

Wednesday, August 8, 1990, the Sabine County Commissioners' Court met in a called session at 8:30 A. M., with the following members present:

Royce C. Smith	County Judge
C. Carlin McDaniel	Commissioner, Prct. # 1
Billy J. McGee	Commissioner, Prct. # 2
James H. Conn	Commissioner, Prct. # 3
Chester Cox, Sr.	Commissioner, Prct. # 4
Nadine Gary	County Clerk

Meeting was called to order by Judge Royce Smith; Brother Richard Smith led the opening prayer.

After some discussion, Commissioner Billy McGee made a motion to divide interest money equally between the four precincts at the end of the current budget period, which is September 30. Commissioner Jimmy Conn seconded, and all voted for.

Commissioner McGee then made a motion to keep \$5,000.00 in Right of Way Fund, and divide the remaining carry over equally between the four precincts at end of current budget period. Commissioner Conn seconded this motion, and motion carried.

When the salary part of the budget was discussed, Commissioner Chester Cox made the motion against the 3% raise for County employees and some elected officials. Commissioner Carlin McDaniel seconded, and motion carried. Commissioner McDaniel then made a motion which was seconded by Commissioner McGee, to approve a \$37.00 per month raise for Thomas Hamilton, J. P. Precinct #1 to equal his salary with Pineland J. P. # 3. Motion carried, with all voting for. Iris Murray, Judge Hamilton's secretary, will drive to Pineland in the County car two days a week to help Judge Featherston with his work.

In equalizing other elected officials salaries, Commissioner Billy McGee suggested the offices in the court house be kept open during the lunch hour. He said several residents in the County had asked for this. It was agreed that effective October 1 County offices will be open during the lunch hour. Also effective October 1, the four Commissioners, Sheriff, and County Judge salaries will be lowered from \$18,144.00 annually to \$17,500.00. The County Clerk, District Clerk, Tax Collector, Treasurer, and County Attorney salaries will be raised to \$17,500.00. Commissioner Conn made this motion, which was seconded by Commissioner McGee. Two voted for, and two against. Judge Smith broke the tie, by voting for, and motion carried.

Expenses for Sheriff, Judge, and four commissioners were discussed. Commissioner Cox made the motion to raise their expense from \$400.00 per month to \$580.00. Commissioner McGee seconded, and motion carried, with three voting for and one against. The County will also pay for gas, tires, and batteries for the Sheriff the same as for commissioners.

Commissioner McGee then made the motion, which was seconded by Commissioner Conn, to authorize the Treasurer to prepare budget as presented, and approved. Motion carried, with three voting for, and Commissioner McDaniel voting against.

Motion was made by Commissioner Billy McGee and seconded by Commissioner Chester Cox, to renew Time Warrants at First State Bank. Commissioner McGee will renew his by paying interest up to date - interest from 4/27/1989 to 8/5/1990 is \$4,968.32. This leaves a total of \$31,350.00 still due. Commissioner Chester Cox will pay \$10,000.00 plus interest. Interest from 8/5/89 to 8/5/90 is \$2,320.85, making a total of \$12,320.85 paid. Balance on this warrant will be \$9,000.00. This warrant is for Precinct 4. Motion carried, with all voting for.

Commissioner Cox made a motion that he buy for Prct. 4 a truck for \$7,700.00 from the State. Commissioner McGee seconded, and all voted for.

Motion was made by Commissioner McGee that meeting adjourn. Motion carried.

Reginald Smith
COUNTY JUDGE

C. Carlin Daniel
COMMISSIONER, PRCT. # 1

Billy McGee
COMMISSIONER, PRCT. # 2

James Owen
COMMISSIONER, PRCT. # 3

Chester O. Cox
COMMISSIONER, PRCT. # 4

Madeline Kary
CLERK OF THE COURT



INTERLOCAL PARTICIPATION AGREEMENT

for

TEXAS ASSOCIATION OF COUNTIES PROPERTY AND CASUALTY SELF INSURANCE FUND

This Agreement, entered into by and between the Texas Association of Counties Property and Casualty Self Insurance Fund (hereinafter called "Fund") and SABINE COUNTY (hereinafter called "Fund Member") shall be effective as of the date hereinafter shown.

