

City of El Campo, Texas



Popular Annual Financial Report
For the Year Ended September 30, 2018



Randy Collins

Mayor

As mayor of the City of El Campo, in collaboration with the City Council and city staff, I am proud to present this year's City of El Campo Popular Annual Financial Report (PAFR) for the year ended September 30, 2018.

This report is a summary of the City's Comprehensive Annual Financial Report (CAFR) and includes information regarding the City's revenues, spending and financial condition. We provide this version for citizens to gain an understanding of how their tax dollars are spent, and to demonstrate that our City leaders are responsible stewards of funds and to remain transparent and accountable to the citizens of El Campo.

We appreciate your interest in the City of El Campo's government and how it functions, and we welcome your feedback, suggestions and comments regarding the information contained in this report.

Sincerely,

Randy Collins
Mayor





Tommy Hitzfeld
Mayor Pro-Tem, District 3



Chris Barbee
At-Large



Philip Miller
At-Large



Jeff Allgayer
District 1



Gloria Harris
District 2



John Hancock
District 4



Mindi Snyder
City Manager



Ronny Collins
City Attorney

*Providing fiscally responsible
public services and public
safety in support of quality of
life, community character and
economic opportunity for all
residents.*

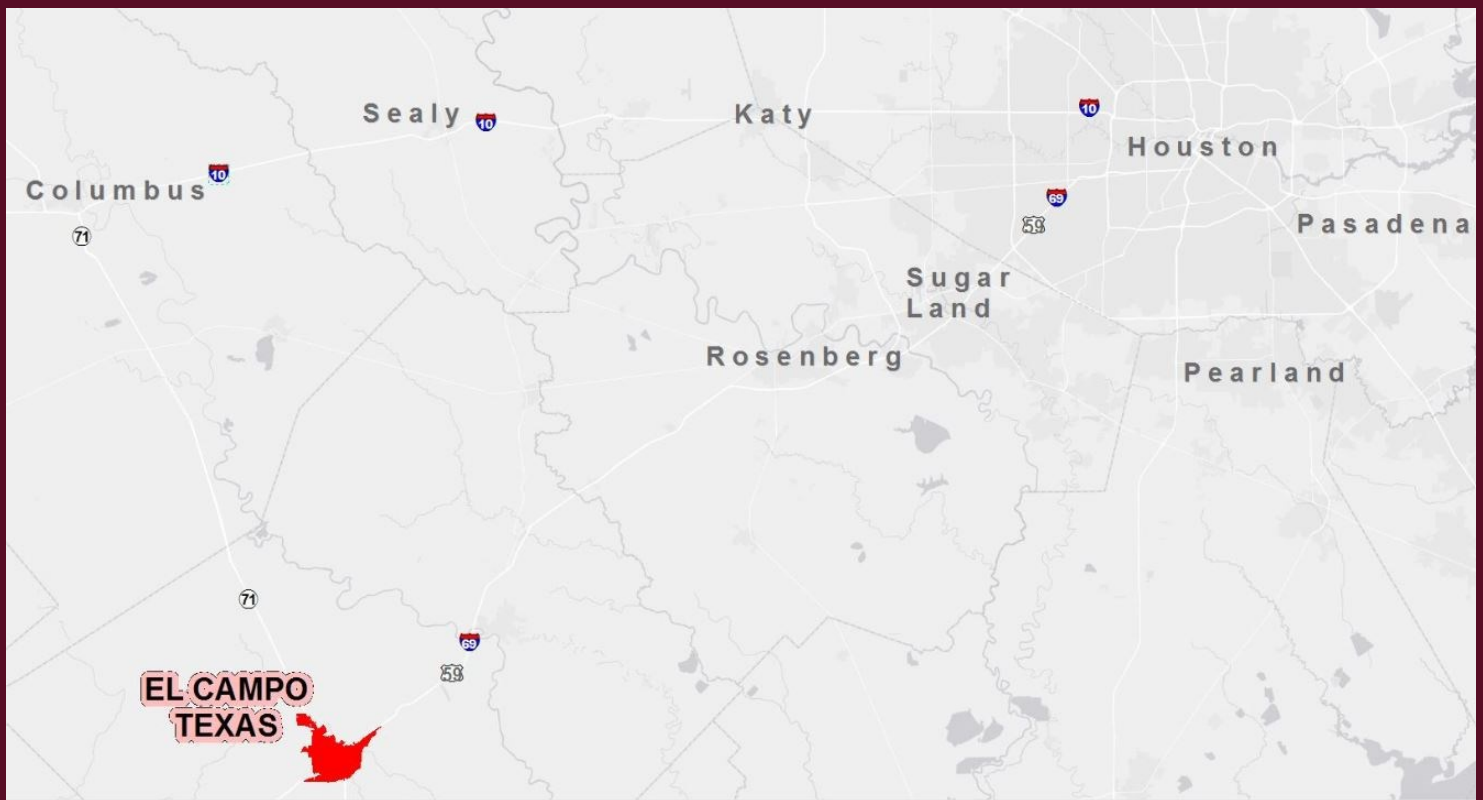
City Profile

In 1882 a railroad camp was located where El Campo now stands. The camp was first named "Prairie Switch" and then "Pearl of the Prairie" but was later changed by the Mexican Cowboys to "El Campo" which means "the camp." Ranching was the main industry, and thousands of cattle were shipped annually. At that time El Campo was surrounded by four large ranches; to the north was the Brown Ranch; to the south was the Texas Land and Cattle Company, to the west was the Herder Ranch, and to the east was the Pierce Ranch.

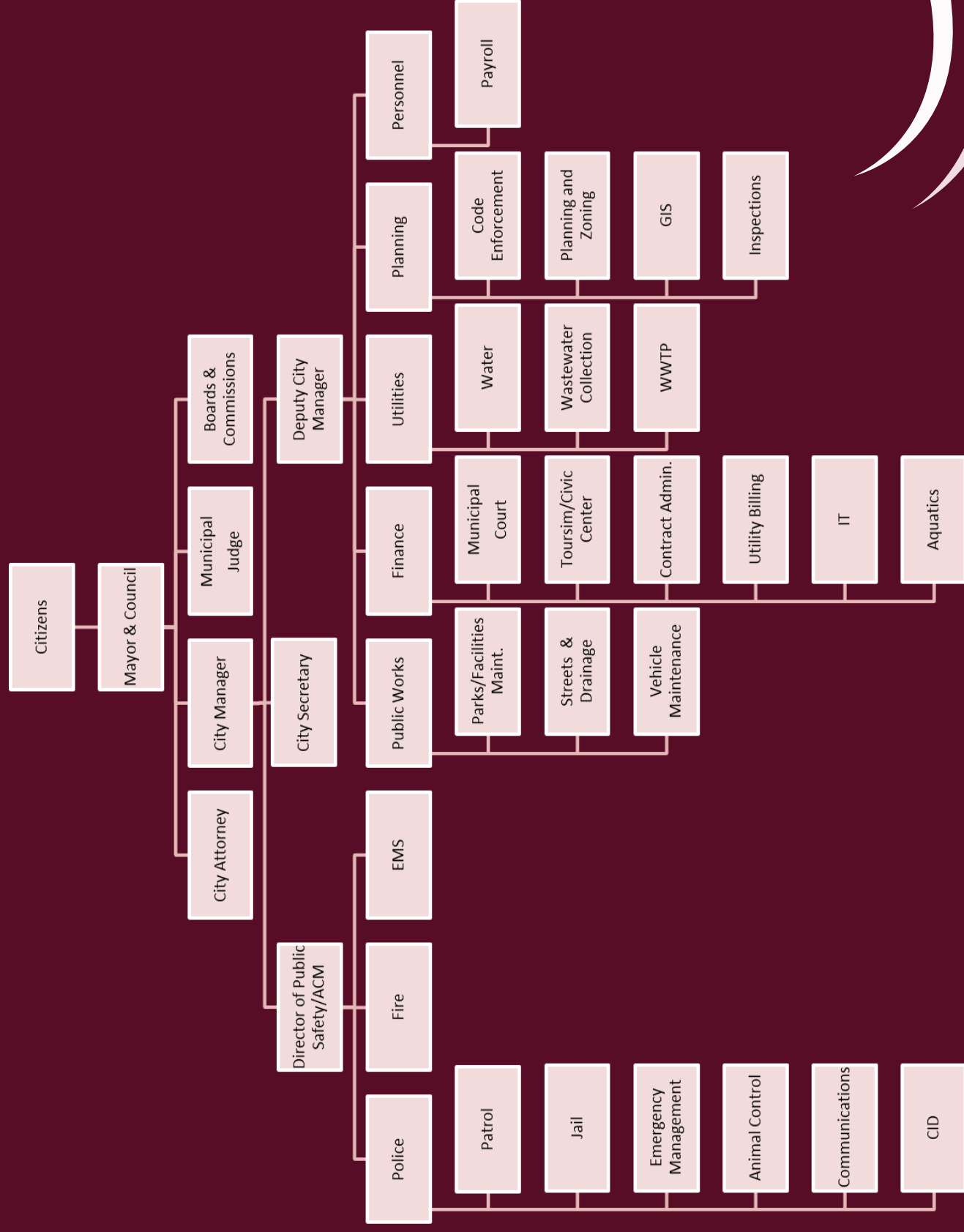
El Campo was incorporated in 1905. The municipal government was composed of a mayor and five aldermen. Mr. Mack Webb was elected mayor, with a salary of \$10.00 per month. W. G. McDonald was the first city attorney; W. E. Franz, the first city secretary. Members of the first council were H. G. Beard, E. L. Correll and W. W. Duson.

