

# **Collaborative Property Tax Administration in Albany County**

A Review of Assessment and  
Tax Collection Options

**March, 2009**

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Tax Collection Options

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Prepared for:  
**Albany County**

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# Collaborative Property Tax Administration in Albany County

## A Review of Assessment and Tax Collection Options

March, 2009

### EXECUTIVE SUMMARY

In the fall of 2007, the State Office of Real Property Services (ORPS) established the Centralized Property Tax Administration Program (CPTAP) to encourage county and local municipal officials to study reform opportunities for their local property tax systems. The CPTAP program awarded counties two separate grants: one to study *property assessment practices* and another to examine *tax collection processes*. Albany County was awarded both grants.

Recognizing the natural connection and synergy between assessment and tax collection, Albany County combined its grant studies into a single effort. After a formal request-for-proposal process, the County engaged the Center for Governmental Research (CGR Inc.) to complete its CPTAP study.

The review completed by CGR and detailed in this report conforms to analytical and reporting parameters established by the State Office of Real Property Services. ORPS identified a series of specific assessment and tax collection models to be analyzed and reported on in each county that received a CPTAP grant. The study parameters can be viewed online via the Office of Real Property Services website at:

<http://www.orps.state.ny.us/cptap/resources.cfm>

Importantly, this review also goes beyond the scope of ORPS' parameters and considers the potential benefits of coordinating assessment- and tax-related information in a central fashion, to enhance data accuracy, accessibility and timeliness to all parties involved in assessment and collections countywide.

ORPS has been consistent throughout the CPTAP process that the program is not intended to force change. Moreover, County officials leading this effort have repeatedly made it clear that they do not intend to

force change. Rather, they are seeking opportunities for voluntary, collaborative efforts to improve the quality and efficiency of the overall system. Further, it is not the intent of the grant or this study to recommend or promote specific operational details of one option or model over other alternatives. This analysis and report intends to provide County and local officials with a cost/benefit review of a series of models identified by ORPS, both in delivering assessment services *and* enhancing tax collection data and information.

Importantly, ORPS notes, “the intent of the program is for counties to chart their own paths to reform. The program does not presuppose a one-size fits all approach to such improvements. By analyzing the particulars of their county, local officials are determining what will work best for their taxpayers and the taxing jurisdictions alike.”

With the information contained in this report, County and local officials will be well-positioned to make future decisions regarding Albany County’s assessment and collections system. The intent of this report and the information contained herein is, in the most basic sense, *to empower officials at the County and local level including mayors, supervisors, local legislative boards, the County Executive and County Legislature, as well as assessors and collectors to make decisions regarding the future of property tax administration in the Albany County community.*

## Key Overall Finding

The most important finding in this report transcends *both* the assessment and collections systems. The absence of formal linkages among data and information platforms at every level of government – State, County and local jurisdictions – creates a duplication of process that yields inefficiency at best, and inaccuracy at worst in a process that should serve as the foundation of the County’s property tax administration system. The timeliness, sharing and accuracy of information are suboptimal precisely because the same data are entered into different systems on different hardware and software platforms, increasing the probability of error which can then cascade through the system. A more coordinated approach to linking data systems – whether through centralized information systems or through data sharing among distributed databases – would enhance the system’s accuracy, efficiency and usefulness.

## Property Assessment

The first section of this report focuses on the assessment function in Albany County. Its goal is to consider the impact and implications of different assessment models that would uniformly affect every parcel in the County and facilitate the following performance standards:

1. a common level of assessment for all assessing units;
2. a common database of assessment, inventory, pictures and valuation data for all the assessing units; and
3. consistent assessment administration standards (*i.e.* regular reassessment cycles; timely verification, correction and transmittal of sales data; and current and accurate inventory collection and maintenance) for all assessing units.

According to ORPS, these standards would yield enhancements in the following areas:

- **Equity:** A system that provides a mechanism for obtaining and maintaining equitable assessments;
- **Transparency:** A system that is understandable to taxpayers; and
- **Efficiency:** A system that functions efficiently and consistently across the county.

CGR collected data and interviewed key stakeholders in the community to establish a baseline of operations in Albany County. Key findings include:

- valuation practices and data collection standards vary by jurisdiction;
- the transfer of information between the County and the local assessors is conducted manually and inefficiently;
- only the City of Albany has a standard reassessment cycle, while two assessing units in the County have never completed a reassessment;
- the County has a small office of Real Property Tax Services and has historically played a limited role in assessment;
- local assessors express some interest in sharing and possibly centralizing information; and
- the County is very interested in enhancing the accuracy, timeliness and accessibility of assessment data and information, provided cost and ongoing maintenance issues can be adequately addressed.

CGR collected comprehensive data on baseline assessment operations in Albany County. Using the baseline information, CGR considered the

cost/benefit implications of four assessment options in comparison to the *status quo*:

1. County-run assessment system;
2. County-coordinated assessment system;
3. Localized coordinated assessment systems; and
4. Municipalities contracting or collaborating with the County.

In addition to these four primary options, CGR also considered intermediate options that would serve as preliminary steps towards building a more robust County-wide assessment service, in particular the enhancement of data and information systems.

The current assessment operation in Albany County costs approximately \$3,160,000 , which includes municipal and County budgets netted against anticipated revenue. Relative to this baseline cost:

- the County-run option would cost approximately \$2,850,000 per year, incur one-time net transitional costs of \$1,290,000 , and require three separate public referenda;
- the County-coordinated assessment option would likely cost about \$2,710,000 annually, incur net transitional costs of \$1,150,000 , and could be accomplished through action by local municipal boards; and
- assuming the savings as modeled were realized, the County-run transition would pay for itself in slightly more than four years and the County-CAP transition would pay for itself in less than three years.

These are not the only options to enhance countywide assessment operations. Other ideas explored in this report include having the County more actively involved in commercial appraisals, exemption services and/or establishing common standards for all jurisdictions. But perhaps the greatest and most achievable near-term opportunity to enhance the system regards data and information. Real-time, centralized data has many benefits that extend well beyond the assessment operation. The ability to access data that are current, comprehensive and accurate would be a significant resource for both the County and local assessing offices countywide.

## Tax Collection

The property tax collection system in Albany County can be best characterized as decentralized with each of 19 municipalities and 20 school districts responsible for the collection of taxes within their boundaries. Many of these jurisdictions, particularly the larger ones, not only collect taxes for their own purposes but may also collect taxes for other entities.

Because of the decentralized nature of the current County tax collection system, each jurisdiction, particularly the larger ones, has an office that is staffed by a tax collector or its equivalent (*i.e.* receiver, treasurer, etc.), most of whom are elected officials, and several full or part-time employees. In addition to the local collection function, the County itself provides both front-end service in this process (*i.e.* recording and processing deeds and changes of ownership forms in the Clerk and Real Property Tax Service Offices) and back-end delinquency collection and foreclosure in the Finance Office.

While the current tax collection system clearly has gaps and is costly to maintain, most local tax collection personnel maintain that the strongest positive aspect of the current system is its ability to provide high levels of customer service to individual property owners while maintaining accurate records.

Notwithstanding the opinion of the local collectors, the system does have its challenges, including:

1. ***Timeliness and Sharing of Information*** – While most municipalities have relatively good internal systems (both human and technological) to share information back and forth between various offices within that locality (*e.g.* assessment, collection and finance), the communication between ORPS, the County and the municipalities is *not* optimal both because of the number of different systems, and the lag of information flow from one level of government to the next.
2. ***Cost*** – Although the local tax collection function does result in a high level of personal service, the fact remains that each jurisdiction (and the County itself) has its own collection office which sends out bills, collects taxes and maintains its own system.
3. ***Accuracy*** – Because information is largely entered at every level of government into different systems and on different hardware and software platforms, the probability of errors goes up. In addition, information may not be accurate when it comes to the

County from attorneys and others involved in real estate transactions.

One of the solutions that have been considered in other counties in New York is the full consolidation of the tax collection system into a county function where all taxes would be collected at that level and then disbursed to the localities. For a number of reasons, most notably the cost of implementation, this solution would appear impractical for Albany County to consider; however, the sharing of collection services or the use of common database would be worth considering.

Sharing of services between municipalities could be along the lines of what already exists where cities and towns do collection for school districts, or it could be a broader sharing of services to encompass not only sharing people but also software or hardware systems. The advantage of this would be potential cost savings as well as continuity in staffing or process.

An intermediate solution would be to have a centralized database, or data sharing among distributed databases.<sup>1</sup> This system would have the potential to greatly simplify the current system and ally communications among the taxing jurisdictions. The system would produce benefits such as increased efficiencies and cooperation among local collection officials, full integration from collection through management of delinquencies and simplified data collection with automatically accessible data by municipalities, schools and the County.

Whatever solution is proposed for improving the County's current tax collection system, there remains the challenge of how to implement any of the solutions. Issues such as cost, timing, technology and local participation are considerations that the County would need to address in an implementation plan going forward. While none of these issues are insurmountable in and of themselves, a careful and collaborative implementation plan will need to be considered to make this a reality.

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<sup>1</sup> From a technological perspective there are differences between centralized databases and distributed databases that have been specified and configured to automatically share data. For convenience, we refer to both types as "centralized". However, we recognize that the differences are not merely technical, but have organizational and financial implications.



## Acknowledgements

CGR acknowledges the assistance of many Albany County officials. In particular, John Rodat, John Wemple and Anthony DiLella provided invaluable guidance, insight and information at all stages of the project. Their input was essential to developing CGR's understanding of the County's role in the assessment and collections process, current systems and future information technology objectives. John Lynch and Sheila DiSarro of the County's Real Property Tax Services office also provided helpful information and guidance.

In addition to County personnel, the State Office of Real Property Services shared valuable perspective throughout the review. CGR is particularly grateful to Tom Pinto and Bob Jacobs from ORPS' Albany office for their time and willingness to share information on equity statistics and general assessment operations countywide.

CGR is also indebted to the local assessors that supplied financial and operational data essential to the analysis. Local assessors and County officials also made themselves available for in-person interviews to discuss the current assessment system and opportunities for improvement, which aided CGR's review immensely. In addition, Nancy Mendick, Michele Zilgme and Jean Cataldo, the receivers of taxes in Bethlehem, Colonie and Guilderland were generous with their time and expertise on tax collection.

## Staff Team

In addition to the primary staff team of Joseph Stefko, David Liebschutz and Scott Sittig, significant data analysis and conceptual roles were played by Research Assistants Katherine Corley and Meredith Mabe.

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## INTRODUCTION

In the fall of 2007, the State Office of Real Property Services (ORPS) established the Centralized Property Tax Administration Program (CPTAP) to encourage county and local municipal officials to study reform opportunities for their local real property assessment and tax administration systems. According to ORPS, New York is one of only three states that do not have a statewide uniform level of assessment. Further, it is one of twelve states which do not have a statewide requirement for how often reassessments must happen.

New York has 1,128 separate assessing units, compared to a national per state median of 85 units. It is one of only seven states which have over 500 assessing jurisdictions. By contrast, thirty states have less than 100. New York's assessing picture is further complicated by nearly 700 school districts and approximately 1,000 other special purpose districts (*e.g.* fire and library districts) which can impose property taxes and are not contiguous with the 1,128 assessing jurisdictions.

In an effort to explore reform opportunities, New York State created the CPTAP grant program as a tool for counties to document their assessment and tax administration systems and consider alternative models. ORPS has been consistent throughout the CPTAP process that the program is not intended to force change. Moreover, County officials leading this effort have repeatedly made it clear that they do not intend to force change. ORPS' goal is to empower local authorities to develop assessment models that uniformly affect every parcel within their respective counties, and which result in the following performance standards:

1. a common level of assessment for all assessing units;
2. a common database of assessment, inventory, pictures and valuation data for all the assessing units; and
3. consistent assessment administration standards (*i.e.* regular reassessment cycles; timely verification, correction and transmittal of sales data; and current and accurate inventory collection and maintenance) for all assessing units.

Stated differently, ORPS' goal is to enhance current assessment practices statewide on the following standards:

- **Equity:** A system that provides a mechanism for obtaining and maintaining equitable assessments;
- **Transparency:** A system that is understandable to taxpayers; and

- **Efficiency:** A system that functions efficiently and consistently across each county.

The CPTAP program awarded counties two separate grants: one to study property assessment practices, and another to examine tax collection processes. Albany County was awarded both grants. Recognizing the natural connection and synergy between assessment and tax collection, Albany County combined its grant studies into a single effort. After a formal request-for-proposal process, the County engaged the Center for Governmental Research (CGR Inc.) to complete its CPTAP study.

This report documents CGR's review of the property assessment and tax collection systems in Albany County. There is a definite nexus between the systems, both from a substantive *and* data perspective. What a property owner pays in taxes depends in large part on his or her assessment. Similarly, the ability to track and enforce property tax payments depends in large part on effective collection mechanisms. To the extent that data and information are compromised in one system, it directly impacts the efficacy of the other. Errors on the front-end (including errors in data provided by attorneys and others involved in real-estate transactions) directly impact the back-end (I.e. tax foreclosure process). Furthermore, the imperative for accurate, reliable data systems is even greater in Albany County given the County's role in guaranteeing local levies and enforcing delinquencies.

This report examines the assessment and collection systems in turn, beginning with assessment. To the extent that particular linkages between the systems are relevant to the review, they are noted.

## Key Overall Finding

The most important finding in this report transcends *both* the assessment and collections systems. The absence of formal linkages among data and information platforms at every level of government – State, County and local jurisdictions – creates a duplication of process that yields inefficiency at best, and inaccuracy at worst in a process that should serve as the foundation of the County's property tax administration system. The timeliness, sharing and accuracy of information are suboptimal precisely because the same data are entered into different systems on different hardware and software platforms, increasing the probability of error which can then cascade through the system. A more coordinated approach to linking data systems – whether through centralized information systems or through data sharing among distributed databases – would enhance the system's accuracy, efficiency and usefulness.

# THE ASSESSMENT SYSTEM IN ALBANY COUNTY

In documenting the diversity in current assessment process, approach, level and output throughout Albany County, this report establishes a baseline foundation for making decisions going forward. While specific reform options will no doubt require additional analysis and consideration of detailed components, a full understanding of the baseline delivery of assessment services is essential to beginning any change process.

The property tax assessment system in Albany County operates in a largely decentralized fashion, with the County Real Property Tax Services (RPTS) office providing minimally-required services to local assessors. The County maintains a small office with the view that assessment and property valuation is a matter of local jurisdiction. Municipalities have a range of expertise and approaches. The smallest jurisdictions tend to have part-time assessors while the larger jurisdictions have multiple staff and command significant resources from their municipal budget.

Assessment valuation and data collection standards vary across the County (including outside contractors), and the standards by which assessors serve the public and conduct assessments also vary by individual. Further complicating the situation in Albany County is the presence of three cities, one village assessing unit and two three-person boards.

To document the current assessment system in Albany County, CGR obtained data from several different sources. Primary data came from a survey of all municipal assessors. CGR also obtained and analyzed sales and parcel data from the County's RPS V. 4 database. In addition to surveys and data, CGR interviewed the following individuals:

- County Commissioner of Management and Budget;
- County Director of Real Property Tax Services (RPTS);
- Administrative Aide to the Director of RPTS;
- County Business Analyst/Tech Implementation Specialist;
- County Tax Records Manager;
- County Assistant Attorney;
- New York State Office of Real Property Services;
- Mayor of the City of Watervliet;
- Mayor of the City of Cohoes; and the
- Coordinator of the "Citrix User Group," who serves as the Director of Real Property Tax Services for Cattaraugus County.

In addition, CGR attended and facilitated a meeting of the County's local assessors group. The meeting provided an opportunity to discuss the study, current practices and opportunities to improve the assessment process for jurisdictions countywide.

The following sections detail current budgets and operations for all assessing jurisdictions in Albany County. As noted below, a series of tables are included in the appendix with detailed information on each assessing unit in the County.

## Structure and Staffing

Property assessment services in Albany County are divided between ten towns, one village and three cities:

- City of Albany
- City of Cohoes
- City of Watervliet
- Town of Berne
- Town of Bethlehem
- Town of Coeymans
- Town of Colonie
- Town of Green Island<sup>2</sup>
- Town of Guilderland
- Town of Knox
- Town of New Scotland
- Town of Rensselaerville
- Town of Westerlo
- Village of Colonie

Only four of the assessing units report sharing either an assessor or some assessing responsibilities:

- the Town of Coeymans' assessor serves as a Director of RPTS for neighboring Greene County;
- the Town of Colonie assessor provides assessment support to both villages within the boundaries of the Town; and

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<sup>2</sup> The Village and Town of Green Island are Co-Terminous. It was reported to CGR that the Village provides the assessment service, and thus, CGR will refer to them as the Village of Green Island throughout this report. Technically, NYS ORPS recognizes the Town as the Assessing Unit.



- the assessor in the Town of Westerlo also serves on the three-person board for the Town of Rensselaerville.

**Tables A-1** and **A-2** in the appendix present staffing and other overview information for each assessing unit.

## *Municipal Level*

There are twelve individual assessors and two three-person boards covering the fourteen assessing jurisdictions. Of the twelve individual assessors, all are appointed. As detailed in **Table A-2** of the appendix, there are 52 total assessment personnel across the fourteen assessment units (including the assessors). Not all are full-time – the 52 positions translate into 37.5 full-time equivalent (FTE) positions. Each unit averages 3.7 staff positions, or the equivalent of 2.7 FTE. The median staffing level across all jurisdictions is 2.5 positions (1.0 FTE), revealing the upward bias of the averages due to the two large municipalities.

Six assessors do not meet the State’s certification requirements to be an assessor.<sup>3</sup> Two of these assessors are currently completing coursework that will put them in compliance with the State Board of Real Property Services within acceptable timeframes. Three others reported having no certification and did not report on their intention to obtain the required certifications. One assessor reported being certified through the Institute of Assessing Officers, even though that assessor does not currently have New York State certification. Six assessors in the county have received State designation as “advanced”<sup>4</sup> and one as “professional”<sup>5</sup> through the Institute of Assessing Officers (IAO) in New York State. Two assessors are also State licensed real estate appraisers.

The average assessing unit in Albany County reported being open for 33 office hours per week, staffed by the assessor and/or one or more support staff. According to survey responses, over 52 percent of office hours on average are devoted to customer service issues.

The International Association of Assessing Officers (IAAO)<sup>6</sup> has established benchmarks for average number of staff per parcel. For

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<sup>3</sup> State Certified Assessor (SCA) is the minimal certification, requires training in a state certified program and must be completed within three years of the first appointment.

<sup>4</sup> State Certified Assessor Advanced (SCAA) designation requires extra coursework provided by NYS beyond the SCA certification.

<sup>5</sup> Professional designation (SCAP) requires coursework and passing a five-hour exam administered by the IAO. Any NYS assessor can be a member of the IAO without having the “professional” designation.

<sup>6</sup> [www.iaao.org](http://www.iaao.org)

jurisdictions that have systems supported by computers, the average number of parcels per FTE employee is approximately 2,000. For those without computer support, the average is roughly 1,800. Interviews with assessors both from Albany County and elsewhere in New York State revealed that, in many communities, it is not uncommon for the parcels-per-FTE ratio to be 3,500 or more depending on the municipality and the type of parcels involved.

Information gleaned from the surveys revealed the range in parcels per FTE in Albany County was broad – the lowest parcels-per-FTE ratio was 1,143, while the highest was 5,220. It is important to note that this disparity should be interpreted in terms of effort being expended by assessors and staff, not necessarily in terms of actual parcels covered by one FTE staff person. Six Albany County assessing jurisdictions have an FTE staff person covering more than 2,500 parcels.<sup>7</sup> All other jurisdictions that have ratios in excess of 2,500 parcels-per-FTE have less than one FTE covering all the parcels. Again, this represents a level of effort expended by these local assessors that exceeds the level of effort expended by other jurisdictions with fewer parcels per FTE. The assessor with a parcel ratio of 5,220 is likely not able to provide the same quality of service as the assessor who is carrying a significantly lower parcel ratio.

### ***County Level (RPTS)***

The County operates a Real Property Tax Service office currently staffed with 4.5 FTE personnel. In addition to the Director, there is one Senior Tax Map Technician, one Administrative Aide, and two clerks (one FTE, one part-time position). Tax map support is also provided to the RPTS office by one employee in the Department of Economic Development and Planning.

For 2009, the County budgeted \$502,000 for its RPTS office. The cost for the employee from Economic Development and Planning added another \$19,000. Netted against budgeted RPTS revenue of \$46,000, the total cost for assessment is approximately \$475,000.

Some of the services the County provides in support of the assessment function are as follows:

- tax mapping, provided most recently through an outside contractor with support from Albany County's Department of Economic Development and Planning;

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<sup>7</sup> The City of Albany, City of Cohoes, Town of Bethlehem, Town of Colonie, Village of Colonie and Town of New Scotland all have FTE ratios in excess of 2,500.

- processing of RP-5217 forms (when forwarded from the County Clerk’s office), inputting of data and mailing to local municipalities;
- capturing and recording deed information when forwarded from the County Clerk’s office;
- informing local municipalities of changes in exemption requirements; and
- facilitating the monthly assessors group forums.

## Parcel Characteristics

Albany County contains 110,741 property parcels, over 76 percent of which are classified as residential (see **Table A**). The County has a very diverse geography and corresponding land use, ranging from open country to densely populated urban districts. Vacant parcels are the second-largest land use in Albany County at slightly over 12 percent.

<i>Property Class</i>	<i>Parcels</i>	<i>%</i>
Industrial	177	0.2%
Recreation & Entertainment	443	0.4%
Conservation and Public Parks	447	0.4%
Agricultural	471	0.4%
Public Services	1,105	1.0%
Community Services	1,331	1.2%
Commercial	8,154	7.4%
Vacant	14,006	12.6%
Residential	84,607	76.4%
<b><i>Total</i></b>	<b><i>110,741</i></b>	<b><i>100.0%</i></b>

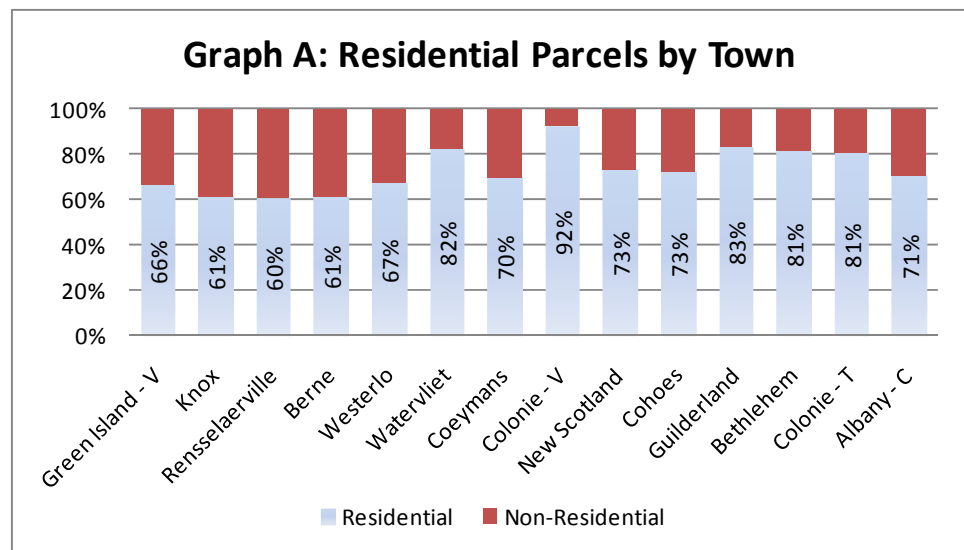
Commercial class parcels are the third-most common property class in the County with slightly more than seven percent of the total property class designation. Together, commercial and industrial classifications account for roughly 7.6 percent of all parcels in the County.

