Attachment D

Summary of Financial Impact

Chapter 313 Property Value Limitation Financial Impact of the Proposed Bluebell Solar, LLC Project in the Sterling City Independent School District (Project # 1115)

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TEXAS SCHOOL FINANCE EXPERTS

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Executive Summary

Bluebell Solar, LLC (Company) has requested that the Sterling City Independent School District (SCISD) 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 SCISD on December 10, 2015 the Company plans to invest $161 million to construct a solar-powered electric generating facility. Moak, Casey & Associates (MCA) has been retained to prepare an analysis of this value limitation and help the district navigate the overall application and agreement process.

The Blue Bell Solar 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, SCISD may offer a minimum value limitation of $30 million. This value limitation, under the proposed application, will begin in the 2019-20 school year and remain at that level of taxable value for Maintenance and Operations (M&O) tax purposes for ten years. The entire project value will remain taxable for I&S or debt service purposes for the term of the agreement.

MCA's initial school finance analysis is detailed in this report, incorporating the major legislative changes adopted in May. The overall conclusions are as follows, but please read all of the subsquent details in the report below for more information.

Total Revenue Loss Payment owed to SCISD	$533,422
Total Savings to Company after Revenue Loss Payment. (This does not include any supplemental benefit payments to the district.)	$6.175 million

Application Process

After the school district has submitted an application to the Comptroller's Office (Comptroller), the Comptroller begins reviewing the application for completeness. The purpose of this review is to ensure all necessary information and attachments are included in the application before moving forward with the formal review process. The Comptroller's Office issued a Completeness Letter for the Bluebell Solar project on March 3, 2016.

The issuance of a Completeness Letter is important because it sets the timeline for the rest of process. From the date of issuance, the Comptroller has 90 days to conduct its full review of the project and provide its certificate for a limitation on appraised value. The Comptroller's Office issued its Certificate for the project on April 12, 2016.

Each value limitation agreement is unique and to ensure the proper revenue-loss protection and maximum supplemental benefits are in place, an understanding of the school district's finances and a thorough knowledge of the Ch. 313 statute are required. MCA and O'Hanlon, McCollom & Demerath will ensure the best interests of SCISD are secured. After the Comptroller's certificate was received, O'Hanlon, McCollom & Demerath contacted the school district to discuss the value limitation agreement and negotiated the supplemental benefit payment with the Company. A final version of the agreement must be submitted to the Comptroller for review 30 days prior to final adoption by the school district's board of trustees.

At the final board meeting, the school board will review the Value Limitation Agreement and Findings of Fact that detail the project's conformance with state law. The school board will also be required to create a reinvestment zone and adopt a job waiver during this meeting. Prior to this meeting, O'Hanlon, McCollom & Demerath will provide the district with the necessary agenda language and any additional action items.

How the 313 Agreement Interacts with Texas School Finance

M&O funding for Texas schools relies on two methods of finance: local school district property taxes and state aid. State aid consists of three components: Tier I, Tier II and additional state aid for tax reduction (ASATR), although ASATR is currently scheduled to be eliminated by the 2017-18 school year. (For more detailed information on the school finance funding system, please review the Texas Education Agency's School Finance 101: Funding of Texas Public Schools.)

Tier I provides state funding based on ADA and special student populations, as well as transportation. The local funds for Tier I are M&O taxes raised at the compressed tax rate—$1.00 per $100 of taxable value for most school districts (less any recapture payments owed to the state from high property-wealth school districts).

Tier II guarantees a specific amount of funding per student in weighted average daily attendance for each penny of a school district's tax effort above a specified level. There are two levels of Tier II funding—funding under the six so-called golden pennies and the eleven so-called copper pennies. Voter approval is required in most cases to access the last two golden pennies and the eleven copper pennies.

Additional State Aid for Tax Reduction (ASATR) guarantees a school district a set amount of state and local M&O funds per student in weighted average daily attendance to compensate for the mandatory reduction in, or compression of, the local M&O tax rate that was adopted in 2005 or 2006. ASATR funding is expected to be eliminated by the 2017-18 school year under current law.

