

MUNICIPAL SECONDARY MARKET DISCLOSURE INFORMATION COVER SHEET

This cover sheet should be sent with all submissions made to the Municipal Securities Rulemaking Board (MSRB), Nationally Recognized Municipal Securities Information Repositories (NRMSIRs), and any applicable State Information Depository (SIDs), pursuant to Securities and Exchange Commission (SEC) Rule 15c2-12 or any analogous state statute.

Provide the following information as exactly as shown on the Official Statement:

1.) Name of Issuer and/ or Obligor: City of Lubbock, Texas

2.) Name of Issue(s): All General Obligation and Electric Light and Power System Revenue Debt

CUSIP Numbers to which the information filed relates:

Nine-digit number(s) (attach additional sheet if necessary): _____

Six-digit number(s) if information filed relates to all securities of the issuer: 549187 and 549203

Filing Format: Electronic; Paper; If available on the Internet, give URL: _____

The following information is submitted: Pursuant to SEC Rule 15(c)2-12; As Voluntarily Disclosure

* * * * *

Description of Material Event Notice/Other Material Information

1. ___ Principal and interest payment delinquencies
2. ___ Non-payment related defaults
3. ___ Unscheduled draws on debt service reserves reflecting financial difficulties
4. ___ Unscheduled draws on credit enhancements reflecting financial difficulties
5. ___ Substitution of credit or liquidity providers, or their failure to perform
6. ___ Adverse tax opinions or events affecting the tax-exempt status of the security
7. ___ Modifications to rights of security holders
8. ___ Bond calls
9. ___ Defeasances
10. ___ Release, substitution, or sale of property securing repayment of the securities
11. ___ Rating changes
12. ___ Notice of non-compliance: failure to provide annual financial information
13. ___ Other material event or voluntary information (specify): _____

* * * * *

Financial & Operating Data Disclosure Information (Financial information should not be filed with the MSRB)

- Annual Financial Report or CAFR
 Financial Information & Operating Data
 Other (describe): _____
Fiscal Period Covered: October 1, 2005 to September 30, 2006
 Monthly Quarterly Annual Other (specify): _____

* * * * *

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Name of Contact Person: Mr. Andy Burcham Title: Director of Fiscal Policy and Strategic Planning
Email Address: aburcham@mylubbock.us Web Site Address: www.mylubbock.us
Voice Telephone Number: (806) 775-2149 Fax Number: (806) 775-2051
Employer: City of Lubbock, Texas
I am (check one): The Issuer The Obligor The Issuer/Obligor's Dissemination Agent
Date: March 26, 2007

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

TABLE 1 - VALUATION, EXEMPTIONS AND GENERAL OBLIGATION DEBT

2006 Market Valuation Established by Lubbock Central Appraisal District		\$ 10,607,538,316
Less Exemptions/Reductions at 100% Market Value:		
Residential Homestead Exemptions	\$ 219,946,523	
Homestead Cap Adjustment	62,042,594	
Disabled Veterans	14,489,874	
Agricultural/Open-Space Land Use Reductions	89,015,230	
Pollution Exemptions	5,985,740	
House Bill 366	323,568	
Freeport Exemptions	75,334,950	
Tax Abatement Reductions	52,917,466	
Tax Freeze Adjustment	84,756,734	<u>604,812,679</u>
2006 Taxable Assessed Valuation		10,002,725,637
City Funded Debt Payable from Ad Valorem Taxes:		
General Obligation Debt (as of 2-08-07) ⁽¹⁾	<u>473,545,000</u>	
Total Funded Debt Payable from Ad Valorem Taxes		473,545,000
Less: Self Supporting Debt (as of 2-08-07) ⁽²⁾		
Waterworks System General Obligation Debt	116,241,841	
Sewer System General Obligation Debt	57,798,594	
Solid Waste Disposal System General Obligation Debt	11,796,568	
Drainage Utility System General Obligation Debt	87,103,227	
Tax Increment Financing General Obligation Debt	18,837,749	
Electric Light and Power System General Obligation Debt	46,750,660	
Cemetery General Obligation Debt	491,989	
Gateway General Obligation Debt	42,400,597	
Airport General Obligation Debt	6,659,301	<u>388,080,526</u>
General Purpose Funded Debt Payable from Ad Valorem Taxes		\$ 85,464,474
General Obligation Interest and Sinking Fund as of September 30, 2006		3,081,539
Ratio Total Funded Debt to Taxable Assessed Valuation		4.73%
Ratio General Purpose Funded Debt to Taxable Assessed Valuation		0.85%
2007 Estimated Population ⁽³⁾		
Per Capita Taxable Assessed Valuation	\$	47,102
Per Capita Total Funded Debt Payable from Ad Valorem Taxes		2,230
Per Capita General Purpose Funded Debt Payable from Ad Valorem Taxes		402

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

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

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

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

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

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

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

The City's Tax Increment Financing General Obligation Debt has been issued for construction of improvements in the North Overton TIF, and is being paid, or is expected to be paid, from revenues derived from the Pledged Tax Increment Revenues. The City has no outstanding Tax Increment Financing Revenue Bonds. In FY 2007, based upon development projections that the City believes to be reasonable, but which are dependent in part on future economic conditions and other factors that the City can not control and as to which it can give no assurances, the City anticipates that tax increment revenues will be adequate to cover debt requirements on the existing Tax Increment Certificates of Obligation. In the interim, the City intends to make an interfund loan to cover the debt service, and if the projected development in the North Overton TIF proceeds as expected, the City would repay such loan from revenues received in future years. The North Overton master plan projects additional debt to be issued by the City for infrastructure improvements in the TIF. If that occurs, there would likely be years in which the TIF would not produce revenues in amounts sufficient to cover all debt issued for it, at least until the TIF has reached full build-out status.

The City's Electric Light and Power System General Obligation has been issued to finance Electric Light and Power System improvements, and is being paid, or that is expected to be paid, from revenues derived from the Electric Light and Power System.

The City's Cemetery General Obligation Debt has been issued to finance Cemetery improvements, and is being paid, or that is expected to be paid, from revenues derived from the Cemetery.

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

The City's Airport General Obligation Debt has been issued to finance Airport improvements, and is being paid, or that is expected to be paid, from revenues derived from the Airport.

⁽³⁾ Source: City of Lubbock, Texas.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

TABLE 2 - TAXABLE ASSESSED VALUATION BY CATEGORY

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

Category	Taxable Appraised Value for Fiscal Year Ended September 30,					
	2004		2003		2002	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 4,690,158,161	55.50	4,282,214,635	56.78	3,935,486,660	53.59
Real, Residential, Multi-Family	561,569,488	6.64	455,993,262	6.05	466,775,473	6.36
Real, Vacant Lots/Tracts	108,625,954	1.29	93,473,144	1.24	96,407,484	1.31
Real, Acreage (Land Only)	65,880,410	0.78	59,644,977	0.79	60,171,506	0.82
Real, Farm and Ranch Improvements	10,835,088	0.13	11,391,782	0.15	12,003,318	0.16
Real, Commercial and Industrial	1,638,846,765	19.39	1,370,730,397	18.18	1,445,748,160	19.69
Real, Oil, Gas and Other Mineral Reserves	8,923,810	0.11	7,909,460	0.10	8,849,390	0.12
Real and Tangible Personal, Utilities	185,761,346	2.20	192,138,423	2.55	185,588,935	2.53
Tangible Personal, Business	1,090,862,579	12.91	974,534,729	12.92	1,039,521,384	14.16
Tangible Personal, Other	16,287,022	0.19	15,336,364	0.20	15,296,446	0.21
Real Property, Inventory	4,774,287	0.06	11,087,603	0.15	10,279,056	0.14
Special Inventory	68,663,514	0.81	67,339,159	0.89	67,429,634	0.92
Total Appraised Value Before Exemptions	8,451,188,424	100.00	7,541,793,935	100.00	7,343,557,446	100.00
Less: Total Exemptions/Reductions	(529,598,044)		(199,449,068)		(432,980,275)	
Taxable Assessed Value	<u>\$ 7,921,590,380</u>		<u>7,342,344,867</u>		<u>6,910,577,171</u>	

