

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF LUBBOCK, TEXAS

Fiscal Year October 1, 1999 through September 30, 2000

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Quincy White

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Director of Financial Services**

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Cash and Debt Manager

Brack Bullock

Senior Accountant

Linda Cuellar

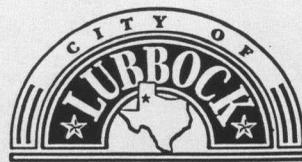
Senior Accountant

Dena Morris

Accountant

Sharon Sentell

Accountant



**CITY OF LUBBOCK, TEXAS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 YEAR ENDED SEPTEMBER 30, 2000
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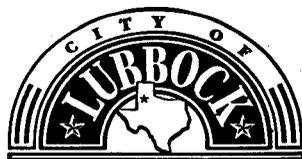
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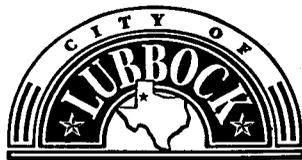
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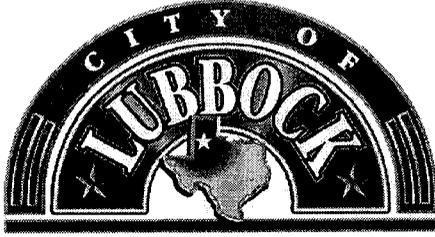
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FINANCE DIVISION

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January 25, 2001

Honorable Mayor, City Council and Citizens of the City of Lubbock, Texas:

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Lubbock, Texas for the fiscal year ended September 30, 2000. The purpose of this report is to provide the City Council, citizens, representatives of financial institutions and others with detailed information concerning the financial condition and performance of the City of Lubbock. In addition, the report provides assurance that the City presents fairly, in all material respects, its financial position as verified by independent auditors.

The Comprehensive Annual Financial Report

The Comprehensive Annual Financial Report (CAFR) of the City of Lubbock, Texas for the fiscal year ended September 30, 2000, which follows, was prepared by the Finance Division. The general purpose financial statements and related notes have been audited by an independent audit firm of certified public accountants, Robinson Burdette Martin Seright & Burrows, LLP (RBMS&B, LLP), whose report is included herein. This audit satisfies Chapter 1, Article IX, Section 26 of the City Charter that requires an audit of all accounts of the City be made by an independent certified public accountant.

The City is required to undergo an annual single audit of all federally financed programs, for the year ended September 30, 2000 in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments, and Non-Profit Organizations*. Information related to this single audit, including the schedule of federal expenditures, findings and recommendations, if any, and auditor's reports on the internal control structure and compliance with applicable laws and regulations, are included in a separate document which will be available in the Accounting Department upon request.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentations, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material respects and is presented in a manner which fairly sets forth the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

These financial statements have been prepared in accordance with generally accepted accounting principles for local governments as prescribed by the Governmental Accounting Standards Board (GASB).

The CAFR is presented in three sections: introductory, financial, and statistical/supplementary. The introductory section, which is unaudited, includes the City's organizational chart, a list of principal officials, and this transmittal letter, which highlights significant aspects of financial operations during the year and

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particular issues facing the City. The financial section contains the independent auditor's report, the general purpose financial statements and related notes, and supplemental financial data. The statistical section, which is unaudited, includes several tables depicting the financial history of the City as well as demographic and other miscellaneous statistics. The supplemental section contains certain bond and financial information presented in compliance with the continuing disclosure requirements under Security and Exchange Commission Rule 15 c2-12, as amended.

The Notes to the Financial Statements are provided in the financial section and are considered essential to fair presentation and adequate disclosure for this financial report. The notes include the Summary of Significant Accounting Policies for the City and other necessary disclosures of important matters relating to the financial position of the City. The Notes are treated as an integral part of the financial statements and should be read in conjunction with them.

Reporting Entity

As required by generally accepted accounting principles, the financial reporting entity (the City) includes all the funds and account groups of the primary government (the City of Lubbock) as well as all the component units. Component units are legally separate entities for which the primary government is financially accountable.

The component unit shown below is included as part of the City's reporting entity because of the significance of its operational and financial relationships. Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government.

Blended Component Unit

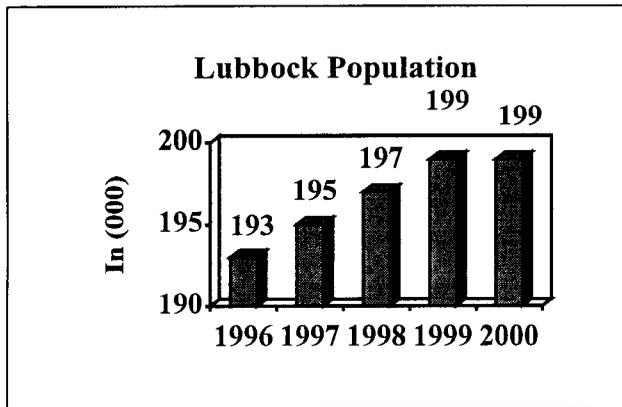
Urban Renewal Agency

Other legally separate entities are also included in the City's reporting entity as discretely presented component units.

Discretely Presented Component Units

City Transit Management Company, Inc. d.b.a. Citibus
Civic Lubbock, Inc.
Market Lubbock Economic Development Corporation d.b.a. Market Lubbock, Inc.

General Information – City of Lubbock, Texas



Lubbock, a city of over 199,000 West Texans, is the 11th largest City in the State of Texas and the largest city in West Texas.

Lubbock is a major regional center for business and industry, located in the heart of the vast South Plains of West Texas and Eastern New Mexico. Lubbock's location provides easy access to the Southwest, Rocky Mountains and the Great Plains Region. Lubbock is the medical center of the entire West Texas and Eastern New Mexico region, offering the most comprehensive health care services between Dallas and Phoenix.

Lubbock's economy is very diverse with strong manufacturing, whole and retail trade, services, and government sectors. The art community continues to blossom in Lubbock. Long known for its musical talents, Lubbock has sounds for all tastes – from classical and Tejano to Country, folk, and rock and roll.

Services Provided

Services provided by the City under general governmental functions include public safety, housing, health services, planning and development, engineering, street maintenance, traffic control, parks operation and maintenance, recreation, library services, and general administrative services.

Electric, water, sewer and solid waste collection, airport, and stormwater services are provided under an Enterprise fund concept, with user charges set by the City Council to ensure adequate coverage of operating expenses and payments of outstanding debt. Fleet services, radio maintenance, print shop, office supplies, information technology, self-insurance - health, communications, warehouse, environmental compliance, building maintenance, custodial, and risk management are provided through Internal Service Funds.

Organization of Government

Lubbock was incorporated in 1909. The City is a Home Rule City and has operated under a Council/Manager system of government since 1917. The council consists of the Mayor plus 6 council members elected from single member districts for 4-year terms. In turn, the Mayor and City Council appoint the City Manager, City Attorney and City Secretary.

Economic Condition and Outlook

Lubbock is a city marked by slow, steady growth and a diverse economy. While industry downsizing has been seen in the manufacturing and medical area there has been significant new business and new development in the Lubbock area.

City of Lubbock Economic Overview (Source: Lubbock Economic Review)

Lubbock Jobs Picture is Impressive

Just when it was thought the Lubbock unemployment rate couldn't go any lower, the percentage of the Lubbock labor force looking for work dipped to 2.5% at the end of the third quarter, the lowest September unemployment rate since 1990. The Lubbock unemployment rate is the third lowest in Texas in September 2000, behind the Bryan-College Station and Austin-San Marcos metro areas. Lubbock also added 3.4% more

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jobs to the rolls over the last 12 months, the fifth highest year-over-year growth rate of Texas' 27 metropolitan areas.

Although the Lubbock Chamber of Commerce is pleased with the growth, Eddie McBride, President of the Chamber of Commerce indicated "It (the growth and low unemployment) does create some trained worker shortages and other things that we have to deal with, but what a nice problem to have". McBride said the Chamber and other entities are meeting these challenges head on through the creation of the Community Workforce Partnership and other programs and initiatives.

The Lubbock Economic Index, a measure of health and growth of the Lubbock economy stands at 114.2 in September 2000, which reflects a 5% increase over the September 1999 index of 108.8.

Although the index did not change over the three months in the third quarter, there is undeniable growth compared to last year and previous years as most sectors of the economy are posting impressive numbers. The leveling off of the index is attributed, in part, to some sectors pausing to catch their breath while others have moderated simply because they cannot sustain the growth rates they have been experiencing over long periods of time. Overall, the economy is performing well and should continue to do so for the remainder of the year.

The Lubbock Economy

Agriculture across the region is in the midst of a reasonably good year in terms of moisture and crop conditions. The cotton harvest is underway and is anticipated to increase in the coming months. Prices are improved over last year, but are still weak compared to previous prices. Generally, the regional agriculture situation is making a positive contribution to the Lubbock economy, particularly in comparison to recent years.

Other market segments of Lubbock have been experiencing high growth rates that are not likely to continue. Year-to-date growth in these sectors remains impressive although there has been a slowdown in the third quarter. Auto sales are up 7% over the same time frame of calendar 1999. Total construction (commercial and residential) in Lubbock has been on a record setting pace in 2000, although there was a slowdown in the third quarter. Even with the slowing pace of the third quarter, the year-to-date total remains approximately 45% over the first nine months of 1999 and the impact of the work underway will continue well into 2001. The very high growth rates in the auto and total construction sectors of the local economy are expected to cool down in the coming months. The residential construction market, however continued to be strong through the third quarter. The number of new home permits issued in the third quarter outpaced the third quarter of 1999 by almost 13% and the total for the first nine months of the year is nearly 15% above the same time frame of 1999. The number of new homes being built in Lubbock is simply very impressive. It speaks to the overall strength of the economy and the confidence the residents have in it.

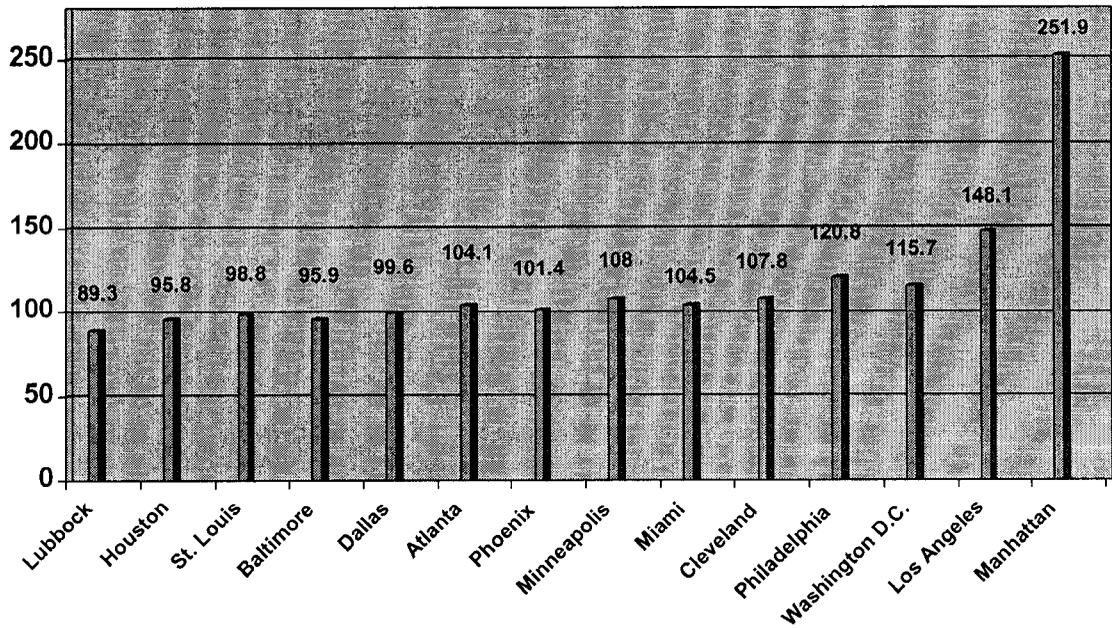
Retail sales of the third quarter were flat compared to previous years' third quarters. However, that may be a reflection of the reporting oddities as opposed to weakening sales. October sales tax rebate is nearly 20% higher than October of 1999.

An estimated 4,000 jobs have been added in Lubbock over the past 12 months, an increase of 3.4% which as noted earlier is the fifth highest growth rate in Texas. To the extent that the general employment situation is the single best indicator of how an economy is faring, the local economy must be considered strong. Labor markets remain tight across the nation and as noted above, this certainly is the case in Lubbock. Local firms may find it more difficult to attract workers and may have to pay more to get them. Even with the tight labor market, it is believed that the Lubbock economy will grow at a rate of 4-5% in calendar 2000 over the past year.

Even though the local economy is growing at a rate of approximately 5% over the past year which was a time of relative weakness in the Lubbock economy, the average growth rate over the last four years is still in excess of 3%. The components of the Lubbock economy appear to be working together for growth and the City's

business and economic development communities are working to proactively address the challenges posed by growth and the traditionally difficult to manage facets of the regional economy.

Cost of Living: All Items Index 2nd Quarter 2000



The ACCRA Cost of Living Index is based on a national average of 100 for a sample of 315 cities. The index measures differences between areas in the cost of consumer goods and services. Lubbock's all-items index is currently second lowest in the state (89.3). Lubbock's housing (83.2), grocery (90.6), health care (102.6), utilities (71.3) and transportation (90.8) indices also compare favorably with other major U.S. cities.

Commercial Expansion

Market Lubbock, Inc. has completed projects for the fiscal year ending September 30, 2000 with 12 companies that are anticipated to add approximately 1,500 jobs to the local economy, along with approximately \$42 million in payroll and \$39 million in capital investment.

Major Initiatives

In the budgeting process, staff focused on City Council goals and City Manager directives as well as the community wide goals adopted in The Goals for Lubbock – A Vision Into the 21st Century. "Goals for Lubbock" were incorporated into relevant City operations. Operating departments also review and update their strategic plans on an annual basis. The following is the methodology used for organization wide strategic planning:

- ❖ Review City of Lubbock Mission Statement

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- ❖ Develop Division/Department Mission Statement
- ❖ Review City Manager Goals
- ❖ Develop Division Environmental Scan (Strengths, Weaknesses, Opportunities, and Threats)
- ❖ Develop Division Goals
- ❖ Management Review
- ❖ Develop Division Strategies (Who? What? When? Funding Sources? Performance Measures?)
- ❖ Management Adoption
- ❖ Continuous Monitoring and Evaluating

The City Council goals and policies continue to focus on:

- ❖ Economic Development/Job Creation
- ❖ Quality of Life
- ❖ Youth Issues
- ❖ Infrastructure Maintenance

City Council has set several objectives under these three main focuses including:

- ❖ Improve/enhance Lubbock's image
- ❖ Develop proactive local coalitions to influence state and national leadership decisions and legislation to benefit Lubbock
- ❖ Develop long-range plans to maintain excellent streets, parks, facilities infrastructure and quality of life

In addition to the City Council's goals, City Manager's priorities include:

1. Continue strategic thinking that involves all levels of the organization:

- ❖ Implement strategic thinking in the organization and critically evaluate the status quo.
- ❖ Expand upon existing implementation strategies of GASB Statement No. 34, *Basic Financial Statements —and Management's Discussion and Analysis — for State and Local Governments* to assure full compliance by the September 30, 2002 effective date.
- ❖ The City of Lubbock has participated in the International City Managers Association (ICMA) Performance Measurement Consortium for three years. The City continues to work with ICMA and other cities to create a database of performance measures to be used by participating jurisdictions as the basis for analytical comparison of service delivery and improvement of programs and processes.
 - ❑ A citizen survey was performed for the fourth year on City services including Fire, Police, Solid Waste pickup and Public Health. Each department of service is rated on a scale from 0-100. The rating of Overall City services was 68%. Fire protection finished first with 86%, Police protection was second with 76%, and Emergency Management was third at 71%.
 - ❑ Internal services surveyed internal City of Lubbock departments. User departments rated the support service areas on satisfaction of their customer service. For 2000 all departments were rated between 72-80% for overall satisfaction by internal customers.

- ❖ The City of Lubbock Employee Incentive Program was established in 1994 to increase productivity and creative problem solving. The Incentive Review Committee reviews cost savings/avoidance suggestions and oversees grants to departments for their own recognition programs. Cost savings/avoidance awards, which are 10% of the first year's verified savings, have resulted in \$21,784 in awards to 56 employees and \$458,495 in annualized savings/avoidance since inception.
 - ❖ Economic development and job creation
 - ❑ Market Lubbock Inc. was successful in securing almost 1,500 jobs with \$4,380,000 in incentive funds during fiscal 2000.
 - ❑ The City of Lubbock participates in the Ports-to-Plains Corridor Coalition and has taken the lead in organizing the cities and counties along the three-state Ports-to-Plains trade corridor. This corridor would consist of a highway between Denver to Del Rio, Eagle Pass and Laredo which would be over 1,000 miles long.
 - ❑ For the third year, the General Fund and Enterprise Funds have contributed to a new fund called Community Improvement. Typically, funds that directly benefit from economic development contribute 1% of gross revenues.
2. Critical evaluation of status quo with focus on intergovernmental coordination to benefit citizens as well as aggressive cost recovery where feasible.
- ❖ A Managed Competition Task Force is dedicated to overseeing what areas of the organization should be evaluated for cost recovery.
 - ❖ Government budgets are under constant pressure to stay within limits. This forces local governments to seek ways to lower costs associated with delivering services. At Council's direction, City staff began internal reviews to define those services or products in which an element of cost recovery can be implemented, and at what level: full cost recovery, partial cost recovery, or no cost recovery. The four major elements of cost recovery as we have defined them for our organization are as follows:

<i>4 Elements of Cost Recovery</i>	
<p><u>Reduce Costs</u> Downsizing (staff reduction) Operating efficiencies Outsourcing In-Kind Services</p>	<p><u>Alternative Service Providers</u> Privatization Nonprofit spin-offs Volunteers</p>
<p><u>Increase Returns</u> User fees Fee Increases Increase Markets New Products Advertising</p>	<p><u>Alternative Funding Sources</u> Foundations Grants Dedicated Tax (hotel/motel tax) Corporate Underwriting Sponsorships</p>

In 2000, savings from cost reductions were approximately \$925,000.

3. Focus on technology as a way to achieve productivity improvements.

- ❖ The new LP&L billing system, which is intended to serve the utility billing needs of the organization is in the process of being implemented. The implementation date is scheduled for spring of 2001.
 - ❖ Implementation of several software packages is well underway and/or have been completed. The programs include the Fleet work order/inventory system, Fleet fuel system, EIS case tracking system, and a citywide work order system.
 - ❖ A Geographical Information System Coordinator position was approved in the 1999-00 Budget. The position is intended to enhance the citywide base map maintenance and facilitate coordination between users. LP&L is currently working on Phase II of a plan to install fiberoptic line throughout the City.
4. Public Safety & Youth Issues
- ❖ Continuing efforts to improve recruiting and retaining police officers led to a 10% market adjustment for police officers for the 2000-01 fiscal year.
 - ❖ A Youth Commission, which is composed of 36 students plus an advisory board of seven adults, has been appointed to make recommendations to City Council based on studies of the problems that young people face. Students represent every junior high and high school in Lubbock.
 - ❖ Enhancements to public safety include: a Fire Department position to improve communications; provision of special assignment pay for fire fighters who provide special Team services; provision of laser speed guns, mobile radar units and laser mapping system for Police officers; and audio visual equipment to support Police training programs.
5. Value public service as a high calling and focus on quality customer service
- ❖ The Human Resources Department has established a Succession Planning program to target assessment, coaching, and development activities. The goal is to provide managers with management skills necessary to successfully lead diverse organizations. In 2000, the program had 14 participants.
 - ❖ The majority of the supervisory personnel of the City have successfully completed The Profiler Leadership Assessment and Development class since its implementation in 1994.
 - ❖ A Certification Incentive program has been approved to provide incentive pay for Building Inspection personnel who achieve professional certification.
6. Commitment to workforce diversity and employee development
- ❖ Human Resources' Organizational Development provides opportunities for employees to develop skills needed to enhance the delivery of quality products and services. In-house training focuses on specific needs and can be customized by function and level. The training curriculum includes management development, supervisory training, computer skills and safety courses.
7. Introduce, support and monitor legislation that impacts City of Lubbock operations.
- ❖ Focus on the 2001 Legislative session is a high priority. Preparation includes establishing and maintaining good relationships with local legislative delegates as well as other key legislators in Austin. The City coordinates with other entities that are affected by municipal legislation. The City has added a Legislative liaison position to assist in focusing City of Lubbock initiatives on the State and Federal level.

FINANCIAL INFORMATION

The Accounting Department, Finance Division, is responsible for the City's financial recordkeeping and reporting. The accounting system is organized and controlled on a "fund" basis. These funds are reported in the Financial Section of this report.

Basis of Accounting

The modified accrual and accrual basis of accounting are used in recording the City's financial transactions. General governmental operations are recorded on the accrual basis. Fiduciary operations are recognized on the basis consistent with each fiduciary fund's accounting measurement objective. The basis of accounting is further discussed in the Notes to the Financial Statements.

Budgeting Controls

One technique used to maintain budgetary controls is the maintenance of an encumbrance accounting system. Encumbered amounts lapse at year-end. Encumbrances are reviewed and re-appropriated on a case-by-case basis as part of the following year's budget. Activities of the general fund are included in the annual appropriated budget. Project-length financial plans are adopted for the capital projects funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by fund.

Internal Controls

Internal accounting controls are designed to provide reasonable, but not absolute assurance of (1) safeguarding of assets against loss from unauthorized use or disposition and (2) reliable financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgements by management.

The Finance Division staff believes the City's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions consistent with Finance Division's cost-benefit judgements. In addition to the financial accounting system, the City utilizes an Internal Audit Department. This department reviews City practices to ensure the adequacy of internal control and compliance with established policies.

Single Audit

As a recipient of federal, state and county financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and internal audit staff of the City as well as the City's independent auditors.

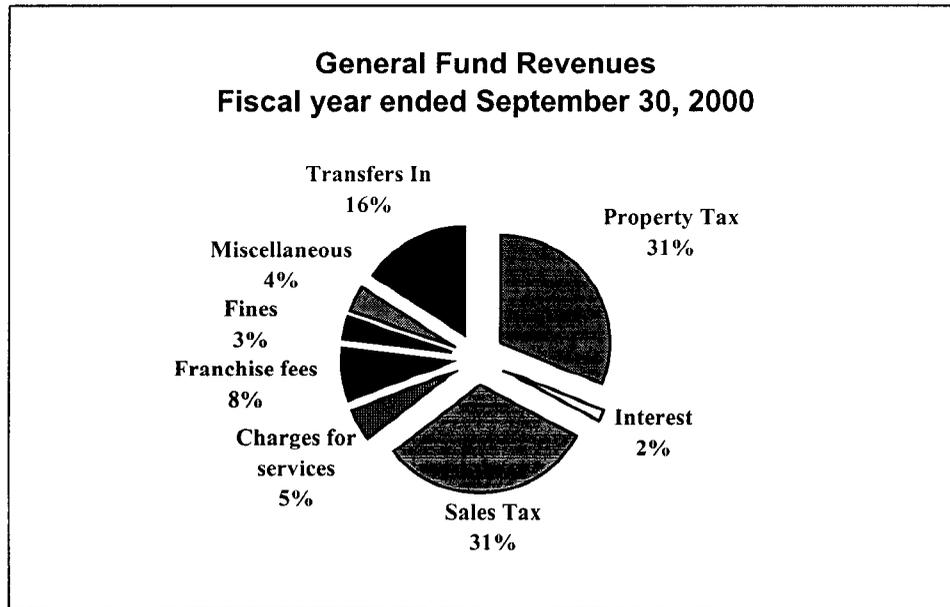
As a part of the City's single audit described above, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's most recent single audit, for the fiscal year ended September 30, 1999, revealed no instances of material weaknesses in the internal control structure or material violations of applicable laws and regulations.

General Government Functions

The City's General Fund is used to account for expenditures of traditional governmental services as well as all financial resources other than those required to be accounted for in other funds. Sources of revenue for this fund are widely diversified and include property tax, sales tax, franchise fees, license and permit fees, fines, intergovernmental revenues, interest income, charges for services and miscellaneous income.

Honorable Mayor, City Council,
and Citizens of the City of Lubbock, Texas
January 25, 2001

Revenues and other financing sources for General Fund operations only totaled \$85.52 million in FY 2000, an increase of 4.4% over FY 1999. General fund revenues are presented in the graph following by major revenue category.



The governmental funds are composed of General Fund, Special Revenue Funds and the Debt Service Fund.

The amount of governmental revenues from various sources and the change from last year are shown in the following tabulation:

Revenues & Other Financing Sources	1999-00 Amount (in millions)	Percent of Total	1998-99 Amount (in millions)	Dollar Increase (Decrease) from 1999 (in millions)	Percentage Increase (Decrease) from 1999
General Property Taxes	\$ 35.940	30.1%	\$ 35.122	\$.818	2.33%
Sales Tax	27.397	23.0%	25.232	2.165	8.58%
Other Taxes	3.313	2.8%	3.091	.222	7.18%
Franchise Fees	6.620	5.5%	6.235	.385	6.17%
Licenses & Permits	1.138	1.0%	.976	.162	16.60%
Fines	2.834	2.4%	3.335	(.501)	(15.02%)
Charges for Services	4.210	3.5%	4.033	.177	4.39%
Intergovernmental	.366	.3%	.576	(.210)	(36.46%)
Other	3.170	2.7%	3.470	(.300)	(8.65%)
Operating Transfers In	<u>34.359</u>	<u>28.7%</u>	<u>31.964</u>	<u>2.395</u>	<u>7.49%</u>
Total Revenues and Other Financing sources	<u>\$ 119.347</u>	<u>100.00%</u>	<u>\$ 114.034</u>	<u>\$ 5.313</u>	<u>4.66%</u>

Net assessed valuations for FY 2000 were \$6.26 billion compared to \$6.03 billion in FY 1999, an increase of 3.8% from the preceding year. This increase was created by additional property added to the tax rolls through construction and reappraisal of existing properties.

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Current tax collections were 97.3% of the tax levy, compared to 97.7% last year. Total tax collections were 98.9% of the tax levy, compared to 99.2% last year. Allocations of property tax levy by purpose for 2000 and the preceding two fiscal years are as follows (amounts per \$100 assessed value):

Purpose	2000	1999	1998
General Fund	\$.43	\$.42	\$.40
Economic Development	.03	.03	.03
General Obligation Debt	<u>.12</u>	<u>.13</u>	<u>.15</u>
TOTAL TAX RATE	<u>\$.58</u>	<u>\$.58</u>	<u>\$.58</u>

On October 1, 1995, the one-eighth cent increase in the sales tax for property tax reduction voted by the citizens of Lubbock in January, 1994 went into effect. The one-eighth cent sales tax increase generated \$3,044,130 in additional sales tax revenue in 1999-2000.

Governmental funds including General Fund, Special Revenue funds, and Debt service fund expenditures and transfers out totaled \$ 117,162,636, an increase of 3.6% above 1999. Changes in levels of expenditures, for major functions of the City, over the preceding year are:

Expenditures & Other Financing Uses	1999-00 Amount (in millions)	Percent of Total	1998-99 Amount (in millions)	Dollar Increase (Decrease) from 1999	Percentage Increase (Decrease) from 1999
General Government	\$ 5.255	4.5%	\$5.250	\$.005	.10%
Financial Services	1.458	1.2	1.366	.092	6.73
Community Services	16.963	14.5	16.044	.919	5.73
Police	25.561	21.8	23.479	2.082	8.87
Fire	17.080	14.6	15.617	1.463	9.37
Development Services	5.440	4.6	5.195	.245	4.72
Other	6.862	5.9	6.794	.068	1.00
Special Revenue	4.529	3.9	4.496	.033	.73
Debt Service	7.738	6.6	9.643	(1.905)	(19.76)
Operating Transfers Out	<u>26.276</u>	<u>22.4</u>	<u>25.183</u>	<u>1.093</u>	4.34
Total Expenditures and Other Financing Uses	<u>\$ 117.162</u>	<u>100.00%</u>	<u>\$ 113.067</u>	<u>\$ 4.095</u>	3.62

Certain reclassifications in expenditure reporting were made in FY 2000. As a result, certain amounts from FY 1999 have been reclassified to conform to FY 2000 presentation.

In the General Fund Equity section, the City records two types of reserves. One indicates that a portion of the fund balance is legally segregated for a specific future use. The second indicates that a portion of the fund balance is not available for expenditures. Undesignated fund balances indicate that portion of fund equity that is available for budgeting in future periods.

The Unreserved, Undesignated General Fund Balance at September 30, 2000, was \$13,763,556, an increase of \$948,365. The increase established the unreserved, undesignated General Fund Balance at two months of budgeted operating expenditures in compliance with City of Lubbock financial policies.

DEBT SERVICE FUND

The City maintains a separate fund, the Debt Service fund, to account for the debt service associated with its ad valorem tax supported debt.

The fund balance reserved for debt service for FY 2000 was \$1,260,450 compared to \$1,151,270 for FY 1999. During 2000, \$13.1 million in general obligation principal was retired from Debt Service fund and enterprise funds with self-supporting debt.

CAPITAL PROJECT FUNDS

Proceeds of general obligation bond issues for general capital purposes are accounted for in capital projects funds until improvement projects are completed. Proceeds of general obligation bonds issued for enterprise fund purposes are accounted for in those funds. Completed projects and uncompleted construction in progress at year-end are capitalized in the General Fixed Assets Account Group. During 1999-00, capital outlay expenditures in the governmental capital project funds amounted to \$14.9 million. Authorized but unissued bonds at September 30, 2000 totaled \$ 34.1 million.

General Fixed Assets Account Group

The General Fixed Assets of the City are those fixed assets used in the performance of general governmental functions and exclude the fixed assets of enterprise and internal service funds. As of September 30, 2000, the General Fixed Assets of the City amounted to \$ 262.4 million. This amount represents the original cost of the assets and is considerably less than the replacement cost. Depreciation of General Fixed Assets is not recognized in the City's accounting system.

ENTERPRISE FUNDS

The Enterprise funds are used to account for activities which render services on a user fee basis, and are expected to pay their own way. Therefore, these activities are not accounted for in general government operations. Funds operated on this basis are Electric, Water, Sewer, Solid Waste, Airport, Golf, and Stormwater.

Electric Fund

Operating revenues increased by 16% while operating income decreased by 80% in FY 2000 over FY 1999. Results were affected by several factors including (1) significant escalation in natural gas cost; (2) delays in bringing the J.Robert Massengale generation station online.

	2000 <u>(millions)</u>	1999 <u>(millions)</u>
Operating Revenues	\$72.90	\$62.80
Operating Income	1.30	6.80
Income Available for Debt Service	8.22	13.33
Average Annual Debt Service	5.44	2.61
Coverage (Income Available for Average Annual Debt Service)	1.51X	5.11X

Honorable Mayor, City Council,
and Citizens of the City of Lubbock, Texas
January 25, 2001

During the year, \$3.1 million in Electric Revenue bonds were retired.

Water Fund

Water Operating revenues increased by 7% and operating income decreased by 7% in FY 2000 from FY 1999. FY 1999 was a milder summer than FY 2000. As a result, average daily consumption in FY 2000 increased over 500,000 gallons per day. The increased revenues were offset by higher interest expense on debt issued in FY 1999.

	2000 <u>(millions)</u>	1999 <u>(millions)</u>
Operating Revenues	\$ 29.04	\$ 27.12
Operating Income	9.78	10.49
Income Available for Debt Service	18.52	12.06
Average Annual Debt Service	4.32	3.13
Coverage (Income Available for Average Annual Debt Service)	4.29X	3.85X

During the year, \$3.13 million in self-supported general obligation principal and \$1.46 million in revenue bond principal was retired. At September 30, 2000, outstanding principal on general obligation debt was \$64.4 million while revenue bonds outstanding were \$51.9 million.

Sewer Fund

Sewer Fund operating revenues increased by 8.8% while operating expenses increased by 7.9%. Operating income increased by \$.44 million, which is attributed to increased consumption due to the drier, hotter summer of FY 2000.

	2000 <u>(millions)</u>	1999 <u>(millions)</u>
Operating Revenues	\$16.45	\$15.12
Operating Income	4.27	3.83
Income Available for Debt Service	9.22	8.16

During the year, \$4.23 million in self-supported general obligation principal was retired. Outstanding principal on general obligation debt at September 30, 2000 was \$54.7 million.

Solid Waste Fund

Solid Waste Enterprise Fund revenues decreased by 2% for FY 2000 from FY 1999 due largely to certain commercial routes being serviced by a private entity.

	2000 <u>(millions)</u>	1999 <u>(millions)</u>
Operating Revenues	\$16.03	\$16.36
Operating Income	5.55	5.49
Income Available for Debt Service	8.15	7.94

Honorable Mayor, City Council,
and Citizens of the City of Lubbock, Texas
January 25, 2001

As of September 30, 2000, \$.58 million of self-supporting general obligation debt was retired and \$3.97 million in self-supporting general obligation debt was outstanding.

Airport Fund

The Airport Enterprise Fund operating revenues decreased slightly over the prior year. Loss from operations has increased due to higher personnel costs and increased depreciation expenses.

	2000 <u>(millions)</u>	1999 <u>(millions)</u>
Operating Revenues	\$4.33	\$4.37
Operating Loss	(1.59)	(.78)

Golf Fund

The Golf Fund is presently operated by Fore Star Golf, Inc. On October 14, 1994, the City Council approved a management agreement for Fore Star Golf, Inc. to manage the City's golf course. The agreement is for an initial term of 20 years with two renewal options of five years each. The intent of the contract is for long term management and improvement of this City asset.

	2000 <u>(millions)</u>	1999 <u>(millions)</u>
Operating Revenues	\$.040	\$.050
Operating Loss	(.026)	(.020)

Stormwater Fund

The Stormwater Fund operating revenues for FY 2000 increased 1.6% and operating income declined by 2.3% from 1999 levels.

	2000 <u>(millions)</u>	1999 <u>(millions)</u>
Operating Revenues	\$1.95	\$1.92
Operating Income	1.27	1.30

As of September 30, 2000, the Stormwater Fund had incurred no debt obligations.

INTERNAL SERVICE FUNDS

Internal Service funds are established to account for the financing of goods or services provided by one department of the City to another. The City operates fourteen funds on this basis, as discussed in the following.

Fleet Services

The Fleet services fund is used to account for the vehicle service operation. In FY 2000 there was a net income of \$82,463 compared to net income of \$196,664 in FY 1999.

Honorable Mayor, City Council,
and Citizens of the City of Lubbock, Texas
January 25, 2001

Central Warehouse

The Central Warehouse fund was established to account for Warehouse operations. Net income for FY 2000 was \$78,875 compared to a net income of \$20,290 for FY 1999.

Print Shop & Office Stores

The Print Shop & Office Stores Fund was established to account for the activities of the City's print shop, central office stores and central mailroom operations. In FY 2000 there was a net income of \$50,397 compared to net income of \$43,757 in FY 1999.

Radio Shop

The Radio Shop fund was established to account for the mobile telephone and radio shop operations. For FY 2000 there was net income of \$27,996 compared to a net loss of \$(28,598) for FY 1999.

Management Information

The Management Information fund was established to account for the information technology services provided by the City to its internal customers as well as to external agencies. The net income for FY 2000 was \$66,845 compared to a net income of \$290,107 in FY 1999.

Custodial Services

The Custodial Services fund was established to account for the custodial services provided to the City's departments. Net income for FY 2000 was \$7,192 compared to a net income of \$1,591 in FY 1999.

Building Services

The Building Services fund was established to account for the activities of the facilities maintenance operations. Net income for FY 2000 was \$37,456 compared to a net income of \$54,787 in FY 1999.

Switchboard Operations

The Switchboard Operations fund was established to account for telecommunication services. The net income for FY 2000 was \$15,265 compared to a net loss of \$(21) in FY 1999.

Communications

The Communications fund was established to account for communications services for the public safety departments including emergency call response. For FY 2000, the net income was \$1,074 compared to a net loss of \$(74,995) for FY 1999.

Environmental Compliance

The Environmental Compliance fund was established to account for activities that ensure compliance with environmental rules and regulations. The net loss for FY 2000 was \$(124,458) compared to net income of \$14,742 in FY 1999.

Honorable Mayor, City Council,
and Citizens of the City of Lubbock, Texas
January 25, 2001

Risk Management

The Self-Insurance Risk Management fund is used to account for the City's self-insurance in the areas of general liability, auto liability, public official's liability and worker's compensation liability. Net income for FY 2000 was \$1,031,489 compared to net income of \$276,826 in FY 1999. The reserve for outstanding claims liability at FY 2000 is \$3.73 million leaving a fund balance available for claims of \$6.45 million.

Health Insurance

The Self-Insurance Health fund is used to account for the activities related to the City's self-insured health program. The fund experienced net income of \$675,364 for FY 2000 compared to a net income of \$1,477,125 in FY 1999. An amount of \$3.44 million is reserved for claims that have been incurred but not paid at September 30, 2000 leaving a fund balance available for claims of \$3.2 million.

Investment Pool

The Investment Pool (Pool) was established in FY 2000 for the purpose of centralizing the activities relative to the City's investment portfolio. All investment income is reported initially in the Pool and net revenue is then distributed to other funds of the City based on their relative cash balances. Net income of the Pool was \$12 for FY 2000.

Legislative Fund

This is a new fund established in FY 2000 to house the operating costs associated with the legislative support for the City. Funding comes from the General Fund and certain Enterprise Funds. The Legislative Fund reflected a net income of \$7,869 for the year.

FIDUCIARY FUNDS

These funds are used to account for assets held by the City as a trustee or agent for individuals, organizations, other governmental entities, or other funds of the City. Expendable trust funds allow both principal and interest to be spent on specified purposes and accounting for the City's deferred compensation plans. The City's expendable trust funds are primarily mechanisms for receiving and distributing grant proceeds for specific purposes. Grant funds include the Community Development fund, Community Services fund, Health fund, Library fund, Police fund, and other Grants fund.

Agency funds are created when the City becomes a custodian of, and responsible for, distributing assets to their real owners. The agency fund for the City of Lubbock is the Living Memorial fund, which is composed of funds that the City holds in trust for individuals and organizations within the City that are designated for specific purposes.

DEBT

General Obligation Debt Administration

The ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the City's debt position to municipal management, citizens, and investors. The data for the City at the end of the 2000 fiscal year was as follows:

	<u>Amount (millions)</u>	<u>Assessed Valuation (100% of Present Market)</u>	<u>Debt Per Capita</u>
Net Direct Bonded Debt	\$47.12	.76%	\$236.26

Outstanding general obligation bonds at September 30, 2000, including discounts on bonds sold, totaled \$176.8 million. Of this amount, \$128.5 million was outstanding for waterworks, sewer system, and solid waste improvements which are considered to be self-supporting operations. The remainder of \$47.1 million, which is net of \$1.26 million in funds available for debt service, is considered to be net direct tax supported debt. The statistical section of this report presents more detailed information about the debt position of the City.

The following tabulation presents the last nine issues of general obligation bonds, certificates of obligation, and contractual obligations:

<u>Date of Issue</u>	<u>Amount in millions</u>	<u>Average Life in Years</u>	<u>Effective Interest Rate</u>	<u>Interest Cost per Borrowed Dollar</u>
12-15-95	\$6.505	10.7	5.07%	\$ 0.541
01-01-98	1.330	10.7	4.61	0.501
01-01-98	10.260	6.0	4.71	0.278
01-28-99	20.835	10.2	4.41	0.447
01-01-99	15.355	10.4	4.58	0.484
04-01-99	12.300	10.3	4.71	0.492
04-01-99	6.100	10.3	4.77	0.494
09-15-99	24.800	12.6	5.37	0.676
03-15-00	7.000	12.7	5.54	0.702

The City's bond ratings were confirmed in September 2000 as follows:

	<u>Moody's</u>	<u>Fitch, IBCA</u>	<u>Standard & Poor's</u>
General Obligation Bonds	AA2	AA+	AA

CASH MANAGEMENT

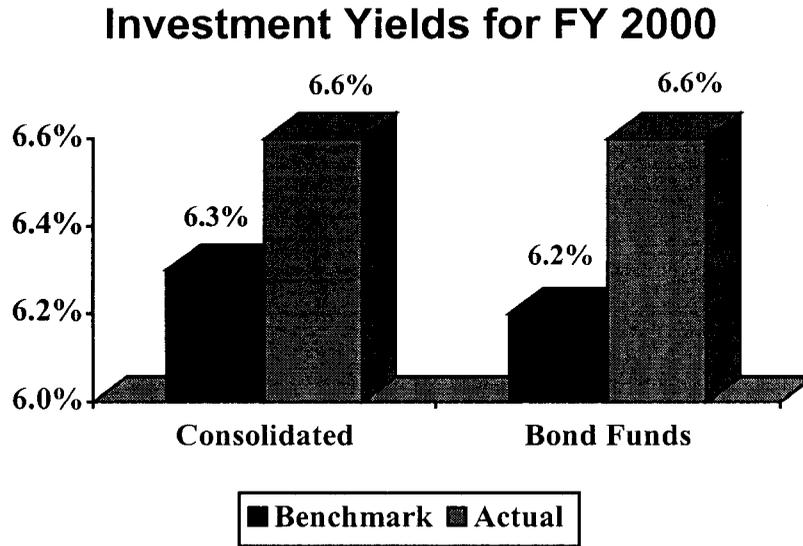
Cash balances of all operating City funds and capital project funds are pooled and invested in accordance with state law and an investment policy approved by City Council. Investments are made in Treasury securities, agencies and instrumentalities, commercial paper, certificates of deposit and managed investment pools.

Bond sale proceeds in capital project funds, are also invested and accounted for separately as interest on bond proceeds is restricted to either payment of debt service or capital expenditures that meet the criteria for the purpose for which the bonds were sold.

Honorable Mayor, City Council,
and Citizens of the City of Lubbock, Texas
January 25, 2001

The average yield on all operating fund investments during the year was 6.1% and the amount of interest earned was \$7.34 million. The average yield on all investments bond sale proceeds investments during the year was 6% and the amount of interest earned was \$3.96 million. The City's investment philosophy mandates investing the City's operating cash to ensure its safety, provide for necessary liquidity and achieve the highest possible yield commensurate with these goals. The City's investment strategies include using cash flow analysis to purchase securities which can be held to maturity. This practice lessens the impacts which rising interest rates have on the portfolio's valuation changes. The City's depository agreement allows all available funds to earn interest credits in an overnight account.

