

*Agreement for the Collection of Special Assessments***COUNTY OF TARRANT**

Agreement made this 9th day of August, 2022, by and between the Tarrant County Tax Assessor/Collector, hereinafter referred to as **ASSESSOR/COLLECTOR**, and Tarrant County, hereinafter referred to as the **COUNTY** both of whom are addressed at 100 E. Weatherford Street, Fort Worth, Texas 76196-0301, and the City of Fort Worth, hereinafter referred to as City whose address is 200 Texas Street, Fort Worth, TX 76102.

PURPOSE OF AGREEMENT

The purpose of this Agreement is to state the terms and conditions under which the ASSESSOR/COLLECTOR will provide assessment and collection services of special assessments levied by the City for its public improvement districts, which includes the City's Public Improvement District Nos. 1, 6, 7, 11, 12, 14, 15, 16, 17, 19, 20, and 21 in accordance with Chapter 372 of the Texas Local Government Code (the "Assessment(s)").

NOW, THEREFORE, in consideration of the mutual promises herein contained, the parties hereto agree as follows:

I.**SERVICES TO BE PERFORMED**

The ASSESSOR/COLLECTOR agrees to bill and collect the Assessments due and owing on property upon which the City has imposed said Assessments. The ASSESSOR/COLLECTOR shall perform the said services in the same manner and fashion as Tarrant County collects its own taxes due and owing on taxable property. The services performed are as follows: receiving the Certified Appraisal Roll from the appropriate Appraisal District and monthly changes thereto; providing mortgage companies, property owners and tax representatives Assessment roll and payment data; providing all necessary Assessments and Truth in Taxation calculations as required; the transmittal of tax statements, which include the Assessments as a line item, via the U.S. Mail or electronic transfer of data; and payment processing. All City disbursements, made by check or by electronic transfer (ACH), for collected tax accounts with Assessments will be made to the City on the day the COUNTY Depository Bank indicates the mandatory assigned "float" period has elapsed and the funds are posted to the collected balance. If any daily collection total is less than one hundred dollars (\$100.00), the disbursement may be withheld until the cumulative total of Assessments collected for the City equals at least one hundred dollars (\$ 100.00), or at the close of the month.

II.**REPORTS**

The ASSESSOR/COLLECTOR will provide the City the following reports via internet access:

Daily:	Entity Distribution Report
Monthly:	Assessment Roll Summary (Totals Only) Year-to-Date Summary Report Detail Collection Summary Report Distribution Summary Report Detail Collection Summary by Year Entity Revenue and Expense Reports – as required by Property Tax Code Sec 31.10 Delinquent Tax Attorney Tape, which includes Assessments
Annual:	Certified Tax Roll Paid Assessment Roll Delinquent Assessment Roll Current Assessment Roll

The following weekly reports are available upon request only and provided via email:

Weekly:	Detail Collection Summary Report Detail Collection Summary By Year
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III.
COMPENSATION

In consideration of the services to be performed by the ASSESSOR/COLLECTOR, compensation for the services rendered is a rate of ninety-eight cents (\$0.98) per account located within Tarrant County, and two-dollars (\$2.00) per account located outside Tarrant County. The number of accounts billed will be based on the ending number of accounts on the certified roll as of September 30th for the previous year as provided by the Appraisal District. The ASSESSOR/COLLECTOR will invoice for all these accounts by January 31 of each contract year with payment to be received from the City by February 28 of each contract year. The scope of services identified in this contract does not include the administration of a rollback election. In the event of a successful rollback election, these costs incurred by the Tarrant County Tax Office will be separately identified, billed, and paid by the entity.

IV.
AUDITS

The ASSESSOR/COLLECTOR will provide to the City auditor necessary explanations of all reports and access to ASSESSOR/COLLECTOR in-house tax system computer terminals to assist the City auditor in verifying audit samples of the financial data previously provided by the ASSESSOR/COLLECTOR during the past audit period. Additional support for entity verification or entity auditor verification is not a part of this Agreement. Each request for support will be reviewed individually. Costs for providing audit support will be determined by the ASSESSOR/COLLECTOR and will be charged to and must be paid by the City.

