

NEW YORK STATE CENTRALIZED PROPERTY TAX ADMINISTRATION STUDY

MADISON COUNTY



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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. 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 War¹. As one can see from the following chart, almost 60% of these assessing units are comprised of less than 2,500 parcels.

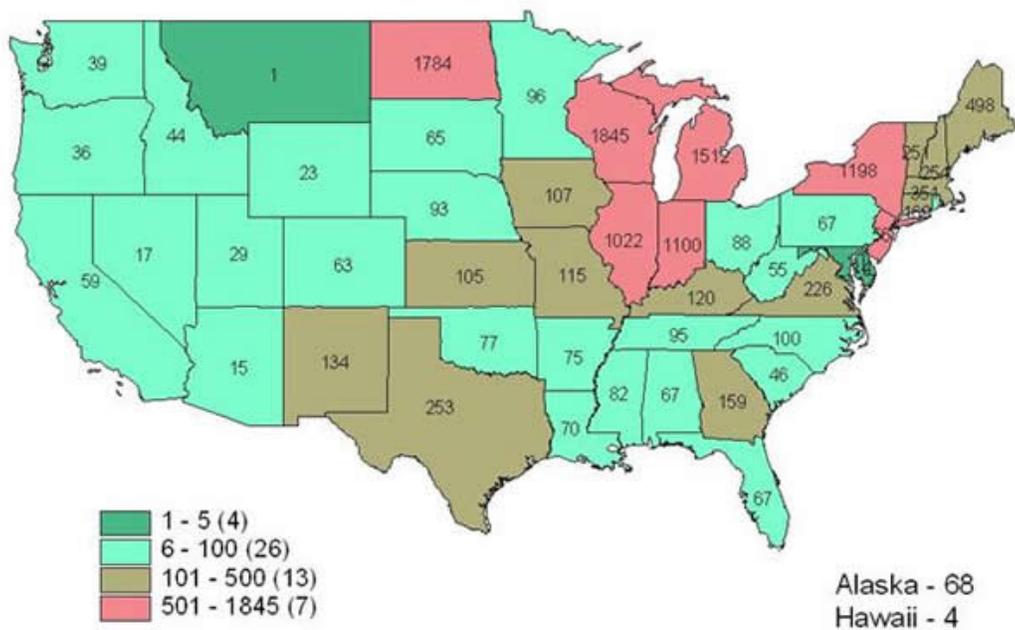
New York State's Assessing Jurisdictions (Does not include 145 village assessing units)			
Number of Parcels	Number of Assessing Units	Cumulative	Cumulative Percent
< 1,000	139	139	14%
1,001 - 2,500	444	583	59%
2,500 - 5,000	222	805	82%
5,000 - 10,000	101	906	92%
10,001 - 20,000	47	953	97%
20,000 - 50,000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

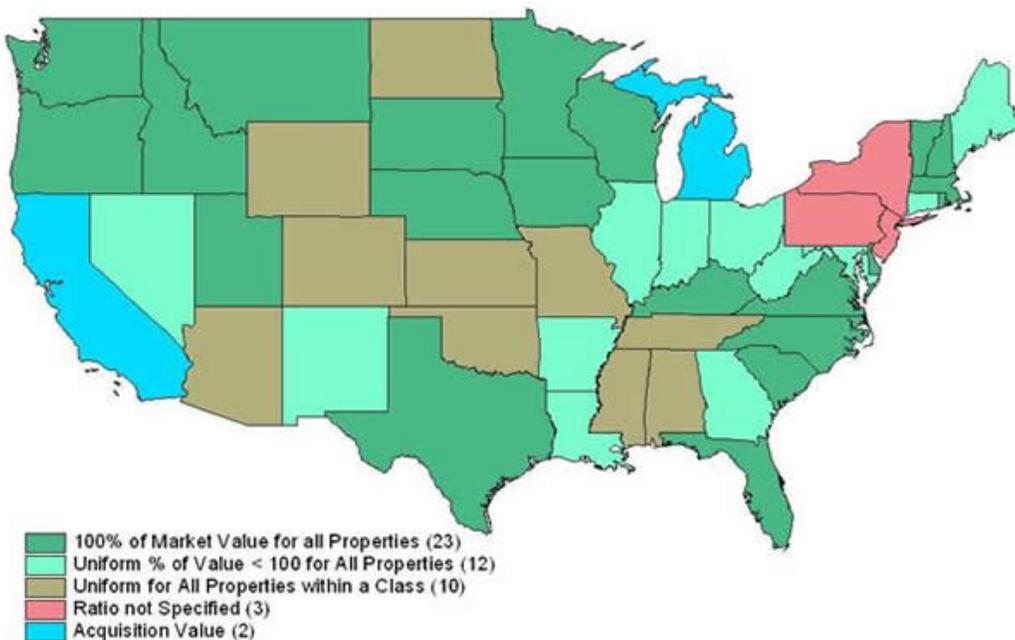
¹ Office of Real Property Services – Reforming New York’s Real Property Tax System

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 Madison County, the equalization rate ranges from 78% (Towns of Cazenovia, Eaton, Georgetown and Lebanon) to 100% (City of Oneida, Towns of Lenox, Lincoln & Stockbridge).

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 Madison County

There are 16 town assessment jurisdictions within Madison County. There are currently three Coordinated Assessment Programs (CAPS) that encompass ten municipalities. For the 2008 Assessment Roll, one CAP that encompasses three towns performed a revaluation and had a 100% Level of Assessment and a 100% Equalization Rate. The City of Oneida was able to maintain a 100% Level of Assessment and a 100% Equalization Rate for the 2008 Assessment Roll based upon the prior year's reappraisal. Out of the 13 assessing jurisdictions that did not perform a revaluation, all municipalities had their Level of Assessment accepted as the Equalization Rate.

There are ten villages within Madison 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 Madison County for the 2008 budget year including all local

municipal assessing units and the County Real Property Tax Service Agency is estimated to be \$894,847 or \$24.09/parcel.

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 Madison County. This report is intended for informational purposes only. This report is not an endorsement of any alternative assessment structure, nor is it an endorsement of the current assessment structure within Madison 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.

Coordinated Assessment Programs (CAP)

The Coordinated Assessment 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.

This option is already highly utilized in Madison County as there are three CAPs within Madison County encompassing ten municipalities. Out of the remaining six municipalities, there are two full time assessors working in the City of Oneida and the Town of Sullivan. Additionally, there are three assessors that are also currently employed by municipalities located outside of Madison County as well. Only the Towns of Cazenovia and DeRuyter employ the same assessor without taking advantage of a CAP.

If a Countywide CAP that encompasses all towns within the county were to be formed in Madison County, the estimated cost would be \$1,059,853 or \$28.54/parcel. For a CAP managed by the county, it is anticipated to cost approximately \$572,000 to transition to this structure with an anticipated

\$439,999 in state aid available to help offset this cost. This brings the total out of pocket cost to an estimated \$132,001.

For a CAP managed by the towns, it is anticipated to cost approximately \$572,000 to transition to this structure with an estimated \$365,715 in state aid available to help offset this cost. This brings the total out of pocket cost to an estimated \$206,285.

A transition to this form of assessment administration could take place as early as 2013 to allow for all properties to be assessed at a single level of assessment.

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 complete 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 account 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 Madison 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 \$1,021,882. It is anticipated to cost approximately \$572,000 to transition to this structure with an anticipated \$297,136 in state aid available to help offset this cost. This brings the total out of pocket cost to an estimated \$24,864.

A transition to this form of assessment administration could take place as early as 2013 to allow for all properties to be assessed at a single level of assessment.

Optional Services the County could provide to the Local Municipalities

Sales Processing

This county service agreement would standardize the sales processing function at the county level, thereby providing for a more accurate pool of sales to be used by the local town assessor. This scenario would cost Madison County approximately \$29,000.

Pre-Decisional Collaboration/Valuation Specialist

This county service agreement would provide a much-needed resource at the county level to the local assessment jurisdiction in regards to valuation verification. While the Office of Real Property Services does a adequate job in assisting the assessors in Madison County with regards to the value verification procedure, this can be significantly improved by utilizing an individual with first hand knowledge of the factors affecting the local real estate market. Also, this position would be able to compile a regional valuation factor file, which is utilized when valuing commercial properties. This option would cost Madison County approximately \$78,000 (including fringe benefits).

Countywide Assessment Program

Based upon the analysis performed and included within this study, it is estimated that a move to a Countywide Department of Assessment would cost Madison County approximately \$85,065 per year given current annual expenditures at the Town and County level. The total estimated annual budget for a Countywide Department of Assessment is \$979,912.

The cost to transition to a Countywide Department of Assessment for Madison County is estimated at \$572,000. This transitional cost only applies to the cost of moving the assessment function to the County and does not include costs to upgrade any existing service at the County level (ie EDMS system upgrade etc).

With available aid programs, the transitional cost for Madison County would be approximately \$52,012.

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

Transition Timeline to Countywide Department of Assessment

In order to transition to a Countywide Department of Assessment, a public referendum would have to be passed both inside the City of Oneida and in the towns outside as a whole.

Public Relations Campaign	-	Dec 2008	-	Oct 2009
Public Referendum	-	Nov 2009		
Formation of Department	-	Dec 2009	-	Dec 2010
County 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 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 Madison County to be treated in the same equitable manner.

	Current Structure that is in place to provide equitable assessments to all properties	Countywide Department of Assessment	Countywide CAP – Managed by County	Countywide CAP – Managed by Towns	All munis contract with County for assessment services under RPTL 1537
One time Start up Costs	\$204,290	\$52,012	\$132,001	\$206,285	\$274,864
Total Annual Operational Costs	\$894,847	\$979,912	\$1,059,853	\$1,059,853	\$1,021,882
Cost Per Parcel	\$24.09	\$26.38	\$28.54	\$28.54	\$27.51

The following chart lists the key points for each structure available for assessment administration in Madison County. For comparison purposes, only the “Key Points” of each structure are listed as depending on the point of view, each could either be considered an advantage or a disadvantage.

Each available option out of the four reviewed in this study has the capability of producing an assessment structure for Madison County that has a single equalization rate and single reassessment cycle structure. This may result from a change to an alternative form as assessment administration or by utilizing inter-municipal agreements that mandate a reassessment cycle and a single level of assessment within the county under the current structure.

