

## RULE 15c2-12 FILING COVER SHEET

This cover sheet is sent with all submissions to the Municipal Securities Rulemaking Board (the Nationally Recognized Municipal Securities Information Repository) and any applicable State Information Depository pursuant to Securities and Exchange Commission (SEC) Rule 15c2-12 or any analogous state statute.

**Issuer Name: City of Garland, Texas**

**Issue(s):**

\$ 126,885,000	Combination Tax and Electric Utility System Revenue Refunding Bonds, Series 2010
\$ 3,205,000	Combination Tax and Revenue Certificates of Obligation, Series 2010
\$ 4,260,000	Combination Tax and Revenue Certificates of Obligation, Series 2011
\$ 6,755,000	Combination Tax and Revenue Certificates of Obligation, Series 2012
\$ 12,725,000	Combination Tax and Revenue Certificates of Obligation, Series 2013
\$ 18,450,000	General Obligation Refunding Bonds, Series 2014
\$ 13,475,000	Combination Tax and Revenue Certificates of Obligation, Series 2014
\$ 34,215,000	General Obligation Refunding Bonds, Series 2014A
\$ 22,490,000	General Obligation Refunding Bonds, Taxable Series 2015B
\$ 22,695,000	General Obligation Refunding Bonds, Series 2015A
\$ 18,205,000	Combination Tax and Revenue Certificates of Obligation, Series 2015
\$ 53,870,000	Combination Tax and Electric Utility System Surplus Revenue Refunding Bonds, Series 2015
\$ 20,210,000	Combination Tax and Revenue Certificates of Obligation, Series 2016
\$ 42,040,000	General Obligation Refunding Bonds, Series 2016
\$ 41,140,000	General Obligation Refunding Bonds, Series 2017
\$ 18,140,000	Combination Tax and Revenue Certificates of Obligation, Series 2017
\$ 29,955,000	Combination Tax and Revenue Certificates of Obligation, Series 2018
\$ 47,270,000	General Obligation Refunding Bonds, Series 2018

**Filing Format**  electronic  paper; If available on the Internet, give URL: \_\_\_\_\_

**CUSIP Numbers to which the information filed relates** (optional):

Nine-digit number(s) (see following page(s)):

Six-digit number if information filed relates to all securities of the issuer

\* \* \*

### Financial & Operating Data Disclosure Information

- X Annual Financial Report or CAFR  
X Financial Information & Operating Data  
\_\_\_ Other (describe) \_\_\_\_\_  
X Fiscal Period Covered: FYE 2018  
\_\_\_ Monthly \_\_\_ Quarterly X Annual \_\_\_ Other: \_\_\_\_\_

\* \* \*

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

Signature: \_\_\_\_\_

Name: Matt Watson Title: Finance Director

Employer: City of Garland, Texas

Voice Telephone Number: 972-205-2355

Email Address: mwatson@garlandtx.gov

## DESCRIPTION OF ISSUES COVERED BY THIS REPORT

### Combination Tax and Electric Utility System Revenue Refunding Bonds, Series 2010

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/20	\$ 3,685,000	366119 WZ4
02/15/21	7,940,000	366119 XA8
02/15/22	9,570,000	366119 XB6
02/15/23	10,060,000	366119 XC4
02/15/24	10,570,000	366119 XD2
02/15/25	11,115,000	366119 XE0
02/15/26	2,000,000	366119 XL4
02/15/26	9,680,000	366119 XF7
02/15/27	12,275,000	366119 XG5
02/15/28	12,905,000	366119 XH3
02/15/29	13,570,000	366119 XJ9
02/15/30	14,265,000	366119 XK6
	<u>\$ 117,635,000</u>	

### Combination Tax and Revenue Certificates of Obligation, Series 2010

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/20	\$ 105,000	366119XW0
02/15/22	225,000	366119XY6
02/15/24	245,000	366119YA7
02/15/26	265,000	366119YC3
02/15/28	290,000	366119YE9
02/15/30	320,000	366119YG4
	<u>\$ 1,450,000</u>	

**Combination Tax and Revenue Certificates of Obligation, Series 2011**

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/20	\$ 245,000	366119 YW9
02/15/21	255,000	366119 YX7
02/15/22	105,000	366119 YY5
02/15/23	105,000	366119 YZ2
02/15/24	110,000	366119 ZA6
02/15/25	120,000	366119 ZB4
02/15/26	120,000	366119 ZC2
02/15/28	175,000	366119 ZD0
02/15/30	185,000	366119 ZE8
02/15/31	100,000	366119 ZF5
	<u>\$ 1,520,000</u>	

**Combination Tax and Revenue Certificates of Obligation, Series 2012**

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/20	\$ 305,000	366119C37
02/15/21	315,000	366119C45
02/15/22	325,000	366119C52
02/15/23	150,000	366119C60
02/15/24	155,000	366119C78
02/15/25	155,000	366119C86
02/15/26	165,000	366119C94
02/15/27	170,000	366119D28
02/15/28	105,000	366119D36
02/15/29	110,000	366119D44
02/15/30	115,000	366119D51
02/15/31	115,000	366119D69
02/15/32	120,000	366119D77
	<u>\$ 2,305,000</u>	

**Combination Tax and Revenue Certificates of Obligation, Series 2013**

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/20	\$ 890,000	366119F42
02/15/21	940,000	366119F59
02/15/22	995,000	366119F67
02/15/23	1,055,000	366119F75
02/15/24	570,000	366119F83
02/15/25	610,000	366119F91
02/15/28	575,000	366119G41
02/15/33	460,000	366119G90
	<u>\$ 6,095,000</u>	

**General Obligation Refunding Bonds, Series 2014**

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/20	\$ 2,170,000	366119H73
02/15/21	2,225,000	366119H81
02/15/22	2,115,000	366119H99
	<u>\$ 6,510,000</u>	

**Combination Tax and Revenue Certificates of Obligation, Series 2014**

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/20	\$ 625,000	366119J71
02/15/21	650,000	366119J89
02/15/22	675,000	366119J97
02/15/23	705,000	366119K20
02/15/24	735,000	366119K38
02/15/26	385,000	366119K53
02/15/27	205,000	366119K61
02/15/29	415,000	366119K87
02/15/31	275,000	366119L29
02/15/34	450,000	366119L52
	<u>\$ 5,120,000</u>	

**General Obligation Refunding Bonds, Series 2014A**

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/20	\$ 5,195,000	366119M36
	<u>\$ 5,195,000</u>	

**General Obligation Refunding Bonds, Series 2015A**

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/20	\$ 880,000	366119M85
02/15/21	925,000	366119M93
02/15/22	970,000	366119N27
02/15/23	1,015,000	366119N35
02/15/24	1,065,000	366119N43
02/15/25	1,120,000	366119N50
02/15/26	1,165,000	366119N68
02/15/27	1,200,000	366119N76
02/15/28	1,250,000	366119N84
02/15/29	1,315,000	366119N92
02/15/30	1,380,000	366119P25
02/15/32	2,920,000	366119P41
02/15/33	1,530,000	366119P58
02/15/34	1,575,000	366119P66
02/15/35	1,620,000	366119P74
	<u>\$ 19,930,000</u>	

**General Obligation Refunding Bonds, Taxable Series 2015B**

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/20	\$ 3,265,000	366119Q40
02/15/21	3,330,000	366119Q57
02/15/22	3,400,000	366119Q65
02/15/23	3,475,000	366119Q73
02/15/24	3,565,000	366119Q81
02/15/25	3,655,000	366119Q99
	<u>\$ 20,690,000</u>	

**Combination Tax and Revenue Certificates of Obligation, Series 2015**

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/20	\$ 1,840,000	366119R64
02/15/21	1,315,000	366119R72
02/15/22	1,390,000	366119R80
02/15/23	1,425,000	366119R98
02/15/24	1,475,000	366119S22
02/15/25	1,560,000	366119S30
02/15/26	405,000	366119S48
02/15/28	840,000	366119S63
02/15/29	440,000	366119S71
02/15/30	455,000	366119S89
02/15/31	125,000	366119S97
02/15/32	130,000	366119T21
02/15/33	135,000	366119T39
02/15/34	140,000	366119T47
02/15/35	145,000	366119T54
	<u>\$ 11,820,000</u>	

