

2010 PROPERTY TAX RATES IN THE CITY OF BROWNWOOD

This notice concerns 2010 property tax rates for the City of Brownwood. 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 property value.

Last year's tax rate:

Last year's operating taxes	\$	4,059,168
Last year's debt taxes	\$	1,120,442
Last year's total taxes	\$	5,179,610
Last year's tax base	\$	695,063,079
Last year's total tax rate	\$.7452 / \$100

This year's effective tax rate:

Last year's adjusted taxes (after subtracting taxes on lost property)	\$	5,182,229
÷ This year's adjusted tax base (after subtracting value of new property)	\$	697,426,821
= This year's effective tax rate	\$.7430 / \$100

This year's rollback tax rate:

Last year 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.)	\$	5,487,635
÷ This year's adjusted tax base	\$	697,426,821
= This year's effective operating rate	\$.7868 / \$100
x 1.08 = this year's maximum operating rate	\$.8497 / \$100
+ This year's debt rate	\$.1601 / \$100
= This year's total rollback rate	\$	1.0098 / \$100
- Sales tax adjustment rate	\$.2025 / \$100
= Rollback tax rate	\$.8073 / \$100

STATEMENT OF INCREASE/DECREASE

If the City of Brownwood adopts a 2010 tax rate equal to the effective tax rate of \$.7430 per \$100 of value, taxes would increase compared to 2009 taxes by \$39,625.

Schedule A – Unencumbered Fund Balances

The following estimated balances will be left in the City'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
Debt Service Funds	\$ 22,728

Schedule B – 2010 Debt Service

The City 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.

Description of Debt	Principal or Contract Payment to be Paid from Property Taxes	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
Bonds	\$ 945,000	\$ 262,782	\$ 1,123	\$ 1,208,905
Total required for 2010 debt service			\$ 1,208,905	
-	Amount paid from funds listed in Schedule A		\$ 22,728	
-	Amount paid from other resources		\$ 58,269	
-	Excess collections last year		\$ 0	
=	Total to be paid from taxes in 2009		\$ 1,127,908	
+	Amount added in anticipation that the City will collect only 100% of its taxes in 2010		\$ 0	
=	Total Debt Levy		\$ 1,127,908	

Schedule C – Expected Revenue from Additional Sales Tax

In calculating its effective and rollback tax rates, the City estimated that it will receive \$1,426,456 in additional sales and use tax revenues.

This notice contains a summary of actual effective and rollback tax rate calculations. You may inspect a copy of the full calculations at 501 Center Avenue, Brownwood, TX 76801. Name of person preparing this notice: Walter Middleton. Title: Director of Finance. Date prepared: 7/21/2010.