



Office of the County Executive

Monroe County, New York

Maggie Brooks
County Executive

April 17, 2009

To The Honorable
Monroe County Legislature
407 County Office Building
Rochester, New York 14614

Subject: Resolution 300 of 2008 Accepting Two Grants from New York State Office of Real Property Services for Centralized Property Tax Administration Program Shared Tax Database Collection Study and the Assessment Improvement Study

Honorable Legislators

On December 9, 2008 Your Honorable Body unanimously adopted Resolution 300 of 2008, accepting a grant from the New York State Office of Real Property Services for an Assessment Improvement Study under the Centralized Property Tax Administration Program. At this time, I am pleased to share with you the completed Assessment Improvement Study.

Sincerely,

Maggie Brooks
County Executive

Enclosure

NEW YORK STATE GRANT FUNDED

Study of

Collaborative Centralized Property Tax Administration

MONROE COUNTY

Assessment Administration Study Team

Hon. James Smith, Supervisor, Town of Perinton
Hon. Paul Kimball, Supervisor, Town of Clarkson
Stephen Robson IAO, Assessor, Town of Pittsford
Linda Leach IAO, Assessor, Town of Chili
Timothy Murphy CCD, Director, Real Property Tax Services, Monroe County
Joseph Muscarella, Regional Director, ORPS Western Region
Thomas McMannus CCD FIAO

Comments of

Thomas A. McManus, CCD FIAO, Former Director and Assessor

The County of Monroe was awarded a grant by the New York State Office of Real Property Services to conduct a study of Assessment Administration Services in our County. I was asked to conduct this exercise because I had served in the capacity of County Director on two occasions, and also have been an assessor for over seventeen years in two towns. Having seen the process from both the County and Town perspective, as well as working with the State Agency over three decades offers an experience few others have had.

During fourteen years as a Trustee of the New York State Institute of Assessors Institute, I had the pleasure of working with countless dedicated professionals in our chosen profession. Thousands of individuals have contributed to the growth of the Assessing profession since I began my career in 1972. The vast majority of people involved in the process are individuals dedicated to equitable treatment of the taxpayer. Since the Assessment Improvement legislation was adopted in 1971 the appointed local assessor has become the dominant choice of local government. We are fortunate to have only appointed sole assessors in Monroe County and currently they are all certified by the State Agency. The majority of our local assessors have demonstrated competence in their chosen field and have been awarded membership in the Institute of Assessing Officers (IAO) following experience and testing requirements.

Subsequent to several meetings of our committee, questionnaires were distributed to the local assessors and supervisors/mayors in an effort to capture a snapshot of data that could be compiled into a meaningful study. We were moderately surprised that many local supervisors were not more forthcoming with financial data from historical budgets but made an effort to reconstruct the data from filed documents. Most of the assessors were very helpful with the administrative side of the issue, particularly at this very busy time of year. Joe Muscarella from ORPS Batavia Office was extremely helpful and provided statistical data from their files in a very useful format.

While equity has been the foundation of the assessment administration since I became involved in this field, it has become a much more difficult goal to achieve. A basic understanding of the issue involves a brief review of the property tax system in New York State. Essentially, we have three levels of government involved in an incredibly complex system of Assessment and Tax Administration. The Real Property Tax Law (RPTL) is the authority we rely upon to insure uniformity across this state. The State Legislature adopts all assessment and tax legislation which is then signed into law by the Governor. The ultimate authority vests with the State and only permissive clauses allow local government to opt into, or out of, some limited sections. In Monroe County, only

local town (city) governments are assessment units, with the exception of the Village of Pittsford that never relinquished their status. Locally appointed assessors have complete authority to establish an assessment, or exemption, subject to review by a Board of Assessment Review and the administrative / judicial remedies available to a taxpayer. The County Office of Real Property Tax Services processes applications for correction of errors makes refunds and is involved in training and a host of other assignments. Generally speaking, only the local assessor can place an assessment on a property. The local assessor can not be directed to alter a value in the assessment roll by the State, County or Town Administration. This regulation was carefully thought out during the construction of the improvement legislation in 1971. Is this system perfect? Could it be improved, enhanced, or should it be replaced? What we know for sure is that the property tax raises billions of dollars annually and it most likely will not be replaced, as a practical matter. We will explore the possibilities in some detail in the following report.

Monroe County, New York
Centralized Property Tax Administration Program (CPTAP)
NYS Grant Funded Assessment Administration Study

INDEX

PAGE

Introduction to the CPTAP	5
Scope of the Study.....	7
County Wide Assessment.....	8
Indicators of Equity.....	9 - 11
The Equalization Rate	
Coefficient of Dispersion	
Price Related Differential	
Model Studied.....	11 - 14
Anticipated Changes to Achieve Goals.....	15
State Actions to Facilitate Goals.....	15
Path to Implementation.....	16
Actions for 2009 – 2012.....	17
Recapitulation.....	18

INTRODUCTION TO CPTAP

The New York State Office of Real Property Services (ORPS) established a program referred to as the Centralized Property Tax Administration Program (CPTAP) in late 2007. To encourage County government to explore options for improvement, grants were offered and 52 of the 57 counties outside New York City accepted them. At the outset, I would be remiss not to suggest that the surest way to achieve an ideal system of assessment administration is to have it mandated by the State of New York. If we had a state-wide standard of annual assessment based upon 100% of current market value legislation, there would be no alternative but compliance. As I recall, the Federal Highway Administration has an interesting method of compliance. If the Department of Transportation does not follow appropriate regulations, all federal highway aid is suspended. It is unlikely that the City of Rochester, nineteen towns and the one co-terminus town/village in Monroe County would freely relinquish the autonomous authority granted by the New York State constitution.

