

Public Relations

Sue Otis (Assessor for the Town of Malta)

- **Introduction**

- My name is Susan Otis and I'm an assessor. I've been in the Town of Malta for 23 years; and I've been an assessor for almost 30 years. I have done three full revaluation projects and 12 years of annual reassessment.
- With regard to Public Relations, the most important thing for me is to develop a good relationship with my taxpayers. Sometimes, I'll tease to make my points. For example, I tell the taxpayers that I don't work on commission; and that I have no reason to over assess them. I tell them equity and transparency are very important to me.

- **Uniform Assessment Standard**

- In his talk, Paul Maniacek alluded to the new Uniform Assessment Standard. I was a member of the committee that formulated the new standard. A copy can be obtained at: <http://www.nyassessor.com/Uniform%20Assmt%20Stds.pdf>
- About 3 years ago, Assemblywoman Galef called for a blue ribbon committee to be commissioned. The committee was called the Assembly Real Property and Tax Committee, and one of its charges was to create a uniform assessment code that everyone would follow.
- Representatives from the State Board of the Office of Real Property Services (ORPS), the county directors and the Assessors' Association worked for several months on putting together these standards. This is really one of the first times it's been rolled out to the general public. I think it's going to be a great tool for town board members, for assessors, for anyone in the assessment community. And it will be a vehicle to educate the general public as to the way things should be done, to the highest standards that are out there.
- The new standard, first of all, and most importantly, calls for the use of current full market value assessments, instead of the use of fractional assessments (valuing property at some percentage of its market value).
 - The standard talks about the three approaches for determining market value: comparable sales, income, and cost; the mass appraisal process; and the need for assessment data to be collected the same way.
 - Uniformity and consistency are huge issues in our profession. I believe that we should look to our legislature to improve the laws in the state so things are done on a more consistent basis statewide.
- I'm a believer in using sales outside my town, if I have a lack of sales within my boundaries. But without a standard, there is no guarantee that another assessor is going to collect the data the same way I do or that they are going to verify sales as should be done. Without a standard, one always wonders how good the data from another town is going to be. But, if everyone was to use our new standard and to apply the principles and to collect data the same way, then I could be confident that that the sales information from another town was correct and I could use that information in my own valuation process.
- Sales verification is important because not every sale is a good sale. The sales information on the 5217 form isn't always accurate. If you're not putting good information into the computer, you're not going to get good values out when you use a computer in mass appraisal. So, to verify the information that is on that sales transfer is crucial, particularly with regard to waterfront property.
 - I have Saratoga Lake in my town, and often I will see a sale that just doesn't look quite right to me – it looks a little on the high side. And, upon investigation while verifying the sale, I find out that the boat, the furniture, the silverware, the lawn furniture, etc. were included in that sale. And, if those items are not pulled out of the

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- sale, then the sales price will be inflated. If that inflated number were used to determine the values of other parcels, their valuations would also be incorrect.
- The whole idea of the new standard is really to ensure uniformity and transparency. And, by transparency, I mean that all of the information pertinent to the assessment process is readily available to the general public. We have nothing to hide. All the information, all that data, should be able to be accessible by the public.
- Training for assessment officials is also crucial. As we all expect to have a trained doctor to operate on us, we should expect to have a trained professional determine the value of our home.
- The standard also calls for the assessing unit to provide the necessary support to the assessor so they can defend the assessments; and it calls for the assessing unit to supply the proper technology to the assessing function. For example, maintaining maps is required and current technology is needed when it comes to photography.

- **The Press**

- As I said earlier, the most important thing for me is to develop a relationship with my taxpayer. Once they get to know me, and they develop some level of trust, and they see that I have an explanation for where their values came from, and why we're doing reassessments, etc., they really do get it.
- Any time I begin a project, the first thing I do is to contact the press. They are a valuable tool. They can be very helpful if you tell them what you are going to do and why you are doing it. On the other hand, the simple use of the wrong terminology in the paper can shake up the public and take weeks of your time to straighten out. I also tell the papers that I'm planning to hold assessment workshops for the public.

