

S U S A N

C O M B S

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

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



January 17, 2013

Denise Anderson
Superintendent
Bovina Independent School District
P.O. Box 70
Bovina, Texas 79009

Dear Superintendent Anderson:

On October 12, 2012, the Comptroller received the completed application for a limitation on appraised value under the provisions of Tax Code Chapter 313¹. This application was originally submitted on October, 8 2012 to the Bovina Independent School District (Bovina ISD) by Cargill Incorporated. This letter presents the results of the comptroller's review of the application:

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

Bovina ISD is currently classified as a rural school district in Category 3 according to the provisions of Chapter 313. Therefore, the applicant properly applied under the provisions of Subchapter C, applicable to rural school districts. The amount of proposed qualified investment (\$42.6 million) is consistent with the proposed appraised value limitation sought (\$10 million). The property value limitation amount noted in this recommendation is based on property values available at the time of application and may change prior to the execution of any final agreement. Cargill Incorporated is proposing the construction of a manufacturing facility in Parmer County. Cargill Incorporated is an active franchise taxpayer in good standing, as required by Tax Code Section 313.024(a).

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

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

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

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

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

Note that any new building or other improvement existing as of the application review start date of October 12, 2012, or any tangible personal property placed in service prior to that date may not become "Qualified Property" as defined by 313.021(2).

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

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

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

Sincerely,



Martin A. Hubert
Deputy Comptroller

Enclosure

cc: Robert Wood

Economic Impact for Chapter 313 Project

Applicant	Cargill Incorporated
Tax Code, 313.024 Eligibility Category	Manufacturing
School District	Bovina ISD
2010-11 Enrollment in School District	503
County	Parmer
Total Investment in District	\$47,878,300
Qualified Investment	\$42,601,500
Limitation Amount	\$10,000,000
Number of total jobs committed to by applicant	25
Number of qualifying jobs committed to by applicant	20
Average Weekly Wage of Qualifying Jobs committed to by applicant	\$850
Minimum Weekly Wage Required Tax Code, 313.051(b)	\$850
Minimum Annual Wage committed to by applicant for qualified jobs	\$44,216
Investment per Qualifying Job	\$2,393,915
Estimated 15 year M&O levy without any limit or credit:	\$3,229,995
Estimated gross 15 year M&O tax benefit	\$1,359,059
Estimated 15 year M&O tax benefit (after deductions for estimated school district revenue protection--but not including any deduction for supplemental payments or extraordinary educational expenses):	\$1,268,607
Tax Credits (estimated - part of total tax benefit in the two lines above - appropriated through Foundation School Program)	\$476,830
Net M&O Tax (15 years) After Limitation, Credits and Revenue Protection:	\$1,961,388
Tax benefit as a percentage of what applicant would have paid without value limitation agreement (percentage exempted)	39.3%
Percentage of tax benefit due to the limitation	64.9%
Percentage of tax benefit due to the credit.	35.1%

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

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

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

After construction, the project will create 25 new jobs when fully operational. Twenty jobs will meet the criteria for qualifying jobs as specified in Tax Code Section 313.021(3). According to the Texas Workforce Commission (TWC), the regional manufacturing wage for the Panhandle Regional Planning Commission Region, where Parmer County is located was \$40,196 in 2011. Currently, there is no annual average manufacturing wage for Parmer County. The annual average wage for all industries was \$34,125 for 2011-2012 for Parmer County. In addition to a salary of \$44,216, each qualifying position will receive medical insurance, medical coverage health savings account, medical coverage deductible plan, and wellness incentive. The project's total investment is \$47.9 million, resulting in a relative level of investment per qualifying job of \$2.4 million.

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

According to Cargill Incorporated's application, "after an extensive review of various locations in Texas, we have selected Bovina as the site for the new manufacturing facility. Bovina's geographical position is centrally located in the heart of our customer's feed yard businesses. Cattle on feed numbers in the region are significant and stable. The dairy industry in the region is a pocket of significant growth where the operations are large and progressive."

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

During the past two years, no projects in the Panhandle Regional Planning Commission Region applied for value limitation agreements under Tax Code, Chapter 313.

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

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

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

Table 1 depicts Cargill Incorporated's estimated economic impact to Texas. It depicts the direct, indirect and induced effects to employment and personal income within the state. The Comptroller's office calculated the economic impact based on 16 years of annual investment and employment levels using software from Regional Economic Models, Inc. (REMI). The impact includes the construction period and the operating period of the project.

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

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2013	53	71	124	\$3,421,675	\$3,578,325	\$7,000,000
2014	25	37	62	\$1,187,850	\$2,812,150	\$4,000,000
2015	25	38	63	\$1,233,625	\$2,766,375	\$4,000,000
2016	25	30	55	\$1,233,625	\$2,766,375	\$4,000,000
2017	25	29	54	\$1,233,625	\$2,766,375	\$4,000,000
2018	25	28	53	\$1,233,625	\$2,766,375	\$4,000,000
2019	25	24	49	\$1,233,625	\$2,766,375	\$4,000,000
2020	25	22	47	\$1,233,625	\$2,766,375	\$4,000,000
2021	25	26	51	\$1,233,625	\$2,766,375	\$4,000,000
2022	25	20	45	\$1,233,625	\$2,766,375	\$4,000,000
2023	25	24	49	\$1,233,625	\$3,766,375	\$5,000,000
2024	25	22	47	\$1,233,625	\$2,766,375	\$4,000,000
2025	25	20	45	\$1,233,625	\$2,766,375	\$4,000,000
2026	25	20	45	\$1,233,625	\$2,766,375	\$4,000,000
2027	25	18	43	\$1,233,625	\$2,766,375	\$4,000,000
2028	25	16	41	\$1,233,625	\$3,766,375	\$5,000,000

Source: CPA, REMI, Cargill Incorporated

The statewide average ad valorem tax base for school districts in Texas was \$1.74 billion in 2011-2012. Bovina ISD's ad valorem tax base in 2011-2012 was \$70.5 million. The statewide average wealth per WADA was estimated at \$347,943 for fiscal 2011-2012. During that same year, Bovina ISD's estimated wealth per WADA was \$90,519. The impact on the facilities and finances of the district are presented in Attachment 2.