**Combination Tax and Electric Utility System Surplus Revenue Refunding Bonds, Series 2015**

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/20	\$ 11,860,000	366119U29
	<u>\$ 11,860,000</u>	

**Combination Tax and Revenue Certificates of Obligation, Series 2016**

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/20	\$ 2,050,000	366119U60
02/15/21	2,150,000	366119U78
02/15/22	1,110,000	366119U86
02/15/23	1,160,000	366119U94
02/15/24	1,225,000	366119V28
02/15/25	1,290,000	366119V36
02/15/26	1,365,000	366119V44
02/15/27	525,000	366119V51
02/15/28	530,000	366119V69
02/15/29	545,000	366119V77
02/15/30	555,000	366119V85
02/15/31	570,000	366119V93
02/15/32	270,000	366119W27
02/15/33	275,000	366119W35
02/15/34	285,000	366119W43
02/15/36	590,000	366119W68
	<u>\$ 14,495,000</u>	

**General Obligation Refunding Bonds, Series 2016**

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/20	\$ 7,025,000	366119X26
02/15/21	7,180,000	366119X34
02/15/22	3,540,000	366119X42
02/15/23	1,870,000	366119X59
02/15/24	1,975,000	366119X67
02/15/25	2,065,000	366119X75
02/15/26	930,000	366119X83
02/15/27	985,000	366119X91
	<u>\$ 25,570,000</u>	



**Combination Tax and Revenue Certificates of Obligation, Series 2017**

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/20	\$ 1,840,000	3661192E4
02/15/21	1,935,000	3661192F1
02/15/22	2,040,000	3661192G9
02/15/23	1,000,000	3661192H7
02/15/24	1,045,000	3661192J3
02/15/25	1,105,000	3661192K0
02/15/26	1,165,000	3661192L8
02/15/27	1,225,000	3661192M6
02/15/28	425,000	3661192N4
02/15/29	445,000	3661192P9
02/15/30	465,000	3661192Q7
02/15/31	485,000	3661192R5
02/15/32	500,000	3661192S3
02/15/33	215,000	3661192T1
02/15/34	225,000	3661192U8
02/15/35	235,000	3661192V6
02/15/36	245,000	3661192W4
02/15/37	250,000	3661192X2
	<u>\$ 14,845,000</u>	

**General Obligation Refunding Bonds, Series 2017**

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/20	\$ 4,245,000	366119Y41
02/15/21	4,465,000	366119Y58
02/15/22	4,690,000	366119Y66
02/15/23	4,930,000	366119Y74
02/15/24	5,175,000	366119Y82
02/15/25	5,440,000	366119Y90
02/15/26	1,060,000	366119Z24
02/15/27	1,110,000	366119Z32
02/15/28	1,165,000	366119Z40
02/15/29	580,000	366119Z57
02/15/30	600,000	366119Z65
02/15/31	620,000	366119Z73
02/15/32	635,000	366119Z81
02/15/33	660,000	366119Z99
02/15/34	680,000	3661192A2
02/15/35	705,000	3661192B0
	<u>\$ 36,760,000</u>	

**Combination Tax and Revenue Certificates of Obligation, Series 2018**

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/20	\$ 2,430,000	3661192Z7
02/15/21	2,540,000	3661193A1
02/15/22	2,635,000	3661192B9
02/15/23	2,775,000	3661193C7
02/15/24	1,525,000	3661193D5
02/15/25	1,605,000	3661193E3
02/15/26	1,685,000	3661193F0
02/15/27	1,770,000	3661193G8
02/15/28	1,860,000	3661193H6
02/15/29	1,045,000	3661193J2
02/15/30	1,100,000	3661193K9
02/15/31	1,160,000	3661193L7
02/15/32	1,220,000	3661193M5
02/15/33	1,280,000	3661193N3
02/15/34	590,000	3661193P8
02/15/35	610,000	3661193Q6
02/15/36	635,000	3661193R4
02/15/37	665,000	3661193S2
02/15/38	685,000	3661193T0
	<u>\$ 27,815,000</u>	

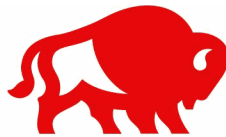
**General Obligation Refunding Bonds, Series 2018**

<u>Date</u>	<u>Principal</u>	<u>CUSIP</u>
02/15/20	\$ 4,735,000	3661193V5
02/15/21	4,975,000	3661193W3
02/15/22	5,230,000	3661193X1
02/15/23	5,490,000	3661193Y9
02/15/24	4,785,000	3661193Z6
02/15/25	4,570,000	3661194A0
02/15/26	4,800,000	3661194B8
02/15/27	5,045,000	3661194C6
02/15/28	5,310,000	3661194D4
02/15/29	1,505,000	3661194E2
08/15/19	825,000	3661193U7
	<u>\$ 47,270,000</u>	

CONTINUING DISCLOSURE REPORT  
FOR THE  
FISCAL YEAR ENDED SEPTEMBER 30, 2018

CITY OF GARLAND, TEXAS

GENERAL OBLIGATION DEBT



**HTS** Continuing Disclosure Services

A Division of Hilltop Securities.

## **FINANCIAL STATEMENTS**

The audited financial statements for the City for the fiscal year ended September 30, 2018 are being separately filed directly with the Nationally Recognized Municipal Securities Information Repository and any applicable State Information Depository, and are hereby incorporated by reference into this Annual Continuing Disclosure Report.

## **SIGNATURE OF ISSUER**

The information set forth herein has been obtained from the City and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as a promise or guarantee. This Annual Continuing Disclosure Report may contain, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and expressions of opinion contained herein are subject to change without notice, and the delivery of this Annual Continuing Disclosure Report will not, under any circumstances, create any implication that there has been no change in the affairs of the City or other matters described.

## **CITY OF GARLAND, TEXAS**

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Matt Watson  
Finance Director

Approved for Submission:

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Date

## **CERTIFICATE OF SUBMISSION OF ANNUAL REPORT**

Subject to the continuing disclosure requirements of SEC Rule 15c2-12, this Annual Continuing Disclosure Report for the City of Garland, Texas with respect to the issues listed on the report cover was submitted directly to the Nationally Recognized Municipal Securities Information Repository ("NRMSIR") listed below as well as to any applicable State Information Depository ("SID").

### **NRMSIR**

Municipal Securities Rulemaking Board ("MSRB")  
via the Electronic Municipal Market Access ("EMMA") system

HTS Continuing Disclosure Services, A Division of Hilltop Securities Inc.

Signed by:

/s/ Penny Brooker

**CITY OF GARLAND, TEXAS**  
**2019 GENERAL OBLIGATION DEBT REPORT**

**TABLE 1 - VALUATION, EXEMPTIONS AND GENERAL OBLIGATION DEBT**

2018/2019 Market Valuation Established by the Collin, Dallas and Rockwall Central Appraisal Districts		\$ 17,784,326,873
Less Exemptions/Reductions at 100% Market Value:		
Residential Homestead	\$ 574,651,871	
Over 65	713,487,557	
Disabled Persons	74,174,382	
Disabled Veterans	37,549,284	
Pollution Control	315,863	
Freeport	310,648,739	
Capped Loss	888,996,554	
Prorated Total Exempt	2,752,507	
Productivity Loss	81,802,956	
Tax Abatement Reductions	5,184,827	2,689,564,540
2018/2019 Taxable Assessed Valuation		\$ 15,094,762,333
Total General Obligation Debt Payable from Ad Valorem Taxes (as of March 1, 2019)		\$ 376,885,000
Less: Self Supporting Debt Balance (as of March 1, 2019) <sup>(1)</sup>		
Wastewater	\$ 3,550,000	
Water	1,045,000	
Communications	230,000	
Electric	135,315,000	
Customer Service	14,775,000	
Environmental Waste Services	7,730,000	
Fleet Services	1,685,000	
Information Technology Services	2,880,000	
Warehouse	10,000	
Stormwater	1,620,000	
Downtown TIF	2,025,000	\$ 170,865,000
Net General Obligation Debt Payable from Ad Valorem Taxes		\$ 206,020,000
General Obligation Interest and Sinking Fund (as of March 1, 2019)		\$ 8,619,678
Ratio Net General Obligation Tax Debt to Taxable Assessed Valuation		1.36%

2019 Estimated Population - 238,293  
Per Capita Taxable Assessed Valuation - \$63,345  
Per Capita Net General Obligation Debt Payable from Ad Valorem Taxes - \$865

(1) It is the City's current policy to pay such self-supporting debt from revenues other than ad valorem taxes. However, this policy is subject to change in the future. In the event the City changes its policy or such revenues are not sufficient to make payments on such debt, the City will be required to levy an ad valorem tax sufficient to pay such debt service. See also "Table 11 - Computation of Self-Supporting Debt".

