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Comptroller's Review of the Costs of Real Property Tax Assessment in Erie County

Abstract

The New York State Office of Real Property Services (“NYSORPS”) has stated that “New York’s property tax system is, arguably, the most complex and confusing in the country.” NYSORPS data show that there are 1,133 distinct assessing units in New York State, as contrasted with 59 in California. Only the State of Michigan has more assessing units than New York State. In Erie County, thirty (30) municipal governments consisting of cities, towns and villages assess real property. For many years, NYSORPS has been encouraging local governments across the state to consider terminating their assessment functions and utilizing other, more efficient potentialities, including countywide assessment. Recently, elected state leaders have joined this movement.

Keywords

Buffalo, Government, Taxation, Report, Other, PDF

**COUNTY OF ERIE, NEW YORK
OFFICE OF THE COMPTROLLER**



**COMPTROLLER'S REVIEW
OF THE COSTS OF
REAL PROPERTY TAX ASSESSMENT
IN ERIE COUNTY**

MARK C. POLONCARZ

Erie County Comptroller

March 25, 2008

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I. Executive Summary

The New York State Office of Real Property Services (“NYSORPS”) has stated that “New York's property tax system is, arguably, the most complex and confusing in the country.” NYSORPS data show that there are 1,133 distinct assessing units in New York State, as contrasted with 59 in California. Only the State of Michigan has more assessing units than New York State.

In Erie County, thirty (30) municipal governments consisting of cities, towns and villages assess real property. For many years, NYSORPS has been encouraging local governments across the state to consider terminating their assessment functions and utilizing other, more efficient potentialities, including countywide assessment. Recently, elected state leaders have joined this movement.

NYSORPS offers significant financial inducements to local governments and counties to conduct annual reassessments, reduce the number of local assessing units and move towards a countywide assessment model. In addition, the New York State Commission on Local Government Efficiency and Effectiveness is advocating for consolidation and elimination of local government duplicative services and offering additional incentives for those municipalities that study and investigate such potential changes.

The Office of Erie County Comptroller has reviewed the current costs of local government real property assessment in Erie County. We find that in Erie County’s 30 local assessing units, there are 130 budgeted positions working in assessing roles at a cost to local taxpayers of \$6.5 million annually (not including fringe benefits). Including fringe benefits, that cost could be approximately \$8.2 million annually.

Using two models, we have determined that a potential County expense for countywide assessment utilizing new County employees (not including fringe benefits) could be \$2.6 million or \$4.4 million. Using various data, we have also determined that a potential County expense for countywide assessment utilizing an outside vendor is approximately \$3.1 million.

Given current annual local spending of at least \$6.5 million against a potential countywide annual expense of either \$4.4 million, \$3.1 million or \$2.6 million, there are obvious potential savings for local governments. None of those potential savings includes State aid available to local and county governments for moving away from local assessment.

Based on our review of (1) the costs associated with local assessment; (2) consequences to local governments and property owners from a lack of regular reassessment review; and (3) the existence of numerous state financial incentives to local and county governments that terminate local assessment, this office recommends that the chief executive officers and governing boards of the cities, towns and villages in Erie County consider eliminating their local assessment functions and moving towards a countywide assessment model. This office recommends the Erie County Legislature and Erie County Executive examine this potentiality. This could include a model in which the County does not conduct assessment internally using new county

employees, but rather, contracts with a professional assessment firm to conduct assessment functions under county supervision and direction.

II. Real Property Tax Law

In New York State, the Real Property Tax Law (“RPTL”) governs and regulates the assessment of real property for the purposes of taxation. Under the RPTL, counties, cities, towns and villages are authorized and permitted to assess real property in their municipal jurisdiction.

In Erie County, the county government does not assess real property. Rather, that responsibility currently rests with the three (3) cities, twenty five (25) towns, and sixteen (16) villages in the county. Under Section 1402(3) of the RPTL, villages may voluntarily terminate their assessing unit status and allow the surrounding town government to provide this assessment function for the village. In addition, towns may enter into inter-municipal agreements to share assessors.

III. Current Assessment Practices in Erie County Municipalities

According to the Erie County Department of Real Property Tax Services, Erie County has 366,317 parcels which are assessed by local governments. According to data maintained by NYSORPS, the three cities, twenty three (out of twenty five) towns, and two (out of sixteen) villages maintain their own assessors and assessment function.

Through an inter-municipal agreement, the Town of Tonawanda’s assessor provides that service to the Town of Grand Island. The Town of Evans’ assessor also serves by contract as assessor to the Town of North Collins. Evans and North Collins are also the only towns in Erie County that participate in the NYSORPS coordinated assessment program, as is more fully described below. The Town of Aurora assessor also serves as the Town of Sardinia assessor. Also, one individual serves as an elected assessor in the Town of Marilla (part of a three-member elected board of assessors), is also an appointed assessor in the Town of Elma and serves as an appointed assessor for the Town of Bennington in Wyoming County.

In short, while most cities and towns continue to maintain their own local assessment function, a few towns have engaged in collaborative measures to share a common assessor and theoretically reduce expense.

Pursuant to the RPTL, fourteen (14) of the sixteen (16) villages in Erie County have adopted local laws terminating their assessing unit status. However, the villages of Depew and Gowanda, have not and continue to retain elected and appointed assessors, respectively.

In total, there are thirty nine (39) individuals serving as the chief assessment official/assessor for the thirty (30) municipal corporations in Erie County (not including deputy assessors, assistant assessors, appraisers, clerical staff and so forth). This reflects a potential and seemingly large duplication of effort and expense to local governments and their taxpayers.

Specific details concerning each municipality’s assessment official(s) and status can be found in Appendix A.

A. Elected versus Appointed Assessors

In Erie County, the vast majority of local governments which continue to perform the assessment function appoint their assessors through their town/village boards. However, six towns elect assessors and one village (Depew) still conducts its own assessment function through the use of three of its elected village trustees to serve as a board of assessors.

Elected Assessors in Erie County

Municipality	Assessment Entity	Number of Elected Assessors
Collins (Town)	Town Assessor	4
Concord (Town)	Town Assessor	1
Depew (Village)	Board of Assessors	3 (Trustees)
Eden (Town)	Board of Assessors	3
Holland (Town)	Board of Assessors	3
Marilla (Town)	Board of Assessors	3
Wales (Town)	Board of Assessors	3
TOTAL		20

Due to the technical requirements associated with the position and proficiency required to serve as an assessor, NYSORPS has recommended for many years that local governments eliminate the practice of electing assessors and change to an appointment basis in order to recruit and attract credentialed candidates. Some observers have suggested that in some instances, elected assessors have no background or credentials for the position to which they serve. As noted, in the Village of Depew three (3) elected trustees serve as assessors in addition to their other responsibilities as citizen-officials and have no professional assessor assisting them.

On January 22, 2008, then-Governor Eliot Spitzer released the State’s 2008-2009 Executive Budget. In releasing the Executive Budget, the Governor called for phasing out the elective office of assessor in the approximately 150 communities that still elect their local assessor, including 135 municipalities that maintain elected three-person boards of assessors, and for phasing out duplicative village assessing units in the 145 villages that still do their own assessing. In his press release announcing these proposals, the Governor’s office stated that these changes would support the “professionalization” of the assessing function and role.

On February 14, 2008, the Marilla Town Board approved a resolution that opposed any state legislation which would (1) replace elected assessors with appointed assessors; and (2) terminated the assessment function responsibility from villages.

B. Regular, Annual or Triennial Reassessment

The real property tax levy constitutes the vast majority of revenues supporting most local governments in New York State. That levy and revenue is predicated on an accurate and fair assessment of real property in each municipality.

While the RPTL requires all assessors to sign an annual statement swearing that the assessments in their locality represents a uniform percentage of market value, many local governments in New York State and Erie County do not engage in an annual reassessment of property. A few large towns have not conducted a reassessment in many years. For instance, the Town of Tonawanda, Town of Grand Island and Town of West Seneca, have not conducted a reassessment since 1986. Some elected officials in local governments are wary of the political backlash that is often associated with reassessment. The absence of a regular reassessment can lead to inequitable and unfair assessments for real property and significant swings in property tax bills. Please see Appendix B for a listing of Erie County towns and cities and their last reassessment dates.