Table 2 examines the estimated direct impact on ad valorem taxes to the school district and Parmer County, with all property tax incentives sought being granted using estimated market value from Cargill Incorporated's application. Cargill Incorporated has applied for both a value limitation under Chapter 313, Tax Code and a tax abatement with the county. Table 3 illustrates the estimated tax impact of the Cargill Incorporated project on the region if all taxes are assessed.

Year	Estimated Taxable value for I&S	Estimated Taxable value for M&O	Tax Rate ¹	Bovina ISD I&S Levy	Bovina ISD M&O Levy	Bovina ISD M&O and I&S Tax Levies (Before Credit Credited)	Bovina ISD M&O and I&S Tax Levies (After Credit Credited)	Parmer County	Estimated Total Property Taxes
			0.0000	0.0000	1.0400			0.4782	
2014	\$34,309,750	\$34,309,750		\$0	\$356,821	\$356,821	\$356,821	\$0	\$356,821
2015	\$31,539,328	\$31,539,328		\$0	\$328,009	\$328,009	\$328,009	\$0	\$328,009
2016	\$28,769,633	\$10,000,000		\$0	\$104,000	\$104,000	\$104,000	\$34,394	\$138,394
2017	\$26,000,659	\$10,000,000		\$0	\$104,000	\$104,000	\$52,000	\$62,168	\$114,168
2018	\$23,232,400	\$10,000,000		\$0	\$104,000	\$104,000	\$52,000	\$83,323	\$135,323
2019	\$20,464,848	\$10,000,000		\$0	\$104,000	\$104,000	\$52,000	\$73,397	\$125,397
2020	\$17,697,998	\$10,000,000		\$0	\$104,000	\$104,000	\$52,000	\$84,632	\$136,632
2021	\$16,283,443	\$10,000,000		\$0	\$104,000	\$104,000	\$52,000	\$77,867	\$129,867
2022	\$16,221,176	\$10,000,000		\$0	\$104,000	\$104,000	\$52,000	\$77,570	\$129,570
2023	\$16,159,592	\$10,000,000		\$0	\$104,000	\$104,000	\$52,000	\$77,275	\$129,275
2024	\$16,098,683	\$16,098,683		\$0	\$167,426	\$167,426	\$54,596	\$76,984	\$131,580
2025	\$16,038,445	\$16,038,445		\$0	\$166,800	\$166,800	\$166,800	\$76,696	\$243,496
2026	\$15,978,870	\$15,978,870		\$0	\$166,180	\$166,180	\$166,180	\$76,411	\$242,591
2027	\$15,919,953	\$15,919,953		\$0	\$165,568	\$165,568	\$165,568	\$76,129	\$241,697
2028	\$15,861,687	\$15,861,687		\$0	\$164,962	\$164,962	\$164,962	\$75,851	\$240,812
						Total	\$1,870,935	\$952,696	\$2,823,632

Assumes School Value Limitation and Tax Abatement with the County.

Source: CPA, Cargill Incorporated

¹Tax Rate per \$100 Valuation

Year	Estimated Taxable value for I&S	Estimated Taxable value for M&O	Tax Rate ¹	Bovina ISD I&S Levy	Bovina ISD M&O Levy	Bovina ISD M&O and I&S Tax Levies	Parmer County	Estimated Total Property Taxes	
			0.0000	0.0000	1.0400		0.4782		
2014	\$34,309,750	\$34,309,750		\$0	\$356,821	\$356,821	\$164,069	\$520,891	
2015	\$31,539,328	\$31,539,328		\$0	\$328,009	\$328,009	\$150,821	\$478,830	
2016	\$28,769,633	\$28,769,633		\$0	\$299,204	\$299,204	\$137,576	\$436,781	
2017	\$26,000,659	\$26,000,659		\$0	\$270,407	\$270,407	\$124,335	\$394,742	
2018	\$23,232,400	\$23,232,400		\$0	\$241,617	\$241,617	\$111,097	\$352,714	
2019	\$20,464,848	\$20,464,848		\$0	\$212,834	\$212,834	\$97,863	\$310,697	
2020	\$17,697,998	\$17,697,998		\$0	\$184,059	\$184,059	\$84,632	\$268,691	
2021	\$16,283,443	\$16,283,443		\$0	\$169,348	\$169,348	\$77,867	\$247,215	
2022	\$16,221,176	\$16,221,176		\$0	\$168,700	\$168,700	\$77,570	\$246,270	
2023	\$16,159,592	\$16,159,592		\$0	\$168,060	\$168,060	\$77,275	\$245,335	
2024	\$16,098,683	\$16,098,683		\$0	\$167,426	\$167,426	\$76,984	\$244,410	
2025	\$16,038,445	\$16,038,445		\$0	\$166,800	\$166,800	\$76,696	\$243,496	
2026	\$15,978,870	\$15,978,870		\$0	\$166,180	\$166,180	\$76,411	\$242,591	
2027	\$15,919,953	\$15,919,953		\$0	\$165,568	\$165,568	\$76,129	\$241,697	
2028	\$15,861,687	\$15,861,687		\$0	\$164,962	\$164,962	\$75,851	\$240,812	
						Total	\$3,229,995	\$1,485,177	\$4,715,172
						Difference	\$1,359,060	\$532,480	\$1,891,540

Source: CPA, Cargill Incorporated

¹Tax Rate per \$100 Valuation

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

Attachment 2, provided by the district and reviewed by the Texas Education Agency, contains information relating to the financial impact of the proposed project on the finances of the district as well as the tax benefit of the value limitation. "Table II" in this attachment shows the estimated 13 year M&O tax levy without the value limitation agreement would be \$2,899,466. The estimated gross 13 year M&O tax benefit, or levy loss, is \$1,359,059.

Attachment 3 is an economic overview of Parmer County.