**TABLE 2 - TAXABLE ASSESSED VALUATIONS BY CATEGORY**

Category	Taxable Appraised Value for Fiscal Year Ended September 30,					
	2019		2018		2017	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 11,139,115,895	62.63%	\$ 9,737,951,337	61.09%	\$ 8,738,914,956	56.41%
Real, Residential, Multi-Family	1,269,295,880	7.14%	1,045,545,930	6.56%	968,606,840	6.25%
Real, Vacant Lots/Tracts	224,909,919	1.26%	206,372,073	1.29%	381,538,995	2.46%
Real, Acreage (Land Only)	82,190,130	0.46%	88,602,950	0.56%	82,019,445	0.53%
Real, Farm and Ranch Improvements	995,620	0.01%	1,114,290	0.01%	1,248,930	0.01%
Real, Commercial	2,668,913,940	15.01%	2,455,242,620	15.40%	3,049,236,910	19.68%
Real, Industrial	152,494,380	0.86%	203,893,720	1.28%	198,411,280	1.28%
Real and Tangible Personal, Utilities	129,998,418	0.73%	128,807,437	0.81%	135,357,504	0.87%
Tangible Personal, Commercial	1,276,775,811	7.18%	1,293,581,133	8.12%	1,219,884,722	7.87%
Tangible Personal, Industrial	794,451,220	4.47%	732,183,930	4.59%	670,329,260	4.33%
Tangible Personal, Other	183,800	0.00%	135,650	0.00%	118,720	0.00%
Real Property, Inventory	-	0.00%	45,094,800	0.28%	326,300	0.00%
Special Inventory	45,001,860	0.25%	1,730,910	0.01%	44,558,440	0.29%
Totally Exempt Property	-	0.00%	-	0.00%	638,348	0.00%
Total Appraised Value Before Exemptions	\$ 17,784,326,873 <sup>(1)</sup>	100.00%	\$ 15,940,256,780 <sup>(1)</sup>	100.00%	\$ 15,491,190,650 <sup>(1)</sup>	100.00%
Less: Total Exemptions/Reductions	2,689,564,540		2,302,479,424		3,097,303,939	
Taxable Assessed Value	\$ 15,094,762,333 <sup>(2)</sup>		\$ 13,637,777,356 <sup>(3)</sup>		\$ 12,393,886,711 <sup>(4)</sup>	

Category	Taxable Appraised Value for Fiscal Year Ended September 30,			
	2016		2015	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 7,637,053,540	55.43%	\$ 7,021,659,004	54.40%
Real, Residential, Multi-Family	895,852,080	6.50%	831,695,350	6.44%
Real, Vacant Lots/Tracts	336,359,539	2.44%	340,387,159	2.64%
Real, Acreage (Land Only)	65,285,680	0.47%	58,878,325	0.46%
Real, Farm and Ranch Improvements	1,293,445	0.01%	3,720,190	0.03%
Real, Commercial	2,858,864,420	20.75%	2,702,363,412	20.93%
Real, Industrial	196,916,170	1.43%	172,885,600	1.34%
Real and Tangible Personal, Utilities	128,803,331	0.93%	128,555,060	1.00%
Tangible Personal, Commercial	983,384,663	7.14%	942,269,570	7.30%
Tangible Personal, Industrial	629,974,320	4.57%	665,788,890	5.16%
Tangible Personal, Other	124,510	0.00%	135,030	0.00%
Real Property, Inventory	2,908,500	0.02%	52,500	0.00%
Special Inventory	40,382,790	0.29%	40,049,000	0.31%
Total Appraised Value Before Exemptions	-	0.00%	-	0.00%
Less: Total Exemptions/Reductions	\$ 13,777,202,988 <sup>(1)</sup>	100.00%	\$ 12,908,439,090 <sup>(1)</sup>	100.00%
Taxable Assessed Value	2,576,176,308		2,459,008,522	
	\$ 11,201,026,680 <sup>(5)</sup>		\$ 10,449,430,568 <sup>(6)</sup>	

NOTE: All valuations shown are certified taxable assessed values reported by the Appraisal Districts to the State Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the Appraisal Districts update records.

(1) Includes Totally Exempt property as reported by Dallas Central Appraisal District, Collin Central Appraisal District and Rockwall Central Appraisal District.

(2) Includes taxable incremental value of approximately \$158,339,512 that is not available for the City's general use.

(3) Includes taxable incremental value of approximately \$133,891,184 that is not available for the City's general use.

(4) Includes taxable incremental value of approximately \$100,977,108 that is not available for the City's general use.

(5) Includes taxable incremental value of approximately \$87,323,362 that is not available for the City's general use.

(6) Includes taxable incremental value of approximately \$79,613,585 that is not available for the City's general use.



**TABLE 3 - VALUATION AND GENERAL OBLIGATION DEBT HISTORY**

Fiscal Year Ended 9/30	Estimated Population <sup>(1)</sup>	Taxable Assessed Valuation <sup>(2)</sup>	Taxable Assessed Valuation Per Capita	Net G.O. Tax Debt Outstanding at End of Year <sup>(3)</sup>	Ratio of Net G.O. Tax Debt to Taxable Assessed Valuation	Net G.O. Tax Debt Per Capita
2015	231,618	\$ 10,449,430,568 <sup>(4)</sup>	\$ 45,115	\$ 249,330,000	2.39%	\$ 1,076
2016	233,206	11,201,026,680 <sup>(5)</sup>	48,031	245,970,000	2.20%	1,055
2017	235,885	12,393,886,711 <sup>(6)</sup>	52,542	234,640,000	1.89%	995
2018	236,786	13,637,777,356 <sup>(7)</sup>	57,595	247,600,000	1.82%	1,046
2019	238,293	15,094,762,333 <sup>(8)</sup>	63,345	206,020,000 <sup>(9)</sup>	1.36% <sup>(9)</sup>	865 <sup>(9)</sup>

(1) Source: Estimates of North Central Texas Council of Governments and the City Planning Department.

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

(3) Does not include self-supporting debt. See "Table 1 – Valuation, Exemptions and General Obligation Debt" and "Table 11 - Computation of Self-Supporting Debt".

(4) Includes taxable incremental value of approximately \$79,613,585 that is not available for the City's general use.

(5) Includes taxable incremental value of approximately \$87,323,362 that is not available for the City's general use.

(6) Includes taxable incremental value of approximately \$100,977,108 that is not available for the City's general use.

(7) Includes taxable incremental value of approximately \$133,891,184 that is not available for the City's general use.

(8) Includes taxable incremental value of approximately \$158,339,512 that is not available for the City's general use.

(9) Projected, subject to change.

