



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legislation Details (With Board Report)

File #: 12-1111 **Name:** Claim for Excess Proceeds
Type: General Agenda Item **Status:** Passed
File created: 11/20/2012 **In control:** Board of Supervisors
On agenda: 12/4/2012 **Final action:** 12/4/2012
Title: a. Approve the distribution of excess proceeds with unresolved claims on five properties which is resultant from the sale of property at Tax Collector's public internet auction;
b. Approve the interpleader of excess proceeds with unresolved disputed claims on one property which is resultant from the sale of property at Tax Collector's public internet auction.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Proposed Allocation of Excess Proceeds Claims, 2. Completed Board Order

| Date | Ver. | Action By | Action | Result |
|-----------|------|----------------------|----------|--------|
| 12/4/2012 | 1 | Board of Supervisors | approved | |

- a. Approve the distribution of excess proceeds with unresolved claims on five properties which is resultant from the sale of property at Tax Collector's public internet auction;
- b. Approve the interpleader of excess proceeds with unresolved disputed claims on one property which is resultant from the sale of property at Tax Collector's public internet auction.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve the distribution of excess proceeds with unresolved claims on five properties which is resultant from the sale of property at Tax Collector's public internet auction.
- b. Approve the interpleader of excess proceeds with unresolved disputed claims on one property which is resultant from the sale of property at Tax Collector's public internet auction.

SUMMARY/DISCUSSION:

Board of Supervisor approval is required to authorize the refund of excess proceeds in accordance with Section 4675 of the California Revenue and Taxation Code.

On May 3, 2011, the Tax Collector sold six parcels of property at an Internet public auction sale to the highest bidders. As a result of the competitive bidding process, some of the final sale amounts exceeded the taxes, penalties, and fees that were owed on these properties. The remaining amount is known as "excess proceeds," and has been held in a suspense account for at least the minimum of 1 year period, as provided and required by law.

During this one year period, claims may be filed against the excess proceeds by any party who had an interest in the property at the time of the sale. The Tax Collector received claims against six parcels for the amount of the available excess proceeds. Both the Tax Collector and County Counsel have reviewed and verified the validity and distribution priority of each claim, and hereby request authorization by Resolution to distribute these excess proceeds as described below:

| Parcel | Claimant | Amount |
|--------|----------|--------|
|--------|----------|--------|

| | | | |
|---|-----------------|---|--------------|
| 1 | 133-101-008-000 | Dennis C Hession | \$ 28,920.86 |
| 2 | 181-032-010-000 | Juan Coria Barriga | \$ 1,630.54 |
| | | Estela Alvarez de Coria Barriga | \$ 1,630.54 |
| 3 | 216-092-010-000 | Gary Lee Leese | \$ 47,303.30 |
| 4 | 261-092-011-000 | Gary Lee Leese | \$ 34,773.89 |
| 5 | 423-271-014-000 | Global Discoveries | \$ 47,770.24 |
| 6 | 418-011-068-000 | Interplead to appropriate court Jurisdiction | \$373,058.87 |

Because the amounts claimed with respect to parcel 418-011-068-000 exceeds the excess proceeds, these funds should be interplead and deposited with the Superior Court.

Total distribution of excess proceeds for all parcels/to all claimants is \$534,520.24, including the funds to be interpleaded.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed the claims and approves the recommended action.

FINANCING:

There will be no financial impact on the General Fund. As to five of the matters, the Tax Collector will request warrants against the excess proceeds from the Auditor-Controller in favor of the claimants from the funds currently held in the Delinquent Tax Sale Trust Fund. As to the sixth matter, the Tax Collector will interplead the funds and deposit them with the Superior Court so that the validity of the claims can be adjudicated.

Prepared by: Maria J. Gomes, Property Tax Manager, x5486

Approved by: Mary A. Zeeb, Treasurer-Tax Collector, x5474

Attachments:

Proposed Allocation of Excess Proceeds Claims