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6 NASSAU COUNTY LEGISLATURE

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8 RICHARD NICOLELLO

9 PRESIDING OFFICER

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11 FINANCE COMMITTEE

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13 LEGISLATOR HOWARD KOPEL

14 CHAIR

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16

17 Theodore Roosevelt Building

18 1550 Franklin Avenue

19 Mineola, New York

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22 October 29, 2020

23 10:15 A.M.

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2 A P P E A R A N C E S :

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4 LEGISLATOR HOWARD KOPEL

5 Chair

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7 LEGISLATOR VINCENT MUSCARELLA

8 Vice Chair

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10 LEGISLATOR TOM MCKEVITT

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12 LEGISLATOR ROSE MARIE WALKER

13

14 LEGISLATOR ELLEN BIRNBAUM

15 Ranking member

16

17 LEGISLATOR ARNOLD DRUCKER

18

19 LEGISLATOR DEBRA MULE

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2 LEGISLATOR KOPEL: This is a
3 meeting of the Nassau County Legislature's
4 Finance Committee. Before we begin, I just
5 wanted to thank Mr. Dave Moog, who is joining
6 us remotely, together with Mr. Miles and thank
7 you for joining us and we look forward to
8 hearing what you've got to tell us.

9 The subject of the hearing is to
10 understand the process for the issuance of the
11 school tax bills for 2021, school tax year
12 2021. And the SCAR, Small Claims Assessment
13 Review, petitions filed for assessed values
14 that are the basis for some of their school
15 tax bills.

16 And the reason we're doing this is
17 that this is, as everyone knows, has been a
18 strange year. We have had a number of
19 challenges. We've had obviously the COVID-19
20 situation, which I'm going to tell myself is
21 the reason why we have such a tremendous
22 attendance over here being that we do have a
23 fascinating subject, as well as the fact that
24 we've had a countywide reassessment for the
25 first time in many, many years. And you put

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2 those two things together and you've got
3 interesting times.

4 So, we want to just get information
5 so that the residents will understand what the
6 upcoming school taxes, how they have been
7 arrived at and the process. And with that,
8 I'm going to ask Mr. Pulitzer to call the roll
9 please.

10 MR. PULITZER: Thank you
11 Chairman. Legislator Joshua Lafazan.

12 LEGISLATOR LAFAZAN: Here.

13 MR. PULITZER: Legislator Arnold
14 Drucker.

15 LEGISLATOR DRUCKER: Here.

16 MR. PULITZER: Ranking Member
17 Ellen Birnbaum.

18 LEGISLATOR BIRNBAUM: Here.

19 MR. PULITZER: Legislator Rose
20 Marie Walker.

21 LEGISLATOR WALKER: Here.

22 MR. PULITZER: Legislator Thomas
23 McKevitt.

24 LEGISLATOR MCKEVITT: Here.

25 MR. PULITZER: Vice Chairman

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2 Vincent Muscarella.

3 LEGISLATOR MUSCARELLA: Here.

4 MR. PULITZER: And Chairman

5 Howard Kopel.

6 LEGISLATOR KOPEL: Here.

7 MR. PULITZER: We have a quorum

8 sir.

9 LEGISLATOR KOPEL: Thank you.

10 Mr. Moog, good morning.

11 MR. MOOG: Good morning.

12 LEGISLATOR KOPEL: Once again

13 thank you for joining us and I hope you're

14 well. I think the way to start probably would

15 be we need to ask you if you might be able to

16 walk us through the process this year.

17 Anyone who is not talking please

18 put your phones or computers on mute so we

19 don't have a lot of this false talk. Mr. Moog

20 can you hear me? I think we have hopefully

21 eliminated the crosstalk.

22 So, what I would like is for you to

23 do is to walk us through the process for the

24 typical process. In other words, when I say

25 typical I mean the statutory process for

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2 including timelines for issuing the various
3 tax bills and warrants and so forth. The
4 dates for the tentative roll, the final roll
5 and so forth. And this year's variations from
6 that process. You can start with that if
7 that's okay with you.

8 MR. MOOG: You want me to go
9 through the process on the school bills are
10 done?

11 LEGISLATOR KOPEL: I want to
12 start with the assessment process itself.

13 MR. MOOG: The assessment process
14 from beginning to end you mean? The
15 timelines?

16 LEGISLATOR KOPEL: Correct. The
17 dates at which the tentative rolls arrived at
18 for this upcoming school tax year, the
19 tentative date, the final roll date
20 statutorily as well as the process for this
21 particular year and the variations from the
22 statutory process and the reasons and the
23 results.

24 MR. MOOG: It starts in 2018
25 where we generate the tax roll through the

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2 multiregression model to come out with the
3 assessment roll. That roll is submitted in
4 September for validation. So it's get to a
5 511 notice November 1st. November 1st --

6 LEGISLATOR KOPEL: Forgive me
7 please but I'm going to interrupt you. Your
8 voice is a little choppy. Perhaps you might
9 get a little closer. And if we can, since
10 there is the possibility that some taxpayers
11 are listening, please avoid jargon or
12 shortcuts. In other words, don't just say the
13 final three words or something like that.
14 Explain it. Go along with it.

15 Once you're done, we are going to
16 vary this proceeding by the way, I should have
17 said. We are going to allow other members of
18 the legislature who do not happen to be
19 members of the Finance Committee to
20 participate with questions as well.

21 MR. MOOG: Is this better?

22 LEGISLATOR KOPEL: Yes. Go ahead
23 please.

24 MR. MOOG: So, starting in 2018
25 the county already had engaged SVS to do a tax

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2 cut one regression model.

3 LEGISLATOR KOPEL: One more
4 thing. Is there anyone in the room with you?

5 MR. MOOG: Yes. Robert Miles.

6 LEGISLATOR KOPEL: I was just
7 wondering about the mask. You'll be safe.
8 It's okay. Whatever. You will be safe. It's
9 okay. Do whatever you need.

10 MR. MOOG: He will keep six feet
11 away.

12 LEGISLATOR KOPEL: Just be safe.

13 MR. MOOG: Rob is sitting behind
14 me. Is that better?

15 So anyway, in 2018 we were
16 developing the tax roll for 2021 based on the
17 regression modeled provided by Matt Smith and
18 SVS. Matt Smith and SVS was engaged by the
19 county two years earlier in order to provide
20 us the knowledge base in order to do the
21 reassessment. So come September 2018 we were
22 under legal obligation to submit tentative
23 roll to be validated by ORPS because of the
24 511 period under statutory real property tax
25 law 511. ORPS needs to validate the roll in

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2 September. We would mail a notice out to all
3 taxpayers on November 1st.

4 From November 1st through December
5 taxpayers are allowed to come into the office
6 and present any other information to help fine
7 tune the numbers in the roll. That's the
8 purpose of the 511 period and send it around
9 the state. When you have a 511 period
10 taxpayers can come in and they can look at the
11 values, question the values.

12 Come January 2, 2019 the tentative
13 roll is issued. On January 2nd through March
14 1st the taxpayers have the legal ability to
15 file a grievance with the Assessment Review
16 Commission. During that period they file the
17 grievance. That period was extended I think
18 two times to May 1st.

19 LEGISLATOR KOPEL: That was by
20 order of the governor, correct?

21 MR. MOOG: No. This was in
22 2019. This was extended by the Nassau County
23 Legislature. Extended the grievance period
24 for ARC until May 1st. Then ARC does its
25 process in reviewing all the grievances and

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2 any cases that are unresolved in grievances
3 where taxpayers feel they didn't get the
4 proper due process from ARC, they didn't get
5 the results they wanted, have the right to
6 file SCAR.

7 Now, come April 1st of 2020 I
8 signed a final roll, after ARC finishes its
9 business in February of 2020, and that final
10 roll usually kicks off the period to file for
11 small claims assessment review for mailing
12 Small Claims Assessment Review. Usually that
13 period runs from April 1st to April 30th. But
14 this year due to COVID, Governor Cuomo told
15 that date. He extended that deadline out.
16 So, the court system and the county clerk were
17 unable to accept any applications until I
18 think it was May 25th.

19 May 25 the county clerk and the
20 court opened the portal for people to send
21 their applications in. And normally that
22 period would last 30 days. But through
23 continuing extensions granted by the governor
24 the filing period didn't get completed until
25 September 4th of this year. By September 18th

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2 we have to close our systems down to any sort
3 of decisions or mediations that were done
4 because we have to start calculating the
5 school bills. And then the school bills are
6 calculated and those warrants were sent out
7 yesterday to the town receivers.

8 LEGISLATOR KOPEL: To all three
9 of them?

10 MR. MOOG: What's that?

11 LEGISLATOR KOPEL: All of the
12 receivers got it yesterday? All three?

13 MR. MOOG: The town receivers
14 received their warrants yesterday, yes. They
15 received the files and the warrants were
16 signed for yesterday and they received the
17 files on a timely basis by yesterday
18 afternoon. So, that's the process for meeting
19 timelines.

20 LEGISLATOR KOPEL: Now, in terms
21 of actually what happened this year, you had a
22 record number of protests filed; isn't that
23 correct? A very large number?

24 MR. MOOG: We had 80,104 SCAR
25 petitions filed during this extended period,

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2 yes.

3 LEGISLATOR KOPEL: How does that
4 compare to what the county would have found in
5 a typical year going back? When I say typical
6 let's talk about the last three or four years.

7 MR. MOOG: If you look going back
8 to -- we took a look back going to 2004 or
9 2003 when the reassessment was done in 2004
10 they had 75,000 grievances filed.

