,562	2,456,742	2,612,634	2,520,128
Supplies and Materials	2,620,113	2,573,390	2,546,384	2,380,551	2,179,410
Surface Water Contract	5,871,645	5,147,230	4,029,515	4,485,455	5,956,653
Other Expenses	1,634,058	937,361	966,084	892,086	1,071,380
Administrative Charge	1,056,787	1,026,007	1,011,832	991,991	972,540
Non-Operating Interest Expense	2,402,661	3,494,240	3,760,214	2,473,168	2,663,194
Payment in Lieu of Taxes	400,000	400,000	400,000	400,000	400,000
Total Expenses	\$ 23,197,217	\$ 21,632,478	\$ 20,594,460	\$ 19,146,075	\$ 20,560,450
<i>Net Revenues</i>	\$ 6,192,741	\$ 8,882,399	\$ 9,915,377	\$ 10,106,740	\$ 7,905,231
Average Annual Debt Service (2016-2030)	\$ 2,574,357				
Customer Count ⁽¹⁾	20,079	23,435	20,595	21,323	21,910
<i>Water Rate (Inside City) ⁽²⁾</i>					
First 200 cubic feet	\$11.92 Minimum				
Next 3,800 cubic feet	3.12/100 CF				
Next 46,000 cubic feet	3.32/100 CF				
Next 950,000 cubic feet	3.37/100 CF				
All Over 1,000,000 cubic feet	4.05/100 CF				

(1) Changes in customer count are due to Hurricane Ike which struck the Houston-Galveston region on September 13, 2008 and the subsequent recovery.

(2) Source: City of Galveston.

CITY OF HITCHCOCK

Summary of the Water System (Depreciation Removed)

	Fiscal Year Ended September 30,				
	2015	2014	2013	2012	2011
<i>Revenues</i>					
Charges for Services	\$ 2,438,288	\$ 2,174,652	\$ 2,378,367	\$ 2,564,069	\$ 2,451,665
Interest Income	700	1,856	1,724	-	3,230
Total	\$ 2,438,988	\$ 2,176,508	\$ 2,380,091	\$ 2,564,069	\$ 2,454,895
<i>Expenditures</i>					
Personnel Services	\$ 641,100	\$ 584,586	\$ 506,573	\$ 485,512	\$ 473,998
Contractual Services	1,220,437	998,220	843,757	806,510	721,219
Supplies	160,161	240,101	230,309	205,388	164,204
Maintenance and Repairs	267,746	395,234	837,311	474,580	317,768
Total	\$ 2,289,444	\$ 2,218,141	\$ 2,417,950	\$ 1,971,990	\$ 1,677,189
Revenues Over Expenditures	\$ 149,544	\$ (41,633)	\$ (37,859)	\$ 592,079	\$ 777,706

Customer Count as of September 30, 2015 3,197

Water Rates:

First 1,000 gallons	\$15.50 minimum
Over 1,000 gallons	\$4.00 each additional 1,000 gallons

GALVESTON COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 8

Summary of the General Fund (Depreciation Removed)

	Fiscal Year Ended December 31,				
	2015	2014	2013	2012	2011
<i>Revenues</i>					
Service Revenue	\$ 1,410,498	\$ 1,405,719	\$ 1,421,837	\$ 1,288,643	\$ 1,402,273
All Other	687,273	1,176,799	1,406,967	1,282,278	887,259
Total	\$ 2,097,771	\$ 2,582,518	\$ 2,828,804	\$ 2,570,921	\$ 2,289,532
<i>Expenditures</i>					
Purchased Services	\$ 315,629	\$ 257,917	\$ 251,240	\$ 228,246	\$ 254,133
Professional Fees and Contracted Service	102,560	70,852	81,882	78,714	51,593
Contracted Services	1,548				
Utilities	92,458				
Repairs and Maintenance	303,254	323,838	542,722	293,651	304,354
Personnel Services	700,071	652,468	613,482	597,685	602,978
Administration	45,661				
Capital Outlay	533,032	41,892	1,266,756	1,437,838	612,551
Recurring Operating Expenses	-	143,736	141,307	158,699	175,887
Debt Service and Related Expenditures	43,826	43,826	43,826	16,429	16,429
Total	\$ 2,138,039	\$ 1,534,530	\$ 2,941,215	\$ 2,811,262	\$ 2,017,925
Revenues Over Expenditures	\$ (40,268)	\$ 1,047,988	\$ (112,411)	\$ (240,341)	\$ 271,607

