

Meeting of the Hoke County Board of Commissioners on Monday, September 19, 2016 at 7:00 pm in the Commissioners Room of the Pratt Building.

MEMBERS PRESENT:

Harry Southerland, Vice Chairman
Tony Hunt
Robert Wright
Allen Thomas, Jr.

OTHERS PRESENT:

Letitia Edens, County Manager
Grady Hunt, County Attorney
Gwen McGougan, Clerk to the Board

MEMBERS ABSENT:

James Leach, Chairman

Vice Chairman Southerland called the meeting to order with a quorum present and welcomed everyone.

Commissioner Hunt gave the invocation and Commissioner Wright led the Pledge of Allegiance.

ITEM 1. ADOPTION OF AGENDA

Motion: Commissioner Wright made a motion to approve the agenda, seconded by Commissioner Thomas.

Action: The motion passed unanimously.

ITEM 2. CONSENT AGENDA

- a. Minutes from the September 6, 2016 meeting
- b. NC Vehicle Tax System Pending Refund Report – Total \$724.70
- c. Finance:
 1. 2017 Contract with NC Forestry Service
 2. Surplus items for Jail and Sheriff Department
 3. Budget Amendments

Motion: Commissioner Wright made a motion to approve items a-c on the Consent Agenda, seconded by Commissioner Hunt.

Action: The motion passed 4-0.

ITEM 3. TAX COLLECTOR'S REPORT

HOKE COUNTY TAX COLLECTOR'S REPORT
9/19/2016

Tax Levy 2016		\$26,866,312.24
Additons to Levy YTD		\$4,263.94
Total 2016 Levy to Date		\$26,870,576.18
Refunds 2016		\$31,990.16
Releases/Abatements		\$2,009.64
Discounts		\$369,444.89
Adjustments		\$0.00
Write Offs		\$33.52
Advertising Charged 2016 Tax Bills		
Collectable Levy to Date		\$26,868,813.34
Collected To Date		\$19,947,138.74
Uncollected Balance 2016 Tax Levy (1)		<u>\$6,921,674.60</u>

Collections August 2016	\$19,217,613.47	
Releases August 2016	\$2,009.64	
Percent of Levy Collected (Receipts)	74.24%	
Percent of Levy Collected (Releases, Etc.)	0.01%	

Prior Years Tax Levy August 1, 2016		\$2,681,435.95
Prior Years Collected in August 2016 To Date		\$185,102.71
Uncollected Balance Before Releases		\$2,661,347.10
Refunds		\$2,241.63
Releases/Abatements		\$23,718.77
Discounts		\$0.00
Adjustments		\$133.00
Write Offs/Insolvent		\$4,758.49
Uncollected Balance Prior Years (2)		<u>\$2,476,244.39</u>

Prior Years Collected in August 2016	\$92,894.84	
Releases Prior Years August 2016	\$863.48	
Percent Prior Years Collected (Receipts)	6.90%	
Percent Prior Years Collected (Releases.Etc.)	0.88%	
Total Uncollected Taxes (1+2)		<u>\$9,397,918.99</u>

2015 Taxes

Tax Levy August 2015		\$26,576,370.99
Collections August 2015		\$18,386,079.42
Releases August 2015		\$3,382.19
Percent Collected (Receipts)	73.04%	
Percent Collected (Releases,Etc.)	0.02%	
Prior Years Tax Levy August 2015		\$2,321,670.11
Collections August 2015		\$103,951.87
Releases August 2015		\$0.00
Insolvent		\$0.00
Percent Collected (Receipts)	8.87%	
Percent Collected (Releases,Etc.)	0.00%	

ITEM 4. TAX ASSESSOR’S REPORT/RELEASES

OWNER	YEAR	REASON	AMOUNT
Appliance Warehouse of America	2016	Business listing error	7.03
George Britt	2016	Data entry error	18.70
J.A. Dezerne Heirs	2016	Transfer error	54.38
Kennedy Garcia	2016	MH moved out of county 2015	43.52
Edward Hall	2015	Data entry error	120.12
Edward Hall	2016	Boat trailer double listed	18.48
Bennie Lee Kelly	2016	Solid waste fee error-vacant land	128.00
Herman Knight	2016	Military exempt	18.26
M3 Investments	2016	Transfer error	329.60
Daniel Parker	2016	Solid waste fee error-vacant land	128.00
Brandon Ryan	2016	Valuation error	13.69
Catrina Toutant	2016	Solid waste fee error-storage MH	128.00
John Waldrop	2016	Assessment correction	14.69
Total			1,022.47

Motion: Commissioner Hunt made a motion to approve the releases totaling \$1,022.47 as presented by the tax collector, seconded by Commissioner Wright.

