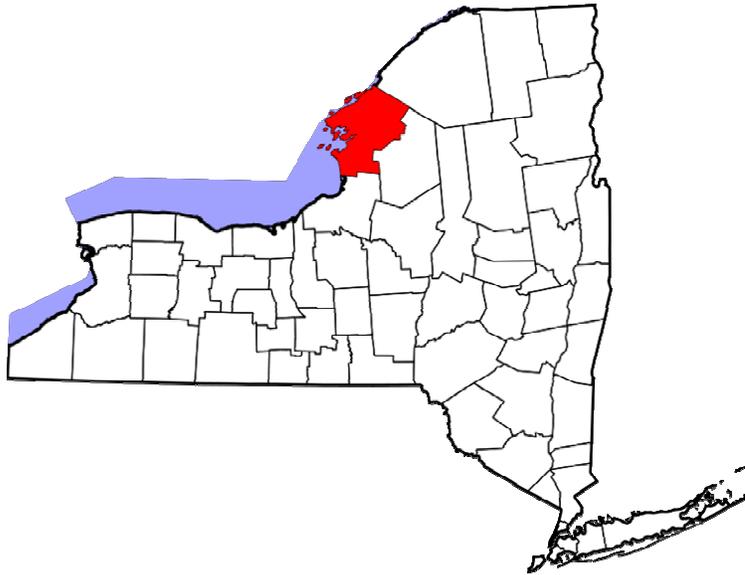


NEW YORK STATE REAL PROPERTY TAX  
ADMINISTRATION IMPROVEMENT GRANT STUDY

JEFFERSON COUNTY



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November 30, 2008

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## **I. Executive Summary**

### Background

In the autumn of 2007, the Office of Real Property Services (NYSORPS) established the Centralized Property Tax Administration Program (CPTAP) to encourage county and municipal officials to study reform opportunities for their local property tax systems. Additional applications have already been received for the 2008-2009 grant cycle. The final deadline for grant applications has passed and 52 counties will be receiving grants expecting to total \$4.8 million.

The intent of the grant program is for counties to chart their own paths to reform. The program does not presuppose a one-size fits all approach to such improvements. By analyzing the particulars of their county, local officials can determine what form of assessment administration will work best for both their taxpayers and the taxing jurisdictions.

The study must examine at least one model of assessing that ensures that all parcels within the county are treated as if they are within one common assessing jurisdiction. This means that all parcels throughout the county would be assessed using the same level of assessment and consistent valuation processes.

The goal of the program is to achieve common treatment (including a common level of assessment/equalization rate) for all parcels in a county, which will benefit taxpayers in the following ways:

**Transparency** - "Is it simple enough for taxpayers to understand?"

**Equity** - "Does it treat every parcel the same way?"

**Efficiency** - "Is it the lowest cost for a given level of service?"

### Current Assessment Structure in New York State

It is without question that New York State has one of the most confusing and complex real property tax structures within our nation. According to the New York State Office of

Real Property Services (“NYSORPS”), there are 1,128 distinct assessing units in New York State. Each assessing unit has the ability to specify their own level of assessment and their reassessment cycle. Many municipalities reassess on an annual basis while some municipalities have not assessed since the Civil War<sup>1</sup>. As one can see from the following chart, almost 60% of these assessing units are comprised of less than 2,500 parcels.

New York State's Assessing Jurisdictions (Does not include 145 village assessing units)			
Number of Parcels	Number of Assessing Units	Cumulative	Cumulative Percent
< 1,000	139	139	14%
1,001 - 2,500	444	583	59%
2,500 - 5,000	222	805	82%
5,000 - 10,000	101	906	92%
10,001 - 20,000	47	953	97%
20,000 - 50,000	21	974	99%
> 50,000	9	983	100%

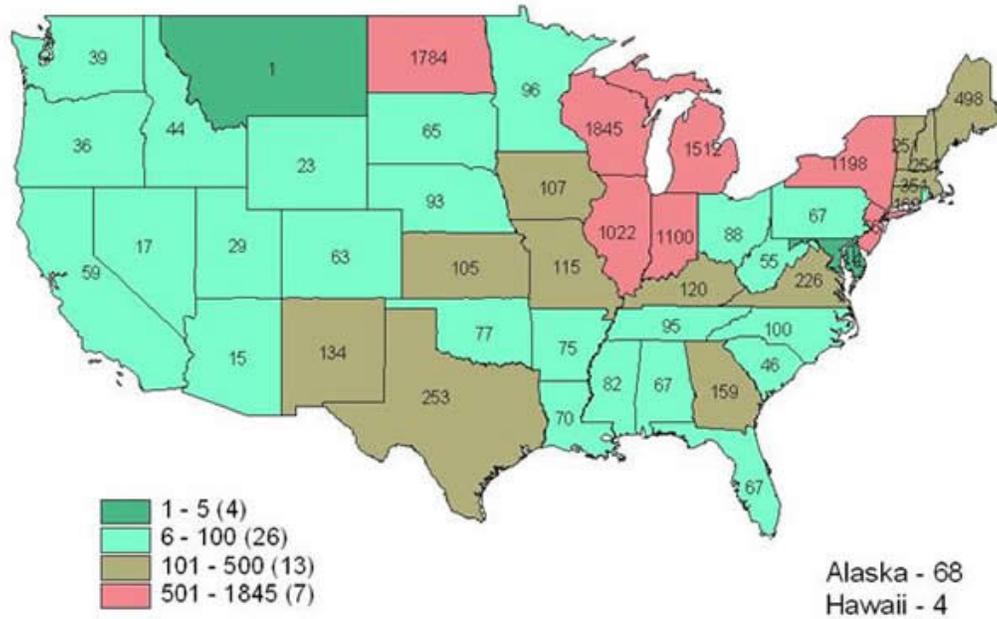
Source: NYSORPS

Out of all the states in the United States, only three states (Michigan, North Dakota and Wisconsin) have more independent assessing units than New York State. The following map lists the total number of assessing units for each state.

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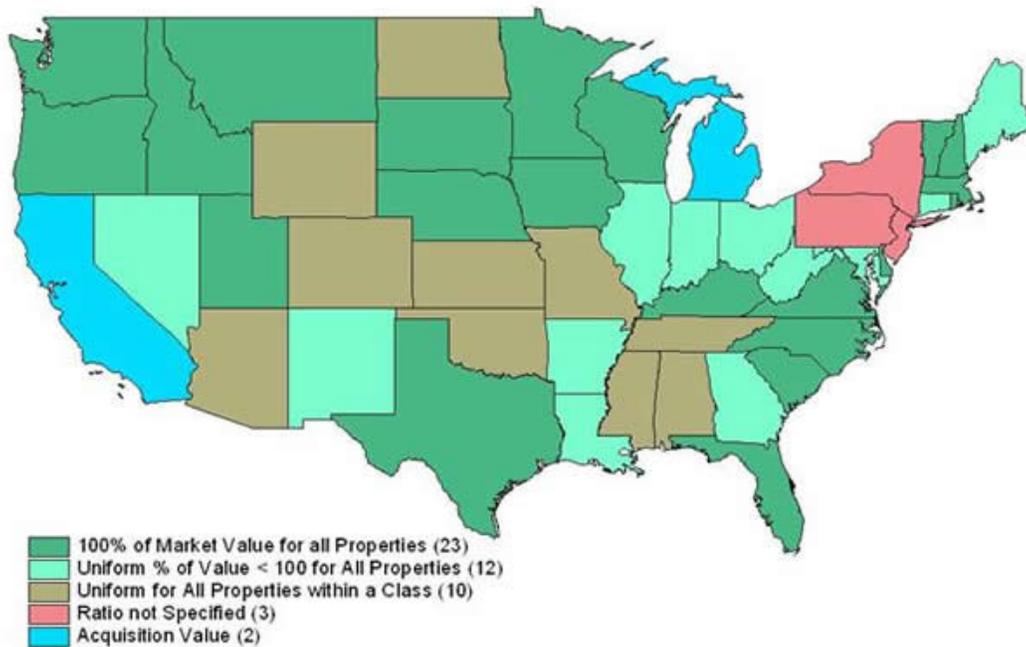
<sup>1</sup> Office of Real Property Services – Reforming New York’s Real Property Tax System

## Assessing Jurisdictions by State



It is also noteworthy that New York is one of only three states where a specific level of assessment is not mandated. The following map shows the State Assessment Standards within the United States.

## State Assessment Standards



This inconsistent level of assessment further complicates the matter of apportioning school taxes by 683 school districts over 2,900 municipal segments. Most states require that assessed value be reflective of the market value of the property. Twelve states require all assessments to be at a uniform percentage of market value while another ten states require a uniform percentage of market value between property classes. Based upon the 2008 Assessment Rolls that were filed in Jefferson County, the equalization rate ranges from 26% (Town of Worth) to 100% (Various).

Currently in New York State there are only two Countywide Assessing Units – Nassau and Tompkins County. Within these two assessing units, only Tompkins County is a true Countywide Assessing Unit as Nassau County still retains some local municipal assessing jurisdictions.

#### Current Assessment Structure in Jefferson County

There are currently 23 assessing jurisdictions within Jefferson County. Five towns (and one town in Lewis County) have joined together and formed three Coordinated Assessment Programs while the remaining 18 assessment jurisdictions employ a combination of sole assessors (14) and three-person Board of Assessors (4). For the 2008 Assessment Roll, seven municipalities performed a revaluation and had 100% Level of Assessment and 100% Equalization Rate. The remaining sixteen assessing jurisdictions had their stated Level of Assessment accepted by New York State as their Equalization Rate.

There are twenty villages within Jefferson County, however all have abolished their assessing unit status and have adopted the town assessment roll as their own eliminating this duplication of effort that exists in some other counties.

Based upon an analysis of the last three budget years, the total amount of spending for the assessment function in Jefferson County including all assessing units and the County Real Property Tax Services Department is estimated to be \$1,674,669 or \$29.35/parcel.

This cost however rises to \$1,998,495 or \$35.03/parcel in order to adequately staff the current assessment structure according to International Association of Assessing Officers guidelines. This increased cost would allow for the creation of an equitable assessment roll. The increased cost would provide for more staff to assist in the creation of an equitable assessment roll in Jefferson County.

### Summary of Assessment Administration Improvement Options

The analysis that is included in this study reflects the data that was ascertained regarding the Real Property Assessment Administration practices within Jefferson County. This report is intended for informational purposes only. This report is not an endorsement of any alternative form of assessment administration, nor is it an endorsement of the current assessment structure within Jefferson County. This report is also not intended to identify every operational detail of the options described within. Any move to implement or further explore options will require additional specifics. The figures that were analyzed and used for comparison is in 2008 dollars even though a transition might not be possible until a further date in time.

### **Coordinated Assessment Programs (CAP)**

The Coordinated Assessing Program (CAP) allows for two or more municipalities to share an assessor under a formal agreement, but retain their status as an assessing unit. This agreement allows the municipalities to apply and receive an initial grant for up to \$7/parcel.

If a Countywide CAP that encompasses all municipalities within the county was to be formed in Jefferson County, the estimated cost would be \$1,541,752 or \$27.03/parcel. This estimates amounts to approximately \$148,017 less than what is currently spent on the assessment function in Jefferson County. This also amounts to approximately \$456,743 less than what it would cost to adequately staff the current assessment structure. It is anticipated to cost approximately \$911,707 to transition to this form of assessment administration.

In order to transition to this assessment structure, each Town Board would have to adopt a resolution to form the consolidated assessment unit. The following timeline would provide for an orderly transition.

Public Relations Campaign	-	Jan 2000	-	Oct 2009
Town Board Resolutions	-	Nov 2009		
Formation of Department	-	Dec 2009	-	Dec 2010
Countywide Revaluation	-	Jan 2011	-	May 2013
<u>First Consolidated Assessment Roll to be filed</u>	-		-	<u>2013</u>

Five CAPS encompassing all towns (except for City of Watertown)

If five CAPS were to be formed in Jefferson County, excluding the City of Watertown, the estimated cost would be approximately \$1,896,256 or \$33.24/parcel. The following is how the five CAPs should be divided in the county.

- CAP 1 – Leray, Pamelaia, Rutland, Town of Watertown
- CAP 2 – Adams, Lorraine, Rodman, Worth
- CAP 3 – Antwerp, Champion, Philadelphia, Theresa, Wilna
- CAP 4 – Alexandria, Cape Vincent, Clayton, Orleans
- CAP 5 – Brownville, Ellisburg, Henderson, Hounsfield, Lyme

It is anticipated to cost approximately \$1,134,225 to transition to this form of assessment administration.

**Optional County Service Agreements**

Section 1537 of the Real Property Tax Laws allows an assessing unit and a county to enter into an agreement for appraisal services, exemptions service, or assessment services. This is considered an agreement for the provision of a ‘joint service’ for the purposes of article five-g of the general municipal law. This

interpretation takes into the fact that with this agreement the county would not have the power to perform any of the above duties in the absence of the agreement.

#### Full Assessment Function

If all towns were to assign the assessment function to Jefferson County under Section 1537 of the Real Property Tax Law, the estimated cost of the combined assessment/County Real Property Tax Service Agency would be approximately \$1,507,900 or \$26.43/parcel. It is anticipated to cost approximately \$1,299,884 to transition to this form of assessment administration.

In order to transition to this assessment structure, each Town Board and the County Legislature would have to adopt a resolution to form the consolidated assessment unit. The following timeline would provide for an orderly transition.

Public Relations Campaign	-	Jan 2009	-	Oct 2009
Town Board Resolutions	-	Nov 2009		
Formation of Department	-	Dec 2009	-	Dec 2010
Countywide Revaluation	-	Jan 2011	-	May 2013
<u>First Consolidated Assessment Roll to be filed</u>	-		-	<u>2013</u>

#### Countywide Assessment Program

It is estimated that this form of assessment administration would cost approximately \$1,586,025 or \$27.80/parcel in Jefferson County. This is amounts to a savings of \$79,444 over what is currently being spent in Jefferson County for the assessment function.

