

# COUNTY of HIDALGO

COUNTY AUDITOR'S OFFICE  
Hidalgo County Administration Building  
2808 South Business Highway 281  
Edinburg, Texas 78539-6243  
PHONE: (956) 318-2511  
FAX: (956) 318-2577  
WEBSITE: [www.co.hidalgo.tx.us/auditor](http://www.co.hidalgo.tx.us/auditor)



EDINBURG, TEXAS 78539

April 7, 2016

The Honorable Ramon Garcia  
Hidalgo County Judge  
100 E. Cano St #2  
Edinburg, Texas 78539

Dear Judge Garcia:

Pursuant to Local Government Code Section 114.044 and/or Local Government Code Section 115.0035 (c), we are submitting for your review the following monthly reports and/or letters:

Department	Description
Mr. Rolando Garza, Chief Appraiser Hidalgo County Appraisal District	2016 Tax Roll Abatement-Hidalgo Wind Farm LLC-Phase I Report No. 2016-22
Mr. Rolando Garza, Chief Appraiser Hidalgo County Appraisal District	2016 Tax Roll Abatement-South Texas Electric Cooperative, Inc. Report No. 2016-23

Respectfully,

  
Ray Eufrazio, CPA  
Hidalgo County Auditor

Attachments

## HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY  
JUDGE, 92<sup>ND</sup> D.C.

RODOLFO DELGADO  
JUDGE, 93<sup>RD</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 138<sup>TH</sup> D.C.

ROSÉ GUERRA REYNA  
JUDGE, 206<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 275<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 312<sup>ND</sup> D.C.

NOÉ GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 389<sup>TH</sup> D.C.

IDA SALINAS FLORES  
JUDGE, 398<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 430<sup>TH</sup> D.C.

JESSE CONTRERAS  
JUDGE, 448<sup>TH</sup> D.C.

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EDINBURG, TEXAS 78539

April 4, 2016

Rolando Garza, Chief Appraiser  
Hidalgo County Appraisal District  
4405 S. Professional Dr.  
Edinburg, Texas 78540-0208

Ref: 2016 Tax Roll Abatement-Hidalgo Wind Farm LLC- Phase I  
Report No. 2016-22

Dear Mr. Garza:

We have completed a limited scope review of the tax abatement agreement between Hidalgo County and Hidalgo Wind Farm LLC-Phase I. The objective of the review was to determine whether Hidalgo Wind Farm LLC qualifies for a tax abatement for the 2016 tax year.

### Scope and Methodology

The scope of our review was limited to a review of the tax abatement agreement between Hidalgo County and Hidalgo Wind Farm LLC, Hidalgo County Tax Abatement Guidelines, correspondence received from Hidalgo Wind Farm LLC, Representative, and compliance verification letter from Hidalgo Wind Farm LLC regarding compliance with terms of the tax abatement agreement.

### Conclusion:

Based on the results of our review, we have determined that Hidalgo Wind Farm LLC-Phase I does not qualify for a tax abatement for the 2016 tax year. According to correspondence received from the Hidalgo Wind Farm LLC Representative, the project will begin in 2016.

Pursuant to Section 3.03 of the tax abatement agreement between Hidalgo County and Hidalgo Wind Farm LLC, "The abatement of ad valorem taxes shall be for a period (the "Abatement Period") that shall (a) commence on the commencement of the first ad valorem tax year after each of the following events have occurred: (i) construction of the Facility has been completed, (ii) Company has provided documentation confirming the Capital Cost of the Project and the number of Jobs created; (iii) the Capital Coast or Job created meets or exceeds the minimum amount required by the Guidelines and Criteria for granting tax abatements; and (iv) the newly created value may be ascertained from the tax rolls of the Hidalgo County Appraisal District, and (b) end on the earlier of: (i) ten (10) years following such commencement, (ii) December 31, 2030."

If you have any questions, please feel free to call Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, ext. 4645, Linda Fong, First Assistant Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,

  
Ray Eufrazio, CPA  
Hidalgo County Auditor

Cc: The Honorable Ramon Garcia, Hidalgo County Judge  
Ms. Blanca Perez, Interim Supervisor-Property Records, Hidalgo County Appraisal District

### HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SMOLETERY  
JUDGE, 12<sup>TH</sup> D.C.

RODOLFO DELGADO  
JUDGE, 13<sup>TH</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 13<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 20<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 27<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 33<sup>RD</sup> D.C.

NOE GONZALEZ  
JUDGE, 37<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 38<sup>TH</sup> D.C.

AIDA SALINAS FLORES  
JUDGE, 39<sup>TH</sup> D.C.

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JUDGE, 43<sup>RD</sup> D.C.

JESSE CONTRERA  
JUDGE, 44<sup>TH</sup> D.C.

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EDINBURG, TEXAS 78539

April 4, 2016

Rolando Garza, Chief Appraiser  
Hidalgo County Appraisal District  
4405 S. Professional Dr.  
Edinburg, Texas 78540-0208

Ref: 2016 Tax Roll Abatement-South Texas Electric Cooperative, Inc.  
Report No. 2016-23

Dear Mr. Garza:

We have completed a limited scope review of the tax abatement agreement between Hidalgo County and South Texas Electric Cooperative, Inc. The objective of the review was to determine whether South Texas Electric Cooperative, Inc. qualifies for a tax abatement for the 2016 tax year.

### Scope and Methodology

The scope of our review was limited to a review of the tax abatement agreement between Hidalgo County and South Texas Electric Cooperative, Inc., Hidalgo County Tax Abatement Guidelines, correspondence received from South Texas Electric Cooperative, Inc., Representative, and compliance verification letter from South Texas Electric Cooperative, Inc. regarding compliance with terms of the tax abatement agreement.

### Conclusion:

Based on the results of our review, we have determined that South Texas Electric Cooperative, Inc. does not qualify for a tax abatement for the 2016 tax year. According to correspondence received from the South Texas Electric Cooperative, Inc. Representative, the project has not been completed and the expected commercial operation date is June 2016.

Pursuant to Section 3.03 of the tax abatement agreement between Hidalgo County and South Texas Electric Cooperative, Inc., "The abatement of ad valorem taxes shall be for a period (the "Abatement Period") that shall (a) commence on January 1 of the first ad valorem tax year after each of the following events have occurred: (i) Certificate of Occupancy has been issued, (ii) Owner has provided documentation confirming the Capital Cost of the Project and the number of Jobs created; (iii) the Capital Cost or Job created meets or exceeds the minimum amount required by the Guidelines and Criteria for granting tax abatements; and (iv) the newly created value may be ascertained from the tax rolls of the Hidalgo County Appraisal District, and (b) end on the earlier of: (i) five (5) years following such commencement, (ii) December 31, 2025."

If you have any questions, please feel free to call Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, ext. 4645, or me at ext. 4604.

Respectfully,

  
Ray Eufrazio, CPA  
Hidalgo County Auditor

Cc: The Honorable Ramon Garcia, Hidalgo County Judge  
Ms. Blanca Perez, Interim Supervisor-Property Records, Hidalgo County Appraisal District

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MOE GONZALEZ  
JUDGE, 370<sup>TH</sup> D.C.  
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JUDGE, 449<sup>TH</sup> D.C.