

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: REAL PROPERTY TAX SERVICES

DATE: JULY 29, 2014

COMMITTEE MEMBERS PRESENT:

SUPERVISORS MONROE
DICKINSON
MCDEVITT
MERLINO
BEATY

OTHERS PRESENT:

LEXIE DELUREY, DIRECTOR OF REAL PROPERTY TAX SERVICES
KEVIN B. GERAGHTY, CHAIRMAN OF THE BOARD
PAUL DUSEK, COUNTY ADMINISTRATOR
MARTIN AUFFREDOU, COUNTY ATTORNEY
JOAN SADY, CLERK OF THE BOARD
FRANK E. THOMAS, BUDGET OFFICER
SUPERVISORS BROCK
KENNY
SEEBER
TAYLOR
WESTCOTT
MIKE SWAN, COUNTY TREASURER
SHELLY VAN NOSTRAND, LEGAL ASSISTANT
DON LEHMAN, *THE POST STAR*
SAMANTHA HOGAN, LEGISLATIVE OFFICE SPECIALIST

Mr. Monroe called the meeting of the Real Property Tax Services Committee to order at 9:33 a.m.

Motion was made by Mr. McDevitt, seconded by Mr. Beaty 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, Ms. Delurey presented a request to amend Resolution 236 of 2014 to change the Terms & Conditions of Sale and Purchase Offer Memorandum to raise the buyers premium from 4.70% to 7%.

Motion was made by Mr. Dickinson, seconded by Mr. McDevitt and carried unanimously to approve the request as presented and the necessary resolution was authorized for the August 15th Board meeting. *A copy of the resolution request form is on file with the minutes.*

With respect to the New Business section of the agenda, Ms. Delurey stated Item A referred to the Last Chance Meeting/Auction List. She pointed out that the agenda included a packet of information listing the outstanding taxes owed for each parcel and indicated whether or not there was a current or prior Installment Agreement, as well the status of this agreement. She noted that it also included the dollar amount required to enter into an Installment Agreement, and she opined this would reduce the number of questions asked at the Last Chance Meeting. Additionally, Ms. Delurey advised a copy of the Tax Arrears Installment Payment Agreement was included in the agenda packet; she explained this document must be signed in order to enter into an Installment Agreement. She informed the Committee that this document included a section which defined default situations and the provisions available to remit payments to bring the Installment Agreement current.

Ms. Delurey noted that there were ninety-two parcels on the list for the auction and that thirty-one of the property owners had signed up to participate in the Last Chance Meeting. She noted in the next few days her Department would finish posting the properties to be included in the auction and she stated that following this work, she anticipated an influx of phone calls from property owners wanting to participate in the Last Chance meeting.

Mr. McDevitt asked whether there had been an increase in the number of properties included in the Last Chance Meeting from the prior year and Ms. Delurey replied affirmatively. She stated the number of properties this year was higher than usual. She noted there appeared to be a steady increase in the number of properties every year.

Mr. Beaty questioned why one of the properties listed showed that 2012 and 2013 taxes were owed, but nothing for 2014. Ms. Delurey explained when making payment for property taxes in arrears, the newest years had to be paid first. Mr. Monroe pointed out that many years ago, property owners had been permitted the ability to pay their oldest tax bills first to keep their property out of foreclosure status. He stated that although Warren County was opposed to it, the State had changed the law to dictate that property owners must pay their newest tax bills first. Mike Swan, Warren County Treasurer, clarified that in 1995 the State Legislature passed a Uniform Enforcement Act, which mandated that payments received would be applied to the newest tax bills owed and not the back taxes owed. Mr. Monroe stated that he believed this change had been unfavorable to property owners.

