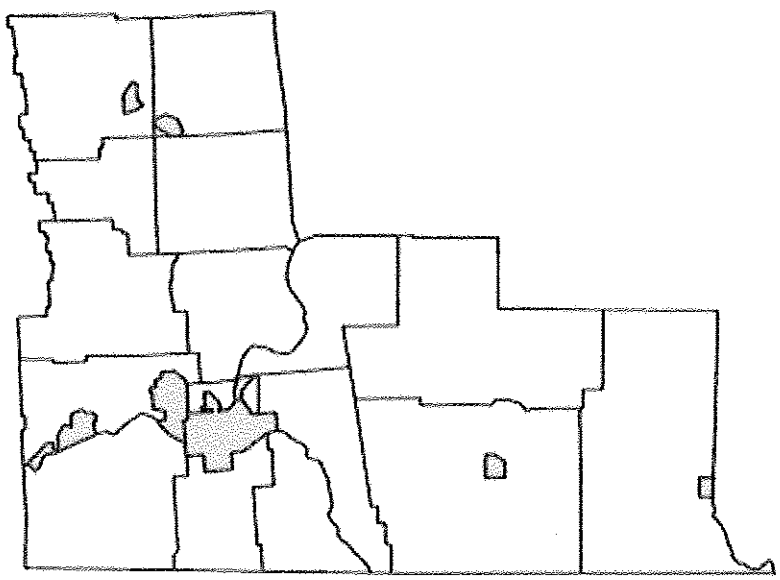
Countywide Collaborative Assessing Considerations For

Broome County



Submitted by Randy H. Deal, I.A.O., C.C.D.
www.Assessor.com
November 3, 2008

Table of Contents

I Introduction

In the autumn of 2007, the New York State Office of Real Property Services (ORPS) established the Centralized Property Tax Administration Program (CPTAP) to encourage county and municipal officials to study reform opportunities for their local real property assessment systems.

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

The intent of the grant 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 data of their county, local officials are determining what will work best for their taxpayers and the taxing jurisdictions, alike.

The system must uniformly affect every parcel within the County and must result in the following performance standards:

- A common level of assessment for all 16 Towns and the 1 City within Broome County.
- A common database of assessment, inventory, pictures, and valuation data for all the assessing units within the County.
- Consistent Assessment Administration Standards (i.e., regular reassessment cycles; timely verification, correction and transmittal of sales data; current and accurate inventory collection and maintenance; etc) for all assessing units within the County.

The goal of this study is to identify a system (or systems) that provide a mechanism for obtaining and maintaining equitable assessments, that is understandable to taxpayers, and that functions efficiently and consistently. The study includes (1) analysis of the current assessment system in Broome County; (2) a description of the several options available to achieve a common level of assessment and a common reassessment cycle for all municipalities within the County. **It should be noted that this study is not intended to identify every operational detail of the options described, and that any decision to implement or further explore options will require additional analysis, which I would be pleased to explore with you in the future.**

The study includes a comparative analysis of current and projected costs in personnel, equipment, and services/supplies for one or more of the options as compared to the present system. The option(s) studied will use the staffing requirements as if the system were operating under the standards of the International Association of Assessing Officers.

The study will include an analysis of the pathway and timetable for migrating from

the current assessment system to an alternative system, and give specific suggestions for easing the transition functionally, financially, and legislatively. The final section of this Study will be dedicated to suggestions as to how the State might better utilize its resources to assist in the transition for Towns and Counties.

II Executive Summary

The following Study gives the Broome County Legislature the current status of their local assessing units and some various options that are available to consolidate all or part of this important function.

It is important for the reader to understand the fundamentals of the Real Property Tax System. Property owners are taxed based upon their perceived wealth which is demonstrated by the value of their real property. This is why it is absolutely essential that assessments are kept current and accurate each and every year. In fact, the Real Property Tax Law (RPTL 305) requires assessments within each assessing unit to be maintained at a "uniform percentage of market value."

> Definition - RPTL §305
> Standard of Assessment
>
> "All real property in each assessing unit shall be assessed at a uniform percentage of value..."
>
> Value is defined as "market value"
> May assess at any percentage of full value (a/k/a "Level of Assessment", or LOA)
> Assessors sign an oath each year that all assessments are uniform
> This would include County Assessing Units

The duties of the assessor include discovering, listing and valuing all real property within their assessing unit.

The goal of this Study is to define an assessment system that will achieve common treatment (including a common level of assessment/equalization rates) for all parcels in Broome County, which will benefit taxpayers in the following ways:

- Transparency - "Is it simple enough for taxpayers to understand?"
- Equity - "Does it treat every parcel the same way?"
- Efficiency - "Is it the lowest cost for a given level of service?"

The following two models with five options will be described in some detail. The one important consideration for all of these assessment models is that in order to achieve equity and a 100% level of assessment throughout the County, required for the aid which is included in the study, is that those Towns that are not at that level will need to complete a town-wide revaluation. The estimated added cost of that process using assessors or outside contractors for data collection/verification and

valuation is as follows:

Costs of Meeting the Performance Standards		
Within the Current Assessment System		
Broome County's Current Assessment System Costs		
Current County Budget for Real Property Tax Services		$781,155
Total Budget for Municipal Assessing	+	$965,065
Total Current Costs of Assessing Within the County	=	**$1,746,220**
Additional Costs To Comply Under Current System		
Cost of Bringing All Parcels Up To The Performance Standards (100%)*		
76,724 Parcels x $55/parcel		**$4,219,820**
Total Initial Costs:		**$4,219,820**
Offsetting Available State Aid Incentives		
Reassessment Aid of up to $5 x 76,274 Parcels	-	**$383,620**
Net Initial Cost To Attain Equity Within		**$3,836,200**
Broome County's Current Assessment System		
*This figure represents either an "in house" or contracted data verification and reassessment of 76,724 parcels and does not include the 9,575 parcels in the Town of Vestal which will attain 100% in 2009. The cost of such a project would depend on the condition of the data in the various Towns and the size of the project. If some Towns joined together for an RFP, then the costs could be reduced. For purposes of this Study we will use a figure of $55/parcel.		

The cost of providing all Broome County property owners with an assessment system that is equitable, transparent and efficient is not unreasonable. And when coupled with some of the structural modifications described in this report and the various financial incentives for re-structuring, together with incentives for maintaining the assessments, there are annual cost savings which can be achieved.

We are looking at two major types of Assessing Systems: Single Unit Models and Multiple Unit Models. They are further broken out into five options:

Single Assessing Unit Models

- Option #1 – County Run Assessing
- Option #2 – Coordinated Assessing with one County Run CAP

Multiple Assessing Unit Models

- Option #3 – Implementing Coordinated Assessing Programs (CAPs) Where Possible and Binding all Assessing Units to Common Performance and Standards with an Inter-Municipal Agreement.
- Option #4 – Towns Contracting with the County
- Option #5 – A revolutionary hybrid option that would require the State to pass a Cycle Bill that would provide financial aid for Towns to meet the common LOA of 100% and then have the Valuation Date frozen every 3 years to avoid further Equalization Rate Studies and the need for Annual Reassessment.

As mentioned above, once all of the parcels in the County are being treated the same, there will be savings realized along with fair taxation for all of your constituents. By subtracting the Annual Operational Costs of the various options from the current costs of assessing within the County, which is $1,746,220, you arrive at a range of savings that will be ongoing, which can offset the initial start-up costs for establishing an equitable assessment program for your taxpayers.

In the case of Single Assessing Units, the overall savings to the County's taxpayers under the County-Run option should run approximately $245,945 a year from what is currently being paid. In the County-Wide CAP option there would actually be an additional cost to taxpayers of approximately $295,347.

In the case of Multiple Assessing Units, the overall savings to the County's taxpayers should run between $245,945 to $361,646 from what is currently being paid for Assessment Services throughout the County.

For Broome County, based on data collected and analyzed, the emphasis of the study will be to do an in-depth view of the Multiple Assessing Units Models. Of the sixteen towns and one city in the County, only the Town of Vestal has contracted for or completed a State supported reassessment project in recent years. For most municipalities it has been over 15 years since property values were reviewed and adjusted to market value. Any consolidation of the Assessing function into a single unit is something that may be considered when all of the Towns and the existing single CAP attain a 100% Equalization Rate. When this is achieved the other individual goals of transparency, equity, and efficiency will automatically be attained. The costs of accomplishing this task (as shown on the table on the following page) to bring all parcels within the County into conformance with the following standards:

- Common Level Of Assessment at 100%
- Common reassessment cycle for all municipalities
- Common inventory and sales verification practices
- Each parcel has only one assessment.

For purposes of this Study and to make the Assessment System more understandable, equitable, and cost effective we are recommending to the State to introduce legislation to accomplish these goals. At the very least, there should be a mandatory cycle bill. This would mandate that all assessing units in the State must reassess all parcels on a regular basis (most likely every three years). The other critical piece that would be needed is some type of funding mechanism to help municipalities offset some of the initial costs. For Towns that have not reassessed in a long time the cost of completing a data verification and reassessment project could run $55 per parcel or more. All levels of government are facing difficult budget situations, and without some State assistance, it would be a serious burden on local municipalities to fully fund these initiatives.

The top portion of the table below will give you an overview of the cost comparisons less the State Aid available, of the different options for the initial one-time start-up costs (savings). The lower portion then shows the ongoing annual operational costs

for maintaining all parcels in the County at a uniform assessment standard with their Annual Savings after State Aid is subtracted.

