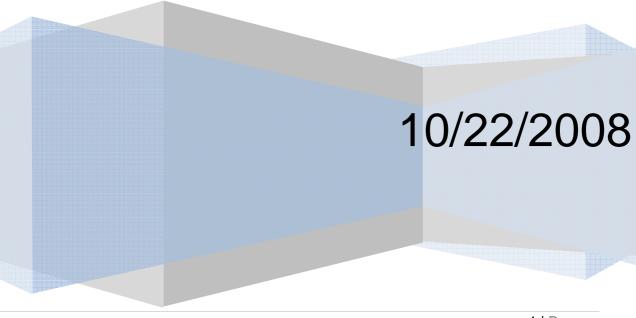# Broome County

Centralized Property Tax Administration Program Study
For a Centralized Tax Collection Database

10/22/2008

Overview

This Study has been prepared by George Allen for The Real Property Department of Broome County, to fulfill the requirements of the Tax Collection Database Study, under the NYS CPTAP Centralized Property Tax Administration Program. A grant has been provided to Broome County to cover a study to achieve a countywide database for property tax collection/enforcement.[1]

This study documents the current systems in place, itemizes areas of issue, and makes recommendations on how to achieve a countywide, Centralized Tax Database.

I. Broome County's Partially Centralized Tax Database for *"Current"* taxes

Broome County has approximately 86,600 parcels.

Broome County currently has a partially Centralized Tax Database that is online and is available to the public at http://www.taxlookup.net/#Broome.[2] This publicly available database has been on-line for the past 4-5 years and is used heavily by real estate personnel, tax researchers, attorneys, and taxpayers. This database contains taxable status, tax amount, and tax payment history for "current tax" for all parcels in the database. This database does not contain delinquent tax information.

This partially Centralized Tax Database is incomplete due to "current" data that is missing from some schools/municipalities as well as the fact the delinquencies are not included.

The county does not have centralized tax collection software.

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[1] http://www.orps.state.ny.us/cptap/index.cfm
[2] Taxlookup.net is a web address of our Primary Vendor, Allen Tunnell Corporation

All collecting districts in Broome County have high speed internet access.

A. This partial, Centralized Tax Database contains "current" data from the following schools/municipalities:

City of Binghamton, City Taxes
Village of Johnson City
Town of Binghamton
Town of Chenango
Town of Conklin
Town of Dickinson
Town of Fenton
Town of Kirkwood
Town of Maine
Town of Union
Town of Vestal
Town of Windsor
Binghamton CSD
Chenango Forks CSD
Chenango Valley CSD
Harpursville CSD
Johnson City CSD
Maine-Endwell CSD
Susquehanna Valley CSD
Union-Endicott CSD
Vestal CSD
Whitney Point CSD
Windsor CSD

Each of the above listed collection districts uses software from our Primary Tax Collection Software Vendor (Primary Vendor), to collect taxes and send tax information to the Internet for public access.

Districts typically post daily to the database during the collection period. After the collection cycle has been complete, districts do not update the database since there are no changes.

1. *Centralized Tax Collection*

Note that Broome County has a "centralized tax collection" facility that collects for the following with tax collection software from our Primary Vendor:
> City of Binghamton, Receivables/Delinquencies
> City of Binghamton, Current Taxes
> City of Binghamton CSD
> Town of Union
> Town of Conklin
> Town of Kirkwood
> Town of Dickinson

Payments collected are posted to the partially Centralized Tax Database on a daily basis, during the collection period, for public access and are available at http://www.taxlookup.net/#broome.

B. The schools/municipalities that are missing from this Centralized Tax Database are as follows:

School/Municipality	Tax Collection Software
Village of Deposit	Williamson Law
Village of Endicott	KVS
Village of Lisle	BAS
Village of Port Dickinson	Williamson Law
Village of Whitney Point	Williamson Law
Village of Windsor	Allen Tunnell Corporation
Town of Barker	Allen Tunnell Corporation
Town of Colesville	Allen Tunnell Corporation
Town of Nanticoke	BAS
Town of Sanford	Allen Tunnell Corporation
Town of Triangle	Allen Tunnell Corporation
Afton CSD	Infomatic
Bainbridge-Guilford CSD	Infomatic
Cincinnatus CSD	Manual Collection
Deposit CSD	Infomatic

Greene CSD   Infomatic
Marathon CSD   Systems East

These districts do not put their data into the Centralized Tax Database. Data is only available from the tax collector during tax collection. There is no means for viewing individual parcels, their taxable status, tax amount, or payment history for the districts in this category.