The Town of Colonie has the most total parcels in the County (31,132, or 27.3 percent of the total) when the Town and Village parcels are added together. The Town of Colonie also contains the largest share of the County’s residential properties (30.1 percent). The assessing unit for the Village of Green Island oversees the fewest total parcels at 872 (0.8 percent of all County parcels) and the fewest residential parcels (577

parcels or 0.8 percent). **Table B** highlights municipal parcel counts listing the Town and Village of Colonie separately.

<i>Town</i>	<i>Parcels</i>	<i>%</i>
Village of Green Island	872	0.8%
Town of Knox	1,546	1.4%
Town of Rensselaerville	1,925	1.7%
Town of Berne	2,057	1.9%
Town of Westerlo	2,076	1.9%
City of Watervliet	2,827	2.6%
Town of Coeymans	3,062	2.8%
Village of Colonie	3,093	2.8%
Town of New Scotland	4,273	3.9%
City of Cohoes	5,220	4.7%
Town of Guilderland	12,367	11.2%
Town of Bethlehem	13,165	11.9%
Town of Colonie	28,039	25.3%
City of Albany	30,219	27.3%
<b>Total</b>	<b>110,741</b>	<b>100.0%</b>

Graph A displays the percentage of total parcels per unit that are classified as residential. The Village of Colonie has the highest percentage (Town of Colonie considered separately from Village of Colonie); Rensselaerville has the lowest concentration of residential parcels, even though the Village of Green Island and Town of Knox have fewer residential parcels overall.



## Budgets and State Aid

For the most recent year, Albany County's local assessment functions reported spending approximately \$2,700,000.<sup>8</sup> This averaged out to \$180,000 per assessing unit, or roughly two percent of the typical municipal budget. The median budget for assessment was \$56,700 again revealing the upward pull on the average due to the larger jurisdictions in the County. **Table A-3** in the appendix details the breakdown for each jurisdiction.

The "cost per parcel" of local assessment functions ranges from \$2.26 in the least expensive municipality to \$65.01 in the most expensive.<sup>9</sup> In other words, the municipality with the highest cost-per-parcel ratio in the County is paying almost 29 times more per parcel than the lowest cost municipality. After removing both of those outliers in the data, the range is \$15.27 to \$33.88. On average, the cost per parcel across all municipalities (outliers included) is \$24.24. The median value is \$21.36. Full details can be found in **Table A-3** of the appendix.

Nine of the municipalities reported receiving State aid. However, the most recent aid received by any municipality was in 2007. While the surveys reported that three municipalities received annual aid as their latest State aid, according to ORPS only the Town of Colonie has actually received annual aid (and that was only for one year in 2001). In fact, no municipality in the County is currently receiving annual aid. Eight of the municipalities are either receiving triennial aid or received that type as their most recent aid from the State. Five municipalities do not receive aid from the State at all.

Aid amounts vary across the units, ranging from \$0 to \$147,150. **Table A-4** in the appendix contains detailed information on the most recent State aid received by each of the assessing units.

## Indicators of Assessment Equity and Uniformity

Real Property Tax Law, Section 305, requires that assessing jurisdictions treat all of their respective parcels the same by assessing all real property at a uniform percentage of market value. The following statistical

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<sup>8</sup> CGR could not verify if the budgets reported from the Towns of Berne and Guilderland included fringe benefits. All other entities reported fringe benefits (if offered) with their total assessment budget.

<sup>9</sup> The two extremes in the data represent the two villages currently providing assessment services.

measures illustrate how consistently assessors are treating parcels throughout the County. **Table A-4** in the appendix contains additional detail on the measures discussed in this section.

## **Level of Assessment**

The Level of Assessment (LOA) represents the percentage of full value at which parcels within a particular community are assessed. An LOA of 25 percent would indicate assessments are one-quarter of full market value; an LOA of 100 would indicate full market value assessments. Typically, a LOA of 100 indicates that reassessments have kept parcel valuation data current and accurate.

The current range for LOA across Albany County is 0.83 to 101.3. The Town of Coeymans and the City of Albany each reported an LOA of 100 or more and were consistent with ORPS' market analysis and assigned equalization rate. The Town of Guilderland reported a LOA of 100 but was not consistent with ORPS equalization rate of 79.62.<sup>10</sup> All other municipalities have adjusted their LOA to match ORPS' market analysis and assigned equalization rate.<sup>11</sup> Overall, equalization rates in Albany County range from 0.83 to 101.30.

## **Coefficient of Dispersion**

The Coefficient of Dispersion (COD) is a common statistical measure of uniformity (often called "horizontal" equity). According to ORPS, "the COD measures the extent to which the assessment ratios from a given roll exhibit dispersion around a midpoint. It is generally accepted that the median assessment ratio best serves as the midpoint or central tendency measure from which the average level of dispersion should be calculated."<sup>12</sup>

The lower the COD, the more uniformity there is in assessments within the jurisdiction. The *Standard on Ratio Studies*<sup>13</sup> produced by the IAAO documents acceptable COD ratios among various parcel classifications. According to the publication, newer and more homogenous residential parcels should have a relationship between assessed value and market

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<sup>10</sup> ORPS allows municipalities to set their own LOA but requires that the LOA be within 5 percent of the equalization rate. Some municipalities do not abide by this requirement.

<sup>11</sup> ORPS' data are only as reliable as what is provided by the municipalities. Locations that have not conducted regular reassessments may not be accurately representing their equalized full value for the distribution of county and school taxes.

<sup>12</sup> *Assessment Equity in New York: Results from the 2004 Market Value Survey*, Office of Real Property Services.

<sup>13</sup> Executive Board. (2007). *Standard on Ratio Studies*. Kansas City, MO: International Association of Assessing Officers.

value where the COD is between 5 and 10 percent. The COD ratio is considered acceptable up to 15 percent for older, more heterogeneous residential parcels. For other parcel classifications such as vacant and/or seasonal land, acceptable ratios can range as high as 25 percent. The general benchmark when all parcels are analyzed together is to have a COD of less than 20 percent. (Note: As shown previously in **Table A**, 76.4 percent of Albany County properties are residential and 12.6 percent are classified as vacant.)

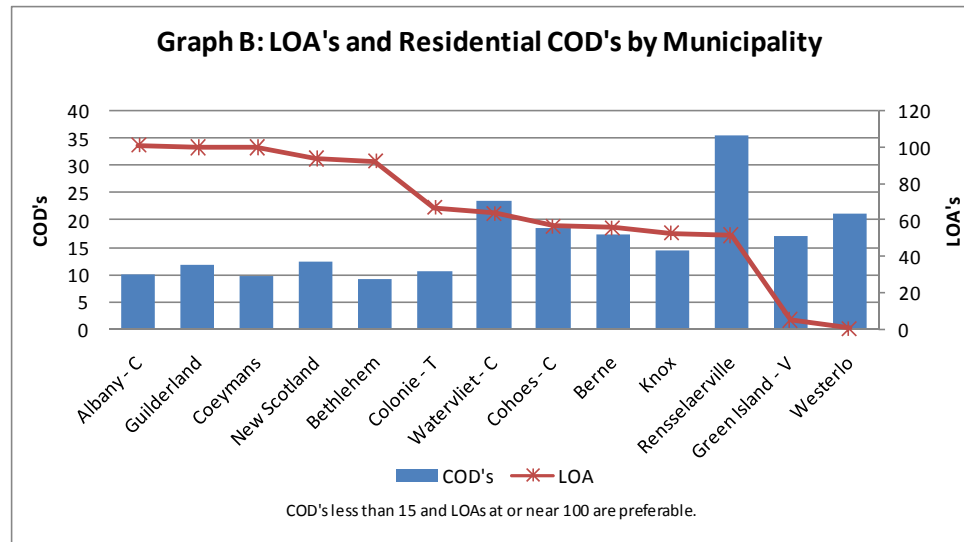
Since COD statistics in Albany County were in some cases outdated or not available for analysis, CGR enlisted ORPS' support to calculate and provide COD statistics for its review.<sup>14</sup> The most comprehensive and current statistics available were for residential CODs. Due to the prevalence of residential parcels in the County, this section focuses on residential CODs as an assessment of horizontal equity in the County. Detail on CODs reported by municipalities and other equity statistical information can be viewed in **Table A-4** of the appendix.

Current CODs for residential parcels in Albany County's municipalities range from 9.170 to 35.700. Most of the data used by ORPS to calculate these CODs dates to 2006, although in some cases they incorporate sales data from 2008. This makes it difficult to reliably compare across jurisdictions.

Notwithstanding the data's limitations, six of the fourteen assessing units exceed the 15 percent threshold defined by the IAAO. As might be anticipated, the jurisdictions with higher Levels of Assessment represent the lowest CODs, indicating greater uniformity within those jurisdictions regarding assessed values. **Graph B** shows the general inverse relationship between LOA and COD in Albany County. This graph is not meant to imply causality between these two statistics, but is simply illustrative of what CGR observed in Albany County. Again, caution is warranted in reviewing these data because the LOAs are from 2008, while some of the CODs date back to 2006.

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<sup>14</sup> The NYS Office of Real Property Services provided a mixture of Sales and CAMA COD's based upon the most recent data available to them. Not all data represents the same year.



## General Data Quality & Reassessment

The general quality of data in Albany County varies by jurisdiction. The Town of Westerlo and Village of Colonie reported that they have no record of doing a full data collection process and revaluation of parcels. The Village of Green Island has not done a reassessment since the 1960s. Any reassessment project for these three municipalities would require a complete data collection project. Four other jurisdictions reported their most recent reassessment work being at least ten years old. These four jurisdictions would also likely require a full data collection and verification process in order to conduct a reassessment. All other assessing jurisdictions have done some reassessment work since 2001 and may require less intensive data verification projects in order to conduct a reassessment.

The City of Albany will conduct a reassessment in 2011 and is the only assessing unit currently planning to conduct one. The remaining units have not specified a date when they will conduct a reassessment project. The Town of Colonie and City of Watervliet indicated that they need to conduct a reassessment and would like to do so soon. The Town of Bethlehem is monitoring its equalization rate to determine when it will conduct a reassessment. **Table A-4** in the appendix details information regarding reassessment.

## Real Property Administration System

### Type of System

According to information provided by local assessors and the County, all but one of the assessing units in Albany County are using Real Property System (RPS) v. 4 software. RPS is a collection of assessment, physical inventory and valuation programs developed by ORPS that assist the



assessment community in producing an equitable assessment roll. The RPS application allows the assessor to keep assessment and inventory data current and produce reports required by ORPS and State Real Property Tax Law. The only municipality not using RPS uses a proprietary system known as KVS Information Systems.

Assessors run RPS v. 4 on stand-alone machines in each local assessment office. In total, the assessors reported that they paid \$18,705 in annual license and maintenance fees to the State for use of the RPS software.<sup>15</sup> Each local assessor backs-up data regularly at their local office, but they only transmit a copy of this data 1-2 times per year to the County. Data are typically transmitted by CD and uploaded into the County's RPS database when received. Local assessors are solely responsible for transmitting their data and reports to ORPS.

The County does not use RPS v. 4 system as a primary database. The RPTS office uses a parallel Access database that has several more years of historical data. The Access database serves as the resource for keeping tax maps up to date. Until recently, the County outsourced all tax mapping responsibility to an outside vendor. That contract is currently under review. Some additional tax mapping support is provided by a person in Albany County's Department of Economic Development and Planning.

Meeting minimum hardware requirements is essential for RPS v. 4 to run properly. According to ORPS, minimum requirements for stand-alone or client/server computers running RPS v. 4 include a 3.2 GHz processor with 1 GB of RAM.<sup>16</sup> When GIS capabilities are used, ORPS recommends 80 GB of storage capacity, a 17-inch monitor, external storage for backup and MS Windows XP SP2.

Not all local jurisdictions in Albany County were able to provide data on the stand-alone machines in their offices. For the twelve municipalities that reported on their equipment, six meet the minimum RAM requirement but none has a processor speed that meets the minimum requirement. The minimum processor speed that was reported was a 1 GHz processor and the minimum RAM reported was 504 MB (0.5 GB).

Four of the assessing units in the County noted that they do not use GIS in support of their assessment function. Those that do use GIS vary in their success. ORPS provides technical assistance to local assessors to enhance their functional knowledge of how to incorporate GIS into data records

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<sup>15</sup> The value of the license fee is based upon number of parcels.

<sup>16</sup> <http://www.orps.state.ny.us/rps/v4/rpsconfig.htm>

and management. In addition, ORPS serves as the primary IT support for RPS to all of the assessing units upon request.

## ***Logistics and Process***

Local assessors are responsible for keeping their assessment rolls accurate and up-to-date. Data to populate the local database comes from two primary sources:

1. The Real Property Transfer Report recorded on quadruplicate form RP-5217, supplemented by deed verification, and
2. Local data collection, verification and revaluation work.

The interface between Albany County and local assessors primarily occurs with the first source, through the transmittal of the RP-5217 forms that local assessors use to update their RPS database. A property transfer triggers the filing of an RP-5217 form which is required by the County Clerk to file a deed. Once the deed is recorded, the Clerk's office forwards the form and a copy of the deed to the County RPTS office. Typically, the County Clerk's office transfers these forms to RPTS within one day of receipt. Approximately every two weeks RPTS also receives a copy of the deed book from the Clerk's office as well.

Once a copy of the deed and the RP-5217 form is received by the RPTS office, the tax mapping vendor and RPTS personnel review the deed in comparison to the Access database to assure the correct tax map numbers are referenced and updated. The RP-5217 is consulted only in cases of inconsistencies between the deed and the database. Changes are made as necessary to the Access database. The Administrative Aide in the RPTS office then sends the top copy of the RP-5217 to ORPS and batches the remaining copies of the RP-5217s and sends them to the respective local assessor no less than twice a month. Notice of change in tax escrow accounts (Form RP-953) are also included in this batch mailing as they are received by the County RPTS office.

*Note: Refer to **Figure 3** in the tax collection section later in the report for a graphical presentation of the RP-5217 process, the flow of information and the potential pitfalls with the current process.*

The Clerk's office does not provide quality review of the RP-5217, but enters the data as provided on the form. If data are entered incorrectly by attorneys during a real estate transaction, the error is likely not caught until the form gets to the local assessor. Thus, in addition to data being entered multiple times, incorrect data may be entered at every level before an error is even noticed.

The use of the Access database as a parallel to the RPS v. 4 software creates double entry and accounts for the potential of error in the process. RPS v. 4 is not updated at the County level but is left only for occasional data uploads as information is backed up by local assessors. No reconciliation is done between RPS v. 4 and the Access database and the two systems do not “talk” to one another. All tax maps are kept current using data from the Access database and the County is responsible for assuring the accuracy of this data. Should changes be made by assessors later in the process, changes would not be captured in the Access database.

## Possible Alternative Models

As noted at the outset of this report, the State Office of Real Property Services established a specific list of options to be analyzed and costed out in each county’s CPTAP study. The following sections detail those four primary options:

1. County-Run Assessing
2. County Coordinated Assessment Program (CAP)
3. Localized Coordinated Assessment Programs (CAP)
4. Municipalities contracting or collaborating with the County

**Table A-7** in the appendix shows the detailed cost/revenue implications for each of the models considered below.

CGR reiterates that it is not the intent of the CPTAP grant or this study to recommend or promote specific operational details of one option or model over other alternatives. Rather, this analysis intends to provide County and local officials with a cost/benefit review of a series of models identified by ORPS, both in delivering assessment services and enhancing tax collection data and information. As ORPS notes, “the intent of the program is for counties to chart their own paths to reform. The program does not presuppose a one-size fits all approach to such improvements. By analyzing the particulars of their county, local officials are determining what will work best for their taxpayers and the taxing jurisdictions alike.”

## Collaboration Incentives

In the context of reviewing alternative models, it is important to note the availability of certain collaboration/consolidation incentives for communities. The Office of Real Property Services provides State aid (currently up to \$7/parcel) to counties that consolidate their assessment functions, share an assessor and achieve a common level of assessment. Counties are also eligible to receive a separate \$1/parcel in State aid if agreements are reached to provide services under RPTL 1537. In addition

to the available aid, counties are eligible for grant money up \$2/parcel if municipalities consolidate their services at the county level. This grant money is reduced to \$1/parcel if some but not all of the municipalities opt to consolidate in this manner.<sup>17</sup>

Besides the aid incentives related to consolidation, the Coordinated Assessing Program (CAP) and or inter-municipal agreements potentially reduce the number of assessment officials who need to be trained and certified and reduce the number of individual equalization rates that need to be computed by the State. One concern that was repeated several times in CGR's discussions with assessment officials across the State was that fewer and fewer people are in the "pipeline" to become assessors. While positions are currently filled in all assessing jurisdictions in Albany County, the possibility exists that there will not be a sufficient number of highly qualified individuals to fill future vacancies. Reducing the number of posts would alleviate this concern.

## County-Level Models

According to the State's Commission on Local Government Efficiency and Competitiveness, the primary benefits associated with a county-level assessment model would be gains in efficiency and professionalism, along with a more streamlined system for applying and maintaining equalization rates across the state. This section projects the costs of transitioning to, and operating, the County-run and County-coordinated assessing models in Albany County.

### *Option 1: County-Run Assessing*

#### *Overview*

County-run assessment places the responsibility for property assessment solely with the county government. Only two counties in the State – Nassau and Tompkins – operate under a fully County-run assessing system. Under the model, local municipalities surrender their right to conduct local assessments and appoint an assessor. As a result, consolidating to a county model would require three public referenda.<sup>18</sup>

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<sup>17</sup> State aid and grant numbers mentioned in this study are estimates and there is no guarantee that such aid will be sustained in future budgets. State aid was reduced for 2008 by 2 percent.

<sup>18</sup> Article IX, §1(h)(1) of the State Constitution provides that where a transfer of functions to the county occurs, it must be approved by a majority of the votes cast in a referendum. If there are cities in the county it must be approved by a majority of the votes cast in the towns considered as a single unit and a majority in the cities as a single unit.

Since Albany County contains three cities and one village<sup>19</sup> assessing unit, the referendum must pass by a majority vote of all eligible city voters (all cities considered as one unit), by a vote of all eligible village voters (only for village with an assessing unit), and then by all remaining voters in the town jurisdictions combined (all towns considered as one unit – excluding aforementioned eligible voters). This is commonly referred to as a “triple-referendum”.

State Real Property Tax Law, Sections 1530 and 1540, requires that under a county assessing system, the County’s Director of Real Property Tax Services would be replaced by a Director of Assessment. The County Legislature appoints the Director, either for a six-year term of office or civil service appointment. All other employees in the department would be civil service staff. By way of comparison, Tompkins County appointed a civil service Director of Assessment that is not subject to six year term limits.

Once the County became a single assessing unit, the State would calculate a single equalization rate based upon the aggregate assessed value to market value ratio of the entire County, and the County Legislature would be responsible for setting the revaluation schedule. Once a full value revaluation has been implemented, Real Property Tax Law authorizes the County Legislature to direct an assessment of all property at a uniform percentage of value.

Any municipality that applies the provisions of RPTL Article 19 regarding homestead allocations would no longer be eligible to apply those provisions to their municipality. The municipality would lose its status as an assessing unit and could no longer use the provisions of Article 19. If the County were to become an approved assessing unit, the municipality would be a "portion" for purposes of Article 19 and would be able to use homestead.

### ***Transition Costs***

A precondition to a fully county-run assessing model is uniform assessment levels across the jurisdictions to be consolidated. There are two ways for this to occur. Each method depends on when the last reassessment was completed as well as the quality of the data at the time reassessment is considered. The first method involves annual maintenance and statistical analysis through sampling a portion of the database. This is the method employed for jurisdictions that are part of an annual or

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<sup>19</sup> The Village of Green Island technically provides the assessing service for the Town and Village, but the State recognizes the assessing unit as the Town of Green Island. The Village and Town of Green Island are co-terminous.

triennial revaluation cycle. The second method involves an intensive data collection and verification project to update the database and assure local officials that the assessed valuations accurately reflect the market value of parcels on record.

In Albany County, the Town of Coeymans and the City of Albany currently have an LOA of 100 or more, indicating their data would likely not require a data collection or verification project. The Towns of Bethlehem and New Scotland reported a reassessment in 2006 and would similarly not require a data collection project. The remaining jurisdictions have LOAs ranging from 0.83 to 63.88. Each of these jurisdictions would likely require a comprehensive data collection and verification process as part of a formal reassessment.<sup>20</sup>

The Town of Westerlo and the Villages of Colonie and Green Island will likely require a higher level of investment to update their data than the other jurisdictions requiring reassessment. Outside contractor fees to conduct a full data collection and verification process can range between \$40-\$70 per parcel depending on complexity and scope of service. Assuming an average cost of roughly \$55 per parcel, full reassessment of these three jurisdictions would produce a gross cost of nearly \$330,000. This would be partially offset by reassessment aid available to each jurisdiction up to \$5/parcel (\$30,000) producing a net aggregate reassessment cost of approximately \$300,000.

The remaining seven jurisdictions would likely not require as intensive a data collection and verification process. The data in each of their respective communities is reasonably recent. A reassessment project in these communities would likely only cost in the range of \$20-\$50 per parcel. At an average cost of \$35/parcel, these seven municipalities could expect to pay an aggregate cost of nearly \$1,890,000. This would be offset by reassessment aid of slightly less than \$270,000. The aggregate net cost for reassessment would be approximately \$1,620,000. Combined with Westerlo and the Villages of Colonie and Green Island, net reassessment costs would be \$1,920,000. **Table C** identifies the specific reassessment costs for each jurisdiction.

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<sup>20</sup>Since the City of Albany is scheduled to conduct a revaluation in 2011, CGR assumed that the countywide revaluation could occur in 2011 with a possible transition as of the 2012 roll.

