

S U S A N

C O M B S

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

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



March 22, 2013

Mike Norrell  
Superintendent  
Adrian Independent School District  
P. O. Box 189  
Adrian, Texas 79001

Dear Superintendent Norrell:

On January 8, 2013, the Comptroller received the completed application (Application # 255) for a limitation on appraised value under the provisions of Tax Code Chapter 313<sup>1</sup>. This application was originally submitted in December 2012 to the Adrian Independent School District (the school district) by Spinning Spur Wind Two, LLC (the applicant). 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.

The school district is currently classified as a rural school district in Category 4 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 (\$51 million) is consistent with the proposed appraised value limitation sought (\$5 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.

The applicant is an active franchise taxpayer in good standing, as required by Section 313.024(a), and is proposing the construction of a wind power electric generation facility in Oldham County, an eligible property use under Section 313.024(b). 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 the applicant, the Comptroller's recommendation is that this 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 only approve an application if the school district finds that the information in the application is true and

<sup>1</sup> All statutory references are to the Texas TaxCode, unless otherwise noted.

correct, finds that the applicant is eligible for a limitation and determines that granting the application is in the best interest of the school district and this state. When approving a job waiver requested under Section 313.025(f-1), the school district must also find that the statutory jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility. As stated above, the Comptroller's recommendation is prepared by generally reviewing the application and supporting documentation in light of the Section 313.026 criteria and a cursory review of the industry standard evidence necessary to support the waiver of the required number of jobs.

Note that any new building or other improvement existing as of the application review start date of January 8, 2013, 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 submitted by the school district and reviewed by the Comptroller. The recommendation may not be used by the school district 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 ten (10) days prior to the meeting scheduled by the school 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 must confirm that it received and reviewed the draft agreement and affirm the recommendation made in this letter;
- 3) The school district must approve and execute a limitation agreement that has been reviewed by the Comptroller within a year from the date of this letter; and
- 4) The school district must provide a copy of the signed limitation agreement to the Comptroller within seven (7) days after execution, as required by Section 313.025.

Should you have any questions, please contact Robert Wood, director of Economic Development & Analysis Division, by email at [robert.wood@cpa.state.tx.us](mailto: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	Spinning Spur Wind Two, LLC
Tax Code, 313.024 Eligibility Category	Renewable Energy Electric Generation
School District	Adrian ISD
2011-12 Enrollment in School District	130
County	Oldham
Total Investment in District	\$51,000,000
Qualified Investment	\$51,000,000
Limitation Amount	\$5,000,000
Number of total jobs committed to by applicant	2*
Number of qualifying jobs committed to by applicant	2
Average Weekly Wage of Qualifying Jobs committed to by applicant	\$1,010
Minimum Weekly Wage Required Tax Code, 313.051(b)	\$850
Minimum Annual Wage committed to by applicant for qualified jobs	\$52,500
Investment per Qualifying Job	\$25,500,000
Estimated 15 year M&O levy without any limit or credit:	\$5,618,093
Estimated gross 15 year M&O tax benefit	\$3,655,255
Estimated 15 year M&O tax benefit ( <i>after</i> deductions for estimated school district revenue protection--but not including any deduction for supplemental payments or extraordinary educational expenses):	\$3,520,483
Tax Credits (estimated - part of total tax benefit in the two lines above - appropriated through Foundation School Program)	\$881,709
Net M&O Tax (15 years) After Limitation, Credits and Revenue Protection:	\$2,097,610
Tax benefit as a percentage of what applicant would have paid without value limitation agreement (percentage exempted)	62.7%
Percentage of tax benefit due to the limitation	75.9%
Percentage of tax benefit due to the credit	24.1%
* Applicant is requesting district to waive requirement to create minimum number of qualifying jobs pursuant to Tax Code, 313.025 (f-1).	

This presents the Comptroller's economic impact evaluation of Spinning Spur Two (the project) applying to Adrian 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 two new jobs when fully operational. All two 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 Oldham County is located was \$40,196 in 2011. The annual average manufacturing wage for 2011 for Oldham County is unavailable. That same year, the county annual average wage for all industries was \$38,857. In addition to a salary of \$52,500, each qualifying position will receive the following benefits: medical, dental, and vision insurance, of which at least 80% of the premiums for the employee will be paid by the LLC. Each qualifying employee will also receive area wide competitive vacation time, sick leave, and skill training. The project's total investment is \$51 million, resulting in a relative level of investment per qualifying job of \$25.5 million.

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

According to Spinning Spur Two's application, "the applicant can locate the project anywhere in the U.S. with sufficient prevailing wind conditions conducive to power generation."