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

Attachments

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

Attachment 1

Schedule A (Rev. May 2010): Investment Amended: Inserted corrected Schedule A

Applicant Name: Cargill, Inc.
 ISD Name: Bovina ISD

Form 50-296

PROPERTY INVESTMENT AMOUNTS
 (Estimated investment in each year. Do not put cumulative totals.)

The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Investment made before filing complete application with district (neither qualified property nor eligible to become qualified investment)	Year	School Year (YYYY-YYYY)	Tax Year (fill in actual tax year below) YYYY	Column A:	Column B:	Column C:	Column D:	Column E:
					Tangible Personal Property (original cost) placed in service during this year	Building or permanent nonremovable component of building (annual amount only)	Sum of A and B (during the qualifying time period)	Other investment that is not qualified investment but investment affecting economic impact and total value	Total Investment (A+B+D)
Tax Credit Period (with 50% cap on credit)	Investment made after final board approval of application (eligible to become qualified property)	Complete tax years of qualifying time period	2013-2014	2013	15,520,800	7,540,000	210,000	24,507,500	
			1	2014-2015	2014	0	0	0	0
			2	2015-2016	2015	0	0	0	0
			3	2016-2017	2016	0	0	0	0
			4	2017-2018	2017	0	0	0	0
			5	2018-2019	2018	0	0	0	0
			6	2019-2020	2019	0	0	0	0
			7	2020-2021	2020	0	0	0	0
			8	2021-2022	2021	0	0	0	0
			9	2022-2023	2022	0	0	0	0
			10	2023-2024	2023	0	0	0	0
			11	2024-2025	2024	0	0	0	0
			12	2025-2026	2025	0	0	0	0
			13	2026-2027	2026	0	0	0	0
			14	2027-2028	2027	0	0	0	0
15	2028-2029	2028	0	0	0	0			

Column A: This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment - as defined in Tax Code §313.021(1)(A)-(D).
 For the purposes of investment, please list amount invested each year, not cumulative totals.
 [For the years outside the qualifying time period, this number should simply represent the planned investment in tangible personal property].

Column B: Include estimates of investment for "replacement" property-property that is part of original agreement but scheduled for probable replacement during limitation period.
 The total dollar amount of planned investment each year in buildings or nonremovable component of buildings that the applicant considers qualified investment under Tax Code §313.021(1)(E).
 For the years outside the qualifying time period, this number should simply represent the planned investment in new buildings or nonremovable components of buildings.
 Dollar value of other investment that may not be qualified investment but that may affect economic impact and total value-for planning, construction and operation of the facility.
 Note: Land can be listed as part of investment during the "pre-year 1" time period. It cannot be part of qualifying investment.

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

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE
 10/26/12

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

Applicant Name Cargill, Inc
 ISD Name Bovina ISD

Form 50-296

	Complete tax years of qualifying time period	Year	School Year (YYYY-YYYY)	Tax Year (fill in actual tax year) YYYY	Qualified Property			Reductions from Market Value	Estimated Taxable Value	
					Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new building or in or on the new improvement		Exempted Value	Final taxable value for IRS - after all reductions
	1	pre-year 1	2013-2014	2013	275,000	250,000	-	-	525,000	525,000
	2		2014-2015	2014	277,750	7,000,000	27,032,000	-	34,309,750	34,309,750
	3		2015-2016	2015	280,528	6,930,000	24,328,800	-	31,539,328	31,539,328
	4		2016-2017	2016	283,333	6,860,700	21,625,600	-	28,769,633	10,000,000
	5		2017-2018	2017	286,166	6,792,093	18,922,400	-	26,000,659	10,000,000
	6		2018-2019	2018	289,028	6,724,172	16,219,200	-	23,232,400	10,000,000
	7		2019-2020	2019	291,918	6,656,930	13,516,000	-	20,464,848	10,000,000
	8		2020-2021	2020	294,837	6,590,361	10,812,800	-	17,697,998	10,000,000
	9		2021-2022	2021	297,786	6,524,457	9,461,200	-	16,283,443	10,000,000
	10		2022-2023	2022	300,763	6,459,213	9,461,200	-	16,221,176	10,000,000
	11		2023-2024	2023	303,771	6,394,621	9,461,200	-	16,159,592	10,000,000
	12		2024-2025	2024	306,809	6,330,675	9,461,200	-	16,098,683	16,098,683
	13		2025-2026	2025	309,877	6,267,368	9,461,200	-	16,038,445	16,038,445
	14		2026-2027	2026	312,976	6,204,694	9,461,200	-	15,978,870	15,978,870
	15		2027-2028	2027	316,105	6,142,647	9,461,200	-	15,919,953	15,919,953
	15		2028-2029	2028	319,266	6,081,221	9,461,200	-	15,861,687	15,861,687

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

[Signature]
 SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

10/26/12
 DATE

Amended: Inserted corrected Schedule C

Schedule C - Application: Employment Information

Applicant Name: Cargill, Incorporated
 ISD Name: Bovina Independent School District

Form 50-296

Complete tax years of qualifying time period	Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year) YYYY	Construction		New Jobs		Qualifying Jobs	
				Column A: Number of Construction FTE's or man-hours (Specify)	Column B: Average annual wage rates for construction workers	Column C: Number of new jobs applicant commits to create (cumulative)	Column D: Average annual wage rate for all new jobs.	Number of qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3)	Column F: Average annual wage of qualifying jobs
	pre-year 1	2013-2014	2013	28	\$ 83,200	25	\$ 43,683	20	\$ 45,460
	1	2014-2015	2014	-	-	25	\$ 47,514	20	\$ 48,973
	2	2015-2016	2015	-	-	25	\$ 49,345	20	\$ 51,398
	3	2016-2017	2016	-	-	25	\$ 49,345	20	\$ 51,398
	4	2017-2018	2017	-	-	25	\$ 49,345	20	\$ 51,398
	5	2018-2019	2018	-	-	25	\$ 49,345	20	\$ 51,398
	6	2019-2020	2019	-	-	25	\$ 49,345	20	\$ 51,398
	7	2020-2021	2020	-	-	25	\$ 49,345	20	\$ 51,398
	8	2021-2022	2021	-	-	25	\$ 49,345	20	\$ 51,398
	9	2022-2023	2022	-	-	25	\$ 49,345	20	\$ 51,398
	10	2023-2024	2023	-	-	25	\$ 49,345	20	\$ 51,398
	11	2024-2025	2024	-	-	25	\$ 49,345	20	\$ 51,398
	12	2025-2026	2025	-	-	25	\$ 49,345	20	\$ 51,398
	13	2026-2027	2026	-	-	25	\$ 49,345	20	\$ 51,398
	14	2027-2028	2027	-	-	25	\$ 49,345	20	\$ 51,398
	15	2028-2029	2028	-	-	25	\$ 49,345	20	\$ 51,398