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

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.”²

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 list³ 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

² Source – Office of Real Property Services – “Job of the Assessor”

³ 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 three main things that should be considered on a macro level when deciding what form of assessment administration is best for each individual municipality are:

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.
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 Administration Structure

Assessment Structure

Currently there are 16 municipal assessing jurisdictions within Madison County. Out of these 16 municipal assessing jurisdictions, three Coordinated Assessment Programs (CAP) encompassing ten municipalities have been formed under Real Property Tax Law Section 579. The remaining six assessing jurisdictions all employ sole appointed assessors. Two municipalities are currently employing the same assessor (Cazenovia & DeRuyter) but are not taking advantage of a CAP. In total, there are 16 assessor positions with 8 individuals occupying those positions.

Currently, out of the ten villages within Madison County, there are none that have retained their status as an assessing unit.

Work that is contracted to the County Real Property Tax Service Agency (RPTSA) include tax rolls/tax bills, assessor reports, tax mapping, RPS support, miscellaneous processing and printing and the processing of corrections/refunds.

The Madison County RPTSA employs an office of five individuals. In addition to the Director, there is a Real Property Information Specialist, one Office Assistant, one RPS Aide and one GIS Specialist.

Reviewing the office hours that are posted on the Madison County web page for the individual assessment offices, only three municipalities have posted hours in excess of 20 hours per week. In fact, four local assessment offices have posted hours that are ten hours or less per week. In addition, there is one CAP encompassing four municipalities that does not have any posted office hours, however according to the survey sent to all assessors, the assessor in these four towns listed 20 office hours total per week.

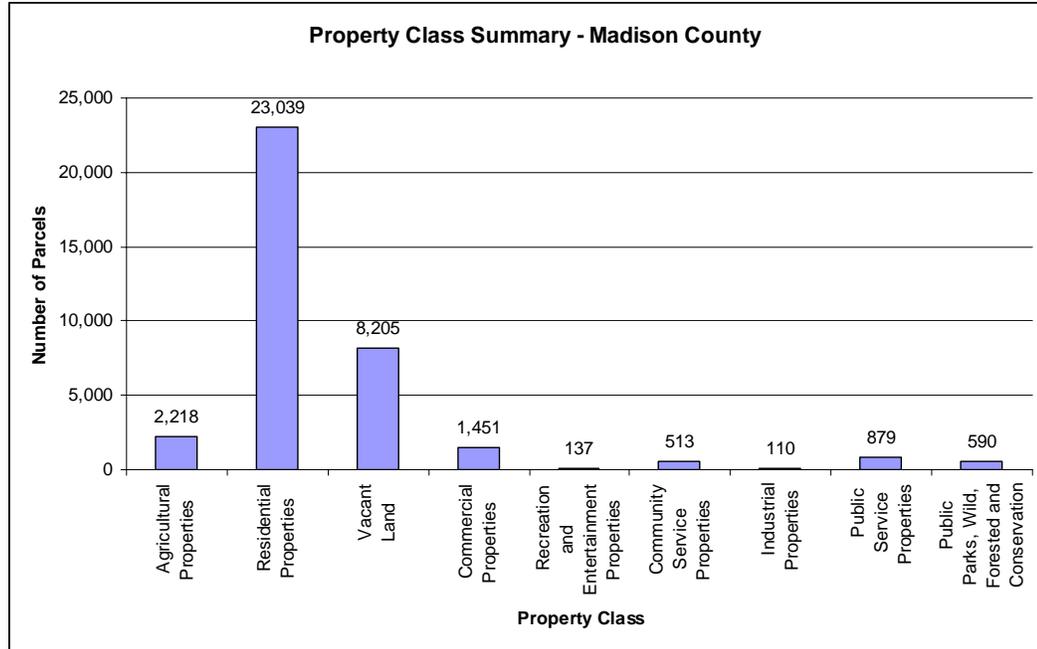
There are currently 37,142 parcels of real property located within the county. The Town of Georgetown has the lowest number of parcels of real property with 736 while the Town of Sullivan has the most number of parcels of real property with 7,076. The average number of parcels per town in Madison County is 2,321.

Madison County currently uses the state provided RPSv4 CAMA⁴ 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. Madison County uses RPSv4 to print tax rolls and to print tax bills. RPSv4 is distributed to the towns via replication⁵ which typically occurs on a daily basis.

The predominate property class within Madison County is residential – comprising 62.0% of all parcels. If one combines the residential property class with the vacant land property class, this combination comprises 84.1% of all parcels.

⁴ CAMA – Computer Assisted Mass Appraisal

⁵ 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.



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Indicators of Assessment Equity

As of 2008, there are no municipalities in the Annual Assessment Aid Program. For the 2008 Assessment Roll, it is anticipated that CAP #259902 (Towns of Lenox, Lincoln and Stockbridge) will receive Triennial State Aid and the Excellence in Equity Award from the Office of Real Property Services for completion of their revaluation for the 2008 Assessment Roll. Qualifying for this aid means that the state has certified that all properties in each of these three municipalities have had their assessed values adjusted to reflect the fair market value of each individual parcel. In doing so, these three municipalities have been able to take advantage of up to \$5/parcel triennial state aid for 2008.

Out of the remaining 13 municipalities, according to NYSORPS, four municipalities⁷ are planning to perform a reassessment for the 2009 Assessment Roll Year.

⁶ NYSORPS - 2007 Assessment Roll Data

⁷ NYSORPS – Towns of Hamilton, CAP#259901 (Towns of Eaton, Georgetown and Lebanon)

The following chart shows all 16 municipalities along with their 2008 final Equalization Rate, the assessor's 2008 Stated Level of Assessment and the latest reassessment year.

Municipality	2008 Eq Rate	2008 Level of Assessment	Latest Reassessment
City of Oneida	100.00	100.00	2007
Town of Brookfield	89.00	89.00	2006
Town of Cazenovia	78.00	78.00	2004
Town of DeRuyter	96.00	96.00	2007
Town of Eaton	78.00	78.00	2004
Town of Fenner	89.00	89.00	2006
Town of Georgetown	78.00	78.00	2004
Town of Hamilton	80.00	80.00	2005
Town of Lebanon	78.00	78.00	2004
Town of Lenox	100.00	100.00	2008
Town of Lincoln	100.00	100.00	2008
Town of Madison	90.00	90.00	2005
Town of Nelson	89.00	89.00	2006
Town of Smithfield	89.00	89.00	2006
Town of Stockbridge	100.00	100.00	2008
Town of Sullivan	88.00	88.00	2005

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) resulting in a fair and equitable distribution of taxes.

In reviewing the last reassessment activity within each municipality, we see that nine municipalities have performed a revaluation within the last three assessment roll years (back to 2006). All municipalities have done a reassessment since at least the 2004 Assessment Roll. However, this lack of a consistent reappraisal cycle countywide can lead to an inequitable distribution of the tax burden, as property value trends can move differently from one property class to the next. Also within school districts that cross municipal boundaries, changes in the equalization rate can cause dramatic tax shifts from one year to the next.

Current Assessment Roll Cycles

Currently all 15 town assessment offices use the standard Assessment Roll Calendar as specified in the Real Property Tax Law while only the City of Oneida uses a different calendar. 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 ⁸
Final Roll	=	July 1
Budget Approval	=	November 20
Tax Levy	=	December 31
Tax Lien	=	January 1

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

Fiscal Year	=	January 1 – December 31
Valuation Date	=	May 1, Current Year
Taxable Status Date	=	May 1
Tentative Roll Date	=	June 1
Grievance Day	=	June 10
Final Roll	=	August 1
Budget Approval	=	December 31
Tax Levy	=	December 31
Tax Lien	=	January 1

⁸ See Section Titled “Current Grievance Procedure” for more information

Current Sales Processing Procedure

Once an RP-5217 transfer report is filed at the County Clerk's office, a copy is transferred to the Real Property Tax Services Department along with a copy of the deed on a daily batch basis. The transfers are then read by the tax map unit. For all transfers that do not involve a tax map revision, a copy of the RP-5217 and the deed is placed into each individual assessor's mailbox at the Real Property Tax Services Department. If the transfer is only for a part of the parcel, the tax map unit will hold onto the deed and RP-5217 until they have made the appropriate change to the tax maps. Included with each tax map revision is a copy of the recently changed tax map along with new acreages, new grid coordinates and other relevant data. None of this information is available to the assessors via the internet or intranet.

It is the assessor's responsibility to first verify the sales transaction and then make necessary changes to RPSv4 for the purposes of compiling a complete and up-to-date sales database in order to accurately value real property within their town. It is also the assessor's responsibility to process the real property transaction into RPSv4.

Current Assessment Grievance Procedures

There are currently 16 Boards of Assessment Review (three and five person boards are present in Madison County) that meet on a yearly basis to act upon filed assessment based grievances.

The chart on the following page 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.

Municipality	Grievance Day
City of Oneida	2nd Tuesday of June
Town of Brookfield	4th Tuesday of May
Town of Cazenovia	4th Tuesday of May
Town of DeRuyter	4th Wednesday of May
Town of Eaton	1st Tuesday of June
Town of Fenner	1st Wednesday of June
Town of Georgetown	1st Thursday of June
Town of Hamilton	4th Thursday of May
Town of Lebanon	1st Monday of June
Town of Lenox	4th Tuesday of May
Town of Lincoln	1st Wednesday of June
Town of Madison	4th Wednesday of May
Town of Nelson	4th Thursday of May
Town of Smithfield	4th Wednesday of May
Town of Stockbridge	4th Thursday of May
Town of Sullivan	4th Tuesday of May

Each Town Board of Assessment Review (BAR) 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 BAR member attend one training session at the start of each five-year term. The task of training each BAR member falls upon the County Real Property Tax Director.

Current Assessment Practice Survey

The following data was obtained via a survey that was sent out to the 16 sole assessors. All 16 surveys were returned.