11 LEGISLATOR KOPEL: You didn't
12 really have that many more. Now, in ARC what
13 were the results? In other words, you had the
14 80 some thousand filed, right?

15 MR. MOOG: We had approximately
16 240,000 ARC grievances were filed.

17 LEGISLATOR KOPEL: What were the
18 results of that process?

19 MR. MOOG: 80,000 were accepted
20 including --

21 LEGISLATOR KOPEL: When you say
22 accepted what do you mean?

23 MR. MOOG: About 60,000 received
24 reductions. 80,000 accepted the ARC results.

25 LEGISLATOR KOPEL: The rest of

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2 them proceeded to SCAR?

3 MR. MOOG: SCAR is the decision
4 of the taxpayer. The taxpayer has the right
5 to file for SCAR if they don't feel like they
6 received the results they wanted from the ARC
7 proceeding.

8 LEGISLATOR KOPEL: I understand
9 that but let me rephrase that. Did many of
10 those who did not come to a reduction at ARC
11 how many of those proceeded to file SCAR?

12 MR. MOOG: 160,000 grievances
13 were not resolved at ARC but only 80,000 ARC
14 proceedings were initiated. SCAR petitions.

15 LEGISLATOR KOPEL: About 80,000
16 SCAR petitions were initiated?

17 MR. MOOG: Yes.

18 LEGISLATOR KOPEL: This year
19 those 80,000 would that have taken them
20 beyond -- that would have happened in other
21 words beyond the final tax roll at that
22 point?

23 MR. MOOG: Pardon me.

24 LEGISLATOR KOPEL: In other
25 words, the ones that proceeded to SCAR those

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2 would be the ones that should a reduction be
3 granted at SCAR those would be ones that would
4 be eligible for a county refund, would that be
5 correct?

6 MR. MOOG: No. If they filed for
7 SCAR and we completed the hearing, got a
8 resolution of the case before like September
9 18th they would be adjusted on the 2021 roll
10 before the school bill or the other bills were
11 adjusted. It wouldn't be on the county
12 guarantee if we resolved it before September
13 18th.

14 LEGISLATOR KOPEL: What were the
15 results in fact before September 18th.

16 MR. MOOG: 80,104 cases are
17 filed. 58,000 cases were settled in
18 mediation. In the end, the remaining cases
19 were 11,654 cases.

20 I will just take a pause here to
21 mention that our staff here did a remarkable
22 job. An outstanding job. The courts
23 commended us. The tax rep firms commended us
24 on how we resolved over 84 percent of the
25 cases. 84 percent of the cases were resolved

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2 in a very quick manner during the COVID crisis
3 and is also done all through remote hearings
4 because of the original lockdown. And then
5 when we came back all these cases were done
6 remotely.

7 Systems had to be set up through
8 the IT division. They worked through every
9 day, six, seven days a week to get this done.
10 My staff were able to get through so many
11 cases because none of them took vacation. I
12 don't think anyone called in sick during those
13 days. We put a full effort into this and
14 really have to commend the CSEA staff for
15 doing something that was beyond really the
16 expectation of the court, of the tax reps, of
17 anyone who was in this process.

18 LEGISLATOR KOPEL: I think that
19 all of us here will join in congratulating the
20 members of our CSEA workers who generally do a
21 wonderful job for the county altogether
22 overall.

23 MR. MOOG: Yes.

24 LEGISLATOR KOPEL: So question
25 is, so now at SCAR looking, at that process

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2 just a little bit, do both sides present legal
3 arguments, would that be correct?

4 MR. MOOG: Both sides present
5 their side of the argument, that's correct.

6 LEGISLATOR KOPEL: Do both sides
7 then get a chance to refute the other's legal
8 arguments? Legal and factual?

9 MR. MOOG: Yes. Each side is
10 able to submit comparable sales to justify
11 their case.

12 LEGISLATOR KOPEL: What I mean
13 is, let's say the petitioner submits -- the
14 county submits legal arguments and the
15 petitioner submits legal arguments in a case.
16 I'm not even talking about comps. Does each
17 side get a chance to submit responding briefs
18 to those initial briefs?

19 MR. MOOG: Yes, they can.

20 LEGISLATOR KOPEL: Because
21 someone told me that they were not able to.

22 Does the county end up at SCAR
23 presenting on occasion values that are higher,
24 comps that are higher than the initial values
25 that were used to set up an assessment?

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2 MR. MOOG: We submit comps to in
3 order to best justify the value that we have
4 going forward in a case. As any lawyer would,
5 we bring forth the best possible comps to
6 justify our number.

7 LEGISLATOR KOPEL: What I'm
8 asking though, Mr. Moog, was are those comps
9 the same comps that you used initially or that
10 were used initially in establishing the
11 assessment or are these new comps that are
12 redone? In other words, you're going out
13 looking for new ones.

14 MR. MOOG: When we did the
15 assessment roll it's done through a multiple
16 regression model which incorporated all the
17 sales of the county through a multiple
18 regression modeling system. The values
19 themselves were generated for the roll through
20 a model process. When we go to defend the
21 case we bring comparable sales because it's a
22 review of the values that are generated from
23 the model.

24 LEGISLATOR KOPEL: I'm sorry, are
25 those different comps or are those the same

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2 exact ones?

3 MR. MOOG: We don't use
4 comparables to generate the initial values.
5 We use a model which uses all the sales for
6 the entire county. So, when we do a multiple
7 regression model, which is provided by SVS,
8 SVS was engaged to do the modeling, and we
9 reviewed the modeling they use sales
10 throughout the entire county. That's one
11 process.

12 When you go to SCAR you have to
13 justify those values using comparable sales
14 and that's what we did. We brought our
15 comparable sales in to justify the values
16 going forward to defend the case. As any
17 legal proceeding would be done. You defend
18 your case, you defend your values using
19 whatever sales. The values initially
20 generated were generated through a model. So
21 it wasn't generated through comparables. It
22 was generated through hundreds of sales
23 through a multiple regression model.

24 LEGISLATOR KOPEL: Are those
25 comps that you use then are those usually

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2 within the same school district?

3 MR. MOOG: We use whatever
4 comparables usually in the same school
5 district. We use whatever evidence we can
6 bring forward to justify the values.

7 LEGISLATOR KOPEL: That's not
8 what I asked. Are those comps within the same
9 school district or are those sometimes outside
10 the school district?

11 MR. MOOG: As far as I know, we
12 did review 80,000 cases, I can't speak for
13 every single case but vast, vast majority we
14 use in the same school district.

15 LEGISLATOR KOPEL: In the SCAR
16 proceeding?

17 MR. MOOG: Yes. I'm not
18 intermittently knowledgeable of every single
19 case. There were 80,000 of them.

20 LEGISLATOR KOPEL: But is there a
21 policy that the comps that are brought should
22 be within the same school district?

23 MR. MOOG: Yes.

24 LEGISLATOR KOPEL: That is the
25 policy. Okay. Now, what we would like to

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2 know I think that would be very useful for us,
3 you said you had 11 thousand 600 something?

4 MR. MOOG: 11,654.

5 LEGISLATOR KOPEL: If we could
6 have I think and you can provide this to the
7 Majority counsel and Minority counsel, both
8 would be interested, is a spreadsheet for
9 class one properties. And I think Legislator
10 Rhoads asked for this some time ago. I'm
11 going to ask Legislator Rhoads to just go
12 ahead and explain that once again exactly what
13 we wanted. What I understand it would be the
14 initial assessed valuations for each property,
15 the grievance request, results from ARC,
16 results from SCAR. Why don't you jump in?

17 LEGISLATOR RHOADS: Mr. Chairman
18 you've summarized it quite well actually.

19 MR. MOOG: What are you
20 requesting?

21 LEGISLATOR RHOADS: What we are
22 looking for is a scorecard of results
23 essentially. A breakdown of the challenges.
24 A breakdown of the actions taken by ARC with
25 respect to those challenges and then a

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2 breakdown of those that went to SCAR and how
3 those were resolved.

4 LEGISLATOR KOPEL: Once again I'm
5 going to summarize --

6 MR. MOOG: Is this of the
7 remaining cases or of all the cases?

8 LEGISLATOR KOPEL: Let me do it
9 again.

10 LEGISLATOR RHOADS: This would be
11 of all the cases. If you wish Mr. Moog, not
12 to cut the chairman off certainly, we can
13 submit that request in writing. It's
14 something that we had actually asked for
15 during your appearance during the budget
16 hearings at this point I guess on the 14th if
17 I'm not mistaken.

18 MR. MOOG: If you provide it in
19 writing I'll have counsel look at it and we'll
20 provide whatever information they feel is
21 appropriate.

22 LEGISLATOR KOPEL: I think that's
23 a good suggestion. We will agree we will do
24 it in writing. But once again, just so you
25 understand, we want all of the properties

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2 class one, the assessed valuations, the
3 grievance request in each case in which such a
4 grievance was made, the results in each case
5 out of ARC and SCAR. And one additional item
6 that we haven't mentioned here now would be
7 interested in knowing what the exposure to the
8 county potentially would be on the 11,600
9 cases remaining.

10 In other words, if there are a lot
11 of \$50,000 variations in assessed valuation
12 that's one thing. If there's several hundreds
13 of thousands or even millions, if they're
14 north shore homes that are worth well into the
15 millions, that variation could result in a
16 heavy exposure. We would like to get a feel
17 for what the exposure to the county might be
18 should we lose many of those cases. The
19 remaining cases that have not yet been
20 resolved.

