

AGREEMENT FOR THE ASSESSMENT AND COLLECTION OF TAXES

STATE OF TEXAS :

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF HOWARD :

This agreement entered into this ____ day of _____, 20____, by and between Big Spring Independent School District (hereinafter referred to as BSISD), City of Big Spring (hereinafter referred to as City), Howard County Junior College District (hereinafter referred to as College), Forsan Independent School District (hereinafter referred to as FISD), Coahoma Independent School District (hereinafter referred to as CISD), and the County of Howard (hereinafter referred to as the County), all of Howard County, Texas.

WHEREAS BSISD, City, College, FISD, and CISD are Taxing Units (hereinafter sometimes referred to as Taxing Units) located within the "County" and

WHEREAS BSISD, City, College, FISD, and CISD are desirous of contracting with the County to provide all services necessary for the assessment and collection of property taxes for the Taxing Units; and

WHEREAS, the County is able and willing to perform said tax assessment and collection services and is desirous of contracting with the Taxing Units to provide said services;

NOW THEREFORE, the parties hereto agree as follows:

A.

The County, acting by and through its duly authorized officers, does hereby agree to perform all tax assessment and collection services pursuant to Chapters 26, 31, 32, 33, and 34 of the Property Tax Code for the Benefit of the Taxing Units for the term of this agreement save and except those functions which must be performed by each Taxing Units' governing body.

B.

1. The term of this agreement shall be for a period of two years, beginning on the __1st__ day of October, 2014.

2. Any party to this agreement may terminate its interest in this agreement by giving at least 90 days written notice to the other parties.

3. Whenever notice of any kind is authorized or required to be made by one party or the other under the terms hereof, such notice shall be given by United States registered or certified mail, postage prepaid, return receipt requested and addressed to the other party as set out below, or to such other address as may hereafter be designated in writing:

COUNTY

County Judge
Howard County Courthouse
Big Spring, Texas 79720

BSISD

President
Big Spring Independent School District
Board of Trustees
Big Spring, Texas 79720

CITY

City Mayor
City of Big Spring

Big Spring, Texas 79720

COLLEGE

President
Howard County Junior College District
Board of Trustees
Big Spring, Texas 79720

FISD

President
Forsan Independent School District
Board of Trustees
Forsan, Texas 79733

CISD

President
Coahoma Independent School District
Board of Trustees
Coahoma, Texas 79511

4. The County agrees to assume responsibility for the collection of all property taxes owing to each Taxing Unit, including:

- a. Taxes assessed that have not become delinquent;
- b. Delinquent Taxes;
- c. Statutory penalty and interest associated with delinquent taxes.

County shall not accept payment of taxes for any single Tax Unit for any tax year unless County also proportionately collects taxes owed for that tax year to all Units for which County collects taxes. Provided, however notwithstanding the foregoing, if a taxpayer is unable to pay one time all delinquent taxes owed for a tax year to Taxing Units for which County collects taxes, County shall accept partial delinquent tax payments from that taxpayer and apportion such partial payment proportionately among all Taxing Units.

5. The County shall have the responsibility of promulgating and producing all notices, statements, and forms necessary for the provision of assessment and collection services.

6. The County shall have the responsibility of providing an attorney or attorneys for any and all legal representation that may become necessary for the effective collection of delinquent taxes owed to the Taxing Units. The County Tax Assessor-Collector and County Tax Assessor-Collector's deputies shall provide said attorney or attorneys with all records and assistance in a timely manner deemed necessary by said attorney(s) for collection of delinquent taxes. Each Taxing Unit shall pay its portion of the fees owed to such attorney, based upon the amount of delinquent taxes collected by the attorney for that Unit.

7. The County shall advise each Unit of all cases when investigation reveals taxpayers to be financially unable to pay their delinquent taxes.

8. The Howard County Tax Assessor Collector shall annually calculate a tax rate for each Unit according to the provisions of Texas Property Tax Code Article 26.04. It is the intent and understanding of all parties to this contract that Texas Property Tax Code Article 26.04(c) confers a ministerial (clerical) duty upon the designated official, in this case, the Howard County Tax Assessor Collector that is, the Howard County Tax Assessor Collector shall calculate the tax rate without discretion, strictly in accordance with the instructions of each applicable Unit. It is the further intent and understanding of all parties to this contract that each respective Unit possesses the sole power to exercise its discretion under Section 26.04. Should injunctive relief be sought to stop the imposition of a particular year's tax plan, the Unit agrees to hold the county harmless for its action in preparing the Section 26.04 notice. Each Unit shall designate the office or employee who shall publish the tax rate and the other information required to be published by Article 26.04 of the Tax code.