- Average Weekly Work Hours for Assessor = 16
One assessor has office hours by appointment only (4 towns).
- Average Weekly Hours for Additional Staff = 30
Six municipalities employ additional staff.
- Average Square Footage of Office = 176
- Approximate Number of New Houses per Year = 243
Range = 5 (Smithfield) to 47+ (Sullivan)

Approximate Total Building Permits per Year = 1,695
Range = 15 (Smithfield) to 250 (City of Oneida)

Number of Offices with a Computer = All

Number of Offices with an Internet Connection = All

Number of Offices with a Word Processing Program = All

Number of Offices with a Spreadsheet Program = All

Number of Offices with a Database Program = 9

Number of Offices with a CAMA Database = All (RPSv4)

Number of Offices with a Digital Camera = All

Number of Assessors with Institute of Assessing Officials (IAO)
 Designation = 2

Number of Assessors with New York State Appraisal Licenses = 2
Two are pending

Number of NYSORPS Certified Assessors = 12

Availability of Assessment Data

Currently, real property assessment related data for all parcels within Madison County is posted on the internet by Madison County. This information is open to the public free of charge unlike other municipalities that may charge for this type of access. Based upon data⁹ obtained from the NYS Office of Real Property Services, 31 counties have some assessment related information displayed online.

Madison County uses an application called Image Mate Online developed by Systems Development Group (SDG) out of Utica, New York to publish the assessment information on the internet. Included in this system is the ability to link additional digital documents to the parcel related data that is extracted out of RPSv4. Examples of additional documents are digital photographs, sketches and tax maps. Also, posted on the county's website is a link to tax bill information including the prior year's tax bill information.

⁹ http://www.orps.state.ny.us/ref/asmtdata/local_data.htm

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 among the property owners.

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.

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 regardless of assessment treatment. If the tax rate is at an insignificant level, then the cost of litigation would not offset the lower expectant tax bills.

The following chart¹⁰ shows the number of Small Claim Assessment Review Hearings and the number of Certiorari's that were filed in Madison County in 2006-2007.

<u>Type of Review</u>	<u>2006</u>	<u>2007</u>
Small Claims Assessment Review	5	48
Tax Certiorari Activity	6	6

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 imprudent to hire a full time assessor. The resulting part time assessor can then only be reached in their office at certain times of the week/month. In Madison County only three offices have posted hours in excess of 20 hours per week, and four local assessment offices have posted hours that are ten hours or less per week. In addition, there is one CAP that encompasses four municipalities that does not have any posted office hours at all. This would seem to be not at all convenient to the public.

¹⁰ Office of Court Administration

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 to a six-year cycle there is a possibility that 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 political interference is 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 Madison 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 Madison County was obtained by reconciling the most recent three budget years (2006, 2007, and 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.

Revenue could not be extracted from this budget analysis. However, this will not affect the end analysis as revenue is absent from the alternative assessment structures as well. The majority of revenue for a local assessment office is in the

form of state aid from the State of New York. Since this section of the study is not designed to analyze the cost/benefit of participating in any aid program as offered by the State of New York but is rather looking at strictly the cost of the assessment function, it was determined that revenue would not be included in this study.

The following chart¹¹ 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	Current Cost
Personnel	552,113	610,841	604,434	604,434
Equipment	15,360	24,550	22,000	22,000
Contractual	140,577	142,721	125,472	125,472
Fringes	131,560	145,020	133,841	133,841
BAR Payments	2,533	1,450	9,100	9,100
Total Cost	842,143	924,582	894,847	894,847
Cost Per Parcel	22.67	24.89	24.09	24.09

For the basis of this study, **the reconciled cost of the current assessment administration in Madison County is \$894,847 or \$24.09 per parcel.**

Based upon the current reconciled cost of the assessment administration function, the current structure is sufficient for each town to be able to maintain a 100% level of assessment and to be a participant within the Annual Reassessment Program.

There would be no additional cost expenditure in order to have the current assessment structure provide for a single level of assessment and a single assessment cycle in Madison County however it would involve the use of inter-municipal agreements to achieve this cooperation.

¹¹ For a full analysis of the local municipal and county RPTSA budgets, refer to Appendix B

IV. Alternative Assessment Administration Structures

Coordinated Assessing Program

The Coordinated Assessing 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 payment 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.¹²

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 Madison County, there exist three CAPs encompassing ten municipalities. However there are two other municipalities (Cazenovia and DeRuyter) that share the same assessor but have yet to officially form a CAP. The remaining assessing jurisdictions either employ a full time assessor or

¹² Source – Office of Real Property Services

employ an assessor who works for another municipality outside of Madison County.

Estimated Cost

Countywide CAP

The estimated cost of a Countywide CAP would be approximately \$1,059,853 or \$28.54/parcel based upon an office staffing of 15 individuals. It is estimated that the current staffing of five individuals in the County RPTSA would have to be supplemented with a staff of ten individuals for the Valuation/Assessment Division. Depending on whether this CAP is managed by the County or the Towns, the estimated transitional cost would change based upon state aid availability.

The Countywide CAP would best be staffed with a Director of Assessment who would be the sole assessor for the county. In addition to the Director of Assessment, two Valuation Specialists and six Real Property Appraisers would have to be utilized to accurately appraise the real property in the county on a yearly basis in accordance with RPTL 305. In order to help process the multitude to real property exemptions that are available in New York State, a full time clerical position would have to be added as well. Utilizing clerical staff to process exemptions helps free up the Real Property Appraiser's time so that they can focus on valuation issues.

To review a full estimated Countywide CAP budget analysis, please refer to Appendix E-2

Less than full Countywide CAP

Based upon the current composition of the assessment structure in Madison County, only the Towns of Cazenovia and DeRuyter could possibly benefit from the formation of a CAP as they currently employ the same assessor but have not yet formed a CAP. If they formed a CAP, the Town of Cazenovia and DeRuyter could receive up to \$7/parcel for this consolidation.

The possibility does exist however for a CAP to form between municipalities that are in neighboring counties. This option might be highly desirable where a school district crosses county boundaries. By forming a CAP, the dramatic tax shifts that are caused by the Equalization Rate process could be virtually eliminated by the equal treatment that each part of the school district would receive as being part of a CAP.

Optional County Services Agreements (RPTL 1537)

Section 1537 of the Real Property Tax Law 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 account 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 agreement¹³.

Possible County Services Agreements

Full Assessment Services Contracted to County

Perhaps the best avenue that can be undertaken through Section 1537 of the Real Property Tax Law is the assigning of the appraisal 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.

¹³ 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 single¹⁴ 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, a full time professional appraiser can be hired to administer the functions of the assessment task. Currently the average number of hours that an assessor spends in each town working in Madison County is 16 hours per week.¹⁵ By having an assessor 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 normal working hours five days a week.

Countywide 1537 Agreements

The estimated cost if all towns were to assign the assessment function to the county would be approximately \$1,021,882 or \$27.51/parcel based upon an office staffing of 15 individuals. It is estimated that the current staffing of five individuals in the County RPTSA would have to be supplemented with a staff of ten individuals for the Valuation/Assessment Division.

For this estimate, it is assumed that the Towns would appoint the least amount of assessors in order to provide for a full time appraisal staff. Based upon the number of parcels in the county, it is estimated that a valuation staff of nine individuals would be sufficient to accurately value the parcels of real property in the county on a yearly basis in accordance with RPTL 305. Additionally one office staff position would have to be utilized to help process the multitude of real property tax exemptions offered in New York State. Utilizing clerical staff to process exemptions helps free up the Real Property Appraiser's time so that they can focus on valuation issues.

For a full look at the budget analysis, please refer to Appendix E-3.

¹⁴ 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.

¹⁵ Survey sent to all assessment jurisdictions in Madison County

Sales Processing

Arguably one of the most important functions of the valuation process is the verification and processing of real property transactions. The best way to ensure accurate assessed values is to have current information regarding real property transfers. Standardizing this procedure at a county level could bring many benefits to Madison County.

First, standardizing the sales processing procedure at the County Real Property Tax Service Agency allows all of the assessment valuation staff to have faith in the procedure that was undertaken to verify and process the sales transaction. All too often, when researching a sale outside of a particular assessor's jurisdiction, that assessor is left questioning the procedure that a real property transaction was verified. They also question whether, in fact, this is a valid arm's length transaction with an accurate current inventory.

Within Madison County, there is a range of 17 to 167 sales per year in an assessing jurisdiction. If an assessor has the ability to draw upon sales in a neighboring town to value a piece of real property and have confidence that the information is correct, it can only improve the accuracy of the valuation process.

The option to search for sales of real property transactions is available via the Assessment Community link on NYSORPS's web page. However, this application is cumbersome and often out of date. Employing a countywide sales database and utilizing the sales comparison modules with RPSv4 would increase the likelihood of accurate, equitable valuations.

By utilizing the SalesNet function provided by the New York State Office of Real Property Services, Madison County would be eligible for \$0.50/sale. After this initial input into SalesNet, an extract file is created for a seamless import into RPSv4, thus saving the local municipalities time in processing their sales.

Estimated Cost

It is estimated that a ¾ FTE¹⁶ Data Collector position could verify and process all real property transactions within Madison County. This estimate only includes full parcel sales and deeds of correction. It does not include parcel subdivisions.

A consolidated sales processing agreement would cost Madison County approximately \$30,000. This cost would be offset by approximately \$1,000 in aid bringing the out of pocket cost to **\$29,000.**

This option provides a vital service in producing a fair and equitable assessment roll for the Assessment staff in Madison County.

Pre-Decisional Collaboration/Commercial Valuation Services

According to Section 305 of the Real Property Tax Law, all properties must be assessed at a uniform percentage of market value each and every year. The task of analyzing the current assessment roll is a difficult and complex one that many in the assessment community do not have the tools or knowledge to complete. The Office of Real Property Services does perform some of these functions for the local assessment community in the form of Pre-Decisional Collaboration meetings. Unfortunately, this information is provided to the local assessment community too late to actually use it in the preparation of the upcoming assessment roll. In addition to providing the analysis needed to determine the work for the upcoming assessment roll year, a Valuation Specialist would be able to assist the local municipalities in appraising commercial properties.

If Madison County were to employ a Valuation Specialist whose primary job function was to analyze the real estate market within the county and provide constant valuation support to the local municipalities, the accuracy of the

¹⁶ FTE = Full Time Equivalent

assessment rolls could be improved. By employing a Valuation Specialist who is well versed in the local trends of the real estate market, options for revaluing the local assessing units could be delivered prior to the filing of the prior year's Final Assessment Roll. This timing would give the assessor adequate notification of the upcoming workload that needs to be undertaken in order to ensure an equitable assessment roll.

