

MINUTES
REAL PROPERTY TAX ADMINISTRATION COMMITTEE
Friday, January 7, 2000 10:00 am - 3:30 pm
Ramada Inn, Buckley Road, Liverpool, NY

Facilitator: Dan Curtin

Recorder: Bob Gawrelski

Members Attending: Doug Barton , Tom Bloodgood, Bill Cinquanti, Steve Curran, Tom Frey, Tom Griffen, Dick Harris, Rick Hubner, Vince O'Connor, Sue Otis, Fred Pask, Anne Sapienza, Rich Sinnott,

Others Attending: Don Card, Karen Carney, Frank Ferrari, Lois Jasek, Bob Mancuso, Jim O'Keeffe, Ramona Salmon, Bruce Sauter, Kurt Schoeberl, Roger Tibbetts, JoAnn Whalen

Absent: Edye McCarthy, Ramon Rodriguez, Ron Shetler, Jack Shuttleworth

a. Get Organized

The agenda was approved as proposed.
Doug Barton was sitting in for the absent directors.

b. Reassessment Application Form

Jim O'Keeffe and Bruce Sauter reviewed the latest edition of the application form. The form was developed to emulate a similar form used by the Dept. of Environmental Conservation. It was internally developed by Bruce Sauter and Jim Dunne. The purpose of this discussion is to explain the form to RPTAC and to solicit feedback.

The form consists of:

1. Cover letter. Provided to locality at onset of project.
2. Municipality's Application - Filled in by the local applicant and submitted to regional offices; two pages - one is the application form, the other the instructions
3. Part Two - Findings filled out by regions. This provides a legal audit trail.
4. Part Three - Regional managers review and attest to their determination regarding

staff's recommendation.

5. Part Four - Final sign-off by an as yet undetermined Albany manager

Questions

Must the application be filled out every year? Yes. The plan needs to be submitted only once every six years, unless revised.

What about a town board/city council resolution - is it still needed? Not for maintenance aid, but maybe for ORPS assistance.

What is "Source of valuation data used" on the application page? This needs more clarification. Potential answers to this question are: inside the town, outside the town, advisory appraisals, Real-Info, etc.

Question 5b) should say "valuation approaches".

Is the municipality's CEO signature necessary? Probably not. How can CEO certify that what was submitted is accurate? Only the assessor knows the details on the application. Currently the CEO doesn't sign the annual reassessment aid application. Only need application signature by CEO, not certification. Current proposed form needs modification.

Question 2 If the municipality answers "No" to this question, it does not eliminate the municipality from compliance, if the plan says that parcels will be inspected sometime else in the 6 year cycle.

The prime concept is that no one negative answer to a question eliminates an applicant by itself. Questions regarding details of annual reassessment can't be answered right now. These will be developed as we go.

Is word "all" parcels inspected in 6 years necessary? Yes.

Is on-site inspection necessary? No - at a minimum, inspection must be from right of way to determine physical characteristics necessary to value.

Isn't more clarification of the term "inspection" needed on the form? Possibly, but there is an adequate explanation in the "Guidelines For Annual Reassessment".

What happened to the Memorandum of Understanding (MOU)? Only necessary if state assistance needed, even monitoring MOU is not needed for MA. ORPS would want the

MOU to solidify the relationship. It's need can be determined on a case by case basis.

Where is the model annual reassessment (six-year) plan? It is in the works.

How does the small municipality with very few sales conduct statistical tests that seem to be required for annual reassessment? Systematic analysis is necessary, but highly sophisticated statistical tests using MRA and AEP are not necessary. The larger the municipality, the more ORPS will look for statistical analysis. One shoe doesn't fit.

Critical Dates for Application Form Review

Date for completion - January 28

Who will review the Annual reassessment aidform? (can teleconference)

Assessors - Fred Pask & Barbara Bounds

Directors - Doug Barton & Tom Bloodgood

Who will lead this group? Bruce Sauter and Jim O'Keeffe .

Anne Sapienza said she is very happy with the short form - "don't need a book".

