

**INTERLOCAL COOPERATION AGREEMENT FOR TAX ASSESSMENT AND
COLLECTION OF PROPERTY TAX IN 2023-2024
BETWEEN COUNTY OF ARANSAS, TEXAS, AND
THE TOWN OF FULTON, TEXAS**

This **INTERLOCAL COOPERATION AGREEMENT** (“Agreement”) is made and entered into by and between the COUNTY OF ARANSAS, TEXAS, with the agreement, consent, and participation of the Aransas County Tax Assessor-Collector (singularly or collectively referred to as “COUNTY” or “COUNTY TAX ASSESSOR-COLLECTOR”) and the TOWN OF FULTON (hereinafter called “TOWN”), each a political Subdivision of the State of Texas, each acting by and through its duly elected officials, under the terms, authority, and provisions of Chapter 791 of the Government Code of the State of Texas and Section 6.24 of the Texas Property Tax Code, which authorizes such agreements.

WHEREAS, Chapter 791 of the Texas Government Code authorizes local governments of the State to enter into contracts for governmental functions and services to increase efficiency and effectiveness; and,

WHEREAS, the COUNTY and TOWN are local government entities as defined in §791.003 of the Texas Government Code and are authorized to enter into this Agreement by the action of their respective governing bodies in the manner prescribed by law; and,

WHEREAS, TOWN shall make the payments provided for in this Agreement from current funds available to TOWN; and,

WHEREAS, TOWN desires to authorize the COUNTY TAX ASSESSOR-COLLECTOR to act as the Tax Assessor/Collector for TOWN, for ad valorem tax purposes, as herein provided, for Aransas County properties within TOWN’S jurisdiction.

NOW, THEREFORE, in consideration of the recitals and mutual covenants and agreements stated herein, COUNTY and TOWN agree to the following:

1. Purpose. The purpose of this Agreement is for the Parties to establish the terms and conditions under which COUNTY will provide tax assessment and collection services for TOWN. For the purposes of this Agreement, the terms “assessment” and “collection” shall mean all steps necessary to effect such functions including, but not limited to the calculation of tax, preparation of current and delinquent tax rolls, pro-ration of taxes, correction of clerical errors in tax rolls, collection of current liabilities, collection of delinquent taxes; and calculation of an effective tax rate required by §26.04 of the Texas Property Tax Code.
2. Term. This AGREEMENT by and between COUNTY and TOWN shall be in effect from September 1, 2023 through August 31, 2024.
3. Notice of Termination of Agreement for Next Fiscal Year. Should TOWN elect not to continue with an Assessment and Collection Agreement with COUNTY for the following fiscal year beginning September 1, 2024, TOWN agrees to provide four (4) months’ written notice to COUNTY, prior to the end of this Agreement, so as to prevent expenditures for the upcoming fiscal year.