The cost to transition to a Countywide Department of Assessment for Jefferson County is estimated at \$843,492.

In a Countywide Department of Assessment, all properties would be treated in the same consistent manner. A single equalization rate and a single reappraisal cycle would be attained through this transition. A single consolidated database would be utilized as well.

In order to transition to a Countywide Department of Assessment, a public referendum would have to be passed inside the City of Watertown and in the towns outside as a whole. The following timeline provides for an orderly transition to a Countywide Department of Assessment.

Public Relations Campaign	-	Jan 2009	-	Oct 2009
Public Referendum	-	Nov 2009		
Formation of Department	-	Dec 2009	-	Dec 2010
Countywide Revaluation	-	Jan 2011	-	May 2013
<u>First Countywide Assessment Roll to be filed</u>	-			<u>2013</u>

This time frame allows for a well thought out and developed public relations campaign and ends with a countywide assessment roll in 2013 which is in the year in which all assessors will be eligible for reappointment.

The following chart shows the summary of the cost of the current and alternative assessment structures that would provide for all properties within Jefferson County to be treated in the same equitable manner.

	Current Structure that is in place.	Current Structure that is in place to provide equitable assessments to all properties	Countywide Department of Assessment	Five CAPs encompassing all towns (except for City of Watertown)	All munis contract with County for assessment services under RPTL 1537
One time Start up Costs	\$0	\$1,113,933	\$843,495	\$1,134,225	\$1,299,884
Total Annual Operational Costs	\$1,665,469	\$1,998,495	\$1,586,025	\$1,896,256	\$1,507,900
Cost Per Parcel	\$29.19	\$35.03	\$27.80	\$33.24	\$26.43

The following chart lists the key points for each structure available for assessment administration in Jefferson County. For comparison purposes, only the Key Points of each structure are listed as one individual’s advantages regarding the assessment structure could be a disadvantage for another.

Each structure has the capability of producing an assessment structure for Jefferson County that has a single equalization rate and single reassessment cycle structure. This may be in the form of an alternative to the current structure or by utilizing inter-municipal agreements that mandate a reassessment cycle and a single level of assessment within the county under the current structure.

<b>Options for Assessment Administration</b>	<b>Key Points</b>
<b>Current Structure</b>	<ul style="list-style-type: none"> <li>• 6 Year Appointments</li> <li>• Accountability</li> <li>• Local Home Rule</li> <li>• Part time staff/hours</li> <li>• Multiple Equalization Rates</li> <li>• Multiple Reassessment Cycles</li> </ul>
<b>Countywide Department of Assessment</b>	<ul style="list-style-type: none"> <li>• Single Equalization Rate <ul style="list-style-type: none"> <li>○ Minimize tax shifts</li> </ul> </li> <li>• Single Reassessment Cycle</li> <li>• Removed from Town Level</li> <li>• Full time staff/hours</li> <li>• Civil Service Positions</li> <li>• Assessor not a political appointee</li> <li>• Multiple Appraisal Staff</li> </ul>
<b>Countywide CAP</b>	<ul style="list-style-type: none"> <li>• Single Equalization Rate <ul style="list-style-type: none"> <li>○ Minimize tax shifts</li> </ul> </li> <li>• Single Reassessment Cycle</li> <li>• Removed from Town Level</li> <li>• Full time staff/hours</li> <li>• Multiple Appraisal Staff</li> <li>• 6 Year Appointments</li> </ul>
<b>Countywide 1537</b>	<ul style="list-style-type: none"> <li>• Full time staff/hours</li> <li>• Possibility for single equalization rate and reassessment cycle</li> <li>• Multiple Equalization Rates</li> <li>• Multiple Reassessment Cycles</li> <li>• Removed from Town Level</li> </ul>

## II. The Job of the Property Assessor

The task of being a property assessor is a vast and complex one to say the least. The most basic definition of an assessor is “a local government official who estimates the value of real property within {a county}, city, town, or village’s boundaries. This value is converted into an assessment, which is one component in the computation of real property tax bills.”<sup>2</sup>

The International Association of Assessing Officers lists the following eight main tasks performed by assessors while completing an assessment roll.

1. Locating and identifying all taxable property in the jurisdiction
2. Making an inventory of the quantity, quality and important characteristics of all taxable property.
3. Estimating the value of each taxable property
4. Determining the extent of taxability of each property
5. Calculating the assessed value of each property.
6. Preparing and certifying the assessment roll of the entire jurisdiction.
7. Notifying owners of the assessed value of their properties.
8. Defending value estimates and valuation methods.

There are many different forms that an effective assessment system may take. Many states delegate the assessing function at the county level, while some delegate that authority at the town level. Some states even retain the authority to assess property at the state level.

Regardless of which level of government performs the assessing function, the following list<sup>3</sup> provides policy and administrative features of an effective assessment system.

- Legal Support
- Annual Reappraisal
- Periodic ratio studies that measure the relationship between appraised values and independent estimates of market values (usually sales prices)
- Adequate budget

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<sup>2</sup> Source – Office of Real Property Services – “Job of the Assessor”

<sup>3</sup> Source – IAAO Property Appraisal and Assessment Administration

- Competent Staff
- Effective training programs
- Effective internal controls
- Complete maps and property data
- Accurate sales data
- Modern Data Processing
- Effective Valuation techniques
- Active Public relations

The main three things that should be considered on a macro level when deciding what form of assessment administration is best for each individual municipality is:

1. Transparency – from the public’s standpoint, they want to believe and to be able to understand what the purpose of the assessment function is. They need to feel confident that it is being carried out in a fair and equitable manner.
2. Efficiency – from the legislature’s standpoint, they want the best service to be provided at the lowest cost to the taxpayer of the local municipality.
3. Equity – from the assessor’s standpoint, they want the assessment roll to be the most fair and to provide the most equity as possible.

A valuable tool that has emerged in the field of property valuation is GIS (Geographic Information Systems). A well defined and thought out GIS program is beneficial to the assessment community in many ways. The ability to perform spatial data selections, overlay aerial photography with the parcel boundaries and to have the ability to integrate geographical data into the assessment valuation model can only improve assessment function.

### **III. Current Assessment Practices in Jefferson County**

#### **Assessment Structure**

Currently there are 23 assessing jurisdictions within Jefferson County. Out of these 23 assessing jurisdictions, five towns have formed a Coordinated Assessment Program (CAP) under Real Property Tax Law Section 579. The remaining 18 town assessing jurisdictions employ a combination of sole appointed assessors (14 municipalities) and three-person Board of Assessors (4 municipalities). There are currently two assessors that are working in multiple municipalities whose towns have not currently taken advantage of a CAP. In total, there are 29 assessor positions with 23 individuals occupying them.

The City of Watertown acts separately from the rest of the county's assessing units which increases the confusion to the property owner who has property in the City of Watertown and in another municipality in the County. The City of Watertown does not provide any real property assessment related data to Jefferson County, including assessment and tax map data. The City of Watertown is the only municipality that does not use the standard assessment calendar.

There are 20 villages within Jefferson County, however all have abolished their assessing unit status and have adopted the town assessment roll as their own eliminating this duplication of effort that exists in some other counties.

The Jefferson County RPTS employs an office of 13 full time employees. Work that is contracted to the County Real Property Tax Services include tax rolls/tax bills, assessor reports, RPS support, miscellaneous processing and printing and the processing of corrections/refunds. The County also assists local assessors in orientation and training. Jefferson County does all tax mapping for all municipalities except for the City of Watertown.

The Jefferson County Real Property Tax Services also employs a Revaluation Development Division to assist the local municipalities in their reappraisal projects. This division is essential in providing the assistance that the local assessor needs while trying to complete a complex reappraisal project.

Additionally, the Jefferson County Real Property Tax Services has an E911 Division that is charged to maintain the 911 addressing database for all town and four villages.

There are no posted office hours for the local assessor's office hours on the Jefferson County website. Only the City of Watertown has the local assessor's office hours posted on their website.

There are currently 57,049 parcels of real property located within the county. The Town of Worth has the lowest number of parcels of real property with 413 while the City of Watertown has the most number of parcels of real property with 9,035. There are four towns that have less than 1,000 parcels or real property within their boundaries. The average number of parcels per town in Jefferson County is 2,480.

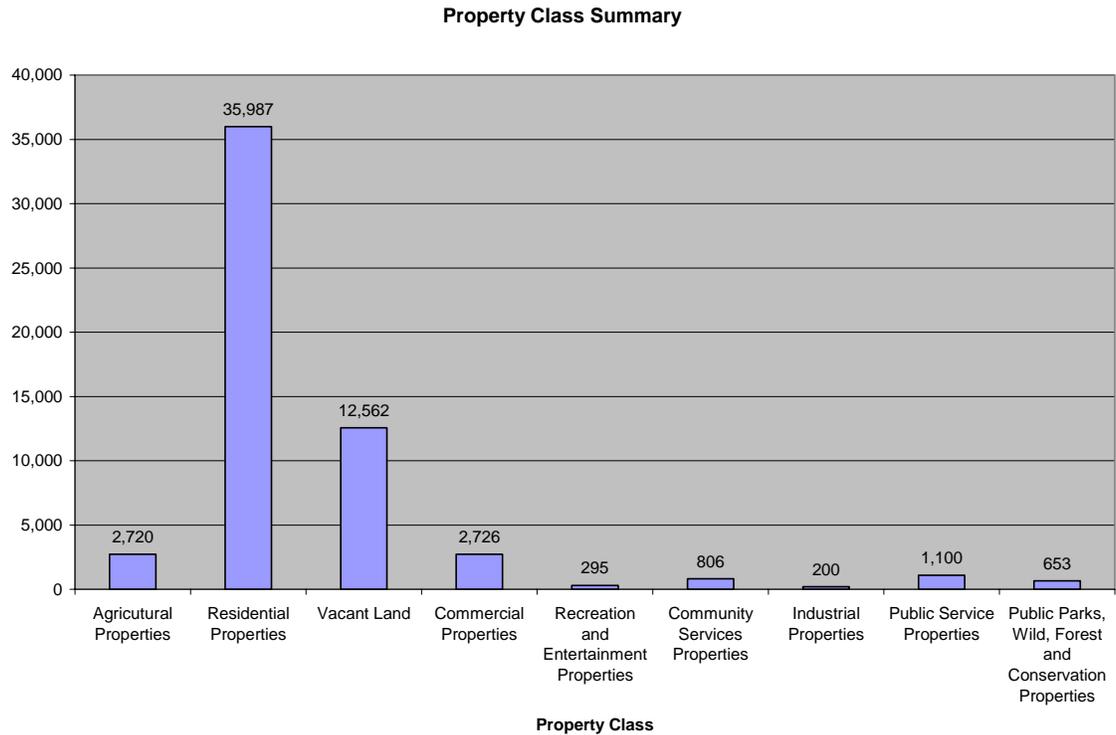
Jefferson County currently uses the state provided RPSv4 (Build 2008) CAMA<sup>4</sup> database for the process of recording all physical inventory on the real property parcels within its boundaries. This easy-to-use windows based program uses a relational database structure that integrates easily into external data management systems. Jefferson County uses RPSv4 to print tax rolls as well as an in-house program to print tax bills. RPSv4 is distributed to the local towns via replication<sup>5</sup>.

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<sup>4</sup> CAMA – Computer Assisted Mass Appraisal

<sup>5</sup> Replication is a technology for sharing information among databases. The Sybase relational database products used in RPS V4 allow for information to be passed from a remote database to a consolidated database, or vice versa. Using this technology will allow various copies of RPS V4 databases to remain synchronized. For example, cities and towns can use replication to pass their RPS changes to the county's copy of the data. The county can also use replication to pass changes out to the affected cities and towns. This would eliminate the need for sending copies of the entire file back and forth between sites.

The predominate property class within Jefferson County is residential – comprising 63% of all parcels. If one combines the residential property class with the vacant land property class – this combination comprises 85% of all parcels.<sup>6</sup>



**Indicators of Assessment Equity**

As of 2008, there were four<sup>7</sup> towns that are in the Annual Assessment Aid Program. By qualifying for this aid, the state has certified that all properties in each of these three municipalities have adjusted assessed values to reflect the fair market value of each individual parcel. In doing so, these municipalities have been able to take advantage of up to \$5/parcel state aid.

<sup>6</sup> 2008 Assessment Roll Data

<sup>7</sup> Champion, Clayton, Leray and Orleans, the Town of Ellisburg is now a participant in the Annual Aid Program.

Out of the remaining sixteen town municipalities that did not perform a revaluation in 2008, there are three towns<sup>8</sup> that are planning to perform a reassessment for either the 2009 or 2010 Assessment Roll year.

The following chart shows all 23 assessing jurisdictions along with their 2008 Final Equalization Rate and the assessor's 2008 Stated Level of Assessment.

Municipality	2008 Equalization Rate	2008 Level of Assessment	Latest Reassessment
Adams	64.00	64.00	2005
Alexandria	95.00	95.00	2007
Antwerp	55.00	55.00	2003
Brownville	68.50	68.50	2005
Cape Vincent	64.00	64.00	2005
Champion	100.00	100.00	2008
Clayton	100.00	100.00	2008
Ellisburg	100.00	100.00	2008
Henderson	59.00	59.00	2002
Hounsfield	57.00	57.00	1989
Leray	100.00	100.00	2008
Lorraine	97.00	97.00	2007
Lyme	33.00	33.00	1989
Orleans	100.00	100.00	2008
Pamelia	60.00	60.00	2003
Philadelphia	100.00	100.00	2008
Rodman	97.00	97.00	2007
Rutland	74.00	74.00	2005
Theresa	57.00	57.00	2001
Watertown	64.50	64.50	2001
Wilna	100.00	100.00	2008
Worth	26.00	26.00	1982
City of Watertown	97.00	97.00	2007

It is important to note that all of the local assessing jurisdictions have had their 2008 local stated Level of Assessment accepted as the Equalization Rate. By having the Level of Assessment confirmed as the Equalization Rate, it allows for accurately adjusted exemptions (ie Veterans, Agricultural Land, STAR).

