

Denton County, Texas

Public Hearings on Proposed Tax Rate

August 21, 2012 at 7:00 p.m.

and

August 28, 2012 at 10:00 a.m.

Denton Central Appraisal District

Appraisal Districts were established in 1981 as a political subdivision and are responsible for appraising property for ad valorem tax purposes of each taxing unit.

Contact Information:

Chief Appraiser Joe Rogers

3911 Morse Street

Denton, Texas 76205

Metro: 972-434-2602

Fax: 940-387-4824

Public Hearing Notices for Proposed Tax Rate

- The two public hearings on the proposed tax rate have been advertised and posted according to the provisions detailed in the Property Tax Code as follows:
- ¼ page notice appeared in the Denton Record Chronicle on Monday, August 13th.
- Notice is posted on the main page of the Denton County web site and will remain posted through August 31st.
- Notice was provided to the local free-access cable station to run for 60 second periods at least 5 times per day between the hours of 7:00am and 9:00pm through August 28th.

Summary of Current and Proposed County Tax Rate

- Current Tax Rate = \$0.277357
- Effective Tax Rate = \$0.279636
- Proposed Tax Rate = \$0.282867
- Variance (Current vs. Proposed) = \$0.005510
- Variance (Effective vs. Proposed) = \$0.003231

The Proposed Tax Rate is 1.155431% above the effective tax rate.

Effective Tax Rate

- The effective tax rate will provide the taxing unit with approximately the same amount of revenue it had the year before on properties taxed in both years.

EXHIBIT 1: Calculating the Effective Tax Rate

$$\left[\begin{array}{c} \text{Prior Year's Taxes} \\ \text{Less} \\ \text{Taxes on Property Lost This Year} \\ \hline \text{(divided by)} \\ \hline \text{Current Value of Property} \\ \text{Taxed in the Prior Year} \end{array} \right] \times \$100$$

New Property Value

- New property value generates new revenue for a taxing unit. This helps offset property value losses for new exemptions and special appraisals granted for the first time in the current year.
- Examples - additions to existing properties such as a garage or a new home added in a new subdivision. Does not include increased value on any existing structures.

Denton County, Texas

Effective Rate vs. Proposed Rate

Sample Home Value	Effective Rate County Taxes	Proposed Rate County Taxes	Annual Variance	Monthly Variance
Tax Rate per \$100 Value:	\$0.279636	\$0.282867		
\$100,000	\$279.64	\$282.87	\$3.23	\$0.27
\$125,000	\$349.55	\$353.58	\$4.04	\$0.34
\$150,000	\$419.45	\$424.30	\$4.85	\$0.40
\$175,000	\$489.36	\$495.02	\$5.65	\$0.47
\$200,000	\$559.27	\$565.73	\$6.46	\$0.54
\$211,678 (Avg. home value)	\$591.93	\$598.77	\$6.84	\$0.57

•This chart assumes no increase in valuation. Changes in an individual taxpayer's county taxes depend on the specific change in property valuation.