NYSORPS, which recommends annual reassessment, offers two programs to local governments to help maintain equitable assessment rolls: the Annual Reassessment Program and the Triennial Aid Program. Under each program, an assessing government can receive state funds in exchange for engaging in annual or triennial reassessment of all real properties.

Under the Annual Reassessment Program, NYSORPS provides for a payment of up to \$5.00 per parcel annually for a government that annually reassesses all properties, maintains assessments at 100% of market value and initiates a program of physically inspecting and reappraising all properties at least once every six years.

Under the Triennial Aid Program, NYSORPS will pay an assessing government up to \$5.00 for conducting a reassessment including a physical re-inspection and reappraisal of all parcels. Unlike the Annual Aid, this aid is available only once every three years. This initiative, however, is set to expire after 2011.

If the County participated in the Annual Reassessment Program, based on the County's current count of 366,317 parcels, it could receive \$1.8 million annually in state aid.

C. Potential New Assessment Function Scenarios

There are 1,133 distinct assessing units in New York State. Only the State of Michigan has more assessing units than New York State. California has 59 assessing units, Florida 67, Texas 253, and Pennsylvania 67. Thirty three (33) states maintain a countywide assessment function. In New York, only Nassau and Tompkins Counties have a countywide assessment process.

For many years, NYSORPS has been encouraging local governments to consider terminating their assessment functions and utilizing other, more efficient potentialities. NYSORPS has identified seven (7) potential scenarios for altered city/town assessment responsibilities.

- Create a coordinated assessing program whereby two or more cities or towns coordinate their assessment function (the Towns of Evans and North Collins are currently doing this).
- Create a consolidated assessing unit whereby two or more cities or towns combine their assessment function.

- A city/town shares an assessor with another city/town (the Towns of Tonawanda/Grand Island share an assessor under an inter-municipal agreement facilitated by the County and the Towns of Aurora and Sardinia have a common assessor; in addition, one individual serves as appointed assessor in the Town of Elma as well as the elected assessor in the Town of Marilla).
- Replace three-member elected boards of assessors with one appointed or elected assessor (currently, five towns and one village in Erie County have four or three-member elected boards of assessors).
- Create a county-coordinated assessing program whereby two or more cities or towns coordinate the assessment function and then contract with the county to provide all assessment services in which a county employee serves as local assessor.
- A city/town contracts with the county which provides some or all assessment services.
- Establish, via county legislature approval and then approval at public referendum, a countywide assessment function and unit.

Depending on the assessment process selected, pursuant to Section 1573 of the RPTL, NYSORPS offers financial incentives to municipalities to collaborate, reduce or eliminate their local assessment function, or join a county assessment process.

IV. Existing State Initiatives to Encourage Consolidation/Collaboration in Assessment

The main state aid initiative available through NYSORPS to encourage fewer assessment functions at the local level is the Centralized County Assessing and Property Tax Information Program. NYSORPS also maintains several other aid programs for changes in the local assessment function short of a countywide assessment function.

A. Centralized County Assessing and Property Tax Information Program

NYSORPS created the Centralized County Assessing and Property Tax Information Program to encourage “cooperative efforts among municipal governments that will reduce the redundancy and cost of essential real property assessment activity within counties.” The program is two-fold, with the first part involving centralized countywide assessment and the second, centralized countywide property tax collection and/or creation of a centralized property tax database. Counties were encouraged to apply for state funding via NYSORPS.

In the assessment component, NYSORPS will advance \$25,000 to counties that apply and undertake a study of the implementation of a countywide assessment or county-coordinated assessment for all municipalities in the county. NYSORPS will also provide an additional \$25,000 to the county when they receive a copy of the study and official minutes of the county’s legislature showing that the study has been received by the county legislature.

Furthermore, once NYSORPS has proof that the county voters have approved, at referendum, a ballot initiative establishing countywide assessing and the creation of a county assessment unit, the State will pay the county \$2 per parcel. In the event that the county instead chooses to pursue county-coordinated assessment (Coordinated Assessment Program), counties will receive \$2 per parcel for a new Coordinated Assessment Program in which the assessment function is managed

by counties and in which all real property parcels in the county are included. For those counties in which not all real property parcels are included, counties will (only) receive \$1 per parcel. Under either option, funds will be disbursed by the State upon receipt by NYSORPS of the executed agreements between the municipal participants and the county.

1. Erie County Applies for Funding via Centralized County Assessing Initiative

In a letter dated January 31, 2008, Erie County Executive Christopher C. Collins applied for \$50,000 through the Centralized County Assessing and Property Tax Information Program to study countywide assessment or county-coordinated assessment. In his letter, the County Executive stated that the County maintained no system of county-coordinated assessing due to “unwillingness on the part of local Municipal corporations.”

B. New York State Commission on Local Government Efficiency and Effectiveness

On January 3, 2007, in his State of the State address, then-Governor Eliot Spitzer called for local government reform and the consolidation of multiple layers of local government in New York State as a means to reduce the cost of government and in so doing, help reduce the burden of local property taxes. In April 2007, the Governor created the New York State Commission on Local Government Efficiency and Effectiveness (the “Commission”). Foremost among the Commission’s mission was to examine ways to reduce the size of local government through potential consolidation, collaboration and partnership. The Commission encouraged local governments to develop proposals and to submit proposals to them for potential funding to study consolidation potentialities. The Commission is required to submit its final report and findings to the Governor and State Legislature on or by April 15, 2008.

During 2007, local and county governments across the State were encouraged to apply for state grant funding through the Commission to study and explore consolidation possibilities. Many local and county governments submitted proposals and requested funding, including Erie County. During 2007 and early 2008 Chautauqua, Franklin, Hamilton, Jefferson, Madison, Orleans, Putnam, Schoharie, Schuylers, Tioga, Washington, and Wayne Counties submitted proposals to the Commission to examine the consolidation of assessment functions and the potential creation of a countywide assessment process.

C. Consolidation Incentive Aid Initiative

The Consolidation Incentive Aid initiative’s stated objective is to reduce the number of local assessing jurisdictions across the State in order to improve efficiency and reduce costs. Under this initiative, two or more assessing units can receive a one-time payment of \$7 per parcel if, among other conditions, the jurisdictions merge their assessment functions into a coordinated assessment program or unit and employ a single assessor (a county employee can serve as assessor). Alternatively, the aid is also available to the local government if they contract with their county government in a way in which the county conducts all assessment administration services, including appraisal, assessment and so forth. The \$7 per parcel payment is limited to a maximum of \$140,000 per municipality.

D. County Aid Initiative

The County Aid initiative offers a one-time payment to a county of \$1 per parcel when the county provides data collection, assessment, appraisal and other assessment-related services to a local government that currently maintains an assessment function but utilizes county assistance.

E. 2008-2009 Executive Budget Provisions for Consolidating Assessment

As previously mentioned, on January 22, 2008, then-Governor Spitzer released the State's 2008-2009 Executive Budget. Among the highlights of the Executive Budget were provisions awarding efficiency grants to local governments to reduce duplication and foster consolidation of service delivery functions. The Executive Budget provided financial assistance for local governments engaging in uniform countywide assessment. In addition, the Governor called for phasing out the elective office of assessor in the approximately 150 communities that still elect their local assessor, including 135 municipalities that maintain elected three-person boards of assessors, and for phasing out duplicative village assessing units in the 145 villages that still do their own assessing.

V. Potential Financial Impacts from State Inducements

As described by the below table, there are a range of financial incentives offered by NYSORPS to local and county governments to encourage regular reassessment and/or consolidation of assessing functions. Depending on the incentive option selected, villages, towns, cities and counties can receive significant recurring or one time state aid.