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

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

TABLE 3A - VALUATION AND GENERAL OBLIGATION DEBT HISTORY

Fiscal Year Ended 30-Sep	Estimated District Population^(a)	Taxable Assessed Valuation	Per Capita Taxable Assessed Valuation	General Purpose Funded Tax Debt^(b)	Ratio Tax Debt to Assessed Valuation^(b)	Funded Debt Per Capita	Tax Year
2002	202,000	\$ 6,909,309,707	34,205	63,115,346	0.91%	312	2001
2003	204,737	7,342,344,867	35,862	70,188,204	0.96%	343	2002
2004	206,290	7,921,590,380	38,400	70,161,218	0.89%	340	2003
2005	209,120	8,664,190,909	41,432	80,210,269	0.93%	384	2004
2006	211,187	9,365,239,925	44,346	87,231,945	0.93%	413	2005
2007	212,365	10,002,725,637	47,102	85,464,474	0.85%	402	2006

^(a) Source: The City.

^(b) Does not include self-supported debt.

TABLE 3B - DERIVATION OF GENERAL PURPOSE FUNDED TAX DEBT

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

Fiscal Year Ended 30-Sep	Funded Tax Debt Outstanding at End of Year	Less: Self-Supporting Funded Tax Debt	General Purpose Funded Tax Debt Outstanding at End of Year
2003	\$ 295,935,000	225,746,796	70,188,204
2004	285,885,000	215,723,783	70,161,217
2005	388,595,000	308,384,731	80,210,269
2006	447,275,000	360,043,055	87,231,945
2007	450,275,000	370,150,138	80,124,862

TABLE 4 - TAX RATE, LEVY AND COLLECTION HISTORY

Fiscal Year End 09/30	Tax Rate Distribution			Tax Rate	Tax Levy	Percent Collected		Tax Year
	General Fund	Economic Development	Interest and Sinking Fund			Current	Total^(b)	
2002	\$ 0.42844	0.03000	0.11156	0.57000	39,351,225	97.60%	99.41%	2001
2003	0.43204	0.03000	0.10796	0.57000	42,286,967	97.25%	98.78%	2002
2004	0.41504	0.03000	0.10066	0.54570	43,659,111	97.02%	99.69%	2003
2005	0.33474	0.03000	0.09496	0.45970	39,777,866	97.53%	100.08%	2004
2006	0.35626	0.03000	0.06094	0.44720	41,775,367	98.15%	99.71%	2005
2007	0.36074	0.03000	0.07125	0.46199	41,968,431	(In process of Collection)		2006

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006**

TABLE 5 - TEN LARGEST TAXPAYERS

<u>Name</u>	<u>2006 Taxable Assessed Valuation</u>	<u>% of Total Taxable Assessed Valuation</u>
Macerich Lubbock LTD Partnership	\$ 114,964,054	1.15
AT&T	60,604,718	0.61
Xcel Energy	47,496,101	0.47
United Supermarkets OFC	42,876,035	0.43
Wal-Mart Stores, Inc.	41,011,777	0.41
Fountain Club Lubbock Acquisitions LP	30,692,329	0.31
McCanton Woods	30,377,017	0.30
Atmos Energy Corporation	29,375,670	0.29
First Industrial Development Services	28,278,989	0.28
Jefferson Commons Lubbock LP	27,235,977	0.27
	\$ 452,912,667	4.53

TABLE 6 - TAX ADEQUACY ^(a)

Average Annual Debt Service Requirements All General Obligation Debt:	\$25,046,098
\$0.2543 per \$100 AV against the 2006 Taxable AV, at 98.5% collection, produces:	25,055,377
Maximum Annual Debt Service Requirements All General Obligation Debt:	44,673,627
\$0.4535 per \$100 AV against the 2006 Taxable AV, at 98.5% collection, produces:	44,681,925

^(a) See Table 8A.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

TABLE 7 - ESTIMATED OVERLAPPING DEBT

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

<u>Taxing Jurisdiction</u>	<u>Gross Debt (As of 11/30/06)</u>	<u>Estimated % Overlapping</u>	<u>Overlapping Debt</u>
Lubbock ISD	\$ 148,756,156	98.91	\$ 147,134,714
Lubbock County	86,460,000	84.36	72,937,656
Lubbock County Hospital District	-	84.80	-
High Plains Underground Water Conservation Dist.	-	-	-
Friendship ISD	67,331,742	64.44	43,388,575
Idalou ISD	540,000	1.10	5,940
Lubbock-Cooper ISD	46,509,554	15.30	7,115,962
Roosevelt ISD	-	4.72	-
New Deal ISD	-	0.03	-
			<hr/>
Estimated Overlapping Debt			\$ 270,582,846
The City	473,545,000 ^(a)	100.00%	<hr/> 473,545,000
Total Direct & Estimated Overlapping Debt			\$ 744,127,846
As a % of 2006 Taxable Assessed Valuation			7.44%
Per Capita Total Direct & Estimated Overlapping Debt			\$ 3,504

^(a) As of February 8, 2007.

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006**

TABLE 8A - GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS

FYE 30-Sep	Outstanding Debt ^(a)		
	Principal	Interest	Total
2007	\$ 23,270,000	21,162,022	44,432,022
2008	24,385,000	20,288,627	44,673,627
2009	24,425,000	19,311,941	43,736,941
2010	24,380,000	18,312,411	42,692,411
2011	25,035,000	17,246,619	42,281,619
2012	24,535,000	16,144,811	40,679,811
2013	25,250,000	15,028,131	40,278,131
2014	26,050,000	13,844,554	39,894,554
2015	24,025,000	12,710,758	36,735,758
2016	24,000,000	11,607,536	35,607,536
2017	24,155,000	10,432,693	34,587,693
2018	25,195,000	9,240,798	34,435,798
2019	24,300,000	8,003,323	32,303,323
2020	22,280,000	6,880,523	29,160,523
2021	20,800,000	5,841,248	26,641,248
2022	18,240,000	4,889,480	23,129,480
2023	17,445,000	4,021,529	21,466,529
2024	15,695,000	3,197,497	18,892,497
2025	14,765,000	2,466,234	17,231,234
2026	11,000,000	1,842,344	12,842,344
2027	4,995,000	1,457,213	6,452,213
2028	5,225,000	1,216,219	6,441,219
2029	5,475,000	967,143	6,442,143
2030	5,735,000	712,173	6,447,173
2031	6,000,000	445,949	6,445,949
2032	2,195,000	260,438	2,455,438
2033	2,290,000	159,525	2,449,525
2034	2,400,000	54,000	2,454,000
	<u>\$ 473,545,000</u>	<u>227,745,734</u>	<u>701,290,734</u>

Average Annual Debt Service Requirements All General Obligation Debt: \$ 25,046,098
Maximum Annual Debt Service Requirements All General Obligation Debt: 44,673,627

^(a) Does not include lease/purchase obligations.

