

# FISCAL YEAR 2021-22



FY 2021 - 2022

**PROPOSED BUDGET & PLAN  
OF MUNICIPAL SERVICES**

Copperas Cove, Texas  
*City Built for Family Living*

FISCAL YEAR 2021-22

# PROPERTY TAX

Discussion of Property Tax  
Rates and Revenue



FISCAL YEAR 2021-22

# Regional Property Tax Comparison

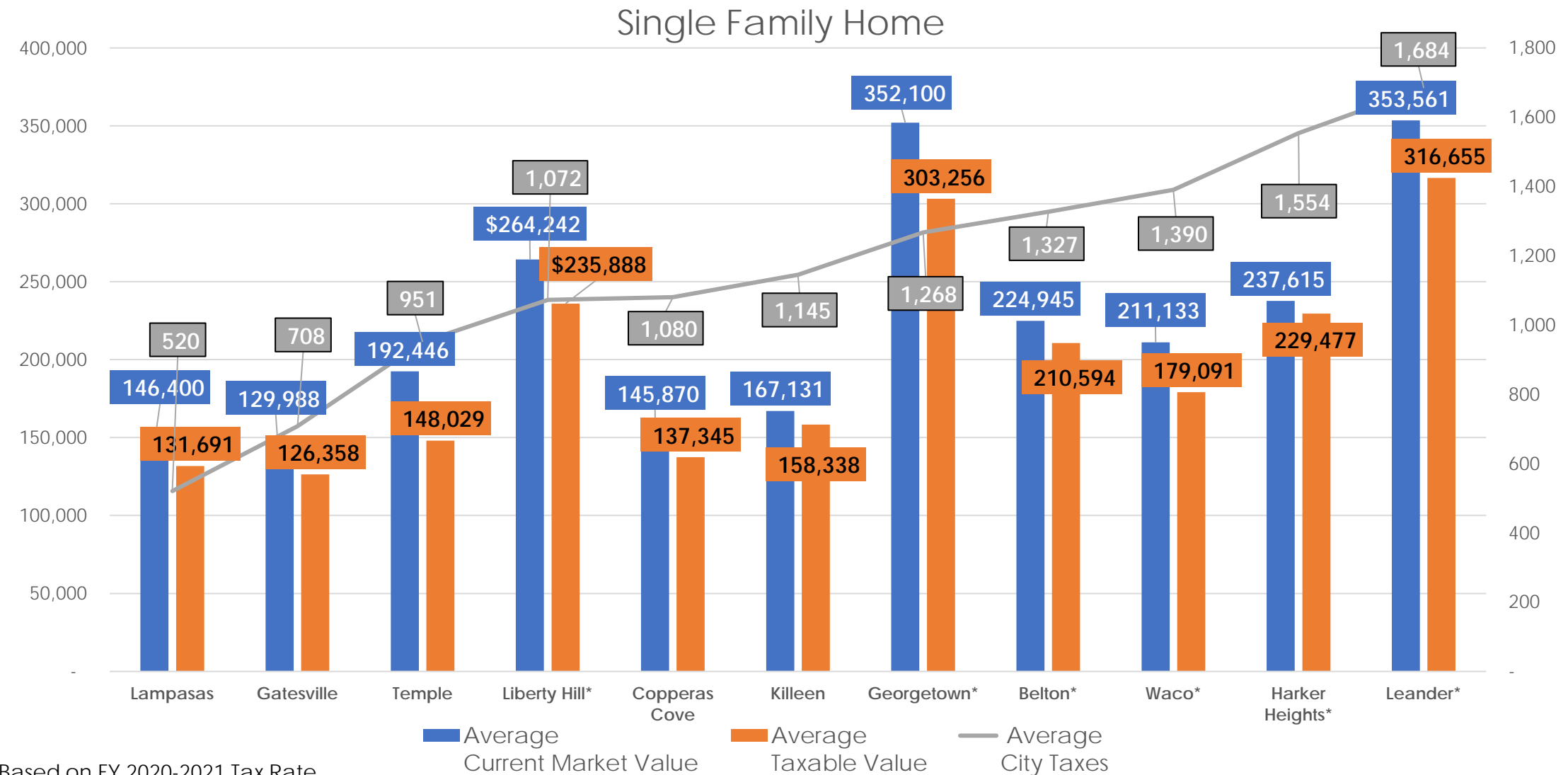
Single Family Home

City	Average Current Market Value	Average Taxable Value	Tax Rate*	Average City Taxes
Copperas Cove	\$ 145,870	\$ 137,345	\$ 0.786500	\$ 1,080
Killeen	167,131	158,338	0.723000	1,145
Harker Heights*	237,615	229,477	0.677000	1,554
Belton*	224,945	210,594	0.630000	1,327
Temple	192,446	148,029	0.642500	951
Gatesville	129,988	126,358	0.560000	708
Lampasas	146,400	131,691	0.395218	520
Waco*	211,133	179,091	0.776232	1,390
Georgetown*	352,100	303,256	0.418000	1,268
Liberty Hill*	264,242	235,888	0.454559	1,072
Leander*	353,561	316,655	0.531867	1,684

