



# COUNTY OF HUMBOLDT

For the meeting of: 5/21/2024

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File #: 24-830

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**To:** Board of Supervisors

**From:** Treasurer/Tax Collector

**Agenda Section:** Consent

**Vote Requirement:** 4/5th

**SUBJECT:**

Treasurer Tax Collector Fiscal Year 2023-24 Supplemental Budget Request for Costs Associated with Auction of Properties Tax-Defaulted (4/5 Vote Required)

**RECOMMENDATION(S):**

That the Board of Supervisors:

1. Approve the Supplemental Budget in the amount of \$50,000 requested for budget unit 1100-112 Tax Collector (attachment 1) (4/5 vote required).

**STRATEGIC PLAN:**

This action supports the following areas of your Board's Strategic Plan.

Area of Focus: Core Services/Other

Strategic Plan Category: 9999 - Core Services/Other

**DISCUSSION:**

Annually, the Tax Collector holds a Chapter 7 Auction of properties tax defaulted. These auctions typically contain between 90-100 parcels.

On February 27, 2024, your Board approved Resolution 24-18 (attachment 2) authorizing the June 10, 2024 auction containing over 150 properties tax defaulted.

The public auction will be conducted via the internet through the public auction company known as GovEase with whom the county has contracted for these services since 2020. Government Code Section 31000 permits the Board of Supervisors to contract for these special services with individuals and companies specially trained, experienced and competent to provide these services, for which GovEase has a proven track record. The properties will be sold at public auction or by sealed bid for the stated minimum price. Those tax defaulted properties are subject to the power of sale in accordance with Chapters 7 of Part 6 of Division 1 of the California Revenue and Taxation Code.

As this auction is larger than average, it has increased costs associated with mandated research, publications and certified mailings. Once the auction is complete and proceeds are received, the revenue will cover the increased expenditures as all fees are included in the minimum bid auction price.

**SOURCE OF FUNDING:**

Tax Collector 1100-112 (619000 Title Search Auction Costs, 2216 Title Search Fees Auction, 2119 Publications & Legal Notices and

2117 Office Expense)

**FINANCIAL IMPACT:**

<b>Expenditures (1100-112-2216,2119,2117)</b>	<b>FY23-24</b>
<b>Budgeted Expenses</b>	<b>117,000</b>
<b>Additional Appropriation Requested</b>	<b>50,000</b>
<b>Total Expenditures</b>	<b>167,000</b>

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

<b>Funding Sources (1100-112)</b>	<b>FY23-24</b>
<b>Fees/Other</b>	<b>167,000</b>
<b>Total Funding Sources</b>	<b>167,000</b>

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

**Narrative Explanation of Financial Impact:**

As described in the discussion, the supplemental budget will increase appropriations by \$50,000 in Fund 1100, Budget Unit 112-Treasurer-Tax Collector for Fiscal Year (FY) 2023-24 and increase revenues by \$50,000. This is not an additional request for General Fund as fee revenue will be available to cover the additional cost.

**STAFFING IMPACT:**

NA

**OTHER AGENCY INVOLVEMENT:**

NA

**ALTERNATIVES TO STAFF RECOMMENDATIONS:**

Should the Board not approve the supplemental budget there could be delays in approving and issuing invoices related to the auction and is not recommended.

**ATTACHMENTS:**

- Attachment 1. Supplemental Budget Request
- Attachment 2. Resolution 24-18

**PREVIOUS ACTION/REFERRAL:**

Meeting of: 2/27/24  
File No.: 24-18