

A Report of the Economic Impact of Mtech in Pflugerville, Texas

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Prepared for:

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A Report of the Projected Economic Impact from Mtech

Introduction

This report presents the results of an economic impact analysis performed by Impact DataSource, Austin, Texas. The analysis was to determine the impact that Mtech's facility will have on the economy of the Pflugerville, Texas area and the costs and benefits for local taxing districts over the first ten years.

Description of the Facility

Mtech, a commercial heating, heating, ventilation, and air conditioning (HVAC), plumbing and electrical construction, service and maintenance company, plans a facility in Pflugerville.

The company plans to invest \$3.2 million to construct a building. In addition, it is expected that the company will have an estimated \$1 million in furniture, fixtures and equipment and an estimated \$250,000 in taxable inventories.

The firm plans to have 178 workers with average annual salaries plus medical benefits of \$46,000.

How the facility will impact the economy of the area is discussed next.

The Estimated Economic Impact of the Facility over the First Ten Years

The facility will have the following economic impact on the Pflugerville area over the first ten years:

Economic Impact over the First Ten Years	
Total number of permanent direct and indirect jobs to be created	283
Number of direct and indirect workers who move to the city	23
Number of residents that the facility will bring to the city	68
Number of new residential properties to be built in the city	5
Number of new students for Pflugerville ISD	15
Salaries to be created for direct and indirect workers	\$142,801,212
Taxable sales and purchases created in the City	\$19,095,909
The value of residential property to be built for direct and indirect workers who move to the city	\$953,684
The facility's assets that will be added to local tax rolls	\$4,200,000

How this economic activity translates into additional costs and benefits for local taxing districts is discussed next.

Costs and Benefits for Local Taxing Districts over the First Ten Years

Local taxing districts can expect costs and benefits over the first ten years from the facility, as scheduled below, beginning with the additional revenues to be received.

Additional Revenues for Local Taxing Districts

Local taxing districts can expect to receive the following revenues over the first 10 years from the facility, its employees and workers in indirect jobs created in the community.

Additional Revenues For Local Taxing Districts Over the First Ten Years of the Facility's Operation					
	Sales Taxes	Property Taxes	Utilities	Utility Franchise Fees	Building Permits and Fees
City of Pflugerville	\$286,439	\$295,390	\$605,493	\$22,456	\$32,000
Travis County	\$0	\$248,695			
Pflugerville ISD		\$765,826			
Travis County Healthcare District		\$39,236			
Travis County ESD No. 2	\$95,480	\$49,729			
Total	\$381,918	\$1,398,876	\$605,493	\$22,456	\$32,000

	Hotel Occupancy Taxes	Other Taxes and User Fees	Additional State and Federal School Funding	Profit on Sale of Land	Total Additional Revenues
City of Pflugerville	\$0	\$49,931		\$0	\$1,291,709
Travis County		\$12,483			\$261,177
Pflugerville ISD			\$764,526		\$1,530,352
Travis County Healthcare District					\$39,236
Travis County ESD No. 2					\$145,209
Total	\$0	\$62,413	\$764,526	\$0	\$3,267,684

Additional Costs for Local Taxing Districts

Local taxing districts will incur the following costs over the first 10 years, as a result of the facility and direct and indirect employees.

Costs for Local Taxing Districts Over the First 10 Years of the Facility's Operation					
	Costs of Services to New Residents	Costs of Providing Monthly Utility Services	Costs of Educating New Students	Reduction in State School Funding as a Result of Property being Added to Local Tax Rolls	Total
City of Pflugerville	\$68,655	\$575,219			\$643,874
Travis County	\$24,965				\$24,965
Pflugerville ISD			\$722,052	\$687,519	\$1,409,572
Travis County Healthcare District					\$0
Travis County ESD No. 2					\$0
Total	\$93,620	\$575,219	\$722,052	\$687,519	\$2,078,411

Additional Net Benefits

The additional public benefits less additional public costs will result in the following net benefits for the City, County and other local taxing districts over the first ten years of the facility's operation:

Net Benefits for Local Taxing Districts Over the First 10 Years of the Facility's Operation			
	Benefits	Costs	Net Benefits
City of Pflugerville	\$1,291,709	\$643,874	\$647,836
Travis County	\$261,177	\$24,965	\$236,212
Pflugerville ISD	\$1,530,352	\$1,409,572	\$120,781
Travis County Healthcare District	\$39,236	\$0	\$39,236
Travis County ESD No. 2	\$145,209	\$0	\$145,209
Total	\$3,267,684	\$2,078,411	\$1,189,273

Discounted Cash Flow for Local Taxing Districts

The discounted cash flow over the first ten years for each local taxing district from the facility is as follows:

Discounted Cash Flow Over the First Ten Years	
City of Pflugerville	\$491,978
Travis County	\$177,788
Pflugerville ISD	\$105,093
Travis County Healthcare District	\$29,521
Travis County Emergency Services District No. 2	\$108,835
Total	\$913,215

The above discounted cash flow or present value of net benefits is a way of expressing in today's dollars, dollars to be paid or received in the future. Today's dollar and a dollar to be received or paid at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or each taxing entity's discount rate. This analysis uses a discount rate of 6% to make the dollars comparable -- by expressing them in today's dollars or in present value.