Rates:

Water

First 3,000 gallons	\$13.00 - minimum
Over 3,000 gallons	Each Additional 1,000 gallons \$4.20

Sewer (residential)

First 3,000 gallons	\$13.00 - minimum
Over 3,000 gallons	Each Additional 1,000 gallons \$2.20

2015 Certified Taxable Assessed Valuation (100% of Market Value).....	\$ 190,851,466
Gross Direct Long-term Debt Outstanding.....	5,010,000
Ratio of Gross Long-term Debt to 2015 Certified Taxable Assessed Valuation.....	2.63%

Debt Service Funds Available as of December 31, 2015.....	\$ 398,836
Operation & Maintenance Funds Available as of December 31, 2015.....	\$ 743,900

Average Annual Debt Service Requirements (2016-2039).....	\$ 357,231
Maximum Annual Debt Service Requirements (2039).....	\$ 414,619

2015 Debt Service Tax Rate per \$100 of Assessed Valuation	\$ 0.2009
2015 Maintenance Tax Rate per \$100 of Assessed Valuation	0.0629
Total 2015 Tax Rate per \$100 of Assessed Valuation.....	\$ 0.2638

Tax Rate Required to Pay Average Annual Debt Service based upon the	
2015 Certified Taxable Assessed Valuation at a 95% Collection Rate.....	\$ 0.19703
Tax Rate Required to Pay Maximum Annual Debt Service based upon the	
2015 Certified Taxable Assessed Valuation at a 95% Collection Rate.....	\$ 0.22868

Estimated Population ⁽¹⁾	5,170
Customer Count.....	2,052

Source: The District's Audited Financial Statements, Texas Municipal Report, and the District.

(1) Assuming 2.5 residents per Customer Count.

GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 12

Summary of the General Fund (Depreciation Removed)

	Fiscal Year Ended September 30,				
	2015	2014	2013	2012	2011
<i>Revenues</i>					
Service Revenue	\$ 808,561	\$ 745,347	\$ 739,188	\$ 715,167	\$ 680,740
All Other	48,585	399,404	349,878	326,963	315,486
Total	<u>\$ 857,146</u>	<u>\$ 1,144,751</u>	<u>\$ 1,089,066</u>	<u>\$ 1,042,130</u>	<u>\$ 996,226</u>
<i>Expenditures</i>					
Purchased Water	\$ 141,360	\$ 124,304	\$ 120,887	\$ 107,976	\$ 118,973
Payroll	305,366	286,317	276,033	258,613	264,914
Professional and Contracted Services	43,920	37,635	34,870	37,731	45,972
Utilities	54,596	53,066	52,713	56,673	47,466
Repairs and Maintenance	174,864	156,897	101,067	89,981	83,032
Other Operating Expenditures	55,666	55,402	52,175	48,050	57,272
Administration Expenses	114,380	98,942	95,083	105,992	103,907
Debt Service	225,279	203,746	166,667	166,667	537,975
Capital Outlay	2,944	10,660	287,270	138,248	321,205
Total	<u>\$ 1,118,375</u>	<u>\$ 1,026,969</u>	<u>\$ 1,186,765</u>	<u>\$ 1,009,931</u>	<u>\$ 1,580,716</u>
Revenues Over Expenditures	<u>\$ (261,229)</u>	<u>\$ 117,782</u>	<u>\$ (97,699)</u>	<u>\$ 32,199</u>	<u>\$ (584,490)</u>

Rates:

Water

Under 3,000 gallons	\$16.00 minimum
Over 3,000 gallons	\$3.50 from 3,001 to 6,000
	\$4.00 from 6,001 to 9,000
	\$4.50 from 9,001 to 12,000
	\$5.00 from 12,001 to 15,000
	\$6.00 from 15,001 to 18,000
	\$7.00 over 18,000

Sewer

Under 3,000 gallons	\$20.00 minimum
Over 3,000 gallons	\$1.00 from 3,001 to 6,000
	\$1.50 from 6,001 to 9,000
	\$1.75 from 9,001 to 12,000
	\$2.00 from 12,001 to 15,000
	\$2.25 from 15,001 to 18,000
	\$3.00 over 18,000

2015 Certified Taxable Assessed Valuation (100% of Market Value).....	\$ 239,983,636
Gross Direct Long-term Debt Outstanding.....	\$ 700,000
Ratio of Gross Long-term Debt to 2015 Certified Taxable Assessed Valuation.....	0.29%

