

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009**

TABLE 1 - VALUATION, EXEMPTIONS AND GENERAL OBLIGATION DEBT

2009 Market Valuation Established by Lubbock Central Appraisal District		\$ 12,766,189,105
Less Exemptions/Reductions at 100% Market Value:		
Residential Homestead Exemptions	\$ 219,776,233	
Homestead Cap Adjustment	43,905,052	
Disabled Persons	15,680,307	
Disabled Veterans	65,519,566	
Prorated Exempt Property	330,454	
Agricultural/Open-Space Land Use Reductions	76,899,527	
Pollution Exemptions	3,156,649	
Lease Vehicles Exempt	25,117,767	
House Bill 366	183,554	
Energy	16,000,400	
Freeport Exemptions	83,105,152	
Tax Abatement Reductions	54,445,455	
Mixed Use Vehicle	1,011,408	
Low Income Housing	4,279,460	
Market Value Reduction for Protested Properties	<u>154,161,841</u>	<u>763,572,825</u>
2009 Taxable Assessed Valuation		12,002,616,280
City Funded Debt Payable from Ad Valorem Taxes:		
General Obligation Debt (as of 3/15/10) ⁽¹⁾	<u>839,970,000</u>	
Total Funded Debt Payable from Ad Valorem Taxes		839,970,000
Less: Self Supporting Debt (as of 3/15/10) ⁽²⁾		
Waterworks System General Obligation Debt	287,610,747	
Sewer System General Obligation Debt	100,767,726	
Solid Waste Disposal System General Obligation Debt	13,089,493	
Drainage Utility System General Obligation Debt	112,274,973	
Tax Increment Financing General Obligation Debt	35,713,892	
Electric Light and Power System General Obligation Debt	69,142,854	
Cemetery General Obligation Debt	613,479	
Gateway General Obligation Debt	96,151,262	
Hotel Occupancy Tax General Obligation Debt	1,104,218	
Auditorium/Coliseum General Obligation Debt	491,493	
Airport General Obligation Debt	<u>11,970,738</u>	<u>728,930,875</u>
General Purpose Funded Debt Payable from Ad Valorem Taxes		\$ 111,039,125
General Obligation Interest and Sinking Fund as of September 30, 2009		\$ 1,498,276
Ratio Total Funded Debt to Taxable Assessed Valuation		7.00%
Ratio General Purpose Funded Debt to Taxable Assessed Valuation		0.93%
2010 Estimated Population ⁽³⁾		219,643
Per Capita Taxable Assessed Valuation	\$	54,646
Per Capita Total Funded Debt Payable from Ad Valorem Taxes		3,824
Per Capita General Purpose Funded Debt Payable from Ad Valorem Taxes		506

⁽¹⁾ The statement of indebtedness does not include the City's outstanding Electric Light and Power System Revenue Bonds, payable solely from the Net Revenues of the City's Electric Light and Power System.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

(2) As a matter of policy, the City provides debt service on general obligation debt issued to fund improvements to its Waterworks System, Sewer System, Solid Waste System, Drainage System, Tax Increment Finance Reinvestment Zone, Electric Light and Power System, Cemetery, Gateway Streets, Hotel Occupancy Tax projects and Airport from surplus revenues of these Systems (see "Table 8A – General Obligation Debt Service Requirements," "Table 8B - Interest and Sinking Fund Budget Projection," "Table 9 - Division of General Obligation Debt Service Requirements" and "Table 10 - Computation of Self-Supporting Debt").

The City's Waterworks System General Obligation Debt has been issued to finance or refinance Waterworks System improvements, and is being paid, or is expected to be paid, from Waterworks System revenues. The City has no outstanding Waterworks System Revenue Bonds but has obligated revenues of the Waterworks System under water supply contracts.

The City's Sewer System General Obligation Debt has been issued to finance Sewer System improvements, and that is being paid, or is expected to be paid, from Sewer System revenues. The City has no outstanding Sewer System Revenue Bonds.

The City's Solid Waste Disposal System General Obligation Debt has been issued for Solid Waste System improvements, and is being paid, or is expected to be paid, from revenues derived from Solid Waste service fees. The City has no outstanding Solid Waste Disposal System Revenue Bonds.

The City's Drainage Utility System General Obligation Debt has been issued for Drainage System improvements, and is being paid, or is expected to be paid, from revenues derived from Drainage Utility System fees. The City has no outstanding Drainage Utility System Revenue Bonds.

The City's Tax Increment Financing General Obligation Debt has been issued for construction of improvements in the North Overton TIF, and is being paid, or is expected to be paid, from revenues derived from the Pledged Tax Increment Revenues. The City has no outstanding Tax Increment Financing Revenue Bonds. For FY 2010, the City anticipates that tax increment revenues will not be adequate to cover debt requirements on the existing Tax Increment Certificates of Obligation. In the instance that the tax increment revenues are not sufficient to pay debt service, the City intends to make an interfund loan to cover the debt service, and if the projected development in the North Overton TIF proceeds as expected, the City would repay such loan from revenues received in future years. The North Overton master plan projects additional debt to be issued by the City for infrastructure improvements in the TIF. If that occurs, there would likely be years in which the TIF would not produce revenues in amounts sufficient to cover all debt issued for it, at least until the TIF has reached full build-out status. If revenues are insufficient and no interfund loan is made, the City is obligated to pay such obligations from ad valorem taxes.

The City's Electric Light and Power System General Obligation Debt has been issued to finance Electric Light and Power System improvements, and is being paid, or that is expected to be paid, from revenues derived from the Electric Light and Power System. The City has \$14,760,000 outstanding Electric Light and Power System Revenue Bonds payable from a pledge of system revenues.

The City's Cemetery General Obligation Debt has been issued to finance Cemetery improvements, and is being paid, or that is expected to be paid, from revenues derived from the Cemetery. The City has no outstanding Cemetery Revenue Bonds.

The City's Gateway General Obligation Debt has been issued for Gateway Streets improvements, and is being paid, or is expected to be paid, from franchise fees. The City has no outstanding Gateway Fund Revenue Bonds.

The City's Hotel Occupancy Tax General Obligation Debt has been issued to finance tourism projects, and is being paid, or is expected to be paid, from hotel occupancy taxes. The City has no outstanding Hotel Occupancy Tax Revenue Bonds.

The City's Auditorium/Coliseum General Obligation Debt has been issued to finance Auditorium/Coliseum improvements, and is being paid, or is expected to be paid, from revenues derived from the Auditorium/Coliseum. The City has no outstanding Auditorium/Coliseum Revenue Bonds.

The City's Airport General Obligation Debt has been issued to finance Airport improvements, and is being paid, or that is expected to be paid, from revenues derived from the Airport. The City has no outstanding Airport Revenue Bonds.

(3) Source: City of Lubbock, Texas.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

TABLE 2 - TAXABLE ASSESSED VALUATION BY CATEGORY

Category	Taxable Appraised Value for Fiscal Year Ended September 30					
	2010		2009		2008	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 6,947,946,941	54.42	6,687,368,655	54.61	6,321,729,050	55.01
Real, Residential, Multi-Family	997,043,862	7.81	922,530,900	7.53	931,507,661	8.11
Real, Vacant Lots/Tracts	189,296,951	1.48	201,167,097	1.64	202,703,022	1.76
Real, Acreage (Land Only)	104,927,547	0.82	106,628,878	0.87	103,474,361	0.90
Real, Farm and Ranch Improvements	13,502,162	0.11	11,977,889	0.10	10,948,790	0.10
Real, Commercial and Industrial	2,686,373,355	21.04	2,476,922,746	20.23	2,246,869,059	19.55
Real, Oil, Gas and Other Mineral Reserves	32,632,310	0.26	39,976,390	0.33	26,864,150	0.23
Real and Tangible Personal, Utilities	168,123,979	1.32	173,239,955	1.41	181,023,472	1.58
Tangible Personal, Business	1,502,932,704	11.77	1,494,921,128	12.21	1,340,911,089	11.67
Tangible Personal, Other	10,943,476	0.09	11,981,462	0.10	13,018,766	0.11
Real Property, Inventory	43,022,634	0.34	43,435,213	0.35	41,291,828	0.36
Special Inventory	69,422,082	0.54	76,063,260	0.62	72,685,000	0.63
Other/Adjustments	21,102	0.00	216,600	0.00	(115,001)	(0.00)
Total Appraised Value Before Exemptions	12,766,189,105	100.00	12,246,430,173	100.00	11,492,911,247	100.00
Less: Total Exemptions/Reductions	(763,572,825)		(573,356,041)		(595,700,684)	
Taxable Assessed Value	<u>\$12,002,616,280</u>		<u>11,673,074,132</u>		<u>10,897,210,563</u>	