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

During the past two years, one project 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 Spinning Spur Two project requires appear to be in line with the focus and themes of the plan. Texas identified energy as one of six target clusters in the Texas Cluster Initiative. The plan stresses the importance of technology in all sectors of the energy industry.

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

Table 1 depicts Spinning Spur Two'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 Spinning Spur Two**

Year	Employment			Personal Income		
	Direct	Indirect + Induced	Total	Direct	Indirect + Induced	Total
2013	50	55	105	\$2,625,000	\$3,605,000	\$6,230,000
2014	2	3	5	\$105,000	\$625,000	\$730,000
2015	2	4	6	\$105,000	\$265,000	\$370,000
2016	2	0	2	\$105,000	\$265,000	\$370,000
2017	2	0	2	\$105,000	\$135,000	\$240,000
2018	2	-2	0	\$105,000	\$135,000	\$240,000
2019	2	-4	-2	\$105,000	-\$105,000	\$0
2020	2	-2	0	\$105,000	-\$105,000	\$0
2021	2	2	4	\$105,000	\$385,000	\$490,000
2022	2	-2	0	\$105,000	\$15,000	\$120,000
2023	2	0	2	\$105,000	\$15,000	\$120,000
2024	2	0	2	\$105,000	-\$105,000	\$0
2025	2	2	4	\$105,000	\$135,000	\$240,000
2026	2	-2	0	\$105,000	\$135,000	\$240,000
2027	2	-2	0	\$105,000	-\$105,000	\$0
2028	2	-2	0	\$105,000	-\$345,000	-\$240,000

Source: CPA, REMI, Spinning Spur Two

The statewide average ad valorem tax base for school districts in Texas was \$1.74 billion in 2011. Adrian ISD's ad valorem tax base in 2011 was \$43 million. The statewide average wealth per WADA was estimated at \$374,943 for fiscal 2011-2012. During that same year, Adrian ISD's estimated wealth per WADA was \$155,584. 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 Oldham County, with all property tax incentives sought being granted using estimated market value from Spinning Spur Two's application. Spinning Spur Two 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 Spinning Spur Two project on the region if all taxes are assessed.

Year	Estimated Taxable value for I&S	Estimated Taxable value for M&O	Tax Rate <sup>1</sup>	Adrian ISD I&S Levy	Adrian ISD M&O Levy	Adrian ISD M&O and I&S Tax Levies (Before Credit Credited)	Adrian ISD M&O and I&S Tax Levies (After Credit Credited)	Oldham County	Estimated Total Property Taxes
				0.0000	1.0400			0.71	
2014	\$49,113,000	\$49,113,000		\$0	\$510,775	\$510,775	\$510,775	\$0	\$510,775
2015	\$45,666,741	\$45,666,741		\$0	\$474,934	\$474,934	\$474,934	\$0	\$474,934
2016	\$44,037,663	\$5,000,000		\$0	\$52,000	\$52,000	\$52,000	\$0	\$52,000
2017	\$42,408,584	\$5,000,000		\$0	\$52,000	\$52,000	\$26,000	\$0	\$26,000
2018	\$40,779,506	\$5,000,000		\$0	\$52,000	\$52,000	\$26,000	\$0	\$26,000
2019	\$39,150,428	\$5,000,000		\$0	\$52,000	\$52,000	\$26,000	\$0	\$26,000
2020	\$37,521,350	\$5,000,000		\$0	\$52,000	\$52,000	\$26,000	\$0	\$26,000
2021	\$35,892,272	\$5,000,000		\$0	\$52,000	\$52,000	\$26,000	\$0	\$26,000
2022	\$34,263,193	\$5,000,000		\$0	\$52,000	\$52,000	\$26,000	\$0	\$26,000
2023	\$32,634,115	\$5,000,000		\$0	\$52,000	\$52,000	\$26,000	\$0	\$26,000
2024	\$31,005,037	\$31,005,037		\$0	\$322,452	\$322,452	\$0	\$220,136	\$220,136
2025	\$29,375,959	\$29,375,959		\$0	\$305,510	\$305,510	\$0	\$208,569	\$208,569
2026	\$27,746,880	\$27,746,880		\$0	\$288,568	\$288,568	\$216,821	\$197,003	\$413,823
2027	\$26,117,802	\$26,117,802		\$0	\$271,625	\$271,625	\$271,625	\$185,436	\$457,062
2028	\$24,488,724	\$24,488,724		\$0	\$254,683	\$254,683	\$254,683	\$173,870	\$428,553
						<b>Total</b>	<b>\$1,962,838</b>	<b>\$985,014</b>	<b>\$2,947,852</b>

Assumes School Value Limitation and Tax Abatement with the County.

