

**FINDINGS**  
**of the**  
***MULESHOE INDEPENDENT***  
***SCHOOL DISTRICT***  
***BOARD OF TRUSTEES***

**Under Chapter 313 of the**  
**Texas Tax Code**

**ON THE APPLICATION FOR**  
**APPRAISED VALUE LIMITATION**  
**ON QUALIFIED PROPERTY**

**SUBMITTED BY**

***WILLING SOLAR ENERGY LLC***

***Comptroller Application Number 1600***

**December 13, 2021**

STATE OF TEXAS   §  
  §  
MULESHOE INDEPENDENT SCHOOL DISTRICT             §

On or about the 10<sup>th</sup> day of May, 2021, the Superintendent, on behalf of Muleshoe Independent School District received an Application for Appraised Value Limitation on Qualified Property from Willing Solar Energy pursuant to Chapter 313 of the Texas Tax Code (the “Application”). The general nature of Applicant’s investment in qualified property set forth in the Application is for a renewable energy electric generation project; specifically, up to a 300 megawatt solar electric generation facility (the “Property”). *See* Application, page 4, Section 6.2(5), and Tab 4, attached hereto as a part of Attachment A; *see also* Attachment D. The Board agreed to consider such Application on May 10, 2021, and the District’s Superintendent formally acknowledged receipt of the Application for consideration on behalf of the District, which was delivered to the Texas Comptroller of Public Accounts immediately upon the District’s determination that the Application was complete, and the Comptroller acknowledged receipt of the Application on or about May 11, 2021. Thereafter on behalf of the Applicant, the District submitted Application Amendment No. 1 dated June 15, 2021 (§14, Tabs 4, 7, 8, 11, 13 and 14), and the Comptroller determined the Application complete on June 18, 2021, the Application Review Start Date. The Application and Amendment No. 1 are hereafter collectively referred to as the “Application.” A copy of the Application and Comptroller’s completeness letter of June 18, 2021 are collectively attached hereto as Attachment A.

The Texas Taxpayer Identification number for Willing Solar Energy LLC is 32069928482. Willing Solar Energy is an entity subject to Chapter 171 of the Texas Tax Code and is active and has the right to transact business in Texas, as represented by the Texas Comptroller of Public Accounts and as required by Texas Tax Code §313.024(a). *See* Attachments A, B and C.

The Board acknowledged receipt of the Application and necessary application fee, which was reasonable and did not exceed the estimated cost to the District for processing and acting on the Application, as established by §§313.025(a)(1) and 313.031(b) of the Texas Tax Code, 34 T.A.C. §9.1054(a), and Local District Policy. *See* Attachment A at Tab 2.

The Application was delivered to the Texas Comptroller's Office for review pursuant to §313.025(b) of the Texas Tax Code.

A copy of the Application was delivered to the Bailey Central Appraisal District for review pursuant to 34 Texas Administrative Code §9.1054.

The Application was reviewed by the Texas Comptroller's Office pursuant to Texas Tax Code §§313.024, 313.025 and 313.026. After receipt of the Application, the Texas Comptroller's Office caused an Economic Impact Analysis to be conducted. The Comptroller, pursuant to Texas Tax Code §313.025(h), determined the project subject to the Application meets the requirements for eligibility under Texas Tax Code §313.024 for a limitation on appraised value, and after reviewing the Application based on the criteria set out in Texas Tax Code § 313.026, issued a Certificate for a Limitation on Appraised Value on July 26, 2021 that the Application be approved (the "Certificate Decision"). *See* Attachment C. The Board of Trustees has carefully considered such Evaluation and Certificate Decision. Copies of the Certificate Decision and Economic Impact Analysis are attached to these Findings as Attachments C and D, respectively.

The Board also directed that a specific school financial analysis be conducted of the impact of the proposed value limitation on the finances of Muleshoe Independent School District. A copy of a report prepared by McDowell School Finance Consulting, LLC and dated December 2, 2021, is attached to these Findings as Attachment E.

The Board has confirmed that the taxable value of industrial property applicable to the Willing Solar Energy Application in the Muleshoe Independent School District for the preceding tax year, as determined under Subchapter M, Chapter 403 of the Texas Government Code, fell within a rural school district, Category 3 of §313.054 of the Texas Tax Code at the time the Certificate Decision was issued. *See* the final 2020 Property Value Study Report, "2020 ISD Summary Worksheet" attached hereto as Attachment G; *see also* Attachment D.

The District's Board of Trustees, by resolution dated October 18, 2021, granted Applicant's request to extend the statutory deadline by which the District must consider its Application until July 25, 2022. The Comptroller was provided notice of this extension, as set out under 34 Texas Administrative Code §9.1054(d). *See* Resolution authorizing extension of consideration period and notice to Applicant, collectively attached hereto as Attachment K.

After receipt of the completed Application, the District entered into negotiations with Willing Solar Energy regarding the specific language to be included in the Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes

(the “Agreement”) pursuant to Chapter 313 of the Texas Tax Code, including appropriate revenue protection provisions for the District pursuant to Section 48.256(d) of the Texas Education Code. The parties were able to agree upon language for inclusion into a draft agreement pursuant to Texas Tax Code §313.027. As required by the Comptroller’s Office, the parties changed only the provisions of the template that the Comptroller permitted (Form 50-826, revised October, 2020). The proposed Agreement is attached to these Findings as Attachment H, and that form of the Agreement (as defined by 34. Tex. Admin. Code §9.1051 and adopted by §9.1052(a)(6)) was submitted to and approved by the Comptroller, as required by 34 Tex. Admin. Code §9.1055(e)(1). *See* copy of December 6, 2021, Agreement Review Letter from the Comptroller, attached to these Findings as Attachment I.

After review of the Comptroller’s Certificate Decision and Economic Impact Analysis, and in consideration of its own analysis of Willing Solar Energy’s Application and all other related documentation attached hereto, the Board makes the following additional Findings as follows:

#### **Board Finding Number 1.**

***Based on the Application and the Comptroller’s Certificate Decision, the Property meets the requirements of Texas Tax Code §313.024 for eligibility for a limitation on appraised value under Texas Tax Code §313.024(b)(5) as a renewable energy electric generation project.***

In support of Finding Number 1, the Comptroller’s Certificate Decision states:

#### **Determination required by 313.025(h)**

\* \* \*

Sec. 313.024(b)      Applicant is proposing to use the property for an eligible project.

\* \* \*

Based on the information provided by the applicant, the Comptroller has determined that the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised value under Chapter 313, Subchapter C.

*See* Attachment C. *See also* Attachment A (Tab 1, §6.2(5) and Tab 4) and Attachment D.

#### **Board Finding Number 2.**

***The project proposed by Applicant is reasonably likely to generate sufficient tax revenue to offset the District’s maintenance and operations ad valorem tax revenue lost as a result of the Agreement before the 25<sup>th</sup> anniversary of the beginning of the limitation period.***



In support of Finding Number 2, the Certificate Decision states:

**Certification decision required by 313.025(d)**

Determination required by 313.026(c)(1)

The Comptroller has determined that the project proposed by the applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the school district's maintenance and operations *ad valorem tax* revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period, see Attachment B.

*See Attachment C.*

Also in support of Finding Number 2, the Comptroller's Economic Impact Analysis states:

**Attachment B - Tax Revenue before 25th Anniversary of Limitation Start**

This [table] represents the Comptroller's determination that Willing Solar Energy LLC (project) is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue in an amount sufficient to offset the school district maintenance and operations *ad valorem tax* revenue lost as a result of the agreement. This evaluation is based on an analysis of the estimated M&O portion of the school district property tax levy and direct, indirect and induced tax effects from the project employment directly related to this project, using estimated taxable values provided in the application.

*[see tables on next pages]*

	Tax Year	Estimated ISD M&O Tax Levy Generated (Annual)	Estimated ISD M&O Tax Levy Generated (Cumulative)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Annual)	Estimated ISD M&O Tax Levy Loss as Result of Agreement (Cumulative)
Limitation Pre-Years	2023	\$0	\$0	\$0	\$0
	2024	\$0	\$0	\$0	\$0
	2025	\$417,480	\$417,480	\$0	\$0
Limitation Period (10 Years)	2026	\$208,740	\$626,220	\$2,322,859	\$2,322,859
	2027	\$208,740	\$834,960	\$2,120,318	\$4,443,177
	2028	\$208,740	\$1,043,700	\$1,901,768	\$6,344,945
	2029	\$208,740	\$1,252,440	\$1,665,584	\$8,010,529
	2030	\$208,740	\$1,461,180	\$1,410,677	\$9,421,206
	2031	\$208,740	\$1,669,920	\$1,135,420	\$10,556,626
	2032	\$208,740	\$1,878,660	\$838,184	\$11,394,810
	2033	\$208,740	\$2,087,400	\$517,071	\$11,911,881
	2034	\$208,740	\$2,296,140	\$338,424	\$12,250,305
	2035	\$208,740	\$2,504,880	\$338,335	\$12,588,640
Maintain Viable Presence (5 Years)	2036	\$546,988	\$3,051,868	\$0	\$12,588,640
	2037	\$546,903	\$3,598,771	\$0	\$12,588,640
	2038	\$546,819	\$4,145,590	\$0	\$12,588,640
	2039	\$546,737	\$4,692,327	\$0	\$12,588,640
	2040	\$546,657	\$5,238,984	\$0	\$12,588,640
Additional Years as Required by 313.026(c)(1) (10 Years)	2041	\$546,578	\$5,785,562	\$0	\$12,588,640
	2042	\$546,501	\$6,332,063	\$0	\$12,588,640
	2043	\$546,426	\$6,878,489	\$0	\$12,588,640
	2044	\$546,352	\$7,424,840	\$0	\$12,588,640
	2045	\$546,279	\$7,971,119	\$0	\$12,588,640
	2046	\$546,208	\$8,517,327	\$0	\$12,588,640
	2047	\$546,138	\$9,063,465	\$0	\$12,588,640
	2048	\$546,070	\$9,609,535	\$0	\$12,588,640
	2049	\$546,003	\$10,155,538	\$0	\$12,588,640
	2050	\$545,937	\$10,701,476	\$0	\$12,588,640
		<b>\$10,701,476</b>	is less than	<b>\$12,588,640</b>	
<b>Analysis Summary</b>					
Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?					No
NOTE: The analysis above only takes into account this project's estimated impact on the M&O portion of the school district property tax levy directly related to this project. Source: CPA, Willing Solar Energy LLC					