It is delusional to suggest that "one size fits all". For example, outside of New York City we have over 1100 towns, some 700 school districts, 57 counties and numerous cities, "special districts" and villages that have taxing authority. Some of our Monroe County towns exceed many counties in terms of population and parcel count and we have not had an elected or three-person Board of Assessors, since before the 1971 legislation was enacted. Assessor training, certification and experience requirements have been accepted by our elected officials for nearly four decades. As with many essential items in the budget, we could argue that adequate funding was sometimes difficult to obtain.

The City of Rochester operates under a Charter which makes it unique from the other governments in Monroe County. The city levies its own municipal, school and district taxes and has the power of foreclosure. They have a different fiscal year and provide a copy of their finally completed assessment roll each fall to the County for use in the apportionment and levy process. In a perfect world, the City Assessment Office would convert to the RPS-V4 Citrix server system the County has maintained for several years. In a more perfect world, the New York State developed Citrix software would function flawlessly and support the County and twenty one local users who rely on inventory storage for over 262,000 parcels currently.

It has been an adventure to convert the city main frame data annually for use on the County server. Much of the data is dated and therefore inaccurate for real-time use.

Since RPS-V4 was developed for use as a "stand alone" application in the local assessor's office, and it seems to work well in that environment, it has been difficult to accept why this did not convert adequately for Citrix Server use. Monroe County has maintained centralized storage of assessment data since the early days of data processing, using punch cards. It is totally foreign to me why we would entertain a de-centralized (stand alone) system in the twenty-first century. Some assessment officials have looked at this issue subjectively and decided it was best for them to be on the "stand alone" version. If they were the only user of the data, that

opinion might be the correct one. An objective view indicates that data is the life blood of the world in which we live. By any standard, the data resident in the inventory, geographic information system (GIS), valuation, exemption, and tax records belongs to the public. Numerous agencies and departments rely upon the most current assessment files in the conduct of their various endeavors. In light of this opinion, no energy will be spent on a "stand alone" system for Monroe County. While it does work well in several lightly populated nearby county governments, this system represents the past, not the future. With these things in mind, we will explore a path to the future of assessment administration.

What is our Goal?

Equitable treatment of all Monroe County taxpayers will employ uniform standards, a 100% level of assessment, and strict compliance with the Real Property Tax Law. This lofty goal benefits taxpayers as follows:

- ❖ **Equity** – Valuation of every parcel will be under uniform standards.
- ❖ **Transparency** – Methodology must be easily understood by the general public.
- ❖ **Credibility** – The assessor and staff should be seen as ethical and impartial as well as being properly trained.
- ❖ **Accountability** – All officials will demonstrate they are accountable to the public.
- ❖ **Efficiency** – The cost of the service is reasonable and cost-effective with presently available technology.

It is worth mentioning again that assessment administration is interdependent upon cooperation of the State Agency (ORPS), the County Real Property Tax Division of the Finance Department, and the various assessors in the 21 municipal assessment units. I have compared this complex interaction as being similar to a milking stool of a bygone era. This device required three legs of equal length and strength if you wished to avoid a wobble, or worse yet, collapse. Each of the partners has an important task in the delivery of service to the taxpayer.

As a practical matter, the State Agency is charged with assuring the equitable treatment of millions of taxpayers on both an "inter" and "intra" municipal basis. Someone once said that this would be akin to herding cats. It should be noted that the 1100 or so jurisdictions are presided over by folks that possess great assurance in their own professional ability and take the work very seriously. Only two counties have a county-wide assessment officer and they have their own unique set of circumstances. The State Agency has only a minor role in the valuation of property (franchise assessments) and the County agency has virtually no role to play regarding valuation. A very wise person once said, "deal from where you are, not where you would like to be". In this regard, it is unrealistic to opine that New York State is somehow out of step with younger States that have different statutes and structure. New York State has one of the most complex set of laws imaginable to deal with on a daily basis. Assessment officials must be

familiar with both the real property and real property tax law. The various options will be explored in some detail and none of them can be easily dismissed as being without merit.

The only option to be dismissed out of hand is the continuation of the status quo. There is enough stress and frustration in the assessment community to believe no one is completely happy with the way things are. Change is inevitable based upon my three decades of observation. Our assessors are asked to achieve equitable values and then are obligated to apply hundreds of partial exemptions to the roll which will shift the tax burden to other taxpayers.

SCOPE

Monroe County is comprised of 1 City, 19 Towns, 9 Villages and 1 co-terminus Town/Village currently totaling over 262,000 parcels. Some of the jurisdictions are virtually fully developed while several are still rural in nature. The more populace communities are generally more densely developed and have somewhat different socio-economic issues than the rural towns.