Soon after the establishment of a formal government, came adequate police protection and a volunteer fire department. Utility services were expanded. The City of El Campo has been the result of a steady and continual growth by citizens who came and saw the great possibilities that El Campo has to offer.

El Campo is strategically positioned mid-way along the Texas Gulf Coast. The City of El Campo covers an area of 6.7 square miles and is the largest city in Wharton County, which covers an expansive 1,115 square miles. El Campo is ideally situated for transportation at the intersection of US Highway 59 (future Interstate 69 and NAFTA corridor) and State Highway 71 and only 38 miles from cross-country Interstate highway, I-10. The land area is 8.5 square miles and is approximately 105 feet above sea level. Population density is low, about 1,365 people per square mile. The estimated median household income in 2017 was \$42,491. The 2017 cost of living index in El Campo is 85.5 (low compared to the US average of 100).



Organization Chart



Strong Financial Stability

Statement of Net Position

	<u>2017</u>	<u>2018</u>
Current and Other Assets	\$ 7,790,102	\$ 7,790,102
Capital Assets, Net	<u>50,395,935</u>	<u>50,395,935</u>
Total Assets	58,186,037	58,186,037
Total Deferred Outflows of Resources	<u>1,490,092</u>	<u>1,470,092</u>
Current Liabilities	9,540,178	9,540,178
Long-Term Liabilities	<u>42,249,580</u>	<u>42,249,580</u>
Total Liabilities	51,789,758	51,789,758
Total Deferred Inflows of Resources	<u>143,409</u>	<u>1,051,162</u>
Net Position:		
Net Investment in		
Capital Assets	21,382,081	21,630,321
Restricted	299,842	167,198
Unrestricted	<u>2,597,798</u>	<u>6,023,277</u>
Total Net Position	<u>24,209,721</u>	<u>15,774,242</u>

Bond Ratings

Standard & Poor's
AA-

- ♦ Strong management, with good financial policies and practices under the Financial Management Assessment (FMA) methodology
- ♦ Very strong liquidity, with total government available cash at 115.5% of total government fund expenditures and 17.5x governmental debt services, and access to external liquidity considered strong.
- ♦ Strong institutional framework score

General Fund Revenues by Type



Strong Financial Stability

General Revenues	2016	2017	2018
Taxes	5,976,374	6,463,569	7,812,282
Permits and Licenses	104,804	111,119	135,588
Intergovernmental Revenues	170,789	221,902	197,457
Charges for Services	331,724	345,765	315,283
Fines and Penalties	442,739	391,328	361,414
Interest	36,433	33,421	15,365
Miscellaneous Receipts	56,901	75,116	63,832
Total Revenue	7,119,764	7,642,220	8,901,221
Sale of Capital Assets	10,700	53,475	-
Transfers In	1,038,840	640,130	765,422
Capital Lease	-	-	357,060
Total Other Sources	1,049,540	693,605	1,122,482
Total Resources	8,169,304	8,335,825	10,023,703