Year	Employment			Personal Income			Revenue & Expenditure		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total	Revenue	Expenditure	Net Tax Effect
2024	300	257	557	\$15,000,000	\$26,630,000	\$41,630,000	1900000	-1070000	\$2,970,000
2025	300	278	578.13	\$15,000,000	\$32,240,000	\$47,240,000	2100000	-660000	\$2,760,000
2026	2	27	29	\$91,636	\$7,838,364	\$7,930,000	400000	760000	-\$360,000
2027	2	6	8	\$91,636	\$5,278,364	\$5,370,000	250000	720000	-\$470,000
2028	2	(8)	-6	\$91,636	\$2,598,364	\$2,690,000	110000	690000	-\$580,000
2029	2	(22)	-20	\$91,636	\$638,364	\$730,000	50000	630000	-\$580,000
2030	2	(22)	-20	\$91,636	-\$331,636	-\$240,000	20000	540000	-\$520,000
2031	2	(20)	-18	\$91,636	-\$821,636	-\$730,000	-20000	450000	-\$470,000
2032	2	(18)	-16	\$91,636	-\$1,311,636	-\$1,220,000	-40000	390000	-\$430,000
2033	2	(14)	-12	\$91,636	-\$1,071,636	-\$980,000	-50000	270000	-\$320,000
2034	2	(12)	-10	\$91,636	-\$1,071,636	-\$980,000	-100000	190000	-\$290,000
2035	2	(12)	-10	\$91,636	-\$1,551,636	-\$1,460,000	-80000	140000	-\$220,000
2036	2	(6)	-4	\$91,636	-\$1,551,636	-\$1,460,000	-110000	60000	-\$170,000
2037	2	(4)	-2	\$91,636	-\$1,071,636	-\$980,000	-140000	0	-\$140,000
2038	2	(8)	-6	\$91,636	-\$1,311,636	-\$1,220,000	-180000	-50000	-\$130,000
2039	2	(6)	-4	\$91,636	-\$1,071,636	-\$980,000	-230000	-130000	-\$100,000
2040	2	(8)	-6	\$91,636	-\$1,801,636	-\$1,710,000	-260000	-210000	-\$50,000
2041	2	(2)	0	\$91,636	-\$1,071,636	-\$980,000	-230000	-240000	\$10,000
2042	2	(6)	-4	\$91,636	-\$1,071,636	-\$980,000	-310000	-290000	-\$20,000
2043	2	(8)	-6	\$91,636	-\$1,551,636	-\$1,460,000	-310000	-350000	\$40,000
2044	2	(14)	-12	\$91,636	-\$2,531,636	-\$2,440,000	-380000	-350000	-\$30,000
2045	2	(14)	-12	\$91,636	-\$2,531,636	-\$2,440,000	-410000	-450000	\$40,000
2046	2	(14)	-12	\$91,636	-\$2,531,636	-\$2,440,000	-320000	-440000	\$120,000
2047	2	(6)	-4	\$91,636	-\$1,551,636	-\$1,460,000	-240000	-470000	\$230,000
2048	2	(6)	-4	\$91,636	-\$1,071,636	-\$980,000	-260000	-500000	\$240,000
2049	2	(8)	-6	\$91,636	-\$2,531,636	-\$2,440,000	-230000	-540000	\$310,000
2050	2	(6)	-4	\$91,636	-\$1,071,636	-\$980,000	-230000	-590000	\$360,000
2051	2	(8)	-6	\$91,636	-\$2,041,636	-\$1,950,000	-240000	-570000	\$330,000
						<b>Total</b>	\$460,000	-\$2,070,000	\$2,530,000
							\$13,231,476	is greater than	\$12,588,640
<b>Analysis Summary</b>									
Is the project reasonably likely to generate tax revenue in an amount sufficient to offset the M&O levy loss as a result of the limitation agreement?									Yes

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.

See Attachment D (at Attachment B thereof).

### Board Finding Number 3.

***The new qualifying jobs creation requirement under § 313.051(b) exceeds the industry standard for the number of employees reasonably necessary for the operation of the Applicant's facility described in the Application, and Applicant qualifies for a waiver of the new jobs requirement pursuant to § 313.025(f-1).***

In support of this Finding, Applicant submitted, as Tab 12 to its Application, information regarding the industry standard for the number of jobs for a project with qualified property of this size and type. The Application states that for a project of the size and type described in the Application, the project will require less than ten (10) permanent jobs. Applicant states in Tab 12 of the Application that solar projects create a large number of full-time, temporary jobs during the construction phase, but require a small number of highly skilled technicians to operate the solar project once construction operations end and commercial operations have been established. Applicant further

states that it owns and operates a number of similar facilities in the State of Texas and, based on this experience, the industry standard for the minimum full-time job requirements to operate solar facilities such as those Invenergy owns is approximately 1 full-time job per 250MW of nameplate capacity. Therefore, based on this industry standard, the Applicant commits to creating two (2) permanent full-time employees to operate the 300 megawatt Willing Solar Energy LLC facility. A copy of Tab 12 submitted with the Application is attached hereto as Attachment J.

*See also* Attachments A (Tab 4), and D.

#### **Board Finding Number 4.**

*The Applicant will create two (2) new qualifying jobs, which Applicant affirms will meet all of the requirements set out in Texas Tax Code §313.021(3), including: (1) at least 1,600 hours of work per year; (2) provision of group health benefit plan with at least 80% of the premium paid by Applicant; (3) pay an annual wage of \$45,818 (\$881 per week)<sup>1</sup>, an amount equal to at least 110% of the County average weekly wage for manufacturing jobs in the County as defined under §313.021(5)(A); (4) are not created to replace a previous employee; and (5) are not transferred from another area of Texas to the project described the Application.*

*See* Attachments A, D and J.

#### **Board Finding Number 5.**

*The Applicant does not intend to create any non-qualifying jobs.*

In its application, Applicant indicates that it does not intend to create any non-qualifying jobs. But, for any non-qualifying job which the Applicant may create, the Applicant will be required to pay at least \$822<sup>2</sup> per week, which exceeds the county average wage for all jobs in the County, in accordance with the provisions of Texas Tax Code §313.024(d). *See* Attachments A and D.

*See* Attachments A and D.

#### **Board Finding Number 6.**

*The ability of the Applicant to locate the proposed renewable energy facility in another state or another region of this state is significant because of the highly competitive marketplace for electricity and economic development. Therefore,*

---

<sup>1</sup> The weekly wage stated in the Comptroller's Economic Impact Analysis is rounded down; the Application notes a weekly minimum wage for qualified jobs of \$881.10.

<sup>2</sup> The weekly wage stated in the Comptroller's Economic Impact Analysis is rounded up; the Application notes a weekly minimum wage for non-qualified jobs of \$820.50.

***the limitation on appraised value is a determining factor in the Applicant's decision to invest capital and construct the project in Texas and Muleshoe ISD.***

See Attachment C. In support of Finding Number 6, the Comptroller's Certificate states, "[t]he Comptroller has determined that the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state." See Attachment C. The Economic Impact Analysis further states:

The Comptroller **has determined** that the limitation on appraised value is a determining factor in the Willing Solar Energy LLC's decision to invest capital and construct the project in this state. This is based on information available, including information provided by the applicant. Specifically, the comptroller notes the following:

- Invenergy, as the parent company of Willing Solar Energy, LLC, is North America's largest privately held renewable energy provider, with a national portfolio of wind, solar, storage, and natural gas projects. With operations in several regions throughout the contiguous United States, Invenergy considers economic return on investment as they decide where to locate development projects.
- Per Willing Solar Energy, LLC, Inc. [sic] in Tab 5 of their Application for a Limitation on Appraised Value:
  - A. "Without tax incentives such as the Ch. 313 Value Limitation on Qualified Property, the economic return for this project is negatively impacted to the point that locating the project in Bailey County becomes unlikely. If Willing Solar Energy, LLC was not able to obtain a value limitation agreement for this project, the project would most likely be terminated and financial resources would be allocated to projects with more favorable economic returns."
- Per Tab 4 "Willing Solar Energy, LLC has applied to the Southwest Power Pool (SPP) and has the following Generation interconnection Number: GEN-2017-190.

See Attachment D (at Attachment C thereof). Further, Applicant certifies that it is currently considering sites outside the State of Texas for solar development, including locations in Oklahoma and New Mexico. See Attachment A at Tab 5.

**Board Finding Number 7.**

***The proposed limitation on appraised value for the qualified property is \$20,000,000.***

The Comptroller's Minimum School District Limitation Values Report, effective as of January 1, 2021, provides that the District is a Subchapter C, Category 3 District, with a minimum limitation of \$20,000,000. See Attachments A and D.

### **Board Finding Number 8.**

***The revenue gains that will be realized by the school district if the Application is approved and the Project is built and operational, will be significant in the long term, with specific reference to revenues used for supporting school district debt.***

In support of this Finding, McDowell School Finance Consulting, LLC estimates in the District's Financial Impact Report, based on the property values recited in Willing Solar Energy's Application, that the project would add \$242,560,000 to the tax base at the peak investment level for tax year 2026 (school year 2026-2027). The additional project value is fully taxable for debt service taxes and can be used to meet any current or future debt needs serviced by an interest and sinking fund tax of the District. *See* Tables I and II of Attachment E. *See also* Table 4 of Attachment D. In addition, the potential revenue gains from Supplemental Payments provided for in the proposed Agreement are estimated to be approximately \$1,825,500. *See* Attachment H at Section 6.2.A, and Table VI and last page of Attachment E.

### **Board Finding Number 9.**

***The effect of the Applicant's proposed project is not expected to increase the District's instructional facility needs. Muleshoe ISD can accommodate the student growth anticipated from Applicant's project with its existing facilities.***

In support of this finding, the District's Financial Impact Report states:

Willing Solar Energy LLC provided supplemental information with their application that projected the number of full-time employees that are expected for permanent employment after construction of the project is completed. They projected that two new employees. It is not known whether these would be new employees to the Muleshoe ISD, or if current residents would occupy these positions; however, it is assumed that these employees would be new residents to the district.