Denton County, Texas

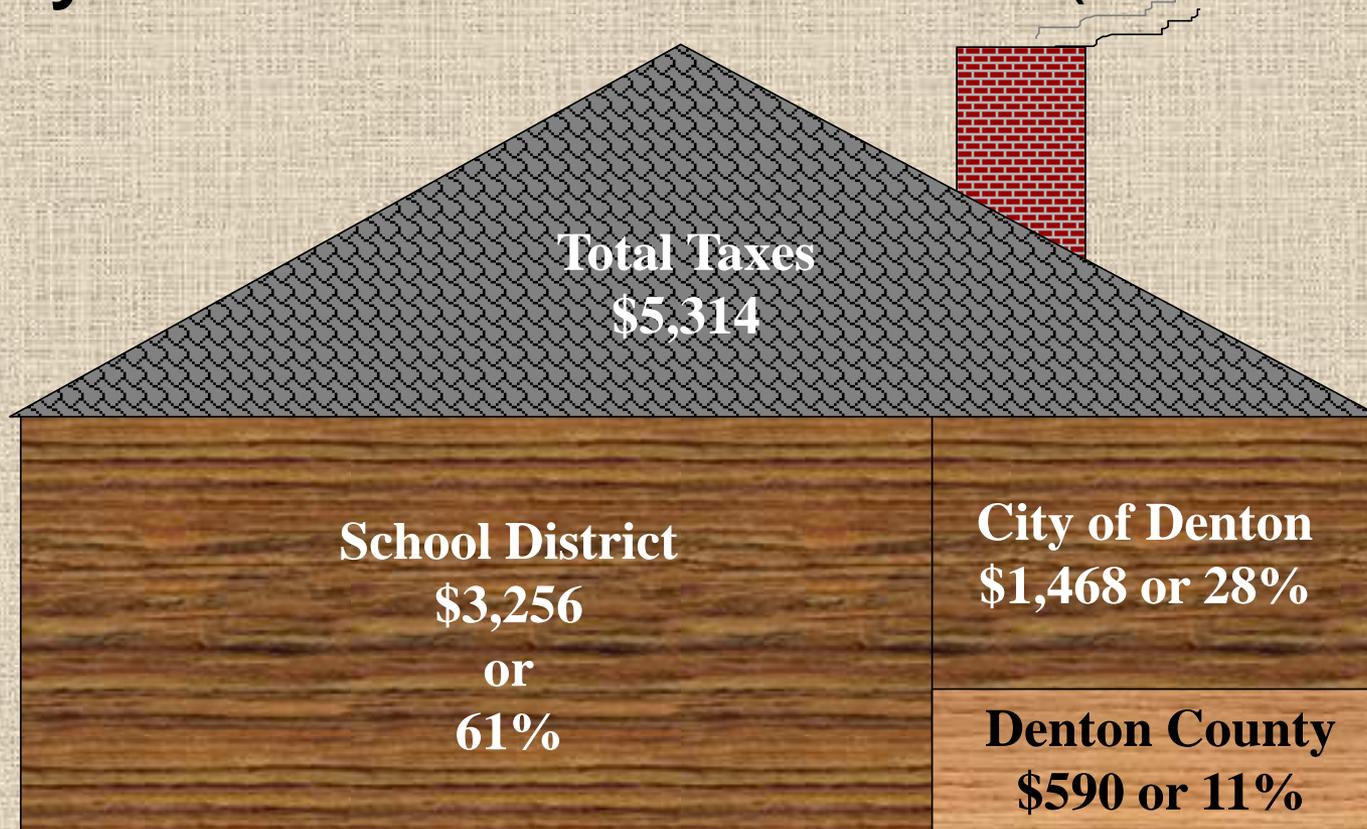
Current Rate vs. Proposed Rate

Sample Home Value	Current County Taxes	Proposed County Taxes	Annual Variance	Monthly Variance
Tax Rate per \$100 Value:	\$0.277360	\$0.282867		
\$100,000	\$277.36	\$282.87	\$5.51	\$0.46
\$125,000	\$346.70	\$353.58	\$6.88	\$0.57
\$150,000	\$416.04	\$424.30	\$8.26	\$0.69
\$175,000	\$485.38	\$495.02	\$9.64	\$0.80
\$200,000	\$554.72	\$565.73	\$11.01	\$0.92
\$211,678 (Avg. home value)	\$587.11	\$598.77	\$11.66	\$0.97

•This chart assumes no increase in valuation. Changes in an individual taxpayer's county taxes depend on the specific change in property valuation.

Denton County, Texas

Property Taxes for Average Home Owner City of Denton – Previous Year (Tax Year 2011)

