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City of Lubbock, Texas
General Obligation Refunding Bonds, Series 2014
Tax and Waterworks System Surplus Revenue Certificates of Obligation, Series 2014
Electric Light and Power System Revenue Improvement Bonds, Series 2014

Timetable*

2014

| February | | | | | | | March | | | | | | | April | | | | | | | May | | | | | | |
|----------|----|----|----|----|----|----|-------|----|----|----|----|----|----|-------|----|----|----|----|----|----|-----|----|----|----|----|----|----|
| S | M | T | W | T | F | S | S | M | T | W | T | F | S | S | M | T | W | T | F | S | S | M | T | W | T | F | S |
| | | | | | | 1 | | | | | | | 1 | | | 1 | 2 | 3 | 4 | 5 | | | | | 1 | 2 | 3 |
| 2 | 3 | 4 | 5 | 6 | 7 | 8 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 9 | 10 | 11 | 12 | 13 | 14 | 15 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 11 | 12 | 13 | 14 | 15 | 16 | 17 |
| 16 | 17 | 18 | 19 | 20 | 21 | 22 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 18 | 19 | 20 | 21 | 22 | 23 | 24 |
| 23 | 24 | 25 | 26 | 27 | 28 | | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 27 | 28 | 29 | 30 | | | | 25 | 26 | 27 | 28 | 29 | 30 | 31 |
| | | | | | | | 30 | 31 | | | | | | | | | | | | | | | | | | | |

| | |
|------------------|--|
| Financing | City of Lubbock, Texas - Issuer |
| Team | RBC Capital Markets, LLC - Financial Advisor |
| Members | Andrews Kurth LLP - Bond Counsel |

| Date | Action | Responsibility |
|------------------|---|--------------------|
| 20-Feb-14 | City Staff Review Preliminary Financing Plan | CITY, RBC |
| 20-Feb-14 | Request for Information sent to City | RBC |
| 27-Feb-14 | Council Meeting - Adopt Notice of Intention | CITY, AK |
| 04-Mar-14 | Publish CO & LP&L Notices of Intent for first time | CITY |
| 07-May-14 | Request for Information returned to RBC | CITY |
| 11-Mar-14 | Publish CO & LP&L Notices of Intent for second time | CITY |
| 18-Mar-14 | Publish LP&L Notice of Intent for third time | CITY |
| 19-Mar-14 | Distribute Draft Preliminary Official Statements ("POS") for Comments | RBC |
| 19-Mar-14 | Send POS and Credit Information to Credit Rating Agencies | CITY, RBC |
| 25-Mar-14 | Publish LP&L Notice of Intent for fourth time | CITY |
| 28-Mar-14 | Conference Call Meetings with Credit Rating Agencies | CITY, RBC |
| 28-Mar-14 | Receive Comments on Draft POS | All Parties |
| 01-Apr-14 | Publish LP&L Notice of Intent for fifth time | CITY |
| 08-Apr-14 | Receive Ratings | CITY, RBC |
| 10-Apr-14 | Council Meeting - Action Item Approve Parameters Ordinance Authorizing Issuance of Obligations | All Parties |
| 15-Apr-14 | Distribute POS to Potential Purchasers | CITY, RBC |
| 22-Apr-14 | Negotiated Sale - Pricing of Obligations | All Parties |
| 22-Apr-14 | Pricing Certificate Executed by Designated City Representative (Interest Rates Locked) | All Parties |
| 23-Apr-14 | Distribute Final Official Statements ("FOS") for Comments | RBC |
| 25-Apr-14 | Submit Documents to Attorney General for Approval | AK |
| 29-Apr-14 | Receive Comments, Finalize & Distribute FOS | All Parties |
| 13-May-14 | Closing - Transfer of Funds - Obligations Delivered | All Parties |

*Preliminary, subject to change. As of February 14, 2014.



RBC Capital Markets®



City of Lubbock, TX
Finance Department
Ratings Agency Presentation
Project Funding Summary by Issue

| Fund | Project | Issuance Amount | Funding Term |
|---|--|-------------------|--------------|
| Tax and Waterworks System Surplus Revenue Certificates of Obligation, Series 2014: | | | |
| Airport | Runway 17R/35L Construction Phase II | \$ 2,638,446 | |
| | | <u>2,638,446</u> | |
| Central Business District TIF | Underground Utilities | 2,472,148 | |
| | | <u>2,472,148</u> | |
| Parks and Recreation | Park Playground Replacement | 793,163 | |
| | Mose Hood Park Restroom | 300,000 | |
| | | <u>1,093,163</u> | |
| Gateway Streets | 98th Street - University Avenue to US 87 | 1,560,348 | |
| | | <u>1,560,348</u> | |
| Internal Services | Upgrade 800 MHZ Radio System to P25 Compliance | 3,490,000 | 10 Year |
| | | <u>3,490,000</u> | |
| Public Safety | Multi-Company Fire Station No. 19 | 1,000,000 | |
| | Animal Shelter Expansion | 400,000 | |
| | | <u>1,400,000</u> | |
| Public Works | Sign Upgrades and Replacement | 150,000 | |
| | Communication System Expansion | 350,000 | |
| | Traffic Signals/Controllers | 300,000 | 10 Year |
| | Street Maintenance Program | 9,622,300 | 10 Year |
| | | <u>10,422,300</u> | |
| Solid Waste | Southside Building Expansion | 275,380 | |
| | | <u>275,380</u> | |

City of Lubbock, TX
Finance Department
Ratings Agency Presentation
Project Funding Summary by Issue

| Fund | Project | Issuance Amount | Funding Term |
|---|--|------------------------|---------------------|
| Wastewater | Sewer Line Replacement | 390,000 | |
| | Sewer Lines Ahead of Street Paving | 250,000 | |
| | SEWRP Solids Handling Facility Replacements | 38,033,565 | |
| | South Lubbock Sanitary Sewer Expansion Phase II | 1,000,000 | |
| | Office/Warehouse Replacement Facility | 1,250,000 | |
| | SEWRP Emergency Generator and Switch Gear | 926,517 | 10 Year |
| | Water Reclamation Plant Replacements | 300,000 | 10 Year |
| | | 42,150,082 | |
| Water | Water Line Replacement | 500,000 | |
| | Water Lines Ahead of Street Pavings | 800,000 | |
| | Pump Station Emergency Electric Generators | 1,387,128 | |
| | South Lubbock Water Treatment Plant Expansion | 1,000,000 | |
| | Electrical Distribution Oil Contact Recloser Units | 250,000 | |
| | Office/Warehouse Facility Replacement | 1,250,000 | |
| | Water Meter Replacements | 450,000 | 10 Year |
| | Locate and Replace Water Valves | 700,000 | 10 Year |
| | | 6,337,128 | |
| | Total Funding | \$ 71,838,995 | |
| LP&L Revenue Bonds, Series 2014: | | | |
| Lubbock Power and Light | 230 kV Transmission Loop | 6,300,000 | |
| | Substation Land Acquisition | 2,000,000 | |
| | Cooke Station Outage, Long-Term | 1,250,000 | |
| | Massengale Outage, Long-Term | 850,000 | |
| | FY 2013-14 Distribution Transformers | 2,400,000 | 10-Year |
| | FY 2013-14 Underground Electric | 2,400,000 | 10-Year |
| | FY 2013-14 Overhead Lines | 1,055,000 | 10-Year |
| | Cooke Station Outage, Medium-Term | 750,000 | 10-Year |
| | Massengale Outage, Medium-Term | 350,000 | 10-Year |
| | Total Funding | \$ 17,355,000 | |

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Tax and Waterworks System Surplus Revenue Certificates of Obligation, Series 2014
Projects Funded by this Issue

AIRPORT

Runway 17R/35L Construction Phase II Funded by 2014 CO: \$2,638,446

Phase II of the rehabilitation of the airport's primary runway including construction observation services, surveying and testing fees, and construction services.

CENTRAL BUSINESS DISTRICT TIF

Underground Utilities Funded by 2014 CO: \$2,472,148

Design, relocation of the utilities underground, and upgrade of public utility infrastructure in downtown Lubbock as recommended by the Downtown Redevelopment Plan.

PARKS AND RECREATION

Park Playground Replacement Funded by 2014 CO: \$793,163

Replace old, worn, weathered, cracked, and rusted playground equipment with new colorful, metal, multi-activity choices for park user of all ages. The renovation includes installation of perimeter sidewalks and resilient safety surfacing.

Mose Hood Park Restroom Funded by 2014 CO: \$300,000

Installation of a pre-cast concrete restroom including site work, plumbing, and electrical at Mose Hood Park. The location of the restroom is in the flood plain; therefore dirt work will be required to raise the facility above the flood line.

GATEWAY STREETS

98th Street – University Avenue to US 87 Funded by 2014 CO: \$1,560,348

Replace the current strip paving with a T-2 thoroughfare with six travel lanes, continuous left turn lane, and full intersection located at Avenue P. Traffic signals will be required at the Avenue P and 98th street intersection. Street lighting, drainage features, and pedestrian access will be constructed with this project.

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Tax and Waterworks System Surplus Revenue Certificates of Obligation, Series 2014
Projects Funded by this Issue

INTERNAL SERVICES

Upgrade 800 MHZ Radio System to P25 Compliance - 10 Year Funded by 2014 CO: \$3,490,000

Upgrade the City radio system to P25 compliance. Phase II consists of adding a backup network server switch, five C3 radio dispatch consoles, five 800MHZ master V channels to the west tower, five master V channels to the primary site, changing 505 non-P25 compliant radios to P25 compliant radios, and upgrading 273 radios to P25 compliance.

PUBLIC SAFETY

Multi-Company Fire Station #19 Funded by 2014 CO: \$1,000,000

Construction of a multi-company fire station and CPAT building. The fire station will serve the area south of 98th Street between Frankford Avenue and Alcove Avenue south of FM 1585. The fire station will be located at 5826 98th Street.

Animal Shelter Expansion Funded by 2014 CO: \$400,000

Addition of one pod to the new animal shelter to provide space for additional animals. Also includes video equipment for the animal shelter facility and vehicles, and telephone recording system for Animal Shelter, water dispatch, municipal court, and street dispatch.

PUBLIC WORKS

Sign Upgrades and Replacement Funded by 2014 CO: \$150,000

All signs poles in the City will be evaluated using the new Inventory System. Based on the results of the evaluation, school signs and pavement markings, and regulatory signs will be replaced throughout the City. Sign poles will also be replaced to the new “slip-base” standard.

Communication System Expansion Funded by 2014 CO: \$350,000

Expand the fiber communications for approximately 40 miles, and improve detection at 96 signalized intersections. The extension of the fiber communication will provide bandwidth for other city department facilities.

Traffic Signals/Controllers – 10 year Funded by 2014 CO: \$300,000

Install signals at un-signalized intersections and school zones as warranted, upgrade new controllers, and perform necessary repairs. Items include replacing crushed current conduit and wiring, rebuilding failing signal arm assemblies, and exchanging cabinets and signal assemblies.

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Tax and Waterworks System Surplus Revenue Certificates of Obligation, Series 2014
Projects Funded by this Issue

Street Maintenance Program – 10 Year

Funded by 2014 CO: \$9,622,300

Micro-surfacing, asphalt rejuvenation, asphalt milling, asphalt milling and overlay, full or partial depth pavement repair, total reconstruction, patching, crack sealing, concrete joint sealing, and brick street repair.

SOLID WASTE

Southside Office Building Expansion

Funded by 2014 CO: \$275,380

Design and expansion of the office building at 1631 84th Street to include wall removal and enclosing the open air section. Work would include floor replacement, wall structure, electrical work, roof, and concrete base.

WASTEWATER

Sewer Line Replacement

Funded by 2014 CO: \$390,000

Replacement of deteriorated or damaged sanitary sewer lines and manholes.

Sewer Lines Ahead of Street Paving

Funded by 2014 CO: \$250,000

Installation of sewer lines ahead of municipal, county, and state paving projects including but not limited to Gateway Paving Projects.

SEWRP Solids Handling Facility Replacements

Funded by 2014 CO: \$38,033,565

The project improves the wastewater treatment facilities so that the plant can produce a consistent supply of stream quality discharge into the North Fork of the Double Mountain Fork of the Brazos River. This project is one of the objectives of the Strategic Water Supply Plan adopted by the City Council in 2007 to utilize the City's effluent as a valuable water resource asset.

South Lubbock Sanitary Sewer Expansion Phase II

Funded by 2014 CO: \$1,000,000

Engineering and construction of large diameter sanitary sewer mains in South and Southwest Lubbock, as recommended by the Sewer Collection System Master Plan. The areas included are south of 114th Street and west of University Avenue.

Office/Warehouse Facility Renovation

Funded by 2014 CO: \$1,250,000

Renovation and repair of existing storm damaged facility which hosts wastewater and water staff to accommodate the function lost because of the weather event of June 6, 2013. The renovations and

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Tax and Waterworks System Surplus Revenue Certificates of Obligation, Series 2014
Projects Funded by this Issue

repairs include an office building as well as a warehouse structure. Estimated cost is \$2,100,000 for the office and \$400,000 for the warehouse, with Wastewater Fund and Water Fund sharing the cost.

SEWRP Emergency Generator and Switch Gear – 10 Year Funded by 2014 CO: \$926,517

Design and construct a generator facility to ensure electrical power to Lift Station 48 prior to the headworks and the Plant 4 intermediate lift station to maintain pump capacity during power outages. Design and install automatic switch gear on effluent pump station 2 to ensure automatic start of effluent pumps during power outages.

Water Reclamation Plant Replacements – 10 Year Funded by 2014 CO: \$300,000

Purchase and install new equipment; modify and/or rehabilitate existing equipment, facility, and piping system; and other major maintenance activities.

WATER

Water Line Replacement Funded by 2014 CO: \$500,000

Replace substandard and aging water lines.

Water Lines Ahead of Street Pavings Funded by 2014 CO: \$800,000

Relocate and install water lines ahead of municipal, county, and state paving projects and future development including but not limited to the Gateway Paving Project.

Pump Station Emergency Electric Generators Funded by 2014 CO: \$1,387,128

Design and install permanent stationary emergency electric generators with automatic switchover capabilities at the water booster pump stations.

South Lubbock Water Treatment Plant Expansion Funded by 2014 CO: \$1,000,000

Design and construction of additional membrane treatment process equipment at the South Lubbock Water Treatment Plant associated with the Lake Alan Henry Water Supply Project. This will increase the treatment capacity of the plant beyond the current 15 million gallons per day to 30 million gallons per day.

Electrical Distribution Oil Contact Recloser Units Funded by 2014 CO: \$250,000

Replacement of five electrical distribution oil contact recloser units along with the related control systems and ground fault trip indicators.

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Tax and Waterworks System Surplus Revenue Certificates of Obligation, Series 2014
Projects Funded by this Issue

Office/Warehouse Facility Renovation

Funded by 2014 CO: \$1,250,000

Renovation and repair of existing storm damaged facility which hosts wastewater and water staff to accommodate the function lost because of the weather event of June 6, 2013. The renovations and repairs include an office building as well as a warehouse structure. Estimated cost is \$2,100,000 for the office and \$400,000 for the warehouse, with Wastewater Fund and Water Fund sharing the cost.

Water Meter Replacements – 10 Year

Funded by 2014 CO: \$450,000

Purchase and installation of new water meters, water meter boxes with lids, and meter valves for existing and new customers.

Locate and Replace Water Valves – 10 Year

Funded by 2014 CO: \$700,000

Locate missing or broken valves and replace the valves or valve boxes as necessary to maintain accessibility to the water valves for operation of the water distribution system.

TOTAL 2014 CO:

\$71,838,995

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
LP&L Revenue Bonds, Series 2014
Projects Funded by this Issue

LUBBOCK POWER & LIGHT – 20 Year Term

230 kV Transmission Loop, Phase 1 Funded by LP&L Rev Bonds: \$6,300,000

The 230 kV loop will connect all four of Lubbock Power & Light's (LP&L) existing interconnection points with Xcel Energy. This phase will include new transmission lines from a future generation substation to the existing Wadsworth Substation. A second transmission line will be built between a new substation to the existing Holly Substation. (The new generation substation and new substation are funded in other capital projects in future years). Existing transmission lines will also be evaluated to determine if they can continue to adequately serve, or if they will need to be rebuilt. Costs include professional services (including studies, engineering design, right-of-way/easement acquisition assistance, geotechnical work, surveying, and public/community involvement), material, easements, construction, and construction management. The construction of the loop will ensure a reliable transmission system that will have the capability of moving new generation power around the city of Lubbock.

Substation Land Acquisition Funded by LP&L Rev Bonds: \$2,000,000

Purchase property for four new substations necessary for the 230 kV Transmission Loop project.

Cooke Station Outage, Long-Term – 20 Year Funded by LP&L Rev Bonds: \$1,250,000

Upgrades, repairs, replacements, and maintenance of Cooke Station, including the refurbishment of the Cooke 2 boiler and the purchase and installation of a motor control center.

Massengale Outage, Long-Term – 20 Year Funded by LP&L Rev Bonds: \$850,000

Upgrades, repairs, replacements, and maintenance of Massengale Station, including power plant safety upgrades and emergency power upgrades.

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
LP&L Revenue Bonds, Series 2014
Projects Funded by this Issue

LUBBOCK POWER & LIGHT – 10 Year Term

FY 2013-14 Distribution Transformers Funded by LP&L Rev Bonds: \$2,400,000

Purchase and installation of overhead transformers, pad mount transformers, switches, enclosures, and related equipment to be used to upgrade capacity or serve new customers in LP&L's service territory.

FY 2013-14 Underground Electric Funded by LP&L Rev Bonds: \$2,400,000

Purchase and installation of primary and/or secondary underground distribution lines to serve new and existing customers.

FY 2013-14 Overhead Lines Funded by LP&L Rev Bonds: \$1,055,000

Purchase and installation of primary and/or secondary overhead distribution lines, including poles, wire, insulators, ties, guys, and other equipment necessary to serve new and existing customers.

Cooke Station Outage, Medium-Term Funded by LP&L Rev Bonds: \$750,000

Upgrades, repairs, replacements, and maintenance of Cooke Station, including the overhaul of the Cooke 2 generator and the purchase and installation of perimeter lighting.

Massengale Outage, Medium-Term Funded by LP&L Rev Bonds: \$350,000

Upgrades, repairs, replacements, and maintenance of Massengale Station, including the refurbishment of six boilers.

TOTAL 2014 REVENUE BONDS **\$17,355,000**

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
January 2014

March 11, 2014

Lubbock Economic Index

The rate of year-over-year employment growth strengthened yet further in January; however, declines in other sectors of the Lubbock economy resulted in a slight decline in the Lubbock Economic Index for the month. The January 2014 Lubbock Economic Index fell to 139.1, down from the revised 139.3 in December, but up 4.9% from the revised January 2013 LEI of 132.6.

General spending flattened in January compared to year-ago levels, and the number of new housing construction permits was down sharply compared to January of last year. The monthly index decline in January represents the first month-to-month decline in the Lubbock Economic Index since January 2012.

CONCURRENT trends in two broad measures of the Lubbock economy best represent its current and ongoing health and status, and these are general consumer spending (retail sales) and payroll employment.

- General real (inflation-adjusted) taxable spending per sales tax receipts in January was down slightly compared to year-ago levels, off just less than a percent compared to the January 2013 real spending total, which in turn was up by over 6% compared to January of the prior year.

- Lubbock employment per the January estimate was up by a stout 4.0% compared to January 2013, which ranks among all Texas metro areas as the fourth highest rate of year-over-year growth for January, behind only Midland, Austin/San Marcos, and Bryan/College Station. The Lubbock unemployment rate declined sharply, falling to 4.3% down from 5.5% in January 2013, and the lowest January unemployment rate since 2008.

Auto sales remain extraordinarily strong moving in 2014 with inflation-adjusted spending on new and used automobiles up by nearly 13% compared to January of a year ago, which in turn was up by over 24% compared to January of the prior year.

The \$48 million in building permit valuations for the month of January represents the second-highest January total on record (behind the monster month of nearly \$60 million in January 2008), and is up by close to 4% compared to January of a year ago. And to surpass the January 2013 total is quite a feat, as value of building permits issued for the month was up by 143% compared to the January 2012 total. On balance, construction activity remains down slightly compared to the peak period achieved in 2008, but continues to narrow that gap.

The number of new single-family residential construction permits issued in January was actually quite respectable, but was down by some 33% compared to the January 2013 total. Home building permits spiked to 115 in January of last year, the highest January total on record and well more than double the total from January 2012. Residential housing construction (single-family) continues to fare well in the city after two strong years of recovery in 2012 and 2013.

The Lubbock residential real estate market remains impressive as well; the number of homes sold in January was up by only about 2.8% compared to January of a year ago, but that represents a new record, and the January 2013 sales total was up by over 45% compared to January of the prior year. The January monthly average price is also a new record, up by 1.5% compared to the January 2013 monthly average, which in turn was up by a whopping 13.5% compared to January 2012.

The employment data revisions tell us what we needed to know – that the general economic growth enjoyed in the city in 2013 was legitimized by employment growth that was actually even a bit stronger than the original estimates indicated. The Lubbock economy is poised to continue that growth in 2014, and there is every reason to believe that will be the case. The year 2014 should bring continued growth in spending and employment, along with declines in the unemployment rate. Some sectors, which posted dramatic growth in 2012 and 2013 (auto sales, home sales, total construction, for example), could easily flatten in 2014 in terms of the rate of growth. On balance, though, the Lubbock economy should continue to fare well in the coming year, and we look for 3-4% growth in the Lubbock Economic Index in 2014 compared to 2013.

Lubbock Consumer Price Index

Inflation generally remains a non-factor in Lubbock and elsewhere, with the Lubbock Consumer Price Index posting a 2.1% increase in January compared to January of a year ago, down from a 2.2% rate of year-over-year change in December.

The food and grocery sector of the Lubbock Consumer Price Index retreated in January after the December increase, falling to 2.1% for the month down from 2.3% in December.

The rate of change in the housing portion of the Lubbock CPI declined slightly again in January, dipping to 3.3%, compared to 3.5% in December. The rate of price increase in the energy/utilities sector of the Lubbock CPI fell again in January as well, declining to 1.6% compared to 1.8% in December.

The health care sector of the Lubbock CPI rose to 2.4% in January up from 2.3% in November and December. The year-over-year increase in the health care CPI at the US national level rose to 2.1% in January, up from 2.2% in December.

The rate of year-over-year price increase for various miscellaneous goods and services in Lubbock posted a slight increase in January, rising to 1.3% compared to 1.2% in December.

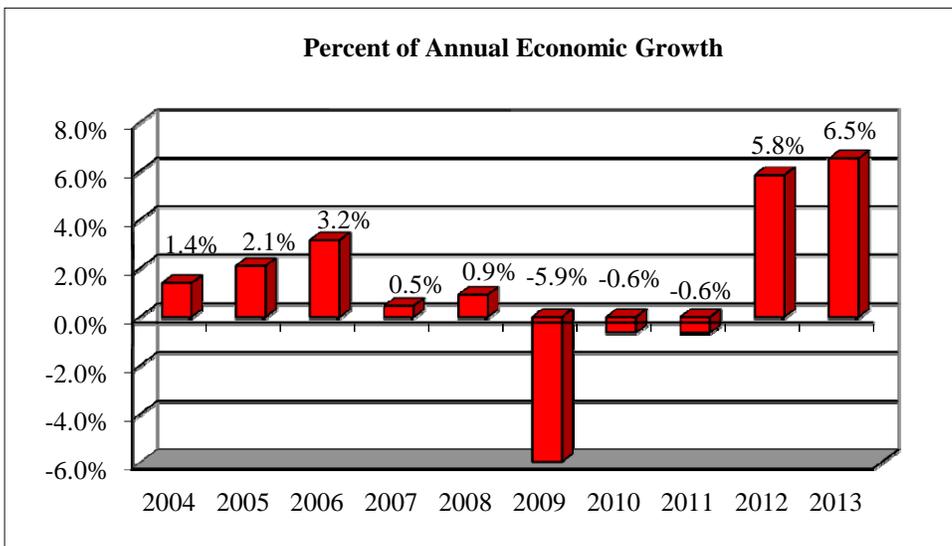
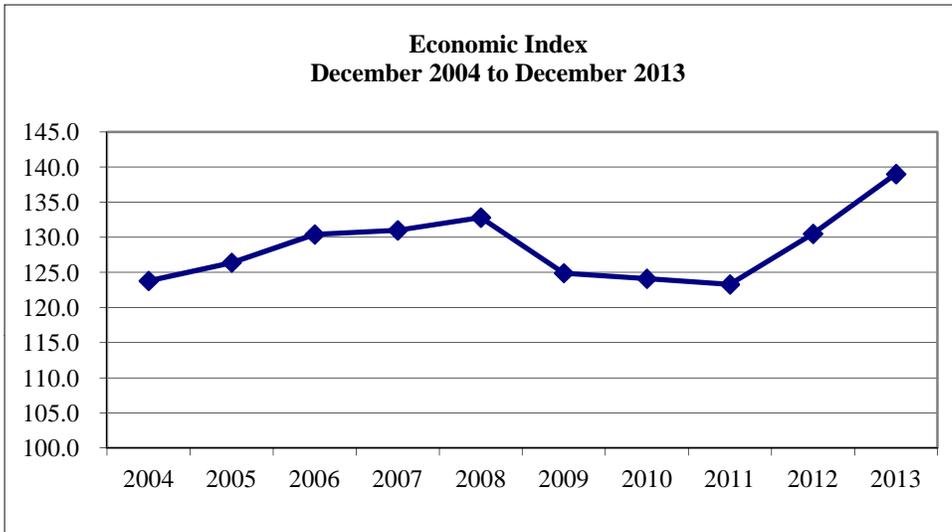
The rate of growth in the CPI-U (the US Consumer Price Index) remains well under 2%, but rose slightly in January to 1.6% compared to 1.5% in December. The CPI for the southern region of the US (which includes Texas) fell in January to 1.6%, down from 1.8% in December. The Dallas metro area CPI was updated in January, and dipped to 1.2% down from a revised 1.4% in November. The Houston metro area CPI was last updated in December, and jumped upward to 3.4% (revised from the original December estimate of 3.6%), compared to a revised 1.4% in October.

Prepared by:
InghamEcon, LLC
Karr Ingham, Economist

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Lubbock Economic Index Trends

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|-----------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Economic Index | 123.8 | 126.4 | 130.4 | 131.0 | 132.8 | 124.9 | 124.1 | 123.3 | 130.5 | 139.0 |
| % Annual Growth | 1.4% | 2.1% | 3.2% | 0.5% | 0.9% | -5.9% | -0.6% | -0.6% | 5.8% | 6.5% |

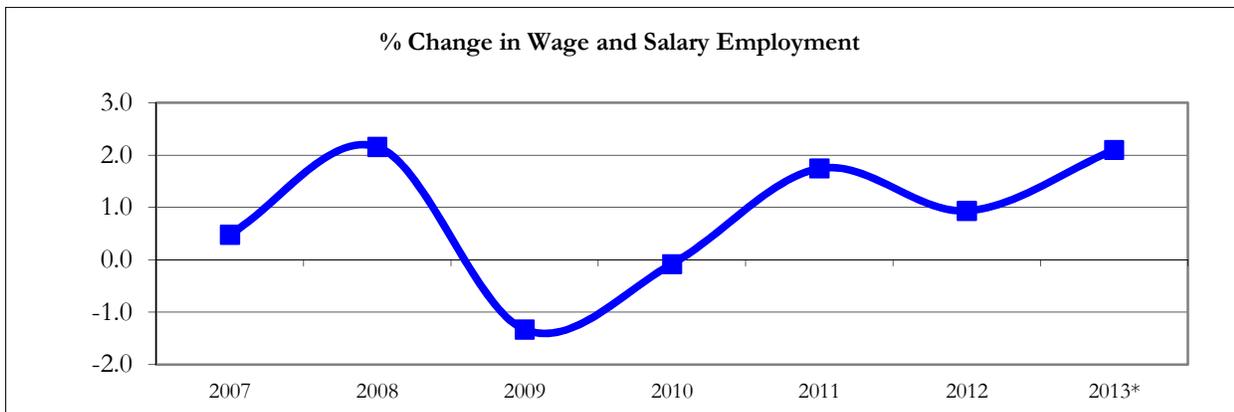
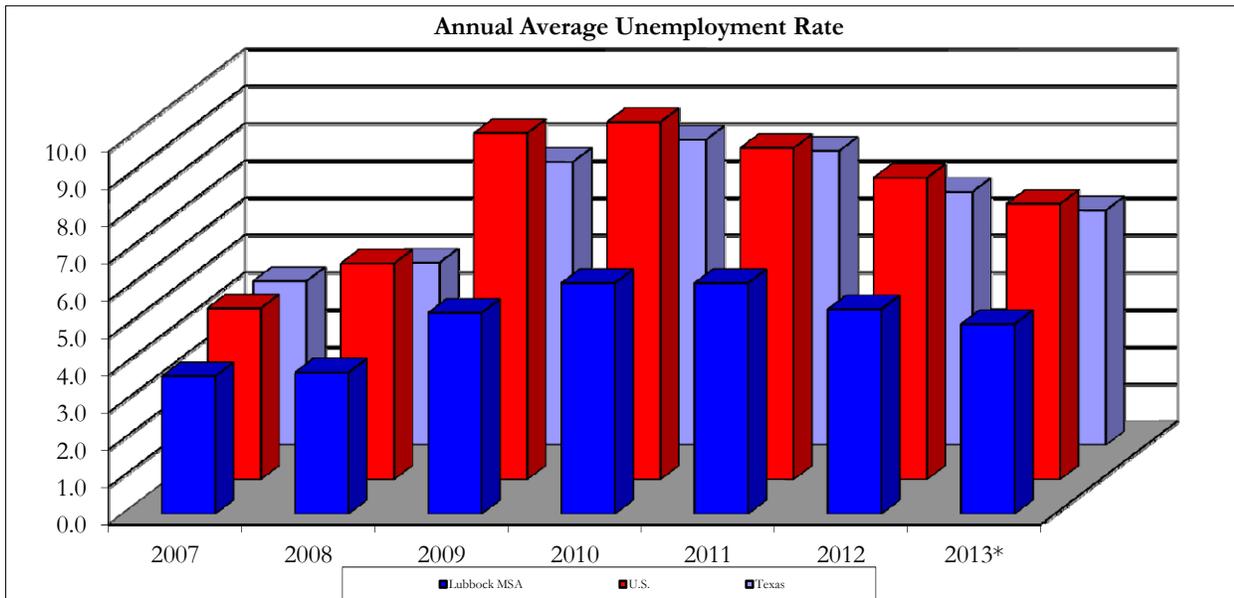
The Lubbock Economic Index at year-end was 139.0, a 6.5% increase from the year-end 2012 index.



Source: Ingham Economic Reporting

**City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Unemployment / Wage Salary Employment**

| Year | Lubbock MSA % Annual Avg. Unemployment | Texas % Annual Avg. Unemployment | U.S. % Annual Avg. Unemployment | Lubbock MSA Wage/Salary Employment** | Annual % Change in Wage/Salary |
|-------------|---|---|--|---|---|
| 2007 | 3.7 | 4.4 | 4.6 | 125,000 | 0.5 |
| 2008 | 3.8 | 4.9 | 5.8 | 127,700 | 2.2 |
| 2009 | 5.4 | 7.6 | 9.3 | 126,000 | -1.3 |
| 2010 | 6.2 | 8.2 | 9.6 | 125,900 | -0.1 |
| 2011 | 6.2 | 7.9 | 8.9 | 128,100 | 1.7 |
| 2012 | 5.5 | 6.8 | 8.1 | 129,300 | 0.9 |
| 2013* | 5.1 | 6.3 | 7.4 | 132,017 | 2.1 |



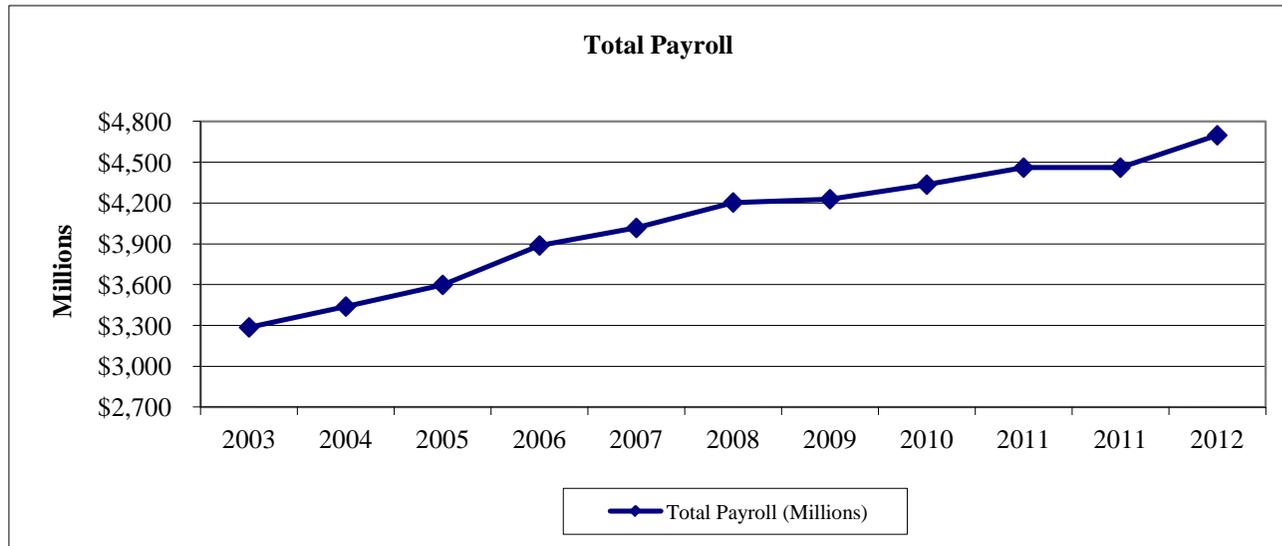
* 2013 figures are preliminary.

** Average Annual Lubbock MSA Wage/Salary Employment

Source: Texas Workforce Commission

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Total Payroll Trends

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2011 | 2012 |
|--------------------------|----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Total Payroll (Millions) | \$ 3,286 | 3,439 | 3,598 | 3,888 | 4,017 | 4,204 | 4,228 | 4,335 | 4,460 | 4,460 | 4,698 |



Source: Texas Workforce Commission, "Covered Employment and Wages" Lubbock County

Major Employers - Lubbock MSA
Employers with 500+ Full and Part-Time Employees

| Company Name | Type of Business | Employment |
|--|--|------------|
| Texas Tech University | University (includes locations at Reese Technology Center) | 4,994 |
| Covenant Health System | General Medical and Surgical Hospital | 2500-4999 |
| TTU Health Sciences Center | Health Sciences Center | 3,656 |
| Lubbock Independent School District | Elementary and Secondary Schools | 3,268 |
| United Supermarkets (Corporate Headquarters) | Supermarkets | 2,873 |
| University Medical Center | General Medical and Surgical Hospital | 2,816 |
| City of Lubbock | City Government | 2,221 |
| G Boren Services, Inc. | Staffing of career and temp employees/HR Consulting | 1000-2499 |
| Walmart Supercenter Stores | Retail (4 locations) | 1000-2499 |
| Lubbock County | County Government | 1,062 |
| Convergys Corporation | Call Center | 1,050 |
| Frenship Independent School District | Elementary and Secondary Schools | 962 |
| Lubbock State Supported Living Center - DADS | Residential Care-Mental Retardation | 500-999 |
| Texas Department of Criminal Justice | Psychiatric/Medical Facility | 500-999 |
| Caprock Home Health Services, Inc. | Home Health Care Services | 500-999 |
| Lubbock Cooper Independent School District | Elementary and Secondary Schools | 633 |
| Wells Fargo Bank | National Commercial Bank | 595 |
| Sonic Drive-In | Restaurants | 538 |

Source: City of Lubbock - Planning Department

City of Lubbock, TX
Finance Department
Historic Schedule of Sales Tax Receipts
Rating Agencies Presentation
Accrual Basis (Budget Basis) October 2005 through September 2013

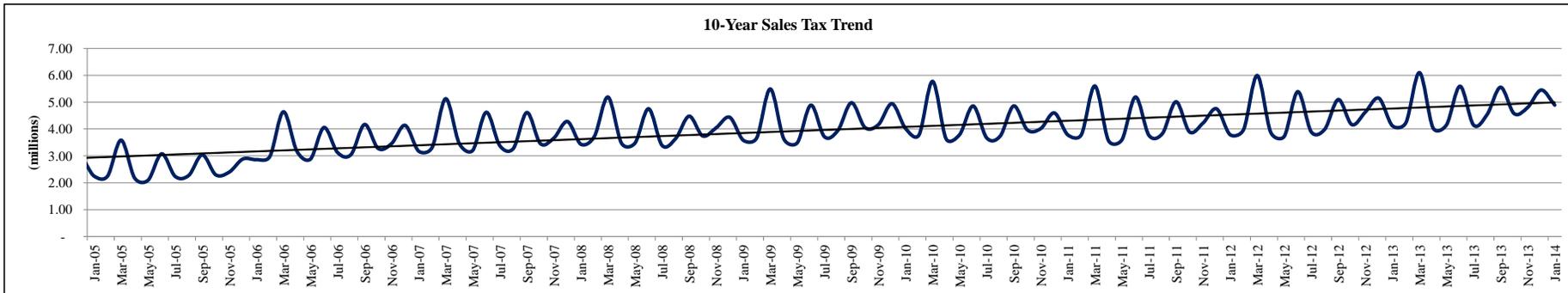
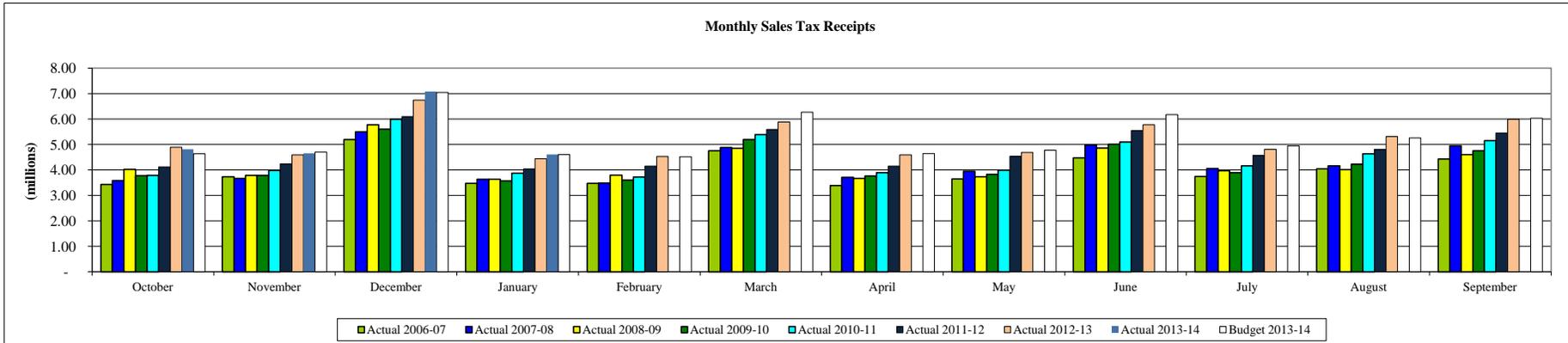
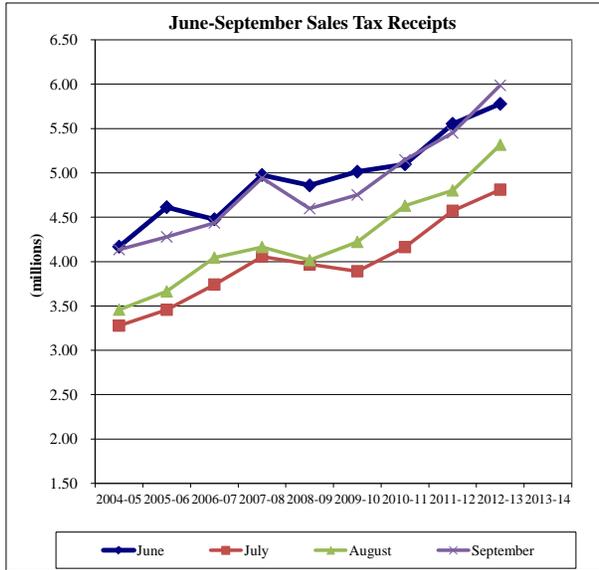
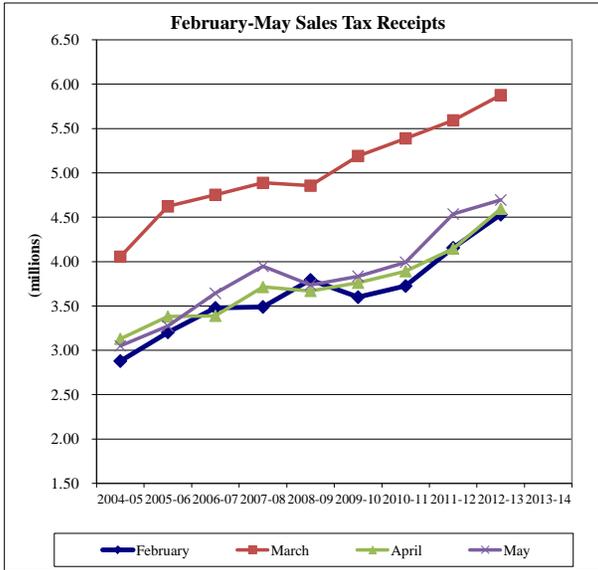
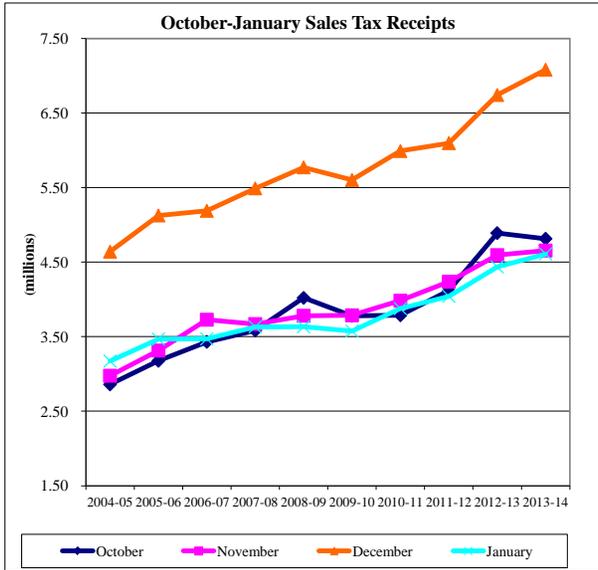
| Month Sales Tax Generated | Month Cash Received from State | Actual FY 2005-06 | Actual FY 2006-07 | Actual FY 2007-08 | Actual FY 2008-09 | Actual FY 2009-10 | Actual FY 2010-11 | Actual FY 2011-12 | Actual FY 2012-13 | Cumulative FY 2012-13 | 10-Year Avg Percentage of Total by Month | Original Budget | Increase/ (Decrease) Actual to Original Budget | Actual Variance to Original Budget | Increase/ (Decrease) 2013 to 2012 | Actual Variance to Prior Year |
|--------------------------------------|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------------|--|-------------------|--|------------------------------------|-----------------------------------|-------------------------------|
| Total Monthly Receipts | | | | | | | | | | | | | | | | |
| October | December | 3,176,246 | 3,431,212 | 3,582,754 | 4,021,040 | 3,780,708 | 3,787,418 | 4,118,037 | 4,889,803 | 4,889,803 | 7.25% | 4,192,453 | 16.63% | 697,350 | 18.74% | 771,767 |
| November | January | 3,314,349 | 3,727,737 | 3,669,718 | 3,781,251 | 3,787,074 | 3,982,923 | 4,238,324 | 4,594,445 | 9,484,249 | 7.36% | 4,255,743 | 7.96% | 338,702 | 8.40% | 356,121 |
| December | February | 5,126,416 | 5,189,327 | 5,490,193 | 5,772,705 | 5,602,648 | 5,991,285 | 6,097,390 | 6,742,681 | 16,226,930 | 11.18% | 6,461,604 | 4.35% | 281,077 | 10.58% | 645,291 |
| January | March | 3,467,896 | 3,471,437 | 3,632,050 | 3,633,696 | 3,575,658 | 3,877,565 | 4,042,029 | 4,437,437 | 20,664,366 | 7.27% | 4,201,712 | 5.61% | 235,725 | 9.78% | 395,407 |
| February | April | 3,203,213 | 3,477,929 | 3,488,993 | 3,792,682 | 3,598,979 | 3,724,404 | 4,154,660 | 4,529,399 | 25,193,766 | 7.07% | 4,083,448 | 10.92% | 445,952 | 9.02% | 374,740 |
| March | May | 4,621,167 | 4,752,697 | 4,887,133 | 4,855,318 | 5,190,167 | 5,388,566 | 5,591,584 | 5,876,670 | 31,070,436 | 9.86% | 5,696,469 | 3.16% | 180,201 | 5.10% | 285,086 |
| April | June | 3,380,161 | 3,388,621 | 3,713,103 | 3,669,270 | 3,760,854 | 3,891,235 | 4,146,681 | 4,594,101 | 35,664,537 | 7.30% | 4,218,247 | 8.91% | 375,853 | 10.79% | 447,419 |
| May | July | 3,273,778 | 3,641,973 | 3,947,159 | 3,737,916 | 3,834,410 | 3,992,453 | 4,535,916 | 4,693,889 | 40,358,426 | 7.52% | 4,346,799 | 7.98% | 347,090 | 3.48% | 157,973 |
| June | August | 4,613,488 | 4,476,895 | 4,976,284 | 4,858,604 | 5,013,565 | 5,097,106 | 5,553,549 | 5,778,082 | 46,136,508 | 9.72% | 5,617,419 | 2.86% | 160,663 | 4.04% | 224,533 |
| July | September | 3,457,175 | 3,741,581 | 4,056,088 | 3,969,230 | 3,891,265 | 4,163,452 | 4,573,004 | 4,810,929 | 50,947,437 | 7.77% | 4,491,574 | 7.11% | 319,355 | 5.20% | 237,925 |
| August | October | 3,664,246 | 4,045,613 | 4,163,924 | 4,015,761 | 4,221,761 | 4,630,080 | 4,802,128 | 5,316,836 | 56,264,273 | 8.17% | 4,721,814 | 12.60% | 595,022 | 10.72% | 514,708 |
| September | November | 4,278,449 | 4,435,425 | 4,941,466 | 4,597,829 | 4,751,295 | 5,146,278 | 5,450,491 | 5,985,856 | 62,250,129 | 9.52% | 5,504,092 | 8.75% | 481,764 | 9.82% | 535,365 |
| TOTAL | | 45,576,582 | 47,780,448 | 50,548,865 | 50,705,301 | 51,008,384 | 53,672,766 | 57,303,792 | 62,250,129 | | 100.00% | 57,791,375 | 7.72% | 4,458,754 | 8.63% | 4,946,336 |
| Increase over prior year* | | 9.03% | 4.84% | 5.79% | 0.31% | 0.60% | 5.22% | 6.77% | 8.63% | | | | 0.85% | | | |
| General Fund Monthly Receipts | | | | | | | | | | | | | | | | |
| October | December | 2,909,967 | 3,145,278 | 3,284,191 | 3,685,954 | 3,465,649 | 3,471,803 | 3,774,867 | 4,482,320 | 4,482,320 | 7.25% | 3,845,703 | 16.55% | 636,617 | 18.74% | 707,453 |
| November | January | 3,039,764 | 3,417,092 | 3,363,908 | 3,466,147 | 3,471,484 | 3,651,013 | 3,885,130 | 4,211,575 | 8,693,895 | 7.36% | 3,903,759 | 7.89% | 307,816 | 8.40% | 326,445 |
| December | February | 4,699,570 | 4,756,883 | 5,032,677 | 5,291,646 | 5,135,761 | 5,492,011 | 5,589,274 | 6,180,791 | 14,874,685 | 11.18% | 5,927,177 | 4.28% | 253,614 | 10.58% | 591,517 |
| January | March | 3,178,021 | 3,182,151 | 3,329,379 | 3,330,888 | 3,277,686 | 3,554,435 | 3,705,194 | 4,067,650 | 18,942,336 | 7.27% | 3,854,196 | 5.54% | 213,454 | 9.78% | 362,457 |
| February | April | 2,936,222 | 3,188,101 | 3,198,244 | 3,476,625 | 3,299,064 | 3,414,037 | 3,808,438 | 4,151,949 | 23,094,285 | 7.07% | 3,745,713 | 10.85% | 406,236 | 9.02% | 343,511 |
| March | May | 4,236,373 | 4,356,639 | 4,479,872 | 4,450,708 | 4,757,653 | 4,939,519 | 5,125,619 | 5,386,948 | 28,481,233 | 9.86% | 5,225,325 | 3.09% | 161,623 | 5.10% | 261,329 |
| April | June | 3,097,932 | 3,106,236 | 3,403,678 | 3,363,498 | 3,447,450 | 3,566,966 | 3,801,125 | 4,211,259 | 32,692,492 | 7.30% | 3,869,364 | 8.84% | 341,895 | 10.79% | 410,134 |
| May | July | 3,005,022 | 3,338,475 | 3,618,229 | 3,426,423 | 3,514,876 | 3,659,749 | 4,157,923 | 4,302,732 | 36,995,223 | 7.52% | 3,987,284 | 7.91% | 315,448 | 3.48% | 144,809 |
| June | August | 4,230,314 | 4,103,821 | 4,561,593 | 4,453,720 | 4,595,768 | 4,672,347 | 5,090,754 | 5,296,575 | 42,291,799 | 9.72% | 5,152,813 | 2.79% | 143,762 | 4.04% | 205,822 |
| July | September | 3,167,914 | 3,429,783 | 3,718,080 | 3,638,461 | 3,566,993 | 3,816,497 | 4,191,921 | 4,410,018 | 46,701,817 | 7.77% | 4,120,085 | 7.04% | 289,934 | 5.20% | 218,098 |
| August | October | 3,356,717 | 3,708,478 | 3,816,931 | 3,681,114 | 3,869,948 | 4,244,240 | 4,401,950 | 4,873,766 | 51,575,583 | 8.17% | 4,331,282 | 12.52% | 542,484 | 10.72% | 471,816 |
| September | November | 3,920,718 | 4,065,806 | 4,529,677 | 4,214,677 | 4,355,354 | 4,717,422 | 4,996,283 | 5,487,035 | 57,062,618 | 9.52% | 5,048,859 | 8.68% | 438,175 | 9.82% | 490,751 |
| TOTAL | | 41,778,533 | 43,798,744 | 46,336,460 | 46,479,860 | 46,757,685 | 49,200,039 | 52,528,476 | 57,062,618 | | 100.00% | 53,011,559 | 7.64% | 4,051,059 | 8.63% | 4,534,142 |
| LEDA Monthly Receipts | | | | | | | | | | | | | | | | |
| October | December | 266,279 | 285,934 | 298,563 | 335,087 | 315,059 | 315,615 | 343,170 | 407,484 | 407,484 | 7.25% | 346,750 | 17.52% | 60,734 | 18.74% | 64,314 |
| November | January | 274,585 | 310,645 | 305,810 | 315,104 | 315,589 | 331,910 | 353,194 | 382,870 | 790,354 | 7.36% | 351,985 | 8.77% | 30,886 | 8.40% | 29,677 |
| December | February | 426,845 | 432,444 | 457,516 | 481,059 | 466,887 | 499,274 | 508,116 | 561,890 | 1,352,244 | 11.18% | 534,427 | 5.14% | 27,463 | 10.58% | 53,774 |
| January | March | 289,875 | 289,286 | 302,671 | 302,808 | 297,971 | 323,130 | 336,836 | 369,786 | 1,722,031 | 7.27% | 347,516 | 6.41% | 22,271 | 9.78% | 32,951 |
| February | April | 266,991 | 289,827 | 290,749 | 316,057 | 299,915 | 310,367 | 346,222 | 377,450 | 2,099,480 | 7.07% | 337,734 | 11.76% | 39,716 | 9.02% | 31,228 |
| March | May | 384,794 | 396,058 | 407,261 | 404,610 | 432,514 | 449,407 | 465,965 | 489,723 | 2,589,203 | 9.86% | 471,144 | 3.94% | 18,578 | 5.10% | 23,757 |
| April | June | 282,229 | 282,385 | 309,425 | 305,773 | 313,405 | 324,270 | 345,557 | 382,842 | 2,972,045 | 7.30% | 348,883 | 9.73% | 33,958 | 10.79% | 37,285 |
| May | July | 268,755 | 303,498 | 328,930 | 311,493 | 319,534 | 332,704 | 377,993 | 391,157 | 3,363,202 | 7.52% | 359,516 | 8.80% | 31,642 | 3.48% | 13,164 |
| June | August | 383,174 | 373,075 | 414,690 | 404,884 | 417,797 | 424,759 | 462,796 | 481,507 | 3,844,709 | 9.72% | 464,606 | 3.64% | 16,901 | 4.04% | 18,711 |
| July | September | 289,262 | 311,798 | 338,007 | 330,769 | 324,272 | 346,954 | 381,084 | 400,911 | 4,245,620 | 7.77% | 371,490 | 7.92% | 29,421 | 5.20% | 19,827 |
| August | October | 307,529 | 337,134 | 346,994 | 334,647 | 351,813 | 385,840 | 400,177 | 443,070 | 4,688,689 | 8.17% | 390,532 | 13.45% | 52,537 | 10.72% | 42,892 |
| September | November | 357,731 | 369,619 | 411,789 | 383,152 | 395,941 | 428,857 | 454,208 | 498,821 | 5,187,511 | 9.52% | 455,233 | 9.57% | 43,588 | 9.82% | 44,614 |
| TOTAL | | 3,798,049 | 3,981,704 | 4,212,405 | 4,225,442 | 4,250,699 | 4,472,728 | 4,775,316 | 5,187,511 | | 100.00% | 4,779,816 | 8.53% | 407,695 | 8.63% | 412,195 |

*Sales tax has been adjusted for the sales tax increase of 3/8 cents (1/8 cent for LEDA and 2/8 cent for property tax reduction)

City of Lubbock, TX
Finance Department
Historic Schedule of Sales Tax Receipts
Rating Agencies Presentation
Accrual Basis (Budget Basis) October 2006 through January 2014

