

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):

\$ 5,760,000 Water System Contract Revenue Refunding Bonds, Series 2011C (Texas City)

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 2012

___ 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: bwebb@gcwater.org

DESCRIPTION OF ISSUES COVERED BY THIS REPORT

Water System Contract Revenue Refunding Bonds, Series 2011C (Texas City)

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
08/15/13	\$ 375,000	40223N LY0
08/15/14	385,000	40223N LZ7
08/15/15	400,000	40223N MA1
08/15/16	410,000	40223N MB9
08/15/17	430,000	40223N MC7
08/15/18	450,000	40223N MD5
08/15/19	475,000	40223N ME3
08/15/20	500,000	40223N MF0
08/15/21	520,000	40223N MG8
08/15/22	1,445,000	40223N MH6
	<u>\$ 5,390,000</u>	

CONTINUING DISCLOSURE REPORT
FOR THE
FISCAL YEAR ENDED AUGUST 31, 2012

GULF COAST WATER AUTHORITY

GCWA DEBT - TEXAS CITY DEBT



FINANCIAL STATEMENTS

The audited financial statements for the Authority for the fiscal year ended August 31, 2012 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:

02/21/2013

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 TEXAS CITY PROJECT

2012 CONTRACT REVENUE DEBT REPORT

DEBT INFORMATION

TABLE 1 – CITY OF TEXAS CITY PROJECT DEBT SERVICE REQUIREMENTS

Fiscal Year Ending August 31	Series 2006 Bonds ⁽¹⁾	Series 2011B Bonds ⁽²⁾	Series 2011C Bonds	Total Debt Service Requirements
2013	\$ 1,411,571	\$ 27,868	\$ 621,200	\$ 2,060,639
2014	1,416,113	27,839	619,950	2,063,902
2015	1,423,906	27,967	623,400	2,075,274
2016	1,432,301	27,707	617,400	2,077,408
2017	1,438,021	27,802	621,000	2,086,824
2018	-	27,656	619,500	647,156
2019	-	27,846	622,000	649,846
2020	-	27,627	623,250	650,877
2021	-	27,744	618,250	645,994
2022	-	27,817	1,517,250	1,545,067
	<u>\$ 7,121,912</u>	<u>\$ 277,874</u>	<u>\$ 7,103,200</u>	<u>\$ 14,502,986</u>

(1) Represents the City's share (approximately 35%) of the Gulf Coast Water Authority's Contract Revenue Bonds, Series 2006 (the "Series 2006 Bonds"). The Cities of Pearland, Galveston and Texas City executed Interim Water Supply Contracts to facilitate the Authority's issuance of the Series 2006 Bonds.

(2) Represents the City's share (7.3280%) 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, 2012, the City's investable funds were invested in the following categories:

Description	Percent of Total	Market Value
Bank Deposits	13.09%	\$ 4,105,097
Certificates of Deposit	86.91%	27,256,000
Total	100.00%	\$ 31,361,097

APPENDIX A

GENERAL INFORMATION REGARDING THE CITY

HISTORICAL WATER CONSUMPTION

Fiscal Year Ended 9/30	Estimated City Population ⁽¹⁾	Number of Customers	Water Usage (MG)			Total Revenue
			Average Day Usage	Peak Month	Total Usage	
2008	41,521	13,977	4,800	June	172,430	\$ 5,176,414
2009	41,521	14,009	4,961	February	181,054	5,505,002
2010	45,099	13,965	4,547	September	185,532	5,196,466
2011	45,099	13,900	4,695	July	194,788	7,274,606
2012	45,099	14,087	4,532	June	163,104	5,895,895

(1) Source: 2000 U.S. Census population, held constant, for years 2008-2009. 2010 U.S. Census population, held constant, for years 2010-2012.

