TO ALL KNOB HILL WATER SYSTEM CUSTOMERS

Attached to this notice you will find the Notice of Proposed Rate Change. We have not had an increase in water rates since 1999. With the rising cost of testing, chemicals, etc. we regret that it is necessary to file for an increase of \$10.00 to the basic water bill. In other words the first 3000 gallons of usage cost \$24.00 in the past; effective January 1, 2012 the first 3000 gallons will now cost \$34.00. Nothing else will change except for the tap fee for anyone who is not connected to our system at present. Existing customers will not be affected by the change in the tap fee.



Company Name - NOB HILL WHITEIZ SYSTEMOCH Humber /14/4

has submitted a rate change application to the Texas Commission on Environmental Quality (Commission). The proposed rates listed on the next page will apply to service received after the effective date provided below. If the Commission receives protests to the proposed increase from 10 percent of the ratepayers or from any affected municipality before the 91st day after the proposed effective date, a public hearing will be scheduled to determine if the proposed rates are reasonable. Protests should be mailed to:

Texas Commission on Environmental Quality

Water Supply Division

Utilities & Districts Section, MC 153 P. O. Box 13087

Austin, Texas 78711-3087

Unless protests are received from 10 percent of the ratepayers or the Commission staff requests a hearing, no hearing will be held and rates will be effective as proposed. Please read the following information carefully:

		KNUS	į,	1/4	ESTA	TES		nama wakaka na mana kata ya kata ya kata ya kata ka
		Su	a jir is	sions or Systems	Affected by Ra			
286	1 H16	H MEADO	166	Little	2 Elun	TX 75	568	972-294
Company A			C	Lity	State	Zip		Telephone
\mathcal{F}	9120,0	0					/01	///
An	nual Revenue I	ncrease				Date Custome		
	1999						74	
Date	of Last Rate C	hange			,	Date Meters	Typical	y Read
effecti	ve date oi	f proposed inc	REA	SE:	1/1/1.	2		
BELLING	COMPARIS	ON						
Water:	Existing	10,000 gallons:	\$	52 /mo	Existing	30,000 gallons:	\$ /	32/mo
	Proposed	10,000 gallons	\$	62/mo	Proposed	30,000 gallons:	\$ /	42/mo
			مدست		2		errandonado estas	n, y rationings - Laurice production and residence to the state of the
Sewer:	Existing	10,000 gallons:	\$/	\ / / //mo	Proposed	10,000 gallons:	\$	/mo

The proposed rates will apply to all service rendered after the effective date and will be reflected on the bill you receive approximately 30 to 45 days after the effective date.

In the event that the application is set for hearing, the specific rates requested by the utility may be decreased or increased by order of the Commission. If the Commission orders a lower rate to be set, the utility may be ordered to refund or credit against future bills all sums collected during the pendency of the rate proceeding in excess of the rate finally ordered plus interest. You may inspect a copy of the rate change application at your utility's office or at the Commission's office at Park 35 - Building F, 12015 Park 35 Circle, Suite 3101, Austin. Texas, west side of IH-35, south of Yager Lane. Additional information about the application can be obtained by contacting the Utilities and Districts Section at 512/239-4691. Information about how you can participate in the rate setting process can be obtained by contacting the Public Interest Counsel at 512/239-6363.

Si desea informacion en Espanol, puede llamar al 512-239-0200

KNOB	Hill	WATER	System
(Water Utility Na	me)		



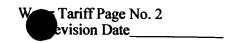
SECTION 1.0 - RATE SCHEDULE

Section 1.01 - Rates		
Monthly base rate inc	cluding <u>3000</u> gall	lons
Meter Size:		
Residential		
5/8" or 3/4"	\$ 34,00	
1"	\$	<u> </u>
11/2"	\$	
2"	\$	
3"	\$	
Other:"	\$	
Gallonage Ch	arge: \$	for each additional 1000 gallons over the minimum
WATER SER Section 1.02 - Miscellan TAP FEE \$	EVICE ONLY, SHALI LEOUS FEES SED ON THE UTILIT SIDENTIAL CONNE E CT FEE WILL BE CHO HAS BEE DISCO payment of bill (Maxinomer's request	TY'S ACTUAL COST FOR MATERIALS AND LABOR FOR ECTION OF %" X ¾" METER. HARGED BEFORE SERVICE CAN BE RESTORED TO A NNECTED FOR THE FOLLOWING REASONS: mum \$25.00)
		<u>\$ 25.00</u>
CUSTOMER DEPOSI	T (Maximum \$50)	<u>\$ 50.00</u>
METER TEST FEE (ac THIS FEE MAY BE TWO YEAR PERIO	ctual cost of testing the E CHARGED IF A CU DD AND THE TEST I	e meter up to) <u>\$25.00</u> JSTOMER REQUESTS A SECOND METER TEST WITHIN A NDICATES THAT THE METER IS RECORDING ACCURATELY