C. School/Municipal costs and other data

Appendix A provides details for each collection within the county. This Appendix also gives the costs for each collection.

1. Schools/Municipalities, not collected by Broome County

   All schools/municipalities are responsible for their own software, and contract for their own support with their vendors.

   The school/municipality houses and maintains its own collection data, and is responsible for the integrity of that data. The source for all collection data is an electronic "tax roll" in the form of RPS files such as the 147d1,155d1, and 160d1.

   Data sent to the Centralized Tax Database on the Internet is housed at the offices of our Primary Vendor on its servers. Data that is sent to the internet for public display/access is backed up at the school/municipality on a medium of their choice.

   Schools/Municipalities accept cash, checks, and certified medium. Credit Cards are not accepted within Broome County for the payment of taxes; although, our Primary Vendor offers an on-line credit card payment capability with a 4% convenience fee for each transaction.

   Bar Coding is used by some collectors within the county, some of the time.

All schools/municipalities maintain their own security in a manner that they deem acceptable.

2. Broome County Collections

The seven (7) districts collected by Broome County, as part of their centralized tax collection effort, operate in much the same manner as other schools/municipalities within the county; except, that a dedicated staff is responsible for all collection and maintenance operations. Collection data is housed on in-house servers which are backed up daily as part of Broome County's internal IT backup procedures. Data sent to the internet is housed on internet servers at the offices of the Primary Vendor.

Access is limited to personnel who have passwords to view/process the collection data.

Broome County uses bar code scanning of tax bills as part of the collection process.

Broome County contracts with its Primary Vendor for support and software maintenance services.

D. How it works

Most tax collection software in Broome County is provided by the Primary Vendor, a vendor located in Broome County, in the City of Binghamton. The software from this vendor has a portion that resides on the Internet, and a portion that resides on an in-house network within the collecting school/municipality.

At the end of a day, the school/municipality transfers collection data from the in-house network to the Internet via a "mouse click". Once the transfer has been made, the Centralized Tax Database contains current tax payment history as well as current property data along with levy line information for each

parcel. The capability to have multiple years of tax payment history is used to display current and prior year data. Interested parties are not restricted in any way whatsoever. It truly is a publicly accessible Centralized Tax Database. There are no passwords or other restrictions. Interested parties merely access parcel information by searching via tax map ID, name, or parcel address.

The portion of the software that resides on "in house systems" has been written in Visual FoxPro 7 using FoxPro databases and is heavily SQL based. The portion that resides on the internet has been written in "PHP" and uses a "MYSQL" SQL engine.

II. Tax Collection System at Broome County for "*Delinquent*" Taxes

There are two delinquency systems in use at Broome County. There is delinquency system for the City of Binghamton (provided by the Primary Vendor), and a Delinquency System (FINTAX) for the remaining municipalities in Broome County.

A. City of Binghamton Delinquency System

Broome County collects the taxes for the city of Binghamton using a customized version of the tax collection system provided by the Primary Vendor within Broome County.

At the end of a collection cycle, unpaid parcels from the "current tax" collection system are transferred to a customized delinquency system developed specifically to collect delinquent taxes for the City of Binghamton. This delinquency system was developed by the Primary Vendor using the Visual FoxPro 7 language and FoxPro databases. It is heavily SQL based.

B. FINTAX Delinquency System

The system used at the Broome County Offices to collect delinquent parcels is FINTAX, a delinquency collection system written by Broome County IT Personnel in RPG on the AS400 computer system. Spreadsheets are used to supplement FINTAX to handle the Article 11 process.

FINTAX imports year-end files from municipal/school tax collections using a standard data format.

FINTAX has no interface to the Internet. Delinquent information must be obtained from county staff.

