St. Lawrence County

Centralized Property Tax Administration Program Study

For a Centralized Tax Collection Database

March 5, 2009

Revision 1, revisions shown in Blue on page 5

Overview

This Study has been prepared by Allen Tunnell Corporation for the Treasurer of St. Lawrence 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 St. Lawrence 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.

Allen Tunnell Corporation is intimately familiar with the Tax Collection Operations within St. Lawrence County since the County and all schools/municipalities, with the exception of the City of Ogdensburg, the City of Ogdensburg Schools, 6 small schools and 1 village, use software from Allen Tunnell Corporation.

I. St. Lawrence County's Partially Centralized Tax Database for Current and Delinquent Taxes

St. Lawrence County has in the neighborhood of 65,000 parcels in 1 city, 32 towns, 13 villages, and 24 schools.

St. Lawrence County currently has an incomplete, Centralized Tax Database that is online and is available to the public at http://www.taxlookup.net/#STLAWRENCE.[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 both current and delinquent parcels in the database.

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

The Centralized Tax Database resides on servers located in the county IT department in the Foxpro 7 database format. A copy of the database is sent to the internet on a daily basis where it resides on servers in the office of Allen Tunnell Corporation in Binghamton, NY. Data for the internet is in MYSQL database format and is displayed using PHP. Both MYSQL and PHP are open source systems that are used in a high percentage of web applications world-wide.

This Centralized Tax Database is incomplete due to data that is missing from the City of Ogdensburg, City of Ogdensburg Schools, 6 small schools, 1 village, as well as incomplete data that is transferred from schools/municipalities.

The county does not have centralized tax collection software.

All collecting districts in St. Lawrence County have access to high speed internet access; however, some districts use dial-up connections to transfer collection data to the county. All collecting districts in St. Lawrence County use tax collection software provided by Allen Tunnell Corporation except for the City of Ogdensburg, the City of Ogdensburg School District, 6 small schools, and 1 village.

St. Lawrence County pays all maintenance and support costs for all schools/municipalities in the county except for the collections mentioned in the preceding paragraph. The yearly cost for all maintenance, including maintenance on the county tax collection software, is approximately $59,000.

St. Lawrence County prints tax bills from the Centralized Tax Database except for City of Ogdensburg and the City of Ogdensburg School. Addresses for all tax bills are validated using a Pitney Bowes mailing system. Tax bills are printed by carrier route for maximum postage savings. Barcodes are printed on all tax bills.

A. Collection at Municipalities/Towns excluding the City of Ogdensburg and the City of Ogdensburg School District, 6 Small Schools, and 1 Village.

Each school/municipality uses Allen Tunnell Corporation's "Wintax" tax collection program to collect "current" taxes. The schools/municipalities do not collect delinquent taxes, as those taxes are collected by the county.

The school/municipality collects "current" taxes during the legal collection period and sends data to the county and to the internet on a daily basis, by using an automated function within Allen Tunnell Corporation's tax collection

software. At the end of each day, during the collection cycle, both the county database and the internet copy of the "Centralized Tax Database" contain up-to-date data for the current collection.

For school district collections, the county already has the paid/unpaid data in the county database; thus, "relevy" records for inclusion in the following town/county tax billing are easily created.

For the town/county collections, the county already has the paid/unpaid records in the Centralized Tax Database and is immediately ready to collect delinquent payments at the county, following the close of the municipal collection cycle.

Taxpayers, in selected towns, may pay their "current" taxes on-line with a credit card. A 4% "convenience fee" is added to all credit card transactions. There is no cost to the school/municipality to accept credit card payments.

Schools/Municipalities also accept cash, checks, and certified medium for payments.

Tax Bills are printed with barcodes; however, collectors have not yet purchased scanners to read tax bills and reduce data entry time. The barcode scanner reads the "bill number" causing the software to retrieve tax data from a portion of the centralized tax database which resides in the school/municipality. Tax payment data is then recorded in the portion of the tax database that resides in the school/municipality.

