

**Office of Real Property Tax Services**

**MEMORANDUM**

**TO:** Mr. Jason Jones, Assessor

**FROM:** Gary Drake, Regional Director, Western Region

**SUBJECT:** Memorandum of Understanding

**OFFICE:** Office of Real Property Tax Services

**DATE:** May 02, 2022

A copy of our agreement to complete the work involved in the year 2023 reassessment project is attached. Please review this document with your Supervisor or Mayor and sign the appropriate page indicating your agreement to proceed as described herein. Please return the signed agreement by June 24, 2022

Please give **one** signed document to your Customer Service Liaison or mail it to:

Gary Drake, Regional Manager

NYS Office of Real Property Tax Services

3837 West Main St. Road

Batavia, NY 14020

Retain a copy for your records.

The following addenda are also included:

* *Reassessment Verification Documentation*
* *Reassessment Project Timetable*
* *RPS Processing Fee Schedule*

If **utility advisory appraisals** are desired and have not been requested, please download and complete the following fill-in form as soon as possible and return them to my office so that we can estimate and plan our workload.

* Utility advisory appraisal request form: <http://www.tax.ny.gov/pdf/current_forms/orpts/rp7021_fill_in.pdf>

If you have any questions regarding this material, please contact me at (585) 343-4363.

Gen. Co. Bldg. 2, 3837 West Main St. Rd., Batavia, NY 14020│www.tax.ny.gov

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| **Timothy J. Maher**Director of Real Property Tax ServicesOffice of Real Property Tax Services |  | **gARY dRAKE**Western Regional DirectorOffice of Real Property Tax Services |

 May 02, 2022

# *Memorandum of Understanding*

**Mr. Jason Jones, Assessor**

**14 North State Street. PO Box 2**

**Town Offices**

**Ripley, NY 14775**

**Dear Mr. Jones:**

I am pleased that the Town of Ripley has decided to embark on an assessment improvement process that will result in an equitable 2023 assessment roll. You either already have a cyclical reassessment plan filed or are developing one with the assistance of Western Region ORPTS staff. The plan shall be at least four years in length and will include:

* A local program for physically inspecting each parcel at least once every six years
* A reappraisal of all locally assessed properties at least once every four years
* Reappraisals in the first and last year of plan

The purpose of this Memorandum of Understanding is to clarify and outline the roles and responsibilities of the Town and the Office of Real Property Tax Services (ORPTS) in the reassessment process. Please review this document with your supervisor and sign the appropriate page indicating your agreement to proceed as described herein.

The goal of the Office of Real Property Tax Services (ORPTS) is to optimize State and local resources by working toward an integrated, efficient and equitable real property tax system that coordinates the reassessment process with our equalization study. This goal aligns ORPTS’ Full Value Measurement Program with municipal assessment improvement activity by utilizing the reassessment process as the equalization study. ORPTS staff shall verify, in accordance with our reassessment verification process, that the stated uniform level of assessment has been achieved and that all steps to achieve equity have been implemented. This review will also:

* Provide the basis for making the determinations for payment of State aid, if applicable.
* Determine the level of assessment to apply to the special franchise and State-owned land valuations in the Town.
* Be used in the approval process if application has been made for Approved Assessing Unit Status (homestead and non-homestead tax rates).

In keeping with this goal, we look forward to a cooperative and productive relationship with the Town during the reassessment process. Our expectation is that this cooperative relationship will result in the use of your local determination of value (assessed value) as the basis for establishing the full value of the Town for equalization purposes. The attachment “*Reassessment Verification Documentation*” lists the products the Town must provide relative to the verification of the reassessment process and our State equalization responsibilities and State Aid determination.

Unless otherwise noted in Section D (Summary), we are assuming that the assessor is responsible for making decisions that affect the Town’s participation in the reassessment process. The Town must agree to maintain all relevant property inventory data characteristics and achieve an equitable assessment roll at the stated uniform percentage of value in accordance with RPTL § 305. State Aid, in accordance with RPTL § 1573, is available to those municipalities participating in the Aid for Cyclical Reassessments program and performing reappraisals according to an approved plan.

*In the event that the* Town *executes its Cyclical Reassessment Plan in such a way that jeopardizes the successful completion of the plan and subsequent compliance with the acceptable standards, ORPTS reserves the right to withdraw support from the* Town*.*

**If** applicable, the Town will be billed for specific charges related to processing by ORPTS staff at our regional offices. The Town will be responsible for the payment of all charges (based on the fiscal year fee schedule in effect during the time in which the services were provided) within 30 days of billing. Please see the attached “*Real Property System Fee Schedule*” for the current fiscal year for a list of the charges that are applicable for services that could be rendered by ORPTS (staff time permitting).