Based on average statewide figures provided by a demographer, it is projected that each new household would produce .5 students. Thus, the new two positions equates to 1 new student.

This projected student growth can be accommodated with the current facilities of Muleshoe ISD....

*See* Table VII of Attachment E. *See also* TEA's Facilities Impact Review Letter at Attachment F.

### **Board Finding Number 10.**

***The projected dollar amount of the maintenance and operations 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, based on the estimated***

*value of the property provided by Applicant, is shown in Table II of Attachment E (column labeled “Taxes w/o Agreement”), and is further based on the assumption that the projected total maintenance and operations tax rate per \$100 in valuation in each year of the Agreement will be as indicated in Table II.*

**TABLE II- Computation of Net Tax Savings:**

Fiscal Year	Projected M&O Tax Rate	Projected I&S Tax Rate	Taxes w/o Agreement	Tax Savings with Agreement	Payment of District’s Revenue Losses	Net Tax Savings
2024-2025	1.0311	0.270	0	0	0	0
2025-2026	1.0267	0.269	410,693	0	0	0
2026-2027	1.0224	0.196	2,479,980	2,275,496	(3,130,052)	(854,556)
2027-2028	1.0181	0.202	2,271,991	2,068,366	0	2,068,366
2028-2029	1.0139	0.209	2,050,159	1,847,388	0	1,847,388
2029-2030	1.0096	0.217	1,813,097	1,611,175	0	1,611,175
2030-2031	1.0054	0.226	1,559,954	1,358,878	0	1,358,878
2031-2032	1.0012	0.238	1,289,383	1,089,149	0	1,089,149
2032-2033	0.9970	0.251	1,000,058	800,663	0	800,663
2033-2034	0.9928	0.268	690,421	491,859	0	491,859
2034-2035	0.9887	0.278	518,310	320,577	0	320,577
2035-2036	0.9845	0.275	516,062	319,155	0	319,155
2036-2037	0.9804	0.000	513,827	0	0	0
2037-2038	0.9763	0.000	511,605	0	0	0
2038-2039	0.9723	0.000	509,395	0	0	0
2039-2040	0.9682	0.000	507,198	0	0	0
2040-2041	0.9642	0.000	505,014	0	0	0
Totals			17,147,145	12,182,707	(3,130,052)	9,052,655

See also Table 3 of Attachment D.

#### **Board Finding Number 11.**

*The projected dollar amount of the maintenance and operations taxes that would be imposed on the qualified property, for each year of the Agreement, if the property does receive a limitation on appraised value based on the estimated value of the property provided by the Applicant, is discernible from Table II of Attachment E (subtracting the amounts in the column labeled “Tax Savings with Agreement” from the column labeled “Taxes w/o Agreement”), and is based on the assumption that the projected total maintenance and operations tax rate per \$100 in valuation in each year of the Agreement will be as indicated in Table II.*

[see table on next page]

**TABLE II- Computation of Net Tax Savings:**

Fiscal Year	Projected M&O Tax Rate	Projected I&S Tax Rate	Taxes w/o Agreement	Tax Savings with Agreement	Payment of District's Revenue Losses	Net Tax Savings
2024-2025	1.0311	0.270	0	0	0	0
2025-2026	1.0267	0.269	410,693	0	0	0
2026-2027	1.0224	0.196	2,479,980	2,275,496	(3,130,052)	(854,556)
2027-2028	1.0181	0.202	2,271,991	2,068,366	0	2,068,366
2028-2029	1.0139	0.209	2,050,159	1,847,388	0	1,847,388
2029-2030	1.0096	0.217	1,813,097	1,611,175	0	1,611,175
2030-2031	1.0054	0.226	1,559,954	1,358,878	0	1,358,878
2031-2032	1.0012	0.238	1,289,383	1,089,149	0	1,089,149
2032-2033	0.9970	0.251	1,000,058	800,663	0	800,663
2033-2034	0.9928	0.268	690,421	491,859	0	491,859
2034-2035	0.9887	0.278	518,310	320,577	0	320,577
2035-2036	0.9845	0.275	516,062	319,155	0	319,155
2036-2037	0.9804	0.000	513,827	0	0	0
2037-2038	0.9763	0.000	511,605	0	0	0
2038-2039	0.9723	0.000	509,395	0	0	0
2039-2040	0.9682	0.000	507,198	0	0	0
2040-2041	0.9642	0.000	505,014	0	0	0
Totals			17,147,145	12,182,707	(3,130,052)	9,052,655

See also Table 4 of Attachment D.

#### Board Finding Number 12.

***Based upon the Applicant's certification that the Application is true and correct, the Comptroller's Economic Impact Analysis, the Comptroller's Certificate Decision, and the consultants' review of these and other documents, the Board has determined that the information provided by the Applicant in its Application was true and correct when submitted.***

Upon acceptance of the Application, the District requested the Comptroller to undertake an economic impact evaluation and retained certain consultants to help the Board determine: (1) that Applicant's information contained in the Application as to existing facts is true and correct; (2) that Applicant's information contained in the Application with respect to projections of future events are commercially reasonable and within the ability of Applicant to execute; (3) that information related to job creation is commercially reasonable and within the ability of Applicant to execute; (4) that Applicant's representations concerning the economic incentives available are a determining factor; and, (5) the proposed project meets eligibility requirements for an Agreement under Tax Code Chapter 313.

As a part of its review process, the Board notes that the Application was submitted by Applicant under oath. A Chapter 313 application is a governmental record under Tex. Penal Code §37.01(2)(A), and all representations contained therein are statements of fact within the meaning of Tex. Penal Code §37.01(3). Since Board action upon the adoption of these Findings and the approval of the Agreement (Attachment H) is an "official proceeding," a false statement in the



Application would constitute perjury under Texas Penal Code §37.03 and a material breach of the Agreement.

The Board finds that sworn statements are routinely relied upon by fact finders in official governmental proceedings. The Board further finds that reliance upon verified statements of the Applicant, especially as to Applicant's future intentions which cannot be objectively verified, is reasonable and within the intent of Chapter 313, Texas Tax Code. *See Attachments A, B, C and D.*

**Board Finding Number 13.**

*The Applicant (Taxpayer Id. 32069928482) is eligible for the limitation on appraised value of qualified property as specified in the Agreement based on the Comptroller's acknowledgment that Applicant's right to transact business in Texas is active as a franchise tax paying entity subject to taxes imposed by Chapter 171 of the Texas Tax Code.*

*See Attachments A, B and C.*

**Board Finding Number 14.**

*The project will be located within an area that is currently designated as a reinvestment zone, pursuant to Chapter 312 and as permitted by Chapter 313 of the Texas Tax Code. Should it be required, the District will cooperate with the Applicant's efforts to ensure that the area remains designated as a reinvestment zone.*

*See Attachment A (Tabs 11 and 16).*

**Board Finding Number 15.**

*Per Applicant's certified Application, it has provided notice of existing property that is not eligible to become Qualified Property, with an estimated value of \$116,163. But, no construction of Qualified Property has begun for the project subject to the Application. Construction is scheduled to begin on April 2, 2024.*

*See Attachment A (§§7.2, 9 and 13.4 of Tab 1 and Tab 10).*

**Board Finding Number 16.**

*The Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, pursuant to Chapter 313 of the Texas Tax Code, attached hereto as Attachment H, meets all the requirements set out in Texas Tax Code §313.027, including adequate and appropriate revenue protection provisions for the District.*

In support of this Finding and based on the information provided and certified by Applicant in its Application, the District's Financial Impact Analysis demonstrates that, pursuant to current school finance law (including Texas Education Code §48.256(d)), the District is projected to receive a revenue protection payment for tax year 2026 (school year 2026-27) in the estimated amount of \$3,130,052. Therefore, any potential negative consequences of granting the value limitation are offset through the revenue protection provisions agreed to by the Applicant and the District as set out in the Agreement. See Table II and last page in Attachment E, and proposed Agreement, Article IV, at Attachment H.

**Board Finding Number 17.**

*The Board finds that there are no conflicts of interest at the time of its consideration of the Agreement.*

In support of this Finding, the Board finds that it has taken appropriate action to ensure that all District Trustees and the Superintendent have disclosed any potential conflicts of interest, and that disclosures will be made if any conflict of interest is discovered or arises in the future, in compliance with the requirements of Texas Local Government Code, Chapters 171 and 176.

The Board further finds that it is unaware that any conflict exists as to the Application for which these Findings are being made, as of the time of action on these Findings.

**Board Finding Number 18.**

*Considering the purpose and effect of the law and the terms of the Agreement, it is in the best interest of the District and the State to approve Willing Solar Energy's Application and enter into the attached Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.*

See Attachment D.

**Board Finding Number 19.**

*The Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, pursuant to Chapter 313 of the Texas Tax Code, attached hereto as Attachment H, is in the form of the template Texas Economic Development Act Agreement adopted by the Comptroller, as of October, 2020, and the Comptroller has verified that the Agreement complies with the provisions of Chapter 313 of the Texas Tax Code and 34 T.A.C. Chapter 9, Subchapter F.*

See Attachment I.

IT IS THEREFORE ORDERED, that all of the Findings above, including the recitals and statements set out in the Preamble herein, are adopted and approved as the Findings of the Muleshoe Independent School District Board of Trustees, and the Board of Trustees has made the above factual Findings in accordance with the Texas Tax Code § 313.025(e) and (f) and Texas Administrative Code 34, Chapter 9, subchapter F; and,

IT IS FURTHER ORDERED that the Application attached hereto as Attachment A is hereby APPROVED; and,

IT IS FURTHER ORDERED that the new jobs requirement pursuant to § 313.051(b) is hereby WAIVED; and,

IT IS FURTHER ORDERED that the Agreement attached hereto as Attachment H is APPROVED contemporaneously with these Findings and is hereby authorized to be executed and delivered by the Trustees whose signatures appear below on behalf of the Muleshoe Independent School District, along with a copy of these Findings, which shall be binding upon the parties upon receipt of an executed original of the Agreement from Applicant; and,

IT IS FURTHER ORDERED that these Findings and the Attachments referenced herein be made a part of the official minutes of this meeting, and maintained in the permanent records of the Muleshoe Independent School District Board of Trustees.

