

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
BOARD ACTION SUMMARY**

DEPT: Treasurer / Tax Collector

BOARD AGENDA: 5.B.2
AGENDA DATE: September 25, 2018

SUBJECT:

Approval to Disburse Excess Proceeds of \$12,186.56 from the November 10, 2016 Sale of Tax-Defaulted Properties

BOARD ACTION AS FOLLOWS:

RESOLUTION NO. 2018-0469

On motion of Supervisor Chiesa, Seconded by Supervisor Chairman DeMartini and approved by the following vote,

Ayes: Supervisors: Olsen, Chiesa, Withrow, Monteith, and Chairman DeMartini

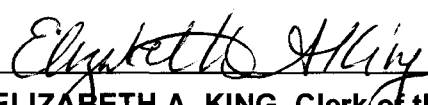
Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

- 1) Approved as recommended
- 2) Denied
- 3) Approved as amended
- 4) Other:

MOTION:

ATTEST: 
ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: Treasurer / Tax Collector

BOARD AGENDA:5.B.2
AGENDA DATE: September 25, 2018

CONSENT:

CEO CONCURRENCE: YES

4/5 Vote Required: No

SUBJECT:

Approval to Disburse Excess Proceeds of \$12,186.56 from the November 10, 2016 Sale of Tax-Defaulted Properties

STAFF RECOMMENDATION:

1. Authorize the Auditor-Controller's Office to issue checks totaling \$9,465.88 per the list of claims for excess proceeds submitted in accordance with Revenue and Taxation Code Section 4675.
2. Authorize the Auditor's Office to apportion the balance of excess proceeds of \$2,720.68 to the appropriate taxing agency.
3. Authorize the Treasurer-Tax Collector to hold distribution of \$224,186.19 for two parcels for further research and review per County Counsel.

DISCUSSION:

Annually, at public auction, the Treasurer-Tax Collector sells real property for which taxes have remained unpaid for a period of five years. Subsequently, the Treasurer-Tax Collector performs the following:

1. Records a deed for each parcel sold;
2. Notifies interested parties if excess proceeds exist;
3. Accepts claims for excess proceeds for a period of one-year following the recording of the deed; and
4. Recommends to the Board of Supervisors the distribution of any excess proceeds that have been claimed.

On August 2, 2016, the Board of Supervisors approved 68 parcels be sold at auction for default of property taxes. Following the approval to sell at auction, the Treasurer-Tax Collector's office notified homeowners, mortgage and lien holders, and other interested parties of the intent to sell the parcels at auction. The notification process resulted in resolution of 49 defaults, reducing the number of parcels to be auctioned to 19. On November 10, 2016, 19 parcels were sold at auction, resulting in clearance of \$317,256.16 in past due taxes, penalties, and interest.

Nine properties from the November 10, 2016 auction of Tax-Defaulted Property had excess proceeds totaling \$410,039.01. Excess proceeds result when the final price at auction is greater than the taxes, penalties, and interest owed to the County. Excess proceeds for six of the nine parcels, totaling \$173,666.26, were disbursed per agenda

item 2018-0098 on February 27, 2018, and three were held pending further research of the additional documents needed to substantiate the claims. Two parcels, with excess proceeds of \$224,186.19, will require additional research and will be submitted to the Board at a later date.

The listed claims for excess proceeds from the November 10, 2016 sale of tax-defaulted properties were submitted within a one-year period and are provided for the Board of Supervisors' approval pursuant to Revenue and Taxation Code Section 4675.

These claims, which have been reviewed by both the Treasurer-Tax Collector and County Counsel, establish the claimants' rights to the excess proceeds and provide the necessary documentation to substantiate the claims. We recommend that the Board of Supervisors authorize the following excess proceeds distribution:

APN	Amount Available	Claimant	Claim Amount	Recommend
037-046-035	\$ 12,186.56	City of Modesto	\$ 425.83	\$ 425.83
		Tony Cavaggion	\$ 6,319.36	\$ 6,319.36
		Brandon Clark	\$ 12,186.56	\$ 2,720.69
		Unclaimed Funds to Taxing Agencies	\$ 3,208.15	\$ 2,720.68
		Evergreen Convalescent Hospital	\$ 16,284.00	\$ -
731 Kazmir Ct, Modesto		TOTAL	\$ 38,423.90	\$ 12,186.56

POLICY ISSUE:

This request is being made in accordance with Part 8, Chapter 1.3, Sections 4675 and 4676 of Revenue and Taxation Code, which outlines the process and requirements regarding the distribution of proceeds from the sale of tax-deeded property. The County has complied with the required provisions identified in this chapter.

FISCAL IMPACT:

There is no fiscal impact associated with the recommended action as this is a request to pay out funds held in trust since November 10, 2016.

BOARD OF SUPERVISORS' PRIORITY:

The recommended actions are consistent with the Board's priority of *Delivering Efficient Public Services and Community Infrastructure* by distributing excess proceeds from the tax-defaulted property sale to the appropriate claimant.

STAFFING IMPACT:

There is no staffing impact associated with this agenda item; existing staff will administer the distribution of excess proceeds

CONTACT PERSON:

Donna Riley, Interim Treasurer-Tax Collector

Telephone: (209) 525-4463