

MANDATORY NOTICE PURSUANT TO TEXAS GOVERNMENT CODE SEC. 2254.1036

WHEREAS, Menard County Appraisal District, 110 Bevans St., Menard, Texas 76859 (“Menard CAD”), will consider entering into a contingent fee contract with the law firm of Perdue, Brandon, Fielder, Collins & Mott, L.L.P. (“Firm”) and hereby posts this notice pursuant to Sec. 2254.1036 of the Government Code.

WHEREAS, this notice shall be posted before or at the time of giving the written notice required by Government Code Sec. 551.041 for a meeting described by Sec. 2254.1036(a)(2) of the Government Code and shall announce the following:

A. Menard CAD is pursuing a contract with the Firm for the collection of delinquent ad valorem taxes owed to the taxing entities whose ad valorem taxes are collected through Menard CAD and through this contract Menard CAD seeks to increase recovery of delinquent debts in as expeditious a manner as possible. GOVT. CODE § 2254.1036(a)(1)(A).

B. Menard CAD believes the Firm has the competency, qualifications, and experience necessary to fulfill this contract. GOVT. CODE § 2254.1036(a)(1)(B). The Firm has collected delinquent government receivables for over 50 years, including the collection of delinquent ad valorem taxes. The Firm currently has 15 primary offices and multiple satellite offices throughout Texas, Oklahoma and Florida. It employs more than 400 individuals, including more than 50 attorneys. It uses a multi-office, fully integrated team approach allowing Menard CAD access to all its offices and resources. Its collection team consists of long-term Firm employees, including attorneys, call center associates, paralegals, law clerks, legal secretaries, collection support personnel and information technology experts. The Firm utilizes proprietary collection software that can be tailored to meet any special need Menard CAD may have. This proprietary software also automates many aspects of the collection process, such as: account/debtor research, mailings and phone calls, return mail and address updates, payment notification and processing and workflow.

C. The nature of any relationship between Menard CAD and the Firm is as follows. GOVT. CODE § 2254.1036(a)(1)(C).

For more than 20 years, the Firm has served as the delinquent ad valorem tax collection attorneys for Menard CAD and the ad valorem taxing entities for which it collects.

The Firm has also represented Menard CAD in appraisal district litigation matters for over 20 years.

D. Menard CAD does not have adequate support staff, computer software/programming, or experience to internally conduct delinquent ad valorem tax collection services, and acquiring these will result in substantial expense to Menard CAD and the entities for which it collects. GOVT. CODE § 2254.1036(a)(1)(D).

E. Delinquent ad valorem tax collection services cannot be provided for an hourly fee. GOVT. CODE § 2254.1036(a)(1)(E). The Tax Code allows the assessment of a percentage-based fee to recover the costs of collecting delinquent ad valorem taxes. This percentage-based fee is assessed

only against the delinquent taxpayer and not Menard CAD or those taxpayers who pay their taxes in a timely fashion. The collection of delinquent ad valorem taxes is a high-volume practice, requiring a significant amount of research, mailing, and handling of outbound/inbound calls. An hourly fee for such work will likely exceed the amount of delinquent ad valorem taxes due. Moreover, Menard CAD and the taxing entities for which it collects would have to bear the cost of the hourly fees and not the delinquent taxpayer, because the Tax Code does not expressly authorize Menard CAD to pay for collection services based on an hourly fee.

F. Menard CAD believes this contingent fee contract is in the best interest of itself and the taxing entities for which it collects. GOVT. CODE § 2254.1036(a)(1)(F). Under the contingent fee contract, the Firm will be paid the amount of the percentage-based collection fee, regardless of the number of hours the Firm spends researching, contacting and mailing to collect the delinquent debt. Additionally, the percentage-based collection penalty is a pass-through expense to the delinquent taxpayer and not an expense to Menard CAD nor the taxing entities for which it collects.

Executed this the 27th day of January, 2025

MENARD COUNTY APPRAISAL DISTRICT

By Kayla Wagner
Kayla Wagner, Chief Appraiser

Filed for Record in my Office
the 27th day of Jan 2025
at 4 o'clock P M
Christy Scott
County Clerk, Menard County, Texas