

S U S A N

C O M B S

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

P.O. Box 13528 • AUSTIN, TX 78711-3528



October 9, 2012

Randy Miksch
Superintendent
Sweeny Independent School District
1310 N. Elm St.
Sweeny, Texas 77480

Dear Superintendent Miksch:

On Aug. 3, 2012, the Comptroller received the completed application for a limitation on appraised value under the provisions of Tax Code Chapter 313¹. This application was originally submitted in June, 2012 to the Sweeny Independent School District (Sweeny ISD) by Chevron Phillips Chemical Company LP (Chevron). This letter presents the results of the comptroller's review of the application:

- 1) under Section 313.025(h) to determine if the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C; and
- 2) under Section 313.025(d), to make a recommendation to the governing body of the school district as to whether the application should be approved or disapproved using the criteria set out by Section 313.026.

Sweeny ISD is currently classified as a rural school district in Category I according to the provisions of Chapter 313. Therefore, the applicant properly applied under the provisions of Subchapter C, applicable to rural school districts. The amount of proposed qualified investment (\$1,061,000,000) is consistent with the proposed appraised value limitation sought (\$30 million). The property value limitation amount noted in this recommendation is based on property values available at the time of application and may change prior to the execution of any final agreement. Chevron is proposing the construction of a manufacturing facility in Brazoria County. Chevron is an active franchise taxpayer in good standing, as required by Tax Code Section 313.024(a).

As required by Section 313.024(h), the Comptroller has determined that the property, as described by the application, meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

After reviewing the application using the criteria listed in Section 313.026, and the information provided by Chevron, the Comptroller's recommendation is that Chevron's application under Tax Code Chapter 313 be approved.

Our review of the application assumes the truth and accuracy of the statements in the application and that, if the application is approved, the applicant would perform according to the provisions of the agreement reached with the school district. Our recommendation does not address whether the applicant has complied with all Chapter 313 requirements. The school district is responsible for verifying that all requirements of the statute have been fulfilled. Additionally, Section 313.025 requires the school district to determine if the evidence supports making specific findings that the information in the application is true and correct, the applicant is eligible for a limitation and that granting the application is in the best

¹ All statutory references are to the Texas TaxCode, unless otherwise noted.

interest of the school district and state. As stated above, we prepared the recommendation by generally reviewing the application and supporting documentation in light of the Section 313.026 criteria.

Note that any new building or other improvement existing as of the application review start date of Aug. 3, 2012, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2).

The Comptroller's recommendation is based on the application that has been submitted and reviewed by the Comptroller. The recommendation may not be used by the ISD to support its approval of the property value limitation agreement if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. Additionally, this recommendation is contingent on future compliance with the Chapter 313 and the Texas Administrative Code, with particular reference to the following requirements related to the execution of the agreement:

1. The applicant must provide the Comptroller a copy of the proposed limitation on appraised value agreement no later than 10 days prior to the meeting scheduled by the district to consider approving the agreement, so that the Comptroller may review it for compliance with the statutes and the Comptroller's rules as well as consistency with the application;
2. The Comptroller providing written confirmation that it received and reviewed the draft agreement and affirming the recommendation made in this letter;
3. The district must approve and execute a limitation agreement that has been reviewed by this office within a year from the date of this letter; and
4. Section 313.025 requires the district to provide to the Comptroller a copy of the signed limitation agreement within 7 days after execution.

Should you have any questions, please contact Robert Wood, director of Economic Development & Analysis Division, by email at robert.wood@cpa.state.tx.us or by phone at 1-800-531-5441, ext. 3-3973, or direct in Austin at 512-463-3973.

Sincerely,



Martin A. Hubert
Deputy Comptroller

Enclosure

cc: Robert Wood

Economic Impact for Chapter 313 Project

Applicant	Chevron Phillips Chemical Company LP
Tax Code, 313.024 Eligibility Category	Manufacturing
School District	Sweeny ISD
2010-11 Enrollment in School District	1,968
County	Brazoria
Total Investment in District	\$1,061,000,000
Qualified Investment	\$1,061,000,000
Limitation Amount	\$30,000,000
Number of total jobs committed to by applicant	92
Number of qualifying jobs committed to by applicant	74
Average Weekly Wage of Qualifying Jobs committed to by applicant	\$1,136
Minimum Weekly Wage Required Tax Code, 313.051(b)	\$1,136
Minimum Annual Wage committed to by applicant for qualified jobs	\$59,076
Investment per Qualifying Job	\$14,337,838
Estimated 15 year M&O levy without any limit or credit:	\$99,343,458
Estimated gross 15 year M&O tax benefit	\$85,160,221
Estimated 15 year M&O tax benefit (<i>after</i> deductions for estimated school district revenue protection--but not including any deduction for supplemental payments or extraordinary educational expenses):	\$77,251,565
Tax Credits (estimated - part of total tax benefit in the two lines above - appropriated through Foundation School Program)	\$15,627,040
Net M&O Tax (15 years) After Limitation, Credits and Revenue Protection:	\$22,091,893
Tax benefit as a percentage of what applicant would have paid without value limitation agreement (percentage exempted)	77.8%
Percentage of tax benefit due to the limitation	81.6%
Percentage of tax benefit due to the credit	18.4%

This presents the Comptroller's economic impact evaluation of Chevron (the project) applying to Sweeny Independent School District (the district), as required by Tax Code, 313.026. This evaluation is based on information provided by the applicant and examines the following criteria:

- (1) the recommendations of the comptroller;
- (2) the name of the school district;
- (3) the name of the applicant;
- (4) the general nature of the applicant's investment;
- (5) the relationship between the applicant's industry and the types of qualifying jobs to be created by the applicant to the long-term economic growth plans of this state as described in the strategic plan for economic development submitted by the Texas Strategic Economic Development Planning Commission under Section 481.033, Government Code, as that section existed before February 1, 1999;
- (6) the relative level of the applicant's investment per qualifying job to be created by the applicant;
- (7) the number of qualifying jobs to be created by the applicant;
- (8) the wages, salaries, and benefits to be offered by the applicant to qualifying job holders;
- (9) the ability of the applicant to locate or relocate in another state or another region of this state;
- (10) the impact the project will have on this state and individual local units of government, including:
 - (A) tax and other revenue gains, direct or indirect, that would be realized during the qualifying time period, the limitation period, and a period of time after the limitation period considered appropriate by the comptroller; and
 - (B) economic effects of the project, including the impact on jobs and income, during the qualifying time period, the limitation period, and a period of time after the limitation period considered appropriate by the comptroller;
- (11) the economic condition of the region of the state at the time the person's application is being considered;
- (12) the number of new facilities built or expanded in the region during the two years preceding the date of the application that were eligible to apply for a limitation on appraised value under this subchapter;
- (13) the effect of the applicant's proposal, if approved, on the number or size of the school district's instructional facilities, as defined by Section 46.001, Education Code;
- (14) the projected market value of the qualified property of the applicant as determined by the comptroller;
- (15) the proposed limitation on appraised value for the qualified property of the applicant;
- (16) the projected dollar amount of the taxes that would be imposed on the qualified property, for each year of the agreement, if the property does not receive a limitation on appraised value with assumptions of the projected appreciation or depreciation of the investment and projected tax rates clearly stated;
- (17) the projected dollar amount of the taxes that would be imposed on the qualified property, for each tax year of the agreement, if the property receives a limitation on appraised value with assumptions of the projected appreciation or depreciation of the investment clearly stated;
- (18) the projected effect on the Foundation School Program of payments to the district for each year of the agreement;
- (19) the projected future tax credits if the applicant also applies for school tax credits under Section 313.103; and
- (20) the total amount of taxes projected to be lost or gained by the district over the life of the agreement computed by subtracting the projected taxes stated in Subdivision (17) from the projected taxes stated in Subdivision (16).

Wages, salaries and benefits [313.026(6-8)]

After construction, the project will create 92 new jobs when fully operational. 74 jobs will meet the criteria for qualifying jobs as specified in Tax Code Section 313.021(3). According to the Texas Workforce Commission (TWC), the regional manufacturing wage for the Houston-Galveston Area Council Region, where Brazoria County is located was \$53,711 in 2011. The annual average manufacturing wage for 2011 for Brazoria County is \$92,963. That same year, the county annual average wage for all industries was \$46,735. In addition to a salary of \$59,076, each qualifying position will receive benefits such as savings & pension plan, health care benefits, income and survivor protection. The project's total investment is \$1.061 billion, resulting in a relative level of investment per qualifying job of \$14.3 million.

Ability of applicant to locate to another state and [313.026(9)]

According to Chevron's application, "Chevron Phillips Chemical Company LP is a leading chemicals and plastics manufacturer that provides products worldwide to many essential consumer markets. Chevron Phillips' global manufacturing presence provides substantial flexibility in plant locations."

Number of new facilities in region [313.026(12)]

During the past two years, 18 projects in the Houston-Galveston Area Council Region applied for value limitation agreements under Tax Code, Chapter 313.

Relationship of applicant's industry and jobs and Texas's economic growth plans [313.026(5)]

The Texas Economic Development Plan focuses on attracting and developing industries using technology. It also identifies opportunities for existing Texas industries. The plan centers on promoting economic prosperity throughout Texas and the skilled workers that the Chevron project requires appear to be in line with the focus and themes of the plan. Texas identified manufacturing as one of six target clusters in the Texas Cluster Initiative. The plan stresses the importance of technology in all sectors of the manufacturing industry.

