

S U S A N

C O M B S

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

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



December 14, 2009

Mr. Albert Peña
Superintendent
San Perlita Independent School District
P.O. Box 37
San Perlita, Texas 78590-0037

Dear Superintendent Peña:

On Oct. 14, 2009, the agency received the completed application for a limitation on appraised value originally submitted to the San Perlita Independent School District (San Perlita ISD) by EC&R Development, LLC (EC&R) in July 2009, under the provisions of Tax Code Chapter 313. This letter presents the Comptroller's recommendation regarding EC&R's application as required by Section 313.025(d), using the criteria set out by Section 313.026. Our review 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. Filing an application containing false information is a criminal offense under Texas Penal Code Chapter 37.

According to the provisions of Chapter 313, San Perlita ISD is currently classified as a rural school district in Category 3. The applicant properly applied under the provisions of Subchapter C, as applicable to rural school districts, and the amount of proposed qualified investment (\$105.8 million) is consistent with the proposed appraised value limitation sought (\$10 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.

EC&R is proposing the construction of wind power electricity generating facility in Willacy County. EC&R is an active franchise taxpayer, as required by Tax Code Section 313.024(a), and is in good standing. After reviewing the application using the criteria listed in Section 313.026, and the information provided by EC&R, the Comptroller's recommendation is that EC&R's application under Tax Code Chapter 313 be approved.

Our recommendation does not address whether the applicant has complied with all Chapter 313 requirements. Chapter 313 places the responsibility to verify that all requirements of the statute have been fulfilled on the school district. 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 interest of the school district and state. When approving a job waiver requested under Section 313.025(f-1), the school district must also find that the statutory jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility. As stated above, we prepared the recommendation by generally reviewing the application and supporting documentation in light of the Section 313.026 criteria and a cursory review of the industry standard evidence necessary to support the waiver of the required number of jobs.

Mr. Albert Peña
December 14, 2009
Page Two

The Comptroller's recommendation is based on the final, completed application that has been submitted to this office, and may not be used to support an approval if the application is modified, the information presented in the application changes, or the limitation agreement does not conform to the application. This recommendation is contingent on the district approving and executing a limitation agreement within a year from the date of this letter, and is valid only for a qualifying time period that begins in accordance with the approved application and a conforming limitation agreement. As required by Comptroller Rule 9.1055 (34 T.A.C. 9.1055), the signed limitation agreement must be forwarded to our office as soon as possible after execution. During the 81st Legislative Session, House Bill 3676 made a number of changes to the chapter. Please visit our Web site at www.window.state.tx.us/taxinfo/proptax/hb1200 to find an outline of the program and links to applicable rules and forms.

Should you have any questions, please contact Robert Wood, director of Local Government Assistance and Economic Development, by e-mail at robert.wood@cpa.state.tx.us or by phone at (800) 531-5441, ext. 3-3973, or direct in Austin at (512) 463-3973.

Sincerely,



Martin A. Hubert
Deputy Comptroller

Enclosure

cc: Robert Wood

ATTACHMENT C
ECONOMIC IMPACT EVALUATION

Economic Impact for Chapter 313 Project

Applicant	EC&R Development LLC
Tax Code, 313.024 Eligibility Category	Renewable energy electric generation - Wind
School District	San Perlita Independent School District
2007-08 Enrollment in School District	288
County	Willacy
Total Investment in District	\$105,800,000
Qualified Investment	\$105,800,000
Limitation Amount	\$10,000,000
Number of total jobs committed to by applicant	6
Number of qualifying jobs committed to by applicant	6*
Average Weekly Wage of Qualifying Jobs committed to by applicant	\$774
Minimum Weekly Wage Required Tax Code, 313.025(A)	\$557
Minimum Annual Wage committed to by applicant for qualified jobs	\$40,268
Investment per Qualifying Job	\$17,633,333
Number of Turbines	46
Megawatts	105.8
Start of Construction	on or before December 2010
End of Construction	end of 2011
Estimated 15 year M&O levy without any limit or credit:	\$9,552,743
Estimated 15 year M&O tax benefit/levy loss	\$6,525,064
Estimated 15 year M&O tax benefit (<i>after</i> deductions for estimated school district revenue protection--but not including any deduction for yet-to-be negotiated supplemental payments or extraordinary educational expenses):	\$5,617,345
Tax Credits Paid (estimated - part of total tax benefit in the two lines above - appropriated through Foundation School Program)	\$0
Net Tax Paid After Limitation, Credits and Revenue Protection:	\$3,935,398
Tax benefit as a percentage of what applicant would have paid without value limitation agreement (percentage exempted)	58.8%
Percentage of tax benefit due to the limitation	100.0%
Percentage of tax benefit due to the credit	0.0%
* Applicant is requesting district to waive requirement to create minimum number of qualifying jobs pursuant to Tax Code, 313.025 (f-1).	

This presents the Comptroller's economic impact evaluation of EC&R Development (the project) applying to San Perlita Independent School District (the district), as required by Tax Code, 313.026. With the exception of Table 1, this report examines the impact of the portion of the project in San Perlita ISD. As this project is part of a larger project, spanning three school districts, Table 1 examines the statewide impact on employment and personal income from the project in its entirety, including portions in Lyford CISD and Raymondville ISD. 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 six new jobs when fully operational. All six 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 Lower Rio Grande Development Council Region, where Willacy County is located was \$26,333 in 2007. The average manufacturing wage for the most recent four quarters for Willacy County is \$34,606. In addition to an annual average salary of \$40,268, each qualifying position will receive benefits such as health insurance and training. The project's total investment is \$105.8 million, resulting in a relative level of investment per qualifying job of \$17.6 million.