Broome County Assessment Models Cost Savings & Aid Comparisons

	Current Structure that is in place - modified to provide equitable assessments to all properties.	Single Assessing Unit Models		Multiple Assessing Unit Models		
		Option #1: County-Run Assessing	Option #2 County CAP	Option #3 Current Structure w/additional consolidation & inter-municipal agreement	Option #4 All Munis contract w/County under RPTL 1537	Option #5 Current Structure, Reassessment Cycle w/matching Valuation Date
Start-up Costs:						
Establish Equitable assessments at a common level throughout the County [Reassess 16 of 17 City/Towns or 76,724 parcels @ $55]	$4,219,820	$4,219,820	$4,219,820	$4,219,820	$4,219,820	$4,219,820
Available State Aid for reassessment [76,274 parcels @ up to $5] [Town Aid - 16 of 17 Towns)	-$383,620	-$383,620	-$383,620	-$383,620	-$383,620	-$383,620
State Consolidation Aid [84,008 parcels @ up to $7 - one time payment (not including Lisle & Nanticoke)]	$0	$0	-$588,056	Varies	$0	$0
State Consolidation Aid for County Run Assessing, RPTL 1573, 85,299 parcels @ up to $7	$0	-$604,093	$0	$0	$0	$0
State Aid for County Run Assessing Referendum Approval, 85,299 parcels @ $2 [http://www.orps.state.ny.us/cptap/applications.cfm]	$0	-$172,598	$0	$0	$0	$0
State Consolidation Aid for County providing services, RPTL 1573, 85,299 parcels @ $1	$0	$0	-$86,299	$0	-$86,299	$0
State Aid IF County Managed County wide CAP, 85,299 parcels @ $2 [http://www.orps.state.ny.us/cptap/applications.cfm]	$0	$0	-$172,598	$0	$0	$0
Total One Time Start-up Costs:	**$3,836,200**	**$3,059,509**	**$2,989,247**	**Varies**	**$3,113,970**	**$3,200,269**
Operational Costs:						3
City/Town Assessment Dept. Costs	$965,065	$0	$0	Varies	$0	$2,895,195
County Real Property Tax Dept Costs	$781,155	$1,756,155 1	$781,155	$781,155	$1,756,155 1	$2,343,465 3
Cost of a County Consolidated Assessing Unit (CAP)	$0	$0 4	$1,467,083 2	$0 4	$0 4	$0 5
Additional cost of annually maintaining assessments at a common Level of Assessment throughout the County.	$174,622	$175,616	$224,824	$174,622	$175,616	$209,546
State Aid for Annual Reassessment [85299 parcels @ up to $5]	-$431,495	-$431,495	-$431,495	-$431,495	-$431,495	-$1,294,485 3
Current Annual Operational Costs:	**$1,746,220**	**$1,746,220**	**$1,746,220**	**$1,746,220**	**$1,746,220**	**$1,746,220**
Total Annual Operational Costs vs Options	**$1,489,347**	**$1,500,276**	**$2,041,567**	**Varies**	**$1,500,276**	**$1,384,574**
Total Annual Savings (Costs)	**$256,873**	**$245,945**	-$295,347	**Varies**	**$245,945**	**$361,646**

Notes:
1 Cost of County Dept estimated by adding 25 staff @ $30,000/yr plus 30% fringe benefits= $975,000 to the current budget of $781,155 which then totals $1,756,155.
2 Estimated $17/parcel based upon similar costs in Broome County and other counties.
3 Assumes a 3-year cycle. Operational Costs are based on a 3-year program, and then computed to an annual cost.
4 Partially built into staffing cost estimate; 10% added for additional expenses, i.e. appraisal assistance, printing, postage, mileage, BAR, etc.
5 Partially built into staffing cost estimate; 10% added for additional expenses (same as #4 above), and then because it is a 3-year program 40% was attributed to a given year.

III Existing System

A) Description of the Duties and Responsibilities of County Directors and Assessors.

As in all Counties in New York State, with the exception of Tompkins and Nassau where they have Countywide Assessing, there are two public officials that carry out the work of coordinating the assessment process: the County Director and the local Assessors.

In Broome County there is a County Real Property Tax Service Office comprised of a Real Property Tax Director III, an Assistant Real Property Tax Director, a Tax Map Technician, two Real Property Appraisers, a Real Property Tax Service Specialist, and a Real Property Tax Service Assistant.

The duties and responsibilities of the Real Property Tax Office include:

Statutory

- Prepare tax maps, maintain them in current condition, and provide copies to assessors
- Provide advisory appraisal to towns
- Advise assessors on procedures for the preparation and maintenance of assessment rolls, property record cards, appraisal cards, and other records and documents relating to real property assessment and taxation
- Provide appraisal cards in such form as shall be prescribed by the state board in quantity needed for use in the preparation of assessment records
- Cooperate and assist in the training programs provided by the state board
- Provide administrative support, cooperation, and assistance to acting boards of assessment review
- Provide the county equalization agency with information that may be useful in the operation of that agency
- Prepare and furnish an annual report to the legislative body of the County, a copy of which shall be sent to the State Board which report shall contain at least such information required by the legislative body of the County and the State Board and prepare such additional reports as may from time to time be required by the legislative body or the State Board.
- Conduct Board of Assessment Review Training
- Conduct Assessor Orientation Training

When Authorized By The County Legislature

- Assist in the disposition and sale of real property acquired by the county as a result of tax sale.
- Perform the duties imposed upon the recording officer of the county in relation to reports of transfers of real property.
- Supply towns with assessment rolls or other forms for use in connection with

the preparation of assessment rolls or the collection of property taxes.

General

- Responsible for RPS computer file maintenance and processing
- Perform computer systems maintenance and initiation of new computer programs with responsibility for overseeing systems
- Produce town and county, school and village tax bills, tax rolls, X-ref lists, and collector's lists by the statutory deadline for each taxing jurisdiction.
- Establish and maintain a comprehensive real property tax service program to assist in the development of equitable assessment practices
- Maintain a variety of records and statistical data for control and reporting purposes most of which are computerized
- Maintain ownership information of each parcel on the assessment roll
- Direct and train field and office staff
- Prepare and submit annual reports
- Assist assessors on unique valuation problems
- Prepare annual budget for real property tax services department
- Prepare apportionments, rate and warrants
- Perform corrections of errors as allowed by real property tax law
- Assists town, county, school, state officials, and others in matters pertaining to real property taxation

The County is currently using a Citrix server in order to maintain a centralized current and common database. All towns, except for the Town of Union, use this Virtual Private Network to access the County's Citrix Server 24/7. The Town of Union manages their data on their own network in the Town and then gives the County a file the first of every month. The County currently has the ImageMate program online to give taxpayers the opportunity to view property, tax data, and the tax maps and that same portal gives them access to the GIS maps that are maintained by the County's GIS Department. All of this data being made available to the public demonstrates the County's interest in maintaining transparency for its' taxpayers.

Some of the duties and responsibilities of a Town Assessor include:

- Locate property and collect inventory data
- Determine ownership of property
- Maintain ownership information of each parcel on the assessment roll
- Notify owners where and when data is available for inspection
- Value all real property at a uniform level of assessment
- Process exemptions
- Mail notices of increased assessment or other changes
- File a Tentative Assessment Roll
- Answer questions regarding tentative roll
- Defend values
- Attend meetings of the Board of Assessment Review
- File a Final Assessment Roll

- Attend required continuing education and professional conferences
- May manage assessment office
- Should meet with property owners, media, and other government officials
- Analyze local data such as market sales, interest rates, and market trends.
- Prepares challenge for equalization rate if necessary

1) Existing Collaborations

For many years the New York State Office of Real Property Services has provided additional aid monies (currently up to $7/parcel) to groups of municipalities who consolidate their assessment functions, share an assessor and achieve a common level of assessment. Besides the obvious municipal cost benefits related to consolidation, the Coordinated Assessing Program (CAP) reduces the number of assessment officials who need to be trained and certified and reduces the number of individual equalization rates that need to be computed by the State. The Towns of Lisle and Nanticoke form CAP #1, the only Cap in the County.

Assessors With Multiple Jurisdictions – Of the sixteen assessors in Broome County, six are elected and serve on three person Boards in the Towns of Barker and Colesville, and 10 are appointed to office for six year terms. There are 2 assessors that assess for multiple Towns within Broome County. See Table A-1:

Table A-1

MUNICIPALITIES		ASSESSMENT OFFICES		EXISTING COLLABORATION		
SWIS	Municipal Name	Type of Assessor	Assessor Name	Part of CAP?	Assessor Works for Multiple Municipalities?	Contract with County for Asmt Services?
030200	Binghamton (City)	Appointed	Scott Snyder		No	No
032000	Barker	Elected	Robert Pinner, Chrm.		No	No
032000	Barker	Elected	Ms. Carole Poklemba		No	No
032000	Barker	Elected	Ms. Julie Scott		No	No
032200	Binghamton (Town)	Appointed	John McDonald		Yes	No
032400	Chenango	Appointed	Ronald J. Keibel		No	No
032600	Colesville	Elected	Ron Young, Chrm.		No	No
032600	Colesville	Elected	James VanWoert		No	No
032600	Colesville	Elected	Robert DeMarmels		No	No
032800	Conklin	Appointed	John McDonald		Yes	No
033000	Dickinson	Appointed	David Hamlin		Yes	No
033200	Fenton	Appointed	Cindy Mills		No	No
033400	Kirkwood	Appointed	Joyce Ottens		No	No
033600	Lisle	Appointed	David Hamlin	CAP #1	Yes	No
033800	Maine	Appointed	Douglas Barton		No	No
034000	Nanticoke	Appointed	David Hamlin	CAP #1	Yes	No
034200	Sanford	Appointed	Walter Ottens		No	No
034400	Triangle	Appointed	David Hamlin		Yes	No
034600	Union	Appointed	John McDonald		Yes	No
034800	Vestal	Appointed	Mark Minoia		No	No
035000	Windsor	Appointed	Becky Ottens		No	No