Assessment and Consolidation Incentives

State Initiative	Financial Terms/ Potential Impact	Terms/Conditions
Annual Reassessment Program (Assessment Incentive)	\$5.00/parcel annually \$1,831,585 annually for Erie County	Incentive paid annually for a government (not necessarily the county) that annually reassesses all properties, maintains assessments at 100% of market value and initiates a program of physically inspecting and reappraising all properties at least once every six years.
Triennial Aid Program (Assessment Incentive)	\$5.00/parcel every three years \$1,831,585 every three years for Erie County	Incentive paid every three years for a government (not necessarily the county) conducting a reassessment including a physical re-inspection and reappraisal of all parcels every three years.
Consolidation Incentive Aid Initiative (Consolidation Incentive)	\$7.00/parcel one time Available to local governments, and not Erie County	Two or more assessing units can receive a one-time payment of \$7 per parcel if, among other conditions, the jurisdictions merge their assessment functions into a coordinated assessment program or unit and employ a single assessor (a county employee can serve as assessor). Alternatively, the aid is also available to the local government if they contract with their county government in a way in which the county conducts all assessment administration services, including appraisal, assessment and so forth.
County Aid Initiative (Consolidation Incentive)	\$1.00/parcel one time to the County \$366,317 one time for Erie County	A one-time payment to a county of \$1 per parcel when the county provides data collection, assessment, appraisal and other assessment-related services to a local government that currently maintains an assessment function but utilizes county assistance.
Countywide Assessment (Consolidation Incentive)	\$2.00/parcel one time to County \$732,634 one time for Erie County	A one-time payment of \$2.00/parcel to the county once NYSORPS has proof that county voters have approved, at referendum, a ballot initiative establishing countywide assessing and the creation of a county assessment unit.
County Coordinated Assessment Program (Consolidation Incentive)	\$2.00/parcel one time to County \$732,634 one time for Erie County	A one-time payment of \$2.00/parcel to the county if the county manages the assessment function for local governments and all real property parcels across the county are included. Funds will be disbursed by the State upon receipt by NYSORPS of the executed agreements between the municipal participants and the county.
County Coordinated Assessment Program (Consolidation Incentive)	\$1.00/parcel one time to County \$366,317 one time for Erie County	A one-time payment of \$1.00/parcel to the county if the county manages the assessment function for local governments but not all real property parcels across the county are included. Funds will be disbursed by the State upon receipt by NYSORPS of the executed agreements between the municipal participants and the county.

It must be noted that in addition to state incentives, local governments that chose to pursue an alternative assessment function would likely experience some degree of savings in their budgets.

VI. Recent Actions on Amending Assessment Functions in New York State

A. Resistance to Countywide Assessment

Despite significant state incentives encouraging countywide assessment, only two counties in New York State have countywide assessment and most local governments oppose countywide assessment.

In December 2006, Assemblywoman Sandra Galef, Chair of the New York State Assembly's Committee on Real Property Taxation disseminated a survey to county and local officials, assessors, tax receivers and other non-governmental interest groups posing a range of questions concerning real property tax issues. Among the questions was the following three-part question: "Should there be a proposed constitutional amendment passed by two consecutive sessions of the Legislature and passed in a statewide referendum, which would establish (1) a single statewide standard of assessment; (2) a uniform three-year assessment cycle; and (3) a system of countywide assessment?"

In her December 2007 Legislative Report, Assemblywoman Galef published the results of the unscientific survey of 189 respondents, reporting that 55% of respondents agreed with the concept of a single statewide standard of assessment and 40% opposed. 54% of respondents supported a uniform three year assessment cycle and 41% opposed. On the question of whether there should be a system of countywide assessment, 39% supported the concept, and 55% were against.

B. State Legislation concerning Countywide Assessment

In January 2007, Assemblywoman Galef introduced a bill in the Assembly (A.01572) and Senator Elizabeth O'C. Little introduced a companion bill in the Senate (S.2683) that would establish a system of uniform real property assessment across the state, a new uniform three year assessment cycle, and institute countywide assessment, with standards to be developed by NYSORPS. The Senate bill is co-sponsored by Senator Mary Lou Rath. Under the legislation, assessments would be set only by the County Legislature or county assessor.

Any such legislation amending the State Constitution to eliminate local control over assessment and eliminating, among other things, town, city and village assessment, would require approval by two successive State Legislatures and referendum in a general election. In addition, if a county sought to move to countywide assessment, such an action would require the approval of the county legislature and subsequent approval at public referendum.

VII. Cost of the Assessment Function in Erie County

A. Current Expenses Incurred for Assessment in Erie County

The Office of Erie County Comptroller analyzed the cost of assessment in the adopted budgets of the three (3) cities, twenty five (25) towns and two (2) villages in Erie County that assess real property in order to determine the approximate combined cost for assessment in the county.

This data, presented below, is based on the last (but not necessarily the current) adopted budget of the municipalities. For most, the data reflects adopted 2007 budgets.

Municipal Expenses for Assessment Function *

Municipality	Number of Assessment Employees (FTE)	Personal Services Expense (not including fringe benefits)	Other Expenses	Total Annual Expense (not including fringe benefits)
Alden	125	\$ 52,075	\$ 14,070	\$ 66,145
Amherst	10	529,384	425,050	954,434
Aurora	3.5	12,132	8,892	21,024
Boston	1	41,400	15,485	56,885
Brant	1	20,652	3,500	24,152
Cheektowaga	7	360,754	182,759	543,513
City of Buffalo	32	1,225,860	1,046,841	2,272,701
City of Lackawana	2	78,444	9,160	87,604
City of Tonawanda	2	81,000	135,912	216,912
Clarence	4	117,611	86,347	203,958
Colden	1	19,248	3,050	22,298
Collins	1	20,465	2,297	22,762
Concord	2	55,920	23,260	79,180
Depew	0	2,400	690	3,090
Eden	1	48,458	5,800	54,258
Elma	2	68,573	9,000	77,573
Evans	2.5	97,861	8,775	106,636
Gowanda	0	3,000	700	3,700
Grand Island	2.5	100,083	25,635	125,718
Hamburg	5	242,606	11,241	253,847
Holland	1	28,172	4,000	32,172
Lancaster	4.5	119,655	75,400	195,055
Marilla	1	30,000	3,000	33,000
Newstead	15	45,431	17,800	63,231
North Collins	0		21,660	21,660
Orchard Park	4.5	116,095	24,500	140,595
Sardinia	0.5	14,539	2,500	17,039
Town of Tonawanda	5	247,100	82,400	329,500
Wales	1	25,310	0	25,310
West Seneca	3.5	142,500	13,985	156,485
Totals	103.25	\$ 4,270,878	\$ 2,263,709	\$ 6,534,587

* The Towns of Hamburg, Orchard Park and West Seneca do not budget per se for contractual assessment services, but retain outside professional services assistance. Their costs for these services are not quantifiable at this point and are not included in this chart.

In a number of instances, for whatever reason, some local governments have not included the expense associated with their retention of outside assessment contractors in their assessment function budget lines (i.e. City of Tonawanda and Town of Grand Island). In one case, a government conducted prior year outside assessments and as such, their 2007 budget reflects no

new contractual assessment expense (Lackawanna, though a prior year budget reflected such cost).

We note that the Town of Amherst's adopted 2008 budget (not reflected above in the chart which shows 2007 data) significantly under-funds its projected expense for utilizing outside assessment firms for professional services/contractual services. The town budgeted approximately \$300,000 less in 2008 than the minimum cost under a contract which the town approved for its new outside assessment vendor KLV Group. Town officials have stated publicly they expect the town may utilize at least half of its 2008 contingency account to pay for the 2008 town-wide reassessment.

As such, the above chart does not necessarily reflect all costs of local assessing.

The above chart also does not reflect fringe benefit expense for any local government, as none budget such expense by department (neither does the County).