For a school district that approves a Chapter 313 value limitation, the first year is often problematic financially. The implementation of the value limitation often results in an M&O revenue loss to the school district in the first year of the limitation that would not be reimbursed by the state, but require some type of compensation from the Company under the revenue protection provisions of the agreement. This is because the general school finance formula system calculates state aid entitlements using the property value for the preceding year as certified by the Comptroller.

In most instances smaller revenue losses would be anticipated in years 2-10 of the limitation when the state M&O 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. **If the full value of the project increases significantly during the value limitation period, the revenue losses may be greater than originally estimated.**

A taxpayer receiving a value limitation pays M&O taxes on the reduced value for the project in years 1-10 and receives a tax bill for I&S taxes based on the full project value throughout the qualifying and value limitation period (and thereafter).

Future legislative action on school funding could potentially affect the impact of the value limitation on the school district's finances and result in revenue-loss estimates that differ from the estimates presented in this report.

Underlying School District Data Assumptions

A key element in any analysis of the school finance implications of a Chapter 313 agreement is the provision for revenue protection in the agreement between the school district and the applicant. The agreement calls for a calculation of the revenue impact of the value limitation in years 1-10 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. This approach also reduces guess work as to future changes in school finance and property tax laws.

The general approach used here to analyze the future revenue stream of the school district under a value limitation is to maintain static enrollment and property values in order to isolate the effects of the value limitation under the school finance system. Student enrollment counts are held constant at 310 students in average daily attendance (ADA) in analyzing the effects of the project on the finances of SCISD. The District's local tax base reached $475.6 million for the 2015 tax year (the most recent year available) 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 per $100 is used throughout this analysis. The impact of any previously-approved Chapter 313 projects is factored into the M&O tax bases used for both models presented below.

SCISD has estimated 2015-16 state property wealth per weighted ADA or WADA of approximately $760,433. As a result, SCISD is considered a Chapter 41 or recapture district under the school finance system. Table 1 summarizes the enrollment and property value assumptions for the 15 years that are the subject of this analysis.

Recent legislative changes are incorporated into these estimates. The basic allotment was raised from $5,040 to $5,140 per WADA, which is used throughout the state aid calculations. The Tier II guaranteed yield level for up to six cents of tax effort was increased from $61.86 in 2014-15 to $74.28 and $77.53, respectively, for the 2015-16 and 2016-17 school years.

The mandated school district homestead exemption increase from $15,000 to $25,000 has been incorporated into the analysis. Given that the models below focus exclusively on the Bluebell Solar, LLC project values, however, the homestead exemption change does not have a significant impact on this analysis.