\* Based on FY 2020-2021 Tax Rate

FISCAL YEAR 2021-22

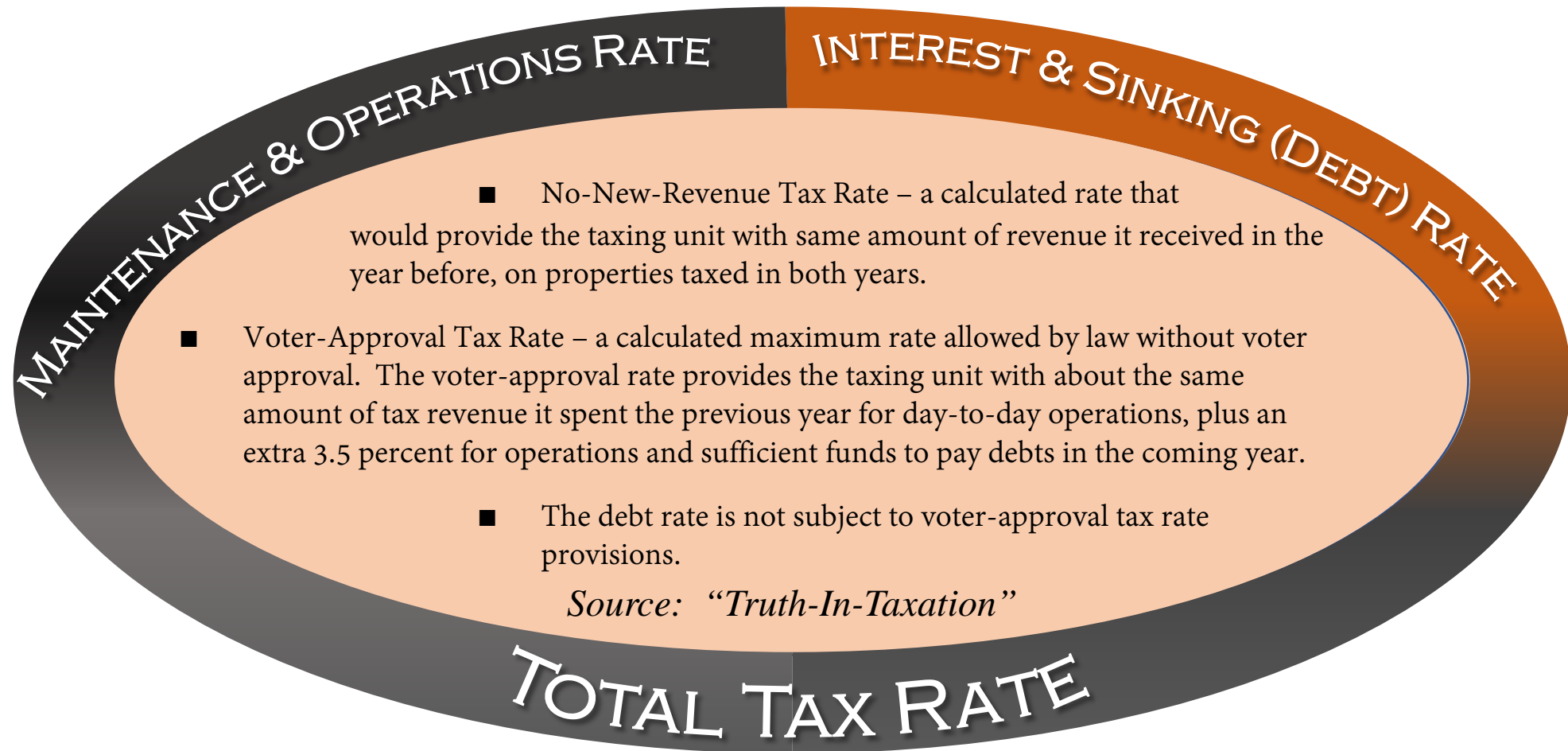
# Regional Property Tax Comparison



\* Based on FY 2020-2021 Tax Rate

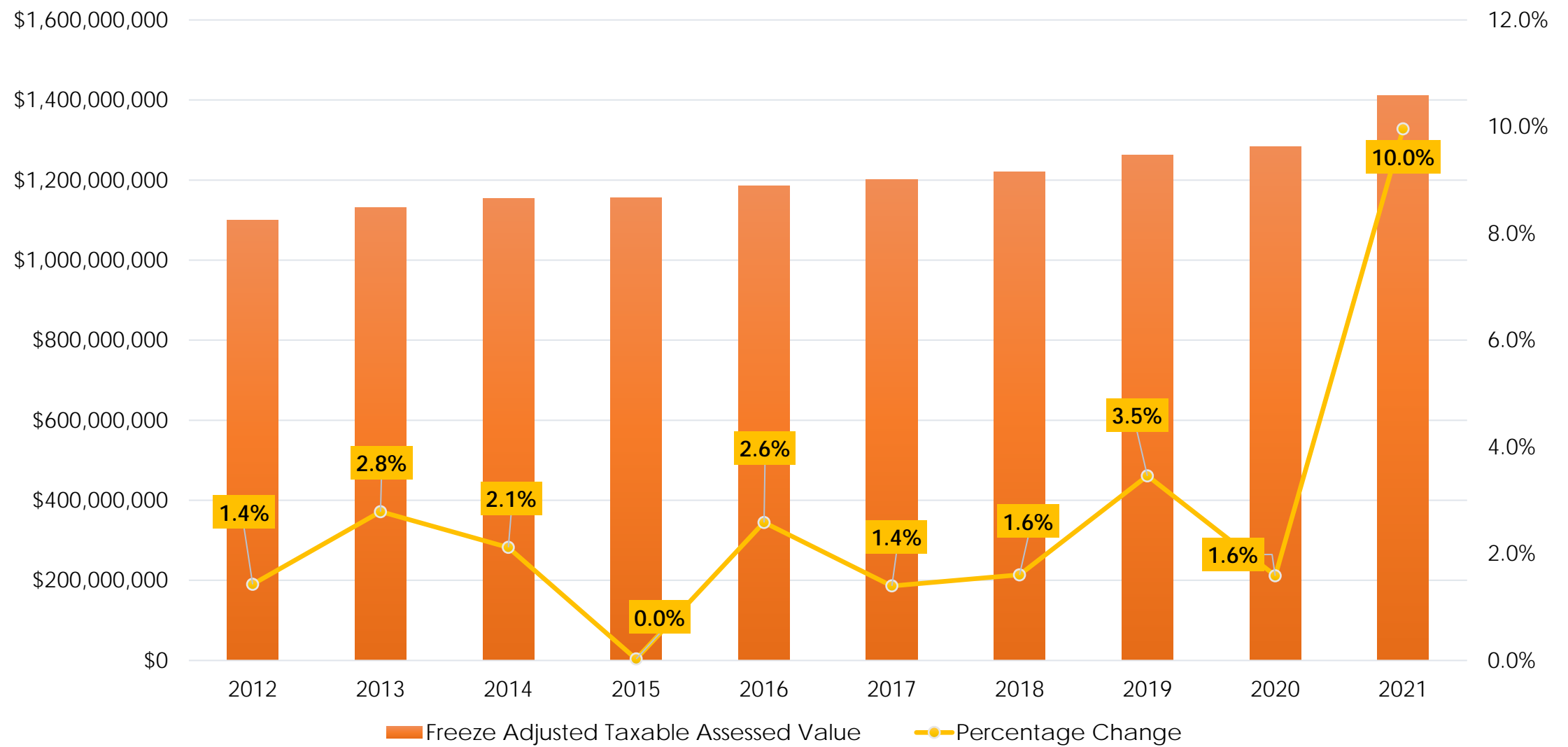


# Property Tax Rate Components



FISCAL YEAR 2021-22

# Property Values – Certified FY 2022



FISCAL YEAR 2021-22

# No-New-Revenue Tax Rate Calculation

<b>2020 Taxable Value adjusted</b>		<b>\$1,441,199,859</b>
Less: Tax ceilings		(\$165,787,204)
Add: Chapter 42 related adjusted values		\$130,000
Less: Properties that first qualified for an exemption in 2020		(\$11,839,813)
Equals 2020 Adjusted Taxable Value		\$1,263,702,842
Multiply by 2020 tax rate (/ \$100 value)	X	\$0.786500
Adjusted 2020 taxes		\$9,939,022
<b>Adjusted 2020 taxes with refunds</b>	+ \$23,907	<b>\$9,962,929</b>

