

**HOCKLEY COUNTY, TEXAS  
2010 GENERAL OBLIGATION DEBT REPORT**

**TABLE 1 – VALUATION, EXEMPTIONS AND GENERAL OBLIGATION DEBT**

2009/2010 Taxable Market Valuation Established by Hockley County Appraisal District (Excludes Fully Exempt Property)		\$ 3,680,959,954
Less Exemptions:		
65 Years and Over and/or Disabled	\$ 43,511,599	
Optional Homestead Exemptions	77,690,452	
Agriculture	109,879,812	
Veterans	1,717,955	
Tax Abatements	2,537,240	
Pollution Control	8,514,010	
Solar/Wind Exemption Loss	3,658	
Value Lost Cap on Residential Homesteads	<u>9,238,429</u>	
Total Exemptions		<u>\$ 253,093,155</u>
2009/2010 Net Taxable Assessed Valuation <sup>(1)</sup>		<u>\$ 3,427,866,799</u>
Funded Debt Payable From Ad Valorem Taxes		<u>\$ 14,515,000</u>
Interest and Sinking Fund (as of 4/30/10)		\$ 266,600
Ratio Funded Debt to 2009/2010 Net Taxable Assessed Valuation		0.42%

2010 Estimated Population - 23,000  
Per Capita Taxable Assessed Valuation - \$149,038  
Per Capita Funded Debt Payable from Ad Valorem Taxes - \$631

(1) Does not exclude incremental taxable assessed value of real property located within the Reinvestment Zone.

**TABLE 2 – TAXABLE ASSESSED VALUATIONS BY CATEGORY**

Category	Taxable Appraised Value for Fiscal Year Ended December 31,					
	2010		2009		2008	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 413,683,958	11.24%	\$ 390,436,694	9.53%	\$ 340,302,397	10.50%
Real, Residential, Multi-Family	6,883,240	0.19%	6,014,030	0.15%	5,911,780	0.18%
Real, Vacant Lots/Tracts	6,371,613	0.17%	6,255,243	0.15%	6,115,123	0.19%
Real, Acreage (Land Only)	267,136,953	7.26%	243,451,038	5.94%	243,328,753	7.51%
Real, Farm and Ranch Improvements	84,243,004	2.29%	77,452,086	1.89%	64,662,041	1.99%
Real, Commercial	73,641,786	2.00%	72,078,986	1.76%	69,883,408	2.16%
Real, Industrial	294,543,380	8.00%	132,542,880	3.23%	98,136,400	3.03%
Real, Oil, Gas and Other Mineral Reserves	2,210,162,080	60.04%	2,850,508,530	69.55%	2,124,864,830	65.55%
Real and Tangible Personal, Utilities	114,844,860	3.12%	115,315,030	2.81%	122,514,480	3.78%
Tangible Personal, Commercial	42,655,630	1.16%	46,582,330	1.14%	42,094,170	1.30%
Tangible Personal, Industrial	153,122,420	4.16%	145,149,370	3.54%	110,595,500	3.41%
Mobile Homes	10,360,600	0.28%	9,745,020	0.24%	9,353,560	0.29%
Residential Inventory	462,320	0.01%	530,890	0.01%	543,500	0.02%
Special Inventory	2,848,110	0.08%	2,665,450	0.07%	3,165,970	0.10%
Total Appraised Value Before Exemptions	\$ 3,680,959,954	100.00%	\$ 4,098,727,577	100.00%	\$ 3,241,471,912	100.00%
Less: Total Exemptions/Reductions	266,032,500		266,032,500		254,748,011	
Taxable Assessed Value	<u>\$ 3,414,927,454</u> <sup>(1)</sup>		<u>\$ 3,832,695,077</u> <sup>(1)</sup>		<u>\$ 2,986,723,901</u> <sup>(1)</sup>	