Table 1 – Base District Information with Blue Bell Solar 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
QTP0	2016-17	310.00	589.95	$1.0400	$0.1998	$458,276,750	$458,276,750	$475,581,314	$475,581,314	$806,140	$806,140
QTP1	2017-18	310.00	589.95	$1.0400	$0.1998	$576,557,269	$576,557,269	$449,581,314	$449,581,314	$762,068	$762,068
QTP2	2018-19	310.00	589.95	$1.0400	$0.1998	$854,208,254	$854,208,254	$567,861,833	$567,861,833	$962,561	$962,561
VL1	2019-20	310.00	589.95	$1.0400	$0.1998	$1,125,111,668	$994,111,668	$845,512,818	$845,512,818	$1,433,196	$1,433,196
VL2	2020-21	310.00	589.95	$1.0400	$0.1998	$1,081,909,972	$964,909,972	$1,116,416,232	$985,416,232	$1,892,394	$1,670,341
VL3	2021-22	310.00	589.95	$1.0400	$0.1998	$1,040,862,008	$937,862,008	$1,073,214,536	$956,214,536	$1,819,165	$1,620,843
VL4	2022-23	310.00	589.95	$1.0400	$0.1998	$1,000,016,202	$912,766,202	$1,032,166,572	$929,166,572	$1,749,586	$1,574,995
VL5	2023-24	310.00	589.95	$1.0400	$0.1998	$960,943,170	$889,443,170	$991,320,766	$904,070,766	$1,680,350	$1,532,456
VL6	2024-25	310.00	589.95	$1.0400	$0.1998	$923,482,961	$867,732,961	$952,247,734	$880,747,734	$1,614,119	$1,492,922
VL7	2025-26	310.00	589.95	$1.0400	$0.1998	$885,917,707	$847,667,707	$914,787,525	$859,037,525	$1,550,621	$1,456,122
VL8	2026-27	310.00	589.95	$1.0400	$0.1998	$852,923,166	$830,423,166	$877,222,271	$838,972,271	$1,486,946	$1,422,110
VL9	2027-28	310.00	589.95	$1.0400	$0.1998	$826,157,836	$814,157,836	$844,227,730	$821,727,730	$1,431,018	$1,392,879
VL10	2028-29	310.00	589.95	$1.0400	$0.1998	$805,555,829	$798,805,829	$817,462,400	$805,462,400	$1,385,649	$1,365,309
VP1	2029-30	310.00	589.95	$1.0400	$0.1998	$791,055,961	$791,055,961	$796,860,393	$790,110,393	$1,350,728	$1,339,286
VP2	2030-31	310.00	589.95	$1.0400	$0.1998	$777,351,404	$777,351,404	$782,360,525	$782,360,525	$1,326,149	$1,326,149
VP3	2031-32	310.00	589.95	$1.0400	$0.1998	$764,389,373	$764,389,373	$768,655,968	$768,655,968	$1,302,919	$1,302,919
VP4	2032-33	310.00	589.95	$1.0400	$0.1998	$752,120,833	$752,120,833	$755,693,937	$755,693,937	$1,280,948	$1,280,948
VP5	2033-34	310.00	589.95	$1.0400	$0.1998	$740,500,224	$740,500,224	$743,425,397	$743,425,397	$1,260,152	$1,260,152

QTP=	Qualifying Time Period
VL=	Value Limitation
VP=	Viable Presence

M&O Impact of the Blue Bell Solar project on SCISD

School finance models were prepared for SCISD under these assumptions through the 2033-34 school year. Under the proposed agreement, a model is established to make a calculation of the "Baseline Revenue Model" by adding the total value of the project to the model, but without assuming that a value limitation is approved. These model results are detailed in Table 2.

Additionally, a separate model is established to make a calculation of the "Value Limitation Revenue Model" by adding the project's limited value of $30 million to the model. These results are shown in Table 3.

Table 4 displays the results of the comparison between the Baseline Revenue Model and the Value Limitation Revenue Model (Tables 2 and 3). The difference between the two models indicates there will be a total revenue loss of $533,422 over the course of the Agreement, with nearly all of this loss reflected in the first limitation year (2019-20). Nearly all of the reduction in M&O taxes under the limitation agreement is offset through a reduction in recapture costs owed to the state under current law.