4. COUNTY'S Designee. COUNTY hereby designates the COUNTY TAX ASSESSOR-COLLECTOR to act on behalf of COUNTY and to serve as the liaison between COUNTY and TOWN. COUNTY TAX ASSESSOR-COLLECTOR and/or her designee shall ensure the performance of all duties and obligations of COUNTY under the terms of this Agreement.
5. TOWN Authorizes COUNTY to Perform Duties. By entering into this Agreement, TOWN expressly authorizes COUNTY to perform all acts necessary for tax assessment and collection for TOWN.
6. Compensation to COUNTY. TOWN shall reimburse COUNTY for the actual cost of providing services under this Agreement from TOWN'S current revenues for the fiscal year beginning September 1, 2023 and ending August 31, 2024. Because actual costs cannot be determined at this time, TOWN shall pay COUNTY **One Thousand Nine Hundred Seventeen Dollars and Forty-Six Cents (\$1,917.46)** as an operating budget for the described fiscal year no later than **January 15, 2024**.
7. Duties of the COUNTY TAX ASSESSOR-COLLECTOR:
 - a. *Tax Statements.* COUNTY TAX ASSESSOR-COLLECTOR shall prepare and mail all tax statements, provide necessary collection reports to TOWN, prepare tax certificates, develop and maintain both current and delinquent tax rolls and such other records and forms as are necessary or required by law or State rules and regulations.
 - b. *Monthly Reports to TOWN.* COUNTY TAX ASSESSOR-COLLECTOR will submit a monthly status report to TOWN, in the format preferred by its governing body, at least eight (8) days prior to a regular meeting of its governing body (such schedule to be provided by TOWN).
 - c. *Information shall be Available.* COUNTY TAX ASSESSOR-COLLECTOR undertakes and agrees to make available to TOWN full information about the tax collection operation of COUNTY, and to promptly furnish written reports reasonably necessary to keep TOWN advised of all relevant financial information affecting it.
 - d. *Collection of Delinquent Taxes.* COUNTY may contract with legal counsel for the collection of delinquent taxes.
 - e. *Bond.* COUNTY TAX ASSESSOR-COLLECTOR will agree to sign a bond, conditional on faithful performance of duties, payable to TOWN. Said bond will be ordered by, approved by, and paid by TOWN in an amount determined by TOWN, as stated in Texas Property Tax Code 6.29(b).
 - f. *Payments of Taxes to TOWN; Deposits.* COUNTY TAX ASSESSOR-COLLECTOR shall make payment of taxes collected on behalf of TOWN into such bank account/s selected by TOWN. Such payment shall be made on a daily basis, except for electronic payments (e.g. credit cards and e-checks). Electronic payments are not available for several days after the payment is posted; therefore, no tax collected by electronic payment shall be deposited until the electronic payment has been irrevocably deposited into the COUNTY TAX ASSESSOR-COLLECTOR'S tax account maintained for the purpose. A "deposit of tax

money” itemization form will be completed to show the distribution of money collected. This itemization will be forwarded to TOWN after each deposit. COUNTY TAX ASSESSOR-COLLECTOR shall have no access to the tax money once deposited to TOWN’S bank account(s). Collections for TOWN shall be deposited into two (2) accounts as follows:

Maintenance & Operation funds shall be deposited to account ending in 88-9
1st Community Bank, Rockport, TX

Delinquent tax funds previously belonging to the County Education Fund will also be deposited into this account.

Interest & Sinking funds shall be deposited to account ending in 87-0
1st Community Bank, Rockport, TX

- g. *Refunds due to Property Tax Code.* Refunds resulting from corrections to the appraisal rolls, pursuant to §26.15 of the Property Tax Code, such as homestead exemptions, over 65 exemptions, disabled exemptions, clerical errors and court-ordered value changes, shall not be submitted for approval to TOWN. COUNTY TAX ASSESSOR-COLLECTOR shall refund the property owner the difference between the tax paid and the tax legally due. All refunds will be held from TOWN’S deposits, and an itemized list of all refunds, with pertinent data, will be submitted with the deposit record.
- h. *Reviewing of Refund Requests; Processing Refunds over \$2,500.00.* Pursuant to §31.11 of the Property Tax Code, refund requests will be submitted to the Aransas County Auditor to determine if payment was excessive or erroneous. If County Auditor determines payment was excessive or erroneous, COUNTY TAX ASSESSOR-COLLECTOR shall refund the amount of the overpayment or erroneous payment from available current tax collections. However, if the total of refund amount exceeds \$2,500.00, COUNTY TAX ASSESSOR-COLLECTOR shall submit a refund request to the Aransas County Commissioner’s Court for their determination of an excessive or erroneous payment and approval prior to processing refund.
- i. *COUNTY ASSESSOR-COLLECTOR’S Records will be Available to TOWN.* Upon receipt of at least forty-eight (48) hours of written notice, the COUNTY agrees to allow TOWN access to tax records related to TOWN in its possession. COUNTY is not responsible for paying for any expenses associated with TOWN’S efforts to audit, duplicate, archive, or store records.

