Lewis County – Draft #3
October 23, 2008

Centralized Property Tax Administration Program Study

For a centralized Collection Database

2008

Lewis County Study prepared by George Allen, Consultant

I. Executive Summary

A. Current Collection System

The current collection system for Lewis County consists of individual taxing jurisdictions that receive taxes and record payment information into a mixture of computer databases and manual tax rolls.

Tax Collection software usage is as follows:

Software Used	# of Collections
BAS	12
Quickbooks	1
Infotax	1
ATC	3
None	20

As can be seen, the majority of collectors in Lewis County are using a "manual" collection system. With a "manual" collection system, notations are written on the tax roll as to the date, amount paid, person(s) paying the tax bill, and whether the payment was by cash or check.

There is no centralized tax database in Lewis County; however, Camden CSD and Sandy Creek CSD have provided public access to their paid/unpaid tax rolls at www.taxlookup.net, on the internet. This Centralized Tax Database is also used by nearby St. Lawrence county and by Sullivan and Broome Counties.

The majority of software based collections use the BAS tax collection software. This software appears to be satisfactory; however, there is no convenient way to mark special franchises as "paid at the county". Payments made for special franchises appear in all reports; thus, when balancing to bank statements, special franchise payments must be subtracted-out. The other issue is that there is no over/under capability to allow collecting non-exact payments, such as when a person writes a check for a few pennies over or under the amount due.

Only full payments are allowed. Payments may be made until the end of May and are subject to penalties for payments made after January.

Delinquencies are received from the BAS, Infotax, and ATC collections electronically. These collections furnish a paid file that is directly imported into the Systems East Tax Collection System (TCS). Delinquencies from towns that are collected manually, are manually entered into the TCS program, from a marked tax roll. At the end of village/school collection, villages and schools provide a marked tax roll to the county. Village and School taxes are collected at the county for 2 weeks in November by manually marking payment information on the tax rolls.
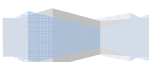
At the end of town collection, g/l account number and levy line information is entered into Systems East Integrated Finance Manager for all towns, so that when a payment is made, a detailed receipt can be printed. A manual delinquency report is manually marked with payments and retained as a permanent record.

Relevies are manually entered into RPS from a delinquency report printed from the Systems East Integrated Finance Manager.

The county does not offer installment contracts for delinquent taxpayers.

B.   Recommendations

Based on recommendations by NYS ORPS, a single vendor should supply a totally integrated, centralized database system.[1] By using a single vendor, training and support will be simplified and costs will be reduced based on economies of scale. With a single vendor, there should be no issues related to transferring tax collection data to the centralized tax database on a periodic basis.

1.   In Lewis County, it is impractical to use a Single Vendor to supply a totally integrated Tax Collection System for the following reasons. (a) The predominant vendor, BAS, does not offer software suitable for the Centralized Tax Database at the county, (b) There are vendors who can supply both software for the County and software for schools/municipalities; however, even with the additional $25,000 in funding from NY State, there would be insufficient funding to fund new software for both county and school/municipal collections.

A common approach, in use in several counties within NY State could be used to effectively implement a common database system. That approach is to have software at collector's offices, transmit collection data to a program at the County on a daily or periodic basis. The program at the County would put the data on the internet for public access. The County should install the Centralized Tax Database at the County Offices and accept daily data transfers from the BAS, Infotax, and ATC systems. With the 2nd $25,000 grant, there would be sufficient funding to do this.

2.   It is also recommended that bill printing be integrated into this centralized database system. Bill printing should include barcodes on bills so that collectors can "scan" payments into their system.