RATES LISTED ARE EFFECTIVE ONLY IF THIS PAGE HAS TCEQ APPROVAL STAMP

WATER & SEWER TARIFF PAGES

KNOB	Hill	WATER	System
(Water Utility Na	me)		



SECTION 1.0 - RATE SCHEDULE

Section 1.01 - Rates		
Monthly base rate	including 3000 galle	ons
Meter Size		
Residentia	ıl	
5/8" or 3/4"	\$ 34,00	_
1"	\$	_
11/2"	\$	-
2"	\$	-
3"	\$	_
Other:	*	-
Gallonage	Charge: \$ 4,00 f	- for each additional 1000 gallons over the minimum
WATER S Section 1.02 - Miscel TAP FEE \$ 3 9 TAP FEE IS B STANDARD RECONNECTION I	ATORY ASSESSMENT, ERVICE ONLY, SHALL laneous Fees COOSE BASED ON THE UTILITY RESIDENTIAL CONNEC	EQUAL TO ONE PERCENT OF THE CHARGE FOR RETAIL BE COLLECTED FROM EACH RETAIL CUSTOMER Y'S ACTUAL COST FOR MATERIALS AND LABOR FOR CTION OF 5%" X 34" METER. ARGED BEFORE SERVICE CAN BE RESTORED TO A
CUSTOMER	WHO HAS BEE DISCON	NECTED FOR THE FOLLOWING REASONS:
a) No	on payment of bill (Maxim	NECTED FOR THE FOLLOWING REASONS: sum \$25.00)\$ 35.00
o) Cu	istomers request	\$ -75, 20
TRANSFER FEE		Section 20CF of this tariff \$\$
THE TRANSFER	CFEE WILL BE CHARGI	ED FOR CHANGING AN ACCOUNT NAME AT THE SAME
LATE CHARGE ON	TION WHEN THE SERV	VICE IS NOT DISCONNECTED.
A ONE TIME PE	NALTY MADE ON DEI)(Indicate one)\$\$\$\$ INQUENT BILLS BUT MAY NOT BE APPLIED TO ANY
BALANCE TO W	VHICH THE PENALTY V	WAS APPLIED IN A PREVIOUS BILLING.
RETURNED CHEC	K CHARGE	<u>\$ 25.00</u>
CUSTOMER DEPO	SIT (Maximum \$50)	\$ 50.00
METER TEST FEE THIS FEE MAY	(actual cost of testing the r BE CHARGED IF A CUS	meter up to)\$25.00 TOMER REQUESTS A SECOND METER TEST WITHIN A
		DICATES THAT THE METER IS RECORDING ACCURATELY.
RATES LIST	ED ARE EFFECTIVE C	ONLY IF THIS PAGE HAS TCEQ APPROVAL STAMP

Bryan W. Shaw, Ph.D., Chairman
Buddiy Carcia, Commissioner
Carlos Rubinstein, Commissioner
Mark R. Vickery, P.G., Executive Director

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

June 24, 2011

ESIGNATURE CONFIRMATION # 91 3408 2133 3931 6201 1130

Ms. Karen Long-Desmit, Co-Owner Knob Hill Water Company 2861 High Meadow Drive Little Elm, Texas 75068

Re: Notice of Violation for the Comprehensive Compliance Investigation at:

Knob Hill Water Company, Little Elm, Denton County RN102672433, TCEQ ID No.: 0610068, Inv. No. 932815

Dear Ms. Long-Desmit:

On May 26, 2011, Mr. Robert E. Ferry of the Texas Commission on Environmental Quality (TCEQ) Dallas / Fort Worth (DFW) Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for public water supply. Enclosed is a summary which lists the investigation findings. During the investigation, certain outstanding alleged violations were identified for which compliance documentation is required. Please submit to this office by September 22, 2011, a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for each of the outstanding alleged violations. Please note the Additional Issues also described.