- **Workshops**

- We hold workshops on a regular basis in my town hall, whether we're doing a revaluation or not. We have a lot of new families moving into our town. For example, the Global Foundries chip fabrication plant that is being built in Malta is bringing a lot of new folks to our area. A lot of these people are from outside the State of New York. If they are a first time home buyer or have not lived in New York before, they don't understand the intricacies of our assessment process. For example, they may not understand that they have to file to claim an exemption and then they are shocked when they get their first tax bill.
- We hold workshops on a regular basis just to walk people through real property tax law in New York State. We explain the assessment process, what the exemptions are all about, the timeline that the public has to work with, and what our job requires us to do. We have found these workshops to be really helpful.
- Our last full revaluation was done in 2008. So, the first contact we had with the public was in March of 2007 when we held our first workshop. We had press articles go out and we talked openly at town board meetings about the project.
 - We send out invitations to the workshops and we require reservations. We limit our workshops to 75 people. We'll hold as many workshops as necessary, evenings and weekends, until they are all completed. When we first started, we would get 10-20 people. As the project moved along, we would have 75 people and fill the room every single time.
 - We have workshops that cover about half a dozen topics and we conduct multiple instances of each during a revaluation.
 - The first workshop would be just a project overview and it would talk about our history of revaluation. Talking about the town's assessment history, where you are,

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where you've been, what you've done, and why you are at this point doing an additional revaluation, is very helpful to new residents.

- We talk about the current level of assessment. We talk about the data collection and verification processes; sales verification and neighborhood delineation.
 - Once the public understands that their neighborhood isn't necessarily just their four streets, they tend to be a lot easier on the assessor when they come in and take a look at what the costs are.
 - We explain that when we delineate a neighborhood by sales, by market, then a comparable sale can be a mile away. If we delineate a neighborhood by building style, we tell the public that a comparable sale can be five miles away.
- We talk about the informal hearings process and the whole grievance process.
- We go through the way taxes and budgets work. We explain to the taxpayer, that voting on the school budget is important. It is the school, town, and county budgets that are the source of the tax rate. We work very hard to explain to the public that the assessor does not create the tax rate or collect the taxes.
- We always include a critique sheet to find out how the public felt about the workshop. We ask things like:
 - "Did you learn something here today?"
 - "What questions did we not answer for you?"
 - "How can we improve our public relations program?"
- In summary, in our workshops, we give the public a whole overview of what they can expect in the coming year to two years.

• Mailings and Notifications

- In the workshops we also talk about the impact notice. One of the problems that we always have is that a lot of the mailings that are required by law are misleading. For example, folks typically don't understand that the impact notice is based on a levy that's a year old. So, if assumptions such as the budgets don't change are not correct, the assessment notification/disclosure notice will not be correct.
 - In our workshops, we go over the complete details of the disclosure notice and make sure people understand that it is not a promise. We explain to the public how the rates are calculated, where the bill comes from, what the levy is, and how the equalization rate works. The assessment process is very upsetting for a lot of people. It is important to try to make it as easy as possible, by giving the public all the information that is available.
- Please note that there are ways that one can amend the forms that are required to be sent out by law. If you believe that you have some special equalization issue or something that's going to mislead the public, add a couple lines to explain what it is that you are trying to convey.
- When we send out an unpopulated data mailer, one which has no information on it, we ask the property owner for their information. We gather a lot of information this way. Even when the form is populated, we ask "Have you completed a bathroom or a kitchen remodel in the last 10 years?" This type of information is important to get and it is easy thru the data mailers.
- We explain mailing notices, we tell the public when the help lines are to be open, and when the workshops are going to be held. We want to make sure that the public knows what's going on and when.
 - We explain in the notices that we have a call line and we explain how to use it. The public can use the call line to schedule an informal hearing or ask whatever

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assessment related question is on their mind. We have knowledgeable people handling the lines, people who can answer the public's questions and be helpful.

