

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: REAL PROPERTY TAX SERVICES

DATE: JANUARY 23, 2006

Committee Members Present:	Michael Swan, Director, Real Property Tax Services
Supervisors Belden	William Thomas, Chairman
Monroe	Joan Parsons, Administrator/Clerk
Champagne	Paul Dusek, County Attorney
Haskell	Daniel Girard, Supervisor
Bentley	William Kenny, Supervisor
F. Thomas	Eugene Merlino, Supervisor
Geraghty	Carlene A. Ramsey, Legislative Office Specialist

Mr. Belden called the meeting to order at 9:35 a.m.

Motion was made by Mr. Haskell, seconded by Mr. Bentley, and carried unanimously, to accept the minutes of the previous meeting, subject to correction by the Clerk.

Michael Swan, Real Property Tax Services Director, distributed agenda packets to each of the committee members and a copy is on file with the minutes.

Mr. Swan began his report with Agenda Item 1, Corrections from the Treasurer's Office regarding the Tax Rolls. He briefly explained the Stony Creek and Warrensburg corrections were needed since the assessed values exceeded the State's self-assessments; and the Thurman correction stemmed from the failure to apply the veteran's exemption.

Motion was made by Mr. Haskell, seconded by Mr. Champagne and carried unanimously to authorize the corrections to the tax rolls, as prepared by the Treasurer's Office, and to authorize a resolution be prepared for the February 17th Board meeting.

Mr. Dusek entered the meeting at 9:36 a.m.

Mr. Swan turned to Agenda Item 2 (pending item 5) which related to a parcel sold at the 2005 land auction. He expounded that Robert Healy was the successful bidder on the Town of Chester parcel (formerly owned by Henry Ward); had paid the County a deposit in the amount of \$2,750; initiated excavation of the land and arranged to remove the existing structure.

Mr. Swan said it was his understanding the Mr. Ward had threatened to sue Mr. Healy and Mr. Healy has since decided not to proceed with the purchase. Therefore, Mr. Healy has requested his deposit of \$2,750 be returned.

Mr. Monroe entered the meeting at 9:37 a.m.

Mr. Haskell stated that the County has traditionally elected not to refund deposits. He said he felt that any bidder on tax delinquent parcels also accepts the fact that disgruntled former owners could naturally be part of the package.

Motion was made by Mr. Haskell, seconded by Mr. Champagne and carried unanimously to deny Mr. Healy's refund request.

Turning to Agenda Item 3, the 2006 land auction, Mr. Swan explained the County Attorney's Office had just recently received the list of delinquent parcels from the Treasurer's Office. Mr. Swan pointed out his staff would need to review the list for current addresses, etc. and return the information to County Attorney within the next week.

Mr. Swan turned the floor over to County Attorney, Paul Dusek, for further explanation. Mr. Dusek reported the listing from the Treasurer would typically be provided to him by early September for preparation for the August land auction. At this point, he said, the time frames mandated by law could not be met in time for the auction to be held in August of 2006. At best, he said, he felt the current time frame would mean the foreclosure proceedings would be completed by December of 2006. In view of the expected weather conditions in December, he said, he felt it would be advisable to hold off on the auction until early spring in 2007. Mr. Dusek further stated that the County has traditionally held the auction very soon after obtaining title (through the foreclosure process) to minimize the liability factor of owning title to the land.

Mr. Dusek also pointed out that assistance was needed from the Information Technology Department so that his staff could work with the information provided from the Treasurer's Office. Therefore, he said, the projected December 2006 date was contingent upon the technical aspects being worked out in a timely manner.

Mr. Wm. Thomas entered the meeting at 9:39 a.m.

Mr. Belden expressed his concern that if an auction was not held in 2006, neither would the delinquent taxpayers come in and redeem the properties.

Mr. Dusek stated the current system of foreclosure, judgement and then the last chance meeting, has in-fact resulted in the majority of the properties being redeemed immediately prior to the auction. He concurred with Mr. Belden's comment that by holding the foreclosure action in 2006, the County could expect to receive a high number of redemption payments.

Mrs. Parsons entered the meeting at 9:41 a.m.

Mr. Dusek also apprised that his office had contracted with an abstractor in anticipation

of the 2006 foreclosure action. He noted the abstractor had been waiting since September to get started on the work associated with the \$40,000 annual contract.

Mr. F. Thomas entered the meeting at 9:42 a.m.