Source: CPA, Spinning Spur Two

<sup>1</sup>Tax Rate per \$100 Valuation

Year	Estimated Taxable value for I&S	Estimated Taxable value for M&O	Tax Rate <sup>1</sup>	Adrian ISD I&S Levy	Adrian ISD M&O Levy	Adrian ISD M&O and I&S Tax Levies	Oldham County	Estimated Total Property Taxes	
				0.0000	1.0400		0.71		
2014	\$49,113,000	\$49,113,000		\$0	\$510,775	\$510,775	\$348,702	\$859,478	
2015	\$45,666,741	\$45,666,741		\$0	\$474,934	\$474,934	\$324,234	\$799,168	
2016	\$44,037,663	\$44,037,663		\$0	\$457,992	\$457,992	\$312,667	\$770,659	
2017	\$42,408,584	\$42,408,584		\$0	\$441,049	\$441,049	\$301,101	\$742,150	
2018	\$40,779,506	\$40,779,506		\$0	\$424,107	\$424,107	\$289,534	\$713,641	
2019	\$39,150,428	\$39,150,428		\$0	\$407,164	\$407,164	\$277,968	\$685,132	
2020	\$37,521,350	\$37,521,350		\$0	\$390,222	\$390,222	\$266,402	\$656,624	
2021	\$35,892,272	\$35,892,272		\$0	\$373,280	\$373,280	\$254,835	\$628,115	
2022	\$34,263,193	\$34,263,193		\$0	\$356,337	\$356,337	\$243,269	\$599,606	
2023	\$32,634,115	\$32,634,115		\$0	\$339,395	\$339,395	\$231,702	\$571,097	
2024	\$31,005,037	\$31,005,037		\$0	\$322,452	\$322,452	\$220,136	\$542,588	
2025	\$29,375,959	\$29,375,959		\$0	\$305,510	\$305,510	\$208,569	\$514,079	
2026	\$27,746,880	\$27,746,880		\$0	\$288,568	\$288,568	\$197,003	\$485,570	
2027	\$26,117,802	\$26,117,802		\$0	\$271,625	\$271,625	\$185,436	\$457,062	
2028	\$24,488,724	\$24,488,724		\$0	\$254,683	\$254,683	\$173,870	\$428,553	
						<b>Total</b>	<b>\$5,618,093</b>	<b>\$3,835,429</b>	<b>\$9,453,522</b>
						<b>Difference</b>	<b>\$3,655,255</b>	<b>\$2,850,415</b>	<b>\$6,505,670</b>

Source: CPA, Spinning Spur Two

<sup>1</sup>Tax 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 \$5,091,785. The estimated gross 13 year M&O tax benefit, or levy loss, is \$3,655,255.

Attachment 3 is an economic overview of Oldham County.

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

# **Attachments**

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

# **Attachment 1**

Schedule A (Rev. May 2010): Investment

Form 50-296

Spinning Spur II LLC  
Adrian ISD

PROPERTY INVESTMENT AMOUNTS

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

	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A: Tangible Personal Property The amount of new investment (original cost) placed in service during this year	Column B: Building or permanent nonremovable component of building (annual amount only)	Column C: Sum of A and B Qualifying investment (during the qualifying time period)	Column D: Other investment that is not qualified investment but investment affecting economic impact and total value	Column E: Total Investment (A+B+D)	
The year preceding the first complete tax year of the qualifying time period (assuming no deferrals)	2013-2014	2013	\$0	\$0		\$0	\$0	
	2013-2014	2013	\$0	\$0		\$0	\$0	
	2013-2014	2013	\$51,000,000	\$0	\$51,000,000	\$0	\$51,000,000	
	Complete tax years of qualifying time period	2014-2015	2014					\$0
		2015-2016	2015					\$0
		2016-2017	2016					\$0
		2017-2018	2017					\$0
		2018-2019	2018					\$0
		2019-2020	2019					\$0
		2020-2021	2020					\$0
		2021-2022	2021					\$0
		2022-2023	2022					\$0
		2023-2024	2023					\$0
		2024-2025	2024					\$0
	2025-2026	2025					\$0	
2026-2027	2026					\$0		
2027-2028	2027					\$0		
2028-2029	2028					\$0		
Tax Credit Period (with 50% cap on credit)								
Credit Settle-Up Period								
Post-Settle-Up Period								

Qualifying Time Period usually begins with the final board approval of the application and extends generally for the following two complete tax years.  
 Column A: This represents the total dollar amount of planned investment in tangible personal property the applicant considers qualified investment - as defined in Tax Code §313.021(1)(A)-(D).  
 For the purposes of investment, please list amount invested each year, not cumulative totals.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings that the applicant considers qualified investment under Tax Code §313.021(1)(E).

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

Column D: 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.

