



# City of El Campo

POPULAR ANNUAL FINANCIAL REPORT

For the Year Ended September 30, 2022



**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 for the year ended September 30, 2022.

This report is a summary of the City's Comprehensive Annual Financial Report 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,

Chris Barbee  
Mayor



**Front Row (l-r): District 2 Councilwoman Gloria Harris, Mayor Chris Barbee, District 1 Councilwoman Anisa Longoria Vasquez**

**Back Row (l-r): District 3 Councilman David Hodges, Mayor Pro-Tem Eugene Bustamante, District 4 Councilman John Hancock, At Large Councilman Blake Barger**



**Chris Barbee**

Mayor / At-Large



**Eugene Bustamante**

Mayor Pro Tem / At-Large



**Blake Barker**

At-Large



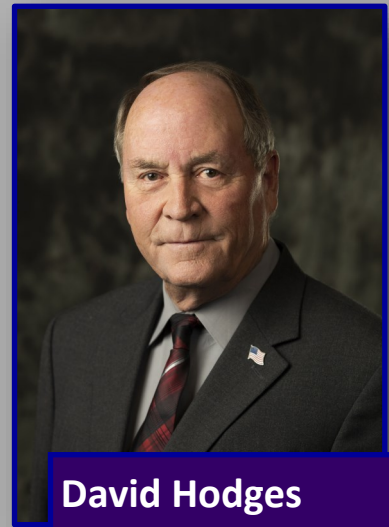
**Anisa Longoria Vasquez**

District 1



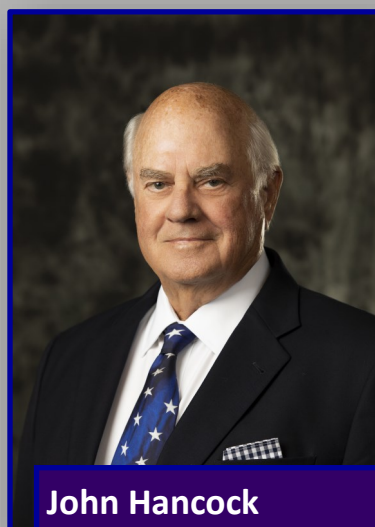
**Gloria Harris**

District 2



**David Hodges**

District 3



**John Hancock**

District 4



**Courtney Sladek**

City Manager, CGFO, ICMA-CM



**Ronny Collins**

City Attorney

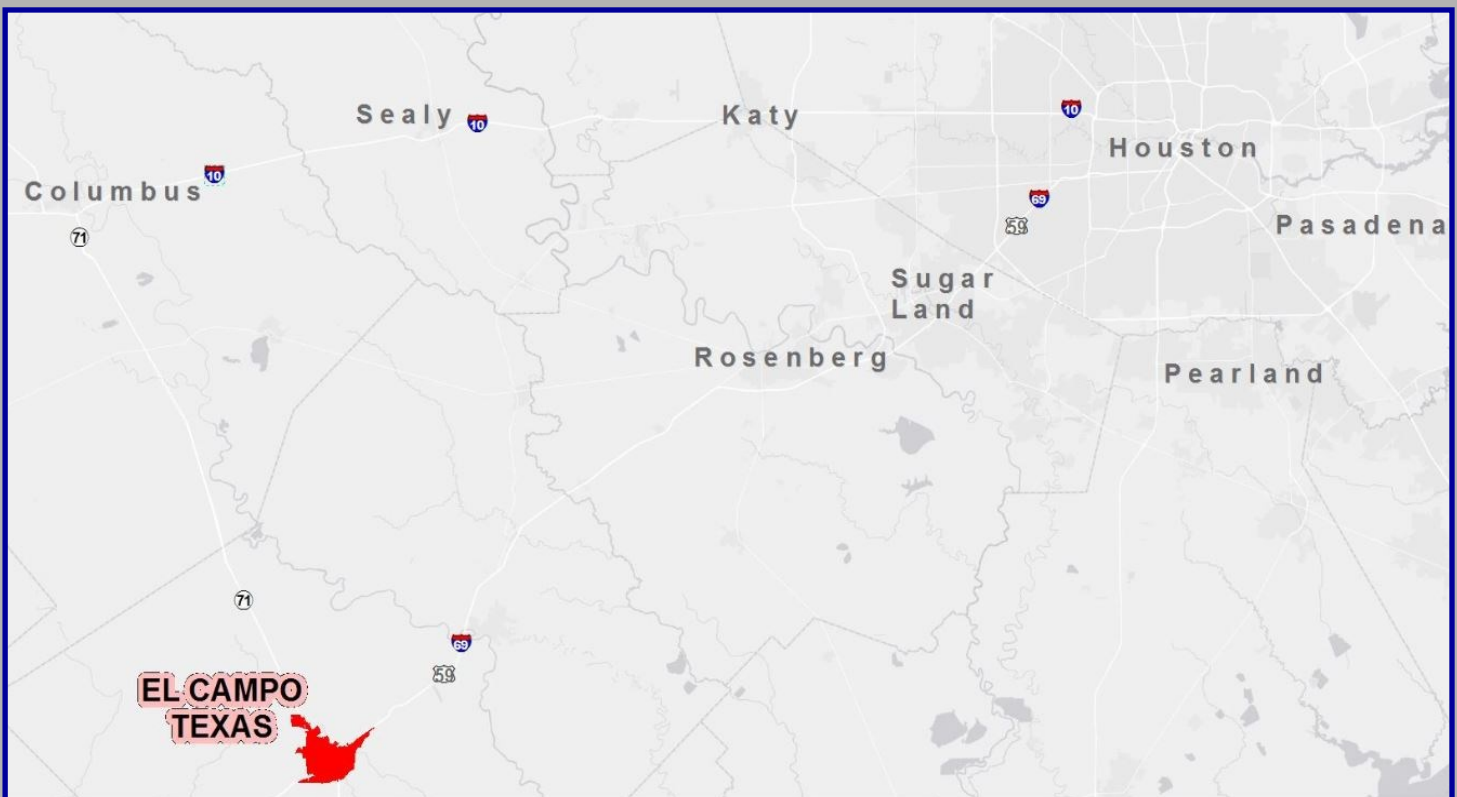
# CITY PROFILE

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 1,248 people per square mile. The estimated median household income in 2022 was \$53,006. The 2017 cost of living index in El Campo is 79.2 (low compared to the US average of 100).





## ABOUT THE POPULAR ANNUAL FINANCIAL REPORT

As part of an ongoing commitment to transparency and helping ensure community access to information about its local government the City of El Campo provides this Popular Annual Financial Report (PAFR), which describes the City's financial activities and position in 2022. This is a summary of the information reported in the City's 2022 Comprehensive Annual Financial Report.

While the Comprehensive Annual Financial Report is prepared in accordance with Generally Accepted Accounting Principles (GAAP), the PAFR is not. The Comprehensive Annual Financial Report is a more detailed, audited document of record, and it presents information in a format consistent with this standard to ensure it includes detailed information including the city's component units, presents individual funds in detail, and fully discloses all material events, both financial and non-financial. By contrast, the purpose of the PAFR is to increase public awareness about the City's financial condition by presenting information in a more user-friendly format and is unaudited and not presented in accordance with GAAP.

**Both the Comprehensive Annual Financial Report and PAFR are available on the City of El Campo's webpage at [www.cityofelcampo.org/departments/finance/index.php](http://www.cityofelcampo.org/departments/finance/index.php)**

**The City's website also includes a wealth of information about the: activities of city departments; job opportunities; budgets; council members; agendas and meetings; community events; and much more.**

