

Minutes of the Special Work session held at A.A. Cole Elementary School on June 18, 2008

Present: Andrew Kelsey – Supervisor
Daniel Buck, Richard Colesante, John Metzger – Board Members
Clare Haynes – Town Clerk
David Hastings – Oswego County Real Property Tax Services
Warren Wheeler – Assessor Town of Constantia
Colleen Abbett – NYS Real Property Tax
Jeff Bartholomew – NYS Real Property Analyst
Malchoff Davis – Village of Cleveland Mayor

Mr. Kelsey opened the meeting by explaining that the Town Board will first ask any questions that they might have. After they have been answered, they will take the questions that have been submitted in writing, and then questions from the audience.

Mr. Kelsey's question addressed a letter that the town received that indicated the town had an assessment ratio at 115.39%. Mr. Kelsey felt that this was unacceptable, far too high. Mr. Bartholomew explained when looking into the problem, the state sent the Town of Constantia a letter that was using the incorrect information. The letter is for towns that are not at 100% assessment. The letter was sent in error.

Mr. Hastings told the audience that he is aware that the tax system is a disaster, we need to work on it. The question is, are the assessments appropriate for the value of the property? He looked at all residential sales in Constantia from July 1, 2007 thru today, he only took into consideration "real sales" legitimate sales for Constantia there were 61. Out of those sales, the average sale was \$106,428 and the average assessment was \$104,990. Compare that to a year ago before the revalue, July 1, 2006 thru June 30, 2007 there were fewer sales, but average sales price was \$84,609 and the average assessment was \$47,378.

Mr. Buck asked the question, out of 22 towns and 2 cities, all but 9 are at 100%, are those towns that are not at 100% the problem? If the equalization rate is doing what it should do, neither should be harmed, but they cannot guarantee that the equalization rate is correct. The state does not have the people they used to have to go into the field to estimate the value of properties, they do the best they can.

Mayor Davis asked why did the school taxes for the Town of Constantia double, when West Monroe's went down \$300,000.? Mr. Bartholomew restated the question by saying, if we do a reassessment, does our share increase? We cannot answer that question. We can say the Town of Constantia in the year 2000 paid 22% of the school levy, the percentage slipped each year and in 2006 we paid 18.27%. After the reevaluation the town is back up to 21% back to where it was in 2001.

Mr. Colesante asked if the plight of the taxpayer can be helped. The only way to do this is to make sure the state does the equalization rate correctly to make the tax burden fair for everyone. Mr. Colesante also asked the taxpayers what they would like to see, maintain the 100% assessment by doing it annually or by doing it every three years. Of course if it is done every three years, there could be a bigger jump if the values go up every year, then we will have a problem. Mr. Wheeler said there are pros and cons with going with the three year plan, the biggest problem will be if the market is in an

upturn, then you could have a double digit increase instead of a 4% increase like this year.

The good thing about going to 100% assessment is that there is a better handle on what is happening in the town. Mr. Wheeler found 3 million dollars worth of properties that were never on the tax roll. Most of these were from building permits not issued or not acted upon. You must remember the Town Board has no idea what is happening out there, there are no check and balances, Mr. Wheeler is watched under a microscope.

Mr. Kelsey indicated that he would not want to lose our data, to let it go three years that would be risky. To do that now when values might decline, this is when we would be able to get the benefit. Mr. Kelsey does not want to opt out, but still feels we are on the high side. Mr. Wheeler would like to see a mandated cycle so all is the same and then there would not be a shock. Gave an example of person living in West Monroe sold home, moved to Hastings, 100% assessment purchased a house for less but still pays more for taxes. The only place that has the power to level the playing field is Albany.

Douglas Babcock, Bernhards Bay:

We purchased our home for \$42,000, nine months ago, why are we assessed for \$64,000 now? We thought we would have been assessed at what we paid for it. Mr. Wheeler answered that you purchased it in 8/07, prior to the re- evaluation. There was no time to go to grievance, there might be something wrong with the inventory Mr. Wheeler is willing to go inside the home to make note of any problems.

A question was raised about the grievance form, people must understand that form is a general form that is issued from the state. If insufficient data box is checked that only means that the Board of Assessment Review did not agree with the information that you gave them. Mr. Bartholomew added that the Board of Assessment Review is really a “jury” if the documents do not convince the board then there is not sufficient data.

Why are the same people on the board? The board members have a five year term. Mr. Buck stated that they did advertise for members, nobody came forward. We are short one member, if someone wants to be on the board, just let us know.