Economic Impact [313.026(10)(A), (10)(B), (11), (13-20)]

Table I depicts Chevron's estimated economic impact to Texas. It depicts the direct, indirect and induced effects to employment and personal income within the state. The Comptroller's office calculated the economic impact based on 18 years of annual investment and employment levels using software from Regional Economic Models, Inc. (REMI). The impact includes the construction period and the operating period of the project.

Table 1: Estimated Statewide Economic Impact of Investment and Employment in Chevron

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2014	301	281	582	\$17,812,154	\$17,187,846	\$35,000,000
2015	485	461	946	\$29,563,769	\$33,436,231	\$63,000,000
2016	433	575	1008	\$28,252,758	\$45,747,242	\$74,000,000
2017	141	439	580	\$11,235,478	\$41,764,522	\$53,000,000
2018	92	398	490	\$8,296,284	\$41,703,716	\$50,000,000
2019	92	421	513	\$8,545,144	\$44,454,856	\$53,000,000
2020	92	471	563	\$8,801,456	\$49,198,544	\$58,000,000
2021	92	500	592	\$9,065,496	\$53,934,504	\$63,000,000
2022	92	520	612	\$9,337,448	\$57,662,552	\$67,000,000
2023	92	529	621	\$9,617,588	\$60,382,412	\$70,000,000
2024	92	545	637	\$9,906,100	\$64,093,900	\$74,000,000
2025	92	551	643	\$10,203,352	\$67,796,648	\$78,000,000
2026	92	558	650	\$10,509,436	\$71,490,564	\$82,000,000
2027	92	562	654	\$10,824,720	\$75,175,280	\$86,000,000
2028	92	533	625	\$11,149,480	\$74,850,520	\$86,000,000
2029	92	531	623	\$11,483,900	\$77,516,100	\$89,000,000
2030	92	527	619	\$11,828,440	\$80,171,560	\$92,000,000
2031	92	525	617	\$12,183,284	\$83,816,716	\$96,000,000

Source: CPA, REMI, Chevron

The statewide average ad valorem tax base for school districts in Texas was \$1.6 billion in 2010. Sweeny ISD's ad valorem tax base in 2010 was \$1.58 billion. The statewide average wealth per WADA was estimated at \$345,067 for fiscal 2010-2011. During that same year, Sweeny ISD's estimated wealth per WADA was \$620,551. The impact on the facilities and finances of the district are presented in Attachment 2.

Table 2 examines the estimated direct impact on ad valorem taxes to the school district, Brazoria County, Sweeny Hospital District, Port Freeport, Road & Bridge Fund, West Brazoria County Drainage District #11, Brazoria County Emergency Services District #2, with all property tax incentives sought being granted using estimated market value from Chevron's application. Chevron has applied for a value limitation under Chapter 313, Tax Code, and tax abatements with the county, hospital district, and port. Table 3 illustrates the estimated tax impact of the Chevron project on the region if all taxes are assessed.

Attachment 1 includes schedules A, B, C, and D provided by the applicant in the application. Schedule A shows proposed investment. Schedule B is the projected market value of the qualified property. Schedule C contains employment information, and Schedule D contains tax expenditures and other tax abatement information.

Attachment 2, provided by the district and reviewed by the Texas Education Agency, contains information relating to the financial impact of the proposed project on the finances of the district as well as the tax benefit of the value limitation. "Table 5" in this attachment shows the estimated 15 year M&O tax levy without the value limitation agreement would be \$99,343,458. The estimated gross 15 year M&O tax benefit, or levy loss, is \$85,160,221.

Attachment 3 is an economic overview of Brazoria County.

Disclaimer: This examination is based on information from the application submitted to the school district and forwarded to the comptroller. It is intended to meet the statutory requirement of Chapter 313 of the Tax Code and is not intended for any other purpose.

Attachments

1. Schedules A, B, C, and D provided by applicant in application
2. School finance and tax benefit provided by district
3. County Economic Overview

Attachment 1

Schedule A (Rev. May 2010): Investment

Form 55-236

Applicant Name
Chevron Phillips Chemical Company
Sweeney ISO

PROPERTY INVESTMENT AMOUNTS (Estimated investment in each year. Do not put cumulative totals.)									
Year	School Year (YYYY-YYYY)	Year (F8 in actual tax year below)	Column A: Tangible Personal Property (The amount of new investment (original cost) placed in service during this year)	Column B: Building or permanent nonremovable component of building (annual amount only)	Column C: Sum of A and B Qualifying Investment (during the qualifying time period)	Column D: Other investment that is not qualified investment but investment affecting economic impact and total value	Column E: Total Investment (A+B+C)		
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Investment made before filing complete application with district (neither qualified property nor eligible to become qualified property)	Investment made after filing complete application with district, but before final board approval of application (eligible to become a qualified property)	Investment made after final board approval of application and before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property)	2013	0	63,750,000		63,750,000	
				2014	1,450,000	236,500,000		237,950,000	
				2015	5,800,000	381,100,000		386,900,000	
				2016	33,250,000	300,400,000		333,650,000	
				2017	0	38,650,000		38,650,000	
				2018	0	0		0	
				2019	0	0		0	
				2020	0	0		0	
				2021	0	0		0	
				2022	0	0		0	
				2023	0	0		0	
				2024	0	0		0	
				2025	0	0		0	
				2026	0	0		0	
				2027	0	0		0	
2028	0	0		0					
2029	0	0		0					
2030	0	0		0					
2031	0	0		0					
Complete tax years of qualifying time period	1	2017-2018	38,650,000	0	38,650,000		38,650,000		
	2	2018-2019	0	0	0		0		
	3	2019-2020	0	0	0		0		
	4	2020-2021	0	0	0		0		
	5	2021-2022	0	0	0		0		
	6	2022-2023	0	0	0		0		
	7	2023-2024	0	0	0		0		
	8	2024-2025	0	0	0		0		
	9	2025-2026	0	0	0		0		
	10	2026-2027	0	0	0		0		
	11	2027-2028	0	0	0		0		
	12	2028-2029	0	0	0		0		
	13	2029-2030	0	0	0		0		
	14	2030-2031	0	0	0		0		
	15	2031-2032	0	0	0		0		
Tax Credit Period (with 50% cap on credit)									
Credit Settle-Up Period									
Post-Settle-Up Period									
Post-Settle-Up Period									

The spending represents
engineering and long term
delivery of equipment

Qualifying Time Period usually begins with the final board approval of the application and extends generally for the following two complete tax years.
This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment - as defined in Tax Code §313.02(1)(A)-(D).
Column A.

For the purposes of investment, please list amount invested each year, not cumulative totals.
For the years outside the qualifying time period, this number should simply represent the planned investment in tangible personal property.
Include estimates of investment for "replacement" property-property that is part of original agreement but scheduled for probable replacement during limitation period.
The total dollar amount of planned investment each year in buildings or nonremovable component of building that the applicant considers qualified investment under Tax Code §313.02(1)(E).

Column B:
For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings.
Dollar value of other investment that may not be qualified investment but that may affect economic impact and total value-for planning, construction and operation of the facility.
The most significant example for many projects would be land. Other examples may be items such as professional services, etc.
Note: Land can be used as part of investment during the "pre-year 1" time period. It cannot be part of qualifying investment.

Column D:
Notes: For advanced clean energy projects, nuclear projects, projects with deferred qualifying time periods, and projects with lengthy application review periods, insert additional rows as needed.
This schedule must be submitted with the original application and a copy application for tax credit. When using this schedule for any purpose other than the original application,
replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter
those amounts for future years.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE
6/6/12

DATE

Schedule B (Rev. May 2010): Estimated Market And Taxable Value

Form 50-296

Applicant Name
ISD Name

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Qualified Property			Reductions from Market Value	Estimated Taxable Value	
				Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new building or "in or on the new improvement"		Final taxable value for MS - after all reductions	Final taxable value for M&CO--after all reductions
	pre-year 1	2013-2014	2013	650,000	0	0	0	650,000	0
	pre-year 1	2014-2015	2014	650,000	0	0	0	650,000	0
	pre-year 2	2015-2016	2015	650,000	750,000	80,000,000	0	81,400,000	81,400,000
	pre-year 3	2016-2017	2016	650,000	3,000,000	266,350,000	6,350,000	263,650,000	263,650,000
Complete tax years of qualifying time period	1	2017-2018	2017	650,000	20,300,000	519,000,000	13,000,000	526,960,000	526,960,000
	2	2018-2019	2018	650,000	40,600,000	1,020,400,000	26,000,000	1,035,650,000	1,035,650,000
	3	2019-2020	2019	650,000	38,976,000	979,584,000	24,960,000	994,250,000	30,000,000
	4	2020-2021	2020	650,000	37,416,960	940,400,640	23,961,600	954,506,000	30,000,000
	5	2021-2022	2021	650,000	35,920,282	902,784,614	23,003,136	916,351,760	30,000,000
	6	2022-2023	2022	650,000	34,483,470	866,673,230	22,083,011	879,723,690	30,000,000
	7	2023-2024	2023	650,000	33,104,132	832,006,301	21,199,690	844,560,742	30,000,000
	8	2023-2025	2024	650,000	31,779,966	798,726,049	20,351,703	810,804,312	30,000,000
	9	2025-2028	2025	650,000	30,508,768	766,777,007	19,537,634	778,398,140	30,000,000
	10	2026-2027	2026	650,000	29,288,417	736,105,926	18,756,129	747,288,214	30,000,000
	11	2027-2028	2027	650,000	28,116,880	706,661,689	18,005,884	717,422,686	717,422,686
	12	2028-2029	2028	650,000	26,992,205	678,395,222	17,285,649	688,751,778	688,751,778
	13	2029-2030	2029	650,000	25,912,517	651,259,413	16,594,223	661,227,707	661,227,707
	14	2030-2031	2030	650,000	24,876,016	625,209,036	15,930,454	634,804,599	634,804,599
	15	2031-2032	2031	650,000	23,880,976	600,200,675	15,293,236	609,438,415	609,438,415

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation. This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.