When I was asked to participate in this effort I suggested a small committee should be effective in assisting with the task due to the tight time frame. The committee met and developed a questionnaire for distribution to the various assessors and supervisors/mayors seeking input and factual data. A representative group of long term officials agreed to help:

State: OFPS Regional Manager
County: Director of Real Property Tax Service
Town: Two Assessors and two Supervisors
Community: Retired Assessor / Director

There are several ways assessment administration can be structured to achieve the same goal. Ideally, equity delivered in a cost-effective model would also be credible and transparent. Assessment professionals are conflicted in their mission. During the recent past, assessors have seen a proliferation of partial exemptions that require an inordinate amount of time for processing. While computer software has aided this effort, implementation of multiple exemptions has become quite a challenge. The proof of this is exhibited in the form of hundreds of applications for correction of errors and refunds submitted to the county for processing annually. It is not unusual for the county, town and school district to differ in the level of exemption granted. The resources required to process exemptions and corrections seriously diminish the time available to spend on the "primary" mission of valuation. Each year more and more clerical effort is required from the same staff. The most sensitive area appears to be effort spent on processing STAR and

ENHANCED STAR applications. I am unaware of any staff increases being made to accommodate this burden. While some state aid is distributed, it does not address staffing needs. Recent years have seen a decrease in the STAR aid paid to administer the program and will be eliminated in the next two years. Some of the models include County Wide Assessment, Municipal Assessment as currently constituted, or County support for key services provided under contract with the town and shared services between the towns/city.

County Wide Assessment

It appears that constituent governments prefer home rule but we should not discount this delivery system. Local officials might support the shift if it could be demonstrated that their taxpayers could be treated equitably at a similar or reduced cost. We should not discount the obvious political advantage of shifting the burden of the assessor's office to another budget. A scenario where all 21 governments would relinquish this function is not easily obtained and it could take several years to accomplish.

Uniformity of administration is the dominant reason to adopt this method. Less obvious is the paucity of talent interested in the field of assessment administration. A local assessor requires a solid background in the real estate appraisal or management field and must complete his/her certification within three years of taking office. Requirements are constantly increasing and very few incumbents currently have the expertise in mass appraisal methodology necessary to build the statistical models employed in annual reassessment. Further, a significant number of assessors lack the expertise necessary to defend the myriad of litigation currently on-going involving commercial/industrial property. The cost of legal defense is traditionally borne entirely by the assessment unit (town or city) and this can amount to several hundreds of thousands of dollars annually. Pressure can be brought to bear to "settle the matter" and stop the bleeding. Since the assessment unit receives only a small fraction of the tax dollar and all of the grief, you can understand the inclination to settle. Sadly, the underlying valuation is generally sound and can be supported, but consulting expert appraisers and attorneys have the effect of increasing the expense side of the assessor's budget. It is not very difficult for a taxpayer to employ experts who have a different opinion from the local assessor. Monroe County has a large and experienced law department which already has expertise in the area of Real Property Tax law. The staff resources could be adjusted to defend additional litigation at a reasonable cost.

Under a centralized model, the appropriate employees could be deployed when and where they are needed. Certainly, a cadre of clerical personnel could be deployed in local offices in sufficient numbers to respond to routine taxpayer questions and receive applications at the appropriate time of year. Since 85% of all parcels are distributed to residential uses, an appropriate number of real property appraisers could be deployed, as necessary, to maintain consistent values across the county. A smaller number of income property appraisers would have a fantastic database to insure equitable values in this important class. Mathematically gifted model builders would make life much easier for the field staff charged with valuation. Presently, many towns employ consultants to accomplish some, or all of, these tasks. Appropriately trained staff would be responsible for processing the plethora of exemptions. As mentioned previously – Monroe County taxing jurisdictions have a crazy quilt of exemptions with differing levels of relief authorized by local law or resolution of a school board. In addition, some towns have a significant number of business exemptions

that must be adjusted annually. Often two, three or more additions to a property over a number of years must be accounted for and adjusted each time a re-assessment is conducted. I have observed the centralized model in Tompkins County and it seems to have worked very well in a diversified community.

INDICATORS OF EQUITY

1. THE EQUALIZATION RATE

Simply stated, the equalization rate is the mathematical process the State uses to measure the municipal level of assessment (LOA). After the assessment roll is completed the state estimates the full market value of all the property and simply divides the roll by their estimate. The result is termed the equalization rate and can be challenged by the local government. This process is essential because tax levies such as the county's and many school districts must be apportioned equally. Other special districts also transcend town and county boundaries.

ORPS is the designated agency that insures equitable distribution of state aid to education as well apportionments between and among some 1200 units of government. This process is much more current than it used to be and is still required because the local assessor is free to select any uniform level that she/he arrives at after discussions with locally elected officials. The assessor legally has a free hand, but is influenced by the resources, or lack thereof, afforded in the department's budget. As more assessment units choose to value property annually, or regularly, this system is much easier for the agency to manage.

Why would we even need to review the level of assessment? If an assessment roll stayed pretty much "as is," the public would be relatively happy because they would understand that inflation happens and, therefore, the value of their home had gone up. We used to call this "cradle to grave" assessment but while it was easy to maintain, it did not take fluctuation of value into consideration. The valuation of real estate is also referred to as land economics since economic forces outside the boundary of the property influence the value as much as physical condition does.