# No-New-Revenue Tax Rate Calculation

<b>2021 Certified Taxable Value</b>	<b>\$1,600,703,116</b>
Add: Protested values	\$12,016,139
Less: Tax ceilings	(\$191,780,372)
Less: Annexed properties	(\$0)
Less: New improvements/personal taxable value	(\$46,001,965)
Equals 2021 Adjusted Taxable Value	\$1,374,936,918
Adjusted 2020 taxes with refunds	\$9,962,929
Divide By 2021 Adjusted Taxable Value	/ \$1,374,936,918
<b>Total No-New-Revenue Tax Rate (per \$100 of value)</b>	<b>\$0.724609</b>



# Property Tax Debt Requirements

Issue	Principal	Interest	Total Debt Requirement
2007 Certificates of Obligation	\$385,000	\$100,274	\$485,274
2007 GO Refunding	291,000	22,576	313,576
2012 GO Refunding	87,000	5,130	92,130
2013 GO	225,000	74,620	299,620
2013 PPFCO	55,000	5,728	60,728
2014 CO	50,000	40,088	90,088
2015 CO	100,000	88,498	188,498
2015 GO Refunding	100,000	7,880	107,880
2016 CO	105,000	15,060	120,060
2016 GO Refunding	180,000	122,800	302,800
2017 CO	320,000	111,910	431,910
2018 CO	225,000	101,519	326,519

FISCAL YEAR 2021-22

# Property Tax Debt Requirements

Issue	Principal	Interest	Total Debt Requirement
2019 CO	\$300,000	\$167,588	\$467,588
2020 CO	265,000	64,064	329,064
2020 GO Refunding	423,000	66,004	489,004
2021 CO	375,000	124,281	499,281
Arbitrage	19,300	-	19,300
<b>Subtotal</b>	<b>\$3,505,300</b>	<b>\$1,118,020</b>	<b>\$4,623,320</b>
<b>Other Sources</b>			
Less: Fund Balance Usage	-	-	(300,000)
Less: Revenue from tax freeze	-	-	(379,925)
<b>Total Other Sources</b>	<b>-</b>	<b>-</b>	<b>(679,925)</b>
<b>Net Debt Requirements</b>	<b>\$3,505,300</b>	<b>\$1,118,020</b>	<b>\$3,943,395</b>