21 MR. MOOG: So you want that
22 information to try to figure out some
23 liability? Make the request and I will have
24 my counsel review it and we will provide it as
25 soon as possible.

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2 LEGISLATOR KOPEL: Is there
3 reason counsel might reject something like
4 that?

5 MR. MOOG: I don't know. I
6 always run things by counsel. I don't see any
7 reason why but it's prudent on my behalf to
8 always do that. I don't see any reason why
9 but I always make sure my counsel is involved
10 with it.

11 LEGISLATOR KOPEL: Let me just
12 say that I don't see a reason either and
13 that's something that a legislature should
14 have.

15 MR. MOOG: Okay.

16 LEGISLATOR KOPEL: I'm going to
17 let legislators, other legislators talk with
18 you as well. Mr. Rhoads.

19 LEGISLATOR RHOADS: Thank you
20 very much Mr. Chairman. I actually had an
21 opportunity to question Mr. Miles quite
22 extensively on Monday, so I'm going to defer
23 to other legislators.

24 But I did want to make a point
25 though, Mr. Moog, that with respect to that

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2 last item and the county's potential exposure,
3 I want you to understand, and you certainly
4 should understand, we're voting on a budget
5 today. So, the fact that and I was a little
6 surprised to be perfectly honest that the
7 Department of Assessment had no idea with
8 respect to the county's potential exposure as
9 it pertains to those 11,645 SCAR petitions
10 that are still pending because that's directly
11 relevant to our budget liability for next year
12 which we are considering this afternoon.

13 MR. MOOG: I will say -- sorry.

14 LEGISLATOR RHOADS: I was going
15 to say that this isn't something that can sort
16 of wait for us to send a letter and counsel
17 will consider it and we'll provide whatever
18 information we feel like we're going to
19 provide. As a legislature we've got a
20 responsibility to know the county's potential
21 liabilities and as the Department of
22 Assessment you have a responsibility to
23 provide that information obviously both to the
24 administration and to us so that we can make
25 logical, knowledgeable choices with respect to

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2 our budget for next year. So time is of the
3 essence on that, and I would have hoped that
4 based on Monday's discussion that process had
5 already begun.

6 So while we can wait on the
7 scorecarding of the 250 some odd grievances
8 that were filed for the 2021 year and how that
9 process worked out, the final numbers in the
10 county's potential exposure is something that
11 we need to know right away.

12 MR. MOOG: I will say this, since
13 these cases, the 11,654 cases, are individual
14 cases going to individual hearing officers
15 with taxpayers exercising their right to
16 grieve, the outcomes are really unknown to
17 us.

18 But that being said, you can take
19 an accounting figure and give you a range on
20 an accounting figure. But again, it's a
21 ranged based on just an estimate. Probably
22 anywhere between \$2,250,000 and seven and a
23 half million dollars. Somewhere in that
24 range. But again, it's an accounting figure
25 and it's also based on our comps that we don't

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2 know from independent hearing officers.

3 LEGISLATOR RHOADS: It's
4 something more than an accounting figure.
5 When we're talking about potential liability
6 I'm talking about if the 11,645 SCAR
7 petitioners, taxpayers, were to win what is
8 the county's potential liability, right?
9 That's what our potential exposure is. It
10 doesn't mean that that's going to happen. But
11 we need to know what the county's full
12 potential exposure is as a result of the
13 11,645 petitions not being heard and now being
14 subject to the county guarantee if they
15 succeed. That's my point.

16 MR. MOOG: Okay.

17 LEGISLATOR KOPEL: That point,
18 just to put a number on to it, which is
19 probably important, if we had an average of
20 \$500 reduction in taxes, not talking about
21 assessed valuations, for those 12,000 cases,
22 and that's not a lot, 500 bucks I think when a
23 case does get settled, that's already six
24 million in terms of budgetary impact. It's a
25 significant number and that's why Legislator

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2 Rhoads is pushing that. It's important. We
3 need to know those numbers.

4 MR. MOOG: We will provide you
5 numbers to you on that. But I just want to
6 mention that the 11,654 cases 99 percent of
7 them received mediated offers. They were
8 reviewed by our office and reviewed by ARC.
9 We feel confident that these are good numbers
10 but we don't know what the outcome will be in
11 front of an independent hearing officer. But
12 we will provide you with any data you need on
13 this.

14 LEGISLATOR KOPEL: But these are
15 the ones that didn't get settled. In other
16 words, the ones that did get settled are the
17 easier ones almost by definition. There's no
18 reason to quibble.

19 Why don't you go ahead Mr.
20 Drucker.

21 LEGISLATOR DRUCKER: Thank you
22 Mr. Chairman. I just have one question. I
23 think I asked something of this question the
24 other day in follow-up to my colleague
25 Legislator Rhoads' question. Does the

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2 Department of Assessment, Mr. Moog, ever
3 estimate the sum total of possible refunds the
4 county would have to pay based on the number
5 of unresolved SCAR petitions each and every
6 year at the time the legislature has to vote
7 on the budget?

8 MR. MOOG: Not that I know of.

9 LEGISLATOR DRUCKER: So this has
10 never happened before?

11 MR. MOOG: Not that I know of,
12 no.

13 LEGISLATOR DRUCKER: Thank you.

14 LEGISLATOR KOPEL: Mr. McKeivitt.

15 LEGISLATOR MCKEVITT: Yes. I
16 just have a couple of questions. I hate to go
17 and backtrack to the original part of the
18 process but I just wanted to clarify one issue
19 which you mention in your initial testimony
20 that when the original values were devised SVS
21 had done the modeling approach through a
22 multiple regression model. And the reason I'm
23 asking is, I just decided to pull up My Nassau
24 Property report, which I have to think is very
25 comprehensive, there's a lot of good, helpful

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2 information on it and I do commend your office
3 for keeping up to date because it's very
4 helpful to research these issues.

5 I just went to my own house and it
6 gives a number of tabs you can look at.
7 Values, general school taxes, open, paid taxes
8 and the last tab says tax class one res
9 prognose. I click on that and I go to the
10 print report. It gives me a list of six
11 comparable homes similar to mine at least in
12 sort of location as well as class of homes
13 with values to it. What is the relevance of
14 that print report on the website as far as how
15 the value of my home was come up with?

16 MR. MOOG: That initial report
17 was generated for the 511 period. It enabled
18 taxpayers because we did a multiple regression
19 model but enabled them also to see some
20 comparables in the area. Now if they had a
21 question or objection or something about the
22 properties or what the inventory their
23 property was they were able to bring it into
24 our office and discuss it with one of our
25 assessors. It was to demonstrate possible

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2 comparables. But the actual values are
3 generated through a regression model.

4 I went through this earlier a
5 couple of years ago regression model uses
6 hundreds of sales in order to generate a value
7 and those models were provided by SVS. As you
8 know, SVS was engaged by the county I think in
9 2016 to start this process and generate
10 models. Use of regression models is
11 commonplace throughout all 50 states. Almost
12 every jurisdiction that does any sort of
13 reassessment uses models.

14 But every taxpayer has a right and
15 exercise in Nassau County, as well as
16 everywhere else, to grieve their value and to
17 bring forth evidence to prove their case.
18 That's what the Assessment Review Commission
19 does and if they're not satisfied they go
20 through SCAR. So those two processes of ARC
21 and SCAR allow taxpayers to bring comparables
22 to prove their case. But the original values
23 were generated through a model.

24 LEGISLATOR MCKEVITT: If a person
25 then goes through ARC and goes through SCAR,

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2 the homes which are listed, the six homes
3 listed on this report, they may be used by the
4 department in order to justify the
5 determination of value or you could then find
6 six completely different other homes in order
7 to try to go and justify the determination?

8 MR. MOOG: You have to remember
9 when those sales were put up they were put up
10 in November and there's a lag period of
11 sales. It takes about three months, four
12 months for sales to register to go through the
13 county clerk and come to us and we validate
14 it. Even though we put up those sales to
15 demonstrate to taxpayers, when you go to ARC
16 and go to SCAR, especially when you go to SCAR
17 as a respondent, we're able to use sales up to
18 January of the year even though those sales
19 were not fully available for that
20 demonstration purposes for taxpayers.

21 So, there are sales that come forth
22 in that fiscal year, in that calendar year,
23 that we can use and we can use any sale to try
24 to defend our assessment, yes.

25 So the sales in that line record

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2 viewer was to demonstrate to taxpayers during
3 the 511 period. And again, those sales
4 probably ran up to about August. Then from
5 August through September other sales come in
6 and when we go to SCAR we are able to use
7 sales for the entire calendar year.

8 LEGISLATOR MCKEVITT: Just for
9 information, the comparables for my house one
10 of them was October 11 of 2018.

11 MR. MOOG: That is a more recent
12 sale that did get in. But sales sometimes
13 take three, four months to get through the
14 process. Only because attorneys take a while
15 to register with the clerk and the clerk sends
16 up regular file uploads to us and it goes
17 through a process here. So sometimes it
18 delays from closing attorney filing with the
19 county clerk. Sometimes it's just a timing
20 mechanism between the clerk and our office.

21 LEGISLATOR MCKEVITT:
22 Understood. One other point I want to get to
23 is, so we have these over 11,000 SCAR
24 proceedings which still have to be adjudicated
25 and obviously some the department's

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2 determination will be sustained and some will
3 invariably have a change. It may be minor may
4 not be minor. But what I'm getting concerned
5 is is for those that do receive reductions
6 between now and the rest of the year is my
7 understanding that is going to be an attempt
8 by the department to make those corrections on
9 the second half school bills which go out in
10 approximately April or so of 2021?