2. COEFFICIENT OF DISPERSION

The Coefficient of Dispersion (COD) is a common statistical measure of uniformity. The lower the COD is, the more uniformity there is. According to the International Association of Assessing Officers (IAAO), an international association which sets the standards for assessment administration, the relationship between assessed value and market value for residential properties should have a COD of 15% or less. The description below should help clarify the acceptable ranges of these percentages.

In a municipality that is assessing at full market value and has a COD of 15%, a home worth \$100,000 is equally likely to have an assessment that is somewhere between \$85,000 (15% low) and \$115,000 (15% high). So even a municipality with a 15% COD can have disparities on individual property owner's tax bills. But, the lower the COD, the more uniform the assessments are related to market value and the more fairly property owners are being treated.

As can be seen from Table – Equity Indicators, the 2008 equalization rates run from 45.00% to 100.00%, with the 2008 CODs running from 1.03% to 15.57%. According to IAAO standards for Monroe County, a COD of less than 15% would be acceptable for residential parcels and less than 20% for all other types of property such as income properties, farms and vacant land. This statistical data suggests that the towns in Monroe County are within the parameters established for equitable assessment rolls.

IAAO Standards for uniformity when indicated by a COD are:

Single-family residences	COD of 15% or less
Newer, more homogenous areas	COD of 10% or less
Income-producing property	COD of 20% or less
Larger, urban jurisdictions	COD of 15% or less
Vacant land and other unimproved property	COD of 20% or less
Rural residential and seasonal properties	COD of 20% or less
Newer mobile homes	COD of 15% or less
Older mobile homes/on acreage	COD of 20% or less
Mixed use properties	COD of 15% to 20%

3. PRICE RELATED DIFFERENTIAL

Another indicator of assessment equity is the statistic known as the Price Related Differential (PRD). The IAAO standard for the PRD is 0.98 to 1.03. PRDs below 0.98 indicate assessment progressivity, the condition in which low-value properties are under-assessed relative to high-value properties. PRDs above 1.03 indicate assessment regressivity in which high-value properties are under-assessed relative to low-value properties. See the Appendix – Equity Indicators page for the individual town figures.

The numbers that are highlighted in yellow are just outside the acceptable range. From the data currently available from the State as of this writing there is only one town that falls just outside the acceptable range and leans toward being regressive. In no case are there assessments where the lower valued properties are shouldering more than their fair share of the tax burden relative to higher valued properties.

MODEL STUDIED

Multiple Assessing Units

City/Town-run Assessing with Inter-Municipal Collaboration

OVERVIEW

Countywide assessing is one of the four options being considered. In order for this option to be established, several years and a positive referendum of the people is required. Should a County-wide CAP be created, ORPS could contribute about \$1,800,000 to the cause. This study will focus on the collaboration options that are provided for under New York State Real Property Tax Law. In this scenario, the assessing function is retained at the municipal level while bridging opportunities for collaboration between the County and groups of municipalities.

The goals of this system are to achieve:

- ❖ a common level of assessment countywide;
- ❖ a common reassessment cycle to maintain assessments at full market value;
- ❖ a common assessment calendar; and
- ❖ elimination of the only remaining Village Assessing unit.

Coordinated Assessing Program (CAP) – Section 579 of RPPTL

Section 579 of Real Property Tax Law allows two or more assessing units, except villages, within the same county or adjoining counties to establish a coordinated assessment program, without referendum, by entering into an agreement that provides for:

- ❖ A sole assessor appointed by all of the assessing units participating in the program.
- ❖ All parcels to be assessed at a uniform percent of value.
- ❖ A common assessment calendar for all assessing units in the program.

Establishment of a CAP

- ❖ Approved by majority vote of voting strength of each governing body (local law not required).
- ❖ Vote to take place at least 45 days before taxable status date (usually March 1).
- ❖ Copy of agreement filed with State Board by taxable status date.

Type of Agreements

Without Direct County Involvement

- ❖ Enter into a municipal cooperative agreement providing for a single assessor to be appointed in all of the participating assessing units.

With Direct County Involvement

- ❖ Enter into an agreement with the county to provide assessment services to all of the participating assessing units (RPPTL Section 1537).

Additional Criteria

Sole Appointed Assessor

- ❖ Same individual shall be appointed to hold the office in all of the participating assessing units.
- ❖ Effective no later than 60 days after the date on which the agreement is effective.

Standard of Assessment

- ❖ Effective with the first assessment roll, all real property shall be assessed at the same uniform percentage of value in all of the assessing units participating in the coordinated assessment program.
- ❖ Same assessment calendar.

Modifications to Program

Addition of New Participants

- ❖ Agreement may be amended to add one or more assessing units to program.

Withdrawal of Participants

- ❖ Assessing units may withdraw from the program.

Termination of Program

- ❖ By at least 50% of the participating assessing units.
- ❖ By County, if involved.

Statutory Deadlines Apply for All Modifications

Equalization Rates

- ❖ Common market value survey (considered a single survey unit).
- ❖ Identical equalization rates established for all of the participating assessing units.

Rate Complaints

- ❖ Towns may file individual complaints (copy to others).
- ❖ Other towns may support, object or comment.
- ❖ Any change will apply to all towns.

Judicial Review (copy to other towns)

- ❖ Any change will apply to all towns.

