

NOTICE OF PUBLIC HEARING ON TAX INCREASE

A tax rate of \$0.0650 per \$100 valuation has been proposed by the governing body of Northeast Hays County ESD #2.

PROPOSED TAX RATE: \$0.0650 per \$100

NO-NEW-REVENUE TAX RATE: \$0.0589 per \$100

VOTER-APPROVAL TAX RATE: \$0.0609 per \$100

DE MINIMUS RATE: \$0.0650 per \$100

The no-new-revenue tax rate is the tax rate for the 2023 tax year that will raise the same amount of property tax revenue for Northeast Hays County ESD #2 from the same properties in both the 2022 tax year and the 2023 tax year.

The voter-approval rate is the highest tax rate that Northeast Hays County ESD #2 may adopt without holding an election to seek voter approval of the rate, unless the de minimis rate for Northeast Hays County ESD #2 exceeds the voter-approval rate for Northeast Hays County ESD #2.

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate for Northeast Hays County ESD #2 the rate that will raise \$500,000, and the current debt rate for Northeast Hays County ESD #2.

The proposed tax rate is greater than the no-new-revenue tax rate. This means that Northeast Hays County ESD #2 is proposing to increase property taxes for the 2023 tax year.

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON 08/17/2023 (CT) 07:00 PM (CT) at City Hall, 405 E. LOOP STREET, BUILDING 100, BUDA, TX.

The proposed tax rate is greater than the voter-approval tax rate but not greater than the de minimis rate. However, the proposed tax rate exceeds the rate that allows voters to petition for an election under Section 26.075, Tax Code. If Northeast Hays County ESD #2 adopts the proposed tax rate, the qualified voters of the Northeast Hays County ESD #2 may petition the Northeast Hays County ESD #2 to require an election to be held to determine whether to reduce the proposed tax rate. If a majority of the voters reject the proposed tax rate, the tax rate of the Northeast Hays County ESD #2 will be the voter-approval tax rate of the Northeast Hays County ESD #2.

YOUR TAXES OWED UNDER ANY OF THE TAX 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: Halley Ortiz, Stacy Morgan, Bert Bronaugh, Josh Harper

AGAINST the proposal: None

PRESENT and not voting: None

ABSENT: None

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 Northeast Hays County ESD #2 last year to the taxes proposed to be imposed on the average residence homestead by Northeast Hays County ESD #2 this year.

	2022	2023	Change
Total tax rate (per \$100 of value)	\$0.0674	\$0.0650	3.56% decrease
Average homestead taxable value	\$347,404	\$384,061	10.55% increase
Tax on average homestead	\$234	\$249	6.41% increase
Total tax levy on all properties	\$4,598,756	\$5,282,849	14.87% increase

For assistance with tax calculations, please contact the tax assessor for Northeast Hays County ESD #2 at (512) 393-5545 or jenifer.okane@co.hays.tx.us , or visit <http://www.hayscountytexas.com/taxoffice> for more information.