

FY2021 County Budget

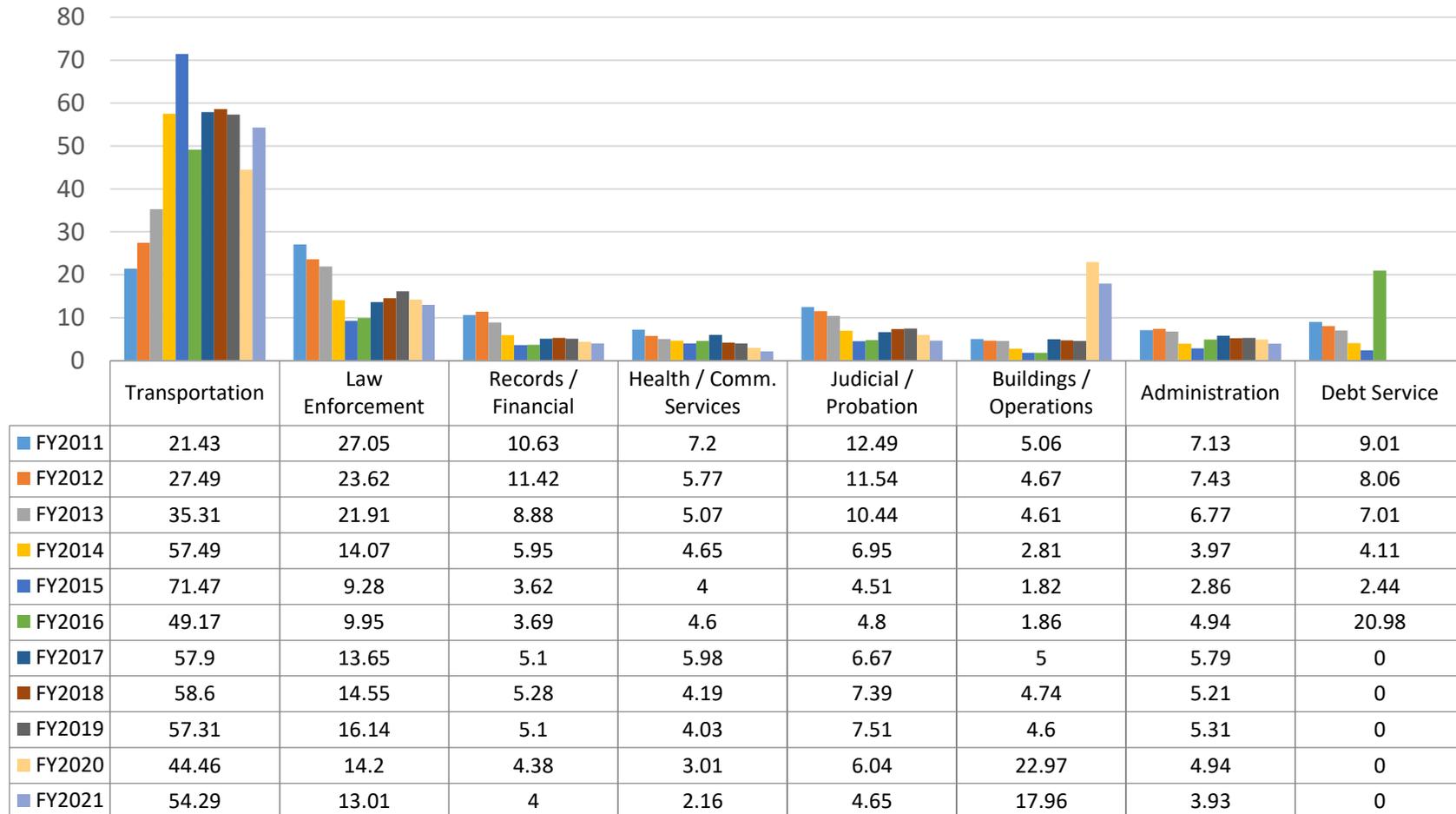
DeWitt County, Texas

FY2020 Budget Policies

Hearing held on August 24, 2020 at 9:00 A.M. in the County Courtroom

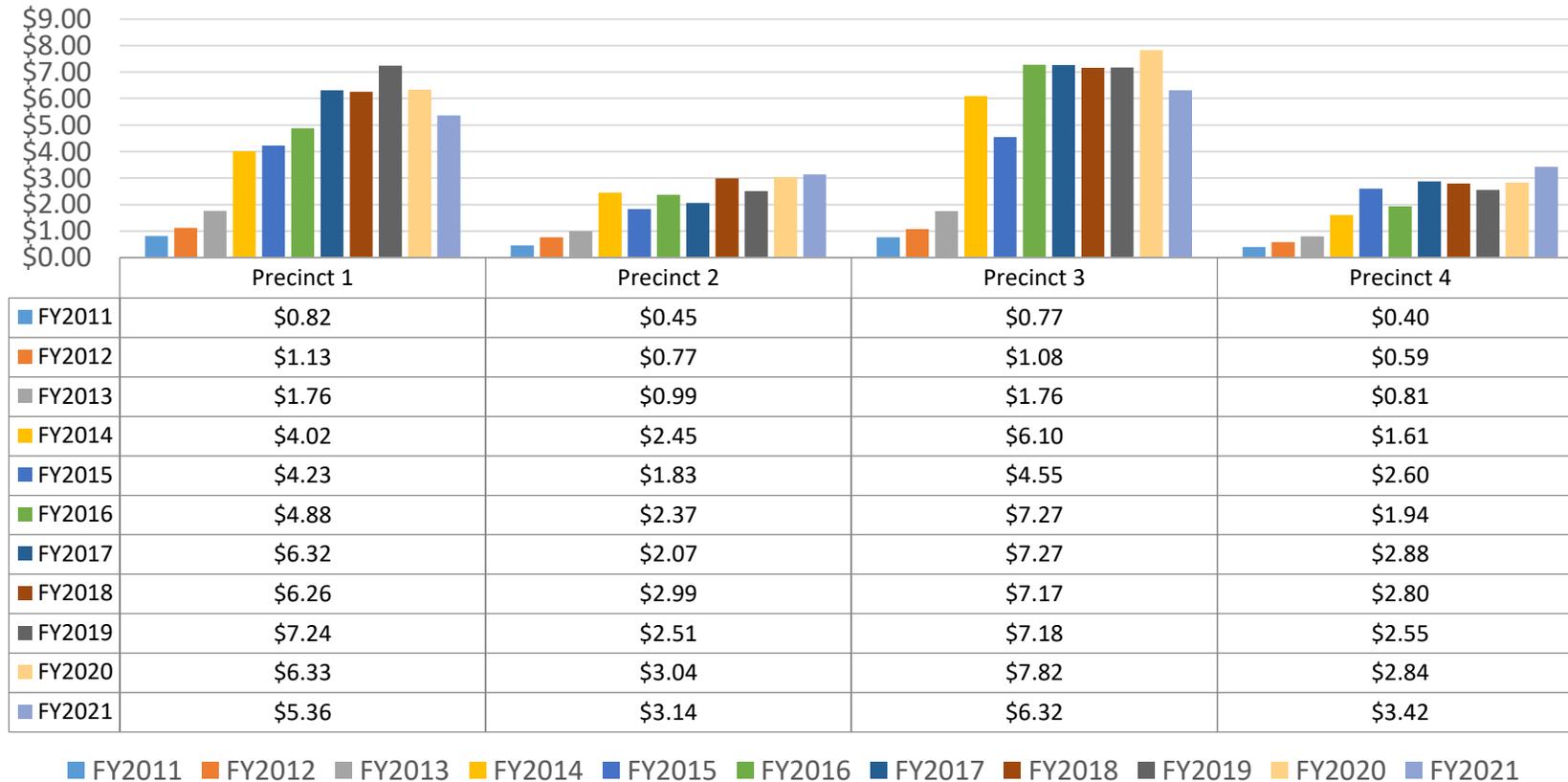
- \$26 million of road construction in all four precincts will be funded through a \$6.1 million grant from the County Transportation Infrastructure Fund, oil and gas royalties, and local tax dollars
- Construction of the new County Annex building continues
- Excavation and water penetration project of the County Courthouse basement continues
- Countywide emergency services communication system becomes operational
- An employee 3 percent cost of living adjustment has been balanced with a benefit reduction, employee right-sizing and budget discipline while maintaining a high level of constituent services
- State and federal grant opportunities will be sought in order to recover costs of COVID-19 mitigation
- Healthy fund balances will be maintained in order to avoid interruption of ongoing capital reinvestment into the county road system
- Debt will be avoided

