



## Legislation Text

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### Memorandum

**Date:** February 27, 2024

**To:** The Honorable Lake County Board of Supervisors

**From:** Patrick Sullivan, Treasurer - Tax Collector  
Jenavive Herrington, Auditor - Controller

**Subject:** Presentation on Discharge of Accountability - Property Tax

#### Executive Summary:

Between 1999 - 2001, the County migrated its property tax data into the Megabyte software system. During that time, there were some subsets of delinquent properties that did not have their prior history fully loaded into the Megabyte system.

At this time, the Treasurer - Tax Collector's office intends to coordinate with the Auditor-Controller's office to complete a discharge of pre-Megabyte property debt tax debt not already recorded in the Megabyte system. Staff has conducted further review pursuant to the criteria set forth below:

(a) Any department, officer, or employee of a county charged by law with the collection of any county or district tax assessment, penalty, cost, license fees, or any money, which is due and payable to the county or district for any reason, may apply to the board of supervisors for a discharge from accountability for the collection thereof if the amount is too small to justify the cost of collection, the likelihood of collection does not warrant the expense involved, or the amount thereof has been otherwise lawfully compromised or adjusted.

Government Code 25257.

These property tax debts touch upon nearly every aspect of this criteria as detailed below:

- 1) Generally, higher value delinquent properties have already been sold privately or by the Treasurer - Tax Collector's office. This typically leaves low value parcels where, for example, the interest and penalties already exceed the assessed value.
- 2) Any attempt to identify, impose, and collect these taxes would likely result in a deficit sale only further adding to the expense.
- 3) The remaining records associated with these properties are no longer complete. There may be properties having such debt that are not identified, while there may be other properties where we cannot be certain what that debt actually is.

Given that we cannot determine with certainty what, if any, pre-conversion debt is still owed on these parcels, it is not possible to accurately assess these taxes. Overall, the amount is too small to justify the cost of collection, the likelihood of collection does not warrant the expense involved, and the amount thereof has been otherwise lawfully compromised or adjusted.

**If not budgeted, fill in the blanks below only:**

Estimated Cost: \_\_\_\_\_ Amount Budgeted: \_\_\_\_\_ Additional Requested: \_\_\_\_\_ Future Annual Cost: \_\_\_\_\_

**Purchasing Considerations** (check all that apply):

Not applicable

- Fully Article X. <[https://library.municode.com/ca/lake\\_county/codes/code\\_of\\_ordinances?nodeId=COOR\\_CH2AD\\_ARTXPU\\_S2-38EXCOBI](https://library.municode.com/ca/lake_county/codes/code_of_ordinances?nodeId=COOR_CH2AD_ARTXPU_S2-38EXCOBI)>- and/or Consultant Selection Policy <[http://lcnet.co.lake.ca.us/Assets/Intranet/Policy/Policies+26+Procedures+Manual/Ch4\\_2021v2.pdf](http://lcnet.co.lake.ca.us/Assets/Intranet/Policy/Policies+26+Procedures+Manual/Ch4_2021v2.pdf)>-Compliant (describe process undertaken in "Executive Summary")
- Section 2-38 <[https://library.municode.com/ca/lake\\_county/codes/code\\_of\\_ordinances?nodeId=COOR\\_CH2AD\\_ARTXPU\\_S2-38EXCOBI](https://library.municode.com/ca/lake_county/codes/code_of_ordinances?nodeId=COOR_CH2AD_ARTXPU_S2-38EXCOBI)> Exemption from Competitive Bidding (rationale in "Executive Summary," attach documentation, as needed)
- For Technology Purchases: Vetted and Supported by the Technology Governance Committee <<http://lcnet.co.lake.ca.us/Assets/Intranet/Intranet+Forms/Information+Technology/AdvPlan.pdf>> ("Yes," if checked)
- Other (Please describe in Executive Summary)

**Consistency with Vision 2028** <<http://www.lakecountyca.gov/Government/Directory/Administration/Visioning/Vision2028.htm>>

(check all that apply):

Not applicable

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> Well-being of Residents | <input type="checkbox"/> Public Safety               | <input type="checkbox"/> Disaster Prevention, Preparedness, Recovery |
| <input type="checkbox"/> Economic Development    | <input type="checkbox"/> Infrastructure              | <input type="checkbox"/> County Workforce                            |
| <input type="checkbox"/> Community Collaboration | <input type="checkbox"/> Business Process Efficiency | <input type="checkbox"/> Clear Lake                                  |

**Recommended Action:** Presentation only. No action required.