

LORENA TIRZ #1

EAST

Semi-Annual Report

July 2017 –December 2017

PROGRESS-TIRZ #1 #EAST PHASE I SANITARY SEWER TRUNK LINE

- Initial Project of the TIRZ
 1. Sanitary Sewer Trunk Line design is complete
 2. Construction started in October 30, 2017
 3. Sewer Line Project to be completed by August, 2018
- The initial Sanitary Sewer Trunk line is 3 miles in length
 1. Gravity lines
 2. Lift Station
 3. Force main
 4. Gravity lines

PROGRESS-TIRZ #1 EAST BASIN G EXPANSION

- Amended TIRZ # 1 East Project Plan & Financial Plan completed
- Economic Development Agreements between City, County and TIRZ for the expansion adopted in December
- Sanitary Sewer Engineering Design & Engineering Program Management Agreements approved in December.
- Design to be complete in April, 2018.
- Construction to be completed in December 2018.

Tax Increment Reinvestment Zone Number One East, as amended,

City of Lorena and McLennan County 381 Areas

Semi-Annual Report

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ORGANIZATIONAL BACKGROUND

1. Lorena TIRZ #1 East established through City of Lorena Ordinance, adopted November 17, 2014. The ordinance also adopted project and financing plans and established a 7-member Board of Directors; 3 from Lorena City Council, 2 from Lorena Economic Development Corporation, 1 from McLennan County Commissioners Court, and 1 from the property owners in the Zone.
2. Master Economic Development Agreement, adopted in June 2015, between the City of Lorena, McLennan County, and the Lorena Economic Development Corporation (EDC), established the 70% tax incremental participation by the County and the EDC with the City for incremental sales and use taxes plus property taxes for the TIRZ #1 East. This agreement was expanded with a second and similar agreement in December of 2018 to include the Expanded Basin G area.
3. McLennan County Economic Development program project agreement, established in June, 2015, granted to the City of Lorena incremental sales and use taxes and property taxes from development within the County 381 East Area and the TIRZ #1 East Zone. This agreement was expanded with a second and similar agreement in December of 2017 to include the Expanded Basin G area.
4. Organizational Meeting of TIRZ was held on June 29, 2015 electing officers and approving the TIRZ #1 East and 381 East areas project plan and financing plan.

The TIRZ #1 East Board of Directors Officers and Directors for this Report period continues from the past reports with no changes and includes:

- Chairman.....Mayor Pro-Tem Bill Coleman (Lorena City Council)
- Vice Chairman.....McLennan County Commissioner Kelly Snell
- Secretary.....Mayor Chuck Roper (Lorena City Council)
-Alderman J Fagner (Lorena City Council)
-David Anderton (Lorena EDC)
-John Johnston (Lorena EDC)
-William Callan (Property Owner in the Zone)

The following firms provide professional services to the TIRZ Board of Directors:

- Law Office of Cary L. Bovey, PLLC as legal advisors
- Mundo and Associates, Inc. as TIRZ administrators and engineering program managers
- Kasberg, Patrick & Associates, LP (KPA) as design engineers for the sanitary sewer trunk line

A. PROGRESS OF THE INITIAL SANTARY SEWER TRUNK LINE DESIGN AND CONSTRUCTION PLANS

Principal purpose of the Tax Increment Reinvestment Zone is the financing of public improvements which will attract private investment and development to an area challenged for such activity. The Lorena TIRZ #1 East Board has chosen the development of the sanitary sewer trunk line as its initial public improvement.

- The engineering design for this initial project was completed by KPA in September, 2017 within budget.
- Mundo and Associates, Inc. performed the Sanitary Sewer Project Program Management of the

Tax Increment Reinvestment Zone Number One East, as amended,

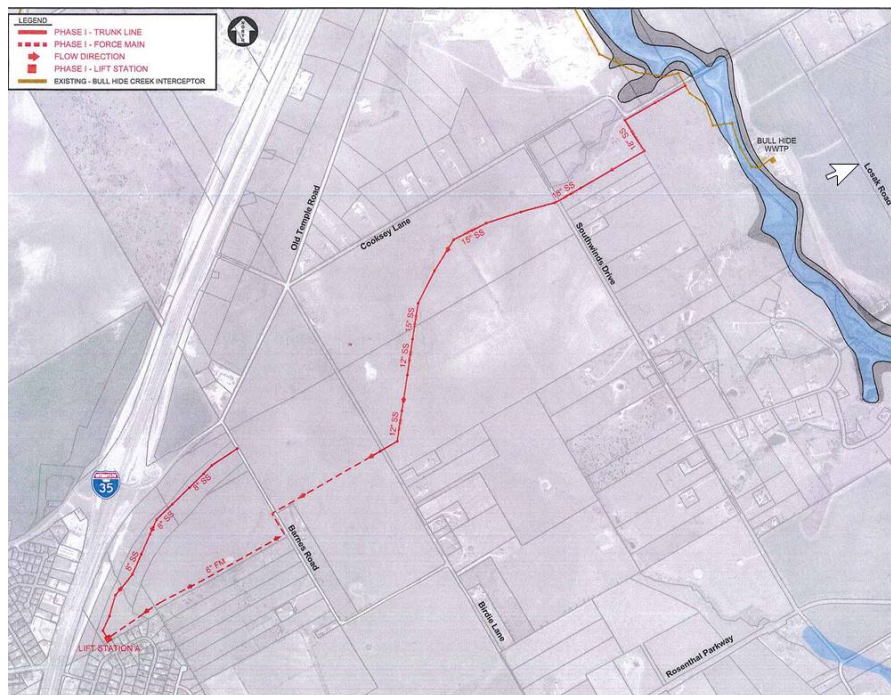
City of Lorena and McLennan County 381 Areas

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design oversight, project management, advertising, bidding process, construction activities oversight and contract management as well as reporting on behalf of the TIRZ Board. Bidding process was completed in September, 2017. Construction contract awarded October, 2017. Construction expected to be complete in August of 2018.

- This initial public infrastructure project includes 3 miles of sanitary sewer trunk line and a lift station. The project includes 3,280 feet of gravity line along IH-35, then the lift station followed by 4,980 feet of force main to the peak north of Birdie Lane, followed by 1,700 feet of 12 inch line, 3,000 feet of 15-inch line and 2,720 feet of 18-inch line ending at the WMARSS-Bull Hide treatment plant.



B. FINANCING OF THE PHASE I SANITARY SEWER TRUNK LINE PROJECT

- The City of Lorena established a Tax Increment Fund in January of 2016 and provided a reimbursable sum of \$40,000 for the payment of the preliminary sanitary sewer trunk line engineering and program management expenditures.
- The City of Lorena issued Certificates of Obligation in January of 2017 in which the TIRZs #1 East received \$2,425,000 for the project.
- As per development agreement, the City of Lorena has agreed to pay a portion of the initial annual principal and interest for a total of \$265,450 between 2017 and 2024. As TIRZ #1 East revenues increase this \$265,450 is eligible for reimbursement.
- As per development agreement, the Lorena Economic Development Corporation has agreed to pay a portion of the initial annual principal and interest for a total of \$265,450 between 2017

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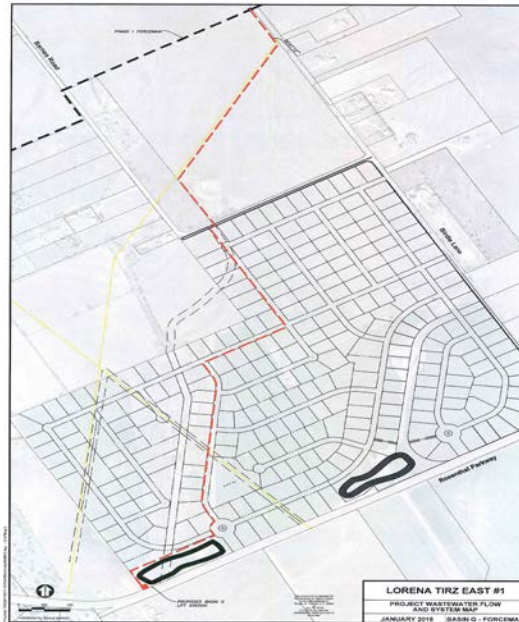
July - December 2017

and 2024. As TIRZ #1 East revenues increase this \$265,450 is eligible for reimbursement.