In the listing of the alleged violations, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at http://www.tceq.state.tx.us for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the DFW Region Office at 817 / 588-5800 or the Central Office Publications Ordering Team at 512-239-0028.

The TCEQ appreciates your assistance in this matter. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. We anticipate that you will resolve the alleged violations as required in order to protect the State's environment. If you have additional information that we are unaware of, you have the opportunity to contest the violation(s) documented in this notice. Should you choose to do so, you must notify the DFW Region Office within 10 days from the date of this letter. At that time, Mr. Charles Marshall – Team Leader will schedule a violation review meeting to be conducted within 21 days from the date of this letter. However, please be advised that if you decide to participate in the violation review process, the TCEQ may still require you to adhere to the compliance schedule included in the attached Summary of Investigation Findings until an official decision is made regarding the

Ms. Karen Long-Desmit June 24, 2011 Page 2

status of any or all of the contested violations.

If you or members of your staff have any questions regarding these matters, please feel free to contact Mr. Ferry in the DFW Metroplex Region Office at (817) 588-5814.

Sincerely

Charles Marshall

Team Leader, Public Water Supply Section

DFW Regional Office

CM / ref

Enclosures: Summary of Investigation Findings



KNOB HILL WATER SYSTEM DENTON

Investigation # 932815

2861 HIGH MEADOW DR

LITTLE ELM, DENTON COUNTY, TX 75068

Investigation Date: 05/26/2011

Additional ID(s): 0610068

OUTSTANDING ALLEGED VIOLATION(S) ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 437545

Compliance Due Date: 09/22/2011

30 TAC Chapter 290.43(a)

Alleged Violation:

Investigation: 932815

Comment Date: 6/13/2011

Failure to have a tightly fitting cover on the overflow pipe. The flap on the overflow pipe for the ground storage tank at pump station #1 had a gap greater than 1/16th of an inch.

Recommended Corrective Action: Repair the overflow pipe and submit documentation to this office by the compliance due date that this violation has been resolved.

Track No: 437548

Compliance Due Date: 09/22/2011

30 TAC Chapter 290.46

Alleged Violation:

Investigation: 932815

Comment Date: 6/13/2011

Failure to calibrate the well meters at least once every three years. One meter has been replaced within the last three years, but the other is past due for calibration or replacement.

Recommended Corrective Action: Replace or calibrate the meter. Submit documentation to this office by the compliance due date that this violation has been resolved.

ADDITIONAL ISSUES

Description

Additional Comments

Item 1

According to 290.38(34), fences must be in good repair to prevent intruder passage. Several sections of the fences have become overgrown with vegetation

which could result in damage to the fence.

Item 2

Chlorine usage is being recorded based on purchases. However, weekly readings of amounts of chlorine being used are not being kept. Begin measuring chlorine usage weekly and record these amounts.



Property ID: 45719 Ownership % 100 00

DRA:

Phone: (940) 349-3800 Fax: (940) 349-3801

Legal:

KNOB HILL LAKE ESTATES BLK A LOT 27

Date of Notice: May 4, 2011

Property ID: 45719

000273

DESMIT, JOSEPH C 2861 HIGH MEADOW DR LITTLE ELM, TX 75068-2865

Legal Acres: 0.1528

Situs: KNOB HILL DR 75068



Dear Property Owner:

We have appraised the property listed above for the tax year 2011. As of January 1, our appraisal is outlined below.

Appraisal Information	Last Year's - 2010	Proposed - 2011
Structure & Improvement Market Value	0	0
Market Value of Non Ag/Timber Land	6,388	8,251
Market Value of Ag/Timber Land	0	0
Market Value of Personal Property/Minerals	0	0
Total Market Value	6,388	8,251
Productivity Value of Aq/Timber Land	0	0
Assessed Value * (Possible Homestead Limitations, see asterisk below)	6,388	8,251
Homestead Cap Value excluding Non-Homesite Value (i.e. Ag, Commercial)	0	0
Exemptions		

