

**REQUEST FOR BOARD ACTION  
HENDERSON COUNTY  
BOARD OF COMMISSIONERS**

**MEETING DATE:** 15 July 2015

**SUBJECT:** FY 2014-2015 Tax Collector's Settlement;  
Approval of Bond Amounts for Tax Collector/Deputy;  
FY 2015-2016 Tax Order For Collection

**PRESENTER:** Stan Duncan, County Tax Collector

**ATTACHMENT(S):** Proposed Order and Resolution

**SUMMARY OF REQUEST:**

It is time once again for the delivery of the tax receipts to the Henderson County Tax Collector (all references to the Tax Collector on this document and all subsequent attachments are to Tax Collector Stan Duncan); however before they can be delivered, the following must occur (pursuant to N.C.G.S. 105-352):

- (a) **PREPAYMENTS.** The Tax Collector must deliver any duplicate bills printed for prepayments received by the Tax Collector to the Finance Director and demonstrate to the Finance Director's satisfaction that all prepayments received have been deposited.
- (b) **SETTLEMENT.** The Tax Collector must make settlement with the Board of Commissioners for all taxes placed in his hands for collection for the past year.
- (c) **BOND.** The Board of Commissioners must approve the bond to be issued for the Tax Collector and Deputy Tax Collector for Delinquent Taxes.
- (d) **ORDER OF COLLECTION.** An Order of Collection must be adopted at today's meeting, which will charge the Tax Collector with the collection of FY 2015-2016 taxes, plus all outstanding delinquent taxes.

The tax collector will be available to present further information on this matter.

**BOARD ACTION REQUESTED:**

Approval of tax collector's settlement for FY 2014-2015 taxes and approval of order of collection and charge for FY 2015-2016 taxes.

If the Board is so inclined, the following motion is suggested:

***I move that the Board approve the tax collector's settlement for Fiscal Year 2014-2015 taxes, and further approve the bonds, the order of collection and charge for collection to the tax collector for Fiscal Year 2015-2016 taxes.***

**Resolution Approving the Settlement with the Tax Collector for the 2014-2015 Tax Year**

WHEREAS, N.C.G.S. 105-352 requires that settlement be made with the Tax Collector for the taxes charged to the Tax Collector in the previous tax year prior to delivery of the tax receipts to the Tax Collector for the current tax year, said settlement being conducted in accordance with N.C.G.S. 105-373; and

WHEREAS, N.C.G.S 105-373 requires that settlement be made for both taxes charged to the Tax Collector in the previous tax year, and for all delinquent taxes charged to the Tax Collector, there being a specified format for current tax year settlements, but not delinquent taxes; and

WHEREAS, the Henderson County Board Commissioners has received a proposed settlement for the 2014-2015 tax year taxes, and all delinquent taxes charged to the Tax Collector for prior tax years;

**NOW THEREFORE BE IT RESOLVED AS FOLLOWS:**

1. The Settlement for the 2014-2015 taxes charged to the Tax Collector is hereby approved. The Board finds:
  - a. All prepayments received by the Tax Collector were properly deposited;
  - b. The settlement is in proper form;
  - c. A diligent effort was made to collect from the person who were legally obligated to pay their taxes for the 2014-2015 fiscal year; and
  - d. Those persons identified in the report of insolvents submitted by the Tax Collector are found to be insolvents. The insolvents list shall be entered into the minutes and credited to the Tax Collector as part of this settlement.
  
2. The Settlement for the delinquent taxes charged to the tax collector for the previous fiscal years is hereby approved. The Board finds that the settlement for the delinquent taxes is in an appropriate form.

THIS the 15th day of July, 2015.

THE HENDERSON COUNTY BOARD OF COMMISSIONERS

BY: \_\_\_\_\_

Thomas Thompson, Chairman

Attest: (County Seal)

\_\_\_\_\_  
Teresa L. Wilson, Clerk to the Board

**Resolution Setting the Bond Amounts for the Tax Collector and Deputy Tax Collector**

WHEREAS, N.C.G.S. 105-352 requires that before the tax receipts are delivered to the Tax Collector for collection, the Board of Commissioners must approve a bond amount for the Tax Collector and Deputy Tax Collector; and

WHEREAS, the Board of Commissioners is desirous of complying with N.C.G.S. 105-352;

NOW THEREFORE IT BE RESOLVED AS FOLLOWS:

1. The Bond amount for the Tax Collector shall be set at \$1,000,000 through August of 2016.
2. The bond amount for the Deputy Tax Collector shall be set at \$250,000 to run through August of 2016.

THIS the 15th day of July, 2015.

THE HENDERSON COUNTY BOARD OF COMMISSIONERS

BY: \_\_\_\_\_  
Thomas Thompson, Chairman

Attest: (County Seal)

\_\_\_\_\_  
Teresa L. Wilson, Clerk to the Board

**Resolution Adopting the Order of Collection for the 2015-2016 Tax Year**

WHEREAS, N.C.G.S. 105-352 requires that before the tax receipts for the 2015-2016 Tax Year may be delivered to the Tax Collector for collection the following must occur: (1) the Tax Collector must deliver any duplicate bills printed for prepayments received by the Tax Collector to the Finance Director and demonstrate to the Finance Director's satisfaction that all prepayments received have been deposited; (2) the Tax Collector must make settlement with the Board of Commissioners for all taxes placed in his hands for collection for the 2014-2015 tax year; and (3) the Board of Commissioners must approve the bonds proposed for the Tax Collector (and the Deputy Tax Collector) for collection of all taxes charged for the 2015-2016 Tax Year and all delinquent taxes

WHEREAS, prepayments were received for 2015 taxes; and

WHEREAS, the Board of Commissioners has approved the settlement for the taxes charged to the Tax Collector for collection for the 2014-2015 tax year, including the delinquent taxes; and

WHEREAS, The Board of Commissioners has approved the bonds proposed for the Tax Collector and the Deputy Tax Collector;

NOW THEREFORE BE IT RESOLVED that the order of collection attached hereto is hereby adopted.

THIS the 15th day of July, 2015.