Benchmark yields are set each budget year and are typically tied to U.S. Treasuries with a maturity that is closest to the weighted average maturity of each respective investment fund.



RISK MANAGEMENT

The City of Lubbock's Risk Management Program is comprised of three segments: regular insurance, self-insurance, and loss prevention program. The City is self-insured for General Comprehensive Liability, Public Officials Liability, Worker's Compensation, and Employee Health Insurance. The City continues to insure for Fire and Extended Coverage. The airport is insured for General Liability and Public Officials Liability. The City of Lubbock has an aggressive Loss Prevention Program that is coordinated by the Safety Coordinator. The program is based on placing responsibility at the department head level and is monitored by surprise audits from the Safety Specialist or Safety Coordinator. A full-time Safety Coordinator and Safety Specialist are employed for the purpose of training, coordinating, and evaluating loss prevention programs.

Honorable Mayor, City Council,
and Citizens of the City of Lubbock, Texas
January 25, 2001

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lubbock for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 1999. This was the sixteenth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the staff support in the Finance Division, Budget & Research Department, and the Information Technology Department. Exceptional effort was invested by the Accounting Department which made the timeliness of the report possible and increased the overall quality of the report. We would like to express our appreciation to all members of these departments who assisted with and contributed to this preparation. We would also like to thank the City Manager, Mayor and Members of the City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

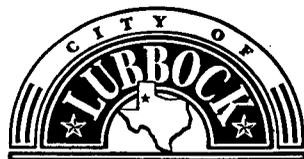
Sincerely,



Quincy White
Assistant City Manager-
Administrative Services



Perry Stout, CPA
Chief Accountant
Interim Managing Director
of Financial Services



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Lubbock,
Texas

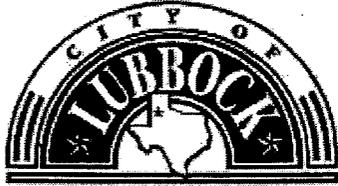
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 1999

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Anne Spray Kinney
President

Jeffrey L. Esser
Executive Director



Unless otherwise noted, all telephone prefixes are 775

City of Lubbock Organizational Chart

CITIZENS

CITY COUNCIL

MAYOR: **WINDY SITTON** 2009
 DISTRICT 1: **VICTOR HERNANDEZ** 2027
 DISTRICT 2: **T.J. PATTERSON** 2007
 DISTRICT 3: **DAVID NELSON** 2011
 DISTRICT 4: **FRANK MORRISON** 2008
 DISTRICT 5: **MARC MCDUGAL** 2023
 DISTRICT 6: **ALEX "TY" COOKE** 2031

CITIZEN BOARDS
AND COMMISSIONS

MUNICIPAL COURT
ROBERT DOTY
2462

COURT ADMIN.
TOM TROMBLEY
2460

ASSISTANT TO CITY MANAGER
RON LEWIS 3373

AUDIT
HERMAN BOATMAN 2230

ENVIRONMENTAL COMPLIANCE
DAN DENNISON 2880

CITY MANAGER
BOB CASS
2001
DEPUTY CITY MANAGER
DEBRA B. FORTE'
2015

CITY ATTORNEY
ANITA BURGESS
2211

1st ASST. ATTY.
DON VANDIVER
2212

CITY SECRETARY
KAYTHIE DARNELL
2025

BUDGET & RESEARCH
2984

ASSISTANT CITY MANAGER
ADMINISTRATIVE SERVICES
QUINCY WHITE 3089

FINANCE
PERRY STOUT*
2180

ACCOUNTING/
PAYROLL
PERRY STOUT, CPA
2160

INVESTMENTS/DEBT
ANDY BURCHAM
2149

MATERIALS MGT.
VICTOR KILMAN
2165

HUMAN RESOURCES
MARY ANDREWS
2315

ASST. DIRECTOR
SCOTT SNIDER
2312

BENEFITS
LOU MOORE 2317

COMPENSATION
STEVE SYNCK 2313

ORGANIZATIONAL
DEVELOPMENT
SANDY
FORTENBERRY
2316

RECRUITING
ANTHONY JONES
2281

RISK MGT. / SAFETY
LEISA HUTCHESON
2277

INFO TECHNOLOGY
**SHARLETT
CHOWNING** 2399

ASST. DIRECTOR
MARK YEARWOOD
2756

RADIO SHOP
JACK MORRISON
2326

TELECOMMUNICA-
TIONS
LESLIE COX
2376

MGT. SERVICES
**MARTHA
ELLERBROOK** 2002

CULTURAL ARTS
CONNIE GIBBONS
767-3119

FACILITIES
MANAGEMENT
GARY SMITH
3078

FLEET SERVICES
RANDY ERVIN
2175

COMMUN / LEGIS
TONY PRIVETT
2280

CORPORATE COMM.
BOB GOODWIN 2006

COUNCIL ADMIN.
HAROLD DOMINGUEZ*
2018

PUBLIC INFORMATION
SANDY GLASS 3268

YOUTH SERVICES
SCOOP HOOPER 2093

ELECTRIC UTILITIES
PAUL THOMPSON
2500

ADMIN/SALES
DERRELL OLIVER
2502

BILLING AND
COLLECTION
RICK SMITH
2503

DISTRIBUTION
GARY ZHENG 2551

PRODUCTION
JAY WADSWORTH
3535
GARY DAVIS 3536

FIRE
STEVE HAILY
2630

EQUIPMENT
MAINTENANCE
MIKE HENRICKS
2637

OPERATIONS
RHEA COOPER
2633

PREVENTION
MIKE KEMP 2646

SUPPORT SERVICES
TIM DUNCAN 2631

TRAINING
LEWIS TREADWELL
2648

POLICE
KEN WALKER
2750

ADMINISTRATION
DALE HOLTON 2751

INVESTIGATIONS
CLAUDE JONES 2749

PATROL
RANDY MCGUIRE
2759

COMMUNICATION CENTER
CLAUDIA FOX 2991

ASSISTANT CITY MANAGER
DEVELOPMENT SERVICES
RICHARD BURDINE 2014

STRATEGIC PLAN.
JIM BERTRAM
2013

BUILDING INSPECTION
JOHN PIERCE 2080

COMP. PLANNING
RANDY HENSON 2103

EMERGENCY MGT.
KEN OLSON 3052

AVIATION
MARK EARLE 3126

BUSINESS LIAISON
KEVIN WALKER 2980

CONTRACT ADMIN.
W. de HAAS 3219

STREETS
DON JENNINGS 2600

STREET DRAINAGE
LARRY HERTEL 2329

TRAFFIC
JERE HART 2130

WATER UTILITIES
TERRY ELLERBROOK
2585

ENG/PIPELINE MAINT.
CHES CARTHEL 2344

ENVIRON. PROGRAMS
S. STEPHENS 2989

LAKE ALAN HENRY
DIANE LOCKMANE 2602

LAND APPLICATION
JOHN HINDMAN
787-3157

RECLAMATION
SCOTT CONNERY 3227

SOLID WASTE
VANCE KEMLER 2485

TREATMENT
BRUCE BLALACK 2613

WWATER COLLECT/
CUSTOMER SERVICE
ROBERT ROBINSON
2604

ASSISTANT CITY MANAGER
COMMUNITY SERVICES
TOMMY GONZALEZ 2016

ANIMAL SERVICES
NANCY HICKMAN
2055

COMMUNITY DEV.
NANCY HANEY 2300

ENVIRONMENTAL INS.
ROB ALLISON 2110

HEALTH DEPARTMENT
TOMMY CAMDEN
2899

CIVIC CENTERS
VICKI KEY 2236

LIBRARY SERVICES
JEFF RIPPEL 2822

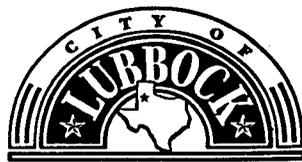
PARKS/REC
RANDY TRUESDELL
2689

XXVIII

REVISED: 12/18/2000

*Denotes Interim appointment

Financial Section



Robinson
Burdette
Martin
Seright &
Burrows, L.L.P.

a professional services firm of
certified public accountants

1500 Broadway
Suite 1300
Lubbock, Texas 79401-3107

telephone (806) 744-3333
fax (806) 747-2106
www.rbmsb.com

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor Windy Sitton
Members of City Council
City of Lubbock, Texas

We have audited the accompanying general-purpose financial statements of the City of Lubbock, Texas, as of and for the year ended September 30, 2000, as listed in the Table of Contents. These general-purpose financial statements are the responsibility of the management of the City of Lubbock, Texas. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Lubbock, Texas, as of September 30, 2000, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 12, 2001, on our consideration of the City of Lubbock, Texas internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the Table of Contents are presented for purposes of additional analysis, and are not a required part of the general purpose financial statements of the City of Lubbock, Texas. Such information has been subjected to the auditing procedures applied in the material respects, in relation to the general purpose financial statements taken as a whole. The information listed as Statistical Section and Supplementary Section in the Table of Contents has not been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, accordingly, we express no opinion on such data.

Robinson Burdette Martin
Seright & Burrows, L.L.P.

January 12, 2001
Lubbock, Texas

General Purpose Financial Statements

CITY OF LUBBOCK, TEXAS

COMBINED BALANCE SHEET - PRIMARY GOVERNMENT FUND TYPES, ACCOUNT GROUPS
AND DISCRETELY PRESENTED COMPONENT UNITS

September 30, 2000
With Comparative Totals for September 30, 1999

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals Primary Government (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-term Debt	2000
Assets										
Pooled cash and cash equivalents	\$ 514,428	\$ 997,599	\$ 157,969	\$ 4,555,282	\$ 2,390,507	\$ 290,558	\$ 220,462	\$ -	\$ -	\$ 9,126,805
Investments	3,442,714	6,676,230	1,057,182	30,485,355	15,065,355	1,044,501	15,546,936	-	-	75,118,173
Receivables (net, where applicable, of allowance for uncollectibles):										
Taxes, including interest, penalties, and liens	5,216,116	24,205	213,437	-	-	-	-	-	-	5,453,758
Accounts, notes, and mortgages	388,750	-	-	-	17,661,603	2,647	5,945,239	-	-	23,998,239
Interest	138,820	13,038	-	124,547	64,244	146,913	-	-	-	487,582
Due from other funds	9,045,859	-	-	-	-	-	-	-	-	9,045,859
Due from other governments	153,701	-	-	-	31,577	-	1,593,166	-	-	1,778,444
Due from other agencies	396,070	770,520	-	145,203	-	91,552	-	-	-	1,403,345
Prepaid items	79,281	-	-	-	-	-	-	-	-	79,281
Advances to other funds	1,781,800	-	-	-	2,142,414	-	-	-	-	3,924,214
Inventory, at average cost	45,397	-	-	-	377,365	1,974,125	-	-	-	2,396,887
Restricted assets:										
Pooled cash and cash equivalents	-	-	-	-	36,266,069	2,988,461	-	-	-	39,254,530
Investments	-	-	-	-	51,017,748	17,212,607	-	-	-	68,230,355
Accounts receivable	-	-	-	-	4,071	125,797	-	-	-	129,868
Interest receivable	-	-	-	-	420,888	-	-	-	-	420,888
Deferred charges	-	-	-	-	11,717,554	-	-	-	-	11,717,554
Fixed assets (net of accumulated depreciation)	-	-	-	-	483,740,056	7,941,616	279,355	261,784,379	-	753,745,406
Other assets (net of accumulated amortization)	-	-	-	-	20,517,773	-	-	-	-	20,517,773
Amount available in debt service funds	-	-	-	-	-	-	-	-	1,260,450	1,260,450
Amount to be provided for retirement of general long-term debt	-	-	-	-	-	-	-	-	58,501,212	58,501,212
Total assets	\$ 21,202,936	\$ 8,481,592	\$ 1,428,588	\$ 35,310,387	\$ 642,317,224	\$ 32,718,777	\$ 23,585,058	\$ 261,784,379	\$ 59,761,662	\$ 1,086,590,603

See accompanying notes to financial statements

CITY OF LUBBOCK, TEXAS

COMBINED BALANCE SHEET - PRIMARY GOVERNMENT FUND TYPES, ACCOUNT GROUPS
AND DISCRETELY PRESENTED COMPONENT UNITS

September 30, 2000
With Comparative Totals for September 30, 1999

					Component Units		Totals Component Units	Totals		
					Account Groups			2000	Reporting Entity	
	Governmental	Proprietary	Fiduciary	General	General	2000			1999	
	Fund Types	Fund Types	Fund Type	Fixed Assets	Long-term Debt				2000	2000
Market Lubbock, Inc.	Citibus	Civic Lubbock Inc.	Market Lubbock, Inc.	Market Lubbock, Inc.	Market Lubbock, Inc.					
Assets										
Pooled cash and cash equivalents	\$ 496,113	\$ 358,359	\$ 389,712	\$ 28,284	\$ -	\$ -	\$ 1,272,468	\$ 10,399,273	\$ 9,439,460	
Investments	1,262,056						1,262,056	79,370,229	75,192,633	
Receivables (net, where applicable, of allowance for uncollectibles):										
Taxes, including interest, penalties, and liens	-	-	-	-	-	-	-	5,453,758	4,926,245	
Accounts, notes, and mortgages	23,699	1,436,372	43,879	-	-	-	1,503,950	25,502,189	20,063,509	
Interest	-	-	-	-	-	-	-	487,502	580,397	
Due from other funds	60,000	-	-	100,259	-	-	160,259	9,206,118	13,558,497	
Due from other governments	-	-	-	-	-	-	-	1,778,444	1,645,356	
Due from other agencies	-	-	-	-	-	-	-	1,403,345	2,172,502	
Prepaid items	-	-	-	-	-	-	-	79,281	255,303	
Advances to other funds	-	-	-	-	-	-	-	3,924,214	5,174,377	
Inventory, at average cost	31,801	315,820	71,902	-	-	-	419,523	2,816,410	2,727,870	
Restricted assets:										
Pooled cash and cash equivalents	-	-	118,615	-	-	-	118,615	39,373,145	41,551,458	
Investments	-	-	-	-	-	-	-	68,230,355	70,603,181	
Accounts receivable	-	-	-	-	-	-	-	129,868	719,782	
Interest receivable	-	-	-	-	-	-	-	420,888	460,544	
Deferred charges	-	-	-	-	-	-	-	11,717,554	9,229,205	
Fixed assets (net of accumulated depreciation)	-	14,524,313	47,283	-	520,542	-	15,092,138	768,837,544	732,533,789	
Other assets (net of accumulated amortization)	-	-	382,483	-	-	-	382,483	20,900,256	21,336,824	
Amount available in debt service funds	-	-	-	-	-	-	-	1,260,450	1,151,270	
Amount to be provided for retirement of general long-term debt	-	-	-	-	-	3,562,668	3,562,668	62,063,880	57,944,662	
Total assets	\$ 4,863,669	\$ 16,634,864	\$ 1,053,874	\$ 128,543	\$ 520,542	\$ 3,562,668	\$ 26,764,160	\$ 1,113,354,763	\$ 1,071,272,864	

See accompanying notes to financial statements

CITY OF LUBBOCK, TEXAS

COMBINED BALANCE SHEET - PRIMARY GOVERNMENT FUND TYPES, ACCOUNT GROUPS
AND DISCRETELY PRESENTED COMPONENT UNITS

September 30, 2000
With Comparative Totals for September 30, 1999

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals Primary Government (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-term Debt	2000
Liabilities										
Accounts and vouchers payable	\$ 2,786,942	\$ 142,183	\$ 5,608	\$ 440,505	\$ 13,676,299	\$ 1,131,114	\$ 2,419,171	\$ -	\$ -	\$ 20,601,822
Contracts payable	-	-	-	1,812,803	1,694,461	-	-	-	-	3,507,324
Due to other funds	-	650,000	-	-	6,637,046	331,475	1,427,338	-	-	9,045,859
Due to other agencies and governments	1,174,497	-	-	-	-	-	-	-	-	1,174,497
Accrued general obligation interest	-	-	-	-	1,303,592	-	-	-	-	1,303,592
Other accrued liabilities	222,331	16,993	-	-	451,746	89,426	65,190	-	301,269	1,146,955
Current portion of general obligation bonds and construction obligation payable	-	-	-	-	8,659,609	-	-	-	-	8,659,609
Payable from restricted assets:										
Accounts payable	-	-	-	-	1,810,515	492,580	-	-	-	2,303,095
Accrued interest	-	-	-	-	736,309	-	-	-	-	736,309
Other accrued liabilities	-	-	-	-	-	4,892	-	-	-	4,892
Accrued insurance claims	-	-	-	-	-	4,372,861	-	-	-	4,372,861
Revenue bonds payable (current portion)	-	-	-	-	3,599,316	-	-	-	-	3,599,316
Customer deposits	-	-	-	-	433,832	-	-	-	-	433,832
Deferred revenue	398,514	-	162,530	-	28,160	-	1,663,039	-	-	2,252,243
Advances from other funds	-	-	-	2,916,239	50,000	957,975	-	-	-	3,924,214
Advances from other agencies	-	-	-	-	-	-	-	-	-	-
Accrued insurance claims	-	-	-	-	-	2,803,358	-	-	-	2,803,358
General obligation bonds (net of current portion)	-	-	-	-	126,868,492	-	-	-	48,380,346	175,248,838
Revenue bonds payable (net of current portion)	-	-	-	-	73,847,298	-	-	-	-	73,847,298
Accrued vacation and sick leave	-	-	-	-	3,230,736	500,168	-	-	11,080,047	14,810,951
Anticipated landfill closure and postclosure	-	-	-	-	5,918,343	-	-	-	-	5,918,343
Total liabilities	\$ 4,582,284	\$ 809,176	\$ 168,138	\$ 5,169,607	\$ 248,945,754	\$ 10,683,849	\$ 5,574,738	\$ -	\$ 59,761,662	\$ 335,695,208

See accompanying notes to financial statements

CITY OF LUBBOCK, TEXAS

COMBINED BALANCE SHEET - PRIMARY GOVERNMENT FUND TYPES, ACCOUNT GROUPS
AND DISCRETELY PRESENTED COMPONENT UNITS

September 30, 2000
With Comparative Totals for September 30, 1999

					Component Units		Totals Component Units 2000	Totals	
					Account Groups			Reporting Entity	
	Governmental	Proprietary	Fiduciary		General	General		Reporting Entity	
	Fund Types	Fund Types	Fund Type		Fixed Assets	Long-term Debt		(Memorandum Only)	
Market	Civic	Market		Market	Market	2000	2000	1999	
Lubbock, Inc.	Citibus Inc.	Lubbock Inc.	Lubbock, Inc.	Lubbock, Inc.	Lubbock, Inc.				
Liabilities									
Accounts and vouchers payable	\$ 377,593	\$ 1,567,763	\$ 40,074	\$ 31,469	\$ -	\$ -	\$ 2,016,899	\$ 22,618,721	\$ 16,716,881
Contracts payable	-	-	-	-	-	-	-	3,507,324	2,752,610
Due to other funds	160,259	-	-	-	-	-	160,259	9,206,118	13,558,497
Due to other agencies and governments	-	-	184,800	97,074	-	-	281,874	1,456,371	1,453,721
Accrued general obligation interest	-	-	-	-	-	-	-	1,303,592	1,072,548
Other accrued liabilities	2,754,469	314,357	17,955	-	-	-	3,086,781	4,233,736	4,123,559
Current portion of general obligation bonds and construction obligation payable	-	-	90,764	-	-	-	90,764	8,750,373	8,686,310
Payable from restricted assets:									
Accounts payable	-	-	-	-	-	-	-	2,303,095	1,857,806
Accrued interest	-	-	-	-	-	-	-	736,309	804,205
Other accrued liabilities	-	158,431	-	-	-	3,562,668	3,721,099	3,725,991	6,778
Accrued insurance claims	-	-	-	-	-	-	-	4,372,861	3,754,250
Revenue bonds payable (current portion)	-	-	-	-	-	-	-	3,599,316	3,038,341
Customer deposits	-	-	-	-	-	-	-	433,832	330,649
Deferred revenue	23,256	-	12,815	-	-	-	36,071	2,288,314	2,746,330
Advances from other funds	-	-	-	-	-	-	-	3,924,214	5,174,377
Advances from other agencies	-	70,000	-	-	-	-	70,000	70,000	70,000
Accrued insurance claims	-	-	-	-	-	-	-	2,803,358	2,803,358
General obligation bonds (net of current portion)	-	-	7,474	-	-	-	7,474	175,256,312	157,419,339
Revenue bonds payable (net of current portion)	-	-	-	-	-	-	-	73,847,298	78,578,552
Accrued vacation and sick leave	-	-	-	-	-	-	-	14,810,951	14,643,673
Anticipated landfill closure and postclosure	-	-	-	-	-	-	-	5,918,343	6,326,385
Total liabilities	\$ 3,315,577	\$ 2,110,551	\$ 353,882	\$ 128,543	\$ -	\$ 3,562,668	\$ 9,471,221	\$ 345,166,429	\$ 325,918,169

See accompanying notes to financial statements

CITY OF LUBBOCK, TEXAS

COMBINED BALANCE SHEET - PRIMARY GOVERNMENT FUND TYPES, ACCOUNT GROUPS
AND DISCRETELY PRESENTED COMPONENT UNITS

September 30, 2000
With Comparative Totals for September 30, 1999

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals Primary Government (Memorandum Only) 2000
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-term Debt	
Fund Equity and Other Credits										
Contributed capital	\$ -	\$ -	\$ -	\$ -	\$ 132,984,984	\$ 6,846,827	\$ -	\$ -	\$ -	\$ 139,831,811
Investment in general fixed assets	-	-	-	-	-	-	-	261,784,379	-	261,784,379
Retained earnings:										
Reserved for capital projects	-	-	-	-	53,937,015	2,974,336	-	-	-	56,911,351
Reserved for facilities/system improvements	-	-	-	-	9,434,170	13,138	-	-	-	9,447,308
Reserved for system improvements	-	-	-	-	720,771	-	-	-	-	720,771
Reserved for rate stabilization	-	-	-	-	13,073,972	-	-	-	-	13,073,972
Reserved for economic development	-	-	-	-	35,550	-	-	-	-	35,550
Reserved per bond indentures	-	-	-	-	302,444	-	-	-	-	302,444
Reserved for self insurance - health	-	-	-	-	-	3,204,358	-	-	-	3,204,358
Reserved for self insurance - risk management	-	-	-	-	-	9,264,699	-	-	-	9,264,699
Reserved for radio capital project	-	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	182,882,564	(268,430)	-	-	-	182,614,134
Fund balances:										
Reserved for prepaid items	79,281	-	-	-	-	-	-	-	-	79,281
Reserved for advances to other funds	1,781,800	-	-	-	-	-	-	-	-	1,781,800
Reserved for debt service	-	-	1,260,450	-	-	-	-	-	-	1,260,450
Reserved for capital projects	-	-	-	30,140,780	-	-	-	-	-	30,140,780
Reserved for Federal housing programs	-	-	-	-	-	-	6,208,235	-	-	6,208,235
Reserved for plan participants	-	-	-	-	-	-	14,084,187	-	-	14,084,187
Unreserved:										
Designated for perpetual care	22,767	-	-	-	-	-	-	-	-	22,767
Designated for subsequent year's expenditures	973,248	227,383	-	-	-	-	-	-	-	1,200,631
Undesignated	13,763,556	7,445,033	-	-	-	-	(2,282,102)	-	-	18,926,487
Total retained earnings/fund balances	<u>16,620,652</u>	<u>7,672,416</u>	<u>1,260,450</u>	<u>30,140,780</u>	<u>260,386,486</u>	<u>15,188,101</u>	<u>18,010,320</u>	<u>-</u>	<u>-</u>	<u>349,279,205</u>
Total fund equity and other credits	<u>16,620,652</u>	<u>7,672,416</u>	<u>1,260,450</u>	<u>30,140,780</u>	<u>393,371,470</u>	<u>22,034,928</u>	<u>18,010,320</u>	<u>261,784,379</u>	<u>-</u>	<u>750,895,395</u>
Total liabilities and fund equity and other credits	<u>\$ 21,202,936</u>	<u>\$ 8,481,592</u>	<u>\$ 1,428,588</u>	<u>\$ 35,310,307</u>	<u>\$ 642,317,224</u>	<u>\$ 32,718,777</u>	<u>\$ 23,585,058</u>	<u>\$ 261,784,379</u>	<u>\$ 59,701,062</u>	<u>\$ 1,006,590,603</u>

See accompanying notes to financial statements

CITY OF LUBBOCK, TEXAS

COMBINED BALANCE SHEET - PRIMARY GOVERNMENT FUND TYPES, ACCOUNT GROUPS
AND DISCRETELY PRESENTED COMPONENT UNITS

September 30, 2000
With Comparative Totals for September 30, 1999

	Governmental Fund Types			Proprietary Fund Types		Fiduciary Fund Type	Component Units Account Groups		Totals Component Units	Totals Reporting Entity (Memorandum Only)	
	Market		Civic		Market	General Fixed Assets	General Long-term Debt		2000	2000	1999
	Lubbock, Inc.		Lubbock Inc.		Lubbock, Inc.	Market	Market				
		Citibus				Lubbock, Inc.	Lubbock, Inc.				
Fund Equity and Other Credits											
Contributed capital	\$ -	\$ 14,524,313	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,524,313	\$ 154,356,124	\$ 148,325,473	
Investment in general fixed assets	-	-	-	-	-	520,542	-	520,542	262,304,921	253,256,904	
Retained earnings:											
Reserved for capital projects	-	-	118,615	-	-	-	-	118,615	57,029,966	48,492,484	
Reserved for facilities/system improvements	-	-	-	-	-	-	-	-	9,447,308	24,081,382	
Reserved for system improvements	-	-	-	-	-	-	-	-	720,771	1,037,136	
Reserved for rate stabilization	-	-	-	-	-	-	-	-	13,073,972	14,562,567	
Reserved for economic development	-	-	-	-	-	-	-	-	35,550	380,750	
Reserved per bond indentures	-	-	-	-	-	-	-	-	302,444	3,488,617	
Reserved for self insurance - health	-	-	-	-	-	-	-	-	3,204,358	2,524,966	
Reserved for self insurance - risk management	-	-	-	-	-	-	-	-	9,264,699	5,413,783	
Designated for radio capital project	-	-	-	-	-	-	-	-	-	821,582	
Unreserved	-	-	581,377	-	-	-	-	581,377	183,195,511	170,552,055	
Fund balances:											
Reserved for prepaid items	-	-	-	-	-	-	-	-	79,281	136,629	
Reserved for advances to other funds	-	-	-	-	-	-	-	-	1,781,800	1,963,439	
Reserved for debt service	-	-	-	-	-	-	-	-	1,200,450	1,151,270	
Reserved for capital projects	-	-	-	-	-	-	-	-	30,140,780	29,509,469	
Reserved for Federal housing program	-	-	-	-	-	-	-	-	6,208,235	5,449,766	
Reserved for plan participants	-	-	-	-	-	-	-	-	14,064,187	11,030,107	
Unreserved:											
Designated for perpetual care	-	-	-	-	-	-	-	-	22,767	22,767	
Designated for subsequent year's expenditures	1,548,092	-	-	-	-	-	-	1,548,092	2,748,723	6,552,670	
Undesignated	-	-	-	-	-	-	-	-	18,926,487	16,000,799	
Total retained earnings/fund balance	1,548,092	-	699,992	-	-	-	-	2,248,084	351,527,289	343,772,318	
Total fund equity and other credits	1,548,092	14,524,313	699,992	-	-	520,542	-	17,292,939	768,188,334	745,354,695	
Total liabilities and fund equity and other credits	\$ 4,863,669	\$ 16,634,864	\$ 1,053,874	\$ 128,543	\$ 520,542	\$ 3,562,668	\$ 26,764,160	\$ 1,113,354,763	\$ 1,071,272,864		

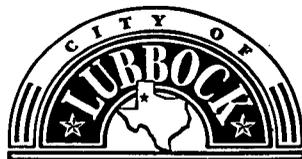
See accompanying notes to financial statements

CITY OF LUBBOCK, TEXAS

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES -- PRIMARY GOVERNMENT FUND TYPES, EXPENDABLE TRUST FUNDS
AND DISCRETELY PRESENTED COMPONENT UNITS

For Year Ended September 30, 2000
With Comparative Totals for Year Ended September 30, 1999

	Governmental Fund Types				Fiduciary Fund Type	Totals Primary Government (Memorandum Only)	Component Unit	Totals Reporting Entity	
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	2000	Market Lubbock, Inc.	2000	1999
Revenues:									
Taxes and special assessments	\$ 61,080,313	\$ 4,677,866	\$ 1,511,688	\$ -	\$ -	\$ 73,269,866	\$ 3,138,921	\$ 76,408,787	\$ 72,651,740
Licenses and permits	1,138,924	-	-	-	-	1,138,924	-	1,138,924	976,091
Intergovernmental	365,671	-	-	-	9,271,735	9,637,406	-	9,637,406	10,864,066
Charges for services	4,210,334	-	-	87,583	-	4,297,917	-	4,297,917	4,412,161
Fines and forfeits	2,834,208	-	-	-	-	2,834,208	-	2,834,208	3,336,340
Contributions	-	-	-	67,600	-	67,600	325,600	393,200	796,665
Miscellaneous	2,251,888	846,594	70,869	1,873,654	4,806,598	9,849,603	345,672	10,195,275	10,062,271
Total revenues	71,881,338	5,524,462	7,582,554	2,028,837	14,078,333	101,095,524	3,810,193	104,905,717	103,098,334
Expenditures:									
Current:									
Communications/Legislation	937,889	-	-	-	-	937,889	-	937,889	12,630,738
Community Services	16,963,231	-	-	-	-	16,963,231	-	16,963,231	1,759,509
Development Services	5,439,855	-	-	-	-	5,439,855	-	5,439,855	15,616,543
Electric	1,923,584	-	-	-	-	1,923,584	-	1,923,584	25,687,857
Financial Services	1,458,232	-	-	-	-	1,458,232	-	1,458,232	4,522,041
Fire	17,080,372	-	-	-	-	17,080,372	-	17,080,372	870,172
General Government	5,255,236	4,436,646	-	-	10,518,355	20,210,237	6,293,234	26,503,471	23,478,729
Human Resources	871,596	-	-	-	-	871,596	-	871,596	839,814
Management Services	1,022,720	-	-	-	-	1,022,720	-	1,022,720	396,216
Police	25,561,261	-	-	-	-	25,561,261	-	25,561,261	1,366,006
Strategic Planning	1,498,176	-	-	-	-	1,498,176	-	1,498,176	5,195,459
Non-departmental	606,842	-	-	741,881	-	1,348,723	-	1,348,723	1,419,711
Capital outlay	-	92,592	-	14,296,636	1,038,422	15,427,650	18,814	15,446,464	20,524,855
Debt service:									
Principal retirement	-	-	4,622,633	-	-	4,622,633	-	4,622,633	5,723,124
Interest and fiscal charges	-	-	3,116,151	24,935	-	3,141,086	-	3,141,086	3,040,461
Total expenditures	78,618,994	4,529,238	7,738,784	15,063,452	11,556,777	117,507,245	6,312,048	123,819,293	123,071,235
Excess (deficiency) of revenues over (under) expenditures	(6,737,656)	995,224	(156,230)	(13,034,615)	2,521,556	(16,411,721)	(2,501,855)	(18,913,576)	(19,972,901)
Other financing sources (uses):									
Proceeds of refunding bonds	-	-	-	7,000,000	-	7,000,000	-	7,000,000	963,584
Operating transfers in	13,636,764	4,477,055	16,245,165	7,157,634	1,532	41,518,150	-	41,518,150	41,936,702
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-	(966,270)
Operating transfers out	(7,526,481)	(2,769,384)	(15,979,755)	(491,708)	(1,532)	(26,768,860)	-	(26,768,860)	(27,947,698)
Total other financing sources (uses)	6,110,283	1,707,671	265,410	13,665,926	-	21,749,290	-	21,749,290	13,986,318
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	(627,373)	2,702,895	109,100	631,311	2,521,556	5,337,569	(2,501,855)	2,635,714	(5,966,589)
Fund balances at beginning of year	17,248,025	4,969,521	1,151,270	29,509,469	15,488,764	68,367,049	4,049,947	72,416,996	68,906,615
Residual equity transfer in (out)	-	-	-	-	-	-	-	-	(75,584)
Change in accounting principle (See Note III F.)	-	-	-	-	-	-	-	-	9,572,548
Fund balances at end of year	\$ 16,620,652	\$ 7,672,416	\$ 1,260,450	\$ 30,140,780	\$ 18,010,320	\$ 73,704,618	\$ 1,548,092	\$ 75,252,710	\$ 72,416,996



CITY OF LUBBOCK, TEXAS

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES -- BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND**

Year Ended September 30, 2000

	General Fund		Variance - favorable (unfavorable)
	Budget	Actual	
Revenues:			
Taxes and fees	\$ 59,892,286	\$ 61,080,313	\$ 1,188,027
Licenses and permits	1,123,982	1,138,924	14,942
Intergovernmental	390,821	365,671	(25,150)
Charges for services	4,371,442	4,210,334	(161,108)
Fines	3,130,300	2,834,208	(296,092)
Miscellaneous	2,306,088	2,251,888	(54,200)
Total revenues	71,214,919	71,881,338	666,419
Expenditures:			
Current:			
Communications/Legislation	973,998	937,889	36,109
Community Services	16,876,773	16,963,231	(86,458)
Development Services	5,576,366	5,439,855	136,511
Electric	1,788,334	1,923,584	(135,250)
Financial Services	1,450,139	1,458,232	(8,093)
Fire	16,844,163	17,080,372	(236,209)
General Government	5,094,807	5,255,236	(160,429)
Human Resources	831,470	871,596	(40,126)
Management Services	1,024,233	1,022,720	1,513
Police	25,575,192	25,561,261	13,931
Strategic Planning	1,519,142	1,498,176	20,966
Non-departmental	879,200	606,842	272,358
Total expenditures	78,433,817	78,618,994	(185,177)
Deficiency of revenues under expenditures	(7,218,898)	(6,737,656)	481,242
Other financing sources (uses):			
Operating transfers in	14,162,205	13,636,764	(525,441)
Operating transfers out	(7,615,059)	(7,526,481)	88,578
Total other financing sources (uses)	6,547,146	6,110,283	(436,863)
Excess (deficiency) of revenues and other financing sources (uses) over (under) expenditures	(671,752)	(627,373)	44,379
Fund balance at beginning of year	17,248,025	17,248,025	-
Fund balance at end of year	\$ 16,576,273	\$ 16,620,652	\$ 44,379

See accompanying notes to financial statements

CITY OF LUBBOCK, TEXAS

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN EQUITY
ALL PROPRIETARY FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNITS

Year Ended September 30, 2000

With Comparative Totals for Year Ended September 30, 1999

	Proprietary Fund Types		Totals Primary Government (Memorandum Only)	Component Units		Totals Component Units	Totals Reporting Entity (Memorandum Only)	
	Enterprise	Internal Service	2000	Proprietary Types		2000	2000	1999
				Civic Lubbock, Inc.	Citibus			
Operating revenues:								
Charges for services	\$ 135,018,266	\$ 33,880,956	\$ 168,899,222	\$ 1,403,300	\$ 2,022,626	\$ 3,425,926	\$ 172,325,146	\$ 157,143,089
New taps and reconnects	103,280	-	103,280	-	-	-	103,280	143,615
Effluent water sales	560,626	-	560,626	-	-	-	560,626	553,624
Commodity sales	720,499	-	720,499	-	-	-	720,499	490,254
Landing fees	740,882	-	740,882	-	-	-	740,882	725,300
Parking	1,168,628	-	1,168,628	-	-	-	1,168,628	1,385,740
Greenfees and memberships	40,262	-	40,262	-	-	-	40,262	49,638
Rentals	1,347,914	-	1,347,914	-	-	-	1,347,914	1,366,537
Concessions	1,065,423	-	1,065,423	-	-	-	1,065,423	908,880
Administrative charges	-	186,500	186,500	-	-	-	186,500	142,043
Total operating revenues	140,765,780	34,067,456	174,833,236	1,403,300	2,022,626	3,425,926	178,259,162	162,888,720
Operating expenses:								
Personal services	20,789,681	6,089,665	26,879,346	360,525	3,029,704	3,390,229	30,269,575	28,124,375
Insurance	-	13,727,204	13,727,204	-	458,253	458,253	14,185,457	13,547,151
Supplies	2,755,639	188,585	2,944,224	-	-	-	2,944,224	2,690,080
Materials	-	7,012,499	7,012,499	-	-	-	7,012,499	5,557,773
Maintenance	6,052,573	1,451,533	7,504,106	-	868,987	868,987	8,373,093	8,196,682
Uncollectible accounts	1,186,657	-	1,186,657	-	-	-	1,186,657	1,003,189
Purchase of fuel and power	49,299,758	-	49,299,758	-	-	-	49,299,758	35,310,419
Collection expense	2,210,385	-	2,210,385	-	-	-	2,210,385	1,785,459
Other services and charges	18,584,187	3,525,298	22,109,485	869,345	1,326,865	2,196,210	24,305,695	21,986,330
Depreciation and amortization	19,302,697	1,755,094	21,057,791	9,442	1,596,182	1,705,624	22,763,415	20,747,156
Total operating expenses	120,181,577	33,749,878	153,931,455	1,239,312	7,379,991	8,619,303	162,550,758	138,928,614
Operating income (loss)	20,584,203	317,578	20,901,781	163,988	(5,357,365)	(5,193,377)	15,708,404	23,960,106
Nonoperating revenues (expenses):								
Interest	6,742,188	1,411,535	8,153,723	16,779	-	16,779	8,170,502	6,697,078
Passenger facility charges	1,552,654	-	1,552,654	-	-	-	1,552,654	1,587,267
Disposition of properties	19,527	7,876	27,403	-	-	-	27,403	(386,840)
Miscellaneous	1,155,483	33,875	1,189,358	-	-	-	1,189,358	702,308
Interest and fiscal charges	(13,376,202)	-	(13,376,202)	(13,436)	(3,905)	(17,341)	(13,393,543)	(10,513,983)
Cash grants and reimbursements	-	-	-	-	3,665,088	3,665,088	3,665,088	3,198,776
Total nonoperating revenues (expenses)	(3,906,350)	1,452,290	(2,454,060)	3,343	3,661,103	3,664,626	1,211,462	1,274,606
Income (loss) before operating transfers	16,677,853	1,770,864	18,448,717	167,331	(1,696,182)	(1,528,851)	16,919,866	25,234,712
Transfers:								
Operating transfers in	10,510,205	730,094	11,240,299	-	-	-	17,240,029	13,609,059
Operating transfers out	(31,446,500)	(548,119)	(31,994,619)	-	-	-	(31,994,619)	(27,688,062)
Total transfers in (out)	(14,936,265)	186,975	(14,749,290)	-	-	-	(14,749,290)	(13,989,004)
Net income (loss)	1,741,588	1,957,839	3,699,427	167,331	(1,696,182)	(1,528,851)	2,170,576	11,245,708
Depreciation on fixed assets acquired by contributions	1,052,459	-	1,052,499	-	1,696,182	1,696,182	2,746,661	2,118,579
Retained earnings at beginning of year	257,592,399	13,230,262	270,822,661	532,661	-	532,661	271,355,322	257,991,035
Retained earnings at end of year	260,386,486	15,188,101	275,574,587	699,992	-	699,992	276,274,579	271,355,322
Contributed capital at beginning of year	131,735,154	4,190,033	135,925,187	-	12,400,286	12,400,286	148,325,473	147,919,276
Capital contributions/Residual equity transfer in	2,302,329	2,656,794	4,959,123	-	3,820,209	3,820,209	8,779,332	2,600,360
Depreciation on/disbursements of capital contributions	(1,052,499)	-	(1,052,499)	-	(1,696,182)	(1,696,182)	(2,748,681)	(2,194,163)
Contributed capital at end of year	132,984,984	6,846,827	139,831,811	-	14,524,313	14,524,313	154,356,124	148,325,473
Total equity at end of year	\$ 393,371,470	\$ 22,034,928	\$ 415,406,398	\$ 699,992	\$ 14,524,313	\$ 15,224,305	\$ 430,630,703	\$ 419,680,795

CITY OF LUBBOCK, TEXAS

COMBINED STATEMENT OF CASH FLOWS -

ALL PROPRIETARY FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNITS

Years Ended September 30, 2000

With Comparative Totals for Year Ended September 30, 1999

	Proprietary Fund Types		Totals Primary Government (Memorandum Only) 2000	Component Units		Totals Component Units 2000	Totals Reporting Entity (Memorandum Only)	
	Enterprise	Internal Service		Civic Lubbock, Inc.	Citibus		2000	1999
Cash flows from operating activities:								
Operating income (loss)	\$ 20,584,203	\$ 317,578	\$ 20,901,781	\$ 163,988	\$ (5,357,365)	\$ (5,193,377)	\$ 15,708,404	\$ 23,960,106
Adjustments to reconcile operating income (loss) to net cash from operating activities:								
Depreciation and amortization	19,302,697	1,755,094	21,057,791	9,442	1,696,181	1,705,623	22,763,414	20,747,157
Increase (decrease) in long-term assets/liabilities not requiring cash flow	1,724,626	574,955	2,299,581	103,790	-	103,790	2,403,371	666,794
Other income	1,175,010	24,366	1,199,376	-	-	-	1,199,376	297,127
Receipts from building rent	-	12,764	12,764	-	-	-	12,764	10,878
Change in current assets and liabilities:								
Accounts receivable	(3,844,331)	508,390	(3,335,941)	(28,403)	(63,831)	(92,234)	(3,428,175)	(4,090,447)
Inventory	108,522	(152,464)	(43,942)	(22,876)	9,253	(13,623)	(57,565)	(422,055)
Due to/from other governments	(3,416)	-	(3,416)	96,505	(617,194)	(520,689)	(524,105)	102,940
Prepaid expenses	-	-	-	(11,699)	118,673	106,974	106,974	(64,504)
Accounts payable	8,499,664	123,939	8,623,603	19,508	740,438	759,946	9,383,549	(24,030)
Due to/from others	-	(13,902)	(13,902)	-	-	-	(13,902)	2,401
Other accrued expenses	(229,724)	(67,640)	(297,364)	-	203,588	203,588	(93,776)	30,966
Customer deposits	103,183	-	103,183	-	-	-	103,183	(10,949)
Accrued liabilities	-	-	-	17,955	-	17,955	17,955	12,473
Deferred revenue	-	-	-	-	-	-	-	(263)
Long-term assets	-	-	-	(42,650)	-	(42,650)	(42,650)	(253,473)
Net cash provided by (used for) operating activities	47,420,434	3,083,080	50,503,514	305,560	(3,270,257)	(2,964,697)	47,538,817	40,965,091
Cash flows from capital and related financing activities:								
Payments for gas reserves and other deferred charges	(4,193,412)	-	(4,193,412)	-	-	-	(4,193,412)	(1,375,573)
Purchases of property, plant and equipment	(43,642,463)	(1,265,349)	(44,907,812)	(49,339)	-	(49,339)	(44,957,151)	(39,527,597)
Sale of property, plant and equipment	316,598	125,628	442,226	-	-	-	442,226	360,631
Receipts (payments) on leases	-	-	-	-	-	-	-	(577,139)
Principal paid on revenue bonds	(4,519,025)	-	(4,519,025)	-	-	-	(4,519,025)	(4,286,999)
Interest paid on revenue bonds	(5,229,781)	-	(5,229,781)	-	-	-	(5,229,781)	(5,785,019)
Principal paid on general obligation bonds and other debt	(8,469,729)	-	(8,469,729)	(82,861)	-	(82,861)	(8,552,590)	(39,262,396)
Interest paid on general obligation bonds	(7,983,273)	-	(7,983,273)	(13,436)	-	(13,436)	(7,996,709)	(4,613,778)
Issuance of revenue, G.O. and C.O. bonds	24,055,000	-	24,055,000	-	-	-	24,055,000	63,223,769
Refunds of pro-rata contracts	(71,052)	-	(71,052)	-	-	-	(71,052)	(70,673)
Deposits on pro-rata contracts	42,789	-	42,789	-	-	-	42,789	95,671
Passenger facility charges	1,552,654	-	1,552,654	-	-	-	1,552,654	1,587,267
Interest paid on long-term debt	-	-	-	-	(3,904)	(3,904)	(3,904)	(18,298)
Contributed capital	1,376,481	3,000,002	4,376,483	-	-	-	4,376,483	1,768,399
Net cash used for capital and related financing activities	(46,765,213)	1,860,281	(44,904,932)	(145,636)	(3,904)	(149,540)	(45,054,472)	(28,481,735)
Cash flows from noncapital and related financing activities:								
Operating transfers in from other funds	16,510,235	735,094	17,245,329	-	-	-	17,245,329	13,699,058
Operating transfers out to other funds	(31,446,300)	(548,119)	(31,994,419)	-	-	-	(31,994,419)	(27,896,082)
Short-term interfund borrowings	(3,600,054)	(1,460,325)	(5,060,379)	-	-	-	(5,060,379)	9,888,400
Advances from other funds	(424,374)	-	(424,374)	-	-	-	(424,374)	(1,485,850)
Payments received (made) on advances to (from) other funds	1,369,223	(857,901)	511,322	-	-	-	511,322	-
Cash grants and reimbursements	-	-	-	-	3,665,088	3,665,088	3,665,088	3,198,776
Book overdrafts	-	-	-	-	(32,568)	(32,568)	(32,568)	32,568
Net cash provided by (used for) noncapital and related financing activities	(17,591,470)	(2,131,251)	(19,722,721)	-	3,632,520	3,632,520	(16,090,201)	(2,355,110)
Cash flows from investing activities:								
Proceeds from sales and maturities of investments	71,006,832	16,064,474	87,071,306	-	-	-	87,071,306	54,260,739
Purchase of investments	(64,983,708)	(18,593,644)	(83,577,352)	-	-	-	(83,577,352)	(106,863,960)
Interest earnings on cash and investments	6,838,645	1,370,961	8,209,606	16,779	-	16,779	8,226,385	6,500,819
Net cash provided by (used for) investing activities	12,861,769	(1,158,209)	11,703,560	16,779	-	16,779	11,720,339	(46,102,402)
Net increase (decrease) in pooled cash and cash equivalents	(4,074,400)	1,000,901	(3,073,499)	176,703	358,359	535,062	(1,885,517)	(35,074,156)
Pooled cash and cash equivalents at beginning of year	42,731,056	1,625,118	44,356,174	331,624	-	331,624	44,687,798	80,661,954
Pooled cash and cash equivalents at end of year	\$ 38,656,576	\$ 3,279,019	\$ 41,935,595	\$ 508,327	\$ 358,359	\$ 866,686	\$ 42,802,281	\$ 44,687,798

Supplemental cash flow information:

Noncash capital improvements and other charges for the Enterprise Funds during fiscal year 1999-00 was \$1,724,546.