Net Benefits to be Received by the City from (1) the Facility and (2) Workers

The City of Pflugerville will receive benefits from spending and investments by the facility and from spending by workers. These benefits, over the first ten years, are shown below for these two categories.

Schedule of Benefits for the City from the Facility and From Workers			
	<u>Benefits from:</u>		Total Benefits
	The Facility	Workers	
Additional revenues:			
Sales taxes	\$125,787	\$160,651	\$286,439
Property taxes	\$243,487	\$51,903	\$295,390
Utility revenues	\$290,930	\$314,564	\$605,493
Utility franchise fees	\$11,008	\$11,448	\$22,456
Hotel occupancy taxes	\$0		\$0
Other taxes and user fees		\$49,931	\$49,931
Building permits and fees	\$32,000		\$32,000
Total additional revenues	\$703,212	\$588,497	\$1,291,709
Additional costs:			
Costs of providing utilities	\$276,383	\$298,835	\$575,219
Costs of providing municipal services for new residents		\$68,655	\$68,655
Total additional costs	\$276,383	\$367,490	\$643,874
Net benefits	\$426,829	\$221,007	\$647,836
Percent of total net benefits for the City	66%	34%	

An analysis of possible incentives that the City/Pflugerville Community Development Corporation may consider for the facility is next.

Analysis of Possible Incentives for the Facility

The City/PCDC is considering the following financial incentives for the firm:

Incentives Being Considered for the Firm	
Pay \$2,000 for each of the 178 jobs -- to be paid quarterly at \$89,000 per quarter	\$356,000
Total cost of incentives	\$356,000

Financial incentives that may be offered the facility may be considered as investments that the City/PCDC is making in the facility.

Four calculations analyzing possible investments were made -- net benefits, discounted cash flow, rate of return on investment and payback period. Net benefits and discounted cash flow for the City are scheduled above. Rate of return on investment and payback period are discussed and scheduled below.

Rate of return on investment is the City's average annual rate of return from additional revenues that the City will receive on the investment of incentives that the City/PCDC may make in the facility. Payback period is the number of years that it will take the City to recover the costs of incentives from the additional revenues that it will receive from the facility.

Average annual rates of return on investment each year over the first ten years and payback periods for possible levels of incentives are shown below.

Rates of Return and Payback Periods Possible City Incentives		
Incentives	Annual Rate or Return	Payback Period (In years)
\$356,000	18.2%	5.5

Discussion of State Aid for the School District

According to the Texas Education Agency, any property added to local tax rolls reduces funding from the state – dollar for dollar. However, it takes a year for this to affect. Therefore, the analysis shows that the school district keeps or benefits from the first year's property taxes but state funding in subsequent years is reduced by the amount of local property taxes collected from the facility. However, according to the Texas Education Agency, the school district will receive state aid for each new child that moves to the District. The additional revenues for the school district are calculated in this analysis.

Conduct of the Analysis

This analysis was conducted by Impact DataSource using data, rates and information supplied PCDC. In addition, Impact DataSource used certain estimates and assumptions.

Using this data, the economic impact from the facility and the costs and benefits for the City of Pflugerville, Travis County, Pflugerville ISD, Travis County Healthcare District, and Travis County Emergency Services No. 2 were calculated for a ten year period.

In addition to the direct economic impact of the facility and its employees, spin-off or indirect and induced benefits were also calculated. Indirect jobs and salaries are created in new or existing area firms, such as maintenance companies and service firms, that may supply goods and services to the facility. In addition, induced jobs and salaries are created in new or existing local businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to new workers and their families.

To estimate the indirect and induced economic impact of the facility and its employees on the Pflugerville area, regional economic multipliers were used. Regional economic multipliers for Texas and areas of the state are included in the US Department of Commerce's Regional Input-Output Modeling System (RIMS II).

Two types of regional economic multipliers were used in this analysis: an employment multiplier and an earnings multiplier.

An employment multiplier was used to estimate the number of indirect and induced jobs created and supported in the Pflugerville area. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs. The multipliers show the estimated number of indirect and induced jobs created for every one direct job at the facility and the amount of salaries paid to these workers for every dollar paid to a direct worker at the facility. The multipliers used in this analysis are below:

Employment multiplier	0.5899
Earnings multiplier	0.5567

About Impact DataSource

Impact DataSource is a nineteen-year-old Austin economic consulting, research and analysis firm. The firm has conducted economic impact analyses of numerous projects in Texas and 25 other states. In addition, the firm has developed economic impact analysis computer programs for several clients, including the New Mexico Economic Development Department.