Office Hours – In many of the smaller municipalities, the assessors are available by phone, and during active periods they do keep regular office hours. In the larger Towns the Assessors or their staff are available during regular hours on a year-round basis. It should be noted that the assessor's job is very cyclical due to New York State's Assessment Calendar and that time dedicated to working in the office should only be necessary during certain times of the year especially around the end of February just before Taxable Status Date. During other times meetings by appointment work out quite well for smaller municipalities. Some assessors also have their home phone published so that taxpayers may call them at home at any time to answer questions or resolve any concerns. The hours listed below are calculated as weekly averages for a full calendar year. It should also be noted that these hours do not reflect the total hours that an assessor works, but only the hours in the office. The Assessor's duties and responsibilities take them outside of the office and into the field doing data collection, review of building permits, and valuation work. The breakdown of each office, the hours covered, along with any additional staff is shown below at Table A-2:

Table A-2

MUNICIPALITIES		ASSESSMENT OFFICES				
SWIS	Municipal Name	Type of Assessor	Assessor Name	IAO or Other Professional Designation	Number of Hours Assessment Office is Open per week	# Other Staff (excluding Assessors)
030200	Binghamton (City)	Appointed	Scott Snyder		40	2.0
032000	Barker	Elected	Robert Pinner, Chrm.		32.5	0.0
032000	Barker	Elected	Ms. Carole Poklemba		32.5	0.0
032000	Barker	Elected	Ms. Julie Scott		32.5	0.0
032200	Binghamton (Town)	Appointed	John McDonald		15	1.0
032400	Chenango	Appointed	Ronald J. Keibel		40	1.0
032600	Colesville	Elected	Ron Young, Chrm.		No Set Hours	0.0
032600	Colesville	Elected	James VanWoert		No Set Hours	0.0
032600	Colesville	Elected	Robert DeMarmels		No Set Hours	0.0
032800	Conklin	Appointed	John McDonald		15	1.0
033000	Dickinson	Appointed	David Hamlin		3	1.0
033200	Fenton	Appointed	Cindy Mills		3	1.0
033400	Kirkwood	Appointed	Joyce Ottens		21	0.0
033600	Lisle	Appointed	David Hamlin		3	0.0
033800	Maine	Appointed	Douglas Barton		3	0.0
034000	Nanticoke	Appointed	David Hamlin		3	0.0
034200	Sanford	Appointed	Walter Ottens		8	0.0
034400	Triangle	Appointed	David Hamlin		3	0.0
034600	Union	Appointed	John McDonald		45	5.0
034800	Vestal	Appointed	Mark Minoia		42.5	3.0
035000	Windsor	Appointed	Becky Ottens		11	0.0

Current Town and County Costs – The average costs of performing the various assessment functions at the Town level run about $11.00 per parcel, and about $9.00 per parcel for the County Real Property Tax Office. The total annual cost of the current system using last years Town Assessors and County Real Property Tax Service Office's budgets was $1,746,220 divided by 86,299 parcels is $20.23/parcel.

The percent of residential parcels run from 52% in the Town of Lisle to 77% in the Towns of Union and Vestal. The Town of Union has the largest number of parcels and represents over 26.6% of all of the parcels within Broome County. There is still one assessing unit village in the County. The Village of Deposit is partially in the Town of Sanford. Section 1402 of the Real Property Tax Law provides Assessing Villages the procedure enabling them to relinquish their assessing responsibilities to the Town and end this duplication of costs and efforts. In order to achieve the goals of this study, the Village of Deposit should accept the Town of Sanford roll and relinquish its assessing unit status. See Table A-3 below for specific details of the Town and County costs:

Table A-3

MUNICIPALITIES		MUNICIPAL CHARACTERISTICS				
SWIS	Municipal Name	Total Budget for Assessment Function	Total Number of Parcels	Number of Residential Parcels	Percent of Parcels Residential	Total Cost/Parcel All Parcels
030200	Binghamton (City)	$148,475	16,035	12,058	75%	$9.26
032000	Barker	$22,042	1,702	984	58%	$12.95
032200	Binghamton (Town)	$30,472	2,967	1,917	65%	$10.27
032400	Chenango	$40,086	5,379	4,187	78%	$7.45
032600	Colesville	$33,517	2,967	1,853	62%	$11.30
032800	Conklin	$44,745	2,865	1,894	66%	$15.62
033000	Dickinson	$30,496	2,306	1,653	72%	$13.22
033200	Fenton	$26,200	3,134	2,239	71%	$8.36
033400	Kirkwood	$43,186	2,888	1,828	63%	$14.95
033600	Lisle	$14,258	1,473	761	52%	$9.68
033800	Maine	$14,540	2,791	1,821	65%	$5.21
034000	Nanticoke	$12,000	818	469	57%	$14.67
034200	Sanford	$20,700	2,648	1,469	55%	$7.82
034400	Triangle	$22,938	1,608	921	57%	$14.26
034600	Union	$260,610	22,998	17,750	77%	$11.33
034800	Vestal [1]	$158,300	9,575	7,373	77%	$16.53
035000	Windsor	$42,500	4,145	2,369	57%	$10.25
030000	Broome County	$781,155				
	Totals:	$1,746,220	86,299	61,546		$20.23
[1]	Vestal's Budget figure does not include current contracted revaluation project.					

Property Types Within the County

With a city and the seven villages, Broome County has a mix of urban, suburban, and rural properties with a large percentage of residential, and vacant land parcels as can be seen from Table A-4 below:

Table A-4

Property Class Codes	County-wide Statistics	Number of Parcels
100	Agricultural	646
200	Residential	61,621
300	Vacant Land	15,812
400	Commercial	5,250
500	Rec. & Entertainment	230
600	Community Service	1032
700	Industrial	329
800	Public Service	1,103
900	Forest	276
	Totals:	**86,299**

Real Estate Trends in Broome County

Due to an influx of high paying jobs within the region, there continues to be a premium price paid for the higher end residential properties. While nationally we are hearing of a downturn of the real estate market, here in Broome County, like much of upstate NY, according to the analysis performed by ORPS and others, properties continue to appreciate at a rate of 6% to 10% per year over the last few years.

Within the Towns various types and qualities of properties appreciate at varying rates however. Higher valued homes tend to increase in value at a faster rate than lower, less desirable homes. Because property assessments are based upon the current market value of these properties, when assessments are not kept current, in many cases the lower value properties, who are typically least able to pay, shoulder part of the tax burden that should be paid by the higher valued properties. The best way to approach this inequity is through frequent complete reassessments. In Broome County the Towns and City have not completed a reassessment project in the past ten years. The Town of Vestal is currently completing a major reassessment project for 2009.

Complex Properties within the County

There are a few complex properties such as the Huron Campus (formerly owned by IBM), which could be appraised by ORPS during a reassessment, if requested.

B) Indicators of Assessment Equity

Real Property Tax Law, Section 305, requires that assessing jurisdictions treat all parcels the same by assessing all real property at a uniform percentage of market value. The following statistical measures depict how consistently assessors are treating all parcels uniformly.

COD's - Coefficient of Dispersion

The Coefficient of Dispersion (COD) is a common statistical measure of uniformity. The lower the COD is, the more uniformity there is. According to the International Association of Assessing Officers (IAAO, www.iaao.org), an international association who sets the standards for assessment administration, for residential properties the relationship between assessed value and market value should have a COD of 15% or less.

In a municipality that is assessing at full market value and has a COD of 15%, a home worth $100,000 is equally likely to have an assessment that is somewhere between $85,000 (15% low) and $115,000 (15% high). So even a municipality with a 15% COD can have disparities on individual property owner's tax bills. But, the lower the COD, the more uniformly the assessments are related to market value and the more fairly property owners are being treated.

As can be seen from Table A-5 below, the latest equalization rates run from 4.00% to 83.60%, with the 2008 COD's running from 13.30% to 27.30%. According to IAAO standards for Broome County, a COD of less than 15% would be acceptable for residential parcels and less than 20% for all other types of property such as income properties, farms, and vacant land. This statistical data suggests that the majority of the Towns in Broome County (those highlighted) need to consider preparing for a reassessment project in the upcoming years regardless of the passage of a cycle bill.

Table A-5

MUNICIPALITIES		INDICATORS OF ASSESSMENT EQUITY						
SWIS	Municipal Name	Latest Eq. Rate	Latest LOA of Various Property Types	Residential CODs for 2007	Latest Reassessment	Latest State Aid	Aid Type	Planned Revaluation
030200	Binghamton (City)	83.60%	83.60%	16.82	Prior to 2000			No
032000	Barker	70.70%	70.70%	26.90	2000	$8,510		No
032200	Binghamton (Town)	71.60%	71.60%	16.98	Prior to 2000			No
032400	Chenango	75.50%	75.50%	14.39	2001 & 2002	$26,895	Annual	No
032600	Colesville	8.46%	8.46%	22.65	Prior to 2000			No
032800	Conklin	69.00%	69.00%	19.36	Prior to 2000			No
033000	Dickinson	70.00%	70.00%	16.67	Prior to 2000			No
033200	Fenton	73.50%	73.50%	15.95	Prior to 2000			No
033400	Kirkwood	80.00%	80.00%	22.04	Prior to 2000			No
033600	Lisle	68.50%	68.50%	27.30	Prior to 2000			No
033800	Maine	62.47%	75.00%	16.74	Prior to 2000			No
034000	Nanticoke	68.50%	68.50%	27.30	Prior to 2000			No
034200	Sanford	69.00%	69.00%	18.39	Prior to 2000			No
034400	Triangle	64.50%	64.50%	17.85	Prior to 2000			No
034600	Union	4.64%	4.64%	17.38	Prior to 2000			No
034800	Vestal	4.00%	4.00%	13.30	For 2009	$47,875 [1]	Reval. Aid	2009
035000	Windsor	69.00%	69.00%	18.13	Prior to 2000			No
		[1] The amount of aid may be slightly less than $5/parcel depending on the State Budget.						