Do we need definition of trending? Yes, possibly but we could simply refer the applicant to "Guidelines".

Bill Cinquanti has a concern that while this group is well versed in systematic analysis, once it hits the streets, this will be overwhelming.

What about training for assessors in statistical analysis? Two staff in each region are being trained in SPSS to help the other regional staff and locals. Will spread out from there. Can this same training be made available to assessors? Not right now.

What about triennial aid? This form is not appropriate for this aid. The current 5-2-2 form can be used for this purpose.

Will retaining the current \$2 aid still be considered? If the legislature agrees, but ORPS doesn't feel it should last forever. It could be a legislative proposal for next year. The concern is losing the annual participants.

In Part II, if Question A is answered as yes, then why even ask questions B through F?

Question A is too general. Other questions give some specificity.

Tom Griffen admitted that ORPS has a cultural problem transitioning from clean yes/no questions and ones where discretion is necessary. Substantial compliance is the key.

What about Part II B analysis of large parcels - Tom Frey's concern is "what is a large parcel?". Definition is insufficient. One thought is that it is a parcel whose value significantly affects the value of the town. New Annual reassessment aid procedures must be incorporated in this verification process. Accommodations should be made for "court-ordered" values. The discussion ended with an agreement to drop the specific question on large parcels.

Part II Q. A. needs more detail, i.e., what are the statutory requirements, e.g. sales reporting, quarterly sales, etc.

When does 30 day deadline to appeal commence? After Part 4 sent to locals.

Whole form, and not just assessor's part, needs review. Need for sub-group to finalize the form.

c. CTG report

Sue Otis, Tom Frey and Jack Shuttleworth attended the CTG prep session on Tuesday.

Biggest concern for assessors was the proposed meetings for supervisors/mayors. Those meetings are postponed.

The Tuesday meeting was a good one. CTG is very involved, more so than expected by assessors and Directors. An agenda for the forthcoming assessor/Director meetings is set. Tom Griffen will introduce at each site and then leave, and there will be no other ORPS staff at meeting. Between CTG and participants only. All locations (including White Plains and Oneonta) will now be scheduled.

Supervisor/mayor meetings may be scheduled after data gathered from first few assessor meetings.

There will be a workshop later to analyze results in March. Final CTG report is due in April.

Selection of participants was explained by ORPS. Categories were based on previous reassessment activity, only 20 attendees wanted at each meeting.

Presentation is similar to what was discussed at the Steuben Club in Albany in fall. Some

important changes are being made, however.

d. Frequently Asked Questions about Annual Reassessment

Dan Curtin handed out a draft of FAQ's developed by Geoff Gloak, JoAnn Whalen and Dan.

FAQ's will be on Internet, but also will be used as hand-outs. It was agreed to eliminate time-sensitive materials, such as status of rules and procedures.

Are hits on Internet tracked? At ORPS site, yes. On Annual Reassessment page, no.

Triennial aid is available for completing a reassessment (law specifically says revaluation) every three years. Re-appraisal is not necessary. Systematic analysis is necessary. The terms "revaluation", "update" and "reassessment" are the same.

Tioga County is considering adopting a system where photos are re-taken every two years. So called "oblique" inspections can be made annually. Is this reinspection? Consensus of this group is "yes".

FAQ's needed for NYSAC at end of January. Review must be completed soon.

FAQ review responsibilities:

Lead - Dan Curtin
Assessors - RPTAC chair
Directors - Doug Barton
ORPS - Whalen, Gloak

e. ORPS responses to questions from December meeting

Dan Curtin distributed a copy of the issues compiled from the minutes of the last meeting. The issues were grouped by Dan into themes. Some issues have draft responses. Some others are merely comments and don't have responses. Some don't have answers yet. Law change issues are tabled, not part of this discussion.

Specific discussion around document follow.

A 1. Tom Frey says the proposed answer was not what he was looking for. The question deals with what does an assessor do with parcels that have been changed due to court-ordered changes (BAR, SCAR, etc.). Sue Otis says she has dealt with this and she removes the

adjusted assessment from the trending process. Each case must be reviewed individually because some court adjustments are correct and others not. "Value" and "assessment" can be different.

