

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: REAL PROPERTY TAX SERVICES

DATE: FEBRUARY 27, 2012

COMMITTEE MEMBERS PRESENT:

SUPERVISORS MONROE
BENTLEY
LOEB
DICKINSON
MCDEVITT

OTHERS PRESENT:

LEXIE DELUREY, DIRECTOR OF REAL PROPERTY TAX SERVICES
DANIEL G. STEC, CHAIRMAN OF THE BOARD
JOANN MCKINSTRY, ASSISTANT TO THE COUNTY ADMINISTRATOR
MARTIN AUFFREDOU, COUNTY ATTORNEY
JOAN SADY, CLERK OF THE BOARD
KEVIN GERAGHTY, BUDGET OFFICER
SUPERVISORS FRASIER
MASON
STRAINER
TAYLOR
THOMAS
WESTCOTT
WOOD
MICHAEL SWAN, COUNTY TREASURER
TERI ROSS, TAX ASSESSOR FOR THE TOWN OF QUEENSBURY
GEORGE J. STEC, TOWN OF QUEENSBURY RESIDENT
JON ALEXANDER, *THE POST STAR*
THOM RANDALL, *ADIRONDACK JOURNAL*
CHARLENE DiRESTA, SR. LEGISLATIVE OFFICE SPECIALIST

Mr. Monroe called the meeting of the Real Property Tax Services Committee to order at 10:03 a.m.

Motion was made by Mr. Bentley, seconded by Mr. Dickinson and carried unanimously to approve the minutes of the previous Committee meeting, subject to correction by the Clerk of the Board.

Privilege of the floor was extended to Lexie Delurey, Director of Real Property Tax Services, who distributed copies of the agenda to the Committee members; *a copy of the agenda is on file with the minutes.*

Commencing the agenda review, Mrs. Delurey requested authorization for corrections to the tax rolls from the County Treasurer's Office, as attached.

Motion was made by Mr. Bentley and seconded by Mr. Loeb to authorize the corrections to the tax rolls as presented.

Mr. Loeb asked for clarification on the term "chargeback of taxes" and Michael Swan, County Treasurer, explained there was no actual refund to the property owner as a chargeback was merely an amendment to tax ledgers. He further explained a chargeback was resultant of a correction by the tax collector and a new corrected tax bill had been issued to the property owner. A brief discussion ensued.

Mr. Monroe called the question and the motion was carried unanimously to authorize corrections to the tax rolls from the County Treasurer's Office as presented. *A copy of the resolution request form is on file with the minutes and the necessary resolution was authorized for the March 16, 2012 Board meeting.*

Mr. Monroe stated the next item was a request to delete taxes on Tax Map Parcel No. 285.20-1-56 in the Town of Lake Luzerne in the amount of \$311.13 as requested by the County Attorney's Office. He explained the parcel had been created in error in 1970 for an unknown owner. The parcel was taken in foreclosure by the County in 1979, he continued, and later sold during the County Land Auction. He added the owners of this parcel and Tax Map Parcel No. 285.20-1-54 came to an agreement to merge the two parcels into one in order to correct ownership.

Motion was made by Mr. Loeb, seconded by Mr. Dickinson and carried unanimously to approve the request to delete taxes on Tax Map Parcel No. 285.20-1-56 in the Town of Lake Luzerne in the amount of \$311.13. *A copy of the resolution request form is on file with the minutes and the necessary resolution was authorized for the March 16, 2012 Board meeting.*

Pertaining to the first pending item, Mr. Monroe said the revisions to the Terms of Sale for the County Land Auction were placed on hold until after discussions were held with the County Attorney's Office pertaining to the Request for Proposal (RFP) for the Auctioneer. Mrs. Delurey stated the RFP would be drafted and the Terms of Sale determined following the receipt of the bids.