Expenditures			
General Government	1,894,301	1,804,154	2,746,568
Public Safety	3,741,776	3,583,656	3,764,551
Public Works	2,040,282	1,259,924	1,386,229
Parks and Recreation	881,027	932,092	1,005,829
Debt Service	-	23,357	63,633
Capital Outlay	-	129,426	368,254
Total Expenditures	8,557,386	7,732,429	9,335,064
Transfers Out	147,490	220,000	429,230
Total Expenditures and Other Uses	8,704,876	7,952,429	9,764,294

Business-Type Activities	2016	2017	2018
Charges for Services	7,217,562	7,408,984	7,837,525
Miscellaneous	25,720	26,420	29,249
Interest	24,336	16,870	5,941
Total Revenue	7,267,618	7,452,274	7,872,715
Capital Contributions	429,677	24,250	-
Transfers In	2,579,011	1,255,855	890,656
Total Other Sources	3,008,688	1,280,105	890,656
Total Resources	10,276,306	8,732,379	8,763,371
Total operating expenses	5,970,118	7,146,224	6,984,314
Transfers Out	1,472,052	1,531,348	1,694,273
Interest and fiscal charges	187,640	304,437	157,776
Total expenditures and Other Uses	7,629,810	8,982,009	8,836,363

Large Income Changes

- ◆ Increased Sales Tax Revenue
- ◆ Increase in permits

Large Expense Changes

- ◆ Engineering for the Tres Palacios Project
- ◆ Ambulance Re-mount
- ◆ Dump Truck
- ◆ Tractor/Shredder
- ◆ Re-plastered Aquatic Center pool
- ◆ Re-roofed City Hall
- ◆ Replaced flooring in the Duson room at the Civic Center
- ◆ Extended Water/Sewer lines to Lost Lagoon
- ◆ Rail Spur engineering complete
- ◆ Finished sidewalk project



Government Finance Officers Association

Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting

Presented to

City of El Campo
Texas

For its Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morrell
Executive Director/CEO



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of El Campo,
Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morrell
Executive Director/CEO

Awards and Certifications



General Fund Expenditures by Type

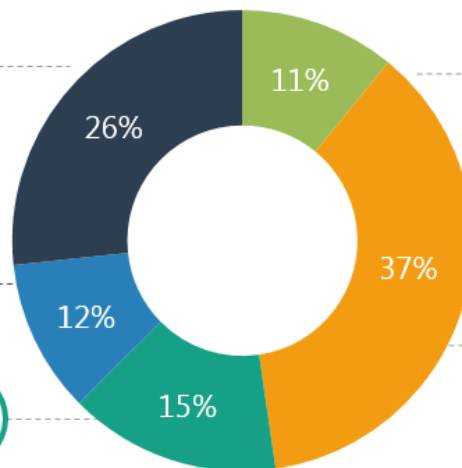
Non-Departmental/Multi-Departmental
Includes transfers, insurance costs, audit, and other services.



Community Services
Includes Comm. Services Admin., Parks, Civic Center and Aquatics.



Public Works
Includes Public Works Admin., Streets and Vehicle Maintenance



General Government
Includes Council, Admin., Finance, Personnel, Court and Inspections.



Public Safety
Includes Police, Fire, Communications, Fire Marshal, Emergency Management

City of El Campo Quick Facts

11,602

Population of
City of El Campo

\$41,460

Per Capita
Personal Income

9.05

City of El Campo
in Square Miles

24.16

Extraterritorial
Jurisdiction (ETJ)
Area in Square
Miles

111

Full-time City of
El Campo
Employees

59

Part-time City of
El Campo
Employees

9

Parks

121.47

Acres of parks

30

Sworn Police
Officers

16,587

Calls for Emergency
Service (Police,
EMS & Fire)