Column 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. The most significant example for many projects would be land. Other examples may be items such as professional services, etc.  
 Note: Land can be listed as part of investment during the "pre-year 1" time period. It cannot be part of qualifying investment.

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.

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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.

*Melissa Ethel*

December 10, 2012

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

DATE

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

Applicant Name  
ISD Name

Spinning Spur II LLC  
Adrian ISD

Form 50-296

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	Exempted Value	Final taxable value for I&S - after all reductions	Final taxable value for M&O - after all reductions	
pre-year 1	2013-2014	2013	N/A	\$0	\$0	\$0			
1	2014-2015	2014	N/A	\$0	\$49,113,000	\$0	\$49,113,000	\$49,113,000	\$49,113,000
2	2015-2016	2015	N/A	\$0	\$45,666,741	\$0	\$45,666,741	\$45,666,741	\$45,666,741
3	2016-2017	2016	N/A	\$0	\$44,037,663	\$5,000,000	\$44,037,663	\$44,037,663	\$5,000,000
4	2017-2018	2017	N/A	\$0	\$42,408,584	\$5,000,000	\$42,408,584	\$42,408,584	\$5,000,000
5	2018-2019	2018	N/A	\$0	\$40,779,506	\$5,000,000	\$40,779,506	\$40,779,506	\$5,000,000
6	2019-2020	2019	N/A	\$0	\$39,150,428	\$5,000,000	\$39,150,428	\$39,150,428	\$5,000,000
7	2020-2021	2020	N/A	\$0	\$37,521,350	\$5,000,000	\$37,521,350	\$37,521,350	\$5,000,000
8	2021-2022	2021	N/A	\$0	\$35,892,272	\$5,000,000	\$35,892,272	\$35,892,272	\$5,000,000
9	2022-2023	2022	N/A	\$0	\$34,263,193	\$5,000,000	\$34,263,193	\$34,263,193	\$5,000,000
10	2023-2024	2023	N/A	\$0	\$32,634,115	\$5,000,000	\$32,634,115	\$32,634,115	\$5,000,000
11	2024-2025	2024	N/A	\$0	\$31,005,037	\$0	\$31,005,037	\$31,005,037	\$31,005,037
12	2025-2026	2025	N/A	\$0	\$29,375,959	\$0	\$29,375,959	\$29,375,959	\$29,375,959
13	2026-2027	2026	N/A	\$0	\$27,746,880	\$0	\$27,746,880	\$27,746,880	\$27,746,880
14	2027-2028	2027	N/A	\$0	\$26,117,802	\$0	\$26,117,802	\$26,117,802	\$26,117,802
15	2028-2029	2028	N/A	\$0	\$24,488,724	\$0	\$24,488,724	\$24,488,724	\$24,488,724

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.

*Melissa*

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE

December 10, 2012

DATE





# **Attachment 2**



TEXAS EDUCATION AGENCY

1701 North Congress Ave. • Austin, Texas 78701-1494 • 512 463-9734 • 512 463-9838 FAX • [www.tea.state.tx.us](http://www.tea.state.tx.us)

Michael L. Williams  
Commissioner

February 1, 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 Spinning Spur Wind Two LLC project for the Adrian Independent School District (AISD). 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 Spinning Spur Wind Two LLC project on AISD are correct.

Please feel free to contact me by phone at (512) 463-9186 or by email at [al.mckenzie@tea.state.tx.us](mailto: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", with a long horizontal flourish extending to the right.

Al McKenzie, Manager  
Foundation School Program Support

AM/bd

February 1, 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 Spur Wind Two LLC project on the number and size of school facilities in Adrian Independent School District (AISD). Based on the analysis prepared by Randy McDowell and Neal Brown for the school district and a conversation with the AISD superintendent, Michael Norrell, the TEA has found that the Spur Wind Two LLC project would not have a significant impact on the number or size of school facilities in AISD.

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

Sincerely,



Al McKenzie, Manager  
Foundation School Program Support

AM/bd

# **Adrian ISD Financial Impact of Chapter 313 Agreement**

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## **Summary of the District's Financial Impact of Chapter 313 Agreement with Spinning Spur Wind Two, LLC**

**Prepared by**

**Randy McDowell, RTSBA**

**School Financial Consultant**

**&**

**Neal Brown**

**School Finance Specialist, Region 16 ESC**

# **Adrian ISD Financial Impact of Chapter 313 Agreement**

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## **Summary of Adrian ISD Financial Impact of the Limited Appraised Value Application from Spinning Spur Wind Two, LLC**