A 2. Tom Bloodgood originally made this comment. The comment suggested that all ORPS has to do is look at the results and if they are OK, approve the MA. The answer given today is that process is necessary to review places where statistics do not give conclusive results. We also want ORPS monitoring. Assessors also want close relationship, so that understanding is developed throughout the process. No one wants surprises at end of project. Sue Otis still feels that a uniform percentage of 100% should not be necessary. Dan deferred question until law changes are discussed at future RPTAC meeting.

B 3. and B 10. should be linked. Who will potential annual reassessment aid denial be appealed to? See Question B10 for the process as it is today. Final determinant is Senior Management. Regional staff will have opportunity to reconsider their original determination, but regardless of their finding, they can be overridden by Senior Managers.

B 4. Entire town must be analyzed. Segmentation needed for 6 year reinspection cycle. Tom Frey doesn't agree with this aspect of the IAAO standard and would like to see change made to Rules to remove references to segmentation. He feels that most assessors will equate this segmentation to spot assessment. Same valuation date must be emphasized. Why is segmentation even mentioned in the Rules? Balance between specificity (oversight) and flexibility (walking the tightrope). Tom Griffen favors flexibility. Guidelines have better and more detailed explanation of how segmentation fits. Removing statement about segmentation from Rules would not be substantial change.

B 8. Locality would never have to pay back annual reassessment aid, even if they back out of program. There is no mechanism for this. Risk is if drop-outs become numerous, DOB may provide mechanism to force pay-back.

B 12. Regarding a perception that there is confusion around the terms reassessment and reappraisal, Anne Sapienza said she favors the use of the terms mass appraisal vs fee appraisal. Tom Griffen replied that we are using IAAO terms.

C 1. Regarding a comment about designing the application form to handle both annual reassessment aid and simultaneously the triennial aid, ORPS response was that emphasis should now be on finalizing the annual reassessment aid form.

D 2. Discussion around how it is easier to change assessments annually upstate with negligible market trends vs. making those same changes annually downstate with huge trends.

Response was that same process to identify trends should be used whether the trend is 23% (as maybe it is in downstate) and 2% (as it is in Syracuse). Amount of change must be documented. Support must be there.

Dan Curtin will edit this document to remove individuals names.

G 9. Regarding a response to a question about how much assessors/directors are listened to, Tom Frey asked if the response meant that assessors who are not maintaining their rolls at 100% have less credence? Response will be altered to remove the comment. The assessors emphasized again that there is still concern over the 100% level as a annual reassessment aid requirement. ORPS responded it is a requirement of law.

Some of these responses should be included in the first cut of FAQ's.

A question was posed as to whether assessors will be advised on staffing appropriate for the task of annual reassessment. The response was that staffing adequacy is a part of the six-year plan. Regional staff will be advising on the adequacy of that plan and making recommendations.

H 1. Regarding a question about how advisory appraisals will be handled, Don Card provided a hand-out and discussed advisory appraisals may be done in an annual reassessment program. He said that SAS is comfortable with trending of utility properties.

Utility advisory requests are made as a part of the six year plan. Use of an alternate value would not necessarily preclude annual reassessment aid, only if it falls outside tolerances.

Concern still exists about providing advisory appraisal figure to utility company. Could ORPS provide something to the locality (such as a trend) that wouldn't be provided to the company (taxpayer)?

A question was posed regarding where non-utility property, e.g. office building, owned by a utility company should be placed on the roll - in Roll Section 1 or 6? Probably should be in roll section 1. What does UCARS say? Dan thinks UCARS says roll section 6. Somebody needs to review this issue. Could cause a lot of unnecessary work for assessors if change is made.