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	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Homestead Hold Harmless	Other State Aid	Total General Fund
QTP0	2016-17	$4,873,340	$138,425	$409,820	-$1,707,071	$194,934	$0	$0	$835	$10,709	$3,920,991
QTP1	2017-18	$6,032,489	$76,425	$0	-$1,904,698	$241,300	$4,192	$0	$0	$10,709	$4,460,416
QTP2	2018-19	$8,753,469	$101,225	$0	-$4,020,190	$350,139	$0	$0	$1,500	$10,709	$5,196,851
VL1	2019-20	$11,434,523	$101,225	$0	-$7,274,663	$457,381	$0	$0	$1,959	$10,709	$4,731,133
VL2	2020-21	$11,008,346	$101,225	$0	-$7,959,335	$440,334	$0	$0	$1,886	$10,709	$3,603,165
VL3	2021-22	$10,603,276	$101,225	$0	-$7,548,355	$424,131	$0	$0	$1,817	$10,709	$3,592,802
VL4	2022-23	$10,199,837	$101,225	$0	-$7,144,296	$407,993	$0	$0	$1,748	$10,709	$3,577,216
VL5	2023-24	$9,813,771	$101,225	$0	-$6,752,855	$392,551	$0	$0	$1,681	$10,709	$3,567,082
VL6	2024-25	$9,443,511	$101,225	$0	-$6,377,324	$377,740	$0	$0	$1,618	$10,709	$3,557,478
VL7	2025-26	$9,071,872	$101,225	$0	-$6,005,733	$362,875	$0	$0	$1,554	$10,709	$3,542,502
VL8	2026-27	$8,745,375	$101,225	$0	-$5,663,323	$349,815	$0	$0	$1,498	$10,709	$3,545,299
VL9	2027-28	$8,480,975	$101,225	$0	-$5,375,743	$339,239	$0	$0	$1,453	$10,709	$3,557,858
VL10	2028-29	$8,278,025	$101,225	$0	-$5,148,336	$331,121	$0	$0	$1,418	$10,709	$3,574,162
VP1	2029-30	$8,134,577	$101,225	$0	-$4,980,086	$325,383	$0	$0	$1,394	$10,709	$3,593,202
VP2	2030-31	$8,000,272	$101,225	$0	-$4,840,465	$320,011	$0	$0	$1,371	$10,709	$3,593,122
VP3	2031-32	$7,873,244	$101,225	$0	-$4,708,265	$314,930	$0	$0	$1,349	$10,709	$3,593,192
VP4	2032-33	$7,753,012	$101,225	$0	-$4,583,002	$310,120	$0	$0	$1,328	$10,709	$3,593,392
VP5	2033-34	$7,639,130	$101,225	$0	-$4,464,231	$305,565	$0	$0	$1,309	$10,709	$3,593,706

***Basic Allotment: $5,140; AISD Yield: $77.53; Equalized Wealth: $514,000 per WADA**

QTP= Qualifying Time Period
VL= Value Limitation
VP= Viable Presence

Table 3– "Value Limitation Revenue Model" --Project Value Added with Value Limit

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Additional State Aid- Hold Harmless	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Homestead Hold Harmless	Other State Aid	Total General Fund
QTP0	2016-17	$4,873,340	$138,425	$409,820	-$1,707,071	$194,934	$0	$0	$835	$10,709	$3,920,991
QTP1	2017-18	$6,032,489	$76,425	$0	-$1,904,698	$241,300	$4,192	$0	$0	$10,709	$4,460,416
QTP2	2018-19	$8,753,469	$101,225	$0	-$4,020,190	$350,139	$0	$0	$1,500	$10,709	$5,196,851
VL1	2019-20	$10,124,523	$101,225	$0	-$6,434,480	$404,981	$0	$0	$1,735	$10,709	$4,208,692
VL2	2020-21	$9,838,346	$101,225	$0	-$6,751,880	$393,534	$0	$0	$1,686	$10,709	$3,593,619
VL3	2021-22	$9,573,276	$101,225	$0	-$6,478,414	$382,931	$0	$0	$1,640	$10,709	$3,591,367
VL4	2022-23	$9,327,337	$101,225	$0	-$6,224,363	$373,093	$0	$0	$1,598	$10,709	$3,589,599
VL5	2023-24	$9,098,771	$101,225	$0	-$5,987,963	$363,951	$0	$0	$1,559	$10,709	$3,588,251
VL6	2024-25	$8,886,011	$101,225	$0	-$5,767,640	$355,440	$0	$0	$1,523	$10,709	$3,587,267
VL7	2025-26	$8,689,372	$101,225	$0	-$5,563,094	$347,575	$0	$0	$1,489	$10,709	$3,587,275
VL8	2026-27	$8,520,375	$101,225	$0	-$5,381,820	$340,815	$0	$0	$1,460	$10,709	$3,592,763
VL9	2027-28	$8,360,975	$101,225	$0	-$5,216,615	$334,439	$0	$0	$1,433	$10,709	$3,592,165
VL10	2028-29	$8,210,525	$101,225	$0	-$5,060,500	$328,421	$0	$0	$1,407	$10,709	$3,591,786
VP1	2029-30	$8,134,577	$101,225	$0	-$4,953,640	$325,383	$0	$0	$1,394	$10,709	$3,619,647
VP2	2030-31	$8,000,272	$101,225	$0	-$4,840,465	$320,011	$0	$0	$1,371	$10,709	$3,593,122
VP3	2031-32	$7,873,244	$101,225	$0	-$4,708,265	$314,930	$0	$0	$1,349	$10,709	$3,593,192
VP4	2032-33	$7,753,012	$101,225	$0	-$4,583,002	$310,120	$0	$0	$1,328	$10,709	$3,593,392
VP5	2033-34	$7,639,130	$101,225	$0	-$4,464,231	$305,565	$0	$0	$1,309	$10,709	$3,593,706