The next three sections detail the responsibilities of the Town, your assessor and ORPTS. Cooperation and collaboration at all levels of government is critical to the successful execution of the reassessment process.

1. **Town Responsibilities:**
	1. Submit a board resolution to ORPTS that indicates support by the Town to proceed with the reassessment.
	2. Develop a cyclical reassessment plan with the assistance of Western Region ORPTS staff. If applying for aid on the basis of the 2023 assessment roll, this plan must be accepted by the Town and **submitted to ORPTS a minimum of 120 days prior to the filing of the tentative assessment roll implementing the reassessment** (by January 1, 2023, for standard assessment calendar).
	3. Support the assessor’s efforts and allocate sufficient funds to cover all costs associated with the process, and provide appropriate staff to support the reassessment efforts.
	4. Consider the adoption of the [Uniform Assessment Standards](http://www.tax.ny.gov/research/property/reports/ratio/uniformassmntstd/index.htm) as guiding principles for the Town’s assessment administration.
2. **Assessor Responsibilities:**
	1. Prepare a reassessment project timetable detailing project tasks with projected start and completion dates using the electronic version of this document provided separately. The addendum “*Reassessment Project Timetable*” provides suggested timeframes for the various tasks of a reassessment project.
	2. Develop and implement a cyclical reassessment plan with the assistance of Western Region ORPTS staff. If applying for aid on the basis of the 2023 assessment roll, this plan must be accepted by the Town and **submitted to ORPTS a minimum of 120 days prior to the filing of the tentative assessment roll implementing the reassessment** (for standard calendar, January 1, 2023).
	3. Coordinate a public information program throughout the process. This may include, but is not limited to, preparing all necessary press releases and conducting informational meetings dealing with various aspects of the reassessment process.
	4. Maintain current assessment inventory and valuation data for all properties as defined by the Commissioner’s Rules. This data is necessary to value each parcel using at least one of the standard appraisal methods (cost, market, income).
	5. Reappraise each property individually, which includes the development and review of a new determination of market value for each parcel. The new market value must be based upon current data and be developed via one or more of the three accepted approaches (cost, market, or income).
	6. Review the results of the valuation process to ensure that all properties are assessed at the stated uniform percentage of value.
	7. Provide ORPTS with all applicable products referred to in the attachment “*Reassessment Verification Documentation*” in a timely manner that are required to verify the municipality’s stated Level of Assessment (LOA). If appropriate documentation and valuation conclusions are not available, ORPTS staff will have no basis to evaluate the locality’s market value conclusions. **This may affect the Town’s receipt of State Aid and/or the Town’s eligibility for Approved Assessing Unit (AAU) status.**
	8. Produce assessment disclosure notices as required per RPTL § 511. For the processing of assessment disclosure notices, the assessor must:
		1. Provide all necessary tax rates, tax levy amounts, and computer data files reflecting the taxable values used in the prior year school and county/Town tax extensions.
		2. Schedule and conduct informal meetings with taxpayers following the mailing of the assessment disclosure notices. The assessor is responsible for making the necessary data and value corrections, as a result of such meetings, prior to establishment of the tentative roll.
	9. If ORPTS didn’t provide State utility advisory appraisals for the previous year’s assessment roll, request State utility advisory appraisals for this year, if needed. The advisory request form is available on our website at <http://www.tax.ny.gov/pdf/current_forms/orpts/rp7021_fill_in.pdf>
		1. If applicable, provide ORPTS with the inventory and valuation methodology used to arrive at the utility and complex commercial/industrial values, which appear on the assessment roll, where advisory appraisals were not requested by the Town, were requested but not used, or were requested only for some properties. If appropriate documentation and valuation conclusions are not available, ORPTS staff will have no basis to evaluate the locality’s market value conclusions and, thus, will need to complete an independent field appraisal for use in determining your assessing unit’s full value. **Such action may also affect your Town’s eligibility to receive State Aid and / or eligibility for Approved Assessing Unit (AAU) status.**
3. **Office of Real Property Tax Services Responsibilities:**
	1. Provide project monitoring pursuant to our responsibilities regarding State equalization and State aid approval.
	2. Provide periodic reassessment progress reports to all principals for review and discussion.
	3. Participate in presentations to taxpayer groups, municipal officials, etc., if notified in writing two weeks in advance as to the meeting's purpose and participants.
	4. Provide advisory appraisals for parcels identified by the assessor, requested in a timely fashion and agreed to by ORPTS.
	5. Provide computer support and/or valuation assistance, where requested, and as regional resources permit. Additional fees may apply as described in the attached “*Real Property System Fee Schedule*”.
4. **Summary**

Please review the following summary and provide the information required in items 2, 3 (and 7, if appropriate) below. If you have any questions or concerns, please contact your ORPTS Customer Service Liaison. Signing this document signifies acceptance of this agreement by you and your assessor. Please return one signed copy to the ORPTS Western Regional office and retain a copy for your reference.