Currently there are no CAPs in Monroe County. The advantage of this method is the cost sharing of administration, improved uniformity and possible enhancement of service to the taxpayers. Two or more assessing units could form this collaboration, with or without the assistance of the County of Monroe. Generally speaking, smaller jurisdictions that encounter difficulty employing a qualified assessor due to budget limitations could benefit from this arrangement. The Town of Perinton and the Town/Village of East Rochester currently employ the same assessor, but have not formed a CAP. The adjoining towns of Mendon, Rush and Wheatland are rural in nature and all employ part-time assessors. Since the parcel count totals about 7,900, it appears that this method could make sense. Several other towns with a full time assessor have similar or somewhat higher parcel counts. Even if a substantial growth of 250 parcels per year was experienced, this model would work for another decade or more. While the municipalities within a CAP must maintain the same level of assessment, if more than one CAP exists in the county, there may still be different levels of assessment between them.

In order for CAPs to be successful in establishing equity countywide, they should be maintained at a 100% level of assessment with common planned reassessment activity. This may be accomplished by having one countywide CAP, which, as previously stated, is not proposed for Monroe County at this time, or by establishing multiple CAPs that maintain the same level of assessment and reassessment activity.

County Assisted Assessing (1537 Agreements)

Additionally, New York State Real Property Tax Law Section 1537 gives an assessing unit and a County the power to enter into, amend, cancel and terminate an agreement for appraisal services, exemption services, or assessment services. This is considered an agreement for the provision of a "joint service" for the purposes of Article 5-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.

A. ANTICIPATED CHANGES TO ACHIEVE GOALS

As previously stated, there is not necessarily a single "perfect fit" solution for attaining assessment equity in Monroe County, or in New York State at this time. There are many factors or conditions that are essential to achieving that end.

At the local level, any proposed changes would not be mandated, and would comply with the 6-year New York State calendar for appointing Assessors and County Directors. This would allow municipalities to plan for the changes and implement them systematically with the help and cooperation of the state and County.

The formation of one or more Coordinated Assessment Programs throughout the County could be a practical solution to the shortage of qualified personnel. This could be particularly beneficial to some of the smaller municipalities that share school districts. Sharing financial resources is a positive thing in the current economy and the tax shift that occurs when equalization rates fluctuate would be eliminated. The creation of CAPs would not be used to displace any current assessors but rather through attrition due to retirement. Many of our local assessors are retired, semi-retired, or nearing retirement in Monroe County. We note that our local assessors have done an excellent job and have been generally well supported by local officials for many years. Nearly the entire County has a 100% equalization rate, or is within 10% of full value. This is one of the best accomplishments in the State of New York.

B. STATE ACTIONS TO FACILITATE GOALS

An important component of assessment equity is **regular reassessment projects**, whether on an annual or triennial basis. The lack of state-mandated reassessment activity has created the situation we find today. Levels of assessment across the state range from a fraction of a percent to 100% of full market value. A state mandated cycle bill requiring all assessing units in New York State to maintain a level of assessment at 100% of market value seems like a reasonable alternative to the current situation. Absent state legislation, it may be difficult to get every municipality in Monroe County, let alone across New York State, to implement and maintain fair and equitable assessment and tax rolls.

Second, state legislation should seek to **standardize training and qualification** standards for all assessment professionals. Currently, there are different minimum training and continuing education requirements for city assessors and elected assessors compared with sole appointed assessors. If the position of elected assessor is not completely eliminated, then training requirements should be mandated to be the same for all.

The third action area is **state aid**. In today's economic climate, difficult choices are being made across New York State about funding. Oddly enough, reassessment projects are not politically popular and making a commitment to assessment equity may not be paramount on a legislator's list. Without state aid, existing reassessment projects may be delayed and it would be difficult to initiate equity projects in municipalities that have not done an update in a few years.

C. GOALS & LOGISTICS OF A COUNTYWIDE RPS DATABASE

Currently, there is one primary Real Property System (RPS) database maintained in Monroe County. This is maintained by the County on Citrix servers connected in real time to the local users. Having a centralized, consolidated database, fully functional, is an important goal for Monroe County. Great strides have been made over the past five years toward de-bugging and increasing the speed of access to countywide property information that is currently available in real time. The amount of time that ORPS and County staff spend updating and maintaining RPS software and running reports has been reduced as the local users grow in their experience.

A centralized RPS database is available, and while it is not perfect, we derive great benefit from it. A centralized commercial property database should be explored by the Monroe County assessment community. It seems that the City of Rochester will have to adopt RPS V4 as soon as the main frame computer is phased out. Every effort should be made to accommodate the City files on the County system. This would be a great effort but should save the taxpayers substantially. Because the City offices are physically located one block from the County Information Services Department, direct connection over fiber optic cable is a reasonable alternative. It also bears repeating that "model building" support is already being farmed out to consultants, so this cost could be supported in the County budget. This is a realistic method of achieving uniformity and consistency in the valuation process and supporting assessors who may not have exceptionally strong statistical skills.

D. PATH TO IMPLEMENTATION

We have consensus in the local assessment community that equity is achieved by conducting regular assessment update projects that reflect 100% of market value.

The political will of our elected officials to achieve and maintain equity for the taxpayer has been demonstrated and is paramount to success. The path to implementation would be aided by the success of an aggressive public relations campaign directed at the elected officials in Albany since both legislation and funding begins at that level.