 DATE 6/6/17

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

Applicant Name
ISD Name

Schedule C- Application: Employment Information

Form 50-296

	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Construction		New Jobs		Qualifying Jobs			
				Column A: Number of Construction man- hours	Column B: Average annual wage rates for construction workers	Column C: Number of new jobs applicant commits to create (cumulative)	Column D: Average annual wage rate for all new jobs.	Column E: Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column F: Average annual wage of qualifying jobs		
	pre-year 1	2013-2014	2013								
	pre-year 2	2014-2015	2014	626,425	59,144	0	0	0	0	0	0
	pre-year 3	2015-2016	2015	1,009,433	80,918	0	0	0	0	0	0
	pre-year 4	2016-2017	2016	795,680	62,746	50	\$85,000	40	\$85,000	40	\$85,000
Complete tax years of qualifying time period	1	2017-2018	2017	102,374	64,628	92	\$87,550	74	\$87,550	74	\$87,550
	2	2018-2019	2018			92	\$90,177	74	\$90,177	74	\$90,177
Tax Credit Period (with 50% cap on credit)	3	2019-2020	2019			92	\$92,882	74	\$92,882	74	\$92,882
	4	2020-2021	2020			92	\$95,668	74	\$95,668	74	\$95,668
	5	2021-2022	2021			92	\$98,538	74	\$98,538	74	\$98,538
	6	2022-2023	2022			92	\$101,494	74	\$101,494	74	\$101,494
	7	2023-2024	2023			92	\$104,539	74	\$104,539	74	\$104,539
	8	2024-2025	2024			92	\$107,675	74	\$107,675	74	\$107,675
	9	2025-2028	2025			92	\$110,906	74	\$110,906	74	\$110,906
	10	2026-2027	2026			92	\$114,233	74	\$114,233	74	\$114,233
Credit Settle-Up Period	11	2027-2028	2027			92	\$117,660	74	\$117,660	74	\$117,660
	12	2028-2029	2028			92	\$121,190	74	\$121,190	74	\$121,190
	13	2029-2030	2028			92	\$124,825	74	\$124,825	74	\$124,825
Post-Settle-Up Period	14	2030-2031	2030			92	\$128,570	74	\$128,570	74	\$128,570
	15	2031-2032	2031			92	\$132,427	75	\$132,427	75	\$132,427

Notes: For job definitions see TAC §9.1051(14) and Tax Code §313.021(3).

This schedule must be submitted with the original application and any application for tax credit. When using this schedule for any purpose other than the original application, replace original estimates with actual appraisal district data for past years and update estimates for current and future years. If original estimates have not changed, enter those amounts for future years.



SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

6/6/13

DATE

Schedule D: (Rev. May 2010): Other Tax Information

Form 50-296

Applicant Name

		Sales Tax Information				Other Property Tax Abatements Sought			
		Franchise Tax	County	City	Hospital	Other			
Year	School Year (YYYY-YYYY)	Tax/Calendar Year YYYY	Column F: Estimate of total annual expenditures* subject to state sales tax	Column G: Estimate of total annual expenditures* made in Texas NOT subject to sales tax	Column H: Estimate of Franchise tax due from (or attributable to) the applicant	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	Fill in percentage exemption requested or granted in each year of the Agreement	
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	2013-2014	2013	13,849,957	49,900,043	0	0%	0%	0%	
	2014-2015	2014	51,379,280	185,120,720	0	0%	0%	0%	
	2015-2016	2015	69,455,665	311,644,335	0	0%	0%	0%	
	2016-2017	2016	54,747,850	245,652,150	0	0%	0%	0%	
Complete tax years of qualifying time period	1	2017-2018	19,991,379	18,658,621	17	100%	100%	100%	
	2	2018-2019	4,101,000	3,827,000	1,089,000	100%	100%	100%	
Tax Credit Period (with 50% cap on credit)	3	2019-2020	4,183,000	3,904,000	1,155,000	100%	100%	100%	
	4	2020-2021	4,266,000	3,982,000	1,069,000	100%	100%	100%	
	5	2021-2022	4,352,000	4,060,000	1,019,000	100%	100%	100%	
	6	2022-2023	3,891,000	3,632,000	983,000	100%	100%	100%	
	7	2023-2024	3,969,000	3,705,000	719,000	100%	100%	100%	
	8	2024-2025	4,049,000	3,779,000	932,000	100%	100%	100%	
	9	2025-2026	4,130,000	3,854,000	932,000	100%	100%	100%	
	10	2026-2027	4,212,000	3,931,000	859,000	100%	100%	100%	
	11	2027-2028	3,767,000	3,516,000	860,000	0%	0%	0%	
	12	2028-2029	3,842,000	3,586,000	577,000	0%	0%	0%	
	13	2029-2030	3,919,000	3,658,000	839,000	0%	0%	0%	
	14	2030-2031	3,997,000	3,731,000	820,000	0%	0%	0%	
	15	2031-2032	3,997,000	3,731,000	820,000	0%	0%	0%	

*For planning construction and operation of the facility.

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE 6/6/12

Attachment 2



1701 North Congress Ave. • Austin, Texas 78701-1494 • 512 463-9734 • 512 463-9838 FAX • www.tea.state.tx.us

Michael L. Williams
Commissioner

October 3, 2012

Mr. Robert Wood
Director, Economic Development and Analysis
Texas Comptroller of Public Accounts
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, Texas 78774

Dear Mr. Wood:

The Texas Education Agency has analyzed the revenue gains that would be realized by the proposed Chevron Phillips Chemical Company LP project for the Sweeny Independent School District (SISD). Projections prepared by our Office of School Finance confirm the analysis that was prepared by Moak, Casey and Associates and provided to us by your division. We believe their assumptions regarding the potential revenue gain are valid, and their estimates of the impact of the Chevron Phillips Chemical Company LP project on SISD are correct.

Please feel free to contact Al McKenzie, manager of forecasting, facilities, and transportation, by phone at (512) 463-9186 or by email at al.mckenzie@tea.state.tx.us if you need further information regarding this issue.

Sincerely,

A handwritten signature in black ink that reads "Belinda Dyer". The signature is written in a cursive, flowing style.

Belinda Dyer
Division Manager
Office of School Finance

BD/bd



1701 North Congress Ave. • Austin, Texas 78701-1494 • 512 463-9734 • 512 463-9838 FAX • www.tea.state.tx.us

Michael L. Williams
Commissioner

October 3, 2012

Mr. Robert Wood
Director, Economic Development and Analysis
Texas Comptroller of Public Accounts
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, Texas 78774

Dear Mr. Wood:

As required by the Tax Code, §313.025 (b-1), the Texas Education Agency (TEA) has evaluated the impact of the proposed Chevron Phillips Chemical Company LP project on the number and size of school facilities in Sweeny Independent School District (SISD). Based on the analysis prepared by Moak, Casey and Associates for the school district and a conversation with the SISD superintendent, Randy Miksch, the TEA has found that the Chevron Phillips Chemical Company LP project would not have a significant impact on the number or size of school facilities in SISD.

Please feel free to contact Al McKenzie, manager of forecasting, facilities, and transportation, by phone at (512) 463-9186 or by email at al.mckenzie@tea.state.tx.us if you need further information regarding this issue.

Sincerely,

A handwritten signature in black ink that reads "Belinda Dyer". The signature is written in a cursive, flowing style.

Belinda Dyer
Division Manager
Office of School Finance

BD/bd

**SUMMARY OF FINANCIAL IMPACT OF THE PROPOSED CHEVRON
PHILLIPS CHEMICAL COMPANY LP PROJECT ON THE FINANCES
OF THE SWEENEY INDEPENDENT SCHOOL DISTRICT UNDER A
REQUESTED CHAPTER 313 PROPERTY VALUE LIMITATION**

August 17, 2012

Final Report

PREPARED BY



Estimated Impact of the Proposed Chevron Phillips Chemical Company LP Project on the Finances of the Sweeny Independent School District under a Requested Chapter 313 Property Value Limitation

Introduction

Chevron Phillips Chemical Company LP (Chevron Phillips) has requested that the Sweeny Independent School District (SISD) consider granting a property value limitation under Chapter 313 of the Tax Code, also known as the Texas Economic Development Act. In an application submitted to SISD on July 11, 2012, Chevron Phillips proposes to invest \$1.061 billion to construct two new polyethylene units and related facilities in SISD.

The Chevron Phillips project is consistent with the state's goal to "encourage large scale capital investments in this state." When enacted as House Bill 1200 in 2001, Chapter 313 of the Tax Code granted eligibility to companies engaged in manufacturing, research and development, and renewable electric energy production to apply to school districts for property value limitations. Subsequent legislative changes expanded eligibility to clean coal projects, nuclear power generation and data centers, among others.