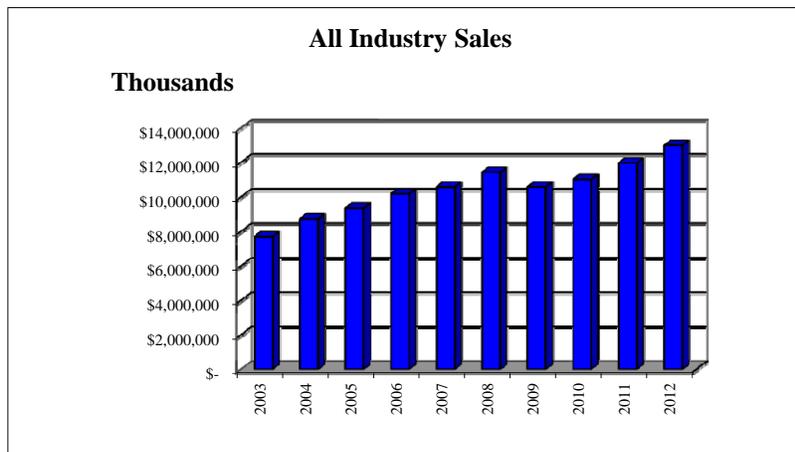
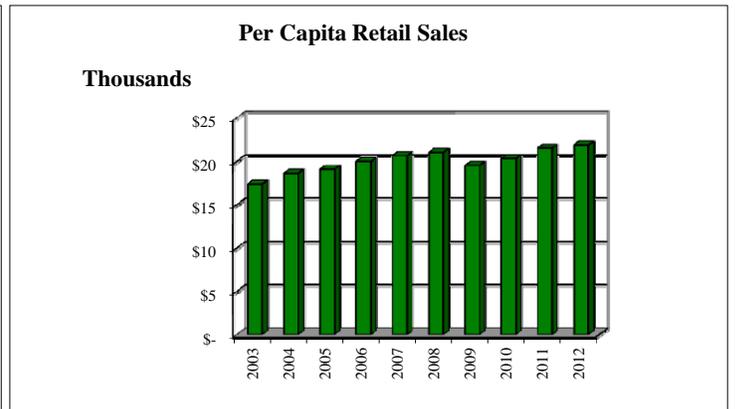
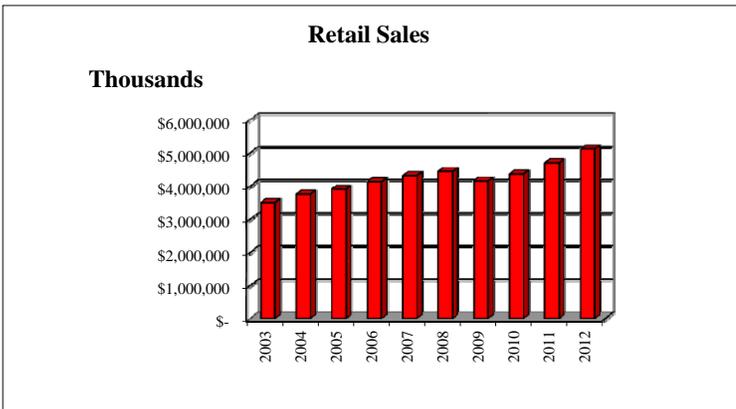
| Month Sales Tax Generated | Month Cash Received from State | Actual FY 2006-07 | Actual FY 2007-08 | Actual FY 2008-09 | Actual FY 2009-10 | Actual FY 2010-11 | Actual FY 2011-12 | Actual FY 2012-13 | Actual FY 2013-14 | Cumulative FY 2013-14 | 10-Year Avg Percentage of Total by Month | Original Budget | Increase/ (Decrease) Actual to Original Budget | Actual Variance to Original Budget | Increase/ (Decrease) 2014 to 2013 | Actual Variance to Prior Year |
|--------------------------------------|--------------------------------|----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------------|--|-------------------|--|------------------------------------|-----------------------------------|-------------------------------|
| Total Monthly Receipts | | | | | | | | | | | | | | | | |
| October | December | \$ 3,431,212 | 3,582,754 | 4,021,040 | 3,780,708 | 3,787,418 | 4,118,037 | 4,889,803 | 4,814,746 | 4,814,746 | 7.29% | 4,634,690 | 3.88% | 180,056 | -1.53% | (75,057) |
| November | January | 3,727,737 | 3,669,718 | 3,781,251 | 3,787,074 | 3,982,923 | 4,238,324 | 4,594,445 | 4,656,324 | 9,471,070 | 7.39% | 4,698,946 | -0.91% | (42,622) | 1.35% | 61,878 |
| December | February | 5,189,327 | 5,490,193 | 5,772,705 | 5,602,648 | 5,991,285 | 6,097,390 | 6,742,681 | 7,083,365 | 16,554,434 | 11.08% | 7,046,439 | 0.52% | 36,925 | 5.05% | 340,684 |
| January | March | 3,471,437 | 3,632,050 | 3,633,696 | 3,575,658 | 3,877,565 | 4,042,029 | 4,437,437 | 4,610,493 | 21,164,927 | 7.24% | 4,601,609 | 0.19% | 8,884 | 3.90% | 173,056 |
| February | April | 3,477,929 | 3,488,993 | 3,792,682 | 3,598,979 | 3,724,404 | 4,154,660 | 4,529,399 | - | - | 7.10% | 4,512,490 | n/a | n/a | n/a | n/a |
| March | May | 4,752,697 | 4,887,133 | 4,855,318 | 5,190,167 | 5,388,566 | 5,591,584 | 5,876,670 | - | - | 9.85% | 6,264,531 | n/a | n/a | n/a | n/a |
| April | June | 3,388,621 | 3,713,103 | 3,669,270 | 3,760,854 | 3,891,235 | 4,146,681 | 4,594,101 | - | - | 7.31% | 4,650,892 | n/a | n/a | n/a | n/a |
| May | July | 3,641,973 | 3,947,159 | 3,737,916 | 3,834,410 | 3,992,453 | 4,535,916 | 4,693,889 | - | - | 7.51% | 4,777,621 | n/a | n/a | n/a | n/a |
| June | August | 4,476,895 | 4,976,284 | 4,858,604 | 5,013,565 | 5,097,106 | 5,553,549 | 5,778,082 | - | - | 9.71% | 6,176,790 | n/a | n/a | n/a | n/a |
| July | September | 3,741,581 | 4,056,088 | 3,969,230 | 3,891,265 | 4,163,452 | 4,573,004 | 4,810,929 | - | - | 7.77% | 4,942,349 | n/a | n/a | n/a | n/a |
| August | October | 4,045,613 | 4,163,924 | 4,015,761 | 4,221,761 | 4,630,080 | 4,802,128 | 5,316,836 | - | - | 8.26% | 5,253,385 | n/a | n/a | n/a | n/a |
| September | November | 4,435,425 | 4,941,466 | 4,597,829 | 4,751,295 | 5,146,278 | 5,450,491 | 5,985,866 | - | - | 9.49% | 6,033,296 | n/a | n/a | n/a | n/a |
| TOTAL | | \$ 47,780,448 | 50,548,865 | 50,705,301 | 51,008,384 | 53,672,766 | 57,303,792 | 62,250,139 | | | 100.00% | 63,593,038 | 0.87% | 183,244 | 2.42% | 500,561 |
| Increase over prior year* | | 4.84% | 5.79% | 0.31% | 0.60% | 5.22% | 6.77% | 8.63% | | | | | 2.16% | | | |
| General Fund Monthly Receipts | | | | | | | | | | | | | | | | |
| October | December | \$ 3,145,278 | 3,284,191 | 3,685,954 | 3,465,649 | 3,471,803 | 3,774,867 | 4,482,320 | 4,413,517 | 4,413,517 | 7.29% | 4,248,988 | 3.87% | 164,529 | -1.53% | (68,803) |
| November | January | 3,417,092 | 3,363,908 | 3,466,147 | 3,471,484 | 3,651,013 | 3,885,130 | 4,211,575 | 4,268,297 | 8,681,814 | 7.39% | 4,307,896 | -0.92% | (39,600) | 1.35% | 56,722 |
| December | February | 4,756,883 | 5,032,677 | 5,291,646 | 5,135,761 | 5,492,011 | 5,589,274 | 6,180,791 | 6,493,084 | 15,174,898 | 11.08% | 6,460,030 | 0.51% | 33,054 | 5.05% | 312,293 |
| January | March | 3,182,151 | 3,329,379 | 3,330,888 | 3,277,686 | 3,554,435 | 3,705,194 | 4,067,650 | 4,226,285 | 19,401,183 | 7.24% | 4,218,660 | 0.18% | 7,625 | 3.90% | 158,635 |
| February | April | 3,188,101 | 3,198,244 | 3,476,625 | 3,299,064 | 3,414,037 | 3,808,438 | 4,151,949 | - | - | 7.10% | 4,136,958 | n/a | n/a | n/a | n/a |
| March | May | 4,356,639 | 4,479,872 | 4,450,708 | 4,757,653 | 4,939,519 | 5,125,619 | 5,386,948 | - | - | 9.85% | 5,743,193 | n/a | n/a | n/a | n/a |
| April | June | 3,106,236 | 3,403,678 | 3,363,498 | 3,447,450 | 3,566,966 | 3,801,125 | 4,211,259 | - | - | 7.31% | 4,263,842 | n/a | n/a | n/a | n/a |
| May | July | 3,338,475 | 3,618,229 | 3,426,423 | 3,514,876 | 3,659,749 | 4,157,923 | 4,302,732 | - | - | 7.51% | 4,380,024 | n/a | n/a | n/a | n/a |
| June | August | 4,103,821 | 4,561,593 | 4,453,720 | 4,595,768 | 4,672,347 | 5,090,754 | 5,296,575 | - | - | 9.71% | 5,662,754 | n/a | n/a | n/a | n/a |
| July | September | 3,429,783 | 3,718,080 | 3,638,461 | 3,566,993 | 3,816,497 | 4,191,921 | 4,410,018 | - | - | 7.77% | 4,531,044 | n/a | n/a | n/a | n/a |
| August | October | 3,708,478 | 3,816,931 | 3,681,114 | 3,869,948 | 4,244,240 | 4,401,950 | 4,873,766 | - | - | 8.26% | 4,816,195 | n/a | n/a | n/a | n/a |
| September | November | 4,065,806 | 4,529,677 | 4,214,677 | 4,355,354 | 4,717,422 | 4,996,283 | 5,487,044 | - | - | 9.49% | 5,531,202 | n/a | n/a | n/a | n/a |
| TOTAL | | \$ 43,798,744 | 46,336,460 | 46,479,860 | 46,757,685 | 49,200,039 | 52,528,476 | 57,062,627 | | | 100.00% | 58,300,785 | 0.86% | 165,609 | 2.42% | 458,847 |
| LEDA Monthly Receipts | | | | | | | | | | | | | | | | |
| October | December | \$ 285,934 | 298,563 | 335,087 | 315,059 | 315,615 | 343,170 | 407,484 | 401,229 | 401,229 | 7.29% | 385,702 | 4.03% | 15,527 | -1.53% | (6,255) |
| November | January | 310,645 | 305,810 | 315,104 | 315,589 | 331,910 | 353,194 | 382,870 | 388,027 | 789,256 | 7.39% | 391,049 | -0.77% | (3,022) | 1.35% | 5,157 |
| December | February | 432,444 | 457,516 | 481,059 | 466,887 | 499,274 | 508,116 | 561,890 | 590,280 | 1,379,536 | 11.08% | 586,409 | 0.66% | 3,871 | 5.05% | 28,390 |
| January | March | 289,286 | 302,671 | 302,808 | 297,971 | 323,130 | 336,836 | 369,786 | 384,200 | 1,763,744 | 7.24% | 382,949 | 0.33% | 1,259 | 3.90% | 14,421 |
| February | April | 289,827 | 290,749 | 316,057 | 299,915 | 310,367 | 346,222 | 377,450 | - | - | 7.10% | 375,532 | n/a | n/a | n/a | n/a |
| March | May | 396,058 | 407,261 | 404,610 | 432,514 | 449,047 | 465,965 | 489,723 | - | - | 9.85% | 521,338 | n/a | n/a | n/a | n/a |
| April | June | 282,385 | 309,425 | 305,773 | 313,405 | 324,270 | 345,557 | 382,842 | - | - | 7.31% | 387,050 | n/a | n/a | n/a | n/a |
| May | July | 303,498 | 328,930 | 311,493 | 319,534 | 332,704 | 377,993 | 391,157 | - | - | 7.51% | 397,597 | n/a | n/a | n/a | n/a |
| June | August | 373,075 | 414,690 | 404,884 | 417,797 | 424,759 | 462,796 | 481,507 | - | - | 9.71% | 514,036 | n/a | n/a | n/a | n/a |
| July | September | 311,798 | 338,007 | 330,769 | 324,272 | 346,954 | 381,084 | 400,911 | - | - | 7.77% | 411,305 | n/a | n/a | n/a | n/a |
| August | October | 337,134 | 346,994 | 334,647 | 351,813 | 385,840 | 400,177 | 443,070 | - | - | 8.26% | 437,190 | n/a | n/a | n/a | n/a |
| September | November | 369,619 | 411,789 | 383,152 | 395,941 | 428,857 | 454,208 | 498,822 | - | - | 9.49% | 502,095 | n/a | n/a | n/a | n/a |
| TOTAL | | \$ 3,981,704 | 4,212,405 | 4,225,442 | 4,250,699 | 4,472,728 | 4,775,316 | 5,187,512 | | | 100.00% | 5,292,253 | 1.01% | 17,635 | 2.42% | 41,713 |

City of Lubbock, TX
Finance Department
Historic Schedule of Sales Tax Receipts
Rating Agencies Presentation
Accrual Basis (Budget Basis) October 2006 through January 2014



City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Retail / Industry Sales

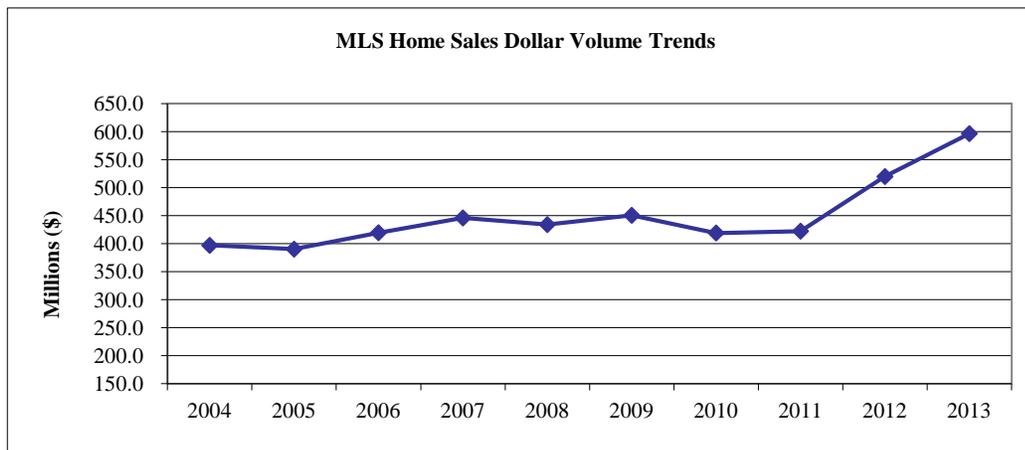
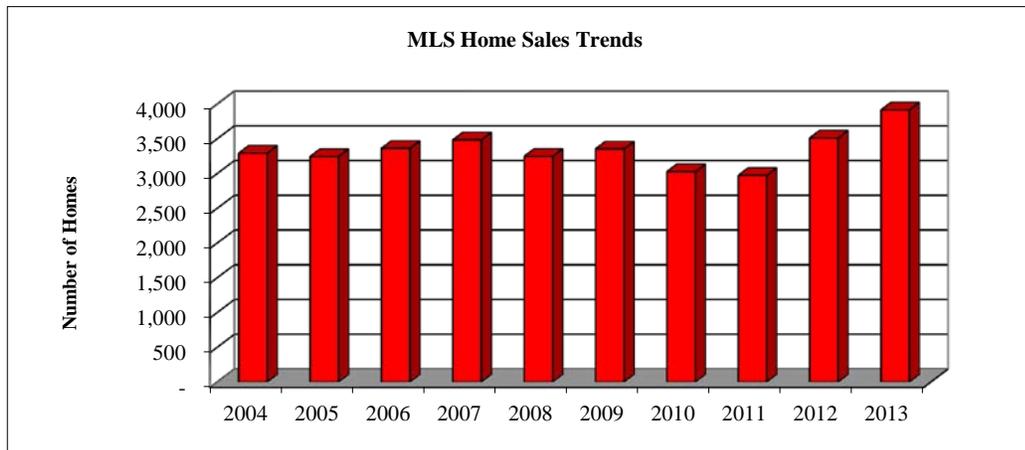
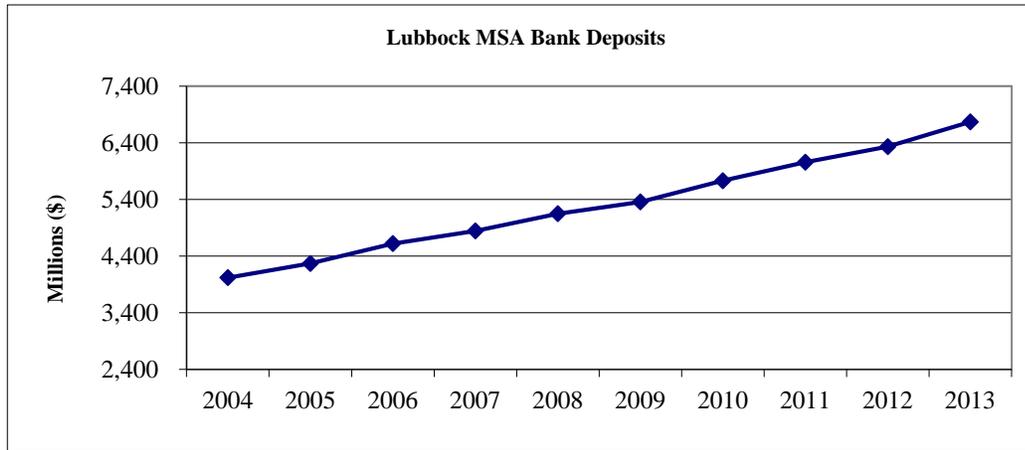
| Year | Actual Retail Sales | % Change | Per Capita Retail Sales | All Industry Sales | % Change |
|-------------|----------------------------|-----------------|--------------------------------|---------------------------|-----------------|
| 2003 | \$ 3,498,262,300 | 3.6 | \$ 17,386 | \$ 7,705,500,406 | 0.9 |
| 2004 | 3,762,160,287 | 1.1 | 18,625 | 8,745,618,844 | 13.5 |
| 2005 | 3,906,948,039 | 1.2 | 19,083 | 9,362,203,007 | 7.1 |
| 2006 | 4,123,723,462 | 7.0 | 19,990 | 10,180,477,899 | 8.7 |
| 2007 | 4,317,776,201 | 5.7 | 20,647 | 10,578,232,405 | 3.9 |
| 2008 | 4,439,494,000 | 2.8 | 21,022 | 11,445,496,429 | 8.2 |
| 2009 | 4,148,636,785 | (6.6) | 19,535 | 10,584,868,732 | (7.5) |
| 2010 | 4,364,546,435 | 5.2 | 20,315 | 11,026,947,643 | 4.2 |
| 2011 | 4,696,570,903 | 7.6 | 21,512 | 11,978,114,050 | 8.6 |
| 2012 | 5,114,247,337 | 8.9 | 21,888 | 13,002,491,155 | 8.6 |



Source: Texas Comptroller of Public Accounts - State Sales and Use Tax Analysis Report

**City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Bank Deposits, MLS Sales and Dollar Volume Trends**

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Lubbock MSA Bank Deposits (Millions) * | 4,020 | 4,269 | 4,621 | 4,844 | 5,148 | 5,356 | 5,729 | 6,056 | 6,331 | 6,768 |
| MLS Home Sales * | 3,291 | 3,243 | 3,362 | 3,483 | 3,245 | 3,354 | 3,026 | 2,972 | 3,510 | 3,914 |
| MLS Dollar Volume (Millions)* | 396.8 | 390.0 | 419.3 | 445.7 | 433.8 | 450.4 | 418.9 | 422.1 | 519.6 | 596.2 |



*Bank deposits are based on the FDIC's fiscal year ending in June.
*MLS Home Sales and Dollar Volume are based on November 2013 Figures
Sources: FDIC & Lubbock Association of REALTORS

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Lubbock Economic Indicators
January 2014

| Economic Indicators January 2014 | Base Year 1996 | One Year Ago 2013 | This Year 2014 | % Change 2013-2014 |
|---|---------------------------------|------------------------------------|---------------------------------|-------------------------------------|
| Retail Sales - January (\$000s - Per Sales Tax Rebates in 1995\$) | \$ 150,481 | 209,496 | 207,833 | (0.8) |
| Retail Sales - Year-To-Date | \$ 150,481 | 209,496 | 207,833 | (0.8) |
| Dollars Spent on Auto Purchases - January (\$000s in 1995\$) | \$ 30,794 | 61,745 | 69,564 | 12.7 |
| Dollars Spent on Auto Purchases YTD | \$ 30,794 | 61,745 | 69,564 | 12.7 |
| Lodging Tax Receipts - YTD | \$ 376,881 | 337,489 | 421,846 | 25.0 |
| Airline Boardings - January | 40,858 | 31,253 | 30,344 | (2.9) |
| Airline Boardings - YTD | 40,858 | 31,253 | 30,344 | (2.9) |
| Value All Construction Permits - January | \$ 14,098,765 | 46,388,057 | 48,138,149 | 3.8 |
| Value All Construction Permits - YTD | \$ 14,098,765 | 46,388,057 | 48,138,149 | 3.8 |
| New Home Permits - January | 45 | 115 | 77 | (33.0) |
| New Home Permits - YTD | 45 | 115 | 77 | (33.0) |
| Number of Home Sales - January | 128 | 217 | 223 | 2.8 |
| Number of Home Sales - YTD | 128 | 217 | 223 | 2.8 |
| Average Home Sale Price - January | \$ 86,201 | 148,979 | 151,146 | 1.5 |
| Average Home Sale Price - YTD | \$ 86,201 | 148,979 | 151,146 | 1.5 |

| Employment | | | | |
|--|---------|---------|---------|--------|
| Wage and Salary Employment - Month | 107,000 | 128,900 | 134,100 | 4.0 |
| Wage and Salary Employment - YTD Average | 107,000 | 128,900 | 134,100 | 4.0 |
| Unemployment Rate - January | 4.6% | 5.5% | 4.3% | (21.8) |
| Unemployment Rate - YTD Avg | 4.6% | 5.5% | 4.3% | (21.9) |

| Oil and Gas (Regional) | | | | |
|--|------------|---------|---------|-------|
| Oil Price/Barrel - January (WT Int. Crude) | \$ 17.31 | 91.15 | 91.32 | 0.2% |
| Rig Count - January * | 23 | 38 | 38 | 0.0% |
| Oil Production - YTD * | 12,179 | 8,967 | 8,875 | -1.0% |
| Value of Oil Production - YTD * | \$ 181,555 | 817,311 | 810,520 | -0.8% |

| Agriculture (Regional) | | | | |
|--|-----------|--------|--------|------|
| Cotton Price - January (cents/pound) + | \$ 79.75 | 74.49 | 79.93 | 7.3 |
| Fat Cattle Price - January (\$/hd. Wt.) | \$ 64.50 | 124.77 | 142.51 | 14.2 |
| Value Cattle Marketed - YTD (\$000's) ++ | \$ 24,510 | 31,193 | 37,053 | 18.8 |

| | | | | |
|--|--------------|--------------|--------------|------------|
| INDEX - January (Base=100 January 1996) | 100.0 | 132.6 | 139.1 | 4.9 |
|--|--------------|--------------|--------------|------------|

* Texas Railroad Commission District 8A (Lubbock Area)

+ Spot Price for 41,4,34; mxd lots, net wt, compressed, FOB Car/Truck

"++" A48 Tx Crop Reporting District 1-S

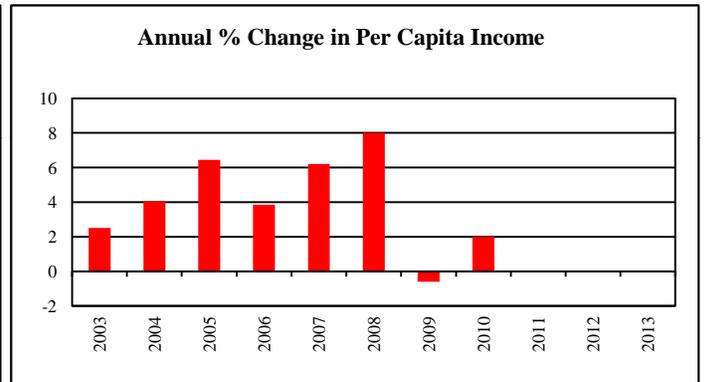
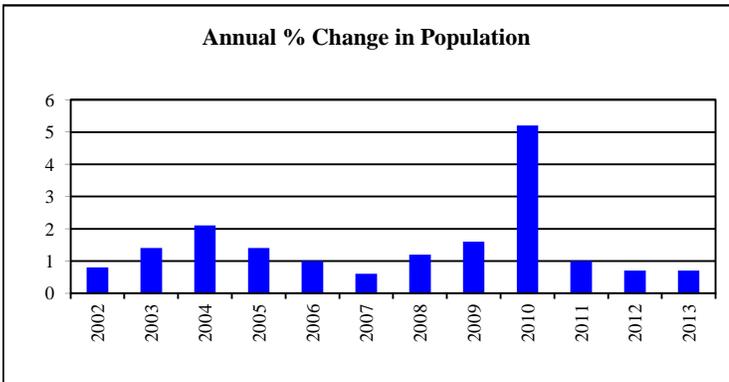
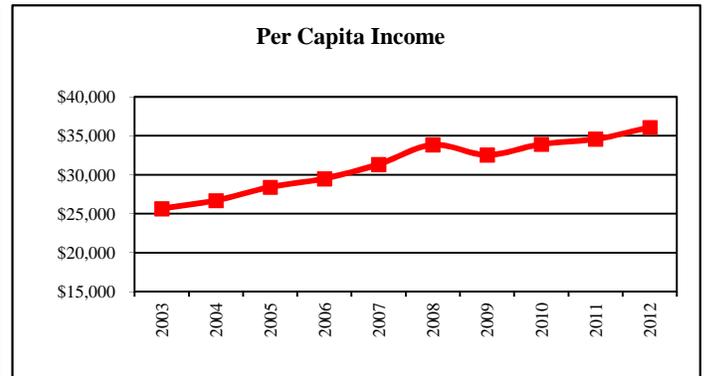
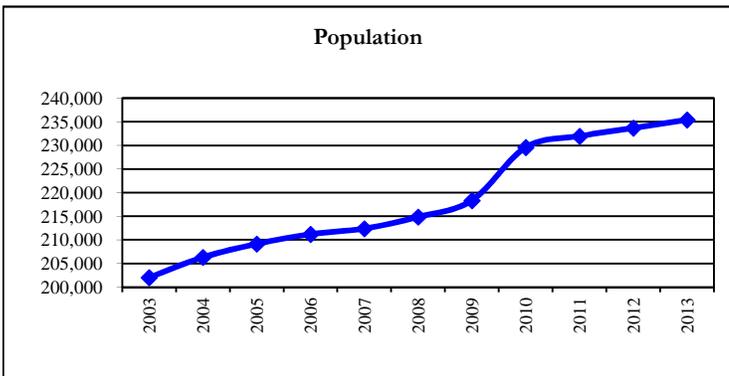
| Producer Price Index Industry Data Jan-14 | One Year Ago 2013 | This Year 2014 | % Change 2013-2014 |
|--|------------------------------------|---------------------------------|-------------------------------------|
| Rolled Steel Shape Manufacturing | 189.2 | 187.8 | (0.7) |
| Cement Manufacturing | 192.7 | 202.5 | 5.1 |

| Consumer Price Index Jan-14 | 12 Months Ending in 1/13 | 12 Months Ending in 1/14 |
|--|---|---|
| US | 1.6 | 1.6 |
| Lubbock | 2.4 | 2.1 |
| Food/Groceries | 1.9 | 2.1 |
| Housing | 3.2 | 3.3 |
| Energy | 2.4 | 1.6 |
| Health Care | 3.3 | 2.4 |
| Other Good and Services | 1.2 | 1.3 |

**City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Demographics**

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--------------------------------------|-----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Population ⁽¹⁾ | 202,000 | 206,290 | 209,120 | 211,187 | 212,365 | 214,847 | 218,327 | 229,573 | 231,937 | 233,651 | 235,398 |
| Annual % Change in Population | 1.4 | 2.1 | 1.4 | 1.0 | 0.6 | 1.2 | 1.6 | 5.2 | 1.0 | 0.7 | 0.7 |
| Per Capita Income ⁽²⁾ | \$ 25,644 | 26,682 | 28,400 | 29,496 | 31,325 | 33,835 | 32,540 | 33,916 | 34,573 | 36,074 | N/A |
| Annual % Change in Per Capita Income | 2.51 | 4.05 | 6.44 | 3.86 | 6.20 | 8.01 | (0.59) | 2.00 | 0.02 | 0.04 | N/A |

The City of Lubbock population grew at an average annual rate of 0.6 percent through the 1990's. Since 2002, the average annual growth rate has increased to approximately 1.8 percent.



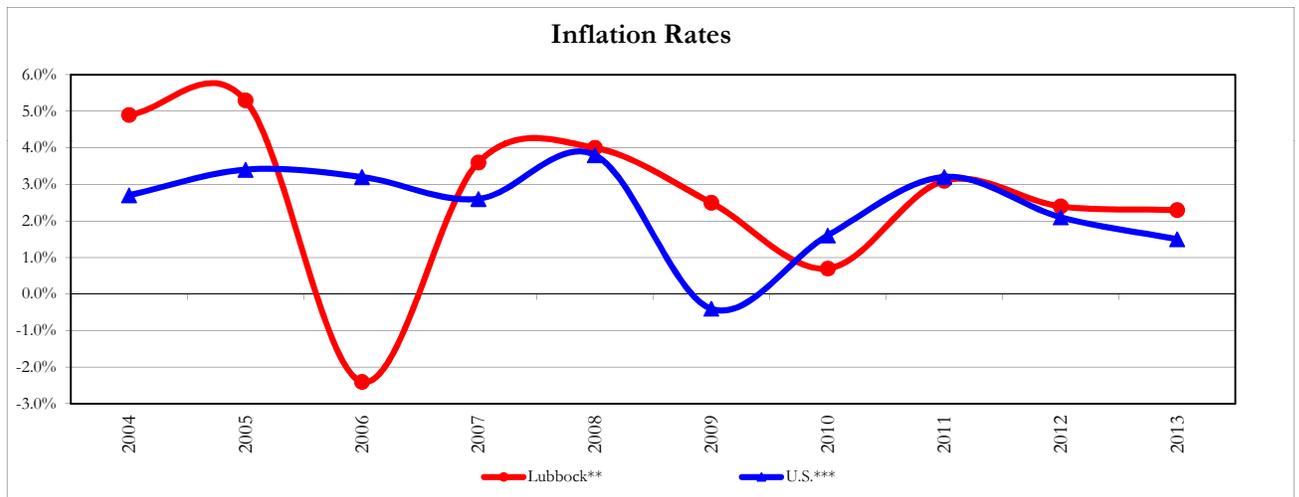
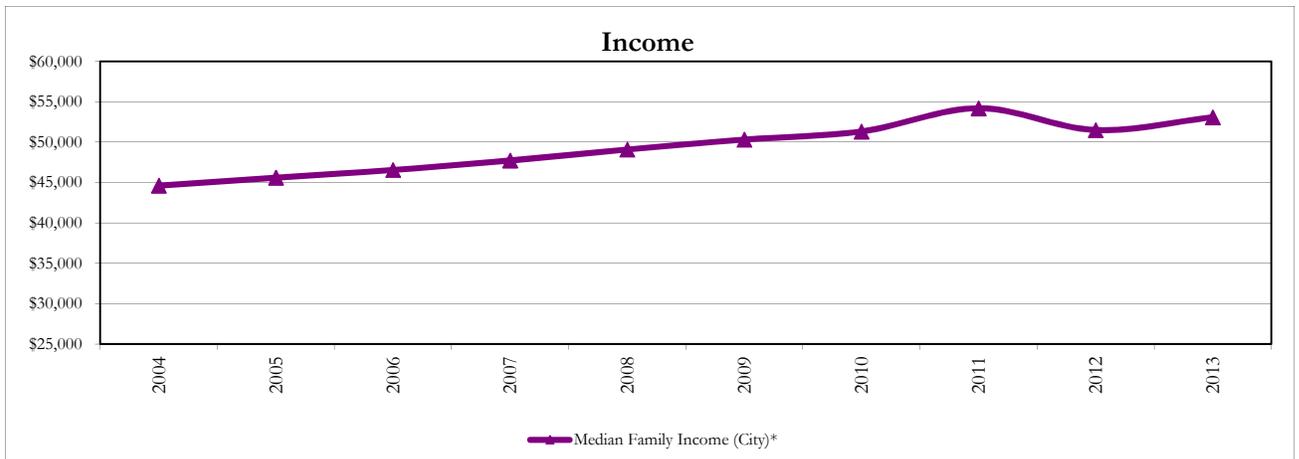
Source: City of Lubbock - Planning Department

(1) Census Bureau

(2) Lubbock MSA Per Capita Income - Bureau of Economic Analysis

**City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Demographics**

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|------------------------------|-----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Median Family Income (City)* | \$ 44,625 | 45,607 | 46,565 | 47,729 | 49,089 | 50,316 | 51,322 | 54,185 | 51,497 | 53,080 |
| Inflation: | | | | | | | | | | |
| Lubbock** | 4.9% | 5.3% | -2.4% | 3.6% | 4.0% | 2.5% | 0.7% | 3.1% | 2.4% | 2.3% |
| U.S.*** | 2.7% | 3.4% | 3.2% | 2.6% | 3.8% | -0.4% | 1.6% | 3.2% | 2.1% | 1.5% |



Sources:

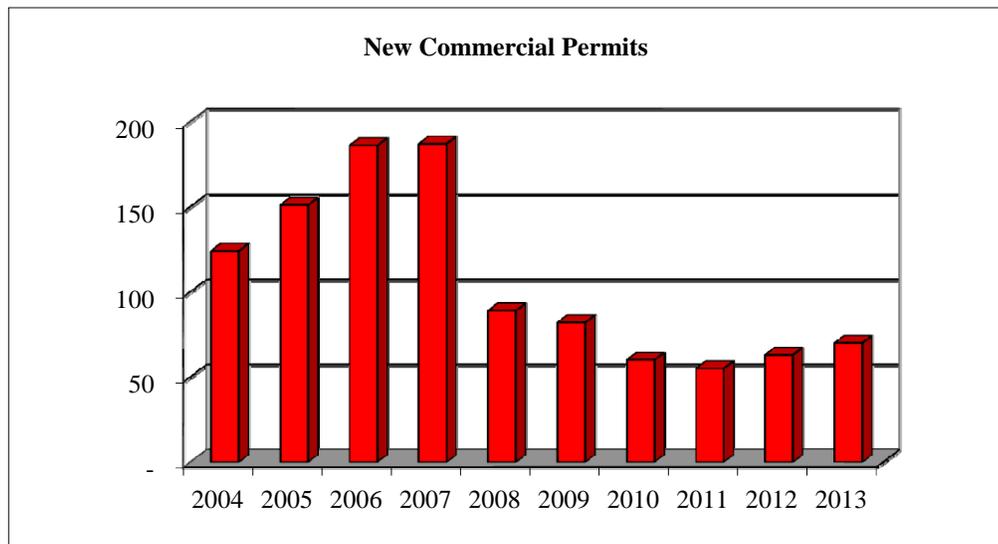
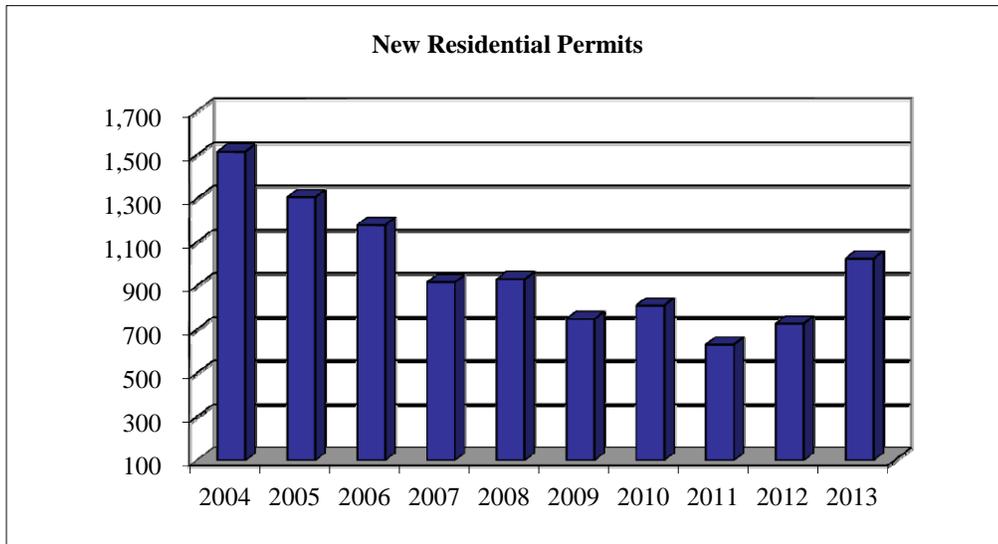
* U.S. Census Bureau - American Community Survey 1-Year Estimates

**Ingham Economic Reporting

***US Department of Labor Bureau of Labor Statistics

**City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Building Permit Trends**

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--------------------|-------|-------|-------|------|------|------|------|------|------|-------|
| Permit Type | | | | | | | | | | |
| New Residential | 1,515 | 1,306 | 1,178 | 916 | 930 | 748 | 810 | 631 | 727 | 1,025 |
| New Commercial | 124 | 151 | 186 | 187 | 89 | 82 | 60 | 55 | 63 | 70 |



New Commercial only includes Office/Bank/Professional and Stores/Mercantile

Source: City of Lubbock - Building Inspection Department

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Building Permits - 10 Year Trend

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| NEW RESIDENTIAL | | | | | | | | | | |
| 1-Family Residence | 1,204 | 1,129 | 1,123 | 880 | 887 | 727 | 740 | 504 | 652 | 922 |
| 2-Family Residence | 200 | 155 | 25 | 7 | 30 | 11 | 55 | 67 | 42 | 27 |
| 3 or more Residential | 111 | 22 | 30 | 29 | 13 | 10 | 15 | 60 | 33 | 76 |
| Total New Residential | 1,515 | 1,306 | 1,178 | 916 | 930 | 748 | 810 | 631 | 727 | 1,025 |
| NEW NON-RESIDENTIAL | | | | | | | | | | |
| Hotels/Motels* | - | - | - | - | - | 2 | - | 1 | 1 | 1 |
| Amusement/Recreational | 9 | 7 | 14 | 14 | 7 | 5 | 9 | 10 | 7 | 9 |
| Churches/Other Religious | 5 | 2 | 3 | 6 | 1 | 2 | - | 3 | 2 | - |
| Industrial | - | 3 | 2 | 10 | 5 | 2 | - | 4 | 1 | - |
| Parking Garages | 1 | 1 | 2 | 1 | 1 | - | 1 | - | 5 | - |
| Serv. Stations/Rep. Garages | 2 | 3 | 2 | 3 | 1 | 1 | 1 | 3 | 2 | 3 |
| Hospital/Institutional | - | 7 | 3 | 5 | 2 | - | 3 | - | - | - |
| Office/Bank/Professional | 56 | 72 | 98 | 72 | 57 | 51 | 37 | 30 | 34 | 41 |
| Public Works/Utilities | - | 1 | 10 | 2 | 2 | - | - | - | - | - |
| Schools/Educational | 2 | 15 | 4 | 3 | 1 | 7 | 3 | 1 | 5 | 2 |
| Stores/Mercantile | 68 | 79 | 88 | 115 | 32 | 31 | 23 | 25 | 29 | 29 |
| Other Non-Residential | 68 | 74 | 43 | 22 | 40 | 46 | 37 | 32 | 42 | 34 |
| Structures Other Than Buildings | 918 | 599 | 576 | 520 | 466 | 445 | 563 | 550 | 916 | 912 |
| Total New Non-Residential | 1,129 | 863 | 845 | 773 | 615 | 592 | 677 | 659 | 1,044 | 1,031 |
| Total New Construction | 2,644 | 2,169 | 2,023 | 1,689 | 1,545 | 1,340 | 1,487 | 1,290 | 1,771 | 2,056 |
| ADDITIONS/ALTERATIONS | | | | | | | | | | |
| Res. Garages/Carports | 216 | 62 | 84 | 127 | 28 | 58 | 46 | 99 | 49 | 72 |
| Residential Remodeling | 431 | 3,067 | 920 | 682 | 697 | 3,435 | 1,616 | 619 | 967 | 1,782 |
| Commercial Remodeling | 198 | 232 | 248 | 241 | 262 | 247 | 227 | 242 | 285 | 246 |
| | 845 | 3,361 | 1,252 | 1,050 | 987 | 3,740 | 1,889 | 960 | 1,301 | 2,100 |
| Total Construction | 3,489 | 5,530 | 3,275 | 2,739 | 2,532 | 5,080 | 3,376 | 2,250 | 3,072 | 4,156 |

* Hotels and motels were originally included in residential, but in 2009, a new category was created.

Source: City of Lubbock, Building Inspection Dept. "Building Inspection Statistical Report"

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Building Permits Valuations - 10 Year Trend

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|----------------------------------|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| NEW RESIDENTIAL | | | | | | | | | | |
| 1-Family Residence | \$ 169,075,633 | 179,992,398 | 184,550,770 | 160,232,859 | 154,264,293 | 147,391,058 | 147,253,408 | 116,053,142 | 155,031,392 | 213,051,754 |
| 2-Family Residence | 32,243,300 | 21,693,000 | 3,485,000 | 1,410,500 | 7,571,841 | 2,068,000 | 15,128,173 | 8,090,000 | 8,292,250 | 6,054,000 |
| 3 or more Residential | 82,096,397 | 16,142,811 | 17,350,000 | 50,512,000 | 67,191,478 | 18,860,000 | 49,369,475 | 39,053,464 | 44,132,054 | 55,565,811 |
| Total New Residential | 283,415,330 | 217,828,209 | 205,385,770 | 212,155,359 | 229,027,612 | 168,319,058 | 211,751,056 | 163,196,606 | 207,455,696 | 274,671,565 |
| NEW NON-RESIDENTIAL | | | | | | | | | | |
| Hotels/Motels * | - | - | - | - | - | 5,500,000 | - | 164,065 | 4,400,000 | 6,700,000 |
| Amusement/Recreational | 3,994,515 | 6,006,413 | 1,398,431 | 15,150,894 | 6,181,100 | 4,151,011 | 3,474,700 | 7,960,100 | 5,842,037 | 11,329,475 |
| Churches/Other Religious | 7,213,000 | 3,502,000 | 1,700,000 | 6,451,475 | 2,700,000 | 3,188,186 | - | 5,437,176 | 7,950,000 | - |
| Industrial | - | 600,000 | 527,900 | 9,470,000 | 15,081,000 | 402,000 | - | 1,829,000 | 3,500,000 | - |
| Parking Garages | 13,770 | 13,770 | 493,770 | 46,000 | 8,000,000 | - | 17,000,000 | - | 180,000 | - |
| Serv. Stations/Rep. Garages | 700,000 | 749,000 | 248,900 | 2,765,000 | 800,000 | 35,000 | 500,000 | 1,925,000 | 149,000 | 1,134,620 |
| Hospital/Institutional | - | 83,844,000 | 9,200,000 | 25,114,250 | 21,997,800 | - | 18,180,563 | - | - | - |
| Office/Bank/Professional | 18,269,300 | 24,621,034 | 61,267,584 | 13,382,770 | 50,835,481 | 32,849,810 | 15,850,186 | 30,808,134 | 28,911,780 | 21,465,693 |
| Public Works/Utilities | - | 40,000 | 7,646,000 | 80,000 | 25,532,120 | - | - | - | - | - |
| Schools/Educational | 448,500 | 26,965,940 | 16,006,450 | 25,060,000 | 49,000 | 46,835,571 | 15,138,502 | 45,000 | 31,857,756 | 18,603,000 |
| Stores/Mercantile | 29,853,907 | 29,799,105 | 54,357,588 | 76,661,855 | 13,717,349 | 12,338,235 | 22,853,148 | 20,166,000 | 18,252,511 | 38,653,456 |
| Other Non-Residential | 6,079,522 | 6,025,334 | 11,180,162 | 2,194,091 | 9,994,427 | 4,640,022 | 7,660,593 | 3,212,501 | 13,156,145 | 4,277,776 |
| Structures Other Than Buildings | 7,174,052 | 5,254,620 | 8,083,848 | 8,632,677 | 11,502,225 | 16,643,999 | 4,301,734 | 5,552,487 | 8,812,079 | 12,966,464 |
| Total New Non-Residential | 73,746,566 | 187,421,216 | 172,110,633 | 185,009,012 | 166,390,502 | 126,583,834 | 104,959,426 | 77,099,463 | 123,011,308 | 115,130,484 |
| Total New Construction | 357,161,896 | 405,249,425 | 377,496,403 | 397,164,371 | 395,418,114 | 294,902,892 | 316,710,482 | 240,296,069 | 330,467,004 | 389,802,049 |
| ADDITIONS/ALTERATIONS | | | | | | | | | | |
| Res. Garages/Carports | 1,984,054 | 255,521 | 155,871 | 977,290 | 868,015 | 298,273 | 243,479 | 1,107,219 | 348,962 | 2,988,152 |
| Residential Remodeling | 11,986,811 | 5,885,679 | 6,937,718 | 15,573,728 | 7,332,897 | 15,809,374 | 8,607,385 | 5,958,698 | 4,220,796 | 7,917,314 |
| Commercial Remodeling | 37,593,641 | 41,121,339 | 68,948,391 | 41,002,490 | 69,855,680 | 50,142,158 | 50,610,911 | 35,495,676 | 105,293,080 | 75,179,304 |
| Total Construction | \$ 408,726,402 | 452,511,964 | 453,538,383 | 454,717,879 | 473,474,706 | 361,152,697 | 376,172,257 | 282,857,662 | 440,329,842 | 475,886,819 |

* Hotels and motels were originally included in residential, but in 2009, a new category was created.

Source: City of Lubbock, Building Inspection Dept. "Building Inspection Statistical Report"

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
General Fund Model

| | Budget | Forecast | | | | |
|---|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | FY 13-14 | FY 14-15 | FY 15-16 | FY 16-17 | FY 17-18 | FY 18-19 |
| Revenues | | | | | | |
| Total Taxes | \$ 105,773,447 | 109,755,934 | 115,102,639 | 120,681,119 | 126,501,080 | 133,868,548 |
| Total Franchise Fees/Right Of Way | 4,916,250 | 4,800,285 | 4,698,536 | 4,611,408 | 4,540,628 | 4,490,104 |
| Total Fees For Services | 3,074,822 | 3,102,142 | 3,130,359 | 3,159,497 | 3,189,576 | 3,220,621 |
| Total Fees And Fines | 6,180,080 | 6,231,327 | 6,283,025 | 6,335,177 | 6,387,787 | 6,440,860 |
| Total Other Revenues | 1,161,746 | 1,150,253 | 1,139,888 | 1,135,595 | 1,129,822 | 1,125,019 |
| Total Transfers | 29,398,416 | 34,625,924 | 36,251,968 | 37,316,798 | 38,808,615 | 39,749,737 |
| Total Revenue Sources | 150,504,760 | 159,665,865 | 166,606,415 | 173,239,594 | 180,557,509 | 188,894,889 |
| Expenditures | | | | | | |
| Total Salaries | 79,420,029 | 83,417,059 | 86,514,752 | 89,736,698 | 93,088,548 | 96,576,254 |
| Total Benefits | 34,626,148 | 36,727,745 | 38,616,728 | 40,625,761 | 42,763,587 | 45,039,632 |
| Total Supplies | 6,669,248 | 7,169,170 | 7,602,802 | 8,153,950 | 8,771,976 | 9,466,335 |
| Total Maintenance | 4,857,972 | 4,960,992 | 5,066,424 | 5,174,338 | 5,284,805 | 5,397,900 |
| Total Professional Services & Training | 6,071,001 | 6,201,027 | 6,334,420 | 6,471,318 | 6,611,867 | 6,756,227 |
| Total Scheduled Charges | 8,052,468 | 8,459,092 | 8,893,494 | 9,357,802 | 9,854,311 | 10,385,498 |
| Total Other Charges | 2,648,800 | 2,725,098 | 2,804,089 | 2,885,883 | 2,970,599 | 3,058,359 |
| Total Capital Outlay | 413,249 | 421,514 | 429,944 | 438,543 | 447,314 | 456,260 |
| Total Reimbursements | - | - | - | - | - | - |
| Operating & Maintenance Subtotal | 142,758,915 | 150,081,697 | 156,262,654 | 162,844,293 | 169,793,007 | 177,136,467 |
| Total Transfers & Other Adjustments | 5,712,686 | 2,908,363 | 2,992,206 | 3,078,496 | 3,167,305 | 3,258,707 |
| Total Pay-As-You-Go Funding in CIP | 4,855,807 | 600,000 | 400,000 | 400,000 | 400,000 | 250,000 |
| Total Master Lease | 5,101,206 | 5,625,269 | 5,919,394 | 6,559,225 | 7,078,249 | 7,151,862 |
| Fund Level Subtotal | 15,669,699 | 9,133,632 | 9,311,599 | 10,037,721 | 10,645,554 | 10,660,569 |
| Total Expenditures | 158,428,614 | 159,215,328 | 165,574,253 | 172,882,014 | 180,438,560 | 187,797,036 |
| Total Expenditures (Over)/Under Revenues | (7,923,854) | 450,536 | 1,032,161 | 357,580 | 118,948 | 1,097,853 |
| General Fund Net Asset Calculation | | | | | | |
| Appropriable Net Assets: | 27,066,665 | 27,517,201 | 28,549,363 | 28,906,943 | 29,025,891 | 30,123,745 |
| Less: Appropriable Net Asset Policy | (24,221,269) | (25,007,988) | (26,070,889) | (27,184,559) | (28,349,779) | (29,829,030) |
| Total Appropriable Net Assets | \$ 2,845,395 | 2,509,213 | 2,478,473 | 1,722,384 | 676,113 | 294,714 |
| Debt Service Fund | | | | | | |
| Total I&S Tax Revenue | \$ 14,930,725 | 15,134,454 | 17,154,563 | 18,124,476 | 19,696,616 | 20,789,128 |
| Total Existing Debt Service Net of BABs Subsidy | 14,815,796 | 13,665,694 | 13,412,799 | 12,888,896 | 13,352,876 | 13,173,441 |
| Total New Debt Service | - | 1,453,259 | 3,134,500 | 5,028,497 | 6,436,591 | 7,834,803 |
| Fiscal Agent Fees | 15,500 | 15,500 | 15,655 | 15,812 | 15,970 | 16,129 |
| Bond Sale Charges | 100,572 | - | - | - | - | - |
| Total Debt Service Expense | 14,931,868 | 15,134,454 | 16,562,955 | 17,933,205 | 19,805,437 | 21,024,373 |
| Total Expenditures (Over)/Under Revenues | (1,143) | - | 591,609 | 191,271 | (108,821) | (235,245) |
| Debt Service Fund Balance | \$ 1,302,330 | 1,302,330 | 1,893,939 | 2,085,210 | 1,976,389 | 1,741,143 |
| Tax Rate Calculation | | | | | | |
| Operations & Maintenance (O&M) Tax Rate | 36.08000 | 36.08000 | 36.08000 | 37.08000 | 38.08000 | 39.08000 |
| Plus: Cost of Additional Expense in Pennies | - | - | 1.00000 | 1.00000 | 1.00000 | 2.00000 |
| Operations & Maintenance Tax Rate Subtotal | 36.08000 | 36.08000 | 37.08000 | 38.08000 | 39.08000 | 41.08000 |
| Interest & Sinking (I&S) Fund Tax Rate | 11.65600 | 10.49781 | 10.33766 | 9.43346 | 9.54417 | 9.19437 |
| Plus: Cost of New Debt in Pennies | - | 1.16771 | 2.66466 | 3.97673 | 4.71970 | 5.49962 |
| Interest & Sinking Fund Tax Rate Subtotal | 11.65600 | 11.66552 | 13.00232 | 13.41020 | 14.26387 | 14.69400 |
| Economic Development Tax Rate | 2.70500 | 2.70500 | 2.70500 | 2.70500 | 2.70500 | 2.70500 |
| Tax Rate Grand Total | 50.44100 | 50.45052 | 52.78732 | 54.19520 | 56.04887 | 58.47900 |

The proposed rate structure incorporated in this model is subject to change depending on many variables. Some of these variables may include: Fire Department staffing, Police Department staffing, interest rates, inflation rates, the operational impact of new facilities, and changes in the cost or priority of capital projects.

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
General Fund Appropriable Net Asset Calculation

| | |
|---|----------------------|
| Current Assets | |
| Total Assets | \$ 42,253,143 |
| Less: Cash Funded Capital Projects | - |
| Less: Prepaid Expenses | - |
| Less: Inventories | (115,585) |
| Total Net Current Assets | <u>42,137,558</u> |
| Current Liabilities | |
| Accounts Payable | 3,989,748 |
| Less: Accounts Payable Retainage | - |
| Accrued Liabilities | 3,157,291 |
| Accrued Interest Payable | - |
| Customer Deposits | - |
| Due to Other Funds | - |
| Total Current Liabilities | <u>7,147,039</u> |
| Cashflow Calculations | |
| Current Assets Less Current Liabilities | 34,990,519 |
| Add: Restricted Cash Reserved for Debt Service | - |
| Total Available Cash at September 30, 2013 | <u>\$ 34,990,519</u> |
| September 30, 2013 | |
| Target Net Assets Policy | |
| Target Net Assets by Policy @ 20.0% of Operating Revenues | \$ 24,084,792 |
| Available for Reallocation | 10,905,727 |
| Percentage of Net Asset Policy | 145% |
| FY2013-14 Budget | |
| Operating Revenues | \$ 121,106,344 |
| Non-Operating Revenues | 29,398,416 |
| Expenses | (158,428,614) |
| Revenue Over/(Under) Expenses | <u>(7,923,854)</u> |
| Total Available Cash at September 30, 2014 | <u>\$ 27,066,665</u> |
| Estimated September 30, 2014 | |
| Target Net Assets Policy | |
| Target Net Assets @ 20.0% of Operating Revenues | \$ 24,221,269 |
| Projected Available for Reallocation | 2,845,396 |
| Percentage of Net Asset Policy | 111.7% |

**CITY OF LUBBOCK, TEXAS
BALANCE SHEET
GENERAL FUND
FOR FISCAL YEARS ENDED SEPTEMBER 30**

Post GASB-54

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013* |
|--|---------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| ASSETS | | | | | | | | | | |
| Pooled cash and cash equivalents | \$ 5,888,268 | 5,747,399 | 8,456,754 | 166,687 | 120,449 | 76,178 | 23,303 | 1,516,299 | 3,260,328 | 4,885,493 |
| Investments | 1,426,351 | 1,513,176 | 7,605,360 | 12,026,234 | 14,747,933 | 14,699,335 | 16,427,563 | 14,398,647 | 16,961,733 | 20,793,349 |
| Taxes receivable (net) | 6,864,967 | 8,903,379 | 8,642,511 | 9,228,583 | 9,711,930 | 9,365,273 | 9,630,178 | 10,062,310 | 10,480,618 | 11,397,974 |
| Accounts receivable (net) | 6,098,853 | 4,190,603 | 1,825,656 | 1,337,810 | 1,109,105 | 879,781 | 868,207 | 829,251 | 1,534,270 | 907,732 |
| Interest receivable | 79,463 | 32,727 | 336,741 | 228,813 | 177,748 | 37,278 | 5,515 | 3,571 | 41,551 | 31,083 |
| Due from other funds | 1,930,500 | 7,087,923 | 2,415,681 | 4,342,247 | 3,266,168 | 3,778,765 | 1,766,653 | 2,858,988 | 2,793,461 | 3,113,219 |
| Due from other governments | 13,637 | - | - | 32,582 | - | 20,060 | - | - | - | - |
| Due from others | 781,704 | 722,145 | 797,380 | 744,317 | 882,879 | 774,481 | 699,426 | 577,118 | 992,010 | 1,008,708 |
| Prepaid items | - | - | - | - | - | - | 9,764 | 38,213 | - | - |
| Inventory | 120,880 | 107,830 | 168,964 | 171,580 | 168,657 | 124,955 | 119,115 | 116,866 | 105,079 | 115,585 |
| Advances to other funds | 445,676 | - | - | - | - | - | - | - | - | - |
| Total assets | \$ 23,650,299 | 28,305,182 | 30,249,047 | 28,278,853 | 30,184,869 | 29,756,106 | 29,549,724 | 30,401,263 | 36,169,050 | 42,253,143 |
| LIABILITIES | | | | | | | | | | |
| Accounts payable | \$ 1,836,027 | 1,326,745 | 3,285,899 | 2,916,072 | 3,522,540 | 2,686,846 | 2,660,136 | 4,396,441 | 3,793,392 | 3,989,748 |
| Due to others | 35,195 | - | - | - | - | - | - | - | - | - |
| Accrued liabilities | 3,036,761 | 4,150,068 | 4,303,221 | 3,993,781 | 4,695,067 | 5,245,248 | 5,166,390 | 2,334,344 | 2,742,104 | 3,157,291 |
| Unearned revenue - other* | 6,047,791 | 5,451,949 | 2,735,216 | 2,243,352 | 2,004,987 | 1,942,597 | 1,912,599 | 1,800,597 | 1,472,109 | 57,566 |
| Total liabilities | 10,955,774 | 10,928,762 | 10,324,336 | 9,153,205 | 10,222,594 | 9,874,691 | 9,739,125 | 8,531,382 | 8,007,605 | 7,204,605 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | | | |
| Unavailable revenue | - | - | - | - | - | - | - | - | - | 1,211,905 |
| Total deferred inflows of resources | 10,955,774 | 10,928,762 | 10,324,336 | 9,153,205 | 10,222,594 | 9,874,691 | 9,739,125 | 8,531,382 | 8,007,605 | 1,211,905 |
| FUND BALANCES | | | | | | | | | | |
| Reserved for: | | | | | | | | | | |
| Prepaid items/Inventory | 120,880 | 107,828 | 168,964 | 171,580 | 168,657 | 124,955 | 128,880 | - | - | - |
| Advances to other funds | 445,676 | - | - | - | - | - | - | - | - | - |
| Unreserved, reported in | | | | | | | | | | |
| General fund | 12,127,969 | 17,268,592 | 19,755,747 | 18,954,068 | 19,793,618 | 19,756,460 | 19,681,719 | - | - | - |
| Nonspendable | - | - | - | - | - | - | - | 155,079 | 105,079 | 115,585 |
| Unassigned | - | - | - | - | - | - | - | 21,714,802 | 28,056,366 | 33,721,048 |
| Total fund balances | 12,694,525 | 17,376,420 | 19,924,711 | 19,125,648 | 19,962,275 | 19,881,415 | 19,810,599 | 21,869,881 | 28,161,445 | 33,836,633 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 23,650,299 | 28,305,182 | 30,249,047 | 28,278,853 | 30,184,869 | 29,756,106 | 29,549,724 | 30,401,263 | 36,169,050 | 42,253,143 |

*In FY2013, the City applied GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". For FY 2013, the line item formerly called "Deferred Revenue" is now reported as either "Unearned revenue - Other" or "Unavailable revenue". FY 2004 to FY 2012 were not restated - deferred revenue for those years is now reported under the line item "Unearned revenue - other".