Pauline Griffin, Bernhards Bay:

How come my house was assessed at \$55,000 for previous years and has now been re-assessed for \$118,200? That was the 2006 assessment, 2007 you were readjusted for houses in your area at a 3% trend.

Richard and Marlene Barry, Bernhards Bay:

Since lakefront owners are already assessed more than any other taxpayers in the town, how was it fair that they were the only ones to be assessed 4% more this year. Wouldn't it be FAIR if all taxpayers in the town paid an equal increase, instead of 4% for some, 2% for others and 0% for still others? After all, lakefront owners already carry the majority of taxes. If you take two identical properties one on the water and one not, the lakefront will be more valuable. People will pay a premium to live on the water. Not all properties increased at the same rate.

How did you arrive at 4%? What did you base this on? All we see is for sale signs and read that the market is so poor, nothing is selling. The trend was sales from July 1, 2006 thru June 30, 2007, it is hard to use the assessment calendar, as it is a year behind. Compared to the national market we are not going down, we are holding our own. There are 52 houses and 39 properties for sale right now and they are asking for more than they are assessed for.

What exactly is “trending” and who came up with it? Does this mean that if the trend goes down 7%, our assessments will decrease 7%? Yes, trending does mean that if the market goes down, assessments will go down.

Will you revalue our property once water comes? How much will you raise it? Will it be the same for everyone? The values should go up, but we have to wait for the sales to show the increase.

What is the difference between average, good and economy, and how do you determine the rating? What effect does that have on the assessment? Average means it meets code requirement, good means it has upgraded items and economy is items at a lesser grade. Does a house depreciate? It will after a number of years (75 to 80) if a house has not been maintained.

Patricia Holihan, Cleveland:

How can a house with 2 bedrooms and 1 ½ baths above grade and a partially finished basement, be assessed as a 5 bedroom 3 ½ bath house? Ms. Holihan had her house appraised and the appraiser indicated that you cannot count anything below grade. Mr. Wheeler told her that the rules are different for an assessor vs. appraiser, banks won't look at anything below grade, assessors will, the same goes with acres, banks only look at 5 assessors will look at the total number.

How can the value of a house appraisal go up \$8,100 in one year without any improvements and a “down” real estate market? It is the trending, this area is not experiencing a down market right now.

A question was asked on how the Board of Assessment Review was trained? The answer to that is the term for the Board of Assessment Review is a five year term, they only have to be trained every five years, the Town of Constantia members have attended training every year. Mr. Gilkey is on the Board of Assessment Review and is also the Planning Board Chair, how is this not a conflict of interest? Our attorney has looked into it and it is not. Mr. Bartholomew will look it up to be certain.

Seasonal property owners feel they will be taxed out, these owners think the Town Board should be able to give them some kind of exemption, because this is usually considered a second home, normal exemptions do not apply.

What about erosion? If you do a survey and you can prove you have lost land, then yes Mr. Wheeler can adjust.

How does a house ½ a mile away have an effect on my property? You must remember to compare like properties, water to water, ranch to ranch. Areas are affected also, village to village, town to town.

Joe Sluzar:

How do taxpayers get information that the state passes down to the assessors about the percentages the properties are to be increased by? Where can we get that information? The information comes from property sales, the properties that have sold. There is not a website on the state level. The Oswego County website does have the information.

Mr. Hastings stated that this is not unique to Constantia, it is a problem all over the state. Even though this is an unpleasant meeting, I am glad you're here, there is a dramatic change on the state level coming. In 11 years that I have worked in this office, I have seen more movement since January to make some changes to the system. In the last two to three months, the top man has gotten a lot of mail regarding Constantia he knows the situation.. Mr. Hastings understands there will be a lot of change across the state, the policy is being attacked in a different way. He feels there will be a uniform standard, it should be 100%, and these changes should happen within three years. Hopefully this will solve some of our problems like Cicero. He is happy to come anytime and discuss the issues and please let Albany know of your concern with the system..

A question was asked if Mr. Wheeler knows the percentage of properties that the Board of Assessment Review made changes to. Mr. Wheeler does not have that figure yet, he will have it by the July 15, 2008 Town Board meeting.

Brenda Ko:

Ms. Ko wanted everyone to know that she is a member of the Board of Assessment Review and they do look at all the information that is given to them, but they must stick to the calendar that the taxation department uses. They do need to be fair to everyone and nobody was rubberstamped.

At 10:05 the work session ended.