



Resolution Regarding Property Tax Relief and Transparency in Taxation

Approved on Thursday, October 6, 2016

By unanimous vote of the CFBISD Board of Trustees

RESOLUTION OF THE
CARROLLTON-FARMERS BRANCH INDEPENDENT
SCHOOL DISTRICT
BOARD OF TRUSTEES
REGARDING PROPERTY TAX RELIEF AND
TRANSPARENCY IN TAXATION

Whereas, the Carrollton-Farmers Branch Independent School District ("CFBISD") and others believe the State of Texas does not adequately or appropriately fund public education in the State of Texas (the "State"); and

Whereas, the Texas Supreme Court described the current public education funding system utilized by the State as "Byzantine, undeniably imperfect, with immense room for improvement;" and

Whereas, CFBISD supports a revision to the current public education funding system utilized by the State to assure that the State adequately and fairly funds public education; and

Whereas, CFBISD is committed to transparency in taxation, budgeting and spending at all levels of government; and

Whereas, the current public education funding system utilized by the State lacks transparency; and

Whereas, CFBISD, on behalf of its taxpayers, advocates that taxes collected in the name of public education must remain and be expended solely on public education and not diverted to other State expenditures or priorities; and

Whereas, increases in tax revenues resulting directly from the rise in local property values in CFBISD and other school districts across the State does not increase the amount of funding available to the School District because it reduces the State's obligation to fund public education; and

Whereas, the reduction in the State's obligation to fund public education allows the State to shift general fund revenue previously used for public education to other State programs, resulting in both a lack of transparency in taxation and an overreliance on local property taxes; and

Whereas, pursuant to data recently published by the State's Legislative Budget Board, the State's level of funding for Pre-K through 12 public education has declined from \$4,558 per student in 2009 to \$3,887 in 2017, a decrease of \$671 per student or 14.7%, even without accounting for inflation; and

Whereas, CFBISD recognizes that increases in property values have resulted in increased property tax burdens on taxpayers in CFBISD and in other communities, and

Whereas, the current public education funding system utilized by the State does not allow tax revenue resulting directly from increases in CFBISD taxpayers' property values beyond State determined equalized wealth levels to stay in CFBISD but instead requires that such revenue be remitted to the State in the form of additional recapture, and

Whereas, CFBISD desires to provide property tax relief to all CFBISD taxpayers; and

Whereas, the current public education funding system utilized by the State, including, but not limited to, the State's system of recapture from property-wealthy districts such as CFBISD, effectively precludes CFBISD from offering meaningful property tax relief; and

Whereas, CFBISD believes public education funding should grow annually by a rate of not less than the rate of inflation and the rate of population growth; and

Whereas, the current public education funding system utilized by the State does not provide automatic, annual adjustments to the various equalized wealth levels to the rate of inflation and the rate of population growth;

NOW THEREFORE BE IT RESOLVED THAT THE CFBISD PETITIONS THE TEXAS LEGISLATURE TO TAKE ACTION DURING THE UPCOMING 85TH REGULAR SESSION RELATED TO PUBLIC EDUCATION FINANCE TO:

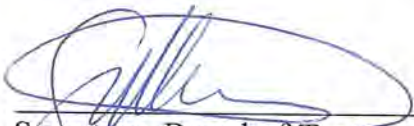
1. Reform the school finance system to ensure adequate and fair funding to all public independent school districts;
2. In order to establish transparency and fidelity in taxation at all levels of government, the State eliminate the practice of reducing the State's funding obligations to public education because of increased property tax revenues resulting from the growth in property values, a practice which allows the State to divert State funds previously allocated to public education to other priorities;

3. Assure that public independent school districts have greater ability and incentive to provide local property tax relief by eliminating the possibility that future increases to a Maintenance and Operations rate previously approved by taxpayers might cause the district to subject voters to the cost of another election to ratify that same rate again;
4. Assure that public independent school districts have flexibility to provide local property tax relief without losing net available revenue due to increases in such district's recapture payment to the State;
5. Provide automatic annual adjustments to the basic allotment and each of the equalized wealth levels relative to the rates of inflation and population growth in the current or any future public education funding system utilized by the State;
6. Provide a consistent and fair balance between local Maintenance and Operations taxes and the State's contribution to public education.

Adopted this 6th day of October, 2016, by the Board of Trustees of the Carrollton-Farmers Branch Independent School District.



President, Board of Trustees
Carrollton-Farmers Branch
Independent School District



Secretary, Board of Trustees
Carrollton-Farmers Branch
Independent School District