<b>Table C: Reassessment Cost by Municipality</b>					
	<b>Parcels</b>	<b>Data Collection Cost per Parcel</b>	<b>Cost to Reassess</b>	<b>Aid Available</b>	<b>Net Cost to Reassess</b>
Village of Green Island	872	\$55	\$47,960	\$4,360	\$43,600
Town of Westerlo	2,076	\$55	\$114,180	\$10,380	\$103,800
Village of Colonie	3,093	\$55	\$170,115	\$15,465	\$154,650
<b>Subtotal</b>	<b>6,041</b>		<b>\$332,255</b>	<b>\$30,205</b>	<b>\$302,050</b>
Town of Knox	1,546	\$35	\$54,110	\$7,730	\$46,380
Town of Rensselaerville	1,925	\$35	\$67,375	\$9,625	\$57,750
Town of Berne	2,057	\$35	\$71,995	\$10,285	\$61,710
City of Watervliet	2,827	\$35	\$98,945	\$14,135	\$84,810
City of Cohoes	5,220	\$35	\$182,700	\$26,100	\$156,600
Town of Guilderland	12,367	\$35	\$432,845	\$61,835	\$371,010
Town of Colonie	28,039	\$35	\$981,365	\$140,195	\$841,170
<b>Subtotal</b>	<b>53,981</b>		<b>\$1,889,335</b>	<b>\$269,905</b>	<b>\$1,619,430</b>
<b>Total</b>	<b>60,022</b>		<b>\$2,221,590</b>	<b>\$300,110</b>	<b>\$1,921,480</b>
<b>Rounded Total</b>			<b>\$2,220,000</b>	<b>\$300,000</b>	<b>\$1,920,000</b>

In addition to reassessment, there would be operational transition costs associated with relocating staff, establishing new offices, and buying computers and related equipment. County officials cited as one significant hurdle finding space to house a centralized real property services operation in addition to parking for the added staff. The current municipal assessment offices reported having approximately 13,000 square feet of combined office space. The current County RPTS office is not large enough to accommodate this or even a significant portion of this. County officials did cite the possibility that renovations to the County Courthouse may free up space at 112 State Street for the County Clerk and RPTS, but the timeframe is at least three years away, and depending on configuration, the space may still be limited.

The County could choose to rent additional space, in which case the only up-front cost may be a security deposit. At \$15/per square foot for 13,000 square feet, a two-month security deposit would cost roughly \$33,000. (CGR models the ongoing impact of renting under operational considerations in the following section.) Alternatively, the County could choose to purchase a building. CGR did not model this cost option.

Beyond space, the County would have to furnish the office. As itemized in the next section, CGR models the addition of 41 new positions to properly staff the centralized office. Based on this number, we model \$5,000 per new staff person, or \$205,000 in additional cost for furniture and equipment for a new office. In summary, the cost for space and furniture in a transition to a County-run operation would be nearly \$240,000.

As an incentive to transition to the County-run model, the State will pay the County consolidation aid of \$7/parcel for up to 20,000 parcels per municipality.<sup>21</sup> The State has also provided incentives in the form of a grant, from which the County could receive up to \$2/parcel as part of the transition.<sup>22</sup> Consolidation and grant money is estimated to be slightly less than \$869,000. When all potential costs and aid/grants are contemplated, the net effect could be around \$1,290,000 in up-front transition costs.

## **Operating Costs**

### ***Personnel***

Operating costs of the County-run model would largely depend on the parcels-per-FTE ratio assumed for the new County assessment office. As noted previously, the general guideline is one FTE staff member per every 2,000 parcels, but the figure can reasonably range up to 3,500. Under these assumptions, the staffing range in the county assessment office would likely be between 33 and 57 FTEs.<sup>23</sup>

The County has no history of running a comprehensive centralized Real Property Tax Services office, and thus it is difficult to estimate the precise size and managerial scope requirements of the department. CGR has chosen to model its assumptions based upon a combined staff size of 44.5 FTE positions in support of one Director (45.5 FTE total). At 44.5 FTE staff (not including the Director), the parcels-per-FTE ratio would be 2,560. The positions could include adding 30 appraisal staff, 10 clerical staff and 1 more tax map technician. That would bring total clerical positions to 12.5 FTE along with 2 FTE tax map technicians and 30 FTE appraisal staff all under the supervision of one Director of Assessment. Appraisers would be responsible in general terms for 3,800 parcels per person with 12.5 FTE clerical positions to support them.

Based upon feedback from County officials, a review of the current County RPTS budget, and CGR's knowledge of other counties' experience, we have modeled new appraisal positions at roughly \$45,000 with a benefits package of approximately 37 percent of salary. Assuming creation of 30 FTE positions at these rates, the total additional cost to the County would be \$1,849,500 .

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<sup>21</sup> ORPS notes that State aid is not available for wholly exempt parcels and parcels that are not locally assessed, such as taxable state-owned land, special franchise parcels and/or ceiling railroad parcels.

<sup>22</sup> The grant providing the \$2/parcel is subject to change according the new NYS Budget.

<sup>23</sup> These numbers are derived using the 110,741 parcels currently on record.



Clerical and tax map staff could be added for a salary of approximately \$28,000 with a benefits package of 37 percent of salary. Using these figures, eleven new FTE clerical/tax map technician positions would cost the County an additional \$421,960 .

Due to the size and complexity of the database in Albany County, CGR estimates that two additional IT specialists would be hired to provide technical assistance to the new RPTS office. CGR estimates that to find qualified IT professionals, the positions would be salaried at \$50,000 plus 37 percent benefits. In total, this would add another \$137,000 to the personnel costs.

The sum total of additional staff would cost the County \$2,408,460 . CGR also estimates that the current budget of \$521,000 would need to increase by 10 percent to cover salary adjustments for the new Director of Assessment in addition to other overhead-related cost increases not contemplated here.

### ***Other Operational Considerations***

The average rental rate for office space in the immediate vicinity of the current County Office Building is approximately \$15/per square foot per month.<sup>24</sup> Local municipalities reported that they are using approximately 13,000 square feet of space to provide their assessment services, including record storage. Based upon these numbers, the County could expect to pay close to \$200,000 per year to rent space for an assessment office.

Other operational considerations include whether current revenue will continue, potential annual aid, and costs associated with annual reassessments. CGR has accounted for these numbers as follows:

- CGR reviewed the County RPTS budget and believes that under a County-run model, all revenue currently being received and applied to the RPTS budget would continue (\$46,391).
- CGR models new revenue that would be available to the County based on aid from the State for annual reassessments (\$550,000).
- CGR assumes that there would be increased costs associated with annual reassessments that would total roughly ten percent of the

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<sup>24</sup> This is based upon CGR's experience with renting space within the same vicinity of the Albany County Office Building.

current average cost per parcel for municipal budgets within the County (\$2.42 per parcel, or \$270,000 annually).<sup>25</sup>

### ***Total Operational Impact***

As noted in the baseline review, CGR calculates that the current cost of providing assessment services in Albany County is approximately \$3,160,000 . This includes municipal assessing jurisdictions and the County, less County revenues. Comparatively, the operating costs of the County-run model are estimated to cost \$2,850,000 , producing a net decrease of roughly \$310,000 . To put this in context, if the County realized these savings, the cost of transition to the County-run model would pay for itself in slightly over four years.

Assessors were careful to caveat that it is difficult to say with certainty what the cost of providing services at the municipal level is currently, since many of the budgets are limited to what municipalities can afford, not what they need. Thus, the decrease in cost associated with a County-run model may be larger, but may also reflect a potential upgrade in the quality of service that can be provided.

There are a variety of additional advantages of a County-run model:

- As all staff would be County employees, training and/or educational credentials could be set to standardize quality and professionalism;
- The County would operate on one assessment calendar and conduct annual reassessments; and
- The County would be able to initiate a common standard of service and work towards implementing a higher level of transparency through web-based applications and reporting for County residents.

### ***Implementation Path***

There are three major steps that must occur in order to achieve this option. The first two steps are the most significant and would have to precede the third:

1. First, reassessments would be required in order to get all assessing jurisdictions to a uniform level of assessment.

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<sup>25</sup> Annual reassessments will generate increases in operational costs for printing, processing and mailing notices, rolls, and bills. For planning purposes, CGR has assumed that adding 10 percent of the average cost/parcel in the county would offset these increases.

2. Second, the Village of Colonie *or* all of the other assessing jurisdictions<sup>26</sup> would have to pass local laws amending their assessment calendars such that all calendars in the County would be synchronized.
3. Third, three formal referenda would need to be developed – one for the cities collectively, one for the Village of Colonie, and one for the residents of all other towns in the County. Public hearings would need to be held, notices filed, and the referenda officially placed on ballots at designated times for public vote.

The timeline for coordination of reassessments would be crucial to allow all units to achieve an LOA of 100 for the same assessment year. Considering the City of Albany is not planning a reassessment until 2011, the earliest that all units could be at the same level would be 2011. This is likely too soon for each of the communities needing data collection projects, particularly Westerlo and the two villages, to pass the necessary approvals in their respective municipalities to move forward with a reassessment. The more likely scenario is that by the 2012 assessment roll, each of the assessing jurisdictions currently needing data collection and verification projects could complete that work and file updated rolls. The City of Albany and any other municipality that updates prior to this could maintain their data so that only minor adjustments would need to be made for the 2012 roll. They could then all achieve an LOA of 100 on the same assessment roll as the newly updated assessment units.

***There are significant implementation challenges facing the County if it chooses to pursue a County-run model. The inconsistency of local data quality, the need for significant reassessment work, and the legal hurdles of getting local laws and referenda approved suggest the County-run model would be extremely difficult to implement.***

***Furthermore, the County would also have to make significant upgrades in its own staff, managerial and information technology capacities to adequately absorb assessment responsibilities from the local level. County officials noted that current managerial capacity is already limited, stretched thin with little flexibility to expand current responsibilities. In this light, it is difficult to envision a seamless transfer of assessment responsibilities in the current environment.***

***In sum, while the County-run model would appear to cost less on a recurring basis, it would face significant implementation hurdles. County decision makers will have to balance the long-term cost benefits***

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<sup>26</sup> Currently all assessing jurisdictions outside of the Village of Colonie share the same assessment calendar.

*against these clear implementation challenges to determine if the option is viable.*

## **Option 2: County-Coordinated Assessment Program**

### **Overview**

Transitioning to a County-coordinated assessment program (CCAP)<sup>27</sup> consolidates the assessing function at the County level, but does not eliminate municipal assessing jurisdictions. Each municipality would surrender operation of their local assessment function and contract with the County for all assessment services in accordance with RPTL §1537.

Unlike the County-run model, this option does *not* require referenda but can be formed by agreement between the County and each local governing body. A CCAP agreement must be approved by majority vote of each governing body at least 45 days before a taxable status date (usually March 1). A copy of the agreement must be filed with the State Board of Real Property Services (herein after referred to as the State Board) by the taxable status date.

Most importantly, the CCAP model as prescribed by Real Property Tax Law, Section 579, involves the following:

- *A single appointed assessor other than the Director of RPTS, appointed to hold the office in all individual assessing units, with the appointment taking effect no later than 60 days after initiation of the agreement;*
- *A common standard of assessment, whereby property is assessed at a uniform percentage in all individual assessing units; and*
- *A synchronized assessment calendar, with all individual assessing units operating on the same assessment calendar throughout the term of the agreement.*<sup>28</sup>

A CCAP program can also be terminated at any time by at least 50 percent of the participating assessing units agreeing to termination through the adoption of local laws or resolutions. Alternatively, the County could adopt a County law terminating the program. Both methods require adoption of local laws by a majority of the governing body and must be

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<sup>27</sup> RPTL §579

<sup>28</sup> Currently all assessing jurisdictions outside of the Village of Colonie share the same assessment calendar.

filed with the State Board no less than 6 months prior to the taxable status date of the first assessment roll to which it would apply.<sup>29</sup>

Regarding equalization rates, for any market value survey begun after the first assessment roll conducted under a new CCAP, the State Board would conduct a common market value survey including all the assessing units participating in the program. The State Board would establish the same equalization rate and apply it to all of the assessing units participating in the CCAP.

Unlike the County-run model, if a municipality were to be part of a County-coordinated assessing unit it could continue to use the homestead tax provisions pursuant to RPTL Article 19.

### **Transition Costs**

The transitional costs in a CCAP related to reassessment are likely very similar to those of the County-run option and have been modeled the same. The significant difference in transitional costs involves the flexibility available in how the CCAP is staffed and where staff are located. CGR has modeled that transitional costs would likely not include the security deposit for rental of a new building, since staff could be decentralized in existing locations. Thus, transition costs under this model simply involve supplies, materials and equipment to support a new operation. We have modeled those costs similar to the County-run option at \$5,000 per new employee considering that the County might buy-out existing equipment or invest in new equipment to facilitate the assessment process.

Since there are currently no local Coordinated Assessment Programs (CAPs) in the County, all of the transition aid that is available under the County-run model would still be available to the County and municipalities in a CCAP transition.<sup>30</sup> Further, an additional \$1/parcel aid incentive may also be received by the County pending the types of services that were offered and agreed to by the municipalities.

One other difference in transition costs between the County-run model and CCAP involves the level at which costs and aid would be fixed (*i.e.* County versus municipal-level). Aid that flows into the County could be used to offset the transitional costs incurred by municipalities and thus reduce the impact. In sum, the model indicates that the County and

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<sup>29</sup> Termination by any entity within 10 years of joining any CAP arrangement would subject the terminating entity to a repayment of a prorated portion of the aid they received for joining the CAP.

<sup>30</sup> State law dictates that municipalities that have already received consolidation aid would not be eligible to receive it a second time under a new CAP agreement.

municipalities in aggregate would incur a cost of more than \$1,150,000 to transition to a CCAP.

## ***Operating Costs***

### ***Personnel***

Ongoing operational costs are difficult to precisely quantify without knowing the structure that would evolve as part of the intermunicipal agreements between municipalities and the County. For cost estimation purposes, CGR assumes that the County would hire a single assessor for all participating municipalities to appoint as their assessor. This position has been modeled at \$60,000 plus 37 percent benefits. In addition, CGR assumes that 40 FTE support positions would be added such that total new staff would equal 45.5 FTE, similar to the County-run model. CGR modeled the addition of 40 FTE support staff at \$37,000 (plus 37 percent benefits). CGR assumes that the additional IT support under the County-run model would also be necessary in the CCAP model. Thus, the model includes \$137,000 for two professional IT support staff. Lastly, CGR added 10 percent to the current County budget as well as the new staff estimates to account for administrative overhead and potential salary adjustments for current County staff. In sum, these additions total almost \$2,524,000 .

### ***Other Operational Considerations***

Other operational considerations include whether current revenue will continue, potential annual aid, and costs associated with annual reassessments. CGR has accounted for these numbers as follows:

- CGR reviewed the County RPTS budget and believes that under a County CAP model, all revenue currently being received and applied to the RPTS budget would continue (\$46,391).
- CGR models new revenue that would be available to the County because of aid from the State for annual reassessments (\$550,000).
- CGR assumes that there would be increased costs associated with annual reassessments that would total roughly ten percent of the current average cost per parcel for municipal budgets within the County (\$2.42 per parcel, or \$270,000 annually).<sup>31</sup>

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<sup>31</sup> See Footnote 25.

### ***Total Operational Impact***

The sum total of personnel and operational considerations yields a CCAP that costs almost \$2,710,000 annually. This represents a nearly \$450,000 savings over the current operation and a \$140,000 decrease over the County-run option. If the County were to realize these savings, the transition to a CCAP would pay for itself in less than three years.

The primary difference in costs modeled with the CCAP versus the County-run involves personnel. According to RPTL section 1537(4), the newly appointed assessor for the consolidated units cannot be the current Director of RPTS. The addition of a Director of Assessment changes the staff composition to be added, and the corresponding salary and benefits total is different. There are also unknowns for the intermunicipal agreements and what additional responsibilities the County might assume as part of those agreements. The specifics of the intermunicipal agreements will ultimately dictate personnel costs.

### ***Implementation Path***

The first step in implementation of this model involves town assessing units agreeing to the plan through majority vote of their respective governing bodies, and adopting an intermunicipal agreement for the County to serve as the assessing unit for the municipality. Once an assessor is appointed for the CCAP, assessing units would likely be integrated in phases. To facilitate the process, it would make sense to incorporate first those assessing units that are already at 100 percent level of assessment. Remaining assessing units could be integrated thereafter, subsequent to reassessment to bring them to 100 percent.

Similar to the County-run option, the CCAP would require that either the Village of Colonie *or* all of the other municipalities who contract with the County change their assessment calendar in order to have them synchronized.

Among the other logistical issues to resolve in transitioning to a CCAP would be synchronization of computer software across the units, and the roles of local office staff. As part of drafting the intermunicipal agreement, officials will also need to make decisions regarding the following:

- timelines for filing the first assessment roll;
- locations and hours of local assessment offices;

- whether mobile units could assist in serving local needs better than local assessment offices;<sup>32</sup>
- the extent to which responsibilities of current County staff would change;
- the process for handling complex property valuation; and
- whether or not to institute a formal reassessment cycle.

*The same implementation hurdles to a County-run option would also likely apply to the County-coordinated option. Even without the referendum requirement, local data quality and the need for reassessment work would pose challenges. Moreover, the County would again have to make upgrades in its own staff, managerial and information technology capacities to adequately absorb assessment responsibilities from the local level. County officials noted that current managerial capacity is already limited, stretched thin with little flexibility to expand current responsibilities.*

*In sum, while the County-coordinated option appears to cost less than the baseline, and though the implementation challenges are fewer than the County-run option, there remain significant issues for County officials to weigh against the potential savings.*

## Local-Level Models

Aside from the County-run and CCAP models, there are other options available to the County that may yield efficiency, equity, transparency and standardization benefits. The two options presented in this section use intermunicipal agreements between and among assessing units. However, it is important to note their common goals: 1) A common level of assessment at 100 percent across all assessing units, qualifying them for State aid of up to \$5/parcel, 2) A common reassessment cycle to ensure more standardization across assessing units, and 3) A common process for inventory and sales verification to ensure more reliability and accuracy across assessing units.

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<sup>32</sup> County officials could consider offering mobile units to service local towns in either a County-run or County CAP model. These mobile units would go to different towns on different days of the week and take applications and/or answer questions for local taxpayers. This type of service may add cost for transportation, computer equipment and potentially space depending on the arrangements worked out with town officials.



There are a variety of possible permutations for these options. For example, a localized coordinated assessment program (CAP) may be implemented for two, three, four or more municipalities.<sup>33</sup> Similarly, local jurisdictions may contract with each other or the County for specific services. In each case, actual costs and aid benefits will be driven by the specifics of the agreement.

### ***Option 3: Localized Coordinated Assessment Programs (CAP)***

Section 579 of the Real Property Tax Law allows two or more assessing units located in the same county (or adjoining counties), having the same level of assessment, and having the same assessor, to enter into an agreement to become a Coordinated Assessment Program (CAP). Under this arrangement, the State Board establishes identical equalization rates for all of the assessing units in the CAP. In addition to yielding standardization benefits, the CAP model can be particularly useful in spreading assessment costs between or among jurisdictions. For example, multiple assessing units in a CAP may be able to acquire professional assessment services that would otherwise be cost prohibitive were they acting separately. In addition, licensing fees for the RPS software can be shared between municipalities thus reducing the cost.

According to ORPS, the membership size of a CAP can evolve during the life of the agreement. On the one hand, it can be amended to add new assessing units. On the other hand, assessing units can withdraw from the program if the local law or resolution providing for the withdrawal is approved by a majority vote of the unit's governing body and filed with the State Board at least six months before the taxable status date of the first assessment roll to which it is to apply.<sup>34</sup>

The CAP model also may represent an opportunity for further collaboration and efficiencies going forward. For example, a CAP (or series of CAPs) may serve as a building block for bringing all assessing units under agreement across the County in a way that enables consistent levels of assessment and valuation standards.

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<sup>33</sup> It is important to note that the ideas presented in Option Three are not contingent upon all assessing jurisdictions adopting County-wide assessment standards consistent with ORPS goals. However, the intent of this grant, and ORPS goal, is that all jurisdictions have common standards and common LOAs. Thus, should local municipalities decide to CAP without the County, the County should still consider adopting common assessment standards as outlined in Option Four that would apply to all the assessing jurisdictions, including the new CAP.

<sup>34</sup> Should a municipality withdraw within ten years of joining a CAP, they would be subject to repay to NYS a prorated portion of the aid they received.

### ***Potential CAPs in Albany County***

Albany County has no Coordinated Assessment Programs (CAPs) and, as shown in **Table A-1** in the appendix, has very few instances of municipalities sharing assessors. Currently, the same assessor serving on the Board in the Town of Rensselaerville also serves as the sole assessor for the Town of Westerlo. The Town of Colonie provides assessment support to the Village of Colonie, and the Town of Coeymans is served by the current Director of Greene County RPTS.

Through interviews, CGR learned of several CAP opportunities in Albany County. One CAP that has been discussed involves combining the cities of Cohoes and Watervliet with the Village of Green Island. Mayors in each city expressed interest in this possibility. Another potential CAP might be combining certain “hill towns” like Berne, Knox, Rensselaerville and Westerlo. The Towns of New Scotland, Bethlehem and Guilderland may represent yet another potential CAP.

### ***Cost Implications of a Sample CAP***

Quantifying the true cost of a coordinated assessment program would depend on a number of factors that are indeterminate at the present time. Community size, parcel volume, valuation complexity and current costs and staff size would all need to be included in a full analysis of a proposed CAP.

In order to provide guidance to the County and its assessing units on how to think through the cost analysis process, we present a hypothetical example of a new CAP in Albany County. This example evaluates the costs associated with combining the cities of Cohoes and Watervliet with the Village of Green Island. The three municipalities represent 8,919 parcels, an FTE staff equivalent of 2.1 and total annual spending of \$240,739.

Shifting to a CAP agreement with a shared assessor could result in a staff configuration of one FTE assessor, one FTE appraiser and 1.5 support staff.<sup>35</sup> Were the assessor salaried at \$50,000 plus 37 percent benefits, the appraiser at \$40,000 plus 37 percent benefits and the support staff members at \$28,000 with 37 percent benefits (for the full-time only), plus a 20 percent allowance for office overhead, the total annual cost of the CAP in this scenario would be \$210,792. This represents an aggregate savings of nearly \$30,000 and yet an increase in staffing of 1.4 FTE.

In addition to cost savings and enhanced staffing, the real benefit to any CAP is the added revenue brought into each municipality because of the

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<sup>35</sup> The staff parcel ratio under this model would be 2,550 (8,919/3.5).

aid that is available.<sup>36</sup> In the case of City of Cohoes, aid in excess of \$62,500 would be available as part of this sample CAP. The City of Watervliet could receive almost \$34,000, and the Village of Green Island would receive slightly more than \$10,400. Among all of the communities, more than \$62,400 could be generated in consolidation aid and an additional \$44,500 in reassessment aid by creating this CAP agreement.