# Voter-Approval Debt Tax Rate Calculation

Total debt to be paid with property tax revenue (adjusted debt)		<b>\$3,943,395</b>
2021 anticipated collection rate	/ 99.75%	\$3,953,278
Divide by 2021 Total Taxable Value (excluding tax ceilings)	/	\$1,420,938,883
<b>Equals Debt Tax Rate (per \$100 of value)</b>		<b>\$0.278215</b>

*This calculation includes existing and anticipated debt payments in the FY 2022 Proposed Budget.*

# Voter-Approval M & O Tax Rate Calculation

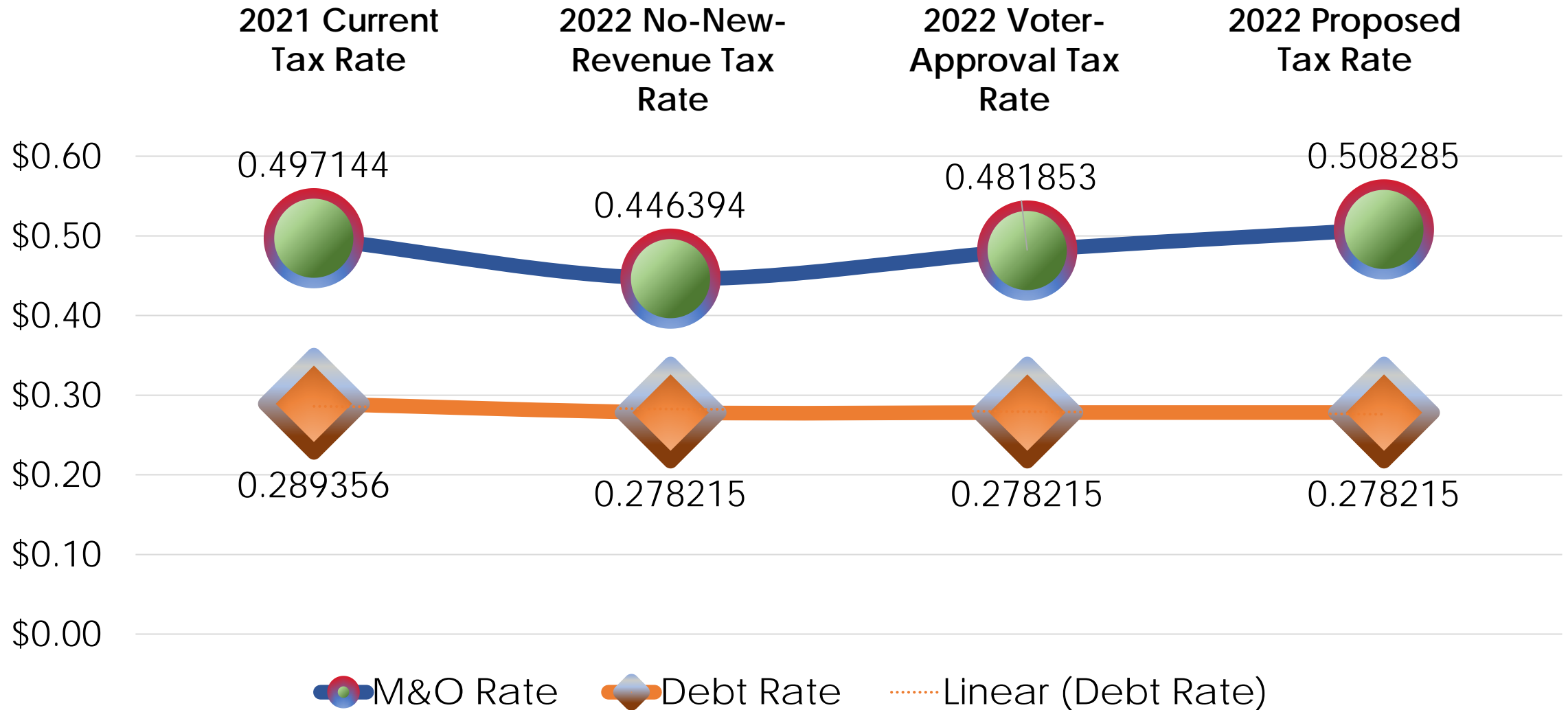
2020 M & O tax rate/\$100	\$0.497144
2020 Adjusted Taxable Value	\$1,275,542,655
<b>2020 M &amp; O taxes</b>	<b>\$6,341,283</b>
Plus taxes refunded for years preceding tax year 2020	\$23,907
<b>Equals adjusted M &amp; O taxes</b>	<b>\$6,365,190</b>
Divide adjusted M & O taxes by 2021 adjusted taxable value	\$1,374,936,918
Equals 2021 No-New-Revenue M & O rate/\$100	\$0.462944
2021 Voter-Approval M & O rate/\$100 (No-New-Revenue M & O rate x 1.035)	\$0.479147

