



# A Study of Real Property Tax Assessment Administration in Cattaraugus County

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## 1 Executive Summary

New York State Office of Real Property Services (ORPS) has provided grant money to every county in the State as an incentive to study improvement opportunities for their local real property assessment operations under a Centralized Property Tax Administration Program (CPTAP) funded in 2007. The goal of the program is to have each county review its current system and alternatives to improve the equity, efficiency and transparency of property assessment operations. Cattaraugus County received grant money to proceed with this study in the autumn of 2008 and contracted with *The Bukiewicz Organization (TBO)* for this work in November 2008. The study will be complete with a presentation to the county legislature in March 2009.

The *TBO* approach to this study was to rely heavily on feedback from County stakeholders. We believe that those who live in the County and are involved with the assessing process know best what needs improving and how to go about that. So, much time was spent in conducting interviews, disseminating survey questionnaires and holding discussion groups with County legislators, city mayors, school superintendents, town supervisors, town clerks, village mayors, village clerks, assessors and over one hundred concerned citizens.

That feedback demonstrated that citizen property taxpayers believe that property tax administration is not working as it should, and that it is unfair and inefficient. They would like to see operations improved, and are even willing to invest money to do that. But, they are not optimistic that elected officials have the “political will” to take on this responsibility.

**This study is made possible by a Centralized Property Tax Administration Program (CPTAP) grant available to all New York State counties by the New York State Office of Real Property Services in 2007.**

***“Clearly, improvement of real property administration in the County is not a simple or easy task.”***

For their part, elected officials also were concerned about fairness and transparency of the assessment process, and many appeared willing to invest money; but are split on the best strategies to do that. Assessors generally agreed in the need to bring more uniformity to assessing in the county, but thought that could be done by minor adjustments rather than significant change in the current structure.

Clearly, improvement of real property administration in the County is not a simple or easy task. Complexity in State law and the great diversity within the county make any improvement opportunities challenging. Differences in size, economy, political philosophy and operations between assessing units form a mosaic of a complex community with a variety of needs and resources. Some towns have not completed a reassessment in almost fifty (50) years while others have been doing so annually for the past several years.

Despite State laws and OPRS policies, assessors clearly have a great deal of leeway in how they manage assessments in their jurisdiction. The thirty-four (34) assessing municipalities have different ways of collecting and storing data, reviewing exemptions and valuing property. For example, if you live in one town in the county and have a lot with a stand of timber you could be assessed for that timber. If you live in another town, you would not be assessed for that timber.

***“Any effort to respond to citizen feedback and improve operations needs to include steps toward more uniformity across municipalities.”***

Any effort to respond to citizen feedback and improve operations needs to include steps toward more uniformity across municipalities. This report outlines three (3) possible directions for action -- 1) continued assessing at the individual municipal level, 2) county-wide assessing and 3) creation of groups of municipalities that act as one assessing unit -- along with the costs and benefits for each direction.

Which direction will best bring about the desired process improvements will be up to the public officials in the County. Concern among almost all system stakeholders indicates some action is needed. Elected officials need to understand the



feedback in this study and carefully chart a course of action. Property assessment administration touches so many people in the County, and is so directly related to how local government generates revenue, that it deserves thorough consideration.

We strongly recommend the County create a collaborative strategic planning process to develop a roadmap for change. Leadership must come from the County legislature. Implementation strategies need to come from town officials. Guidance should be sought from property owners and taxpayers. Together these groups can create a property assessment administration process that gives what everyone wants from that system – one that treats every parcel the same way, one that is clear enough for taxpayers to understand and one that gives citizens the greatest benefit for the lowest possible cost.

### *Acknowledgements*

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*The Bukiewicz Organization* wishes to thank all who participated in this study. Many public officials, school administrators, assessors and concerned citizens gave of their time to provide information and insights into this topic. Their efforts will go a long way to improving assessment administration in Cattaraugus County.

Special thanks go to the County's Real Property Tax Services Director, Nancy Barney, and her staff who always responded quickly to requests for information and assessment data. GIS Coordinator, Dan Martonis, was particularly helpful in generating data reports. The Office was always completely open to any of our questions, and staff went out of their way to provide timely responses.

Additional thanks goes to the Western Region Customer Service Delivery Office of the State Office of Real Property Services in Batavia. Their guidance and support made this report better. Particular thanks go to Regional Director Joseph Muscarella, Regional Manager Christine Bannister and Customer Relationship Manager Dennis Fisher.

## 2 Methodology

*“... a great deal of resources were given to gaining the perspectives of those who live and work in Cattaraugus County.”*

The overall intent of this study is to provide public officials with feedback on the status of real property assessment administration in the county and provide options to make that system more understandable and fair for the taxpayer, and efficient in its operations. For this reason, a great deal of resources were given to gain the perspectives of those who live and work in Cattaraugus County. The underlying principle here is that those who live and work in a system know best the problems of that system and the ways to resolve them.

Data collection for this report began with twenty (20) interviews of individuals from key stakeholder groups including county legislators, town supervisors, town assessors, assessing vendors and ORPS regional staff. Those interviews were conducted on site during the week of November 17, 2008. A copy of the schedule of questions used for these interviews is included in this report as [Attachment A](#).

The results of these interviews identified principal areas of focus that were used to create a series of survey questionnaires. The intent here was to broaden input and involve the widest possible number of people in the study. Survey instruments were tailored to four (4) stakeholder groups: elected officials, city and town assessors, school superintendents and concerned citizens. Elected officials included county legislators, city mayors, town supervisors, town clerks, village mayors and village clerks. Concerned citizens were originally identified from a listserv group of people who frequent the County's Real Property Tax Services (RPTS) website. Members were contacted and asked if they wished to participate. Only those who responded positively were sent surveys. Subsequently, a notice of the survey was posted on the RPTS website inviting anyone visiting the site to participate in the survey. This notice generated over one hundred survey responses. The assessor survey was

distributed to each assessing municipality. That means that some assessors who work in multiple towns were asked to complete the survey for their work in each town. This insured input from all areas of the county.

The majority of surveys were delivered electronically via email and the internet. Hard copies were made available to those without email addresses or computer access. Surveys were distributed the week of December 1, 2008 with reminder messages distributed by email the week of December 8, 2008 and the week of December 22, 2008. Survey submission was closed as of February 2, 2009. The 191 surveys distributed resulted in a 49% return rate. Citizen surveys via the website totaled 102. Table 1 below provides a detailed breakdown of survey administration.

**Table 1 Survey Distribution**

<b>GROUP</b>	<b>SENT</b>	<b>RETURNED</b>	<b>% RETURNED</b>
<b>Assessors</b>	38	30	79%
<b>Citizens</b>			
ListServ	21	16	76%
Website		102	
Subtotal		118	
<b>Elected Officials</b>			
Unknown		1	
County Legislature	21	3	14%
Mayors	15	7	47%
Town/Village Clerks	47	13	28%
Town Supervisors	32	12	38%
Subtotal	115	36	31%
<b>School Superintendents</b>	17	12	71%
<b>TOTAL</b>	<b>191</b>	<b>94</b>	<b>49%</b>
<b>TOTAL SURVEYS RETURNED</b>		<b>196</b>	

Copies of each of the four (4) survey questionnaires are included in this report as [Attachments B through E](#).