PRD's – Price Related Differential

Another indicator of assessment equity is the statistic known as the Price Related Differential (PRD). The IAAO standard for the PRD is 0.98 to 1.03. PRDs below 0.98 indicate assessment progressivity, the condition in which low-value properties are under-assessed relative to high-value properties. PRDs above 1.03 indicate assessment regressivity in which high-value properties are under-assessed relative to low-value properties. See Table A-6 for the individual Town figures. Those highlighted numbers are outside the acceptable range.

Is the PRD for the individual Towns in an acceptable range? From the data currently available from the State as of this writing there are only two Towns that just fall within the acceptable ranges and they are Vestal and Windsor. Aside from these two Towns the balance of the Towns do lean towards varying degrees of having regressive assessment rolls. **In the case of regressive assessment rolls the lower valued properties are shouldering more than their fair share of the tax burden relative to higher valued properties. See Table A-6 below:**

Table A-6

SWIS	Municipal Name	Residential PRDs for 2007
030200	Binghamton (City)	1.06
032000	Barker	1.17
032200	Binghamton (Town)	1.05
032400	Chenango	1.04
032600	Colesville	1.07
032800	Conklin	1.08
033000	Dickinson	1.05
033200	Fenton	1.04
033400	Kirkwood	1.10
033600	Lisle	1.11
033800	Maine	1.05
034000	Nanticoke	1.11
034200	Sanford	1.04
034400	Triangle	1.04
034600	Union	1.05
034800	Vestal	1.03
035000	Windsor	1.03

Reassessment Activity

A reassessment project is being completed for the 2009 roll in the Town of Vestal. No other projects in any other Towns or the City are scheduled at this time. To better understand what a reassessment means, please read definition below:

Definition - Reassessment (RPTL §102)

Reassessment: "a systematic review of the assessments of all locally assessed properties, valued as of the valuation date of the assessment roll containing those assessments to attain compliance with the standard of assessment"

It is synonymous with the terms "revaluation" and "update"

Systematic review-or "systematic analysis": a methodical, thorough and regular review/examination of a municipality's assessments on an annual basis

- Maintain current inventory data
- Maintain current sales and market data
- Monitor and analyze the market
- Update assessments to maintain uniformity

Re-inspection means, at a minimum, observing each parcel from the public right-of-way to ascertain that the physical characteristics necessary for reappraisal are complete and accurate.

Reappraisal means developing and reviewing an independent estimate of market value for each parcel by the appropriate use of one or more of the three accepted approaches to value (cost, market, and income).

Data Quality

Over the last three years, the total number of arm's length residential real property sales in Broome County has averaged 2,524. The majority of the Towns do verify sales information but most only check the physical description data for non-sale properties in preparation for revaluations.

Building permits are used as a primary source for new construction information within each Town, and the records are maintained at both the Assessor's Offices and in the Building or Code Officer's Office. The Assessors also drive the roads within their Towns to look for new structures that may not have had a building permit issued or that may not have required one in the case of some agricultural structures.

Most of the municipalities have photos for each improved parcel either in property record folders or on the RPS system or both. Some of these in the files are the older black and white or color Polaroids that were used in the 1960s. Today almost all assessors have gone to the less expensive, yet fine quality, digital images that can easily be uploaded and stored on RPS. The Town of Vestal is working with them as part of their reassessment project. The City of Binghamton, Town of Chenango and the Town of Union are gathering digital images of the properties as they conduct field inspections and review building permits.

C) Real Property Administration System

Much to the credit of the County Real Property Tax Office and the Assessors within the County all Towns are currently on the most current version of the State's Real Property System (RPS) software, which is paid out of the County Real Property Tax Office Budget. RPS is a software package produced by NYSORPS and is in use in the majority of municipalities Statewide to maintain assessments, sales and inventory data, and perform market analysis with the assistance of the staff at the Central Regional Office in Syracuse if requested.

With the exception of the Town of Union the balance of the municipalities maintain the assessment files by logging into the County's Citrix Servers, which gives the County Real Property Tax Office a constantly updating, and centralized database to work from. The Town of Union maintains it's own stand alone RPS System and updates the County the first of every month. The County has an assessment and GIS data and image file available to taxpayers online through a collaboration of the Broome County GIS Dept. and an outside vendor. All reports to ORPS, assessment rolls, tax rolls, and bills are produced at the County. See Table A-7 below:

Table A-7

MUNICIPALITIES		ASSESSMENT ADMINISTRATION SYSTEM					
		System Used:			Processing Responsibility		
SWIS	Municipal Name	Assessment & Inventory	Analysis/ Valuation	Annual Cost	ORPS' Reports	Rolls & Bills	Analysis/ Valuation
030200	Binghamton (City)	RPSV4	RPSV4	$1,950	RPTD	RPTD	TOWNS
032000	Barker	RPSV4	RPSV4	$1,000	RPTD	RPTD	TOWNS
032200	Binghamton (Town)	RPSV4	RPSV4	$1,200	RPTD	RPTD	TOWNS
032400	Chenango	RPSV4	RPSV4	$1,500	RPTD	RPTD	TOWNS
032600	Colesville	RPSV4	RPSV4	$1,200	RPTD	RPTD	TOWNS
032800	Conklin	RPSV4	RPSV4	$1,200	RPTD	RPTD	TOWNS
033000	Dickinson	RPSV4	RPSV4	$1,200	RPTD	RPTD	TOWNS
033200	Fenton	RPSV4	RPSV4	$1,300	RPTD	RPTD	TOWNS
033400	Kirkwood	RPSV4	RPSV4	$1,200	RPTD	RPTD	TOWNS
033600	Lisle (CAP #1)*	RPSV4	RPSV4	$600	RPTD	RPTD	TOWNS
033800	Maine	RPSV4	RPSV4	$1,200	RPTD	RPTD	TOWNS
034000	Nanticoke (CAP #1)*	RPSV4	RPSV4	$600	RPTD	RPTD	TOWNS
034200	Sanford	RPSV4	RPSV4	$1,200	RPTD	RPTD	TOWNS
034400	Triangle	RPSV4	RPSV4	$1,000	RPTD	RPTD	TOWNS
034600	Union	RPSV4	RPSV4	$2,100	RPTD	RPTD	TOWNS
034800	Vestal	RPSV4	RPSV4	$1,750	RPTD	RPTD	TOWNS
035000	Windsor	RPSV4	RPSV4	$1,500	RPTD	RPTD	TOWNS
	Total RPS Fees			$21,700			

*Please Note: The total parcels within each CAP determines the total RPS fees

These costs can distributed by each CAP according to their agreements.

MUNICIPALITIES		ASSESSMENT ADMINISTRATION SYSTEM					
		Databases		Communication		Use of GIS	Who Handles IT Support
		Location	How Updated	Speed	Capacity		
030200	Binghamton (City)	County	Citrix	Cable	Good	Often	County
032000	Barker	County	Citrix	Cable	Good	Often	County
032200	Binghamton (Town)	County	Citrix	Cable	Good	Often	County
032400	Chenango	County	Citrix	Cable	Good	Often	County
032600	Colesville	County	Citrix	Cable	Good	Often	County
032800	Conklin	County	Citrix	Cable	Good	Often	County
033000	Dickinson	County	Citrix	Cable	Good	Often	County
033200	Fenton	County	Citrix	Cable	Good	Often	County
033400	Kirkwood	County	Citrix	Cable	Good	Often	County
033600	Lisle (CAP #1)	County	Citrix	Cable	Good	Often	County
033800	Maine	County	Citrix	Cable	Good	Often	County
034000	Nanticoke (CAP #1)	County	Citrix	Cable	Good	Often	County
034200	Sanford	County	Citrix	Cable	Good	Often	County
034400	Triangle	County	Citrix	Cable	Good	Often	County
034600	Union	Cnty/Town	PCAnywhere	Cable	Good	Often	County
034800	Vestal	County	Citrix	Cable	Good	Often	County
035000	Windsor	County	Citrix	Cable	Good	Often	County

Effects of the City of Binghamton having the Homestead Tax Option and the Balance of the County being Non-Homestead.

A brief explanation of the Homestead Tax Option:

In a number of places in New York State, assessments of residential property frequently have been at a lower percentage of market (full) value than other types of property, such as commercial and industrial property. When a town or city with this situation decided to conduct a property revaluation to achieve correct and fair assessments, the residential properties, as a class, would bear a much larger share of the tax burden. This discouraged other municipalities with similar situations from conducting their own property revaluations. As a result of the concern for tax-burden shifts to homeowners, a State law was passed in 1981 establishing the Homestead Tax Option.

These changes result in increases to some individual residential property assessments that were under assessed before the revaluation. However the homestead tax option prevents any large tax shift to the residential class of properties by allowing a higher tax rate to be applied to the non-homestead class.

