

WHERE DO YOUR TAXES GO?

The residents of Granbury have a large tax burden every year, when adding up local, state, and federal tax obligations. However, by taking a closer look at the services citizens receive for their City property taxes, there is clearly great value from a small number.

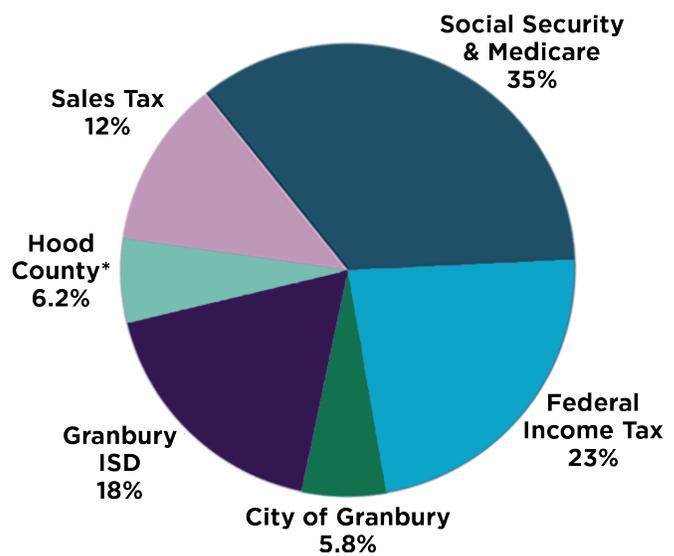
The median homeowner pays less than two dollars per day to City property taxes. That money goes right back to them in the form of public safety, including fire, police, and inspections, community development and planning, public works and street maintenance, and the upkeep of the City's numerous parks and recreation areas.

Even as the City's population grows, the property tax rate stays the same. The property tax rate has stayed under 40 cents per \$100 valuation for the past seven years.

The City of Granbury's mission is to provide quality of life through exceptional service with a friendly and responsive staff. The City Councilmembers and City staff are both dedicated to creating a budget that uses taxpayer dollars wisely and revolves around serving our community.

Learn more about the City's budget at granbury.org/budget, and read more about the Granbury City Council's commitment to local control at granbury.org/ourhomeourdecisions.

Median Granbury Household Taxes

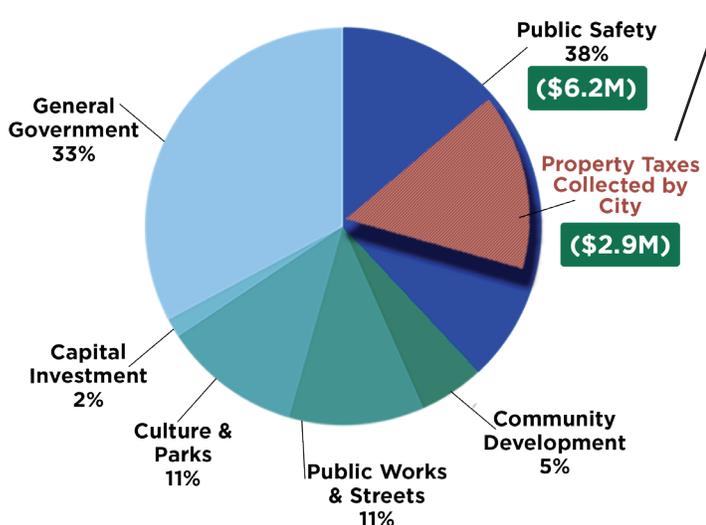


THE CITY'S PROPERTY TAX RATE HAS TWO PARTS

1. The operations and maintenance rate, which goes into the City's **General Fund**.

2. The debt service rate, which is based on the revenue needed to make the City's payments for tax-supported debt for major capital equipment, facilities, and infrastructure for street, park, police and fire projects.

City General Fund Operating Budget



It's important to know that the City's property tax does not even cover half of what is needed to provide Public Safety services in Granbury. Property tax revenue only covers 46% of the \$6.2M needed for police, fire, inspections, and other safety services.

Overall, the property tax only funds 18% of the City's annual General Fund budget. The rest is covered by sales and use tax and other fees.