The survey responses provided a wealth of quantitative data that laid a foundation for understanding the strengths and improvement opportunities of current property assessment operations, and the beginning of suggestions for improvement strategies. To complete the picture, however, another layer of data was needed: a more anecdotal picture of how operations really worked. To gain this perspective, a series of three discussion groups were held the week of December 8, 2008. Groups were scheduled for Machias, Olean, Little Valley and Cattaraugus and for morning, afternoon and evening to make it convenient for everyone in the county to attend one of the sessions. Each group was asked to discuss three (3) open ended questions during the two (2) hour session:

1. *What is working well with real property tax administration in the county right now?*
2. *What is not working as well as it should with real property tax administration in the county right now?*
3. *What suggestions or solutions do you have for improving those things that are not working as well as they should?*

Everyone who was sent a survey instrument was invited to attend the sessions. Unfortunately turnout for these discussions was quite low with only sixteen (16) people attending for all three groups conducted. Two (2) groups were cancelled for lack of signups. The time of year (near the holidays) and particularly difficult winter weather may be, at least in part, responsible for the low turnout. Despite the numbers, a great deal of information flowed from the discussions and is incorporated in this report.

It is important to note that participants in all three (3) phases of our data collection were promised confidentiality. Nothing anyone said has been attributed to a specific person. Survey



information was all distributed by *TBO* and responses returned directly to *TBO* to insure non-attribution. Likewise, notes taken during interviews and discussion groups have been retained by *TBO* and have not been shared with Cattaraugus County. We believe such measures are necessary to give people the freedom to respond openly.

Finally, this study includes a wide array of information gleaned from documents and reports at the state and county level. The County RPTS and ORPS websites proved to be an invaluable primary source of information for much of the material presented in this report.

### 3 A Complex Issue

*“The biggest problem folks have with the property assessment process is understanding it.”*

Concerned citizen survey comment

The sentiment expressed in this quote captures the feeling of a great many of the people we surveyed. This does not come as a surprise. Real property tax administration is a complex and complicated issue made even more so by the intricate laws in New York State and the diversity of issues in Cattaraugus County.

#### 3.1 New York State

New York property tax system is known for its complex, and sometimes confusing, practices. Here are a few reasons why:



- NY is one of three (3) states that does not have a statewide standard for assessing
- Only seven (7) states have more than 500 assessing units NY has 1,128 compared to a national median of 85!
- NY has close to 700 school districts that overlap the 62 counties
- NY is one of only eleven (11) states that does not require reassessment cycles
- 80% of NY's assessing units have fewer than 5,000 parcels

All this leads to a micro-driven system with much duplication but with many variations and process interpretations. It is a challenge for public officials, and even experts at ORPS, to keep current. As an example, our survey asked elected officials if they agreed that county sales tax distribution among the towns is directly related to that town's level of assessment. 51% of those responding agreed, 21% disagreed and 28% were unsure.

### 3.2 Cattaraugus County

State issues are further complicated by the diverse and often conflicting interests of groups and citizens within the County. Cattaraugus County lies within the Southern Tier region of the state. The approximately 83,000 people who inhabit the thirty-two (32) towns, two (2) cities and fourteen (14) villages, do not all share the same level of resources or vision of the future.

- While a great deal of the county is rural, significant growth and development has occurred in the central and southeastern part of the county. Initiatives supported by the developing towns are often resisted by the more rural areas and vice versa.
- The County contains part of the Seneca Nation Reservation which includes a casino and luxury hotel.
- Some towns are actively seeking growth while others resist.
- The County's economy is declining with the median household income 20% below the national average according to the 2000 census.
- While 13.7 % of the county's population is below the poverty line according to the 2000 census, ski resorts and expensive seasonal homes populate some towns.
- County population is declining and aging. As the senior population grows, they will require more services and will likely compete for resources with other age groups. See [Attachment F](#) for a NYS Department of Labor chart of Cattaraugus County population decline from 1990-2000.

This pattern of diversity continues when applied to real property tax administration:

- The last reassessment completed varies in the towns anywhere from 1950 to 2008.
- 80% of the towns have fewer than 2000 parcels. Only the cities of Olean and Salamanca, and the towns of Allegany, Ellicottville, Franklinville, Portville and

Yorkshire have more. See [Attachment G](#) for a parcel count map.

- Levels of assessment in the towns range from 2.3% to 100%. [Attachment H](#) provides a map of assessing levels in the County.

So, what does all this diversity mean? It means that it is extremely difficult to capture the workings of real property tax administration county-wide. Under current operations, what works in one town does not necessarily apply in another. Assessors now have a great deal of leeway in what and how they assess. What is a problem in one area can be a benefit in another. Helping the taxpayer understand the complex state system in such a diverse environment is a daunting task, yet clearly something the public says they need. Any education/information program must be tailored to the needs of a specific area, and be presented in plain and understandable language, not “assessor-speak.”

## 4 Current Assessing Function

### 4.1 Assessing Municipalities

The responsibility of the assessor is not to determine property tax amounts, but to insure that taxes are distributed evenly among property owners. The assessing function in Cattaraugus County is currently carried out at the city and town level. The Village of Gowanda is geographically located in both Cattaraugus and Erie Counties and its assessments are all overseen by Erie County.

Nineteen (19) assessors service a total of 50,864 parcels in thirty-four (34) assessing units in the County (32 towns and 2 cities). Seventeen (17) school districts overlap these municipalities. [Attachment I](#) provides a map of parcels per school district.



The average age of assessors is fifty-eight (58) with the youngest being thirty-one (31) and the oldest eighty-four (84). Despite the older demographic of this group, only 9% of those responding to our survey indicated they plan to retire within the next five (5) years. Only 43% of those responding indicated they are active in the County Assessors Association.

Nine (9) assessors work in more than one (1) town. Two (2) towns (Napoli and Randolph) have three-person elected boards of assessors. The remaining towns and cities have sole appointed assessors. Both city assessors are full time employees and all town assessors are part time. Part time assessors have limited office hours weekly, but find they work longer hours at certain times of the year such as during the exemption renewal period. Two (2) towns, Allegany and Olean, currently contract with the County RPTS for assessing services. The Town of Portville currently employs an acting assessor whose contract was reviewed every six (6) months in 2008 based on a performance contract. That review moved to an annual process in 2009.

***“There is a wide disparity in the frequency of reassessments in the towns and cities. Some towns have not had a reassessment in many years”***

There are currently two (2) Cooperative Assessing Program (CAP) units in the county – the towns of Allegany and Ellicottville constitute one CAP, and Franklinville and Lyndon the other. A CAP is a structure in which two (2) or more towns with similar assessment levels agree to function as one assessing unit thereby saving through economy of scale and providing more consistent services. CAP programs are encouraged by ORPS through subsidies. Both of Cattaraugus County’s CAPs were created under such an ORPS incentive, but appear to lack the full range of attributes and advantages of a true CAP<sup>1</sup>. Other than these two (2) CAP programs, there is almost no formal collaboration between towns around property assessment. Assessors tend to operate independently using their own interpretation of the law. Some towns, for instance, assess timber while others do not. Swimming pools are assessed differently in several towns. Most municipalities use the State’s Real Property Software (RPS v4) provided by the County RPTS via a CITRIX database, but four (4) do not (Ashford, Great Valley, East Otto and Otto).