Following the 1992 reassessment, the City of Binghamton was facing what council members felt was a significant shift of property tax burden from the commercial and industrial properties toward the residential properties. To mitigate that shift, the council opted to implement the Homestead Tax Option which enables the City to tax non-residential properties at a higher rate than residential properties as is illustrated in the following chart:

Impact of the Homestead Tax	Residential (Homestead)	Non-Residential (Non-Homestead)
2008 Binghamton City Tax Rates	16.879521	30.235324
2008 Binghamton School Tax Rates	24.176059	34.88055

The fact that the City of Binghamton has implemented this option severely complicates any option where we are looking to have all assessing units perform the same. The impact of this will be described in more detail within each of the options, which follow.

IV Two Models with Five Consolidation Options That Are Being Described

A) Single Assessing Unit Models

The following two models address the goals of this study by moving Broome County to a single assessing unit. In so doing, in order to comply with the RPTL 305, assessing units would maintain a uniform level of assessment throughout the County, and apply common valuation standards.

> Definition - RPTL §305
> Standard of Assessment
>
> "All real property in each assessing unit shall be assessed at a uniform percentage of value..."
>
> Value is defined as "market value"
> May assess at any percentage of full value (a/k/a "Level of Assessment", or LOA)
> Assessors sign an oath each year that all assessments are uniform
> County Assessing Units

Option #1 – County Run Assessing

By definition county assessing removes the responsibility of property assessment for tax purposes from the municipalities and places it with the county. In this scenario the county would have to pass a local law and put the issue to a countywide referendum. To be approved the referendum must pass by a majority of the County as a whole.

> Provisions for County Assessing - 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.
>
> - In towns considered as a single unit
> - In cities considered as a single unit
> - In assessing villages considered as a single unit
> - If no cities or assessing villages, only a simple majority is required

Currently only Nassau County and Tompkins County carry the countywide assessment responsibility.

Pursuant to NYS Real Property Tax Law §1530 and §1540, under a county assessing system, the Real Property Tax Services Agency would no longer be mandated and a Director of Assessment would replace the Director of Real Property Services. The County Legislature would appoint a Director of Assessment for either a six-year term of office or civil service appointment. All other employees in the

department including appraisers, tax map technicians, and clerical staff would be civil service employees.

If county assessing were adopted, the county would become a single assessing unit with a single equalization rate calculation based on the aggregate assessed value to market value ratio of the entire county (RPTL §1214). The County Legislature would determine the revaluation schedule. In addition, [1]"once a full value revaluation has been implemented, RPTL 305 (3) authorizes the governing body of an assessing unit to direct the assessor to assess all property at a uniform percentage of value", which may be fractional market value. (Opinion of Counsel 7-96 – see Appendix) Currently, State aid monies paid in support of assessment administration are paid only when the assessing unit has achieved full market value which is verified by the State.

Historically County Assessing has been placed on the ballot a number of times in various Counties since 1991 and has been defeated. This option, as well as the next Single Assessing Unit Option #2, would need to be carefully considered as the Towns within the County are served by a group of qualified assessors who have established themselves within the communities they serve at a salary that is commensurate with their expertise and workload. In a County-Run system Civil Service rules come into play and those details would need to be explored if this option is considered.

If the County were to decide to implement County-Run Assessing, the following is an example relative to eventually going to County-Run Assessing with the intent to maximize the State Aid received within a 5-year timeline:

- Year #1: Some Towns reassess - all achieving the same LOA. They get $5/ parcel aid. They CAP for that roll year. They get $7/parcel aid. The County hires/subcontracts with an Assessor. They contract with the County for assessment services. The County gets the $1/parcel RPTL 1537 aid.

- Year #2: Some other Towns reassess - all achieving the same LOA. They get $5/parcel aid. They CAP for that roll year (a different CAP than formed in Year #1). They get $7/parcel aid. The County hires/subcontracts with an Assessor. They contract with the County for assessment services. The County gets the $1/parcel RPTL 1537 aid.

Both CAPs enter into an inter-municipal agreement to maintain the same LOA.

- Year #3: Some other Towns reassess - all achieving the same LOA. They get $5/parcel aid. They CAP for that roll year. They get $7/parcel aid. The County hires/subcontracts with an Assessor. They contract with the County for assessment services. The County gets the $1/parcel RPTL 1537 aid.

The new CAP enters into the inter-municipal agreement to maintain the same LOA.

- Year #4: The three CAPs transition to a single CAP that is managed by the County. The County gets the $2 aid for a County managed CAP.

- Year #5: County run assessing is put on the ballot, and if passed entitles the County to the $7 and the $2 aid.

This is an example on how to maximize the current Aid programs that are offered and arrive at a County-Run program. There are many alternative paths available to arrive at the type of program your County Legislature may want to ultimately pursue. If you would like to learn more about any of these paths to equitable Countywide assessments, please feel free to contact your local Regional Office of Real Property Services representative or me to give you further assistance.

As we look at the County-Run option, the City of Binghamton, would lose the ability to use Homestead as a tax option because the City would no longer be an assessing unit. Conceivably the county as an assessing unit could apply for and adopt Homestead although this would mean that dual rates would be in effect throughout the county for all taxing purposes.

When considering the County-Run option it should be noted that the Homestead Tax option might have some less than desirable side effects if used throughout the county regarding vacant land (vacant land over 10 acres not zoned exclusively for 1, 2 or 3 family use would be classified as non-homestead and receive a (presumably) higher tax rate.

Once everyone reached a 100% LOA, the County would be the single assessing unit for Broome County. As a result there would be no City or Town costs, but there would a need for additional staffing at the County level. Using I.A.A.O. standards of one staff person for every 2,500 parcels that would require an addition of 25 full-time employees in the Real Property Tax Office. A lot of the expertise would probably come from the existing local assessment offices. Other staff would be selected through the Civil Service process. The cost savings of this option is shown on Table A-8 below:

Broome County Assessment Models Cost Savings & Aid Comparisons	Table A-8	Single Assessing Unit Models	
		Option #1:	Option #2
	Current Structure that is in place - modified to provide equitable assessments to all properties.	County-Run Assessing	County CAP
Start-up Costs:			
Establish Equitable assessments at a common level throughout the County [Reassess 16 of 17 City/Towns or 76,724 parcels @ $55]	$4,219,820	$4,219,820	$4,219,820
Available State Aid for reassessment [76,274 parcels @ up to $5] **(Town Aid - 16 of 17 Towns)**	-$383,620	-$383,620	-$383,620
State Consolidation Aid [84,008 parcels @ up to $7 - one time payment (not including Lisle & Nanticoke)]	$0	$0	-$588,056
State Consolidation Aid for County Run Assessing, RPTL 1573, 86,299 parcels @ up to $7	$0	-$604,093	$0
State Aid for County Run Assessing Referendum Approval, 86,299 parcels @ $2 [http://www.orps.state.ny.us/cptap/applications.cfm]	$0	-$172,598	$0
State Consolidation Aid for County providing services, RPTL 1573, 86,299 parcels @ $1	$0	$0	-$86,299
State Aid IF County Managed County wide CAP, 86,299 parcels @ $2 [http://www.orps.state.ny.us/cptap/applications.cfm]	$0	$0	-$172,598
Total One Time Start-up Costs:	**$3,836,200**	**$3,059,509**	**$2,989,247**
Operational Costs:			
City/Town Assessment Dept. Costs	$965,065	$0	$0
County Real Property Tax Dept Costs	$781,155	$1,756,155 [1]	$781,155
Cost of a County Consolidated Assessing Unit (CAP)	$0	$0	$1,467,083 [2]
Additional cost of annually maintaining assessments at a common Level of Assessment throughout the County.	$174,622 [4]	$175,616 [4]	$224,824 [4]
State Aid for Annual Reassessment [86299 parcels @ up to $5]	-$431,495	-$431,495	-$431,495
Current Annual Operational Costs:	**$1,746,220**	**$1,746,220**	**$1,746,220**
Total Annual Operational Costs vs Options	**$1,489,347**	**$1,500,276**	**$2,041,567**
Total Annual Savings (Costs)	**$256,873**	**$245,945**	-$295,347

Notes:

1 Cost of County Dept estimated by adding 25 staff @ $30,000/yr plus 30% fringe benefits= $975,000 to the current budget of $781,155 which then totals $1,756,155.

2 Estimated $17/parcel based upon similar costs in Broome County and other counties.

3 Assumes a 3-year cycle. Operational Costs are based on a 3-year program, and then computed to an annual cost.

4 Partially built into staffing cost estimate; 10% added for additional expenses, i.e. appraisal assistance, printing, postage, mileage, BAR, etc.

5 Partially built into staffing cost estimate; 10% added for additional expenses (same as #4 above), and then because it is a 3-year program 40% was attributed to a given year.

Option #2 – Coordinated Assessing With One Countywide C.A.P.

This option has much of the same results as having County Run Assessing by referendum (Option #1) but without having to place it on the ballot. It would have the same impact on the Homestead Tax option as County-Run. There would be one appointed assessor for the entire County, and other current assessors may well be brought into the Countywide CAP for appraising, data collection, exemption, and valuation work. All Towns would need to be brought up to a uniform level of assessment before this could be put into place. This CAP could be formed at the County by agreement with all Towns or by any Assessor that all of the Towns would be willing to appoint to handle this consolidated system. To implement this option the following actions would need to take place:

Phase 1. Towns agree to the plan, which is to work toward a Countywide CAP. They realize they will need to select ONE assessor, but that others may be brought into the system to assist that assessor. That assessor could be a County employee, or could be an independent contractor. Maybe the Towns would form an assessment administration committee charged with selecting and overseeing the assessor throughout their 6-year term.

