

INTERLOCAL COOPERATION AGREEMENT FOR AD VALOREM TAX COLLECTION SERVICES

This Interlocal Cooperation Agreement for Ad Valorem Tax Collection Services (hereinafter "Agreement") is entered into by and between Collin County, Texas (hereinafter "County") and Frisco Independent School District (hereinafter "Taxing Entity").

WHEREAS, it is in the best interest of the citizens of Collin County, Texas for the various governmental entities located in the County to cooperate in the provision of governmental services where such cooperation will result in a more cost-effective, more efficient, and/or higher quality provision of such services; and

WHEREAS, Chapter 791 of the *Government Code* (the "Interlocal Cooperation Act"), and Chapter 6 of the *Tax Code*, authorize the County and governmental entities located in the County to enter into cooperative agreements for the County to collect the other governmental entities' ad valorem taxes through the Collin County Tax Assessor-Collector; and

WHEREAS, the governing body of the Taxing Entity and the Collin County Commissioners Court, with the approval of the Collin County Tax Assessor-Collector (hereinafter "County Tax Assessor-Collector"), have approved this Agreement, and have found such to be in the best interest of their respective entities, and

WHEREAS, the Taxing Entity has legal authority to designate and authorize the County to act as the Assessor and Collector of the Taxing Entity's ad valorem taxes; and

WHEREAS, the parties, in performing governmental functions, or making payments in consideration thereof, shall do so from current revenues legally available to the parties.

NOW, THEREFORE, in consideration of the recitals set forth above, which are incorporated by reference herein, and the mutual promises and conditions set forth below, the parties agree as follows:

Under the applicable provisions of Chapter 6 of the *Tax Code* and Chapter 791 of the *Government Code*, the County, through its duly elected County Tax Assessor-Collector, shall serve as the assessor and collector of the Taxing Entity's ad valorem taxes for each year of this Agreement, as provided herein. Taxing Entity does hereby expressly authorize the County, through the County Tax Assessor-Collector, to do and perform all acts necessary and proper to assess and collect the Taxing Entity's ad valorem taxes, including the collection of delinquent taxes.

SECTION 1 DEFINITIONS

1.01 *Tax Collection Services.* The term "Tax Collection Services" shall include preparation and mailing of tax bills for property taxes levied by the Taxing Entity, correction of clerical errors in tax rolls, collection of property tax liabilities, maintenance of a list of delinquent taxes, and issuance of refunds. Tax Collection Services do not include appraisal of property.

1.02 *Current Taxes.* The term "Current Taxes" shall mean those property taxes legally due and payable to the Taxing Entity without penalty and interest.

1.03 *Delinquent Taxes.* The term "Delinquent Taxes" shall mean the property taxes that have not been paid to the Taxing Entity on or before January 31 of any given year and on which penalty and interest are then due.

SECTION 2 TERM

2.01 *Term.* The term of this agreement shall commence on the date of the last to sign this Agreement and shall continue in full force and effect until September 30, 2026. Thereafter, this agreement shall automatically renew annually for an additional one (1) year term without the necessity of any action by the parties. Either party may elect not to renew this Agreement by giving written notice at least ninety (90) days prior to the end of the original term or any renewal term.

2.02 *Effect of Renewal.* The County reserves the right to increase the cost/fee for its Tax Collection Services payable by the Taxing Entity in any renewal year depending on the determination of the Taxing Entity's share of the costs of assessment and collection of ad valorem taxes Countywide in each year.

SECTION 3 SERVICES

3.01 *Services to be Performed.* The County agrees to provide Tax Collection Services.

3.02 *Services to the Taxing Entity.* Those services that are appropriate to comply with the requirements of the Texas Tax Code and the County Tax Assessor-Collector's standard practices for the assessment and collection of the Taxing Entity's ad valorem taxes

3.03 *Tax Bills.* By Noon (Central Standard Time) of the third Wednesday of September of each year, the Taxing Entity shall provide the County with a copy of the Resolution/Ordinance for the tax rate adopted for that year. Failure to supply the adopted tax rate may result in additional per statement fees, equal to the costs of printing and mailing of all statements. The County agrees to prepare consolidated tax bills for each taxpayer. The tax bill shall include taxes owed to all taxing units to which the taxpayer owes taxes, except those units which have not been contracted with

the County for Tax Collection Services. The County will mail such tax bills to the property located within the Taxing Entity by October 1 of each year or as soon as practicable.

