

| Agenda Item | cover sheet

for consideration by the Apex Town Council

Item Type: CONSENT AGENDA

Meeting Date: August 11, 2026

Item Details

Presenter(s): Jon Griffin, Director

Department(s): Finance

Requested Motion

- A) Motion to approve an Interlocal Agreement AD Valorem Tax Billing and Collection Agreement between the Town of Apex and Chatham County for the collection of property taxes for Fiscal Year 2026-2027.
- B) Motion to adopt a resolution authorizing the execution of the Interlocal Agreement between the Town of Apex and Chatham County related to Ad Valorem Tax Billing and Collections.

Approval Recommended?

Yes

Item Details

The Town of Apex has a small portion of its municipal limits located in Chatham County. Property owners in that area pay Town of Apex property taxes, but Chatham County bills and collects those taxes on the Town's behalf because the properties are located within Chatham County.

Until now, Chatham County has provided this service at no cost to the Town. However, the County is changing its policy and will begin charging municipalities a fee to recover the administrative costs of billing, collecting, accounting for, and remitting those property taxes.

The proposed agreement:

- Continues Chatham County's responsibility for collecting Town property taxes on incorporated properties located in Chatham County.
- Establishes a phased-in collection fee that the Town will pay to Chatham County:
 - 0.5% of taxes collected for 2026 taxes (FY 2026-27).
 - 1.0% for 2027 taxes (FY 2027-28).
 - 1.5% beginning with 2028 taxes (FY 2028-29) and thereafter.
- Results in an estimated cost to the Town of approximately \$3,800 in FY 2026-27.

Attachments

- CN3-A1: Interlocal AD Valorem Tax Billing and Collection Agreement
- CN3-A2: Resolution Authorizing Execution of the Interlocal AD Valorem Tax Billing and Collection Agreement
- CN3-A3: Resolution of the Chatham County Board of Commissioners - Approving Interlocal AD Valorem Tax Billing and Collection Agreement with Town of Apex