**TABLE 4 - TAX RATE, LEVY AND COLLECTION HISTORY**

Fiscal Year Ended 9/30	Tax Rate	General Fund	Interest and Sinking Fund	Tax Levy	% Current Collections	% Total Collections
2015	\$ 0.7046	\$ 0.3940	\$ 0.3106	\$ 73,803,340	99.26%	99.34%
2016	0.7046	0.3940	0.3106	78,610,052	99.26%	99.62%
2017	0.7046	0.3940	0.3106	87,085,959	99.21%	99.56%
2018	0.7046	0.3940	0.3106	95,624,155	99.26%	99.78%
2019	0.7046	0.3940	0.3106	106,357,695	95.68% <sup>(1)</sup>	95.68% <sup>(1)</sup>

(1) Partial collections through February 28, 2019.

**TABLE 5 - TEN LARGEST TAXPAYERS**

Name of Taxpayer	Nature of Property	2018/2019 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
Sprint Spectrum LLP	Telecommunications	\$ 133,736,930	0.89%
Kraft Heinz Food Company	Food manufacturer	108,129,180	0.72%
Simon Property Group	Real estate investor	104,750,000	0.69%
Ragingwire Data Centers Inc.	Data center	91,951,530	0.61%
WRPV XII Firewheel Garland LLC	Real estate investor	70,927,140	0.47%
Worthing Campfire LP	Real estate investor	50,874,730	0.34%
Plastipak Packaging Inc.	Manufacturer	42,892,195	0.28%
Daisy Brand	Food manufacturer	38,703,601	0.26%
Equinox Apartments LLC	Real estate	37,821,900	0.25%
Southwest Seven Oaks	Real estate	30,816,740	0.20%
		\$ 710,603,946	4.71%

**TABLE 6 – ESTIMATED OVERLAPPING DEBT**

Updated information with respect to the City as contained in the “Estimated Overlapping Debt” table of the final official statements of debt issued is contained in other tables of this annual report. Information relating to other taxing entities within the territory of the City that was contained in the “Estimated Overlapping Debt” table of the final official statements has not been updated (as it is not financial information or operating data of the issuer); however, information relating to other taxing entities is contained in individual “Texas Municipal Reports” as published by the Municipal Advisory Council of Texas.

**TABLE 7 - GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS <sup>(1)</sup>**

Fiscal Year Ending 9/30	Outstanding Debt Service			Less: Self- Supporting Debt Service	NET General Obligation Debt Service	% of Principal Retired
	Principal	Interest	Total D/S			
2019	\$ 54,100,000	\$ 17,854,957	\$ 71,954,957	\$ 36,267,703	\$ 35,687,253	
2020	53,390,000	15,953,515	69,343,515	34,740,581	34,602,934	
2021	41,250,000	13,791,465	55,041,465	22,128,081	32,913,384	
2022	38,905,000	11,995,790	50,900,790	20,058,156	30,842,634	
2023	35,335,000	10,316,809	45,651,809	18,682,856	26,968,953	51.84%
2024	34,100,000	8,723,699	42,823,699	17,840,869	24,982,831	
2025	34,730,000	7,117,658	41,847,658	17,821,519	24,026,139	
2026	25,055,000	5,706,313	30,761,313	17,174,406	13,586,906	
2027	25,340,000	4,504,269	29,844,269	17,072,181	12,772,088	
2028	24,620,000	3,317,478	27,937,478	16,941,231	10,996,247	85.28%
2029	20,095,000	2,252,619	22,347,619	16,292,600	6,055,019	
2030	19,420,000	1,309,334	20,729,334	14,746,288	5,983,047	
2031	4,850,000	759,997	5,609,997	126,575	5,483,422	
2032	4,595,000	587,941	5,182,941	128,088	5,054,853	
2033	4,340,000	422,422	4,762,422	124,375	4,638,047	97.67%
2034	3,650,000	281,038	3,931,038	120,769	3,810,269	
2035	3,610,000	162,047	3,772,047	122,256	3,649,791	
2036	1,175,000	81,869	1,256,869	118,669	1,138,200	
2037	915,000	43,622	958,622	26,422	932,200	
2038	685,000	13,700	698,700	25,500	673,200	100.00%
	<u>\$ 430,160,000</u>	<u>\$ 105,196,540</u>	<u>\$ 535,356,540</u>	<u>\$ 250,559,125</u>	<u>\$ 284,797,414</u>	

(1) It is the City's current policy to pay such self-supporting debt from revenues other than ad valorem taxes. However, this policy is subject to change in the future. In the event the City changes its policy or such revenues are not sufficient to make payments on such debt, the City will be required to levy an ad valorem tax sufficient to pay such debt service. See Also "Table 1 – Valuation, Exemption and General Obligation Debt" and "Table 11 – Computation of Self-Supporting Debt".

**TABLE 8 - INTEREST AND SINKING FUND BUDGET PROJECTION <sup>(1)</sup>**

Debt Service Requirements, Fiscal Year Ending 9/30/2019		\$ 71,954,957 <sup>(1)</sup>
Interest and Sinking Fund Balance on 9/30/2018	\$6,556,425	
Budgeted Interest and Sinking Fund Tax Collection	46,485,751	
Budgeted Transfers	36,676,313	
Estimated Investment Income	<u>250,000</u>	<u>\$ 89,968,489</u>
Estimated Balance, Fiscal Year Ending 9/30/2019		\$ 18,013,532

(1) Includes self-supporting debt. See "Table 11 – Computation of Self-Supporting Debt." Projected, subject to change.

**TABLE 9 - AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS**

<u>Authorized Purpose</u>	<u>Date Authorized</u>	<u>Amount Authorized</u>	<u>Heretofore Issued</u>	<u>Unissued Balance</u>
Street Improvements	5/4/1991	\$ 42,496,500	\$ 42,414,612	\$ 81,888
Parks Improvements	5/4/1991	5,144,000	5,084,035	59,965
Public Safety Improvements	5/4/1991	7,226,086	7,183,071	43,015
Various Street Improvements	5/31/1997	67,970,000	66,341,397	1,628,603
Northeast Parkway Street Improvements	5/31/1997	4,240,000	4,240,000	-
Drainage Improvements	5/31/1997	10,570,000	10,502,789	67,211
Library Improvements	5/31/1997	5,890,000	5,877,682	12,318
Park Improvements	5/31/1997	12,370,000	11,039,343	1,330,657
Public Safety Improvements	5/31/1997	19,890,000	19,770,561	119,439
Municipal Facility Improvements	5/31/1997	1,710,000	1,521,000	189,000
Street Improvements	5/15/2004	113,370,000	48,750,627	64,619,373
Drainage Improvements	5/15/2004	28,000,000	16,236,778	11,763,222
Park and Recreation Facilities and Improvements	5/15/2004	21,680,000	6,704,612	14,975,388
Library Facilities	5/15/2004	9,400,000	9,386,179	13,821
Public Safety Facilities	5/15/2004	12,950,000	11,879,591	1,070,409
Municipal Improvements	5/15/2004	11,180,000	3,710,675	7,469,325
Economic Development/Land Acquisition	5/15/2004	3,420,000	2,502,048	917,952
		<b>\$ 377,506,586</b>	<b>\$ 273,145,000</b>	<b>\$ 104,361,586</b>

**TABLE 10 - OTHER OBLIGATIONS**

As of September 30, 2018, the City had no unfunded debt outstanding.

**CAPITAL IMPROVEMENT PROGRAM.** . . . The City Council annually adopts a Capital Improvement Program (the “CIP”) that consists of projects that involve the construction of infrastructure and major facilities and the acquisition of large equipment. The CIP, which is adopted on a calendar-year basis, details expected resources and planned expenditures over a five-year period, lists projects for each capital improvement fund and provides descriptions of projects and funding sources. The CIP budget differs from the City’s operational budget because of its “multi-year” focus, which means that a project can span more than one fiscal year. In approving the CIP, the City Council actually appropriates the funds for the plan year, while approving, in concept, the plan for future years. The CIP is developed for planning purposes and may identify projects that will be deferred or omitted entirely in future years; only projects for the current fiscal year are included in the City’s adopted budget. In addition, as conditions change, new projects may be added that were not identified in the prior year programs.