- As per development agreements three private sector participating landowners have agreed to pay a total of \$635,300 for initial debt payments between 2017 and 2024. As TIRZ #1 East revenues increase this \$635,300 is eligible for reimbursement.
- The Tax Increment Fund is not expected to receive significant property tax funds in the 2015-2016 fiscal year nor the 2016-2017 fiscal year as there was no substantial incremental increase in development due to a lack of sanitary sewer thus no increase in appraised value from which to receive incremental pledged funds at rate of 70% of the incremental increase.
- It should be noted that the Tax Increment Fund is not expected to receive sales tax until the Texas Comptroller's Office is able to release a report of sales tax in the TIRZ. Texas law does not allow such a report for less than 4 sales tax payers in the TIRZ. There has been no new sales tax generating businesses located in the TIRZ in 2015-2017 nor is there anticipated that a new sales tax generating business will located in the TIRZ until after completion of the sanitary sewer trunk line. Completion of the trunk line is expect in August of 2018.
 - The Texas Comptroller Report Form 50-806 and End of F& 2016-17 Balance Sheet & Financial Report is attached (pages 11 and 17 respectively).
 - A Dec 2017 Balance sheet & Financial Report is attached. (see page 13)
- It is anticipated, as per the Financing Plan that once the sanitary sewer trunk line is available, commercial and residential development within the TIRZ will begin to generate property and sales tax revenues sufficient to pay expenditures of the TIRZ including principal and interest on the certificates of obligation for the \$2,425,000. The breakeven point in the Financing Plan is estimated at the end of 2024.

C. TIRZ #1 EAST AMENDED BY ADDING EXPANDED BASIN G

- In July, 2017 a development agreement with Loera Home Builders was agreed to that would facilitate development of 260 homes of an average value of \$450,000. The initial 5 homes would be completed by January 31, 2019. The residential subdivision would be voluntarily annexed into the City of Lorena. The TIRZ #1 East would build a Phase II sanitary sewer force main and lift station that would connect the Loera Subdivision with the Phase I sanitary sewer line project. Loera Home Builders will build the water and sanitary sewer lines to serve the individual lots.
- Additional properties were included in the TIRZ #1 East Amendment that could also be served through the Phase II sanitary sewer line force main and lift station.
- Included with the report is a spreadsheet of the Tax Parcel Tabulations for Lorena TIRZ #1 East including the 310.81 acres of the amendment to TIRZ #1 East (see page 9).
- Included here within this report on page 5 is a graphic illustration of the proposed Phase II sanitary sewer force main and lift station within the Loera Subdivision.
- The TIRZ #1 East Amended Project Plan and Financial Plan was completed in November 2017.
- The TIRZ #1 East Amendment was approved by the City of Lorena in December 2017.



D. FINANCING OF THE EXPANDED BASIN G PHASE II SANITARY SEWER TRUNK LINE PROJECT

- The Loera Homebuilders Company has agreed to contribute to the City at total of \$500,000 toward the Trunk Line Sanitary Sewer Project including an initial payment of \$55,000 at the time of the August 2017 agreement.
- The TIRZ agrees to assist the City to fund the project and to construct the Trunk Line Sanitary Sewer Project by December 31, 2018.
- The City of Lorena agrees to fund \$75,000 for an extension of the water line to the subdivision.

E. TIRZ AREA DEVELOPMENT, BUSINESS LOCATION AND EMPLOYMENT CREATION

- Efforts during this reporting period were spent with area residential development interests and regional land development interests.
- Two of the landowners within the TIRZ are committed by their agreements to start residential and commercial development no later than December 2021. Residential development will consist of a minimum of 15 residential lots each or 5 acres of commercial development each.
- Mitchell/Tully Group has agreed to begin development of a minimum of 6 acres within 12 months of the completion of the sanitary sewer trunk line project. The Group is developing a concept plan for their entire property.
- The Lorena Economic Development Corporation actively markets the TIRZ attending area trade shows including the North Texas Commercial Association of Realtors Trade Show and the International Council of Shopping Center Texas Deal Making Show to expand the awareness of this TIRZ #1 East development opportunities.

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- A groundbreaking ceremony to expand project awareness was held on November 28, 2017 to denote the start of the Phase I sanitary sewer line project. A copy of the Waco Tribune Herald front page coverage of this ceremony is attached.

TIRZ BOARD OF DIRECTORS MEETINGS SUMMARIZED

The TIRZ #1 East Board of Directors holds monthly meetings – generally on the first Monday of each month at the City of Lorena City Hall - open to the public and with Agendas publicly posted in accordance with the Texas Open Meetings Act. During this Report Period the following Board meetings were held:

- July 10, 2017 at 6:30 pm: Update report was present on the sanitary sewer line design noting the design was on schedule to be completed in August, 2017. A proposed developer agreement with Loera Home Builders was approved, however there was some conditions to the approval. The financial report was reviewed and approved as well as payment of bills.
- July 14, 2017 at 6:30 p.m. This called meeting included discussion of the sanitary sewer line design progress. The proposed developer agreement with Loera Home Builders was approved with a \$500,000 contribution for the Basin G sanitary sewer line by Loera Home Builders and a \$75,000 contribution by the City of Lorena toward the cost of a water line extension to the Loera property.
- August 7, 2017 at 6:30 pm: Meeting included updates and report that the design for the sanitary sewer gravity line segments was 95% complete, that the design of the force main was 95% complete and the design of the lift station was 80% complete. All required permitting was 100% complete. Advertisement and bidding to occur in September with bid opening in September as well and with bid award expected to be on 10/2/17. The Board agreed to authorize the preparation of the TIRZ amended Project Plan and Financing plan. The semi-annual report was reviewed. The financial report was approved as well as payment of bills.
- August 24, 2017 at 6:00 p.m. This called meeting was held to sign the developer agreement by and among the City of Lorena, Texas, Lorena Tax Increment Reinvestment Zone #1 East and Loera Home Builders.
- September 11, 2017 at 6:30 pm: Meeting included updates and report that the design for the sanitary sewer line project was on schedule with the design of the gravity lines, force main and lift station complete and the construction plan set was complete as well. The design project was advertised on 9/1/17 with a pre-bid conference scheduled for 9/13/17. Bids to be opened on 9/26/17. It was recommended that the Loera property should be annexed by the City. The financial report and payment of bills were approved. Discussion was held on plans for the amendment to the FY 2016-2017 budget which was approved and the FY 2017-2018 annual budget that was also approved. The financial report was approved as well as the payment of bills.
- October 2, 2017 at 6:30 pm: Meeting included updates on the sanitary sewer line project design pre-bid conference and that 10 bids were received, opened, read, and recorded at City Hall on 9/26/17. The low bid was from Bruce Flanigan Construction, Inc. of Belton, Texas in the amount of \$1,845.845. The Board of Directors moved to recommend to City Council the

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contract be awarded to Bruce Flanigan Construction, Inc. and to set the notice to proceed on or around 10/31/17. Construction schedule to be 300 days with completion on 8/31/17. The Expanded Basin G development timeline was discussed and update on the preparation of the TIRZ Amended Project Plan and Financing Plan discussed. The financial report was approved as well as the payment of bills.

- November 6, 2017 at 6:30 p.m.: Meeting included a report that City Council awarded the Construction Contract on 10/16/17 to Bruce Flanigan Construction, Inc. of Belton, Texas in the amount of \$1,850,285. Notice to proceed with construction was issued 10/30/17. A report was provided that the TIRZ amended Project Plan and Financial Plan for the Expanded Basin G area is complete. The Board reviewed the TIRZ amended Project Plan and Financial Plan and approved the Plans as presented recommending that the City Council also approve the Plans. The financial report was approved as well as the payment of bills.
- November 28, 2017 at 10:00 a.m.: The Meeting was held for the purpose of holding a ceremonial ground breaking for the first TIRZ #1 East public infrastructure development of the 3-mile sanitary sewer gravity lines, force main and life station.
- December 4, 2017 at 6:30 p.m.: Meeting included a discussion on construction of the sanitary sewer project noting that the construction had commenced through the Mitchell-Tully commercial property. It was reported, at this TIRZ meeting, that City Council will consider the Economic Development Agreement between the City, McLennan County and the TIRZ for Expanded Basin G in December. A second agreement will also be considered being the McLennan County Economic Development Program Project Agreement (381 Agreement) between the City and the County for the 381 Area in the Expanded Basin G area. The County is scheduled to consider these two agreements at their December 19, 2017 meeting. An Engineering Design Agreement with KPA was approved for the design of the sanitary sewer project in the Basin G area. A Engineering Program Management Agreement with Mundo and Associates, Inc. was approved for the sanitary sewer project in the Basin G area. The TIRZ Board of Directors approved the Economic Development Agreement between Lorena TIRZ #1 East, City of Lorena and McLennan County for Basin G Expansion. The Board approved the financial reports as well as the payment of bills. The TIRZ Board of Directors approved a reformatted 2017-2018 budget.

Lorena City Council and McLennan County Commissioners Meeting of December 2017

- December 12, 2017 City of Lorena Council Meeting at 7:00 p.m.: The City Council of the City of Lorena approved the Economic Development Agreement between the City, McLennan County and TIRZ #1 for the TIRZ Basin G Expansion. The City Council of the City of Lorena approved the McLennan County Economic Development Program Project Agreement for the 381 Area of the Expanded Basin G.
- December 19, 2017 McLennan County Commissions Meeting at 9:00 a.m.: The McLennan County Commissioners approved the Economic Development Agreement between the City of Lorena, McLennan County and TIRZ #1 East for the TIRZ Basin G Expansion. The County Commissioners also approved the McLennan County Economic Development Program Project Agreement for the 381 Area of the Expanded Basin G.