Retirements will occur over the next few years in the Monroe County assessment community, so this is an ideal time to be thinking about change. The following timeline could be adjusted somewhat but appears feasible based upon the current schedule of projects for our constituent assessment units. An imminent retirement in the Town of Hamlin would be an excellent opportunity to establish a CAP with the adjoining Town of Parma. The financial incentive, coupled with the availability of a certified assessor should be given serious consideration by both towns. If this works as well as I think it would we would have a model for others to investigate.

ACTIONS FOR 2009

1. Present CPTAP study to Monroe County Legislature, request support.
2. Make presentations to Town Boards and City Councils.
3. Survey municipalities for interest in collaborative service agreements.
4. Begin Countywide public relations campaign and outreach on the need for assessment equity.
5. Reach out to the Western New York delegation in the NYS Legislature for support.
6. Encourage the Village of Pittsford to abolish their independent assessment unit.

ACTIONS FOR 2010

1. All towns currently engaged in annual reassessment proceed as scheduled.
2. Initiate discussions to determine interest in the formation of proposed CAPs.
3. Continue outreach efforts to Town Boards and community groups.

ACTIONS FOR 2011

1. All towns currently engaged in annual reassessment remain in program.
2. Continue discussions of proposed CAPs, if interest has been expressed.
3. Make staff adjustments as necessary.
4. Continue outreach to public and elected officials.
5. Brighton conducts triennial update.

ACTIONS FOR 2012

1. All municipalities involved in annual valuation phase of reassessment continue.
2. Hamlin adopts annual update method.
3. Triennial units in Riga and Rochester achieve 100% level.
4. Webster conducts triennial update.

RECAPITULATION

This report has examined assessment administration in Monroe County in some detail. Maintaining the status quo is never acceptable in the twenty first century. In the past three decades we have observed tremendous growth in the complexity of assessment administration. This is primarily due to the proliferation of partial exemptions with which an assessor must deal. Because an inordinate amount of time is consumed on exemption administration, very little time is left to devote to valuation. Staff sizes have remained stable, or have diminished and this is not surprising given the cost associated with benefits in both the private and public sector. The local assessor is confronted by property owners seeking a reduction in their assessed value because if they are successful it will reduce their tax bill.

Total budget divided by total assessed value of the taxable roll equals tax rate. This simplistic mathematical computation is usually overlooked in any discussion of a tax bill. Taxes are totally subjective to the homeowner as well as the owner of a regional mall. We have not addressed this issue in much detail because folks in assessment administration deal in totals on the assessment roll, not the impact upon an individual. Assessors do a reassessment to distribute the burden as equitably as possible, not to raise more revenue at the same tax rate.

I also mentioned that the Village of Pittsford is still an assessment unit, the only one in Monroe County. The Village Board pays the town assessor a small stipend to produce their roll despite the realization he would do it just as well if they were to relinquish this obligation to the town as all the others have. Elected officials believe in home rule and choose not to opt out of this small portion of a Village's authority. This demonstrates the general attitude of our constituent governments that wish to continue home rule and retain a function they are authorized to perform by the State government.

Every community could form a CAP with, or without, the County and split \$1,800,000. The County would be ill advised to gear up for a centralized CAP which could be extinguished in one year. I am sure that it would be a challenge to find the resources to put an estimated 100 staff on the payroll, the number of people that would likely be needed to accomplish the task.

We have explored the potential for three CAPS which appear to be realistic. (See Appendix)

CAP # 1 is the one which has the most potential for immediate adoption due to the pending retirement of an assessor and the need to have a qualified professional on board in Hamlin to implement the on going reassessment scheduled to be in place for the 2010 roll. Parma is already an annual update town and Hamlin would benefit from additional aid available for annual towns.

CAP # 2 has always made sense from as adjoining towns which combined make a decent full time job for an assessor. In point of fact Rush and Henrietta shared the same assessor for several years in the recent past and might be worth exploring as another option. One assessor could easily manage three towns for a long time to come.

CAP #3 makes sense because the towns share an assessor and are adjoining. Part of the Town/Village of East Rochester previously was located within the Town of Perinton. The combined size is still below that of either Greece or Irondequoit. This makes economic sense for both units, but this is only one component to be considered.

Time does not permit reiteration of all the terrific suggestions I reviewed from local assessors. The assessor is in the trenches and needs all the support and encouragement the County and State governments can offer. They have much to offer each other in terms of shared data, expertise and problem solving ability. The County should listen carefully to their concerns and do every thing in their power to make life easier for the folks in the trenches.

Without further in-depth study it is difficult to determine if there is any economic advantage to consolidation. The City of Rochester has a different fiscal schedule which would add to the difficulty in merging the function. It does seem clear that they will lose their mainframe computer in the near future and given current economic times it is only reasonable for them to adopt the NYSORPS developed and supported software. While I would like to believe the Citrix Server Farm will support an additional 66,700 parcels, and still function, it seems we are already pushing capacity. Clearly, centralized processing will become more fashionable across the state but efforts must be made to make it functional for larger counties. At the very least the City of Rochester being on the same platform would make the levy of the county tax roll much more functional.

There appears to be opportunities for greater consistency and equity in all of the assessment structures studied, with the current system with most towns and the City being at or near 100% equalization rates. Adoption of the standard assessment calendar by the City of Rochester would facilitate one common assessment calendar. Adoption by all towns and the city of a common reassessment plan would facilitate the goal of a common equalization rate. Changes to the current assessment administration should not be based solely on a cost basis, but on the quality of the service provided.