11 MR. MOOG: We are engaging in the
12 same process that was engaged for the past 20
13 years on these issues. When you have SCAR
14 cases resolved and they resolve before March
15 or so we adjust the second half bill. Which
16 was done during the Gulotta administration,
17 done during the Suozzi administration, done
18 during the Mangano administration. This is
19 not something new. This is actually been
20 basically a pro forma SOP for years.

21 So those taxpayers who prepay the
22 entire year if they get adjustments those
23 taxpayers will receive a refund check.

24 LEGISLATOR MCKEVITT: But for
25 those, for example, I'll just throw out there

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2 in the North Bellmore School District, let's
3 say you go and have ten people who are getting
4 reductions for what it's worth, when it comes
5 down to that bill that comes out in April does
6 that have any impact on the bills for the rest
7 of the people within that school district?
8 Some people are going down. It may be very
9 minor. Would it then be possible that some
10 people then would have bills in the second
11 half higher than -- it may be only pennies or
12 so -- but would that be a possibility?

13 MR. MOOG: No. That's actually
14 why the county guarantee -- when the
15 adjustment is made it's coming out of the
16 county's coffer on that, so there's for no
17 adjustment to their bill. The county is
18 reimbursing the school district for the
19 adjusted bill. There's no adjustment to the
20 levy to the other taxpayers. That's how the
21 county guarantee works. It sort of prevents
22 any adjustment of the bill in the second half.

23 LEGISLATOR MCKEVITT: Thank you.

24 LEGISLATOR KOPEL: We have some
25 other questions from legislators. Legislator

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2 Kennedy did you have a question? Legislator
3 Ferretti.

4 LEGISLATOR FERRETTI: Hello
5 Mr. Moog. Can you hear me?

6 MR. MOOG: Yes, I can hear you.

7 LEGISLATOR FERRETTI: Mr. Moog,
8 in the 2021 SCAR season 92,678 SCAR filings
9 were filed in your office. Can you --
10 MR. MOOG: No. I want to correct
11 you. It's 80,104.

12 LEGISLATOR FERRETTI: I know
13 that's what you're saying. The county clerk's
14 office is reporting a number of over 12,000
15 more SCAR filings.

16 MR. MOOG: No. I think the
17 county clerk provided you all the Article 7s
18 included. SCAR is only for tax class one. So
19 it's 80,104. We got that from the court.

20 LEGISLATOR FERRETTI: How many of
21 Article 7s were there?

22 MR. MOOG: I'm not sure. They
23 can still file an Article 7 so it's a
24 continual count. It's still changing that
25 number. SCAR deadline already passed but the

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2 Article 7 deadline has not past yet.

3 LEGISLATOR FERRETTI: So to date
4 with approximately 12,000 Article 7s at ARC
5 would that be the difference in the two
6 numbers?

7 MR. MOOG: I guess that would be
8 a very good estimate. Probably close, yes.

9 LEGISLATOR FERRETTI: Let's go
10 back to.

11 MR. MOOG: Wait, wait. You're
12 breaking up a little bit Mr. Ferretti.

13 LEGISLATOR FERRETTI: Let's go
14 back to the 1920 SCAR. How many SCAR filings
15 were there for 1920?

16 MR. MOOG: In 1920 there were
17 8400.

18 LEGISLATOR FERRETTI: So roughly
19 ten percent of what we had this year?

20 MR. MOOG: That is correct.

21 LEGISLATOR FERRETTI: Now out of
22 those 8400 how many were of them were with a
23 mediator?

24 MR. MOOG: On the 8400 or the
25 80,000? I'm sorry I missed that.

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2 LEGISLATOR FERRETTI: In 1920
3 8400. We're only talking about 1920. How
4 many were mediated?

5 MR. MOOG: None of them were
6 mediated. They all went through hearings.

7 LEGISLATOR FERRETTI: None of
8 them were settled in SCAR prior to a hearing?

9 MR. MOOG: They all went to a
10 hearing.

11 LEGISLATOR FERRETTI: How many of
12 those were adjudicated, settled, whatever
13 before the date where the county guarantee
14 kicks in in 1920?

15 MR. MOOG: Every one except for
16 44 cases.

17 LEGISLATOR FERRETTI: So when
18 Legislator Drucker asked a few minutes ago
19 about if the question of tax liability ever
20 came up in the past and you responded no,
21 that's because for the most part there was no
22 tax liability, right?

23 MR. MOOG: Just for that one
24 year. If you look at other past years there's
25 quite a bit of liability.

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2 LEGISLATOR FERRETTI: How about
3 in the last five years?

4 MR. MOOG: Five years there was
5 considerable liability in one of the past five
6 years, yes.

7 LEGISLATOR FERRETTI: Now for the
8 2021. I appreciate you walking us through the
9 entire process.

10 MR. MOOG: I'm sorry. You're
11 breaking up again. I'm sorry.

12 LEGISLATOR FERRETTI: 2021 and I
13 thank you for going through the entire
14 process. I want to make sure I got the
15 numbers though. How many residents filed at
16 ARC for 2021?

17 MR. MOOG: How many filed for
18 SCAR you said?

19 LEGISLATOR FERRETTI: No ARC.
20 The Assessment Review Commission. The
21 challenges.

22 MR. MOOG: Approximately 240,000.

23 LEGISLATOR FERRETTI: And how
24 many were settled at ARC?

25 MR. MOOG: 80,000.

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2 LEGISLATOR FERRETTI: So 80,000
3 received reductions, correct?

4 MR. MOOG: 60,000 received
5 reductions. 20,000 just discontinued.

6 LEGISLATOR FERRETTI: Correct me
7 if I'm wrong, but after the ARC process, you
8 know, we were told that the roll was accurate,
9 correct?

10 MR. MOOG: That is correct.

11 LEGISLATOR FERRETTI: What is the
12 necessity for settling the 50,000 at SCAR?
13 What's the risk if the roll is accurate?

14 MR. MOOG: The risk it comes
15 about when you're doing mediation you're
16 looking at the results coming from SCAR
17 hearings. In order to mitigate any sort of
18 liability you can mediate. This was a process
19 we actually started negotiating with the court
20 last year to do mediation. And so when you
21 get SCAR decisions coming down you try to in a
22 predictive manner in order to mediate cases
23 and most were mediated in a very timely
24 fashion with some minimal reductions
25 sometimes. Actually 24 percent of the cases

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2 was zero reductions.

3 LEGISLATOR FERRETTI: I'll just
4 go back to the question. If the roll was
5 completely accurate and there was no fear that
6 we were going to lose any cases at SCAR then
7 there would be no need to settle, right?

8 MR. MOOG: The roll is accurate.
9 When you talk about accuracy of a roll you're
10 talking the accuracy of a roll from a multiple
11 regression basis. When you go to SCAR every
12 taxpayer is able to bring individual
13 information and then the individual hearing
14 officer will decide, it's his opinion, of
15 value that determines the determination. As
16 anyone would know, if you hire let's say five
17 appraisers those five appraisers will come in
18 with five different values for the same home.
19 Even same comparables.

20 So when you go to a hearing officer
21 the hearing officer has an opinion for the
22 comparables brought forth from DOA as well as
23 comparables from the petitioner and that
24 individual hearing officer will make a
25 decision.

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2 When you do a mediation we're just
3 looking at the possible risk of a reduction as
4 a result from the mediation. From the
5 decision from SCAR.

6 So, it's not that the roll was
7 inaccurate. The roll was still highly
8 accurate based on the multiple regression
9 model. Based on the standards. Based on
10 outside experts both from Newsday and from our
11 own internal hiring of an outside expert.

12 But taxpayers do have the right to
13 bring forth a SCAR hearing after ARC to make
14 their case and sometimes the hearing officer
15 has a different opinion of value than we
16 have. It's an opinion of value that comes out
17 from SCAR. And we chose to go through a
18 predictive manner to see if there's exposure
19 in remaining cases to try to resolve those
20 cases before they go to SCAR. And we did that
21 this year. And again, I mentioned 24 percent
22 of those cases mediated received a zero
23 offer. They were resolved no money and many
24 were resolved with small reductions. But it's
25 just manner of risk management. That's why it

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2 was done.

3 LEGISLATOR FERRETTI: What
4 percentage, if you know, what percentage of
5 the 80,000 were pro se SCAR filings?

6 MR. MOOG: We had 500 pro ses
7 left. It was like -- do you have the number?
8 2400 was it? It was a very small percentage
9 of pro ses. We have 500 pro ses remaining I
10 think.

11 LEGISLATOR FERRETTI: You have
12 500 remaining but was it a very small
13 percentage of the total amount at SCAR that
14 was pro se?

15 MR. MOOG: Very small
16 percentage. I don't have the number in front
17 of me on that. I'm sorry.

18 LEGISLATOR FERRETTI: What about
19 the filings at ARC, what was the percentage of
20 pro se filings at ARC?

21 MR. MOOG: That I don't have on
22 me right now. No, no. ARC had a larger
23 percent but I'm not sure of the number. I
24 don't have that on me.

25 LEGISLATOR FERRETTI: Do you know

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2 if it was approaching 50 percent at ARC that
3 were pro se?

4 MR. MOOG: No, no. It was less
5 than 50 percent but I don't know the exact
6 percentage. I know there were a lot of pro
7 ses filed at ARC but I'm not sure the number
8 or percentage. If it is 30 percent, 25
9 percent I'm really not sure.