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

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

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

10/26/12

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

Applicant Name: Cargill, Inc. ISD Name: Bovina ISD Form 60-296

The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	Year	School Year (YYYY-YYYY)	Tax Calendar Year YYYY	Sales Tax Information		Franchise Tax	Other Property Tax Abatements Sought				
				Sales Taxable Expenditures	Franchise Tax		County	City	Hospital	Other	
Complete tax years of qualifying time period	1	2014-2015	2014	\$3 million	\$8.1 million	128,160	100%	N/A	N/A	N/A	N/A
	2	2015-2016	2015	\$3 million	\$8.1 million	128,160	100%	N/A	N/A	N/A	N/A
	3	2016-2017	2016	\$3 million	\$8.1 million	128,160	75%	N/A	N/A	N/A	N/A
	4	2017-2018	2017	\$3 million	\$8.1 million	128,160	50%	N/A	N/A	N/A	N/A
	5	2018-2019	2018	\$3 million	\$8.1 million	128,160	25%	N/A	N/A	N/A	N/A
	6	2019-2020	2019	\$3 million	\$8.1 million	128,160	25%	N/A	N/A	N/A	N/A
	7	2020-2021	2020	\$3 million	\$8.1 million	128,160	0	N/A	N/A	N/A	N/A
	8	2021-2022	2021	\$3 million	\$8.1 million	128,160	0	N/A	N/A	N/A	N/A
	9	2022-2023	2022	\$3 million	\$8.1 million	128,160	0	N/A	N/A	N/A	N/A
	10	2023-2024	2023	\$3 million	\$8.1 million	128,160	0	N/A	N/A	N/A	N/A
	11	2024-2025	2024	\$3 million	\$8.1 million	128,160	0	N/A	N/A	N/A	N/A
	12	2025-2026	2025	\$3 million	\$8.1 million	128,160	0	N/A	N/A	N/A	N/A
	13	2026-2027	2026	\$3 million	\$8.1 million	128,160	0	N/A	N/A	N/A	N/A
	14	2027-2028	2027	\$3 million	\$8.1 million	128,160	0	N/A	N/A	N/A	N/A
	15	2028-2029	2028	\$3 million	\$8.1 million	128,160	0	N/A	N/A	N/A	N/A

*For planning, construction and operation of the facility.

Signature of Authorized Company Representative: [Signature]

DATE: 10/5/12

Attachment 2



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

Michael L. Williams
Commissioner

January 14, 2013

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

Dear Mr. Wood:

The Texas Education Agency (TEA) has analyzed the revenue gains that would be realized by the proposed Cargill Incorporated project for the Bovina Independent School District (BISD). Projections prepared by the TEA State Funding Division confirm the analysis that was prepared by Randy McDowell and Neal Brown and provided to us by your division. We believe their assumptions regarding the potential revenue gain are valid, and their estimates of the impact of the Cargill Incorporated project on BISD are correct.

Please feel free to contact me by phone at (512) 463-9186 or by email at al.mckenzie@tea.state.tx.us if you need further information about this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Al McKenzie".

Al McKenzie, Manager
Foundation School Program Support

AM/bd

January 14, 2013

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

Dear Mr. Wood:

As required by the Tax Code, §313.025 (b-1), the Texas Education Agency (TEA) has evaluated the impact of the proposed Cargill Incorporated project on the number and size of school facilities in Bovina Independent School District (BISD). Based on the analysis prepared by Randy McDowell and Neal Brown for the school district and a conversation with the BISD superintendent, Denise Anderson, the TEA has found that the Cargill Incorporated project would not have a significant impact on the number or size of school facilities in BISD.

Please feel free to contact me by phone at (512) 463-9186 or by email at al.mckenzie@tea.state.tx.us if you need further information about this issue.

Sincerely,



Al McKenzie, Manager
Foundation School Program Support

AM/bd

Bovina ISD Financial Impact of Chapter 313 Agreement

Summary of the District's Financial Impact of Chapter 313 Agreement with Cargill Incorporated

Prepared by

Randy McDowell, RTSBA

School Financial Consultant

&

Neal Brown

School Finance Specialist, Region 16 ESC

Bovina ISD Financial Impact of Chapter 313 Agreement

Summary of Bovina ISD Financial Impact of the Limited Appraised Value Application from Cargill Incorporated