<sup>8</sup> Henderson and Hounsfield – 2009. Antwerp – 2010.

However the fact that the level of assessment is accepted as the equalization rate does not guarantee a fair and equitable distribution of the tax burden within the county. The coefficient of dispersion<sup>9</sup> (COD) averages 33.84 for all property class types for all towns in the county. This figure is significantly above the acceptable figure of 20.00 as outlined by the International Association of Assessing Officers (IAAO). For residential properties, the COD improves to 21.41 with a range from 6.41 (Town of Philadelphia) to 40.12 (Town of Worth). However, this figure is still above the acceptable figure of 20.00. In fact, only eight towns have a residential COD under 20 and no towns have a COD under 20 for all parcel types.

This lack of assessment uniformity among the parcels within the county has led to a significant inequity of the distribution of the tax burden. Equity can be achieved at a fractional level of assessment as opposed to a full market value level of assessment; however equity on average is not achieved under the current assessment structure based upon this statistical measurement. Possible reasons for this inequity could range from political pressure to lack of staffing in the assessor office.

It is important to note that a single equalization rate and a single reassessment cycle could be obtained under the current assessment structure through the use of inter-municipal agreements that would in effect mandate this within Jefferson County. The dramatic tax shifts that are caused by different equalization rates could be eliminated within Jefferson County by adopting a single reappraisal cycle and single level of assessment.

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<sup>9</sup> Coefficient of Dispersion – The average deviation of a group of observations (assessment ratios, for example) from the mean or, preferably, the median ratio expressed as a percentage of that mean or median. A standard measure of assessment equity.

## Current Assessment Roll Cycles

Currently all 22 town assessment offices use the standard Assessment Roll Calendar as specified by the Real Property Tax Law. The only exception to this schedule is the date for Grievance Day. All of the towns currently use the following for their important dates:

Fiscal Year	=	January 1 – December 31
Valuation Date	=	July 1, Previous Year
Taxable Status Date	=	March 1
Tentative Roll Date	=	May 1
Grievance Day	=	Various <sup>10</sup>
Final Roll	=	July 1
Budget Approval	=	November 20
Tax Levy	=	December 31
Tax Lien	=	January 1

The City of Watertown uses the following for their important dates:

Fiscal Year	=	July 1 – June 20
Valuation Date	=	July 1, Previous Year
Taxable Status Date	=	December 1
Tentative Roll Date	=	January 15
Grievance Day	=	February 10
Final Roll	=	March 31
Tax Levy	=	June 20
Tax Lien	=	June 20

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<sup>10</sup> See Section Titled “Current Grievance Procedure” for more information

**Current Assessment Grievance Procedures**

There are currently 23 Board of Assessment Reviews (three and five person boards are present in Jefferson County) that meet on a yearly basis to act upon filed assessment based grievances.

The following chart shows the applicable grievance days within each town. The typical date for Grievance Day is normally the fourth Tuesday of the month of May. However, this date may be changed according to the New York State Real Property Tax Law Section 512 (1-a) by local law passed by the Town Board.

<b>MUNICIPALITY</b>	<b>GRIEVANCE DAY</b>
Adams	1 <sup>st</sup> Tuesday of June
Alexandria	4th Tuesday of May
Antwerp	4th Wednesday of May
Brownville	4th Thursday of May
Cape Vincent	4th Tuesday of May
Champion	4th Tuesday of May
Clayton	4th Wednesday of May
Ellisburg	4th Tuesday of May
Henderson	4th Tuesday of May
Hounsfield	4th Tuesday of May
Leray	4th Thursday of May
Lorraine	4th Wednesday of May
Lyme	4th Tuesday of May
Orleans	4th Thursday of May
Pamelia	4th Tuesday of May
Philadelphia	4th Tuesday of May
Rodman	4th Tuesday of May
Rutland	4th Thursday of May
Theresa	4th Tuesday of May
Watertown	4th Tuesday of May
Wilna	4th Tuesday of May
Worth	4th Tuesday of May
City of Watertown	2nd Tuesday of February

Each Town Board of Assessment Review is comprised of three or five individuals appointed by the Town Board of each municipality to serve a five-year term. It is mandated by New York State Real Property Tax Law that each Board of Assessment Review member attend one training session at the start of each five-

year term. The task of training each Board of Assessment Review member falls upon the County Real Property Tax Director.

### **Current Assessment Practice Survey**

The following data was obtained via a survey<sup>11</sup> that was sent out to the 20 sole assessors and 3 Chairpersons of the Board of Assessors. Only 16 surveys were returned.

Average Work Hours per Week for Assessor=	26.55	
Average Work Hours per Week for Additional Staff	=	24.4
Average Square Footage of Office	=	296
Number of New Houses per Year	=	381
Total Building Permits	=	1,583

### **Availability of Assessment Data**

Currently, real property assessment related data for Jefferson County is posted on the internet by Jefferson County. This information is open to the public free of charge unlike other municipalities that may charge for this type of access

Jefferson County uses an in-house application to display the real property assessment information online. Included in this data is ownership information, building information, land size, assessment and taxable values. Perhaps of most importance to the property owner is a link to search for comparable properties. By utilizing this link, the property owner is able to verify the accuracy of their own assessment by comparing their property to both properties that have recently sold and by comparing their property to similarly assessed properties. Open access to the real property inventory is essential to help assist in creating a fair and equitable assessment roll and is helpful in fostering a sense of fair treatment

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<sup>11</sup> For full results of the survey please see Appendix A

among the property owners. Based upon data<sup>12</sup> obtained from the NYS Office of Real Properties, 31 counties have some assessment related information displayed online.

Within the Jefferson County Real Property Tax Services Department, there are two computers available for public use. These computers use the state provided RPSv4 database to display the real property assessment information contained within. The information contained within this database is strictly textual data. The public does have access on the computers to the PDF copies of all tax maps and also a link to the County's GIS viewer application on the internet, which has aerial photos available. Deed history cards are also available on the public access computers. There is no public access to any digital information (digital photographs/sketches, surveys, tax map revisions sheets, deed history cards etc) that may be retained by the individual town assessors.

### **Current Assessment Challenges**

This study has not researched the number nor the validity of assessment based challenges – either through the formal grievance procedure, Small Claims Assessment Review or Certiorari filings. The number of formal complaints in no way reflects the current state of an assessment roll.

One could make an argument that if the assessment roll was significantly undervaluing property as opposed to the stated level of assessment, then no formal appeals would be made. Conversely, if the assessment roll was accurately depicting the level of assessment, an argument could be made that formal appeals could increase as it would be in the property owner's best interest to appeal to the court's Solomon-like approach to deciding formal appeals.

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<sup>12</sup> [http://www.orps.state.ny.us/ref/asmtdata/local\\_data.htm](http://www.orps.state.ny.us/ref/asmtdata/local_data.htm)

Also, the existing tax rate for the municipality needs to be taken into account when researching formal assessment challenges. If the tax rate reaches a significant level, it is in the complainant's best interest to file for a formal appeal. If the tax rate is at an insignificant level, then the cost of litigation does not offset the lower expectant tax bills.

The following table<sup>13</sup> shows the number of Small Claim Assessment Review Hearings and the number of Certiorari's that were filed in Jefferson County in 2006-2007.

<u>Type of Review</u>	<u>2006</u>	<u>2007</u>
Small Claims Assessment Review	7	79
Tax Certiorari Activity	23	84

#### Advantages of Local Town Assessment Function

The New York State Assessor's Association (NYSAA) has published a pamphlet that lists the benefits of a Local Town Assessing Unit. The NYSAA breaks down the advantages into the following categories: Local Convenience, Professional Expertise, Accountability, and Cost.

The NYSAA stresses that the property owner should have the convenience of coming directly to their town hall in order to either discuss their assessment or to file a complex application for a real property tax exemption.

#### Disadvantages of Local Town Assessment Function

The same advantages that the NYSAA lists can also be a disadvantage at the Local Town Assessment Level. In the smaller municipalities, it is fiscally irresponsible to hire a full time assessor. The resulting part time assessor can then

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<sup>13</sup> Office of Court Administration

only be reached in their office at certain times of the week/month. In Jefferson County, only the City of Watertown has the assessment department office hours posted online. Based upon information supplied by the County Real Property Tax Service Agency, only six assessment offices have set office hours while the remaining 17 offices do not have any set office hours. Out of the six that have set office hours, the average is 20 hours/week. However, according to a survey sent to the assessment jurisdictions, of the seven responses for Average Number of Hours Assessor is in the Office per Week, the average number of hours was 26. The lack of availability of the assessor or related staff in each town does not seem to be convenient to the public.

Also, in some municipalities in New York State the assessor is still an elected position where the winning candidate may or may not have the training required to perform their job to the best of their abilities. For those assessors that are appointed on a six-year cycle, once they have the training and skills necessary to perform their assessing functions to the best of their ability, they may not be reappointed. This non-reappointment may not be reflective of their work but only a reflection on the political atmosphere within the local municipality. Local politics are not conducive to a professional assessor's ability to perform their job duties effectively.

Finally, without a statewide standard assessment cycle or level of assessment, the same house in Jefferson County but in different towns could have dramatically different assessed valuations. Even though the equalization rate process is supposed to account for these differences in level of assessment, the process is inherently flawed as it is strictly a statistical estimation without any local knowledge of the real estate market taken into consideration. These differences in assessment cycle and level of assessment from one town to another can cause an inequitable distribution of the tax burden and dramatic tax shifts from one year to the next.

### Cost of Current Assessment Administration

A calculation of the current cost of assessment administration function within Jefferson County was obtained by reconciling the most recent three budget years (2006, 2007, 2008). It is important to reconcile the last years in order to remove any outlying expenditure that is not typical of the true cost of the assessment function.

The following table<sup>14</sup> lists the actual costs for the three years that were analyzed. Also included in the chart is the reconciled current assessment administration cost that will be used throughout this study.

	2006	2007	2008	<b>Current Cost</b>
Personnel	1,038,882	1,102,614	1,205,145	<b>1,205,145</b>
Equipment	112,168	110,283	80,463	<b>110,000</b>
Contractual	121,714	131,172	258,330	<b>150,000</b>
Fringes	336,740	362,452	384,880	<b>384,880</b>
BAR Payments	9,200	9,200	9,200	<b>9,200</b>
Revenue	157,182	164,056	160,256	<b>160,256</b>
Total Cost	1,461,522	1,551,665	1,777,762	1,698,969
Cost Per Parcel	<b>25.48</b>	<b>27.04</b>	<b>31.16</b>	<b>29.78</b>

For the basis of this study, **the reconciled cost of the current assessment administration in Jefferson County is \$1,698,969 or \$29.78 per parcel.**

### Cost of Adequately Staffed Assessment Structure

This current size of the structure for the assessment function within Jefferson is insufficient based upon IAAO standards. As the assessment equity statistics within Jefferson County clearly show, the current assessment structure is not equipped to equitably value the parcels in the county.

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<sup>14</sup> For a full analysis of the local municipal and county RPTSA budgets, refer to Appendix B -1,2,3,4

Based upon average staffing to parcel size, some towns are not currently employing adequate staffing. For instance, the Town of Clayton is comprised of approximately 4,000 parcels of real property however according to the salary attributed to the assessment department, the town only employs a 1/3 time assessor. According to IAAO standards for a town consisting of 4,000 parcels, a 0.8 FTE assessor and a 1.2 FTE office staff should be employed. The following chart shows a full breakdown of the IAAO standards.

# of Parcels	FTE Range Ratio	Total Staff	Appraisal Staff
1,000	1:2,000	0.5	0.2
1,500	1:2,000	0.8	0.3
2,000	1:2,000	1.0	0.4
2,500	1:2,000	1.3	0.5
3,000	1:2,000	1.5	0.6
3,500	1:2,000	1.8	0.7
4,000	1:2,000	2.0	0.8
4,500	1:2,000	2.3	0.9
5,000	1:2,000	2.5	1.0
6,000	1:2,000	3.0	1.2
7,000	1:2,000	3.5	1.4
8,000	1:2,000	4.0	1.6
9,000	1:2,000	4.5	1.8
10,000	1:3,200	5.0	2.0

In order to adequately compare the different options for the assessment structure for Jefferson County, an analysis was performed in order to bring each town's assessment budget and staffing levels inline with IAAO standards. According to the following staffing recommendations, an updated staffing level along with the associated salary and fringe benefits were compiled on a town by town basis.

This increased staffing level allows for easy compliance with Section 305 of the New York State Real Property Tax Law by allowing the assessor to concentrate on valuing properties in order to keep all assessments in line with the level of assessment. The increased presence of office staff positions allows for more

public access by allowing the assessment office to stay open for more regular hours.

In addition to reviewing the town's budgets, the County Real Property Tax Service Agency was reviewed as well. If there was an adequately staffed town assessment structure then the need would not exist for the Revaluation Development Division at the county level. The service that is provided by the Revaluation Development Division would be able to be done at the town level if those offices were adequately staffed. This would occur when office staff would be utilized for the clerical duties of the assessor, such as the processing of real property tax exemptions, thereby freeing up the assessor to perform the valuation duties of their job more effectively. It is not cost effective to pay someone the salary of an assessor when a lesser paying job could perform the same duties but for less money. This cost along with the cost for the Personal Division was removed from the cost of the County's share of the cost of an adequately funded assessment structure for Jefferson County.