Also, the Valuation Specialist would be utilized when comparing valuation estimates with the Office of Real Property Services each year when the Level of Assessment is either verified or a differing equalization rate is adopted by the State Board. While reviewing information regarding town-wide trends in appraisal equity statistics, it is helpful for the person creating those statistics to have a first hand knowledge of the data in order to explain anomalies that might otherwise go unexplained.

Another job function of the Valuation Specialist would be to assist in the valuation of commercial properties. The task of valuing commercial properties is very difficult due to the lack of available income and expense information. Typically, there are not enough similar properties within a small assessment jurisdiction to develop a reliable valuation factor file¹⁷ to be used in the income approach to value. By combining information at a county level, a larger pool of data could be obtained to assist in the valuation process.

If a Valuation Specialist were to be employed by Madison County, a single valuation factor file could be built into the RPSv4 CAMA database that is distributed to all towns. This valuation factor file would be compiled by the Valuation Specialist based upon data obtained through various means. The distribution of this valuation factor file would provide the local town assessor

¹⁷ A valuation factor file lists the typical income and expense ratios along with typical vacancy/collection and reserve for replacement rates for various types of commercial property.

with a reliable starting point when valuing the commercial property within their town.

In addition to the creation of the valuation factor file, the Valuation Specialist could be utilized when valuing the more complex commercial properties. These are typically regional market properties, such as large scale industrial buildings or golf courses. Typically this type of valuation requires specific training that not all assessor's may have taken.

Estimated Cost

It is estimated that the cost of employing a Valuation Specialist would be \$78,000 (including fringe benefits). There is no state aid offered to offset this cost however the ability to have a knowledgeable valuation specialist on staff to verify each municipality's equalization rate is important in today's reliance on the real property tax. In addition, the ability to accurately and equitably value commercial properties might lead to a decrease in frivolous certiorari litigation.

This option provides a vital service in producing a fair and equitable assessment roll for the assessment staff in Madison County.

V. 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 Madison County. However, if this is the solution to improving the assessment function in Madison County, the following is a recommendation regarding the office structure and how various services would administered.

Office Makeup

Based upon the size of Madison County and the makeup of the parcel property classes (predominately residential), it is recommended that a Countywide Department of Assessment consist of 15 employees. The following is a breakdown of the job titles. (For a full job description of each position, please see Appendix D)

The Countywide Department of Assessment

- 1 Director of Assessment
- 1 Assistant Director of Assessment
- 2 Valuation Specialists (One residential and one commercial)
- 5 Real Property Appraisers
- 2 Real Property Information Specialists
- 2 Office Assistant
- 1 RPS Aide
- 1 GIS Specialist

This staffing is based upon International Association Assessing Officer guidelines and uses Tompkins County as a benchmark. This staffing schedule assumes competent individuals within each civil service class.

Various Assessment Functions Explained at the County Level

Service to the Property Owners

The biggest concern with a Countywide Department of Assessment is the perceived lack of service with a transfer of the assessment function to the county.

The structure of the assessment unit does not in any way reflect upon the service that is provided by it. The level of service is strictly related to the actual individuals working in the position. Holding the individual constant, the level of service that could be provided at a Countywide Department of Assessment must be greater than the average assessment office in Madison County strictly based on the assumption that the office would be open for a full forty hour workweek.

While there may be a transition period for the property owner to have to adjust to going to the County Department of Assessment office (or a satellite office), this period will not take a significant period of time.

Assessment Review

Another area of concern with a Countywide Department of Assessment is the perceived lack of opportunity for a property owner to contest their assessment. A Countywide Department of Assessment needs to make sure there is ample opportunity for a property owner to do so. The first step that would be undertaken is to schedule Informal Assessment Review Periods each and every year during the months of February and March, regardless of the assessment cycle that is decided upon by the County Board of Supervisors. This informal period allows a property owner to present information regarding their property's value at a point in time where the RPA can take that information into account before placing a valuation on the Tentative Assessment Roll.

The second step that needs to be taken is the creation of a Local Advisory Board of Assessment Review for each town. These Local Advisory Boards of Assessment Review would consist of between 3-5 appointees of the local Town Board. These boards would meet in the month of May, prior to the fourth Tuesday of May (Grievance Day), at each individual Town Hall.

The Local Advisory Board of Assessment Review does not have any authority to change a value on the Tentative Assessment Roll, but they would make a recommendation to the County Board of Assessment Review who would take that into consideration when they meet in executive session to decide each and every grievance. This added review stage allows a property owner to file a grievance with members of their own community where they may not be as intimidated as if they were to file with the next step, the County Board of Assessment Review.

The third step consists of the County Board of Assessment Review. This Board is appointed by the County Board of Supervisors for five-year terms and consists of between three to five appointees. These individuals would be the final decision makers of all grievances that are filed either directly with the County Board of Assessment Review or that were filed with the Local Board of Assessment Review, taking their recommendations into consideration. These individuals should be compensated for their service in the amount of \$250/person.

It is highly recommended that the County Board of Supervisors take advantage of the provisions of Section 523 of the New York State Real Property Tax Law that allows for the appointing of up to two times the amount of current members of the Board of Assessment Review as Temporary Hearing Panel Members. By appointing these Temporary Hearing Panel Members, the County Board of Supervisors could appoint more specialized members to this final local review stage. It is recommended for Madison County that the Board of Supervisors appoints members that would file three distinct boards consisting of: Commercial Board, Residential Board, and Rural/Farm Board. A property owner would be

able to have a more thorough review of their grievance by taking advantage of these specialized hearing panels.

Exemption Processing

A third major concern with a centralized assessment office stems from the filing and processing of the multitude of real property assessment exemption applications. Rather than being able to go to a Town Hall with questions regarding one's exemption application, a property owner would have to visit the County's Department of Assessment. In recognition of this change, the Countywide Department of Assessment must make the office helpful to the general public.

It is highly recommended that external exemption databases be developed to assist in the processing of the actual applications. By utilizing the capabilities of the relational database structure of RPSv4, more time could be spent assisting the general public rather than the tedious steps it takes to process an exemption application. Included in the additional relational databases is the ability to track the history of an individual property owner, along with notes regarding the activity that was taken in the past on each application. As the valuation staff is constantly in the field inspecting properties, it would not be out of the ordinary for an appraiser to actually drive to an applicant's property to obtain the information needed to process the exemption.

In order to ensure that all property owners are adequately notified of pending exemption filing deadlines, the Department of Assessment should utilize reminder email notifications, pre-recorded phone calls and postcards.

Sales Processing

A very important part of the valuation process is the maintenance and correction of current real property sale transactions. In a Countywide Department of Assessment, one single procedural operation needs to be implemented to ensure that this vital service is done in a standard organized manner.

The first step in verifying a real property transaction is to review all RP-5217 (Real Property Transfer Forms) in order to determine whether the transaction is a possible arm's length sale. In simple terms, an arm's length transaction is a sale that is reflective of the market value of the property and where the seller and buyer were acting with no undue influence upon them. After this initial review of the RP-5217, a few concurrent steps should occur.

First, a sales verification letter should be mailed to the new buyer. In this letter, it should list the current inventory that is on file with the county in order to have the buyer verify that information. Since this is the first contact with the buyer, a "Welcome Package" is highly recommended. Some information that could be included in this "Welcome Package" is a list of important real property dates, a listing of exemptions available within the County, a STAR application (if applicable) and last, but certainly not least, a letter welcoming the buyer into the community, expressing the multitude of ways the Department of Assessment can assist them.

Second, in addition to the sales verification letter, a thorough search of realtor websites and the Multiple Listing Service should be performed at this time. Often times, the information that is available through these platforms is not the same information that a property owner would typically be willing to share with the property assessor. These places are also good resources for photographs of the sale property where access to the property may be denied to the assessment staff.

Third and finally, if no information can be verified through the first two steps, then a site visit needs to occur as close to the time of sale as possible. Typically in a real property transfer, the majority of the work to the property was either done immediately before or after the real property transfer. In order to determine exactly what sold and in what condition the inventory was in at the time of sale, a site visit is needed as close to the time of sale as possible.

After the information is verified regarding the sale, any corrections that need to be made should be done to the RPSv4 CAMA database and then these sales should be re-transmitted to NYSORPS for distribution via their online application.

Based upon the volume of sales within Madison County, it is recommended that this transmittal occur on a monthly basis. Since sales are the cornerstone to the real property valuation process, the most up-to-date information should be distributed in a timely fashion.

Maintenance of Assessment Data

Under a Countywide Department of Assessment, specific standards need to be developed and followed in order to maintain a consistent, standard, and consolidated database of real property inventory. Due to some inherent limitations¹⁸ of the current state provided database RPSv4, external databases need to be created in assist in the maintenance of real property inventory. In order to value commercial properties, a commercial property inventory database should be created in order to maintain accurate inventory, reconcile Income and Expense Statements, create a Valuation Factor File and to be able to reconcile valuation estimates from one year to another.

On a yearly basis, all roads within the county need to be driven at least once in order to verify if any physical changes have occurred in that area of the county.

¹⁸ RPSv4 was created as a one-stop database for all assessment units in New York State during the middle 1990s. While this database is very simplistic and has many useful functions for the local assessor however there are still some faults with it such as the listing of commercial inventory, most notably apartment inventory as RPSv4 only allows collection of up to 3 bedroom units.

Unfortunately, for the work of the assessor, not all improvements that are done to a property are done with a building permit. In fact, there are many home improvements that can be done that can add significantly to value that do not need a building permit. These improvements need to be captured and updated in a timely fashion.

In addition to discovering work that was completed without a building permit, wholly exempt properties can be verified for compliance with the New York State Real Property Tax Law. There are many instances where a not-for-profit organization currently receiving the benefits of being tax exempt for real property taxation purposes, rents out a portion of their property to a non-qualifying business operation. This act needs to be reflected on the tax roll and the only way this can often be discovered by the assessor, is to be in the field.

It is highly recommended that a procedural manual be developed to help standardize the collection and maintenance of data. While NYSORPS does offer a data collection guide, there is room for interpretation. For example, there exists much debate over the use of codes that are used to describe the condition of the property. Is a new house in Good condition? Normal condition for “new house”? How is a ‘hillside ranch’ recorded? These questions are just two that need to be answered and adhered to when developing and maintaining a consistent real property inventory database.