*Includes Library tax and Lateral Road tax
 For full list of sources visit www.granbury.org/budget.
 ASSUMPTIONS: Median home value = \$173,100; Median household income = \$46,541; Income spent on taxable goods = \$14,467



UNDERSTANDING PROPERTY TAXES

What is the property tax breakdown in Granbury?

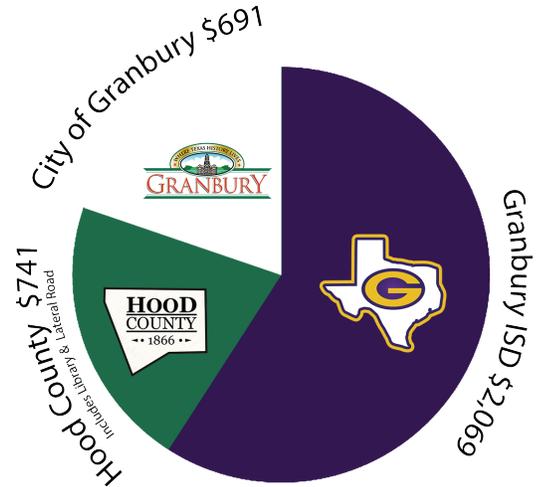
Every Granbury citizen, either directly or through a landlord, pays property taxes to the City of Granbury, Hood County (which includes a separate library tax and lateral road tax), and Granbury ISD.

The City's property tax rate has stayed stable over the last 10 years, even staying below 40 cents per \$100 valuation since 2012.

The majority of the Granbury citizen's property tax burden is the Granbury ISD property tax rate, at about three times the size of the City's or County's property tax.

For example, the owner of a median Granbury home (which is \$173,100) pays around \$700 each to the City and County and over \$2,000 to Granbury ISD annually.

Property Taxes on Median Home



TAXING ENTITY	TAX RATE
GRANBURY CITY	0.399385
HOOD COUNTY + LIBRARY + LATERAL ROAD	0.377698 0.009959 0.040361
GRANBURY ISD	1.19500

Foundation School Program Revenue Shares

Fiscal Year	State Share	Local Share
2000	47.00%	53.00%
2001	43.50%	56.50%
2002	40.20%	59.80%
2003	39.70%	60.30%
2004	37.00%	63.00%
2005	37.30%	62.70%
2006	33.80%	66.20%
2007	39.70%	60.30%
2008	48.50%	51.50%
2009	45.50%	54.50%
2010	46.60%	53.40%
2011	48.00%	52.00%
2012	45.90%	54.10%
2013	44.90%	55.10%
2014	45.10%	54.90%
2015	43.50%	56.50%
2016	43.70%	56.30%
2017	41.80%	58.20%
2018	40.10%	59.90%
2019	38.00%	62.00%

Why is the school district's property tax so high?

The Texas Legislature uses a program of recapturing funds from wealthy school districts for redistribution to districts across the state (also referred to as "Robin Hood"). This program allows the state to budget less for schools and force the property taxpayers of Texas to cover more.

As property values rise, communities pay more in property taxes to school districts, and the state contributes less and less. Under the current system, state lawmakers continue to reduce how much they have to commit to educating young Texans.

Over the years, the state's share of funding has continued to decrease. In 2008, the state share was 48.5%, and by 2018 it was 40.1%. If nothing changes, the percent of education funding from the state will continue to fall, and the burden will increase for local property taxpayers.

Additionally, it is misleading for local taxpayers to pay property taxes believing they will go to their local school district, when in reality a large portion of the funds are not being spent in Granbury at all - they are flowing straight into the state's budget.

The Granbury City Council understands that the Texas Legislature must address school finance to provide property tax relief to the community. Learn more about the Granbury City Council's commitment to local control at granbury.org/ourhomeourdecisions.

ASSUMPTIONS: Median home value = \$173,100

Sources: <https://comptroller.texas.gov/economy/fiscal-notes/2019/jan/approaches.php>

<https://iswdataclient.azurewebsites.net/webTaxRates.aspx?dbkey=hoodcad&time=201902071931014>