MUNICIPALITIES		INDICATORS OF ASSESSMENT EQUITY									
SWIS	Municipal Name	2008 Eq. Rate	2008 LOA	COD residential	PRD	Latest Reassessment	Latest State Aid	Aid Type	Planned Reassessment		
261400	Rochester	100.00	100.00	12.94	1.02	2008	\$309,280	Triennial	2012		
262000	Brighton	100.00	100.00	1.03	1	2008	\$58,695	Triennial	2011		
262200	Chili	100.00	100.00	5.17	1.01	2008	\$51,275	Annual	2009		
262400	Clarkson	100.00	100.00	4.15	1.01	2008	\$12,075	Annual	2009		
262600	Gates	100.00	100.00	7.63	1	2008	\$53,670	Annual	2009		
262800	Greece	100.00	100.00	1.99	1	2008	\$164,340	Annual	2009		
263000	Hamlin	45.00	45.00	15.57	1.07	1983			2010		
263200	Henrietta	100.00	100.00	2.99	1	2008	\$59,765	Triennial	2011		
263400	Irondequoit	100.00	100.00	2.62	1	2005	\$104,445	Annual	2009		
263600	Mendon	100.00	100.00	6.26	1.01	2008	\$18,550	Annual	2009		
263800	Ogden	100.00	100.00	2.34	1	2008	\$35,520	Annual	2009		
264000	Parma	100.00	100.00	6.94	1.02	2008	\$30,910	Annual	2009		
264200	Penfield	95.00	95.00	6.83	1	2006	\$64,310	Annual	2009		
264400	Perinton	100.00	100.00	6.14	1	2008	\$86,325	Annual	2009		
264600	Pittsford	100.00	100.00	5.61	1	2008	\$50,045	Annual	2009		
264800	Riga	96.00	96.00	8.09	1.02	2006	\$12,180	Triennial	2009		
265000	Rush	100.00	100.00	5.62	1.01	2008	\$8,580	Annual	2009		
265200	Sweden	100.00	100.00	7.05	1.02	2008	\$20,655	Annual	2009		
265400	Webster	91.00	91.00	7.75	1	2004	\$74,365	Triennial	2112		
265600	Wheatland	100.00	100.00	4.11	1.01	2008	\$10,875	Annual	2009		
265800	E. Rochester	96.00	96.00	10.5	1.02	2008	\$13,115	Annual	2009		

\$1,049,160

MUNICIPALITIES			MUNICIPAL CHARACTERISTICS						
SWIS	Municipal Name	staff equivalent	Total Budget for Assessment Function	Percent of Municipal Budget	Total Number of Parcels	Number of Residential Parcels	Percent of Parcels Residential	Budget per parcel	
261400	Rochester	17.50	\$1,216,900	0.23%	66,700	51,967	78%	\$18.24	
262000	Brighton	3.00	\$277,325	1.36%	12,303	9,812	80%	\$22.34	
262200	Chili	3.00	\$196,420	1.47%	10,642	9,143	86%	\$18.46	
262400	Clarkson	1.00	\$58,627	2.16%	2,249	1,885	84%	\$26.07	
262600	Gates	3.50	\$157,960	0.90%	10,964	9,829	90%	\$14.41	
262800	Greece	9.50	\$689,000	1.59%	33,522	30,868	92%	\$20.55	
263000	Hamlin	2.00	\$82,613	3.42%	3,442	2,612	76%	\$24.00	
263200	Henrietta	4.00	\$281,200	2.37%	13,412	11,255	84%	\$20.97	
263400	Irondequoit	4.25	\$362,600	1.43%	21,193	19,175	91%	\$17.10	
263600	Mendon	1.00	\$85,407	1.17%	3,850	2,880	75%	\$22.18	
263800	Ogden	3.00	\$207,800	2.38%	7,441	6,109	82%	\$27.93	
264000	Parma	2.00	\$118,000	2.63%	6,352	5,076	80%	\$18.58	
264200	Penfield	4.50	\$328,500	2.17%	13,310	11,975	90%	\$24.68	
264400	Perinton	5.00	\$450,800	3.02%	17,617	16,177	92%	\$25.59	
264600	Pittsford	3.00	\$175,000	1.15%	10,357	9,249	89%	\$16.90	
264800	Riga	1.50	\$56,500	1.80%	2,576	1,901	74%	\$21.93	
265000	Rush	1.00	\$34,809	1.45%	1,779	1,293	73%	\$19.67	
265200	Sweden	2.00	\$112,100	2.56%	4,304	3,173	74%	\$26.05	
265400	Webster	4.50	\$312,397	1.40%	15,667	13,973	87%	\$19.94	
265600	Wheatland	1.00	\$32,392	1.19%	2307	1537	67%	\$14.04	
265800	E. Rochester	1.00	\$45,000	0.62%	2,675	2,213	83%	\$16.82	
		77.25	\$5,281,350		262,662	222,102	85%	\$20.78	