CITY OF LUBBOCK, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GENERAL FUND
FOR FISCAL YEARS ENDED SEPTEMBER 30

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| REVENUES | | | | | | | | | | |
| Taxes and fees | \$ 74,381,814 | 75,409,810 | 84,008,597 | 87,696,076 | 93,131,693 | 91,170,967 | 93,913,884 | 95,342,112 | 101,150,698 | 108,230,645 |
| Fees and fines | 3,675,857 | 4,015,402 | 3,981,978 | 3,669,099 | 3,279,911 | 3,315,472 | 3,047,293 | 2,996,315 | 3,447,931 | 3,703,307 |
| Licenses and permits | 1,982,281 | 1,953,666 | 2,250,635 | 2,531,032 | 2,663,139 | 2,213,041 | 2,493,594 | 2,076,776 | 2,396,476 | 2,625,478 |
| Intergovernmental | 428,458 | 480,648 | 408,997 | 514,896 | 530,389 | 503,889 | 484,543 | 451,684 | 489,332 | 528,725 |
| Charges for services | 4,467,730 | 4,070,642 | 4,781,043 | 4,057,958 | 3,339,148 | 2,930,335 | 2,964,001 | 3,114,280 | 2,993,191 | 3,129,948 |
| Interest | 334,730 | 349,236 | 921,742 | 1,469,083 | 1,052,842 | 327,401 | 48,895 | 25,379 | 96,249 | 29,389 |
| Miscellaneous | 1,442,675 | 1,506,315 | 1,465,215 | 2,582,509 | 2,574,448 | 1,757,534 | 2,158,723 | 2,311,429 | 2,787,312 | 2,176,468 |
| Total revenues | 86,713,545 | 87,785,719 | 97,818,207 | 102,520,653 | 106,571,570 | 102,218,639 | 105,110,933 | 106,317,975 | 113,361,189 | 120,423,960 |
| EXPENDITURES* | | | | | | | | | | |
| Current: | | | | | | | | | | |
| Administrative Services | 7,491,548 | 7,530,780 | 9,356,059 | 11,560,733 | 11,047,039 | 9,611,385 | 10,572,200 | 10,214,049 | 10,383,779 | 12,041,031 |
| Community Services | 25,339 | 29,922 | - | - | - | - | - | - | - | - |
| Cultural & Recreation Services | 13,893,075 | 13,136,673 | 13,986,576 | 15,251,742 | 12,253,380 | 11,515,865 | 11,859,275 | 11,835,432 | 12,581,932 | 13,310,080 |
| Economic & Business Development | 862,566 | 1,100,514 | 1,146,267 | 1,122,880 | 1,215,978 | 966,068 | 982,508 | 911,739 | 458,816 | 561,593 |
| Fire | 20,899,441 | 21,839,530 | 24,638,814 | 26,690,350 | 29,630,222 | 30,479,464 | 31,874,544 | 33,831,932 | 37,157,096 | 40,017,335 |
| Health | 3,290,209 | 3,608,156 | 3,738,790 | 4,004,913 | 4,133,917 | 4,069,411 | 3,217,069 | 3,568,300 | 2,758,566 | 2,618,467 |
| Other Public Safety | 3,696,038 | 3,923,956 | 4,287,806 | 4,508,394 | 4,703,249 | 4,872,418 | 4,690,621 | 4,291,114 | 5,164,942 | 5,310,003 |
| Police | 32,966,678 | 33,919,632 | 37,463,740 | 40,448,254 | 42,831,016 | 43,539,601 | 45,018,594 | 47,799,452 | 51,853,715 | 54,113,978 |
| Streets & Traffic Operations | 6,394,165 | 7,056,537 | 7,439,045 | 7,663,278 | 8,168,462 | 8,013,700 | 8,904,450 | 6,162,640 | 6,624,079 | 6,504,464 |
| Non-departmental | (47,302) | 1,867,824 | 1,882,255 | - | - | - | - | - | - | - |
| Debt service: | | | | | | | | | | |
| Principal | - | - | 1,009,368 | 1,426,998 | 2,069,461 | 2,487,818 | 3,727,092 | 3,694,466 | 3,893,021 | 4,293,857 |
| Interest and other charges | - | - | 144,858 | 267,846 | 327,144 | 352,643 | 572,123 | 590,386 | 569,292 | 593,132 |
| Capital outlay | 475,585 | 5,277,100 | 7,184,866 | 4,256,705 | 3,966,065 | 8,412,831 | 4,135,290 | 5,749,537 | 4,668,303 | 5,543,846 |
| Total expenditures | 89,947,342 | 99,290,624 | 112,278,444 | 117,202,093 | 120,345,933 | 124,321,204 | 125,553,766 | 128,649,047 | 136,113,541 | 144,907,786 |
| Excess (deficiency) of revenues over (under) expenditures | (3,233,797) | (11,504,905) | (14,460,237) | (14,681,440) | (13,774,363) | (22,102,565) | (20,442,833) | (22,331,072) | (22,752,352) | (24,483,826) |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | |
| Capital leases issued | - | 3,534,016 | 5,119,980 | 3,721,262 | 3,011,141 | 8,714,556 | 4,015,386 | 3,588,154 | 5,537,998 | 5,778,891 |
| Transfers in | 10,723,891 | 16,565,397 | 13,325,046 | 14,536,071 | 17,729,361 | 19,303,155 | 19,805,805 | 24,741,193 | 26,161,287 | 28,305,596 |
| Transfers out | (4,212,915) | (3,912,645) | (1,436,498) | (4,374,956) | (6,129,512) | (5,996,006) | (3,449,174) | (3,938,993) | (2,655,369) | (3,925,473) |
| Total other financing sources (uses) | 6,510,976 | 16,186,768 | 17,008,528 | 13,882,377 | 14,610,990 | 22,021,705 | 20,372,017 | 24,390,354 | 29,043,916 | 30,159,014 |
| Net change in fund balances | 3,277,179 | 4,681,863 | 2,548,291 | (799,063) | 836,627 | (80,860) | (70,816) | 2,059,282 | 6,291,564 | 5,675,188 |
| Fund balances-beginning of year | 9,417,346 | 12,694,557 | 17,376,420 | 19,924,711 | 19,125,648 | 19,962,275 | 19,881,415 | 19,810,599 | 21,869,881 | 28,161,445 |
| Fund balances-end of year | \$ 12,694,525 | 17,376,420 | 19,924,711 | 19,125,648 | 19,962,275 | 19,881,415 | 19,810,599 | 21,869,881 | 28,161,445 | 33,836,633 |

*Expenditures for prior years of 2004 and 2005 have been restated to reflect current year-end reporting structure.

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Policy on General Fund Unrestricted Fund Balance and
Appropriable Net Assets Policy

GENERAL FUND. The City targets an unrestricted fund balance in an amount equal to at least 20 percent of regular General Fund operating revenues to meet unanticipated contingencies and fluctuations in revenue. Staff develops a General Fund rate model that is used to forecast fiscal year-end balances. Staff develops this model by compiling all projected resources, General Fund disbursements, general capital needs and operating transfers. If the rate model indicates an impending deficit, contingency plans are developed for City Council approval to relieve those deficits.

WATER AND WASTEWATER FUNDS. The City targets appropriable net assets in the Water and Wastewater funds in an amount equal to 25 percent of regular operating revenues. Five-year rate models are maintained in the Water Fund and Wastewater Funds to identify all sources and uses of funds and to provide a planning tool for rate setting. The rate model is a model where all projected revenues, operating and capital disbursements, debt service requirements, and transfers in/out are compiled to determine the rate necessary to yield the targeted ending balance. When the model predicts the need for a rate increase, further intensive review is performed to determine if capital project construction timelines can be adjusted in order to smooth the rate. At a minimum, the rolling five-year rate models are updated and analyzed as part of the budget preparation process and again mid-fiscal year, once prior year financial statements are issued.

SOLID WASTE, AIRPORT AND STORM WATER FUNDS. The City targets appropriable net assets in the Solid Waste, Airport, and Storm Water funds in an amount equal to 15 percent of regular operating revenues. Five-year rate models are maintained in the Solid Waste Fund, Airport Fund and Storm Water Fund to identify all sources and uses of funds and to provide a planning tool for rate setting. The rate model is a model where all projected revenues, operating and capital disbursements, debt service requirements, and transfers in/out are compiled to determine the rate necessary to yield the targeted ending balance. When the model predicts the need for a rate increase, further intensive review is performed to determine if capital project construction timelines can be adjusted in order to smooth the rate. At a minimum, the rolling five-year rate models are updated and analyzed as part of the budget preparedness process and again mid-fiscal year, once prior year financial statements are issued. In the Solid Waste Fund, funds are designated in landfill closure and post closure care reserves for the purpose of covering the City's landfill sites when they stop accepting waste and to perform certain maintenance and monitoring functions at the sites for thirty years after closure.

INTERNAL SERVICE FUNDS. The City targets appropriable net assets in the Internal Service Funds in an amount equal to eight percent of regular operating revenues.

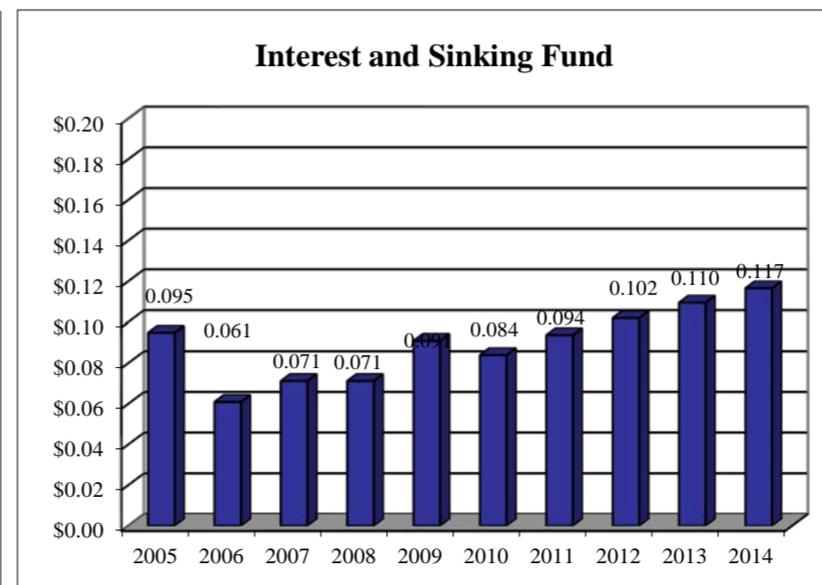
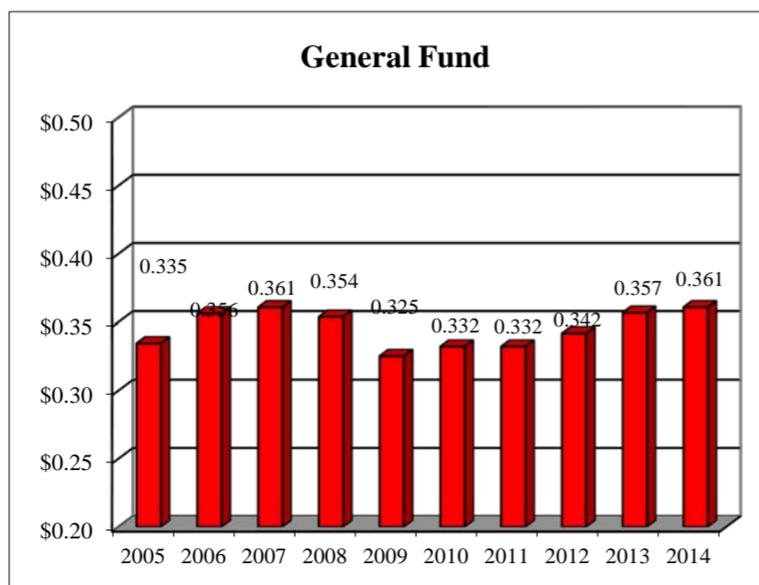
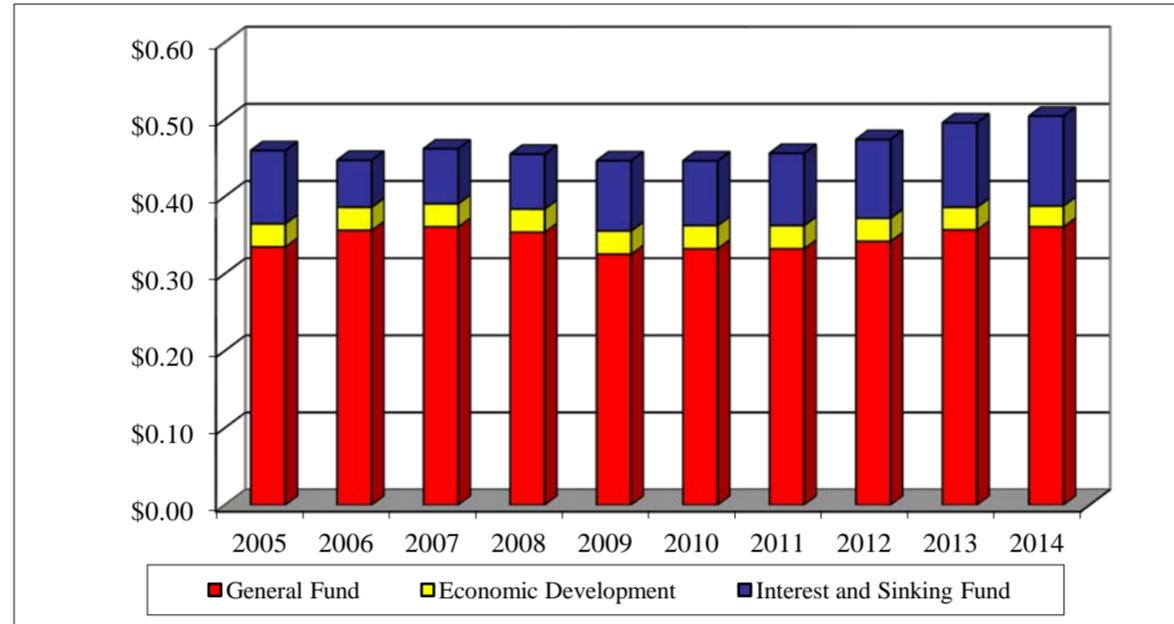
City of Lubbock, TX
Finance Department
Rating Agencies Presentation
General Fund Unrestricted Fund Balance History
(modified accrual basis of accounting)

| | Fiscal Year Ended September 30, | | | | | | | | | |
|----------------------------|---------------------------------|------------|------------|-------------|-------------|------------|-------------|------------|------------|------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| General Fund | | | | | | | | | | |
| Unassigned | 12,127,969 | 17,268,592 | 19,755,747 | 18,954,068 | 19,793,618 | 19,756,460 | 19,681,719 | 21,714,802 | 28,056,366 | 33,721,048 |
| Total general fund | 12,127,969 | 17,268,592 | 19,755,747 | 18,954,068 | 19,793,618 | 19,756,460 | 19,681,719 | 21,714,802 | 28,056,366 | 33,721,048 |
| Target Policy* | 14,991,224 | 16,548,437 | 19,563,641 | 20,504,131 | 21,314,314 | 20,443,728 | 21,022,187 | 21,263,595 | 22,672,238 | 24,084,792 |
| Over (Under) Policy Target | (2,863,255) | 720,155 | 192,106 | (1,550,063) | (1,520,696) | (687,268) | (1,340,468) | 451,207 | 5,384,128 | 9,636,256 |
| % of Target | 80.9% | 104.4% | 101.0% | 92.4% | 92.9% | 96.6% | 93.6% | 102.1% | 123.7% | 140.0% |

*Fund Balance Policy was changed on March 23, 2006 from 2 months of operating expenses to 20% of operating revenues.

**City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Property Tax History**

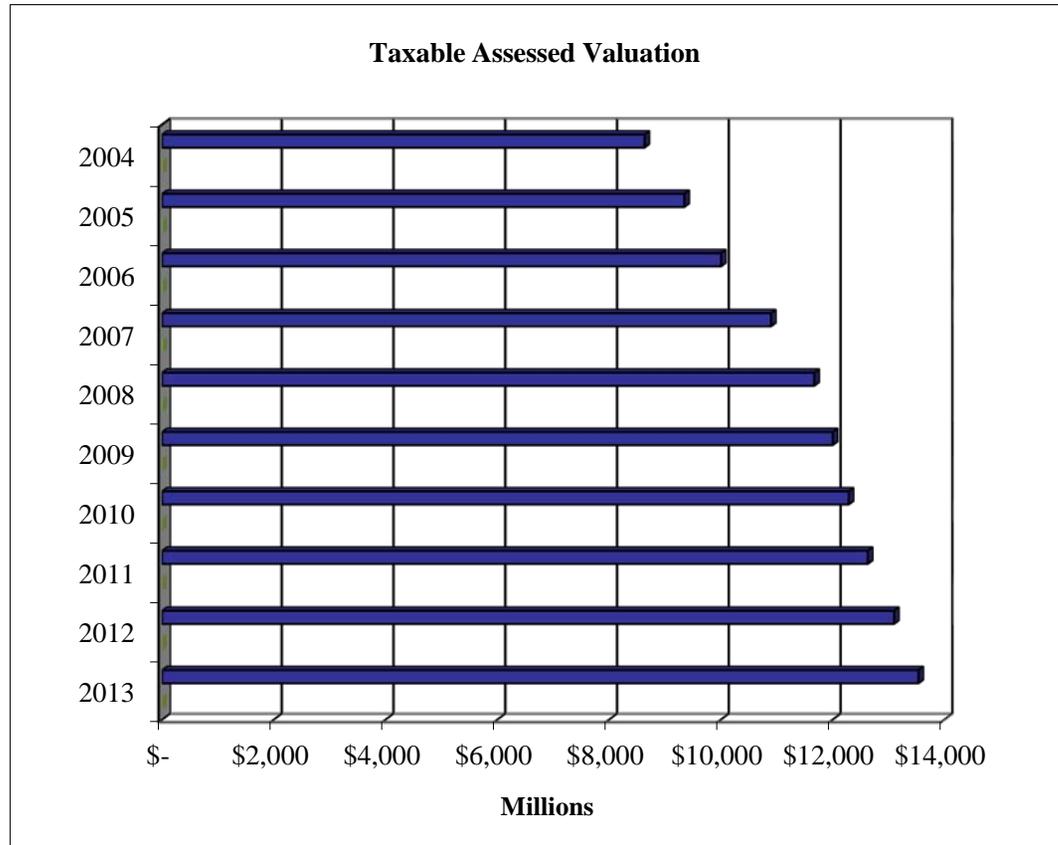
| Fiscal Year Ended 9/30 | Tax Rate | Distribution | | | Tax Levy | % of Current Base Tax Collections to Original Tax Levy | % of Total Base Tax Collections to Original Tax Levy |
|------------------------|----------|--------------|----------------------|---------------------------|------------|--|--|
| | | General Fund | Economic Development | Interest and Sinking Fund | | | |
| 2005 | 0.45970 | 0.33474 | 0.03000 | 0.09496 | 39,777,866 | 97.53 | 100.08 |
| 2006 | 0.44720 | 0.35626 | 0.03000 | 0.06094 | 41,968,431 | 97.69 | 99.71 |
| 2007 | 0.46199 | 0.36074 | 0.03000 | 0.07125 | 46,068,744 | 97.88 | 99.02 |
| 2008 | 0.45505 | 0.35380 | 0.03000 | 0.07125 | 49,195,247 | 98.41 | 99.62 |
| 2009 | 0.44640 | 0.32540 | 0.03000 | 0.09100 | 51,616,589 | 97.78 | 98.87 |
| 2010 | 0.44640 | 0.33240 | 0.03000 | 0.08400 | 53,455,322 | 98.19 | 99.38 |
| 2011 | 0.45617 | 0.33240 | 0.03000 | 0.09377 | 55,783,339 | 98.27 | 99.73 |
| 2012 | 0.47400 | 0.34200 | 0.03000 | 0.10200 | 59,220,369 | 98.42 | 99.32 |
| 2013 | 0.49211 | 0.35683 | 0.02937 | 0.10951 | 63,279,228 | 98.70 | 96.00 |
| 2014 | 0.50441 | 0.36080 | 0.02705 | 0.11656 | 66,684,667 | In Process of Collection | |



Source: City of Lubbock

**City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Taxable Assessed Valuation Trends**

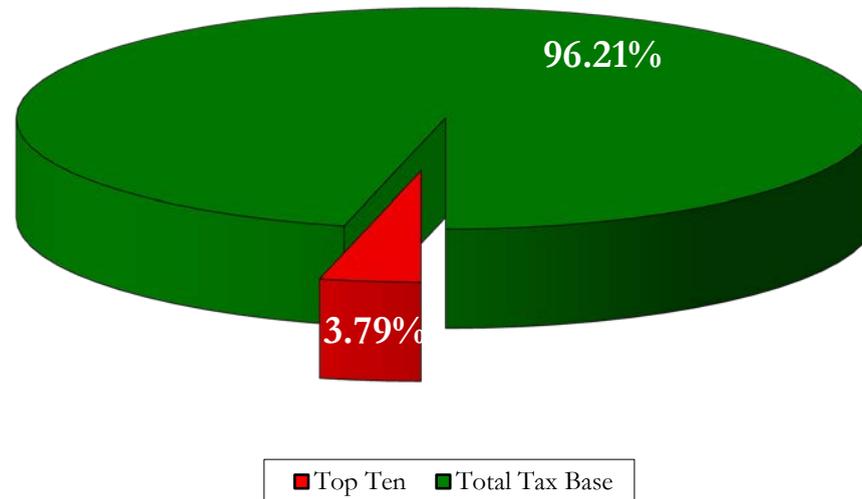
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Taxable Assessed Valuation (Millions) | 8,635 | 9,347 | 10,003 | 10,897 | 11,673 | 12,002 | 12,288 | 12,630 | 13,100 | 13,536 |
| Annual % Change | 6.54 | 8.25 | 7.02 | 8.94 | 7.12 | 2.82 | 2.38 | 2.78 | 3.72 | 3.33 |



Source: Lubbock Central Appraisal District (based on tax year, not fiscal year)

**City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Ten Largest Property Taxpayers**

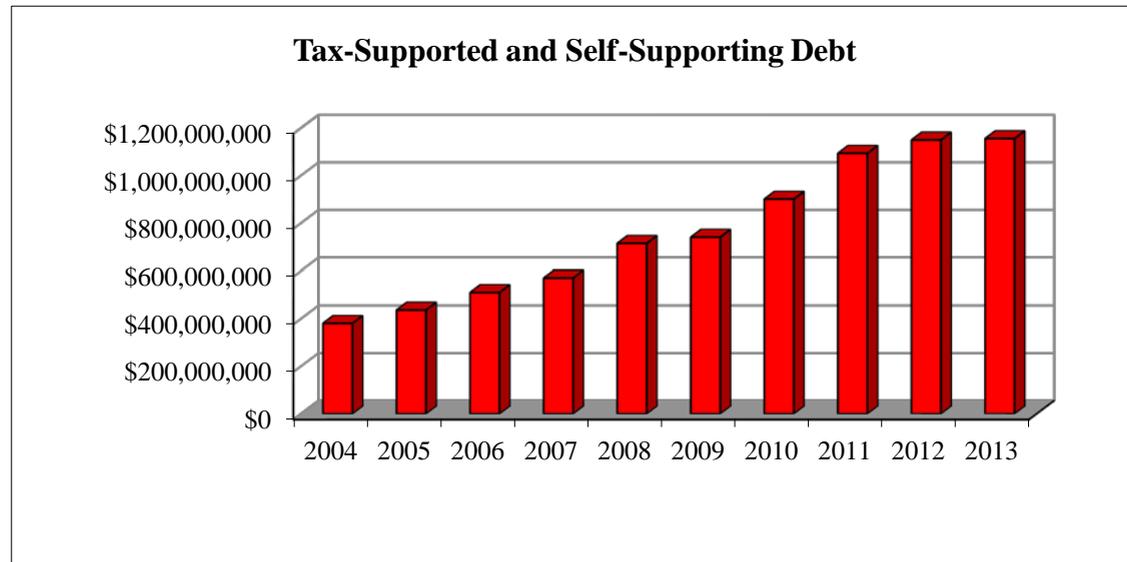
| Name of Taxpayer* | Nature of Property | 2012 Taxable Assessed Valuation | % of Total Taxable Assessed Valuation |
|-------------------------------------|-------------------------|---------------------------------|---------------------------------------|
| Macerich Lubbock Ltd. | Regional Shopping Mall | \$ 131,424,945 | 0.97 |
| United Supermarkets | Food Wholesale | 73,738,624 | 0.54 |
| Pyco Industries Inc. | Cottonseed Oil Mill | 64,599,066 | 0.48 |
| Atmos Energy West Texas Division | Natural Gas Utility | 45,148,440 | 0.33 |
| Texland Petroleum LP | Oil and Gas Production | 36,420,887 | 0.27 |
| Wal-Mart Real Estate Business Trust | Discount Retail Store | 34,340,000 | 0.25 |
| Southwestern Bell Telephone LP | Telephone Utility | 33,217,624 | 0.25 |
| 1859 Management Partners LP | Apartments | 33,092,375 | 0.24 |
| TTUC, LLC | Apartments | 30,694,645 | 0.23 |
| Southwestern Public Service | Electric Power Supplier | 29,897,770 | 0.22 |
| | | <u>\$ 512,574,376</u> | <u>3.79</u> |



Source: Lubbock Central Appraisal District

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Outstanding Bonded Debt

| Fiscal Year Ended 9/30 | General Obligation Bonds Governmental | General Obligation Bonds Enterprise | Revenue Bonds | Total |
|------------------------|---------------------------------------|-------------------------------------|---------------|---------------|
| 2004 | 71,400,939 | 210,020,648 | 99,333,258 | 380,754,845 |
| 2005 | 104,586,253 | 288,959,508 | 43,145,671 | 436,691,432 |
| 2006 | 126,966,586 | 325,358,599 | 58,266,316 | 510,591,501 |
| 2007 | 163,380,346 | 352,781,206 | 54,793,601 | 570,955,153 |
| 2008 | 203,565,118 | 461,598,432 | 49,689,110 | 714,852,660 |
| 2009 | 237,669,524 | 455,102,842 | 47,967,162 | 740,739,528 |
| 2010 | 265,563,743 | 582,962,272 | 52,513,363 | 901,039,378 |
| 2011 | 285,888,111 | 693,432,770 | 114,433,533 | 1,093,754,414 |
| 2012 | 294,238,000 | 720,456,676 | 135,260,668 | 1,149,955,344 |
| 2013 | 297,966,963 | 716,063,760 | 141,592,726 | 1,155,623,449 |



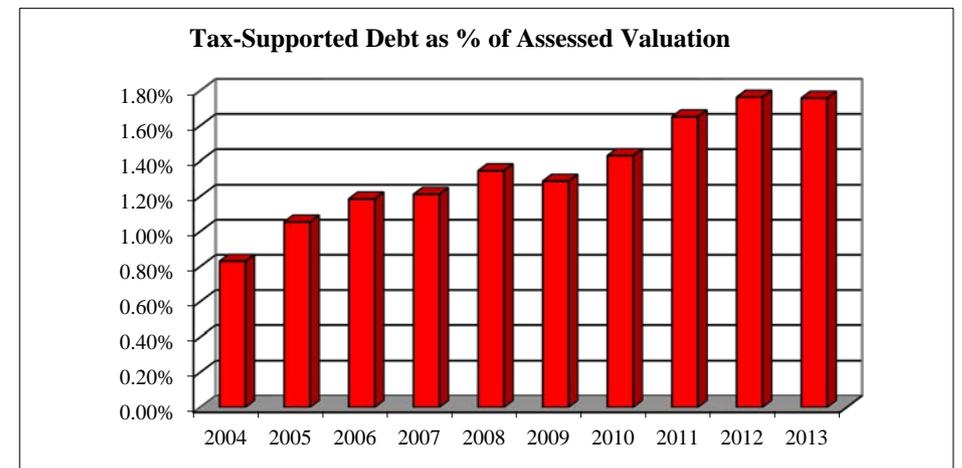
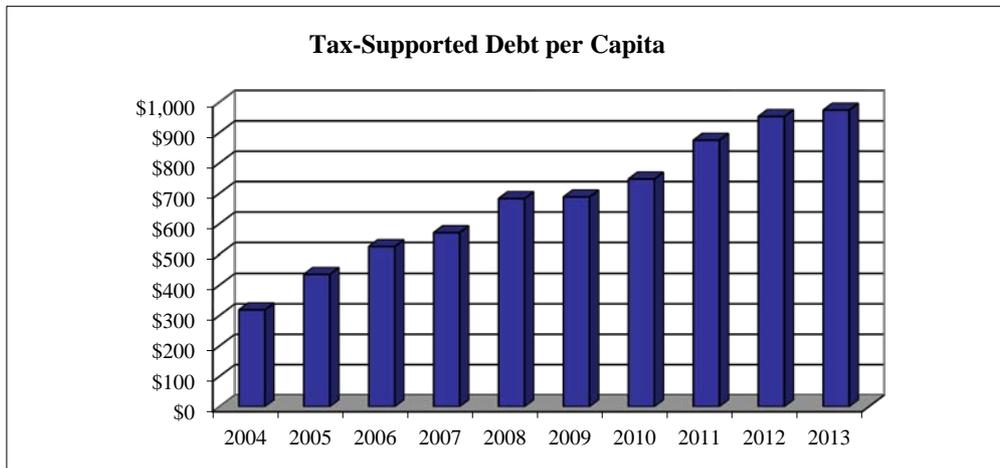
Source: City of Lubbock

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Net Bonded Debt per Capita

| Fiscal Year Ended | Assessed Value | Gross Bonded Debt⁽¹⁾ | Debt Service Monies Available⁽²⁾ | Debt Payable from Other Government Revenues⁽³⁾ | Debt Payable from Enterprise Revenues⁽⁴⁾ | Net Bonded Debt⁽⁵⁾ | Ratio of Net Bonded Debt to Assessed Value | Net Bonded Debt per Capita | |
|--------------------------|-----------------------------------|--|--|--|--|--------------------------------------|---|-----------------------------------|--------|
| 9/30 | Population* (in thousands) | | | | | | | | |
| 2004 | 206,290 | 7,921,590 | 281,421,587 | - | - | 215,663,783 | 65,757,804 | 0.83% | 318.76 |
| 2005 | 209,120 | 8,634,995 | 393,545,761 | - | 15,745,000 | 286,749,731 | 91,051,030 | 1.05% | 435.40 |
| 2006 | 211,187 | 9,346,614 | 452,325,185 | 3,614,172 | 17,895,597 | 323,567,720 | 110,861,868 | 1.19% | 524.95 |
| 2007 | 212,365 | 10,002,726 | 516,161,552 | 3,451,292 | 42,474,527 | 352,486,630 | 121,200,395 | 1.21% | 570.72 |
| 2008 | 214,847 | 10,897,211 | 665,163,550 | 3,167,681 | 61,321,732 | 457,126,347 | 146,715,471 | 1.35% | 682.88 |
| 2009 | 218,327 | 11,673,074 | 692,772,366 | 2,611,960 | 91,426,295 | 451,090,013 | 150,256,058 | 1.29% | 688.22 |
| 2010 | 229,573 | 12,002,616 | 848,526,015 | 2,671,291 | 98,987,524 | 578,026,089 | 171,512,402 | 1.43% | 747.09 |
| 2011 | 231,937 | 12,288,361 | 979,320,881 | 2,454,822 | 99,313,180 | 677,112,181 | 202,895,520 | 1.65% | 874.79 |
| 2012 | 233,651 | 12,629,609 | 1,014,694,676 | 2,461,377 | 95,402,075 | 696,661,487 | 222,631,114 | 1.76% | 952.84 |
| 2013 | 236,362 | 13,100,207 | 1,014,030,723 | 2,631,050 | 94,061,709 | 689,773,914 | 230,195,100 | 1.76% | 973.91 |

*Sources: City of Lubbock Business Development Estimates, 2010 Census

Note: (1) Includes all long-term general obligation debt. (2) Includes restricted investments in the Debt Service Fund and Special Revenue TIF funds. (3) Includes debt paid for from HUD loans, franchise fees, and hotel tax



**City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Administrative Services Capital Projects
As of December 31, 2013**

| Project Number/Name | Funding To Date | Amount Exp As of 9/30/2013 | October 2013 | November 2013 | December 2013 | Project to Date Total | Funds Remaining | % Funds Remaining | % of Budget Spent | Orig Date of Appropriation | Closed |
|--------------------------------------|---------------------|----------------------------|--------------|---------------|---------------|-----------------------|------------------|-------------------|-------------------|----------------------------|--------|
| 8536 City Facility Demolition | \$ 982,748 | 830,952 | - | - | - | 830,952 | 151,796 | 15.45 | 84.55 | 9/11/2008 | |
| 91190 City Hall Improvements | 1,994,500 | 618,753 | - | - | - | 618,753 | 1,375,747 | 68.98 | 31.02 | 9/8/2005 | |
| 92238 Facility Maintenance Fund | 750,000 | 348,617 | - | - | - | 348,617 | 401,383 | 53.52 | 46.48 | 9/16/2010 | |
| 92309 Permitting and Land Use System | 660,000 | 411,815 | - | 19,172 | 23,808 | 454,796 | 205,204 | 31.09 | 68.91 | 9/13/2012 | |
| 92323 Facility Renovations/Upgrades | 1,835,370 | - | - | - | - | - | 1,835,370 | 100.00 | - | 9/10/2013 | |
| 92324 Document Management System | 231,574 | - | - | - | - | - | 231,574 | 100.00 | - | 9/10/2013 | |
| Total | \$ 6,454,192 | 2,210,137 | - | 19,172 | 23,808 | 2,253,118 | 4,201,074 | 65.09 | 34.91 | | |

**Cultural & Recreational Services Capital Projects
As of December 31, 2013**

| Project Number/Name | Funding To Date | Amount Exp As of 9/30/2013 | October 2013 | November 2013 | December 2013 | Project to Date Total | Funds Remaining | % Funds Remaining | % of Budget Spent | Orig Date of Appropriation | Closed |
|--|----------------------|----------------------------|---------------|---------------|----------------|-----------------------|------------------|-------------------|-------------------|----------------------------|--------|
| 8521 Community Center Renovations - Various Locations | \$ 524,000 | 474,084 | - | - | - | 474,084 | 49,916 | 9.53 | 90.47 | 9/8/2005 | |
| 8550 Golf Course Improvements | 460,856 | 141,983 | - | - | - | 141,983 | 318,873 | 69.19 | 30.81 | 8/13/2009 | |
| 91162 Library Renovations | 2,145,000 | 2,020,770 | 22,533 | - | 33,799 | 2,077,102 | 67,898 | 3.17 | 96.83 | 9/11/2008 | |
| 91169 Park Pavilions | 1,463,601 | 1,067,722 | - | - | - | 1,067,722 | 395,879 | 27.05 | 72.95 | 9/8/2005 | |
| 91170 Park Playground Replacement | 3,826,041 | 2,641,589 | - | - | - | 2,641,589 | 1,184,452 | 30.96 | 69.04 | 9/8/2005 | |
| 92027 McAlister Restroom Improvements | 300,000 | 294,446 | - | - | - | 294,446 | 5,554 | 1.85 | 98.15 | 9/13/2006 | |
| 92144 Buddy Holly Center | 1,050,000 | 1,019,924 | - | - | - | 1,019,924 | 30,076 | 2.86 | 97.14 | 9/13/2007 | |
| 92235 Berl Huffman Restroom | 175,000 | 31,822 | - | - | 104,717 | 136,539 | 38,461 | 21.98 | 78.02 | 9/16/2010 | |
| 92260 Maggie Trejo/Rogers Park Development | 220,000 | 146,987 | (2,713) | 17,432 | - | 161,706 | 58,294 | 26.50 | 73.50 | 9/8/2011 | |
| 92263 Garden and Arts Center Renovation | 433,500 | 393,194 | 20,790 | 1,713 | - | 415,697 | 17,803 | 4.11 | 95.89 | 9/8/2011 | |
| 92264 Mackenzie Restroom - Broadway Entrance | 261,547 | 35 | - | - | 104,717 | 104,752 | 156,795 | 59.95 | 40.05 | 9/8/2011 | |
| 92287 Llano Estacado Lake Improvements | 880,381 | 17,650 | - | - | 18,012 | 35,663 | 844,718 | 95.95 | 4.05 | 9/13/2012 | |
| 92288 Hoel Park Walking Track | 380,000 | - | - | - | - | - | 380,000 | 100.00 | - | 9/13/2012 | |
| 92327 Mose Hood Park Improvement | 300,000 | - | - | - | - | - | 300,000 | 100.00 | - | 9/10/2013 | |
| 92328 Aztlan Mural Shelter | 135,000 | - | - | - | - | - | 135,000 | 100.00 | - | 9/10/2013 | |
| Total | \$ 12,554,926 | 8,250,205 | 40,609 | 19,144 | 261,246 | 8,571,205 | 3,983,721 | 31.73 | 68.27 | | |

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Public Safety & Health Services Capital Projects
As of December 31, 2013

| Project Number/Name | Funding To Date | Amount Exp As of 9/30/2013 | October 2013 | November 2013 | December 2013 | Project to Date Total | Funds Remaining | % Funds Remaining | % of Budget Spent | Orig Date of Appropriation | Closed |
|--|---------------------|----------------------------|---------------|----------------|---------------|-----------------------|------------------|-------------------|-------------------|----------------------------|--------|
| 91160 Police Dept. & Municipal Court Renovations | \$ 945,000 | 881,815 | - | 27,233 | - | 909,048 | 35,952 | 3.80 | 96.20 | 9/11/2008 | |
| 91220 Major Repairs at Fire Stations | 2,345,009 | 1,626,740 | 95,604 | 4,721 | 10,400 | 1,737,464 | 607,545 | 25.91 | 74.09 | 9/28/2006 | |
| 92259 Fire Station No. 19 | 4,378,084 | 526,765 | 483 | 72,080 | 22,853 | 622,182 | 3,755,902 | 85.79 | 14.21 | 6/9/2011 | |
| 92307 Animal Shelter Expansion | 1,200,000 | - | - | 11,336 | - | 11,336 | 1,188,664 | 99.06 | 0.94 | 9/13/2012 | |
| 92348 New Fire Station No. 1 | 330,000 | - | - | - | - | - | 330,000 | 100.00 | - | 9/10/2013 | |
| Total | \$ 9,198,093 | 3,035,319 | 96,087 | 115,370 | 33,253 | 3,280,029 | 5,918,064 | 64.34 | 35.66 | | |

Public Works Capital Projects
As of December 31, 2013

| Project Number/Name | Funding To Date | Amount Exp As of 9/30/2013 | October 2013 | November 2013 | December 2013 | Project to Date Total | Funds Remaining | % Funds Remaining | % of Budget Spent | Orig Date of Appropriation | Closed |
|---|----------------------|----------------------------|----------------|----------------|----------------|-----------------------|-------------------|-------------------|-------------------|----------------------------|--------|
| 8563 Sign Upgrades and Replacement | \$ 498,634 | 197,646 | - | - | - | 197,646 | 300,988 | 60.36 | 39.64 | 9/16/2010 | |
| 8583 Milwaukee Bridges: MSF and Spur 327 | 52,567 | 792 | - | - | - | 792 | 51,775 | 98.49 | 1.51 | 4/11/2013 | |
| 90095 North University Enhancement Project | 1,250,000 | 520,197 | 11,175 | - | - | 531,372 | 718,628 | 57.49 | 42.51 | 9/27/2000 | |
| 92148 N&E Lubbock Residential Street Infrastructure | 775,000 | 814,455 | - | - | - | 814,455 | (39,455) | (5.09) | 105.09 | 9/13/2006 | |
| 92172 Traffic Signals/Controllers | 1,400,000 | 925,022 | 20,444 | 23,200 | 8,495 | 977,162 | 422,838 | 30.20 | 69.80 | 9/11/2008 | |
| 92216 Traffic Signal Upgrades | 4,750,000 | 2,958,420 | 40,702 | 12,257 | 113,193 | 3,124,572 | 1,625,428 | 34.22 | 65.78 | 12/2/2009 | |
| 92217 34th Street Reconstruction - Indiana Avenue to Avenue Q | 22,557,200 | 9,883,255 | 105,074 | 211,449 | 29,057 | 10,228,836 | 12,328,364 | 54.65 | 45.35 | 12/2/2009 | |
| 92219 114th Street - University Ave. to Slide Road | 3,210,000 | 2,235,851 | - | - | - | 2,235,851 | 974,149 | 30.35 | 69.65 | 12/2/2009 | |
| 92220 Milwaukee and 98th Street | 6,650,000 | 3,932,108 | 425,817 | 136,905 | 18,821 | 4,513,651 | 2,136,349 | 32.13 | 67.87 | 12/2/2009 | |
| 92244 North Quaker Street Lighting | 250,000 | 140,485 | - | - | - | 140,485 | 109,515 | 43.81 | 56.19 | 9/16/2010 | |
| 92248 Phase II Street Maintenance Program | 37,644,368 | 24,630,709 | 317,632 | 42,037 | 153,249 | 25,143,627 | 12,500,741 | 33.21 | 66.79 | 9/16/2010 | |
| 92322 Erskine St-Ind Ave to Quaker | 200,000 | 150,359 | 3,638 | - | 698 | 154,695 | 45,305 | 22.65 | 77.35 | 6/13/2013 | |
| 92349 Communications System Expansion | 350,000 | - | - | - | - | - | 350,000 | 100.00 | - | 9/10/2013 | |
| Total | \$ 79,587,769 | 46,389,300 | 924,483 | 425,849 | 323,513 | 48,063,145 | 31,524,624 | 39.61 | 60.39 | | |

Funds remaining in closed projects have been utilized in other projects or remain in fund balance, so the total funds remaining could be overstated.

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Water Fund Model

| | Budget | Forecast | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|
| | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 |
| Revenues | | | | | | |
| Interest Revenues | - | 227,015 | 343,617 | 440,630 | 503,516 | 578,905 |
| Revenue from Rentals | 132,040 | 133,360 | 134,694 | 136,041 | 137,401 | 138,775 |
| Revenue From Junk Sales | 110,000 | 110,000 | 110,000 | 110,000 | 110,000 | 110,000 |
| Revenue From Metered Services | 75,933,599 | 77,916,594 | 80,218,938 | 82,605,490 | 85,079,557 | 87,644,581 |
| Revenue from Dept Operations | 1,936,750 | 1,975,485 | 2,014,995 | 2,055,295 | 2,096,400 | 2,138,328 |
| Transfers From Other Funds | 130,604 | 131,438 | 131,994 | 133,371 | 133,229 | 133,868 |
| Total Funding Sources | 78,242,993 | 80,493,892 | 82,954,238 | 85,480,827 | 88,060,104 | 90,744,457 |
| Expenditures | | | | | | |
| Total Salaries | 5,811,928 | 5,928,167 | 6,046,730 | 6,167,664 | 6,291,018 | 6,416,838 |
| Total Benefits | 3,120,048 | 3,300,449 | 3,496,258 | 3,708,963 | 3,940,201 | 4,191,769 |
| Total Supplies | 2,192,951 | 2,236,810 | 2,281,546 | 2,327,177 | 2,373,721 | 2,421,195 |
| Total Maintenance | 3,144,552 | 3,207,443 | 3,271,591 | 3,337,023 | 3,403,764 | 3,471,839 |
| CRMWA Delivery Charges | 5,577,185 | 5,688,729 | 5,802,503 | 5,918,553 | 6,036,924 | 6,157,663 |
| Electric Utility Charges | 3,733,397 | 3,774,356 | 3,815,764 | 3,857,627 | 3,899,949 | 3,942,736 |
| Total Professional Services / Training | 823,230 | 839,695 | 856,488 | 873,618 | 891,091 | 908,912 |
| Total Scheduled Charges | 1,049,088 | 1,070,070 | 1,091,471 | 1,113,300 | 1,135,566 | 1,158,278 |
| Total Other Charges | 26,000 | 26,520 | 27,050 | 27,591 | 28,143 | 28,706 |
| Total Capital Outlay | 553,133 | 413,100 | 421,362 | 429,789 | 438,385 | 447,153 |
| Total Transfers | 12,057,578 | 12,141,757 | 12,508,741 | 12,886,281 | 13,273,761 | 13,674,526 |
| Pay-As-You-Go Funding in CIP | 700,000 | 800,000 | - | - | - | - |
| Existing Debt Service | 39,432,761 | 39,381,321 | 40,282,583 | 40,034,945 | 38,413,500 | 37,208,497 |
| Less: Interest Earnings on Bond Proceeds | (59,596) | (153,983) | (240,500) | (189,100) | (165,300) | (120,375) |
| Less: Build America Bond Subsidy | (1,456,289) | (1,456,289) | (1,456,289) | (1,456,289) | (1,418,620) | (1,341,296) |
| New Debt Service | - | 2,188,918 | 5,735,112 | 9,363,798 | 10,226,865 | 11,365,286 |
| Existing Master Lease | 743,019 | 694,267 | 766,381 | 861,643 | 978,771 | 901,533 |
| Total Expenditures | 77,448,984 | 80,081,328 | 84,706,793 | 89,262,586 | 89,747,739 | 90,833,260 |
| Total Expenditures (Over)/Under Revenues | 794,009 | 412,564 | (1,752,555) | (3,781,759) | (1,687,635) | (88,803) |
| Net Asset Calculation | | | | | | |
| Appropriable Net Assets: | 45,403,032 | 45,815,596 | 44,063,041 | 40,281,282 | 38,593,648 | 38,504,845 |
| Less: Reserve for RCWF Transmission Line | - | - | - | - | - | (1,147,621) |
| Less: Appropriable Net Asset Policy | (19,500,597) | (20,006,360) | (20,592,157) | (21,199,206) | (21,828,340) | (22,480,421) |
| Total Appropriable Net Assets | 25,902,434 | 25,809,236 | 23,470,885 | 19,082,076 | 16,765,308 | 14,876,803 |
| Coverage | 1.28 | 1.26 | 1.17 | 1.13 | 1.18 | 1.22 |
| Base rate as a % of debt service | 69.48% | 55.81% | 41.09% | 31.77% | 24.05% | 21.94% |
| Rate Analysis | | | | | | |
| | December | December | December | December | December | December |
| Base Rate | 18.00 | 15.00 | 12.00 | 10.00 | 7.00 | 7.00 |
| Tier 1 | 7.83% | 10.99% | 9.81% | 7.05% | 8.26% | 2.82% |
| Tier 2 | 7.83% | 10.99% | 9.81% | 7.05% | 8.26% | 2.82% |
| Tier 3 | 7.83% | 10.99% | 9.81% | 7.05% | 8.26% | 2.82% |

The proposed rate structure incorporated in this model is subject to change depending on many variables. Some of these variables may include: water volumes, interest rates, commodity prices, inflation rates, the operational impact of new facilities, and changes in the cost or priority of capital projects.

City of Lubbock, TX
Finance Department
Rating Agency Presentation
Water Appropriate Net Asset Calculation

| | |
|--|----------------------|
| Current Assets | |
| Total Current Assets | \$ 38,476,796 |
| Less: Cash Funded Capital Projects | (1,266,217) |
| Less: Inventories | (168,129) |
| Total Net Current Assets | <u>37,042,450</u> |
| Current Liabilities | |
| Accounts Payable | 3,055,569 |
| Less: Accounts Payable Retainage (223.3097) | (139,132) |
| Accrued Liabilities | 199,994 |
| Customer Deposits | 192,318 |
| Due to Other Funds | - |
| Total Current Liabilities | <u>3,308,749</u> |
| Cashflow Calculations | |
| Current Assets Less Current Liabilities | 33,733,701 |
| Add: Restricted Cash reserved for Debt Service | 10,875,321 |
| Total Available Cash at September 30, 2013 | <u>\$ 44,609,023</u> |
| September 30, 2013 | |
| Target Net Assets Policy | 25.00% |
| Target Net Assets by Policy | \$ 20,224,769 |
| Available for Reallocation | 24,384,254 |
| Percentage of Net Asset Policy | 220.6% |
| FY 2013-14 Budget | |
| Operating Revenues | \$ 78,002,389 |
| Non-Operating Revenues | 240,604 |
| Expenses | (77,448,984) |
| Revenue Over/(Under) Expenses | <u>794,009</u> |
| Total Available Cash at September 30, 2014 | <u>\$ 45,403,032</u> |
| Estimated September 30, 2014 | |
| Target Net Assets Policy | 25.00% |
| Target Net Assets by Policy | \$ 19,500,597 |
| Available for Reallocation | 25,902,434 |
| Percentage of Net Asset Policy | 232.8% |

City of Lubbock, TX

Water Fund

Balance Sheet

For Fiscal Years Ended September 30

| <u>Assets</u> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Current Assets: | | | | | | | | | | |
| Pooled cash and cash equivalents | \$ 9,646,398 | \$ 5,205,156 | \$ 6,167,041 | \$ 125,438 | \$ 24,093 | \$ 24,906 | \$ 14,362 | \$ 923,353 | \$ 3,972,494 | \$ 5,409,530 |
| Investments | 2,336,705 | 186,781 | 5,362,050 | 9,045,220 | 2,950,033 | 4,798,965 | 17,177,713 | 35,568,944 | 20,666,753 | 23,023,724 |
| Accounts and notes receivable (net) | 3,935,759 | 4,113,761 | 4,292,453 | 4,900,490 | 4,998,563 | 7,577,095 | 7,644,373 | 9,189,296 | 8,737,594 | 9,774,227 |
| Interest receivable | 34,961 | 19,769 | 25,851 | 54,896 | 54,542 | 27,077 | 5,580 | 27,315 | 34,934 | 54,299 |
| Due from other governments | 28,081 | 42,444 | - | 33,714 | 33,901 | 80,961 | 2,405 | 22,078 | 40,768 | 43,585 |
| Due from other funds | 261,500 | - | 70,919 | - | - | 38,659 | 47,087 | 58,305 | 918 | 3,302 |
| Prepaid expenses | - | - | - | - | - | - | - | 192,450 | - | - |
| Inventory, at cost | 170,483 | 215,806 | 273,979 | 221,430 | 226,079 | 264,081 | 296,165 | 145,434 | 195,485 | 168,129 |
| Total current assets | <u>16,413,887</u> | <u>9,783,717</u> | <u>16,192,293</u> | <u>14,381,188</u> | <u>8,287,211</u> | <u>12,811,744</u> | <u>25,187,685</u> | <u>46,127,175</u> | <u>33,648,946</u> | <u>38,476,796</u> |
| Restricted Assets: | | | | | | | | | | |
| Total restricted assets | <u>22,508,183</u> | <u>21,910,438</u> | <u>27,193,256</u> | <u>31,591,963</u> | <u>68,834,543</u> | <u>55,037,694</u> | <u>156,576,955</u> | <u>123,337,401</u> | <u>91,438,003</u> | <u>80,283,464</u> |
| Advance to other funds | - | - | - | - | - | - | - | - | - | - |
| Property, plant and equipment: | | | | | | | | | | |
| Land | 12,724,350 | 12,724,350 | 12,724,350 | 12,724,350 | 12,724,350 | 12,767,350 | 17,665,931 | 19,062,367 | 19,168,004 | 19,011,283 |
| Buildings | 21,573,970 | 21,570,924 | 21,640,589 | 22,240,589 | 22,240,589 | 25,073,351 | 25,982,002 | 26,831,154 | 74,237,247 | 75,246,789 |
| Improvements other than buildings | 200,308,490 | 222,401,681 | 261,578,561 | 287,819,541 | 291,969,454 | 307,619,424 | 337,529,618 | 342,769,467 | 535,578,711 | 545,370,683 |
| Machinery and equipment | 19,405,223 | 20,304,008 | 31,342,138 | 33,060,070 | 34,681,932 | 35,426,361 | 35,960,469 | 38,116,554 | 38,537,410 | 39,214,534 |
| Construction in progress | 45,999,985 | 50,601,987 | 32,078,599 | 19,989,416 | 27,600,824 | 38,633,483 | 47,652,174 | 164,294,292 | 6,748,127 | 8,435,799 |
| Allowance for depreciation | (77,889,617) | (83,351,900) | (90,024,387) | (97,702,198) | (104,898,891) | (113,803,905) | (122,919,237) | (133,610,420) | (147,947,246) | (162,142,905) |
| Net property, plant and equipment | <u>222,122,401</u> | <u>244,251,050</u> | <u>269,339,850</u> | <u>278,131,768</u> | <u>284,318,258</u> | <u>305,716,064</u> | <u>341,870,957</u> | <u>457,463,414</u> | <u>526,322,253</u> | <u>525,136,183</u> |
| Total assets | <u>261,044,471</u> | <u>275,945,205</u> | <u>312,725,399</u> | <u>324,104,919</u> | <u>361,440,012</u> | <u>373,565,502</u> | <u>523,635,597</u> | <u>626,927,990</u> | <u>651,409,202</u> | <u>643,896,443</u> |
| Deferred Outflows of Resources | | | | | | | | | | |
| Deferred charge on refunding | - | - | - | - | - | - | - | - | - | 4,223,798 |
| Total deferred outflows of resources | <u>-</u> | <u>4,223,798</u> |

City of Lubbock
Water Fund
Balance Sheet
For Fiscal Years Ended September 30

| Liabilities and Net Position | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Current liabilities: | | | | | | | | | | |
| Accounts and vouchers payable | 730,385 | 882,905 | 2,635,560 | 2,071,279 | 2,402,156 | 3,586,859 | 7,767,578 | 21,295,903 | 5,736,011 | 3,055,569 |
| Accrued general obligation interest | 700,818 | 986,739 | - | - | - | - | - | - | - | - |
| Other accrued expenses | 166,986 | 172,906 | 165,716 | 279,475 | 361,733 | 379,679 | 344,454 | 137,983 | 166,309 | 199,994 |
| Notes and leases payable | - | - | - | 391,881 | 675,290 | 863,442 | 793,974 | 726,638 | 694,876 | 677,496 |
| Current bonds payable | 5,908,680 | 5,911,004 | 7,503,179 | 8,673,559 | 10,350,270 | 10,916,473 | 14,658,812 | 19,160,073 | 21,957,745 | 23,511,119 |
| Total current liabilities | 7,506,869 | 7,953,554 | 10,304,455 | 11,416,194 | 13,789,449 | 15,746,453 | 23,564,818 | 41,320,597 | 28,554,941 | 27,444,178 |
| Liabilities payable from restricted assets: | | | | | | | | | | |
| Accounts and vouchers payable | - | - | - | - | - | - | - | - | - | - |
| Accrued interest | - | - | 1,750,107 | 1,098,621 | 1,193,544 | 1,177,318 | 2,144,718 | 2,207,335 | 2,147,655 | 1,898,025 |
| Customer deposits | 24,715 | 29,355 | 58,710 | 62,315 | 80,340 | 119,192 | 138,178 | 150,648 | 175,368 | 192,318 |
| Total liabilities (payable from restricted assets) | 24,715 | 29,355 | 1,808,817 | 1,160,936 | 1,273,884 | 1,296,510 | 2,282,896 | 2,357,983 | 2,323,023 | 2,090,343 |
| Long-term liabilities: | | | | | | | | | | |
| Revenue bonds (net of current portion) | 38,727,602 | - | - | - | - | - | - | - | - | - |
| General obligation bonds (net of current portion) | 66,093,381 | 122,319,849 | 148,948,252 | 158,246,275 | 189,849,751 | 187,851,822 | 314,622,019 | 374,513,443 | 399,936,411 | 382,014,188 |
| Notes and leases payable | - | - | 1,020,101 | 1,391,079 | 2,583,912 | 2,971,037 | 2,353,916 | 2,378,996 | 1,980,043 | 2,543,024 |
| Rebatable arbitrage | - | - | 15,669 | 161,546 | 163,965 | 67,997 | 27,238 | - | - | - |
| Post employment benefits | - | - | - | - | 302,778 | 549,261 | 952,719 | 1,369,405 | 2,015,384 | 2,717,482 |
| Net pension obligation | - | - | - | - | - | 188,857 | 443,321 | 705,368 | 759,729 | 766,471 |
| Accrued vacation and sick leave | 742,146 | 916,961 | 963,961 | 1,048,187 | 1,022,044 | 1,057,084 | 938,941 | 921,278 | 1,001,485 | 1,098,583 |
| Total long-term liabilities | 105,563,129 | 123,236,810 | 150,947,983 | 160,847,087 | 193,922,450 | 192,686,058 | 319,338,154 | 379,888,490 | 405,693,052 | 389,139,748 |
| Total liabilities | 113,094,713 | 131,219,719 | 163,061,255 | 173,424,217 | 208,985,783 | 209,729,021 | 345,185,868 | 423,567,070 | 436,571,016 | 418,674,269 |
| Net position | | | | | | | | | | |
| Net investment in capital assets | \$ 125,395,032 | \$ 130,126,954 | \$ 132,649,091 | \$ 109,428,974 | \$ 143,586,818 | \$ 151,924,585 | \$ 154,323,145 | \$ 173,916,647 | \$ 180,966,096 | \$ 189,422,770 |
| Restricted for: | | | | | | | | | | |
| Capital projects | 8,476,392 | - | - | 26,063,215 | - | - | - | - | - | - |
| Debt Service | - | 7,781,030 | 6,136,977 | 5,525,055 | 6,103,451 | 6,226,400 | 11,696,047 | 10,105,018 | 10,651,445 | 11,474,848 |
| Unrestricted | 14,078,334 | 6,817,502 | 10,878,076 | 9,663,458 | 2,763,960 | 5,685,496 | 12,430,537 | 19,339,255 | 23,220,645 | 28,548,354 |
| Total net position | \$ 147,949,758 | \$ 144,725,486 | \$ 149,664,144 | \$ 150,680,702 | \$ 152,454,229 | \$ 163,836,481 | \$ 178,449,729 | \$ 203,360,920 | \$ 214,838,186 | \$ 229,445,972 |

City of Lubbock, TX
Water Fund
Statement of Revenues, Expenses, and Changes in Fund Net Assets/Retained Earnings
For Fiscal Years Ended September 30