9. Each year the County Tax Assessor Collector shall prepare a proposed budget for the operation of the County Tax Assessor Collector's office for the assessment and collection of taxes for the following fiscal year of the County (September 1 through August 31) and shall submit copies to each Taxing Unit before March 15. The Tax Assessor Collector shall include in the budget a list showing each proposed position, the proposed salary for the position, all the benefits proposed for the position, each proposed capital expenditure, and an estimate of the amount of the budget that will be allocated to each Taxing Unit.

10. a. The County commissioners shall hold a public hearing to consider the budget. The secretary of the County Commissioners shall deliver to the presiding officer of the governing body of each Taxing Unit for whom the County assesses and collects taxes, not later than the 10th day before the date of the hearing, a written notice of the date, time, and place fixed for the hearing. The County Commissioners shall complete their hearings, make any amendments to the proposed budget they desire, and finally approve a budget before June 15. If the governing body of any taxing entity objects to said budget, it shall adopt a resolution disapproving said budget and file the resolution with the secretary of the County Commissioner's prior to the County's final approval of same. Any new or amended budget shall also be subject to the foregoing approval procedure.

b. The County Commissioners may amend the approved budget at any time, but the secretary of the County Commissioners must deliver a written copy of a proposed amendment to the presiding officer of each governing body for whom the County assesses and collects taxes not later than the 30th day before the date County Commissioners act on it.

11. Each Taxing Unit for whom the County assesses and collects taxes, including Howard County, is allocated and will bear a portion of the Tax Assessor Collector's budget.

Fifty percent (50%) of the Tax Assessor collector's budget shall be allocated among the Taxing Units in the proportion that each Taxing Unit's total dollar amount of property taxes imposed in the county for the tax year in which the budget proposal is prepared, bears to the total dollar amount of property taxes imposed in the County by all Taxing Units for whom the County assesses and collects taxes for that year.

Fifty percent (50%) of the Tax Assessor Collector's budget shall be allocated among the Taxing Units in the proportion that the number of parcels in the County upon which each Taxing Unit imposes property taxes for the tax year in which the budget proposal is prepared, bears to the aggregate number of parcels in the County upon which all Taxing Units impose property taxes for the year.

In other words, fifty percent (50%) of the Tax Assessor Collector's budget shall be allocated on a tax dollar basis and fifty percent (50%) on a tax parcel basis.

12. a. Each Taxing Unit shall pay its allocation in twelve equal payments to be made at the end of each calendar month and first payment shall be made before November 1 of the year in which the budget takes effect. A payment is delinquent if not paid on the date it is due. A delinquent payment incurs a penalty of 5 percent (5%) of the amount of the payment and accrues interest at an annual rate of 10 percent (10%). If the budget is amended, any change in the amount of a Unit's allocation is apportioned among the payments remaining.

b. Payments shall be made to a depository designated by the County Commissioners.

13. Notwithstanding the foregoing allocation and payments, within sixty (60) days of the end of each contract year (the contract year is the period from October 1 through September 30) the County shall re-calculate costs for assessing and collecting taxes on the following basis and shall furnish a written copy of the re-calculation and the audit described below to each Tax Unit.

a. Each Taxing Unit for whom the County assesses and collects taxes, including Howard County, shall be allocated a portion of the amount of actual audited expenditures (based on an audit performed by an independent auditor who is a C.P.A.) to assess and collect taxes for the County's budget year ending just before the end of said contract year equal to the proportion that the total dollar amount of all property taxes, including penalty and interest, for all tax years actually collected during the contract year by the County for the Unit bears to the sum of the total dollar amount of all property taxes, including penalty and interest, for all tax years actually collected during the contract year by the County for all Taxing Units for whom the County assessed and collects taxes.

b. If any Tax Unit's portion of the expenditures, as determined under Paragraph 13A, is less than the payment already made by that Tax Unit pursuant to Paragraph 12 above, then the County shall refund the difference to that Tax Unit within ten (10) days of computing and allocation in Paragraph 12; if any Tax Units' portion of the expenditures, as determined under Paragraph 12a, is more than said payment, then that Tax Unit shall pay the difference to County within ten (10) days after that Tax Unit receives from County a written copy of said reallocation.