10 LEGISLATOR FERRETTI: But it was
11 a significant amount?

12 MR. MOOG: It was a more
13 significant amount, yes.

14 LEGISLATOR FERRETTI: My concern
15 is that we've seemed to have set up a process
16 where essentially we're offering settlements
17 to SCAR point in the process which is over 95
18 percent tax grievance firms and it seems like
19 it's an unfair advantage to those residents
20 who challenge their assessment through
21 grievance firms rather than pro se. This is a
22 process that nobody knew was coming. It's
23 almost a second bite at the apple.

24 MR. MOOG: I would say all
25 taxpayers, even pro ses, when they receive the

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2 results from ARC I think are notified that
3 they can file with SCAR. And we did have
4 mediated settlements on pro ses from our
5 office. The pro se cases were treated with
6 the same respect as tax rep cases in all three
7 mediations.

8 Mr. Miles, who is the deputy
9 assessor of SCAR process, I will let him chime
10 in.

11 MR. MILES: We set up a separate
12 mediation program for the pro ses specifically
13 to address that concern. And they were able
14 to call in and address their -- I can't hear
15 from the legislator.

16 LEGISLATOR FERRETTI: Mr. Miles,
17 that doesn't address my concern because my
18 concern is that pro se filers didn't know they
19 had this opportunity.

20 MR. MILES: No. We let them know
21 that they had this opportunity. We created a
22 whole separate program. We sent out I believe
23 a mailing that said that they have this
24 opportunity and they were provided a separate
25 call-in number to call into our expert staff

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2 to discuss the mediation offers that we sent
3 out to the pro ses. They were able to
4 negotiate themselves on a phone call with a
5 personal SCAR representative to discuss the
6 offer that they were given.

7 LEGISLATOR FERRETTI: Mr. Miles,
8 every pro se residential tax assessment
9 grievant who went to ARC was sent a notice
10 that there was going to be a mediation program
11 at SCAR and that they would have another
12 opportunity to sit down and discuss their
13 assessment?

14 MR. MOOG: I'm not sure what
15 happened at ARC but I know that when we did
16 our overview of all filings from petitioners
17 we made sure to also include pro ses and we
18 created a separate program for the pro ses.

19 LEGISLATOR FERRETTI: You
20 included pro ses who had filed a SCAR
21 petition, correct?

22 MR. MOOG: Of course.

23 LEGISLATOR FERRETTI: That's my
24 point, that pro se grievants at ARC were not
25 aware that this mediation program was going to

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2 exist at SCAR and so they didn't know that
3 they were going to have another opportunity at
4 SCAR to settle their assessment grievance.

5 MR. MOOG: When people file a
6 SCAR -- the mediation process it's a process
7 through the court system. So in any case when
8 you file for an Article 7 or you file Article
9 7A or file any case in New York State there's
10 always that mediation process. That's a
11 universal process throughout the state. We
12 decided to avail ourselves of that during this
13 period to get as many cases resolved before
14 the county guarantee would kick in. So,
15 anyone filing any litigation there's always a
16 mediation portion to it and it's been expanded
17 to Article 7.

18 Pro ses going into SCAR always know
19 they can go to a hearing. Mediation is just
20 our way of resolving the case before. It
21 doesn't mean we get more money. It doesn't
22 mean that we are making it easier. It's just
23 means that we trying try to resolve the case
24 before the filing period ends or before the
25 county guarantee period ends and that they can

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2 avail themselves of SCAR at any time. It's
3 not like they got something special, monies
4 given out or special favors given out. This
5 was try to replicate the type of results you'd
6 receive from a SCAR petition by a hearing
7 officer.

8 LEGISLATOR FERRETTI: Thank you.
9 And Mr. Moog, out of the 50,000 that have been
10 mediated at SCAR --

11 MR. MOOG: 58,000.

12 LEGISLATOR FERRETTI: Sorry. How
13 many of those received a reduction at SCAR
14 through mediation?

15 MR. MOOG: 14,000 received zero
16 offers. No offer. The remainder received an
17 offer.

18 LEGISLATOR FERRETTI: 44,000
19 received a reduction?

20 MR. MOOG: Yes. 44,000 were
21 offered reductions and accepted.

22 LEGISLATOR FERRETTI: If you
23 include the ARC number of approximately 60,000
24 reductions through settlement and add the
25 44,000 that were settled at SCAR with a

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2 reduction we're at approximately 104,000

3 reductions through settlement, correct?

4 MR. MOOG: Correct.

5 LEGISLATOR FERRETTI: That's out

6 of how many properties that grieved their

7 assessment in total?

8 MR. MOOG: 240,000.

9 LEGISLATOR FERRETTI: So 104,000

10 out of 240,000 would you call that mass

11 settlement?

12 MR. MOOG: No.

13 LEGISLATOR FERRETTI: What would

14 the threshold be to be considered mass

15 settlement?

16 MR. MOOG: Mass settlement is

17 when you set up a general parameter of just

18 giving a straight percentage cut to properties

19 or creating a stratified cut that would result

20 in cuts that were not done through analysis.

21 Every mediated offer had comparable properties

22 attached to it and an analysis was done on

23 every individual property before a mediated

24 offer was given out.

25 A mass settlement process doesn't

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2 use any analysis or appraisal background. It
3 just uses strictly we're going to give three
4 percent, four percent, five percent on the
5 properties to clear cases. That wasn't the
6 case here. We had reductions of zero. We had
7 reductions of one percent, five percent, ten
8 percent. Depending on how the comparable
9 pointed and how it was negotiated with the
10 individual petitioner.

11 LEGISLATOR FERRETTI: In 1920 we
12 know that at SCAR we didn't give any
13 reductions through settlement, but how many
14 reductions at ARC through settlement were
15 there in 1920?

16 MR. MOOG: 1920 I'm not sure of
17 the exact number. I think it was between 170
18 and 190,000 reductions in 1920.

19 LEGISLATOR FERRETTI: So this
20 entire reassessment process, which was
21 supposed to eliminate essentially the
22 necessity to grieve your assessment, has
23 resulted in 104,000 settlement reductions,
24 where the previous system, which we all
25 acknowledge was completely broken, was

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2 approximately 170,000.

3 MR. MOOG: The 170,000 was based
4 on strictly the level of assessment being
5 granted at ARC compared to what was being used
6 at the Department of Assessment. It still was
7 a grossly inaccurate assessment roll by all
8 measure. And people who had comparable
9 properties next to each other paid very
10 different tax bills. The equity to the tax
11 roll was important.

12 LEGISLATOR FERRETTI: Mr. Moog, I
13 completely understand that the system was
14 broken. The point of reassessing is to fix
15 it. I would have hoped that by fixing it we
16 wouldn't have 104,000 grievants being granted
17 settlement reductions. But we do. I
18 appreciate your responses and thank you to
19 both you and Mr. Miles.

20 MR. MOOG: Thank you.

21 LEGISLATOR KOPEL: Mr. Rhoads.

22 LEGISLATOR RHOADS: Just a couple
23 of quick follow-ups. Legislator Drucker made
24 the point which was addressed by legislator
25 Ferretti as well. We do budget for grievances

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2 for certioraris, both residential and
3 commercial, in one lump sum in our budget.
4 There's \$30 million in the budget for
5 certioraris. My concern is the fact that in
6 1920 we were dealing with, as Mr. Moog has
7 testified, 44 petitions that were still
8 pending at the time bills were issued. At the
9 time our September 18th deadline -- at the
10 time the county guarantee would kick in.

11 We budgeted \$30 million last year
12 for certiorari payments with 44 residential
13 petitions still outstanding. We have the same
14 \$30 million in the budget this year with
15 nearly 12,000 petitions that are still
16 pending. So that's the reason I'm asking the
17 question. And the reason that it's relevant
18 is because I have no confidence that the \$30
19 million that we've budgeted is actually nearly
20 enough and are we going to wind up with having
21 some sort of massive liability that we haven't
22 been able to account for in the budget.
23 That's the reason for the question. There's
24 such a huge discrepancy between where we were
25 last year and where we are this year. When we

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2 are in the budget process we want to make sure
3 we've accounted for that.

4 LEGISLATOR DRUCKER: The
5 distinction, Legislator Rhoads, is that we are
6 now going to court defending a much more
7 accurate roll.

8 LEGISLATOR RHOADS: Are we?

9 LEGISLATOR DRUCKER: I certainly
10 believe. So that's certainly a distinction.
11 And I think what is rather telling is that
12 there's been a substantial number of
13 settlements in which the taxpayer agreed to no
14 change. So, taxpayers are settling quite a
15 bit and accepting the fact that the assessment
16 is accurate after they file a grievance and
17 filed a petition with SCAR they're settling
18 saying okay, we accept that you're not going
19 to reduce our taxes. I think that's the
20 distinction.

21 So maybe we can hear from someone
22 from the administration about the budgeted set
23 for refunds and see if that's changes or they
24 anticipate something. I see we have Andy
25 coming up.

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2 LEGISLATOR RHOADS: I know that
3 the -- and Andy you certainly have an
4 opportunity to answer that question -- but the
5 concern that I have is that as of right now we
6 have no idea what the potential exposure is.
7 The Department of Assessment doesn't have any
8 idea what the potential exposure is. That's
9 still a number they have to calculate. Unless
10 that was calculated independently by the
11 administration, I don't know how you can
12 answer that question but if want to choose to
13 go ahead.

14 MR. MOOG: I did state earlier
15 that the department believes it will be
16 somewhere between two and a quarter million
17 and seven and a half million dollars. But
18 again, it's determined on the decisions from
19 an independent hearing officer. The number is
20 going to be probably somewhere between that
21 range but I can't say definitively because we
22 don't know when decisions will come out and
23 how they will be coming out.