Phase 2. The assessor is selected and the first group of Towns are CAPed with him/her as the assessor. These would be the towns that are all at 100% at the time. At that same time he/she would be named assessor in all of the other towns and retain some of the existing assessors as staff to administer the roll.

Phase 3. The assessor and staff would reassess each of the non –100% towns and bring them into the CAP. The assessor and staff would be paid by the Towns based on an agreed upon formula included in the inter-municipal CAP agreement.

Please note that this Single Assessing Unit – CAP model is the only option that <u>does not show a cost savings</u> as do the other options as can be seen from Table A-8 above. This is due to the typical annual costs of maintaining a regular reassessment cycle at the local level of about $17/parcel, while still maintaining a fully staffed County Real Property tax Office.

B) Multiple Assessing Unit Models

The following three options achieve efficiency in differing ways. They do not attempt to consolidate the assessing units into one, but for the most part leave the current assessing structure in place. They utilize inter-municipal agreements to establish the common performance. Their implementation costs vary, as do their annual savings when compared with the current structure. The table at the end of these three descriptions sets forth the cost comparison of these Multiple Assessing Unit Models.

The goal of the program is to achieve common treatment (including a common level of assessment/equalization rate) for all parcels in a county that will benefit taxpayers in the following ways:

- Transparency - "Is it simple enough for taxpayers to understand?"
- Equity - "Does it treat every parcel the same way?"
- Efficiency - "Is it the lowest cost for a given level of service?"

These next three models all fulfill the requirements of transparency and equity once they have all achieved:

- Common LOA at 100%, also in order to qualify for up to $5 annual maintenance aid
- Common reassessment cycle for all municipalities
- Common inventory and sales verification practices
- Common centralized database that is frequently updated

The question that remains is that of efficiency. As these systems have been in place for many years and the taxpayers have become accustomed to the levels of service, as well as the expertise of their local Assessors the costs may be slightly higher than in those Single Assessing Unit Models that follow more of the I.A.A.O. standards.

As with all of these many options, you may want to consider others in greater detail once all of the individual assessing units have achieved the equitable standards set forth in this Study. These following three options do not consolidate all of the assessing units into one, but in most cases leave the assessing units in place and have them enter into intermunicipal agreements to establish the common assessment standards. Their implementation costs vary as do their annual savings on maintaining these standards. The Table A-9 at the end of these three descriptions sets forth the cost comparison of these Multiple Assessment Models vs. the costs of the current structure once all parcels reach the equitable standards. Keep in mind that the annual costs of our current system is $1,746,220.

Option #3 – Implementing Coordinated Assessing Programs (CAPS) Where Possible, And Binding All Assessing Units To Common Performance Standards With Inter-Municipal Agreements.

New York State Real Property Tax Law §579 allows two or more assessing units to establish a coordinated assessment program (CAP) by adopting identical local laws without referendum. All municipalities that enter into a coordinated assessing agreement are then considered one assessing unit and are issued one Equalization Rate. In the case of the City of Binghamton, any CAP formed with the City would cause the City to lose Homestead. However the new assessing unit that is formed could seek to re-implement it. Once all of the possibilities of combining more Towns into new or existing CAPS are considered, then all assessing units would enter into an umbrella agreement that would bind all CAPs and individual Towns to maintain the same level of assessment and the same valuation standards. This option is very useful in rural areas where the number of qualified assessors is limited. By two or more Towns joining forces, they can hire a professional assessor that, as separate municipalities, they could not afford.

Option #4 – Towns Contracting With The County

New York State Real Property Tax Law §1537 allows an assessing unit to enter into a joint services contract with the county to perform some or all of the assessing functions. Under §1537 agreements assessing units remain autonomous. The town still retains its appointing authority. Each one is individually analyzed for equalization rates, residential assessment ratios (RARs), reassessment aid, and STAR State aid. In this option the City's Homestead would not be affected. Immediate value may be recognized by the availability of such agreements to provide assistance in the event an assessor is unable or unavailable to fulfill their obligations. If a majority of towns wish to enter into such agreements, perhaps a Department of Assessment separate and distinct from the Real Property Tax Services Office may be warranted. The County RPTS would maintain tax maps, calculate the tax levy, provide information to taxpayers, train Board of Assessment Review members, and coordinate assessment revaluation schedules and advisory efforts. The individual or CAP Towns could then contract with the County for whatever services they felt they needed as a group.

How Do Towns Contract For County Services - RPTL §1537

Optional County Services

- An assessing unit and a county shall have the power to enter into, amend, cancel and terminate an agreement for appraisal services, exemption services or assessment services
- Considered an agreement for provision of "joint service" under Article 5-G of General Municipal Law

Agreements

- Agreement approved by both the assessing unit and the county, by majority vote of each governing body
- Assessing unit -a resolution subject to permissive referendum submitted at least 45 days prior to vote

Assessing Services

- Agreement shall provide for a person to be selected by the assessing unit to perform assessing services in accordance with such agreement
- Such person shall be deemed the assessor of the assessing unit and shall be subject to all provisions of law pertaining to assessors

Other County Services

Appraisal services

- County to appraise all real property in assessing unit for assessment purposes
- Appraiser must meet minimum qualification standards established by the State Board

Exemption Services

- County to review exemption applications and determine eligibility of applicants

Under this option the County and Towns would need to understand that in order to fulfill the goals of a Countywide uniform level of assessment with equity and transparency to the taxpayers, certain inter-municipal agreements would need to be drafted. Using this method to bring all of the Towns up to the same equitable standards offers both the County and the Towns the opportunity to plan for the transition with the least impact on budgets and manpower.

Option #5 – This Option would require the State to pass a Cycle Bill that will provide some financial aid for Towns to meet the common LOA of 100% and then have the Valuation Date frozen every 3 years to avoid further Equalization Rate Studies and the need for Annual Reassessment.

The key to this option is having a three-year Cycle Bill passed and also having the Valuation Date frozen every three years. Once all Assessing Units within the County comply with the requirements of the assessment performance standards the Assessors will only need to reassess all properties to 100% LOA once every three years. During the intervening years they would value all new construction using the base year established by the Valuation Date. The State Aid Program could also be modified whereby the Towns would still receive up to $5/parcel during the revaluation year and perhaps up to $5 per parcel during the other two years for keeping up with inventory and sales verification, building permits, and the review of roughly 1/3 of the parcels within the Town each year. As in the previous option this also does not affect the City's Homestead. In this manner there would be an Equalization Rate of 100% each and every year that would result in the following:

- A real cost savings to ORPS in avoiding having to do further Equalization Rate Studies.
- An opportunity for the Assessors who are working hard to maintain 100% Equalization Rate every year through Annual Reassessment to reorganize and take the time needed to prepare for the next revaluation.
- An opportunity for the Taxpayers who feel that it is unfair that they are subjected to these Annual Updates to become more acquainted with the principles of real property taxation and what it will mean to them by having their property only revalued every three years.
- A system that would eventually have all parcels within the State being reassessed on the same schedule every three years and an annual Statewide Equalization Rate of 100%.

This is a revolutionary idea, but one that would meet the needs of the Taxpayers, the Assessors, the local Legislators, and the State Office of Real Property Tax Services.

In addition to meeting the requirements of:

- Transparency - "Is it simple enough for taxpayers to understand?"
- Equity - "Does it treat every parcel the same way?"
- Efficiency - "Is it the lowest cost for a given level of service?"

As can be seen from the Table A-9 below once the Towns reach a uniform level of

assessment of 100% then there will be a total reassessment aid of $431,495 given each year by the State to assist in maintaining this equitable standard. If the Towns that have not joined into CAPs as yet decide to do so, they will receive a one-time payment of up to $7 per parcel with a total for all those 14 towns and one city coming to $588,056.

It should be noted that if this legislative concept were coupled with previously described options in this study, such as County-Run Assessing, further, and very dramatic cost savings can be realized.

Broome County Assessment Models Cost Savings & Aid Comparisons	**Table A-9**	**Multiple Assessing Unit Models**		
		Option #3	**Option #4**	**Option #5**
Start-up Costs:	**Current Structure that is in place - modified to provide equitable assessments to all properties.**	**Current Structure w/additional consolidation & inter-municipal agreement**	**All Munis contract w/County under RPTL 1537**	**Current Structure, Reassessment Cycle w/matching Valuation Date**
Establish Equitable assessments at a common level throughout the County [Reassess 16 of 17 City/Towns or 76,724 parcels @ $55]	$4,219,820	$4,219,820	$4,219,820	$4,219,820
Available State Aid for reassessment [76,274 parcels @ up to $5] **(Town Aid - 16 of 17 Towns)**	-$383,620	-$383,620	-$383,620	-$383,620
State Consolidation Aid [84,008 parcels @ up to $7 - one time payment (not including Lisle & Nanticoke)]	$0	Varies	$0	$0
State Consolidation Aid for County Run Assessing, RPTL 1573, 86,299 parcels @ up to $7	$0	$0	$0	$0
State Aid for County Run Assessing Referendum Approval, 86,299 parcels @ $2 [http://www.orps.state.ny.us/cptap/applications.cfm]	$0	$0	$0	$0
State Consolidation Aid for County providing services, RPTL 1573, 86,299 parcels @ $1	$0	$0	-$86,299	$0
State Aid IF County Managed County wide CAP, 86,299 parcels @ $2 [http://www.orps.state.ny.us/cptap/applications.cfm]	$0	$0	$0	$0
Total One Time Start-up Costs:	**$3,836,200**	**Varies**	**$3,113,970**	**$3,200,269**
Operational Costs:				
City/Town Assessment Dept. Costs	$965,065	Varies	$0	$2,895,195 [3]
County Real Property Tax Dept Costs	$781,155	$781,155	$1,756,155 [1]	$2,343,465 [3]
Cost of a County Consolidated Assessing Unit (CAP)	$0	$0	$0	$0
Additional cost of annually maintaining assessments at a common Level of Assessment throughout the County.	$174,622 [4]	$174,622 [4]	$175,616 [4]	$209,546 [5]
State Aid for Annual Reassessment [86299 parcels @ up to $5]	-$431,495	-$431,495	-$431,495	-$1,294,485 [3]
Current Annual Operational Costs:	**$1,746,220**	**$1,746,220**	**$1,746,220**	**$1,746,220**
Total Annual Operational Costs vs Options	**$1,489,347**	**Varies**	**$1,500,276**	**$1,384,574**
Total Annual Savings (Costs)	**$256,873**	**Varies**	**$245,945**	**$361,646**

