

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: REAL PROPERTY TAX SERVICES

DATE: FEBRUARY 27, 2006

Committee Members Present:	Michael Swan, Director, Real Property Tax Services
Supervisors Belden	William Thomas, Chairman
Monroe	Joan Parsons, Administrator
Champagne	Joan Sady, Clerk
Haskell	Paul Dusek, County Attorney
Bentley	Eugene Merlino, Supervisor
F. Thomas	Alexander Gabriels, Supervisor
Geraghty	Joseph Sheehan, Supervisor
	Michael O'Connor, Supervisor
	Nicholas Caimano, Supervisor
	Additional guest on Sign-in Sheet
	Carlene A. Ramsey, Sr. Legislative Office Specialist

Mr. Belden called the meeting to order at 9:31 a.m.

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

Michael Swan, Director of Real Property Tax Services (RPTS), distributed an Agenda packet to each of the Committee members and a copy is on file with the minutes.

Mr. Swan began his review with Agenda Item 1, Corrections from the Treasurer's Office. He noted the list of tax parcels to be corrected was included in the agenda packet and he gave a brief explanation, noting the adjustments to the State of New York parcels were to accommodate the values established by the State. He stated the Court Ordered adjustments could not be disputed by the County. As for the Town of Chester corrections, he explained a number of parcels needed to be placed in the correct fire district.

Motion was made by Mr. Haskell, seconded by Mr. Champagne and carried by majority vote, with Mr. F. Thomas opposed; to authorize the corrections to the tax rolls and to authorize a resolution be prepared for the March 17th Board meeting.

Messrs. O'Connor and Wm. Thomas entered the meeting at 9:32 a.m.

Returning to Agenda review, Mr. Swan explained the Warren County Assessors Association had requested its report be moved to the end of the Agenda. Therefore, he reported on Item 3, Warrensburg Tax Map Parcel #224.9-1-3. He explained the parcel had been offered for sale via sealed bid with the upset price set at \$12,800. There was one bid received, for \$30,100, he said, and he requested approval of the

sale.

Mr. Monroe entered the meeting at 9:34 a.m.

Motion was made by Mr. Bentley, seconded by Mr. Geraghty and carried unanimously to authorize the conveyance of Town of Warrensburg Tax Map Parcel #224.9-1-3 to Jacqueline A. Hazlett for the sealed bid price of \$30,100.00, and to authorize a resolution be prepared for the March 17th Board meeting. A copy of the resolution request is on file with the minutes.

Returning to Agenda review at Item 4, Cell phone policy, Mr. Swan observed the use of cell phones (within his department) had generated some interesting problems over the past few months. He noted that business people (abstractors, realtors, surveyors, etc.) have come out to the counter at RPTS to use their cell phones since they cannot get reception while in the County Clerk's record vault. He explained he has requested the folks to move into the main hallway (6 to 8 feet away) to keep the counter clear for departmental use. He also noted that Pam Vogel, County Clerk, had offered the use of tables in the Clerk's lobby area if paperwork needed to be done while on the phone.

Mr. Swan reported that while most of the business people have pleasantly complied with his request to use the hallway, he noted that one individual has, thus far, refused to comply. He queried whether or not the Committee members would grant him the authority to specify a No Cell Phone Area for the general public.

Mr. Stec entered the meeting at 9:40 a.m.

Following a brief discussion, motion was made by Mr. Haskell, seconded by Mr. Champagne and carried unanimously to authorize Mr. Swan the authority to post a No Cell Phone Area.

Mrs. Parsons clarified that she met with Pam Vogel, who showed her a 5 foot x 7 foot room that has been specifically set aside for the professional business people, complete with a table, chairs and a land line telephone.

Mr. Swan turned to Agenda Item 5, Directors' summer conference in 2007. He reported, as the President of the Real Property Tax Directors Association, he was required to plan the annual conference. Therefore, he noted, the conference would be held within Warren County for a three-day event. He reported the Queensbury Hotel had been selected as the site, with approximately 150-175 rooms.