2010 Taxable Value	Taxing Unit	2011 Proposed Appraised Value	2011 Exemption Amount	2011 Taxable Value	2010 Tax Rate	2011 Estimated Taxes	2011 Freeze Year and Tax Ceiling**
6.388	DENTON COUNTY	8,251	0	8,251	0.273900	22.60	
6.388	LITTLE ELM ISD	8,251	0	8.251	1.540000	127.07	

Do NOT Pay From This Notice Total Estimated Tax: \$149.67

The difference between the 2006 appraised value and the proposed 2011 appraised value is 29 16%. This percentage information is required by Tax Code section 25.19(b-1)

The Texas Legislature does not set the amount of your local taxes. Your property tax burden is decided by your locally elected officials, and all inquiries concerning your taxes should be directed to those officials.

The above tax estimates use last year's tax rates for the taxing units shown. The governing body of each unit (school board, county commissioners, and so forth) decides whether property taxes increase. The appraisal district only determines your property value. The taxing units will set tax rates later this year.

* Your residence homestead is protected from future appraisal value increases in excess of 10% per year from the date of the last appraisal PLUS the value of any

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*You are 65 years of age or older and received the \$10,000 school taxes for this year will not be higher than when you first received the exemption on this home. If you are disabled and received the \$10,000 school tax exemption on your home last year from the school listed above, your school taxes for this year will not be higher than the 2003 taxes or the first year you received the exemption, whichever is later. If your county or city has approved a limitation on your taxes in the preceding year, your county or city axes will not be higher than the first year your county or city approved the limitation or the first year your qualified for the limitation. If you improved your property (by adding rooms or buildings), your school, county or city ceiling may increase for these improvements. If you are a surviving spouse, age 55 or older with the above referenced exemption, you may retain the school, county or city tax ceiling. Contact the appraisal office if you disagree with this year's proposed value for your property or if you have any questions concerning the property description or address information. For an informal review with a reduced wait time call 940-349-3850. If the issue cannot be resolved, you have the right to appeal to the appraisal review board (ARB)

To appeal, you must file a written protest with the ARB before the deadline date:

Deadline for filing a protest: June 3, 2011

June 3, 2011

3911 Morse Street, Denton, TX 76208 Location of Hearing:

ARB will begin Hearings:

May 9, 2011

Enclosed is a protest form to send to the appraisal district if you intend to appear and present evidence before the ARB. The ARB will notify you of the date, time, and place of your scheduled hearing. Enclosed, also, is information to help you in preparing your protest. You do not need to use enclosed form to file your protest. You may profest by letter, if it includes your name, your property's description, and your reason for protesting.

If you have any questions or need more information, please contact the appraisal district office at 940-349-3800 or at the address shown above.

Sincerely, Chief Appraiser



Phone: (940) 349-3800 Fax: (940) 349-3801

Date of Notice. May 4, 2011

Property ID: 45718 Ownership %: 100.00

DBA.

KNOB HILL LAKE ESTATES BLK A LOT 26

Property ID: 45718

DESMIT, JOSEPH C 2861 HIGH MEADOW DR LITTLE ELM, TX 75068-2865 000273

Legal Acres: 0.1745

Situs: WILD VALLEY DR TX



Dear Property Owner:

We have appraised the property listed above for the tax year 2011. As of January 1, our appraisal is outlined below.

Appraisal Information	Last Year's - 2010	Proposed - 2011
Structure & Improvement Market Value		0
Market Value of Non Ag/Timber Land	8,0	9,42
Market Value of Ag/Timber Land		0
Market Value of Personal Property/Minerals		0
Total Market Value	8,0	9,42
Productivity Value of Ag/Timber Land		0
Assessed Value * (Possible Homestead Limitations, see asterisk below)	8.0	9,42
Homestead Cap Value excluding Non-Homesite Value (i.e. Ag, Commercial)	1	0
Exemptions		
2010	2044	2011 2011

2010 Taxable Value	Taxing Unit	2011 Proposed Appraised Value	2011 Exemption Amount	2011 Taxable Value	2010 Tax Rate	2011 Estimated Taxes	2011 Freeze Year and Tax Ceiling**
8.056 8.056	DENTON COUNTY LITTLE ELM ISD	9,424 9,424	0	9,424 9,424	0.273900 1.540000	25.81 145.13	

Do NOT Pay From This Notice Total Estimated Tax: \$170.94

The difference between the 2006 appraised value and the proposed 2011 appraised value is 16.98%. This percentage information is required by Tax Code section 25.19(b-1).

