

THE STATE OF TEXAS  
COUNTY OF UPSHUR

FILED  
TERRI ROSS  
COUNTY CLERK  
2019 JUL 31 AM 11:54  
BY [Signature]  
UPSHUR COUNTY, TX.  
DEPUTY

INTERLOCAL AGREEMENT FOR  
ASSESSMENT AND COLLECTION OF TAXES

On this 31 day of July, 2019, the City of Gladewater, "Taxing Unit", and Upshur County, the "County", enter into the following contract pursuant to the authority granted by TEXAS TAX CODE ANN. SECTION 6.23 and 6.24 (Vernon 1982), and TEXAS REV. CIV. STAT. ANN. Art 4413(32c) (Vernon 1976), as amended.

WITNESSETH:

WHEREAS, it would be economically advantageous to both the Taxing Unit and the County to consolidate the tax assessment and collection functions; and

WHEREAS, in entering into this contract and agreement, it is the intention of the Taxing Unit and the County that the County shall for the term of this contract provide such necessary tax assessment and collection services;

WHEREAS, the Taxing Unit desires to have the County collect the ad valorem taxes, but the Taxing Unit's governing body will continue to perform its functions while contracting with the County;

NOW, THEREFORE, the parties have and do hereby covenant and agree as follows:

1. The County shall collect the ad valorem property taxes owing to the Taxing Unit and shall perform all assessment and collection duties and functions imposed by law upon the tax assessor and collector for the Taxing Unit, including but not limited to the following:
  - a) Preparation and mailing of the tax statements;
  - b) Preparation of monthly collection reports to the Taxing Unit;
  - c) Development and maintenance of current and delinquent tax rolls for the Taxing Unit;

- d) Maintenance of a staff and office for the collection of taxes at the main County Courthouse, Gilmer, Texas;
  - e) Calculation of maximum tax rates as required by Article 7244c, Texas Revised Civil Statutes;
  - f) Development and maintenance of such other forms and records as are necessary or required by law or regulations;
  - g) Undertake any and all other actions necessary to the proper collection of ad valorem taxes for the Taxing Unit;
  - h) Calculation of an effective tax rate, based upon information provided by Taxing Unit on or about August 1, of the tax year;
  - i) Timely preparation and mailing of current tax bills;
  - j) Preparation and mailing of delinquent tax bills;
  - k) Remittance of taxes collected to the Taxing Unit;
  - l) Provision of adequate and acceptable off-site storage of the Taxing Unit's related data files.
2. The Taxing Unit hereby authorizes the County to make deposits of taxes collected by the County on its behalf to such depositories as are selected by the Taxing Unit. The County shall make deposits for the Taxing Unit to the account of the Taxing Unit on a daily basis.
  3. The County shall retain all fees charged for the issuance of tax certificates and any interest accruing upon tax payments while deposited in the County's depository prior to remittance to the Taxing Unit. The County shall expend such retained funds solely on tax assessment and collection services.
  4. The County shall provide an annual independent audit of all funds collected. The audit shall be conducted by a certified public accounting firm and a copy of the audit report shall be provided to the Taxing Unit.
  5. The Taxing Unit explicitly retains the authority and right to contract with private legal counsel for the collection of its delinquent taxes.
  6. All costs and expenses which are paid or are incurred by the County for the collection of delinquent ad valorem taxes through legal action including court costs, attorney's fees, appraisal fees, sheriff's fees and publication expense ("Legal Expenses"), shall be excluded from the Collection Charge and shall be paid by the taxing entity on whose behalf such legal

action was instituted. Costs incurred on behalf of more than one taxing Unit, above the 20% attorney fee allowed by law, shall be allocated in the following manner: the Taxing Unit shall pay its proportionate share of the Legal Expenses with the total cost of legal fees divided by the number of Taxing Units involved in the suit.