Debt Service Funds Available as of September 30, 2015.....	\$ 149,133
Operation & Maintenance Funds Available as of September 30, 2015.....	\$ 1,005,996

Average Annual Debt Service Requirements (2016-2019).....	\$ 180,523
Maximum Annual Debt Service Requirements (2019).....	\$ 187,775

2015 Debt Service Tax Rate per \$100 of Assessed Valuation	\$ 0.074200
2015 Maintenance Tax Rate per \$100 of Assessed Valuation	0.170100
Total 2015 Tax Rate per \$100 of Assessed Valuation.....	<u>\$ 0.244300</u>

Tax Rate Required to Pay Average Annual Debt Service based upon the	
2015 Certified Taxable Assessed Valuation at a 95% Collection Rate.....	\$ 0.07918
Tax Rate Required to Pay Maximum Annual Debt Service based upon the	
2015 Certified Taxable Assessed Valuation at a 95% Collection Rate.....	\$ 0.08236

Estimated Population ⁽¹⁾	3,615
Customer Count.....	1,446

Source: The District's Audited Financial Statements, Texas Municipal Report, and the District.

(1) Assuming 2.5 residents per Customer Count.

CITY OF LA MARQUE

Summary of the Utility Fund (Depreciation removed)

	Fiscal Year Ended September 30,				
	2015	2014	2013	2012	2011
<i>Revenues</i>					
Charges for Services	\$ 4,365,970	\$ 3,915,061	\$ 4,085,197	\$ 4,159,635	\$ 4,159,381
Interest Income	2,810	1,400	2,667	3,578	3,456
Miscellaneous Revenues	-	-	-	10,224	357,442
Total	\$ 4,368,780	\$ 3,916,461	\$ 4,087,864	\$ 4,173,437	\$ 4,520,279
<i>Expenditures</i>					
Personal Services	\$ 1,016,570	\$ 886,279	\$ 905,068	\$ 1,066,691	\$ 1,144,125
Supplies	245,467	255,243	205,349	273,455	258,003
Repairs and Maintenance	437,961	305,319	301,681	175,100	537,705
Miscellaneous Services	248,396	291,818	190,169	239,223	142,591
Utilities	287,537	278,387	346,553	357,990	366,836
Purchased Water	741,549	652,296	593,966	508,115	876,550
Compensated Absences Expense	-	-	-	-	35,576
Total	\$ 2,977,480	\$ 2,669,342	\$ 2,542,786	\$ 2,620,574	\$ 3,361,386
Revenues Over Expenditures	\$ 1,391,300	\$ 1,247,119	\$ 1,545,078	\$ 1,552,863	\$ 1,158,893
Average Annual Debt Service	No Water System Obligations				
Customer Count	6,821				
<i>Rates:</i>					
<i>Water</i>					
First 1,000 gallons	\$7.75				
Over 1,000 gallons	\$3.30				
<i>Sewer</i>					
First 1,000 gallons	\$17.15				
Over 1,000 gallons to maximum 15,000 gallons	\$2.90				

GALVESTON COUNTY FRESH WATER SUPPLY DISTRICT NO. 6

Summary of the General Fund (Depreciation Removed)

	Fiscal Year Ended September 30,				
	2015	2014	2013	2012	2011
<i>Revenues</i>					
Water and Sewer Service	\$ 590,373	\$ 599,247	\$ 578,010	\$ 566,797	\$ 619,818
Property Taxes	269,115	251,168	248,104	237,224	224,228
Penalties and Interest	10,196	8,711	6,661	4,937	4,394
Tap Connection Fees	32,875	28,945	16,180	12,750	5,080
Interest on Investments and Other	239,853	207,554	205,451	79,754	7,119
Total	<u>\$ 1,142,412</u>	<u>\$ 1,095,625</u>	<u>\$ 1,054,406</u>	<u>\$ 901,462</u>	<u>\$ 860,639</u>
<i>Expenditures</i>					
Current	\$ 1,061,129	\$ 991,267	\$ 938,260	\$ 888,737	\$ 822,553
Capital Outlays	83,064	111,263	155,889	37,731	179,427
Total	<u>\$ 1,144,193</u>	<u>\$ 1,102,530</u>	<u>\$ 1,094,149</u>	<u>\$ 926,468</u>	<u>\$ 1,001,980</u>
Revenues Over Expenditures	<u>\$ (1,781)</u>	<u>\$ (6,905)</u>	<u>\$ (39,743)</u>	<u>\$ (25,006)</u>	<u>\$ (141,341)</u>