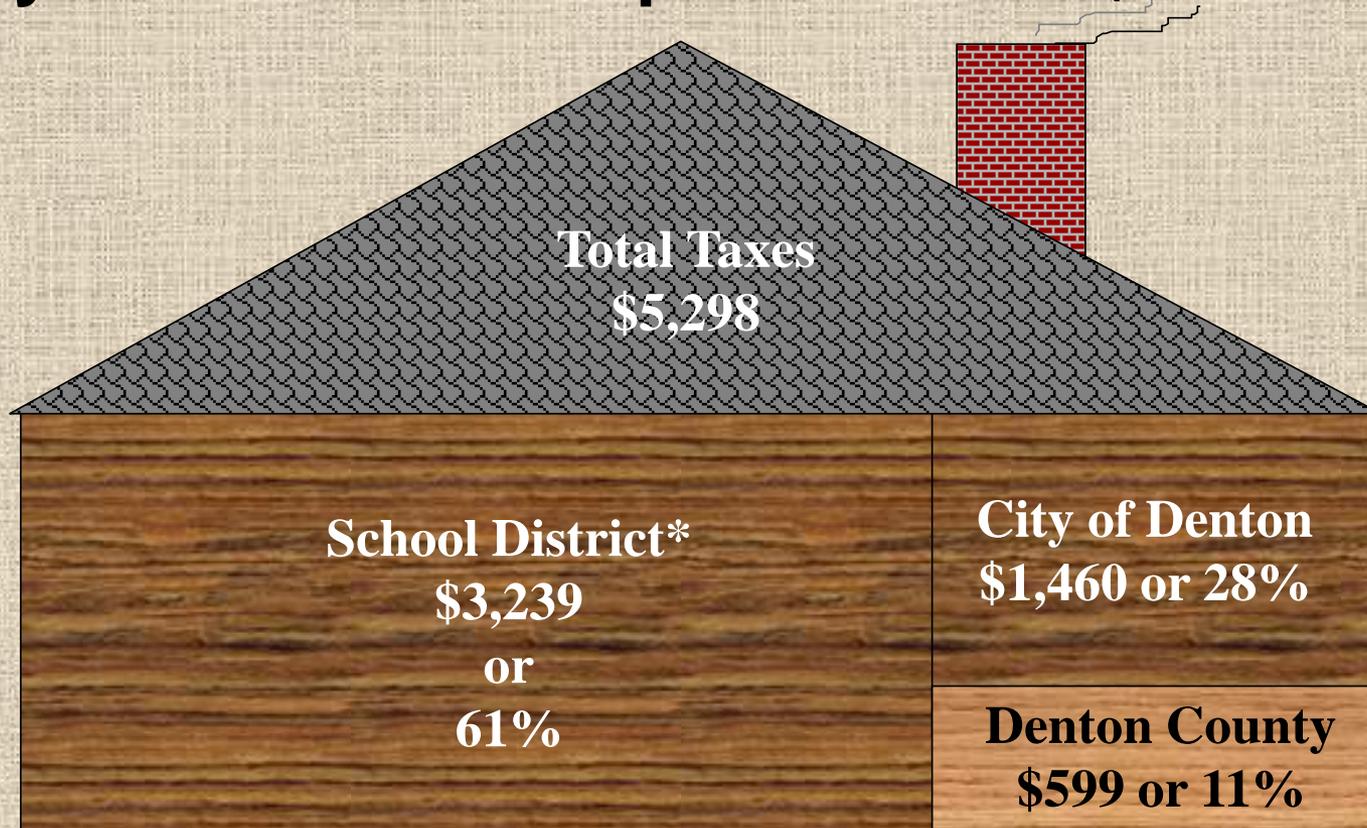


Based on the Average \$212,801 Denton County Home Value

Tax Rates: Denton County \$0.277357 / Denton ISD \$1.530 / City of Denton \$0.68975

Denton County, Texas

Property Taxes for Average Home Owner City of Denton – Proposed Rates (Tax Year 2012)



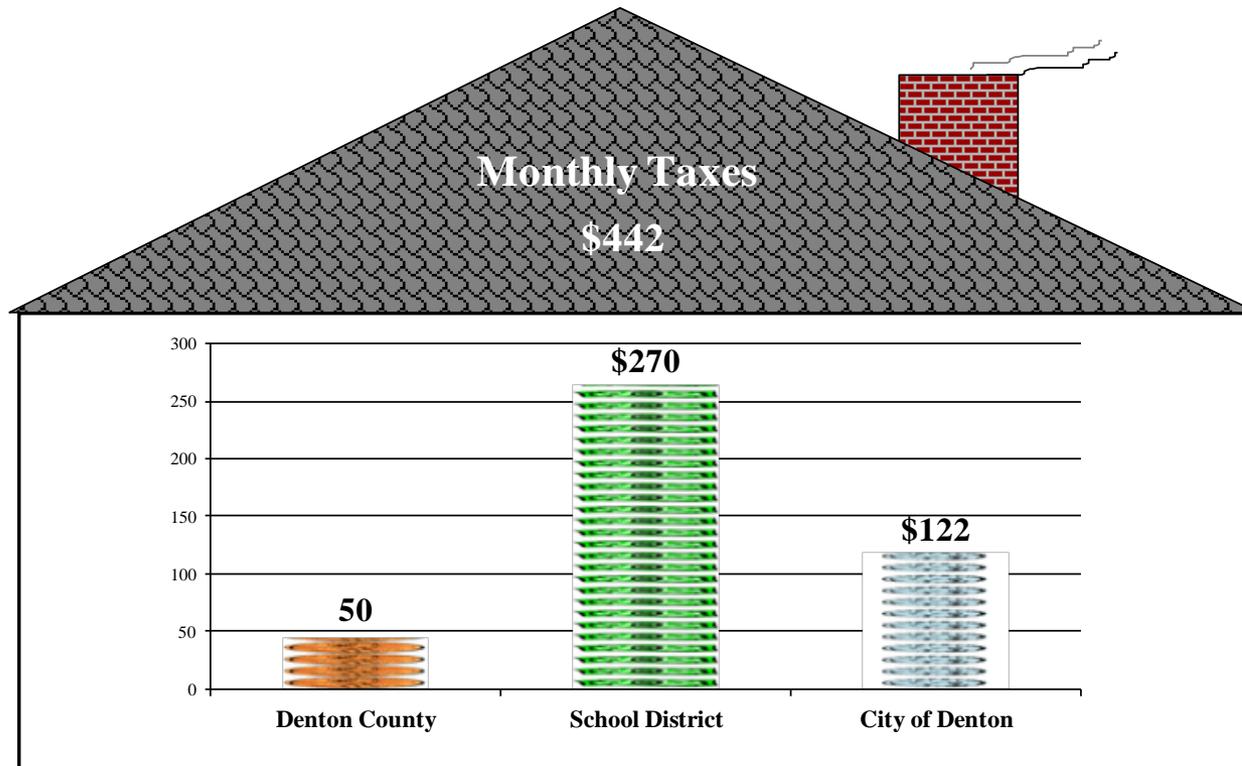
Based on the Average \$211,678 Denton County Home Value

* Proposed Tax Rates: Denton County \$0.282867 / Denton ISD \$1.53 / City of Denton \$0.68975

