

**INTERLOCAL COOPERATION AGREEMENT - TAX COLLECTION**

**THIS AGREEMENT** is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2008, by and between **DENTON COUNTY**, a political subdivision of the State of Texas, hereinafter referred to as "**COUNTY**," and **DENTON INDEPENDENT SCHOOL DISTRICT, DENTON COUNTY, TEXAS** also a political subdivision of the State of Texas, hereinafter referred to as "**DISTRICT**."

**WHEREAS, COUNTY** and **DISTRICT** mutually desire to be subject to the provisions of V.T.C.A. Government Code, Chapter 791, the Interlocal Cooperation Act, and V.T.C.A., Tax Code, Section 6.24 and 25.17 and;

**WHEREAS, DISTRICT** has the authority to contract with the **COUNTY** for ~~the **COUNTY** to act as tax assessor and collector for **DISTRICT** and **COUNTY** has~~ the authority to so act;

**NOW THEREFORE, COUNTY** and **DISTRICT**, for and in consideration of the mutual promises, covenants, and agreements herein contained, do agree as follows:

I.

The effective date of this Agreement shall be the 1<sup>st</sup> day of September, 2008. The term of this Agreement shall be for a period of one year, from September 1, 2008, to and through August 31, 2009. This Agreement shall be automatically renewed for an additional one (1) year term at the discretion of the **COUNTY** and **DISTRICT**, unless written notice of termination is provided by the terminating party to the other party prior to one hundred-fifty (150) days of the expiration date of the initial term of the Agreement.

II.

For the purposes and consideration herein stated and contemplated, **COUNTY** shall provide the following necessary and appropriate services for **DISTRICT** to the maximum extent

authorized by this Agreement, without regard to race, sex, religion, color, age, disability, or national origin:

1. **COUNTY**, by and through its duly qualified tax assessor-collector, shall serve as tax assessor-collector for **DISTRICT** for ad valorem tax collection for tax year 2008, and each tax year for the duration of this Agreement. **COUNTY** agrees to perform all necessary ad valorem assessing and collecting duties for **DISTRICT** and **DISTRICT** does hereby expressly authorize **COUNTY** to do and perform all acts necessary and proper to assess and collect taxes for **DISTRICT**. **COUNTY** agrees to collect base taxes, penalties, interest, and attorney's fees.

2. **COUNTY** agrees to prepare and mail all tax statements; provide monthly collection reports to **DISTRICT**; prepare tax certificates; develop and maintain both current and delinquent tax rolls; meet the requirements of Section 26.04 of the Texas Tax Code; and to develop and maintain such other records and forms as are necessary or required by State law, rules, or regulations.

3. **COUNTY** further agrees that it will calculate the effective tax rates and rollback tax rates for **DISTRICT** and that such calculations will be provided at no additional cost to **DISTRICT**. The information concerning the effective and rollback

tax rates will be published in the form prescribed by the Comptroller of Public Accounts of the State of Texas, and as required by Section 26.04 of V.T.C.A. Tax Code. **DISTRICT** shall notify tax assessor-collector at least 7 days before **DISTRICT** wishes publication of forms specified in this section. It is understood and agreed by the parties that the expense of publication shall be borne by **DISTRICT** and that **COUNTY** shall provide **DISTRICT**'s billing address to the newspaper publishing the effective and rollback tax rates.

4. **COUNTY** agrees, upon request, to offer guidance and the necessary forms for posting notices of required hearing and quarter-page notices as required by Sections 26.05 and 26.06 of V.T.C.A. Tax Code, if **DISTRICT** requests such 7 days in advance of the intended publication date. Should **DISTRICT** vote to increase its tax rate above the rollback tax rate, or more than three percent (3%) above the effective tax rate, whichever is lower, (or other limits required by current legislation) the required publication of quarter-page notices shall be the responsibility of **DISTRICT**.

5. **COUNTY** agrees to develop and maintain written policies and procedures of its operation. **COUNTY** further agrees to make available full information about the operation of the County Tax Office to **DISTRICT**, and to promptly furnish written reports to keep **DISTRICT** informed of all financial information affecting it.

6. **DISTRICT** agrees to promptly deliver to **COUNTY** all records that it has accumulated and developed in the assessment and collection of taxes, and to cooperate in furnishing or locating any other information and records needed by **COUNTY** to perform its duties under the terms and conditions of this Agreement.

7. **COUNTY** agrees to allow an audit of the tax records of **DISTRICT** in **COUNTY'S** possession during normal working hours with at least 48 hours advance, written notice to **COUNTY**. The expense of any and all such audits shall be paid by **DISTRICT**. A copy of any and all such audits shall be furnished to **COUNTY**.