Category	Taxable Appraised Value for Fiscal Year Ended September 30					
	2007		2006		2005	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 5,889,918,195	55.53	5,517,769,306	55.55	5,169,490,706	56.09
Real, Residential, Multi-Family	873,394,391	8.23	795,689,400	8.01	615,453,250	6.68
Real, Vacant Lots/Tracts	186,939,508	1.76	166,089,379	1.67	137,411,731	1.49
Real, Acreage (Land Only)	104,443,417	0.98	80,067,791	0.81	64,532,486	0.70
Real, Farm and Ranch Improvements	10,601,986	0.10	11,038,895	0.11	10,406,299	0.11
Real, Commercial and Industrial	1,968,271,689	18.56	1,827,901,763	18.40	1,712,457,490	18.58
Real, Oil, Gas and Other Mineral Reserves	28,446,050	0.27	17,526,510	0.18	12,167,754	0.13
Real and Tangible Personal, Utilities	179,562,657	1.69	177,838,907	1.79	173,908,469	1.89
Tangible Personal, Business	1,245,600,988	11.74	1,228,428,632	12.37	1,226,369,118	13.31
Tangible Personal, Other	13,940,265	0.13	14,527,171	0.15	15,465,413	0.17
Real Property, Inventory	37,577,657	0.35	26,685,491	0.27	9,863,035	0.11
Special Inventory	68,621,321	0.65	67,329,545	0.68	68,232,264	0.74
Other/Adjustments	220,192	0.00	1,499,616	0.02	-	-
Total Appraised Value Before Exemptions	10,607,538,316	100.00	9,932,392,406	100.00	9,215,758,015	100.00
Less: Total Exemptions/Reductions	(604,812,679)		(585,778,455)		(580,763,153)	
Taxable Assessed Value	<u>\$10,002,725,637</u>		<u>9,346,613,951</u>		<u>8,634,994,862</u>	

NOTE: Valuations shown are certified taxable assessed values reported by the Lubbock Central Appraisal District to the City for purposes of establishing and levying the City's annual ad valorem tax rate and to the State Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the Appraisal District updates records.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

TABLE 3A - VALUATION AND GENERAL OBLIGATION DEBT HISTORY

Fiscal Year End 9-30	Estimated City Population ⁽¹⁾	Taxable Assessed Valuation	Per Capita Taxable Assessed Valuation	General Purpose Funded Tax Debt ⁽²⁾	Ratio Tax Debt to Assessed Valuation ⁽²⁾	Funded Debt Per Capita ⁽³⁾	Tax Year
2005	209,120	\$ 8,634,994,862	41,292	80,210,269	0.93%	384	2004
2006	211,187	9,346,613,951	44,258	87,231,945	0.93%	413	2005
2007	212,365	10,002,725,637	47,102	92,487,363	0.92%	436	2006
2008	214,847	10,897,210,563	50,721	101,185,953	0.93%	471	2007
2009	218,327	11,673,074,132	53,466	106,303,936	0.91%	487	2008
2010	219,643	12,002,616,280	54,646	124,526,883	1.04%	567	2009

⁽¹⁾ Source: The City.

⁽²⁾ Does not include self-supported debt.

⁽³⁾ Rounded to the nearest dollar.

TABLE 3B - DERIVATION OF GENERAL PURPOSE FUNDED TAX DEBT

The following table sets forth certain information with respect to the City's general purpose and self-supporting general obligation debt.

Fiscal Year End 9-30	Funded Tax Debt Outstanding at End of Year	Less: Self-Supporting Funded Tax Debt	General Purpose Funded Tax Debt Outstanding at End of Year
2005	\$ 388,595,000	308,384,731	80,210,269
2006	447,275,000	360,043,055	87,231,945
2007	512,250,000	419,762,637	92,487,363
2008	633,065,000	531,879,047	101,185,953
2009	682,875,000	576,571,064	106,303,936
2010 ⁽¹⁾	872,475,000	747,948,117	124,526,883

⁽¹⁾ Projected.

TABLE 4 - TAX RATE, LEVY AND COLLECTION HISTORY

Fiscal Year End 09/30	Tax Rate Distribution			Tax Rate	Tax Levy	Percent Collected	
	General Fund	Economic Development	Interest and Sinking Fund			Current	Total
2005	\$ 0.33474	0.03000	0.09496	0.45970	39,777,866	97.73	100.28
2006	0.35626	0.03000	0.06094	0.44720	41,968,431	98.15	99.71
2007	0.36074	0.03000	0.07125	0.46199	46,068,744	98.12	99.02
2008	0.35380	0.03000	0.07125	0.45505	49,195,247	98.41	99.62
2009	0.32540	0.03000	0.09100	0.44640	51,616,589	97.78	98.87
2010	0.33240	0.03000	0.08400	0.44640	53,455,322	(In Process of Collection)	

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009**

**Tax
Year**

2004
2005
2006
2007
2008
2009

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009**

TABLE 5 - TEN LARGEST TAXPAYERS

<u>Name</u>	2009 Taxable <u>Assessed Valuation</u>	% of Total Taxable <u>Assessed Valuation</u>
Macerich Lubbock Ltd.	\$ 123,830,275	1.03
Southwestern Bell Telephone	53,972,632	0.45
United Supermarkets OFC	53,174,661	0.44
PYCO Industries, Inc.	47,553,556	0.40
Southwestern Public Services Co.	40,037,280	0.33
Wal-Mart Real Estate Business Trust	38,609,000	0.32
Atmos Energy West Texas Division	34,339,220	0.29
Wal-Mart Stores Inc.	31,325,211	0.26
TYCO Fire Products	29,471,236	0.25
Lubbock Property LLC	27,483,903	0.23
	<u>\$ 479,796,974</u>	<u>4.00</u>

TABLE 6 - TAX ADEQUACY ⁽¹⁾

Average Annual Debt Service Requirements All General Obligation Debt:	\$ 51,529,743
\$0.4337 per \$100 AV against the 2009 Taxable AV, at 99.0% collection, produces:	51,534,793
Maximum Annual Debt Service Requirements All General Obligation Debt:	84,549,264
\$0.7116 per \$100 AV against the 2009 Taxable AV, at 99.0% collection, produces:	84,556,511

⁽¹⁾ See Table 8A.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

TABLE 7 - ESTIMATED OVERLAPPING DEBT

Expenditures of the various taxing entities within the territory of the City are paid out of ad valorem taxes levied by such entities on properties within the City. Such entities are independent of the City and may incur borrowings to finance their expenditures. This statement of direct and estimated overlapping ad valorem tax bonds ("Tax Debt") was developed from information contained in "Texas Municipal Reports" published by the Municipal Advisory Council of Texas. Except for the amounts relating to the City, the City has not independently verified the accuracy or completeness of such information, and no person should rely upon such information as being accurate or complete. Furthermore, certain of the entities listed may have issued additional Tax Debt since the date hereof, and such entities may have programs requiring the issuance of substantial amounts of additional Tax Debt, the amount of which cannot be determined. The following table reflects the estimated share of overlapping Tax Debt of the City.

<u>Taxing Jurisdiction</u>	<u>Gross Debt (As of 9/30/09)</u>	<u>Estimated % Overlapping</u>	<u>Overlapping Debt</u>
Frenship ISD	\$ 157,389,717	66.53	\$ 104,711,379
Idalou ISD	-	3.92	-
Lubbock County	78,005,000	83.13	64,845,557
Lubbock ISD	118,505,113	98.70	116,964,547
Lubbock-Cooper ISD	124,259,959	57.09	70,940,011
New Deal ISD	-	25.44	-
Roosevelt ISD	11,909,998	2.98	<u>354,918</u>
Estimated Overlapping Debt			\$ 357,816,410
The City	839,970,000 ⁽¹⁾	100.00%	<u>839,970,000</u>
Total Direct & Estimated Overlapping Debt			\$ 1,197,786,410
As a % of 2008 Taxable Assessed Valuation			9.98%
Per Capita Total Direct & Estimated Overlapping Debt			\$ 5,486

⁽¹⁾ As of March 15, 2010.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

TABLE 8A - GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS

Fiscal Year End	Outstanding Debt ⁽¹⁾		
	Principal	Interest	Total
2010	\$ 35,065,000	33,279,152	68,344,152
2011	41,880,000	42,669,264	84,549,264
2012	45,310,000	36,503,463	81,813,463
2013	46,880,000	34,547,433	81,427,433
2014	47,765,000	32,416,248	80,181,248
2015	46,715,000	30,315,620	77,030,620
2016	46,735,000	28,278,248	75,013,248
2017	47,830,000	26,203,809	74,033,809
2018	49,345,000	24,041,648	73,386,648
2019	48,220,000	21,761,570	69,981,570
2020	45,725,000	19,579,622	65,304,622
2021	43,860,000	17,454,953	61,314,953
2022	42,315,000	15,370,758	57,685,758
2023	42,585,000	13,301,561	55,886,561
2024	41,950,000	11,217,435	53,167,435
2025	42,210,000	9,130,360	51,340,360
2026	39,730,000	7,042,284	46,772,284
2027	35,065,000	5,126,259	40,191,259
2028	30,825,000	3,443,709	34,268,709
2029	21,335,000	2,102,113	23,437,113
2030	18,245,000	1,063,160	19,308,160
2031	6,000,000	445,949	6,445,949
2032	2,195,000	260,438	2,455,438
2033	2,290,000	159,525	2,449,525
2034	2,400,000	54,000	2,454,000
	<u>\$ 872,475,000</u>	<u>415,768,579</u>	<u>1,288,243,579</u>

Average Annual Debt Service Requirements All General Obligation Debt: \$ 51,529,743
Maximum Annual Debt Service Requirements All General Obligation Debt: 84,549,264

⁽¹⁾ Does not include lease/purchase obligations.