- We also include a glossary of terms. We have our own lingo in the assessment profession. So we publish the glossary and explain the information at a public workshop. We've found it very helpful to make sure the public understands terms like 'level of assessment', 'market value', and Swiss code'. Once again, the more information you give the public, the easier the whole process is.

• Websites

- One of the biggest public relations friends that I have is the website. I've found our town website invaluable during our revaluation cycles. I put everything on the website. The roll is out there, the tentative roll is out there, all the sales are out there. People can now look up their comparable sales, they can look at their neighbors, etc. The public loves it and it has drastically reduced phone questions and visits to my office.
- My town board appropriated the money to update the web site after a taxpayer went to town board meeting and said, "Get your head out of the sand. Wake up. This is the 21st century and this stuff should be online. We shouldn't have to come in here and sit and wait for a roll and sit there with a pen and pencil and write it all down."
- For the folks that don't have computers, we obtain a public space in the library, the senior citizen center, wherever we can house the roll and all the documentation that we use including the complete books of sales. We have complete books of neighborhoods and the delineation and complete book of streets. In summary, we make public all the information one could possibly need to determine that one's assessment is appropriate. We put the information out on a table in the public space, open from 9:00 to 9:00, Monday through Friday/Saturday. The public can go at their leisure and peruse those things. It is the same information that we have out online.
- There's plenty of information out there. I direct you to two websites:
 - Go the "Forms and Publication" section on the ORPS website. http://www.orps.state.ny.us/home/fpp_index.cfm In that section you will find documents such as:
 - "How the Property Tax Works",
 - "The Job of the Assessor", and
 - "The Property Tax Cycle".
 - These documents will walk you through the whole process, and are very simple and very easy to learn.
 - The New York State Assessors Association website where you should go to the Blue Book. <http://www.nyassessor.com/NYSAA%202007%20Blue%20Book.pdf> It used to be for sale, but now can be downloaded right off the site. It is called "Understanding Assessments and Property Taxes"; and it contains a wealth of information.

• Informal Hearings

- We schedule informal hearings in a public space and give everybody 10 minutes to state their case. In one of the workshops, we explain to the public how to state one's case prior to having them come to the informal hearings.
- We have a workshop on comparable sales sheets and how to read them. When a property owner comes in to see me, I'm going to show them where their assessment value came from. I give them a sheet on their comp sales, and I give them a sheet on comp assessments. With this information, they can see what similar properties are assessed for so they can make sure that it's been done fairly.