THE HENDERSON COUNTY BOARD OF COMMISSIONERS

BY: \_\_\_\_\_  
Thomas Thompson, Chairman

Attest: (County Seal)

\_\_\_\_\_  
Teresa L. Wilson, Clerk to the Board

**STATE OF NORTH CAROLINA**

**ORDER OF COLLECTION**

**COUNTY OF HENDERSON**

**TO THE TAX COLLECTOR OF HENDERSON COUNTY:**

You are hereby authorized, empowered, and commanded to collect the taxes, including current, insolvent and delinquent, set forth in the tax records filed in the Office of the Assessor for Henderson County and in the tax receipts herewith delivered to you, in the amounts and from the taxpayers likewise therein set forth. Such taxes are hereby declared to be a first lien upon all real property of the respective taxpayers in the County of Henderson, and this order shall be a full and sufficient authority to direct, require, and enable you to levy on and sell any real or personal property of such taxpayers, for and on account thereof, in accordance with law.

**WITNESS** my hand and official seal, this 15th day of July, 2015.

**HENDERSON COUNTY BOARD OF COMMISSIONERS**

**BY:** \_\_\_\_\_  
**THOMAS THOMPSON, Chairman**

**ATTEST: (OFFICIAL SEAL)**

\_\_\_\_\_  
**Teresa L. Wilson, Clerk to the Board**

# OFFICE OF THE HENDERSON COUNTY TAX COLLECTOR

200 NORTH GROVE STREET, SUITE 66

HENDERSONVILLE, NC 28792

PHONE: (828) 697-5595

FAX: (828) 697-4652

*Stan C. Duncan  
Henderson County Tax Collector*

15 July 2015

Henderson County Board of Commissioners  
Henderson County Historic Courthouse  
1 Historic Courthouse Square, Suite 1  
Hendersonville, NC 28792

RE: Tax Collector's Settlement: FY2014-2015

Dear Henderson County Commissioners:

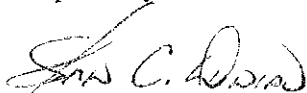
Attached please find the Preliminary Report for FY2014-2015 along with the Settlement for Current-Year Taxes and Delinquent Taxes. A list of all unpaid tax liens is available for your review in the Office of the Clerk to the Board.

I am happy to report that as of the close of FY2014-2015, the Henderson County Tax Collector's Office collected 98.28% of the annual tax bills, 91.67% of the motor vehicle tax bills processed by our legacy NCPTS system, and 99.68% processed through Tax & Tag Together, for an aggregate collection percentage of 98.39%.

I would like to take the opportunity to thank the staff for their hard work and dedication toward these accomplishments. The annual collection percentage, as reported, remains above the last reported state average of 97.34% for annual tax bills.

Thank you for the opportunity to be of service to you.

Respectfully submitted,



Stan C. Duncan  
Henderson County Tax Collector

**PRELIMINARY REPORT FOR FISCAL YEAR 2014-2015**

TO: Henderson County Board of Commissioners  
FROM: Stan C. Duncan, Henderson County Tax Collector  
DATE: 15 July 2015

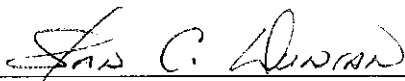
In accordance with N.C.G.S. 105-373(a)(1), I respectfully submit the following Report:

Attached to this Report is (1) a list of the persons owning real property whose taxes for 2014 remain unpaid, along with the principal amount owed by each person; and (2) a list of the persons not owning real property whose personal property taxes for 2014 remain unpaid, along with the principal amount owed by each person.

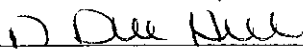
In compliance with N.C.G.S. 105-373(a)(3), attached hereto is a Report entitled "Settlement for Current Taxes for Fiscal Year 2014-2015" dated 15 July 2015 setting forth my full settlement for all taxes in my hands for collection for the fiscal year 2014-2015.

Further, I hereby certify that I have made diligent efforts to collect the taxes due from the persons listed in such a manner that is reasonably necessary.

Respectfully submitted,

  
\_\_\_\_\_  
Stan C. Duncan, Henderson County Tax Collector

SWORN TO AND SUBSCRIBED BEFORE ME, this 6 day of July, 2015.

  
\_\_\_\_\_  
Notary Public

My Commission expires:  
6-5-2016



# SETTLEMENT FOR CURRENT TAXES: FY 2014-2015

Report date 30 June 2015

## CHARGES TO THE TAX COLLECTOR:

	Tax & Penalty	Interest	Charge	Credit	Difference
<b>Total amount of all taxes placed in the Tax Collector's hands for collection for the year:</b>					
G01 General County	59,914,090.52	114,408.64	60,028,499.16	60,028,499.16	0.00
<b>Total General County</b>					
<u>Fire Districts:</u>					
F15 Bat Cave	84,324.67	240.19	84,564.86	84,564.86	0.00
F01 Blue Ridge	745,537.39	1,931.16	747,468.55	747,468.55	0.00
F09 Dana	448,503.79	1,269.08	449,772.87	449,772.87	0.00
F03 Edneyville	576,494.74	1,762.89	578,257.63	578,257.63	0.00
F04 Etowah-Horse Shoe	969,352.85	1,798.38	971,151.23	971,151.23	0.00
F05 Fletcher	703,197.25	1,415.11	704,612.36	704,612.36	0.00
F11 Gerton	98,444.73	0.00	98,444.73	98,444.73	0.00
F06 Green River	392,893.49	186.32	393,079.81	393,079.81	0.00
F08 Mills River	89,889.20	1,139.15	91,028.35	91,028.35	0.00
F07 Mountain Home	1,182,626.80	232.92	1,182,859.72	1,182,859.72	0.00
F12 Raven Rock	147,961.80	0.00	147,961.80	147,961.80	0.00
F02 Valley Hill	1,225,721.30	1,942.95	1,227,664.25	1,227,664.25	0.00
<b>Total Fire Districts</b>	<b>6,664,948.01</b>	<b>11,918.15</b>			
<u>Municipal Districts:</u>					
C01 (City of Hendersonville	738.49	0.55	739.04	739.04	0.00
C02 (Town of Laurel Park	11.05	0.88	11.93	11.93	0.00
C03 (City of Saluda	0.00	0.00	0.00	0.00	0.00
C04 (Town of Fletcher	513.79	10.31	524.10	524.10	0.00
C50 Village of Flat Rock 51	32.77	0.00	32.77	32.77	0.00
Village of Flat Rock 52	0.00	0.00	0.00	0.00	0.00
Village of Flat Rock 56	0.00	0.00	0.00	0.00	0.00
C60 Town of Mills River	237.56	0.00	237.56	237.56	0.00
<b>Total Municipal Districts</b>	<b>1,533.66</b>	<b>11.74</b>			
<b>SUBTOTAL</b>	<b>\$66,580,572.19</b>	<b>\$126,338.53</b>			
 <b>TOTAL CHARGE TO TAX COLLECTOR</b>	 <b><u>\$66,706,910.72</u></b>				