8. Duties of TOWN:

- a. *Collection of Delinquent Taxes.* TOWN hereby agrees and expressly authorizes COUNTY to contract with private legal counsel for the collection of delinquent taxes, and COUNTY agrees to review proposed counsel with TOWN before such contract is let. TOWN further agrees that such fee, as is allowed by law and provided in the contract with private legal counsel, will be paid from delinquent tax collections for TOWN.
- b. *Operating Budget Payments.* TOWN shall remit operating budget payments to COUNTY as described above.

- c. *Actual Cost Payments.* In the event that the actual costs of the services exceed the operating budget payments, TOWN will remit the additional payment within thirty (30) days of receiving an invoice from COUNTY, provided that such invoice is due to cost overruns.
 - d. *Additional Costs due to Changes.* TOWN is responsible for payment of the actual costs of any necessary re-mailing of tax notices when such re-mailing is necessary because of changes made by TOWN in its tax rate or allowable discount provisions.
 - e. *Additional Costs Due to Rollbacks or Other Modifications.* TOWN agrees to pay the cost of reprocessing and mailing tax notices if TOWN suffers a rollback or other modification of its tax rate as provided in Section 26.08 of Texas Property Tax Code, or any other necessary modifications, resulting from law changes made by the Texas Legislature.
 - f. *Bond.* TOWN will order, approve, and pay for a bond in an amount determined by TOWN to be sufficient, as stated in Texas Property Tax Code 6.29(b), to ensure the faithful performance of duties by the COUNTY TAX ASSESSOR-COLLECTOR.
 - g. *Payments of Taxes to TOWN; Deposits.* TOWN will immediately notify COUNTY if there is change to a deposit account that requires action.
 - h. *Returned Payments to COUNTY TAX ASSESSOR-COLLECTOR.* TOWN acknowledges that COUNTY TAX ASSESSOR-COLLECTOR is paying out funds on a daily basis based upon payments to COUNTY TAX ASSESSOR-COLLECTOR, which is usually received in the form of a personal or business check and not in the form of a cashier's check. In the event that any check is returned by COUNTY TAX ASSESSOR-COLLECTOR'S depository **for any reason whatsoever** including, but not limited to, insufficient funds, forgery, refer to maker, account closed, or any other reason, TOWN shall IMMEDIATELY REFUND to COUNTY TAX ASSESSOR-COLLECTOR the amount of the deposit represented by the returned check. In the event a tax payment deposited to TOWN'S account, whose source was by credit card or other electronic payment, is disputed, canceled, refuted, or withdrawn by any person, firm, or entity, for any reason whatsoever, TOWN shall IMMEDIATELY REFUND such payment to COUNTY TAX ASSESSOR-COLLECTOR.
 - i. *Notices, Hearings, Publication, and other Requirements.* TOWN shall remain responsible for all notices, hearings, publications, and other requirements under the law related to its taxing activities.
 - j. *Records.* TOWN shall promptly deliver records to COUNTY upon request and shall fully cooperate in furnishing or locating any other information or records COUNTY needs to perform its duties under this Agreement.
9. Indemnification and Tort Claim Act:
- a. To the extent allowed by law, the COUNTY agrees to promptly defend, indemnify, and hold TOWN harmless from and against any and all claims, demands, suits, causes of action, and judgments for (a) damages to the loss of property of any person; and or (b) the death,

bodily injury, illness, disease, loss of services, or loss of income or wages to any person, arising out of or incident to, concerning or resulting from, the negligent or willful act or omission of the COUNTY, its agents, officers, and/or employees in the performance of duties pursuant to this Agreement.

- b. To the extent allowed by law, the TOWN agrees to promptly defend, indemnify, and hold the COUNTY harmless from and against any and all claims, demands, suits, causes of action, and judgments for (a) damages to the loss of property of any person; and or (b) the death, bodily injury, illness, disease, loss of services, or loss of income or wages to any person, arising out of or incident to, concerning or resulting from, the negligent or willful act or omission of the TOWN, its agents, officers, and/or employees in the performance of duties pursuant to this Agreement.
- c. Nothing in this Agreement shall be construed to waive, partially or in full, any immunities the Parties may have under the Texas Tort Claim Act or other laws.