Limited informal collaboration does exist among assessors via the Cattaraugus County Assessors Association. This group meets monthly to share issues and attempt to coordinate services. But, attendance has been quite low over the past few years. Several assessors responding to our survey suggested a need for improved county assessor meetings.

The total of budgets for assessing municipalities in the county for 2009 is \$874,349. A breakdown by assessing unit is included as [Attachment I](#).

There is a wide disparity in the frequency of reassessments in the towns and cities. Some have not had a reassessment in many years:

- Towns of Freedom and Great Valley since the 1950s
- City of Salamanca and Town of Yorkshire since the 1970s

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<sup>1</sup> See pp. 40-41 for details

Not surprisingly, those towns also have a low level of assessment with the Town of Great Valley having the lowest at 2.3%. A low level of assessment reflected in municipalities that have not reassessed in several years is often a strong indicator that some property is under assessed and some is over assessed. Other municipalities have taken a step to reassess property after several years. The City of Olean just completed a reassessment, and the Town of Ischua plans a 2010 project. Yet other towns such as Ellicottville and Allegany have kept up annual reassessments for the past few years. Naturally, these towns have assessment levels at or near 100%.

### **4.2 County Office of Real Property Tax Services**

The County's Office of Real Property Tax Services (RPTS) is located in the county office building in Little Valley. The primary functions of the office are in line with other counties in the state and include maintaining county tax maps, producing assessment rolls and tax bills, providing a county-wide data base and website, producing assessment notices and providing technical assistance to assessors.

The office is composed of a Director, and five (5) other staff including a GIS coordinator who is responsible for GIS services in every County department as well as the RPTS website. Another staff member provides assessment services to two (2) under contract. Three (3) staff members are qualified assessors and also function as such in eight (8) towns in the county. The total 2009 budget for the Office is \$315, 767.

The RPTS Office is widely respected for its first-of-a-kind and state-of-the art website supported by CITRIX, GIS and Virtual Database software. ORPS considers this information technology system a model for other counties. The technology allows anyone to access the website to gain real time information on any parcel in the county (with the exception of the four (4) towns not now using RPS v4 on the CITRIX system). A centralized database is the foundation on which this technology is built. While some assessors are concerned

***"The RPTS Office is widely respected for its first-of-a-kind and state-of-the art website supported by CITRIX, GIS and Virtual Database software.."***

about minor technical difficulties using the database, it clearly represents a significant step forward in achieving equity, efficiency, and transparency. By comparison, neighboring Erie County currently has twenty-seven (27) separate RPS databases.

The County RPTS also provides direct assessing services for towns under contract. Currently there are two (2) towns under contract for this service – Allegany and Olean. In prior years there were additional towns utilizing this service, but they terminated contracts when the County raised the contract rate now set at \$16.99 per parcel. During the course of this study, several people raised dissatisfaction with this rate as being too high. The rate, set by the county legislature in May 2008, is based on a formula that includes payment for a full time assessor and for approximately 30% of a support staff person.<sup>2</sup> Both towns currently under contract think this is a lot to pay to have an assessor there for only a few hours each week.

During the course of this study, several assessors had suggestions of additional services the Office could offer them:

*"It would be beneficial to all assessors if the county had a valuation unit, or contracted with one smaller company."*

*"They do a great job now. We could use a valuation dept staffed by a certified appraiser so that updates could be completed locally and more timely."*

*"...A valuation dept staffed with an appraiser who has in-depth knowledge of the rural area."*

*"I feel a County Appraiser might help and also help keep values across the County more uniform."*

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The County would do well to take these recommendations under advisement as it plans a future for real property administration.

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<sup>2</sup> Formula is based on the salary plus benefits of a County RPTS Office assessor plus 30% of salary and benefits of a support staff person (to cover the assessor's responsibilities while out of the office) along with all mileage, postage and training costs. That total is divided into 5,000 (State guideline for the number of parcels one assessor can successfully manage). This calculation changes each year as salaries increase.



## 5 What We Learned

Following are the major findings gleaned from the interviews, surveys and discussion groups held in November and December 2008. They represent direct feedback from the identified stakeholder group without interpretation. Complete response summaries for all surveys are included in the report as [Attachments K through N](#).

### 5.1 Citizen Input

#### *Regarding public officials ...*

- 70% thought the wide variation in the way property is assessed among towns represents a basic unfairness to taxpayers
- 86% of survey respondents said that fair and equitable property assessments should be a priority for their elected officials
- 79% said their elected officials should be concerned about the wide disparity in levels of assessment
- Only 15% thought the county legislature is open to making changes in the assessment administration process

#### *Regarding current operations ...*

- 73% said property assessment administration could be made more efficient
- 57% believe there are towns in the county that intentionally keep their assessment levels down
- 51% said there is a wide disparity in skill level among assessors in the county
- Only 19% are satisfied with their current level of assessment
- Only 15% said property assessment in their town is working fine and does not need to be changed
- Only 22% thought their assessor(s) do good work



### **Regarding action strategies ...**

- 52% would consider money spent to improve property assessment administration in the county a wise investment
- Two thirds support the idea of towns coming together to share resources (CAPs)
- 48% support a move to county-wide assessing
- 53% support the goal of assessment levels at 100% in all towns and cities
- 60% would like to learn more about property assessing in Cattaraugus County

### **Citizen Comments**

The following comments taken directly from survey responses represent the general thinking of respondents.

*"I think one of the biggest problems folks have with the property assessment process is understanding it. When one calls an assessor to try to get an understanding usually both parties get frustrated just on trying to explain and understand the process."*

*"There are so many variables between the Towns in the county we could sit here all day discussing them. Assessments in Cattaraugus county should be done on the county level because of the total lack of experience and spending on the town levels. Meetings should be held in all parts of the county to get a true picture of home owners feelings and explain to the taxpayers the differences between all municipalities and school districts."*

*"Another issue is accuracy of the assessment - I discovered and confronted the assessor and her assistant with mistakes in my assessment numerous times. Many Thanks to the Cattco.org website Parcel Viewer to keep tabs on our current assessments to catch the mistakes."*

*"In most towns, the assessors are greatly overworked and underpaid. They often have to rely on outside appraisal firms, that have their own set of problems. Local assessors feel unable to make assessment changes, even though they agree an assessment is too high or too low. Local assessors do not lower assessments unless a property assessment is challenged. They are under pressures to keep the total assessment up."*

*"I would like to know the process of how an assessment is determined."*

*" please befare to the tax payers. It's hard to a make living today"*

*"The entire system is broken. The way New York state requires the county's and states to assess property is broken. Even though property values are going down, assessments and tax rates won't be allowed to go down."*

*"I think the whole tax setup is unfair to people that have to live in catt county."*

*"Please continue this discussion."*

## **5.2 Elected Officials**

This stakeholder group is made up of county legislators, city mayors, town supervisors, town clerks, village mayors and village clerks. The group had the lowest response rate for our survey at 31%. It should be noted that some county legislators expressed the opinion that assessing is strictly a town function and that there is little the county can, or should, do to change operations.