Based upon the above analysis, in order to adequately fund an assessment structure according to IAAO guidelines, **it would cost Jefferson County approximately \$1,998,495 or \$35.03/parcel.**

#### **IV. Alternative Assessment Administration Structures**

Simply a change to the assessment administration structure will not necessarily improve the assessment administration function within Jefferson County. While a change might lead to an office that is open to the public full time, the major determinant of the effectiveness of the assessment function is the individuals who are providing that service.

The following are options that will be explored in this section.

- Countywide Coordinated Assessment Programs
- Five CAPs encompassing all towns (except City of Watertown)
- Countywide 1537 Service Agreements
- Countywide Department of Assessment

#### **Coordinated Assessment Program**

The Coordinated Assessment Program (CAP) allows for two or more municipalities to share an assessor under a formal agreement but yet retain their status as an assessing unit. This agreement allows the municipalities to apply and receive an initial grant for up to \$7/parcel.

For each city and town in a CAP:

- the assessor prepares a separate assessment roll,
- the local law must specify the same percentage of value for assessments,
- the same assessment calendar is used,
- there are separate assessment appeal proceedings,
- identical equalization rates are established,
- separate equalization rate challenges can be filed,
- separate and different tax rates will be used for each local government in a school district or within a county.

There are approximately 62 CAPs comprised of 141 municipalities that are currently in place statewide.<sup>15</sup>

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<sup>15</sup> Source – Office of Real Property Services

A major benefit of a CAP is that municipalities are able to pool resources and provide a better assessment function than what they could do on their own. Also, in a CAP all properties are treated in a uniform manner reducing the confusion that occurs when similar properties might have drastically different assessed valuation due to variations in the level of assessment.

Currently in Jefferson County, there exist three CAPs encompassing five municipalities. There is one town (Champion) that has formed a CAP with a town (Denmark) in Lewis County. However there are multiple instances where towns share the same assessor but have yet to officially form a CAP.

### Estimated Cost

#### Countywide CAP

In a Countywide CAP there would be one assessor for all municipalities within the County. This individual would be in charge fourteen individuals who would provide the assessment function, including all exemption processing. In addition, the existing County Real Property Tax Service divisions except for the Revaluation Development division would continue in their current structure.

The estimated cost of a Countywide CAP would be approximately \$1,541,752 or \$27.03/parcel based upon an office staffing of 24 individuals. It is estimated that the current staffing of nine individuals in the County RPTSA RPTS, Tax Map and E911 Divisions would have to be supplemented with a staff of fourteen individuals for the Valuation/Assessment Division. To review a full estimated Countywide CAP budget analysis, please refer to Appendix E-2.

If all towns were to form a CAP, then all properties would be treated in a consistent manner. A single equalization rate, level of assessment and consolidated assessment database would be achieved as well thereby eliminating the tax shifts caused by yearly changes in the equalization rate.

## Transition Timeline and Cost

In order to transition to a Countywide CAP, a few steps must occur. The following is a sample timeline that would provide for a orderly transition to this form of assessment administration.

Public Relations Campaign	-	Jan 2009	-	Oct 2009
Town Board Resolutions	-	Nov 2009		
Formation of Department	-	Dec 2009	-	Dec 2010
Countywide Revaluation	-	Jan 2011	-	May 2013
<u>First Consolidated Assessment Roll to be filed</u>	-			<u>2013</u>

The cost of this transition is mainly affected by the cost of a county reassessment in order to ensure all properties are assessed at a single level of assessment. Based upon the fact that all municipalities are not a consistent level of assessment, simply combining and averaging of the level of assessments would not provide for an equitable assessment roll. The cost of a countywide reassessment is estimated at \$1,399,178.

Additionally, there would be a one time start up cost of \$243,000 for items ranging from computers to other office equipment. This combined start up cost of \$1,642,178 would be offset by state aid of \$730,471 (which includes payments of consolidation aid and state aid for 100% level of assessment). This brings the one time start up cost for a Countywide CAP to an estimated \$911,707.<sup>16</sup>

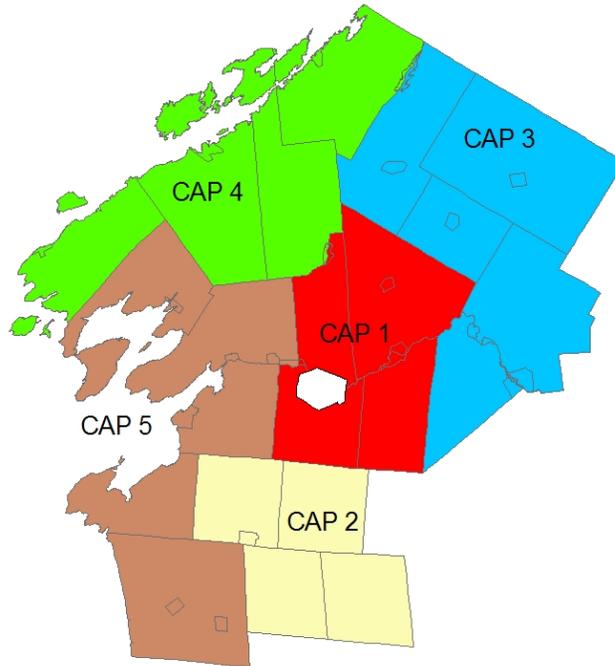
### **Five CAPs encompassing all towns (except City of Watertown)**

Based upon the data analyzed, it is recommended that Jefferson County could be broken up into five separate Coordinated Assessment Programs to provide the

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<sup>16</sup> This start up cost does not provide for the renovation or acquisition costs of office space that will be needed for the increased size of the centralized office.

assessment function. The following is the recommended configuration for this type of assessment administration structure.



- CAP 1 – Leray, Pamelaia, Rutland, Town of Watertown
- CAP 2 – Adams, Lorraine, Rodman, Worth
- CAP 3 – Antwerp, Champion, Philadelphia, Theresa, Wilna
- CAP 4 – Alexandria, Cape Vincent, Clayton, Orleans
- CAP 5 – Brownville, Ellisburg, Henderson, Hounsfield, Lyme

The City of Watertown would remain a separate assessing unit in this alternative form of assessment administration. This structure is recommended after comparing the average residential selling price, parcel classification makeup and geography. While there will be differences between the towns that will make up each individual CAP, these differences are no more dramatic than the differences that are currently present within a single township.

By consolidating the assessment function into larger parcel units, at least a full time appraiser and a full time office staff can be utilized for each CAP. This

consolidation effort can help improve the assessment by allowing for full office hours to be kept in order to provide the public with complete access to the Assessor's Office.

Additionally, by employing a full time office staff position, the clerical duties that are normally reserved for the assessor can be removed from their job duties so that they can focus their efforts on the valuation part of their job duties. By freeing up the assessor from having to do clerical work such as processing real property tax exemptions, the assessor can focus on valuation issues. It is not an effective use of tax dollars to have an assessor do clerical work when that could be done by an appropriate level employee.

In the absence of any inter-municipal agreements that would mandate a specific level of assessment and a common revaluation cycle, this alternative form of assessment administration would not meet the main goal of this grant study program. However, the consolidation of the assessment function into five CAPS (and the City of Watertown) would make a very complex and confusing system less so.

#### Estimated Cost

The estimated cost for these 5 CAPs would be approximately \$1,297,474. Additionally, the cost of the City of Watertown (\$253,004) and the cost for the RPTSA (excluding the Revaluation Development Division - \$345,778) would have to be added for a grand total of \$1,896,256. For a full look at the budgets for this form as assessment administration, please refer to Appendix E-4.

### Transition Timeline and Cost

In order to transition to five CAPs with Jefferson County, a few steps must occur. The following is a sample timeline that would provide for a orderly transition to this form of assessment administration.

Public Relations Campaign	-	Jan 2009	-	Oct 2009
Town Board Resolutions	-	Nov 2009		
Formation of Department	-	Dec 2009	-	Dec 2010
Countywide Revaluation	-	Jan 2011	-	May 2013
<u>First Consolidated Assessment Roll to be filed</u>	-		-	<u>2013</u>

The cost of this transition is mainly affected by the cost of a county reassessment in order to ensure all properties are assessed at a single level of assessment. This cost is estimated at \$1,399,178. Additionally, there would be a one time start up cost of \$243,000 for items ranging from computers and other office equipment. This combined start up cost of \$1,642,178 would be offset by state aid of \$507,953. This brings the one time start up cost for a Countywide CAP to an estimated \$1,134,225.

### **Countywide 1537 Services Agreements (RPTL 1537)**

Section 1537 of the Real Property Tax Laws allows an assessing unit and a county to enter into an agreement for appraisal services, exemptions service, or assessment services. This is considered an agreement for the provision of a 'joint service' for the purposes of article five-g of the general municipal law. This interpretation takes into the fact that with this agreement the county would not have the power to perform any of the above duties in the absence of the agreement.

Section 1537 states:

1. (a) An assessing unit and a county shall have the power to enter into, amend, cancel and terminate an agreement for appraisal services, exemption

services, or assessment services, in the manner provided by this section. Such an agreement shall be considered an agreement for the provision of a "joint service" for purposes of article five-G of the general municipal law, notwithstanding the fact that the county would not have the power to perform such services in the absence of such an agreement.

(b) Any such agreement shall be approved by both the assessing unit and the county, by a majority vote of the voting strength of each governing body.

(c) In the case of an assessing unit, no such agreement shall be submitted to the governing body for approval, unless at least forty-five days prior to such submission, the governing body shall have adopted a resolution, subject to a permissive referendum, authorizing the assessing unit to negotiate such an agreement with the county; provided, however, that such prior authorization shall not be required for an agreement to amend, cancel or terminate an existing agreement pursuant to this section.

2. (a) An agreement between an assessing unit and a county for appraisal services shall provide for the county to appraise all real property within such assessing unit for assessment purposes.

(b) The county shall employ appraisers and other technical personnel to make the appraisals of such properties. No person shall be employed by the county and assigned professional appraisal duties, which relate to the assessment of real property for purposes of taxation unless such person meets the minimum qualification standards established by the state board. Such appraisal personnel shall attend courses of training and education prescribed by the state board.

(c) Such appraisals shall be completed no later than the taxable status date of the assessing unit, and shall be submitted by the county director to the assessor in the form and containing such information as shall be prescribed by the state board.

(d) Appraisals furnished pursuant to this section shall serve as the basis of the assessment of the property so appraised.

(e) Such an agreement may further provide that in any administrative or judicial proceeding to review an assessment which is based upon a county appraisal, the county shall provide such testimony and other evidence as may be necessary to defend such appraisal.

3. An agreement between an assessing unit and a county for exemption services shall provide for the county to review applications for exemption and determine the eligibility of the applicants for such exemptions. Such agreement may further provide that in any administrative or judicial proceeding to review an assessment in which the denial of an exemption is at issue, the county shall provide such testimony and other evidence as may be necessary to defend its denial of exempt status.

4. An agreement between an assessing unit and a county for assessment services shall provide for a person, other than the county director of real property tax services, to be selected by the assessing unit to perform assessment services in accordance with such agreement. Such person shall be deemed the assessor of the assessing unit and shall be subject to all provisions of law pertaining to assessors. Provided, however, that no such agreement for assessment services may be entered into by an assessing unit which has exercised the option to retain elective assessors pursuant to law.

Currently in New York State, seven counties are employing an official version of an Optional County Services agreement<sup>17</sup>.

Perhaps the best avenue that can be undertaken through Section 1537 of the Real Property Tax Law is the assigning of the assessment function by the individual town to the County. In order for this assignment to take place, a majority vote by the town and the county must pass each governing legislative body.

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<sup>17</sup> Office of Real Property Services – The Counties of Cattaraugus, Clinton, Cortland, Essex, Herkimer, Orleans, Schuyler.

In this cooperative form of assessing, there could be one single<sup>18</sup> equalization rate and one single assessment calendar for all towns that assign the assessment function to the county. By combining the assessment function of one or more individual towns, full time professional assessors can be hired to administer the functions of the assessment task. By having assessors who would work a full 40-hour work week, the level of service would be improved by having this individual available to the public during all normal working hours.

While the assessors would be appointed by the individual towns, they would be county employees. For the basis of this analysis, it is assumed that the individual towns would appoint the least amount of individuals in order to minimize the cost.

#### Estimated Cost

In addition to the current structure at the County level, the Revaluation Development division staff would have to be increased and transformed into an Appraisal Division. This division will consist of fourteen individuals who would provide the assessment function, including all exemption processing. The remaining divisions would essentially remain the same.

The estimated cost of an assessment structure in which all of the assessment functions would be assigned the county would be approximately \$1,507,900, or \$26.43 /parcel based upon an office staffing of 24 individuals. To review a full estimated Countywide CAP budget analysis, please refer to Appendix E-3. If all towns were to assign the assessment function to the county, then all properties would be treated in a consistent manner. A single equalization rate, level of assessment and consolidated assessment database would be achieved as well.

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<sup>18</sup> While each municipality would be assigned a separate equalization rate because the municipalities would be assessed under a single standard, this equalization rate could be the same for each municipality.

### Transition Timeline and Cost

In order to transition to Countywide 1537 Agreements, a few steps must occur. The following is a sample timeline that would provide for a orderly transition to this form of assessment administration.

Public Relations Campaign	-	Jan 2009	-	Oct 2009
Town Board Resolutions	-	Nov 2009		
Formation of Department	-	Dec 2009	-	Dec 2010
Countywide Revaluation	-	Jan 2011	-	May 2013
<u>First Consolidated Assessment Roll to be filed</u>	-			<u>2013</u>

The cost of this transition is mainly affected by the cost of a county reassessment in order to ensure all properties are assessed at a single level of assessment. This cost is estimated at \$1,399,178. Additionally, there would be a one time start up cost of \$243,000 for items ranging from computers and other office equipment. This combined start up cost of \$1,642,178 would be offset by state aid of \$342,294. This brings the one time start up cost for a Countywide CAP to an estimated \$1,299,884.

