

2021-2022 FISCAL YEAR



ANNUAL SETTLEMENT

DEBRA P HILL

TAX ADMINISTRATOR

2021-2022 FISCAL YEAR

ANNUAL SETTLEMENT REPORT

SETTLEMENT REPORT HIGHLIGHTS

- The 2021-2022 overall collection percentage for all tax districts was **99.24%** for real estate, business and individual personal property. The collection percentage for the County was **99.18%**.
- Graph of current and prior years' collection percentage rates.
- 2021-2022 delinquent tax is **\$823,331.62**. Total delinquent taxes for all years is **\$2,271,521.79**. These amounts include **\$116,526.33** due to bankruptcy.
- The Registered Motor Vehicle collection percentage was **99.72%**. This percentage is for the taxes at the time of tag renewal.
- The average statewide tax collection percentage from the Local Government Commission for annual taxes for 2019-2020 was **99.10%**.
- The amount of discount given for early payment was **\$1,517,439**. This represents 69.65% of annual taxes paid during the discount period.
- Minimal Tax Report. The total amount released for \$3.50 or less original principal amount tax bill was **\$4,558**.
- Total number of property tax bills for 2021-2022 was 101,287 and Property taxes were paid on 154,665 registered motor vehicles at the time of tag renewal.
- A total of 50 properties were posted for sale but only 10 actually sold. The remaining were paid before their sale date.

Annual Settlement for Year Ending June 30, 2022
Report for All Districts

Real, Individual, Business and Public Utilities

	<u>All Districts</u>
Beginning Balance Current	\$106,089,878.00
Public Utilities	\$3,225,546.00
Supplemental & Discoveries	\$1,436,300.00
Advertising Fee	\$15,810.00
Less Adjustments & Releases	<u>\$1,826,851.00</u>
Net Levy	\$108,940,683.00

Collections Current	\$108,117,351.00	99.24% Collection Rate
Collections Delinquent	<u>\$632,558.00</u>	
Total Collections	\$108,749,909.00	

Total Ending Receivables \$2,271,522.00

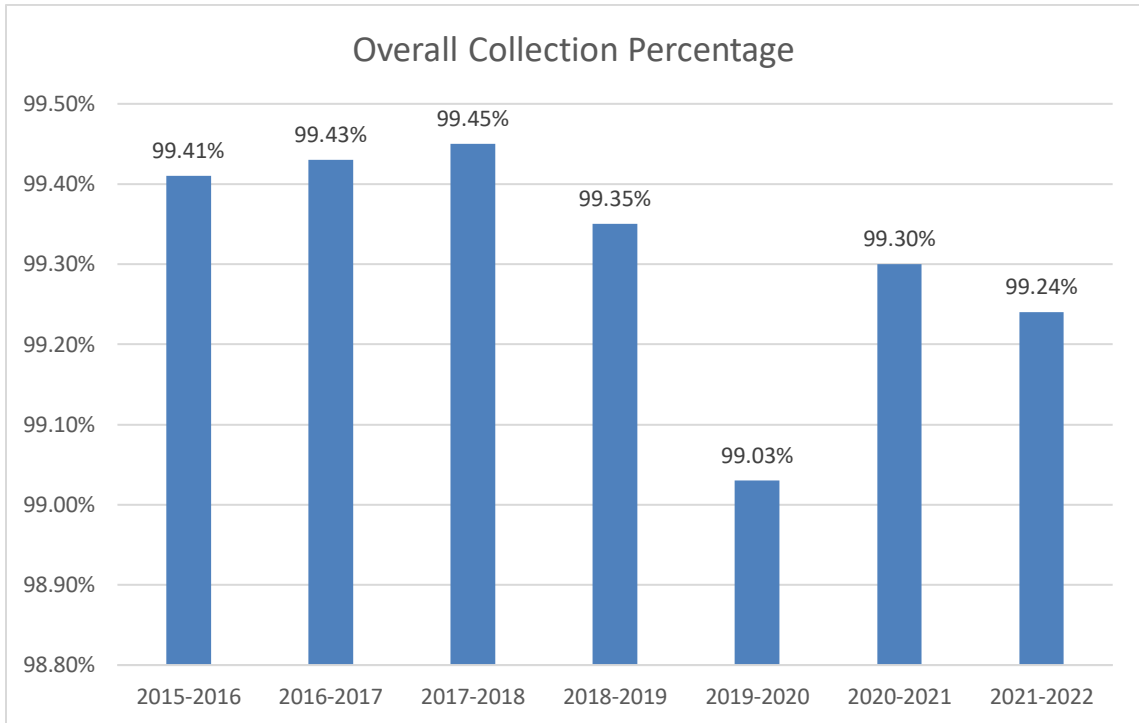
Releases for Real, Individual, Business, Public Utilities & Registered Motor Vehicles