III. Proposed Centralized Tax Database System
A. Overview
1. Broome County has a partially Centralized Tax Database in place.

    a. Its structure is well defined:
    b. It has an excellent, documented, track record
    c. It is performing well
    d. It meets the requirements of collectors and taxpayers within Broome County.

2. This partially Centralized Tax Database could be used as the basis for a complete Centralized Tax database for Broome County.

    Because of the success in using this model, there is no need to implement another model. "If its not broke….don't fix it!"[3]

3. By using the existing model, a complete, Centralized Tax Database can be achieved.
4. Centralized Tax Collection software is recommended.[4] The benefits of using the same tax collection software through the county are as follows:

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[3] Colloquial expression commonly used by engineers in various professions.
[4] http://www.orps.state.ny.us/cptap/resources/taxCollectionWorkshopV2.pdf, pp.6-8

"By using one system countywide, fiscal savings can be realized and cooperation among local officials can expand.

"The system is fully integrated from point of collection through management of delinquencies.

"The user-friendly system has common function and is accessed by collectors and staff throughout the county.

"Data collection is simplified and data is automatically accessible by muni's.

"Through countywide error checking and balancing, inconsistencies are eliminated.

"Online access can greatly reduce taxpayer confusion and inquiries.

"The unified system results in reduced management requirements."[5]

Based on the above recommendations from ORPS, we recommend a common tax collection software be pursued throughout the county.

Broome County may wish to solicit requests for proposal from multiple vendors as discussed in Section D below.

By unifying the software, it will not be necessary to modify the software that controls the partially Centralized Tax Database to receive files from five other vendors, a difficult, costly, task. All data will go into the centralized database seamlessly.

B. How to get to a Complete Centralized Tax Database within Broome County – An Implementation Plan.

1. *Reasons why districts are not currently participating*
   a. For districts that currently use software from the primary vendor, the districts are reluctant to expend an

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[5] Op. Cit.

additional $750/year for the option to put the tax roll into the Centralized Tax Database.

b. For districts that currently use software from vendors other than the Primary Vendor, the districts do not want to expend the money to change software.

2. *A recommended approach*
   a. Work with a common vendor to secure a "countywide license" to install programs in all districts at a reduced price.
   b. Work with a common vendor to secure a "countywide maintenance/Centralized Tax Database" license to provide maintenance, support, and access to the Centralized Tax Database for all districts within the county at reduced price.
   c. Involve all collection districts in this plan. Present the plan in a manner that does not imply that elected collectors will lose their jobs. Broome County should hold meetings with schools and municipalities and openly discuss the reasons for going to a Centralized Tax Database with Centralized Tax Collection software.
   d. The Village of Endicott currently has a license to use software that will put data into the Centralized Tax Database; however, they chose to use KVS software. If the county offers a reduced price for "maintenance and the Internet display of tax rolls", it is expected that the village will switch back to the software from the Primary Vendor. Should the Village choose not to switch back, they still have the capability to generate a "year-end" transaction file that would be imported into the Centralized Tax Database.
   If the Village were to cooperate and send this file out periodically, the Centralized Tax Database would be current except for the time period that it takes to get the data file from the Village.
   e. The "Binghamton Receivables System" must be modified so that Receivables Data could be sent to the Internet daily for inclusion into the Centralized Tax Database.

f. FINTAX should be replaced with a system that is compatible with the Centralized Tax Database; however, due to the changeover of financial software to a new system, this is not possible at this time. We recommend that a replacement for FINTAX be considered in about 2 years after the new financial software is up and running.

In the meantime, we recommend that an "unpaid" PDF file be generated from FINTAX on a periodic basis, such as weekly, and placed on the internet, as part of the Centralized Tax Database. This will allow public access to this data.

3. *Recommended Implementation Time Schedule*
   a. January 2009 – Negotiate with a common vendor for a "countywide" license to install tax collection software for all districts in the county. Negotiate a yearly maintenance/Internet-display-of taxes contract with the Primary Vendor
   b. Fall 2008 – Install Nanticoke and Upper Lisle for 2009 Town/County collection
   c. March 2009 – Install Remaining Villages
   d. August 2009 – Install Remaining Schools
   e. March 2010 – Re-install Village of Endicott or create a utility to accept their "year-end file", file format and place it on the Internet.

