

NORTH CAROLINA

BUNCOMBE COUNTY

THIS AGREEMENT, made and entered into this \_\_\_ day of \_\_\_\_\_, 2019, by and between the COUNTY OF BUNCOMBE, a political subdivision of the State of North Carolina, (hereinafter sometimes referred to as "County") and the CITY OF ASHEVILLE, a municipal corporation organized and existing under the laws of the State of North Carolina (hereinafter sometimes referred to as "City");

WITNESSETH:

WHEREAS, the County and the City have power pursuant to General Statutes 153A-445 and Article 20 of Chapter 160A of the North Carolina General Statutes to jointly exercise any function which they have been granted the power to exercise alone and to enter into contracts or agreements to specify the details of these joint undertakings; and

WHEREAS, the parties feel that it would be to their mutual advantage as well as the advantage of all citizens of the County and City for the County to bill and collect both the County and City taxes upon the terms and conditions hereinafter set out.

NOW, THEREFORE, in consideration of the mutual covenants of the parties hereto and for the purposes aforesaid, it is hereby agreed between the County and City as follows:

1. This agreement shall cover the collection of taxes for a Three (3) year period beginning July 1, 2019 and ending June 30, 2022.
2. Unless sooner terminated as herein provided, the parties hereto may extend this Agreement for successive terms of three (3) years each provided such extensions are agreed to between the parties in writing.
3. That during the term of this agreement Buncombe County will bill and collect for the City of Asheville its real estate, business personal, personal property taxes, including the City's fee charged for motor vehicles licensed within the City, any taxes related to motor vehicles, and, subject to the provisions set forth below, any lien for special assessments made and confirmed by the City (collectively "City taxes"); provided, however, the parties hereto understand that the County must comply with applicable limitations on use of remedies as same are prescribed in GS §105-378.
4. That should the City make any special assessments as authorized by Ch. 160A of the General Statutes then the City shall make the following accommodations for County's billing and collection of such special assessments:
  - a. City shall provide County with at least 90 days advance notice of the date the City anticipates that it will confirm any assessment roll;

- b. County shall be entitled to charge a one-time setup fee of \$7,500 in preparation for billing and collecting of special assessments. This is a one-time fee per special assessment and will not be charged to the City again unless the City opts to create additional special assessments;
  - c. County shall be entitled to charge a recurring annual fee of \$18.50 per bill on each lot, parcel, or tract assessed for the term of the assessment or until each such lien is paid in full whichever occurs first;
  - d. City will be responsible for development of a special assessment file in the agreed-upon file format (included as Appendix to this Agreement). City shall be responsible for the accuracy and integrity of the data provided in the file; and
  - e. City will provide staff resources for data validation, testing, and other activities required during the setup phase.
5. That for its services in billing and collecting City taxes for Fiscal Year 2020, the City will pay the County a flat fee of \$815,000 payable in four quarterly payments of \$203,750 beginning July 1, 2019. Beginning July 1, 2020 the fee for these services shall increase annually with an automatic annual escalation rate of 2.5% for each successive fiscal year of the initial term and any renewal term hereof.
6. That in addition to the foregoing fee, the City acknowledges that additional costs may be incurred as the result of possible future annexation and agrees to pay the County the actual additional cost the County may incur; said additional cost, if any, shall be separately listed and itemized.
7. That in addition to the foregoing fee, the City agrees to pay its pro rata share of any professional expenses which the County may incur in collection of City and County taxes (e.g., attorney fees, appraisal expenses, auditing expenses, etc.). The expenses herein contemplated are those which would be incurred to collect taxes requiring the use of professional help not available on the County Tax Collector's staff. Buncombe County will exercise restraint in expenditures to collect tax bills for which the amount of tax to be collected is small and the likelihood of collecting is poor. The City is aware that the County may decide to employ one or more outside agencies (such as collection agencies) to locate missing taxpayers for either a fixed fee or for a percentage of the taxes collected. The City consents to such arrangement.
8. That the portion of tax collections to which the City is entitled shall be paid to the City by electronic transfer into the City's North Carolina Capital Management Trust Account (herein "NCCMT") by weekly electronic transfer on Mondays for the preceding week's receipts. Further, should any payment not be received within the time frame specified in this paragraph, the City shall be entitled to receive interest lost for late payments into the City's NCCMT from the County calculated as to the date and rate they would have received from the City's NCCMT. It is agreed that upon request in writing by the County Finance Director, the City Finance Director shall have the ability to waive the lost interest from late payments if the County has a reasonable explanation for the late payment. The waiver of the City Finance Director shall not be unreasonably withheld.