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

According to EC&R's application, "they are an international developer of wind projects and has operations in several regions and states within the U.S. ...and have the ability to locate projects of this type to the Southwest, Northwest, and Northeast as well as Canada and several European sites."

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

During the past two years, no projects in the Lower Rio Grande Development 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 does not mention Renewable Energy specifically. However, one theme of the plan is attracting and fostering industries in Texas using advanced technology. Renewable energy technology is an expanding industry and the skilled workers that the project requires appear to be in line with the focus and themes of the plan. Texas identified energy as one of six target clusters in the Texas Cluster Initiative. The plan stresses the importance of technology in all sectors of the energy industry.

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

As mentioned earlier, the EC&R project applying to San Perlita ISD under Chapter 313 is part of a larger project encompassing three school districts in Willacy County. EC&R has also applied for value limitation agreements with Lyford CISD and Raymondville ISD. For the purposes of assessing the economic impact of the project to Texas, the Comptroller's Office used data for the entire project (eight jobs with annual salaries of \$40,268 per job). Table 1 depicts the estimated economic impact to Texas of the EC&R project. 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 16 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 EC&R in Lyford CISD, Raymondville ISD, and San Perlita ISD

Year	Employment			Personal Income		
	Direct	+ Induced	Total	Direct	Indirect + Induced	Total
2009	0	0	0	\$0	\$0	\$0
2010	0	0	0	\$0	\$0	\$0
2011	158	223	381	\$6,362,344	\$14,048,936	\$20,411,280
2012	8	29	37	\$322,144	\$1,992,896	\$2,315,040
2013	8	17	25	\$322,144	\$3,253,136	\$3,575,280
2014	8	12	20	\$322,144	\$2,132,256	\$2,454,400
2015	8	10	18	\$322,144	\$2,208,576	\$2,530,720
2016	8	10	18	\$322,144	\$2,285,236	\$2,607,380
2017	8	6	14	\$322,144	\$2,365,076	\$2,687,220
2018	8	8	16	\$322,144	\$2,449,016	\$2,771,160
2019	8	12	20	\$322,144	\$2,536,616	\$2,858,760
2020	8	10	18	\$322,144	\$1,151,746	\$1,473,890
2021	8	9	17	\$322,144	\$1,197,906	\$1,520,050
2022	8	11	19	\$322,144	\$2,813,596	\$3,135,740
2023	8	9	17	\$322,144	\$2,910,616	\$3,232,760
2024	8	10	18	\$322,144	\$3,012,736	\$3,334,880

Source: CPA, REMI, EC&R

The statewide average ad valorem tax base for school districts in Texas was \$1.6 billion in 2008. San Perlita ISD's ad valorem tax base in 2008 was \$61 million. The statewide average wealth per WADA was estimated at \$352,755 for fiscal 2009-2010. During that same year, San Perlita ISD's estimated wealth per WADA was \$104,764. The impact on the facilities and finances of the district is presented in Attachment 2.

Table 2 examines the estimated direct impact on ad valorem taxes to the school district and Willacy County with all property tax incentives sought being granted using estimated market value from EC&R's application. EC&R has applied for both a value limitation under Chapter 313, Tax Code and a county tax abatement under Tax Code, Chapter 312 seeking 70 percent abatement per year for ten years. Table 3 illustrates the estimated tax impact of the project on the region if all taxes are assessed.

Year	Estimated Taxable value for I&S	Estimated Taxable value for M&O	Tax Rate ¹	San Perlita ISD I&S Levy	San Perlita ISD M&O Levy	Willacy County	School and County Property Taxes
2009	\$0	\$0		0.3000	1.0400	0.6228	\$0
2010	\$0	\$0		\$0	\$0	\$0	\$0
2011	\$0	\$0		\$0	\$0	\$0	\$0
2012	\$101,560,000	\$10,000,000		\$304,680	\$104,000	\$442,761	\$851,441
2013	\$97,500,000	\$10,000,000		\$292,500	\$104,000	\$425,061	\$821,561
2014	\$93,600,000	\$10,000,000		\$280,800	\$104,000	\$408,059	\$792,859
2015	\$89,860,000	\$10,000,000		\$269,580	\$104,000	\$391,754	\$765,334
2016	\$86,260,000	\$10,000,000		\$258,780	\$104,000	\$376,059	\$738,839
2017	\$82,810,000	\$10,000,000		\$248,430	\$104,000	\$361,018	\$713,448
2018	\$79,500,000	\$10,000,000		\$238,500	\$104,000	\$346,588	\$689,088
2019	\$76,320,000	\$10,000,000		\$228,960	\$104,000	\$332,725	\$665,685
2020	\$73,270,000	\$73,270,000		\$219,810	\$762,008	\$319,428	\$1,301,246
2021	\$70,333,000	\$70,333,000		\$210,999	\$731,463	\$306,624	\$1,249,086
2022	\$67,520,000	\$67,520,000		\$202,560	\$702,208	\$420,515	\$1,325,283
2023	\$64,820,000	\$64,820,000		\$194,460	\$674,128	\$403,699	\$1,272,287
2024	\$62,230,000	\$62,230,000		\$186,690	\$647,192	\$387,568	\$1,221,450
			Total	\$3,136,749	\$4,348,999	\$4,921,858	\$12,407,606