The firm's principal, Jerry Walker, performed this economic impact analysis. He is an economist and has Bachelor of Science and Master of Business Administration degrees in accounting and economics from Nicholls State University, Thibodaux, Louisiana.

Data used in the analysis, along with schedules of the results of calculations, are on the following pages.

Data and Rates Used in this Analysis

Local Tax Rates:

City of Pflugerville and economic development sales tax rate 1.5%
 Travis County Emergency Services District No. 2 sales tax rate 0.5%

City of Pflugerville hotel occupancy tax rate 0%

Property tax rates, per \$100 of valuation:

City of Pflugerville	\$0.59400
Travis County	\$0.50010
Pflugerville ISD	\$1.54000
Travis County Healthcare District	\$0.07890
Travis County Emergency Services District No. 2	\$0.10000

Some City Rates:

Annual marginal cost of providing municipal services, excluding utilities, to each new household \$275

Estimated annual other taxes and user fees to be collected by the city from each new household -- those revenues that are in addition to sales and property taxes, utilities and utility franchise fees \$200

Annual increase expected in the city's other revenues and marginal costs 2%

The city's estimated annual water, wastewater and garbage collection billings per household \$1,260

Utility Service	Estimated Monthly Billing	Estimated Annual Billing (Monthly billing x 12)
Water	\$40	\$480
Wastewater	\$40	\$480
Solid waste	\$25	\$300

The city's cost of providing water, wastewater and solid waste services, as a percent of utility billings 95%

Annual increase expected in city-owned utility billings 2%

The city's utility franchise fee percentages:

Electricity	\$0.002709 per kWh
Estimated electricity percentage based on flat rate	2%
Natural gas	2%
Cable	3%
Telephone monthly line access charge:	
Residential	\$0.28
Non-residential	\$0.28

Annual utility franchise fees collected from utility providers for each household in the city as detailed below: \$43.80

Utility Service	Estimated Monthly Billing	Utility Franchise Fee Percentage	Monthly Utility Franchise Fee Collections	Estimated Annual Utility Franchise Fee Collections (Monthly collections x 12)
Electricity	\$65	2%	\$1.30	\$15.60
Natural gas	\$40	2%	\$0.80	\$9.60
Cable	\$40	3%	\$1.20	\$14.40
Telephone	1.25 lines	\$0.28	\$0.35	\$4.20

Some County Rates:

Annual marginal cost of providing county services to each new household	\$100
Annual miscellaneous taxes and user fees to be collected from each new household, those county revenues other than property and sales taxes	\$50
Annual increase expected in other county revenues and marginal costs	2%

Some School District Rates:

Estimated annual state, federal and other funding received by the district for each child enrolled	\$4,500
Average annual cost of providing services to each child in the district	\$8,500
Average annual cost for each new child, as a percent of average annual cost	50%
Annual marginal cost of providing services to each new child	\$4,250

Other Community Rates:

Expected inflation rate over the next ten years	3.0%
Discount rate used in analysis to compute discounted cash flows	6%
Percent of a typical worker's salary that will be spent on taxable goods and services	30%
Average taxable value of a new single family residence in the community that will be built for some individuals moving to the city	\$175,000
Percent annual increase in the taxable value of residential property on local tax rolls over the next ten years	2%

Depreciation rates for business personal property:

Year 1	93%
Year 2	87%
Year 3	80%
Year 4	73%
Year 5	67%
Year 6	60%
Year 7	53%
Year 8	47%
Year 9	40%
Year 10	33%
Year 11	27%
Year 12	20%

The Facility's Investments, Assets and Construction:

Value on property to be added to local tax rolls:

	Land improvements	Buildings and Other Real Property	Business Personal Property	Total
Year 1	\$0	3,200,000	\$1,000,000	\$4,200,000
Year 2	\$0	\$0	\$0	\$0
Year 3	\$0	\$0	\$0	\$0
Year 4	\$0	\$0	\$0	\$0
Year 5	\$0	\$0	\$0	\$0
Year 6	\$0	\$0	\$0	\$0
Year 7	\$0	\$0	\$0	\$0
Year 8	\$0	\$0	\$0	\$0
Year 9	\$0	\$0	\$0	\$0
Year 10	\$0	\$0	\$0	\$0
Total	\$0	\$3,200,000	\$1,000,000	\$4,200,000

Spending During Construction:

Estimated spending for construction of real property improvements:

Year 1	\$3,200,000
Year 2	\$0
Year 3	\$0
Year 4	\$0
Year 5	\$0
Year 6	\$0
Year 7	\$0
Year 8	\$0
Year 9	\$0
Year 10	\$0

Percent of construction costs for:

Materials	60%
Labor	40%

Estimated percent of construction materials that will be purchased in the city and be subject to sales tax 20%

