



**KEN PAXTON**  
ATTORNEY GENERAL OF TEXAS

October 2, 2025

Tom Bean City Council  
201 S. Britton St.  
Tom Bean, Texas 75489

Dear Members of the Tom Bean City Council:

On September 15, 2025, the Tom Bean City Council held a public hearing regarding a proposed property tax increase that is above the no-new-revenue rate.<sup>1</sup> As you are no doubt aware, during the 89<sup>th</sup> Legislative session, the Legislature passed and Governor Abbott signed SB 1851 into law, which took effect on September 1, 2025. The law was in effect at the time you approved this tax hike. SB 1851 authorizes the Attorney General to determine whether a city complied with municipal auditing requirements.<sup>2</sup> If the Attorney General determines that a municipality did not comply with such requirements, then the municipality is prohibited from adopting an ad valorem tax rate that exceeds the no-new-revenue tax rate.

I have received a complaint alleging that the City of Tom Bean was non-compliant with Texas auditing requirements. Pursuant to Texas Local Government Code, municipalities must have their records and accounts audited annually, and a financial statement must be prepared based on the audit. The annual financial statement, and the auditor's opinion on the statement, must be filed in the office of the municipal secretary or clerk within 180 days after the last day of the municipality's fiscal year.<sup>3</sup>

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<sup>1</sup> <https://tombeantx.gov/document/notice-of-public-hearing-on-tax-increase-monday-september-15-2025-at-6-p-m/>.

<sup>2</sup> Texas Local Government Code, Title 4, Subtitle A, Section 103.005(b).

<sup>3</sup> Texas Local Government Code, Title 4, Subtitle A, Section 103.001(a).

Upon initial review, my office has been unable to find an audit report or a financial statement for the previous fiscal year. Indeed, Tom Bean's website indicates that the most recent audit report was for Fiscal Year 2020 and was uploaded on February 8, 2022.<sup>4</sup> Therefore, you did not timely comply with filing requirements in violation of Texas law. To uphold my duty as the Attorney General to ensure that municipalities are following audit laws, I am formally launching an investigation into the City of Tom Bean to determine whether the new tax rate has been adopted or is illegal. Furthermore, I am demanding that the proposed tax rate not be implemented until I complete my investigation.

To that end, I request the following documents pursuant to the Texas Public Information Act, Chapter 552 of the Texas Government Code:

1. A statement clarifying whether the proposed tax rate has been approved and adopted.
2. Documents that demonstrate the city has had its records and accounts audited annually, pursuant to Texas law, from January 1, 2023 to present.<sup>5</sup>
3. Any and all drafts of the annual financial statement for the previous fiscal year, including initial and subsequently amended drafts.
4. Communications related to the drafting process for the annual financial statement, including all communications related to non-finalized drafts and the finalized version of the annual financial statement.
5. The finalized annual financial statement for the previous fiscal year, pursuant to Texas law.<sup>6</sup>
6. All recorded communications regarding the new tax rate.
7. The minutes for the September 15, 2025, Tom Bean City Council meeting.
8. Documentation that explains or was otherwise used to justify the implementation of the adopted property tax increase.
9. Any notice informing the public about the date, time, and location of a hearing on the new budget.
10. Evidence that the city published notice of the date, time, and location of a hearing on the new budget in a newspaper of general circulation in the county.

Texans deserve government at all levels that understands the impact of taxes on economic prosperity and keeps dollars in their pockets. Burdensome tax increases are antithetical to the spirit that drives Texas and require the utmost scrutiny both by the citizenry and by the State. I look forward to the City of Tom Bean's compliance with this investigation.

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<sup>4</sup> <https://tombeantx.gov/government/financial-transparency/audits/>.

<sup>5</sup> Texas Local Government Code, Title 4, Subtitle A, Section 103.001.

<sup>6</sup> See *Id.*

For Texas,

A handwritten signature in black ink that reads "Ken Paxton". The signature is written in a cursive, flowing style.

Ken Paxton  
Attorney General of Texas

cc: [courtclerk@tombeantx.gov](mailto:courtclerk@tombeantx.gov)

Ricky Thomas, Mayor, via email to [ricky.thomas@tombeantx.gov](mailto:ricky.thomas@tombeantx.gov)

Dawson Nitcholas, Mayor Pro-Tem, via email to [dawson.nitcholas@tombeantx.gov](mailto:dawson.nitcholas@tombeantx.gov)

Sarah Dusenberry, Councilmember, via email to [sarah.dusenberry@tombeantx.gov](mailto:sarah.dusenberry@tombeantx.gov)

Sam Ellis, Councilmember, via email to [sam.ellis@tombeantx.gov](mailto:sam.ellis@tombeantx.gov)

Brittany Melton, Councilmember, via email to [brittany.melton@tombeantx.gov](mailto:brittany.melton@tombeantx.gov)

Aaron Marshall, Councilmember, via email to [aaron.marshall@tombeantx.gov](mailto:aaron.marshall@tombeantx.gov)