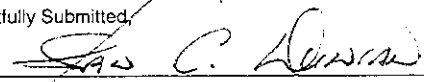


**CREDITS TO THE TAX COLLECTOR:**

	Deposits	Adjustments	Releases	Interest	Outstanding Tax / Liens against Real & Personal Property	Outstanding Tax / Liens against Registered Motor Vehicles	
<b>All sums deposited by the Tax Collector to the credit of the Taxing Unit:</b>							
G01 General County	58,525,077.22	310,685.37	36,592.07	114,408.64	1,040,808.31	927.55	
<b>Total General County</b>							
<u>Fire Districts:</u>							
F15 Bat Cave	81,206.52	18.66	12.35	240.19	3,087.14	0.00	3,087.14
F01 Blue Ridge	726,770.25	921.32	461.45	1,931.16	17,384.37	0.00	17,384.37
F09 Dana	436,629.76	420.60	314.13	1,269.08	11,101.19	38.11	11,139.30
F03 Edneyville	552,914.69	1,839.31	847.47	1,762.89	20,890.21	3.06	20,893.27
F04 Etowah-Horse Shoe	948,475.26	619.57	540.89	1,798.38	19,714.40	2.73	19,717.13
F05 Fletcher	690,563.04	1,200.90	192.01	1,415.11	11,196.97	44.33	11,241.30
F11 Gerton	96,311.24	18.08	12.73	0.00	2,102.68	0.00	2,102.68
F06 Green River	382,069.16	2,121.79	368.23	186.32	8,334.31	0.00	8,334.31
F08 Mills River	86,220.83	6.68	14.32	1,139.15	3,647.37	0.00	3,647.37
F07 Mountain Home	1,152,819.44	11,056.39	564.76	232.92	18,176.65	9.56	18,186.21
F12 Raven Rock	144,795.60	5.80	67.71	0.00	3,076.93	15.76	3,092.69
F02 Valley Hill	1,179,411.65	24,507.83	596.80	1,942.95	21,194.15	10.87	21,205.02
<b>Total Fire Districts</b>	<b>6,478,187.44</b>	<b>42,736.93</b>	<b>3,992.85</b>	<b>11,918.15</b>	<b>139,906.37</b>	<b>124.42</b>	<b>140,030.79</b>
<u>Municipal Districts:</u>							
C01 ( City of Hendersonville	556.98	0.00	0.00	0.55		181.51	
C02 ( Town of Laurel Park	11.05	0.00	0.00	0.88		0.00	
C03 ( City of Saluda	0.00	0.00	0.00	0.00		0.00	
C04 ( Town of Fletcher	488.69	23.47	1.63	10.31		0.00	
C50 Village of Flat Rock 51	32.35	0.00	0.42	0.00		0.00	
Village of Flat Rock 52	0.00	0.00	0.00	0.00		0.00	
Village of Flat Rock 56	0.00	0.00	0.00	0.00		0.00	
C60 Town of Mills River	227.17	0.00	0.00	0.00		10.39	
<b>Total Municipal Districts</b>	<b>1,316.24</b>	<b>23.47</b>	<b>2.05</b>	<b>11.74</b>	<b>0.00</b>	<b>191.90</b>	
<b>TOTAL</b>	<b>\$65,004,580.90</b>	<b>\$353,445.77</b>	<b>\$40,586.97</b>	<b>\$126,338.53</b>	<b>\$1,180,714.68</b>	<b>\$1,243.87</b>	

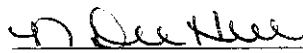
**TOTAL CREDITS TO TAX COLLECTOR: \$66,706,910.72**

Respectfully Submitted,

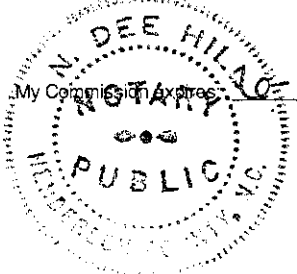


Stan C. Duncan, Tax Collector

SWORN TO AND SUBSCRIBED BEFORE ME this 6 day of July, 2015.



Notary Public



**OFFICE OF THE HENDERSON COUNTY TAX COLLECTOR**  
**200 North Grove Street, Suite 66**  
**Hendersonville, NC 28792**

Stan C. Duncan  
County Assessor & Tax Collector

Phone: 828/697-5595  
Fax: 828/698-6153  
[www.hendersoncountync.org/tc/](http://www.hendersoncountync.org/tc/)

Lisa Obermiller  
Administrative Assistant II

6 July 2015

Henderson County Board of Commissioners  
Henderson County Historic Courthouse  
1 Historic Courthouse Square, Suite 1  
Hendersonville, NC 28792

**RE: FY 2014-2015 Progress Report regarding Delinquent Property Tax Collections**

Dear Henderson County Commissioners:

For the FY2014-2015, we have collected \$1,799,097.15 in prior-year taxes, plus all applicable fees and interest. At the close of this fiscal year, we have collected 99.44% of our prior-year (2013) annual tax bills (real property and listed personal property), and 99.8% for all previous years (including 2013 and years beyond our ten-year reach for enforced remedies.<sup>1</sup>

The responsibilities of the Deputy Tax Collector and staff include the monitoring and administration of statutorily-provided remedies used to collect delinquent tax. We have made a great deal of progress this year through the use of these remedies and are pleased to provide detailed information depicting this year's achievements:

1. Bank Attachments, Wage Garnishments, and Rent Attachments (pursuant to NCGS 105-368). This year (FY2014-2015) we have issued Enforced Collection Actions totaling \$801,701.57.<sup>2</sup> Of that amount, \$78,740.97 was collected by way of Bank Account Attachment; \$204,608.47 was collected via Wage Attachments; and \$28,989.43 was collected from Rent Attachments. Traditionally, North Carolina counties seek to satisfy delinquent taxes in the following order: bank attachments, then wage garnishments, then by other available means such as rent attachments. However, due to the lingering effects of the recent economic malaise that began in 2008, we have seen a decline in the number of bank accounts available for attachment, and requiring greater emphasis on wage garnishments, a slower satisfaction process but ultimately one resulting in full payment with less immediate adverse impact on the taxpayer's financial standing. Rent attachments are pursued only when the property is leased.
2. NC Debt Setoff Program (pursuant to NCGS Chapter 105A). The North Carolina Debt Setoff Program allows local government to collect outstanding debts by garnishing North Carolina State income tax refunds. Delinquent Tax Collections administers the Debt Setoff Program for the collection of property tax as well as debts owed to other county agencies. During FY2014-2015, Henderson County collected \$92,354.30 through the use of Debt Setoff.<sup>3</sup> Property Taxes account for \$23,767.86 of that total. Henderson County agencies using the Debt Setoff Program include EMS, the Health Department, and the Finance Department.