***Basic Allotment: $5,140; AISD Yield: $77.53; Equalized Wealth: $514,000 per WADA**

QTP= Qualifying Time Period
VL= Value Limitation
VP= Viable Presence

Table 4 – Value Limit less Project Value with No Limit

Year of Agreement	School Year	M&O Taxes @ Compressed Rate	State Aid	Additional State Aid-Hold Harmless	Recapture Costs	Additional Local M&O Collections	State Aid from Additional M&O Tax Collections	Recapture from the Additional Local Tax Effort	Homestead Hold Harmless	Other State Aid	Total General Fund
QTP0	2016-17	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
QTP1	2017-18	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
QTP2	2018-19	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
VL1	2019-20	-$1,310,000	$0	$0	$840,183	-$52,400	$0	$0	-$224	$0	-$522,441
VL2	2020-21	-$1,170,000	$0	$0	$1,207,455	-$46,800	$0	$0	-$200	$0	-$9,546
VL3	2021-22	-$1,030,000	$0	$0	$1,069,941	-$41,200	$0	$0	-$176	$0	-$1,435
VL4	2022-23	-$872,500	$0	$0	$919,933	-$34,900	$0	$0	-$149	$0	$12,383
VL5	2023-24	-$715,000	$0	$0	$764,892	-$28,600	$0	$0	-$123	$0	$21,169
VL6	2024-25	-$557,500	$0	$0	$609,684	-$22,300	$0	$0	-$96	$0	$29,789
VL7	2025-26	-$382,500	$0	$0	$442,639	-$15,300	$0	$0	-$66	$0	$44,773
VL8	2026-27	-$225,000	$0	$0	$281,503	-$9,000	$0	$0	-$39	$0	$47,464
VL9	2027-28	-$120,000	$0	$0	$159,128	-$4,800	$0	$0	-$21	$0	$34,307
VL10	2028-29	-$67,500	$0	$0	$87,836	-$2,700	$0	$0	-$12	$0	$17,625
VP1	2029-30	$0	$0	$0	$26,445	$0	$0	$0	$0	$0	$26,445
VP2	2030-31	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
VP3	2031-32	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
VP4	2032-33	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
VP5	2033-34	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

QTP=	Qualifying Time Period
VL=	Value Limitation
VP=	Viable Presence

M&O Impact on the Taxpayer

Table 5 summarizes the impact of the property value limitation in terms of the potential tax savings to the taxpayer under the property value limitation agreement. The focus of this table is on the M&O tax rate only. A $1.04 per $100 M&O tax rate is assumed in 2015-16 (the most recent year available) and thereafter.

Under the assumptions used here, the potential tax savings from the value limitation total $6.7 million over the life of the agreement. The SCISD revenue losses are expected to total approximately $533,422 over the course of the agreement. The total potential net tax benefits (after hold-harmless payments are made) are estimated to reach $6.175 million, prior to any negotiations with Blue Bell Solar on supplemental payments.