The Texas Legislature does not set the amount of your local taxes. Your property tax burden is decided by your locally elected officials, and a inquiries concerning your taxes should be directed to those officials.

The above tax estimates use last year's tax rates for the taxing units shown. The governing body of each unit (school board, county commissioners, and so fort decides whether property taxes increase. The appraisal district only determines your property value. The taxing units will set tax rates later this year.

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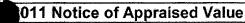
To appeal, you must file a written protest with the ARB before the deadline date:

Deadline for filing a protest: June 3, 2011

Location of Hearing: 3911 Morse Street, Denton, TX 76208

May 9, 2011 ARB will begin Hearings:

Enclosed is a protest form to send to the appraisal district if you intend to appear and present evidence before the ARB. The ARB will notify you of the date, time and place of your scheduled hearing. Enclosed, also, is information to help you in preparing your protest. You do not need to use enclosed form to file your protest. You may protest by letter, if it includes your name, your property's description, and your reason for protesting. If you have any questions or need more information, please contact the appraisal district office at 940-349-3800 or at the address shown above. Sincerely, Chief Appraiser



Phone: (940) 349-3800 Fax: (940) 349-3801

Date of Notice: May 4, 2011

Ownership %: 100.00 DBA:

Property ID: 138178

KNOB HILL LAKE ESTATES BLK A LOT

25(N67.19')

Property ID: 138178 000273

DESMIT, JOSEPH C 2861 HIGH MEADOW DR LITTLE ELM, TX 75068-2865 Legal Acres 0.0644

Situs: 4598 WILD VALLEY DR 75068-2853

Dear Property Owner:

We have appraised the property listed above for the tax year 2011. As of January 1, our appraisal is outlined below.

Appraisal Information	Last Year's - 2010	Proposed - 2011
Structure & Improvement Market Value	0	0
Market Value of Non Ag/Timber Land	3,368	3,481
Market Value of Ag/Timber Land	0	0
Market Value of Personal Property/Minerals	0	0
Total Market Value	3,368	3,481
Productivity Value of Ag/Timber Land	0	0
Assessed Value * (Possible Homestead Limitations, see asterisk below)	3,368	3,481
Homestead Cap Value excluding Non-Homesite Value (i.e. Ag, Commercial)	0	0
Exemptions		

2010 Taxable Value	Taxing Unit	2011 Proposed Appraised Value	2011 Exemption Amount	2011 Taxable Value	2010 Tax Rate	2011 Estimated Taxes	2011 Freeze Year an Tax Ceiling**
3.368	DENTON COUNTY	3,481	0	3,481	0 273900	9.54	
3,368	LITTLE ELM ISD	3,481	0	3.481	1.540000	53.61	
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Do NOT Pay From This Notice Total Estimated Tax: \$63.15

The difference between the 2006 appraised value and the proposed 2011 appraised value is 3.36% This percentage information is required by Tax Code section 25.19(b-1).

The Texas Legislature does not set the amount of your local taxes. Your property tax burden is decided by your locally elected officials, and all inquiries concerning your taxes should be directed to those officials.

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* Your residence homestead is protected from future appraisal value increases in excess of 10% per year from the date of the last appraisal PLOS the value of any new improvements.
*You are 65 years of age or older and received the \$10,000 school tax exemption on your home last year from the school listed above, your school taxes for this year will not be higher than when you first received the exemption on this home. If you are disabled and received the \$10,000 school tax exemption on your home last year from the school listed above, your school taxes for this year will not be higher than the 2003 taxes or the first year your received the exemption, whichever is later. If your county or city has approved a limitation on your taxes in the preceding year, your county or city taxes will not be higher than the first year your county or city approved the limitation or the first year your qualified for the limitation. If you improved your property (by adding rooms or buildings), your school, county or city ceiling may increase for these improvements. If you are a surviving spouse, age 55 or older with the above referenced exemption, you may retain the school, county or city tax ceiling. Contact the appraisal office if you disagree with this years proposed value for your property or if you have any questions concerning the property description or address information. For an informal review with a reduced wait time call 940-349-3850. If the issue cannot be resolved, you have the right to appeal to the appraisal review board (ARB).