Here's what this group as a whole said:

### ***Regarding public officials ...***

- 94% of the respondents said equitable property assessments are a priority for them
- 75% say they are concerned about the wide disparity in levels of assessment in the county
- Only 26% believe the county legislature is open to making changes in the assessment administration process (15% among citizens)
- 72% say the wide variation in levels of assessment among towns represents a basic unfairness to taxpayers (70% among citizens)

### ***Regarding current operations ...***

- 80% said property assessment administration could be made more efficient in the County
- 78% thought lack of knowledge is the primary reason the public resists revaluations
- Only 31% are satisfied with the current level of assessment in their municipality(s) (19% among citizens)
- 56% thought the current rate per parcel for county assessing services is too high, and only 23 % of town

officials said they would consider contracting with the county for assessment services

- 83% said their assessor does good work (22% among citizens)
- 45% thought there are towns in the county that intentionally want to keep their level of assessment down
- Only 29% believe their constituents understand the difference between assessment and tax rate

### **Regarding action strategies ...**

- 56% support a structure where towns come together to share assessing resources (CAPs) (66% among citizens)
- Only 23% support county-wide assessing with a centralized county office
- Only 18% thought a statewide "cycle bill" would make revaluations more efficient while 45% did not know
- 83% also said they would support a goal of 100% assessment levels in every town (53% among citizens)
- 45% say assessment administration would improve by grouping towns and sharing resources by school district
- 69% said a college curriculum would be a good way to bring younger people into the assessing field
- 58% would consider money spent to improve property assessment administration in the county a wise investment (52% among citizens)
- 40% of respondents favor keeping assessment at the individual municipal level, 32% favor CAPs and 24% would like to see county-wide assessing

### **Elected Officials Comments**

The following comments taken directly from survey responses represent the general thinking of respondents.

*"I would prefer to keep assessing at the local (town) level, but it would be helpful if funding was available."*

*"Fair assessments are certainly desirable - However, in this era of financial difficulties such concern is taking a lower position on the priority list. Any effort to improve the "system" MUST be accompanied with lower administrative costs."*

*"Get rid of town assessors, have county assessors assigned to cover towns and work under a performance contract with the town, have performance bonuses to create the right behavior, maintain 100% assessments ..."*

*"I think the towns share on their own is better than the county creating the groupings."*

*"Ignorance is the biggest problem in assessing today. Not only do the people not understand the process, but the majority of elected officials do not understand it either. The people want to remain ignorant and the elected officials change too often to get a good handle on it."*

*"... went through a reval as a town councilman and it was well worth the process."*

*"I also think that in order to keep towns at 100% revals should be done with assistance from the county and the state such as doing a 1/4 of the town per year and in the 4th year the whole town, it would be more cost effective for cooperation between town, county and state than an outsider who doesn't know the area they are working in."*

*"I realize there is a great disparity in the county when it comes to property assessments. But, the responsibility cannot be taken away from the individual towns. The individual rights of the towns are at stake."*

### 5.3 Assessors

#### **Regarding assessors ...**

- 60% are concerned about the wide disparity in levels of assessment in the county (elected officials 75% and citizens 79%)
- 63% think they get the support they need from their board/council
- 26% did not think assessment equity is an important issue for their supervisor/mayor
- One third of the assessors did not see their fellow assessors as a good source of support and information
- 43% described themselves as active in the County Assessors Association while 39% said they were not
- Only 6% believe the county legislature is open to making changes in the assessment administration process (elected officials 26% and citizens 15%)

### *Regarding current operations ...*

- Only 49% are satisfied with the current level of assessment in their municipality (elected officials 31% and citizens 19%)
- 59% thought the County RPTS website is an important tool necessary for them to do their job
- 63% say property assessment administration could be more efficient in Cattaraugus County (elected officials 80% and citizens 73%)
- Only 26% believe most in their municipality understand the difference between assessment and tax rate (elected officials 29%)
- 73% say there is a wide disparity in skill level among assessors in the county (elected officials 51%)
- Only 39% say their Board of Assessment Review makes their job easier
- 49% did not think ORPS “systematic analysis” is a good tool for towns with limited sales. Only 16% felt it was useful
- 70% said the exemption process needs to be streamlined
- 70% believe lack of knowledge is the primary reason the public resists revaluations (elected officials 78%)

### *Regarding action strategies ...*

- 70% believe the exemption process needs to be streamlined
- 53% say a statewide “cycle bill” would make revaluations more efficient (elected officials 18%)
- 49% thought a college curriculum would be a good way to bring younger people into the field (elected officials 69%)
- 53% favor keeping assessment at the individual municipal level (elected officials 40%) while 20% favored CAPs (elected officials 32%) and 20% wish to move to county-wide assessing (elected officials 24%)

### **Assessor Comments**

The following comments taken directly from survey responses represent the general thinking of respondents.

*"Local assessors have the opportunity to build strong communication with taxpayers - an important step in helping taxpayers feel they are being treated fairly & equitably. Looking forward, it will be important to foster avenues (both formal and informal) whereby multiple towns can work together to hire quality individuals - that could not be hired by a single town."*

*"For the state, their motto is 'if it doesn't make sense, let's do it.' The local assessment system doesn't have to be scrapped and go towards county assessing, that's just a bigger political mess. Local assessing can work - but fails in many municipalities. There are more than enough real property tax laws to ensure the job gets done, but there is no one to enforce them. Thus, inefficiency abounds. Get rid of elected assessors for starters. Have audits by the comptroller for proper exemption administration ..."*

*"County wide assessing may provide more uniform assessment practices and produce a more consistent product county-wide, provided it can be accomplished without losing the ability of taxpayers to locally access their representative. I don't see that it will be less costly, however, based on the current rates charged by the County for assessment services."*

*"Have improved county assessor mtgs"*

*"I am not concerned with the level of assessment of towns, I am concerned with the Equity of the assessments."*

## **5.4 School Superintendents**

### **Regarding public officials ...**

- 80% said fair and equitable assessments are a priority for their school district (elected officials 94% and citizens 86%)
- 70% believe the wide disparity in levels of assessment in the county negatively effects school taxes
- 70% say the wide variation in levels of assessment among the towns represents a basic unfairness to the taxpayer (elected officials 72% and citizens 70%)
- Only 20% believe the county legislature is open to making changes in the assessment administration process (elected officials 26%, citizens 15% and assessors 6%)