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TIRZ Administrators - Mundo and Associates, Inc. managed, coordinated, prepared, and/or performed the activities included in preparation for the TIRZ Board meetings, prepared the Agendas and the resultant Board Meeting Minutes on behalf of the TIRZ Board. Mundo and Associates, Inc. prepares reviews and updates the monthly financial report and the cash flow report. Mundo and Associates, Inc. maintains record of work performed. Additionally, they prepare the "Path Forward" monthly report of project planning and scheduling. Necessary pre-meeting coordination with the Board members, City, Staff and landowners is conducted by Mundo and Associates, Inc. Mundo and Associates, Inc. reviews and reconciles the professional services and construction invoices and prepares information on payment of TIRZ invoices and bill payments. The City web site for the TIRZ information is prepared by Mundo and Associates, Inc. Requested engineering review and reports are prepared by Mundo and Associates, Inc. Also, coordination is done by Mundo and Associates, Inc. with the TIRZ Legal Counsel and the City Financial Officer. Project planning is also conducted by Mundo and Associates, Inc. including determining scope, cost, feasibility and schedule of projects requested by the Board. Mundo and Associates, Inc. prepared exhibits and materials related to the projects. Coordination of the projects with the City of Lorena, City of Waco, and McLennan County, Landowners or interested parties is also conducted by Mundo and Associates, Inc. Mundo and Associates, Inc. when necessary coordinated with the bond advisors, City staff, and Board officers to prepare actions needed for planning, development and execution of projects. Mundo and Associate, Inc. also updates, revises and prepares amendments that may arise from the project planning and development.

Program Management - Mundo and Associates, Inc. provided engineering management, project scheduling and engineering design reviews of the Sanitary Sewer Trunk Line project while coordinating with the TIRZ Board, City Staff, design engineers KPA, private land owners within the TIRZ and legal counsel.

Kasberg, Patrick & Associates, LP (KPA) are the design engineers for the sanitary sewer trunk line.

Attachments:

Tabulation of property and owners within the TIRZ #1 East Project Area & Expanded Basin G- 2 pages
Texas Comptroller Form 50-806 with Fiscal Year (2016-2017) Balance Sheet and Financial Report
December 2017 Balance Sheet and Financial Report
Waco Tribune-Herald Article & Photo of November 28, 2017 Ground Breaking
Photos of Construction in November 2017
Approved TIRZ Budget for FY 2017-2018

Lorena TIRZ #1 EAST
Tax Parcel Tabulation

August 21,2017

Property ID	Owner Name	Acres	2014	2015	2016	2017	
			Appraised Value	Appraised Value	Appraised Value	Appraised Value	
	TIRZ #1 In City of Lorena			yellow is pvt	sector taxable	property	
	<i>North of Meadow Lane</i>						
363218	State of Texas	0.18	\$29,400	\$29,400	\$29,400	\$29,400	
327995	Hillcrest Baptist Medical Center	1.27	\$207,460	\$207,460	\$207,460	\$207,460	
364869	State of Texas	1.04	\$120	\$130	\$140	\$67,950	
361908	Gary D. Tully	2.41	\$280	\$300	\$330	\$350	
131099	Mitchell Family Trust	0.55	\$60	\$70	\$70	\$80	
364868	State of Texas	3.34	\$220	\$230	\$250	\$250	
361906	Gary D. Tully	1.99	\$230	\$250	\$270	\$290	
361911	Mitchell Family Trust	6.46	\$740	\$810	\$870	\$940	
361904	Jeff Mitchell	7.43	\$710	\$740	\$820	\$900	
361907	Gary D. Tully	9.59	\$1,110	\$1,200	\$1,300	\$1,390	
131540	Mitchell Family Trust	1.92	\$220	\$240	\$260	\$280	
130894	Mitchell Family Trust	1.25	\$320	\$310	\$310	\$310	
131539	Mitchell Family Trust	6.64	\$760	\$840	\$900	\$960	
361905	Jeff Mitchell	9.3	\$880	\$940	\$1,020	\$1,120	
131538	Mitchell Family Trust	1.125	\$100	\$120	\$120	\$140	
130907	Diana Callan Braswell	26	\$1,430	\$1,430	\$1,560	\$1,820	
	Total PvtProperty		\$214,640	\$215,070	\$215,290	\$216,040	
	<i>Barnes Rd ext</i>						
361547	State of Texas	5.218	\$52,060	\$52,060	\$52,060	\$52,060	
130928	Agnes Warren Barnes	9.662	\$3,000	\$2,900	\$2,900	\$2,900	
	<i>Old Waco Temple Rd& Barnes Rd</i>						
130911	Daniel & Jeni Sykora	2.14	\$48,470	\$48,660	\$48,710	\$48,810	
130910	Daniel & Jeni Sykora	2.404	\$184,480	\$184,120	\$182,030	\$181,230	
130909	City of Lorena Water Dept	1	\$140,800	\$135,340	\$129,540	\$123,430	
	<i>North of Barnes Rd Extension</i>						
130899	Diana Callan Braswell Trust	19.283	\$1,250	\$1,360	\$1,450	\$1,540	
130898	Charlie L. Sullivan	3.1529	\$56,520	\$56,550	\$56,580	\$56,620	
358338	Properties A BFEL	5.734	\$370	\$400	\$430	\$460	
358345	Properties B BREL	4.714	\$310	\$330	\$350	\$370	
360701	State of Texas	0.849	\$18,490	\$18,490	\$18,490	\$18,490	
364498	State of Texas	0.836		\$35,540	\$40,560	\$40,560	
364496	State of Texas	0.746		\$35,540	\$36,190	\$36,190	
	<i>Old Waco Temple north of Birdie Lane</i>						
131064	Diana Callan Braswell Trust	41.401	\$2,280	\$2,280	\$2,480	\$2,900	
364744	State of Texas	0.341		\$12,030	\$12,260	\$12,260	
358339	Properties A BFEL	5.139	\$330	\$360	\$390	\$410	
364650	State of Texas	0.072		\$2,540	\$2,590	\$2,590	
358347	Properties B BREL	1.079	\$70	\$70	\$80	\$80	
358381	Properties A BFEL	0.11	\$10	\$10	\$10	\$10	
358348	Properties B BFEL	4.107	\$220	\$220	\$250	\$280	
364743	State of Texas	0.002			\$100	\$100	
358340	Properties A BFEL	6.738	\$500	\$500	\$530	\$610	
358349	Properties B BFEL	5.07	\$280	\$280	\$310	\$360	
358341	Properties A BFEL	5.1	\$280	\$280	\$310	\$360	
131067	Scott C. Williams	2	179,350	175,060	174,520	169,660	
358350	Properties B BFEL	4.46	\$570	\$570	\$610	\$710	
131084	Wolfe The Florist Inc	21.85	\$146,150	\$148,800	\$153,740	\$152,880	
	Total PvtProperty - acres	224.459					
Property ID	Owner Name	Acres	2014	2015	2016	2017	
			Appraised Value	Appraised Value	Appraised Value	Appraised Value	
TIRZ #1	Total Acres in City	233.703					
TIRZ #1	Total Assessed Value in City within TIRZ #1		\$1,079,830	\$1,158,760	\$1,162,160	\$1,219,510	
TIRZ #1	Total Assessed value in City within TIRZ#1		\$839,080	\$837,820	\$840,970	\$836,230	