B. Summary of Annual Expense for Local Governments

Our review of local assessing unit budgets for their prior budget years finds 103.25 full-time equivalent positions in assessment offices in the 30 municipalities. Personal services (salary only) expense is \$4.3 million with other expenses including contractors (but not including fringe benefits) of \$2.2 million. In sum, in one year, not including fringe benefits, local governments in Erie County expended \$6.5 million to perform assessment functions. Using the County's 40% fringe benefit factor, fringe benefit expense would add another \$1.72 million for total potential expense of \$8.22 million annually.

C. Number of Staff in Local Assessment

As previously stated, there are thirty nine (39) individuals serving as the chief assessment official/assessor for the thirty (30) municipal corporations in Erie County that assess real property. That includes appointed assessors, elected assessors and elected three or four-member boards of assessment. Including the chief assessment officials/assessment boards, there are 130 budgeted positions in local cities, towns and two villages in assessment functions. Of that number, 90 are full-time and 40 are part-time. Based on their titles/responsibilities, 74 individuals can be considered professional assessors and/or serve in professional roles in which they have assessment powers and 56 employees serve in clerical/support or other roles in the assessment function.

Total Assessment Positions in Erie County Local Governments:

- 39 Chief Assessment Officials
- 130 Budgeted Positions in Local Assessing Governments
 - 90 Full-Time Positions
 - 40 Part-Time Positions
 - 74 "Professional" Assessment Personnel
 - 56 Clerical/Support/Other Personnel

In some municipalities, the assessors are elected and part-time, and their salaries reflect that status. In others, the assessors are appointed and full-time. Salaries for full-time assessors range between approximately \$41,000 (Boston) and \$92,000 (Amherst).

More specific costs for the assessment function for each city, town and village for their most recent (past) fiscal year, including individual employee salaries, are identified in Appendix C.

D. Credentials and Capability of Local Assessors

NYSORPS has stated that some municipalities have difficulty recruiting qualified candidates to serve as assessor, given constantly changing property tax and assessment laws and requirements, and an inability to provide adequate compensation for an assessor.

Throughout New York State, there are many examples and instances in which local assessors have been criticized, questioned, and in some instances, actually investigated or dismissed due to their performance of their official duties. There is no shortage of public and private criticism of real property assessment and the methodology by which local government assessors determine real property value for tax purposes.

In fact, there are recent instances in which assessors have actually engaged in questionable or illegal activity related to their work, leading to public questions about their credibility and ethics.

For example, in September 2005, local media reported that Edward Hummel, who was then the sole assessor in West Seneca (and had been in that role for close to 25 years) was under investigation by the Federal Bureau of Investigation's ("FBI") Buffalo branch public corruption task force regarding potentially questionable lower assessments he allegedly awarded to developers. The Town of West Seneca retained an outside counsel to separately investigate and Hummel resigned within days of the first news report. Later, the FBI charged him with a felony charge of transmission of foreign currency when they reported that Hummel had routinely been out of the office gambling at a Fort Erie, Ontario casino while he claimed and was supposed to be at work. Nearly one year later, following reappraisals of commercial properties in the town, his former deputy, now serving as acting assessor, stated that Hummel had undervalued commercial properties by at least \$20 million and that another \$20 million could be reassessed. The Erie County Director of Real Property Tax Services stated in October 2006 that he and NYSORPS recommended the town conduct a complete revaluation of all properties, although it appears that was never done.

Additionally, on February 29, 2008, the former town assessor in Greece in Monroe County pled guilty in a federal court to charges of participating in a conspiracy and accepting kickbacks from a former Eastman Kodak executive and property appraisers to illegally lower assessments on Kodak property in the town. Federal prosecutors stated that the former town assessor could be ordered to pay restitution of up to \$7 million to the town and Kodak.

VIII. Benefits of County Assessing

As this report has already noted, NYSORPS supports and is aggressively encouraging local governments to remove themselves from the assessment function and to consider moving to a countywide assessment model. In fact, in recommending countywide assessment, NYSORPS represents that there are ten “benefits of county assessing” as follows (directly from NYSORPS):

1. County assessing eliminates tax shifts resulting from changing equalization rates within the county.
2. Assessment equity may improve as a result of more regionalized data, analyses, and market monitoring.
3. With county assessing, individual municipalities and school districts would no longer be the focus of scrutiny regarding reassessments.
4. Taxpayers would likely have more confidence in the tax system if they could see that its administration was highly professional, efficient, and equitable.
5. In rural areas, where municipalities are thinly populated, county assessing would result in sufficient pooling of resources to attract or maintain highly qualified and competent assessment officials at a potentially lower per-parcel cost.
6. In urban/suburban areas with large cities and large prosperous towns, interactions between assessing offices and the departments responsible for planning, zoning, highway maintenance, E- 911 and other functions could be improved and expanded.
7. Counties, which have larger stakes in tax certiorari cases, typically would have greater resources with which to defend assessments.
8. County assessing would permit increased specialization of assessing staff in regard to specific types of properties, including utilities, industrial properties and complex commercial properties.
9. Assessing staff and resources could be reallocated to respond to emergencies or other events that require coordination across municipal boundaries.
10. The number of entities with which utilities and other owners of widely distributed property must deal would be greatly reduced.

IX. Assessment Equity

As noted by benefit number two listed above, one of the reasons for moving to a countywide assessment system is equity. Some municipalities value properties at 100% of fair market value (the value that the property owner should receive if the property were sold on the open market). Other municipalities value properties at less than market value, and in Erie County some value property at nearly half of its open market price.

This becomes an issue of equity when school districts are taken into account, many of which cross municipal lines. For example, a school district’s tax rate will unfairly burden property owners from a municipality with a policy of valuing property at 100% of fair market value while a neighboring municipality within that same school district that values at 50% of market value

will find its property owners lightly taxed for the same services. To address this, New York State created “Equalization Rates.”

An Equalization Rate is applied to every municipality in New York State in order to bring equity to the assessment process. An Equalization Rate of 100 indicates that a municipality values property at 100% of fair market value. A rate less than 100 indicates property values are assessed at less than fair market value. No Equalization Rate would be needed if every municipality assessed at 100% of fair value every year. A table of Equalization Rates for the municipalities within Erie County is shown as Appendix D.

Due to Equalization Rates, two property owners with a piece of property valued the same in two different municipalities should pay the same amount in taxes to the same school district even if each municipality assesses at a different percentage of fair value. This process is not flawless, and additional complexity leads to the possibility for error. A countywide assessment would assess at 100% of fair market value and would thus do away with any Equalization Rates in Erie County and the confusion among taxpayers that arises from their existence.

X. Potential Expense for County to Assume Assessment Function

The Office of Erie County Comptroller does not believe that the County should create an internal real property assessment function and hire many new employees.

In the 1970s the County previously maintained a Bureau of Tax Equalization within the Division of Real Property Tax which included County employees and real property appraisers. For a variety of reasons, we do not necessarily recommend the re-establishment of creation of an assessment unit with extensive personnel in Erie County Government.

Our operating thesis is that the County should examine the potential for assuming responsibility for countywide assessment, and then potentially contracting-out the daily functions and tasks associated with assessment. We acknowledge that under that model the County would likely need to create a small assessment unit in the Department of Real Property Tax Services to assist in the administration of the process and oversight of contractors. However, we believe this unit would be very modest in size and cost. We also note that the County would need to establish an assessment review and appeal body with resultant costs.

Based on the number of parcels in each Erie County municipality and the expense associated with each assessing unit, it is clear that some assessors and assessing units are far busier than others. Factors affecting the number of parcels each professional assessor assesses annually include: (1) whether the municipality utilizes the services of an outside contractor to assist them; and (2) the municipality’s decision-making determining what percentage of assessed parcels they annually assess (or if they reassess regularly at all). Few municipalities maintain the internal capacity to reassess all parcels annually; there are simply too many parcels and not enough staff. In addition, some local governments make policy decisions not to annually or regularly reassess.

A. Cost for Other Counties with Countywide Assessment

As part of our analysis, we examined the adopted budgets for the assessment function of the two counties in New York State that conduct countywide assessment.