Under the provisions of Chapter 313, SISD may offer a minimum value limitation of \$30 million. The provisions of Chapter 313 call for the project to be fully taxable for the first six years, with the Company requesting a four-year deferral of the start of the two-year qualifying time period until the 2017-18 school year. For the purpose of this analysis, it is assumed that the qualifying time period will be the 2017-18 and 2018-19 school years. Beginning in the 2019-20 school year, the project would go on the local tax roll at \$30 million and remain at that level of taxable value for eight years for maintenance and operations (M&O) taxes.

The full taxable value of the project could be assessed for debt service (I&S) taxes on voter-approved bond issues throughout the limitation period and after, with SISD currently levying a \$0.172 I&S tax rate. The full taxable value of the investment is expected to reach \$1.036 billion in the 2018-19 school year, with depreciation expected to reduce the taxable value of the project over the course of the value limitation agreement. In the peak year of project value, these estimates suggest that the current I&S tax rate could be reduced by as much as six cents.

In the case of the Chevron Phillips project, the agreement calls for a calculation of the revenue impact of the value limitation in years 3-10 of the agreement, under whatever school finance and property tax laws are in effect in each of those years. SISD would experience revenue losses over the eight years that the limitation is in effect that are expected to total \$7.9 million.

Under the assumptions outlined below, the potential tax benefits under a Chapter 313 agreement could reach an estimated \$77.3 million. This amount is net of any anticipated revenue losses paid to SISD.

School Finance Mechanics

Under the current school finance system, the property values established by the Comptroller's Office that are used to calculate state aid and recapture lag by one year, a practical consequence of the fact that the Comptroller's Office needs this time to conduct its property value study and now the planned audits of appraisal district operations in alternating years. A taxpayer receiving a value limitation pays M&O taxes on the reduced value for the project in years 3-10 and receives a tax bill for I&S taxes based on the full project value throughout the qualifying and value limitation period (and thereafter). The school funding formulas use the Comptroller's property values that reflect a reduction due to the property value limitation in years 4-11 as a result of the one-year lag in property values.

The third year is often problematical financially for a school district that approves a Chapter 313 value limitation. The implementation of the value limitation often results in a revenue loss to the school district in the third year of the agreement that would not be reimbursed by the state, but require some type of compensation from the applicant under the revenue protection provisions of the agreement. In years 4-10, smaller revenue losses would be anticipated when the state property values are aligned at the minimum value established by the Board on both the local tax roll and the corresponding state property value study.

Under the HB 1 system adopted in 2006, most school districts received additional state aid for tax reduction (ASATR) that was used to maintain their target revenue amounts established at the revenue levels under old law for the 2005-06 or 2006-07 school years, whichever was highest. In terms of new Chapter 313 property value limitation agreements, adjustments to ASATR funding often moderated the impact of the reduced M&O collections as a result of the limitation, in contrast with the earlier formula-driven finance system.

House Bill 3646 as enacted in 2009 created more "formula" school districts that were less dependent on ASATR state aid than had been the case previously. The formula reductions enacted under Senate Bill 1 (SB 1) as approved in the First Called Session in 2011 are designed to make \$4 billion in reductions to the existing school funding formulas for the 2011-12 and 2012-13 school years. For the 2011-12 school year, across-the-board reductions were made that reduced each district's WADA count and resulted in an estimated 815 school districts still receiving ASATR to maintain their target revenue funding levels, while an estimated 209 districts operating directly on the state formulas.

For the 2012-13 school year, the SB 1 changes called for smaller across-the-board reductions and funding ASATR-receiving target revenue districts at 92.35 percent of the level provided for under the existing funding formula. As a result, only 421 districts are expected to receive ASATR funding in the 2012-13 school year, with 603 districts classified as "formula" districts. For the 2013-14 school year and beyond, the ASATR reduction percentage will be set in the General Appropriations Act. The recent legislative session also saw the adoption of a statement of legislative intent to no longer fund target revenue (through ASATR) by the 2017-18 school year. It is likely that ASATR state funding will be reduced in future years and eliminated by the 2017-18 school year, based on current state policy.

One key element in any analysis of the school finance implications is the provision for revenue protection in the agreement between the school district and the applicant. In the case of the Chevron Phillips project, the agreement calls for a calculation of the revenue impact of the value limitation in years 3-10 of the agreement, under whatever school finance and property tax laws are in effect in each of those years. This meets the statutory requirement under Section

313.027(f)(1) of the Tax Code to provide school district revenue protection language in the agreement.

Underlying Assumptions

There are several approaches that can be used to analyze the future revenue stream of a school district under a value limitation. Whatever method is used, a reasonable analysis requires the use of a multi-year forecasting model that covers the years in which the agreement is in effect. The Chapter 313 application now requires 15 years of data and analysis on the project being considered for a property value limitation.

The general approach used here is to maintain static enrollment and underlying property values in order to isolate the effects of the value limitation under the school finance system. The current SB 1 reductions are reflected in the underlying models. With regard to ASATR funding the 92.35 percent reduction enacted for the 2012-13 school year and thereafter, until the 2017-18 school year. A statement of legislative intent was adopted in 2011 to no longer fund target revenue by the 2017-18 school year, so that change is reflected in the estimates presented below, although the delay in the start of the qualifying time period carries the start of the value limitation past the termination of ASATR funding. The projected taxable values of the Chevron Phillips project are factored into the base model used here. The impact of the limitation value for the proposed Chevron Phillips project is isolated separately and the focus of this analysis.

Student enrollment counts are held constant at 1,760 students in average daily attendance (ADA) in analyzing the effects of the Chevron Phillips project on the finances of SISD. The District's local tax base reached \$1.4 billion for the 2011 tax year and is maintained for the forecast period in order to isolate the effects of the property value limitation. An M&O tax rate of \$1.04 is used throughout this analysis. SISD has estimated state property wealth per weighted ADA or WADA of approximately \$597,576 for the 2011-12 school year. The enrollment and property value assumptions for the 20 years that are the subject of this analysis are summarized in Table 1.

School Finance Impact

School finance models were prepared for SISD under the assumptions outlined above through the 2031-32 school year. Beyond the 2012-13 school year, no attempt was made to forecast the 88th percentile or Austin yield that influence future state funding beyond the projected level for that school year. In the analyses for other districts and applicants on earlier projects, these changes appeared to have little impact on the revenue associated with the implementation of the property value limitation, since the baseline and other models incorporate the same underlying assumptions.

Under the proposed agreement, a model is established to make a calculation of the "Baseline Revenue" by adding the value of the proposed Chevron Phillips facility to the model, but without assuming that a value limitation is approved. The results of the model are shown in Table 2.

A second model is developed which adds the Chevron Phillips value but imposes the proposed property value limitation in the 2019-20 school year. The results of this model are identified as "Value Limitation Revenue Model" under the revenue protection provisions of the proposed agreement (see Table 3).

A summary of the differences between these models is shown in Table 4. The model results show approximately \$13 million a year in annual net General Fund revenue, after recapture and other adjustments have been made, as needed.

Under these assumptions, SISD would experience a revenue loss as a result of the implementation of the value limitation in the 2019-20 school year (-\$5.1 million). Smaller annual losses in the \$400,000 range would be expected for the remaining seven value limitation years. The revenue reduction results from the mechanics of the up to six cents beyond the compressed M&O tax rate equalized to the Austin yield or not subject to recapture. These calculations also reflect the one-year lag in value associated with the state property value study

In the case of the 2019-20 initial valuation year, Chevron Phillips would be expected to receive net tax savings of about \$10 million. Nearly half of this amount is offset by an estimated \$4.9 million reduction in recapture costs for that year. In the years that follow, most of the reduction in M&O tax revenue is offset by a reduction in the Comptroller's property value study.

As noted previously, no attempt was made to forecast further reductions in ASATR funding beyond the 92.35 percent adjustment adopted for the 2012-13 school year, although it is assumed that ASATR will be eliminated beginning in the 2017-18 school year, based on the 2011 statement of legislative intent. . In the case of these elements, it appears that the last year of ASATR funding for SISD is the 2014-15 school year.

The Comptroller's state property value study influences these calculations, as noted previously. At the school-district level, a taxpayer benefiting from a property value limitation has two property values assigned by the local appraisal district for their property covered by the limitation: (1) a reduced value for M&O taxes, and (2) the full taxable value for I&S taxes. This situation exists for the eight years that the value limitation is in effect. The Comptroller's Property Tax Assistance Division now makes two determinations of value for school districts granting Chapter 313 agreements, consistent with local practice. A consolidated single state property value had been provided previously.

Impact on the Taxpayer

Table 5 summarizes the impact of the proposed property value limitation in terms of the potential tax savings under the property value limitation agreement. The focus of this table is on the M&O tax rate only. As noted previously, the property is fully taxable in the first two years under the agreement. A \$1.04 per \$100 of taxable value M&O rate is assumed in 2012-13 and thereafter.

Under the assumptions used here, the potential tax savings from the value limitation total \$69.5 million over the life of the agreement. In addition, Chevron Phillips would be eligible for a tax credit for M&O taxes paid on value in excess of the value limitation in each of the first two qualifying years. The credit amount is paid out slowly through the last seven years the value limitation is in effect. Due to statutory limits on the scale of these payments over these seven years, catch-up payments are permitted in the three years following the expiration of the \$30 million limitation. The tax credits are expected to total approximately \$15.6 million over the life of the agreement with Chevron Phillips. The school district is to be reimbursed by the Texas Education Agency for the cost of these credits.