TABLE 8B - INTEREST AND SINKING FUND BUDGET PROJECTION

General Purpose General Obligation Debt Service Requirements, September 30, 2010		\$ 10,005,953
Fiscal Agent Fees		15,000
Interest and Sinking Fund, September 30, 2009	\$ 1,498,276	
Interest and Sinking Fund Tax Levy @ 99%	9,560,023	
Estimated Interest Earnings	<u>156,814</u>	<u>11,215,113</u>
Projected Balance, September 30, 2010		\$ 1,194,160

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

TABLE 9 - DIVISION OF GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS

Fiscal Year End 9-30	Waterworks System	Sewer System	Solid Waste Disposal System	Drainage Utility System	Tax Increment Financing	Electric Light & Power System	Cemetery	Gateway	HOT	Airport	Auditorium/ Coliseum	General Purpose	Central Business District Tax Increment	Total G.O.
	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service
2010	\$ 17,272,088	11,115,135	1,314,322	8,704,945	3,119,858	6,948,169	55,235	7,251,559	97,313	2,417,686	41,888	10,005,953	23,181	68,367,333
2011	28,667,194	11,408,935	1,345,070	9,853,412	3,293,364	7,305,312	55,224	7,974,872	97,274	2,408,627	563,230	11,553,568	21,296	84,547,379
2012	26,971,872	11,169,108	1,330,232	9,841,741	3,276,989	7,220,748	55,213	7,909,280	97,248	2,405,973	530,044	10,983,720	21,286	81,813,453
2013	26,936,789	10,989,974	1,319,745	9,845,374	3,277,956	7,150,467	55,234	7,904,693	97,323	2,393,517	530,859	10,904,216	21,295	81,427,442
2014	26,930,344	10,824,671	1,303,831	9,838,926	3,278,950	7,072,187	55,217	7,909,546	97,280	1,484,055	529,258	10,835,689	21,293	80,181,246
2015	26,716,680	8,984,292	1,287,892	9,843,761	3,277,933	6,995,610	55,227	7,906,051	97,328	1,348,035	528,538	9,967,980	21,292	77,030,619
2016	26,682,888	8,193,886	1,307,278	9,872,029	3,278,759	6,913,266	55,223	7,903,021	97,248	455,275	527,642	9,705,440	21,295	75,013,251
2017	26,663,215	8,153,420	1,284,258	9,895,658	3,284,034	6,812,249	55,206	7,904,391	97,248	457,940	530,666	8,874,228	21,236	74,033,750
2018	26,440,394	7,889,041	1,271,937	9,905,712	3,278,014	6,747,910	55,204	7,904,983	97,317	456,045	527,633	8,791,222	21,050	73,386,462
2019	25,925,195	7,848,329	1,081,365	8,822,128	3,279,771	5,202,006	55,217	7,894,288	97,290	454,025	524,586	8,776,320	20,858	69,981,379
2020	23,042,427	7,123,345	1,074,499	7,763,206	3,281,372	5,202,890	55,222	7,885,751	97,242	455,823	522,741	8,779,245	20,647	65,304,411
2021	20,893,903	6,994,568	1,066,824	6,691,980	3,273,481	5,201,242	55,210	7,882,649	97,327	456,969	517,941	8,162,213	20,430	61,314,736
2022	18,128,179	6,991,491	932,086	6,705,372	3,271,171	5,204,860	55,238	7,872,533	97,339	457,856	514,388	7,434,816	20,197	57,685,525
2023	17,489,201	6,660,240	934,429	6,697,143	3,272,356	5,196,294	55,204	7,865,653	97,258	457,849	509,881	6,630,857	19,946	55,886,311
2024	17,376,894	6,656,283	931,412	6,671,565	3,268,254	3,539,008	55,202	7,855,484	97,289	457,317	505,248	5,733,532	19,660	53,167,149
2025	16,521,733	6,606,384	659,402	6,672,953	2,978,018	3,546,144	55,207	7,841,209	97,308	457,137	499,682	5,385,521	19,352	51,340,051
2026	16,100,367	6,024,497	658,546	6,675,151	2,262,700	3,060,935	55,212	6,689,582	97,305	232,352	495,634	4,400,651	19,027	46,771,959
2027	14,641,529	4,850,132	294,136	6,026,862	1,752,127	2,573,221	15,689	6,457,103	97,270	32,797	490,648	2,940,720	18,694	40,190,926
2028	13,076,570	4,630,039	186,163	5,562,752	379,986	1,516,721	-	6,442,036	-	-	483,726	1,972,024	18,351	34,268,367
2029	9,993,698	239,152	83,517	4,999,191	221,772	995,733	-	4,810,515	-	-	475,725	1,599,459	17,988	23,436,750
2030	9,436,585	234,417	47,577	4,850,687	141,863	442,914	-	2,386,935	-	-	430,175	1,319,019	-	19,290,172
2031	-	-	-	4,740,044	-	-	-	1,705,905	-	-	-	-	-	6,445,949
2032	-	-	-	2,455,438	-	-	-	-	-	-	-	-	-	2,455,438
2033	-	-	-	2,449,525	-	-	-	-	-	-	-	-	-	2,449,525
2034	-	-	-	2,454,000	-	-	-	-	-	-	-	-	-	2,454,000
														-
	\$ 435,907,744	153,587,339	19,714,520	177,839,555	56,748,729	104,847,887	954,384	154,158,038	1,751,204	17,289,280	10,280,132	154,756,394	408,374	1,288,243,580

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

TABLE 10 - SELF-SUPPORTED DEBT

THE WATERWORKS FUND ⁽¹⁾

Net System Revenue Available, Fiscal Year Ended September 30, 2009	\$ 29,535,568
Less: Requirements for Revenue Bonds, Fiscal Year Ended September 30, 2009	-
Balance Available for Other Purposes	29,535,568
Requirements for System General Obligation Debt, Fiscal Year Ending September 30, 2009	17,272,088
Percentage of System General Obligation Debt Self-Supporting	100.00%

⁽¹⁾ Each Fiscal Year the City transfers an amount equal to debt service requirements on the Waterworks Fund general obligation debt to a segregated account in the Waterworks Fund.

THE WASTEWATER FUND ⁽¹⁾

Net System Revenue Available, Fiscal Year Ended September 30, 2009	\$ 19,177,333
Less: Requirements for Revenue Bonds, Fiscal Year Ended September 30, 2009	-
Balance Available for Other Purposes	19,177,333
Requirements for System General Obligation Debt, Fiscal Year Ending September 30, 2009	11,115,135
Percentage of System General Obligation Debt Self-Supporting	100.00%

⁽¹⁾ Each Fiscal Year the City transfers an amount equal to debt service requirements on the Wastewater Fund general obligation debt to a segregated account in the Wastewater Fund. FY2009 revenue includes a planned transfer of \$4,680,513 from general Wastewater fund balance.

THE SOLID WASTE FUND ⁽¹⁾

Net System Revenue Available, Fiscal Year Ended September 30, 2009	\$ 6,778,778
Less: Requirements for Revenue Bonds, Fiscal Year Ended September 30, 2009	-
Balance Available for Other Purposes	6,778,778
Requirements for System General Obligation Debt, Fiscal Year Ending September 30, 2009	1,314,322
Percentage of System General Obligation Debt Self-Supporting	100.00%

⁽¹⁾ Each Fiscal Year the City transfers an amount equal to debt service requirements on the Solid Waste Fund general obligation debt to a segregated account in the Solid Waste Fund. FY2009 revenue includes a planned transfer of \$1,794,032 from general solid waste fund balance.

THE DRAINAGE FUND ⁽¹⁾

Net System Revenue Available, Fiscal Year Ended September 30, 2009	\$ 8,131,978
Less: Requirements for Revenue Bonds, Fiscal Year Ended September 30, 2009	-
Balance Available for Other Purposes	8,131,978
Requirements for System General Obligation Debt, Fiscal Year Ending September 30, 2009	8,704,945
Percentage of System General Obligation Debt Self-Supporting	100.00%

⁽¹⁾ Each Fiscal Year the City transfers an amount equal to debt service requirements on the Drainage Fund general obligation debt to a segregated account in the Drainage Fund. FY2009 revenue includes a planned transfer of \$3,674,910 from general drainage fund balance. A rate increase effective October 1, 2009 will raise the fund balance by approximately \$3.9 million.