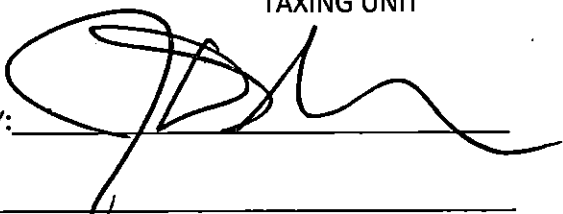
7. The Taxing Unit shall provide to the County, without charge, a printed copy and a computer disc (in a format useable by the County) of its cumulative delinquent tax roll, and current tax roll, as appropriate, with all accounts properly identified by a current County Appraisal District property identification number.
8. The Taxing Unit shall furnish to County on request all records in the Taxing Unit's possession relating to the assessment and collection of taxes and shall cooperate in providing such other information and records, whether in its possession or not, which may be needed by the County in order for the County to carry out the terms of this Agreement.
9. All information provided to the County shall be provided in writing. County shall be entitled to rely upon information supplied by Taxing Unit.
10. The Tax Assessor-Collector shall give bond conditioned on the faithful performance of his duties as tax assessor and collector for the Taxing Unit. Said bond shall be made payable to and shall be approved by the governing body of Taxing Unit. The Taxing Unit shall pay the premium for such bond from its current available revenues.
11. In consideration of the services to be rendered by the County, the Taxing Unit shall pay the County as follows:
  - a) The Taxing Unit agrees to pay the County the actual costs of collections attributable to Taxing Unit's property, as determined by County Tax Assessor/Collector.
  - b) In the event that payments received in any one year exceed the actual cost of providing services pursuant to this Agreement, the County shall reimburse the Taxing Unit to the extent of the excess funds.
  - c) In the event that payments received in any one year are less than the actual cost of providing services pursuant to this Agreement, the Taxing Unit shall reimburse the County all actual costs incurred for the collection of taxes up to one (\$1.00) dollar per parcel per year.
  - d) In the event that the Taxing Unit's tax rate is rolled back or otherwise changed after the County begins collections for the Taxing Unit in any given year, the County will continue to act for the Taxing Unit in providing refunds to taxpayers or sending corrected billings. The cost of additional publications and notices will be the responsibility of the Taxing Unit. All costs incurred by the County for late and separate tax bills processing, or issuance of corrected bills, or refunds associated therewith, shall be strictly accounted for by the

County and shall be payable by the Taxing Unit upon submission of that accounting by the County. This cost shall be the actual cost of providing those extra services required by the rollback or change in tax rate.

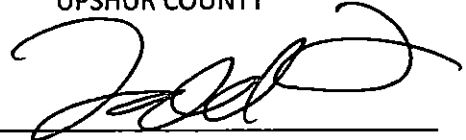
12. The Taxing Unit shall adopt its tax rate by the 1<sup>st</sup> of September.
13. If the County adopts a partial payment program as provided by TEXAS TAX CODE ANN., Section 31.07, as amended, such policy shall be adopted in accordance with the guidelines set and promulgated by the State Property Tax Board.
14. The Taxing Unit agrees payments may be made quarterly to the County, the first payment to be made on or about September 1, 2020. Subsequent payments shall be made on or about the first day of each subsequent quarter that this contract is in effect.
15. This contract shall be effective on August 1, 2019, and shall continue in full force and effect from year to year until such time as either party, hereto, by written notice to the other party, may terminate the same, such termination to be effective only if such notice is provided to the other party on or before July 1 of the tax year in which the party intends for the contract to terminate, or by mutual consent of the parties. Any such termination shall be effective on or before September 1 of such tax year. In the event of termination of this Agreement, the County shall deliver to the Taxing Unit all records and documents in its possession relating to the collection of taxes on behalf of the Taxing Unit unless it is necessary to retain such records or documents, in which event the County shall furnish the Taxing Unit a copy thereof at the Taxing Unit's expense.
16. It is agreed and understood that this contract is not transferrable or assignable without the written consent and approval of the Taxing Unit. The terms herein stated shall be binding upon the parties hereto, their successors, assigns and legal representatives.
17. Any alteration or modification of this contract shall be in writing and signed by both parties.
18. This contract constitutes the entire agreement of the parties. No written or oral representation or modification shall have force or effect unless such modification is made in conformity with paragraph 15 herein.
19. This written agreement represents the final agreement between the parties and may not be contradicted by evidence of prior or contemporaneous agreements, or subsequent oral agreements, of the parties.
20. The provisions of this contract are severable. If any paragraph, section, subdivision, sentence, clause or phrase of this contract is for any reason held to the contrary to law, or contrary to any rule or regulation having the force and effect of law, such decision shall not affect the remaining portions of the contract.

IN WITNESS WHEREOF, the respective parties hereunto set their hands this 31 day of July, 2019.

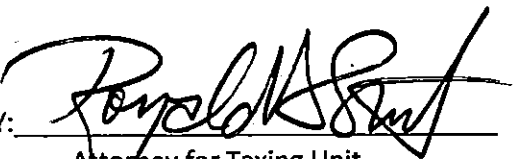
TAXING UNIT

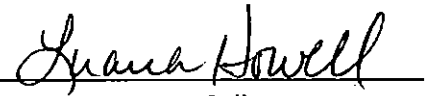
BY:   
\_\_\_\_\_  
Mayor John "J. D." Shipp


UPSHUR COUNTY

BY:   
\_\_\_\_\_  
Todd Tefteller, County Judge

APPROVED:

BY:   
\_\_\_\_\_  
Attorney for Taxing Unit

BY:   
\_\_\_\_\_  
Tax Assessor-Collector

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