* 1. I understand the roles and responsibilities of the parties involved (as described in this document) that are necessary to complete the reassessment process.
	2. At the completion of the reassessment process, all property will be assessed at a uniform percentage of value as required by RPTL Section 305. (**Note: For purposes of State Aid, Section 1573 of the Real Property Tax Law requires a uniform percentage of value of 100%.)** The uniform percentage of value intended (not binding) for use in calculating the new assessments will be (check appropriate box):

|  |  |  |
| --- | --- | --- |
|  | 100 % |  |
|  | Other (please specify) |  |

* 1. The valuation date for this reassessment will be (check appropriate box):

|  |  |
| --- | --- |
|  | July 1 *(of the year prior to the reassessment roll year)* |
|  | Other (please specify) |  |

* 1. The new assessed values will be based on parcel inventories that comply with 20 NYCRR, 8190-1.2.
	2. ORPTS staff will be provided with timely information and access to data as described in the attachment “*Reassessment Verification Documentation*”.
	3. The Town shall produce and mail assessment disclosure notices as required by RPTL Section 511.
	4. If the assessor is not responsible for making decisions that affect the Town’s participation in the reassessment process, please specify the appropriate person below:

|  |  |
| --- | --- |
| Name |  |
| Title |  |
| Address  |  |
| Telephone # |  |

I look forward to working in a cooperative environment in which the reassessment process can be completed as efficiently and effectively as possible.

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| --- | --- | --- |
|  |  |  05/02, 2022  |
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|  |
|  | ORPTS Regional Director | Date |
|  |  |  |
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|  |
| Assessor  |  | Date |  | Mayor/Supervisor  | Date |

**Reassessment Verification Documentation**

The following products are typically developed or generated during the course of a reassessment project. They are used by the ORPTS’ Customer Service Liaison (Liaison) to document the value verification process, wherein a determination is made regarding the use of local assessed values for ORPTS’ measurement of municipal full value (equalization program), and also to determine a locality’s compliance with requirements for State Aid pursuant to RPTL §1573.

The Assessor must allow the ORPTS’ Liaison to have timely access to these products as part of the pre-decisional collaboration (PDC) process. Many of these products are also appropriate for assessors who are not conducting a reassessment to submit in support of their own analysis during the PDC process.

* + Access to parcel inventories that comply with the Rules.
	+ Copy of Request for Proposal (RFP), proposal, contract, or work plan (if project was not contractor assisted), which should include the following:
		- Time line (schedule of events)
		- Assignment of resources (staffing for each activity)
		- Software to be used for inventory maintenance (if applicable)
		- Software to be used for valuation (if applicable)
	+ Sales listings used in valuation analysis (minimum of valid sales occurring one year prior to valuation date), and the sales period used:
		- Residential
		- Commercial/Industrial
		- Vacant/Farm
	+ Documentation (reports and/or description) of analysis for evaluating the uniformity and level of the assessments; examples include:
		- Sales ratio analysis
		- Mass appraisal (sale substitution)
		- Unit comparison (value-to-inventory)
		- Tracking of value trends (cost, income, market)
	+ Description of all valuation methodologies used and accompanying documentation
		- Description of land valuation procedure, if applicable
		- Cost documentation
			* Base Cost Table (include identification of source)
			* Depreciation Schedule
		- Market documentation
			* Valuation Model (supply all of the following which are applicable):
				+ Sales adjustments (time, physical characteristics)
				+ Regression coefficients
				+ Feedback coefficients
				+ Component unit values
				+ Commercial/Industrial market unit factors
		- Income documentation
			* Commercial/Industrial Income Factors including:
				+ Gross Income per Unit
				+ Vacancy Rates
				+ Expense Ratios
				+ Capitalization Rates
			* Income and Expense Source Data (if available)
		- Trending (if values were updated by applying factors, percentages or indices in a non-reappraisal year to maintain the LOA)
			* Description of market areas (neighborhoods) and supporting documentation for the development of factors, percentages or indices, in each market area
		- Any other appropriate valuation documentation that supports your determination of market value
	+ Valuation Neighborhood Maps (if applicable)
	+ Advisory Appraisals:
		- Statement as to whether utility advisory appraisals were used in part or in their entirety
		- Statement as to whether commercial/industrial advisory appraisals were used in part or in their entirety
	+ Review:
		- List or file of predicted values (if available)
		- Access to review documents (review documents must be saved)
		- Access to a list of parcels that were re-inspected and/or reappraised this year
		- List of (or file containing) informal hearing changes (if applicable)
	+ Tentative Roll:
		- Copy of tentative roll or file containing tentative assessments
		- New statement of uniform percent, if different from original agreement
		- List of parcels with court ordered assessments (if any)
	+ Final Roll:
		- Copy of final roll or file containing final assessments
		- List of BAR changes