3.   The County should arrange to have computers and software installed in tax offices where taxes are collected manually. There is insufficient funding with the phase II portion of the grant, to pay for the software for districts with manual collections. This does not preclude putting the Centralized Tax Databse System in the county; but, it does mean that computerizing the manual collections may have to

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[1] http://www.orps.state.ny.us/cptap/resources/taxCollectionWorkshopV2.pdf, pp. 6-8
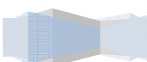
be done in future years. In any case, the municipal/school tax offices would have to pay for the computer hardware in cases where there is no computer available. Computer systems are an absolute requirement, for all but the smallest municipalities, in order to implement a Countywide, Centralized Tax Database. For small municipalities, an annotated tax roll can manually be entered into the Centralized Tax Database at the end of collection. During the period of time where there are manual collections, the Centralized Tax Database concept can still be used. At the end of collection, data can be manually entered into the Centralized Tax Database, and the Centralized Tax Database can be displayed on the internet. As more of the manual collections are automated, the Centralized Tax Database will be more "current" during the collection cycle.

4.   We recommend that Lewis County retain the BAS software systems already installed, and accept transaction, transfer files from BAS software.

I have contacted Mr. George Vitti, President of BAS, in regard to sending a daily transfer file to Lewis County. Mr. Vitti has furnished me with a sample daily transaction, transfer file, containing data from Lewis County. This transfer file is straight forward and should easily be readable by any vendor who can supply centralized tax database software. This file does not address the issue of parcel changes and apportionments; however, Mr. Vitti has stated that BAS can also supply transfer files to provide parcel change and apportionment data, at some time in the future.

 Based on a conversation with the collector in New Bremen, BAS should be asked to include a "payments made to Lewis County" category for corporations and special franchises, and to exclude these direct payments from reports that are used to balance payments to bank statements. In addition, BAS should be asked to put an over/under field in on the payment screen to allow for variances.

5.   Lewis County has issues that will prevent the county from installing a centralized database system this year. One issue is that the building that houses the treasurer and real property administrator is undergoing renovations, and it is uncertain when moves to/from temporary quarters will be required. The 2nd issue is that the county IT director has left the county. It is virtually impossible to implement a new, centralized tax database system with uncertainties related to these issues looming in the background. Thus, the implementation plan starts in the summer of 2009 when these issues should be resolved. A gradual, phased-in, schedule will be suggested.

6.   Collectors who collect manually by marking the tax rolls should be contacted to see how the tax rolls are protected in case of fire or other calamity. Tax collectors should be instructed to place tax rolls in the school/municipal vault at the end of each day.

7.   Note that a Centralized Tax Collection Database system will involve the replacement of a portion of the Systems East Integrated Finance Manager. The portion to be replaced is the delinquency portion. The centralized database system must contain both complete-current and complete-delinquency data, and be able to present a combined report, for any parcel, of taxes paid and taxes due, including delinquent taxes due. From this Centralized Tax Database system, data would be exported to the internet for public access.

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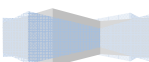
With a Centralized Tax Database system, it would not be necessary to enter in "account" information for receipts; however, 2 or 3 lines of summary payment data would have to be input into Integrated Finance Manager on a weekly or monthly basis. These summary figures are not "per parcel"; but, are financial summary figures for total receivables, amount paid, amount due.

8.   BAS should be contacted in regard to a "bulk pricing arrangement" to provide tax collection software for the remaining, manual systems.

9.   An RFP should be issued to request pricing and information on implementing a Centralized Tax Database at the county. We recommend sending this RFP to, at minimum, System's East, BAS, InfoMatics, KVS, Williamson Law, and Allen Tunnell Corporation, as these vendors have a large presence in New York State . As part of this RFP, request references and ask to visit a site that has an installed Centralized Tax Database provided by the vendor.

10.   An Alternate Approach

Several Counties in New York State are undertaking "in house" development of a Centralized Tax Database using county employees to write software on a computer system that is in the County IT department. This approach should be considered to see if it is a cost effective alternate.   With this approach, the County would not use "off the shelf" Centralized Tax Database software; but, would develop its own system.

Should the County solicit bids, and get responses that appear to be unsatisfactory, the County could consider writing their own system. A rough cost estimate to develop an on-line Centralized Tax Database System such as is currently being used by Sandy Creek and Camden CSD's within Lewis County in included here. (Of course, your Information Technology should develop their own estimates should you wish to consider this approach.)