THE ELECTRIC LIGHT AND POWER FUND ⁽¹⁾

Net System Revenue Available, Fiscal Year Ended September 30, 2009	\$ 37,319,975
Less: Requirements for Revenue Bonds, Fiscal Year Ending September 30, 2009	2,415,945
Balance Available for Other Purposes	34,904,030
Requirements for System General Obligation Debt, Fiscal Year Ending September 30, 2009	6,948,169
Percentage of System General Obligation Debt Self-Supporting	100.00%

⁽¹⁾ Each Fiscal Year the City transfers an amount equal to debt service requirements on the Electric Light and Power Fund general obligation debt to a segregated account in the Electric Light and Power Fund.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

THE GATEWAY FUND ⁽¹⁾

Net System Revenue Available, Fiscal Year Ended September 30, 2009	\$	4,213,532
Less: Requirements for Revenue Bonds, Fiscal Year Ended September 30, 2009		-
Balance Available for Other Purposes		4,213,532
Requirements for System General Obligation Debt, Fiscal Year Ending September 30, 2009		7,251,559
Percentage of System General Obligation Debt Self-Supporting		58.11%

⁽¹⁾ Each Fiscal Year the City transfers an amount equal to debt service requirements on the Gateway Fund general obligation debt to a segregated account in the Gateway Fund. The remainder of the revenue needed to support the Gateway Fund will be transferred from the Electric Light and Power Fund.

THE AIRPORT FUND ⁽¹⁾

Net System Revenue Available, Fiscal Year Ended September 30, 2009	\$	5,093,115
Less: Requirements for Revenue Bonds, Fiscal Year Ended September 30, 2009		-
Balance Available for Other Purposes		5,093,115
Requirements for System General Obligation Debt, Fiscal Year Ending September 30, 2009		2,417,686
Percentage of System General Obligation Debt Self-Supporting		100.00%

⁽¹⁾ Each Fiscal Year the City transfers an amount equal to debt service requirements on the Airport Fund general obligation debt to a segregated account in the Airport Fund.

THE TAX INCREMENT FINANCING FUND ⁽¹⁾

Net System Revenue Available, Fiscal Year Ended September 30, 2009	\$	1,692,773
Less: Requirements for Revenue Bonds, Fiscal Year Ended September 30, 2009		-
Balance Available for Other Purposes		1,692,773
Requirements for System General Obligation Debt, Fiscal Year Ending September 30, 2009		3,119,858
Percentage of System General Obligation Debt Self-Supporting		54.26%

⁽¹⁾ Each Fiscal Year the City transfers an amount equal to debt service requirements on the Tax Increment Financing Fund general obligation debt to a segregated account in the Tax Increment Financing Fund. FY2009 revenue includes a planned transfer of \$155,833 from Tax Increment Financing Fund general fund balance. The remainder of revenue needed to support the Tax Increment Financing Fund general obligation debt is transferred from the City's Solid Waste Fund.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

TABLE 11 - Authorized But Unissued General Obligation Bonds

<u>Purpose</u>	<u>Date Authorized</u>	<u>Amount Authorized</u>	<u>Issued To Date</u>	<u>Unissued</u>
Sewer System	5/21/77	\$ 3,303,000	2,175,000	1,128,000
Waterworks System	10/17/87	2,810,000	200,000	2,610,000
Street Improvements	5/1/93	10,170,000	10,166,000	4,000
Street Improvements	5/15/04	9,210,000	8,764,000	446,000
Civic Center/Auditorium Renovation and Improvements	5/15/04	6,450,000	6,450,000	-
Park Improvements	5/15/04	6,395,000	6,395,000	-
Police/Municipal Court Facilities	5/15/04	3,350,000	500,000	2,850,000
Library Improvements	5/15/04	2,145,000	2,145,000	-
Fire Stations	5/15/04	1,405,000	1,405,000	-
Animal Shelter Renovations & Improvements	5/15/04	1,045,000	160,000	885,000
Street Improvements	11/3/09	43,085,000	13,605,000	29,480,000
Fire Stations	11/3/09	7,500,000	2,750,000	4,750,000
		<u>\$ 96,868,000</u>	<u>54,715,000</u>	<u>42,153,000</u>

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

TABLE 12 - Other Obligations

Fiscal Year End 9-30	Governmental Capital Lease Minimum Payment	Business-Type Capital Lease Minimum Payment	Total Capital Lease Minimum Payment
2010	\$ 4,680,633	6,953,062	11,633,694
2011	3,621,468	6,219,873	9,841,341
2012	3,019,946	5,029,903	8,049,849
2013	2,500,332	2,619,742	5,120,074
2014	2,318,939	1,635,379	3,954,318
2015-2019	4,191,337	3,615,561	7,806,898
Interest	(2,326,751)	(2,363,795)	(4,690,546)
	<u>\$ 18,005,903</u>	<u>23,709,725</u>	<u>41,715,628</u>

The City also has obligations to pay various contract revenue bonds issued through the Department of Housing and Urban Development and the Canadian Municipal River Authority. The debt service requirements of the contract revenue bonds are detailed below.

Fiscal Year End 9-30	Contract Revenue Bonds		
	Principal	Interest	Total
2010	\$ 1,442,600	1,636,951	3,079,551
2011	1,494,093	1,573,481	3,067,574
2012	1,556,264	1,504,834	3,061,098
2013	1,495,327	1,433,120	2,928,447
2014-2027	27,809,227	10,184,132	37,993,359
	<u>\$ 33,797,511</u>	<u>16,332,517</u>	<u>50,130,028</u>

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

TABLE 13 - CHANGES IN NET ASSETS

	Fiscal Year Ended September 30 ⁽¹⁾				
	2009	2008	2007	2006	2005
REVENUES					
Program Revenues					
Charges for Services	\$ 9,665	12,677	10,636	9,632	10,583
Grants and Contributions	20,292	25,154	14,645	11,048	13,296
General Revenues					
Property Taxes	52,599	50,330	47,007	42,771	39,748
Sales Taxes	50,705	50,549	47,780	45,577	41,803
Other Taxes	5,451	5,370	4,909	4,447	4,242
Franchise Taxes	10,765	12,978	12,378	13,348	11,154
Other	5,399	10,316	9,787	11,292	5,742
Total Revenues	<u>154,876</u>	<u>167,374</u>	<u>147,142</u>	<u>138,115</u>	<u>126,568</u>
EXPENDITURES					
Administrative Services	11,078	12,372	12,155	9,910	8,220
Community Services	7,038	6,874	6,951	6,112	6,146
Cultural and Recreation	15,039	16,660	19,671	18,915	17,745
Economic Development	37,221	12,378	11,620	10,283	9,739
Fire	33,098	31,789	27,338	26,711	23,517
Health	5,819	6,142	5,899	5,014	5,040
Police	48,342	46,850	43,022	42,063	38,452
Other Public Safety	6,326	6,678	5,886	5,240	4,977
Streets and Traffic	30,139	16,357	14,370	11,850	12,466
Non-departmental	-	-	-	5,206	6,253
Intergovernmental	-	-	12,500	-	-
Interest on Long-Term Debt	9,840	8,367	6,968	4,326	3,195
Total Expenditures	<u>203,940</u>	<u>164,467</u>	<u>166,380</u>	<u>145,630</u>	<u>135,750</u>
Changes in net assets before special items and transfers	(49,064)	2,907	(19,238)	(7,515)	(9,182)
Special items	-	-	-	-	-
Transfers	10,039	(4,703)	10,572	9,607	15,469
Changes in net assets	(39,025)	(1,796)	(8,666)	2,092	6,287
Net Assets - beginning of year, as restated	139,933	141,729	112,721	110,629	104,341
Restatement	-	-	37,674	-	-
Net assets - end of year	<u>\$ 100,908</u>	<u>139,933</u>	<u>141,729</u>	<u>112,721</u>	<u>110,628</u>

⁽¹⁾ Audited. Units are in 000s.

