

# NOTICE OF PUBLIC HEARING ON TAX INCREASE

A tax rate of \$0.28261 per \$100 valuation has been proposed by the governing body of City of Horseshoe Bay.

PROPOSED TAX RATE	\$0.28261 per \$100
NO-NEW-REVENUE TAX RATE	\$0.24830 per \$100
VOTER-APPROVAL TAX RATE	\$0.26739 per \$100
DE MINIMIS RATE	\$0.27925 per \$100

The no-new-revenue tax rate is the tax rate for the 2021 tax year that will raise the same amount of property tax revenue for City of Horseshoe Bay from the same properties in both the 2020 tax year and the 2021 tax year.

The voter-approval rate is the highest tax rate that City of Horseshoe Bay may adopt without holding an election to seek voter approval of the rate, unless the de minimis rate for City of Horseshoe Bay exceeds the voter-approval rate for City of Horseshoe Bay.

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate for City of Horseshoe Bay, the rate that will raise \$500,000, and the current debt rate for City of Horseshoe Bay.

The proposed tax rate is greater than the no-new-revenue tax rate. This means that City of Horseshoe Bay is proposing to increase property taxes for the 2021 tax year.

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON August 24, 2021 AT 3:00PM AT City Hall, 1 Community Drive, Horseshoe Bay, TX 78657.

The proposed tax rate is greater than the voter-approval tax rate and the de minimis rate. If City of Horseshoe Bay adopts the proposed tax rate, City of Horseshoe Bay is required to hold an election so that the voters may accept or reject the proposed tax rate. If a majority of the voters reject the proposed tax rate, the tax rate of the City of Horseshoe Bay will be the voter-approval tax rate of the City of Horseshoe Bay.

**YOUR TAXES OWED UNDER ANY OF THE RATES MENTIONED ABOVE CAN BE CALCULATED AS FOLLOWS:**

$$\text{Property tax amount} = (\text{tax rate}) \times (\text{taxable value of your property}) / 100$$

**FOR the proposal: Cynthia Clinesmith, Elsie Thurman, Jerry Gray, Frank Hosea, Randy Rives, Elaine Waddill**

**AGAINST the proposal:**

**PRESENT** and not voting:

**ABSENT:**

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.

The following table compares the taxes imposed on the average residence homestead by City of Horseshoe Bay last year to the taxes proposed to be imposed on the average residence homestead by City of Horseshoe Bay this year.

	<b>2020</b>	<b>2021</b>	<b>Change</b>
<b>Total tax rate (per \$100 of value)</b>	\$0.27000	\$0.28261	increase of \$0.01261, or 4.67%
<b>Average homestead taxable value</b>	\$453,548	\$486,577	increase of \$33,029, or 7.28%
<b>Tax on average homestead</b>	\$1,224.58	\$1,375.12	increase of \$150.54, or 12.29%
<b>Total tax levy on all properties</b>	\$6,311,024	\$7,310,776	increase of \$999,752, or 15.84%

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For assistance with tax calculations, please contact the tax assessor for City of Horseshoe Bay at 325-247-4165 or [kfogel@co.llano.tx.us](mailto:kfogel@co.llano.tx.us), or visit <https://www.co.llano.tx.us/> for more information.