Ms. Delurey reminded the Committee at last years Last Chance Meeting it was suggested that the Office for the Aging (OFA) may have some programs and/or funding in place to assist senior citizens that were behind on their tax bills. She apprised following the meeting she had met with representatives of the OFA and they advised her their Office had no such program and/or funding available to assist in these cases. Mr. Monroe said he felt it was unfortunate that there was no assistance available because if the individuals lost their homes they would require assistance from the Department of Social Services (DSS). He mentioned previously there was a housing program available that individuals were referred to. He said this program required the property owners to deed their properties to a housing trust, and in return they received a long term lease; however, he said, he was unaware if these types of programs still existed in this area. Ms. Delurey pointed out a reverse mortgage could be an option to assist individuals. As an example, she said she was aware of a case last year wherein Thomas Clements, Esq., had assisted an individual with obtaining a reverse mortgage to prevent their home from being foreclosed upon. Mr. Monroe noted this was not an option for some individuals who attended the Last Chance Meeting, as the eligibility time frame had passed. Mr. Swan interjected there was a Housing Trust program available in the Adirondacks. He said he had referred individuals to Deanne Rehm, Assessor for the Town of Lake Luzerne, for assistance, as she was involved with this particular program.

With regards to the list of properties scheduled to be foreclosed upon, Ms. Delurey advised she had provided a current list of properties in the agenda; however, she said, the list would be revised following the Last Chance Meeting scheduled for August 11, 2014.

The last item on the agenda, Mr. Monroe stated, referred to comments from Ms. Seeber regarding prior taxes due. Ms. Seeber apprised a resident of the Town of Queensbury had reached out to her with concerns about how the prior taxes due were displayed on property tax bills. She explained because of the inconspicuous placement of the prior taxes due on the bottom right hand corner of the tax bill, the resident was unaware she had a past due amount for the year of 2012 in the amount of \$26; therefore, she said, the property had been included on the foreclosure list. She advised she had spoken with the County Treasurer's Office, the County Attorney and the County Administrator regarding this issue, as she felt there was a more suitable way to display the back taxes owed on the tax bills to make them more noticeable to residents. She stated she knew there were limitations with how the tax bills could be changed; however, she said, she felt some sort of modification could be made to make this area more visible to residents.

Paul Dusek, County Administrator, advised this was a concern of his, as well; however, he said, when he brought it up a few years ago he was told no changes could be made. He said considering the updates in technology he felt this was a valid issue that should be addressed at this time. He apprised the County Treasurer's Office had offered to transmit letters; however, he stated, he felt changes were required on the bill. He pointed out that the tax bills contained an abundant amount of information and he could understand how the prior taxes due in the bottom left hand portion of the bill could be overlooked. He said he agreed with Ms. Seeber that there had to be a solution to clearly identify this information on the bill so there was no way it could be overlooked. He noted in cases such as

the one Ms. Seeber referred to the individual would be responsible not only to pay the prior taxes due, but also numerous other fees, as well, because of the late payment. He advised he would be willing to meet with the other Departments to investigate additional ideas or possibly to re-design the entire bill. He commented with the changes in technology, he believed they must have the ability to address this, and said he felt a viable solution that would appease the taxpayers could be developed.

Mr. Monroe apprised he had observed bills from other municipalities that displayed the current amount due, as well as a breakdown of arrears by years. He said he believed designing a tax bill like this would provide a viable solution; however, he stated, he was unsure of whether it was legally permissible. Ms. Delurey stated she had a copy of a tax bill from another municipality that utilized the same State program as Warren County and had the prior tax notice in the bottom right hand corner, as well. She said the reason the prior tax notice was displayed there was because it was a receipt that should be mailed back to the resident. She mentioned she discovered the State program allowed for comments to be added underneath where the property tax breakdown was displayed. She said the municipality she spoke to included the following statement in this section: "Taxes from one or more prior levies remain due and owing when this statement of taxes was prepared. Payments of arrears should be made to the City at the above address. To determine the amount of arrears please contact the Finance Office. Continued failure to pay all taxes will result in the loss of your property". She stated they could amend their bills to include wording such as this or any type of wording deemed appropriate. She said she believed placing a statement in this area on the tax bills would prevent individuals from overlooking their balance. She pointed out the only other option was to forego utilizing the State program and consult with the Information Technology (IT) Department to inquire whether they could develop a program in-house that re-designed the entire appearance of the tax bill.