24 LEGISLATOR RHOADS: I know that
25 you're giving me an estimate of what you think

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2 will happen, but the information that I'm
3 looking for is what is the county's potential
4 exposure? In other words, as I explained
5 before, if those 11,600 some odd homeowners
6 succeed in their petition, get what they're
7 asking for, right? Because they've got to
8 give a value. They're the ones that have the
9 burden of proof of defending that that value
10 is accurate, right? But let's say they're
11 able to meet that burden and a SCAR officer
12 says you know what? You're right. What's the
13 county's potential exposure at that point?
14 What's the total number? That's the
15 information that I'm looking for.

16 MR. MOOG: As I mentioned before,
17 we believe it's going to be somewhere between
18 two and a quarter and seven and a half
19 million. We will provide any data you want
20 for -- put in a request and we will provide
21 the data and carry the conversation on after
22 that.

23 MR. PERSICH: Legislator, two
24 things I would say. One is we have \$30
25 million appropriated. We had it this year.

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2 We've had it historically I think for the past
3 few years. We've allocated \$30 million in
4 cert liability. Now, what I think from the
5 residential side what I'm hearing is the
6 12,000 cases, I think we probably have enough
7 budget appropriation to cover that shortfall
8 based on the number of cases.

9 Remember now, the class fours are
10 the lion's share of what our exposure is. So
11 we have the DAF set up to cover those
12 shortages, which should add some relief in the
13 operating budget for these class one claims
14 should they come in.

15 Combined total I don't think
16 residential is going to exceed \$30 million.
17 And from what Mr. Moog is telling me I think
18 the seven million at the top end of his thing,
19 even if it goes to ten, I think the budget for
20 2021 can absorb that exposure that we may
21 have.

22 LEGISLATOR RHOADS: How would you
23 believe that the budget can absorb it?

24 MR. PERSICH: As it stands now we
25 have \$30 million in the budget for that. My

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2 point is if the class ones come in at ten
3 million I will then have 20 million for other
4 things or I'll have freed up 20 million. Or I
5 can use some to pay some additional class four
6 cert claims to buy down some of the exposure
7 in the liability.

8 The other thing too is, we really
9 don't calculate the liability until the end of
10 the year on an accounting basis. But that may
11 not be true liability that we have because
12 it's a negotiated settlement is what's
13 happening.

14 I think from the budgetary
15 standpoint I think there's enough -- that 30
16 should cover Mr. Moog's shortage that he may
17 have in grievances. If doesn't and we get a
18 judgement against us it's like everything
19 else, we will have to then readjust money and
20 move it around to cover the shortfall if we
21 have it.

22 LEGISLATOR RHOADS: Part of the
23 issue is that we haven't been doing that
24 historically. We have \$580 million in debt
25 that we owe to county taxpayers. Certiorari

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2 debt that we owe to county taxpayers, right?

3 MR. PERSICH: That's correct but
4 remember included in that 580 --

5 LEGISLATOR RHOADS: I'm just
6 trying to make sure we're not in a situation
7 where we're adding to that number.

8 MR. PERSICH: I don't believe
9 that. I think the budget will cover that.
10 There will be no class one liability I hope by
11 the end of next year. I think with the more
12 defendable roll as stated we have to start
13 believing at some point that the numbers we're
14 putting out there and after adjustments that
15 we will have a defendable roll that will limit
16 the number of cases that we will be getting.
17 It is subjective.

18 LEGISLATOR RHOADS: We were
19 supposed to have the defendable roll this
20 year, right, for 2021? Part of the issue that
21 I have is that as much as the Department of
22 Assessment has been telling us and the
23 administration has been telling us that this
24 is the most accurate roll you can achieve.
25 This is a roll where the Department of

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2 Assessment, through the process, identified
3 tens of thousands of errors before that roll
4 went final on April 1st and the SCAR petition
5 process started.

6 Yet, you have 60,000 after that
7 roll went. You've had 60,000 people receive
8 reductions in ARC. You've had another 44,000
9 people, so roughly over 25 percent of the
10 entire roll after the discovery of tens of
11 thousands of errors during the course of the
12 process. You've had an acknowledgment now on
13 behalf of the county that over a quarter of
14 the roll representing about 40 percent of all
15 people who filed petitions was incorrect.

16 And for the 300,000 properties that
17 weren't subject to that, all of those
18 reductions resulted in an increase, a
19 corresponding increase to other homeowners
20 that had no idea that that increase was
21 actually coming.

22 I don't know how we say that the
23 roll is accurate. I'm not quite sure what a
24 regression model means and maybe that means
25 something in assessment parlance but with

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2 respect to sort of where the rubber hits the
3 road, where the taxpayer is concerned, I don't
4 know how we can say this roll is accurate when
5 we are acknowledging that there are over
6 100,000 mistakes.

7 MR. MOOG: I want to say that
8 when we completed this roll it was vetted
9 independently by an independent expert. It
10 was vetted by ORPS and was vetted by even the
11 experts at Newsday. So it was an accurate
12 roll.

13 LEGISLATOR RHOADS: But what
14 we've been saying all along, Mr. Moog, is that
15 while you can have experts and you can have
16 Newsday and you can say as much as you want
17 about how accurate the roll was, you won't
18 know how accurate the roll is until you've
19 seen the end of the process and we are, well,
20 except for 12,000 homeowners, we are at the
21 end of the process now and what that process
22 has shown us over is that over one-quarter of
23 the values we're still wrong to the point
24 where we had to offer settlements in order to
25 resolve those cases.

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2 MR. MOOG: I want to point out
3 that probably from the ARC reductions and from
4 SCAR reductions the vast majority of these
5 adjustments were of minimal nature. They were
6 probably in the five percent. As I pointed
7 out before, you can have multiple appraisers
8 come in on the same property with same
9 comparables and come up with different
10 values. The multiple regression model that's
11 used gives values on a mass scale and that
12 mass scale values were accurate for the most
13 part.

14 But at the same time, people do
15 have the right to grieve. They have the right
16 to file petitions and the right to have
17 properties heard on an individual basis.

18 There will be adjustments made no
19 matter who does the tax roll. If a
20 reassessment is done there will be adjustments
21 made through the grievance and ARC process.
22 That's universal, not only in Nassau but
23 throughout the country. You read any sort of
24 assessment journals when a reassessment is
25 done after a number of years of a frozen roll

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2 or inaccurate roll you have a large number of
3 grievances files to fine tune the number. But
4 a lot of these adjustments are very small
5 adjustments.

6 LEGISLATOR RHOADS: But if the
7 overall, to Legislator Ferretti's point, if
8 the overall idea is that we were going to have
9 an accurate roll to point where we could
10 reduce the number of grievances that we're
11 receiving on an annual basis. Not having to
12 put taxpayers through the process of having to
13 fight for us to be able to get it right.
14 Simply getting it right to begin with. I
15 don't know how we can say that was a success
16 when in over 100,000 cases we had an
17 acknowledgment on the part of the county that
18 it was inaccurate.

19 But moving on from there. Do we
20 have any idea with respect to these 11,600
21 some odd homeowners that are put in a
22 situation where they may be asked to pay taxes
23 that it may be determined that they don't owe,
24 do we have any idea when those outstanding
25 petitions are going to be resolved?

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2 MR. MOOG: We believe all these
3 outstanding petitions will be resolved before
4 the second half school bills are issued. It's
5 all dependent on the court calendar. The
6 court controls the calendars. But at the
7 present pace we are working on all the cases
8 will be resolved before the second half bills.

9 LEGISLATOR RHOADS: I do
10 understand that obviously COVID played a
11 part. The deadline itself was extended, the
12 filing deadline itself was extended. The
13 12,000 petitions or 11,600 petitions that are
14 still outstanding are those petitions that
15 were all filed after September 4th? In other
16 words, what's the reason --

17 MR. MOOG: No, no, September 4th
18 was the deadline. It could be filed after
19 September 4th. The cases -- we had received
20 over 50,000 filings after July 1st, and we
21 worked through and we made mediation offers on
22 99 percent of the cases. More than 99 percent
23 of the cases receive a mediated offer. At the
24 end, the court, which sets the calendar up,
25 heard approximately 13,000 cases. They

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2 control the speed that cases are heard.

3 If we don't make a mediated offer,
4 we try to resolved the case and the court has
5 limited resources to get things done and they
6 did not get all the hearings completed.
7 That's why these 11,654 cases remain.

8 LEGISLATOR RHOADS: Were there
9 offers, just so I understand the process, were
10 there mediated offers made mediated offers
11 rejected? Were all of the mediated offers
12 made first and only then the hearings
13 started? Or if a mediated offer was rejected
14 in one case it was scheduled for a hearing in
15 that case?

16 MR. MOOG: If we make mediated
17 offers on all cases and if they reject the
18 mediated offer then that would go in the pool
19 to be -- cases to be heard by the court.

20 LEGISLATOR RHOADS: But the cases
21 were being heard by the court throughout the
22 process after it opened up on what was it May
23 25th?

24 MR. MOOG: Absolutely. They
25 started hearings the third week in June. June

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2 14th they started doing hearings. A slow
3 start because we were just getting things set
4 up with Zoom and getting files set up. But
5 they did start on June 14th. I would say it
6 really started getting up to speed by the
7 first week of July.

8 LEGISLATOR RHOADS: With respect
9 to the 11,600 some odd homes that are still
10 participating in the SCAR process, do we know
11 where the majority of those are located?

12 MR. MOOG: They're all over the
13 county. It's a result of either not accepting
14 the mediated offer or they weren't satisfied
15 that their assessment was correct so they
16 decided to take the next step.