TABLE 8B - INTEREST AND SINKING FUND BUDGET PROJECTION

General Obligation Debt Service Requirements (Pro-Forma), Fiscal Year Ending 09/30/05	\$ 9,291,743
Fiscal Agent, Tax Collection and Other Uses	20,000
Total Requirements	<u>9,311,743</u>
 <u>Sources of Funds</u>	
Interest and Sinking Fund, 09/30/06	3,081,539
Budgeted Ad Valorem Tax Receipts	6,789,312
Budgeted Interest Earned	722,647
Total Sources of Funds	<u>10,593,498</u>
 Estimated Balance, 09/30/07	 <u>\$ 1,281,755</u>

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

TABLE 9 - DIVISION OF GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS

FYE	Waterworks	Sewer	Solid Waste	Drainage	Tax	Electric Light				General	Total
30-Sep	System	System	Disposal	Utility	Increment	& Power	Cemetery	Gateway	Airport	Purpose	G.O.
	Debt Service	Debt Service	System	System	Financing	System	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service
2007	\$ 12,189,598	7,272,738	1,120,834	5,271,154	1,492,624	4,964,839	38,310	2,030,880	759,302	9,291,743	44,432,022
2008	13,004,178	7,135,633	1,122,028	3,912,245	1,506,501	4,655,976	39,536	3,070,090	758,667	9,468,773	44,673,627
2009	12,919,304	6,899,495	987,448	3,913,012	1,509,138	4,576,687	39,519	3,067,669	584,908	9,239,760	43,736,941
2010	11,647,468	6,377,768	1,062,047	5,266,842	1,511,599	4,753,612	39,540	3,067,564	579,750	8,386,221	42,692,411
2011	11,553,859	6,217,481	1,043,039	5,264,909	1,507,747	4,689,406	39,535	3,064,963	574,704	8,325,977	42,281,620
2012	10,669,914	5,979,037	1,033,147	5,263,460	1,507,751	4,607,902	39,528	3,069,687	569,808	7,939,579	40,679,812
2013	10,617,927	5,792,977	1,022,658	5,264,579	1,506,338	4,538,873	39,537	3,067,074	563,952	7,864,216	40,278,131
2014	10,578,141	5,627,961	1,006,681	5,260,670	1,506,265	4,459,907	39,527	3,068,095	557,004	7,790,304	39,894,554
2015	10,451,127	3,750,353	990,773	5,262,896	1,505,558	4,383,495	39,529	3,066,066	423,468	6,862,493	36,735,758
2016	10,199,489	2,947,771	1,011,365	5,206,356	1,508,409	4,049,928	39,538	3,066,283	422,486	7,155,913	35,607,537
2017	10,062,027	2,907,989	988,775	6,176,667	1,511,569	3,861,612	39,521	3,064,013	425,151	5,550,368	34,587,693
2018	10,009,097	2,882,158	975,770	6,188,275	1,505,538	3,793,031	39,508	3,067,461	423,232	5,551,726	34,435,798
2019	9,657,967	2,849,107	781,761	6,182,026	1,508,189	2,254,286	39,525	3,062,836	421,221	5,546,406	32,303,323
2020	7,215,168	2,126,243	775,566	6,193,723	1,511,343	2,254,166	39,538	3,065,099	423,036	5,556,641	29,160,524
2021	5,316,302	2,126,093	768,274	6,194,494	1,506,877	2,251,449	39,512	3,067,528	424,152	4,946,567	26,641,248
2022	2,634,838	2,125,487	634,104	6,209,971	1,506,090	2,255,303	39,538	3,065,458	425,036	4,233,655	23,129,480
2023	2,341,375	1,799,422	637,157	5,438,668	1,507,211	2,106,094	39,517	3,068,156	425,056	4,103,874	21,466,530
2024	2,339,450	1,795,055	634,740	5,386,613	1,505,872	964,530	39,510	3,066,372	424,513	2,735,842	18,892,497
2025	1,604,488	1,747,847	363,461	5,389,614	1,221,890	969,368	39,512	3,063,575	424,327	2,407,153	17,231,234
2026	1,318,550	1,170,653	363,513	5,394,200	506,649	488,137	39,517	1,924,841	199,543	1,436,742	12,842,344
2027	-	-	-	4,748,063	-	-	-	1,704,150	-	-	6,452,213
2028	-	-	-	4,738,319	-	-	-	1,702,900	-	-	6,441,219
2029	-	-	-	4,738,638	-	-	-	1,703,505	-	-	6,442,143
2030	-	-	-	4,740,963	-	-	-	1,706,210	-	-	6,447,173
2031	-	-	-	4,740,044	-	-	-	1,705,905	-	-	6,445,949
2032	-	-	-	2,455,438	-	-	-	-	-	-	2,455,438
2033	-	-	-	2,449,525	-	-	-	-	-	-	2,449,525
2034	-	-	-	2,454,000	-	-	-	-	-	-	2,454,000
	<u>\$ 166,330,268</u>	<u>79,531,269</u>	<u>17,323,142</u>	<u>139,705,362</u>	<u>28,853,158</u>	<u>66,878,601</u>	<u>789,297</u>	<u>67,676,379</u>	<u>9,809,316</u>	<u>124,393,952</u>	<u>701,290,744</u>

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

TABLE 10 - SELF-SUPPORTED DEBT

THE WATERWORKS SYSTEM ^(a)

Net System Revenue Available, Fiscal Year Ended 9-30-06	\$	18,288,614
Less: Requirements for Revenue Bonds, Fiscal Year Ended 9-30-07		-
Balance Available for Other Purposes		18,288,614
Requirements for System General Obligation Debt, Fiscal Year Ending 9-30-07		12,189,598
Percentage of System General Obligation Debt Self-Supporting		100.00%

^(a) Each Fiscal Year the City transfers Net Revenues of the Waterworks Enterprise Fund to the General Obligation Interest and Sinking Fund in an amount equal to debt service requirements on Waterworks System general obligation debt.

THE SEWER SYSTEM ^(a)

Net System Revenue Available, Fiscal Year Ended 9-30-06	\$	8,373,248
Less: Requirements for Revenue Bonds, Fiscal Year Ended 9-30-07		-
Balance Available for Other Purposes		8,373,248
Requirements for System General Obligation Debt, Fiscal Year Ending 9-30-07		7,272,738
Percentage of System General Obligation Debt Self-Supporting		100.00%

^(a) Each Fiscal Year the City transfers Net Revenues of the Sewer Enterprise Fund to the General Obligation Interest and Sinking Fund in an amount equal to debt service requirements on Sewer System general obligation debt.

THE SOLID WASTE DISPOSAL SYSTEM ^(a)

Net System Revenue Available, Fiscal Year Ended 9-30-06	\$	3,913,968
Less: Requirements for Revenue Bonds, Fiscal Year Ended 9-30-07		-
Balance Available for Other Purposes		3,913,968
Requirements for System General Obligation Debt, Fiscal Year Ending 9-30-07		1,120,834
Percentage of System General Obligation Debt Self-Supporting		100.00%

^(a) Each Fiscal Year the City transfers Net Revenues of the Solid Waste Enterprise Fund to the General Obligation Interest and Sinking Fund in an amount equal to debt service requirements on Solid Waste System general obligation debt.