1. Nassau County

According to the federal 2000 Census, Nassau County has 1,334,544 residents and sixty nine local municipalities (64 of which are incorporated villages, making this county markedly different than Erie County). NYORPS data show the county has 419,219 parcels as of 2006. Nassau County maintains a Department of Assessment as well as an Assessment Review Commission, a quasi-judicial entity consisting of nine commissioners appointed by the county executive with the approval of the county legislature. The Nassau County Department of Assessment's 2008 adopted budget is \$16,209,784, of which \$14,522,205 is for personal services expense associated with 258 full time and 7 part time employees. In 2008, \$792,579 is budgeted in the department's contractual services account, approximately \$400,000 of which is utilized for outside contractors, down from \$2.4 million in 2007. The department receives \$916,523 in state aid reimbursement and \$210,000 in departmental revenue. The Nassau County Assessment Review Commission, among other duties, serves as an appeal body for property owners disputing their annual tax assessment. In the county's adopted 2008 budget the Assessment Review Commission receives \$5,581,428 among which it pays for forty two (42) full time staff and thirteen (13) part time employees. Its budget includes \$1,701,000 in its contractual services line for trial appraisal services for commercial and specialty properties.

Total budgeted 2008 appropriations in Nassau County for assessment is \$21,791,212.

2. Tompkins County

According to the federal 2000 Census, Tompkins County, the home of Ithaca (and Cornell University) has 96,501 residents and sixteen (16) local municipalities. NYSORPS data show the county has 34,145 parcels as of 2006. Tompkins County maintains a Department of Assessment whose 2008 adopted budget is \$937,754, of which \$130,000 is covered by state aid revenue and \$25,000 is assessor fee revenue. Within the department's 2008 budget is a personal services (not including fringe benefits) expense of \$796,900 for sixteen (16) full time and five (5) part time employees. Eleven (11) of the 16 full time employees are professional assessor staff. In 2008, the county has budgeted \$25,000 for professional services expense, although prior years have seen actual amounts ranging between \$65,000 and \$82,704 for outside consultants. Generally speaking, Tompkins County has one-tenth as many residents and parcels as Erie County. Tompkins County reassesses one-third of the county's real property every year; during a three year cycle, every property in the County is reassessed. The Tompkins County director of assessment informed our staff that they have 11 budgeted professional staff (that includes two vacant positions) and 3 management positions in which the incumbents (including her) do little field assessing. As such, Tompkins County calculates that their professional assessment employees assess between 4,800 and 5,700 properties annually.

3. Comparison of Nassau and Tompkins Counties to Erie County

On a range of measures and factors, Erie County finds itself between Nassau and Tompkins Counties. Nassau County's 300 full time and 20 part time assessment employee and \$22 million budget model is clearly not applicable or realistic in Erie County. Given the complexity and issues associated with real property assessment in Nassau County, we cannot form conclusions regarding the County's applicability as a model for Erie County. On the other hand, given the significantly larger size and complexity of real property in Erie County, modeling based on the much smaller Tompkins County which is only one-tenth the size of Erie County is also not sufficient.

B. Amount of Properties that Can be Reassessed on an Annual Basis

There are a number of potential cost savings that can arise using different systems of assessment. In a county-wide assessment function all properties should be at the same percentage of fair value – ideally at fair value itself – and all properties also need to be reassessed on a regular basis to maintain that assessment at fair value.

However, in order to determine the true cost of such system you must determine the number of parcels of property that can be realistically reassessed on an annual basis. Some municipalities in New York State annually reassess, some annually reassess 33% of the properties, some only reassess as low as 5% of their parcels annually and many do not regularly reassess at all. Tompkins County uses an annual 33% reassessment rate. New York State does not mandate a specific reassessment rate – the State only mandates that all properties be held at a specific portion of fair value.

1. Number of Properties to be Assessed Annually

Given Erie County's 366,317 parcels, using a 33% rate, the County would need to reassess 122,106 properties annually. For our model, we have rounded that up to 123,000.

2. Number of Parcels Assessed per Assessor

To calculate the model, we also need to determine a realistic and reasonable number of parcels that an average individual assessor can reassess in one year. In our review, we contacted NYSORPS to attempt to determine how many properties can realistically be reassessed annually. We also contacted the Tompkins County director of assessment.

Based on data from the International Association of Assessing Officers ("IAAO"), NYSORPS believes that an average assessor can realistically assess 2,500 parcels annually. As previously noted, Tompkins County's director of assessment informed our staff that their professional assessing staff assess between 4,800 and 5,700 properties annually.

In an attempt to draw inferences, we also examined the nine (9) cities/towns in Erie County with assessed value over \$1 billion. However, we find that towns and cities range widely in the number of parcels reassessed. Attempting to draw conclusions from local data is extraordinarily

difficult. Those nine (9) cities/towns with assessed value over \$1 billion cumulatively have thirty seven (37) employees that, based on their adopted budgets, can be classified as professional assessment staff, with almost all serving in full-time positions. Dividing the total number of parcels in those nine municipalities by the total number of professional assessment staff finds that the nine municipalities' average assessor can theoretically assess 7,799 properties annually. But, we must stress, this is a theoretical number only. We do not necessarily believe that an individual assessment official can realistically or practicably assess 7,799 parcels annually and there is no data showing local assessors actually assess that many properties annually. If a triennial assessment is conducted, that number shifts to 2,599 parcels annually.

Based on the data available to us, including IAAO's recommendation and the above projection, we believe that the 2,600 properties per assessor is both a reasonable and feasible estimate.

C. Potential Costs of Internal County Assessment

While we do not recommend nor analyze in any detail the costs of conducting a countywide annual reassessment within the county government, based on a 2,600 statistic, and 123,000 properties to be assessed annually, the County would need to hire 47 professional assessors. This contrasts with our estimate of 74 professional assessment personnel currently serving in local governments. If we utilized Tompkins County's average of 5,000 properties per assessor, the County would need to hire 25 professional assessors. In keeping with Tompkins County's model, we project that the county would need one clerical/support employee for every two professional assessment employees. In addition, the county would need to create a new board of assessment appeals body to administer and adjudicate assessment appeals.

Under our model the County could establish a nine (9) member board of assessment appeals, with the board divided into three autonomous zones (north, central, south) and with each zone having three (3) members. Each zone's board would be responsible for all appeals of assessment in that zone. Each member would draw a small salary but receive no benefits. Each zone's board could also be staffed by two (2) new full time County employees; a professional assessment official and a clerical/support employee. In addition, we project that the board would likely need the services of two (2) new Assistant County Attorneys to provide legal advice and counsel on assessment appeals. Including estimated miscellaneous office and mail expenses, we project a potential new annual cost for this appeals body (not including fringe benefits) of \$613,262. Please see Appendix G for further details.

Under the 47 professional assessment employees projection the county would need twenty (23) clerical/support employees; under the 25 employees projection the county would need twelve (12) clerical/support employees.

If the County adopted the 47 employee model, we project that the County's annual new annual expense (not including fringe benefits) could be \$4,371,262. This contrasts with current local government expenses for the assessing function (not including fringe benefits) of \$6,534,587 for a potential annual savings of \$2,163,325. Please see Appendix F for further details.

If the County adopted the 25 employee model, we project that the County's new annual expense (not including fringe benefits) could be \$2,636,262. This contrasts with current local government expenses for the assessing function (not including fringe benefits) of \$6,534,587 for a potential annual savings of \$3,898,325. Please see Appendix E for further details.

Neither of these projections includes any annual, recurring or one-time State aid and new potential revenue to local governments or the County for any changes in the current assessing model.

D. Potential for Countywide Assessment through Contracting

As part of this review, we also examined the potential for the County assuming responsibility for countywide assessment, and then, rather than the County establishing a full assessment office with the resulting personal services and other expenses, the County could conduct a request for proposals and contract with a private sector professional assessment firm to conduct assessment services for the County. Under this model, the County would administer and manage the function and control and operate an assessment appeals board, but outsource the majority of the assessment work to a private sector vendor thereby avoiding additional expense to the County through the creation of new positions, etc.