Security and data backups are maintained by schools/municipalities as they deem fit. Some collectors backup daily on removable cd/floppy media; while, others backup daily to "USB keys". There is no standardization.

Backups are of minimal concern since collection data is sent to the Centralized Tax Database on a daily basis, at the county offices, where it is backed up via the IT departments automated backup procedures.

B. Collection at the City of Ogdensburg for the City and for the School District

The City of Ogdensburg collects current and delinquent taxes for the City and

delinquent taxes for the School using tax collection software written by Systems East Inc. This software is highly customized and cannot be replaced by other software on any reasonable basis. The tax collection rules for the City and the City School district are highly complex.

The City School District also uses Software from InfoTax to collect current school taxes. At the end of collection, delinquencies are sent to the City for relevy.

There is no internet display of taxes for these collections; however, the Systems East software does have "end of collection period", electronic file export capabilities which could be used to update the St. Lawrence County, Centralized Tax Database. The InfoTax software also generates an "end of collection period", electronic file that could be used to upload data to the Centralized Tax Database.

A utility would have to be written to upload end of collection period data from the City and the City School to the internet based, Centralized Tax Collection.

C. Collection at 6 small schools and 1 village

There are 6 schools that have just a few parcels in St. Lawrence County:

Alexandria Bay	Jefferson County
Brushton-Moira	Franklin County
Indian River	Jefferson County
Salmon River	Franklin County
St. Regis Falls	Franklin County
Tupper Lake	Franklin County

Village of Hammond St. Lawrence County, Manual Collection

Each of the above collections prepares an "unpaid" list for St. Lawrence County at the end of collection. St. Lawrence County sets up a collection, marks all parcels paid, then "unpays" the ones on the unpaid list. Data from these schools would be included in the Centralized Tax Database at the end of the collection cycle.

D. Delinquency Collection at the County Offices

St. Lawrence County collects delinquent parcels, manages installment contracts, and manages the Article 11 foreclosure using the Centralized Tax Database software provided by Allen Tunnell Corporation. The Centralized Tax Database, containing both current and delinquent data, is exported to the internet on a daily basis.

Taxpayers may pay delinquent taxes online using credits cards. The taxpayer pays a 4% "convenience fee" in addition to his tax payment. There is no cost to the county to accept credit card payments. The county accepts cash, checks, and certified media in addition to credit cards.

About 1% of current and delinquent taxpayers in St. Lawrence County pay their taxes on line by credit card. For about 50,000 parcels, approximately 500 credit card payments have been made based on 2007/2008 data.

II. Issues and problems

A. City of Ogdensburg and City of Ogdensburg Schools

In a meeting that Bob McNeil (County Treasurer) and George Allen (CEO, Allen Tunnell Corporation) attended at the City of Ogdensburg with Phil Cosmo, Tim Johnson, and Debby Mitchell, it became obvious that it was not practical to switch tax collection software from System's East to Allen Tunnell Corporation's software for the purpose of including City data in the Centralized Tax Database, due to heavy customization of the Systems East software. Allen Tunnell Corporation's software would not be "off the shelf" for this application, and if a decision were made to change software, all of the customized changes would have to be made in the new software and a lot of testing would be required. This would be a formidable task.

Changing software is not a solution to including City and City School data within the Centralized Tax Database. The solution is to accept data from the City and City School, in "end of collection period", electronic format to load the Centralized Tax Database.

B. Data Integrity

St. Lawrence county is experiencing periodic problems related to data integrity. While the large majority of collectors within the county know their jobs well and perform their tasks admirably, some collectors have difficulty with "correction of errors", "small claims adjustments", and "apportionments". Changes of this nature periodically are made in error and then propagated to the Centralized Tax Database where it is made available to the public. Admitted the number of errors are not of large magnitude; but, they do cause issued to the public periodically.

C. Costs of Collection and "Data Currency" from Small Collections

Another issue is the cost-of-collection and data availability from small collection districts.