V.
TAX RATE REQUIREMENT

The City will provide the ASSESSOR/COLLECTOR copies of the resolution, ordinance, or order signed by the governing body adopting the City's current tax rates and exemption schedules to be applied for assessing purposes along with a copy of the rate calculation worksheets, if applicable, by the third Monday in September of each year of the contract. Under authority of Section 31.01(h) of the Property Tax Code, any additional cost of printing and mailing tax statements because of late reporting of the tax rates or the exemption schedules will be charged to and must be paid by the City. Any additional cost or expense requiring recalculation or rebilling due to an inaccurate or erroneous tax rate provided by City will be paid by City.

The tax rate and the exemption schedules, if any, for each of the last five (5) years in which an Assessment was levied, or all prior years where there remains delinquent Assessments, must be furnished in writing to the ASSESSOR/COLLECTOR at the time of the initial Agreement.

VI.
**COMPLIANCE WITH APPLICABLE
STATUTES, ORDINANCES, AND REGULATIONS**

In performing the services required under this Agreement, the ASSESSOR/COLLECTOR shall comply with all applicable federal and state statutes, final Court orders and Comptroller regulations. If such compliance is impossible for reasons beyond its control, the ASSESSOR/COLLECTOR shall immediately notify the City of that fact and the reasons therefore.

VII.
DEPOSIT OF FUNDS

All funds collected by the ASSESSOR/COLLECTOR in the performance of the services stated herein for the City shall be promptly transferred to the account of the City at the City's depository bank. All payments to entities will be made electronically by the automated clearing house (ACH). The ASSESSOR/COLLECTOR has no liability for the funds after initiation of the ACH transfer of the City's funds from the COUNTY Depository to the City's designated depository. ASSESSOR/COLLECTOR has the authority to temporarily suspend payments to City due to unforeseen or unanticipated circumstances.

VIII.
INVESTMENT OF FUNDS

The City hereby agrees that the COUNTY, acting through the County Auditor, may invest collected Assessment funds of the City during the period between collection and payment. The COUNTY agrees that it will invest such funds in compliance with the Public Funds Investment Act. The COUNTY further agrees that it will pay to the City all interest or other earnings attributable to Assessments owed to the City. All parties agree that this Agreement will not be construed to lengthen the time period during which the COUNTY or the ASSESSOR/COLLECTOR may hold such

funds before payment to the City.

IX.
REFUNDS

Refunds will be made by the ASSESSOR/COLLECTOR except as set forth herein. The ASSESSOR/COLLECTOR will advise the City of changes in the tax roll which were mandated by the appropriate Appraisal District.

The ASSESSOR/COLLECTOR will not make refunds on prior year paid accounts unless the prior year paid accounts for the past five (5) years are provided to the ASSESSOR/COLLECTOR.

If the amount of refunds processed for City of Fort Worth exceeds collections for City of Fort Worth, City of Fort Worth will be placed in a negative status and no distributions will be made to City of Fort Worth until collections exceed the negative balance.

All refunds of overpayments or erroneous payments due, but not requested, and as described in Section 31.11 of the Texas Property Tax Code, will after three years from the date of payment, be proportionately disbursed to those entities contracting with the ASSESSOR/COLLECTOR. The contract must have been in force, actual assessment and collection functions begun and the tax account was at the time of the over or erroneous payment within the City's jurisdiction. The proportional share is based upon the City's percent of the tax account's total levy assessed at the time of receipt of the over or erroneous payment.

In the event any lawsuit regarding the collection of taxes provided for in this agreement to which the City is a party, is settled or a final judgment rendered, and which final judgment is not appealed, and the terms of such settlement agreement or final judgment require that a refund be issued by the City to the taxpayer, such refund shall be made by ASSESSOR/COLLECTOR by debiting funds collected by ASSESSOR/COLLECTOR on behalf of the City and remitting such refund to the taxpayer in conformity with the terms of the settlement agreement or final judgment.

