

ORDINANCE NO. 2021-07
(Adopting a Tax Rate for 2021-2022)

AN ORDINANCE OF THE CITY OF NEVADA, COLLIN COUNTY, TEXAS LEVYING THE AD VALOREM TAXES FOR THE YEAR 2021(Fiscal Year 2021-2022) AT A RATE OF \$0.266084 PER ONE HUNDRED DOLLARS (\$100) ASSESSED VALUATION ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF NEVADA AS OF JANUARY 1, 2021, TO PROVIDE REVENUE FOR THE PAYMENT OF CURRENT EXPENSES; PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALTIES AND INTEREST; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEVADA, COLLIN COUNTY, TEXAS AS FOLLOWS:

SECTION 1. There be and is hereby levied for the year 2021 on all taxable property, real, personal and mixed, situated within the corporate limits of the City of Nevada, and not exempt by the Constitution of the State and valid State laws, a tax of **\$0.266084** on each one hundred dollars (\$100) assessed valuation of taxable property, and shall be apportioned and distributed as follows:

- (a) For the purpose of defraying the current expenditures of the municipal government of the City of Nevada, a tax of **\$0.266084** on each one hundred dollars (\$100) assessed value on all taxable property.
- (b) There is no need of creating a sinking fund to pay the interest and principal maturities of all outstanding debt of the City of Nevada, not otherwise provided for, as the City does not have outstanding debt that requires it.
- (c) **THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE BY \$148,755.00 BY 68.29%, AND OF THAT AMOUNT, \$5,383.00 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR.**

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 68.42 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$266.08.

SECTION 2. All ad valorem taxes shall become due and payable on October 1, 2021, and all ad valorem taxes for the year shall become delinquent if not paid prior to February 1, 2022. There shall be no discount for payment of taxes prior to February 1, 2022. A delinquent tax shall incur all penalty and interest authorized by law.

SECTION 3. Taxes are payable to the Collin County Assessor-Collectors Office. The City shall have available all the rights and remedies provided by law for the enforcement of the collection of taxes levied under this ordinance.

SECTION 4. The tax roll as presented to the City Council, together with any supplements thereto, be and the same are hereby approved.

SECTION 5. All ordinances of the City of Nevada in conflict with the provisions of this Ordinance be, and the same are hereby, repealed and all other provisions of the ordinances of the City of Nevada not in conflict with the provisions of this Ordinance shall remain in full force and effect.

SECTION 6. Should any sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this Ordinance as a whole or any part or provision thereof other than the part thereof decided to be unconstitutional, illegal or invalid.

SECTION 7. This ordinance shall take effect immediately from and after its passage, as the law and charter in such cases provide.

DULY PASSED by the City Council of the City of Nevada, Texas, on the 7th day of September 2021.

Voting in favor: Mike Luye, Gwen Gardington, Kertie Longoria, Karl Fisher, Gary Killiam

Voting in opposition ○

APPROVED:

Ben Ponce
Ben Ponce, Mayor

CORRECTLY ENROLLED:

Judy Hill
Judy Hill, City Secretary

APPROVED AS TO FORM:

James E. Shepherd
James E. Shepherd, City Attorney

NOTICE OF PUBLIC HEARING ON TAX INCREASE

A tax rate of \$0.266084 per \$100 valuation has been proposed by the governing body of City of Nevada.

PROPOSED TAX RATE	\$0.266084 per \$100
NO-NEW-REVENUE TAX RATE	\$0.160259 per \$100
VOTER-APPROVAL TAX RATE	\$0.166087 per \$100
DE MINIMIS RATE	\$0.523386 per \$100

The no-new-revenue tax rate is the tax rate for the 2021 tax year that will raise the same amount of property tax revenue for City of Nevada from the same properties in both the 2020 tax year and the 2021 tax year.

The voter-approval rate is the highest tax rate that City of Nevada may adopt without holding an election to seek voter approval of the rate, unless the de minimis rate for City of Nevada exceeds the voter-approval rate for City of Nevada.

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate for City of Nevada, the rate that will raise \$500,000, and the current debt rate for City of Nevada.

The proposed tax rate is greater than the no-new-revenue tax rate. This means that City of Nevada is proposing to increase property taxes for the 2021 tax year.

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON September 7, 2021 AT 7:00 PM AT Lone Star Cowboy Church, 123 Cowboy Way, Nevada, TX 75173.

The proposed tax rate is greater than the voter-approval tax rate but not greater than the de minimis rate. However, the proposed tax rate exceeds the rate that allows voters to petition for an election under Section 26.075, Tax Code. If City of Nevada adopts the proposed tax rate, the qualified voters of the City of Nevada may petition the City of Nevada to require an election to be held to determine whether to reduce the proposed tax rate. If a majority of the voters reject the proposed tax rate, the tax rate of the City of Nevada will be the voter-approval tax rate of the City of Nevada.

YOUR TAXES OWED UNDER ANY OF THE RATES MENTIONED ABOVE CAN BE CALCULATED AS FOLLOWS:

Property tax amount= (tax rate) x (taxable value of your property)/100

FOR the proposal:

Mike Laye
Gwen Garlington

Karl Fisher
Kerrie Longoria

AGAINST the proposal:

PRESENT and not voting: Mayor Ponce
ABSENT: Gary Killian

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

The following table compares the taxes imposed on the average residence homestead by City of Nevada last year to the taxes proposed to be imposed on the average residence homestead by City of Nevada this year.

	2020	2021	Change
Total tax rate (per \$100 of value)	\$0.174440	\$0.266084	increase of \$0.091644, or 52.54%
Average homestead taxable value	\$250,611	\$271,783	increase of \$21,172, or 8.45%
Tax on average homestead	\$437.17	\$723.17	increase of \$286.00, or 65.42%
Total tax levy on all properties	\$217,834	\$366,589	increase of \$148,755, or 68.29%

For assistance with tax calculations, please contact the tax assessor for City of Nevada at 972-547-5020 or taxassessor@collincountytx.gov, or visit www.cityofnevadatx.org for more information.