Discount Releases	\$1,517,439.00
Less Than \$3.50 Minimum Bill	\$4,558.00
Releases & adjustments Current	\$304,854.00
Releases & adjustments Prior	\$20,622.00

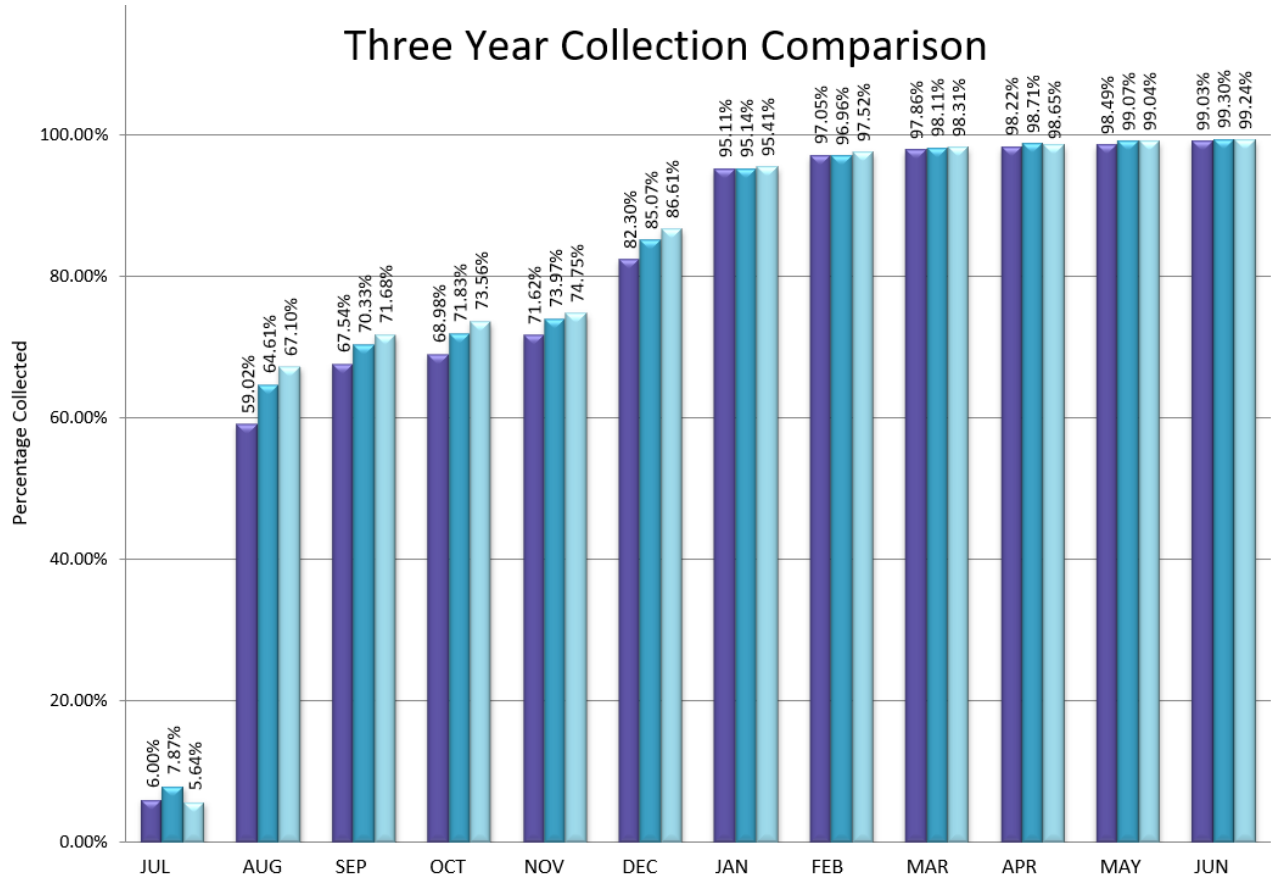
Other Fees Collected

Current Year Fee Collection	\$810,931.00
Prior Year Fee Collection	\$159,615.00
RMV Current Fee Collection	\$0.00
RMV Prior Fee Collection	\$4,547.00

Overall Collection Percentage



THREE YEAR COLLECTION COMPARISON



2021-2022 Fiscal Year
DELINQUENT LIST

Real Estate	\$522,559.10
Public Utility	\$0.00
Business Personal Property (Includes \$1,205.31 in Delinquent GAP Bills)	\$131,431.67
Individual Personal Property (Includes \$50,385.76 in Delinquent GAP Bills)	<u>\$169,340.85</u>
	\$823,331.62