Percent of taxable spending by construction workers that will be in the city 25%

Estimated percent of furniture, fixtures and equipment that will be purchased in the city and be subject to sales tax 4%

Development and building permits and fees to be paid to the city:

Year 1	\$32,000
Year 2	\$0
Year 3	\$0
Year 4	\$0
Year 5	\$0
Year 6	\$0
Year 7	\$0
Year 8	\$0
Year 9	\$0
Year 10	\$0

Activities During the Facility's Operations:

The facility's taxable sales subject to sales tax in the city:

Year 1	\$400,000
Year 2	\$420,000
Year 3	\$441,000
Year 4	\$463,050
Year 5	\$486,203
Year 6	\$510,513
Year 7	\$536,038
Year 8	\$562,840
Year 9	\$590,982
Year 10	\$620,531

Expected annual increase in taxable sales 5%

Estimated annual utilities at the facility:

	Water	Wastewater	Solid Waste	Electricity	Natural Gas	Cable	Telephone
Year 1	\$2,400	\$2,400	\$18,000	\$42,000	\$0	\$600	\$36,000
Year 2	\$2,496	\$2,496	\$18,720	\$43,680	\$0	\$624	\$37,440
Year 3	\$2,596	\$2,596	\$19,469	\$45,427	\$0	\$649	\$38,938
Year 4	\$2,700	\$2,700	\$20,248	\$47,244	\$0	\$675	\$40,495
Year 5	\$5,399	\$2,808	\$21,057	\$49,134	\$0	\$1,350	\$42,115
Year 6	\$5,615	\$2,920	\$21,900	\$51,099	\$0	\$1,404	\$43,800
Year 7	\$5,840	\$3,037	\$22,776	\$53,143	\$0	\$1,460	\$45,551
Year 8	\$6,074	\$3,158	\$23,687	\$55,269	\$0	\$1,518	\$47,374
Year 9	\$6,316	\$3,285	\$24,634	\$57,480	\$0	\$1,579	\$49,268
Year 10	\$6,569	\$3,416	\$25,620	\$59,779	\$0	\$1,642	\$51,239
Annual increase	4%	4%	4%	4%	4%	4%	4%

Estimated number of telephone lines at the facility 15

The facility's estimated local taxable purchases of materials, supplies and services for its operations:

	Total	Taxable 100%
Year 1	\$150,000	\$150,000
Year 2	\$157,500	\$157,500
Year 3	\$165,375	\$165,375
Year 4	\$173,644	\$173,644
Year 5	\$182,326	\$182,326
Year 6	\$191,442	\$191,442
Year 7	\$201,014	\$201,014
Year 8	\$211,065	\$211,065
Year 9	\$221,618	\$221,618
Year 10	\$232,699	\$232,699

Expected annual increase in taxable purchases after year 5 5%

The facility's total taxable purchases and taxable utilities:

	Taxable Purchases of Supplies, Materials and Services	Utilities Subject to Sales Tax			Total
		Utilities Subject to Sales Tax	Percent Taxable	Taxable Utilities	
Year 1	\$150,000	\$78,600	100%	\$78,600	\$228,600
Year 2	\$157,500	\$81,744	100%	\$81,744	\$239,244
Year 3	\$165,375	\$85,014	100%	\$85,014	\$250,389
Year 4	\$173,644	\$88,414	100%	\$88,414	\$262,058
Year 5	\$182,326	\$92,599	100%	\$92,599	\$274,925
Year 6	\$191,442	\$96,303	100%	\$96,303	\$287,745
Year 7	\$201,014	\$100,155	100%	\$100,155	\$301,169
Year 8	\$211,065	\$104,161	100%	\$104,161	\$315,226
Year 9	\$221,618	\$108,328	100%	\$108,328	\$329,946
Year 10	\$232,699	\$112,661	100%	\$112,661	\$345,360

Number of transferred workers and new jobs to be created at the facility each year:

	Full-Time	Part-Time	FTE for Part-Time Workers	Total FTE Jobs
Year 1	178	0	0	178
Year 2				-
Year 3				-
Year 4				-
Year 5				-
Year 6				
Year 7				
Year 8				
Year 9				
Year 10				
Total				178

Number of workers who may move to the community:

Estimated percent of total workers who may move to the city	10%
Year 1	18
Year 2	0
Year 3	0
Year 4	0
Year 5	0
Year 6	0
Year 7	0
Year 8	0
Year 9	0
Year 10	0
Total	18

Average annual salaries of workers at the facility in the first year \$46,000

Percent of expected increase in employee salaries after year 1 2.5%

Multipliers for calculating the number of indirect and induced jobs and earnings in the area:

Earnings	0.5567
Employment	0.5899

This cost-benefit analysis uses the above multipliers to project the indirect and induced benefits in the community as a result of the direct economic activity. The employment multiplier shows the number of spin-off jobs what will be created from each direct job. Similarly, the earnings multiplier estimates the salaries and wages to be paid to workers in these spin-off jobs for each \$1 paid to direct workers.