Dated this 13<sup>th</sup> day of December, 2021.

Muleshoe Independent School District

By   
Signature

Curtis Preston - Board President  
Printed Name and Title

Attest:

By   
Signature

ASHLEY TURNBOW - SECRETARY  
Printed Name and Title

## LIST OF ATTACHMENTS

<i>Attachment</i>	<i>Description</i>
A	Application and Comptroller's Completeness Letter
B	Applicant's Franchise Tax Account Status
C	Comptroller's Certificate Letter
D	Comptroller Economic Impact Analysis
E	District's Financial Impact Analysis
F	TEA's Facilities Impact Letter
G	Comptroller's 2020 Property Value Study Report
H	Proposed Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes
I	Comptroller's December 6, 2021 Agreement Review Letter
J	Job Waiver Request
K	Extension Notice and Resolution



**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

---

P.O.Box 13528 • Austin, TX 78711-3528

June 18, 2021

R.L. Richards  
Superintendent  
Muleshoe Independent School District  
514 W. Ave G.  
Muleshoe, Texas 79347

Re: Application for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Muleshoe Independent School District and Willing Solar Energy LLC, Application 1600

Dear Superintendent Richards:

On May 11, 2021, the Comptroller's office received Willing Solar Energy LLC's (applicant) application for a limitation on appraised value (Application 1600) from Muleshoe Independent School District (school district).

The purpose of this letter is to inform you that the Comptroller's office has reviewed the submitted application and determined that it includes the information necessary to be determined as complete on June 18, 2021.

Texas Tax Code §313.025(d) directs the Comptroller's office to issue a certificate for a limitation on the appraised value of the property, or provide the governing body of the school district with a written explanation of the Comptroller's decision to not issue a certificate no later than the 90<sup>th</sup> day after receiving the completed application. The requirements to determine eligibility and to issue a certificate for a limitation do not begin until an application is complete as determined by this agency. The Comptroller's office will move forward with our economic impact evaluation and will send a letter of determination to the school district and the applicant.

This letter does not constitute a review of the application under Section 313.025(h) to determine if the project meets the requirements of Section 313.024 for eligibility for a limitation on appraised value. Likewise, this letter does not address the determinations required under Section 313.026(c).

Should you have any questions, please contact Ginger Flowers with our office. She can be reached by email at [ginger.flowers@cpa.texas.gov](mailto:ginger.flowers@cpa.texas.gov) or by phone toll-free at 1-800-531-5441, ext. 5-0552 or at 512-475-0552.

Sincerely,

DocuSigned by:

A blue ink signature of Will Counihan is visible within a blue DocuSign signature box.

8FDEC70F5753487...  
Will Counihan

Director

Data Analysis & Transparency Division

cc: Fred Stormer, Underwood Law Firm, P.C.  
James Williams, Invenergy LLC  
Bristi Cure, Invenergy LLC  
Evan Horn, Ernst & Young LLP

See Application  
(Comptroller No. 1600)  
posted on Comptroller Website (posted 5/28/21)  
and Amendment No. 1 (posted 6/17/21)

**Franchise Tax Account Status**

As of : 12/05/2021 14:54:35

This page is valid for most business transactions but is not sufficient for filings with the  
Secretary of State

<b>WILLING SOLAR ENERGY LLC</b>	
<b>Texas Taxpayer Number</b>	32069928482
<b>Mailing Address</b>	1999 BRYAN ST STE 900 DALLAS, TX 75201-3140
<b>? Right to Transact Business in Texas</b>	ACTIVE
<b>State of Formation</b>	DE
<b>Effective SOS Registration Date</b>	03/01/2019
<b>Texas SOS File Number</b>	0803253734
<b>Registered Agent Name</b>	C T CORPORATION SYSTEM
<b>Registered Office Street Address</b>	1999 BRYAN ST., STE. 900 DALLAS, TX 75201

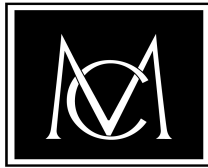
See Certification Packet  
(Comptroller No. 1600)  
posted on Comptroller Website 07/29/21



See Certification Packet  
(Comptroller No. 1600)  
posted on Comptroller Website 07/29/21

**Summary of the District's Financial Impact  
of Chapter 313 Agreement  
with Willing Solar Energy, LLC**

**December 2, 2021**



**MCDOWELL**  
School Finance  
**CONSULTING**

## **Summary of Muleshoe ISD Financial Impact of the Limited Appraised Value Application from Willing Solar Energy, LLC**

### **Introduction**

Willing Solar Energy, LLC applied for a property value limitation from Muleshoe Independent School District under Chapter 313 of the Tax Code. The application was submitted on May 10, 2021 and subsequently approved for consideration by the Muleshoe ISD Board of Trustees. Willing Solar Energy, LLC (“Willing Solar”), is requesting the property value limitation as a “renewable energy electric generation” project as listed in Sec. 313.024.(b) of the Tax Code.

“The Economic Development Act”, Tax Code Chapter 313, was created by House Bill 1200 of the 77<sup>th</sup> Texas Legislature in 2001. Further amendments were made to Chapter 313 as a result of House Bill 1470 from the 80<sup>th</sup> Texas Legislative Session in 2007 and additionally House Bill 3390 from the 83<sup>rd</sup> Legislative Session.

The Economic Development Act was created to attract qualifying businesses to Texas by allowing school districts the option of approving a property value limitation to these qualifying entities. The purpose of the property value limitation is to reduce the maintenance and operations taxes paid by the company, to a school district during the applicable years as displayed below:

# Muleshoe ISD Financial Impact of Chapter 313 Agreement

---

The company must file an application with the school district to qualify for consideration of a Limited Appraised Value Agreement (“LAVA” or “Agreement”) to begin the following tax year or a later year if agreed upon by the District and the Company.

## Years Prior to Start of Value Limitation Period:

The tax years prior to the start of the value limitation period are considered the “Prior to Start of Value Limitation Period” and the company’s school district taxes will be levied at one-hundred percent of the appraised value. The applicant has requested that tax years 2024 and 2025 are the years that are Prior to the Start of Value Limitation Period.

## Value Limitation Period:

During the ten years of the Value Limitation Period, the qualifying entity’s taxable value will be reduced to the Minimum Limitation Amount for the applicable school district as determined by the State Comptroller’s Office. Muleshoe ISD is considered a Non-Rural category 3 District as categorized with total taxable value of industrial property of at least \$1 million but less than \$90 million. Thus, Muleshoe ISD has a Minimum Qualified Investment amount of \$10 million and a Minimum Limitation Amount of \$20 million. A qualifying entity’s taxable value would be reduced to \$20 million during this ten year period of the agreement for the purposes of computing the tax levy for the maintenance and operations (M&O) tax of Muleshoe ISD. The entire appraised value will be used for computing the interest and sinking (I&S) tax levy. The applicant has requested that the Value Limitation Period to begin in tax year 2026 and continue through tax year 2035.

## Final Five Years of the Agreement – Continue to Maintain a Viable Presence:

Tax years 2036 through 2040 will be the final five years of the agreement and the applicant agrees to maintain a viable presence with this project during this time.

# Muleshoe ISD Financial Impact of Chapter 313 Agreement

## Taxable Value Projections from Application

The following data shows the projected taxable values that Willing Solar Energy reported in the application to the District:

	Year	School Year	Tax Year	Projected Taxable Value	Actual Taxable Value with Agreement
Each Year Prior to Start of Value Limitation Period					
	0	2024-2025	2024	\$0	\$0
	0	2025-2026	2025	\$40,000,000	\$40,000,000
Value Limitation Period	1	2026-2027	2026	\$242,560,000	\$20,000,000
	2	2027-2028	2027	\$223,154,000	\$20,000,000
	3	2028-2029	2028	\$202,214,000	\$20,000,000
	4	2029-2030	2029	\$179,584,596	\$20,000,000
	5	2030-2031	2030	\$155,161,184	\$20,000,000
	6	2031-2032	2031	\$128,787,960	\$20,000,000
	7	2032-2033	2032	\$100,308,921	\$20,000,000
	8	2033-2034	2033	\$69,542,063	\$20,000,000
	9	2034-2035	2034	\$52,425,382	\$20,000,000
	10	2035-2036	2035	\$52,416,874	\$20,000,000
Continue to Maintain Viable Presence	11	2036-2037	2036	\$52,408,536	\$52,408,536
	12	2037-2038	2037	\$52,400,366	\$52,400,366
	13	2038-2039	2038	\$52,392,358	\$52,392,358
	14	2039-2040	2039	\$52,384,511	\$52,384,511
	15	2040-2041	2040	\$52,376,821	\$52,376,821
Additional Years for 25 Year Economic Impact Study	16	2041-2042	2041	\$52,369,285	\$52,369,285
	17	2042-2043	2042	\$52,361,899	\$52,361,899
	18	2043-2044	2043	\$52,354,661	\$52,354,661
	19	2044-2045	2044	\$52,347,568	\$52,347,568
	20	2045-2046	2045	\$52,340,616	\$52,340,616
	21	2046-2047	2046	\$52,333,804	\$52,333,804
	22	2047-2048	2047	\$52,327,128	\$52,327,128
	23	2048-2049	2048	\$52,320,585	\$52,320,585
	24	2049-2050	2049	\$52,314,174	\$52,314,174
	25	2050-2051	2050	\$52,307,890	\$52,307,890

# Muleshoe ISD Financial Impact of Chapter 313 Agreement

## Taxable Value Impact from LAVA

The “Additional Value from Willing Solar” represents the values that the company estimated as their taxable values in the application that was filed with the district. During tax years 2026 through 2035, the company’s taxable value will be limited to the \$20,000,000 Minimum Limitation Amount of Muleshoe ISD.