Uncollectable Taxes for Fiscal Years 2012-2021 due to Bankruptcy

Uncollectable Taxes for Fiscal Years 2012-2021 due to Bankruptcy

<u>Bankruptcy</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
BK 07	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BK 11	\$25.31	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BK 13	\$4.37	\$74.39	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BK 12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PP BK	\$17,025.47	\$14,435.62	\$6,240.02	\$6,466.59	\$7,337.65	\$6,558.01	\$10,682.73	\$15,845.30	\$12,466.60	\$19,364.27
Total:	\$17,055.15	\$14,510.01	\$6,240.02	\$6,466.59	\$7,337.65	\$6,558.01	\$10,682.73	\$15,845.30	\$12,466.60	\$19,364.27

2012-2021 Total Uncollectable Taxes: \$116,526.33

BK07	chapter 7	Bankruptcy usually lasts only 3-6 months- no asset
BK11	chapter 11	Bankruptcy filed by businesses who are reorganizing
BK13	chapter 13	Bankruptcy can last as long as 5 - 6 years - payments received through courts
PPBK	post-petition	Bankruptcy claims for real estate chapter 13 bills and other bills incurred after initial filing



NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA

STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION

GREGORY C. GASKINS
DEPUTY TREASURER

Memorandum #2022-03

TO: County Officials and Certified Public Accountants

FROM: Susan McCullen, Director, Fiscal Management Section

SUBJECT: Management of Cash and Taxes and Fund Balance Available - Counties - for the Fiscal Year ended June 30, 2020

DATE: August 11, 2021

This publication provides comparative cash and investment, fund balance available, and tax levy information of county governments for the fiscal year ended June 30, 2020. As in the past, we have added the county assessment-to-sales ratios and have calculated effective tax rates. (Note: the effective tax rate is calculated by multiplying the county-wide tax rate by the assessment-to-sales ratio.) Providing the effective tax rates should result in a better comparison of tax rates between counties, given those counties are at different points on their revaluation cycles. In addition, the average unit-wide effective tax rates for the last five fiscal years are presented. The statistics provide a range of highest and lowest items within a grouping and the mathematical average. Tax collection percentages and average tax collection percentages are presented for all property, all property other than motor vehicles, and for motor vehicles only. This analysis presents information for the State as a whole and the following population groupings: 100,000 and above; 50,000 to 99,999; 25,000 to 49,999; and 24,999 and below. Please note that both Cleveland and Moore counties moved into the 100,000 and above population group from the 50,000 to 99,999 population group, and Anson County moved from the 25,000 to 49,999 group to the under 25,000 group.

County officials are encouraged to compare their own performances to similar counties and to statewide averages. Such comparisons may identify opportunities for improvement or may indicate improved performances from previous fiscal years. For those counties with below average tax collection rates, collection procedures should be reviewed to determine if more effective means of collection are available. An improvement in tax collection rates provides numerous benefits to counties. It provides more revenues to finance programs, generates additional funds for the investment program, and allows the property tax rate to be lower than would otherwise be necessary. The School of Government at the University of North Carolina at Chapel Hill offers courses in tax collection that may benefit tax collectors in carrying out their statutory responsibilities.

We encourage local officials to consider consolidating the property tax functions of counties and municipalities. Memorandum #692, Consolidating County and Municipal Property Tax Functions and Memorandum #929, Results of Municipal and County Survey on Consolidating and Billing of Tax Functions, which discuss joint arrangements utilized by many counties and municipalities, are available on our website. Consolidating the property tax functions should provide more economical use of equipment, office personnel, supplies, and postage. A single tax billing and collection office would simplify taxpayers' efforts to pay and inquire about the status of their taxes. Also, especially for smaller units, a consolidated office should be able to enforce tax collections (attachment and garnishment, levy and foreclosure) at a lower cost. In a cooperative relationship, municipal officials may be able to provide information on delinquent taxpayers that may help facilitate collection of county taxes due.

