



Centralized Assessment Administration
Program Study

November 12, 2008

Contents

Introduction	3
Executive Summary	4
Existing System	6
Models for Assessment Administration	
Single Assessing Unit Models	16
Multiple Assessing Unit Models	18
Some Considerations for the NYS Office of Real Property Services	21

Introduction

Schuyler County has applied for and received a grant from the New York State Office of Real Property Services (ORPS) to study various measures for real property tax reform. The grant program, known as the Centralized Property Tax Administration Program (CPTAP) was established to encourage county and municipal officials to explore opportunities to create a real property tax administration system that promotes transparency, equity and efficiency.

According to the ORPS website, “Compared to almost all other states, New York's property tax system is notoriously complex and confusing, particularly for taxpayers. New York is one of only 3 states that doesn't have a statewide standard of assessing. It is one of 12 states that doesn't mandate a reassessment cycle. Meanwhile, it has nearly 700 school districts that criss-cross 1,128 assessing units (compared to a national median of 85 assessing units).”

Schuyler County is comprised of eight towns and four villages, three of which are split between town boundaries. The county includes segments of ten different school districts. Fortunately, local governments in Schuyler County have already taken steps to consolidate the assessing function to provide greater equity and understanding for taxpayers. For example, each of the county's four villages have already rescinded their assessing unit status and adopt the town assessment rolls for village tax purposes. In addition, seven of the county's eight towns are currently contracting with the county for assessing services, and it is expected that all of the county's municipalities will be maintaining equitable assessments at market value with the implementation of the 2010 final assessment roll.

The intent of this study is to further investigate opportunities to achieve greater efficiencies and transparency for Schuyler County taxpayers. Specific structural changes that will be studied include a county-run system, requiring the transfer of responsibility for the assessing function from the municipalities to the county; a municipal-run system where all eight towns contract with the county for assessment services; and a hybrid approach that serves to treat all of the county's parcels uniformly. This study documents the current condition of real property tax administration in the county, and includes a comparative analysis of the costs and benefits of the above approaches. Included is an analysis of implementation procedures, as well as a timetable, that will yield a real property tax administration system that adheres to the following performance standards:

- The system will achieve a common level of assessment for all of Schuyler County's parcels.
- The system will be driven by an information technology (IT) infrastructure that includes a consolidated, common database of assessment and inventory information.
- The system will include consistent assessment administration standards for all assessing units in the county, to ensure that each parcel is treated in a uniform fashion.

Executive Summary

The contents of this study can be summarized in three major conclusions. First, it is apparent that the county is already moving in the right direction when it comes to achieving efficiencies and transparency in the assessing function. Second, the Town of Cayuta's choice to not participate in a consolidated, county – coordinated program is costly not only to their taxpayers but to taxpayers in all the county's other towns. Finally, moving to a truly consolidated assessment database would achieve efficiencies in IT support as well as in the administration of the real property tax.

Already Headed in the Right Direction

Schuyler County has already taken steps to implement a consolidated assessment function that serves to provide assessment equity and increased taxpayer understanding. As a result of efforts of the county's Council of Governments, seven of eight towns contract with the county for assessment services. The result has been that over the course of the last two years four towns have implemented reassessments and now annually maintain equitable assessments at market value. It is anticipated that the entire county will be maintaining equitable rolls at market value by 2010.

In addition to providing a more equitable product, the program has achieved cost savings for the towns that participate, reducing costs by about 50% in 2007 and about 25% in 2008. The projected savings for 2009 should be about 22%. Not only have actual costs to the towns been reduced, but services have been added. Towns have been able to reassess while at the same time reducing their assessment budgets. The county's costs have remained stable at the same time. Savings have been achieved through greater state aid amounts as a result of consolidation and reassessment. Additional savings will be achieved in reductions to the personal services budget as assessors and other staff retire.