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a.   This section outlines the primary efforts required, and gives approximate cost efforts in terms of "man-hours". At minimum, a CSEA grade of 23 would be required for the personnel participating in this effort, at a published rate of $26.42/hour.
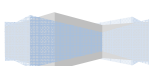
(1.) Description of Centralized Tax Database, Software Items required

(a.) Set up and test an "SQL Server" and "Internet Page Display" server, such as "PHP" or Microsoft's Internet server.
40 hours

(b.) Define, prototype, and test, a proposed Centralized Tax Database, based on the current RPS database structure, using an in-house software development system.
160 hours

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(c.) Define, prototype, and test, the internet display of this Centralized Tax Database on an in-house internet server using internet-software tools owned by the county. Set the system up to allow multiple, simultaneous, internet users to access the data. Optimize the "lookup" scheme for rapid access.

480 hours

(d.) Define, prototype, and test, interfaces to the Centralized Tax Database to accept data files from existing collection systems installed within Broome County. Data files must be accepted from the software vendors listed above. The data files must send parcel change data as well as transaction data so that correction of errors, small claims adjustments, as well as payments will appear in the centralized tax database.

320 hours

(e.) Provide SQL Queries to allow users to retrieve data from the Centralized Tax Database by "owner name", "parcel id", "street", "account number". Test.

80 hours

(f.) Create lookup screens so that data can be displayed on the internet. Lookup screens must be accessible from multiple, simultaneous users, and must show all property information as well as tax information for multiple years. "Printer Friendly" screens must be displayed so that users can print the tax information displayed. The capability to "click and print" must be provided. Screens must display property data, payment information, and paid-by information. Levy line and exemption data must be displayed.

320 hours

(g.) Provide a capability to calculate penalties based on a display date. Penalties must calculate on "balance due". Penalties and amounts due must show on the internet lookup screen.

200 hours

(h.)   An administrative interface must be provided so that a school/municipal tax administrator can change screen titles, phone numbers, and the like. This capability must be password protected to keep unauthorized users from changing critical operational parameters.

200 hours

(i.) Overall Systems test of complete system, using data from multiple collections in multiple formats.

480 hours
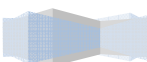
(2.) Total Estimated costs to create a Centralized Tax Database similar to that used by Camden and Sandy Creek CSD's and similar the Centralized Tax Database used by nearby St. Lawrence County.

2280 man-hours x 26.42/hour=$60,237

If Lewis County wishes to take this approach, it is recommended that the in-house IT department provide estimates and costs to create a Centralized Tax Database with public access capability that would duplicate an Internet Based Centralized Tax Database system such as used by Sandy Creek and Camden CSD's and nearby St. Lawrence County

II.   Existing Database System

A.   Current Taxes – discussion

1.   Data Flow Diagrams

2.   Identified Manual Operations
The current tax collection system has several manual operations as discussed in the Executive Summary, Section A. above.

3.   Access to historical data
Historical paid data is obtained from schools/villages via marked tax rolls. Historical data from towns is obtained electronically from the TCS system, which holds multiple years of data.

Detailed data, such as "paid by" and penalty information is obtained from the marked tax rolls.

4.   Notes about Current Collection System

a)   At the County

(1)   Number of Parcels:
Approximately 23,830 parcels in 17 towns, 10 schools, 9 villages

(2)   Type of Database and Current Software:
System East Integrated Finance Manager/TCS retains paid/unpaid parcel data for towns and is used to record payments of delinquent town taxes.

(3)   Data Housing:
Data is housed on a county server.
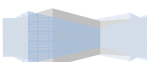
(4)   Description of County Collection

(a)   *Collection Process:*
  See section A above, "Current Collection System"

(b)   *Data Maintenance:*
  multiple employees input and maintain records

(c)   *Payment Methods:*
  Cash, check, money order, or certified
   funds

(d)   *Barcode Scanning:*
  None

(e)   *Backup & Security:*
  Individual user codes and passwords
  System is backed up on tape nightly.

(f)   *Internet Access:*
  Data is not available on the internet

(g)   *Data Integrity:*
  Data from the towns is balanced before loading.