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013** |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Operating revenues: | | | | | | | | | | |
| Charges for services | \$ 32,222,280 | \$ 33,500,269 | \$ 37,330,953 | \$ 35,454,426 | \$ 42,527,445 | \$ 51,989,393 | \$ 59,474,560 | \$ 74,184,937 | \$ 73,013,404 | \$ 80,899,076 |
| New taps and reconnects | 423,738 | - | - | - | - | - | - | - | - | - |
| Total operating revenues | 32,646,018 | 33,500,269 | 37,330,953 | 35,454,426 | 42,527,445 | 51,989,393 | 59,474,560 | 74,184,937 | 73,013,404 | 80,899,076 |
| Operating expenses: | | | | | | | | | | |
| Personal services | 5,274,209 | 5,423,288 | 5,910,861 | 6,814,703 | 7,793,454 | 8,167,394 | 7,537,079 | 7,234,575 | 8,356,437 | 9,039,225 |
| Supplies | 1,021,166 | 992,173 | 1,210,729 | 1,302,892 | 1,674,784 | 1,722,763 | 1,430,719 | 1,519,478 | 1,466,379 | 1,637,562 |
| Maintenance | 2,019,918 | 2,171,179 | 2,458,357 | 1,839,067 | 2,309,434 | 2,563,885 | 2,322,316 | 2,945,359 | 2,444,534 | 2,529,098 |
| Uncollectible accounts | 738,125 | 193,483 | - | - | - | - | - | - | - | - |
| Collection expense | 1,850,565 | 1,460,411 | 1,482,000 | - | 1,742,590 | 1,828,144 | 2,232,839 | 2,471,010 | 2,566,959 | 2,566,959 |
| Other services and charges | 6,138,536 | 7,572,617 | 9,658,448 | 8,824,918 | 10,023,600 | 8,751,915 | 9,059,342 | 9,848,720 | 9,933,453 | 12,052,074 |
| Depreciation and amortization | 5,958,903 | 5,950,475 | 7,118,132 | 8,146,118 | 8,387,182 | 9,448,855 | 9,801,484 | 11,158,299 | 14,896,966 | 15,685,230 |
| Total operating expenses | 23,001,422 | 23,763,626 | 27,838,527 | 26,927,698 | 31,931,044 | 32,482,956 | 32,383,779 | 35,177,441 | 39,664,728 | 43,510,148 |
| Operating income (loss) | 9,644,596 | 9,736,643 | 9,492,426 | 8,526,728 | 10,596,401 | 19,506,437 | 27,090,781 | 39,007,496 | 33,348,676 | 37,388,928 |
| Non-operating revenues (expenses): | | | | | | | | | | |
| Interest | 588,435 | 788,431 | 1,321,864 | 1,465,228 | 1,648,913 | 496,908 | 294,344 | 294,628 | 163,128 | 133,002 |
| Disposition of Properties | 88,773 | (174,325) | (110,320) | (221,985) | (61,505) | (63,589) | (119,751) | (34,092) | 76,205 | 120,077 |
| Federal grants | - | - | 59,296 | - | 198,400 | - | - | - | - | - |
| Miscellaneous | (137,795) | 269,718 | 407,216 | 503,600 | 338,045 | 146,957 | 144,697 | 168,096 | 234,075 | 266,548 |
| IRS Build America Bond Subsidy | - | - | - | - | - | - | - | 2,441,327 | 1,596,635 | 1,527,182 |
| Interest on bonds and notes | (5,584,522) | (4,632,649) | (4,775,332) | (5,309,015) | (6,683,456) | (7,254,518) | (7,054,238) | (10,880,119) | (17,694,805) | (15,607,829) |
| Total non-operating revenues (expenses) | (5,045,109) | (3,748,825) | (3,097,276) | (3,562,172) | (4,559,603) | (6,674,242) | (6,734,948) | (8,010,160) | (15,624,762) | (13,561,020) |
| Income (loss) before operating transfers | 4,599,487 | 5,987,818 | 6,395,150 | 4,964,556 | 6,036,798 | 12,832,195 | 20,355,833 | 30,997,336 | 17,723,914 | 23,827,908 |
| Capital Contributions | | | | | | | | | | |
| Transfers in | 2,642,778 | 1,814,011 | 2,754,551 | 3,082,555 | 1,713,804 | 4,999,566 | 1,152,842 | 1,121,761 | 1,763,074 | 2,983,597 |
| Transfers (out) | 6,891,766 | 147,802 | 663,221 | 528,237 | 409,574 | 260,672 | 178,709 | 129,025 | 129,387 | 130,701 |
| Change in net position before special item | (11,172,003) | (4,536,812) | (4,874,264) | (7,558,790) | (6,386,649) | (6,710,181) | (7,074,136) | (7,336,931) | (8,139,109) | (9,807,798) |
| Termination of interest rate swap | 2,962,028 | 3,412,819 | 4,938,658 | 1,016,558 | 1,773,527 | 11,382,252 | 14,613,248 | 24,911,191 | 11,477,266 | 17,134,408 |
| Change in net position after special item | - | (6,637,093) | - | - | - | - | - | - | - | - |
| Total net position - beginning of year | 144,987,730 | 147,949,760 | 144,725,486 | 149,664,144 | 150,680,702 | 152,454,229 | 163,836,481 | 178,449,729 | 203,360,920 | 212,311,564 |
| Total net position - ending | \$ 147,949,758 | \$ 144,725,486 | \$ 149,664,144 | \$ 150,680,702 | \$ 152,454,229 | \$ 163,836,481 | \$ 178,449,729 | \$ 203,360,920 | \$ 214,838,186 | \$ 229,445,972 |

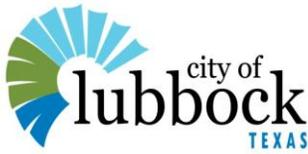
**Net position - beginning of year was restated

**City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Water Capital Projects
As of December 31, 2013**

| Project Number/Name | Funding To Date | Amount Exp As of 9/30/2013 | October 2013 | November 2013 | December 2013 | Project to Date Total | Funds Remaining | % Funds Remaining | % of Budget Spent | Orig Date of Appropriation | Closed |
|--|-----------------------|----------------------------|--------------------|------------------|------------------|-----------------------|--------------------|-------------------|-------------------|----------------------------|-----------|
| 8532 Supplemental Water Supply for LAH | \$ 1,300,000 | 1,063,665 | 3,827 | - | - | 1,067,491 | 232,509 | 17.89 | 82.11 | 9/13/2007 | |
| 8540 Well Plugging | 850,000 | 429,792 | - | - | - | 429,792 | 420,208 | 49.44 | 50.56 | 9/11/2008 | |
| 8541 Bailey County Well Field Modeling | 50,000 | 43,618 | - | - | - | 43,618 | 6,382 | 12.76 | 87.24 | 9/11/2008 | 2/28/2014 |
| 8543 Lake Alan Henry Repairs/Maintenance | 7,505,889 | 3,921,537 | 384 | 7,896 | 206 | 3,930,023 | 3,575,866 | 47.64 | 52.36 | 9/11/2008 | |
| 8556 Tank Rehab Water Treatment Plant | 900,000 | 289,783 | 504 | 3,269 | 1,222 | 294,778 | 605,222 | 67.25 | 32.75 | 8/27/2009 | |
| 8575 Shallowater Well Field Decommission | 400,000 | 272,327 | - | 2,922 | - | 275,248 | 124,752 | 31.19 | 68.81 | 9/8/2011 | |
| 8576 Pump Station No. 10 Infiltration Study | 200,000 | 139,369 | 34 | - | - | 139,403 | 60,597 | 30.30 | 69.70 | 9/8/2011 | 2/28/2014 |
| 8587 Water System Master Plan & Model Update | 500,000 | - | - | - | 215 | 215 | 499,785 | 99.96 | 0.04 | 9/10/2013 | |
| 8588 Aquifer Storage and Recovery Evaluation | 200,000 | - | - | - | - | - | 200,000 | 100.00 | - | 9/10/2013 | |
| 9492 LAH Recreation Area Improvements | 2,554,938 | 2,513,184 | - | - | - | 2,513,184 | 41,754 | 1.63 | 98.37 | 8/28/1997 | |
| 90055 Water Facilities Security Improvements | 1,921,000 | 1,313,622 | - | - | - | 1,313,622 | 607,378 | 31.62 | 68.38 | 8/26/1999 | |
| 91003 Bailey County Wellfield Improvements | 18,650,260 | 3,418,800 | - | 1,480 | 484 | 3,420,764 | 15,229,496 | 81.66 | 18.34 | 3/24/2005 | |
| 91007 Comprehensive Water Line Changeouts | 4,519,040 | 1,062,331 | 106,671 | 14,771 | 12,844 | 1,196,617 | 3,322,423 | 73.52 | 26.48 | 3/24/2005 | |
| 91032 Water Treatment Plant Improvements | 9,402,000 | 1,929,341 | 28,752 | 20,971 | 368,423 | 2,347,488 | 7,054,512 | 75.03 | 24.97 | 3/24/2005 | |
| 91033 Pumping System Improvements | 1,906,875 | 435,189 | - | 259 | 129 | 435,577 | 1,471,298 | 77.16 | 22.84 | 3/24/2005 | |
| 91034 Water Line Replacement | 2,444,000 | 1,083,409 | 1,247 | 474 | 4,713 | 1,089,842 | 1,354,158 | 55.41 | 44.59 | 3/24/2005 | |
| 91035 Water Lines Ahead of Street Pavings | 3,922,000 | 2,079,505 | 104,839 | 198,547 | 41,832 | 2,424,723 | 1,497,277 | 38.18 | 61.82 | 3/24/2005 | |
| 91049 Water Meter Replacements | 3,755,000 | 3,111,741 | 51,582 | 33,916 | 23,862 | 3,221,101 | 533,899 | 14.22 | 85.78 | 3/24/2005 | |
| 92169 Irrigation Automation and Control Systems | 2,857,960 | 1,816,703 | - | 2,745 | 109,253 | 1,928,701 | 929,259 | 32.51 | 67.49 | 9/11/2008 | |
| 92171 LAH Water Treatment Plant & Terminal Reservoir | 60,700,000 | 53,876,525 | 159 | - | - | 53,876,684 | 6,823,316 | 11.24 | 88.76 | 9/11/2008 | |
| 92253 Locate and Replace Water Valves | 1,900,000 | 356,027 | 1,248 | 188 | 929 | 358,392 | 1,541,608 | 81.14 | 18.86 | 9/16/2010 | |
| 92255 Low Head B and Pump Station 9 Rehabilitation | 26,500,000 | 4,736,573 | (1,371,657) | 136,161 | 1,625,976 | 5,127,053 | 21,372,947 | 80.65 | 19.35 | 4/14/2011 | |
| 92279 Pump Station Emergency Electric Generators | 7,500,000 | 299,954 | 43 | 30,531 | 68,968 | 399,496 | 7,100,504 | 94.67 | 5.33 | 9/8/2011 | |
| 92280 LAH Wildlife Mitigation Area Improvements | 250,000 | 162,900 | 202 | 135 | - | 163,238 | 86,762 | 34.70 | 65.30 | 9/8/2011 | |
| 92312 Bailey County Well Field Disinfectant System | 1,000,000 | 591 | - | - | - | 591 | 999,409 | 99.94 | 0.06 | 9/13/2012 | |
| 92313 Pump System Disinfection System | 1,000,000 | - | - | - | - | - | 1,000,000 | 100.00 | - | 9/13/2012 | |
| 92352 Taste and Odor Control | 100,000 | - | - | - | - | - | 100,000 | 100.00 | - | 9/10/2013 | 2/28/2014 |
| 92353 South Lubbock Water Treatment Plant Exp. | 1,000,000 | - | - | - | - | - | 1,000,000 | 100.00 | - | 9/10/2013 | |
| 92354 Electrical Distribution Oil Contact Recloser Units | 250,000 | - | - | - | - | - | 250,000 | 100.00 | - | 9/10/2013 | |
| 92355 Office/Warehouse Facility Replacement | 1,250,000 | - | - | - | - | - | 1,250,000 | 100.00 | - | 9/10/2013 | |
| Total | \$ 165,288,962 | 84,356,485 | (1,072,167) | 454,265 | 2,259,056 | 85,997,639 | 79,291,323 | 47.97 | 52.03 | | |
| Total all CIP Projects All Funds* | \$ 683,651,605 | 367,015,518 | 1,245,858 | 4,289,119 | 5,196,792 | 377,747,286 | 305,628,939 | 44.75 | 55.25 | | |

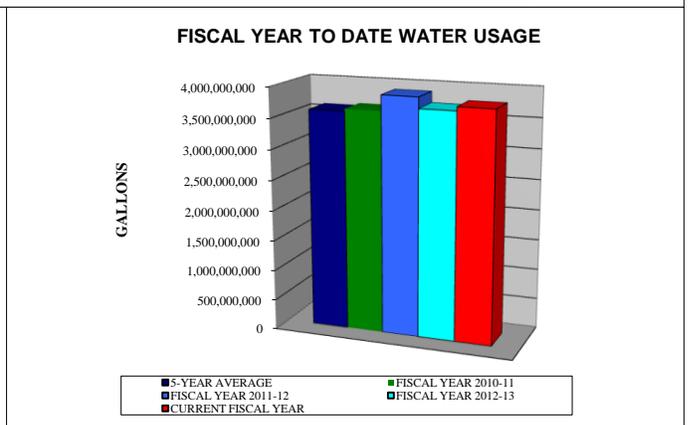
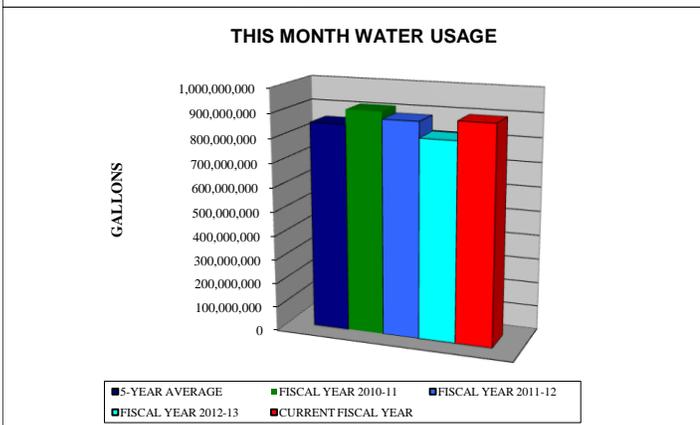
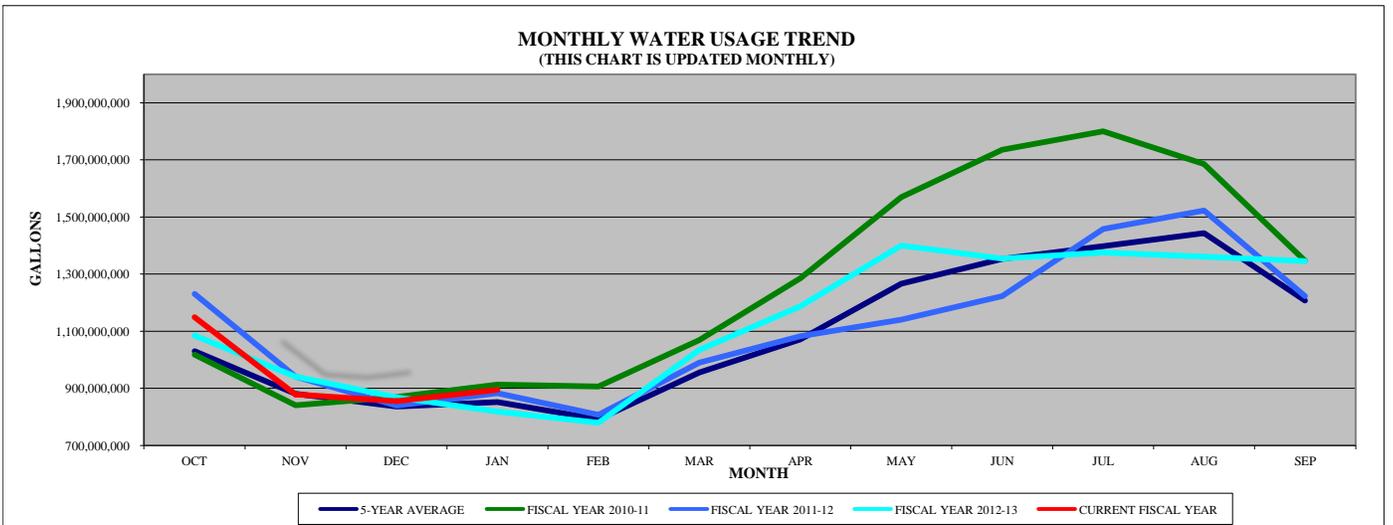
*Does not include LP&L

Funds remaining in closed projects have been utilized in other projects or remain in fund balance, so the total funds remaining could be overstated.



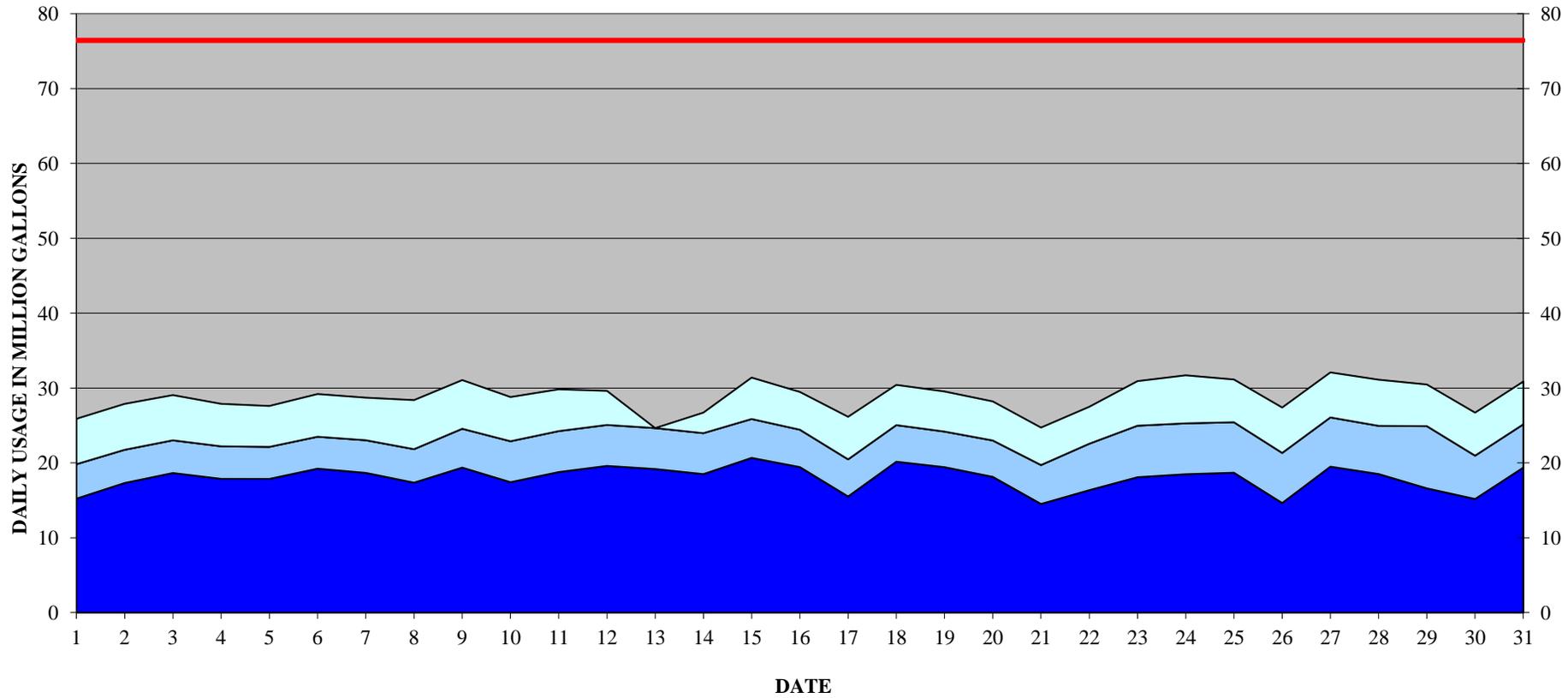
**City of Lubbock, TX
Water Department
Monthly Water Use Report
January 31, 2014**

| | 5-YEAR AVERAGE | FISCAL YEAR 2010-11 | FISCAL YEAR 2011-12 | FISCAL YEAR 2012-13 | CURRENT FISCAL YEAR |
|---|-------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| MONTHLY INFORMATION | | | | | |
| Water Use - Gallons | 852,288,940 | 913,054,000 | 883,367,000 | 818,773,700 | 895,098,000 |
| Gallons Per Capita Daily | 117 | 124 | 119 | 110 | 121 |
| Peak Day - Gallons | 34,427,400 | 34,798,000 | 31,613,000 | 31,635,000 | 31,611,000 |
| YEAR TO DATE INFORMATION | | | | | |
| Water Supplied From CRMWA - Gallons | 2,595,895,360 | 2,531,248,000 | 2,238,442,000 | 2,485,882,800 | 2,530,052,200 |
| Water Supplied From Bailey County - Gallons | 964,448,220 | 1,111,135,000 | 1,656,637,000 | 1,029,032,100 | 724,368,600 |
| Water Supplied From Lake Alan Henry - Gallons | 39,839,600 | - | - | 199,198,000 | 524,790,000 |
| Total Water Usage - Gallons | 3,600,183,180 | 3,642,383,000 | 3,895,079,000 | 3,714,112,900 | 3,779,210,800 |
| Total Water Usage - Billion Gallons (Bg) | 3.600 | 3.642 | 3.895 | 3.714 | 3.779 |
| Total Water Usage - Acre Feet (Af) | 11,049 | 11,178 | 11,954 | 11,398 | 11,598 |
| Gallons Per Capita Daily | 125 | 125 | 133 | 126 | 128 |
| Lubbock Plus Wholesale Population Served | 234,337 | 236,765 | 238,478 | 239,535 | 239,535 |
| Current Fiscal Year Minus Fiscal Year 2012-13 - Gallons | | | | | 65,097,900 |
| Current Fiscal Year To Fiscal Year 2012-13 Percentage | | | | | 101.8% |
| Current Fiscal Year Minus Fiscal Year 2011-12 - Gallons | | | | | (115,868,200) |
| Current Fiscal Year To Fiscal Year 2011-12 Percentage | | | | | 97.0% |
| Current Fiscal Year Minus Fiscal Year 2010-11 - Gallons | | | | | 136,827,800 |
| Current Fiscal Year To Fiscal Year 2010-11 Average Percentage | | | | | 103.8% |
| Current Fiscal Year Minus 5-Year Average - Gallons | | | | | 179,027,620 |
| Current Fiscal Year To 5-Year Average Percentage | | | | | 105.0% |





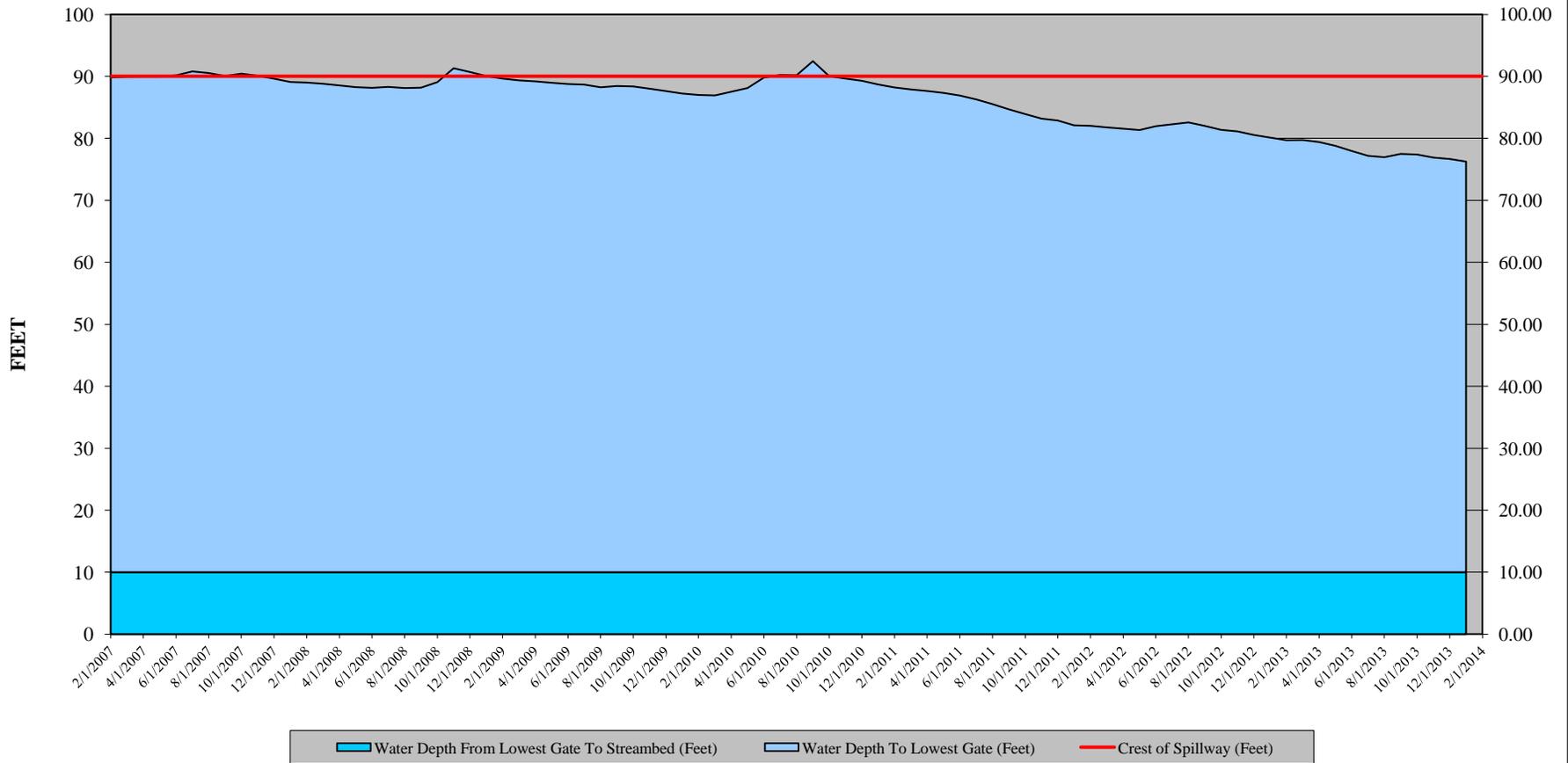
DAILY WATER USAGE VS. MAXIMUM DAILY WATER AVAILABLE January 2014



CRMWA WATER SUPPLY BCWF WATER SUPPLY LAKE ALAN HENRY SUPPLY TOTAL MAXIMUM SUPPLY AVAILABLE

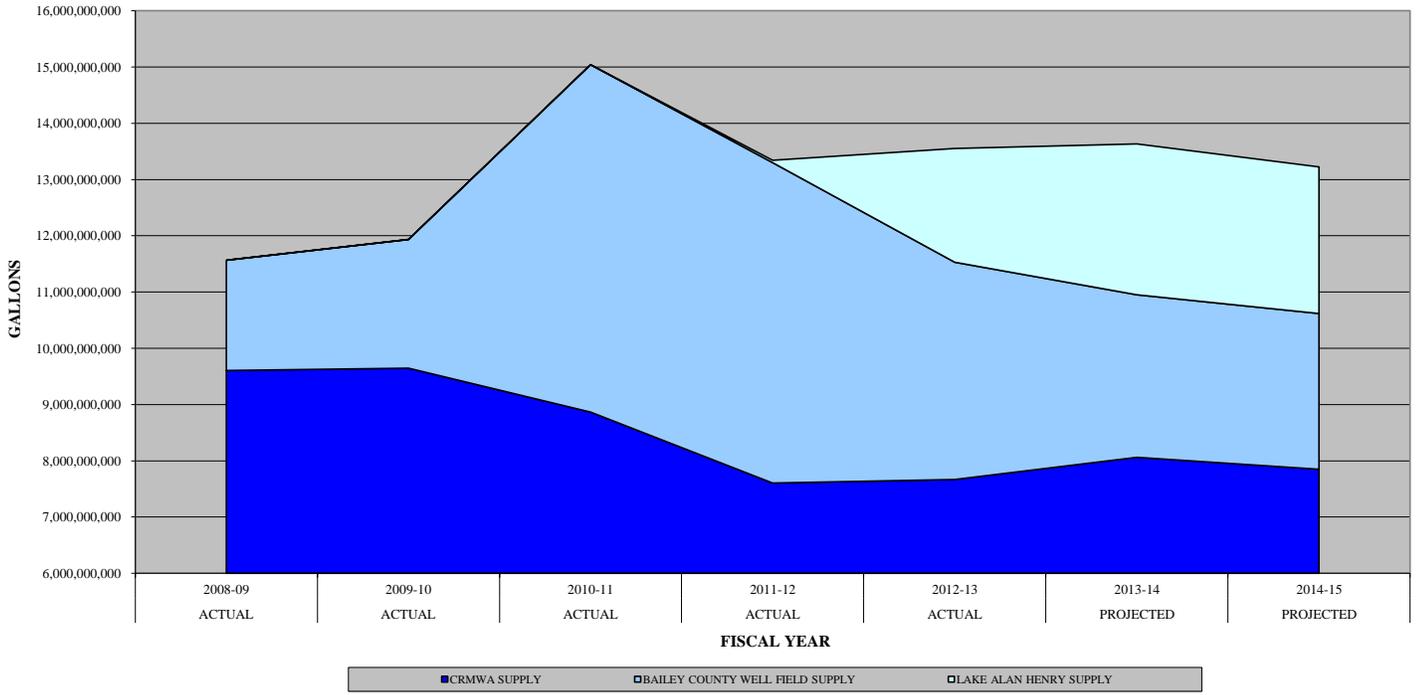


LAKE ALAN HENRY WATER LEVEL January 2014

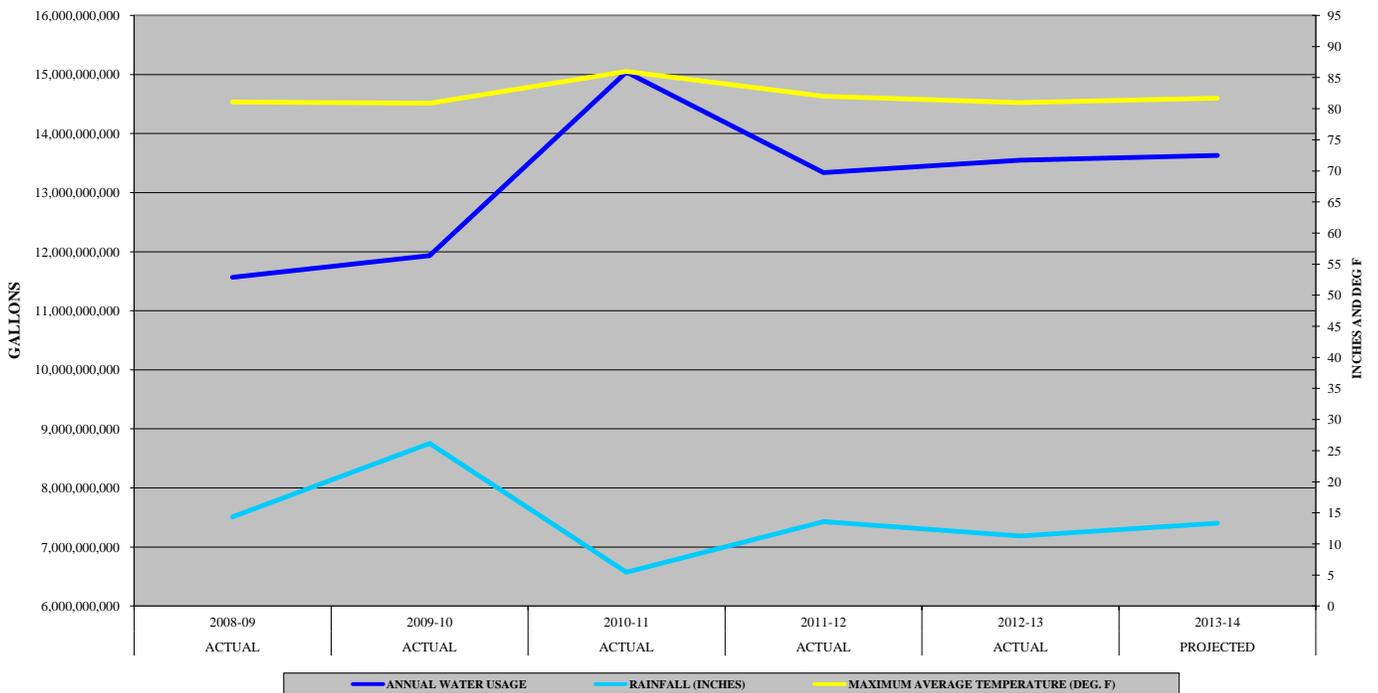




WATER SUPPLY SOURCES

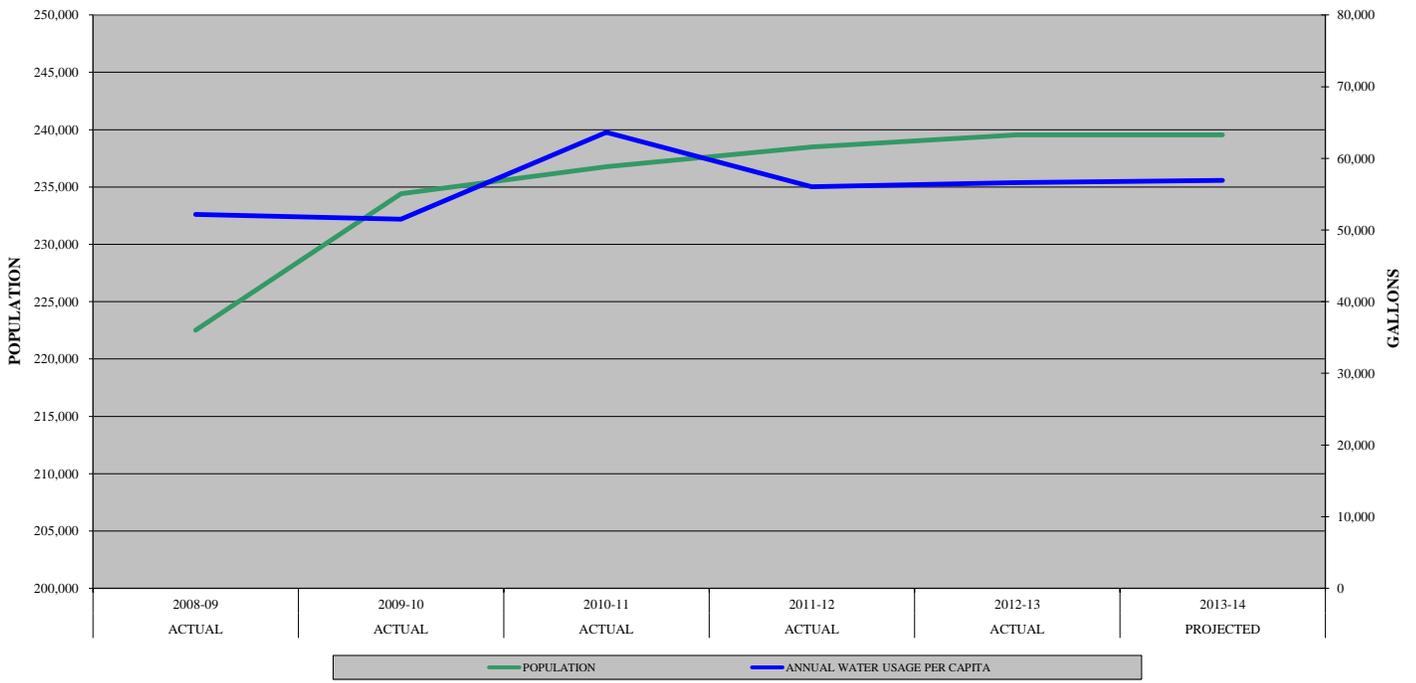


ANNUAL USAGE VS RAINFALL VS MAXIMUM AVERAGE TEMPERATURE

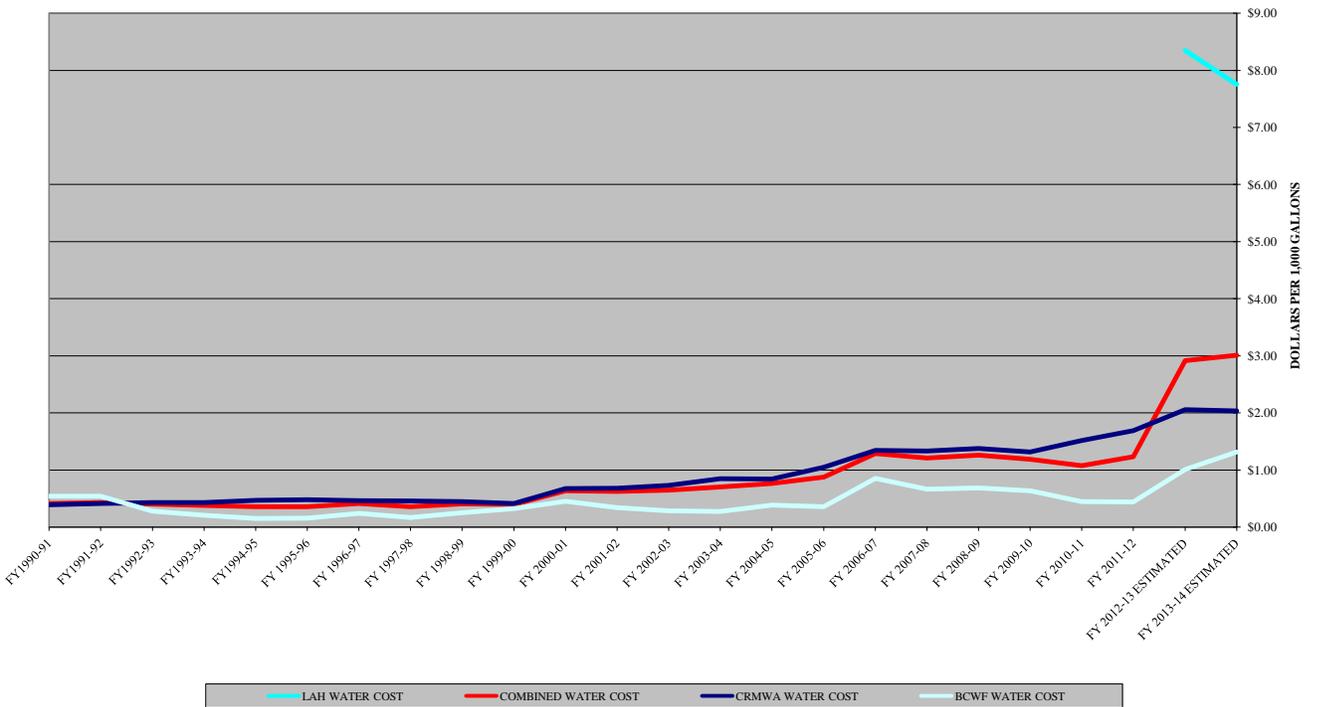




ANNUAL WATER USAGE PER CAPITA COMPARED TO POPULATION



WATER SUPPLY COST



City of Lubbock, TX
Finance Department
Rating Agency Presentation
Wastewater Fund Model

| | Budget | Forecast | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 |
| Revenues | | | | | | |
| License and Permits | 1,610 | 1,658 | 1,708 | 1,759 | 1,812 | 1,866 |
| Enterprise Fund Fees | 268,000 | 273,360 | 278,827 | 284,404 | 290,092 | 295,894 |
| Interest Revenues | - | 49,009 | 100,792 | 114,341 | 131,376 | 166,831 |
| Revenue From Junk Sales | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Revenue From Metered Services | 33,555,554 | 36,972,262 | 39,431,790 | 43,505,397 | 46,396,804 | 47,878,253 |
| Revenue from Dept Operations | 1,121,000 | 1,132,890 | 1,144,913 | 1,157,069 | 1,169,361 | 1,181,791 |
| Transfers From Other Funds | 78,870 | 80,447 | 82,056 | 83,697 | 85,371 | 87,079 |
| Other Revenue | - | - | - | - | - | - |
| Total Funding Sources | 35,045,034 | 38,529,626 | 41,060,085 | 45,166,668 | 48,094,816 | 49,631,714 |
| Expenditures | | | | | | |
| Total Salaries | 3,134,626 | 3,197,318 | 3,261,265 | 3,326,490 | 3,393,020 | 3,460,880 |
| Total Benefits | 1,582,315 | 1,672,938 | 1,771,270 | 1,878,057 | 1,994,116 | 2,120,346 |
| Total Supplies | 1,132,457 | 1,155,106 | 1,178,208 | 1,201,772 | 1,225,807 | 1,250,324 |
| Total Maintenance | 1,158,645 | 1,181,818 | 1,205,454 | 1,229,564 | 1,254,155 | 1,279,238 |
| Total Professional Services / Training | 664,715 | 678,009 | 691,569 | 705,401 | 719,509 | 733,899 |
| Total Other Charges | 469,113 | 53,665 | 54,739 | 55,833 | 56,950 | 58,089 |
| Total Scheduled Charges | 3,215,784 | 3,261,298 | 3,307,516 | 3,354,449 | 3,402,111 | 3,450,512 |
| Total Capital Outlay | 180,000 | 183,600 | 187,272 | 191,017 | 194,838 | 198,735 |
| Total Transfers | 5,881,473 | 6,203,912 | 6,472,503 | 6,839,165 | 7,138,729 | 7,358,534 |
| Pay-As-You-Go Funding in CIP | - | 1,125,000 | 2,575,000 | 575,000 | 825,000 | 575,000 |
| Existing Debt Service | 17,330,296 | 15,446,323 | 14,779,230 | 14,678,106 | 14,057,566 | 13,973,414 |
| Less: Interest Earnings on Bond Proceeds | (75,414) | (289,127) | (360,887) | (184,038) | (97,613) | (321,500) |
| Less: Build America Bond Subsidy | (47,054) | (47,054) | (47,054) | (47,054) | (45,185) | (41,343) |
| Total New Debt Service | - | 3,533,987 | 10,107,164 | 12,518,679 | 12,737,439 | 13,275,611 |
| Total Existing Master Lease | 567,544 | 617,977 | 789,658 | 952,123 | 1,029,522 | 1,154,042 |
| Total Expenditures | 35,194,499 | 37,974,769 | 45,972,907 | 47,274,566 | 47,885,964 | 48,525,781 |
| | | | | | | |
| Total Expenditures (Over)/Under Revenues | (149,465) | 554,857 | (4,912,821) | (2,107,898) | 208,852 | 1,105,933 |
| Net Asset Calculation | | | | | | |
| Appropriable Net Assets: | 19,603,456 | 20,158,313 | 15,245,491 | 13,137,593 | 13,346,446 | 14,452,378 |
| Less: Appropriable Net Asset Policy | (8,736,541) | (9,595,042) | (10,214,309) | (11,237,157) | (11,964,517) | (12,339,451) |
| Total Appropriable Net Assets | 10,866,915 | 10,563,270 | 5,031,182 | 1,900,436 | 1,381,928 | 2,112,927 |
| | | | | | | |
| Coverage | 1.43 | 1.66 | 1.18 | 1.13 | 1.25 | 1.37 |
| Base rate as a % of debt service | 83.0% | 85.7% | 67.4% | 68.8% | 71.8% | 70.6% |
| Rate Analysis | | | | | | |
| | December | December | December | December | December | December |
| Base Rate | 14.00 | 16.00 | 16.00 | 18.00 | 18.00 | 18.00 |
| Volume Charge | 0.00% | 8.75% | 8.75% | 8.75% | 8.75% | 3.00% |

The proposed rate structures incorporated in these models are subject to change depending on many variables. Some of these variables may include: wastewater volumes, interest rates, inflation rates, the operational impact of new facilities, and changes in the cost or priority of capital projects.

City of Lubbock, TX
Finance Department
Rating Agency Presentation
Wastewater Appropriate Net Asset Calculation

| | |
|--|-------------------|
| Current Assets | |
| Total Current Assets | \$ 17,874,565 |
| Less: Cash Funded Capital Projects | (3,311,534) |
| Total Net Current Assets | <u>14,563,031</u> |
| Current Liabilities | |
| Accounts Payable | 1,267,873 |
| Less: Accounts Payable Retainage (233.3097) | - |
| Accrued Liabilities | 112,167 |
| Accrued Interest Payable | - |
| Customer Deposits | - |
| Due to Other Funds | - |
| Total Current Liabilities | <u>1,380,040</u> |
| Cashflow Calculations | |
| Current Assets Less Current Liabilities | 13,182,991 |
| Add: Restricted Cash Reserved for Debt Service | 6,569,930 |
| Total Available Cash at September 30, 2013 | <u>19,752,921</u> |
| September 30, 2013 | |
| Target Net Assets Policy | 25.00% |
| Target Net Assets by Policy | \$ 8,394,649 |
| Available for Reallocation | 11,358,272 |
| Percentage of Net Asset Policy | 235.3% |
| FY 2013-14 Budget | |
| Revenues | 34,946,164 |
| Non-Operating Revenues | 98,870 |
| Expenses | (35,194,499) |
| Revenue Over/(Under) Expenditures | <u>(149,465)</u> |
| Total Available Cash at September 30, 2014 | <u>19,603,456</u> |
| Estimated September 30, 2014 | |
| Target Net Assets Policy | 25.00% |
| Target Net Assets by Policy | \$ 8,736,541 |
| Available for Reallocation | 10,866,915 |
| Percentage of Net Asset Policy | 224.4% |

Note:

1. Revenue Over/(Under) Expenditures is included in Budgeted Use of Available Cash Line
2. Revenue over expenditures shows as a negative in the budgeted use of available cash line

City of Lubbock, TX
Wastewater Fund
Balance Sheet
For Fiscal Years Ended September 30

| <u>Assets</u> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Current Assets: | | | | | | | | | | |
| Pooled cash and cash equivalents | \$ 4,300,692 | \$ 3,834,508 | \$ 4,990,325 | \$ 113,870 | \$ 60,467 | \$ 37,608 | \$ 17,420 | \$ 925,414 | \$ 2,019,182 | \$ 2,715,306 |
| Investments | 1,041,782 | 1,027,426 | 4,338,932 | 8,211,077 | 7,403,649 | 7,246,505 | 9,824,014 | 10,734,986 | 10,504,721 | 11,556,723 |
| Accounts and notes receivable (net) | 2,356,470 | 2,324,999 | 2,257,674 | 2,349,337 | 2,297,834 | 3,069,478 | 2,953,829 | 3,200,128 | 3,291,539 | 3,501,034 |
| Interest receivable | 11,658 | 9,131 | 17,612 | 58,956 | 165,330 | 58,384 | 4,235 | 3,000 | 5,925 | 37,638 |
| Due from other governments | - | - | - | 118,296 | 161,958 | 19,214 | 47,401 | 69,368 | 71,388 | 61,648 |
| Due from other funds | - | - | 145,322 | - | - | 411,056 | 68,399 | 29,377 | 39,917 | 2,216 |
| Total current assets | 7,710,602 | 7,196,064 | 11,749,865 | 10,851,536 | 10,089,238 | 10,842,245 | 12,915,298 | 14,962,273 | 15,932,672 | 17,874,565 |
| Restricted Assets: | 840,762 | 11,338,311 | 19,396,489 | 16,592,638 | 65,862,511 | 39,012,371 | 24,569,486 | 60,953,267 | 48,607,853 | 67,187,048 |
| Total restricted assets | 840,762 | 11,338,311 | 19,396,489 | 16,592,638 | 65,862,511 | 39,012,371 | 24,569,486 | 60,953,267 | 48,607,853 | 67,187,048 |
| Property, plant and equipment: | | | | | | | | | | |
| Land | 12,578,774 | 12,578,774 | 12,578,775 | 12,578,774 | 12,578,774 | 12,593,774 | 12,935,722 | 12,976,784 | 13,070,718 | 13,180,650 |
| Buildings | 23,857,432 | 23,862,871 | 24,013,170 | 24,013,170 | 24,018,814 | 24,059,440 | 24,059,440 | 24,059,440 | 25,073,978 | 25,335,124 |
| Improvements other than buildings | 105,745,873 | 109,746,495 | 114,818,170 | 123,292,696 | 127,470,376 | 141,791,568 | 145,302,080 | 148,489,017 | 193,651,029 | 198,525,070 |
| Machinery and equipment | 15,856,542 | 16,075,017 | 17,684,958 | 17,565,261 | 18,054,744 | 18,320,717 | 18,761,888 | 19,242,691 | 30,103,386 | 26,889,252 |
| Construction in progress | 5,227,618 | 6,893,669 | 8,377,603 | 11,170,884 | 21,654,174 | 38,641,876 | 56,330,026 | 69,822,000 | 35,947,393 | 50,662,868 |
| Allowance for depreciation | (53,936,873) | (58,910,186) | (63,919,720) | (68,607,595) | (73,516,931) | (78,743,139) | (83,831,670) | (88,824,039) | (94,255,123) | (96,464,401) |
| Net property, plant and equipment | 109,329,366 | 110,246,640 | 113,552,956 | 120,013,190 | 130,259,951 | 156,664,236 | 173,557,486 | 185,765,893 | 203,591,381 | 218,128,563 |
| Total assets | 117,880,730 | 128,781,015 | 144,699,310 | 147,457,364 | 206,211,700 | 206,518,852 | 211,042,270 | 261,681,433 | 268,131,906 | 303,190,176 |
| Deferred Outflows of Resources | | | | | | | | | | |
| Deferred charge on refunding | - | - | - | - | - | - | - | - | - | 478,830 |
| Total deferred outflows of resources | - | 478,830 |

City of Lubbock
Wastewater Fund
Balance Sheet
For Fiscal Years Ended September 30

| Liabilities and Net Position | 2004 | 2006 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Current liabilities: | | | | | | | | | | |
| Accounts and vouchers payable | 224,644 | 364,840 | 1,066,886 | 1,361,699 | 2,760,545 | 1,863,040 | 2,355,350 | 3,423,204 | 2,966,817 | 1,267,873 |
| Accrued general obligation interest | 122,246 | 248,821 | 473,697 | 357,311 | - | - | - | - | - | - |
| Other accrued expenses | 131,540 | 108,770 | 129,143 | 175,699 | 200,251 | 210,055 | 232,466 | 99,667 | 81,676 | 112,167 |
| Lease payable | 235,259 | 195,525 | 509,081 | 364,071 | 473,734 | 528,870 | 433,453 | 205,517 | 305,629 | 450,904 |
| Current portion of general obligation bonds and construction payable | 4,015,748 | 3,932,162 | 4,460,688 | 4,814,663 | 6,620,942 | 6,252,636 | 6,717,248 | 7,644,113 | 8,733,346 | 9,899,412 |
| Total current liabilities | 4,729,437 | 4,850,118 | 6,639,495 | 7,073,443 | 10,055,472 | 8,854,601 | 9,738,517 | 11,372,501 | 12,087,468 | 11,730,356 |
| Liabilities payable from restricted assets: | | | | | | | | | | |
| Accrued interest | - | - | - | - | 654,239 | 657,482 | 593,360 | 1,052,726 | 832,815 | 923,410 |
| Total liabilities (payable from restricted assets) | - | - | - | - | 654,239 | 657,482 | 593,360 | 1,052,726 | 832,815 | 923,410 |
| Long-term liabilities: | | | | | | | | | | |
| Contracts payable - pro rata | 4,320 | 222,387 | - | - | - | - | - | - | - | - |
| General obligation bonds (net of current portion) | 40,329,424 | 43,875,658 | 54,315,110 | 54,075,135 | 106,454,669 | 99,814,731 | 97,118,616 | 134,921,260 | 135,512,921 | 161,228,195 |
| Notes and leases payable | 417,912 | - | 1,187,000 | 1,001,256 | 1,114,259 | 900,174 | 623,281 | 987,401 | 1,667,532 | 2,327,560 |
| Rebatable arbitrage | - | - | 31,806 | 183,482 | 184,351 | 97,152 | 54,475 | - | - | - |
| Post employment benefits | - | - | - | - | 130,082 | 244,856 | 452,989 | 635,116 | 904,630 | 1,264,798 |
| Net pension obligation | - | - | - | - | - | 103,402 | 262,791 | 441,461 | 477,472 | 481,052 |
| Accrued vacation and sick leave | 372,324 | 438,116 | 479,164 | 504,540 | 499,231 | 529,594 | 554,789 | 566,773 | 526,395 | 561,022 |
| Total long-term liabilities | 41,123,980 | 44,536,161 | 56,013,080 | 55,764,413 | 108,382,592 | 101,689,909 | 99,066,941 | 137,552,011 | 139,088,950 | 165,862,627 |
| Total liabilities | 45,853,417 | 49,386,279 | 62,652,575 | 62,837,856 | 119,092,303 | 111,201,992 | 109,398,818 | 149,977,238 | 152,009,233 | 178,516,393 |
| Net position | | | | | | | | | | |
| Net investment in capital assets | \$ 65,684,404 | \$ 70,118,108 | \$ 69,516,462 | \$ 59,758,065 | \$ 76,784,510 | \$ 84,068,387 | \$ 88,960,590 | \$ 97,242,550 | \$ 100,492,309 | \$ 105,318,440 |
| Restricted for: | | | | | | | | | | |
| Capital projects | - | - | - | 13,582,176 | - | - | - | - | - | - |
| Debt Service | - | 3,312,987 | 2,937,014 | 3,008,905 | 4,506,302 | 4,111,808 | 4,273,783 | 5,718,319 | 5,487,497 | 6,569,930 |
| Unrestricted | 6,342,909 | 5,963,641 | 9,593,259 | 8,270,362 | 5,828,585 | 7,136,665 | 8,409,079 | 8,743,326 | 10,142,867 | 13,264,243 |
| Total net position | \$ 72,027,313 | \$ 79,394,736 | \$ 82,046,735 | \$ 84,619,508 | \$ 87,119,397 | \$ 95,316,860 | \$ 101,643,452 | \$ 111,704,195 | \$ 116,122,673 | \$ 125,152,613 |

City of Lubbock, TX

Wastewater Fund

Statement of Revenues, Expenses, and Changes in Fund Net Assets/Retained Earnings

For Fiscal Years Ended September 30

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013** |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Operating revenues: | | | | | | | | | | |
| Charges for services | \$ 18,203,020 | \$ 19,929,559 | \$ 21,087,364 | \$ 19,841,503 | \$ 21,095,745 | \$ 24,479,551 | \$ 26,720,757 | \$ 29,942,844 | \$ 31,626,539 | \$ 33,578,597 |
| Effluent water sales | 754,970 | - | - | - | - | - | - | - | - | - |
| Commodity sales | 232,885 | - | - | - | - | - | - | - | - | - |
| Total operating revenues | 19,190,875 | 19,929,559 | 21,087,364 | 19,841,503 | 21,095,745 | 24,479,551 | 26,720,757 | 29,942,844 | 31,626,539 | 33,578,597 |
| Operating expenses: | | | | | | | | | | |
| Personal services | 3,522,215 | 3,537,639 | 3,816,414 | 3,930,397 | 4,120,422 | 3,998,145 | 4,270,922 | 4,332,366 | 4,427,654 | 4,681,024 |
| Supplies | 642,948 | 724,106 | 972,075 | 911,261 | 1,028,572 | 950,832 | 852,697 | 814,666 | 1,026,958 | 899,321 |
| Maintenance | 1,095,564 | 1,137,176 | 1,176,302 | 1,446,735 | 1,290,050 | 1,355,282 | 1,225,653 | 1,261,494 | 1,284,674 | 1,017,279 |
| Uncollectible accounts | 301,780 | 100,129 | - | - | - | - | - | - | - | - |
| Collection expense | 346,446 | 910,539 | 926,172 | - | 1,074,669 | 1,127,431 | 1,145,930 | 1,106,857 | 1,150,915 | 1,150,915 |
| Other services and charges | 4,070,608 | 4,555,055 | 6,887,394 | 4,415,139 | 4,191,443 | 3,706,993 | 3,685,766 | 3,732,769 | 6,180,789 | 4,025,734 |
| Depreciation and amortization | 5,075,034 | 5,096,596 | 5,462,027 | 5,441,892 | 5,432,048 | 5,371,971 | 5,494,099 | 5,163,373 | 6,837,420 | 6,783,000 |
| Total operating expenses | 15,054,595 | 16,061,240 | 19,240,384 | 16,145,424 | 17,137,204 | 16,510,654 | 16,675,067 | 16,411,525 | 20,908,410 | 18,557,273 |
| Operating income (loss) | 4,136,280 | 3,868,319 | 1,846,980 | 3,696,079 | 3,958,541 | 7,968,897 | 10,045,690 | 13,531,319 | 10,718,129 | 15,021,324 |
| Non-operating revenues (expenses): | | | | | | | | | | |
| Interest | 88,789 | 165,758 | 844,020 | 1,167,249 | 1,837,589 | 1,013,252 | 1,676 | 48,384 | 82,691 | 28,719 |
| Federal grants | - | - | - | - | - | 28,870 | 47,401 | 116,497 | 93,881 | 21,986 |
| Disposition of Properties | (8,481) | (10,636) | 92,221 | 84,286 | 9,393 | 7,670 | 21,177 | 9,197 | (62,527) | (286,989) |
| Miscellaneous | (571,119) | 222,528 | 128,000 | 289,910 | 107,762 | 106,160 | 78,868 | 79,586 | 84,253 | 72,987 |
| IRS Build America Bond Subsidy | - | - | - | - | - | - | - | 78,881 | 49,362 | 47,215 |
| Interest on bonds and notes | (2,188,707) | (1,747,911) | (2,064,305) | (2,185,455) | (2,022,380) | (2,571,331) | (1,926,806) | (1,461,595) | (4,717,852) | (3,960,062) |
| Total non-operating revenues (expenses) | (2,679,518) | (1,370,261) | (1,000,064) | (644,010) | (67,636) | (1,415,379) | (1,777,684) | (1,129,050) | (4,470,192) | (4,076,144) |
| Income (loss) before operating transfers | 1,456,762 | 2,498,058 | 846,916 | 3,052,069 | 3,890,905 | 6,553,518 | 8,268,006 | 12,402,269 | 6,247,937 | 10,945,180 |
| Capital Contributions | 3,203,482 | 2,374,233 | 3,808,242 | 3,031,530 | 1,672,990 | 4,641,995 | 1,085,816 | 955,991 | 1,630,578 | 3,017,439 |
| Transfers in | 6,235,864 | 5,000,000 | 620,238 | 370,707 | 30,344 | - | 128,754 | 53,509 | 88,562 | 84,294 |
| Transfers (out) | (8,032,942) | (2,504,867) | (2,623,397) | (3,881,533) | (3,094,350) | (2,998,050) | (3,155,984) | (3,351,026) | (3,548,599) | (3,973,410) |
| Change in net position | 2,863,166 | 7,367,424 | 2,651,999 | 2,572,773 | 2,499,889 | 8,197,463 | 6,326,592 | 10,060,743 | 4,418,478 | 10,073,503 |
| Total net position - beginning of year | 69,164,147 | 72,027,312 | 79,394,736 | 82,046,735 | 84,619,508 | 87,119,397 | 95,316,860 | 101,643,452 | 111,704,195 | 115,079,110 |
| Total net position - ending | \$ 72,027,313 | \$ 79,394,736 | \$ 82,046,735 | \$ 84,619,508 | \$ 87,119,397 | \$ 95,316,860 | \$ 101,643,452 | \$ 111,704,195 | \$ 116,122,673 | \$ 125,152,613 |

**Net position - beginning of year was restated

**City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Wastewater Capital Projects
As of December 31, 2013**

| Project Number/Name | Funding To Date | Amount Exp As of 9/30/2013 | October 2013 | November 2013 | December 2013 | Project to Date Total | Funds Remaining | % Funds Remaining | % of Budget Spent | Orig Date of Appropriation | Closed |
|--|-----------------------|----------------------------|----------------|------------------|----------------|-----------------------|--------------------|-------------------|-------------------|----------------------------|-----------|
| 8505 Wastewater Resource Master Plan | \$ 7,335,000 | 7,182,529 | - | - | - | 7,182,529 | 152,471 | 2.08 | 97.92 | 11/18/2004 | |
| 8524 Canyon Lake System Reuse Study | 2,219,800 | 575,081 | 5,700 | 724 | 655 | 582,160 | 1,637,640 | 73.77 | 26.23 | 9/8/2005 | |
| 8531 Land Application Optimization | 400,000 | 181,600 | 29,888 | 2,700 | 4,135 | 218,322 | 181,678 | 45.42 | 54.58 | 9/16/2010 | |
| 8538 Project Archaeology | 1,000,000 | 682,820 | 16,415 | 17,456 | 17,096 | 733,786 | 266,214 | 26.62 | 73.38 | 9/11/2008 | |
| 8555 Sanitary Sewer Manhole Adjustments | 500,000 | 173,672 | 4,478 | 14,688 | - | 192,838 | 307,162 | 61.43 | 38.57 | 8/27/2009 | |
| 8559 98th Street Sanitary Sewer Remediation | 17,600,000 | 14,004,816 | 47,327 | 140,517 | 11,916 | 14,204,576 | 3,395,424 | 19.29 | 80.71 | 5/13/2010 | |
| 8574 Sewer Pipeline Dredging | 26,517 | 27,043 | - | - | - | 27,043 | (526) | (1.99) | 101.99 | 9/8/2011 | |
| 8579 Wastewater Direct Reuse Evalutaion | 300,000 | 9,958 | 374 | - | - | 10,332 | 289,668 | 96.56 | 3.44 | 9/13/2012 | |
| 90346 Lift Station Rehab | 2,085,000 | 840,858 | 37,482 | 270 | 1,504 | 880,115 | 1,204,885 | 57.79 | 42.21 | 9/18/2003 | |
| 91038 Sewer Line Replacement | 2,030,000 | 833,325 | 508 | 1,125 | 53 | 835,013 | 1,194,987 | 58.87 | 41.13 | 3/24/2005 | |
| 91039 Sewer Lines Ahead of Street Paving | 3,125,000 | 2,570,741 | 8,854 | - | 5,278 | 2,584,873 | 540,127 | 17.28 | 82.72 | 3/24/2005 | |
| 91040 Sewer Tap Replacements | 4,985,000 | 4,326,955 | 11,307 | 24,012 | 18,683 | 4,380,957 | 604,043 | 12.12 | 87.88 | 3/24/2005 | |
| 91042 Water Reclamation Plant Replacements | 3,625,000 | 2,661,181 | 1,052 | - | - | 2,662,233 | 962,767 | 26.56 | 73.44 | 3/24/2005 | |
| 91083 Land Application Production and Monitoring Wells | 1,100,000 | 515,844 | - | - | 4,703 | 520,547 | 579,453 | 52.68 | 47.32 | 9/8/2005 | |
| 92015 Land Application Office Renovation | 345,000 | 328,746 | - | - | 12,000 | 340,746 | 4,254 | 1.23 | 98.77 | 9/13/2006 | 2/28/2014 |
| 92126 SEWRP Improvements Phase II Plant 4 | 49,203,893 | 49,203,893 | (50,580) | - | - | 49,153,313 | 50,580 | 0.10 | 99.90 | 9/13/2007 | 2/28/2014 |
| 92177 SEWRP Improvements Digester 8 & 9 | 18,350,000 | 17,074,311 | - | 59,685 | 568 | 17,134,564 | 1,215,436 | 6.62 | 93.38 | 9/11/2008 | |
| 92178 South Lubbock Sanitary Sewer System Expansion | 26,500,000 | 3,388,391 | (57,452) | 67,962 | 72,980 | 3,471,880 | 23,028,120 | 86.90 | 13.10 | 9/11/2008 | |
| 92221 Northwest Water Reclamation Plant | 22,800,000 | 3,139,481 | 338,236 | 1,482,928 | 430 | 4,961,075 | 17,838,925 | 78.24 | 21.76 | 12/2/2009 | |
| 92249 SEWRP Solids Handling Facility Improvements | 45,000,000 | 3,179,403 | 207 | 1,603 | 1,669 | 3,182,881 | 41,817,119 | 92.93 | 7.07 | 9/16/2010 | |
| 92250 Dedicated Land Disposal Facility | 2,000,000 | 33,565 | - | - | - | 33,565 | 1,966,435 | 98.32 | 1.68 | 9/16/2010 | |
| 92252 Corrosion and Odor Control Centers Pilot Project | 500,000 | 46,536 | - | 1,204 | 4,058 | 51,798 | 448,202 | 89.64 | 10.36 | 9/16/2010 | |
| 92310 South Lubbock Sanitary Sewer Expansion Phase II | 3,000,000 | 77,693 | - | 442 | 28,509 | 106,644 | 2,893,356 | 96.45 | 3.55 | 9/13/2012 | |
| 92311 SEWRP Emergency Generator Switch Gear | 1,950,000 | 2,892 | - | 19,706 | 13,381 | 35,979 | 1,914,021 | 98.15 | 1.85 | 9/13/2012 | |
| 92318 Canyon Lakes San Sewer Mains Rehab | 1,500,000 | 269,726 | 64 | 1,005 | 85,224 | 356,018 | 1,143,982 | 76.27 | 23.73 | 9/13/2012 | |
| 92351 Office/Warehouse Replacement Facility | 1,250,000 | - | - | - | - | - | 1,250,000 | 100.00 | - | 9/10/2013 | |
| Total | \$ 218,730,210 | 111,331,061 | 393,858 | 1,836,027 | 282,843 | 113,843,789 | 104,886,421 | 47.95 | 52.05 | | |

Funds remaining in closed projects have been utilized in other projects or remain in fund balance, so the total funds remaining could be overstated.