5:00

Average Fire
response time

44

Volunteer
Fire Fighters

6:44

Average EMS
response time

14

Full-time EMS
Employees

83.7

Miles of
paved streets

91.28

Miles of
sanitary sewers

15

Miles of
storm sewers

3,968

Water
customers

120

Building Permits
(Remodel, New con-
struction, Garage/
carport/deck)

\$7.7

Million dollars in
Building Permit
values

What Your Government Does

The City Government's main goal is to make sure the citizens are taken care of and being provided the services they need. A large portion of the City of El Campo's budget goes to Public Safety and Public Works. Public Safety includes Police and Fire protection and Emergency Medical Services. The employees stay up to date in training and certifications because the safety of the citizens is the main priority.



What Your Government Does

Our Public Works and Utility Departments ensures that residents have running water, working sewer and drivable streets. The guys are on call 24/7 to repair busted mains, sewer leaks and any other issues that may arise. Street Paving is also done on a revolving schedule every year.



City Achievements

The City Finance Department has received recognition from the Government Finance Officers Association of the United States and Canada (GFOA) for receiving the Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive annual Financial Report (CAFR) since 1998.

The City of El Campo is also a Silver Scenic City, Texas Police Chief's Association Recognized Police Department, Keep Texas Beautiful Affiliate, Superior Water Quality and has an AA+ Credit Rating from S&P.

Staffing Level History

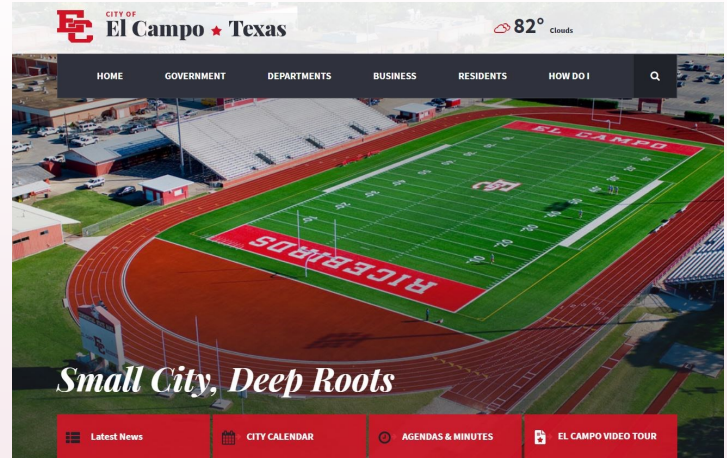
Function	2014	2015	2016	2017	2018
Administration	2	2	2	2	2
Finance	4	2	2	2	3
Personnel	-	1	1	1	1
Municipal Court	4	4	5	4	4
Inspections	4	4	5	5	5
Police	35	35	35	35	36
Communications	8	8	8	8	8
EMS	11	11	14	14	14
PW Admin	4	4	3	3	3
Streets	13	13	12	12	11
Vehicle Maintenance	2	2	2	2	2
Community Services/Parks	6	6	6	5	6
Aquatic Center	1	1	1	1	1
Water and Sewer Administration	3	3	4	4	3
Water Production and Wastewater Collections	10	10	10	10	10
Wastewater Treatment Plant	2	2	2	2	2
Total Full-Time Employees	109	108	112	110	111