County Budget by General Category of Expenditure (expressed in percent of the total budget) \$48,085,023

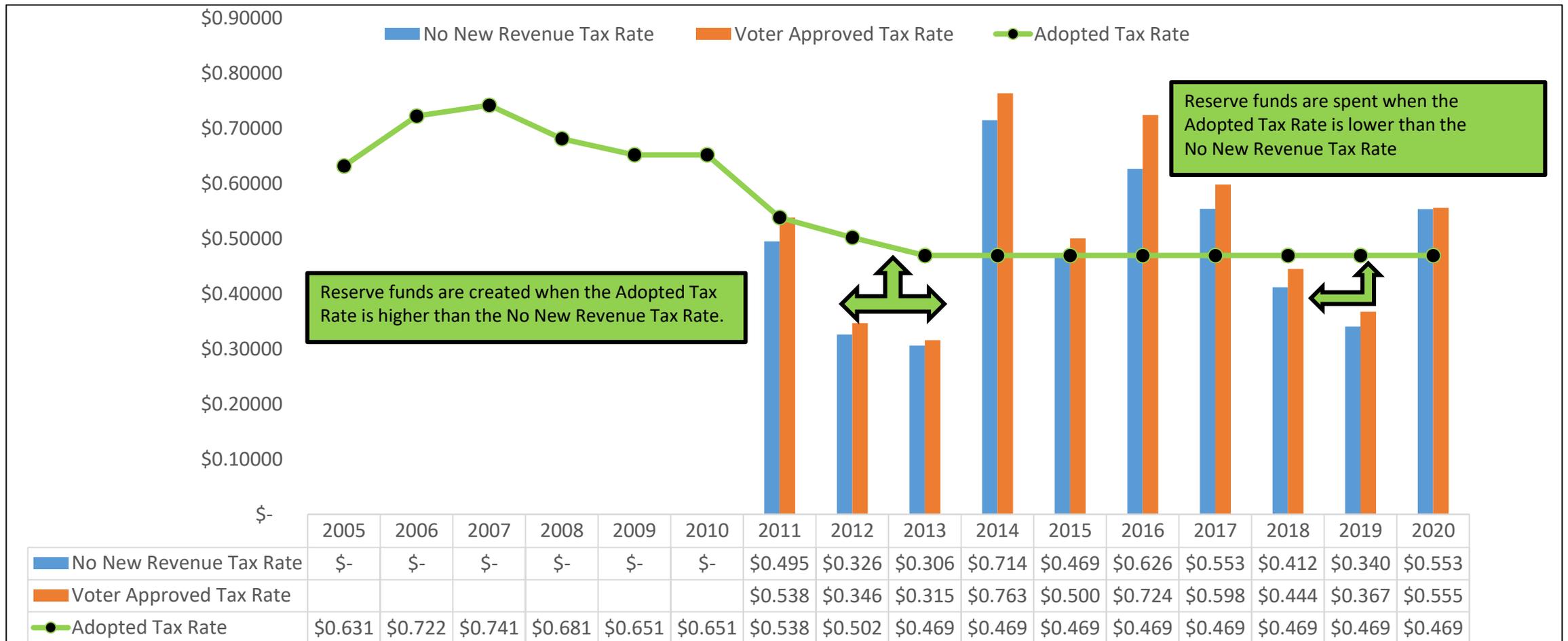


Eagle Ford Shale Era Road and Bridge budgets by Precinct

Expressed in Millions