SECTION 4 PAYMENT

4.01 *Rate of Payment.* The Taxing Entity shall pay the County for Tax Collection Services at a rate determined by the County Tax Assessor-Collector for each non-exempt parcel for parcels on the Taxing Entity's tax roll for each year during the term of this Agreement.

The rate is determined based on the Taxing Entity's share of the cost of assessment and collection of ad valorem taxes Countywide for any year.

The payment due for the first year of this Agreement is \$ 1.00 per parcel located in Collin County. Parcels outside of Collin County is \$ 1.10 per parcel. The payment due in future years of this Agreement shall be as determined by the County Tax Assessor-Collector.

4.02 *Method of Payment.* The County shall withhold from the taxes collected under this Agreement the amount of money necessary to pay for Tax Collection Services at the rate determined by the Tax Assessor-Collector for the applicable year from the December collections. The Taxing Entity shall not be entitled to receive any taxes collected for a tax year until the County has withheld the total amount of compensation due to it for that year.

4.03 *Proration of Payment.* If this Agreement is terminated during the original term or any annual term prior to the time that the County has withheld sufficient funds pursuant to Section 4.02 to aggregate the amount of payment due, the County's compensation for Tax Collection Services for the original term or a renewal term shall equal a pro rata portion of the amount of the payment due for that year based on the number of days in the original term or renewal term prior to termination.

SECTION 5 REMITTANCE OF COLLECTION

Subject to offset for the payment due from the Taxing Entity under this Agreement and taxpayer refunds, taxes collected shall be remitted to the Taxing Entity (7) days from the date they are received by the County Tax Office. If for any reason there are insufficient available collections to offset against the payment due under this Agreement and/or taxpayer refunds, the Taxing Entity must pay the County the amount due for those items within 10 days of being notified by the County of the amount owed.

SECTION 6 ADMINISTRATIVE PROVISIONS

6.01 *Records.* The Taxing Entity, or its representatives designated in writing, upon reasonable notice is authorized to examine the records to be kept by the County in the performance of this

Agreement at mutually convenient times and intervals. Such books and records will be kept in the offices of the Collin County Tax Assessor Collector.

6.02 *Taxing Entity Records.* The Taxing Entity agrees to transfer to the possession and control of the County, without charge, copies of all records necessary for the performance of the duties and responsibilities of the County pursuant to this Agreement. These records shall include all tax records, including tax rolls or records available to the Taxing Entity, as required by the County Tax Assessor Collector.

6.03 *Surety Bond.* If the Taxing Entity requires the County to obtain a surety bond for the Tax Assessor Collector, the Taxing Entity agrees to pay the premium for such bond.

6.04 *Audits.* The County, upon reasonable notice, agrees to allow an audit of the tax records at a mutually convenient time. A copy of the audit results shall be furnished to the County. If the audit reveals that a credit is due to the Taxing Entity, the County will pay the cost of the audit. If the audit reveals that no credit is due to the Taxing Entity, the Taxing Entity will pay the cost of the audit.

6.05 *Deposits of Taxes.* The County agrees to deposit taxes collected under this Agreement into such depository as is designated by the Taxing Entity in writing.

SECTION 7 ROLLBACK AND CORRECTED BILLING SERVICES

In the event that the Taxing Entity's tax rate is rolled back or otherwise changed after the County begins collections for the Taxing Entity in any given year, the County will continue to act for the Taxing Entity in providing refunds to taxpayers or sending corrected billings only if the Taxing Entity assumes an additional cost equal to the actual cost of processing, printing, and mailing per nonexempt parcel per year for each parcel on the tax roll for which a refund or corrected billing is issued. These costs are in addition to the payment required for the Tax Collection Services provided under Section 4 of this Agreement. Such costs shall be withheld by the County from tax collections in the same manner as set out in Section 4. In the event that costs under this Section 7 cannot be satisfied from tax collections, the Taxing Entity agrees to pay for services provided under this section within 10 days of receipt of a bill from the County. The Taxing Entity agrees that any payments that it is required to make under this section shall be made out of the Taxing Entity's current revenues.