### **Countywide Department of Assessment**

The section will look at a theoretical Countywide Department of Assessment. In no way is this section a recommendation that a Countywide Department of Assessment is the best assessment administration structure for Jefferson County. However, if this is the solution to improving the assessment function in Jefferson County, the following is a recommendation regarding the office structure.

The last time that this transition occurred in New York State was in 1968 when the voters of Tompkins County approved a measure to consolidate the assessing function at the County level. This transition effectively transferred the assessment

function from village, city and town government to county government. Tompkins County therefore became the first county in the state to provide professional assessment administration to village, city and towns. (Nassau County had for many years provided a similar service but mainly for county tax purposes. To this date, there are still separate assessing units within Nassau County, for example, the City of Glen Cove still assesses property for city tax purposes).

This switch to a Countywide Assessing Unit for Tompkins County was not done as a cost savings measure. The driving force behind this switch was to provide a more professional full time appraisal office to the property owners of Tompkins County. Additionally, there were numerous town assessors who were retiring and there was a lack of qualified individuals to replace them. It is recommended that succession planning be undertaken in Jefferson County.

#### Benefits of a Countywide Assessing Unit

The New York State Office of Real Property Services lists the top ten benefits of a countywide assessing unit as:

1. County assessing eliminates tax shifts resulting from changing equalization rates within the county.
2. Assessment equity may improve as a result of more regionalized data, analyses, and market monitoring.
3. With county assessing, individual municipalities and school districts would no longer be the focus of scrutiny regarding reassessments.
4. Taxpayers would likely have more confidence in the tax system if they could see that its administration was highly professional, efficient, and equitable.
5. In rural areas, where municipalities are thinly populated, county assessing would result in sufficient pooling of resources to attract or maintain highly

qualified and competent assessment officials at a potentially lower per-parcel cost.

6. In urban/suburban areas with large cities and large prosperous towns, interactions between assessing offices and the departments responsible for planning, zoning, highway maintenance, E- 911 and other functions could be improved and expanded.
7. Counties, which have larger stakes in tax certiorari cases, typically would have greater resources with which to defend assessments.
8. County assessing would permit increased specialization of assessing staff in regard to specific types of properties, including utilities, industrial properties and complex commercial properties.
9. Assessing staff and resources could be reallocated to respond to emergencies or other events that require coordination across municipal boundaries.
10. The number of entities with which utilities and other owners of widely distributed property must deal would be greatly reduced.

To elaborate, the single greatest advantage to a Countywide Department of Assessment is that all properties within the county's boundaries are treated in a uniform manner. This treatment removes the confusion that exists when neighboring similar properties have dramatically different assessed valuations. This common level of assessment and common reappraisal cycle stops the equalization rate from causing dramatic shifts in the tax burden within the counties taxing jurisdictions. Additionally, a single assessment calendar would be utilized removing the confusion that currently exists with the City of Watertown utilizing a different calendar from the rest of the county.

Another added benefit is that there will be more than one appraiser who is familiar with a certain town. This is beneficial when an appraiser is out of the office and a property owner is looking for an answer to their inquiry. The cross

training that is utilized in a Countywide Department of Assessment is highly desirable.

### Estimated Cost

The following chart shows an estimated budget for a 23-person countywide assessing unit. This 23-person budget assumes that all work will be done in-house. This includes all data collection, property valuation, exemption processing and tax bill production work.

The task of performing all of the appraisal functions within the Countywide Department of Assessment cannot be taken for granted. This work can only be performed with an adequately trained and experienced appraisal staff. While the structure of a countywide assessment office place may be optimal for providing a high level of service, it is still up to the individual occupying the role as to what the actual level of service will be. This structure alone will not create better service to the property owners than a town assessment office.

Personnel Costs	=	\$1,124,308
Equipment Costs	=	\$34,000
Supplies	=	\$38,000
Contractual	=	\$87,250
Fringe Benefits	=	\$449,723
Revenue	=	\$147,256
<b><u>Total County Cost</u></b>	<b>=</b>	<b><u>\$1,586,025</u></b>

This analysis does not include any available aid programs that are present for Quality Assessing including the Triennial Assessment Aid or the Annual Assessment Aid. Based upon the staffing levels analyzed in this section, either program could be undertaken without any outside contractor assistance. (Please see Appendix E-1 for the full line item budget)

**The total Countywide Department of Assessment's budget is estimated to be \$1,586,025 or \$27.80/parcel.**

Transition Timeline and Cost

In order to transition to Countywide Department of Assessment, a few steps must take place most notably a public referendum. This would be a double referendum as both the voters in the City of Watertown and the towns outside as a whole must approve this change in assessment administration structure. The following is a sample timeline that would provide for a orderly transition to this form of assessment administration.

Public Relations Campaign	-	Jan 2009	-	Oct 2009
Public Referendum	-	Nov 2009		
Formation of Department	-	Dec 2009	-	Dec 2010
Countywide Revaluation	-	Jan 2011	-	May 2013
<u>First Consolidated Assessment Roll to be filed</u>	-			<u>2013</u>

The cost of this transition is mainly affected by the cost of a county reassessment in order to ensure all properties are assessed at a single level of assessment. This cost is estimated at \$1,399,178. Additionally, there would be a one time start up cost of \$243,000 for items ranging from computers and other office equipment. This combined start up cost of \$1,642,178 would be offset by state aid of \$798,686 (ranging from \$7/parcel aid for Consolidation of the assessment function to \$2/parcel for an approved countywide assessing referendum to \$5/parcel for a 100% level of assessment). This brings the one time start up cost for a Countywide CAP to an estimated \$843,492.

## **V Current Maintenance Aid Programs**

In recent years, NYSORPS has offered many different programs to entice local assessing jurisdictions to increase the accuracy of their assessment rolls.

The cost to improve the function of assessment administration can be substantial, especially in municipalities where assessed values have not been kept up to date or physical inventory has not been maintained.

According to the NYSORPS, they have changed their aid programs from ones that have encouraged an initial reassessment to the programs that are available today that not only encourage an initial reassessment but also encourage municipalities to keep reassessing properties each and every year at a 100% fair market value.

The following lists each aid program that the State of New York offers along with a brief explanation of each.

### Annual Aid Program

The program allows for a payment of up to \$5/parcel for an assessing jurisdiction that annually reassesses all properties and maintains a 100% of market value level of assessment. Also, all properties must be reappraised and physically inspected at least once during a six-year period. The Countywide Department of Assessment Staff Structure allows for participation in either an annual or triennial assessment aid program,

*This program would bring in approximately \$285,245 to Jefferson County every year.*

### Triennial Aid Program

The program allows for a payment of up to \$5/parcel once every three years for an assessing jurisdiction that conducts a reassessment including a physical inspection of all properties every three years.

*If the County were to adopt a Countywide Assessment structure, this program would bring in approximately \$285,245 to Jefferson County once every three years. This aid will sunset with the 2011 Assessment Roll.*

### Consolidation Incentive Aid Initiative

If two or more assessing jurisdictions merge their assessing functions into a coordinated assessment program (CAP) and employ a single assessor, they are entitled to a one-time payment of \$7 per parcel.

*If all towns were form a CAP, this aid program would bring in approximately \$331,128 to Jefferson County.*

### County Aid Incentive

A one-time payment to a county of \$1/parcel is available when a county provides data collection, appraisal and other related services to a local municipality that currently maintains its status as an assessing unit but takes advantage of county assistance.

*This one time aid program would bring in up to approximately \$57,049 to Jefferson County (Jefferson County has already received some of this aid so the full amount would not be possible).*

### Countywide Assessment

A one-time payment to a county of \$2/parcel who after a public referendum agrees to merge all assessment functions at the county level.

*This one time aid program would bring in approximately \$114,098 to Jefferson County.*

### County Coordinated Assessment Program

A one time payment of \$1/parcel to a county if the county manages the assessment function and an additional \$1/parcel if all properties are included.

*This aid program would bring in approximately \$57,049 to Jefferson County (\$114,098).*

### **Breaking News**

With the announcement of Governor Paterson's directive to cut state spending, ORPS has announced that they will abide by this directive by cutting state aid and reimbursement payments by 2% for the remainder of the 2008-2009 State Fiscal year. The figures that are demonstrated above and throughout the report do not reflect this 2% reduction.

As the State Budget situation is a very fluid one to say the least, any and all grant/aid programs included in this study must be verified to confirm their existence prior to assuming the programs are still available after the publication of this study.

Also a newly created grant program, the 2008-09 Local Government Efficiency Grant Program, has recently been announced. This program needs to be researched further as this program could possibly represent a large funding source for a transition to a Countywide Department of Assessment.



## **IV Recommendations to Improve the Assessment Function in New York State**

There are many avenues that the State of New York can take to improve the assessment function that occurs within its boundaries. The following three recommendations would provide the most immediate improvements. Changes to the assessment function are often not politically popular, however these improvements are considered likely to gain approval.

### **1. Provide Maintenance Aid Payments to Municipalities that are in compliance with Section 305 of the Real Property Tax Law.**

Currently within the New York State Real Property Tax Law, Section 305 specifies that all properties must be assessed at a uniform percentage of value, not full market value. However, both the Annual and Triennial Aid programs require a 100% level of assessment.

If the assessment roll is in compliance with Section 305, then the tax burden will be equitably distributed among the taxpayers within the municipality. All too often, a revaluation is confused with a “revenue generator” for a municipality. First and foremost, the assessment community is concerned with equity. If this equity is achieved, then maintenance aid should be provided to a municipality to assist in keeping this equity on the assessment roll.

### **2. Mandate a Reassessment Cycle at 3 years**

In order to provide for an equitable assessment roll, a reappraisal must be undertaken on a regular basis. With the tools that are available in the industry today, assessed values could be kept up to date without the assistance of a private revaluation company if the updates were done on a consistent basis.

With the mass appraisal techniques available, either through trending or multiple regression analysis, a town assessor can keep values up to date by performing the work in-house.

Mandating an assessment cycle assures that the assessment will not become inequitable due to differing appreciation and depreciation rates within a municipality.

**3. Abolish Elected Assessors and Require Additional Training for Assessor Positions**

Perhaps the most outdated aspect of the assessment function in New York State is the elected assessor position. Politics should never enter the assessment office. All decisions regarding the assessment function are specifically outlined in either the Real Property Tax Law or in general appraisal techniques outlined by the Appraisal Institute.

In addition, more training needs to be required of the assessment community. In today's technologically advanced society, there are many new tools that are available that go under-utilized by the assessment community. The use of GIS, multiple regression analysis and response surface valuation models are widely used in other states. The training for these types of tools is not found in New York State.

The assessment community in New York needs to look outside its boundaries and towards the International Association of Assessing Officers for guidance and assistance in bringing the assessment function into the 21<sup>st</sup> century.

#### **4. Abolish Village Assessing Units**

Perhaps the largest duplication of effort that exists in the New York State Real Property Tax Administration function occurs when two assessing jurisdictions value the same exact property for taxation purposes. There is not one single legitimate reason for this unnecessary duplication of effort.

In addition to the duplication of effort, a property owner must deal with multiple municipalities when either applying for real property tax exemptions or for filing an appeal on their assessed valuation.

Also the Village Assessor does not need to be certified by the Office of Real Property Services, thus the possibility exists that a highly unqualified individual is performing the essential duties of a property assessor without any training.

#### **5. Training Reimbursement for Additional Valuation Staff**

As the current Real Property Tax Law stands, only the title of Assessor is reimbursed for required continuing educational requirements. All other job titles involved in the valuation process, such as Real Property Appraiser are not given this same consideration.

As it stands currently, the training reimbursement package offered by the New York State Office of Real Property Services is a disincentive to consolidate the assessment function at the county level.