### *Regarding current operations ...*

- 50% said property assessment could be made more efficient in Cattaraugus County (elected officials 80%, citizens 73% and assessors 63%)
- 70% believe lack of knowledge is the primary reason the public resists revaluations (elected officials 78% and assessors 70%)
- Only 10% are satisfied with the current level of assessment in their municipalities (elected officials 31%, citizens 19% and assessors 49%)
- Only 20% believe taxpayers in their school district understand the difference between assessment and tax rate (elected officials 29% and assessors 26%)

### *Regarding action strategies ...*

- 60% support a structure where towns come together to share assessing resources (CAPs) (elected officials 56% and citizens 66%)
- 60% support a move to county-wide assessing with a centralized county office (elected officials 23% and citizens 48%)
- 80% say assessment levels of 100% in every town and city in the county is a goal they could support (elected officials 83% and citizens 53%)
- 60% say assessment administration would improve by grouping towns and sharing resources by school district
- 70% would consider money spent to improve property tax administration in the county a wise investment (elected officials 58% and citizens 52%)
- Half of the school superintendents thought a statewide “cycle bill” would make revaluations more efficient (elected officials 18% and assessors 53%)
- 20% favor keeping assessment administration at the municipal level (elected officials 40%, assessors 53%) while 10% favor creating CAPs (elected officials 32%, assessors 20%) and 50% would like to move to county-wide assessing (elected officials 24% and assessors 20%)



### ***School Superintendent Comments***

The following comment taken directly from survey responses represent the general thinking of respondents.

*"I think County-wide in the end will be best but you may have to take an intermediate step to make it happen. It is further complicated because towns are often divided up into several different school districts which complicates things even more. The system that we currently have now is flawed so change is needed."*

## **5.5 Conclusions**

So, what does all this data tell us? Our understanding of what people are saying leads us to conclude the following.

Clearly, the one hundred plus citizens who participated in this study feel that property tax administration is not working as it should: that it is unfair and inefficient. They would like to see operations improved and even are willing to invest money to do that. At the same time they are not optimistic about the county's elected officials taking on that responsibility. They also do not have a lot of confidence in their assessors, and appear to lean toward county-wide assessing. There remains an overriding fear that a revaluation will result in increased taxes. Most people admit they do not understand the whole process and would like to learn more about it.

Elected officials too appear to be concerned about fairness and transparency in property tax administration, but also do not have a lot of confidence that their colleagues will move to make any significant changes. They appear willing to invest money for improvement but to be split on the best structure to do that. This keeps them from moving forward.

Assessors favor the status quo pointing out that any changes in structure could negatively impact the local service they can now deliver. They, like the other groups, are concerned about the disparity in levels of assessment and assessor skills across the county but feel those issues need to be handled within the current structure with more coordination and accountability.

## **6 Assessment Process**

A basic knowledge of the assessment process will help the reader better understand the options available for making Cattaraugus County's property assessment process more equitable, efficient and transparent.

### **6.1 "Inventory" Database**

One of the assessor's prime responsibilities is the maintenance of a database of all properties in the municipality. This database is often referred to by assessors as their "inventory."

The information that must be included in this database is specified by ORPS, and it is this data that assessors use for assessment decisions.

***"Cattaraugus County's, RPTS Office is one of the first in New York State to create a county-wide centralized CITRIX database for use by all assessors."***

Cattaraugus County's, RPTS Office is one of the first in New York State to create a county-wide centralized CITRIX database for use by all assessors. Assessors input data using the most recent version of the State Real Property System (RPS) software. RPS software is produced and maintained by ORPS, and is used by the majority of assessors in the State. The database is accessed via the internet and the information is then available to the public, in real time, on the RPTS website. Real time access of the information is currently only available for twenty-eight (28) of the thirty-two (32) towns since assessors in four (4) towns (Ashford, East Otto, Great Valley and Otto) have chosen not to store their database in the CITRIX system but, instead, retain their data on their own computers using different software. These towns submit updates on CDs three (3) times each year to the county Information Technology Office (IT) which then manually adds the data to the central database. County IT and RPTS staff spends several days each year completing these cumbersome and time consuming conversions.

Inventory updates depend greatly on inter-agency collaboration and communication. Local assessors receive notification from the county clerk via the RPTS Office when

property is transferred and, theoretically, monthly from building inspectors when there are property improvements. The RPTS CITRIX database actually allows Building Code Enforcers to enter their data directly making updates easier and timelier for the assessor to value improvements. But, this is a hit-and-miss proposition in many towns in the County as it is across the state. When assessors receive this information, they should visit the parcel to verify information. Again, this is not always done properly or promptly, especially during periods of the year when assessors are busy processing annual exemption requests.

For all these reasons, it is not uncommon for the database to become outdated. The generally accepted practice is that a database that has not been made current in five (5) years is considered outdated and in need of an update. An outdated inventory can diminish a municipality's tax base. A complete and current inventory affords the taxing jurisdiction a broader tax base on which to spread taxes, and assures equity in the distribution of the real property tax. It is often the case that new inventory not added over the years are found and assessed during subsequent reassessments thereby increasing tax revenue.



### 6.2 Valuation

The revaluation process uses the up-to-date inventory information, especially sales information, to periodically set a new assessment amount for each parcel in the municipality. There is no State requirement for the frequency of revaluations just as there is no requirement that all assessments be at full market value (or 100%). But ORPS encourages regular one (1) or three (3) year revaluation cycles and offers state aid to municipalities for maintaining equitable assessment rolls. ORPS believes that regular revaluations will better help keep inventory current and keep assessments at full market value and, thus, insure a consistent level of fairness for property owners.

### **6.2.1 Level of Assessment**

There are a couple of metrics used by ORPS to measure this level of fairness. The first of these is known as Level of Assessment (LOA) expressed as a percentage. This statistic indicates how close the municipality's overall assessments are to the full market valuation. A 100% LOA indicates property is valued at full market value. A 5% LOA indicates that property is valued at only 5% of its full market value. Again, New York State does not require a municipality to assess at any particular level of assessment. Although ORPS encourages full market valuation through its state aid funding, a municipality can choose to value at 100%, or at 75% or even lower. Tax levies will be adjusted accordingly.

The problem with Cattaraugus County, and many other counties in the State, is that a municipality's LOA tends to be below 100% not because they choose to have it that way, but because the inventory and last assessment is outdated. An LOA that falls in this category is an indicator of system inequity.

While the LOA does provide valuable information, its major shortcoming is that there is only one rate per assessing unit. If values are not equitable within a municipality, the single LOA cannot be really indicative of the proportion of assessments to market value. That is why the LOA percentage is best viewed in conjunction with other equity statistics.

### **6.2.2 Coefficient of Dispersion**

A second measure used by ORPS is the Coefficient of Dispersion (COD). This statistic is a common measure of uniformity and, in this case, identifies the variation that exists between assessed value and market value. The assessments in any municipality will have a range of exactitude, and that can be measured. The lower the COD, the more assessments are uniformly related to market value, and the more fairly property owners are treated. For example, a parcel assessed at \$100,000 that has a COD of 15 could have an actual value of

***“A revaluation process can be expensive, and available state aid does not come close to offsetting that cost.”***

anywhere from \$85,000 (15% low) to \$115,000 (15% high). That same parcel with a COD of 35 could have an actual value of anywhere from \$65,000 (35% low) to \$135,000 (35% high). As the COD goes up, the degree of dispersion increases.