Concerning the second pending item, Mr. Monroe apprised this involved obtaining an estimate from environmental engineers regarding the costs of phase 1 and 2 contamination evaluations. He asked Mr. Taylor if he had contacted the Adirondack Gateway Council regarding possible grant funding. Mr. Taylor reported he had spoken to Ed Bartholomew, Director of Economic Development for the City of Glens Falls, and had determined the project would meet the criteria of an Environmental Protection Agency Grant application which had been submitted. Mr. Taylor added notification of award was anticipated for June of 2012. Mr. Monroe informed he had contacted Jeffery Tennyson, Superintendent of the Department of Public Works (DPW), regarding the possibility of DPW labor being utilized to complete the phase 1 evaluation. He said the DPW was currently overburdened and would be unable to complete the evaluation in the near future.

Mr. Monroe stated the next pending item regarded a request for a boundary line agreement to convey property owned by Warren County to North Creek Woodworking. Mrs. Delurey informed she had discussed the item with the County Attorney's Office and they suggested it be removed from the pending item list until additional research was completed.

Mr. Monroe pointed out the last pending item was to discuss the proposed increase to senior income levels for tax exemptions. Mrs. Delurey said information had been included in the agenda packet, such as the Current Aged (senior) Income Chart, the Proposed Aged Income Chart and an Estimate of Impact Chart which detailed the impact to each Town and the County. She noted the current senior income sliding scale started at \$18,000 or less per year and the proposed sliding scale would begin at \$29,000 or less. She explained she had forwarded information to Teri Ross, Tax Assessor for the Town of Queensbury, who used the data to create the Estimate of Impact Chart.

Ms. Ross advised that Warren County had not increased the income levels for seniors since 2005 for the 2006 tax rolls. She noted that although the cost of everything had increased significantly, the average income of seniors had remained approximately the same. She added it was becoming more difficult for senior citizens to pay their property taxes and remain in their homes. She presented an example of a senior couple who lived in the Town of Queensbury in a home assessed at \$160,000 and had a combined annual income of \$26,422 which currently made them ineligible for the senior exemption. She added the couple paid annual property taxes of \$2,652 which was in excess of 10% of their annual income. Ms. Ross said the State frequently increased the allowable income level for senior exemptions which was currently a maximum of \$29,000 for a 50% exemption. She advised this maximum was the amount the proposed charts were based upon.

Pertaining to the Estimate of Impact Chart, Ms. Ross explained the Chart was calculated based on the current number of seniors who qualified for the exemption as there was no way to determine how many additional seniors would qualify after the increase. She continued by saying that in the Town of Queensbury they tracked the number of seniors whose income levels were too high to qualify for the current income exemption; therefore, she added, the information for the Town of Queensbury was the most accurate. She noted the last column of the Estimate of Impact Chart reflected the total County Tax increase per median residential property in each Town. She added this ranged from \$.06 per residence in the Town of Johnsbury to \$3.70 per residence in the Town of Queensbury. In answer to the question if the amount listed was per \$1,000 of assessed value, Ms. Ross replied in the negative and stated the amount was per residence and was an estimate based on the median residential assessment for each Town. She stated the Town of Queensbury was proceeding with increasing the senior income levels as proposed for the County. She apprised that if the County imposed the increase followed by the individual Towns, it was likely that the school districts would follow suit.

Motion was made by Mr. Loeb and seconded by Mr. McDevitt to approve proposed increase in the Real Property Tax Exemption Limit for persons 65 years of age or older in combination with sliding scale increment levels of exemption, as presented, and set a Public Hearing for same.

Mr. McDevitt thanked Ms. Ross, Mrs. Delurey and Chairman Stec for their efforts in initiating the process of increasing the income exemption for seniors. He said he was surprised at the minimal dollar amount of impact per residence. He noted the estimate per residence in the City of Glens Falls was \$1.25 for County taxes. He stated it was the socially responsible action for the County to adopt the increase and added it was the responsibility of elected officials to assist senior citizens in retaining their homes. He noted there would be un-calculated savings in that these seniors would be able to stay in their homes versus entering a County-owned assisted living facility or other Social Services based programs. Mr. Dickinson asked about the age requirements for the senior exemption and Ms. Ross replied that at least one of the property owners was required to be 65 years of age or older.