# Appendix A



Appendix A-1

MUNICIPALITIES		ASSESSMENT OFFICES	
Municipal Name	Type of Assessor	Assessor Name	IAO or Other Professional Designation
Adams	Sole Assessor	Mr Roger Tibbetts	Y
Alexandria	Sole Assessor	Mr Brad Millett	
Antwerp	Sole Assessor	Ms Cindy Shaw	
Brownville	Sole Assessor	Mr Roger Tibbetts	Y
Cape Vincent	Sole Assessor	Mr Robert V. R. Barnard	
Champion	Sole Assessor	Mr William M. Vargulick	
Clayton	Sole Assessor	Ms Denise Trudell	Y
Ellisburg	Sole Assessor	Ms Cindy Shaw	
Henderson	Sole Assessor	Ms Thelma Schneider	
Hounsfield	Sole Assessor	Ms Jean C. Rogers	
Leray	Sole Assessor	Mr Terry Buckley	
Lorraine	Sole Assessor	Mr Peter J. Rogers	
Lyme	Three Person	Ms Marsha J. Barton	
Orleans	Sole Assessor	Ms Denise Trudell	Y
Pamelia	Three Person	Mr Gary W. Mack	
Philadelphia	Three Person	Mr John Kiechle	
Rodman	Sole Assessor	Mr Peter J. Rogers	
Rutland	Sole Assessor	Mr William Vargulick	
Theresa	Sole Assessor	Mr David W. Chester	
Watertown	Sole Assessor	Mr Roger E. Tibbetts	Y
Wilna	Sole Assessor	Ms Marlene Norfolk	Y
Worth	Three Person	Ms Karen L. Macklen	
City of Watertown	Sole Assessor	Mr Brian Phelps	Y

## Appendix A-2

MUNICIPALITIES		ASSESSMENT OFFICES		EXISTING COLLABORATION
Municipal Name	Type of Assessor	Assessor Name	Part of CAP?	Assessor Works for Multiple Municipalities?
Adams	Sole Assessor	Mr Roger Tibbetts		Yes
Alexandria	Sole Assessor	Mr Brad Millett		
Antwerp	Sole Assessor	Ms Cindy Shaw		Yes
Brownville	Sole Assessor	Mr Roger Tibbetts		Yes
Cape Vincent	Sole Assessor	Mr Robert V. R. Barnard		
Champion	Sole Assessor	Mr William M. Vargulick	229902	Yes
Clayton	Sole Assessor	Ms Denise Trudell	229903	Yes
Ellisburg	Sole Assessor	Ms Cindy Shaw		Yes
Henderson	Sole Assessor	Ms Thelma Schneider		
Hounsfield	Sole Assessor	Ms Jean C. Rogers		
Leray	Sole Assessor	Mr Terry Buckley		
Lorraine	Sole Assessor	Mr Peter J. Rogers	229901	Yes
Lyme	Three Person	Ms Marsha J. Barton		
Orleans	Sole Assessor	Ms Denise Trudell	229903	Yes
Pamelia	Three Person	Mr Gary W. Mack		
Philadelphia	Three Person	Mr John Kiechle		
Rodman	Sole Assessor	Mr Peter J. Rogers	229901	Yes
Rutland	Sole Assessor	Mr William Vargulick		Yes
Theresa	Sole Assessor	Mr David W. Chester		
Watertown	Sole Assessor	Mr Roger E. Tibbetts		Yes
Wilna	Sole Assessor	Ms Marlene Norfolk		
Worth	Three Person	Ms Karen L. Macklen		
City of Watertown	Sole Assessor	Mr Brian Phelps		

## Appendix A-3

Municipal Name	MUNICIPAL CHARACTERISTICS				
	Total Budget for Assessment Function	Total Number of Parcels	Number of Residential Parcels	Percent of Parcels Residential	Budget per parcel
Adams	\$32,122	2,429	1,558	64%	\$13.22
Alexandria	\$64,478	4,103	2,416	59%	\$15.71
Antwerp	\$12,330	1,052	564	54%	\$11.72
Brownville	\$53,624	3,726	2,529	68%	\$14.39
Cape Vincent	\$23,300	2,787	1,690	61%	\$8.36
Champion	\$52,313	2,050	1,374	67%	\$25.52
Clayton	\$103,206	3,968	2,509	63%	\$26.01
Ellisburg	\$21,775	2,651	1,518	57%	\$8.21
Henderson	\$36,300	2,166	1,342	62%	\$16.76
Hounsfield	\$22,300	2,345	1,486	63%	\$9.51
Leray	\$52,850	2,434	1,512	62%	\$21.71
Lorraine	\$8,480	672	404	60%	\$12.62
Lyme	\$34,090	3,282	2,060	63%	\$10.39
Orleans	\$91,900	2,317	1,402	61%	\$39.66
Pamelia	\$13,935	1,553	953	61%	\$8.97
Philadelphia	\$33,780	807	463	57%	\$41.86
Rodman	\$9,498	738	408	55%	\$12.87
Rutland	\$17,640	1,534	935	61%	\$11.50
Theresa	\$23,443	2,325	1,297	56%	\$10.08
Watertown	\$29,749	2,061	1,217	59%	\$14.43
Wilna	\$41,405	2,601	1,740	67%	\$15.92
Worth	\$5,753	413	230	56%	\$13.93
City of Watertown	\$253,004	9,035	6,380	71%	\$28.00

## Appendix A-4

MUNICIPALITIES	INDICATORS OF ASSESSMENT EQUITY						
Municipal Name	2008 Eq. Rate	2008 LOA of various property types	COD residential	COD (all)	Latest Reassessment	Latest State Aid	Planned Reassessment
Adams	64.00	64.00	20.58	27.90	2005		
Alexandria	95.00	95.00	34.89	48.95	2007		
Antwerp	55.00	55.00	32.57	39.04	2003		2010
Brownville	68.50	68.50	18.82	27.96	2005		
Cape Vincent	64.00	64.00	28.19	35.11	2005		
Champion	100.00	100.00	13.03	31.80	2008	Annual	
Clayton	100.00	100.00	11.12	31.07	2008	Annual	
Ellisburg	100.00	100.00		41.50	2008	Annual	
Henderson	59.00	59.00	21.43	31.69	2002		2009
Hounsfield	57.00	57.00	25.17	34.76	1989		2009
Leray	100.00	100.00	9.28	28.88	2008	Annual	
Lorraine	97.00	97.00	25.38	26.53	2007		
Lyme	33.00	33.00	31.51	47.06	1989		
Orleans	100.00	100.00	10.17	43.01	2008	Annual	
Pamelia	60.00	60.00	19.97	37.70	2003		
Philadelphia	100.00	100.00	6.41	38.55	2008		
Rodman	97.00	97.00	22.93	26.19	2007		
Rutland	74.00	74.00	16.51	26.29	2005		
Theresa	57.00	57.00	34.80	42.73	2001		
Watertown	64.50	64.50	18.33	27.29	2001		
Wilna	100.00	100.00	22.92	32.13	2008		
Worth	26.00	26.00	40.12	36.98	1982		
City of Watertown	97.00	97.00	19.51	24.40	2007		

COD's were supplied by the Office of Real Property Services

Appendix A-5

Municipality	Municipal Assessment Offices		Existing Collaboration of Assessment Function			Municipal Characteristics			Indicators of Assessment Equity		
	Type of Assessor	IAO/Other Professional Designation	CAP	Assessor works for multiple munis	Contract with County	Total Budget of Asmt	Number of Parcels	Number of Residential Parcals	Eq Rate	Level of Assessment	Year of Most Recent Reassessment
Adams	Sole Assessor	Y		Yes		32,122	2,429	1,558	64.00	64.00	2005
Alexandria	Sole Assessor					64,478	4,103	2,416	95.00	95.00	2007
Antwerp	Sole Assessor			Yes		12,330	1,052	564	55.00	55.00	2003
Brownville	Sole Assessor	Y		Yes		53,624	3,726	2,529	68.50	68.50	2005
Cape Vincent	Sole Assessor					23,300	2,787	1,690	64.00	64.00	2005
Champion	Sole Assessor		229902	Yes		52,313	2,050	1,374	100.00	100.00	2008
Clayton	Sole Assessor	Y	229903	Yes		103,206	3,968	2,509	100.00	100.00	2008
Ellisburg	Sole Assessor			Yes		21,775	2,651	1,518	100.00	100.00	2008
Henderson	Sole Assessor					36,300	2,166	1,342	59.00	59.00	2002
Hounsfield	Sole Assessor					22,300	2,345	1,486	57.00	57.00	1989
Leray	Sole Assessor					52,850	2,434	1,512	100.00	100.00	2008
Lorraine	Sole Assessor		229901	Yes		8,480	672	404	97.00	97.00	2007
Lyme	Three Person					34,090	3,282	2,060	33.00	33.00	1989
Orleans	Sole Assessor	Y	229903	Yes		91,900	2,317	1,402	100.00	100.00	2008
Pamelia	Three Person					13,935	1,553	953	60.00	60.00	2003
Philadelphia	Three Person					33,780	807	463	100.00	100.00	2008
Rodman	Sole Assessor		229901	Yes		9,498	738	408	97.00	97.00	2007
Rutland	Sole Assessor			Yes		17,640	1,534	935	74.00	74.00	2005
Theresa	Sole Assessor					23,443	2,325	1,297	57.00	57.00	2001
Watertown	Sole Assessor	Y		Yes		29,749	2,061	1,217	64.50	64.50	2001
Wilna	Sole Assessor	Y				41,405	2,601	1,740	100.00	100.00	2008
Worth	Three Person					5,753	413	230	26.00	26.00	1982
City of Watertown	Sole Assessor	Y				253,004	9,035	6,380	97.00	97.00	2007



## Appendix B



## 2006 Local Assessment Function Budget

2006	# of Parcels	Personnel	Equipment	Contractual	Fringes	Total Cost	Cost Per Parcel
Adams	2,429	18,848		4,716	6,597	30,161	12.42
Alexandria	4,103	50,580	1,000	4,000	5,058	60,638	14.78
Antwerp	1,052	10,000			1,000	11,000	10.46
Brownville	3,726	31,024	1,365	8,828	10,858	52,075	13.98
Cape Vincent	2,787	14,800	500	2,000	2,960	20,260	7.27
Champion	2,050	19,500	1,500	9,000	6,825	36,825	17.96
Clayton	3,968	28,710		3,800	10,049	42,559	10.73
Ellisburg	2,651	14,175		2,950	1,418	18,543	6.99
Henderson	2,166	20,000	600	1,200	2,000	23,800	10.99
Hounsfield	2,345	17,000		2,250	1,700	20,950	8.93
Leray	2,434	40,000		5,000	4,000	49,000	20.13
Lorraine	672	6,200		400	620	7,220	10.74
Lyme	3,282	24,500	2,500	2,000	2,450	31,450	9.58
Orleans	2,317	22,500		4,500	7,875	34,875	15.05
Pamelia	1,553	10,227		2,000	1,023	13,250	8.53
Philadelphia	807	6,600	1,000	6,000	660	14,260	17.67
Rodman	738	7,500		600	750	8,850	11.99
Rutland	1,534	11,900		1,000	1,190	14,090	9.19
Theresa	2,325	18,100	500	800	1,810	21,210	9.12
Watertown	2,061	17,293	850	3,000	6,053	27,196	13.20
Wilna	2,601	25,800	1,000	2,500	2,580	31,880	12.26
Worth	413	3,901	1,500	500	390	6,291	15.23
City of Watertown	9,035	143,901		54,670	45,317	243,888	26.99
Board of Assessment Review Payments						9,200	
Local Assessment		563,059	12,315	121,714	123,182	820,270	
County Real Property	Revenue	157,182	475,823	99,853	0	213,558	632,052
Total Cost		1,038,882	112,168	121,714	336,740	1,461,522	25.62

**2007 Local Assessment Function Budget**

2007	# of Parcels	Personnel	Equipment	Contractual	Fringes	Total Cost	Cost Per Parcel
Adams	2,429	19,833		6,016	6,942	32,791	13.50
Alexandria	4,103	54,595	5,000	5,000	5,460	70,055	17.07
Antwerp	1,052	10,300		1,000	1,030	12,330	11.72
Brownville	3,726	29,335	200	13,266	10,267	53,068	14.24
Cape Vincent	2,787	16,000	500	1,500	3,200	21,200	7.61
Champion	2,050	35,640	1,500	2,000	12,474	51,614	25.18
Clayton	3,968	20,000	1,000	8,000	7,000	36,000	9.07
Ellisburg	2,651	16,601		2,950	1,660	21,211	8.00
Henderson	2,166	19,000	300	5,200	1,900	26,400	12.19
Hounsfield	2,345	17,500		2,500	1,750	21,750	9.28
Leray	2,434	42,000		6,100	4,200	52,300	21.49
Lorraine	672	6,800		400	680	7,880	11.73
Lyme	3,282	26,000	2,500	2,000	2,600	33,100	10.09
Orleans	2,317	60,240		5,000	21,084	86,324	37.26
Pamelia	1,553	10,534		2,000	1,053	13,587	8.75
Philadelphia	807	9,800	7,600	9,560	980	27,940	34.62
Rodman	738	7,313		1,000	731	9,044	12.26
Rutland	1,534	11,900		1,000	1,190	14,090	9.19
Theresa	2,325	18,824	100	1,400	1,882	22,206	9.55
Watertown	2,061	18,158	500	3,700	6,355	28,713	13.93
Wilna	2,601	27,000	1,000	2,500	2,700	33,200	12.76
Worth	413	4,018	1,500	500	402	6,420	15.54
City of Watertown	9,035	151,522	2,000	48,580	47,960	250,062	27.68
Board of Assessment Review Payments						9,200	
Local Assessment		632,913	23,700	131,172	143,501	931,286	
County Real Property	Revenue 164,056	469,701	86,583	0	218,951	611,179	
<b>Total Cost</b>		<b>1,102,614</b>	<b>110,283</b>	<b>131,172</b>	<b>362,452</b>	<b>1,551,665</b>	<b>27.20</b>

**2008 Local Assessment Function Budget**

2008	# of Parcels	Personnel	Equipment	Contractual	Fringes	Total Cost	Cost Per Parcel
Adams	2,429	19,338		6,016	6,768	32,122	13.22
Alexandria	4,103	47,707	2,000	10,000	4,771	64,478	15.71
Antwerp	1,052	10,300		1,000	1,030	12,330	11.72
Brownville	3,726	29,734	200	13,283	10,407	53,624	14.39
Cape Vincent	2,787	16,500	1,500	2,000	3,300	23,300	8.36
Champion	2,050	36,380	1,500	1,700	12,733	52,313	25.52
Clayton	3,968	18,000	1,000	77,906	6,300	103,206	26.01
Ellisburg	2,651	17,114		2,950	1,711	21,775	8.21
Henderson	2,166	28,000	300	5,200	2,800	36,300	16.76
Hounsfield	2,345	18,000		2,500	1,800	22,300	9.51
Leray	2,434	43,500		5,000	4,350	52,850	21.71
Lorraine	672	6,800		1,000	680	8,480	12.62
Lyme	3,282	26,900	2,500	2,000	2,690	34,090	10.39
Orleans	2,317	62,000		32,500	21,700	116,200	50.15
Pamelia	1,553	10,850		2,000	1,085	13,935	8.97
Philadelphia	807	9,800	1,000	22,000	980	33,780	41.86
Rodman	738	7,725		1,000	773	9,498	12.87
Rutland	1,534	14,400		1,800	1,440	17,640	11.50
Theresa	2,325	19,766	100	1,600	1,977	23,443	10.08
Watertown	2,061	18,703	500	4,000	6,546	29,749	14.43
Wilna	2,601	27,500	1,000	10,155	2,750	41,405	15.92
Worth	413	4,139	1,000	200	414	5,753	13.93
City of Watertown	9,035	151,252	0	52,520	49,232	253,004	28.00
Board of Assessment Review Payments						9,200	
Local Assessment		644,408	12,600	258,330	146,236	1,061,574	
County Real Property	Revenue	160,256	560,737	67,863	0	238,644	706,988
<b>Total Cost</b>		<b>1,205,145</b>	<b>80,463</b>	<b>258,330</b>	<b>384,880</b>	<b>1,777,762</b>	<b>31.16</b>