Category	Taxable Appraised Value for Fiscal Year Ended December 31,			
	2007		2006	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 305,240,243	12.13%	\$ 286,103,602	11.56%
Real, Residential, Multi-Family	6,125,200	0.24%	5,321,770	0.22%
Real, Vacant Lots/fracts	5,723,422	0.23%	6,033,089	0.24%
Real, Acreage (Land Only)	210,199,968	8.35%	209,669,409	8.47%
Real, Farm and Ranch Improvements	55,006,108	2.19%	49,483,349	2.00%
Real, Commercial	61,160,447	2.43%	57,217,873	2.31%
Real, Industrial	13,102,910	0.52%	81,687,210	3.30%
Real, Oil, Gas and Other Mineral Reserves	1,654,440,510	65.75%	1,582,810,340	63.97%
Real and Tangible Personal, Utilities	92,828,620	3.69%	92,088,190	3.72%
Tangible Personal, Commercial	39,218,330	1.56%	32,226,840	1.30%
Tangible Personal, Industrial	60,348,380	2.40%	59,926,590	2.42%
Tangible Personal, Other	9,020,350	0.36%	8,694,020	0.35%
Real Property, Inventory	216,610	0.01%	233,170	0.01%
Real Property, Inventory	3,472,590	0.14%	2,963,740	0.12%
Total Appraised Value Before Exemptions	\$ 2,516,103,688	100.00%	\$ 2,474,459,192	100.00%
Less: Total Exemptions/Reductions	226,706,329		241,555,866	
Taxable Assessed Value	<u>\$ 2,289,397,359</u> <sup>(1)</sup>		<u>\$ 2,232,903,326</u>	

(1) Does not exclude incremental taxable assessed value of real property located within the Reinvestment Zone.

NOTE: Valuations shown are certified taxable assessed values reported by the Navarro County Appraisal District to the State Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the Appraisal District updates records.

**TABLE 3 – VALUATION AND GENERAL OBLIGATION DEBT HISTORY**

Fiscal Year Ended 12-31	Estimated County Population <sup>(1)</sup>	Net Taxable Assessed Valuation <sup>(2)</sup>	Per Capita Taxable Assessed Valuation	Funded Tax Debt	Per Capita Funded Tax Debt	Ratio Tax Debt to Taxable Assessed Valuation
2006	22,340	\$ 2,232,903,326	\$ 99,951	\$ -	\$ -	0.00%
2007	22,186	2,289,397,359 <sup>(4)</sup>	103,191	-	-	0.00%
2008	22,205	2,986,723,901 <sup>(4)</sup>	134,507	-	-	0.00%
2009	22,205	3,832,695,077 <sup>(4)</sup>	172,605	14,515,000	654	0.38%
2010	23,000	3,427,866,799 <sup>(4)</sup>	149,038	13,330,000 <sup>(3)</sup>	580 <sup>(3)</sup>	0.39% <sup>(3)</sup>

- (1) Source: The County.
- (2) As reported by the Hockley County Appraisal District; subject to change during the ensuing year.
- (3) Preliminary, subject to change.
- (4) Does not exclude incremental taxable assessed value of real property located within the Reinvestment Zone.

**TABLE 4 – TAX RATE, LEVY AND COLLECTION HISTORY**

Tax Year Ended	Total Tax Rate	Tax Levy	% of Current Collections <sup>(1)</sup>	% of Total Collections <sup>(1)</sup>
2006	\$ 0.329500	\$ 7,370,971	99.02%	100.17%
2007	0.289500	8,434,686	99.04%	99.92%
2008	0.289500	8,624,387	99.22%	100.27%
2009	0.239500	9,154,605	98.14%	98.65%
2010	0.339800	11,647,891	97.91% <sup>(2)</sup>	98.14% <sup>(2)</sup>

- (1) Collections as of end of September each year.
- (2) Collections through April 30, 2010.