Noncash capital improvements and other charges for the Internal Service Funds during fiscal year 1999-00 was \$507,226

See accompanying notes to financial statements

CITY OF LUBBOCK
Notes to Financial Statements
September 30, 2000

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Notes to Financial Statements
September 30, 2000

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CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Lubbock, Lubbock County, Texas (City) have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applicable to governmental units. The Government Accounting Standards Board (GASB) is the acknowledged standard-setting body for establishing governmental accounting and financial reporting principles. With respect to proprietary activities, including component units, the City has adopted GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting." The City has elected to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) Opinions, issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. The more significant accounting policies are described below.

A. REPORTING ENTITY

In June, 1991, the GASB issued Statement No. 14, "The Financial Reporting Entity". In accordance with this statement, the City has presented those entities, which comprise the primary government along with its discretely presented Component Units in the fiscal year 2000 general-purpose financial statements.

The City is a municipal corporation governed by a Mayor-Council form of government. As required by GAAP, the general purpose financial statements present the reporting entity which consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the City's general purpose financial statements to be misleading or incomplete.

BLENDED COMPONENT UNITS

The following Component Unit has been presented as a blended Component Unit because although it is legally separate, the Component Unit is so intertwined with the primary government that it is, in substance, a part of the primary government.

The Urban Renewal Agency (URA) was formed to provide Urban Renewal Services for the City of Lubbock, that include rehabilitation of housing, acquisition of housing, and disposition of land. The Urban Renewal Agency Board is composed of nine members appointed by the Mayor, with the consent of City Council, and acts only in an advisory capacity to the City Council. All powers to govern the component unit are held by the City Council such that, the City Council is essentially the governing body for the Urban Renewal Agency. Financial activity of the Component Unit is reported in the Community Development Expendable Trust Fund.

DISCRETELY PRESENTED COMPONENT UNITS

The Component Unit columns in the combined financial statements include the financial data of the City's other Component Units. They are reported in a separate column to emphasize that they are legally separate from the City. The following Component Units are included in the reporting entity because the primary government is financially accountable and is able to impose its will on the organization. A primary government has the ability to impose its will if it can significantly influence operations and/or activities of an organization.

City Transit Management Co., Inc. dba Citibus (Citibus) In 1998, the City renewed a five year management agreement with McDonald Transit Associates, Inc. to manage and operate a city owned transportation system (Citibus). Citibus is a legally separate entity. The City Council appoints the seven-member Lubbock Public Transit Advisory Board, and approves the annual budget. The City is responsible for funding deficits. Citibus is reported as a proprietary type component unit.

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY (CONTINUED)

Civic Lubbock, Inc. promotes the cultural and educational usage of the Lubbock Memorial Civic Center and Lubbock Municipal Coliseum. The 7 member board is appointed by the City Council. City Council approves the annual budget for Civic Lubbock, Inc. Civic Lubbock, Inc. is reported as a proprietary type component unit.

Market Lubbock Economic Development Corporation dba Market Lubbock, Inc. (Market Lubbock Inc.) On October 10, 1995, the Lubbock City Council created Market Lubbock, Inc., a non-profit corporation responsible for creating, managing, operating and supervising programs and activities for the purpose of promoting, assisting and enhancing economic development within and around the City of Lubbock. Market Lubbock, Inc. is a legally separate entity. The City Council appoints the seven-member board. The operation is funded mostly by the equivalent of three cents of the property tax rate. Market Lubbock, Inc. is reported as a governmental type component unit.

The combined financial statements present financial statements for each of the three discretely presented component units. Copies of financial statements of the individual component units may be obtained from their respective administrative offices listed below:

Administrative Offices

Citibus 801 Texas Lubbock, Texas	Civic Lubbock, Inc. 1501 6 th Street Lubbock, Texas	Market Lubbock, Inc 1301 Broadway Suite 200 Lubbock, Texas
--	--	---

RELATED ORGANIZATIONS

The City's officials are also responsible for appointing the members of the boards of other organizations but the City's accountability for these organizations does not extend beyond making the appointments.

The following are related organizations, which have not been included in the reporting entity:

Housing Authority of the City of Lubbock (Authority) is a legally separate entity. The Mayor appoints the five-member board. It is the City Attorney's opinion that the Authority is independent of the City of Lubbock. The Authority is not fiscally dependent on the City of Lubbock and City Council is not able to impose its will on the entity. The City of Lubbock has no responsibility for debt issued by the Authority.

Lubbock Firemen's Retirement and Relief Fund (LFRRF) operates under provisions of the Firemen's Relief and Retirement Laws of the State of Texas for purposes of providing retirement benefits for the City's firefighters. Its affairs are governed by the Mayor's designee, the Finance Manager, three firefighters elected by members of the LFRRF, and two at-large members elected by the Board. It is funded by contributions by the firefighters and matched by contributions from the City. As provided by enabling legislation, the City's responsibility to the LFRRF is limited to matching monthly contributions made by the members. Title to assets is vested in the LFRRF and

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY (CONTINUED)

not in the City. The State Firemen's Pension Commission is the governing body over the LFRRF; thus, the City of Lubbock does not significantly influence operations.

Lubbock Arts Alliance, Inc. (Alliance) is dedicated to the promotion and improvement of the arts and sponsoring the annual Lubbock Arts Festival. Fiscal dependence by the Alliance on the City is not significant to the City. City Council does not appoint the board. The City is not able to exert its will on the Alliance.

Lubbock Health Facilities Development Corporation (LHFDC) promotes health facilities development. City Council appoints the seven-member board. Bonds issued by LHFDC do not constitute indebtedness of the City. The City does not govern operations of LHFDC.

Lubbock Housing Finance Corporation, Inc. (LHFC) was formed pursuant to the Texas Housing Finance Corporation Act, to finance the cost of decent, safe, affordable residential housing. The Mayor appoints the seven-member board. It is the opinion of the City Attorney that LHFC is independent of the City. Indebtedness of the LHFC does not constitute indebtedness of the City. The City is not able to impose its will on the LHFC.

JOINT VENTURE

In May 1998, the City, along with three other cities in the West Texas area, entered into an agreement with the West Texas Municipal Power Authority ("WTMPA") to purchase power generated by a co-generation facility to be constructed with the proceeds obtained from the issuance of \$28,910,000 of revenue bonds issued by WTMPA. The contractual arrangement with WTMPA calls for each participating city to guarantee payments of the WTMPA bond debt service in the event the net revenues of the power sales contracts with the participating cities is not adequate to cover the debt service. The City's percentage of the debt service guaranteed is 85.21%. The City has an ongoing financial interest in WTMPA through the contractual arrangement to purchase generated power and is also considered to have an ongoing financial responsibility due to the manner in which the debt service is guaranteed as well as the responsibility for financing the operations of the joint venture by purchasing the power generated by WTMPA which will benefit the citizens of Lubbock.

Financial information for WTMPA can be obtained from the City of Lubbock, P.O. Box 2000, Lubbock, Texas 79401, (Attention Managing Director of Financial Services).

During the year ended September 30, 2000, the City paid \$663,038 to WTMPA for purchased power and was not required to subsidize any debt service payments.

B. BASIS OF PRESENTATION - FUND ACCOUNTING

The financial transactions of the City are recorded in individual funds and account groups. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses.

The various funds are classified into three categories: governmental, proprietary and fiduciary. The following fund types and account groups are used by the City:

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. BASIS OF PRESENTATION - FUND ACCOUNTING (CONTINUED)

GOVERNMENTAL FUND TYPES

General Fund is the general operating fund of the City. It is used to account for all financial transactions except those required to be accounted for in another fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

The **Debt Service Fund** is used to account for the accumulation of financial resources for the payment of interest and principal on the general long-term debt of the City.

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds or Trust Funds).

PROPRIETARY FUND TYPES

Enterprise Funds are used to account for operations of the City (a) that are financed and operated in a manner similar to private business enterprises, where the intent is to provide goods or services to the general public on a continuing basis, the cost of which is to be recovered in whole or part through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Fund is used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City, or to other governments, on a user charge basis.

FIDUCIARY FUND TYPES

Transactions related to assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments and other funds, are accounted for in fiduciary fund types. Fiduciary fund types are comprised of:

Expendable Trust Funds account for assets received and expended by the City as trustee in essentially the same manner as governmental fund types.

Agency Funds are used to account for assets held by the City as a custodial trustee. They are accounted for on the modified accrual basis of accounting with respect to asset and liability recognition, but do not have a measurement focus since agency funds do not account for operations.

ACCOUNT GROUPS

General Fixed Assets Account Group represents a summary of the fixed assets of the City, other than those fixed assets reported in the Proprietary Funds. Capital expenditures of the Capital Projects Fund are the primary source from which the detailed records of the general fixed assets account group are developed. Capital expenditures are carried in this account group as construction in progress until the projects are completed and are then capitalized by function and classification.

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. BASIS OF PRESENTATION - FUND ACCOUNTING (CONTINUED)

Infrastructure fixed assets such as streets, highways, bridges, sidewalks, street lighting, traffic poles and signals, and storm sewers, are accounted for in the General Fixed Assets Account Group and reported in the Schedule of General Fixed Assets.

General fixed assets are not depreciated and are recorded at historical cost at the time of acquisition. Donated assets are recorded at their fair market value on the date donated.

General Long-Term Debt Account Group is used to account for the City's liability for general long-term debt such as general obligation bonds, certificates of obligation, and obligations for employee vacation, sick-leave benefits, insurance claims and rebatable arbitrage, other than those reported in the Proprietary Funds.

C. BASIS OF ACCOUNTING

The modified accrual basis of accounting and the flow of current financial resources measurement focus is followed for governmental fund types and expendable trust funds. Under this basis of accounting, expenditures, other than interest on long-term debt in the Debt Service Fund, which is recorded when due, are recorded when the liability is incurred. Revenues are recorded when received in cash unless susceptible to accrual. Revenues under the modified accrual basis must be both measurable and available to finance current year appropriations. Revenues considered to be susceptible to accrual under the modified accrual basis are property tax, sales tax, franchise tax, hotel/motel tax, certain grant revenue and investment income. The accrual basis of accounting and the flow of economic resources is followed in the enterprise funds and internal service funds. Under this method of accounting, revenues are recognized when earned and expenses are recorded when a liability is incurred.

Under the current financial resources measurement focus, only current assets and current liabilities are included on the balance sheet. Net current assets or fund balance is considered a measure of available spendable resources. The flow of financial resources measurement focus is concerned primarily with the measure of interperiod equity (e.g. whether current year revenues were sufficient to pay for current year services).

Enterprise funds and internal service funds are accounted for using an economic resource measurement focus. All assets and liabilities including fixed assets and long-term debt are included on the balance sheet. Fund equity is segregated into its contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

D. BUDGETARY ACCOUNTING

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except for special revenue funds, debt service funds, and capital project funds, which adopt project-length budgets. All annual appropriations lapse at fiscal year end.

Annually, the City Manager submits to City Council a proposed operating budget for the upcoming fiscal year. Public hearings are conducted to obtain taxpayer comments, and the budget is legally enacted through passage of an ordinance by the City Council.

Budgetary control is maintained by department and by the following category of expenditures: personnel services, supplies, maintenance, other charges, and capital outlay. All budget supplements must be approved by the City Council. Administrative transfers and increases or decreases in accounts within categories may be made by management as long as expenditures do

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. BUDGETARY ACCOUNTING (CONTINUED)

not exceed budgeted appropriations at the fund level. Budgeted amounts shown are from the revised budget, adopted by resolution on June 8, 2000. During the year, the budget was revised to reflect a 2.6% increase in General Fund operating revenues and a .18% decrease for the General Fund operating expenditures from the original budget. Each year, in accordance with State law, the City Council sets an ad valorem tax levy for a sinking fund (General Obligation Debt Service) which, with cash and investments in the fund, would be sufficient to pay all the bonded indebtedness and interest due in the following fiscal year.

E. ENCUMBRANCES

At the end of the year, encumbrances for which goods and/or services have not been received are canceled. At the beginning of the next year, management reviews all open encumbrances. During the revised budget process, budgets may be re-established. On October 1, 2000, the General Fund had no significant amounts of open encumbrances.

F. ASSETS, LIABILITIES AND FUND EQUITY

Equity in Pooled Cash and Investments - The City pools the resources of the various funds in order to facilitate the management of cash and enhance investment earnings. Records are maintained that reflect each fund's equity in the pooled account. GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* became effective for the year September 30, 1998. This statement requires certain investments to be carried at fair value with the change in fair value included in the determination of investment income shown in the operating statement. At September 30, 2000, the difference between amortized cost and market value was not significant such that the carrying value of the portfolio is considered to approximate fair market value.

Cash and Cash Equivalents - Cash equivalents are defined as short-term highly liquid investments that are readily convertible to known amounts of cash and have original maturities of three months or less when purchased which present an insignificant risk of changes in value because of changes in interest rates.

Property Tax Receivable - Property taxes are assessed and liens attach on valuations as of January 1, levied on October 1 of each year, and become delinquent February 1 of the following year. Uncollected taxes, net of the estimated uncollectible amount, are recorded as receivable in the General, Special Revenue and Debt Service Funds. Deferred revenue is recorded in an amount equal to net delinquent taxes receivable, less taxes collected within 60 days after the end of the fiscal year.

Enterprise Fund Receivable - Within the Electric, Water, Sewer and Solid Waste Enterprise Funds, services rendered but not billed as of the close of the fiscal year, are not considered significant. Amounts billed are reflected as accounts receivable net of an allowance for uncollectibles.

Inventories - Inventories consist of expendable supplies held for consumption. Inventories are valued at cost using the average cost method of valuation, and are accounted for using the consumption method of accounting (i.e., inventory is expensed when used rather than when purchased).

Prepaid Items - Prepaid items are accounted for under the consumption method.

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

F. ASSETS, LIABILITIES AND FUND EQUITY (CONTINUED)

Restricted Assets - Certain enterprise fund assets are restricted for construction which has been funded through long-term debt, therefore, retained earnings have not been reserved for these amounts. The excess of other restricted assets over related liabilities are included as retained earnings reserved for capital projects, rate stabilization, economic development and bond indentures.

Fixed Assets and Depreciation - General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in Governmental Funds, and the related assets are reported in the General Fixed Assets Account Group. All purchased fixed assets are recorded at cost. Donated assets are recorded at the fair value on the date of donation. Assets in the General Fixed Assets Account Group are not depreciated. Property, plant and equipment of the Proprietary Funds are stated at cost or estimated market value for donated assets. Depreciation is computed using the straight-line method over the estimated useful lives as follows:

Improvements	10-50 years
Buildings	15-50 years
Equipment	3-15 years

Interest Capitalization - The City capitalizes interest cost in its Enterprise Funds on bonds used for fixed asset construction, net of interest income earned on the temporary investment of the tax-exempt bond proceeds. Interest costs incurred during the year were approximately \$16,800,000. No interest was capitalized during the year ended September 30, 2000.

Advances to Other Funds - Amounts owed to one fund by another which are not due within one year are recorded as advances to other funds. These are equally offset by a fund balance reserve amount in the governmental funds, which indicates they do not constitute available spendable resources.

G. RISK MANAGEMENT

The City is primarily self-insured for medical and dental coverage. The liability for incurred claims represents estimates for medical and dental claims incurred as of September 30, 2000. Some of these claims were reported at September 30, 2000, and others which are incurred but not reported (IBNR), may not be reported until a later date. IBNR is actuarially determined by the City's independent insurance administrator. In order to mitigate the risk associated with the City's medical coverage, the City purchased individual stop loss coverage of \$150,000.

In April 1999, the City purchased worker's compensation coverage from a third party. Prior to April 1999, the City was self insured for worker's compensation claims. Any claims outstanding in April 1999 are the responsibility of the City. The insurance purchased from the third party insurer covers worker's compensation claims from the initial dollar.

The City's self-insured general liability program is on a cash flow basis, which means that the service contractor processes, adjusts and pays claims from a deposit provided by the City. The City accounts for the general liability program in the Risk Management Fund (an Internal Service Fund) by charging premiums based upon losses, administrative fees and reserve requirements. In order to control the risks associated with general liability claims, the City purchased reinsurance coverage for claims in excess of \$250,000.

For self-insured coverage, the Risk Management Fund established claim liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

G. RISK MANAGEMENT (CONTINUED)

reported but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Estimated amounts of salvage and subrogation and reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability, and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount, particularly for general liability coverage. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. Adjustments to claim liabilities are charged or credited to expense in the period in which they are incurred.

Additionally, property and boiler coverage is accounted for in the Risk Management Fund. The property insurance policy was purchased from an outside insurance carrier. The policy has a \$250,000 deductible per occurrence, and the boiler coverage insurance deductible is up to \$100,000 dependent upon the unit. Premiums are charged to funds based upon policy premiums and reserve payments.

Other small insurance policies, such as surety bond coverage and miscellaneous floaters, are accounted for in the Risk Management Fund. Funds are charged expenditures based on premium amounts and administrative charges. The City has had no significant reductions in insurance coverage during the year. Settlements in the current year and preceding two years have not exceeded insurance coverage.

H. REVENUES, EXPENSES AND EXPENDITURES

Interest Income on pooled cash and investments is allocated monthly based on the percentage of a fund's average daily equity in pooled cash and investments to the total average daily pooled equity in pooled cash and investments, except for certain Trust and Agency Funds, certain Special Revenue Funds, Governmental Capital Project Funds, and certain Internal Service Funds. The interest income on pooled cash and investments of these funds is reported in the General Fund or the Debt Service Fund.

Sales Tax Revenue for the City results from an allocation of 1.125% of the total sales tax levy of 7.875%, which is collected by the State of Texas and remitted to the City monthly. The tax is collected by the vendor and required to be remitted to the State by the 20th of the month following collection. The tax is then paid to the City by the 10th of the next month. On January 21, 1995, voters approved a 1/8 cent increase in sales tax to reduce the property tax rate which went into effect October 1, 1995.

Grant Revenue from federal and state grants is recognized to the extent that the related expenditure has been incurred and reimbursement requested.

Interfund Transactions or quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from that fund that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transactions except quasi-external transactions, reimbursements, temporary receivables and payables, and residual equity transfers are reported as operating transfers.

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

H. REVENUES, EXPENSES AND EXPENDITURES (CONTINUED)

Compensated Absences consists of vacation leave and sick leave. Vacation leave of 10-20 days is granted to all regular employees dependent upon the date employed, years of service, and civil service status. Currently, up to 40 hours of vacation leave may be "carried over" to the next calendar year. The City is obligated to make payment upon retirement or termination for any available, unused vacation leave.

Sick leave for employees is accrued at 1 ¼ days per month with a maximum accrual status of 200 days. After 15 years of continuous full time services for non-civil service personnel, vested sick leave is paid on retirement or termination at the current hourly rate for up to 90 days. Upon retirement or termination, Civil Service Personnel (Police) are paid for up to 90 days accrued sick leave after one year of employment. Civil Service Personnel (Firefighters) are paid for up to 135 days of accrued sick leave upon retirement or termination. The Texas Civil Service laws dictate certain benefits and personnel policies above and beyond those policies of the City.

The liability for the accumulated vacation and sick leave is recorded in the general long-term debt account group for governmental fund employees and as a noncurrent liability in the proprietary funds for proprietary fund employees. Management has determined that the current portion of this liability is not significant to the overall financial position of the City.

Post Employment Benefits for retirees of the City of Lubbock include the option to purchase health and life insurance benefits at their own expense. Amounts to cover premiums and administrative costs, with an incremental charge for reserve funding, are determined by the City's health care administrator. Employer contributions are funded on a pay-as-you-go basis. Financial activity is reported in the Health Insurance Internal Service Fund. The following schedule reflects participation in the City's health care program:

	<u>2000</u>
Participants	
Active	1790
Retired	445
Cobra	10
	<u>2000</u>
Active Claims	\$6,334,252
Retired Claims	2,181,916
Cobra Claims	20,359
Total Claims	<u>\$8,536,527</u>
% of Employee Groups to total claims	
Active	74.20%
Retired	25.56%
Cobra	.24%
Total %	<u>100.00%</u>

I. TOTALS (MEMORANDUM ONLY)

The Totals (Memorandum Only) columns represent an aggregation of the combined financial statements and do not represent consolidated financial information. Data in those columns do not

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. TOTALS (MEMORANDUM ONLY) (CONTINUED)

represent financial position and results of operations, in conformity with GAAP and are presented only to facilitate analysis.

I. RECLASSIFICATION

Certain 1999 amounts have been reclassified to conform to 2000 presentation.

NOTE II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. RETAINED EARNINGS/FUND BALANCE DEFICITS

The deficit of \$70,757 in the Library Expendable Trust Fund is the result of a timing difference between expenditures incurred and the filing of requests for reimbursements. These funds have not been accrued, as certain reimbursement amounts are not measurable at September 30, 2000, which is consistent with the revenue recognition required by the modified accrual basis of accounting.

The deficit of \$41,908 in the Community Services Expendable Trust Fund is the result of a timing difference between expenditures incurred and the filing of requests for reimbursements. These funds have not been accrued, as certain reimbursement amounts are not considered measurable at September 30, 2000, which is consistent with the revenue recognition required by the modified accrual basis of accounting.

The deficit of \$449,474 in the Police Expenditures is the result of a timing difference between expenditures incurred and the filing of requests for reimbursements. These funds have not been accrued, as certain reimbursement amounts are not considered measurable at September 30, 2000, which is consistent with the revenue recognition required by the modified accrual basis of accounting.

The deficit of \$392,886 in Other Grant is the result of timing differences arising between the incurrance of expenditures and the related filing of requests for reimbursement of those expenditures. These funds have not been accrued, as certain reimbursement amounts are not considered measurable at September 30, 2000, which is consistent with the revenue recognition required by the modified accrual basis of accounting.

The deficit in the Golf Enterprise Fund of \$1,812,264 is the result of placing itself in a more competitive position through non-capital course equipment improvements. On October 13, 1994, the City contracted with Fore Star Golf, Inc. for management services to be provided for the City's operations. The management agreement is effective through December 31, 2014. Over the term of the contract, Fore Star Golf, Inc. will receive a portion of the golf course revenues based on a sliding scale.

The deficit of \$1,098,454 in the Internal Service Management Information Fund results from the practice of not recovering depreciation through user charges. Management is evaluating user charges in order to recover depreciation, financing and capital costs, and the retained earnings deficit.

The deficit of \$339,751 in the Internal Service Communications Fund results from the practice of not recovering depreciation through user charges. Management is evaluating user charges in order to recover depreciation and recover the retained earnings deficit.

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. RETAINED EARNINGS/FUND BALANCE DEFICITS (CONTINUED)

No other funds of the City had deficits in either total fund balances or total retained earnings.

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. POOLED CASH AND INVESTMENTS

The City's investment policies are governed by State statute and City ordinances. Permissible investments include direct obligations of the United States or its agencies and instrumentalities, certificates of deposit, prime domestic banker's acceptances, commercial paper, repurchase agreements, and deposits in a qualifying investment pool. Collateral is required for demand deposits, certificates of obligation, and repurchase agreements at 102% of all amounts not covered by Federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its subdivisions. The City's deposits and investments are categorized below to indicate the level of risk assumed by the City at September 30, 2000.

INVESTMENT CATEGORY OF CREDIT RISK

- (1) Insured, registered or in securities held by the entity or its agent in the entity's name.
- (2) Uninsured and unregistered, with securities held by the counter party's trust department or its agent in the entity's name.
- (3) Uninsured and unregistered, with securities held by the counter party or by the trust department or agent but not in the entity's name.

DEPOSIT CATEGORY OF CREDIT RISK

- (A) Insured or collateralized with securities held by the entity or by its agent in the entity's name.
- (B) Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- (C) Uncollateralized.

Pooled Cash and Investments

The City's pooled cash and investments consist of deposits with financial institutions, certificates of deposit, U.S. government and agency securities, commercial paper, and deposits in qualifying non-regulated money market investment pools (Logic and TexPool). These investments have varying maturities ranging from one day to three years. The weighted average maturity of the total portfolio is kept to under two years. The following is a schedule of the City's pooled cash and investments at September 30, 2000:

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. POOLED CASH AND INVESTMENTS (CONTINUED)

Investments	(1)	Category (2)	(3)	Carrying Amount
U. S. Treasury and Agency Obligations-				
Primary Government	\$95,484,978	\$ -	\$ -	\$95,484,978
Commercial Paper-				
Primary Government	31,604,280	-	-	31,604,280
Mutual Funds - Primary Government	-	-	-	<u>63,314,846</u>
 Total Investments - Primary Government				<u>190,404,104</u>
 U.S. Treasury and Agency Obligations/Other- Component Units	4,041,711	-	-	4,041,711
 Mutual Funds - Component Units	-	-	-	<u>238,629</u>
 Total Investments- Component Units				<u>4,280,340</u>
 Total Investments- Reporting Entity				<u><u>\$194,684,444</u></u>

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. POOLED CASH AND INVESTMENTS (CONTINUED)

Cash and Bank Deposits	(A)	Category (B)	(C)	Carrying Amount	Bank Balance
Cash and Bank Deposits-Primary Government	\$2,720,779	\$ -	\$ -	\$1,475,758	\$2,720,779
Cash and Bank Deposits-Component Units	660,992	371,847	696,264	1,362,799	1,729,103
Cash and Bank Deposits - Reporting Entity	<u>\$3,381,771</u>	<u>\$ 371,847</u>	<u>\$ 696,264</u>	<u>\$2,838,557</u>	<u>\$4,449,882</u>

Cash and Investments are reported in the financial statements as:

	Primary Government	Component Units	Reporting Entity
Cash and Cash Equivalents - Non- Restricted	\$9,146,305	\$1,272,468	\$ 10,418,773
Cash and Cash Equivalents - Restricted	39,254,530	118,615	39,373,145
Total Cash and Cash Equivalents	<u>48,400,835</u>	<u>1,391,083</u>	<u>49,791,918</u>
Investments - Non Restricted	75,248,673	4,252,056	79,500,729
Investments - Restricted	68,230,355	-	68,230,355
Total Investments	<u>143,479,028</u>	<u>4,252,056</u>	<u>147,731,084</u>
Total Cash and Investments	<u>\$191,879,863</u>	<u>\$5,643,139</u>	<u>\$197,523,002</u>

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

B. INTERFUND TRANSACTIONS

Interfund receivables and payables consisting of due to/from and advances to/from other funds at September 30, 2000 were as follows:

Funds	Interfund Receivables	Interfund Payables
General Fund	\$10,827,659	\$ -
Special Revenue Funds:		
Hotel/Motel Tax	-	650,000
Capital Project Funds		
Public Safety	-	1,337,265
General Capital Projects	-	1,578,974
Enterprise Funds:		
Electric Enterprise	-	4,500,000
Water Enterprise	232,190	120,000
Sewer Enterprises	-	-
Solid Waste Enterprise	1,910,224	-
Airport Enterprise	-	-
Golf Enterprise	-	2,017,046
Stormwater Enterprise	-	50,000
Internal Service:		
Fleet Maintenance		30,400
Central Warehouse	-	-
Print Shop & Office Store	-	12,000
Radio Shop	-	254,482
Management Information	-	748,608
Investment Pool	-	3,075
Communications	-	240,885
Expendable Trust Funds:		
Community Development	-	1,119,717
Community Services	-	36,272
Police		150,000
Library	-	121,349
Total Primary Government	<u>\$12,970,073</u>	<u>\$12,970,073</u>

C. DEFERRED CHARGE

The total deferred charges of \$11,717,554 includes \$3,877,778 which represents an advertising contract with the United Spirit Arena. The advertising will begin with the opening of the sports arena and will continue for 30 years. Amortization of this amount began in fiscal 2000 with the opening of the arena.

The deferred charges also include an amount of \$1,941,194 at September 30, 2000, which represents prepayments for two separate contracts for future delivery of natural gas as contracted for by the City. In 1988, a contract was entered into for the purchase of proven and unproven reserves, totaling 2,000,000 MMBTU at \$1.56 per MMBTU with an option, which the City has exercised, to purchase an additional 2,000,000 MMBTU at the same price. The remaining amount of prepayment relative to this contract at September 30, 2000 is \$1,643,133. Quantities in excess of the first 4,000,000 MMBTU can then be purchased at market value. During 1988, proven reserves of 338,000 MMBTU were purchased at the \$1.56 rate. The remaining reserves are being purchased as proven. One-half the rate, or \$.78 per MMBTU, is paid upon proven determination of the reserves and the balance is to be paid upon delivery. The prepayments are to be expensed as the gas is taken until the prepaid units of gas have been consumed. At September 30, 2000 and 1999, 1,317,934

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

C. DEFERRED CHARGE (CONTINUED)

MMBTU had been delivered, and remaining proven reserves at September 30, 2000 and 1999 were 2,104,273 MMBTU.

On August 25, 1994, the City contracted for the purchase of natural gas to be delivered in future years. An amount of \$298,061 is included in the \$1,941,194 which represents a deposit on future gas deliveries. In November 2000, the City received a refund of this deposit.

During fiscal 2000, \$3,000,000 was transferred to the Management Information Internal Service Fund from the Electric Enterprise Fund to cover costs of implementing a new utility billing system. This amount will be amortized over 7 seven years once the new billing system has been placed in service.

The remaining deferred charges of \$2,898,582 represent infrastructure and other economic development costs being amortized over 5 years.

D. PROPERTY, PLANT AND EQUIPMENT

General fixed assets of the City for the year ended September 30, 2000, are as follows:

	<u>Balance</u> <u>10-1-99</u>	<u>Additions*</u>	<u>Deletions*</u>	<u>Balance</u> <u>9-30-00</u>
Land	\$ 7,966,428	\$ -	\$ 33,200	\$ 7,933,228
Buildings and improvements	39,230,338	2,970,755	1,140,314	41,060,779
Other Improvements	132,964,711	3,855,433	1,145,384	135,674,760
Equipment	32,105,140	9,720,133	5,100,122	36,725,151
Construction in Progress	40,488,559	14,296,636	14,394,734	40,390,461
Total	<u>\$252,755,176</u>	<u>\$30,842,957</u>	<u>\$21,813,754</u>	<u>\$261,784,379</u>

* Includes transfers

Construction in progress is composed of the following:

	<u>Project</u> <u>Authorization</u>	<u>Expended</u> <u>9-30-00</u>	<u>Unexpended</u> <u>Balance</u>
Fire Station	\$ 10,222,047	\$ 7,458,817	\$ 2,763,230
Park Improvements	6,358,896	863,368	5,495,528
Street Improvements	35,942,202	13,519,996	22,422,206
Permanent Street Maintenance	1,700,000	1,637,865	62,135
General Permanent Capital Projects	7,299,813	6,206,911	1,092,902
General Permanent Capital Maintenance & Other	18,833,174	10,703,504	8,129,670
Total Life-to-Date Activity	<u>\$ 80,356,132</u>	<u>\$ 40,390,461</u>	<u>\$ 39,965,671</u>

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

D. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

General fixed asset account group for component units for the year ended September 30, 2000, are follows:

	Balance 10-01-99	Additions	Deletions	Balance 9-30-00
Equipment	\$ 501,728	\$ 18,814	\$ -	\$ 520,542

Property, plant, and equipment recorded in the City's various proprietary funds (including component units) as of September 30, 2000, is as follows:

	Enterprise Fund	Internal Service Fund	Total Proprietary Fund Type	Component Units	Total Reporting Entity Proprietary Fund Type
Land	\$ 30,837,648	\$ 71,182	\$ 30,908,830	\$ 520,403	\$ 31,429,233
Buildings	82,752,391	1,624,312	84,376,703	4,026,735	88,403,438
Other Improvements	435,255,438	197,471	435,452,909	1,179,543	436,632,452
Equipment	51,538,373	14,903,623	66,441,996	16,971,776	83,413,772
Construction in Progress	87,327,433	2,950,748	90,278,181	-	90,278,181
Total	687,711,284	19,747,336	707,458,620	22,698,457	730,157,077
Less: Accumulated Depreciation	(203,971,227)	(11,805,720)	(215,776,947)	(8,126,861)	(223,903,808)
Net	\$483,740,056	\$ 7,941,616	\$491,681,672	\$14,571,596	\$ 506,253,268

E. RETIREMENT PLANS

Each qualified employee is included in one of two retirement plans in which the City of Lubbock participates. These are the Texas Municipal Retirement System (TMRS) and the Lubbock Firemen's Relief and Retirement Fund (LFRRF). The City does not maintain the accounting records, hold the investments or administer either fund.

Summary of significant data for each retirement plan follows:

TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS)

Plan Description

The City provides pension benefits for all of its full-time employees (with the exception of firefighters) through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide TMRS, one of 731 administered by TMRS, an agent multiple-employer public employee retirement system.

Benefits depend upon the sum of the employee's contributions to the plan, with interest, and the City-financed monetary credits, with interest. At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credits for service since the plan began are a percent (100%, 150%, or 200%) of the employee's accumulated contributions. In addition, the City can grant, as often as annually, another type of monetary credit referred to as an updated service credit which is a theoretical amount which, when added to the employee's accumulated contributions and the monetary credits

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

E. RETIREMENT PLANS (CONTINUED)

for the service since the plan began, would be the total monetary credits and employee contributions accumulated with interest if the current employee contribution rate and City matching percent had always been in existence and if the employee's salary had always been the average of his salary in the last three years that are one year before the effective date. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer-financed monetary credits with interest were used to purchase an annuity.

Members can retire at ages 60 and above with 10 or more years of service or with 25 years of service regardless of age. A member is vested after 10 years. The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS and within the actuarial constraints also in the statutes.

Contributions

The contribution rate for the employees is 7% and the City matching ratio is currently 2 to 1, both as adopted by the governing body of the City. Under the state law governing TMRS, the actuary annually determines the City contribution rate. This rate consists of the normal cost contribution rate and the prior service contribution rate, both of which are calculated to be a level percent of payroll from year to year. The normal cost contribution rate finances the currently accruing monetary credits due to the City matching percent, which are the obligation of the City as of an employee's retirement date, not at the time the employee's contributions are made. The normal cost contribution rate is the actuarially determined percent of payroll necessary to satisfy the obligation of the City to each employee at the time his/her retirement becomes effective. The prior service contribution rate amortizes the unfunded (overfunded) actuarial liability (asset) over the remainder of the plan's 25-year amortization period. The unit credit actuarial cost method is used for determining the City contribution rate. Both the employees and the City make contributions monthly. Since the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that is the basis for the rate and the calendar year when the rate goes into effect. (i.e. December 31, 1999 valuation is effective for rates beginning January 2001).

Actuarial Assumptions

The actuarial assumptions for the 1999 valuations are as follows:

Actuarial cost method:	Unit credit
Amortization method:	Level percent of payroll
Remaining amortization period	25 years- open period
Asset valuation method:	Amortized cost
Investment rate of return:	8%
Projected salary increases:	None
Includes inflation at:	None
Cost of Living adjustments:	None

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

E. RETIREMENT PLANS (CONTINUED)

**TEXAS MUNICIPAL RETIREMENT SYSTEM REQUIRED SUPPLEMENTAL DISCLOSURE
3 YEAR HISTORICAL SCHEDULE OF ACTUARIAL LIABILITIES
AND FUNDING PROGRESS**

As of December 31	Actuarial Value of Assets	Actuarial Accrued Liability	Percentage Funded	Unfunded Actuarial Accrued Liability (UAAL)
1997	\$119,895,026	\$153,396,020	78.2%	\$33,500,994
1998	132,735,475	162,668,614	81.6%	29,933,139
1999	147,042,049	181,439,657	81.0%	34,397,608

As of December 31	Annual Covered Payroll	UALL as a % Of Covered Payroll	Annual Required Contribution (ARC)	Contribution Made
1997	\$45,015,150	74.4%	\$7,037,656	\$7,037,656
1998	46,619,677	64.2%	7,149,029	7,149,029
1999	51,627,837	66.6%	7,794,560	7,794,560

The City of Lubbock is one of 731 municipalities having the benefit plan administered by TMRS. Each of the municipalities have an annual, individual actuarial valuation performed. All Assumptions for the December 31, 1999, valuations are contained in the 1999 TMRS Comprehensive Annual Financial Report, a copy of which may be obtained by writing to P.O. Box 149153, Austin, Texas 78714-9153.

LUBBOCK FIREMEN'S RELIEF AND RETIREMENT FUND (LFRRF)

Plan Description

The Board of Trustees of the LFRRF is the administrator of a single-employer defined benefit pension plan. This pension fund is a trust fund. It is reported by the City of Lubbock as a related organization and is not considered to be a part of the City financial reporting entity. Firefighters in the Lubbock Fire Department are covered by the LFRRF.

The LFRRF provides service retirement, death, disability and withdrawal benefits. These benefits vest after 20 years of credited service. Employees may retire at age 50 with 20 years of service. A reduced early service retirement benefit is provided for employees who terminate employment with 20 or more years of service. A partially vested benefit is provided for firefighters who terminate employment with at least 10 but less than 20 years of service. A partially vested benefit is provided for firefighters who terminate employment with at least 10 but less than 20 years of service. The Plan Effective November 1, 1999 provides a monthly normal service retirement

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

E. RETIREMENT PLANS (CONTINUED)

benefit, payable in a Joint and Two-Thirds to Spouse form of annuity, equal to 70.02% of Final 48-Month Average Salary Plus \$283.50 per month for each year of service in excess of 20 years.

A partially vested benefit is provided for firefighters who terminate employment with at least 10 but less than 20 years of service. The Plan Effective November 1, 1999 provides a monthly normal service retirement benefit, payable in a Joint and Two-Thirds to Spouse form of annuity, equal to 70.02% of Final 48-Month Average Salary Plus \$283.50 per month for each year of service in excess of 20 years.

There is no provision for automatic postretirement benefit increases. The fund has the authority to provide, and has periodically in the past provided for, ad hoc postretirement benefit increases. The benefit provisions of this plan are authorized by the Texas Local Fire Fighter's Retirement Act (TLFFRA). TLFFRA provides the authority and procedure to amend benefit provisions.

Contributions Required and Contributions Made

1. The contribution provisions of this plan are authorized by TLFFRA. TLFFRA provides the authority and procedure to change the amount of contributions determined as a percentage of pay by each firefighter and a percentage of payroll by the City.