# Total Voter-Approval Tax Rate Calculation

Tax Rate Year	2021	Prior Year (2020)
Debt Rate	\$0.278215	\$0.289356
+ M & O Voter-Approval Rate	\$0.479147	\$0.499850
+ 2020 Unused Increment Rate	\$0.002706	-
= Total Voter-Approval Rate	\$0.760068	\$0.789206

FISCAL YEAR 2021-22

# Tax Rate Calculations





# Changes in Property Tax Revenue

*Estimated Values – April 2021*

	Freeze Adjusted Taxable	Proposed Tax Rate	Total Tax Revenue
Property Tax Value/ Non-Freeze Tax Levy	\$1,357,275,854	\$0.7865	\$10,674,975
Freeze Tax Levy			\$1,077,943
Total Tax Levy			\$11,752,918
Collection Rate (applicable to M&O rate)			97%
Anticipated Revenue from Levy			\$11,400,330
Less Required For Debt Service			(\$4,847,421)
Total General Fund Property Tax Revenue			\$6,552,909

# FISCAL YEAR 2021-22

## Changes in Property Tax Revenue

*Certified Values – July 2021*

	Freeze Adj'd Taxable	Current Rate \$0.786500	No-New- Revenue \$0.724609	Voter- Approval \$0.760068
Property Values/ Non-Freeze Tax Levy	\$1,410,778,210	\$11,095,771	\$10,222,626	\$10,722,874
Freeze Tax Levy		\$1,156,665	\$1,156,665	\$1,156,665
Total Tax Levy		\$12,252,436	\$11,379,291	\$11,879,539
Collection Rate (applicable to M&O rate)		99.75%	99.75%	99.75%
Anticipated Revenue from Levy		\$12,221,805	\$11,350,843	\$11,849,840
FY 2021 Proposed Tax Revenue		\$11,757,090	\$11,757,090	\$11,757,090
Proposed Budget Tax Revenue Change		\$464,715	(\$406,247)	\$92,750
Property Tax Revenue Change to M & O		\$464,715	(\$406,247)	\$92,750
Property Tax Revenue Change to I & S		-	-	-