Mr. Dickinson questioned which Department generated the tax bills and Ms. Delurey replied the Real Property Tax Services Department generated them. He asked whether the font size could be changed in the area where the comments would be placed and Ms. Delurey responded in the negative; however, she said, all capital letters could be used to make it more visible on the bill. She apprised another municipality she spoke to said separate notices were generated by the County Treasurer's Office and given to the Town's tax collectors to include with the current tax bills that were being transmitted.

Ms. Seeber thanked Ms. Delurey and the County Attorney's Office for their assistance with this matter and added she felt there was a reasonable amount of concern to warrant looking into the matter. Ms. Delurey stated around fourteen years ago they started utilizing the State program that generated laser bills; however, she said; prior to this there was a section on the tax bills that displayed the date and dollar amount of the prior taxes that were owed.

Mr. Monroe apprised he felt including the prior years and what was owed the date the bill was generated provided the most appropriate solution. Ms. Delurey interjected the State program did not permit this type of format. She said she was unsure whether the IT Department could develop a program that would permit this, as she was unsure how the information compiled in the State program could be transferred to another program. She added she was concerned errors could occur if another program was utilized causing the past due amount to be reflected on the wrong tax bill.

Mr. Dusek suggested a meeting be organized with representatives from the various departments such as IT, the Treasurer's Office, Real Property Tax Services and the Chairman of the Committee to discuss an appropriate solution to this matter. Mr. Swan advised he was in favor of assisting the taxpayer; however, he said, since the dollar amounts changed on a monthly basis due to the additional penalty charges he felt the amount owed should not be included on the bill. As an example, he stated, if an individual paid the total amount that was due on January 1st in March they would be paying the incorrect amount, as additional penalty fees would have accrued. Mr. Monroe questioned whether this occurred with the base bill, as well and Mr. Swan replied he was unsure, as the Town's tax collector handled those. Ms. Delurey pointed out the base bill included the penalty schedule and the amount required as of particular dates. Mr. Swan advised he felt there should be some sort of notice included on the tax bill; however, he reiterated, because the dollar amount due changed from month to month he did recommend placing it on the bill.

As an alternative, he suggested including the County Treasurer's Office phone number on the bill with the notice so the individual could call them to inquire about the total amount due.

Ms. Seeber stated another concern of hers related to the fact that the County Treasurer had no authority to waive penalty fees in cases such as the one she referred to earlier, which occurred because of a rare circumstance. She apprised in this case the past due amount of \$26 had increased to over \$300 because the resident had been unaware there was an escrow account error. She said she felt it should be researched further to inquire whether some form of action could be taken to remedy this matter. Mr. Monroe pointed out there were other fees involved such as the abstracting, publishing and postage fees.

Mr. McDevitt queried whether Mr. Swan was concerned that a precedent would be established causing other residents to feel they are entitled to have fees waived for them, as well and Mr. Swan replied affirmatively. He explained he was sympathetic to the homeowner Ms. Seeber was referring to; however, he said, he was concerned with setting a precedent that others would come to expect. He added he would welcome any solution that did not set a precedent.

Mr. McDevitt asked whether the current system had the ability to identify any similar cases that had minimal balances due from prior years. Mr. Swan stated he had spoken to Mr. Dusek about the possibility of the County Treasurer's Office transmitting a courtesy letter in the summer informing individuals to contact the Treasurer's Office to take care of their outstanding balance. An alternative solution, Mr. Swan advised, was to have the IT Department alter the program to provide information on accounts whose balances were below a certain amount, as the current program did not have this capability. Ms. Delurey pointed out a similar situation occurred on a property that was included in the Last Chance Meeting last year. She said the homeowner made partial payments because they could not afford to pay the entire amount, leaving a balance of about \$250; however, she said, because of the additional fees the balance ended up over \$500.