A View of Things to Come

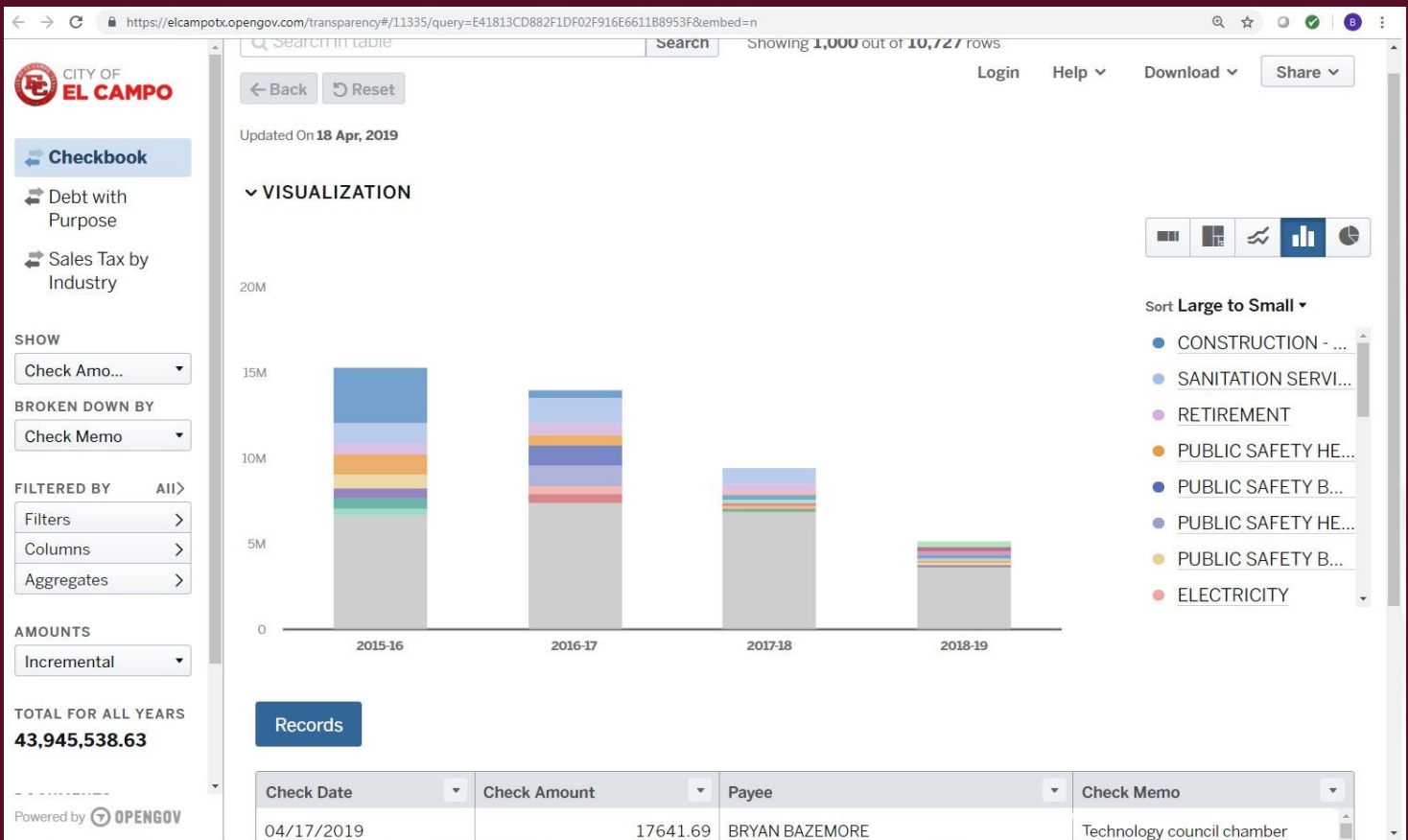
The fund balance is a 3 month balance reserve required by City Council and at the end of the 2018 fiscal year, fund balance was at 4.4 months, well exceeding the fund requirements.

The City authorized a number of capital projects in 2018, including:

- ◆ Water Plant Improvements, \$45,000
- ◆ Blower Maintenance, \$57,900
- ◆ Dump Truck, \$70,000
- ◆ Tractor/Shredder, \$64,000
- ◆ Streets Sealcoating, \$400,000
- ◆ Water and Sewer Main Replacements, \$400,000
- ◆ Re-plastering of the lap pool at the Aquatic Center, \$36,577
- ◆ Replaced Dusen Room flooring at the Civic Center, \$20,359



New Interactive Finance Reports available online at:
<https://elcampotx.opengov.com/transparency#>



City of El Campo Stats

Top Ten Taxpayers

<u>Property Taxpayer</u>	<u>2017 Taxable Assessed Value</u>
Wal Mart Stores	\$ 11,297,491
American Electric Power	6,821,730
Kansas City Southern Railroad	6,310,420
Pinnacle Agriculture	4,724,973
Shoppas Farm Supply	4,712,266
Dovecoast Housing LP	4,271,863
Greenpoint Ag LLC #2510	4,023,975
HEB	3,978,006
Express Energy Services	3,482,122
Don Davis Motor Co Inc	3,444,094