THE DRAINAGE SYSTEM ^(a)

Net System Revenue Available, Fiscal Year Ended 9-30-06	\$	6,476,263
Less: Requirements for Revenue Bonds, Fiscal Year Ended 9-30-07		-
Balance Available for Other Purposes		6,476,263
Requirements for System General Obligation Debt, Fiscal Year Ending 9-30-07		5,271,154
Percentage of System General Obligation Debt Self-Supporting		100.00%

^(a) Each Fiscal Year the City transfers Net Revenues of the Drainage Enterprise Fund to the General Obligation Interest and Sinking Fund in an amount equal to debt service requirements on Drainage System general obligation debt.

THE ELECTRIC LIGHT AND POWER SYSTEM ^(a)

Net Electric Light and Power System Revenue Available, Fiscal Year Ended 9-30-06	\$	28,689,792
Less: Requirements for Revenue Bonds, Fiscal Year Ending 9-30-07		3,934,538
Balance Available for Other Purposes		24,755,254
Requirements for Electric System General Obligation Debt, Fiscal Year Ending 9-30-07		4,964,839
Percentage of Electric System General Obligation Debt Self-Supporting		100.00%

^(a) Each Fiscal Year the City transfers Net Revenues of the Electric Light and Power Enterprise Fund to the General Obligation Interest and Sinking Fund in an amount equal to debt service requirements on Electric Light and Power System general obligation debt.

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006**

TABLE 11 - Authorized But Unissued General Obligation Bonds

<u>Purpose</u>	<u>Date Authorized</u>	<u>Amount Authorized</u>	<u>Issued To Date</u>	<u>Unissued</u>
Sewer System	5/21/77	\$ 3,303,000	2,175,000	1,128,000
Waterworks System	10/17/87	2,810,000	200,000	2,610,000
Street Improvements	5/1/93	10,170,000	10,166,000	4,000
Street Improvements	5/15/04	9,210,000	4,969,000	4,241,000
Civic Center/Auditorium Renovation and Improvements	5/15/04	6,450,000	-	6,450,000
Park Improvements	5/15/04	6,395,000	5,496,000	899,000
Police/Municipal Court Facilities	5/15/04	3,350,000	-	3,350,000
Library Improvements	5/15/04	2,145,000	-	2,145,000
Fire Stations	5/15/04	1,405,000	1,405,000	-
Animal Shelter Renovations & Improvements	5/15/04	1,045,000	160,000	885,000
		<u>\$ 46,283,000</u>	<u>24,571,000</u>	<u>21,712,000</u>

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

TABLE 12 - Other Obligations

FYE 30-Sep	Governmental Capital Lease Minimum Payment	Business-Type Capital Lease Minimum Payment	Total Capital Lease Minimum Payment
2007	\$ 1,694,843	2,277,756	3,972,599
2008	1,694,843	1,946,263	3,641,106
2009	1,673,144	1,842,705	3,515,849
2010	1,522,290	1,748,474	3,270,764
2011	725,904	1,086,012	1,811,916
2012-2016	1,116,246	381,832	1,498,078
Interest	(896,711)	(894,074)	(1,790,785)
	<u>\$ 7,530,559</u>	<u>8,388,968</u>	<u>15,919,527</u>

On January 8th, 2004, the City entered into a note agreement with the Department of Housing and Urban Development ("HUD") for loan guarantee assistance under Section 108 of title 1 of the Housing and Community Development Act of 1974, as amended, in the amount of \$1,000,000. The Note was issued to aid in the establishment of a Housing Rehabilitation Program in order to provide rehab options for low-to moderate income households on a citywide basis, pay professional services rendered in relation to such project, and the financing thereof. Under the terms of the Note, the City will make annual principal payments on August 1, of each year beginning in 2005 through 2012; interest payments are due semi-annually. The Note is a liability of the City's Community Development Block Grant Program and debt service will be paid from this grant.

FYE 30-Sep	Contract Revenue Bonds		
	Principal	Interest	Total
2007	\$ 125,000	32,825	157,825
2008	125,000	28,300	153,300
2009	125,000	23,300	148,300
2010	125,000	17,900	142,900
2011	125,000	12,188	137,188
2012	125,000	6,200	131,200
	<u>\$ 750,000</u>	<u>120,713</u>	<u>870,713</u>

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

TABLE 13 - CHANGES IN NET ASSETS

	Fiscal Year Ended September 30 ^(a)				
	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
REVENUES					
Program Revenues					
Charges for Services	\$ 9,632	10,583	12,713	13,888	9,369
Grants and Contributions	11,048	13,296	9,643	12,137	7,007
General Revenues					
Property Taxes	42,771	39,748	44,497	42,303	40,408
Sales Taxes	45,577	41,803	30,555	29,092	28,903
Other Taxes	4,447	4,242	3,793	3,712	3,681
Franchise Taxes	13,348	11,154	9,654	6,613	6,998
Grants/Contributions not restricted	-	-	-	-	(25)
Other	11,292	5,742	4,274	3,834	6,227
Total Revenues	<u>138,115</u>	<u>126,568</u>	<u>115,129</u>	<u>111,579</u>	<u>102,568</u>
EXPENDITURES					
Administrative Services	9,910	8,220	7,946	7,158	7,293
Community Services	6,112	6,146	6,776	6,335	8,643
Cultural and Recreation	18,915	17,745	17,102	16,796	16,297
Economic Development	10,283	9,739	4,610	4,535	4,399
Fire	26,711	23,517	22,074	20,450	19,432
Health	5,014	5,040	4,585	4,343	4,173
Police	42,063	38,452	36,543	33,986	31,862
Other Public Safety	5,240	4,977	4,211	3,602	3,459
Streets and Traffic	11,850	12,466	10,570	16,371	9,913
Non-departmental	5,206	6,253	2,924	5,642	5,015
Interest on Long-Term Debt	4,326	3,195	4,877	3,373	3,493
Total Expenditures	<u>145,630</u>	<u>135,750</u>	<u>122,218</u>	<u>122,591</u>	<u>113,979</u>
Changes in net assets before special items & transfers	(7,515)	(9,182)	(7,089)	(11,012)	(11,411)
Special items	-	-	-	-	(687)
Transfers	9,607	15,469	9,745	2,554	15,668
Changes in net assets	2,092	6,287	2,656	(8,458)	3,570
Net Assets - beginning of year, as restated	110,629	104,341	101,684	110,142	106,572
Net assets - end of year	<u>\$ 112,721</u>	<u>110,628</u>	<u>104,340</u>	<u>101,684</u>	<u>110,142</u>

^(a) Audited. Units are in 000s.