SECTION 8 REFUNDS

Refunds to property owners authorized by the Taxing Entity will be made on the same check for all taxing units contracting for Tax Collection Services. Circumstances on which refunds may be based include, but are not limited to, late exemption claims, clerical errors, and overpayments. The amounts refunded by the County for the Taxing Entity shall be paid by the County from tax

collections on hand for the Taxing Entity for the year for which the refunds are made after the County's compensation is withheld pursuant to Section 4 of this Agreement. If excess tax collections for the Taxing Entity in the County's possession are insufficient to pay for a refund, the County shall notify the Taxing Entity of the deficiency, and the deficiency amount shall be paid by the Taxing Entity to the County within ten (10) days of notification of the amount due. The County shall not be obligated to pay a refund unless it has sufficient excess Taxing Entity tax collections in its possession to pay the refund or the Taxing Entity has paid to the County sufficient funds to cover the deficiency. The Taxing Entity agrees that any payments that it is required to make under this section shall be made out of the Taxing Entity's current revenues.

SECTION 9 MISCELLANEOUS PROVISIONS

9.01 *Liability.* To the extent allowed by law, any civil liability relating to the furnishing of services under this Agreement shall be the responsibility of the Taxing Entity. The parties agree that the County shall be acting as agent for the Taxing Entity in performing the services contemplated by this Agreement. The Taxing Entity shall hold the County free and harmless from an obligation, costs, claims, judgments, attorneys' fees, and other such liabilities arising from or growing out of the services rendered to the Taxing Entity pursuant to the terms of this Agreement or in any way connected with the rendering of said services, except when the same shall arise because of the willful misconduct or gross negligence of the County.

9.02 *Controlling Law.* This Agreement shall be deemed to be made under, governed by, and construed in accordance with, the laws of the State of Texas.

9.03 *Sovereign Immunity.* It is expressly understood and agreed that, in the execution of this Agreement, neither the County nor Taxing Entity waives or shall be deemed hereby to waive any immunity or defense that would otherwise be available to it against claims arising in the exercise of governmental powers and functions.

9.04 *Amendments.* This Agreement shall not be amended or modified other than in a written agreement signed by the parties.

9.05 *Notices.*

(a) Except as otherwise provided in this Agreement all notices required or permitted herein shall be in writing and shall be deemed to be delivered when deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, with proper postage prepaid or when delivered in person.

(b) All communications provided for in this Agreement shall be addressed as follows:

(ii) *if to the County, to:*

County Judge
Collin County
2300 Bloomdale Road
McKinney, Texas 75071

With a correspondence copy to the County Tax Assessor Collector, 2300 Bloomdale Road, Suite 2366, P.O. Box 8006, McKinney, Texas 75070-8006.

(ii) *if to the Taxing Entity, to:*

Frisco Independent School District
5515 Ohio Drive
Frisco, TX 75035

or to such person at such other address as may from time to time be specified in a notice given as provided in this Section 9.05.

9.06 *Parties Bound.* This Agreement may not be assigned and shall be binding upon the parties, their heirs, executors, legal representatives, and successors.

9.07 *Copies.* This Agreement is executed in multiple copies, any one of which, or a true copy thereof, shall have the same evidentiary value.

9.08 *Integration.* It is understood and agreed that the entire agreement of the parties is contained herein and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof as well as any previous agreements presently in effect between the parties relating to the subject matter hereof.

9.09 *Severability.* The provisions of this Agreement are severable. If any paragraph, section, subdivision, sentence, clause or phrase of the Agreement is for any reason held to be 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 Agreement. However, upon the occurrence of such event, either party may terminate this Agreement forthwith, upon the delivery of written notice of termination to the other party.

9.10 *Captions.* The headings to the various sections of this Agreement have been inserted for convenient reference only and shall not modify, define, limit or expand the express provision of this Agreement.

9.11 *Obligations of Condition.* All obligations of each party under this Agreement are conditions to further performance by the other party of its obligation under the Agreement.

9.12 *Exclusive Right to Enforce This Agreement.* The County and the Taxing Entity have the exclusive right to bring suit to enforce this Agreement, and no other party may bring suit, as a third-party beneficiary or otherwise, to enforce this Agreement.

COLLIN COUNTY, TEXAS



By: Judge Chris Hill

Title: County Judge of Collin County

Date: 4 JUNE 2026

TAXING ENTITY



By: Kimberly Smith

Title: Chief Finance and Strategy Officer

Date: 5/15/2026

COLLIN COUNTY TAX OFFICE

By: Scott Grigg

Title: Tax Assessor Collector of Collin County

Date: _____