14. The County agrees to remit to each Tax Unit the tax monies collected between October 1 and February 15 by the County on behalf of the Unit within ten (10) working days of the day on which said taxes monies are collected.

Between February 16 and September 30 remittance shall be made within two (2) working days of the day on which said tax monies are collected. All tax monies collected by the County on behalf of the Unit shall be deposited on a daily basis in the County's interest bearing account as provided by the County's depository. To reduce collection fees cost, interest earned on said account will be paid to County and applied to the expenses of the Tax Assessor Collector's office. Reports of collections made in the months of October through January shall be on the twenty-fifth (25th) day of the month following the month that is the subject of the report. Reports of collections made in all other months are due on the fifteenth (15th) day of the month following the month that is the subject of the report, as required by Section 31.10(a) of the Property Tax Code. The County shall prepare and submit to each Unit an annual report made under oath accounting for all tax monies of each Unit collected or delinquent on property tax by each Unit during the preceding twelve (12) month period. Annual reports shall be due on the sixteenth (16th) day following the last day of each Unit's fiscal year, as required by Section 31.10(b) of the Property Tax Code.

15. County understands and agrees that Taxing Units are relying on the County's covenant herein to remit all tax monies to the Units on a timely basis and that the Tax Units would not enter into this contract without said covenants. If County fails to remit any tax monies to the Units within the time limits specified above, then County shall pay to the respective Unit as compensation and difference between the interest each Unit could have earned on said tax monies if said tax monies had been remitted to the invested by such Unit within the time limits specified above and any interest paid to such Unit pursuant to Paragraph 14 above.

The interest that such Unit could have earned shall be deemed to be the interest that the Unit could have earned on said tax monies at the highest rate of interest provided in such Unit's contract with its depository.

16. In addition to any other reports and records which county is herein required to furnish Units and any other notices County is required to prepare and mail, County shall furnish each respective Unit at the time shown on Exhibits A, the reports and prepare and mail the notices shown on Exhibit A which is attached hereto and incorporated by reference as if repeated verbatim.

17. At the request of any person, the County Tax Assessor Collector shall issue a tax certificate showing the amount of delinquent taxes, penalties, and interest due a Taxing Unit which is a party to this contract on a property according the Unit's current tax records. The collector shall charge a fee of \$10.00 for each certificate issued. Provided, however, the collector shall be authorized to issue one combined certificate. Fees shall be retained by the County to help defray collection fees.

18. Bonds in the amount set by each Taxing Unit will be furnished by each representative Unit. Said bonds shall cover the County Tax Assessor Collector and all deputies and shall comply with the provision of 6.29 of the Texas Property Tax Code. The premium for each bond shall be budgeted and said by each entity to which the bond is payable. The County Tax Assessor Collector shall adopt and follow strict internal controls in carrying out the provisions of this contract.

19. The County Tax Assessor Collector shall prepare and mail annual tax statements by October 1 or as soon thereafter as practicable, but in any event no later than October 15.

20. Each party to this agreement shall appoint at least one elected or administrative official to serve on an unofficial "Tax Liaison Committee" which shall meet from time to time (approximately quarterly) to receive periodic reports from the Howard County Tax Assessor Collector and the delinquent tax attorney(s) and to relay the

information gained at such meetings to their respective governing bodies. All items regarding this contract requiring input from the Taxing Units shall be presented to this committee and then referred to each Taxing Unit's governing body for consideration.

21. The Units and the County all understand and agree that this agreement constitutes the entire agreement between the parties and shall not be amended or modified by written instrument signed by all parties.

Executed this _____ day of _____, 20____.

ACCEPTED:

COUNTY OF HOWARD

By: _____
County Judge

ACCEPTED:

BIG SPRING INDEPENDENT SCHOOL
DISTRICT

By: _____
President of the Board of Trustees

ACCEPTED:

CITY OF BIG SPRING

By: _____
Mayor

ACCEPTED:

HOWARD COUNTY JUNIOR COLLEGE
DISTRICT

By: _____
President of the Board of Trustees

ACCEPTED:

FORSAN INDEPENDENT SCHOOL DISTRICT

By: _____
President of the Board of Trustees

ACCEPTED:

COAHOMA INDEPENDENT SCHOOL DISTRICT

By: _____
President of the Board of Trustees

JOINT TAX COLLECTION

CONTRACT INFORMATION

BIG SPRING INDEPENDENT SCHOOL DISTRICT
FORSAN INDEPENDENT SCHOOL DISTRICT
AND COAHOMA INDEPENDENT SCHOOL DISTRICT

REPORTS AND/OR CALCULATIONS AND PROCEDURES REQUIRED OF THE
TAX COLLECTION OFFICE

Annual Report of Property Values

Report to State Comptroller Regarding Bank Franchise Tax Information

Calculation of Effective Tax Rate

Monthly Report to Governing Bodies:

Current Collections per month beginning each September

Delinquent Collections per month

Total Collections per month

Percentage of roll collected with comparative data for comparable prior year monthly dates

Annual Report to Governing Bodies:

Cumulative tax collection data for the year shown on the monthly report

Monthly Report to Administration:

Year to date Recap reporting:

Each year outstanding taxes are owing

Original tax owing at beginning of year

Adjustments

Adjusted Tax

Taxes paid

Discounts

Penalty and interest

Costs

Collections

Uncollected Tax

Deposit information

Deposits should be made to either or both the General Fund (Local Maintenance) and/or interest and Sinking as required by law. Adequate deposit information should be supplied so that taxes can be properly credited to the records of each school district.

Other Reports and Procedures as may be required:

EXHIBIT "A"

State and local requirements change periodically and these changes should be mutually accomplished between parties to the contract.

Report of Value Lost due to Freezes

Report for State Survey of Delinquent Property Taxes

Delinquent Tax Statement for all Tax Years Delinquent

Tax Assessor Collector shall present to each School Board on September 1 of each year, a printed, certified, current tax roll.

Immediately after June 30 of each year, the Tax Assessor Collector shall report to each School Board the amount of current taxes remaining unpaid and going to the delinquent tax roll. The Tax Assessor Collector shall update this report on August 31 of each year.

JOINT TAX COLLECTION
HOWARD COUNTY JUNIOR COLLEGE DISTRICT

REPORTS, CALCULATIONS AND PROCEDURES REQUIRED OF THE
TAX COLLECTION OFFICE

Monthly Reports:

- Current collections each month
- Delinquent collections each month
- Collections of penalties, interest each month
- Error listing each month
- Adjustments to tax roll, including values affecting real and personal property
- Supplemental adjustments (additions)

Quarterly Reports:

- Outstanding delinquent taxes by year
- Outstanding current taxes
- Delinquent tax records in readable computer form, a minimum of four times a year or at the request of the

College

Annual:

- Cumulative tax collection data for the year as shown on the monthly report
- Tax roll for each tax year prepared and submitted to the College within twenty (20) days or receiving notice of tax rate from College as provided in 26.09 of Texas Property Tax Code for approval, including taxpayer name, tax amount, appraisal value
- Tax Code for approval, including taxpayer name, tax amount, appraised value
- Calculation of effective tax rate as required by law
- Delinquent tax statements for all tax years delinquent
- Annual tax statements shall be prepared and mailed by October 1 each year but in any event no later than

October 15

- Other reports require by law or requested by Taxing Unit

JOINT TAX COLLECTIONS

CITY OF BIG SPRING

REPORTS, CALCULATIONS AND PROCEDURES REQUIRED OF THE
TAX COLLECTION OFFICE

Monthly Reports:

- Current collections each month
- Delinquent collections each month
- Collections of penalties, interest each month
- Error Listing each month
- Adjustments to tax roll, including values affecting real and personal property
- Supplemental adjustments (additions)

Quarterly Reports:

- Outstanding delinquent taxes by year
- Outstanding current taxes
- Delinquent tax records in readable computer form, a minimum of four times a year at the request of the

City

Daily:

Detail listing of collections on behalf of Taxing Unit, including account number, statement (receipt) number and amount of taxes paid

Annual:

- Cumulative tax collections data for the year as shown on the monthly report
- Tax roll each tax year prepared and submitted to City Council within twenty (20) days of receiving notice of tax rate from City as provided in 26.09 of Texas Property Tax Code for approval, including taxpayer name, tax amount, appraised value
- Calculation of effective tax rate as required by law
- Delinquent tax statements for all years delinquent
- Annual tax statements shall be prepared and mailed by October 1 each year but in any event no later than October 15
- Other reports required by law or requested by Taxing Unit