A residential property COD of up to 15 is generally considered acceptable by ORPS. Anything above that would tend to be an indicator of inequity. That means that it is quite likely that some property is overvalued and owners are paying too much in property taxes and some are undervalued and paying too little. As with the LOA, this situation deteriorates the longer the period between revaluations. As Table 2 below indicates, sixteen (16) County municipalities have a COD over 15 with ten (10) having CODs over 20 and two (2) over 30.

### **6.3 Revaluation**

A revaluation process can be expensive, and the available state aid usually does not come close to offsetting that cost. Additionally, that state aid is not available prospectively, but only after the successful completion of a reassessment project. There are no municipalities in the County that have the resources to conduct a revaluation on their own with current staff and resources. Private firms that do this work in Western New York generally charge \$15 to \$20 per parcel for revaluation services if the database is current and accurate. When the inventory database is outdated and needs to also be made current, the cost can range from \$50 to \$65 per parcel.

Many of the more rural towns in the County say they simply cannot afford a revaluation particularly when that cost is laid against other priorities such as replacing outdated highway equipment. This is likely a valid argument for small and rural towns. Yet, the property owners are the ones who then bear the inequity that increases year after year as reassessments are not completed. As a way of better promoting policy, ORPS may want to reconsider its financial support guidelines to provide at least part of its payment per parcel up front as

## Cattaraugus County Real Property Tax Assessment Administration

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starter funds for revaluations in small rural towns with small budgets.

Table 2 below identifies the last revaluation year, level of assessment and coefficient of dispersion for the assessing municipalities in Cattaraugus County.

**Table 2 Cattaraugus County Reassessment Statistics**

MUNICIPALITY	LAST REVAL	NEXT PLANNED	LOA <sup>3</sup>	COD
City of:				
Olean	1963	2009	7.95%	20.11 <sup>(1)</sup>
Salamanca	1970		20%	26.07 <sup>(1)</sup>
Town of:				
Allegany	2008	Annual	100%	5.60 <sup>(1)</sup>
Ashford	2001		67%	17.06 <sup>(1)</sup>
Carrollton	2004	2009	83%	
Coldspring	2000		81%	13.41 <sup>(3)</sup>
Conewango	1999		70%	23.53 <sup>(2)</sup>
Dayton	2003		83%	14.46 <sup>(1)</sup>
East Otto	2002		77%	13.48 <sup>(3)</sup>
Ellicottville	2008	Annual	100%	5.60 <sup>(1)</sup>
Farmersville	2008	Annual	100%	2.14 <sup>(1)</sup>
Franklinville	1997		81%	17.50 <sup>(1)</sup>
Freedom	1950s		5.31%	13.48 <sup>(3)</sup>
Great Valley	1950s		2.32%	26.98 <sup>(3)</sup>
Hinsdale	2008	Annual	100%	10.31 <sup>(1)</sup>
Humphrey	1999	2010	47%	32.91 <sup>(3)</sup>
Ischua	1950s	2010	9%	39.14 <sup>(3)</sup>
Leon	1998		66%	27.30 <sup>(2)</sup>
Little Valley	2002		76%	13.81 <sup>(2)</sup>

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<sup>3</sup> LOA & COD numbers are based on 2008 statistics provided by ORPS. COD statistics for residential properties are based on either Sales<sup>(1)</sup>, CAMA Modeling<sup>(2)</sup> if sales information is not available, or 2007 numbers<sup>(3)</sup> if 2008 data is not available. There is no COD information available for the Towns of Carrollton (because of an ongoing reassessment project and the lack of historical equity statistics) and Red House.

## Cattaraugus County Real Property Tax Assessment Administration

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MUNICIPALITY	LAST REVAL	NEXT PLANNED	LOA <sup>3</sup>	COD
Lyndon	1999		81%	17.50 <sup>(1)</sup>
Machias	2001	2010	73%	22.99 <sup>(1)</sup>
Mansfield	2008	Annual	100%	14.89 <sup>(1)</sup>
Napoli	2000		68%	23.13 <sup>(2)</sup>
New Albion	2001		80%	14.20 <sup>(1)</sup>
Olean	1996		80%	14.28 <sup>(1)</sup>
Otto	2003		79%	19.96 <sup>(2)</sup>
Perrysburg	2002		77%	13.18 <sup>(1)</sup>
Persia	2000		80%	15.93 <sup>(1)</sup>
Portville	2007		98%	5.76 <sup>(1)</sup>
Randolph	2005		97%	13.12 <sup>(1)</sup>
Red House	2008	Annual	100%	
Salamanca	2008	Annual	100%	15.01 <sup>(2)</sup>
South Valley	2004		88%	28.11 <sup>(3)</sup>
Yorkshire	1972		19.5%	16.28 <sup>(1)</sup>

The data in this table would certainly validate the concern people have expressed in this study about the wide disparity in levels of assessment in the county (citizens 79%, elected officials 75%, school superintendents 70% and assessors 60%).

## 7 Action Strategies

Cattaraugus County public officials should consider carefully the feedback that their colleagues, school superintendents, assessors and, perhaps most importantly, County citizens have provided in this study. Remember:



- 86% of citizen respondents said that equitable property assessments should be a priority for elected officials
- 79% said elected officials should be concerned about the wide disparity in levels of assessment
- 70% thought the wide variation in the way property is assessed among towns represents a basic unfairness to taxpayers

It is often the case that merely asking others' opinions and ideas raises their expectations that action will follow: "They wouldn't be asking me about this if they did not intend to do something."

The worst possible outcome of this study would be to accept it, put it on the shelf, and pay it little attention. While there are certainly many pressing issues requiring the attention of elected officials today with a downward spiraling economy, budget cutbacks at every level of government and a general lack of trust in government effectiveness; property taxes and the fair administration of that process deserve close attention. Regular and up-to-date assessments help insure the County and its towns are reaping the full measure of taxes owed. For the property owner and taxpayer those assessments mean that they are paying their fair share and no more.

Any response to the concerns raised by this study will likely lead toward action in one of three (3) directions:



1. **Continue assessing at the individual municipal level**  
(supported by 40% of the elected officials surveyed, 20% of school superintendents and 53% of assessors)
2. **Move to county-wide assessing (supported by 24% of the elected officials surveyed, 50% of school superintendents and 20% of assessors)**
3. **Creation of additional groupings of towns to act as one assessing unit and share assessing resources (CAPs) (supported by 32% of elected officials, 10% of school superintendents and 20% of assessors)**

None of the three directions represents a perfect solution to improving property tax administration in Cattaraugus County. As is often the case, each has its benefits and costs. The following sections will look at each option to help identify those benefits and costs.