# FISCAL YEAR 2021-22

## Governing Body Options & Impact of the General Fund

Tax Revenue Calculation	FY 2022 Proposed Budget Tax Rate	Current Budget Tax Rate	No-New- Revenue Tax Rate	Voter- Approval Tax Rate
Total Tax Rate	\$0.786500	\$0.786500	\$0.724609	\$0.760068
Estimated Beginning Fund Balance	\$8,538,998	\$8,538,998	\$8,538,998	\$8,538,998
FY 2021 Projected Revenues	\$18,512,478	\$18,977,193	\$18,106,231	\$18,605,228
FY 2021 Projected Expenditures <sup>1</sup>	\$19,578,649	\$19,578,649	\$19,578,649	\$19,578,649
Projected Ending Fund Balance	\$7,472,827	\$7,937,542	\$7,066,580	\$7,565,577
Ideal Fund Balance <sup>2</sup>	\$4,757,651	\$4,757,651	\$4,757,651	\$4,757,651
Over/(Under) Ideal Fund Balance	\$2,715,176	\$3,179,891	\$2,308,929	\$2,807,926

<sup>1</sup> Expenditures are consistent with the Proposed Budget.

<sup>2</sup> Any changes to proposed expenditures will require "Ideal Fund Balance" to be recalculated.

# Governing Body Options & Impact of the General Fund

FY 2022 Tax Rates	Tax Rate	Gross General Fund Impact	Minimum Expense reduction needed
Proposed Budget Tax Rate	\$0.786500	\$464,715	N/A
No-New-Revenue Tax Rate	\$0.724609	(\$406,247)	(\$406,247)
Voter-Approval Tax Rate	\$0.760068	\$92,750	N/A

# FISCAL YEAR 2021-22

## Governing Body Options & Impact of the General Fund

Changes	Proposed Budget	Amount	Changes to Proposed Budget
Revenue	\$18,512,478		\$18,605,228
Certified Property Values-VOTER APPROVAL RATE		\$92,750	
Expenditures	\$19,578,649		\$19,692,679
Appraisal District Expense Adjustments		\$6,585	
IT: Reclass and other personnel changes		\$9,445	
IT: New Position (Specialist I)		\$64,000	
Fire Prevention: Step Plan Program (2.5%)		\$4,000	
Street: PW Drive Road/Parking Lot Repairs		\$15,000	
Fleet: PW Drive Road/Parking Lot Repairs		\$15,000	
Revenue Over/(Under) Expense Changes	(\$1,066,171)	(\$21,280)	(\$1,087,451)
Projected Ending Fund Balance	\$7,472,827		\$7,451,547
Ideal Fund Balance	\$4,757,651		\$4,778,658
Over/(Under) Ideal Fund Balance	\$2,715,176		\$2,678,889

# Governing Body Options & Impact of the General Fund

FY 2022 Tax Rates	Tax Rate	Gross General Fund Impact	Minimum Expense reduction needed
Proposed Budget Tax Rate	\$0.786500	\$464,715	N/A
No-New-Revenue Tax Rate	\$0.724609	(\$406,247)	(\$406,247)
Voter-Approval Tax Rate	\$0.760068	\$92,750	N/A



FISCAL YEAR 2021-22

# CHANGES IN OTHER FUNDS



# Hotel Occupancy Tax Fund

Changes	Proposed Budget	Amount	Changes to Proposed Budget
Revenue	\$109,875		\$109,875
Expenditures	\$109,675		\$135,690
Civic Center Operations		\$3,903	
Chamber of Commerce Requests		\$22,112	
Revenue Over/(Under) Expense Changes	\$200		(\$25,815)
Projected Ending Fund Balance	\$135,137		\$109,322

# Upcoming Dates

- July 29
  - Public Hearing on Proposed Budget
  - Set Public Hearing on Tax increase
  - Record vote on proposed tax rate
  - Set date and location to adopt the tax rate
- August 10
  - Public Hearing on Tax Increase
  - Adopt Proposed Budget
  - Adopt Tax Rate
  - Adopt Long-Range Plans

FISCAL YEAR 2021-22

Fiscal Year 2021-22

# Proposed Budget & Plan Of Municipal Services

Direction

Questions

Comments