Source: CPA, EC&R

*Assumes Chapter 313 Value Limitation and County Tax Abatement

¹Tax Rate per \$100 Valuation

Table 3 Estimated Direct Ad Valorem Taxes without property tax incentives							
Year	Estimated Taxable value for I&S	Estimated Taxable value for M&O	Tax Rate ¹	San Perlita ISD I&S Levy	San Perlita ISD M&O Levy	Willacy County	School and County Property Taxes
2009	\$0	\$0		0.3000	1.0400	0.6228	\$0
2010	\$0	\$0		\$0	\$0	\$0	\$0
2011	\$0	\$0		\$0	\$0	\$0	\$0
2012	\$101,560,000	\$101,560,000		\$304,680	\$1,056,224	\$632,516	\$1,993,420
2013	\$97,500,000	\$97,500,000		\$292,500	\$1,014,000	\$607,230	\$1,913,730
2014	\$93,600,000	\$93,600,000		\$280,800	\$973,440	\$582,941	\$1,837,181
2015	\$89,860,000	\$89,860,000		\$269,580	\$934,544	\$559,648	\$1,763,772
2016	\$86,260,000	\$86,260,000		\$258,780	\$897,104	\$537,227	\$1,693,111
2017	\$82,810,000	\$82,810,000		\$248,430	\$861,224	\$515,741	\$1,625,395
2018	\$79,500,000	\$79,500,000		\$238,500	\$826,800	\$495,126	\$1,560,426
2019	\$76,320,000	\$76,320,000		\$228,960	\$793,728	\$475,321	\$1,498,009
2020	\$73,270,000	\$73,270,000		\$219,810	\$762,008	\$456,326	\$1,438,144
2021	\$70,333,000	\$70,333,000		\$210,999	\$731,463	\$438,034	\$1,380,496
2022	\$67,520,000	\$67,520,000		\$202,560	\$702,208	\$420,515	\$1,325,283
2023	\$64,820,000	\$64,820,000		\$194,460	\$674,128	\$403,699	\$1,272,287
2024	\$62,230,000	\$62,230,000		\$186,690	\$647,192	\$387,568	\$1,221,450
			Total	\$3,136,749	\$10,874,063	\$6,511,891	\$20,522,703

Source: CPA, EC&R

¹Tax Rate per \$100 Valuation

Attachment 1 includes schedules A, B, and C provided by the applicant in the application. Schedule A shows proposed investment and tax expenditures. Schedule B is the projected market value of the qualified property and Schedule C contains employment 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. "Exhibit A" in this attachment shows the estimated 15 year M&O tax levy without the value limitation agreement would be \$9,552,743. The estimated gross 15 year M&O tax benefit, or levy loss, is \$6,525,064.

Attachment 3 is an economic overview of Willacy 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 provided by applicant in application
2. School finance and tax benefit provided by district
3. Economic Overview

Attachment 1

SCHEDULE A-3676 (Temporary - July 2009): INVESTMENT & TAXES (in millions)
San Perita I.S.D.

PROPERTY INVESTMENT AMOUNTS (\$)										TAX INFORMATION													
(Estimated investment in each year. Do not put cumulative totals.)										Column F: Estimate of total annual expenditures* subject to state sales tax	Column G: Estimate of total annual expenditures* made in taxes NOT subject to sales tax	Column H: Estimate of Franchise tax due from (or attributable to) the applicant											
Year	Investment made before filing application with district (neither qualified property nor eligible to become qualified investment)	Investment made after filing application with district, but before application approval (eligible to become qualified property)	Investment made after application approval and before Jan. 1 of first complete tax year of qualifying time period (qualified investment and eligible to become qualified property)	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Column E: Total Investment (A+B+D)	Column I: Total annual expenditures* subject to state sales tax	Column J: Total annual expenditures* made in taxes NOT subject to sales tax	Column K: Total Franchise tax due from (or attributable to) the applicant
1				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2				\$0.00	\$0.00	\$105.80	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$105.80	\$0.15	\$128.95	\$0.00
3				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.15	\$8.70	\$0.00
4				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.15	\$8.81	\$0.00
5				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.14	\$8.26	\$0.00
6				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.14	\$7.98	\$0.00
7				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.14	\$8.15	\$0.00
8				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.15	\$8.79	\$0.00
9				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.16	\$9.02	\$0.00
10				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.16	\$9.26	\$0.00
11				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.17	\$9.49	\$0.00
12				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.17	\$9.74	\$0.00
13				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.19	\$10.52	\$0.00
14				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.19	\$10.62	\$0.00
15				\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.20	\$11.59	\$0.00

Qualifying Time Period usually begins with the approval of the application and extends generally for the following two complete tax years.

Column A: This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment, as defined in Tax Code §313.021(1)(A)-(D). 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 proactive replacement during limitation period.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings that the applicant considers qualified investment under Tax Code §313.021(1)(E). For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings.

Column D: Dollar value of other investment that may not be qualified investment but that may affect economic impact and total value. The most significant examples for many projects would be land. Other examples may be items such as professional services, etc. Note: Land can be listed as part of investment during the "pre-year 1" time period. It cannot be part of qualifying investment.

* For planning, construction and operation of the facility.

Note: Information related to taxes in Columns F through H, for the year preceding the first complete year of the qualifying time period, need not be broken out by the time periods used for the requested investment information in Columns A through E.

Note: 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.

The information on this schedule is required pursuant to the provisions of HB 3676, 81st Legislature, effective June 19, 2009. Additionally, the Comptroller is authorized by 34 TAC § 9.10570 to request information from the school district or applicant that is reasonably necessary to complete the recommendation or economic impact evaluation at any time during the application review period.

SCHEDULE B-3676 (Temporary - July 2009): ESTIMATED MARKET AND TAXABLE VALUE (in millions)
San Perlita I.S.D.