FY2021: County officials draw on cash reserves rather than raise taxes



FY2020 Tax Policy

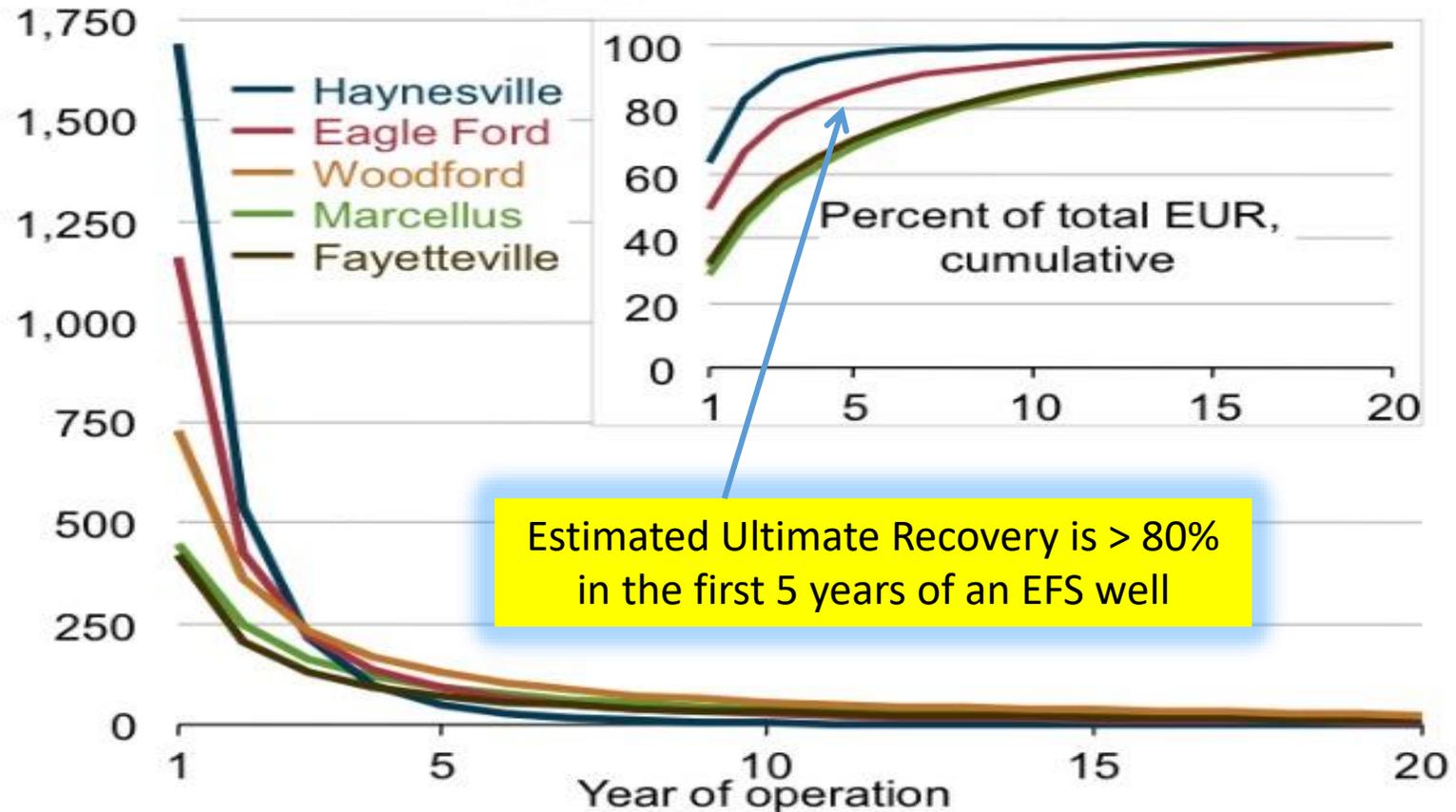
Hearing held in conjunction with County Budget Hearing on August 24, 2020 at 9:00 A.M. in the County Courtroom