Martin Auffredou, County Attorney, stated he was willing to meet with Ms. Delurey and the County Treasurer to discuss developing a system of scenarios wherein the County Treasurer would have the authority to waive the fees. He pointed out his Office, as well as the County Treasurer's Office and the Real Property Tax Services Office all spent a substantial amount of time and effort reviewing all of the parcels included in the Last Chance Meeting to ensure the County was in compliance with the statutes set forth in Article 11, as well as the Counties policies and procedures. He said careful consideration and concern should be taken with regards to the amount of money the County would lose if the fees were waived under specific circumstances. He reiterated he was willing to meet with all interested parties to develop different scenarios that would qualify an individual to have the fees waived.

Mr. Monroe advised he agreed with Mr. Auffredou that careful consideration needed to be taken with regards to waiving the fees, as there was a substantial amount of time and expense incurred by the various Departments in addition to the abstract, publishing, and postage fees. Mr. Merlino questioned whether the prior taxes due could be displayed in a red font to make it more obvious and Ms. Delurey replied in the negative. She explained the color printer in her Office was not equipped to handle such a large volume of tax bills, as it was a desktop ink jet printer. She added she was unsure of whether the program they used would permit the font color to be changed. Mr. Dusek advised if it was determined this was an option they would like to pursue further they could research whether this was feasible.

Mr. Merlino suggested placing the prior taxes due amount above the total taxes due, as he felt this would make it more visible to individuals. Ms. Delurey reiterated the State program had the capability to place a note in capital letters in the area where the breakdown of the taxes was on the middle of the page informing individuals to please contact the County Treasurer's Office to confirm the exact amount of prior taxes due. Mr. Merlino advised he did not feel this would be effective, as individuals would only review the bill portion of the statement. It was the consensus of the Committee that the County Attorney would meet with the County Administrator, the County Treasurer and the Director of Real Property Tax Services to discuss and develop recommendations regarding

the matter.

Mr. Auffredou requested the Committee consider setting one date that all taxes would be due sometime at the end of August or early September for anyone who was granted an extension at the Last Chance Meeting on August 11, 2014. He said he believed this was necessary considering the amount of time and effort necessary to get the required paperwork filed and a judgement assigned. He pointed out every year the process seemed to become increasingly complicated, as more individuals were answering the petition either in person or by way of legal counsel representation.

Mr. Monroe questioned whether Mr. Auffredou had a specific date in mind, as it would be helpful to know prior to the Last Chance Meeting and Mr. Auffredou replied affirmatively, recommending that August 31, 2014 be the deadline granted for all extensions this year. Mr. Monroe questioned whether the date of the Last Chance Meeting could be moved back to provide more time for individuals requesting extensions and Ms. Delurey replied in the negative. She explained if the date of the Last Chance Meeting was pushed back her office would not have sufficient time between the last day to redeem and the meeting to post notices on the relevant properties. Mr. Swan pointed out this notice informed individuals that had been unable to redeem their property they could notify the County if they wanted to attend the Last Chance Meeting to discuss what other options may be available to assist them. Mr. Monroe reiterated his concern that the time between the Last Chance Meeting and August 31st would not provide a sufficient amount of time for individuals to come up with the necessary funds or have an alternative solution in place such as obtaining a reverse mortgage or selling their property. He suggested a letter be forwarded to individuals earlier in the process to clarify if they don't take some form of action they were in danger of having their property foreclosed upon by the County.

Mr. Swan pointed out if an extension was granted through the end of September the individual would actually have another year to pay their taxes, as it was past the deadline for the County Attorney's Office to include the property in the paperwork to obtain a judgement. Mr. Auffredou advised he was willing to take whatever course of action the Committee would like; however, he said, he mentioned the possibility of setting a date because he wanted the Committee to be aware of the amount of time and effort his Office exerted in the process.

As there was no further business to come before the Real Property Tax Services Committee, on motion made by Mr. Dickinson and seconded by Mr. McDevitt, Mr. Monroe adjourned the meeting at 10:14 a.m.

Respectfully submitted,
Samantha Hogan, Legislative Office Specialist
As typed by Sarah McLenithan