RECITALS:

WHEREAS, the Fund is sponsored by the Texas Association of Counties (hereinafter called "TAC"), and the Fund was formed by the entry of interlocal agreements by member counties. The Fund is an unincorporated association of counties and other political subdivisions of the State of Texas that was created to provide property and casualty coverage to its members pursuant to article 715c, Tex. Rev. Civ. Stat. Ann.; and

WHEREAS, Fund Member desires to take advantage of the benefits made available through the Fund; and

WHEREAS, the parties recognize that the Fund is a self insurance fund for the provision of property and casualty coverage through interlocal agreements which is authorized by statute and the coverage provided is not considered insurance under the Texas Insurance Code and other state laws;

NOW, THEREFORE, it is Agreed and Understood among the parties as follows:

SECTION 1

ELECTION OF PARTICIPATION

1.01. Election

Fund Member hereby elects to become a member of the Fund.

1.02. Fund Year

The benefits and coverage provided under this Agreement will be on a Fund Year basis which shall be January 1 through December 31 of each year.

1.03. Coverage Described in Exhibit A

Member shall participate and receive the benefits as more particularly described in the property and casualty coverage contract which is set forth in Exhibit A, attached hereto and incorporated by reference for all purposes. The benefits described in Exhibit A may differ from member to member depending on the nature of the risk to be covered. The Fund may enter into contracts to provide different benefits to Member or other Members at any time provided that contributions to Fund are commensurate with particular benefits to be provided. The Fund shall assess Pool Members with a contribution for the benefit or benefits selected determined by using the rates established by the Board for providing such coverage. Contributions will be pooled. However, the Fund may establish different coverage programs and the contributions from one program may be kept separately from contributions or participants in the Fund's other programs.

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The determination of when to create a separate benefits program and to account for that program separately will be determined by the Board in accordance with the Bylaws of the Fund. When the Fund creates a separate program it may provide that contributions from the program will be used for the administration of that program and for payment of claims thereunder only, and such contributions will not be used for the payment of claims or the administration of the Fund's other programs. Contributions from all programs may be used to pay for the general operating expenses of the Fund. The Fund may create such programs by entering into appropriate interlocal contracts for different types of benefits and coverages to political subdivisions. By resolution adopted by the Board of Trustees or by provision of the Fund Bylaws, the assets of any particular program may be made not subject to liabilities attributable to any other program.

1.04. Term of Election and Replacement of Prior Agreement

Unless otherwise provided in the coverage agreement (Exhibit A), the term of this Agreement shall commence on the ____ day of _____, 19__ and shall continue in full force and effect until the end of the calendar year. At the end of the first calendar year and each calendar year thereafter, this Agreement shall be renewed automatically for an additional one (1) calendar 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 sixty (60) days prior to the end of the original term or any renewed term.

1.05. Termination

Except as provided in section 4.09, this Agreement may be terminated by either party by giving sixty (60) days written notice of intent to terminate the Agreement to the other party. Any notice of intent to terminate must be delivered either in person or by deposit in the U. S. Mail, certified, return receipt requested.

1.06. Failure to Maintain Coverage

The failure to maintain property and casualty coverage through the Fund will result in the withdrawal of the Fund Member from the Fund.

1.07. Nonassessable Participation

Participation in the Fund shall be on a nonassessable basis. Fund Member has no joint and several liability other than the maximum annual contribution payable by Fund Member. This contribution may include surcharges specifically related to loss experience.

1.08. Reinsurance, Reserves or Excess Insurance

The Fund shall provide for reinsurance or excess coverage and/or maintain reserves to ensure that the participation of the Fund Member shall at all times be on a nonassessable basis.

1.09. Experience Dividend

Any savings to the Fund resulting from the overall loss experience may be used for dividend credit to the Fund Members as the Board of Trustees may declare from time-to-time, provided such funds are not needed for operations, reserves or the payment of claims.

1.10. Investments and Investment Dividend

The Fund shall invest any and all funds that are on deposit with the Fund pursuant to the investment policy prescribed by the Board of Trustees. The investment earnings from these funds shall be used for the benefit of the Fund Members. The Fund shall distribute an investment dividend to the Fund members when the Board of Trustees determine that such a dividend is financially feasible and that such funds are not needed for operations, reserves or payment of claims.

1.11. Dividend Criteria

The Board of Trustees shall prescribe the criteria to be used in determining the eligibility to receive investment and experience dividends.

1.12. Contract Forms

The coverage agreement forms used by the Fund will be approved by the Board of Trustees of the Fund. The Fund may amend or change the coverage agreement with prior notice to Fund Member. The Fund will notify Fund Member of the change and its effective date.

