

**SPECIAL MEETING OF THE TOWN BOARD OF
THE TOWN OF NEW HARTFORD, NEW YORK,
HELD AT BUTLER MEMORIAL HALL IN THE VILLAGE OF NEW
HARTFORD ON WEDNESDAY, JUNE 11, 2003 AT 9:30 A.M.**

The Town Supervisor called the meeting to order at 9:30 A.M. and led those in attendance in the Pledge of Allegiance to the American Flag. The roll was then taken with the following Town Officials and Department Heads being present during the progress of the meeting:

TOWN BOARD MEMBERS: Councilman Donald C. Backman
Councilman John C. Waszkiewicz III
Supervisor Ralph B. Humphreys

ABSENT: Councilman David W. Butler
Councilman Richard B. Woodland, Jr.

OTHER TOWN OFFICIALS: Assessor Paul Smith
Police Chief Raymond Philo (arrived at 9:57 A.M.)
Deputy Town Clerk I Margaret M. Jones

OTHERS: Attorney for the Town, Vincent Rossi, Jr. (arrived at
9:36 A.M.)

Thereafter, a quorum was declared present for the transaction of business.

PROPERTY ASSESSMENTS

Assessor Paul Smith presented a report on the recent property assessments, explaining how the properties are assessed and explained the data contained on the report. Councilman Waszkiewicz further explained that the purpose of the Committee meeting is so that the members could be prepared with questions for the representatives from the State when they arrive. The Assessor explained that sales diagnostic data from the period of October 1, 2001 through September 30, 2002 was compiled and then given to the New York State Office of Real Property Services, which the state then reviews and gives suggestions, based on this compilation, to the Town of New Hartford. The ratios are set within the State's parameters. The acceptable ratio is five (5); above five (5) means that an adjustment needs to be made to create equity. The Assessor further said that the State would not change the five (5) per cent figure. It is the belief of the Assessor that the way the assessments are being done currently is the most accurate. By throwing out the three (3) highest sales and three (3) lowest sales in a particular neighborhood produces the sales, which are more reflective of the market. Vincent Rossi, Jr., Attorney for the Town, asked the Assessor if the definition for a "neighborhood" is available somewhere. The Assessor stated that it was. The Assessor further explained that the Village of New Hartford was its own neighborhood; commercial properties were classified under another neighborhood and that Condominiums, etc. were still classified as another neighborhood. This classification is done so that equity can be kept consistent.

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The Attorney for the Town further asked the Assessor if a business in Washington Mills is grouped with a Commercial Drive business. The Assessor responded "yes", but went on to explain that adjustments would be made.

Attorney Rossi questioned the diagnostic sheet. The Assessor explained that a comparison was made between assessed value and actual market value. The assessed value was taken from last year. In regards to this Program, the Assessor added that, in essence, the State controls everything. The State tells New Hartford what rate needs to be adjusted for the assessed value. The State has the power to establish equalization rates.

Since the last time the assessment was completed in 1990, the Assessor explained that, regarding property in the Village, a lot of discrepancies were found. Attorney Rossi had questions on the Assessor's data collection and asked for a further explanation; which the Assessor gave him. The Assessor further explained that the State has an option called "trending", which allows for adjusting specific neighborhood values.

The Assessor explained that a model based on current market value is created and then the contractor goes out and does appraisals.

A discussion was held regarding the fact there is the possibility that some neighborhoods, which were on the schedule this year could possibly be on next year's schedule when the diagnostics are completed again for next year. The Assessor stated that he thinks that the State does not have anything in the plan as a contingency or reaction to this situation.

Councilman Backman stated that the Town couldn't continue doing litigation year after year after year. The theory was designed to create equities. The Councilman asked Attorney Rossi if the Town should insist that the State accept the judicial process of evaluating. Councilman Waszkiewicz interjected that the Town should lobby. Attorney Rossi asked the Assessor if the Town had the right not to participate in this Program. The Assessor stated that the Town did not have to participate.

If New Hartford opts out of the State Program, the Town will not have one-hundred (100%) per-cent equalization. Attorney Rossi stated that perhaps there should be some asterisk placed by those properties that rates had been lowered by grievance, small claims or certiorari proceedings. Attorney Rossi's real dispute is whether the judge or hearing officer was right or not when they put a value on property.

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OFFICE OF REAL PROPERTY SERVICES REPRESENTATIVE

John Ilacqua, Jr., Assistant Director, Central Region Operations, and John Whitaker, Real Property Analyst, both representing the Office of Real Property Services arrived at 10:30 A.M.

As was explained to Mr. Ilacqua and Mr. Whitaker one of the problems was accommodating judicial decisions.

Councilman Backman stated that certain parts of the Program are coming in with less than stellar results – after reassessment of property. A lot of cases go before grievance, then small claims and finally certiorari. The owners give one value, the Town gives another and then judges give another value.

John Ilacqua stated that State law stipulates that assessment stands for three (3) years, but if all indications show that an adjustment needs to be made that it will be done. Mr. Ilacqua continued that the Town and the owners of the property have to come to agreement over the value of the property. Mr. Ilacqua stated that the properties, if appraised by two (2) appraiser, should come within five (5%) percent of each other.