Dividing the total cost by the parcels involved yields a cost per parcel of \$23.63. The actual impact to each municipality would be part of a negotiated agreement but would likely be favorable to most of the entities listed due to lower costs and/or increases in annual aid. Each municipality benefits from cost savings, enhanced staffing and regular reassessments that could improve the level and quality of service provided to the communities. Table D highlights the possible ongoing operational cost and revenue implications to each participating municipality in this potential CAP.

**Table D:  
Operational Impact for CAP of the City of Cohoes, City of Watervliet, and Village of Green Island**

Municipality	Parcels	Current Budget	Current Average Cost/Parcel	*Proposed Cost/Parcel	Proposed Cost	** Aid Available	Proposed Net Cost	Difference from Current Budget
Cohoes	5,220	\$130,375	\$24.98	\$23.63	\$123,349	\$26,100	\$97,249	(\$33,126)
Watervliet	2,827	\$53,672	\$18.99	\$23.63	\$66,802	\$14,135	\$52,667	(\$1,005)
Green Island	872	\$56,692	\$65.01	\$23.63	\$20,605	\$4,360	\$16,245	(\$40,447)
<b>Total</b>	<b>8,919</b>	<b>\$240,739</b>	<b>\$26.99</b>	<b>\$23.63</b>	<b>\$210,756</b>	<b>\$44,595</b>	<b>\$166,161</b>	<b>(\$74,578)</b>

\* Proposed Cost/Parcel is based upon a CAP budget of \$210,792 divided by 8,919 parcels.

\*\* Aid available is based upon \$5 parcel annual reassessment aid.

This arrangement would require that each municipality perform a reassessment in order to come up to a common LOA of 100.<sup>37</sup> Since both the City of Watervliet and the City of Cohoes have expressed interest in doing a reassessment soon, and since the Village of Green Island needs to conduct a reassessment, a CAP opportunity represents potential revenue to offset the cost associated with these endeavors. Beyond that, the model in Table D indicates that it would create recurring cost savings for the assessment operation in these three municipalities.

### ***CAPs Through Attrition***

Finding new people interested in becoming professional or even part-time assessors is proving increasingly difficult across the State.

Professionalizing these positions and creating salaried opportunities with benefits may help to attract qualified, interested individuals. However,

<sup>36</sup> \$5/parcel reassessment aid and \$7/parcel consolidation aid is available to each municipality as part of a CAP transition.

<sup>37</sup> See Table C earlier in the report for details associated with reassessment for each municipality in this CAP.

CAP options represent another means for coping with fewer people. Attrition of current assessors may represent opportunities to consider CAP options across the County. Not only could it create efficiencies through shared service arrangements, it would alleviate the necessity in some cases of filling vacant positions. Over time, there would be better coordination throughout the County, more municipalities would be leveraging aid available to them through the State, and the County would be further along in the process of centralizing services should it ever consider that as a viable option.

### **Option 4: Municipalities Contract or Collaborate With County**

“Real Property Tax Law, Section 1537 allows an assessing unit to enter into a joint services contract with the county to perform some or all of the assessing function. Under Section 1537 agreements, assessing units remain autonomous, each individually analyzed for equalization rates, residential assessment ratios and reassessment aid.”<sup>38</sup> Additionally, the town retains its appointing authority, even though the appointed assessor would become a County employee.

As mentioned earlier in this report, Albany County Real Property Services currently provides minimal services to municipalities in support of the assessment function. There are no formal agreements between the municipalities and the County. The options summarized below are arrangements that could be formally considered as a way of expanding the County’s facilitation role and enhancing consistency, standardization and efficiency.

#### **Commercial & Industrial Assessments**

At present, each municipality’s assessing unit manages its own assessments of commercial and industrial property. As might be expected, the City of Albany handles the majority of these parcels; the Town of Colonie has a significant share as well. These two municipalities share over 70 percent of the total commercial and industrial parcels for the entire County.

Primarily out of necessity, all municipalities provide this valuation service as part of their assessment responsibility. However, not all assessors are qualified to provide the service and many are simply uncomfortable with it. This leads to a wide variation in valuation strategies and has the potential to open municipalities up to costly legal challenges.

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<sup>38</sup> *Assessment Administration Analysis Report*, New York State Association of County Directors of Real Property Tax Services.

Under a new model, the County could assume responsibility for all commercial and industrial assessments. This would likely require hiring someone at the County level with expertise in this sort of valuation and appraisal technique. Alternatively, the job could be outsourced as is done (or is being considered) in certain other counties.

As shown in **Table E**, there are 8,331 parcels in Albany County classified as commercial or industrial. As a rough estimate of the cost of assessing those properties, the table applies the average assessment budget per parcel for each assessing unit (see **Table A-3** in the appendix) to the number of commercial/industrial parcels in each unit. Using this method, municipalities in Albany County are spending roughly \$192,600 to maintain the assessments for these parcel classifications.

<b>Table E: Commercial/Industrial Cost/Parcel</b>			
<b>Assessing Jurisdiction</b>	<b>Comm/Indus</b>	<b>Budget/Parcel</b>	<b>Total Cost</b>
City of Albany	3,880	\$17.52	\$67,993
City of Cohoes	548	\$24.98	\$13,687
City of Watervliet	305	\$18.99	\$5,791
Town of Berne	35	\$17.02	\$596
Town of Bethlehem	647	\$22.00	\$14,235
Town of Coeymans	177	\$23.03	\$4,077
Town of Colonie	1,760	\$33.88	\$59,634
Village of Green Island	139	\$65.01	\$9,037
Town of Guilderland	414	\$29.68	\$12,286
Town of Knox	16	\$15.27	\$244
Town of New Scotland	140	\$22.15	\$3,101
Town of Rensselaerville	30	\$17.53	\$526
Town of Westerlo	44	\$20.71	\$911
Village of Colonie	196	\$2.26	\$444
	<b>8,331</b>		<b>192,559</b>

Were each of the municipalities to enter into an intermunicipal agreement for the County to handle all commercial and industrial assessment, the County could explore providing this service in one of two ways. As mentioned, it could hire commercial appraisers to focus on these parcels full-time. To keep the parcel ratio per FTE reasonable, the County would likely have to hire 4 commercial appraisers. A starting salary for someone with this expertise is likely \$50,000. Four commercial staff at \$50,000 plus 37 percent benefits yields a total personnel cost of \$274,000.

It could be argued that the added cost is worth the investment to bring these parcels under tighter scrutiny and professional oversight. However, the City of Albany and Town of Colonie have more robust staff sizes already. Thus, it is not likely that significant improvements would be

made for the majority of the parcels by shifting the assessment operation to the County.

Alternatively, outsourcing the commercial work is an option. In other counties, estimates for this service have included an initial up-front cost to clean the data and get it set-up, and then an ongoing maintenance fee. The up-front cost could range from \$50-\$60 per parcel and the ongoing maintenance fee would likely be approximately \$5 per parcel. In total, a transition would cost between \$416,000 and \$500,000, and ongoing maintenance would be approximately \$42,000 annually. Thus, a transition of this sort would pay for itself in aggregate terms in less than three years based upon the averages involved in this analysis. However, it may pay for itself sooner if it served to reduce the number of businesses filing grievances on their assessments.

### ***Handling of Exemptions***

Assessors in Albany County repeatedly expressed to CGR that certain times of the year produce an overwhelming amount of paperwork as exemptions need to be processed. The level of service provided to accomplish this function is highly variable, with some assessors making house calls to complete forms and obtain signatures, and others merely processing paperwork through the mail.

In order to standardize the level of service in regards to exemptions, and in order to alleviate some of the pressure on local assessors to process and maintain these exemptions, one scenario that was discussed was to have the County assume responsibility for receiving and processing all exemptions. It is unknown at this time how many staff would be required to fulfill the responsibility at the County level. Similarly, it is difficult to quantify the actual cost incurred at the local level, especially given its seasonality.

The primary benefit to this alternative would appear to be a standardization of service across the County and a lightening of responsibility on local assessors. This would allow local assessors more time to focus on property valuation and making sure their assessment rolls were clean, accurate and equitable. To facilitate the processing of exemptions at the County level, the County may also be better positioned to leverage technology to make paperwork available to the community.

While local assessors point to the burden placed on them by exemptions, they also point out perceived disadvantages of shifting responsibility to the County level. From the perspective of many local assessors in the smaller jurisdictions in the County, the primary downside would be the effect on seniors in the community who have come to rely on personal service, including home visitation by local assessors, in order to maintain their exemptions. Centralizing exemption processing in the County seat of the

City of Albany may inconvenience some residents in outlying parts of the County who would prefer to handle their exemption processing in person. Local assessors also point to the “personal touch” that they are able to provide in processing exemptions. In their view, centralizing the function at the County level may sacrifice that level of service and result in certain residents losing exemptions.

### ***Countywide Common Assessment Standards***

Although not a fee-for-service type of municipal contract, assessing units in Albany County may agree to adopt countywide common assessment standards. Common assessment standards make assessment more transparent throughout the entire system and reduce inconsistencies and complexity. In addition, common standards address equity concerns system-wide by bringing all jurisdictions equal in areas like levels of assessment, parcel data storage/format, assessment calendar and reassessment schedules.

### ***Synchronize Assessment Calendars***

As stated in several of the preceding options, one of the inhibiting factors to combining assessment operations across the County is the difference in assessment calendars between the Village of Colonie and all other assessing jurisdictions. Without initiating any other changes, the Village of Colonie should consider whether synchronizing its assessment calendar with the rest of the County would be advantageous. A consistent calendar across all jurisdictions helps school districts in their planning and also improves transparency in the system. While there may be no immediate benefit to an individual jurisdiction, it could certainly pave the way for future collaborative opportunities.

### ***Common Revaluation Schedule***

A significant step the County could take to improve equity and transparency would be to facilitate a common revaluation schedule. Only the City of Albany has any formal reassessment cycle.<sup>39</sup> The County could play a role in facilitating a common cycle in the County within the next ten years. Initially, it could set a goal of getting all units other than the City of Albany through a revaluation and to a common level of assessment in the next five years. Once that is achieved, each unit could apply to be on the triennial aid program and work towards maintaining their rolls on an annual basis. At the end of the next three years, each unit would conduct another reassessment. By that point, each unit would be in a position to apply to be on the six-year plan for an annual reassessment cycle. If the City of Albany maintains its current cycle, it will reassess in

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<sup>39</sup> The City of Albany current conducts quadrennial reassessments.

2011, 2015 and 2019 putting it on schedule to be synchronized with the rest of the municipalities. Thus, by 2019, every assessment unit could be operating on an annual reassessment cycle. Importantly, shifting jurisdictions to a one- or three-year cycle would avail communities of State aid they are otherwise forgoing at the present time.

It may not be feasible to maintain an annual revaluation schedule for some of the larger and more complex jurisdictions. This should not prevent the County from actively encouraging all municipalities to consider some regular revaluation schedule. Currently the triennial program may provide the best alternative, considering that there is aid available for this program and it would be less cumbersome than the requirements associated with the annual plan.

### ***Other Common Standards***

Other standards could include agreements for a common level of assessment and common practices for valuation of all parcels. Levels of assessment that are consistently held at 100 can significantly improve transparency and reduce complexity in the system. Transparency has the benefit of increasing taxpayer understanding and confidence.

CGR observed that currently all assessing jurisdictions have different valuation practices, and interviews with city and other municipal officials reveal there remain some inconsistencies in the data among jurisdictions. For instance, some data have been updated regularly and give a fair representation of current property inventory, while other data bear no resemblance to the inventory that exists today. Resolving these inconsistencies and formally agreeing to value properties in the same manner would improve equity and enhance taxpayer confidence in the assessment system.

There may also be efficiencies gained through the adoption of Countywide data collection standards. One example regards reassessments. To the extent that outside vendors are used in the reassessment process, the County purchasing department could play a more active role in bidding out this service and screening for reputable, reliable contractors that could service all jurisdictions equitably and efficiently. There may also be economy of scale benefits in contract costs from using this approach.

## **Establishing a Centralized Database**

There are other options available to enhance the capacity, effectiveness and accuracy of the assessment system in Albany County. One of the more significant opportunities would seem to regard data storage and maintenance. From the beginning of this review, CGR was alerted to the potential benefits of enhancing the flow, accuracy, standardization and



accessibility of data and information as a primary improvement opportunity.

As previously noted in this report, the RPS database in Albany County is not a reliable tool in the tax mapping process, nor as a resource to County officials and the public. Local assessors are primarily responsible for maintaining a local database of RPS and sending backups to the County. Those backups are provided no more than 1-2 times per year, meaning that the information in the County is dated and obsolete almost as soon as it is received from local assessors.

To accommodate for this deficiency, the RPTS office has developed a secondary Access database as a resource for the tax mapping function and also to house historical data that the current RPS system does not contain. Each database (RPS and Access) contains unique records and the two databases do not “communicate” with one another, nor are they reconciled to each other. Data are manually entered or uploaded in both – by local assessors for RPS, and by the County for Access – largely by reviewing the RP-5217 property transfer forms and/or corresponding deeds. Local municipalities do not have access to the County’s Access database, much as the County does not have real-time access to the locals’ RPS system.

***The absence of a formal linkage between the two systems creates a duplication of process that yields at best, inefficiency and at worst, inaccuracy in a system that should serve as the foundation of the County’s property tax administration process.***

One of the stated goals of the CPTAP program is the centralization of data and information in a way that gives all stakeholders – those involved in assessing, property transfers, tax collection, tax enforcement and the handling of delinquencies – accurate, accessible and real-time data. In fact, real-time, centralized data has many benefits that extend well beyond the assessment operation. Many departments at the County level such as Management/Budget (including IT and RPTS), Finance (including tax collection), and the Executive Office, as well as similar offices at the municipal level (*i.e.* planning, code enforcement, law enforcement), rely on the data that should be accurately contained in the RPS database. Accessing data that are outdated and/or incorrect creates problems systemwide.

Interviews with Albany County officials suggested that cost and required maintenance effort are primary considerations in evaluating the merits of a centralized County-hosted assessment database. Costs associated with the transition to a County-managed database would consist of hardware and personnel time. At a minimum, the County database would include parcel information for nearly 111,000 records going back at least three years, as well as GIS information and pictures of parcels. At least 60 user accounts

would have to be created and managed regularly. The County currently has one dedicated server to the RPS database and uses VMWare<sup>40</sup> on all of its servers to enhance their capacity. The County would have to add a second server to handle the setup, but with some modification to existing servers, the hardware may be configured to ORPS specifications and reliably handle a centralized database.

The County does not currently have sufficient personnel to implement this concept. Neither do they have the personnel to handle the ongoing maintenance of the operation. Adding staff may address this problem, but as modeled in the previous sections of this report, it is possible that two positions would cost in excess of \$130,000 (when benefits are included).

### ***Assessment and Tax Collection: The Data Nexus***

Centralizing the RPS database or enabling data sharing among distributed databases would produce a significantly more efficient data interface between the assessment and tax collection systems. Tax collectors rely on the most recent and accurate data in the RPS system to update their data for producing tax bills and collecting payments. When RPS is not accurate, it creates inefficiencies in the process that undermine local municipalities and ultimately the County's ability to collect property taxes. This also contributes to local officials not having access to foreclosure status for properties that have been turned over to the County for collection.

Balancing efficiency and accuracy against cost and personnel time is a decision that the County is going to have to weigh as it decides the merits of centralizing data. The advantages to the system across the entire County are significant and could improve the entire process. However, the cost to the County government, even if some of that cost was borne by local municipalities, may be too significant to consider at this time.

### ***Citrix Option***

Consideration would also have to be given to how to access the data once the centralized system was established. The County's IT Director has expressed a desire to move to more internet/intranet and thin-client technology and has some reservations about current software and client connectivity practices being promoted by ORPS. There are currently twelve counties across the State that use Citrix software to connect remotely to a centralized database housing RPS v. 4. Citrix presents some benefits in regards to load balancing for higher numbers of users and larger databases, meaning sessions are more reliable and the data are more

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<sup>40</sup> <http://www.vmware.com/>

responsive to manipulation. However, Albany County has previously used Citrix for other purposes and has experienced issues that make it skeptical about employing Citrix in a centralized RPS system.

A statewide Citrix user group has been formed to help users in the twelve counties address the concerns that Albany County (and others) have experienced. CGR interviewed the current Director of Real Property Tax Services in Cattaraugus County, currently serving as the leader for the user group, and learned that the historical issue with RPS v. 4 involved its being designed as a stand-alone system. When counties desired to centralize the database, the software was initially incompatible. To compound matters, Citrix presented other functional issues relating to its printing interface.

The user group liaison noted that almost all of these issues with Citrix have been resolved. She further commented that where there used to be hundreds of “trouble-shooting” issues reported within the user group, now there are fewer than ten per year. ORPS has invested significantly into RPS v. 4 to make it a viable, networkable database solution, and currently the Citrix interface is no longer the significant issue.

## ***Terminal Services Option***

Other counties that provide centralized databases use Terminal Services for users to connect. IT professionals from ORPS shared that Terminal Services is an acceptable application for smaller numbers of individuals with smaller numbers of database records. Once there are more than twenty users, the functionality of Terminal Services begins to breakdown.

## ***Replication***

Implementing a countywide centralized database has inherent costs that may be prohibitive in the short-term. In order to address the inefficiencies and inaccuracies of decentralized data, some counties across the State<sup>41</sup> have employed a data transfer process known as replication<sup>42</sup>. In the most basic sense, replication automates the current upload/reload process that currently only happens 1-2 times per year. Rather than waiting for municipalities to send manual backups, the County could employ technology that would allow computers in local municipalities to “synch”

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<sup>41</sup> ORPS’ Central Region has the most counties using replication. Examples of current counties using replication technology are: Jefferson, Lewis, Madison, Oswego, St. Lawrence, and Schuyler.

<sup>42</sup> [http://www.orps.state.ny.us/rps/v4/brochure/RPSV4\\_Web\\_Help/WebHelp/RPSV4\\_Web\\_Help.htm](http://www.orps.state.ny.us/rps/v4/brochure/RPSV4_Web_Help/WebHelp/RPSV4_Web_Help.htm):

Additional information on this option can be found on this ORPS website by typing the search word “replication.”

data with the County's database on a regular basis (over the Internet). The County could also "push" data back out to local units if changes were made at the County level. This would avoid the manual backup step, the manual reload step and the timing delays involved in both. The transition would be low-cost, relatively low maintenance, and would assure the County of more accurate data throughout the year.

If the County were to implement replication, it could also consider moving away from use of its Access database and rely on RPS exclusively. The primary purpose for the Access database is to keep a larger file of historical information than is currently maintained through RPS.<sup>43</sup> The County also uses the Access database as the primary information source for maintenance of tax maps. To accommodate the County's desire for more years of data in RPS, data beyond three-years of age could be archived and kept in a separate storage area on the network in an RPS compatible file format. That data could be accessed as needed simply by "switching" between the current and historical data file. In addition, RPS has complete functionality to handle the tax mapping and any other activity that is currently being managed in the Access database. Using the RPS system exclusively would streamline data between the County and municipalities and would render the current Access database obsolete over time. Beginning to maintain data on the same platform would also provide an opportunity to centralize data systems going forward.

### **Upload/Reload Regularity**

If the County chooses neither the centralized database nor the replication tool, then it could ask that data be backed up locally and sent to the County on a more regular basis throughout the year (*i.e.* at least every other month). Data that are current at least every two months would facilitate a transition away from the current Access database and a migration to using RPS data exclusively. While this is certainly a more basic step than formally centralizing data through Citrix or replication, it would at minimum represent an improvement over the current approach.

### **Other Options**

Based upon its review and experience with other counties, CGR identified the following other options to enhance the delivery of assessment services Countywide.

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<sup>43</sup> ORPS recommends that the RPS system runs optimally with no more than three-years of historical records.

### ***Eliminate Three-Person Boards***

Albany County has two municipalities that still operate under the jurisdiction of a three-person board. In addition to being inefficient, this arrangement is currently out of step with the majority of the rest of the County (and other municipalities across the State). Most municipalities have moved to an appointed assessor model. This increases accountability and potentially professional standards. The municipalities that have three-person boards could consider eliminating them in favor of an appointed assessor.

### ***Eliminate Village Assessing***

The Village of Colonie should consider eliminating its assessing unit. The Town of Colonie has a fully functional, well-organized and well resourced assessment operation and could provide the service to the Village of Colonie, especially considering the Town currently provides the service for its own property tax-billing purposes.

## **Implementation Considerations**

In addition to the implementation strategies discussed as part of the options above, there are general guidelines that should be considered. First, if any option for collaborative assessment is to work, efforts must be directed toward building consensus among participants regarding the need for assessment equity. This should not be construed as an obstacle, but an issue to be deliberately addressed by leaders within each community. It is not uncommon for public officials to have limited knowledge of the intricacies and complexities of the property assessment process. This creates both anxiety and even a lack of interest in making any changes. Through working to better understand the process and sharing ideas for how to collaborate, new ideas can emerge that will enhance the quality of the assessment process.

Second, if Albany County and/or its assessing units desire to move towards any of the options presented, individual jurisdictions should begin taking steps to coordinate their reassessment plans. They should also formally agree on a date by which all LOAs across the County will equal 100 percent.

Third, the new strategies are likely to be cost prohibitive if municipalities do not take advantage of State aid available for conducting reassessments and/or consolidations. Aid options should be considered as part of any reform discussion. Factoring these incentives in, municipalities can generate revenue, offset certain transition costs and reduce the overall cost of the assessment function.

## Conclusions

The Centralized Property Tax Administration Program (CPTAP) began as an effort to address the complexity and confusion inherent in New York State's property tax system. As one of only three states without a statewide standard of assessing, and one of twelve without a mandated reassessment cycle, New York contains an incredible diversity of assessment levels, practices and approaches. From a financial standpoint, the result is a system in which property owners may (or may not) be taxed equitably simply as a result of where they live in a community. From a public accessibility standpoint, the result is inordinately complicated, not always easily accessible or transparent, and difficult to understand.

In that context, the CPTAP program was established to build a foundation for charting reform. Importantly, ORPS notes that “the intent of the program is for counties to chart their own paths to reform. The program does not presuppose a one-size fits all approach to such improvements. By analyzing the particulars of their county, local officials are determining what will work best for their taxpayers and the taxing jurisdictions alike.”

The assessment system in Albany County is largely decentralized but functional. There is a wide diversity of practices related to the assessment process and a correspondingly high degree of disparity in the equity and transparency of the system across all jurisdictions. The intent of this report and the information contained herein is, in the most basic sense, *to empower officials at the County and local level including mayors, supervisors, local legislative boards, the County Executive and County Legislature, as well as assessors and collectors to make decisions regarding the future of property tax administration in the Albany County community.* While specific reform concepts will no doubt require additional analysis and consideration of detailed components, this report establishes a baseline foundation for making those decisions going forward.

