

**CITY OF BROOKSHIRE
PROPOSED BUDGET HEARING**

Notice is hereby given that the Board of Aldermen of the City of Brookshire will hold a public hearing on the proposed budget for the City's 2010-2011 fiscal year on the 13th day of September 2010 at 6:00 p.m.

The hearing will be held in the Council Chambers of the Brookshire Municipal Building 4029 Fifth Street, Brookshire, Texas 77423. The public is invited to attend, ask questions, and present comments.

By order of the Board of Aldermen of the City of Brookshire

**Claudia J. Harrison
City Secretary**

Notice of Effective Tax Rate

2010 PROPERTY TAX RATES IN CITY OF BROOKSHIRE

This notice concerns 2010 property tax rates for City of Brookshire. It presents information about three tax rates. Last year's tax rate is the actual rate the taxing unit used to determine property taxes last year. This year's *effective* tax rate would impose the same total taxes as last year if you compare properties taxed in both years. This year's *rollback* tax rate is the highest tax rate the taxing unit can set before taxpayers can start tax rollback procedures. In each case these rates are found by dividing the total amount of taxes by the tax base (the total value of taxable property) with adjustments as required by state law. The rates are given per \$100 of property value.

Last year's tax rate:

Last year's operating taxes	\$	1,051,966
Last year's debt taxes	\$	190,666
Last year's total taxes	\$	1,242,632
Last year's tax base	\$	194,125,395
Last year's total tax rate	\$	0.64000 /\$100

This year's effective tax rate:

Last year's adjusted taxes (after subtracting taxes on lost property)	\$	1,243,563
+ This year's adjusted tax base (after subtracting value of new property)	\$	173,181,897
= This year's effective tax rate	\$	0.71806 /\$100

(Maximum rate unless unit publishes notices and holds hearings.)

This year's rollback tax rate:

Last year's adjusted operating taxes (after subtracting taxes on lost property and adjusting for any transferred function, tax increment financing, state criminal justice mandate, and/or enhanced indigent health care expenditures)	\$	1,231,086
+ This year's adjusted tax base	\$	173,181,897
= This year's effective operating rate	\$	0.71086 /\$100
x 1.08 = this year's maximum operating rate	\$	0.76773 /\$100
+ This year's debt rate	\$	0.06107 /\$100
= This year's total rollback rate	\$	0.82880 /\$100

A hospital district or city that collects the additional sales tax to reduce property taxes, including one that collects the tax for the first time this year, must insert the following line:

- Sales tax adjustment rate	\$	0.13633 /\$100
= Rollback tax rate	\$	0.69247 /\$100

Statement of Increase/Decrease

If City of Brookshire adopts a 2010 tax rate equal to the effective tax rate of \$ 0.71806 per \$100 of value, taxes would increase compared to 2009 taxes by \$ 913.

Schedule A – Unencumbered Fund Balances

The following estimated balances will be left in the unit's property tax accounts at the end of the fiscal year. These balances are not encumbered by a corresponding debt obligation.

Type of Property Tax Fund	Balance
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Schedule B – 2010 Debt Service

The unit plans to pay the following amounts for long-term debts that are secured by property taxes. These amounts will be paid from property tax revenues (or additional sales tax revenues, if applicable).

Description of Debt	Principal or Contract Payment To be Paid from Property Taxes \$85,000	Interest to Be paid from Property Taxes \$ 6888	Other Amounts to be Paid \$ 18, 000	Total Payment \$ 109,888
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Total required for 2010 debt service			\$ 109,888	
- Amount (if any) paid from funds listed in Schedule A			\$ 0	
- Amount (if any) paid from other resources			\$ 0	
- Excess collections last year			\$ 0	
= Total to be paid from taxes in 2010			\$ 109,888	
Amount added in anticipation that the unit will collect only 100 % of its taxes in 2010			\$ 0	
+ collect only 100 % of its taxes in 2010			\$ 0	
= Total Debt Levy			\$ 109,888	

Schedule C – Expected Revenue from Additional Sales Tax

(For hospital districts, cities and counties with additional sales tax to reduce property taxes)

In calculating its effective and rollback tax rates, the unit estimated that it will receive \$245,643 in additional sales and use tax revenues. For County: The county has excluded any amount that is or will be distributed for economic development grants from this amount of expected sales tax revenue.

This notice contains a summary of actual effective and rollback tax rates' calculations. You can inspect a copy of the full calculations at: 4029 5th Street, Brookshire, Texas, 77423.

Name of person preparing this notice: Claudia J. Harrison

Title: City Secretary

Date prepared: July 29, 2010