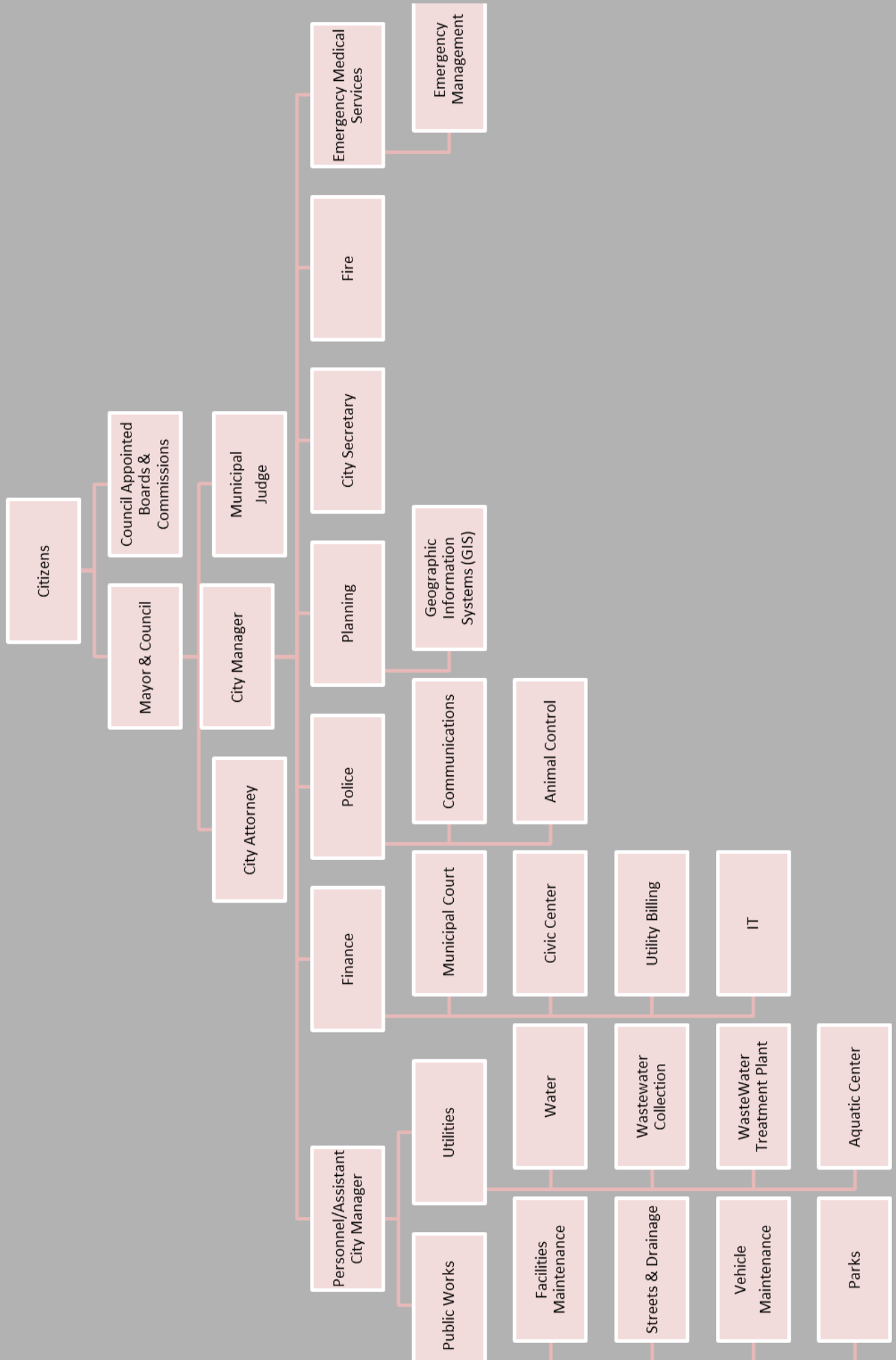


## FINANCIAL STATEMENTS

Within the Comprehensive Annual Financial Report, the city presents two different types of financial statements.

1. The government-wide financial statements are designed to provide readers with a long-term overview of the City's finances. The statements include a Statement of Net Position and the Statement of Activities. The government-wide financial statements distinguish functions of the city that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all, or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities encompass general government, administrative, public safety, public works including streets and transportation, planning and development, culture and recreation, parks, and property and facility acquisition services. The business-type activities of the city include the water and wastewater utilities, stormwater and flood management, and Emergency Medical Services.
2. The fund financial statements provide a short-term perspective of individual funds.