8. If required by **DISTRICT**, **COUNTY** agrees to obtain a surety bond for the County Tax Assessor/Collector. Such bond will be conditioned upon the faithful performance of the Tax Assessor/Collector's lawful duties, will be made payable to **DISTRICT** and in an amount determined by the governing body of **DISTRICT**. The premium for any such bond shall be borne solely by **DISTRICT**.

9. **COUNTY** agrees that it will place quarter-page advertisements in newspapers serving Denton County in January, 2009, as a reminder that delinquent tax penalties will apply to all assessed taxes which are not paid by January 31, 2009. The advertisements will be printed two times in each paper between January 5<sup>th</sup> and January 25<sup>th</sup>.

10. **COUNTY** agrees that it will post to a secure website collection reports for **DISTRICT** listing current taxes, delinquent taxes, penalties and interest on a daily basis between October 1, 2008 and March 31, 2009 and on a weekly basis between September 1, 2008 and September 30, 2008, and between April 1, 2009 and September 30, 2009; provide monthly Maintenance and Operation (hereinafter referred to as "MO"), and Interest and Sinking (hereinafter referred to as "IS") collection reports; provide monthly recap reports; and provide monthly attorney fee collection reports.

11. **DISTRICT** retains its right to select its own delinquent tax collection attorney and **COUNTY** agrees to reasonably cooperate with the attorney selected by **DISTRICT** in the collection of delinquent taxes and related activities.

III.

**COUNTY** hereby designates the Denton County Tax Assessor/ Collector to act on behalf of the County Tax Office and to serve as Liaison for **COUNTY** with **DISTRICT**. The County Tax Assessor/Collector, and/or his/her designated substitute, shall ensure the performance of all duties and obligations of **COUNTY**; shall devote sufficient time and attention to the execution of said duties on behalf of **COUNTY** in full compliance with the terms and conditions of this Agreement; and shall provide immediate and direct supervision of the County Tax Office employees, agents, contractors, subcontractors, and/or laborers, if any, in the furtherance of the purposes, terms and conditions of this Agreement for the mutual benefit of **COUNTY** and **DISTRICT**.

IV.

**COUNTY** accepts responsibility for the acts, negligence, and/or omissions related to property tax service of all **COUNTY** employees and agents, sub-contractors and /or contract laborers, and for those actions of other persons doing work under a contract or agreement with **COUNTY** to the extent allowed by law.

V.

**DISTRICT** accepts responsibility for the acts, negligence, and/or omissions of all **DISTRICT** employees and agents, sub-contractors and/or contract laborers, and for

those of all other persons doing work under a contract or agreement with **DISTRICT** to the extent allowed by law.

VI.

**DISTRICT** understands and agrees that **DISTRICT**, its employees, servants, agents, and representatives shall at no time represent themselves to be employees, servants, agents, and/or representatives of **COUNTY**. **COUNTY** understands and agrees that **COUNTY**, its employees, servants, agents, and representatives shall at no time represent themselves to be employees, servants, agents, and/or representatives of **DISTRICT**.

VII.

For the services rendered during the 2008 tax year, **DISTRICT** agrees to pay **COUNTY** for the receipting, bookkeeping, issuing, and mailing of tax statements as follows:

1. The current tax statements will be mailed on or about October 20th or as soon thereafter as practical. The fee for this service will be a rate not to exceed Seventy-three Cents (\$.73) per statement, but a minimum fee per year for the October mailing will be \$500.00. If **DISTRICT** does not adopt a tax rate before September 29, 2008, the tax rate for **DISTRICT** will be set at the lower of the effective tax rate calculated for that year or the tax rate adopted by **DISTRICT** for the preceding tax year. Before the fifth day after establishment of a tax rate under this provision, **DISTRICT** must ratify the applicable tax rate in the manner required by Article 26.05(b) of the Texas Tax Code.

2. **District** understands and agrees that **County** will assess a surcharge for each parcel (account) that is physically outside the geographical limits of the **County**. The surcharge will be a fee not to exceed twenty-five cents (\$.25) per parcel and will be billed to **District** in the month of December.

3. An additional notice will be sent during the month of March following the initial mailing provided that **DISTRICT** has requested such a notice on or before February 28th. The fee for this service will be a rate not to exceed \$.73 (Seventy-three Cents) per statement.

4. At least 30 days, but no more than 60 days, prior to April 1st, and following the initial mailing, a delinquent tax statement meeting the requirements of Section 33.11 of the Texas Property Tax Code will be mailed. The fee for this service will be a rate not to exceed Seventy-three Cents (\$.73) per statement

5. At least 30 days, but no more than 60 days, prior to July 1st, and following the initial mailing, a delinquent tax statement meeting the requirements of Section 33.07 of the Texas Property Tax Code will be mailed. The fee for this service will be a rate not to exceed Seventy-three Cents (\$.73) per statement.