Introduction

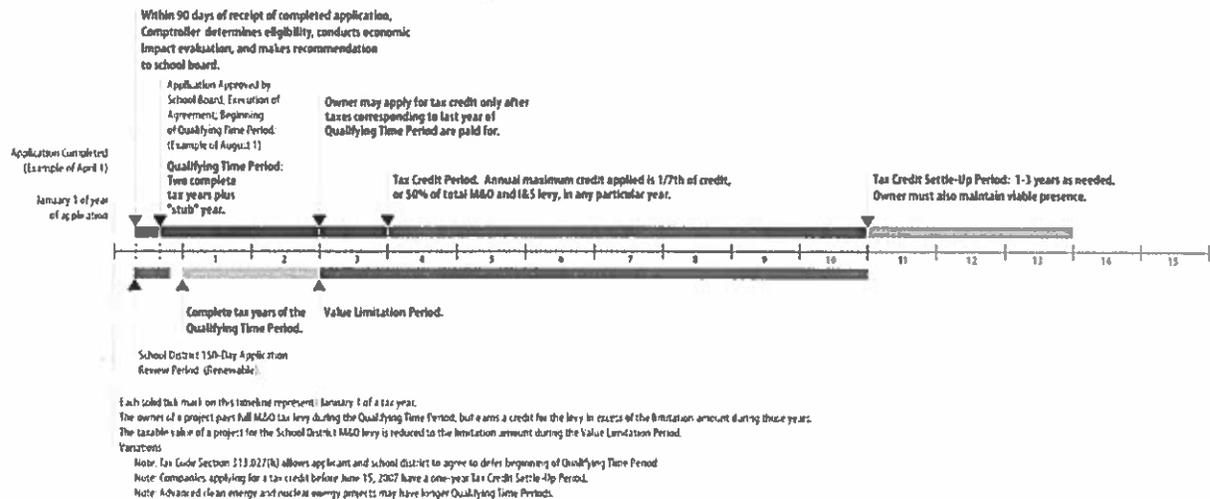
Cargill Incorporated, applied for a property value limitation from Bovina Independent School District under Chapter 313 of the Tax Code. The application was submitted on October 8, 2012 and subsequently approved for consideration by the Bovina ISD Board of Trustees. Cargill Incorporated ("Cargill Inc"), is requesting the property value limitation as a "manufacturing" company 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 77th Texas Legislature in 2001. Further amendments were made to Chapter 313 as a result of House Bill 1470 from the 80th Texas Legislative Session in 2007.

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.

Bovina ISD Financial Impact of Chapter 313 Agreement

Appraised Value Limitation and Credit under Tax Code Chapter 313 for School District Maintenance & Operations (M&O) Tax



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. The first two years of the agreement are considered the qualifying time period and the company's school district taxes will be levied at one-hundred percent of the appraised value. The applicant may then file a separate application with the school district to request tax credits (for taxes paid during the qualifying time period) to be applied during years four through ten of the LAVA, but not to exceed 50% of their tax levy for those years. Any tax credit balance remaining after this period can then be applied during years eleven through thirteen of the agreement, but cannot exceed the actual amount of taxes paid to the school district during the Settle-Up Period. After year thirteen, any leftover credits will not be applied and will expire.

During years three through ten of the LAVA, the qualifying entity's taxable value will be reduced to the minimum qualified investment for the applicable school district as determined by the State Comptroller's Office. Bovina ISD is considered a Rural category 3 District as categorized with total taxable value of industrial property of at least \$1 million and less than \$90 million, thus Bovina ISD has a

Bovina ISD Financial Impact of Chapter 313 Agreement

minimum qualified investment amount of \$10 million. A qualifying entity's taxable value would be reduced to \$10 million during years three through ten of the agreement for the purposes of computing the tax levy for the maintenance and operations (M&O) tax of Bovina ISD. The entire appraised value will be used for computing the interest and sinking (I&S) tax levy.

Taxable Value Impact from LAVA

The "Additional Value from Cargill Inc" represents the values that the company estimated as their taxable values in the application that was filed with the district. During years three through ten, the company's taxable value will be limited to the \$10,000,000 minimum qualified investment of Bovina ISD.

TABLE I- Calculation of Taxable Value:

Tax Year	Additional Value from Cargill Inc	Minimum Qualified Investment	Abated Value	Taxable Value
Jan. 1, 2014	34,309,750	n/a	0	34,309,750
Jan. 1, 2015	31,539,328	n/a	0	31,539,328
Jan. 1, 2016	28,769,633	(10,000,000)	18,769,633	10,000,000
Jan. 1, 2017	26,000,659	(10,000,000)	16,000,659	10,000,000
Jan. 1, 2018	23,232,400	(10,000,000)	13,232,400	10,000,000
Jan. 1, 2019	20,464,848	(10,000,000)	10,464,848	10,000,000
Jan. 1, 2020	17,697,998	(10,000,000)	7,697,998	10,000,000
Jan. 1, 2021	16,283,443	(10,000,000)	6,283,443	10,000,000
Jan. 1, 2022	16,221,176	(10,000,000)	6,221,176	10,000,000
Jan. 1, 2023	16,159,592	(10,000,000)	6,159,592	10,000,000
Jan. 1, 2024	16,098,683	n/a	0	16,098,683
Jan. 1, 2025	16,038,445	n/a	0	16,038,445
Jan. 1, 2026	15,978,870	n/a	0	15,978,870

Bovina ISD Financial Impact of Chapter 313 Agreement

Cargill Incorporated's Tax Benefit from Agreement

The projected amount of the net tax savings for Cargill Inc. is \$1.268 million over the life of the Agreement. This net savings is after all tax credits have been applied 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.

TABLE II- Computation of Net Tax Savings:

Fiscal Year	Taxes w/o Agreement	Tax Savings with Agreement	Tax Credits	Payment of District's Revenue Losses	Net Tax Savings
2014-2015	356,821	0	n/a	0	0
2015-2016	328,009	0	n/a	0	0
2016-2017	299,204	195,204	n/a	(90,452)	104,752
2017-2018	270,407	166,407	52,000	0	218,407
2018-2019	241,617	137,617	52,000	0	189,617
2019-2020	212,834	108,834	52,000	0	160,834
2020-2021	184,059	80,059	52,000	0	132,059
2021-2022	169,348	65,348	52,000	0	117,348
2022-2023	168,700	64,700	52,000	0	116,700
2023-2024	168,060	64,060	52,000	0	116,060
2024-2025	167,426	0	112,830	0	112,830
2025-2026	166,800	0	0	0	0
2026-2027	166,180	0	0	0	0
Totals	2,899,466	882,229	476,830	(90,452)	1,268,607

Bovina 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 Bovina ISD. First, a thirteen year financial forecast was prepared to establish a baseline without the added values of the manufacturing company. Second, a thirteen year financial forecast was prepared that incorporated the additional taxable value of the company without a LAVA in effect. Third, a thirteen 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 (in effect for 2012-2013 fiscal year) were used for state aid and recapture calculation purposes
 - Level 2 of Tier II yield - \$59.97 per weighted student in average daily attendance (WADA) per penny of tax effort
- The district's tax rate for maintenance & operations (M&O) will remain at the same rate as for tax year 2012.
- A tax collection rate of 100% on current year tax levy with no projected delinquent taxes
- An annual taxable value increase of .5% was used to project the district's taxable value, except as it related to the requested LAVA. The district's 2012 taxable value was used as a baseline for all projections
- The district's enrollment is projected to decrease slightly; therefore, the projected ADA and WADA for school year 2012-2013 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 thirteen years of this proposed agreement. Also, Legislative changes to the school finance formulas are likely during the near future and almost certain during the life of this agreement.

