

Onondaga County Comptroller's Office Report - Town of Camillus Tax Receiver

In 2011, the Onondaga County Comptroller's Office established the Consolidation, Shared Services and Integration (CSI) Onondaga tax force, an initiative to assist local government officials in managing resources efficiently and effectively and, by doing so, provide accountability for tax dollars spent to support government operations. Included in the CSI budget was a funded position for an auditor whose sole function would be to assist municipalities and quasi-governmental agencies identify opportunities for cost savings.

Following is a report of our review of the Town of Camillus Tax Receiver function and the potential for the abolishment of the position.

Town of Camillus Overview

The Town of Camillus is home to over 23,000 people, making it the sixth most populous town in Onondaga County. Governed by the Town Board consisting of the Supervisor and six Board members, Camillus occupies nearly 35 square miles of land, which includes Fairmount, Amboy-Belle Isle, Warners, and the Village of Camillus.

In 2011, the Town's budgeted expenditures exceeded \$19 million including funds for general operations, police, highway maintenance, parks and recreation, planning and code enforcement, as well as funds for various fire protection, water, drainage, and sewer districts. Wages and employee benefits accounted for \$8.3 million (44%) while the remaining \$10.7+ million was earmarked for contracted services, equipment and debt service.

Out of the 19 towns in Onondaga County, the Town of Camillus ranked 3rd in 2009 in town tax levy per resident and 1st per thousand in assessed property value as illustrated in SCHEDULE A:

County of Onondaga			SCHEDULE A				
2009 Town Tax Levy - Per NYS Comptroller AUD							
RANKED	Tax Levy						
Name	Population	Total Assessment	Amount	Per Resident (\$/Rank)	Per 1k Assessment (\$/Rank)		
DeWitt	24,071	2,409,203,642	14,266,104	592.67	1	5.92	7
Spafford	1,661	311,398,788	901,935	543.01	2	2.90	16
Camillus	23,152	1,367,217,505	12,389,473	535.14	3	9.06	1
Tully	2,709	249,618,497	1,250,477	461.60	4	5.01	14
Marcellus	6,319	382,549,009	2,757,067	436.31	5	7.21	2
Skaneateles	7,323	1,265,533,154	3,158,539	431.32	6	2.50	18
Cicero	27,982	1,974,531,897	10,891,607	389.24	7	5.52	12
Manlius	31,872	2,257,350,059	11,894,211	373.19	8	5.27	13
La Fayette	4,833	311,963,035	1,744,703	361.00	9	5.59	11
Otisco	2,561	155,362,030	905,801	353.69	10	5.83	8
Fabius	1,974	109,236,537	691,778	350.44	11	6.33	6
Salina	33,290	1,588,811,463	11,090,303	333.14	12	6.98	3
Onondaga	21,063	1,235,326,843	6,932,620	329.14	13	5.61	9
Geddes	17,740	828,662,776	5,336,375	300.81	14	6.44	5
Van Buren	12,667	579,464,204	3,808,319	300.65	15	6.57	4
Pompey	6,159	580,239,343	1,676,946	272.28	16	2.89	17
Clay	58,805	3,169,974,564	15,475,739	263.17	17	4.88	15
Elbridge	6,091	284,497,280	1,594,547	261.79	18	5.60	10
Lysander	19,285	1,393,516,195	3,027,325	156.98	19	2.17	19
Total/Avg:	309,557	20,454,456,821	109,793,869	354.68		5.37	

The Tax Receiver

Under New York State law, the Receiver of Taxes is charged with the responsibility of billing and collecting all Town, County, School, and Special District Taxes levied within the Town. Except as otherwise provided by law, the receiver of taxes shall also receive and collect all water rates, sewer rentals, permit fees and other fees and charges payable to the Town. The receiver is required to keep a public record of all moneys received and must be open during office hours to public inspection. Paid taxes must be deposited within twenty-four hours of receipt and all monies collected must be paid to the Town Supervisor by the fifteenth of the following month. Settlement with the county treasurer is one week after the expiration of the tax warrant.

The Town of Camillus Tax Receiver Department is made up of one full-time Tax Receiver, one full-time clerk and two part-time clerks who work primarily in the afternoons and whose hours vary based on seasonal requirements. The Department sends out over ten thousand tax bills, the majority of which are collected in January. In 2011, 40% of all payments were paid at the counter in the Town Hall, 37% by automated banking transaction, and 23% by mail-in payment.

In addition to billing and collecting taxes, the Tax Receiver maintains the property owner addresses for all 10,000+ parcels, retains detailed information on nearly 5,000 escrow accounts, processes automated payments involving 3,300 bank accounts, and fields all tax levy disputes and inquiries which in phone calls alone can range from 10 to 50 per day. They also receive the quarterly water bill payments

The expenditures for the Tax Receiver department fall under the Finance category of NYS municipal accounting. As illustrated in Schedule B, Camillus ranks 14th out of 19 towns in Onondaga County on Per Resident basis.

