

## RESOLUTION NO. 2004-04

### **A RESOLUTION OF THE CITY OF SHOREACRES, TEXAS OPPOSING ANY SCHOOL FINANCE OR TAX SYSTEM REFORMS THAT WOULD NEGATIVELY AFFECT CITY REVENUES AND ECONOMIC DEVELOPMENT EFFORTS**

**WHEREAS**, it is likely that the Texas Legislature will address school finance and tax system reforms in the near future; and

**WHEREAS**, during these deliberations by the Texas Legislature, proposals to limit the ability of cities to collect property taxes and sales taxes are likely to be offered by some members of the Legislature; and

**WHEREAS**, additional restrictions on city taxes fly in the face of a history of frugal tax administration by Texas cities; and

**WHEREAS**, all Texas cities combined collect only 15.3 percent of all property taxes collected in the State of Texas, while schools collect more than 60 percent; and

**WHEREAS**, between 1985 and 2002, the municipal share of all property tax revenue fell from 20.3 percent to 15.3 percent; and

**WHEREAS**, adjusted for inflation, municipal property taxes went up by only 37 percent between 1985 and 2002, while population grew by 33 percent, demonstrating that growth in municipal property tax levies roughly matched population growth; and

**WHEREAS**, Texas cities rely on tax revenue to build basic infrastructure, to ensure public safety through police and fire departments, and to provide numerous essential services for city residents, who are 80 percent of the state's population; and

**WHEREAS**, Texas cities engage in numerous economic development activities that produce jobs and revenue for the entire State of Texas; and

**WHEREAS**, cities must meet the challenges of homeland security and compliance with state and federal mandates, many of which are unfunded mandates; and

**WHEREAS**, Texas cities have shown over the years that they are fiscally responsible and good stewards of taxpayers' money; and

**WHEREAS**, efforts to limit the ability of cities to collect sales and property tax revenues or to set tax rates would have severe negative impacts on city services,

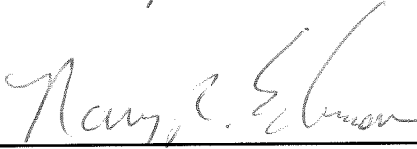
city employees, economic development efforts, and ultimately the citizens of the state of Texas;

**WHEREAS**, to the extent adverse actions are taken to the tax revenue stream, the City of Shoreacres, Texas would be more adversely affected than the average Texas city.


**NOW, THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHOREACRES, TEXAS:**

That the governing body of the City of Shoreacres will oppose all school finance tax reform efforts by the Texas Legislature that negatively impact the ability of the City to provide basic essential services, conduct economic development activities, and ensure public safety by limiting our ability, beyond the provisions of current law, to collect property tax and sales tax revenues.

**PASSED AND ADOPTED** this 26 day of April, 2004.

  
\_\_\_\_\_  
Nancy R. Edmonson, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Shari Tait, City Secretary