Bovina 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 Cargill Inc. (Table III), the addition of Cargill Inc's taxable values without a Chapter 313 Agreement (Table IV), and the addition of Cargill Inc's taxable values with a Chapter 313 Agreement (Table V).

TABLE III – District Revenues without Cargill Inc:

Fiscal Year	M&O Taxes			Recapture Amount	Hold Harmless Revenue	M&O Taxes > Comp Rate	Total District Revenue
	Total Taxable Value	Compressed Rate	State Revenue				
2014-2015	78,080,049	676,720	2,492,335	0	3,169,055	534,518	3,703,574
2015-2016	78,470,449	680,103	2,481,029	0	3,161,132	534,132	3,695,264
2016-2017	78,862,801	683,504	2,469,726	0	3,153,230	532,797	3,686,026
2017-2018	79,257,115	686,921	2,458,425	0	3,145,347	531,465	3,676,811
2018-2019	79,653,401	690,356	2,447,127	0	3,137,483	530,136	3,667,619
2019-2020	80,051,668	693,808	2,435,832	0	3,129,639	528,811	3,658,450
2020-2021	80,451,926	697,277	2,424,539	0	3,121,815	527,489	3,649,304
2021-2022	80,854,186	700,763	2,413,248	0	3,114,011	526,170	3,640,181
2022-2023	81,258,457	704,267	2,401,959	0	3,106,226	524,854	3,631,080
2023-2024	81,664,749	707,788	2,390,672	0	3,098,460	523,542	3,622,003
2024-2025	82,073,073	711,327	2,379,387	0	3,090,714	522,234	3,612,948
2025-2026	82,483,438	714,884	2,368,103	0	3,082,987	520,928	3,603,915
2026-2027	82,895,856	718,458	2,356,821	0	3,075,280	519,626	3,594,905

Bovina ISD Financial Impact of Chapter 313 Agreement

TABLE IV- District Revenues with Cargill Inc without Chapter 313 Agreement:

Fiscal Year	M&O Taxes			Recapture Amount	Hold	M&O	Total District Revenue
	Total Taxable Value	Compressed Rate	State Revenue		Harmless Revenue	Taxes > Comp Rate	
2014-2015	112,389,799	974,082	2,194,973	0	3,169,055	769,395	3,938,450
2015-2016	110,009,777	953,455	2,207,678	0	3,161,132	520,220	3,681,352
2016-2017	107,632,434	932,850	2,220,379	0	3,153,230	518,689	3,671,919
2017-2018	105,257,774	912,269	2,233,077	0	3,145,347	517,153	3,662,500
2018-2019	102,885,801	891,711	2,245,772	0	3,137,483	515,611	3,653,095
2019-2020	100,516,516	871,177	2,258,463	0	3,129,639	514,063	3,643,702
2020-2021	98,149,924	850,665	2,271,150	0	3,121,815	512,507	3,634,322
2021-2022	97,137,629	841,892	2,272,119	0	3,114,011	518,152	3,632,163
2022-2023	97,479,633	844,856	2,261,370	0	3,106,226	524,082	3,630,308
2023-2024	97,824,341	847,844	2,250,617	0	3,098,460	522,780	3,621,240
2024-2025	98,171,756	850,855	2,239,859	0	3,090,714	521,481	3,612,195
2025-2026	98,521,883	853,889	2,229,098	0	3,082,987	520,185	3,603,172
2026-2027	98,874,726	856,947	2,218,333	0	3,075,280	518,892	3,594,172

TABLE V – District Revenues with Cargill Inc with Chapter 313 Agreement:

Fiscal Year	M&O			Recapture Amount	Hold	M&O Taxes	Payment	Total District Revenue
	Total Taxable Value	Taxes Comp Rate	State Revenue		Harmless Revenue	> Comp Rate	for District Losses	
2014-2015	112,389,799	974,082	2,194,973	0	3,169,055	769,395	0	3,938,450
2015-2016	110,009,777	953,455	2,207,678	0	3,161,132	520,220	0	3,681,352
2016-2017	88,862,801	770,174	2,383,056	0	3,153,230	426,237	90,452	3,671,919
2017-2018	89,257,115	773,591	2,371,755	0	3,145,347	531,167	0	3,676,514
2018-2019	88,653,401	777,028	2,360,457	0	3,137,483	529,841	0	3,667,324
2019-2020	90,051,668	780,478	2,349,162	0	3,129,639	528,517	0	3,658,157
2020-2021	90,451,926	783,947	2,337,869	0	3,121,815	527,197	0	3,649,013
2021-2022	90,854,186	787,433	2,326,578	0	3,114,011	525,881	0	3,639,891
2022-2023	91,258,457	790,937	2,315,289	0	3,106,226	524,567	0	3,630,793
2023-2024	91,664,749	794,458	2,304,002	0	3,098,460	523,257	0	3,621,717
2024-2025	98,171,756	850,855	2,239,859	0	3,090,714	556,523	0	3,647,237
2025-2026	98,521,883	853,889	2,229,098	0	3,082,987	520,185	0	3,603,172
2026-2027	98,874,726	856,947	2,218,333	0	3,075,280	518,892	0	3,594,172

Bovina 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 1 of the 79th Legislative Session and became effective for the 2006-2007 school year. These formula changes have had an effect on the district's financial impact from granting a property value limitation. Due to the district's "Hold Harmless" provision that was enacted in the new funding formulas, it is presumed that the majority of the district's revenue losses in year three of the LAVA will be offset with additional state funding or a reduction of recapture payments made to the State. Prior to these recent formula changes, school districts felt a significant loss in revenues in year three because the state funding formulas considered the district more property wealthy based on their prior year taxable value. However, districts were only able to tax on the lower value that was a result of the LAVA. Districts are currently "held harmless" for the majority amount of loss in year three; however, it is possible that a future legislative session could eliminate this provision. If the "hold harmless" provision is eliminated, then the company would be required to offset the district's losses as computed in Article III of the Agreement.