Action: The motion passed unanimously

ITEM 5. PUBLIC BUILDINGS: SERVICE AGREEMENT WITH NATIONAL POWER FOR COUNTY’S GENERATORS

The County Attorney explained to the Board that Public Buildings would like to add four generators to the generator maintenance agreement. Commissioner Thomas said that he would like to see the original agreement.

Motion: Commissioner Wright made a motion to table this matter until the October 3, 2016 meeting in order to give the Board time to review the original agreement, seconded by Commissioner Hunt.

Action: The motion passed unanimously

ITEM 6. SPLASH PAD UPDATE

The County Manager informed the Board that the contractor, Metro Greenscape, had yet to secure a bond. The County Attorney has given the contractor a deadline of 5:00 pm Wednesday to provide evidence that they have secured a bond. If they do not meet this deadline, the Board will authorize the County Manager to begin the process of advertising for new bids on the project.

Motion: Commissioner Thomas made a motion to give the Manager authorization to proceed with Requests for Proposals if Metro Greenscape does not provide evidence that they have secured a bond by 5:00 pm Wednesday, September 21, 2016, seconded by Commissioner Wright.

Action: The motion passed unanimously

ITEM 7. HOKE COUNTY POLICY: SALE OF PROPERTY OWNED BY HOKE COUNTY

The County Attorney explained to the Board that the policy on the disposal of surplus property is intended to put into policy the practices for the sale of surplus property that the County has obtained through the tax foreclosure process. Highlights of the policy include a formula for calculating the minimum bid for property, the procedure for recalculating the minimum bid if the property is still in the County's possession after one year, collection of advertising fees and the responsibilities of County staff during the process.

Vice-Chairman Southerland asked Mrs. Dudley, the Tax Collector, if she had any comments on the new policy. She had no issues with any of the provisions of the policy. Commissioner Thomas asked Mrs. Dudley if there are provisions in place to prevent the sale of foreclosed property for less than the amount owed on taxes or the amount of the property value. Commissioner Wright explained that when property has been vacant for a period of time, the homes are susceptible to vandalism and falling into disrepair, thus lowering the property value. Mrs. Dudley reminded the Board that they have the option to reject any bid at any time. Commissioner Thomas asked if there's a procedure in place to prevent taxpayers from getting so far behind. Mrs. Dudley said that she and her staff are getting more aggressive by pursuing accounts that are at least three years behind. Vice Chairman Southerland said he thinks that this policy is a good start, but he'd like for Mrs. Dudley, the Manager and the Attorney to meet about getting the oldest delinquent accounts settled.

Motion: Commissioner Wright made a motion to approve the HOKE COUNTY POLICY REGARDING THE SALE OF REAL PROPERTY OWNED BY HOKE COUNTY AS A RESULT OF TAX FORECLOSURE as written, seconded by Commissioner Thomas.

Action: The motion passed unanimously

**THE HOKE COUNTY POLICY
REGARDING THE SALE OF REAL PROPERTY OWNED BY HOKE COUNTY
AS A RESULT OF A TAX FORECLOSURE SALE**

Purpose. The purpose of this policy is to establish a system that will promote a fair and effective means for anyone to buy property which Hoke County has obtained at a tax foreclosure sale.

Authority. Hoke County hereby adopts this policy under the authority granted by North Carolina General Statutes Sections 105-376(c), 153A-176, 160A-267, and 160A-269. All of said statutes are fully set forth in Appendix A.