County of Onondaga					SCHEDULE B
2009 Town Expenses - Per NYS Comptroller AUD					
RANKED		Administration			
Name	Population	Expenditures	Per Resident	Administration falls under General Government Support:	
1 Marcellus	6,319	680,544	107.70	•	Legislative (1010.0 - 1099.9)
2 Spafford	1,661	173,366	104.37	•	Judicial (1110.0 - 1199.9)
3 Skaneateles	7,323	644,899	88.06	•	Executive (1210.0 - 1299.9)
4 Tully	2,709	225,138	83.11	•	Finance (1310.0-1399.9)
5 La Fayette	4,833	298,257	61.71	•	Municipal Staff (1410.0 - 1499.9)
6 Fabius	1,974	119,829	60.70		
7 Lysander	19,285	1,027,892	53.30		
8 DeWitt	24,071	1,147,298	47.66		
9 Elbridge	6,091	289,846	47.59		
10 Geddes	17,740	806,632	45.47		
11 Cicero	27,982	1,202,357	42.97		
12 Van Buren	12,667	522,998	41.29		
13 Otisco	2,561	102,394	39.98		
14 Camillus	23,152	902,441	38.98		
15 Pompey	6,159	234,292	38.04		
16 Salina	33,290	1,174,700	35.29		
17 Onondaga	21,063	652,300	30.97		
18 Manlius	31,872	874,182	27.43		
19 Clay	58,805	1,228,115	20.88		
Total/Avg:	309,557	12,307,480	39.76		

The 2011 Town of Camillus budget contains \$122,289 for the tax receiver, part-time staff, postage, supplies, equipment and tax roll preparation. Additional related expenses such as employee benefits (Social Security, Medicare & Health Insurance) are budgeted on a town-wide basis and are estimated at \$15,000.

Abolishing the Tax Receiver Position

Article 3 (Town Officers, Powers, Duties and Compensation) - Section 36 (Collection of taxes by town clerk) of the New State Law outlines the requirements for the abolishment of the tax receiver:

1. In any town of the second class in which the office of tax collector or receiver of taxes exists, the town board thereof may by resolution duly adopted at least one hundred fifty days prior to any biennial town election, determine that said office be abolished, same to take effect at the expiration of the term of office to which the incumbent was elected or appointed; and no such tax collector or town receiver of taxes shall be elected at any biennial town election held not less than one hundred fifty days thereafter. Upon the expiration of the term of office of such tax collector or town receiver of taxes as provided herein, he shall surrender and deliver to the town clerk of said town all assessment rolls, books, papers, writings and all other documents and property in his possession as such officer. In all towns where the office of tax collector or receiver of taxes has been abolished, it shall be the duty of such town clerk to collect and receive all state, county and town taxes and assessments that may be levied in such town and the town clerk shall have all the powers and be subject to all the duties of a collector with respect to the collection of such taxes, the deposit of receipts and the return of unpaid taxes, as provided by subdivision one of section thirty-five of this chapter.

2. The board of supervisors of the county in which such town is situate shall issue its warrant to such clerk for the collection of taxes in such town, in the same manner as warrants are issued to collectors, and all other warrants or authorizations for the collection of taxes, assessments or other moneys upon the taxable property of said town.

While the law provides the power to eliminate the Tax Receiver—an elected position—the key question surrounding the decision has to be the ability of the Town Clerk’s Office to handle the quantity of work that will not disappear when the Tax Receiver position goes away. The bills must still be sent; the payments still collected. Computer automation can streamline processes but many taxpayers will always require human interface for questions, disputes and the good old-fashioned “PAID” stamp. So, technology alone is not the answer.

Recommendations, Opinions and Subsequent Procedures

We recommend the Town assess their Town Clerk’s Office in union with the Finance Department staff—which currently includes the departments of the Tax Receiver, Assessors and Comptroller. An independent study of existing workloads and methods would reveal efficiencies that would allow the remaining departments to absorb the workload from the abolishment.

We believe there is potential for sufficient enough savings to expand procedures and examine the placement of receiver duties within the Clerk’s office as has been done in other Towns.

The Town of Camillus in comparison to other municipalities has a low cost per resident for these types of administrative functions, and further enhancements and cooperation with the entire finance, budget and management personnel should result in additional savings.

Our office would further assist the Town in reviewing and providing a report documenting the consolidation and establishing procedures to be followed by the departments in administering the new duties.

The savings could range from \$45,000 (Tax Receiver position only including benefits) to \$100,000 if all four positions were eliminated. As calculated in the following chart, a \$100,000 reduction in tax levy equates to an annual savings of \$11.36 for a taxpayer with an assessed value of \$150,000.

Tax Reduction Projection Table					
<u>2011 Tax Levy</u>	<u>Levy Reduction</u>	<u>Rate</u>	<u>Taxable Value</u>	<u>Annual Savings</u>	<u>%</u>
5,116,171	100,000	3.5189	150,000	11.36	2.1%
5,116,171	200,000	3.4487	150,000	21.89	4.1%
5,116,171	300,000	3.3786	150,000	32.40	6.0%
5,116,171	400,000	3.3084	150,000	42.93	8.0%
5,116,171	500,000	3.2383	150,000	53.45	9.9%
5,116,171	600,000	3.1681	150,000	63.98	11.9%
5,116,171	700,000	3.0980	150,000	74.49	13.8%
5,116,171	800,000	3.0278	150,000	85.02	15.8%
5,116,171	900,000	2.9577	150,000	95.54	17.7%
5,116,171	1,000,000	2.8875	150,000	106.07	19.7%