### **7.1 Continue Assessing at the Individual Municipal Level**

Make no mistake, this option does not mean leaving things as they currently exist without any changes. While this is probably the direction requiring the least amount of systemic change, it certainly requires improvements over current operations. Clearly, there are issues to be resolved if municipalities are to retain their assessment administration independence. Those issues include:

- ✓ *More uniformity in assessing structures would suggest all municipalities move to a sole appointed assessor*
- ✓ *Use of the County's centralized CITRIX database by all assessors to insure all county residents have access to real time data via the RPTS website*
- ✓ *Strengthening of the County Assessors Association (many assessors said getting more of their colleagues involved in the Association would promote more standardized assessing practices)*
- ✓ *More specialized County support in areas such as valuation and complex appraisals*
- ✓ *Some form of review and oversight of standardized assessing practices*

- ✓ *Establishment of performance standards for all assessors in the county*
- ✓ *Encouragement of towns that have not conducted revaluations in several years to do so*

#### **Benefits of This Approach**

- Continues town autonomy over the assessing function
- Demonstrates county legislature influence on a strategic direction leaving operational details to local municipalities
- Requires the least amount of structural change of any of the three (3) options

#### **Costs of This Approach**

- Will leave citizens believing their concerns were not fully addressed
- Does not insure equity for all taxpayers across the county
- Will result in large swings in county and school apportionments
- County would likely need to increase RPTS staff to include support expertise to the towns for complex appraisals
- County may have to spend additional money to supplement the small rural towns that cannot afford a reassessment beyond what ORPS provides. There currently are twenty-one (21) of the thirty-two (32) towns and one of the cities who's last revaluation was over five years ago and have not planned for one in 2009 or 2010. Most of those towns believe they cannot afford a revaluation in the near future.

**Table 3 Reassessments Over 5 Years Old**

MUNICIPALITY	LAST REVAL
City of:	
Salamanca	1970
Towns of:	
Ashford	2001
Coldspring	2000

<b>MUNICIPALITY</b>	<b>LAST REVAL</b>
Conewango	1999
Dayton	2003
East Otto	2002
Franklinville	1997
Freedom	1950s
Great Valley	1950s
Leon	1998
Little Valley	2002
Lyndon	1999
Napoli	2000
New Albion	2001
Olean	1996
Otto	2003
Perrysburg	2002
Persia	2000
Portville	2007
Randolph	2005
South Valley	2004
Yorkshire	1972

One mechanism that could help with this situation would be to establish a county loan program. A town is able to request money from the County legislature to fund a reassessment. The County could then breakdown the extended funds over a period of time (three (3) years for example) by creating a debit representing one-third of the funds disbursed against the town at T&C tax time which would increase the town rate per thousand. This program would be available to any town in the County.

A hybrid of this approach would have the County RPTS Office contract with additional municipalities for assessment services. That Office currently provides those services in two (2) towns – Allegany and Olean at the rate of \$16.99 per parcel. Contracting with additional towns would also provide more uniformity and therefore more equity for taxpayers. This option is not very likely, however, under the current County rate. Several towns already have terminated contracts because they believe the County rate is too high. The two (2) towns under current contract also are complaining about the high rate. Of the elected town officials responding to our survey, only 23% said they would consider contracting for the County for assessment services. The cost of moving in this direction would likely be for the county to reduce its chargeback rate or reconfigure contract arrangements.

## **7.2 County-wide Assessing**

This strategy takes the county in an almost opposite direction from the first approach. It represents the most dramatic change the county could make in property assessment administration. The approach would have the County RPTS office become the single assessing unit for the entire County. The Director would become the County Assessor and would have staff to carry out valuation and assessment administration functions in the cities and towns. It would remove the responsibility for property assessment from the local municipalities and make it a county function.

This path would be a challenging route to take. There are only two (2) other counties in the State that have county-wide assessing – Nassau County (where county assessing is mandated by law) and Tompkins County that switched to this structure in 1970. Although there have been several referenda attempts in counties since 1991, no other county has opted to go in this direction since then. Fulton County voters defeated this issue in a referendum as recently as 2005. It should be

noted, however, that Chautauqua County is now seriously exploring this option as a possible cost-cutting move.

### *Benefits of This Approach*

- County-wide assessing would standardize all assessing practices and rates for the entire county.
- All county property owners would be assessed in the same way and would be better assured of fairness.
- Property owners would have one-stop-shopping access for all assessment services during work hours every workday instead of the limited hours now available in most municipalities.
- County-wide assessing would promote increased staff specialization resulting in a higher level of expertise
- There are ORPS financial incentives for moving in this direction. The County would receive additional State aid in the amount of \$1 per parcel when county-wide assessing is instituted and \$5 per parcel for all municipalities assessing annually at full market value.
- Based on the current rate of \$16.99 per parcel charged by the County for assessment services, and the 2008 total parcels in the county of 50, 864, the annual cost of ongoing county-wide assessment services would be \$864, 179. That is \$325,937 below the total of \$1,190,116 now spent on property assessment services by county government and the municipalities combined (but \$548,412 above the current County government expenditure of \$315,767 annually on the Office of RPTS). Attachment O details a potential staffing plan for a county-wide assessing configuration. Note the structure relies heavily on eight (8) full time and one (1) half time contract appraisers to minimize overhead costs. Administrative expenses beyond personal services costs would include mileage reimbursement, postage, RPS annual fees and required training.

- If the County were to assume all costs for county-wide assessing, or develop some type of cost sharing mechanism, it would free-up substantial funds for local municipalities.

### *Costs of This Approach*

- State Real Property Tax Law makes this approach very difficult to implement. County-wide assessing must be approved by majority vote in referenda in every town in the County and by two-thirds of the votes cast in the last gubernatorial election in each of the two (2) cities. As previously mentioned, no such referendum has passed in New York State since 1970.



- There would be a potential increase in county operating costs including County Attorney support.
- Limited public accessibility for people in rural areas may require use of satellite offices.
- There would be substantial startup expenses. Every town would need to be brought up to approximately the same LOA for ORPS approval of this structure, and that would cost the county significant dollars for revaluations. As already mentioned, there are twenty-two (22) municipalities in the County in need of a revaluation that have not scheduled one within the next two (2) years. Those municipalities represent about 30,000 parcels. At the conservative rate of \$35<sup>4</sup> per parcel for database update and revaluation services (assuming that some towns will need significant database updates and some will not), and a rate of \$5 per parcel to reassess in the seven (7) towns participating in an annual program, that would be startup expenditure of over one million dollars in addition to the ongoing annual costs

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<sup>4</sup> This rate is calculated based on the average of a \$20/parcel fee for revaluations with “good data,” and \$45/parcel for those requiring database updates.

already mentioned.<sup>5</sup> The final cost after State aid once work was complete would still be close to \$950,000.

Table 4 below provides a more detailed breakdown of potential reassessment startup costs for this approach.