<sup>1</sup> NCPTS TR-401E Collection Report for periods dated 30 June 2015 for the FY2014-15, and all prior years.

<sup>2</sup> As derived from NCPTS Enforced Collections Activity Report for period 1 July 2014 to 30 June 2015

<sup>3</sup> NC Debt Setoff Detail Report (as provided by FiveStar Computing) for period 1 July 2014 to 30 June 2015

3. Payment Arrangements. We encourage taxpayers to enter into payment agreements prior to taxes becoming delinquent. During FY2014-2015, Delinquent Tax Collections entered into 47 payment agreements totaling \$135,044.44 in tax revenue.<sup>4</sup> One byproduct of past payment arrangements for satisfaction of delinquent taxes has been the emergence of voluntary pre-payments for current year taxes. Property owners/taxpayers wishing to alleviate the end-of-the-calendar year challenge of making one large payment are opting to make a series of smaller payments throughout the current calendar year. Our software allows for this payment option which provides greater control by the taxpayer to meet their property tax obligation.
4. North Carolina statutes provide for two separate means of pursuing satisfaction of delinquent taxes by means of foreclosure; in rem method and mortgage-style method. Real Property (land and improvements) contributes approximately 80-85% of the value comprising Henderson County's tax base.<sup>5</sup> Therefore, it stands to reason, Henderson County act assertively to preserve this revenue, and our foreclosure program serves to achieve this objective.

Prior to instituting a tax foreclosure, the statutes require us to first conduct a title examination of the subject property and send notices via certified mail to all persons having an interest in the property. In addition to the statutory requirements to which we are bound, we attempt to make telephone contact with the taxpayer and in every case, personally visit the taxpayer and/or the subject property. Additionally, we send pre-foreclosure notices to taxpayers as well as all mortgage holders as disclosed by the title examination. We post the properties when we docket a judgment against the property. During FY2014-2015 our office has continued a tracking program for properties that are in pre-foreclosure, and through this process, collected \$465,594.84 in taxes.<sup>6</sup> The diligence of our staff has resulted in more taxes being collected and less property having to be foreclosed upon.

In Rem Foreclosures (NCGS 105-375). Historically, Henderson County has been one of a relatively-few North Carolina counties administering tax foreclosures from start to finish without the assistance of outside attorneys. While we continue to hold the in rem method to be the first approach to consider for the majority of properties, complications affecting property title resulting from the recent real estate recession have demonstrated the need to reconsider the advantages of utilizing mortgage-style foreclosures in certain cases.

Mortgage-style Foreclosures (NCGS 105-374). We are currently exploring the possibilities – pro and con – of contracting with an outside law firm with proven experience working with North Carolina counties in using this method as provided by statute. For FY2014-15, no delinquent taxes were collected utilizing the mortgage-style foreclosure method.

5. Bankruptcy. While affording certain protections to the property owner/taxpayer, it is important for the office, on behalf of the county, to keep abreast of the statutes and procedural issues pertaining to bankruptcy. Proofs of Claim must be filed in a timely manner when appropriate, and tax bills involved in an active bankruptcy case must be carefully monitored and segregated to avoid violation of the automatic stay imposed by the Bankruptcy Court. Presently, there are 113 filings (and corresponding tax bills), amounting to \$52,622.91<sup>7</sup> that are involved in active bankruptcy cases. This is a significant decrease over last fiscal year. Chapter 7 remains the largest component with 74 cases, followed by Chapter 13 with 37 cases.

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<sup>4</sup> Query of NCPTS data containing Arrangement flags as prepared internally as of 1 July 2015

<sup>5</sup> 2011 Tax Base figures as compiled by the Henderson County Assessor

<sup>6</sup> As derived from NCPTS Enforced Collections Activity Report for period 1 July 2014 to 30 June 2015

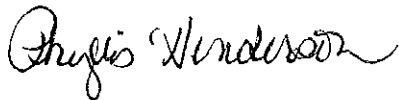
<sup>7</sup> Query of NCPTS data containing Bankruptcy flags as prepared internally as of 1 July 2015

In prior years, our most difficult collection challenge rested with delinquent taxes on registered motor vehicles. FY2014-15 is the first full year of implementation of the NC Vehicle Tax System, also known as *Tag & Tax Together*. Under this new program, property taxes are paid at the time of initial registration or registration renewal. The current year collections on registered motor vehicles under *Tag & Tax Together* show a collection rate exceeding 99.68%. Previously, vehicle owners had often sold the vehicle or moved from the county sometimes before the original bills were mailed. Consequently, it is reasonable to presume the pool of delinquent motor vehicle bills (number and amount) will continue to decrease. The total prior-year (i.e., 2005-2014) sum of outstanding motor vehicle tax is \$618,534.77, which represents 19.34% of the total outstanding enforceable delinquent tax.<sup>8</sup> \$226,476.11 was collected from delinquent motor vehicles this year. As explained above, with the full implementation of *Tag & Tax Together* the pool of delinquent bills will continue to get smaller, resulting in it becoming more difficult to collect those remaining debts owed to Henderson County on registered motor vehicles from prior years.

The high collection rate on annual bills (real property, personal property, and public service companies), combined with the significantly higher collection rate on registered motor vehicles, foretells a shrinking pool of delinquent accounts moving forward. This should be viewed as good news for the county. The more that can be collected on the front end without incurring additional interest and costs being applied for delinquency, the better for everyone, county government and the taxpaying public alike.