**S e c t i o n I
Overview of Bid Process**

1. The Hoke County Board of Commissioners shall designate as surplus property any property the County obtains at a tax foreclosure sale unless the property is permanently dedicated by the County to use for a public purpose. The Hoke County Board of Commissioners shall adopt a resolution declaring the property surplus property and authorizing the disposition of the property.
2. Hoke County shall advertise all surplus property on their official website at www.hokecounty.org.
3. Hoke County, through the Clerk to the Board of Commissioners, will accept bids on surplus real property which Hoke County has obtained through a property tax foreclosure proceeding and which are identified by a Parcel Identification Number in the Tax Mapping Department of the Hoke County Tax Office.
4. During the first year that any surplus property is advertised on the Hoke County website, the minimum bid for such property shall be such amount as Hoke County paid to obtain the property at the tax foreclosure sale.
5. During the first year that any surplus property is advertised on the Hoke County website, any bid received on surplus property that is less than such amount as Hoke County paid to obtain the property at the tax foreclosure sale will be automatically rejected by the Clerk to the Board of Commissioners.
6. The Clerk to the Board of Commissioners shall notify the bidder of the rejection of their bid.
7. During the second year that any surplus property is advertised on the Hoke County website, the minimum bid for such property shall be at least seventy five percent (75%) of such amount as Hoke County paid to obtain the property at the tax foreclosure sale.
8. During the second year that any surplus property is advertised on the Hoke County website, any bid received on surplus property that is less than at least seventy five percent (75%) such amount as Hoke County paid to obtain the property at the tax foreclosure sale will be automatically rejected by the Clerk to the Board of Commissioners.
9. The Clerk to the Board of Commissioners shall notify the bidder of the rejection of their bid.

10. If surplus property is advertised on the official website of Hoke County for two years and no bids are received that is equal to at least seventy five percent (75%) of such amount as Hoke County paid to obtain the property at the tax foreclosure sale, any bids received thereafter on the surplus property shall be presented to the Board of Commissioners for a proposed acceptance. The Board of Commissioners has the right to either accept or reject the offer on surplus property as set forth in the North Carolina General Statutes §160A-269.
11. If the Board of Commissioners adopts a resolution authorizing the advertisement of an offer to purchase surplus property, the bidder shall be required to pay to the County, through the Finance Department, a bid deposit in the amount of 5% of the proposed bid or \$150.00, whichever is greater. The bidder must also pay the County \$60.00 or the current rate for publication, to cover the costs of advertisement for publication of the Notice of Offer.
12. After the Board of Commissioners proposes to accept the bidder's offer and the bidder deposits the required amount of funds with the County, the clerk to the Board of Commissioners shall cause a "Notice of Offer" to be published in a newspaper of local circulation in accordance with NCGS §160A-269. Such notice shall state that any person may raise the bid by an amount not less than 10% of the first \$1,000 and 5% thereafter, within ten (10) days of the date of publication.
13. The clerk to the Board of Commissioners shall obtain an "Affidavit of Publication" from the newspaper of the publishing of the "Notice of Offer".
14. Ten (10) days from the date of publication shall be allowed for any upset bids. Any upset bid must increase the prior bid by an amount not less than 10% of the first \$1,000, and 5% thereafter, in order to be a valid upset bid. If no upset bids are received in the ten (10) day period, the offer shall go before the Board of Commissioners for final acceptance of the offer and authorization of sale.
15. If an upset bid is received during the ten (10) day period, the upset bidder shall deposit with the County an upset bid deposit in the amount of 5% of the upset bid, or \$150.00, whichever is greater. The upset bidder will also pay to the County \$60.00 to cover the cost of advertising the upset bid.
16. The clerk to the Board of Commissioners shall cause a "Notice of Upset Bid" to be published in a newspaper of local circulation in accordance with NCGS §160A-269. Such notice shall state that any person may raise the upset bid by an amount not less than 10% of the first \$1,000 and 5% thereafter, within ten (10) days of the date of publication.
17. The clerk to the Board of Commissioners shall obtain an "Affidavit of Publication" from the newspaper of the publishing of the "Notice of Upset Bid".
18. Ten (10) days from the date of publication will again be allowed for any other upset bids.
19. The entire process shall continue until a ten (10) day period passes following the date of publication of a bid without any further upset bids being received. At this point in time, the last bid received shall go before the Board of Commissioners for final acceptance of the offer and authorization of sale.