For 2019, the CIP includes approximately \$277 million in total budgeted expenditures for all City capital projects, including general obligation, water, wastewater and electric projects. The total CIP for the five-year period of 2019-2023 includes approximately \$978.4 million of anticipated capital improvement projects. The City Council adopted CIP document is available on the City website at: <http://www.garlandtx.gov>.

**GENERAL OBLIGATION COMMERCIAL PAPER PROGRAM.** . . Pursuant to an ordinance adopted by the City Council on February 17, 2015, the City authorized a General Obligation Commercial Paper Program pursuant to which the City is authorized to issue commercial paper notes (the “2015 Notes”) for any Authorized Purposes described in Table 9 above, with a total available authorization in the principal amount of \$50,000,000.

There is \$11,000,000 2015 Notes currently outstanding.

The 2015 Notes may be issued for a period of not less than 7 days and not to exceed 270 days and will bear interest upon the specific terms of the 2015 Notes, but not to exceed 15% per annum. The principal of and interest on the commercial paper notes is payable from drawings on a direct pay letter of credit issued by Citibank, N.A. on March 15, 2019 the letter of credit was extended from the original expiration date of March 29, 2019 to March 29, 2021. The 2015 Notes are initially offered by the commercial paper dealer, and proceeds therefrom are used to finance various capital and public improvement projects authorized by the voters. The general types of these projects are set forth under “Table 9- Authorized but Unissued General Obligation Bonds.”

**TABLE 11 – COMPUTATION OF SELF-SUPPORTING DEBT**

	Electric	Water and Sewer	Customer Service	Environmental Waste Service	Fleet Services	Information Technology & Communications	Warehouse	Stormwater	Downtown TIF
Cash and Cash Equivalents Beginning of FY 2018 <sup>(1)</sup>	\$ 25,264,830	\$ 17,218,042	\$ 10,393,070	\$ 1,630,712	\$ 469,034	\$ 5,918,779	\$ -	\$ 643,491	\$ 539,033
Revenues FY 2018 <sup>(2)</sup>	291,082,253	121,117,757	17,212,916	20,062,255	8,839,200	24,999,455	921,922	4,349,910	740,416
Operating Expenses FY 2018 <sup>(3)</sup>	(222,169,714)	(75,803,079)	(15,506,660)	(15,576,684)	(8,438,287)	(16,075,443)	(981,138)	(3,775,975)	(179,874)
Net Available for Debt Service	<u>\$ 94,177,369</u>	<u>\$ 62,532,720</u>	<u>\$ 12,099,326</u>	<u>\$ 6,116,283</u>	<u>\$ 869,947</u>	<u>\$ 14,842,791</u>	<u>\$ (59,216)</u>	<u>\$ 1,217,426</u>	<u>\$ 1,099,575</u>
Revenue Bonds Debt Service FY 2019	\$ 23,766,612	\$ 24,364,727	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Available for Self-Supporting D/S	<u>\$ 70,410,757</u>	<u>\$ 38,167,993</u>	<u>\$ 12,099,326</u>	<u>\$ 6,116,283</u>	<u>\$ 869,947</u>	<u>\$ 14,842,791</u>	<u>\$ (59,216)</u>	<u>\$ 1,217,426</u>	<u>\$ 1,099,575</u>
Self-Supported GO Debt Service FY 2019	\$ 26,389,625	\$ 2,852,550	\$ 2,144,330	\$ 3,506,907	\$ 134,806	\$ 473,198	\$ 5,625	\$ 480,563	\$ 280,100

The amount of self-supporting debt for FY 2017 payable from available revenues of the City is set forth herein. It is the City's current policy to provide these payments from such revenues; provided this policy is subject to change in the future. In the event payment is not made from such revenues, the City will be required to assess an ad valorem tax sufficient to make such payments.

(1) Audited unrestricted cash, rate mitigation funds, and available for debt retirement (not including revenue bonds' reserve funds).

(2) Includes audited investment income and cash related non-operating revenues. Excludes other contributions.

(3) Excludes audited non-cash operating expenses.

## PENSION FUND

### Plan Description

The City provides pension benefits for all of its full-time employees through a non-traditional, joint contributory, hybrid defined benefit plan in the statewide Texas Municipal Retirement System (TMRS), an agent multiple-employer public employee retirement system. A copy of separately audited financial statements of the plan can be obtained from the TMRS internet site ([tmrs.org](http://tmrs.org)) or by writing to Texas Municipal Retirement System, P.O. Box 149153, Austin, Texas 78714-9153.

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 200% of the employee's accumulated contributions. In addition, the City granted 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 for 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/her 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 age 60 and above with five or more years of service or with 20 years of service regardless of age. The plan also provides death and disability benefits. A member is vested after five years, but he/she must leave his/her accumulated contributions in the plan. If a member withdraws his/her own money, he/she is not entitled to the employer-financed monetary credits, even if he/she was vested. 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 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. While the City is required to contribute the statutory rate, as a practical matter, TMRS adopts statutory rates that conform with Generally Accepted Accounting Principles (GAAP). The City discloses the annual pension costs based on the calculated rates per GAAP for the City's fiscal year. The rate per GAAP is 11.11% of covered payroll for the three months in calendar year 2017, and 11.26% for the nine months in calendar year 2018. 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 portion of an active member's projected benefit allocated annually. The prior service contribution rate amortizes the unfunded actuarial liability over the remainder of the plan's amortization period. Both the normal cost and prior service contribution rates include recognition of the projected impact of annually repeating benefits, such as updated service credits and annuity increases. 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.

The City's total payroll in fiscal year 2018 was \$176,256,548 and the City's contributions were based on a payroll of \$148,461,246. Both the City and the covered employees made the required contributions, amounting to \$16,665,242 for the City and \$10,392,286 (7 %) for the employees.

**TABLE 12 - GENERAL FUND REVENUES AND EXPENDITURE HISTORY**

	Fiscal Year Ended September 30,				
	2018	2017	2016	2015	2014
<u>Revenues:</u>					
Taxes	\$ 83,444,868	\$ 78,643,331	\$ 74,251,245	\$ 67,837,856	\$ 64,744,909
Franchise Fees	8,912,728	8,746,777	8,452,280	8,832,022	9,091,491
Service Charges	27,082,445	26,037,157	26,789,030	22,040,585	20,791,739
Licenses and Permits	4,488,052	5,201,460	4,906,892	3,860,441	3,781,703
Interest Revenue	669,993	330,241	231,966	289,176	259,387
Intergovernmental	1,851,230	803,933	820,599	722,230	692,291
Charges for Services	9,819,344	9,426,444	8,975,685	8,576,934	8,002,858
Fines and Forfeitures	7,234,696	8,586,513	7,521,426	6,608,238	6,730,988
Rents and Concessions	771,769	745,942	748,504	829,410	833,456
Total Revenues	\$ 144,275,125	\$ 138,521,798	\$ 132,697,627	\$ 119,596,892	\$ 114,928,822
<u>Expenditures:</u>					
General Government	\$ 11,750,399	\$ 11,396,295	\$ 11,371,688	\$ 10,196,396	\$ 9,763,970
Public Safety	95,537,161	89,743,140	87,878,926	81,633,191	79,341,146
Public Works	27,150,168	22,329,429	22,529,626	20,656,938	19,617,640
Culture and Recreation	16,471,742	15,083,685	14,366,431	13,573,292	13,371,187
Public Health	3,833,685	3,801,719	3,885,801	3,763,652	3,606,072
Non-departmental	27,873,387	24,798,432	26,805,888	23,629,265	20,992,758
Total Expenditures	\$ 182,616,542	\$ 167,152,700	\$ 166,838,360	\$ 153,452,734	\$ 146,692,773
Excess (deficiency) of Revenues Over Expenditures	\$ (38,341,417)	\$ (28,630,902)	\$ (34,140,733)	\$ (33,855,842)	\$ (31,763,951)
<u>Other Financing Sources (Uses):</u>					
Sale of Capital Assets	\$ 23,888	\$ 312,911	\$ 70,771	\$ 167,619	\$ 137,275
Operating Transfers - Net	38,052,441	36,467,410	35,374,186	33,703,336	33,092,475
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	\$ (265,088)	\$ 8,149,419	\$ 1,304,224	\$ 15,113	\$ 1,465,799
Beginning Fund Balance	35,198,425	27,049,006	25,744,782	25,729,669	24,263,870
Ending Fund Balance	\$ 34,933,337	\$ 35,198,425	\$ 27,049,006	\$ 25,744,782	\$ 25,729,669