Cayuta's Non-Participation is a Disfavor to their Taxpayers, and to the County as a Whole

The Town of Cayuta should be commended for their willingness to reassess and annually maintain equitable assessments. The town has, by resolution, supported an annual assessment program and has employed the services of an independent revaluation contractor to provide that service. Nevertheless, by choosing to affect equity in this manner the town is spending about twice what they would spend if they entered into an agreement with the county as all seven other towns have done. In 2008, assessment administration in the town cost \$17.13 per parcel.

Had they contracted with the county for the service, their cost would have been \$9.89 per parcel, a savings of almost half. They would have received the same level of service.

In addition, the state provides an additional one time payment of \$2 per parcel to counties where every town participates in a county – coordinated program. By not participating, Cayuta, which is one of eight towns and comprises only 2.5% of the total residential parcel count in the county, is preventing the remainder of the county's taxpayers from receiving an additional \$12,768 in state aid.

Implementation of a Consolidated Database for Assessment Administration

All 8 towns in Schuyler County utilize Version 4 of the state's Real Property System software for computerized assessment administration. RPSV4 is a robust package that provides a mechanism for maintaining assessment roll data, physical characteristics of each parcel and sale data. The software also enables assessors to value properties by the cost, income and sales comparison approaches to value. It is the software the county uses to produce tax rolls and bills.

Although all the towns use the same software package, their respective databases reside in 4 separate locations. The Towns of Cayuta and Hector each maintain separate databases on computers at their respective town halls. The Towns of Orange and Tyrone maintain a database on the assessor's laptop computer. The Towns of Dix, Reading, Montour and Catharine have a single database that resides on a computer at the assessor's home office. Each installation replicates changes to a county-wide consolidated database that resides at the County Office Building in Watkins Glen.

Maintaining 5 separate RPS installations results in a duplication of work for staff charged with providing technical support to these locations. Replication logs must be monitored to ensure that all transactions have been successfully transmitted and received. Each software update and database upgrade must be done 5 times, and usually requires staff to drive to the remote locations.

Maintaining a single, consolidated database at one location would seem to be a more sensible IT solution. Assessors in remote locations could utilize a secure, virtual private network (VPN) to access the consolidated database at the county. Changes could be keyed directly to that database, negating the need for replication. The remote locations would require no client software, eliminating the need for county staff to travel to those offices in order to perform a software or database upgrade.

Existing System

Assessing Units

Assessing Offices and Existing Collaborations

The county consists of eight towns that have formed four Coordinated Assessment Programs (CAPs). CAP1 was formed in 1999 and includes the Towns of Catharine and Montour. The Towns of Dix and Reading formed CAP2 in 2002. Both of these CAPs have appointed Randy Deal as their assessor. The towns contract with Schuyler County to perform the assessing function; Mr. Deal became a county employee in October of 2007.

CAP3 was formed in 2008 and includes the Towns of Hector and Cayuta with Beverly Morley serving as the assessor. Hector entered into a contract with the county to provide assessment services in July of 2008 and Ms. Morley became a county employee in that month as well. Cayuta elected not to contract with the county, but has retained Ms. Morley as their assessor, at least for the 2009 roll year when it is expected that CAP3 will disintegrate. Hector will most likely enter into CAP2 at that time. It is uncertain if the Town of Cayuta will pursue any other coordinated option.

The Town of Tyrone was the most recent municipality to switch from an elected board of assessors to a sole appointed assessor by local law in 2006. CAP4 was subsequently formed in 2008 between the Towns of Orange and Tyrone. Vicki Flynn, who became a county employee in January of 2007, serves as the assessor. Both towns contract with the county for assessing services. There are no longer any elected Boards of Assessors in the county.

Ms. Flynn maintains office hours each week in both Orange and Tyrone, at offices located at the respective town halls. Ms. Morley maintains office hours at the town hall in Hector. The Town of Cayuta employs an aide to staff their office, former assessor Carolyn Buczkowski. It is likely that Ms. Buczkowski will again be appointed assessor in that town when CAP3 breaks up next year.