It is highly imperative that the Department of Assessment has a good working relationship with each local municipality’s building/zoning department. This relationship is needed so that all permitted work on a property is forwarded to the Department of Assessment to ensure that these changes are made to the inventory of the property and to the assessment (if necessary). Also, when a question arises regarding a particular property, the knowledge that is present in the local zoning/building office can greatly assist the data collection efforts of the appraiser.

Assessment Cycle

One of the most confusing aspects of the New York State Real Property Tax Law is in regard to the Assessment Cycle. While the New York State Real Property Tax Law mandates a yearly reassessment cycle, there is no agency that has the authority to enforce Section 305 of the Real Property Tax Law. All too often, this section of the Real Property Tax Law is ignored.

In practice, the determination of the Assessment Cycle would be the responsibility of the Madison County Board of Supervisors as there is no state agency that has the authority to enforce the existing law. In absence of any directive by the Board of Supervisors, the assessor would have the authority to state the level of assessment for the assessment roll.

Regardless of the assessment cycle that is determined by the Board of Supervisors, in accordance with Real Property Tax Law Section 305, all properties must be valued at a uniform percentage of market value on a yearly basis. In order to determine if all properties are at a uniform percentage of market value, all properties must be assessed at 100% fair market value and then reduced to the uniform percentage of market value as stated by the assessor. In effect, Real Property Tax Law Section 305 legislates that a reassessment, revaluation or update must occur each and every year.

The staffing level of 15 that is recommended for the Department of Assessment is adequate to perform traditional reassessments on a yearly basis or a triennial basis. Since the main goal of the assessment function is to equitably assess all properties at a uniform percentage of market value, as long as Section 305 is strictly adhered to, a uniform standard of assessment is being applied to each property within the county.

This study cannot recommend the traditional Annual or Triennial Reassessment Cycle as that decision is political in nature. However, this study will recommend that the Real Property Tax Law is strictly followed and that all properties are assessed at a uniform percentage of market value on a yearly basis to ensure the equity distribution of the tax burden. The staffing level indicated for Countywide Department of Assessment is sufficient to ensure an equitable assessment roll.

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.

Another added benefit is that there will be more than one assessor who is familiar with a certain town. This is beneficial when an assessor 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.

Countywide Assessing Budget

The following chart shows an estimated budget for a 15 person countywide assessing unit. This 15-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.

Salaries were estimated comparing the Civil Service grading within Madison County to similar job titles in Tompkins County and reconciling this salary estimation with the salaries of existing full time assessor positions. Based up on these assumptions it is estimated that a full time Real Property Appraiser, who essentially fulfills the typical duties of an assessor, would make \$49,171 for 2008 in Madison County. The following list shows a summary of the estimated 2008 Budget for a Countywide Department of Assessment.

Personnel Costs	=	\$674,933
Equipment Costs	=	\$17,000
Supplies	=	\$20,000
Contractual	=	\$58,750
Fringe Benefits	=	\$209,229
<u>Total County Cost</u>	=	<u>\$979,912</u>

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 \$979,912 or \$26.38/parcel.

VI. Comparison of Other County's Assessment Administration Costs¹⁹

	Madison County	Lewis County	Tompkins County	Columbia County
Population	69,826	26,472	101,055	62,363
Total Parcels	37,142	23,649	34,510	35,835
Personnel				
Local Assessment	437,530	238,560		527,275
County RPTS	166,904	192,438	704,537	268,160
Total Personnel	604,434	430,998	704,537	799,435
Equipment	22,000	8,000	84,304	14,100
Contractual	125,472	135,000	41,550	250,000
Fringe Benefits	133,941	91,209	260,679	146,447
Contractor Payments				30,000
BAR Expense	9,100			
Total Expenses	\$894,847	\$665,207	\$1,091,070	\$1,239,982
Cost Per Capita	\$12.82	\$25.13	\$10.80	\$19.88
Cost Per Parcel	\$24.09	\$28.13	\$31.62	\$34.60

¹⁹ CAMA Consultants was contracted to perform this study for the counties named above except for Tompkins County. The data compiled in this list was gathered in the same manner in all of the three cases. Tompkins County data was obtained through information gathered at the Tompkins County Department of Assessment.

VII. Transition to Countywide Department

Introduction

This section will look at a theoretical Countywide Department of Assessment and the steps that need to be taken in order to make that transition. In no way is this section a recommendation that a Countywide Department of Assessment is the best assessment administration structure for Madison County. However, if this is the solution selected to improve the assessment function in Madison County, the following analysis and recommendations will hold true.

History

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).

Even back in 1968 in Tompkins County, it was recognized that the entire situation regarding real property tax administration should be examined and a higher degree of professional service should be available to the general public.

Since Tompkins County is unique in their setup as a countywide assessing unit, one very important part of the charter process worth mentioning is that it provides for both local and county administrative review of assessed values. This very important provision assures that the property owner has at least two opportunities for an independent review of the assessed value. This provision allows the

property owner within Tompkins County the opportunity for far more administrative review than any other county in New York State.

When Tompkins County transitioned to a countywide assessing unit, the decision was not made as a cost savings measure. The main reason behind the decision to move forward with that measure was to increase the professionalism and the quality of service that was provided to the taxpayers of Tompkins County.

Another reason the consolidation effort occurred was the retirement of many of the assessors within the county and the lack of qualified individuals to replace them. While there is no concrete data as to the number of assessors within Madison County that are contemplating retirement or not continuing with the same town, a succession plan should be reviewed for the county.

Before the transition in Tompkins County, there was approximately 20 assessors (both elected and appointed), most of them working on a part-time basis. After the consolidation, only 5 full-time professional assessors were required (total number of real property parcels was only 22,000 in 1970). This level of staffing allowed for a periodic in-house revaluation thus reducing the cost for an outside contractor to perform the much needed periodic revaluations.

Transition

The transition to a countywide assessing unit is a complex task, to say the least and one that should not be taken lightly. As New York State is a local home rule state, an extensive public relations campaign needs to be undertaken to inform the general public of the change in the assessment function. Even the New York State Assessor's Association has been very vocal about their opposition to the transfer of the assessment administration function to the county. This public relations campaign cannot end with the transition but must be a continual program

in order to keep the residents best informed regarding the real property administration program.

A common misconception of a transition to a countywide assessing unit is that it is a loss of local control of the assessment function. While the control of the assessment function would now be at the county level, the control of the department is still in effect 'local'. Each taxing jurisdiction retains the right to opt in/out of real property tax exemptions as allowed by the State of New York. As there would now only be one single equalization rate for the County, the state would exhibit less control over the dramatic shifts in the tax burden caused by changing equalization rates.

The one piece of local control that is lost with a transition to a countywide assessing unit is that the Assessor is now a civil servant. The Assessor no longer serves at the whim of the local Town Board or is elected by the town serving six-year appointments. The removing of the Assessor from the political realm can only improve the assessment function, as there is no room for political interpretations in the Real Property Tax Law. As a civil servant the Assessor now can focus strictly upon enforcing the Real Property Tax as it is written.

In order to transition to a countywide assessing unit, the County Board of Supervisors must first pass a resolution authorizing a public referendum. To be approved, the referendum must not only pass countywide but must also pass within the City of Oneida AND in the towns outside of the City of Oneida as a whole. For instance, if every voter decided to elect to enact countywide assessing in the Towns outside of the City of Oneida but the referendum would fail by 1 vote within the City of Oneida, the referendum would fail as a whole.

Upon passage of this double referendum, the transition process can begin. The first consideration would be to establish a single level of assessment for all municipalities located within Madison County. A common misconception is that

a 'blended' equalization rate would be developed. This could not be the case as Section 305-2 of the Real Property Tax Law clearly states:

“All real property in each assessing unit shall be assessed at a uniform percentage of value (fractional assessment) except that, if the administrative code of a city with a population of one million or more permitted, prior to January first, nineteen hundred eighty-one, a classified assessment standard, such standard shall govern unless such city by local shall elect to be governed by the provisions of this section.”

To simply 'average' the current equalization rates into a single one would plainly not satisfy the most important provision within the real property tax law. A blended equalization rate would penalize the municipalities with a Level of Assessment lower than the blended equalization rate and would unduly benefit the municipalities whose Level of Assessment was greater than the blended equalization rate.

Based upon the status of the data within the municipalities in Madison County, a simple combining the assessment information into a centralized database would be sufficient as the assessment data for all properties within Madison is kept up to date and is consistent based upon the Office of Real Property Services data collection guidelines. Still, it is highly recommended that a data verification project occur for all parcels in the county that have not been reappraised since 2006. This amounts to approximately 26,000 parcels that would have to have their inventory inspected. Additionally based upon the current differences in the Level of Assessment within Madison County, a base year reappraisal would have to occur. Under current budgets for individual towns, the expertise exists within the County to be able to perform the revaluation without contracting the work out to a revaluation company. It is estimated that this data verification procedure to cost approximately \$390,000 (or \$15/parcel).

A proper location must be decided upon for the Department of Assessment. Consideration will have to be given, as this would be a department that would serve all the residents of Madison County. The location should be somewhat centrally located so that the trip to the office should not be a burden to any resident. Reviewing the physical makeup of Madison County, it is **recommended that the Village of Wampsville serve as the best location for the Department of Assessment. Based upon the size of the office, it is recommended that at least 6,500 square feet of office space be utilized.**

However based upon the size and geography of Madison County, satellite offices in the southern part of the county might have to be utilized so as not to cause a hardship for property owners who are in need of the services provided by the Department of Assessment. These satellite offices might only have to be utilized during certain times of the year, especially around the exemption filing deadline. These offices would more than likely be open for the same amount of time that the current assessor holds office hours.

The next important function would be the hiring process. Civil Service Examinations would have to be scheduled for the appropriate job titles. Once the County Board of Supervisors appoints a Director of Assessment, the rest of the hiring can now take place. Based upon the physical size and complexity of property class types of Madison County, it is recommended that a staff of 15 people would adequately staff a Countywide Department of Assessment.

These 15 civil servant positions would be broken up in the following manner:

- 1 Director of Assessment
- 1 Assistant Director of Assessment
- 2 Valuation Specialists (One residential and one commercial)
- 5 Real Property Appraisers
- 2 Real Property Information Specialists
- 2 Office Assistant
- 1 RPS Aide
- 1 GIS Specialist

This staffing is based upon International Association Assessing Officer guidelines and uses Tompkins County as a benchmark. This staffing schedule assumes competent individuals within each civil service class.