Motion was made by Mr. Champagne and seconded by Mr. Bentley to authorize the County Attorney to move ahead with the 2006 foreclosure procedure.

Mr. Champagne queried exactly what impact the delay in starting the foreclosure action will have on the County Attorney's Office.

Mr. Dusek responded that his recommendation would be to:

1. In January 2006, proceed with the foreclosure action on the delinquent parcels which should be completed by late 2006; and
2. In September 2006, start the process for the next group of delinquent parcels in anticipation for the August 2007 land sale.

However, Mr. Dusek stated, his Department's 2005 budget had contained half of the contract funds since half of the work has traditionally been performed before year's end. Unfortunately, he stated, since the work had not been performed those funds had not been encumbered and therefore "lost" to the General Fund. Consequently, he noted, the 2006 Budget has enough funds for half of the work on the 2006 parcels and half of the work on the 2007 parcels.

Mr. Belden suggested that Mr. Dusek could come back to the Committee in September of 2006 with an update on the work schedule. He said if everything was "on track" then the Committee would refer the matter to the Finance Committee for action.

General discussion ensued.

Responding to Mr. Monroe's question on the last chance meeting, Mr. Dusek suggested the meeting would be held in December 2006.

Mr. Belden called the question on the motion to go forward with the 2006 foreclosure action. Motion was carried unanimously.

Mr. Swan apprised the Committee members of a legislative bill being formed which would prohibit a county from retaining any excess proceeds from an auction of land obtained via foreclosure actions. He further stated the bill would require the excess funds to revert to the previous owner.

Mr. Girard entered the meeting at 9:46 a.m.

Following a brief discussion, motion was made by Mr. Haskell and seconded by Mr. Monroe to refer the issue to the Legislative Committee stating the County's opposition to such

legislation.

Mr. Monroe observed that in the event of a mortgage foreclosure, if the property sale yields more than the amount owed, the excess funds do revert to the property owner. He said he has always been troubled with the concept of the County making any type of profit from a constituent's misfortune.

Mr. Haskell pointed out the County expends funds while attempting to collect the delinquent taxes even though the salary and legal fees have not historically been calculated. He said he felt any excess funds were basically restoring the taxpayers' money related to all of the paperwork involved in the foreclosure. In addition, he noted that in many cases, the property owners may have been able to sell their property prior to the foreclosure and in-turn keep any profit for themselves.

Mr. Champagne said he felt that in perhaps 50% of the cases, the property owners truly were wrestling with a hardship of some sort.

Mr. Belden called for a roll call vote on Mr. Haskell's motion. The motion was carried by majority vote, with Messrs. Champagne and Monroe opposed, and the matter was referred to the Legislative Committee.

Returning to Agenda review at Item 4, Village of Lake George Restrooms, Mr. Swan reminded the Committee members of Resolution No. 606 of 2005, which conveyed two tax parcels to the Village. Since the County had obtained the parcels via tax deeds in 1975, he noted the resolution stated the amount of taxes owed would be addressed at a later date.

Mr. Swan reported the Treasurer had recently determined the lingering 1975 back taxes on said parcels were as follows: Tax Map Parcel 251.18-3-66 with \$1,030.66 and Tax Map Parcel 251.18-3-65 with \$333.31. He stated the question was whether or not the Village would be asked to pay the outstanding taxes, or would the County delete the taxes.

Motion was made by Mr. Bentley, seconded by Mr. Haskell and carried unanimously to delete the outstanding taxes due on said Village of Lake George Tax Map Parcels 251.18-3-65 and -66, and to authorize a resolution be prepared for the February 17th Board meeting. A copy of the resolution request form is on file with the minutes.

At Agenda Item 5, Outstanding taxes on County Property, Mr. Swan pointed out that the County had elected to retain two of the parcels obtained in the 2005 delinquent tax foreclosure proceeding. He said that Town of Warrensburg Tax Map Parcel 210.8-2-1 was adjacent to the Department of Public Works (DPW) facility and the Town of Johnsbury Tax Map Parcel 102.10-1-8 was adjacent to the tracks in Riverside Station. He stated that outstanding taxes in the amount of \$383.56 and \$336.30, respectively, would need to be deleted from the tax rolls and he presented a resolution request.

Motion was made by Mr. Champagne, seconded by Mr. F. Thomas and carried unanimously that the outstanding taxes on certain parcels obtained by the County in foreclosure proceedings shall be deleted as follows: Town of Warrensburg Tax Map Parcel 210.8-2-1 in the amount of \$383.56; Town of Johnsburg Tax Map Parcel 102.10-8 in the amount of \$336.30; and to authorize a resolution be prepared for the February 17th Board meeting. A copy of the resolution request form is on file with the minutes.