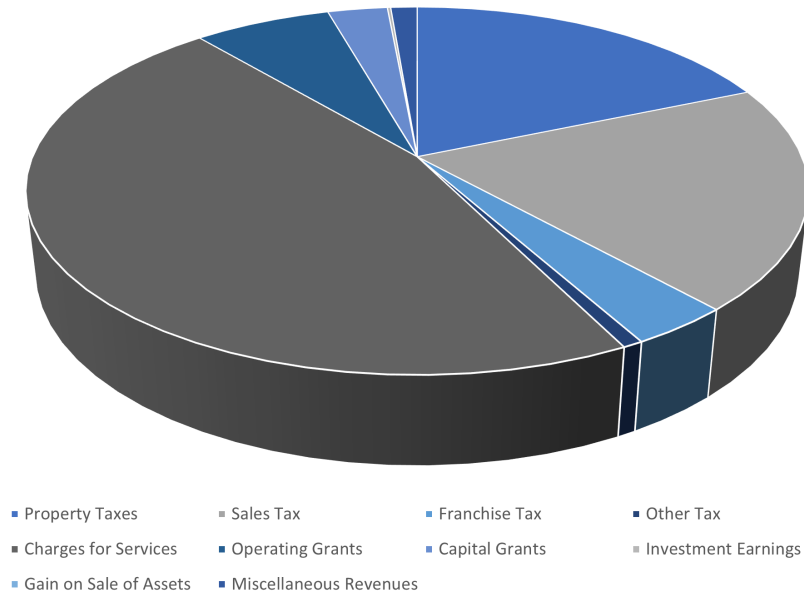
# ORGANIZATION CHART



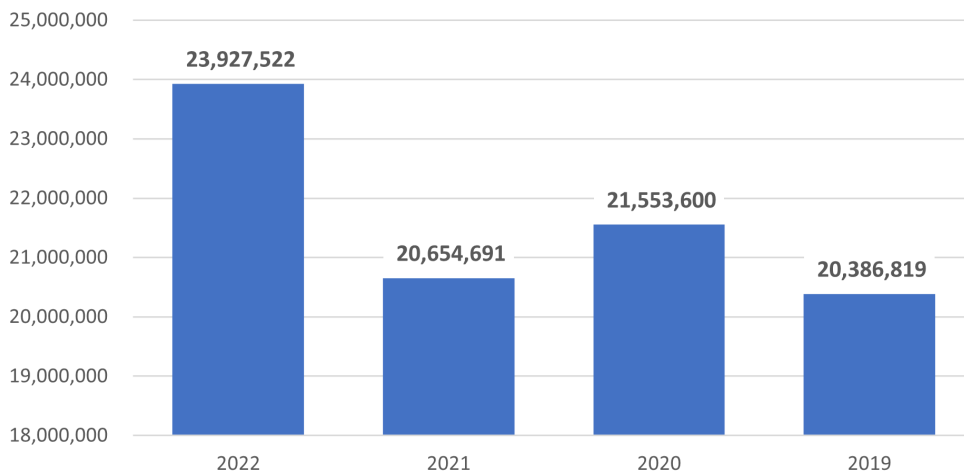
# WHERE THE REVENUE COMES FROM

Governmental/Business-Type Activities Expenses	2022	2021	2020
Property Taxes	\$ 4,457,531	\$ 4,240,781	\$ 4,292,324
Sales Tax	4,709,549	4,547,647	3,973,881
Franchise Tax	854,109	813,322	717,455
Other Taxes	171,565	173,604	177,243
Charges for Services	11,060,480	8,732,794	8,869,754
Operating Grants	1,617,478	1,604,280	1,058,389
Capital Grants	705,280	-	2,002,376
Investment Earnings	39,088	15,740	44,016
Gain on Sale of Assets	-	-	-
Miscellaneous Revenues	312,442	526,523	355,308
<b>Total Revenues</b>	<b>\$ 23,927,522</b>	<b>\$ 20,654,691</b>	<b>\$ 21,553,600</b>

2022 Revenues by Source



Total Revenues



## Statement of

### Activities-

#### Government-wide Revenues

The City of El Campo receives revenue from a variety of sources, described below.