- The tax revenue changes imposed by Senate Bill 2 (87th Legislature) were considered and determined to be a burden on local taxpayers
- The adopted tax rate (which is lower than the tax rates determined by the new legislation) accurately addresses the needs of the county and provides uninterrupted cash flow for capital improvement projects
- The adopted tax rate is the same tax rate used in the previous seven years and therefore, is not disruptive to private-sector businesses or family budgets
- The county collects the tax levy for other jurisdictions within the county and distributes the revenue back to those jurisdictions according to agreements to provide this service for a small fee
- The tax rates adopted by other jurisdictions are a function of the governing bodies of those jurisdictions.

The Basis of Tax Policy:

Mineral values are volatile and decline rapidly

Figure 54. Average production profiles for shale gas wells in major U.S. shale plays by years of operation (million cubic feet per year)

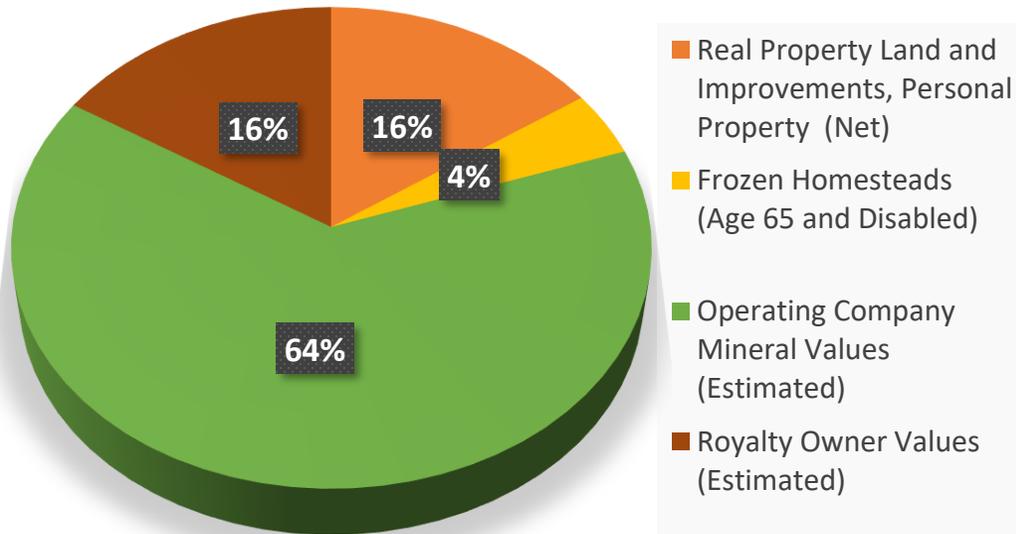


2020 Certified Appraised Values decreased by \$721.5 million (-11.28 %)

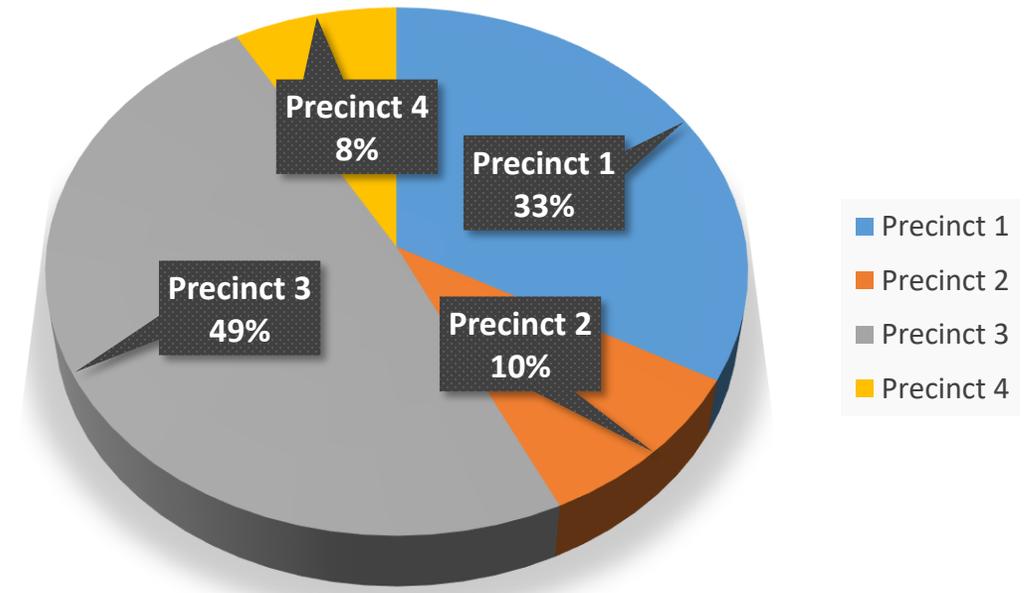
\$ 5,672,359,827

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General Categories of Taxable Property