Lorena TIRZ #1 EAST
Tax Parcel Tabulation

August 21,2017

TIRZ #1	Total Mkt Value of TIRZ#1 EAST2014						
TIRZ #1	City Taxes owed TIRZ			\$0	\$7.81	\$0.00	
	TIRZ #1 IN LORENA ETJ						
	<i>Along Barnes Rd</i>						
131537	Mitchell Family Trust	42.255	\$2,530	\$2,640	\$2,860	\$3,170	
131530	Michael & Lynn Trammell	9.587	\$22,000	\$22,000	\$49,920	\$49,920	
131532	Jim & Teri Jennings	9.587	\$39,150	\$39,150	\$39,150	\$39,150	
131531	Jim & Teri Jennings	9.587	\$39,150	\$39,150	\$39,150	\$39,150	
131535	Danny Lee Bagley	9.587	\$620	\$670	\$720	\$1,150	
131536	William Eller	9.587	\$131,170	\$139,890	\$151,910	\$160,374	
131533	William Eller	9.587	\$39,860	\$39,860	\$39,860	\$39,860	
131522	Diana Callan Braswell	108.25	\$7,030	\$7,170	\$7,850	\$8,920	
131524	Teri & Ricardo Bermea Penrod	10.29	\$98,720	\$98,720	\$103,750	\$73,556	
	<i>Along Cooksey Ln & Southwinds Dr</i>						
131083	McElla Group	108.49	\$11,940	\$12,480	\$13,840	\$14,080	
131562	McElla Group	150.7	\$17,330	\$18,840	\$20,340	\$16,870	
ETJ	Total Acres of ETJ-TIRZ#1EAST	477.507					
ETJ	Appraised Value ETJ-TIRZ#1EAST		\$409,500	\$420,570	\$469,350	\$446,200	
TIRZ #1	Total Acres City + ETJ	711.210					
TIRZ #1	Total Appraised Value City +ETJ		\$1,489,330	\$1,579,330	\$1,631,510	\$1,665,710	
TIRZ #1	Total Mkt Value 2014 City+ETJ						
TIRZ #1	Total Appraised Value City+ETJ		\$1,248,580	\$1,258,390	\$1,310,320	\$1,282,430	
				\$9,810	\$61,740	\$33,850	
TIRZ #1	City and ETJ of Lorena Area			\$36.76	\$227.02	\$123.21	
	Co. 381 Agreement Area						
376488	Johnny Bustamante	5.083				\$41,190	
354651	Adelalla R. Jasso	2.51	\$20,100	\$20,100	\$20,100	combined above	
128337	Adelalla R. Jasso	2.11	\$16,890	\$16,890	\$16,890	combined above	
376489	Gonzales, Jessica Ann	4				\$35,330	
131081	Johnny Bustamante	3.403	\$23,820	\$23,820	\$23,820	combined above	
354652	Johnny Bustamante	2.597	\$18,180	\$18,180	\$18,180	combined above	
131080	Kevin Reid/Jodi M.Vandergriff	6	\$25,000	\$42,000	\$42,000	\$156,860	
128335	Malia Fry	11.335	\$359,090	\$359,090	\$366,706	\$397,720	
128185	City of Waco	233.131	\$4,276,200	\$4,449,270	\$4,519,050	\$4,553,720	
381 Area	Total acres	265.086					
381 Area	Total Appraised Value		\$4,739,280	\$4,929,350	\$5,006,746	\$5,184,820	
381 Area	Total Mkt Value 2014						
381 Area	Total Appraised Value Pvt property		\$463,080	\$500,180	\$470,806	\$631,100	
				\$37,100	\$7,726	\$168,020	
381 Area	381 areaCo.outsideLorena & its ETJ			\$139.02	\$28.41	\$611.59	
2015	County Tax Rate 0.535293						
2016	County Tax Rate 0.5252930						
2017	County Tax Rate 0.52						
Amended	Expanded Basin G Area					Appraised Value	
Property ID	Owner Name	Acres	Amended 12/17			2017	
358366	Lorena Dev. Joint Venture	7.5				\$ 56,540	
131541	Lorena Dev. Joint Venture	30.4				\$ 9,530	
131526	Loera Hm Bldrs Co.	212.91				\$ 30,870	
131528	Barnes,Gaylen	60				\$ 45,140	
	Total Amended TIRZ #1 East	310.81				\$ 142,080	
Not Amende	381 Basin G Area						
131526	Loera Hm Bldrs. Co. out of ETJ	7.46	Not in 381 or TIRZ			\$ 1,080.11	
Notes:							
313526	Loera Hmd Bldrs. Co total acres	220.67				31,950	
percent	takes is 220.67-212.91=7.46		7.46/220.67				

Tax Increment Finance (TIF) Registry

Annual Report by Municipality or County

FOR COMPTROLLER USE ONLY

Log year

TIF ID#

Date rec'd

☐ Complete☐ No Back-up☐ Back-up Incomplete☐ No Form Submitted

PLEASE PRINT OR TYPE, DO NOT WRITE IN SHADED AREAS.

Please fill out the complete form and attach other documentation (See Instructions on page 2.)

STEP 1: Contact Information

City of Lorena

Designating City or County

Jason Mundo

Contact Person

107A South Frontage Road

Current Mailing Address (number and street)

Lorena

City

214 642 5352

Phone (area code and number)

McLennan

County

Fax Number

TIRZ Project Administrator

Title

76655

ZIP Code

jason@mandoandassociates.com

Email Address

STEP 2: Tax Increment Reinvestment Zone Information

- TIF Reinvestment zone name: Tax Reinvestment Zone Number One East, City of Lorena
- Report for fiscal year beginning October 1, 2016 and ending September 30, 2017.
- Size of the reinvestment zone in acres: 711.21
- Has the size of the zone increased or decreased since creation? ☐ Yes ☒ No
- Property types: ☒ Residential ☐ Commercial/Industrial
- Types of improvement projects (check all that are in progress or have been completed):

Public Projects		
<input type="checkbox"/> Public Buildings and Facilities	<input type="checkbox"/> Roadwork	
<input checked="" type="checkbox"/> Water/Sewer and Drainage	<input type="checkbox"/> Parks	<input type="checkbox"/> Other Infrastructure:
Other Projects		
<input type="checkbox"/> Facade Renovation	<input type="checkbox"/> Parking	<input type="checkbox"/> Historical Preservation
<input type="checkbox"/> Transit	<input type="checkbox"/> Affordable Housing	<input type="checkbox"/> Economic Development <input type="checkbox"/> Other:
- TIF fund balance: \$ 2,154,862.05
- List of fund revenues:

Total tax increments received	\$	<u>744.62</u>
Sales tax increments	\$	<u>0.00</u>
Loans	\$	<u>0.00</u>
Sale of bonds	\$	<u>2,425,000.00</u>
Sale of property	\$	<u>0.00</u>
Other	\$	<u>68,104.33</u>
TOTAL ANNUAL REVENUES	\$	<u>0.00</u>

9. List of fund expenditures:

Administrative	\$	102,900.00
Property purchased	\$	0.00
Public improvements	\$	519,861.60
Facade renovations	\$	0.00
Parking	\$	0.00
Historic preservation	\$	0.00
Transit	\$	0.00
Affordable housing	\$	0.00
Economic development programs	\$	0.00
Other	\$	13,062.00
TOTAL ANNUAL EXPENDITURES	\$	0.00

10. Bonded indebtedness:

Principal due	\$	0.00
Interest due	\$	56,841.43

11. Reinvestment zone values:

Tax increment base	\$	1,248,580.00
Current captured appraised value	\$	61,740.00

STEP 3: Signature of Person Completing Form

sign
here

Authorized Signature

Title

Date

Instructions

State Law (Section Sec. 311.016, Tax Code) requires the governing body of a municipality or county, **on or before the 150th day** following the end of its fiscal year, to submit a report on the status of a reinvestment zone created by the municipality or county to the chief executive officer of each taxing unit that levies property taxes on real property in the zone. A copy of this annual report along with this form must be submitted to the Texas Comptroller of Public Accounts at the address below:

Comptroller of Public Accounts
Economic Development & Analysis Division
Post Office Box 13528
Austin, Texas 78711-3528

For assistance or to request additional forms, call toll free, 1-800-531-5441 ext. 3-4679. You may also obtain additional forms on the Texas Ahead webpage at www.TexasAhead.org/tax_programs/increment_finance. From a Telecommunication Device for the Deaf (TDD), call 1-800-248-4099 or 512-463-4621.

Step 1: Contact information

This information provides the Comptroller information on the entity initiating the tax increment reinvestment zone and a contact person for the annual report.

Step 2: Tax Increment Reinvestment Zone Information

Please include the reinvestment zone name listed in the ordinance or resolution creating the zone, the size of the zone in acres, and the types of property in the zone. Indicate all improvement projects in progress or completed within the zone. List the TIF fund balance at the end of the fiscal year, all revenues received by the fund during the fiscal year, and all expenditures made by the fund during the fiscal year. List principal and interest due on bonded indebtedness, the tax increment base at the creation of the zone and the current captured appraised value (the increase in property value over the tax increment base.)

Step 3: Signature of Person Completing Form

The person signing the report should be the same person listed in Step 1 as the contact person.

