

# FORSYTH COUNTY

## BOARD OF COMMISSIONERS

MEETING DATE: AUGUST 6, 2020

AGENDA ITEM NUMBER: 14

**SUBJECT: RESOLUTION RATIFYING AND AUTHORIZING EXECUTION OF AN INTERLOCAL AGREEMENT BETWEEN FORSYTH COUNTY AND THE TOWN OF KERNERSVILLE TO EXPAND BILLING AND COLLECTION SERVICES TO INCLUDE SANITATION LIENS  
(FORSYTH COUNTY TAX ADMINISTRATION)**

**COUNTY MANAGER'S RECOMMENDATION OR COMMENTS:** Recommend Approval

**SUMMARY OF INFORMATION:** See Attached

ATTACHMENTS:  YES  NO

SIGNATURE: *J. Dudley Watts, Jr. /AMS*

COUNTY MANAGER

DATE: August 06, 2020

**RESOLUTION RATIFYING AND AUTHORIZING EXECUTION OF AN  
INTERLOCAL AGREEMENT BETWEEN FORSYTH COUNTY AND THE  
TOWN OF KERNERSVILLE TO EXPAND BILLING AND  
COLLECTION SERVICES TO INCLUDE SANITATION LIENS  
(FORSYTH COUNTY TAX ADMINISTRATION)**

**WHEREAS** on July 1, 1988, Forsyth County and the Town of Kernersville had entered into an agreement for certain billing and collection services to be furnished by Forsyth County Tax Administration to the Town;

**WHEREAS** Forsyth County and the Town of Kernersville desire to expand services provided by Forsyth County Tax Administration to include billing and collection for sanitation liens;

**WHEREAS** Forsyth County and the Town of Kernersville wish to enter into a new agreement, which would supersede all prior agreements, with respect to tax administration responsibilities between the County and the Town; and

**WHEREAS** the Town of Kernersville shall pay Forsyth County for tax administration, billing, and collection services, as well as for sanitation lien billing and collection services, the amount of 1% of the total amount of Town taxes and other revenues collected by the County, with the minimum fee to be \$500.00 per year;

**NOW, THEREFORE, BE IT RESOLVED**, by the Forsyth County Board of Commissioners that the Interlocal Agreement, which is attached and incorporated herein by reference, between Forsyth County, on behalf of its Tax Administration, and the Town of Kernersville, for the provision of expanding billing and collection services to include sanitation liens, beginning the term July 1, 2020, is hereby ratified as required by N.C.G.S. 160A-461, and the Chairman or County Manager and the Clerk to the Board are hereby authorized to execute the agreement, on behalf of Forsyth County, subject to a pre-audit certificate thereon by the County Chief Financial Officer, if applicable, and approval as to form and legality by the County Attorney;

**BE IT FURTHER RESOLVED**, by the Forsyth County Board of Commissioners that the Chairman or County Manager and Clerk to the Board are hereby authorized to execute amendments to this agreement as necessary, on behalf of Forsyth County, to continue these services during the current fiscal year, subject to a pre-audit certificate thereon by the County Chief Financial Officer, where applicable, and approval as to form and legality by the County Attorney; and

**BE IT FURTHER RESOLVED**, that this resolution ratifying interlocal cooperation between Forsyth County and the Town of Kernersville is hereby spread upon the minutes of the Forsyth County Board of Commissioners.

Adopted this the 6<sup>th</sup> day of August 2020.

**STATE OF NORTH CAROLINA**

**INTERLOCAL AGREEMENT**

**FORSYTH COUNTY**

**THIS AGREEMENT** is made and effective this 1st day of July, 2020, by and between Forsyth County, North Carolina (the "County"), and the Town of Kernersville (the "Town");

**WHEREAS** the County and the Town had previously entered into an agreement, dated July 1, 1988, for certain billing and collection services to be furnished by the County to the Town;

**WHEREAS** there was no definite term set forth in that agreement, and said agreement was amended on at least one occasion, effective August 1, 2013, to clarify certain expenses relating to registered classified motor vehicle tax revenues;

**WHEREAS** the County and the Town desire to expand services provided by Forsyth County Tax Administration to include billing and collection for sanitation liens; and

**WHEREAS** the County and the Town wish to enter into a new agreement, which supersedes all prior agreements with respect to tax administration responsibilities between the County and the Town;

**NOW THEREFORE**, for the purpose and subject to the terms and conditions hereinafter set forth, and as allowed under NCGS §160A-460 et seq., the County and the Town hereby agree as follows:

1. The Town shall pay the County for tax administration, billing, and collection services, as well as for sanitation lien billing and collection services as set forth in paragraph 3 below, the amount of one percent (1%) of the total amount of Town taxes and other revenues collected by the County, with the minimum fee in any event to be Five Hundred Dollars (\$500.00) per year.
2. To ensure that amounts collected by the State for ad valorem taxes on registered classified motor vehicles pursuant to NCGS §105-330 et seq. are properly remitted, the County agrees to disburse to the Town its share of net registered classified motor vehicle tax revenues in amounts calculated consistent with the manner in which the State remits the net motor vehicle revenue funds to the County.
3. For sanitation lien billing and collection services, the Town shall be responsible for issuing a notice of violation and civil citation prior to the County attempting to collect such amounts. The Town shall be solely responsible for defending any sanitation bill or the underlying code enforcement action, and shall release, indemnify, and hold the County harmless from all liability related to or arising from claims regarding sanitation billing, collection, or related code enforcement actions. In the event Town forgives or

removes a sanitation bill, Town shall promptly contact the Tax Assessor or his designee and inform him that Town is no longer seeking to recover such amounts.

4. This Agreement is the entire agreement between the parties relating to tax administration, billing, and collection services, as well as sanitation lien billing and collection services, and supersedes all prior agreements related thereto, including that Interlocal Agreement dated July 1, 1988, as amended. This agreement shall be effective July 1, 2020, and shall continue in effect unless and until amended in writing by the parties or terminated by mutual agreement or by either party giving the other party 180 days prior written notice of termination.

IN WITNESS WHEREOF, the Parties have set their hands and seals, this \_\_\_\_ day of \_\_\_\_\_, 2020.



Attest:

*Kurt Hill*

Clerk

TOWN OF KERNERSVILLE

By:

*Chris Swisher*

Title:

*Town Manager*

FORSYTH COUNTY

By:

\_\_\_\_\_

Title:

\_\_\_\_\_

Attest:

Clerk