17 LEGISLATOR RHOADS: We had a
18 discussion earlier on in the process with
19 respect to north shore properties, which I
20 believe there was an acknowledgment on the
21 part of the Department of Assessment, that
22 some -- on your part as a matter of fact
23 Mr. Moog -- that some of the values with
24 respect to those higher end north shore
25 properties the values were not defensible.

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2 Are any of these SCAR petitions that are still
3 pending those properties?

4 MR. MOOG: All I know is that the
5 remaining cases are throughout the county. I
6 haven't done a deep dive of where these cases
7 are located.

8 LEGISLATOR RHOADS: Wouldn't that
9 information though be relevant? We will ask
10 for that breakdown.

11 MR. MOOG: Okay.

12 LEGISLATOR RHOADS: I know you
13 had indicated before because we had spoken
14 about some of the things that we would be
15 seeking that you would ask counsel. I notice
16 that Mr. Miles is actually there with you. Is
17 there any reason, Mr. Miles, why that
18 information would not be able to be turned
19 over?

20 MR. MILES: It's open information
21 but it is a smattering all over the county.
22 We have to have a mapping of where it is.
23 That takes a long process. We will have to
24 utilize other departments to help us.

25 LEGISLATOR KOPEL: I think he

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2 means a legal reason.

3 MR. MOOG: Also this is still
4 open litigation too.

5 MR. MILES: It's open litigation
6 still. And just upon a review of the parties
7 that are still in play they are all over the
8 county. And no acknowledgment here that there
9 was any issue with north shore properties or
10 that they were indefensible. I said that on
11 Monday.

12 LEGISLATOR RHOADS: The question
13 was -- you weren't 100 percent certain about a
14 lot of the answers that you gave on Monday and
15 that's why we were asking Mr. Moog.

16 The question of immediate concern,
17 at least for me, is the total exposure to the
18 county based on those petitions. When do you
19 think that you might be able to get that
20 information to us? Is there any chance that
21 you can get it to us before our budget vote
22 that's supposed to be at one o'clock?

23 MR. MOOG: We will not get the
24 information to you before one o'clock. I know
25 Mr. Persich already spoke to you about the

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2 reserve and I already spoke to you that we
3 believe it will be between two and a quarter
4 and seven and a half million dollars. This
5 exercise I don't think has ever been performed
6 before with any of the prior administrations.
7 I don't think it was done under the Mangano
8 administration, the Suozzi administration or
9 the Gulotta administration.

10 LEGISLATOR RHOADS: Look, it's my
11 job to ask for information so we're making
12 sure we're making an educated decision. I
13 can't necessarily rely upon the information
14 that's being provided to me by the
15 administration. That's why we ask questions
16 to try and confirm the information that we're
17 being given. So the question is, can you get
18 us that number?

19 MR. MOOG: They're individual
20 hearings and it's also open litigation. I'm
21 not sure. I will have to check back with my
22 general counsel on that.

23 LEGISLATOR RHOADS: He's right
24 there.

25 MR. MILES: I stated on Monday

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2 that based on the individual nature of the
3 hearings, and remember these are petitions,
4 these are hearings, this is not a term that
5 was used in prior administrations, been
6 hearings in the past, continue to be
7 hearings. It is very difficult to put
8 together a solid number. But Mr. Moog is
9 giving you a range based on his experience.

10 LEGISLATOR RHOADS: I understand
11 that he's giving a range based upon his
12 experience but it's not the question I'm
13 asking. The question that I'm asking is, what
14 is the county's total exposure if the 11,640
15 some odd petitions are granted? If the
16 petitioner gets what they ask for what's the
17 total exposure?

18 MR. MOOG: I don't think that's a
19 realistic budget number. That wouldn't be a
20 realistic budgeting number because not every
21 petition is going to receive the maximum
22 result of their settlement. And I think in
23 this exercise you're trying to figure out
24 budgeted liability we gave you a range. And
25 Mr. Persich did mention to you that there are

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2 sufficient funds in the budget to cover this
3 liability in the remaining cases.

4 LEGISLATOR RHOADS: With all due
5 respect, I don't have to accept what it is
6 that you want to give me. My job is to ask
7 questions as a legislator for information that
8 we believe is relevant to the determination
9 that we make and your job is to the best of
10 your ability provide that information.

11 So I appreciate the estimate that
12 you're giving me, but I would like to know
13 what the total exposure to the county is so
14 that we can make our own independent
15 evaluation. I'm not suggesting that your
16 information is incorrect in any way. But what
17 I do want to know is can we independently
18 corroborate that information so that we can
19 make our best determination in budgeting
20 things here. So I appreciate that.

21 MR. MOOG: I heard that before,
22 yes.

23 LEGISLATOR RHOADS: We will send
24 the other requests in writing.

25 MR. MOOG: Okay.

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2 LEGISLATOR RHOADS: We will send
3 the other requests in writing. But again,
4 based on our breakdown of some of the things
5 that we've been looking for, total number of
6 petitions, total number of settlements, all of
7 that base information that we spoke about
8 earlier, is there a reason why that
9 information -- I know you said you had to
10 check with counsel, who is there, is there a
11 reason why you think that information wouldn't
12 be able to be provided for any reason?

13 MR. MOOG: Like I said, I make
14 sure whenever a request comes I run it by the
15 county attorney to make sure I'm not causing
16 any legal problems down the line. Especially
17 situations that are open litigation. That's
18 just standard policy here. I don't see a
19 reason why but I would have to refer to the
20 county attorney on his opinion to make sure
21 it's okay.

22 LEGISLATOR RHOADS: But Mr. Miles
23 is with the county attorney's office.

24 MR. MOOG: No. He works for my
25 office. Mr. Miles is an employee with the

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2 Department of Assessment.

3 LEGISLATOR RHOADS: Just out of
4 curiosity, what's the reason for the
5 discrepancy? Your counsel can't make that
6 determination?

7 MR. MOOG: I will have to wait
8 for the request to come in and we will make
9 the determination. It's that simple. I've
10 said that before. It's always prudent of any
11 agency head to make sure that legal counsel is
12 aware of any information we are disbursing.
13 That's standard operating procedure in any
14 agency.

15 LEGISLATOR RHOADS: Thank you
16 Mr. Moog.

17 LEGISLATOR KOPEL: Anyone else?
18 Ms. Walker.

19 LEGISLATOR WALKER: Many of my
20 questions have been answered already. When
21 someone goes to SCAR, the typical modeling
22 that was done for our homes when we first got
23 our assessment you said came from sales
24 throughout the whole county. Now they have
25 gone through the process and going to SCAR.

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2 Now you're coming prepared with other homes
3 that might not have ever been considered
4 before. Also homes that were later sales.

5 So someone who is going to SCAR of
6 all these 11,654 cases that you still have
7 left, what homes, like, what can you compare
8 them to? The cut off date for sales or
9 whatever.

10 MR. MOOG: You use comparable
11 sales of properties of similar size and nature
12 and in the same neighborhood or similar
13 neighborhoods. But since this is open
14 litigation I don't go too deep into how a
15 petitioner would file and attack his case.

16 But it's basically a process that
17 you're trying to prove your value of your
18 property is different than the value presented
19 by the Department of Assessment. And it
20 always done through comparable sales. Unless
21 there's other mitigating situation of
22 inventory, stuff like that. But it's
23 comparable sales to prove your value.

24 LEGISLATOR WALKER: I understand
25 that but you said that obviously you could use

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2 more recent sales. So, for these 11,654 cases
3 where is the cutoff date of the sales you
4 might be able to use?

5 MR. MOOG: That would be January
6 2 of 2019. Right? The petitioner is allowed
7 to use any sales they want because it is a
8 small claims proceeding. The department uses
9 sales up to January 2 of 2019.

10 MR. MILES: The department, the
11 way to defend the SCAR is you try to get sales
12 close in time to the publication date as
13 possible. That's our policy here. The
14 petitioner obviously has their administrative
15 right and they can choose however they please
16 to defend themselves using various years. But
17 it becomes less and less likely for them to
18 defend their case if it gets further and
19 further away from the publication dates.

20 LEGISLATOR WALKER: But the
21 latest date would be January 2, 2019 that you
22 could present homes in the county's case?

23 MR. MOOG: Yes. On the county
24 side.

25 LEGISLATOR WALKER: Are all our

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2 people that are going to SCAR are they aware
3 of that they're not just looking at the homes
4 that were shown on their report? They have
5 all that information. I feel like so many of
6 my residents call and they say -- they get
7 blindsided quite a bit. I really do think
8 some of them just say forget it, I'm getting
9 nowhere here.

10 MR. MOOG: When you file
11 litigation you have to know the rules of that
12 litigation. That's why some people employ a
13 tax rep. Other people feel confident to
14 handle it on their own. But it's still the
15 obligation of the petitioner to prove his case
16 and to use whatever sales necessary. And the
17 sales are publicly available. So, they can
18 use those sales and adjust to how they see fit
19 in order to make their case.

20 MR. MILES: We are one of the
21 only New York jurisdictions actually provide a
22 set of comparable sales that can be
23 potentially used in the multiple regression
24 analysis. There's no other jurisdiction in
25 New York State that does something like this

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2 except some of the few upstate.

3 There's just one thing, we try to
4 keep the SCAR filings, the SCAR comparables as
5 close to January 2, 2019. Our policy is to
6 keep it prior to. Although if there are other
7 circumstances that push the date past January
8 2, 2019 we will. But the policy is to heavily
9 weight until the publication date. Whereas,
10 the petitioner can choose whatever date they
11 choose for the comparable sales.