WATERWORKS SYSTEM BALANCE SHEET

	Fiscal Year Ended September 30,				
	2012 ⁽¹⁾	2011	2010	2009	2008
Revenues					
Charges for Water Services	\$ 5,800,328	\$ 6,333,708	\$ 5,196,466	\$ 5,505,002	\$ 5,176,414
Other Revenue	95,567	3,859,681	1,972,821	150,938	145,671
Total Revenues	<u>5,895,895</u>	<u>10,193,389</u>	<u>7,169,287</u>	<u>5,655,940</u>	<u>5,322,085</u>
Operating Expenses					
Personal Services - Salaries and Wages	1,209,664	1,230,666	1,188,964	1,075,651	1,105,332
Other Operating Expenses	3,513,603	5,912,644	4,373,029	4,091,299	4,086,541
Sub-Total Operating Expenses	<u>4,723,267</u>	<u>7,143,310</u>	<u>5,561,993</u>	<u>5,166,950</u>	<u>5,191,873</u>
Depreciation	776,300	2,304,076	1,314,617	339,474	241,095
Total Operating Expenses	<u>5,499,567</u>	<u>9,447,386</u>	<u>6,876,610</u>	<u>5,506,424</u>	<u>5,432,968</u>
Operating Income (Loss)	<u>396,328</u>	<u>746,003</u>	<u>292,677</u>	<u>149,516</u>	<u>(110,883)</u>
Non-Operating Revenues (Expenses)					
Interest and Investment Revenue	10,100	58,277	27,953	72,301	151,191
Interest Expense	-	(639,627)	(148,145)	-	-
Miscellaneous Revenue	-	(5,455)	258	7,606	164,481
Gain/Loss on Sale of Capital Assets	-	-	-	1,177	-
Total Non-Operating Revenue (Expenses)	<u>10,100</u>	<u>(586,805)</u>	<u>(119,934)</u>	<u>81,084</u>	<u>315,672</u>
Income (Loss) Before Transfers	<u>406,428</u>	<u>159,198</u>	<u>172,743</u>	<u>230,600</u>	<u>204,789</u>
Transfers In	-	3,613,549	-	-	-
Transfers Out	-	(744,000)	(250,000)	(500,000)	-
Change in Net Assets	<u>406,428</u>	<u>3,028,747</u>	<u>(77,257)</u>	<u>(269,400)</u>	<u>204,789</u>
Beginning Net Assets - October 1	24,825,261	16,651,101	10,025,363	10,294,763	10,089,974
Prior Period Adjustment	(12,704,847)	5,145,413	6,702,995	-	-
Ending Net Assets - September 30	<u>\$ 12,526,842</u>	<u>\$ 24,825,261</u>	<u>\$ 16,651,101</u>	<u>\$ 10,025,363</u>	<u>\$ 10,294,763</u>

(1) Unaudited.

COMPARATIVE STATEMENT OF REVENUES AND EXPENSES; CUSTOMER COUNT

Fiscal Year Ended September 30,

	2012 ⁽¹⁾	2011	2010	2009	2008
Revenues:					
Charges for Services	\$ 5,800,328	\$ 7,125,242	\$ 5,196,466	\$ 5,505,002	\$ 5,176,414
Miscellaneous Operating Revenues	95,567	149,364	1,972,821	150,938	145,671
Interest and Investment Revenue	10,100	5,441	27,953	72,301	151,191
Total Revenues	\$ 5,905,995	\$ 7,280,047	\$ 7,197,240	\$ 5,728,241	\$ 5,473,276
Operating Expenses:					
Personal Services	\$ 1,209,664	\$ 1,230,667	\$ 1,188,964	\$ 1,075,651	\$ 1,105,332
Contractual Services	1,515,673	353,365	353,365	353,365	315,280
Other Operating Expenses	1,997,930	4,746,521	4,019,664	3,737,934	3,771,261
Total Operating Expenses	\$ 4,723,267	\$ 6,330,553	\$ 5,561,993	\$ 5,166,950	\$ 5,191,873
Net Revenue From Operations	\$ 1,182,728	\$ 949,494	\$ 1,635,247	\$ 561,291	\$ 281,403
System Customers	14,087	13,900	13,965	14,009	13,977

(1) Unaudited.

MONTHLY WATER RATES (EFFECTIVE JANUARY 1, 2011)

First 2,000 gallons	\$6.75
All water over 2,000 gallons, per 1,000 gallons	3.83
Minimum Monthly Billings:	
5/8 inch meter	\$6.75
3/4 inch meter	7.25
1 inch meter	7.75
1 1/2 inch meter	11.75
2 inch meter	21.75
3 inch meter	37.75
4 inch meter	73.75
6 inch meter	145.75

TEN LARGEST WATER CUSTOMERS (BASED ON GALLONS CONSUMED)

<u>Customer</u>	<u>Type of Business</u>	Estimated Fiscal Year 2012 <u>Water Usage</u>	Estimated % of Total <u>Water Usage</u>
BP Amoco Oil	Manufacturer	87,265,000	5.28%
Texas City Terminal Railroad	Industrial	77,239,000	4.67%
Union Carbide	Manufacturer	47,042,000	2.84%
International Specialty Products	Manufacturer	42,690,000	2.58%
Mainland Medical Center	Hospital	25,200,000	1.52%
Mainland Crossing Apartments	Apartments	24,741,000	1.50%
Texas City ISD	School District	23,206,000	1.40%
Texas Department of Criminal Justice	Prison	21,895,000	1.32%
Dunn Heat Exchangers, Inc.	Commercial	21,385,000	1.29%
Sundance Apartments	Apartments	20,528,000	1.24%
		<u>391,191,000</u>	<u>23.65%</u>