

PROPERTY TAX COLLECTION AGREEMENT

STATE OF TEXAS

COUNTY OF TYLER

This contract is between TYLER COUNTY TAX OFFICE, hereinafter referred to as “COLLECTING AGENCY” and the FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1, hereinafter referred to as “FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1”, and is entered into under the provisions of Title 7, Government Code and Chapter 6, Property Tax Code.

I. PURPOSE

The parties to this contract wish to consolidate the collection of certain property taxes specified hereinafter, into one entity, TYLER COUNTY TAX OFFICE, under the provisions of §6.24 of the Property Tax Code.

II. TERMS

This contract shall be effective from _____ through _____, and thereafter for yearly terms commencing on January 1 of each year and ending on December 31 of each year, until terminated by one or more of the parties pursuant to the termination provisions of this contract. This contract is for the collection of Property Taxes applicable to property assessed by FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1.

III. APPOINTMENT OF TAX ASSESSOR-COLLECTOR

The TYLER COUNTY TAX ASSESSOR is hereby designated as TYLER COUNTY TAX ASESSOR -COLLECTOR for FROG POND LAKE WATER

CONTROL AND IMPROVEMENT DISTRICT NO. 1 and further designated as the person to perform duties under the provisions of Section 26.04 Texas Property Tax Code.

IV. SERVICES TO BE PERFORMED

TYLER COUNTY TAX ASSESSOR agrees to perform all necessary collection functions authorized by law for FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1. The functions shall include:

- a. Calculation of the effective tax rate and rollback rate each year
- b. Calculation of current taxes and preparation of current tax roll and delinquent tax roll each year.
- c. Mailing of current and all required delinquent tax statements.
- d. Proration of tax bills as required.
- e. Correction of tax bills as required.
- f. Preparation of tax receipts.
- g. Preparation of tax certificates.
- h. Collection of current and delinquent taxes.
- i. Issuance of tax refunds as required.

V. ASSESSMENT AND COLLECTION RECORDS

At the termination of this Contract for any reason, TYLER COUNTY TAX ASSESSOR shall return copies of all collection records it holds concerning LAKE AMANDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 within fifteen (15) days after receipt of notice of termination of this contract as provided hereinbelow.

Any disputes that arise as to the validity of any tax records that have been transferred to TYLER COUNTY TAX ASSESSOR shall be decided by the governing body of the FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1. TYLER COUNTY TAX ASSESSOR shall refer any such disputes to LAKE AMANDA WATER CONTROL AND IMPROVEMENT DISTRICT, and FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 shall notify TYLER COUNTY TAX ASSESSOR of its decision as to the validity of any disputed records.

VI. EMPLOYMENT OF COUNSEL AND AUTHORIZATION TO INSTITUTE LEGAL ACTIONS

FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 expressly authorizes TYLER COUNTY TAX ASSESSOR to employ by contract legal counsel for the enforced collection of delinquent taxes at a fee not exceeding 15% of the delinquent taxes, penalties and interest collected. Payment of counsel shall be made by TYLER COUNTY TAX ASSESSOR, pursuant to such contract, from the delinquent taxes, penalties, and interest collected on behalf of FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1. TYLER COUNTY TAX ASSESSOR shall authorize said counsel to institute and prosecute delinquent tax suits and any other required legal actions on behalf of FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 to collect its taxes.

VII. AUDIT

Tax rolls and collections therefrom, delinquent and current, will be audited by LAKE AMANDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 auditor. All books will be made available by TYLER COUNTY TAX ASSESSOR in its office to FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 auditor. The cost will be born by LAKE AMANDA WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 as a part of FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 annual audit.

VIII. SURETY BOND

TYLER COUNTY TAX ASSESSOR agrees to obtain a surety bond for the Tax Assessor Collector acting in her capacity as Assessor-Collector for FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1. Such bond shall be payable to TYLER COUNTY TAX ASSESSOR to reimburse FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1. Such bond shall be payable to the School in the sum it designates, unless otherwise provided by law and executed by a solvent surety company, licensed to do business in Texas. The School shall reimburse the COLLECTING AGENCY for the cost of such bond immediately upon receipt of an invoice from the COLLECTING AGENCY for the cost of such bond.

IX. REMITTANCE OF TAX COLLECTIONS

The taxes collected for FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 shall be remitted to it as often as requested.

X. REPORTS

TYLER COUNTY TAX ASSESSOR further agrees to make reports of its collection of taxes, penalties and interest to FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 on a monthly basis. A cumulative annual report for the preceding twelve months shall be prepared by TYLER COUNTY TAX ASSESSOR and furnished to FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 after the conclusion of each collection year.

XI. REFUNDS

TYLER COUNTY TAX ASSESSOR shall process all applications for refunds and pay all refunds required under the provisions of the Property Tax Code. TYLER COUNTY TAX ASSESSOR shall pay all refunds which are found to be due and owing from current collections on hand for FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1. If amounts to be refunded exceed current collections on hand, TYLER COUNTY TAX ASSESSOR shall retain the collections received for FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 until sufficient funds are on hand to pay the refunds due. If sufficient funds are not on hand within two weeks from the original due date of the refund, TYLER COUNTY TAX ASSESSOR shall notify FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 of the amount needed to pay refunds due and FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 shall within thirty days of such notice remit such additional amount to TYLER COUNTY TAX ASSESSOR, which shall forthwith make the refund.

FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 designates the Tax Assessor of TYLER COUNTY TAX ASSESSOR as its auditor for the sole purpose of approving refunds as required by §31.11 of the Property Tax Code up to the amount of \$100.00. All refund requests in excess of \$100.00 shall be sent to FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 by TYLER COUNTY TAX ASSESSOR for approval by its auditor, and if the refund request is in excess of \$500.00, for approval by its governing body. TYLER COUNTY TAX ASSESSOR shall send such refund request within seven days of processing, and FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 shall have such refunds approved and the request returned to TYLER COUNTY TAX ASSESSOR for payment within thirty (30) days of receipt. The monthly report of collections forwarded from TYLER COUNTY TAX ASSESSOR to the FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 shall also report all refunds paid out.

TYLER COUNTY TAX ASSESSOR shall pay all refunds due within sixty (60) days after due. Failure of TYLER COUNTY TAX ASSESSOR or FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 to act within any time stated in this provision, which results in the accrual of interest due on any refunds, shall obligate the one failing to act timely to pay such accrued interest. If both parties fail to meet deadlines each shall pay ½ the accrued interest.

XII. REGISTRATION AND CERTIFICATION BY B.P.T.E

TYLER COUNTY TAX ASSESSOR expressly agrees that all personnel engaged in its collection functions who are required by law to be registered shall remain at all

times registered and shall become certified as required by the terms and provisions of Article 8885, V.T.C.S. as amended.

XIII. PAYMENT FOR COLLECTION SERVICES

AMOUNT OF PAYMENT

(1) FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 shall pay to TYLER COUNTY TAX ASSESSOR its pro-rata share of the cost of collecting taxes.

(2) TYLER COUNTY TAX ASSESSOR shall estimate its cost of assessing and collecting taxes fro all participating taxing units each year during the normal budget process for TYLER COUNTY TAX ASSESSOR. The estimate of the cost of assessing and collecting shall be approved in the same manner as the rest of TYLER COUNTY TAX ASSESSOR's budget, however the cost of assessment and collection shall be separately stated from the remainder of the TYLER COUNTY TAX ASSESSOR budget. Should the amount estimated from assessment and collection prove insufficient, TYLER COUNTY TAX ASSESSOR may amend the budget at that time by utilizing the same procedure normally used to amend TYLER COUNTY TAX ASSESSOR's budget.

(3) In the event payment received in any one year exceeds the actual cost of assessing and collecting, TYLER COUNTY TAX ASSESSOR shall reimburse FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 the excess funds.

METHOD OF PAYMENT

TYLER COUNTY TAX ASSESSOR shall collect on a quarterly basis from FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 the amount of money agreed to pay for the cost of assessing and collecting for FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1. Payments are due at the beginning of each calendar quarter.

OTHER PAYMENT PROVISIONS

In the event that the governing body of FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 fails to adopt its tax rate, or fails to notify TYLER COUNTY TAX ASSESSOR of its tax rate, in time for its taxes to be included on the combined statement prepared for that year, TYLER COUNTY TAX ASSESSOR shall calculate the cost of preparing, mailing and processing separate tax statements for the FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1. TYLER COUNTY TAX ASSESSOR shall forward to FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 its notification of these costs for the separate statements and their processing and FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 agrees to pay such costs within thirty days of receiving the notice from TYLER COUNTY TAX ASSESSOR.

In the event that FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 shall be subject to a successful tax rate rollback election requiring the printing and distribution of new tax statements and the processing of refunds, FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 agrees to reimburse TYLER COUNTY TAX ASSESSOR within thirty

days after notice from TYLER COUNTY TAX ASSESSOR of the costs of providing these additional statements and processing these refunds.

If FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 shall, in any year in which this contract is in effect, elect to allow discounts on current years taxes under §31.05 of the Property Tax Code, TYLER COUNTY TAX ASSESSOR shall calculate the actual additional costs of collections attributable to such allowance by all taxing units allowing discounts that year. Such additional costs shall be borne proportionally by FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 and such other taxing units for whom TYLER COUNTY TAX ASSESSOR collects and which allow discounts. Each such taxing unit's share of these additional costs is calculated according to the ratio of its prior year levy to the combined prior year levies of all such units. Such additional costs will not be allocated to all taxing units as described in the paragraph above, but shall be borne exclusively by the units allowing discounts.

All revenue received from the sale of tax certificates by TYLER COUNTY TAX ASSESSOR shall be retained by TYLER COUNTY TAX ASSESSOR as revenue to be applied against its collections expense budget for the year in which it is received.

XIV. TERMINATION

This contract may be terminated by TYLER COUNTY TAX ASSESSOR or by FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 effective on September 30 of any year upon proper notice to the other party. In order for notice to be effective it must be received by the other party not later than the 1st day of June immediately preceding the September 30 effective date. FROG POND LAKE

WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 shall not be liable for the payment due on October 1 of such year, but shall be liable for making its other quarterly payments that year.

The parties may in writing agree at any time to any other termination procedure which is mutually acceptable.

XV. NONLIABILITY FOR FAILURE TO COLLECT

TYLER COUNTY TAX ASSESSOR shall not be liable to FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 for any failure to collect any tax, penalty or interest under any provision of this Contract

IN WITNESS WHEREOF, these presents are executed by the authority of the governing bodies of the respective parties hereto on the dates shown.

Jacque Blanchette
Tyler County Judge

Lynnette Cruse
Tyler County Tax Assessor Collector

Date Signed

Date Signed

Chris Thompson, President
FROG POND LAKE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

Date Signed