The key SISD revenue losses are expected to total approximately \$7.9 million over the life of the agreement. The potential net tax benefits (inclusive of tax credits but after hold-harmless payments are made) are estimated to total \$77.3 million.

Facilities Funding Impact

The Chevron Phillips project remains fully taxable for debt services taxes, with SISD currently levying a \$0.172 I&S rate. The value of the Chevron Phillips project is expected to depreciate over the life of the agreement and beyond, but full access to the additional value in its peak year is expected to permit SISD to reduce its I&S tax rate by an estimated six cents, based on the estimates presented here.

The Chevron Phillips project is not expected to affect SISD in terms of enrollment. The Company has indicated the new plants will employ approximately 92 workers, but the area has highway access and the availability of housing will probably determine where the new employees will locate their residences.

Conclusion

The proposed Chevron Phillips polyethylene project enhances the tax base of SISD. It reflects continued capital investment in keeping with the goals of Chapter 313 of the Tax Code.

Under the assumptions outlined above, the potential tax savings for the applicant under a Chapter 313 agreement could reach an estimated \$77.3 million. (This amount is net of any anticipated revenue losses for the District.) The additional taxable value also enhances the tax base of SISD in meeting its future debt service obligations.

Table 1 – Base District Information with Chevron Phillips Chemical Company LP Project Value and Limitation Values

Year of Agreement	School Year	ADA	WADA	M&O Tax Rate	I&S Tax Rate	CAD Value with Project	CAD Value with Limitation	CPTD with Project	CPTD With Limitation	CPTD Value with Project per WADA	CPTD Value with Limitation per WADA
Pre-Year 1	2012-13	1,728.51	2,397.81	\$1.0400	\$0.1717	\$1,389,442,730	\$1,389,442,730	\$1,303,041,687	\$1,303,041,687	\$543,431	\$543,431
Pre-Year 1	2013-14	1,728.51	2,397.81	\$1.0400	\$0.1717	\$1,390,092,730	\$1,390,092,730	\$1,303,041,687	\$1,303,041,687	\$543,431	\$543,431
Pre-Year 1	2014-15	1,728.51	2,397.81	\$1.0400	\$0.1717	\$1,390,092,730	\$1,390,092,730	\$1,303,041,687	\$1,303,041,687	\$543,702	\$543,702
Pre-Year 2	2015-16	1,728.51	2,435.42	\$1.0400	\$0.1717	\$1,524,407,545	\$1,524,407,545	\$1,303,691,687	\$1,303,691,687	\$535,305	\$535,305
Pre-Year 3	2016-17	1,728.51	2,435.42	\$1.0400	\$0.1717	\$1,696,598,817	\$1,696,598,817	\$1,438,006,502	\$1,438,006,502	\$590,455	\$590,455
1	2017-18	1,728.51	2,435.42	\$1.0400	\$0.1400	\$1,951,050,862	\$1,951,050,862	\$1,610,197,774	\$1,610,197,774	\$661,158	\$661,158
2	2018-19	1,728.51	2,435.42	\$1.0400	\$0.1100	\$2,451,967,939	\$2,451,967,939	\$1,864,649,819	\$1,864,649,819	\$765,638	\$765,638
3	2019-20	1,728.51	2,435.42	\$1.0400	\$0.1100	\$2,403,721,849	\$1,439,471,849	\$2,365,566,896	\$2,365,566,896	\$971,318	\$971,318
4	2020-21	1,728.51	2,435.42	\$1.0400	\$0.1100	\$2,957,955,825	\$1,433,449,825	\$2,317,320,806	\$1,353,070,806	\$957,508	\$556,580
5	2021-22	1,728.51	2,435.42	\$1.0400	\$0.1100	\$2,314,504,435	\$1,428,152,675	\$2,271,554,782	\$1,347,048,782	\$932,716	\$553,107
6	2022-23	1,728.51	2,435.42	\$1.0400	\$0.1200	\$2,273,216,835	\$1,423,493,145	\$2,228,103,392	\$1,341,751,632	\$914,874	\$550,932
7	2023-24	1,728.51	2,435.42	\$1.0400	\$0.1200	\$2,233,955,226	\$1,419,394,484	\$2,186,815,792	\$1,337,092,102	\$897,921	\$549,019
8	2024-25	1,728.51	2,435.42	\$1.0400	\$0.1200	\$2,196,593,492	\$1,415,789,180	\$2,147,554,183	\$1,332,993,441	\$881,800	\$547,336
9	2025-26	1,728.51	2,435.42	\$1.0400	\$0.1200	\$2,161,015,988	\$1,412,617,848	\$2,110,192,449	\$1,329,388,137	\$866,459	\$545,856
10	2026-27	1,728.51	2,435.42	\$1.0400	\$0.1200	\$2,127,116,464	\$1,409,828,250	\$2,074,614,945	\$1,326,216,805	\$851,851	\$544,554
11	2027-28	1,728.51	2,435.42	\$1.0400	\$0.1200	\$2,094,797,124	\$2,094,797,124	\$2,040,715,421	\$1,323,427,207	\$837,932	\$543,408
12	2028-29	1,728.51	2,435.42	\$1.0400	\$0.1200	\$2,063,967,769	\$2,063,967,769	\$2,008,396,081	\$2,008,396,081	\$824,661	\$824,661
13	2029-30	1,728.51	2,435.42	\$1.0400	\$0.1200	\$2,034,546,166	\$2,034,546,166	\$1,977,566,726	\$1,977,566,726	\$812,002	\$812,002
14	2030-31	1,728.51	2,435.42	\$1.0400	\$0.1200	\$2,006,451,863	\$2,006,451,863	\$1,948,145,123	\$1,948,145,123	\$799,922	\$799,922
15	2031-32	1,728.51	2,435.42	\$1.0400	\$0.1200	\$1,979,616,615	\$1,979,616,615	\$1,920,050,820	\$1,920,050,820	\$788,386	\$788,386

*Tier II Yield: \$47.65; AISD Yield: \$59.97; Equalized Wealth: \$476,500 per WADA

Table 2– “Baseline Revenue Model”--Project Value Added with No Value Limitation

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Additional State Aid-Hold Harmless	Excess Formula Reduction	Recapture Costs	Additional Local M&O Collections	State Aid From Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Total General Fund
Pre-Year 1	2012-13	\$12,631,400	\$579,929	\$1,070,803	\$0	-\$1,477,840	\$504,599	\$52,248	\$0	\$13,361,040
Pre-Year 1	2013-14	\$12,637,715	\$572,194	\$1,072,962	\$0	-\$1,478,679	\$504,851	\$52,275	\$0	\$13,361,318
Pre-Year 1	2014-15	\$12,637,715	\$572,194	\$1,078,211	\$0	-\$1,483,927	\$504,851	\$51,997	\$0	\$13,361,040
Pre-Year 2	2015-16	\$13,942,649	\$628,414	\$0	\$0	-\$1,455,056	\$556,981	\$67,003	\$0	\$13,739,990
Pre-Year 3	2016-17	\$15,615,570	\$749,410	\$0	\$0	-\$2,863,049	\$623,811	\$9,767	\$0	\$14,135,509
1	2017-18	\$18,093,350	\$628,414	\$0	\$0	-\$4,809,840	\$722,793	\$0	\$0	\$14,634,717
2	2018-19	\$22,965,841	\$749,410	\$0	\$0	-\$8,429,275	\$917,431	\$0	\$0	\$16,203,207
3	2019-20	\$22,771,731	\$628,414	\$0	\$0	-\$11,357,047	\$909,685	\$0	\$0	\$12,952,783
4	2020-21	\$22,315,765	\$749,410	\$0	\$0	-\$10,896,841	\$891,470	\$0	\$0	\$13,059,804
5	2021-22	\$21,882,740	\$628,414	\$0	\$0	-\$10,459,882	\$874,172	\$0	\$0	\$12,925,444
6	2022-23	\$21,489,259	\$749,410	\$0	\$0	-\$10,043,743	\$857,654	\$0	\$0	\$13,032,580
7	2023-24	\$21,077,792	\$628,414	\$0	\$0	-\$9,648,898	\$842,016	\$0	\$0	\$12,899,324
8	2024-25	\$20,705,184	\$749,410	\$0	\$0	-\$9,273,146	\$827,131	\$0	\$0	\$13,008,578
9	2025-26	\$20,350,294	\$749,410	\$0	\$0	-\$8,915,327	\$812,954	\$0	\$0	\$12,997,330
10	2026-27	\$20,012,078	\$749,410	\$0	\$0	-\$8,574,378	\$799,443	\$0	\$0	\$12,988,552
11	2027-28	\$19,493,641	\$749,410	\$0	\$0	-\$8,164,804	\$778,732	\$0	\$0	\$12,856,980
12	2028-29	\$19,194,119	\$749,410	\$0	\$0	-\$7,859,964	\$766,767	\$0	\$0	\$12,850,332
13	2029-30	\$18,908,274	\$749,410	\$0	\$0	-\$7,568,961	\$755,348	\$0	\$0	\$12,844,071
14	2030-31	\$18,635,324	\$749,410	\$0	\$0	-\$7,291,030	\$744,444	\$0	\$0	\$12,838,146
15	2031-32	\$18,374,607	\$749,410	\$0	\$0	-\$7,025,463	\$734,029	\$0	\$0	\$12,832,582

Table 5 - Estimated Financial impact of the Chevron Phillips Chemical Company LP Project Property Value Limitation Request Submitted to SISD at \$1.04 M&O Tax Rate