### **Introduction**

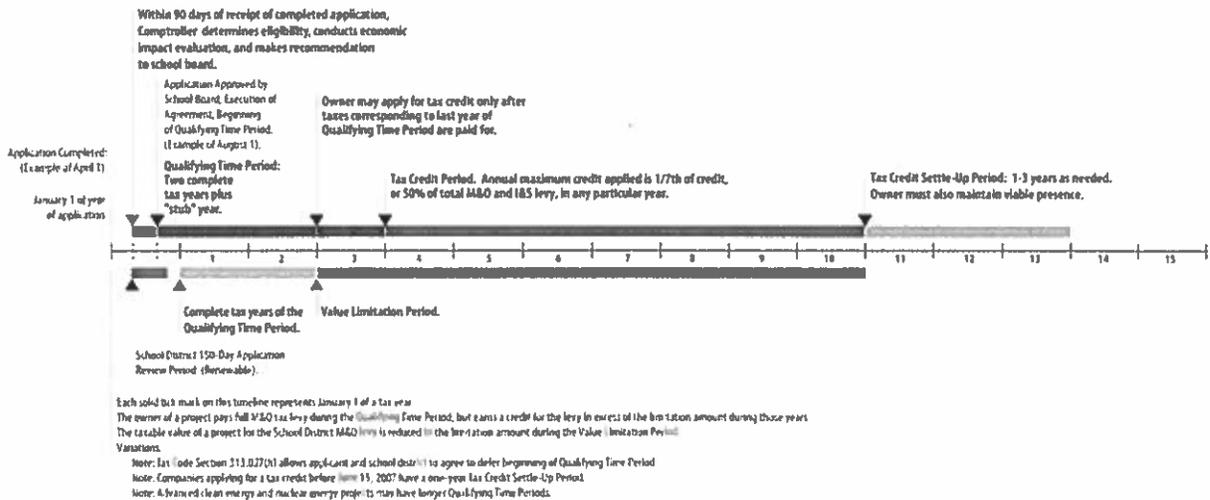
Spinning Spur Wind Two, LLC applied for a property value limitation from Adrian Independent School District under Chapter 313 of the Tax Code. The application was submitted on December 10, 2012 and subsequently approved for consideration by the Adrian ISD Board of Trustees. Spinning Spur Wind Two, LLC ("Spinning Spur"), 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.

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.

# Adrian 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. Adrian ISD is considered a Rural category 4 District as categorized with total taxable value of industrial property of at least \$100,000 but less than \$1 million, thus Adrian ISD has a

## Adrian ISD Financial Impact of Chapter 313 Agreement

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minimum qualified investment amount of \$5 million. A qualifying entity's taxable value would be reduced to \$5 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 Adrian 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 Spinning Spur" 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 \$5,000,000 minimum qualified investment of Adrian ISD.

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

Tax Year	Additional Value From Spinning Spur	Minimum Qualified Investment	Abated Value	Taxable Value
Jan. 1, 2014	49,113,000	n/a	0	49,113,000
Jan. 1, 2015	45,666,741	n/a	0	45,666,741
Jan. 1, 2016	44,037,663	(5,000,000)	39,037,663	5,000,000
Jan. 1, 2017	42,408,584	(5,000,000)	37,408,584	5,000,000
Jan. 1, 2018	40,779,506	(5,000,000)	35,779,506	5,000,000
Jan. 1, 2019	39,150,428	(5,000,000)	34,150,428	5,000,000
Jan. 1, 2020	37,521,350	(5,000,000)	32,521,350	5,000,000
Jan. 1, 2021	35,892,272	(5,000,000)	30,892,272	5,000,000
Jan. 1, 2022	34,263,193	(5,000,000)	29,263,193	5,000,000
Jan. 1, 2023	32,634,115	(5,000,000)	27,634,115	5,000,000
Jan. 1, 2024	31,005,037	n/a	0	31,005,037
Jan. 1, 2025	29,375,959	n/a	0	29,375,959
Jan. 1, 2026	27,746,880	n/a	0	27,746,880

## Adrian ISD Financial Impact of Chapter 313 Agreement

### Spinning Spur Wind's Tax Benefit from Agreement

The projected amount of the net tax savings for Spinning Spur is \$3.52 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	510,775	0	n/a	0	0
2015-2016	474,934	0	n/a	0	0
2016-2017	457,992	405,992	n/a	(134,772)	271,219
2017-2018	441,049	389,049	26,000	0	415,049
2018-2019	424,107	372,107	26,000	0	398,107
2019-2020	407,164	355,164	26,000	0	381,164
2020-2021	390,222	338,222	26,000	0	364,222
2021-2022	373,280	321,280	26,000	0	347,280
2022-2023	356,337	304,337	26,000	0	330,337
2023-2024	339,395	287,395	26,000	0	313,395
2024-2025	322,452	0	322,452	0	322,452
2025-2026	305,510	0	305,510	0	305,510
2026-2027	288,568	0	71,747	0	71,747
<b>Totals</b>	<b>5,091,785</b>	<b>2,773,546</b>	<b>881,709</b>	<b>(134,772)</b>	<b>3,520,483</b>

# Adrian ISD Financial Impact of Chapter 313 Agreement

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## Financial Impact Study

This Financial Impact Study was performed to determine the financial impact of the Limited Appraised Value Agreement on Adrian ISD. First, a thirteen year financial forecast was prepared to establish a baseline without the added values of the renewable energy electric generation 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 1% 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.