To appeal, you must file a written protest with the ARB before the deadline date

Deadline for filing a protest: June 3 2011

Location of Hearing: 3911 Morse Street, Denton, TX 76208

ARB will begin Hearings: May 9, 2011

Enclosed is a protest form to send to the appraisal district if you intend to appear and present evidence before the ARB. The ARB will notify you of the date, time, and place of your scheduled hearing. Enclosed, also, is information to help you in preparing your protest. You do not need to use enclosed form to file your protest. You may protest by letter, if it includes your name, your property's description, and your reason for protesting. If you have any questions or need more information, please contact the appraisal district office at 940-349-3800 or at the address shown above. Sincerely, Chief Appraiser.



1 Notice of Appraised Value

DENTON CENTRAL APPRAISAL DI 3911 MORSE STREET PO BOX 50747 **DENTON, TX 76206**

Property ID: 152192 Ownership %: 100.00

DBA:

Phone: (940) 349-3800 Fax: (940) 349-3801

KNOB HILL LAKE ESTATES BLK A LOT 28

Date of Notice: May 4, 2011

Property ID: 152192

000273

DESMIT, JOSEPH C 2861 HIGH MEADOW DR LITTLE ELM, TX 75068-2865 Legal Acres 0.1619

Situs: KNOB HILL DR 75068



Dear Property Owner:

We have appraised the property listed above for the tax year 2011. As of January 1, our appraisal is outlined below.

Appraisal Information	Last Year's - 2010	Proposed - 2011
Structure & Improvement Market Value	0	0
Market Value of Non Ag/Timber Land	6,769	8,743
Market Value of Ag/Timber Land	0	0
Market Value of Personal Property/Minerals	0	0
Total Market Value	6,769	8,743
Productivity Value of Ag/Timber Land	0	0
Assessed Value * (Possible Homestead Limitations, see asterisk below)	6,769	8,743
Homestead Cap Value excluding Non-Homesite Value (i.e. Ag, Commercial)	0	0
Exemptions		

Taxing Unit	2011 Proposed Appraised Value	2011 Exemption Amount	2011 Taxable Value	2010 Tax Rate	2011 Estimated Taxes	2011 Freeze Year an Tax Ceiling**
DENTON COUNTY	8.743	0	8.743	0.273900	23.95	
LITTLE ELM ISD	8.743	0	8.743	1.540000	134.65	
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		i				
	DENTON COUNTY	Taxing Unit Proposed Appraised Value DENTON COUNTY 8.743	Taxing Unit Proposed Appraised Value Examption Amount DENTON COUNTY 8.743 0	Taxing Unit Proposed Appraised Value Examption Amount Taxable Value DENTON COUNTY 8.743 0 8.743	Taxing Unit Proposed Appraised Value Exemption Amount Taxable Value Tax Rate DENTON COUNTY 8.743 0 0 8.743 0.273900	Taxing UnitProposed Appraised ValueExemption AmountTaxable Value2010 Tax RateEstimated TaxesDENTON COUNTY8.74308.7430.27390023.95

Do NOT Pay From This Notice Total Estimated Tax: \$158.60

The difference between the 2006 appraised value and the proposed 2011 appraised value is 29.16%. This percentage information is required by Tax Code section 25.19(b-1)

The Texas Legislature does not set the amount of your local taxes. Your property tax burden is decided by your locally elected officials, and all inquiries concerning your taxes should be directed to those officials.

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new improvements

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Contact the appraisal office if you disagree with this year's proposed value for your property or if you have any questions concerning the property description or address information. For an informal review with a reduced wait time call 940-349-3850. If the issue cannot be resolved, you have the right to appeal to the appraisal review board (ARB).

To appeal, you must file a written protest with the ARB before the deadline date:

Deadline for filing a protest: June 3, 2011

Location of Hearing:

3911 Morse Street, Denton, TX 76208

ARB will begin Hearings:

May 9, 2011

Enclosed is a protest form to send to the appraisal district if you intend to appear and present evidence before the ARB. The ARB will notify you of the date, time, and place of your scheduled hearing. Enclosed, also, is information to help you in preparing your protest. You do not need to use enclosed form to file your protest. You may protest by letter, if it includes your name, your property's description, and your reason for protesting.