Denton County, Texas

Average Home Value/Monthly Taxes

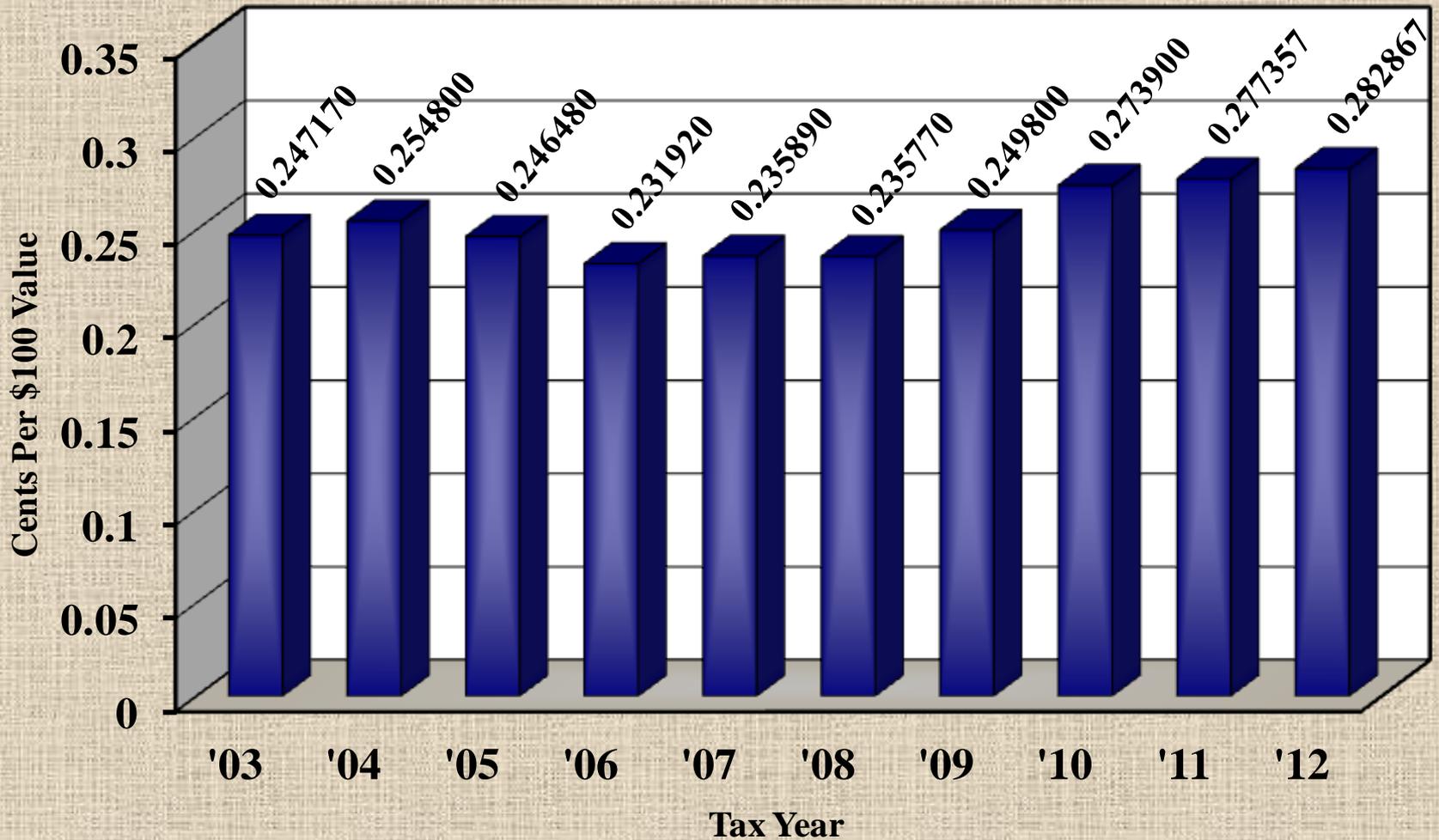
Based on the average Denton County Home Value of \$211,678