MUNICIPALITIES		ASSESSMENT ADMINISTRATION SYSTEM														
SWIS	Municipal Name	System Used: Assessment & Inventory	Analysis/ Valuation	Annual Cost	Processing Responsibility				Databases		Communication			Extent & Use of GIS	IT Support	
					ORPS' Reports	Rolls & Bills	Analysis/ Valuation	Location	How Updated	Speed	Capacity	Who	Adequacy			
261400	Rochester	MAIN FR.	Main Fr.	2200	Muni	Co/City	Muni	Co/City	Co/City	Dir.	OK	Ext.	Co/City	High		
262000	Brighton	RPS V4	RPS V4	1950	Muni	County	Muni	County	County	T-1	OK	Min.	Co IS	High		
262200	Chili	RPS V4	RPS V4	1950	Muni	County	Muni	County	County	RR	OK	Ext.	Co IS	High		
262400	Clarkson	RPS V4	RPS V4	1200	Muni	County	Muni	County	County	RR	OK	Min.	Co IS	Med.		
262600	Gates	RPS V4	RPS V4	1950	Muni	County	Muni	County	County	T-1	OK	Ext.	Co IS	Med.		
262800	Greece	RPS V4	RPS V4	2100	Muni	County	Muni	County	County	Fiber	OK	Ext.	Co IS	High		
263000	Hamlin	RPS V4	RPS V4	1300	Muni	County	Muni	County	County	RR	OK	Min.	Co IS	Med.		
263200	Henrietta	RPS V4	RPS V4	1950	Muni	County	Muni	County	County	RR	OK	Min.	Co IS	High		
263400	Irondequoit	RPS V4	RPS V4	2100	Muni	County	Muni	County	County	T-1	OK	Ext.	Co IS	High		
263600	Mendon	RPS V4	RPS V4	1300	Muni	County	Muni	County	County	RR	OK	Some	Co IS	Med/High		
263800	Ogden	RPS V4	RPS V4	1650	Muni	County	Muni	County	County	T-1	OK	Some	Co IS	High		
264000	Parma	RPS V4	RPS V4	1650	Muni	County	Muni	County	County	RR	OK	Min.	Co IS	Med/High		
264200	Penfield	RPS V4	RPS V4	1950	Muni	County	Muni	County	County	RR	OK	Some	Co IS	Med.		
264400	Perinton	RPS V4	RPS V4	1950	Muni	County	Muni	County	County	RR	OK	Some	Co IS	High		
264600	Pittsford	RPS V4	RPS V4	1950	Muni	County	Muni	County	County	RR	OK	Ext.	Co IS	High		
264800	Riga	RPS V4	RPS V4	1200	Muni	County	Muni	County	County	RR	OK	Min.	Co IS	Med/High		
265000	Rush	RPS V4	RPS V4	1000	Muni	County	Muni	County	County	RR	OK	Min.	Co IS	Med.		
265200	Sweden	RPS V4	RPS V4	1500	Muni	County	Muni	County	County	RR	OK	Min.	Co IS	Med.		
265400	Webster	RPS V4	RPS V4	1950	Muni	County	Muni	County	County	T-1	OK	Ext.	Co IS	Med/High		
265600	Wheatland	RPS V4	RPS V4	1200	Muni	County	Muni	County	County	RR	OK	Min.	Co IS	Med.		
265800	E. Rochester	RPS V4	RPS V4	1200	Muni	County	Muni	County	County	DSL	OK	Min.	Co IS	Med/High		

PROPOSED CAP	MUNICIPALITIES SWIS	Municipal Name	PARCELS	STATE AID \$/PARCEL	TOTAL POSSIBLE CAP AID
CAP NO.1	263000	Hamlin	3,442	\$24,094	\$68,558
	264000	Parma	<u>6,352</u>	\$44,464	
		combined	9,794		
CAP NO.2	265000	Rush	1,779	\$12,453	\$55,552
	263600	Mendon	3,850	\$26,950	
	265600	Wheatland	<u>2,307</u>	\$16,149	
		combined	7,936		
CAP NO.3	264400	Perinton	17,617	\$123,319	\$142,044
	265800	E. Rochester	<u>2,675</u>	\$18,725	
		combined	20,292		

County Assessing Worksheet - County Information/Estimates

County Characteristics

Total Number of School Districts Wholly or Partly Contained in the County

21

Total # of Parcels	Residential Parcels	Utility Parcels	Agricultural Parcels	Commercial Parcels	Vacant Parcels
262,662	223,874	288	1,579	300	4,807
12,536					

County Staff

Total Number of Staff Required (Total Parcels divided by 2500*)

105

Existing Qualified County Staff (full-time equivalent)

6

Additional Staff Needed (or excess)

99

Approximately 16 additional staff required under county wide model

Fiscal Impact

Current County Budget for Real Property Tax Services

\$1,300,000

Total Budget for Municipal Assessing

\$4,936,427

TOTAL

\$6,236,427

County's Estimate of Necessary Budget for Assuming Asmt. Function

\$6,553,240

Estimated Savings/Cost

(\$316,813)

Available State Aid

Shared Municipal Services Grants Available (available from Dept. of State)

Estimated Consolidation Aid Available (\$7/parcel)

\$1,838,634

Estimated Reassessment Aid Available (\$5/parcel)

\$1,238,975

* Based on International Association of Assessing Officers standard of 2500 parcels per assessment staff member. The appropriate number of parcels per staff person would likely increase in larger assessing units.