We note that the largest towns and cities in Erie County routinely contract with private sector assessment vendors which conduct assessments for the municipalities and related work. The City of Buffalo and Town of Amherst are noteworthy examples of municipalities that have utilized outside vendors to conduct re-assessments of real property.

1. Cost of Assessment for Contractor

In analyzing the potential for contracting, the principal need was to determine a base cost of assessment and the services provided therein by a private contractor. GAR Associates, a locally-based private sector assessment firm that provides services to many local and statewide governments, has in the recent past charged one large, growing, and dynamic suburban government in Erie County between \$10.00 and \$16.00 per parcel for assessment and valuation services. According to that town's assessor office, that service includes computer analysis, site visits, comparisons to properties, mailings to property owners and printing of legal notices.

To confer the legitimacy of this cost projection, we contacted NYSORPS, which confirms the estimate as reasonable for a countywide assessment.

Based on this data, we calculate that using a triennial assessment process of 123,000 properties annually and a vendor charge of \$16.00 per parcel, the annual cost to the County for retaining an outside vendor could potentially be \$2 million. The outside contractor would also need to conduct routine maintenance assessment work aside from actual reassessments or re-valuations. That work could include reviews of assessments during property sales and transfers, building permits for work, exemption administration, and maintaining property inventories. We project annual expense for this work could be approximately \$500,000. In addition, as previously noted, the County would still need to create the board of assessment appeals body.

2. Comparison of Costs

In the past budget year, local governments in Erie County accumulated expenses totaling \$6.5 million (not including fringe benefits) with 130 budgeted positions to provide local assessing. Our projection of fringe benefits adds \$1.7 million to the cost for a total of approximately \$8.2 million. That expense is also lower because many towns have not conducted reassessments or hired outside vendors in that fiscal year, thus lowering costs.

Using the NYSORPS projection and GAR Associates data, we project a potential countywide expense for an outside vendor of \$2.5 million. To manage this process, we acknowledge the County would need to add new employees and incur new expense for the creation of a county board of assessment appeals. Under our projection (previously noted and which is at Appendix G), the new potential County expense for that board and related expenses could be \$613,262.

Under the contracting scenario, given current annual spending of at least \$6.5 million against a potential countywide annual expense of \$3.1 million, there are obvious potential savings for local governments.

Factoring in the state aid for new assessing models available through NYSORPS, the Commission, and 2008-2009 Executive Budget, there are hundreds of thousands if not millions of dollars of recurring and one time financial incentives to local and county governments that change their assessing models. Savings to local governments from ending local assessing are also significant.

XI. Conclusion

There are obvious and glaring disparities among municipalities in Erie County on assessment, given the lack of reassessment in many years in a number of prominent Erie County towns, including several large suburban communities. This impacts property owners and taxpayers and affects local governments.

At the same time, given the number of budgeted positions and expense associated therein and the role of outside vendors in local assessment in local government budgets, the provision of assessing functions at the city/town/village level is clearly a significant financial impact on taxpayers.

Given NYSORPS, the Commission, and the 2008-2009 Executive Budget provisions for significant financial aid to local and county governments, along with the apparent savings from ending local assessing, we believe the County and local officials should aggressively review and consider the assessing function in Erie County and consider moving to a countywide model with outside contracting.

Therefore, the Office of Erie County Comptroller believes that the County should work with local governments to examine the possibility of implementing a countywide assessing system. Doing so could create a more efficient, equitable, professional and less expensive model. We

support the Erie County Executive's recent request to NYSORPS for funding to study local assessment and the potential for countywide assessing and urge local governments and call upon the County Executive and County Legislature to expeditiously move forward on such a review, even if state funding is not available.

APPENDIX A - List of Assessors by Municipality

Municipality	Type	Chief Assessment Official	Name	Status
Buffalo	City	Commissioner, Department of Assessment and Taxation	Martin Kennedy	Appointed
Lackawanna	City	City Assessor	Frank Krakowski	Appointed
Tonawanda	City	City Assessor	Patricia Bacon	Appointed
Alden	Town	Town Assessor	William Sivecz	Appointed
Amherst	Town	Town Assessor	Harry Williams	Appointed
Aurora	Town	Town Assessor	Thelma Hornberger	Appointed
Boston	Town	Town Assessor	Jeneen McSkimming	Appointed
Brant	Town	Town Assessor	Joseph DeCarlo	Appointed
Cheektowaga	Town	Town Assessor	Brian Hess	Appointed
Clarence	Town	Town Assessor	Christine Fusco	Appointed
Colden	Town	Town Assessor	Ruby Bruce	Appointed
Collins	Town	Town Assessor (4 elected Assessors)	Salvatore Dicembre, et al	Elected
Concord	Town	Town Assessor	William Nellis	Elected
Depew	Village	Chair, Board of Assessors (3 members - all Village Trustees)	Joseph Keefe, et al	Elected
Eden	Town	Chair, Board of Assessors (3 elected assessors)	Robert Pietrocarlo, et al.	Elected
Elma	Town	Town Assessor	Kandace Wittmeyer	Appointed
Evans	Town	Town Assessor	Jeanne Chase Ebersole	Appointed
Gowanda	Village	Village Assessor	George Stark	Appointed
Grand Island	Town	Assessed by Town of Tonawanda Assessor	David Unmack	Appointed
Hamburg	Town	Town Assessor	Robert Hutchison	Appointed
Holland	Town	Chair, Board of Assessors (3 elected assessors)	Marcia Hazlett, et al.	Elected
Lancaster	Town	Town Assessor	David Marrano	Appointed
Marilla	Town	Chair, Board of Assessors (3 elected assessors)	Earl Dabb, Kandace Wittmeyer, et al.	Elected
Newstead	Town	Town Assessor	Rebecca Baker	Appointed
North Collins	Town	Assessed by Town of Evans Assessor	Jeanne Chase Ebersole	Appointed
Orchard Park	Town	Town Assessor	Milton Bradshaw	Appointed
Sardinia	Town	Assessed by Town of Aurora Assessor	Thelma Hornberger	Appointed
Tonawanda	Town	Town Assessor	David Unmack	Appointed
Wales	Town	Chair, Board of Assessors (3 elected assessors)	Harry Wahl, et al.	Elected
West Seneca	Town	Town Assessor	Vacant	Appointed

APPENDIX B - List of all municipalities and last reassessment

Municipality	Date of Last Reassessment	Scheduled for 2009?
Alden	1988	
Amherst	2006	y
Aurora	1986	
Boston	2008	y
Brant	2008	y
Buffalo	2008	y
Cheektowaga	2005	
Clarence	2008	y
Colden	1989	
Collins	1991	
Concord	1988	
Eden	1994	
Elma	2004	
Evans	2008	y
Grand Island	1986	
Hamburg	1990	
Holland	2007	
Lackawanna	2008	y
Lancaster	2006	
Marilla	1988	
Newstead	2007	
North Collins	2008	y
Orchard Park	1990	
Sardinia	1991	
Tonawanda (town)	1986	
Wales	1991	
West Seneca	1986	
<i>Municipalities not listed have not had a reassessment since 1980.</i>		