25 -TIRZ #1 EAST

ACCOUNT#	TITLE
<u>LIABILITIES</u>	
<u>=====</u>	

202-000	ACCTS PAYABLE	28,135.00	
202-100	ACCTS PAYABLE-EDC	28,000.00	
202-101	ACCTS PAY - MCELLA	117,650.00	
202-102	ACCTS PAY - BRASWELL	117,650.00	
202-103	ACCTS PAY - MITCHELL TULLY	50,000.00	
231-500	BOND PAYABLE-2017 Cos	1,735,000.00	
231-501	BOND PAYABLE-2017 Cos TAXABLE	690,000.00	
			<u>2,766,435.00</u>

TOTAL LIABILITIES

2,766,435.00FUND BALANCE/CAPITAL

253-025	FUND BALANCE - TIRZ #1	(44,598.30)	
253-026	FUND BALANCE - BASIN G	0.00	
	TOTAL FUND BALANCE		<u>(44,598.30)</u>

TOTAL REVENUES	68,848.95
TOTAL EXPENSES	(635,823.60)

EXCESS REVENUES OVER EXPENSES	<u>(566,974.65)</u>
-------------------------------	----------------------

TOTAL LIABILITIES & FUND BALANCE/EQUITY

2,154,862.05

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CITY OF LORENA
FINANCIAL STATEMENT
AS OF: SEPTEMBER 30TH, 2017

25 -TIRZ #1 EAST
468-SANITARY SEWER PROJ
DEPARTMENTAL EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR EXPENSE	Y-T-D ACTUAL	ENCU
PROFESSIONAL FEES					
468-330 PROF FEES-AUDIT/ACCT	0.00	0.00	0.00	0.00	
468-331 PROF FEES-ENGINEERING	336,305.00	42,195.92	0.00	278,944.00	
468-332 PROF FEES-LEGAL	25,248.00	12,366.00	0.00	26,313.96	
468-338 PROF FEES-RESEARCH	259,200.00	131,336.00	0.00	0.00	
468-351 PROF FEES-PROJECT MGMT	0.00	44,636.00	0.00	44,636.00	
** CATEGORY TOTAL **	620,753.00	56,870.08	0.00	349,893.96	
CAPITAL OUTLAY					
468-734 CAPITAL OUTLAY - SEWER IMPR	0.00	0.00	0.00	0.00	
** CATEGORY TOTAL **	0.00	0.00	0.00	0.00	
OTHER					
468-810 BOND ISSUE COSTS	0.00	13,037.36	0.00	41,588.44	
468-811 BOND ISSUE-PREM/DISC	0.00	0.00	0.00	17,349.25	
468-820 TAX BOND ISSUE COSTS	0.00	43,085.18	0.00	43,085.18	
468-821 TAX BOND ISSUE PREMIUM	0.00	9,804.34	0.00	9,804.34	
468-830 BOND - PRINCIPAL	0.00	0.00	0.00	0.00	
468-831 BOND - INTEREST	0.00	56,841.43	0.00	56,841.43	
468-832 BOND ISSUE-PAYING AGENT	0.00	0.00	0.00	1,299.00	
** CATEGORY TOTAL **	0.00	96,693.59	0.00	169,967.64	
*** DEPARTMENT TOTAL ***	620,753.00	39,823.51	0.00	519,861.60	

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CITY OF LORENA
FINANCIAL STATEMENT
AS OF: SEPTEMBER 30TH, 2017

25 -TIRZ #1 EAST
FINANCIAL SUMMARY

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR EXPENSE	Y-T-D ACTUAL	ENCU
REVENUE SUMMARY					
PROPERTY TAXES	0.00	221.48	0.00	744.62	
MISC TAXES	0.00	0.00	0.00	0.00	
FINES & CONTRIBUTIONS	0.00	55,000.00	0.00	55,000.00	
INTEREST	0.00	1,775.15	0.00	13,104.33	
OTHER REVENUES	2,300,000.00	(2,425,000.00)	0.00	0.00	
*** TOTAL REVENUES ***	2,300,000.00	(2,368,003.37)	0.00	68,848.95	
EXPENDITURE SUMMARY					
467-ADMINISTRATION	0.00	102,900.00	0.00	102,900.00	
468-SANITARY SEWER PROJ	620,753.00	39,823.51	0.00	519,861.60	
469-BASIN G EXP PROJ	0.00	(35,444.81)	0.00	13,062.00	
*** TOTAL EXPENDITURES ***	620,753.00	107,278.70	0.00	635,823.60	
** REVENUE OVER (UNDER) EXPENDITURES **	1,679,247.00	(2,475,282.07)	0.00	(566,974.65)	

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CITY OF LORENA
FINANCIAL STATEMENT
AS OF: SEPTEMBER 30TH, 2017

25 -TIRZ #1 EAST
469-BASIN G EXP PROJ
DEPARTMENTAL EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR EXPENSE	Y-T-D ACTUAL	ENCU
PROFESSIONAL FEES					
469-328 PROF FEES-PLANNING	0.00	0.00	0.00	0.00	
469-331 PROF FEES - ENGINEERING	0.00	0.00	0.00	0.00	
469-332 PROF FEES - LEGAL	0.00	13,062.00	0.00	13,062.00	
469-351 PROF FEES - PROJECT MGMT	0.00	0.00	0.00	0.00	
** CATEGORY TOTAL **	0.00	13,062.00	0.00	13,062.00	
CAPITAL OUTLAY					
469-734 CAP OUTLAY - SEWER IMPR	0.00	0.00	0.00	0.00	
** CATEGORY TOTAL **	0.00	0.00	0.00	0.00	
OTHER					
469-810 BOND ISSUE COSTS	0.00 (	38,702.47)	0.00	0.00	
469-811 BOND ISSUE-PREM/DISC	0.00 (	9,804.34)	0.00	0.00	
469-831 DEBT SERVICE - INTEREST	0.00	0.00	0.00	0.00	
469-832 BOND ISSUE-PAYING AGENT	0.00	0.00	0.00	0.00	
** CATEGORY TOTAL **	0.00 (	48,506.81)	0.00	0.00	
*** DEPARTMENT TOTAL ***	0.00 (	35,444.81)	0.00	13,062.00	
*** TOTAL EXPENDITURES ***	620,753.00	107,278.70	0.00	635,823.60	
*** END OF REPORT ***					

24 -TIRZ DEBT SERVICE

ACCOUNT# TITLE

ASSETS
=====

101-000	CASH OPERATING	54,917.27
130-053	DUE TO UF CAPITAL PROJECT FUND(	28,000.00)

26,917.27

TOTAL ASSETS

26,917.27

=====

24 -TIRZ DEBT SERVICE

ACCOUNT# TITLE

LIABILITIES
=====

202-000	ACCTS PAYABLE	0.00	
202-100	ACCTS PAYABLE - EDC	28,000.00	
231-500	BOND PAYABLE - 2017 CO'S	0.00	
231-501	BOND PAYABLE - 2017 CO'S TAXAB	0.00	
234-502	BOND PAYABLE - 2018 CO'S	0.00	
			28,000.00
TOTAL LIABILITIES			28,000.00

FUND BALANCE/CAPITAL
=====

253-025	FUND BALANCE - TIRZ DS	(1,082.73)	
TOTAL FUND BALANCE			(1,082.73)
TOTAL REVENUES		0.00	
TOTAL EXPENSES		0.00	
EXCESS REVENUES OVER EXPENSES			0.00
TOTAL LIABILITIES & FUND BALANCE/EQUITY			26,917.27

25 -TIRZ #1 EAST

ACCOUNT# TITLE

ASSETS
=====

101-000	CASH OPERATING	256,714.93
103-012	INVESTMENT TEXPOOL-2017 COs	1,676,796.60
103-013	INVESTMENT TEXPOOL-17 COs TAX	297.78
103-014	INVESTMENT TEXPOOL - 2018 CO'S	0.00
130-053	DUE TO UF CAPITAL PROJECT FUND(	40,000.00)
		<hr/>
		1,893,809.31

TOTAL ASSETS		<hr/>	1,893,809.31
			=====

25 -TIRZ #1 EAST

ACCOUNT# TITLE

LIABILITIES
=====

202-000	ACCTS PAYABLE	169,763.27	
202-100	ACCTS PAYABLE-EDC	0.00	
202-101	ACCTS PAY - MCELLA	117,650.00	
202-102	ACCTS PAY - BRASWELL	117,650.00	
202-103	ACCTS PAY - MITCHELL TULLY	50,000.00	
231-500	BOND PAYABLE-2017 COs	0.00	
231-501	BOND PAYABLE-2017 COs TAXABLE	0.00	
			455,063.27
	TOTAL LIABILITIES		455,063.27

FUND BALANCE/CAPITAL
=====

253-025	FUND BALANCE - TIRZ #1	1,827,571.78	
253-026	FUND BALANCE - BASIN G	(13,062.00)	
	TOTAL FUND BALANCE		1,814,509.78
	TOTAL REVENUES	5,669.41	
	TOTAL EXPENSES	(381,433.15)	
	EXCESS REVENUES OVER EXPENSES		(375,763.74)
	TOTAL LIABILITIES & FUND BALANCE/EQUITY		1,893,809.31

=====

C I T Y O F L O R E N A
FINANCIAL STATEMENT
AS OF: DECEMBER 31ST, 2017

24 -TIRZ DEBT SERVICE
FINANCIAL SUMMARY

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR EXPENSE	Y-T-D ACTUAL	ENCU

REVENUE SUMMARY					
PROPERTY TAXES	0.00	0.00	0.00	0.00	
MISC TAXES	0.00	0.00	0.00	0.00	
FINES & CONTRIBUTIONS	222,500.00	0.00	0.00	0.00	
OTHER REVENUES	60,000.00	0.00	0.00	0.00	
*** TOTAL REVENUES ***	282,500.00	0.00	0.00	0.00	
	=====	=====	=====	=====	=====
EXPENDITURE SUMMARY					
468-TIRZ CO 2017 DS	96,070.00	0.00	0.00	0.00	
469-TIRZ CO 2018 DS	33,400.00	0.00	0.00	0.00	
*** TOTAL EXPENDITURES ***	129,470.00	0.00	0.00	0.00	
	=====	=====	=====	=====	=====
** REVENUE OVER (UNDER) EXPENDITURES **	153,030.00	0.00	0.00	0.00	
	=====	=====	=====	=====	=====