**TABLE 5 – TAX RATE DISTRIBUTION ANALYSIS**

	Fiscal Year Ended December 31,				
	2010	2009	2008	2007	2006
Operating Fund	\$ 0.23410	\$ 0.19434	\$ 0.23906	\$ 0.24360	\$ 0.27767
Interest and Sinking Fund	0.05500	-	-	-	-
Total Constitutional Tax Rate	\$ 0.28910	\$ 0.19434	\$ 0.23906	\$ 0.24360	\$ 0.27767
Special Road and Bridge (Road Maintenance)	\$ 0.05070	\$ 0.04516	\$ 0.05044	\$ 0.04590	\$ 0.05183
Total Tax Rate	\$ 0.33980	\$ 0.23950	\$ 0.28950	\$ 0.28950	\$ 0.32950

**TABLE 6 – TEN LARGEST TAXPAYERS**

<u>Name of Taxpayer</u>	<u>Nature of Property</u>	<u>2009/2010 Taxable Assessed Valuation</u>	<u>% of Total Taxable Assessed Valuation</u>
Occidental Permian Ltd.	Oil	\$ 567,458,990	16.6%
Chevron USA Inc.	Oil	320,020,390	9.3%
Occidental Permian Ltd. (Plts)	Plants	251,227,130	7.3%
Apache Corporation	Oil	173,505,210	5.1%
Post-Montgomery	Oil & Real Estate	124,775,250	3.6%
BEPCO L.P.	Oil	74,386,290	2.2%
S K Rogers Oil Inc.	Oil	39,523,830	1.2%
Levelland Hockley County Ethanol	Ethanol Plant	37,401,790	1.1%
Browning Royalty LP	Oil	34,621,090	1.0%
Great Western Drilling Company	Oil	34,007,850	1.0%
		<u>\$ 1,656,927,820</u>	<u>48.3%</u>

**TABLE 7– TAX ADEQUACY**

2010 Principal and Interest Requirements.....	\$ 1,764,479
\$0.0526 Tax Rate at 98% Collection Produces .....	\$ 1,766,997
Average Annual Principal and Interest Requirements, 2010-2019.....	\$ 1,763,608
\$0.0525 Tax Rate at 98% Collection Produces .....	\$ 1,763,637
Maximum Annual Principal and Interest Requirements, 2015.....	\$ 1,765,300
\$0.0526 Tax Rate at 98% Collection Produces .....	\$ 1,766,997

**TABLE 9 – GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS**

Fiscal Year Ending 12/31	Outstanding Debt			% of Aggregate Principal Retired
	Principal	Interest	Total	
2010	\$ 1,185,000	\$ 579,479	\$ 1,764,479	
2011	1,255,000	508,100	1,763,100	
2012	1,305,000	456,900	1,761,900	
2013	1,360,000	403,600	1,763,600	
2014	1,415,000	348,100	1,763,100	44.92%
2015	1,475,000	290,300	1,765,300	
2016	1,535,000	230,100	1,765,100	
2017	1,595,000	167,500	1,762,500	
2018	1,660,000	102,400	1,762,400	
2019	1,730,000	34,600	1,764,600	100.00%
	<u>\$ 14,515,000</u>	<u>\$ 3,121,079</u>	<u>\$ 17,636,079</u>	

**TABLE 10 – INTEREST AND SINKING FUND BUDGET PROJECTION**

Tax Supported Debt Service Requirements, Fiscal Year Ending 12-31-2010. ....	\$	1,764,479
Interest and Sinking Fund, 12-31-2009 <sup>(1)</sup> . ....	\$	521,892
Budgeted Interest and Sinking Fund Tax Levy .....		1,764,479
Other Revenue and Income .....	\$	-
		<u>2,286,370</u>
Estimated Balance, 12-31-2010 .....	\$	<u>521,892</u>

(1) Unaudited.

**TABLE 11 – AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS**

As of December 31, 2009, the County has no authorized but unissued general obligation bonds outstanding.

**TABLE 12 – OTHER OBLIGATIONS**

The County has no other obligations as of December 31, 2009.