# Adrian 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 Spinning Spur (Table III), the addition of Spinning Spur's taxable values without a Chapter 313 Agreement (Table IV), and the addition of Spinning Spur's taxable values with a Chapter 313 Agreement (Table V).

**TABLE III – District Revenues *without* Spinning Spur Wind Two:**

Fiscal Year	M&O Taxes				Revenue		Total District Revenue
	Total Taxable Value	Compressed Rate	State Revenue	Recapture Amount	Tier I Revenue	Above Comp Rate	
2014-2015	46,986,872	454,220	927,394	0	1,381,614	114,873	1,496,487
2015-2016	47,456,539	458,762	919,698	0	1,378,460	114,993	1,493,453
2016-2017	47,931,104	463,350	911,964	0	1,375,314	114,706	1,490,020
2017-2018	48,410,415	467,983	904,192	0	1,372,176	114,419	1,486,595
2018-2019	48,894,519	472,863	896,382	0	1,369,045	114,133	1,483,178
2019-2020	49,383,464	477,390	888,533	0	1,365,922	113,848	1,479,770
2020-2021	49,877,299	482,164	880,644	0	1,362,808	113,563	1,476,371
2021-2022	50,376,072	486,985	872,715	0	1,359,701	113,279	1,472,980
2022-2023	50,879,833	491,855	864,746	0	1,356,601	112,996	1,469,597
2023-2024	51,388,631	496,774	856,736	0	1,353,510	112,713	1,466,223
2024-2025	51,902,517	501,742	848,684	0	1,350,426	112,432	1,462,858
2025-2026	52,421,543	506,759	840,591	0	1,347,350	112,151	1,459,501
2026-2027	52,945,758	511,827	832,455	0	1,344,282	111,870	1,456,152

## Adrian ISD Financial Impact of Chapter 313 Agreement

**TABLE IV- District Revenues with Spinning Spur Wind Two without Chapter 313 Agreement:**

Fiscal Year	Total Taxable Value	M&O Taxes			Recapture Amount	Tier I Revenue	Revenue	Total District Revenue
		Compressed Rate	State Revenue	Above Comp Rate				
2014-2015	96,099,672	928,996	908,618	0	1,837,614	234,944	2,072,558	
2015-2016	93,123,280	900,223	427,237	0	1,327,460	111,061	1,438,521	
2016-2017	91,968,767	889,062	453,252	0	1,342,314	112,547	1,454,861	
2017-2018	90,818,999	877,947	461,228	0	1,339,176	112,133	1,451,308	
2018-2019	89,674,025	866,879	469,166	0	1,336,045	111,720	1,447,765	
2019-2020	88,533,892	855,857	477,065	0	1,332,922	111,308	1,444,230	
2020-2021	87,398,649	844,883	484,925	0	1,329,808	110,997	1,440,805	
2021-2022	86,268,344	833,956	492,745	0	1,326,701	110,707	1,437,408	
2022-2023	85,143,026	823,078	500,524	0	1,323,601	110,418	1,434,019	
2023-2024	84,022,746	812,248	508,262	0	1,320,510	110,129	1,430,639	
2024-2025	82,907,554	801,467	515,959	0	1,317,426	109,841	1,427,267	
2025-2026	81,797,502	790,736	523,614	0	1,314,350	109,553	1,423,903	
2026-2027	80,692,638	780,056	531,226	0	1,311,282	109,266	1,420,548	