- ◆ **Property Tax**– Property tax is levied on the assessed value of all real property, certain personal property, and public utilities within the city.
- ◆ **Sales Tax**– Sales Tax is collected on all retail sales and other business activity.
- ◆ **Franchise Tax**– the rent a utility company uses to pay for right-of-ways to run their lines.
- ◆ **Other Taxes**– local portion of Mixed Use Tax and Hotel Motel Tax
- ◆ **Charges for Services**– Charges to the public for services the city provides. These include court fees, parks and recreation fees, and utility services.
- ◆ **Operating Grants**– Funding received from other governments and organizations for the purpose of financing one or more specific projects.
- ◆ **Capital Grants**– Finding received from other governments to purchase, construct or renovate specific capital assets.
- ◆ **Investment Earnings**– Earned on the city's fixed income investments.
- ◆ **Other Revenues**– Consists of revenues received that are not otherwise categorized in the charts.

# WHERE THE REVENUES GO

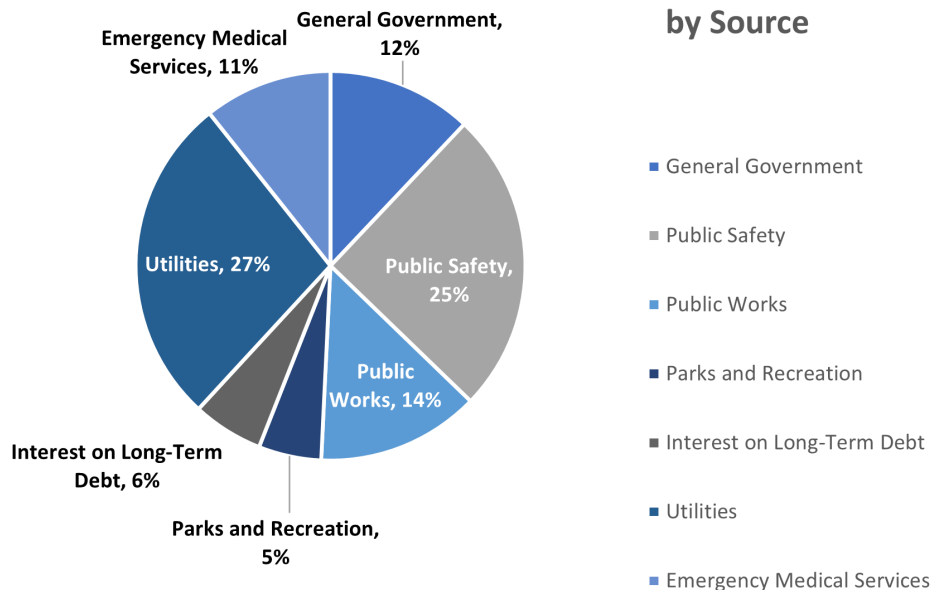
## Statement of Activities-Government wide Expenses

The city uses the revenue it receives to provide a variety of services to the community. A description of the city's expenses is provided below.

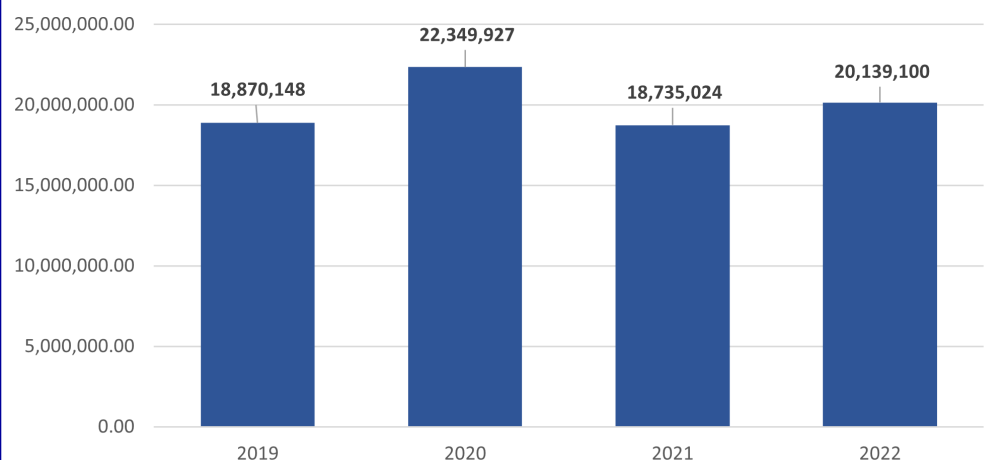
- ◆ **General Government**– Includes expenses incurred for personnel and operating expenses.
- ◆ **Public Safety**– Includes expenses incurred for public safety departments including Police, Fire, and 911 call center.
- ◆ **Public Works**– Expenses for Public Works include street and public building construction and maintenance and other public services.
- ◆ **Parks and Recreation**– Expenses for Parks and Recreation include operation, construction, and maintenance of parks, recreation centers and rental facilities.
- ◆ **Interest on Long-Term Debt**– Expenses incurred for outstanding debt obligations.
- ◆ **Utilities**– Expenses for the operating costs of these utilities, including upgrades and maintenance of water, wastewater, sewer lines and treatment plants.
- ◆ **Emergency Medical Services**– Expenses for the day to day operating of the emergency medical system such as personnel services, operational expenses, supplies, and repairs and maintenance.