X.
DELINQUENT COLLECTIONS

The ASSESSOR/COLLECTOR will assess and collect the collection fee pursuant to Sections, 33.07, 33.08, 33.11 and 33.48 of the Property Tax Code, when allowed. The ASSESSOR/COLLECTOR will collect attorney fees that are specified by the City through written agreement with a delinquent collection Attorney. The ASSESSOR/COLLECTOR will disburse the amount directly to the Firm under contract to the City.

If the delinquent collection Attorney contracted by the City requires attendance of ASSESSOR/COLLECTOR personnel at a court other than the District Courts in downtown Fort Worth, and the COUNTY is not a party, the employee's expenses and proportionate salary will be the responsibility of the City and will be added to the collection expenses and charged to the City.

The ASSESSOR/COLLECTOR will not be responsible for the collection of prior year delinquent accounts unless all delinquent accounts information is provided to the ASSESSOR/COLLECTOR.

XI.
TERM OF AGREEMENT

This Agreement shall become effective as of the date hereinabove set out, and shall continue in effect through the 2024 tax year, unless sooner terminated by providing sixty (60) day written notice, as outlined in paragraph XII.

XII.
NOTICES

Any notices to be given hereunder by either party to the other may be effected by e-mail, or in writing, either by personal delivery or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed to the address of the parties as they appear in the introductory paragraph of this Agreement, but each party may change this address by notice in accordance with this paragraph.

XIII.
MISCELLANEOUS PROVISIONS

This instrument hereto contains the entire Agreement between the parties relating to the rights herein granted and obligations herein assumed. Any oral representations or modifications concerning this instrument shall be of no force or effect.

This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Tarrant County, Texas.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives and successors.

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or enforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained.

This Agreement and the attachments hereto constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties respecting the within subject matter.

Executed on the day and year first above written, Tarrant County, Texas.

BY: Wendy Burgess 8-18-2022
WENDY BURGESS, DATE
TAX ASSESSOR/COLLECTOR
TARRANT COUNTY
WGBurgess@tarrantcounty.com

FOR CITY OF FORT WORTH:

BY: Dianna Giordano 07/28/2022
DATE
TITLE: Human Resources Director
EMAIL: Dianna.Giordano@fortworthtexas.gov

FOR TARRANT COUNTY:

BY: B. Glen Whitley 10-11-2022
B. GLEN WHITLEY DATE
TARRANT COUNTY JUDGE

APPROVED AS TO FORM:

BY: Shelden Rul 8/16/22
CRIMINAL DISTRICT ATTORNEY'S OFFICE* DATE

*By law, the Criminal District Attorney's Office may only approve contracts for its clients. We reviewed this document as to form from our client's legal perspective. Other parties may not rely on this approval. Instead those parties should seek contract review from independent counsel.

The attached agreement among the City of Fort Worth, the Tarrant County Tax Assessor-Collector, and Tarrant County was executed on the City's behalf on or about July 28, 2022 by Dianna Giordano as Acting Interim Assistant City Manager, serving for an absent Reginald Zeno.

Certain information and signatures that the City requires for its internal, administrative purposes was not included and is required for recording of the contract with the Fort Worth City Secretary's Office. This page is being appended to the agreement to comply with those City administrative purposes so that the contract can be filed.

ATTEST:

By: *Jannette S. Goodall*
Jannette S. Goodall (Nov 9, 2022 15:14 CST)
Name: Jannette Goodall
Title: City Secretary

APPROVED AS TO FORM AND LEGALITY:

By: *Taylor Paris*
Name: Taylor Paris
Title: Assistant City Attorney

M&C 22-0562, Approved August 9, 2022

Form 1295 Certification No.: NOT APPLICABLE

CONTRACT COMPLIANCE MANAGER

By signing, I acknowledge that I am the person responsible for the monitoring and administration of this contract, including ensuring all performance and reporting requirements.