County Budget

	2006				2007				2008			
	Real Property	Tax Map	Revaluation	E911	Real Property	Tax Map	Revaluation	E911	Real Property	Tax Map	Revaluation	E911
Personnel Services	145,334	139,754	150,654	40,081	155,030	154,050	140,921	19,700	170,078	192,369	146,290	52,000
Equipment/Other Capital	43,753	40,250	13,467	2,383	43,783	27,450	12,217	3,133	41,413	11,600	12,917	1,933
Fringe Benefits	68,278	68,665	55,897	20,718	79,440	59,574	57,296	22,641	91,794	60,276	76,249	10,325
<b>Total Cost Real Property Tax Service</b>	<b>257,365</b>	<b>248,669</b>	<b>220,018</b>	<b>63,182</b>	<b>278,253</b>	<b>241,074</b>	<b>210,434</b>	<b>45,474</b>	<b>303,285</b>	<b>264,245</b>	<b>235,456</b>	<b>64,258</b>
	Revenue				Revenue				Revenue			
Reports												
Tax Map Filing/Copying	4,500				5,500				6,500			
Tax & Assessment Services*	248,669				238,073				264,245			
Direct Town Charges	42,000				42,000				42,000			
Revaluation Fees	18,300				22,500				13,000			
Report Sales Other Govt	14,000				14,000				14,000			
Sale of Tax Maps	6,500				8,000				8,000			
911 Surcharge	63,182				65,856				65,856			
ST Aid	1,000											
ST Aid Other General Govt	7,700				6,200				10,900			
	<u>157,182</u>				<u>164,056</u>				<u>160,256</u>			
<b>Net Costs</b>	<b><u>632,052</u></b>				<b><u>611,179</u></b>				<b><u>706,988</u></b>			

\* = The cost for tax mapping is charged back to the towns however is not included in the assessor's budget. Hence this revenue will not be included in the cost analysis.

## Cost of Fully Staffed Local Assessment Structure

2008	# of Parcels	Appraisal	Office	Personnel	Equipment	Contractual	Fringes	Total Cost	Cost Per Parcel
Alexandria	4,103	0.8	1.0	80,954	2,000	6,155	24,286	113,395	27.64
City of Watertown	9,035	2.0	2.0	182,784	0	13,553	54,835	251,172	27.80
Theresa	2,325	0.5	0.8	57,457	100	3,488	5,746	66,790	28.73
Pamelia	1,553	0.3	0.5	35,258		2,330	3,526	41,114	26.47
Philadelphia	807	0.2	0.3	22,199	1,000	1,211	2,220	26,629	33.00
Lorraine	672	0.2	0.3	22,199		1,008	2,220	25,427	37.84
Rodman	738	0.2	0.3	22,199		1,107	2,220	25,526	34.59
Cape Vincent	2,787	0.5	0.8	57,457	1,500	4,181	33,972	97,110	34.84
Watertown	2,061	0.4	0.6	44,397	500	3,092	4,440	52,429	25.44
Adams	2,429	0.5	0.8	57,457		3,644	5,746	66,846	27.52
Brownville	3,726	0.7	1.1	79,656	200	5,589	16,590	102,035	27.38
Leray	2,434	0.5	0.8	57,457		3,651	12,018	73,126	30.04
Champion	2,050	0.4	0.6	44,397	1,500	3,075	4,440	53,412	26.05
Rutland	1,534	0.3	0.5	35,258		2,301	3,526	41,085	26.78
Antwerp	1,052	0.2	0.3	22,199		1,578	2,220	25,997	24.71
Ellisburg	2,651	0.5	0.8	57,457		3,977	10,136	71,570	27.00
Clayton	3,968	0.8	1.2	88,795	1,000	5,952	27,423	123,169	31.04
Orleans	2,317	0.5	0.8	57,457		3,476	12,018	72,951	31.48
Hounsfield	2,345	0.5	0.8	57,457		3,518	12,018	72,993	31.13
Worth	413	0.2	0.3	22,199	1,000	620	2,220	26,038	63.05
Wilna	2,601	0.5	0.8	57,457	1,000	3,902	12,018	74,377	28.60
Lyme	3,282	0.6	1.1	74,437	2,500	4,923	15,284	97,144	29.60
Henderson	2,166	0.4	0.6	44,397	300	3,249	4,440	52,386	24.19
Total Local Cost	57,049	11.7	17.1	1,280,983	12,600	85,574	273,561	1,652,717	28.97
County RPTS	Revenue 160,256	0.0	9.0	285,088	84,003		136,943	345,778	6.06
Total True Cost	160,256	11.7	26.1	1,566,071	96,603	85,574	410,504	1,998,495	35.03



# Appendix C



## Parcel Class Breakdown

	Agricultural Properties	Residential Properties	Vacant Land	Commercial Properties	Recreation and Entertainment Properties	Community Services Properties	Industrial Properties	Public Service Properties	Public Parks, Wild, Forest and Conservation Properties	Totals
Adams	165	1558	442	138	12	39	11	62	2	2429
Alexandria	162	2416	1042	221	47	42	7	37	129	4103
Antwerp	147	564	222	32	5	29	7	33	13	1052
Brownville	127	2529	817	78	9	52	3	68	43	3726
Cape Vincent	198	1690	717	84	19	31	2	31	15	2787
Champion	98	1374	385	78	3	33	18	46	15	2050
Clayton	153	2509	996	161	26	45	16	39	23	3968
Ellisburg	356	1518	494	48	8	46	9	63	109	2651
Henderson	119	1342	572	40	17	27	3	19	27	2166
Hounsfield	113	1486	512	103	23	40	8	55	5	2345
Leray	123	1512	511	119	8	39	11	106	5	2434
Lorraine	49	404	159	5		15		11	29	672
Lyme	138	2060	932	42	23	29	1	31	26	3282
Orleans	154	1402	527	95	18	33	18	34	36	2317
Pamelia	90	953	251	162	5	19	8	55	10	1553
Philadelphia	83	463	155	46	2	16		34	8	807
Rodman	110	408	174		1	14	1	15	15	738
Rutland	149	935	280	44	2	21	7	83	13	1534
Theresa	82	1297	772	49	12	29	2	37	45	2325
Watertown	72	1217	436	197	4	31	26	72	6	2061
Wilna	11	1740	533	156	15	47	13	82	4	2601
Worth	20	230	87			4	1	5	66	413
City of Watertown	1	6380	1546	828	36	125	28	82	9	9,035
	2,720	35,987	12,562	2,726	295	806	200	1,100	653	57,049

All data is from 2008 except for City of Watertown which is 2007.



## Appendix D



## Appendix D

### Job Duties of the Countywide Assessment Staff

#### Management

##### The Director of Assessment

In a Countywide Department of Assessment, the need for both an assessor and a County Real Property Tax Director is removed and the Director of Assessment fills both of these roles. This position would best be filled through the typical civil service process. By adhering to this process, this removes the Director of Assessment from the political realm. The sole responsibility for filing a fair and equitable assessment roll falls on the shoulders of the Director of Assessment and the further this position can be from under the umbrella of politics, the more independent that individual can be.

Along with the responsibility of filing a fair and equitable assessment roll, the Director of Assessment would be the supervisor for the entire office, including both the field and the office staff. An important role that the Director of Assessment needs to play is that of a public relations officer. It is vital that the Director of Assessment makes the office policies, the New York State Real Property Tax Law and the assessment function as transparent as possible to the general public. The more open the office is with regards to property record cards, sales information, etc, the more the public will have faith that the assessment function is functioning well. The Director of Assessment would also serve the typical role of the County Real Property Tax Director in regards to the verification of any refunds/correction to the tax roll.

The Director of Assessment has final authority in determining the Level of Assessment that is stated on the Assessment Roll. While the decision on the actual appraisal cycle remains with the County Board of Supervisors, it is the

decision of the Director of Assessment to verify the Level of Assessment that is present on the Assessment Roll. It is imperative that the Director of Assessment follows Real Property Tax Law Section 305 to ensure uniformity and equity within the Assessment Roll.

In addition to being certified by the Office of Real Property Services as a Real Property Appraiser, a Director of Assessment must also be certified as a County Real Property Tax Director prior to appointment.

#### Assistant Director

The Assistant Director of Assessment would be primarily in charge of the high level commercial properties. This would also include all properties for which a Certiorari action is filed. The Assistant Director of Assessment would also be responsible for directing the valuation staff function. The Assistant Director would have to work very closely with the two Valuation Specialists in order to ensure that the appraisal work to be undertaken for the year will guarantee that the Assessment Roll will be at the Level of Assessment as stated by the Director of Assessment.

The Assistant Director would also be responsible for the internal functions of the office. This ranges from everything from coordinating the integration of all external databases with the chosen CAMA database to the filing of the annual value verification documentation with the Office of Real Property Services.

This position would also be responsible for valuing all Roll Sections except for the Taxable Properties. This individual would have to interact with ORPS to assist in valuing Taxable State Owned Land, Special Franchise Properties and Public Utility properties. It is highly recommended to utilize the expertise available at ORPS to value all of these types of unique properties.

The Assistant Director of Assessment would act as the Director of Assessment in his/her absence.

### The Appraisal Staff

#### Valuation Specialist

The Valuations Specialist's main job duty would be coordinating the Real Property Appraisal staff and the work projects that need to be undertaken for that year to ensure an equitable Assessment Roll. It is recommended that the Valuation Specialist be in charge of the residential appraisal staff while the Assistant Director of Assessment is in charge of valuing commercial properties.

The Valuation Specialist would play a significant part in the planning and preparation of the upcoming year's valuation schedule. The Valuation Specialist would still have town valuation responsibility and act as the Real Property Appraiser for that municipality.

The Valuation Specialist would be the primary appraiser in Small Claims Assessment Review (SCAR) cases. Depending on the number of SCARs filed each year, the Valuation Specialist would either coordinate the work among the Real Property Appraisers or would perform the appraisals on their own.

A Valuation Specialist would already be qualified as a Real Property Appraiser pursuant to Section 326 of the Real Property Tax Law. It is also recommended that a Valuation Specialist be certified by the New York State Department of the State as a Certified Real Estate Appraiser.

## Real Property Appraisers

The Real Property Appraisers serve in a similar manner to that of the local town assessor. The main job function of the RPA is to value property – primarily residential, vacant and farm although there may be the occasion the RPA would have to collaborate with the Deputy Director of Assessment on individual valuation/data collection projects. The RPA's would not have to process the multitude of real property tax exemptions with the exception of any that involve an increase to the assessed value (ie RPTL 421-f – Capital Improvements made to Residential Properties or RPTL 480a – Agricultural Building Exemptions). The remaining exemptions would be processed by the office staff which allows the RPA to value property.

The RPA also need to have good rapport with the townships that they are assigned in regards to dealing with the local Town Clerk's and Building office. In order to ensure the same (or better) level of service that currently exists at the local assessing level, the RPA needs to have a presence at the local town hall.

A very important aspect of the job of the RPA is the sales verification process. A standard process needs to be developed to ensure that each real property transfer is verified in the same manner to ensure consistency with the real property data.

While each RPA is assigned one or more municipalities to be responsible for all aspects of the valuation process (including data collection), it is highly recommended that the municipal responsibility is changed every 3-4 years (depending on the appraisal cycle voted on by the County Board of Supervisors). This revolving appraisal responsibility provides for a very high level of service as there is more than one RPA that has an in-depth knowledge of that particular municipality. A change in the appraisal responsibility also ensures a new pair of eyes every so often to review the property value in the municipality but more important it changes the person making decisions on the value in case of any

personality conflict that exists between the RPA and an individual property owner.

To be appointed as a Real Property Appraiser, the candidate must have met the minimum qualifications as set forth by the Office of Real Property Services for a Real Property Appraiser pursuant to Section 326 of the Real Property Tax Law.

There are currently no continuing education requirements for a Real Property Appraiser. However, these positions serve as a pseudo-assessor for the towns within the county. As such, the County should impose the same standards of continuing education as is placed upon the office of the assessor. Therefore it is recommended that each RPA be required to fulfill at least 24 hours of continuing education per year on average. While the local town assessor is able to be reimbursed for their training from the Office of Real Property Services, currently there exists no reimbursement for the continuing education of a Real Property Appraiser.