2. While the contribution requirements are not actuarially determined, state law requires that each plan of benefits adopted by the fund must be approved by an eligible actuary. The actuary certifies that the contribution commitment by the firefighters and the City provides an adequate financing arrangement. Using the entry age actuarial cost method the plan's normal cost contribution rate is determined as a percentage of payroll. The excess of the total contribution rate over the normal cost contribution rate is used to amortize the plan's unfunded actuarial accrued liability, and the number of years needed to amortize the plan's unfunded actuarial liability is determined using a level percentage of payroll method.

The costs of administering the plan are financed from the trust.

3. The funding policy of the Lubbock Firefighter's Relief and Retirement Fund requires contributions equal to 11% of pay by the firefighters and contributions by the City based on a formula which causes the City's contribution rate to fluctuate from year to year. The December 31, 1998 actuarial valuation (most recent) assumes that the City's contributions will average 15% of payroll in the future.

Annual Pension Cost

For the fiscal year ending September 30, 2000, the City of Lubbock's annual pension cost of \$1,852,835 for the Lubbock Firefighter's Relief and Retirement Fund was equal to the City's required and actual contributions during the year. While the required contributions were not actuarially determined, the plan of benefits has been approved by the Board's actuary as having an adequate financing arrangement based on the level of the firefighter and City of Lubbock contribution rates. The funding policy of the fund requires the firefighters to contribute 11% of pay and the City to contribute based on a formula which causes the City contribution rate to fluctuate from year to year. These required contributions were reflected in the the December 31, 1998, (most recent) actuarial valuation, which satisfied the parameters of the Governmental Accounting Standards Board (GASB) Statement No. 27.

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

E. RETIREMENT PLANS (CONTINUED)

The entry age actuarial cost method was used, with the normal cost calculated as a level percentage of payroll. The actuarial value of assets was determined based on a five-year smoothed fair-market value of assets. The actuarial assumptions included an investment return assumption of 8.5 % per year (net of administrative expenses), projected salary increases including promotion and longevity averaging 6% per year over a 25 year career, and no postretirement cost-of-living adjustments. An inflation assumption of 4% per year is included in the investment return and salary increase assumptions. The unfunded actuarial accrued liability (UAAL) is amortized with the excess of the assumed total contribution rate over the normal cost rate. The number of years needed to amortize the UAAL is determined using an open, level percentage of payroll method, assuming that the payroll will increase 4% per year, and was 30 years as of the December 31, 1998 (most recent) actuarial valuation based on the plan provisions effective November 1, 1999.

Further details concerning the financial position of the LFRRF and the latest actuarial valuation are available by contacting the Board of Trustees, LFRRF, City of Lubbock, P.O. Box 2000, Lubbock, Texas 79457.

Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
9/30/98	\$1,586,233	100	-
9/30/99	1,745,357	100	-
9/30/00	1,852,835	100	-

**LUBBOCK FIREMEN'S RELIEF AND RETIREMENT FUND
ANALYSIS OF FUNDING PROGRESS**

Actuarial Valuation Date (a)	Actuarial Value of Assets (1)	Entry Age Actuarial Accrued Liability (AAL) (2)	Unfunded AAL (UAAL) (1-2)	Funded Ratio (1/2)	Annual Covered Payroll (3)	UAAL as a Percentage of Covered Payroll ((2-1)/3)
12/31/94	\$57,532,897	\$64,634,282	\$7,101,385	89.0%	\$8,958,331	79.3%
12/31/96 1,2	73,626,537	80,105,898	6,479,361	91.9	9,223,974	70.2
12/31/98 1,3	90,364,681	97,533,314	7,168,633	92.7	10,290,190	69.7

- 1 Economic and demographic assumptions were revised.
- 2 Changes in plan benefit provisions were effective December 20, 1995, March 30, 1996 and November 1, 1997.
- 3 Reflects changes in plan benefit provisions effective November 1, 1999
- 4 The covered payroll is based on estimated annualized salaries used in the valuation.

(a) The City has adopted the option of the biennial actuarial valuation provision of GASB 27. The information shown is the most recent available. The next actuarial valuation will be as of December 31, 2000.

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

F. DEFERRED COMPENSATION

The City offers its employees three deferred compensation plans created in accordance with Internal Revenue Code ("IRC") Section 457. The plans, available to all City employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

Effective August 20, 1996, the laws governing IRC Section 457 deferred compensation plans were changed to state that new IRC Section 457 plans will not be considered eligible plans unless all assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. Existing plans are required to comply with the new requirement by January 1, 1999. In response to the law changes, the GASB issued Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. This statement requires that the City's deferred compensation plans be reported in the financial statements as an expendable trust fund. In management's opinion, the level of administrative services provided by City staff warrants inclusion of the plans in the financial statements as such. The provisions of this statement were implemented in fiscal 1999 and resulted in a transfer from the Deferred Compensation agency fund to the Deferred Compensation expendable trust fund of \$9,572,548. The amount transferred is reported as an adjustment to beginning fund balance of the Deferred Compensation expendable trust fund.

G. SURFACE WATER SUPPLY

Canadian River Municipal Water Authority

The Canadian River Municipal Water Authority (CRMWA) is a Conservation and Reclamation District established by the Texas Legislature to construct a dam, water reservoir and aqueduct system for the purpose of supplying water to surrounding cities. The District was created in 1953 and comprises eleven cities, including the City. The budget, financing and operations of the District are governed by a Board of Directors selected by the governing bodies of each of the member cities, each city being entitled to one or two members dependent upon population. At September 30, 2000, the Board was comprised of 18 members, two of which represented the City of Lubbock.

The City contracted with the CRMWA to reimburse it for a portion of the cost of the Canadian River Dam and aqueduct system in exchange for surface water. Accordingly, prior to fiscal 1999, such payments were made solely out of water system revenues and are not general obligations of the City. The City's pro rata share of annual fixed and variable operating and reserve assessments is recorded as an expense of obtaining surface water.

Prior to fiscal 1999, the long-term debt was owed to the U.S. Bureau of Reclamation for the cost of Construction of the facility, which was completed in 1969. The City's allocation of project cost was \$32,905,862. During the year ended September 30, 1999, bonds in the principal amount of \$12,300,000 were issued to payoff the construction obligation owed to the U.S. Bureau of Reclamation via CRMWA in the amount of \$20,809,067. The difference of \$8,509,067 was a discount in the remaining principal provided by the U.S. Bureau of Reclamation to the member cities. This discount has been recorded as a deferred gain on refunding and is being amortized over the life of the refunding bonds. The annual principal and interest payments are included in the disclosures for other City related long-term debt. The above cost for the rights are recorded as other assets and are being amortized over 85 years. The cost and debt are recorded in the Water Enterprise Fund.

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

G. SURFACE WATER SUPPLY (CONTINUED)

Brazos River Authority - Lake Alan Henry

During 1989, the City entered into an agreement with the Brazos River Authority (BRA) for the construction, maintenance and operation of the facilities known as Lake Alan Henry. The BRA, which is authorized by the State of Texas to provide for the conservation and development of surface waters in the Brazos River Basin, has issued bonds for the construction of the dam and lake facilities on the South Fork of the Double Mountains Fork of the Brazos River. Total costs are expected to exceed \$120 million.

The agreement obligates the City to provide revenues to BRA in amounts sufficient to cover all maintenance and operating costs, management fees to the authority, as well as funds sufficient to pay all capital costs associated with construction. The City will receive surface water for the payments to BRA. Approximately \$293,000 was paid to the BRA for maintenance and operating costs in fiscal year 2000.

The BRA issued \$16,970,000 in revenue bonds in 1989 and \$39,685,000 in revenue bonds in 1991. These bonds were refunded July 1995. Disclosure of the refunding can be found in Note III. K. Construction of the dam and lake facilities began in 1989. The City is obligated to provide sufficient funds over the remaining life of the bonds to service the debt requirement. The financial activity, along with the related obligation, is accounted for in the Water Enterprise Fund.

At September 30, 2000, certain mineral rights associated with land located in the Lake Alan Henry site owned by individuals had not been acquired by the City. The additional amount needed to purchase such mineral rights is yet to be determined.

H. OTHER ENTERPRISE FUND ACTIVITIES

Enterprise Fund Transfers

Transfers to the General Fund from the Electric, Water, Solid Waste, and Sewer Enterprise Funds, in the opinion of management, exceed the amount that would have been paid to the City if these funds were private sector companies engaged in the same enterprises. In addition to the amount transferred in excess of private sector taxes, there is also an amount transferred to compensate the General Fund for shared services and indirect costs.

I. SEGMENT INFORMATION - ENTERPRISE FUNDS

The City maintains seven enterprise funds which include electric, water, sewer, solid waste, airport, golf, and stormwater drainage.

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

I. SEGMENT INFORMATION - ENTERPRISE FUNDS (CONTINUED)

Segment information for the year ended September 30, 2000, was as follows:

	Electric Fund	Water Fund	Sewer Fund	Solid Waste Fund	Airport Fund	Golf Fund	Stormwater Drainage Fund	Total Enterprise Funds
Operating Revenues	\$ 72,932,146	\$ 29,037,723	\$ 16,447,324	\$ 16,034,659	\$ 4,322,847	\$ 40,262	\$ 1,950,819	\$ 140,765,780
Depreciation Expense	5,498,153	5,327,091	4,073,836	1,362,225	2,868,516	66,947	105,929	19,302,697
Operating income (loss)	1,332,953	9,783,407	4,268,629	5,548,423	(1,587,833)	(26,713)	1,265,338	20,584,204
Operating Transfers In (out)	(7,140,319)	(2,650,692)	(1,746,119)	(2,114,512)	(987,165)	(40,262)	(257,197)	(14,936,266)
Net Income (loss)	(6,835,220)	3,242,877	56,664	4,476,496	(481,340)	(66,975)	1,349,086	1,741,588
Current capital contributions	64,408	790,532	894,205	(37,982)	591,166	-	-	2,302,329
Property, plant, and equipment:								
Additions:	10,055,225	37,023,010	2,590,293	1,561,028	7,797,606	-	33,010	59,060,172
Deletions:	1,352,871	2,636,652	150,509	3,187,429	25,624	-	53,701	7,406,786
Net Working Capital	(4,036,427)	5,219,355	3,078,190	2,976,591	200,741	(2,035,272)	359,181	5,762,359
Allowance for doubtful accounts	(1,099,973)	(334,639)	(135,622)	(126,302)	(8,328)	-	-	(1,704,864)
Total Assets	145,937,089	254,499,398	120,665,134	46,635,125	63,151,850	227,887	11,200,741	642,317,224
Bonds and other long-term liabilities payable from operating revenues	34,446,472	114,442,734	51,431,763	9,532,457	5,324,037	-	59,343	215,236,806
Total Equity	\$92,705,842	\$133,375,965	\$64,987,973	\$36,346,853	\$56,929,661	(\$1,812,264)	\$10,837,440	\$393,371,470

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

I. LONG-TERM DEBT

GENERAL OBLIGATION BONDS AND CERTIFICATES OF OBLIGATION:

<u>Interest Rate</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Amount Issued</u>	<u>Balance Outstanding 9-30-00</u>
7.86%	11-15-85	2-15-03	\$ 60,614,070	\$ 1,042,762
6.64	5-15-91	2-15-11	16,120,000	805,000
6.67	5-15-91	2-15-11	4,030,000	200,000
6.29	5-15-91	2-15-01	1,145,000	110,000
9.01	5-15-91	2-15-11	1,085,000	590,000
6.69	5-15-91	2-15-11	2,000,000	100,000
5.50	1-14-92	2-15-12	1,655,000	165,000
5.50	5-15-92	2-15-14	34,520,000	8,625,000
5.37	8-15-92	2-15-12	7,565,000	550,000
3.97	5-1-93	2-15-15	14,425,000	10,820,000
5.39	10-1-93	2-15-14	3,625,000	2,545,000
5.39	10-1-93	2-15-14	2,550,000	1,800,000
5.20	10-1-93	2-15-14	1,470,000	1,050,000
5.14	10-1-93	2-15-14	19,215,000	13,455,000
4.30	12-1-93	2-15-08	9,865,000	6,300,000
5.50	5-15-95	2-15-15	4,690,000	3,525,000
4.78	5-15-95	2-15-01	2,000,000	385,000
5.07	12-15-95	2-15-16	6,505,000	5,205,000
5.07	12-15-95	2-15-16	10,000,000	8,000,000
4.91	1-15-97	2-15-09	17,530,000	16,565,000
4.61	1-1-98	2-15-08	1,330,000	1,115,000
4.71	1-1-98	2-15-18	10,260,000	9,240,000
4.36	1-15-99	2-15-14	20,835,000	20,695,000
4.58	1-15-99	2-15-19	15,355,000	14,585,000
4.77	4-1-99	2-15-19	6,100,000	5,795,000
4.71	4-1-99	2-15-19	12,300,000	11,780,000
5.37	9-15-99	2-15-20	24,800,000	24,800,000
5.54	3-15-00	2-15-20	7,000,000	7,000,000
Total			<u>\$ 318,589,070</u>	<u>\$ 176,847,762</u> (A)

(A) Excludes net deferred gains and losses on advance refundings, bond issuance costs and discounts of \$5,870,944. Additionally, this amount includes \$128,467,416 of bonds used to finance enterprise fund activities.

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

I. LONG-TERM DEBT (CONTINUED)

ELECTRIC REVENUE BONDS:

<u>Interest Rate(%)</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Amount Issued</u>	<u>Balance Outstanding 9-30-00</u>
6.25 to 9.20	5-15-91	4-15-11	\$ 7,500,000	\$ 375,000
5.00 to 6.50	7-15-91	4-15-02	4,424,976	835,000 *
3.80 to 5.50	6-15-95	4-15-08	13,560,000	9,465,000 **
4.25 to 6.25	1-1-98	4-15-18	9,170,000	8,260,000
3.10 to 5.00	1-15-99	4-15-19	14,975,000	14,295,000 ***
Total			<u>\$ 49,629,976</u>	<u>\$ 33,230,000</u>

* Refunding bonds issued for a partial refunding of the bonds issued May 15, 1983.

** Refunding bonds issued for a partial refunding of the bonds issued April 15, 1976, April 15, 1987, and May 15, 1988. Balance outstanding includes \$133,718 discount on bonds sold, bond issuance costs and deferred amounts on refunded bonds.

*** Refunding bonds issued for a partial refunding of the bonds issued April 25, 1991 and July 15, 1991. Balance outstanding includes \$520,234 of discount on bonds sold, bond issuance costs and deferred amounts on bonds refunded.

WATER REVENUE BONDS:

<u>Interest Rate</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Amount Issued</u>	<u>Balance Outstanding 09-30-00</u>
3.80 to 5.50%	6-1-95	8-15-21	<u>\$ 58,170,000</u>	<u>\$51,855,000</u> *

* Balance outstanding includes \$5,794,693 discount, bond issuance costs and deferred losses on bonds sold or refunded.

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

I. LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize all outstanding debt of the City as of September 30, 2000, including interest payments of \$118,563,000 are as follows:

<u>Fiscal Year</u>	<u>General Obligation</u>	<u>Revenue (Electric, BRA)</u>	<u>Total</u>
2000-01	\$ 23,361,135	\$ 9,485,948	\$ 32,847,083
2001-02	21,269,343	9,185,073	30,454,416
2002-03	19,715,018	8,562,329	28,277,347
2003-04	17,639,157	8,352,548	25,991,705
2004-05	17,103,169	7,693,423	24,796,592
2005-06	16,569,725	7,517,168	24,086,893
2006-07	16,044,209	7,373,833	23,418,042
2007-08	14,922,566	6,903,455	21,826,021
2008-09	14,038,527	5,998,220	20,036,747
2009-10	13,109,184	5,932,245	19,041,429
2010-11	12,696,406	5,882,728	18,579,134
2011-12	11,109,032	5,484,955	16,593,987
2012-13	10,744,847	5,457,010	16,201,857
2013-14	10,409,296	5,435,100	15,844,396
2014-15	7,138,281	5,413,400	12,551,681
2015-16	6,019,558	5,386,360	11,405,918
2016-17	5,071,059	5,366,225	10,437,284
2017-18	4,968,444	5,339,650	10,308,094
2018-19	4,366,833	4,866,800	9,233,633
2019-20	2,638,103	2,960,850	5,598,953
2020-21	-	2,964,550	2,964,550
Total	<u>\$248,933,892</u>	<u>\$131,561,870</u>	<u>\$ 380,495,762</u> *

* This schedule does not include the effect of premiums or discounts.

The City has complied in all material respects with the bond covenants as outlined in each issue's indenture.

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

I. LONG-TERM DEBT (CONTINUED)

Long-term debt transactions for governmental and proprietary funds for the year ended September 30, 2000 are as follows:

	Debt Payable 10-1-99	Additions	Deletions	Debt Payable 9-30-00
Governmental:				
Tax-Supported Obligation Bonds	\$ 45,842,977	\$ 7,000,000	\$ 4,462,631	\$ 48,380,346
Rebatable arbitrage	301,269	-	-	301,269
Compensated Absences	11,091,685	-	11,638	11,080,047
Total Governmental	<u>57,235,931</u>	<u>7,000,000</u>	<u>4,474,269</u>	<u>59,761,662</u>
Proprietary:				
Self-Supported Obligation Bonds	118,947,070	24,800,000	8,218,969	135,528,101
Revenue Bonds	82,751,396	-	5,304,782	77,446,614
Compensated Absences	3,551,988	234,050	59,943	3,726,095
Total Proprietary	<u>205,250,454</u>	<u>25,034,050</u>	<u>13,583,694</u>	<u>216,700,810</u>
Total City-Wide:				
Obligation Bonds	164,790,047	31,800,000	12,681,600	183,908,447
Revenue Bonds	82,751,396	-	5,304,782	77,446,614
Rebatable arbitrage	301,269	-	-	301,269
Compensated Absences	14,643,673	234,050	71,581	14,806,142
Total City-Wide	<u>\$ 262,486,385</u>	<u>\$ 32,034,050</u>	<u>\$ 18,053,153</u>	<u>\$ 276,462,472</u>

The total long-term debt is reconciled to the total annual requirements to amortize long-term debt as follows:

Long-Term Debt	\$276,462,472	
Interest	118,563,000	
Total amount of debt		\$395,025,472
Add: Discounts and deferred losses	577,701	
Rebatable arbitrage	(301,269)	
Less: Compensated Absences	(14,806,142)	(14,529,710)
Total future debt requirements		<u>\$380,495,762</u>

The City Council called an election for September 18, 1999 to seek voter approval to issue general purpose tax-supported bonds in the amount of \$37,385,000, which represents the City's current five year general purpose debt plan. The following four propositions were approved by the voters: parks, \$14,765,000; city-wide drainage projects, \$2,160,000; city-wide street projects, \$17,165,000; and traffic signal systems, \$3,295,000. The City has not submitted a capital improvement plan to voters since 1993, when voters in the City approved a \$28,690,000 capital improvement plan. In March 2000, the City issued \$7,000,000 General Obligation Bonds, Series 2000. This issuance was the first installment of the capital improvement debt issuance approved by the voters in 1999. The proceeds from the sale of the Obligations will be used to fund projects in the following areas: Parks (\$3,245,000), Streets (\$2,390,000), Drainage (\$1,025,000) and Traffic Control (\$340,000).

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

K. ADVANCED DEFEASEMENT

In fiscal year 1994, the City defeased \$3,600,000 of the 1992 Tax and Waterworks Certificates of Obligation. Available funds were used to purchase United States Treasury Securities, which were placed in an irrevocable trust to be used solely to defease the above indicated bond issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. On September 30, 2000, \$2,400,000 of bonds outstanding are considered defeased.

In fiscal year 1995, the City defeased \$385,000 General Obligation Refunding Bonds, Series 1993. The \$385,000 Series 1993 bonds were the portion of \$9,865,000 General Obligation Refunding Bonds allocated to the Municipal Golf Course. Available funds were used to purchase United States Treasury Securities, which were placed in a sinking fund for the Series 1993 Bonds to defease these obligations. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. On September 30, 2000, \$260,000 of bonds outstanding are considered defeased.

In fiscal year 1995, the Brazos River Authority defeased certain revenue bonds, on behalf of the city of Lubbock. A portion of the proceeds of the Series 1995 refunding Bonds was used to purchase United States Treasury Securities--State and Local Government Series which were placed in an irrevocable trust to be used solely to refund Series 1989 Brazos River Authority Revenue Bond payments due August 15, 1995 through August 15, 2019 and the Series 1991 Brazos River Authority Revenue Bond payments due August 15, 1996 through August 15, 2021. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. On September 30, 2000, \$34,620,000 of bonds outstanding are considered defeased.

In fiscal year 1997, the City defeased certain General Obligation Bonds. A portion of the proceeds of the Series 1997 Refunding Bonds was used to purchase United States Treasury Securities - State and local Government Series which were placed in an irrevocable trust to be used solely to partially refund the portion of the Series 1987 General Obligation Bonds payments due February 15, 2005 through February 15, 2007, which were called on February 15, 1997 and paid off, the portion of the Series 1989 General Obligation Bonds payments due February 15, 2000 through February 15, 2009, which were called on February 15, 1999 and paid off, the portion of the Series 1989 Certificates of Obligation Bonds payments due February 15, 2000 through February 15, 2009, which were called on February 15, 1999, the portion of the Series 1991 General Obligation Bond payments due February 15, 2003 through February 15, 2009, the portion of the Series 1991 Combination Tax and Waterworks System Subordinate Lien Revenue Certificates of Obligation payments due February 15, 2003 through February 15, 2009, the portion of the Series 1991 Combination Tax and Exhibition Hall/Auditorium (Limited Pledge) Revenue Certificates of Obligation payments due February 15, 2003 through 2009 and the portion of the Series 1992 General Obligation Refunding Bonds payments due February 15, 2001 through February 15, 2003, which were called on February 15, 1999 and paid off. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. On September 30, 2000, \$7,765,000 of bonds outstanding are considered defeased.

In fiscal year 1999, the City defeased certain General Obligation Bonds. A portion of the proceeds of the Series 1999 General Obligation Refunding Bonds were used to purchase United States Treasury Securities--State and Local Government Series, which were placed in an irrevocable trust to be used solely to partially refund the portion of the Series 1991 Combination Tax and Exhibition Hall/Auditorium (Limited Pledge) Revenue Certificates of Obligation payments due February 15, 2002, 2010 and 2011; the Series 1991 Combination Tax and Waterworks System Subordinate Lien Revenue Certificates of Obligation payments due February 15, 2002, 2010 and 2011; the Series 1991 General Obligation Bond payments due February 15, 2002, 2010 and 2011; the Series 1991

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

K. ADVANCED DEFEASEMENT (CONTINUED)

Combination Tax and Sewer System Subordinate Lien Revenue Certificate of Obligation payments due February 15, 2003 through 2012; and the Series 1992 Combination Tax and Sewer Subordinate Lien Revenue Certificates of Obligation payments due February 15, 2006 through 2014. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. On September 30, 2000, \$19,730,000 of bonds outstanding are considered defeased.

In fiscal year 1999, the City defeased certain revenue bonds. A portion of the proceeds of the Series 1999 Electric Light and Power System Revenue Refunding and Improvement Bonds were used to purchase United States Treasury Securities, which were placed in an irrevocable trust to be used solely to partially refund the portion of the Series 1991 Electric Light and Power System Revenue Bond payments due April 15, 2002 through 2011; and the Series 1991-B Electric Light and Power System Revenue Refunding Bond payments due April 15, 2001 through 2004 which were called on April 15, 2000 and paid off. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. On September 30, 2000, \$3,750,000 of bonds outstanding are considered defeased.

L. ACCRUED INSURANCE CLAIMS

As discussed in Note I.G., the Risk Management Fund establishes a liability for self-insurance for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. The following represents changes in those aggregate liabilities for the Insurance Funds during the past two years ended September 30:

	<u>2000</u>	<u>1999</u>
Worker's Compensation and Liability Reserves		
at beginning of fiscal year	\$ 3,734,341	\$ 3,734,341
Claims expenses	2,763,142	3,872,919
Claims payments	<u>(2,763,143)</u>	<u>(3,872,919)</u>
Worker's Compensation and liability reserves		
at end of fiscal year	3,734,340	3,734,341
Medical and Dental Claims Liability		
at end of fiscal year *	<u>3,441,879</u>	<u>2,823,267</u>
Total Self-Insurance Liability at end of fiscal year	<u>\$ 7,176,219</u>	<u>\$ 6,557,608</u>
Total Assets to pay claims at end of fiscal year	<u>\$ 16,841,919</u>	<u>\$ 14,514,232</u>
Accrued insurance claims payable from restricted assets-current	\$ 4,372,861	\$ 3,754,250
Accrued insurance claims-non-current	2,803,358	2,803,358
Total accrued insurance claims	<u>\$ 7,176,219</u>	<u>\$ 6,557,608</u>

* The information necessary to prepare the separate disclosures for medical and dental claims liabilities is unavailable.

M. LANDFILL CLOSURE AND POSTCLOSURE CARE COST

State and federal laws and regulations require the City to place a final cover on its landfill sites when it stops accepting waste to perform certain maintenance and monitoring functions at the

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE III. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS

M. LANDFILL CLOSURE AND POSTCLOSURE CARE COST (CONTINUED)

sites for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and postclosure costs as an opening expense in each period based on landfill capacity used as of each balance sheet date.

The \$5,918,343 reported as landfill closure and postclosure care liability at September 30, 2000, represents the cumulative amount expensed by the City to date of \$8,521,170 less amount paid for closure of certain cells based on the use of over 90 percent of the estimated capacity of the landfill registered under TNRCC permit number 69. This amount includes a reduction of cumulative expense of \$464,816 due to a change in estimate of cumulative capacity used at September 30, 2000. The City will recognize the remaining estimated cost of closure and postclosure care of \$799,904 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2000. The City expects to close the landfill in the year 2001. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

The City has a second landfill (TNRCC permit number 2252) which effectively began accepting solid waste during fiscal 2000. Current closure and post-closure care costs have been estimated to be approximately \$21,800,000, of which approximately \$57,000 was recognized in fiscal 2000. The City expects this landfill to have a life in excess of 80 years based on current estimates of use. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

The City is required by state and federal laws and regulations to provide assurance that financial resources will be available to provide for closure, postclosure care, and remediation or containment of environmental hazards at its landfill. The City is in compliance with these requirements and has chosen the Local Government Financial Test mechanism for providing this assurance. The City expects to finance costs through normal operations.

NOTE IV. CONTINGENT LIABILITIES

A. FEDERAL GRANTS

In the normal course of operations, the City receives grant funds from various Federal and state agencies. The grant programs are subject to audits by agents of the granting authority to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of audits of grants is not believed to be material.

B. LITIGATION

The City is involved in lawsuits arising in the normal course of business, including claims for property damage, personal injury and personnel practices, disputes over contract awards and property condemnation proceedings, suits contesting the legality of certain taxes and public safety practices. In the opinion of management, the ultimate outcome of these lawsuits will not have a materially adverse effect on the City's financial position as of September 30, 2000.

CITY OF LUBBOCK, TEXAS
Notes to Financial Statements
September 30, 2000

NOTE IV. CONTINGENT LIABILITIES

C. SITE REMEDIATION

The City has identified specific locations requiring site remediation relative to underground fuel Storage tanks. The potential exposure is not readily determinable as of September 30, 2000. In the opinion of management, the ultimate liability will not have a materially adverse effect on the City's financial position.

D. WEST TEXAS MUNICIPAL POWER AUTHORITY

In fiscal 1998, the West Texas Municipal Power Authority ("WTMPA") issued \$28,910,000 of WTMPA Revenue Bonds, Series 1998 maturing in February of 2018. These bonds are secured by the net revenues of certain power sales contracts with participating cities of which the City of Lubbock is one. In the event the net revenues of the power sales contracts are not sufficient to cover the debt service of the bonds, the participating cities are required under a debt service guarantee provision of the agreement, to provide funds sufficient to cover any debt service deficit to the extent of their respective participation percentages. The City's percentage share in this agreement is 85.21%. During the year ended September 30, 2000, the City was not required to pay amounts under this provision. At September 30, 2000, the City had accounts receivable of approximately \$3.1 million from WTMPA.

NOTE V. RECENTLY ISSUED PRONOUNCEMENTS

At September 30, 2000, the GASB had issued several statements that have not required implementation by the City of Lubbock. The statement that may impact the City is as follows:

GASB Statement No. 36, "Recipient Reporting for Certain Shared Non-exchange Revenues - an amendment of GASB Statement No. 33", issued April 2000, will be effective simultaneously with Statement No. 33. Statement No. 36 eliminates a timing difference by requiring recipient governments to account for the sharing of revenues in the same manner as provider governments. Management does not anticipate any significant adverse effects on the City's financial position or results of operations as a result of the implementation of this Statement.



General Fund

The General Fund is the general operating fund of the City. It is used to account for all financial transactions except those required to be accounted for in another fund.

**CITY OF LUBBOCK, TEXAS
GENERAL FUND**

COMPARATIVE BALANCE SHEET

September 30, 2000 and 1999

	2000	1999
Assets		
Pooled cash and cash equivalents	\$ 514,428	\$ 166,525
Investments	3,442,714	1,114,438
Delinquent ad valorem taxes receivable, less estimated uncollectible taxes (2000 - \$1,787,007; 1999 - \$1,945,257)	446,464	452,822
City sales tax receivable	4,769,652	4,213,527
Paving assessments, less estimated uncollectible accounts (2000 - \$242,869; 1999 - \$242,869)	32,559	59,854
Other accounts receivable, less estimated uncollectible accounts (2000 - \$74,126; 1999 - \$74,126)	356,191	590,996
Interest receivable on investments	138,820	187,556
Due from other funds	9,045,859	13,339,400
Due from other governments	153,701	135,701
Due from others	396,070	1,278,789
Prepaid items	79,281	136,629
Advances to other funds	1,781,800	1,963,439
Inventory	45,397	36,307
Total assets	\$ 21,202,936	\$ 23,675,983
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 2,786,942	\$ 2,746,815
Due to others	1,148,014	545,757
Due to other governments	26,483	26,483
Accrued liabilities	222,331	2,630,436
Deferred revenue	398,514	478,467
Total liabilities	4,582,284	6,427,958
Fund balances:		
Reserved for prepaid items	79,281	136,629
Reserved for advances to other funds	1,781,800	1,963,439
Unreserved:		
Designated for perpetual care	22,770	22,767
Designated for future capital use	973,245	2,309,999
Undesignated	13,763,556	12,815,191
Total fund balance	16,620,652	17,248,025
Total liabilities and fund balances	\$ 21,202,936	\$ 23,675,983

**CITY OF LUBBOCK, TEXAS
GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL**

**Year ended September 30, 2000
With Comparative Actual Amounts for Year Ended September 30, 1999**

	2000		Variance-- favorable (unfavorable)	1999
	Budget	Actual		Actual
Revenues:				
Taxes & fees	\$ 59,892,286	\$ 61,080,313	\$ 1,188,027	\$ 57,491,336
Licenses and permits	1,123,982	1,138,924	14,942	976,091
Intergovernmental	390,821	365,671	(25,150)	576,136
Charges for services	4,371,442	4,210,334	(161,108)	4,032,665
Fines	3,130,300	2,834,208	(296,092)	3,335,340
Miscellaneous	2,306,088	2,251,888	(54,200)	2,065,652
Total revenues	71,214,919	71,881,338	666,419	68,477,220
Expenditures:				
Communications/Legislation	973,998	937,889	36,109	892,913
Community Services	16,876,773	16,963,231	(86,458)	16,043,526
Development Services	5,576,366	5,439,855	136,511	5,195,459
Electric	1,788,334	1,923,584	(135,250)	1,759,509
Financial Services	1,450,139	1,458,232	(8,093)	1,366,006
Fire	16,844,163	17,080,372	(236,209)	15,616,543
General Government	5,094,807	5,255,236	(160,429)	5,250,163
Human Resources	831,470	871,596	(40,126)	870,172
Management Services	1,024,233	1,022,720	1,513	864,128
Police	25,575,192	25,561,261	13,931	23,478,729
Strategic Planning	1,519,142	1,498,176	20,966	1,481,155
Non-departmental	879,200	606,842	272,358	926,203
Total expenditures	78,433,817	78,618,994	(185,177)	73,744,506
Deficiency of revenues over expenditures	(7,218,898)	(6,737,656)	481,242	(5,267,286)
Other financing sources (uses):				
Operating transfers in	14,162,205	13,636,764	(525,441)	13,451,796
Operating transfers out	(7,615,059)	(7,526,481)	88,578	(9,926,784)
Total other financing sources	6,547,146	6,110,283	(436,863)	3,525,012
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	(671,752)	(627,373)	44,379	(1,742,274)
Fund balance at beginning of year	17,248,025	17,248,025	-	18,990,299
Fund balance at end of year	\$ 16,576,273	\$ 16,620,652	\$ 44,379	\$ 17,248,025

**CITY OF LUBBOCK, TEXAS
GENERAL FUND**

**SCHEDULE OF REVENUES
COMPARED TO BUDGET (GAAP BASIS)**

Year ended September 30, 2000

With Comparative Actual Amounts for Year Ended September 30, 1999

	2000		Variance-- favorable (unfavorable)	1999
	Budget	Actual		Actual
Taxes:				
General property taxes - current	\$ 25,945,188	\$ 25,697,949	\$ (247,239)	\$ 24,390,613
General property taxes - delinquent	400,000	390,442	(9,558)	510,149
General property taxes	26,345,188	26,088,391	(256,797)	24,900,762
Penalty and interest on delinquent taxes - general property	400,000	507,319	107,319	437,365
City sales taxes	26,023,244	27,121,078	1,097,834	25,196,203
Franchise fees	6,425,949	6,619,755	193,806	6,235,099
Bingo tax	174,000	183,532	9,532	169,526
Mixed Beverage tax	523,905	560,238	36,333	552,381
Total taxes & fees	59,892,286	61,080,313	1,188,027	57,491,336
Business licenses and permits:				
Alcoholic beverage permits	35,100	36,145	1,045	40,305
Cafe permits	140,475	138,115	(2,360)	140,265
Swimming pool permits	24,000	23,935	(65)	25,300
Occupational taxes	11,572	11,040	(532)	10,937
Electricians' licenses	28,260	31,228	2,968	31,448
Building permits	320,000	311,132	(8,868)	256,396
Electrical permits	144,000	147,205	3,205	120,910
Plumbing permits	166,000	177,740	11,740	142,487
Mechanical permits	122,000	125,999	3,999	104,905
Contractor registration	20,000	19,543	(457)	21,778
Dog licenses	48,385	63,658	15,273	42,097
Loading zone permits	550	550	-	550
Wrecker service permits	105	105	-	75
Miscellaneous permits	63,535	52,529	(11,006)	38,638
Total licenses and permits	1,123,982	1,138,924	14,942	976,091
Intergovernmental Revenue:				
County Revenue:				
Library	70,000	70,000	-	320,000
Health	124,541	133,685	9,144	115,395
Teen Court	35,000	34,907	(93)	34,987
State Training Funds	886	35,575	34,689	6,419
Total County Revenue	\$ 230,427	\$ 274,167	\$ 43,740	\$ 476,801

(Continued)

**CITY OF LUBBOCK, TEXAS
GENERAL FUND**

**SCHEDULE OF REVENUES
COMPARED TO BUDGET (GAAP BASIS)**

**Year ended September 30, 2000
With Comparative Actual Amounts for Year Ended September 30, 1999**

	2000		Variance-- favorable (unfavorable)	1999
	Budget	Actual		Actual
Drug enforcement	\$ 56,690	\$ 45,800	\$ (10,890)	\$ 53,631
Lubbock Housing Authority payments in lieu of taxes	58,000	-	(58,000)	-
State Signal Maintenance	45,704	45,704	-	45,704
Total Intergovernmental Revenue	390,821	365,671	(25,150)	576,136
Charges for Services:				
General Government:				
Zoning fees	85,000	116,573	31,573	100,147
Maps and ordinances	3,022	2,093	(929)	3,799
Blue line printing	5,400	4,482	(918)	5,048
Tax certificates	24,000	21,456	(2,544)	25,034
Copy service -- Library	18,000	14,717	(3,283)	16,336
Cost of court fees	200,000	165,699	(34,301)	197,188
Service fees -- returned checks	9,200	8,681	(519)	9,871
Other charges	818,606	811,818	(6,788)	773,003
Total General Government charges for services	1,163,228	1,145,519	(17,709)	1,130,426
Public Safety:				
Police accident reports	47,000	46,788	(212)	47,063
Police records check	8,700	6,319	(2,381)	7,493
Finger printing fees	5,000	4,030	(970)	4,880
Fire Marshall	1,100	496	(604)	1,058
Total Public Safety charges for services	61,800	57,633	(4,167)	60,494
Health:				
Vital statistics	215,000	216,391	1,391	221,933
Animal Shelter receipts	40,000	30,084	(9,916)	52,090
Adoption fees	50,000	42,440	(7,560)	52,548
Rabies Vaccine	7,500	7,028	(472)	7,240
Total Health charges for services	\$ 312,500	\$ 295,943	\$ (16,557)	\$ 333,811

(Continued)

**CITY OF LUBBOCK, TEXAS
GENERAL FUND**

**SCHEDULE OF REVENUES
COMPARED TO BUDGET (GAAP BASIS)**

Year ended September 30, 2000

With Comparative Actual Amounts for Year Ended September 30, 1999

	2000		Variance-- favorable (unfavorable)	1999
	Budget	Actual		Actual
Culture - Recreation:				
Aquatics	\$ 78,000	\$ 92,598	\$ 14,598	\$ 95,262
Athletics	284,300	235,247	(49,053)	257,000
Outdoor Concession	50,000	76,997	26,997	50,634
Special Events	56,100	67,726	11,626	61,129
Reservations	39,025	47,907	8,882	44,862
Indoor Recreation	129,290	114,385	(14,905)	114,758
Cultural Arts Service	151,535	102,715	(48,820)	44,995
Auditorium-Coliseum	512,661	459,018	(53,643)	486,909
Civic Center	473,528	470,382	(3,146)	528,406
Select-A-Seat	527,975	522,951	(5,024)	299,675
Omnimax	200,000	200,000	-	183,333
Miscellaneous	-	29	29	-
	<u>2,502,414</u>	<u>2,389,955</u>	<u>(112,459)</u>	<u>2,166,963</u>
Total Culture - Recreation charges for services				
Cemetery:				
Lot sales	154,000	173,499	19,499	158,118
Grave service	162,000	133,230	(28,770)	167,485
Miscellaneous	15,500	14,555	(945)	15,368
	<u>331,500</u>	<u>321,284</u>	<u>(10,216)</u>	<u>340,971</u>
Total Cemetery charges for services				
Total Charges for Services				
	<u>4,371,442</u>	<u>4,210,334</u>	<u>(161,108)</u>	<u>4,032,665</u>
Fines:				
Municipal Court	3,068,300	2,772,873	(295,427)	3,273,384
Library	62,000	61,335	(665)	61,956
	<u>3,130,300</u>	<u>2,834,208</u>	<u>(296,092)</u>	<u>3,335,340</u>
Total Fines				
Miscellaneous Revenue:				
Interest Earnings:				
Interest on investments	1,171,815	1,012,453	(159,362)	1,019,292
Interest on accounts, notes, contracts and paving certificates	147,037	96,209	(50,828)	98,724
	<u>1,318,852</u>	<u>1,108,662</u>	<u>(210,190)</u>	<u>1,118,016</u>
Total Interest Earnings				

(Continued)

**CITY OF LUBBOCK, TEXAS
GENERAL FUND**

**SCHEDULE OF REVENUES
COMPARED TO BUDGET (GAAP BASIS)**

Year ended September 30, 2000

With Comparative Actual Amounts for Year Ended September 30, 1999

	2000		Variance-- favorable (unfavorable)	1999
	Budget	Actual		Actual
Rents:				
Land, buildings, and equipment	\$ 3,743	\$ 4,705	\$ 962	\$ 5,074
Recoveries of Expenditures:				
Cost allocation reimbursement	135,372	147,873	12,501	109,696
New Sub Div - Engineering	40,200	46,641	6,441	47,218
Miscellaneous recoveries	146,971	141,221	(5,750)	143,791
Total Recoveries of Expenditures	<u>322,543</u>	<u>335,735</u>	<u>13,192</u>	<u>300,705</u>
Other Revenue:				
Sale of land, buildings and equipment	234,492	280,653	46,161	172,862
Property damage claims	180,000	180,371	371	174,378
Oil and gas lease	203,100	206,711	3,611	121,315
Other	43,358	135,051	91,693	173,302
Total Other Revenue	<u>660,950</u>	<u>802,786</u>	<u>141,836</u>	<u>641,857</u>
Total Miscellaneous Revenue	<u>2,306,088</u>	<u>2,251,888</u>	<u>(54,200)</u>	<u>2,065,652</u>
Total Revenues	<u>\$ 71,214,919</u>	<u>\$ 71,881,338</u>	<u>\$ 666,419</u>	<u>\$ 68,477,220</u>

**CITY OF LUBBOCK, TEXAS
GENERAL FUND**

**SCHEDULE OF EXPENDITURES
COMPARED TO BUDGET (GAAP BASIS)**

Year ended September 30, 2000

With Comparative Actual Amounts for Year Ended September 30, 1999

	2000		Variance-- favorable (unfavorable)	1999
	Budget	Actual		Actual
Communications/Legislation:				
City Council:				
Personal services	\$ 277,007	\$ 270,189	\$ 6,818	\$ 259,239
Supplies	17,000	16,694	306	18,877
Other services and charges	160,052	171,299	(11,247)	150,269
Capital outlay	10,000	14,882	(4,882)	7,917
Total City Council	464,059	473,064	(9,005)	436,302
Public Information:				
Personal services	386,759	354,408	32,351	337,981
Supplies	13,721	19,089	(5,368)	18,980
Other services and charges	109,459	83,093	26,366	94,835
Capital Outlay	-	8,235	(8,235)	4,815
Total Public Information	509,939	464,825	45,114	456,611
Total Communications/Legislation	973,998	937,889	36,109	892,913
Community Services:				
Neighborhood Services:				
Personal services	23,594	21,592	2,002	24,010
Supplies	116	120	(4)	796
Other services and charges	5,401	6,180	(779)	4,728
Total Neighborhood Services	29,111	27,892	1,219	29,534
Codes Admin/Vector Control				
Personal services	1,036,370	987,564	48,806	937,992
Supplies	134,514	116,767	17,747	123,925
Other services and charges	469,464	447,234	22,230	396,115
Capital outlay	16,000	20,227	(4,227)	24,497
Total Codes Admin/Vector Control	1,656,348	1,571,792	84,556	1,482,529
Library:				
Personal services	1,608,124	1,543,099	65,025	1,516,376
Supplies	40,419	40,948	(529)	46,183
Other services and charges	601,422	613,207	(11,785)	525,701
Capital outlay	372,644	384,070	(11,426)	433,187
Total Library	\$ 2,622,609	\$ 2,581,324	\$ 41,285	\$ 2,521,447