APPENDIX C - Specific Cost of Assessment by Municipality APPENDIX C

Assessed Value (In 000)	Number of Parcels	Cost of Assessors Throughout Erie County				
		Town	Function	Item	Salary	Other Expenditures
413,012	3,734	Alden	Assessment	Assessor	45,500	
				Assessor Receptionist (Part-Time)	6,575	
				Computer Equipment		2,200
				Supplies, Training, Subscriptions		10,600
				Assessment Review Board		1,270
9,221,460	43,276	Amherst	Assessment	Assessor	92,168	
				Senior Real Property Appraiser	61,571	
				Senior Real Property Appraiser	61,571	
				Senior Real Property Appraiser	61,571	
				Senior Real Property Appraiser	61,571	
				Clerk Typist	31,929	
				Clerk Typist	31,929	
				Account Clerk Typist	36,190	
				Real Property Appraiser	56,226	
				Assessment Clerk	34,658	
				Budgeted Longevity, Overtime etc.		18,706
				Office Expenses		30,750
				Professional Services		185,000
Contractual Services		190,594				
601,594	6,451	Aurora	Assessment	Assessor	48,000	
				Real Property Appraiser	22,629	
				Office Assessment Clerk	27,303	
				Clerk in Training	3,200	
				STAR Program Clerk	11,000	
				Medical, Vehicle, Travel, etc.		8,042
				Assessment Review Board		850
517,906	3,174	Boston	Assessment	Assessor	41,400	
				Equipment and Contracts		15,485
113,023	1,450	Brant	Assessment	Assessor	9,652	
				Clerk	11,000	
				Equipment and Contracts		2,500
				Assessment Review Board		1,000
3,125,364	35,135	Cheektowaga	Assessment	Assessor	77,278	
				Real Property Appraiser	58,771	
				Real Property Appraiser Tech.	53,048	
				Senior Clerk	42,914	
				Senior Clerk	42,914	
				Senior Clerk	42,914	
				Senior Clerk	42,914	
				Sick, Overtime, Longevity		48,379
				Office Supplies and Equipment		14,250
				Contracted Appraisals and Assessments		110,000
Assessment Review Board		10,130				
2,845,696	12,155	Clarence	Assessment	Assessor	61,195	
				Clerk	30,590	
				Real Property Appraiser	46,583	
				Real Property Appraiser	43,393	
				Part- Time Assistance		2,122
				Overtime and Longevity		5,425
				Board of Assessment Review		13,100
				Contractual Expenses		65,700

APPENDIX C - Specific Cost of Assessment by Municipality APPENDIX C

Assessed Value (In 000)	Number of Parcels	Cost of Assessors Throughout Erie County				
		Town	Function	Item	Salary	Other Expenditures
126,753	1,889	Colden	Assessment	Assessor	19,248	3,050
197,491	2,120	Collins	Assessment	Assessor Assessment Board of Review	20,465	1,547 750
305,713	4,138	Concord	Assessment	Assessor - Part Time Assessor Clerk Assessor Computer Equipment Board of Review and other expenses	12,528 28,956 14,436	2,800 20,460
383,972 *	N/A	Depew		Assessor Board of Review Supplies	2,400	690
374,622	3,567	Eden	Assessment	Assessor	48,458	5,800
58,857	5,528	Elma	Assessment	Assessor Deputy Assessor Assessment Board of Review Other Contractual Expenses	44,708 23,865	1,000 8,000
676,333	9,727	Evans	Assessment	Assessor Senior Clerk Part Time Clerk Overtime and Longevity Contractual Expenses	48,990 33,871 15,000	3,175 5,600
4,886 *	N/A	Gowanda		Assessor (Part-time) Contractual Services	3,000	700
767,941	8,779	Grand Island	Assessment	Assessor (Part Time) Assistant Assessor (Full Time) Assessment Clerk Other Expenses Consulting Contract	24,000 40,000 36,083	5,635 20,000
2,442,806	25,453	Hamburg	Assessment	Assessor Real Property Appraiser Assessment Clerk Assessment Clerk Assessment Clerk Overtime and Longevity Board of Review	70,157 55,311 39,046 39,046 39,046	8,445 2,796
248,406	1,902	Holland	Assessment	Assessor Assessor Chairman Clerk Typist Personal Services	6,750 6,750 7,600 7,072	4,000
2,714,694	17,837	Lancaster	Assessment	Assessor Real Property Appraisal Tech. Real Property Appraiser Clerk Typist Clerk Typist - Part Time Comp time and Longevity Equipment Office Supplies and Contractual Services	61,422 41,947 46,486 36,800 13,000	5,200 2,000 60,000

APPENDIX C - Specific Cost of Assessment by Municipality APPENDIX C

Assessed Value (In 000)	Number of Parcels	Cost of Assessors Throughout Erie County				
		Town	Function	Item	Salary	Other Expenditures
				Assessment Review Board		8,200
185,152	2,266	Marilla	Assessment	Chairman	10,848	
				Assessor	9,576	
				Assessor	9,576	
				Supplies and Expenses		3,000
497,056	4,240	Newstead	Assessment	Assessor	36,725	
				Clerk	8,706	
				Assessment Review Board		1,000
				Equipment and Contractual Services		16,800
175,024	2,017	North Collins	Assessment	Assessment Contract		19,860
				Assessment Equipment		1,800
1,780,756	11,768	Orchard Park	Assessment	Assessor	57,109	
				Senior Tax Tech.	50,890	
				Real Property Appraiser	45,685	
				Clerk	32,011	
				Clerk - Part Time	10,400	
				Office Expenses and Contracted Services		10,550
				Contracted Consultants		10,950
				Board of Review		3,000
130,708	1,678	Sardinia	Assessment	Assessor	12,290	
				Assessor Clerk	2,249	
				Equipment and Services		2,500
2,611,879	28,806	Town of Tonawanda	Assessment	Assessor	83,400	
				Real Property Appraiser	58,300	
				Senior Clerk	41,000	
				Clerk Typist	34,400	
				Part-Time Clerk	10,000	
				Part-Time Clerk	10,000	
				Part-Time Clerk	10,000	
				Professional Services		74,600
				Office Expenses		7,800
114,285	1,474	Wales	Assessment	Chairman	7,912	
				Assessor	5,091	
				Assessor	5,091	
				Assessment Clerk	7,216	
1,411,137	18,724	West Seneca	Assessment	Assessor	75,000	
				Real Property Tech. (unfilled position)	35,000	
				Clerk	32,500	
				Office Expenses		9,850
				Board of Review		4,135
492,734	6,458	City of Tonawanda	Assessment	Assessor	49,000	
				Account Clerk Typist	32,000	
				Office Expenses		6,400
				Consulting Costs		129,000
				Assessment Review Board		512
589,022	6,643	City of Lackawana	Assessment	Assessor	43,000	
				Real Property Tax Services Assistant	35,444	
				Board of Review		4,200

APPENDIX C - Specific Cost of Assessment by Municipality APPENDIX C

Assessed Value (In 000)	Number of Parcels	Cost of Assessors Throughout Erie County				
		Town	Function	Item	Salary	Other Expenditures
				Contractual Expenses		4,960
8,981,998	95,928	City of Buffalo	Assessment	Commissioner of Assessment	74,405	
				Tax Administrator	47,629	
				Supervising Assessor	54,221	
				Senior Assessor	51,200	
				Assessor	47,203	
				Assessor	47,203	
				Assessor	47,203	
				Assessor	47,203	
				Assessor	47,203	
				Assessor	47,203	
				Real Property Appraiser	42,836	
				In Rem Specialist	39,379	
				Senior Tax Clerk	31,694	
				Senior Tax Clerk	31,694	
				Senior Account Clerk Stenographer	31,153	
				Account Clerk Typist	26,271	
				Account Clerk Typist	29,269	
				Assistant to Assessor	29,269	
				Assistant to Assessor	29,269	
				Junior Data Control Clerk	27,784	
				Junior Data Control Clerk	27,784	
				Principal Assessor	57,088	
				Assessor	45,545	
				Real Property Appraiser	39,087	
				Assistant to Assessor	26,271	
				Clerk	25,162	
				Account Clerk	26,271	
				Account Clerk	26,271	
				Account Clerk	26,271	
				Junior Data Control Clerk	25,677	
				Assessor	40,670	
				Associate Tax Clerk	30,472	
				Overtime, Longevity and Incentives		245,955
				Office Expenses		800,886
<u>\$ 42,110,280</u>	<u>366,317</u>	Totals			<u>\$ 4,270,878</u>	<u>\$ 2,263,709</u>

