

EXHIBIT

2

**TAX COLLECTIONS
CITY OF SWEENY**

This agreement is to commemorate certain provisions by which the Tax Assessor-Collector of the County of Brazoria will assess and collect city taxes rendered for and on behalf of the **City of Sweeny** ("City") upon the City's invocation of Section 6.22 (c) of the Property Tax Code of the State of Texas.

I.

It is acknowledged that an initial, one-time charge of One Dollar (\$1.00) per item of delinquent accounts is a reasonable fee, not in excess of the actual costs incurred, for the City to pay for the entry of all existing delinquent city-tax accounts into the computer system of the County Tax Assessor-Collector, and as such it will be paid upon the initiation of the transfer of records from the offices of the City to the office of the County Tax Assessor-Collector.

II.

It is acknowledged and agreed that an annual charge of fifty Cents (\$0.50) per item of current taxpayer accounts is a reasonable fee, not in excess of the actual costs incurred, for the City to pay for assessing and collecting its taxes each year, and as such it will be paid upon receipt of the invoice to be generated December 31 of each year. Said annual charge may not exceed the actual costs incurred, as provided by Property Tax Code 6.27(b), and therefore will be lowered or raised to the extent actual costs may drop below or rise above (\$0.50) per item.

III.

It is anticipated that the Tax Assessor-Collector of Brazoria County will be named as the tax assessor-collector for the **City of Sweeny** by official action of the City Council in the manner required by law, to be effective no later than **September 30, 1993**, and that City and County personnel will have the necessary records transferred and on line in time for the County Tax Assessor-Collector to commence to assess and collect the city taxes for the **City of Sweeny** no later than **October 1, 1993**. It is acknowledged and agreed that the County Tax Assessor-Collector will bill the City on December 31 of each year, **including 1993**, for the annual charge for assessing and collecting its city taxes, and the City will pay the charge within three (3) of its working days after receipt of the invoice for same.

IV.

In all matters pertaining to assessment and collection of taxes for the City of Sweeny, the County Tax Assessor-Collector shall perform the duties of tax assessment and collection for the City, but the County Tax Assessor-Collector shall not be considered an officer or employee of the City of Sweeny. Each year, by July 1 or as soon thereafter as possible, in coordination with the office of the Brazoria County Appraisal District, the County Tax Assessor-Collector shall submit to the City the appraisal roll for the City showing the total appraised, assessed and taxable values and shall certify to the City an estimate of the collection rate for the current year and any additional matters required by law to be submitted or certified by an assessor or collector. The County Tax Assessor-Collector shall be responsible for timely and accurate calculation of the effective tax rate and rollback tax rate for the coming year and for entering into agreements for the payment of delinquent taxes by installment as provided at Property Tax Code 33.02.

V.

The County Tax Assessor-Collector will send out all customary notices and billings concerning taxes owed to the City of Sweeny, and will collect and process through the County Tax Assessor-Collector's bank account all income received therefrom, in the general manner and at the same times in which the County Tax Assessor-Collector assesses and collects taxes for Brazoria County and other taxing entities.

VI.

The County Tax Assessor-Collector will remit promptly to the City all tax proceeds collected for the City, "promptly" meaning disbursements will be made no less than twice weekly during heavy payment periods and no less than once weekly during slack periods. Actual funds collected by the County Tax Assessor-Collector shall be remitted to the City within three (3) business days of receipt during heavy payment periods and within five (5) business days during slack periods. All disbursement checks from the County Tax Assessor-Collector to the City will show a breakdown of the disbursement on the stub. Wire transfer of disbursements will be provided upon request, subject to the City bearing any wire-transfer fee required by the agreement then in effect between Brazoria County and its County Depository.

VII.

The County Tax Assessor-Collector will provide the City with a deposit distribution report detailing collection levy, principal and interest, and all costs by year, with each disbursement. In addition, monthly reports will be provided to the City detailing collections, refunds, costs and changes made to levy, and showing receivables by year.

VIII.

The County Tax Assessor-Collector will provide the City with annual reports, prepared by independent certified public accountants, on both the design of the system and compliance tests that are directed to specific objectives of internal accounting control. For the purpose of these reports, the "system" is the internal control structure policies and procedures of the Brazoria County Tax Office, which includes the control environment, the accounting system, and the control procedures. These reports shall be in accordance with Statement of Auditing Standards No. 44, "Special-Purpose Reports on Internal Accounting Control at Service Organizations," as issued by the American Institute of Certified Public Accountants.

IX.

It is acknowledged and agreed that the City has and retains the exclusive authority to determine who represents the City to enforce the collection of delinquent taxes, as provided at Property Tax Code 6.30(b). The County Tax Assessor-Collector shall cooperate with delinquent tax collection attorney(s) so designated, and shall have the authority to pay said attorney(s) the fees or commissions agreed upon between the City and the attorney(s) out of the proceeds received from collection of delinquent tax accounts worked by the attorney(s). The County Tax Assessor-Collector shall have sole authority to enter into agreements for the payment of delinquent taxes by installment as provided at Property Tax Code 33.02.

X.

At its own cost, the City may require the County Tax Assessor-Collector to give separate bond conditioned on the faithful performance of his duties on behalf of the City; such bond to be made payable to, approved by and paid for by the City Council of the **City of Sweeny**. The City Council may prescribe additional requirements for the bond. The City shall pay the premium for the bond from its general fund.

XI.

This agreement is intended to be in furtherance of and subject to the provisions of Chapter 6 of the Property Tax Code of the State of Texas, the Tax Code generally, and all other Statutory or regulatory authority governing the activities and relationship of the County Tax Assessor-Collector and the **City of Sweeny**, and if there be any conflict the rule of law shall prevail over any contrary provision expressed herein.

This agreement shall be effective October 1, 1993, and shall remain in full force and effect through September 30, 1994, and shall automatically renew annually thereafter. Either party may terminate the agreement by giving six (6) months notice. The City of Sweeny and the County Tax Assessor-Collector respectfully request the Commissioners Court of Brazoria County to approve this agreement respecting the assessment and collection of city taxes for the City of Sweeny.

CITY OF SWEENY
CITY COUNCIL

Eva Mae Keller
Eva Mae Keller, City Administrator
City of Sweeny

BY: Larry Piper
Larry Piper, Mayor
City of Sweeny

Ray M. Cornett
Ray M. Cornett, CTA, RPA
Tax Assessor-Collector
Brazoria County, Texas

APPROVED BY ACTION OF COMMISSIONERS COURT this 13 day
of September, 1993.

James W. Phillips
James W. Phillips, County Judge
Brazoria County, Texas