(Continued)

**CITY OF LUBBOCK, TEXAS
GENERAL FUND**

**SCHEDULE OF EXPENDITURES
COMPARED TO BUDGET (GAAP BASIS)**

Year ended September 30, 2000

With Comparative Actual Amounts for Year Ended September 30, 1999

	2000		Variance-- favorable (unfavorable)	1999
	Budget	Actual		Actual
Community Services (continued):				
Parks and Recreation:				
Personal services	\$ 4,031,783	\$ 3,875,824	\$ 155,959	\$ 3,846,782
Supplies	428,289	484,186	(55,897)	488,898
Other services and charges	2,562,615	2,769,510	(206,895)	2,547,147
Capital outlay	-	15,877	(15,877)	22,449
Total Parks and Recreation	<u>7,022,687</u>	<u>7,145,397</u>	<u>(122,710)</u>	<u>6,905,276</u>
Cemetery:				
Personal services	309,967	307,101	2,866	313,499
Supplies	26,991	26,446	545	29,150
Other services and charges	56,872	73,229	(16,357)	52,650
Capital outlay	-	1,998	(1,998)	157
Total Cemetery	<u>393,830</u>	<u>408,774</u>	<u>(14,944)</u>	<u>395,456</u>
Civic Center/Auditorium/Coliseum				
Personal services	1,471,431	1,418,380	53,051	1,298,434
Supplies	153,168	149,186	3,982	123,413
Other services and charges	995,596	1,184,995	(189,399)	913,003
Capital outlay	20,749	5,123	15,626	5,797
Total Civic Center/Auditorium/Coliseum	<u>2,640,944</u>	<u>2,757,684</u>	<u>(116,740)</u>	<u>2,340,647</u>
Animal Control:				
Personal services	614,801	602,250	12,551	571,276
Supplies	72,647	97,011	(24,364)	81,563
Other services and charges	182,122	165,752	16,370	152,526
Capital outlay	-	-	-	11,560
Total Animal Control	<u>869,570</u>	<u>865,013</u>	<u>4,557</u>	<u>816,925</u>
Health:				
Personal services	1,072,390	1,085,426	(13,036)	1,047,754
Supplies	105,575	107,714	(2,139)	90,453
Other services and charges	458,709	407,235	51,474	400,498
Capital outlay	5,000	4,980	20	13,007
Total Health	<u>1,641,674</u>	<u>1,605,355</u>	<u>36,319</u>	<u>1,551,712</u>
Total Community Services	<u>\$ 16,876,773</u>	<u>\$ 16,963,231</u>	<u>\$ (86,458)</u>	<u>\$ 16,043,526</u>

(Continued)

**CITY OF LUBBOCK, TEXAS
GENERAL FUND**

**SCHEDULE OF EXPENDITURES
COMPARED TO BUDGET (GAAP BASIS)**

Year ended September 30, 2000

With Comparative Actual Amounts for Year Ended September 30, 1999

	2000		Variance-- favorable (unfavorable)	1999
	Budget	Actual		Actual
Development Services:				
Traffic Engineering & Operations:				
Personal services	\$ 1,043,197	\$ 1,019,070	\$ 24,127	\$ 997,113
Supplies	53,192	52,558	634	52,057
Other services and charges	524,244	517,625	6,619	432,564
Capital outlay	<u>15,000</u>	<u>14,942</u>	<u>58</u>	<u>62,381</u>
Total Traffic Engineering & Operations	<u>1,635,633</u>	<u>1,604,195</u>	<u>31,438</u>	<u>1,544,115</u>
Streets:				
Personal services	2,649,659	2,499,816	149,843	2,465,246
Supplies	191,183	(127,227)	318,410	(67,824)
Other services and charges	1,075,691	1,446,662	(370,971)	1,210,258
Capital outlay	<u>24,200</u>	<u>16,409</u>	<u>7,791</u>	<u>43,664</u>
Total Streets	<u>3,940,733</u>	<u>3,835,660</u>	<u>105,073</u>	<u>3,651,344</u>
Total Development Services	<u>5,576,366</u>	<u>5,439,855</u>	<u>136,511</u>	<u>5,195,459</u>
Electric:				
Street Lighting:				
Personal services	587,995	553,325	34,670	486,054
Supplies	24,281	21,752	2,529	15,505
Other services and charges	<u>1,176,058</u>	<u>1,348,507</u>	<u>(172,449)</u>	<u>1,257,950</u>
Total Street Lighting	<u>1,788,334</u>	<u>1,923,584</u>	<u>(135,250)</u>	<u>1,759,509</u>
Total Electric	<u>1,788,334</u>	<u>1,923,584</u>	<u>(135,250)</u>	<u>1,759,509</u>
Financial Services:				
Accounting:				
Personal services	696,610	719,673	(23,063)	668,962
Supplies	37,760	31,511	6,249	31,119
Other services and charges	274,413	271,249	3,164	256,747
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,632</u>
Total Accounting	<u>\$ 1,008,783</u>	<u>\$ 1,022,433</u>	<u>\$ (13,650)</u>	<u>\$ 961,460</u>

(Continued)

**CITY OF LUBBOCK, TEXAS
GENERAL FUND**

**SCHEDULE OF EXPENDITURES
COMPARED TO BUDGET (GAAP BASIS)**

Year ended September 30, 2000

With Comparative Actual Amounts for Year Ended September 30, 1999

	2000		Variance-- favorable (unfavorable)	1999
	Budget	Actual		Actual
Financial Services (continued):				
Purchasing:				
Personal services	\$ 331,849	\$ 325,134	\$ 6,715	\$ 296,929
Supplies	10,617	13,958	(3,341)	10,204
Other services and charges	97,053	93,751	3,302	88,233
Capital outlay	<u>1,837</u>	<u>2,956</u>	<u>(1,119)</u>	<u>9,180</u>
Total Purchasing	<u>441,356</u>	<u>435,799</u>	<u>5,557</u>	<u>404,546</u>
Total Financial Services	<u>1,450,139</u>	<u>1,458,232</u>	<u>(8,093)</u>	<u>1,366,006</u>
Fire:				
Personal services	14,950,224	15,372,316	(422,092)	13,986,666
Supplies	407,541	379,579	27,962	277,797
Other services and charges	1,415,332	1,284,068	131,264	1,197,715
Capital outlay	<u>71,066</u>	<u>44,409</u>	<u>26,657</u>	<u>154,365</u>
Total Fire	<u>16,844,163</u>	<u>17,080,372</u>	<u>(236,209)</u>	<u>15,616,543</u>
General Government:				
City Manager:				
Personal services	770,531	756,242	14,289	753,614
Supplies	17,500	18,173	(673)	12,931
Other services and charges	161,271	173,936	(12,665)	142,371
Capital outlay	<u>5,200</u>	<u>15,971</u>	<u>(10,771)</u>	<u>9,695</u>
Total City Manager	<u>954,502</u>	<u>964,322</u>	<u>(9,820)</u>	<u>918,611</u>
General Multipurpose:				
Personal services	(50,833)	112,472	(163,305)	151,118
Supplies	4,000	10,470	(6,470)	13,449
Other services and charges	938,592	882,171	56,421	1,074,156
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,217</u>
Total General Multipurpose	<u>891,759</u>	<u>1,005,113</u>	<u>(113,354)</u>	<u>1,267,940</u>
City Secretary:				
Personal services	199,698	191,385	8,313	178,584
Supplies	14,700	11,784	2,916	11,107
Other services and charges	164,327	132,982	31,345	174,856
Capital outlay	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>1,592</u>
Total City Secretary	<u>\$ 379,725</u>	<u>\$ 336,151</u>	<u>\$ 43,574</u>	<u>\$ 366,139</u>

(Continued)

**CITY OF LUBBOCK, TEXAS
GENERAL FUND**

**SCHEDULE OF EXPENDITURES
COMPARED TO BUDGET (GAAP BASIS)**

Year ended September 30, 2000

With Comparative Actual Amounts for Year Ended September 30, 1999

	2000		Variance-- favorable (unfavorable)	1999
	Budget	Actual		Actual
General Government (continued):				
Legal:				
Personal services	\$ 1,256,128	\$ 1,270,737	\$ (14,609)	\$ 1,139,671
Supplies	17,500	23,889	(6,389)	19,871
Other services and charges	149,579	156,960	(7,381)	148,481
Capital outlay	113,322	120,511	(7,189)	61,874
Total Legal	1,536,529	1,572,097	(35,568)	1,369,897
Microfilm:				
Other services and charges	-	-	-	(550)
Total Microfilm	-	-	-	(550)
Internal Audit:				
Personal services	123,930	116,349	7,581	127,294
Supplies	1,380	1,716	(336)	1,019
Other services and charges	16,475	21,984	(5,509)	21,789
Capital Outlay	-	-	-	3,802
Total Internal Audit	141,785	140,049	1,736	153,904
Municipal Court:				
Personal services	762,506	759,917	2,589	730,306
Supplies	38,721	42,441	(3,720)	38,435
Other services and charges	387,680	427,424	(39,744)	398,081
Capital outlay	1,600	7,722	(6,122)	7,400
Total Municipal Court	1,190,507	1,237,504	(46,997)	1,174,222
Total General Government	5,094,807	5,255,236	(160,429)	5,250,163
Human Resources:				
Personal services	541,797	520,506	21,291	514,428
Supplies	26,462	32,357	(5,895)	31,509
Other services and charges	263,211	318,608	(55,397)	310,268
Capital outlay	-	125	(125)	13,967
Total Human Resources	\$ 831,470	\$ 871,596	\$ (40,126)	\$ 870,172

(Continued)

**CITY OF LUBBOCK, TEXAS
GENERAL FUND**

**SCHEDULE OF EXPENDITURES
COMPARED TO BUDGET (GAAP BASIS)**

Year ended September 30, 2000

With Comparative Actual Amounts for Year Ended September 30, 1999

	2000		Variance-- favorable (unfavorable)	1999
	Budget	Actual		Actual
Management Services:				
Budget and Research:				
Personal services	\$ 378,787	\$ 361,707	\$ 17,080	\$ 316,767
Supplies	19,000	28,169	(9,169)	22,103
Other services and charges	55,550	67,247	(11,697)	57,346
Capital outlay	3,000	3,944	(944)	-
Total Budget and Research	456,337	461,067	(4,730)	396,216
Cultural Arts Services:				
Personal services	324,436	302,912	21,524	234,685
Supplies	16,070	21,533	(5,463)	18,882
Other services and charges	222,984	233,254	(10,270)	214,188
Capital outlay	4,406	3,954	452	157
Total Cultural Arts Services	567,896	561,653	6,243	467,912
Total Management Services	1,024,233	1,022,720	1,513	864,128
Police:				
Personal services	20,700,334	20,461,225	239,109	18,732,513
Supplies	992,356	1,033,376	(41,020)	872,978
Other services and charges	3,852,584	4,060,920	(208,336)	3,756,258
Capital outlay	29,918	5,740	24,178	116,980
Total Police	25,575,192	25,561,261	13,931	23,478,729
Strategic Planning:				
Emergency Management:				
Other services and charges	103,656	103,154	502	126,323
Total Emergency Management	103,656	103,154	502	126,323
Comprehensive Planning:				
Personal services	582,050	575,706	6,344	553,860
Supplies	17,339	19,563	(2,224)	17,894
Other services and charges	93,579	95,128	(1,549)	99,356
Capital outlay	1,955	1,956	(1)	12,847
Total Comprehensive Planning	\$ 694,923	\$ 692,353	\$ 2,570	\$ 683,957

(Continued)

**CITY OF LUBBOCK, TEXAS
GENERAL FUND**

**SCHEDULE OF EXPENDITURES
COMPARED TO BUDGET (GAAP BASIS)**

Year ended September 30, 2000

With Comparative Actual Amounts for Year Ended September 30, 1999

	2000		Variance-- favorable (unfavorable)	1999
	Budget	Actual		Actual
Strategic Planning (continued):				
Building Inspection:				
Personal services	\$ 614,251	\$ 589,772	\$ 24,479	\$ 579,786
Supplies	20,734	21,349	(615)	12,506
Other services and charges	80,578	88,152	(7,574)	78,583
Capital Outlay	5,000	3,396	1,604	-
Total Building Inspection	<u>720,563</u>	<u>702,669</u>	<u>17,894</u>	<u>670,875</u>
Total Strategic Planning	<u>1,519,142</u>	<u>1,498,176</u>	<u>20,966</u>	<u>1,481,155</u>
Non-departmental expenditures	-	(272,358)	272,358	47,003
Contributions to Citibus	<u>879,200</u>	<u>879,200</u>	<u>-</u>	<u>879,200</u>
Total Non-departmental	<u>879,200</u>	<u>606,842</u>	<u>272,358</u>	<u>926,203</u>
Total expenditures	<u>\$ 78,433,817</u>	<u>\$ 78,618,994</u>	<u>\$ (185,177)</u>	<u>\$ 73,744,506</u>

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Civic Center Renovation and Marketing (“Civic Center Renovation”) - To account for a portion of the hotel-motel occupancy tax allocated specifically to renovating the interior of the Civic Center with newer aesthetics and functional improvements and to promote usage of municipal facilities.

Municipal Arts Administration (“Municipal Arts”) - To account for a portion of the hotel-motel occupancy tax allocated specifically for building or renovating the existing facility to offer a suitable environment for the visual arts and visitor information center and to provide administrative services focused on raising funds and programs.

Visitor Information Center Administration (“Visitor Information Center”) - To account for a portion of the hotel-motel occupancy tax allocated specifically to operate a central location for all information on what to see and do in Lubbock.

Inbound Tourist Travel Airport Marketing (“Inbound Tourism and Travel”) - To account for a portion of the hotel-motel occupancy tax allocated specifically to promote the accessibility of Lubbock and position Lubbock as the mini-hub of the Southwest.

Lubbock Arts Alliance Inc. Grants Review Committee (“Arts and Related Items”) - To account for a portion of the hotel-motel occupancy tax allocated specifically to promote local visual and performing arts programs.

Tourism Reserve Fund (“Tourism Reserve”) - To account for a portion of the hotel-motel occupancy tax allocated specifically to place in reserves for use in special projects or unanticipated events upon approval by the City Council.

Criminal Investigation Fund (“Criminal Investigation”) - To account for the allocation of revenues derived from court ordered forfeitures of monies to criminal investigations and related activities.

Economic Development Incentive Fund (“Economic Development Incentive”) - To account for a portion of tax revenues to promote industrial and economic development.

Tax Increment Fund (“Tax Increment”) - To account for incremental tax funds dedicated to the development of a specified central district.

Hotel/Motel Tax Fund (“Hotel/Motel Tax”) - To account for total hotel-motel occupancy tax receipts and to distribute to appropriate funds as directed by City Council.

Excess Sales Tax Fund (“Excess Sales Tax”) - To reserve the excess of actual sales tax over budgeted sales tax for the portion that reduces the property tax rate.

Community Improvement Fund (“Community Improvement”) - To account for funds transferred from the General Fund and Enterprise Funds that may be used for economic development initiatives.

Information Technology Improvements Fund (“Information Technology Improvements”) - To account for the incremental increase in cable franchise fees to be used for City-wide improvements in areas of technology.

**CITY OF LUBBOCK, TEXAS
SPECIAL REVENUE FUNDS**

COMBINING BALANCE SHEET

September 30, 2000

With Comparative Totals for September 30, 1999

	Civic Center Renovation	Municipal Arts	Visitor Information Center	Inbound Tourism and Travel	Arts and Related Items	Tourism Reserve	Criminal Investigation	Economic Development Incentive	Tax Increment	Hotel/Motel Tax	Excess Sales Tax	Community Improvement	Information Technology Improvements	Totals	
														2000	1999
Assets															
Pooled cash and cash equivalents	\$ 28,060	\$ 1,299	\$ 20,483	\$ 1,111	\$ 28,094	\$ 32,383	\$ 74,661	\$ 37,790	\$ 1,255	\$ 1,980	\$ 129,360	\$ 636,132	\$ 4,991	\$ 997,599	\$ 649,945
Investments	187,790	8,691	137,075	7,432	188,014	216,716	499,654	252,904	8,395	13,250	865,713	4,257,193	33,403	6,676,230	4,349,638
Taxes receivable	-	-	-	-	1,224	-	-	22,981	-	-	-	-	-	24,205	21,340
Interest receivable	666	61	763	52	-	1,878	2,628	2,927	59	-	2,369	-	1,635	13,038	11,879
Due from others	-	-	-	-	-	-	-	12,126	-	636,134	-	-	122,260	770,520	726,070
Total assets	\$ 216,516	\$ 10,051	\$ 158,321	\$ 8,595	\$ 217,332	\$ 250,977	\$ 576,943	\$ 328,728	\$ 9,709	\$ 651,364	\$ 997,442	\$ 4,893,325	\$ 162,289	\$ 8,481,592	\$ 5,758,872
Liabilities and Fund Balances															
Liabilities:															
Accounts and vouchers payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 141,656	\$ 527	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 142,183	\$ 167,117
Due to other funds	-	-	-	-	-	-	-	-	-	650,000	-	-	-	650,000	602,000
Accrued liabilities	-	-	-	-	-	-	-	16,993	-	-	-	-	-	16,993	20,234
Total liabilities	-	-	-	-	-	-	141,656	17,520	-	650,000	-	-	-	809,176	789,351
Fund Balances:															
Unreserved:															
Designated for subsequent year's expenditures	-	10,051	-	-	217,332	-	-	-	-	-	-	-	-	227,383	192,724
Undesignated	216,516	-	158,321	8,595	-	250,977	435,287	311,208	9,709	1,364	997,442	4,893,325	162,289	7,445,033	4,776,797
Total fund balances	216,516	10,051	158,321	8,595	217,332	250,977	435,287	311,208	9,709	1,364	997,442	4,893,325	162,289	7,672,416	4,969,521
Total liabilities and fund balances	\$ 216,516	\$ 10,051	\$ 158,321	\$ 8,595	\$ 217,332	\$ 250,977	\$ 576,943	\$ 328,728	\$ 9,709	\$ 651,364	\$ 997,442	\$ 4,893,325	\$ 162,289	\$ 8,481,592	\$ 5,758,872

**CITY OF LUBBOCK, TEXAS
SPECIAL REVENUE FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES**

**Year Ended September 30, 2000
With Comparative Totals for Year Ended September 30, 1999**

	Civic Center Renovation	Municipal Arts	Visitor Information Center	Inbound Tourism and Travel	Arts and Related Items	Tourism Reserve	Criminal Investigation	Economic Development Incentive	Tax Increment	Hotel/Motel Tax	Excess Sales Tax	Community Improvement	Information Technology Improvements	Totals	
														2000	1999
Revenues:															
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,832,787	\$ 32	\$ -	\$ -	\$ -	\$ -	\$ 1,832,819	\$ 1,789,257
City sales tax	-	-	-	-	-	-	-	-	-	-	276,092	-	-	276,092	35,483
Hotel and motel taxes	-	-	-	-	-	-	-	-	-	2,568,957	-	-	-	2,568,957	2,368,699
Interest	5,886	514	5,669	439	10,284	14,606	13,684	19,390	499	-	6,880	99,775	11,466	189,092	201,375
Miscellaneous	-	-	-	-	-	-	169,640	-	-	-	-	-	487,862	657,502	211,398
Total revenues	5,886	514	5,669	439	10,284	14,606	183,324	1,852,177	531	2,568,957	282,972	99,775	499,328	5,524,462	4,606,212
Expenditures:															
Current:															
General government	34,053	-	20,044	-	122,874	646	173,277	2,104,013	221	1,393,983	-	587,535	-	4,436,646	4,479,269
Capital outlay	-	-	-	-	-	75,600	16,992	-	-	-	-	-	-	92,592	16,467
Total expenditures	34,053	-	20,044	-	122,874	76,246	190,269	2,104,013	221	1,393,983	-	587,535	-	4,529,238	4,495,736
Excess (deficiency) of revenues over (under) expenditures	(28,167)	514	(14,375)	439	(112,590)	(61,640)	(6,945)	(251,836)	310	1,174,974	282,972	(487,760)	499,328	995,224	110,476
Other financing sources (uses):															
Operating transfers in	687,454	146,735	73,734	27,513	146,735	129,509	-	250,000	-	-	665,866	2,349,509	-	4,477,055	5,527,970
Operating transfers out	(634,055)	(146,735)	-	(27,513)	-	(75,000)	-	-	-	(1,173,881)	-	(211,600)	(500,600)	(2,769,384)	(2,659,450)
Total other financing sources (uses)	53,399	-	73,734	-	146,735	54,509	-	250,000	-	(1,173,881)	665,866	2,137,909	(500,600)	1,707,671	2,868,520
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	25,232	514	59,359	439	34,145	(7,131)	(6,945)	(1,836)	310	1,093	948,838	1,050,149	(1,272)	2,702,095	2,070,006
Fund balances at beginning of year	191,284	9,537	98,962	8,156	183,187	258,108	442,232	313,044	9,399	271	48,604	3,243,176	163,561	4,969,521	1,990,525
Fund balances at end of year	\$ 216,516	\$ 10,051	\$ 158,321	\$ 8,595	\$ 217,332	\$ 250,977	\$ 435,287	\$ 311,208	\$ 9,709	\$ 1,364	\$ 997,442	\$ 4,093,325	\$ 102,289	\$ 7,072,410	\$ 4,909,521



Debt Service Fund

This fund is used to account for the accumulation of financial resources for the payment of interest and principal on the general long-term debt of the City, other than debt service payments made by enterprise funds. Ad valorem taxes and interest earned on the investments of the Debt Service Fund are used for the payment of principal, interest, and commissions to fiscal agents on the City's general obligation bonds, which are recorded in the General Long-term Debt Account Group.

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

BALANCE SHEET

September 30, 2000

With Comparative Totals for September 30, 1999

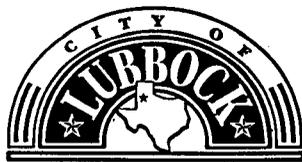
	Totals	
	2000	1999
<u>Assets</u>		
Pooled cash and cash equivalents	\$ 157,969	\$ 150,962
Investments	1,057,182	1,010,293
Taxes receivable less allowance for uncollectible taxes (2000 - \$883,438; 1999 - \$983,917)	<u>213,437</u>	<u>238,556</u>
Total assets	<u>\$ 1,428,588</u>	<u>\$ 1,399,811</u>
 <u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts payable	\$ 5,608	\$ 16,775
Deferred revenue	<u>162,530</u>	<u>231,766</u>
Total liabilities	<u>168,138</u>	<u>248,541</u>
Fund balances:		
Reserved for debt service	<u>1,260,450</u>	<u>1,151,270</u>
Total liabilities and fund balances	<u>\$ 1,428,588</u>	<u>\$ 1,399,811</u>

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

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE**

**Year Ended September 30, 2000
With Comparative Totals for Year Ended September 30, 1999**

	Totals	
	2000	1999
Revenues:		
Property taxes (net)	\$ 7,511,685	\$ 7,994,580
Interest on investments	70,869	28,136
Total revenues	7,582,554	8,022,716
Expenditures:		
Principal retirement	4,622,633	5,723,124
Interest on bonds	3,097,514	2,538,570
Fiscal agent fees	18,637	414,582
Total expenditures	7,738,784	8,676,276
Excess (deficiency) of revenues over (under) expenditures	(156,230)	(653,560)
Other financing sources (uses):		
Proceeds of refunding bonds	-	963,584
Operating transfers in	16,245,165	12,984,481
Payment to refunded bond escrow agent	-	(966,270)
Operating transfers out	(15,979,755)	(12,597,066)
Total other financing sources (uses)	265,410	384,729
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	109,180	(268,831)
Fund balance at beginning of year	1,151,270	1,420,101
Fund balance at end of year	\$ 1,260,450	\$ 1,151,270



Capital Project Funds

The Capital Projects Funds account for all capital improvements, except for those accounted for in proprietary funds, which are financed by the City's general obligation bond issues, certain sales taxes, certain Federal grants and other specific receipts.

Public Safety Capital Projects Fund (“Public Safety”) - To account for the financing and construction of public safety improvements.

Park Improvements Fund (“Park Improvements”) - To account for the financing and construction of park improvements.

Streets Improvements Fund (“Street Improvements”) - To account for the financing and construction of streets and alleys financed primarily by bond issues and property owner participation.

Street Facilities and System Improvements Fund (“Permanent Street Maintenance”) - To account for the financing and reconstruction of public streets, thoroughfares and public ways.

General Capital Projects Fund (“General Capital Projects”) - To account for the financing and expenditures related to the purchase and/or construction of municipal buildings and equipment.

General Facilities and System Improvements Fund (“General Facilities and System Improvements”) - To account for the maintenance, repair or replacement of major components of all public buildings and public facilities owned by the City.

**CITY OF LUBBOCK, TEXAS
CAPITAL PROJECTS FUNDS**

COMBINING BALANCE SHEET

**September 30, 2000
With Comparative Totals for September 30, 1999**

	Public Safety	Park Improve- ments	Street Improve- ments	Permanent Street Maintenance	General Capital Projects	General Facilities and System Improvements	Totals	
							2000	1999
<u>Assets</u>								
Pooled cash and cash equivalents	\$ 407,092	\$ 741,580	\$ 1,816,269	\$ 38,207	\$ 221,694	\$ 1,270,441	\$ 4,555,282	\$ 4,572,096
Investments	3,125,925	4,962,881	12,155,028	255,692	1,483,647	8,502,181	30,485,355	30,597,878
Interest receivable	5,229	7,416	41,479	3,658	8,780	57,985	124,547	132,709
Due from others	-	-	145,203	-	-	-	145,203	89,993
Total assets	<u>\$ 3,598,246</u>	<u>\$ 5,711,877</u>	<u>\$ 14,157,979</u>	<u>\$ 297,557</u>	<u>\$ 1,714,121</u>	<u>\$ 9,830,607</u>	<u>\$ 35,310,387</u>	<u>\$ 35,392,676</u>
<u>Liabilities and Fund Balances</u>								
Liabilities:								
Vouchers and accounts payable	\$ 68,348	\$ 27,341	\$ 58,432	\$ -	\$ 101,515	\$ 184,869	\$ 440,505	\$ 1,065,764
Advances from other funds	1,337,265	-	-	-	1,578,974	-	2,916,239	3,064,823
Contracts payable	-	-	1,788,301	24,562	-	-	1,812,863	1,752,620
Total liabilities	<u>1,405,613</u>	<u>27,341</u>	<u>1,846,733</u>	<u>24,562</u>	<u>1,680,489</u>	<u>184,869</u>	<u>5,169,607</u>	<u>5,883,207</u>
Fund balances:								
Reserved for capital projects	<u>2,192,633</u>	<u>5,684,536</u>	<u>12,311,246</u>	<u>272,995</u>	<u>33,632</u>	<u>9,645,738</u>	<u>30,140,780</u>	<u>29,509,469</u>
Total fund balances	<u>2,192,633</u>	<u>5,684,536</u>	<u>12,311,246</u>	<u>272,995</u>	<u>33,632</u>	<u>9,645,738</u>	<u>30,140,780</u>	<u>29,509,469</u>
Total liabilities and fund balances	<u>\$ 3,598,246</u>	<u>\$ 5,711,877</u>	<u>\$ 14,157,979</u>	<u>\$ 297,557</u>	<u>\$ 1,714,121</u>	<u>\$ 9,830,607</u>	<u>\$ 35,310,387</u>	<u>\$ 35,392,676</u>

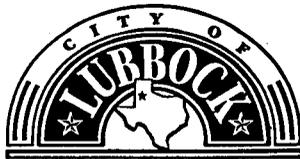
CITY OF LUBBOCK, TEXAS
CAPITAL PROJECTS FUNDS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES**

Year Ended September 30, 2000

With Comparative Totals for Year Ended September 30, 1999

	Public Safety	Park Improve- ments	Street Improve- ments	Permanent Street Maintenance	General Capital Projects	General Facilities and System Improvements	Totals	
							2000	1999
Revenues:								
Contributions	\$ -	\$ 50,000	\$ 17,600	\$ -	\$ -	\$ -	\$ 67,600	\$ 516,665
Interest	318,363	237,606	622,225	35,726	129,343	530,384	1,873,647	1,951,793
Charges for services	-	12,764	74,819	-	-	-	87,583	379,496
Miscellaneous	7	-	-	-	-	-	7	944,627
Total revenues	<u>318,370</u>	<u>300,370</u>	<u>714,644</u>	<u>35,726</u>	<u>129,343</u>	<u>530,384</u>	<u>2,028,837</u>	<u>3,792,581</u>
Expenditures:								
Capital Outlay	3,910,811	718,801	826,895	1,692,021	1,665,912	5,482,196	14,296,636	19,494,225
Fiscal charges	-	-	24,935	-	-	-	24,935	87,309
Miscellaneous	81,049	46,413	41,200	-	894	572,325	741,881	493,508
Total expenditures	<u>3,991,860</u>	<u>765,214</u>	<u>893,030</u>	<u>1,692,021</u>	<u>1,666,806</u>	<u>6,054,521</u>	<u>15,063,452</u>	<u>20,075,042</u>
Deficiency of revenues over expenditures	<u>(3,673,490)</u>	<u>(464,844)</u>	<u>(178,386)</u>	<u>(1,656,295)</u>	<u>(1,537,463)</u>	<u>(5,524,137)</u>	<u>(13,034,615)</u>	<u>(16,282,461)</u>
Other financing sources (uses):								
Bond proceeds	-	3,641,920	3,358,080	-	-	-	7,000,000	-
Operating transfers in	394,152	833,936	218,626	1,700,000	523,600	3,487,320	7,157,634	9,919,340
Operating transfers out	(1,905)	(172,975)	-	(197,935)	(58,093)	(60,800)	(491,708)	(2,439,594)
Total other financing sources (uses)	<u>392,247</u>	<u>4,302,881</u>	<u>3,576,706</u>	<u>1,502,065</u>	<u>465,507</u>	<u>3,426,520</u>	<u>13,665,926</u>	<u>7,479,746</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(3,281,243)</u>	<u>3,838,037</u>	<u>3,398,320</u>	<u>(154,230)</u>	<u>(1,071,956)</u>	<u>(2,097,617)</u>	<u>631,311</u>	<u>(8,802,715)</u>
Fund balances at beginning of year	<u>5,473,876</u>	<u>1,846,499</u>	<u>8,912,926</u>	<u>427,225</u>	<u>1,105,588</u>	<u>11,743,355</u>	<u>29,509,469</u>	<u>38,312,184</u>
Fund balances at end of year	\$ <u><u>2,192,633</u></u>	\$ <u><u>5,684,536</u></u>	\$ <u><u>12,311,246</u></u>	\$ <u><u>272,995</u></u>	\$ <u><u>33,632</u></u>	\$ <u><u>9,645,738</u></u>	\$ <u><u>30,140,780</u></u>	\$ <u><u>29,509,469</u></u>



Enterprise Funds

The Enterprise Funds are used to account for the operations of the City financed and operated in a manner similar to private business enterprises, where the intent is costing goods or services to the general public on a continuing basis to be recovered in whole or part through user charges.

Electric Fund - To account for the operations of the City-owned electric system.

Water Fund - To account for the operations of the City's water system.

Sewer Fund - To account for the operations of the City's sanitary sewer system.

Solid Waste Fund - To account for the operations of the City's landfills and its solid waste collection system.

Airport Fund - To account for the operations of Lubbock International Airport.

Golf Fund - To account for the operations of Meadowbrook Golf Course.

Stormwater Fund - To account for the operations of the stormwater utility which provides stormwater drainage for the City.

**CITY OF LUBBOCK, TEXAS
ENTERPRISE FUNDS**

COMBINING BALANCE SHEET

September 30, 2000
With Comparative Totals for September 30, 1999

ASSETS	Electric Fund	Water Fund	Sewer Fund	Solid waste Fund	Airport Fund	Golf Fund	Stormwater Fund	Totals	
								2000	1999
Current assets:									
Pooled cash and cash equivalents	\$ 135,979	\$ 1,093,365	\$ 733,989	\$ 328,165	\$ 46,722	\$ 4,879	\$ 47,408	\$ 2,390,507	\$ 2,238,209
Investments	910,010	7,317,132	4,012,082	2,198,178	312,681	-	317,272	15,965,355	16,512,687
Accounts and notes receivable (net)	12,025,218	2,727,746	1,437,776	1,104,303	366,560	-	-	17,661,603	13,752,568
Interest receivable	2,743	19,055	22,177	11,663	2,994	-	5,612	64,244	105,115
Due from other governments	-	31,577	-	-	-	-	-	31,577	28,161
Inventory, at average cost	283,361	94,004	-	-	-	-	-	377,365	485,890
Total current assets	<u>13,357,311</u>	<u>11,282,879</u>	<u>7,106,024</u>	<u>3,640,309</u>	<u>728,957</u>	<u>4,879</u>	<u>370,292</u>	<u>36,490,651</u>	<u>33,122,630</u>
Restricted assets:									
Customer deposits:									
Pooled cash and cash equivalents	74,353	354,829	-	4,650	-	-	-	433,832	330,649
Utility deposits:									
Accounts receivable	-	4,071	-	-	-	-	-	4,071	4,071
Economic development:									
Pooled cash and cash equivalents	35,440	-	-	-	-	-	-	35,440	379,485
Interest receivable	110	-	-	-	-	-	-	110	1,266
Pro rata construction:									
Pooled cash and cash equivalents	-	30,009	299,064	-	-	-	-	329,073	595,426
Accounts and interest receivable	-	27,782	25,308	-	-	-	-	53,090	64,704
Capital projects:									
Pooled cash and cash equivalents	144,216	17,574,610	3,397,287	4,076,741	1,155,208	23,340	2,788,968	29,160,370	25,053,197
Investments	127,890	15,569,897	3,012,688	3,615,223	1,024,430	20,697	2,473,235	25,844,060	21,871,132
Interest receivable	845	86,040	29,283	48,786	23,334	-	35,746	224,034	229,528
Facilities/system improvements:									
Pooled cash and cash equivalents	2,059,526	1,413,532	703,099	650,045	551,168	8	-	5,377,378	12,906,193
Investments	1,826,372	1,253,509	623,502	576,455	488,772	-	-	4,768,611	11,634,976
Interest receivable	12,073	6,927	6,060	7,779	11,133	-	-	43,972	117,532
System improvement:									
Pooled cash and cash equivalents	159,895	343,510	373,055	-	-	-	-	873,560	1,156,571
Interest receivable	487	892	1,704	-	-	-	-	3,083	5,700
Rate stabilization:									
Pooled cash and cash equivalents	-	-	-	-	-	-	-	-	-
Investments	20,050	5,100,258	760,256	7,142,300	-	-	-	13,032,871	14,477,951
Interest receivable	65	13,247	3,514	45,300	-	-	-	62,125	90,890
Passenger facility charge capital projects:									
Pooled cash and cash equivalents	-	-	-	-	56,416	-	-	56,416	71,326
Investments	-	-	-	-	2,764,374	-	-	2,764,374	3,822,985
Accounts and interest receivable	-	-	-	-	20,158	-	-	20,158	15,930
Revenue bond current debt services:									
Investments	2,150,026	-	-	-	-	-	-	2,150,026	1,926,843
Interest receivable	6,703	-	-	-	-	-	-	6,703	6,456
Revenue bond future debt services:									
Investments	2,457,807	-	-	-	-	-	-	2,457,807	2,759,652
Interest receivable	7,612	-	-	-	-	-	-	7,612	9,172
Total restricted assets	<u>9,081,379</u>	<u>41,779,213</u>	<u>9,243,819</u>	<u>16,167,378</u>	<u>6,094,993</u>	<u>44,045</u>	<u>5,297,949</u>	<u>87,708,776</u>	<u>97,531,635</u>
Advances to other funds	-	232,190	-	1,910,224	-	-	-	2,142,414	3,210,938
Deferred charges	11,717,554	-	-	-	-	-	-	11,717,554	9,229,205
Property, plant and equipment:									
Land	699,537	1,705,854	13,681,615	1,609,107	13,141,535	-	-	30,837,648	30,592,304
Buildings	7,282,260	21,879,079	23,349,603	85,607	30,144,620	11,122	-	92,752,391	83,981,646
Improvements other than buildings	140,787,012	151,773,069	80,030,258	13,082,962	47,181,836	1,047,144	1,353,157	435,255,438	414,514,746
Machinery and equipment	11,816,080	16,473,953	7,136,829	9,486,162	6,346,163	1,795	277,371	51,538,373	39,961,770
Construction in progress	17,605,921	34,193,745	15,835,318	7,487,196	7,933,172	18,675	4,253,406	87,327,433	100,405,537
Allowance for depreciation	(66,409,965)	(45,338,357)	(35,718,632)	(6,833,720)	(48,419,346)	(899,773)	(351,434)	(203,971,227)	(191,454,823)
Net property, plant and equipment	<u>111,780,845</u>	<u>180,687,343</u>	<u>104,315,291</u>	<u>24,917,214</u>	<u>56,327,900</u>	<u>178,963</u>	<u>5,532,500</u>	<u>483,740,056</u>	<u>457,681,180</u>
Other assets:									
Water rights	-	32,905,862	-	-	-	-	-	32,905,862	32,905,862
Allowance for amortization	-	(12,388,089)	-	-	-	-	-	(12,388,089)	(12,000,962)
Net other assets	-	20,517,773	-	-	-	-	-	20,517,773	20,904,900
Total assets	<u>\$ 145,937,089</u>	<u>\$ 254,499,398</u>	<u>\$ 120,665,134</u>	<u>\$ 46,635,125</u>	<u>\$ 63,151,850</u>	<u>\$ 227,887</u>	<u>\$ 11,200,741</u>	<u>\$ 642,317,224</u>	<u>\$ 621,680,488</u>

**CITY OF LUBBOCK, TEXAS
ENTERPRISE FUNDS**

COMBINING BALANCE SHEET

**September 30, 2000
With Comparative Totals for September 30, 1999**

Liabilities and Fund Equity	Electric Fund	Water Fund	Sewer Fund	Solid Waste Fund	Airport Fund	Golf Fund	Stormwater Fund	Totals	
								2000	1999
Current liabilities:									
Accounts and vouchers payable	\$ 12,696,018	\$ 606,901	\$ 257,376	\$ 12,116	\$ 74,210	\$ 23,105	\$ 6,573	\$ 13,676,299	\$ 5,353,215
Due to other funds	4,500,000	120,000	-	-	-	2,017,046	-	6,637,046	10,117,100
Accrued general obligation interest	-	903,850	373,616	26,126	-	-	-	1,303,592	1,072,548
Other accrued expenses	197,720	89,850	69,763	55,869	34,006	-	4,538	451,746	681,470
Current portion of bonds and construction obligation payable	-	4,342,923	3,327,079	569,607	420,000	-	-	8,659,609	8,603,910
Total current liabilities	17,393,738	6,063,524	4,027,834	663,718	528,216	2,040,151	11,111	30,728,292	25,828,243
Liabilities payable from restricted assets:									
Accounts and vouchers payable	596,296	262,346	217,564	87,447	354,015	-	292,847	1,810,515	1,633,935
Accrued interest	720,388	-	-	-	15,921	-	-	736,309	804,205
Current revenue bonds payable	3,599,310	-	-	-	-	-	-	3,600,316	3,038,341
Customer deposits	74,353	354,829	-	4,650	-	-	-	433,832	330,649
Total liabilities (payable from restricted assets)	4,990,353	617,175	217,564	92,097	369,936	-	292,847	6,579,972	5,807,130
Long-term liabilities:									
Revenue bonds (net of current portion)	28,976,732	44,870,566	-	-	-	-	-	73,847,298	78,578,552
Advances from other funds	-	-	-	-	-	-	50,000	50,000	293,678
Contracts payable - pro rata	-	779,760	914,701	-	-	-	-	1,694,461	999,990
General obligation bonds (net of current portion)	-	68,157,763	50,266,411	3,404,318	5,040,000	-	-	126,868,492	111,477,663
Deferred revenue	-	-	-	-	28,160	-	-	28,160	33,130
Accrued vacation and sick leave	1,870,424	634,645	250,651	209,796	255,877	-	9,343	3,230,736	3,008,164
Landfill closure and postclosure care costs	-	-	-	5,918,343	-	-	-	5,918,343	6,326,385
Total long-term liabilities	30,847,156	114,442,734	51,431,763	9,532,457	5,324,037	-	59,343	211,637,490	200,717,562
Total liabilities	53,231,247	121,123,433	55,677,161	10,288,272	6,222,189	2,040,151	363,301	248,945,754	232,352,935
Fund equity:									
Contributed capital	8,011,881	38,288,867	27,587,313	4,837,310	54,259,613	-	-	132,984,984	131,735,154
Retained earnings:									
Reserved for economic development	35,550	-	-	-	-	-	-	35,550	380,750
Reserved for capital projects	272,951	33,175,482	6,234,362	4,053,500	5,043,907	44,037	5,112,776	53,937,015	47,347,502
Reserved for facilities/system improvements	3,346,007	2,529,372	1,322,848	1,185,125	1,050,818	-	-	9,434,170	24,070,669
Reserved for system improvements	76,091	277,569	367,111	-	-	-	-	720,771	1,037,136
Reserved for rate stabilization	-	5,113,504	772,769	7,187,699	-	-	-	13,073,972	14,562,567
Reserved per bond indentures	302,444	-	-	-	-	-	-	302,444	3,488,617
Unreserved	80,660,918	53,991,171	28,703,570	19,083,219	(3,424,677)	(1,856,301)	5,724,664	182,882,564	166,705,158
Total retained earnings	84,693,961	95,087,098	37,400,660	31,509,543	2,670,048	(1,812,264)	10,837,440	260,386,486	257,592,399
Total fund equity	92,705,842	133,375,965	64,987,973	36,346,853	56,929,661	(1,812,264)	10,837,440	393,371,470	369,327,553
Total liabilities and fund equity	\$ 145,937,089	\$ 254,499,398	\$ 120,665,134	\$ 46,635,125	\$ 63,151,850	\$ 227,887	\$ 11,200,741	\$ 642,317,224	\$ 621,680,489