Note: Data shown in Table 13 reflects general governmental activities reported in accordance with GASB Statement No. 34. The financial statements include a management discussion and analysis of the operating results of such fiscal year, including restatements to beginning fund balances and net assets.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

TABLE 13A - GENERAL FUND REVENUES AND EXPENDITURES HISTORY

	Fiscal Year Ended September 30 ^(a)				
	2006	2005	2004	2003	2002
REVENUES					
Ad Valorem Taxes	\$ 33,193,738	29,414,773	33,233,274	32,194,087	29,885,252
Sales Taxes	41,778,534	38,319,501	30,554,632	29,092,032	28,902,649
Franchise Taxes	8,008,973	6,693,209	9,654,447	6,612,822	6,998,085
Miscellaneous Taxes	1,027,352	982,327	939,456	848,816	820,507
Licenses and Permits	2,250,635	1,953,666	1,982,281	1,875,118	1,475,451
Intergovernmental	408,997	480,648	428,459	348,787	351,878
Charges for Services	4,781,043	4,070,642	4,467,733	4,945,591	4,472,094
Fees and Fines	3,981,978	4,015,402	3,675,856	3,672,509	3,069,362
Miscellaneous	1,465,215	1,506,315	1,442,677	1,532,346	1,058,237
Interest	921,742	349,236	334,730	285,756	433,393
Operating Transfers ^(b)	-	16,565,397	10,723,891	10,345,945	15,023,466
Total Revenues and Transfers	97,818,207	104,351,116	97,437,436	91,753,809	92,490,374
EXPENDITURES					
General Government	-	6,159,536	5,633,469	5,717,151	5,596,868
Financial Services	-	2,139,492	2,333,469	1,969,413	1,958,051
Cultural and Recreation	13,986,576	-	-	-	-
Economic & Business Development	1,146,267	-	-	-	-
Non-departmental	1,882,255	445,251	214,562	175,499	1,497,485
Admin/Community Services	9,356,059	18,330,508	18,156,455	17,837,076	17,997,152
Police	37,463,740	33,919,626	32,400,371	30,321,182	28,905,651
Fire	24,638,814	21,943,267	20,613,077	19,511,797	18,632,109
Health	3,738,790	-	-	-	-
Other Public Safety	4,287,806	-	-	-	-
Planning and Transportation	-	8,120,727	7,180,843	6,610,394	6,510,394
Street Lighting	7,439,045	2,214,291	2,185,286	2,078,277	2,168,620
Human Resources	-	740,826	754,225	780,529	895,311
Debt Service Principal	1,009,368	-	-	-	-
Debt Service Interest and Other Charges	144,858	-	-	-	-
Capital Outlay	7,184,866	5,277,100	475,585	378,059	480,749
Operating Transfers	-	3,912,645	4,212,915	13,555,338	5,951,669
Total Expenditures	112,278,444	103,203,269	94,160,257	98,934,715	90,594,059
Excess (Deficiency) of Revenues and Transfers over Expenditures	(14,460,237)	1,147,847	3,277,179	(7,180,906)	1,896,315
Capital Lease Issued	5,119,980	3,534,048	-	-	-
Transfer In	13,325,046	-	-	-	-
Transfer Out	(1,436,498)	-	-	-	-
Fund Balance at Beginning of Year	17,376,420	12,694,525	9,417,346	16,598,252 ^(d)	16,716,042
Fund Balance at End of Year	19,924,711	17,376,420	12,694,525	9,417,346	18,612,357
Less: Reserves and Designations ^(c)	-	-	-	-	(1,255,041)
Undesignated Fund Balance	\$ 19,924,711	17,376,420	12,694,525	9,417,346	17,357,316

^(a) Audited. Prior years have been restated to reflect current organization.

^(b) expenses and an amount representing a payment in lieu of ad valorem taxes. The water, waste water and solid waste funds transferred an amount representing a franchise payment equal to 6% of gross receipts. The Electric System was not required to make transfers to the General Fund for any of the foregoing purposes during the fiscal year.

^(c) The City's financial policies target a General Fund undesignated balance of at least 20% of General Fund revenues. The undesignated fund balance is at 99% of the target established by the City's financial policies.

^(d) The "Fund Balance at Beginning of Year" was restated.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

TABLE 14 - MUNICIPAL SALES TAX HISTORY

The City has adopted the Municipal Sales and Use Tax Act, Chapter 321, Texas Tax Code, which grants the City the power to impose and levy a 1% Local Sales and Use Tax within the City; the proceeds are credited to the General Fund and are not pledged to the payment of the Bonds or other debt of the City. In addition, in January, 1995, the voters of the City approved the imposition of an additional sales and use tax of one-eighth of a cent as authorized by Chapter 323 Texas Tax Code, as amended. Collection for the additional tax commenced in October, 1995 with the proceeds from the one-eighth cent sales tax designated for the use and benefit of the City to replace property tax revenues lost as a result of the adoption of the tax. At an election held in the City on November 4, 2003, voters approved an additional one-quarter cent sales and use tax, with the proceeds to be dedicated to the reduction of ad valorem taxation, and an additional one-eighth cent sales and use tax under Section 4A of the Texas Development Corporation Act (Article 5190.6, Texas Revised Civil Statutes), to be used for economic development in the City. The City began to receive proceeds of these taxes in October 2004. Collections and enforcements of the City's sales tax are effected through the offices of the Comptroller of Public Accounts, State of Texas, who remits the proceeds of the tax, to the City monthly, after deduction of a 2% service fee. Historical collections of the City's 1.125% local Sales and Use Tax are shown below:

FYE 30-Sep	Total Collected ^(a)	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita ^(b)
2002	\$ 28,902,648	73.45	\$ 0.4183	143.08
2003	29,092,032	68.80	0.3962	142.09
2004	30,554,632	69.98	0.3857	148.11
2005	41,803,092	105.09	0.4825	199.90
2006	41,778,534	100.01	0.4177	196.73

^(a) Excludes bingo tax receipts.

^(b) Based on population estimates of the City.

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

City:	
City Sales & Use Tax	\$ 1.000
City Sales & Use Tax for Property Tax Relief	0.375
City Sales & Use Tax for Economic Development	0.125
County Sales & Use Tax	0.500
State Sales & Use Tax	6.250
Total	\$ 8.250

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

TABLE 15 - CURRENT INVESTMENTS

As of February 28, 2007, the City's investable funds were invested in the following categories:

<u>Type</u>	<u>Par Value</u>	<u>Book Value</u>		<u>Estimated Market Value ^(a)</u>	
		<u>Value</u>	<u>% of Total Book Value</u>	<u>Value</u>	<u>% of Total Market Value</u>
United States Agency Obligations	\$ 121,744,000	120,710,857	44.84	\$ 120,819,098	44.87
Money Market Mutual Funds ^(b)	71,711,840	71,711,840	26.64	71,711,840	26.63
Local Government Investment Pools ^(c)	76,752,282	76,752,282	28.51	76,752,282	28.50
	<u>\$ 270,208,122</u>	<u>269,174,979</u>	<u>100.00</u>	<u>\$ 269,283,220</u>	<u>100.00</u>

^(a) Market prices are obtained from Advent's interface with FT Interactive Data. No funds are invested in mortgage back securities. The City holds all investments to maturity which minimizes the risk of market price volatility

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

^(c) Local government investment pools consist of entities whose investment objectives are preservation and safety of principal, liquidity and yield. The pools seek to maintain a \$1.00 value per share as required by the Texas Public Funds Investment Act. The investment pools used by the City include TexPool and TexSTAR. TexSTAR is a local government investment pool for whom First Southwest Asset Management, Inc., an affiliate of First Southwest Company, provides customer service and marketing for the pool. TexSTAR currently maintains an "AAA" rating from Standard & Poor's and has an investment objective of achieving and maintaining a stable net asset value of \$1.00 per share. Daily investments or redemptions of funds are allowed by the participants. First Southwest Company is a Financial Advisor for the City in connection with the issuance of City debt.

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006**

Table 16 - Monthly Water Rates

On September 26, 2001 the Lubbock City Council adopted a four year 12% total increase in water rates. On September 26, 2002, the Lubbock City Council added a fifth year rate increase of 3%. Additionally, the City has adopted a roughly 11% increase in water rates that became effective on October 1, 2006. Previous rate increases were used to fund the North Panhandle Project, however, the issues now being addressed are related to system maintenance throughout the city. The new water rates are set forth below.