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Solid Waste Fund Model

| | Budget FY 2014 | -----Forecast----- | | | | |
|---|--------------------|--------------------|--------------------|-------------------|-------------------|-------------------|
| | | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 |
| Revenues | | | | | | |
| Landfill Fees | 4,284,677 | 4,827,507 | 5,145,106 | 5,740,592 | 6,072,736 | 6,133,463 |
| Interest Revenues | - | 21,789 | 28,673 | 27,975 | 41,909 | 55,104 |
| Revenue from Rentals | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| Refunds and Recoveries | - | - | - | - | - | - |
| Revenue From Junk Sales | 300,000 | 315,000 | 330,750 | 347,288 | 364,652 | 382,884 |
| Revenue From Recycling | 144,756 | 146,204 | 147,666 | 149,142 | 150,634 | 152,140 |
| Revenue from Dept Operations | 14,809,093 | 16,176,015 | 16,830,182 | 17,495,816 | 18,173,079 | 19,369,465 |
| Total Funding Sources | 19,553,527 | 21,501,515 | 22,497,377 | 23,775,813 | 24,818,008 | 26,108,056 |
| Expenditures | | | | | | |
| Total Salaries | 4,335,130 | 4,421,833 | 4,510,270 | 4,600,475 | 4,692,484 | 4,786,334 |
| Total Benefits | 2,382,375 | 2,518,071 | 2,665,285 | 2,825,129 | 2,998,824 | 3,187,712 |
| Total Supplies | 2,071,662 | 2,113,095 | 2,155,357 | 2,198,464 | 2,242,434 | 2,287,282 |
| Total Maintenance | 2,271,914 | 2,317,352 | 2,363,699 | 2,410,973 | 2,459,192 | 2,508,376 |
| Total Professional Services / Training | 403,844 | 411,921 | 420,159 | 428,562 | 437,134 | 445,876 |
| Total Other Charges | 155,660 | 158,773 | 161,949 | 165,188 | 168,491 | 171,861 |
| Total Scheduled Charges | 535,658 | 546,371 | 557,298 | 568,444 | 579,813 | 591,409 |
| Total Capital Outlay | 281,354 | 268,854 | 268,854 | 268,854 | 268,854 | 268,854 |
| Total Transfers | 3,245,073 | 3,372,767 | 3,488,273 | 3,622,272 | 3,743,678 | 3,881,581 |
| Pay-As-You-Go Funding in CIP | - | 312,500 | 500,000 | - | - | - |
| Existing Debt Service | 1,796,536 | 1,775,564 | 1,815,148 | 1,784,998 | 1,761,527 | 1,546,694 |
| Less: Interest Earnings on Bond Proceeds | (1,160) | (3,774) | (19,075) | (14,130) | (9,754) | - |
| Less: Build America Bond Subsidy | (8,500) | (8,500) | (8,500) | (8,500) | (8,285) | (7,845) |
| Total New Debt Service | - | 22,932 | 97,841 | 531,046 | 531,046 | 531,046 |
| Total Master Lease | 4,463,509 | 4,821,174 | 5,093,997 | 4,401,287 | 5,030,034 | 5,368,771 |
| Total Expenditures | 21,933,056 | 23,048,933 | 24,070,555 | 23,783,062 | 24,895,471 | 25,567,951 |
| Total Expenditures (Over)/Under Revenues | (2,379,529) | (1,547,419) | (1,573,177) | (7,250) | (77,463) | 540,105 |
| Net Asset Calculation | | | | | | |
| Appropriable Net Assets | 8,715,663 | 7,168,244 | 5,595,067 | 5,587,818 | 5,510,355 | 6,050,460 |
| Less: Appropriable Net Asset Policy | (2,864,066) | (3,150,528) | (3,296,293) | (3,485,461) | (3,636,872) | (3,825,439) |
| Total Appropriable Net Assets | 5,851,598 | 4,017,716 | 2,298,774 | 2,102,356 | 1,873,483 | 2,225,021 |
| Coverage | 0.70 | 1.40 | 1.50 | 1.91 | 1.93 | 2.36 |
| Rate Analysis | | | | | | |
| Tipping Fees | 28.25 | 32.00 | 34.00 | 38.00 | 40.00 | 40.00 |
| Residential Rate | 15.25 | 16.50 | 17.00 | 17.50 | 18.00 | 19.00 |

The proposed rate structure incorporated in this model is subject to change depending on many variables. Some of these variables may include: competition with smaller arid exempt landfills, interest rates, commodity prices, inflation rates, and changes in the cost or priority of capital projects.

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Solid Waste Appropriable Net Asset Calculation

| | | |
|---|----|------------|
| Total Current Assets | \$ | 11,103,218 |
| Less: Cash Funded Capital Projects | | (172,472) |
| Less: Inventories | | - |
| Total Net Current Assets | | 10,930,746 |
| | | |
| Current Liabilities | | |
| Accounts Payable | | 266,169 |
| Less: Accounts Payable Retainage (243.3097) | | - |
| Accrued Liabilities | | 219,664 |
| Customer Deposits | | 9,372 |
| Due to Other Funds | | - |
| Total Current Liabilities | | 495,205 |
| | | |
| Cashflow Calculations | | |
| Current Assets Less Current Liabilities | | 10,435,541 |
| Add: Restricted Cash Reserved for Debt Service (241.1058) | | 659,652 |
| Total Available Cash at September 30, 2013 | \$ | 11,095,192 |

September 30, 2013

| | | |
|--------------------------------|----|-----------|
| Target Net Assets Policy | | 15.00% |
| Target Net Assets by Policy | \$ | 2,930,802 |
| Available for Reallocation | | 8,164,391 |
| Percentage of Net Asset Policy | | 378.6% |

FY 2013-14 Budget

| | | |
|--|----|--------------|
| Operating Revenues | \$ | 19,093,771 |
| Non-Operating Revenues | | 459,756 |
| Expenses | | (21,933,056) |
| Revenue Over/(Under) Expenses | | (2,379,529) |
| | | |
| Total Available Cash at September 30, 2014 | \$ | 8,715,663 |

Estimated September 30, 2014

| | | |
|--------------------------------|----|-----------|
| Target Net Assets Policy | | 15.00% |
| Target Net Assets by Policy | \$ | 2,864,066 |
| Available for Reallocation | | 5,851,598 |
| Percentage of Net Asset Policy | | 304.3% |

City of Lubbock, TX
Solid Waste Fund
Balance Sheet
For Fiscal Years Ended September 30

| <u>Assets</u> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Current Assets: | | | | | | | | | | |
| Pooled cash and cash equivalents | \$ 5,806,506 | \$ 5,527,981 | \$ 2,737,646 | \$ 118,621 | \$ 83,418 | \$ 42,563 | \$ 9,217 | \$ 727,201 | \$ 984,615 | \$ 1,125,695 |
| Investments | 1,406,545 | 678,260 | 2,380,298 | 8,553,673 | 10,213,760 | 8,201,112 | 6,529,464 | 7,880,606 | 5,122,421 | 4,791,115 |
| Accounts and notes receivable (net) | 1,396,584 | 1,350,358 | 1,708,699 | 2,025,363 | 2,156,606 | 1,762,577 | 1,649,661 | 1,826,945 | 2,076,061 | 1,777,956 |
| Interest receivable | 26,155 | 9,928 | 9,665 | 13,124 | 39,636 | 23,740 | 1,783 | 1,512 | 1,327 | 3,566 |
| Due from other funds | - | - | 1,540,853 | 1,100,000 | 511,996 | 1,925,124 | 2,571,784 | 2,918,893 | 3,419,341 | 3,404,886 |
| Total current assets | 8,635,790 | 7,566,527 | 8,377,161 | 11,810,781 | 13,005,416 | 11,955,116 | 10,761,909 | 13,355,157 | 11,603,765 | 11,103,218 |
| Restricted Assets: | 7,784,982 | 3,057,631 | 7,320,509 | 4,737,395 | 3,133,240 | 2,738,887 | 2,683,885 | 3,509,536 | 2,343,130 | 2,054,062 |
| Total restricted assets | 7,784,982 | 3,057,631 | 7,320,509 | 4,737,395 | 3,133,240 | 2,738,887 | 2,683,885 | 3,509,536 | 2,343,130 | 2,054,062 |
| Advance to other funds | 1,023,705 | - | - | - | - | - | - | - | - | - |
| Property, plant and equipment: | | | | | | | | | | |
| Land | 1,607,932 | 1,607,932 | 1,607,932 | 1,607,932 | 1,607,932 | 1,607,932 | 1,607,932 | 1,607,932 | 1,607,932 | 1,607,932 |
| Buildings | 1,399,523 | 1,399,523 | 1,596,858 | 1,596,858 | 1,596,858 | 1,634,574 | 1,634,574 | 1,634,574 | 1,634,574 | 1,634,574 |
| Improvements other than buildings | 15,768,155 | 19,705,010 | 20,599,958 | 20,646,551 | 26,271,526 | 26,794,234 | 27,463,935 | 27,425,771 | 27,671,381 | 35,063,732 |
| Machinery and equipment | 18,710,835 | 21,407,589 | 23,757,251 | 25,222,211 | 27,427,105 | 32,114,843 | 31,334,368 | 32,847,493 | 34,055,596 | 38,293,148 |
| Construction in progress | 5,950,400 | 1,296,566 | 991,100 | 3,762,050 | 589,113 | 2,297,003 | 2,023,538 | 5,432,958 | 7,112,727 | 2,021 |
| Allowance for depreciation | (24,425,952) | (29,348,777) | (32,663,078) | (34,252,633) | (36,211,036) | (41,094,028) | (42,934,634) | (45,401,233) | (48,125,719) | (50,685,379) |
| Net property, plant and equipment | 19,010,893 | 16,067,843 | 15,890,021 | 18,582,969 | 21,281,498 | 23,354,558 | 21,129,713 | 23,547,495 | 23,956,491 | 25,916,028 |
| Total assets | 36,455,370 | 26,692,001 | 31,587,691 | 35,131,145 | 37,420,154 | 38,048,561 | 34,575,507 | 40,412,188 | 37,903,386 | 39,073,308 |
| Deferred Outflows of Resources | | | | | | | | | | |
| Deferred charge on refunding | - | - | - | - | - | - | - | - | - | 62,682 |
| Total deferred outflows of resources | - | - | - | - | - | - | - | - | - | 62,682 |

City of Lubbock
Solid Waste Fund
Balance Sheet
For Fiscal Years Ended September 30

| <u>Liabilities and Net Position</u> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|----------------------|----------------------|----------------------|----------------------|---------------------|---------------------|-------------------|-------------------|---------------------|-------------------|
| Current liabilities: | | | | | | | | | | |
| Accounts and vouchers payable | 45,006 | 316,529 | 354,737 | 153,382 | 107,490 | 141,577 | 331,631 | 1,596,784 | 415,070 | 266,169 |
| Accrued general obligation interest | 48,415 | 41,770 | 146,129 | 101,185 | - | - | - | - | - | - |
| Other accrued expenses | 176,769 | 168,134 | 196,537 | 259,470 | 299,676 | 331,537 | 344,679 | 188,293 | 200,642 | 219,664 |
| Lease payable | 387,183 | 252,320 | 705,854 | 1,161,123 | 1,845,507 | 3,376,659 | 4,170,808 | 4,512,486 | 3,642,755 | 3,422,112 |
| Current portion of general obligation bonds and construction payable | 437,355 | 442,733 | 508,338 | 647,257 | 562,343 | 683,940 | 715,278 | 851,732 | 981,613 | 1,042,772 |
| Total current liabilities | 1,094,728 | 1,221,486 | 1,911,595 | 2,322,417 | 2,815,016 | 4,533,713 | 5,562,396 | 7,149,295 | 5,240,080 | 4,950,717 |
| Liabilities payable from restricted assets: | | | | | | | | | | |
| Accounts and vouchers payable | 77,121 | - | - | - | - | - | - | - | - | - |
| Accrued interest | - | - | - | - | 118,244 | 119,463 | 120,567 | 183,110 | 129,972 | 117,193 |
| Customer deposits | 6,122 | 6,772 | 7,072 | 7,372 | 7,772 | 8,172 | 8,672 | 8,672 | 9,072 | 9,372 |
| Total liabilities (payable from restricted assets) | 83,243 | 6,772 | 7,072 | 7,372 | 126,016 | 127,635 | 129,239 | 191,782 | 139,044 | 126,565 |
| Long-term liabilities: | | | | | | | | | | |
| General obligation bonds (net of current portion) | 8,075,594 | 7,564,389 | 11,680,334 | 12,373,733 | 13,111,767 | 12,839,875 | 12,755,753 | 18,628,202 | 17,583,403 | 16,652,296 |
| Notes and leases payable | 348,533 | 592,300 | 2,465,838 | 4,842,840 | 7,099,944 | 9,482,831 | 8,770,310 | 6,281,764 | 5,466,489 | 8,403,901 |
| Accrued vacation and sick leave | 234,370 | 348,579 | 490,662 | 535,324 | 555,800 | 671,209 | 662,581 | 573,946 | 641,523 | 664,796 |
| Post employment benefits | - | - | - | - | 222,037 | 417,718 | 766,741 | 1,050,970 | 1,504,439 | 1,960,346 |
| Net pension obligation | - | - | - | - | - | 112,655 | 287,326 | 473,857 | 509,871 | 514,012 |
| Rebatable Arbitrage | - | - | - | 34,875 | 35,848 | 9,711 | - | - | - | - |
| Landfill closure/Postclosure care costs | 3,051,116 | 3,073,391 | 3,299,131 | 3,531,611 | 3,770,566 | 3,967,290 | 4,886,726 | 5,067,018 | 5,050,212 | 5,079,349 |
| Total long-term liabilities | 11,709,613 | 11,578,659 | 17,935,965 | 21,318,383 | 24,795,962 | 27,501,289 | 28,129,437 | 32,075,757 | 30,755,937 | 33,274,700 |
| Total liabilities | 12,887,584 | 12,806,917 | 19,854,632 | 23,648,172 | 27,736,994 | 32,162,637 | 33,821,072 | 39,416,834 | 36,135,061 | 38,351,982 |
| Net position | | | | | | | | | | |
| Net investment in capital assets | \$ 12,319,838 | \$ 9,699,682 | \$ 7,466,703 | \$ (441,984) | \$ 1,380,905 | \$ (746,519) | \$ (3,068,157) | \$ (3,893,815) | \$ (1,976,949) | \$ (2,147,961) |
| Restricted for: | | | | | | | | | | |
| Capital projects | 5,218,459 | - | - | 4,296,688 | - | - | - | - | - | - |
| Debt Service | - | 569,907 | 379,135 | 425,946 | 400,077 | 456,658 | 469,605 | 676,662 | 602,308 | 659,652 |
| Unrestricted | 6,029,489 | 3,615,495 | 3,887,221 | 7,202,323 | 7,902,178 | 6,175,785 | 3,352,987 | 4,212,507 | 3,142,966 | 2,272,317 |
| Total net position | \$ 23,567,786 | \$ 13,885,084 | \$ 11,733,059 | \$ 11,482,973 | \$ 9,683,160 | \$ 5,885,924 | \$ 754,435 | \$ 995,354 | \$ 1,768,325 | \$ 784,008 |

City of Lubbock, TX
Solid Waste Fund
Statement of Revenues, Expenses, and Changes in Fund Net Assets/Retained Earnings
For Fiscal Years Ended September 30

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013** |
|---|----------------------|----------------------|----------------------|----------------------|---------------------|---------------------|--------------------|-------------------|---------------------|-------------------|
| Operating revenues: | | | | | | | | | | |
| Charges for services | \$ 12,081,092 | \$ 12,546,742 | \$ 13,948,861 | \$ 16,885,042 | \$ 16,754,438 | \$ 16,979,975 | \$ 17,037,506 | \$ 18,807,531 | \$ 19,483,045 | \$ 19,538,678 |
| Total operating revenues | 12,081,092 | 12,546,742 | 13,948,861 | 16,885,042 | 16,754,438 | 16,979,975 | 17,037,506 | 18,807,531 | 19,483,045 | 19,538,678 |
| Operating expenses: | | | | | | | | | | |
| Personal services | 3,516,691 | 3,695,657 | 4,554,463 | 5,038,716 | 5,369,676 | 5,829,354 | 5,846,671 | 5,823,897 | 6,277,246 | 6,431,866 |
| Supplies | 852,922 | 1,271,907 | 1,449,480 | 1,478,194 | 2,016,340 | 1,223,424 | 1,496,737 | 1,603,313 | 1,648,745 | 1,976,918 |
| Maintenance | 1,699,461 | 2,176,136 | 2,326,454 | 2,550,979 | 2,306,086 | 2,792,513 | 2,537,275 | 2,274,266 | 2,741,923 | 2,665,917 |
| Uncollectible accounts | 439,776 | 126,243 | - | - | - | - | - | - | - | - |
| Collection expense | 292,217 | 490,271 | 512,832 | - | 694,832 | 728,945 | 579,743 | 587,412 | 610,487 | 610,487 |
| Other services and charges | 1,716,935 | 1,773,489 | 1,888,246 | 1,673,189 | 1,733,035 | 1,779,374 | 3,185,242 | 1,375,680 | 1,091,090 | 1,103,641 |
| Depreciation and amortization | 8,016,067 | 4,930,067 | 3,875,819 | 3,896,005 | 4,233,675 | 5,414,394 | 5,352,122 | 4,325,003 | 4,279,117 | 4,833,421 |
| Total operating expenses | 16,534,069 | 14,463,770 | 14,607,294 | 14,637,083 | 16,353,644 | 17,768,004 | 18,997,790 | 15,989,571 | 16,648,608 | 17,622,250 |
| Operating income (loss) | (4,452,977) | (1,917,028) | (658,433) | 2,247,959 | 400,794 | (788,029) | (1,960,284) | 2,817,960 | 2,834,437 | 1,916,428 |
| Non-operating revenues (expenses): | | | | | | | | | | |
| Interest | 239,874 | 313,501 | 473,787 | 527,690 | 459,979 | 180,239 | 28,738 | 9,134 | 17,576 | 4,754 |
| Disposition of Properties | (976,557) | 145,458 | 18,372 | 582,016 | 384,663 | 78,095 | 225,614 | 256,618 | 496,705 | 412,691 |
| Miscellaneous | (287,842) | 119,428 | 204,423 | 162,401 | 202,253 | 100,047 | 153,359 | 271,019 | 565,917 | 150,600 |
| IRS Build America Bond Subsidy | - | - | - | - | - | - | - | 14,249 | 9,337 | 8,931 |
| Interest on bonds and notes | (359,336) | (287,571) | (340,723) | (647,822) | (532,402) | (555,129) | (976,320) | (799,871) | (781,994) | (968,179) |
| Total non-operating revenues (expenses) | (1,383,861) | 290,816 | 355,859 | 624,285 | 514,493 | (196,748) | (568,609) | (248,851) | 307,541 | (391,203) |
| Income (loss) before operating transfers | (5,836,838) | (1,626,212) | (302,574) | 2,872,244 | 915,287 | (984,777) | (2,528,893) | 2,569,109 | 3,141,978 | 1,525,225 |
| Capital Contributions | - | - | 21,633 | 25,007 | 8,555 | 37,716 | - | - | - | 7,034 |
| Transfers in | 732,646 | - | - | - | 35,000 | - | - | - | - | - |
| Transfers (out) | (2,873,824) | (8,056,492) | (1,871,084) | (3,147,337) | (2,758,655) | (2,850,175) | (2,602,596) | (2,328,190) | (2,369,007) | (2,389,578) |
| Change in net position | (7,978,016) | (9,682,704) | (2,152,025) | (250,086) | (1,799,813) | (3,797,236) | (5,131,489) | 240,919 | 772,971 | (857,319) |
| Total net position - beginning of year | 31,545,802 | 23,567,788 | 13,885,084 | 11,733,059 | 11,482,973 | 9,683,160 | 5,885,924 | 754,435 | 995,354 | 1,641,327 |
| Total net position - ending | \$ 23,567,786 | \$ 13,885,084 | \$ 11,733,059 | \$ 11,482,973 | \$ 9,683,160 | \$ 5,885,924 | \$ 754,435 | \$ 995,354 | \$ 1,768,325 | \$ 784,008 |

**Net position - beginning of year was restated

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Solid Waste Capital Projects
As of December 31, 2013

| Project Number/Name | Funding To Date | Amount Exp As of 9/30/2013 | October 2013 | November 2013 | December 2013 | Project to Date Total | Funds Remaining | % Funds Remaining | % of Budget Spent | Orig Date of Appropriation | Closed |
|---|-----------------|----------------------------|--------------|---------------|---------------|-----------------------|-----------------|-------------------|-------------------|----------------------------|--------|
| 92132 Solid Waste/Fleet Infrastructure | \$ 148,517 | 108,045 | - | - | - | 108,045 | 40,472 | 27.25 | 72.75 | 9/13/2007 | |
| 92308 Landfill Improvements | 132,000 | - | - | - | - | - | 132,000 | 100.00 | - | 9/13/2012 | |
| 92350 Southside Office Building Expansion | 275,380 | - | - | - | - | - | - | 100.00 | - | 9/10/2013 | |
| Total | \$ 555,897 | 108,045 | - | - | - | 108,045 | 172,472 | 80.56 | 19.44 | | |

Funds remaining in closed projects have been utilized in other projects or remain in fund balance, so the total funds remaining could be overstated.

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Storm Water Fund Model

| | Budget | Forecast | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 |
| Revenues | | | | | | |
| Interest Revenues | - | 19,688 | 35,900 | 49,542 | 61,719 | 83,945 |
| Revenue From Junk Sales | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Revenue from Dept Operations | 19,238,946 | 24,978,991 | 24,528,234 | 24,773,378 | 25,020,974 | 24,549,414 |
| Total Funding Sources | 19,263,946 | 25,023,679 | 24,589,134 | 24,847,920 | 25,107,693 | 24,658,359 |
| Expenditures | | | | | | |
| Total Salaries | 1,260,310 | 1,286,698 | 1,312,432 | 1,338,681 | 1,365,454 | 1,392,763 |
| Total Benefits | 720,289 | 761,198 | 807,554 | 857,949 | 912,777 | 972,468 |
| Total Supplies | 205,842 | 209,990 | 214,190 | 218,474 | 222,843 | 227,300 |
| Total Maintenance | 326,633 | 333,191 | 339,855 | 346,652 | 353,585 | 360,657 |
| Total Other Charges | 643,274 | 252,239 | 180,383 | 183,991 | 187,671 | 191,424 |
| Total Transfers | 3,015,366 | 3,416,736 | 3,448,122 | 3,522,833 | 3,599,378 | 3,635,205 |
| Pay-As-You-Go Funding in CIP | 350,000 | 2,500,000 | 500,000 | - | - | 750,000 |
| Total Debt Service Annually | 9,611,860 | 9,640,875 | 9,925,205 | 9,882,452 | 9,848,009 | 9,629,947 |
| Transfer to Debt Service Fund | 2,668,239 | 5,309,575 | 5,303,870 | 5,308,446 | 5,309,594 | 4,237,029 |
| Less: Interest Income | (132,569) | (135,494) | (200,960) | (228,188) | (155,765) | (41,110) |
| Less: Build America Bond Subsidy | (19,603) | (19,603) | (19,603) | (19,603) | (19,108) | (18,092) |
| Future Stormwater Project Debt Service | - | - | 1,773,738 | 2,569,006 | 2,589,824 | 2,673,347 |
| Total Master Lease | 642,493 | 501,805 | 629,482 | 714,382 | 809,233 | 901,522 |
| Total Expenditures | 19,292,133 | 24,058,764 | 24,215,823 | 24,696,630 | 25,025,050 | 24,914,015 |
| Total Expenditures Over/(Under) Revenues | (28,188) | 964,915 | 373,311 | 151,290 | 82,643 | (255,656) |
| Net Asset Calculation | | | | | | |
| Appropriable Net Assets | 2,625,100 | 3,590,015 | 3,963,326 | 4,114,616 | 4,197,259 | 3,941,603 |
| Less: Appropriable Net Asset Policy | (2,885,842) | (3,746,849) | (3,679,235) | (3,716,007) | (3,753,146) | (3,682,412) |
| Total Appropriable Net Assets | (260,741) | (156,834) | 284,091 | 398,609 | 444,113 | 259,191 |
| Coverage | 1.24 | 1.60 | 1.27 | 1.20 | 1.20 | 1.24 |
| Rate Analysis | | | | | | |
| Residential Rate - Monthly | 14.00 | 18.00 | 17.50 | 17.50 | 17.50 | 17.00 |
| Commercial Rate - Monthly | 92.92 | 119.47 | 116.15 | 116.15 | 116.15 | 112.83 |

This model incorporates all debt associated with the Street Maintenance Program. The proposed rate structure incorporated in this model is subject to change depending on many variables. Some of these variables may include: interest rates, commodity prices, inflation rates, and changes in the cost or priority of capital projects.

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Storm Water Appropriable Net Asset Calculation

| | |
|------------------------------------|------------------|
| Current Assets | |
| Total Current Assets | \$ 3,910,210 |
| Less: Cash Funded Capital Projects | (1,239,209) |
| Total Net Current Assets | <u>2,671,001</u> |

| | |
|----------------------------|------------------|
| Current Liabilities | |
| Accounts Payable | 2,537,883 |
| Accrued Liabilities | 41,365 |
| Total Current Liabilities | <u>2,579,248</u> |

| | |
|--|---------------------|
| Cashflow Calculations | |
| Current Assets Less Current Liabilities | 91,753 |
| Less: Negative Unrestricted | (304,538) |
| Add: Restricted Cash Reserved for Debt Service (included in 2013 expenses) | 2,866,073 |
| Total Available Cash at September 30, 2013 | <u>\$ 2,653,288</u> |

| | |
|--------------------------------|--------------|
| September 30, 2013 | |
| Target Net Assets Policy | 15.00% |
| Target Net Assets by Policy | \$ 2,892,873 |
| Available for Reallocation | (239,585) |
| Percentage of Net Asset Policy | 91.7% |

| | |
|--|---------------------|
| FY 2013-14 Forecast | |
| Operating Revenues | \$ 19,238,946 |
| Non-Operating Revenues | 25,000 |
| Expenses | (19,292,133) |
| Revenue Over/(Under) Expenses | <u>(28,188)</u> |
| Total Available Cash at September 30, 2014 | <u>\$ 2,625,100</u> |

| | |
|-------------------------------------|--------------|
| Estimated September 30, 2014 | |
| Target Net Assets Policy | 15.00% |
| Target Net Assets by Policy | \$ 2,885,842 |
| Available for Reallocation | (260,741) |
| Percentage of Net Asset Policy | 91.0% |

City of Lubbock, TX
Storm Water Fund
Balance Sheet
For Fiscal Years Ended September 30

| <u>Assets</u> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|-------------------|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Current Assets: | | | | | | | | | | |
| Pooled cash and cash equivalents | \$ 938,663 | \$ 12,208,148 | \$ 6,013,928 | \$ 139,936 | \$ 56,878 | \$ 25,514 | \$ 3,139 | \$ 496,968 | \$ 569,172 | \$ 136,364 |
| Investments | 227,378 | 454,334 | 5,228,922 | 10,090,619 | 6,964,191 | 4,916,116 | 2,329,988 | 2,559,675 | 2,961,098 | 1,846,355 |
| Accounts and notes receivable (net) | 705,599 | 656,534 | 689,268 | 759,596 | 825,365 | 1,016,469 | 1,345,306 | 1,647,102 | 1,932,628 | 1,910,869 |
| Interest receivable | 7,264 | 5,902 | 4,529 | 23,349 | 65,631 | 17,426 | 1,381 | - | - | 16,622 |
| Total current assets | 1,878,904 | 13,324,918 | 11,936,647 | 11,013,500 | 7,912,065 | 5,975,525 | 3,679,814 | 4,703,745 | 5,462,898 | 3,910,210 |
| Restricted Assets: | 45,203,745 | 30,189,034 | 22,877,972 | 15,933,371 | 15,278,471 | 9,431,775 | 9,688,474 | 10,538,324 | 39,312,900 | 22,849,521 |
| Total restricted assets | 45,203,745 | 30,189,034 | 22,877,972 | 15,933,371 | 15,278,471 | 9,431,775 | 9,688,474 | 10,538,324 | 39,312,900 | 22,849,521 |
| Property, plant and equipment: | | | | | | | | | | |
| Land | 115,669 | 283,337 | 283,337 | 283,337 | 283,337 | 545,250 | 2,267,200 | 2,323,794 | 2,822,611 | 5,377,733 |
| Buildings | 64,580 | 64,580 | 64,580 | 64,580 | 64,580 | 64,580 | 64,580 | 64,580 | 64,580 | 64,580 |
| Improvements other than buildings | 8,158,852 | 8,158,852 | 8,353,591 | 47,823,806 | 47,834,412 | 105,438,071 | 105,918,902 | 113,836,489 | 114,363,462 | 115,356,628 |
| Machinery and equipment | 2,766,404 | 2,766,421 | 2,832,458 | 3,447,648 | 4,126,314 | 4,796,155 | 5,466,350 | 5,603,914 | 5,516,813 | 6,161,061 |
| Construction in progress | 43,053,522 | 51,964,007 | 65,636,771 | 41,171,676 | 50,127,279 | 1,331,161 | 4,238,900 | 2,488,930 | 9,738,750 | 32,499,318 |
| Allowance for depreciation | (8,368,621) | (8,915,041) | (9,252,045) | (10,085,396) | (11,614,025) | (12,528,082) | (15,293,200) | (17,898,036) | (20,698,418) | (23,206,373) |
| Net property, plant and equipment | 45,790,406 | 54,322,156 | 67,918,692 | 82,705,651 | 90,821,897 | 99,647,135 | 102,662,732 | 106,419,671 | 111,807,798 | 136,252,947 |
| Total assets | 92,873,055 | 97,836,108 | 102,733,311 | 109,652,522 | 114,012,433 | 115,054,435 | 116,031,020 | 121,661,740 | 156,583,596 | 163,012,678 |
| <u>Deferred Outflows of Resources</u> | | | | | | | | | | |
| Deferred charge on refunding | - | - | - | - | - | - | - | - | - | 2,808,943 |
| Total deferred outflows of resources | - | - | - | - | - | - | - | - | - | 2,808,943 |

City of Lubbock
Storm Water Fund
Balance Sheet
For Fiscal Years Ended September 30

| Liabilities and Net Position | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Current liabilities: | | | | | | | | | | |
| Accounts and vouchers payable | 54,385 | 880,091 | 1,146,437 | 1,153,482 | 619,990 | 956,905 | 160,464 | 473,699 | 1,326,170 | 2,537,883 |
| Due to other funds | - | 4,500,000 | - | - | - | - | - | - | - | - |
| Accrued general obligation interest | - | - | 666,542 | 516,771 | 574,084 | 541,328 | 535,178 | 549,025 | 807,089 | 691,758 |
| Other accrued expenses | 471,617 | 453,076 | 27,237 | 44,568 | 69,444 | 79,539 | 84,919 | 32,327 | 36,250 | 41,365 |
| Notes and leases payable | - | - | 21,145 | 38,175 | 76,176 | 334,604 | 386,153 | 403,485 | 453,675 | 564,574 |
| Current portion of general obligation bonds and construction payable | 1,281,550 | 1,355,000 | 1,540,083 | 1,952,507 | 2,177,520 | 2,338,884 | 2,496,765 | 2,680,274 | 3,513,339 | 4,360,704 |
| Total current liabilities | 1,807,552 | 7,188,167 | 3,401,444 | 3,705,503 | 3,517,214 | 4,251,260 | 3,663,479 | 4,138,810 | 6,136,523 | 8,196,284 |
| Long-term liabilities: | | | | | | | | | | |
| General obligation bonds (net of current portion) | 71,801,015 | 70,296,817 | 76,804,339 | 79,967,602 | 85,216,981 | 84,875,011 | 83,989,848 | 84,356,701 | 114,921,349 | 119,235,130 |
| Notes and leases payable | - | - | 81,020 | 225,945 | 566,829 | 2,199,565 | 2,481,906 | 2,257,182 | 2,205,147 | 2,563,889 |
| Rebatable Arbitrage | - | - | - | 62,312 | 64,050 | 16,184 | - | - | - | - |
| Post employment benefits | - | - | - | - | 82,021 | 136,586 | 216,637 | 307,701 | 453,153 | 585,366 |
| Net pension obligation | - | - | - | - | - | 42,893 | 102,434 | 162,551 | 174,979 | 176,427 |
| Accrued vacation and sick leave | 71,659 | 82,478 | 89,685 | 109,221 | 184,950 | 165,546 | 164,539 | 172,923 | 166,964 | 181,949 |
| Total long-term liabilities | 71,872,674 | 70,379,295 | 76,975,044 | 80,365,080 | 86,114,831 | 87,435,785 | 86,955,364 | 87,257,058 | 117,921,592 | 122,742,761 |
| Total liabilities | 73,680,226 | 77,567,462 | 80,376,488 | 84,070,583 | 89,632,045 | 91,687,045 | 90,618,843 | 91,395,868 | 124,058,115 | 130,939,045 |
| Net position | | | | | | | | | | |
| Net investment in capital assets | \$ 5,504,853 | \$ 8,300,125 | \$ 10,976,138 | \$ 521,422 | \$ 16,321,372 | \$ 17,206,353 | \$ 19,807,552 | \$ 25,092,712 | \$ 27,202,883 | \$ 32,321,041 |
| Restricted for: | | | | | | | | | | |
| Capital projects | 12,383,463 | - | - | 14,277,499 | - | - | - | - | - | - |
| Debt Service | - | 4,548,392 | 1,358,770 | 1,625,014 | 1,741,490 | 2,124,492 | 3,188,983 | 2,167,641 | 2,824,307 | 2,866,073 |
| Unrestricted | 1,304,513 | 7,420,129 | 10,021,915 | 9,158,004 | 6,317,526 | 4,036,545 | 2,415,642 | 3,005,519 | 2,498,291 | (304,538) |
| Total net position | \$ 19,192,829 | \$ 20,268,646 | \$ 22,356,823 | \$ 25,581,939 | \$ 24,380,388 | \$ 23,367,390 | \$ 25,412,177 | \$ 30,265,872 | \$ 32,525,481 | \$ 34,882,576 |

City of Lubbock, TX
Storm Water Fund
Statement of Revenues, Expenses, and Changes in Fund Net Assets/Retained Earnings
For Fiscal Years Ended September 30

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013** |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Operating revenues: | | | | | | | | | | |
| Charges for services | \$ 6,131,808 | \$ 6,322,447 | \$ 6,348,461 | \$ 6,519,658 | \$ 6,633,255 | \$ 8,108,040 | \$ 12,118,701 | \$ 16,195,959 | \$ 19,043,611 | \$ 19,285,819 |
| Total operating revenues | 6,131,808 | 6,322,447 | 6,348,461 | 6,519,658 | 6,633,255 | 8,108,040 | 12,118,701 | 16,195,959 | 19,043,611 | 19,285,819 |
| Operating expenses: | | | | | | | | | | |
| Personal services | 645,260 | 757,308 | 868,480 | 1,080,637 | 1,594,511 | 1,854,662 | 1,769,869 | 1,750,013 | 1,974,271 | 2,030,561 |
| Supplies | - | - | 80,572 | 91,337 | 130,597 | 98,822 | 137,422 | 159,832 | 171,827 | 190,273 |
| Maintenance | 148,564 | 168,618 | 5,680 | 250,922 | 254,116 | 280,169 | 256,202 | 251,890 | 276,628 | 304,038 |
| Uncollectible accounts | 112,318 | 83,011 | - | - | - | - | - | - | - | - |
| Collection expense | 295,069 | 500,514 | 504,732 | - | 629,302 | 660,198 | 645,502 | 689,358 | 714,797 | 714,797 |
| Other services and charges | 49,413 | 288,721 | 212,115 | 548,082 | 1,729,228 | 1,074,871 | 303,903 | 760,139 | 1,015,777 | 1,524,472 |
| Depreciation and amortization | 553,592 | 546,314 | 384,514 | 862,715 | 1,274,719 | 2,466,072 | 2,842,899 | 3,157,348 | 3,089,858 | 2,725,484 |
| Total operating expenses | 1,804,216 | 2,344,486 | 2,056,093 | 2,833,693 | 5,612,473 | 6,434,794 | 5,955,797 | 6,768,580 | 7,243,158 | 7,489,625 |
| Operating income (loss) | 4,327,592 | 3,977,961 | 4,292,368 | 3,685,965 | 1,020,782 | 1,673,246 | 6,162,904 | 9,427,379 | 11,800,453 | 11,796,194 |
| Non-operating revenues (expenses): | | | | | | | | | | |
| Interest | 594,120 | 1,163,013 | 1,618,842 | 1,314,578 | 950,337 | 221,718 | 33,063 | 11,684 | 45,613 | 16,917 |
| Disposition of Properties | - | - | - | 9,406 | 1,566 | 78,979 | 23,992 | 94,370 | 77,059 | 47,914 |
| Miscellaneous | (307,464) | (1,985) | 180,359 | 8,636 | - | 17,053 | 11,070 | 9,787 | 12,531 | 18,500 |
| IRS Build America Bond Subsidy | - | - | - | - | - | - | - | 32,862 | 21,533 | 20,597 |
| Interest on bonds and notes | (3,658,830) | (3,200,695) | (3,096,082) | (1,155,055) | (2,107,878) | (1,867,222) | (1,944,781) | (4,135,386) | (3,763,288) | (3,839,209) |
| Total non-operating revenues (expenses) | (3,372,174) | (2,039,667) | (1,296,881) | 177,565 | (1,155,975) | (1,549,472) | (1,876,656) | (3,986,683) | (3,606,552) | (3,735,281) |
| Income (loss) before operating transfers | 955,418 | 1,938,294 | 2,995,487 | 3,863,530 | (135,193) | 123,774 | 4,286,248 | 5,440,696 | 8,193,901 | 8,060,913 |
| Capital Contributions | - | - | - | - | - | - | 1,721,950 | 4,764,015 | 498,817 | 2,643,274 |
| Transfers in | 4,307,251 | 128,586 | - | - | - | - | - | - | - | - |
| Transfers (out) | (4,618,513) | (991,066) | (907,310) | (1,622,216) | (1,066,358) | (1,136,772) | (3,963,411) | (5,351,016) | (6,433,109) | (7,679,330) |
| Change in net position | 644,156 | 1,075,814 | 2,088,177 | 2,241,314 | (1,201,551) | (1,012,998) | 2,044,787 | 4,853,695 | 2,259,609 | 3,024,857 |
| Total net position - beginning of year | 18,548,673 | 19,192,832 | 20,268,646 | 22,340,625 | 24,581,939 | 24,380,388 | 23,367,390 | 25,412,177 | 30,265,872 | 31,857,719 |
| Total net position - ending | \$ 19,192,829 | \$ 20,268,646 | \$ 22,356,823 | \$ 24,581,939 | \$ 23,380,388 | \$ 23,367,390 | \$ 25,412,177 | \$ 30,265,872 | \$ 32,525,481 | \$ 34,882,576 |

**Net position - beginning of year was restated

**City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Storm Water Capital Projects
As of December 31, 2013**

| Project Number/Name | Funding To Date | Amount Exp As of 9/30/2013 | October 2013 | November 2013 | December 2013 | Project to Date Total | Funds Remaining | % Funds Remaining | % of Budget Spent | Orig Date of Appropriation | Closed |
|---|-----------------------|----------------------------|----------------|----------------|------------------|-----------------------|-------------------|-------------------|-------------------|----------------------------|--------|
| 8070 Video Inspection of Storm Sewers | \$ 3,600,000 | 2,991,537 | 163,114 | 48,963 | 38,957 | 3,242,571 | 357,429 | 9.93 | 90.07 | 9/13/2006 | |
| 8534 FEMA Restudy - System G | 500,000 | 386,631 | - | 890 | 2,540 | 390,060 | 109,940 | 21.99 | 78.01 | 9/16/2010 | |
| 8545 Concrete Drainage Channel Repairs | 615,000 | 161,283 | - | - | - | 161,283 | 453,717 | 73.78 | 26.22 | 9/11/2008 | |
| 8586 Digital Orthophotography 2013-14 | 100,000 | - | - | - | - | - | 100,000 | 100.00 | - | 9/10/2013 | |
| 90141 South Lubbock Storm Sewer Project | 54,305,000 | 51,607,685 | 102,077 | - | 1,387 | 51,711,150 | 2,593,850 | 4.78 | 95.22 | 9/27/2000 | |
| 92173 Storm Water Vault Replacement | 450,000 | 384,526 | - | 9,945 | 490 | 394,961 | 55,039 | 12.23 | 87.77 | 9/11/2008 | |
| 92174 NW Lubbock and Maxey Park Project | 41,950,000 | 27,711,580 | 12,005 | 679,505 | 819,209 | 29,222,299 | 12,727,701 | 30.34 | 69.66 | 9/11/2008 | |
| 92175 Storm Sewer Repair and Replacement | 1,100,000 | 603,710 | - | - | 2,983 | 606,692 | 493,308 | 44.85 | 55.15 | 9/11/2008 | |
| 92210 McAlister Park Cut and Fill Master Plan | 3,125,000 | 797,463 | 82,239 | 132,920 | 346,731 | 1,359,353 | 1,765,647 | 56.50 | 43.50 | 8/27/2009 | |
| 92278 82nd and Quaker Drainage Improvements | 500,000 | 822 | - | - | - | 822 | 499,178 | 99.84 | 0.16 | 9/8/2011 | |
| Total | \$ 106,245,000 | 84,645,235 | 359,435 | 872,223 | 1,212,297 | 87,089,190 | 19,155,810 | 18.03 | 81.97 | | |

Funds remaining in closed projects have been utilized in other projects or remain in fund balance, so the total funds remaining could be overstated.

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Airport Fund Model

| | Budget | Forecast | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 |
| Revenues | | | | | | |
| Interest | - | 16,804 | 32,533 | 54,761 | 72,061 | 105,305 |
| Landing Area | 1,253,000 | 1,265,530 | 1,278,185 | 1,290,967 | 1,303,877 | 1,316,916 |
| Hanger Area | 622,500 | 641,175 | 660,410 | 680,223 | 700,629 | 721,648 |
| Terminal Area | 4,258,660 | 4,296,718 | 4,335,253 | 4,374,272 | 4,413,784 | 4,453,796 |
| Parking Area | 2,293,721 | 2,316,371 | 2,339,248 | 2,362,353 | 2,385,689 | 2,409,259 |
| Industrial Area | 91,000 | 93,730 | 96,542 | 99,438 | 102,421 | 105,494 |
| Agriculture & Rent | 35,000 | 35,350 | 35,704 | 36,061 | 36,421 | 36,785 |
| Miscellaneous | 92,500 | 92,500 | 92,500 | 92,500 | 92,500 | 92,500 |
| Transfers From Other Funds | 1,476,291 | 2,643,271 | 1,021,369 | 1,021,546 | 1,714,310 | 1,815,993 |
| Total Funding Sources | 10,122,672 | 11,401,449 | 9,891,743 | 10,012,121 | 10,821,693 | 11,057,696 |
| Expenditures | | | | | | |
| Total Salaries | 1,673,817 | 1,707,293 | 1,741,439 | 1,776,268 | 1,811,793 | 1,848,029 |
| Total Benefits | 951,638 | 1,008,405 | 1,070,082 | 1,137,143 | 1,210,110 | 1,289,560 |
| Total Supplies | 189,925 | 193,723 | 197,598 | 201,549 | 205,580 | 209,692 |
| Total Maintenance | 520,413 | 530,821 | 541,438 | 552,266 | 563,312 | 574,578 |
| Total Professional Services / Training | 930,952 | 949,571 | 968,562 | 987,934 | 1,007,692 | 1,027,846 |
| Total Other Charges | - | - | - | - | - | - |
| Total Scheduled Charges | 1,132,802 | 1,155,458 | 1,178,568 | 1,202,139 | 1,226,182 | 1,250,705 |
| Total Capital Outlay | 210,417 | - | - | - | - | - |
| Total Transfers | 1,620,483 | 1,652,893 | 1,685,951 | 1,719,670 | 1,754,063 | 1,789,145 |
| Pay-As-You-Go Funding in CIP | 775,000 | 1,157,500 | - | 775,000 | 775,000 | 775,000 |
| Total Debt Service Annually | 533,866 | 532,728 | 535,896 | 519,365 | 523,266 | 575,008 |
| Less: Interest Income | (9,152) | (8,642) | (4,497) | (11,438) | (9,901) | (6,829) |
| Total PFC Debt Service Annually | 1,476,291 | 1,693,271 | 1,021,369 | 1,021,546 | 1,048,117 | 1,149,800 |
| Total CFC Debt Service Annually | - | - | - | - | 666,193 | 666,193 |
| Total Master Lease | 37,011 | 93,522 | 160,466 | 226,072 | 226,072 | 219,511 |
| Total Master Lease Defeasance | - | - | - | - | - | - |
| Pay-As-You-Go Equipment Funding | - | - | - | - | - | - |
| Pay-As-You-Go Funding - CFC | - | 950,000 | - | - | - | - |
| Total Expenditures | 10,043,463 | 11,616,544 | 9,096,871 | 10,107,513 | 11,007,479 | 11,368,239 |
| Total Expenditures Over/(Under) Revenues | 79,209 | (215,095) | 794,873 | (95,393) | (185,786) | (310,543) |
| Net Asset Calculation | | | | | | |
| Appropriable Net Assets | 6,721,748 | 6,506,653 | 7,301,526 | 7,206,133 | 7,020,346 | 6,709,804 |
| Less: Appropriable Net Asset Policy | (1,296,957) | (1,311,206) | (1,325,676) | (1,340,372) | (1,355,298) | (1,370,460) |
| Total Appropriable Net Assets | 5,424,791 | 5,195,447 | 5,975,849 | 5,865,761 | 5,665,048 | 5,339,344 |

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Airport PFC Fund Model

| | Budget | Forecast | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 |
| Revenues | | | | | | |
| Interest | - | 3,126 | 5,621 | 11,266 | 23,441 | 40,019 |
| PFC Revenue | 1,827,010 | 1,845,280 | 1,863,733 | 1,882,370 | 1,901,194 | 1,920,206 |
| Total Funding Sources | 1,827,010 | 1,848,406 | 1,869,354 | 1,893,636 | 1,924,635 | 1,960,225 |
| Expenditures | | | | | | |
| Transfer - PFC Debt Service Annually | 1,476,291 | 1,693,271 | 1,021,369 | 1,021,546 | 1,048,117 | 1,149,800 |
| Total Expenditures | 1,476,291 | 1,693,271 | 1,021,369 | 1,021,546 | 1,048,117 | 1,149,800 |
| Total Expenditures Over/(Under) Revenues | 350,719 | 155,135 | 847,986 | 872,091 | 876,517 | 810,425 |
| Net Asset Calculation | | | | | | |
| Appropriable Net Assets | 1,250,203 | 1,405,338 | 2,253,323 | 3,125,414 | 4,001,931 | 4,812,357 |
| Total Restricted Net Assets | 1,250,203 | 1,405,338 | 2,253,323 | 3,125,414 | 4,001,931 | 4,812,357 |

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Airport CFC Fund Model

| | Budget | Forecast | | | | |
|--|---------|-----------|---------|---------|-----------|-----------|
| | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 |
| Revenues | | | | | | |
| Interest | - | 1,291 | 107 | 2,453 | 7,209 | 7,752 |
| CFC Revenue | 454,500 | 459,045 | 463,635 | 468,272 | 472,955 | 477,684 |
| Total Funding Sources | 454,500 | 460,336 | 463,742 | 470,724 | 480,164 | 485,436 |
| Expenditures | | | | | | |
| CFC Pay-As-You-Go | - | 950,000 | - | - | - | - |
| Transfer - CFC Debt Service Annually | - | - | - | - | 666,193 | 666,193 |
| Total Expenditures | - | 950,000 | - | - | 666,193 | 666,193 |
| Total Expenditures Over/(Under) Revenues | 454,500 | (489,664) | 463,742 | 470,724 | (186,029) | (180,757) |
| Net Asset Calculation | | | | | | |
| Appropriable Net Assets | 516,424 | 26,760 | 490,502 | 961,226 | 775,197 | 594,441 |
| Total Restricted Net Assets | 516,424 | 26,760 | 490,502 | 961,226 | 775,197 | 594,441 |

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Airport Appropriate Net Asset Calculation

| | Airport | PFC | CFC | Total |
|--|--------------|---------|--------|-------------|
| Current Assets | | | | |
| Total Current Assets | \$ 8,248,014 | 154,298 | 61,924 | 8,464,235 |
| Less: Cash Funded Capital Projects | (1,107,583) | - | - | (1,107,583) |
| Less: Inventories | - | - | - | - |
| Total Net Current Assets | 7,140,431 | 154,298 | 61,924 | 7,356,652 |
| Current Liabilities | | | | |
| Accounts Payable | 592,607 | - | - | 592,607 |
| Accrued Liabilities | 67,755 | - | - | 67,755 |
| Accrued Interest Payable | - | - | - | - |
| Post Closure Landfill Cost | - | - | - | - |
| Restricted PFC Funds | - | - | - | - |
| Customer Deposits | - | - | - | - |
| Due to Other Funds | - | - | - | - |
| Total Current Liabilities | 660,362 | - | - | 660,362 |
| Cashflow Calculations | | | | |
| Current Assets Less Current Liabilities | 6,480,069 | 154,298 | 61,924 | 6,696,290 |
| Pay-as-you-go Capital Projects | - | - | - | - |
| Add: Restricted Cash Reserved for Debt Service | 162,470 | 745,186 | - | 907,656 |
| Total Available Cash at September 30, 2013 | \$ 6,642,539 | 899,484 | 61,924 | 7,603,946 |

September 30, 2013

| | | | | |
|--------------------------------|--------------|---------|----------|-----------|
| Target Net Assets Policy | 15.00% | 15.00% | 15.00% | 15.00% |
| Target Net Assets by Policy | \$ 1,167,102 | 270,393 | 87,886 | 1,525,380 |
| Available for Reallocation | 5,475,437 | 629,091 | (25,962) | 6,078,566 |
| Percentage of Net Asset Policy | 569.1% | 332.7% | 70.5% | 498.5% |

FY 2013-14 Budget

| | | | | |
|--|--------------|-----------|---------|------------|
| Operating Revenues | \$ 8,646,381 | 1,827,010 | 454,500 | 10,927,891 |
| Non-Operating Revenues | 1,476,291 | - | - | 1,476,291 |
| Expenses | 10,043,463 | 1,476,291 | - | 11,519,754 |
| Revenue Over/(Under) Expenses | 79,209 | 350,719 | 454,500 | 884,428 |
| Total Available Cash at September 30, 2014 | \$ 6,721,748 | 1,250,203 | 516,424 | 8,488,374 |