20. The clerk to the Board of Commissioners shall notify the bidder of the acceptance of their bid.
21. The Finance Officer will be responsible for making sure that all bid deposits from other bidders on the subject property are refunded upon final acceptance of sale by the Board of Commissioners.
22. Upon final acceptance of an offer and approval of a sale by the Hoke County Board of Commissioners, the bidder shall pay the balance of his bid to the County Attorney's office in trust in its entirety within thirty (30) calendar days of final acceptance of an offer and approval of a sale by the Hoke County Board of Commissioners by cash, cashier's check or money order. If the bidder fails to pay the balance of his bid to the County Attorney's office in trust in its entirety within thirty (30) calendar days of final acceptance of an offer and approval of a sale by the Hoke County Board of Commissioners, the bidder shall forfeit his deposit and the right to purchase the surplus property.
23. After the bidder has made payment to Hoke County for the entire amount of his bid and the recording fee for the deed, Hoke County shall execute a non-warranty deed to the bidder. The clerk to the Board of Commissioners shall be responsible for recording the deed and mailing the original deed to the bidder.
24. The Hoke County Board of Commissioners may at any time reject any bid received.

S e c t i o n I I

Responsibility of Parties

A. Responsibility of Personnel

1. County personnel shall inform the surplus property bidders that all the surplus properties are maintained on the County's official website at www.hokecounty.org.

B. Responsibility of Initial Bidders on Foreclosed Property

1. Any person interested in buying surplus property in Hoke County shall first obtain the parcel identification number of said property through the Hoke County Tax Department, GIS Division.
2. After obtaining the parcel identification number, the bidder shall submit his bid to the clerk to the Board of Commissioners. The bidder must identify the property by the parcel identification number obtained in the Tax Mapping GIS Division before the Tax Collector will take the bid.
3. The clerk to the Board of Commissioners shall fill out the necessary forms, including the Offer to Purchase, and the Individual Information Sheet; however, the bidder shall be required to assist the clerk to the Board of Commissioners by supplying the clerk to the Board of Commissioners with any and all necessary information, including the bidder's name, address, telephone number, the parcel identification number, and the amount of his or her bid. The bidder shall be required to sign the necessary documents.

4. If the Board of Commissioners proposes to accept the bidder's offer, the bidder shall pay to the County, through the Finance Department, a bid deposit in the amount of 5% of the bid, or \$150.00, whichever is greater, plus \$60.00, or the current rate for publication, for advertising costs.
5. If the initial bid is not upset within the ten (10) days after it is advertised, the bid shall go before the Board of Commissioners for final acceptance and authorization of sale. If the Board accepts the bid and approves the sale, the bidder shall be required to pay the entire bid price to the County as set forth above before a deed is recorded.

Section III Prior Owners

The Hoke County Board of Commissioners may, in its discretion, "resell such property to the former owner, or to any other person having an interest in the property at a private sale for an amount not less than the taxing unit's interest therein if it holds the property as sole owner or for an amount not less than the total interests of all taxing units (other than special assessments due the taxing unit holding title) if it holds the property for the benefit of all such units." N.C.G.S. 105-376(c). The procedures outlined in N.C.G.S. 160A-267 governing private sales shall be followed.

1. The clerk to the Board of Commissioners shall proceed in exactly the same manner for prior owners or other interest holders as is set out in Section II, Part B. The clerk to the Board of Commissioners shall have all documentation available at the meeting at which the Board of Commissioners considers the bid of the prior owner or other interest holder.
2. The County Attorney shall bring the matter before the Board of Commissioners for their consideration and decision. The County Attorney shall further be responsible for preparing the Resolution authorizing the private sale for signature by the Chairman of the Board of Commissioners.
3. A notice summarizing the contents of the Resolution shall be published in the local newspaper one time. The former owner (or other interest holder) shall be required to pay an advertising fee of \$60.00, or the current rate for publication.
4. After the notice has been published and a ten (10) day period has passed, the County Attorney shall prepare a non-warranty deed transferring the property to the former owner (or interest holder). The County Attorney shall be responsible for making sure that the entire amount of the sales price authorized by the Board of Commissioners is paid before delivering the deed to the clerk to the Board of Commissioners. The former owner (or interest holder) shall be responsible for the costs of recording the deed. The clerk to the Board of Commissioners shall be responsible for recording the deed and mailing the original deed to the bidder.
5. If Hoke County receives a public bid on property which it has acquired at a tax foreclosure sale, Hoke County will no longer negotiate private sales with prior property owners or other interest holders.