Chairman Stec said Ms. Ross had brought the need for an increase to his attention last Fall and when the minimal dollar amount was determined, it had been easy for him to champion the increase. He apprised the increase would benefit low income senior citizens who had paid property taxes for the majority of their lives. He added the impact was minor to median residential assessments within Warren County. He commented the increase would impact approximately 700-800 senior citizens by allowing them to retain their homes. He added the impact to the taxpayer was insignificant compared to the cost to the taxpayer for housing additional seniors at the Countryside Adult Home, for instance. He commented the average cost to the taxpayers to house 42 residents at Countryside Adult Home was \$500,000 per year and if they were able to keep nine senior citizens from having to reside at the facility due to losing their homes, then the increase in senior exemptions was worth the expense. He expressed this was the right thing to do for the senior citizens in Warren County, half of whom lived in the Town of Queensbury. Chairman Stec requested that the Committee approve the request so that a Public Hearing could be held at the April 20, 2012 Board meeting. He added the Town of Queensbury would hold their Public Hearing in March and he anticipated the proposed senior exemption increase would be approved.

Mr. Monroe pointed out that both the Current Aged Income Chart and the Proposed Aged Income Chart reflected a sliding scale for exemptions up to 50%. Mrs. Delurey noted each jurisdiction in New York State had the option to have the sliding scale stop at the 20% exemption or to continue the scale to include 5%. She added the current sliding scale stopped at the 20% exemption. Mr. Monroe asked if the Assessor's Association had taken a position on this issue and Ms. Ross replied in the negative. Mrs. Wood stated the proposed increase involved minor figures which appeared to have

a minimal impact on the taxpayers; however, she pointed out, this proposal would not exempt the single parent families with low household incomes who were also having a difficult time staying in their homes. She said although the impact was low, the single parent families would pay a higher property tax in order to adopt the proposal.

Mr. Strainer inquired as to the process for qualifying for the exemption and Ms. Ross replied the seniors were required to bring in all of their income statements each year in order to qualify. Mr. Strainer asked the amount of savings anticipated for each senior and Mr. Monroe responded based on his calculations, the amount saved would vary by town. Chairman Stec explained that in the Town of Queensbury the current tax rate was \$4.507 per \$1,000 of assessment and a senior whose income was \$29,000 would receive a 50% exemption or \$2.254 per \$1,000 of assessment. He added the savings would be approximately \$300 to \$400 for most median residential assessments in the Town of Queensbury.

Discussion ensued.

Mr. Westcott thanked Chairman Stec for his efforts and noted he could not think of a more worthy group to receive a property tax exemption than our senior citizens. He asked if the possibility of exempting other low income groups had been researched and Ms. Ross explained that Real Property Tax Law did not allow for exemptions to other groups of citizens. Mr. Monroe noted veterans also received a property tax exemption and Ms. Ross said the veterans exemption had been increased to the maximum a few years prior. Mr. Westcott asked the Committee to consider making the increase revenue neutral by finding other means of reducing the County budget. Mr. McDevitt opined any attempt to make the increase revenue neutral would make it more difficult to accomplish. Chairman Stec commented that, legislatively speaking, making the increase revenue neutral would be problematic, if not impossible. He noted the goal was to reduce the budget whenever feasible. Mr. Strainer pointed out a scenario where a senior couple could possibly claim two residences for exemption by filing single tax returns and Ms. Ross explained there were safeguards in place to ensure that didn't happen. Ms. Ross added they requested identification such as voter registration cards, vehicle registrations and income documents. Mrs. Delurey noted that reports were run at the County to determine if residents were "double dipping" on tax exemptions.