Mr. Deal has maintained a home office for the 4 towns that he serves since being appointed assessor over ten years ago, although that arrangement is in transition. All correspondence is now being directed to the County Real Property Tax Office on behalf of these towns, and it is anticipated that with Mr. Deal's impending retirement slated for next year that his replacement will maintain office hours at the county court house located in Watkins Glen. That facility is centrally located.

The county work week is based on 35 hours, and both Mr. Deal and Ms. Flynn are full-time employees. Ms. Morley works a 4 day week. Each assessor spends roughly 50% of their working hours in the field.

The table below shows staffing by municipality.

MUNICIPALITIES							
SWIS	Municipal Name	Type of Assessor	Assessor Name	IAO or Other Professional Designation	Number of Hours Assessor is in Office per week	Part of CAP	Contract with County for assessment services
442089	Catharine	Sole Appointed	Randy Deal	IAO	35	CAP1	Yes
442200	Cayuta	Sole Appointed	Bev Morley		28	CAP3	No
442489	Dix	Sole Appointed	Randy Deal	IAO	35	CAP2	Yes
442689	Hector	Sole Appointed	Bev Morley		28	CAP3	Yes
442889	Montour	Sole Appointed	Randy Deal	IAO	35	CAP1	Yes
443000	Orange	Sole Appointed	Vicki Flynn		35	CAP4	Yes
443289	Reading	Sole Appointed	Randy Deal	IAO	35	CAP2	Yes
443400	Tyrone	Sole Appointed	Vicki Flynn		35	CAP4	Yes

Municipal Characteristics

Schuyler is a rural county comprised of 12,768 parcels, 7,540 of which are residential. There are very few complex properties. The Town of Dix is home to Watkins Glen International Raceway and Cargill Salt. US Salt is located in the Town of Reading. The county includes waterfront properties on Seneca Lake, as well as two other smaller finger lakes, Lamoka & Waneta. The waterfront properties, along with the racetrack and the two salt facilities, constitute the extent of the more unique valuation challenges that Schuyler County assessors face. The county also includes vast amounts of publicly owned forest land, some of which is owned by the federal government and some of which is owned by New York State.

Current budgets show that the towns spend a total of \$150,650 on the assessment function, ranging from a low of 1.34% of the municipal budget in Dix & Reading to a high of 2.01% of the municipal budget in Cayuta. In 2008, the county is charging \$9.89 per parcel for assessment services. These charges apply to all towns with the exception of Hector and Cayuta. Hector didn't enter into a contractual arrangement with the county until July of this year, and Cayuta remains the only town not to participate in the county program.

The table below shows 2008 budget figures and parcel counts for each of the county's eight municipalities.

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
442089	Catharine	0.25	\$11,249	1.54%	1,123	658	59%	\$10.02
442200	Cayuta	0.50	\$7,125	2.01%	416	193	46%	\$17.13
442489	Dix	0.25	\$23,966	1.34%	2,224	1,287	58%	\$10.78
442689	Hector	0.50	\$55,885	1.55%	3,493	2,168	62%	\$16.00
442889	Montour	0.25	\$12,675	1.72%	1,267	723	57%	\$10.00
443000	Orange	0.50	\$12,400	1.37%	1,215	653	54%	\$10.21
443289	Reading	0.25	\$13,350	1.34%	1,313	791	60%	\$10.17
443489	Tyrone	0.50	\$14,000	1.50%	1,717	1,067	62%	\$8.15
					12,768	7,540		

Not shown in the above statistics are the savings that have already been achieved through participation in the consolidated, county – coordinated program. Budgets from previous years indicate an average cost per parcel for the towns was around \$13.33 to administer assessments. In 2007, the first year of the program, towns that participated for the entire year paid \$6.42 for the service representing a savings of over 50%. The current per parcel cost of \$9.89 represents a 25% savings, and next year's budgeted cost of \$10.30 remains about 22% less than the countywide average prior to implementation of the program. Reductions in personnel costs as a result of impending retirements promise further relief into the future.

