



COUNTY OF HUMBOLDT

For the meeting of: 7/11/2023

File #: 23-817

To: Board of Supervisors

From: Auditor-Controller

Agenda Section: Consent

Vote Requirement: Majority

SUBJECT:

First Distribution of Excess Proceeds from Tax Auction of February and March 2021

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve the first distribution of excess proceeds resulting from the February/March 2021 public auction of parcels listed on Attachment 1 to the claimants and in the amounts listed for each parcel; and
2. Direct the Clerk of the Board to provide the Humboldt County Auditor-Controller's Office with one (1) fully executed certified copy of the Board Order related to this item.

SOURCE OF FUNDING:

Excess proceeds from the tax auction of February/March 2021 are held in Fund 3680 - Delinquent Tax Sales Trust.

DISCUSSION:

During February and March 2021, the Humboldt County Treasurer-Tax Collector's Office sold a number of delinquent property tax parcels using an internet-based public auction website. The date of recordation of the last tax deeds for this auction was March 24, 2021. Some of the parcels sold for more than the amount required to pay the parcel's back taxes and the share of the cost in preparing for and conducting the auction. This excess of sales price over taxes and expenses is referred to as excess proceeds and is available in priority to: (1) lienholders of record prior to the recordation of the tax deed to the purchaser in the order of their priority; and (2) any person with title of record to all or any portion of the property prior to the recordation of the tax deed to the purchaser. These claimants, or parties of interest, have one year from the date of the recordation of the tax deed to the purchaser to file a claim for excess proceeds.

The Humboldt County Auditor-Controller's Office has completed a review of the claims for excess proceeds corresponding to the March 24, 2021, recordation date and has presented a recommended distribution in Attachment 1.

Upon the Board’s approval of this distribution schedule, the proceeds will be held an additional ninety (90) days to allow for protests or competing claims.

FINANCIAL IMPACT:

Expenditures	FY22-23 Adopted
Budgeted Expenses	\$245,594.05
Total Expenditures	\$245,594.05
Funding Sources	FY22-23 Adopted
Use of Fund Balance (3860)	\$245,594.05
Total Funding Sources	\$245,594.05

**Projected amounts are estimates and are subject to change.*

The claims currently recommended for payment represent Two Hundred Forty-Five Thousand Five Hundred Ninety-Four Dollars and Five Cents (\$245,594.05) of excess proceeds from the February/March 2021 tax auction. If tax auction funds remain after resolution of all excess proceeds, those claims will be transferred to the Property Tax Loss Reserve fund (3010).

STAFFING IMPACT:

Approval of the recommended distribution of excess proceeds from the February/March 2021 tax auction will not impact current staffing levels.

STRATEGIC FRAMEWORK:

The recommended actions support the Board of Supervisors’ Strategic Framework by managing resources to ensure sustainability of services.

OTHER AGENCY INVOLVEMENT:

None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board may choose to reject any or all of the recommended claims, whereupon the claimants would have ninety (90) days in which to appeal that rejection.

ATTACHMENTS:

1. Recommended Distribution of Excess Proceeds

PREVIOUS ACTION/REFERRAL:

Board Order No.: N/A

Meeting of: N/A

File No.: N/A