Note: Data shown reflects general governmental activities reported in accordance with GASB Statement No. 34. The financial statements include a management discussion and analysis of the operating results of such fiscal year, including restatements to beginning fund balances and net assets.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

TABLE 13A - GENERAL FUND REVENUES AND EXPENDITURES HISTORY

	Fiscal Year Ended September 30				
	2009	2008	2007	2006	2005
REVENUES					
Taxes	\$ 84,711,760	85,345,082	80,266,416	75,999,624	68,716,601
Franchise Taxes	6,459,207	7,786,611	7,429,660	8,008,973	6,693,209
Licenses and Permits	2,213,041	2,663,139	2,531,032	2,250,635	1,953,666
Intergovernmental	503,889	530,389	514,896	408,997	480,648
Charges for Services	2,930,335	3,339,148	4,057,958	4,781,043	4,070,642
Fees and Fines	3,315,472	3,279,911	3,669,099	3,981,978	4,015,402
Miscellaneous	1,757,534	2,574,448	2,582,509	1,465,215	1,506,315
Interest	327,401	1,052,842	1,469,083	921,742	349,236
Operating Transfers	-	-	-	-	16,565,397
Total Revenues and Transfers	\$ 102,218,639	106,571,570	102,520,653	97,818,207	104,351,116
EXPENDITURES					
General Government	\$ -	-	-	-	6,159,536
Financial Services	-	-	-	-	2,139,492
Cultural and Recreation	11,515,865	12,253,380	15,251,742	13,986,576	-
Economic & Business Development	966,068	1,215,978	1,122,880	1,146,267	-
Non-departmental	-	-	-	1,882,255	445,251
Admin/General Government	9,611,385	11,047,039	11,560,733	9,356,059	18,330,508
Police	43,539,601	42,831,016	40,448,254	37,463,740	33,919,626
Fire	30,479,464	29,630,222	26,690,350	24,638,814	21,943,267
Health	4,069,411	4,133,917	4,004,913	3,738,790	-
Other Public Safety	4,872,418	4,703,249	4,508,394	4,287,806	-
Planning and Transportation	-	-	-	-	8,120,727
Streets and Traffic	8,013,700	8,168,462	7,663,278	7,439,045	2,214,291
Human Resources	-	-	-	-	740,826
Debt Service	2,840,461	2,396,605	1,694,844	1,154,226	-
Capital Outlay	8,412,831	3,966,065	4,256,705	7,184,866	5,277,100
Operating Transfers	-	-	-	-	3,912,645
Total Expenditures	\$ 124,321,204	120,345,933	117,202,093	112,278,444	103,203,269
Excess (Deficiency) of Revenues and Transfers over Expenditures	\$ (22,102,565)	(13,774,363)	(14,681,440)	(14,460,237)	1,147,847
Capital Leases	8,714,556	3,011,141	3,721,262	5,119,980	3,534,048
Transfer In	19,303,155	17,729,361	14,536,071	13,325,046	-
Transfer Out	(5,996,006)	(6,129,512)	(4,374,956)	(1,436,498)	-
Fund Balance at Beginning of Year	19,962,275	19,125,648	19,924,711	17,376,420	12,694,525
Fund Balance at End of Year	19,881,415	19,962,275	19,125,648	19,924,711	17,376,420
Less: Reserves and Designations	124,955	168,657	171,580	168,964	107,828
Undesignated Fund Balance (a)	\$ 19,756,460	19,793,618	18,954,068	19,755,747	17,268,592

^(a) The City's financial policies target a General Fund undesignated balance of at least 20% of General Fund operating revenues. The undesignated fund balance is at 96.64% of the target established by the City's financial policies.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

TABLE 14 - MUNICIPAL SALES TAX HISTORY

The City has adopted the Municipal Sales and Use Tax Act, Chapter 321, Texas Tax Code, which grants the City the power to impose and levy a 1% Local Sales and Use Tax within the City; the proceeds are credited to the General Fund and are not pledged to the payment of the Bonds or other debt of the City. In addition, in January, 1995, Lubbock approved the imposition of an additional sales and use tax of one-eighth of a cent as authorized by Chapter 323 Texas Tax Code, as amended. Collection for the additional tax commenced in October, 1995 with the proceeds from the one-eighth cent sales tax designated for the use and benefit of the City to replace property tax revenues lost as a result of the adoption of the tax. At an election held in the City on November 4, 2003, voters approved an additional one-quarter cent sales and use tax, with the proceeds to be dedicated to the reduction of ad valorem taxation, and an additional one-eighth cent sales and use tax under Section 4A of the Texas Development Corporation Act (Article 5190.6, Texas Revised Civil Statutes), to be used for economic development in Lubbock.

The City began to receive proceeds of these taxes in October 2004. Collection and enforcement of the City's sales tax are effected through the offices of the Comptroller of Public Accounts, State of Texas. The Comptroller remits the proceeds of the tax to the City on a monthly basis after the deduction of a 2% service fee. Historical collections of the City's local Sales and Use Tax are shown below:

Fiscal Year End 9-30	Total Collected ⁽¹⁾	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita ⁽²⁾
2004	\$ 30,554,632	70.67	\$ 0.3819	148.11
2005	41,803,092	105.09	0.4793	199.90
2006	45,576,582	108.60	0.4828	215.81
2007	47,780,448	103.72	0.4729	224.99
2008	50,548,865	102.75	0.4592	235.28
2009	50,705,301	98.23	0.4300	232.24

⁽¹⁾ Excludes bingo tax receipts and mixed beverage tax.

⁽²⁾ Based on population estimates of the City.

Effective as of October 1, 2006, the sales tax allocation for the City is as follows:

	Sales Tax Allocation %
City Sales & Use Tax	1.000
City Sales & Use Tax for Property Tax Relief	0.375
City Sales & Use Tax for Economic Development	0.125
County Sales & Use Tax	0.500
State Sales & Use Tax	6.250
Total	<u>8.250</u>

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009**

TABLE 15 - CURRENT INVESTMENTS

As of February 28, 2010, City funds were invested in the following categories:

Type	Par Value	Book Value		Estimated Market Value ⁽¹⁾	
		Value	% of Total Book Value	Value	% of Total Market Value
United States Agency Obligations	\$ 61,000,000	61,062,544	11.96	\$ 61,419,230	12.03
Money Market Mutual Funds ⁽²⁾	7,859,350	7,859,350	1.54	7,859,350	1.54
Local Government Investment Pools ⁽³⁾	441,453,530	441,453,530	86.50	441,453,530	86.44
	<u>\$ 510,312,880</u>	<u>510,375,424</u>	<u>100.00</u>	<u>\$ 510,732,110</u>	<u>100.00</u>

⁽¹⁾ Market prices are obtained from Wells Fargo Brokerage. No funds are invested in mortgage backed securities. The City holds all investments to maturity to minimize the risk of market price volatility.

⁽²⁾ Money Market Funds are held at Wells Fargo Bank, Texas N.A.

⁽³⁾ Local government investment pools consist of entities whose investment objectives are preservation and safety of principal, liquidity, and yield. The pools seek to maintain a \$1.00 value per share as required by the Texas Public Funds Investment Act.

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009**

Table 16 - Monthly Water Rates

On March 9, 2009, the Lubbock City Council adopted water rate increases, effective May 1, 2009, that are designed to cover water expenses for 2008 09 and 2009-10 fiscal years and that fully fund the debt service for a number of major water supply projects.

<u>Base Rate ⁽¹⁾</u>	<u>Effective 05/01/09</u>		
3/4" meter	18.00		
1" meter (single family residential)	30.05		
1" meter (other than residential)	30.05		

<u>Flow Rate Charge per 1,000 Gallons</u>	<u>Block 1</u>	<u>Block 2</u>	<u>Block 3</u>
Single Family Residential	2.67	4.29	5.93
Single Family Residential Irrigation	n/a	4.29	5.93
Multi-Family Residential, Commercial and Public	2.67	4.29	5.93
Non-Residential Irrigation	n/a	4.29	5.93
Schools	2.67	n/a	n/a
Wholesale	3.47	5.58	7.71

⁽¹⁾ The Base Rate is for water service; Base Rates shown are for a 3/4" water meter and a 1" meter for residential and commercial customers; higher Base Rates apply to meters ranging from 1.5" to 10".

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

Table 17 - Historical Water Consumption (Million Gallons)

<u>Calendar Year</u>	<u>Average Daily Consumption</u>	<u>Maximum Consumption Day/Year</u>
2004	34.421	59.940
2005	34.606	62.539
2006	38.400	68.770
2007	29.398	47.297
2008	32.947	57.176
2009	32.180	54.240

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

Table 18 - Waterworks System Condensed Statement of Operations

	Fiscal Year Ended September 30,				
	2009	2008	2007	2006	2005
REVENUE					
Operating Revenues	\$ 51,989,393	42,527,445	35,454,426	37,330,953	33,306,786
Non-Operating Revenues	580,276	2,123,853	1,746,843	1,678,056	883,824
Gross Revenues	<u>52,569,669</u>	<u>44,651,298</u>	<u>37,201,269</u>	<u>39,009,009</u>	<u>34,190,610</u>
EXPENSE					
Operating Expense ⁽¹⁾	<u>23,034,101</u>	<u>23,543,862</u>	<u>18,781,580</u>	<u>20,720,395</u>	<u>17,619,668</u>
Net Revenues	<u>\$ 29,535,568</u>	<u>21,107,436</u>	<u>18,419,689</u>	<u>18,288,614</u>	<u>16,570,942</u>
Number of Water Meters	78,312	77,608	77,147	75,876	74,026

⁽¹⁾ Operating expense includes construction repayment costs and operation and maintenance charges paid to Canadian River Municipal Water Authority and excludes depreciation and capital expenditures.