CITY OF LUBBOCK, TEXAS
ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY/RETAINED EARNINGS

Year Ended September 30, 2000
With Comparative Totals for Year Ended September 30, 1999

	Electric Fund	Water Fund	Sewer Fund	Solid Waste Fund	Airport Fund	Golf Fund	Stormwater Fund	Totals	
								2000	1999
Operating revenues:									
Charge for services	\$ 72,932,146	\$ 28,934,143	\$ 15,166,109	\$ 16,034,660	\$ -	\$ -	\$ 1,950,819	\$ 135,018,266	\$ 122,125,503
New taps and reconnects	-	103,280	-	-	-	-	-	103,280	143,615
Effluent water sales	-	-	560,626	-	-	-	-	560,626	553,624
Commodity sales	-	-	720,499	-	-	-	-	720,499	490,254
Landing fees	-	-	-	-	740,882	-	-	740,882	725,300
Parking	-	-	-	-	1,168,628	-	-	1,168,628	1,365,740
Greenfees and memberships	-	-	-	-	-	40,262	-	40,262	49,638
Rentals	-	-	-	-	1,347,914	-	-	1,347,914	1,366,537
Concessions	-	-	-	-	1,065,423	-	-	1,065,423	908,880
Total operating revenues	<u>72,932,146</u>	<u>29,037,723</u>	<u>16,447,324</u>	<u>16,034,659</u>	<u>4,322,847</u>	<u>40,262</u>	<u>1,950,819</u>	<u>140,765,780</u>	<u>127,729,091</u>
Operating expenses:									
Personal services	8,772,550	4,500,320	2,929,853	2,988,578	1,382,981	-	215,399	20,789,681	19,512,918
Supplies	577,981	922,973	550,019	543,201	156,495	-	4,970	2,755,639	2,525,794
Maintenance	1,467,109	1,750,287	1,045,709	1,412,824	324,212	-	52,432	6,052,573	6,217,225
Uncollectible accounts	744,126	238,425	103,535	100,571	-	-	-	1,185,657	1,003,189
Purchase of fuel and power	49,299,758	-	-	-	-	-	-	49,299,758	35,310,419
Collection expense	-	1,457,484	312,883	274,715	-	-	165,303	2,210,385	1,765,459
Other services and charges	5,239,516	5,057,737	3,162,860	3,804,122	1,178,476	28	141,448	18,584,187	17,620,985
Depreciation and amortization	5,498,153	5,327,091	4,073,836	1,362,225	2,868,516	66,947	105,929	19,302,697	16,661,704
Total operating expenses	<u>71,599,193</u>	<u>19,254,317</u>	<u>12,178,695</u>	<u>10,486,236</u>	<u>5,910,680</u>	<u>66,975</u>	<u>685,481</u>	<u>120,181,577</u>	<u>100,617,693</u>
Operating income (loss)	<u>1,332,953</u>	<u>9,783,406</u>	<u>4,268,629</u>	<u>5,548,423</u>	<u>(1,587,833)</u>	<u>(26,713)</u>	<u>1,265,338</u>	<u>20,584,203</u>	<u>27,111,398</u>
Nonoperating revenues (expenses):									
Interest	944,579	3,135,737	834,935	1,055,527	422,612	-	348,798	6,742,188	5,746,687
Passenger facility charges	-	-	-	-	1,552,654	-	-	1,552,654	1,587,267
Disposition of properties	695	(155,693)	30,767	151,611	-	-	(7,853)	19,527	(399,172)
Miscellaneous	442,493	424,806	8,982	32,831	246,366	-	-	1,155,483	645,206
Interest on bonds and notes	(2,415,626)	(7,294,688)	(3,340,530)	(197,384)	(127,974)	-	-	(13,376,202)	(10,476,315)
Total nonoperating revenues (expenses)	<u>(1,027,854)</u>	<u>(3,869,838)</u>	<u>(2,465,846)</u>	<u>1,042,585</u>	<u>2,093,658</u>	<u>-</u>	<u>340,945</u>	<u>(3,906,350)</u>	<u>(2,896,327)</u>
Income (loss) before operating transfers	<u>305,099</u>	<u>5,893,568</u>	<u>1,802,783</u>	<u>6,591,008</u>	<u>505,825</u>	<u>(26,713)</u>	<u>1,606,283</u>	<u>16,677,853</u>	<u>24,215,071</u>
Transfers:									
Operating transfers in	150,000	7,288,500	7,397,195	996,248	678,292	-	-	16,510,235	13,361,680
Operating transfers out	(7,290,319)	(9,939,191)	(9,143,314)	(3,110,760)	(1,665,457)	(40,262)	(257,197)	(31,446,500)	(27,264,965)
Total transfers out	<u>(7,140,319)</u>	<u>(2,650,691)</u>	<u>(1,746,119)</u>	<u>(2,114,512)</u>	<u>(987,165)</u>	<u>(40,262)</u>	<u>(257,197)</u>	<u>(14,936,265)</u>	<u>(13,903,285)</u>
Net income/(loss)	<u>(6,835,220)</u>	<u>3,242,877</u>	<u>56,664</u>	<u>4,476,496</u>	<u>(481,340)</u>	<u>(66,975)</u>	<u>1,349,086</u>	<u>1,741,588</u>	<u>10,311,786</u>
Depreciation on fixed assets acquired by contributions	26,261	68,935	99,275	-	858,028	-	-	1,052,499	614,845
Retained earnings at beginning of year	91,502,920	91,775,286	37,244,721	27,033,047	2,293,360	(1,745,289)	9,488,354	257,592,329	246,665,768
Retained earnings at end of year	<u>84,693,961</u>	<u>95,087,095</u>	<u>37,400,660</u>	<u>31,509,543</u>	<u>2,670,048</u>	<u>(1,812,264)</u>	<u>10,837,440</u>	<u>260,366,486</u>	<u>257,592,399</u>
Contributed capital at beginning of year	7,973,734	37,567,270	26,792,383	4,875,292	54,526,475	-	-	131,735,154	129,247,654
Capital contributions	64,408	790,532	894,206	(37,082)	391,166	-	-	2,302,329	3,102,343
Depreciation on contributed capital	(26,261)	(68,935)	(99,275)	-	(858,028)	-	-	(1,052,499)	(614,845)
Contributed capital at end of year	<u>8,011,881</u>	<u>38,288,867</u>	<u>27,587,313</u>	<u>4,837,310</u>	<u>54,259,613</u>	<u>-</u>	<u>-</u>	<u>132,984,984</u>	<u>131,735,154</u>
Total equity at end of year	<u>\$ 92,705,842</u>	<u>\$ 133,375,965</u>	<u>\$ 64,987,973</u>	<u>\$ 36,346,853</u>	<u>\$ 56,929,661</u>	<u>\$ (1,812,264)</u>	<u>\$ 10,837,440</u>	<u>\$ 393,371,470</u>	<u>\$ 389,327,553</u>

CITY OF LUBBOCK, TEXAS
ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS

Year Ended September 30, 2000

With Comparative Totals for Year Ended September 30, 1999

	Electric	Water	Sewer	Solid Waste	Airport	Golf	Stormwater	Totals	
	Fund	Fund	Fund	Fund	Fund	Fund	Fund	2000	1999
Cash flows from operating activities:									
Operating income (loss)	\$ 1,332,953	\$ 9,783,406	\$ 4,268,629	\$ 5,548,423	\$ (1,507,633)	\$ (26,713)	\$ 1,265,338	\$ 20,584,203	\$ 27,111,398
Adjustments to reconcile operating income (loss) to net cash from operating activities:									
Depreciation, amortization and accretion	5,498,153	5,327,091	4,073,836	1,362,225	2,868,516	66,947	105,929	19,302,697	16,661,704
Other income (expense)	443,193	269,113	39,749	184,442	246,360	-	(7,863)	1,175,010	246,034
Increase (decrease) in long-term assets/liabilities not requiring cash flow	1,686,853	79,879	87,601	(142,038)	12,764	-	(433)	1,724,626	561,317
Change in current assets and liabilities:									
Accounts receivable	(3,259,323)	(452,812)	(157,593)	(70,447)	91,622	4,222	-	(3,044,331)	(3,297,397)
Inventory	110,998	(2,476)	-	-	-	-	-	108,522	(331,804)
Due from other governments	-	(3,416)	-	-	-	-	-	(3,416)	43,879
Accounts payable	8,478,297	133,847	(201,572)	(31,584)	(118,354)	55	238,975	8,499,664	(399,232)
Other accrued expenses	(44,140)	(70,290)	(53,436)	(35,204)	(24,819)	-	(1,835)	(229,724)	19,034
Customer deposits	52,123	50,860	-	200	-	-	-	103,183	(10,949)
Net cash provided by operating activities	<u>14,299,107</u>	<u>15,115,202</u>	<u>8,057,214</u>	<u>6,816,017</u>	<u>1,488,262</u>	<u>44,511</u>	<u>1,600,121</u>	<u>47,420,434</u>	<u>40,603,984</u>
Cash flows from capital and related financing activities:									
Payments for gas reserves and other deferred charges	(4,193,412)	-	-	-	-	-	-	(4,193,412)	(1,375,573)
Purchases of property, plant and equipment	(11,714,128)	(17,697,673)	(3,955,869)	(3,934,391)	(3,525,645)	-	(2,814,757)	(43,642,463)	(36,558,500)
Sale of property, plant and equipment	2,012	162,578	10,855	133,301	-	-	7,852	316,598	360,151
Principal paid on revenue bonds	(3,064,025)	(1,455,000)	-	-	-	-	-	(4,519,025)	(4,218,098)
Interest paid on revenue bonds	(2,473,684)	(2,756,097)	-	-	-	-	-	(5,229,781)	(5,765,649)
Principal paid on general obligation bonds and other debt	-	(2,817,514)	(4,456,889)	(575,326)	(620,000)	-	-	(8,469,729)	(39,262,396)
Interest paid on general obligation bonds	-	(4,310,818)	(3,313,719)	(220,924)	(137,812)	-	-	(7,983,273)	(4,613,778)
Issuance of revenue, G.O. and C.O. bonds	-	24,055,000	-	-	-	-	-	24,055,000	62,973,769
Refunds of pro-rata contracts	-	(26,729)	(44,323)	-	-	-	-	(71,052)	(70,673)
Deposits on pro-rata contracts	-	19,788	23,001	-	-	-	-	42,789	95,671
Passenger facility charges	-	-	-	-	1,552,654	-	-	1,552,654	1,587,267
Contributed capital	33,306	405,935	346,074	-	591,166	-	-	1,376,481	1,768,399
Net cash used for capital and related financing activities	<u>(21,409,931)</u>	<u>(4,420,530)</u>	<u>(11,390,870)</u>	<u>(4,597,340)</u>	<u>(2,139,637)</u>	<u>-</u>	<u>(2,806,905)</u>	<u>(46,765,213)</u>	<u>(25,079,410)</u>
Cash flows from noncapital and related financing activities:									
Operating transfers in from other funds	150,000	7,268,500	7,397,195	996,248	678,292	-	-	16,510,235	13,361,660
Operating transfers out to other funds	(7,290,319)	(9,939,191)	(9,143,314)	(3,110,760)	(1,665,457)	(40,262)	(257,197)	(31,448,500)	(27,264,965)
Short-term interfund borrowings	(3,500,000)	20,000	-	-	-	(54)	(120,000)	(3,600,054)	8,096,600
Advances to other funds	-	-	-	(424,374)	-	-	-	(424,374)	(1,485,850)
Payments received/(made) on advances to/from other funds	1,086,068	283,155	123,678	-	(123,678)	-	-	1,369,223	-
Net cash used by noncapital and related financing activities	<u>(9,554,251)</u>	<u>(2,347,536)</u>	<u>(1,622,441)</u>	<u>(2,538,866)</u>	<u>(1,110,843)</u>	<u>(40,316)</u>	<u>(377,197)</u>	<u>(17,591,470)</u>	<u>(7,292,535)</u>
Cash flows from investing activities:									
Proceeds from sales and maturities of investments	15,379,533	22,521,088	11,892,942	12,343,945	5,778,189	-	3,091,141	71,006,832	38,700,063
Purchase of investments	(7,271,649)	(28,376,749)	(9,042,200)	(13,130,444)	(4,454,617)	-	(2,708,049)	(64,983,708)	(87,039,740)
Interest earnings on cash and investments	997,086	3,178,378	826,067	1,056,971	429,292	-	350,851	6,838,645	5,534,468
Net cash provided by (used for) investing activities	<u>9,104,970</u>	<u>(2,677,283)</u>	<u>3,676,809</u>	<u>270,472</u>	<u>1,752,858</u>	<u>-</u>	<u>733,943</u>	<u>12,861,769</u>	<u>(42,805,209)</u>
Net increase (decrease) in pooled cash and cash equivalents	<u>(7,560,105)</u>	<u>5,669,853</u>	<u>(1,279,288)</u>	<u>(49,737)</u>	<u>(9,360)</u>	<u>4,195</u>	<u>(650,038)</u>	<u>(4,074,480)</u>	<u>(34,573,170)</u>
Pooled cash and cash equivalents at beginning of year	<u>10,166,514</u>	<u>15,140,102</u>	<u>6,785,782</u>	<u>5,109,338</u>	<u>1,818,874</u>	<u>24,032</u>	<u>3,686,414</u>	<u>42,731,056</u>	<u>77,304,226</u>
Pooled cash and cash equivalents at end of year	<u>\$ 2,606,409</u>	<u>\$ 20,809,955</u>	<u>\$ 5,506,494</u>	<u>\$ 5,059,601</u>	<u>\$ 1,800,514</u>	<u>\$ 28,227</u>	<u>\$ 2,836,376</u>	<u>\$ 38,656,576</u>	<u>\$ 42,731,056</u>
Supplemental cash flow information:									
Noncash capital improvements and other changes	<u>\$ 31,102</u>	<u>\$ 661,418</u>	<u>\$ 994,044</u>	<u>\$ 37,982</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,724,546</u>	<u>\$ 1,466,054</u>



Internal Service Funds

The Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City, or to other governments, on a user charge basis.

Fleet Maintenance Fund - Established to account for the vehicle service operations.

Central Warehouse Fund - Established to account for the central warehouse operations.

Print Shop and Office Store Fund - Established to account for the printing services and central office supply provided to City departments.

Radio Shop Fund - Established to account for the mobile telephone and radio shop operations.

Management Information Fund - Established to account for the data processing services provided to City departments and other governmental agencies.

Custodial Services Fund - Established to account for custodial services provided for the City's facilities.

Building Services Fund - Established to account for the City's building services.

Switchboard Operations Fund - Established to assure customer satisfaction by providing immediate and efficient telecommunications services.

Communications Fund - Established to account for communication services provided to City departments.

Environmental Compliance Fund - Established to provide for environmental regulations.

Self-Insurance Risk Management ("Risk Management Fund") - Established to account for the self-insurance fund which accounts for activities related to general liability, auto liability, public official's liability and worker's compensation liability.

Self-Insurance Health Fund - Established to account for the activities of the health and dental insurance fund.

Capital Projects Fund - Established to account for the capital projects and permanent capital maintenance activity of the other internal service funds. All assets, liabilities and equity of this fund were transferred to other internal service funds effective October 1, 1999.

Investment Pool - Established to account for the purpose of centralizing the activities relative to the City's investment portfolio.

Legislative Fund - Established to house the operating costs associated with the legislative support for the City.

CITY OF LUBBOCK, TEXAS
INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET

September 30, 2000

With Comparative Totals for September 30, 1999

Assets	Fleet	Central	Print Shop &	Radio	Management	Custodial	Building	Switchboard	Communi-	Environmental	Risk	Self-	Invest-	Legis-	Totals	
	Maintenance	Warehouse	Office Store	Shop	Information	Services	Services	Operations	cations	Compliance	Management	Insurance	ment Pool	lation	2000	1999
	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Health	Fund	Fund		
Current assets:																
Pooled cash and cash equivalents	\$ 33,145	\$ 41,461	\$ 73,101	\$ 246	\$ 3,385	\$ 8,492	\$ 70,721	\$ 46,933	\$ 9,809	\$ 97	\$ -	\$ -	\$ 166	\$ 3,002	\$ 290,558	\$ 622,347
Investments	221,814	277,473	489,211	1,648	22,653	56,834	473,283	314,089	65,648	650	-	-	1,109	20,089	1,944,501	2,470,875
Accounts receivable	-	-	-	-	-	-	2,633	-	14	-	-	-	-	-	2,647	1,757
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	219,097
Due from others	69,610	-	21,942	-	-	-	-	-	-	-	-	-	-	-	91,552	77,650
Interest receivable	37,802	37,664	25,001	-	-	1,132	24,793	19,270	-	1,251	-	-	-	-	146,913	149,138
Inventory, at average cost	398,269	1,543,137	20,633	12,086	-	-	-	-	-	-	-	-	-	-	1,974,125	1,821,661
Total current assets	760,640	1,899,735	629,888	13,980	26,038	66,458	571,430	380,292	75,471	1,998	-	-	1,275	23,091	4,450,296	5,362,525
Restricted assets:																
Capital projects:																
Pooled cash and cash equivalents	12,217	-	1,457	899,640	1,335,880	-	-	-	8,544	717,585	-	-	-	-	2,975,323	989,799
Facilities/system improvements:																
Pooled cash and cash equivalents	10,825	-	-	2,312	-	-	-	-	-	-	-	-	-	-	13,138	12,972
Self-insurance - health:																
Investments	-	-	-	-	-	-	-	-	-	-	-	6,792,513	-	-	6,792,513	6,380,077
Accounts receivable	-	-	-	-	-	-	-	-	-	-	-	55,690	-	-	55,690	128,579
Self-insurance - risk management:																
Investments	-	-	-	-	-	-	-	-	-	-	10,420,094	-	-	-	10,420,094	8,729,565
Accounts receivable	-	-	-	-	-	-	-	-	-	-	70,107	-	-	-	70,107	506,498
Total restricted assets	23,043	-	1,457	901,952	1,335,880	-	-	-	8,544	717,585	10,490,201	6,848,203	-	-	20,326,865	15,747,490
Property, plant, and equipment:																
Land	5,839	-	-	65,343	-	-	-	-	-	-	-	-	-	-	71,182	71,182
Buildings	1,431,217	138,851	1,285	14,878	-	-	38,081	-	-	-	-	-	-	-	1,624,312	2,006,006
Improvements other than buildings	2,316	15,218	-	-	-	-	179,937	-	-	-	-	-	-	-	197,471	197,470
Machinery and equipment	855,162	90,736	229,940	5,285,258	8,120,232	13,648	177,193	-	88,442	5,671	9,497	12,320	7,821	7,703	14,903,623	13,321,936
Construction in progress	187,648	-	-	-	2,307,461	-	-	-	13,931	441,708	-	-	-	-	2,950,748	3,418,817
Total property, plant, and equipment	2,482,182	244,805	231,225	5,365,479	10,427,693	13,648	395,211	-	102,373	447,379	9,497	12,320	7,821	7,703	19,747,336	19,015,413
Less accumulated depreciation	(982,420)	(208,581)	(87,047)	(3,103,268)	(7,088,506)	-	(282,563)	-	(43,544)	(3,939)	(2,969)	(2,362)	(52)	(469)	(11,805,720)	(10,115,215)
Net property, plant, and equipment	1,499,762	36,224	144,178	2,262,211	3,339,187	13,648	112,648	-	58,829	443,440	6,528	9,958	7,769	7,234	7,941,616	8,900,198
Total assets	\$ 2,283,445	\$ 1,935,959	\$ 775,523	\$ 3,178,143	\$ 4,701,105	\$ 80,106	\$ 694,078	\$ 380,292	\$ 142,844	\$ 1,163,023	\$ 10,496,729	\$ 6,858,161	\$ 9,044	\$ 30,325	\$ 32,716,777	\$ 30,010,213

CITY OF LUBBOCK, TEXAS
INTERNAL SERVICE FUNDS

COMBINING BALANCE SHEET

September 30, 2000

With Comparative Totals for September 30, 1999

Liabilities and Fund Equity	Fleet	Central	Print Shop &	Radio	Management	Custodial	Building	Switchboard	Communi-	Environmental	Risk	Self-	Invest-	Legis-	Totals	
	Maintenance	Warehouse	Office Store	Shop	Information	Services	Services	Operations	cations	Compliance	Management	Insurance	ment Pool	lation	2000	1999
Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Health Fund	Fund	Fund		
Current liabilities:																
Accounts payable	\$ 390,557	\$ 153,101	\$ 73,491	\$ 29,382	\$ 253,539	\$ 59,835	\$ 124,084	\$ 305	\$ 22,813	\$ 5,084	\$ -	\$ -	\$ 457	\$ 18,466	\$ 1,131,114	\$ 1,275,884
Due to other funds	30,400	-	12,000	146,000	-	-	-	-	140,000	-	-	-	3,075	-	331,475	2,010,897
Accrued liabilities	20,287	2,131	2,262	2,151	25,449	366	7,248	875	23,706	2,472	-	-	824	1,655	89,426	155,160
Total current liabilities	441,244	155,232	87,753	177,533	278,988	60,201	131,332	1,160	186,519	7,556	-	-	4,356	20,121	1,552,015	3,441,961
Liabilities (payable from restricted assets):																
Self-insurance - health:																
Accounts payable	-	-	-	-	-	-	-	-	-	-	-	200,247	-	-	200,247	155,189
Accrued liabilities	-	-	-	-	-	-	-	-	-	-	-	1,718	-	-	1,718	2,397
Health claims payable	-	-	-	-	-	-	-	-	-	-	-	3,441,879	-	-	3,441,879	2,823,267
Self-insurance - risk management:																
Accounts payable	-	-	-	-	-	-	-	-	-	-	291,346	-	-	-	291,346	68,520
Accrued liabilities	-	-	-	-	-	-	-	-	-	-	3,174	-	-	-	3,174	4,381
Accrued insurance claims	-	-	-	-	-	-	-	-	-	-	930,982	-	-	-	930,982	930,983
Capital projects:																
Accounts payable	-	-	-	159	-	-	-	-	-	828	-	-	-	-	987	162
Total liabilities (payable from restricted assets)	-	-	-	159	-	-	-	-	-	828	1,225,502	3,643,844	-	-	4,870,333	3,984,899
Long-term liabilities:																
Advances from other funds	-	-	-	108,482	748,608	-	-	-	100,885	-	-	-	-	-	957,975	1,815,876
Accrued insurance claims	-	-	-	-	-	-	-	-	-	-	2,803,358	-	-	2,803,358	2,803,358	
Accrued vacation and sick leave	100,070	6,564	4,413	8,145	162,166	3,905	38,910	-	120,108	10,868	20,210	6,710	-	600,168	643,824	
Total long-term liabilities	109,070	6,564	4,413	116,627	910,774	3,905	38,910	-	221,083	19,868	2,823,577	6,710	-	4,261,501	5,163,058	
Total liabilities	550,314	161,796	92,166	294,319	1,189,762	64,106	170,242	1,160	407,602	28,252	4,049,079	3,650,554	4,356	20,121	10,683,849	12,589,918
Fund equity:																
Contributed capital	1,518,630	436,032	116,341	4,778	4,609,797	-	68,043	-	74,993	1,547	2,378	7,277	4,676	2,335	6,846,827	4,190,033
Retained earnings:																
Reserved for capital projects	12,217	-	1,457	899,481	1,335,880	-	-	-	8,544	716,757	-	-	-	-	2,974,336	982,820
Reserved for facilities/system improvements	10,826	-	-	2,312	-	-	-	-	-	-	-	-	-	-	13,138	10,713
Reserved for self-insurance - health	-	-	-	-	-	-	-	-	-	-	-	3,204,358	-	-	3,204,358	2,524,966
Reserved for self-insurance - risk management	-	-	-	-	-	-	-	-	-	-	9,264,699	-	-	-	9,264,699	5,413,783
Designated for radio capital projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	821,582
Unreserved	191,458	1,338,131	565,559	1,977,253	(2,434,334)	16,000	445,793	379,112	(348,295)	416,467	(2,819,427)	(4,028)	12	7,869	(268,430)	3,476,398
Total retained earnings	214,501	1,338,131	567,018	2,079,048	(1,098,454)	16,000	445,793	379,112	(339,751)	1,133,224	6,445,272	3,200,330	12	7,869	13,188,101	13,230,252
Total fund equity	1,733,131	1,774,163	683,357	2,883,824	3,511,343	16,000	513,836	379,112	(264,758)	1,134,771	6,447,650	3,207,607	4,688	10,204	22,034,928	17,420,295
Total liabilities and fund equity	\$ 2,283,445	\$ 1,935,959	\$ 775,523	\$ 3,178,143	\$ 4,701,105	\$ 80,106	\$ 684,078	\$ 380,292	\$ 142,844	\$ 1,163,023	\$ 10,496,729	\$ 6,858,161	\$ 9,044	\$ 30,325	\$ 32,718,777	\$ 30,010,213

CITY OF LUBBOCK, TEXAS
INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND EQUITY/RETAINED EARNINGS

Year Ended September 30, 2000

With Comparative Totals for Year Ended September 30, 1999

	Fleet	Central	Print Shop &	Radio	Management	Custodial	Building	Switchboard	Communi-	Environmental	Risk	Self-	Invest-	Legis-	Totals	
	Maintenance	Warehouse	Office Store	Shop	Information	Services	Services	Operations	cations	Compliance	Management	Insurance	ment Pool	lation	2000	1999
	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Fund	Health Fund	Fund	Fund		
Operating revenues:																
Charges for services	\$ 5,237,633	\$ 3,143,091	\$ 785,217	\$ 1,122,229	\$ 4,885,758	\$ 770,785	\$ 1,105,055	\$ -	\$ 1,562,548	\$ 198,700	\$ 3,604,134	\$ 11,465,806	\$ -	\$ -	\$ 33,880,956	\$ 32,242,909
Administrative charges	186,500	-	-	-	-	-	-	-	-	-	-	-	-	-	186,500	142,043
Total operating revenue	5,424,133	3,143,091	785,217	1,122,229	4,885,758	770,785	1,105,055	-	1,562,548	198,700	3,604,134	11,465,806	-	-	34,067,456	32,384,952
Operating expenses:																
Personal services	1,386,180	162,948	160,018	140,913	1,616,569	27,803	512,041	65,784	1,461,569	161,753	183,652	101,259	54,656	54,520	6,089,665	5,659,346
Insurance	-	-	-	-	-	-	-	-	-	-	2,763,142	10,964,062	-	-	13,727,204	13,028,318
Supplies	91,063	8,016	3,096	4,944	27,435	376	21,902	-	21,633	4,966	2,356	2,648	-	150	188,585	164,286
Materials	3,614,758	2,855,519	448,511	93,048	-	-	-	-	-	-	-	-	663	-	7,012,400	5,667,773
Maintenance	93,530	10,710	66,317	7,723	1,063,028	2,057	170,171	1,516	24,834	3,049	4,154	3,012	1,432	1,451,533	1,254,983	
Other services and charges	193,917	75,386	68,692	33,344	1,250,188	733,357	392,070	335	139,341	34,868	130,577	59,414	188,848	224,961	3,525,298	2,772,827
Depreciation	76,083	13,719	20,341	859,272	741,990	-	10,437	-	30,956	-	1,500	796	-	-	1,755,094	2,577,881
Total operating expenses	5,455,531	3,126,298	766,975	1,139,244	4,699,210	763,593	1,106,621	67,635	1,678,333	204,636	3,085,381	11,131,191	245,599	279,631	33,749,878	31,015,414
Total operating income (loss)	(31,398)	16,793	18,242	(17,015)	186,548	7,192	(1,566)	(67,635)	(115,785)	(5,936)	518,753	334,615	(245,599)	(279,631)	317,578	1,369,538
Nonoperating revenues (expenses):																
Interest earnings	103,805	41,091	32,155	34,036	18,416	-	26,258	15,781	401	31,478	514,254	340,749	245,611	7,500	1,411,535	943,166
Disposition of properties	9,936	-	-	-	-	-	-	-	(542)	-	(1,518)	-	-	-	7,676	2,332
Junk sales	-	20,991	-	-	-	-	-	-	-	-	-	-	-	-	20,991	31,944
Building rent	-	-	-	-	-	-	12,764	-	-	-	-	-	-	-	12,764	10,878
Miscellaneous	120	-	-	-	-	-	-	-	-	-	-	-	-	-	120	14,280
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(14,141)
Total nonoperating revenues (expenses)	113,861	62,082	32,155	34,036	18,416	-	39,022	15,781	(141)	31,478	512,736	340,749	245,611	7,500	1,453,286	988,459
income (loss) before operating transfers	82,463	78,875	50,397	17,021	204,964	7,192	37,456	(51,854)	(115,926)	25,542	1,031,489	675,364	12	(272,131)	1,770,864	2,357,997
Transfers:																
Operating transfers in	10,000	-	-	10,975	250,000	-	-	67,119	117,000	-	-	-	-	280,000	735,094	337,378
Operating transfers out	(10,000)	-	-	-	(388,119)	-	-	-	-	(150,000)	-	-	-	-	(548,119)	(423,097)
Total transfers in (out)	-	-	-	10,975	(138,119)	-	-	67,119	117,000	(150,000)	-	-	-	280,000	186,975	(85,719)
Net income (loss)	82,463	78,875	50,397	27,996	66,845	7,192	37,456	15,265	1,074	(124,458)	1,031,489	675,364	12	7,869	1,957,839	2,272,278
Retained earnings at beginning of year	132,038	1,259,256	516,619	2,851,050	(1,165,299)	8,808	408,337	363,847	(340,825)	1,257,682	5,413,783	2,524,966	-	-	13,230,292	10,997,964
Retained earnings at end of year	214,501	1,338,131	567,016	2,879,046	(1,098,454)	16,000	445,793	379,112	(339,751)	1,133,224	6,445,272	3,200,330	12	7,869	15,188,101	13,230,262
Contributed capital at beginning of year	1,652,812	472,612	138,286	-	1,756,963	-	80,355	-	87,458	1,547	-	-	-	-	4,190,033	5,579,942
Contributions and other changes	(134,182)	(36,580)	(21,945)	4,778	2,852,834	-	(12,312)	-	(12,465)	-	2,378	7,277	4,676	2,335	2,656,794	(1,389,909)
Contributed capital at end of year	1,518,630	436,032	116,341	4,778	4,609,797	-	68,043	-	74,993	1,547	2,378	7,277	4,676	2,335	6,846,827	4,190,033
Total equity at end of year	\$ 1,733,131	\$ 1,774,163	\$ 683,357	\$ 2,883,824	\$ 3,511,343	\$ 16,000	\$ 513,836	\$ 379,112	\$ (264,758)	\$ 1,134,771	\$ 6,447,650	\$ 3,207,607	\$ 4,688	\$ 10,204	\$ 22,034,928	\$ 17,420,295

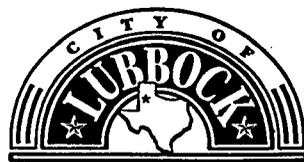
**CITY OF LUBBOCK, TEXAS
INTERNAL SERVICE FUNDS**

COMBINING STATEMENT OF CASH FLOWS

Year Ended September 30, 2000

With Comparative Totals for Year Ended September 30, 1999

	Fleet Maintenance Fund	Central Warehouse Fund	Print Shop & Office Store Fund	Radio Shop Fund	Management Information Fund	Custodial Services Fund	Building Services Fund	Switchboard Operations Fund	Communications Fund	Environmental Compliance Fund	Risk Management Fund	Self-Insurance Health Fund	Legislative Fund	Investment Pool Fund	Totals	
															2000	1999
Cash flows from operating activities:																
Operating income (loss)	\$ (31,398)	\$ 16,793	\$ 18,242	\$ (17,015)	\$ 186,548	\$ 7,192	\$ (1,566)	\$ (67,635)	\$ (115,785)	\$ (5,936)	\$ 518,753	\$ 334,615	\$ (279,631)	\$ (245,599)	\$ 317,578	\$ 1,369,538
Adjustments to reconcile operating income (loss) to net cash from operating activities:																
Depreciation	76,083	13,719	20,341	859,272	741,990	-	10,437	-	30,956	-	1,500	796	-	-	1,755,094	2,577,862
Increase (decrease) in long-term assets/liabilities not requiring cash flow	(5,581)	(10,724)	237	(20,009)	7,435	2,136	2,033	-	(23,195)	1,925	88	620,610	-	-	574,955	105,447
Other income/(expense)	10,056	20,991	-	-	-	(1,132)	-	(3,489)	(542)	-	(1,510)	-	-	-	24,266	51,093
Receipts from building rent	-	-	-	-	-	-	12,764	-	-	-	-	-	-	-	12,764	10,878
Change in current assets and liabilities:																
Accounts receivable	-	-	-	-	-	-	(890)	-	-	-	436,391	72,889	-	-	508,390	(630,586)
Inventory	(136,681)	(17,360)	2,244	(667)	-	-	-	-	-	-	-	-	-	-	(152,464)	(6,524)
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49,397
Accounts payable	61,014	(140,908)	29,625	(500)	(162,571)	59,835	(6,845)	305	(3,891)	1,068	222,826	45,058	18,466	457	123,939	170,554
Due from others	-	-	(16,280)	-	1,941	-	437	-	-	-	-	-	-	-	(13,902)	2,401
Accrued liabilities	(21,684)	(2,286)	(1,338)	(1,707)	(20,442)	(654)	(2,695)	875	(16,628)	(1,674)	(1,207)	(679)	1,655	824	(67,640)	12,473
Net cash provided by (used for) operating activities	(48,191)	(119,775)	53,071	819,374	754,901	67,377	13,675	(69,944)	(129,085)	(4,617)	1,176,833	1,073,289	(259,510)	(244,318)	3,083,080	3,712,553
Cash flows from capital and related financing activities:																
Operating activities:																
Purchase of property, plant and equipment	(73,019)	(1,119)	(41,942)	(94,502)	(1,030,755)	(480)	(7,996)	-	(4,000)	-	(669)	(1,602)	(4,899)	(3,093)	(1,265,349)	(2,967,067)
Sale of property, plant and equipment	-	-	-	-	-	-	-	-	9,379	116,249	-	-	-	-	125,628	480
Contributed capital	(121,183)	(36,580)	(10,706)	(60,565)	2,865,082	-	(7,041)	-	370,995	-	-	-	-	-	3,000,002	-
Payments on capital leases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(577,139)
Interest paid on capital lease	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(14,141)
Net cash provided by (used for) capital and related financing activities	(195,002)	(37,695)	(52,348)	(155,067)	1,834,327	(480)	(15,037)	-	375,466	116,249	(558)	(1,602)	(4,899)	(3,093)	1,860,261	(3,557,867)
Cash flows from noncapital and related financing activities:																
Operating transfers in from other funds	10,000	-	-	10,975	250,000	-	-	67,119	117,000	-	-	-	280,000	-	735,094	337,378
Operating transfers out to other funds	(10,000)	-	-	-	(388,119)	-	-	-	-	(150,000)	-	-	-	-	(548,119)	(423,097)
Short-term interfund borrowings	30,400	-	220,097	(32,000)	(1,228,097)	(8,800)	-	-	(445,000)	-	-	-	-	3,075	(1,460,325)	1,791,800
Payments on advances from other funds	(604,255)	(253,649)	-	-	3	-	-	-	-	-	-	-	-	-	(857,901)	-
Net cash provided by (used for) noncapital and related financing activities	(573,855)	(253,649)	220,097	(21,025)	(1,366,213)	(8,800)	-	67,119	(328,000)	(150,000)	-	-	280,000	3,075	(2,131,251)	1,706,081
Cash flows from investing activities:																
Proceeds from sales and maturities of investments	813,953	591,198	227,046	-	103,749	5,047	462,432	255,404	-	4,625	8,421,658	5,179,362	-	-	16,064,474	15,560,676
Purchase of investments	(215,260)	(209,274)	(474,755)	(1,949)	(21,964)	(25,155)	(459,295)	(304,000)	(69,049)	(31)	(10,112,187)	(6,591,709)	(20,089)	(1,109)	(18,593,644)	(19,824,220)
Interest earned on cash investments	103,805	41,091	32,155	34,036	18,416	-	1,465	-	401	31,478	514,254	340,749	7,500	245,611	1,370,961	959,126
Net cash provided by (used for) investing activities	702,498	363,015	(215,554)	32,388	100,181	(50,108)	4,599	(49,404)	(65,247)	35,472	(1,176,275)	(1,071,687)	(12,589)	244,502	(1,158,209)	(3,304,418)
Net increase (decrease) in pooled cash and cash equivalents	(114,550)	(48,104)	5,266	675,670	1,323,196	7,989	3,237	(52,229)	(146,846)	(2,896)	-	-	3,002	166	1,653,901	(1,443,651)
Pooled cash and cash equivalents at beginning of year	170,738	89,565	69,292	226,528	16,069	503	67,484	99,162	165,199	720,578	-	-	-	-	1,625,118	3,068,769
Pooled cash and cash equivalents at end of year	\$ 56,188	\$ 41,461	\$ 74,558	\$ 902,198	\$ 1,339,265	\$ 8,492	\$ 70,721	\$ 46,933	\$ 18,353	\$ 717,682	\$ -	\$ -	\$ 3,002	\$ 166	\$ 3,279,019	\$ 1,625,118
Supplemental cash flow information:																
Noncash capital improvements and other changes	\$ 12,999	\$ -	\$ 11,239	\$ 65,343	\$ 12,248	\$ -	\$ 5,271	\$ -	\$ 383,460	\$ -	\$ 2,378	\$ 7,277	\$ 2,335	\$ 4,676	\$ 507,226	\$ 42,941



Trust and Agency Funds

The Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or funds.

Community Development Fund (“Community Development”) - To account for the receipt and disbursement of Community Development Block Grant funds from the United States Department of Housing & Urban Development.

Community Services Fund (“Community Services”) - To account for the receipt and disbursement of funds received from the Texas Department of Human Resources, Texas Department of Community Affairs and United States Department of Energy.

Health Services Fund (“Health”) - To account for the receipt and disbursement of funds received from the Texas Department of Health and United States Department of Health and Human Services.

Library Fund (“Library”) - To account for the receipt and disbursement of funds received from the Texas State Library and Archives Commission, and United States Department of Education.

Police Fund (“Police”) - To account for the receipt and disbursement of funds received from the State Department of Highways and Public Transportation and the Office of the Governor, Criminal Justice Division and United States Department of Justice.

Other Grants Fund (“Other Grants”) - To account for the receipt and disbursement of funds received from the Texas State Department of Highways, Texas Historical Commission, United States Department of Transportation and United States Department of the Interior, Texas Department of Human Services, and South Plains Association of Governments.

Deferred Compensation Fund (“Deferred Compensation”) - To account for assets held by the City pursuant to the employees deferred compensation plan.

Living Memorial Fund (“Living Memorial”) - To account for assets held by the City as an agent for individuals and private organizations.

CITY OF LUBBOCK, TEXAS
EXPENDABLE TRUST AND
AGENCY FUNDS

COMBINING BALANCE SHEET

September 30, 2000

With Comparative Totals for September 30, 1999

	Expendable Trust Funds				Expendable Trust Funds			Agency Fund	Totals	
	Community Development	Community Services	Health	Library	Police	Other Grants	Deferred Compensation	Living Memorial	2000	1999
Assets										
Pooled cash and cash equivalents	\$ 550	\$ 625	\$ 29,308	\$ 730	\$ 5,855	\$ 87,884	\$ -	\$ 95,510	\$ 220,462	\$ 322,234
Investments	-	-	190,141	-	39,102	588,143	14,084,187	639,183	15,546,836	13,776,893
Accounts receivable	-	-	-	-	3,433	12,926	-	-	16,359	13,339
Mortgages receivable	5,928,880	-	-	-	-	-	-	-	5,928,880	5,161,931
Due from other governments	1,226,597	-	33,057	158,551	111,045	63,916	-	-	1,593,166	1,275,767
Investment in property	279,355	-	-	-	-	-	-	-	279,355	287,835
Total assets	\$ 7,435,382	\$ 625	\$ 258,506	\$ 159,281	\$ 159,515	\$ 752,869	\$ 14,084,187	\$ 734,693	\$ 23,585,058	\$ 20,837,999
Liabilities and Fund Balances										
Liabilities:										
Accounts and vouchers payable	\$ 1,658,389	\$ 5,237	\$ 9,544	\$ 5,989	\$ -	\$ 5,319	\$ -	\$ 734,693	\$ 2,419,171	\$ 2,464,813
Deferred revenue	-	-	-	98,331	454,708	1,110,000	-	-	1,663,039	1,990,152
Due to other funds	1,119,717	36,272	-	121,349	150,000	-	-	-	1,427,338	828,500
Accrued liabilities	18,940	1,024	6,140	4,369	4,281	30,436	-	-	65,190	65,770
Total liabilities	2,797,046	42,533	15,684	230,038	608,089	1,145,755	-	734,693	5,574,738	5,349,235
Fund balances:										
Reserved for Federal housing programs	6,208,235	-	-	-	-	-	-	-	6,208,235	5,449,766
Reserved for plan participants	-	-	-	-	-	-	14,084,187	-	14,084,187	11,630,187
Unreserved	(1,569,899)	(41,908)	242,822	(70,757)	(449,474)	(392,886)	-	-	(2,282,102)	(1,591,189)
Total fund balances	4,638,336	(41,908)	242,822	(70,757)	(449,474)	(392,886)	14,084,187	-	18,010,320	15,488,764
Total liabilities and fund balances	\$ 7,435,382	\$ 625	\$ 258,506	\$ 159,281	\$ 159,515	\$ 752,869	\$ 14,084,187	\$ 734,693	\$ 23,585,058	\$ 20,837,999

**CITY OF LUBBOCK, TEXAS
EXPENDABLE TRUST FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

Year Ended September 30, 2000

With Comparative Totals for Year Ended September 30, 1999

	Expendable Trust Funds				Expendable Trust Funds			Totals	
	Community Development	Community Services	Health	Library	Police	Other Grants	Deferred Compensation	2000	1999
Revenues:									
Intergovernmental revenue	\$ 5,699,782	\$ 325,709	\$ 395,977	\$ 562,016	\$ 1,618,324	\$ 669,927	\$ -	\$ 9,271,735	\$ 10,287,930
Other revenue	445,500	-	238,963	-	222,780	301,578	3,597,777	4,806,598	4,329,294
Total revenues	6,145,282	325,709	634,940	562,016	1,841,104	971,505	3,597,777	14,078,333	14,617,224
Expenditures:									
Current - general government:									
Personal services	807,190	64,342	428,264	275,722	530,528	324,615	-	2,430,661	2,361,383
Supplies	23,281	6,119	98,009	220,714	135,310	102,614	-	586,047	452,007
Maintenance	50,192	-	-	-	-	28,110	-	78,302	54,091
Other charges	4,604,933	291,648	22,543	122,192	335,022	903,230	1,143,777	7,423,345	8,330,136
Capital outlay	44,480	-	4,291	4,977	773,725	210,949	-	1,038,422	829,200
Total expenditures	5,530,076	362,109	553,107	623,605	1,774,585	1,569,518	1,143,777	11,556,777	12,026,817
Excess (deficiency) of revenues over (under) expenditures	615,206	(36,400)	81,833	(61,589)	66,519	(598,013)	2,454,000	2,521,556	2,590,407
Other financing sources (uses):									
Operating transfers in	-	-	-	-	-	1,532	-	1,532	53,115
Operating transfers out	-	-	-	-	-	(1,532)	-	(1,532)	(324,804)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	(271,689)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	615,206	(36,400)	81,833	(61,589)	66,519	(598,013)	2,454,000	2,521,556	2,318,718
Fund balances at beginning of year	4,023,130	(5,508)	160,989	(9,168)	(515,993)	205,127	11,630,187	15,488,764	3,597,498
Change in accounting principle	-	-	-	-	-	-	-	-	9,572,548
Fund balances at end of year	\$ 4,638,336	\$ (41,908)	\$ 242,822	\$ (70,757)	\$ (449,474)	\$ (392,886)	\$ 14,084,187	\$ 18,010,320	\$ 15,488,764

**CITY OF LUBBOCK, TEXAS
ALL AGENCY FUNDS**

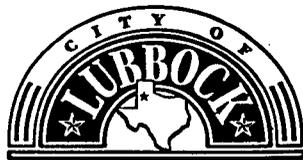
**COMBINING STATEMENT OF CHANGES
IN ASSETS AND LIABILITIES**

For Fiscal Year Ended September 30, 2000

	Balance 10/1/99	Additions	Deletions	Balance 9/30/00
Living Memorial Fund				
Assets				
Pooled Cash and Cash Equivalents	\$ 93,235	\$ 31,235	\$ 28,960	\$ 95,510
Investments	624,157	208,835	193,809	639,183
Total Assets	<u>\$ 717,392</u>	<u>\$ 240,070</u>	<u>\$ 222,769</u>	<u>\$ 734,693</u>
Liabilities				
Accounts Payable	\$ 717,392	\$ 268,353	\$ 251,052	\$ 734,693
Total Liabilities	<u>\$ 717,392</u>	<u>\$ 268,353</u>	<u>\$ 251,052</u>	<u>\$ 734,693</u>

General Fixed Assets Account Group

The General Fixed Assets Account Group is used to account for tangible assets of the City of Lubbock having a useful life of at least 3 years and having a monetary value large enough to warrant maintaining custodial records on the property.