Year of Agreement	School Year	Project Value	Estimated Taxable Value	Value Savings	Taxes Before Value Limit	Taxes after Value Limit	Tax Savings @ Projected M&O Rate	Tax Credits for First Two Years Above Limit	Tax Benefit to Company Before Revenue Protection	School District Revenue Losses	Estimated Net Tax Benefits
Pre-Year 1	2012-13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pre-Year 1	2013-14	\$650,000	\$650,000	\$0	\$6,760	\$6,760	\$0	\$0	\$0	\$0	\$0
Pre-Year 1	2014-15	\$850,000	\$850,000	\$0	\$6,760	\$6,760	\$0	\$0	\$0	\$0	\$0
Pre-Year 2	2015-16	\$81,400,000	\$81,400,000	\$0	\$846,560	\$846,560	\$0	\$0	\$0	\$0	\$0
Pre-Year 3	2016-17	\$263,650,000	\$263,650,000	\$0	\$2,741,960	\$2,741,960	\$0	\$0	\$0	\$0	\$0
1	2017-18	\$526,950,000	\$526,950,000	\$0	\$5,480,280	\$5,480,280	\$0	\$0	\$0	\$0	\$0
2	2018-19	\$1,035,650,000	\$1,035,650,000	\$0	\$10,770,760	\$10,770,760	\$0	\$0	\$0	\$0	\$0
3	2019-20	\$994,250,000	\$30,000,000	\$964,250,000	\$10,340,200	\$312,000	\$10,028,200	\$0	\$10,028,200	-\$5,115,781	\$4,912,419
4	2020-21	\$954,506,000	\$30,000,000	\$924,506,000	\$9,926,862	\$312,000	\$9,614,862	\$1,597,324	\$11,212,186	-\$443,928	\$10,768,258
5	2021-22	\$916,351,760	\$30,000,000	\$886,351,760	\$9,530,058	\$312,000	\$9,218,058	\$2,232,434	\$11,450,493	-\$427,358	\$11,023,134
6	2022-23	\$879,723,690	\$30,000,000	\$849,723,690	\$9,149,126	\$312,000	\$8,837,126	\$2,232,434	\$11,069,561	-\$412,385	\$10,657,176
7	2023-24	\$844,560,742	\$30,000,000	\$814,560,742	\$8,783,432	\$312,000	\$8,471,432	\$702,838	\$9,174,269	-\$397,579	\$8,776,691
8	2024-25	\$810,804,312	\$30,000,000	\$780,804,312	\$8,432,365	\$312,000	\$8,120,365	\$680,978	\$8,801,343	-\$383,572	\$8,417,772
9	2025-26	\$778,398,140	\$30,000,000	\$748,398,140	\$8,095,341	\$312,000	\$7,783,341	\$659,993	\$8,443,334	-\$370,310	\$8,073,025
10	2026-27	\$747,288,214	\$30,000,000	\$717,288,214	\$7,771,797	\$312,000	\$7,459,797	\$683,834	\$8,143,632	-\$357,745	\$7,785,887
11	2027-28	\$717,422,686	\$717,422,686	\$0	\$7,461,196	\$7,461,196	\$0	\$6,837,204	\$6,837,204	\$0	\$6,837,204
12	2028-29	\$688,751,778	\$688,751,778	\$0	\$7,163,018	\$7,163,018	\$0	\$0	\$0	\$0	\$0
13	2029-30	\$661,227,707	\$661,227,707	\$0	\$6,876,768	\$6,876,768	\$0	\$0	\$0	\$0	\$0
14	2030-31	\$634,804,599	\$634,804,599	\$0	\$6,601,968	\$6,601,968	\$0	\$0	\$0	\$0	\$0
15	2031-32	\$609,438,415	\$609,438,415	\$0	\$6,338,160	\$6,338,160	\$0	\$0	\$0	\$0	\$0
Totals					\$99,343,458	\$29,810,276	\$69,533,182	\$15,627,040	\$85,160,221	-\$7,908,657	\$77,251,565
Tax Credit for Value Over Limit in First 2 Years								Year 1	Year 2	Max Credits	
								\$5,168,280	\$10,458,760		
								Credits Earned	\$15,627,040		
								Credits Paid	<u>\$15,627,040</u>		
								Excess Credits Unpaid	\$0		

Note: School District Revenue-Loss estimates are subject to change based on numerous factors, including legislative and Texas Education Agency administrative changes to school finance formulas, year-to-year appraisals of project values, and changes in school district tax rates. One of the most substantial changes to the school finance formulas related to Chapter 313 revenue-loss projections could be the treatment of Additional State Aid for Tax Reduction (ASATR). Legislative intent is to end ASATR in 2017-18 school year. Additional information on the assumptions used in preparing these estimates is provided in the narrative of this Report.

Attachment 3

Brazoria County

Population

- Total county population in 2010 for Brazoria County: 314,407 , up 1.7 percent from 2009. State population increased 1.8 percent in the same time period.
- Brazoria County was the state's 15th largest county in population in 2010 and the 50 th fastest growing county from 2009 to 2010.
- Brazoria County's population in 2009 was 56.0 percent Anglo (above the state average of 46.7 percent), 10.9 percent African-American (below the state average of 11.3 percent) and 26.6 percent Hispanic (below the state average of 36.9 percent).
- 2009 population of the largest cities and places in Brazoria County:

Pearland:	86,341	Lake Jackson:	28,980
Alvin:	23,284	Angleton:	19,123
Freeport:	12,618	Clute:	10,915
Manvel:	6,375	West Columbia:	4,203
Sweeny:	3,663	Richwood:	3,594

Economy and Income

Employment

- September 2011 total employment in Brazoria County: 137,947 , up 1.8 percent from September 2010. State total employment increased 0.9 percent during the same period.
(October 2011 employment data will be available November 18, 2011).
- September 2011 Brazoria County unemployment rate: 9.0 percent, up from 8.9 percent in September 2010. The statewide unemployment rate for September 2011 was 8.5 percent, up from 8.2 percent in September 2010.
- September 2011 unemployment rate in the city of:

Pearland:	7.3 percent, up from 6.5 percent in September 2010.
Lake Jackson:	7.5 percent, down from 8.0 percent in September 2010.

(Note: County and state unemployment rates are adjusted for seasonal fluctuations, but the Texas Workforce Commission city unemployment rates are not. Seasonally-adjusted unemployment rates are not comparable with unadjusted rates).

Income

- Brazoria County's ranking in per capita personal income in 2009: 54th with an average per capita income of \$37,523, down 1.3 percent from 2008. Statewide average per capita personal income was \$38,609 in 2009, down 3.1 percent from 2008.

Industry

- Agricultural cash values in Brazoria County averaged \$97.62 million annually from 2007 to 2010. County total agricultural values in 2010 were up 14.7 percent from 2009. Major agriculture related commodities in Brazoria County during 2010 included:
 - Sorghum - Horses - Nursery - Rice - Other Beef
- 2011 oil and gas production in Brazoria County: 898,558.0 barrels of oil and 14.3 million Mcf of gas. In September 2011, there were 297 producing oil wells and 161 producing gas wells.

Taxes

Sales Tax - Taxable Sales

(County and city taxable sales data for 1st quarter 2011 is currently targeted for release in mid-September 2011).

Quarterly (September 2010 through December 2010)

- Taxable sales in Brazoria County during the fourth quarter 2010: \$670.47 million, up 7.2 percent from the same quarter in 2009.
- Taxable sales during the fourth quarter 2010 in the city of:

Pearland:	\$288.26 million, up 5.3 percent from the same quarter in 2009.
Lake Jackson:	\$113.83 million, up 2.5 percent from the same quarter in 2009.
Alvin:	\$77.36 million, up 6.0 percent from the same quarter in 2009.
Angleton:	\$36.45 million, up 0.1 percent from the same quarter in 2009.
Freeport:	\$18.95 million, up 9.5 percent from the same quarter in 2009.
Clute:	\$25.55 million, up 14.8 percent from the same quarter in 2009.
Manvel:	\$10.76 million, up 19.8 percent from the same quarter in 2009.
West Columbia:	\$10.48 million, up 13.2 percent from the same quarter in 2009.
Sweeny:	\$2.59 million, down 73.4 percent from the same quarter in 2009.
Richwood:	\$3.81 million, up 3.2 percent from the same quarter in 2009.
Brazoria:	\$9.22 million, up 14.4 percent from the same quarter in 2009.
Jones Creek:	\$273,198.00, up 2.9 percent from the same quarter in 2009.
Brookside Village:	\$1.08 million, up 118.1 percent from the same quarter in 2009.