**TABLE I- Calculation of Taxable Value:**

Tax Year	Additional Value From Willing Solar	Minimum Limitation Amount	Abated Value	Taxable Value
Jan. 1. 2024	0	n/a	0	0
Jan. 1. 2025	40,000,000	n/a	0	40,000,000
Jan. 1. 2026	242,560,000	(20,000,000)	222,560,000	20,000,000
Jan. 1. 2027	223,154,000	(20,000,000)	203,154,000	20,000,000
Jan. 1. 2028	202,214,000	(20,000,000)	182,214,000	20,000,000
Jan. 1. 2029	179,584,596	(20,000,000)	159,584,596	20,000,000
Jan. 1. 2030	155,161,184	(20,000,000)	135,161,184	20,000,000
Jan. 1. 2031	128,787,960	(20,000,000)	108,787,960	20,000,000
Jan. 1. 2032	100,308,921	(20,000,000)	80,308,921	20,000,000
Jan. 1. 2033	69,542,063	(20,000,000)	49,542,063	20,000,000
Jan. 1. 2034	52,425,382	(20,000,000)	32,425,382	20,000,000
Jan. 1. 2035	52,416,874	(20,000,000)	32,416,874	20,000,000
Jan. 1. 2036	52,408,536	n/a	0	52,408,536
Jan. 1, 2037	52,400,366	n/a	0	52,400,366
Jan. 1, 2038	52,392,358	n/a	0	52,392,358
Jan. 1, 2039	52,384,511	n/a	0	52,384,511
Jan. 1, 2040	52,376,821	n/a	0	52,376,821

# Muleshoe ISD Financial Impact of Chapter 313 Agreement

## Willing Solar's Tax Benefit from Agreement

The projected amount of the net tax savings for Willing Solar is \$9.05 million over the life of the Agreement. This net savings is after all tax savings and after estimated payments have been made to the district to offset their revenue losses that were a direct result of entering into this Agreement.

Muleshoe ISD projected tax rates for maintenance & operations (M&O) and interest & sinking (I&S) are based on the following assumptions:

- The District has held a tax ratification election and the study projects that it will maintain the maximum M&O tax rate allowable that doesn't require an additional voter election for the life of this agreement.
- The district has outstanding bonds and currently have a \$.195 I&S tax rate. The district could pursue a bond election and issue bonded debt during the life of this agreement.

**TABLE II- Computation of Net Tax Savings:**

Fiscal Year	Projected M&O Tax Rate	Projected I&S Tax Rate	Taxes w/o Agreement	Tax Savings with Agreement	Payment of District's Revenue Losses	Net Tax Savings
<b>2024-2025</b>	1.0311	0.270	0	0	0	0
<b>2025-2026</b>	1.0267	0.269	410,693	0	0	0
<b>2026-2027</b>	1.0224	0.196	2,479,980	2,275,496	(3,130,052)	(854,556)
<b>2027-2028</b>	1.0181	0.202	2,271,991	2,068,366	0	2,068,366
<b>2028-2029</b>	1.0139	0.209	2,050,159	1,847,388	0	1,847,388
<b>2029-2030</b>	1.0096	0.217	1,813,097	1,611,175	0	1,611,175
<b>2030-2031</b>	1.0054	0.226	1,559,954	1,358,878	0	1,358,878
<b>2031-2032</b>	1.0012	0.238	1,289,383	1,089,149	0	1,089,149
<b>2032-2033</b>	0.9970	0.251	1,000,058	800,663	0	800,663
<b>2033-2034</b>	0.9928	0.268	690,421	491,859	0	491,859
<b>2034-2035</b>	0.9887	0.278	518,310	320,577	0	320,577
<b>2035-2036</b>	0.9845	0.275	516,062	319,155	0	319,155
<b>2036-2037</b>	0.9804	0.000	513,827	0	0	0
<b>2037-2038</b>	0.9763	0.000	511,605	0	0	0
<b>2038-2039</b>	0.9723	0.000	509,395	0	0	0
<b>2039-2040</b>	0.9682	0.000	507,198	0	0	0
<b>2040-2041</b>	0.9642	0.000	505,014	0	0	0
<b>Totals</b>			<b>17,147,145</b>	<b>12,182,707</b>	<b>(3,130,052)</b>	<b>9,052,655</b>

# Muleshoe ISD Financial Impact of Chapter 313 Agreement

---

## Financial Impact Study

This Financial Impact Study was performed to determine the financial impact of the Limited Appraised Value Agreement on Muleshoe ISD. First, a seventeen year financial forecast was prepared to establish a baseline without the added values of the renewable energy electric generation company. Second, a seventeen year financial forecast was prepared that incorporated the additional taxable value of the company without a LAVA in effect. Third, a seventeen year financial forecast was prepared that incorporates the additional taxable value of the company with an approved LAVA. These three forecasts are detailed in the “Calculation of LAVA Impact on District’s Finances” section. The following assumptions were used to compare the financial impact of the LAVA:

- The current state funding formulas were used for state aid and recapture calculation purposes:
  - Tier I - Basic Allotment of \$6,160 multiplied by the number of students in average daily attendance (ADA).
  - Level 1 of Tier II yield - \$98.56 - per weighted student in average daily attendance (WADA) per penny of tax effort
  - Level 2 of Tier II yield - \$49.28 – per WADA per penny of tax effort
- Use of current year property values for state funding calculations.
- Use of prior year property values for revenue protection payment calculations in accordance with Article IV of the Agreement.
- The district’s tax rate for maintenance & operations (M&O) will be compressed and is projected to decrease based on estimated statewide property tax growth. No future tax ratification elections are projected in the calculations.
- An annual taxable value increase of 1.0% was used to project the district’s taxable value, except as it related to the requested LAVA. The district’s 2021 taxable value was used as a baseline for all projections.
- The district’s enrollment is projected to decrease; therefore, the projected ADA and WADA for school year 2020-2021 was decreased by .25% per year for the life of the agreement.

Although these assumptions were used to develop a baseline scenario for comparison purposes, many of these factors will not remain constant for the years of this proposed agreement. Also, Legislative changes to the school finance formulas are almost certain during the life of this agreement.



# Muleshoe ISD Financial Impact of Chapter 313 Agreement

## Calculation of LAVA Impact on District's Finances

The tables displayed below (Table III, IV, V) show the different impacts on the school district's finances. These scenarios were computed to compare the District's revenue without the additional taxable value of Willing Solar (Table III), the addition of Willing Solar taxable values without a Chapter 313 Agreement (Table IV), and the addition of Willing Solar taxable values with a Chapter 313 Agreement (Table V).

**TABLE III – District Revenues *without* Willing Solar Energy, LLC:**

Fiscal Year	Total Taxable Value	Total M&O Taxes	State	State	Total State Revenue	Recapture Payment	Total District Revenue
			Revenue Tier I	Revenue Tier II			
2024-2025	307,868,454	3,137,668	10,218,184	1,817,956	12,036,140	0	15,173,808
2025-2026	310,947,138	3,155,541	10,167,655	1,808,052	11,975,707	0	15,131,248
2026-2027	314,056,610	3,173,462	10,123,006	1,797,135	11,920,141	0	15,093,603
2027-2028	317,197,176	3,191,741	10,075,601	1,787,740	11,863,341	0	15,055,082
2028-2029	320,369,147	3,209,758	10,030,484	1,777,983	11,808,467	0	15,018,225
2029-2030	323,572,839	3,228,137	9,981,360	1,767,489	11,748,849	0	14,976,986
2030-2031	326,808,567	3,246,567	9,934,670	1,758,064	11,692,734	0	14,939,301
2031-2032	330,076,653	3,265,047	9,893,594	1,747,043	11,640,637	0	14,905,684
2032-2033	333,377,420	3,283,576	9,844,163	1,736,435	11,580,598	0	14,864,174
2033-2034	336,711,194	3,302,482	9,798,536	1,727,114	11,525,650	0	14,828,132
2034-2035	340,078,306	3,321,110	9,753,288	1,717,134	11,470,422	0	14,791,532
2035-2036	343,479,089	3,340,120	9,708,958	1,707,928	11,416,886	0	14,757,006
2036-2037	346,913,880	3,359,182	9,659,110	1,694,263	11,353,373	0	14,712,555
2037-2038	350,383,018	3,378,639	9,609,100	1,684,044	11,293,144	0	14,671,783
2038-2039	353,886,849	3,397,806	9,565,972	1,674,315	11,240,287	0	14,638,093
2039-2040	357,425,717	3,417,373	9,520,128	1,664,705	11,184,833	0	14,602,206
2040-2041	360,999,974	3,436,995	9,475,218	1,655,197	11,130,415	0	14,567,410

# Muleshoe ISD Financial Impact of Chapter 313 Agreement

**TABLE IV- District Revenues *with* Willing Solar Energy, LLC *without* Chpt. 313 Agreement:**

Fiscal Year	Total Taxable Value	Total M&O Taxes	State		Total State Revenue	Recapture Payment	Total District Revenue
			Revenue Tier I	Revenue Tier II			
2024-2025	307,868,454	3,137,668	10,218,268	1,817,956	12,036,224	0	15,173,892
2025-2026	350,947,138	3,252,289	10,113,102	1,731,299	11,844,401	0	15,096,690
2026-2027	556,616,610	5,134,823	8,457,078	1,456,685	9,913,763	0	15,048,586
2027-2028	540,351,176	4,985,942	8,553,088	1,473,141	10,026,229	0	15,012,171
2028-2029	522,583,147	4,823,308	8,663,346	1,493,567	10,156,913	0	14,980,221
2029-2030	503,157,435	4,645,501	8,782,789	1,514,058	10,296,847	0	14,942,348
2030-2031	481,969,751	4,451,566	8,918,688	1,537,913	10,456,601	0	14,908,167
2031-2032	458,864,613	4,240,080	9,076,776	1,565,072	10,641,848	0	14,881,928
2032-2033	433,686,341	4,009,618	9,242,031	1,595,047	10,837,078	0	14,846,696
2033-2034	406,253,257	3,758,517	9,429,034	1,627,195	11,056,229	0	14,814,746
2034-2035	392,503,688	3,632,665	9,507,538	1,642,916	11,150,454	0	14,783,119
2035-2036	395,895,963	3,663,715	9,450,564	1,633,074	11,083,638	0	14,747,353
2036-2037	399,322,416	3,695,078	9,388,840	1,622,411	11,011,251	0	14,706,329
2037-2038	402,783,384	3,726,757	9,325,996	1,611,554	10,937,550	0	14,664,307
2038-2039	406,279,207	3,758,755	9,269,761	1,599,661	10,869,422	0	14,628,177
2039-2040	409,810,228	3,791,075	9,210,533	1,589,444	10,799,977	0	14,591,052
2040-2041	413,376,795	3,823,720	9,151,955	1,579,341	10,731,296	0	14,555,016