<u>Base Rate ⁽¹⁾</u>	<u>Old Rate</u>	<u>Effective 10/01/2006</u>
3/4" meter	\$10.01	11.11
1" meter (single family residential)	12.74	14.14
1" meter (other than residential)	21.36	23.71
 <u>Flow Rate Charge per 1,000 Gallons</u>		
Single Family Residential	1.83	2.03
Multi-Family Residential	1.56	1.73
Commercial	1.69	1.88
Schools	1.73	1.92
Sprinkler Systems	2.14	2.38

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

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

Table 17 - Historical Water Consumption (Million Gallons)

<u>Calendar Year</u>	<u>Average Daily Consumption</u>	<u>Maximum Consumption Day/Year</u>
2001	38.255	73.086
2002	37.401	63.911
2003	38.119	73.605
2004	34.421	65.994
2005	35.057	62.539
2006	38.300	68.770

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

Table 18 - Waterworks System Condensed Statement of Operations

	Fiscal Year Ended September 30,				
	2006	2005	2004	2003	2002
REVENUE					
Operating Revenues	\$ 37,330,953	33,306,786	31,907,893	32,770,781	32,727,207
Non-Operating Revenues	1,678,056	883,824	539,413	1,337,330	1,313,649
Gross Revenues	<u>39,009,009</u>	<u>34,190,610</u>	<u>32,447,306</u>	<u>34,108,111</u>	<u>34,040,856</u>
EXPENSE					
Operating Expense ⁽¹⁾	<u>20,720,395</u>	<u>17,619,668</u>	<u>20,550,379</u>	<u>20,137,448</u>	<u>19,596,079</u>
Net Revenues	<u>\$ 18,288,614</u>	<u>16,570,942</u>	<u>11,896,927</u>	<u>13,970,663</u>	<u>14,444,777</u>
Number of Water Meters	77,147	75,876	72,500	72,505	71,039

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

Note: The City has no outstanding or authorized Waterworks System Revenue Bonds, however, there is \$116,241,841 of general obligation debt outstanding which was issued for water system purposes on which annual debt service is provided from revenues of the System.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

Table 19 - Historic Sewer Plant Treatment

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

<u>Year</u>	<u>Average Treatment</u>
2000	18.9 mgd
2001	17.5 mgd
2002	18.1 mgd
2003	19.0 mgd
2004	21.6 mgd
2005	21.2 mgd
2006	21.0 mgd

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006**

Table 20 - Monthly Sewer Rates

In providing adequate water and sewer service to its customers, every utility must receive sufficient total revenue to ensure proper operation and maintenance, development and perpetuation of the system, and preservation of the utility's financial integrity. Nearly all of total revenue requirements for most utilities are met from revenues derived from selling water to their customers

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

On October 1, 2002, a 20.0% rate increase implemented over a four-year period was approved to meet the goals stated above. Additionally, further changes to the flow rate and base rate became effective on March 1, 2006.

<u>Residential</u>	<u>As of 3/1/06 Current Rate</u>
Base Rate ⁽¹⁾	\$4.62
Flow Rate (Water Consumption)	1.69
<u>Commercial/Industrial ⁽²⁾</u>	
Base Rate ⁽¹⁾	8.14 ⁽³⁾
Flow Rate (Water Consumption)	1.69

⁽¹⁾ The Base Rate is for sewer service; Base Rates shown are for a 3/4" water meter for residential consumers and a 1 1/2" water meter for commercial consumers; higher Base Rates apply to larger meters ranging from 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 \$0.2333/lb. and for T.S.S. is \$0.1687/lb.

⁽³⁾ The commercial Base Rate reduction on March 1, 2006 was offset by an increase in the Flow Rate charge.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

Table 21 - Sewer System Condensed Statement of Operations

	Fiscal Year Ended September 30,				
	2006	2005	2004	2003	2002
REVENUE					
Operating	\$ 21,087,364	19,829,430	18,889,095	17,894,203	18,492,113
Non-Operating Revenues	1,064,241	377,660	(490,811)	369,500	234,453
Gross Revenues	<u>22,151,605</u>	<u>20,207,090</u>	<u>18,398,284</u>	<u>18,263,703</u>	<u>18,726,566</u>
EXPENSE					
Operating Expense ⁽¹⁾	<u>13,778,357</u>	<u>10,864,515</u>	<u>9,677,781</u>	<u>9,500,909</u>	<u>10,080,470</u>
Net Revenues	<u>\$ 8,373,248</u>	<u>9,342,575</u>	<u>8,720,503</u>	<u>8,762,794</u>	<u>8,646,096</u>
Number of Sewer Records	70,490	69,222	66,000	66,930	71,236

⁽¹⁾ Operating expense excludes depreciation and capital expenditures.

**City of Lubbock, TX
 Finance Department
 Continuing Disclosure Report
 Fiscal Year Ended September 30, 2006**

Table 22 - Monthly Solid Waste Rates

Summarized below are the current solid waste rates of the City as of October 1, 2006.

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

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

Table 23 - Solid Waste System Condensed Statement of Operations

	Fiscal Year Ended September 30,				
	2006	2005	2004	2003	2002
Operating Revenues	\$ 13,948,861	12,420,499	11,641,316	14,948,379	16,375,461
Non-Operating Revenues	696,582	578,387	(1,024,525)	873,083	689,188
Gross Revenues	<u>14,645,443</u>	<u>12,998,886</u>	<u>10,616,791</u>	<u>15,821,462</u>	<u>17,064,649</u>
Operating Expense (excluding depreciation)	<u>10,731,475</u>	<u>9,407,460</u>	<u>8,078,226</u>	<u>10,473,266</u>	<u>10,653,431</u>
Net Revenues	<u>\$ 3,913,968</u>	<u>3,591,426</u>	<u>2,538,565</u>	<u>5,348,196</u>	<u>6,411,218</u>

⁽¹⁾ Operating expense excludes depreciation and capital expenditures.

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006**

Table 24 - Monthly Municipal Drainage Rates

On June 14, 2001, the City Council adopted a new Drainage System rate ordinance, which became effective on October 1, 2001. The current rates are shown below.

	Current Rates
<u>Residential Property:</u>	
Single Family Residential	\$ 4.99
Multi-Family Residential B duplex, triplex and quadraplex (per unit):	4.99
Residential Water Sprinklers	Exempt
Mobile Homes and Mobile Home Parks	4.99
Construction - Residential	4.99
 <u>Non-residential Property:</u>	
Multi-Family Commercial (per unit):	\$ 4.99
Apartment Complex*	33.12
Private Schools, Churches, Federal Government	33.12
Commercial - Retail, Service, Industrial	33.12
Construction - Commercial	33.12
All Non-Residential Water Sprinklers	33.12

* Apartment Complexes - Sprinkler meters for all apartment complexes are subject to the residential rate.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

Table 25 - Drainage Utility System Condensed Statement of Operations

	Fiscal Year Ended September 30,				
	2006	2005	2004	2003	2002
Operating Revenues	\$ 6,348,461	6,239,436	6,019,490	5,988,651	5,997,284
Non-Operating Revenues	1,799,381	1,161,028	286,656	243,992	788,536
Gross Revenues	<u>8,147,842</u>	<u>7,400,464</u>	<u>6,306,146</u>	<u>6,232,643</u>	<u>6,785,820</u>
Operating Expense (excluding depreciation)	<u>1,671,579</u>	<u>1,715,161</u>	<u>1,138,306</u>	<u>1,198,493</u>	<u>1,283,900</u>
Net Revenues	<u>\$ 6,476,263</u>	<u>5,685,303</u>	<u>5,167,840</u>	<u>5,034,150</u>	<u>5,501,920</u>

⁽¹⁾ Operating expense excludes depreciation and capital expenditures.