J 3. Regarding what type of valid statistical analysis can be done in small towns (given that most assessing units are small), Rick Hubner felt that the proposed answer does not get to the real question. Bruce Sauter replied that the real answer is there are more than COD's that can be used. An example of another method is to create a model using an expanded market area

and then apply it to the target municipality. As a follow-up question, some one asked how does the sales data get verified when it is drawn from other areas. The answer was that discretion must be used. Vince O'Connor also suggested that unit price comparisons (price/sft, price/acre) could be made to validate the level and uniformity.

J 6. Referring to the ORPS perception that there are a lot of localities who want to get the new annual reassessment aid money, the assessors reiterated that they need ORPS to tell them what they need to do to get the money.

L Dan Curtin distributed a new Annual Reassessment Q & A pamphlet. It is already on the Internet. Tom Frey had several comments on the contents of the pamphlet that he felt needed to be incorporated immediately. Each point was reviewed. Several items had been changed prior to publishing. Other appropriate changes will be made in next version.

More disagreement about the effects of large value discrepancies surfaced, in terms of Annual reassessment aid and FVM requirements. There is a recognized difference between the impact of discrepancies in large parcels for annual reassessment aid vs. FVM.

Contention around whether annual reassessment reduces assessment challenges. Assessors state that ORPS has no track record for some of the statements regarding benefits of annual reassessment. Tom will ask Jim Dunne to document.

Corrections/changes to the pamphlet will be made before a major distribution.

M 1. Responding to a comment that regional staff have not bought into annual reassessment, Bob Mancuso stated that regional staff have been part of every annual reassessment initiative, including several County assessor association presentations.

M 2. Responding to a comment that lack of understanding on the part of regional staff hinders expanding the program to assessors, Bob responded that as decisions about annual reassessment are made, they are passed on to regional staff.

g. Keeping RPTAC and Associations involved

Anne Sapienza favors having Assessors, Directors and regional staff meet together to discuss this whole annual reassessment issue, to keep them all on the same wavelength. Perhaps the President of each County Assessor Association would be the assessor participant.

Problem is that changes are happening so quickly that communication is a problem. Some issues are sometimes treated as final when the decision or direction is draft/tentative. Some

discussions need to be kept confidential until ready (work in progress).

Rick Hubner feels that Senior staff need to conduct more info/discussion sessions outside of Albany, and not only when they are pushing a program.

Dan Curtin suggested that the Web Board could be the medium for joint discussions where everyone with Web access could participate.

Sue Otis felt that the proposed meetings should be conducted after CTG finished its work and then share their data with assessors.

Steve Curran feels we need to identify success stories, not only those who are doing annual reassessments.

Someone mentioned that regional staff should be regular attendees at County Assessor Association meetings. ORPS responded that staff are already doing this for the most part.

ORPS needs to make the Association aware before there is a major initiative, such as a mass mailing. It is noted that the presentations for AOT and NYSAC are being developed before CTG findings are known. If nothing else, something should be mentioned at AOT to say that much of the info presented has not yet been disseminated to assessors, regional staff, etc.

Between now and AOT, what needs to be done

1. Application form to be ready
2. Regional meetings per Anne's suggestion to be held between January 28 and February 20. Tom Frey will provide list of County Assessor Association presidents.

Try to schedule CTG summation meeting for March 15. (Note: later in this meeting, the March meeting dates for RPTAC were changed.)

Tom Frey still wonders how he can answer assessors who are saying why is the State pushing this program so hard, so fast. Letters sent out by ORPS seem to indicate that the program is well established and it is not. Still searching for answers. Hustle is to try help those localities who want to meet requirements for 1999 and 2000 rolls.

h. Current Issues

Forestry maps - Item requested in ORPS budget for new photography. Too soon to know

what will happen; can tell RPTAC at March meeting as to whether it made the budget.

Real-Info fax - there is no grant, it is a loan and it is for State agencies.

As a final piece of business, Dan Curtin handed out an updated action item for 1998-99.

Edye requested that the meeting dates in March be changed. After discussion, members agreed to meet on March 15-16.

Agenda items for next meeting (March 15-16)

- Bank code report
- Forest values
- Correction of errors
- Legislative update
- CTG report