C. An Alternate Approach to create a Centralized Tax Database

1. In House Development

Several Counties in New York State are undertaking "in house" development of a Centralized Tax Database using county employees to write software on a computer system that is in the County IT department. This approach should be considered to see if it is a cost effective alternate. With this approach, Broome County would not continue using the Centralized Tax Database

System provided by the Primary Vendor; but, would develop its own Centralized Tax Database system.

Should the County solicit bids, as recommended in section D, and get responses that appear to be unsatisfactory, the County could consider writing their own system.

This section outlines the primary efforts required, and gives approximate cost efforts in terms of "man-hours". At minimum, a CSEA grade of 23 would be required for the personnel participating in this effort, at a published rate of $26.42/hour.

2.   Description of Centralized Tax Database, Software Items required

a.   Set up and test an "SQL Server" and "Internet Page Display" server, such as "PHP" or Microsoft's Internet server.
40 hours

b.   Define, prototype, and test, a proposed Centralized Tax Database, based on the current RPS database structure, using an in-house software development system.
160 hours

c.   Define, prototype, and test, the internet display of this Centralized Tax Database on an in-house internet server using internet-software tools owned by the county. Set the system up to allow multiple, simultaneous, internet users to access the data. Optimize the "lookup" scheme for rapid access.
480 hours

d.   Define, prototype, and test, interfaces to the Centralized Tax Database to accept data files from existing collection systems installed within Broome County. Data files must be accepted from the software

vendors listed above. The data files must send parcel change data as well as transaction data so that correction of errors, small claims adjustments, as well as payments will appear in the centralized tax database.

320 hours

e.   Provide SQL Queries to allow users to retrieve data from the Centralized Tax Database by "owner name", "parcel id", "street", "account number". Test.

80 hours

f.   Create lookup screens so that data can be displayed on the internet. Lookup screens must be accessible from multiple, simultaneous users, and must show all property information as well as tax information for multiple years. "Printer Friendly" screens must be displayed so that users can print the tax information displayed. The capability to "click and print" must be provided. Screens must display property data, payment information, and paid-by information. Levy line and exemption data must be displayed.

320 hours

g. Provide a capability to calculate penalties based on a display date. Penalties must calculate on "balance due". Penalties and amounts due must show on the internet lookup screen.

200 hours

h.   An administrative interface must be provided so that a school/municipal tax administrator can change screen titles, phone numbers, and the like. This capability must be password protected to keep unauthorized users from changing critical operational parameters.

200 hours

i. Overall Systems test of complete system, using data from multiple collections in multiple formats.
480 hours

4. **Total Estimated costs to create a Centralized Tax Database similar to that provided by the Primary Vendor**

2280 man-hours x 26.42/hour=$60,237

If Broome County wishes to take this approach, it is recommended that the in-house IT department provide estimates and costs to create a Centralized Tax Database with public access capability that would duplicate the system provided by the Primary Vendor

D. Request for Proposals

It is recommended the Broome County Solicit proposals as follows:
1. I see no major issues with the Centralized Tax Database as currently supplied by the Primary Vendor. This Centralized Tax Database has been working well for several years, as has already been discussed.   There would a significant risk of "mucking up the works" by replacing this working system; however, Broome County could solicit proposals to replace this system, just to see if there is a lower cost, off-the-shelf, system that is available.
2. Proposals should be solicited to get costs to provide common tax collection software for the entire county.
3. Proposals should be solicited to get costs to provide interfaces from all "tax collection software" vendors to the

Centralized Tax Collection Database provided by the Primary Vendor.

E. Legislation recommended for the future

Current Tax Law does not allow tax bills to be emailed. We need legislation to allow tax bills to be "emailed", such as is being done in Colorado and other states.

Taxpayers who elect to accept emailed tax bills would furnish their email addresses to the county. The county would send an emailed tax bill to taxpayers who have furnished their email addresses. Bills that are returned undeliverable would trigger a hard copy mailing via USPS.

The cost savings would be enormous and would be recurring. If only 40,000 bills were emailed for just town/county taxes, the savings would be in the order of $16,000 per billing. Add in another $16,000 for school bills, and the savings would be about $32,000/year.