Once a physical location has been determined and a staff has been hired, all assessment records must be combined and organized within a single record keeping system. At this point it is highly recommended that an Electronic Document Management System (EDMS) be employed. In an EDMS, all paper files would be scanned into a digital format, which could then be easily referenced by property and retrieved by a computer application. By using the EDMS, files can be easily duplicated to serve the public, the local municipality and the newly created Countywide Department of Assessment. It is highly recommended that this data be available on-line to help decrease the amount of foot traffic in the office and to make the data more available to the public.

Timeline for Transition

Public Relations Campaign	-	Dec 2008	-	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>

Cost of Transition

It must be recognized that there is a significant cost to transition to a countywide assessment structure from the current configuration. The majority of this cost would stem from a Countywide Reappraisal. However, a full countywide data collection and reappraisal would not be necessary as the real property inventory data in Madison is up to date.

Based upon information provided by NYSORPS, for towns that completed a reappraisal with 5 years of the anticipated Countywide Revaluation year of 2011, the values on these municipalities could be statistically adjusted through trending in order to bring their values in line with the uniform percentage of value. Only on municipalities who have not reappraised since 2007 would have to have their values reviewed in the field.

The chart on the following page shows the most recent year of reappraisal and the total number of parcels that would have to be field reviewed for the Countywide Reappraisal.

Municipality	Year of Recent Reassessment	# of Parcels
City of Oneida	2007	-
Town of Brookfield	2006	1,814
Town of Cazenovia	2004	3,345
Town of DeRuyter	2007	1,218
Town of Eaton	2004	2,480
Town of Fenner	2006	1,020
Town of Georgetown	2004	736
Town of Hamilton	2005	2,312
Town of Lebanon	2004	1,104
Town of Lenox	2008	-
Town of Lincoln	2008	-
Town of Madison	2005	1,962
Town of Nelson	2006	1,776
Town of Smithfield	2006	777
Town of Stockbridge	2008	-
Town of Sullivan	2005	7,076
Total # of Parcels to be reappraised		25,620

In order to perform the countywide revaluation in house, the need will exist to hire additional office staff to assist in the informal hearing process. It is unreasonable to assume that the existing office staff could handle an additional 5,000 – 7,000 property owners who have scheduled an informal assessment review hearing and are now requiring assistance. In addition, extra postage and supplies will be needed for both the Assessment Disclosure Mailings and the formal grievance procedure. It is estimated to cost \$40,000 for the extra staffing and \$15,000 for the extra postage bringing the additional total expense for the countywide revaluation to \$60,000.²⁰ Based upon estimates derived from revaluation companies, the cost of data verifying 26,000 parcels would be approximately \$390,000.

In addition to the cost for a countywide revaluation, costs would have to be incurred for the creation of the actual department. The chart on the following page shows a partial list of costs.

<u>Transitional Costs</u>		
Computer Equipment (20)	=	\$20,000
Computer Server (1)	=	\$10,000
Telephones	=	\$2,000
Vehicles (3)	=	\$50,000
Supplies	=	\$10,000
Office Furniture	=	\$20,000
Public Relations	=	\$10,000
Cost for Staffing Reappraisal	=	\$60,000
Cost of Data Collection Reappraisal	=	\$390,000

(This is not a full list of cost associated with the transition. Costs estimates must be developed for the actual space feasibility study. Acquisition costs must be added into the figures if there is not current space available. If current space is

²⁰ While the actual costs listed are \$55,000, an additional \$5,000 was included for incidentals.

available and a current office needs to be moved to a different space, that moving cost should also be included in this analysis. In addition, a wide spread public relations campaign would have to be undertaken to help explain the transition to the general public)

Based upon the above cost schedule, it is estimated that a conversion to a Countywide Department of Assessment would cost approximately \$572,000 however there are aid programs offered through New York State that will significantly offset this cost.

Available Aid Programs to Assist in the Transition

This estimated \$572,000 transition cost would be fully offset by the Consolidation Incentive Aid Program that would provide Madison County \$259,994 state aid plus an additional \$74,284 (\$2/parcel) for forming a Countywide Assessing Department.

In addition to the Consolidated Incentive Aid Program, it is recommended that Madison County apply for a Local Government Efficiency Grant. For 2008-2009, the State of New York has earmarked \$29.4 million for this aid program. There are three levels of this grant; Planning, Efficiency Implementation and Twenty First Century Demonstration Projects.

The first level, Planning, could provide for a grant of up to \$50,000 for study that reviews a county charter change for the consolidation effort. The second level, Efficiency Implementation, is similar to the prior year's Shared Municipal Incentive and could provide up to \$1,000,000 for the consolidation effort. Finally the last level, Twenty First Century Demonstration Projects, allows for a grant of up to \$400,000 per municipality for groups of local governments cooperatively engaging in transformative pilot projects.

For the basis of this analysis, no aid has been applied to the transitional cost from this program due to recent developments in the New York State budget.

The total amount of available state aid under current aid programs would be approximately \$519,988 which brings the total out of pocket expense to \$52,012.

VIII. Current State 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. These programs not only encourage an initial reassessment but also encourage municipalities to keep reassessing properties each and every year at a 100% fair market value level.

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 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,

If the County were to adopt a Countywide Assessment structure, this program would bring in approximately \$187,000 to Madison 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 \$187,000 to Madison County once every three years. This state 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 to form a CAP, this one time aid program will bring in approximately \$142,863 to Madison 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 approximately \$37,000 to Madison County.

Countywide Assessment

A one-time payment to a county of \$7/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 \$259,994 to Madison County.

County Coordinated Assessment Program

A one time payment of \$2/parcel to a county if the county manages the assessment function and if all properties are included.

This aid program would bring in approximately \$74,000 to Madison County.

Breaking News

With the announcement of Governor Paterson's directive to cut state spending, NYSORPS 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.

IX. 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 or 6 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 21st 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 New York State 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

Madison County - Muni Appendix A-1

MUNICIPALITIES	ASSESSMENT OFFICES					
Municipal Name	Type of Assessor	Assessor Name	IAO or Other Professional Designation	Number of Hours Assessor is in Office per week	# Other Staff (<u>excluding</u> Assessors) Hours	staff equivalent
City of Oneida	Sole	Lonnie Stedman	Y	40	75	2.88
Town of Brookfield	Sole	Rhonda Weigand	N	20		0.50
Town of Cazenovia	Sole	Steve Harris	N	21		0.53
Town of DeRuyter	Sole	Steve Harris	N	7		0.18
Town of Eaton	Sole	David Gray	Y	14		0.35
Town of Fenner	Sole	Rhonda Weigand	N	20		0.50
Town of Georgetown	Sole	David Gray	Y	14		0.35
Town of Hamilton	Sole	David Roach	Y	7	4	0.28
Town of Lebanon	Sole	David Gray	Y	14		0.35
Town of Lenox	Sole	Tanya Pifer	N	11	22	0.83
Town of Lincoln	Sole	Tanya Pifer	N	11	As needed	0.28
Town of Madison	Sole	Rochelle Harris	N	7		0.18
Town of Nelson	Sole	Rhonda Weigand	N	20		0.50
Town of Smithfield	Sole	Rhonda Weigand	N	20		0.50
Town of Stockbridge	Sole	Tanya Pifer	N	4.5	As needed	0.11
Town of Sullivan	Sole	Karen Stearns	Y	40	65	2.63

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MUNICIPALITIES	ASSESSMENT OFFICES		EXISTING COLLABORATION		
Municipal Name	Type of Assessor	Assessor Name	Part of CAP?	Assessor Works for Multiple Municipalities?	Works in Multiple Counties
City of Oneida	Sole Assessor	Lonnie Stedman		YES	
Town of Brookfield	Sole Assessor	Rhonda Weigand	259903	YES	YES
Town of Cazenovia	Sole Assessor	Steve Harris		YES	YES
Town of DeRuyter	Sole Assessor	Steve Harris		YES	YES
Town of Eaton	Sole Assessor	David Gray	259901	YES	YES
Town of Fenner	Sole Assessor	Rhonda Weigand	259903	YES	YES
Town of Georgetown	Sole Assessor	David Gray	259901	YES	YES
Town of Hamilton	Sole Assessor	David Roach			
Town of Lebanon	Sole Assessor	David Gray	259901	YES	YES
Town of Lenox	Sole Assessor	Tanya Pifer	259902	YES	
Town of Lincoln	Sole Assessor	Tanya Pifer	259902	YES	
Town of Madison	Sole Assessor	Rochelle Harris		YES	YES
Town of Nelson	Sole Assessor	Rhonda Weigand	259903	YES	YES
Town of Smithfield	Sole Assessor	Rhonda Weigand	259903	YES	YES
Town of Stockbridge	Sole Assessor	Tanya Pifer	259902	YES	
Town of Sullivan	Sole Assessor	Karen Stearns			

MUNICIPALITIES	MUNICIPAL CHARACTERISTICS				
Municipal Name	Total Budget for Assessment Function	Total Number of Parcels	Number of Residential Parcels	Percent of Parcels Residential	Budget per parcel
City of Oneida	\$112,967	4,496	3,152	70%	\$25.13
Town of Brookfield	\$18,665	1,814	870	48%	\$10.29
Town of Cazenovia	\$46,705	3,345	2,237	67%	\$13.96
Town of DeRuyter	\$19,290	1,218	725	60%	\$15.84
Town of Eaton	\$27,352	2,480	1,373	55%	\$11.03
Town of Fenner	\$11,961	1,020	539	53%	\$11.73
Town of Georgetown	\$8,410	736	283	38%	\$11.43
Town of Hamilton	\$41,784	2,312	1,454	63%	\$18.07
Town of Lebanon	\$13,359	1,104	543	49%	\$12.10
Town of Lenox	\$84,710	4,866	3,060	63%	\$17.41
Town of Lincoln	\$10,425	1,074	658	61%	\$9.71
Town of Madison	\$19,749	1,962	1,078	55%	\$10.07
Town of Nelson	\$17,212	1,776	970	55%	\$9.69
Town of Smithfield	\$8,580	777	402	52%	\$11.04
Town of Stockbridge	\$12,000	1,086	620	57%	\$11.05
Town of Sullivan	\$148,206	7,076	5,075	72%	\$20.94

