

Notice of Public Hearing on Tax Increase

The City of Balcones Heights will hold a public hearing on a proposal to increase total tax revenues from properties on the tax roll in the preceding tax year by three percent (percentage by which proposed tax rate exceeds lower of rollback tax rate or effective tax calculated under Chapter 26, Tax Code). Your individual taxes may increase at a greater or lesser rate, or even decrease, depending on the change in the taxable value of your property in relation to the change in taxable value of all other property and the tax rate that is adopted.

The public hearing will be held on Sept. 5, 2007 6:00 p.m. at Justice Center, 3300 Hillcrest Drive.

The members of the governing body voted on the proposal to consider the tax increase as follows:

FOR: Bill Johnson, Benjamin Cass, Suzanne de Leon, Charles Matthies, Lamar Gillian
 AGAINST: none
 PRESENT and not voting: none
 ABSENT: none

Comparison of Proposed Budget with Last Year's Budget

The applicable percentage increase or decrease (or difference) in the amount budgeted in the preceding fiscal year and the amount budgeted for the fiscal year that begins during the current tax year is indicated for each of the following expenditure categories:

| | | | | |
|----------------------------|--------------------|----|------------------------------|--|
| Maintenance and operations | _____ % (increase) | or | _____ 2.8 _____ % (decrease) | |
| Debt service | _____ % (increase) | or | _____ 0.4 _____ % (decrease) | |
| Total expenditures | _____ % (increase) | or | _____ 0.9 _____ % (decrease) | |

Total Appraised Value and Total Taxable Value as calculated under section 26.04, Tax Code

| | Preceding Tax Year | Current Tax Year |
|--|--------------------|-------------------|
| Total appraised value* of all property | \$ 192,465,418.00 | \$ 217,656,505.00 |
| Total appraised value* of new property** | \$ 8,392,152.00 | \$ 985,560.00 |
| Total taxable value*** of all property | \$ 183,972,052.00 | \$ 209,193,126.00 |
| Total taxable value*** of new property** | \$ 7,871,902.00 | \$ 968,589.00 |

Bonded Indebtedness

Total amount of outstanding and unpaid bonded indebtedness \$ 1,120,348.00

Tax Rates

| | | |
|---|-------------------|--------------------|
| Adopted tax rate for the preceding tax year | \$ <u>.532404</u> | per \$100 in value |
| Proposed tax rate for the current tax year | \$ <u>.498356</u> | per \$100 in value |
| Difference in the proposed tax rate and the adopted tax rate for the preceding tax year | \$ <u>.034048</u> | per \$100 in value |

| | | |
|--|------------------|------------|
| Percentage increase or decrease in the proposed tax rate and the adopted tax rate for the preceding tax year | _____ % Increase | OR |
| | 6.4 | % Decrease |

These tax rate figures are not adjusted for changes in the taxable value of property.

* "Appraised value" is the amount shown on the appraisal roll and defined by Section 1.04(8), Tax Code.
 ** "New property" is defined by Section 26.012(17), Tax Code.
 *** "Taxable value" is defined by Section 1.04(10), Tax Code.

Comparison of Residence Homestead Values

Average appraised and taxable values on residence homesteads are compared from the preceding tax year and the current tax year.

| | Preceding Tax Year | Current Tax Year |
|--|---------------------|---------------------|
| Average residence homestead appraised value | \$ <u>76,575.00</u> | \$ <u>91,369.00</u> |
| Homestead exemption amount for the taxing unit (excluding special exemptions for persons 65 years of age or older or disabled) | \$ <u>11,699.00</u> | \$ <u>18,986.00</u> |
| Average taxable value of a residence homestead (excluding special exemptions for persons 65 years of age or older or disabled) | \$ <u>64,876.00</u> | \$ <u>72,383.00</u> |

Comparison of Residence Homestead Taxes

The taxes that would have been imposed in the preceding tax year on a residence homestead at the average appraised value (excluding special exemptions for persons 65 years of age or older or disabled) are estimated to be \$ 345.40.

The taxes that would be imposed in the current tax year on a residence homestead appraised at the average appraised value in the current tax year (excluding special exemptions for persons 65 years of age or older or disabled), if the proposed tax rate is adopted, are estimated to be \$ 350.91. The difference between the amount of taxes on the average residence homestead in the current tax year, if the proposed tax rate is adopted, and the preceding tax year would be an increase of \$ 5.51 or a decrease of \$ _____ in taxes.

Special Provisions if Applicable

Criminal Justice Mandate (use for counties, if applicable):

The _____ County Auditor certifies that _____ County has spent \$ _____ in the previous 12 months beginning _____, _____, for the maintenance and operations cost of keeping inmates sentenced to the Texas Department of Criminal Justice. _____ County Sheriff has provided information on these costs, minus the state revenues received for reimbursement of such costs.

Enhanced Indigent Health Care Expenditures (use if applicable):

The _____ spent \$ _____ from _____ to _____ on enhanced indigent health care at the increased minimum eligibility standards, less the amount of state assistance. For the current tax year, the amount of increase above last year's enhanced indigent health care expenditures is _____.