C I T Y O F L O R E N A
FINANCIAL STATEMENT
AS OF: DECEMBER 31ST, 2017

24 -TIRZ DEBT SERVICE
REVENUES

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR EXPENSE	Y-T-D ACTUAL	ENCU

PROPERTY TAXES					
311-105 PROPERTY TAX - CITY	0.00	0.00	0.00	0.00	
311-205 PROPERTY TAX - COUNTY	0.00	0.00	0.00	0.00	
311-207 PROPERTY TAX - COUNTY P&I	0.00	0.00	0.00	0.00	
*** REVENUE CATEGORY TOTALS ***	0.00	0.00	0.00	0.00	
MISC TAXES					
313-105 SALES TAX - CITY	0.00	0.00	0.00	0.00	
313-205 SALES TAX - COUNTY	0.00	0.00	0.00	0.00	
*** REVENUE CATEGORY TOTALS ***	0.00	0.00	0.00	0.00	
FINES & CONTRIBUTIONS					
355-100 DEVELOPER CONTRIBUTIONS	222,500.00	0.00	0.00	0.00	
*** REVENUE CATEGORY TOTALS ***	222,500.00	0.00	0.00	0.00	
OTHER REVENUES					
393-000 LOAN PROCEEDS - CITY	30,000.00	0.00	0.00	0.00	
393-001 LOAN PROCEEDS - EDC	30,000.00	0.00	0.00	0.00	
393-100 BOND PROCEEDS	0.00	0.00	0.00	0.00	
393-101 TAXABLE BOND PROCEEDS	0.00	0.00	0.00	0.00	
*** REVENUE CATEGORY TOTALS ***	60,000.00	0.00	0.00	0.00	
*** TOTAL REVENUES ***	282,500.00	0.00	0.00	0.00	
	=====	=====	=====	=====	=====

C I T Y O F L O R E N A
FINANCIAL STATEMENT
AS OF: DECEMBER 31ST, 2017

24 -TIRZ DEBT SERVICE
468-TIRZ CO 2017 DS
DEPARTMENTAL EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR EXPENSE	Y-T-D ACTUAL	ENCU

OTHER						
468-830	BOND PMT - PRINCIPAL	0.00	0.00	0.00	0.00	
468-831	BOND PMT - INTEREST	96,070.00	0.00	0.00	0.00	
468-832	BOND PMT - PAYING AGENT	0.00	0.00	0.00	0.00	
** CATEGORY TOTAL **		96,070.00	0.00	0.00	0.00	
*** DEPARTMENT TOTAL ***		96,070.00	0.00	0.00	0.00	
		=====	=====	=====	=====	=====

C I T Y O F L O R E N A
FINANCIAL STATEMENT
AS OF: DECEMBER 31ST, 2017

24 -TIRZ DEBT SERVICE
469-TIRZ CO 2018 DS
DEPARTMENTAL EXPENDITURES

		CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR EXPENSE	Y-T-D ACTUAL	ENCU

OTHER						
469-811	BOND ISSUE - PREM	0.00	0.00	0.00	0.00	
469-830	BOND PMT - PRINCIPAL	0.00	0.00	0.00	0.00	
469-831	BOND PMT - INTEREST	33,400.00	0.00	0.00	0.00	
469-832	BOND PMT - PAYING AGENT	0.00	0.00	0.00	0.00	
** CATEGORY TOTAL **		33,400.00	0.00	0.00	0.00	
*** DEPARTMENT TOTAL ***		33,400.00	0.00	0.00	0.00	
		=====	=====	=====	=====	=====
*** TOTAL EXPENDITURES ***		129,470.00	0.00	0.00	0.00	
		=====	=====	=====	=====	=====
*** END OF REPORT ***						

C I T Y O F L O R E N A
FINANCIAL STATEMENT
AS OF: DECEMBER 31ST, 2017

25 -TIRZ #1 EAST
FINANCIAL SUMMARY

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR EXPENSE	Y-T-D ACTUAL	ENCU

REVENUE SUMMARY					
PROPERTY TAXES	0.00	377.06	0.00	398.93	
MISC TAXES	0.00	0.00	0.00	0.00	
FINES & CONTRIBUTIONS	0.00	0.00	0.00	0.00	
INTEREST	0.00	1,760.91	0.00	5,270.48	
OTHER REVENUES	1,625,000.00	0.00	0.00	0.00	
*** TOTAL REVENUES ***	1,625,000.00	2,137.97	0.00	5,669.41	
	=====	=====	=====	=====	=====
EXPENDITURE SUMMARY					
467-ADMINISTRATION	55,900.00	4,200.00	0.00	8,400.00	
468-SANITARY SEWER PROJ	2,081,845.00	186,101.37	0.00	352,990.65	
469-BASIN G EXP PROJ	1,233,280.00	8,042.50	0.00	20,042.50	
*** TOTAL EXPENDITURES ***	3,371,025.00	198,343.87	0.00	381,433.15	
	=====	=====	=====	=====	=====
** REVENUE OVER(UNDER) EXPENDITURES *	(1,746,025.00)	(196,205.90)	0.00	(375,763.74)	
	=====	=====	=====	=====	=====

C I T Y O F L O R E N A
FINANCIAL STATEMENT
AS OF: DECEMBER 31ST, 2017

25 -TIRZ #1 EAST
REVENUES

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR EXPENSE	Y-T-D ACTUAL	ENCU

PROPERTY TAXES					
311-105 INCR PROPERTY TAX - CITY	0.00	320.06	0.00	333.93	
311-205 INCR PROPERTY TAX - COUNTY	0.00	57.00	0.00	65.00	
311-207 INCR PROP TAX - CO P&I	0.00	0.00	0.00	0.00	
*** REVENUE CATEGORY TOTALS ***	0.00	377.06	0.00	398.93	
MISC TAXES					
313-105 INCR SALES TAX - CITY	0.00	0.00	0.00	0.00	
313-205 INCR SALES TAX - COUNTY	0.00	0.00	0.00	0.00	
*** REVENUE CATEGORY TOTALS ***	0.00	0.00	0.00	0.00	
FINES & CONTRIBUTIONS					
355-100 DEVELOPER CONTRIBUTIONS	0.00	0.00	0.00	0.00	
*** REVENUE CATEGORY TOTALS ***	0.00	0.00	0.00	0.00	
INTEREST					
361-000 INTEREST INCOME - COs	0.00	1,760.60	0.00	4,671.07	
361-001 INTEREST INCOME - TAX COs	0.00	0.31	0.00	599.41	
361-002 INTEREST INCOME 2018 COS	0.00	0.00	0.00	0.00	
*** REVENUE CATEGORY TOTALS ***	0.00	1,760.91	0.00	5,270.48	
OTHER REVENUES					
393-000 LOAN PROCEEDS - CITY	0.00	0.00	0.00	0.00	
393-001 LOAN PROCEEDS - EDC	0.00	0.00	0.00	0.00	
393-010 LOAN PROCEEDS - BUILDERS	50,000.00	0.00	0.00	0.00	
393-100 BOND PROCEEDS	1,575,000.00	0.00	0.00	0.00	
393-101 TAXABLE BOND PROCEEDS	0.00	0.00	0.00	0.00	
*** REVENUE CATEGORY TOTALS ***	1,625,000.00	0.00	0.00	0.00	
*** TOTAL REVENUES ***	1,625,000.00	2,137.97	0.00	5,669.41	
	=====	=====	=====	=====	=====

C I T Y O F L O R E N A
FINANCIAL STATEMENT
AS OF: DECEMBER 31ST, 2017

25 -TIRZ #1 EAST
467-ADMINISTRATION
DEPARTMENTAL EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR EXPENSE	Y-T-D ACTUAL	ENCU

PROFESSIONAL FEES					
467-330 PROF FEES - AUDIT	500.00	0.00	0.00	0.00	
467-332 PROF FEES-LEGAL	5,000.00	0.00	0.00	0.00	
467-338 PROF FEES - ADMINISTRATION	50,400.00	4,200.00	0.00	8,400.00	
** CATEGORY TOTAL **	55,900.00	4,200.00	0.00	8,400.00	
*** DEPARTMENT TOTAL ***	55,900.00	4,200.00	0.00	8,400.00	
	=====	=====	=====	=====	=====

C I T Y O F L O R E N A
FINANCIAL STATEMENT
AS OF: DECEMBER 31ST, 2017

25 -TIRZ #1 EAST
468-SANITARY SEWER PROJ
DEPARTMENTAL EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR EXPENSE	Y-T-D ACTUAL	ENCU

