

NOTICE OF PUBLIC HEARING ON TAX INCREASE

A tax rate of 0.4000 per \$100 valuation has been proposed by the governing body of City of Montgomery.

| | |
|-------------------------|--------------------|
| PROPOSED TAX RATE | \$0.4000 per \$100 |
| NO-NEW REVENUE TAX RATE | \$0.3843 per \$100 |
| VOTER-APPROVAL TAX RATE | \$0.4525 per \$100 |
| DE MINIMIS RATE | \$0.8515 per \$100 |

The no-new-revenue tax rate is the tax rate for the 2020 tax year that will raise the same amount of property tax revenue for City of Montgomery from the same properties in both the 2019 tax year and the 2020 tax year.

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

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

The proposed tax rate is greater than the no-new-revenue tax rate. This means that City of Montgomery is proposing to increase property taxes for the 2020 tax year.

A public hearing on the proposed tax rate will be held on September 15, 2020 at 6:00 PM at via Zoom Meeting. To participate: <https://us02web.zoom.us/j/87900595375>, Meeting ID: 879 0059 5375. To join by Phone: (346)248-7799 US(Houston) Meeting ID: 879 0059 5375. The public can submit comments for the meeting and hearing until 3:00 PM on September 15, 2020, by emailing shensley@ci.montgomery.tx.us.

The proposed tax rate is not greater than the voter-approval tax rate. As a result, City of Montgomery is not required to hold an election at which voters may accept or reject the proposed tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the 0 of City of Montgomery at their offices or by attending the public meeting mentioned above.

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

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

The members of the governing body voted on the proposed tax increase as follows:

FOR:

Randy Burleigh
Tom Cronin
Kevin Lacy

Rebecca Huss
T. J. Wilkerson

AGAINST:

NONE

PRESENT and not voting:

MAYOR SARA COUNTRYMAN

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 City of Montgomery last year to the taxes proposed to be imposed on the average residence homestead by City of Montgomery this year:

| | 2019 | 2020 | Change |
|-------------------------------------|-------------|-------------|---------------------------------------|
| Total Tax Rate (per \$100 of value) | \$0.4000 | \$0.4000 | <i>decrease of</i> \$0.0000 OR 0% |
| Average homestead taxable value | \$249,533 | \$255,023 | <i>increase of</i> 2.20% |
| Tax on average homestead | \$998 | \$1,020 | <i>increase of</i> \$22 OR 2.20% |
| Total tax levy on all properties | \$1,099,835 | \$1,207,943 | <i>increase of</i> \$108,108 OR 9.83% |

For assistance with tax calculations, please contact the tax assessor for City of Montgomery at 936-539-7897 or tammy.mcrae@mctx.org, or visit www.mctotx.org for more information.