Based on proposed tax rates for each entity

Denton County, Texas

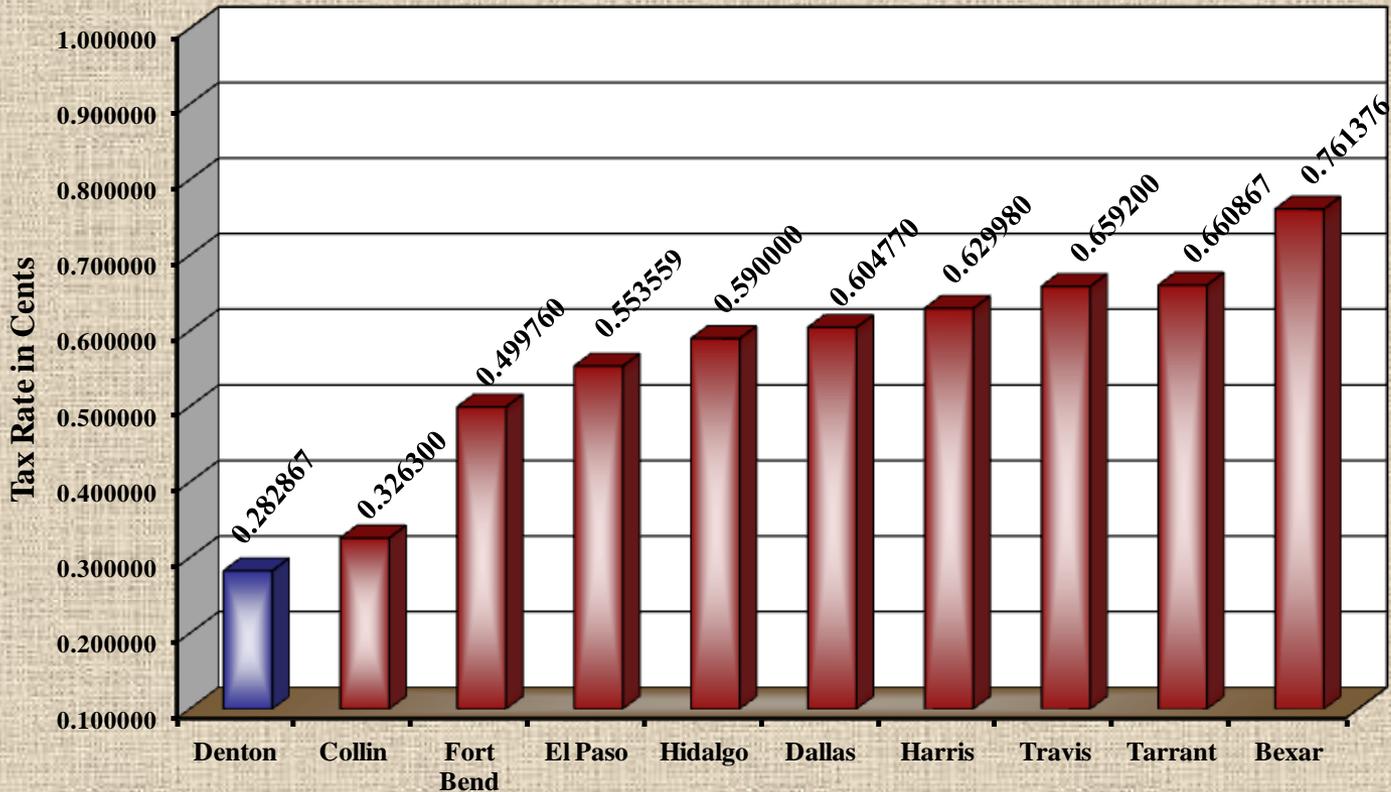
Ten-Year Tax Rate History



Denton County, Texas

Comparison of Top 10 Texas Counties

County-Wide Tax Rates

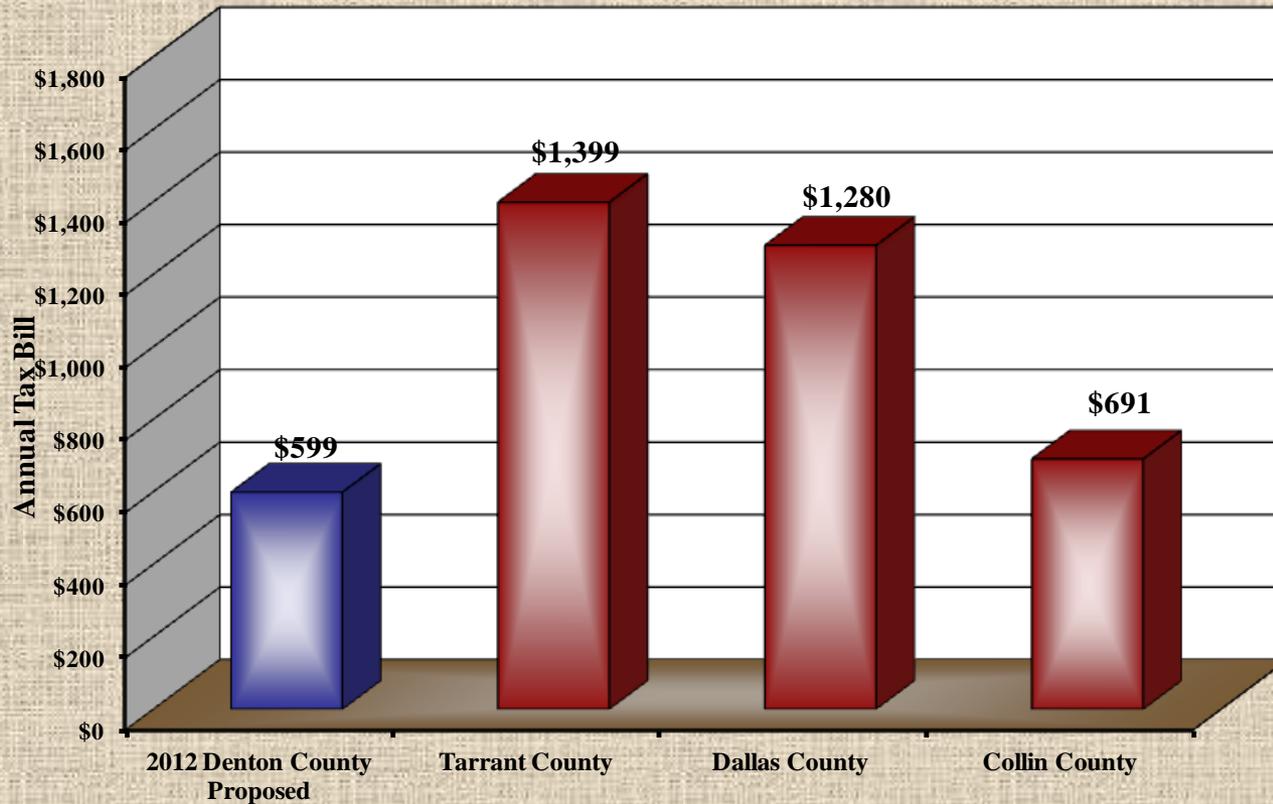


Denton County tax rate is the proposed rate for FY12. Other counties tax rates are the existing rates.