**TABLE 12A – CHANGES IN NET ASSETS**

	For Fiscal Year Ended September 30,				
	2018	2017	2016	2015	2014
Revenues:					
Program Revenues:					
Charges for Services	\$ 486,456,246	\$ 465,808,779	\$ 462,816,924	\$ 508,477,260	\$ 534,069,496
Operation Grants and Contributions	15,409,934	17,156,144	15,090,766	14,640,650	14,290,332
Capital Grants and Contributions	14,657,978	16,006,622	10,911,616	4,374,021	1,513,276
General Revenues:					
Property Taxes	95,795,752	87,329,443	79,069,419	74,345,310	71,507,322
Sales Taxes	30,129,008	29,894,875	30,234,776	26,497,069	24,667,765
Other Taxes	10,845,365	10,650,995	10,295,965	10,360,759	10,421,218
Unrestricted Interest Earnings	5,529,408	3,078,959	2,585,177	2,644,942	2,161,264
Miscellaneous	2,134,540	2,002,037	2,841,320	4,490,248	2,207,770
Total Revenues	\$ 660,958,231	\$ 631,927,854	\$ 613,845,963	\$ 645,830,259	\$ 660,838,443
Expenses:					
General Government	\$ 34,425,497	\$ 33,421,800	\$ 32,857,828	\$ 28,672,583	\$ 27,639,946
Public Safety	108,420,934	107,419,896	103,855,466	93,438,294	91,105,170
Public Works	42,764,067	39,356,985	46,703,808	42,473,055	41,893,889
Culture and Recreation	24,323,627	24,743,188	24,405,765	21,780,835	20,820,273
Public Health	4,405,451	4,682,394	4,819,386	4,401,399	4,105,273
Interest and Fiscal Charges	7,339,076	8,391,567	8,833,481	8,323,617	9,696,538
Electric	259,269,873	282,989,503	281,386,514	319,583,367	344,969,100
Water	64,111,798	58,299,626	54,403,015	48,965,136	46,952,415
Sewer	38,352,152	37,321,258	36,662,146	35,609,533	36,080,645
Golf	4,583,422	5,080,114	4,926,096	4,808,720	4,738,094
Heliport	5,315	5,344	5,350	5,351	5,329
Storm Water Management	4,292,213	3,842,023	3,878,831	3,949,180	3,996,717
Parks Performance	1,248,760	1,259,287	1,233,076	1,113,223	1,031,470
Sanitation	18,485,025	17,841,828	17,786,836	17,085,912	17,415,020
Total Expenses	\$ 612,027,210	\$ 624,654,813	\$ 621,757,598	\$ 630,210,205	\$ 650,449,879
Increase in Net Position Before Transfers	\$ 48,931,021	\$ 7,273,041	\$ (7,911,635)	\$ 15,620,054	\$ 10,388,564
Transfers	-	-	-	-	-
Increase in Net Position	48,931,021	7,273,041	(7,911,635)	15,620,054	10,388,564
Net Position - Beginning	843,154,282	835,881,241	843,792,876	828,172,822 <sup>(1)</sup>	799,208,351 <sup>(2)</sup>
Cummulative effect of change in accounting principal	(47,479,959)	-	-	-	-
Net Position beginning - restated	795,674,323				
Net Position - Ending	\$ 844,605,344	\$ 843,154,282	\$ 835,881,241	\$ 843,792,876	\$ 809,596,915

(1) Restated

(2) Cumulative effect of change in accounting principle.



**TABLE 13 - MUNICIPAL SALES TAX HISTORY**

Fiscal Year Ended 9/30	Total Collected	(1)	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita (2)
2015	\$ 26,497,069		35.90%	\$ 0.2536	\$ 113.62
2016	30,234,776		38.46%	0.2699	129.65
2017	29,894,875		34.33%	0.2412	126.73
2018	30,129,008		31.51%	0.2209	127.24
2019	10,596,305	(3)	9.96%	0.0702	44.47

(1) As reported by the CAFR.

(2) Source: Estimates of North Central Texas Council of Governments and the City Planning Department.

(3) As reported by the City Staff. Partial collections through February 2019.

**TABLE 14 - CURRENT INVESTMENTS**

As of February 28, 2019 the following percentages of the City's investable funds were invested in the following categories of investments:

Type of Investments	Book Value Amount	Percent
US Treasury Coupon Securities	\$ 4,988,520	1.00%
Federal Agency Coupon Securities	209,227,467	41.76%
Certificates of Deposit	6,005,212	1.20%
Investment Pool	280,761,091	56.04%
	<u>\$ 500,982,290</u>	<u>100.00%</u>

**CITY OF GARLAND, TEXAS  
2018 ELECTRIC UTILITY REVENUE DEBT REPORT**

**TABLE B-1 - ELECTRIC RATE SCHEDULES OF THE CITY (EXCLUDES RECOVERY ADJUSTMENT FACTOR) (1)**

<b>Residential Service Rate</b>			
Customer Charge	\$ 5.34	Per Month	
November/May	0.0528	Per kWh 0-600 kWh, \$0.037	All Over 600 kWh
June/October	0.0561	Per kWh	
<b>General Service - Small (0-20 kW Demand)</b>			
Customer Charge	\$ 11.55	0 / 2,000	All over 2,000
All months		\$0.0602 per kWh	\$0.0549 per kWh

**General Service - Large (20 kW and Greater Demand)**

Energy :		Demand:		Demand:	
		November/April		May/October	
0-60,000 kWh	\$0.0276 Per kWh	First 200 kW	\$6.88 Per kW	0-200 kW	\$8.53 Per kW
All over 60,000	\$0.0235 Per kWh	All over 200 kW	\$6.33 Per kW	All over 200 kW	\$7.98 Per kW

<b>Public Institutional Electric Service Rate</b>		<b>High Tension Service Rate (5,000 kW and Greater Demand)</b>	
Customer Charge	\$19.25	Energy	
November/April	\$0.0413 Per kWh	0-6,000,000	\$0.0056 Per kWh
May/October	\$0.0520 Per kWh	Over 6,000,000	\$0.0033 Per kWh
		Demand Charge	\$8.25 Per kWh

(1) The recovery adjustment Factor is a charge per kWk that allows the system to recover costs not recovered by base rates. The managing director of the system has the authority to set the recover adjustment factor on a monthly basis.

**TABLE B-2 - ENERGY SALES AND CUSTOMER INFORMATION OF THE CITY (FISCAL YEAR ENDED 9-30) <sup>(1)</sup>**

Type of Customer	2018					
	Energy Sales		Number of	Energy Sales		Number of
	(kWh)	Revenues		(kWh)	Revenues	
Residential	942,162,794	\$ 97,233,842	64,404			
Commercial	817,492,590	74,670,784	6,552			
Industrial	240,670,362	11,213,575	8			
Total	<u>2,000,325,746</u>	<u>\$ 183,118,201</u>	<u>70,964</u>			

Type of Customer	2017			2016		
	Energy Sales	Revenues	Number of	Energy Sales	Revenues	Number of
	(kWh)			Meters		
Residential	854,421,732	\$ 88,013,063	63,443	874,231,423	\$ 89,178,594	63,084
Commercial	792,251,777	72,647,933	6,480	786,353,677	72,158,434	6,441
Industrial	240,659,336	11,646,997	6	263,900,394	14,100,355	8
Total	<u>1,887,332,845</u>	<u>\$ 172,307,993</u>	<u>69,929</u>	<u>1,924,485,494</u>	<u>\$ 175,437,383</u>	<u>69,533</u>

Type of Customer	2015			2014		
	Energy Sales	Revenues	Number of	Energy Sales	Revenues	Number of
	(kWh)			Meters		
Residential	925,369,465	\$ 100,921,513	63,102	934,941,388	\$ 101,136,584	62,868
Commercial	794,787,473	78,303,778	6,382	786,709,303	77,902,262	6,387
Industrial	276,492,608	16,187,119	7	267,933,253	16,806,413	7
Total	<u>1,996,649,546</u>	<u>\$ 195,412,410</u>	<u>69,491</u>	<u>1,989,583,944</u>	<u>\$ 195,845,259</u>	<u>69,262</u>

(1) Excludes wholesale energy customers.