# Appendix E



Title	2008 Budget		Number of Staff
Director of Assessment	78,936		1
Assistant Director of Assessment	65,780		1
Valuation Specialist	57,200	114,400	2
Real Property Appraiser	52,000	468,000	9
Real Property Info Specialist	39,203	117,609	3
GIS Specialist	40,620		1
Senior Typist	32,802	98,406	3
Tax Map Technician	44,875	89,750	2
Senior Tax Map Tech	50,807		1
	<b>Personal Services</b>	<b><u>1,124,308</u></b>	<b>23</b>
Computer Equip	8,000		
Office Equip	3,000		
Office Furnishings	3,000		
Computer Soft.	4,000		
<b>Equipment</b>	<b>18,000</b>		
Office Supplies	18,000		
Auto Supplies	6,000		
Auto Fuel	8,000		
Printing	4,000		
Books	2,000		
<b>Supplies</b>	<b>38,000</b>		
Program Expense	2,250		
Legal Advertising	5,000		
Travel/Training	15,000		
Local Mileage	18,000		
Membership dues	4,000		
Service Contracts	10,000		
Professional Serv	20,000		
Postage	25,000		
Telephone	4,000		
<b>Contractual</b>	<b>103,250</b>		
	<b>Total Expenses</b>	<b><u>159,250</u></b>	
Fringe Benefits			
	<b>Total Fringes</b>	<b><u>449,723</u></b>	
Revenue	147,256		
<b>Total County Cost</b>		<b><u><u>1,586,025</u></u></b>	
	<b>Total Parcels</b>	<b>57,049</b>	
	<b>Cost Per Parcel</b>	<b>27.80</b>	

## Countywide Coordinated Assessment Program

## RPTS Division Budget

Personnel Services	\$170,078
Equipment	\$41,413
Fringe Benefits	\$91,794
Total Expense RPTS Division Budget	<u>\$303,285</u>

## Tax Map Division Budget

Personnel Services	\$192,369
Equipment	\$11,600
Fringe Benefits	\$60,276
Total Expense Tax Map Division	<u>\$264,245</u>

## E911 Division Budget

Personnel Services	\$52,000
Equipment	\$1,933
Fringe Benefits	\$10,325
Total Expense E911	<u>\$64,258</u>

## Appraisal Division

Personnel Services	\$726,586
Equipment	\$40,000
Fringe Benefits	\$290,634
Total Expense Appraisal Division Budget	<u>\$1,057,220</u>

Revenue \$147,256

Total Countywide CAP Budget **\$1,541,752**

or 27.03 /parcel

## Countywide 1537 Agreements

## RPTS Division Budget

Personnel Services	\$170,078
Equipment	\$41,413
Fringe Benefits	\$91,794
Total Expense RPTS Division Budget	<u>\$303,285</u>

## Tax Map Division Budget

Personnel Services	\$192,369
Equipment	\$11,600
Fringe Benefits	\$60,276
Total Expense Tax Map Division	<u>\$264,245</u>

## E911 Division Budget

Personnel Services	\$52,000
Equipment	\$1,933
Fringe Benefits	\$10,325
Total Expense E911	<u>\$64,258</u>

## Appraisal Division

Personnel Services	\$702,406
Equipment	\$40,000
Fringe Benefits	\$280,962
Total Expense Appraisal Division Budget	<u>\$1,023,368</u>

Revenue	<u>\$147,256</u>
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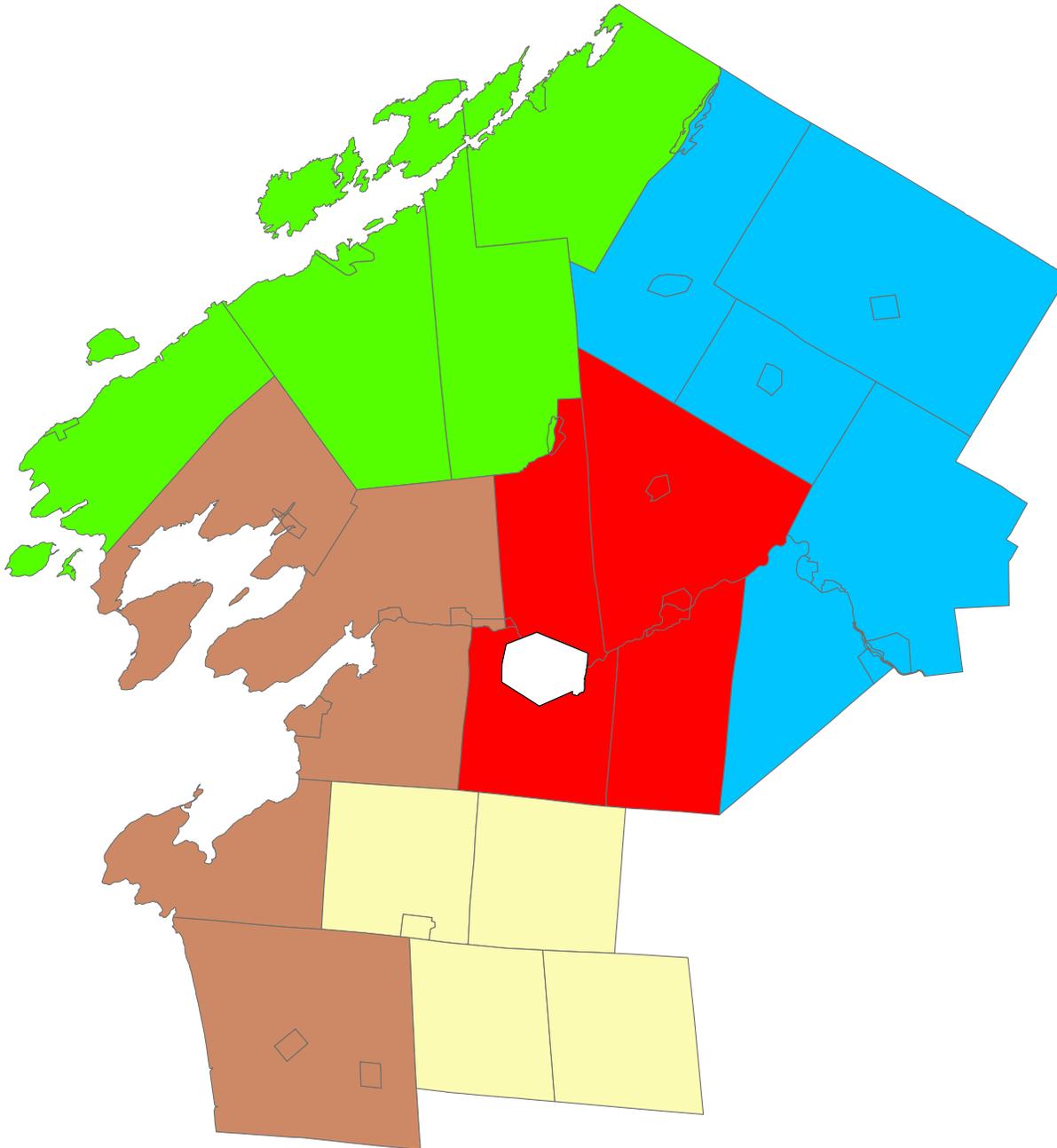
Total Countywide CAP Budget	<u><b>\$1,507,900</b></u>
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or 26.43 /parcel

## Cost of Five Coordinated Assessment Programs

	Parcels	Appraisal Staff	Office Staff	Revenue	Personnel	Equipment	Contractual	Fringes	Total Cost
CAP1	7,582	1.40	2.80		182,833	10,000	15,000	39,179	247,012
CAP2	4,252	0.80	1.20		88,795	5,000	20,000	27,418	141,212
CAP3	8,835	1.60	1.60		146,227	10,000	15,000	27,418	198,645
CAP4	13,175	2.60	2.60		237,619	15,000	25,000	54,835	332,454
CAP5	14,170	2.80	2.80		255,898	15,000	25,000	82,253	378,150
Total CAP	48,014	9.20	11.00		911,372	55,000	100,000	231,102	1,297,474
City of Watertown	9,035				151,252	0	52,520	49,232	253,004
County RPTSA		0.00	9.00	160,256	285,088	84,003	0	136,943	345,778
Total Cost of 5 CAPS		9.2	20.0	160,256	1,347,712	139,003	152,520	417,277	1,896,256

# Jefferson County Countywide CAPs Agreements



The map depicts how five CAPs encompassing all towns in Jefferson County (exclusive of the City of Watertown) might be organized.

This scenario has taken into account geography, market area and average selling price for residential properties.

## Countywide CAP Agreements

-  City of Watertown
-  CAP 1
-  CAP 2
-  CAP 3
-  CAP 4
-  CAP 5

	Ave Sale Price	COD
CAP 1	146,494	3.80%
CAP 2	92,851	38.54%
CAP 3	106,336	10.84%
CAP 4	154,121	11.28%
CAP 5	139,195	10.17%

- CAP 1 – Leray, Pamela, Rutland, Town of Watertown
- CAP 2 – Adams, Lorraine, Rodman, Worth
- CAP 3 – Antwerp, Champion, Philadelphia, Theresa, Wilna
- CAP 4 – Alexandria, Cape Vincent, Clayton, Orleans
- CAP 5 – Brownville, Ellisburg, Henderson, Hounsfield, Lyme

Created by:  
CAMAConsultants

	Option #1:	Option #2	Option #3	Option #4	Option #5	
Current Structure that is in place.	Current Structure that is in place - modified to provide equitable assessments to all properties.	Countywide Department of Assessment	County CAP	All Munis contract w/County for assessment services under RPTL 1537	Five Coordinated Assessment Programs (CAPS)	
<b>Start-up Costs:</b> Establish Equitable assessments at a common level throughout the County (Data Collection and Revaluation)	1,399,178	1,399,178	1,399,178	1,399,178	1,399,178	
Transitional costs for County-Run or County CAP managed by County (Computers, telephones, supplies, furniture..)	0	243,000	243,000	243,000	243,000	
<b>Start-Up Revenue Opportunities</b> State Consolidation Aid [47,304 parcels @ \$7 - one time payment (only 38,269 for 5 CAPS),	0	0	0	-331,128	0	-267,883
State Consolidation Aid for County Run Assessing, RPTL 1573, 57049 parcels @ \$7	0	0	-399,343	0	0	0
State Aid for County Run Assessing Referendum Approval, 57049 parcels @ \$2 [http://www.orps.state.ny.us/cptap/applications.cfm]	0	0	-114,098	0	0	0
State Consolidation Aid for County providing services, RPTL 1573, 57049 parcels @ \$1	0	0	0	-57,049	-57,049	
State Aid IF County Managed County wide CAP, 57049 parcels @ \$2 [http://www.orps.state.ny.us/cptap/applications.cfm]	0	0	0	-57,049		
\$5 Parcel State Aid for Full Value Assessment Roll		-285,245	-285,245	-285,245	-285,245	-240,070
<b>Total One Time Start-up Costs:</b>	<b>0</b>	<b>1,113,933</b>	<b>843,492</b>	<b>911,707</b>	<b>1,299,884</b>	<b>1,134,225</b>
<b>Cost per parcel:</b>	<b>0.00</b>	<b>19.53</b>	<b>14.79</b>	<b>16.86</b>	<b>24.04</b>	<b>20.97</b>
<b>Operational Costs:</b>						
City/Town/Village Assessment Dept. Costs	936,344	1,652,717	0	1,057,220	1,023,368	1,550,478
County Real Property Tax Dept Costs	729,125	345,778	1,586,025	484,532	484,532	345,778
<b>Total Annual Operational Costs:</b>	<b>1,665,469</b>	<b>1,998,495</b>	<b>1,586,025</b>	<b>1,541,752</b>	<b>1,507,900</b>	<b>1,896,256</b>
<b>Cost per parcel:</b>	<b>\$29.19</b>	<b>\$35.03</b>	<b>\$27.80</b>	<b>\$27.03</b>	<b>\$26.43</b>	<b>\$33.24</b>

## TERMINOLOGY

### CAMA

Computer Assisted Mass Appraisal

### Coordinated Assessment Program

[Section 579](#) of the Real Property Tax Law allows two or more cities or towns that are located in the same county, have the same level of assessment, and have the same assessor, to enter into an agreement to become a Coordinated Assessment Program, or CAP. This program offers a way for cities and towns in New York State to introduce cost efficiencies, new technology, valuation expertise and a change from part-time to full-time assessors.

### Equalization Rate

At its simplest, an equalization rate is the state's measure of a municipality's [level of assessment](#) (LOA). This is the ratio of total assessed value (AV) to the municipality's total market value (MV). The municipality determines the AV; the MV is estimated by the state. The equalization rate formula is:

$$\frac{\text{Total Assessed Value (AV)}}{\text{Total Market Value (MV)}} = \text{Equalization Rate}$$

Equalization rates **do not** indicate the degree of uniformity among assessments within a municipality. (More information regarding uniformity is available from [Fair Assessments - A Guide for Property Owners](#).)

### Level of Assessment

The Level of Assessment (LOA) is simply the percentage of full value at which properties are assessed within a community. For instance, an LOA of 50% would indicate that assessments are at half of the market value; an LOA of 100% represents a community that is assessing at full value.

### Valuation Factor File

A file consisting of market based rents, expenses, capitalization rates and tax rates that assist in the mass appraisal process of valuing commercial properties based upon the income approach to value.



### **Special Thanks**

I would like to especially thank the Jefferson County Real Property Tax Service Agency, notably Paul Warneck, for his assistance in the creation of this study. I would also like to thank the Assessors of Jefferson County and the New York State Office of Real Property Services for their involvement and contribution to the study.

In addition to their help, I would also like to thank the following individuals, for without their assistance throughout the years, I would not have been able to develop the skills and knowledge necessary to perform the analysis included in this study.

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Mr. Donald P Franklin I  
Mr. Donald P Franklin II  
Mr. George Herren  
Mr. Thomas G Payne  
Mr. Stephen F Whicher

### **About the Author**

Jay Franklin has been employed by the Tompkins County Department of Assessment for the last eleven years, serving as the Assistant Director of Assessment for the last seven years. Jay has presented papers to the International Association of Assessing Officers. Jay received the respected IAO designation in 2006.

In addition to his work at Tompkins County, Jay is President of CAMAConsultants. CAMAConsultants is a consortium of assessment and appraisal individuals whose purpose is to both inform and educate regarding the assessment function in New York State. In addition to performing studies for counties as they review the effectiveness of their current assessment structure, CAMAConsultants has provided statistical analysis for use in reappraisals for municipalities in New York State. CAMAConsultants has developed and taught a class titled "Statistical Analysis and Trending".