# THE TAX COLLECTION SYSTEM IN ALBANY COUNTY

## Current Profile

The property tax collection system in Albany County can be best characterized as decentralized with each of the 19 municipalities and 20 school districts<sup>44</sup> responsible for the collection of taxes within its boundaries. Many of these jurisdictions, particularly the larger ones, not only collect taxes for their own purposes but may also collect taxes for other entities. For example, in the Town of Bethlehem a typical January property tax bill will have taxes collected for its own general fund, Albany County's general fund, the Bethlehem Town Highway fund (a separately administered fund within the Town), three water and sewer districts, a local ambulance corps, an emergency medical corps and a fire district. In addition to these nine entities, the Town also collects taxes in September to support the Bethlehem School District as well as three other districts. This is a typical pattern across the County.

Since County taxes are initially collected by the local jurisdictions and remitted to the County, the County's primary role in the collection process is to collect delinquent taxes after the local tax warrant has expired (generally two to three months following the issuance of the bill – November 1 for school taxes and April 1 for general property taxes). The County makes jurisdictions “whole” by giving them the value of the uncollected taxes when the tax rolls are turned over to them. In turn, the County keeps any money collected, has the ability to foreclose on any properties which continue to be delinquent after a period of three years, and keeps the proceeds from the sale of the foreclosed property. This includes any accrued interest and processing fees.

In addition to its role as a “collector of last resort,” the County also keeps property tax records, which play an important role in keeping tax rolls up-to-date and collecting taxes owed from new owners. As discussed in the assessment section, the County Clerk's Office is the first stop for recording new ownership, as evidenced by the recording of the deed and the filing the first part of the RP-5217 form. This four-part form is then shared with the County Real Property Tax Service office before going to

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<sup>44</sup> This includes three cities (Albany, Cohoes, and Watervliet), ten towns (Berne, Bethlehem, Coeymans, Colonie, Green Island, Guilderland, Knox, New Scotland, Rensselaerville, and Westerlo), six villages (Altamont, Colonie, Green Island, Menands, Ravena, and Voorheesville) and twenty school districts. Many of the school districts have their taxes collected for them by the larger “Class One” towns.

the local town or city (and if applicable, village assessors) and tax collectors to update their separately maintained assessment records and produce tax bills. In addition to the local process, the form is also sent to the State Office of Real Property Services to feed the calculation of equalization rates statewide.

Because of the decentralized nature of the current County tax collection system, each jurisdiction, particularly the larger ones, has an office that is staffed by a tax collector or its equivalent (*i.e.* receiver, treasurer, etc.), most of whom are elected officials, and several full or part-time employees. Most have their own separate computer systems and software packages, some of which utilize the statewide real property system software (RPS v. 4) created by ORPS. The local collection offices are the point of contact for most local residents, and there is generally no interaction between the localities and the County regarding the updating of property records unless there is problem with a parcel.

In order to better assess how well the current system is performing, CGR conducted a survey of all jurisdictions, as well as interviews and meetings with tax collection staff in several of the jurisdictions.

The following sections look first at the general process of tax collection, then at the survey data; discuss the conclusions of the interviews with tax collection staff; and conclude with observations about the state of the tax collection process in the County and some possible improvements to it going forward.

## The Current Process of Tax Collection

Both the County and local jurisdictions play roles in the tax collection process. The County is often involved on the front end of the process, where the County Clerk and the Real Property Tax Service Agency handle changes in legal ownership. The County's Department of Management and Budget and the tax enforcement office within the Division of Finance is also involved on the back end of the process when delinquent taxes are collected. The main players in the collections process, however, are the local tax assessors and tax collectors who do the bulk of the work in the tax collection process as illustrated below.

The normal current tax collection process in Albany County includes the following steps:

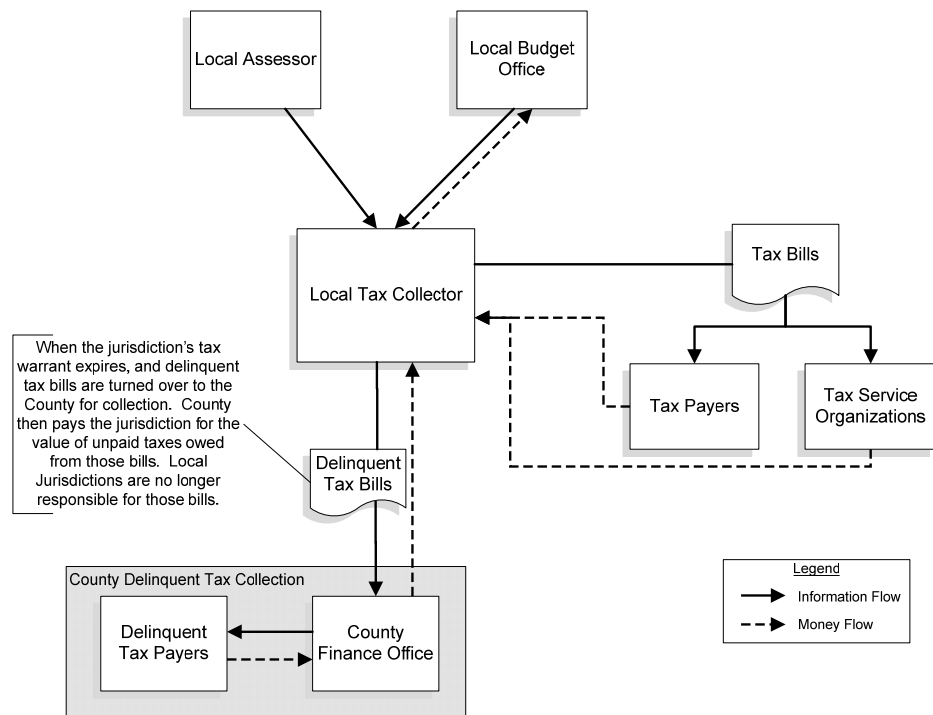
1. Assessment
2. Budgeting
3. Printing and Mailing of Bills
4. Receipt of Funds
5. Collection of Delinquent Bills by the County (where applicable)



## 6. Foreclosure by the County (where applicable)

While each jurisdiction largely follows these steps in this order, all of them do things in a slightly different way or on a different timetable. The following flowchart presents the general process graphically, with a description of each step below.

Figure 1: Current Tax Collection Process



## Assessment

The process of tax collection within jurisdictions in the County actually begins with the assessment of property within those jurisdictions. While details on the assessment process are provided earlier in this report, a short discussion of it is useful here as the valuation of property is key to the generation of the tax bills and is the first step in the process of determining how much to collect both globally and individually from taxpayers. Most municipalities will look to a July 1 valuation date of the year prior to the final tax roll in order to allow for the creation of a tentative tax roll and property holder grievance process. For example, for FY 2010, which begins on January 1, 2010 for most cities and towns, and on July 1, 2009 for school districts and villages, the valuation of property is due by July 1, 2008 and the final tax roll is done by July 1, 2009 (with a determination of taxable status and a grievance process taking place during the intervening 12 months).

## ***Budgeting***

At the same time as the assessment process is taking place, the local jurisdictions are completing their budget process. This process is necessary in order to finalize the tax bills and establish the millage rate for property tax collection. As noted above, most municipalities are on a calendar fiscal year, while villages and school districts are on a July 1 fiscal year. When the budget is approved by voters (as is the case in most school districts) or a legislative body (such as the County Legislature, City Council and Village or Town Boards), the total budget (minus any State aid) is then divided into the assessed valuation to create a millage rate that will then be applied to individual parcels to determine the tax bill.

## ***Printing and Mailing of Bills***

Once the assessor has done his or her job and the budget is approved, bills can be generated for mailing to individual property owners or to a tax service organization or bank, which escrows taxes on behalf of some property owners. Many of the jurisdictions in Albany County get final assessments and the budget figures through an integrated software system, but several actually take information from one system like RPS to generate bills and keep tax collection records on a separate system.

After the system has been programmed with the necessary information from the assessment and budget processes, paper copies of the bills are printed and sent out by the locality (often using a third-party mailing house) the week before the tax period begins (September 1 for school taxes and January 1 for property taxes), while electronic copies of the bills are sent to the bank or tax service organization to update its tax escrow accounts.

If the ownership of a parcel has changed hands after the deadline for the mass mailing of bills, then the tax collector generates a bill manually based on the transmission of information from the County Clerk's Office on the RP 5217 form received directly from the County or via the assessor's office.

## ***Receipt of Funds***

Once the bills are mailed or sent to the banks or tax service organizations, taxes are then paid over the course of the next three months (they are due at the end of the first month with interest levied on late bills paid in months two and three) either by cash, check, electronic funds transfer or credit card. Most bills are paid by mail or collected at the locality's tax collection office or through an escrow agent.

## ***Collection of Delinquent Bills by the County***

Once the period of the tax warrant (normally three months) has expired, any unpaid taxes are turned over to the County's finance office to collect them. As noted above, the County receives this list from each municipality along with an electronic file for use in its own software system (MUNIS). They also receive a tax roll, which is the legal document the County uses to provide public information. This contains the taxes that were paid to the municipality and taxes that are still unpaid and will be collected by the county. Once these records are sent from the municipality to the County, the County then pays localities the value of the unpaid taxes owed to them (minus the County's own share). Any back taxes the County subsequently collects will then be kept by the County, plus interest and any fees for publication of delinquent taxes. There is no regular information flow about paid back taxes sent to the localities to update their own records.

## ***Foreclosure by the County***

Any back taxes still not collected by the County after three years will allow the County to begin a foreclosure action to make the property eligible to be sold at a tax auction. This auction generally happens three times a year and most foreclosed properties are sold within five years of their original delinquency.<sup>45</sup> (For more information on delinquency and foreclosure statistics and a process overview, please consult **Table B-4** in the appendix).

## **Tax Collection Surveys**

### ***Survey Responses***

In order to document how diverse individual tax collection methods are in Albany County, CGR conducted a study of tax collection methods in all 39 jurisdictions. We received replies from all 19 municipalities and 17 of the 20 school districts.<sup>46</sup>

The survey addressed tax collection methods in these jurisdictions along several dimensions including:

1. Number of Parcels and Sharing of Services;
2. Staffing & Cost of Collection Services;

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<sup>45</sup> It is important to note that a large majority of delinquent bills that the County takes enforcement action on are paid in advance of foreclosure.

<sup>46</sup> As noted above, several of the school districts rely upon the larger cities and towns to collect taxes for them, so there are 30 unique methods of collection in the County.

3. Technology (including computer hardware and software used and ability to access the Internet);
4. Payment Systems (*e.g.* use of checks, electronic payment, credit cards).

### ***Number of Parcels and Sharing of Collection Services***

The tax collection jurisdictions in Albany County vary significantly in size (*i.e.* number of parcels). The City of Albany and Town of Colonie have the largest number of parcels, each with over 30,000. The next largest, the Towns of Bethlehem and Guilderland, have 13,200 and 12,500 parcels respectively. The remaining municipalities have an average of about 2,000 per jurisdiction, with the range being from 330 to 5,800 parcels. All municipalities collect their own taxes, but as noted above, a number of them also collect taxes for school districts within their boundaries.<sup>47</sup> It should be noted that five of the six villages (all but Colonie) do not assess their own properties but do collect taxes on them. This makes the number of parcels reported in the collection survey larger than reported in the assessment survey noted above and reflects one of the issues about data noted below.

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<sup>47</sup> First Class Towns in New York State, which are generally defined as any town over 10,000 in population are required to collect for school districts that fall within borders.

<b>Table F: County Parcels by Municipality</b>		
<i>Jurisdiction</i>	<i>Approximate Parcels - Survey*</i>	<i>Parcels - County Assessment Database</i>
<b>City</b>		
City of Albany	31,325	30,219
City of Cohoes	5,800	5,220
City of Watervliet	2,800	2,827
<b>Town</b>		
Town of Berne	2,001	2,057
Town of Bethlehem	13,200	13,165
Town of Coeymans	2,975	3,062
Town of Colonie	31,000	28,039
Town of Green Island**	875	--
Town of Guilderland	12,500	12,367
Town of Knox	1,546	1,546
Town of New Scotland	4,276	4,273
Town of Rensselaerville	1,925	1,925
Town of Westerlo	2,075	2,076
<b>Village</b>		
Village of Altamont	619	--
Village of Colonie	3,300	3,093
Village of Green Island	875	872
Village of Menands	1,153	--
Village of Ravena	1,103	--
Village of Voorheesville	1,100	--
<b>Total †</b>	<b>120,448</b>	<b>110,741</b>
<p>* Survey data was self reported by the jurisdiction, in some cases these numbers were rounded.  ** The Town of Green Island and Village of Green Island share assessment but collect taxes separately. The Town only collects County taxes, while the Village collects only Village taxes.  † Jurisdictions with no value listed in "County Assessment Database," have assessment done by another municipality. Also, total tax collection parcels are higher because a parcel can be taxed by more than one jurisdiction.</p>		

School districts also vary in size. Colonie collects on nearly 31,000 parcels for five school districts: Menands, Mohonassen, Niskayuna, North Colonie and South Colonie. The Guilderland Central School District relies on collectors in the three municipalities within its borders to collect its school taxes. School/municipality collection sharing is also done in the Bethlehem, Ravena-Coeymans-Selkirk and Schalmont school districts. Among school districts that do their own collecting, Albany City is by far the largest with over 30,000 parcels. Other school districts in Albany

County range in size from 2,700 to 6,800 parcels, with the average district collecting for 4,600 parcels.

<i>Jurisdiction</i>	<i>Parcels - Survey*</i>
<b>School District</b>	
Albany City School District	30,000
Berne-Knox-Westerlo CSD	4,278
Bethlehem CSD**	980
Cairo Durham CSD	6,816
Cohoes City School Dist.	5,220
Duanesburg CSD	2,700
Greenville	6,200
Guiderland CSD	186
Mansville/Watervliet	3,701
Menands	926
Mohonasen	305
Niskayuna	877
North Colonie	14,007
Ravena Coeymans Selkirk CSD	3,980
South Colonie	14,728
Voorheesville CSD	3,425
<p>* Survey data was self reported by the jurisdiction, in some cases these numbers were rounded.  **Bethlehem CSD number are only for parcels in New Scotland.  Note: Parcels not reported for Green Island SD, Middleburgh SD, and Schoharie SD. Schalmont SD parcels that fall in Albany County are collected by the Town of Guiderland and are included in that total.</p>	

<i>Collector</i>	<i>Collects for:</i>
Town of Guiderland	Guiderland SD Town parcels in: - Mohonasen SD - Schalmont SD - South Colonie SD
Town of Colonie	Town parcels in: - Menands SD - Mohonasen SD - Niskayuna SD - North Colonie SD - South Colonie SD
Town of Bethlehem	Town parcels in: - Bethlehem CSD - Guiderland CSD - Ravena-Coeymans-Selkirk CSD

## Staff & Cost of Collection Services

Because jurisdictions in Albany County are structured differently and include cities, towns, villages and school districts, the responsibility of tax collection is often housed in different departments. Most jurisdictions have a designated, often elected, tax collector or receiver of taxes, while others assign tax collection responsibilities to the director of finance, treasurer, town clerk or a business manager (particularly in the case of a school district). Often a person in this role is supported by a deputy or assistant and in some cases a small staff.

<i>Jurisdiction Type</i>	<i>Total Staff (FT &amp; PT Employees)</i>	<i>Average Staff Size</i>	<i>Total Budget</i>	<i>Average Budget</i>
City	13	4	\$ 1,338,430.00	\$ 446,143.33
Town	28	3	\$ 450,050.00	\$ 45,005.00
Village	13	2	\$ 124,900.00	\$ 20,816.67
School District	19	2	\$ 922,160.00	\$ 83,832.73
<b>TOTAL</b>	73		\$ 2,835,540.00	

Because tax collection is done twice a year for school and property taxes, many jurisdictions also rely on part-time staff during the height of the collection season, while others shift duties of existing personnel to cover tax collection responsibility. This makes determining full-time staff allocation over the course of the year difficult. In the case of smaller jurisdictions, less than one full-time equivalent staff is dedicated to tax collection. The City of Albany has the largest staff, with nine FTEs in the treasury department involved in the tax collection process.

Since the cost of staffing tax collection services is the largest driver in determining the cost of such services, it is difficult to make appropriate comparisons across jurisdictions, as many of the tax and finance offices have other functions in addition to collecting school and property taxes.<sup>48</sup> Nevertheless, the larger municipalities that do their own tax collection (the cities and the towns) spend at least \$100,000 on this function, with the City of Albany spending over \$1 million. In addition, Albany County spends several hundred thousand dollars on its own property tax collection work, including nearly \$70,000 on maintaining its MUNIS software tax-system module.

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<sup>48</sup> For example, a number of these offices collect water and sewer bills and also oversee finance and budget matters.

## Technology

### Software

All of the reporting tax collecting jurisdictions use some type of computerized database system to track information and payments. Over half of jurisdictions in Albany County use one of five types of software:

- iTax Tax Collection System provided by Business Automated Systems, Inc. (BAS)
- KVS Tax Billing provided by KVS Systems, Inc.
- InfoTax
- TaxPro
- TB2000 provided by Capital Region BOCES

<i>Software</i>	<i>Number of Jurisdictions</i>	<i>Estimated Number of Parcels</i>	<i>Percentage of Parcels</i>
Software Unique to Jurisdiction	10	71791	39%
TaxPro	1	31000	17%
TB2000	5	44104	24%
InfoTax	3	18236	10%
iTAX Tax Collection System	6	10347	6%
KVS Tax Billing	5	9486	5%

\* This table assumes "double-counting" of parcels because several jurisdictions count the same parcel for purposes of both school and property taxes.

### Security

Nearly all jurisdictions rely on standard password protection either through the software, operating system or both as a security measure for tax collection information. Typically only the staff involved in tax collection and technical support has access to the database and software.

### Hardware

The majority of respondent jurisdictions reported housing their tax collection database on a local server in the municipal or school district office. Databases for those districts using the BOCES tax collection services are housed on the BOCES server. Some smaller jurisdictions only have the database on a local computer hard drive. Backup procedures for the databases vary widely as well. About half of the jurisdictions have nightly backup based on existing server protocols. Capital Region BOCES performs two backups per day which are stored



offsite. The remaining jurisdictions use flash drives, external hard drives, CD-RW or tape backups, typically on a nightly basis.

Jurisdictions typically have one to three computers used by tax collection staff. The exception to this is the City of Albany, where thirteen computers are configured to handle tax collection, each with a bar code scanner. Albany also allocates two printers to tax collection, where other jurisdictions use only one or share use of a printer with other departments.

Approximately 30 percent of jurisdictions use bar coding options in the processing of data or payments, including the City of Albany. However, the second largest jurisdiction, the Town of Colonie, does not. A slightly higher percentage (35 percent) use some form of scanning in data or payment processing, including the scanning of checks.

<b>Table K: Bar Coding and Scanning</b>			
	<i>Yes</i>	<i>No</i>	<i>Jurisdictions</i>
Are bar coding options used in the processing of data or payments?	9	21	Used by: City of Albany, Town of Bethlehem, Town of Guilderland, Town of New Scotland, Albany City SD, Berne-Knox-Westerlo CSD, Duanesburg SD, Watervliet City SD, Voorheesville SD
Are scanning options used in the processing of data or payments?	10	20	Used by: City of Albany, Town of Bethlehem, Town of Colonie (including parcels in Menands SD, Mohonasen SD, Niskayuna SD, N. Colonie SD, S. Colonie SD), Town of Guilderland, Town of New Scotland, Village of Altamont, Albany City SD, Berne-Knox-Westerlo CSD, Duanesburg SD, Watervliet City SD, Voorheesville SD

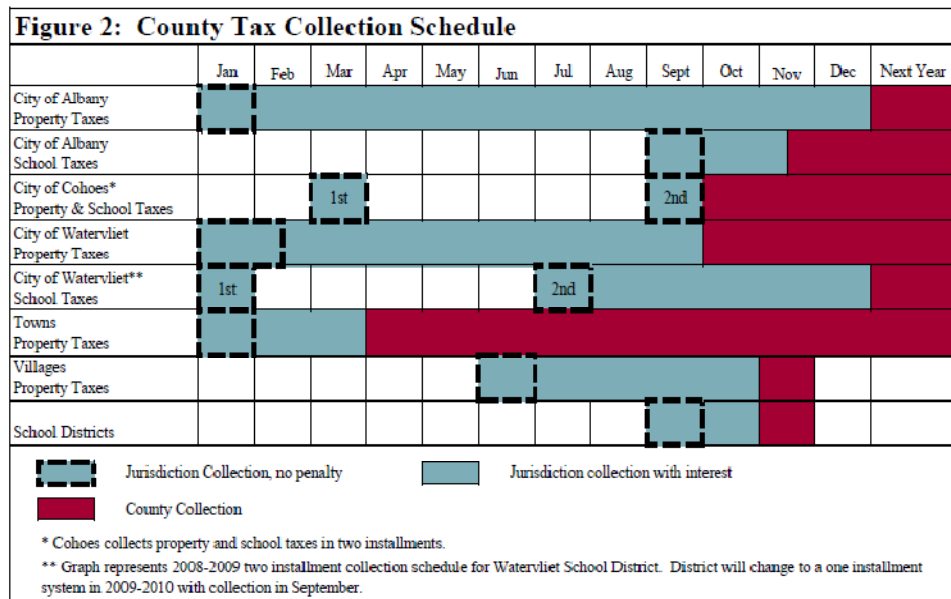
### ***Internet***

Nearly 90 percent of responding jurisdictions have high-speed Internet in the tax collection office, yet only about 30 percent make tax collection information available to staff via Internet. All but two of the jurisdictions allow tax collection staff to view individual parcel tax bills and payment status on local computers. In terms of taxpayer accessibility, only five of the reporting jurisdictions allow taxpayers to view their property tax bills online: City of Albany, City of Cohoes, Town of Bethlehem, Town of Guilderland and Cohoes Central School District.

Table L: Internet Accessibility			
	Yes	No	Jurisdictions
Does the taxing jurisdiction have high speed internet access?	26	4	Available to all Jurisdictions <b>EXCEPT</b> : Town of Knox, Town of Rensselaerville, Town of Menands, and Guilderland CSD
Is information accessible to staff via the internet?	9	21	Available to: City of Albany, City of Cohoes, Town of Berne, Town of Coeymans, Town of Guilderland, Town of Westerlo, Village of Ravena, Cohoes City SD, Watervliet City SD
Is information accessible to property owners via the internet?	4	26	Available to: City of Albany, City of Cohoes, Town of Bethlehem, Town of Guilderland,

## Payments

Respondent jurisdictions typically collect taxes for a two-to-four month window. For cities and towns, collection season falls during the first three months of the year; village tax collection occurs during the summer from June through October; and school districts collect from September through October. There are exceptions to this. The City of Albany accepts tax payments all year, while the Cities of Cohoes and Watervliet extend their collection season through September.