Danbury:	\$662,540.00, up 13.5 percent from the same quarter in 2009.
Oyster Creek:	\$2.25 million, up 12.1 percent from the same quarter in 2009.
Holiday Lakes:	\$150,524.00, down 8.5 percent from the same quarter in 2009.
Iowa Colony:	\$13.50 million, down 1.7 percent from the same quarter in 2009.
Surfside Beach:	\$818,623.00, up 16.3 percent from the same quarter in 2009.
Bailey's Prairie:	\$34,200.00, down 2.7 percent from the same quarter in 2009.
Liverpool:	\$165,407.00, up 61.6 percent from the same quarter in 2009.
Quintana:	\$7,038.00

Taxable Sales through the end of 4th quarter 2010 (January 2010 through December 30, 2010)

- Taxable sales in Brazoria County through the fourth quarter of 2010: \$2.46 billion, up 1.4 percent from the same period in 2009.
- Taxable sales through the fourth quarter of 2010 in the city of:

Pearland:	\$1.04 billion, up 0.3 percent from the same period in 2009.
Lake Jackson:	\$402.67 million, down 0.2 percent from the same period in 2009.
Alvin:	\$289.95 million, up 0.3 percent from the same period in 2009.
Angleton:	\$145.19 million, up 0.8 percent from the same period in 2009.
Freeport:	\$74.78 million, up 10.4 percent from the same period in 2009.
Clute:	\$96.86 million, down 1.1 percent from the same period in 2009.
Manvel:	\$47.09 million, up 10.7 percent from the same period in 2009.
West Columbia:	\$39.73 million, up 14.0 percent from the same period in 2009.
Sweeny:	\$21.41 million, down 21.8 percent from the same period in 2009.
Richwood:	\$15.80 million, down 19.4 percent from the same period in 2009.
Brazoria:	\$34.75 million, down 1.6 percent from the same period in 2009.
Jones Creek:	\$1.08 million, down 4.4 percent from the same period in 2009.
Brookside Village:	\$3.79 million, up 78.2 percent from the same period in 2009.
Danbury:	\$2.53 million, up 26.1 percent from the same period in 2009.
Oyster Creek:	\$9.25 million, up 7.1 percent from the same period in 2009.
Holiday Lakes:	\$636,130.00, down 7.0 percent from the same period in 2009.
Iowa Colony:	\$52.04 million, down 18.0 percent from the same period in 2009.
Surfside Beach:	\$4.57 million, up 11.3 percent from the same period in 2009.
Bailey's Prairie:	\$87,007.00, down 37.8 percent from the same period in 2009.
Liverpool:	\$554,661.00, up 32.8 percent from the same period in 2009.
Quintana:	\$18,815.00

Annual (2010)

- Taxable sales in Brazoria County during 2010: \$2.46 billion, up 1.4 percent from 2009.
- Brazoria County sent an estimated \$153.68 million (or 0.90 percent of Texas' taxable sales) in state sales taxes to the state treasury in 2010.
- Taxable sales during 2010 in the city of:

Pearland:	\$1.04 billion, up 0.3 percent from 2009.
Lake Jackson:	\$402.67 million, down 0.2 percent from 2009.
Alvin:	\$289.95 million, up 0.3 percent from 2009.
Angleton:	\$145.19 million, up 0.8 percent from 2009.
Freeport:	\$74.78 million, up 10.4 percent from 2009.
Clute:	\$96.86 million, down 1.1 percent from 2009.
Manvel:	\$47.09 million, up 10.7 percent from 2009.
West Columbia:	\$39.73 million, up 14.0 percent from 2009.
Sweeny:	\$21.41 million, down 21.8 percent from 2009.
Richwood:	\$15.80 million, down 19.4 percent from 2009.
Brazoria:	\$34.75 million, down 1.6 percent from 2009.
Jones Creek:	\$1.08 million, down 4.4 percent from 2009.
Brookside Village:	\$3.79 million, up 78.2 percent from 2009.
Danbury:	\$2.53 million, up 26.1 percent from 2009.
Oyster Creek:	\$9.25 million, up 7.1 percent from 2009.
Holiday Lakes:	\$636,130.00, down 7.0 percent from 2009.
Iowa Colony:	\$52.04 million, down 18.0 percent from 2009.
Surfside Beach:	\$4.57 million, up 11.3 percent from 2009.

Bailey's Prairie:	\$87,007.00, down 37.8 percent from 2009.
Liverpool:	\$554,661.00, up 32.8 percent from 2009.
Quintana:	\$18,815.00

Sales Tax – Local Sales Tax Allocations

(The release date for sales tax allocations to cities for the sales activity month of September 2011 is currently scheduled for November 9, 2011.)

Monthly

- Statewide payments based on the sales activity month of August 2011: \$505.22 million, up 13.9 percent from August 2010.
- Payments to all cities in Brazoria County based on the sales activity month of August 2011: \$3.57 million, up 9.2 percent from August 2010.
- Payment based on the sales activity month of August 2011 to the city of:

Pearland*:	\$1.62 million, up 5.1 percent from August 2010.
Lake Jackson:	\$568,565.83, up 9.2 percent from August 2010.
Alvin:	\$486,410.35, up 16.2 percent from August 2010.
Angleton:	\$249,880.72, up 9.9 percent from August 2010.
Freeport:	\$173,510.53, up 18.7 percent from August 2010.
Clute:	\$154,235.75, up 22.5 percent from August 2010.
Manvel:	\$93,103.54, up 23.3 percent from August 2010.
West Columbia:	\$63,572.59, up 26.9 percent from August 2010.
Sweeny:	\$23,337.23, down 23.8 percent from August 2010.
Richwood:	\$25,511.08, up 10.0 percent from August 2010.
Brazoria:	\$62,718.11, up 13.0 percent from August 2010.
Jones Creek:	\$3,295.75, down 3.4 percent from August 2010.
Brookside Village:	\$2,387.38, down 20.5 percent from August 2010.
Danbury:	\$6,606.86, up 48.8 percent from August 2010.
Oyster Creek:	\$13,907.07, down 21.7 percent from August 2010.
Holiday Lakes:	\$573.54, down 13.3 percent from August 2010.
Iowa Colony:	\$10,575.40, down 15.9 percent from August 2010.
Surfside Beach:	\$7,278.22, up 18.4 percent from August 2010.
Bailey's Prairie:	\$396.90, down 1.6 percent from August 2010.
Liverpool:	\$1,835.61, down 63.3 percent from August 2010.
Quintana:	\$2,563.69, up 78.1 percent from August 2010.

Fiscal Year

- Statewide payments based on sales activity months from September 2010 through August 2011: \$6.08 billion, up 8.0 percent from the same period in 2010.
- Payments to all cities in Brazoria County based on sales activity months from September 2010 through August 2011: \$42.66 million, up 4.7 percent from fiscal 2010.
- Payments based on sales activity months from September 2010 through August 2011 to the city of:

Pearland*:	\$19.83 million, up 2.3 percent from fiscal 2010.
Lake Jackson:	\$7.00 million, up 3.4 percent from fiscal 2010.
Alvin:	\$5.45 million, up 7.5 percent from fiscal 2010.
Angleton:	\$3.03 million, up 3.1 percent from fiscal 2010.
Freeport:	\$1.96 million, up 20.0 percent from fiscal 2010.
Clute:	\$1.82 million, up 9.9 percent from fiscal 2010.
Manvel:	\$983,543.45, up 11.2 percent from fiscal 2010.
West Columbia:	\$685,356.40, up 2.2 percent from fiscal 2010.
Sweeny:	\$302,452.77, down 0.4 percent from fiscal 2010.
Richwood:	\$274,954.27, up 10.7 percent from fiscal 2010.
Brazoria:	\$719,283.78, up 6.9 percent from fiscal 2010.
Jones Creek:	\$42,124.74, up 2.8 percent from fiscal 2010.
Brookside Village:	\$35,875.21, down 9.7 percent from fiscal 2010.
Danbury:	\$81,357.57, up 37.2 percent from fiscal 2010.
Oyster Creek:	\$158,682.12, down 2.0 percent from fiscal 2010.
Holiday Lakes:	\$7,727.20, up 5.9 percent from fiscal 2010.
Iowa Colony:	\$165,247.97, up 50.5 percent from fiscal 2010.
Surfside Beach:	\$62,657.63, up 21.0 percent from fiscal 2010.

Bailey's Prairie:	\$5,454.70, down 28.7 percent from fiscal 2010.
Liverpool:	\$25,085.09, up 17.9 percent from fiscal 2010.
Quintana:	\$20,775.61, down 36.4 percent from fiscal 2010.

January 2011 through August 2011 (Sales Activity Year-To-Date)

- Statewide payments based on sales activity months through August 2011: \$3.99 billion, up 8.3 percent from the same period in 2010.
- Payments to all cities in Brazoria County based on sales activity months through August 2011: \$27.60 million, up 3.4 percent from the same period in 2010.
- Payments based on sales activity months through August 2011 to the city of:

Pearland*:	\$12.68 million, up 0.2 percent from the same period in 2010.
Lake Jackson:	\$4.49 million, up 2.8 percent from the same period in 2010.
Alvin:	\$3.58 million, up 8.2 percent from the same period in 2010.
Angleton:	\$1.95 million, up 2.0 percent from the same period in 2010.
Freeport:	\$1.32 million, up 14.3 percent from the same period in 2010.
Clute:	\$1.20 million, up 12.0 percent from the same period in 2010.
Manvel:	\$675,446.20, up 9.0 percent from the same period in 2010.
West Columbia:	\$439,718.95, up 0.5 percent from the same period in 2010.
Sweeny:	\$197,504.78, down 2.5 percent from the same period in 2010.
Richwood:	\$184,879.84, up 8.9 percent from the same period in 2010.
Brazoria:	\$474,043.43, up 6.3 percent from the same period in 2010.
Jones Creek:	\$27,593.02, up 2.8 percent from the same period in 2010.
Brookside Village:	\$22,157.56, down 23.2 percent from the same period in 2010.
Danbury:	\$48,106.28, up 22.6 percent from the same period in 2010.
Oyster Creek:	\$101,462.63, down 10.3 percent from the same period in 2010.
Holiday Lakes:	\$5,340.78, up 10.7 percent from the same period in 2010.
Iowa Colony:	\$118,301.95, up 50.3 percent from the same period in 2010.
Surfside Beach:	\$47,156.99, up 23.1 percent from the same period in 2010.
Bailey's Prairie:	\$3,774.23, up 7.4 percent from the same period in 2010.
Liverpool:	\$18,583.44, up 25.7 percent from the same period in 2010.
Quintana:	\$16,036.10, up 29.4 percent from the same period in 2010.