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006**

Table 26 - Generating Stations

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

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

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

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

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

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

Table 27 - Historical Power Supply Requirements

<u>Fiscal Year</u>	<u>Peak Demand</u>		<u>Energy Sales⁽¹⁾</u>		
	<u>MW</u>	<u>% Increase</u>	<u>MWh</u>	<u>% Increase</u>	<u>Load Factor (%)</u>
2002	334.0	9.80	1,361,921	6.35	48.41%
2003	333.5	(0.15)	1,400,378	2.82	49.04%
2004	317.1	(4.92)	1,335,317	(4.65)	49.07%
2005	334.8	5.58	1,444,270	8.16	50.16%
2006	363.7	8.63	1,554,897	7.66	51.30%

⁽¹⁾ Does not include Off System sales.

<u>Fiscal Year</u>	<u>Systems Requirements</u>		
	<u>MWh</u>	<u>% Increase</u>	<u>Load Factor (%)</u>
2002	1,419,096	6.92%	48.50%
2003	1,448,923	2.10%	49.60%
2004	1,399,673	-3.40%	50.39%
2005	1,516,543	8.35%	51.71%
2006	1,581,404	4.28%	49.64%

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

Table 28 - Statistical Data

	Fiscal Year Ended September 30,				
	2006	2005	2004	2003	2002
<u>kWh TO SYSTEM</u>	2,058,034,124	1,921,072,692	1,569,082,404	1,479,639,801	1,419,117,867
Includes generation for purposes of off-system sales.					
Sales of kWh					
Residential Service	675,642,708	608,425,779	571,452,412	611,452,450	609,644,265
Commercial and Industrial Service	774,925,425	733,023,891	663,050,493	681,528,474	641,590,972
Total General Consumers	1,450,568,133	1,341,449,670	1,234,502,905	1,292,980,924	1,251,235,237
Municipal and Street Lighting	104,329,501	102,860,772	100,813,872	107,397,038	110,685,424
Off System Sales	476,630,000	404,529,400	169,409,000	36,986,000	-
Total Sales to All Customers	2,031,527,634	1,848,839,842	1,504,725,777	1,437,363,962	1,361,920,661
Loss and Unaccounted for	26,506,490	72,232,850	64,356,627	42,275,839	57,197,206
<u>kWh TO SYSTEM</u>	2,058,034,124	1,921,072,692	1,569,082,404	1,479,639,801	1,419,117,867
Average Residential Meters	60,662	58,342	55,207	57,485	57,276
Average Commercial & Industrial Meters	7,424	7,130	6,687	6,989	7,014
Average Municipal & Street Light Meters	754	755	768	746	757
Average Total	68,840	66,227	62,662	65,220	65,047
Total Plant Peak kW Demand	363,700	334,800	317,100	335,500	334,000
System Peak kW Demand	345,977	328,691	310,624	325,982	321,140

**City of Lubbock, TX
 Finance Department
 Continuing Disclosure Report
 Fiscal Year Ended September 30, 2006**

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

	Fiscal Year Ended September 30, 2006			
	Megawatt Hours Billed	% of Total	Revenues	% of Total
Top 10 Customers	471,831	30.9	\$ 36,321,448	28.7
Top Two Customers	260,819	17.1	20,824,070	16.5

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

Table 30 - Analysis of Electric Bills

	Fiscal Year Ended September 30,				
	2006	2005	2004	2003	2002
<u>All Customer:</u>					
Average Monthly kWh Per Meter	1,876	1,863	1,776	1,789	1,783
Average Monthly Bill Per Meter	\$ 155.54	136.44	123.27	117.75	112.62
Average Monthly Revenue Per kWh	0.082910	0.073237	0.069409	0.065819	0.063163
<u>Residential Customer:</u>					
Average Monthly kWh Per Meter	901	890	863	886	907
Average Monthly Bill Per Meter	\$ 78.50	70.18	66.25	65.29	63.64
Average Monthly Revenue Per kWh	0.087125	0.078854	0.076767	0.073691	0.070165
<u>Commercial and Industrial:</u>					
Average Monthly kWh Per Meter	8,898	8,870	8,260	8,125	7,792
Average Monthly Bill Per Meter	\$ 704.59	607.58	518.49	480.32	444.33
Average Monthly Revenue Per kWh	0.079185	0.068498	0.062771	0.059116	0.057024
<u>Municipal and Street Lighting:</u>					
Average Monthly kWh Per Meter	11,524	11,321	10,941	12,001	12,185
Average Monthly Bill Per Meter	\$ 974.82	836.07	779.57	763.10	728.55
Average Monthly Revenue Per kWh	0.084591	0.073851	0.071252	0.063586	0.059791

Some data prior to 2006 has been corrected due to inconsistencies in the way sales taxes were reported. All data is now exclusive of sales taxes.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

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

<u>Fiscal Year Ending September 30,</u>	<u>Total LP&L Capital Improvements</u>
2007	\$ 4,608,000
2008	6,300,000
2009	4,550,000
2010	4,500,000
2011	4,500,000
	<u>\$ 24,458,000</u>

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

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

Fiscal Year Ending September 30,	Outstanding Revenue Debt		
	Principal ⁽¹⁾	Interest	Total
2007	\$ 2,900,000	1,034,538	3,934,538
2008	2,530,000	899,060	3,429,060
2009	1,720,000	781,655	2,501,655
2010	1,715,000	700,945	2,415,945
2011	1,705,000	624,848	2,329,848
2012	1,360,000	547,595	1,907,595
2013	1,360,000	484,450	1,844,450
2014	1,360,000	420,290	1,780,290
2015	1,360,000	355,000	1,715,000
2016	1,360,000	288,810	1,648,810
2017	1,360,000	224,700	1,584,700
2018	1,360,000	159,460	1,519,460
2019	900,000	94,220	994,220
2020	460,000	48,300	508,300
2021	460,000	24,150	484,150
	<u>\$ 21,910,000</u>	<u>6,688,021</u>	<u>28,598,021</u>

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

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

Table 33 - Condensed Statement of Operations

	Fiscal Year Ended September 30,				
	2006	2005	2004	2003	2002
REVENUES					
Operating Revenues					
Charges for Services	\$212,074,481	179,759,626	101,551,701	91,721,949	97,424,993
Non-Operating Income	2,642,333	372,892	(2,045,281)	(587,821)	652,657
Gross Revenues	<u>214,716,814</u>	<u>180,132,518</u>	<u>99,506,420</u>	<u>91,134,128</u>	<u>98,077,650</u>
OPERATING EXPENSE					
Personnel Services	10,718,282	9,921,315	8,294,785	9,459,693	9,392,588
Supplies	884,891	585,433	456,933	411,032	497,457
Maintenance	1,907,683	1,575,709	2,756,885	1,805,187	1,480,493
Power Plant Fuel	1,118,618	1,754,558	10,826,953	11,368,059	25,421,640
Gas Swap	72,572,034	62,143,072	-	-	-
Purchased Power	94,163,377	83,082,557	63,142,474	61,732,323	37,053,616
Uncollectible Accounts	589,728	-	-	958,102	448,780
Other Charges	4,072,409	5,007,907	3,758,830	4,695,889	5,708,877
Total Operating Expenses	<u>186,027,022</u>	<u>164,070,551</u>	<u>89,236,860</u>	<u>90,430,285</u>	<u>80,003,451</u>
Net Revenues*	<u>\$ 28,689,792</u>	<u>16,061,967</u>	<u>10,269,560</u>	<u>703,843</u>	<u>18,074,199</u>
Electric Connections	68,840	66,227	63,076	62,325	65,047