**TABLE B-3 - ENERGY PRODUCTION OF THE CITY (FISCAL YEAR 9-30)**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Owned Capacity (MW)	523	526	530	530	530
Firm Purchase Capacity (MW) <sup>(1)</sup>	221	221	221	221	221
Retail Wind / Solar PPAs (MW)	210	210	100	50	-
Retail Peak Demand (MW)	479	441	481	473	443
Wholesale Wind / Solar PPAs (MW)	236	236	-	-	-

(1) Represents generation capacity from Gibbons Creek. Effective October 17, 2017, Gibbons Creek entered into a seasonal operations mode, operating during the summer months only (June- September). The City and the cities of Bryan and Denton agreed to proratably assume the city of Greenville's portion of Gibbons Creek's output after September 1, 2018 through September 30, 2018. The City's portion of Gibbon Creek's output during this period was 52.2%. Effective October 1, 2018, none of the Member Cities, including the City, elected to extend the TMPA agreement. Each of the Member Cities has the right to enter into a new power sales contract with TMPA for receipt of power from TMPA.

**TABLE B-4-ELECTRIC SYSTEM REVENUE DEBT SERVICE REQUIREMENTS**

Fiscal Year Ending 9/30	Outstanding Prior Lien Debt Service			Outstanding New Series Debt Service			Total Electric Utility Syst. Revenue Debt Service	% of Principal Retired
	Principal	Interest	Total D/S	Principal	Interest	Total D/S		
2019	\$ 3,635,000	\$ 966,488	\$ 4,601,488	\$ 7,515,000	\$ 11,650,124	\$ 19,165,124	\$ 23,766,612	
2020	3,445,000	825,688	4,270,688	10,750,000	14,213,681	24,963,681	29,234,369	
2021	3,585,000	685,263	4,270,263	11,280,000	13,688,606	24,968,606	29,238,869	
2022	3,730,000	538,462	4,268,462	11,830,000	13,123,956	24,953,956	29,222,419	
2023	3,880,000	384,962	4,264,962	12,435,000	12,517,331	24,952,331	29,217,294	21.31%
2024	2,895,000	257,456	3,152,456	13,045,000	11,909,431	24,954,431	28,106,888	
2025	1,755,000	182,288	1,937,288	12,070,000	11,316,506	23,386,506	25,323,794	
2026	485,000	144,025	629,025	12,275,000	10,713,731	22,988,731	23,617,756	
2027	510,000	119,150	629,150	11,195,000	10,126,981	21,321,981	21,951,131	
2028	535,000	93,025	628,025	11,550,000	9,558,356	21,108,356	21,736,381	40.91%
2029	565,000	66,938	631,938	11,135,000	8,991,231	20,126,231	20,758,169	
2030	590,000	40,950	630,950	11,700,000	8,420,356	20,120,356	20,751,306	
2031	615,000	13,838	628,838	12,305,000	7,820,231	20,125,231	20,754,069	
2032	-	-	-	12,940,000	7,189,106	20,129,106	20,129,106	
2033	-	-	-	13,600,000	6,525,606	20,125,606	20,125,606	59.66%
2034	-	-	-	14,285,000	5,832,756	20,117,756	20,117,756	
2035	-	-	-	8,025,000	5,296,581	13,321,581	13,321,581	
2036	-	-	-	8,410,000	4,916,381	13,326,381	13,326,381	
2037	-	-	-	8,815,000	4,513,056	13,328,056	13,328,056	
2038	-	-	-	6,310,000	4,175,256	10,485,256	10,485,256	73.21%
2039	-	-	-	6,580,000	3,906,881	10,486,881	10,486,881	
2040	-	-	-	6,890,000	3,597,606	10,487,606	10,487,606	
2041	-	-	-	7,235,000	3,244,481	10,479,481	10,479,481	
2042	-	-	-	7,605,000	2,882,075	10,487,075	10,487,075	
2043	-	-	-	7,970,000	2,510,197	10,480,197	10,480,197	83.93%
2044	-	-	-	8,375,000	2,110,475	10,485,475	10,485,475	
2045	-	-	-	8,770,000	1,718,575	10,488,575	10,488,575	
2046	-	-	-	9,140,000	1,345,775	10,485,775	10,485,775	
2047	-	-	-	9,530,000	957,025	10,487,025	10,487,025	
2048	-	-	-	9,935,000	551,575	10,486,575	10,486,575	97.45%
2049	-	-	-	8,615,000	172,300	8,787,300	8,787,300	100.00%
	<u>\$ 26,225,000</u>	<u>\$ 4,318,531</u>	<u>\$ 30,543,531</u>	<u>\$ 312,115,000</u>	<u>\$ 205,496,234</u>	<u>\$ 517,611,234</u>	<u>\$548,154,765</u>	

**TABLE B-5 - ELECTRIC SYSTEM REVENUE SUPPORTED GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS**

Fiscal Year Ending 9/30	Outstanding Electric Util. Syst. Rev. Supported General Obligation Debt Service			Total Electric Syst. Revenue Supported G.O. Debt Service	% of Principal Retired
	Principal	Interest	Total D/S		
2019	\$ 19,155,000	\$ 7,234,625	\$ 26,389,625	\$ 26,389,625	
2020	20,140,000	6,252,250	26,392,250	26,392,250	
2021	9,165,000	5,519,625	14,684,625	14,684,625	
2022	9,570,000	5,051,250	14,621,250	14,621,250	
2023	10,060,000	4,560,500	14,620,500	14,620,500	44.08%
2024	10,570,000	4,044,750	14,614,750	14,614,750	
2025	11,115,000	3,502,625	14,617,625	14,617,625	
2026	11,680,000	2,937,750	14,617,750	14,617,750	
2027	12,275,000	2,343,875	14,618,875	14,618,875	
2028	12,905,000	1,714,375	14,619,375	14,619,375	81.98%
2029	13,570,000	1,052,500	14,622,500	14,622,500	
2030	14,265,000	356,625	14,621,625	14,621,625	100.00%
	<u>\$ 154,470,000</u>	<u>\$ 44,570,750</u>	<u>\$ 199,040,750</u>	<u>\$ 199,040,750</u>	