The county's cost has remained right around \$180,000 during this time frame, or roughly \$14.17 per parcel. The overall cost of real property tax administration in Schuyler County went from \$27.50 per parcel in 2006 to a projected cost of \$24.47 per parcel in 2009, due mostly to increased state aid available for consolidation and reassessment.

Indicators of Assessment Equity

Real Property Tax Law (RPTL) Section 305 requires that all parcels within an assessing unit be assessed at a uniform percentage of value. There is no standard in the statute as to what that percentage must be. It is up to the assessor to decide what the Level of Assessment (LOA) is every year.

ORPS conducts a market value survey every year that attempts to verify the locally stated LOA. If the result of the ORPS analysis is within 5% of the LOA, the locally stated LOA becomes the town's equalization rate. ORPS has verified that the LOA for every town in Schuyler County is stated accurately enough to be adopted as the state equalization rate.

While the LOA and the equalization rate are measurements of assessment level, the Coefficient of Dispersion (COD) is a statistic that measures assessment uniformity. The COD is defined as the average absolute deviation from the median ratio times 100. It is a measure of variability in assessment ratios; the lower the COD, the more equitable the assessment roll. The International Association for Assessing Officers (IAAO) has established a standard for equity as measured by the COD, which can be anywhere from 10% to 20% depending on the types of properties being analyzed and the overall homogeneity of the market. (*Property Appraisal And Assessment Administration*, IAAO, 1990)

ORPS publishes a COD for each municipality as a byproduct of the market value survey. These statistics appear in the table below.

MUNICIPALITIES		INDICATORS OF ASSESSMENT EQUITY							
SWIS	Municipal Name	Latest Eq. Rate	Latest LOA of various property types	COD residential	COD (all)	Latest Reassessment	Latest State Aid	Aid Type	Planned Reassessment
4420	Catharine	70.00	70.00	20.40	20.07	2002	2002	Triennial	2010
4422	Cayuta	100.00	100.00	18.88*	14.53*	2008	2008	Annual / CAP	2009 - annual
4424	Dix	70.00	70.00	21.36	23.29	2002	2002	Triennial	2009
4426	Hector	100.00	100.00	**	**	2008	2008	Annual / CAP	2009 - annual
4428	Montour	70.00	70.00	20.40	20.07	2002	2002	Triennial	2010
4430	Orange	100.00	100.00	19.09*	14.67*	2008	2008	Triennial / CAP	2009 - annual
4432	Reading	70.00	70.00	21.36	23.29	2002	2002	Triennial	2009
4434	Tyrone	100.00	100.00	29.37*	22.3*	2008	2008	Triennial / CAP	2009 - annual

* Indicates subsequent reassessment activity

** Indicates statistics unavailable from ORPS due to current reassessment activity

Because of recent reassessment activity, the towns of Cayuta, Hector, Orange and Tyrone either have no uniformity statistics available, or have statistics representing earlier assessment rolls that are not reflective of their current uniformity. The CODs in the other 4 towns all exceed 20% and reflect the fact that the most recent reassessment activity in these towns dates to 2002. It should be noted that Dix and Reading are currently conducting a reassessment for the 2009 roll, and Catharine and Montour are slated to complete a reassessment for 2010.

Real Property Administration System

All of the municipalities utilize the ORPS provided Real Property System (RPSV4) to maintain assessment and inventory records in a computerized format. The live database for the Towns of Dix, Reading, Catharine & Montour resides on the assessor's home PC. Hector and Cayuta maintain live, separate databases on PCs located at their respective town halls. The Towns of Orange & Tyrone maintain a single, live database on a jointly purchased laptop computer.

Each of these four installations utilizes replication to update a consolidated database that resides on a server at the county. The consolidated database is used to generate assessment and tax rolls, tax bills, assessors' reports and sales transmittals to the state, as well as various other reports.