All tax collection jurisdictions allow property tax payments to be made by check and most accept cash as well. Only five of the responding

jurisdictions accept credit card payments. Payments typically are accepted via mail, in-person at the tax collection office or, in some of the larger jurisdictions, by electronic payments.<sup>49</sup> Twenty of the responding jurisdictions use banks to assist in payment processing, with most using Key Bank.

Relatively few taxpayers use credit cards to pay for property taxes because of the high cost to do so. The tax collecting jurisdictions are required by law to collect the full taxable amount and thus any credit card convenience fee (typically two or three percent) must be absorbed by the taxpayer. This makes it less attractive than most retail credit card transactions where the merchant generally absorbs the fee in return for getting paid instantly.<sup>50</sup>

<b>Table M: Accepted Forms of Payment</b>			
	<i>Yes</i>	<i>No</i>	<i>Jurisdictions</i>
Cash	28	2	Accepted by all <b>EXCEPT</b> : Berne-Knox-Westerlo CSD and Bethlehem CSD
Check	30	0	
Money Order	10	21	Accepted by: City of Albany, Town of Green Island, Town of Rensselaerville, Town of Westerlo, Town of Bethlehem, Village of Green Island, Village of Voorheesville, Duanesburg CSD, Ravena-Coeymans-Selkirk CSD, Voorheesville CSD
Electronic Funds Transfer	2	28	Accepted by: City of Cohoes and Town of Bethlehem
Credit Card	5	25	Accepted by: City of Albany, City of Cohoes, City of Watervliet, Town of Colonie (including parcels in Menands SD, Mohonasen, Niskayuna, N. Colonie, and S. Colonie), Town of Guilderland (including parcels in Schalmont SD)

In addition to payments directly from property owners, tax payments are also received from banks or tax service organizations for property taxes that are escrowed, which is done in all jurisdictions.

<sup>49</sup> Electronic and credit card payments are done through third-party vendors such as Official Payments or Municipal-Payments.

<sup>50</sup> It should be noted that only the Town of Guilderland uses the Discover Card, which unlike other credit cards that have a flat percentage fee for all transactions, uses a sliding scale that has a maximum convenience fee of \$25 for transactions over \$2,000.

## Views from the Municipalities

As noted previously, in addition to the general survey sent to all jurisdictions, CGR also conducted individual and group interviews with tax collection officials to focus in on particular themes and to gain clarity about the strengths and weaknesses in the current system.

### *Customer Service Focus*

While the current tax collection system clearly has gaps and is costly to maintain, most of the tax collection personnel that CGR interviewed insisted that the strongest positive aspect of the current system is its ability to provide high levels of customer service to individual property owners. While this may reflect the fact that most of the larger localities have elected tax collectors who are elected based on their performance in office, the notion of local accountability does seem to bear this out.

Local collectors were concerned that a larger and more centralized system would lose some of its customer focus and perhaps be less efficient.

### *Accuracy*

Another theme that emerges from discussions with local tax collectors is related to the first and involves the accuracy of tax records. The logic is that the local tax collector (and assessor for that matter) has a greater ability to maintain accurate records than the County would have in a larger system, both because of accountability to the local residents and because of the relatively smaller size of the database. In other words, if there were a system that had all 111,000 parcels in it, there would be more mistakes that would not be caught as easily.<sup>51</sup>

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<sup>51</sup> That said, there is no inherent reason that a larger database would in fact be less accurate than a smaller one, especially if the local officials are doing the data entry. Moreover, errors that may lead to delinquencies become County problems later in the process, meaning that the County has an equal stake in data accuracy.

## Challenges with Current Tax Collection System

Notwithstanding the above arguments that the current tax collection system is a good one because it delivers accurate information and is responsive to local citizens, the system does have its challenges, which fit into three basic categories:

1. Timeliness and Sharing of Information
2. Accuracy
3. Cost

### *Timeliness & Sharing of Information*

While most municipalities have relatively good internal systems (both human and technological) to share information back and forth between various offices within that locality (*e.g.* assessment, collection and finance), the communication between ORPS, the County and the municipalities is not optimal both because of the number of different systems and the lag of information flow from one level of government to the next.

For example, according to the County's Tax Record Manager, the County's tax collection system is a combination of electronic and manual records and processes. The County receives a list of unpaid property tax bills from each municipality at the end of their collection period. Along with this paper list, the County also receives an electronic file that it uses to import the delinquent taxes into the County's own tax collection system (MUNIS).<sup>52</sup>

The County also receives a tax roll which is the legal document it uses to provide public information. This contains the taxes that were paid to the municipality and taxes that are still unpaid and will be pursued by the County. Once the County begins collection, the municipalities do not have a real-time way to check the tax-payment status of properties, because they do not have a link to the County's system. Thus the municipalities have to call the County to check on the tax-payment status of the delinquent parcels in their jurisdictions.

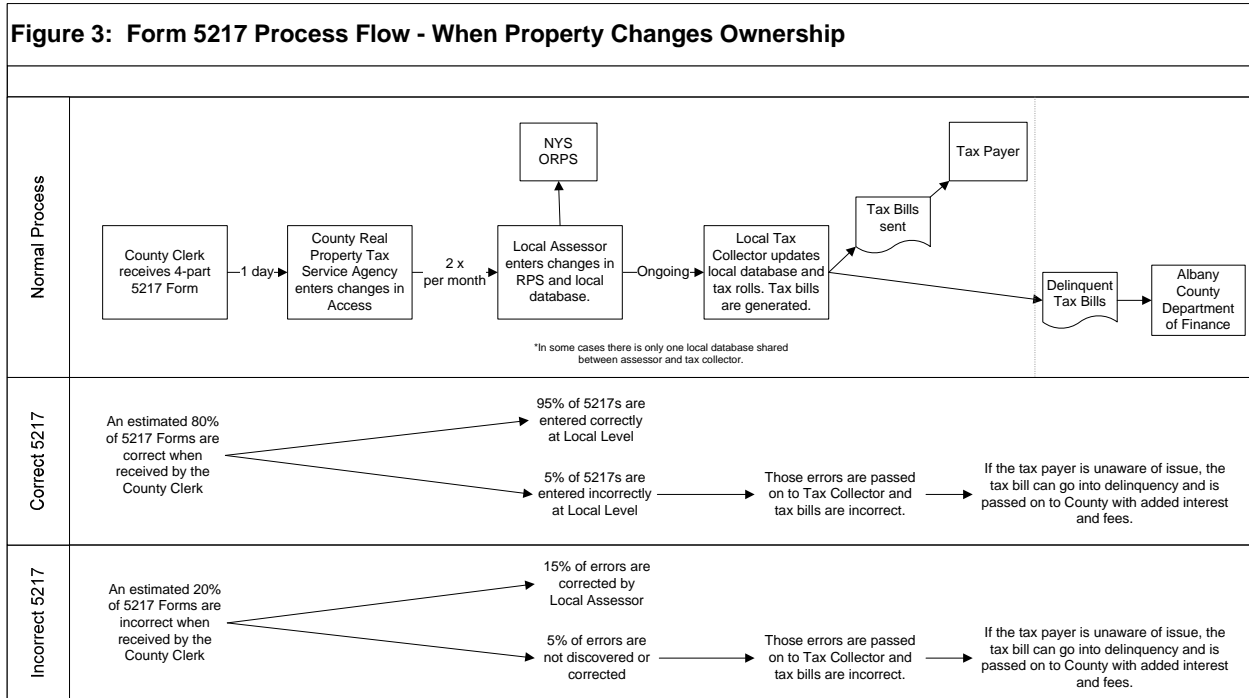
### *Accuracy*

Because information is largely entered at every level of government into different systems and on different hardware and software platforms, the

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<sup>52</sup> These lists often contain the same information.

probability of errors goes up.<sup>53</sup> For example, information from the RP-5217 form is entered multiple times: at the County Real Property Tax Service Office, at the municipal level or levels (if there are town and village collectors) and at ORPS. Since this is a paper form with three “carbons,” it becomes progressively harder to read as each copy is used, especially with the lack of typewriters in most offices (*i.e.* it is most often hand-written). A graphic depiction of the RP-5217 process is shown below.



## Cost

Although the local tax collection function does result in a high level of personal service, the fact is that each jurisdiction has its own collection office which sends out bills, collects taxes and maintains its own system. In fact, the school districts already piggy back onto the larger towns to do their collection with little apparent loss of customer service. Furthermore, the County maintains its own staff to handle delinquencies and foreclosures which may duplicate the staff capacity of what already exists in the localities. Finally, with each municipality staffing its own tax

<sup>53</sup> Furthermore, it is also the case that error correction is not of primary interest to local tax collectors after the collection is turned over to the County for collection, but it may be of interest to other local officials who may have to deal with the fallout over the error.

collection function, it may be more challenging to find good people, train them and maintain institutional knowledge going forward. In interviews, multiple tax collectors mentioned that they were struggling to maintain a full staff in light of budget cuts, retirements and general fiscal constraints.

In addition to the cost of overlapping personnel, there is also a large cost to maintaining individual computer systems and different software and hardware platforms. These costs not only include the initial cost of acquisition, but keeping both the hardware and software current and training staff on its use as well as duplicating information entry.

## **A Worst Case Scenario?**

By way of the following vignette, the potential pitfall of the lack of a shared database is illustrated.

*John and Mabel Smith purchased their residence in the city of Albany in late July 2006. At their property closing they were informed that all current taxes were included in the costs and they would receive the next tax bill in the mail.*

*The first tax bill they received was in January 2007 which was the property tax bill from the Albany city treasurer. The Smiths went ahead and paid this bill.*

*In June 2007 the Smiths received a delinquent tax notice from Albany County which indicated that a tax was unpaid from the year 2006. Mr. Smith, who remembered that the closing statement indicated that 2006 taxes were paid at that time, gathered his documents and called Albany County.*

*Upon calling Albany County Mr. Smith was informed that the notice was for the unpaid school tax bill of September 2006. He was confused and stated that when he purchased the property in July 2006 he was told at that time he would receive his first tax bill in the mail.*

*Albany County informed Mr. Smith that the school tax bill mailed in September 2006 was sent to the former owner (who apparently did not forward the bill to Mr. Smith). He was also told that this is a common occurrence due to the closing taking place in the last half of the calendar year whereby mailing addresses are not usually updated.*

*After protesting with arguments such as “how can you pay a bill if you do not receive one” and “we are new in the area therefore were not aware of the date tax bills are due,” the Smiths paid the*

*school tax bill that included an eleven percent late charge (one percent for each month) and a five percent penalty.*

*As with many taxpayers in this situation, the Smiths felt that the system failed them due to the fact they did not receive a bill. Whether a unified collection system or common database shared by all jurisdictions would be the only way to solve this problem is subject to debate but it does raise the issue of how to deal with such problems.*

## Potential Solutions

### **Full Consolidation of the Tax Collection System**

One of the solutions that have been considered in select other counties in New York is the full consolidation of the tax collection system into a county function where all taxes would be collected by the county and then disbursed to the localities. Franklin and Cayuga Counties have had consulting firms recommend this as a possible solution for their tax collection systems.

While this solution may present attractive benefits in theory, the cost of transitioning the collection function from the 19 municipalities and 20 school districts to Albany County would likely be prohibitively expensive and unlikely to be absorbed by the County. In addition, there would likely need to be voter approved changes in the law in every jurisdiction, another hurdle that would be difficult to overcome, especially in the short run.

Finally, while there is much to recommend county-level services, it does not seem to necessarily make sense to separate the revenue collecting function from the local government itself. If New York were to abolish home rule and consolidate all government functions at the County level, it might make more sense to have a unified revenue function, but it is unlikely to happen. While Franklin and Cayuga Counties are exploring this option, they are both small counties with populations of less than a third of Albany County's and many fewer local governments.

### **Partial Consolidation or Shared Services**

Another possible way to deal with the costliness and disconnectedness of the current tax collection system in Albany County is to do some sort of partial consolidation or sharing of services. There are several ways to accomplish this, but they probably fall into the following categories:

1. Sharing of services between municipalities;
2. Sharing of software systems;
3. Joint purchasing of hardware or software or credit card services;
4. The County assuming some of the local functions.



Sharing of services between municipalities could be along the lines of what already exists where cities and towns do collection for school districts, or it could be a broader sharing of services to encompass not only sharing people but also software or hardware systems. The advantage of this would be potential cost savings as well as continuity in staffing or process.

By purchasing common services or products, localities and the County could share information and also take advantage of economies of scale. For example, instead of having to charge taxpayers two or three percent to use a credit card to pay their taxes, a deal could be negotiated with all the collectors to reduce this price (and encourage more people to take advantage of it). Similar savings could also be taken for common software or hardware packages.

The County could also assume some local functions, especially in the realm of property tax transfers with the RP-5217 form. If the County and the local collectors' computer systems were connected and the 5217 process were automated, then the localities would be able to access the information and not have to load it into the system manually.

Currently, ORPS is conducting a pilot program in Dutchess County to create a one-part electronic RP-5217 form. The pilot program uses Adobe<sup>®</sup> software to create an electronic form with a dynamic barcode that can be saved as a .pdf file and printed or transmitted electronically. From the printed form, the user can scan the dynamic barcode and, through a proprietary software system, the RP-5217 data is decoded and automatically populates pre-determined data fields. Users can add any notes and save these changes which updates the barcode. According to one ORPS official, State law does not currently allow for electronic signatures, so a physical copy of the form still exists. Beginning in April 2009, three title companies will begin testing the electronic forms. ORPS plans to evaluate the effectiveness of the Dutchess County pilot program in September.

Related to the sharing of information theme is the County's role as collector of delinquent taxes. As noted above, currently local collectors do not have access to information about the collection of delinquent taxes in their jurisdictions until the County provides it to them on a quarterly basis. With a shared system the localities could potentially get access to the County's records (and vice-versa) in order to address questions and maintain accurate records locally.

## ***Centralized Database***

An intermediate solution to the problems of the fragmented tax collection system currently in place would be to have a centralized database. This

would have the potential to greatly simplify the current system and ally communications among the taxing jurisdictions. According to ORPS, a centralized database system would have several benefits such as

1. Increased efficiencies and cooperation among local collection officials.
2. Full integration from collection through management of delinquencies.
3. Simplified data collection with automatically accessible data by municipalities, schools and the County. Furthermore, all of the charges on a given parcel would be viewable by any user.
4. Accuracy would be improved through countywide error checking and balancing.
5. Online access would reduce taxpayer confusion and the number of inquiries to individual collectors or to the County.
6. With a common software platform installed by the same vendor countywide there may be less support required, as the system can be used and understood in multiple jurisdictions.
7. Training needs could be coordinated countywide.
8. Collection of installment payments (where permitted) is simplified for collectors and taxpayers, yielding greater collections. An improved rate of collection can impact County budgets and lead to fewer foreclosures.

In other words, a centralized database would deal with the three major challenges already identified: (1) timeliness, (2) accuracy and (3) cost. However there remains the central issue of how to implement such a solution.

### ***Implementation Challenges***

Whatever solution is proposed for improving the County's current tax collection system, there remains the challenge of how to implement any of them.

First and foremost is the cost of any transition to a new system, whether it is a full system run by the County, a shared database system or sharing of some services. In addition to supporting the work of CGR in drafting this analysis of the collection system with a grant of \$25,000, there is an additional \$25,000 available from ORPS to defray implementation expenses for those counties that opt to create a common tax collection database (whether it is in any of the forms discussed above – full or partial consolidation or a shared database). However generous these grants are, it is unlikely that they will cover the full cost of the transition and the County will have to determine whether the long-term benefits that flow to

it (and the municipalities using the system) would be sufficiently large to make an investment in any new system going forward.

Second is the issue of how the timing of any new system would work and what the steps would be in transitioning from the current system to a new one, especially one that might involve any new hardware, software or training. While many of the municipalities are on similar calendars for collection (*e.g.* activity peaks twice a year around the generation of bills in August and December), there are other aspects of the timing that would need to be examined closely before implementing any new system.

Third is the issue of how any system would work technologically. Questions such as whether the system would be housed on a County server and allow access to local collectors through a terminal, or over the Internet via a personal computer, are beyond the scope of this report but need to be carefully examined prior to embarking down any implementation path. For example, given scarce IT resources at the County, it is not certain how staff would be deployed to maintain the system.

Finally is the important issue of how to get participation from local tax collectors who, although they have an imperfect system, maintain a system that they largely are comfortable with.

### ***Incentives to Spur a Collective Effort***

The first argument for joining a centralized database effort is to realize that the individual systems – particularly from a software and hardware perspective – each local collection unit currently uses will eventually become obsolete. A group replacement process or joint procurement may save money in the long run.

Second, a centralized system may consolidate and reduce certain system maintenance costs by spreading them across multiple jurisdictions.

Third, the potential advantages of a centralized information system go beyond the local tax collectors. Other municipal officials would be in a position to utilize the system. Supervisors and mayors have expressed interest in having access to detailed parcel histories, delinquencies and tax status for each property. They could serve as a good support group in the centralization effort.

Fourth, while the individual collection processes may seem efficient in isolation, when considered as part of an overall system, the data handoffs between the various players in the system are intermittent, and often inaccurate and out-of-date. From the County Clerk's office and its recording of deeds, to the RP-5217 process, to the generation of tax maps, to recording a parcel's current status, to current bills, to delinquencies and enforcement, the County has a front-end and a back-end role. If

municipalities participated with the County in a centralized information system, local jurisdictions would have to do fewer corrections and would have access to better data about the properties within their boundaries.

## APPENDIX

### **Assessment Section**

*Table A-1: Municipal Overview*

*Table A-2: Staffing, Certification and Office Hours*

*Table A-3: Budget and Parcel Overview*

*Table A-4: Indicators of Assessment Quality*

*Table A-5: Municipal Assessing IT Capacity*

*Table A-6: FTE Personnel Analysis*

*Table A-7: Comparative Cost Analysis of Options*

*Table A-8: Assessor Meeting Attendees*

### **Tax Collection Section**

*Table B-1: Survey Responses: Municipalities*

*Table B-2: Survey Responses: School Districts*

*Table B-3: Tax Collector Survey Responses and Meeting Attendees*

*Table B-4: Delinquency & Foreclosure Statistics and Process Overview*

**Table A-1: Albany County**

Municipalities		Assessment Offices		Existing Collaboration		
SWIS	Municipal Name	Assessor or 3 Person Board?	Assessor Name	Part of CAP?	Assessor Works for Multiple Municipalities	Contract with County for Asmt Services?
10100	City of Albany	Sole Assessor	Keith McDonald	No	No	No
10300	City of Cohoes	Sole Assessor	Thomas E. Jacques	No	No	No
11800	City of Watervliet	Sole Assessor	Mark R. Gilchrist	No	No	No
12000	Town of Berne	3 Person Board	Brian Crawford, Carol Crouse, Robert Motschmann	No	No	No
12200	Town of Bethlehem	Sole Assessor	Patricia McVee	No	No	No
12489	Town of Coeymans	Sole Assessor	Laura J. Van Valkenburg	No	Not in Albany Co. <sup>1</sup>	No
12600	Town of Colonie	Sole Assessor	Ronald L. Monfils	No	Village of Menands & Village of Colonie	No
12601	Village of Colonie	Sole Assessor	Pat Hurley	No	No	No
12801	Village of Green Island	Sole Assessor	Maggie Alix	No	No	No
13001	Town of Guilderland	Sole Assessor	John J. Macejka Jr.	No	No	No
13200	Town of Knox	Sole Assessor	Russell Pokorny	No	No	No
13400	Town of New Scotland	Sole Assessor	Deborah Corbari	No	No	No
13600	Town of Rensselaerville	3 Person Board	Peter H. Hotaling, Donna Kropp, Jeffery Pine	No	Peter Hotaling--Westerlo	No
13800	Town of Westerlo	Sole Assessor	Peter H. Hotaling	No	Rensselaerville	No

<sup>1</sup>Assessor serves as County Director in Greene Co.

