

Statements required in notice if the proposed tax rate exceeds the no-new-revenue tax rate and the voter-approval tax rate but does not exceed the de minimis rate, as prescribed by Tax Code §§26.06(b-1) and 26.063(c).

# NOTICE OF PUBLIC HEARING ON TAX INCREASE

*This notice only applies only to a taxing unit other than a special taxing unit or municipality with a population of less than 30,000, regardless of whether it is a special taxing unit.*

PROPOSED TAX RATE	\$0.703645 per \$100
NO-NEW-REVENUE TAX RATE	\$0.663394 per \$100
VOTER-APPROVAL TAX RATE	\$0.682596 per \$100
DE MINIMIS RATE	\$0.707170 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 RED OAK from the same properties in both the 2019 tax year and the 2020 tax year.

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

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

The proposed tax rate is greater than the no-new-revenue tax rate. This means that CITY OF RED OAK is proposing to increase property taxes for the 2020 tax year.

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON August 24, 2020 at 6:30 PM at Red Oak City Hall, 200 Lakeview Pkwy, Red Oak, TX .

The proposed tax rate as set forth in this notice 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 the CITY OF RED OAK adopts the proposed tax rate, the qualified voters of the CITY OF RED OAK may petition the CITY OF RED OAK to require an election to be held to determine whether to reduce the proposed. If a majority of the voters reject the proposed tax rate, the tax rate of the CITY OF RED OAK will be the voter-approval tax rate of the CITY OF RED OAK.

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

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

*(List names of all members of the governing body below, showing how each voted on the proposal to consider the tax increase or, if one or more were absent, indicating absences.)*

FOR the proposal:	Gordon Toney-Mayor Pro Tem, Ben Goodwyn-Place 2, William Drake-Place 3, Michael Braly-Place 5
AGAINST the proposal:	
PRESENT and not voting:	
ABSENT:	Ron Wilson-Place 4

The 86th 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 RED OAK last year to the taxes proposed to be imposed on the average residence homestead by CITY OF RED OAK this year.

	2019	2020	Change
<b>Total tax rate (per \$100 of value)</b>	\$0.703645	\$0.703645	0% increase
<b>Average homestead taxable value</b>	\$216,124	\$224,014	4% increase
<b>Tax on average homestead</b>	\$1,521	\$1,576	4% increase
<b>Total tax levy on all properties</b>	\$7,288,609	\$8,286,637	14% increase

For assistance with tax calculations, please contact the tax assessor for CITY OF RED OAK at 972-825-5150 or [john.bridges@co.ellis.tx.us](mailto:john.bridges@co.ellis.tx.us), or visit [co.ellis.tx.us](http://co.ellis.tx.us).

## DE MINIMIS RATE ADDENDUM:

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

City of Red Oak proposes a tax rate that exceeds the voter-approval tax rate. Therefore, Section 26.06 of the Tax Code requires City of Red Oak to publish the above notice of a public hearing. However, for City of Red Oak, the de minimis rate exceeds the voter-approval tax rate. Therefore, the below additional notice information applies to City of Red Oak:

DE MINIMIS RATE \$0.707170 per \$100

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

The proposed tax rate is greater than the voter-approval tax rate but not greater than the de minimis rate. In addition, the proposed tax rate does not exceed the rate that allows voters to petition for an election under Section 26.075, Tax Code. Therefore, if City of Red Oak adopts the proposed tax rate, City of Red Oak is not required to hold an election for voters to accept or reject the proposed tax rate.