Governmental/Business-Type Activities Expenses	2022	2021	2020
General Government	\$ 2,426,761	\$ 2,269,688	\$ 2,672,521
Public Safety	5,071,225	4,842,663	6,078,528
Public Works	2,725,078	2,958,437	2,846,191
Parks and Recreation	1,050,365	1,066,622	1,211,309
Interest on Long-Term Debt	1,182,606	1,246,487	811,596
Utilities	5,533,241	4,678,834	6,228,658
Emergency Medical Services	2,149,824	1,672,293	2,413,902
<b>Total Expenses</b>	<b>\$ 20,139,100</b>	<b>\$ 18,735,024</b>	<b>\$ 22,332,705</b>

**2022 Expenses  
by Source**



**Total Expense Chart**





## STRONG FINANCIAL STABILITY

### Statement of Net Position

	<u>2020</u>	<u>2021</u>	<u>2022</u>
Current and Other Asset	7,775,539	13,160,747	15,389,795
Capital Assets, Net	53,992,333	51,855,481	53,232,541
<b>Total Assets</b>	<b><u>61,767,872</u></b>	<b><u>65,016,228</u></b>	<b><u>68,622,336</u></b>
<b>Total Deferred Outflows of Resources</b>	<b><u>1,095,345</u></b>	<b><u>935,202</u></b>	<b><u>1,295,352</u></b>
Current Liabilities	1,484,754	4,162,010	4,489,804
Long-Term Liabilities	43,768,808	42,758,983	41,498,767
<b>Total Liabilities</b>	<b><u>45,253,562</u></b>	<b><u>46,920,993</u></b>	<b><u>45,988,571</u></b>
<b>Total Deferred Inflows of Resources</b>	<b><u>1,115,069</u></b>	<b><u>1,053,283</u></b>	<b><u>2,163,541</u></b>
<b>Net Positions:</b>			
Net Investments in Capital Assets	24,809,225	16,206,238	17,088,750
Restricted	478,411	914,090	999,381
Unrestricted	8,793,050	856,826	3,677,445
<b>Total Net Positions</b>	<b><u>16,494,586</u></b>	<b><u>17,977,154</u></b>	<b><u>21,765,576</u></b>

All data obtained from page 11 of the FY22 Comprehensive Financial Report.

### 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 17.5 governmental debt services, and access to external liquidity considered strong.
- ♦ Strong institutional framework score
- ♦ Capacity to meet financial commitment on obligations is very strong
- ♦ Ability to secure lower interest rates

## STATEMENT OF NET POSITION- GOVERNMENT-WIDE

The Government-wide Balance Sheet, also known as the Statement of Net Position, reports the overall financial position of the city's assets and deferred outflows of resources as well as its liabilities and deferred inflows of resources with the difference being the net position. Deferred outflows and inflows of resources represent expenses and revenues that will be recognized in a future period. Increases or decreases in net position, over time, serve as a useful indicator of whether the financial position of the city is improving or deteriorating.