Motion was made by Mr. Haskell, seconded by Mr. Champagne and carried unanimously to express the Committee's support of Mr. Swan moving forward with bringing the Real Property Tax Directors' Association to Warren County for the 2007 annual conference.

Returning to Agenda Item 2, privilege of the floor was extended to Deanne Rehm, of the Warren County Assessors Association. Mrs. Rehm greeted the Committee members as she observed that 100% of Warren County was represented by the various assessors in attendance today. Ms. Deppe distributed handouts to each of the Committee members and copies are on file with the minutes.

Mrs. Rehm reported that several of the Warren County Assessors had traveled to Albany to meet with the State Legislators to discuss issues of importance to the Real Property Tax Administration. At the close of the day, she stated, it came to their attention the local association had never met with the members of the County Supervisors. In addition, she pointed out one of the assessors for the Town of Stony Creek had written a letter to the editor of the *Adirondack Journal*. The letter, she noted, was an attempt to educate the public as to the difference between a tax levy and a tax assessment. She pointed out the letter had served as a springboard for today's presentation.

Mrs. Rehm directed attention to the Statement of Purpose on page 1 of the first packet, as she read the 3rd paragraph "To *furnish guidance to local and state governments in order to advance their understanding of the assessment function.*" She explained the assessors' goal was to provide the Committee members with a better understanding of the assessor's role, and what assessments actually do for the municipalities.

Mrs. Rehm provided a brief history as to how the assessors role had evolved in early America to raise the funds needed to support the government. She observed that the early settlers, who had immigrated from Europe, carried over the tradition that taxes were paid according to how much land you owned. Therefore, she noted the person with the best land (the most valuable property) paid the most in taxes. She commented that since the land value needed to be evaluated fairly, the tax assessor has been assigned such duties and said "equity is what we are about."

Mr. Caimano exited the meeting at 9:45 a.m.

Mrs. Rehm referred to the number of illustrations presented in packet 1. She noted each tax parcel was assessed a value to determine what portion of the entire town's value should be carried by such tax parcel. In addition, she said the total Town Budget would be divided by your tax parcel's assessment to determine your percentage of the budget, or levy, that was your burden.

Mrs. Rehm stated figures 1 and 2 of the handout illustrated variations of the calculations. She summarized that assessments determine your share of the total tax levy. Turning to page 3 of Packet 1, she stated she took the Town of Lake Luzerne's total assessment in 2006, which was \$222,864,033 for a illustration of the real world. She stated a hypothetical assessment of \$100,000 would result in .0004487 % of the

total assessment. Since the Town of Lake Luzerne's 2006 tax budget, or levy, was \$1,046,335, said parcel would pay .0004487 %, or \$469.50 of the tax budget/levy.

Continuing, Mrs. Rehm noted the bottom of page 3 presented the question of what would happen if the properties were valued at only 50% of their value, rather than at 100%. When that happens, she noted the total town assessment would also be reduced by 50% which ultimately results in the same dollar amount due for the tax payer.

Mrs. Rehm observed that when every assessment was at a uniform percent, there was no net effect on the tax bill since the share remains the same. From the taxpayer's perspective, she said in her opinion, it was much better to use the 100% assessment since you always need to know the 100% value before you can determine what 50% would be.

Mrs. Rehm provided a brief explanation of how a person's tax share may not have changed although the tax bill has increased, depending on the final tax levy (see page 4 of Packet 1).

However, Mrs. Rehm pointed out there were some communities within Warren County who have not changed the assessed values of its properties for the past 20-30 years, although the tax bills have increased due to an increase in the budget (tax levy).

Turning to page 5 of Packet 1, Mrs. Rehm explained she had prepared a comparison of tax assessments on certain parcels in the Town of Bolton in 1976 and 2005. She explained she used the year 1976 since that was the first year after Warren County had completed a countywide re-assessment, prepared by Clemenshaw. She observed the Town tax levy in 1976 of \$249,356 had more than doubled to \$730,000 by 2005.