Estimated September 30, 2014

| | | | | |
|--------------------------------|--------------|---------|---------|-----------|
| Target Net Assets Policy | 15.00% | 15.00% | 15.00% | 15.00% |
| Target Net Assets by Policy | \$ 1,296,957 | 274,052 | 68,175 | 1,571,009 |
| Available for Reallocation | 5,424,791 | 976,151 | 448,249 | 6,917,366 |
| Percentage of Net Asset Policy | 518.3% | 456.2% | 757.5% | 540.3% |

City of Lubbock, TX
 Airport Fund
 Balance Sheet
 For Fiscal Years Ended September 30

| <u>Assets</u> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Current Assets: | | | | | | | | | | |
| Pooled cash and cash equivalents | \$ 11,336 | \$ 2,426,751 | \$ 595,223 | \$ 21,704 | \$ 28,254 | \$ 19,406 | \$ 6,686 | \$ 424,937 | \$ 1,289,163 | \$ 1,436,374 |
| Investments | 2,746 | 86,989 | 517,528 | 1,565,066 | 3,459,434 | 3,739,240 | 5,237,100 | 4,458,497 | 6,706,819 | 6,113,410 |
| Accounts and notes receivable (net) | 457,602 | 322,679 | 382,625 | 327,118 | 307,943 | 395,582 | 446,864 | 419,966 | 544,358 | 506,655 |
| Interest receivable | 3,102 | 2,739 | - | 69,675 | - | 15,628 | 1,853 | 1,213 | 1,991 | 3,511 |
| Due from others | - | - | - | 1,196,533 | 288,837 | 202,451 | 163,007 | 172,658 | 255,404 | 154,298 |
| Due from other governments | - | - | - | - | - | 384,331 | 455,325 | 884,756 | 1,786,554 | 249,987 |
| Inventory, at cost | 27,946 | 26,235 | - | - | - | - | - | - | - | - |
| Total current assets | 502,732 | 2,865,393 | 1,495,376 | 3,180,096 | 4,084,468 | 4,756,638 | 6,310,835 | 6,362,027 | 10,584,289 | 8,464,235 |
| Restricted Assets: | 7,540,724 | 8,829,741 | 6,096,097 | 2,589,490 | 8,833,348 | 4,836,946 | 4,041,844 | 5,181,605 | 2,273,267 | 2,502,798 |
| Total restricted assets | 7,540,724 | 8,829,741 | 6,096,097 | 2,589,490 | 8,833,348 | 4,836,946 | 4,041,844 | 5,181,605 | 2,273,267 | 2,502,798 |
| Property, plant and equipment: | | | | | | | | | | |
| Land | 3,574,176 | 3,679,064 | 3,679,064 | 3,679,064 | 3,589,941 | 3,589,941 | 3,589,941 | 3,589,941 | 3,589,941 | 3,589,941 |
| Buildings | 36,113,083 | 36,221,796 | 36,221,796 | 36,027,489 | 36,887,489 | 39,168,519 | 39,168,519 | 39,198,274 | 39,436,930 | 39,436,930 |
| Improvements other than buildings | 74,930,191 | 74,451,826 | 76,702,784 | 97,207,071 | 95,608,831 | 98,872,758 | 103,508,555 | 103,549,363 | 103,479,227 | 152,004,891 |
| Machinery and equipment | 7,446,510 | 7,468,298 | 7,939,128 | 9,293,972 | 9,906,148 | 13,297,034 | 14,219,004 | 14,247,179 | 18,398,890 | 19,391,918 |
| Construction in progress | 3,339,364 | 4,763,257 | 20,092,779 | 3,473,110 | 13,110,467 | 9,884,478 | 9,506,182 | 26,265,749 | 47,048,601 | 1,913,106 |
| Allowance for depreciation | (60,821,793) | (63,392,266) | (66,188,237) | (69,115,376) | (72,759,939) | (77,192,737) | (82,301,240) | (85,981,889) | (90,830,517) | (98,264,329) |
| Net property, plant and equipment | 64,581,531 | 63,191,975 | 78,447,314 | 80,565,330 | 86,342,937 | 87,619,993 | 87,690,961 | 100,868,617 | 121,123,072 | 118,072,457 |
| Total assets | 72,624,987 | 74,887,109 | 86,038,787 | 86,334,916 | 99,260,753 | 97,213,577 | 98,043,640 | 112,412,249 | 133,980,628 | 129,039,490 |
| Deferred Outflows of Resources | | | | | | | | | | |
| Deferred charge on refunding | - | - | - | - | - | - | - | - | - | 88,850 |
| Total deferred outflows of resources | - | - | - | - | - | - | - | - | - | 88,850 |

City of Lubbock
 Airport Fund
 Balance Sheet
 For Fiscal Years Ended September 30

| <u>Liabilities and Net Position</u> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|
| Current liabilities: | | | | | | | | | | |
| Accounts and vouchers payable | 103,920 | 486,361 | 1,479,102 | 1,118,951 | 2,018,475 | 634,924 | 699,808 | 1,691,661 | 3,376,417 | 592,607 |
| Due to other funds | 261,500 | - | - | - | - | - | - | - | - | - |
| Other accrued expenses | 93,589 | 515,635 | 647,213 | 188,036 | 207,606 | 159,079 | 153,535 | 56,863 | 57,530 | 67,755 |
| Notes and leases payable | - | - | 390 | 403 | 11,682 | 11,922 | 28,071 | 30,408 | 38,606 | 36,132 |
| Current portion bonds payable | 450,000 | 560,000 | 417,285 | 488,387 | 1,607,446 | 1,786,574 | 1,866,259 | 2,268,815 | 2,591,577 | 1,533,658 |
| Total current liabilities | 909,009 | 1,561,996 | 2,543,990 | 1,795,777 | 3,845,209 | 2,592,499 | 2,747,673 | 4,047,747 | 6,064,130 | 2,230,152 |
| Liabilities payable from restricted assets: | | | | | | | | | | |
| Accounts and vouchers payable | 827,734 | - | - | - | - | - | - | - | - | - |
| Accrued interest | 7,984 | 33,194 | 67,346 | 89,196 | 188,339 | 79,472 | 68,382 | 109,364 | 79,115 | 60,705 |
| Total liabilities (payable from restricted assets) | 835,718 | 33,194 | 67,346 | 89,196 | 188,339 | 79,472 | 68,382 | 109,364 | 79,115 | 60,705 |
| Long-term liabilities: | | | | | | | | | | |
| Unearned revenue - other | 29,353 | 14,697 | - | - | - | - | - | 4,019 | - | 5,702 |
| General obligation bonds (net of current portion) | 3,285,000 | 5,720,804 | 6,383,006 | 6,305,270 | 14,280,023 | 12,466,370 | 10,573,031 | 13,188,443 | 11,776,773 | 10,251,636 |
| Notes and leases payable | - | 2,025 | 1,247 | 845 | 48,171 | 36,250 | 172,077 | 182,844 | 184,595 | 221,624 |
| Rebatable arbitrage | - | - | 12,378 | 46,816 | 46,461 | 30,363 | 20,428 | - | - | - |
| Post employment benefits | - | - | - | - | 103,169 | 185,957 | 326,847 | 442,746 | 635,256 | 826,738 |
| Net pension obligation | - | - | - | - | - | 49,844 | 124,940 | 206,276 | 222,843 | 224,689 |
| Accrued vacation and sick leave | 216,273 | 236,869 | 214,211 | 228,839 | 249,708 | 239,793 | 255,759 | 233,633 | 231,368 | 228,224 |
| Total long-term liabilities | 3,530,626 | 5,974,395 | 6,610,842 | 6,581,770 | 14,727,532 | 13,008,577 | 11,473,082 | 14,257,961 | 13,050,835 | 11,758,613 |
| Total liabilities | 5,275,353 | 7,569,585 | 9,222,178 | 8,466,743 | 18,761,080 | 15,680,548 | 14,289,137 | 18,415,072 | 19,194,080 | 14,049,470 |
| Net position | | | | | | | | | | |
| Net investment in capital assets | \$ 62,190,062 | \$ 61,251,373 | \$ 74,079,184 | \$ 73,770,425 | \$ 76,835,196 | \$ 75,585,677 | \$ 76,563,753 | \$ 87,683,747 | \$ 106,697,952 | \$ 107,119,500 |
| Restricted for: | | | | | | | | | | |
| Capital projects | 6,177,819 | - | - | 456,912 | - | - | - | - | - | - |
| Debt Service | - | 115,804 | 17,326 | 303,954 | 182,573 | 1,047,886 | 1,115,360 | 1,440,915 | 1,461,614 | 907,656 |
| Passenger facility charges | - | 4,359,610 | 3,630,625 | 1,828,624 | 2,318,723 | 1,522,262 | 1,414,255 | 1,255,050 | 645,223 | 593,899 |
| Unrestricted | (1,018,247) | 1,590,737 | (910,526) | 1,508,258 | 1,163,181 | 3,377,204 | 4,661,135 | 3,617,465 | 5,981,759 | 6,457,815 |
| Total net position | \$ 67,349,634 | \$ 67,317,524 | \$ 76,816,609 | \$ 77,868,173 | \$ 80,499,673 | \$ 81,533,029 | \$ 83,754,503 | \$ 93,997,177 | \$ 114,786,548 | \$ 115,078,870 |

City of Lubbock, TX
 Airport Fund
 Statement of Revenues, Expenses, and Changes in Fund Net Assets/Retained Earnings
 For Fiscal Years Ended September 30

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013** |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|
| Operating revenues: | | | | | | | | | | |
| Landing fees | \$ 749,037 | \$ 5,394,314 | \$ 5,424,016 | \$ 6,276,416 | \$ 6,793,829 | \$ 6,926,643 | \$ 7,129,257 | \$ 7,483,750 | \$ 7,677,538 | \$ 7,780,680 |
| Parking | 1,065,838 | - | - | - | - | - | - | - | - | - |
| Rentals | 1,696,683 | - | - | - | - | - | - | - | - | - |
| Concessions | 1,114,712 | - | - | - | - | - | - | - | - | - |
| Total operating revenues | 4,626,270 | 5,394,314 | 5,424,016 | 6,276,416 | 6,793,829 | 6,926,643 | 7,129,257 | 7,483,750 | 7,677,538 | 7,780,680 |
| Operating expenses: | | | | | | | | | | |
| Personal services | 1,405,664 | 2,166,692 | 2,120,910 | 2,147,052 | 2,222,912 | 2,287,833 | 2,371,123 | 2,362,081 | 2,644,622 | 2,597,224 |
| Supplies | 124,989 | 179,669 | 121,680 | 159,315 | 129,452 | 159,263 | 176,755 | 106,599 | 160,166 | 193,526 |
| Maintenance | 313,594 | 347,979 | 377,813 | 473,418 | 387,059 | 526,682 | 482,173 | 736,885 | 740,698 | 525,493 |
| Other services and charges | 1,687,857 | 2,306,146 | 1,991,660 | 1,792,453 | 1,891,191 | 1,915,695 | 1,836,740 | 2,189,432 | 2,332,859 | 2,539,371 |
| Depreciation and amortization | 3,255,401 | 3,211,033 | 3,281,317 | 3,734,085 | 4,205,461 | 4,451,048 | 5,322,652 | 5,285,956 | 5,367,782 | 7,815,104 |
| Total operating expenses | 6,787,505 | 8,211,519 | 7,893,380 | 8,306,323 | 8,836,075 | 9,340,521 | 10,189,443 | 10,680,953 | 11,246,127 | 13,670,718 |
| Operating income (loss) | (2,161,235) | (2,817,205) | (2,469,364) | (2,029,907) | (2,042,246) | (2,413,878) | (3,060,186) | (3,197,203) | (3,568,589) | (5,890,038) |
| Non-operating revenues (expenses): | | | | | | | | | | |
| Interest | 80,482 | 203,846 | 419,931 | 203,280 | 246,995 | 147,827 | 9,054 | 7,561 | 15,779 | 5,348 |
| Passenger facility charges | 1,402,003 | 1,191,690 | 965,605 | 1,428,516 | 1,703,632 | 2,164,993 | 2,043,220 | 2,035,879 | 2,049,240 | 2,388,523 |
| Disposition of Properties | - | 271,723 | 9,418 | 7,237 | (377,644) | 2,902 | 19,858 | 7,953 | (30,729) | (111,295) |
| Miscellaneous | 42,006 | 878,096 | 853,909 | 654,680 | 703,657 | 740,223 | 695,236 | 704,468 | 1,544,572 | 823,445 |
| Interest on bonds and notes | (65,203) | (183,385) | (91,804) | (338,299) | (334,534) | (740,403) | (552,765) | (420,668) | (569,855) | (400,694) |
| Total non-operating revenues (expenses) | 1,459,288 | 2,361,970 | 2,157,059 | 1,955,414 | 1,942,106 | 2,315,542 | 2,214,603 | 2,335,193 | 3,009,007 | 2,705,327 |
| Income (loss) before operating transfers | (701,947) | (455,235) | (312,305) | (74,493) | (100,140) | (98,336) | (845,583) | (862,010) | (559,582) | (3,184,711) |
| Capital Contributions | 1,573,384 | 983,991 | 11,040,385 | 2,234,181 | 3,849,200 | 2,263,877 | 4,256,371 | 12,549,633 | 22,840,556 | 5,185,727 |
| Transfers in | 292,914 | 715,099 | - | - | - | - | - | - | - | - |
| Transfers (out) | (1,342,291) | (1,275,965) | (1,228,995) | (1,108,124) | (1,117,560) | (1,132,185) | (1,189,314) | (1,444,949) | (1,491,603) | (1,603,080) |
| Change in net position | (177,940) | (32,110) | 9,499,085 | 1,051,564 | 2,631,500 | 1,033,356 | 2,221,474 | 10,242,674 | 20,789,371 | 397,936 |
| Total net position - beginning of year | 67,527,574 | 67,349,634 | 67,317,524 | 76,816,609 | 77,868,173 | 80,499,673 | 81,533,029 | 83,754,503 | 93,997,177 | 114,680,934 |
| Total net position - ending | \$ 67,349,634 | \$ 67,317,524 | \$ 76,816,609 | \$ 77,868,173 | \$ 80,499,673 | \$ 81,533,029 | \$ 83,754,503 | \$ 93,997,177 | \$ 114,786,548 | \$ 115,078,870 |

**Net position - beginning of year was restated

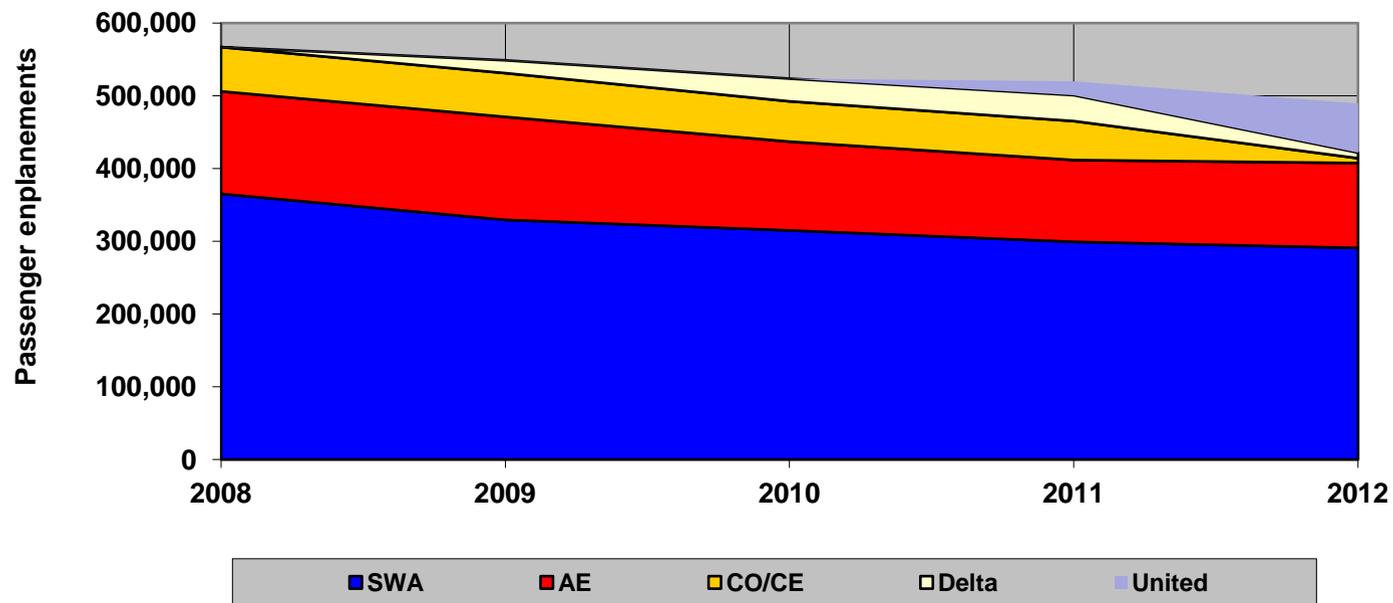
City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Aviation Services Capital Projects
As of December 31, 2013

| Project Number/Name | Funding To Date | Amount Exp As of 9/30/2013 | October 2013 | November 2013 | December 2013 | Project to Date Total | Funds Remaining | % Funds Remaining | % of Budget Spent | Orig Date of Appropriation | Closed |
|--|-----------------|----------------------------|--------------|---------------|---------------|-----------------------|-----------------|-------------------|-------------------|----------------------------|--------|
| 8529 Aviation Demolition | \$ 365,500 | 262,250 | - | - | 21,897 | 284,147 | 81,353 | 22.26 | 77.74 | 9/13/2007 | |
| 8552 Airfield Asphalt Repair | 1,600,000 | 1,260,961 | - | - | 581 | 1,261,542 | 338,458 | 21.15 | 78.85 | 8/27/2009 | |
| 92191 Airport Facility Improvements | 2,600,000 | 1,159,206 | - | - | - | 1,159,206 | 1,440,794 | 55.42 | 44.58 | 8/27/2009 | |
| 92284 Runway 17R/35L Rehab Construction | 1,945,505 | 205,559 | - | 300,746 | 232,628 | 738,933 | 1,206,572 | 62.02 | 37.98 | 9/13/2012 | |
| 92285 Runway 17R/35L Rehab Design | 2,451,278 | 1,145,989 | - | 81,886 | 104,842 | 1,332,717 | 1,118,561 | 45.63 | 54.37 | 9/13/2012 | |
| 92325 Runway 17R/35L Construction Phase II | 26,522,369 | - | - | - | - | - | 26,522,369 | 100.00 | - | 9/10/2013 | |
| Total | \$ 35,484,652 | 4,033,965 | - | 382,632 | 359,947 | 4,776,545 | 30,708,107 | 86.54 | 13.46 | | |

Funds remaining in closed projects have been utilized in other projects or remain in fund balance, so the total funds remaining could be overstated.

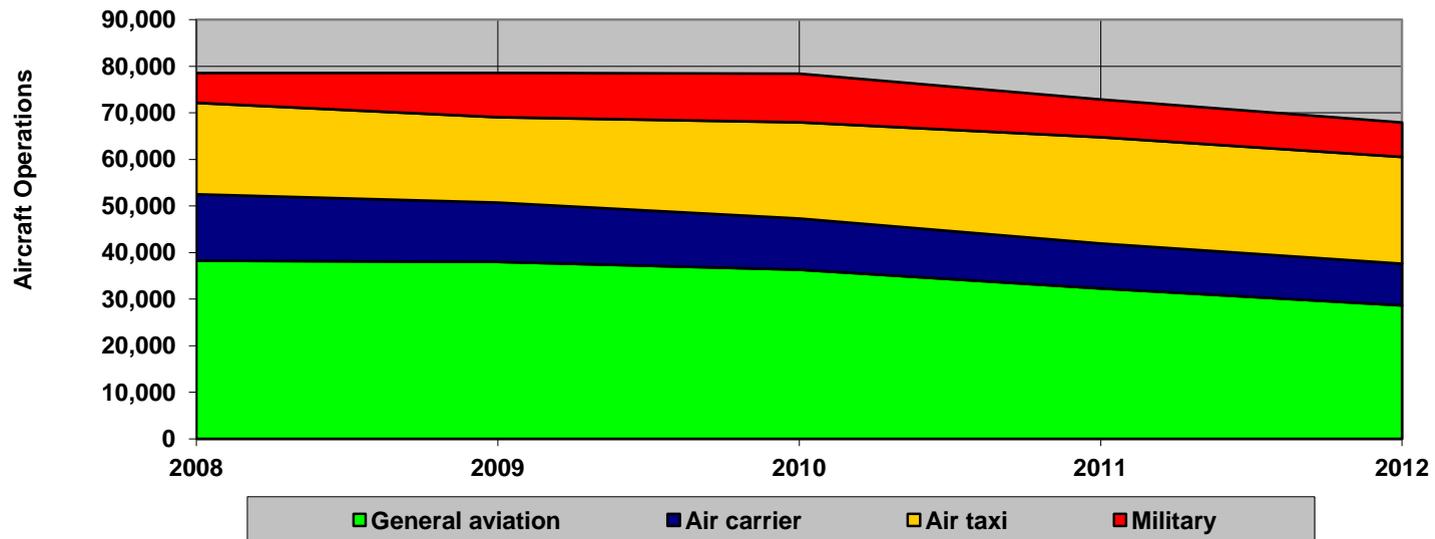
**City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Lubbock Preston Smith International Airport
Annual Passenger Enplanements**

| Airline | 2008 | 2009 | 2010 | 2011 | 2012 | FY 2013 (Jan-Dec) | | |
|------------------------------|----------------|----------------|----------------|----------------|----------------|-------------------|----------------|--------------|
| | | | | | | 2012 | 2013 | % change |
| Southwest | 365,080 | 329,301 | 314,804 | 299,130 | 290,713 | 290,713 | 258,972 | -10.9% |
| American Eagle | 140,777 | 141,517 | 121,990 | 112,393 | 116,662 | 116,662 | 134,473 | 15.3% |
| Continental/CO Express | 60,880 | 60,134 | 55,356 | 53,507 | 6,594 | 6,594 | 0 | -100.0% |
| United | 0 | 0 | 0 | 19,059 | 67,550 | 67,550 | 74,934 | 10.9% |
| Delta | 0 | 17,596 | 31,233 | 35,599 | 7,696 | 7,696 | 0 | -100.0% |
| Other | 2,847 | 2,277 | 2,019 | 1,990 | 2,858 | 2,858 | 2,191 | -23.3% |
| Total enplanements | 569,584 | 550,825 | 525,402 | 521,678 | 492,073 | 492,073 | 470,570 | -4.4% |
| Annual percent change | | -3.3% | -4.6% | -0.7% | -5.7% | | | |



**City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Lubbock Preston Smith International Airport
Annual Aircraft Operations**

| Aircraft category | 2008 | 2009 | 2010 | 2011 | 2012 | Avg. annual % change | FY 2013 (Jan-Dec) | | |
|------------------------------|---------------|---------------|---------------|---------------|---------------|-------------------------|-------------------|---------------|--------------|
| | | | | | | | 2012 | 2013 | % change |
| Air carrier | 14,260 | 12,736 | 10,992 | 9,653 | 8,947 | -11.0% | 8,947 | 9,617 | 7.5% |
| Air taxi | 19,631 | 18,329 | 20,660 | 22,820 | 22,929 | 4.3% | 22,929 | 22,068 | -3.8% |
| General aviation | 38,253 | 37,996 | 36,317 | 32,294 | 28,655 | -6.9% | 28,655 | 34,409 | 20.1% |
| Military | 6,396 | 9,507 | 10,437 | 8,104 | 7,388 | 6.8% | 7,388 | 13,189 | 78.5% |
| Total operations | 78,540 | 78,568 | 78,406 | 72,871 | 67,919 | | 67,919 | 79,283 | 16.7% |
| Annual percent change | | 0.0% | -0.2% | -7.1% | -6.8% | -3.5% | | | |



City of Lubbock, TX
Finance Department
Rating Agency Presentation
Cemetery Appropriate Net Asset Calculation

Current Assets

| | |
|------------------------------------|----------------|
| Total Current Assets | \$ 204,435 |
| Less: Cash Funded Capital Projects | (69,883) |
| Less: Inventories | - |
| Less: Due From Others | - |
| Less: Prepaid Expenses | - |
| Total Net Current Assets | <u>134,552</u> |

Current Liabilities

| | |
|---------------------------|---------------|
| Accounts Payable | 5,696 |
| Accrued Liabilities | 9,523 |
| Customer Deposits | - |
| Due to other Funds | - |
| Total Current Liabilities | <u>15,219</u> |

Cashflow Calculations

| | |
|--|------------------|
| Current Assets Less Current Liabilities | 119,333 |
| Add: Restricted Cash Reserved for Debt Service | 18,136 |
| Less: Negative Unrestricted | (57,388) |
| Total Available Cash at September 30, 2013 | <u>\$ 80,081</u> |

September 30, 2013

| | |
|--------------------------------|------------------|
| Target Net Assets Policy | 8.00% |
| Target Net Assets by Policy | <u>34,799</u> |
| Available for Reallocation | <u>\$ 45,282</u> |
| Percentage of Net Asset Policy | 230.1% |

FY 2013-14 Budget

| | |
|-----------------------------------|-----------------|
| Operating Revenues | \$ 422,000 |
| Non-Operating Revenues | 272,205 |
| Less: Expenses | (744,205) |
| Revenue Over/(Under) Expenditures | <u>(50,000)</u> |

| | |
|--|------------------|
| Total Available Cash at September 30, 2014 | <u>\$ 30,081</u> |
|--|------------------|

Estimated September 30, 2014

| | |
|---|-------------------|
| Target Net Assets Policy | 8.00% |
| Target Net Assets by Policy | <u>33,760</u> |
| Available for Appropriation at September 30, 2014 | <u>\$ (3,679)</u> |
| Percentage of Net Asset Policy | 89.1% |

City of Lubbock
Cemetery Fund
Balance Sheet
For Fiscal Years Ended September 30

| <u>Liabilities and Net Position</u> | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Current liabilities: | | | | | | | |
| Accounts and vouchers payable | 9,765 | 11,122 | 7,189 | 7,381 | 11,316 | 15,176 | 5,696 |
| Due to other funds | 5,616 | 245,000 | 107,100 | - | - | - | - |
| Accrued interest | 5,126 | 4,056 | 3,935 | 3,794 | 3,633 | 3,513 | 3,567 |
| Other accrued expenses | 13,895 | 17,209 | 18,715 | 17,937 | 7,109 | 7,601 | 9,523 |
| Leases payable | - | - | - | - | - | 7,194 | 12,902 |
| Current portion of general obligation bonds and construction payable | 21,912 | 22,948 | 23,928 | 25,037 | 26,309 | 27,680 | 27,920 |
| Total current liabilities | 56,314 | 300,335 | 160,867 | 54,149 | 48,367 | 61,164 | 59,608 |
| Long-term liabilities: | | | | | | | |
| General obligation bonds (net of current portion) | 663,589 | 640,473 | 616,383 | 591,184 | 564,713 | 536,871 | 515,371 |
| Leases payable | - | - | - | - | - | 73,266 | 112,009 |
| Accrued vacation and sick leave | 50,996 | 54,575 | 55,775 | 58,120 | 57,070 | 58,483 | 57,826 |
| Post employment benefits | - | 23,923 | 37,094 | 62,710 | 82,027 | 111,973 | 143,887 |
| Net pension obligation | - | - | 9,041 | 22,069 | 35,109 | 37,829 | 38,104 |
| Unearned revenue - other | 79,694 | 81,621 | 3,220 | 3,220 | 3,220 | 3,220 | 3,220 |
| Rebatable arbitrage | 3,791 | 3,897 | 1,618 | - | - | - | - |
| Total long-term liabilities | 798,070 | 804,489 | 723,131 | 737,303 | 742,139 | 821,642 | 870,417 |
| Total liabilities | 854,384 | 1,104,824 | 883,998 | 791,452 | 790,506 | 882,806 | 930,025 |
| Net position | | | | | | | |
| Net investment in capital assets | \$ 43,073 | \$ 396,003 | \$ 388,487 | \$ 418,567 | \$ 420,663 | \$ 417,599 | \$ 421,934 |
| Restricted for: | | | | | | | |
| Capital projects | 200,488 | - | - | - | - | - | - |
| Debt Service | 16,767 | 15,885 | 16,366 | 16,887 | 17,488 | 18,162 | 18,136 |
| Unrestricted | (116,110) | (387,719) | (187,573) | 91,209 | 137,210 | 105,147 | (57,388) |
| Total net position | \$ 144,218 | \$ 24,169 | \$ 217,280 | \$ 526,663 | \$ 575,361 | \$ 540,908 | \$ 382,682 |

**City of Lubbock, TX
Cemetery Fund
Statement of Revenues, Expenses, and Changes in Fund Net Assets
For Fiscal Years Ended September 30**

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013** |
|---|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Operating revenues: | | | | | | | |
| Charges for services | \$ 287,622 | \$ 335,884 | \$ 462,333 | \$ 436,534 | \$ 438,741 | \$ 410,604 | \$ 434,993 |
| Total operating revenues | 287,622 | 335,884 | 462,333 | 436,534 | 438,741 | 410,604 | 434,993 |
| Operating expenses: | | | | | | | |
| Personal services | 366,041 | 406,038 | 407,392 | 421,658 | 400,968 | 442,461 | 404,678 |
| Supplies | 25,359 | 58,808 | 42,018 | 44,672 | 53,701 | 56,253 | 28,521 |
| Maintenance | 23,459 | 47,504 | 34,021 | 25,378 | 42,499 | 28,005 | 28,880 |
| Other services and charges | 179,960 | 185,313 | 170,051 | 148,702 | 153,538 | 168,989 | 159,266 |
| Depreciation and amortization | 2,181 | 18,055 | 19,090 | 26,192 | 23,103 | 34,157 | 31,591 |
| Total operating expenses | 597,000 | 715,718 | 672,572 | 666,602 | 673,809 | 729,865 | 652,936 |
| Operating income (loss) | (309,378) | (379,834) | (210,239) | (230,068) | (235,068) | (319,261) | (217,943) |
| Non-operating revenues (expenses): | | | | | | | |
| Interest | 1,238 | 5,446 | 530 | - | 3,004 | 4,591 | 683 |
| Disposition of Properties | 1,247 | - | 3,297 | - | 22,491 | 21,471 | 3,373 |
| Interest expense | (39,717) | (18,602) | (14,008) | (9,554) | (29,888) | (28,606) | (26,766) |
| Total non-operating revenues (expenses) | (37,232) | (13,156) | (10,181) | (9,554) | (4,393) | (2,544) | (22,710) |
| Income (loss) before operating transfers | (346,610) | (392,990) | (220,420) | (239,622) | (239,461) | (321,805) | (240,653) |
| Capital Contributions | 193,331 | 8,544 | - | - | - | - | 3,076 |
| Transfers in | 297,497 | 264,397 | 413,531 | 549,005 | 288,159 | 287,352 | 80,234 |
| Transfers (out) | - | - | - | - | - | - | - |
| Change in net position | 144,218 | (120,049) | 193,111 | 309,383 | 48,698 | (34,453) | (157,343) |
| Total net position - beginning of year | - | 144,218 | 24,169 | 217,280 | 526,663 | 575,361 | 540,025 |
| Total net position - ending | \$ 144,218 | \$ 24,169 | \$ 217,280 | \$ 526,663 | \$ 575,361 | \$ 540,908 | \$ 382,682 |

**† GASB 34 format of presenting net assets

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Cemetery Capital Projects
As of December 31, 2013

| Project Number/Name | Funding To Date | Amount Exp As of 9/30/2013 | October 2013 | November 2013 | December 2013 | Project to Date Total | Funds Remaining | % Funds Remaining | % of Budget Spent | Orig Date of Appropriation | Closed |
|---------------------------------------|-----------------|----------------------------|--------------|---------------|---------------|-----------------------|-----------------|-------------------|-------------------|----------------------------|--------|
| 92262 Cemetery Permanent Improvements | \$ 71,375 | 1,492 | - | - | - | 1,492 | 69,883 | 97.91 | 2.09 | 9/8/2011 | |
| Total | \$ 71,375 | 1,492 | - | - | - | 1,492 | 69,883 | 97.91 | 2.09 | | |

Funds remaining in closed projects have been utilized in other projects or remain in fund balance, so the total funds remaining could be overstated.

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Civic Centers Appropriate Net Asset Calculation

Current Assets

| | |
|--|----------------|
| Total Current Assets | \$ 4,032,549 |
| Less: Cash Funded Capital Projects | (2,630,076) |
| Less: Cash Funded Capital - Naming Rights Auditorium | (432,000) |
| Total Net Current Assets | <u>970,473</u> |

Current Liabilities

| | |
|---------------------------|----------------|
| Accounts Payable | 249,346 |
| Accrued Liabilities | 32,382 |
| Customer Deposits | 93,782 |
| Due to other Funds | - |
| Total Current Liabilities | <u>375,510</u> |

Cashflow Calculations

| | |
|--|-------------------|
| Current Assets Less Current Liabilities | 594,963 |
| Add: Restricted Cash Reserved for Debt Service | 183,165 |
| Total Available Cash at September 30, 2013 | <u>\$ 778,128</u> |

September 30, 2013

| | |
|--------------------------------|-------------------|
| Target Net Assets Policy | 8.00% |
| Target Net Assets by Policy | <u>56,148</u> |
| Available for Reallocation | <u>\$ 721,980</u> |
| Percentage of Net Asset Policy | 1385.8% |

FY 2013-14 Budget:

| | |
|-------------------------------|-----------------|
| Operating Revenues | \$ 644,000 |
| Non-Operating Revenues | 2,715,008 |
| Less: Expenses | (3,387,507) |
| Revenue Over/(Under) Expenses | <u>(28,500)</u> |

| | |
|--|-------------------|
| Total Available Cash at September 30, 2014 | <u>\$ 749,628</u> |
|--|-------------------|

Estimated September 30, 2014

| | |
|---|-------------------|
| Target Net Assets Policy | 8.00% |
| Target Net Assets by Policy | <u>51,520</u> |
| Available for Appropriation at September 30, 2014 | <u>\$ 698,108</u> |
| Percentage of Net Asset Policy | 1455.0% |

City of Lubbock, TX

Civic Centers Fund

Balance Sheet

For Fiscal Years Ended September 30

| <u>Assets</u> | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Current Assets: | | | | | | |
| Pooled cash and cash equivalents | \$ 2,933 | \$ 4,030 | \$ 1,136 | \$ 94,062 | \$ 579,424 | \$ 749,517 |
| Investments | 359,162 | 776,423 | 849,633 | 893,207 | 3,014,434 | 3,190,048 |
| Accounts receivable (net) | 99,266 | 105,107 | 124,719 | 87,340 | 100,565 | 89,756 |
| Interest Receivable | - | - | 255 | 1,774 | 1,782 | 3,228 |
| Due from others | - | 21,813 | - | 11,625 | - | - |
| Total current assets | <u>461,361</u> | <u>907,373</u> | <u>975,743</u> | <u>1,088,008</u> | <u>3,696,205</u> | <u>4,032,549</u> |
| Restricted Assets: | | | | | | |
| Total restricted assets | <u>-</u> | <u>442,680</u> | <u>6,287,301</u> | <u>5,869,715</u> | <u>5,143,340</u> | <u>4,817,188</u> |
| Advance to other funds | | | | | | |
| Property, plant and equipment: | | | | | | |
| Land | 1,238,454 | 1,238,454 | 1,238,454 | 1,238,454 | 1,238,454 | 1,238,454 |
| Buildings | 21,317,202 | 21,885,776 | 21,860,776 | 21,860,776 | 21,860,776 | 21,908,276 |
| Improvements other than buildings | 2,609,599 | 2,767,894 | 2,755,901 | 2,755,901 | 3,133,671 | 3,471,808 |
| Machinery and equipment | 5,246,617 | 5,293,732 | 5,281,660 | 5,248,171 | 6,466,822 | 6,800,318 |
| Construction in progress | - | 83,507 | 448,440 | 1,553,966 | 2,168,854 | 2,201,734 |
| Allowance for depreciation | (18,813,392) | (20,197,348) | (21,311,391) | (22,321,967) | (22,859,331) | (23,814,867) |
| Net property, plant and equipment | <u>11,598,480</u> | <u>11,072,015</u> | <u>10,273,840</u> | <u>10,335,301</u> | <u>12,009,246</u> | <u>11,805,723</u> |
| Total assets | <u>12,059,841</u> | <u>12,422,068</u> | <u>17,536,884</u> | <u>17,293,024</u> | <u>20,848,791</u> | <u>20,655,460</u> |

City of Lubbock
Civic Centers Fund
Balance Sheet
For Fiscal Years Ended September 30

| <u>Liabilities and Net Position</u> | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|-------------------------------------|---------------|---------------|---------------|--------------|---------------|---------------|
| Current liabilities: | | | | | | |
| Accounts and vouchers payable | 70,703 | 32,558 | 84,331 | 249,027 | 78,308 | 249,346 |
| Accrued liabilities | 59,990 | 65,470 | 70,780 | 26,793 | 25,619 | 32,382 |
| Accrued interest | 136 | 4,592 | 54,960 | 36,302 | 35,473 | 34,476 |
| Customer deposits | 67,617 | 59,777 | 53,448 | 59,933 | 107,261 | 93,782 |
| Compensated absences | 111,574 | 119,316 | 108,388 | 106,008 | 103,345 | 110,399 |
| Leases payable | - | - | - | - | - | 2,250 |
| Bonds payable | - | 8,507 | 125,941 | 241,206 | 248,621 | 254,960 |
| Total current liabilities | 310,020 | 290,220 | 497,848 | 719,269 | 598,627 | 777,595 |
| Long-term liabilities: | | | | | | |
| Compensated absences | 119,177 | 137,399 | 112,621 | 91,782 | 98,403 | 113,740 |
| Post employment benefits | 88,857 | 137,777 | 224,232 | 293,220 | 395,892 | 518,987 |
| Net pension obligation | - | 26,614 | 62,460 | 101,554 | 108,395 | 109,201 |
| Leases payable | - | - | - | - | - | 22,025 |
| Bonds payable | - | 492,447 | 6,336,066 | 6,093,185 | 5,842,889 | 5,622,598 |
| Total long-term liabilities | 208,034 | 794,237 | 6,735,379 | 6,579,741 | 6,445,579 | 6,386,551 |
| Total liabilities | 518,054 | 1,084,457 | 7,233,227 | 7,299,010 | 7,044,206 | 7,164,146 |
| Net position | | | | | | |
| Net investment in capital assets | \$ 11,598,480 | \$ 10,996,671 | \$ 9,905,080 | \$ 9,736,779 | \$ 10,912,431 | \$ 10,537,913 |
| Restricted for: | | | | | | |
| Debt Service | - | 17,071 | 194,054 | 133,846 | 148,645 | 183,165 |
| Unrestricted | (56,693) | 323,869 | 204,523 | 123,389 | 2,743,509 | 2,770,236 |
| Total net position | \$ 11,541,787 | \$ 11,337,611 | \$ 10,303,657 | \$ 9,994,014 | \$ 13,804,585 | \$ 13,491,314 |

City of Lubbock, TX
Civic Centers Fund
Statement of Revenues, Expenses, and Changes in Fund Net Assets
For Fiscal Years Ended September 30

| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013** |
|---|---------------|---------------|---------------|--------------|---------------|---------------|
| Operating revenues: | | | | | | |
| Charges for services | \$ 717,494 | \$ 693,798 | \$ 640,228 | \$ 693,467 | \$ 663,415 | \$ 701,855 |
| Total operating revenues | 717,494 | 693,798 | 640,228 | 693,467 | 663,415 | 701,855 |
| Operating expenses: | | | | | | |
| Personal services | 1,740,288 | 1,723,924 | 1,604,393 | 1,580,276 | 1,665,103 | 1,714,257 |
| Supplies | 70,701 | 79,018 | 84,082 | 78,363 | 71,474 | 99,036 |
| Maintenance | 371,879 | 318,493 | 287,572 | 372,385 | 306,388 | 241,810 |
| Other services and charges | 1,115,199 | 767,460 | 829,326 | 738,251 | 773,640 | 773,088 |
| Depreciation and amortization | 813,674 | 1,383,956 | 1,163,108 | 1,044,065 | 1,075,117 | 1,107,549 |
| Total operating expenses | 4,111,741 | 4,272,851 | 3,968,481 | 3,813,340 | 3,891,722 | 3,935,740 |
| Operating income (loss) | (3,394,247) | (3,579,053) | (3,328,253) | (3,119,873) | (3,228,307) | (3,233,885) |
| Non-operating revenues (expenses): | | | | | | |
| Interest | 379 | 13,504 | 8,600 | 8,080 | 10,921 | 2,348 |
| Miscellaneous | - | 5,249 | 5,387 | 419 | 433,182 | - |
| Interest expense | - | - | (14,593) | (48,362) | (39,328) | (66,363) |
| Total non-operating revenues (expenses) | 379 | 18,753 | (606) | (39,863) | 404,775 | (64,015) |
| Income (loss) before operating transfers | (3,393,868) | (3,560,300) | (3,328,859) | (3,159,736) | (2,823,532) | (3,297,900) |
| Capital Contributions | 12,299,692 | 793,966 | - | - | 2,109,900 | 121,790 |
| Transfers in | 2,635,963 | 2,562,158 | 2,294,905 | 2,850,093 | 4,524,203 | 2,901,335 |
| Transfers (out) | - | - | - | - | - | - |
| Change in net position | 11,541,787 | (204,176) | (1,033,954) | (309,643) | 3,810,571 | (274,775) |
| Total net position - beginning of year | - | 11,541,787 | 11,337,611 | 10,303,657 | 9,994,014 | 13,766,089 |
| Total net position - ending | \$ 11,541,787 | \$ 11,337,611 | \$ 10,303,657 | \$ 9,994,014 | \$ 13,804,585 | \$ 13,491,314 |

**Net position - beginning of year was restated

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Arts and Entertainment Facilities Capital Projects
As of December 31, 2013

| Project Number/Name | Funding To Date | Amount Exp As of 9/30/2013 | October 2013 | November 2013 | December 2013 | Project to Date Total | Funds Remaining | % Funds Remaining | % of Budget Spent | Orig Date of Appropriation | Closed |
|---|---------------------|----------------------------|----------------|---------------|----------------|-----------------------|------------------|-------------------|-------------------|----------------------------|--------|
| 91194 Municipal Auditorium Renovation | \$ 390,712 | 390,712 | - | - | - | 390,712 | 0 | 0.00 | 100.00 | 9/13/2007 | |
| 91195 Civic Center Renovations | 9,134,288 | 1,563,023 | 474,758 | 3,064 | 250,035 | 2,290,881 | 6,843,407 | 74.92 | 25.08 | 9/11/2008 | |
| 92326 Auditorium Air Handler Unit Replacement | 432,000 | - | - | - | - | - | 432,000 | 100.00 | - | 9/10/2013 | |
| Total | \$ 9,957,000 | 1,953,735 | 474,758 | 3,064 | 250,035 | 2,681,593 | 7,275,407 | 73.07 | 26.93 | | |

Funds remaining in closed projects have been utilized in other projects or remain in fund balance, so the total funds remaining could be overstated.

City of Lubbock, TX
Fleet Maintenance Fund
Statement of Net Position

For Fiscal Years Ended September 30

| <u>Assets</u> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Current Assets: | | | | | | | | | | |
| Pooled cash and cash equivalents | \$ 99,694 | \$ 96,143 | \$ - | \$ 3,864 | \$ 4,347 | \$ 4,373 | \$ 1,346 | \$ 75,831 | \$ 177,928 | \$ 227,727 |
| Investments | 24,149 | 10,100 | - | 278,662 | 532,190 | 842,546 | 948,634 | 720,087 | 925,665 | 969,239 |
| Due from other funds | - | - | - | - | - | - | - | - | - | - |
| Due from others | - | - | - | - | - | 524 | - | - | - | - |
| Interest receivable | 200 | 82 | 412 | - | 2,082 | 2,091 | 243 | - | 342 | 688 |
| Inventory, at cost | 303,212 | 417,154 | 421,917 | 343,161 | 404,104 | 196,524 | 262,438 | 210,753 | 188,642 | 205,773 |
| Total current assets | 427,255 | 523,479 | 422,329 | 625,687 | 942,723 | 1,046,058 | 1,212,661 | 1,006,671 | 1,292,577 | 1,403,427 |
| Restricted Assets: | | | | | | | | | | |
| Restricted investments | 57,202 | - | - | - | - | - | - | 275,431 | 545,524 | 681,109 |
| Total restricted assets | 57,202 | - | - | - | - | - | - | 275,431 | 545,524 | 681,109 |
| Property, plant and equipment: | | | | | | | | | | |
| Land | - | - | - | - | - | - | - | - | - | - |
| Buildings | 1,469,765 | 1,469,765 | 1,469,765 | 1,469,765 | 1,469,765 | 1,469,765 | 1,469,765 | 1,469,765 | 1,469,765 | 1,469,765 |
| Improvements other than buildings | - | - | - | - | - | - | - | - | 10,650 | 10,650 |
| Machinery and equipment | 602,957 | 461,024 | 528,178 | 542,027 | 625,335 | 603,642 | 714,451 | 1,167,908 | 1,057,858 | 1,265,539 |
| Construction in progress | 42,870 | - | - | - | - | - | - | - | - | 34,437 |
| Allowance for depreciation | (1,116,917) | (1,004,424) | (1,120,086) | (1,179,934) | (1,305,962) | (1,287,896) | (1,305,339) | (1,537,997) | (1,463,195) | (1,695,318) |
| Net property, plant and equipment | 998,675 | 926,365 | 877,857 | 831,858 | 789,138 | 785,511 | 878,877 | 1,099,676 | 1,075,078 | 1,085,073 |
| Total assets | 1,483,132 | 1,449,844 | 1,300,186 | 1,457,545 | 1,731,861 | 1,831,569 | 2,091,538 | 2,381,778 | 2,913,179 | 3,169,609 |

City of Lubbock, TX
Fleet Maintenance Fund
Statement of Net Position

For Fiscal Years Ended September 30

| <u>Liabilities and Net Position</u> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Current liabilities: | | | | | | | | | | |
| Accounts and vouchers payable | 292,645 | 442,627 | 318,844 | 472,795 | 392,051 | 394,048 | 389,924 | 268,911 | 547,472 | 903,372 |
| Due to other funds | - | - | 38,885 | - | - | - | - | - | - | - |
| Accrued liabilities | 40,998 | 28,408 | 27,360 | 35,340 | 29,227 | 40,058 | 41,900 | 12,130 | 13,335 | 21,783 |
| Accrued interest payable | - | - | - | 747 | - | - | - | 3,011 | 3,775 | 2,868 |
| Compensated absences | - | 70,237 | 64,940 | 60,397 | 37,904 | 32,518 | 31,252 | 21,862 | 20,059 | 62,137 |
| Leases payable | - | - | - | - | - | - | - | - | 3,841 | 7,067 |
| Bonds payable | - | - | - | - | - | - | - | 3,930 | 13,544 | 17,371 |
| Total current liabilities | 333,643 | 541,272 | 450,029 | 569,279 | 459,182 | 466,624 | 463,076 | 309,844 | 602,026 | 1,014,598 |
| Long-term liabilities: | | | | | | | | | | |
| Advance from other funds | - | - | - | - | - | - | - | - | - | - |
| Accrued insurance claims | - | - | - | - | - | - | - | - | - | - |
| Compensated absences | 165,053 | 89,392 | 83,626 | 73,257 | 40,488 | 37,446 | 32,473 | 18,928 | 19,099 | 64,017 |
| Post employment benefits | - | - | - | - | 51,263 | 83,249 | 134,482 | 173,115 | 241,563 | 323,627 |
| Net pension obligation | - | - | - | - | - | 18,809 | 46,070 | 75,234 | 79,798 | 80,553 |
| Leases Payable | - | - | - | - | - | - | - | - | 39,124 | 67,159 |
| Bonds payable | - | - | - | - | - | - | - | 263,868 | 514,115 | 498,776 |
| Total long-term liabilities | 165,053 | 89,392 | 83,626 | 73,257 | 91,751 | 139,504 | 213,025 | 531,145 | 893,699 | 1,034,132 |
| Total liabilities | 498,696 | 630,664 | 533,655 | 642,536 | 550,933 | 606,128 | 676,101 | 840,989 | 1,495,725 | 2,048,730 |
| Net Position | | | | | | | | | | |
| Investment in capital assets | 998,675 | 926,365 | 877,857 | 831,858 | 789,138 | 785,511 | 878,877 | 1,099,199 | 1,037,554 | 1,014,827 |
| Restricted for debt service | - | - | - | - | - | - | - | 8,111 | 12,424 | 160,982 |
| Unrestricted | (14,239) | (107,185) | (111,326) | (16,849) | 391,790 | 439,930 | 536,560 | 433,479 | 367,476 | (54,930) |
| Total net position | \$ 984,436 | \$ 819,180 | \$ 766,531 | \$ 815,009 | \$ 1,180,928 | \$ 1,225,441 | \$ 1,415,437 | \$ 1,540,789 | \$ 1,417,454 | \$ 1,120,879 |

City of Lubbock, TX
Fleet Maintenance Fund
Statement of Revenues, Expenses, and Changes in Net Position

For Fiscal Years Ended September 30

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Operating revenues: | | | | | | | | | | |
| Charges for services | \$ 5,225,673 | \$ 6,362,906 | \$ 7,737,579 | \$ 7,959,458 | \$ 9,260,378 | \$ 7,971,746 | \$ 8,681,590 | \$ 9,088,614 | \$ 10,068,299 | \$ 10,635,860 |
| Administrative charges | 175,459 | 180,580 | - | - | - | - | - | - | - | - |
| Total operating revenues | <u>5,401,132</u> | <u>6,543,486</u> | <u>7,737,579</u> | <u>7,959,458</u> | <u>9,260,378</u> | <u>7,971,746</u> | <u>8,681,590</u> | <u>9,088,614</u> | <u>10,068,299</u> | <u>10,635,860</u> |
| Operating expenses: | | | | | | | | | | |
| Personal services | 1,289,624 | 1,120,567 | 1,079,320 | 1,025,764 | 903,954 | 928,391 | 938,099 | 875,314 | 780,845 | 1,156,766 |
| Supplies | 54,782 | 37,807 | 36,016 | 39,460 | 33,458 | 50,641 | 68,666 | 54,491 | 37,251 | 33,195 |
| Materials | 4,106,899 | 5,205,848 | 6,279,366 | 6,568,151 | 7,852,123 | 6,439,660 | 7,173,891 | 7,725,760 | 9,055,878 | 9,477,460 |
| Maintenance | 68,075 | 66,279 | 184,827 | 55,395 | 41,582 | 31,092 | 115,563 | 90,555 | 36,718 | 48,370 |
| Other services and charges | 270,124 | 217,583 | 167,813 | 176,758 | 257,261 | 429,984 | 159,687 | 189,637 | 190,513 | 132,186 |
| Depreciation | 208,818 | 72,311 | 48,508 | 46,000 | 42,719 | 53,293 | 42,358 | 66,384 | 89,629 | 88,057 |
| Total operating expenses | <u>5,998,322</u> | <u>6,720,395</u> | <u>7,795,850</u> | <u>7,911,528</u> | <u>9,131,097</u> | <u>7,933,061</u> | <u>8,498,264</u> | <u>9,002,141</u> | <u>10,190,834</u> | <u>10,936,034</u> |
| Operating income (loss) | <u>(597,190)</u> | <u>(176,909)</u> | <u>(58,271)</u> | <u>47,930</u> | <u>129,281</u> | <u>38,685</u> | <u>183,326</u> | <u>86,473</u> | <u>(122,535)</u> | <u>(300,174)</u> |
| Non-operating revenues (expenses): | | | | | | | | | | |
| Interest earnings | 2,315 | 1,628 | 974 | - | 13,503 | 8,864 | 1,423 | 499 | 2,017 | 693 |
| Disposition of properties | 3,430 | 12,332 | 4,648 | 2,414 | (64,468) | (21,562) | 3,535 | 34,071 | 9,337 | 9,970 |
| Junk sales | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | 1,808 | 1,723 | 18,526 | 1,712 | 5,558 | 3,089 | 21,153 |
| Interest expense | - | (2,307) | - | (3,674) | - | - | - | (1,249) | (15,243) | (24,030) |
| Total non-operating revenues (expenses) | <u>5,745</u> | <u>11,653</u> | <u>5,622</u> | <u>548</u> | <u>(49,242)</u> | <u>5,828</u> | <u>6,670</u> | <u>38,879</u> | <u>(800)</u> | <u>7,786</u> |
| Income (loss) before operating transfers | <u>(591,445)</u> | <u>(165,256)</u> | <u>(52,649)</u> | <u>48,478</u> | <u>80,039</u> | <u>44,513</u> | <u>189,996</u> | <u>125,352</u> | <u>(123,335)</u> | <u>(292,388)</u> |
| Capital Contributions | - | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | 320,880 | - | - | - | - | - |
| Transfers (out) | - | - | - | - | (35,000) | - | - | - | - | - |
| Change in net position | <u>(591,445)</u> | <u>(165,256)</u> | <u>(52,649)</u> | <u>48,478</u> | <u>365,919</u> | <u>44,513</u> | <u>189,996</u> | <u>125,352</u> | <u>(123,335)</u> | <u>(292,388)</u> |
| Total net position - beginning of year ** | <u>1,575,881</u> | <u>984,436</u> | <u>819,180</u> | <u>766,531</u> | <u>815,009</u> | <u>1,180,928</u> | <u>1,225,441</u> | <u>1,415,437</u> | <u>1,540,789</u> | <u>1,413,267</u> |
| Total net position - ending | <u>\$ 984,436</u> | <u>\$ 819,180</u> | <u>\$ 766,531</u> | <u>\$ 815,009</u> | <u>\$ 1,180,928</u> | <u>\$ 1,225,441</u> | <u>\$ 1,415,437</u> | <u>\$ 1,540,789</u> | <u>\$ 1,417,454</u> | <u>\$ 1,120,879</u> |

** The cumulative effect of applying GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities" resulted in beginning statement of net position for FY 2013 being restated. FY2012 was not restated.