All figures here are to be cumulative											
				Qualified Property			Reductions from market value (exemptions, etc)		Estimated Taxable Value		
		Year	Tax Year (fill in actual tax year)	Column A: Estimated Market Value of Land	Column B: Estimated Total Market Value of new buildings or other new improvements	Column C: Estimated Total Market Value of tangible personal property in the new building or "in or on the new improvement"	D: Due to pollution control property (estimated or actual as appropriate)	E: Due to other exemptions	F: Estimated total taxable value for I&S: (A+B+C)-(D+E)	G: Estimated total taxable value for M&O: (Column F amount with the limitation value in years 3-10)	
		pre- year 1	2009	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
	Complete tax years of qualifying time period	1	2010	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		2	2011	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		3	2012	\$0.00	\$101.56	\$0.00	\$0.00	\$0.00	\$0.00	\$101.56	\$10.00
Tax Credit Period (with 50% cap on credit)	Value Limitation Period	4	2013	\$0.00	\$97.50	\$0.00	\$0.00	\$0.00	\$0.00	\$97.50	\$10.00
		5	2014	\$0.00	\$93.60	\$0.00	\$0.00	\$0.00	\$0.00	\$93.60	\$10.00
		6	2015	\$0.00	\$89.86	\$0.00	\$0.00	\$0.00	\$0.00	\$89.86	\$10.00
		7	2016	\$0.00	\$86.26	\$0.00	\$0.00	\$0.00	\$0.00	\$86.26	\$10.00
		8	2017	\$0.00	\$82.81	\$0.00	\$0.00	\$0.00	\$0.00	\$82.81	\$10.00
		9	2018	\$0.00	\$79.50	\$0.00	\$0.00	\$0.00	\$0.00	\$79.50	\$10.00
		10	2019	\$0.00	\$76.32	\$0.00	\$0.00	\$0.00	\$0.00	\$76.32	\$10.00
		11	2020	\$0.00	\$73.27	\$0.00	\$0.00	\$0.00	\$0.00	\$73.27	\$73.27
Credit Settle-Up Period	Continue to Maintain Viable Presence	12	2021	\$0.00	\$70.33	\$0.00	\$0.00	\$0.00	\$0.00	\$70.33	\$70.33
		13	2022	\$0.00	\$67.52	\$0.00	\$0.00	\$0.00	\$0.00	\$67.52	\$67.52
	Post- Settle-Up Period	14	2023	\$0.00	\$64.82	\$0.00	\$0.00	\$0.00	\$0.00	\$64.82	\$64.82
	Post- Settle-Up Period	15	2024	\$0.00	\$62.23	\$0.00	\$0.00	\$0.00	\$0.00	\$62.23	\$62.23

The information on this schedule is required pursuant to the provisions of HB 3676, 81st Legislature, effective June 19, 2009. Additionally, the Comptroller is authorized by 34 TAC § 9.1057(b) to request information from the school district or applicant that is reasonably necessary to complete the recommendation or economic impact evaluation at any time during the application review period.

SCHEDULE C-3676 (Temporary - July 2009): EMPLOYMENT INFORMATION

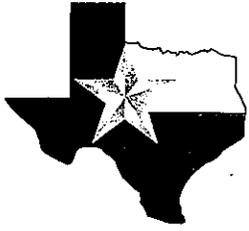
San Perlita I.S.D.

		Year	Tax Year (fill in actual tax year)	Existing Jobs	Construction		Permanent New Jobs		Qualifying Jobs	
				Column A: Number of permanent existing full time jobs prior to application	Column B: Number of Construction FTE's or man- hours (specify <u>FTE's</u>)	Column C: Average annual wage rates for construction workers	Column D: Total number of permanent full- time new jobs applicant commits to create	Column E: Average annual wage rate for all permanent new jobs for each year	Column F: Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3)	Column G: Avg. annual wage of qualifying jobs
		pre- year 1	2009	0	0	N/A	0	N/A	0	N/A
	Complete tax years of qualifying time period	1	2010	0	0	N/A	0	N/A	0	N/A
		2	2011	0	105	\$40,268	6	\$40,268	6	\$40,268
	Value Limitation Period	3	2012	0	0	N/A	6	\$40,268	6	\$40,268
		4	2013	0	0	N/A	6	\$40,268	6	\$40,268
		5	2014	0	0	N/A	6	\$40,268	6	\$40,268
		6	2015	0	0	N/A	6	\$40,268	6	\$40,268
		7	2016	0	0	N/A	6	\$40,268	6	\$40,268
		8	2017	0	0	N/A	6	\$40,268	6	\$40,268
		9	2018	0	0	N/A	6	\$40,268	6	\$40,268
		10	2019	0	0	N/A	6	\$40,268	6	\$40,268
	Credit Settle-Up Period	11	2020	0	0	N/A	6	\$40,268	6	\$40,268
		12	2021	0	0	N/A	6	\$40,268	6	\$40,268
		13	2022	0	0	N/A	6	\$40,268	6	\$40,268
	Post- Settle-Up Period	14	2023	0	0	N/A	6	\$40,268	6	\$40,268
	Post- Settle-Up Period	15	2024	0	0	N/A	6	\$40,268	6	\$40,268

The information on this schedule is required pursuant to the provisions of HB 3676, 81st Legislature, effective June 19, 2009. Additionally, the Comptroller is authorized by 34 TAC § 9.1057(b) to request information from the school district or applicant that is reasonably necessary to complete the recommendation or economic impact evaluation at any time during the application review period.

Note: Section 313.024(d) Tax Code requires that, to be eligible for a limitation, 80 percent of all new jobs must be qualifying jobs.