County Real Property Tax Director Tom Bloodgood is the database administrator. Any changes to reference tables, software upgrades or file updates are affected at the county and are replicated to the four live installations.

Occasionally, a major software upgrade or database update requires a re-extraction of the separate municipal databases which must then be reinstalled at their respective sites by the database administrator. In addition, any software upgrade, major or minor, must be installed at each installation and requires a great deal of coordination as replicating databases requires that each installation is outfitted with the same software release, and is operating at the same database level as the consolidated database in order to ensure that replication of transactions is successful. Replication logs must be monitored to provide quality assurance that assessment data is not compromised or corrupted.

Replication was a good fit for the county some years ago when various towns were without a broadband internet connection. It allowed the municipalities to open a window to the county through a secure virtual private network (VPN) over the internet and transmit small amounts of changes that required very little bandwidth. However, maintaining five separate databases results in more support work when it comes to software installations and database upgrades.

The additional work involved in the replication process could be eliminated by implementing a truly consolidated database resident at the county. Town assessors could access the database through the same VPN currently used for replication. Changes could be keyed directly to the consolidated database eliminating the need for replication and the costly administration associated with that IT solution.

Because of recent building upgrades that have required the temporary relocation of some county offices, the County Real Property Tax office is currently connecting to the consolidated database via a remote console utilizing the VPN. This connection has been extremely responsive and provides an efficient access to the consolidated database that the assessors should utilize. The county should move to a completely consolidated IT infrastructure, with assessors using a remote console to access data that resides on a single database located at the county. This infrastructure would allow a more efficient system for support. Database upgrades and software installations would only have to be performed at the county level, and there would be no requirement to monitor replication logs to ensure that all of the transactions maintained at the town level have been captured on the countywide database.

The table below outlines the current infrastructure and support services associated with assessment administration in Schuyler County.

MUNICIPALITIES ASSESSMENT ADMINISTRATION SYSTEM

SWIS	Municipal Name	System Used:		Annual Cost*	Processing Responsibility		
		Assessment & Inventory	Analysis/ Valuation		ORPS' Reports	Rolls & Bills	Analysis/ Valuation
4420	Catharine	RPS	RPS	\$300.00	County	County	County
4422	Cayuta	RPS	RPS	\$375.00	County	County	Town
4424	Dix	RPS	RPS	\$325.00	County	County	County
4426	Hector	RPS	RPS	\$650.00	County	County	County
4428	Montour	RPS	RPS	\$300.00	County	County	County
4430	Orange	RPS	RPS	\$500.00	County	County	County
4432	Reading	RPS	RPS	\$325.00	County	County	County
4434	Tyrone	RPS	RPS	\$500.00	County	County	County
		Databases		Communication	IT Support		
SWIS	Municipal Name	Location	How Updated	Speed	Who	Adequacy	
4420	Catharine	County & Town	Replication	Broadband - cable modem	County / State	Adequate	
4422	Cayuta	County & Town	Replication	Broadband - cable modem	County / State	Adequate	
4424	Dix	County & Town	Replication	Broadband - cable modem	County / State	Adequate	
4426	Hector	County & Town	Replication	Broadband - cable modem	County / State	Adequate	
4428	Montour	County & Town	Replication	Broadband - cable modem	County / State	Adequate	
4430	Orange	County & Town	Replication	Broadband - cable modem	County / State	Adequate	
4432	Reading	County & Town	Replication	Broadband - cable modem	County / State	Adequate	
4434	Tyrone	County & Town	Replication	Broadband - cable modem	County / State	Adequate	

County Real Property Tax Service Agency

The County Real Property Tax Service Agency is staffed by a Director, a Real Property Assistant and a Real Property Technician, in addition to three assessors. Two assessors are full time employees while the third assessor works a four day week (80%). The duties and responsibilities of the Real Property Tax Director are outlined below.