10. Equipment and Personnel. During the time mutual aid is being furnished, all equipment used by the Party rendering aid shall continue to be owned, leased, or rented by the Party rendering aid. Once equipment, personnel, or other resources of a Party rendering aid are in the service of the requesting Party in accordance with the terms of this Agreement, such personnel and equipment shall be deemed to be employed or used, as the case may be, in the full line and cause of duty of the Party requesting aid. In addition, such personnel shall be deemed to be engaged in work for the employing entity and performing a governmental function.

11. Expending Funds. Each Party performing services or furnishing aid pursuant to this Agreement shall do so with funds available from current revenues of the Party. No Party shall have any liability for the failure to expend funds or to incur costs to provide aid hereunder.

12. Non-Discrimination. The Parties covenant that (1) no person shall be excluded from participation in, denied the benefit of, or otherwise subjected to discrimination under the terms of this Agreement on the ground of race, color, age, sex, handicap, or national origin; and (2) in carrying out the terms and conditions of this Agreement, no person shall be subjected to discrimination on the grounds of race, color, age, sex, handicap, or national origin.

13. Integration and Amendments. This Agreement constitutes the entire agreement between the Parties and may not be amended, altered, modified, or changed in any way, except in writing that is signed by the Parties, which specifically references this Agreement. There are no other agreements, representations, warranties, whether oral or written, regarding the subject matter of this Agreement. Any amendment to this Agreement shall be attached to this Agreement and all of the terms herein that are not specifically address in the amendment shall remain in full force and effect.

14. Severability. If any one or more of the sections, sentences, clauses, or parts of this Agreement be held invalid for any reason, the invalidity of such section, sentence, clause, or part shall not affect nor prejudice the applicability and validity of any other provision of this Agreement.

15. Validity and Enforceability. If any current or future legal limitations or requirements from a federal or State government with jurisdiction over the Parties affect the validity or enforceability

of a provision of this Agreement, then this Agreement shall be deemed amended to the minimum extent necessary to bring this Agreement into conformity with the requirements or limitations, and so modified, this Agreement shall continue in full force and effect.

16. No Third Party Beneficiaries. Nothing in this Agreement, expressed or implied, is intended to confer upon any person or entity, other than the Parties hereto, any rights or remedies under the terms of this Agreement, except as expressly stated herein.

17. Authorization. The undersigned officers and/or agents of the respective Party hereto are the properly authorized officials of the Party and have the necessary authority to execute this Agreement on behalf of the Parties hereto. Each Party certifies by signing below that any necessary actions and resolutions extending such authority have been duly passed and approved and are currently in full force and effect.

18. No Warranty. The Parties further agree that any services provided by the COUNTY are without any warranty of any kind to TOWN or any third party, and TOWN hereby agrees that, to the extent allowed by law, it will defend, hold harmless, and indemnify the COUNTY, its officers, agents, and employees for any claims of any kind, including claims for injury or death of any person or for damage to property, arising out of the COUNTY'S performance of its duties under this Agreement.

19. Notices. Whenever a notice is required to be given in writing under the terms of this Agreement, such notices shall either be hand-delivered or mailed via certified mail, return receipt requested, to the Parties at the following addresses:

| | | | |
|----------------|--------------------|--------------|-------|
| COUNTY: | County Judge | TOWN: | _____ |
| | 2840 HWY 35N | | _____ |
| | Rockport, TX 78382 | | _____ |

With a copy to:

County Tax Assessor-Collector
319 N Church St
Rockport, TX 78382

A Party may change the address for notices by giving written notice to the other Party in the manner described herein. It shall be the duty of each entity's representative to disseminate within their respective entity all notices, communications, and reports received from the other Party.

20. Requests for Information. Requests from one Party to another Party for information concerning this Agreement shall be honored in a timely manner and shall not require the submission of a formal Public Information Act request for open records.

21. Interpretation of Law, Assignment, and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. No assignment of this agreement or any right accrued hereunder shall be made, in whole or in part, by any Party without the prior written consent of the other Parties. Venue shall be in Aransas County, Texas.