I&S Funding Impact on School District

The project remains fully taxable for debt services taxes, with SCISD currently levying a $0.1998 per $100 I&S rate. While the value of the Blue Bell Solar project is expected to depreciate over the life of the agreement and beyond, local taxpayers should benefit from the addition of the Blue Bell Solar project to the local I&S tax roll.

The project is not expected to affect SCISD in terms of enrollment. Continued expansion of the project and related development could result in additional employment in the area and an increase in the school-age population, but this project is unlikely to have much impact on a stand-alone basis.

Table 5 - Estimated Financial Impact of the Blue Bell Solar Project Property Value Limitation Request Submitted to SCISD at $1.0400 M&O Tax Rate

Year of Agreement	School Year	Project Value	Estimated Taxable Value	Value Savings	Assumed M&O Tax Rate	Taxes Before Value Limit	Taxes after Value Limit	Tax Savings @ Projected M&O Rate	School District Revenue Losses	Estimated Net Tax Benefits
QTP0	2016-17	$0	$0	$0	$1.040	$0	$0	$0	$0	$0
QTP1	2017-18	$0	$0	$0	$1.040	$0	$0	$0	$0	$0
QTP2	2018-19	$17,500,000	$17,500,000	$0	$1.040	$182,000	$182,000	$0	$0	$0
VL1	2019-20	$161,000,000	$30,000,000	$131,000,000	$1.040	$1,674,400	$312,000	$1,362,400	-$522,441	$839,959
VL2	2020-21	$147,000,000	$30,000,000	$117,000,000	$1.040	$1,528,800	$312,000	$1,216,800	-$9,546	$1,207,254
VL3	2021-22	$133,000,000	$30,000,000	$103,000,000	$1.040	$1,383,200	$312,000	$1,071,200	-$1,435	$1,069,765
VL4	2022-23	$117,250,000	$30,000,000	$87,250,000	$1.040	$1,219,400	$312,000	$907,400	$0	$907,400
VL5	2023-24	$101,500,000	$30,000,000	$71,500,000	$1.040	$1,055,600	$312,000	$743,600	$0	$743,600
VL6	2024-25	$85,750,000	$30,000,000	$55,750,000	$1.040	$891,800	$312,000	$579,800	$0	$579,800
VL7	2025-26	$68,250,000	$30,000,000	$38,250,000	$1.040	$709,800	$312,000	$397,800	$0	$397,800
VL8	2026-27	$52,500,000	$30,000,000	$22,500,000	$1.040	$546,000	$312,000	$234,000	$0	$234,000
VL9	2027-28	$42,000,000	$30,000,000	$12,000,000	$1.040	$436,800	$312,000	$124,800	$0	$124,800
VL10	2028-29	$36,750,000	$30,000,000	$6,750,000	$1.040	$382,200	$312,000	$70,200	$0	$70,200
VP1	2029-30	$36,750,000	$36,750,000	$0	$1.040	$382,200	$382,200	$0	$0	$0
VP2	2030-31	$36,750,000	$36,750,000	$0	$1.040	$382,200	$382,200	$0	$0	$0
VP3	2031-32	$36,750,000	$36,750,000	$0	$1.040	$382,200	$382,200	$0	$0	$0
VP4	2032-33	$36,750,000	$36,750,000	$0	$1.040	$382,200	$382,200	$0	$0	$0
VP5	2033-34	$36,750,000	$36,750,000	$0	$1.040	$382,200	$382,200	$0	$0	$0
						$11,921,000	**$5,213,000**	**$6,708,000**	**-$533,422**	**$6,174,578**

QTP= Qualifying Time Period
VL= Value Limitation
VP= Viable Presence

Note: School district revenue-loss estimates are subject to change based on numerous factors, including:

- **Legislative and Texas Education Agency administrative changes to the underlying school finance formulas used in these calculations.**
- **Legislative changes addressing property value appraisals and exemptions.**
- **Year-to-year appraisals of project values and district taxable values.**
- **Changes in school district tax rates and student enrollment.**