Includes tax rates assessed county-wide for the county including: Hospital District, Community College, Flood Control, Port Authority, etc.

Denton County, Texas Tax Bill Comparison

Based on Denton County's average home value of \$211,678



This chart reflects Denton County's proposed tax rate compared to the current tax rate of the other counties.

Top 10 Counties Tax Rate and Employees per Capita Comparison

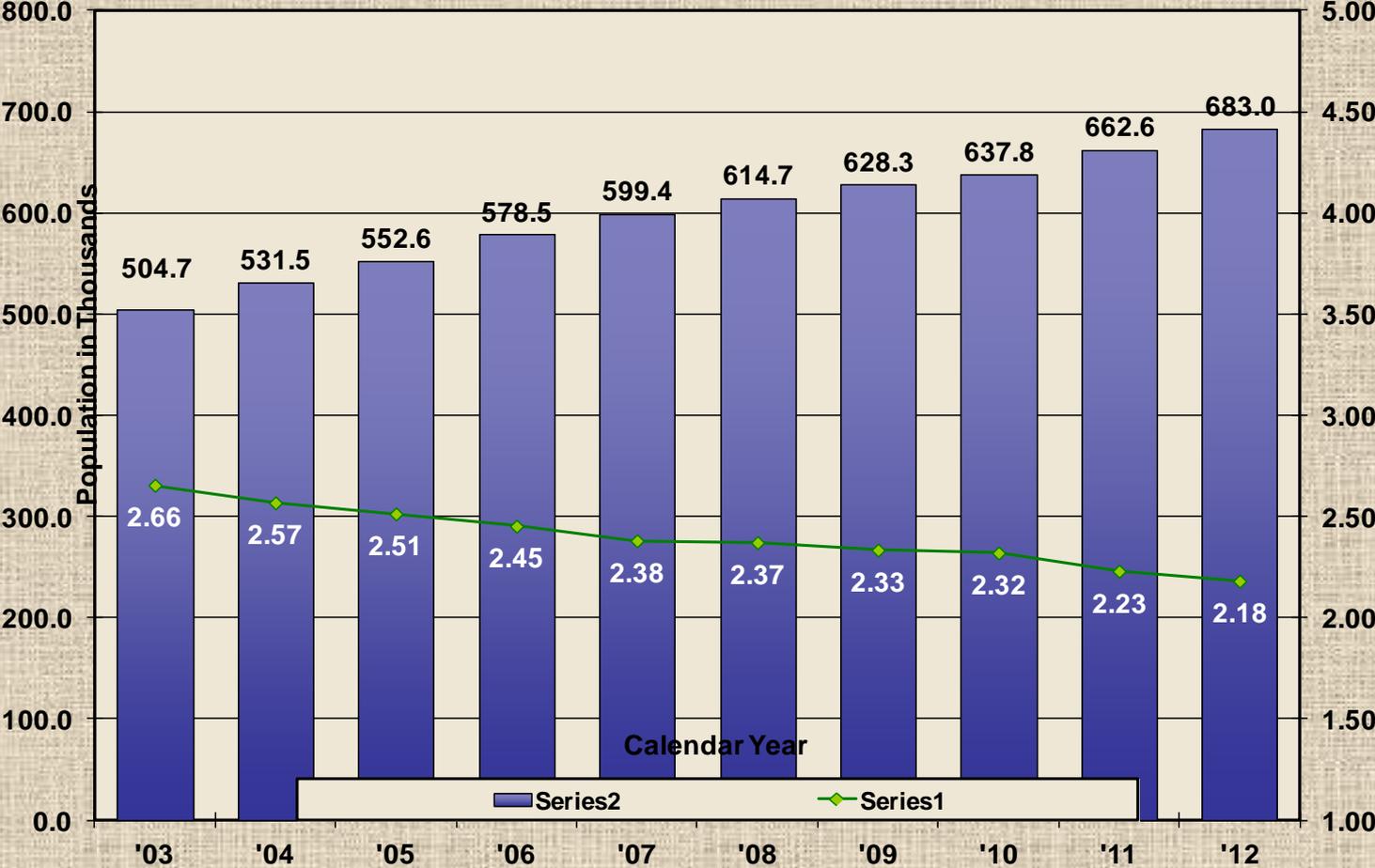
County	Total County-Wide Tax Rates per \$100 Valuation	Total # Emp. Per 1,000 Cty Residents
Denton	0.282867	2.18
Collin	0.326300	2.28
Fort Bend	0.499760	3.65
El Paso	0.553559	3.32
Hidalgo	0.590000	3.82
Dallas	0.604770	2.69
Harris	0.629980	4.33
Travis	0.659200	4.74
Tarrant	0.660867	2.56
Bexar	0.761376	2.64

Denton County information is based on the proposed tax rate, current population data and proposed number of employees. Information for other counties is based on FY12 data.