STATUTORY

Prepare tax maps, maintain them in current condition, and provide copies to assessors;
Provide advisory appraisal to towns;

Direct assessors and oversee procedures for the preparation and maintenance of assessment rolls; property record cards, appraisal cards and other records and documents relating to real property assessment and taxation;

Provide appraisal cards in such form as shall be prescribed by the state board in quantity needed for use in the preparation of assessment records;

Cooperate and assist in the training programs provided by the state board;

Provide administrative support, cooperation and assistance to acting boards of assessment review;

Provide the county equalization agency with information that may be useful in the operation of that agency;

Conduct county-wide revaluation program;

Prepare and furnish an annual report to the legislative body of the county, a copy of which shall be sent to the state board which report shall contain at least such information required by the legislative body of the county and the state board and prepare such additional reports as may from time to time be required by the legislative body or the state board.

WHEN AUTHORIZED BY THE COUNTY LEGISLATURE

Assist in the disposition and sale of real property acquired by the county as a result of tax sale;
Perform the duties imposed upon the recording officer of the county in relation to reports of transfers of real property;

Supply towns with assessment rolls or other forms for use in connection with the preparation of assessment rolls or the collection of property taxes.

GENERAL

Oversee countywide assessment program including directing assessment personnel in all aspects of assessment and exemption administration.

Negotiate assessment contracts with municipalities, and provide regular reports to municipalities regarding the status of shared service arrangements.

Prepare and direct a countywide public information program to educate municipal officials and taxpayers regarding the need for equitable assessment practices.

Responsible for RPS computer file maintenance and processing;

Produce town and county tax bills, tax tolls, X-ref lists, and collector's lists by Dec. 25 or submit files to other vendor for processing;

Establish and maintain a comprehensive real property tax service program to assist in the development of equitable assessment practices;

Maintain a variety of records and statistical data for control and reporting purposes most of which are computerized;

Direct and train assessors, field staff and office staff;

Direct and advise assessors on unique valuation problems;

Prepare annual budget for real property tax services department;

Prepare apportionments, rate and warrants;

Perform corrections of errors as allowed by real property tax law;

Assist town, county, school, state officials and others in matters pertaining to real property taxation.

The Real Property Tax office budgeted \$404,200 in total appropriations for 2008. That cost is partially offset by revenue from state aid and other sources in an amount of \$120,823, leaving a net cost of the program of \$283,377. Of that figure, \$103,377 is billed to the towns and has already been accounted for in their respective budgets, leaving the cost to the county of \$180,000. Coupled with the total of \$150,650 present in the town budgets, the overall cost of real property tax administration in the county in 2008 is \$330,650.

County Information/Estimates

County Characteristics

Total Number of School Districts Wholly or Partly Contained in the County						10	
Total # of Parcels	12,705	Residential Parcels	7,525	Agricultural Parcels	718	Commercial Parcels	466
Industrial Parcels	29	Utility Parcels	344	Forest Parcels	347	Vacant Parcels	3,058

Parcel count from 2007 roll

County Staff

Total Number of Staff Required (Total Parcels divided by 2500*)	5.1072
Existing Qualified County Staff (full-time equivalent)	- 5.8
Additional Staff Needed (or excess)	= 0

Fiscal Impact

Current County Budget for Real Property Tax Services	\$180,000
Total Budget for Municipal Assessing	+ \$150,650
TOTAL	= \$330,650
County's Estimate of Necessary Budget for Assuming Asmt. Function	- \$0
Estimated Savings/Cost	= \$330,650

Available State Aid

Shared Municipal Services Grants Available (available from Dept. of State)	
Estimated Consolidation Aid Available (\$7/parcel)	\$0
Estimated Reassessment Aid Available (\$5/parcel)	\$63,525

* 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.

**see attached Schuyler County Budget Appendix 1: Cost Calculation

Two Models with Three Consolidation Options

Single Assessing Unit Models

Option #1 – County Run Assessing

Implementation of a county run assessing model would require the passage of a countywide referendum which would transfer the responsibility for assessing from the towns to the county. There are currently two countywide assessing units in the state, Tompkins and Nassau Counties.