Mrs. Rehm reminded the Committee members that in the early 1990s the municipalities in Warren County all changed the way they received the sales tax credits. She stated the sales tax credit accounted for a large portion of the increase in the County tax levy. However, she noted the Town of Bolton's total tax levy increased from \$353,909 in 1976 to \$3,726,215 in 2005. However, she also noted the Town's total assessment increased from \$48,418,726 to \$989,750,256 which ultimately reduced each tax parcel's share of the tax levy. She directed attention to the lower portion of page 5 which illustrated what impact the change in tax levy had on the taxpayers in Bolton.

Mrs. Rehm acknowledged the assessments had increased significantly in the Town of Bolton over the past 30 years. However, she said the increase in the Town's total assessment had offset the individual assessment increases and reduced the burden or percentage per thousand of assessed value.

In summary, Mrs. Rehm stated, from her perspective, assessments should not be

blamed for increases in people's tax bills. She emphasized the increases were directly linked to the increased tax levy. She acknowledged that lake front properties have always had higher assessments and higher tax bills. She maintained the lake front properties still carried their proportionate share of the tax assessment and tax bills.

Mrs. Rehm commented Packet 1 basically dealt with intra-effects of assessments on a community. She noted that Packet 2 attempted to explain the inter-effects of assessments on surrounding communities in the County. The chart, she said, was a comparison of the growth within the County over the past 50 years, at 10-year intervals. While the Town of Bolton grew from 6.25% to 15.26% of the total County's assessment, she noted the City of Glens Falls shrank from 39.45% down to 10.10% of the total.

Mrs. Rehm stated pages 2 and 3 of Packet 2 presented the 1995 and 2005 Equalization Charts. She directed attention to the Local and State columns. The State column contains the values the State had determined on our behalf, in an effort to be an objective third-party opinion. The Share column, she said, was the value of a particular Town as compared to the whole County.

Mrs. Rehm commented the total amount to be raised by taxes in 1995 (\$11,938,455.99) had more than doubled by 2005 (to \$23,701,496.33). The point of the comparison, she said, was to demonstrate how the Assessors have done their job of determining the values, and the State has done its job of verifying each Town's total assessment. In addition, she pointed out that sales tax was distributed by the State, according to the value of your Town as compared to the whole County (and was not determined by population or the amount of sales tax generated).

A tall gent in a blue jacket & glasses entered the meeting at 10:15 a.m.

General discussion ensued.

Mrs. Rehm suggested the Committee could invite the State representatives in to explain their process more thoroughly for the Supervisors.

Mr. Caimano said he felt there would always be a certain amount of disparity with regard to property value assessments. Even though math was an absolute science, he acknowledged the values were still an opinion of value. Mrs. Rehm concurred there would always be a negotiated element in her field. She noted that real estate appraisers and Property Assessors always acknowledge there can be a 10% fluctuation (either up or down) in the determined value. In fact, she observed a judge had recently ruled that "close enough was good enough" for a particular tax grievance case.

General discussion ensued.

Mr. Stec commented the Town of Queensbury Assessor, Helen Otte, had just received

an award from the State in recognition of her stellar performance. He extended his appreciation for Mrs. Rehm's thorough explanation of just how assessments work. One concern of his, he noted, was with regards to the Towns that had not performed re-assessments over the past 40 years. He explained that a \$500 error on a \$3,000 assessment 40 years ago would be magnified several times over, both intra- and inter-municipality within the County. He said he felt the dated assessments were in-fact hurting the Towns themselves as well as the County as a whole. Mrs. Rehm explained the re-assessments were strictly a Town's decision. She commented that the State makes its assessment in an attempt to equalize the rates within the County.

Mr. Tessier entered the meeting at 10:25 a.m.

Following a brief discussion, Mr. Belden expressed his appreciation to Mrs. Rehm for the informative presentation.

There being no further business to come before the Committee, upon motion by Mr. Monroe and seconded by Mr. Bentley, Mr. Belden adjourned the meeting at 10:27 a.m.

Respectfully submitted,
Carlene Ramsey, Sr. Legislative Office Specialist