(h)   *Support:*
   The treasurer's office is self supporting. Software
    Support for System's East Integrated Finance
    Manager is obtained from System's East

(i)   *Costs:*
   Annual maintenance fee for the counties
delinquent, tax collection software is not available at this
time.

b)   ***At Collection Points***

(1)   High Speed Internet
  At most collection points; but, not all
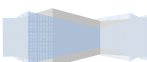
(2)   Description of Municipality/School Collection

    (a)   *Collection Process:*
        17 Collection districts are automated. 20 Districts collect manually.

    (b)   *Data Maintenance:*
        The automated collectors maintain their own databases. Changes, adjustments, and apportionments are handled by the collectors. The remaining collectors manually maintain their own tax rolls by making manual entries onto the tax rolls.

    (c)   *Payment Methods:*
        Cash, check, money order, or certified funds

    (d)   *Escrow Company Payments*
        Both BAS and ATC software accepts electronic files from the three major escrow companies. Manual collections mark the tax rolls as they do with payments from tax payers.

    (e)   *Barcode Scanning:*
        None

    (f)   *Backup & Security:*
        Tax collectors that have a software based system are responsible for their own backups. The backup medium is unknown. Manual collections keep the tax rolls in the municipal/school office, without backup.

    (g)   *Internet Access:*
        There is no data on the internet.

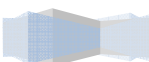   *(h)*   *Data Integrity:*
        Tax collectors maintain their own records and are totally responsible for all data.

    (i)   *Support:*
        From the county and from the software vendors listed above.

    (j)   *Costs:*
        See Appendix A

B.   Delinquent Tax Collection – discussion

1.   Installment Contracts
Installment Contracts are not offered in Lewis County

2.   Article 11 Process
Manual process.

3.   Online Payment of Delinquencies
There is no online payment of delinquency.

III.   Proposed Centralized Database System

A.   Proposed System – discussion

We recommend that a countywide, centralized database system be implemented based on the existint model used in St. Lawrence, Sullivan, and Broome Counties

At some time in the future, the county could generate bar-coded tax bill files which would go into a Pitney Bowes or similar Address Validation and printing system. By using this system, addresses could be validated before bills are printed. This would reduce the cost of postage for returned bills; and since bills are printed in carrier route order, the lowest available postage rate would be used for first class mailing of the bills.

B.   Implementation Plan
A detailed Request for Proposal for a County Wide Centralized Database system will be prepared so that Lewis County can solicit bids from several vendors. Upon selection of a suitable vendor, the following implementation steps would be taken:

- December 2008 – Enter into a dialog with BAS to obtain a "bulk" price for installing tax collection systems in schools/municipalities that are collecting taxes manually.
- December 2008 – Send Letter to villages to ask those without software, to procure software and a computer.
- December 2008, Choose a vendor for a Centralized Tax Database, or start In-House development.
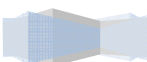
- January 2009 – Send letter to schools/municipalities asking them to arrange to send daily transaction files to Lewis County starting in September 2009
- June 2009 – Call all schools, ask them if there are problems in sending a daily transfer file to the County in September
- July 2009 – Install the Centralized Tax Database Software. Convert the electronic delinquency data into the new software, start accepting delinquency payments. Put delinquency data on the internet.
- August 2009 – Accept daily transfer files from Villages
- August 2009 – Load a final transfer file from towns.
- August 2009 – Put first "current" data onto the internet for public access, along with the delinquent data.
- September 2009 – Accept daily transfer files from Schools
- September 2009 – Provide software for remaining manual collections.
- January 2010 – Accept daily transfer files from towns, put them into the centralized tax database, send combined delinquent/current data to the internet. The BAS format transfer file will be accepted from schools/municipalities with BAS , Infotax, and ATC software

C. Legislation Suggested

NYS Legislation to allow tax bills to be emailed to taxpayers in lieu of paper tax bills. This will drastically reduce postage costs. Taxpayers would contact the County with an email address, and authorize an electronic tax bill.

Paper tax bills would be sent to taxpayers who do not indicate that they want an electronic bill, and also to those taxpayers whose emails bounced back.