**TABLE V – District Revenues *with* Willing Solar Energy, LLC *with* Chapter 313 Agreement:**

Fiscal Year	Total Taxable Value	Total M&O Taxes	State		Total State Revenue	Recapture Payment	Payment for District Losses	Total District Revenue
			Revenue Tier I	Revenue Tier II				
2024-2025	307,868,454	3,137,668	10,218,184	1,817,956	12,036,140	0	0	15,173,808
2025-2026	350,947,138	3,252,289	10,113,102	1,731,299	11,844,401	0	0	15,096,690
2026-2027	334,056,610	3,097,687	10,227,988	1,769,675	11,997,663	0	3,130,052	18,225,402
2027-2028	337,197,176	3,126,433	10,169,585	1,759,571	11,929,156	0	0	15,055,589
2028-2029	340,369,147	3,155,467	10,113,223	1,749,820	11,863,043	0	0	15,018,510
2029-2030	343,572,839	3,184,791	10,052,604	1,739,332	11,791,936	0	0	14,976,727
2030-2031	346,808,567	3,214,408	9,994,165	1,729,222	11,723,387	0	0	14,937,795
2031-2032	350,076,653	3,244,322	9,942,402	1,719,603	11,662,005	0	0	14,906,327
2032-2033	353,377,420	3,274,534	9,881,049	1,708,995	11,590,044	0	0	14,864,578
2033-2034	356,711,194	3,305,049	9,823,241	1,699,001	11,522,242	0	0	14,827,291
2034-2035	360,078,306	3,335,869	9,765,547	1,689,026	11,454,573	0	0	14,790,442
2035-2036	363,479,089	3,366,997	9,708,505	1,677,517	11,386,022	0	0	14,753,019
2036-2037	399,322,416	3,695,078	9,388,840	1,622,411	11,011,251	0	0	14,706,329
2037-2038	402,783,384	3,726,757	9,325,996	1,611,554	10,937,550	0	0	14,664,307
2038-2039	406,279,207	3,758,755	9,269,761	1,599,661	10,869,422	0	0	14,628,177
2039-2040	409,810,228	3,791,075	9,210,533	1,589,444	10,799,977	0	0	14,591,052
2040-2041	413,376,795	3,823,720	9,151,955	1,579,341	10,731,296	0	0	14,555,016

# Muleshoe ISD Financial Impact of Chapter 313 Agreement

---

## Current School Finance Law

A major overhaul of the school finance formulas was implemented as a result of House Bill 3 of the 86<sup>th</sup> Legislative Session and became effective for the 2019-2020 school year. The primary intent of the new legislation is to reduce maintenance & operations “M&O” tax rate and cooperatively reduce district’s recapture payments; thus, increasing the State’s share of school district funding. The maximum M&O tax rate prior to the Legislative Session was \$1.17 and that rate was reduced to a maximum rate of \$1.06835 for the 2019-2020 school year. The maximum tax rate is expected to continue to be compressed lower when statewide property values increase at a rate greater than 2.5% per year or also when a school district’s property values increase by more than 2.5%. However, a school district’s M&O tax rate can’t be reduced to a rate lower than 90% of the maximum allowable Tier I rate for the respective year.

Prior to the 86<sup>th</sup> Legislative Session and the passage of House Bill 3, school finance law required the use of a district’s prior year property values for the calculation of property wealth. House Bill 3 changed school finance law and now requires a district’s current year property values for the property wealth calculation; however, it also contains language for the calculation of revenue protection payments for Chapter 313 Agreements using prior year values in Section 48.256(d) as follows:

*(d) This subsection applies to a school district in which the board of trustees entered into a written agreement with a property owner under Section 313.027, Tax Code, for the implementation of a limitation on appraised value under Subchapter B or C, Chapter 313, Tax Code. For purposes of determining "DPV" under Subsection (a) for a school district to which this subsection applies, the commissioner shall exclude a portion of the market value of property not otherwise fully taxable by the district under Subchapter B or C, Chapter 313, Tax Code, before the expiration of the subchapter. The comptroller shall provide information to the agency necessary for this subsection. A revenue protection payment required as part of an agreement for a limitation on appraised value shall be based on the district's taxable value of property for the preceding tax year.*

# Muleshoe ISD Financial Impact of Chapter 313 Agreement

## Supplemental Payments

Assuming that the District and Willing Solar Energy mutually agree in the LAVA that the greater of \$100 per student in average daily attendance (ADA) or \$50,000, the projected amount of these payments over the life of the agreement is \$1,825,500 of the \$9.05 million net tax savings amount. This amount will be computed annually according to Section VI of the Agreement.

**TABLE VI - Calculation of the Supplemental Payments:**

Fiscal Year	Net Tax Savings	Muleshoe ISD Supplemental	Willing Solar Share
<b>2024-2025</b>	0	121,700	(121,700)
<b>2025-2026</b>	0	121,700	(121,700)
<b>2026-2027</b>	(854,556)	121,700	(976,256)
<b>2027-2028</b>	2,068,366	121,700	1,946,666
<b>2028-2029</b>	1,847,388	121,700	1,725,688
<b>2029-2030</b>	1,611,175	121,700	1,489,475
<b>2030-2031</b>	1,358,878	121,700	1,237,178
<b>2031-2032</b>	1,089,149	121,700	967,449
<b>2032-2033</b>	800,663	121,700	678,963
<b>2033-2034</b>	491,859	121,700	370,159
<b>2034-2035</b>	320,577	121,700	198,877
<b>2035-2036</b>	319,155	121,700	197,455
<b>2036-2037</b>	0	121,700	(121,700)
<b>2037-2038</b>	0	121,700	(121,700)
<b>2038-2039</b>	0	121,700	(121,700)
<b>2039-2040</b>	0	0	0
<b>2040-2041</b>	0	0	0
<b>Totals</b>	<b>9,052,655</b>	<b>1,825,500</b>	<b>7,227,155</b>

# Muleshoe ISD Financial Impact of Chapter 313 Agreement

## Impact of Projected Student Growth On District Facilities

**TABLE VII – Campus Capacity and Available Growth**

Campus Name	Grade Level	# of Regular Classrooms	Building Capacity	Current Enrollment	Enrollment Growth Available
Dillman Elementary	EE-2	24	528	345	183
Mary Deshazo Elementary	3-5	18	396	303	93
Muleshoe Jr High	6-8	20	480	327	153
Muleshoe High	9-12	26	624	362	262
Total		88	2,028	1,337	691

The building capacities are based on 22 students per classroom for early education through 5th<sup>th</sup> grade, and 24 per classroom in grades 6<sup>th</sup> thru 12<sup>th</sup>. Muleshoe ISD is an early-education through 12<sup>th</sup> grade district.

Willing Solar Energy provided supplemental information with their application that projected the number of full-time employees that are expected for permanent employment after construction of the project is completed. They projected that two new employees. It is not known whether these would be new employees to the Muleshoe ISD, or if current residents would occupy these positions; however, it is assumed that these employees would be new residents to the district.

Based on average statewide figures provided by a demographer, it is projected that each new household would produce .5 students. Thus, the new two positions equates to 1 new student.

This projected student growth can be accommodated with the current facilities of Muleshoe ISD as displayed in Table VII above.

# Muleshoe ISD Financial Impact of Chapter 313 Agreement

---

## Conclusion

This Financial Impact Study displays that entering into a Limited Appraised Value Agreement with Willing Solar Energy, would be beneficial to both Willing Solar Energy and Muleshoe ISD under the current school finance system.

Willing Solar Energy would benefit from reduced property taxes during the ten years of the Value Limitation Period. Although some of the tax savings would be used to offset district's revenue losses and supplemental payments to the District, Willing Solar is projected to benefit from an 86% tax savings during that ten year period of this Agreement. Willing Solar also has the option of terminating the Agreement if the amount paid to the District during a tax year following the first year of the Limitation Period is greater than the amount of taxes that would have been paid without the Agreement; therefore, there is limited risk for the company from entering into the Agreement.

Muleshoe ISD would have no inherent risk under the current school finance system and with the provisions in the LAVA that require Willing Solar to offset any district losses caused by the LAVA. An annual calculation will be performed each year to determine if a loss to the District has been incurred. The revenue impact to the District will be computed by comparing the District's revenues with and without the LAVA in effect.



**MCDOWELL**  
School Finance  
CONSULTING

Estimated Financial Impact of Chapter 313 Agreement with Willing Solar Energy, LLC  
As Submitted in Chapter 313 Application