Note: The City has no outstanding or authorized Waterworks System Revenue Bonds, however, there is \$297,240,178 of general obligation debt outstanding which was issued for water system purposes on which annual debt service is provided from revenues of the System.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

Table 19 - Historic Wastewater Plant Treatment

The table below sets forth the average daily influent treated in million gallons per day, at the City's Southwest Water Reclamation Plant for each of the last seven calendar years.

<u>Calendar Year</u>	<u>Average Treatment</u>
2003	19.0 mgd
2004	21.6 mgd
2005	21.2 mgd
2006	21.0 mgd
2007	23.0 mgd
2008	22.8 mgd
2009	20.7 mgd

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009**

Table 20 - Monthly Wastewater Rates

In providing adequate wastewater service to its customers, the utility must receive sufficient total revenue to ensure proper operation and maintenance, development and perpetuation of the system, and preservation of the utility's financial integrity. Nearly all of total revenue requirements for the utility is met from revenues derived from wastewater residential and commercial fees.

The goal in setting wastewater rates is to generate enough revenue to fund operating costs, debt payments, utility billing charges, indirect allocation, and transfers to the general fund; to adequately fund system improvements and maintenance programs; and to build and/or maintain target balances in both working capital and rate stabilization funds.

In July 2007, the City adopted the Strategic Water Supply Plan. The Plan recommends the Southeast Water Reclamation Plant be improved to treat all wastewater to stream discharge quality standards. On March 9, 2009, the Lubbock City Council adopted a 12% increase in wastewater revenue, effective May 1, 2009

<u>Residential</u>	<u>Effective 05/01/09</u>
Base Rate ⁽¹⁾	\$9.80
Flow Rate (Water Consumption)	2.05
<u>Commercial/Industrial</u> ⁽²⁾	
Base Rate ⁽¹⁾	17.26
Flow Rate (Water Consumption)	2.05

⁽¹⁾ The Base Rate is for wastewater service; Base Rates shown are for a 3/4" water meter for residential consumers and a 1 1/2" water meter for commercial consumers; higher Base Rates apply to larger meters ranging from 2" to 10".

⁽²⁾ Industrial waste that exceeds allowable limits is subject to surcharge for treating biochemical oxygen demand ("B.O.D.") and total suspended solids ("T.S.S."). Present surcharge rate for B.O.D. is \$0.1974/lb. and for T.S.S. is \$0.1807/lb.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

Table 21 - Wastewater System Condensed Statement of Operations

	Fiscal Year Ended September 30				
	2009	2008	2007	2006	2005
REVENUE					
Operating	\$ 24,479,551	21,095,745	19,841,503	21,087,364	19,829,430
Non-Operating Revenues	1,155,952	1,954,744	1,541,445	1,064,241	377,660
Gross Revenues	<u>25,635,503</u>	<u>23,050,489</u>	<u>21,382,948</u>	<u>22,151,605</u>	<u>20,207,090</u>
EXPENSE					
Operating Expense ⁽¹⁾	<u>11,138,683</u>	<u>11,705,156</u>	<u>10,703,532</u>	<u>13,778,357</u>	<u>10,864,515</u>
Net Revenues	<u>\$ 14,496,820</u>	<u>11,345,333</u>	<u>10,679,416</u>	<u>8,373,248</u>	<u>9,342,575</u>
Number of Wastewater Records	73,213	72,389	71,616	70,490	69,222

⁽¹⁾ Operating expense excludes depreciation and capital expenditures.

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009**

Table 22 - Monthly Solid Waste Rates

Summarized below are the current solid waste rates of the City as of October 1, 2009.*

<u>Residential Garbage Rate</u>	
Monthly Rate	\$ 13.25
<u>Commercial Garbage Rate</u>	
Container Size	Monthly Rate
2 cubic yards	\$ 35.25
3 cubic yards	52.25
4 cubic yards	69.25
6 cubic yards	100.25
8 cubic yards	131.25
<u>Landfill Fees</u>	
Tipping Fees	\$ 27.25/ton

*Rates do not include state surcharge fees or sales tax.

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009**

Table 23 - Solid Waste System Condensed Statement of Operations

	Fiscal Year Ended September 30				
	2009	2008	2007	2006	2005
Operating Revenues	\$ 16,979,975	16,754,438	16,885,042	13,948,861	12,420,499
Non-Operating Revenues	358,381	1,046,895	1,272,107	696,582	578,387
Gross Revenues	<u>17,338,356</u>	<u>17,801,333</u>	<u>18,157,149</u>	<u>14,645,443</u>	<u>12,998,886</u>
Operating Expense ⁽¹⁾ (excluding depreciation)	<u>12,353,610</u>	<u>12,119,969</u>	<u>10,741,078</u>	<u>10,731,475</u>	<u>9,407,460</u>
Net Revenues	<u>\$ 4,984,746</u>	<u>5,681,364</u>	<u>7,416,071</u>	<u>3,913,968</u>	<u>3,591,426</u>

⁽¹⁾ Operating expense excludes depreciation and capital expenditures.

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009**

Table 24 - Monthly Municipal Drainage Rates

On September 10, 2009, the City Council adopted a new Drainage System rate ordinance, which became effective on October 1, 2009. The current rates are shown below.

	Current Rates
<u>Residential Property:</u>	
Single Family Residential	\$ 9.00
Multi-Family Residential B duplex, triplex and quadraplex (per unit):	9.00
Residential Water Sprinklers	Exempt
Mobile Homes and Mobile Home Parks	9.00
Construction - Residential	9.00
 <u>Non-residential Property:</u>	
Multi-Family Commercial (per unit):	\$ 9.00
Apartment Complex ⁽¹⁾	59.74
Private Schools, Churches, Federal Government	59.74
Commercial - Retail, Service, Industrial	59.74
Construction - Commercial	59.74
All Non-Residential Water Sprinklers	59.74

⁽¹⁾ Sprinkler meters for all apartment complexes are subject to the residential rate.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

Table 25 - Drainage Utility System Condensed Statement of Operations

	Fiscal Year Ended September 30				
	2009	2008	2007	2006	2005
Operating Revenues	\$ 8,108,040	6,633,255	6,519,658	6,348,461	6,239,436
Non-Operating Revenues	317,750	951,903	1,332,620	1,799,381	1,161,028
Gross Revenues	<u>8,425,790</u>	<u>7,585,158</u>	<u>7,852,278</u>	<u>8,147,842</u>	<u>7,400,464</u>
Operating Expense ⁽¹⁾ (excluding depreciation)	<u>3,968,722</u>	<u>4,337,754</u>	<u>1,970,978</u>	<u>1,671,579</u>	<u>1,715,161</u>
Net Revenues	<u>\$ 4,457,068</u>	<u>3,247,404</u>	<u>5,881,300</u>	<u>6,476,263</u>	<u>5,685,303</u>

⁽¹⁾ Operating expense excludes depreciation and capital expenditures.

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009**

Table 26 - Generating Stations

Manufacturer	Year Installed	Station	Prime Mover	Fuel	Generator Capacity (in MW)	Dependable Capacity (in MW)
Nordberg	1946	J.R. Massengale No. 1 ⁽³⁾	Diesel	Dual Fuel	3	-
Nordberg	1947	J.R. Massengale No. 2 ⁽³⁾	Diesel	Dual Fuel	3	-
Westinghouse	1952	J.R. Massengale No. 4 ⁽³⁾	Steam Turbine	Gas	11	-
Westinghouse	1953	J.R. Massengale No. 5 ⁽³⁾	Steam Turbine	Gas	11	-
Westinghouse	1957	J.R. Massengale No. 6 ⁽¹⁾	Steam Turbine	Gas	22	20
Westinghouse	1958	J.R. Massengale No. 7 ⁽¹⁾	Steam Turbine	Gas	22	20
Westinghouse	1964	Cooke GT 1	Gas Turbine	Gas	13	11
General Electric	1965	Cooke Steam 1	Steam Turbine	Gas or Oil	46	44
Worthington	1971	Cooke GT 2	Gas Turbine	Gas	21	15
General Electric	1974	Cooke GT 3	Gas Turbine	Gas	24	15
General Electric	1978	Cooke Steam 2	Steam Turbine	Gas or Oil	54	48
General Electric	1990	TX Tech (Brandon 1) ⁽²⁾	Gas Turbine	Gas	20	21
General Electric	2000	J.R. Massengale No. 8 ⁽¹⁾	Gas Turbine	Gas	40	39
					290	233

Note: **Bolded Units** reflect primary generation turbines.