The Schuyler County Real Property Tax Service Agency would be replaced with an Assessment Department. The Director of Assessment would be appointed to either a six year term of office or to a civil service appointment. The county would become a single assessing unit with one equalization rate and a common level of assessment (LOA). All parcels would be reassessed annually to ensure adherence to the common LOA.

State aid is available for the reassessment process on an ongoing basis. In addition, there are other one time state aid payments available for implementation of a county run program. These payments, totaling \$9 per parcel, would more than offset any start up costs associated with the formation of a countywide assessing unit. However, ongoing operational costs which are currently shared by the county and the towns would be shifted entirely to the county.

The earliest that a referendum could be placed on the ballot would be November of 2009, making the effective taxable status date of the first countywide assessment roll the following March. The time frame for implementation coincides with the current program which calls for the staged reassessment of all parcels in the county to be completed in 2010 with annual maintenance commencing as towns are completed.

The current program consists of a number of shared service contracts between the towns and the county, with the county acting as a vendor performing a service for its customers, the towns. The current model leaves the responsibility for the assessing function with the towns; each contract includes a 30 day out clause that any municipality can exercise if the service is not performed well. It is unlikely that town officials would favor giving up that responsibility, and is therefore questionable that a referendum would pass in the face of town opposition.

Option #2 – Formation of a Countywide CAP

Currently the county contracts with 7 of 8 municipalities to provide the assessing function, employing a staff of 5.8 full time equivalents. These municipalities are organized into 4 separate Coordinated Assessment Programs pursuant to RPTL Section 579. If the Town of Cayuta should elect to contract with the county, a single countywide CAP could be formed.

For equalization purposes, a countywide CAP would be treated similarly to a countywide assessing unit. The county would receive one equalization rate. Parcels would be assessed uniformly throughout the county, with reassessments performed annually to ensure adherence to the common LOA.

While this model resembles a countywide assessing unit, the countywide CAP would allow the towns to retain the responsibility of performing the assessing function, and would preserve the relationships that exist under the current scenario with the county acting as vendor and the towns as customers.

There is a one time aid payment of \$2 per parcel for implementation of a countywide CAP. Ongoing operational costs would essentially remain unchanged as Cayuta is a very small town and could be absorbed into the current workload without much problem. It should be noted that Cayuta's current assessing budget would be substantially reduced if that town ever chose to participate in the county program, representing an ongoing savings of approximately \$3,000 annually for Town of Cayuta taxpayers. In addition, the town's insistence to not participate effectively disqualifies the entire county from receiving an additional \$12,768 aid payment outlined above.

As is the case with every option outlined in this report, the timeframe for implementation of a countywide CAP could not occur prior to 2010 as all parcels would have to be assessed uniformly.

Multiple Assessing Unit Model

Option #3 – Retain Current Structure With All Eight Towns Agreeing to Adhere to Common Performance Standards

Although the Town of Cayuta does not contract with the county for assessment services, the Town Board has made a commitment to equity by passing a resolution authorizing an annual reassessment program. The town has received annual aid and anticipates maintaining equitable assessments at 100% of market value into the future. The other seven towns could eventually fold into a single CAP, and all assessments would be uniform countywide.

The amount of additional state aid for this option is less than for Option #2, as the CAP managed by the county would not in this option be truly countywide. The county would receive an additional \$1 per parcel for those towns that participate, as opposed to the \$2 per parcel aid available in Option #2 for the countywide CAP.

