

CITY OF SEGUIN

RESOLUTION NO:

STATE OF TEXAS

RESOLUTION OF THE CITY COUNCIL OF SEGUIN, TEXAS, DESIGNATING AND RESTRICTING THE USE OF FUNDS COLLECTED AS SALES TAX ON RESIDENTIAL ELECTRIC AND GAS SERVICE TO FUND STREET MAINTENANCE AND REHABILITATION; AND DECLARING AN EFFECTIVE DATE

WHEREAS, over the previous few years the City Council has approved a number of street maintenance and reconstruction projects; and

WHEREAS, the City Council has adopted a rolling five-year plan that includes a number of projects to improve and maintain the streets within the corporate limits of the city; and

WHEREAS, having a dedicated source of funding for street maintenance would help insure that streets are maintained and that more projects could be added to the five-year plan; and

WHEREAS, in August 2019, the City Council approved an Ordinance reestablishing the collection of a 1.5% sales tax on residential electric and gas service as allowed under current Texas law; and

WHEREAS, sales tax collection on residential electric and gas service will begin in January 2020; and

WHEREAS, the City Council desires to designate and restrict the funds collected from residential electric and gas sales taxes for use to maintain and rehabilitate streets within Seguin.

NOW THEREFORE BE IT RESOLVED by the City Council of Seguin, Texas:

PART 1. The City Council of Seguin hereby directs that beginning January 1, 2020, the 1.5% sales tax assessed on residential electric service from city accounts shall be separately accounted for by the City's financial team and placed into a street maintenance fund.

PART 2. To the extent possible the City shall obtain sales tax information from other electric and gas service providers and set aside the funds into the street maintenance fund.

PART 3. This Resolution shall be in effect from and after January 1, 2020, the first date upon which the state will begin collection of taxes on residential electric and gas service.

PASSED AND ADOPTED this 13th day of August, 2019.

DON KEIL, MAYOR

ATTEST:

Naomi Manski, City Secretary