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

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

Table 34 - Coverage and Fund Balances

Electric Light and Power System Revenue Bonds Outstanding.....	\$ 21,910,000	
Average Annual Principal and Interest Requirements, 2007-2021.....	1,906,535	
Coverage by Net Revenues, Fiscal Year Ended 9-30-06.....	8.62	X
Maximum Principal and Interest Requirements, 2006.....	3,934,538	
Coverage by Net Revenues, Fiscal Year Ended 9-30-06.....	4.18	X
Interest and Sinking Fund, 09-30-06.....	2,043,606	
Reserve Fund ⁽¹⁾ , 9-30-06.....	1,906,535	

⁽¹⁾ For LP&L's revenue bonds, the City covenants to maintain in the Reserve Portion of the Bond Fund a Required Reserve of not less than the average annual principal and interest requirements of all Bonds Similarly Secured, which will be calculated following issuance of bonds. The calculation is \$28,598,020.00 divided by 15 years = \$1,906,534.67.

City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006

Table 35 - Lubbock's Equity in LP&L

	Fiscal Year Ended September 30,				
	2006	2005	2004	2003	2002
Property, Plant and Equipment	\$ 243,064,820	227,286,916	225,475,026	198,095,489	186,200,428
Less: Allowance for depreciation	(109,872,651)	(100,389,815)	(94,090,505)	(85,808,677)	(79,596,163)
	<u>133,192,169</u>	<u>126,897,101</u>	<u>131,384,521</u>	<u>112,286,812</u>	<u>106,604,265</u>
Construction in Progress	8,814,299	12,248,738	9,488,738	7,753,192	12,946,402
Net Fixed Asset Value	<u>142,006,468</u>	<u>139,145,839</u>	<u>140,873,259</u>	<u>120,040,004</u>	<u>119,550,667</u>
Plus:					
Capital Projects Fund	-	-	-	-	76,071
Permanent Capital Maintenance Fund	2,250,221	1,912,705	6,329,838	13,396,029	7,634,067
System Improvement Fund	-	-	-	-	7
Economic Development Fund	-	-	-	-	63
Rate Stabilization	-	-	-	-	22,515
Advance to Other Funds	-	-	-	-	-
Deferred Charge	3,077,777	3,211,110	3,344,444	3,477,777	6,015,199
Working Capital	<u>25,590,904</u>	<u>7,770,009</u>	<u>422,602</u>	<u>(3,678,234)</u>	<u>22,587</u>
<u>Value of the System</u>	<u>172,925,370</u>	<u>152,039,663</u>	<u>150,970,143</u>	<u>133,235,576</u>	<u>133,321,176</u>
<u>Net Bond Debt</u>					
Bonds Outstanding	70,993,110	70,126,763	47,871,094	52,314,479	42,553,065
Less: Interest and Sinking Fund & Reserve Fund	(2,043,606)	(5,026,099)	(2,174,964)	3,461,702	(4,971,584)
	<u>68,949,504</u>	<u>65,100,664</u>	<u>45,696,130</u>	<u>55,776,181</u>	<u>37,581,481</u>
Plus:					
Accrued Revenue Bond Interest	1,405,988	1,236,712	602,093	675,467	748,742
Accrued Vacation and Sick Leave	2,462,213	2,343,949	1,941,690	1,912,602	2,010,821
Arbitrage Rebate Liability	11,338	-	-	-	-
Net Revenue Bond Debt	72,829,043	68,681,325	48,239,913	58,364,250	40,341,044
City's Equity in System	<u>\$ 100,107,665</u>	<u>83,358,338</u>	<u>102,730,230</u>	<u>74,871,326</u>	<u>92,980,132</u>
Percentage City's Equity in System	57.89%	54.83%	68.05%	56.19%	69.74%

**City of Lubbock, TX
Finance Department
Continuing Disclosure Report
Fiscal Year Ended September 30, 2006**

Table 36 - Monthly Electric Rates

Electric rates in the City are set by an ordinance adopted by the City Council and were the same for LP&L and Southwestern except for church, school and municipal rates, and minor variations in billing policies until October, 2001. Beginning October 2001, LP&L implemented new rate structures to accommodate a new billing system. The new rate structure was designed to approximate SPS rates.

Residential and General Service Rates (Effective October, 2001)

Approximately 68% of LP&L customers are billed under the Standard Residential, General Service, & Large General Service rate schedules shown below. Other rate schedules are available for customers such as schools, churches, municipal facilities, city street lighting, etc. Discount Residential rates are available for customers using electric water heaters and / or electric space heating

	Standard Residential	
Service Availability Charge		\$ 4.70 per month
All kilowatt hours ("kWh") per month @ \$0.0404 per kWh used during summer months.		
All kWh per month @ \$0.03636 per kWh used during winter months.		
Summer Months: June - September		
Winter Months: October - May		
Plus: Fuel Cost Recovery ⁽¹⁾		
	General Service	
Service Availability Charge		\$ 10.10
Cost per kWh for all additional kW in excess of 10 kW during a summer month		8.00
Cost per kWh for all additional kW in excess of 10 kW during a winter month		7.00
First 1,000 kWh per month		0.0515 per kWh* (Summer)
		0.0465 per kWh* (Winter)
Next 6,000 kWh per month		0.0253 per kWh
All additional kWh per month		0.0101 per kWh

⁽¹⁾ Fuel Cost Recovery: Applications of fuel cost recovery factors are as follows:

I. Primary Distribution Fuel/Power Cost Recovery Factor

The Primary Distribution Fuel/Power Cost Recovery Factor shall be billed at a rate of 0.98744 times the Secondary FCA (see section II below), applied per kilowatt hour and shall apply when service is metered at greater than or equal to 12 kV and less than 69 kV.

II. Secondary Distribution Fuel/Power Cost Recovery Factor

The Secondary Distribution Fuel/Power Cost Recovery Factor will be determined in accordance with the following formula:

The sum of the total fuel costs (inclusive of all costs incurred by LP&L in procuring fuel) used for the month in LP&L's power plants.

Plus, the total of all power purchased for the month by LP&L.

Plus/Minus any adjustment for under/over collection of the fuel/power cost recovery factor from previous months (see below).

The adjustment for under or over collection of the fuel/power cost recovery factor will be amortized over an eighteen (18) month period from the date in which the under or over collection occurred. Subject to the limitations set forth in this paragraph, the City Manager or, if designated by the City Manager, the Director of Electric Utilities, shall determine the adjustment for each given month. However, in no event shall the adjustment be less than 1/18th of the total under or over collection.

The sum of all these amounts will be divided by the estimated electric sales for the current month to determine the Fuel/Power Cost Recovery Factor, or in summary:

Secondary FCA - (Gas Cost + Purchased Power Cost +/- over/under adjustments)/kWh sales.

The secondary factors shall be billed per kWh and shall apply when service is metered at less than 12 kV.

III. Transmission Fuel/Power Cost Recovery Factor

The Transmission Fuel/Power Cost Recovery Factor shall be billed at a rate of 0.941347 times the Secondary FCA, applied per kilowatt-hour and shall apply when service is metered at greater than or equal to 69 kV.