Includes tax rates assessed county-wide for the county including: Hospital District, Community College, Flood Control, Port Authority, etc.

Denton County, Texas

Number of Employees per Capita



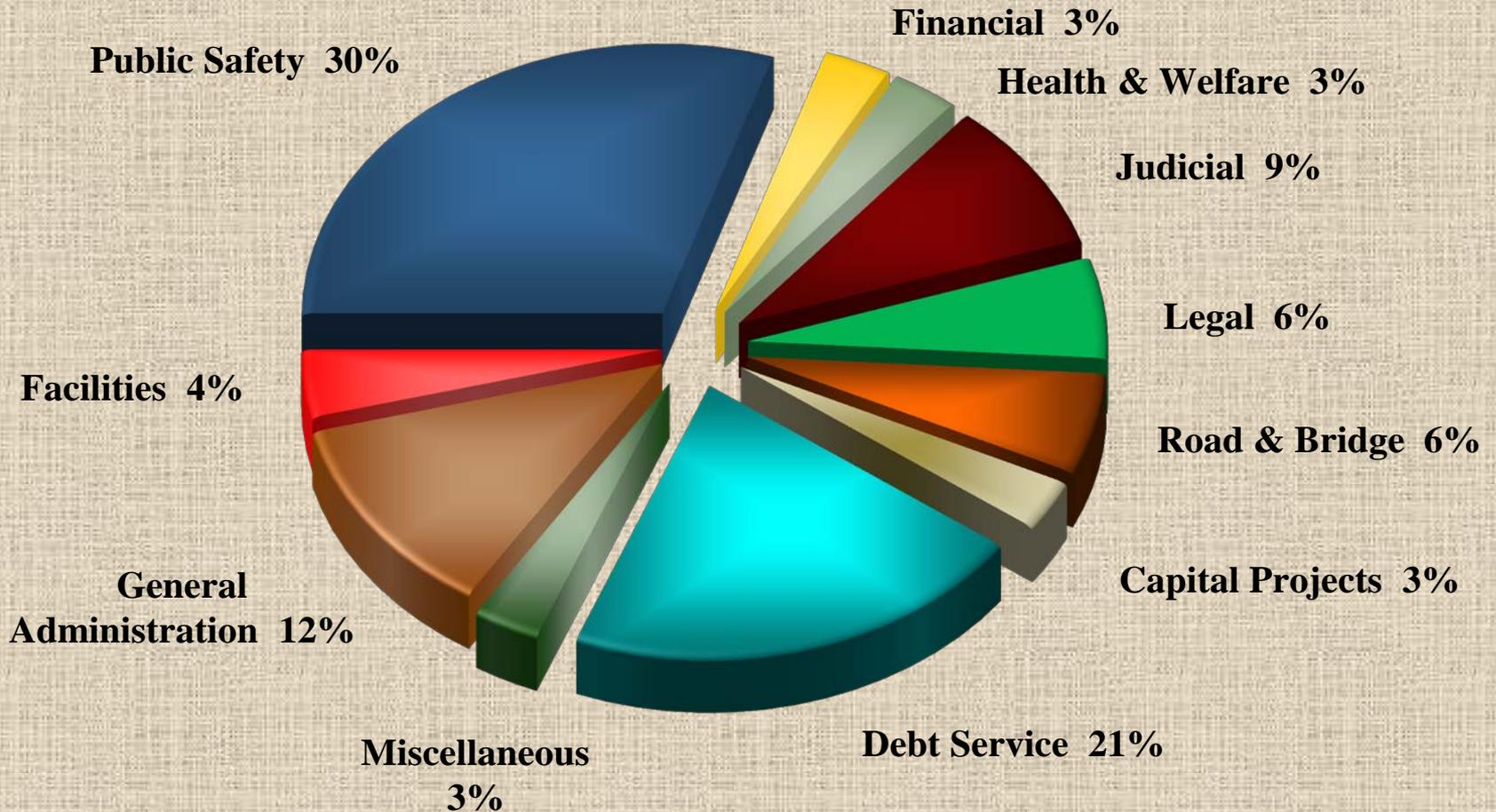
Functions of Denton County

- **Public Safety**
 - County Jail and Jail Health
 - Sheriff's Department
 - Adult and Juvenile Probation
 - (6) Constables
 - Fire and Ambulance Services
 - Emergency Management/Homeland Security
- **County Roads and Bridges**
- **Judicial/Legal** - Criminal Justice System
 - (21) District, County, & Justice of the Peace Courts
 - Criminal District Attorney
 - District Clerk and Jury Services
 - Medical Examiner Services
 - Security Services
- **Debt Service** – Long Term Debt
 - Roads and Bridges
 - County Facilities
- **Capital Projects**
- **Miscellaneous**
- **Health and Welfare**
 - Health Dept-Clinical & Environmental
 - Child Protective Services
 - Indigent Health Care
- **Financial**
 - County Auditor
 - County Treasurer
 - Tax Assessor/Collector
 - Motor Vehicle Registration/Property Taxes
 - Budget Office
- **General Administration**
 - County Clerk
 - Commissioners Court
 - Human Resources
 - Purchasing
 - Information Services
 - Elections
 - Veterans Service
- **Facilities Management**