⁽¹⁾ Renovation of four generating units at J.R. Massengale Plant was completed in 1997 adding approximately 38.5 MW usable generation to the LP&L system. LP&L, under contract with WTMPA, has constructed a new 43 MW generator and has repowered a 22 MW generation unit for WTMPA at LP&L's J.R. Massengale Plant (collectively, the "WTMPA Project"). At present, WTMPA has contractually dedicated the entire output of the "WTMPA Project" to LP&L for LP&L's use. In return, LP&L is obligated to pay for the operation, maintenance and upkeep of the WTMPA Project as well as the principal and interest payments on the outstanding indebtedness on the WTMPA Project. In February 2005, the City issued \$27.8 million to acquire the WTMPA Project. The facility was acquired with the proceeds of the bonds and WTMPA applied the bond proceeds to defease the bonds that were issued by WTPMA in 1998 that financed the WTMPA project.

⁽²⁾ Cogeneration plant located at Texas Tech University; waste heat is used to produce steam which is sold to the University.

⁽³⁾ Units 1, 2, 4, & 5 at J.R. Massengale Station are no longer economical to operate and have been decommissioned.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

Table 27 - Historical Power Supply Requirements

Fiscal Year	Peak Demand		Energy Sales ⁽¹⁾		
	MW	% Increase	MWh	% Increase	Load Factor (%)
2005	334.8	5.58	1,444,310	8.16	49.25
2006	363.7	8.63	1,525,062	5.59	47.87
2007	367.1	0.93	1,535,287	0.67	47.74
2008	382.8	4.28	1,637,330	6.65	48.83
2009	399.8	4.44	1,648,375	0.67	47.07

⁽¹⁾ Does not include Off System sales.

Fiscal Year	Net System Requirements		
	MWh	% Increase	Load Factor (%)
2005	1,516,543	8.35	51.71
2006	1,581,404	4.28	49.64
2007	1,614,479	2.09	50.20
2008	1,710,822	5.97	51.02
2009	1,714,673	0.23	48.96

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

Table 28 - Statistical Data

kWh TO SYSTEM	Fiscal Year Ended September 30				
	2009	2008	2007	2006	2005
	\$ 2,213,409,610	2,220,605,166	1,993,725,637	2,057,578,928	1,921,072,692
Sales of kWh					
Residential Service	695,875,402	685,995,051	648,762,856	645,806,895	608,425,779
Commercial Service	792,398,559	788,148,421	728,189,770	730,528,356	687,368,070
Municipal and Schools	160,101,440	163,186,180	158,334,395	148,271,498	148,516,593
Total Retail Sales	1,648,375,401	1,637,329,652	1,535,287,021	1,524,606,749	1,444,310,442
Wholesale Sales (Off System Sales)	333,598,000	509,782,800	376,166,499	476,630,000	404,529,400
Total Sales to All Customers	2,147,112,452	2,147,112,452	1,911,453,520	2,001,236,749	1,848,839,842
Loss and Unaccounted for	66,297,158	73,492,714	82,272,117	56,342,179	72,232,850
kWh To The System	2,213,409,610	2,220,605,166	1,993,725,637	2,057,578,928	1,921,072,692
EOFY Residential Meters	65,779	65,063	62,574	60,662	58,342
EOFY Commercial Meters	7,863	7,808	7,772	7,233	6,936
EOFY Municipal and School Meters	1,010	1,033	1,019	945	949
EOFY Total Meters	74,652	73,904	71,365	68,840	66,227
Total Plant Peak kW Demand	399,800	382,800	367,100	363,700	334,800
System Peak kW Demand ⁽²⁾	392,675	375,218	360,522	345,977	328,691

⁽¹⁾ Began tracking separately in 2007.

⁽²⁾ Deducts station power monthly peak (at time of total peak) from total plant peak to calculate net peak to load.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

Table 29 - Ten Largest Customers (Annual Consumption and Revenue)

	Fiscal Year Ended September 30, 2009			
	Megawatt Hours Billed	% of Total	Revenues	% of Total
Top 10 Customers	418,826,661	25.0	\$ 25,830,506	20.0
Top Two Customers	225,974,989	14.0	13,472,101	11.0

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

Table 30 - Analysis of Electric Bills

	Fiscal Year Ended September 30				
	2009	2008	2007	2006	2005
<u>All Customer:</u>					
Average Monthly kWh Per Meter	1,840	1,872	1,823	1,875	1,863
Average Monthly Bill Per Meter	\$ 142.38	165.81	143.15	155.54	136.44
Average Monthly Revenue Per kWh	0.077378	0.088568	0.078531	0.082952	0.073234
<u>Residential Customer:</u>					
Average Monthly kWh Per Meter	882	891	875	901	890
Average Monthly Bill Per Meter	\$ 78.85	86.95	74.97	78.50	70.18
Average Monthly Revenue Per kWh	0.089442	0.097621	0.085702	0.087151	0.078832
<u>Commercial:</u>					
Average Monthly kWh Per Meter	8,398	8,554	8,273	8,617	8,548
Average Monthly Bill Per Meter	\$ 573.97	710.67	602.31	680.89	584.37
Average Monthly Revenue Per kWh	0.068348	0.083080	0.072803	0.079019	0.068362
<u>Municipal and School:</u>					
Average Monthly kWh Per Meter	13,213	13,317	12,639	13,050	13,122
Average Monthly Bill Per Meter	\$ 920.06	1,025.64	954.15	1,096.76	955.92
Average Monthly Revenue Per kWh	0.069633	0.077017	0.075490	0.084044	0.072848

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

Table 31 - Lubbock Power & Light 6-Year Capital Improvement Plan

Fiscal Year Ending <u>September 30</u>	Total LP&L Capital <u>Improvements</u>
2010	\$ 17,296,500
2011	13,322,000
2012	14,222,000
2013	12,722,000
2014	10,572,000
2015	<u>10,550,000</u>
	<u><u>\$ 78,684,500</u></u>

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009**

Table 32 - Electric Light and Power System Revenue Bond Debt Service Requirements

Fiscal Year Ending September 30	Outstanding Revenue Debt		
	Principal ⁽¹⁾	Interest	Total
2010	\$ 1,715,000	700,945	2,415,945
2011	1,705,000	624,848	2,329,848
2012	1,360,000	547,595	1,907,595
2013	1,360,000	484,450	1,844,450
2014	1,360,000	420,290	1,780,290
2015	1,360,000	355,000	1,715,000
2016	1,360,000	288,810	1,648,810
2017	1,360,000	224,700	1,584,700
2018	1,360,000	159,460	1,519,460
2019	900,000	94,220	994,220
2020	460,000	48,300	508,300
2021	460,000	24,150	484,150
	<u>\$ 14,760,000</u>	<u>3,972,768</u>	<u>18,732,768</u>

⁽¹⁾ Principal paid October 15th of each year.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

Table 33 - Lubbock Power & Light Condensed Statement of Operations

	Fiscal Year Ended September 30				
	2009	2008	2007	2006	2005
REVENUE					
Operating Revenues					
Charges for Services	\$ 132,731,430	153,071,017	145,953,649	212,074,481	179,759,626
Non-Operating Income	2,072,874	5,366,811	6,465,340	2,642,333	372,892
Gross Revenues	<u>134,804,304</u>	<u>158,437,828</u>	<u>152,418,989</u>	<u>214,716,814</u>	<u>180,132,518</u>
OPERATING EXPENSE					
Personnel Services	13,388,165	12,305,453	13,763,044	10,718,282	9,921,315
Supplies	971,049	1,196,956	1,041,200	884,891	585,433
Maintenance	2,157,774	1,841,172	3,026,095	1,907,683	1,575,709
Power Plant Fuel	767,717	638,140	509,539	1,118,618	1,754,558
Gas Swap			12,813,521	72,572,034	62,143,072
Purchased Power	76,193,108	112,214,828	89,538,070	94,163,377	83,082,557
Uncollectible Accounts			-	589,728	-
Other Charges	4,006,516	3,819,293	5,210,063	4,072,409	5,007,907
Total Operating Expenses	<u>97,484,329</u>	<u>132,015,842</u>	<u>125,901,532</u>	<u>186,027,022</u>	<u>164,070,551</u>
Net Revenues ⁽¹⁾	<u>\$ 37,319,975</u>	<u>26,421,986</u>	<u>26,517,457</u>	<u>28,689,792</u>	<u>16,061,967</u>
Electric Connections	74,930	72,949	71,489	68,840	66,227

⁽¹⁾ The statement of operations shown above represents amounts legally available for the payment of LP&L debt service, but does not take into account all transfers from LP&L to the City's General Fund.