MUNICIPALITIES	INDICATORS OF ASSESSMENT EQUITY						
Municipal Name	2008 Eq. Rate	2008 LOA of various property types	COD residential	Latest Reassessment	Latest State Aid	Aid Type	Planned Reassessment
City of Oneida	100.00	100.00	8.16	2007	2007		
Town of Brookfield	89.00	89.00		2006	2006		
Town of Cazenovia	78.00	78.00	14.37	2004			2009
Town of DeRuyter	96.00	96.00	9.39	2007			
Town of Eaton	78.00	78.00	22.94	2004			2009
Town of Fenner	89.00	89.00	19.19	2006	2006		
Town of Georgetown	78.00	78.00	22.94	2004			2009
Town of Hamilton	80.00	80.00	17.75	2005			2009
Town of Lebanon	78.00	78.00		2004			2009
Town of Lenox	100.00	100.00	20.24	2008	2008	Triennial	
Town of Lincoln	100.00	100.00	20.24	2008	2008	Triennial	
Town of Madison	90.00	90.00	17.82	2005	2005		
Town of Nelson	89.00	89.00	19.19	2006	2006		
Town of Smithfield	89.00	89.00	20.24	2006	2006		
Town of Stockbridge	100.00	100.00	20.24	2008	2008	Triennial	
Town of Sullivan	88.00	88.00	8.82	2005			

Madison County - Appendix A-5

Municipality	Municipal Assessment Offices				Existing Collaboration of Assessment Function		Municipal Characteristics			Indicators of Assessment Equity					
	Elected/ Appointed	Name	IAO/Other Professional Designation	# of Office Hours	CAP	Assessor works for multiple munis	Total Budget of Asmt	Number of Parcels	Number of Residential Parcals	2008 Eq Rate	2008 Level of Assessment	2008 RAR	# of Residential Sales	Year of Most Recent Reassessment	# of Asmt Changes
City of Oneida	Appointed	Lonnie Stedman	Y	40		Yes	112,967	4,496	3,152	100.00	100.00	97.00	124	2007	3,821
Town of Brookfield	Appointed	Rhonda Weigand	N	20	259903		18,665	1,814	870	89.00	89.00	83.55	67	2006	164
Town of Cazenovia	Appointed	Steve Harris	N	21		Yes	46,705	3,345	2,237	78.00	78.00	81.21	80	2004	175
Town of DeRuyter	Appointed	Steve Harris	N	8		Yes	19,290	1,218	725	96.00	96.00	91.65	17	2007	1,150
Town of Eaton	Appointed	David Gray	Y	16	259901		27,352	2,480	1,373	78.00	78.00	81.63	44	2004	112
Town of Fenner	Appointed	Rhonda Weigand	N	20	259903		11,961	1,020	539	89.00	89.00	83.55	67	2006	55
Town of Georgetown	Appointed	David Gray	Y	16	259901		8,410	736	283	78.00	78.00	81.63	44	2004	41
Town of Hamilton	Appointed	David Roach	Y	4			41,784	2,312	1,454	80.00	80.00	79.64	56	2005	76
Town of Lebanon	Appointed	David Gray	Y	16	259901		13,359	1,104	543	78.00	78.00	81.63	44	2004	70
Town of Lenox	Appointed	Tanya Pifer	N	16	259902		84,710	4,866	3,060	100.00	100.00	-		2008	146
Town of Lincoln	Appointed	Tanya Pifer	N	3.5	259902		10,425	1,074	658	100.00	100.00	-		2008	59
Town of Madison	Appointed	Rochelle Harris	N	8		Yes	19,749	1,962	1,078	90.00	90.00	84.69	20	2005	93
Town of Nelson	Appointed	Rhonda Weigand	N	20	259903		17,212	1,776	970	89.00	89.00	83.55	67	2006	100
Town of Smithfield	Appointed	Rhonda Weigand	N	20	259903		8,580	777	402	89.00	89.00	83.55	67	2006	40
Town of Stockbridge	Appointed	Tanya Pifer	N	3.5	259902		12,000	1,086	620	100.00	100.00	-		2008	40
Town of Sullivan	Appointed	Karen Stearns	Y	30			148,206	7,076	5,075	88.00	88.00	82.76	167	2005	629

Appendix B

2006 Local Assessment Function Budget

2006	# of Parcels	Personnel	Equipment	Contractual	Fringes	BAR	Total Cost	Cost Per Parcel
City of Oneida	4,496	72,087	0	6,650	21,626		100,363	22.32
Town of Brookfield	1,814	7,583		1,210	758		9,551	5.27
Town of Cazenovia	3,345	36,680	500	2,500	3,668	1,139	44,487	13.30
Town of DeRuyter	1,218	14,200	500	2,500	1,420		18,620	15.29
Town of Eaton	2,480	20,000	500	1,950	2,000		24,450	9.86
Town of Fenner	1,020	8,702	0	0	870		9,572	9.38
Town of Georgetown	736	5,872	0	651	587		7,110	9.66
Town of Hamilton	2,312	22,671	500	3,000	2,267		28,438	12.30
Town of Lebanon	1,104	8,700	0	2,800	870		12,370	11.20
Town of Lenox	4,866	51,208	2,660	16,635	5,121		75,624	15.54
Town of Lincoln	1,074	8,000	0	1,125	800		9,925	9.24
Town of Madison	1,962	16,107	1,200	1,200	1,611		20,118	10.25
Town of Nelson	1,776	14,043	500	8,600	1,404	750	25,297	14.24
Town of Smithfield	777	6,000	0	3,500	600		10,100	13.00
Town of Stockbridge	1,086	0	700	9,500	0		10,200	9.39
Town of Sullivan	7,076	112,935	2,500	8,200	33,881	644	158,160	22.35
Municipal Total	37,142	404,788	9,560	70,021	77,483	2,533	564,385	15.20
County RPTS		147,325	5,800	70,556	54,077		277,758	
Total		552,113	15,360	140,577	131,560	2,533	842,143	22.67

2007 Local Assessment Function Budget

2007	# of Parcels	Personnel	Equipment	Contractual	Fringes	BAR	Total Cost	Cost Per Parcel
City of Oneida	4,496	75,847	0	13,550	22,754		112,151	24.94
Town of Brookfield	1,814	13,500	0	3,000	1,350		17,850	9.84
Town of Cazenovia	3,345	37,781	850	5,148	3,778		47,557	14.22
Town of DeRuyter	1,218	14,500	500	3,500	1,450		19,950	16.38
Town of Eaton	2,480	20,600	500	2,000	2,060		25,160	10.15
Town of Fenner	1,020	9,555	500	1,050	956	375	12,436	12.19
Town of Georgetown	736	5,896	0	618	590		7,104	9.65
Town of Hamilton	2,312	23,352	500	4,000	2,335		30,187	13.06
Town of Lebanon	1,104	12,050			1,205		13,255	12.01
Town of Lenox	4,866	51,957	2,600	16,325	5,196		76,078	15.63
Town of Lincoln	1,074	8,000	0	1,125	800		9,925	9.24
Town of Madison	1,962	19,808	0	2,000	1,981		23,789	12.12
Town of Nelson	1,776	14,465	500	500	1,447	375	17,287	9.73
Town of Smithfield	777	6,600	400	400	660		8,060	10.37
Town of Stockbridge	1,086		700	9,500	0		10,200	9.39
Town of Sullivan	7,076	142,515	2,500	6,700	42,755	700	195,170	27.58
Municipal Total	37,142	456,426	9,550	69,416	89,315	1,450	626,157	16.86
County RPTS		154,415	15,000	73,305	55,705		298,425	
Total		610,841	24,550	142,721	145,020	1,450	924,582	24.89

2008 Local Assessment Function Budget

2008	# of Parcels	Personnel	Equipment	Contractual	Fringes	BAR	Total Cost	Cost Per Parcel
City of Oneida	4,496	80,186	0	8,100	24,056	625	112,967	25.13
Town of Brookfield	1,814	13,900	0	3,000	1,390	375	18,665	10.29
Town of Cazenovia	3,345	38,914	800	2,100	3,891	1,000	46,705	13.96
Town of DeRuyter	1,218	14,900	500	2,000	1,490	400	19,290	15.84
Town of Eaton	2,480	22,320	500	2,000	2,232	300	27,352	11.03
Town of Fenner	1,020	9,555	500	700	956	250	11,961	11.73
Town of Georgetown	736	6,600	0	700	660	450	8,410	11.43
Town of Hamilton	2,312	32,804	500	4,000	3,280	1,200	41,784	18.07
Town of Lebanon	1,104	11,872	0	0	1,187	300	13,359	12.10
Town of Lenox	4,866	54,350	2,850	20,325	5,435	1,750	84,710	17.41
Town of Lincoln	1,074	8,000	0	1,125	800	500	10,425	9.71
Town of Madison	1,962	16,590	0	1,200	1,659	300	19,749	10.07
Town of Nelson	1,776	14,465	500	500	1,447	300	17,212	9.69
Town of Smithfield	777	6,800	400	400	680	300	8,580	11.04
Town of Stockbridge	1,086	0	0	11,500	0	500	12,000	11.05
Town of Sullivan	7,076	106,274	2,500	7,000	31,882	550	148,206	20.94
Municipal Total	37,142	437,530	9,050	64,650	81,045	9,100	601,375	16.19
County RPTS		166,904	12,950	60,822	52,796		293,472	
Total		604,434	22,000	125,472	133,841	9,100	894,847	24.09

	2006	2007	2008
Personnel Services	147,325	154,415	166,904
Furniture & Furnishings	3,000	15,000	3,950
Kitchenette	2,800	0	0
Computer Equipment	0	0	9,000
Equipment/Other Capital	<u>5,800</u>	<u>15,000</u>	<u>12,950</u>
Association Dues	150	170	170
Computer Equipment	0	925	0
Miscellaneous Expense	450	440	440
GIS Upgrade	10,000	0	0
Training and Staff Devel	7,500	1,500	1,500
Advertising Expense	500	500	150
Consultant	8,000	8,000	8,000
Computer Software Ma	9,550	25,000	18,300
Computer Maintenance	1,500	500	300
Copier/Printer Lease	2,450	4,250	2,500
Map Copier Expense	3,750	3,750	2,000
Photo Copy Usage/Lease	750	750	825
Central Postage Expense	1,136	1,136	1,136
Central Printing & Supplies	5,187	5,000	6,400
Office Supply and Expense	14,700	16,300	14,500
Central Telephone Expense	1,500	1,500	1,061
Central Security Expense	3,433	3,584	3,540
Total Contractual Expense	<u>70,556</u>	<u>73,305</u>	<u>60,822</u>
Health Insurance	27,132	28,855	25,805
State Retirement	15,308	13,755	13,136
Social Security	11,270	11,667	12,499
Workers Comp	367	1,428	1,356
Unemployment Insurance			0
Fringes	<u>54,077</u>	<u>55,705</u>	<u>52,796</u>
Total Cost	<u>277,758</u>	<u>298,425</u>	<u>293,472</u>