Messrs. Kenny and Merlino entered the meeting at 9:55 a.m.

Returning to Agenda Item 6, Alternative Veterans Exemption Limits, Mr. Swan reported the current law states the veterans exemptions can be calculated on a ceiling limit of \$80,000 in a full-value assessed town. He noted war-time veterans can receive a reduction of 15%, applied to a maximum of \$80,000, and combat veterans can receive an additional 10% reduction, applied to the same maximum of \$80,000.

Mr. Swan explained the NYS Legislature had recently changed the ceiling limit, tied to a local option. Specifically, he noted the local options were to: 1) reduce the ceiling to either \$40,000 or \$60,000; or 2) increase the ceiling to \$100,000, \$120,000, \$140,000, \$160,000 or \$180,000. He pointed out that if the County elected the \$180,000 ceiling for all of the full-market value towns, the impact would be approximately \$30,000 in County taxes. If the ceiling were also applied to the partial-value towns, the total cost to the County would be approximately \$45,000. He reiterated the State made this a local option and the County had no obligation to do anything at this time.

Responding to questions from various Supervisors, Mr. Swan explained the Warren County Assessors Association had not yet met to discuss the new legislation; and the current limit of \$80,000 had been in place for 8 or 9 years. He also noted the average residential sale in Warren County would probably be \$130,000 to \$140,000. However, he noted the City of Glens Falls had a number of sales at the \$80,000 level as opposed to the \$1 Million+ sales on Lake George.

Motion was made by Mr. Belden and seconded by Mr. Champagne to table further discussion until the Warren County Board of Assessors had reviewed the issue and made a recommendation one way or the other.

Mr. Swan said the Association would meet on January 31, 2006. He pointed out for any change to be effective for the 2007 tax bills, the State required the policy to be in place by March 1, 2006. Mr. Dusek stated that if a local law was required, it would take two Board meetings before it could become effective. If it could be done by resolution, he noted the Committee would need to take action today, for consideration at the February 17th Board meeting.

Mr. Belden called for vote on his motion and one in favor and six opposed, motion failed.

Motion was made by Mr. Haskell, seconded by Mr. Bentley and carried unanimously to

authorize the Alternative Veterans Exemption ceiling be raised from the current limit of \$80,000 to \$180,000 for purposes of calculating the 15% exemption for war time veterans and 10% for combat veterans on the 2007 tax bills and to authorize a resolution be prepared for the February 17th Board meeting [*may be subject to Local Law requirements, to be determined by County Attorney*]. A copy of the resolution request form is on file with the minutes.

Mrs. Parsons pointed out, from her perspective on the tax rolls, she has seen the veterans exemption in the Consolidated Health District between Thurman & Warrensburg. She said she was concerned with the confusion that may ensue if the County applies an exemption one way and the Town applies the exemption in another way.

A brief discussion ensued.

Mr. Dusek confirmed he would research the issue to determine whether or not a local law would be required to enact the ceiling change.

Returning to Agenda review at Item 7, Directors' Winter Conference, Mr. Swan requested authorization for in-state travel to attend the conference in Latham, New York. He noted that he had been elected the in-coming Association President and would need to attend the evening session. Therefore, he requested authorization to stay-over for one night. He observed the Director's Association would pay his room and meal expenses and he would arrange to use a County vehicle.

Mrs. Parsons reminded the Committee that when other Department Heads had been elected to serve on their professional associations, the Board had authorized a rather generic resolution to authorize necessary travel, provided it did not interfere with their regular duties.

Motion was made by Mr. Bentley, seconded by Mr. Monroe and carried unanimously to authorize the Real Property Tax Services Director, Michael Swan, to attend the NYS Association of County Directors conferences and meetings during his tenure as in-coming President and President of the Association.

Mr. Haskell reported the comment added to the 2006 Town and County tax bill concerning the percentage of taxes that paid for Department of Social Services had created a huge number of questions from his constituents. He requested that the comment be edited to state "County taxes" to better clarify the issue next year.

There being no further business to come before the Committee, on motion by Mr. Haskell and seconded by Mr. Monroe, Mr. Belden adjourned the meeting at 10:06 a.m.

Respectfully submitted by
Carlene A. Ramsey, Sr. Legislative Office Specialist