3200 ATLANTIC AVE, RALEIGH, NORTH CAROLINA 27604

Courier #56-20-45 Telephone (919) 814-4300 Fax (919) 855-5812

Website: www.NCTreasurer.com

Memorandum #2022-03

County Cash, Taxes and Fund Balance Available, June 30, 2020

August 11, 2021

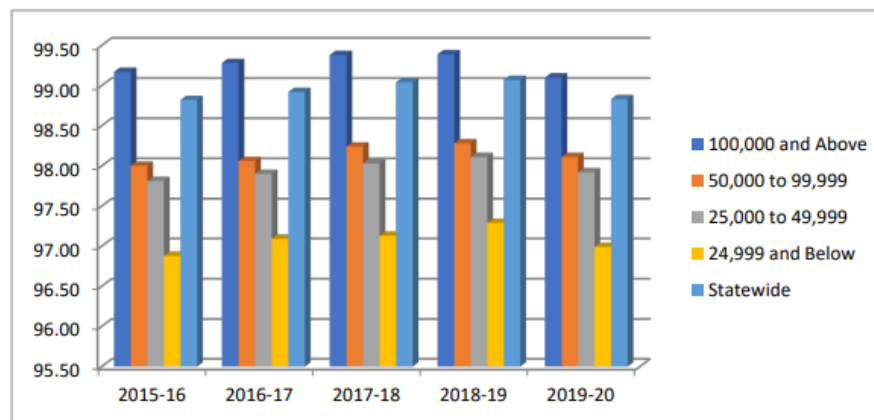
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The statewide and population grouping tax collection percentages over the last five fiscal years are as follows:

Average Current Year Tax Collection Percentages

Population Grouping	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Statewide	98.82%	98.92%	99.04%	99.07%	98.83%
100,000 and above	99.17%	99.28%	99.38%	99.39%	99.10%
50,000 to 99,999	98.00%	98.06%	98.24%	98.28%	98.11%
25,000 to 49,999	97.81%	97.90%	98.03%	98.11%	97.96%
24,999 and below	96.88%	97.09%	97.13%	97.29%	96.99%

Average Tax Collection Percentages By Year



The average statewide tax collection percentage for 2019-20 decreased slightly across all population groups, with the largest drop coming in the smallest population group. Overall, the tax collection percentages for most units in the State remain high, but there is room for improvement in some instances.

An overall trend shows that tax collection percentages for counties vary according to population, with the largest counties having the highest tax collection percentages. This trend is consistent for the four preceding years. Within each population grouping, there may be substantial variation in collection rates, meaning that not all small counties have lower tax collection rates and vice versa. Again, our overall collection rates remain high, regardless of population group.

STATE OF NORTH CAROLINA

COUNTY OF RANDOLPH

TAX COLLECTOR'S REPORT OF
MINIMAL TAXES PURSUANT TO
G.S. 105-321(f)

Debra Hill, Randolph County Tax Collector, being duly sworn, deposes and says the following:

A complete list of minimal taxes when the "total original principal amount is \$3.50 or less" is available for inspection. The total amount as of July 1, 2022, is \$4,558.

Debra Hill

Randolph County Tax Administrator

§ 105-373. Settlements.

(a) Annual Settlement of Tax Collector. –

(1) Preliminary Report. – After July 1 and before he is charged with taxes for the current fiscal year, the tax collector shall make a sworn report to the governing body of the taxing unit showing:

a. A list of the persons owning real property whose taxes for the preceding fiscal year remain unpaid and the principal amount owed by each person; and

b. A list of the persons not owning real property whose personal property taxes for the preceding fiscal year remain unpaid and the principal amount owed by each person. (To this list the tax collector shall append his statement under oath that he has made diligent efforts to collect the taxes due from the persons listed out of their personal property and by other means available to him for collection, and he shall report such other information concerning these taxpayers as may be of interest to or required by the governing body, including a report of his efforts to make collection outside the taxing unit under the provisions of G.S. 105-364.) The governing body of the taxing unit may publish this list in any newspaper in the taxing unit. The cost of publishing this list shall be paid by the taxing unit.

(2) Insolvents. – Upon receiving the report required by subdivision (a)(1), above the governing body of the taxing unit shall enter upon its minutes the names of persons owing taxes (but who listed no real property) whom it finds to be insolvent, and it shall by resolution designate the list entered in its minutes as the insolvent list to be credited to the tax collector in his settlement.

(3) Settlement for Current Taxes. – After July 1 and before he is charged with taxes for the current fiscal year, the tax collector shall make full settlement with the governing body of the taxing unit for all taxes in his hands for collection for the preceding fiscal year.

a. In the settlement the tax collector shall be charged with:

1. The total amount of all taxes in his hands for collection for the year, including amounts originally charged to him and all amounts subsequently charged on account of discoveries;
2. All penalties, interest, and costs collected by him in connection with taxes for the current year; and
3. All other sums collected by him.