If you have any questions or need more information, please contact the appraisal district office at 940-349-3800 or at the address shown above.

Sincerely, Chief Appraiser





Phone (940) 349-3800 Fax: (940) 349-3801

Date of Notice: May 4, 2011

Property ID: 152193 Ownership %: 100.00

DBA:

Legal.

KNOB HILL LAKE ESTATES BLK A LOT 29

Property ID: 152193 000273

DESMIT, JOSEPH C 2861 HIGH MEADOW DR LITTLE ELM, TX 75068-2865 Legal Acres: 0.1722

Situs: KNOB HILL DR 75068



Dear Property Owner:

We have appraised the property listed above for the tax year 2011. As of January 1, our appraisal is outlined below

Appraisal Information	Last Year's - 2010	Proposed - 2011	
Structure & Improvement Market Value	0	0	
Market Value of Non Ag/Timber Land	7,950	9,300	
Market Value of Ag/Timber Land	0	0	
Market Value of Personal Property/Minerals	0	0	
Total Market Value	7,950	9,300	
Productivity Value of Ag/Timber Land	0	0	
Assessed Value * (Possible Homestead Limitations, see asterisk below)	7,950	9,300	
Homestead Cap Value excluding Non-Homesite Value (i.e. Ag, Commercial)	0	0	
Exemptions			

2010 Taxable Value	Taxing Unit	2011 Proposed Appraised Value	2011 Exemption Amount	2011 Taxable Value	2010 Tax Rate	2011 Estimated Taxes	2011 Freeze Year and Tax Ceiling**
7.950	DENTON COUNTY	9.300	0	9,300	0.273900	25.47	
7.950	LITTLE ELM ISD	9,300	0.	9,300	1.540000	143.22	
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Do NOT Pay From This Notice Total Estimated Tax: \$168.69

The difference between the 2006 appraised value and the proposed 2011 appraised value is 16.98%. This percentage information is required by Tax Code section 25.19(b-1)

The Texas Legislature does not set the amount of your local taxes. Your property tax burden is decided by your locally elected officials, and all inquiries concerning your taxes should be directed to those officials.

The above tax estimates use last year's tax rates for the taxing units shown. The governing body of each unit (school board, county commissioners, and so forth) decides whether properly taxes increase. The appraisal district only determines your properly value. The taxing units will set tax rates later this year.

* Your residence homestead is protected from future appraisal value increases in excess of 10% per year from the date of the last appraisal PLUS the value of any

*Your residence homestead is protected from future appraisal value increases in excess of 10% per year from the date of the last appraisal PLUS the value of any new improvements.

**If you are 65 years of age or older and received the \$10,000 school tax exemption on your home last year from the school listed above, your school taxes for this year will not be higher than when you first received the exemption on this home. If you are disabled and received the \$10,000 school tax exemption on your home last year from the school listed above, your school taxes for this year will not be higher than the 2003 taxes or the first year you received the exemption, whichever is later. If your county or city has approved a limitation on your taxes in the preceding year, your county or city taxes will not be higher than the first year your county or city approved the limitation or the first year you qualified for the limitation. If you improved your property (by adding rooms or buildings), your school, county or city ceiling may increase for these improvements. If you are a surviving spouse, age 55 or older with the above referenced exemption, you may retain the school, county or city tax ceiling.

Contact the appraisal office if you disagree with this year's proposed value for your property or if you have any questions concerning the property description or address information. For an informal review with a reduced wait time call 940-349-3850. If the issue cannot be resolved, you have the right to appeal to the appraisal review board (ARB)

To appeal, you must file a written protest with the ARB before the deadline date: **Deadline for filing a protest:** June 3, 2011

3911 Morse Street, Denton, TX 76208 Location of Hearing:

May 9, 2011 ARB will begin Hearings:

Enclosed is a protest form to send to the appraisal district if you intend to appear and present evidence before the ARB. The ARB will notify you of the date, time, and place of your scheduled hearing. Enclosed, also, is information to help you in preparing your protest. You do not need to use enclosed form to file your protest. You may protest by letter, if it includes your name, your property's description, and your reason for protesting. If you have any questions or need more information, please contact the appraisal district office at 940-349-3800 or at the address shown above Sincerely, Chief Appraiser