**TABLE V – District Revenues with Spinning Spur Wind Two with Chapter 313 Agreement:**

Fiscal Year	Total Taxable Value	M&O Taxes			Recapture Amount	Tier I Revenue	Revenue	Payment	Total District Revenue
		Taxes Comp Rate	State Revenue	Above Comp Rate			for District Losses		
2014-2015	96,099,672	928,996	908,618	0	1,837,614	234,944	0	2,072,558	
2015-2016	93,123,280	900,223	427,237	0	1,327,460	111,061	0	1,438,521	
2016-2017	52,931,104	511,685	743,629	0	1,255,314	64,775	134,772	1,454,861	
2017-2018	53,410,415	516,318	822,857	0	1,339,176	114,312	0	1,453,488	
2018-2019	53,894,519	520,988	815,047	0	1,336,045	114,027	0	1,450,072	
2019-2020	54,383,464	525,725	807,198	0	1,332,922	113,743	0	1,446,666	
2020-2021	54,877,299	530,499	799,309	0	1,329,808	113,460	0	1,443,267	
2021-2022	55,376,072	535,320	791,380	0	1,326,701	113,177	0	1,439,878	
2022-2023	55,879,833	540,190	783,411	0	1,323,601	112,895	0	1,436,496	
2023-2024	56,388,631	545,109	775,401	0	1,320,510	112,614	0	1,433,123	
2024-2025	82,907,554	801,467	515,959	0	1,317,426	163,870	0	1,481,096	
2025-2026	81,797,502	790,736	523,614	0	1,314,350	109,553	0	1,423,903	
2026-2027	80,692,638	780,056	531,226	0	1,311,282	109,266	0	1,420,548	

# Adrian ISD Financial Impact of Chapter 313 Agreement

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## Current School Finance Law

A major overhaul of the school finance formulas was implemented as a result of House Bill 1 of the 79<sup>th</sup> 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.

## Adrian ISD Financial Impact of Chapter 313 Agreement

### Payments in Lieu of Taxes

Assuming that the District and Spinning Spur Wind Two, LLC mutually agree in the LAVA that \$100 per student in average daily attendance (ADA) will be paid to Adrian ISD by Spinning Spur, the projected amount of these payments over the life of the agreement is \$161,834 of the \$3.52 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	Adrian ISD Share \$100/ADA	Spinning Spur Wind Share
2014-2015	0	12,637	(12,637)
2015-2016	0	12,605	(12,605)
2016-2017	271,219	12,573	258,646
2017-2018	415,049	12,542	402,507
2018-2019	398,107	12,511	385,596
2019-2020	381,164	12,479	368,685
2020-2021	364,222	12,448	351,774
2021-2022	347,280	12,417	334,863
2022-2023	330,337	12,386	317,951
2023-2024	313,395	12,355	301,040
2024-2025	322,452	12,324	310,128
2025-2026	305,510	12,293	293,217
2026-2027	71,747	12,263	59,484
Totals	3,520,483	161,834	3,358,649

# Adrian ISD Financial Impact of Chapter 313 Agreement

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## 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
Pre-K thru 5	7	154	134	20
6-12	9	180	83	97
<b>Total</b>	<b>16</b>	<b>334</b>	<b>217</b>	<b>117</b>

The building capacities are based on 22 students per classroom for the elementary campuses, 20 students for the Jr. High and high school. Adrian ISD is a pre-kindergarten through 12<sup>th</sup> grade district.

Spinning Spur Wind Two, 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 full-time employees are expected. It is not known whether these would be new employees to the Adrian 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 minimal projected student growth can easily be accommodated with the current facilities of Adrian ISD as displayed in Table VII above.

# Adrian ISD Financial Impact of Chapter 313 Agreement

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## Conclusion

This Financial Impact Study displays that entering into a Limited Appraised Value Agreement with Spinning Spur Wind Two, LLC, would be beneficial to both Spinning Spur and Adrian ISD under the current school finance system.

Spinning Spur Wind Two, LLC 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, Spinning Spur is projected to benefit from a 71% tax savings over the thirteen year period of this agreement. Spinning Spur 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.

Adrian ISD would also have no inherent risk under the current school finance system and with the provisions in the LAVA that require Spinning Spur 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

## Oldham County

### Population

- Total county population in 2010 for Oldham County: 2,119 , up 0.4 percent from 2009. State population increased 1.8 percent in the same time period.
- Oldham County was the state's 235st largest county in population in 2010 and the 161st fastest growing county from 2009 to 2010.
- Oldham County's population in 2009 was 79.4 percent Anglo (above the state average of 46.7 percent), 3.6 percent African-American (below the state average of 11.3 percent) and 14.4 percent Hispanic (below the state average of 36.9 percent).
- 2009 population of the largest cities and places in Oldham County:

Vega:	896	Adrian:	154
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### Economy and Income

#### *Employment*

- September 2011 total employment in Oldham County: 890 , up 1.3 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 Oldham County unemployment rate: 6.0 percent, unchanged from 6.0 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*

- Oldham County's ranking in per capita personal income in 2009: 195th with an average per capita income of \$29,139, down 9.0 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 Oldham County averaged \$70.46 million annually from 2007 to 2010. County total agricultural values in 2010 were up 14.5 percent from 2009. Major agriculture related commodities in Oldham County during 2010 included:
 