Source: Wharton County Central
Appraisal District

Top Ten Employers

<u>Employer</u>	<u>Employees</u>
El Campo I.S.D.	529
Greenleaf Nursery	380
El Campo Memorial Hospital	212
Wal-Mart	185
H.E.B.	165
Prasek's Hillje Smokehouse	160
Leedo Cabinetry	132
City of El Campo	111
Mark's Machine	70
Fesco	66

Source: City of El Campo

2018 Sales Tax Rate Breakdown

State of Texas	6.25%
General Fund	1.50%
Wharton County	<u>0.50%</u>
Total	8.25%

Taxing Entities/Tax Rates

City of El Campo	0.6141
School District	1.1980
Junior College	0.1355
Wharton County/FMLR	0.4750
Emergency Services District #1	0.0500
Emergency Services District #4	0.0676
West Wharton County Hospital Dist.	0.2039
Coastal Bend Groundwater Conservation District	<u>0.0083</u>
Total	2.7524

FY 2018—Tax rates per \$100 of assessed
valuation

Source: Wharton County Tax Assessor

City of El Campo Contact Information and Community Events

Kid Fish

Held in February at Legacy Park, the pond is stocked with Rainbow Trout and the Texas Parks & Wildlife Game Wardens come out to help the kids fish and clean/fillet their catch. A chef is also on hand to do a demonstration on how to prepare the fish.

Downtown Dinner

Twice a year, the third Tuesday of March and September, a selection of Food Trucks and local vendors line our streets downtown for a night of family fun. Tickets are \$5.00 to reserve a seat, or you can reserve a table for 8 or 10 people. The event is held downtown at Evan's Park.

Annual Easter Egg Hunt

Held close to Easter on a Saturday evening at Legacy Park. There are thousands of eggs for four different age groups to hunt.

Farmer's Market

Held at the greenspace next to City Hall on the first Saturday of April, May, June and August, many local vendors set up shop with homemade products, homegrown vegetables and handmade crafts.

Bicycle Rodeo

During June, the Police Department holds the annual Bicycle Rodeo where children can come out and learn bicycle safety.

Kid Fish—Catfish

Held in August at Legacy Park, the pond is stocked with catfish and the Texas Parks & Wildlife Game Wardens come out to help the kids fish and clean/fillet their catch.

National Night Out

Held on the first Tuesday in October, neighborhoods get together to meet everyone and local law enforcement agencies visit each group.

Trunk or Treat

Join us on Halloween at Legacy Park for a night of fun for the little ones. Volunteers decorate trunks and hand out candy for a safe alternative to Trick or Treating.

Movie Night in the Park

Load up your chairs, blankets, soft drinks and snacks and join us in the park to watch a movie in the park held some time during October or November.

Mindi Snyder

City Manager

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Courtney Sladek

Deputy City Manager/Finance Director

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Terry Stanphill

Assistant City Manager/Chief of Police

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Weston Davis

Emergency Services Director

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Jerry Lewis

Utilities Director

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Rene Garcia

Human Resources Director

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Jai McBride

Planning Director

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Michelle Roy

Municipal Judge

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Lori Hollingsworth

City Secretary

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The Popular Annual Financial Report (PAFR) is intended to summarize and simplify the statistical, economic and financial information contained in the 2018 Comprehensive Annual Financial Report (CAFR). The CAFR was prepared in conformance with Generally Accepted Accounting Principles (GAAP) and was independently audited by Patillo, Brown and Hill, LLP. The PAFR, while unaudited, provides a brief analysis of where the City's revenues come from and where the dollars are spent as well as trends and details on the local economy. It is presented as a means of increasing public awareness about the City's financial condition through a more user-friendly presentation. For a more detailed, GAAP basis, full disclosure review of the individual funds and component units' financial statements, please refer to the City's CAFR that is accessible through the City's website: <http://www.cityofelcampo.org>



City of El Campo

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*For more information on the City of El Campo, visit www.cityofelcampo.org,
follow us on Facebook, Twitter, Instagram and SnapChat.*