CITY OF LUBBOCK, TEXAS

SCHEDULE OF GENERAL FIXED ASSETS
BY SOURCE

September 30, 2000

General Fixed Assets:

Land	\$	7,933,228
Buildings		41,060,779
Improvements other than Buildings		135,674,760
Machinery and Equipment		36,725,151
Construction in Progress		<u>40,390,461</u>
Total General Fixed Assets	\$	<u><u>261,784,379</u></u>

Investments in General Fixed Assets from:

Capital Projects Fund Expenditures	\$	165,158,584
General Fund Expenditures		57,113,844
Community Development Expenditures		23,750,160
Federal Revenue Sharing Fund Expenditures		10,419,417
Contributions and Transfers		3,100,748
Investments prior to October 1, 1956		<u>2,241,627</u>
Total Investments in General Fixed Assets	\$	<u><u>261,784,379</u></u>

CITY OF LUBBOCK, TEXAS

**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY**

Year Ended September 30, 2000

Function and Activity	General Fixed Assets 10-1-99	Additions*	Deletions*	General Fixed Assets 9-30-00
General Government:				
City Council	\$ 173,575	\$ 18,144	\$ 39,868	\$ 151,851
City Manager	59,965	15,971	21,290	54,646
City Secretary	61,223	-	249	60,974
City Attorney	1,007,070	120,511	33,919	1,093,662
General Multipurpose	646,094	1,449,270	7,392	2,087,972
Support Services - Business Dev.	31,419	-	4,759	26,660
Total General Government	1,979,346	1,603,896	107,477	3,475,765
Financial Services:				
Finance Administration	-	3,802	-	3,802
Accounting and Reporting	142,994	863	7,123	136,734
Purchasing	119,112	2,956	15,744	106,324
Municipal Court	127,614	18,389	33,151	112,852
Total Financial Services	389,720	26,010	56,018	359,712
Management Services:				
Budget and Research	52,992	19,424	17,862	54,554
Personnel	142,539	125	33,999	108,665
Internal Safety	2,435	-	-	2,435
Public Information	155,103	8,235	9,964	153,374
Community Services	3,241	-	1,813	1,428
Emergency Services	68,363	610,983	111,135	568,211
Microfilm	-	-	-	-
Building Maintenance	10,530,126	-	964,154	9,565,972
Total Management Services	10,954,799	638,767	1,138,927	10,454,639
Development Services:				
Planning	128,097	1,956	1,985	128,068
Zoning and Environment	413,593	38,860	93,612	358,841
Community Development	2,948,670	-	1,467	2,947,203
Neighborhood Redevelopment	736,317	62,882	20,418	778,781
Building Inspection	127,718	3,396	13,924	117,190
Traffic Engineering	8,319,424	183,339	1,458,817	7,043,946
Streets - Paved	87,100,031	3,153,089	89,705	90,163,415
Streets - Unpaved	1,053,266	296,988	430,343	919,911
Street Cleaning	547,232	75,199	95,582	526,849
Storm Sewer	6,066,110	-	-	6,066,110
Public Service Engineering	532,819	29,861	1,411	561,269
Total Development Services	\$ 107,973,277	\$ 3,845,570	\$ 2,207,264	\$ 109,611,583

(continued)

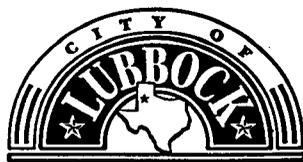
CITY OF LUBBOCK, TEXAS

**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY**

Year Ended September 30, 2000

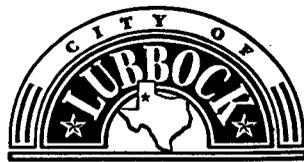
Function and Activity	General Fixed Assets 10-1-99	Additions*	Deletions*	General Fixed Assets 9-30-00
Public Safety and Services:				
Public Safety and Services Admin	\$ 2,285	\$ -	\$ -	\$ 2,285
Parks and Recreation	23,210,179	1,990,960	401,117	24,800,022
Cemetery	894,533	34,003	70,590	857,946
Swimming Pools	467,149	-	-	467,149
Civic Center/Auditorium/Coliseum	19,563,748	3,221,508	320,178	22,465,078
Canyon Lakes	6,943,235	-	-	6,943,235
Library	8,452,585	3,386,743	159,490	11,679,838
Fire	11,522,080	622,310	222,971	11,921,419
Health	2,318,914	94,377	26,545	2,386,746
Animal Shelter	1,171,902	31,218	103,696	1,099,424
Police	11,167,694	334,063	2,356,984	9,144,773
Street Lights	5,255,171	716,896	247,763	5,724,304
Total Public Safety and Services	<u>90,969,475</u>	<u>10,432,078</u>	<u>3,909,334</u>	<u>97,492,219</u>
Construction in Progress	<u>40,488,559</u>	<u>14,296,636</u>	<u>14,394,734</u>	<u>40,390,461</u>
Total General Fixed Assets Primary Government	<u>252,755,176</u>	<u>30,842,957</u>	<u>21,813,754</u>	<u>261,784,379</u>
Market Lubbock Inc.	<u>501,728</u>	<u>18,814</u>	<u>-</u>	<u>520,542</u>
Total Component Units	<u>501,728</u>	<u>18,814</u>	<u>-</u>	<u>520,542</u>
Total General Fixed Asset Account Group-Reporting Entity	<u>\$ 253,256,904</u>	<u>\$ 30,861,771</u>	<u>\$ 21,813,754</u>	<u>\$ 262,304,921</u>

*Includes Transfers



General Long-Term Debt Account Group

The General Long-term Debt Account Group is used to account for the City's liability for general long-term debt presently consisting of general obligation bonds and obligations for employee vacation, sick-leave benefits and rebatable arbitrage.



CITY OF LUBBOCK, TEXAS
SCHEDULE OF GENERAL LONG-TERM DEBT

As of September 30, 2000
With Comparative Totals as of September 30, 1999

	2000	1999
<u>Amount Available and to be Provided for the Payment of General Long-Term Debt</u>		
Amount available in debt service fund	\$ 1,260,450	\$ 1,151,270
Amount to be provided	<u>58,501,212</u>	<u>56,084,661</u>
Total available and to be provided	<u>\$ 59,761,662</u>	<u>\$ 57,235,931</u>
 <u>General Long-Term Debt Payable</u>		
General obligation bonds payable	\$ <u>48,380,346</u>	\$ <u>45,842,977</u>
 <u>Other Long-Term Obligations</u>		
Arbitrage Rebate	301,269	301,269
Accumulated unpaid vacation and sick leave	<u>11,080,047</u>	<u>11,091,685</u>
Total other long-term obligations	<u>11,381,316</u>	<u>11,392,954</u>
Total general long-term debt payable	<u>\$ 59,761,662</u>	<u>\$ 57,235,931</u>



Statistical/ Supplementary Information

The statistical/supplementary information section contains certain bond and financial information presented in proactive compliance with Securities and Exchange Commission Rule 15c2-12, as amended.

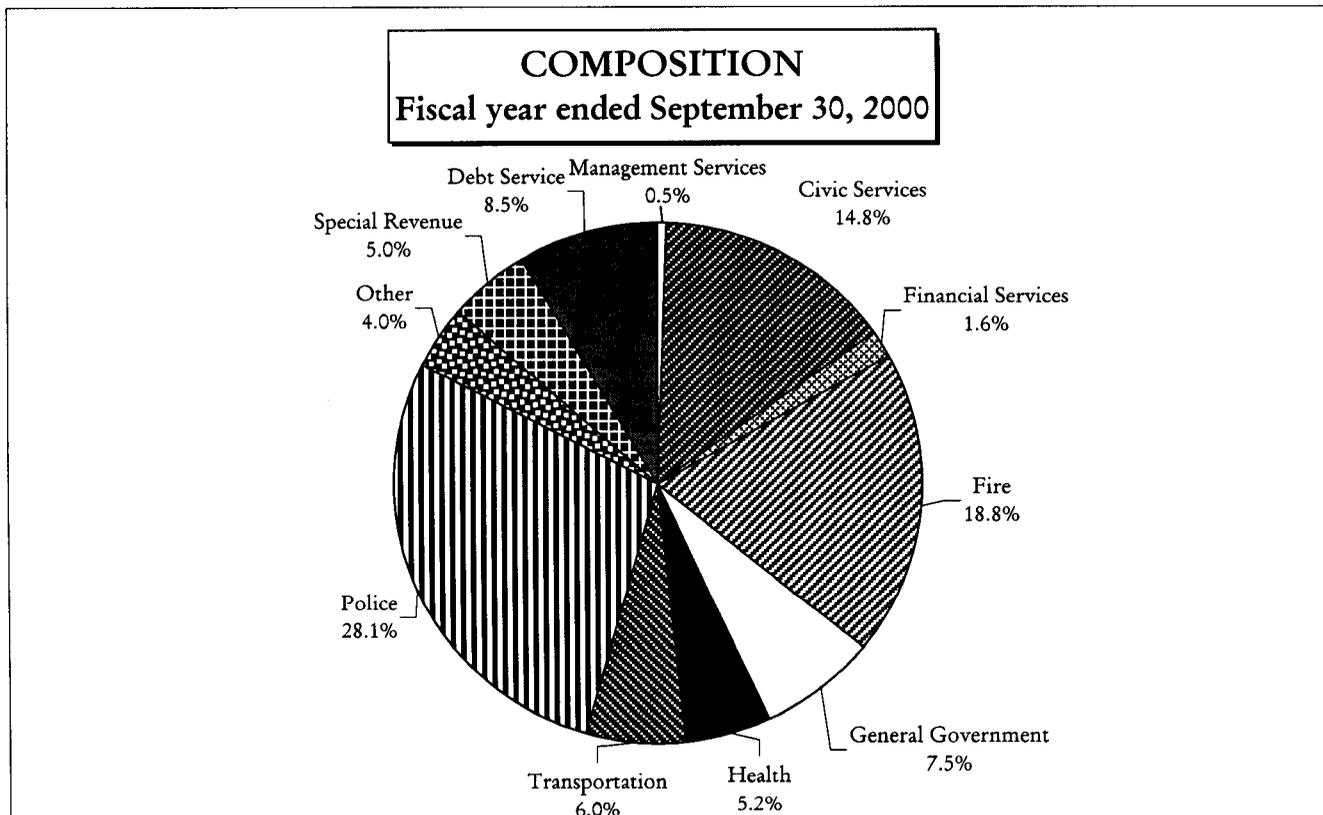
CITY OF LUBBOCK, TEXAS

TABLE A - General Government Expenditures by Function ⁽¹⁾

Last Ten Fiscal Years

Fiscal year	Civic Services	Fire	General Government ⁽²⁾	Health & Community	Police	Financial Services	Transportation	Other ⁽³⁾
1991	\$ -	\$ -	\$ 2,442,177	\$ -	\$ -	\$ 1,910,799	\$ -	\$ -
1992	-	-	2,394,150	-	-	2,023,360	-	-
1993	-	-	2,671,138	-	-	2,065,725	-	-
1994	-	-	2,748,219	-	-	2,071,418	-	-
1995	-	-	4,143,860	-	-	1,780,443	-	-
1996	-	-	4,356,679	-	-	1,834,463	-	-
1997	12,347,987	13,897,682	6,044,225	4,398,348	20,519,946	1,067,281	4,993,564	3,338,030
1998	12,667,406	14,468,027	6,887,593	4,519,880	22,013,906	1,196,779	5,007,496	3,434,158
1999	12,630,738	15,616,543	7,069,279	4,522,041	23,478,729	1,366,006	5,195,459	3,469,495
2000	13,454,832	17,080,371	6,799,967	4,744,830	25,561,261	1,458,232	5,439,855	3,618,579

Management Services	Development Services	Fire and Police	Total General Fund	Special Revenue Fund	Debt Service Fund ⁽⁴⁾	Total Governmental Funds
1991	\$ 2,579,610	\$ 6,274,866	\$ 42,247,744	\$ 55,455,196	\$ 2,163,066	\$ 7,186,040
1992	2,368,479	6,593,869	44,624,486	58,004,344	2,161,088	7,682,351
1993	2,037,481	6,397,086	45,611,706	58,783,136	1,054,188	7,318,519
1994	1,989,477	6,662,148	47,253,201	60,724,463	985,985	14,022,347
1995	2,320,670	6,716,104	48,339,953	63,301,030	2,120,405	7,159,419
1996	2,526,119	7,041,640	50,891,276	66,650,177	8,830,171	8,510,658
1997	1,170,948	-	-	67,778,011	4,634,697	8,995,150
1998	389,583	-	-	70,584,828	4,366,757	8,717,935
1999	396,216	-	-	73,744,506	4,495,736	9,642,546
2000	461,067	-	-	78,618,994	4,529,238	7,738,784



Notes:

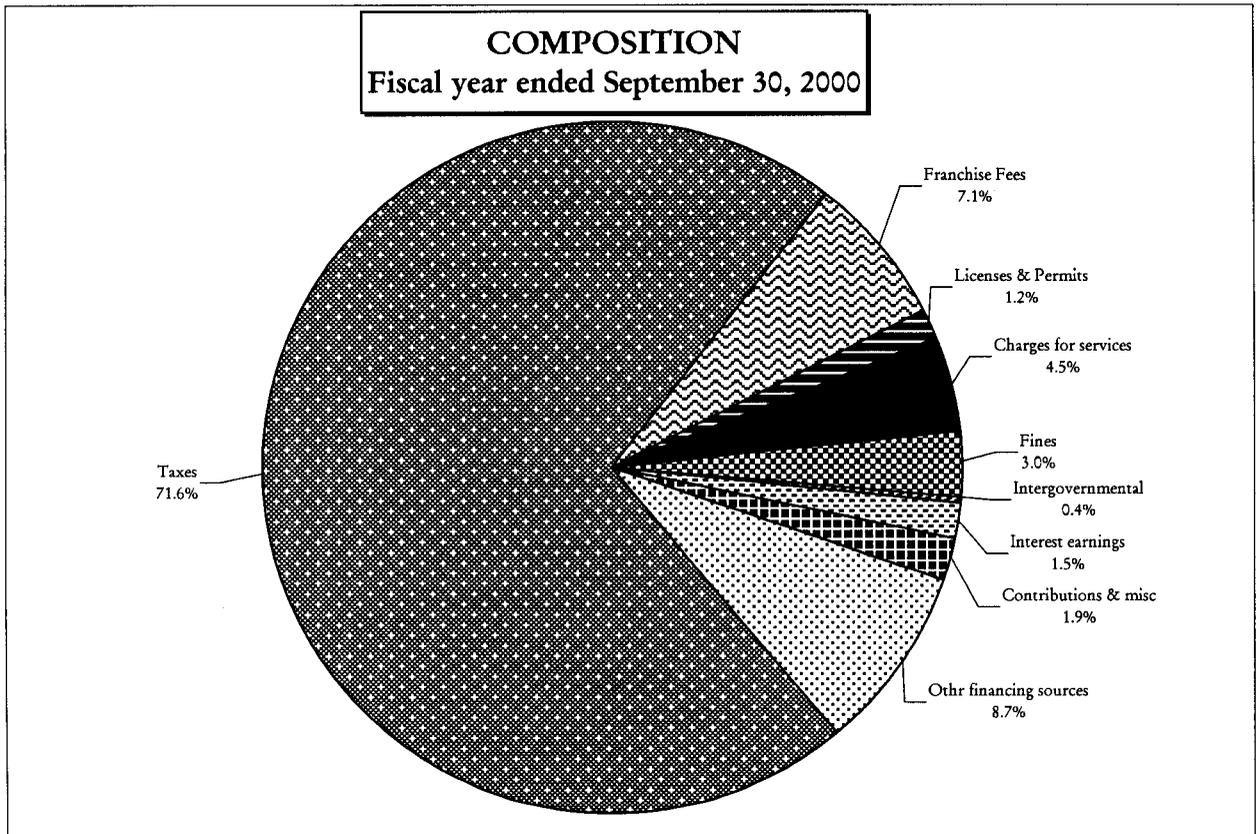
- (1) Includes General, Special Revenue, and Debt Service Funds. Capital outlay expenditures in these funds have been included in the appropriate classification.
- (2) Includes general government, non-departmental and communication/legislation.
- (3) Includes strategic planning, information and communication services, street lighting, and human resources.
- (4) Includes paying agent fees.

CITY OF LUBBOCK, TEXAS

TABLE B - Revenues and Other Financing Sources (Uses)⁽¹⁾

Last Ten Fiscal Years

Fiscal year	Taxes ⁽²⁾	Franchise Fees	Licenses and Permits	Inter-governmental	Charges for services	Fines	Interest earnings ⁽³⁾	Contributions and miscellaneous	Other financing sources(uses)	Total
1991	\$ 47,438,926	\$ 3,488,691	\$ 768,924	\$ 1,227,449	\$ 2,081,955	\$ 2,378,986	\$ 3,403,862	\$ 1,770,851	\$ 2,544,692	\$ 65,104,336
1992	48,441,169	4,196,663	753,667	1,286,662	2,287,530	2,152,145	2,024,599	1,548,007	6,600,771	69,291,213
1993	51,643,376	4,498,921	882,878	1,280,182	2,160,504	2,421,749	2,378,192	1,256,326	6,090,710	72,612,838
1994	55,578,276	5,247,351	1,038,772	1,310,604	2,326,521	2,141,811	3,196,127	1,599,040	2,238,369	74,676,871
1995	55,065,681	5,168,825	1,184,292	1,422,117	2,420,122	2,339,288	2,305,215	2,093,493	6,223,434	78,222,467
1996	57,273,421	5,180,874	1,125,809	1,417,496	2,725,584	3,144,431	2,222,370	1,722,038	5,170,052	79,982,075
1997	60,084,471	5,438,688	1,077,878	884,834	3,522,397	3,460,453	1,847,277	2,802,657	1,909,102	81,027,757
1998	61,950,477	7,128,034	1,037,458	917,572	4,016,475	3,313,233	1,386,946	1,328,086	4,252,063	85,330,344
1999	63,444,256	6,235,099	976,091	576,136	4,032,665	3,335,340	1,347,527	2,122,618	6,780,947	88,850,679
2000	66,650,111	6,619,755	1,138,924	365,671	4,210,334	2,834,208	1,368,623	1,800,728	8,083,364	93,071,718



Notes:

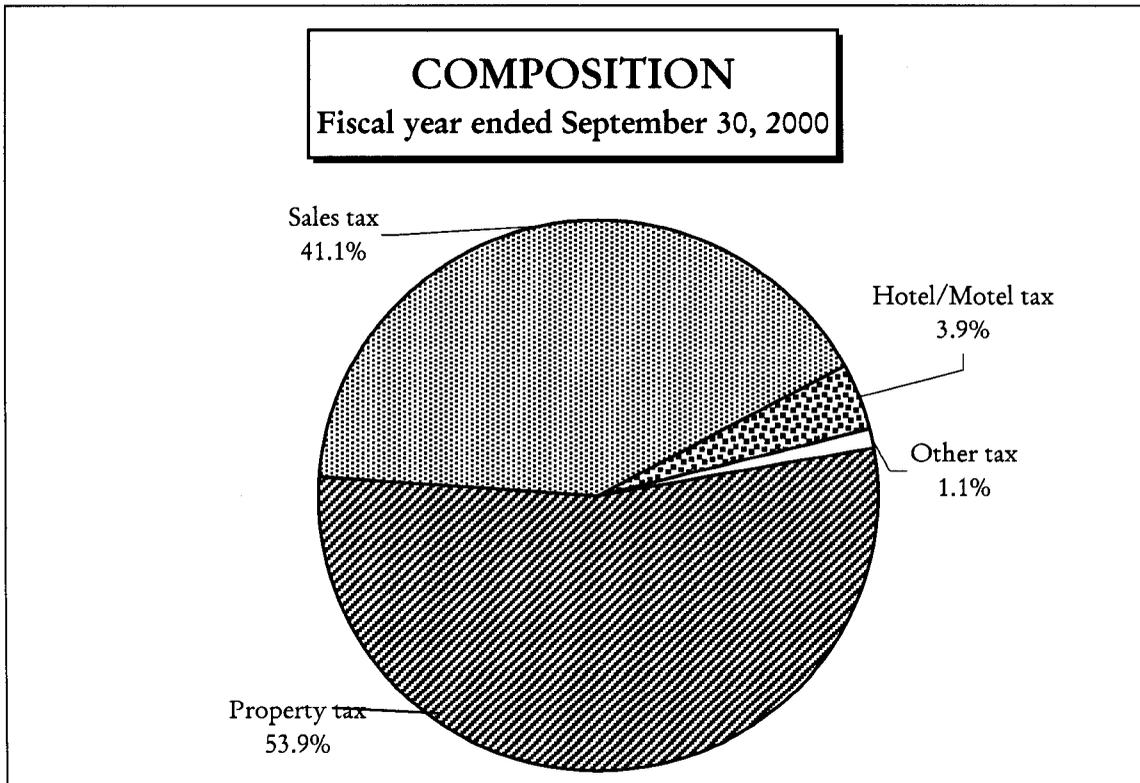
- (1) Includes General, Special Revenue, and Debt Service Funds.
- (2) See schedule of Tax Revenues by Source (Table C).
- (3) Interest earnings are separated from contributions and miscellaneous revenue for purposes of this schedule.

CITY OF LUBBOCK, TEXAS

TABLE C - Tax Revenues by Source

Last Ten fiscal years

Fiscal year	Property tax revenues ⁽¹⁾	Sales tax revenues	Hotel and motel tax revenues ⁽¹⁾	Other tax revenues ⁽²⁾	Total tax revenues
1991	\$ 29,879,854	\$ 15,907,117	\$ 1,492,315	\$ 159,640	\$ 47,438,926
1992	30,378,863	16,386,350	1,537,504	138,452	48,441,169
1993	30,110,166	20,036,081	1,396,788	100,341	51,643,376
1994	31,536,341	22,022,223	1,884,274	135,438	55,578,276
1995	32,924,887	20,082,629	1,850,499	207,666	55,065,681
1996	32,006,813	22,983,167	2,077,604	205,837	57,273,421
1997	32,955,182	24,391,081	2,050,634	687,574	60,084,471
1998	34,171,004	25,002,759	2,101,020	675,694	61,950,477
1999	35,121,964	25,231,686	2,368,699	721,907	63,444,256
2000	35,940,214	27,397,170	2,568,957	743,770	66,650,111



Notes:

(1) Includes General, Special Revenue, and Debt Service Funds. Also includes Penalty and Interest on Delinquent Taxes, and Reimbursement by BCD (1990 - 1993).

(2) Includes bingo tax.

CITY OF LUBBOCK, TEXAS

TABLE D - Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal year	Total tax levy	Current tax collections	Percent of levy collected	Delinquent tax collections	Total tax collections	Percent of total tax collections to tax levy	Outstanding delinquent taxes	Percent of delinquent taxes to tax levy
1991	\$ 30,200,247	\$ 29,166,984	96.6%	\$ 857,317	\$ 30,024,301	99.4%	\$ 4,298,835	14.2%
1992	30,313,029	29,518,830	97.4%	605,173	30,124,003	99.4%	4,049,539	13.4%
1993	29,879,149	29,142,236	97.5%	654,639	29,796,875	99.7%	4,182,940	14.0%
1994	31,334,334	30,674,554	97.9%	861,787	31,536,341	100.6%	3,897,536	12.4%
1995	32,481,841	31,944,366	98.3%	741,546	32,685,912	100.6%	3,693,465	11.4%
1996	31,634,830	31,063,085	98.2%	579,893	31,642,978	100.0%	3,113,571	9.8%
1997	32,617,479	31,962,038	98.0%	583,746	32,545,784	99.8%	3,012,718	9.2%
1998	33,817,813	33,069,903	97.8%	595,604	33,665,507	99.5%	3,594,390	10.6%
1999	34,988,031	34,174,361	97.7%	547,498	34,721,859	99.2%	2,923,225	8.4%
2000	35,831,812	34,880,119	97.3%	552,775	35,432,894	98.9%	2,733,017	7.6%

Source: Lubbock Central Appraisal District Collection Activity Report for September 30, 2000

Table E - Assessed and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Fiscal year	Real Property		Personal Property		Total		Ratio of total assessed value to total estimated actual value
	Assessed value	Estimated actual value	Assessed value	Estimated actual value	Assessed value	Estimated actual value	
1991	\$ 3,968,317,632	\$ 4,179,258,974	\$ 750,470,961	\$ 751,762,821	\$ 4,718,788,593	\$ 4,931,021,795	95.7%
1992	3,869,593,943	4,039,878,723	872,013,837	910,388,372	4,741,607,780	4,950,267,095	95.8%
1993	3,830,815,430	4,005,375,749	836,934,738	875,071,287	4,667,750,168	4,880,447,036	95.6%
1994	4,002,181,680	4,218,743,456	908,581,368	908,581,368	4,910,763,048	5,127,324,824	95.8%
1995	4,114,545,547	4,341,014,405	972,766,473	972,766,473	5,087,312,020	5,313,780,878	95.7%
1996	4,335,043,928	4,569,711,436	1,064,312,534	1,064,312,534	5,399,356,462	5,634,023,970	95.8%
1997	4,581,834,893	4,833,288,787	985,237,748	985,237,748	5,567,072,641	5,818,526,535	95.7%
1998	4,753,046,144	5,017,598,349	1,077,203,029	1,077,203,029	5,830,249,173	6,094,801,378	95.7%
1999	4,925,727,049	5,231,934,736	1,093,861,300	1,093,861,300	6,019,588,349	6,325,796,036	95.2%
2000	5,049,788,819	5,306,197,556	1,209,373,598	1,267,062,431	6,259,162,417	6,573,259,987	95.2%

Source: Lubbock Central Appraisal District

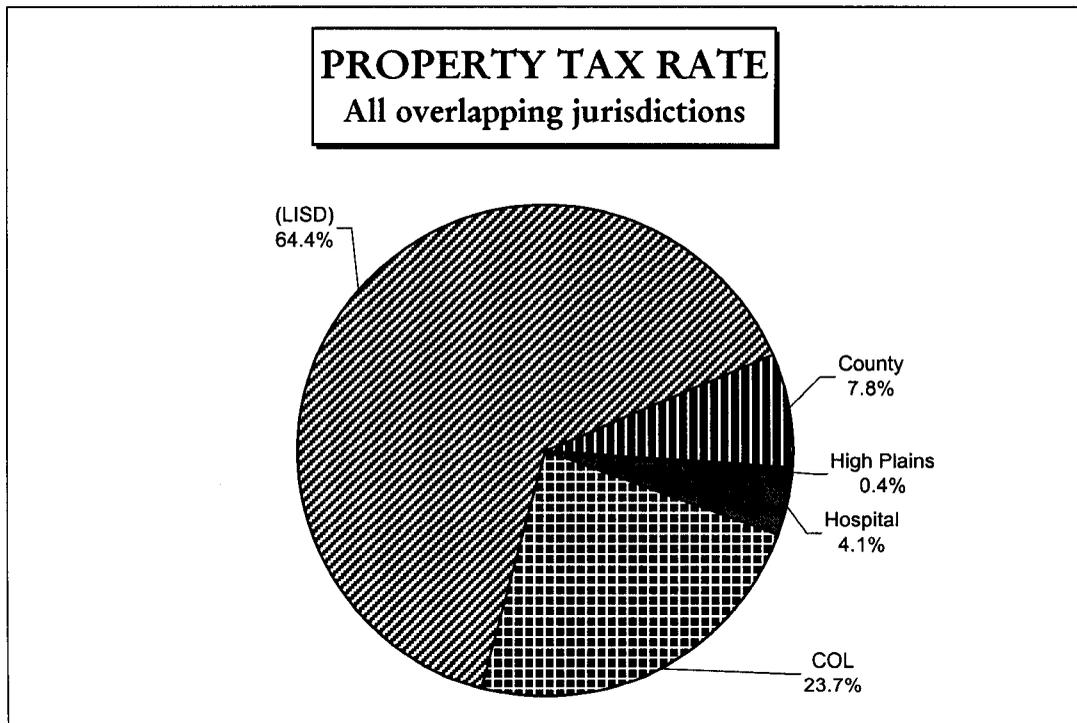
Notes: Assessed and estimated actual value amounts for each fiscal year are based on the prior tax roll including supplemental and error rolls.

CITY OF LUBBOCK, TEXAS

TABLE F - Property Tax Rates - All Direct and Overlapping Governments (per \$100 of Assessed Value)

Last Ten Fiscal Years

Fiscal year	City of Lubbock			Lubbock	High Plains	Lubbock	Total		
	General Fund	Economic Development	Interest & Sinking Fund	City of Lubbock (COL)	Independent School District (LISD)	Lubbock County (County)		Underground Water District (High Plains)	County Hospital District (Hospital)
1991	\$0.35	\$0.03	\$0.26	\$0.64	\$1.31	\$0.18	\$0.01	\$0.11	\$2.25
1992	\$0.38	\$0.03	\$0.23	\$0.64	\$1.31	\$0.18	\$0.00	\$0.11	\$2.24
1993	\$0.40	\$0.04	\$0.20	\$0.64	\$1.46	\$0.17	\$0.01	\$0.11	\$2.39
1994	\$0.42	\$0.02	\$0.20	\$0.64	\$1.47	\$0.17	\$0.01	\$0.11	\$2.40
1995	\$0.43	\$0.03	\$0.18	\$0.64	\$1.48	\$0.17	\$0.01	\$0.11	\$2.41
1996	\$0.40	\$0.03	\$0.16	\$0.59	\$1.47	\$0.17	\$0.01	\$0.10	\$2.34
1997	\$0.38	\$0.03	\$0.18	\$0.59	\$1.48	\$0.17	\$0.01	\$0.10	\$2.35
1998	\$0.40	\$0.03	\$0.15	\$0.58	\$1.57	\$0.17	\$0.01	\$0.10	\$2.43
1999	\$0.42	\$0.03	\$0.13	\$0.58	\$1.57	\$0.19	\$0.01	\$0.10	\$2.45
2000	\$0.43	\$0.03	\$0.12	\$0.58	\$1.59	\$0.19	\$0.01	\$0.10	\$2.47



Source: Lubbock Central Appraisal District

CITY OF LUBBOCK, TEXAS

Table G - Special Assessment Billings and Collections

Last Ten Fiscal Years		
Fiscal year	Assessments billed	Assessments collected
1991	\$ 129,070	\$ 63,106
1992	82,768	34,537
1993	27,030	28,135
1994	-	50,510
1995	-	53,634
1996	-	40,688
1997	-	37,644
1998	172,437	114,454
1999	-	32,020
2000	24,777	57,998

Table H - Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt per Capita

Last Ten Fiscal Years								
Fiscal year	Popu- lation*	Assessed value (in thousands)	Gross bonded debt ⁽¹⁾	Debt service monies available	Debt payable from enterprise revenues	Net bonded debt	Ratio of net bonded debt to assessed value	Net bonded debt per capita
1991	187,137	\$ 4,718,788	\$ 95,712,613	\$ 483,457	\$ 53,308,836	\$ 41,920,320	0.89%	\$ 224.01
1992	187,493	4,741,608	131,813,752	882,147	88,771,330	42,160,275	0.89%	224.86
1993	187,981	4,667,750	137,358,752	1,175,197	98,284,227	37,899,328	0.81%	201.61
1994	190,038	4,910,763	152,633,955	268,630	103,465,477	48,899,848	1.00%	257.32
1995	191,020	5,087,312	148,130,295	1,614,523	96,590,300	49,925,472	0.98%	261.36
1996	193,064	5,399,356	151,720,965	1,676,182	88,631,753	61,413,030	1.14%	318.10
1997	195,367	5,567,073	138,039,535	505,449	81,601,282	55,932,804	1.00%	286.30
1998	196,679	5,830,249	137,104,242	1,420,101	85,538,141	50,146,000	0.86%	254.96
1999	199,445	6,019,588	158,117,749	1,151,270	112,274,771	44,691,708	0.74%	224.08
2000	199,445	6,176,964	176,847,762	1,260,450	128,467,416	47,119,896	0.76%	236.26

*Source: City of Lubbock Business Development estimates.

Note:

(1) Includes all long-term general obligation debt.

Table I- Tax Rate Limitation

September 30, 2000

There is no direct debt limitation in the City Charter or under State Law. The City operates under a Home Rule Charter that limits the maximum tax rate, for all City Purposes, to \$2.50 per \$100 Assessed Valuation. Administratively, the Attorney General of the State of Texas will permit allocation of \$1.50 of the \$2.50 maximum tax rate for general obligation debt service.

CITY OF LUBBOCK, TEXAS

Table J - Computation of Direct and Overlapping Debt

	Funded debt outstanding at 09/30/2000	Percentage applicable to City of Lubbock	Amount applicable to City of Lubbock
City of Lubbock	\$ 53,455,347 ⁽¹⁾	100.00%	\$ 53,455,347
Lubbock County	1,005,000	82.94%	833,547
Lubbock County Hospital District	-	82.94%	-
Lubbock Independent School District	70,744,957	98.91%	69,973,837
Lubbock- Cooper Independent School District	6,929,555	15.30%	1,060,222
Frenship Independent School District	38,978,395	64.44%	25,117,678
Roosevelt Independent School District	-	4.72%	-
Idalou Independent School District	1,860,000	1.10%	20,460
New Deal Independent School District	-	0.03%	-
High Plains Underground Water Conservation District No. 1	-	82.94%	-
Total	<u><u>\$ 172,973,254</u></u>		<u><u>\$ 150,461,091</u></u>

⁽¹⁾ General Purpose funded debt payable from ad valorem taxes (self-supporting electric, waterworks system, sewer system, solid waste disposal system and hotel-motel general obligation debt excluded).

Table K - Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures

Last Ten Fiscal Years

Fiscal year	Principal	Interest	Total debt service ⁽¹⁾	Total general expenditures ⁽²⁾	Percentage of debt service to total general expenditures
1991	\$ 7,685,000	\$ 5,519,770	\$ 13,204,770	\$ 64,804,302	20.38%
1992	8,675,000	7,134,459	15,809,459	67,851,116	23.30
1993	8,935,000	8,753,951	17,688,951	67,155,843	26.34
1994	9,015,000	8,786,704	17,801,704	75,732,795	23.51
1995	11,515,000	8,036,548	19,551,548	72,580,854	26.93
1996	12,920,000	8,369,841	21,289,841	83,991,006	25.35
1997	13,519,434	7,376,805	20,896,239	81,407,858	25.67
1998	13,400,076	7,323,705	20,723,781	83,669,520	24.77
1999	13,846,493	7,137,266	20,983,760	87,882,788	23.88
2000	13,069,986	10,882,679	23,952,665	90,887,016	26.35

Notes:

(1) Includes debt service requirements on General Obligation bonds included in Enterprise Funds.

(2) Includes General, Special Revenue, and Debt Service Funds.

CITY OF LUBBOCK, TEXAS

TABLE L - Revenue Bond Coverage - Electric, Water and Airport Bonds

Last Ten Fiscal Years

ELECTRIC BONDS:

Fiscal year	Net revenue ⁽¹⁾	Direct operating expenses ⁽²⁾	Net revenue available for debt service	Debt service requirements			Coverage
				Principal	Interest	Total	
1991	\$ 52,389,225	\$ 33,225,153	\$ 19,164,072	\$ 3,210,000	\$ 3,140,075	\$ 6,350,075	3.02
1992	54,277,305	33,900,204	20,377,101	4,060,000	2,849,297	6,909,297	2.95
1993	56,843,700	39,574,526	17,269,174	3,930,000	2,681,852	6,611,852	2.61
1994	57,599,720	41,725,274	15,874,446	3,640,000	2,367,970	6,007,970	2.64
1995	57,272,355	39,873,027	17,399,328	3,635,000	2,081,845	5,716,845	3.04
1996	60,714,224	44,756,958	15,957,266	3,560,000	1,483,753	5,043,753	3.16
1997	63,185,595	50,199,268	12,986,327	2,644,243	2,028,480	4,672,723	2.78
1998	70,903,644	55,780,777	15,122,867	2,298,598	1,909,172	4,207,770	3.59
1999	64,296,441	50,968,221	13,328,220	2,798,098	2,373,385	5,171,483	2.58
2000	74,319,223	66,100,345	8,218,878	3,064,025	2,389,340	5,453,365	1.51

WATER BONDS:

Fiscal year	Net revenue ⁽¹⁾	Direct operating expenses ⁽²⁾	Net revenue available for debt service	Debt service requirements			Coverage
				Principal	Interest	Total	
1991	\$ 25,871,885	\$ 9,772,989	\$ 16,098,896	\$ 180,000	\$ 2,928,802	\$ 3,108,802	5.18
1992	24,945,645	9,856,223	15,089,422	630,000	4,116,303	4,746,303	3.18
1993	25,843,263	10,339,316	15,503,947	670,000	4,058,772	4,728,772	3.28
1994	29,323,656	10,666,555	18,657,101	710,000	3,997,558	4,707,558	3.96
1995	29,560,731	10,871,374	18,689,357	755,000	1,966,329	2,721,329	6.87
1996	28,950,626	11,002,625	17,948,001	710,000	3,687,828	4,397,828	4.08
1997	27,873,916	11,664,279	16,209,637	1,350,000	3,032,047	4,382,047	3.70
1998	30,851,142	14,115,431	16,735,711	1,380,000	2,976,698	4,356,698	3.84
1999	29,354,414	12,952,686	16,401,728	1,420,000	2,918,048	4,338,048	3.78
2000	32,598,266	14,082,918	18,515,348	1,455,000	2,856,278	4,311,278	4.29

AIRPORT BONDS:

Fiscal year	Gross revenue ⁽³⁾	Direct operating expenses ⁽²⁾	Net revenue available for debt service	Debt service requirements			Coverage
				Principal	Interest	Total	
1991	\$ 4,330,414	\$ 3,618,409	\$ 712,005	\$ 85,000	\$ 37,720	\$ 122,720	5.80
1992	4,208,565	3,462,854	745,711	85,000	33,258	118,258	6.31
1993	4,661,266	3,778,187	883,079	90,000	28,710	118,710	7.44
1994	4,444,384	3,245,354	1,199,030	90,000	23,850	113,850	10.53
1995	6,329,224	3,414,114	2,915,110	90,000	18,900	108,900	26.77
1996	6,510,573	3,351,803	3,158,770	0	0	0	N/A
1997	6,627,691	2,980,113	3,647,578	0	0	0	N/A
1998	6,491,547	2,616,391	3,875,156	0	0	0	N/A
1999	6,505,172	2,746,225	3,758,947	0	0	0	N/A
2000	6,544,479	3,042,164	3,502,315	0	0	0	N/A

Notes:

- (1) Net Revenue is gross revenue less refunds and allowances plus net nonoperating revenues.
- (2) Direct Operating expenses exclude depreciation. For Water, it includes CRMWA debt payment in years 1990-1998.
- (3) Airport revenue is based on gross revenue.