Attachment 2



TEXAS EDUCATION AGENCY

1701 North Congress Ave. ★ Austin, Texas 78701-1494 ★ 512/463-9734 ★ FAX: 512/463-9838 ★ <http://www.tea.state.tx.us>

Robert Scott
Commissioner

December 15, 2009

Mr. Robert Wood
Director, Local Government Assistance and Economic Development
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 EC&R Development, LLC, project on the number and size of school facilities in San Perlita Independent School District (SPISD). Based on the analysis prepared by Walsh, Anderson, Brown, Aldridge & Gallegos, PC, for the school district and conversations with the SPISD superintendent, Mr. Albert Pena, the TEA has found that the EC&R Development, LLC, project would not have a significant impact on the number or size of school facilities in SPISD.

Please feel free to contact me by phone at (512) 463-9268 or by email at helen.daniels@tea.state.tx.us if you need further information regarding this issue.

Sincerely,

Helen Daniels
Director of State Funding

HD/hd



TEXAS EDUCATION AGENCY

1701 North Congress Ave. ★ Austin, Texas 78701-1494 ★ 512/463-9734 ★ FAX: 512/463-9838 ★ <http://www.tea.state.tx.us>

Robert Scott
Commissioner

December 15, 2009

Mr. Robert Wood
Director, Local Government Assistance and Economic Development
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 EC&R Development, LLC, project for the San Perlita Independent School District (SPISD). Projections prepared by our Forecasting and Fiscal Analysis Division confirm the analysis that was prepared by Walsh, Anderson, Brown, Aldridge & Gallegos, PC, and provided to us by your division. We believe their assumptions are valid and their estimates of the impact of the EC&R Development, LLC, project on SPISD are correct.

Please feel free to contact me by phone at (512) 463-9268 or by email at helen.daniels@tea.state.tx.us if you need further information regarding this issue.

Sincerely,

A handwritten signature in cursive script that reads "Helen Daniels".

Helen Daniels
Director of State Funding

HD/hd

WALSH, ANDERSON,
BROWN, ALDRIDGE
& GALLEGOS, P.C.

ATTORNEYS AT LAW

November 23, 2009

Ms. Jenny Hicks
Research Analyst - Economic Analysis
Local Government Assistance and
Economic Development Division
Texas Comptroller of Public Accounts
111 E. 17th Street
Austin, Texas 78774

VIA FACSMILIE

Re: San Perlita Independent School District / Ch 313 Tax Limitation Agreement -
EC&R Development, LLC application ("EC&R")

Dear Ms. Hicks:

This is to provide information from the San Perlita Independent School District ("District") for purposes of the Comptroller's Economic Impact Evaluation. Specifically, this addresses information on protection from future revenue loss and the impact of the Tax Limitation Agreement ("Agreement") on instruction facilities.

I. Revenue Protection. Attached are two (2) spreadsheets identified as Exhibit A and Exhibit B.

Exhibit A. The spreadsheet attached as Exhibit A is based on the BETA "tax benefit" spreadsheet provided by Alison Gillam under her email dated October 15, 2009. We have inserted financial information in the spreadsheet as follows:

Column G - I&S Taxable Value of Investment. For each year of the Agreement term, we have inserted the investment value set out in Schedule B of EC&R's application. We understand the value is based on \$1,000,000 per megawatt of capacity and four percent (4%) annual depreciation.

Column M- M&O Tax Rate. We have inserted \$1.04, the District's M&O Rate for the 2009-2010 school fiscal year. We have assumed the rate will remain constant throughout the term of the Agreement.

Column P - I&S Tax Rate. We have inserted \$0.30, the District's I&S Tax Rate for the 2009-2010 school fiscal year. We have assumed this rate will remain constant throughout the term of the Agreement.

Ms. Jenny Hicks
November 23, 2009
Page 2

Column Z – Funds for Protection of Future District Revenues. We have inserted amounts calculated in Column M the spreadsheet attached as Exhibit B.

Exhibit B. School District Revenue. The proportion of the spreadsheet titled “Revenue with Agreement” calculates the District’s net M&O revenue based on construction of the EC&R project with the proposed limitation.

Column E – District Taxable Value Not Including Project. This column includes all value within the District other than the value added by the EC&R project. The amount for fiscal year 2009-2010 is the value certified by the Willacy County Appraisal District. We have assumed the value will increase by 0.5% per year during the term of the Agreement.

The lower portion of the sheet titled “Revenue without Agreement” contains the same values as the “with Agreement” portion except that in Column H the taxable value is not reduced to \$10,000,000 in years three through ten. That is, the calculations made as if the EC&R project were constructed but there was no limitation.

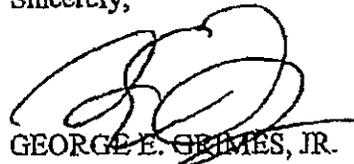
Column M – Net Projected Loss from Agreement. This is the difference between the net Revenue without Agreement and the net Revenue with Agreement. These are the amounts inserted in Column Z of Exhibit A.

II. Impact on Instructional Facilities. The effect of the applicant’s proposal, if approved, on the number or size the school district’s instructional facilities as defined by section 46.001, Education Code.

There exists a small but undetermined possibility that the EC&R project could have an impact on enrollment. This impact would come from families that might temporarily relocate during the construction phase. The impact during the operation phase with 6 full time workers can be absorbed by current facilities.

Please contact me if you have any questions or require additional information.

Sincerely,



GEORGE E. GRIMES, JR.