Bovina ISD Financial Impact of Chapter 313 Agreement

Payments in Lieu of Taxes

Assuming that the District and Cargill Incorporated mutually agree in the LAVA that \$100 per student in average daily attendance (ADA) will be paid to Bovina ISD by Cargill Incorporated, the projected amount of these payments over the life of the agreement is \$564,367 of the \$1.268 million net tax savings amount. This amount will be computed annually according to Section IV of the Agreement.

TABLE VI - Calculation of the Payment in Lieu of Taxes:

Fiscal Year	Net Tax Savings	Bovina ISD Share \$100/ADA	Cargill Incorporated Share
2014-2015	0	44,068	(44,068)
2015-2016	0	43,958	(43,958)
2016-2017	104,752	43,848	60,904
2017-2018	218,407	43,738	174,669
2018-2019	189,617	43,629	145,988
2019-2020	160,834	43,520	117,315
2020-2021	132,059	43,411	88,648
2021-2022	117,348	43,302	74,045
2022-2023	116,700	43,194	73,506
2023-2024	116,060	43,086	72,974
2024-2025	112,830	42,978	69,852
2025-2026	0	42,871	(42,871)
2026-2027	0	42,764	(42,764)
Totals	1,268,607	564,367	704,240

Bovina ISD Financial Impact of Chapter 313 Agreement

Impact of Projected Student Growth On District Facilities

TABLE VII – Campus Capacity and Available Growth

Grade Level	# of Regular Classrooms	Building Capacity	Current Enrollment	Enrollment Growth Available
K thru 5	17	374	233	141
6-8	6	120	101	19
9-12	19	380	121	259
Total	42	874	455	419

The building capacities are based on 22 students per classroom for the elementary campuses, 20 students for the Jr. High and high school. Bovina ISD is a kindergarten through 12th grade district.

Cargill Incorporated 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 twenty five full-time employees are expected. It is not known whether these would be new employees to the Bovina 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 twenty five positions equates to 13 new students.

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

Bovina ISD Financial Impact of Chapter 313 Agreement

Conclusion

This Financial Impact Study displays that entering into a Limited Appraised Value Agreement with Cargill Incorporated, would be beneficial to both Cargill Inc. and Bovina ISD under the current school finance system.

Cargill Inc. would benefit from reduced property taxes during years three through ten of the LAVA. Although some of the tax savings would be used to offset district's revenue losses and payments in lieu of taxes to the District, Cargill Inc. is projected to benefit from a 53% tax savings over the eleven year period of this agreement. Cargill Inc. also has the option of terminating the Agreement if the amount paid to the District during a tax year is greater than the amount of taxes that would have been paid without the agreement; therefore, there is no inherent risk for the company from entering into the Agreement.

Bovina ISD would also have no inherent risk under the current school finance system and with the provisions in the LAVA that require Cargill Inc. 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.

Attachment 3

Parmer County

Population

- Total county population in 2010 for Parmer County: 9,340 , up 1.5 percent from 2009. State population increased 1.8 percent in the same time period.
- Parmer County was the state's 172th largest county in population in 2010 and the 66 th fastest growing county from 2009 to 2010.
- Parmer County's population in 2009 was 40.0 percent Anglo (below the state average of 46.7 percent), 1.5 percent African-American (below the state average of 11.3 percent) and 57.3 percent Hispanic (above the state average of 36.9 percent).
- 2009 population of the largest cities and places in Parmer County:

Friona:	3,538	Bovina:	1,716
Farwell:	1,252		

Economy and Income

Employment

- September 2011 total employment in Parmer County: 4,532 , up 1.7 percent from September 2010. State total employment increased 0.9 percent during the same period.
(October 2011 employment data will be available November 18, 2011).
- September 2011 Parmer County unemployment rate: 5.1 percent, up from 4.4 percent in September 2010. The statewide unemployment rate for September 2011 was 8.5 percent, up from 8.2 percent in September 2010.
- September 2011 unemployment rate in the city of:

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

Income

- Parmer County's ranking in per capita personal income in 2009: 174th with an average per capita income of \$30,260, down 4.5 percent from 2008. Statewide average per capita personal income was \$38,609 in 2009, down 3.1 percent from 2008.

Industry

- Agricultural cash values in Parmer County averaged \$491.23 million annually from 2007 to 2010. County total agricultural values in 2010 were up 33.5 percent from 2009. Major agriculture related commodities in Parmer County during 2010 included:
 - Wheat • Ensilage • Corn • Other Beef • Fed Beef
- 2011 oil and gas production in Parmer County: barrels of oil and Mcf of gas. In September 2011, there were 0 producing oil wells and 0 producing gas wells.

Taxes

Sales Tax - Taxable Sales

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

Quarterly (September 2010 through December 2010)

- Taxable sales in Parmer County during the fourth quarter 2010: \$4.96 million, up 8.9 percent from the same quarter in 2009.
- Taxable sales during the fourth quarter 2010 in the city of:

Friona:	\$2.91 million, up 7.2 percent from the same quarter in 2009.
Bovina:	\$461,898.00, up 4.2 percent from the same quarter in 2009.
Farwell:	\$971,217.00, up 4.6 percent from the same quarter in 2009.

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

- Taxable sales in Parmer County through the fourth quarter of 2010: \$19.01 million, up 1.0 percent from the same period in 2009.
- Taxable sales through the fourth quarter of 2010 in the city of:

Friona:	\$11.23 million, up 1.2 percent from the same period in 2009.
Bovina:	\$1.77 million, up 0.9 percent from the same period in 2009.
Farwell:	\$3.97 million, up 8.0 percent from the same period in 2009.