Appendix C

	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
City of Oneida	57	3,152	685	379	28	55	19	117	4	4,496
Town of Brookfield	168	870	451	33	5	50	1	40	196	1,814
Town of Cazenovia	157	2,237	652	120	26	64	4	71	14	3,345
Town of DeRuyter	106	725	253	34	2	23	2	29	44	1,218
Town of Eaton	165	1,373	652	83	1	47	3	53	103	2,480
Town of Fenner	129	539	280	8	5	11	0	46	2	1,020
Town of Georgetown	55	283	284	4	2	14	0	25	69	736
Town of Hamilton	110	1,454	481	142	10	44	2	53	16	2,312
Town of Lebanon	116	543	352	11	1	9	20	28	24	1,104
Town of Lenox	220	3,060	1,099	264	22	48	29	115	9	4,866
Town of Lincoln	112	658	225	7	0	14	3	45	10	1,074
Town of Madison	191	1,078	507	87	2	26	3	56	12	1,962
Town of Nelson	68	970	565	32	1	19	8	32	81	1,776
Town of Smithfield	93	402	235	5	4	12	0	23	3	777
Town of Stockbridge	187	620	199	28	1	18	6	27	0	1,086
Town of Sullivan	284	5,075	1,285	214	27	59	10	119	3	7,076
Totals	2,218	23,039	8,205	1,451	137	513	110	879	590	37,142

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 Valuation 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 one Valuation Specialist be in charge of the residential appraisal staff while the other remaining Valuation Specialist would work closely with the Deputy Director of Assessment in valuing commercial properties.

Both Valuation Specialists would play a significant part in the planning and preparation of the upcoming year's valuation schedule. While the Commercial Valuation Specialist would value commercial properties within all the municipalities in the county, the Residential Valuation Specialist would still have a town valuation responsibility and act as the Real Property Appraiser for that municipality.

The Residential Valuation Specialist would be the primary appraiser in Small Claims Assessment Review (SCAR) cases. Depending on the number of SCARs filed each year, the Residential 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 Appraiser

The Real Property Appraiser (RPA) serves 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 Commercial Valuation Specialist on individual valuation/data collection projects. The RPA 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 needs to have good rapport with the townships that he/she is 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 standardized process needs to be developed to ensure that each real property transfer is verified in the same manner to ensure consistency of 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.

The Office Staff

Real Property Information Specialist

In today's modern technical office structure, the Real Property Information Specialist maintains all aspects of the digital data in the office. These duties include working with ORPS in maintaining and upgrading the RPSv4 database, working closely with the local municipalities to ensure a good line of communication either by running reports or providing digital data access, and most importantly the processing of assessment and tax rolls and the printing of tax bills.

The Real Property Information Specialist also assists with the processing all real property tax exemptions that are filed each year such as the Senior Citizens with

Limited Incomes exemption, the Veterans exemption and the Enhanced STAR exemption.

This position is also responsible for payroll, accounts payable and accounts receivable. This position is responsible for the processing of all straight real property transactions.

Office Assistant

The main job duty of the Office Assistant is to provide information to the general public. This includes providing information over the phone and helping the general public when they come into the office. These two positions are very important to the image of the Department of Assessment as they are the first two people that a customer would see when they enter the office. These two positions set the tone for the experience that the customer will have in the office. These positions would also be the primary contact person for accepting real property tax exemptions and to make sure that the applications are filled out as correctly as possible.

It is recommended that all office staff be required to take at least 24 hours of continuing education credits per year on average.

Mapping Staff

Both the GIS Specialist and the RPS Aide would be responsible for the reading and processing of all real property related documents that are filed at the County Clerk's office. These documents range from a typical deed to a survey map to a highway appropriation filed by the State of New York. These two positions would be responsible for providing both the RPA and the Real Property Information Specialists with the information needed to process real property transfers and all other documents that would affect the tax parcel boundaries.

Appendix E

Countywide Assessment Staff/Budget

Title	2008 Budget	
Director of Assessment	70,603	
Assistant Director of Assessment	64,184	
Valuation Specialist	58,350	116,700
Real Property Appraiser	53,045	265,225
Real Property Information Specialist	28,512	57,024
Office Assistant	22,429	44,858
RPS Aide	24,075	
GIS Specialist	32,264	

	Personal Services	<u>674,933</u>	
Computer Equip	6,000		
Office Equip	1,000		
Office Furnishings	4,000		
Computer Soft.	2,000		
Vehicles	4,000		
	Equipment	17,000	
Office Supplies	10,000		
Auto Supplies	3,000		
Auto Fuel	3,300		
Printing	2,700		
Books	1,000		
	Supplies	20,000	
Chargebacks	20,000		
Program Expense	2,250		
Legal Advertising	1,500		
Travel/Training	5,000		
Local Mileage	1,000		
Membership dues	2,500		
Service Contracts	5,000		
Professional Serv	2,000		
Postage	15,000		
Telephone	2,500		
Interdepart Charge	2,000		
	Contractual	58,750	<u>95,750</u>
	Total Expenses		
			<u>209,229</u>
Fringe Benefits			Total Revenue
	<u>Total County Cost</u>		<u>979,912</u>
	Cost Per Parcel	26.38	

Countywide CAP

RPTS Division Budget

Personnel Services	\$166,904
Equipment	\$12,950
Contractual Expenses	\$60,822
Fringe Benefits	\$52,796
Total Expense RPTS Division Budget	<u>\$293,472</u>

Appraisal Division Budget

Personnel Services	\$562,597
Equipment	\$8,000
Fringe Benefits	\$195,784
Total Expense Appraisal Division Budget	<u>\$766,381</u>

Total Countywide CAP Budget **\$1,059,853**

or \$28.54 /parcel

Countywide 1537 Agreements

RPTS Division Budget

Personnel Services	\$166,904
Equipment	\$12,950
Contractual Expenses	\$60,822
Fringe Benefits	\$52,796
Total Expense RPTS Division Budget	<u>\$293,472</u>

Appraisal Division Budget

Personnel Services	\$534,429
Equipment	\$8,000
Fringe Benefits	\$185,981
Total Expense Appraisal Division Budget	<u>\$728,410</u>

Total Countywide CAP Budget **\$1,021,882**

or \$27.51 /parcel

		Option #1:	Option #2	Option #2	Option #3
	Current Structure that is in place - modified to provide equitable assessments to all properties.	Countywide Department of Assessment	Countywide CAP - managed by County	Countywide CAP - managed by Towns	All Munis contract w/County for assessment services under RPTL 1537
Start-up Costs:					
Establish Equitable assessments at a common level throughout the County [Data Verify 26,000 parcels @ \$15 (Town Cost)]	390,000	390,000	390,000	390,000	390,000
Transitional costs for County-Run or County CAP managed by County (Computers, telephones, supplies, furniture..)	0	182,000	182,000	182,000	182,000
Start-Up Revenue Opportunities					
State Consolidation Aid [20,409 parcels @ \$7 - one time payment,	0	0	-142,863	-142,863	0
State Consolidation Aid for County Run Assessing, RPTL 1573, 37142 parcels @ \$7	0	-259,994	0	0	0
State Aid for County Run Assessing Referendum Approval, 37,142 parcels @ \$2 [http://www.orps.state.ny.us/cptap/applications.cfm]	0	-74,284	0	0	0
State Consolidation Aid for County providing services, RPTL 1573, 37,142 parcels @ \$1	0	0	-37,142	-37,142	-37,142
State Aid IF County Managed County wide CAP, 37,142 parcels @ \$2 [http://www.orps.state.ny.us/cptap/applications.cfm]	0	0	-74,284		-74,284
State Aid Available for Revaluation at \$5/parcel	-185,710	-185,710	-185,710	-185,710	-185,710
Total One Time Start-up Costs:	\$204,290	\$52,012	\$132,001	\$206,285	\$274,864
Cost per parcel:	\$5.50	\$1.40	\$3.55	\$5.55	\$7.40
Operational Costs:					
City/Town/Village Assessment Dept. Costs	601,375	0	766,381	766,381	728,410
County Real Property Tax Dept Costs	293,472	979,912	293,472	293,472	293,472
Total Annual Operational Costs:	\$894,847	\$979,912	\$1,059,853	\$1,059,853	\$1,021,882
Cost per parcel:	\$24.09	\$26.38	\$28.54	\$28.54	\$27.51

Appendix F

Total Staffing Comparison Current Assessing Structure vs Countywide Assessing Structure

Office	Appraisal Staff	Office Staff	# of Staff
City of Oneida	1	3	4
Town of Brookfield	1		1
Town of Cazenovia	1		1
Town of DeRuyter	1		1
Town of Eaton	1		1
Town of Fenner	1		1
Town of Georgetown	1	1	2
Town of Hamilton	1		1
Town of Lebanon	2	2	4
Town of Lenox	2		2
Town of Lincoln	1		1
Town of Madison	1		1
Town of Nelson	1		1
Town of Smithfield	1		1
Town of Stockbridge	1		1
Town of Sullivan	1	2	3
County RPTS	0	5	5
Total	18	13	31

	Appraisal Staff	Office Staff	# of Staff
Countywide Assessing Unit	9	6	15
Countywide CAP	9	6	15
Countywide 1537	9	6	15

Not all positions are full time. For the purposes of this chart, for any funded part time position, it is recorded as a full position.

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 Madison County Real Property Tax Service Agency, notably Carol Brophy, for their assistance in the creation of this study. I would also like to thank the Assessors of Madison 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.

Ms. Valeria Coggin
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 Integrating GIS/CAMA Conference of 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.