John Whitaker stated that if there is a stipulated agreement and appraisal accepted by both sides, that amount could be accepted. The Attorney For the Town stated that if there is a property assessed at Eighty (\$80,000,000) million dollars and then is dropped to Fifty (\$50,000,000) million and the following year that neighborhood is reassessed and the property is back to Eighty (\$80,000,000) million, what difference does an agreement with the Town and business make? Discussion continued between the Attorney for the Town and the State representatives regarding the process. Attorney Rossi asked why the State does not accept litigated results.

Speaking to John Ilacqua, Councilman Backman stated that when you have three hundred to four hundred (300/400) Small Claims, the process is not workable. You cannot lump Sangertown with residential. Councilman Waszkiewicz stated that the only time the property comes into the analysis is when they are sold.

Vincent Rossi, Jr., Attorney for the Town stated that you could have a situation – often had – that litigation reduces the value of property and then a comparable sales study is completed in the neighborhood and the property value is raised again. Another level of scrutiny to solve these problems is needed.

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Councilman Backman stated that real flaws exist in the Program. It is possible for some people to be visited in the six (6) year span at least once and others more than once and others less. This is unfair that some people are subjected repeatedly to re-evaluation. Councilman Backman stated that the Town does not want to be an adversary with the residents year after year.

Councilman Waszkiewicz stated that the part of the Program the Town is not benefiting from is that every property should be visited every year. The Town needs to get to a base line – town wide and start modeling and trending. After getting to a base line, then the Town would get tax peace.

The Assessor stated the Board has to make a decision as to what level the Town wants to proceed on.

Councilman Backman stated that certain events cause values to go up and down. Another condition could cause bank interest rates to be lower than ever. When interest rates fall the properties value might lessen also. John Ilacqua stated that this is one reason to do an annual assessment. John Whitaker stated that by the number of grievances the Town received he gets the sense that the public is construing taxes going up due to reassessment.

Councilman Waszkiewicz explained to those that were in attendance that this year's assessments would be used for next year's budget.

New Hartford Village Mayor Donald Ryan stated that the Program has been in existence for three (3) years and the rolls have increased every year. The Assessor stated that he is required to file a report with the State every year. John Ilacqua stated that every time someone has an exemption someone else pays for it.

The Supervisor asked what the Town is doing wrong or right regarding these assessments. Councilman Waszkiewicz stated that the Town should reassess everyone every year. The Town needs to utilize the entire Program by moving to a baseline more quickly so that the Town can get to the portion of the Program called "trending". The Town is still building its tax equity. The Assessor stated that once every neighborhood has been adjusted, the Town will be able to trend.

The Attorney for the Town asked the State representatives if any neighborhood is less than ninety (90%) percent then the neighborhood will be re-evaluated. The State responded in the affirmative.

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Herbert Cully questioned the Assessor regarding Page 2 of the handout regarding residential assessment history. The Town Assessor stated that some of the property assessments had been lowered due to artificial adjustments through grievance. The artificial adjustment is by an outside body not the Town.

Mr. Cully asked if the Town is assessing the Town on a yearly basis. Mr. Cully was told that those neighborhoods that fall within the parameters are not being reassessed but those properties within a specific neighborhood, which fall outside the parameters, are being adjusted.

Councilman Backman stated that he "is not in love" with this Program but until something better comes on the horizon, and the Councilman doesn't see that happening, the Town has to accept it.

One gentleman, who would not give his name, questioned why assessment values within his neighborhood are being raised within a year or two. The answer could not be given him until the information for his specific area is looked at. John Ilacqua recommended that the gentleman go to the Assessors' Office to answer his question.

Cathy Lawrence (no address given) questioned about inflating prices in New Hartford. The property next to her property sold for One Hundred Thirty-One Thousand Nine Hundred Dollars (\$131,900) which includes Six Thousand Nine Hundred Dollars (\$6,900) in seller concessions. The Assessor explained that the concessions were lumped into the selling price and he would have no way of knowing that this was done. Ms. Lawrence questioned how the assessments on Imperial Drive could rise so high. John Ilacqua stated that Cathy Lawrence should go to the Assessor with the figures so he could change them. Attorney Rossi stated that ordinarily the attorney for sellers would make an effort to change the figures. John Ilacqua explained to Ms. Lawrence that if the figures are not broken down, there is no way the Assessor can be aware of them.

Noreen Reubian, 27 Oakwood, asked why the Town goes in and picks certain neighborhoods and does not look at the whole town to see where assessments are. By doing neighborhoods, Ms. Reubian feels that the Town is being selective. Change only those property values that need to be adjusted up or down. Her thoughts are to raise the property assessment across the board five (5%) percent. Ms. Reubian resents paying earlier. Ms. Reubian believed that the Town cannot implement a Program of this magnitude with the work force the Town has available to them.

