

WATER DISTRICT

NOTICE OF PUBLIC HEARING ON TAX RATE

The Trophy Club Municipal Utility District No. 1 will hold a public hearing on a proposed tax rate for the tax year 2020 on Monday, September 21, 2020 at 6:30 p.m. The hearing will be conducted via weblink and telephone conference call pursuant to Section 551.125, Texas Government Code, as modified temporarily by Governor Greg Abbott, and the related guidance from the Office of the Texas Attorney General, in connection with the Governor's COVID-19 Disaster Proclamation. Members of the public may participate in the hearing through the following weblink: <https://us02web.zoom.us/j/81792097179> or telephonically by dialing either of the following toll-free telephone numbers: (888) 475 4499 or (877) 853 5257 and entering Meeting ID: 817 9209 7179. Your individual taxes may increase at a greater or lesser rate, or even decrease, depending on the tax rate that is adopted and on the change in the taxable value of your property in relation to the change in taxable value of all other property. The change in the taxable value of your property in relation to the change in taxable value of all other property determines the distribution of the tax burden among all property owners.

FOR the proposal:	<u>Steve Flynn, Mark Chapman, Kelly Castonguay, Bill Rose and Greg Wilson</u>
AGAINST the proposal:	<u>None</u>
PRESENT and not voting:	<u>None</u>
ABSENT:	<u>None</u>

The following table compares taxes on an average residence homestead in this taxing unit last year to taxes proposed on the average residence homestead this year.

	Last Year	This Year
Total tax rate (per \$100 of value)	<u>\$0.11273/\$100</u> Adopted	<u>\$0.10774/\$100</u> Proposed
Difference in rates per \$100 of value		(\$0.00499)/\$100
Percentage increase/decrease in rates (+/-)		(4.43%)
Average appraised residence homestead value	\$443,586	\$470,750
General homestead exemptions available (excluding 65 years of age or older or disabled person's exemptions)	\$2,629	\$4,119
Average residence homestead taxable value	\$440,957	\$466,631
Tax on average residence homestead	\$497.09	\$502.75
Annual increase/decrease in taxes if proposed tax rate is adopted (+/-) and percentage of increase (+/-)		\$5.66 <u>1.14%</u>

NOTICE OF VOTE ON TAX RATE

If the district adopts a combined debt service, operation and maintenance and contract tax rate that would result in the taxes on the average residence homestead increasing by more than 3.5 percent, an election must be held to determine whether to approve the operation and maintenance tax rate under Section 49.23602, Water Code.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.