**Table 4 County-wide Reassessment Startup Costs**

MUNICIPALITY	LAST REVAL	PARCELS	REVAL COST
Cities of:			
Olean <sup>6</sup>		6,574	\$32,870.00
Salamanca	1970	2,772	\$97,020.00
Towns of:			
Allegany	2008	3206	\$16,030.00
Ashford	2001	1,490	\$52,150.00
Carrollton		1,169	\$5,845.00
Coldspring	2000	788	\$27,580.00
Conewango	1999	949	\$33,215.00
Dayton	2003	1,234	\$43,190.00
East Otto	2002	1,106	\$38,710.00
Ellicottville	2008	2,829	\$14,145.00
Farmersville	2008	1,010	\$5,050.00
Franklinville	1997	2,037	\$71,295.00
Freedom	1950s	1,362	\$47,670.00
Great Valley	1950s	1,734	\$60,690.00
Hinsdale	2008	1,389	\$6,945.00
Humphrey		751	\$3,755.00
Ischua		753	\$3,765.00
Leon	1998	767	\$26,845.00

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<sup>5</sup> It should be noted that the needs of these municipalities vary widely and that \$35 per parcel is an average estimate reflecting the overall needs of the group.

<sup>6</sup> Highlighted municipalities are all currently assessed at full market value and are in an annual reassessment program. They will require only an annual update. The current rate for that is \$5 per parcel. The City of Olean and towns of Carrollton, Humphrey, Ischua and Machias are included in this group because they plan a reassessment within the next two (2) years and could move into annual reassessing and require updates after that.





- sharing expenses,
- sharing assessors with the hope of creating an assessor career path which would include benefits,
- opening communication between municipalities to share additional services and
- use of a common reassessment vendor to assist in establishing values.

The greatest benefits are derived when municipalities share common levels of resources, economic environments, approaches to assessment administration, and taxpayer needs even if they are not contiguous.

This strategy falls somewhere between the two (2) already discussed. There would not be just one assessing unit in the County, but there also would be less than the current thirty-four (34). There would not be complete County uniformity in assessing practices, but there would be much more than at present.

*“This strategy falls somewhere between those already discussed.”*

### **Benefits of This Approach**

- Significantly reduce the number of assessing units in the County and thereby increase the consistency of assessment administration
- Does not require a referendum vote in every town
- Promotes sharing of services personnel and costs
- Reduces the number of assessors who need to be trained and certified
- State aid in the form of a one-time payment of up to \$7 per parcel is available to each participating assessing unit
- Reduces the number of equalization rates that must be computed by ORPS
- Allows municipalities to choose their own CAP members

### **Costs of This Approach**

- Requires action by the town boards involved
- May require ORPS exceptions to initiate action. Presently, ORPS requires that municipalities who join a



CAP have roughly the same LOA rate. Such a requirement may make logical CAP formations very difficult in Cattaraugus County. ORPS may need to grant an exception as a stimulus to CAP formations by either granting up-front start-up-monies for revaluations (instead of back-end payment) and/or waiving the LOA requirement for a period of twelve (12) to eighteen (18) months to allow municipalities to bring their LOA into conformity.

- County may have to spend additional money to supplement the small rural towns that cannot afford a reassessment beyond what ORPS provides.

To repeat, none of these options presents a perfect solution and they all have costs -- monetary and otherwise. All deserve careful consideration as part of a planning process to give the citizens of Cattaraugus what they are asking for: a property assessment administration process that is fair, efficient and understandable.

### **7.4 How ORPS Can Help**

All three approaches outlined here also could be enhanced by changes at the State level. Following are three (3) such changes.

1. State law mandating revaluations at specified lengths of time would provide significant motivation to keep values current and equitable. The idea of a so-called “cycle bill” has been discussed over recent years with no significant action to this point.
2. Another significant improvement would be for ORPS to “front end” a portion of state aid for reassessment projects so that the cost would not be so burdensome on the smaller rural municipalities. Currently state aid is paid only after the reassessment process is complete.
3. Assessors interviewed say they spend somewhere between 80% and 90% of their daily time on exemption administration. While this work also has an important public relations component, that is valuable time which could and should be used for other purposes. There is a real need to streamline the exemption application and review process statewide.

## 8 The Path to Equity, Efficiency and Transparency

It is our sincere hope at *TBO* that this study will spur public officials to action. The report has outlined three (3) general directions Cattaraugus County can go to improve the fairness, efficiency and transparency of its real property assessment operations. Each of these directions has its own paths or options for different approaches within that direction. This means that any decision for action must be carefully considered and mindful of the long term. Property assessment administration touches so many people in the County and is so important to the funding stream for government functions, that it must be thought about in strategic rather than just tactical terms. Quick fixes or short term “band aid” solutions will not work here. Any additional funds expended must be justified as investments and not just expenditures.

For all these reasons, it is the one recommendation of this study that Cattaraugus County develop a strategic plan for the future of real property assessment administration. Authors of that plan should carefully consider the information in this report to identify a clear mission and vision (direction) for assessment operations in the county. The plan also should contain a series of county-wide goals to reach that mission and vision, and supporting objectives for the towns to implement those goals. Because of the great diversity that exists in the County, it would be wise to consider establishing short, medium and long term goals to demonstrate success and responsiveness.

Here are some examples of goals in each category. *Note that these are offered only as examples and not recommendations.*

### **Short Term**

- All assessors in the county are sole appointed assessors
- All Boards of Assessors are appointed rather than elected

### **Medium Term**

- All assessing units store their data on the centralized county database
- Create two (2) additional CAPs

### **Long Term**

- Creation of several clusters of towns acting as one assessing unit
- Employ county valuation/appraisal personnel
- Move to county-wide assessing



Given the feedback from public officials and the citizenry, work on such a strategic plan should begin immediately. Strategic planning is a process that many consider a long, drawn-out and complicated endeavor. But it does not, and should not, be that way. A careful and considered strategic plan for the future of real property administration in the County involving all key stakeholders can, and should, be developed in 6-8 months.

As is often the case, the first step in this direction can often be the most important. While some county legislators believe property assessment is strictly a town issue, it is clear that fairness and transparency are issues to consider for all county property owners and not just some in some municipalities. This leads to the conclusion that the County legislature and town supervisors need to work together to move things forward.

An ideal start would be a half-day workshop of County legislators and town supervisors to create a framework for an

assessing administration strategic plan -- a vision that articulates the desired direction for the entire county. That workshop also could begin to establish consensus on goals to move the vision forward. Such a session should occur within the next 60-90 days to insure momentum. As already mentioned, a worst case scenario would be to ignore the feedback from stakeholders participating in this study and let it sit on a shelf somewhere. Movement within the next quarter would be a major step toward insuring that does not happen.

***“We are willing to design, facilitate and summarize the results of a half-day on-site workshop ... without charging our usual fee.”***

TBO believes this initial next step is so important that we are willing to offer to facilitate such a workshop pro-bono if that would help expedite the process. We are willing to design, facilitate and summarize the results of a half-day on-site workshop upon request without charging our usual fee.

Such a workshop, however, would only be the beginning of a planning process. The products of this session should next be turned over to the County legislature’s Strategic Planning Committee for further action. That committee could form a study group of key stakeholders in the property assessment arena (including concerned citizens) to advance the plan into a more detailed action planning process. The study group would then report back to the committee and be responsible for overseeing assigned responsibilities for action. The County RPTS Office could act as staff to the study group and the legislative committee on this topic. This process would maximize the involvement of stakeholders, and would likely produce the most creative solutions toward improvement.