PROFESSIONAL FEES					
468-330 PROF FEES-AUDIT/ACCT	0.00	0.00	0.00	0.00	
468-331 PROF FEES-ENGINEERING	51,750.00	0.00	0.00	11,324.20	
468-332 PROF FEES-LEGAL	5,150.00	350.00	0.00	6,962.00	
468-338 PROF FEES-RESEARCH	0.00	0.00	0.00	4,200.00	
468-351 PROF FEES-PROJECT MGMT	162,660.00	1,800.00	0.00	3,430.00	
** CATEGORY TOTAL **	219,560.00	2,150.00	0.00	25,916.20	
CAPITAL OUTLAY					
468-734 CAPITAL OUTLAY - SEWER IMPR	1,862,285.00	169,778.87	0.00	312,901.95	
** CATEGORY TOTAL **	1,862,285.00	169,778.87	0.00	312,901.95	
OTHER					
468-810 BOND ISSUE COSTS	0.00	0.00	0.00	0.00	
468-811 BOND ISSUE-PREM/DISC	0.00	0.00	0.00	0.00	
468-820 TAX BOND ISSUE COSTS	0.00	0.00	0.00	0.00	
468-821 TAX BOND ISSUE PREMIUM	0.00	0.00	0.00	0.00	
468-830 BOND - PRINCIPAL	0.00	0.00	0.00	0.00	
468-831 BOND - INTEREST	0.00	14,172.50	0.00	14,172.50	
468-832 BOND ISSUE-PAYING AGENT	0.00	0.00	0.00	0.00	
** CATEGORY TOTAL **	0.00	14,172.50	0.00	14,172.50	
*** DEPARTMENT TOTAL ***	2,081,845.00	186,101.37	0.00	352,990.65	=====

C I T Y O F L O R E N A
FINANCIAL STATEMENT
AS OF: DECEMBER 31ST, 2017

25 -TIRZ #1 EAST
469-BASIN G EXP PROJ
DEPARTMENTAL EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR EXPENSE	Y-T-D ACTUAL	ENCU

PROFESSIONAL FEES					
469-328 PROF FEES-PLANNING	18,000.00	6,000.00	0.00	18,000.00	
469-331 PROF FEES - ENGINEERING	175,975.00	0.00	0.00	0.00	
469-332 PROF FEES - LEGAL	15,280.00	2,042.50	0.00	2,042.50	
469-351 PROF FEES - PROJECT MGMT	16,500.00	0.00	0.00	0.00	
** CATEGORY TOTAL **	225,755.00	8,042.50	0.00	20,042.50	
CAPITAL OUTLAY					
469-734 CAP OUTLAY - SEWER IMPR	932,525.00	0.00	0.00	0.00	
** CATEGORY TOTAL **	932,525.00	0.00	0.00	0.00	
OTHER					
469-810 BOND ISSUE COSTS	75,000.00	0.00	0.00	0.00	
469-811 BOND ISSUE-PREM/DISC	0.00	0.00	0.00	0.00	
469-831 DEBT SERVICE - INTEREST	0.00	0.00	0.00	0.00	
469-832 BOND ISSUE-PAYING AGENT	0.00	0.00	0.00	0.00	
** CATEGORY TOTAL **	75,000.00	0.00	0.00	0.00	
*** DEPARTMENT TOTAL ***	1,233,280.00	8,042.50	0.00	20,042.50	=====
*** TOTAL EXPENDITURES ***	3,371,025.00	198,343.87	0.00	381,433.15	=====
*** END OF REPORT ***					

Ex-police employee on trial for sex abuse

By TOMMY WITHERSPOON
twitherspoon@wacotrib.com

A former Waco Police Department records department supervisor sexually abused a family member over a three-year period beginning when the girl was 10, the girl reluctantly testified Tuesday.

Saying she did not want to testify, the girl, now 17, forced prosecutor Gabrielle Massey to coax incriminating testimony from her that she answered mostly in almost inaudible one-word responses after long pauses. Through a steady stream of tears, the girl told jurors Jose Isreal Ramos regularly sexually assaulted her from 2010 to 2013.

Ramos, 50, a former records supervisor at the Waco Police Department, works now for a diaper-manufacturing plant. He is charged in Waco's

See RAMOS, Page 8A

TWIN PEAKS SHOOTOUT

Case draws 2nd layer of recusal requests

By TOMMY WITHERSPOON
twitherspoon@wacotrib.com

McLennan County District Attorney Abel Reyna should be disqualified from prosecuting the Twin Peaks cases because he usurped police authority by charging the bikers en masse, he has a financial interest in the outcome and he hopes the notoriety will springboard him into state office, an attorney for one of the bikers argued Tuesday.

In a brief hearing Tuesday, Dallas attorney Clint Broden sought to recuse 54th State District Judge Matt Johnson from presiding over a hearing in which he will seek to disqualify Reyna and his office from handling the case of former biker Burton George Bergman.

Johnson declined to voluntarily step down from hearing the disqualification motion against Reyna, so retired State District Judge Joe Carroll,

See RECUSAL, Page 8A

Opening the door



Staff photo — Jerry Larson

Lorena leaders ceremonially break ground to launch construction of a \$2.5 million sewer line that will allow new development along the east side of Interstate 35.

Lorena aims to attract homes, retail with \$2.5M sewer line

By CASSIE L. SMITH
csmith@wacotrib.com

Construction has started on a \$2.5 million sanitary sewer line along Interstate 35 in Lorena in a move city leaders believe will stimulate development and economic growth.

Lorena Mayor Pro Tem Bill Coleman said the 3-mile sewer line will stretch from the Waco

Metropolitan Area Regional Sewerage System treatment plant on Cooksey Lane to I-35, adjacent to city hall.

Retail development is expected to start in the area served by the line as early as next year, and housing development is expected to follow by 2020, said Coleman, who is also chairman of the Tax Increment Reinvestment Zone No. 1 East board of

directors.

Officials established the Tax Increment Reinvestment Zone in 2014 to take out a bond to pay for the new public sewer infrastructure. A portion of tax revenue from new development will be used to pay back the bond.

By 2036, the initial phase of the TIRZ is expected to attract more than 367 new homes, 85

acres of new retail and restaurant development and 320,000 square feet of office and light industrial development to a 300-acre area, Coleman said.

City Manager Joseph Pace said his predecessor, former City Manager Billy Clemons, was instrumental in getting the project going before his

See LORENA, Page 8A

Trump, Dems trade insults as shutdown looms

By ED O'KEEFE and SEAN SULLIVAN
Washington Post

WASHINGTON — President Donald Trump and top lawmakers Tuesday failed to craft the outlines of a spending agreement as Democrats backed out of a planned meeting at the White House amid growing acrimony over a slate of year-end legislative priorities, with a potential government shutdown looming over the negotiations.

The impasse all but ensures another holiday-season standoff over legislation designed to keep the government open and that also is expected to settle complex issues regarding immigration and health care.

Failure to act in the coming days could bring a partial shutdown of government operations, jeopardize health-care services for 9 million children and 370,000 pregnant women nationwide, and further complicate the fate of hundreds of thousands of children of illegal immigrants, known as dreamers, who could start facing deportation in early March.

"We have a lot differences," Trump said in the White House's Roosevelt Room, flanked by two empty chairs meant for House Minority Leader Nancy Pelosi, D-Calif., and Senate Minority Leader Charles Schumer, D-N.Y., calling Democrats weak on

See SHUTDOWN, Page 8A



Associated Press — J. Scott Applewhite, file

House Minority Leader Nancy Pelosi, D-Calif. (left) and Senate Minority Leader Chuck Schumer, D-N.Y., seen here Nov. 2, skipped a meeting Tuesday with President Donald Trump after he attacked them on Twitter.



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CENTRAL TEXAS NEWS, ALL DAY

Briefly	2A	Comics	3C	Lottery	8A	Sports	1B
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Classifieds	6-7B	Horoscope	7B	Opinion	6A	Weather	2A

125 years serving the Heart of Texas

LORENA

From Page 1A

retirement in January 2016.

"We're a small city but we're very progressive here in Lorena," Pace said. "That's something you don't find very often."

This project will provide an economic stimulus for the city, County Commissioner Kelly Snell said. Snell's precinct includes Lorena, and he was reappointed to the TIRZ board in January.

Mundo and Associates Inc. is managing the project. Kasberg Patrick & Associates designed the line, and Bruce Flanigan Construction is serving as the contractor.

The TIRZ board members and the city council are all volunteers and have put in long hours of hard work to get the sewer project this far, Mayor Chuck Roper said.

The new sewer line will be a shot in the arm for economic growth for the area,



Staff photo — Jerry Larson

A \$2.5 million sewer line that will stretch 3 miles along Interstate 35 in Lorena is expected to attract hundreds of homes, retail, restaurants and office space to an undeveloped 300-acre area.