Notes:

1 Cost of County Dept estimated by adding 25 staff @ $30,000/yr plus 30% fringe benefits=$975,000 to the current budget of $781,155 which then totals $1,756,155.
2 Estimated $17/parcel based upon similar costs in Broome County and other counties.
3 Assumes a 3-year cycle. Operational Costs are based on a 3-year program, and then computed to an annual cost.
4 Partially built into staffing cost estimate; 10% added for additional expenses, i.e. appraisal assistance, printing, postage, mileage, BAR, etc.
5 Partially built into staffing cost estimate; 10% added for additional expenses (same as #4 above), and then because it is a 3-year program 40% was attributed to a given year.

Currently Available State Aid

RPTL §1573
State Aid for Consolidation

Consolidation Incentive Aid:

- One-time payment of up to $7 per parcel payable to new county assessing units
- One-time payment of up to $7 per parcel payable to each participating assessing unit in a CAP
- 10 year commitment

State Aid for Reassessments

Reassessment Aid:

- Assessing units are eligible to receive state assistance for implementing a reassessment roll at 100% of value
- Annual aid -up to $5 per parcel annually
- Requires annual review of all parcels to maintain uniform assessments
- Triennial aid -up to $5 per parcel no more than once every three years (through 2011)
- Requires complete re-inspection and reappraisal of all parcels

One-time payment of up to $1 per parcel payable to a County providing services in accordance with RPTL §1537

V Implementation of Countywide Assessment Uniformity

For this collaborative assessment program to work and benefit all of its participating Towns, everyone must be able to agree that there is a need for assessment equity

within and between all Towns. There is little cost benefit in this program if the Towns are not willing to take the necessary steps to avail themselves of the various maintenance aid programs. To do this they need to bring their assessment rolls into compliance with the aid program's requirements which includes a Town-wide revaluation or update. With only one out of the sixteen Towns and one City in the County having worked on State supported revaluations fairly recently this initial step could be a financial and in some cases a staffing hurdle towards implementation especially if the State does not tie enough funding to any mandatory cycle bill.

If the Towns and the County are interested in pursuing Countywide Uniform Assessment Standards the following steps would need to be taken over the next few years or however long a timeframe is stated in any possible future legislation.

Starting as soon as practicable the Towns that have not had recent revaluations or updates should begin a data collection or verification project looking towards a revaluation for some future agreed upon assessment roll year in order to have their potential triennial plan coincide with all of the other municipalities within the County. Once these Towns complete their revaluation, they should consider maintaining their assessments at or near 100% through a Triennial Assessment program until a definitive cycle bill is passed and then all of the Towns will be ready at the same time.

All that would be needed to coordinate a future date on which they all agree to complete revaluations and enter into an intermunicipal agreement to that effect and they would be well on their way to meeting the assessment standards.

By each assessing unit formulating a realistic plan to achieve the goals of this program in a reasonable timeframe, all those involved with Assessment Administration can look at the State Aid programs that might be available, and any new legislation that may pass and determine how they want to proceed to maintain their rolls in an equitable and efficient manner.

Once everyone has reached their 100% LOA and met the uniform assessment standards of the I.A.A.O., they can consider any of the options set forth in this Study to maintain their equitable assessments from that point on and save money doing it.

VI Some Suggestions for the State Office of Real Property Services

Regarding the Equalization Rate Process

- This idea is referred to in Option #5. Have the State enact a mandatory triennial cycle bill and freeze the Valuation Date statewide every three years. As the cycle bill would be a "mandate", certain aid payments like we have now would be anticipated, but the savings realized by ORPS in

avoiding much of the Equalization Rate process would certainly offset most, if not, all of this cost. Perhaps up to a $5/parcel payment during revaluation years and up to $3/parcel payments during the off years for sales verification, building permits, reverifying 1/3 of the parcels, etc. In this manner the State would eventually have 100% Equalization Rates every year with revaluations every three years on a Statewide basis. This would relieve the stress on the taxpayers, the assessors, ORPS, and the system as a whole.

- If the trends in various towns demonstrate the need for reassessments on an Annual, Biannual, or Triennial basis then a law giving them a 100% Equalization Rate during the intervening years should be considered. Many Town Boards do not want to see their rates ever drop below this level. During these uncertain economic times conducting annual reassessments to avoid even a slight drop from 100% Equalization Rate is an undue burden on the taxpayers, the assessors, the Town budgets, and the Regional Office support staff. Further, if all towns within a County agreed to conduct reassessments on the same cycle, be it Annual, Bi-Annual, or Tri-Annual, then the burden on the valuation staff at the State would be significantly reduced as would the costs to the Towns and the State. In consideration of these savings and to incentivise these cyclical programs, some form of aid should be put into place for Towns opting into one of these programs.

Regarding Towns With No or Outdated Inventory

- In 1977 (Article 15-B, §1572 of the Real Property Tax Law) the State enacted a program that was referred to as "Attainment Aid." Attainment Aid was payable in incremental amounts totaling up to $10 per parcel. That was dropped many years ago. With the State's new initiatives for improved assessing standards a new Aid program should be considered to help those towns that have opted not to conduct any revaluation projects. For the few towns that do not have adequate or even any inventory records, a new realistic State Aid program geared to help funding a data collection project and tied in with a mandatory reassessment cycle might move these towns to 100%.

The Real World Problem of Civil Service for County Assessing

1. One item that also needs to be considered for any assessment position created at the County level is Civil Service. As the author of this study, when I was reappointed in October of 2007 by my four towns in Schuyler County, I immediately recognized some common rules that needed to be addressed:

a. Once an assessor is provisionally appointed by the County, they are subject to Civil Service rule and law, and a test is required for that position. This test may have assessment questions on it, or it may contain strictly management questions on it depending upon the salary level they are started at. Their State certifications do not release them from this test. Although they are still appointed by the Towns, if they do not reach the top 3 on the results of the Civil Service exam, they may not be considered for the position.

b. When an assessor is hired by most Counties, the Human Resource Office will tell you that full-time is typically 35 hours/week. Anything over this is amount is often considered "comp time". For most counties this must be used within the month that it is earned or it is lost. The problem with this is that the assessor's job is extremely cyclical in nature. During the weeks that fall between January 1 and May 1 it is not unusual for an assessor to work 50 or more hours each and every week. During this period there is no realistic way for an assessor to use that comp time until perhaps after their tentative roll is completed on May 1. There needs to be some flexibility given to these positions in order for assessors to provide the same level of service to the Counties as they currently provide to the Towns.

Elimination of Assessing Unit Villages

- In the case of Assessing Villages, having taxpayers pay for two assessing units, one in the Town and another one in the Village is not only a duplication of services, but confusing when it comes time for revaluations or Grievance Days. If we are looking to save and consolidate services this would be an obvious one to consider. The Village of Deposit is the only assessing unit village still in Broome County.

Loss of Experienced Assessment & ORPS Officials Due to Retirement

- Every Assessor or ORPS Staff member I have talked with knows of some key person that is retiring within the next year or two. The Assessment profession is fairly unique and you can't find qualified or interested replacements as easily as you can with some positions. To help offset this loss of much needed expertise, I would suggest that ORPS look into the reasoning behind the NYS Retirement rule that allows someone to retire at age 55-62 and draw a maximum salary of $30,000, but once they attain the age of 65 they can earn as much as they want. Our depleting ranks can ill afford to lose these qualified individuals during this critical transition phase.

A Town Assessing Report Card Much Like the School Report Card

- It was suggested many years ago that the State issue a Town Assessing Report Card that would be available to the news media and now on the Internet as well. This document would not make any judgment on any municipality, but would set forth the statistical data and the meaning of that data and leave it up to the taxpayers to decide for themselves the quality of their assessment rolls. It is important that our local legislators read studies such as this one to gain a better understanding of where things stand in their communities. But the taxpayers should also have the information made available to them so they can be part of the decision making process.

A Legislative Change That Would Give The Option To Homestead Municipal Officials To Keep Their Status In The Face Of A County-Run Referendum.

- If a municipality didn't want to lose Homestead in a County-Run assessing scenario, the Legislature should consider changing the law so the City/Town doesn't have to lose Homestead where a referendum takes the County to County-Run assessing.

Restructuring the Board of Assessment Review

- Many assessors feel that the BAR process needs to be restructured. As a cost savings and as an improvement for property owners, the State should adopt legislation enabling municipalities to pass the responsibility of the BAR to the County and allow for a County BAR.