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 receipted 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;
6. Commissions (if any) lawfully payable to the tax collector as compensation; and G.S. 105-373
7. The principal amount of taxes for any assessment appealed to the Property Tax Commission when the appeal has not been finally adjudicated.

The tax collector shall be liable on his bond for both honesty and faithful performance of duty; for any deficiencies; and, in addition, for all criminal penalties provided by law.

The settlement, together with the action of the governing body with respect thereto, shall be entered in full upon the minutes of the governing body.

(4) Disposition of Tax Receipts after Settlement. – Uncollected taxes allowed as credits in the settlement prescribed in subdivision (a)(3), above, whether represented by tax liens held by the taxing unit or included in the list of insolvents, shall, for purposes of collection, be recharged to the tax collector or charged to some other person designated by the governing body of the taxing unit under statutory authority. The person charged with uncollected taxes shall:

- a. Give bond satisfactory to the governing body;
- b. Receive the tax receipts and tax records representing the uncollected taxes;
- c. Have and exercise all powers and duties conferred or imposed by law upon tax collectors; and
- d. Receive compensation as determined by the governing body.

(b) Settlements for Delinquent Taxes. – Annually, at the time prescribed for the settlement provided in subdivision (a)(3), above, all persons having in their hands for collection any taxes for years prior to the

year involved in the settlement shall settle with the governing body of the taxing unit for collections made on each such year's taxes. The settlement for the taxes for prior years shall be made in whatever form is satisfactory to the chief accounting officer and the governing body of the taxing unit, and it shall be entered in full upon the minutes of the governing body.

(c) Settlement at End of Term. – Whenever any tax collector fails to succeed himself at the end of his term of office, he shall, on the last business day of his term, make full and complete settlement for all taxes (current or delinquent) in his hands and deliver the tax records, tax receipts, tax sale certificates, and accounts to his successor in office. The settlement shall be made in whatever form is satisfactory to the chief accounting officer and the governing body of the taxing unit, and it shall be entered in full upon the minutes of the governing body.

(d) Settlement upon Vacancy during Term. – When a tax collector voluntarily resigns, he shall, upon his last day in office, make full settlement (in the manner provided in subsection (c), above) for all taxes in his hands for collection. In default of such a settlement, or in case of a vacancy occurring during a term for any reason, it shall be the duty of the chief accounting officer or, in the discretion of the governing body, of some other qualified person appointed by it immediately to prepare and submit to the governing body a report in the nature of a settlement made on behalf of the former tax collector. The report, together with the governing body's action with respect thereto, shall be entered in full upon the minutes of the governing body. Whenever a settlement must be made in behalf of a former tax collector, as provided in this subsection (d), the governing body may deliver the tax receipts, tax records, and tax sale certificates to a successor collector immediately upon the occurrence of the vacancy, or it may make whatever temporary arrangements for the collection of taxes as may be expedient, but in G.S. 105-373 no event shall any person be permitted to collect taxes until he has given bond satisfactory to the governing body.

(e) Effect of Approval of Settlement. – Approval of any settlement by the governing body does not relieve the tax collector or his bondsmen of liability for any shortage actually existing at the time of the settlement and thereafter discovered; nor does it relieve the collector of any criminal liability.

(f) Penalties. – In addition to any other civil or criminal penalties provided by law, any member of a governing body of a taxing unit, tax collector, or chief accounting officer who fails to perform any duty imposed upon him by this section shall be guilty of a Class 1 misdemeanor.

(g) Relief from Collecting Insolvents. – The governing body of any taxing unit may, in its discretion, relieve the tax collector of the charge of taxes owed by persons on the insolvent list that are five or more years past due when it appears to the governing body that such taxes are uncollectible.

(h) Relief from Collecting Taxes on Classified Motor Vehicles. The board of county commissioners may, in its discretion, relieve the tax collector of the charge of taxes on classified motor vehicles listed pursuant to G.S. 105-330.3(a)(1) that are one year or more past due when it appears to the board that the taxes are uncollectible. This relief, when granted, shall include municipal and special district taxes charged to the collector. (1939, c. 310, s. 1719; 1945, c. 635; 1947, c. 484, ss. 3, 4; 1951, c. 300, s. 1; c. 1036, s. 1; 1953, c. 176, s. 2; 1955, c. 908; 1967, c. 705, s. 1; 1971, c. 806, s. 1; 1983, c. 670, s. 22; c. 808, ss. 5-7; 1987, c. 16; 1991, c. 624, s. 3; 1991 (Reg. Sess., 1992), c. 961, s. 10; 1993, c. 539, s. 726; 1994, Ex. Sess., c. 24, s. 14(c); 1997-456, s. 27; 2006-30, s. 7.)