Rates:

Water

Sewer

First 3,000 gallons	\$14.00	First 3,000 gallons	\$17.00
3,001 to 8,000	\$3.90/1,000	3,001 to 8,000	\$1.50/1,000
8,001 to 12,000	\$4.90/1,000	8,001 to 12,000	\$2.00/1,000
12,001 to 16,000	\$5.90/1,000	12,001 to 16,000	\$2.50/1,000
16,000 & up	\$6.90/1,000	16,000 & up	\$3.00/1,000

2015 Certified Taxable Assessed Valuation (100% of Market Value).....	\$ 348,567,640
Gross Direct Long-term Debt Outstanding.....	\$ 6,845,000
Ratio of Gross Long-term Debt to 2015 Certified Taxable Assessed Valuation.....	1.96%

Debt Service Funds Available as of September 30, 2015.....	\$ 417,136
Operation & Maintenance Funds Available as of September 30, 2015	\$ 657,694

Average Annual Debt Service Requirements (2016-2039).....	\$ 408,187
Maximum Annual Debt Service Requirements (2016).....	\$ 592,475

2015 Debt Service Tax Rate per \$100 of Assessed Valuation	\$ 0.156046
2015 Maintenance Tax Rate per \$100 of Assessed Valuation	0.079191
Total 2015 Tax Rate per \$100 of Assessed Valuation.....	<u>\$ 0.235237</u>

Tax Rate Required to Pay Average Annual Debt Service based upon the	
2015 Certified Taxable Assessed Valuation at a 95% Collection Rate.....	\$ 0.12327
Tax Rate Required to Pay Maximum Annual Debt Service based upon the	
2015 Certified Taxable Assessed Valuation at a 95% Collection Rate.....	\$ 0.17892

Estimated Population ⁽¹⁾	2,598
Customer Count.....	1,039

Source: The District's Audited Financial Statements, Texas Municipal Reports and the District.

(1) Assuming 2.5 residents per Customer Count.

CITY OF TEXAS CITY

Summary of the Water Fund (Depreciation Removed)

	Fiscal Year Ended September 30,				
<i>Revenues:</i>	2015	2014	2013	2012	2011
Charges for Services	\$ 6,485,922	\$ 6,578,452	\$ 6,530,907	\$ 6,622,950	\$ 7,125,242
Miscellaneous Operating Revenues	2,450,417	2,346,618	5,517,856	2,921,525	149,364
Interest and Investment Revenue	15,753	19,365	19,923	85,641	5,441
Total Revenues	\$ 8,952,092	\$ 8,944,435	\$ 12,068,686	\$ 9,630,116	\$ 7,280,047
<i>Operating Expenses:</i>					
Personal Services	\$ 2,065,404	\$ 2,009,519	\$ 1,252,510	\$ 1,216,832	\$ 1,230,667
Contractual Services	380,575	1,456,520	1,619,238	2,615,236	353,365
Other Operating Expenses	4,818,016	3,294,034	3,254,589	2,783,253	4,746,521
Total Expenses	\$ 7,263,995	\$ 6,760,073	\$ 6,126,337	\$ 6,615,321	\$ 6,330,553
Net Revenue From Operations	\$ 1,688,097	\$ 2,184,362	\$ 5,942,349	\$ 3,014,795	\$ 949,494
Average Annual Debt Service	No Water System Obligations				
Customer Count	14,475				
Rates:					
Water					
First 2,000 gallons	\$6.75				
Over 2,000 gallons	\$3.83				

CITY OF LEAGUE CITY

Summary of the Water and Wastewater Fund (Depreciation Removed)