**Table A-2: Albany County**

Municipalities		Assessment Offices							
SWIS	Municipal Name	Type of Assessor	Assessor Name	Professional Designation	IAO Membership	# of Staff (including Assessor)	Staff FTE Equivalent	Office Hours Per Week	% of Office Hours for Cust. Serv.
10100	City of Albany	Sole Assessor	Keith McDonald	SCAA		8.00	8.00	40	80
10300	City of Cohoes	Sole Assessor	Thomas E. Jacques	NYS Certified Appraiser; will be SCA after taking one more class	no	2.00	1.00	40	50
11800	City of Watervliet	Sole Assessor	Mark R. Gilchrist	SCAA	no	2.00	0.60	40	40
12000	Town of Berne	3 Person Board	Brian Crawford, Carol Crouse, Robert Motschmann	none		3.00	1.80	10	20
12200	Town of Bethlehem	Sole Assessor	Patricia McVee	SCAA, SCAP	yes	4.00	3.75	40	50
12489	Town of Coeymans	Sole Assessor	Laura J. Van Valkenburg	SCAA	yes	3.00	1.50	46	50
12600	Town of Colonie	Sole Assessor	Ronald L. Monfils	General Real Property Appraiser, but not certified through NYS ORPS	yes	12.00	10.13	35	60
12601	Village of Colonie	Sole Assessor	Pat Hurley	none		1.00	1.00	40	50
12801	Village of Green Island	Sole Assessor	Maggie Alix	SCA		1.00	0.50	37.5	70
13001	Town of Guilderland	Sole Assessor	John J. Macejka Jr.	SCA	no	6.00	5.75	40	75
13200	Town of Knox	Sole Assessor	Russell Pokorny	two more classes before certified with State ORPS for basic certification of SCA		2.00	0.70	20	50
13400	Town of New Scotland	Sole Assessor	Deborah Corbari	none		2.00	1.00	37.5	12
13600	Town of Rensselaerville	3 Person Board	Peter H. Hotaling, Donna Kropp, Jeffery Pine	SCAA	yes	4.00	1.00	22	50
13800	Town of Westerlo	Sole Assessor	Peter H. Hotaling	SCAA	yes	2.00	0.75	15	75
<b>Total</b>						<b>52.0</b>	<b>37.5</b>		
<b>Average</b>						<b>3.7</b>	<b>2.7</b>	<b>33.1</b>	<b>52.3</b>

**Table A-3: Albany County**

Municipalities		Municipal Characteristics								
SWIS	Municipal Name	Total Budget for Assessment Function (w Fringe Benefits, if offered)	% of total Municipal Budget	Total Number of Parcels	Sq. Footage Used for Assessment Function	Assessment Budget Per Parcel	FTE Employees	Parcels/FTE	Number of Residential Parcels	% of Parcels That Are Residential
10100	City of Albany	\$529,553	0.3%	30,219	6000	\$17.52	8.0	3,777	21,389	70.8%
10300	City of Cohoes	\$130,375	0.6%	5,220	300	\$24.98	1.0	5,220	3,792	72.6%
11800	City of Watervliet	\$53,672	0.4%	2,827	637	\$18.99	0.6	4,712	2,331	82.5%
12000	Town of Berne	\$35,000	1.8%	2,057	35	\$17.02	1.8	1,143	1,265	61.5%
12200	Town of Bethlehem	\$289,650	0.7%	13,165	704	\$22.00	3.8	3,511	10,696	81.2%
12489	Town of Coeymans	\$70,523	1.2%	3,062	336	\$23.03	1.5	2,041	2,145	70.1%
12600	Town of Colonie	\$950,036	7.0%	28,039	2134	\$33.88	10.1	2,769	22,652	80.8%
12601	Village of Colonie	\$7,000	0.6%	3,093	n/a	\$2.26	1.0	3,093	2,846	92.0%
12801	Village of Green Island <sup>1</sup>	\$56,692	1.0%	872	500	\$65.01	0.5	1,744	577	66.2%
13001	Town of Guilderland	\$367,000	4.0%	12,367	1800	\$29.68	5.8	2,151	10,271	83.1%
13200	Town of Knox	\$23,600	1.2%	1,546	200	\$15.27	0.7	2,209	948	61.3%
13400	Town of New Scotland	\$94,637	1.8%	4,273	n/a	\$22.15	1.0	4,273	3,138	73.4%
13600	Town of Rensselaerville	\$33,751	1.5%	1,925	150	\$17.53	1.0	1,925	1,164	60.5%
13800	Town of Westerlo	\$43,000	2.0%	2,076	340	\$20.71	0.8	2,768	1,393	67.1%
	<b>Total</b>	<b>\$2,684,489</b>		<b>110,741</b>	<b>13,136</b>		<b>37.48</b>		<b>84,607</b>	
	<b>Average</b>	<b>\$180,406</b>	<b>1.7%</b>	<b>7,910</b>	<b>1,095</b>	<b>\$24.24</b>	<b>2.68</b>	<b>2,953</b>	<b>6,043</b>	<b>73.1%</b>
	<b>Minimum</b>	<b>\$7,000</b>	<b>0.3%</b>	<b>872</b>	<b>35</b>	<b>\$2.26</b>	<b>0.50</b>	<b>1,143</b>	<b>577</b>	<b>60.5%</b>
	<b>Maximum</b>	<b>\$950,036</b>	<b>7.0%</b>	<b>30,219</b>	<b>6,000</b>	<b>\$65.01</b>	<b>10.13</b>	<b>5,220</b>	<b>22,652</b>	<b>92.0%</b>

<sup>1</sup> A portion of the Village budget is paid by the Town through an intermunicipal shared services agreement.



Table A-4: Albany County

Municipalities		Indicators of Assessment Equity										
SWIS	Municipal Name	2008 Eq. Rate	2008 LOA of Various Property Types	2008 COD-Muni Reported	All Property COD - ORPS	Yr of All Property COD - ORPS	Residential COD - ORPS	Yr of Residential COD - ORPS	Latest Reassessment	Latest State Aid	Aid Type	Planned Reassessment
12489	Town of Coeymans	100	100	27.952	n/a		9.680	Sales-2008	2007	\$14,680	Triennial	none planned
13200	Town of Knox	53	53	43.687	32.260	2005	14.430	2006	1997	\$0	none	none planned
10300	City of Cohoes	57	57	24.250	24.250	2003	18.410	2006	2001	\$24,465	Triennial	none planned
13800	Town of Westerlo	0.78	0.83	98.592	31.070	2005	21.170	2006	never	\$0	none	none planned
12200	Town of Bethlehem	92.45	92.45	14.449	n/a		9.170	Sales-2008	2006	\$64,430	Triennial	depends on Eq. rate
10100	City of Albany	101.3	101.3	do not calculate or use--do	n/a		10.130	Sales-2008	2007	\$138,100	Triennial	2011
12000	Town of Berne	56	56	n/a	21.840	2005	17.480	2006	1997	\$760	Triennial	none planned
12600	Town of Colonie	67	67	13.440	16.200	2003	10.480	2006	2001	\$147,150	Annual	Near future
12601	Village of Colonie	3.53	n/a	n/a					never	\$0	none	unknown
13001	Town of Guilderland	79.62	100	17.920	n/a		11.620	Sales-2008	2005	\$59,630	Triennial	undecided
11800	City of Watervliet	63.88	63.88	0.350	24.41	2005	23.58	2006	1996	\$1,200	Triennial	soon
12801	Village of Green Island	5.37	5.37	n/a	20.28	2005	17.16	2006	1960s	\$0	none	n/a
13400	Town of New Scotland	94	94	n/a	n/a	n/a	12.220	Sales-2008	2006	\$20,265	Triennial	unknown
13600	Town of Rensselaerville	52	52	54.500	33.77	2005	35.7	2007	1998	\$0	none	none planned

**Table A-5: Albany County**

Assessment Administration System														
Municipalities		System Used		Annual Fees/License Assoc. with System	Processing Responsibility			Databases		Communication			Is GIS Used?	IT Support
SWIS	Municipal Name	Assessment & Inventory	Analysis / Valuation		ORPS' Reports	Rolls & Bills	Analysis / Valuation	Location	How Updated	Speed (GHz)	Capacity (MB of RAM)	Capacity (GB of hard drive)		Who
12489	Town of Coeymans	RPS	RPS	\$1,300	Assessor	Town Clerk	Assessor	Town of Coeymans	Yearly	3.0 GHz	0.99 GB of RAM		No	IT person on call--paid for by town
13200	Town of Knox	RPS	RPS	\$1,000	Assessor	ETC Data/Assessor	Assessor	Town of Knox	Several times per yr	1.73 GHz	990 MB of RAM	100 GB	No	NYS ORPS
10300	City of Cohoes	RPS v.4	RPS v.4	\$1,500	Thomas Jacques / Rosalie Fahey	Thomas Jacques / Rosalie Fahey	Thomas Jacques / Rosalie Fahey	City of Cohoes	Annually	2.3 GHz	2.93 GB	don't know	Yes	Staff
13800	Town of Westerlo	RPS v.4	RPS v.4	\$1,200	Assessor/Staff	Customer Lynx	Assessor/Staff	Town of Westerlo	3x per yr	1 GHz	don't know	3.99 GB	Yes	ETC Ltd.
12200	Town of Bethlehem	RPS v.4	RPS	\$1,950	assessor	Bethlehem IT Dept.	Assessor/Staff	Town of Bethlehem	Annually	3.0 GHz	don't know	74.4 GB	Yes	Office of Real Property and Internal MIS Staff
10100	City of Albany	RPS v.4	SPSS	\$2,000	City Data Processing	City Data Processing	Assessor	City Data Processing	As often as needed	2.4 GHz	2 GB of RAM	297 GB	Yes	City Data Processing
12000	Town of Berne	RPS v.4	RPS v.4	\$850	Assesor (Carol)	Customer Lynx	Assessor Board (Brian, Bob, Carol)	Town Hall	Annually	2.80 GHz	504 MB of RAM	80 GB	No	Brett Moray, RDB, LTD
12600	Town of Colonie	RPS v.4	RPS v.4	\$2,100	Assessor and TOC MIS	Tax Collector & TOC MIS	Assessor & Staff	Town of Colonie	Annually	2.92 GHz	don't know	148 GB	Yes	TOC MIS Dept. & ORPS
12601	Village of Colonie	KVS Information Systems	KVS Information Systems	\$255	Assessor	Assessor	Assessor	Village of Colonie	1x per yr	2.33 GHz	2.95 GB RAM	74.3 GB	no	KVS Info Systems
13001	Town of Guilderland	RPS	RPS	\$2,000	In house	NexLink	Assessor	Town of Guilderland	Upon request	2.99 GHz		300 GB	Yes	DRJ Services
11800	City of Watervliet	RPS	RPS	\$1,200	In house	Systems East	in house	City of Watervliet	Per request	called Capital Region IT (Frank Cone) at (518) 320-8307 (called again 2/23)			yes	Capital Region IT
13400	Town of New Scotland	RPS v.4	RPS v.4	\$1,500	Assessor	Assessor	Assessor	County	don't know	called IT company 2/23 for info			yes, as needed	Integral One Network Solutions (Rich Holt, 518 452-2222)
13400	Town of Rensselaerville	RPS v.4	RPS v.4	\$1,000	Assessor/Staff	Customer Lynx	Assessor/Staff	Town of Rensselaerville	3x per yr	2.53 GHz		74.4 GB	Yes	Radical Systems, Greenville NY
12801	Village of Green Island	RPS v.4	RPS v.4	\$850	assessor	Tax Collector	assessor	Village of Green Island	2x per yr	2.4 GHz	1.24 GB of RAM	don't know	yes, as needed	ORPS

**Table A-6: FTE Personnel Analysis**

		Single Assessing Unit Models		Multiple Assessing Unit Models		
		Option 1	Option 2	Option 3	Option 4	Other
FTE Personnel Count	Existing Operation for Albany County Assessment Services	County Run Assessing	County CAP Managed by County	Possible CAP	All Towns contract w/County for assessment services under RPTL 1537	Current Structure w/additional consolidation and inter-municipal agreement
County	4.5	45.5	5.5	4.5	Variable	Variable
Towns	37.5	0	40	Variable	Variable	Variable
<b>Total</b>	<b>42</b>	<b>45.5</b>	<b>45.5</b>	<b>Variable</b>	<b>Variable</b>	<b>Variable</b>

**Table A-7: Albany County Cost/Aid Comparison of Options**

	Existing Operation for Albany County Assessment Services	Single Assessing Unit Models		Multiple Assessing Unit Models		
		Option 1	Option 2	Option 3	Option 4	Other
<b>Start-up Costs</b>		County Run Assessing	County CAP Managed by County	Possible CAP of City's of Watervliet & Cohoes and Village of Green Island	All Towns contract w/County for assessment services under RPTL 1537	Current Structure w/additional consolidation and inter-municipal agreement
Establish Equitable assessments at a common level throughout the County	\$0	\$2,221,590	\$2,221,590	\$423,653	\$0	\$0
Transitional costs for County Run or County CAP managed by County (Space, Computers, telephones, supplies, furniture)	\$0	\$237,840	\$205,000	\$0	\$0	\$0
Available State Aid for reassessment - Municipal Aid	\$0	(\$300,110)	(\$300,110)	(\$44,595)	Variable	Variable
State Consolidation Aid - Town Aid	\$0	\$0	(\$647,381)	(\$62,433)	\$0	Variable
State Consolidation Aid for County Run Assessing, RPTL 1573 - County Aid	\$0	(\$647,381)	\$0	\$0	\$0	\$0
State Aid for County Run Assessing Referendum Approval - County Aid	\$0	(\$221,482)	\$0	\$0	\$0	\$0
State Consolidation Aid for County providing services, RPTL 1573	\$0	\$0	(\$110,741)	\$0	Variable	Variable
State Aid IF County Managed County wide CAP	\$0	\$0	(\$221,482)	\$0	\$0	\$0
<b>Total One Time Start-up Costs</b>	<b>\$0</b>	<b>\$1,290,457</b>	<b>\$1,146,876</b>	<b>\$316,625</b>	<b>\$0</b>	<b>\$0</b>
<b>Cost Per Parcel - County</b>	<b>\$0.00</b>	<b>(\$5.70)</b>	<b>\$0.85</b>	<b>\$0.00</b>	<b>Variable</b>	<b>Variable</b>
<b>Cost Per Parcel - Town</b>	<b>\$0.00</b>	<b>\$32.01</b>	<b>\$21.23</b>	<b>\$5.28</b>	<b>Variable</b>	<b>Variable</b>
<b>Combined Cost Per Parcel</b>	<b>\$0.00</b>	<b>\$11.65</b>	<b>\$10.36</b>	<b>\$2.86</b>	<b>Unknown</b>	<b>Unknown</b>

**Table A-7 (Continued): Albany County Cost/Aid Comparison of Options**

<b>Operational Costs</b>					**	
Town Assessment Depts.	\$2,684,489	\$0	\$0	\$2,654,506	\$2,013,367	\$2,684,489
County RPTS	\$521,110	\$3,178,721	\$573,221	\$521,110	\$781,665	\$521,110
Less Revenues	(\$46,391)	(\$46,391)	(\$46,391)	(\$46,391)	(\$46,391)	(\$46,391)
Cost of a County Consolidated Assessing Unit	\$0	\$0	\$2,471,480	\$0	\$0	\$0
Additional Cost of annually maintaining assessments at a common LOA throughout the County	\$0	\$268,449	\$268,449	\$21,621	\$268,449	\$268,449
State Aid for Annual Reassessment *	\$0	(\$553,705)	(\$553,705)	(\$44,595)	(\$553,705)	(\$553,705)
<b>Total Annual Operational Costs</b>	<b>\$3,159,208</b>	<b>\$2,847,074</b>	<b>\$2,713,054</b>	<b>\$3,106,251</b>	<b>\$2,463,384</b>	<b>\$2,873,952</b>
<b>Cost Per Parcel - County</b>	<b>\$4.29</b>	<b>\$25.71</b>	<b>\$24.50</b>	<b>\$4.08</b>	<b>\$4.06</b>	<b>\$1.71</b>
<b>Cost Per Parcel - Municipality</b>	<b>\$24.24</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$23.97</b>	<b>\$18.18</b>	<b>\$24.24</b>
<b>Combined Cost Per Parcel</b>	<b>\$28.53</b>	<b>\$25.71</b>	<b>\$24.50</b>	<b>\$28.05</b>	<b>\$22.24</b>	<b>\$25.95</b>
<b>Difference from Current Structure</b>		<b>(\$312,134.35)</b>	<b>(\$446,154.35)</b>	<b>(\$52,957.21)</b>	<b>(\$695,823.51)</b>	<b>(\$285,256.08)</b>

\* Annual Reassessment Aid of \$569,170 may be available under the current structure if all towns reassessed in the same year (113,834 x \$5).

\*\* CGR modeled a decrease in cost to Towns of 25% and an increase to the County of 50%

<b>Assumptions</b>	<b>Salary Per Person</b>	<b>Total plus Benefits</b>
Appraisers	30	\$45,000
Clerical	11	\$28,000
IT	2	\$50,000
Fringes	37%	\$2,408,460
Annual State Aid		(\$5)
Triennial State Aid		(\$5)
Consolidation Aid		(\$7)
County Aid - \$2		(\$2)
County Aid - \$1		(\$1)
Maintenance of LOA Cost/Parcel	\$2.42	= 10% of Average budget/parcel for Albany Co.
Total Parcels	110,741	
Parcels Needing Reassessment	60,022	= All Municipalities except City of Albany, Towns of Coeymans, New Scotland, and Bethlehem
Parcels Receiving Annual Aid	0	
Reassessment Cost/Parcel	\$47.5	
Annual Rental Cost	\$197,040	
Transitional Costs - County-run and CCAP	\$237,840	= \$5000 per new employee plus 2 months security deposit on rental space.
Average Budget/Parcel in Albany Co.	\$24.24	

**Table A-8**  
**Assessors Who Participated in CGR**  
**Facilitated Assessors Meeting**

Albany	Keith McDonald
Cohoes	Tom Jacques
Berne	Brian Crawford
Bethlehem	Patricia McVee
Coeymans	Laura VanValkenburg
Colonie	Ronald Monfils
Guilderland	John Macejka
Knox	Russ Pokorney
Westerlo	Peter Hotaling

**Table B-1 (Survey Responses: Municipalities)**

Jurisdiction	Total Staff	FTE	Share Collection?	Parcels Covered	Budget	Hi-Speed Internet?	Software: House Data	Software: Access Data	Software: Analyze Data	Software: Report Data	Database Location	Staff Maintaining Data	Staff Maintaining System	Maintenance/Support Cost
City of Albany	9	9	no	31325	\$1,131,907	yes	New World Systems on AS 400	Client Access for AS400	New World Systems, Microsoft Office	New World Systems, Microsoft Office	Management Information Systems (MIS) Department, City Hall	MIS Department Supervisor	MIS Department Supervisor	656,180
City of Cohoes	2	2	no	5800	\$83,000	yes	KVS	KVS	KVS	KVS	Local Server at City Hall	Treasurer, Deputy Treasurer, IT manager	IT Manager	\$10,000
City of Watervliet	1	2	no	2800		yes	Microsoft SQL	TCS (Total Collection Solutions)	TCS	TCS	Local Server	Deputy Director of Finance	Deputy Director of Finance	\$4,728
Town of Berne	1	1	no	2001	\$11,350	yes	BAS (Business Automated System)	BAS	BAS	BAS	Tax Collector's PC	Tax Collector	BAS	\$850
Town of Bethlehem	no staff solely dedicated to tax collection. Approx. 50% of work hrs are spent on tax processing	3.25	no	13200	Actual cost in tax office was \$199,834. Fifty % of the total (part that is spent on tax processing) would be \$99,917	yes	Town of Bethlehem	Sunguard Public Sector Software	Sunguard Public Sector Software	Sunguard Public Sector Software	In-house local server	Tax Department Staff	Town MIS Staff	\$9,500
Town of Coeymans	4	3	no	2975	\$5,540	yes	SQL	i-tax collection	i-tax collection	i-tax collection	Town Clerk's office	Town Clerk, Tax Collector	Town Clerk, Tax Collector	\$740
Town of Colonie		3 FTE & 3 PT	no	31000+	\$250,000	yes	Tax Pro	Tax Pro	Tax Pro	Tax Pro & RPS	Local Area Network	Tax Receiver, Deputy Tax Receiver	Tax Receiver, Deputy Tax Receiver, MIS Dep.	\$1,000
Town of Green Island	1 FTE for Jan, Fridays only for Feb & Mar	1 FTE for Jan, Fridays only for Feb & Mar	no	875	\$2,971	yes	Microsoft SQL	ITAX Tax Collection System from Business Automation Systems	Microsoft SQL	ITAX Tax Collection System from Business Automation Systems	Stand Alone Desktop PC	Town Tax Collector	Town Tax Collector	\$230
Town of Guilderland	3	0	no	12500	\$20,000	yes	Allen Tunnell Corp.	Allen Tunnell Corp.			Local Server			\$2,100
Town of Knox	2	1	no	1546	\$8,176	no	BAS	BAS	BAS	BAS	PC	Tax Collector, Deputy Tax Collector	BAS	\$540
Town of New Scotland	3	1	no	4276	\$50,000 est	yes	SCA-Software Consulting Associates	SCA	SCA	SCA	Network Server	Town Clerk	Town Clerk	\$2,000
Town of Rensselaerville	2	0.25	no	1925	\$2,000	no	MS DOS prompt	MS DOS prompt			Local Server	Town Clerk, Deputy Town Clerk	Plan Tool-McKay Computer Assoc. Town Clerk and Deputy Town Clerk	\$756
Town of Westerlo	2	1.5	no	2075	N/A	yes	BAS	BAS	BAS	BAS	Local Server	All staff	All Staff	\$1,150
Village of Altamont	1-2		Guilderland does assessments and files	619		yes	Williamson Law Book Tax Program Windows	Refer to Guilderland	Refer to Guilderland	Refer to Guilderland	Village Office	Clerk, Treasurer	Clerk, Treasurer	
Village of Colonie	4	4	no	3300	not separate	yes	KVS	KVS	KVS	KVS	Local Server	Clerk, Deputy Clerk, Treasurer, Deputy Treasurer	Clerk	
Village of Green Island	1 FTE for June & July, as needed Aug. -Oct.	1 FTE for June & July, as needed Aug. -Oct.	no	875	\$1,500	yes	Microsoft SQL	ITAX Tax Collection System from Business Automation Systems	Microsoft SQL	ITAX Tax Collection System from Business Automation Systems	Local Server	Village Treasurer, Deputy Treasurer, Tax Collector	Village Treasurer, Deputy Treasurer, Tax Collector	\$340
Village of Menands	1	1	no	1153	part of Clerk 1-- Salary and Duties approx. \$18,000	no	KVS	KVS	KVS	KVS	Local Server	Clerk I	Clerk I	\$2,000
Village of Ravena	3	1.5	no	1103	\$103,433 (combined in gen. budget with clerks)	yes	KVS Software-Windows	KVS	KVS	KVS	Local Server	Clerks	Clerks	\$880
Village of Voorheesville	2	2	yes, assessing done by Town of New Scotland	1100	\$2,000	yes	KVS	KVS	KVS	KVS	Local Server	Clerk Treasurer, Deputy Clerk Treasurer	Clerk Treasurer, Deputy Clerk Treasurer	