12 But back to your point, we are one
13 of the few jurisdictions in the state that
14 actual provide comparable sales to the
15 taxpayers because we support our taxpayers
16 rights to challenge their values.

17 MR. MOOG: And the Arrow system
18 and ARC also provide comparable sales. So
19 they've been through grievance process and use
20 the Arrow system to begin which gave a wide
21 range of comparable sales. Much more than
22 what we provided in our LRV.

23 So if they went through the ARC
24 process they were exposed to all the sales in
25 the area and could pick and choose whatever

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2 sales they want. We provide a wide range of
3 data through our website and through the ARC
4 website.

5 LEGISLATOR WALKER: But you
6 definitely would not go beyond January 2,
7 2019? The county wouldn't?

8 MR. MOOG: As far as I know.

9 LEGISLATOR WALKER: Mr. Miles
10 said something different in the last sentence.

11 MR. MOOG: There are some
12 circumstances where we do but we heavily
13 weight towards January 2.

14 MR. MOOG: Some exceptional cases
15 we do but we weight heavily to the January 2nd
16 date because that's tax status date. But the
17 homeowner gets plenty of sales to draw from on
18 the Assessment Review Commission site too.
19 Which they had gone through that process.
20 Because they're pro se they've gone through
21 the ARC process. You can't go through SCAR
22 unless you went through ARC. You have to
23 exhaust your administrative remedy before go
24 through a judicial remedy.

25 LEGISLATOR WALKER: Thank you.

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2 LEGISLATOR BIRNBAUM: I have a
3 question.

4 LEGISLATOR KOPEL: One second.

5 LEGISLATOR DRUCKER: I just had
6 one quick question and I'm done.

7 LEGISLATOR KOPEL: Was that
8 Legislator Birnbaum also?

9 LEGISLATOR BIRNBAUM: Yes.

10 LEGISLATOR KOPEL: Once he
11 finishes then you go.

12 LEGISLATOR DRUCKER: Just for
13 purposes of historical context. Mr. Moog, you
14 stated earlier that in 2004 after the last
15 reassessment there were 75,000 SCAR
16 challenges; is that correct?

17 MR. MOOG: That's correct.

18 LEGISLATOR DRUCKER: In 2020
19 there were 80,000?

20 MR. MOOG: Correct.

21 LEGISLATOR DRUCKER: Is this
22 typical any time there is a reassessment in
23 your opinion?

24 MR. MOOG: Yes. When you do a
25 reassessment after a long stagnant period you

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2 do get quite a few administrative appeals and
3 judicial appeals afterward. That's very
4 typical. It happens in other jurisdictions
5 around the state and the country when you have
6 a roll that hasn't been updated in many years.

7 LEGISLATOR DRUCKER: Thank you.

8 LEGISLATOR KOPEL: Ms. Birnbaum.

9 LEGISLATOR BIRNBAUM: So, before
10 when we were discussing with Legislator Rhoads
11 the cases that are still pending, the 11,654,
12 if these are representing homes throughout the
13 county, could you extrapolate based on the
14 ones that were sales, the median price so that
15 we know what it adds to so that way you could
16 estimate I would assume how much you would
17 have to pay out through these cases?

18 MR. MOOG: From the information
19 that's being requested by the legislature you
20 could probably run that number also. Right?
21 You could probably extrapolate that out also.

22 That's why when I say when I say
23 two and a quarter to seven and a half million
24 it sort of falls within that range from the
25 decisions made before. That's why we use a

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2 range because a lot of these cases again are
3 cases that we felt very solid about either no
4 offer is made or an offer was made and
5 rejected it. But mostly it's a no offer case
6 from our end and an offer case from ARC. So
7 that's why we're not sure. We put the range
8 out there. And again, budget office felt that
9 way apparently.

10 We will provide the information
11 after review with counsel when submitted to my
12 office and then we can have further discussion
13 on that.

14 LEGISLATOR BIRNBAUM: But based
15 on what you're saying is there any possibility
16 it could be more than \$30 million?

17 MR. MOOG: No.

18 LEGISLATOR BIRNBAUM: That's what
19 we have in reserve?

20 MR. MOOG: It will not exceed \$30
21 million.

22 LEGISLATOR BIRNBAUM: Could you
23 give some historical perspective on how we
24 stand now compared to how we've done in
25 previous years? Not just last year but

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2 comparing everything to 2019. But could you
3 foresee the accuracy of what you the believe
4 the roll is now compared to previous years and
5 the amount basis that were before SCAR?

6 MR. MOOG: In 2004, after the
7 reassessment in 2004, there were 75,000 SCAR
8 filings. 51,000 received reductions on the
9 guarantee. And the refund that year was \$38
10 million on the county guarantee. Most years
11 the number of reduction claims from 2002 to I
12 would say all the way through 2013, with the
13 exception of 2011, 2012, the number of claims
14 exceeds what we are going to be exceeding this
15 year on the county guarantee. So it's only
16 during the years of the frozen roll that the
17 refund claims dropped.

18 But when you usually do
19 reassessments every year you do get claims.
20 You do get litigation. But that year was
21 51,000. There are other years where you had
22 26,000 on the county guarantee reduction
23 claims. 12,000. 13,000. So it's not
24 uncommon during those past years.

25 I will say from the work that my

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2 staff did along with Rob Miles and mediation
3 we were able to resolve so many cases to get
4 down to 11,000. It's so remarkable a number
5 considering we were working under COVID.
6 Working remotely. This is the first time this
7 has ever happened in a county where you had
8 the entire staff working outside the office
9 and the hearing officers working remotely.

10 So, I would say considering the
11 extreme circumstances we were working under
12 it's really remarkable that we only have
13 11,654 left considering the efforts that were
14 made.

15 Again, talking about mediation with
16 the court last year and we were able to
17 implement in this remote Zoom process, which I
18 have to say hats off to the staff on that. If
19 you look at past years we had a fully funded
20 staff and everything was done with a staff
21 much larger than we have now you still had
22 more cases going on the county guarantee from
23 2002 to almost 2013 with few exceptions.

24 Right now I have 152 staff
25 members. Back in the day when Harvey Levinson

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2 was handling this he had 280 people on staff
3 and he didn't have COVID and he didn't have a
4 frozen roll for a good number of years, eight
5 years or so, and come up with this and we were
6 still able to come out ahead to only 11,654.

7 MR. MILES: And the last time
8 there were double digits of claims on the
9 county guarantee is not that long ago because
10 in the 2013-2014 tax year there was 11,187
11 claims.

12 MR. MOOG: That were refunded.

13 MR. MILES: I do wonder back then
14 they received the same we are receiving now to
15 Legislator Drucker's point.

16 So, it's not unprecedented. It
17 happened as recently as the 2013-2014 year.
18 And to Mr. Moog's point, right after the
19 reassessment they had more claims on the
20 county guarantee by much, much more than this
21 administration did.

22 LEGISLATOR BIRNBAUM: I want to
23 thank you and your staff for all the hard work
24 you've done. I really appreciate it. I
25 believe that next year -- correct me if I'm

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2 wrong -- do you believe that we will see a lot
3 less people make claims based on what they're
4 settling on this year?

5 MR. MOOG: I would think the
6 claim numbers should be going down and God
7 willing with no COVID, we should have a normal
8 hearing season and be able to resolve cases in
9 a timely fashion. And now that we have the
10 processes set up, even God forbid we're still
11 in some sort of COVID lockdown, we will be
12 able to proceed as quickly as possible. We
13 invented these processes really on the fly
14 very quickly considering we were in this
15 pandemic situation.

16 LEGISLATOR BIRNBAUM: Right. And
17 that anyone can just go to their computer and
18 look up their property and see the comps and
19 see all that information. It's very
20 commendable because we didn't have that
21 before.

22 MR. MOOG: It was all invented in
23 the processes ahead. Hats off to the IT
24 staff. NCIT really came through for us. The
25 court. Full cooperation of the court. And we

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2 had full cooperation of the tax rep firms. So
3 everybody got on board. We realized we had to
4 resolve this. We had to work with them and we
5 got it done. Right Robert? So thank you.

6 LEGISLATOR RHOADS: I'm not sure
7 Mr. Moog that we're looking at the same
8 record. According to what I'm looking at in
9 2004 there were 197 open claims that were
10 subject to the county guarantee.

11 MR. MOOG: In 2004?

12 LEGISLATOR RHOADS: We're talking
13 about the first year after the reassessment,
14 right? Those are the numbers that we're
15 comparing?

16 MR. MOOG: In the 2004-2005 tax
17 roll there were 75,000 cases filed of which
18 51,000 went on the county guarantee resulting
19 in a refund of \$38 million. We got those
20 records from the filings we got from the
21 ORBS's website and we got our records from the
22 treasurer's office.

23 LEGISLATOR RHOADS: Obviously
24 there's a discrepancy here, so we will have to
25 take a look at those records. Thank you.

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2 MR. MOOG: We will provide those
3 records where we got them from.

4 LEGISLATOR KOPEL: Anyone else?
5 I think we're done. Thank you Mr. Moog.
6 Thanks everyone else. We're adjourned.

7 (Committee was adjourned at 11:42
8 a.m.)

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CERTIFICATION

I, FRANK GRAY, a Notary
Public in and for the State of New
York, do hereby certify:

THAT the foregoing is a true and
accurate transcript of my stenographic
notes.

IN WITNESS WHEREOF, I have
hereunto set my hand this 2nd day of
November 2020

FRANK GRAY