Annual (2010)

- Taxable sales in Parmer County during 2010: \$19.01 million, up 1.0 percent from 2009.
- Parmer County sent an estimated \$1.19 million (or 0.01 percent of Texas' taxable sales) in state sales taxes to the state treasury in 2010.
- Taxable sales during 2010 in the city of:

Friona:	\$11.23 million, up 1.2 percent from 2009.
Bovina:	\$1.77 million, up 0.9 percent from 2009.

Farwell: \$3.97 million, up 8.0 percent from 2009.

Sales Tax – Local Sales Tax Allocations

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

Monthly

- Statewide payments based on the sales activity month of August 2011: \$505.22 million, up 13.9 percent from August 2010.
- Payments to all cities in Parmer County based on the sales activity month of August 2011: \$47,828.47, up 17.8 percent from August 2010.
- Payment based on the sales activity month of August 2011 to the city of:

Friona:	\$33,053.61, up 24.9 percent from August 2010.
Bovina:	\$7,125.86, up 8.2 percent from August 2010.
Farwell:	\$7,649.00, up 1.4 percent from August 2010.

Fiscal Year

- Statewide payments based on sales activity months from September 2010 through August 2011: \$6.08 billion, up 8.0 percent from the same period in 2010.
- Payments to all cities in Parmer County based on sales activity months from September 2010 through August 2011: \$563,096.87, up 13.9 percent from fiscal 2010.
- Payments based on sales activity months from September 2010 through August 2011 to the city of:

Friona:	\$374,298.16, up 18.5 percent from fiscal 2010.
Bovina:	\$93,210.32, up 12.4 percent from fiscal 2010.
Farwell:	\$95,588.39, down 0.1 percent from fiscal 2010.

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

- Statewide payments based on sales activity months through August 2011: \$3.99 billion, up 8.3 percent from the same period in 2010.
- Payments to all cities in Parmer County based on sales activity months through August 2011: \$369,377.18, up 13.9 percent from the same period in 2010.
- Payments based on sales activity months through August 2011 to the city of:

Friona:	\$245,944.88, up 16.7 percent from the same period in 2010.
Bovina:	\$60,771.65, up 12.4 percent from the same period in 2010.
Farwell:	\$62,660.65, up 5.3 percent from the same period in 2010.

12 months ending in August 2011

- Statewide payments based on sales activity in the 12 months ending in August 2011: \$6.08 billion, up 8.0 percent from the previous 12-month period.
- Payments to all cities in Parmer County based on sales activity in the 12 months ending in August 2011: \$563,096.87, up 13.9 percent from the previous 12-month period.
- Payments based on sales activity in the 12 months ending in August 2011 to the city of:

Friona:	\$374,298.16, up 18.5 percent from the previous 12-month period.
Bovina:	\$93,210.32, up 12.4 percent from the previous 12-month period.
Farwell:	\$95,588.39, down 0.1 percent from the previous 12-month period.

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

- Payment to the cities from January 2011 through October 2011:

Friona:	\$311,126.74, up 18.7 percent from the same period in 2010.
Bovina:	\$78,872.66, up 15.8 percent from the same period in 2010.
Farwell:	\$80,323.34, up 6.1 percent from the same period in 2010.

Annual (2010)

- Statewide payments based on sales activity months in 2010: \$5.77 billion, up 3.3 percent from 2009.
- Payments to all cities in Parmer County based on sales activity months in 2010: \$518,071.45, up 6.9 percent from 2009.
- Payment based on sales activity months in 2010 to the city of:

Friona:	\$339,173.43, up 9.2 percent from 2009.
Bovina:	\$86,486.52, up 7.5 percent from 2009.
Farwell:	\$92,411.50, down 1.4 percent from 2009.

Property Tax

- As of January 2009, property values in Parmer County: \$903.59 million, up 6.3 percent from January 2008 values. The property tax base per person in Parmer County is \$97,265, above the statewide average of \$85,809. About 0.0 percent of the property tax base is derived from oil, gas and minerals.

State Expenditures

- Parmer County's ranking in state expenditures by county in fiscal year 2010: 205th. State expenditures in the county for FY2010: \$17.09 million, down 0.4 percent from FY2009.
- In Parmer County, 3 state agencies provide a total of 20 jobs and \$166,366.00 in annualized wages (as of 1st quarter 2011).
- Major state agencies in the county (as of first quarter 2011):
 - Department of Transportation
 - Department of Public Safety
 - AgriLife Extension Service

Higher Education

- Community colleges in Parmer County fall 2010 enrollment:
 - None.
- Parmer County is in the service area of the following:
 - Amarillo College with a fall 2010 enrollment of 11,540. Counties in the service area include:
 - Carson County
 - Castro County
 - Deaf Smith County
 - Moore County
 - Oldham County
 - Parmer County
 - Potter County
 - Randall County
 - Swisher County
- Institutions of higher education in Parmer County fall 2010 enrollment:
 - None.

School Districts

- Parmer County had 4 school districts with 11 schools and 2,400 students in the 2009-10 school year.
(Statewide, the average teacher salary in school year 2009-10 was \$48,263. The percentage of students, statewide, meeting the 2010 TAKS passing standard for all 2009-10 TAKS tests was 77 percent.)
 - Bovina ISD had 510 students in the 2009-10 school year. The average teacher salary was \$39,247. The percentage of students meeting the 2010 TAKS passing standard for all tests was 70 percent.
 - Farwell ISD had 538 students in the 2009-10 school year. The average teacher salary was \$40,231. The percentage of students meeting the 2010 TAKS passing standard for all tests was 80 percent.
 - Friona ISD had 1,212 students in the 2009-10 school year. The average teacher salary was \$42,516. The percentage of students meeting the 2010 TAKS passing standard for all tests was 73 percent.
 - Lazbuddie ISD had 140 students in the 2009-10 school year. The average teacher salary was \$37,669. The percentage of students meeting the 2010 TAKS passing standard for all tests was 70 percent.