

## INTERLOCAL AGREEMENT

WHEREAS, pursuant to N.C.G.S. Chapter 160A, Article 20, Part 1, this Interlocal Agreement (hereinafter "Agreement"), is entered into by and between the Town of Jefferson, a body politic and a municipal corporation located in Ashe County, NC (hereinafter "Town"), the County of Ashe, North Carolina, a body politic and corporate (hereinafter "County"); and,

WHEREAS, Town desires for County, by and through County's appointed Tax Collector, to collect municipal current year taxes starting 2021 and taxes becoming delinquent thereafter by methods set forth in Chapter 105, Article 26 of the North Carolina General Statutes; and,

WHEREAS, Town, by action of its Board of Aldermen, request that County collect town current year taxes starting 2021 and taxes becoming delinquent thereafter; and,

WHEREAS, County, by action of the Board of Commissioners, has agreed to collect town current year taxes starting 2021 and taxes becoming delinquent thereafter; and,

WHEREAS, Town and County have reached an agreement concerning the collection of current year taxes starting 2021 and taxes becoming delinquent thereafter; the terms and conditions of which are set forth below.

NOW THEREFORE BE IT RESOLVED, in furtherance of this agreement, promises herein contained, payment hereinafter mentioned and the mutual benefits to result therefrom, Town and County agree to the following terms and conditions:

1. TERM. This agreement shall be in effect from July 1, 2021 until June 30, 2022 and shall renew automatically thereafter unless terminated in the manner prescribed below.
2. COUNTY DUTIES. County shall bill and collect current and delinquent town property taxes starting July 2021.
3. COMPENSATION. For the billing and collection of Town taxes, Town agrees to pay County two-dollars and fifty cents (\$2.50) per abstract based on tax year scroll.

County agrees to review this fee annually and to notify Town of any increase or decrease by December 1 prior to the July 1 effective date.

County will provide to Town a scroll after each applicable running of the bills that shows the number of abstracts and amount billed.

County will prepare a separate bill for the Town showing the amount due to the County

The Town shall remit payment to the County within thirty (30) days of such billing report.

4. COUNTY TAX COLLECTION DUTIES. The County Tax Collector shall have the complete responsibility for the collection of the current and delinquent ad valorem property taxes for the

Town. The County Tax Collector will exercise the general duties on behalf of the Town as set forth in North Carolina General Statutes 105-350 and further has the right to use all remedies as set forth in N.C.G.S. Chapter 105, Articles 10 and 26.

- a. Town agrees that the County Tax Collector shall be authorized to use all lawful means to collect the ad valorem property taxes on behalf of the Town. Town agrees to extend full cooperation from its officials, agents, and employees in the collection of these taxes and further agrees to take action on behalf of any Town taxpayer that is influenced by personal or political friendships or obligations.
  - b. Town agrees to take such action as may be required by North Carolina General Statutes to give County Tax Collector and his/her assistants and clerks the authority to administer the collection of Town ad valorem taxes and to carry out the provisions of this agreement.
5. FORECLOSURE SALES. When real property is sold at foreclosure sales for the collection of ad valorem taxes, County agrees to use reasonable efforts to assure that the opening bid is sufficient to pay both the Town and County ad valorem property taxes, including penalties, interest, and such cost as accrued prior to the institution of the foreclosure action. In the event the property is sold for an amount not sufficient to satisfy both the Town and County taxes, including penalties, interest and cost, the money shall be distributed as follows:
  - a. County shall be reimbursed first for actual expenses and disbursements made by it in connection with the foreclosure action, including cost of advertising, legal fees, and other necessary legal expenses. Any balance remaining after the payment of these expenses shall be distributed to the County and Town in proportion of their respective interest.
  - b. In the event the County shall become the purchaser at the foreclosure sale, the property shall be held and disposed of pursuant to N.C.G.S. 105-376(b).
6. DELIVERY OF RECEIPTS, RELEASES AND PREPAYMENT. County agrees that in collecting ad valorem taxes for Town, pursuant to N.C.G.S. 105-354, these taxes shall be treated in the same manner as taxes of the County. The collections will include ad valorem property taxes, including penalties, interest.

The County Tax Collector will provide a daily collection report showing the prior day's collection for the Town.

The County Tax Collector will provide a detailed month end collection report showing all the prior month's collection activity for the Town.

The County Finance Office by check will send the appropriate funds to the Town by the 20<sup>th</sup> of each month.

7. DEMAND FOR RELEASE OR REFUND. In the event a taxpayer asserts the taxpayer's remedies pursuant to N.C.G.S. 105-381, including a demand for release or request for refund, County will notify the Town of each request and the governing bodies of the County and Town will take individual action upon their respective tax claims pursuant to N.C.G.S. 105-381(b). Furthermore, both parties agree to handle their own refunds, releases, and compromises.
8. AUDIT. The County and Town agree that the collections shall be subject to audit by a certified public accountant to be selected by the County per N.C.G.S. 159-34.
9. NOTICES. The County agrees to print and mail delinquent notices during the month of January.
10. ADVERTISEMENT OF TAX LIENS. The Parties agrees that there shall be at least one advertisement of tax liens on real property for failure to pay taxes pursuant to N.C.G.S. 105-369. The time of the advertisement shall be selected by the County, which is usually in April.
11. TAX BILL. The parties agree that there shall be one tax bill which shall indicate a separate total for the County and a separate total for the Town, and shall state a grand total of the County and Town ad valorem taxes.
12. PARTIAL PAYMENTS. In the event a taxpayer makes a partial payment, the county shall divide the payment equally between the County ad valorem taxes due and the Town ad valorem taxes due, except when the taxpayer directs that the money be applied on another basis.
13. The Town agrees to encourage Town taxpayers to make payment of both Town and County ad valorem taxes to the County Collector.
14. MAJORITY VOTE. This agreement shall be effective upon its adoption by a majority vote of the members of the governing board of the County and the Town and its execution by the proper officials of each unit of government.
15. TERMINATION. This agreement may be terminated by either party upon 6 months written notice to the other party. Any fees for services related to the collection of Town ad valorem taxes that occur after written notice of termination shall be the responsibility of the Town
16. AMENDMENT, DURATION. This agreement may be amended upon such terms and conditions as the parties might agree to in writing. This agreement shall be for one year and shall automatically renew unless terminated pursuant to the terms contained herein.
17. HOLD HARMLESS. Except as to risk specifically assumed or retained by Ashe County in terms of this agreement, Town shall save and hold all Ashe County officials, employees, successors and agents harmless as to all acts and events arising out of, related to, and/or occurring in the course of the performance pursuant to this agreement.

IN WITNESS WHEREOF, the parties have caused this instrument to be signed in their respective names by their proper officials, all by authority of a resolution of the governing bodies of each of the taxing units duly adopted.

Entered into on this the \_\_\_\_\_ day of \_\_\_\_\_, 2020

Ashe County

By: \_\_\_\_\_

Todd McNeill, Chairman  
Board of Commissioners

ATTEST:

\_\_\_\_\_  
Ashley Honeycutt, Clerk

Town of Jefferson

By: \_\_\_\_\_

Bluford Eldreth, Mayor

ATTEST:

\_\_\_\_\_  
Clerk

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Ashe County

By: \_\_\_\_\_

Todd McNeill, Chairman  
Board of Commissioners

ATTEST:

\_\_\_\_\_  
Ashley Honeycutt, Clerk

Town of Jefferson

By: *Thomas Mark Johnston*  
Thomas Mark Johnston Mayor  
Bluford Eldreth, Mayor Pro Tem

ATTEST:

*Dan McMillan*  
Clerk Dan Mcmillan