Denton County, Texas

Expense Summary by Function

\$210,522,423



Denton County, Texas

Proposed Budget FY 2013 – Major Changes

- **Increased Debt Service Payments-Voter Approved Projects**
- **2 1/2% Raises for Employees/Officials and Reclassifications**
- **Employee Health Insurance and Retirement Rate Increases**
- **New Employees: 19 Requested; 7 F-T and 1 P-T Proposed**
- **Facility Expenses (Utilities, Janitorial, etc.)**
- **Juvenile Placement and Counseling Expenses**
- **Prisoner Medical Care**
- **Capital Replacement Fund Transfer/Contingency**
- **Court Ordered Expenses**
- **County Clerk Microfilm Expenses**
- **Gasoline Expenses**
- **Reductions in Various Departmental Operating Budgets, Lease Payments, Social Service Agencies, Library Funding, Election Expenses, etc.**

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- **Increased Debt Service Payments-Voter Approved Road Projects**

– TRIP ‘08 Roads, County Judge	\$ 6,470,925
– County Roads, Pct #1	6,271,539
– TRIP ‘08 Roads, Pct #1	<u>5,353,467</u>
– Sub-Total, Roads, Pct #1	\$ 11,625,006
– TRIP ‘08 Roads, Pct #2	\$ 10,576,732
– TRIP ‘08 Roads, Pct #3	\$ 7,074,654
– County Roads, Pct #4	6,710,500
– TRIP ‘08 Roads, Pct #4	<u>17,092,751</u>
– Sub-Total, Roads, Pct #4	\$ 23,803,251
– TRIP ‘04 Road Projects	\$ 10,360,000
– <i>TOTAL ROAD PROJECTS</i>	<u>\$ 69,910,568</u>

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- **Increased Debt Service Payments-Voter Approved Building Projects**

– Fiber Optic Construction	\$ 1,210,233
– Administrative Complex Network	\$ 1,751,637
– Jail Expansion	<u>\$ 22,714,562</u>
– <i>GRAND TOTAL BUILDING PROJECTS</i>	<u>\$ 25,676,432</u>

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- **Summary of Voter Approved Projects Included in Debt Service Payments for FY2013:**

– County Roads	\$ 12,982,039
– TRIP ‘08 Roads	\$ 46,568,529
– TRIP ‘04 Roads	\$ 10,360,000
– Building/Technology Projects	<u>\$ 25,676,432</u>
– <i>TOTAL VOTER APPROVED PROJECTS</i>	<u>\$ 95,587,000</u>

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- **Summary of Approved Tax Note Projects:**

– Precinct #4 Government Center	\$ 6,761,054
– Video Visitation – County Jail	\$ 1,200,946
– Pre-Construction Site Work @ Jail	<u>\$ 2,138,000</u>
– <i>TOTAL TAX NOTE PROJECTS</i>	<u>\$ 10,100,000</u>

Denton County, Texas

November 4, 2008 Bond Election Results

Proposition #1

**Road Projects @ \$310 million received 68.22% voter approval
(Issued to-date \$161,714,000 - Balance to Issue \$148,286,000)**

Proposition #2

**Building Projects @ \$185 million received 52.25% voter approval
(Issued to-date \$118,851,000 - Balance to Issue \$66,149,000)**

Total Projects approved by the voters totaled \$495 million

Denton County, Texas

- **The tax rate increase above the calculated effective tax rate is for various debt projects.**

Total Taxable Value in Denton County = \$ 54,109,959,012

Total Tax Levy on Effective Tax Rate = \$ 151,310,925

Total Tax Levy on Proposed Tax Rate = \$ 153,059,218

Actual Variance = \$ 1,748,293

Questions / Comments

Public Participation

- Questions or comments
- Invite public input on the proposed tax rate

At the Conclusion of the Public Hearing

Announce the date, time and place that the proposed tax rate will be adopted.

Recommend scheduling adoption of the tax rate for Tuesday, September 4, 2012 at 10:15am at the Courthouse on the Square, in the Commissioners Courtroom, 110 West Hickory, Denton, Texas.

An additional 1/4 page notice will be posted in the Denton Record Chronicle, on our web site, and on the Charter Communication free access cable television channel.

Additional Information

Proposed budget will be on file in the Budget Office, County Clerk and County Auditor's Office and will be posted on the main page of the web site by Wednesday, August 29, 2012.

Public Hearing on the Proposed Budget - 10:00am on Tuesday September 4, 2012 at the Courthouse-on-the-Square in the Commissioners Courtroom.

Adoption of the budget is scheduled immediately following the public hearing.

Adoption of the tax rate will follow adoption of the budget and the rate is scheduled for adoption at 10:15am on September 4, 2012.