COUNTY OF HUMBOLDT

For the meeting of: 8/22/2023

File #: 23-1145

To: Board of Supervisors

From: Auditor-Controller

Agenda Section: Consent

Vote Requirement: Majority

SUBJECT:
Final Distribution of Excess Proceeds from Tax Auction of February and March 2021

RECOMMENDATION(S):
That the Board of Supervisors:

1. Approve the second and final distribution of excess proceeds resulting from the February and 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:
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 completed a preliminary review of the claims for excess proceeds corresponding to the March 24, 2021 recordation date and presented those to the Board on July 11, 2023. The final review has been completed and a recommended distribution of the remaining claims is presented in Attachment 1. Additionally, there is a correction to a payee's name

for a distribution included in the first round of recommendations.

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:
The claims currently recommended for payment represent Five Hundred Seventy-Five Thousand Three Hundred Thirty-Four Dollars and Eighteen Cents ($575,334.18) 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:
Recommended Distribution of Excess Proceeds

PREVIOUS ACTION/REFERRAL:
Board Order No.: D-2
Meeting of: July 11, 2023
File No.: 23-817