6. In event of a successful rollback election which takes place after tax bills for **DISTRICT** have been mailed, **DISTRICT** agrees to pay **COUNTY** a programming charge of \$5,000.00. The fee for this service will be a rate not to exceed \$.73 (Seventy-three Cents) per statement, Property Tax Code Section 26.07 (f). When a refund is required per Property Tax Code Section 26.07 (g), a \$.25 processing fee per check will be charged, in addition to the corrected statement mailing costs. Issuance of

refunds, in the event of a successful rollback election, will be the responsibility of the **COUNTY**. **DISTRICT** will be billed for the refunds, postage and processing fees.

7. **DISTRICT** understands and agrees that **COUNTY** will bill **DISTRICT** following each mailing for which charges are permitted. Payment is due upon receipt of the statement.

8. **DISTRICT** further understands and agrees that **COUNTY** (at its sole discretion) may increase or decrease the amounts charged to **DISTRICT** for any renewal year of this Agreement, provided that **COUNTY** gives written notice to **DISTRICT** sixty (60) days prior to the expiration date of the initial term of the Agreement.

#### VIII.

**COUNTY** agrees to remit all taxes, penalties, and interest collected on **DISTRICT's** behalf and to deposit such funds into the **DISTRICT's** depositories as designated:

1. For deposits of tax, penalties, and interest, payment shall be by wire transfer or by check sent by mail to **DISTRICT's** accounts only, and segregated into the appropriate MO and IS accounts.

2. If **DISTRICT** uses the same depository as **COUNTY**, the deposits of tax, penalty and interest shall be by deposit transfer.

3. In anticipation of renewal of this Agreement, **COUNTY** further agrees that from October 1, 2008 through March 31, 2009, deposits will be made daily and from April 1, 2009, through September 30, 2009, deposits will be made weekly. For



end of month reporting, there will be a deposit made at the end of each month. It is expressly understood, however, that this obligation of **COUNTY** shall not survive termination of this Agreement, whether by termination by either party or by failure of the parties to renew this Agreement.

IX.

In the event of termination, the withdrawing party shall be obligated to make such payments as are required by this Agreement through the balance of the tax year in which notice is given. **COUNTY** shall be obligated to provide services pursuant to this Agreement, during such period.

X.

This Agreement represents the entire agreement between **DISTRICT** and **COUNTY** and supersedes all prior negotiations, representations, and/or agreements, either written or oral. This Agreement may be amended only by written instrument signed by the governing bodies of both **DISTRICT** and **COUNTY** or those authorized to sign on behalf of those governing bodies.

XI.

Any and all written notices required to be given under this Agreement shall be delivered

or mailed to the listed addresses:

**COUNTY:**

County Judge of Denton County  
110 West Hickory  
Denton, Texas 76201  
Telephone 940-349-2820

**DISTRICT:**

DENTON INDEPENDENT SCHOOL DISTRICT  
P.O. Box 2387  
Denton, TX 76202  
Telephone: 940-369-0011  
Contact: Debbie Monschke

XII.

**DISTRICT** hereby designates \_\_\_\_\_ to act on behalf of **DISTRICT**, and to serve as Liaison for **DISTRICT** to ensure the performance of all duties and obligations of **DISTRICT** as stated in this Agreement. **DISTRICT's** designee shall devote sufficient time and attention to the execution of said duties on behalf of **DISTRICT** in full compliance with the terms and conditions of this Agreement; shall provide immediate and direct supervision of the **DISTRICT** employees, agents, contractors, subcontractors, and/or laborers, if any, in the furtherance of the purposes, terms and conditions of this Agreement for the mutual benefit of **DISTRICT** and **COUNTY**.

XIII.

In the event that any portion of this Agreement shall be found to be contrary to law, it is the intent of the parties that the remaining portions shall remain valid and in full force and effect to the extent possible.

XIV.

The undersigned officers and/or agents of the parties are the properly authorized officials and have the necessary authority to execute this agreement on behalf of the

parties. Each party hereby certifies to the other that any resolutions necessary for this Agreement have been duly passed and are now in full force and effect.

Executed in duplicate originals this, \_\_\_\_\_ day of \_\_\_\_\_ 2008.

COUNTY

DISTRICT

Denton County  
110 West Hickory  
Denton, Texas 76201

DENTON INDEPENDENT SCHOOL DISTRICT  
P.O. Box 2387  
Denton, TX 76202

BY: \_\_\_\_\_  
Honorable Mary Horn  
Denton County Judge

BY: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

ATTEST:

BY: \_\_\_\_\_  
Cynthia Mitchell  
Denton County Clerk

BY: \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

APPROVED FORM AND CONTENT:

APPROVED AS TO FORM:

\_\_\_\_\_  
Steve Mossman  
Denton County  
Tax Assessor/Collector

\_\_\_\_\_  
Kim Gilles  
Denton County  
Assistant District Attorney