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- When taxpayers receive their impact notices, the first thing they want to know is how is this going to impact my tax bill? What's going to happen to the tax rate? So once again, I give them all the pertinent information that I can. I tell them what the prior levy was, what the current levy is, the prior taxable, the current taxable, the prior rate, and the current projected rate. With all this info, the public can determine if they think they've been treated fairly.
- And what we hear from the taxpayers is:
 - "Thank you so much, I never knew that."
 - "I didn't get that. Thank you for explaining that."
- There needs to be a bigger push to have the assessment process taught in school. One shouldn't have to wait until they are a first-time homebuyer in their 30's to figure out how tax rates are determined, etc.
 - For example, a person has purchased a home for \$400,000 and is told what their mortgage payment will be. However, often the property owner doesn't focus on the fact that they will have to pay property taxes. When they get their first bill they're all upset because they can't afford it. It shouldn't happen that way.
- **Bottom line: Be professional and open to the public. We're all here for the same reason.**
- **Questions and Answers**
 - Question: Will the assessors in NYS look at industrial properties (such as Global Foundries in Malta and the paper company in Ticonderoga) as being major players, major producers of income, major supporters of communities and treat them with a little deference, especially given the huge job losses in New York State? Is this something that the Assessors' Association focuses on as a matter of public policy?
 - Sue's Answer: We're bound by New York State Real Property Tax Law. And, unfortunately, the law doesn't allow for that under typical circumstances.
 - One of my issues with Global Foundries right now, is the fact that they are under a pilot agreement. The parcel crosses boundaries and when the pilot agreement was written it only talked about the apportionment of revenue until a second fabrication facility is built in the neighboring town. So, while there is only the one fabrication facility in Malta, Stillwater gets 25% of the revenue. Unfortunately the pilot agreement does not talk about how a tax bill is to be paid, or the phasing in of an assessment, or how much they were going to pay in taxes, etc.
 - We're required to put a fair market value on a piece of property. The issues you mention really don't come into play in what we're charged to do. So, unless there is some law passed or the current law is changed, there is really not a whole lot that we can do as assessors to facilitate what you're suggesting.
 - Question: How do you find comparables for something like the Global Foundries facility?
 - Sue's Answer: It's not easy. There is an IBM facility in Fishkill, and we've gone outside the state to look. But, at this point in time, because it's a specialty property, and there really isn't a market for that – and because it's not finished, it's in the process of being built – we are using reproduction costs; and by the amount of completion that is there on March 1st. We have case law to back that up.
 - Question: My question was directed at "Let's not kill the golden goose."
 - Sue's Answer: It's funny you say that. When the Global Foundries started their building, I kept getting asked: "How much are you putting on this Foundry?" The

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number of \$4.2 billion dollars was being floated all over the capital district as the cost of this project. Well, the \$4.2 billion dollars isn't just the cost of the real estate. There is a lot of personal property including the equipment inside those facilities; and that is not taxable.

- I went to my town board and requested that a group be put together which would consist of a real property tax attorney and a couple of experts in the appraisal fields of these types of facilities. I wanted the group to advise me on the proper way to value the fabrication facility. I got a couple names of some wonderful gentlemen who have done these facilities for years. We put the group together and I held a public workshop at my town hall and invited the press, the general public that was interested, the school districts, all the taxing jurisdictions, the fire department, etc.
 - My reason for holding the public workshop was to make sure the public knew that Global Foundries is not the golden goose.
 - My job is to put a realistic value on the property. As soon as the key is in the front door – that's got two more years to being built – the facility begins to depreciate. Because these types of facilities depreciate rapidly, whatever assessment we determine won't last very long.
- **Afternoon Breakout Session Results**
 - Problem #1: Folks are not happy with Assessors for various reasons.
 - Solution:
 - Education needed for taxpayers, legislators, and local government.
 - Make extensive use of Uniform Assessment Standards, hand outs, pamphlets, welcome packets, and workshops.
 - Welcome packet:
 - It is a way to educate the public on what the assessor does
 - Goes out on every sale.
 - Contents:
 - A letter from explaining what the assessor does, and what she is trying to accomplish.
 - Several brochures that can be pulled off the website regarding how the real property tax works, the job of the assessor, etc.
 - All the exemption forms – Star exemption, C 467, Veterans' exemption, etc.
 - Grievance form
 - The assessment calendar.
 - An unpopulated data mailer, a sales verification form, and an envelope with the assessor's address on it.
 - Be proactive and contact the property owner first.
 - Problem #2: Misunderstand actions taken by local government officials.
 - Solution:
 - Inform public at Town Board meetings and via press releases.
 - Use handouts to explain the impact of decisions.
 - Problem #3: Inconsistency between localities, regions, and the BAR.
 - Solution:
 - Use sample form letters.
 - Share press releases via the NYSAA website.
 - More training.
 - Use of Uniform Assessment Standards.

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- **Summary**

- I felt the conference was very good overall; and I would participate again.
- I would like to commend AdkAction.org for being proactive in putting the players together in a constructive manner.
- Groups like this will be a great help in getting the message of the Uniform Assessment Standards out to locals so that we can gain consistency state-wide.