	Year of Agreement	School Year	Tax Year	Project's M&O Taxable Value w/o 313 Agreement	Project's M&O Taxable Value with 313 Agreement	Estimated M&O Tax Rate	Willing Solar M&O Tax Savings	Muleshoe ISD Estimated Revenue Protection Payments	Estimated Net Tax Benefit under 313 Agreement	Estimated Supplemental Payments \$100/ADA	Estimated Net Savings to Company under 313 Agreement
Qualifying Time Period											
	0	2024-2025	2024	\$0	\$0	1.0311	\$0	\$0	\$0	\$121,700	(\$121,700)
	0	2025-2026	2025	\$40,000,000	\$0	1.0267	\$0	\$0	\$0	\$121,700	(\$121,700)
Value Limitation Period	1	2026-2027	2026	\$242,560,000	\$20,000,000	1.0224	\$2,275,496	\$3,130,052	(\$854,556)	\$121,700	(\$976,256)
	2	2027-2028	2027	\$223,154,000	\$20,000,000	1.0181	\$2,068,366	\$0	\$2,068,366	\$121,700	\$1,946,666
	3	2028-2029	2028	\$202,214,000	\$20,000,000	1.0139	\$1,847,388	\$0	\$1,847,388	\$121,700	\$1,725,688
	4	2029-2030	2029	\$179,584,596	\$20,000,000	1.0096	\$1,611,175	\$0	\$1,611,175	\$121,700	\$1,489,475
	5	2030-2031	2030	\$155,161,184	\$20,000,000	1.0054	\$1,358,878	\$0	\$1,358,878	\$121,700	\$1,237,178
	6	2031-2032	2031	\$128,787,960	\$20,000,000	1.0012	\$1,089,149	\$0	\$1,089,149	\$121,700	\$967,449
	7	2032-2033	2032	\$100,308,921	\$20,000,000	0.9970	\$800,663	\$0	\$800,663	\$121,700	\$678,963
	8	2033-2034	2033	\$69,542,063	\$20,000,000	0.9928	\$491,859	\$0	\$491,859	\$121,700	\$370,159
	9	2034-2035	2034	\$52,425,382	\$20,000,000	0.9887	\$320,577	\$0	\$320,577	\$121,700	\$198,877
	10	2035-2036	2035	\$52,416,874	\$20,000,000	0.9845	\$319,155	\$0	\$319,155	\$121,700	\$197,455
Maintain Viable Presence Period	11	2036-2037	2036	\$52,408,536	\$52,408,536	0.9804	\$0	\$0	\$0	\$121,700	(\$121,700)
	12	2037-2038	2037	\$52,400,366	\$52,400,366	0.9763	\$0	\$0	\$0	\$121,700	(\$121,700)
	13	2038-2039	2038	\$52,392,358	\$52,392,358	0.9723	\$0	\$0	\$0	\$121,700	(\$121,700)
	14	2039-2040	2039	\$52,384,511	\$52,384,511	0.9682	\$0	\$0	\$0	\$0	\$0
	15	2040-2041	2040	\$52,376,821	\$52,376,821	0.9642	\$0	\$0	\$0	\$0	\$0
Totals							\$12,182,707	\$3,130,052	\$9,052,655	\$1,825,500	\$7,227,155

**IMPORTANT:** You must provide a copy of this letter to the law firm working on the value limitation agreement. Please keep this letter with your district's records.

August 27, 2021

Curtis Preston, President  
Board of Trustees  
Muleshoe Independent School District  
514 W Avenue G  
Muleshoe, Texas 79347-3499

Dear President Preston:

As required by the Tax Code, §313.025 (b-1), the Texas Education Agency (TEA) has evaluated the impact of the proposed Willing Solar Energy, LLC, project #1600 on the number and size of school facilities in Muleshoe Independent School District (MISD). Based on an examination of MISD enrollment and the number of potential new jobs, the TEA has determined that the Willing Solar Energy, LLC, project should not have a significant impact on the number or size of school facilities in MISD.

Please feel free to contact me by phone at (512) 463-8732 or by email at [amy.copeland@tea.texas.gov](mailto:amy.copeland@tea.texas.gov) if you have any questions.

Sincerely,



Amy Copeland  
Director of State Funding

Cc: RI Richards, Superintendent





# Taxes

Property Tax Assistance

## 2020 ISD Summary Worksheet

### 009-Bailey /Bailey County

#### 009-901/Muleshoe ISD

Category	Local Tax Roll Value	2020 WTD Mean Ratio	2020 PTAD Value Estimate	2020 Value Assessed
A - SINGLE-FAMILY	86,269,814	N/A	86,269,814	86,269,814
B - MULTIFAMILY	1,603,192	N/A	1,603,192	1,603,192
C1 - VACANT LOTS	987,010	N/A	987,010	987,010
C2 - COLONIAL LOTS	0	N/A	0	0
D1 ACRES - QUALIFIED OPEN-SPACE LAND	25,392,633	N/A	25,392,633	25,392,633
D2 - FARM & RANCH IMP	2,304,582	N/A	2,304,582	2,304,582
E - NON-AG LAND AND IMPROVEMENTS	30,339,297	N/A	30,339,297	30,339,297
F1 - COMMERCIAL REAL	20,890,128	N/A	20,890,128	20,890,128
F2 - INDUSTRIAL REAL	36,752,563	N/A	36,752,563	36,752,563
G - ALL MINERALS	0	N/A	0	0
J - ALL UTILITIES	53,625,455	N/A	53,625,455	53,625,455

<b>L1 - COMMERCIAL PERSONAL</b>	25,569,293	N/A	25,569,293	25,569,293
<b>L2 - INDUSTRIAL PERSONAL</b>	25,580,559	N/A	25,580,559	25,580,559
<b>M1 - MOBILE HOMES</b>	3,028,897	N/A	3,028,897	3,028,897
<b>N - INTANGIBLE PERSONAL PROPERTY</b>	0	N/A	0	0
<b>O - RESIDENTIAL INVENTORY</b>	0	N/A	0	0
<b>S - SPECIAL INVENTORY</b>	4,780,977	N/A	4,780,977	4,780,977
<b>Subtotal</b>	317,124,400	0	317,124,400	317,124,400
<b>Less Total Deductions</b>	35,303,048	0	35,303,048	35,303,048
<b>Total Taxable Value</b>	281,821,352	0	281,821,352	281,821,352

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302(J) AND(K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation(M & O) tax purposes and for interest and sinking fund(I & S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T4 will be the same as T7 through T10.

### Value Taxable For M & O Purposes

<b>T1</b>	<b>T2</b>	<b>T3</b>	<b>T4</b>
290,445,940	281,821,352	290,445,940	281,821,352

<b>Loss To the Additional \$10,000 Homestead Exemption</b>	<b>50% of the loss to the Local Optional Percentage Homestead Exemption</b>
8,624,588	0

T1 = School district taxable value for M & O purposes before the loss to the additional \$10,000 homestead exemption

T2 = School district taxable value for M & O purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50% of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50% of the loss to the local optional percentage homestead exemption

### Value Taxable For I & S Purposes

<b>T7</b>	<b>T8</b>	<b>T9</b>	<b>T10</b>
290,445,940	281,821,352	290,445,940	281,821,352

T7 = School district taxable value for I & S purposes before the loss to the additional \$10, 000 homestead exemption

T8 = School district taxable value for I & S purposes after the loss to the additional \$10, 000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50 % of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50 % of the loss to the local optional percentage homestead exemption

THE PVS FOUND YOUR LOCAL VALUE TO BE VALID, AND LOCAL VALUE WAS CERTIFIED

### 140-Lamb /Lamb County

**009-901/Muleshoe ISD**

<b>Category</b>	<b>Local Tax Roll Value</b>	<b>2020 WTD Median Ratio</b>	<b>2020 PTAD Value Estimate</b>	<b>2020 Value Assigned</b>
<b>A - SINGLE-FAMILY</b>	591,530	N/A	591,530	591,530
<b>B - MULTIFAMILY</b>	0	N/A	0	0
<b>C1 - VACANT LOTS</b>	0	N/A	0	0
<b>C2 - COLONIAL LOTS</b>	0	N/A	0	0
<b>D1 ACRES - QUALIFIED OPEN-SPACE LAND</b>	4,267,608	N/A	4,267,608	4,267,608
<b>D2 - FARM &amp; RANCH IMP</b>	218,190	N/A	218,190	218,190
<b>E - NON-AG LAND AND IMPROVEMENTS</b>	2,550,978	N/A	2,550,978	2,550,978
<b>F1 - COMMERCIAL REAL</b>	190,200	N/A	190,200	190,200
<b>F2 - INDUSTRIAL REAL</b>	3,079,460	N/A	3,079,460	3,079,460
<b>G - ALL MINERALS</b>	0	N/A	0	0
<b>J - ALL UTILITIES</b>	1,023,180	N/A	1,023,180	1,023,180
<b>L1 - COMMERCIAL PERSONAL</b>	0	N/A	0	0
<b>L2 - INDUSTRIAL PERSONAL</b>	0	N/A	0	0
<b>M1 - MOBILE HOMES</b>	2,980	N/A	2,980	2,980
<b>N - INTANGIBLE PERSONAL PROPERTY</b>	0	N/A	0	0

<b>O - RESIDENTIAL INVENTORY</b>	0	N/A	0	0
<b>S - SPECIAL INVENTORY</b>	0	N/A	0	0
<b>Subtotal</b>	11,924,126	0	11,924,126	11,924,126
<b>Less Total Deductions</b>	330,231	0	330,231	330,231
<b>Total Taxable Value</b>	11,593,895	0	11,593,895	11,593,895

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302(J) AND(K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation(M & O) tax purposes and for interest and sinking fund(I & S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T4 will be the same as T7 through T10.

### Value Taxable For M & O Purposes

<b>T1</b>	<b>T2</b>	<b>T3</b>	<b>T4</b>
11,646,535	11,593,895	11,646,535	11,593,895

<b>Loss To the Additional \$10,000 Homestead Exemption</b>	<b>50% of the loss to the Local Optional Percentage Homestead Exemption</b>
52,640	0

T1 = School district taxable value for M & O purposes before the loss to the additional \$10,000 homestead exemption

T2 = School district taxable value for M & O purposes after the loss to the additional \$10,000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50% of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50% of the loss to the local optional percentage homestead exemption

### Value Taxable For I & S Purposes

<b>T7</b>	<b>T8</b>	<b>T9</b>	<b>T10</b>
11,646,535	11,593,895	11,646,535	11,593,895

T7 = School district taxable value for I & S purposes before the loss to the additional \$10, 000 homestead exemption

T8 = School district taxable value for I & S purposes after the loss to the additional \$10, 000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50 % of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50 % of the loss to the local optional percentage homestead exemption

THE PVS FOUND YOUR LOCAL VALUE TO BE VALID, AND LOCAL VALUE WAS CERTIFIED

### 009-901-02/Muleshoe ISD

<b>Category</b>	<b>Local Tax Roll Value</b>	<b>2020 WTD Median Ratio</b>	<b>2020 PTAD Value Estimate</b>	<b>2020 Value Assigned</b>
<b>A - SINGLE-FAMILY</b>	86,861,344	N/A	86,861,344	86,861,344
<b>B - MULTIFAMILY</b>	1,603,192	N/A	1,603,192	1,603,192
<b>C1 - VACANT LOTS</b>	987,010	N/A	987,010	987,010
<b>C2 - COLONIAL LOTS</b>	0	N/A	0	0