12 months ending in August 2011

- Statewide payments based on sales activity in the 12 months ending in August 2011: \$6.08 billion, up 8.0 percent from the previous 12-month period.
- Payments to all cities in Brazoria County based on sales activity in the 12 months ending in August 2011: \$42.66 million, up 4.7 percent from the previous 12-month period.
- Payments based on sales activity in the 12 months ending in August 2011 to the city of:

Pearland*:	\$19.83 million, up 2.3 percent from the previous 12-month period.
Lake Jackson:	\$7.00 million, up 3.4 percent from the previous 12-month period.
Alvin:	\$5.45 million, up 7.5 percent from the previous 12-month period.
Angleton:	\$3.03 million, up 3.1 percent from the previous 12-month period.
Freeport:	\$1.96 million, up 20.0 percent from the previous 12-month period.
Clute:	\$1.82 million, up 9.9 percent from the previous 12-month period.
Manvel:	\$983,543.45, up 11.2 percent from the previous 12-month period.
West Columbia:	\$685,356.40, up 2.2 percent from the previous 12-month period.
Sweeny:	\$302,452.77, down 0.4 percent from the previous 12-month period.
Richwood:	\$274,954.27, up 10.7 percent from the previous 12-month period.
Brazoria:	\$719,283.78, up 6.9 percent from the previous 12-month period.
Jones Creek:	\$42,124.74, up 2.8 percent from the previous 12-month period.
Brookside Village:	\$35,875.21, down 9.7 percent from the previous 12-month period.
Danbury:	\$81,357.57, up 37.2 percent from the previous 12-month period.
Oyster Creek:	\$158,682.12, down 2.0 percent from the previous 12-month period.
Holiday Lakes:	\$7,727.20, up 5.9 percent from the previous 12-month period.
Iowa Colony:	\$165,247.97, up 50.5 percent from the previous 12-month period.
Surfside Beach:	\$62,657.63, up 21.0 percent from the previous 12-month period.
Bailey's Prairie:	\$5,454.70, down 28.7 percent from the previous 12-month period.

Liverpool:	\$25,085.09, up 17.9 percent from the previous 12-month period.
Quintana:	\$20,775.61, down 36.4 percent from the previous 12-month period.

■ **City Calendar Year-To-Date (RJ 2011)**

■ **Payment to the cities from January 2011 through October 2011:**

Pearland*:	\$16.53 million, up 1.7 percent from the same period in 2010.
Lake Jackson:	\$5.92 million, up 3.2 percent from the same period in 2010.
Alvin:	\$4.51 million, up 6.7 percent from the same period in 2010.
Angleton:	\$2.51 million, up 3.6 percent from the same period in 2010.
Freeport:	\$1.61 million, up 18.0 percent from the same period in 2010.
Clute:	\$1.51 million, up 12.8 percent from the same period in 2010.
Manvel:	\$822,290.83, up 11.4 percent from the same period in 2010.
West Columbia:	\$573,559.55, up 2.7 percent from the same period in 2010.
Sweeny:	\$249,336.88, down 0.9 percent from the same period in 2010.
Richwood:	\$229,245.62, up 14.6 percent from the same period in 2010.
Brazoria:	\$600,072.15, up 6.1 percent from the same period in 2010.
Jones Creek:	\$34,177.91, up 2.0 percent from the same period in 2010.
Brookside Village:	\$27,813.93, down 19.0 percent from the same period in 2010.
Danbury:	\$59,717.24, up 20.6 percent from the same period in 2010.
Oyster Creek:	\$129,141.24, down 5.6 percent from the same period in 2010.
Holiday Lakes:	\$6,525.94, up 9.2 percent from the same period in 2010.
Iowa Colony:	\$142,860.27, up 52.1 percent from the same period in 2010.
Surfside Beach:	\$53,230.26, up 21.4 percent from the same period in 2010.
Bailey's Prairie:	\$4,661.08, down 33.1 percent from the same period in 2010.
Liverpool:	\$21,746.84, up 20.5 percent from the same period in 2010.
Quintana:	\$18,275.03, down 42.7 percent from the same period in 2010.

Annual (2010)

- **Statewide payments based on sales activity months in 2010: \$5.77 billion, up 3.3 percent from 2009.**
- **Payments to all cities in Brazoria County based on sales activity months in 2010: \$41.77 million, up 0.9 percent from 2009.**
- **Payment based on sales activity months in 2010 to the city of:**

Pearland*:	\$19.80 million, up 2.2 percent from 2009.
Lake Jackson:	\$6.88 million, down 0.9 percent from 2009.
Alvin:	\$5.18 million, down 1.0 percent from 2009.
Angleton:	\$2.99 million, down 0.7 percent from 2009.
Freeport:	\$1.80 million, up 11.9 percent from 2009.
Clute:	\$1.69 million, down 3.6 percent from 2009.
Manvel:	\$928,016.24, up 5.5 percent from 2009.
West Columbia:	\$683,003.60, down 1.5 percent from 2009.
Sweeny:	\$307,562.66, down 5.1 percent from 2009.
Richwood:	\$259,772.39, down 8.8 percent from 2009.
Brazoria:	\$691,277.98, down 7.0 percent from 2009.
Jones Creek:	\$41,386.13, down 8.1 percent from 2009.
Brookside Village:	\$42,556.62, up 35.3 percent from 2009.
Danbury:	\$72,498.57, up 12.8 percent from 2009.
Oyster Creek:	\$170,345.11, up 5.4 percent from 2009.
Holiday Lakes:	\$7,212.68, down 10.7 percent from 2009.
Iowa Colony:	\$125,637.22, up 5.9 percent from 2009.
Surfside Beach:	\$53,802.40, up 10.0 percent from 2009.
Bailey's Prairie:	\$5,194.29, down 45.8 percent from 2009.
Liverpool:	\$21,280.04, up 15.2 percent from 2009.
Quintana:	\$17,136.83, down 54.6 percent from 2009.

*On 1/1/2009, the city of Pearland's local sales tax rate increased by 0.00 from 1.500 percent to 1.500 percent.

Property Tax

- **As of January 2009, property values in Brazoria County: \$26.70 billion, down 1.7 percent from January 2008 values. The property**

tax base per person in Brazoria County is \$86,351, above the statewide average of \$85,809. About 2.4 percent of the property tax base is derived from oil, gas and minerals.

State Expenditures

- Brazoria County's ranking in state expenditures by county in fiscal year 2010: 21st. State expenditures in the county for FY2010: \$996.28 million, up 0.5 percent from FY2009.
- In Brazoria County, 19 state agencies provide a total of 2,892 jobs and \$26.88 million in annualized wages (as of 1st quarter 2011).
- Major state agencies in the county (as of first quarter 2011):
 - Department of Criminal Justice
 - Department of Family and Protective Services
 - Department of Transportation
 - Department of Public Safety

Higher Education

- Community colleges in Brazoria County fall 2010 enrollment:
 - Brazosport College, a Public Community College, had 4,174 students.
 - Alvin Community College, a Public Community College, had 5,721 students.
- Brazoria County is in the service area of the following:
 - Alvin Community College with a fall 2010 enrollment of 5,721 . Counties in the service area include:
Brazoria County
 - Brazosport College with a fall 2010 enrollment of 4,174 . Counties in the service area include:
Brazoria County
- Institutions of higher education in Brazoria County fall 2010 enrollment:
 - None.

School Districts

- Brazoria County had 8 school districts with 93 schools and 59,838 students in the 2009-10 school year.
(Statewide, the average teacher salary in school year 2009-10 was \$48,263. The percentage of students, statewide, meeting the 2010 TAKS passing standard for all 2009-10 TAKS tests was 77 percent.)
 - Alvin ISD had 16,591 students in the 2009-10 school year. The average teacher salary was \$49,031. The percentage of students meeting the 2010 TAKS passing standard for all tests was 81 percent.
 - Angleton ISD had 6,282 students in the 2009-10 school year. The average teacher salary was \$50,412. The percentage of students meeting the 2010 TAKS passing standard for all tests was 87 percent.
 - Brazosport ISD had 12,822 students in the 2009-10 school year. The average teacher salary was \$49,929. The percentage of students meeting the 2010 TAKS passing standard for all tests was 78 percent.
 - Columbia-Brazoria ISD had 3,070 students in the 2009-10 school year. The average teacher salary was \$46,937. The percentage of students meeting the 2010 TAKS passing standard for all tests was 78 percent.
 - Damon ISD had 168 students in the 2009-10 school year. The average teacher salary was \$41,023. The percentage of students meeting the 2010 TAKS passing standard for all tests was 75 percent.
 - Danbury ISD had 773 students in the 2009-10 school year. The average teacher salary was \$47,625. The percentage of students meeting the 2010 TAKS passing standard for all tests was 86 percent.
 - Pearland ISD had 18,198 students in the 2009-10 school year. The average teacher salary was \$48,294. The percentage of students meeting the 2010 TAKS passing standard for all tests was 87 percent.
 - Sweeny ISD had 1,934 students in the 2009-10 school year. The average teacher salary was \$49,272. The percentage of students meeting the 2010 TAKS passing standard for all tests was 86 percent.