The Key To All Of These Recommendations

- We all recognize that the timing of these State initiatives, given the current condition of the State and local budgets, is less than optimal. However, the State also needs to recognize that if they want to make this work with local, town, and county budgets facing the similar budget dilemmas, a realistic funding program will need to be put into place to help offset the costs of maintaining any cyclical assessment program. Any unfunded State mandates, such as the much needed cycle bill, during our current economic crisis would meet with much local resistance especially those towns with fractional assessing. One suggestion that has been made is to take the STAR refund monies and put them to better use by making everyone's' assessments more equitable. By investing that large sum of money into these initiatives for only one year would go to the real heart of the problem rather than covering it up by throwing money at it.

Appendix

Definition - Reassessment (RPTL §102)

Reassessment: "a systematic review of the assessments of all locally assessed properties, valued as of the valuation date of the assessment roll containing those assessments to attain compliance with the standard of assessment"

It is synonymous with the terms "revaluation" and "update"

Systematic review-or "systematic analysis": a methodical, thorough and regular review/examination of a municipality's assessments on an annual basis

- Maintain current inventory data
- Maintain current sales and market data
- Monitor and analyze the market
- Update assessments to maintain uniformity

Re-inspection means, at a minimum, observing each parcel from the public right-of-way to ascertain that the physical characteristics necessary for reappraisal are complete and accurate.

Reappraisal means developing and reviewing an independent estimate of market value for each parcel by the appropriate use of one or more of the three accepted approaches to value (cost, market, and income).

Definition - RPTL §305

Standard of Assessment

"All real property in each assessing unit shall be assessed at a uniform percentage of value..."

Value is defined as "market value"

May assess at any percentage of full value (a/k/a "Level of Assessment", or LOA)
Assessors sign an oath each year that all assessments are uniform and this would include County Assessing Units

Provisions for County Assessing

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.

- In towns considered as a single unit
- In cities considered as a single unit
- In assessing villages considered as a single unit

If no cities or assessing villages, only a simple majority is required

---

Definition of a Coordinated Assessment Program - RPTL §579

Two or more assessing units may establish a coordinated assessment program (CAP) by entering

into an agreement meeting certain criteria. A sample agreement is available on ORPS' website in the State Aid section.

Establishment of a CAP

CAP Agreement

- Approved by majority vote of voting strength of each governing body (local law not required)
- At least 45 days before taxable status date (usually March 1 of each year)
- Copy of agreement filed with State Board by taxable status date

Type of Agreements

Without direct County involvement

- Enter into a municipal cooperative agreement providing for a single assessor to be appointed in all of the participating assessing units

With direct County involvement

- Enter into an agreement with the county to provide assessment services to all of the participating assessing units (RPTL §1537)

Additional Criteria

Single Appointed Assessor

- Same individual shall be appointed to hold the office in all of the participating assessing units
- Effective no later than 60 days after the date on which the agreement is effective

Standard of Assessment

- Effective with the first assessment roll...all real property shall be assessed at the same uniform percentage of value in all of the assessing units participating in the coordinated assessment program throughout the term of the agreement
- Same assessment calendar

Modifications to Program

Addition of New Participants

- Agreement may be amended to add one or more assessing units to program

Withdrawal of Participants

- Assessing units may withdraw from program

Termination of Program

- By at least 50% of assessing units
- By County if involved

Statutory Deadlines Apply for All Modifications

Equalization Rates

- Common market value survey (considered a single survey unit)
- Identical equalization rates established for all of the participating assessing units

Rate Complaints

- Towns may file individual complaint (copy to others)
- Other towns may support, object or comment
- Any change will apply to all towns

Judicial Review (copy to other towns)

- Any change will apply to all towns

Establishment of State Equalization Rates for Counties. – RPTL § 1214

The state board shall annually establish a state equalization rate for each county in the state and determine the full valuation of taxable real property therein. The state equalization rate established for any county assessing unit, other than a special assessing unit, shall also be established as the state equalization rate for each city, town and non-assessing unit village within such county.

How Do Towns Contract For County Services - RPTL §1537?

Optional County Services

- An assessing unit and a county shall have the power to enter into, amend, cancel and terminate an agreement for appraisal services, exemption services or assessment services
- Considered an agreement for provision of "joint service" under Article 5-G of General Municipal Law

Agreements

- Agreement approved by both the assessing unit and the county, by majority vote of each governing body
- Assessing unit -a resolution subject to permissive referendum submitted at least 45 days prior to vote

Assessing Services

- Agreement shall provide for a person to be selected by the assessing unit to perform assessing services in accordance with such agreement

- Such person shall be deemed the assessor of the assessing unit and shall be subject to all provisions of law pertaining to assessors

Other County Services

Appraisal services

- County to appraise all real property in assessing unit for assessment purposes
- Appraiser must meet minimum qualification standards established by the State Board

Exemption Services

- County to review exemption applications and determine eligibility of applicants

---

Volume 7: Opinions of Counsel SBEA No. 96

Assessments, generally (standard of assessment) (uniform percentage) (authority to choose)—Real Property Tax Law, §305:

In an assessing unit in which assessments are not at full value, the assessor determines the uniform percentage of value to be applied to the assessment of all real property, in the absence of any affirmative action by the local legislative body. However, where assessments are at full value, the authority to choose a standard of assessment of a uniform percentage of value is vested in the legislative body of the assessing unit, and not in the assessor.

The Homestead Tax Option with Q & A

In a number of places in New York State, assessments of residential property frequently have been at a lower percentage of market (full) value than other types of property, such as commercial and industrial property. When a town or city with this situation decided to conduct a property revaluation to achieve correct and fair assessments, the residential properties, as a class, would bear a much larger share of the tax burden. This discouraged other municipalities with similar situations from conducting their own property revaluations. As a result of the concern for tax-burden shifts to homeowners, a State law was passed in 1981 establishing the Homestead Tax Option.

This local option prevents any large shift of the property tax burden to the residential class of property owners after a revaluation. In a revaluation, changes are made to individual property assessments so that they are correct and uniform – as the law requires. These changes result in increases to some individual residential property owners whose properties were under-assessed before the revaluation. However, the homestead tax option prevents any large shift to the residential class of properties.

What is the homestead tax option?

A. It is a local option to establish two separate property tax rates: a lower tax rate for residential property owners (homestead tax), and a higher rate for all other property owners (non-homestead tax).

Is this program mandated by New York State?

A. No. It is a local-option program.

Is the homestead tax option available everywhere in the State?

A. No. It is available only to qualifying cities, towns, villages, counties, and school districts. It is not available in New York City, or in Nassau County except for villages and, for certain purposes, the cities.

How does a municipality qualify to use the homestead tax option?

A. A city, town or village that is an assessing unit first must complete a property revaluation project that meets the State Board's regulations. That entitles the assessing unit to be certified by the State Board as an "approved assessing unit". Then the local governing body of the assessing unit can adopt a local law stating its intent to use a homestead tax and a non-homestead tax.

How does the homestead tax option work?

A. The homestead tax is based on the share of property taxes paid by the residential class of property owners in the year before the new assessments from the revaluation project are used.

For example, assume that residential properties paid 40 percent of all town taxes in the Town of Smith in 1989 (the year before the revaluation project). Now, in 1990, as a result of the revaluation, the residential class represents 50 percent of the town's total taxes. As an "approved assessing unit" that has opted to use the "homestead tax option", the Town of Smith can "freeze" the residential class share of town taxes at the previous 40 percent. Thus, the town will have two tax rates: one for the residential class and another for all other property classes, such as commercial property and industrial property. The difference is that the tax rate for the residential class will be lower than the tax rate for all other property classes. For example, the town tax rate for the residential class might be something like $25 for each $1,000 of assessed valuation, while the tax rate for the nonresidential class might be $30 for each $1,000 of assessed valuation.

Once the percentage shares are determined (in our example, 40 percent for residential property and 60 percent for non-residential property), do they remain that way forever?

A. No. They can change based on the following adjustments:

1. Using the example for the Town of Smith, the town would have the option of adjusting the residential share at various points between 40 and 50 percent.
2. The municipality must make annual adjustments based on property that is added to the assessment roll and property that is removed.
3. The municipality must make annual adjustments for different rates of appreciation in the two classes of property based on the changes in the current market value of the classes, subject to a 5 percent cap.

What type of property qualifies as residential class property under the homestead tax option?

A. One-, two-, and three-family residential units; farm homes; mobile homes that are owner-occupied and separately assessed, and condominiums that were built as condominiums and not converted from some other form, such as rental apartments, qualify as residential property.

Also qualifying for the residential class are vacant land parcels not larger than 10 acres that are located in zones that restrict residential use to one-, two-, or three-family residential dwellings.

I understand how the homestead tax option could work in my town, but how would it work in my school district?

A. School districts that are wholly contained within the boundaries of a city or town that has the homestead tax must use the homestead tax unless they opt out of the program by passing a resolution.

There is a special requirement for school districts located in more than one city or town that want to use homestead and non homestead school tax rates. That requirement is that one-fifth or more of the properties in the school district must be located in cities or towns that use the homestead tax option.

In addition, for school districts that are in more than one city or town, the determination of class shares will be based on current market value, with adjustments at the discretion of the school district within limitations set by law.

How many places are using the homestead tax option?

A. At the time this pamphlet was revised, 13 cities, 18 towns, 8 villages and 43 school districts, were using the homestead option.

In addition to adopting the homestead tax option, can "approved assessing units" also phase-in the results of the revaluation?

A. Yes. By passing a local law, approved assessing units can phase in the new revaluation assessments over a five-year period.

This option sounds simple. In reality, however, most assessment officials believe it would be extremely difficult to administer. Maybe that is why no municipality to date has decided to use the transition-assessment option.

Can a municipality that has adopted the homestead tax option revoke it later?

A. Yes, simply by adopting a local law, without referendum, to rescind it before the next levy of taxes.