**SECTION 2
POWER, DUTIES**

2.01. Powers of Fund

The Fund shall have any power necessary to carry out the purposes of this Agreement which may be conferred by article 715c, Tex. Rev. Civ. Stat. Ann., this Agreement, including the coverage agreement, and the rules, regulations, and Bylaws of the Fund. The Fund shall have the power to employ a Fund Manager and independent contractors to assist in carrying out this Agreement.

2.02. Duty to Act

The Fund shall be under no duty to take any action, except as specifically provided for in this Agreement or Bylaws and except as it shall hereinafter agree in writing to take.

2.03. Obligation of Fund Member

By execution of this Agreement, Fund Member agrees to comply with and abide by this Agreement, including the coverage agreement, and the Bylaws, rules and regulations of the Fund.

2.04. Incorporation of Bylaws

The Bylaws of the Texas Association of Counties Property and Casualty Self Insurance Fund are incorporated by reference and made a part of this Agreement for all purposes as if fully set out herein.

**SECTION 3
FUND COORDINATORS**

3.01. Appointment

Fund Member shall appoint a property and casualty coordinator to work with the Fund. The name of the coordinator and the address for which notices and other information may be given by the Fund shall be set forth in the space provided below. The property and casualty coordinator will be the primary contact with the Fund, and the Fund shall not be required to contact any other individual regarding matters with Fund Member. The property and casualty coordinator shall be responsible for submitting claims to the Fund.

3.02. Change of Coordinator

Member may change its coordinator and/or the address for such coordinator by giving written notice to Fund of such change prior to the effective date of the change.

SECTION 4
ANNUAL PREMIUM

4.01. Submission of Information

Fund Member shall submit to the Fund no later than November 15 of each year documentation necessary for the Fund to use to determine the risk to be covered for the next Fund Year. The Fund will provide forms identifying the information requested.

4.02. Failure to Timely Submit Information

If Fund Member fails to submit the information required in section 4.01 by the due date, the Fund may charge a penalty of \$100 for each month or portion thereof that the information is not received. Failure to submit the information within 30 days of the due date shall subject Fund Member to cancellation and termination after notice.

4.03. Premium Based on Information Provided

The contribution or premium for the Fund Member shall be based upon the information provided by section 4.01. The Fund reserves the right to audit and inspect Fund Member's operations. If the actual premium is more than the estimated premium paid by the Fund Member, the Fund shall notify Fund Member of the difference and Fund Member shall immediately remit the additional amount to the Fund. If the actual premium is less than the estimated premium paid by the Fund Member, the Fund shall refund the excess amount to the Fund Member.

4.04. Agree to Pay

Fund Member agrees to pay into the Fund the premium contribution amount determined for Fund Member based upon the Fund's calculation.

4.05. Calculation of Annual Premium

The Fund shall calculate the annual premium for Fund Member using the appropriate discount and/or surcharge if applicable.

4.06. Annual Premium or Charge

The premium or charge for property and casualty coverage provided by the Fund to Fund Member shall be provided to Fund Member annually. The premium or charge may be adjusted annually by the Board of Trustees of the Fund. In the event that charges are adjusted, the new charge or premium will become effective on the beginning of the Fund Year.

The Fund shall bill the annual premium in advance. Fund Member shall pay the Fund at the address specified in Paragraph 7.08. Fund Member's payment is due upon receipt of invoice, and any payment not received within thirty (30) days of the due date shall be charged interest at the rate of 1% per month pursuant to article 601f, Tex. Rev. Civ. Stat. Ann.

4.07. Surcharge

In the event Fund Member has a higher loss experience than identified in the underwriting standards, the Fund may impose a surcharge on Fund Member as a condition of continued participation in the Fund.

4.08. Termination for Failure to Pay

Notwithstanding any other provision in this Agreement, the Fund may terminate this Agreement upon ten (10) days written notice if any payment or contribution owned by Fund

Member to the Fund is not paid as required by this Agreement. Fund Member shall remain obligated for such unpaid premium or charge for the period preceding termination.

4.09 Collection of Outstanding Contributions

Should the Fund Member fail to make the required payment hereunder, this Interlocal Agreement may be cancelled or suit may be brought to collect any outstanding contributions due and payable to the Fund. It is understood and agreed among the parties that venue for any suit brought for the purpose of collecting any contributions due and payable to the Fund shall be in Austin, Travis County, Texas. The party prevailing in any action brought for the purpose of collecting any outstanding contributions due and payable to the Fund shall be entitled to reasonable attorney's fees, plus court costs.