By: *Crystal Hinojosa*
Name: Crystal Hinojosa
Title: Economic Development Manager

Mayor and Council Communication

DATE: 08/09/22

M&C FILE NUMBER: M&C 22-0562

LOG NAME: 13TARRANTCOTAXCOLL23-25

SUBJECT

(ALL) It is recommended that the City Council authorize the execution of agreements with Tarrant County and the Tarrant County Tax Assessor/Collector for assessment and collection services of ad valorem taxes and special assessments levied by the City of Fort Worth at no increase to the current rate of ninety-eight cents (\$0.98) per account located within Tarrant County, and two-dollars (\$2.00) per account located outside Tarrant County for Tax Years 2022-2024 (Fiscal Years 2023-2025)

RECOMMENDATION:

It is recommended that the City Council authorize the execution of agreements with Tarrant County and the Tarrant County Tax Assessor/Collector for assessment and collection services of ad valorem taxes and special assessments levied by the City of Fort Worth at no increase to the current rate for Tax Years 2022-2024 (Fiscal Years 2023-2025).

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to authorize engaging Tarrant County and the Tarrant County Tax Assessor/Collector (County) to provide assessment and collection services of ad valorem (property) taxes and special assessments levied by the City of Fort Worth. The City Council has designated the County to act as the agent of the Financial Management Services Department by providing these services for many decades. The agreement for the current fiscal year was approved on August 6, 2019 (M&C 19-0008).

The County uses a standard agreement with all of the taxing entities for which it collects taxes and assessments. Prior to 2013, the County used a cost structure involving a single standard per account cost. As the City has grown, the County increased the scope of its services to include assessment and collection for tax accounts for property located outside of Tarrant County but still within the City. Processing different data formats and verifying data with multiple appraisal jurisdictions has resulted in additional expenses to the County. State law requires that the Tax Assessor/Collector charge taxing entities the actual costs for tax collection. Therefore, for Tax Years 2022-2024 (Fiscal Year 2023-2025), the County will again utilize a dual cost structure, one for accounts where the property is located within Tarrant County and another for accounts where the property is located outside the County.

The County is not proposing any increase to the current per account charge of ninety-eight cents (\$0.98) per account located within Tarrant County, and two-dollars (\$2.00) per account located outside Tarrant County. The number of accounts billed will be based on the ending number of accounts on the certified roll as of September 30th for the previous year as provided by the Appraisal District. The per account charge for accounts within the County continues to be the lowest collection fee rate of any urban county in Texas.

The number of property tax accounts (in-county and out-of-county) has experienced an average increase of approximately 2.8% while the number of special assessment accounts (in-county and out-of-county) has remained relatively flat over the last three years.

There will be two separate agreement documents: one for the assessment and collection of ad valorem (property) taxes and another for the assessment and collection of special assessments by the various public improvement districts (PIDs) located throughout the City. The Financial Management Services Department will be responsible for contract compliance matters relating to the agreement for the assessment and collection of ad valorem taxes. The Economic Development Department will be responsible for contract compliance matters relating to the agreement for the assessment and collection of PID assessments.

Funding will be budgeted in the Other Contractual Services account within the General fund for the Financial Management Services & Economic Development Departments.

A Form 1295 is not required because: This contract will be with a governmental entity, state agency or public institution of higher education: Tarrant County

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendation and the adoption of the Fiscal Year 2023 Budget by the City Council, funds will be available in the Fiscal Year 2023 operating budget, as appropriated, in the General Fund. Prior to an expenditure being made, the Financial Management Services Department has the responsibility to validate the availability of funds related to the assessment and collection of ad valorem taxes and the Economic Development Department has the responsibility to validate the availability of funds related to the assessment and collection of special assessments.

Submitted for City Manager's Office by: Reginald Zeno 8517

Originating Business Unit Head: Reginald Zeno 8517

Additional Information Contact: Anthony Rousseau 8338