City of Lubbock, TX
Print Shop and Warehouse
Statement of Net Position

For Fiscal Years Ended September 30

| <u>Assets</u> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Current Assets: | | | | | | | | | | |
| Pooled cash and cash equivalents | \$ 361,885 | \$ 629,672 | \$ 359,269 | \$ 8,809 | \$ 890 | \$ 2,160 | \$ 359 | \$ 921 | \$ 61,056 | \$ 111,147 |
| Investments | 87,662 | 168,717 | 312,373 | 635,204 | 109,034 | 416,142 | 253,317 | 8,749 | 317,643 | 473,061 |
| Due from other funds | - | - | 12,475 | - | - | - | - | - | - | - |
| Due from others | 9,381 | 22,783 | - | 4,899 | 2,376 | 3,586 | 3,965 | 1,281 | 187 | 1,452 |
| Interest receivable | 746 | 435 | 2,075 | 3,514 | 3,459 | 1,033 | 65 | 18 | 105 | 248 |
| Inventory, at cost | 1,140,220 | 1,027,900 | 1,434,196 | 1,589,057 | 1,753,334 | 1,417,558 | 1,725,885 | 1,738,014 | 1,566,317 | 1,540,237 |
| Total current assets | <u>1,599,894</u> | <u>1,849,507</u> | <u>2,120,388</u> | <u>2,241,483</u> | <u>1,869,093</u> | <u>1,840,479</u> | <u>1,983,591</u> | <u>1,748,983</u> | <u>1,945,308</u> | <u>2,126,145</u> |
| Property, plant and equipment: | | | | | | | | | | |
| Land | - | - | - | - | - | - | - | - | - | - |
| Buildings | 138,853 | 138,853 | 138,853 | 138,853 | 138,853 | 138,853 | 138,853 | 138,853 | 138,853 | 138,853 |
| Improvements other than buildings | - | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | 407,675 | 407,675 | 404,643 | 161,242 | 161,242 | 116,761 | 116,761 | 142,504 | 128,656 | 128,656 |
| Construction in progress | - | - | - | - | - | - | - | - | - | - |
| Allowance for depreciation | (341,187) | (373,977) | (351,004) | (244,388) | (256,577) | (224,285) | (236,471) | (274,400) | (267,509) | (267,509) |
| Net property, plant and equipment | <u>205,341</u> | <u>172,551</u> | <u>192,492</u> | <u>55,707</u> | <u>43,518</u> | <u>31,329</u> | <u>19,143</u> | <u>6,957</u> | <u>-</u> | <u>-</u> |
| Total assets | <u><u>1,805,235</u></u> | <u><u>2,022,058</u></u> | <u><u>2,312,880</u></u> | <u><u>2,297,190</u></u> | <u><u>1,912,611</u></u> | <u><u>1,871,808</u></u> | <u><u>2,002,734</u></u> | <u><u>1,755,940</u></u> | <u><u>1,945,308</u></u> | <u><u>2,126,145</u></u> |

City of Lubbock, TX
Print Shop and Warehouse
Statement of Net Position

For Fiscal Years Ended September 30

| <u>Liabilities and Net Position</u> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Current liabilities: | | | | | | | | | | |
| Accounts and vouchers payable | 68,960 | 152,548 | 243,831 | 248,494 | 172,522 | 158,764 | 312,459 | 186,323 | 275,043 | 124,734 |
| Due to other funds | - | - | - | - | - | - | - | - | - | - |
| Accrued liabilities | 7,940 | 6,949 | 8,132 | 11,082 | 12,115 | 13,132 | 13,434 | 3,669 | 4,759 | 6,287 |
| Accrued interest payable | - | - | - | - | 214 | 141 | 66 | - | - | - |
| Compensated absences | - | 18,466 | 21,718 | 21,720 | 13,136 | 13,032 | 13,506 | 13,881 | 13,995 | 14,716 |
| Leases payable | - | - | 13,637 | 14,027 | 14,591 | 15,177 | 13,312 | - | - | - |
| Total current liabilities | <u>76,900</u> | <u>177,963</u> | <u>287,318</u> | <u>295,323</u> | <u>212,578</u> | <u>200,246</u> | <u>352,777</u> | <u>203,873</u> | <u>293,797</u> | <u>145,737</u> |
| Long-term liabilities: | | | | | | | | | | |
| Advance from other funds | - | - | - | - | - | - | - | - | - | - |
| Leases payable | - | - | 57,107 | 43,080 | 28,489 | 13,312 | - | - | - | - |
| Accrued insurance claims | - | - | - | - | - | - | - | - | - | - |
| Compensated absences | 45,426 | 28,545 | 27,967 | 30,980 | 14,572 | 15,008 | 14,033 | 12,019 | 13,326 | 15,160 |
| Post employment benefits | - | - | - | - | 17,088 | 26,496 | 45,708 | 62,265 | 87,933 | 115,287 |
| Net pension obligation | - | - | - | - | - | 5,472 | 13,663 | 22,145 | 23,644 | 23,817 |
| Total long-term liabilities | <u>45,426</u> | <u>28,545</u> | <u>85,074</u> | <u>74,060</u> | <u>60,149</u> | <u>60,288</u> | <u>73,404</u> | <u>96,429</u> | <u>124,903</u> | <u>154,264</u> |
| Total liabilities | <u>122,326</u> | <u>206,508</u> | <u>372,392</u> | <u>369,383</u> | <u>272,727</u> | <u>260,534</u> | <u>426,181</u> | <u>300,302</u> | <u>418,700</u> | <u>300,001</u> |
| Net Position | | | | | | | | | | |
| Investment in capital assets | 205,341 | 172,551 | 121,748 | (1,400) | 438 | 2,840 | 5,831 | 6,957 | - | - |
| Restricted for insurance claims | - | - | - | - | - | - | - | - | - | - |
| Unrestricted | 1,477,568 | 1,642,999 | 1,818,740 | 1,929,207 | 1,639,446 | 1,608,434 | 1,570,722 | 1,448,681 | 1,526,608 | 1,826,144 |
| Total net position | <u>\$ 1,682,909</u> | <u>\$ 1,815,550</u> | <u>\$ 1,940,488</u> | <u>\$ 1,927,807</u> | <u>\$ 1,639,884</u> | <u>\$ 1,611,274</u> | <u>\$ 1,576,553</u> | <u>\$ 1,455,638</u> | <u>\$ 1,526,608</u> | <u>\$ 1,826,144</u> |

City of Lubbock, TX
Print Shop and Warehouse
Statement of Revenues, Expenses, and Changes in Net Position

For Fiscal Years Ended September 30

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Operating revenues: | | | | | | | | | | |
| Charges for services | \$ 2,947,641 | \$ 3,356,810 | \$ 3,982,944 | \$ 3,825,978 | \$ 3,928,909 | \$ 4,057,478 | \$ 3,863,799 | \$ 3,114,736 | \$ 4,299,102 | \$ 3,981,132 |
| Total operating revenues | <u>2,947,641</u> | <u>3,356,810</u> | <u>3,982,944</u> | <u>3,825,978</u> | <u>3,928,909</u> | <u>4,057,478</u> | <u>3,863,799</u> | <u>3,114,736</u> | <u>4,299,102</u> | <u>3,981,132</u> |
| Operating expenses: | | | | | | | | | | |
| Personal services | 289,115 | 243,175 | 262,830 | 287,652 | 294,804 | 282,304 | 290,186 | 274,141 | 283,360 | 288,319 |
| Supplies | 6,993 | 5,193 | 8,035 | 20,899 | 8,151 | 8,056 | 6,679 | 5,905 | 8,163 | 6,550 |
| Materials | 2,508,879 | 2,807,449 | 3,461,651 | 3,282,138 | 3,437,497 | 3,579,755 | 3,428,008 | 2,743,722 | 3,574,733 | 3,280,922 |
| Maintenance | 60,087 | 74,788 | 62,184 | 9,528 | 8,195 | 15,260 | 8,459 | 13,530 | 11,506 | 11,153 |
| Other services and charges | 33,815 | 67,293 | 45,806 | 127,601 | 193,572 | 192,961 | 152,428 | 185,886 | 344,463 | 324,047 |
| Depreciation | 34,545 | 32,790 | 34,556 | 39,354 | 12,189 | 12,189 | 12,186 | 12,186 | 6,957 | - |
| Total operating expenses | <u>2,933,434</u> | <u>3,230,688</u> | <u>3,875,062</u> | <u>3,767,172</u> | <u>3,954,408</u> | <u>4,090,525</u> | <u>3,897,946</u> | <u>3,235,370</u> | <u>4,229,182</u> | <u>3,910,991</u> |
| Operating income (loss) | <u>14,207</u> | <u>126,122</u> | <u>107,882</u> | <u>58,806</u> | <u>(25,499)</u> | <u>(33,047)</u> | <u>(34,147)</u> | <u>(120,634)</u> | <u>69,920</u> | <u>70,141</u> |
| Non-operating revenues (expenses): | | | | | | | | | | |
| Interest earnings | 3,998 | 6,517 | 23,974 | 27,969 | 22,790 | 2,131 | 416 | - | 107 | 213 |
| Disposition of properties | (11,410) | - | (6,055) | (97,430) | - | 1,045 | - | - | 1,021 | - |
| Junk sales | - | - | - | - | - | 2,755 | - | - | - | - |
| Miscellaneous | - | - | (863) | (2,026) | (2,060) | (1,494) | (990) | (281) | - | - |
| Interest expense | - | - | - | - | - | - | - | - | (78) | - |
| Total non-operating revenues (expenses) | <u>(7,412)</u> | <u>6,517</u> | <u>17,056</u> | <u>(71,487)</u> | <u>20,730</u> | <u>4,437</u> | <u>(574)</u> | <u>(281)</u> | <u>1,050</u> | <u>213</u> |
| Income (loss) before operating transfers | <u>6,795</u> | <u>132,639</u> | <u>124,938</u> | <u>(12,681)</u> | <u>(4,769)</u> | <u>(28,610)</u> | <u>(34,721)</u> | <u>(120,915)</u> | <u>70,970</u> | <u>70,354</u> |
| Capital Contributions | - | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | - | - | 229,182 |
| Transfers (out) | - | - | - | - | (283,154) | - | - | - | - | - |
| Change in net position | <u>6,795</u> | <u>132,639</u> | <u>124,938</u> | <u>(12,681)</u> | <u>(287,923)</u> | <u>(28,610)</u> | <u>(34,721)</u> | <u>(120,915)</u> | <u>70,970</u> | <u>299,536</u> |
| Total net position - beginning of year | <u>1,676,114</u> | <u>1,682,911</u> | <u>1,815,550</u> | <u>1,940,488</u> | <u>1,927,807</u> | <u>1,639,884</u> | <u>1,611,274</u> | <u>1,576,553</u> | <u>1,455,638</u> | <u>1,526,608</u> |
| Total net position - ending | <u>\$ 1,682,909</u> | <u>\$ 1,815,550</u> | <u>\$ 1,940,488</u> | <u>\$ 1,927,807</u> | <u>\$ 1,639,884</u> | <u>\$ 1,611,274</u> | <u>\$ 1,576,553</u> | <u>\$ 1,455,638</u> | <u>\$ 1,526,608</u> | <u>\$ 1,826,144</u> |

City of Lubbock, TX
Information Technology
Statement of Net Position

For Fiscal Years Ended September 30

| <u>Assets</u> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Current Assets: | | | | | | | | | | |
| Pooled cash and cash equivalents | \$ 1,479,141 | \$ 2,986,884 | \$ 1,747,149 | \$ 66,019 | \$ 22,189 | \$ 13,837 | \$ 1,809 | \$ 111,014 | \$ 205,276 | \$ 288,921 |
| Investments | 358,301 | 389,881 | 1,519,092 | 4,760,592 | 2,716,890 | 2,666,231 | 1,275,038 | 1,054,177 | 1,067,940 | 1,229,685 |
| Interest receivable | 8,783 | 5,779 | 9,001 | 32,802 | 32,983 | 6,618 | 326 | 196 | 206 | 1,600 |
| Due from others | - | 4,065 | 184,368 | 118,737 | 97,391 | 62,686 | 44,274 | 17,184 | 8,122 | 101,647 |
| Prepaid expenses | - | 5,367 | - | - | 68,727 | 94,430 | - | 19,137 | - | - |
| Inventory, at cost | 69,154 | 145,022 | 119,517 | 159,130 | 36,797 | 14,668 | 15,259 | 13,727 | 20,112 | 12,746 |
| Total current assets | <u>1,915,379</u> | <u>3,536,998</u> | <u>3,579,127</u> | <u>5,137,280</u> | <u>2,974,977</u> | <u>2,858,470</u> | <u>1,336,706</u> | <u>1,215,435</u> | <u>1,301,656</u> | <u>1,634,599</u> |
| Restricted Assets: | | | | | | | | | | |
| Restricted investments | 2,273,176 | - | - | - | - | - | - | - | - | 1,773,644 |
| Total restricted assets | <u>2,273,176</u> | <u>-</u> | <u>1,773,644</u> |
| Property, plant and equipment: | | | | | | | | | | |
| Land | 65,343 | 65,343 | 65,343 | 65,343 | 65,343 | 65,343 | 65,343 | 65,343 | 65,343 | 65,343 |
| Buildings | - | - | - | - | 28,436 | 28,436 | 88,436 | 88,436 | 88,436 | 60,000 |
| Improvements other than buildings | 313,341 | 628,868 | 649,868 | 649,868 | 649,868 | 680,935 | 920,685 | 842,855 | 1,013,148 | 1,234,689 |
| Machinery and equipment | 6,974,668 | 6,785,132 | 6,781,806 | 7,705,331 | 8,499,699 | 8,318,743 | 9,678,218 | 9,180,130 | 9,972,420 | 12,113,938 |
| Construction in progress | 1,556,830 | 1,100,582 | 655,076 | - | 180,942 | 439,685 | - | - | 62,498 | 915,540 |
| Allowance for depreciation | (6,678,725) | (6,809,551) | (6,320,996) | (6,574,858) | (7,219,578) | (7,331,515) | (7,687,951) | (7,454,014) | (8,722,675) | (9,363,957) |
| Net property, plant and equipment | <u>2,231,457</u> | <u>1,770,374</u> | <u>1,831,097</u> | <u>1,845,684</u> | <u>2,204,710</u> | <u>2,201,627</u> | <u>3,064,731</u> | <u>2,722,750</u> | <u>2,479,170</u> | <u>5,025,553</u> |
| Total assets | <u><u>6,420,012</u></u> | <u><u>5,307,372</u></u> | <u><u>5,410,224</u></u> | <u><u>6,982,964</u></u> | <u><u>5,179,687</u></u> | <u><u>5,060,097</u></u> | <u><u>4,401,437</u></u> | <u><u>3,938,185</u></u> | <u><u>3,780,826</u></u> | <u><u>8,433,796</u></u> |

City of Lubbock, TX
Information Technology
Statement of Net Position

For Fiscal Years Ended September 30

| <u>Liabilities and Net Position</u> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|-------------------|
| Current liabilities: | | | | | | | | | | |
| Accounts and vouchers payable | 514,083 | 382,177 | 239,351 | 398,752 | 227,709 | 337,042 | 300,979 | 142,067 | 330,514 | 2,357,523 |
| Due to other funds | - | - | - | - | - | - | - | - | - | - |
| Accrued liabilities | 76,406 | 67,542 | 73,147 | 99,210 | 133,244 | 148,908 | 149,185 | 69,218 | 80,654 | 93,482 |
| Accrued interest payable | - | - | - | - | 3,306 | 2,515 | 1,063 | 1,034 | 2,612 | 15,857 |
| Compensated absences | - | 123,932 | 135,228 | 139,850 | 150,807 | 167,967 | 188,603 | 207,571 | 257,131 | 236,439 |
| Leases payable | - | - | 154,627 | 408,382 | 446,770 | 384,545 | 147,316 | 154,242 | 268,615 | 310,568 |
| Bonds payable | - | - | - | - | - | - | - | - | - | 205,000 |
| Total current liabilities | <u>590,489</u> | <u>573,651</u> | <u>602,353</u> | <u>1,046,194</u> | <u>961,836</u> | <u>1,040,977</u> | <u>787,146</u> | <u>574,132</u> | <u>939,526</u> | <u>3,218,869</u> |
| Liabilities payable from restricted assets: | | | | | | | | | | |
| Capital projects: | | | | | | | | | | |
| Accounts payable | 29,487 | - | - | - | - | - | - | - | - | - |
| Total liabilities (payable from restricted assets) | <u>29,487</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Long-term liabilities: | | | | | | | | | | |
| Advance from other funds | - | - | - | - | - | - | - | - | - | - |
| Leases payable | - | - | 327,803 | 683,765 | 663,355 | 282,239 | 248,647 | 672,463 | 803,093 | 737,306 |
| Bonds payable | - | - | - | - | - | - | - | - | - | 2,613,477 |
| Compensated absences | 239,587 | 167,673 | 174,140 | 175,217 | 246,388 | 301,677 | 351,408 | 409,081 | 508,549 | 482,259 |
| Post employment benefits | - | - | - | - | 116,197 | 187,695 | 306,170 | 411,031 | 642,043 | 883,675 |
| Net pension obligation | - | - | - | - | - | 70,153 | 180,707 | 303,974 | 332,648 | 335,912 |
| Total long-term liabilities | <u>239,587</u> | <u>167,673</u> | <u>501,943</u> | <u>858,982</u> | <u>1,025,940</u> | <u>841,764</u> | <u>1,086,932</u> | <u>1,796,549</u> | <u>2,286,333</u> | <u>5,052,629</u> |
| Total liabilities | <u>859,563</u> | <u>741,324</u> | <u>1,104,296</u> | <u>1,905,176</u> | <u>1,987,776</u> | <u>1,882,741</u> | <u>1,874,078</u> | <u>2,370,681</u> | <u>3,225,859</u> | <u>8,271,498</u> |
| Net Position | | | | | | | | | | |
| Investment in capital assets | 1,114,099 | 882,820 | 1,503,294 | 1,161,919 | 1,094,585 | 1,534,843 | 2,668,768 | 1,896,045 | 1,407,462 | 2,932,846 |
| Restricted for insurance claims | - | - | - | - | - | - | - | - | - | - |
| Unrestricted | 3,328,992 | 2,795,674 | 2,957,261 | 4,324,251 | 2,097,326 | 1,642,513 | (141,409) | (328,541) | (852,495) | (2,770,548) |
| Total net position | <u>\$ 4,443,091</u> | <u>\$ 3,678,494</u> | <u>\$ 4,460,555</u> | <u>\$ 5,486,170</u> | <u>\$ 3,191,911</u> | <u>\$ 3,177,356</u> | <u>\$ 2,527,359</u> | <u>\$ 1,567,504</u> | <u>\$ 554,967</u> | <u>\$ 162,298</u> |

City of Lubbock, TX
Information Technology
Statement of Revenues, Expenses, and Changes in Net Position

For Fiscal Years Ended September 30

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|-------------------|
| Operating revenues: | | | | | | | | | | |
| Charges for services | \$ 6,279,057 | \$ 6,001,577 | \$ 6,423,921 | \$ 7,012,690 | \$ 7,151,478 | \$ 7,194,703 | \$ 6,979,204 | \$ 7,497,941 | \$ 8,230,229 | \$ 9,454,975 |
| Total operating revenues | <u>6,279,057</u> | <u>6,001,577</u> | <u>6,423,921</u> | <u>7,012,690</u> | <u>7,151,478</u> | <u>7,194,703</u> | <u>6,979,204</u> | <u>7,497,941</u> | <u>8,230,229</u> | <u>9,454,975</u> |
| Operating expenses: | | | | | | | | | | |
| Personal services | 2,339,847 | 2,447,705 | 2,522,791 | 2,631,141 | 3,166,511 | 3,109,673 | 3,276,210 | 3,433,742 | 4,341,354 | 4,245,230 |
| Supplies | 28,750 | 31,521 | 33,048 | 27,425 | 56,501 | 93,276 | 48,598 | 38,356 | 49,189 | 46,587 |
| Materials | 108,500 | 74,179 | 166,819 | 112,411 | 141,354 | 245,103 | 148,819 | 223,556 | 86,592 | 61,757 |
| Maintenance | 1,211,768 | 1,667,064 | 1,915,517 | 1,710,510 | 2,056,968 | 2,134,521 | 2,373,170 | 2,164,792 | 2,333,160 | 2,763,581 |
| Other services and charges | 1,247,141 | 2,496,874 | 2,050,547 | 1,705,550 | 1,564,661 | 1,303,637 | 1,397,248 | 1,983,750 | 1,846,015 | 2,025,696 |
| Depreciation | 278,995 | 225,981 | 236,153 | 253,863 | 265,779 | 323,480 | 392,066 | 613,394 | 606,668 | 677,413 |
| Total operating expenses | <u>5,215,001</u> | <u>6,943,324</u> | <u>6,924,875</u> | <u>6,440,900</u> | <u>7,251,774</u> | <u>7,209,690</u> | <u>7,636,111</u> | <u>8,457,590</u> | <u>9,262,978</u> | <u>9,820,264</u> |
| Operating income (loss) | <u>1,064,056</u> | <u>(941,747)</u> | <u>(500,954)</u> | <u>571,790</u> | <u>(100,296)</u> | <u>(14,987)</u> | <u>(656,907)</u> | <u>(959,649)</u> | <u>(1,032,749)</u> | <u>(365,289)</u> |
| Non-operating revenues (expenses): | | | | | | | | | | |
| Interest earnings | 34,733 | 83,872 | 138,043 | 202,549 | 219,338 | 33,692 | 5,154 | 673 | 1,570 | 667 |
| Disposition of properties | - | (98,238) | 70,646 | 10,709 | 23,698 | (5,138) | 11,675 | 7,169 | 16,015 | 4,993 |
| Junk sales | 546 | - | - | - | 399 | 169 | 5,812 | 2,005 | - | - |
| Federal grants | - | - | 32,145 | - | - | - | - | - | - | - |
| Interest expense | - | - | - | (13,188) | (34,107) | (28,291) | (15,731) | (10,053) | (22,246) | (33,040) |
| Total non-operating revenues (expenses) | <u>35,279</u> | <u>(14,366)</u> | <u>240,834</u> | <u>200,070</u> | <u>209,328</u> | <u>432</u> | <u>6,910</u> | <u>(206)</u> | <u>(4,661)</u> | <u>(27,380)</u> |
| Income (loss) before operating transfers | <u>1,099,335</u> | <u>(956,113)</u> | <u>(260,120)</u> | <u>771,860</u> | <u>109,032</u> | <u>(14,555)</u> | <u>(649,997)</u> | <u>(959,855)</u> | <u>(1,037,410)</u> | <u>(392,669)</u> |
| Capital Contributions | - | - | - | - | 200,289 | - | - | - | 24,873 | - |
| Transfers in | - | 196,711 | - | - | - | - | - | - | - | - |
| Transfers (out) | - | (235,000) | - | - | (2,195,198) | - | - | - | - | - |
| Change in net position | <u>1,099,335</u> | <u>(994,402)</u> | <u>(260,120)</u> | <u>771,860</u> | <u>(1,885,877)</u> | <u>(14,555)</u> | <u>(649,997)</u> | <u>(959,855)</u> | <u>(1,012,537)</u> | <u>(392,669)</u> |
| Total net position - beginning of year | <u>4,461,114</u> | <u>5,560,450</u> | <u>4,566,048</u> | <u>4,305,928</u> | <u>5,077,788</u> | <u>3,191,911</u> | <u>3,177,356</u> | <u>2,527,359</u> | <u>1,567,504</u> | <u>554,967</u> |
| Total net position - ending | <u>\$ 5,560,449</u> | <u>\$ 4,566,048</u> | <u>\$ 4,305,928</u> | <u>\$ 5,077,788</u> | <u>\$ 3,191,911</u> | <u>\$ 3,177,356</u> | <u>\$ 2,527,359</u> | <u>\$ 1,567,504</u> | <u>\$ 554,967</u> | <u>\$ 162,298</u> |

City of Lubbock, TX
Risk Management Fund
Statement of Net Position

For Fiscal Years Ended September 30

| <u>Assets</u> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---------------------------------------|--------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|-------------------------|
| Current Assets: | | | | | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 41,471 | \$ 11,134 | \$ 939,403 | \$ 1,707,282 | \$ 1,667,728 |
| Investments | - | - | - | - | - | 7,990,798 | 7,849,062 | 8,920,495 | 8,882,071 | 7,098,084 |
| Interest receivable | - | - | - | - | - | 19,113 | 2,009 | 2,219 | 2,627 | 3,720 |
| Due from others | - | - | - | - | - | 12,979 | 65,706 | 6,787 | 49,296 | - |
| Interest receivable | - | - | - | - | - | - | - | - | - | - |
| Prepaid expenses | - | - | - | - | - | - | - | - | - | - |
| Total current assets | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>8,064,361</u> | <u>7,927,911</u> | <u>9,868,904</u> | <u>10,641,276</u> | <u>8,769,532</u> |
| Restricted Assets: | | | | | | | | | | |
| Pooled cash and cash equivalents | - | - | - | - | - | - | - | - | - | - |
| Investments | 12,271,163 | 8,175,437 | 8,650,340 | 7,392,515 | 7,759,461 | - | - | - | - | - |
| Accounts and notes receivable (net) | 80,333 | 3,697 | - | 25,440 | 34,497 | - | - | - | - | - |
| Due from other funds | - | - | - | - | - | - | - | - | - | - |
| Interest receivable | 26,075 | 11,747 | 20,824 | 65,858 | 45,121 | - | - | - | - | - |
| Total restricted assets | <u>12,377,571</u> | <u>8,190,881</u> | <u>8,671,164</u> | <u>7,483,813</u> | <u>7,839,079</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Property, plant and equipment: | | | | | | | | | | |
| Land | - | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - | - |
| Improvements other than buildings | - | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | 17,227 | 17,227 | 17,227 | 17,227 | 17,227 | 17,227 | 17,227 | 17,227 | 17,227 | 17,227 |
| Construction in progress | - | - | - | - | - | - | - | - | - | - |
| Allowance for depreciation | (4,785) | (7,656) | (10,528) | (13,399) | (16,270) | (17,227) | (17,227) | (17,227) | (17,227) | (17,227) |
| Net property, plant and equipment | <u>12,442</u> | <u>9,571</u> | <u>6,699</u> | <u>3,828</u> | <u>957</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total assets | <u><u>12,390,013</u></u> | <u><u>8,200,452</u></u> | <u><u>8,677,863</u></u> | <u><u>7,487,641</u></u> | <u><u>7,840,036</u></u> | <u><u>8,064,361</u></u> | <u><u>7,927,911</u></u> | <u><u>9,868,904</u></u> | <u><u>10,641,276</u></u> | <u><u>8,769,532</u></u> |

City of Lubbock, TX
Risk Management Fund
Statement of Net Position

For Fiscal Years Ended September 30

| Liabilities and Net Position | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|------------------|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Current liabilities: | | | | | | | | | | |
| Accounts and vouchers payable | - | - | 4,700 | 90,281 | 28,507 | 13,411 | 6,820 | 4,335 | 69,260 | 588 |
| Due to other funds | - | - | - | - | - | - | - | - | - | - |
| Accrued liabilities | - | 4,972 | 5,479 | 6,553 | 10,563 | 11,541 | 10,955 | 5,762 | 6,372 | 6,242 |
| Compensated absences | - | 2,343 | 4,115 | 3,626 | 5,237 | 6,892 | 6,823 | 5,490 | 5,883 | 4,107 |
| Accrued insurance claims | - | - | - | - | - | 1,685,551 | 2,161,517 | 1,998,202 | 1,487,154 | 2,380,790 |
| Total current liabilities | - | 7,315 | 14,294 | 100,460 | 44,307 | 1,717,395 | 2,186,115 | 2,013,789 | 1,568,669 | 2,391,727 |
| Liabilities payable from restricted assets: | | | | | | | | | | |
| Self insurance - risk management: | | | | | | | | | | |
| Accounts payable | 217,518 | - | - | - | - | - | - | - | - | - |
| Accrued liabilities | 3,323 | - | - | - | - | - | - | - | - | - |
| Accrued insurance claims | 1,184,210 | - | 2,444,632 | 2,108,270 | 1,420,757 | - | - | - | - | - |
| Total liabilities (payable from restricted assets) | 1,405,051 | - | 2,444,632 | 2,108,270 | 1,420,757 | - | - | - | - | - |
| Long-term liabilities: | | | | | | | | | | |
| Accrued insurance claims | 5,252,644 | 6,501,898 | 2,816,344 | 1,150,518 | 1,424,922 | 1,685,900 | 2,737,615 | 2,413,003 | 2,092,492 | 1,421,439 |
| Compensated absences | 4,496 | 2,982 | 5,298 | 4,398 | 5,594 | 7,936 | 3,972 | 4,753 | 5,602 | 4,231 |
| Post employment benefits | - | - | - | - | 13,670 | 21,196 | 30,802 | 41,840 | 63,230 | 86,025 |
| Net pension obligation | - | - | - | - | - | 5,681 | 13,088 | 23,642 | 25,835 | 26,090 |
| Total long-term liabilities | 5,257,140 | 6,504,880 | 2,821,642 | 1,154,916 | 1,444,186 | 1,720,713 | 2,785,477 | 2,483,238 | 2,187,159 | 1,537,785 |
| Total liabilities | 6,662,191 | 6,512,195 | 5,280,568 | 3,363,646 | 2,909,250 | 3,438,108 | 4,971,592 | 4,497,027 | 3,755,828 | 3,929,512 |
| Net Position | | | | | | | | | | |
| Investment in capital assets | 12,442 | 9,571 | 6,699 | 3,828 | 957 | - | - | - | - | - |
| Restricted for insurance claims | 5,715,380 | 1,678,686 | 3,390,596 | 4,120,167 | 4,929,829 | - | - | - | - | - |
| Unrestricted | - | - | - | - | - | 4,626,253 | 2,959,319 | 5,371,877 | 6,885,448 | 4,840,020 |
| Total net position | 5,727,822 | 1,688,257 | \$ 3,397,295 | \$ 4,123,995 | \$ 4,930,786 | \$ 4,626,253 | \$ 2,959,319 | \$ 5,371,877 | \$ 6,885,448 | \$ 4,840,020 |

City of Lubbock, TX
Risk Management Fund
Statement of Revenues, Expenses, and Changes in Net Position

For Fiscal Years Ended September 30

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Operating revenues: | | | | | | | | | | |
| Charges for services | \$ 5,748,704 | \$ 5,030,566 | \$ 4,488,551 | \$ 3,532,731 | \$ 5,354,716 | \$ 5,203,554 | \$ 5,386,190 | \$ 5,597,066 | \$ 6,071,558 | \$ 5,979,580 |
| Total operating revenues | <u>5,748,704</u> | <u>5,030,566</u> | <u>4,488,551</u> | <u>3,532,731</u> | <u>5,354,716</u> | <u>5,203,554</u> | <u>5,386,190</u> | <u>5,597,066</u> | <u>6,071,558</u> | <u>5,979,580</u> |
| Operating expenses: | | | | | | | | | | |
| Personal services | 134,841 | 168,091 | 190,796 | 209,337 | 225,959 | 254,679 | 214,488 | 294,952 | 340,114 | 341,840 |
| Insurance expense | 5,467,674 | 4,658,359 | 3,235,231 | 2,907,050 | 4,443,470 | 5,682,283 | 6,798,991 | 4,144,031 | 4,118,047 | 4,401,410 |
| Supplies | 2,291 | 3,499 | 4,602 | 3,547 | 4,948 | 4,292 | 9,284 | 5,272 | 6,102 | 7,070 |
| Maintenance | 4,291 | 4,352 | 9,937 | 420 | 3,684 | 1,209 | 1,387 | 1,387 | 1,102 | 3,223 |
| Other services and charges | 115,959 | 106,201 | 103,579 | 169,075 | 195,156 | 101,993 | 108,971 | 135,641 | 107,156 | 120,389 |
| Depreciation | 2,871 | 2,871 | 2,871 | 2,871 | 2,871 | 957 | - | - | - | - |
| Total operating expenses | <u>5,727,927</u> | <u>4,943,373</u> | <u>3,547,016</u> | <u>3,292,300</u> | <u>4,876,088</u> | <u>6,045,413</u> | <u>7,133,121</u> | <u>4,581,283</u> | <u>4,572,521</u> | <u>4,873,932</u> |
| Operating income (loss) | <u>20,777</u> | <u>87,193</u> | <u>941,535</u> | <u>240,431</u> | <u>478,628</u> | <u>(841,859)</u> | <u>(1,746,931)</u> | <u>1,015,783</u> | <u>1,499,037</u> | <u>1,105,648</u> |
| Non-operating revenues (expenses): | | | | | | | | | | |
| Interest earnings | 113,942 | 197,273 | 307,302 | 423,094 | 319,877 | 133,406 | 6,775 | 2,646 | 15,495 | 4,471 |
| Disposition of properties | - | - | - | - | - | - | - | - | - | - |
| Junk sales | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous | - | - | 427,286 | 63,175 | 8,286 | 403,920 | 73,222 | 1,434,606 | (961) | 73,635 |
| Total non-operating revenues (expenses) | <u>113,942</u> | <u>197,273</u> | <u>734,588</u> | <u>486,269</u> | <u>328,163</u> | <u>537,326</u> | <u>79,997</u> | <u>1,437,252</u> | <u>14,534</u> | <u>78,106</u> |
| Income (loss) before operating transfers | <u>134,719</u> | <u>284,466</u> | <u>1,676,123</u> | <u>726,700</u> | <u>806,791</u> | <u>(304,533)</u> | <u>(1,666,934)</u> | <u>2,453,035</u> | <u>1,513,571</u> | <u>1,183,754</u> |
| Transfers: | | | | | | | | | | |
| Operating transfers in | - | - | - | - | - | - | - | - | - | - |
| Operating transfers out | - | - | - | - | - | - | - | (40,477) | - | - |
| Total transfers out | - | - | - | - | - | - | - | <u>(40,477)</u> | <u>-</u> | <u>-</u> |
| Net income (loss) | - | - | - | - | - | - | - | <u>2,412,558</u> | <u>1,513,571</u> | <u>1,183,754</u> |
| Capital Contributions | - | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | 32,915 | - | - | - | - | - | - | - |
| Transfers (out) | - | (4,324,030) | - | - | - | - | - | - | - | (3,229,182) |
| Change in net position | <u>134,719</u> | <u>(4,039,564)</u> | <u>1,709,038</u> | <u>726,700</u> | <u>806,791</u> | <u>(304,533)</u> | <u>(1,666,934)</u> | <u>2,412,558</u> | <u>1,513,571</u> | <u>(2,045,428)</u> |
| Total net position - beginning of year | <u>5,593,103</u> | <u>5,727,821</u> | <u>1,688,257</u> | <u>3,397,295</u> | <u>4,123,995</u> | <u>4,930,786</u> | <u>4,626,253</u> | <u>2,959,319</u> | <u>5,371,877</u> | <u>6,885,448</u> |
| Total net position - ending | <u>\$ 5,727,822</u> | <u>\$ 1,688,257</u> | <u>\$ 3,397,295</u> | <u>\$ 4,123,995</u> | <u>\$ 4,930,786</u> | <u>\$ 4,626,253</u> | <u>\$ 2,959,319</u> | <u>\$ 5,371,877</u> | <u>\$ 6,885,448</u> | <u>\$ 4,840,020</u> |

City of Lubbock, TX
Health Benefits Fund
Statement of Net Position

For Fiscal Years Ended September 30

| <u>Assets</u> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|-------------------------|-------------------------|--------------------------|--------------------------|
| Current Assets: | | | | | | | | | | |
| Pooled cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 56,162 | \$ 13,888 | \$ 362,019 | \$ 1,682,468 | \$ 2,872,381 |
| Investments | - | - | - | - | - | 10,821,384 | 9,790,469 | 3,437,701 | 8,752,974 | 12,225,260 |
| Interest receivable | - | - | - | - | - | 23,382 | 2,506 | 855 | 2,589 | 6,407 |
| Due from others | - | - | - | - | - | 70,563 | 166,686 | 91,515 | 77,470 | 379,229 |
| Total current assets | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>10,971,491</u> | <u>9,973,549</u> | <u>3,892,090</u> | <u>10,515,501</u> | <u>15,483,277</u> |
| Restricted Assets: | | | | | | | | | | |
| Pooled cash and cash equivalents | - | - | - | - | - | - | - | - | - | - |
| Investments | 6,723,257 | 4,419,652 | 2,556,688 | 6,675,562 | 9,492,456 | - | - | - | - | - |
| Accounts and notes receivable (net) | 70,353 | 103,366 | 115,168 | 92,723 | 123,875 | - | - | - | - | - |
| Interest receivable | 19,528 | 8,909 | 9,526 | 41,492 | 54,696 | - | - | - | - | - |
| Total restricted assets | <u>6,813,138</u> | <u>4,531,927</u> | <u>2,681,382</u> | <u>6,809,777</u> | <u>9,671,027</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Property, plant and equipment: | | | | | | | | | | |
| Land | - | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - | - |
| Improvements other than buildings | - | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | 5,568 | 5,568 | 5,568 | 5,568 | 5,568 | 5,568 | 5,568 | 5,568 | 5,568 | 5,568 |
| Construction in progress | - | - | - | - | - | - | - | - | - | - |
| Allowance for depreciation | (4,028) | (5,568) | (5,568) | (5,568) | (5,568) | (5,568) | (5,568) | (5,568) | (5,568) | (5,568) |
| Net property, plant and equipment | <u>1,540</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total assets | <u><u>6,814,678</u></u> | <u><u>4,531,927</u></u> | <u><u>2,681,382</u></u> | <u><u>6,809,777</u></u> | <u><u>9,671,027</u></u> | <u><u>10,971,491</u></u> | <u><u>9,973,549</u></u> | <u><u>3,892,090</u></u> | <u><u>10,515,501</u></u> | <u><u>15,483,277</u></u> |

City of Lubbock, TX
Health Benefits Fund
Statement of Net Position

For Fiscal Years Ended September 30

| Liabilities and Net Position | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Current liabilities: | | | | | | | | | | |
| Accounts and vouchers payable | - | 132,888 | 110,780 | 491,729 | 925,261 | 717,745 | 1,136,271 | 697,734 | 743,765 | 902,417 |
| Accrued liabilities | - | 3,681 | 3,629 | 5,722 | 6,988 | 10,279 | 8,445 | 3,579 | 3,845 | 4,717 |
| Compensated absences | - | 1,478 | 2,055 | 2,117 | 2,239 | 3,695 | 3,485 | 3,294 | 4,541 | 4,583 |
| Accrued insurance claims | - | - | - | - | - | 1,373,981 | 1,456,201 | 1,586,870 | 1,586,821 | 1,416,957 |
| Total current liabilities | - | 138,047 | 116,464 | 499,568 | 934,488 | 2,105,700 | 2,604,402 | 2,291,477 | 2,338,972 | 2,328,674 |
| Liabilities payable from restricted assets: | | | | | | | | | | |
| Self insurance - health: | | | | | | | | | | |
| Accounts and vouchers payable | 44,615 | - | 2,512,041 | 2,236,644 | 1,599,299 | - | - | - | - | - |
| Accrued liabilities | 4,784 | - | - | - | - | - | - | - | - | - |
| Total liabilities (payable from restricted assets) | 49,399 | - | 2,512,041 | 2,236,644 | 1,599,299 | - | - | - | - | - |
| Long-term liabilities: | | | | | | | | | | |
| Compensated absences | 34,947 | 2,746 | 2,646 | 3,497 | 3,657 | 6,635 | 6,492 | 6,492 | 8,982 | 9,349 |
| Accrued insurance claims | 2,354,536 | 2,340,260 | 249,115 | 232,738 | 156,407 | 135,865 | 142,323 | 157,903 | 160,986 | 142,406 |
| Post employment benefits | - | - | - | - | 13,670 | 19,315 | 28,921 | 37,200 | 50,034 | 63,711 |
| Net pension obligation | - | - | - | - | - | 4,014 | 9,876 | 16,794 | 18,156 | 18,319 |
| Total long-term liabilities | 2,389,483 | 2,343,006 | 251,761 | 236,235 | 173,734 | 165,829 | 187,612 | 218,389 | 238,158 | 233,785 |
| Total liabilities | 2,438,882 | 2,481,053 | 2,880,266 | 2,972,447 | 2,707,521 | 2,271,529 | 2,792,014 | 2,509,866 | 2,577,130 | 2,562,459 |
| Net Position | | | | | | | | | | |
| Investment in capital assets | 1,540 | - | - | - | - | - | - | - | - | - |
| Restricted for insurance claims | 4,374,256 | 2,050,874 | - | - | - | - | - | - | - | - |
| Unrestricted | - | - | (198,884) | 3,837,330 | 6,963,506 | 8,699,962 | 7,181,535 | 1,382,224 | 7,938,371 | 12,920,818 |
| Total net position | \$ 4,375,796 | \$ 2,050,874 | \$ (198,884) | \$ 3,837,330 | \$ 6,963,506 | \$ 8,699,962 | \$ 7,181,535 | \$ 1,382,224 | \$ 7,938,371 | \$ 12,920,818 |

City of Lubbock, TX
Health Benefits Fund
Statement of Revenues, Expenses, and Changes in Net Position

For Fiscal Years Ended September 30

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Operating revenues: | | | | | | | | | | |
| Charges for services | \$ 13,417,234 | \$ 15,168,607 | \$ 16,827,289 | \$ 21,419,274 | \$ 22,250,177 | \$ 22,702,270 | \$ 21,985,230 | \$ 21,553,236 | \$ 28,918,886 | \$ 29,020,459 |
| Total operating revenues | <u>13,417,234</u> | <u>15,168,607</u> | <u>16,827,289</u> | <u>21,419,274</u> | <u>22,250,177</u> | <u>22,702,270</u> | <u>21,985,230</u> | <u>21,553,236</u> | <u>28,918,886</u> | <u>29,020,459</u> |
| Operating expenses: | | | | | | | | | | |
| Personal services | 182,996 | 134,244 | 143,532 | 151,012 | 168,687 | 184,788 | 177,652 | 193,211 | 214,651 | 218,487 |
| Insurance expense | 14,328,384 | 17,432,646 | 19,060,956 | 17,307,683 | 19,333,090 | 21,088,133 | 23,795,792 | 27,204,210 | 26,355,546 | 27,037,884 |
| Supplies | 5,037 | 8,338 | 9,498 | 9,835 | 5,909 | 8,158 | 6,365 | 6,658 | 6,143 | 7,791 |
| Maintenance | 8,357 | 8,357 | 7,692 | - | - | - | - | - | - | - |
| Other services and charges | 45,054 | 53,433 | 38,317 | 147,832 | 107,684 | 57,750 | 128,361 | 123,161 | 132,566 | 116,503 |
| Depreciation | 1,848 | 1,540 | - | - | - | - | - | - | - | - |
| Total operating expenses | <u>14,571,676</u> | <u>17,638,558</u> | <u>19,259,995</u> | <u>17,616,362</u> | <u>19,615,370</u> | <u>21,338,829</u> | <u>24,108,170</u> | <u>27,527,240</u> | <u>26,708,906</u> | <u>27,380,665</u> |
| Operating income (loss) | <u>(1,154,442)</u> | <u>(2,469,951)</u> | <u>(2,432,706)</u> | <u>3,802,912</u> | <u>2,634,807</u> | <u>1,363,441</u> | <u>(2,122,940)</u> | <u>(5,974,004)</u> | <u>2,209,980</u> | <u>1,639,794</u> |
| Non-operating revenues (expenses): | | | | | | | | | | |
| Interest earnings | 98,198 | 145,029 | 182,948 | 233,302 | 368,197 | 187,637 | 18,228 | 4,488 | 10,703 | 7,071 |
| Disposition of properties | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | 123,172 | 185,378 | 586,285 | 170,205 | 4,335,464 | 335,582 |
| Total non-operating revenues (expenses) | <u>98,198</u> | <u>145,029</u> | <u>182,948</u> | <u>233,302</u> | <u>491,369</u> | <u>373,015</u> | <u>604,513</u> | <u>174,693</u> | <u>4,346,167</u> | <u>342,653</u> |
| Income (loss) before operating transfers | <u>(1,056,244)</u> | <u>(2,324,922)</u> | <u>(2,249,758)</u> | <u>4,036,214</u> | <u>3,126,176</u> | <u>1,736,456</u> | <u>(1,518,427)</u> | <u>(5,799,311)</u> | <u>6,556,147</u> | <u>1,982,447</u> |
| Capital Contributions | - | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | - | - | 3,000,000 |
| Transfers (out) | - | - | - | - | - | - | - | - | - | - |
| Change in net position | <u>(1,056,244)</u> | <u>(2,324,922)</u> | <u>(2,249,758)</u> | <u>4,036,214</u> | <u>3,126,176</u> | <u>1,736,456</u> | <u>(1,518,427)</u> | <u>(5,799,311)</u> | <u>6,556,147</u> | <u>4,982,447</u> |
| Total net position - beginning of year | <u>5,432,040</u> | <u>4,375,796</u> | <u>2,050,874</u> | <u>(198,884)</u> | <u>3,837,330</u> | <u>6,963,506</u> | <u>8,699,962</u> | <u>7,181,535</u> | <u>1,382,224</u> | <u>7,938,371</u> |
| Total net position - ending | <u>\$ 4,375,796</u> | <u>\$ 2,050,874</u> | <u>\$ (198,884)</u> | <u>\$ 3,837,330</u> | <u>\$ 6,963,506</u> | <u>\$ 8,699,962</u> | <u>\$ 7,181,535</u> | <u>\$ 1,382,224</u> | <u>\$ 7,938,371</u> | <u>\$ 12,920,818</u> |

City of Lubbock, TX
Investment Pool Fund
Statement of Net Position

For Fiscal Years Ended September 30

| <u>Assets</u> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---------------------------------------|------|----------|----------|--------|--------|--------|--------|--------|----------|----------|
| Current Assets: | | | | | | | | | | |
| Pooled cash and cash equivalents | \$ - | \$ 7,887 | \$ 5,328 | \$ 980 | \$ 81 | \$ 71 | \$ 14 | \$ 953 | \$ 2,116 | \$ 1,903 |
| Investments | - | 2,113 | 4,612 | 70,673 | 9,919 | 13,633 | 9,986 | 9,047 | 11,006 | 8,097 |
| Total current assets | - | 10,000 | 9,940 | 71,653 | 10,000 | 13,704 | 10,000 | 10,000 | 13,122 | 10,000 |
| Property, plant and equipment: | | | | | | | | | | |
| Land | - | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - | - |
| Improvements other than buildings | - | - | - | - | - | - | - | - | - | - |
| Machinery and equipment | - | - | - | - | - | - | - | - | - | - |
| Construction in progress | - | - | - | - | - | - | - | - | - | - |
| Allowance for depreciation | - | - | - | - | - | - | - | - | - | - |
| Net property, plant and equipment | - | - | - | - | - | - | - | - | - | - |
| Total assets | - | 10,000 | 9,940 | 71,653 | 10,000 | 13,704 | 10,000 | 10,000 | 13,122 | 10,000 |

City of Lubbock, TX
Investment Pool Fund
Statement of Net Position

For Fiscal Years Ended September 30

| <u>Liabilities and Net Position</u> | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|-------------------------------------|-------------------|-----------------|-----------------|------------------|-----------------|-----------------|-----------------|-----------------|------------------|-----------------|
| Current liabilities: | | | | | | | | | | |
| Accounts and vouchers payable | 195 | 455 | - | 58,562 | 7,519 | - | - | - | 1,123 | - |
| Due to other funds | - | - | - | - | - | - | - | - | 1,999 | - |
| Accrued liabilities | 2,704 | 2,858 | - | 1,591 | - | 3,706 | 3,518 | - | - | 1,122 |
| Total current liabilities | 2,899 | 3,313 | - | 60,153 | 7,519 | 3,706 | 3,518 | - | 3,122 | 1,122 |
| Long-term liabilities: | | | | | | | | | | |
| Accrued vacation and sick leave | 3,801 | - | - | - | - | - | - | - | - | - |
| Net pension obligation | - | - | - | - | - | 1,783 | 4,554 | 6,020 | - | - |
| Total long-term liabilities | 3,801 | - | - | - | - | 1,783 | 4,554 | 6,020 | - | - |
| Total liabilities | 6,700 | 3,313 | - | 60,153 | 7,519 | 5,489 | 8,072 | 6,020 | 3,122 | 1,122 |
| Net Position | | | | | | | | | | |
| Investment in capital assets | - | - | - | - | - | - | - | - | - | - |
| Restricted for insurance claims | - | - | - | - | - | - | - | - | - | - |
| Unrestricted | (6,700) | 6,687 | 9,940 | 11,500 | 2,481 | 8,215 | 1,928 | 3,980 | 10,000 | 8,878 |
| Total net position | \$ (6,700) | \$ 6,687 | \$ 9,940 | \$ 11,500 | \$ 2,481 | \$ 8,215 | \$ 1,928 | \$ 3,980 | \$ 10,000 | \$ 8,878 |

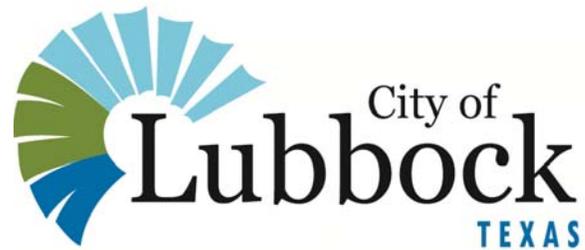
City of Lubbock, TX
Investment Pool Fund
Statement of Revenues, Expenses, and Changes in Net Position

For Fiscal Years Ended September 30

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Operating revenues: | | | | | | | | | | |
| Charges for services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total operating revenues | - | - | - | - | - | - | - | - | - | - |
| Operating expenses: | | | | | | | | | | |
| Personal services | 113,501 | 80,885 | - | 41,440 | 37,292 | 74,284 | 75,860 | 38,490 | 83,101 | 102,827 |
| Supplies | 2,626 | 512 | 3,677 | 945 | 1,011 | 5 | 856 | 180 | 988 | 997 |
| Materials | - | - | - | - | - | - | - | - | - | - |
| Maintenance | 861 | 860 | - | - | - | - | - | - | - | - |
| Other services and charges | 159,844 | 170,538 | 163,212 | 259,038 | 200,218 | 215,896 | 102,051 | 76,501 | 24,295 | 35,014 |
| Depreciation | - | - | - | - | - | - | - | - | - | - |
| Total operating expenses | 276,832 | 252,795 | 166,889 | 301,423 | 238,521 | 290,185 | 178,767 | 115,171 | 108,384 | 138,838 |
| Operating income (loss) | (276,832) | (252,795) | (166,889) | (301,423) | (238,521) | (290,185) | (178,767) | (115,171) | (108,384) | (138,838) |
| Non-operating revenues (expenses): | | | | | | | | | | |
| Interest earnings | 277,342 | 256,183 | 248,318 | 302,983 | 229,502 | 295,919 | 172,480 | 117,223 | 114,404 | 137,716 |
| Disposition of properties | - | - | - | - | - | - | - | - | - | - |
| Total non-operating revenues (expenses) | 277,342 | 256,183 | 248,318 | 302,983 | 229,502 | 295,919 | 172,480 | 117,223 | 114,404 | 137,716 |
| Income (loss) before operating transfers | 510 | 3,388 | 81,429 | 1,560 | (9,019) | 5,734 | (6,287) | 2,052 | 6,020 | (1,122) |
| Capital Contributions | - | - | - | - | - | - | - | - | - | - |
| Transfers in | - | 10,000 | - | - | - | - | - | - | - | - |
| Transfers (out) | - | - | (78,176) | - | - | - | - | - | - | - |
| Change in net position | 510 | 13,388 | 3,253 | 1,560 | (9,019) | 5,734 | (6,287) | 2,052 | 6,020 | (1,122) |
| Total net position - beginning of year | (7,210) | (6,701) | 6,687 | 9,940 | 11,500 | 2,481 | 8,215 | 1,928 | 3,980 | 10,000 |
| Total net position - ending | \$ (6,700) | \$ 6,687 | \$ 9,940 | \$ 11,500 | \$ 2,481 | \$ 8,215 | \$ 1,928 | \$ 3,980 | \$ 10,000 | \$ 8,878 |

City of Lubbock, TX
Finance Department
Rating Agencies Presentation
Internal Service Capital Projects
As of December 31, 2013

| Project Number/Name | Funding To Date | Amount Exp As of 9/30/2013 | October 2013 | November 2013 | December 2013 | Project to Date Total | Funds Remaining | % Funds Remaining | % of Budget Spent | Orig Date of Appropriation | Closed |
|---|-----------------|----------------------------|--------------|---------------|---------------|-----------------------|-----------------|-------------------|-------------------|----------------------------|--------|
| 92240 Citywide Fuel System Upgrades | \$ 994,283 | 34,437 | 18 | 15,880 | 5,514 | 55,848 | 938,435 | 94.38 | 5.62 | 9/16/2010 | |
| 92266 Update 800 MHZ Radio System-P25 Compliance | 6,565,000 | 2,835,131 | - | 3,580 | - | 2,838,711 | 3,726,289 | 56.76 | 43.24 | 9/8/2011 | |
| 92329 Codes/Environmental Health Software Replace | 250,000 | - | - | - | - | - | 250,000 | 100.00 | - | 9/10/2013 | |
| Total | \$ 7,809,283 | 2,869,568 | 18 | 19,460 | 5,514 | 2,894,559 | 4,914,724 | 62.93 | 37.07 | | |



**North Overton Tax Increment Financing
Reinvestment Zone**

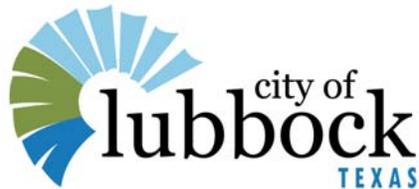
Annual Report

October 1, 2012 - September 30, 2013

City of Lubbock, TX
North Overton
Tax Increment Financing Reinvestment Zone
Annual Report
October 1, 2012 – September 30, 2013

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| Maps..... | 8 |



City of Lubbock, TX
North Overton
Tax Increment Financing Reinvestment Zone
Annual Report
October 1, 2012 – September 30, 2013

Introduction

The Lubbock City Council established the North Overton Tax Increment Financing Reinvestment Zone (Zone) by ordinance on March 14, 2002 to promote the development of the North Overton area. The Zone was initiated by a petition of owners of more than 50% of the appraised value of land in the Zone. The petition was received on October 31, 2001. The Zone was enacted after written notice and formal presentations to the governing body of each taxing unit that levies real taxes in the Zone, and after a properly advertised public hearing for public comments on the creation of the Zone.

According to the Texas Tax Increment Finance Act Section 311.016, the City must submit an annual report to the chief executive officer of each taxing unit that levies taxes on property within a zone. The report must be provided within 150 days of the end of the City's fiscal year (September 30), and a copy must be sent to the Texas Comptroller of Public Accounts.

The Texas Tax Increment Finance Act specifies that the report must include:

- Amount and source of revenue in the Tax Increment Fund established for the Zone,
- Amount and purpose of expenditures from the Fund,
- Amount of principal and interest due on outstanding bonded indebtedness,
- Tax increment base and current captured appraised value retained by the Zone,
- Captured appraised value shared by the City and other taxing units,
- Total amount of tax increments received, and
- Any additional information necessary to demonstrate compliance with the Tax Increment Financing Plan adopted by the City.

Distribution of this annual report was approved by resolution of the City Council on January 23, 2014 upon the recommendation of the North Overton Tax Increment Financing Reinvestment Zone Board of Directors (Board) on January 8, 2014.

Glen C. Robertson, Mayor
City of Lubbock

Jack Driskill, Chairman
North Overton TIF Board of Directors

**City of Lubbock, TX
North Overton
Tax Increment Financing Reinvestment Zone
Annual Report
October 1, 2012 – September 30, 2013**

Financial Report

As set by the Lubbock Central Appraisal District (LCAD), the appraised value of the Zone increased \$328,432,629 in value since the 2002 base year for each taxing jurisdiction. However, exemptions and abatements by the City and other taxing jurisdictions lower the net taxable amount available to the Tax Increment Fund as indicated on this page.

Appraised Values

| | |
|---|------------------------------|
| Zone 2013 Appraised Value (before abatements and exemptions) | \$ 355,373,233 |
| Less: 2002 Base Value | <u>26,940,604</u> |
| Current Captured Appraised Value Retained and Shared (before abatements)* | <u><u>\$ 328,432,629</u></u> |

*The captured appraised value of taxable real property is the total appraised value of all real property taxable by the taxing unit and located in a reinvestment zone for that year, less the tax increment base of the taxing unit. Texas Tax Increment Finance Act Section 311.012(b).

Tax Increment Fund Revenue

| Taxing Jurisdiction | 2013 Tax Rate | 2002 Appraised Value | 2013 Net Taxable Value | 2013 Incremental Net Taxable Value | Projected TIF Fund Revenue (100% Collection) |
|--|------------------|----------------------------|---------------------------|---|---|
| City of Lubbock | \$0.50441 | 26,940,604 | 355,296,433 | 328,355,829 | \$ 1,656,260 |
| Lubbock County | 0.34531 | 26,940,604 | 355,307,233 | 328,366,629 | 1,133,883 |
| Lubbock County Hospital District | 0.11844 | 26,940,604 | 355,307,233 | 328,366,629 | 388,917 |
| High Plains Underground Water Conservation District #1 | 0.00810 | 26,940,604 | 355,307,233 | 328,366,629 | <u>26,598</u> |
| Total Fund Revenue | | | | | <u><u>\$ 3,205,658</u></u> |

City of Lubbock, TX
North Overton
Tax Increment Financing Reinvestment Zone
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Performance Report

The Board and City Council are operating with the Fifth Amended Project and Finance Plans approved by the Board on December 10, 2009 and approved by the City Council on February 25, 2010. The Plans outline the financial strategy to accomplish the goal of the Zone. The Financing Plan provides projections of the amount of revenue that may be received in the future and the potential project financing that revenue may support. The Project Plan describes the types of projects anticipated to occur in the Zone.

Revenues

For the year ended September 30, 2013, the Zone received \$2,719,626 in property tax revenues for the 2012 tax year. Any variance in the actual amount from the amount reported in the FY 2011-12 annual report can be attributed to uncollected taxes and/or exemptions. The Zone received \$522,547 in hotel motel tax revenue for debt service on the conference center and \$88,820 in revenue from the one percent of net revenue from the Overton Hotel. The Zone also earned \$280 in interest.

Expenditures and Projects

The City Council has issued eight series of Certificates of Obligation to fund public improvement projects for the Zone. They were issued as follows:

| | |
|------------------|--------------|
| July 15, 2003 | \$ 3,795,000 |
| August 15, 2005 | 9,290,000 |
| April, 15, 2006 | 6,307,749 |
| August 15, 2007 | 4,111,341 |
| January 17, 2008 | 11,805,000 |
| May 23, 2008 | 1,943,758 |
| April 8, 2009 | 961,386 |
| January 20, 2010 | 1,982,958 |

All expenditures are made as defined in the Texas Tax Increment Finance Act Section 311.002(1): “Project costs means the expenditures made or estimated to be made and monetary obligations incurred or estimated to be incurred by the municipality or county establishing a reinvestment zone that are listed in the project plan as costs of public works or public improvements in the zone, plus other costs incidental to those expenditures and obligations.”

