

Notice of Effective Tax Rate

2017 **Property Tax Rates in** Midland County Hospital District
(insert year) (insert taxing unit name)

This notice concerns 2017 property tax rates for Midland County Hospital District.
(insert year) (Insert taxing unit name)

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	\$	22,224,978.00
Last year's debt taxes	\$	6,845,078.00
Last year's total taxes	\$	29,070,056.00
Last year's tax base	\$	21,494,983,870.00
Last year's total tax rate	\$	0.13505 /\$100

This year's effective tax rate:

Last year's adjusted taxes (after subtracting taxes on lost property)	\$	29,070,056.00
+ This year's adjusted tax base (after subtracting value of new property)	\$	23,605,069,862.00
= This year's effective tax rate (Maximum rate unless taxing unit publishes notices and holds hearings.)	\$	0.1231500 /\$100

In the first year a hospital district collects the additional sales tax to reduce property taxes, it must insert the following lines unless its first adjustment was made last year:

- Sales tax adjustment rate	\$	0.00 /\$100
= Effective tax rate	\$	0.00 /\$100

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)	\$	22,244,752.00
+ This year's adjusted tax base	\$	23,605,069,862.00
= This year's effective operating rate	\$	0.094237 /\$100
x 1.08 = this year's maximum operating rate	\$	0.101776 /\$100
+ This year's debt rate	\$	0.028219 /\$100
= This year's total rollback rate	\$	0.129995 /\$100

For a taxing unit with additional rollback rate for pollution control, insert the following lines:

+ Additional rollback rate for pollution control	\$	0.00000 /\$100
= Rollback tax rate	\$	0.00000 /\$100

A hospital district 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 lines:

- Sales tax adjustment rate	\$	0.00000 /\$100
= Rollback tax rate	\$	0.00000 /\$100

Statement of Increase/Decrease

If Midland County Hospital District adopts a 2017 tax rate equal to the effective tax rate of \$0.1231500 per \$100 of value, taxes would increase compared to 2016 taxes by \$838,684.

Schedule A – Unencumbered Fund Balances

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

<u>Type of Property Tax Fund</u>	<u>Balance</u>
Maintenance and Operations	\$ 0.00

Schedule B – 2018 Debt Service

Midland County Hospital District 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	Interest To Be Paid from Property Taxes	Other Amounts To Be Paid	Total Payment
General Obligation Bonds, Series 2009B	\$2,860,000	\$6,100,514	\$ -	\$8,960,514

Total required for 2018 debt service	\$ 8,960,514
- Amount (if any) paid from funds listed in Schedule A	\$ -
- Amount (if any) paid from other resources	\$ 1,981,447
- Excess collections last year	\$ 271,961
= Total to be paid from taxes in 2018	\$ 6,707,106
+ Amount added in anticipation that the until will collect only 98% of its taxes in 2018	\$ 136,880
= Total Debt Levy	\$ 6,843,986

Schedule C – Expected Revenue from Additional Sales Tax —Not Applicable to Midland County Hospital District
Schedule D – State Criminal Justice Mandate (for counties) —Not Applicable to Midland County Hospital District
Schedule E – Transfer of Department, Function or Activity —Not Applicable to Midland County Hospital District
Schedule F – Enhance Indigent Health Care Expenditures —Not Applicable to Midland County Hospital District

Name of person preparing this notice: **Stephen Bowerman**
 Title: **Sr. Vice President /Chief Financial Officer, Midland Memorial Hospital**
 Date Prepared: **July 31, 2017**

Notice of Public Hearing on Tax Increase

The Midland County Hospital District will hold two public hearings on a proposal to increase total tax revenues from properties on the tax roll in the preceding tax year by 5.56% (percentage by which proposed tax rate exceeds lower of rollback tax rate or effective tax calculated under Chapter 26, Tax Code). Your individual taxes may increase at a greater or lesser rate, or even decrease, depending on the change in the taxable value of your property in relation to the change in taxable value of all other property and the tax rate that is adopted.

The first public hearing will be held on August 15, 2017 at 11:45 a.m. at Midland Memorial Hospital Administration Board Room, 400 Rosalind Redfern Grover Parkway, Midland, Texas.

The second public hearing will be held on August 22, 2017 at 11:45 a.m. at Midland Memorial Hospital Administration Board Room, 400 Rosalind Redfern Grover Parkway, Midland, Texas.

The members of the governing body voted on the proposal to consider the tax increase as follows:

FOR: Tracie Greene, Cari Chaplin, Larry Mercer, Joe Kiowski and Jeff Beard

AGAINST: None

PRESENT and not voting: None

ABSENT: Dwain Tomlin, Cressinda Hyatt

The average taxable value of a residence homestead in Midland last year was \$234,620. Based on last year's tax rate of \$0.13505 per \$100 of taxable value, the amount of taxes imposed last year on the average home was \$316.85.

The average taxable value of a residence homestead in Midland this year is \$244,142. If the governing body adopts the effective tax rate for this year of \$0.123150 per \$100 of taxable value, the amount of taxes imposed this year on the average home would be \$300.66.

If the governing body adopts the proposed tax rate of \$0.129994 per \$100 of taxable value, the amount of taxes imposed this year on the average home would be \$317.37.

Members of the public are encouraged to attend the hearings and express their views.