A small village collector will typically collect at home or collect at village offices for limited hours during the collection cycle. When a village collector fails to upload data to the Centralized Tax Database, no-one is aware of the missing data until notified by a person who is attempting to gather tax data on

a village parcel. Frequently, there is no answer to a phone call made to a small village office.

III. Recommend Solution

Overview

The overall collection process is working smoothly within St. Lawrence County using collectors who collect taxes at schools/municipalities. Because of the smooth collection process within the county, the collection process should not be changed. It is highly unlikely that a "centralized county ***tax collection*** system" in St. Lawrence County would provide any benefit. School/municipal collection offices are well run, have minimal staff, and provide cost effective collection. The risk of "making things worse" would be considerable if the county were to go to a "centralized county ***tax collection*** system".

There are some cases, however, where consolidation of tax collection services would be beneficial, such as the consolidation of tax collection for a small village into the town's tax collection operation. Note that many town collectors already collect school taxes for schools in their jurisdiction.

A. Centralized Tax Collection Software, with Local Collection

1. Data Integrity and problems with "currency of data from small collections" can be resolved by installing "Centralized Tax Collection Software" . With this software, the "application software" for all collectors would reside on servers maintained by the county. Tax collectors would "log in" via an internet connection and perform all collection tasks using software at the county, and the actual database that resides at the county. There would be no data transfers required, and all transactions would appear on the internet as they were made.

   The application has been written in "Windows Presentation Foundation", a tool within the Microsoft "Dot Net" framework. The data is in Microsoft SQL format as defined by the "Dot Net" framework. A secure interface to this data provides public access to the data at any time. With a single database, data is available to the public at the time of posting.

Data is automatically posted into a local copy of the “Centralized Tax Database” for collection of receivables, article 11 processing, and handling of installment contracts.

2. “Correction of Errors”, “Small Claims Adjustments”, and “Apportionments” may be made locally by the tax collector or at the county by county personnel.

3. Small villages could collect as they are currently doing, using a local portion of the Centralized Data Base.

B. City of Ogdensburg and City of Ogdensburg Schools Solution

The City of Ogdensburg, who collects the City taxes and the delinquent School taxes, as well as the City School district, should send a “year end” paid/unpaid file to the county on a yearly basis. Conversion software would be written to convert that data to a format that can be loaded into the Centralized Tax Collection Database at the county. Once the data is loaded, it will appear on the internet immediately.

C. Small Schools and a Village

St. Lawrence County currently has 6 small schools and 1 village that do not use the Allen Tunnell Corporation’s software. These collections should be offered the use of the ATC software at no charge. If they decline, the current system can be continued. An output file can be generated for each collection and transferred to the Centralized Tax Database.

D. Backup Capability

A backup capability would be provided to allow collectors to continue collecting taxes in the event that the internet went down. It would work as follows:

The “application” would run on the local computer systems; but, would automatically connect to the internet if the internet is present. All data would reside at the County. A “local copy” of the database would be present on the local network. Should the internet go down, the software would automatically switch to the local copy so that the collection process could continue. When the internet came back up, the local data would be automatically transferred to the Centralized Tax Database at the county.

E. Implementation Plan

1. June 2009 – Set up the “Centralized Tax Collection” application on a server at Allen Tunnell Corporation’s office for testing and training.
2. June 2009 – Set up 4 tax collectors to prototype the new collection system .
3. September 2009 – Go live with 4 school tax collectors into the Centralized Tax Collection System. Test interface into delinquency system. Remaining collectors would use the old system and transfer data to the county where it would be sent to the Centralized Tax Database database.
4. Late spring 2010 – Add 4 villages to the prototype environment.
5. Summer of 2010- Start testing with Ogdensburg data transfers
6. January 2010 – Add remaining Towns
7. Spring 2010 – Add remaining Villages
8. Prepare/go online with Ogdensburg data transfer application
9. September 2010 – Add remaining schools.

During the implementation cycle, the county should begin talks with villages in regard to consolidation of tax collection services.