The table on this page provides a summary of the city's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at the end of 2020, 2021 and 2022. The city's assets exceeded its liabilities by \$22.63 million at September 30, 2022. The largest portion of the city's net position, \$17.01 million, reflects the investment in capital assets (i.e.: land, buildings, infrastructure, machinery and equipment, utility plants, drainage, etc.), net of related debt. The city uses these capital assets to provide services to the public. An additional portion of the city's net position, \$999,381, are subject to usage restrictions. The remaining unrestricted balance of net position, \$3.68 million, may be used to meet the city's ongoing obligations.

# STRONG FINANCIAL STABILITY

General Fund Revenues	2020	2021	2022
Taxes	7,552,101	8,154,063	8,342,586
Permits and Licenses	196,908	189,417	260,630
Intergovernmental Revenues	669,329	19,567	124,506
Charges for Services	108,196	326,165	376,777
Fines and Penalties	227,857	286,384	241,866
Interest	28,147	9,100	10,676
Miscellaneous Receipts	<u>141,273</u>	<u>158,893</u>	<u>87,069</u>
Total Revenue	8,923,811	9,143,589	9,444,110
Sales of Capital Assets	4,296	-	-
Transfer In	681,325	592,085	762,637
Capital Lease	<u>563,208</u>	<u>135,161</u>	<u>215,260</u>
Total Other Services	1,248,829	727,246	977,897
Total Resources	<u>10,172,640</u>	<u>9,871,178</u>	<u>10,422,007</u>
Expenditures			
General Government	2,131,185	1,942,564	2,070,183
Public Safety	4,256,695	4,393,561	4,886,782
Public Works	1,513,716	1,746,825	1,764,086
Parks and Recreation	852,282	839,841	924,092
Debt Service	120,068	-	-
Capital Outlay	<u>718,585</u>	<u>135,143</u>	<u>215,260</u>
Total Expenditures	9,592,531	9,057,934	9,860,403
Transfers Out	308,684	234,000	324,327
Total Expenditures and Other Uses	<u>9,901,215</u>	<u>9,291,934</u>	<u>10,184,730</u>

Business- Type Activities	2020	2021	2022
Charges for Service	7,846,663	7,876,944	9,896,811
Miscellaneous	267,609	348,982	206,422
Intergovernmental	523,360	1,429,601	1,492,972
Interest	<u>9,800</u>	<u>2,979</u>	<u>24,079</u>
Total Revenue	8,647,432	9,658,506	11,620,284
Capital Contributions	-	-	-
Transfers In	<u>-</u>	<u>-</u>	<u>228,443</u>
Total Other Sources	-	-	228,443
Total Resources	<u>8,647,432</u>	<u>9,658,506</u>	<u>11,848,727</u>
Total Operating Expenses	8,715,722	6,351,127	7,683,065
Transfers Out	875,200	984,274	901,607
Interest and Fiscal Charges	265,685	515,764	322,459
Total Expenditures and Other Users	<u>9,856,607</u>	<u>7,851,165</u>	<u>8,907,131</u>

## Large Income Changes

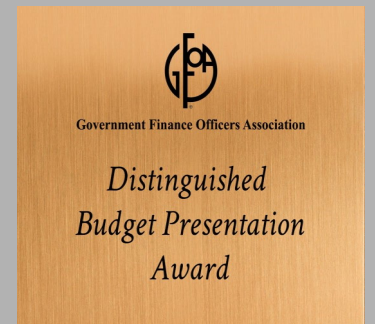
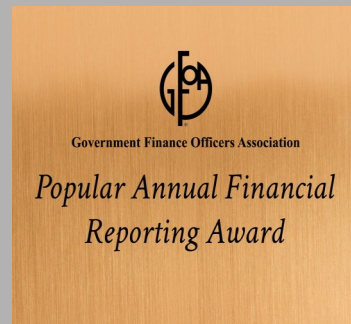
- ◆ Increased Sales Tax Revenue
- ◆ Tres Palacios Project Grant Reimbursement
- ◆ Operation Lone Star Grant Reimbursement