Schuyler County Assessment Model Cost/Aid Comparison

	Single Assessing Unit Models			Multiple Assessing Unit Models	
	Current Structure	Option #1: County-Run Assessing	Option #2 County CAP	Option #3 Current Structure w/additional Inter-municipal agreement with Cayuta	
<u>Start-up Costs:</u>					
Establish Equitable assessments at a common level throughout the County [Reassess 4 of 8 Towns in 2009 & 2010]	120,000	120,000	120,000	120,000	
Available State Aid for reassessment [12,705 parcels @ \$5]	(63,525)	(63,525)	(63,525)	(63,525)	
State Consolidation Aid [All towns have already received this aid]	0	0	0	0	
State Consolidation Aid for County Run Assessing, RPTL 1573, 12,705 parcels @ \$7	0	(88,935)	0	0	
State Aid for County Run Assessing Referendum Approval, 12,705 parcels @ \$2 [http://www.orps.state.ny.us/cptap/applications.cfm]	0	(25,410)	0	0	
State Consolidation Aid for County providing services, RPTL 1573, (already received)	0	0	0	0	

State Aid for County Managed CAP, 12,768 parcels @ \$2, or 12,350 parcels @ \$1 for less than county-wide [http://www.orps.state.ny.us/cptap/applications.cfm]	(12,350)	0	(25,536)	(12,350)	
<u>Total One Time Start-up Costs:</u>	44,125	(57,870)	30,939	44,125	
<u>Operational Costs:</u>					
City/Town/Village Assessment Dept. Costs	134,300	0		134,300	
County Real Property Tax Dept Costs	242,000	373,500 ¹		242,000	
Cost of a County Consolidated Assessing Unit (CAP)	0	0	373,500 ²	0	
Additional cost of annually maintaining assessments at a common Level of Assessment throughout the County.	0 ³	0 ⁴	0 ⁴	0 ³	
State Aid for Annual Reassessment [12705 parcels @ \$5]	(63,525)	(63,525)	(63,525)	(63,525)	
<u>Total Annual Operational Costs:</u>	312,775	309,975	309,975	312,775	

Notes:

- 1 Implementation of a county run assessing option would shift the cost of the program entirely to the county. The cost of a County CAP is equal to the sum of the current costs for the towns and the county, with the towns responsible for \$150,650 of the total.
- 2 \$150,650 of the total.
- 3 Cost of annually maintaining assessments at a common LOA is already built into the current structure.
- 4 No Additional Staffing or expenses are anticipated for either single assessing unit model.

Some Considerations for the NYS Office of Real Property Services

The State Board of Real Property Services should consider revamping assessor training requirements.

Title 2 of Article 3 of the Real Property Tax Law empowers the State Board to prescribe a basic course of training that assessors must complete in order to obtain certification. In addition, the State Board promulgates rules governing the continuing education of assessors.

Schuyler County currently employs 3 assessors, two of whom each have over 20 years of experience in assessment administration. The third assessor is a relatively new recruit with approximately 2 years of experience and a real estate background. Upon obtaining basic certification, the continuing education requirement for these 3 individuals is identical. Assessors are required to successfully complete a total of 24 credit hours of continuing education per year regardless of their level of experience or expertise.

Requiring an assessor of 20 years to complete the same continuing education program as a less experienced colleague would seem counterproductive. Indeed, many experienced assessors often take courses over again just to satisfy the continuing education requirement. The State Board should consider relaxing the requirement for assessors that have attained a certain level of professional experience.

Some Considerations for the NYS Office of Real Property Services Continued

The State's Civil Service rules for the certification of eligible candidates for the position of assessor in county government should more closely coincide with the State Board's rules for assessor certification.

Each assessor employed at the county must pass a civil service examination and be in the top 3 on the eligible list in order to be permanently appointed. However, these same individuals, who all meet the State Board's requirements for minimum qualifications for an assessor, could be appointed by a town without having to meet the civil service requirement of having to take the exam.

Schuyler County was forced to hire assessors provisionally as the shared service program was put in place prior to the establishment of an exam for assessor. In fact, one provisional assessor failed the exam initially and only passed it on a second attempt. It's entirely possible that had that candidate failed the exam again, some towns would have opted out of the shared service arrangement and simply continued to use that assessor. Civil service rules in this circumstance create a barrier to shared service arrangements that involve the county's participation, and should be realigned, by statute if necessary, to allow for a certification of eligible candidates in a non-competitive class.