Mr. Taylor asked the Committee to keep in mind the unintended consequences of increasing the senior exemption income levels. Mr. Mason questioned if this was being based on the current information which included senior citizens with an income level of less than \$23,688 and Ms. Ross affirmed. He noted there were many seniors with income levels between \$23,700 and \$37,399 who would now qualify for the exemption. He added the estimated impact of \$3.70 per residence in the Town of Queensbury was based on the current information which meant it was the minimum impact per residence. Ms. Ross reiterated that in the Town of Queensbury they tracked seniors whose income level was above the current exemption rate; therefore, the estimate for the Town of Queensbury was the most accurate. She noted the 320 senior citizens listed on the chart for the Town of Queensbury included approximately 150 seniors who would qualify under the proposed increase.

Discussion ensued.

Mr. Monroe said if the Town of Queensbury's estimate included an additional 150 senior citizens, which was almost double the current number that qualified, it was possible to double the current estimated impact for the remaining Towns in order to get a more accurate estimate. Mr. Bentley stated they had estimated the impact in the Town of Horicon which was approximately triple the \$.49 listed on the Estimated Impact Chart, but would still be less than \$1.50 per median residential assessment.

Pertaining to Mr. Westcott's request to make the increase revenue neutral, Mr. Thomas pointed out that the exemption would shift the tax burden from senior citizens to the remainder of the tax payers. He added it was not possible to make the increase revenue neutral as they were not discussing a dollar amount savings. For clarification purposes, Mr. Westcott asked whether decreasing one persons property taxes meant you automatically needed to increase someone else's and Mr. Swan explained that increasing the income level for senior exemptions merely transferred the tax burden to everyone else who paid property taxes. Mr. Monroe noted that even if the County was able to reduce the budget, the proposed increase could still raise the property taxes of certain individuals.

Chairman Stec reiterated that the proposed increase would assist 700-800 senior citizens to retain their homes. He added if 1% of those seniors were kept from needing the assistance of Countryside Adult Home, the taxpayers were spared the additional burden of housing them. Mr. McDevitt stated that although there was a transference of the tax burden, as an elected official he would choose to do the socially responsible thing and assist the low income senior citizens. Mr. Westcott asked about the impact to the school districts and Ms. Ross explained there would be no impact. She further explained that the school district taxes were the largest portion of the property tax bills and if they followed the County and the Towns with the proposed increase there would be a much greater impact for them. Martin Auffredou, County Attorney, noted each school district would need to adopt the increase by resolution. Mr. Monroe opined that adopting the increase at the County level would place more pressure on the school districts to follow suit. Mr. Auffredou asked if the purpose of the Public Hearing would be to introduce a proposed local law to increase the Real Property Tax Exemption Limit for persons 65 years of age or older and Mr. Monroe affirmed.

Following further discussion on the issue, Mr. Monroe called the question and the motion was carried unanimously to approve the proposed increase in the Real Property Tax Exemption Limit for persons 65 years of age or older in combination with sliding scale increment levels of exemption, as presented and to set a Public Hearing for same. *A copy of the resolution request form is on file with the minutes and the necessary resolution was authorized for the March 16, 2012 Board meeting. (Subsequent to the Committee meeting, the County Attorney advised that a local law would not be necessary as the increase could be adopted by resolution.)*

Mr. Auffredou stated a brief executive session was necessary to discuss matters pertaining to current litigation.

Motion was made by Mr. Bentley, seconded by Mr. McDevitt and carried unanimously that executive session be declared pursuant to Section 105 (d) of the Public Officers Law.

Executive session was declared from 10:52 a.m. to 11:15 a.m.

The Committee reconvened and Mr. Monroe noted no action was necessary pursuant to the executive session.

As there was no further business to come before the Real Property Tax Services Committee, on motion made by Mr. Bentley and seconded by Mr. McDevitt, Mr. Monroe adjourned the meeting at 11:16 a.m.

Respectfully submitted,
Charlene DiResta, Sr. Legislative Office Specialist