Roper said.

"It's really going to open Lorena up," he said.

The TIRZ has already received recognition. The Texas Economic Develop-

ment Council in 2015 gave the zone a Community Economic Development

Award for communities with fewer than 5,000 people.

SHUTDOWN

From Page 1A

crime, immigration and the military. Asked about the possibility of a government

year-end funding bill.

Tensions began rising early Tuesday after Trump tweeted ahead of the scheduled meeting that Schumer and Pelosi "want illegal immigrants flooding into our Country unchecked, are

Congress is likely to pass a short-term spending bill by Dec. 8, when current funding expires, that would push off negotiations until just before Christmas.

Currently, Congress may spend no more than \$549

policy.

Trump announced in September that he is ending the Deferred Action for Childhood Arrivals program that granted temporary legal status to roughly 600,000 young un-

run out in late December if Congress fails to act. Nearly 9 million children and 370,000 pregnant women nationwide receive care through the program.

Schumer stopped short of laying out ironclad de-

RECUSAL

From Page 1A

of Bell County, was appointed to hear the motion to recuse Johnson.

Carroll took the matter under advisement, giving parties on both sides until Friday to file briefs. He said he will rule by Dec. 8.

Bergman, 50, a Dallas truck driver, is a former member of the Desgraciados motorcycle group and is among 154 bikers indicted in the May 17, 2015, shootout in Waco that left nine dead and 20 injured. He has a tentative trial date for Jan. 22.

Broden is not seeking to recuse Johnson from hearing Bergman's case at this time, only from hearing the motion seeking to disqualify Reyna.

Previous testimony

Broden consolidated testimony from a pre-trial hearing in Matthew Clendennen's case in which Reyna was called as a witness. Reyna and Johnson voluntarily recused themselves in Clendennen's case because the judge and Reyna are former law partners and Reyna testified at the hearing in Johnson's court.

Broden also repre-

1st loss of season

No. 21 Xavier drops No. 16 Baylor, 76-63,
to snap nonconference win streak/**Page 1B**



Tax overhaul

2 Republicans toe party line as panel
advances plan to full Senate/**Page 5A**

Waco Tribune-Herald

Wednesday, November 29, 2017 ■ \$1.00

In God we trust



Sunny ■ High: 72 ■ Low: 41

Construction Project Photos - Phase I Sanitary Sewer Line



Sanitary Sewer Line Excavation



Start of Construction-Nov, 2017



Sanitary Sewer Line Trench

City of Lorena
Approved Budget
FY 2017/2018
TIRZ #1 East
City Format

Item Description	Budget FY2016/2017	End of FY2016/2017	Approved Budget FY2017/2018
Beginning Fund Balance		\$ 5,654.08	\$ 2,291,459.37
Property Taxes		\$ 735.00	
Misc. Taxes			
Fines/Contributions		\$ 55,000.00	\$ 222,500.00
Interest		\$ 13,050.00	
Other Revenue	\$ 2,641,300.00	\$ 2,766,300.00	\$ 1,688,021.30
Total Revenues	\$ 2,641,300.00	\$ 2,835,085.00	\$ 1,910,521.30
Total Funds Available	\$ 2,641,300.00	\$ 2,840,739.08	\$ 4,201,980.67
Professional Fees	\$ 481,004.40	\$ 480,272.29	\$ 500,785.00
Capital Outlay	\$ 150,000.00	\$ -	\$ 2,782,810.00
Other	\$ 76,364.44	\$ 69,007.42	\$ 219,884.49
Total Expenditures	\$ 707,368.84	\$ 549,279.71	\$ 3,503,479.49
Ending Fund Balance	\$ 1,933,931.16	\$ 2,291,459.37	\$ 698,501.18

City of Lorena
Approved Budget
FY 2017/2018
TIRZ #1 East
City Format

Item Description	Budget FY2016/2017	End of FY2016/2017	Approved Budget FY2017/2018
PROPERTY TAXES			
Incr Property Tax City		\$ 35.00	
Incr Property Tax County		\$ 700.00	
Total Property Taxes		\$ 735.00	
SALES TAX			
Incr Sales Tax - City			
Incr Sales Tax - County			
Total Sales Tax			
FINES/CONTRIBUTIONS			
Developer Contributions		\$ 55,000.00	\$ 222,500.00
Total Fines/Contributions		\$ 55,000.00	\$ 222,500.00
INTEREST			
Interest on Investments		\$ 9,600.00	
Interest on Investments - Tax		\$ 3,450.00	
Total Interest		\$ 13,050.00	
OTHER REVENUE			
Loan Proceeds - City	\$ 28,000.00	\$ 28,000.00	\$ 30,000.00
Loan Proceeds - EDC	\$ 28,000.00	\$ 28,000.00	\$ 30,000.00
Loan Proceeds - Builders	\$ 285,300.00	\$ 285,300.00	\$ 50,000.00
Bond Proceeds	\$ 2,300,000.00	\$ 1,735,000.00	\$ 1,578,021.30
Bond Proceeds - Tax	\$ -	\$ 690,000.00	
Total Other Revenue	\$ 2,641,300.00	\$ 2,766,300.00	\$ 1,688,021.30
TOTAL REVENUES	\$ 2,641,300.00	\$ 2,835,085.00	\$ 1,910,521.30

City of Lorena
Approved Budget
FY 2017/2018
TIRZ #1 East
City Format

Item Description	Budget FY2016/2017	End of FY2016/2017	Approved Budget FY2017/2018
ADMINISTRATION			
PROFESSIONAL FEES			
Prof Fees - Audit/Acctg			\$ 500.00
Prof Fees - Admin	\$ 109,200.00	\$ 109,200.00	\$ 50,400.00
Prof Fees - Legal	\$ 25,499.78	\$ 25,499.78	\$ 5,000.00
TOTAL Administration	\$ 134,699.78	\$ 134,699.78	\$ 55,900.00
PHASE I WASTEWATER IMPROVEMENTS SANITARY SEWER TRUNK LINE PROJECT			
PROFESSIONAL FEES			
Prof Fees - Engineering	\$ 305,805.00	\$ 278,943.95	\$ 51,750.00
Prof Fees - Project Mgmt	\$ 30,500.00	\$ 30,500.00	\$ 162,660.00
Prof Fees - Legal	\$ 25,000.00	\$ 4,128.56	\$ 5,000.00
Total Professional Fees	\$ 361,305.00	\$ 313,572.51	\$ 219,410.00
CAPITAL OUTLAY			
Capital Outlay - Utility Improvements	\$ 150,000.00	\$ -	\$ 1,850,285.00
Total Capital Outlay	\$ 150,000.00	\$ -	\$ 1,850,285.00
OTHER			
Bond Issue Costs	\$ -		
Bond Issue Premium	\$ -		
Bond Agent Fees	\$ -		
Tax Bond Issue Costs	\$ -		
Tax Bond Issue Premium	\$ -		
Tax Bond Agent Fees	\$ -		
Bond - Principal	\$ -		
Bond Interest	\$ 56,841.42	\$ 56,841.42	\$ 96,070.00
Easement Fee		\$ 12,000.00	\$ 12,000.00
Easement Filing Fee		\$ 36.00	\$ 150.00
Legal Advertisement		\$ 130.00	
Total Other	\$ 56,841.42	\$ 69,007.42	\$ 108,220.00

City of Lorena
 Approved Budget
 FY 2017/2018
 TIRZ #1 East
 City Format

Item Description	Budget FY2016/2017	End of FY2016/2017	Approved Budget FY2017/2018
PHASE II WASTEWATER IMPROVEMENTS BASIN G FORCEMAIN AND LIFT STATION			
PROFESSIONAL FEES			
Prof Fees - Admin	\$ -	\$ 12,000.00	\$ 18,000.00
Prof Fees - Engineering	\$ -	\$ -	\$ 175,975.00
Prof Fees - Project Mgmt	\$ -	\$ -	\$ 16,500.00
Prof Fees - Legal	\$ -	\$ 20,000.00	\$ 15,000.00
Total Professional Fees	\$ -	\$ 32,000.00	\$ 225,475.00
CAPITAL OUTLAY			
Capital Outlay - Utility Improvements	\$ -	\$ -	\$ 932,525.00
Total Capital Outlay	\$ -	\$ -	\$ 932,525.00
Note: only 75% of Construction anticipated to be completed by end of FY 2018			
OTHER			
Bond Issue Costs	\$ -		\$ 78,021.30
Bond Issue Premium	\$ -		
Bond Agent Fees	\$ -		
Tax Bond Issue Costs	\$ -		
Tax Bond Issue Premium	\$ -		
Tax Bond Agent Fees	\$ -		
Bond - Principal	\$ -		
Bond Interest			\$ 33,363.19
Easement Fee			
Easement Filing Fee			\$ 150.00
Legal Advertisement			\$ 130.00
Total Other	\$ -	\$ -	\$ 111,664.49