**City of Lubbock, TX
 Finance Department
 Continuing Disclosure Report
 Fiscal Year Ended September 30, 2009**

Table 34 - Lubbock Power & Light Coverage and Fund Balances

Electric Light and Power System Revenue Available, September 30, 2009	\$ 37,319,975	
Electric Light and Power System Revenue Bonds Outstanding	\$ 14,760,000	
Average Annual Principal and Interest Requirements, 2010-2021	1,561,064	
Coverage by Net Revenues, Fiscal Year Ended September 30, 2009	23.91	X
Maximum Principal and Interest Requirements, 2010-2021	2,415,945	
Coverage by Net Revenues, Fiscal Year Ended September 30, 2008	15.45	X
Interest and Sinking Fund, September 30, 2009	4,304,441	
Reserve Fund, ⁽¹⁾ September 30, 2009	1,769,464	

⁽¹⁾ For LP&L's revenue bonds, the City covenants to maintain in the Reserve Portion of the Bond Fund a Required Reserve of not less than the average annual principal and interest requirements of all Bonds Similarly Secured, which will be calculated each fiscal year.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

Table 35 - Lubbock's Equity in LP&L

	Fiscal Year Ended September 30				
	2009	2008	2007	2006	2005
Property, Plant and Equipment	\$ 265,953,287	265,347,620	254,720,000	243,064,820	227,286,916
Less: Allowance for depreciation	(126,733,351)	(126,673,526)	(118,192,554)	(109,872,651)	(100,389,815)
	<u>139,219,936</u>	<u>138,674,094</u>	<u>136,527,446</u>	<u>133,192,169</u>	<u>126,897,101</u>
Construction in Progress	<u>15,766,414</u>	<u>14,207,964</u>	<u>10,295,363</u>	<u>8,814,299</u>	<u>12,248,738</u>
Net Fixed Asset Value	<u>154,986,350</u>	<u>152,882,058</u>	<u>146,822,809</u>	<u>142,006,468</u>	<u>139,145,839</u>
Plus:					
Capital Projects Fund		-	-	-	-
Permanent Capital Maintenance Fund	4,213,325	3,873,363	7,632,149	2,250,221	1,912,705
System Improvement Fund		-	-	-	-
Economic Development Fund		-	-	-	-
Rate Stabilization		-	-	-	-
Advance to Other Funds		-	-	-	-
Deferred Charge	2,677,777	2,811,110	2,944,444	3,077,777	3,211,110
Working Capital	<u>72,104,336</u>	<u>54,118,821</u>	<u>44,324,568</u>	<u>25,590,904</u>	<u>7,770,009</u>
Value of the System	<u>233,981,788</u>	<u>213,685,352</u>	<u>201,723,970</u>	<u>172,925,370</u>	<u>152,039,663</u>
<u>Net Bond Debt</u>					
Bonds Outstanding	81,840,943	79,821,135	76,541,580	70,993,110	70,126,763
Less: Interest and Sinking Fund & Reserve Fund	(6,073,904)	(5,974,427)	(4,931,884)	(4,413,375)	(6,373,336)
	<u>75,767,039</u>	<u>73,846,708</u>	<u>71,609,696</u>	<u>66,579,735</u>	<u>63,753,427</u>
Plus:					
Accrued Revenue Bond Interest	1,189,639	1,217,841	1,288,005	1,405,988	1,236,712
Accrued Vacation and Sick Leave	2,566,369	2,447,686	2,482,678	2,462,213	2,343,949
Arbitrage Rebate Liability	38,455	72,702	72,193	11,338	-
Net Outstanding Bonds	<u>79,561,502</u>	<u>77,584,937</u>	<u>75,452,572</u>	<u>70,459,274</u>	<u>67,334,088</u>
City's Equity in System	<u>\$ 154,458,741</u>	<u>136,173,117</u>	<u>126,271,399</u>	<u>100,107,665</u>	<u>83,358,338</u>
Percentage City's Equity in System	66.01%	63.73%	62.60%	57.89%	54.83%

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009**

Table 36 - Monthly Electric Rates

Electric rates in the City are approved by the Electric Utility Board and then set by an ordinance adopted by the City Council. Beginning June, 2007, LP&L implemented new rates which are the same as those for Xcel Energy except for the Church rate, Street Light rate, and a minor revision in the Small General Service rate to allow certain sports field lighting to qualify and minor variations in billing policies. In addition, LP&L offers a discount to ensure that all LP&L customers pay less than the rate charged by Xcel Energy.

Approximately 58% of LP&L customers are billed under the Standard Residential rate schedule shown below with another 30% qualifying for a discounted winter residential rate by having whole house electric heating. Approximately 6.3% of LP&L customers are billed under the Small General Service rate schedule shown below. Other rate schedules are available for customers including School, Secondary General Service, Primary General Service, Transmission General Service, Municipal, Street Light, Church and Small Municipal/School.

	Residential	
Service Availability Charge		\$ 5.60 per month

All kilowatt hours ("kWh") per month @ \$0.053550 per kWh used during summer months.

All kWh per month @ \$0.043930 per kWh used during winter months (Standard Residential Rate)

All kWh per month @ \$0.033470 per kWh used during winter months (Space Heating Discount Residential Rate)

Summer Months: June - September

Winter Months: October - May

Plus: Fuel/Power Cost Adjustment Factor ⁽¹⁾

	Small General Service	
Service Availability Charge		\$ 10.91 per month

All kilowatt hours ("kWh") per month @ \$0.044450 per kWh used during summer months.

All kWh per month @ \$0.035040 per kWh used during winter months.

Summer Months: June - September

Winter Months: October - May

Plus: Fuel/Power Cost Adjustment Factor ⁽¹⁾

⁽¹⁾ FUEL/POWER COST

ADJUSTMENT FACTORS

APPLICABLE: To all rate classes except State University

TERRITORY: Lubbock, Texas

SECONDARY DISTRIBUTION FUEL COST ADJUSTMENT FACTOR: The Secondary Distribution Fuel Cost Adjustment factor (SFCA) will be determined in accordance with the following formula for retail customers when service is metered at secondary voltages of approximately 600 volts and below:R

$$SFCA = (TGF + TWF +/- TA)/TES$$

TGF = Estimated total generation fuel costs, inclusive of all costs incurred by LP&L in procuring fuel, used for the month in LP&L's power plants to provide power to retail customers.

TWF = Estimated total of all wholesale purchased power fuel costs, including the cost of any wind energy in excess of the average cost of energy purchased, to be passed on to LP&L for the month to provide power to retail customers.

TA = Total adjustment for any under or over collected amounts, including interest, based on the secondary fuel cost adjustment factor from previous months.

TES = Estimated total energy sales in kWhs to retail customers.

PRIMARY DISTRIBUTION FUEL COST ADJUSTMENT FACTOR: The Primary Distribution Fuel Cost Adjustment factor (PFCA) will be

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2009

PRIMARY DISTRIBUTION FUEL COST ADJUSTMENT FACTOR: The Primary Distribution Fuel Cost Adjustment factor (PFCA) will be determined in accordance with the following formula for retail customers when service is metered at primary voltages of approximately 12kV:

$$PFCA = 0.987440 \times SFCA$$

TRANSMISSION FUEL COST ADJUSTMENT FACTOR: The Transmission Fuel Cost Adjustment factor (TFCA) will be determined in accordance with the following formula for retail customers when service is metered at transmission voltages of approximately 69kV:

$$TFCA = 0.941347 \times SFCA$$

POWER COST ADJUSTMENT FACTOR: The Power Cost Adjustment Factor (PCAF) will be determined in accordance with the following formula for retail customers in order to recover purchased power costs, including wind energy, cogeneration purchases, and similar costs incurred through any wholesale purchases, that are considered to be in excess of amounts recovered in the base rates. For customers on a non-demand rate, the resulting power cost adjustment factor may be combined with the appropriate fuel cost adjustment factor for billing purposes. For customers on a demand rate, the power cost adjustment factor will be a separate charge.

$$PCAF = ((TPP +/- TA) * DAF) / (TES \text{ or } TDS)$$

TPP = Estimated total of all purchased power costs for the month in excess of amounts recovered in the base rates.

TA = Total adjustment for any under or over collected amounts, including interest, of the power cost recovery factor from previous months.

TES = Estimated total energy sales in kWhs to retail customers on a non-demand rate.

TDS = Estimated total demand sales in kW to retail customers on a demand rate.

DAF = Demand allocation factor for each rate class as shown:

Rate Class Demand Allocation Factor

Residential 0.307514

Small General Service 0.028577

Commercial/Industrial 0.630790

Small Municipal & School 0.001137

Large Municipal & School 0.028265

Street Lighting 0.003716

Total 1.000000

FUEL/POWER COST ADJUSTMENT: For competitive purposes, without further action being taken by the City Council of the City of Lubbock, Lubbock Power & Light may adjust the total Fuel/Power Cost Adjustment Factor, so that the total Fuel/Power Cost Adjustment Factor is no greater than all applicable fuel and power cost recovery factors charged by any electric utility certificated to serve within the corporate limits of Lubbock, Texas and approved by the Public Utility Commission of the State of Texas. Such factors may include but not be limited to base fuel factors, surcharge factors, surcharge interest factors, refunds, and power cost recovery factors.

EFFECTIVE DATE: For all electric meters read by LP&L on or after June 1, 2007.