<b>D1 ACRES - QUALIFIED OPEN-SPACE LAND</b>	29,660,241	N/A	29,660,241	29,660,241
<b>D2 - FARM &amp; RANCH IMP</b>	2,522,772	N/A	2,522,772	2,522,772
<b>E - NON-AG LAND AND IMPROVEMENTS</b>	32,890,275	N/A	32,890,275	32,890,275
<b>F1 - COMMERCIAL REAL</b>	21,080,328	N/A	21,080,328	21,080,328
<b>F2 - INDUSTRIAL REAL</b>	39,832,023	N/A	39,832,023	39,832,023
<b>G - ALL MINERALS</b>	0	N/A	0	0
<b>J - ALL UTILITIES</b>	54,648,635	N/A	54,648,635	54,648,635
<b>L1 - COMMERCIAL PERSONAL</b>	25,569,293	N/A	25,569,293	25,569,293
<b>L2 - INDUSTRIAL PERSONAL</b>	25,580,559	N/A	25,580,559	25,580,559
<b>M1 - MOBILE HOMES</b>	3,031,877	N/A	3,031,877	3,031,877
<b>N - INTANGIBLE PERSONAL PROPERTY</b>	0	N/A	0	0
<b>O - RESIDENTIAL INVENTORY</b>	0	N/A	0	0
<b>S - SPECIAL INVENTORY</b>	4,780,977	N/A	4,780,977	4,780,977
<b>Subtotal</b>	329,048,526		329,048,526	329,048,526
<b>Less Total Deductions</b>	35,633,279		35,633,279	35,633,279
<b>Total Taxable Value</b>	293,415,247		293,415,247	293,415,247

The taxable values shown here will not match the values reported by your appraisal district

See the ISD DEDUCTION Report for a breakdown of deduction values

Government code subsections 403.302(J) AND(K) require the Comptroller to certify alternative measures of school district wealth. These measures are reported for taxable values for maintenance and operation(M & O) tax purposes and for interest and sinking fund(I & S) tax purposes. For districts that have not entered into value limitation agreements, T1 through T4 will be the same as T7 through T10.

### Value Taxable For M & O Purposes

<b>T1</b>	<b>T2</b>	<b>T3</b>	<b>T4</b>
302,092,475	293,415,247	302,092,475	293,415,247

<b>Loss To the Additional \$10,000 Homestead Exemption</b>	<b>50 % of the loss to the Local Optional Percentage Homestead Exemption</b>
8,677,228	0

T1 = School district taxable value for M & O purposes before the loss to the additional \$10, 000 homestead exemption

T2 = School district taxable value for M & O purposes after the loss to the additional \$10, 000 homestead exemption and the tax ceiling reduction

T3 = T1 minus 50 % of the loss to the local optional percentage homestead exemption

T4 = T2 minus 50 % of the loss to the local optional percentage homestead exemption

### Value Taxable For I & S Purposes

<b>T7</b>	<b>T8</b>	<b>T9</b>	<b>T10</b>
302,092,475	293,415,247	302,092,475	293,415,247

T7 = School district taxable value for I & S purposes before the loss to the additional \$10, 000 homestead exemption



T8 = School district taxable value for I & S purposes after the loss to the additional \$10, 000 homestead exemption and the tax ceiling reduction

T9 = T7 minus 50 % of the loss to the local optional percentage homestead exemption

T10 = T8 minus 50 % of the loss to the local optional percentage homestead exemption

See Agreement  
(Comptroller No. 1600)  
posted on Comptroller Website



**GLENN HEGAR** TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

---

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

December 6, 2021

R.L. Richards  
Superintendent  
Muleshoe Independent School District  
514 W. Ave G.  
Muleshoe, Texas 79347

Re: Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Muleshoe Independent School District and Willing Solar Energy, LLC, Application 1600

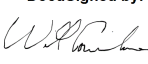
Dear Superintendent Richards:

This office has been provided with the Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations taxes by and between Muleshoe Independent School District and Willing Solar Energy, LLC (Agreement). As requested, the Agreement has been reviewed pursuant to 34 TAC 9.1055(e)(1).

Based on our review, this office concludes that the Agreement complies with the provisions of Tax Code, Chapter 313 and 34 TAC Chapter 9, Subchapter F.

Should you have any questions, please contact Ginger Flowers with our office. She can be reached by email at [ginger.flowers@cpa.texas.gov](mailto:ginger.flowers@cpa.texas.gov) or by phone at 1-800-531-5441, ext. 5-0552, or at 512-475-0552.

Sincerely,

DocuSigned by:  
  
8FDFC70F5753487...  
Will Counihan

Director  
Data Analysis & Transparency Division

cc: Fred Stormer, Underwood Law Firm, P.C.  
James Williams, Invenergy LLC  
Bristi Cure, Invenergy LLC  
Evan Horn, Ernst & Young LLP

See Tab 12 in application documents  
(Comptroller No. 1600)  
posted on Comptroller Website (posted 5/28/21)



## MULESHOE INDEPENDENT SCHOOL DISTRICT

514 West Avenue G  
Muleshoe, TX 79347  
806-272-7400 (phone)  
806-272-4120 (fax)

Dr. R.L. Richards,  
Superintendent

Dani Heathington,  
Assistant Superintendent

Myles James,  
Business Manager

October 19, 2021

Willing Solar Energy LLC  
c/o Evan Horn, Senior Manager  
401 Congress Ave, Suite 3200  
Austin, Texas 78701

*via email: [evan.horn@ey.com](mailto:evan.horn@ey.com)*

Re: Request for Extension on Application of Willing Solar Energy LLC  
For an Appraised Value Limitation Agreement  
Comptroller App. No. 1600

Dear Mr. Horn:

Please be advised that at a properly called meeting of the Muleshoe Independent School District Board of Trustees on October 18, 2021, the Board took action on the request for an extension to consider the application of Willing Solar Energy LLC for an Appraised Value Limitation Agreement with Muleshoe ISD. The District approved the request and has granted the extension on the application for the maximum time allowed; *i.e.*, until July 25, 2022, one year from the date of the Comptroller's Certificate Letter. Enclosed is copy of the Resolution granting the extension. The Board's action will be reflected in the Minutes of this meeting.

If you have any questions concerning your extension, please do not hesitate to contact Fred Stormer at the Underwood Law Firm. Thank you for your cooperation in this matter.

Sincerely,

Dr. R.L. Richards, Superintendent

cc: Troy Reed, Manager

*via email: [troy.t.reed@ey.com](mailto:troy.t.reed@ey.com)*

*"We're Building the Future, One Student at a Time"*

**RESOLUTION OF THE BOARD OF TRUSTEES OF  
MULESHOE INDEPENDENT SCHOOL DISTRICT**

The Board of Trustees of Muleshoe Independent School District (“the District”) does hereby make the following resolution regarding a pending application by Willing Solar Energy LLC (“Willing Solar”) for an appraised value limitation agreement under Texas Tax Code, Chapter 313:

WHEREAS, on or about May 10, 2021, Willing Solar submitted to the District an application under Texas Tax Code, Chapter 313 (the “Application”) for an appraised value limitation agreement (“Agreement”) and the application was deemed complete by the District on May 11, 2021;

WHEREAS, on or about May 11, 2021, the Application was received by the Texas Comptroller of Public Accounts (the “Texas Comptroller”) and the Texas Comptroller issued a letter deeming the Application complete, dated June 18, 2021, advising that it would move forward with its economic impact evaluation, and triggering the Application Review Start Date;

WHEREAS, Texas Tax Code §313.025(b) requires that the Board approve or disapprove an application before the 151st day after the date the application is deemed complete by the Texas Comptroller (the “Deadline”), unless the Texas Comptroller’s economic impact evaluation has not been received or an extension is agreed to by the Board and Willing Solar;

WHEREAS, due to ongoing negotiations between the District and Willing Solar, it is likely that the Agreement will not be approved by the Comptroller in time for the Board to issue its Findings of Fact and approve the Application and an Agreement before the Deadline; and

WHEREAS, on or about September 29, 2021, Willing Solar submitted a request to the District to extend the Deadline in order to continue negotiations, a copy of which is attached here to as Exhibit “A.”

NOW BE IT THEREFORE RESOLVED, that the statements contained in the preamble of this Resolution are true and correct and adopted as findings of fact and operative provisions hereof, and that it is in the District’s best interest to extend the Deadline as requested;

BE IT FURTHER RESOLVED, that Board of Trustees finds that it is in the best interest of the District to grant Willing Solar’s request, and extend the Deadline for the maximum time allowed; and

BE IT FURTHER RESOLVED, the Superintendent, or his designee, is directed to provide notice to Willing Solar and the Comptroller’s Office of the Board’s decision to grant

Willing Solar's request, and extend the Deadline for the maximum time allowed; *i.e.*, until July 25, 2022, one year from the date of the Comptroller's Certificate Letter.

Passed and approved by the Muleshoe Independent School District Board of Trustees on this 18<sup>th</sup> day of October, 2021.

Muleshoe Independent School District



By: President of the Board of Trustees



By: Secretary of the Board of Trustees

## EXHIBIT A

September 29, 2021



R.L. Richards  
Superintendent  
Muleshoe Independent School District  
514 W. Ave G  
Muleshoe, TX 79347

Re: Request for Extension of Time for the Approval or Disapproval of Pending Application from  
Willing Solar Energy LLC

Dear Superintendent Richards:

Please accept this letter as applicant's formal request for an extension of time for the approval or disapproval of pending application for Willing Solar Energy LLC. Due to scheduling conflicts and time constraints, applicant requests the maximum extension allowed by Comptroller rule to ensure the school district has ample time to review and consider the pending application, and to either approve or disapprove the pending application.

Please let me know if you have any questions or comments.

Yours sincerely,

A handwritten signature in black ink, reading 'Troy Reed', is located below the 'Yours sincerely,' text.

Troy Reed  
Manager  
Ernst & Young LLP

Ernst & Young LLP  
401 Congress Ave, Suite 3200, Austin, Texas 78701, United States of America  
Office: (512) 542-7750 | Mobile: (972) 342-5997 | [troy.l.reed@ey.com](mailto:troy.l.reed@ey.com)  
Website: <http://www.ey.com>