## Large Expense Changes

- ◆ Ambulance Re-mount
- ◆ New Interdiction K-9
- ◆ Parking lot resurfaced at Willie Bell Park
- ◆ 3 Police Units and 1 Animal Control Truck
- ◆ Community Development Block Grant (CDBG -MIT) was awarded
- ◆ Replaced two mowers in Parks
- ◆ Continued our street rehabilitation program
- ◆ Continued our water/sewer rehabilitation program



# AWARDS AND CERTIFICATIONS



## City Achievements

The City Finance Department has received recognition from the Government Finance Officers Association of the United States and Canada (GFOA) by receiving the Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report (Distinguished Budget) 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, American Public Works Association accredited, Superior Water Quality, and has an AA- Credit Rating from S&P.



## QUICK FACTS

**11,630**

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

**117**

Full-time City of  
El Campo  
Employees

**46**

Part-time City of  
El Campo  
Employees

**9**

Parks

**121.47**

Acres of parks

**32**

Sworn Police  
Officers

**16,147**

Calls for Emergency  
Service (Police,  
EMS & Fire)

**5:00**

Average Fire  
response time

**36**

Volunteer  
Fire Fighters

**8:03**

Average EMS  
response time

**15**

Full-time EMS  
Employees

**80.8**

Miles of  
paved streets

**94**

Miles of  
sanitary sewers

**15**

Miles of  
storm sewers

**4,764**

Water  
customers

**533**

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

**\$61.5**

Million dollars in  
Building Permit  
values

# CITY OF EL CAMPO



Function	2018	2019	2020	2021	2022
Administration	2	2	3	3	3
Finance	3	3	3	3	3
Personnel	1	1	1	1	1
Municipal Court	4	4	4	4	4
Inspections	5	5	5	5	6
Geographic Info Systems (GIS)	-	-	-	1	1
Police	36	36	35	35	36
Communications	8	8	9	9	8
EMS	14	15	15	15	15
Emergency Management	-	-	-	-	1
Public Administration	3	2	2	2	2
Streets	11	11	12	12	12
Vehicle Maintenance	2	2	2	2	2
Community Services/Parks	6	6	7	7	7
Aquatic Center	1	2	2	2	1
Water and Sewer Administration	3	3	3	3	3
Water Production and Wastewater Collections	10	11	11	11	10
Wastewater Treatment Plant	2	2	2	2	3
<b>Total Full-Time Employees</b>	<b>111</b>	<b>113</b>	<b>116</b>	<b>116</b>	<b>117</b>



# 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.



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.





# GLOSSARY

Assets	Property owned by a person or company, regarded as having value and available to meet debts, commitments, or legacies
Bond Ratings	A grade given to bonds that indicates their credit quality. Independent rating services such as Standard & Poor's and Moody's provide these evaluations of a bond issuer's financial strength, or its ability to pay a bond's principal and interest in a timely fashion.
Business-Type Activities	Any activity a business engages in for the primary purpose of making a profit. Business activities, including operating, investing and financing activities, are ongoing and focused on creating value for shareholders.
Expenditures	The action of spending funds
Expenses	The cost required for something; the money spent on something.
Fiscal Charges	Revenue duties, internal taxes, and other internal charges on goods.
FMA	Financial Management Assessment Methodology
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GFOA	Government Finance Officers Association of U.S. and Canada
Governmental Activities	Include general administration, public safety, education, streets and roads, and health and sanitation.
Interest	Money paid regularly at a particular rate for the use of money lent, or for delaying the repayment of a debt.
Intergovernmental Revenue	Amounts received from other governments as fiscal aid in the form of shared revenues and grants-in-aid, as reimbursements for performance of general government functions and specific services for the paying government.
Investments	The action or process of investing money for profit or material result

The Popular Annual Financial Report (PAFR) is intended to summarize and simplify the statistical, economic and financial information contained in the 2022 Comprehensive Annual Financial Report. The Comprehensive Annual Financial Report was prepared in conformance with Generally Accepted Accounting Principles (GAAP) and was independently audited by BrooksWatson & Co., PLLC. 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 Comprehensive Annual Financial Report 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](http://www.cityofelcampo.org),  
follow us on Facebook.*