GEG/pam
Enclosures

cc: Albert A. Peña, IV (*Via Facsimile*)
Doug Arnold (*Via Email Delivery*)

Exhibit A
Page 2

	I&S Tax Rate	I&S Tax Levy	Sum of M&O and I&S Tax Levies	Initial Tax Savings (tax savings due to limitation)	Value upon which tax credits are based	M&O Tax amount the company is eligible to get back as credits in years 4-13	Tax Credits possible to be received by company each year based on taxes paid and 50% cap	Total Levy Loss from Tax credit amount per year	Cumulative Tax Credit Applied to Company's Total Taxes	Total Tax Savings	Funds for Protection of Future District Revenues (from school finance model)	Net Tax Savings
6												
7		\$0	\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0
8	\$0.0000	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0
9	\$0.3000	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0
10	\$0.3000	\$302,680	\$408,680	\$952,224	NA		\$0	\$0	\$0	\$952,224	\$302,028	\$650,196
11	\$0.3000	\$292,500	\$396,500	\$910,000	NA		\$0	\$0	\$0	\$910,000	\$95,854	\$814,146
12	\$0.3000	\$280,800	\$384,800	\$869,440	NA		\$0	\$0	\$0	\$869,440	\$93,194	\$776,246
13	\$0.3000	\$269,580	\$373,580	\$830,544	NA		\$0	\$0	\$0	\$830,544	\$86,698	\$743,846
14	\$0.3000	\$258,780	\$362,780	\$793,104	NA		\$0	\$0	\$0	\$793,104	\$85,476	\$707,628
15	\$0.3000	\$248,430	\$352,430	\$757,224	NA		\$0	\$0	\$0	\$757,224	\$84,505	\$672,719
16	\$0.3000	\$238,500	\$342,500	\$722,800	NA		\$0	\$0	\$0	\$722,800	\$82,020	\$640,780
17	\$0.3000	\$228,960	\$332,960	\$689,728	NA		\$0	\$0	\$0	\$689,728	\$77,944	\$611,784
18	\$0.3000	\$219,810	\$981,818	\$0	NA		\$0	\$0	\$0	\$0	\$0	\$0
19	\$0.3000	\$210,999	\$942,462	\$0	NA		\$0	\$0	\$0	\$0	\$0	\$0
20	\$0.3000	\$202,560	\$904,768	\$0	NA		\$0	\$0	\$0	\$0	\$0	\$0
21									\$0			
22					Total Credits		\$0					
23					Total Credits/7		\$0					
24			\$6,525,064							\$6,525,064		\$5,617,345
25												
26		Sum of taxes paid in first two years on base > limit					\$0					
27		Amount of tax credits "lost".					\$0					
28												
29		M&O tax levy for the two years before tax benefits result in levy loss:					\$0					
30		13 year total levy without any limit or credit:					\$9,552,743					
31		13 year total tax savings/Levy Loss:					\$6,525,064					
32		Taxes actually paid					\$3,027,679					
33												
34												
35												

31.69% is the percentage of taxes they pay with 313 deal compared to what they would have paid without 313 deal
 100.00% is the percentage of the total savings due to the limitation
 0.00% is the percentage of the total savings due to the credit.