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Councilman Waszkiewicz believes that the sooner the Town gets to the base line the better the Town will be. Attorney Rossi asked if every house in a selected area is re-evaluated. Assessor Smith stated they are looked at to see if they need to be adjusted. Herbert Cully talked about the vacant lots by the school, but the Assessor stated that the Contractor did the evaluation using a different method.

John Ilacqua explained that the State eliminated notification notice of assessment changes when they went to the annual assessment and perhaps this form or some other similar form should be sent the property owners when re-assessments are completed.

Noreen Reubian asked if the school taxes are reflected on the assessment. Councilman Waszkiewicz stated that the school taxes are based on the school budget. Councilman Backman added that we all know that the school taxes have the following problems: (1.) School Districts have their own problems and (2.) The Districts do not know what their income is; they project their budget. The Assessor needs to clarify if the Town wants to get off the Program.

John Whitaker stated that the State did not mandate this program. The Town decided to enter this Program. Mr. Ilacqua said that Statewide about one-third (1/3) of the towns in the state have enacted this Program. Councilman Waszkiewicz stated that two (2) reasons for getting into this Program were (1.) reimbursement from the State of Five (\$5.00) Dollars a parcel; which totals Fifty-Five Thousand (\$55,000) Dollars. The Town opted to go with the six (6) year plan. Councilman Backman stated to Councilman Waszkiewicz that the figure was closer to Forty-Five Thousand (\$45,000) Dollars.

Cathy Lawrence questioned why her house appraisal went up Twenty-Five Thousand (\$25,000) Dollars in one year. Ms. Lawrence believes the Town is dealing with garbage in and garbage out.

Attorney Rossi stated that this Program is based on actual sales. Should everybody else use it? People underassessed have an inequity as well as those being over assessed. Councilman Backman stated that when looking at problems, the Town has to make a decision when the solutions are few. The Town wants fair assessments.

Town Supervisor Humphreys asked if the Town is giving this Program a fair chance or do we need more people to help implement it properly. Do we have enough manpower? John Whitaker stated that the Town is doing pretty good in comparison to other areas on the Program.

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Cathy Lawrence stated that the Town should have more information on the web site for the Town. The Town could have avoided all of this by letting people know, she said

New Hartford Village Mayor Donald Ryan stated that the Program has changed drastically in three (3) years. John Ilacqua stated that the Program has changed somewhat due to better software. The Program has improved. Mr. Ilacqua commended the Town on what has been completed. It looks like the Town is maintaining a one hundred (100%) percent level; although Mr. Ilacqua does admit that the notice does not give the taxpayer enough information.

The Assessor's main concern is when to do re-evaluation...start data collection one (1) year ahead of time. Assessor Smith needs to adjust the contract. John Ilacqua asked how good is our data? We need to clean up neighborhoods and data. John Whitaker stated that it is important to have correct data on sales. The Supervisor stated that the Town needs to get more accuracy and time. The Assessor stated that another month would allow time for review.

Attorney Vincent J. Rossi, Jr. stated that if there is controversy about accuracy of property, why can't the Town at random pick twenty (20) properties, in one neighborhood and go out to have these properties assessed? Assessor Paul Smith does agree with the Attorney's suggestion but the Town needs to wait until small claims, etc. are completed. The Attorney for the Town doesn't want to check a corrected roll but want to check the raw tentative roll. Mr. Ilacqua stated the Town could do a random sample out of the tentative roll. John Ilacqua might be able to get the State to get a stratified list. Councilman Waszkiewicz suggested that the State's stratified the list be probably thirty (30) or forty (40) houses. The Assessor stated that this is a great ideally. We already know that some of our neighborhoods have pockets that the Town has problems in. If we do a stratified sample in the area we already know what about the areas we do not know.

The Assessor stated that the Town needs to get the Contract with contractor by July so he can start visiting properties in August. The Assessor stated that there is not enough continuity between the State Program and the State needs to know what the Assessor hears every day.

Councilman Waszkiewicz asked the Assessor when could the Town start modeling and trending. Councilman Waszkiewicz asked when will all the data be collected. The Assessor stated that it would be done within the next year or two.

The Assessor does not trend a neighborhood until the Assessor's Office has gone in and evaluated a property. John Ilacqua stated that when a municipality trends or re-appraises

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depends upon uniformity. Councilman Waszkiewicz stated that it is his consensus that the Town needs to get to trend as soon as possible. The Assessor stated that when the market is volatile, as we have seen, trending does not help. The most glaring mistakes have been corrected because they have been brought to the attention of the Town.

Councilman Backman thought that using this Program would solve problems, but the Program has created more problems. Attorney for the Town Vincent Rossi stated it would be easier for the Town if the Town had a base line that was accurate.

A suggestion was made that the Assessor needs to send out letters to get data from property owners stating size of home, number of rooms, etc.; otherwise, the property owners will not let people in or on their property. If they have this form, they may let them come onto the property.

ADJOURNMENT

There being no further business to come before the Town Board, upon motion duly made by Councilman Waszkiewicz, and seconded by Councilman Backman, the meeting was adjourned at 1:07 P.M.

Respectfully Submitted,

**Margaret M. Jones
Deputy Town Clerk I**