SECTION 5

CLAIMS

5.01. Claims Submitted

Fund Member shall submit claims to the Fund as set forth in the coverage agreement.

5.02. Fund Member to Cooperate

If the Fund needs assistance from Fund Member or Fund Member's employees regarding a claim, Fund Member will cooperate with the Fund and will provide such assistance.

SECTION 6

SAFETY

6.01. Safety Program

The Fund Member agrees to cooperate in instituting any and all reasonable safety regulations that may be recommended for the purpose of eliminating or minimizing hazards that may contribute to property and casualty losses. In the event that the recommendations submitted by the Fund or a contractor authorized by the Fund to make such recommendations on behalf of the Fund seem unreasonable, the Fund Member has a right to appeal to the Board of Trustees.

SECTION 7

MISCELLANEOUS

7.01. Eligibility of Fund Member

Fund Member is a Texas county or a Texas political subdivision authorized to participate in the Fund by the Board of Trustees.

7.02. Amendment

Except as provided in this Agreement and the Bylaws, this Agreement shall not be amended or modified other than in a written agreement signed by the parties. The coverage agreement may be amended by the Fund with notice of the amendment given to Fund Member.

7.03. Applicable Law

This Agreement is entered into and executed in the State of Texas, and all questions pertaining to its validity or construction shall be determined in accordance with laws of the State of Texas.

7.04. Acts of Forbearance

No act of forbearance on the part of either party to enforce any of the provisions of this Agreement shall be construed as a modification of this Agreement nor shall the failure of any party to exercise any right or privilege herein granted be considered as a waiver of such right or privilege.

7.05. Application of Texas Trust Code Provisions

In accordance with the provisions of section 113.059, Texas Trust Code, and for the purpose of promoting cooperative endeavors with the Texas Association of Counties and its affiliates, if any, and the economics to be achieved thereby, the Trustees of the Fund are hereby relieved from any duty, liability, or restriction imposed by section 113.053, Texas Trust Code, 113.054, Texas Trust Code or section 113.055, Texas Trust Code to the extent that such sections might otherwise inhibit transactions with the Texas Association of Counties or any affiliate thereof.

7.06. Effect of Partial Invalidity

In case any provision of this Agreement is held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining provisions of this Agreement.

7.07. Headings and Captions

The headings and captions in this Agreement are inserted for the purpose of convenience only and shall not be considered in the construction of any provision.

7.08. Notices

Any notice required to be given or payment required to be made to Fund shall be deemed properly sent if addressed to:

Texas Association of Counties
Property and Casualty Self Insurance Fund
P. O. Box 2131
Austin, Texas 78768

and deposited in the United States Mail with proper postage. The Fund may change its address by giving notice to Fund Member. Any notice required to be given or payment required to be made to Fund Member shall be deemed properly sent if addressed to the Fund Member's Property and Casualty Coordinator at the address set forth below. Such person and address may be changed by Fund Member if written notice of such change is given to Fund.

7.09. Counterparts

This Agreement may be executed in counterparts, each of which, when taken separately, shall be deemed an original.

7.10. Exclusive Right to Enforce

The Fund and the Fund Member 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.

7.11. Prior Agreements Superseded

This Agreement constitutes the sole agreement of the parties hereto and supersedes any prior agreements respecting the services to be provided under this Agreement.

EXECUTION

IN WITNESS WHEREOF, we hereunto affix our signatures as of the date indicated below.

TEXAS ASSOCIATION OF COUNTIES
PROPERTY AND CASUALTY SELF-
INSURANCE FUND

By: *Sam D. Seale*
Sam D. Seale, Executive Director
Texas Association of Counties

Date: 7-31-90

MEMBER _____

By: _____ Title _____

Date: _____

FUND MEMBER'S PROPERTY
AND CASUALTY COORDINATOR

Name: _____

Address: _____

I, NADINE GARY, County Clerk of Sabine County, Texas do hereby certify
that the foregoing instrument was filed _____ 1990 at
_____ O'Clock _____ M. and duly recorded Aug. 8
1990 at 9:00 O'Clock A. M.

NADINE GARY

CLERK

Janice McDaniel

DEPUTY