1	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	
2	EXHIBIT B San Perlita ISD - M&O Revenue EC&R Agreement															
3																
4	Revenue with Agreement															
5	Line	Column	Column	Column	Column	Column	Column	Column	Column	Column	Column	Column	Column	Column	Column	
6	6	B	C	E	F	G	H	I	J	K	L	M	N	O		
7	7	Agreement	School	District	M&O Taxes	State Funds	Taxable	Total Taxable	Total M&O	Total	Total Funds	Total	Net			
8	8	Year	Year	Taxable Value	Not Including	Not	Value	Value	Funds	State Funds	Combined	Combined	Projected			
9	9			Not Including	Project	Including	EC&R		with	with	Values	Values	Loss			
10	10			Project		Project			Combined	Combined			From			
11	11								Value	Values			Agreement			
12	12															
13	14	0	2009-10	\$60,059,611	\$624,620	\$2,431,514	\$0	\$60,059,611	\$624,620	\$2,194,017	\$2,818,637	\$0				
14	15	1	2010-11	\$60,059,611	\$624,620	\$2,467,627	\$0	\$60,059,611	\$624,620	\$2,231,177	\$2,855,797	\$0				
15	16	2	2011-12	\$60,059,611	\$624,620	\$2,467,627	\$0	\$60,059,611	\$624,620	\$2,231,177	\$2,855,797	\$0				
16	17	3	2012-13	\$60,059,611	\$624,620	\$2,467,627	\$10,000,000	\$70,059,611	\$728,620	\$2,231,177	\$2,959,797	\$302,028				
17	18	4	2013-14	\$60,059,611	\$624,620	\$2,467,627	\$10,000,000	\$70,059,611	\$728,620	\$2,231,177	\$2,959,797	\$95,854				
18	19	5	2014-15	\$60,059,611	\$624,620	\$2,467,627	\$10,000,000	\$70,059,611	\$728,620	\$2,231,177	\$2,959,797	\$93,194				
19	20	6	2015-16	\$60,059,611	\$624,620	\$2,467,627	\$10,000,000	\$70,059,611	\$728,620	\$2,231,177	\$2,959,797	\$86,698				
20	21	7	2016-17	\$60,059,611	\$624,620	\$2,467,627	\$10,000,000	\$70,059,611	\$728,620	\$2,231,177	\$2,959,797	\$85,476				
21	22	8	2017-18	\$60,059,611	\$624,620	\$2,467,627	\$10,000,000	\$70,059,611	\$728,620	\$2,231,177	\$2,959,797	\$84,505				
22	23	9	2018-19	\$60,059,611	\$624,620	\$2,467,627	\$10,000,000	\$70,059,611	\$728,620	\$2,231,177	\$2,959,797	\$82,020				
23	24	10	2019-20	\$60,059,611	\$624,620	\$2,467,627	\$10,000,000	\$70,059,611	\$728,620	\$2,231,177	\$2,959,797	\$77,944				
24	25	11	2020-21	\$60,059,611	\$624,620	\$2,467,627	\$73,270,000	\$133,329,611	\$1,386,628	\$1,912,266	\$3,298,894	-\$271,115				
25	26	12	2021-22	\$60,059,611	\$624,620	\$2,467,627	\$70,330,000	\$130,389,611	\$1,356,052	\$1,641,151	\$2,997,203	\$0				
26	27	13	2022-23	\$60,059,611	\$624,620	\$2,467,627	\$67,520,000	\$127,579,611	\$1,326,828	\$1,641,151	\$2,967,979	\$0				
27	28	14	2023-24	\$60,059,611	\$624,620	\$2,467,627	\$64,820,000	\$124,879,611	\$1,298,748	\$1,641,151	\$2,939,899	\$0				
28	29	15	2024-25	\$60,059,611	\$624,620	\$2,467,627	\$62,230,000	\$122,289,611	\$1,271,812	\$1,641,151	\$2,912,963	\$0				
29	30												\$636,604			
30	31															
31	32	REVENUE without Agreement														
32	33	School	District	M&O Taxes	State Funds	Taxable	Total Taxable	Total	Total	Total	Total Funds					
33	34	Year	Taxable Value	On Value	Not	Value	Value	M&O Funds	State Funds	State Funds	Combined					
34	35		Not Including	Not Including	Including	EC&R		Combined	with	with	Values					
35	36		Project	Project	Project			Value	Combined	Combined	Values					
36	37								Value	Value						
37	37	0	2009-10	\$60,059,611	\$624,620	\$2,431,514	\$0	\$60,059,611	\$624,620	\$2,194,017	\$2,818,637					
38	38	1	2010-11	\$60,059,611	\$624,620	\$2,467,627	\$0	\$60,059,611	\$624,620	\$2,231,177	\$2,855,797					
39	39	2	2011-12	\$60,059,611	\$624,620	\$2,467,627	\$0	\$60,059,611	\$624,620	\$2,231,177	\$2,855,797					
40	40	3	2012-13	\$60,059,611	\$624,620	\$2,467,627	\$101,560,000	\$161,619,611	\$1,680,844	\$1,580,981	\$3,261,825					
41	41	4	2013-14	\$60,059,611	\$624,620	\$2,467,627	\$97,500,000	\$157,559,611	\$1,638,620	\$1,417,031	\$3,055,651					
42	42	5	2014-15	\$60,059,611	\$624,620	\$2,467,627	\$93,600,000	\$153,659,611	\$1,598,060	\$1,454,931	\$3,052,991					
43	43	6	2015-16	\$60,059,611	\$624,620	\$2,467,627	\$89,860,000	\$149,919,611	\$1,559,164	\$1,487,331	\$3,046,495					
44	44	7	2016-17	\$60,059,611	\$624,620	\$2,467,627	\$86,230,000	\$148,289,611	\$1,521,412	\$1,523,861	\$3,045,273					
45	45	8	2017-18	\$60,059,611	\$624,620	\$2,467,627	\$82,810,000	\$142,869,611	\$1,485,844	\$1,558,458	\$3,044,302					
46	46	9	2018-19	\$60,059,611	\$624,620	\$2,467,627	\$79,500,000	\$139,559,611	\$1,451,420	\$1,590,397	\$3,041,817					
47	47	10	2019-20	\$60,059,611	\$624,620	\$2,467,627	\$76,320,000	\$136,379,611	\$1,418,348	\$1,619,393	\$3,037,741					
48	48	11	2020-21	\$60,059,611	\$624,620	\$2,467,627	\$73,270,000	\$133,329,611	\$1,386,628	\$1,641,151	\$3,027,779					
49	49	12	2021-22	\$60,059,611	\$624,620	\$2,467,627	\$70,330,000	\$130,389,611	\$1,356,052	\$1,641,151	\$2,997,203					
50	50	13	2022-23	\$60,059,611	\$624,620	\$2,467,627	\$67,520,000	\$127,579,611	\$1,326,828	\$1,641,151	\$2,967,979					
51	51	14	2023-24	\$60,059,611	\$624,620	\$2,467,627	\$64,820,000	\$124,879,611	\$1,298,748	\$1,641,151	\$2,939,899					
52	52	15	2024-25	\$60,059,611	\$624,620	\$2,467,627	\$62,230,000	\$122,289,611	\$1,271,812	\$1,641,151	\$2,912,963					

Attachment 3

Willacy County Overview Report

Population

Total county population in 2008 for Willacy County: 20,600, up 0.8 percent from 2007.
State population increased 2.0 percent in the same time period.

Willacy County was the state's 113th largest county in population in 2008 and the 109th fastest growing county from 2007 to 2008.

Willacy County population in 2008 was:

11.0 percent White	(below the state average of 47.4 percent.)
2.1 percent Black	(below the state average of 11.3 percent.)
86.4 percent Hispanic	(above the state average of 36.5 percent.)

2008 population of the largest cities and places in Willacy County:

Raymondville:	9,501
Lyford:	2,441
San Perlita:	692

Economy and Income

Employment

October 2009 total employment in Willacy County: 7,126, down 0.8 percent from October 2008.
State total employment decreased 1.0 percent during the same period.

October 2009 Willacy County unemployment rate was 14.2 percent, up from 9.8 percent in October 2008.
The statewide unemployment rate for October 2009 was 8.3 percent, up from 5.3 percent in October 2008.

October 2009 unemployment rate in the city of:
N/A

(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

Willacy County's ranking in per capita personal income in 2007: 238th with an average per capita income of \$20,765, up 11.0 percent from 2006.
Statewide average per capita personal income was \$37,083 in 2007 up 5.5 percent from 2006.