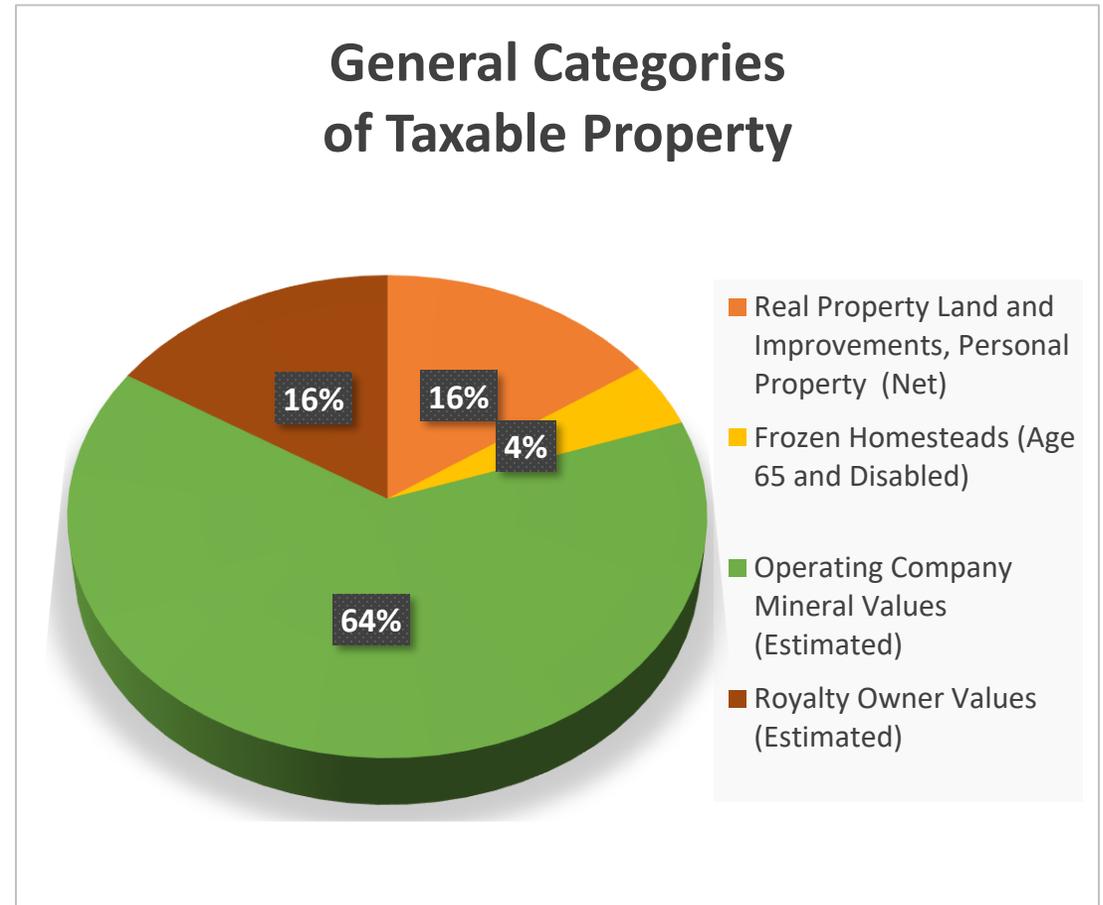


Property Values by Precinct



Categories of Taxable Property and Tax Levy (\$543,179 tax levy per penny of tax rate)

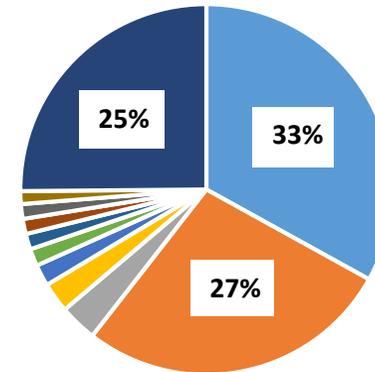
- \$ 348,934 is levied upon Operating Company Mineral Values (64%)
- \$ 87,234 is levied upon Royalty Owner Mineral Values (16%)
- \$ 83,106 is levied upon agricultural, commercial, and residential Real Property and Improvements, and Personal Property (15.4%)
- \$ 940,217 is the tax ceiling levied upon \$245,463,453 of property owned by persons with the Frozen Homestead exemption (4.3%) which translates to an equivalent tax rate of .38303 per \$100



2020 Top 10 Mineral Property Owners

Mineral Owner	2020 Value
Burlington/ConocoPhillips	\$ 1,204,028,150
Devon Energy Production Co. LP	\$ 1,000,026,860
Ensign Operating, LLC	\$ 119,051,720
Verdun Oil & Gas, LLC	\$ 95,248,800
EOG Resources Inc.	\$ 68,220,280
EFS Midstream, LLC	\$ 54,810,300
Kinder Morgan Crude LLC	\$ 49,617,230
Teal Operating, LLC	\$ 47,993,870
Enterprise Texas Pipeline PP	\$ 46,863,630
Marathon Oil Eagle Ford, LLC	\$ 40,693,760
All Other WI & RI	\$ 915,623,619

Total Mineral Values = \$ 3,642,348,089



- Burlington/ConocoPhillips