* Erie County property only

Total Cost of Assessors and Associated Staff \$ 6,534,587

APPENDIX D - List of Equalization Rates by Municipality

Government Type	Municipality Name	State Equalization Rate	Date Established	Level of Assessment *
County	Erie	74.82	09/12/07	
City	Buffalo	100.00	07/23/07	100.00
City	Lackawanna	100.00	07/23/07	100.00
City	Tonawanda	69.00	08/03/07	69.00
Town	Alden	53.00	08/03/07	53.00
Village	Alden	53.00	08/03/07	
Town	Amherst	92.00	07/27/07	92.00
Village	Williamsville	92.00	07/27/07	
Village	Williamsville	61.58	07/27/07	
Town	Aurora	45.00	07/27/07	45.00
Village	East Aurora	45.00	07/27/07	
Town	Boston	100.00	08/01/07	100.00
Town	Brant	100.00	07/23/07	100.00
Village	Farnham	100.00	07/23/07	
Town	Cheektowaga	61.58	07/27/07	61.58
Village	Sloan	61.58	07/27/07	
Village	Depew	54.88	03/06/07	
Town	Clarence	100.00	07/26/07	100.00
Town	Colden	49.00	07/27/07	49.00
Town	Collins	70.00	07/27/07	70.00
Town	Concord	52.00	07/27/07	52.00
Village	Springville	52.00	07/27/07	
Town	Eden	70.00	08/03/07	70.00
Town	Elma	5.15	07/23/07	5.15
Town	Evans	64.00	07/27/07	64.00
Village	Angola	64.00	07/27/07	
Town	Grand Island	50.00	07/27/07	50.00
Town	Hamburg	65.00	07/27/07	65.00
Village	Blasdell	65.00	07/27/07	
Village	Hamburg	65.00	07/27/07	
Town	Holland	100.00	07/23/07	100.00
Town	Lancaster	95.00	07/27/07	95.00
Village	Lancaster	95.00	07/27/07	
Town	Marilla	49.00	07/27/07	49.00
Town	Newstead	100.00	07/23/07	100.00
Village	Akron	100.00	07/23/07	
Town	North Collins	100.00	07/26/07	100.00
Village	North Collins	100.00	07/26/07	
Town	Orchard Park	60.00	07/27/07	60.00
Village	Orchard Park	60.00	07/27/07	
Town	Sardinia	62.42	07/27/07	68.68
Town	Tonawanda	52.50	07/27/07	52.50
Village	Kenmore	52.50	07/27/07	
Town	Wales	45.00	07/27/07	45.00
Town	West Seneca	50.00	08/03/07	50.00

* As reported by the Assessor. Section 305-2 of the Real Property Tax Law requires that all real property be assessed at a uniform percentage of market value. (In Nassau County and New York City the uniform percentage is not municipal-wide, but applies to property classes). Most villages are not required to report a uniform percentage.

APPENDIX E - Estimated County Costs for 5,000 Properties per Assessor

Projected Costs for County to Assume Assessment Function - 5,000 Properties Per Assessor			
Number of parcels Countywide (actual)	366,317		
Future number of parcels to be assessed	369,000		
Number of parcels that need to be reviewed each year	<u>123,000</u>	(Assumed at 33.33% assessment rate per year)	
Allowing for travel, a more diverse customer base and so on, assumed that an average assessor can review:			5,000
Number of Assessors needed for Erie County (123,000/5,000) rounded up to the next whole number.			25
Junior Assessment Positions (assumed title - no such title exists)	\$ 50,000 Estimated salary	10	500,000
Assessment Positions (assumed title - no such title exists)	\$ 60,000 Estimated salary	8	480,000
Senior Assessment Positions (assumed title - no such title exists)	\$ 70,000 Estimated salary	6	392,000
Director of Assessment Position	\$ 90,000 Estimated salary	1	90,000
		25	1,462,000
Cost of Assessors			\$ 1,462,000
Rounded to 1/2 clerk per Assessor			12.0
Jr Assessment Clerk Positions (assumed title - no such title exists)	\$33,000 Estimated salary	5	165,000
Assessment Clerk Positions (assumed title - no such title exists)	\$39,000 Estimated salary	4	156,000
Sr Assessment Clerk Positions (assumed title - no such title exists)	\$45,000 Estimated salary	2	90,000
Assistant to the Director (assumed title - no such title exists)	\$50,000 Estimated salary	1	50,000
Costs of Assessment Clerks - Salaries Only		12	461,000
Cost of Clerical Assistance for Assessors			\$ 461,000
Three Assessment Review Boards (See Appendix G)			\$ 613,262
Costs of Equipment, supplies, outside consultants and other items (estimated)			\$ 100,000
Annual Costs for the County to assume the Assessment Function (Not Including Fringe Benefits)			\$ 2,636,262
Current Annual Costs to the People of Erie County			\$ 6,534,587
Projected Annual Savings			\$ 3,898,325

This schedule does not include any of the costs needed to facilitate the transfer of staff or any reassessment that may be needed due to the adjustments of equalization rates.
 This schedule does not include the costs of fringe benefits.

APPENDIX F - Estimated County Costs for 2,600 Properties per Assessor

Projected Costs for County to Assume Assessment Function - 2,600 Properties per Assessor			
Number of parcels Countywide (actual)	366,317		
Future number of parcels to be assessed	369,000		
Number of parcels that need to be reviewed each year	<u>123,000</u>	(Assumed at 33.33% assessment rate per year)	
Allowing for travel, a more diverse customer base and so on, assumed that an average assessor can review:			2,600
Number of Assessors needed for Erie County (123,000/2,600)			47
Junior Assessment Positions (assumed title - no such title exists)	\$ 50,000 Estimated salary	19	950,000
Assessment Positions (assumed title - no such title exists)	\$ 60,000 Estimated salary	15	900,000
Senior Assessment Positions (assumed title - no such title exists)	\$ 70,000 Estimated salary	12	840,000
Director of Assessment Position	\$ 90,000 Estimated salary	1	90,000
		<u>47</u>	<u>2,780,000</u>
Cost of Assessors			\$ 2,780,000
Rounded to 1/2 clerk per Assessor			23
Jr Assessment Clerk Positions (assumed title - no such title exists)	\$33,000 Estimated salary	10	330,000
Assessment Clerk Positions (assumed title - no such title exists)	\$39,000 Estimated salary	7	273,000
Sr Assessment Clerk Positions (assumed title - no such title exists)	\$45,000 Estimated salary	5	225,000
Assistant to the Director (assumed title - no such title exists)	\$50,000 Estimated salary	1	50,000
Costs of Assessment Clerks - Salaries Only		<u>23</u>	<u>878,000</u>
Cost of Clerical Assistance for Assessors			\$ 878,000
Three Assessment Review Boards (See Appendix G)			\$ 613,262
Costs of Equipment, supplies, outside consultants and other items (estimated)			\$ 100,000
Annual Costs for the County to assume the Assessment Function (Not Including Fringe Benefits)			\$ 4,371,262
Current Annual Costs to the People of Erie County			\$ 6,534,587
Projected Annual Savings			<u>\$ 2,163,325</u>

This schedule does not include any of the costs needed to facilitate the transfer of staff or any reassessment that may be needed due to the adjustments of equalization rates.
 This schedule does not include the costs of fringe benefits.

APPENDIX G - Estimated Costs for a County Board of Assessment Review

Estimated Annual Salary for a County Board of Assessment Review Board Member	\$	24,000
Cost for a Three-Member Board (annual)	\$	72,000
Cost for staff for an Assessment Review Board <i>(Not Including Fringe Benefits)</i>		
Assessor assigned to Board (Annual Salary)	\$	50,000
Clerk assigned to Board (Annual Salary)	\$	25,000
Cost of One County Board of Assessment Review <i>(Not Including Fringes)</i>	\$	147,000
Cost of two additional Assistant County Attorneys (Job Group 14 Step 3)	\$	122,262
Office Supplies Expense	\$	50,000
Cost for Three County Boards (Northern, Central and Southern Erie County)	\$	613,262