In closing, the progress relating to delinquent tax collections has truly been a team effort based on persistence, commitment, dedication and pride in carrying out our statutory charge. Thank you for the opportunity to be of service to you as the governing body, and to our fellow taxpayers and citizens.

Respectfully submitted,



Phyllis Henderson  
Henderson County Deputy Tax Collector

Stan C. Duncan  
Henderson County Assessor & Tax Collector

cc: Carey McLelland, Finance Director

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<sup>8</sup> NCPTS TR401-E Collection report for period 1 July 2014 to 30 June 2015

## FY2014-2015 Delinquent Property Tax Collections

### DELINQUENT PROPERTY TAX COLLECTED FOR GENERAL COUNTY:

TAX YEAR	TOTAL COUNTY LEVY CREDIT (Tax + Late List Penalties + Rebates and Releases)		ACCRUED INTEREST COLLECTED + COSTS COLLECTED		TOTAL COUNTY CASH COLLECTED (includes Tax, Penalties, Interest & Costs)		YEAR END COUNTY LEVY DUE	
	Regular	RMV	Regular	RMV	Regular	RMV	Regular	RMV
	2013	905,228.00	120,365.28	102,304.84	17,432.12	962,984.77	137,059.83	326,003.79
2012	272,164.32	20,766.02	61,726.14	7,283.81	308,217.27	27,880.32	255,233.63	97,804.28
2011	76,529.14	5,901.21	22,864.02	3,522.68	90,988.11	9,422.15	161,859.49	55,302.60
2010	112,175.89	3,152.06	8,495.86	2,753.96	27,741.51	5,905.69	148,889.47	48,341.64
2009	11,101.18	2,184.90	5,691.12	2,354.22	15,872.74	4,538.82	121,334.07	52,519.90
2008	6,145.47	2,624.13	3,526.07	2,982.27	9,175.66	5,606.26	141,631.37	64,210.97
2007	4,528.12	3,627.43	2,400.49	4,677.15	6,565.88	8,292.88	121,073.00	80,518.92
2006	3,745.26	2,397.61	2,233.37	3,661.59	5,597.89	6,059.17	184,678.28	88,212.14
2005	2,224.76	2,851.32	1,693.06	4,268.77	3,618.64	7,119.00	86,409.05	71,619.38
2004	1,487.88	1,404.85	1,320.02	2,142.13	2,712.89	3,386.75	54,544.39	68,318.43
2003/Prior	3,178.77	4,578.23	0.00	6,633.57	5,271.31	11,208.24	607,333.00	748,898.64
<b>TOTAL:</b>	<b>1,398,508.79</b>	<b>169,853.04</b>	<b>212,254.99</b>	<b>57,712.27</b>	<b>1,438,746.67</b>	<b>226,479.11</b>	<b>2,208,989.54</b>	<b>1,434,824.29</b>

### DELINQUENT PROPERTY TAX COLLECTED FOR MUNICIPALITIES:

MUNICIPALITY	TOTAL CITY LEVY CREDIT (Tax + Late List Penalties - Rebates and Releases)		ACCRUED INTEREST COLLECTED + COSTS COLLECTED		TOTAL CITY CASH COLLECTED (includes Tax, Penalties, Interest & Costs)		YEAR END CITY LEVY DUE	
	Regular	RMV	Regular	RMV	Regular	RMV	Regular	RMV
	Hendersonville		15,527.61		3,621.17		19,070.53	
Laurel Park		850.55		114.49		916.19		10,516.83
Saiuda		0.00		0.00		0.00		115.00
Fletcher		8,132.09		1,724.28		9,727.35		38,906.28
Flat Rock 51		148.59		23.45		170.18		1,023.83
Flat Rock 52		128.45		19.33		147.78		376.30
Flat Rock 56		8.17		0.91		9.08		27.40
Mills River		1,919.55		394.75		2,312.56		5,995.13
<b>TOTAL:</b>		<b>26,715.01</b>		<b>5,898.38</b>		<b>32,353.67</b>		<b>250,947.62</b>

**DELINQUENT PROPERTY TAX COLLECTED FOR FIRE DISTRICTS:**

FIRE DISTRICT	TOTAL SPECIAL DISTRICT LEVY CREDIT (Tax + Late List Penalties - Rebates and Releases)		ACCRUED INTEREST COLLECTED + COSTS COLLECTED		TOTAL SPECIAL DISTRICT CASH COLLECTED (includes Tax, Penalties, Interest & Costs)		YEAR END SPECIAL DISTRICT LEVY DUE	
	Regular	RMV	Regular	RMV	Regular	RMV	Regular	RMV
	Bat Cave	2,771.17	39.06	409.79	10.72	3,167.83	49.78	3,867.07
Blue Ridge	28,053.06	4,266.26	3,806.03	1,162.57	30,088.71	5,417.67	43,822.26	37,831.81
Dana	15,764.51	2,525.87	2,432.49	629.22	17,654.15	3,153.89	21,176.49	19,444.87
Edneyville	23,219.08	2,690.06	3,446.33	678.26	24,574.46	3,363.00	37,854.22	21,603.67
Etowah/HS	32,172.82	2,487.27	4,033.46	613.01	34,673.20	3,082.72	45,863.32	15,220.52
Fletcher	30,961.84	2,368.95	2,346.55	737.24	15,337.11	3,081.75	24,585.75	17,727.42
Gerton	2,728.45	177.26	314.28	48.04	3,042.44	225.30	1,548.38	1,098.04
Green River	7,275.42	888.72	1,143.09	256.36	8,107.49	1,121.43	24,768.47	6,199.35
Mills River	2,812.81	343.93	375.66	120.17	3,188.38	464.10	11,502.17	6,756.23
Mtn Home	15,693.12	3,780.11	2,420.59	1,004.77	17,458.57	4,784.07	23,517.39	28,424.31
Raven Rock	3,958.23	346.06	615.15	148.66	4,296.98	492.91	2,788.48	1,554.29
Valley Hill	20,828.89	2,665.20	3,057.49	498.86	22,705.57	3,161.70	18,414.91	17,937.06
Valley Hill #2	16.50	50.35	8.50	76.56	25.00	126.91	1,235.44	1,732.93
<b>TOTAL:</b>	<b>186,255.90</b>	<b>22,629.10</b>	<b>24,409.41</b>	<b>5,984.44</b>	<b>184,319.89</b>	<b>28,525.23</b>	<b>260,944.35</b>	<b>176,454.21</b>

**TOTAL DELINQUENT PROPERTY TAX COLLECTED:**

	TOTAL LEVY CREDIT	ACCRUED INTEREST COLLECTED + COSTS	TOTAL CASH COLLECTED	YEAR END LEVY DUE
	Total	Total	Total	Total
General County	1,568,361.83	269,967.26	1,665,225.78	3,643,813.83
Municipalities	26,715.01	5,898.38	32,353.67	250,947.62
Fire Districts	208,885.00	30,393.85	212,845.12	437,398.56
<b>TOTAL:</b>	<b>1,793,961.84</b>	<b>306,259.49</b>	<b>1,910,424.57</b>	<b>4,332,160.01</b>

**Notes:**

- (1) Differences in the sum of Levy Credit + Accrued Interest and Total Cash Collected is attributable to Rebates (aka Releases) and Refunds
- (2) The Year End Levy Due columns include amounts due for years prior to 2004 which are legally unenforceable.