**City of Lubbock, TX
North Overton
Tax Increment Financing Reinvestment Zone
Annual Report
October 1, 2012 – September 30, 2013**

North Overton TIF Expenditures

| | FY 2012-13 | Expenditures To Date |
|--|---------------------|---------------------------------|
| Capital Projects | | |
| North Overton Phase I | \$ - | 909,192 |
| The Centre, Phase I Project | - | 1,959,363 |
| Dinerstein II, Phase I Project | - | 1,581,407 |
| Tract #3 | - | 1,158,251 |
| Tract #5 | - | 1,004,141 |
| Tract #6 | - | 526,414 |
| Tract #7 | - | 904,271 |
| Dinerstein III | - | 1,022,627 |
| Walmart | - | 2,521,914 |
| Tract 11 - Condo I | - | 163,364 |
| Tract 12 and Tract 13 - Condo II & III | - | 215,690 |
| Single Family | - | 4,986,859 |
| Pioneer Park Improvements | - | 8,268 |
| North Overton TIF Public Facilities** | - | 22,652,438 |
| Tract 1A | - | 84,411 |
| ROW Acquire Glenna Goodacre Blvd. | - | 3,253,991 |
| Tract 1B | - | 124,633 |
| Tract 18 Commercial | - | 762,433 |
| ULOFT | - | 86,049 |
| Tract 1-B-3 | - | 68,867 |
| Glenna Goodacre Blvd. East | - | 2,973,448 |
| Tract 20 | - | - |
| North Overton TIF Electric Utility | - | 322,374 |
| Capstone | - | 2,312,571 |
| Wastewater Utilities North Overton TIF | - | 125,574 |
| North Overton TIF Street Reconstruction | - | 871,062 |
| Landscaping in the Parkway | - | 89,281 |
| North Overton TIF Public Improvements | 7,401 | 221,429 |
| Total Capital Project Expenditures | <u>\$ 7,401</u> | <u>51,059,233</u> |
| Administrative/Bond Issuance Expenditures | | |
| Current Administrative | | |
| Administrative Costs | \$ 16,926 | 243,452 |
| Office Supplies | 1,180 | 3,522 |
| Professional Services | 5,347 | 58,804 |
| LCAD Collections Charges | 1,562 | 11,450 |
| North Overton Zoning | | 14,194 |
| North Overton TIF Creation | | 45,312 |
| North Overton TIF Board Administration | | 8,154 |
| Total Administrative Expenditures | <u>25,015</u> | <u>384,887</u> |
| Interest Expense | 2,454 | 328,813 |
| Bond Sale Charges | - | 308,426 |
| Capital Outlay | - | 31,539 |
| Total Expenditures | <u>\$ 27,469</u> | <u>1,053,665</u> |
| Transfer to Debt Service | <u>\$ 3,249,097</u> | <u>20,945,509</u> |

** This project is funded with \$11.4 million in bonds and \$11 million in grants from the CH Foundation and the Moody Foundation

* Unaudited

**City of Lubbock, TX
North Overton
Tax Increment Financing Reinvestment Zone
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**CITY OF LUBBOCK, TEXAS
DEBT SERVICE SCHEDULE**

ALL CERTIFICATES & BOND ISSUES

| TIF ALLOCATIONS | | | |
|------------------------|-------------------------|-------------------------|-------------------------|
| FISCAL YEAR | PRINCIPAL | INTEREST | TOTAL REQUIREMENTS |
| 2013-14 | 1,699,623.50 | 1,540,601.19 | 3,240,224.69 |
| 2014-15 | 1,772,438.33 | 1,457,218.94 | 3,229,657.27 |
| 2015-16 | 1,865,027.87 | 1,368,268.30 | 3,233,296.17 |
| 2016-17 | 1,893,424.54 | 1,284,732.32 | 3,178,156.86 |
| 2017-18 | 1,977,570.85 | 1,198,831.49 | 3,176,402.34 |
| 2018-19 | 2,101,654.67 | 1,099,895.70 | 3,201,550.37 |
| 2019-20 | 2,196,275.89 | 989,912.64 | 3,186,188.53 |
| 2020-21 | 2,308,734.41 | 872,664.21 | 3,181,398.61 |
| 2021-22 | 2,437,761.15 | 747,144.25 | 3,184,905.39 |
| 2022-23 | 2,572,790.74 | 612,603.59 | 3,185,394.33 |
| 2023-24 | 2,709,648.28 | 469,234.02 | 3,178,882.31 |
| 2024-25 | 2,653,020.30 | 324,921.01 | 2,977,941.31 |
| 2025-26 | 2,067,929.88 | 195,496.73 | 2,263,426.61 |
| 2026-27 | 1,664,283.61 | 87,842.91 | 1,752,126.52 |
| 2027-28 | 350,513.40 | 29,472.61 | 379,986.01 |
| 2028-29 | 207,592.55 | 14,179.78 | 221,772.34 |
| 2029-30 | 137,709.57 | 4,153.32 | 141,862.90 |
| 2030-31 | - | - | - |
| 2031-32 | - | - | - |
| 2032-33 | - | - | - |
| 2033-34 | - | - | - |
| 2034-35 | - | - | - |
| | \$ 30,615,999.56 | \$ 12,297,173.00 | \$ 42,913,172.56 |

This debt service schedule does not reflect the Build America Bonds subsidy from the IRS on the interest for the 2010 bonds issued.

City of Lubbock, TX
North Overton
Tax Increment Financing Reinvestment Zone
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Board of Directors

Because the Zone was initiated by a petition of the property owners, by statute the board must consist of nine members. The City Council appoints six board members, who must be at least 18 years of age and owners, or a representative of owners, of real property in the Zone or employees or agents of someone who owns property in the Zone. The State Senator and State Representative for the Zone, or their designees, are also board members, as is the representative of Lubbock County. The Board is responsible for administering the Zone throughout its life span and for recommending projects to be financed with the approval of the City Council.

City Council Representative: Jack Driskill, Chair
McWhorter Cobb & Johnson LLP
Term: 03/01/12 – 03/01/14

City Council Representative: Kent Moore
Blue Monkey/Leonards
Term: 03/01/12 – 03/01/14

City Council Representative: Stan Mayfield
City Bank
Term: 03/01/13 – 03/01/15

City Council Representative: Patrick Murfee, Vice-Chair
Murfee and Sons, Inc. Realtors
Term: 03/01/12 – 03/01/14

City Council Representative: Don Rushing
Lubbock Commercial Building
Term: 03/01/13 – 03/01/15

City Council Representative: Howard Thrash
H. G. Thrash
Term: 03/01/13 – 03/01/15

State Representative and Designee:
Honorable Robert Duncan, State Senator
Debbie Hansard, Designee

State Representative:
Honorable John Frullo, State Representative

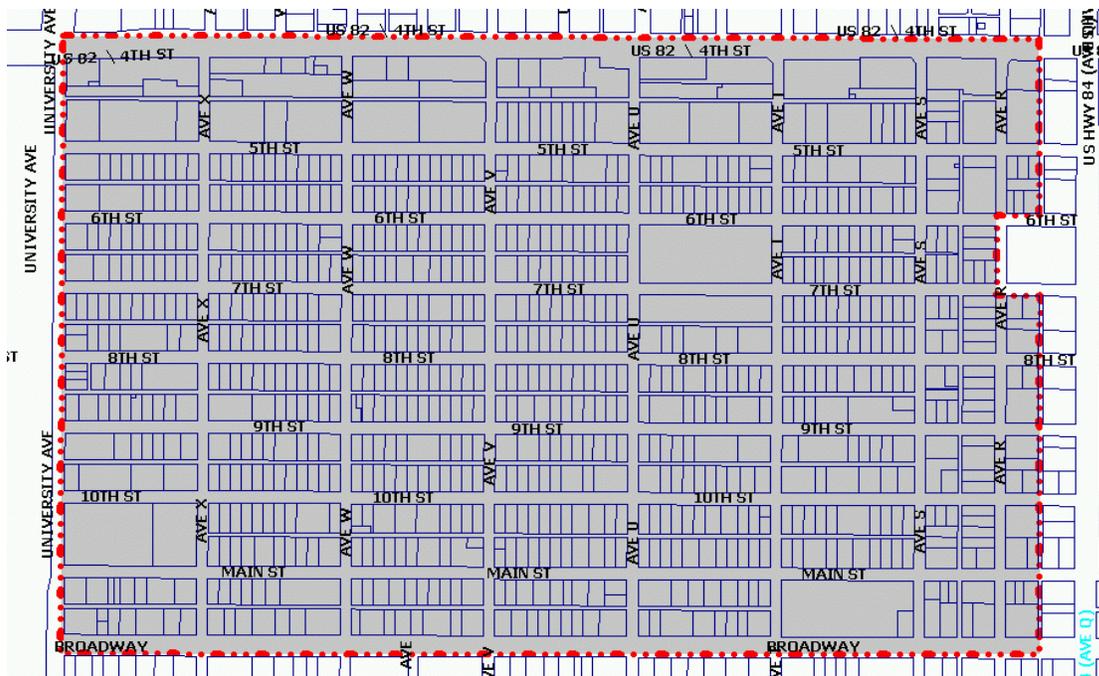
Lubbock County Representative:
Gilbert Flores, Lubbock County Commissioners Appointee

**City of Lubbock, TX
North Overton
Tax Increment Financing Reinvestment Zone
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October 1, 2012 – September 30, 2013**

Overton Park Master Plan



Reinvestment Zone Boundary Map





Central Business District
Tax Increment Financing Reinvestment Zone

Annual Report

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**City of Lubbock, TX
Central Business District
Tax Increment Financing Reinvestment Zone
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City of Lubbock, TX
Central Business District
Tax Increment Financing Reinvestment Zone
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Introduction

The Lubbock City Council established the Central Business District (CBD) Tax Increment Financing Reinvestment Zone (Zone) by ordinance on December 3, 2001 in order to promote the development of the CBD. The Zone was created after written notice and formal presentations to the governing body of each taxing unit that levies real taxes in the Zone, and after a properly advertised public hearing regarding the creation of the zone.

According to the Texas Tax Increment Finance Act Section 311.016, the City must submit an annual report to the chief executive officer of each taxing unit that levies taxes on property within a zone. The report must be provided within 150 days of the end of the City's fiscal year (September 30), and a copy must be submitted to the Texas Comptroller of Public Accounts.

The Texas Tax Increment Finance Act specifies that the report must include:

- Amount and source of revenue in the Tax Increment Fund established for the Zone,
- Amount and purpose of expenditures from the Fund,
- Amount of principal and interest due on outstanding bonded indebtedness,
- Tax increment base and current captured appraised value retained by the Zone,
- Captured appraised value shared by the City and other taxing units,
- Total amount of tax increments received, and
- Any additional information necessary to demonstrate compliance with the Tax Increment Financing Plan adopted by the City.

Distribution of this annual report was approved by resolution of the City Council on January 9, 2014 upon the recommendation of the Central Business District Tax Increment Financing Reinvestment Zone Board of Directors (Board) on December 18, 2013.

Glen C. Robertson, Mayor
City of Lubbock

Robert Taylor, Chairman
Central Business District TIF Board of Directors

**City of Lubbock, TX
Central Business District
Tax Increment Financing Reinvestment Zone
Annual Report
October 1, 2012 – September 30, 2013**

Financial Report

As set by the Lubbock Central Appraisal District (LCAD), the appraised value of the Zone increased \$75,832,333 in value since the 2001 base year for each taxing jurisdiction. However, exemptions and abatements by the City and other taxing jurisdictions lower the net taxable amount available to the Tax Increment Fund as indicated on this page.

Appraised Values

| | |
|---|-----------------------------|
| Zone 2013 Appraised Value (before abatements and exemptions) | \$181,690,584 |
| Less: 2001 Base Value | <u>105,858,251</u> |
| Current Captured Appraised Value Retained and Shared (before abatements)* | <u><u>\$ 75,832,333</u></u> |

*The captured appraised value of taxable real property is the total appraised value of all real property taxable by the taxing unit and located in a reinvestment zone for that year, less the tax increment base of the taxing unit. Texas Tax Increment Finance Act Section 311.012(b).

Tax Increment Fund Revenue

| Taxing Jurisdiction/ Tax Rate | 2013 Tax Rate | 2001 Appraised Value | 2013 Net Taxable Value | 2013 Net Tax Increment Value | Projected TIF Fund Revenue (100% Collections) |
|--|------------------|----------------------------|---------------------------|------------------------------------|--|
| City of Lubbock | \$0.50441 | 105,858,251 | 181,154,656 | 75,296,405 | \$ 379,803 |
| Lubbock County | 0.34531 | 105,858,251 | 181,261,949 | 75,403,698 | 260,376 |
| Lubbock County Hospital District | 0.11844 | 105,858,251 | 181,261,949 | 75,403,698 | 89,308 |
| High Plains Underground Water Conservation District #1 | 0.00810 | 105,858,251 | 181,261,949 | 75,403,698 | <u>6,108</u> |
| Total Fund Revenue | | | | | <u><u>\$ 735,595</u></u> |

City of Lubbock, TX
Central Business District
Tax Increment Financing Reinvestment Zone
Annual Report
October 1, 2012 – September 30, 2013

Performance Report

The Board and the City Council are operating with the Fourth Amended Project and Finance Plans approved by the Board on August 25, 2009 and approved by the City Council on September 24, 2009. The Plans outline the financial strategy to accomplish the goal of the Zone. The Financing Plan provides projections of the amount of revenue that may be received in the future. The Project Plan describes the types of projects anticipated to occur in the district.

Revenues

In FY 2012-13, the Zone received \$629,472 in revenues for value earned in 2012. Any variance in the actual amount from the amount reported in the FY 2011-12 Annual Report can be attributed to uncollected taxes and/or exemptions. The Zone received \$276,782 of the \$1.5 million Economic Development Administration grant awarded May 28, 2010 for the underground utilities project, and also earned \$597 in interest during FY 2012-13.

Expenditures and Projects

The City Council has issued two series of Certificates of Obligation to fund public improvement projects for the Zone. The principal amount of Certificates of Obligation is as follows:

| | | |
|-----------------|----|-----------|
| January 2, 2010 | \$ | 247,564 |
| March 15, 2011 | | 1,404,380 |

All expenditures are as defined in the Texas Tax Increment Finance Act Section 311.002(1): Project costs means the expenditures made or estimated to be made and monetary obligations incurred or estimated to be incurred by the municipality or county establishing a reinvestment zone that are listed in the project plan as costs of public works or public improvements in the zone, plus other costs incidental to those expenditures and obligations.

**City of Lubbock, TX
Central Business District
Tax Increment Financing Reinvestment Zone
Annual Report
October 1, 2012 – September 30, 2013**

Central Business District TIF Expenditures

| | FY 2012-13 | Expenditures To-Date |
|--|-------------------|---------------------------------|
| Capital Projects | | |
| Public Utility Engineering and Coordination | \$ - | 222,148 |
| Underground Utilities | 19,456 | 21,359 |
| EDA Grant | 424,399 | 2,245,614 |
| Glenna Goodacre Boulevard Extension | 6,267 | 6,267 |
| Total Capital Project Expenditures | 450,122 | 2,495,389 |
| Administrative/Bond Issuance Expenditures | | |
| Administrative | | |
| Administrative Costs | 42,981 | 206,529 |
| Office Supplies | 1,245 | 3,835 |
| Professional Services | 3,872 | 36,554 |
| LCAD Collections Charges | 1,940 | 17,147 |
| Subtotal Administrative Expenses | 50,038 | 264,065 |
| Special Projects | | |
| Downtown Redevelopment Plan | - | 100,000 |
| Schrader & Cline - Project and Finance Plan | - | 75,547 |
| Civic Lubbock Guitar Project | - | 8,500 |
| Fiber Optic Line Relocation | - | 25,254 |
| SGS Engineering | - | 8,396 |
| McDougal Master Development Agreement | 357,534 | 1,723,086 |
| ROW Acquisition - GGB & Avenue Q | - | 342,619 |
| Misc. Projects | - | 37,631 |
| Transfer to Capital Project Fund | 800,000 | 800,000 |
| Subtotal Special Projects | 1,157,534 | 3,121,032 |
| Bond Sale Charges | - | 14,493 |
| Capital Outlay | - | 58,101 |
| Total Expenditures | 1,207,572 | 3,457,690 |
| Transfer to Debt Service | \$ 129,698 | 282,231 |

* Unaudited

**City of Lubbock, TX
 Central Business District
 Tax Increment Financing Reinvestment Zone
 Annual Report
 October 1, 2012 – September 30, 2013**

**CITY OF LUBBOCK, TEXAS
 DEBT SERVICE SCHEDULE**

ALL CERTIFICATES & BOND ISSUES

| CENTRAL BUSINESS DISTRICT TIF | | | |
|--------------------------------------|------------------------|----------------------|------------------------|
| FISCAL YEAR | PRINCIPAL | INTEREST | TOTAL REQUIREMENTS |
| 2013-14 | 57,948.61 | 75,259.18 | 133,207.80 |
| 2014-15 | 60,580.34 | 72,585.44 | 133,165.78 |
| 2015-16 | 63,573.02 | 69,581.95 | 133,154.96 |
| 2016-17 | 66,536.99 | 66,664.87 | 133,201.86 |
| 2017-18 | 69,569.32 | 63,565.21 | 133,134.54 |
| 2018-19 | 72,553.82 | 60,374.91 | 132,928.73 |
| 2019-20 | 75,411.16 | 57,338.71 | 132,749.87 |
| 2020-21 | 78,755.21 | 53,823.36 | 132,578.57 |
| 2021-22 | 82,517.62 | 49,798.81 | 132,316.43 |
| 2022-23 | 86,542.53 | 45,556.65 | 132,099.18 |
| 2023-24 | 90,751.99 | 41,084.46 | 131,836.45 |
| 2024-25 | 95,243.09 | 36,336.87 | 131,579.96 |
| 2025-26 | 99,947.45 | 31,306.03 | 131,253.49 |
| 2026-27 | 104,904.74 | 26,027.64 | 130,932.38 |
| 2027-28 | 110,124.52 | 20,488.54 | 130,613.06 |
| 2028-29 | 115,528.87 | 14,677.28 | 130,206.15 |
| 2029-30 | 121,264.07 | 8,580.71 | 129,844.78 |
| 2030-31 | 109,180.23 | 2,729.51 | 111,909.74 |
| 2031-32 | - | - | - |
| 2032-33 | - | - | - |
| 2033-34 | - | - | - |
| 2034-35 | - | - | - |
| | \$ 1,560,933.60 | \$ 795,780.12 | \$ 2,356,713.72 |

**City of Lubbock, TX
Central Business District
Tax Increment Financing Reinvestment Zone
Annual Report
October 1, 2012 – September 30, 2013**

Board of Directors

The Zone consists of one representative from each of the jurisdictions that levy taxes within the zone and representatives appointed by the municipality. In establishing the Board, the City Council specified nine members with five members appointed by the City Council. City Council appointed Board representatives must be qualified voters of the municipality or at least 18 years of age. The Board is responsible for administering the Zone throughout its life span and for recommending projects to be financed with the approval of the City Council.

Council Appointee: Robert Taylor, Chair
United Supermarkets – Corporate Office
Term: 1/01/12 – 1/01/14

Council Appointee: Tony Cardinal
Cardinal Sports
Term: 1/01/13 – 1/01/15

Council Appointee: Brandt Beal
The Gibraltar Group
Term: 3/28/13 – 1/01/15

Council Appointee: Dan Pope
Benchmark Business Solutions
Term: 8/23/12 – 1/01/14

Council Appointee: Brent Noble
Service Title
Term: 1/01/12 – 1/01/14

Lubbock Independent School District Appointee:
Berhl Robertson, Superintendent

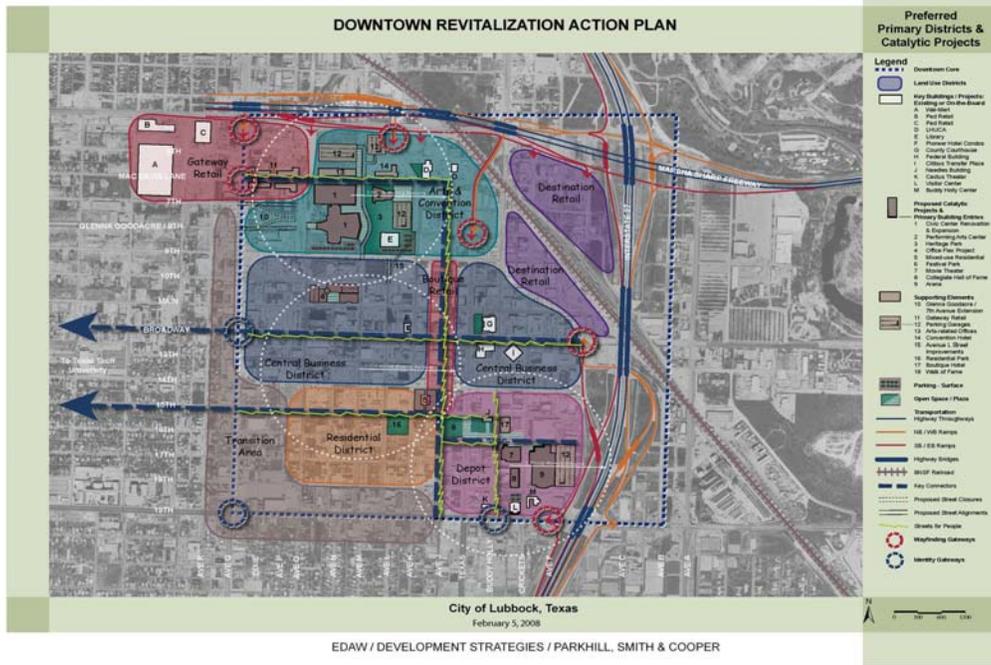
High Plains Underground Water Conservation District Appointee:
Jason Coleman, Manager

Lubbock County Hospital District Appointee and Designee:
David Allison, Chief Executive Office; Designee: Jeff Dane

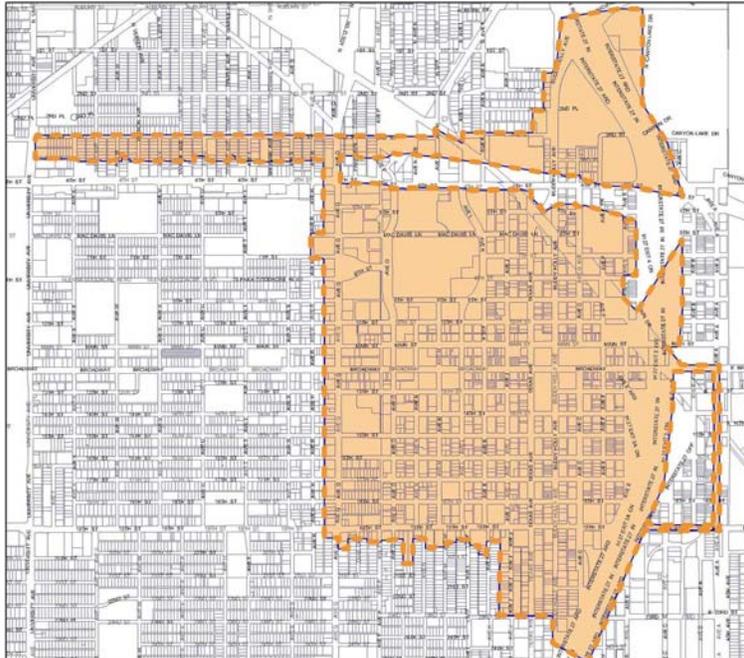
Lubbock County Commissioners Court Appointee:
Honorable Tom Head, County Judge

**City of Lubbock, TX
Central Business District
Tax Increment Financing Reinvestment Zone
Annual Report
October 1, 2012 – September 30, 2013**

CBD TIF Preferred Plan



Reinvestment Zone Boundary Map





**Lubbock Business Park Tax Increment Financing
Reinvestment Zone**

Annual Report

October 1, 2012 - September 30, 2013

City of Lubbock, TX
Lubbock Business Park
Tax Increment Financing Reinvestment Zone
Annual Report
October 1, 2012 – September 30, 2013

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| Board of Directors..... | 5 |
| Master Plan | 6 |
| Boundary Map | 7 |



**City of Lubbock, TX
Lubbock Business Park
Tax Increment Financing Reinvestment Zone
Annual Report
October 1, 2012 – September 30, 2013**

Introduction

The Lubbock City Council established the Lubbock Business Park Tax Increment Financing Reinvestment Zone (Zone) by ordinance on December 16, 2009 to promote the development of the Lubbock Business Park. The Zone was enacted after written notice and formal presentations to the governing body of each taxing unit that levies real taxes in the Zone, and after a properly advertised public hearing for public comments on the creation of the Zone.

According to the Texas Tax Increment Finance Act Section 311.016, the City must submit an annual report to the chief executive officer of each taxing unit that levies taxes on property within a zone. The report must be provided within 150 days of the end of the City's fiscal year (September 30), and a copy must be sent to the Texas Comptroller of Public Accounts.

The Texas Tax Increment Finance Act specifies that the report must include:

- Amount and source of revenue in the Tax Increment Fund (Fund) established for the Zone,
- Amount and purpose of expenditures from the Fund,
- Amount of principal and interest due on outstanding bonded indebtedness,
- Tax increment base and current captured appraised taxable value retained by the Zone,
- Captured appraised taxable value shared by the City and other taxing units,
- Total amount of tax increments received, and
- Any additional information necessary to demonstrate compliance with the Tax Increment Financing Plan adopted by the City.

Distribution of this annual report was approved by resolution of the City Council on January 9, 2014 upon the recommendation of the Lubbock Business Park Tax Increment Financing Reinvestment Zone Board of Directors (Board) on December 18, 2013.

Glen C. Robertson, Mayor
City of Lubbock

Sandy Henry
Lubbock Business Park TIF Board of Directors

**City of Lubbock, TX
Lubbock Business Park
Tax Increment Financing Reinvestment Zone
Annual Report
October 1, 2012 – September 30, 2013**

Financial Report

The net taxable value of the Zone is \$38,390,344 for each taxing jurisdiction, an increase of \$37,979,858 over the 2009 base year. Exemptions and abatements by the City and other taxing jurisdictions lower the net taxable amount available to the Tax Increment Fund as indicated on this page.

Appraised Values

| | |
|--|---------------|
| Zone 2013 Appraised Value | \$ 45,879,585 |
| Zone 2013 Net Taxable Value | 38,390,344 |
| Less: 2009 Base Value | 410,486 |
| Current Captured Net Taxable Value Retained and Shared * | \$ 37,979,858 |

*The captured appraised value of taxable real property is the total appraised value of all real property taxable by the taxing unit and located in a reinvestment zone for that year, less the tax increment base of the taxing unit. Texas Tax Increment Finance Act Section 311.012(b).

Tax Increment Fund Revenue

| Taxing Jurisdiction | 2013 Tax Rate | 2009 Taxable Value | 2013 Net Taxable Value | 2013 Incremental Net Taxable Value | Projected TIF Fund Revenue (100% Collection) |
|---|------------------|--------------------------|---------------------------|---|---|
| City of Lubbock | \$0.50441 | 410,486 | 38,390,344 | 37,979,858 | \$ 191,574 |
| Lubbock County | 0.34531 | 410,486 | 38,390,344 | 37,979,858 | 131,148 |
| Lubbock County Hospital District | 0.11844 | 410,486 | 38,390,344 | 37,979,858 | 44,984 |
| High Plains Underground Water Conservation District #1 | 0.00810 | 410,486 | 38,390,344 | 37,979,858 | 3,076 |
| Total Fund Revenue | | | | | \$ 370,782 |

**City of Lubbock, TX
Lubbock Business Park
Tax Increment Financing Reinvestment Zone
Annual Report
October 1, 2012 – September 30, 2013**

Performance Report

The Board and the City Council are operating with the Project and Finance Plans approved by the Board on December 10, 2010 and approved by the City Council on January 27, 2011. The Project Plan describes the types of projects anticipated to occur in the Zone. The Financing Plan provides projections of the amount of revenue that may be received in the future and how that revenue will be used to support potential projects.

Revenues

In FY 2012-13, the Zone received \$260,938 in revenues for value earned in 2012, and \$219 in interest earned. Any variance to the actual amount from the amount reported in the FY 2011-12 Annual Report can be attributed to uncollected taxes and/or exemptions.

Expenditures and Projects

There is no bonded indebtedness. The expenditures incurred in FY 2012-13 are:

Lubbock Business Park TIF Expenditures

| | FY 2012-13 * | Expenditures To-Date |
|--|---------------------|---------------------------------|
| Administrative/Bond Issuance Expenditures | | |
| Administrative | | |
| Administrative Costs | \$ 344 | 14,225 |
| Office Supplies | 192 | 498 |
| Professional Services | 2,757 | 7,924 |
| LCAD Collections Charges | 18 | 57 |
| Interest Expense | - | - |
| Total Administrative Expenditures | 3,311 | 22,704 |

***Unaudited**

All expenditures are as defined in the Texas Tax Increment Finance Act Section 311.002(1): “Project costs means the expenditures made or estimated to be made and monetary obligations incurred or estimated to be incurred by the municipality establishing a reinvestment zone that are listed in the project plan as costs of public works or public improvements in the zone, plus other costs incidental to those expenditures and obligations.”

**City of Lubbock, TX
Lubbock Business Park
Tax Increment Financing Reinvestment Zone
Annual Report
October 1, 2012 – September 30, 2013**

Board of Directors

The Zone consists of one representative from each of the jurisdictions that levy taxes within the zone and representatives appointed by the City. In establishing the Board, the City Council specified nine members with five members appointed by the City Council. City Council appointed Board representatives must be qualified voters of the City and at least 18 years of age. The Board is responsible for administering the Zone throughout its life span and for recommending projects to be financed with the approval of the City Council.

Council Appointee: Sandy Henry, Chair
Science Spectrum
Term: 1/01/13 – 1/01/15

Council Appointee: Sonny Garza
City Bank
Term: 1/01/13 – 1/01/15

Council Appointee: Les Gillit
Standard Sales
Term: 1/01/13 – 1/01/15

Council Appointee: David Sharbutt
Investor
Term: 1/01/12 – 1/01/14

Council Appointee: Tony Whitehead
Prosperity Bank
Term: 1/01/12 – 1/01/14

Lubbock Independent School District Appointee:
Dr. Berhl Robertson, Superintendent

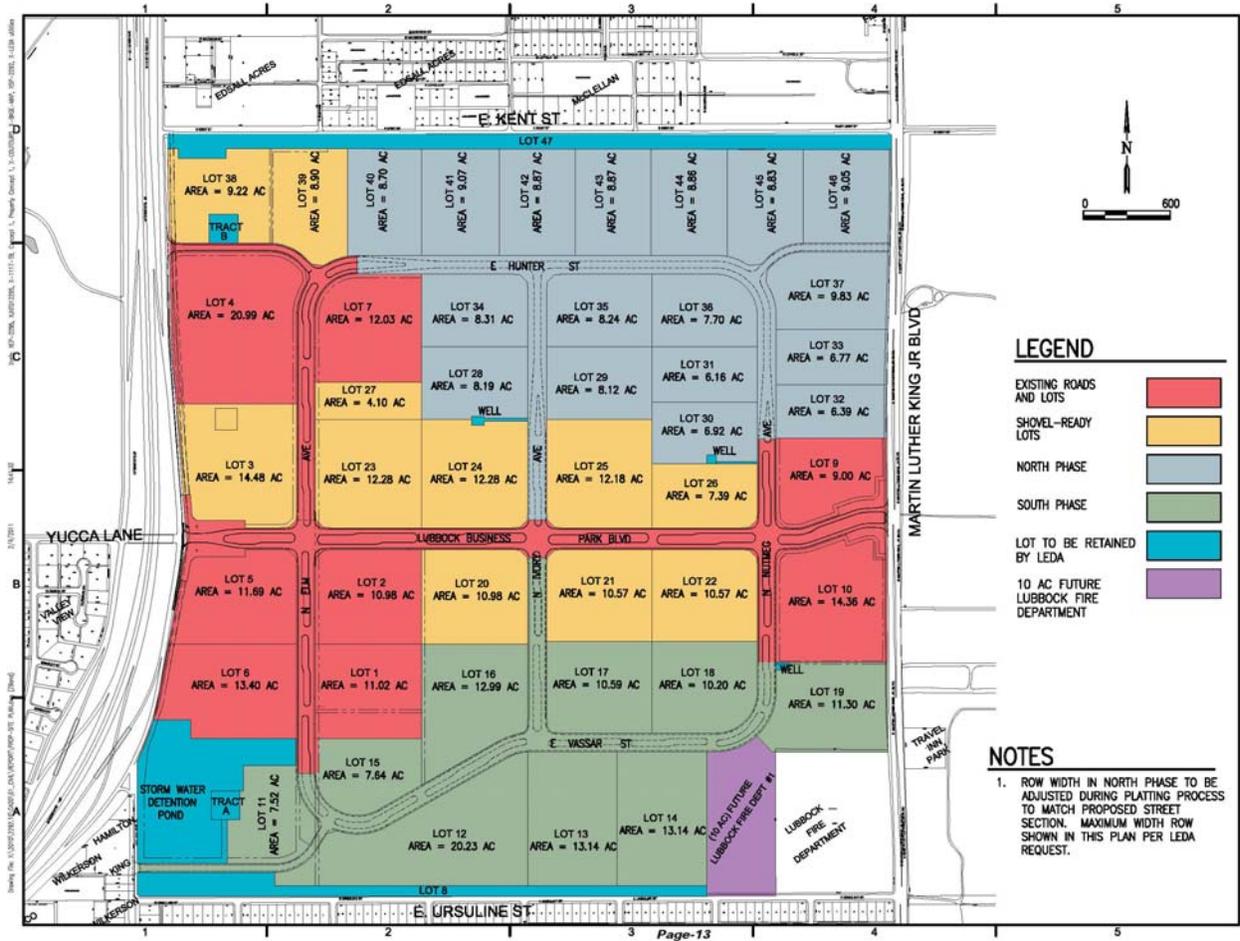
High Plains Underground Water Conservation District Appointee and Designee:
Jason Coleman, Manager

Lubbock County Hospital District Appointee and Designee:
David Allison, Chief Executive Office Designee: Jeff Dane

Lubbock County Commissioners Court Appointee:
Honorable Mark Heinrich, County Commissioner

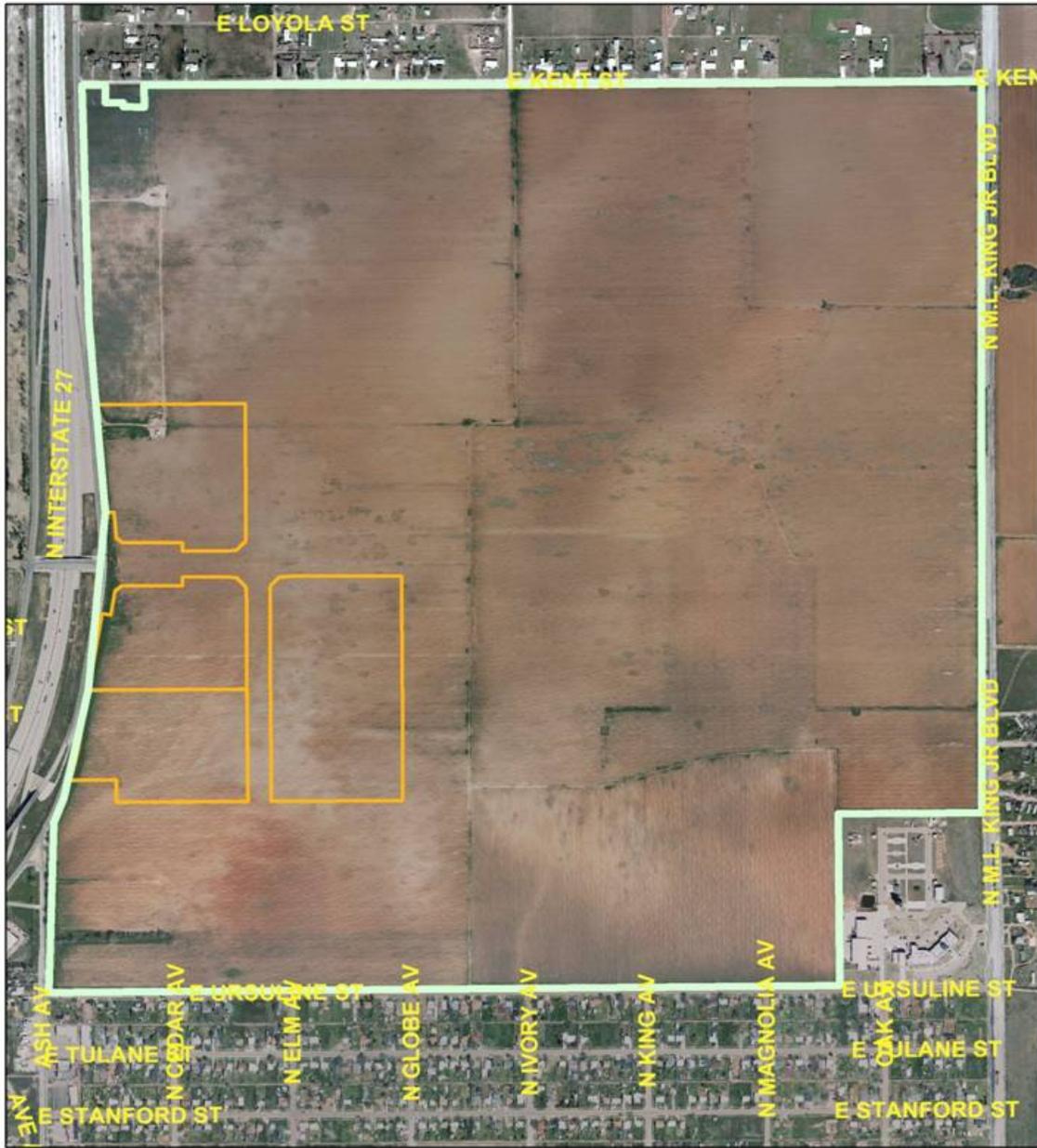
**City of Lubbock, TX
Lubbock Business Park
Tax Increment Financing Reinvestment Zone
Annual Report
October 1, 2012 – September 30, 2013**

Lubbock Business Park Master Plan



City of Lubbock, TX
Lubbock Business Park
Tax Increment Financing Reinvestment Zone
Annual Report
October 1, 2012 – September 30, 2013

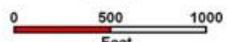
Reinvestment Zone Boundary Map



LEGEND

-  Business Park TIF Boundary
-  LEDA Developed Parcels

NORTH

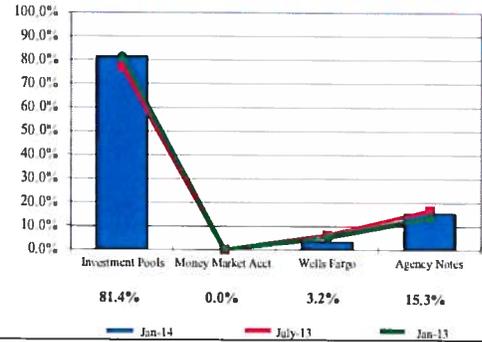
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**City of Lubbock, TX
Finance Department
Monthly Investment Snapshot
FY 2013-14**

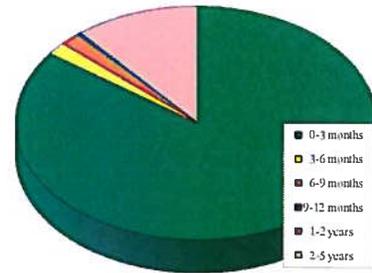
**Portfolio Composition and Value
as of January 31, 2014**

| | Par Value | Book Value | Market Value | Days to Maturity |
|----------------------|-----------------------|--------------------|--------------------|------------------|
| Investment Pools | \$ 386,558,251 | 386,558,251 | 386,558,251 | 1 |
| Money Market Account | 69,910 | 69,910 | 69,910 | 1 |
| Wells Fargo Accounts | 15,272,038 | 15,272,038 | 15,272,038 | 1 |
| Agency Notes | 72,750,000 | 72,718,422 | 72,335,014 | 1015 |
| Total | \$ 474,650,199 | 474,618,621 | 474,235,213 | 163 |



**Investment Maturity Schedule
as of January 31, 2014**

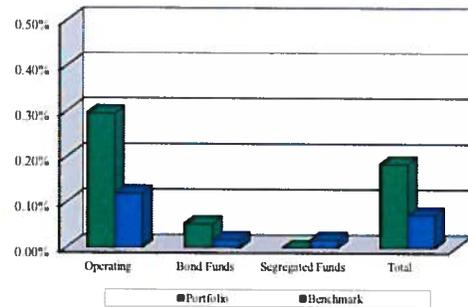
| | Book Value | Percent |
|--------------|-----------------------|----------------|
| 0-3 months | \$ 403,401,648 | 84.99% |
| 3-6 months | 7,999,535 | 1.69% |
| 6-9 months | 8,529,131 | 1.80% |
| 9-12 months | 2,000,725 | 0.42% |
| 1-2 years | - | 0.00% |
| 2-5 years | 52,687,584 | 11.10% |
| Total | \$ 474,618,622 | 100.00% |



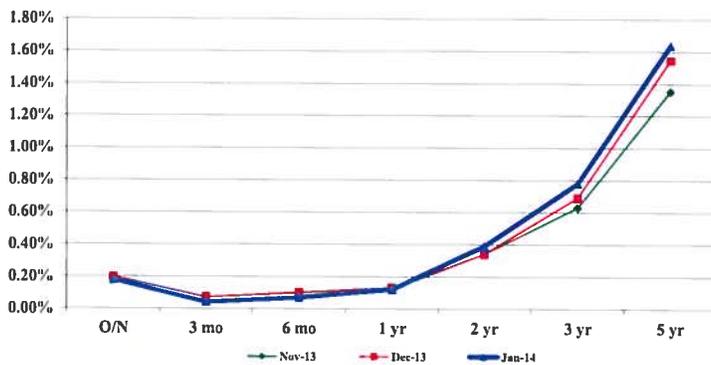
**Portfolio Performance
for the month of January 2014**

| | Portfolio Yield | Benchmark Yield* | Weighted Average Maturity |
|------------------|-----------------|------------------|---------------------------|
| Operating | 0.296% | 0.120% | 280 Days |
| Bond Funds | 0.053% | 0.018% | 17 Days |
| Segregated Funds | 0.000% | 0.018% | 1 Day |
| Total | 0.185% | 0.073% | 163 Days |

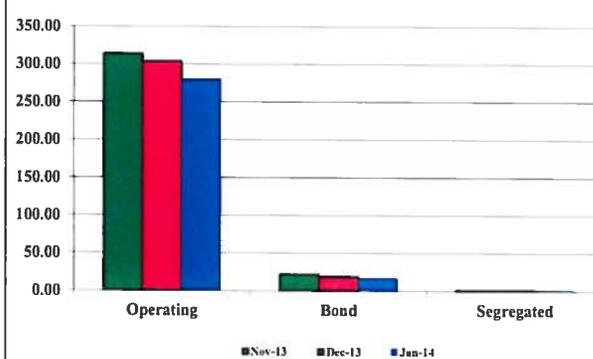
*Benchmark for Operating Funds is 1 Year T-Note
*Benchmark for Bond Funds is 30 Day T-Bill
*Benchmark for Segregated Funds is 30 Day T-Bill



Yield Curve



Weighted Average Maturity



**City of Lubbock, TX
Finance Department
Investment Portfolio Summary - Operating Funds
January 31, 2014**

This monthly report is in full compliance with the Investment Policy and Strategy established for the City of Lubbock and the Public Funds Investment Act (Chapter 2256, Government Code). All due diligence required by the Policy has been completed in preparation of this report.

| | Beginning 12/31/2013 | Ending 1/31/2014 | Change |
|---|-------------------------|---------------------|------------|
| Book Value | \$ 242,818,990 | 268,815,594 | 25,996,604 |
| Market Value | 242,097,316 | 268,413,834 | 26,316,518 |
| Market Value as a % of Book Value | 99.703% | 99.851% | 0.148% |
| Accrued Interest | 91,048 | 105,925 | 14,877 |
| Total Value (Market Value + Accrued Int) | 242,188,364 | 268,519,760 | 26,331,396 |
| Unrealized Gain (Loss) | (721,674) | (401,760) | 319,914 |
| Weighted Average Maturity | 304 Days | 280 Days | -24 Days |
| Monthly Average Yield to Maturity | 0.290% | 0.275% | -0.0154% |
| Monthly Average Benchmark Yield (1 Year T-Note) | 0.130% | 0.120% | -0.0100% |

| Security Description | Rating | CUSIP / Account # | Purchase Date | Maturity Date | Coupon Rate | % Yield to Maturity | Beginning Book Value | Beginning Market Value | Ending Book Value | Ending Market Value |
|--------------------------|--------|----------------------|------------------|------------------|----------------|---------------------------|-------------------------|---------------------------|----------------------|------------------------|
| Wells Fargo Payflex* | Aaa | 7912090268 | 12/31/13 | 01/01/14 | 0.570 | 0.5700 | \$ 117,162 | 117,162 | 64,530 | 64,530 |
| Wells Fargo Master* | Aaa | 4000047951 | 12/31/13 | 01/01/14 | 0.570 | 0.5700 | 11,503,907 | 11,503,907 | 15,207,508 | 15,207,508 |
| Wells Fargo Total | | | | | 0.570 | 0.5700 | 11,621,069 | 11,621,069 | 15,272,038 | 15,272,038 |
| TexPool | AAAm | 1552100003 | 12/31/13 | 01/01/14 | 0.027 | 0.0273 | 136,206,300 | 136,206,300 | 151,051,203 | 151,051,203 |
| TexStar | AAAm | 155211111000 | 12/31/13 | 01/01/14 | 0.030 | 0.0303 | 37,801,949 | 37,801,949 | 46,802,724 | 46,802,724 |
| State Pool Total | | | | | 0.028 | 0.0278 | 174,008,249 | 174,008,249 | 197,853,927 | 197,853,927 |
| FFCB | Aaa | 3133EC3M4 | 11/19/12 | 11/21/16 | 0.600 | 0.6317 | 2,997,282 | 2,956,293 | 2,997,360 | 2,954,586 |
| FFCB Total | | | | | 0.600 | 0.6317 | 2,997,282 | 2,956,293 | 2,997,360 | 2,954,586 |
| FHLB | Aaa | 313380Z26 | 11/19/12 | 10/24/16 | 0.625 | 0.6444 | 2,998,384 | 2,989,863 | 2,998,431 | 2,997,453 |
| FHLB | Aaa | 313382VE0 | 05/02/13 | 02/02/16 | 0.330 | 0.3739 | 2,997,267 | 2,989,899 | 2,997,375 | 2,994,411 |
| FHLB | Aaa | 313383EP2 | 06/20/13 | 06/20/18 | 1.250 | 1.3018 | 7,982,062 | 7,812,416 | 7,982,387 | 7,896,216 |
| FHLB Total | | | | | 0.919 | 0.9618 | 13,977,712 | 13,792,178 | 13,978,194 | 13,888,080 |
| FNMA | Aaa | 31398A3K6 | 03/26/12 | 03/14/14 | 1.250 | 0.4400 | 1,502,458 | 1,503,357 | 1,501,448 | 1,501,998 |
| FNMA | Aaa | 3136G0MD0 | 07/30/12 | 06/13/17 | 0.875 | 0.7290 | 3,014,894 | 3,005,388 | 3,014,538 | 3,005,229 |
| FNMA | Aaa | 3135G0PL1 | 10/04/12 | 10/04/17 | 1.050 | 1.0459 | 5,000,756 | 4,938,875 | 5,000,740 | 4,971,415 |
| FNMA | Aaa | 3136G1GL7 | 04/04/13 | 03/13/17 | 1.250 | 1.0064 | 3,022,956 | 3,004,653 | 3,022,368 | 3,003,507 |
| FNMA | Aaa | 3135G0WJ8 | 05/30/13 | 05/21/18 | 0.875 | 1.1655 | 4,938,044 | 4,836,560 | 4,939,193 | 4,885,790 |
| FNMA | Aaa | 3136G1TC3 | 09/24/13 | 09/12/18 | 2.000 | 2.0074 | 1,749,422 | 1,753,224 | 1,749,433 | 1,753,633 |
| FNMA Total | | | | | 1.111 | 1.0607 | 19,228,531 | 19,042,057 | 19,227,720 | 19,121,572 |
| FHLMC | Aaa | 3134G2YJ5 | 04/25/12 | 09/19/14 | 0.500 | 0.4370 | 1,500,675 | 1,503,572 | 1,500,597 | 1,503,521 |
| FHLMC | Aaa | 3134G32Y5 | 12/28/12 | 12/28/17 | 0.900 | 0.9513 | 4,989,973 | 4,890,675 | 4,990,179 | 4,935,430 |
| FHLMC | Aaa | 3134G3JX9 | 01/24/12 | 01/30/14 | - | - | 1,500,000 | 1,500,558 | - | - |
| FHLMC | Aaa | 3134G33M0 | 12/18/12 | 01/16/18 | 1.050 | 1.0500 | 5,000,000 | 4,898,650 | 5,000,000 | 4,942,025 |
| FHLMC | Aaa | 3134G47G7 | 06/26/13 | 06/26/18 | 1.400 | 1.4208 | 4,995,498 | 4,897,945 | 4,995,579 | 4,949,700 |
| FHLMC | Aaa | 3134G4P93 | 12/27/13 | 12/27/16 | 0.800 | 0.8000 | 3,000,000 | 2,986,071 | 3,000,000 | 2,992,956 |
| FHLMC | | | | | 1.020 | 1.0341 | 20,986,146 | 20,677,471 | 19,486,355 | 19,323,632 |
| Investment Total | | | | | 0.275 | 0.2748 | \$ 242,818,990 | 242,097,316 | 268,815,594 | 268,413,834 |

* The Aaa rating assigned is based on the full collateralization of deposits held



Pamela Moon, CPA, Director of Finance



Danielle Whiffill, Financial Analyst

City of Lubbock, TX
Finance Department
Investment Portfolio Summary - Bond Funds
January 31, 2014

This monthly report is in full compliance with the Investment Policy and Strategy established for the City of Lubbock and the Public Funds Investment Act (Chapter 2256, Government Code). All due diligence required by the Policy has been completed in preparation of this report.

| | Beginning 12/31/2013 | Ending 1/31/2014 | Change |
|---|-------------------------|---------------------|---------|
| Book Value | \$ 205,732,601 | 205,733,118 | 517 |
| Market Value | 205,749,913 | 205,751,468 | 1,555 |
| Market Value as a % of Book Value | 100.008% | 100.009% | 0.00% |
| Accrued Interest | 24,790 | 33,499 | 8,708 |
| Total Value (Market Value + Accrued Int) | 205,774,704 | 205,784,967 | 10,263 |
| Unrealized Gain (Loss) | 17,312 | 18,351 | 1,038 |
| Weighted Average Maturity | 19 Days | 17 Days | -2 Days |
| Monthly Average Yield to Maturity | 0.061% | 0.054% | -0.007% |
| Monthly Average Benchmark Yield (30 Day T-Bill) | 0.024% | 0.018% | -0.006% |

| Security Description | Rating | CUSIP / Account # | Purchase Date | Maturity Date | % Coupon Rate | % Yield to Maturity | Beginning Book Value | Beginning Market Value | Ending Book Value | Ending Market Value |
|---------------------------------|--------|----------------------|------------------|------------------|---------------------|---------------------------|-------------------------|---------------------------|----------------------|------------------------|
| FFCB | Aaa | 3133EAUM8 | 06/12/12 | 06/18/14 | 0.375 | 0.3750 | \$ 5,000,000 | 5,005,390 | 5,000,000 | 5,005,530 |
| FFCB | Aaa | 3133EAUM8 | 06/28/12 | 06/18/14 | 0.375 | 0.4158 | 2,999,433 | 3,003,234 | 2,999,535 | 3,003,318 |
| FFCB Total | | | | | 0.375 | 0.3903 | 7,999,433 | 8,008,624 | 7,999,535 | 8,008,848 |
| FHLMC | Aaa | 3134G3H78 | 12/18/12 | 12/05/14 | 0.350 | 0.3070 | 2,000,796 | 2,003,116 | 2,000,725 | 2,003,352 |
| FHLMC | Aaa | 3137EACV9 | 01/29/13 | 08/27/14 | 1.000 | 0.2520 | 5,024,480 | 5,029,075 | 5,021,371 | 5,026,340 |
| FHLMC Total | | | | | 0.815 | 0.2676 | 7,025,276 | 7,032,191 | 7,022,096 | 7,029,692 |
| FNMA | Aaa | 3135G0BY8 | 01/29/13 | 08/28/14 | 0.875 | 0.2513 | 2,008,200 | 2,009,406 | 2,007,163 | 2,008,604 |
| FNMA Total | | | | | 0.875 | 0.2513 | 2,008,200 | 2,009,406 | 2,007,163 | 2,008,604 |
| TexStar - 2004 Waterworks | AAAm | 155210534001 | 12/31/13 | 01/01/14 | 0.030 | 0.0303 | 12,839 | 12,839 | 12,839 | 12,839 |
| TexStar - 2007 T&WW CO | AAAm | 155212007001 | 12/31/13 | 01/01/14 | 0.030 | 0.0303 | 50,007 | 50,007 | 50,009 | 50,009 |
| TexStar - 2008 Wastewater CO | AAAm | 155212008001 | 12/31/13 | 01/01/14 | 0.030 | 0.0303 | 2,527,740 | 2,527,740 | 2,527,805 | 2,527,805 |
| TexPool - 2008 TWV CO | AAAm | 1552100029 | 12/31/13 | 01/01/14 | 0.027 | 0.0273 | 4,378,174 | 4,378,174 | 4,378,275 | 4,378,275 |
| TexPool - 2008 TWDB I&S | AAAm | 1552100033 | 12/31/13 | 01/01/14 | 0.027 | 0.0273 | 1,432,521 | 1,432,521 | 1,432,554 | 1,432,554 |
| TexPool - 2006 T&WW CO | AAAm | 1552100034 | 12/31/13 | 01/01/14 | 0.027 | 0.0273 | 49,433 | 49,433 | 49,434 | 49,434 |
| TexStar - 2009 T&WW CO | AAAm | 155212009000 | 12/31/13 | 01/01/14 | 0.030 | 0.0303 | 6,061,203 | 6,061,203 | 6,061,359 | 6,061,359 |
| TexStar - 2009 GO | AAAm | 155212009001 | 12/31/13 | 01/01/14 | 0.030 | 0.0303 | 917,652 | 917,652 | 917,675 | 917,675 |
| TexPool - 2008 TWDB CO | AAAm | 1552100032 | 12/31/13 | 01/01/14 | 0.027 | 0.0273 | 1,906,562 | 1,906,562 | 1,906,606 | 1,906,606 |
| TexPool - 2010A CO | AAAm | 1552100036 | 12/31/13 | 01/01/14 | 0.027 | 0.0273 | 16,521,397 | 16,521,397 | 16,521,780 | 16,521,780 |
| TexPool - 2010A GO | AAAm | 1552100037 | 12/31/13 | 01/01/14 | 0.027 | 0.0273 | 1,478,230 | 1,478,230 | 1,478,264 | 1,478,264 |
| TexPool - 2010B CO BABs | AAAm | 1552100038 | 12/31/13 | 01/01/14 | 0.027 | 0.0273 | 18,734,845 | 18,734,845 | 18,735,280 | 18,735,280 |
| TexPool - 2010B GO BABs | AAAm | 1552100039 | 12/31/13 | 01/01/14 | 0.027 | 0.0273 | 5,342,478 | 5,342,478 | 5,342,603 | 5,342,603 |
| TexPool - 2010 TWDB I&S | AAAm | 1552100040 | 12/31/13 | 01/01/14 | 0.027 | 0.0273 | 1,082,443 | 1,082,443 | 1,082,469 | 1,082,469 |
| TexPool - 2010 Electric | AAAm | 1552100044 | 12/31/13 | 01/01/14 | 0.027 | 0.0273 | 47,548 | 47,548 | 47,549 | 47,549 |
| TexPool - 2010C TWDB I&S | AAAm | 1552100045 | 12/31/13 | 01/01/14 | 0.027 | 0.0273 | 2,099,177 | 2,099,177 | 2,099,226 | 2,099,226 |
| TexStar - 2011 TWV CO | AAAm | 155212011000 | 12/31/13 | 01/01/14 | 0.030 | 0.0303 | 37,045,664 | 37,045,664 | 37,046,618 | 37,046,618 |
| TexStar - 2011 GO | AAAm | 155212011001 | 12/31/13 | 01/01/14 | 0.030 | 0.0303 | 6,204,934 | 6,204,934 | 6,205,093 | 6,205,093 |
| TexPool - 2012 CO | AAAm | 1552100048 | 12/31/13 | 01/01/14 | 0.027 | 0.0273 | 30,114,260 | 30,114,260 | 30,114,958 | 30,114,958 |
| TexPool - 2012 GO | AAAm | 1552100047 | 12/31/13 | 01/01/14 | 0.027 | 0.0273 | 5,847,956 | 5,847,956 | 5,848,092 | 5,848,092 |
| TexStar - 2013 CO | AAAm | 1552120131 | 12/31/13 | 01/01/14 | 0.030 | 0.0303 | 34,735,564 | 34,735,564 | 34,736,459 | 34,736,459 |
| TexStar - 2013 GO | AAAm | 1552120130 | 12/31/13 | 01/01/14 | 0.030 | 0.0303 | 7,976,057 | 7,976,057 | 7,976,263 | 7,976,263 |
| TexStar - 2013 Electric Revenue | AAAm | 1552120132 | 12/31/13 | 01/01/14 | 0.030 | 0.0303 | 4,133,009 | 4,133,009 | 4,133,116 | 4,133,116 |
| State Pool Total | | | | | 0.029 | 0.0289 | 188,699,692 | 188,699,692 | 188,704,324 | 188,704,324 |
| Investment Total | | | | | 0.078 | 0.0536 | \$ 205,732,601 | 205,749,913 | 205,733,118 | 205,751,468 |

Pamela Moon

Pamela Moon, CPA, Director of Finance

Danielle Whirfill

Danielle Whirfill, Financial Analyst

City of Lubbock, TX
Finance Department
Investment Portfolio Summary - Segregated Trust & Grant Funds
January 31, 2014

This monthly report is in full compliance with the Investment Policy and Strategy established for the City of Lubbock and the Public Funds Investment Act (Chapter 2256, Government Code). All due diligence required by the Policy has been completed in preparation of this report.

| | Beginning 12/31/2013 | Ending 1/31/2014 | Change |
|---|-------------------------|---------------------|----------|
| Book Value | 70,652 | 69,910 | (741) |
| Market Value | 70,652 | 69,910 | (741) |
| Market Value as a % of Book Value | 100.000% | 100.000% | 0.000% |
| Accrued Interest | - | - | - |
| Total Value (Market Value + Accrued Int) | 70,652 | 69,910 | (741) |
| Unrealized Gain (Loss) | - | - | - |
| Weighted Average Maturity | 1 Day | 1 Day | 0 Days |
| Monthly Average Yield to Maturity | 0.000% | 0.000% | 0.0000% |
| Monthly Average Benchmark Yield (30 Day T-Bill) | 0.024% | 0.018% | -0.0063% |

| Security Description | Rating | CUSIP / Account # | Purchase Date | Maturity Date | % Coupon Rate | % Yield to Maturity | Beginning Book Value | Beginning Market Value | Ending Book Value | Ending Market Value |
|---------------------------------|--------|----------------------|------------------|------------------|---------------------|---------------------------|-------------------------|---------------------------|----------------------|------------------------|
| Dreyfus Cash Mgmt - Vintage PID | AAAm | 759952 | 12/31/13 | 01/01/14 | 0.000 | 0.0000 | 70,652 | 70,652 | 69,910 | 69,910 |
| Money Market Total | | | | | 0.000 | 0.0000 | 70,652 | 70,652 | 69,910 | 69,910 |
| Investment Total | | | | | 0.000 | 0.0000 | 70,652 | 70,652 | 69,910 | 69,910 |

* The Aaa rating assigned is based on the full guarantee of deposits backed by the United States Government



Pamela Moon, CPA, Director of Finance



Danielle Whitfill, Financial Analyst