CITY OF LUBBOCK, TEXAS

TABLE M - Demographic Statistics

Last Ten Fiscal Years

Fiscal year	Population ⁽¹⁾	Per capita income ⁽²⁾	Education level in median school		School enrollment ⁽²⁾	Unemployment rate ⁽⁴⁾
			Median age ⁽¹⁾	years completed ⁽¹⁾		
1991 ⁽³⁾	187,137	\$ 14,375	28	12.1	30,684	5.4%
1992	187,493	14,364	28	12.3	31,103	5.8%
1993	187,981	14,651	29	12.4	30,631	5.0%
1994	190,038	14,795	29	12.4	30,414	4.0%
1995	191,020	15,091	29	12.4	30,442	4.5%
1996	193,064	15,468	30	12.4	30,154	4.4%
1997	195,367	15,885	30	12.4	29,918	4.4%
1998	196,679	14,237	31	12.4	30,082	3.6%
1999	199,445	16,890	31	12.6	29,397	2.9%
2000	199,445	16,890	31	12.6	29,150	2.7%

Sources:

- (1) City of Lubbock Planning Department estimates.
- (2) City of Lubbock Business Development Department
- (3) Census
- (4) TWC

TABLE N - Construction and Bank Deposits

Last Ten Fiscal Years

Fiscal year	Commercial construction ⁽²⁾		Residential construction ⁽²⁾		Bank Deposits ⁽³⁾ (in billions)
	Number of units ⁽⁴⁾	Value	Number of units	Value	
1991	1,886	\$ 111,902,768	711	\$ 40,138,397	\$ 1.89
1992	1,925	102,510,152	527	51,136,160	2.13 ⁽¹⁾
1993	1,339	71,715,175	1034	77,752,059	2.27 ⁽¹⁾
1994	1,696	93,740,449	1084	86,362,010	2.40
1995	1,483	100,781,405	956	78,392,716	2.46
1996	1,016	59,872,232	587	68,735,630	2.54
1997	5,950	11,299,542	1,012	78,014,771	2.64
1998	2,098	135,587,515	1,053	87,779,078	2.67
1999	1,732	156,970,341	743	97,005,882	2.76
2000	2,630	219,094,150	886	101,697,154	2.56

Notes:

- (1) Does not include City Bank. Figures were unavailable.

Source:

- (2) Through 1992, the source was the Board of City Development. For 1993 - 1995, the source was the Business Development Support Services Department at the City of Lubbock. Since 1996, numbers are provided by the Building Inspection Department monthly reports.
- (3) Amounts obtained from applicable banks for 1990 to 1993; amounts subsequent to 1993 were obtained from FDIC (amounts are as of 06/30 of the respective year).
- (4) Estimated

CITY OF LUBBOCK, TEXAS

TABLE O - Principal Taxpayers

September 30, 2000

Name of Taxpayer	Type of Business	2000 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
Macerich Lubbock LTD Partnership	Regional Shopping Mall	\$ 102,480,853	1.54%
Southwestern Bell Telephone Co.	Telephone Utility	69,081,840	1.04%
Southwestern Public Service	Electric Utility	54,457,638	0.82%
Plains Co-Op Oil Mills Inc.	Agricultural Processing	28,090,510	0.42%
X-Fab Texas, Inc.	Electronics Manufacturer	27,023,881	0.41%
Methodist Hospital	Hospital and Medical Office Building	23,661,703	0.36%
Wal-Mart Stores Inc.	Discount Retail Stores	21,162,386	0.32%
Fleming Companies, Inc.	Wholesale Grocers	20,651,136	0.31%
Southern Cotton Oil Company	Agricultural Processing	19,071,943	0.29%
Energas	Natural Gas Utility	18,060,408	0.27%
		\$ 383,742,298	5.78%

Source: Lubbock Central Appraisal District

TABLE P - Micellaneous Statistics

Last Five Fiscal Years

	2000	1999	1998	1997	1996
Date of incorporation	1909				
Form of Government	Council - Manager				
Date present Charter adopted	December 27, 1917				
Date Charter amended	January 18, 1992				
Area	115 square miles				
Miles of streets:					
Paved	945	919	890	878	873
Unpaved	77	70	59	65	60
Number of street lights	14,093	14,105	14,034	13,995	14,083
Fire protection:					
Number of stations	14	14	13	13	14
Number of fire fighters and officers	251	251	236	233	240
Police protection:					
Number of stations	1	1	1	1	1
Number of police officers and other personnel	310	321	321	320	320
Municipal employees:					
Full-time equivalents	1,935	1,907	1,858	1,809	1,828

(continued)

CITY OF LUBBOCK, TEXAS

TABLE P - Micellaneous Statistics

Last Five Fiscal Years

	2000	1999	1998	1997	1996
Education:					
Colleges (enrollment):					
Texas Tech University	22,078	22,040	24,158	N/A	N/A
Lubbock Christian University	1,406	1,400	1,363	N/A	N/A
South Plains College	3,596	2,811	2,495	N/A	N/A
Wayland Baptist University	550	380	405	N/A	N/A
Other business colleges	458	458	458	N/A	N/A
Public schools (number of):					
High schools	4	4	4	4	4
Junior high schools	10	10	10	10	10
Elementary schools	38	40	40	40	40
Private schools	10	10	10	10	12
Building permits issued (annualized)	3,270	1,421	1,780	6,962	1,603
Recreation and culture:					
Number of parks and playgrounds	117	115	115	115	118
Number of recreation centers	18	18	18	18	18
Number of golf courses	8	7	7	7	7
Number of swimming pools	10	10	10	11	11
Number of auditoriums/coliseums	1	1	1	1	1
Number of civic centers	1	1	1	1	1
Number of libraries (excl. education)	4	4	4	4	4
Number of volumes	323,374	323,835	325,338	319,586	311,294
News media:					
Number of daily newspapers	1	1	1	1	1
Number of radio stations	21	21	21	22	22
Number of television stations	10	9	9	7	7
Medical facilities:					
Number of hospitals	4	5	5	6	6
Number of beds	1,518	1,861	1,796	1,931	2,014
Number of clinics	125	82	82	62	78
Number of medical schools	1	1	1	1	1
Number of nursing schools	3	3	3	3	3
Churches:					
Number of churches all denominations	271	271	271	271	263

(continued)

CITY OF LUBBOCK, TEXAS

TABLE P - Micellaneous Statistics

Last Five Fiscal Years

	2000	1999	1998	1997	1996
Banks:					
Number of national banks	8	8	8	8	7
Number of state banks	8	8	9	5	5
Number of savings banks	0	0	0	1	1
Municipal electric system:					
Number of meters	58,431	57,411	56,293	54,085	51,305
Average daily consumption (kwh)	3,387,493	3,206,647	3,182,523	2,917,657	2,910,023
Number of sub-stations	12	11	11	11	11
Number of steam turbines	6	6	5	5	5
Number of diesel engines	2	2	2	2	2
Number of gas turbo engines	5	4	4	4	4
Miles of distribution lines	928	913	907	890	887
Miles of transmission lines	79	78	78	78	78
Municipal water system:					
Number of meters	69,232	68,449	68,127	66,405	66,222
Average daily consumption (gal)	37,500,000	36,983,000	36,680,000	35,580,000	41,600,000
Miles of distribution lines	1,211	1,198	1,182	1,175	1,166
Number of fire hydrants	3,600	3,534	3,484	3,448	3,423
Number of water wells	251	251	251	279	253
Acres of water rights	99,152	99,152	99,152	99,152	83,145
Number of gallons allocated annually by Canadian River Municipal Water Authority (in millions of gallons)	11,194	11,193	9,950	9,950	9,950
Municipal sewer system:					
Miles of sanitary sewer lines	834	816	807	800	793
Miles of storm sewer lines	46	46	41	41	41
Municipal solid waste system (# of records billed):					
Number of residential customers	55,172	54,135	54,692	54,306	55,919
Number of commercial customers	2,931	2,684	3,038	2,966	3,994
Municipal airport:					
Number of airline passengers enplaned (annual projection)	585,000	574,780	597,333	615,053	613,522
Daily average of airplane departures and landings	360	258	482	270	270
Number of major airlines	4	4	4	5	5
Number of scheduled daily flights	68	68	70	40	40

CITY OF LUBBOCK, TEXAS

Table 1 - Valuation, Exemptions, and General Obligation Debt

2000 Market Valuation Established by Lubbock Central Appraisal District	\$	7,076,107,051
Less Exemptions/Reductions at 100% Market Value:		
Residential Homestead Exemptions	\$ 195,702,020	
Homestead Cap Adjustment	66,690,016	
Disabled Veterans	13,142,728	
Agricultural/Open-Space Land Use Reductions	49,035,210	
Pollution Exemptions	2,659,298	
Freeport Exemptions	39,339,520	
House Bill 366	109,304	
Tax Abatement Reductions ⁽¹⁾	70,649,287	437,327,383
2000 Taxable Assessed Valuation	\$	6,638,779,668
City Funded Debt Payable from Ad Valorem Taxes		
General Obligation Debt (as of 9/30/00) ⁽²⁾	\$ 176,847,763	
General Obligation Bonds, Series 2001	\$ 9,100,000	
Tax & Solid Waste System Surplus Revenue Certificates of Obligation, Series 2001	\$ 2,770,000	
Total Funded Debt Payable from Ad Valorem Taxes	\$	188,717,763
Less: Self Supporting Debt ⁽³⁾		
Waterworks System General Obligation Debt	\$ 64,370,436	
Sewer System General Obligation Debt	54,663,056	
Solid Waste Disposal System General Obligation Debt	6,743,924	
Hotel Occupancy Tax Certificates of Obligation Debt	385,000	126,162,416
General Purpose Funded Debt Payable from Ad Valorem Taxes ⁽⁴⁾	\$	62,555,347
General Obligation Interest and Sinking Fund as of 09/30/00	\$	1,260,450
Ratio Total Funded Debt to Taxable Assessed Valuation		2.84%
Ratio General Purpose Funded Debt to Taxable Assessed Valuation		0.94%

2000 Estimated Population - 199,445⁽⁵⁾
 Per Capita Taxable Assessed Valuation - \$33,286
 Per Capita Funded Debt Payable from Ad Valorem Taxes - \$946
 Per Capita General Purpose Funded Debt Payable from Ad Valorem Taxes - \$314

⁽¹⁾ See above, "Tax Information - Tax Abatement Policy".

⁽²⁾ The statement of indebtedness does not include outstanding \$33,230,000 Electric Light and Power System Revenue Bonds, as these Bonds are payable solely from the net revenues of the Electric Light and Power System.

⁽³⁾ The City provides for debt service on general obligation debt issued to fund Waterworks System improvements, Sewer System improvements and Solid Waste Disposal System improvements from surplus revenues of these Systems; debt service on the Hotel Occupancy Tax Certificates of Obligation is provided from Hotel Occupancy Tax revenues (see "Table 8A - Pro-Forma General Obligation Debt Service Requirements", "Table 8B - Division of Debt Service Requirements", "Table 9 - Interest and Sinking Fund Budget Projection" and "Table 10 - Computation of Self-Supporting Debt").

"Waterworks System General Obligation Debt" includes \$64,370,436 principal amount of outstanding general obligation bonds and certificates of obligation that were issued to finance Waterworks System improvements, and that are being paid from or are expected to be paid from Waterworks System Revenues. The City has no outstanding Waterworks System Revenue Bonds but has obligated revenues of the

CITY OF LUBBOCK, TEXAS

"Sewer System General Obligation Debt" includes \$54,663,056 principal amount of outstanding general obligation bonds and certificates of obligation that were issued to finance sewer system improvements, and that are being paid from sewer system revenues. The City has no outstanding Sewer System Revenue Bonds.

"Solid Waste Disposal system General Obligation Debt" consists of \$6,743,924 principal amount of outstanding general obligation debt that was issued for solid waste disposal improvements, and that is being paid from revenues derived from solid waste service fees. The city has no outstanding Solid Waste Disposal System Revenue Bonds.

"Hotel Occupancy Tax Certificates of Obligation" consists of \$385,000 principal amount of outstanding general obligation debt.

(4) "General Purpose Funded Debt Payable from Ad Valorem Taxes" includes \$2,545,000 principal amount of outstanding Tax and Airport Surplus Revenue Certificates of Obligation on which debt service is provided from Passenger Facility Charge ("PFC") revenues (see Footnote ⁽²⁾, "Table 9 - Interest and Sinking Fund Budget Projection").

(5) Source: City of Lubbock, Texas.

Table 2 - Taxable Assessed Valuations by Category

Category	Taxable Appraised Value for Fiscal Year Ended September 30,					
	2001		2000		1999	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$3,786,979,722	53.52%	\$3,417,179,021	51.99%	\$3,219,691,355	50.90%
Real, Residential, Multi-Family	455,378,395	6.44%	411,487,582	6.26%	396,277,540	6.26%
Real, Vacant Lots/Tracts	88,612,192	1.25%	87,184,492	1.33%	93,912,543	1.48%
Real, Acreage (Land Only)	60,125,617	0.85%	46,378,532	0.71%	45,494,120	0.72%
Real, Farm and Ranch Improvements	11,000,161	0.16%	7,166,908	0.11%	6,778,453	0.11%
Real, Commercial and Industrial	1,364,333,220	19.28%	1,322,413,335	20.12%	1,272,262,327	20.11%
Real, Oil, Gas and Other Mineral Reserves	7,000,000	0.10%	4,540,780	0.07%	7,862,650	0.12%
Real and Tangible Personal, Utilities	181,228,303	2.56%	180,418,060	2.74%	178,399,714	2.82%
Tangible Personal, Commercial and Industrial	1,032,704,200	14.59%	1,072,361,347	16.31%	1,081,053,583	17.09%
Tangible Personal, Other	14,786,889	0.21%	14,283,024	0.22%	12,807,717	0.20%
Real Property, Inventory	13,320,136	0.19%	9,846,906	0.15%	11,256,034	0.18%
Special Inventory	60,786,210	0.86%	-	0.00%	-	0.00%
Total Appraised Value Before Exemptions	\$7,076,255,045	100.00%	\$6,573,259,987	100.00%	\$6,325,796,036	100.00%
Less: Total Exemptions/Reductions	(437,475,377)		(396,296,005)		(306,207,687)	
Taxable Assessed Value	<u>\$6,638,779,668</u>		<u>\$6,176,963,982</u>		<u>\$6,019,588,349</u>	

Category	Taxable Appraised Value for Fiscal Year Ended September 30,			
	1998		1997	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$3,112,040,906	51.06%	\$3,019,393,785	51.89%
Real, Residential, Multi-Family	382,170,749	6.27%	348,118,848	5.98%
Real, Vacant Lots/Tracts	96,312,775	1.58%	100,053,738	1.72%
Real, Acreage (Land Only)	46,128,990	0.76%	45,572,096	0.78%
Real, Farm and Ranch Improvements	6,671,096	0.11%	6,933,323	0.12%
Real, Commercial and Industrial	1,180,704,813	19.37%	1,121,128,529	19.27%
Real, Oil, Gas and Other Mineral Reserves	10,638,260	0.17%	9,263,830	0.16%
Real and Tangible Personal, Utilities	171,889,877	2.82%	167,598,757	2.88%
Tangible Personal, Commercial and Industrial	1,065,115,428	17.48%	974,209,635	16.74%
Tangible Personal, Other	12,087,601	0.20%	11,028,113	0.19%
Real Property, Inventory	11,040,883	0.18%	15,225,881	0.26%
Special Inventory	-	0.00%	-	0.00%
Total Appraised Value Before Exemptions	\$6,094,801,378	100.00%	\$5,818,526,535	100.00%
Less: Total Exemptions/Reductions	(264,552,205)		(251,453,894)	
Taxable Assessed Value	<u>\$5,830,249,173</u>		<u>\$5,567,072,641</u>	

NOTE: Valuations shown are certified taxable assessed values reported by the Lubbock County Appraisal District to the State Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the Appraisal District updates records.

CITY OF LUBBOCK, TEXAS

Table 3A - Valuation and General Obligation Debt History

Fiscal Year Ended 9/30	Estimated Population ⁽¹⁾	Taxable Assessed Valuation ⁽²⁾	Taxable Assessed Valuation Per Capita	General Purpose Funded Tax Debt Outstanding at End of Year ⁽³⁾	Ratio Tax Debt to Taxable Assessed Valuation	Funded Debt Per Capita
1996	193,064	\$ 5,399,356,462	\$ 27,967	\$ 67,438,562	1.25%	\$ 349
1997	195,367	5,567,072,641	28,495	61,728,036	1.11%	316
1998	196,679	5,830,249,173	29,643	57,156,101	0.98%	291
1999	197,117	6,019,588,349	30,538	51,222,980	0.85%	260
2000	199,445	6,176,963,982	30,971	53,455,346	0.87%	268
2001	199,445	6,638,779,668	33,286	58,122,809 ⁽⁴⁾	0.88% ⁽⁴⁾	291 ⁽⁴⁾

⁽¹⁾ Source: Estimates by City of Lubbock, Texas.

⁽²⁾ As reported by the Lubbock Central Appraisal District on City's annual State Property Tax Reports; subject to change during the ensuing year.

⁽³⁾ Does not include self-supporting debt.

⁽⁴⁾ Projected; includes \$9,100,000 General Obligation Bonds, Series 2001.

Table 3B - Derivation of General Purpose Funded Tax Debt

Fiscal Year Ended 9/30	Funded Tax Debt Outstanding at End of Year	Less: Self-Supporting Funded Tax Debt	General Purpose Funded Tax Debt Outstanding at End of Year ⁽¹⁾
1996	\$ 151,763,752	\$ 84,325,190	\$ 67,438,562
1997	138,914,318	77,186,282	61,728,036
1998	137,104,242	79,948,141	57,156,101
1999	158,117,749	106,944,771	51,172,978
2000	176,847,762	123,392,416	53,455,346
2001	175,408,321 ⁽²⁾	117,285,512 ⁽²⁾	58,122,809 ⁽²⁾

⁽¹⁾ The City has not incurred significant General Purpose debt since 1996 when debt was issued for fire stations; on September 18, 1999 voters approved the issuance of general obligation bonds in the principal sum of \$37,385,000 to finance various capital improvements over the next 5 years. See discussion under Table 11.

⁽²⁾ Projected; includes \$9,100,000 General Obligation Bonds, Series 2001.

Table 4 - Tax Rate, Levy and Collection History

Fiscal Year Ended 9/30	Tax Rate	Distribution			Tax Levy	% of Current Tax Collections to Tax Levy	% of Total Tax Collections to Tax Levy
		General Fund	Economic Development	Interest and Sinking Fund			
1996	\$ 0.58590	\$ 0.39650	\$ 0.03000	\$ 0.15940	\$31,634,830	98.19%	100.03%
1997	0.58590	0.37771	0.03000	0.17819	32,617,479	97.99%	99.78%
1998	0.58000	0.39689	0.03000	0.15311	33,815,445	97.80%	99.55%
1999	0.58000	0.41691	0.03000	0.13309	34,988,031	97.67%	99.24%
2000	0.58000	0.42750	0.03000	0.12250	35,844,243	97.35% ⁽¹⁾	98.89% ⁽¹⁾
2001	0.57000	0.42718	0.03000	0.11282	37,841,054	In process of collection	

⁽¹⁾ Unaudited

CITY OF LUBBOCK, TEXAS

Table 5 - Ten Largest Taxpayers

Name of Taxpayer	Nature of Property	1999/2000 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
Macerich Lubbock LTD Partnership	Regional Shopping Mall	\$ 102,480,853	1.54%
Southwestern Bell Telephone Co.	Telephone Utility	69,081,840	1.04%
Southwestern Public Service	Electric Utility	54,457,638	0.82%
Plains Co-Op Oil Mills Inc.	Agricultural Processing	28,090,510	0.42%
X-Fab Texas, Inc.	Electronics Manufacturer	27,023,881	0.41%
Methodist Hospital	Hospital and Medical Office Building	23,661,703	0.36%
Wal-Mart Stores Inc.	Discount Retail Stores	21,162,386	0.32%
Fleming Companies, Inc.	Wholesale Grocers	20,651,136	0.31%
Southern Cotton Oil Company	Agricultural Processing	19,071,943	0.29%
Energas	Natural Gas Utility	18,060,408	0.27%
		<u>\$383,742,298</u>	<u>5.78%</u>

Table 6 - Tax Adequacy⁽¹⁾

Maximum Principal and Interest Requirements, All General Obligation Debt (Pro-Forma), 2001 ⁽²⁾	\$23,361,135
\$0.3591 Tax Rate at 98% Collection Produces.....	\$23,363,061
Maximum Principal and Interest Requirements, General Purpose General Obligation Debt (Pro-Forma), 2002 ⁽³⁾	\$ 8,032,080
\$0.1235 Tax Rate at 98% Collection Produces.....	\$ 8,034,915

⁽¹⁾ Based on 2000-2001 taxable assessed valuation.

⁽²⁾ See Table 8A.

CITY OF LUBBOCK, TEXAS

Table 7 - Estimated Overlapping Debt

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

Taxing Jurisdiction	2000/01 Taxable Assessed Value	Tax Rate ⁽¹⁾	Total Funded Debt As Of 09-30-00	Estimated % Applicable	City's Overlapping G.O. Debt As of 09-30-00	Authorized But Unissued Debt As Of 09-30-00
City of Lubbock	\$ 6,638,779,668	\$0.57000	\$ 62,555,347 ⁽²⁾	100.00%	\$ 62,555,347	\$ 34,127,000
Lubbock Independent School District	5,564,927,878	1.58930	70,744,957	98.91%	69,973,837	3,400,275
Lubbock County	7,784,487,133	0.19170	1,005,000	82.94%	833,547	500,000
Lubbock County Hospital District	7,784,625,799	0.09798	-	82.94%	-	
High Plains Underground Water Conservation District No. 1	7,783,791,520	0.00840	-	82.94%	-	
Frenship Independent School District	810,386,094	1.58930	38,978,395	64.44%	25,117,678	-
Idalou Independent School District	109,301,647	1.50000	1,860,000	1.10%	20,460	-
Lubbock-Cooper Independent School District	277,492,758	1.45200	6,929,555	15.30%	1,060,222	-
New Deal Independent School District	81,782,693	1.50000	-	0.03%	-	-
Roosevelt Independent School District	97,505,044	1.50000	-	4.72%	-	-
Total Direct and Overlapping G.O. Debt					\$ 159,561,091	
Ratio of Direct and Overlapping G.O. Debt to Taxable Assessed Valuation						2.40%
Per Capita Overlapping G.O. Debt						\$ 800

⁽¹⁾ General Purpose Funded Tax Debt; excludes self-supporting General Obligation Debt (see "Table 1-Valuation, Exemptions and General Obligation Debt"). Preliminary, subject to change.
⁽²⁾ Projected; includes \$9,100,000 General Obligation bonds, Series 2001.

CITY OF LUBBOCK, TEXAS

Table 8 - General Obligation Debt Service Requirements -- Division of Debt Service Requirements

Fiscal Year Ended	Combined Total Requirements ⁽¹⁾			Less: Waterworks System General Obligation	Less: Sewer System General Obligation	Less: Solid Waste Disposal System General Obligation	Less: Hotel Occupancy Tax General Obligation	General Purpose General Obligation
	Principal	Interest	Total	Requirements	Requirements	Requirements ⁽¹⁾	Requirements	Requirements ⁽¹⁾
2001	\$ 13,309,442	\$ 10,051,693	\$ 23,361,135	\$ 7,587,496	\$ 6,678,816	\$ 757,556	\$ 393,663	\$ 7,943,604
2002	12,883,639	9,499,777	22,383,416	7,034,507	6,347,280	969,549	-	8,032,080
2003	12,679,682	8,068,754	20,748,436	6,599,085	6,074,411	591,668	-	7,483,272
2004	11,685,000	6,982,215	18,667,215	5,966,722	5,762,819	571,916	-	6,365,758
2005	11,720,000	6,399,955	18,119,955	5,982,290	5,453,726	554,065	-	6,129,874
2006	11,755,000	5,829,181	17,584,181	5,809,129	5,267,680	537,936	-	5,969,436
2007	11,780,000	5,270,141	17,050,141	5,674,033	5,075,515	525,122	-	5,775,471
2008	11,190,000	4,728,999	15,918,999	5,251,614	4,748,347	510,316	-	5,408,722
2009	10,815,000	4,214,349	15,029,349	5,087,658	4,462,548	495,302	-	4,983,841
2010	10,375,000	3,718,137	14,093,137	4,914,028	4,180,852	480,033	-	4,518,224
2011	10,440,000	3,232,218	13,672,218	4,800,300	4,012,579	464,556	-	4,394,783
2012	9,310,000	2,770,278	12,080,278	3,911,942	3,781,678	448,917	-	3,937,741
2013	9,380,000	2,329,956	11,709,956	3,842,729	3,590,722	433,116	-	3,843,389
2014	9,485,000	1,881,508	11,366,508	3,778,395	3,429,374	417,117	-	3,741,622
2015	6,595,000	1,490,639	8,085,639	3,632,819	1,561,461	400,932	-	2,490,427
2016	5,775,000	1,180,229	6,955,229	3,571,512	787,694	380,238	-	2,215,785
2017	5,100,000	903,072	6,003,072	3,510,185	754,751	365,072	-	1,373,064
2018	5,255,000	634,665	5,889,665	3,447,372	721,381	349,839	-	1,371,073
2019	4,910,000	370,092	5,280,092	3,063,701	687,829	153,934	-	1,374,628
2020	3,400,000	145,921	3,545,921	2,021,003	-	146,408	-	1,378,510
2021	875,000	24,719	899,719	-	-	138,814	-	760,905
	<u>\$ 188,717,763</u>	<u>\$ 79,726,498</u>	<u>\$ 268,444,261</u>	<u>\$ 95,486,520</u>	<u>\$ 73,379,463</u>	<u>\$ 9,692,406</u>	<u>\$ 393,663</u>	<u>\$ 89,492,209</u>

⁽¹⁾ Includes debt service on the \$9,100,000 General Obligation Bonds, Series 2001 and the \$2,770,000 Tax and Solid Waste System Surplus Revenue Certificates of Obligation, Series 2001 with an expected delivery date of March 15, 2001.

CITY OF LUBBOCK, TEXAS

Table 9 - Interest and Sinking Fund Budget Projection

General Obligation Debt Service Requirements (Pro-Forma), Fiscal Year Ending 09/30/01	\$ 23,361,135
Fiscal Agent, Tax Collection and Other Uses	<u>16,000</u>
Total Requirements	<u>\$ 23,377,135</u>
 Sources of Funds	
Interest and Sinking Fund, 09/30/00	\$ 1,260,450
Budgeted Ad Valorem Tax Receipts	7,490,019
 Budgeted Transfers From:	
Water Fund ⁽¹⁾	7,587,496
Sewer Fund ⁽¹⁾	6,678,816
Solid Waste Fund ⁽¹⁾	757,556
Hotel Occupancy Tax Fund ⁽¹⁾	393,663
Airport Fund - from Passenger Facility Charges ("PFCs") ⁽²⁾	301,745
Budgeted Interest Earned	<u>67,950</u>
Total Sources of Funds	<u>\$ 24,537,695</u>
 Estimated Balance, 09/30/01	 <u>\$ 1,160,560</u>

⁽¹⁾ See "Table 10 - Computation of Self-Supporting Debt".

⁽²⁾ PFCs are authorized by the Federal Aviation Administration ("FAA"). PFC revenues must be used for allowable costs of FAA approved airport projects including debt service on airport obligations issued to carry out approved projects. The City issued Tax and Airport Surplus Revenue Certificates of Obligation (the "Airport Certificates") in 1993 and 1995. The outstanding principal balance of the Airport Certificates 09/30/00 was \$2,545,000; debt service on the Airport Certificates is provided from PFC revenues. PFC revenues in fiscal year ending 09/30/00 were \$1,552,654. Debt service on other airport general obligation debt (principal balance outstanding at 09/30/00 \$3,980,513) is provided from ad valorem taxes.

CITY OF LUBBOCK, TEXAS

Table 10 - Computation of Self-Supporting Debt

The Waterworks System⁽¹⁾

Net System Revenue Available, Fiscal Year Ended 9-30-00	\$ 14,296,533
Less: Requirements for Revenue Bonds, Fiscal Year Ended 9-30-01	-
Balance Available for Other Purposes	\$ 14,296,533
Requirements for System General Obligation Debt (Pro-Forma), Fiscal Year Ending 9-30-01	\$ 7,587,496
Percentage of System General Obligation Debt Self-Supporting	100.00%

⁽¹⁾ Each Fiscal Year the City transfers from net revenues of the Waterworks Enterprise Fund to the General Obligation Interest and Sinking Fund an amount equal to debt service requirements on System general obligation debt.

The Sewer System⁽¹⁾

Net System Revenue Available, Fiscal Year Ended 9-30-00	\$ 9,217,149
Less: Requirements for Revenue Bonds, Fiscal Year Ending 9-30-01	-
Balance Available for Other Purposes	\$ 9,217,149
Requirements for System General Obligation Debt (Pro-Forma), Fiscal Year Ending 9-30-01	\$ 6,678,816
Percentage of System General Obligation Debt Self-Supporting	100.00%

⁽¹⁾ Each Fiscal Year the City transfers from net revenues of the Sewer Enterprise Fund to the General Obligation Interest and Sinking Fund an amount equal to debt service requirements on System general obligation debt.

The Solid Waste Disposal System⁽¹⁾

Net System Revenue Available, Fiscal Year Ended 9-30-00	\$ 8,205,700
Less: Requirements for Revenue Bonds, Fiscal Year Ending 9-30-01	-
Balance Available for Other Purposes	\$ 8,205,700
Requirements for System General Obligation Debt (Pro-Forma), Fiscal Year Ending 9-30-01	\$ 757,556
Percentage of System General Obligation Debt Self-Supporting	100.00%

⁽¹⁾ Each Fiscal Year the City transfers from net revenues of the Solid Waste Enterprise Fund to the General Obligation Interest and Sinking Fund an amount equal to debt service requirements on System general obligation debt.

The Hotel Occupancy Tax⁽¹⁾

Revenue Available, Fiscal Year Ended 9-30-00	\$ 2,568,957
Less: Requirements for Revenue Bonds, Fiscal Year Ending 9-30-01	-
Balance Available for Other Purposes	\$ 2,568,957
Requirements for Hotel Occupancy Tax Debt, Fiscal Year Ending 9-30-01	\$ 393,663
Percentage of System General Obligation Debt Self-Supporting	100.00%

⁽¹⁾ Each Fiscal Year the City transfers from net revenues of the Hotel/Motel Special Revenue Fund to the General Obligation Interest and Sinking Fund an amount equal to debt service requirements on Hotel Occupancy Tax obligations.

CITY OF LUBBOCK, TEXAS

Table 11 - Authorized But Unissued General Obligation Bonds

<u>Purpose</u>	<u>Date Authorized</u>	<u>Amount Authorized</u>	<u>Amount Previously Issued</u>	<u>Unissued Balance</u>
Waterworks System	10/17/87	\$ 2,810,000	\$ 200,000	\$ 2,610,000
Sewer System	05/21/77	3,303,000	2,175,000	1,128,000
Street Improvements	05/01/93	10,170,000	10,166,000	4,000
Street Improvements	9/18/99	17,165,000	2,390,000	14,775,000
Drainage	9/18/99	2,160,000	1,025,000	1,135,000
Traffic Signals	9/18/99	3,295,000	340,000	2,955,000
Parks	9/18/99	14,765,000	3,245,000	11,520,000
		<u>\$ 53,668,000</u>	<u>\$ 19,541,000</u>	<u>\$ 34,127,000</u>

Table 12 - Other Obligations

The City has no unfunded debt outstanding as of September 30, 2000.

CITY OF LUBBOCK, TEXAS

Table 13 - General Fund Revenues and Expenditure History

Revenues	Fiscal Year Ended September 30,				
	2000	1999	1998	1997 ⁽¹⁾	1996
Ad Valorem Taxes	\$ 26,595,709	\$ 25,338,127	\$ 23,271,939	\$ 22,440,626	\$ 21,776,739
Sales Taxes	27,121,078	25,196,203	24,914,523	24,251,491	22,827,516
Franchise Fees	6,619,755	6,235,099	7,128,034	5,438,688	5,180,874
Miscellaneous Taxes	743,771	721,907	675,694	687,574	171,555
Licenses and Permits	1,138,924	976,091	1,037,458	1,077,878	1,125,809
Intergovernmental	365,671	576,136	917,572	884,834	1,417,496
Charges for Services	4,210,334	4,032,665	4,016,475	3,522,397	2,725,584
Fines	2,834,208	3,335,340	3,313,233	3,460,453	3,144,431
Miscellaneous	1,143,226	947,636	1,011,559	1,118,578	1,677,202
Interest	1,108,662	1,118,016	1,239,562	1,623,818	1,884,036
Operating Transfers ⁽²⁾	13,636,764	13,451,796	16,030,636	15,284,140	13,765,839
Total Revenues and Transfers	\$ 85,518,102	\$ 81,929,016	\$ 83,556,685	\$ 79,790,477	\$ 75,697,081
Expenditures					
General Government	\$ 6,193,124	\$ 6,143,076	\$ 5,762,283	\$ 5,003,806	\$ 3,462,253
Financial Services	1,458,232	1,366,006	1,196,779	1,067,281	1,834,463
Management Services	461,067	396,216	389,583	1,170,948	2,526,119
Development Services	-	-	-	-	7,041,640
Public Safety & Service	-	-	-	-	50,891,276
Non-departmental	606,843	926,203	1,125,310	1,040,419	894,426
Health & Community Services	4,744,830	4,522,041	4,519,880	4,398,348	-
Strategic Planning	823,399	839,814	774,878	727,448	-
Culture/Leisure Services	13,454,832	12,630,738	12,667,406	12,347,987	-
Police	25,561,261	23,478,729	22,013,906	20,519,946	-
Fire	17,080,371	15,616,543	14,468,027	13,897,682	-
Transportation Services	5,439,855	5,195,459	5,007,496	4,993,564	-
Electric Utilities	1,923,584	1,759,509	1,848,283	1,778,824	-
Human Resources	871,596	870,172	810,997	831,758	-
Operating Transfers	7,526,481	9,926,784	12,454,461	11,211,948	9,029,782
Total Expenditures and Transfers	\$ 86,145,475	\$ 83,671,290	\$ 83,039,289	\$ 78,989,959	\$ 75,679,959
Excess of Revenues and Transfers					
(In) Over Expenditures & Transfers (Out)	\$ (627,373)	\$ (1,742,274)	\$ 517,396	\$ 800,518	\$ 17,122
Fund Balance at Beginning of Year	17,248,025	18,990,299	18,472,903	17,672,385	17,655,263
Fund Balance at End of Year	\$ 16,620,652	\$ 17,248,025	\$ 18,990,299	\$ 18,472,903	\$ 17,672,385
Less: Reserves and Designations ⁽³⁾	(2,857,096)	(4,432,834)	(5,442,847)	(4,997,379)	(4,974,060)
Undesignated Fund Balance	\$ 13,763,556	\$ 12,815,191	\$ 13,547,452	\$ 13,475,524	\$ 12,698,325

⁽¹⁾ The presentation of the City's General Fund income statements in its audited financial statements was changed in 1997, resulting in different categorizations of expenditure items.

⁽²⁾ The City's financial policies provide for transfers to the General Fund from the City's enterprise funds. The policies provide that the water, waste water and solid waste funds transfer an amount sufficient to cover the pro rata share of the City's general and administrative expenses, an amount representing a franchise payment equal to 3% of gross receipts and an amount representing a payment in lieu of ad valorem taxes. The Electric System makes transfers for the foregoing purposes, and, in addition, makes a transfer reflecting the System's share of street lighting expense.

⁽³⁾ The City's financial policies target a General Fund balance of at least two months of General Fund expenditures. Amounts representing fund balances in excess of the target are reserved for future capital expenditures.

CITY OF LUBBOCK, TEXAS

Table 14 - Municipal Sales Tax History

Fiscal Year Ended	Total Collected ⁽¹⁾	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita ⁽³⁾
<u>9/30</u>				
1996 ⁽²⁾	\$ 22,983,167	72.65%	\$ 0.4257	\$ 119.04
1997	24,391,081	74.78%	0.4381	124.85
1998	25,002,693	73.94%	0.4288	127.12
1999	25,196,203	72.01%	0.4288	127.12
2000 ⁽⁴⁾	27,121,078	71.67%	0.4085	135.98

⁽¹⁾ Excludes bingo tax receipts.

⁽²⁾ Beginning in 1996, the tax rate increased from 1% to 1 1/8%

⁽³⁾ Based on population estimates of the City.

⁽⁴⁾ Unaudited

The sales tax breakdown for the City is as follows:

City Sales & Use Tax	1.000¢
Property Tax Relief	0.125¢
County Sales & Use Tax	0.500¢
State Sales & Use Tax	6.250¢
Total	<u><u>7.875¢</u></u>

Table 15 - Current Investments

As of 09/30/00, the City's investable funds were invested in the following categories:

Type	Par Value	Book Value		Estimated Fair Market Value ⁽¹⁾		Weighted Average Maturity
		Value	% of Total Book Value	Value	% of Book Value	
United States Treasury Obligations	\$ 9,000,000	\$ 8,984,128	5.71%	\$ 8,955,078	5.69%	289 days
United States Agency Obligations	88,600,000	87,332,215	55.46%	87,304,584	55.44%	286 days
Bank Certificates of Deposit	283,600	283,600	0.18%	283,600	0.18%	286 days
Commercial Paper	26,600,000	26,152,964	16.61%	26,152,655	16.61%	88 days
Local government investment pools ⁽²⁾	34,724,738	34,724,738	22.05%	34,724,738	22.05%	1 days
	<u>\$ 159,208,338</u>	<u>\$ 157,477,645</u>	<u>100.00%</u>	<u>\$ 157,420,655</u>	<u>99.96%</u>	<u>184 days</u>

⁽¹⁾ As determined by Patterson & Associates, the City's investment adviser. As of such date, the market value of such investments was approximately 100.00% of their book value. No funds of the City are invested in mortgage-backed securities. The City holds all investments to maturity which minimizes the risk of market price volatility.

⁽²⁾ Local government investment pools consist of entities with investment objectives that include achieving a stable net asset value of \$1.00 per share, including TexPool, a local government investment pool under the control of the Texas Comptroller of Public Accounts. The Comptroller has engaged Chase Bank of Texas, and its affiliates, to provide investment management and fund accounting services for TexPool. First Southwest Asset Management, Inc., and affiliate of First Southwest Company, the City's Financial Adviser, provides customer service and marketing for TexPool.

CITY OF LUBBOCK, TEXAS

Table 16 - Monthly Water Rates

On August 26, 1999, the Lubbock City Council adopted a three year 12% increase in water rates which is expected to generate revenues sufficient to pay the debt service on the the \$24,800,000 Tax & Waterworks System Surplus Revenue Certificates of Obligation, Series 1999, and which represents the City's share of the construction cost of the North Panhandle Plains Project of the Canadian River Municipal Water Authority (CRMWA). The new water rates are set forth below.

<u>Base Rate</u> ⁽¹⁾	Current Rate	Effective 10/1/01
3/4" meter	\$ 8.63	\$ 9.06
1" meter (single family residential)	10.99	11.54
1" meter (other than residential)	18.43	19.35
 <u>Flow Rate Charge per 1,000 Gallons</u>		
Single Family Residential	\$1.58	\$1.66
Multi-Family Residential	1.34	1.41
Commercial	1.46	1.53
Schools	1.49	1.56
Sprinkler System	1.85	1.85

⁽¹⁾ The Base Rate is for water service; higher Base Rates apply to larger meters ranging from 1.5" to 10".

Table 17 - Historical Water Consumption (Million Gallons)

<u>Calendar Year</u>	<u>Average Daily Consumption</u>	<u>Maximum Consumption Day/Year</u>
1996	29.440	66.708
1997	30.070	63.372
1998	44.010	84.173
1999	36.985	68.925
2000	39.413	67.815

CITY OF LUBBOCK, TEXAS

Table 18 - Waterworks System Condensed Statement of Operations

	Fiscal Year Ended September 30,				
	2000	1999	1998	1997	1996
REVENUE					
Operating Revenues	\$ 27,117,510	\$ 29,037,723	\$ 29,125,673	\$ 25,441,028	\$ 27,211,114
Non-Operating Revenues	3,404,850	2,126,606	1,663,078	960,963	1,739,512
Gross Revenues	<u>\$ 30,522,360</u>	<u>\$ 31,164,329</u>	<u>\$ 30,788,751</u>	<u>\$ 26,401,991</u>	<u>\$ 28,950,626</u>
EXPENSE					
Operating Expense ⁽¹⁾	<u>18,238,503</u>	<u>17,180,436</u>	<u>18,710,947</u>	<u>17,356,117</u>	<u>16,751,996</u>
Net Revenues	<u>\$ 12,283,858</u>	<u>\$ 13,983,893</u>	<u>\$ 12,077,804</u>	<u>\$ 9,045,874</u>	<u>\$ 12,198,630</u>
Water Meters	70,037	69,962	68,127	66,405	66,222

⁽¹⁾ Operating expense includes construction repayment costs and operating and maintenance charges paid to CRMWA and BRA and excludes depreciation and capital expenditures.

Note: The City has no outstanding or authorized Waterworks System Revenue Bonds, however, there is \$61,178,269 general obligation debt outstanding which was issued for water system purposes on which annual debt service is provided from revenues of the System.

Table 19 - Monthly Sewer Rates

	Current Rates
<u>Residential</u>	
Base Rate ⁽¹⁾	\$3.33
Flow Rate (Water Consumption)	1.41
 <u>Commercial/Industrial ⁽²⁾</u>	
Base Rate ⁽¹⁾	\$7.79
Flow Rate (Water Consumption)	1.41

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

⁽²⁾ Industrial waste that exceeds allowable limits is subject to surcharge for treating biochemical oxygen demand ("B.O.D.") and total suspended solids ("T.S.S."). Present surcharge rate for B.O.D. is \$0.1443/lb. and for T.S.S. is \$0.0920/lb.

CITY OF LUBBOCK, TEXAS

Table 20 - Sewer System Condensed Statement of Operations

	Fiscal Year Ended September 30,				
	2000	1999	1998	1997	1996
REVENUE					
Operating Revenues	\$ 16,447,324	\$ 15,118,621	\$ 15,874,343	\$ 15,332,893	\$ 15,200,091
Non-Operating Revenues	874,684	621,079	751,828	952,911	1,553,776
Gross Revenues	<u>\$ 17,322,008</u>	<u>\$ 15,739,700</u>	<u>\$ 16,626,171</u>	<u>\$ 16,285,804</u>	<u>\$ 16,753,867</u>
EXPENSE					
Operating Expense ⁽¹⁾	<u>\$ 8,104,859</u>	<u>\$ 7,584,302</u>	<u>\$ 6,632,390</u>	<u>\$ 6,393,894</u>	<u>\$ 5,917,556</u>
Net Revenues	<u>\$ 9,217,149</u>	<u>\$ 8,155,398</u>	<u>\$ 9,993,781</u>	<u>\$ 9,891,910</u>	<u>\$ 10,836,311</u>
Number of Sewer Records	71,561	71,467	70,022	68,646	68,310

⁽¹⁾ Operating expense excludes depreciation and capital expenditures.