**TABLE B-6 - CONDENSED STATEMENT OF OPERATIONS**

	Fiscal Year Ended September 30,				
	2018	2017	2016	2015	2014
<u>Operating Revenues</u>					
Charges for Services <sup>(1)</sup>	\$ 287,169,337	\$ 279,846,202	\$ 278,334,789	\$ 338,473,487	\$ 376,657,906
Other	1,353,744	606,519	635,617	705,531	725,327
Total Operating Revenues	<u>\$ 288,523,081</u>	<u>\$ 280,452,721</u>	<u>\$ 278,970,406</u>	<u>\$ 339,179,018</u>	<u>\$ 377,383,233</u>
<u>Operating Expenses:</u>					
Salaries and Benefits <sup>(2)</sup>	\$ 23,599,855	\$ 23,444,359	\$ 23,868,980	\$ 22,716,785	\$ 21,469,028
Demand Charges	38,599,035	39,238,135	43,401,416	66,456,406	49,209,149
Energy and Fuel Purchases <sup>(3)</sup>	129,119,453	123,502,208	119,278,782	167,388,110	214,756,435
Maintenance Repairs and Supplies	10,758,526	11,074,271	12,352,272	10,978,668	11,232,868
Insurance and Other Expenses	3,142,116	2,647,610	3,056,069	3,280,124	3,859,840
Insurance Claims Payable <sup>(4)</sup>	358,571	253,336	268,008	302,682	305,748
General and Administrative	16,592,158	13,898,390	13,109,511	12,157,156	12,121,668
Total	<u>\$ 222,169,714</u>	<u>\$ 214,058,309</u>	<u>\$ 215,335,038</u>	<u>\$ 283,279,931</u>	<u>\$ 312,954,736</u>
<u>Non Operating Revenues</u>					
Intergovernmental	\$ -	\$ 609,323	\$ 86,952	\$ -	\$ -
Gain (loss) on Derivative Investment	(65,125)	48,946	-	-	-
Other	-	110,000	1,273,903	400,000	-
Investment Income	2,559,172	1,678,712	1,405,124	1,531,555	1,238,380
Total Non Operating Revenues	<u>\$ 2,494,047</u>	<u>\$ 2,446,981</u>	<u>\$ 2,765,979</u>	<u>\$ 1,931,555</u>	<u>\$ 1,238,380</u>
Net Available for Debt Service	\$ 68,847,414	\$ 68,841,393	\$ 66,401,347	\$ 57,830,642	\$ 65,666,877
Debt Service Requirements	\$ 18,662,064	\$ 17,070,660	\$ 15,969,726	\$ 15,130,446	\$ 9,929,481
Debt Service Coverage <sup>(5)</sup>	3.69x	4.03x	4.16x	3.82x	6.61x
Electric Meters	70,964	69,929	69,533	69,491	69,262

(1) The increase in FYE 2014 Charges for Services from FYE 2013 was primarily a result of the City's addition of two (2) new wholesale customers and the increase in load from an existing wholesale customer.

(2) Excludes actuarial determined pension expense.

(3) The increase in FYE 2014 Energy and Fuel Purchases from FYE 2013 was primarily a result of the City's addition of two (2) new wholesale customers and the increase in load of an existing wholesale customer.

(4) Excludes actuarial determined Other Post Employment Benefit (OPEB) expense.

(5) Excludes transfers from Rate Mitigation Fund, Depreciation, and Amortization of Other Assets. As of January 15, 2019, the City has \$154,700,000 aggregate principal amount of general obligation debt outstanding that it considers to be self-supporting from the surplus net revenues of the System (the "Self-Supporting GO Debt"). Other than a de minimis \$1,000 pledge of net revenues to a portion of the outstanding Self-Supporting GO Debt (\$120,395,000), the Net Revenues of the System ARE NOT pledged in any manner to the Self-Supporting GO Debt. However, \$23,140,000 of the outstanding Self-Supporting GO Debt are secured in part by a pledge of the surplus net revenues of the System, such pledge being subordinate in all respects to the pledge of net revenues of the System to the City's outstanding Prior Lien Bonds, Bonds Similarly Secured (subordinate lien) and the System's Series 2018 Notes and Drawdown Notes, and any additional bonds or obligations issued in the future and secured by a pledge of the net revenues of the System. Nevertheless, it is the City's current intention to pay the Self-Supporting GO Debt, from annual transfers of surplus net revenues of the System. The existing average annual debt service (2019-2030) on the Self-Supporting GO Debt is \$16,586,729 and the existing maximum annual debt service is \$26,392,650 in the fiscal year ending September 30, 2020. The final maturity of the outstanding Self-Supporting GO Debt is during the fiscal year ending September 30, 2030.

**TABLE B-7 - COVERAGE AND FUND BALANCES**

All System REVENUE Debt Average Annual Principal and Interest Requirements, 2019-2049	\$ 17,682,412
Coverage of Average Annual Requirements by Unaudited 2018 Net Available for Debt Service	3.89x
All System REVENUE Debt Maximum Annual Principal and Interest Requirements, 2021	\$ 29,238,869
Coverage of Maximum Requirements by Unaudited 2018 Net Available for Debt Service	2.35x
Prior Lien Bonds Outstanding as of 3/15/2019	\$ 22,590,000
New Series Bonds Outstanding as of 3/15/2019	305,105,000
Electric Utility System Commercial Paper Notes Outstanding as of 3/15/2019 <sup>(1)</sup>	<u>31,970,000</u>
TOTAL Projected Electric Utility System Revenue Bonds	<u>\$ 359,665,000</u>
Debt Service Reserve Fund Balance, 3/15/2019 <sup>(2)</sup>	\$ -

- (1) Maximum amount of the Electric Utility System Commercial Paper Notes, Series 2018 that can be issued is \$80,000,000. The Series 2018 commercial paper notes are subordinate to the Prior Lien Bonds and the New Series Bonds..
- (2) The City is not required to have a reserve fund for the Bonds Similarly Secured (or New Series Bonds) unless the revenue debt coverage dips below 1.50x. The City may fund such reserve fund with a surety bond.

**TABLE B-8 - VALUE OF THE SYSTEM**

	For Fiscal Year Ended September 30,				
	2018	2017	2016	2015	2014
Electric System	\$ 734,131,307	\$ 582,545,662	\$ 557,422,051	\$ 530,684,333	\$ 521,842,370
Land	26,756,449	13,974,571	15,514,169	10,696,211	10,030,714
Total Value	<u>\$ 760,887,756</u>	<u>\$ 596,520,233</u>	<u>\$ 572,936,220</u>	<u>\$ 541,380,544</u>	<u>\$ 531,873,084</u>
Less: Accumulated Depreciation	213,868,225	202,752,669	192,910,899	183,140,184	176,029,001
	<u>\$ 547,019,531</u>	<u>\$ 393,767,564</u>	<u>\$ 380,025,321</u>	<u>\$ 358,240,360</u>	<u>\$ 355,844,083</u>
Plus: Construction in Progress	18,805,171	116,701,729	32,650,155	18,035,063	12,290,960
Net Property, Plant and Equipment	<u>\$ 565,824,702</u>	<u>\$ 510,469,293</u>	<u>\$ 412,675,476</u>	<u>\$ 376,275,423</u>	<u>\$ 368,135,043</u>

**TABLE B-9 - CITY'S EQUITY IN SYSTEM**

	For Fiscal Year Ended September 30,				
	2018	2017	2016	2015	2014
Net Property, Plant and Equipment	\$ 565,824,702	\$ 510,469,293	\$ 412,675,476	\$ 376,275,423	\$ 368,135,043
Cash and Investments	199,374,263	229,689,291	243,959,273	237,791,963	253,693,775
Other Assets	148,529,552	142,442,936	172,436,913	224,967,215	169,251,626
Total Assets	\$ 913,728,517	\$ 882,601,520	\$ 829,071,662	\$ 839,034,601	\$ 791,080,444
Revenue Bonds Payable	\$ 210,360,928	\$ 193,711,249	\$ 164,511,826	\$ 175,362,237	\$ 185,654,342
General Obligation Bonds Payable	11,319,535	17,626,605	23,893,916	29,934,272	36,327,775
Certificates of Obligation Payable	149,022,448	163,297,391	177,430,483	191,585,219	135,738,125
Variable Notes	159,440,000	123,280,000	69,910,000	25,000,000	-
Other Liabilities	35,698,566	40,239,731	29,970,916	32,584,561	40,056,061
Total Liabilities	\$ 565,841,477	\$ 538,154,976	\$ 465,717,141	\$ 454,466,289	\$ 397,776,303
City's Equity in System	\$ 347,887,040	\$ 344,446,544	\$ 363,354,521	\$ 384,568,312	\$ 393,304,141
Percent Equity in System	38.16%	39.02%	43.83%	45.83%	49.72%