WATER DISTRICT NOTICE OF PUBLIC HEARING ON TAX RATE

The HARRIS COUNTY MUD #165 - DEFINED AREA #1 will hold a public hearing on a proposed tax rate for the tax year 2023 on November 2, 2023, at 6:00 p.m. at 3200 Southwest Freeway, Suite 2400, Pecos Room, Houston, TX 77027. Your individual taxes may increase at a greater or lesser rate, or even decrease, depending on the tax rate that is adopted and on the change in the taxable value of your property in relation to the change in taxable value of all other property. The change in the taxable value of your property in relation to the change in the taxable value of all other property determines the distribution of the tax burden among all property owners.

Visit Texas.gov/PropertyTaxes to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

FOR the proposal: Alan Bentson, David Molina, Wayne Green, Scott Nilsson and Scott Barr

AGAINST the proposal: None PRESENT and not voting: None

(excluding 65 years of age or older or

ABSENT: None

The following table compares taxes on an average residence homestead in this taxing unit last year to taxes proposed on the average residence homestead this year.

Last Year This Year

Total tax rate (per \$100 of value) \$.57000/\$100 \$.65000/\$100

Adopted **Proposed**

\$.08000/\$100 Difference in rates per \$100 of value Percentage increase/decrease in rates (+/-) 14.03%

Average appraised residence homestead value \$406,488 \$482,732 General homestead exemptions available \$0

disabled person's exemptions) \$406,488 \$482,732 Average residence homestead taxable value

Tax on average residence homestead \$2,316.98 \$3,137.75 Annual increase/decrease in taxes if

proposed tax rate is adopted (+/-) \$820.77 and percentage of increase (+/-) 35.42%

NOTICE OF TAXPAYERS' RIGHT TO ELECTION TO REDUCE TAX RATE

If the district adopts a combined debt service, operation and maintenance, and contract tax rate that would result in the taxes on the average residence homestead increasing by more than eight percent, the qualified voters of the district by petition may require that an election be held to determine whether to reduce the operation and maintenance tax rate to the voter-approval tax rate under Section 49.23603, Water Code.

The board of directors proposes to use the tax increase for the purpose of capital improvements, maintenance and operation of the district's infrastructure.

The 86th Texas Legislature modified the manner in which the voterapproval tax rate is calculated to limit the rate of growth of property taxes in the state.

Bob Leared Interests 713-932-9011