	Fiscal Year Ended September 30,				
Revenues:	2015 ⁽¹⁾	2014	2013	2012	2011
Charges for Services	\$ 28,624,729	\$ 29,187,630	\$ 29,830,436	\$ 27,582,569	\$ 30,646,567
Interest Earned	81,035	54,828	120,856	357,077	196,367
Gain on Sale of Assets	(1,562)	11,392	2,067	636	1,632
Total Revenues	\$ 28,704,202	\$ 29,253,850	\$ 29,953,359	\$ 27,940,282	\$ 30,844,566
Operating Expenses:					
Personnel	\$ 5,489,219	\$ 5,537,995	\$ 5,589,894	\$ 5,189,783	\$ 5,363,971
Contractual Services	4,385,399	4,985,492	4,406,481	3,901,606	4,077,368
Utilities	1,544,698	1,615,413	1,245,096	1,081,894	1,533,427
Repairs and Maintenance	1,316,770	1,074,237	1,636,262	1,439,563	1,184,800
Supplies	902,321	786,321	1,231,604	2,125,240	994,419
Gulf Coast Water Authority Debt Service ⁽²⁾	302,864	306,970	307,467	799,234	503,584
	\$ 13,941,271	\$ 14,306,428	\$ 14,416,804	\$ 14,537,320	\$ 13,657,569
Net Revenue From Operations	\$ 14,762,931	\$ 14,947,422	\$ 15,536,555	\$ 13,402,962	\$ 17,186,997
System Connections	31,428	30,327	29,326	28,383	27,669

(1) Unaudited, provided by the City of League City.

(2) Represents Contract Revenue Bonds issued by the Authority that are treated as an operating expense of the City's System.

Monthly Water Rates (Effective November 1, 2015)

Base Charge	\$ 7.13
1st Tier: 1,000 to 3,000 gallons	\$ 1.50 per 1,000 gallons
2nd Tier: 4,000 to 10,000 gallons	\$ 5.50 per 1,000 gallons
3rd Tier: 11,000 to 25,000 gallons	\$ 7.00 per 1,000 gallons
4th Tier: 26,000 gallons and more	\$ 8.50 per 1,000 gallons

Monthly Sewer Rates (Effective November 1, 2015)

Base Charge	\$ 13.88
1st Tier: 1,000 to 3,000 gallons	\$ 3.00 per 1,000 gallons
2nd Tier: 4,000 to 10,000 gallons	\$ 4.62 per 1,000 gallons
3rd Tier: 11,000 to 25,000 gallons	\$ 4.62 per 1,000 gallons
4th Tier: 26,000 gallons and more	\$ 4.62 per 1,000 gallons

(1) Multiple unit, single-metered dwellings with more than 4 units are billed at the minimum rate per month per unit based on 90% of the total number of units.

GALVESTON COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

Summary of the Water System (Depreciation Removed)

	Fiscal Year Ended September 30,				
	2015	2014	2013	2012	2011
<i>Revenues</i>					
Service Revenue	\$ 6,777,796	\$ 6,150,260	\$ 6,126,485	\$ 6,072,024	\$ 6,490,947
All Other	2,925,104	3,890,163	1,430,404	1,080,039	2,093,065
Total	\$ 9,702,900	\$ 10,040,423	\$ 7,556,889	\$ 7,152,063	\$ 8,584,012
<i>Expenditures</i>					
Payroll	\$ 2,765,512	\$ 2,722,073	\$ 2,679,877	\$ 2,629,434	\$ 2,531,129
Bulk Water Purchases	814,691	846,534	806,440	711,748	699,917
Professional Fees	85,144	46,894	57,451	56,232	48,759
Purchased and Contracted Services	219,067	208,755	229,032	194,714	204,674
Repairs and Maintenance	793,522	766,827	742,068	740,049	731,118
Utilities	366,581	340,922	385,402	394,483	379,764
Recurring Operating Expenditures	689,182	671,287	735,818	582,423	535,449
Capital Outlays	2,617,592	3,433,675	758,090	369,369	1,564,712
Debt Service	91,618	96,329	96,330	52,329	72,717
Total	\$ 8,442,909	\$ 9,133,296	\$ 6,490,508	\$ 5,730,781	\$ 6,768,239
Revenues Over Expenditures	\$ 1,259,991	\$ 907,127	\$ 1,066,381	\$ 1,421,282	\$ 1,815,773
Water System Connections	8,612				
<i>Water Rates</i>					
<u>Minimum:</u>	\$9.25				
<u>Rate:</u>					
First 2,000 gallons	Each 1,000 gallons \$1.75				
2,001-6,000 gallons	Each additional 1,000 gallons \$4.75				
6,001-12,000 gallons	Each additional 1,000 gallons \$5.00				
Over 12,000 gallons	Each additional 1,000 gallons \$5.25				
<i>Sewer Rates (residential)</i>					
<u>Minimum:</u>					
5/8" - 3/4" Meter	\$14.80				
<u>Rate:</u>					
Each 1,000 gallons	\$2.25				