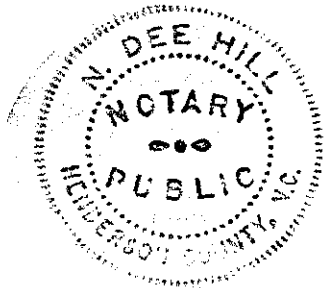
Respectfully Submitted,

*Stan C. Duncan*  
 Stan C. Duncan, Tax Collector

SWORN TO AND SUBSCRIBED BEFORE ME this 6 day of July, 2015.

*N. Dee Hill*  
 Notary Public

My Commission expires: 10-5-2016



# Tax Collector's Settlement

Report Before the  
Henderson County Board of Commissioners

15 July 2015

Stan C. Duncan  
County Assessor & Tax Collector

Phyllis Henderson  
Deputy Tax Collector

## Budget Ordinance for 2014-15FY

Section 1.B. Ad Valorem Tax Levy (page 3 of the Ordinance)

Tax rate of \$.5136 per \$100 of assessed valuation, is based on an estimated total valuation of \$12,355,000,000.00.

Real Property:	\$10,450,000,000
Personal Property:	840,000,000
Public Service Co's:	<u>215,000,000</u>
Sub-Total Annual Billing:	\$11,505,000,000
Registered Motor Vehicles:	850,000,000
TOTAL TAX BASE:	\$12,355,000,000

## Budget Ordinance for 2014-15FY

BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF HENDERSON COUNTY, NORTH CAROLINA, THIS 2<sup>nd</sup> DAY OF JUNE 2014:

### Section 1.B. Revenues (pages 3 and 4 of the Ordinance)

<u>Ad Valorem Taxes</u>	<u>\$ 62,688,780</u>
Current year general levy	\$ 60,768,780
(\$12.355B x .005136 = \$63,455,280 x .97 - \$782,842)	
Prior year taxes, interest and penalties	\$ 1,920,000

## 1st Goal; Meet Budgetary Charge

For the 2014-15FY; exceeded the charge of \$60,768,780.00, by **\$2,587,429.82** in taxes collected.

- COLLECTED A TOTAL of \$58,532,715.36 for ANNUAL Taxes Billed (inclusive of real, personal, & public service; and excl. RMV's).
- COLLECTED \$10,211.49 in RMV Taxes under legacy billing system.
- COLLECTED \$4,813,828.97 in RMV Taxes under the new VTS system (*Tax & Tag Together Program*).

For delinquent taxes (uncollected taxes from prior year billings),  
**COLLECTED \$1,799,097.15**  
**\$120,902.85 short** of the \$1,920,000.00, charge.

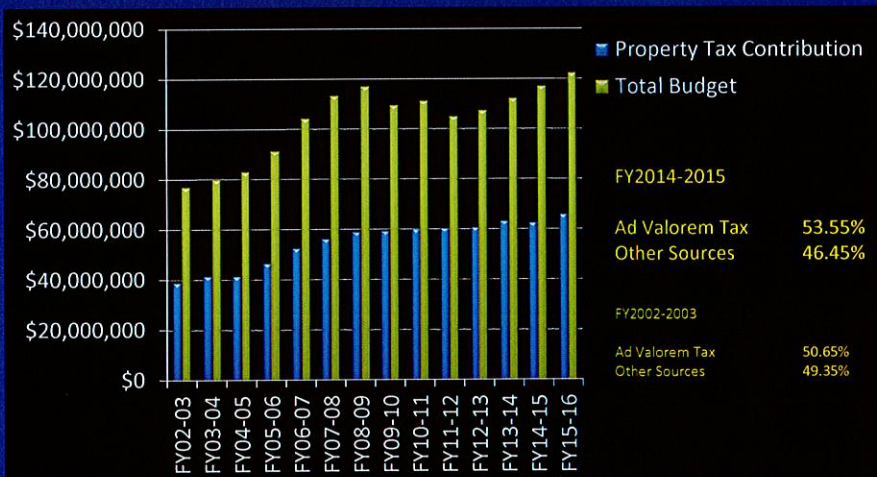


## 2<sup>nd</sup> Goal; meet collection %

Meet the expected percentage of tax to be collected, as stated in the Budget Ordinance, of 97%.

Under current guidelines: 98.28% (Annual only)  
 RMV's Only: 99.68%  
 With RMV's added: 98.39% (Aggregate)

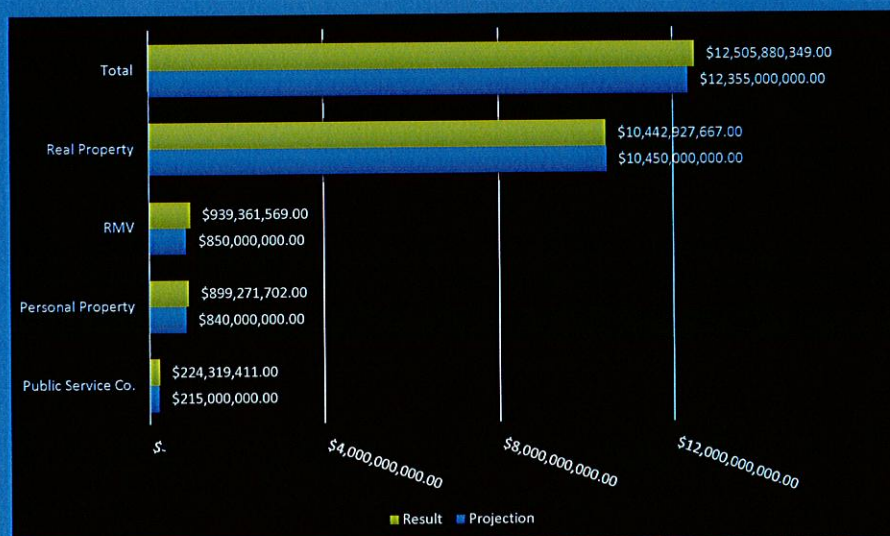
## Property Tax Contribution to Overall County Budget