Percent employees to be hired in spin-off jobs created at the facility who will move to the city to take a job 5%

Percent of workers who move to the community that will buy a new home or require that new residential property be built for them 20%

The number of people in a typical worker's household 3

The number of school children in a typical worker's household 0.65

Percent of retail shopping by a typical worker in the city 25%

Schedules Showing the Results of Economic Impact Calculations

Number of local jobs added each year and worker salaries to be paid:

Year	Direct Jobs	Indirect Jobs	Total Jobs	Direct Salaries	Indirect Salaries	Total Salaries
1	178	105	283	\$8,188,000	\$4,558,260	\$12,746,260
2	0	0	0	\$8,392,700	\$4,672,216	\$13,064,916
3	0	0	0	\$8,602,518	\$4,789,021	\$13,391,539
4	0	0	0	\$8,817,580	\$4,908,747	\$13,726,327
5	0	0	0	\$9,038,020	\$5,031,466	\$14,069,486
6	0	0	0	\$9,263,970	\$5,157,252	\$14,421,223
7	0	0	0	\$9,495,570	\$5,286,184	\$14,781,753
8	0	0	0	\$9,732,959	\$5,418,338	\$15,151,297
9	0	0	0	\$9,976,283	\$5,553,797	\$15,530,080
10	0	0	0	\$10,225,690	\$5,692,642	\$15,918,332
Total	178	105	283	\$91,733,290	\$51,067,922	\$142,801,212

Number of direct and indirect workers and their families who will move to the area and their children who will attend local public schools:

Year	New Workers Moving to the Area	Total New Residents	Total New Students
1	23	68	15
2	0	0	0
3	0	0	0
4	0	0	0
5	0	0	0
6	0	0	0
7	0	0	0
8	0	0	0
9	0	0	0
10	0	0	0
Total	23	68	15

Number of new residential properties that may be built in the city for direct and indirect workers who will move to the community:

Year	New Residential Properties
1	5
2	0
3	0
4	0
5	0
6	0
7	0
8	0
9	0
10	0
Total	5

Local taxable spending on which sales taxes will be collected:

Year	Local Construction Workers' Spending and Furniture, Fixtures and Equipment	Direct and Indirect Workers' Spending	Visitors' Spending	Taxable Sales at the Facility	The Facility's Local Purchases and Taxable Utilities	Total
1	\$520,000	\$955,969	\$0	\$400,000	\$228,600	\$2,104,569
2	\$0	\$979,869	\$0	\$420,000	\$239,244	\$1,639,113
3	\$0	\$1,004,365	\$0	\$441,000	\$250,389	\$1,695,754
4	\$0	\$1,029,475	\$0	\$463,050	\$262,058	\$1,754,583
5	\$0	\$1,055,211	\$0	\$486,203	\$274,925	\$1,816,339
6	\$0	\$1,081,592	\$0	\$510,513	\$287,745	\$1,879,849
7	\$0	\$1,108,632	\$0	\$536,038	\$301,169	\$1,945,839
8	\$0	\$1,136,347	\$0	\$562,840	\$315,226	\$2,014,414
9	\$0	\$1,164,756	\$0	\$590,982	\$329,946	\$2,085,684
10	\$0	\$1,193,875	\$0	\$620,531	\$345,360	\$2,159,766
Total	\$520,000	\$10,710,091	\$0	\$5,031,157	\$2,834,662	\$19,095,909

Local spending by visitors on lodging by out-of-town visitors:

Year	Spending on Lodging
1	\$0
2	\$0
3	\$0
4	\$0
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0
Total	\$0

Taxable value of new residential property built for direct and indirect workers who move to the community and the value of the facility's property on local tax rolls:

Year	New Residential Property	Value of Property at the Facility on Local Tax Rolls	Total Taxable Property
1	\$798,000	\$4,130,000	\$4,928,000
2	\$813,960	\$4,073,100	\$4,887,060
3	\$830,239	\$4,073,280	\$4,903,519
4	\$846,844	\$4,074,766	\$4,921,610
5	\$863,781	\$4,086,883	\$4,950,664
6	\$881,056	\$4,091,059	\$4,972,115
7	\$898,678	\$4,096,620	\$4,995,297
8	\$916,651	\$4,112,894	\$5,029,545
9	\$934,984	\$4,121,310	\$5,056,294
10	\$953,684	\$4,131,196	\$5,084,880

Schedules Showing the Results of Costs and Benefits Calculations

Costs and Benefits for the City of Pflugerville:

Benefits:

Sales tax collections:

Year	During Construction and Purchases of Furniture, Fixtures and Equipment	On Direct and Indirect Workers' Spending	On Visitors' Spending	Taxable Sales at the Facility	The Facility's Local Purchases and Taxable Utilities	Total
1	\$7,800	\$14,340	\$0	\$6,000	\$3,429	\$31,569
2	\$0	\$14,698	\$0	\$6,300	\$3,589	\$24,587
3	\$0	\$15,065	\$0	\$6,615	\$3,756	\$25,436
4	\$0	\$15,442	\$0	\$6,946	\$3,931	\$26,319
5	\$0	\$15,828	\$0	\$7,293	\$4,124	\$27,245
6	\$0	\$16,224	\$0	\$7,658	\$4,316	\$28,198
7	\$0	\$16,629	\$0	\$8,041	\$4,518	\$29,188
8	\$0	\$17,045	\$0	\$8,443	\$4,728	\$30,216
9	\$0	\$17,471	\$0	\$8,865	\$4,949	\$31,285
10	\$0	\$17,908	\$0	\$9,308	\$5,180	\$32,396
Total	\$7,800	\$160,651	\$0	\$75,467	\$42,520	\$286,439

Property tax collections on:

Year	New Residential Property	Property at the Facility			Total
		Taxes Collected	Taxes Abated	Total Taxes After Abatement	
1	\$4,740	\$24,532	\$0	\$24,532	\$29,272
2	\$4,835	\$24,194	\$0	\$24,194	\$29,029
3	\$4,932	\$24,195	\$0	\$24,195	\$29,127
4	\$5,030	\$24,204	\$0	\$24,204	\$29,234
5	\$5,131	\$24,276	\$0	\$24,276	\$29,407
6	\$5,233	\$24,301	\$0	\$24,301	\$29,534
7	\$5,338	\$24,334	\$0	\$24,334	\$29,672
8	\$5,445	\$24,431	\$0	\$24,431	\$29,875
9	\$5,554	\$24,481	\$0	\$24,481	\$30,034
10	\$5,665	\$24,539	\$0	\$24,539	\$30,204
Total	\$51,903	\$243,487	\$0	\$243,487	\$295,390

Costs and benefits for the City of Pflugerville - Continued

Utilities and utility franchise fees collected by the city from new residents and from the facility:

Year	Utilities	Utility Franchise Fees	Total
1	\$51,528	\$1,907	\$53,435
2	\$53,015	\$1,973	\$54,987
3	\$54,549	\$2,041	\$56,590
4	\$56,133	\$2,111	\$58,245
5	\$60,361	\$2,204	\$62,564
6	\$62,153	\$2,280	\$64,433
7	\$64,005	\$2,359	\$66,364
8	\$65,918	\$2,441	\$68,359
9	\$67,895	\$2,526	\$70,421
10	\$69,937	\$2,614	\$72,551
Total	\$605,493	\$22,456	\$627,950

Other city revenues, including hotel occupancy taxes, other taxes and user fees collected from new residents and building permits on construction at the facility:

Year	Hotel Occupancy Taxes	Other Taxes and User Fees	Building Permits and Fees	Profit on Sale of Land	Total Other Revenues
1	\$0	\$4,560	\$32,000	\$0	\$36,560
2	\$0	\$4,651	\$0	\$0	\$4,651
3	\$0	\$4,744	\$0	\$0	\$4,744
4	\$0	\$4,839	\$0	\$0	\$4,839
5	\$0	\$4,936	\$0	\$0	\$4,936
6	\$0	\$5,035	\$0	\$0	\$5,035
7	\$0	\$5,135	\$0	\$0	\$5,135
8	\$0	\$5,238	\$0	\$0	\$5,238
9	\$0	\$5,343	\$0	\$0	\$5,343
10	\$0	\$5,450	\$0	\$0	\$5,450
Total	\$0	\$49,931	\$32,000	\$0	\$81,931

Costs and benefits for the City of Pflugerville - Continued

Costs:

The costs of providing municipal services and utility services to new residents:

Year	Cost of Services to New Residents	Costs of Utilities	Total Costs
1	\$6,270	\$48,952	\$55,222
2	\$6,395	\$50,364	\$56,759
3	\$6,523	\$51,822	\$58,345
4	\$6,654	\$53,327	\$59,980
5	\$6,787	\$57,343	\$64,129
6	\$6,923	\$59,045	\$65,968
7	\$7,061	\$60,805	\$67,866
8	\$7,202	\$62,622	\$69,824
9	\$7,346	\$64,500	\$71,846
10	\$7,493	\$66,440	\$73,934
Total	\$68,655	\$575,219	\$643,874

Net Benefits for the City of Pflugerville:

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$150,836	\$55,222	\$95,614	\$95,614
2	\$113,254	\$56,759	\$56,495	\$152,109
3	\$115,897	\$58,345	\$57,553	\$209,662
4	\$118,637	\$59,980	\$58,657	\$268,319
5	\$124,152	\$64,129	\$60,023	\$328,342
6	\$127,200	\$65,968	\$61,232	\$389,574
7	\$130,359	\$67,866	\$62,493	\$452,067
8	\$133,689	\$69,824	\$63,864	\$515,931
9	\$137,083	\$71,846	\$65,237	\$581,168
10	\$140,601	\$73,934	\$66,668	\$647,836
Total	\$1,291,709	\$643,874	\$647,836	

Benefits for Travis County:

Sales tax collections on spending:

Year	During Construction and Purchases of Furniture, Fixtures and Equipment	On Direct and Indirect Workers' Spending	On Visitors' Spending	Taxable Sales at the Facility	The Facility's Local Purchases and Taxable Utilities	Total
1	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

Miscellaneous taxes and user fees to be collected from new residents:

Year	Misc. Taxes and User Fees
1	\$1,140
2	\$1,163
3	\$1,186
4	\$1,210
5	\$1,234
6	\$1,259
7	\$1,284
8	\$1,310
9	\$1,336
10	\$1,362
Total	\$12,483

Costs and benefits for Travis County, continued

Property tax collections on:

Year	New Residential Property	Property at the Facility			Total
		Taxes Collected	Taxes Abated	Total Taxes After Abatement	
1	\$3,991	\$20,654	\$0	\$20,654	\$24,645
2	\$4,071	\$20,370	\$0	\$20,370	\$24,440
3	\$4,152	\$20,370	\$0	\$20,370	\$24,522
4	\$4,235	\$20,378	\$0	\$20,378	\$24,613
5	\$4,320	\$20,439	\$0	\$20,439	\$24,758
6	\$4,406	\$20,459	\$0	\$20,459	\$24,866
7	\$4,494	\$20,487	\$0	\$20,487	\$24,981
8	\$4,584	\$20,569	\$0	\$20,569	\$25,153
9	\$4,676	\$20,611	\$0	\$20,611	\$25,287
10	\$4,769	\$20,660	\$0	\$20,660	\$25,429
Total	\$43,698	\$204,997	\$0	\$204,997	\$248,695

Costs of providing county services to new residents:

Year	Costs of County Services
1	\$2,280
2	\$2,326
3	\$2,372
4	\$2,420
5	\$2,468
6	\$2,517
7	\$2,568
8	\$2,619
9	\$2,671
10	\$2,725
Total	\$24,965

Costs and benefits for Travis County, continued

Total Benefits for the County:

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$25,785	\$2,280	\$23,505	\$23,505
2	\$25,603	\$2,326	\$23,277	\$46,782
3	\$25,709	\$2,372	\$23,336	\$70,119
4	\$25,823	\$2,420	\$23,403	\$93,522
5	\$25,992	\$2,468	\$23,524	\$117,046
6	\$26,124	\$2,517	\$23,607	\$140,653
7	\$26,265	\$2,568	\$23,698	\$164,351
8	\$26,462	\$2,619	\$23,843	\$188,194
9	\$26,622	\$2,671	\$23,951	\$212,145
10	\$26,792	\$2,725	\$24,067	\$236,212
Total	\$261,177	\$24,965	\$236,212	

Costs and Benefits for the Pflugerville ISD:

Benefits, including property taxes and additional state and federal school funding:

Year	Property Tax Collections on:			Additional State School Funding	Total
	New Residential Property	The Facility's Property	Total Collections		
1	\$12,289	\$63,602	\$75,891	\$66,690	\$142,581
2	\$12,535	\$62,726	\$75,261	\$68,691	\$143,951
3	\$12,786	\$62,729	\$75,514	\$70,751	\$146,266
4	\$13,041	\$62,751	\$75,793	\$72,874	\$148,667
5	\$13,302	\$62,938	\$76,240	\$75,060	\$151,300
6	\$13,568	\$63,002	\$76,571	\$77,312	\$153,883
7	\$13,840	\$63,088	\$76,928	\$79,631	\$156,559
8	\$14,116	\$63,339	\$77,455	\$82,020	\$159,475
9	\$14,399	\$63,468	\$77,867	\$84,481	\$162,348
10	\$14,687	\$63,620	\$78,307	\$87,015	\$165,322
Total	\$134,563	\$631,263	\$765,826	\$764,526	\$1,530,352

Costs of educating children of new workers who move to the district:

Year	Cost of Educating New Students
1	\$62,985
2	\$64,875
3	\$66,821
4	\$68,825
5	\$70,890
6	\$73,017
7	\$75,207
8	\$77,464
9	\$79,788
10	\$82,181
Total	\$722,052

Costs and Benefits for Pflugerville ISD - Continued

Reduction in State aid to the school district as a result of new residential property for the facility's employees and the facility's property being added to the school district's tax rolls:

Year	Reduction in State Aid for the School District
1	\$0
2	\$75,891
3	\$75,261
4	\$75,514
5	\$75,793
6	\$76,240
7	\$76,571
8	\$76,928
9	\$77,455
10	\$77,867
Total	\$687,519

Net Benefits for the School District:

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$142,581	\$62,985	\$79,596	\$79,596
2	\$143,951	\$140,766	\$3,186	\$82,782
3	\$146,266	\$142,082	\$4,184	\$86,966
4	\$148,667	\$144,340	\$4,327	\$91,293
5	\$151,300	\$146,683	\$4,617	\$95,911
6	\$153,883	\$149,257	\$4,625	\$100,536
7	\$156,559	\$151,778	\$4,781	\$105,317
8	\$159,475	\$154,391	\$5,084	\$110,401
9	\$162,348	\$157,243	\$5,105	\$115,506
10	\$165,322	\$160,048	\$5,274	\$120,781
Total	\$1,530,352	\$1,409,572	\$120,781	

Benefits for Travis County Healthcare District

Property tax collections:

Year	Property at the Facility			Total Taxes After Abatement	Total
	New Residential Property	Taxes Collected	Taxes Abated		
1	\$630	\$3,259	\$0	\$3,259	\$3,888
2	\$642	\$3,214	\$0	\$3,214	\$3,856
3	\$655	\$3,214	\$0	\$3,214	\$3,869
4	\$668	\$3,215	\$0	\$3,215	\$3,883
5	\$682	\$3,225	\$0	\$3,225	\$3,906
6	\$695	\$3,228	\$0	\$3,228	\$3,923
7	\$709	\$3,232	\$0	\$3,232	\$3,941
8	\$723	\$3,245	\$0	\$3,245	\$3,968
9	\$738	\$3,252	\$0	\$3,252	\$3,989
10	\$752	\$3,260	\$0	\$3,260	\$4,012
Total	\$6,894	\$32,342	\$0	\$32,342	\$39,236

Benefits for Travis County Emergency Services District No. 2:

Sales tax collections on spending:

Year	During Construction and Purchases of Furniture, Fixtures and Equipment	On Direct and Indirect Workers' Spending	On Visitors' Spending	Taxable Sales at the Facility	The Facility's Local Purchases and Taxable Utilities	Total
1	\$2,600	\$4,780	\$0	\$2,000	\$1,143	\$10,523
2	\$0	\$4,899	\$0	\$2,100	\$1,196	\$8,196
3	\$0	\$5,022	\$0	\$2,205	\$1,252	\$8,479
4	\$0	\$5,147	\$0	\$2,315	\$1,310	\$8,773
5	\$0	\$5,276	\$0	\$2,431	\$1,375	\$9,082
6	\$0	\$5,408	\$0	\$2,553	\$1,439	\$9,399
7	\$0	\$5,543	\$0	\$2,680	\$1,506	\$9,729
8	\$0	\$5,682	\$0	\$2,814	\$1,576	\$10,072
9	\$0	\$5,824	\$0	\$2,955	\$1,650	\$10,428
10	\$0	\$5,969	\$0	\$3,103	\$1,727	\$10,799
Total	\$2,600	\$53,550	\$0	\$25,156	\$14,173	\$95,480

Property tax collections on:

Year	New Residential Property	Property at the Facility			Total
		Taxes Collected	Taxes Abated	Total Taxes After Abatement	
1	\$798	\$4,130	\$0	\$4,130	\$4,928
2	\$814	\$4,073	\$0	\$4,073	\$4,887
3	\$830	\$4,073	\$0	\$4,073	\$4,904
4	\$847	\$4,075	\$0	\$4,075	\$4,922
5	\$864	\$4,087	\$0	\$4,087	\$4,951
6	\$881	\$4,091	\$0	\$4,091	\$4,972
7	\$899	\$4,097	\$0	\$4,097	\$4,995
8	\$917	\$4,113	\$0	\$4,113	\$5,030
9	\$935	\$4,121	\$0	\$4,121	\$5,056
10	\$954	\$4,131	\$0	\$4,131	\$5,085
Total	\$8,738	\$40,991	\$0	\$40,991	\$49,729

Costs and benefits for Travis County Emergency Services District No. 2, continued

Total Benefits for Travis County Emergency Services District No. 2:

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$15,451	\$0	\$15,451	\$15,451
2	\$13,083	\$0	\$13,083	\$28,533
3	\$13,382	\$0	\$13,382	\$41,916
4	\$13,695	\$0	\$13,695	\$55,610
5	\$14,032	\$0	\$14,032	\$69,643
6	\$14,371	\$0	\$14,371	\$84,014
7	\$14,724	\$0	\$14,724	\$98,738
8	\$15,102	\$0	\$15,102	\$113,840
9	\$15,485	\$0	\$15,485	\$129,325
10	\$15,884	\$0	\$15,884	\$145,209
Total	\$145,209	\$0	\$145,209	