Appendix A

North Carolina General Statute §105-376(c)

Resale of Real Property Purchased by Taxing Units

Resale of Real Property by Taxing Units – Real property purchased at a tax foreclosure sale by a taxing unit may be resold at any time (for such price as the governing body of the taxing unit may approve) at a sale conducted in the manner provided by law for sales of other real property of the taxing unit. However, a purchasing taxing unit, in the discretion of its governing body, may resell such property to the former owner or to any other person formerly having an interest in the property at private sale for an amount not less than the taxing unit's interest therein if it holds the property as sole owner or for an amount not less than the total interests of all taxing units (other than special assessments due the taxing unit holding title) if it holds the property for the benefit of all such units. (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.)

North Carolina General Statute §153A-176 Disposition of Property

A county may dispose of any real or personal property belonging to it according to the procedures prescribed in Chapter 160A, Article 12. For purposes of this section references in Chapter 160A, Article 12, to the "city," the "council," or a specific city official are deemed to refer, respectively, to the county, the board of commissioners, and the county official who most nearly performs the same duties performed by the specified city official. For purposes of this section, references in G.S. 160A-266(c) to "one or more city officials" are deemed to refer to one or more county officials designated by the board of county commissioners. (1868, c. 20, ss. 3, 8; Code, ss. 704, 707; Rev., ss. 1310, 1318; C.S., ss. 1291, 1297; 1973, c. 822, s. 1; 1983, c. 130, s. 2.)

North Carolina General Statute §160A-267

Private Sale

When the council proposes to dispose of property by private sale, it shall at a regular council meeting adopt a resolution or order authorizing an appropriate city official to dispose of the property by private sale at a negotiated price. The resolution or order shall identify the property to be sold and may, but need not, specify a minimum price. A notice summarizing the contents of the resolution or order shall be published once after its adoption, and no sale shall be consummated thereunder until 10 days after its publication. (1971, c. 698, s. 1; 1979, 2nd Sess., c. 1247, s. 24.)

North Carolina General Statute §160A-269

Negotiated Offer, Advertisement and Upset Bids

A city may receive, solicit, or negotiate an offer to purchase property and advertise it for upset bids. When an offer is made and the council proposes to accept it, the council shall require the offeror to deposit five percent (5%) of his bid with the city clerk, and shall publish a notice of the offer. The notice shall contain a general description of the property, the amount and terms of the offer, and a notice that within 10 days any person may raise the bid by not less than ten percent (10%) of the first one thousand dollars (\$1,000) and five percent (5%) of the remainder. When a bid is raised, the bidder shall deposit with the city clerk five percent (5%) of the increased bid, and the clerk shall readvertise the offer at the increased bid. This procedure shall be repeated until no further qualifying upset bids are received, at which time the council may accept the offer and sell the property to the highest bidder. The council may at any time reject any and all offers. (1971, c. 698, s. 1; 1979, 2nd Sess., c. 1247, s. 25.)

ITEM 8. NCACC ANNUAL REPORT VIDEO

ITEM 9. MANAGER'S REPORT

The County Manager asked Ms. Nancy Thornton, HATS Director, and the HATS staff in attendance to come before the Board. The Manager then informed the Board that Hoke County's Transportation Department had won the Performance Excellence Award for Community Transportation and Urban Peer Group System for our Region, Peer Group 4. Mrs. Edens congratulated Ms. Thornton and her staff on receiving the award. Commissioner Wright said that the County is fortunate to have such good employees. Commissioner Thomas thanked the department on behalf of the citizens. Commissioner Hunt said that HATS had been of particular help to the school system in their Credit Recovery Program, which allows students to make up necessary course credits. The HATS staff has been able to transport students to the school. Vice Chairman Southerland said that they don't receive the thanks that they deserve and he commended the HATS department on behalf of himself and Chairman Leach. Ms. Thornton said that she and her department work as a team and thanked the Board for their support.

ITEM 10. CLOSED SESSION – ECONOMIC DEVELOPMENT OR PERSONNEL

No Closed Session was held.

ITEM 11. ADJOURN

There being no further business to come before the Hoke County Board of Commissioners, Commissioner Thomas made a motion to adjourn, with Commissioner Wright seconding. The meeting was adjourned at 7:40 pm.

James A. Leach, Chairman

Gwendolyn McGougan, Clerk to the Board