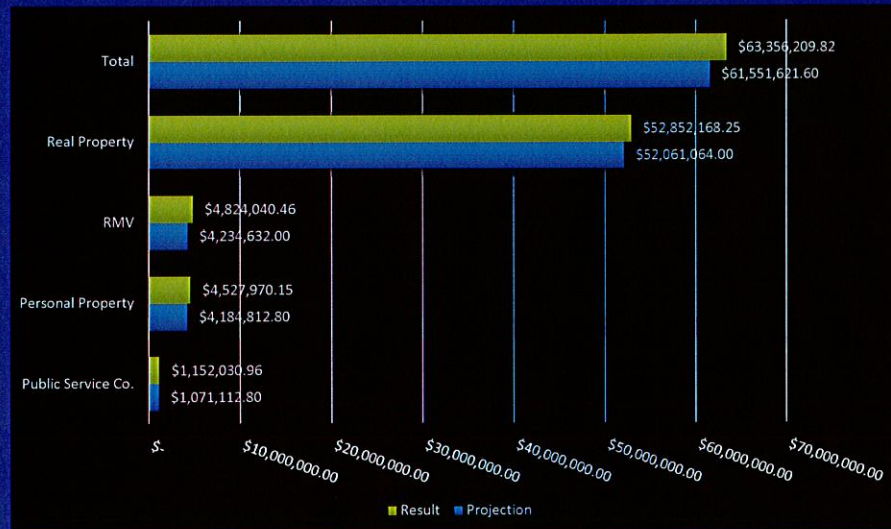
## Registered Motor Vehicle & Property Tax Collections

- Most significant change to the property tax program since the State adopted the *market value assessment standard* in 1973:
- Effective 1 September 2013, eight years after ratification by the NC General Assembly, **Tag & Tax Together** was implemented.
- Preliminary results for the 2014-15FY indicate a county-wide collection rate of 99.68%, with the county responsible for situs and value; and collections under the general purview of the NCDMV and its contracted license plate agencies.
- Additions to the delinquent tax levy from RMV's have been effectively eliminated, save for 2013-14FY and prior years.

## Appraised Value Projections vs. Results



## Revenue Projections vs. Results



## N.C.G.S. 105-373. Settlements.

Per NCGS 105-373(a)(3)b., The tax collector shall be credited with:

1. All sums representing taxes for the year deposited by him to the credit of the taxing unit or received for by a proper official of the unit;
2. Releases duly allowed by the governing body;
3. The principal amount of taxes constituting liens on real property;
4. The principal amount of taxes included in the insolvent list determined in accordance with subdivision (a)(2), above;
5. Discounts allowed by law (NOT applicable for Henderson County);
6. Commissions (if any) lawfully payable to the tax collector as compensation; (NOT applicable for Henderson County), and
7. The principal amount of taxes for any assessment appealed to the Property Tax Commission where the appeal has not been finally adjudicated.

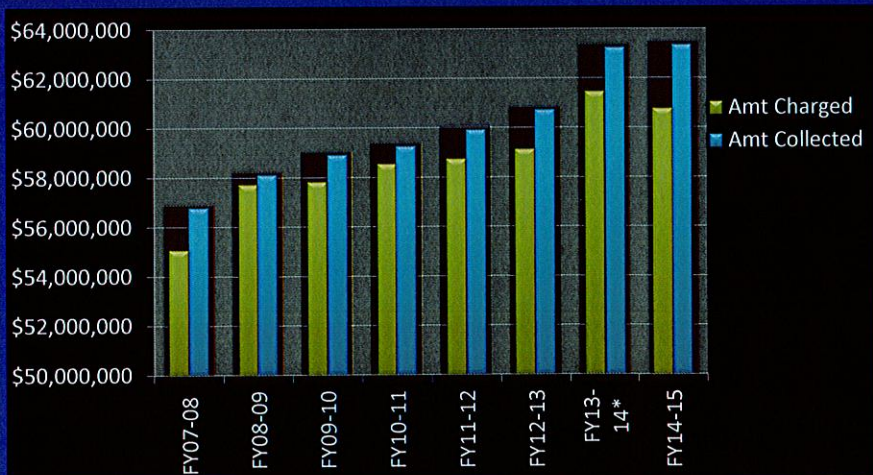
## Total Collected for 2014-15FY Taxes

As of 30 June 2015, compared to the original charge as stated in the 2014-15FY Budget Ordinance, tax collections were:

- **\$63,356,209.82** for 2014-15FY taxes;
- **\$2,587,429.82** above the original annual levy charge:
  - \$58,532,169.36 from Annual Bills
  - \$ 10,211.49 collected under RMV legacy system
  - \$ 4,813,828.97 collected under Tax & Tag Together
- **\$1,799,097.15** for delinquent taxes, fees, and interest **\$120,902.85 below** the delinquent charge, resulting in a NET collections of:

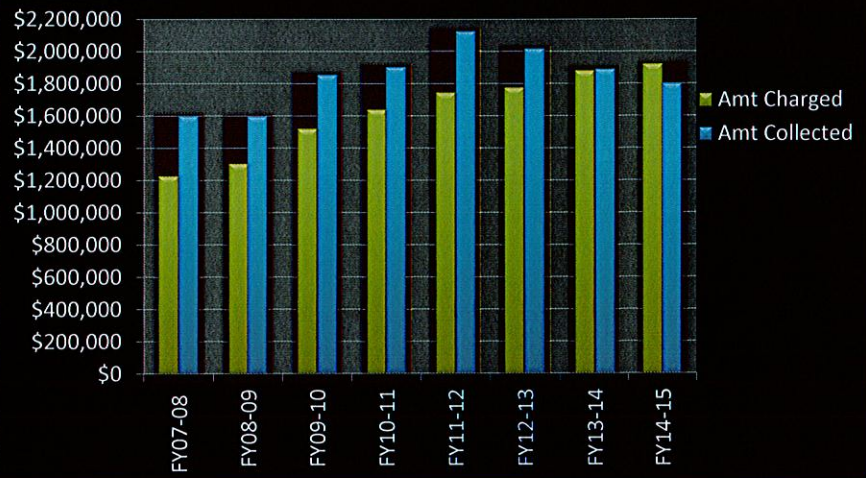
**\$2,466,526.97 ABOVE the Charge.**

## Annual Collections Activity All Years Cumulative

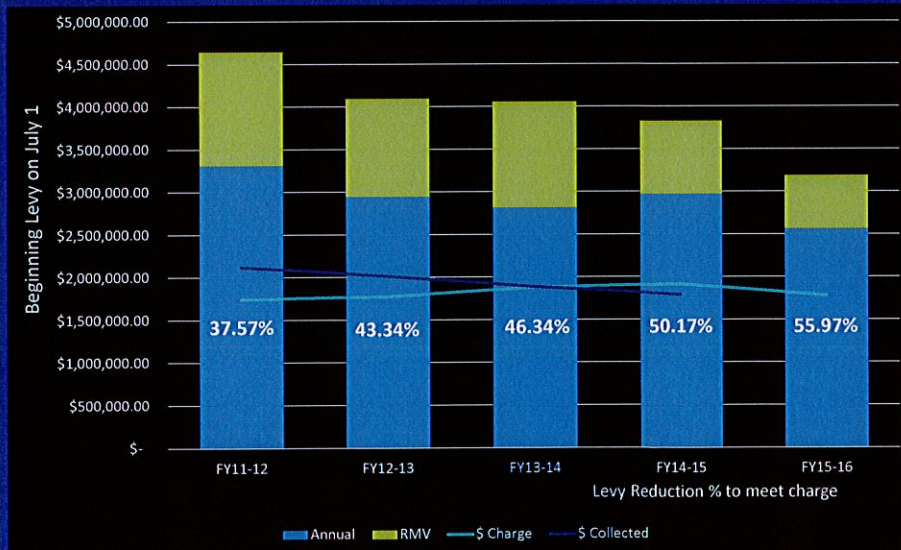


\*Please Note that FY2013-2014 Amount Collected reflects RMV collections under the original system and the new Tax & Tag Together Program combined in addition to Annual Collections.

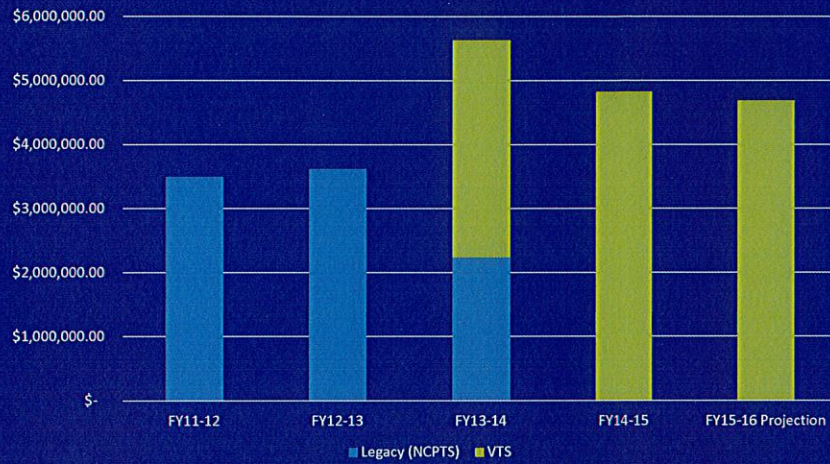
## DLQ Collections Activity All Years Cumulative



## Decrease in 10 Year Levy



## RMV Legacy & VTS Comparison



## Henderson County Bankruptcy Filings

Total Bankruptcy Filings in Henderson County FY2013-2014			
Chapter 7	Chapter 11	Chapter 13	Total
74	2	37	113

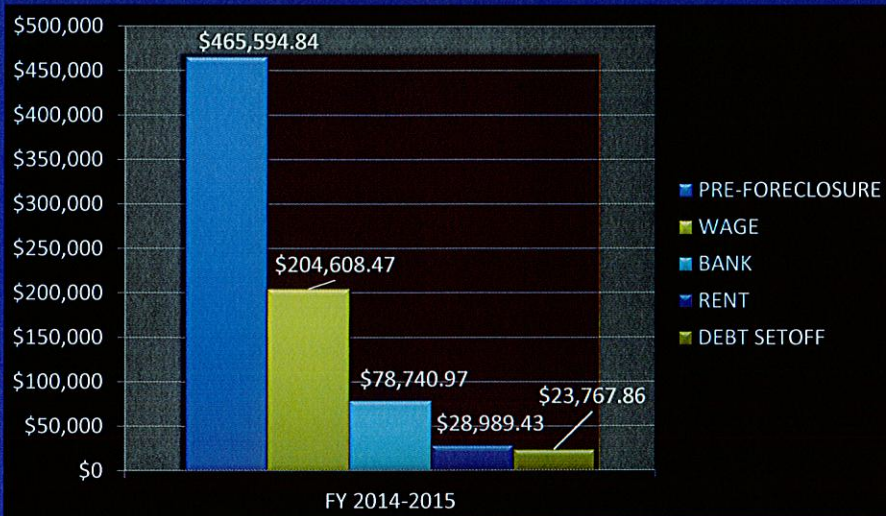
## Working with Property Owners

- Payment Extensions:
  - A payment extension is provided on a case by case basis and usually only involves Delinquent Real Property Taxes. It is an informal arrangement with our office to bring the delinquency current within 30, 60, or 90 days depending on the degree of financial hardship.
- Forebearance Agreements:
  - An agreement based on a true hardship where the taxpayer is involved and committed to a resolution based on financial information provided to us. This is provided on a case-by-case basis.
  - We have found this to be very effective in collecting taxes owed.

## Working with Property Owners

- We strive for a payment plan that will:
  - Work toward satisfying the delinquency and bring the taxpayer current in taxes owed the county.
- Payment Arrangements:
  - Number of arrangements FY 2013-2014: **47**
  - Total revenue under arrangement: **\$135,044.44**

## \$ Collected by Enforced Actions



Questions?