Industry

Agricultural cash values in Willacy County averaged \$71.3 million annually from 2005 to 2008. County total agricultural values in 2008 were up 28.9 percent from 2007. Major agriculture related commodities in Willacy County during 2008 included:

Beef Total	Cotton	Recreation	Sorghum	Sugar Cane
------------	--------	------------	---------	------------

2007 preliminary oil and gas production in Willacy County: 445,880 barrels of oil and 27,925,009 Mcf of gas.
In February 2009, there were 92 producing oil wells and 90 producing gas wells.

Taxes

Sales Tax - Taxable Sales

Quarterly (January through March 2009)

Taxable sales in Willacy County during the first quarter of 2009: \$14,561,652, up 5.8 percent from the same quarter in 2008.

Taxable sales during the first quarter in the city of:

Lyford	\$417,872, down	0.2 percent from the same quarter in 2008.
Raymondville	\$13,100,535, up	4.7 percent from the same quarter in 2008.

Annual (2008)

Taxable sales in Willacy County during 2008: \$56,611,301, up 5.5 percent from 2007.

Taxable sales during 2008 in the city of:

Lyford	\$1,825,177, down	5.2 percent from 2007.
Raymondville	\$50,771,438, up	6.6 percent from 2007.

"-" represent amounts subject to state sales tax values that are suppressed for confidentiality reasons.

Sales Tax - Local Sales Tax Allocations

Monthly (September 2009)

Statewide payments based on the sales activity month of September 2009: \$500,770,947, down 8.7 percent from September 2008.

Payments to all cities in Willacy County based on the sales activity month of September 2009: \$112,828, down 9.2 percent from September 2008.

Payments based on the sales activity month of September 2009 in the city of:

Lyford	\$3,872, down	2.2 percent from September 2008.
Raymondville	\$108,955, down	9.4 percent from September 2008.

Annual (2008)

Statewide payments based on the sales activity months of 2008: \$6,026,220,888, up 5.8 percent from 2007.

Payments to all cities in Willacy County based on the sales activity months of 2008: \$1,278,600, up 8.5 percent from 2007.

Lyford	\$37,298, down	8.0 percent from 2007.
Raymondville	\$1,241,302, up	9.1 percent from 2007.

Property Tax

As of 2007, property values in Willacy County: \$915,504,359, up 3.6 percent from 2006 values.

The property tax base per person in Willacy County is \$44,442, below the statewide average of \$77,317.

About 23.5 percent of the property tax base is derived from oil, gas and minerals.

State Expenditures

Willacy County's ranking in state expenditures by county in state fiscal year (FY) 2008: 92nd. State expenditures in the county for FY 2008: \$112,050,115, down 8.9 percent from FY 2007.

In Willacy County, 10 state agencies provide a total of 90 jobs and \$948,553 in annualized wages (as of 1st quarter 2009).

Major state agencies in the county (as of 1st quarter 2009):

Department of Aging and Disability Services

Department of Public Safety

Health & Human Services Commission

University of Texas Medical Branch
Department of Transportation

School Districts

Willacy County had 4 school districts with 12 schools and 4,486 students in the 2007-2008 school year.

(Statewide, the average teacher salary in school year 2007-2008 was \$46,179. The percentage of students, statewide, meeting the 2008 Texas Assessment of Knowledge and Skills (TAKS) passing standard for all 2007-2008 TAKS tests was 72 percent.)

LASARA ISD	had 382 students in the 2007-2008 school year. The average teacher salary was \$44,501. The percentage of students meeting the 2008 TAKS passing standard for all tests was 80 percent.
LYFORD CISD	had 1,522 students in the 2007-2008 school year. The average teacher salary was \$43,338. The percentage of students meeting the 2008 TAKS passing standard for all tests was 62 percent.
RAYMONDVILLE ISD	had 2,303 students in the 2007-2008 school year. The average teacher salary was \$43,041. The percentage of students meeting the 2008 TAKS passing standard for all tests was 56 percent.
SAN PERLITA ISD	had 279 students in the 2007-2008 school year. The average teacher salary was \$41,937. The percentage of students meeting the 2008 TAKS passing standard for all tests was 76 percent.

Higher Education

(Fall 2008 enrollment)

Community Colleges in Willacy County:

None

Willacy County is in the service area of the following:

Texas Southmost College	with a fall 2008 enrollment of 13,490 Students.	
	Counties in the service area include	Cameron
		Willacy

Institutes of Higher Education in Willacy County with a fall 2008 enrollment

None

References

Population uses data from the following source:
U.S. Census Bureau, as of 10/1/09

Employment uses data from the following sources:
Texas Workforce Commission, as of 12/9/09
Texas Comptroller of Public Accounts, as of 11/21/09

Income uses data from the following source:
U.S. Department of Commerce-Bureau of Economic Analysis, as of 6/11/09

Industry uses data from the following sources:
Texas AgriLife Extension Service, as of 6/29/09
Railroad Commission of Texas, as of 8/21/08

Taxable Sales uses data from the following source:
Texas Comptroller of Public Accounts, as of 10/8/09

Sales Tax Allocation uses data from the following source:
Texas Comptroller of Public Accounts, as of 11/20/09

Property Tax uses data from the following source:
Texas Comptroller of Public Accounts, as of 10/27/09

State Expenditures uses data from the following source:
Texas Comptroller of Public Accounts, as of 11/21/09

Higher Education uses data from the following source:
Texas Higher Education Coordinating Board, as of 5/14/09

School Districts uses data from the following source:
Texas Education Agency, as of 1/21/09

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