- Devon Energy Production Co. LP
- Ensign Operating LLC
- Verdun Oil & Gas, LLC
- EOG Resources, Inc.
- EFS Midstream, LLC
- Kinder Morgan Crude LLC
- Teal Operating, LLC
- Enterprise Texas Pipeline PP
- Marathon Oil eagle Ford, LLC
- All Other WI & RI

Example #1: Tax levy on \$100,000 property with NO CHANGE in value

Current Tax Rate is .46937 \$100,000 valuation \$469.37	No New Revenue Tax Rate is .53555 = no loss in revenue \$535.55	No New Revenue Tax Rate impact over previous year's tax bill	Voter Approved Tax Rate is .55599 = 3.5% more revenue than current year \$555.99	Voter Approved Tax Rate impact over previous year's tax bill
No Change	\$ 66.18 increase	+ 14.10 percent	\$ 86.62 increase	+ 18.45 percent

Property appraisals are performed by the DeWitt County Central Appraisal District, a political subdivision of the State of Texas. The County of DeWitt does not appraise or assign value to any property in the county.

Our county population is aging, therefore the number of homesteads qualifying for a frozen tax levy is increasing

A tax rate of .38303 would produce the tax ceiling of \$940,217 on the collective value of \$245,463,453 in Tax Frozen Homesteads