Jurisdiction	Staff Access	Staff Inputting Data	User Support	Accessible by Staff via internet?	Accessible by Property Owners	Can Staff View Indiv. Tax Bills and payment status?	Payment Methods	When Accepted?	Where Accepted?	What Bank?	Bar Coding?	Scanning?
City of Albany	MIS Personnel, All Treasurer Office Personnel	All Treasurer Office Personnel	New World Systems, MIS Department	yes	yes	yes	cash, check, money order, credit card via internet	1/2 - 12/31, M-F 8:30 am - 5:00 pm Saturdays in January 9:00 am - 12:00 pm	City Hall	Key Bank	yes	yes
City of Cohoes	Treasurer, Deputy Treasurer, Comptroller, IT Manager	Treasurer, Deputy Treasurer	KVS	yes	yes	yes	check, cash/check at HSBC, online, credit cards in Mar. 2009	March-Sept-Property; March, June, Sept, Dec-water/sewer	via mail, some at city hall, HSBC, internet via citinet	HSBC Bank	no	no
City of Watervliet	Director of Finance, Deputy Director of Finance	Director of Finance, Deputy Director of Finance	Systems East	no	no	yes	cash, check, credit card (Internet)	January - September	Tax Office	Bank of America	no	no
Town of Berne	Tax Collector Only	Tax Collector	BAS Business Automation Services	yes	no	detail listing of tax rolls open to anyone	one full payment (note: phoned town, they accept cash, check)	1/1-3/31	town hall, collector's home	Citizens Bank	No but available	no
Town of Bethlehem	Tax Staff-read/update; Building, Engineering, DPW, Comptroller-read only	Tax Department Staff	MIS staff & software vendor	no, but could be through a secure VPN	yes	yes	cash, check, and automatic bank drafts	12/31-3/31	Town Hall, mail, automated bank drafting	except for automated bank drafting, do not use bank--do our own processing	yes	yes, OCR
Town of Coeymans	Town Clerk, Deputy Town Clerk, 2 PT Clerks	Town Clerk, Deputy Town Clerk, 2 PT Clerks	BAS Business Automation Services	yes	no	yes	cash, check	1/2-3/1	town clerk's office	none	no	no
Town of Colonie	Some Restrictions Only	All for processing	CCS Technologies & Colonie MIS Dept	no	no	yes	cash, check, credit card	during collection periods set by statute during normal business hours and extended hours	office, in person, mail	none	no	check scanning
Town of Green Island	Town Tax Collector	Town Tax Collector	Business Automation Services Inc. of Clifton Park, NY	no	no	yes	cash, check, money order	1/1-3-31 (Fridays only in Feb, Mar)	town office	none	no	no
Town of Guilderland	Receiver, Deputy Receiver, Clerk	Receiver, Deputy Receiver, Clerk	Allen Tunnell Corp.	Yes	yes	yes	cash, check, credit card (Discover Card, Mastercard, Visa)	Property--Jan.-Mar.; School-Sept.-Dec.	Town Tax Office & First Niagara Bank	Chase Bank & First Niagara Bank	Yes & no	yes
Town of Knox	Tax Collector, Deputy Tax Collector	Tax Collector, Deputy Tax Collector	BAS	no	no	yes	cash, check	1/1 - 3/31	Mailing address for bills, Knox Town Hall on 3 Saturdays in Jan, or by appointment at collector's home	Key Bank	no	no
Town of New Scotland	Tax Collector, Deputy Tax Collector	all 3 people	SCA	no	no	yes	cash, check	1/1 - 4/1	Town Hall	none	yes	yes
Town of Rensselaerville	Town Clerk, Deputy Town Clerk, Collector	Town Clerk and Deputy Town Clerk	McKay Computer Associates	no	no	yes	cash, check, money order	1/1-3/31	Rensselaerville Town Hall	none	no	no
Town of Westerlo	Clerk/Collector, Deputy	Clerk/Collector, Deputy	BAS	yes	no	yes	cash, check, money order	M,W,F 9am-5pm T, Th 6pm-9pm	Town Clerk, Tax Collector's Office	none	no	no
Village of Altamont	Clerk, Treasurer, Deputy Clerk	Clerk, Treasurer, Deputy Clerk	Williamson	no	no	yes	cash, check	Daily 9-4	Village Office	Key Bank	no	Bank scans checks
Village of Colonie	Clerk, Deputy Clerk, Treasurer, Deputy Treasurer	Clerk, Deputy Clerk, Treasurer, Deputy Treasurer	KVS Info. Systems	no	no	yes	cash, check	6/1-10/31 M-F 8:30-4:30	Village Hall & US Mail	1st National of Scotia	no	no
Village of Green Island	Village Treasurer, Deputy Treasurer, Tax Collector	Mainly Tax Collector with oversight by Village Treasurer	Business Automation Services Inc. of Clifton Park, NY	no	no	yes	cash, check, money order	6/1-10/31	Village Office	none	no	no
Village of Menands	Clerk I/Clerk-Treasurer	clerk I	KVS	no	no	yes	cash, check	6/1-10/31	Village Hall	Key Bank	no	no
Village of Ravena	3 clerks	clerks	KVS	yes	no	yes	cash, check	during business 8:30-4 pm M-F until 11/1	Village Office	none	no	no
Village of Voorheesville	Clerk Treasurer, Deputy Clerk Treasurer	Clerk Treasurer, Deputy Clerk Treasurer	KVS	no	no	no	cash, check, money order	6/1-10/30 9 am-4 pm		First Niagara	no	no



Jurisdiction	How Changes Processed	Backup Procedures	Security Procedures	Cost of Licensing	Computer-Related Equip.
City of Albany	Supervisors	Daily off site storage system, Tape back up every night	Off site storage. Locked, limited access to database hardware. Standard password protocols.	New World, \$75,000	13 Desktops, 1 server, 1 Scanner, 13 Handheld Scanners (barcode), 2 printers, 1 copiers
City of Cohoes	via treasurer & deputy treasurer	backed up daily by IT manager	users have log-ins and passwords	KVS, \$10000 yearly; Citinet, 6250 yearly	2 computers, 2 printers, 1 server
City of Watervliet	real time	Nightly Tape Backup. Microsoft SQL Maintenance Plan	Each Function has separate security level. Password Protected.	N/A	3 Desktops, 1 Server, 1 Printer
Town of Berne	tax collector	Tax collector backs up system weekly, sends copy to town clerk who downloads to town server	only person who can make changes to system is tax collector. Town clerk can only "read" files.	BAS, \$850	1 computer, 1 monitor, 1 printer/scanner / fax machine, 1 server (town's backup)
Town of Bethlehem	real-time into the system	incremental backup performed nightly. Full system save performed monthly.	security authorization lists, user passwords	none--system purchased in full	7 desktop PC, 1 laser printer, 3 OCR readers, Town-wide shared iSeries server, 1 shared Windows 2003 server
Town of Coeymans	with direction by town clerk to staff	our technician backs up program through server	put in safe	BAS-740	3 desktops, 2 printers
Town of Colonie	Receiver is responsible	Automatic backup at night on a daily basis. External to tape	password protected	Tax Pro, \$1000	6 desktop computers, 2 printers, 1 check scanner
Town of Green Island	software modifications are made by Business Automation Services annually	iTax Tax collection system creates a backup file and moves it to a flash drive	can only be accessed by town tax collector	BAS iTax Tax Collection System, \$500 one time license	1 desktop PC and 1 printer
Town of Guilderland	Receiver of Taxes makes adjustments per approved requests to the Assessor	Handled by DRJ Support Services	Handled by DRJ Support Services	Allen Tunnel Corp- \$2100	3 desktops, 1 server, 3 printers, 1 copier
Town of Knox	on the PC software with supporting paperwork	DVD-RW, 8 GB Lexar		BAS, 850	1 desktop, 1 scanner/printer/copier, 1 fax machine
Town of New Scotland	There are procedures within the program that allow for changes. This has security levels.	The network is backed up daily off site	password protected	SCA, \$1470	3 desktops, 1 bar code reader, 3 printers
Town of Rensselaerville	County Legislature	goes to server	Town Clerk/collector, Deputy town clerk and McKay Computer Associates are the only people that can see into computer		1 desktop, 1 printer
Town of Westerlo	support from BAS	SQL	Passwords	BAS	1 Desktop, 1 printer, 1 copier
Village of Altamont	update ownership and mailing address	floppy disk and village network backup system	password		server, 3 desktop, printer, copier
Village of Colonie					1 server
Village of Green Island	software modifications are made by Business Automation Services annually	iTax Tax collection system creates a backup file and moves it to a tape drive which is backed up daily and moved off premises daily	can only be accessed by village treasurer, deputy treasurer, and tax collector	BAS iTax Tax Collection System, \$500 one time license	1 server, 1 desktop PC, 1 printer for tax collector
Village of Menands	Clerk I	local server	password protected, backup	KVS, \$2000	2 desktops, 1 printer, 1 copier, 1 server
Village of Ravena	input by clerks	backup done every night on zip drive & jump drive and transferred to another location	stored in a fireproof locked vault	KVS, \$648	2 desktops, 2 printers
Village of Voorheesville		backup to cd and to external hard drive	password protected	tax billing-290, tax collection-90, database-165, NY RPS-85, phone support-1070	3 desktops, 2 printers, 1 copier

**Table B-2 (Survey Responses: School Districts)**

Jurisdiction	Staff Access	Staff Inputting Data	User Support	Accessible by Staff via Internet?	Accessible by Property Owners	Can Staff View Individ. Tax Bills and payment status?	Payment Methods	When Accepted?	Where Accepted?	What Bank?	Bar Coding?	Scanning?
Albany City School District	Tax Collector	Tax collector /NERIC	NERIC	no	no	yes	checks (by mail) checks/cash (at bank)	Sept 1 - Nov 15 (through February 28 for installments)	Key Bank 60 State Street Albany	NERIC	yes	yes
Berne-Knox-Westerlo CSD	Tax Collector and 3 work stations	Data Entry, Coordinators, Programmers (NERIC)	Capital Region BOCES - NERIC	no	no	yes	check	9/1-10/31	PO Box in Albany Key Bank in Altamont	Key Bank	yes	yes
Bethlehem CSD (Town of New Scotland ONLY)	Tax Collector	Tax Collector	N/A	no	no	no	check	9/1-11/1	P.O Box	T.D. Banknorth	no	no
Cairo Durham CSD	Tax Collector, Treasurer	Tax Collector	Info-tax	no	no	yes	cash, check	9/1-10/31	Bank of Greene Co.	Bank of Greene Co.	no	no
Cohoes City School Dist.	all business office (8)	Tax Collector, Treasurer, Deputy Treasurer	Info-tax	yes	yes	yes	cash, check	9/1-4/30	HSBC Bank (local)	HSBC Bank	no	no
Duanesburg CSD	Tax Collector, Business Manager	Tax Collector	Capital Region BOCES	no	no	yes	cash, check, money order	9-3 M-F, Sept-Oct.	Business Office of DCS	NBT for deposits	yes	yes
Greenville	3 Business Office Staff	Tax Collector	InfoFund	no	no	yes	all	Sept 1 - Oct 31	local bank	National Bank of Coxsackie	no	no
Guilderland CSD	Senior Account Clerk	Senior Account Clerk	n/a	no	no	yes	cash, check	9/1-10/31	Guilderland C.S.D. District Office	1st Niagara	no	no
Mansville/Watervliet	3 Business Office Staff	Tax Collector	BOCES	yes	no	yes	cash, check	July and January	Business Office	none	yes	yes
Ravena Coeymans Selkirk CSD	Management Confidential, secretary	Tax Collector	UCIS systems	no	no	yes	cash, check, money order	9/1-10/30	National Bank of Coxsackie, or District Office	National Bank of Coxsackie	no	no
Voorheesville CSD	Tax Collector, District Treasurer, Asst. Superintendent for Business, Secretary to Superintendent	Tax Collector, Asst. Superintendent for Business	BOCES	no	no	yes	cash, check, money order	sept & oct, business days from 8:30 am-4:30 pm	District Office Voorheesville Central School	Key Bank	yes	no

Jurisdiction	Total Staff	FTE	Share Collection?	Parcels Covered	Budget	Hi-Speed Internet?	Software: House Data	Software: Access Data	Software: Analyze Data	Software: Report Data	Database Location	Staff Maintaining Data	Staff Maintaining System	Maintenance/Support Cost
Albany City School District	1	1	no	30000	\$102,700	yes	TB2000/ Access	TB2000	TB2000	TB2000	Capital Region BOCES - NERIC	NERIC	NERIC	\$37,098
Berne-Knox-Westerlo CSD	BOCES Collection Services + 1 PT	1	no	4278	\$17,790	yes	TB2000/ Access	TB2000	TB2000	TB2000	Capital Region BOCES - NERIC	Capital Region BOCES - NERIC	Capital Region BOCES - NERIC	\$10320 Included in BOCES Tax Collection
Bethlehem CSD (Town of New Scotland ONLY)	3	0.5	yes, Town of Bethlehem	980	\$8,500	yes	Excel	Excel	Excel	Excel	Local Server	Tax Collector	N/A	N/A
Cairo Durham CSD	3	1.25	no	6816	\$12,467	yes	info-tax software	info-tax software	excel	info-tax software	Local Server	Tax Collector, Treasurer	Tax Collector, Treasurer	\$795
Cohoes City School Dist.	2.5	1	no	5220	\$21,200	yes	info-tax	info-tax, Adobe	info-tax, Excel	Info-tax	Local Server	Tax Collector, Treasurer, Deputy Treasurer	IT, Deputy Treasurer, Treasurer	\$1,400
Duanesburg CSD	1	1	no	2700	\$9,800	yes	TB2000	TB2000	TB2000	TB2000	Local Server	Tax Collector	Technology Coordinator	\$6,000
Greenville	1	0.25	no	6200	\$8,306	yes	InfoTax (provided by Customer Linx)	InfoTax (provided by Customer Linx)	InfoTax (provided by Customer Linx)	InfoTax (provided by Customer Linx)	Local Server	Tax Collector	Director of IT	\$795.00
Guilderland CSD	1	0.5	no	186	\$693,789	no	Access/Excel	Access/Excel	Access	Access/Excel	Local Server	St. Account Clerk	Chief Tech Specialist	\$0
Mansville/Watervliet	0	3	no	3701	\$12,580	yes	TB2000	TB2000	TB2000	TB2000	BOCES server	Tax Collector	BOCES	\$6,000
Ravena Coeymans Selkirk CSD	1	0.75	yes, Town of Bethlehem	3980	\$17,000	yes	UCIS System	UCIS System	UCIS System	UCIS System	Local Server	Tax Collector, 1 Secretary	Business Administrator	
Voorheesville CSD	1	0.25	no	3425	\$16,580	yes	TB2000 (BOCES)	TB2000 (BOCES)	TB2000 (BOCES)	TB2000 (BOCES)	Local Server	Tax Collector	Technology Coordinator	\$6500 (BOCES)

Jurisdiction	How Changes Processed	Backup Procedures	Security Procedures	Cost of Licensing	Computer-Related Equip.
Albany City School District	communicated to NERIC	2 back ups daily, stored off site	login and password required	TB2000, \$37098 includes support	server, 2 PCs, printer
Berne-Knox-Westerlo CSD	Tax collector communicates changes to BOCES to be	Back-up 2 times daily, stored off site	2 sets of password/sign on screens	TB2000, \$1378	Server, PC, printer, barcode reader, fax
Bethlehem CSD (Town of New Scotland ONLY)	Tax Collector			N/A	1 desktop, 1 printer
Cairo Durham CSD	tax collector/treasurer enters	tapes changed daily	password protected	info-tax, 795	1 desktop, 1 printer
Cohoes City School Dist.	manually	on local server via tapes	user ID, password protected	info-tax, 1400	1 desktop, 2 laptops, 1 server, 3 printers
Duanesburg CSD	Tax Collector	daily by Central Ofc Staff (usually tax collector)	server holding data is locked in vault		1 desktop, 1 server, 1 bar code reader, 1 printer/copier
Greenville		everyday by IT director		InfoFund, \$795	1 desktop, 1 shared printer
Guilderland CSD	individually inputted	weekly backup to server	password protected		1 desktop, 1 printer, 1 copier, 1 server
Mannsville/Watervliet	Tax Collector	BOCES - daily	Limited Access, Password Protected	N/A	3 Desktops, 2 Bar Code readers, 1 Printer
Ravena Coeymans Selkirk CSD	by tax collector	provided by UCIS	besides tax collector, 1 staff member has access		2 desktops
Voorheesville CSD	BOCES	external tape stored off site	limited access by password	TB2000, \$6500	1 desktop, 1 printer, 1 copier, 1 bar code reader

**Table B-3 (Tax Collector Survey Responses and Meeting Attendees)**

<b>Tax Collector Participation</b>					
<b>Type</b>	<b>Total Jurisdictions</b>	<b>Survey</b>		<b>Meeting</b>	
		<b>Total Received</b>	<b>Percentage Received</b>	<b>Total Represented</b>	<b>Percentage Represented</b>
City	3	2	67%	2	67%
Town	10	10	100%	5	50%
Village	6	6	100%	2	33%
School	20	16	80%	10	67%
<b>Total</b>	<b>39</b>	<b>34</b>	<b>87%</b>	<b>19</b>	<b>49%</b>

<b>Attendees of Tax Collectors Meeting held February 11, 2009</b>	
<b>Name</b>	<b>Jurisdiction</b>
Chris DeWitt <i>Tax Collector</i>	Albany City School District
Deborah Baron <i>Tax Collector</i>	Voorheesville Central School District
Diane Dechenes <i>Tax Collector</i>	Town of New Scotland
Linda Pasquali <i>Clerk/Treasurer</i>	Village of Voorheesville
Kathy Haas <i>Clerk/Treasurer</i>	Village of Colonie
Frank Leak <i>Mayor</i>	Village of Colonie
Gerald O'Malley <i>Tax Collector</i>	Town of Berne
Michele Zilgme <i>Receiver of Taxes</i>	Town of Colonie and following School Districts: Menands, S. Colonie, N. Colonie, Niskayuna, Mohonasen
Colleen Hytko <i>Treasurer</i>	City of Cohoes
Adam Hotaling <i>Tax Collector</i>	Cohoes City School District
Nancy Mendick <i>Receiver of Taxes</i>	Town of Bethlehem
Cindy Vatalaro <i>Deputy Town Clerk</i>	Town of Coeymans
Diane Millious <i>Town Clerk</i>	Town of Coeymans
Betty Barnette <i>Treasurer</i>	City of Albany
Norma Henness <i>Tax Collector</i>	Town of Knox and Town of New Scotland, Guilderland School District
Shawn Conners <i>Applications Developer</i>	Capital Region BOCES

**Table B-4: Delinquency & Foreclosure Statistics and Process Overview**  
*Data and Information provided by the Albany County Division of Finance*

<b>Table B-4: Actual Delinquency Statistics for 2003 and 2004, City of Albany Only</b>		
	<b>2003</b>	<b>2004</b>
Bills Received*	6200	6100
Delinquency Notices Sent	3435	3804
<i>Percent of Bills Received</i>	55%	62%
List of Delinquent Taxes	704	1229
<i>Percent of Bills Received</i>	11%	20%
Sent to Title Search	313	454
<i>Percent of Bills Received</i>	5%	7%
Petition and Notice of Foreclosure	221	297
<i>Percent of Bills Received</i>	4%	5%

*\*Number received needs verification*

**Process Overview:**

1. Yearly unpaid tax bills turned over to County for collection;
2. Delinquency Notices Mailed within 45 days of receipt of taxes—Installment Plan offered: approximately **4,500 1<sup>st</sup> Class** letters (\*some properties in Albany City have unpaid School and Property bills for any given lien year, School re-levied onto Town bills thus only one bill is turned over to the County);
3. **List of Delinquent Taxes** (LofDT) filed about 1 year later: approximately **2000 properties** (\*some properties in Albany City have unpaid School and Property bills for any given lien year, School re-levied onto Town bills thus only one bill is turned over to the County);
4. Yearly **Notice of Arrears** letters mailed by County for all lien years not in foreclosure — approximately **5,000 1<sup>st</sup> Class** letters (2003-2008 lien years mailed in November 2008)--returns looked up in ACCURINT database, re-sent to any address that appears there (may not be owner), address data not retained;
5. **Electronic file** sent to Localities for NOTICE OF ARREARS posting on January Tax bills—December each year, contains all that have unpaid taxes (1964-2008, for instance);
6. If taxes are unpaid after 3 years, all unpaids by lien year are sent out to **title search**
7. Title Search is a paper intensive process—takes about 3-4 months to complete reviews and mail notices (details below if needed). About **750-1,000** Properties countywide are sent notices in any given year. Due to requirements of law (lien holders, certified and 1<sup>st</sup> Class mail, etc.) there are about 7,500 pieces of mail generated;
8. Anything left unpaid is foreclosed—County takes deed. The County has been averaging less than **200** properties taken for any given lien year. The properties in the Towns tend to pay at a higher rate than the City of Albany, where more distressed structures exist.

*Title search sent to 3<sup>rd</sup> party vendor—cost of \$185 per search, added to tax bill. Hard copy of searches are returned in about 3 months—broken up by City of Albany, City of Cohoes, City of Watervliet, Towns—too much volume to do them all simultaneously*

Review and verification process takes another 3 months:

Note from Foreclosure Unit:

*First step is getting the searches back and checking them. They need to be checked for accuracy making sure we have all the attachments, reference the correct parcels, etc. Typos in address, parcel IDs, et. are caught at this stage. If not accurate, foreclosure can be challenged in*

court and overturned. If lien holder is missed, their lien is not extinguished by County action, clouding title. Accuracy is more important than speed. The envelopes received with the search, 2 for each address for owners and for lien holders/ judgment creditors/mortgage holders are matched to the addresses identified in the search. This process takes on average 30 to 45 minutes per search but can take as long as 1 ½ hours depending on the size of the search and number of envelopes. Extreme examples are 50+ envelopes for one search. Generally averages to 15 per search.

Processing the Mailing begins once the review of searches is complete. A legal mailing date is set and foreclosure documents printed containing that date. These are copied and collated, stapled to ensure that identical copies of the forms are inserted as-is into the envelopes (1 set 1<sup>st</sup> Class, 1 set Certified by law):

*Excel spread sheet listing all the parcels is mail merged to the **Tax Enforcement Statement** so the information for each parcel is shown on the bottom of the page. This merged document is then attached to the Petition and Notice of Foreclosure as exhibit "A") This takes on average 3 hours. Sometimes names have to be changed under new owner and "also known as" a/k/a designations.*

*The Tax Enforcement Statement for each parcel and its corresponding envelopes and labels are collated. Staff count the envelopes and make that many copies of the Statement. Then **labels are placed on the Statement** that correspond with the envelope address. After the labels are all on, **2 copies are made**, one for County files and one for the affidavit of mailing. Staple each Tax Enforcement Statement to a copy of the Petition and Notice of Foreclosure and bundle it all up with the envelopes and the certified slips and it is about ready to be stuffed. All this takes about 30 minutes on average for a parcel but could be an hour or so depending on how many envelopes.*

*Tax Enforcement Statement and Petition and Notice of Foreclosure are matched to the corresponding envelope and the certified mail form/receipt is placed onto one of the envelopes. This takes about 10 minutes a parcel on average and can take as long as 30 depending on the amount of envelopes.*

*FYI--envelopes are manually stuffed and sealed, matching the addresses on the certified mail receipt, envelope and collated foreclosure paperwork. Given the legal proscribed form and required affidavit of mailing, the County cannot outsource this to a mail house—not set up for automated processing (inserts too large, certified mail receipts on envelopes).*

*Whole mailing delivered to the County mailroom the day prior to mailing and metered with date on Tax Statement. Finance staff deliver to the Post Office, then sign an affidavit of mailing stating that the letters were handled as stated above and entered into the mail system on that date (matches date on inserts—see merged Tax Enforcement/Petition and Notice above). Post Office stamps the certified slips and returns them to the County.*

**Note: where both 1<sup>st</sup> Class and Certified mailing for any lienholder or owner are returned undeliverable**, the County is required to post the premises and/or business offices of the lienholder. Additionally, the county is required to request forwarding address information from the destination ZIP Code in writing. This would be the same PO that returned the mail as undeliverable. A 3-6 month window apparently exists for forwarding-order-expired records before the new address data is deleted. From a practical standpoint the county posts all unpaid properties twice during this period to comply with the intent of the law. The returns for lien holders are sorted separately to ensure that returns are processed in accordance with law.

Once 90-day Period of Redemption has ended, the county completes paperwork and submits judgment to the Courts. Court review can take 30-90 days (longer in the event that the military attorney review has not been received) and has taken up to a year. Judge signs judgment, County files deed. **The County took title to 38 properties in 2007, and approximately 190 in 2008.**