• Hay	• Sorghum	• Wheat	• Other Beef	• Fed Beef
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- 2011 oil and gas production in Oldham County: 107,560.0 barrels of oil and 97,087.0 Mcf of gas. In September 2011, there were 22 producing oil wells and 7 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 Oldham County during the fourth quarter 2010: \$2.19 million, up 90.5 percent from the same quarter in 2009.
- Taxable sales during the fourth quarter 2010 in the city of:

Vega:	\$721,611.00, up 13.6 percent from the same quarter in 2009.
Adrian:	\$91,828.00, down 18.5 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 Oldham County through the fourth quarter of 2010: \$6.17 million, up 26.9 percent from the same period in 2009.
- Taxable sales through the fourth quarter of 2010 in the city of:

Vega:	\$2.73 million, up 10.6 percent from the same period in 2009.
Adrian:	\$468,723.00, down 7.7 percent from the same period in 2009.

##### *Annual (2010)*

- Taxable sales in Oldham County during 2010: \$6.17 million, up 26.9 percent from 2009.
- Oldham County sent an estimated \$385,336.88 (or 0.00 percent of Texas' taxable sales) in state sales taxes to the state treasury in 2010.
- Taxable sales during 2010 in the city of:
 

Vega:	\$2.73 million, up 10.6 percent from 2009.
Adrian:	\$468,723.00, down 7.7 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 Oldham County based on the sales activity month of August 2011: \$4,791.50, down 12.7 percent from August 2010.
- Payment based on the sales activity month of August 2011 to the city of:
 

Vega:	\$4,258.76, up 5.5 percent from August 2010.
Adrian:	\$532.74, down 63.4 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 Oldham County based on sales activity months from September 2010 through August 2011: \$61,896.45, up 12.4 percent from fiscal 2010.
- Payments based on sales activity months from September 2010 through August 2011 to the city of:
 

Vega:	\$54,346.25, up 17.5 percent from fiscal 2010.
Adrian:	\$7,550.20, down 14.0 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 Oldham County based on sales activity months through August 2011: \$40,414.75, up 5.7 percent from the same period in 2010.
- Payments based on sales activity months through August 2011 to the city of:
 

Vega:	\$36,541.16, up 14.8 percent from the same period in 2010.
Adrian:	\$3,873.59, down 39.3 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 Oldham County based on sales activity in the 12 months ending in August 2011: \$61,896.45, up 12.4 percent from the previous 12-month period.
- Payments based on sales activity in the 12 months ending in August 2011 to the city of:
 

Vega:	\$54,346.25, up 17.5 percent from the previous 12-month period.
Adrian:	\$7,550.20, down 14.0 percent from the previous 12-month period.

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

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

Vega:	\$45,098.01, up 16.7 percent from the same period in 2010.
Adrian:	\$5,106.45, down 30.7 percent from the same period in 2010.

### Annual (2010)

- Statewide payments based on sales activity months in 2010: \$5.77 billion, up 3.3 percent from 2009.
- Payments to all cities in Oldham County based on sales activity months in 2010: \$59,703.71, up 13.0 percent from 2009.
- Payment based on sales activity months in 2010 to the city of:
 

Vega:	\$49,647.33, up 12.6 percent from 2009.
Adrian:	\$10,056.38, up 15.0 percent from 2009.

## Property Tax

- As of January 2009, property values in Oldham County: \$531.59 million, up 10.8 percent from January 2008 values. The property tax base per person in Oldham County is \$250,988, above the statewide average of \$85,809. About 9.7 percent of the property tax base is derived from oil, gas and minerals.

## State Expenditures

- Oldham County's ranking in state expenditures by county in fiscal year 2010: 224th. State expenditures in the county for FY2010: \$10.59 million, down 0.5 percent from FY2009.
- In Oldham County, 5 state agencies provide a total of 23 jobs and \$196,945.00 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
- Department of Family and Protective Services

### **Higher Education**

■ Community colleges in Oldham County fall 2010 enrollment:

- None.

■ Oldham 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 Oldham County fall 2010 enrollment:

- None.

### **School Districts**

■ Oldham County had 4 school districts with 8 schools and 808 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.)

- Adrian ISD had 131 students in the 2009-10 school year. The average teacher salary was \$42,610. The percentage of students meeting the 2010 TAKS passing standard for all tests was 80 percent.
- Boys Ranch ISD had 289 students in the 2009-10 school year. The average teacher salary was \$47,687. The percentage of students meeting the 2010 TAKS passing standard for all tests was 54 percent.
- Vega ISD had 289 students in the 2009-10 school year. The average teacher salary was \$44,317. The percentage of students meeting the 2010 TAKS passing standard for all tests was 84 percent.
- Wildorado ISD had 99 students in the 2009-10 school year. The average teacher salary was \$39,737. The percentage of students meeting the 2010 TAKS passing standard for all tests was 87 percent.