City of Asheville Staff Report

City Council Meeting Date: August 25, 2026

Staff Resources: Tony McDowell, Finance Director

Action Requested: Adoption of a resolution approving the Fiscal Year (FY) 2025-26 Annual Tax Settlement and adopting the Order of Collection for FY 2026-27.

Background:

- Buncombe County has billed and collected City property taxes, including the City's fee charged for motor vehicles licenses, for many years.
- In 2019, Buncombe County and the City of Asheville entered into an updated agreement for the County to continue billing and collecting property taxes under a revised fee structure through June 30, 2026.
- In May 2025, City Council approved a three-year extension of the agreement under the same terms of the existing agreement.
- In August 2023, City Council adopted an addendum to the agreement with provisions recommended by legal staff at the University of North Carolina School of Government to ensure full conformity to the provisions of Chapter 105 of the North Carolina General Statutes, entitled The Revenue Act.
- In accordance with these provisions and pursuant to NCGS § 105-373, the Tax Collector must provide to City Council an annual settlement of property tax collected in the previous fiscal year for approval; and pursuant to NCGS § 105-321, following approval of the Tax Collector's Annual Settlement for the preceding year an Order of Collection to the Tax Collector must be adopted authorizing the collection of the current fiscal year property taxes.
- Staff is recommending approval of both the attached Annual Settlement and the new year Order of Collection.
- Allows the City to continue receiving tax revenue proceeds from the County while ensuring compliance with provisions of Chapter 105 of the North Carolina General Statutes, entitled The Revenue Act.

Council Vision 2036 Focus Area(s):

- A Financially Resilient City

Council Priority Recovery Area(s):

- N/A

Committee(s):

- N/A

Fiscal Impact:

- This action requires no additional City resources and has no fiscal impact.

Suggested Motion:

- Motion to adopt a resolution approving the FY 2025-26 Annual Tax Settlement and adopting the Order of Collection for FY 2026-27.

Attachment(s):

- Resolution
- Fiscal Year 2025-26 Annual Tax Settlement
- Fiscal Year 2026 Unpaid Bills
- Fiscal Year 2026 Insolvent Tax Bills
- Fiscal Year 2026-27 Order of Collection

City of Asheville Resolution Number 26-____

Resolution approving the Fiscal Year 2025-26 Annual Tax Settlement Report, and authorizing the Mayor to execute an Order of Collection for Fiscal Year 2026-27

Whereas, pursuant to NCGS § 105-373, the Tax Collector must provide to City Council an annual settlement of property tax collected in the previous fiscal year for approval; and

Whereas, pursuant to NCGS § 105-321, following approval of the Tax Collector's Annual Settlement for the preceding year an Order of Collection to the Tax Collector must be adopted authorizing the collection of the current fiscal year property taxes;

Now, therefore, be it resolved by the City Council of the City of Asheville that:

The Fiscal Year 2025-26 annual Tax Settlement Report is approved, and the Fiscal Year 2026-27 Order of Collection is adopted.

Read, approved and adopted this 25th day of August, 2026.

_____
Esther E. Manheimer, Mayor

_____
Brad Branham, City Attorney

_____
Magdalen Burleson, City Clerk

Pursuant to NCGS § 105-321, ORDER OF COLLECTION

State of North Carolina
City of Asheville

To the Tax Collector of City of Asheville and by delegated authority, the Tax Collector for Buncombe County:

You are hereby authorized, empowered, and commanded to collect the taxes set forth in the tax records filed in the office of the Buncombe County Tax Department and the Information Technology Office and in the tax receipts herewith delivered to you, in the amounts and from the taxpayers likewise therein set forth. Such taxes are hereby declared to be a first lien upon all real property of the respective taxpayers in the City of Asheville, and this order shall be a full and sufficient authority to direct, require, and enable you to levy on and sell any real or personal property of such taxpayers, for and on account thereof, in accordance with law. Tax records for the City of Asheville are delivered to you for collection. You are further authorized to call upon the Sheriff to levy upon and sell personal property under execution for the payment of taxes.

Witness my hand and official seal, this 25th day of August, 2026

_____(Seal)
Esther Manheimer, Mayor
City of Asheville

Attest:

_____
Magdalen Burleson, Clerk
City of Asheville