9. That the City agrees to adopt any County discount rate that may be afforded to citizens who pay their taxes early. It is understood the City agrees to adopt a resolution to forgo collection of ad valorem tax bills that do not exceed five dollars (\$5.00) pursuant to G.S. 105-321(f). It is also understood the City agrees to adopt a resolution regarding small overpayments and underpayments of one dollar or less (\$1.00) pursuant to G.S. 105-357(c).
10. That the Buncombe County Tax Collector shall maintain records showing the amount of taxes assessed and collected for the County separate and apart from the amount of taxes assessed and collected for the City and other taxing units.
11. That insofar as practical and permitted by law, all steps in the collection of County and City taxes shall be combined to the end that the consolidation of the two tax collecting departments shall be given the full scope authorized by law, and in this connection, the City delegates to the County its authority to collect, compromise and settle disputed tax claims.
12. That insofar as practical and permitted by law, only one bill shall be mailed to the taxpayer owing taxes to both of the taxing units, except for any motor vehicle tax and special assessment, which are separately billed. In the event of a partial payment on such consolidated tax bill, the amount of such payment shall be proportionately credited against taxes due each unit.
13. The tax records relating to taxes due to the City of Asheville shall be available to the City of Asheville, its agents and employees at all reasonable times.
14. That the Buncombe County Tax Collector shall have full power and authority to collect taxes due the City by any legal means and to perform any and all other duties imposed by law upon the City Tax Collector with respect to City of Asheville taxes.
15. That with respect to delinquent tax items due both the County and City, the Buncombe County Tax Collector may cause actions to be brought for foreclosure of said tax liens in the name of the County, or both the City and the County. If taxes are delinquent to one of the taxing units and not to the other, tax collection measures may be brought in the name of the unit to which the taxes are due.
16. That penalties and interest collected from a taxpayer and discounts allowed to a taxpayer shall be properly apportioned between the County and the City where the same taxpayer makes payments on property taxable by both units.
17. That the County shall make available to the City analysis of each year's levy when it is compiled. The analysis may include billing scrolls by name, by parcel identification number and by tax value, Top 10 (ten) delinquent taxpayers list, TR-2 value report, Motor Vehicle reports, etc.

18. That either party may terminate this Agreement effective at the end of the then current fiscal year by giving the other party written notice of termination of agreement on or before January 31 of any tax year covered by this Agreement.
19. Amendments to this agreement shall be effective only when reduced to writing and adopted in the same manner as this Agreement is required to be adopted.
20. This Agreement may be executed in several counterparts, including separate counterparts. Each shall be an original, but all of them together constitute the same instrument.

[Signature Pages Follows]

**SIGNATURE PAGE 1 OF 2 TO AGREEMENT BETWEEN  
BUNCOMBE COUNTY AND CITY OF ASHEVILLE**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their corporate names by their duly authorized officers, all by authority of their governing bodies of each of their taxing units duly adopted, this the day and year first above written.

BUNCOMBE COUNTY

By: \_\_\_\_\_  
Brownie Newman, Chairman  
Board of County Commissioners

ATTEST:

\_\_\_\_\_  
Lamar Joyner, Clerk to the Board

STATE OF NORTH CAROLINA

COUNTY OF BUNCOMBE

I, \_\_\_\_\_, Notary Public for said County and State, has personal knowledge of the identity of Lamar Joyner, and hereby certifies that said Lamar Joyner, Clerk to the Board, personally appeared before me this day and acknowledged that he is Clerk to the Board of Commissioners of County of Buncombe and that Brownie Newman is the Chairman of the Board of Commissioners of Buncombe County, and that by authority duly given and as the act of the County of Buncombe, the foregoing instrument was signed in its name by said Chairman, sealed with its official seal, and voluntarily attested to by himself as its Clerk as the act and deed of the County of Buncombe, all by authority duly given by its governing body.

Witness my hand and notarial seal, this the \_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_

Notary Public

My commission expires

**SIGNATURE PAGE 1 OF 2 TO AGREEMENT BETWEEN  
BUNCOMBE COUNTY AND CITY OF ASHEVILLE**

CITY OF ASHEVILLE

BY: \_\_\_\_\_  
Esther Manheimer, Mayor  
City of Asheville

ATTEST:

\_\_\_\_\_  
Maggie Burleson  
City Clerk

STATE OF NORTH CAROLINA  
COUNTY OF BUNCOMBE

I, \_\_\_\_\_, a Notary Public in and for the aforesaid County and State, do hereby certify that Maggie Burleson, City Clerk, personally came before me this day and duly acknowledged that she is the duly appointed City Clerk of the City of Asheville, and that Esther Manheimer is the Mayor of the City of Asheville, and that by authority duly given and as the act of the City of Asheville, the foregoing instrument was signed in its name by said Mayor, sealed with its official seal, and voluntarily attested to by herself as its Clerk as the act and deed of the City of Asheville, all by authority duly given by its governing body

WITNESS my hand and Notarial Seal, this the \_\_\_\_ day of \_\_\_\_\_, 2019.

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

My Commission Expires:

This instrument has been preaudited  
in the manner required by The Local  
Government Budget and Fiscal Control Act

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Name:

Finance Officer, City of Asheville