**Sample Reassessment Project Timetable *(standard calendar)***

|  |  |  |
| --- | --- | --- |
| **Project Tasks** | **Start Date** | **End Date** |
|  |  |  |
| **Project Administration** |  |  |
|  Request for advisory appraisals (including SOL) | By  | 8/1 |
|  Public information program (on-going) | 3/1 |  |
| **Collection of Subject and Sales Data** |  |  |
|  Data collection training (if necessary) | 3/15 | 4/1 |
|  Subject inventory data collection / re-collection | 4/1 | 7/1 |
|  Subject file creation / maintenance | 4/1 | 7/1 |
|  Sales validation / verification /maintenance | 4/1 | 8/1 |
|  Parcel inventory (data) mailers | 7/1 | 7/15 |
|  Production in response to data mailers | 7/1 | 8/1 |
| **Valuation and Appraisal** |  |  |
|  Valuation file editing | 7/1 | 8/15 |
|  Neighborhood / market analysis | 7/1 | 8/1 |
|  Valuation development / testing | 7/1 | 9/1 |
|  Valuation production | 9/1 | 9/15 |
|  Field review of values | 9/15 | 1/1 |
| **Project Administration** |  |  |
|  Prepare & Submit Plan for Cyclical Reassessments (State Aid) | By  | 1/1 |
| **Assessment Roll Processing** |  |  |
|  Update file with new values | 1/1 | 1/15 |
|  Assessor recalculation of exemptions | 1/15 | 2/1 |
| **Assessment Full Disclosure Process (if required or desired)** |  |  |
|  Assessment disclosure notice production/analysis | 2/1 | 2/15 |
|  Assessment disclosure notice mailing | 2/15 | 3/1 |
|  Informal review meetings (including field activities) | 3/1 | 4/15 |
|  Value change notice production | 4/15 | 5/1 |
|  Prepare and file tentative roll | By  | 5/1 |
|  Post tentative roll on municipal website, per RPTL §1590 | By | 5/10 |
|  Grievance Day |  | 4th Tues May |
|  Produce final assessment roll | By  | 7/1 |
|  Post final roll on municipal website, per RPTL §1590 | By | 7/10 |
| **Project Administration** |  |  |
|  Submit Application for Aid for Cyclical Reassessments | By  | 9/30 |

**RPS Processing Fees**

Real Property System Fee Schedule for Fiscal Year 2020-2022 (4/1/2020 – 3/31/2022)

|  |  |  |
| --- | --- | --- |
| **Type of Service** | **Fee** | **Comments** |
| 1. **RPS Licensing Fee**
 | Section 8190-3.2 State Board Rules |  |
| 1. **Reassessment Processing**
 |  |  |
| * 1. File Editing using RPS Standard Inventory Edits (RPS440)
 | $.60/parcel | Includes processing and printing of 1 set of reports produced. |
| * 1. Data Mailers
 | $.75/parcel | Includes processing and printing of 1 set of notices and reports produced. |
| * 1. Market Analysis and Valuation Processing
 | $3.00/parcel w/local editing\*$3.60/parcel w/ORPTS editing\* | Includes neighborhood delineation, building land tables, developing valuation factor file and market analysis. Includes processing of all approaches to value, with assessor participation plus printing of 1 set of valuation documents. |
| * 1. Market Analysis and Trending Processing
 | $2.50/parcel w/local editing\*$3.10/parcel w/ORPTS editing\* | Includes neighborhood delineation, market analysis, developing trend factors, and application of trends for valuation, with assessor participation. Includes printing of 1 set of valuation documents. |
| * 1. Cosmetic Comparable Sales
 | $.50/parcel | Includes printing of 1 set of valuation documents. |
| * 1. Assessment Disclosure Processing
 | $1.00/parcel | Includes processing and printing of 1 set of notices, detail reports and arrays. |
| 1. **Data Processing or RPS Technical Assistance Other Than Services already listed.**
 |  |  |
| * 1. Hours
 | $100.00/hour | For example, Non-RPS to RPSV4 Data Conversions and other non-RPS related services |
| * 1. Expenses
 | Travel Expenses | Travel expenses at current State rate for transportation and lodging. |
| 1. **Other Fees**
 |  |  |
| * 1. Printing (print file provided)
 | $.15/side |  |

Updated: May, 2020